



TOURISM ECONOMICS

AN OXFORD ECONOMICS COMPANY

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Founded in 1981, started in collaboration with Oxford University



600+ Staff Across 20 Global Offices

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300+ Economists

Macro, Tourism, City, Industry, Real Estate, Construction, Infrastructure, Housing



4,000+ International Clients & Growing

Travel, Government, Corporate, B2C, Real Estate, Technology, Financial, Asset & Investment Management



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We combine the analytical skills of our economists and thought leadership teams to deliver groundbreaking research



Array of Forecasting Services

Macroeconomic, Travel & Tourism, Industry, City and Regional & Real Estate



Oxford's Unique Macroeconomic Model

All based on Oxford's unique set of global linked models that set us apart



World Leading

In economic analysis, forecasting & analytics



Focus Economics Best Economic Forecaster Awards

Oxford Economics has proven to be a trusted, accurate independent provider of economic forecasts, having been best overall forecaster over the last five years.



Corporate Livewire Innovation And Excellence Awards 2021

Oxford Economics is proud to announce that we have been awarded Economic Forecasting Specialists of the Year.



Bloomberg

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Bloomberg's Top 5 U.S. Economics Forecast Rankings: 2021

Oxford Economics placed top 5 in select underlying indicators and top 20 overall in Bloomberg's U.S. Economics forecast rankings in Q1 2021.

Awarded Most Accurate Among Big Names



**Focus Economics Best
Economic Forecaster
Awards**

The FocusEconomics Analyst Forecast Awards

	2022	2021	2020	2019	2018	5 year total
Oxford Economics	115	165	100	111	114	605
EIU	131	119	118	90	124	582
Fitch Solutions	137	115	56	89	89	486
Citigroup Global Mkts	92	67	83	69	97	408
Capital Economics	73	50	85	98	62	368
JPMorgan	82	64	64	43	55	308
Euromonitor International	40	56	41	45	57	239
HSBC	52	29	49	49	57	236
Moody's Analytics	68	42	40	43	28	221
Standard Chartered	40	50	32	41	37	200

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TRAVEL **EXPERTISE**.
ECONOMIC **EXCELLENCE**.



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Economic Impact of Tourism in Georgia

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Outline

- 1. Key definitions**
- 2. Georgia Visitor Spending Results**
- 3. Tourism as a community value – local impacts**
- 4. County methodology**

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Key definitions

Visitor volume – overnight stays and over 50 miles for day travel is definition of a visitor.

Direct (spending/impacts) – results that directly interact with visitors themselves. Direct spending is spending coming out of visitor wallets; direct employment are jobs at hotels, restaurants that directly serve travelers...

Indirect – supported by visitor activity but not direct. These will be spending and jobs in support of the direct activity – the building services that keep the hotel running or the wholesalers that delivers food to the restaurant or the banker that takes care of payroll for the amusement park.

Induced – supported by the wages paid by visitor activity. Spending and jobs supported by wage spending.



Key definitions

Visitor spending/industry – overnight stays and over 50 miles for day travel is definition of a visitor. Visitor industry would be jobs and other impacts from this spending.

Tourism Satellite Account (TSA) – The Tourism Satellite Account (TSA) is data of measuring the direct economic impacts of tourism consumption to an economy. It helps depict a link between tourism demand expenditures AND the industries that produce tourism goods and services.

Meant to solve the issue that 'Tourism' is not a defined industry – it is not identified in the standard presentation of I-O accounts.

Tourism Economy – total impact of visitor-associated activity, includes indirect and induced impacts of all the spending noted above.



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State analysis - data

State tourism spending and impact analysis is based on Georgia specific data. Key data points used for analysis:

- Consumer survey results
- Sales tax data for key industries – lodging, restaurants, recreation
- Bed tax data
- \$5 fee data
- STR – lodging demand
- International spending analysis
- Governmental BEA/BLS employment and labor income data
- State/national park data
- Airport statistics
- Construction data
- Governmental tax/budget information
- And others...



