

Sports Tourism: State of the Industry Report (2019)

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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. And by establishing a baseline of economic impacts, the industry can track its progress 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 to quantify the economic impacts arising from sports-related travel spending.

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 2019 – a critical benchmark year as 2019 establishes the high watermark – the State of the Industry (“SOTI”) Report also estimates the losses 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: 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
- 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.

KEY FINDINGS

The sports tourism sector is a driver of the U.S. economy



Sports Travelers

Nearly 180 million people traveled to a sports event in the U.S. in 2019 either as a participant or spectator, which generated 69 million room nights.



Employment Generator

A total of 739,386 jobs were sustained by sports tourism in 2019. This included 410,762 direct and 328,624 indirect and induced jobs.



Sports-Related Travel Spending

Sports travelers, event organizers, and venues spent \$45.1 billion in 2019, which generated \$103.3 billion in business sales when including indirect and induced impacts.



Fiscal Contributions

Sports tourism generated \$14.6 billion in tax revenues in 2019, with \$6.8 billion accruing to state and local governments.

SPORTS-RELATED TRAVEL VOLUME & SPENDING

SPORTS-RELATED TRAVEL VOLUME & SPENDING

Sports traveler counts

The number of travelers attending sports events in the U.S. increased by more than 10 million since 2015.

In 2019, the number of sports travelers grew 2.0%, capping 5.9% cumulative growth over the five-year period.

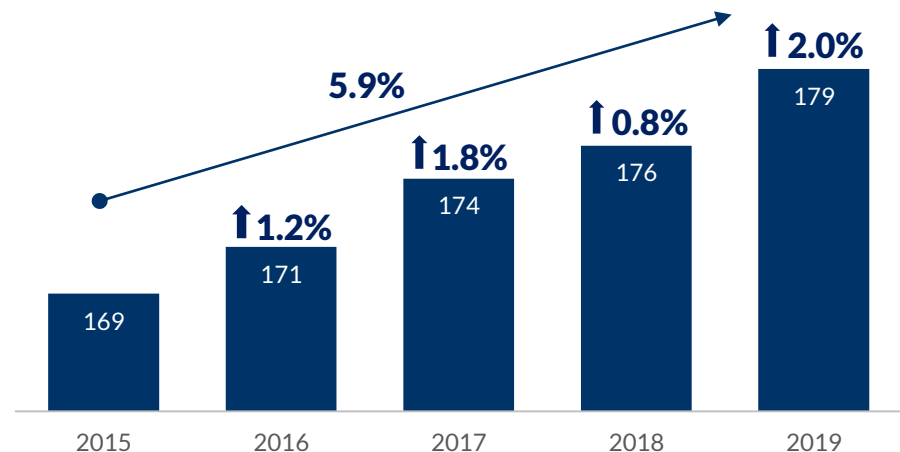
Sport traveler counts for **adult** and **youth amateur** events were estimated using visitor data from Longwoods International and Sports ETA SOTI survey results.

The following methodology was used to estimate the number of **collegiate tournament** sports travelers:

- 1) **Professional and collegiate sports travelers:** Longwoods International and Sports ETA SOTI survey results provided the total number of professional and collegiate sports travelers
- 2) **Removed professional sports:** Attendance data from the NCAA and the five major professional sports leagues was used to remove professional sports from the analysis
- 3) **Removed collegiate regular season:** NCAA regular season and tournament attendance data was then used to remove the collegiate regular season attendance, which resulted in the total number of collegiate tournament sports travelers

Sports traveler levels and annual growth

Amounts in millions of travelers and year-over-year percentage growth



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

SPORTS-RELATED TRAVEL VOLUME & SPENDING

Sports-related travel spending

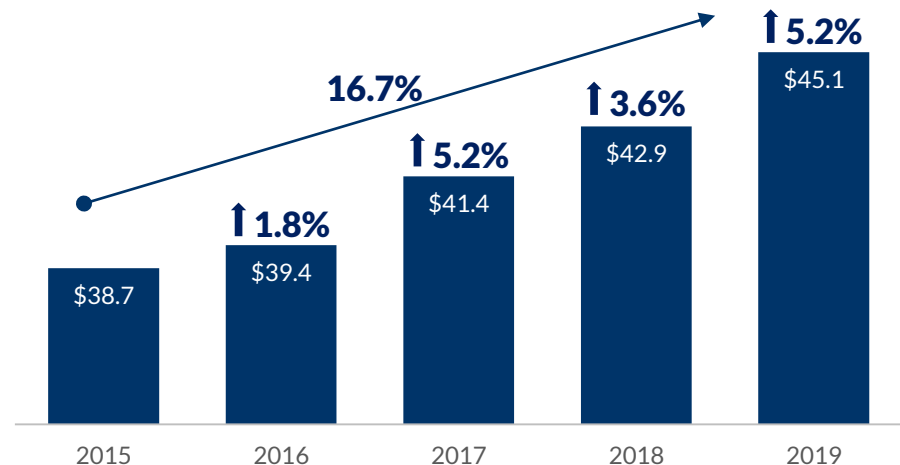
Spending by sports travelers, event organizers, and venues increased by \$2.2 billion to \$45.1 billion in 2019.

Sports travelers, event organizers, and venues spent \$6.4 billion more in 2019 than in 2015.

Over the five years through 2019, sports tourism spending increased 16.7%.

Sports-related travel spending and annual growth

Amounts in billions of nominal dollars and year-over-year percentage growth



Source: Sports ETA, Longwoods International, US Travel Association, Tourism Economics

SPORTS-RELATED TRAVEL VOLUME & SPENDING

Sports-related travel spending

Sports travelers, event organizers, and venues spent **\$45.1 billion** across a wide range of sectors in 2019.

Sports travelers, event organizers, and venues spent \$12.5 billion on transportation, \$9.2 billion on lodging, and \$8.6 billion on food and beverages. Entertainment, retail, and tournament operations rounded out spending, registering \$5.7 billion, \$5.1 billion, and \$3.9 billion, respectively.

The lodging sector accounted for 20% of all sports-related travel spending. In 2019, sports-related travel generated 69 million room nights, which is an important factor given that hotel taxes are a primary funding source for many entities (refer to pages 28 and 37 for additional information).

\$45.1B SPORTS-RELATED TRAVEL SPENDING (2019)



Source: Tourism Economics

SPORTS-RELATED TRAVEL VOLUME & SPENDING

Sports traveler counts and sports-related travel spending

Sports travelers that stayed overnight supported overall sports tourism growth.

The number of individual sports travelers that stayed overnight grew by 1.4 million to reach 96.4 million in 2019.

An estimated 54% of all sports travelers spent the night in the event destination, which generated 69 million room nights in 2019.

Sports travelers that stayed overnight spent \$359 per person trip, an increase of \$12 year-over-year, while day trippers spent \$79 per person trip in 2019.

Total sports travelers and sports-related travel spending

Amounts in millions of sports travelers and millions of nominal dollars

	2015	2016	2017	2018	2019
Total travelers	169.3	171.4	174.4	175.9	179.3
Day	79.6	80.6	82.5	80.9	83.0
Overnight	89.6	90.7	91.9	95.0	96.4
Total traveler spending	\$35,217	\$35,817	\$37,726	\$39,100	\$41,174
Day	\$5,472	\$5,700	\$6,138	\$6,137	\$6,574
Overnight	\$29,745	\$30,118	\$31,587	\$32,963	\$34,600
Per traveler spending	\$208	\$209	\$216	\$222	\$230
Day	\$69	\$71	\$74	\$76	\$79
Overnight	\$332	\$332	\$344	\$347	\$359

Note: event organizer and venue spending on tournament operations is excluded from above table. In 2019, this amounted to \$3.9 billion.

Source: Tourism Economics

ECONOMIC IMPACTS



ECONOMIC IMPACTS

How sports-related travel spending generates employment and income

Our 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, we input the spending 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.

