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# Panama City Beach

## 2016 Travel Market Economic Impact Report

*Prepared for:*

- *Panama City Beach Convention & Visitors Bureau*

*Study Conducted: December, 2015 – January, 2017*

*Presentation of Research & Findings & 2016 Economic Impact:  
April 10, 2017*

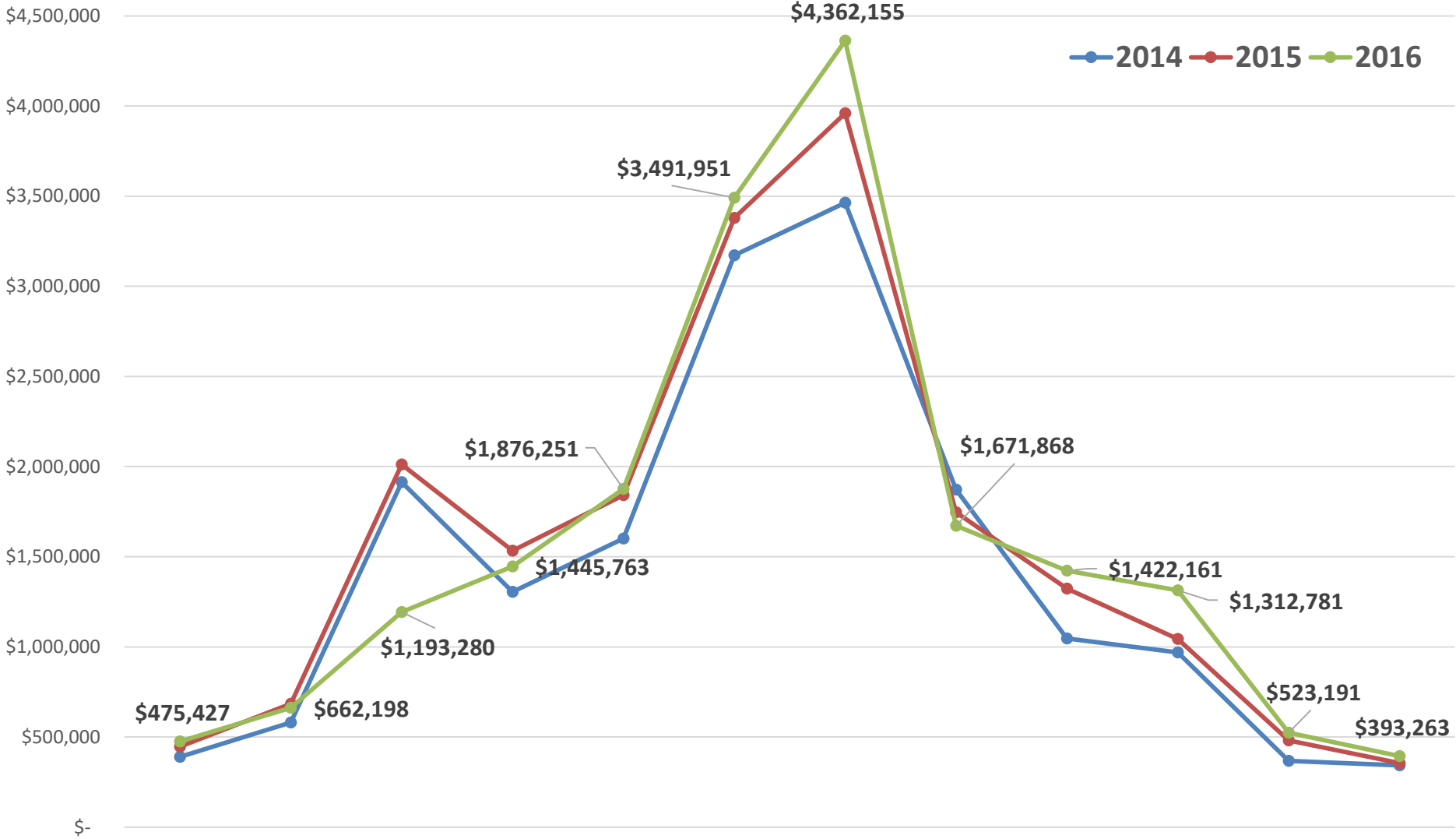
## Trends and Data Used to Calculate Economic Impact

- PCB is an extremely large, diverse destination
- Year-end economic impact data is typically reported 9 -16 months after year-end close of books
- Fact – Tourist Development Tax Revenue
- Fact – STR hotel data
- Fact – VisaVue data from domestic travel expenditures in PCB
- Survey – Young Strategies online surveys with visitors to PCB
- Survey – Young Strategies intercept interviews with visitors to PCB

