

**Economic Impact of  
Missouri's Tourism  
And Travel Industry:  
July 2007 – June 2008  
(FY08)**

**EXECUTIVE  
SUMMARY**

Prepared by

Michael Kaylen, Ph.D.

MU-Tourism Economics Research Initiative

200 Mumford Hall

Columbia, MO 65211

February 2009

## EXECUTIVE SUMMARY

The central purpose of this report is to present estimates of travel-related economic activity in Missouri during FY08 (Fiscal Year 2008 runs from July 2007 through June 2008). This is the third 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 the results for FY06-08 are more comparable to those for FY04 and earlier years than is the case for the FY05 results. Challenges with the use of different data sources have been mitigated by adopting a model-based approach.

### MARKET ASSESSMENT

- During FY08 (July 2007 – June 2008), an estimated 20.7 million households visited Missouri. This is 0.5% higher than for FY07.
- The model-based estimate for domestic visitors to Missouri during FY08 is 39.08 million, down 0.3% from the record high estimate of 39.21 million for FY07, but higher than any other year. There were 34.47 million leisure visitors, accounting for 88% of all the domestic visitors.
- Domestic visitor days in Missouri are estimated to have totaled 107.95 million during FY08, up 0.3% from FY07.
- Domestic travelers spent an estimated \$6.65 billion while visiting Missouri during FY08, down 2.2% from the record high estimate of \$6.80 billion for FY07, but higher than any other prior year.
- Expenditures by domestic household travel parties visiting Missouri during FY08 are estimated to have averaged \$321.39, down 2.7% from an estimated \$330.41 during FY07.

### 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 \$8.23 billion during FY08, up 0.5% from \$8.19 billion during FY07.
- Total industrial output (the value of products produced by Missouri industries) due to travel in Missouri is estimated to have been \$12.7 billion during FY08, down 2.6% from the estimated \$13.1 billion during FY07.

## **EXECUTIVE SUMMARY**

- Taxable sales from 17 tourism-related industries reached a record \$10.06 billion during FY08, up from \$9.60 billion during FY07, an increase of 4.8%.
- The model-based estimate of state tax revenues (including state sales taxes, state income taxes and all other state taxes) due to travel in Missouri during FY08 is \$652 million, down 5.9% from the estimated \$693 million during FY07.
- Employment in tourism-related industries reached a record 293,310 during FY08, about the same as during FY07.

### **TARGETING**

- TNS 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 FY08 is 47.5, older than the 46.4 reported for FY07. An estimated 39% of the respondents had household heads with a 4 year degree or higher during FY08, down slightly from the 40% estimated for FY07.
- It is estimated that half of the households visiting Missouri during FY08 had an income of \$50,000 or more. This is the same as every other fiscal year since FY00 with the exception of FY06, when the comparable income level was \$47,500.
- The model-based estimated percentage of singles visiting Missouri during FY08 is 45%, about the same as during the previous two fiscal years. Similarly, the percentages of household travel parties consisting of couples (29%) and families (24%) were similar to those for the previous two years. The average number of household members per travel party was 1.89 during FY08, little changed from FY07 (1.90).

### **VISITOR PROFILE**

- During FY08, Leisure is reported to have been the dominant purpose of stay, accounting for 88% of Missouri's visitors. Visit Friends/Relatives accounted for 38.8% while Other Pleasure/Personal (17.7%), Entertainment/Sightseeing (14.0%), and Business (11.5%), 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 FY08 (83.4%) relied on autos as their primary mode of transportation. Only 7.0% 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.

## EXECUTIVE SUMMARY

- TNS TravelsAmerica asks respondents to identify any of 50 activities they may have engaged in while visiting Missouri. Large percentages of visitors to Missouri during FY08 are estimated to have participated in Visiting Relatives (25.8%), Shopping (20.5%), Visiting Friends (13.0%) and Rural Sightseeing (12.0%).
- It is estimated that 53% of the domestic travelers in Missouri during FY08 originated from outside Missouri. This is down from the 55% estimated for FY07 and is the lowest estimate that has been made since the data have been collected.
- Not surprisingly, travel to Missouri is somewhat seasonal. While about 25% of the visitors do come during Spring and Fall, a bigger share comes in Summer (32%). The biggest difference in months during FY08 is July, with 12.0%, versus January, with 4.6%.

## COMMUNICATING

- Model-based estimates show a substantially higher percentage of travelers in Missouri during FY08 originated from within the state (47%), 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, 80.5%.
- A record high percentage of Missourians that traveled reported traveling in the state (62.2% during FY08). Kansas (22.9%) and Arkansas (10.9%) had the largest shares of travelers visiting Missouri during FY08.

## REGIONS

- The top two of Missouri's five regions, the Northeast and the Northwest regions, accounted for 42.6% and 25.5%, respectively, of Missouri's taxable sales revenue from 17 tourism-related industries during FY08. The Southwest region was third, accounting for 16.1% of the state total.
- Similarly, the top two of Missouri's five regions, the Northeast and the Northwest regions, accounted for 43.3% and 24.0%, respectively, of Missouri's employment in tourism-related industries during FY08. The Southwest region was third, accounting for 15.0% of the state total.