State analysis - data

No data set is perfect, but all add to the analysis – so many lodging measures:

- Consumer survey results – what travelers say they are spending on a trip to X.
 - Can include spending out of market
- Lodging sales tax – specifically on businesses defined as lodging establishments
 - Will include all sales at hotel/motels – not just rooms
- Bed tax data – specifically on rooms rented
 - Includes short-term rentals usually
 - Different rates/payment times
- \$5 fee data – applicable on a per-room basis
 - A helpful view of demand
- STR – lodging demand – a survey of hotels, weighted towards chain hotels



Why so many datasets?

Each show different aspects of visitor activity in destinations through the state...

Bed tax revenue includes AirBnB/VRBO rentals – sales tax does not
STR data is reported by hotels themselves

Sales tax data includes all sales by businesses in these key industries – can help understand hotel-owned restaurants/bars/recreational activities (resorts which may include certain recreational activities in the lodging fee)

2nd homes supports personal use of self-owned homes. Can also point to areas where visitor activity is more likely – and may impact non-traditionally tourism industries

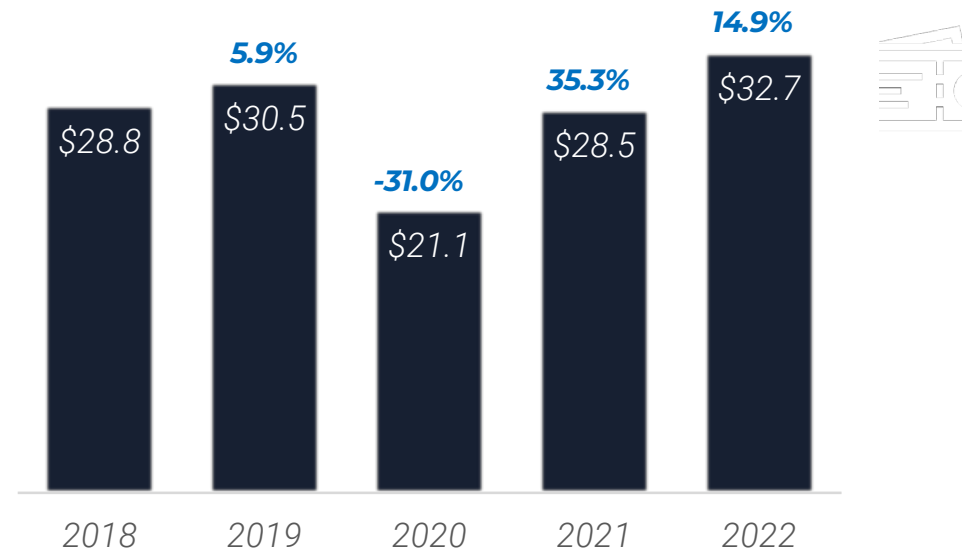


Visitor spending of \$32.7 billion in 2022

Spending increased \$4.2 billion.

2022 results 7% higher than 2019 (pre-pandemic levels). This compares to overall US recovery at 1% above 2019 spending levels.

