

Sports Tourism: State of the Industry Report (2021)

Prepared for:



Supported by:





TABLE OF CONTENTS

- 1 Research Overview
- 2 Key findings
- 3 Sports-Related Travel Volume & Spending
- 4 Economic Impacts
- 5 Destination Profiles

1 Research Overview



Introduction

Sports tourism* is an integral part of local and national economies across the US. Travelers attending sports tournaments, races, and other events – either as a participant or spectator – generate significant economic benefits to households, businesses, and governments alike and represent a critical driver of the overall economy.

By monitoring the sports tourism economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs. A baseline of economic impacts was established for 2019 (State of the Industry Report: 2019), and this update allows the industry to start to track progress (and recovery) over time.

To quantify the economic significance of the sports tourism sector in the U.S., Tourism Economics prepared a comprehensive model using multiple primary and secondary data sources.

Impact modeling is based on an IMPLAN Input-Output (I-O) model for the U.S. The results of this study show the scope of the sports tourism sector in terms of direct sports-related travel spending, as well as total economic impacts, including employment, household income, and tax impacts in the broader economy.

In addition to estimating the economic benefits generated by sports tourism in 2021, the State of the Industry ("SOTI") Report also estimates the losses (in terms of the number of sports travelers and sports travelers spending) in 2020 due to COVID-19 and provides an overview of the key characteristics for the Sports Events & Tourism Association's ("Sports ETA") destination members (i.e. local sports commission, convention and visitors bureau, chamber of commerce).

The analysis draws on the following data sources:

- Sports ETA: destination membership survey data
- Longwoods International: traveler survey data, including spending and visitor profile characteristics for sports tourism nationwide
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- Bureau of Transportation Statistics: U.S. domestic average itinerary fares
- U.S. Travel Association: domestic travel data
- STR: lodging data
- Sports attendance data

*For purposes of this report, "sports tourism" includes adult and youth amateur events and collegiate tournaments. The economic impact analyses conducted within the report exclude professional sports and collegiate regular season games.

2 Key Findings



SPORTS TOURISM SECTOR – 2021

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The sports tourism sector generated significant economic impacts in the U.S. as event organizers and venues spent money to sustain operations, including spending on payroll, marketing, and general and administrative expenses.

In addition, sports travelers that attended a sports tournament, race, or other event – either as a participant or spectator – spent money while at the sporting event and at off-site establishments during their stay, including at local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the sports tourism sector amounted to \$39.7 billion in 2021.



\$39.7 BILLION

Total Direct Spending Impact of the Sports Tourism Sector



\$3.7 BILLION

Tournament Operations



\$36.0 BILLION

Sports Traveler Visitor Spending

TOTAL ECONOMIC IMPACTS

The sports tourism sector's direct spending impact of \$39.7 billion generated a total economic impact of \$91.8 billion in the local economy, which supported 635,000 full-time and part-time jobs and generated \$12.9 billion in taxes.



\$91.8 BILLION

Total Economic Impact of the Sports Tourism Sector

ECONOMIC IMPACTS OF THE SPORTS TOURISM SECTOR



\$91.8B

Total Economic Impact



635,000

Total Jobs Generated



\$12.9B

Total Tax Revenues

3

Sports-Related Travel Volume & Spending

Sports-Related Travel Volume

Sports traveler counts

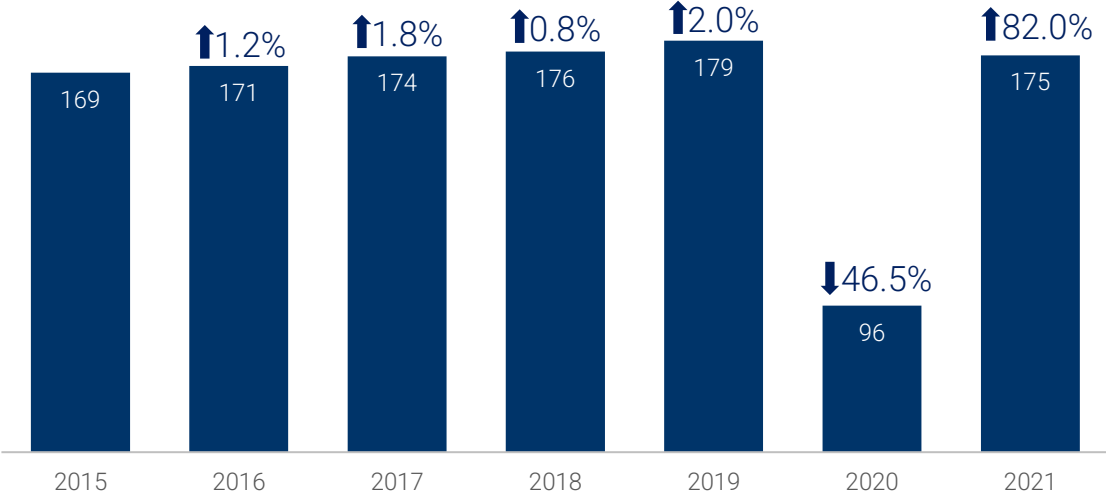
The number of travelers attending sports events in the U.S. was impacted by the COVID-19 pandemic in 2020 and 2021, after establishing a high-water mark in 2019.

In 2020, the COVID-19 pandemic cancelled or delayed sports events across the country and those events that took place had fewer spectators per participant. Ultimately, the number of sports travelers decreased 46.5% year-over-year to 96 million in 2020.

The sector rebounded quickly in 2021 increasing 82.0% year-over-year. The 175 million sports travelers in 2021 was only 2.6% lower than the high-water mark established in 2019.

Sports traveler levels and annual growth

(millions of travelers and year-over-year percentage change)



Source: Sports ETA, Longwoods International, U.S. Travel Association, NBA, NCAA, NFL, NHL, MLB, MLS, Tourism Economics

Sports-Related Travel Spending

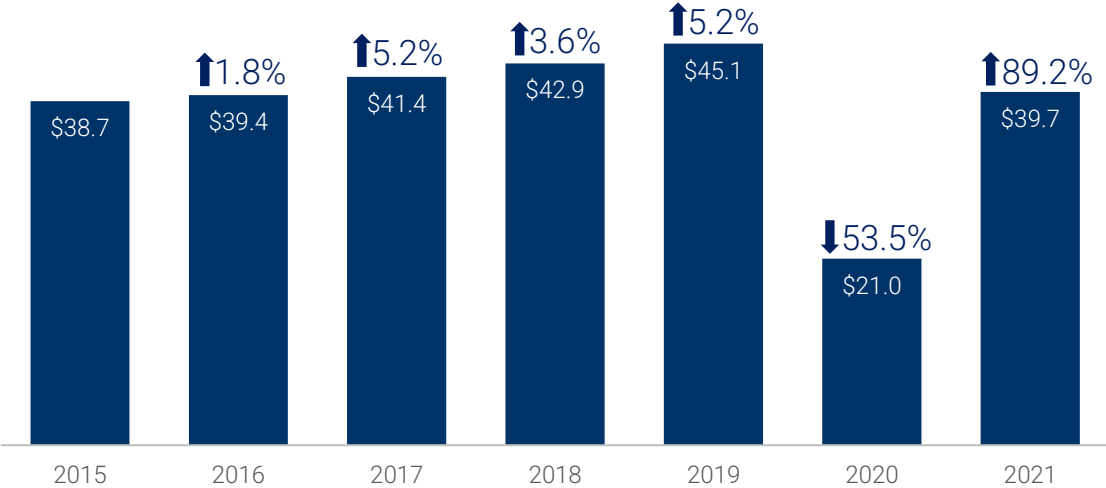
Sports traveler spending

Spending by sports travelers, event organizers, and venues amounted to \$39.7 billion in 2021.

Spending by sports travelers decreased at a faster pace than the volume of sports travelers in 2020, falling 53.5% year-over-year to \$21.0 billion. In addition to spending less (on average per sports traveler) on food & beverage, retail, and entertainment, sports travelers generally opted to participate in tournaments closer to home, which decreased transportation costs (i.e., driving vs. flying) and increased the number of day trippers.

In 2021, spending by sports travelers increased 89.2% year-over-year to \$39.7 billion, but remains below pre-pandemic levels.

Sports-related travel spending and annual growth
($\$$ billions and year-over-year percentage change)



Source: Sports ETA, Longwoods International, U.S. Travel Association, Tourism Economics

Sports-Related Travel Spending

Sports traveler spending by industry

Sports travelers, event organizers, and venues spent \$39.7 billion across a wide range of sectors in 2021.

Sports travelers, event organizers, and venues spent \$9.7 billion on transportation, \$8.4 billion on lodging, and \$7.5 billion on food and beverages. Recreation, retail, and tournament operations rounded out spending, registering \$5.3 billion, \$5.0 billion, and \$3.7 billion, respectively.

The lodging sector accounted for 21% of all sports-related travel spending. In 2021, sports-related travel generated 66.5 million room nights, which is an important factor given that hotel taxes are a primary funding source for many entities (refer to pages 25 and 33 for additional information).



Source: Tourism Economics

Sports-Related Travel Volume & Spending

Sports traveler counts and sports-related travel spending

Overall tourism growth in 2021 was supported by sports travelers that stayed overnight and sports travelers that visited for the day.

The number of individual sports travelers that stayed overnight increased 86.0% year-over-year to 94.7 million in 2021 – only 1.7 million fewer than the high-water mark established in 2019.

An estimated 54% of all sports travelers spent the night in the event destination, which generated 66.5 million room nights in 2021.

Sports travelers that stayed overnight spent \$317 per person trip, an increase of \$11 year-over-year but still well below pre-pandemic levels (\$359 in 2019), while day trippers spent \$75 per person trip in 2021 (\$79 in 2019).