# PANAMA CITY BEACH

## Tourist Development Tax 3-Year Trend

# PCB Tourist Development Tax Trend



# PANAMA CITY BEACH HOTEL/MOTEL STR DATA

## PCB Lodging Properties Reporting to STR

Beachbreak By The Sea	Upper Midscale Class	100
Beachcomber By The Sea	Upscale Class	96
Comfort Suites Panama City Beach	Upper Midscale Class	74
Country Inn & Suites Panama City Beach	Upper Midscale Class	82
Days Inn Panama City Beach Ocean Front	Economy Class	188
Hampton Inn & Suites Panama City Beach Pier Park Area	Upper Midscale Class	95
Hampton Inn Panama City Beach	Upper Midscale Class	89
Hawthorn Suites by Wyndham Panama City Beach	Midscale Class	80
Holiday Inn Resort Panama City Beach	Upper Midscale Class	340
La Quinta Inns & Suites Panama City Beach	Midscale Class	86
La Quinta Inns & Suites Panama City Beach Commerce Park	Midscale Class	90
Legacy By The Sea	Upscale Class	139
Sleep Inn & Suites Panama City Beach	Midscale Class	90
The Beachside Resort	Upscale Class	147

**6,146 Hotel/Motel Rooms in PCB**

**STR Total Rooms Reporting (28%)**

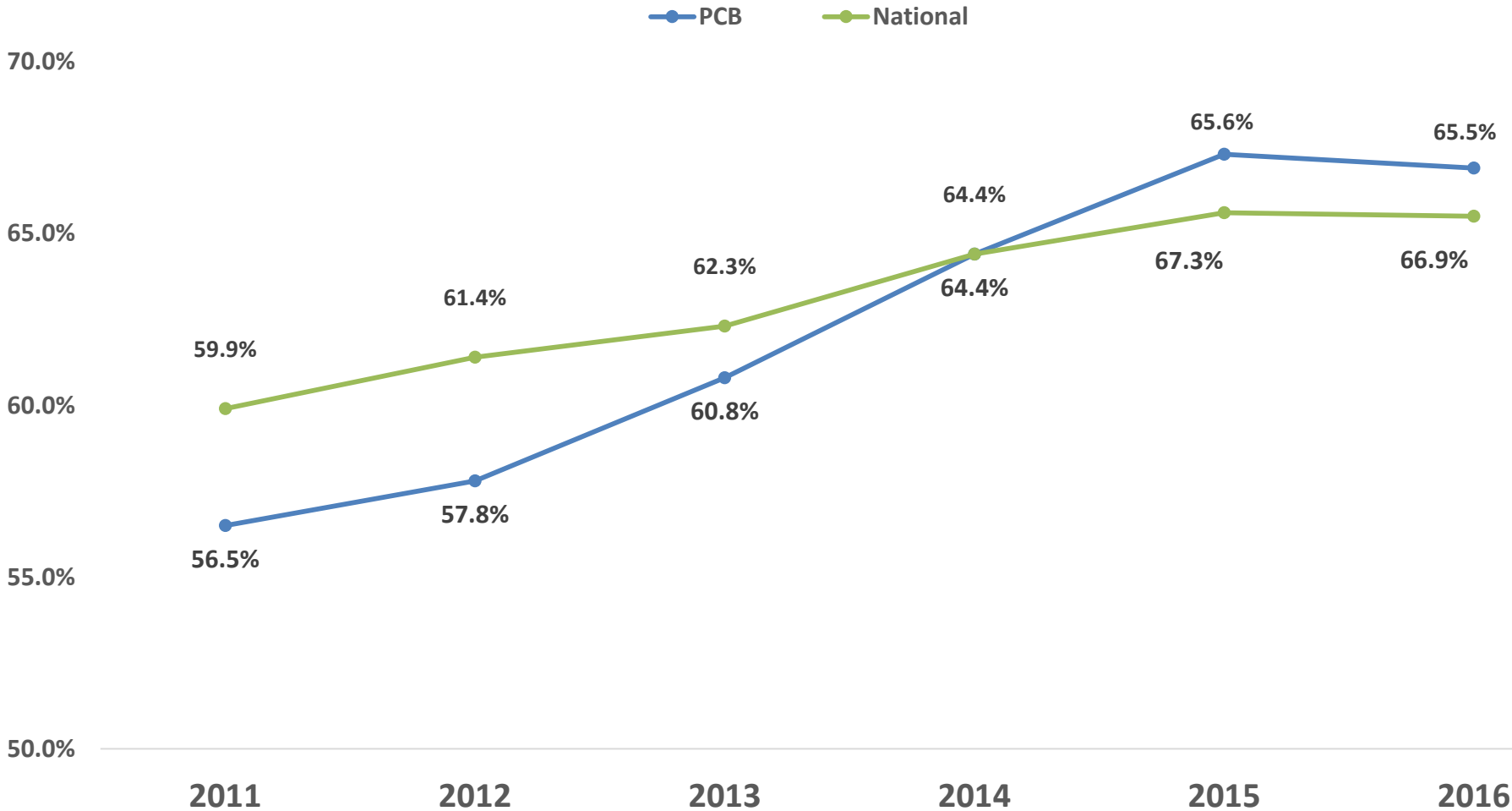
**1,696**

## 2016 Comparative STR Data – USA & PCB

	USA	PCB
OCC	<b>65.5%</b> (+0.1%)	<b>66.9%</b> (-0.6%)
ADR	<b>\$124.00</b> (+3.1%)	<b>\$143.98</b> (+3.0%)
REVPAR	<b>\$81.17</b> (+3.2%)	<b>\$96.34</b> (+2.3%)
SUPPLY (change)	<b>1.6%</b>	<b>0.0%</b>
DEMAND (change)	<b>1.7%</b>	<b>-0.6%</b>
REVENUE (change)	<b>4.8%</b>	<b>2.3%</b>

Source: STR 6-YR Trend – PCB 2016 STR-Participating Properties

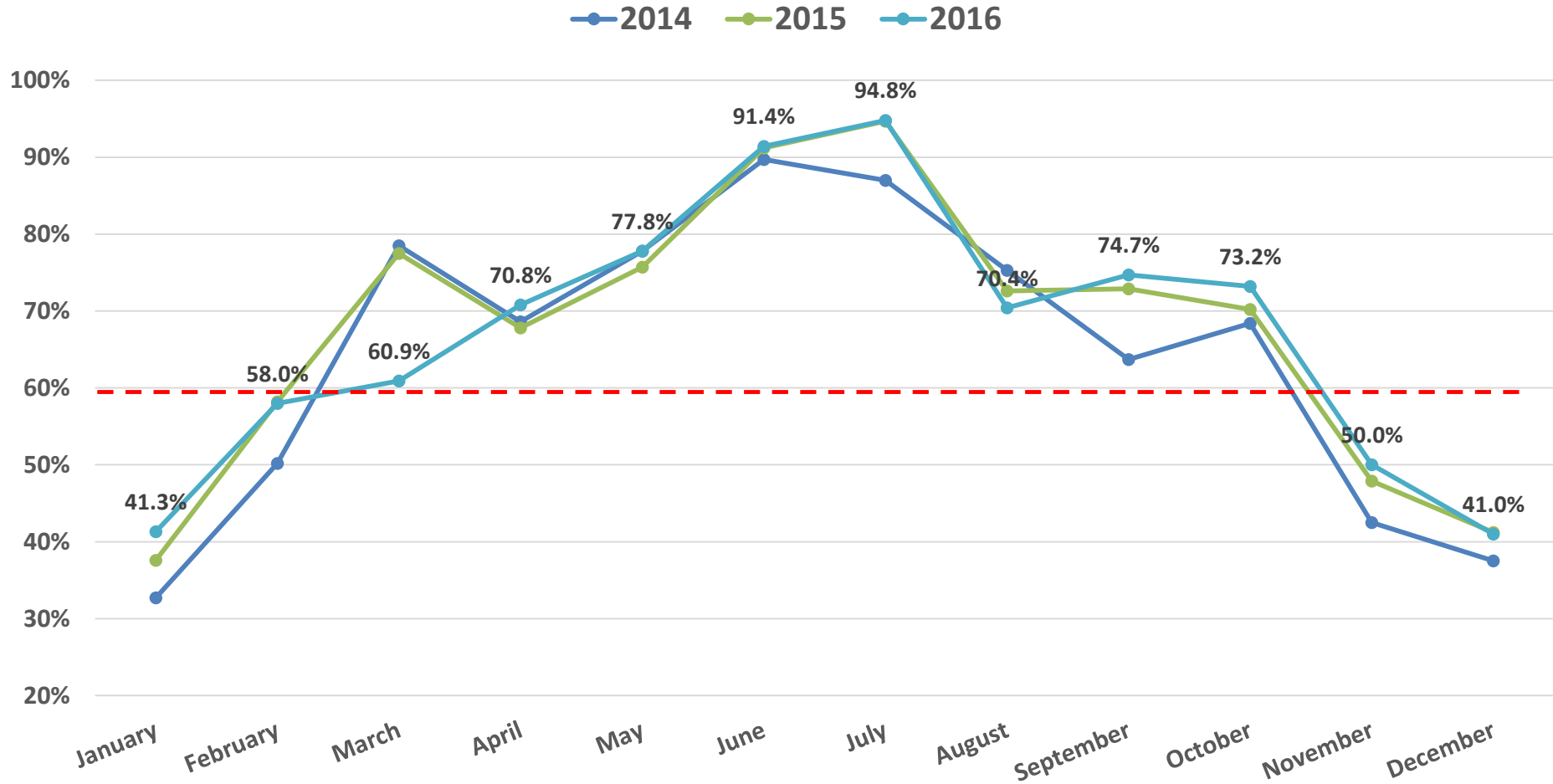
## Hotel Annual Occupancy 6-YR Trend - PCB vs. National