Georgia direct visitor spending
Amounts in \$ billions



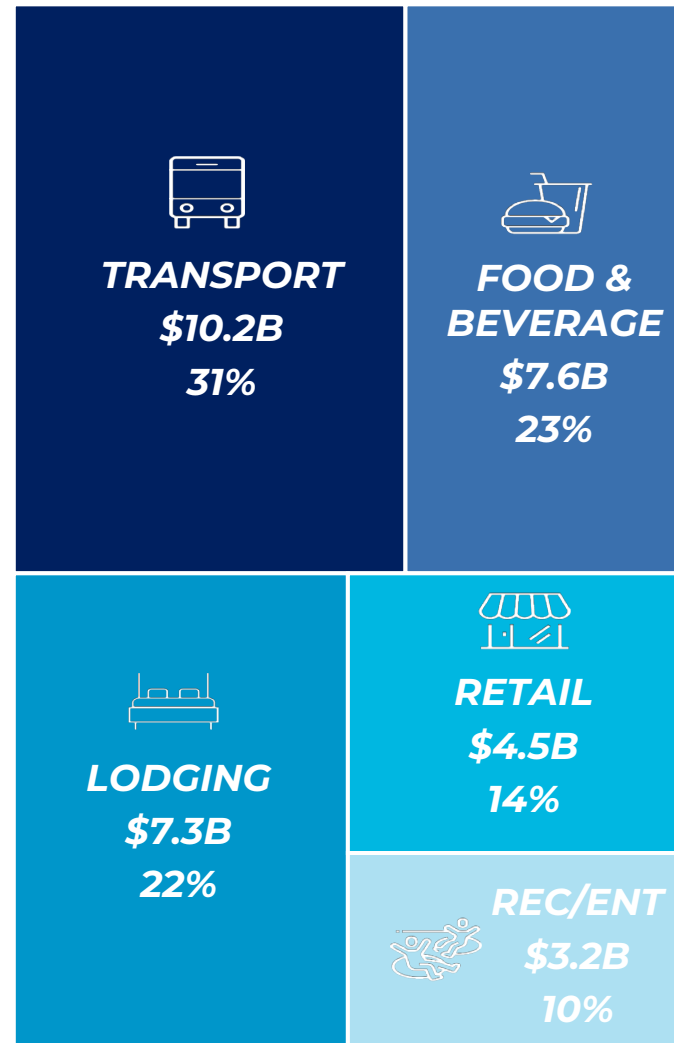
Source: Tourism Economics

Visitor spending of \$32.7 billion in 2022

Lodging spending reached \$7.3B, growth of 23%, 9% higher than pre-pandemic.

Recreational spending grew 10% and is 10% higher than 2019 levels in 2022.

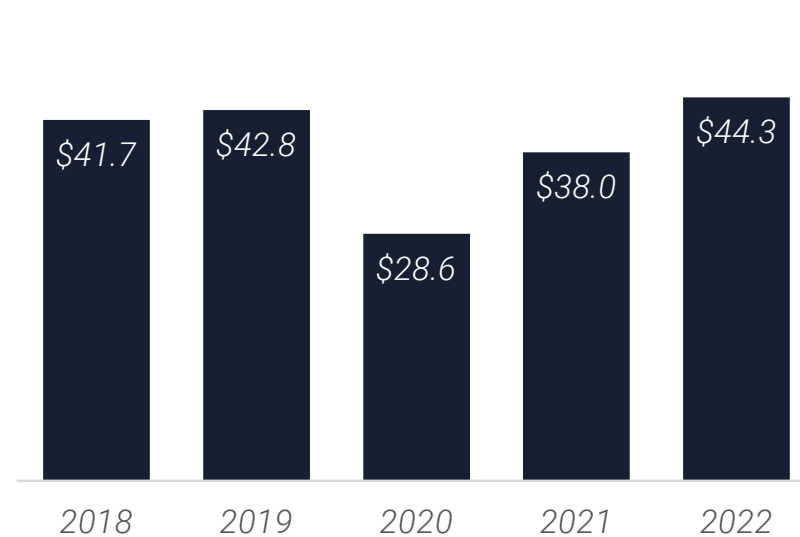
Retail activity moderated in 2022 as people interests shifted, increasing only 4%.



Tourism Satellite Account

Direct tourism demand includes visitor spending, construction in support of tourism, governmental spending in support of tourism and other tourism infrastructure.