Total sports travelers and sports-related travel spending

(millions of sports travelers, \$ millions – total traveler spending, \$ – per traveler spending)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------|----------|----------|----------|----------|----------|----------|----------|
| Total travelers | 169.3 | 171.4 | 174.4 | 175.9 | 179.3 | 96.0 | 174.7 |
| Day | 79.6 | 80.6 | 82.5 | 80.9 | 83.0 | 45.1 | 80.0 |
| Overnight | 89.6 | 90.7 | 91.9 | 95.0 | 96.4 | 50.9 | 94.7 |
| Total traveler spending | \$35,217 | \$35,817 | \$37,726 | \$39,100 | \$41,174 | \$18,992 | \$36,032 |
| Day | \$5,472 | \$5,700 | \$6,138 | \$6,137 | \$6,574 | \$3,391 | \$6,019 |
| Overnight | \$29,745 | \$30,118 | \$31,587 | \$32,963 | \$34,600 | \$15,601 | \$30,014 |
| Per traveler spending | \$208 | \$209 | \$216 | \$222 | \$230 | \$198 | \$206 |
| Day | \$69 | \$71 | \$74 | \$76 | \$79 | \$75 | \$75 |
| Overnight | \$332 | \$332 | \$344 | \$347 | \$359 | \$306 | \$317 |

Note: event organizer and venue spending on tournament operations is excluded from above table. In 2021, this amounted to \$3.7 billion.

Source: Tourism Economics

4 Economic Impacts



Economic Impact Approach

Introduction and definitions

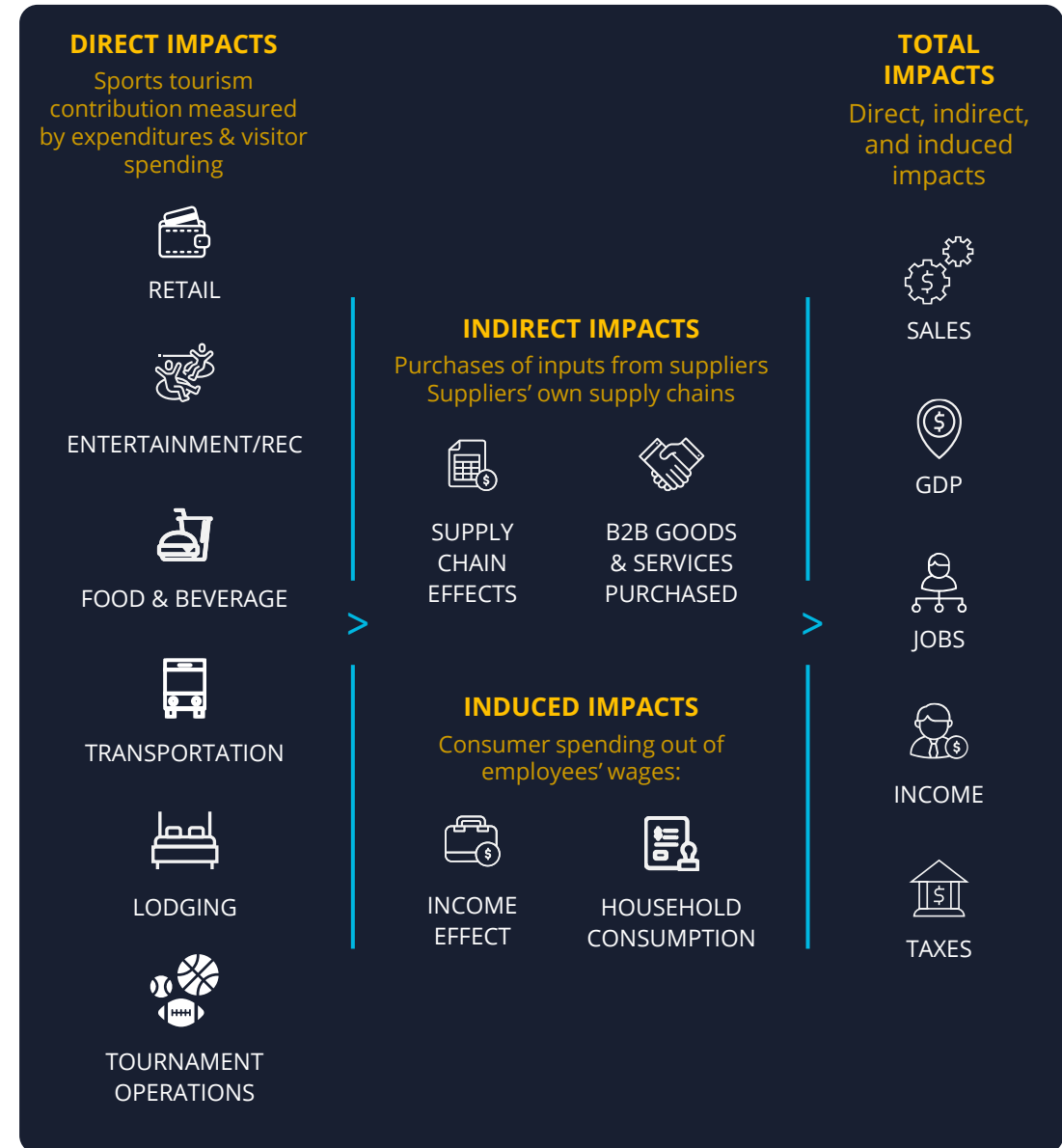
The analysis of spending attributable to sports tourism in the U.S. begins with actual sports-related travel spending by sports travelers, event organizers, and venues, but also considers the downstream effects of this injection of spending into the local and national economy. To determine the total economic impact of sports tourism, sports-related travel spending was input into a model of the national U.S. economy in IMPLAN. This approach calculates three distinct types of impact: direct, indirect, and induced.

The impacts on business sales, jobs, wages, and taxes are calculated for all three levels of impact.

1. **Direct Impacts:** Sports-related travel creates direct economic value within a discreet group of sectors (e.g. entertainment, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
2. **Indirect Impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts.
3. **Induced Impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by sports tourism, spend those wages in the local economy

IMPLAN calculates three levels of impact – direct, indirect, and induced – for a broad set of indicators. These include the following:

- Business sales (also called gross output)
- Household income (including wages and benefits)
- Employment
- Federal taxes
- State and local taxes



Economic Impacts

Business sales impacts

The sports tourism sector supported \$91.8 billion of total output (business sales) in 2021.

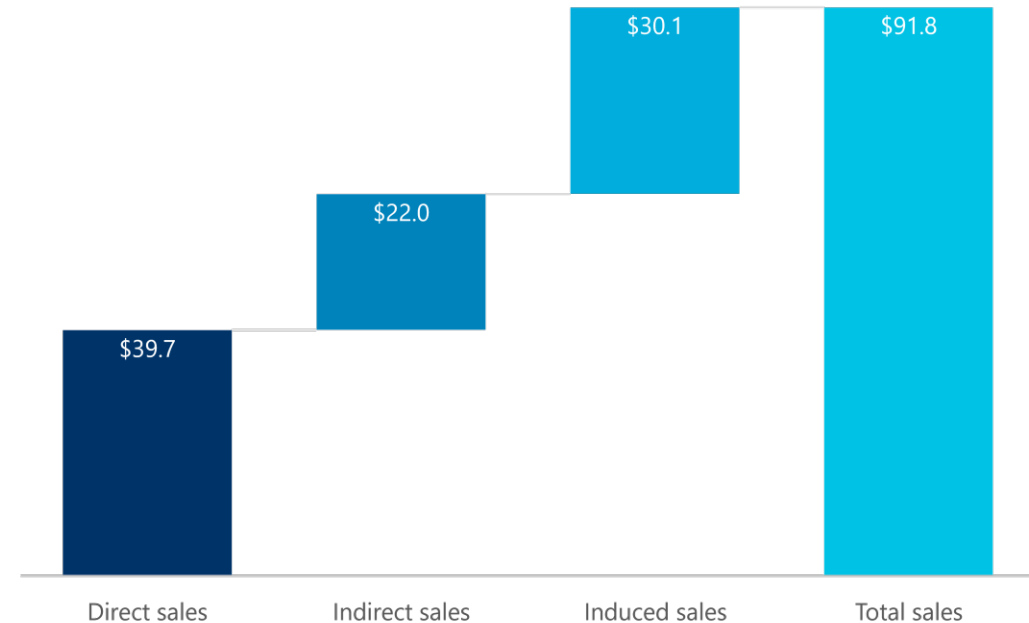
The \$39.7 billion in sports tourism sector's direct spending generated \$22.0 billion in indirect expenditures and \$30.1 billion in induced expenditures, resulting in a total economic impact of \$91.8 billion.

While most sales are in industries directly serving travelers (as presented on the following page), \$12.9 billion in business sales accrued to the finance, insurance, and real estate ("FIRE") industry as a result of selling to tourism businesses.

For example, tourism businesses such as hotels, restaurants, and attractions purchased goods and services (i.e. financial services, insurance) from businesses in the FIRE industry ("indirect sales"). Further, the FIRE employees whose wages were generated indirectly by sports tourism, spent those wages in the local economy ("induced sales").

Similarly, significant benefits accrued to sectors such as business services (\$9.6 billion) and manufacturing (\$7.1 billion).