Source: STR 6-YR Trend – PCB 2016 STR-Participating Properties



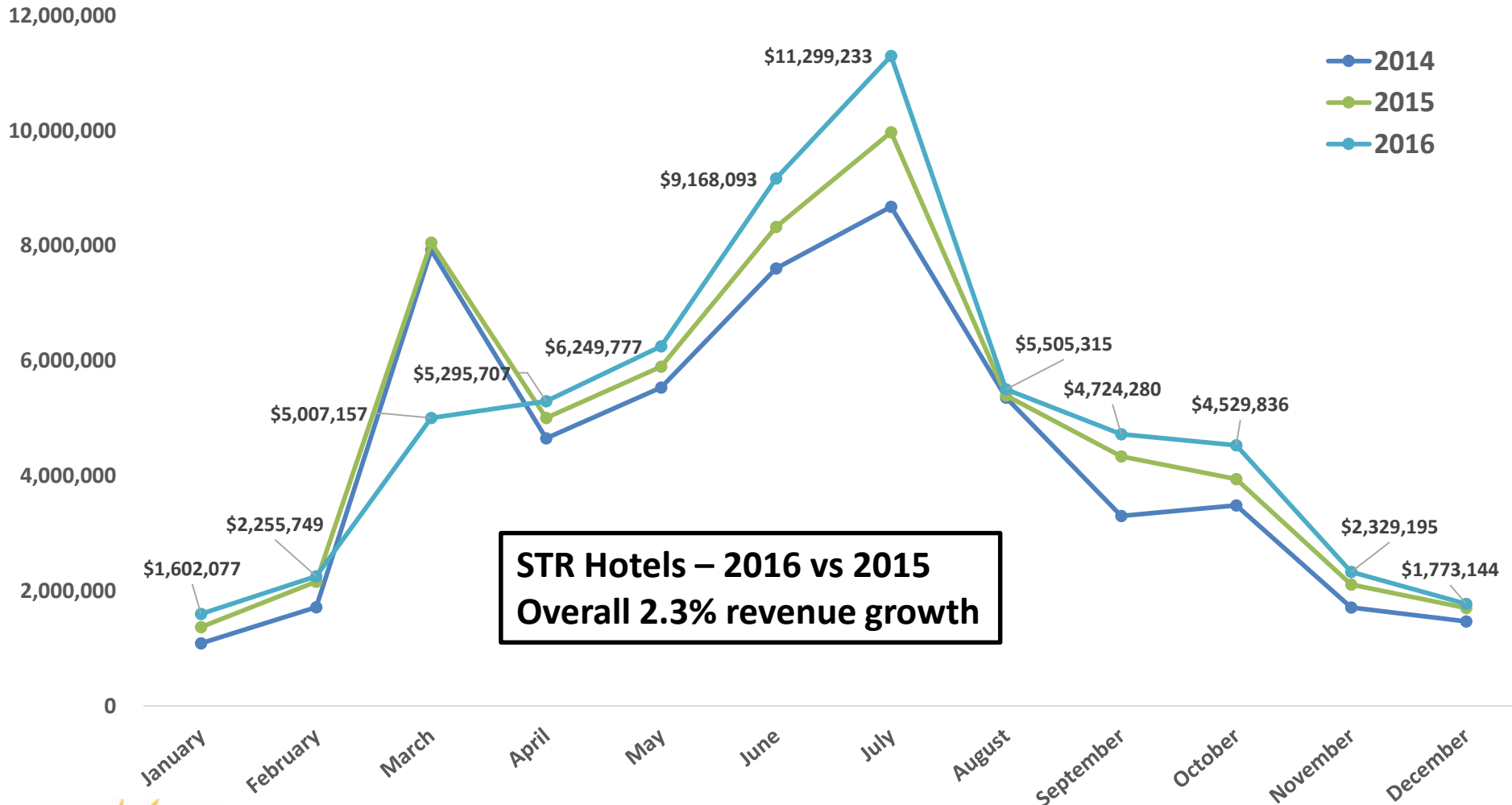
# Hotel Annual Occupancy 3-YR Monthly Occupancy Trend