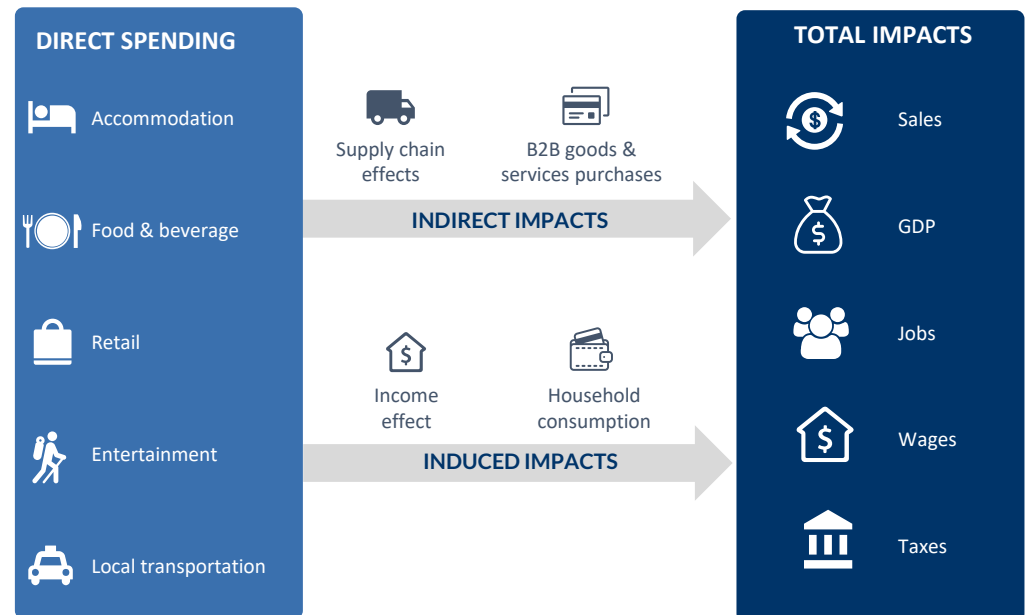
DIRECT TOURISM INDUSTRY

Introduction and definitions

Tracking the impact of sports-related travel spending on the broader economy

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

- Spending
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes



ECONOMIC IMPACTS

Business sales impacts by industry

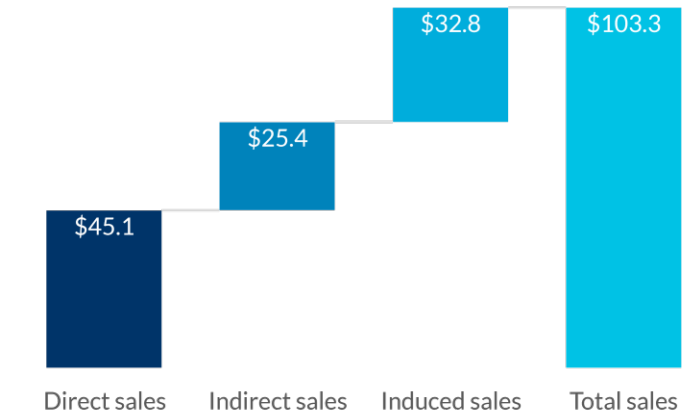
The estimated direct impact of \$45.1 billion produced \$103.3 billion in business sales including indirect and induced impacts.

While most sales are in industries directly serving travelers (as presented on the following page), \$13.8 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 manufacturing (\$10.3 billion) and business services (\$10.0 billion).

Summary economic impacts (\$ billions) – 2019



Source: Tourism Economics

ECONOMIC IMPACTS

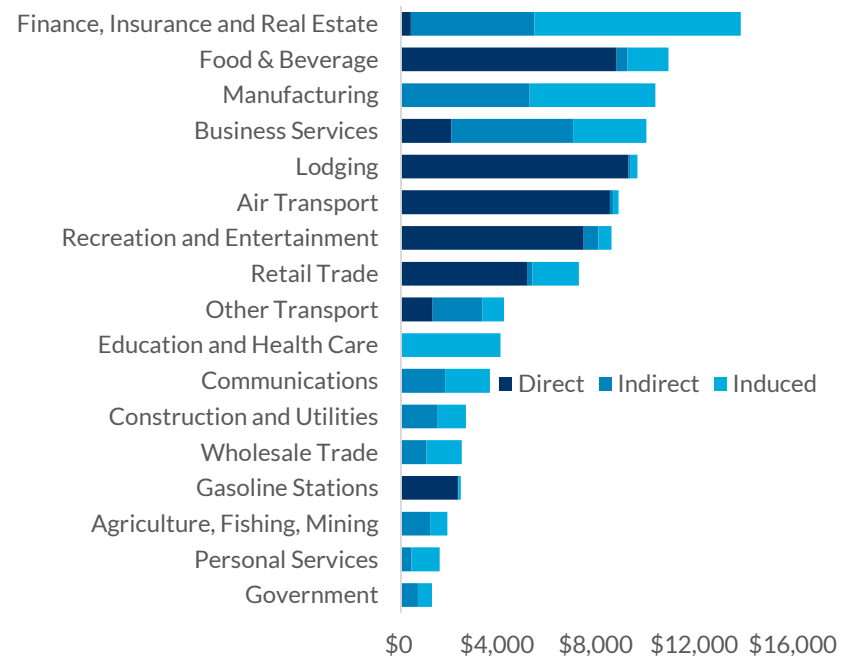
Business sales impacts by industry

Business sales impacts by industry (\$ millions) – 2019

	Direct	Indirect	Induced	Total
Total, all industries	\$45,114	\$25,393	\$32,822	\$103,329
By industry				
Finance, Insurance and Real Estate	\$412	\$5,008	\$8,387	\$13,807
Food & Beverage	\$8,764	\$433	\$1,673	\$10,871
Manufacturing	\$0	\$5,230	\$5,107	\$10,337
Business Services	\$2,052	\$4,943	\$2,975	\$9,970
Lodging	\$9,244	\$94	\$268	\$9,606
Air Transport	\$8,486	\$131	\$220	\$8,838
Recreation and Entertainment	\$7,423	\$603	\$522	\$8,548
Retail Trade	\$5,124	\$222	\$1,881	\$7,227
Other Transport	\$1,298	\$2,011	\$876	\$4,184
Education and Health Care	\$0	\$34	\$4,007	\$4,041
Communications	\$0	\$1,796	\$1,818	\$3,614
Construction and Utilities	\$0	\$1,502	\$1,146	\$2,648
Wholesale Trade	\$0	\$1,050	\$1,420	\$2,470
Gasoline Stations	\$2,312	\$17	\$100	\$2,429
Agriculture, Fishing, Mining	\$0	\$1,186	\$705	\$1,891
Personal Services	\$0	\$438	\$1,146	\$1,584
Government	\$0	\$692	\$572	\$1,264

Source: Tourism Economics

Business sales impacts by industry (\$ millions) – 2019



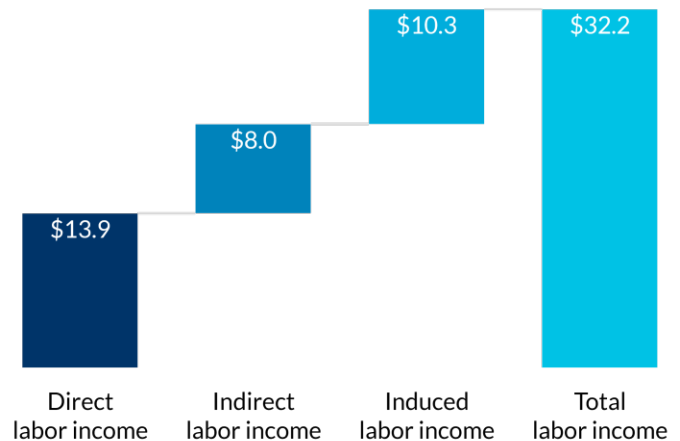
Source: Tourism Economics

ECONOMIC IMPACTS

Labor income impacts by industry

Sports-related travel spending generated \$13.9 billion in direct labor income, which generated a total of \$32.2 billion in labor income including indirect and induced impacts.