Georgia direct tourism demand
Amounts in \$ billions



Source: Tourism Economics



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DIRECT IMPACTS

Visitor spending



RETAIL



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING

INDIRECT IMPACTS

Purchases of inputs from suppliers



SUPPLY
CHAIN
EFFECTS



B2B GOODS &
SERVICES
PURCHASED

INDUCED IMPACTS

New consumption generated by household income impacts:



INCOME
EFFECT



HOUSEHOLD
CONSUMPTION

TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



JOBS



INCOME



TAXES

Visitor activity supports local businesses

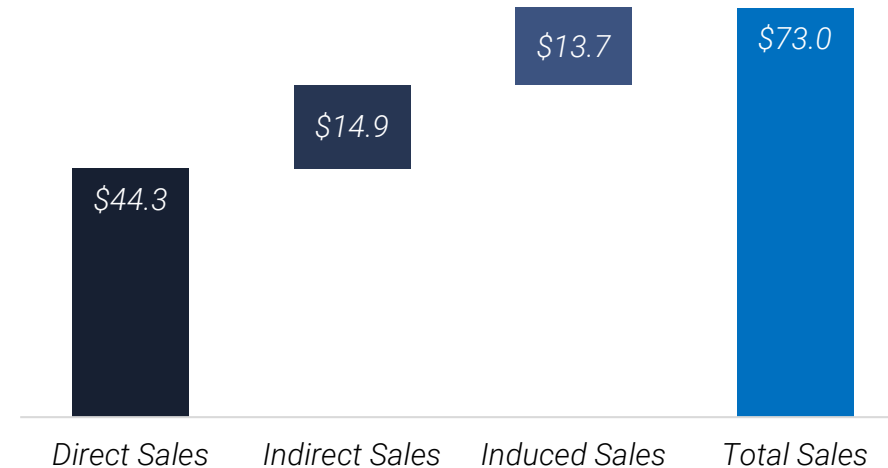
Everyone understands visitors support of hotels, entertainment venues, retailers...

Tourism also supports companies in banking, finance, business services, manufacturing...

A total impact on businesses in Georgia of \$73 billion in 2022.

Summary economic impacts (2022)

Amounts in \$ billions



Source: Tourism Economics

Visitor activity supports local jobs – directly...

A 'Tourism Industry' would rank 12th in comparison to employment in other industries.

Tourism will include jobs in accommodations & food services, retail, arts & rec, retail, and others but is not all of the employment in any of these industries. Local demand has to be accounted for.

Employment in Georgia, by major industry

Amounts in number of jobs, direct jobs for tourism



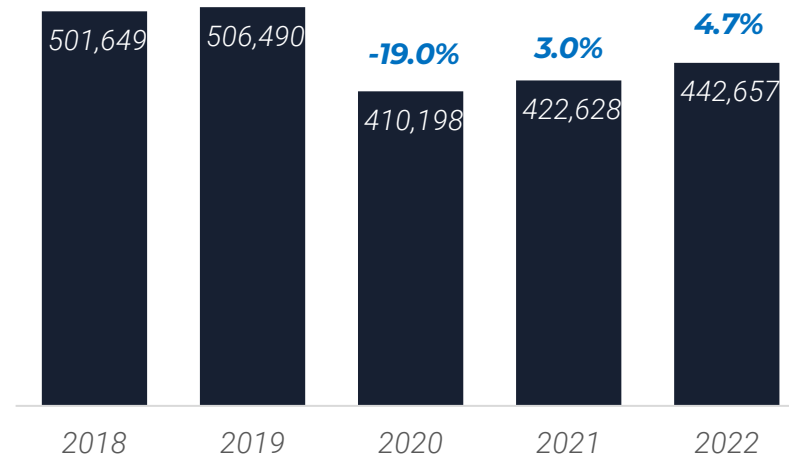
Source: Tourism Economics

Visitor activity supports local jobs – directly...

It takes local jobs to support these visitors staying in hotels, eating at restaurants, and shopping – over 440,000 jobs – 1 in 15 jobs in the state - in 2022 with the number of jobs directly supported by tourism increasing by 20,000 jobs.

Jobs recovery is at 87% of 2019 levels – a combination of a smaller workforce, hesitancy to hire, and difficulties in hiring has meant that job recovery lags spending recovery.

Employment supported by travel spending in Georgia
Total impact, amounts in number of jobs



Source: Tourism Economics

Visitor activity supports governmental tax revenues

Visitor activity created \$9.4 billion in tax revenues in 2022.