Summary economic impacts – 2021
(\$ billions)



Source: Tourism Economics

Economic Impacts

Business sales impacts by industry

Business sales impacts by industry – 2021

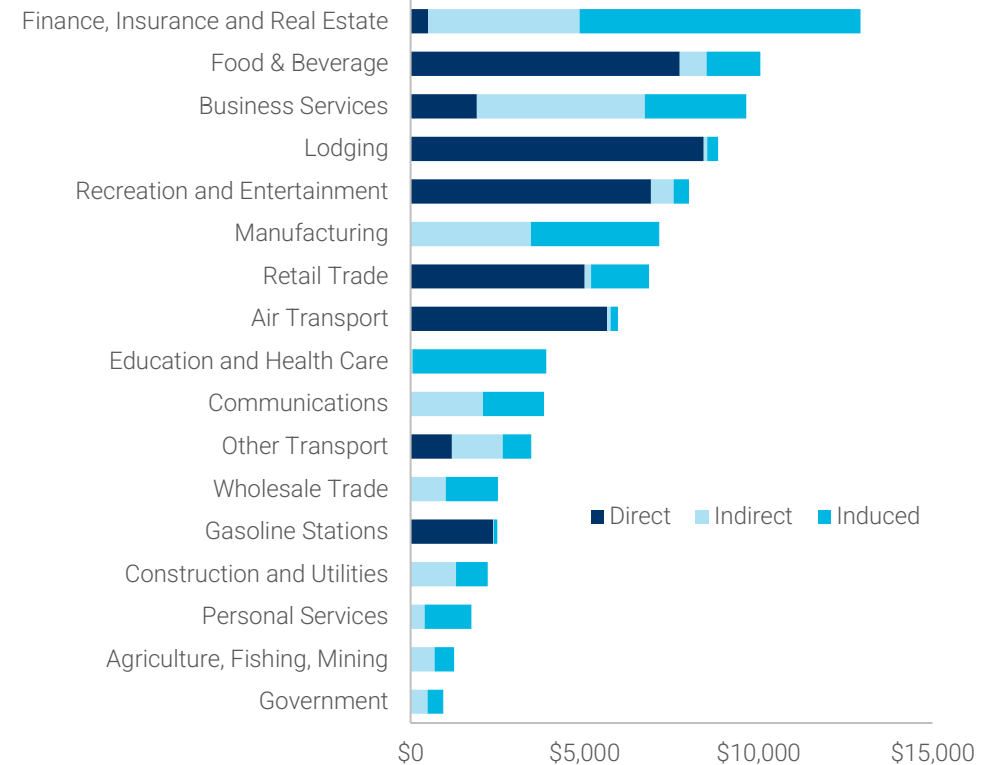
(\$ millions)

| | Direct Business Sales | Indirect Business Sales | Induced Business Sales | Total Business Sales |
|------------------------------------|-----------------------|-------------------------|------------------------|----------------------|
| Total, all industries | \$39,694 | \$21,971 | \$30,134 | \$91,799 |
| By industry | | | | |
| Finance, Insurance and Real Estate | \$505 | \$4,350 | \$8,076 | \$12,931 |
| Food & Beverage | \$7,734 | \$775 | \$1,543 | \$10,051 |
| Business Services | \$1,907 | \$4,828 | \$2,914 | \$9,648 |
| Lodging | \$8,422 | \$99 | \$316 | \$8,837 |
| Recreation and Entertainment | \$6,909 | \$647 | \$448 | \$8,004 |
| Manufacturing | | \$3,456 | \$3,688 | \$7,144 |
| Retail Trade | \$5,002 | \$182 | \$1,665 | \$6,849 |
| Air Transport | \$5,650 | \$97 | \$214 | \$5,961 |
| Education and Health Care | | \$60 | \$3,837 | \$3,897 |
| Communications | | \$2,081 | \$1,759 | \$3,840 |
| Other Transport | \$1,190 | \$1,462 | \$816 | \$3,468 |
| Wholesale Trade | | \$1,014 | \$1,496 | \$2,509 |
| Gasoline Stations | \$2,375 | \$15 | \$108 | \$2,498 |
| Construction and Utilities | | \$1,309 | \$908 | \$2,217 |
| Personal Services | | \$408 | \$1,342 | \$1,751 |
| Agriculture, Fishing, Mining | | \$696 | \$557 | \$1,253 |
| Government | | \$493 | \$446 | \$940 |

Source: Tourism Economics

Business sales impacts by industry – 2021

(\$ millions)



Source: Tourism Economics

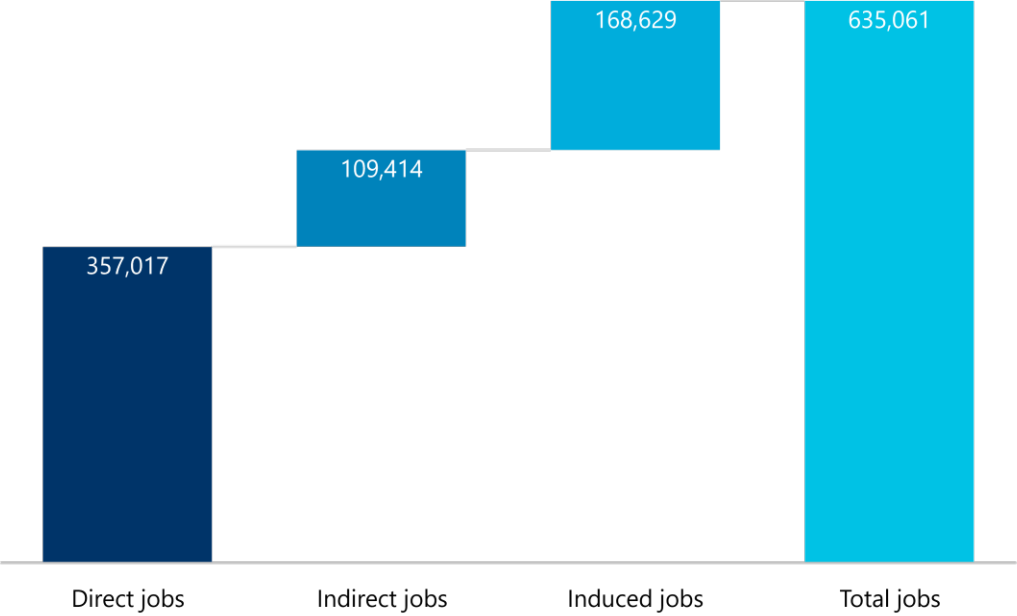
Economic Impacts

Employment impacts

The sports tourism sector supported 635,061 total jobs in 2021.

The sports tourism sector supported 635,061 full-time and part-time jobs in 2021 when indirect and induced impacts are considered.

Summary employment impacts – 2021
(number of jobs)



Source: Tourism Economics

Economic Impacts

Employment impacts by industry

Employment impacts by industry – 2021

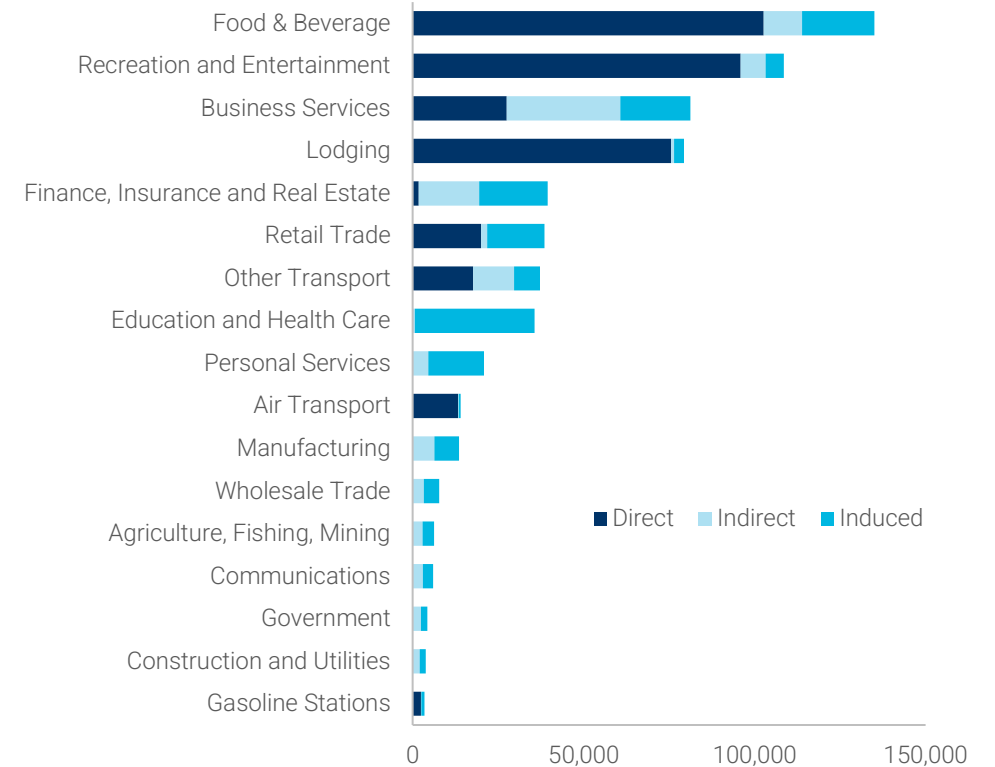
(number of jobs)

| | Direct Employment | Indirect Employment | Induced Employment | Total Employment |
|------------------------------------|----------------------|------------------------|-----------------------|---------------------|
| Total, all industries | 357,017 | 109,414 | 168,629 | 635,061 |
| By industry | | | | |
| Food & Beverage | 102,622 | 11,222 | 21,218 | 135,062 |
| Recreation and Entertainment | 95,940 | 7,282 | 5,318 | 108,539 |
| Business Services | 27,548 | 33,167 | 20,491 | 81,206 |
| Lodging | 75,626 | 854 | 2,849 | 79,329 |
| Finance, Insurance and Real Estate | 1,789 | 17,641 | 20,038 | 39,468 |
| Retail Trade | 20,067 | 1,711 | 16,766 | 38,545 |
| Other Transport | 17,723 | 11,913 | 7,610 | 37,246 |
| Education and Health Care | | 678 | 34,972 | 35,651 |
| Personal Services | | 4,624 | 16,231 | 20,854 |
| Air Transport | 13,279 | 227 | 504 | 14,009 |
| Manufacturing | | 6,322 | 7,209 | 13,531 |
| Wholesale Trade | | 3,238 | 4,493 | 7,730 |
| Agriculture, Fishing, Mining | | 2,938 | 3,361 | 6,300 |
| Communications | | 3,007 | 2,998 | 6,005 |
| Government | | 2,414 | 1,863 | 4,276 |
| Construction and Utilities | | 2,040 | 1,762 | 3,802 |
| Gasoline Stations | 2,423 | 134 | 947 | 3,504 |

