

# An Economic Impact Analysis of The Crooked Road: Virginia's Heritage Music Trail

PREPARED BY THE VIRGINIA TECH OFFICE OF ECONOMIC DEVELOPMENT  
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## EXECUTIVE SUMMARY

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The Crooked Road: Virginia's Heritage Music Trail promotes Southwest Virginia's music and culture by marketing over 60 cultural music venues across 19 counties, four independent cities and over 50 towns. Since 2003, The Crooked Road has branded the region as a unique place with one of the richest musical traditions and cultures in the world. Its work has contributed to the rise of interest in and appreciation for the region's heritage music, helping to attract tourists, grow businesses, and improve Southwest Virginia's quality of life for local residents. In 2015, the Virginia Tech Office of Economic Development prepared a report that confirms these effects and estimates The Crooked Road's economic impact.

Analysis of interviews and surveys indicates that marketing by The Crooked Road facilitates \$6.4 million of spending annually in SWVA, from which an equivalent of 108 full-time jobs are created or sustained annually, and \$2 million funnel into households through workers' wages. As this money circulates within the region through business and employee spending, additional money and jobs are created, resulting in an annual impact of approximately \$9.2 million and 131 jobs in SWVA due to The Crooked Road.

<b>Total Economic Impact due to The Crooked Road</b>			
	<b>Employment</b>	<b>Labor Income</b>	<b>Output</b>
Direct Effect	108	\$ 2,076,637	\$ 6,364,657
Indirect and Induced	23	\$ 778,876	\$ 2,800,928
<b>Total Effect</b>	<b>131</b>	<b>\$ 2,855,513</b>	<b>\$ 9,165,586</b>

Other report findings include:

- Approximately 42% of attendees to Crooked Road venues were visitors to the region. Twenty percent came primarily for The Crooked Road. Most were from North Carolina, Tennessee and Florida. Internationally, surveys captured attendees from Canada, France, Australia and Britain.
- Out of region visitors spent between \$192 and \$272 per person per trip. Each daytrip visitor spent \$42-\$54 per trip. A multiday visitor spent \$134-\$591 per trip, depending on the choice of lodging.
- Multiday visitors took advantage of other Southwest Virginia activities while in the region including museums, hiking trails, shopping, photography, and theatre productions.
- Most attendees heard about The Crooked Road and its Mountains of Music Homecoming Festival through word of mouth and newspapers. Others read The Crooked Road website or visitor's guide.
- Eight of the 18 affiliated venues surveyed during this research indicated an increase in business due to their affiliation with The Crooked Road. Forty-seven percent of businesses not affiliated with The Crooked Road expect an increase in revenue during Crooked Road events.
- Benefits that venues receive from their affiliation with The Crooked Road are more business and interest in venue events, increased advertising and exposure, and longer visitor stays in the region.
- Six of nine major venues along The Crooked Road estimated a 5-15% increase in revenue and number of visitors as a direct result of The Crooked Road marketing efforts.
- Interviews with locality and tourism officials indicated the importance of The Crooked Road in encouraging "pride" in the region's rich cultural heritage. The Crooked Road's Traditional Music Education Program's partnership with Junior Appalachian Musicians (JAM) was particularly heralded as the region's youth develop pride and hope for their region's cultural and economic future.
- Findings from the Mountains of Music Homecoming Festival's first year indicate potential for increased visitor dollars and greater impact to the region as the festival develops, markets more broadly and draws on the collaborative spirit of Southwest Virginia.

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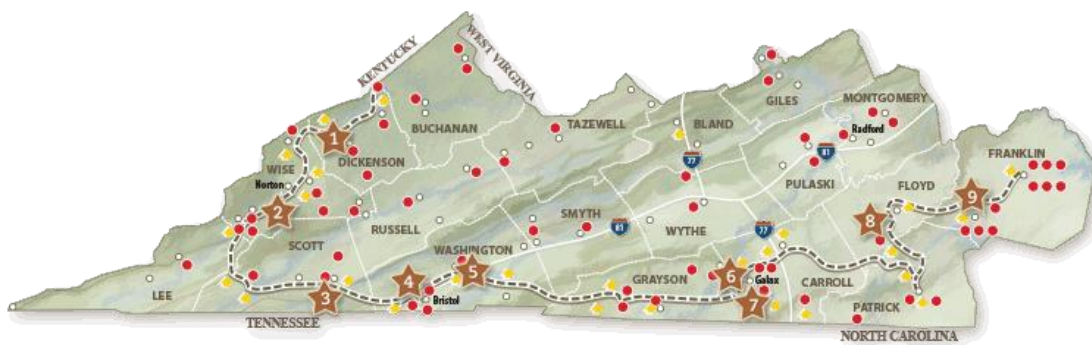
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## INTRODUCTION

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First conceived in 2003, The Crooked Road (TCR), officially designated “Virginia’s Heritage Music Trail” by the Commonwealth of Virginia, was founded in 2004 as a non-profit organization with a mission to support economic development in Southwest Virginia by promoting and celebrating the region’s unique musical and cultural heritage. This heritage music has been kept in families and communities since colonial times and includes musical forms such as balladry, old time, gospel, bluegrass, blues, and others. Encompassing a 330-mile driving trail that spans parts of Route 58 and several other highway routes, The Crooked Road region is composed of nineteen counties, four cities, over fifty towns, and five regional planning districts.

**Figure 1. Map of The Crooked Road region**



Source: The Crooked Road, <https://www.myswva.org/tcr>.

The organization promotes nine major musical venues as well as over 60 affiliated venues and festivals located throughout the region.<sup>1</sup> Those nine major venues are:

- The Birthplace of Country Music
- Blue Ridge Institute & Museum
- Blue Ridge Music Center
- Carter Family Fold
- Country Cabin II
- Floyd Country Store & County Sales
- Heartwood
- Old Fiddlers Convention and Rex Theater
- Ralph Stanley Museum

At these Major and Affiliated Venues, visitors get to experience the heritage music of Southwest Virginia and listen to quality musicians from the region and around the world. This comes in the form of jams, concerts, and festivals. Workshops are available, teaching others about the history of Appalachian music, how to play bluegrass and old time music, and even how to build the instruments unique to this heritage. For certain venues, flat footing, two-stepping and other forms of dancing are offered for experienced dancers and amateurs alike. In and surrounding these venues are opportunities to see demonstrations and purchase local crafts such as handmade jewelry. There are 27 wayside exhibits