Summary labor impacts (\$ billions) – 2019



Source: Tourism Economics

ECONOMIC IMPACTS

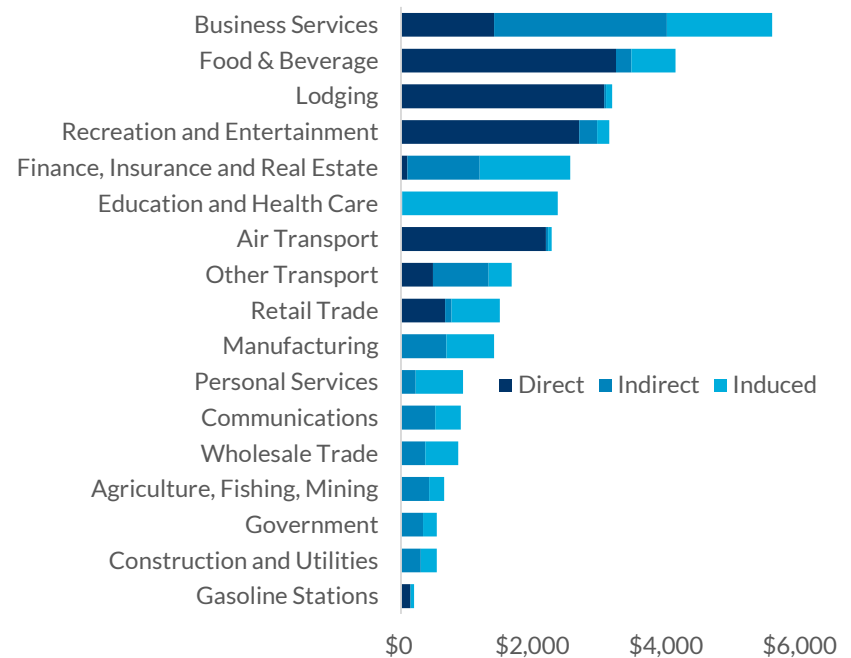
Labor income impacts by industry

Labor income impacts by industry (\$ millions) – 2019

	Direct	Indirect	Induced	Total
Total, all industries	\$13,871	\$8,020	\$10,332	\$32,223
By industry				
Business Services	\$1,393	\$2,588	\$1,574	\$5,555
Food & Beverage	\$3,217	\$231	\$661	\$4,109
Lodging	\$3,042	\$30	\$88	\$3,160
Recreation and Entertainment	\$2,668	\$267	\$183	\$3,117
Finance, Insurance and Real Estate	\$97	\$1,084	\$1,353	\$2,533
Education and Health Care	\$0	\$21	\$2,325	\$2,346
Air Transport	\$2,169	\$34	\$56	\$2,259
Other Transport	\$482	\$831	\$343	\$1,656
Retail Trade	\$664	\$94	\$723	\$1,481
Manufacturing	\$0	\$680	\$714	\$1,394
Personal Services	\$0	\$222	\$709	\$930
Communications	\$0	\$512	\$388	\$900
Wholesale Trade	\$0	\$365	\$494	\$858
Agriculture, Fishing, Mining	\$0	\$422	\$224	\$647
Government	\$0	\$331	\$208	\$539
Construction and Utilities	\$0	\$300	\$237	\$537
Gasoline Stations	\$140	\$9	\$52	\$201

Source: Tourism Economics

Labor income impacts by industry (\$ millions) – 2019



Source: Tourism Economics

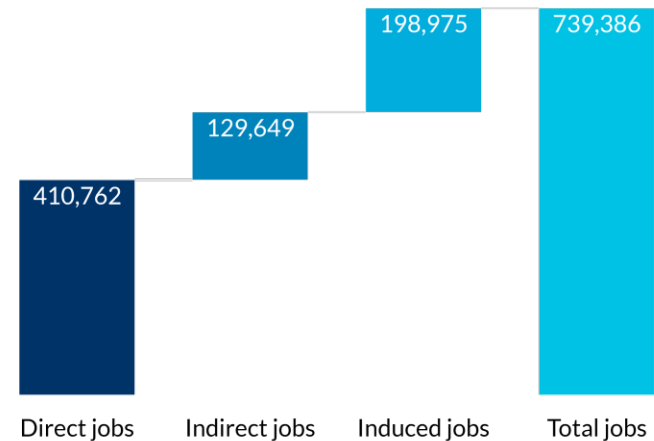
ECONOMIC IMPACTS

Job impacts by industry

Sports-related travel spending sustained 739,386 full-time equivalent jobs* on an annualized basis when indirect and induced impacts are considered.

*The full-time equivalent concept converts part-time and temporary jobs to a full-time equivalent annual basis, based on output and wages.

Summary job impacts – 2019



Source: Tourism Economics

ECONOMIC IMPACTS

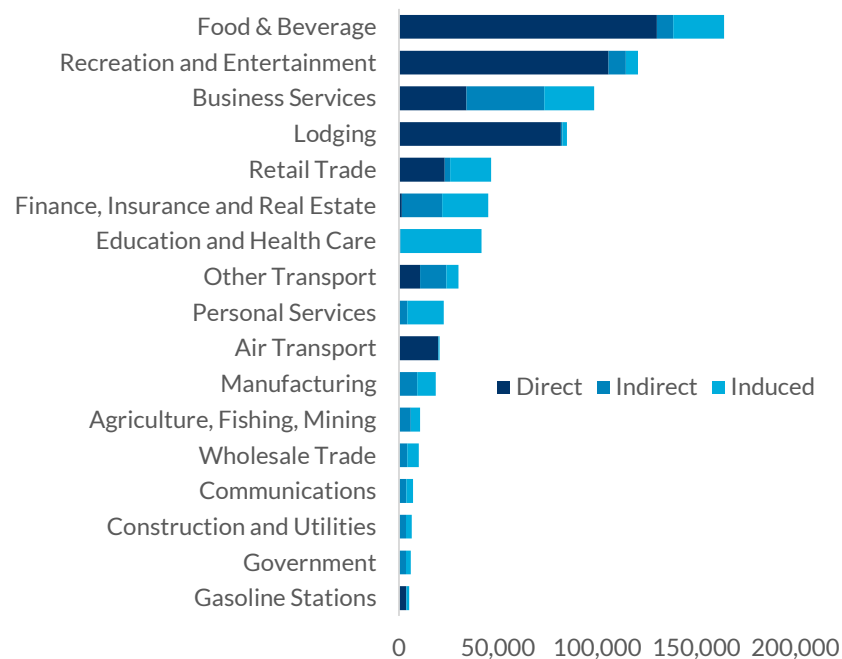
Job impacts by industry

Job impacts by industry – 2019

	Direct	Indirect	Induced	Total
Total, all industries	410,762	129,649	198,975	739,386
By industry				
Food & Beverage	130,169	8,315	25,581	164,066
Recreation and Entertainment	105,861	8,699	6,016	120,575
Business Services	34,130	39,228	25,151	98,510
Lodging	81,674	805	2,377	84,856
Retail Trade	23,168	2,701	20,741	46,609
Finance, Insurance and Real Estate	1,541	20,369	23,246	45,156
Education and Health Care		801	40,918	41,719
Other Transport	10,729	13,200	6,176	30,105
Personal Services		4,277	18,372	22,648
Air Transport	19,822	307	515	20,644
Manufacturing		9,215	9,484	18,699
Agriculture, Fishing, Mining		6,071	4,638	10,709
Wholesale Trade		4,262	5,765	10,027
Communications		3,819	3,367	7,185
Construction and Utilities		3,649	2,919	6,567
Government		3,698	2,341	6,039
Gasoline Stations	3,668	234	1,368	5,271

Source: Tourism Economics

Job impacts by industry – 2019



Source: Tourism Economics

ECONOMIC IMPACTS

Fiscal (tax) total impact

Sports-related travel spending generated \$14.6 billion in total tax revenues. State and local tax revenues alone accounted for \$6.8 billion.