Source: Tourism Economics

Employment impacts by industry – 2021

(number of jobs)



Source: Tourism Economics

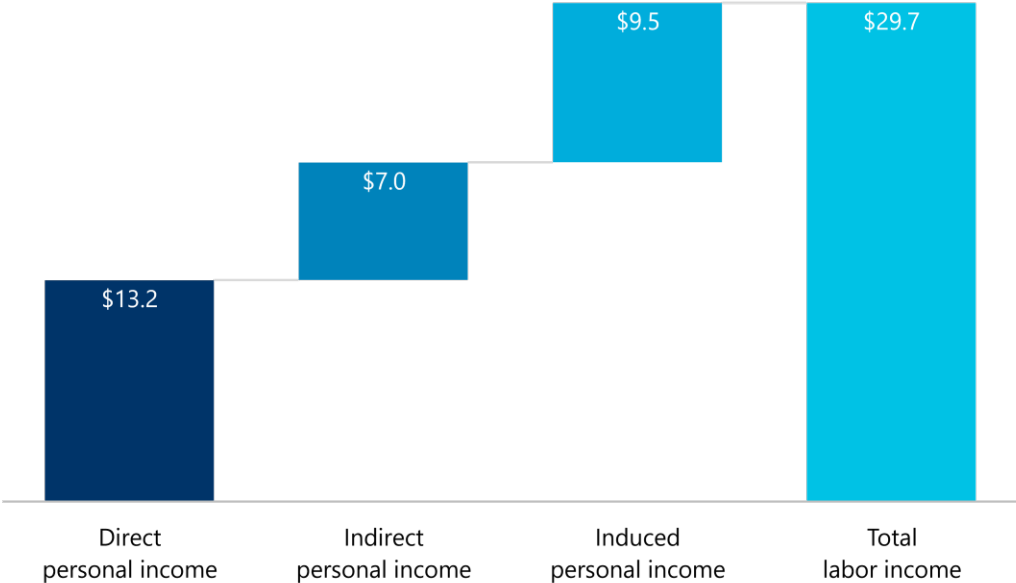
Economic Impacts

Labor income impacts

The sports tourism sector generated \$29.7 billion in total personal income in 2021.

The sports tourism sector generated \$13.2 billion in direct income and \$29.7 billion in total income, including indirect and induced income in 2021.

Summary labor impacts – 2021
(\$ billions)



Source: Tourism Economics

Economic Impacts

Labor income impacts by industry

Labor income impacts by industry – 2021

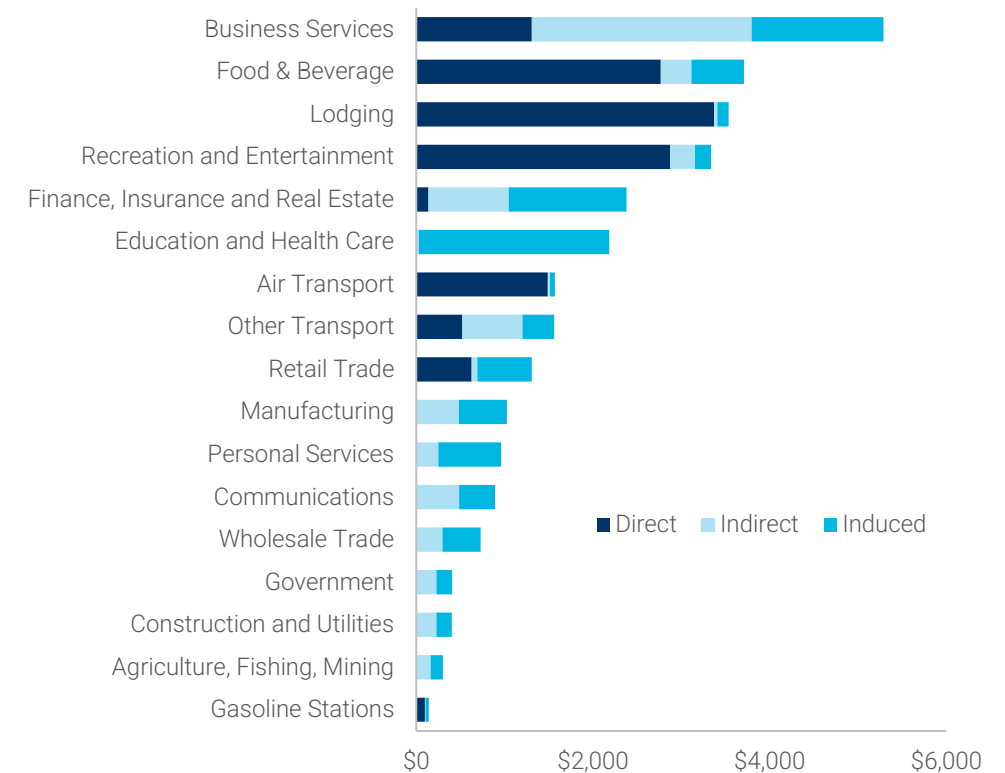
(\$ millions)

| | Direct Personal Income | Indirect Personal Income | Induced Personal Income | Total Personal Income |
|------------------------------------|------------------------|--------------------------|-------------------------|-----------------------|
| Total, all industries | \$13,199 | \$7,012 | \$9,528 | \$29,738 |
| By industry | | | | |
| Business Services | \$1,307 | \$2,491 | \$1,492 | \$5,290 |
| Food & Beverage | \$2,768 | \$348 | \$596 | \$3,712 |
| Lodging | \$3,372 | \$37 | \$127 | \$3,536 |
| Recreation and Entertainment | \$2,875 | \$281 | \$182 | \$3,338 |
| Finance, Insurance and Real Estate | \$140 | \$909 | \$1,332 | \$2,380 |
| Education and Health Care | | \$29 | \$2,156 | \$2,185 |
| Air Transport | \$1,488 | \$25 | \$56 | \$1,570 |
| Other Transport | \$521 | \$681 | \$359 | \$1,561 |
| Retail Trade | \$629 | \$65 | \$614 | \$1,308 |
| Manufacturing | | \$481 | \$546 | \$1,027 |
| Personal Services | | \$251 | \$709 | \$960 |
| Communications | | \$487 | \$405 | \$892 |
| Wholesale Trade | | \$298 | \$429 | \$728 |
| Government | | \$230 | \$175 | \$405 |
| Construction and Utilities | | \$229 | \$175 | \$404 |
| Agriculture, Fishing, Mining | | \$165 | \$135 | \$300 |
| Gasoline Stations | \$99 | \$5 | \$39 | \$143 |

Source: Tourism Economics

Labor income impacts by industry – 2021

(\$ millions)



Source: Tourism Economics

Economic Impacts

Fiscal (tax) impacts

The sports tourism sector sustained \$12.9 billion in governmental tax revenue in 2021.

The sports tourism sector generated a total fiscal (tax) impact of \$12.9 billion in 2021. State governments collected \$2.9 billion and local governments collected \$3.3 billion in 2021.

State and local tax revenue – 2021

(\$ millions)

| | State | Local | Total |
|------------------|---------|---------|---------|
| Total taxes | \$2,929 | \$3,280 | \$6,209 |
| Sales | \$1,793 | \$460 | \$2,253 |
| Bed Tax | \$0 | \$674 | \$674 |
| Personal Income | \$618 | \$53 | \$671 |
| Corporate | \$127 | \$18 | \$145 |
| Social Insurance | \$52 | \$0 | \$52 |
| Excise and Fees | \$270 | \$154 | \$424 |
| Property | \$69 | \$1,921 | \$1,989 |

Source: Tourism Economics

Total tax revenue – 2021

(\$ millions)

| | Direct | Indirect / Induced | Total |
|--------------------|---------|-----------------------|----------|
| Total Tax Revenues | \$6,639 | \$6,218 | \$12,857 |
| Federal | \$3,001 | \$3,648 | \$6,648 |
| Personal Income | \$1,116 | \$1,460 | \$2,575 |
| Corporate | \$156 | \$298 | \$454 |
| Indirect Business | \$196 | \$156 | \$352 |
| Social Insurance | \$1,533 | \$1,734 | \$3,267 |
| State and Local | \$3,638 | \$2,571 | \$6,209 |
| Sales | \$1,256 | \$997 | \$2,253 |
| Bed Tax | \$674 | \$0 | \$674 |
| Personal Income | \$293 | \$378 | \$671 |
| Corporate | \$50 | \$95 | \$145 |
| Social Insurance | \$25 | \$27 | \$52 |
| Excise and Fees | \$232 | \$192 | \$424 |
| Property | \$1,108 | \$882 | \$1,989 |

Source: Tourism Economics

Economic Impacts

Industry comparisons

The sports tourism sector supported more direct jobs than many large sectors in 2021.

The sports tourism sector supported more direct jobs than many large sectors in 2021 including highway, street, and bridge construction; pharmaceuticals; and oil and gas extraction.

Direct employment – 2021

(thousands of jobs)

| | Employment |
|---|------------|
| Motor vehicles, bodies and trailers, and parts manufacturing (3361/2/3) | 958 |
| Offices of certified public accountants (541211) | 504 |
| Furniture and home furnishings stores (442) | 442 |
| Wood product manufacturing (321) | 410 |
| Barber shops and beauty salons (812111/2) | 385 |
| Motion picture and sound recording industries (512) | 371 |
| Sports tourism | 357 |
| Highway, street, and bridge construction (2379) | 341 |
| Pharmaceuticals and medicines (3254) | 332 |
| Credit unions and other depository credit intermediation (52213/9) | 293 |
| Oil and gas extraction (211) | 118 |

Note: numbers indicate three- to five-digit North American Industry Classification System (NAICS) code corresponding to such industry sector.