Source: STR 6-YR Trend – PCB 2016 STR-Participating Properties



# STR Lodging Room Revenue Trend 2014 – 2016

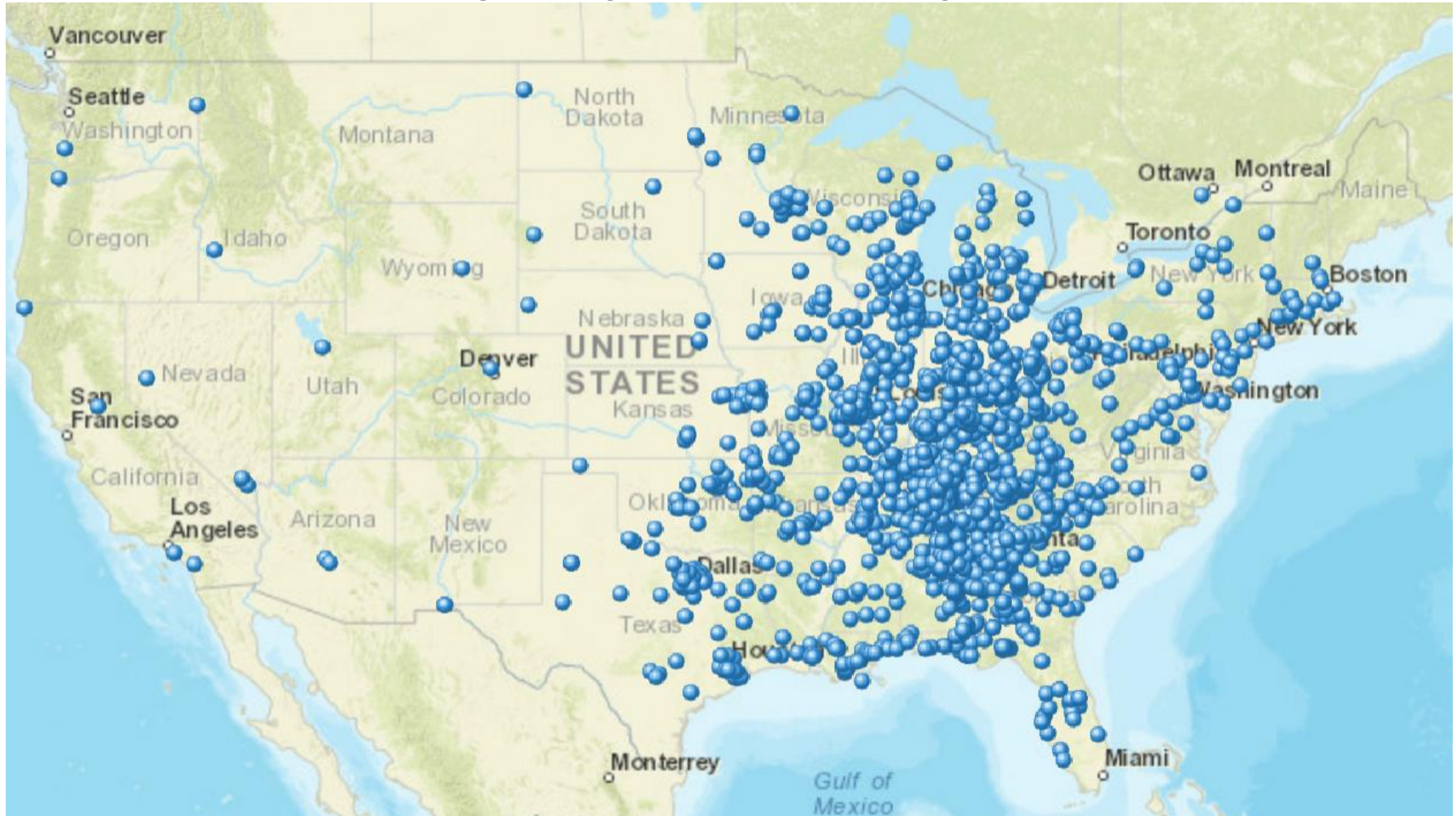


**STR Hotels – 2016 vs 2015  
Overall 2.3% revenue growth**

## ONLINE VISITOR SURVEY RESPONDENTS

Season	2012	2013	2014	2015	2016
Winter (Dec – Feb)	567	400	195	175	309
Spring (Mar – May)	787	564	441	407	475
Summer (Jun - Aug)	477	761	1,236	991	869
Fall (Sep – Nov)	225	195	449	449	378
<b><u>Total Responses</u></b>	<b><u>2,056</u></b>	<b><u>1,920</u></b>	<b><u>2,321</u></b>	<b><u>1,917</u></b>	<b><u>2,031</u></b>