Tax impacts (\$ millions) – 2019

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$7,371	\$7,196	\$14,568
Federal	\$3,361	\$4,429	\$7,790
Personal Income	\$1,124	\$1,494	\$2,618
Corporate	\$366	\$737	\$1,103
Indirect Business	\$352	\$263	\$615
Social Insurance	\$1,519	\$1,935	\$3,454
State and Local	\$4,010	\$2,767	\$6,778
Sales	\$1,383	\$1,033	\$2,416
Bed Tax	\$703	\$0	\$703
Personal Income	\$280	\$372	\$651
Corporate	\$57	\$115	\$172
Social Insurance	\$25	\$32	\$57
Excise and Fees	\$320	\$289	\$610
Property	\$1,242	\$927	\$2,169

Source: Tourism Economics

ECONOMIC IMPACTS IN CONTEXT

Spending, jobs, and income impacts in context



**\$45.1
BILLION**

SPORTS –RELATED TRAVEL SPENDING

The \$45.1 billion in sports-related travel spending means that nearly \$124 million was spent EVERY DAY by sports travelers, event organizers, and venues.



**\$32.2
BILLION**

PERSONAL INCOME

The \$32.2 billion in total income generated by sports tourism is the equivalent of \$269 for every household in the U.S.



**739,386
JOBS**

EMPLOYMENT

If the number of total jobs sustained by sports tourism was the population of a U.S. city, it would rank as the 19th largest city in the U.S., behind Seattle, Washington.



**\$14.6
BILLION**

TAXES

The \$14.6 billion in federal, state, and local taxes generated by sports tourism would cover the average salaries of nearly 228,000 public school teachers.

ECONOMIC IMPACTS

Industry comparisons

The sports tourism sector supports more direct jobs than many large sectors including wood product manufacturing, pharmaceuticals, and oil and gas extraction.

Direct employment (thousands) – 2019

	Employment
Motor vehicles, bodies and trailers, and parts manufacturing (3361/2/3)	999
Offices of certified public accountants (541211)	490
Furniture and home furnishings stores (442)	473
Barber shops and beauty salons (812111/2)	453
Motion picture and sound recording industries (512)	444
Sports tourism	411
Wood product manufacturing (321)	409
Highway, street, and bridge construction (2379)	351
Pharmaceuticals and medicines (3254)	306
Credit unions and other depository credit intermediation (52213/9)	290
Oil and gas extraction (211)	150

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

Source: Bureau of Labor Statistics

COVID-19 IMPACTS

COVID-19 IMPACTS

Sports tourism represents a substantial value to the U.S. economy. However, this economic value has been severely limited by the coronavirus pandemic that has especially damaged the sports events and tourism industry.

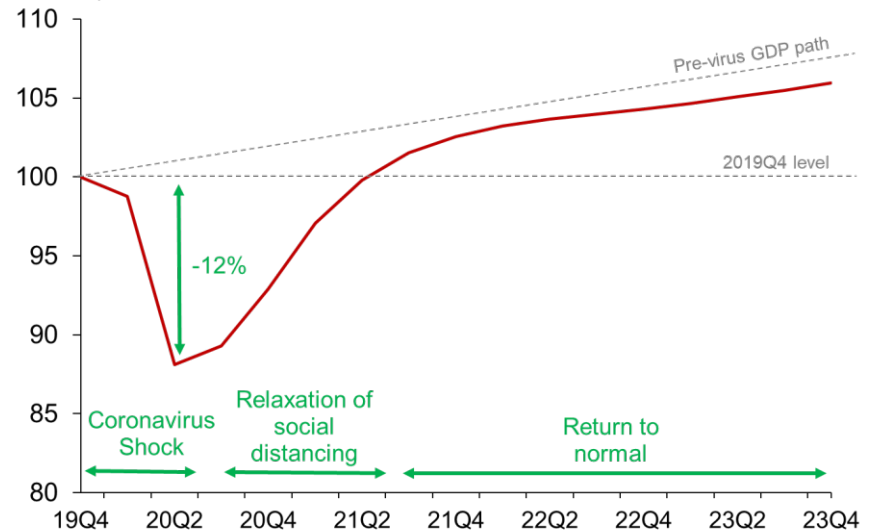
Estimates of COVID-19 Impact on U.S. Economy

COVID-19 quickly impacted the U.S. economy during the first quarter of 2020 and will continue to have profound impacts throughout the remainder of the year. The U.S. entered the early stages of a deep recession with steep employment and income losses.

Nearly all industries are impacted by COVID-19, but to varying degrees. Given that sports are considered non-essential services and typically involve many participants and spectators which increases the risk of transmission, it is expected that the sports tourism industry will be significantly impacted for much of 2020.

Deepest economic contraction since 1946

GDP Q4 2019 = 100



Source : Oxford Economics

COVID-19 IMPACTS

Estimates of COVID-19 Impact on Sports Tourism

Given the event cancellations / postponements, travel restrictions, and ensuing job losses and budget cuts resulting from COVID-19, the sports tourism industry has been hard hit.

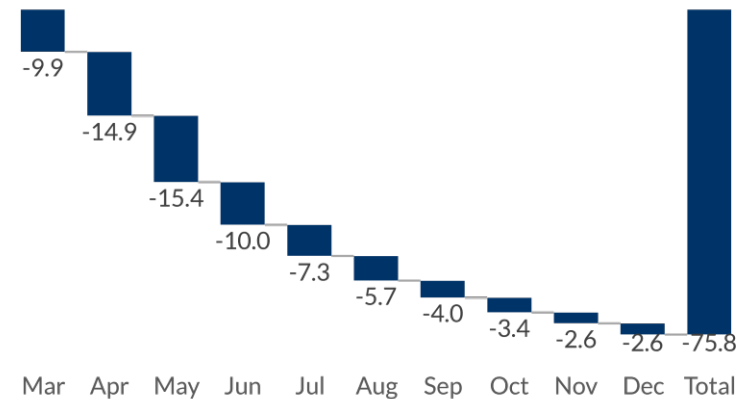
In March 2020, approximately 9.9 million fewer people traveled to participate in or watch a sports event compared to March 2019, which translates into a loss of approximately \$2.5 billion in direct spending.

April fared worse as all sports events were cancelled or postponed resulting in a loss of 14.9 million travelers and \$3.8 billion in direct spending. Similar losses occurred in May, but then losses are expected to shrink as the year progresses.

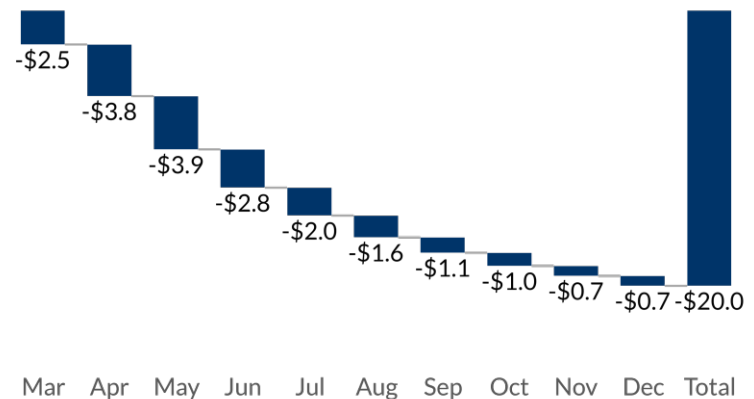
Over the ten-month period from March to December 2020, we expect that over 75 million fewer people will travel to sports events compared to 2019, resulting in a loss of \$20.0 billion in direct spending in 2020.

As the economy begins to recover, it will likely take longer for the sports tourism industry to reach 2019 levels than it will for the overall U.S. economy.