Source: Bureau of Labor Statistics

5 Destination Profiles



Overview

The most recent State of the Industry survey was completed by 176 Sports ETA destination members.

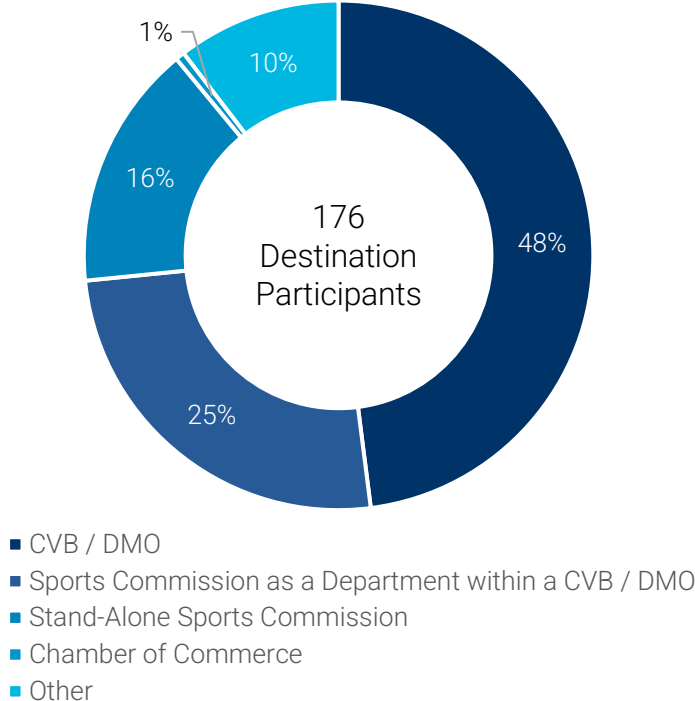
In February 2022, Sports ETA electronically distributed the State of the Industry survey to its Destination members. The survey remained in the field for approximately six weeks and garnered responses from 176 destinations.

The objective of the survey was to develop an understanding of the key characteristics for Sports ETA destination members, including convention & visitors bureaus (CVBs), destination marketing organizations (DMOs), sports commissions, and chambers of commerce.

Data throughout the remainder of the report present the results of the destination survey.

*sample included in destination profiles varies between the 2019 State of the Industry Report and the 2021 State of the Industry Report and therefore cannot be compared across each edition.

Participation by destination type – 2021
(percentage of destinations by destination type)



Budget

The survey participants were distributed across a range of budgets.

Nearly half of all destination organizations operated with a budget of \$500,000 or less and 13% of destinations operated with a budget exceeding \$2 million.

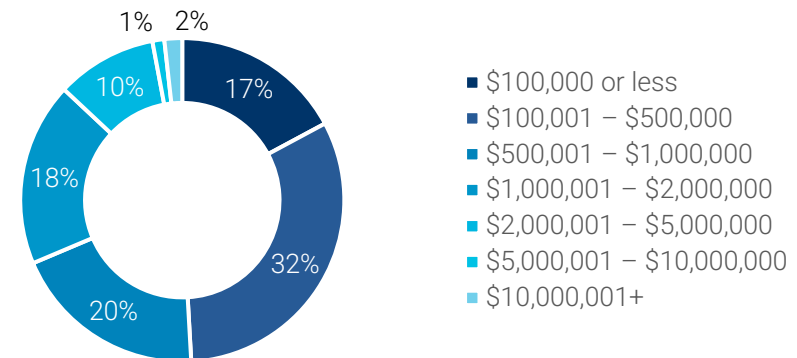
The COVID-19 pandemic negatively impacted 2021 budgets (when respondents compared to 2019) for nearly half of all destinations. These destinations, on average, experienced a budget decrease of 28% over the two-year period.

However, 23% of destinations increased their budget between 2019 and 2021 with an average increase of 21%.

Moving forward, 69% of destinations expect their budget to increase next year, while only 3% expect their budget to decrease next year.

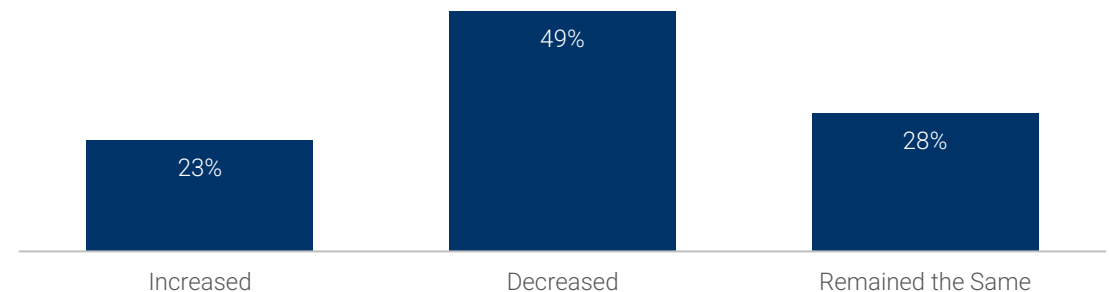
Participation by budget – 2021

(percentage of destinations by budget)



Budget change – 2019 to 2021

(percentage of destinations)



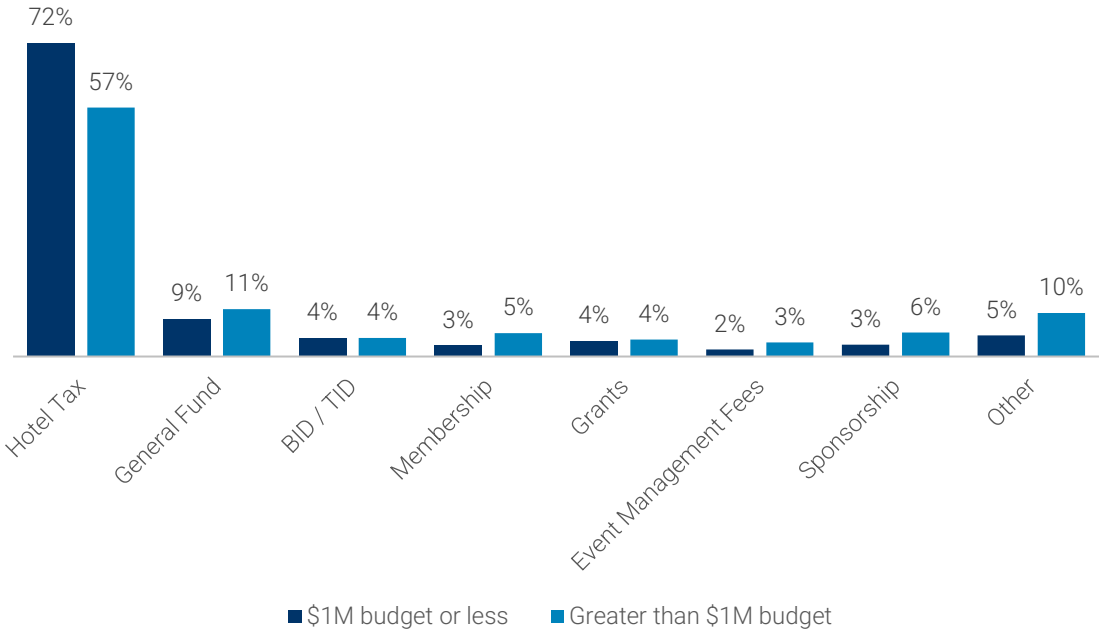
Organization Funding

Hotel taxes funded the majority of destination organizations in 2021.

Destinations with a budget of \$1 million or less had a larger percentage of their budget (72%) funded by hotel taxes, compared to those destinations with a budget over \$1 million (57%).

Destinations with a budget over \$1 million had a larger percentage of their budget funded by the general fund (11%), membership (5%), event management fees (3%), sponsorships (6%), and other sources (10%). Other funding sources included partnership co-ops and private funding.

Organization funding – 2021
(percentage of destinations by budget)



Staffing

The number of sports-related staff employed by a destination directly relates to the overall budget.

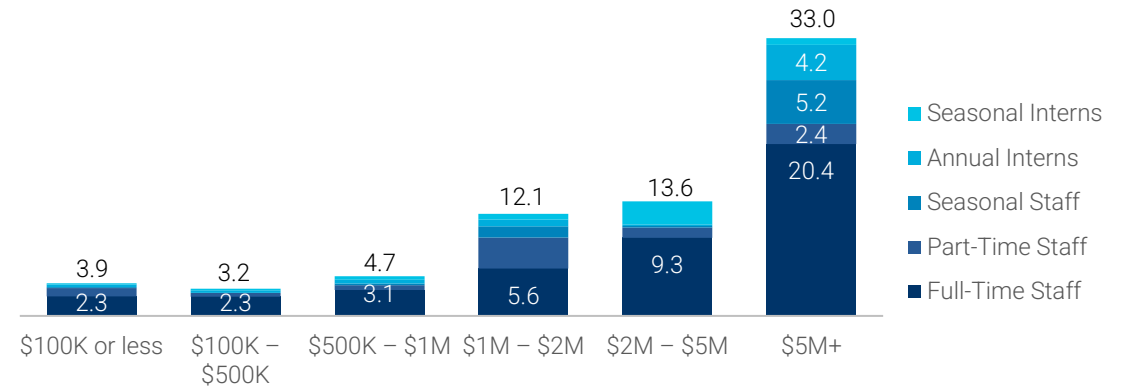
The number of full-time sports-related staff at destinations ranged from 2.3 at smaller budget destinations to 20.4 at larger budget destinations.

When part-time staff and interns are considered, the total number of sports-related employees ranged from 3.2 to 33.0 depending on budget.