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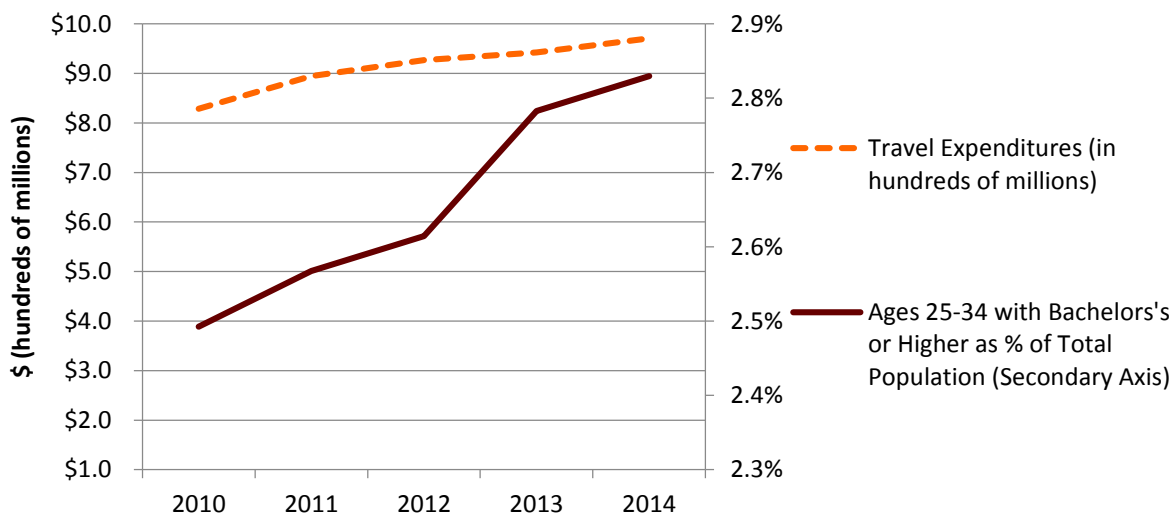
<sup>1</sup> A list and information about these many venues and festivals can be found at <https://www.myswva.org/tcr>.

along the 330 miles of The Crooked Road where visitors can learn about the music and musicians who played a role in their community’s musical heritage. Travelers can pull off the road to read the informative panels and listen on their radio to recordings of the heritage music in that area.

In the summer of 2015, from June 12<sup>th</sup> to June 20<sup>th</sup>, The Crooked Road held its first annual Mountains of Music Homecoming event. This celebration included a series of Crooked Road concerts put on in 34 different communities. Musicians included local, national, and international touring artists. Dancing performances were a part of this expression of culture from The Crooked Road region, as were other forms of heritage including food and drink, hiking trails, museums, and craft demonstrations.

Over the years, Southwest Virginia (SWVA) has experienced substantial job losses due to declines in several traditional industries such as coal, textile, lumber, and furniture. Through extensive marketing efforts that attract visitors to the region, TCR plays an integral role in bringing much needed outside dollars to the region to grow Southwest Virginia’s arts, culture and tourism-related industries. When the Crooked Road began in 2004, it served as the launch point for developing the creative economy in Southwest Virginia. Since then, annual travel expenditures in the region have increased by 50%,<sup>2</sup> meaning that communities, counties, and the state are reaping the benefits through increased tax collections. Localities that have major Crooked Road venues, such as Galax and Norton, have seen some of the largest growth in travel expenditures and travel related tax receipts. The proportion of the region’s population comprised of educated young people is increasing in tandem with travel expenditures.<sup>3</sup> At the same time, employment in arts, entertainment, recreation, food, and accommodation services continues to increase in the region (up 8.9% since 2009), even as overall employment decreases (down 1.4% since 2009).<sup>4,5</sup>

**Figure 2. Change in Travel Spending and Talent in SWVA**



<sup>2</sup> Virginia Tourism Corporation, Economic Impacts Report

<sup>3</sup> American Community Survey. 2014 Five Year Estimates, Table S1501

<sup>4</sup> American Community Survey. 2014 Five Year Estimates, Table DP03.

<sup>5</sup> Morgan, J. (2014). SWVA Economic Analysis Report. Friends of Southwest Virginia (Figure 2 Graph is included in this citation)

Since its inception, the Crooked Road has garnered national and international media attention for Southwest Virginia. Coverage of the region's activities due to TCR have been seen in USA Today, Smithsonian Magazine (6.9 million readers), New York Times, and many others. As a result, The Crooked Road's work to brand the region as a place with one of the richest musical traditions and cultures in the world has helped to change the perceptions of the region in the eyes of locals and visitors alike. TCR has played a role in providing a sense of regional identity and quality of life for residents, organizations, businesses and localities across the region. Such contributions are difficult to quantify, yet they are essential to sustained community and economic development goals that promote an attractive region to live and work for existing and future residents. TCR's work and collaboration with other organizations throughout the region is supporting SWVA in its efforts to attract 21<sup>st</sup> century business, foster culturally vibrant communities and enhance the overall quality of life.

To understand the extent of this impact, TCR employed the analytic expertise of the Virginia Tech Office of Economic Development (OED) to research and assess the economic impact of its activities. During the summer of 2015, OED analyzed primary- and secondary-source data to develop a comprehensive assessment of The Crooked Road and its effects on Southwest Virginia.

## **METHODOLOGY**

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An economic impact analysis examines a specific event, new organization, activity, or object of study such as a trail, convention center or sports arena. The analysis accounts for money flowing into a defined region, from outside the region, due to the study's subject. The analysis then determines how the diffusion of that money affects business revenues, household income and employment in the region, while accounting for leakages due to ensuing spending outside of the region.

To conduct this economic impact analysis for The Crooked Road (TCR), OED used a combination of visitor, business, community, and venue surveys and interviews. Data collection occurred during June through August 2015, including the nine-day Mountains of Music Homecoming event. Respondents to the visitor survey were asked about their spending habits while in SWVA. OED used these responses to estimate total visitor spending in the region due to The Crooked Road. Business and venue survey respondents were asked to quantify perceived economic impacts from TCR and to discuss qualitative impacts, such as an increase of pride among Southwest Virginia residents, attributed to the efforts of The Crooked Road.

## **UNDERSTANDING ARTS FESTIVALS' ECONOMIC IMPACTS**

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The closest equivalent impact studies to The Crooked Road are studies analyzing effects of arts festivals. Arts festivals represent unique community assets as they generate economic impact to a region through increased related expenditures by festival patrons. An attendee from outside of the community will drive to the festival, stay in a local hotel, buy from local restaurants, and spend money in other parts of a community's economy as a direct result of a festival.<sup>6</sup> In the United States, over 55 million adults attended an arts festival in 2008. Considering that the end of the 2008 recession has freed people to engage in more tourist activities since 2008, we can expect that number to have increased. Eighty-one percent of art festivals in 2008 included at least one musical element as a part of their arts festival,

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<sup>6</sup> Lynch, Robert L. Arts and Economic Prosperity III: The Economic Impact of the Finger Lakes GrassRoots Festival of Music and Dance on Tompkins County, NY. Americans for the Arts. 2009.

whereas 22% of all festivals were specifically dedicated to celebrating music.<sup>7</sup> Communities that invest in the arts reap the benefits of additional jobs and economic growth.

Analysts typically consider three key factors in addition to total money generated when assessing the economic impact of an arts festival: full-time equivalent jobs (the total amount of labor employed), resident household income (salaries, wages, and entrepreneurial income paid to local residents), and the revenue to local and state government (tax revenue and funds from fees).<sup>8</sup> When constructing an economic impact analysis for an arts festival, it is important to define what will be included and excluded from the analysis. Thorough and effective economic impact analyses should be founded on an astute interpretation of employment multipliers<sup>9</sup> and the accurate evaluation of impacts of these transient regional events.<sup>10</sup> Evaluators must carefully consider the presence of casual labor (work that occurs on a sporadic or one-time basis) and any existing underutilization of labor resources when interpreting the number of jobs created by a festival.<sup>11</sup> In other words, tourism related programs do not often employ all laborers full-time throughout the year; input-output models that are used to measure total economic impact in dollars, jobs and income assume that the jobs created are full-time, annual employment. This point is relevant to TCR because it is a largely tourist driven entity, whose visitation and employment patterns may align with vacation calendars even if venues are open year-round.