Monthly sports traveler volume loss (millions)



Monthly sports tourism spending loss (\$ billions)



Source: Tourism Economics

DESTINATION PROFILES

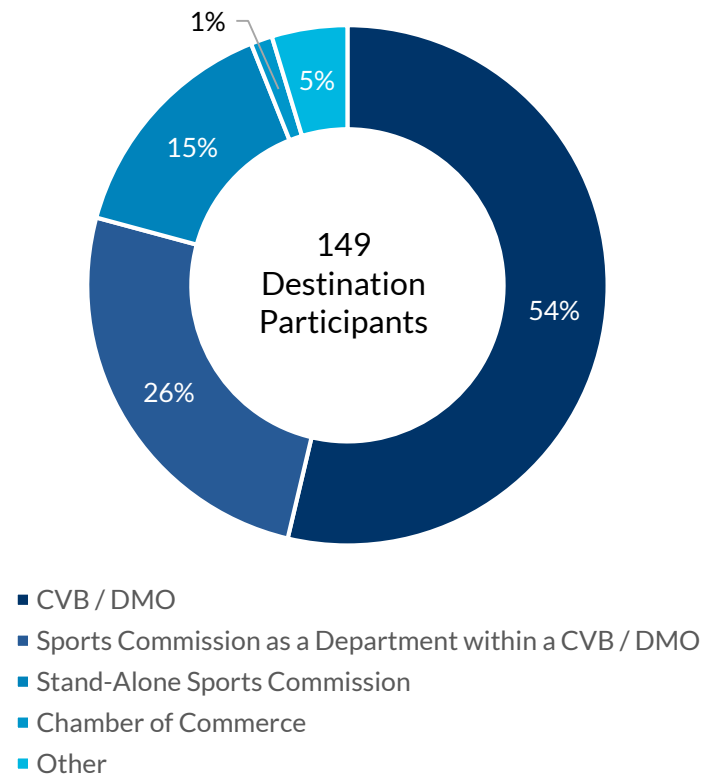
OVERVIEW

In February 2020, Sports ETA electronically distributed the State of the Industry survey to its membership. The survey remained in the field for approximately five weeks and garnered responses from 149 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.

Participation by Destination Type (2019)



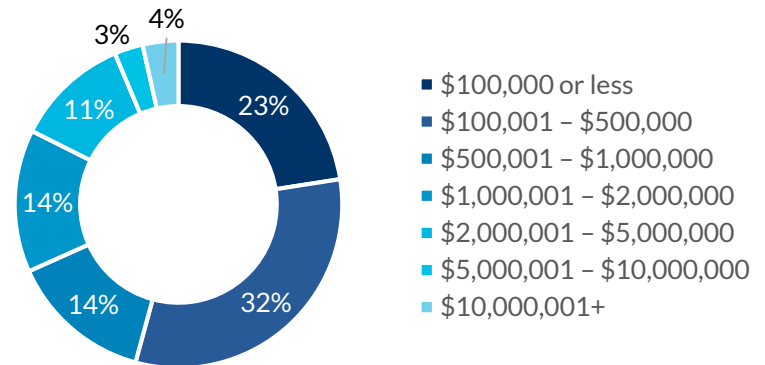
BUDGET

Approximately 55% of all destination organizations operated with a budget of \$500,000 or less. Approximately 7% of destinations operated with a budget exceeding \$5 million.

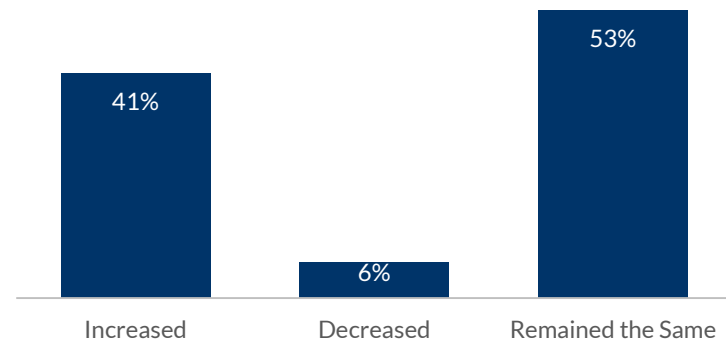
More than 40% of destinations experienced a budget increase in 2019 with an average increase of 13% year-over-year.

Only 6% of destinations experienced a decline in their budget in 2019 with an average decrease of 9%. However, moving forward destination budgets will be re-evaluated due to the impacts of COVID-19.

Destination Budget (2019)



Destination Budget Change (2018 to 2019)

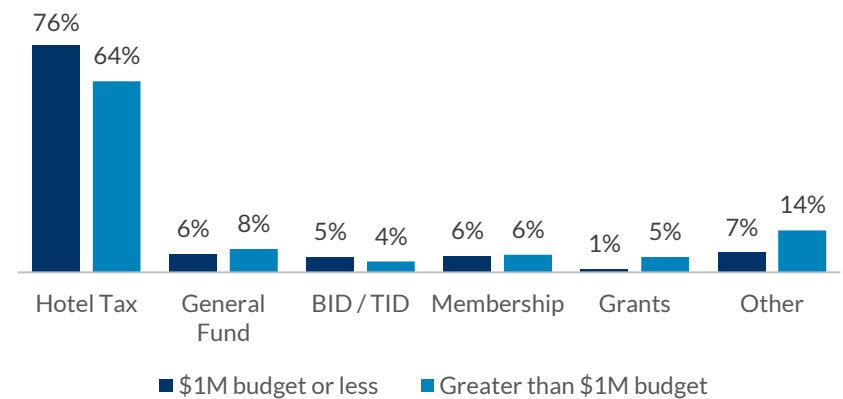


ORGANIZATION FUNDING

Hotel taxes fund the majority of destination organizations. Destinations with a budget of \$1 million or less had a larger percentage of their budget (76%) funded by hotel taxes, compared to those destinations with a budget over \$1 million (64%).

Destinations with a budget over \$1 million had a larger percentage of their budget funded by the general fund (8%), grants (5%), and other sources (14%). Other funding sources included event revenue, sponsorships, partnership co-ops, and private funding.

Organization Funding (2019)



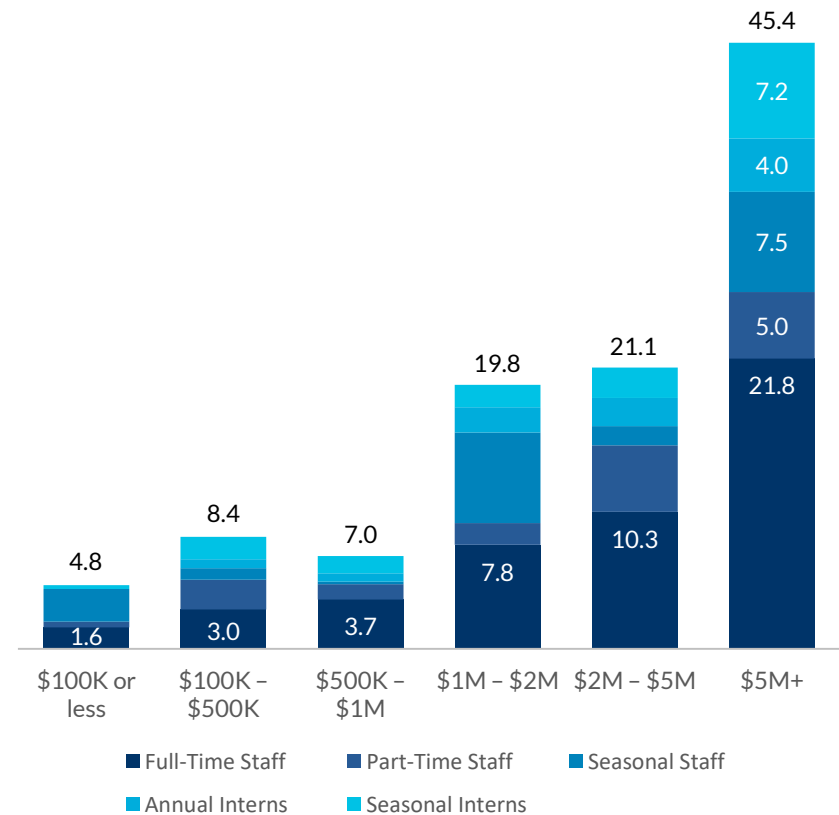
STAFFING

The number of staff employed by a destination directly relates to the overall budget. The number of full-time staff at destinations ranged from 1.6 at destinations with a budget less than \$100,000 to 21.8 at destinations with a budget over \$5 million.