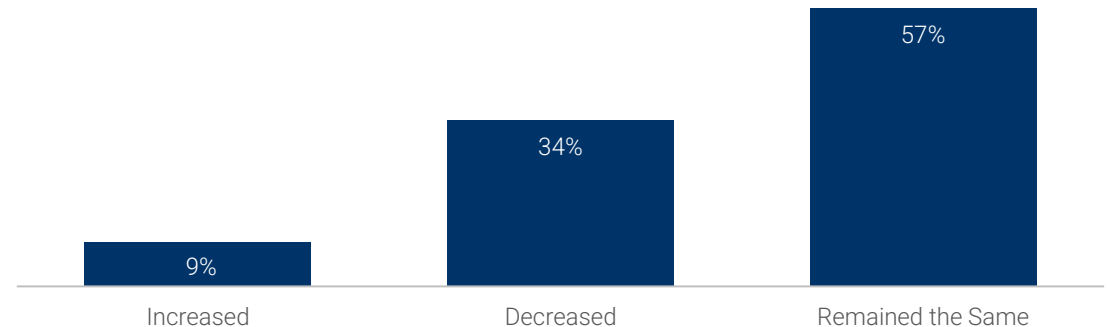
The average destination, regardless of budget, employed 4.2 full-time sports-related staff and 7.1 total sports-related staff when including part-time staff and interns.

Approximately 1/3rd of all destinations decreased their sports-related staff count between 2019 and 2021. The majority (57%) of destinations did not have any changes to its sports-related staff count between 2019 and 2021.

Sports-related staffing – 2021 (number of staff by budget)



Sports-related staffing change – 2019 to 2021 (percentage of destinations)



Events

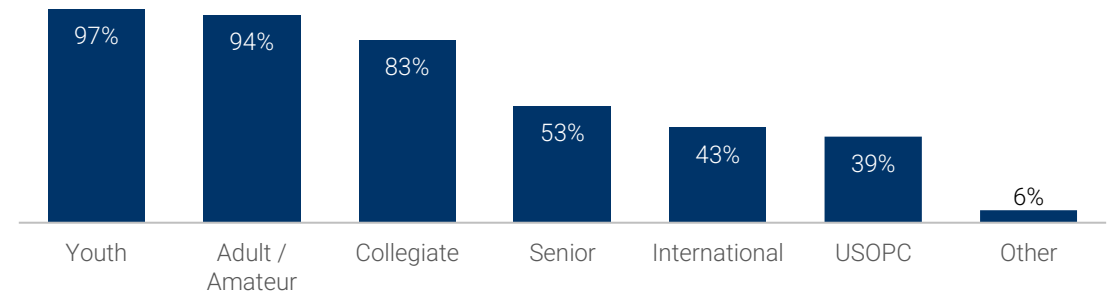
Nearly all destinations hosted youth events and adult / amateur events in 2021.

Nearly all destinations hosted youth events (97%) – either competitive or recreational – and adult amateur events (94%) in 2021. Less than half of the destinations hosted international or United States Olympic & Paralympic Committee (USOPC) events.

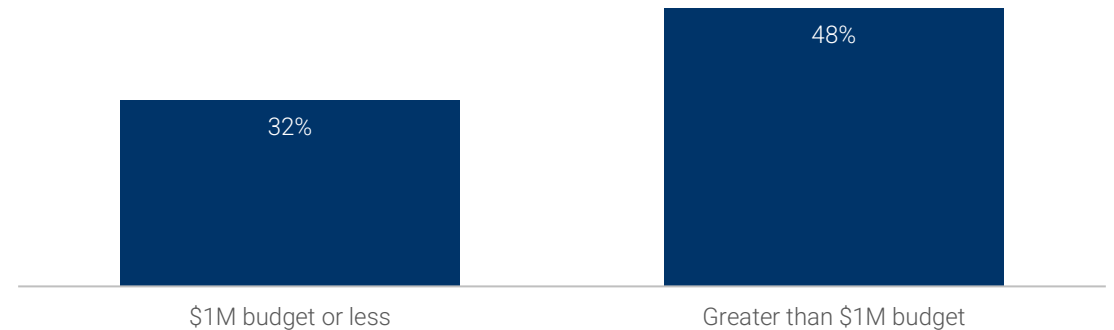
On average, 37% of all destinations surveyed owned an event in 2021 – 48% of destinations with budgets over \$1 million and 32% of destinations with budgets less than \$1 million. Destinations with budgets over \$1 million owned an average of 3.7 events compared to 3.2 events for destinations with budgets less than \$1 million.

Of those destinations that owned an event, approximately 54% owned a team event and 52% owned an individual event.

Event types – 2021 (percentage of destinations)



Owned events – 2021 (percentage of destinations by budget)



Events

Destinations, regardless of budget, hosted an average of 52 events in 2021. These events welcomed an average of 2,360 participants and spectators per event.

Destinations hosted an average of 52 events in 2021 ranging from 45 at destinations with a budget of \$500,000 to \$1 million to 61 at destinations with a budget of more than \$1 million.

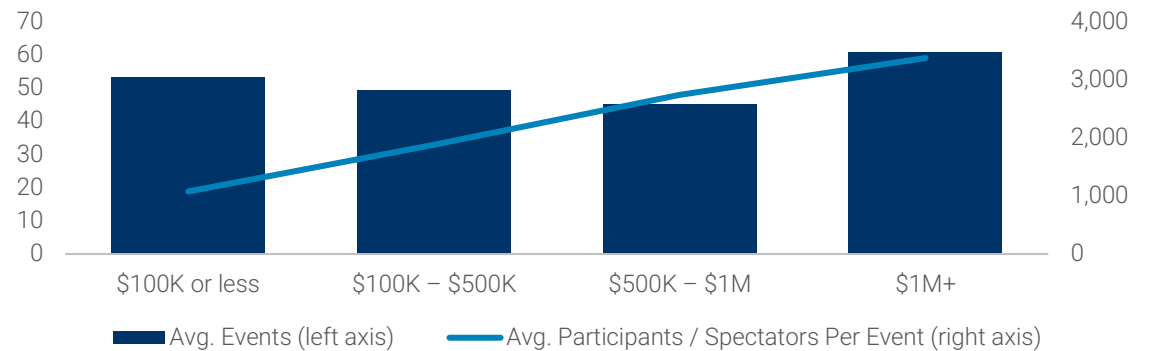
The average number of participants and spectators per event correlated to the destination budget – ranging from 1,076 participants per event at destinations with the smallest budget to 3,367 participants per event at destinations with the largest budget.

The average number of events decreased in 2020 for all destinations, regardless of budget, but then increased for all destinations in 2021.

Moving forward, 77% of destinations expect the number of events to increase in 2022, with only 3% of destinations anticipating the number of events to decrease.

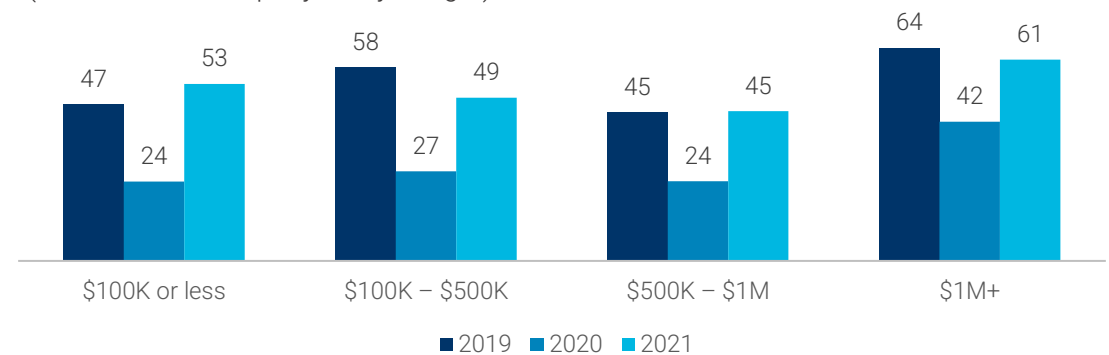
Event and participants / spectators – 2021

(number of events by budget and number of participants / spectators per event by budget)



Event trends – 2019 to 2021

(number of events per year by budget)



Events

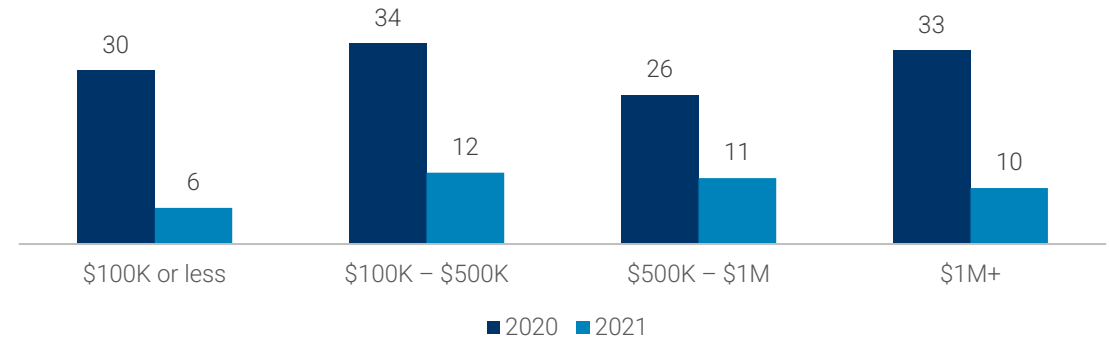
COVID-19 cancelled or delayed 32 events per destination, on average, in 2020 and 11 events per destination, on average, in 2021.

Destinations reported that 32 events, on average, were cancelled or delayed in 2020 due to COVID-19 – ranging from 26 at destinations with a budget between \$500,000 and \$1 million to 34 at destinations with a budget between \$100,000 and \$500,000.

