

A Study of the Income Injected into the Arcata Economy from Arcata Oyster Festival 2004 Visitors

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Introduction

The Arcata Oyster Festival Income Injection Survey was sponsored by Arcata Main Street and the Humboldt State University Office for Economic and Community Development. This research was conducted by faculty and students in the Department of Economics. Professor Steven Hackett and Maggie Gainer designed and conducted the survey with the help of Student Assistant Jessica Digiambattista and seven student volunteers.

On June 19, 2004, between 11:00AM and 5:00PM, the team of ten interviewers conducted random, in-person surveys of Arcata Oyster Festival adult attendees. The team gathered 395 completed surveys, which gives accurate results with a three percent (3%) margin of error when multiplied by the total number of festival attendees. Arcata Main Street estimates the total number of persons who attended Arcata Oyster Festival 2004 at 14,000 people.

This survey measures various types of expenditures made by Arcata, Humboldt County, and out-of-area visitors. Spending by non-Arcata visitors represents income injected into the Arcata economy by way of purchases from Arcata shops, restaurants, hotels/motels, and other vendors. The spending numbers reported are for the day of Oyster Festival. Figures for “accommodations” are restricted to overnight stays at Arcata motels and hotels. Since many out-of-area visitor stays were for a week or longer, it is difficult to attribute a percentage of these stays to Oyster Festival. To limit overstatement of spending from long-term stays, we restricted our accommodation spending to one night.

Income injection represents direct spending by Oyster Festival visitors from outside of Arcata (i.e., from the rest of Humboldt County and beyond). While the ultimate economic impact of this income injection includes indirect and induced effects as the income (net of leakages) is recirculated in the Arcata economy, this study does not attempt to measure the total economic impact. Standard economic impact assessment for rural areas occurs at the county or multi-county level, which means that Arcata’s economy is essentially too small for such analysis. Nevertheless some modest multiplied impacts are likely to be generated for Arcata.

Total Festival Population

Where do Oyster Festival visitors come from?

The largest percentage of festival attendees, based on residence, was non-Arcata Humboldt County residents. Locals from Humboldt County, including Arcata, comprised 77.5 percent of the festival attendees. The percentage of locals and visitors is as follows:

- ◆ 29.62 percent of the attendees were Arcata residents.
- ◆ 47.59 percent of the attendees were non-Arcata Humboldt County residents.
- ◆ 22.78 percent of festival attendees were visitors who reside outside of Humboldt County.

How much income was injected into the Arcata economy?

The Arcata Main Street organization estimates that 14,000 people attended the Oyster Festival in 2004. When we apply the average spending per person for Oyster Festival-related activities in Arcata to this estimate of total visitation, we get the following estimates for total income injected into the Arcata Economy:

- ◆ The 47.59 percent of these visitors from Humboldt County (other than Arcata) spent on average \$42.73 per person, for a total of \$284,696.20.
- ◆ The 22.78 percent of these visitors from outside of Humboldt County spent on average \$83.64 per person, for a total of \$266,812.24.
- ◆ Therefore the total income injected into the Arcata economy from Oyster Festival 2004 is \$551,508.44.

Income injected into the Arcata economy on the day of Oyster Festival breaks down into the following categories:

- ◆ Spending on “Food & Beverages” totaled \$323,728.83
- ◆ Spending on “Accommodations” totaled \$53,398.87
- ◆ Spending on “Other Retail” totaled \$174,380.73

Total spending in Arcata associated with Oyster Festival includes both income injected by non-Arcata visitors and spending by Arcata residents on festival-related items. On average each Arcata resident spent \$34.52 on festival-related items, for a total of \$143,129.96. When this is added to the income injection figure, total festival-related spending is estimated to be \$694,638.40.

Expenditures by sex

More women than men attended Arcata Oyster Festival, however on average men spent slightly higher amounts of money. Women accounted for 56.7 percent of the survey responses, while only 43.3 percent were from men.

The average age of men at the festival was 39 years. The average per person spending by men was \$50.03, with a categorical breakdown as follows.

- ◆ An average of 63 percent of total spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight

accommodations. This equates to an average of \$31.53 per man in the food and beverage category.

- ◆ An average of 8 percent of total spending went to overnight accommodations. This equates to an average of \$4.14 in spending per man on lodging accommodations.
- ◆ An average of 29 percent of total spending went to miscellaneous and other retail. This equates to an average of \$14.35 dollars spent per man on other retail.