State and local governments saw \$4.7 billion in tax revenue due to tourism.

To make up for tourism taxes, each household in Georgia would need to pay \$1,200 to keep the current level of government.

Fiscal (tax) impacts

Amounts in \$ millions

	<i>Direct taxes</i>	<i>Indirect/Induced taxes</i>	<i>Total Taxes</i>
Total Tax Revenues	\$6,024	\$3,342	\$9,367
Federal Taxes	\$2,715	\$1,981	\$4,696
<i>Personal Income</i>	\$919	\$733	\$1,652
<i>Corporate</i>	\$223	\$180	\$403
<i>Indirect Business</i>	\$218	\$104	\$322
<i>Social Insurance</i>	\$1,355	\$965	\$2,319
State and Local Taxes	\$3,309	\$1,362	\$4,671
<i>Sales</i>	\$1,242	\$580	\$1,822
<i>Bed Tax</i>	\$690	\$0	\$690
<i>Personal Income</i>	\$263	\$207	\$470
<i>Corporate</i>	\$43	\$35	\$78
<i>Social Insurance</i>	\$4	\$3	\$7
<i>Excise and Fees</i>	\$82	\$45	\$127
<i>Property</i>	\$984	\$493	\$1,477

Source: Tourism Economics

ECONOMIC IMPACTS *IN CONTEXT*



\$44.3B **DIRECT TOURISM** **DEMAND**

The \$44.3 billion in direct tourism demand equates to \$1.2 million in visitor activity EVERY DAY.



\$73.0B **TOTAL** **IMPACT**

The \$73.0 billion in total business sales generated by tourism is enough to support the Hartsfield-Jackson Airport expansion project 52 times over (\$1.4 billion).



443,000 **TOTAL** **JOBS**

The total number of jobs sustained by tourism (443,000), including indirect and induced benefits, accounts for 6.8% of all jobs in the state of Georgia, enough to fill Mercedes-Benz Stadium nearly six times.



\$4.7B **STATE & LOCAL** **TAXES**

The \$4.7 billion in state and local tax revenue received in 2022 would be enough to pay the salaries of over 76,000 elementary school teachers in the state of Georgia.

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County analysis - data

County analysis adds up to state visitor spending totals.

Key data points used for county analysis:

- Sales tax data for key industries – lodging, restaurants, recreation
- Bed tax data
- \$5 fee data
- STR – lodging demand
- Governmental BEA/BLS employment and labor income data
- State/national park data

Provides consistency across geographies



County analysis - totals

State used to receive two reports:

- One focused only on visitor spending and direct impacts of this visitor activity
- The second following the TSA results and including indirect and induced impacts
- In 2023, for the 2022 calendar year deliverable, the two reports were combined and streamlined
- County analysis is linked to the first report – visitor spending and its direct impacts. With the combined report, some aggregate numbers that the county results add up to are not included.



County analysis - totals

As an example – employment:

Employment reported in the 2021 county analysis – 232,537, which matched the results in the ‘Visitor Industry’ report for Georgia.

- This analysis was limited to just the visitor spending in Georgia

Employment reported for the 2022 county analysis – 247,263. This result is based on the direct impact of visitor spending in Georgia – similar to 2021 analysis.

- The streamlined report for the 2022 only reports the direct employment of the Tourism Satellite Account analysis – 281,931.

The county analysis for 2022 maintains a consistent methodology as 2021 but some of the totals for the county work are no longer reported in the state analysis.