When part-time staff and interns are considered, the total number of employees ranged from 4.8 to 45.4 depending on budget.

The average destination, regardless of budget, employed 5.3 full-time staff and 13.6 total staff when including part-time staff and interns.

Destination organization staffing (2019)



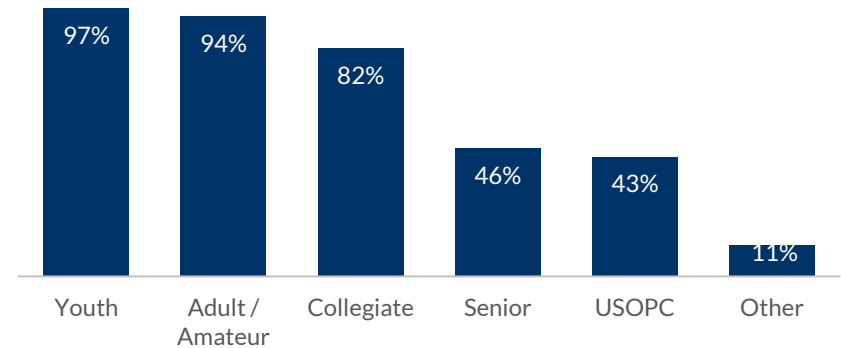
EVENTS

Nearly all destinations hosted youth events (97%) – either competitive or recreational – in 2019. Less than half of the destinations hosted senior or United States Olympic & Paralympic Committee (USOPC) events.

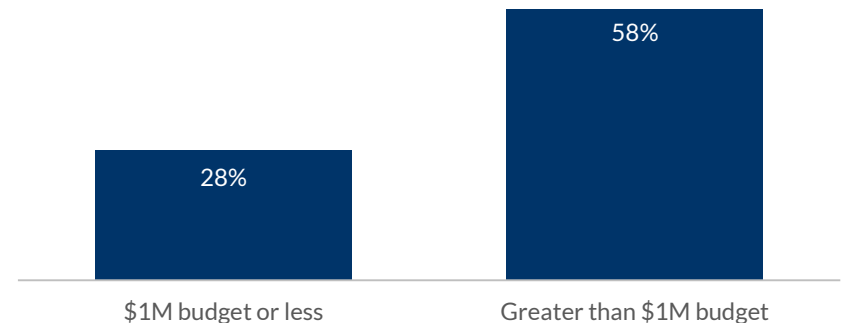
On average, 38% of all destinations surveyed owned an event in 2019 – 58% of destinations with budgets over \$1 million and 28% of destinations with budgets less than \$1 million. Destinations with budgets over \$1 million owned an average of 4.1 events compared to 2.8 events for destinations with budgets less than \$1 million.

Of those destinations that owned an event, approximately 65% owned a team event and 57% owned an individual event.

Event Types (2019)



Owned Events (2019)



EVENTS

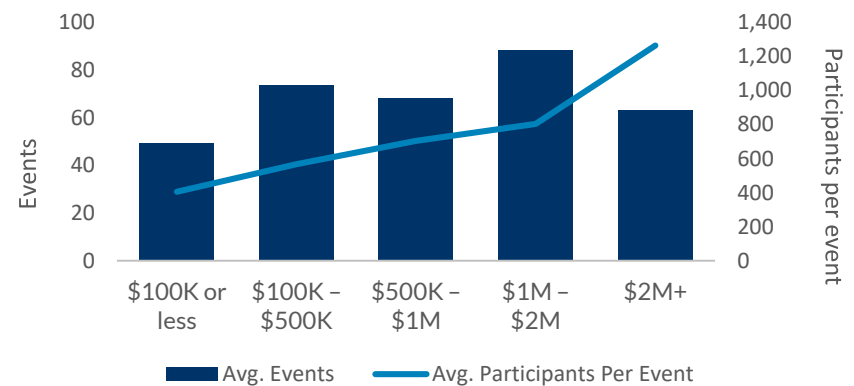
Destinations hosted an average of 70 events in 2019 ranging from 49 at destinations with a budget less than \$100,000 to 88 at destinations with a budget of \$1 million to \$2 million.

The average number of participants per event correlated to the destination budget – ranging from 404 participants per event at destinations with the smallest budget to 1,259 participants per event at destinations with the largest budget.

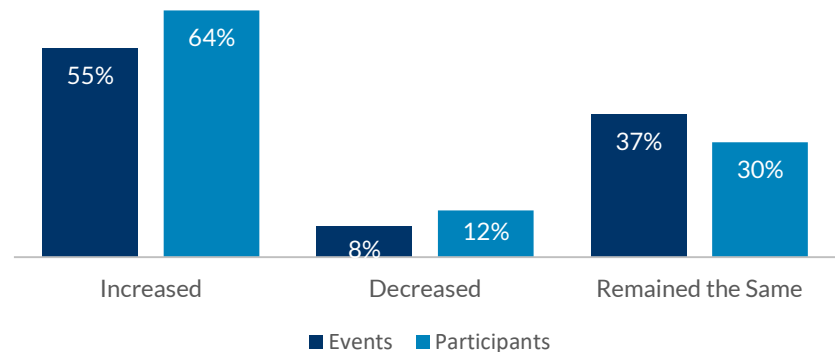
More than half of the destinations experienced a growth in the number of events (55%) and participants (64%) year-over-year.

Only 8% of destinations hosted fewer events and 12% of destinations hosted fewer participants in 2019 compared to 2018.

Events & Participants (2019)



Events & Participants Change (2018 to 2019)



BID FEES

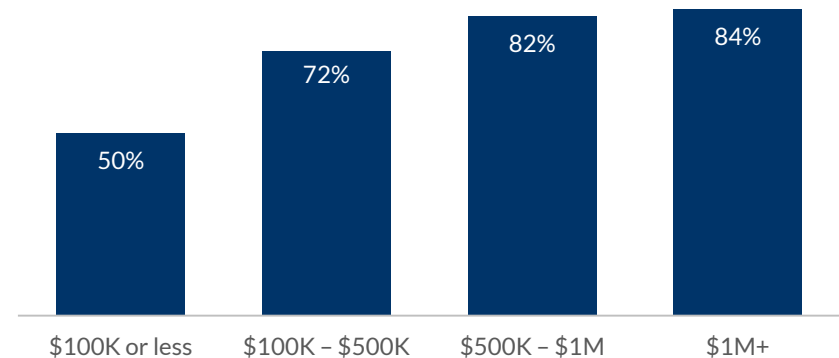
Approximately 73% of destinations paid bid fees in 2019. Half of the destinations with a budget less than \$100,000 paid bid fees compared to 84% of destinations with a budget over \$1 million.

The average bid fee funding pool, regardless of budget, was approximately \$176,000, ranging from over \$69,000 at smaller budget destinations to nearly \$260,000 at larger budget destinations.

