

**Economic Impact of
Missouri's Tourism
and Travel Industry:
July 2006 – June 2007
(FY07)**

**EXECUTIVE
SUMMARY**

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EXECUTIVE SUMMARY

The central purpose of this report is to present estimates of travel-related economic activity in Missouri during FY07 (Fiscal Year 2007 runs from July 2006 through June 2007). This is the second consecutive year estimates are based primarily on TNS TravelsAmerica data. TIA TravelScope data was used for FY04 and prior years. The FY05 estimates are based primarily on DKS&A data. TNS had been responsible for collecting the data under the old TravelScope program, so even though the data for FY06 and FY07 are internet-based rather than paper-based, the results for these fiscal years seem more comparable to those for FY04 and earlier years than is the case for the FY05 results. Problems with the use of different data sources have been mitigated by adopting a model-based approach, as described in Appendix A.

MARKET ASSESSMENT

- During FY07 (July 2006 – June 2007), an estimated 20.6 million households visited Missouri. This model-based estimate is 3.0% lower than the model-based estimate for FY06.
- The model-based estimate for visitors to Missouri during FY07 is 39.21 million, up 0.9% from the model-based estimate for FY06. This is also higher than any previous year's estimate. Of the 39.21 million, 34.26 million were domestic leisure visitors, accounting for 87% of all the visitors.
- Domestic visitor days in Missouri are estimated to have totaled 107.6 million during FY07, down 2.0% from FY06. While this number is also substantially below the record number estimated for FY05, it is in line with TravelScope-based estimates for earlier years.
- Domestic travelers spent an estimated record \$6.8 billion while visiting Missouri during FY07, up 4.3% from the model-based estimate of \$6.5 billion for FY06.
- Expenditures by domestic household travel parties visiting Missouri during FY07 are estimated to have averaged \$330.41, up 7.5% from an estimated \$307.25 during FY06.

TOTAL IMPACT

- Direct expenditures (on-site expenditures by domestic and international visitors plus airport-related expenditures) by travelers in Missouri are estimated to have been \$8.19 billion during FY07, up 1.0% from \$8.11 billion during FY06.
- Total industrial output (the value of products produced by Missouri industries) due to travel in Missouri is estimated to have been \$13.1 billion during FY07, virtually unchanged from the estimated \$13.1 billion during FY06.

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- Taxable sales from 17 tourism-related industries reached a record \$9.56 billion during FY07, up from \$9.07 billion during FY06, an increase of 5.4%.
- State tax revenues (including state sales taxes, state income taxes and all other state taxes) due to travel in Missouri during FY07 totaled an estimated \$693 million, down 0.3% from the estimated \$694 million during FY06.

TARGETING

- TravelsAmerica asks survey respondents about their ages and the education levels of their heads of households. The average respondent age for respondents reporting travel to Missouri during FY07 is 46.4, slightly younger than the 46.6 reported for FY06. An estimated 40% of the respondents had household heads with a 4 year degree or higher during FY07, the same as during the previous two fiscal years.
- It is estimated that half of the households visiting Missouri during FY07 had an income of \$50,000 or more. This is up slightly from FY06 (\$47,500), but the same as every other fiscal year since FY00.
- The model-based estimated percentage of singles visiting Missouri during FY07 is 44%, about the same as during FY06. Similarly, the percentages of household travel parties consisting of couples (30%) and families (24%) were similar to those for FY06. The average number of household members per travel party remain is estimated to have been 1.90 during FY07. Since FY95 this number has ranged from 1.80 up to 1.95.

VISITOR PROFILE

- TravelsAmerica asks respondents to characterize their Purpose of Stays using different categories than were used by either DKS&A or TravelScope, so the results are not directly comparable. During FY07, leisure is estimated to have been the dominant purpose of stay, accounting for 87% of Missouri's visitors. Visit Friends/Relatives accounted for 41.5% while Other Pleasure/Personal (14.8%), Entertainment/Sightseeing (14.0%), and Business(15.5%, consisting of both General and Convention/Conference/Seminar) were other important primary purpose of stays.
- It's estimated that most of Missouri's visitors during FY07 (83.2%) relied on autos as their primary mode of transportation. Only 7.2% are estimated to have used the airplane as their primary mode of transportation, reflecting a decline every year since a high of 16.3% during FY98.
- TravelsAmerica tracks more specific activities (44) than did either DKS&A (25) or TravelScope (20). Large percentages of visitors to Missouri during FY07 are estimated to have participated in Shopping (21.0%), Fine Dining (11.0%) and Rural Sightseeing (10.5%).

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- It is estimated that 55% of the domestic travelers in Missouri during FY07 originated from outside Missouri. This is a lower estimate than was made for FY06 (60%) and the lowest percentage since the data have been collected (FY95).
- Not surprisingly, travel to Missouri is somewhat seasonal. While 25% of the visitors do come during Spring and Fall, a bigger share comes in Summer (32%) at the expense of Winter (18%). The biggest difference in months is July, with 12.2%, versus January, with 5.6%.

COMMUNICATING

- Model-based estimates show a substantially higher percentage of travelers in Missouri during FY07 originated from within the state (44.9%), a higher percentage than estimated for any year since the data have been collected (FY95). Similarly, the estimated percentage of visitors to Missouri from Missouri and its surrounding eight states is at its highest level, 76.6%.
- A record high percentage of travelers from Missouri reported traveling in the state (58.3% during FY07 56.1% during FY06). Kansas (24.0%) and Arkansas (13.9%) had the largest shares of travelers visiting Missouri during FY07.

REGIONS

- The top two of Missouri's five regions, the Northeast and the Northwest regions, accounted for 42.4% and 25.1%, respectively, of Missouri's taxable sales revenue from 17 tourism-related industries during FY07. The Southwest region was third, accounting for 16.3% of the state total.