# 2016 Visitor Survey Respondents Map

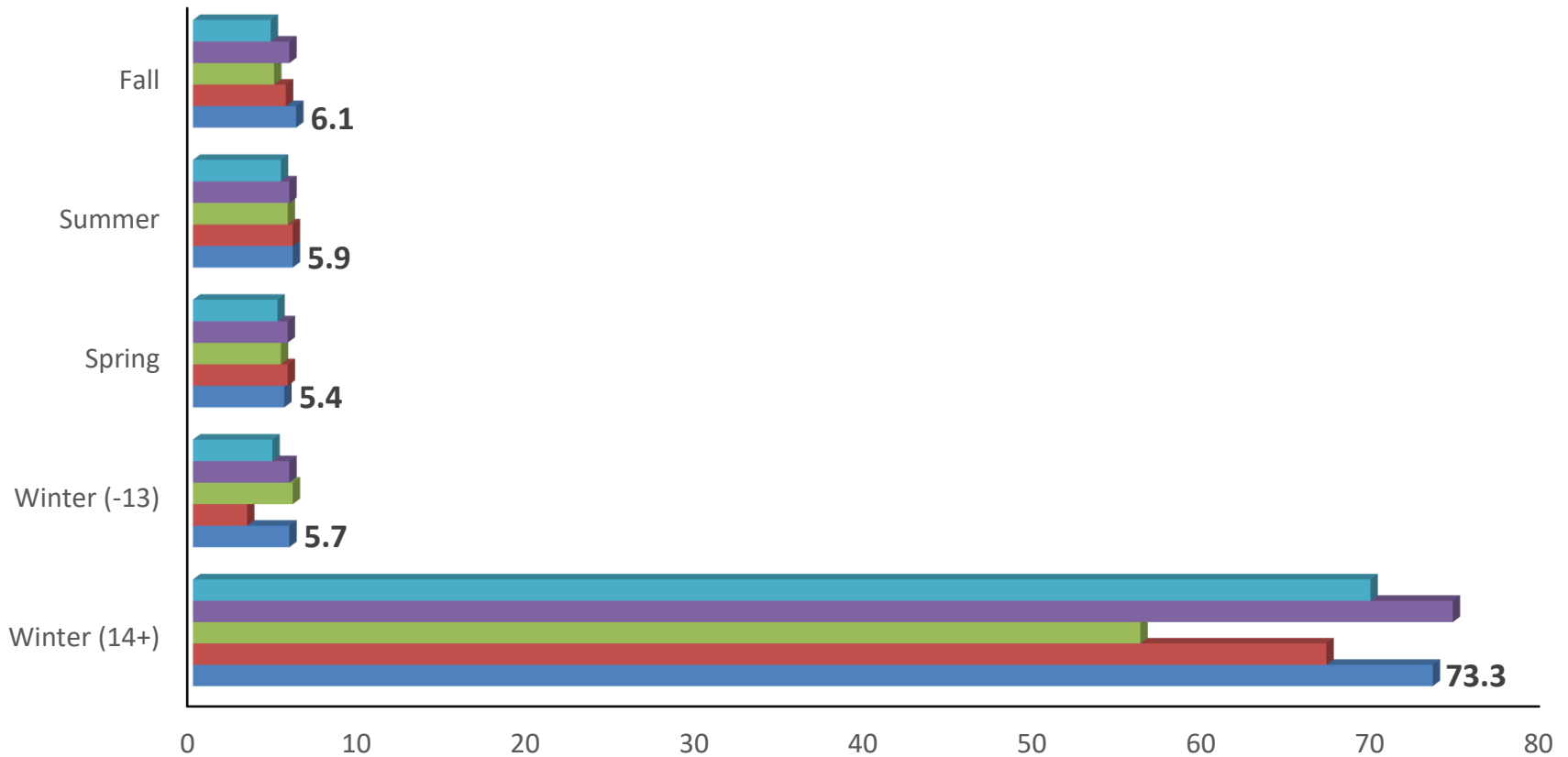


# Average Party Size



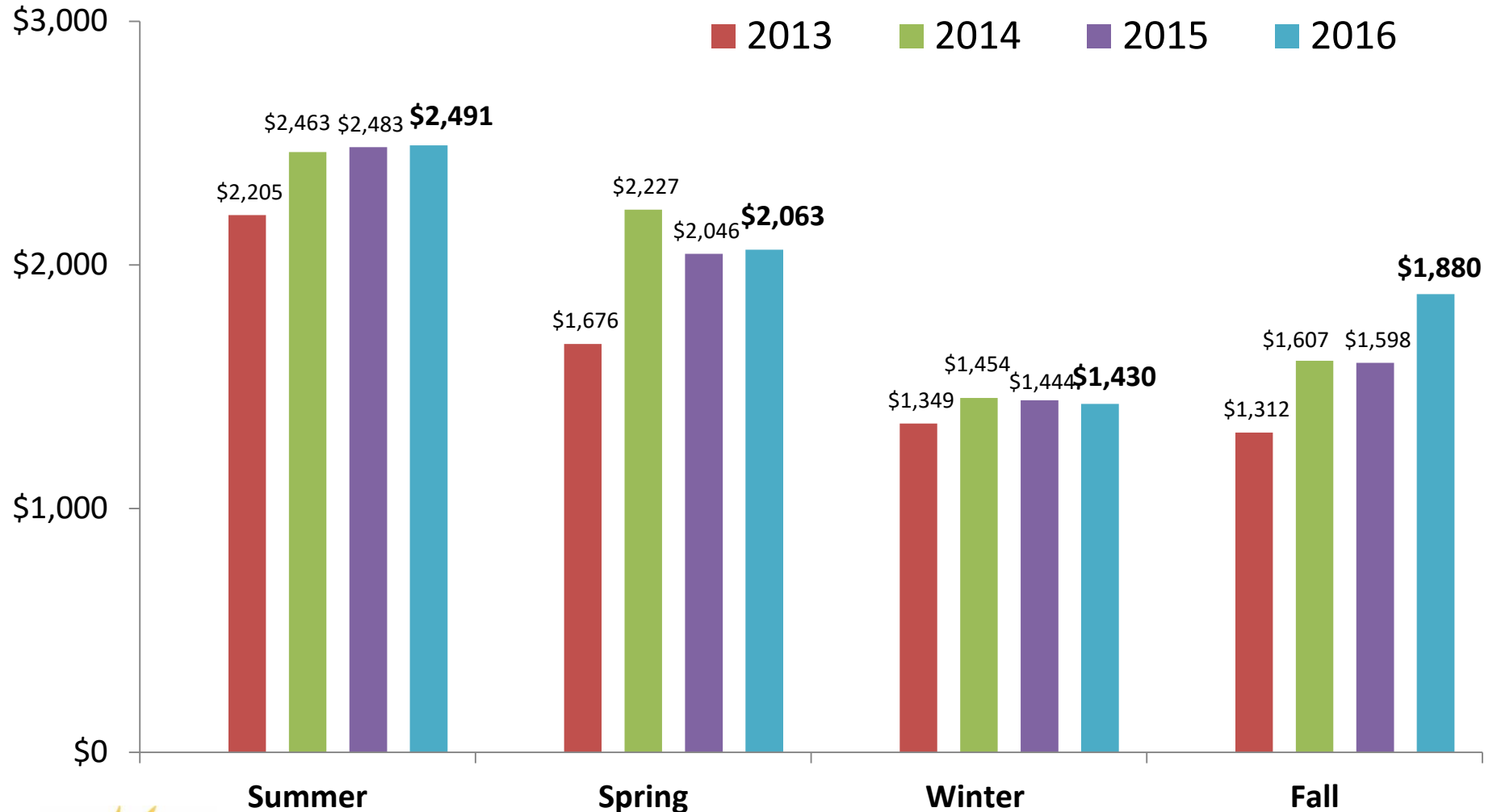
# Average Length of Stay 2012 - 2016

2012 2013 2014 2015 2016



# PCB VISITOR SPENDING DATA

# Total Spending per Party 2013 - 2016





# PANAMA CITY BEACH 2016 ECONOMIC IMPACT FROM VISITORS

**PCB Residential & Lodging/Rental Inventory (June 2016)**

PCB Residential Property Tax Category	Property Tax Inventory	TDT Inventory	Clerk of Court TDT Inventory
SINGLE FAMILY	8,674	627	Single Family Home
SINGLE FAMILY/CONDO	302		
MOBILE HOME	1,219		
MOBILE HOME/CONDO	523		
MULTI-FAMILY 10+ UTS	29		
CONDOMINIUM	16,843	9,575	Condo/Townhome
MULTI-FAMILY 10 LESS	549		
		1,230	Miscellaneous
<b>Total</b>	<b>28,139</b>	<b>11,432</b>	(40.6%)
		<b>4,664</b>	<b>Hotel Motel</b>
<b>Total Housing Units</b>	<b>28,139</b>	<b>16,096</b>	Lodging/Rent Inv.