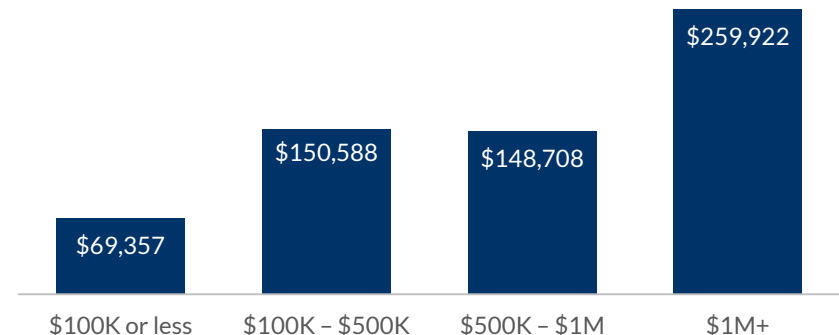
The bid fee pool increased for 30% of destinations in 2019 and remained the same for 70% of destinations. No destinations decreased its bid fee pool between 2018 and 2019.

The internal budget was the most common source of funding for the bid pool – 87% of destinations funded a portion of the bid pool using internal funds, 36% used city or state funds, and 21% used other funding, such as sponsorships or private donations.

Paid Bid Fees (2019)



Bid Fee Funding Pool (2019)



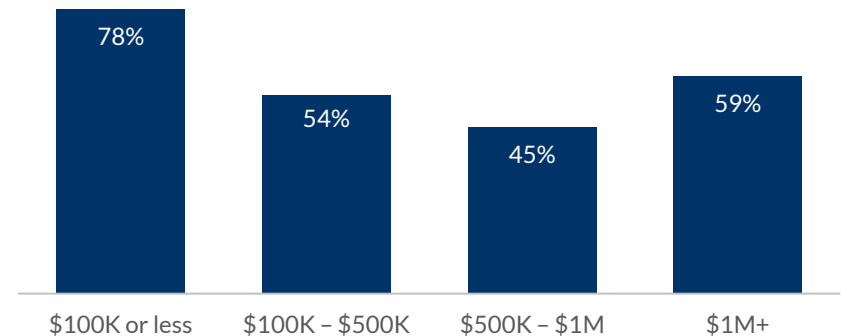
LOCAL GRANTS

Over 60% of destinations, regardless of budget, offered local event grants in 2019. Nearly 80% of destinations with a budget less than \$100,000 offered grants, compared to less than 60% for destinations with budgets greater than \$100,000.

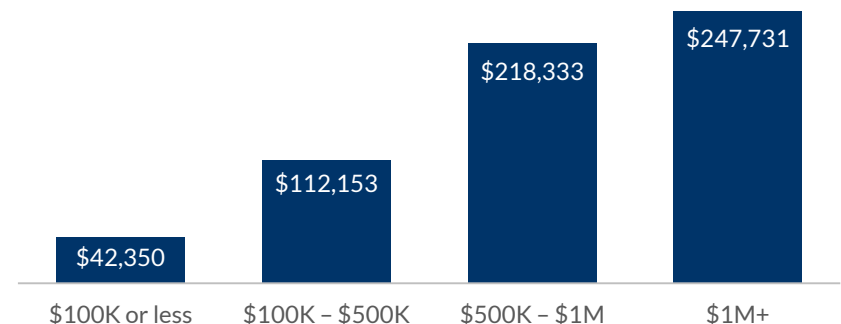
The average bid fee funding pool, regardless of budget, was approximately \$145,000, ranging from approximately \$42,000 at smaller budget destinations to nearly \$250,000 at larger budget destinations.

The internal budget was the most common source of funding for the local grants – 76% of destinations funded a portion of the local grants pool using internal funds, 33% used city or state funds, and 12% used other funding, such as sponsorships or private donations.

Offered Local Grants (2019)



Local Grants Funding Pool (2019)

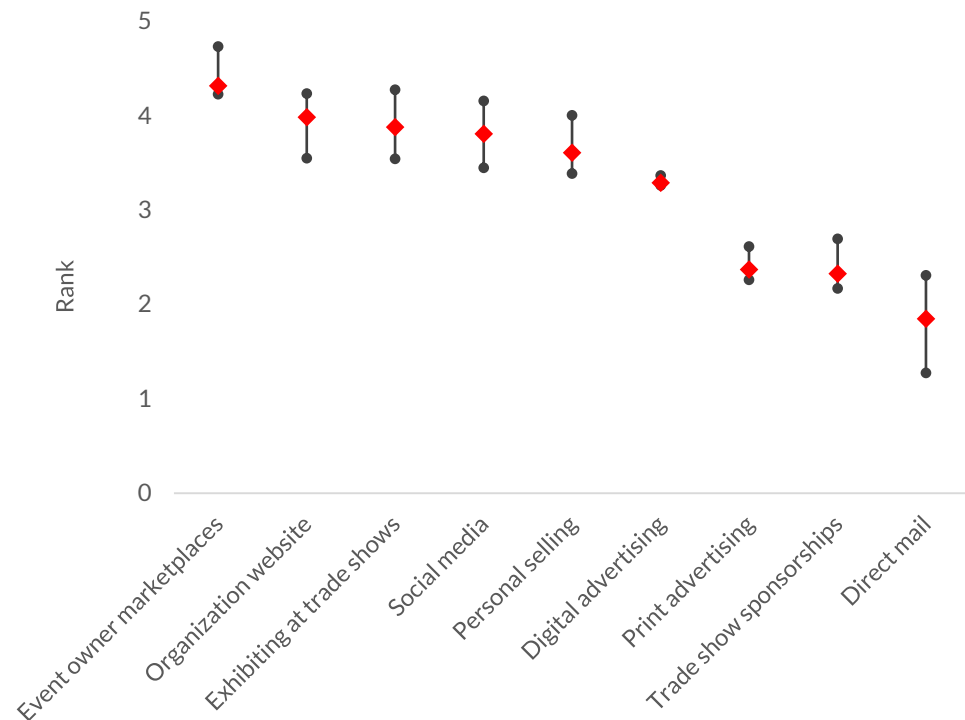


MARKETING STRATEGY

Participating at event owner marketplaces, such as conferences and trade shows, was the most important part of a destinations marketing strategy – it ranked 4.3 on a 5-point scale with a range of 4.2 to 4.7 depending on destination budget.

An organization's website, exhibiting at conferences and trade shows, and social media were other important marketing methods.

Importance to Marketing Strategy: Average and Range (2019)



Note: The survey question asked "how important is each element in your marketing strategy"? 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+.

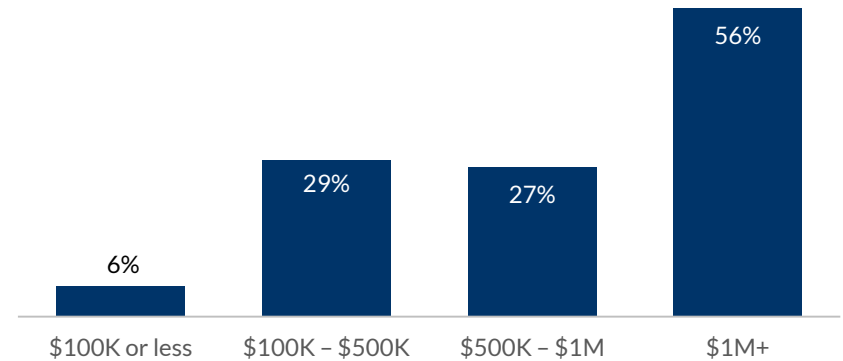
SPONSORSHIP

Approximately 33% of all destinations received sponsorships in 2019, ranging from 6% of destinations with a budget less than \$100,000 to 56% of destinations with a budget over \$1 million.