Spending by locals, time-switchers, and casual visitors should be excluded.<sup>12</sup> Local residents are excluded because they do not bring new money or revenue to the region; their economic value is already present in the economy and are not a result of the festival. Time-switchers and casual visitors are people who had already planned to visit the region and then decided to attend the festival when they heard about it rather than participating in already-planned activities. Casual visitors may be regular vacationers while time-switchers may be irregular visitors. In either case, the original activities they had planned to do are changed or replaced to accommodate activities focused around the festival instead. In each of these cases spending by these individuals would circulate throughout the region with or without the presence of the festival.<sup>13</sup> Hence, it is important in visitor surveys to ask visitors about their primary reason for coming to the region.

There are limitations to creating an economic impact analysis for an arts festival, the major factor of that being time. Surveys that are conducted post-festival will often result in low response rates and lead to data estimation, which is regularly conservative in nature. Previous studies and literature indicate that conducting surveys during the festival rather than after leads to more accurate survey responses as it reduces the chance of conservative estimates.<sup>14</sup> A number of successful strategies exist that result in higher response rates and more reliable data. These strategies include surveying on multiple days, in

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<sup>7</sup> Iyengar, Sunil and Sarah Sullivan. *Live from you Neighborhood: A National Study of Outdoor Arts Festivals*. National Endowment for the Arts, Research Report #51, Vol. 1. 2010.

<sup>8</sup> Lynch, 2009.

<sup>9</sup> Crompton, Seokho Lee and Thomas J. Shuster. *A Guide for Undertaking Economic Impact Studies: The Springfest Example*. *Journal of Travel Research*. 40: 79, 2001.

<sup>10</sup> Jackson, Julie, Meg Houghton, Roslyn Russell, and Petra Triandos. *Innovations in Measuring Economic Impacts of Regional Festivals: A Do-It-Yourself Kit*. *Journal of Travel Research*. 43: 360. 2005.

<sup>11</sup> Jackson, 2005.

<sup>12</sup> Crompton, 2001.

<sup>13</sup> Crompton, 2001.

<sup>14</sup> Arik, Murat and David A Penn. *Economic Impact of Bonnaroo Music Festival on Coffee County*. Business and Economic Research Center, Middle Tennessee State University. 2005.

multiple locations and providing small incentives such as stickers to participants.<sup>15</sup> Similarly, OED's methodology called for surveying during Crooked Road events, at different venues across the region, throughout the months of June, July and part of August. Those who completed the survey and provided their name and contact information were entered into a drawing to win a TCR hat, t-shirt and 2-disc music CD.

According to their 2008 survey, the National Endowment for the Arts determined that, nationally, festivals are typically attended by slightly more women than men (51%) with an average attendee age between 45 and 54.<sup>16</sup> Ninety percent of all attendees come from outside of the hosting community.<sup>17</sup> Thirty-seven percent of festivals had over 10,000 attendees. When asked what genre of music was played at each music festival (N=312), top responses included jazz (51%), blues (48%), folk/traditional (43%), bluegrass (42%) and rock/pop (33%). As respondents were allowed to provide multiple answers, these percentages account for genre overlap during individual festivals and do not add up to 100 percent.<sup>18</sup>

Festivals, on their own, do not generate much profit. Typically, they barely cover the total costs of operations. They do, however, provide valuable benefits to the local economy in festival-related expenditures.<sup>19</sup> Festivals encourage spending and can provide a boost to a local economy. Typically tourists and non-locals spend more on festivals than locals do, as they must find lodging (if staying overnight), places to eat, and adequate transportation. Festivals, if scheduled strategically, can boost tourism revenue by extending the tourism season, effectively "kick-off" the season early and ending it later than normal with a big finale.

There are many common perceptions of arts festivals. The general public view art festivals as recreation for communities and an excellent way to promote tourism. Art festivals may expand or revitalize markets, generate economic benefits to the local economy and possibly rebrand or reimagine a community.<sup>20</sup> In other words, such festivals can serve as a catalyst for change, increase the quality of life in a region, and nurture a growing, sustainable economy.

Most festivals depend on financial support from government and corporate backers to operate. According to a survey by the National Endowment for the Arts, 44% of all festivals in the United States receive support from government, and 72% are supported by corporate backers.<sup>21</sup> Many festivals offer free admission (42% of arts festivals) while others offer reduced pricing to various demographics or groups. Changes in pricing, both direct admissions pricing and indirect pricing, for festivals can have both positive and negative effects. For example, an increase in the price of lodging for the Hangout Festival in Alabama caused a decrease in attendance from non-local patrons.<sup>22</sup>

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<sup>15</sup> Arik, 2005.

<sup>16</sup> Iyengar, 2010.

<sup>17</sup> Deravi, M. Keivan and Barbara Buchanan. *Economic Impact of the Hangout Festival on the Alabama Gulf Coast Economy*. Auburn University, Montgomery. 2013.

<sup>18</sup> Iyengar, 2010.

<sup>19</sup> Iyengar, 2010.

<sup>20</sup> Jackson, 2005.

<sup>21</sup> Iyengar, 2010.

<sup>22</sup> Deravi, 2013.



## FINDINGS FROM THE CROOKED ROAD

### Visitor Surveys

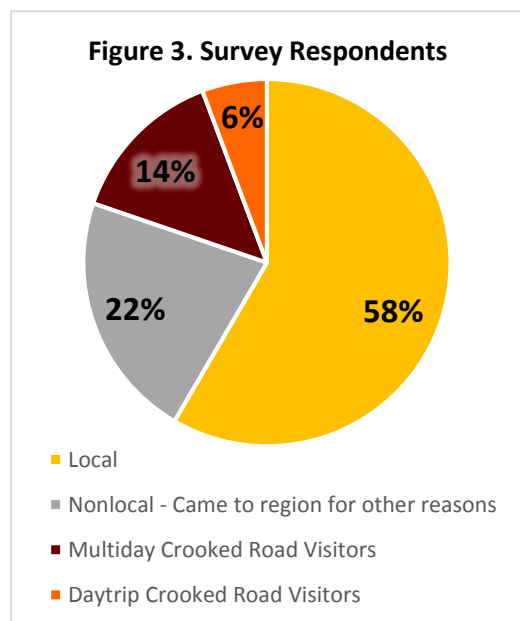
Visitor surveys were distributed and collected during the months of June, July and August 2015 at 28 separate venues—five major venues and 23 affiliated venues. A focus on The Crooked Road’s peak season aligned with the 2008 Economic Impact methodology as well as ensured that an ample amount of surveys would be collected for analysis. Note that 85 percent of those surveys were collected during the Mountains of Music Homecoming, June 12-20.<sup>23</sup> A total of 577 completed surveys were collected overall and used for analysis. The visitor survey is located in Appendix 1.