The average age of women at the festival was 41 years. The average per person spending by women was \$49.30, with a categorical breakdown as follows.

- ◆ An average of 60 percent of total spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$29.62 per woman in the food and beverage category.
- ◆ An average of 7 percent of total spending went to overnight accommodations. This equates to an average of \$3.56 in spending per woman on lodging accommodations.
- ◆ An average of 33 percent of total spending went to miscellaneous and other retail. This equates to an average of \$16.12 dollars spent per woman on other retail.

Expenditures by age

The youngest adult group, 18-20 years, comprised 3.5 percent of the festival attendees. The average per person spending by 18-20 year olds was \$27.86, with a categorical breakdown as follows.

- ◆ An average of 56 percent of total spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$15.71 per 18-20 year old in the food and beverage category.
- ◆ An average of 21 percent of total spending went to overnight accommodations. This equates to an average of \$5.71 in spending per 18-20 year old on lodging accommodations.
- ◆ An average of 23 percent of total spending went to miscellaneous and other retail. This equates to an average of \$6.43 dollars spent per 18-20 year old on other retail.

The 21-29 age group comprised 27.8 percent of the festival attendees. The average per person spending by 21-29 year olds was \$44.18, with a categorical breakdown as follows.

- ◆ An average of 65.7 percent of total spending of 21-29 year olds went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$29.03 per 21-29 year old in the food and beverage category.
- ◆ An average of 7.7 percent of total spending of 21-29 year olds went to overnight accommodations. This equates to an average of \$3.42 in spending per 21-29 year old on lodging accommodations.

- ◆ An average of 26.6 percent of total spending of 21-29 year olds went to miscellaneous and other retail. This equates to an average of \$11.73 dollars spent per 21-29 year old on other retail.

The age group of people in their 30's comprised 17.7 percent of the festival attendees. The average per person spending by people in their 30's was \$48.29, with a categorical breakdown as follows.

- ◆ An average of 62.7 percent of total spending by those in their 30's went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$30.29 per person in their 30's in the food and beverage category.
- ◆ An average of 13.2 percent of total spending by those in their 30's went to overnight accommodations. This equates to an average of \$6.37 in spending per person in their 30's on lodging accommodations.
- ◆ An average of 24.1 percent of total spending by those in their 30's went to miscellaneous and other retail. This equates to an average of \$11.63 dollars spent per person in their 30's on other retail.

The age group of people in their 40's comprised 22.8 percent of the festival attendees. The average per person spending by people in their 40's was \$54.58, with a categorical breakdown as follows.

- ◆ An average of 62.5 percent of total spending by those in their 40's went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$34.11 per person in their 40's in the food and beverage category.
- ◆ An average of 4.6 percent of total spending by those in their 40's went to overnight accommodations. This equates to an average of \$2.51 in spending per person in their 40's on lodging accommodations.
- ◆ An average of 32.9 percent of total spending by those in their 40's went to miscellaneous and other retail. This equates to an average of \$17.95 dollars spent per person in their 40's on other retail.

The age group of people in their 50's comprised 15.9 percent of the festival attendees. The average per person spending by people in their 50's was \$55.48, with a categorical breakdown as follows.

- ◆ An average of 63.6 percent of total spending by those in their 50's went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$35.28 per person in their 50's in the food and beverage category.
- ◆ An average of 6.7 percent of total spending by those in their 50's went to overnight accommodations. This equates to an average of \$3.70 in spending per person in their 50's on lodging accommodations.
- ◆ An average of 29.7 percent of total spending by those in their 50's went to miscellaneous and other retail. This equates to an average of \$16.50 dollars spent per person in their 50's on other retail.

The age group of people in their 60's comprised 10.1 percent of the festival attendees. The average per person spending by people in their 60's was \$52.60, with a categorical breakdown as follows.

- ◆ An average of 50.8 percent of total spending by those in their 60's went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$26.72 per person in their 60's in the food and beverage category.
- ◆ An average of 6.9 percent of total spending by those in their 60's went to overnight accommodations. This equates to an average of \$3.63 in spending per person in their 60's on lodging accommodations.
- ◆ An average of 42.3 percent of total spending by those in their 60's went to miscellaneous and other retail. This equates to an average of \$22.25 dollars spent per person in their 60's on other retail.