U.S. Census Data (2015):

Households      5,241  
 Population      12,624



## 2016 Paid Rental Overnight Visitors

2016 Lodging Tax Revenue	2016 Lodging Revenue	Person Days/Nights	Average Spending Per Person/ Per Day	Total Overnight Renter Spending
\$18,932,139	\$378,642,780	11,133,875	\$109.70	<b>\$1,221,428,322</b>

## 2016 Owner Occupied Rental Units

Rental Inventory (Rental Units only)	Owner Occupied Nights (9% occupancy)	Person Days/Nights (avg. party of 5)	Average Spending Per Person/ Per Day	Total Overnight Rental Owner Spending
11,572	380,140	1,900,700	\$66 (+3%)	<b>\$125,446,200</b>

## 2016 Vacation Home Usage – non-resident owners who do not rent

Non-Rental Vacation Inventory (Units)	Owner Occupied Nights (38% occupancy)	Person Days/Nights (avg. party of 4)	Average Spending Per Person/ Per Day	Total Vacation Owner Spending
5,217	723,597	2,894,392	\$66 (+3%)	<b>\$191,029,872</b>

## 2016 Visiting Friends & Relatives (VFR) - Staying With Year-Round Residents

Year-round Households in PCB (US Census)	Number of Houseguests (10 guests per house) (5.5 avg. length of stay)	Houseguests Person Days/Nights (avg. party of 4)	Average Spending Per Person/ Per Day	Total VFR Spending
5,146	51,460	283,030	\$36 (+3%)	<b>\$10,755,080</b>

**Total 2016 Overnight Visitor Spending in PCB \$1,548,659,474.**

## **Day-Tripper Spending – \$77,432,974**

Day-trippers to PCB from outside of Bay County are estimated to account for 5% of the overall overnight visitor spending therefore totals \$77,432,974. The majority of this day-trip spending in PCB is realized at large scale retail, unique PCB attractions, unique dining experiences, festivals/events and Northwest Florida Beaches International airport and rental car operations. The growth in large scale retail and dining has increased the number of day-trippers that come into PCB for day-trips.

**Total 2016 Overnight & Daytrip Visitor Spending in PCB \$1,626,092,448.**

# 2016 Visitor Economic Impact

Economic Indicator	Direct Impacts	Indirect Impacts	Induced Impacts	Total Impacts (Direct + Indirect + Induced)
Visitor Spending 2015	\$1,526,348,664 (\$1.52 billion)	\$451,346,786 (\$451.34 million)	\$453,660,923 (\$453.66 million)	\$2,431,356,374 (\$2.43 billion)
<b>2016</b>	<b>\$1,626,092,448</b> <b>(\$1.62 Billion)</b>	<b>\$480,841,381</b> <b>(\$480.84 million)</b>	<b>\$483,306,742</b> <b>(\$483.30 million)</b>	<b>\$2,590,240,572</b> <b>(\$2.59 billion)</b>
Worker Income & Paychecks 2015	\$495,773,102 (\$495.77 million)	\$132,3023,684 (\$132.30 million)	\$138,825,095 (\$138.82 million)	\$766,900,881 (\$766.90 million)
<b>2016</b>	<b>\$528,170,868</b> <b>(\$528.17 million)</b>	<b>\$140,949,461</b> <b>(\$140.94 million)</b>	<b>\$147,897,033</b> <b>(\$147.89 million)</b>	<b>\$817,017,363</b> <b>(\$817.01 million)</b>
Employment/Jobs 2015	22,290	4,160	4,383	30,833
<b>2016</b>	<b>23,747</b>	<b>4,432</b>	<b>4,669</b>	<b>32,848</b>

## DEFINITION OF DIRECT AND SECONDARY ECONOMIC EFFECTS

Economists distinguish direct, indirect and induced economic effects. The total economic impact of tourism is the sum of direct, indirect and induced effects within a region. Indirect and induced effects are sometimes collectively called secondary effects. These impacts or effects may be measured in terms of gross output, sales, income, employment, or value added. Although they are often used somewhat loosely by non-economists, these terms have precise definitions that are important when interpreting economic impact study results.

**Direct effects** are production changes associated with the immediate effects of changes in tourism expenditures. For example, an increase in the number of tourists staying overnight in hotels would directly increase room sales in the hotel sector. The additional hotel sales and associated changes in hotel payments for wages, salaries, taxes, supplies and services are direct effects of the tourist spending.

**Indirect effects** are the production changes resulting from various rounds of re-spending of the tourism industry's receipts in backward-linked industries (e.g. industries supplying products and services to hotels). Changes in sales, jobs and income in the linen supply industry, for example, represent indirect effects of changes in hotel sales. Businesses supplying products and services to the linen supply industry represent another round of indirect effects, eventually linking hotels by varying degrees to most other economic sectors in the region.

**Induced effects** are the changes in economic activity resulting from household spending of income earned directly or indirectly as a result of tourism spending. For example, hotel and linen supply employees, supported directly or indirectly by tourism, spend their income in the local region for housing, food, transportation, and the usual array of household product and service needs. The sales, income, and jobs that result from household spending of added wage, salary, or proprietor's income are induced effects.

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# Young Strategies Research Team Experience

- Destination research and strategic planning
- Development and management of conference centers
- Research for 100+ destinations in 26 states
- Communities, regions and states
- Travel industry focused
- National research data and trends analysis
- Writing and speaking
- Board workshops & planning sessions
- Listening to travelers