While 58% of venue attendees were local, visitors from outside TCR’s region or “nonlocals” arrived from across the United States and internationally. Most out of state visitors were from North Carolina, Tennessee and Florida in descending order. Internationally, surveys captured attendees from Canada, France, Australia and the United Kingdom in descending order. Indeed, interviews and surveys from several communities and venues cited TCR’s role in bringing international visitors to Southwest Virginia. Although most of the surveys were collected within a two-week time period, those collected at other times revealed a similar demographic of tourists in terms of residency. However, OED recommends distributing surveys during TCR events for a year to better assess the key geographic TCR markets. Appendix 3 includes several maps of survey respondents’ residential geographies.

Venue attendees that completed a survey who were from outside The Crooked Road region and replied that their primary reason for being in the region was because of The Crooked Road and to attend one or more Crooked Road events totaled 20% of all respondents. These multiday and daytrip TCR visitors, as seen in Figure 3, are the population that OED took into consideration when estimating the financial impacts of TCR. The remaining 80 percent of attendees were either local or came to the region for other reasons but enjoyed heritage music and events where The Crooked Road is involved (i.e. time-switchers or casual visitors). Spending by these two groups could not be attributed to TCR because they would presumably spend money whether TCR were present or not.

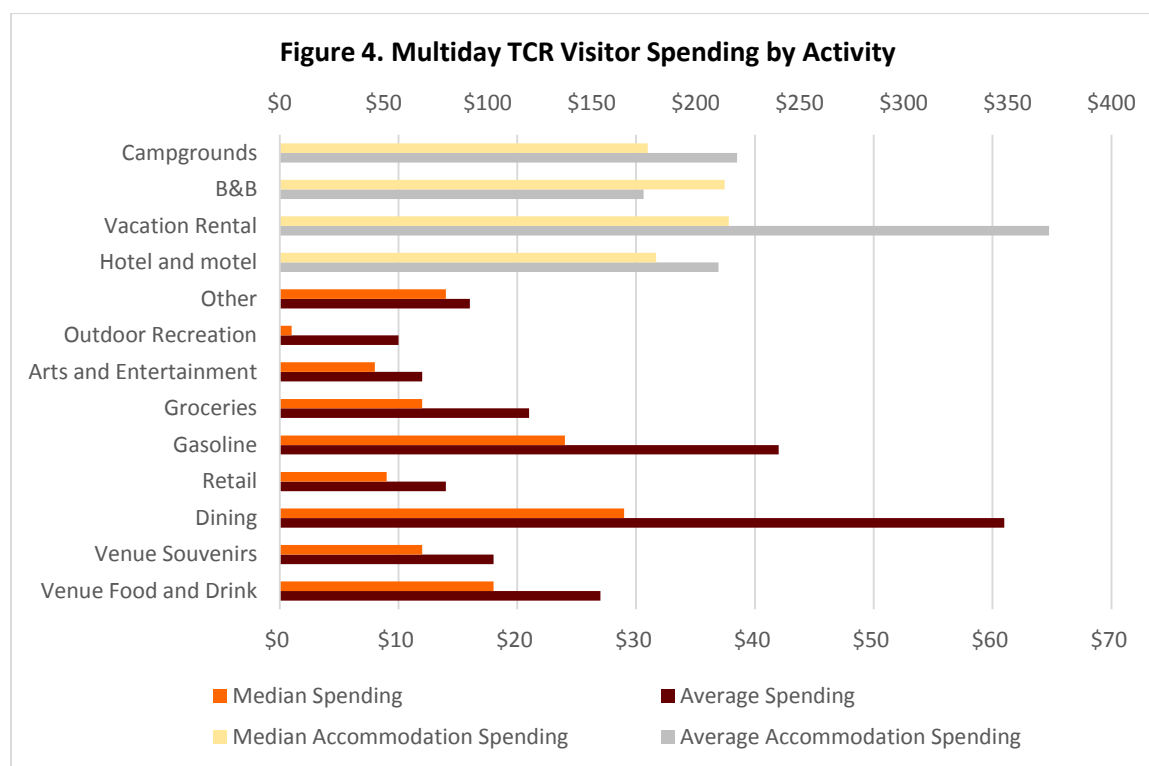
Of those citing other primary reasons for visiting Southwest Virginia, 22% were visiting friends and family.

Others cited coming to see specific Crooked Road venues, such as the Rex Theater and Wayne Henderson Festival, and featured musical performers. Their primary reason for coming to the region was the specific venue, festival or musician playing at the TCR event. Other respondents visited for the outdoor attractions in the area, such as the Creeper Trail and the Blue Ridge Parkway. Still other visitors were on vacation, most likely passing through the area.



<sup>23</sup> Original protocol called for surveys to be handed out at all nine major venues and 23 affiliated venues, one event each, spread out from May through July. Surveys would also be distribute at nine Mountains of Music Homecoming events.

Within the visitor surveys, OED asked respondents to estimate their spending while in The Crooked Road region. For economic impact analysis, OED analyzed the spending habits of both TCR multiday and daytrip visitors, or those respondents who stated they came to the region specifically for TCR. To develop a realistic range of spending estimates, the mean and median spending of multiday and daytrip visitors was calculated. Average estimates tend to be higher as big spenders skew the distribution. Together, multiday and daytrip TCR visitors spent an average of three nights in the region. The three night estimate matches the estimate of the Virginia Tourism Corporation.<sup>24</sup> On average, each multiday visitor spent between \$192 and \$272. Daytrip TCR visitors spent \$42-54 per person, primarily at The Crooked Road venues. Occasionally these daytrip visitors would eat or shop before or after each event. Multiday TCR visitors spent on average 5 nights and between \$134 and \$591 during their trip to Southwest Virginia, depending on where they stayed while in the region. Figure 4 breaks down multiday TCR visitor average and median spending by activity type.



Multiday TCR visitors spent their nights at hotels or motels (42%), homes of friends and family (24%), vacation rentals (14%), tent/RV campsites (11%) or B&B Inns (9%). Visitors spent four nights at hotels, motels and B&Bs. They spent six nights on average in vacation rental homes and at campsites.<sup>25</sup>