The age group of people 70 and over comprised 2.0 percent of the festival attendees. The average per person spending by people 70 and over was \$57.17, with a categorical breakdown as follows.

- ◆ An average of 28.9 percent of total spending by people 70 and over went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$16.54 per person 70 and over in the food and beverage category.
- ◆ An average of 0 percent of total spending by people 70 and over went to overnight accommodations. This equates to an average of \$0.00 in spending per person 70 and over on lodging accommodations.
- ◆ An average of 71.1 percent of total spending by people 70 and over went to miscellaneous and other retail. This equates to an average of \$40.63 dollars spent per person 70 and over on other retail.

Arcata Residents

Expenditures per person

Persons who reside in Arcata comprised 29.62 percent of festival attendees. The average age of this group of attendees was 33 years. The average amount of money spent per person in Arcata by Arcatans for visits associated with Oyster Festival was \$34.52 (with a standard deviation of **xx**). Spending was divided into the following three categories.

- ◆ An average of 71.65 percent of spending by Arcatans went to food and beverages, including oysters purchased at the festival. This equates to an average of \$24.73 per person from Arcata in the food and beverage category.
- ◆ An average of 28.35 percent of spending by Arcatans went to miscellaneous and other retail. This equates to an average of \$9.79 dollars spent per person from Arcata on other retail.

All “Non-Arcata” Visitors

Persons who reside outside of Arcata, either in other Humboldt County areas or outside of Humboldt County, comprised 70.4 percent of the festival attendees. The average age of this group of attendees was 43 years.

Expenditures per person

The average amount of money spent per visitor in Arcata for visits associated with Oyster Festival was \$55.97. Spending was divided into the following three categories.

- ◆ An average of 58.7 percent of visitor spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$32.86 per visitor in the food and beverage category.
- ◆ An average of 9.68 percent of visitor spending went to overnight accommodations. This equates to an average of \$5.42 in spending per visitor on lodging accommodations.
- ◆ An average of 31.62 percent of visitor spending went to miscellaneous and other retail. This equates to an average of \$17.70 dollars spent per visitor on other retail.

Visitors Residing Outside of Humboldt County

People who reside outside of Humboldt County comprised 22.78 percent of festival attendees. The average age of this group was 44.5 years.

Expenditures per person

The average amount of money spent in Arcata per visitor from outside Humboldt County, for visits associated with Oyster Festival, was \$83.64. Spending was divided into the following three categories.

- ◆ An average of 47.56 percent of visitor spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$39.78 per visitor in the food and beverage category.
- ◆ An average of 20.01 percent of visitor spending went to overnight accommodations. This equates to an average of \$16.74 in spending per visitor on lodging accommodations.
- ◆ An average of 32.42 percent of visitor spending went to miscellaneous and other retail. This equates to an average of \$27.12 dollars spent per visitor on other retail.

Accommodations Expenditures by Non-Humboldt County Festival Visitors

- ◆ 46.67 percent of festival attendees who reside outside of Humboldt County had overnight accommodations in Arcata. The average amount of money spent on accommodations per visitor staying in Arcata, per day, was \$35.61.
- ◆ 50 percent of festival attendees who reside outside of Humboldt County had overnight accommodations outside of Arcata.
- ◆ An average of 3.33 percent of festival attendees who reside outside of Humboldt County did not stay overnight in Humboldt County. (Note: the three observations that account for this figure represent persons residing in Del Norte County.)

Visitors Residing in Humboldt County (outside of Arcata)

Persons who reside outside of Arcata, but in Humboldt County comprised 47.8 percent of the festival attendees. The average age of this group of attendees was 42 years.

Expenditures per person

The average amount of money spent per local visitor in Arcata for visits associated with Oyster Festival was \$42.73. Spending was divided into the following three categories.

- ◆ An average of 69.13 percent of visitor spending went to food and beverages, including oysters purchased at the festival and meals associated with overnight accommodations. This equates to an average of \$29.54 per visitor in the food and beverage category.
- ◆ There were no observed purchases of Arcata accommodations in this group.
- ◆ An average of 30.87 percent of visitor spending went to miscellaneous and other retail. This equates to an average of \$13.19 dollars spent per visitor on other retail.