

**Economic Impact of the
2016 River Management Symposium and
National Outdoor Recreation Conference
Boise, Idaho**

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Executive Summary of Study

- Society of Outdoor Recreation Professionals held their annual conference on May 16-19, 2016.
- An estimated 370 participants from around the world attended the conference in Boise, Idaho.
- Based on our economic impact estimates, we find that:
 1. Participants spent \$356,652.64 within Ada County's borders.
 2. The conference generated a total direct effect of \$137,695.14 in Ada County.
 3. The conference generated \$10,899 in local taxes and \$12,608 in federal taxes.

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Meet Your Research Team



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Methodological Summary

Purpose

Working alongside the Board of Directors for the Society of Outdoor Recreation Professionals (SORP), our research team conducted an economic impact study of the recent River Management Symposium and National Outdoor Recreation Conference held in Boise, Idaho May 16-19, 2016.

Data collection

Our study collected data from conference participants via online survey hosted by Qualtrics, an industry standard online survey delivery platform. The final survey language is available upon request. The survey included questions examining economic impact across nine sectors. We administered the survey via email on May 29, 2016. In all, 157 of 370 participants responded to the survey. Of the 157 responses, we excluded 25 cases due no responses on the economic impact questions, leaving 132 responses in the final analysis. This helps to provide conservative economic estimates in the study.

Analysis

The research team downloaded the raw data from Qualtrics into Excel to prepare the data for analysis. We generated mean values for each economic category based on the number of responses in the final analysis. We then multiplied the mean values by the number of participants to estimate expenditures for each sector. We utilized IMPLAN, an industry-standard economic impact calculation platform, to generate economic impact estimates based on these estimates, as well as study region descriptive statistics.



Study Region

Our study region for this study consists of Ada County, Idaho. **Table One** includes summary economic indicators for the study region. The study region's Gross Regional Product (or *GRP*, which accounts for the total economic activity in that area) is over \$23 billion dollars. Over half of the GRP in the study region is employee compensation (\$12 billion) while only \$2 billion is proprietor income. Around \$7 billion comes from other sources, such as rents and interest. Taxes on production (\$1 billion) account for the remainder of GRP. Total personal income (the total resident wages across all sources) is \$19 billion dollars. There are approximately 290,00 jobs across 385 industries. Ada County's population is approximately 426,236 per the US Census Bureau's most recent 2014 estimate, with approximately 163,000 households.

<i>Indicator</i>	<i>Value</i>
<i>Gross Regional Product</i>	\$23,758,413,751
<i>Total Personal Income</i>	\$19,121,901,568
<i>Total Employment</i>	289,840
<i>Number of Industries</i>	385
<i>Land Area (Square Miles)</i>	1,055
<i>Population</i>	426,236
<i>Households</i>	163,061

Table Two lists the study region's largest employers by sectors along with the total number of jobs, job income (in \$), and economic output (total revenues and sales generated in the sector). Real estate is the largest employment sector in the county, followed by hospitals and wholesale trade. Full-service (e.g., sit down and pay at end of meal restaurants) represent the fourth-largest employment sector,

<i>Sector Description</i>	<i>Jobs</i>	<i>Job Income</i>	<i>Output</i>
<i>Real estate</i>	13,386	\$174,704,079	\$2,550,430,664
<i>Hospitals</i>	12,963	\$993,672,817	\$1,921,016,113
<i>Wholesale trade</i>	11,192	\$847,896,362	\$2,477,263,916
<i>Full-service restaurants</i>	8,452	\$166,842,897	\$342,420,197
<i>Business support</i>	7,788	\$283,002,507	\$433,123,108
<i>Limited-service restaurants</i>	7,421	\$133,915,204	\$549,632,996
<i>Employment services</i>	5,781	\$199,489,465	\$386,438,141
<i>Semiconductor manufacturing</i>	5,331	\$1,070,270,123	\$5,162,653,809
<i>Retail- nonstore retailers</i>	5,099	\$177,677,002	\$693,310,852
<i>Retail-general merchandise</i>	4,588	\$135,674,416	\$316,518,585

with limited-service (e.g., fast food) further down the list. Manufacturing and retail (online and general merchandisers) round out the list of largest employers.

Economic Impact Categories

Table Three lists the nine economic impact categories included in this study and participants' estimated economic expenditures during their stay in Ada County at the SORP & RMS conference. **On average, attendees at the conference spent \$963.93 within Ada County, Idaho.** Attendees stayed an average of 4.37 days (approximately five hotel nights) with an average group size of 1.13 participants. The largest expenditure was lodging at \$408 per stay. Next highest expenditure was food purchases at restaurants (\$150.33). In the transportation categories, attendees used air transportation (\$288), taxis and buses (\$6), and rental cars (\$40). General retail purchases averaged \$33 per attendee. Both entertainment (\$6) and personal care services (\$5) were among the lowest expenditure categories, along with taxis and buses (\$6).