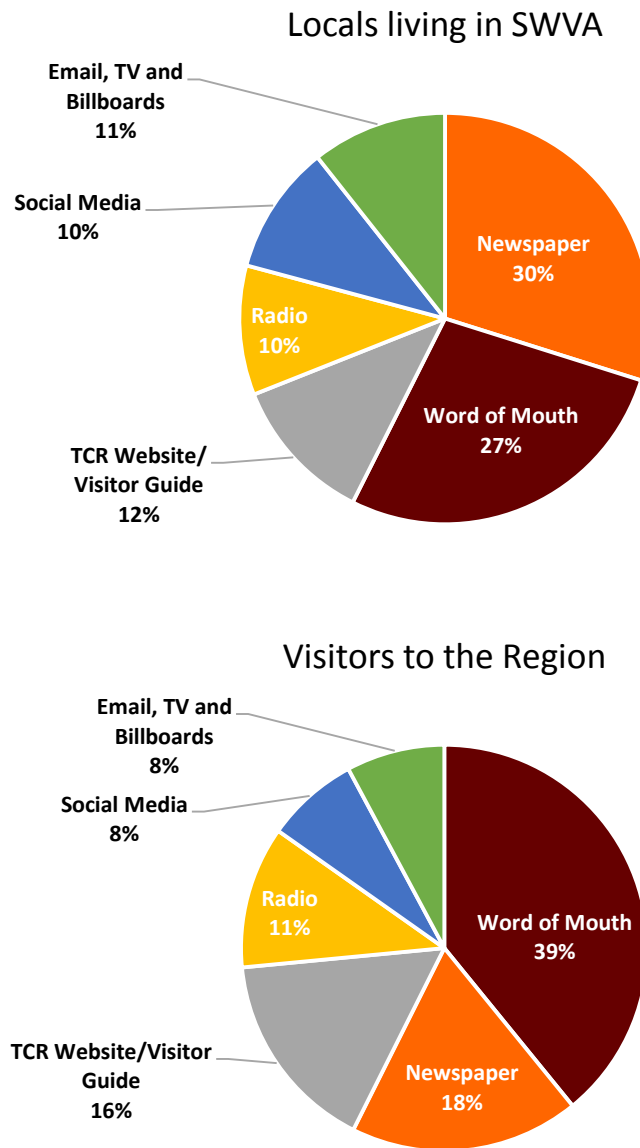
The majority of multiday TCR visitor spending was on lodging, dining, gasoline, and venue, in descending order. Multiday TCR visitors were also most likely to take part in other activities in Southwest Virginia. The activities that were cited the most were museums, hiking, shopping, photography and theatre in descending order. Total spending on retail, the arts, and outdoor recreation was approximately \$31-54 per person, or anywhere from 6-24% of total spending by multiday Crooked Road visitors.

<sup>24</sup> VTC Heart of Appalachia Region Travel Profile, FY 2014

<sup>25</sup> Spending estimates may be skewed as most surveys came from Mountains of Music Homecoming attendees.

When nonlocals (both those that came to the region for the TCR and those who did not) were asked how they heard about The Crooked Road venue they were attending, the large majority cited word of mouth, followed by newspaper and TCR website and visitor’s guide. The significant percentage of nonlocals that cited word of mouth indicates that instead of hearing about TCR through formal channels, many attendees know others who have been to the region. Its popularity then snowballs among people within that social group. Locals responded similarly, although a larger percent cited Newspaper as their primary source of information. Figure 5 illustrates responses of both locals and visitors to the region.

**Figure 5. How did you hear about this venue?**



All visitors surveyed were also asked what changes would improve the visitor experience along The Crooked Road. Twenty-eight percent of respondents indicated a need for improvements in advertising, such as better signage and more advertising for TCR events (locally and in surrounding states). Relatedly,

respondents asked for more information on local restaurants, lodging and other attractions while in the area. One respondent wrote: “More info on local restaurants and hotels/B&B’s. Maybe identify them on the map - also helpful to know the distance between venues for planning your trip and lodging. We totally love the concept [Mountains of Music Homecoming] and look forward to next year.” Twenty percent of respondents stated that venues needed improvements, citing a need for better concessions and vendors. A portion of respondents also felt that TCR venues lacked efficient organization and coordination. When discussing the Mountains of Music Homecoming, twelve percent of total respondents stated that ticket prices are too high for the area, suggesting that TCR should look into different ticket prices for local attendees in particular. Overall, however, responses were positive with many compliments including the following:

*“All the concerts have been great and the people so friendly and knowledgeable about their Virginia history and music. Thank you. It has been a wonderful experience. The calls to the Crooked Rd. personnel was outstanding. Everyone we met has been so kind and friendly and knowledgeable about the history and music of the area. Your country is so beautiful and people so friendly. Thank you for your warm welcome.”*

### **Economic Impact of The Crooked Road**

To calculate total direct spending by multiday and daytrip TCR visitors, OED first estimated total number of visitors to Crooked Road venues in the past year. Assuming that visitors attended at least one major venue along The Crooked Road, OED asked major venues to estimate their annual visitor attendance for the most recent year. Some venues indicated a perceived increase or decrease in visitors, but were unable to provide visitor count estimates. For those major venues that did not provide total estimated visitor counts, OED took estimates from the 2008 Crooked Road economic impact study and projected those numbers to present conditions. For instance, some venues described their attendance as decreasing since 2008. In these cases, OED asked venues to estimate percentage decrease. In other cases where venues estimated an increase in visitation since 2008 but did not provide a percent increase, OED took the percent change in meals tax revenue for the resident county,<sup>26</sup> increasing total visitation proportionally. As many as seven festivals, not including the recent Mountains of Music Homecoming, are also affiliated with The Crooked Road, and welcome a portion of festival attendees as a result of TCR marketing. Unless otherwise informed by venues, OED maintained the same number of attendees for the festivals that take place in association with TCR from the 2008 report. Total visitor estimates are below.

<b>Table 1. Major Venue and Festival Attendance Estimates</b>			
	<b>Total</b>	<b>Major Venues</b>	<b>TCR-Affiliated Festivals</b>
2008	207,650	109,450	98,200
2014	339,845	184,598	155,247 <sup>27</sup>

OED used visitor profile breakdowns<sup>28</sup> and the above attendee estimates to better estimate the total number of visitors due to TCR. OED calculated a lower and higher estimate based on different criteria. Attendance at TCR venues was calculated by taking the percentages in Figure 2 to account for multiday

<sup>26</sup> When using percent meals tax change, OED accounted for changes in the tax rates themselves.

<sup>27</sup> Does not include Mountains of Music Homecoming attendance.

<sup>28</sup> Breakdowns from Figure 2

and daytrip visitors. For the lower estimate, percent attendance by multiday and daytrip visitors was halved for the five off-season months, November-March. Since multiday visitors could have gone to more than one major venue during their trip to the region, OED further reduced the multiday visitor attendance estimates by one-third.<sup>29</sup> Attendance at TCR affiliated festivals was estimated first by isolating the percent of nonlocals (42%), then the percentage of multiday nonlocals (72%) and daytrip nonlocals (28%). According to interviews with major venues and affiliated venue surveys, venues attributed on average 5-15% of their visitation and sales to TCR. Taking those responses into consideration, OED took 10% of the multiday and daytrip nonlocal estimates for festival attendance and attributed them to TCR. Total estimated annual visitors attributed to The Crooked Road are 28,997-34,912.

<b>Table 2. Major Venue and Festival Attendance Attributed to The Crooked Road</b>		
	<b>Daytrip TCR Visitors</b>	<b>Multiday TCR Visitors</b>
Major Venues	8,768-11,076	13,708-17,315
TCR-Affiliated Festivals	1,826	4,695
<b>Attendance Attributed to The Crooked Road</b>	<b>10,594-12,902</b>	<b>18,403-22,010</b>

These visitor estimates attributable to TCR were multiplied by average and median spending per person while in the region (estimated from survey responses) to arrive at total estimated spending by multiday and daytrip visitors. Table 3 illustrates the calculated range of total direct spending by visitors to SWVA due to The Crooked Road. The calculated range is based on four scenarios distinguished by average and median visitor spending, and low and high attendance estimates. In each spending and attendee estimate, however, OED endeavored to be as conservative as possible in order to avoid overestimating the economic impact number. Ticket sales were estimated separately based on average ticket price at different major venues and festivals. Using the TCR visitor counts, OED estimated visitor spending on tickets to be at least \$403,787-\$407,590.