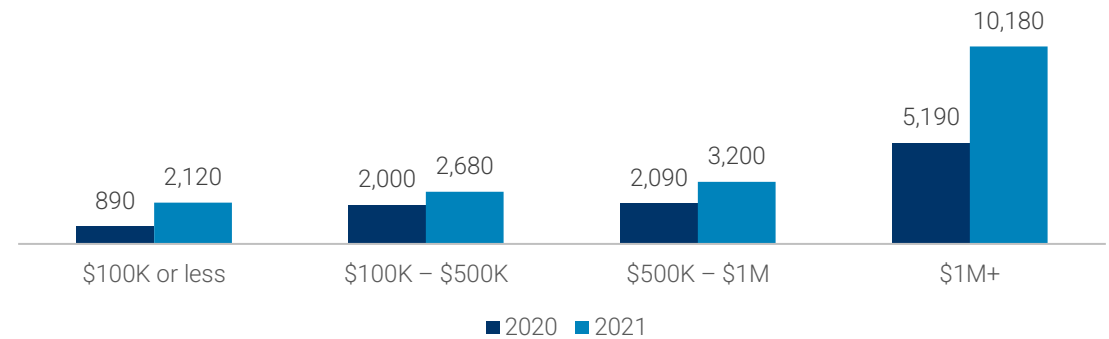
In 2021, destinations reported that 11 events, on average, were cancelled or delayed due in COVID-19.

The average number of participants and spectators at cancelled or delayed events was larger in 2021 (4,800 participants and spectators per event) than 2020 (2,900 participants and spectators per event).

Cancelled or delayed events – 2020 and 2021
(number of events per year by budget)



Participants / spectators at cancelled or delayed events – 2020 and 2021
(number of participants / spectators per event by budget)



Bid Fees

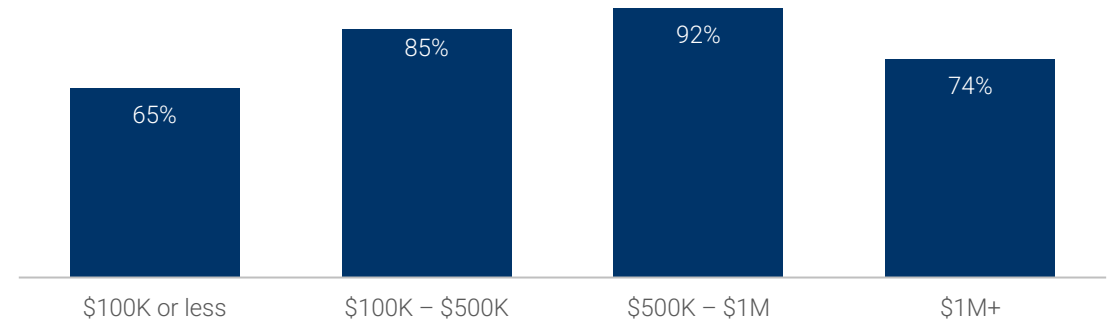
Approximately 80% of destinations paid bid fees in 2021.

Approximately 80% of destinations paid bid fees in 2021, ranging from 65% at destinations with a budget less than \$100,000 to 92% at destinations with a budget between \$500,000 and \$1 million.

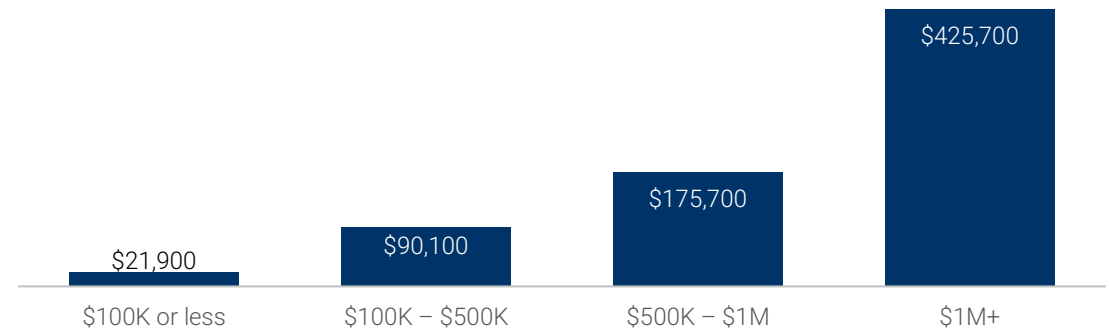
The average bid fee funding pool, regardless of budget, was \$200,000 – ranging from \$21,900 at smaller budget destinations to \$425,700 at larger budget destinations.

The bid fee pool increased for 21% of destinations, decreased for 30% of destinations, and remained the same for 49% of destinations between 2019 and 2021.

Paid bid fees – 2021
(percentage of destinations by budget)



Bid fee funding pool – 2021
(\$ by budget)



Bid Fees

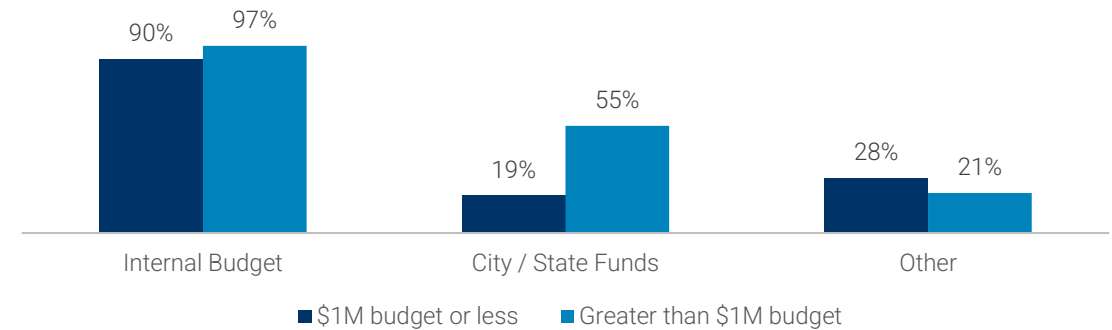
The internal budget was the most common source of funding for the bid fee pool.

The internal budget was the most common source of funding for the bid fee pool – 92% of destinations, regardless of budget, funded a portion of the bid fee pool using internal funds, 30% used city or state funds, and 26% used other funding, such as sponsorships, partnerships, corporate support, or private donations.

Economic impact and room nights were the two most common factors considered when evaluating bid fee requests in 2021, both of which were utilized by 94% of destinations.

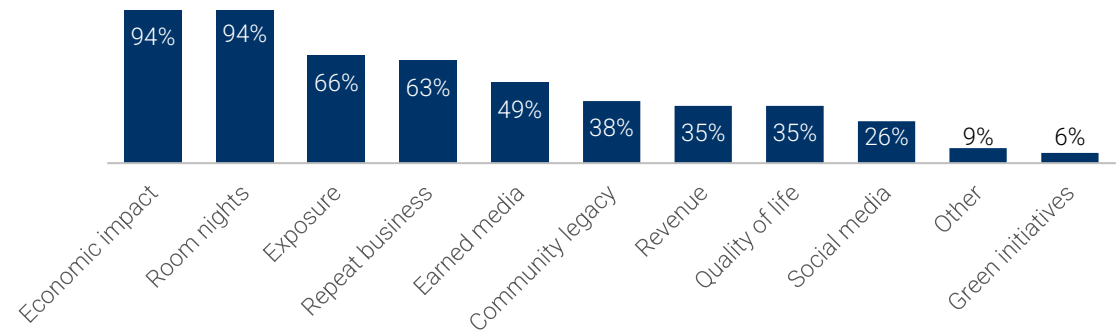
Bid fees funding source – 2021

(percentage of destinations by budget)



Bid fee evaluation factors – 2021

(percentage of destinations)



Local Grants

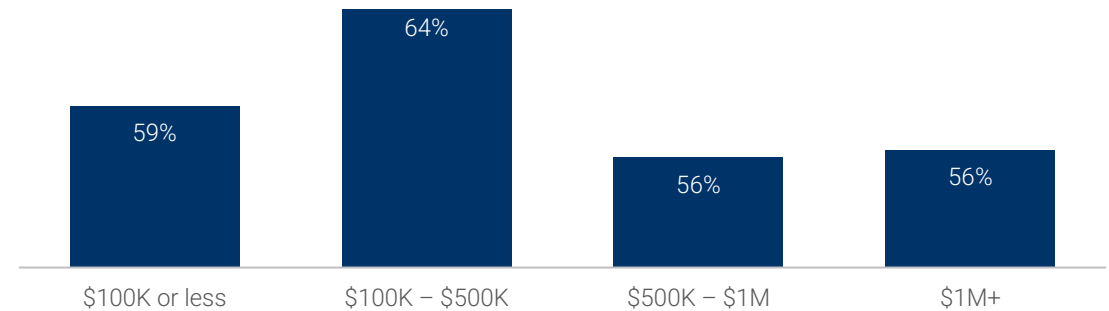
Approximately 60% of destinations, regardless of budget, offered local event grants in 2021.

Approximately 60% of destinations, regardless of budget, offered local event grants in 2021 – ranging from 56% at destinations with budgets greater than \$500,000 to 64% at destinations with budgets between \$100,000 and \$500,000.