Economic Impact Terminology

In the following paragraphs, we use three terms to describe economic impact: *direct effect*, *indirect effect*, and *induced effect*. **Direct effect** is the economic impact created by the presence of the economic activity. For example, if a local restaurant sells \$1K in food, its direct effect would be \$1K. This direct effect can generate further change in the local economy via indirect and induced effects. **Indirect effect** is economic activity created when local businesses purchase goods and services from other local industries as a result of the direct effect. For example, indirect effect could include a local restaurant buying vegetables to create future meals for sale. Finally, **induced effect** is the estimated expenditures by local households and employees as a result of the initial direct impact. For example, a local restaurant employee may choose to spend his wages at another local business, creating additional rounds of local economic activity.

Direct, indirect, and induced effects can also be delineated by their *labor income impact* in the region, *value added* to the local economy, and *output*. **Labor income impact** is measured by the estimated labor income created by the economic activity in the region. In certain studies, we will also explore the potential number of jobs created by economic activity. **Value added** indicates the true economic wealth added to the local economy after subtracting the costs to conduct everyday business. Value added includes

<i>Sector</i>	IMPLAN Category	Average Sales Per Attendee (entire stay)
<i>Lodging</i>	499	\$408.84
<i>Restaurants</i>	501	\$150.33
<i>Food and beverage stores</i>	400	\$24.55
<i>Air transport</i>	408	\$288.18
<i>Rental car</i>	442	\$40.14
<i>Taxi/bus services</i>	412	\$6.17
<i>Retail, general</i>	405	\$33.53
<i>Entertainment</i>	496	\$6.84
<i>Personal care</i>	509	\$5.34

expenditures in profit, employment compensation, and taxes. Finally, **output** is the total revenues and sales from economic activity.

Economic Impact Modeling

Based on an estimated 370 conference attendees, we find that **conference attendees spent an estimated \$356,652.64 inside Ada County as a result of the SORP conference.**

In **Table Four**, we summarize the economic impact of the SORP conference. We break this economic impact down by direct, indirect, and induced effects. For reference purposes, these terms are explained on the previous page.

Direct Effect

Recall that direct effects examine participants' direct economic inputs, as in the funds they spend in the study area. Breaking down this economic impact, our estimates indicate that participants' expenditures generated over \$58K in labor income, added over \$79K in value, and almost \$138K in output in the study region.

<i>Impact Type</i>	Labor Income	Value Added	Output
<i>Direct Effect</i>	\$58,506.01	\$79,624.32	\$137,695.14
<i>Indirect Effect</i>	\$16,022.37	\$26,354.71	\$49,959.92
<i>Induced Effect</i>	\$20,218.26	\$34,412.46	\$60,770.19
<i>Total Effect</i>	\$94,747.00	\$140,391.00	\$248,425.00

Indirect and Induced Effect

Recall that indirect and induced effects occur as a result of direct impacts. Indirect effects occur when businesses restock their shelves from a sale, for example. Induced effects occur when employees spend funds in the study region. Our estimates indicate that participants indirectly generated over \$16K in labor income, over \$26K in value added, and almost \$50K in output. When employees in the study region spent their paychecks in the study region, this generated \$20K in job income, \$34K in value added, and over \$60K in output.

Federal, State, and Local Taxes

Table Five lists estimated tax impact of the conference. At the state and local level, the conference generated almost \$11K in estimated taxes. Most of this activity comes from taxes on production and imports in the form of sales taxes. At the federal level, participants generated \$12K in estimated taxes distributed across employee compensation, production, households, and corporations.

<i>Impact Type</i>	Local and State Taxes	Federal Taxes
<i>Employee Compensation</i>	\$124	\$6,990
<i>Proprietor Income</i>	\$0	\$211
<i>Tax on Production and Imports</i>	\$9,257	\$1,366
<i>Households</i>	\$1,393	\$3,256
<i>Corporations</i>	\$125	\$785
<i>Totals</i>	\$10,899	\$12,608

Omissions and Considerations

During the research process, we identified minor issues that should be noted. First, our estimates do not delineate between full-service and limited service restaurants. Restaurants include sit-down and pay at the end restaurants (considered full service restaurants) and take-out, fast food styled restaurants (limited service restaurants). For this study, we chose full-service as our analysis sector as it is the larger of the two sectors. This may slightly inflate economic estimates in this category and in overall categories.

Second, as we could not accurately predict to what extent local purchases remained local, we utilized IMPLAN's provided SAM Model ratios in our estimates. This decreases economic impact figures overall (particularly at the indirect and induced level), but is a necessary effort to keep figures conservative.

Third, as is always the case with economic impact studies, our findings must be treated as estimations. Our economic impact study utilizes mean figures to estimate expenditures that may vary from year to year, visit to visit, conference to conference, and person to person.

Contact Information for Future Studies

Our research team regularly conducts economic impact studies, community resource inventories, customer surveys, customer and community member need assessments, cultural/historical/natural resource interpretation studies, and other kinds of community-driven studies throughout Eastern Kentucky and the surrounding region. If you or your organization is interested in conducting a study, please contact lead researcher Dr. James Maples at james.maples@eku.edu for further information.