<b>Table 3. Total Direct Annual Spending Estimates</b>			
	<b>Daytrip Visitor Spending (10,300-12,768 visitors)</b>	<b>Multiday Visitor Spending (17,645-21,322 visitors)</b>	<b>Total Annual Spending due to The Crooked Road</b>
Venue Tickets			\$403,787 - \$407,590
Venue Food	\$137,723 - \$245,130	\$441,663 - \$594,269	\$579,386 - \$839,399
Venue Merchandise	\$84,753 - \$103,213	\$220,831 - \$396,179	\$305,584 - \$499,392
Restaurants	\$63,565 - \$103,213	\$533,676 - \$1,342,608	\$597,240 - \$1,445,820
Shopping	\$10,594 - \$12,902	\$165,623 - \$308,139	\$176,218 - \$321,041
Groceries	\$52,971 - \$64,508	\$220,831 - \$526,717	\$273,802 - \$526,717
Gasoline	\$84,753 - \$141,917	\$441,663 - \$1,066,336	\$526,415 - \$1,066,336
Outdoor Recreation	\$0	\$18,403 - \$220,100	\$18,403 - \$220,100
Arts & Entertainment	\$0	\$147,221 - \$264,120	\$147,221 - \$264,120
Other	\$0	\$257,637 - \$352,159	\$257,637 - \$352,159
Hotels and Motels	\$0	\$1,398,966 - \$1,950,523	\$1,398,966 - \$1,950,523
Other Accommodations <sup>30</sup>	\$0	\$1,269,228 - \$2,019,414	\$1,269,228 - \$2,019,414
<b>TOTAL</b>	<b>\$434,358 - \$670,882</b>	<b>\$5,115,741 - \$8,834,138</b>	<b>\$5,953,887 - \$9,912,611</b>

<sup>29</sup> The 2008 study reduced total population estimates by one-half. OED estimates less, accounting for visitors that may go to just affiliated venues and no major venue at all. The number of affiliated venues in the region has increased substantially.

<sup>30</sup> Other Accommodations include rental vacation housing, bed and breakfast inns, and campgrounds (tent, RV and cabins)

OED used IMPLAN input-output software to create the economic input model. IMPLAN is widely used software in academic and professional research, and relies on industry sales and/or employment data to provide estimates of the direct, indirect, and induced impacts of industry spending. Direct effects are all spending within the designated study area due to the study subject. In this case, the direct effects are spending by nonlocal visitors who come to visit The Crooked Road, our multiday and daytrip visitors. Total direct effects for this study total anywhere from \$5.95-\$9.9 million as seen in Table 3 above. Table 4 below shows direct spending for each scenario explored by OED. An explanation of how lower and higher visitor estimates were calculated is included in Appendix 5.

<b>Table 4. Direct Spending Estimates by Scenario</b>	
<b>Scenario (Spending, # TCR Visitors)</b>	<b>Total Direct Spending in TCR Region</b>
Scenario One (Median Spending, Lower Visitor Counts)	\$5,953,887
Scenario Two (Median Spending, Higher Visitor Counts)	\$7,079,123
Scenario Three (Average Spending, Lower Visitor Counts)	\$8,344,739
Scenario Four (Average Spending, Higher Visitor Counts)	\$9,912,611

The created IMPLAN model estimates the ripple effects that direct spending makes in the region. Indirect effects capture spending by the initially impacted industries and those spending impacts on the subsequent supply chain. One example is spending by restaurants on local food, followed by farmers spending on local farm supplies. Induced effects capture the spending by employees of these direct and indirect firms. Employees spend a portion of their earnings for goods and services in the local economy. At each stage of this spending cycle, additional spending within the regional economy (SWVA) is generated, while some money is spent outside the region. Total economic output is the sum of direct, indirect, and induced effects. Total jobs created as a result of this dollar spending as well as household income are also estimated and contribute to the overall economic impact of The Crooked Road. For additional information on the IMPLAN input-output model and how it works, see Appendix 4.

Because some industries rely largely on resources outside the region, for instance retail and chain restaurants, the model estimates that about \$1.2-2.4 million of nonlocal spending immediately leaves the region. Thus total direct effect of TCR visitor spending is between \$4.7 and \$7.5 million. That spending immediately helps generate 77-129 jobs in the region and anywhere from \$1.5-\$2.5 million of new income to households. As that money moves within the region, some leaving the region as it moves, additional money is generated through indirect and induced effects. As illustrated in tables five through eight, total economic output due to multiday and daytrip TCR visitor spending for one year ranges from \$6.8-\$10.9 million. From that range in total output, an equivalent 94-156 jobs are created or maintained, and households receive \$2-\$3.4 million of that money. When discussing 94-156 equivalent jobs, IMPLAN estimates full-time jobs. Considering The Crooked Road affects largely tourist-driven industries, this estimate may indicate many more jobs that are only part-time or temporary over the year instead of full-time.<sup>31</sup> The following tables break down direct, indirect, induced and total effects by the four scenarios OED explored.

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<sup>31</sup> Number of jobs are calculated based on typical industry employment patterns and average salaries by occupation. One annual salary by occupation is equivalent to one full-time job in the IMPLAN model.

<b>Table 5. Total Economic Impact of TCR, Scenario One</b>			
	<b>Employment</b>	<b>Labor Income</b>	<b>Output</b>
Direct Effect	77	\$1,476,711	\$4,709,184
Indirect Effect	9	\$316,097	\$1,122,627
Induced Effect	8	\$256,838	\$931,618
<b>Total Effect</b>	<b>94</b>	<b>\$2,049,646</b>	<b>\$6,763,429</b>

<b>Table 6. Total Economic Impact of TCR, Scenario Two</b>			
	<b>Employment</b>	<b>Labor Income</b>	<b>Output</b>
Direct Effect	91	\$1,764,269	\$ 5,586,772
Indirect Effect	11	\$372,971	\$ 1,324,154
Induced Effect	9	\$306,173	\$ 1,110,569
<b>Total Effect</b>	<b>112</b>	<b>\$2,443,413</b>	<b>\$ 8,021,495</b>

<b>Table 7. Total Economic Impact of TCR, Scenario Three</b>			
	<b>Employment</b>	<b>Labor Income</b>	<b>Output</b>
Direct Effect	108	\$2,076,637	\$6,364,657
Indirect Effect	12	\$421,095	\$1,503,159
Induced Effect	11	\$357,781	\$1,297,770
<b>Total Effect</b>	<b>131</b>	<b>\$2,855,513</b>	<b>\$9,165,586</b>

<b>Table 8. Total Economic Impact of TCR, Scenario Four</b>			
	<b>Employment</b>	<b>Labor Income</b>	<b>Output</b>
Direct Effect	129	\$2,480,178	\$7,540,112
Indirect Effect	14	\$495,638	\$1,768,648
Induced Effect	13	\$426,249	\$1,546,124
<b>Total Effect</b>	<b>156</b>	<b>\$3,402,066</b>	<b>\$10,854,884</b>

**Note:** In Tables 5-8, the direct effect is less than direct spending (Table 4) because the input-output model used (IMPLAN) accounts for certain retail and dining money that immediately leaves the region. Particularly in the case of chain stores, a certain percentage of money will never even enter the regional economy.