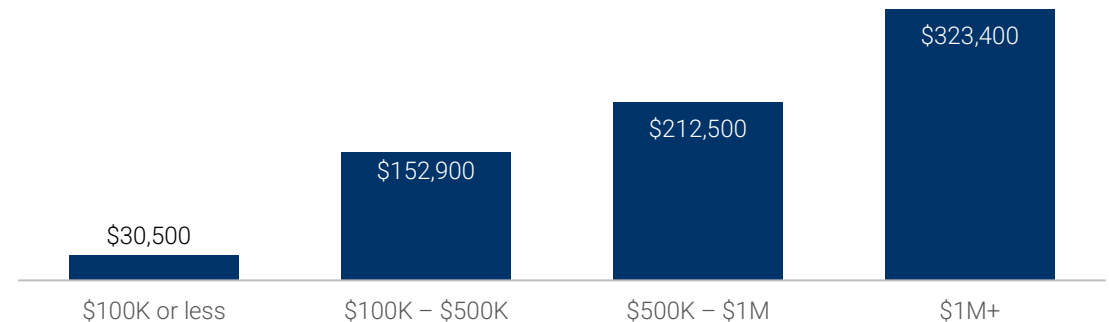
The average bid fee funding pool, regardless of budget, was approximately \$206,000, ranging from \$30,500 at smaller budget destinations to \$323,400 at larger budget destinations.

The internal budget was the most common source of funding for the local grants – 61% of destinations funded a portion of the local grants pool using internal funds, 32% used city or state funds, and 14% used other funding.

Offered local grants – 2021
(percentage of destinations by budget)



Local grants funding pool – 2021
(\$ by budget)



Factors for Success

Destinations ranked economic impact and room nights as the two most important factors for success in 2021.

Destinations were asked to rank ten factors for success in order of importance, with one being the most important. The top two success factors in 2021, regardless of budget, were economic impact and room nights.

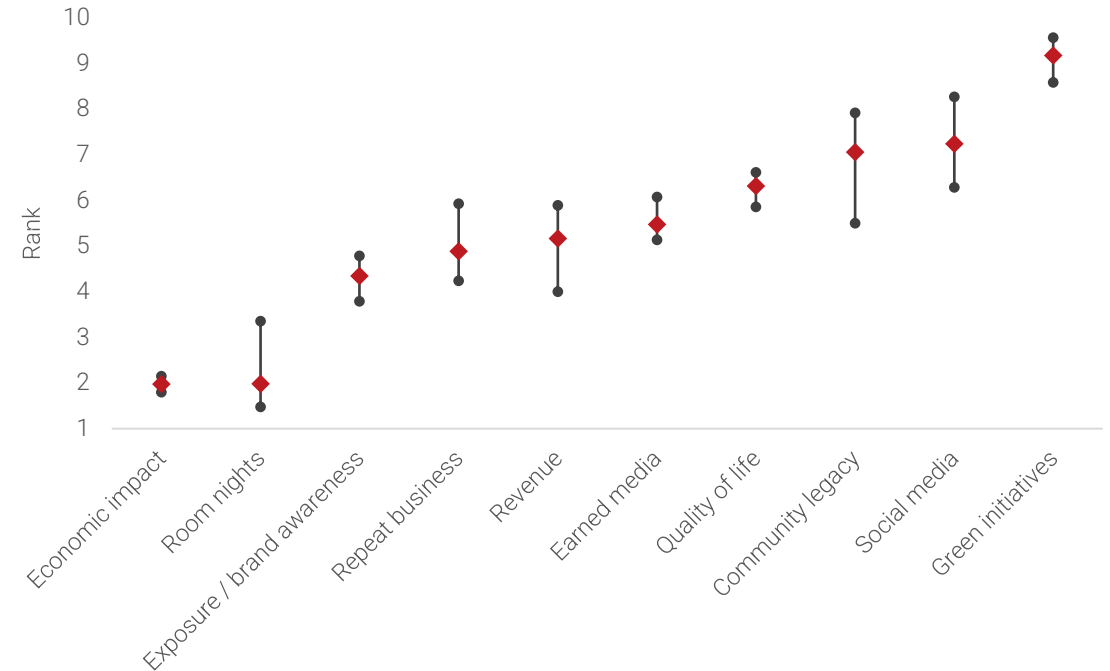
The average rank for economic impact across all destinations was 2.0 with a range of 1.8 to 2.2 depending on destination budget.

Other important factors for success included exposure / brand awareness, repeat business, revenue, and earned media – which all had an average ranking across all destinations between 4.3 and 5.5, regardless of budget.

Quality of life, community legacy, social media, and green initiatives were ranked as less important factors for success.

Factors for success – 2021

(rank with 1 being the most important and 10 being the least important)



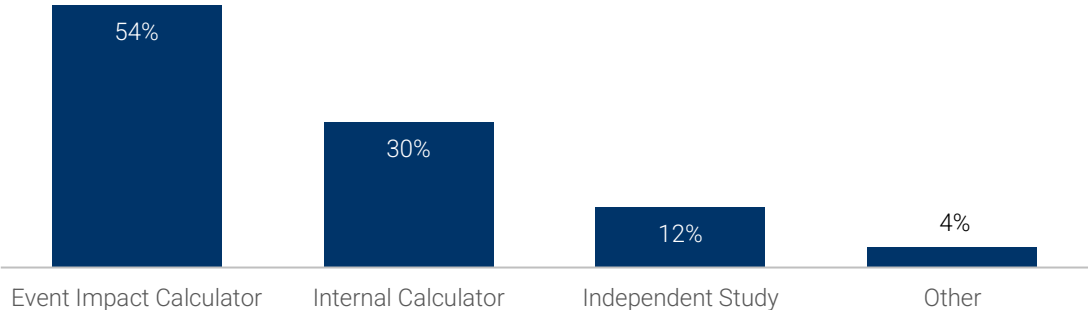
Note: The survey question asked "how does your organization measure success (please rank the following measures of success with 1 being the most important)"? The red diamond represents the average rank of importance for all destinations, regardless of budget. The blue circles present the low and high ranks based on the following destination budget segmentations: \$100K or less, \$100K - \$500K, \$500K - \$1M, \$1M - \$2M, and \$2M+.

Other Insights

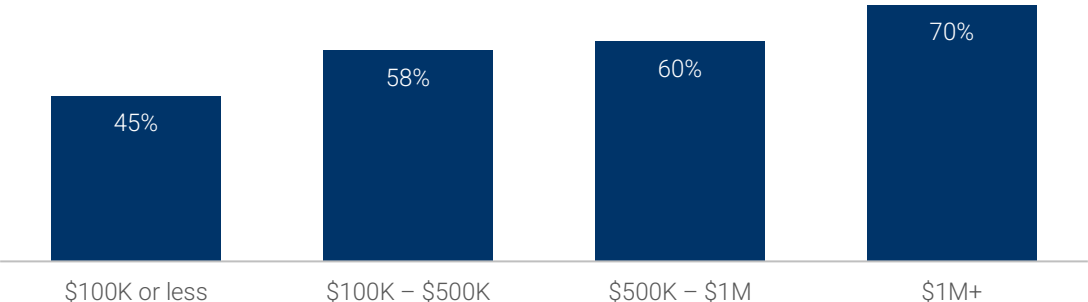
The following are other insights derived from the State of the Industry survey.

- The Event Impact Calculator offered by Sports ETA in partnership with Destinations International and Tourism Economics was the most utilized tool for estimating visitor spend in 2021 – used by 54% of destinations.
- 60% of destinations, regardless of budget, required “stay to play” in 2021.
- Nearly half of destinations (44%) participated in community-based health and wellness activities in 2021.
- City / county / parks and recreation were the most popular partner for bids and event delivery (94% of destinations partnered) followed by colleges / universities (79%), independent facilities (75%), local sport-related groups (75%), high schools (52%), local hotel / motel association (44%), and local port authorities (7%).

Visitor spending estimate source – 2021
(percentage of destinations)



Required “Stay to Play” – 2021
(percentage of destinations by budget)



Note: “Stay to Play” means that destinations require teams to stay within the established room block in order to participate in the tournament

About Sports ETA and Northstar Travel Group

About Sports ETA

As the only trade association for the sport tourism industry, Sports ETA is the most trusted resource for sports commissions, destination marketing organizations (DMOs), and sports event owners. Sports ETA is committed to the success of more than 850 member organizations and 2,400 sports event professionals. Our promise is to deliver quality education, ample networking opportunities and exceptional event management and marketing know-how to our members - sports destinations, sports event owners, and suppliers to the industry - and to protect the integrity of the sports events and industry. For more information, visit sportseta.org.

About Northstar Travel Group

Northstar Travel Group is the leading B-to-B information and marketing solutions company serving all segments of the travel industry including leisure/retail, corporate/business travel, corporate and sports meetings, incentives, hospitality, and travel technology. Northstar is the owner of well-known brands including SportsTravel, Successful Meetings, Meetings & Conventions, Incentive, M&C China, Business Travel News, Travel Procurement, The Beat, Travel Weekly US, TravelAge West, Travel Weekly China, Travel42, Axus Travel App, and Web in Travel.

The company produces more than 80 face-to-face and digital events in 13 countries in retail travel, hospitality, corporate travel, travel technology, sports travel, and the meetings & incentive industry. Leadership events include The Business Travel Show, the largest corporate travel event in Europe; The Meetings Show, the largest meetings industry event in the UK; Web in Travel; CruiseWorld; Global Travel Marketplace; the EsportsTravel Summit; and the TEAMS Conference & Expo, the world's largest gathering of sports-event organizers. In addition, Northstar owns Phocuswright, the leading research, business intelligence, and event producer serving the travel technology industry.

Northstar Travel Group owns the Burba Hotel Network, the leading producer of hotel investment events globally, including ALIS, the largest hotel investment conference in the world produced with the American Hotel & Lodging Association in Los Angeles each year. Northstar is also the majority shareholder in Inntopia, the leading SaaS e-commerce software, CRM database marketing and predictive analytics business serving the mountain destination, golf, activities, hospitality, and specialty destination travel markets.

Based in Secaucus, NJ, the company has offices in New York, NY; Stowe, VT; Denver, CO; Edwards, CO; Burlington, VT; Los Angeles, CA; Costa Mesa, CA; Lombard, IL; and global offices in London, Singapore, Beijing, and Shanghai. Northstar Travel Group is owned by funds managed by EagleTree Capital.

About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 250 full-time staff, including 150 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

For more information:

info@tourismeconomics.com