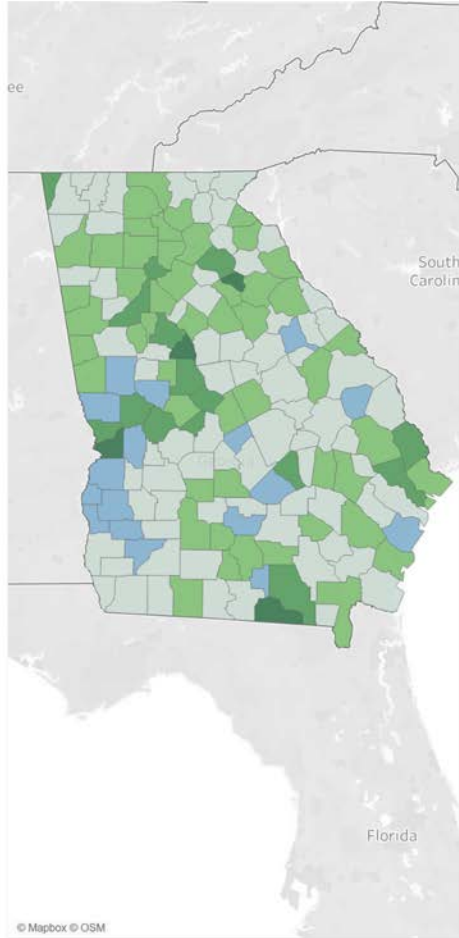
Comparison Maps

Navigation

Year
2022

Total Visitor Spending Change

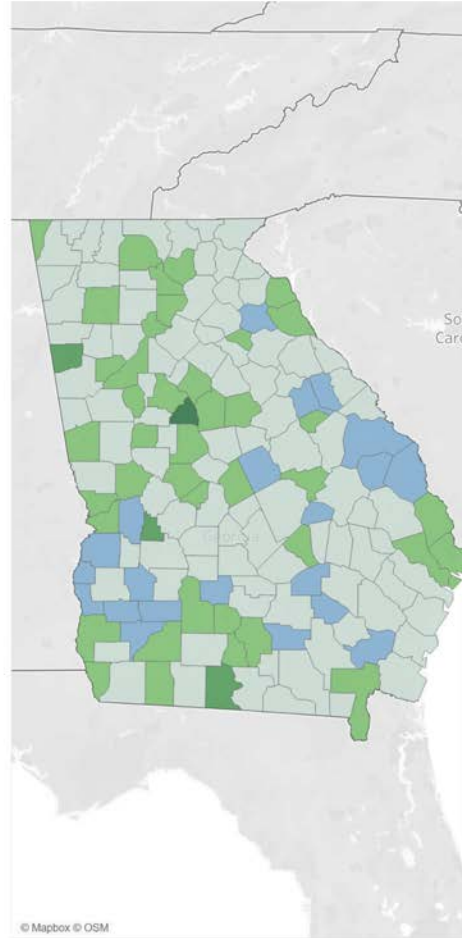
Year: 2022, % change YOY



% change YOY Spending
-16.9% to 39.5%

Direct Employment Change

Year: 2022, % change YOY



% change YOY Direct Employment
-19.0% to 44.4%

County Summary - Spending and Economic Impact

Navigation

Year
2022

County
Pike County



\$3.2M
Total Visitor Spending
YOY: ▲ 0.5%



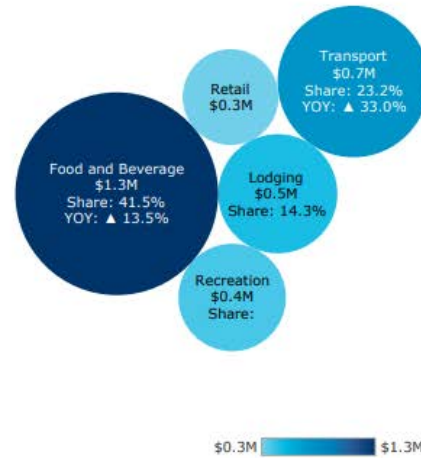
0.5% is the share of jobs
directly sustained by visitor
spending in county



Visitors generated **\$0.2M** in
state and local taxes
which is equivalent to **\$30** in tax
savings for every household

Visitor Spending by Category in 2022

Actual, share & % change YOY



Visitor Spending

Actual & % change YOY



Tourism Supported Direct Employment

Actual & % change YOY





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