The IMPLAN model also estimates revenue to state and local governments as a result of TCR's economic impact. Through a dozen or so taxes on employee compensation, production and imports, households and corporations, an estimated \$510,000-\$824,000 in taxes goes to state and local governments, annually due to TCR activity. IMPLAN does not separate state and local tax revenue in its model. Most of these taxes are essentially state taxes that are then redistributed directly or indirectly to localities, making distinctions between these two groups impossible.

<b>Table 9. Tax Revenue by Scenario</b>	
Scenario One	\$510,277
Scenario Two	\$609,577
Scenario Three	\$690,398
Scenario Four	\$824,451

OED utilized Scenario Three estimates in the Executive Summary to serve as the official impact numbers. This scenario uses average spending estimates, which align with Virginia Tourism Corporation (VTC) tourism spending estimates for the region combined with other spending estimate sources. For the Heart of Appalachia Region, VTC estimates average party spending for all tourists is \$464 (2015), or \$155 per person. This estimate includes visitors coming to the region for business, outdoor activities, and for family and friends, which creates a significantly lower average than the average spending by cultural tourists alone. Evidence from the National Assembly for State Arts Agencies, Americans for the Arts and the U.S. Travel Association shows that cultural tourists spend significantly more than the average tourist, on average 27-40% more nationally. This is particularly true for international cultural tourists.<sup>32</sup> In North Carolina, cultural tourists spend twice as much as the average tourist.<sup>33</sup> Thus, while the \$272 average spending estimate calculated from survey responses by OED may seem high, it follows the regional and state trends. To remain conservative, however, OED used the low TCR visitor estimates and accounted for significantly fewer TCR visitors to venues during the off-season.

A more detailed, step-by-step explanation of how OED calculated visitor spending, total attendees attributed to The Crooked Road, and total economic impact can be found in Appendix 5.

### Comparison to 2008 Report

This 2015 economic impact analysis and the analysis done in 2008 differ in two major respects, making comparisons between the two difficult. Probably the most significant difference is how each analysis estimated the number of visitors attributable to The Crooked Road. To arrive at visitor estimates that could be directly attributed to TCR, the 2008 study reduced total attendance at major venues by 22% and total attendance at TCR-related festivals by 80%. OED used an alternative method of estimation. This 2015 study isolated nonlocal TCR attendees, then asked visitors to indicate their primary reason for coming to the region and asked venues to estimate percent attendees attributable to TCR. From this, OED made a much more conservative estimate of attendees attributed to TCR. OED reduced attendance attributable to TCR at major venues by 85-88% and attendance at TCR-related festivals by 96%. The 2008 study did not ask nonlocal visitors if they came to the region specifically because of TCR, so visitor count estimates were much higher than the 2015 report. The 2015 report’s conservative estimation reduces the likelihood of overestimating TCR’s economic impact (Table 10).

<b>Table 10. Estimated Percent of Attendance Attributable to The Crooked Road, 2008 vs. 2015</b>		
	Major Venue	Festival
2008 Report	78%	20%
2015 Report	12-15%	4%

Another difference is the average spending estimates. Accounting for inflation, the 2008 study estimates average spending by major venue daytrip and multiday visitors to be \$123 per trip, and estimates

<sup>32</sup> National Assembly of State Arts Agencies (2015). Cultural Visitor Profile. Downloaded from: <http://www.nasaa-arts.org/Research/Key-Topics/Creative-Economic-Development/Cultural-Visitor-Profile.php>; Americans for the Arts (2013). The Percentage of Foreign Visitors Participating in Arts & Culture While Visiting the U.S. Downloaded from: [http://www.americansforthearts.org/sites/default/files/pdf/2014/by\\_program/research\\_studies\\_and\\_publications/one\\_pagers/13.%20Cultural%20Tourism.pdf](http://www.americansforthearts.org/sites/default/files/pdf/2014/by_program/research_studies_and_publications/one_pagers/13.%20Cultural%20Tourism.pdf); US Travel Association (2010). Cultural Heritage Tourism: Current Segment Statistics and Trends. Downloaded from: [https://www.ustravel.org/sites/default/files/page/2009/10/Cultural\\_Heritage\\_Tourism.pdf](https://www.ustravel.org/sites/default/files/page/2009/10/Cultural_Heritage_Tourism.pdf)

<sup>33</sup> North Carolina Arts Council (2005). The Artful Traveler: Cultural Tourism in North Carolina. Downloaded from: <http://www.ncarts.org/Portals/44/ArtfulTraveler.pdf>



average spending by festival goers to be \$135 per trip. This 2015 study’s average spending estimate is \$272 per visitor per trip to the region. It did not differentiate between major venue and festival goer spending habits. One reason for this difference may be the differences in spending habits when data was collected: the difference between 2008—the beginning of the Great Recession—and 2015, when consumer spending has risen. Another reason could be the different survey formats. Unlike the 2008 study that asks for total spending, this 2015 analysis asked TCR attendees to estimate spending for individual activities, which often helps survey respondents better calculate their total spending. OED was also unable to do comparisons between TCR counties and non-TCR counties. The Crooked Road region has expanded since 2008, which eliminated non-TCR counties suitable for comparison.

### **Business Surveys**

OED designed a survey for venues and regional businesses to gauge their perceptions of The Crooked Road which is included in Appendix 2. Surveys were disseminated through Chambers of Commerce membership lists, The Crooked Road affiliated venue listserv, and phone calls to a sample of accommodation businesses.<sup>34</sup> OED called accommodations—hotels, B&B’s and campsites—in particular to better gauge the impact of multiday Crooked Road visitors. Fifty-four businesses responded to survey questions regarding the overall impact of TCR as well as impacts specifically from the Mountains of Music Homecoming event.

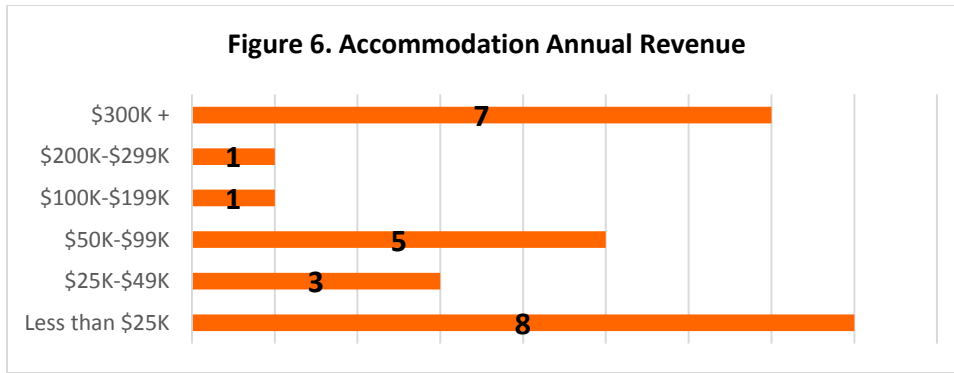
<b>Table 11. Total Businesses Surveyed</b>	
Affiliated Venues	18
Other Businesses	36
Total	54

Other businesses that were not affiliated venues were hotels, motels, B&Bs and campsites. Most were located close to the major venues in or near Floyd, Abingdon and Galax. Twenty-eight of the 36 lodging establishments, or 78% agreed their businesses are affected by The Crooked Road. Forty-seven percent of businesses surveyed expected an increase in revenue during TCR events; the remainder expected neither an increase nor decrease. Of those seventeen businesses reporting an increase in revenue, thirteen cited a 10 percent or less increase. The accommodation businesses reporting 25 percent or more increases in revenue during TCR events were in Floyd and Washington Counties.