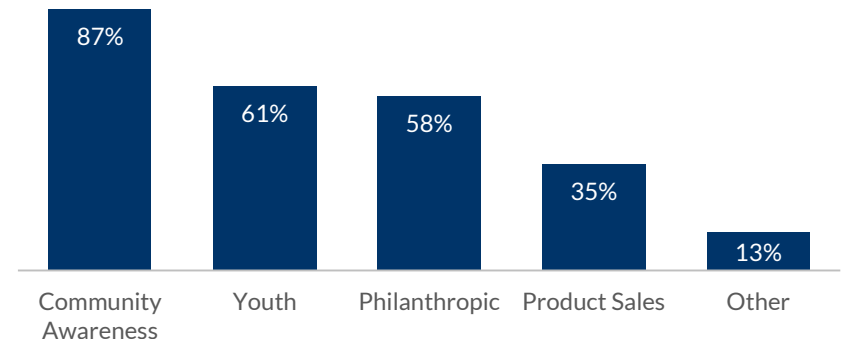
Sponsorship revenue increased at 45% of destinations between 2018 and 2019, with an average increase of 17%. Only 10% of destinations decreased sponsorship revenue year-over-year while the remaining 45% of destinations maintained the same level of sponsorship revenue.

Nearly 90% of destinations indicated that community awareness was the key factor for sponsoring their organization.

Sponsored Destinations (2019)



Key Factors for Sponsorship (2019)

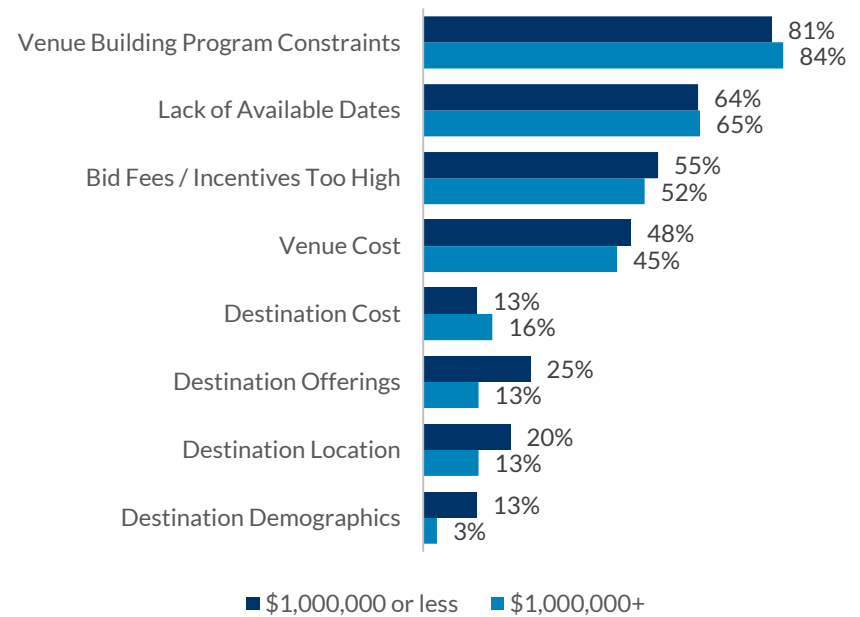


LOST BUSINESS

Venue building program constraints, such as not enough playing surfaces, were the most prominent reason for lost business in 2019, followed by lack of available dates, high bid fees / incentives, and venue cost.

Destination specific factors – such as offerings, location, and demographics, but excluding cost – accounted for a larger portion of lost business at destinations with budgets less than \$1 million.

Lost Business (2019)



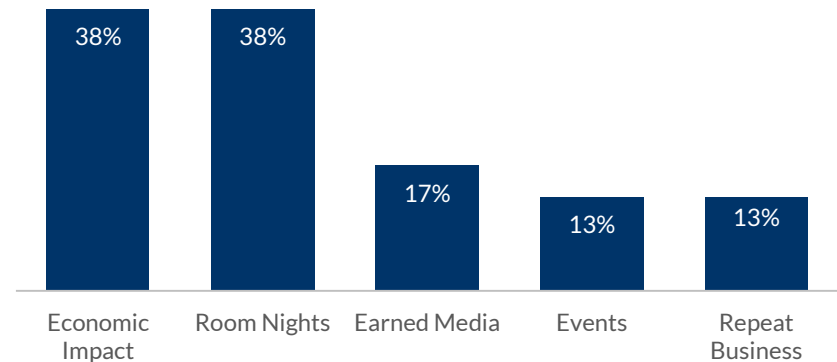
FACTORS FOR SUCCESS

Destinations utilize many key performance indicators to monitor success. The top two factors in 2019, regardless of budget, were room nights and economic impact, used by 49% and 32% of destinations, respectively.

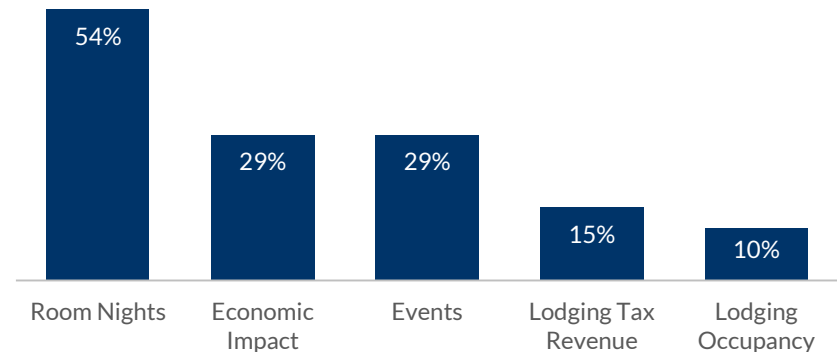
For destinations with budgets over \$1 million, 38% indicated they used economic impact and room nights as measurements of success. Other key success factors included earned media, number of events, and repeat business.

Over half (54%) of destinations with budgets less than \$1 million stated that room nights were the biggest factor for success. Other key factors included economic impact, number of events, lodging tax revenue, and lodging occupancy.

Top 5 Factors for Success – \$1M+ Budget (2019)



Top 5 Factors for Success – Less than \$1M Budget (2019)

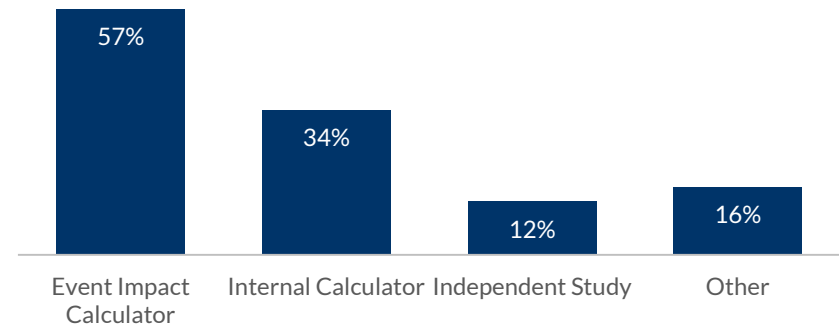


OTHER INSIGHTS

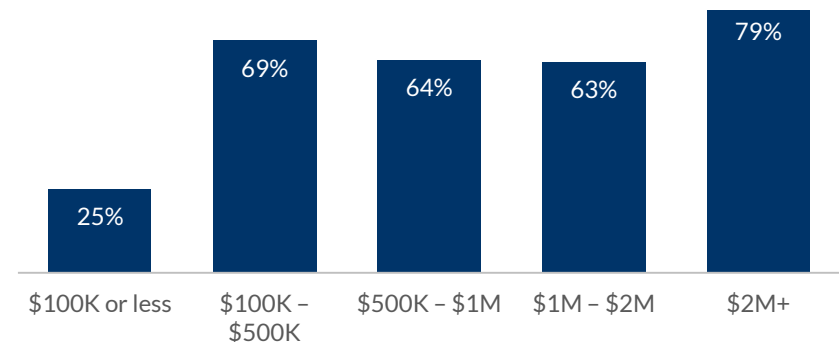
The following are other insights derived from the State of the Industry survey:

- 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 2019 – used by 57% of destinations.
- Approximately 60% of destinations, regardless of budget, required “stay to play” in 2019.
- Only 27% of destinations calculated or collected information on earned media estimates in 2019.
- Nearly half of destinations (44%) participated in community-based health and wellness activities in 2019.

Visitor Spending Estimate Source (2019)



Required “Stay to Play” (2019)



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 & 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.

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