On an annual basis, accommodations reported a moderate impact from The Crooked Road. These businesses reported a spread of annual revenue as seen in Figure 6. Thirty accommodations said that 10 percent or less of their 2014 annual gross revenue could be attributed to TCR. Similarly, the majority of accommodation respondents (24) stated they received less than 10,000 guests annually and 30 attributed 10 percent or less to The Crooked Road.

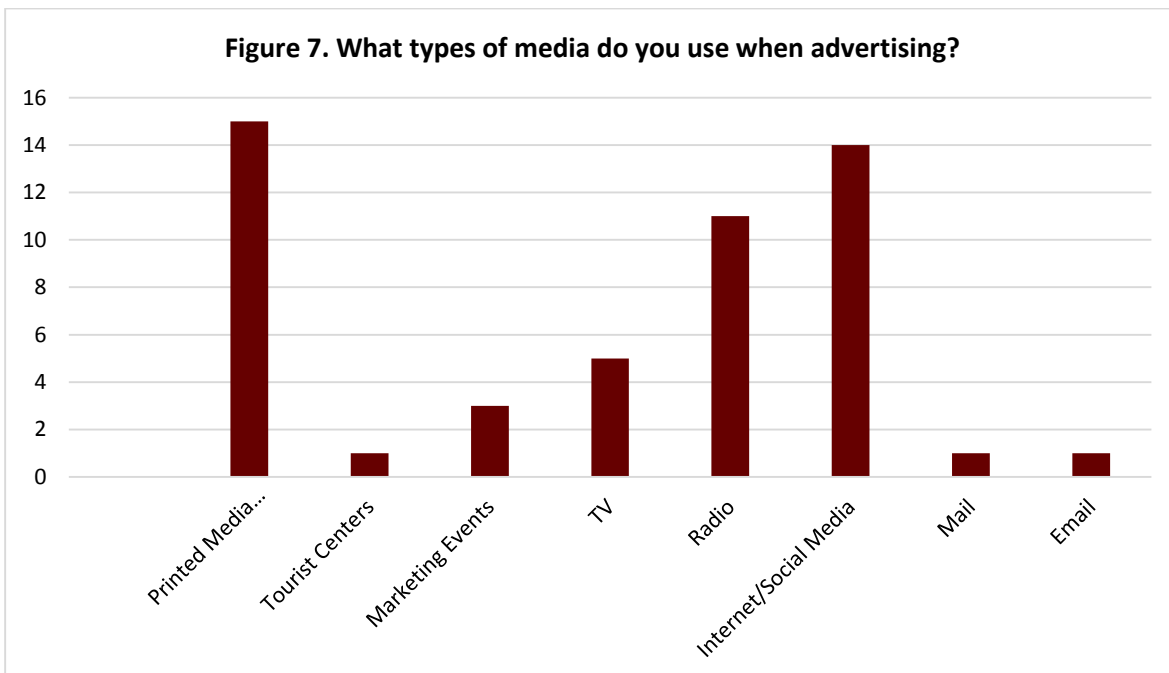
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<sup>34</sup> Location and contact information for hotel/motels, bed and breakfast inns and campgrounds were gathered for the TCR region. For each list, OED randomly selected half of the businesses and cold called them at least two times. The 36 responses were from businesses consenting to take the survey. Others declined or never answered/returned OED phone call.

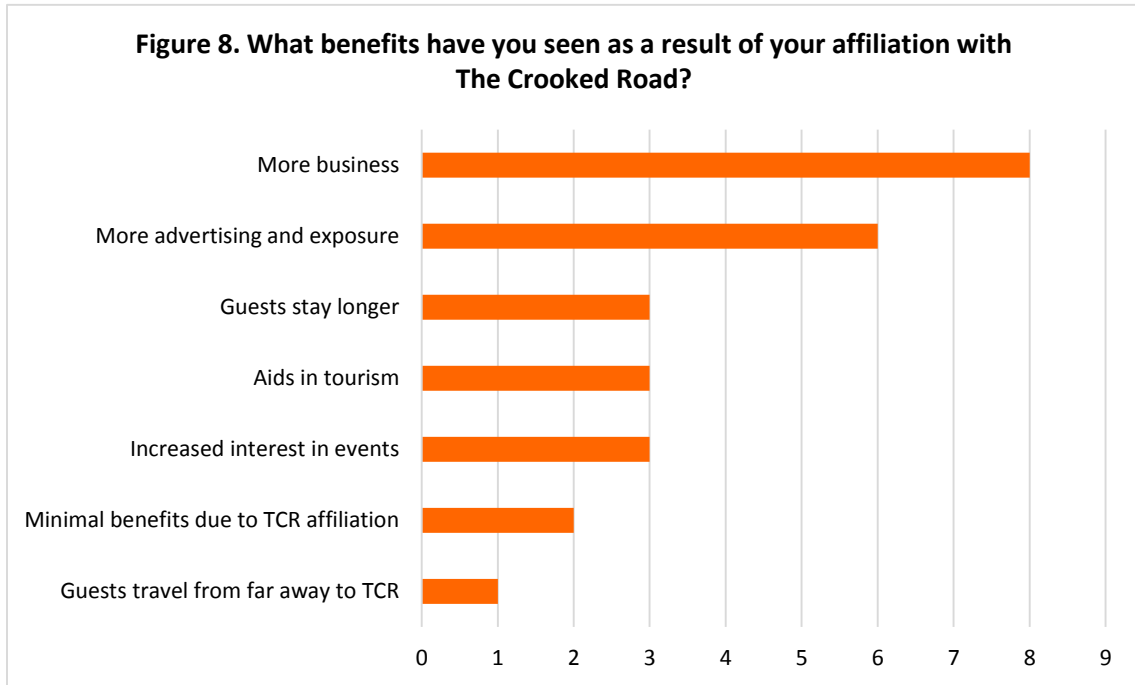


### Affiliated Venue Surveys

Of the 18 affiliated venues surveyed, 17 mention The Crooked Road as an attraction to visitors and that they use TCR materials in advertising. When asked if they advertise separately from TCR, 82% responded “yes”, with only three venues responding with “no”. Print media such as magazines and newspapers were the most common mode of advertising (15 responses), followed closely by the internet/social media (14 responses) and radio advertisements (11 responses). Most venues use a combination of media outlets to advertise. Tourist centers, mail, and email were the lowest reported forms of advertising with only 1 response each. Other forms of media included marketing events and TV ads (Figure 7).

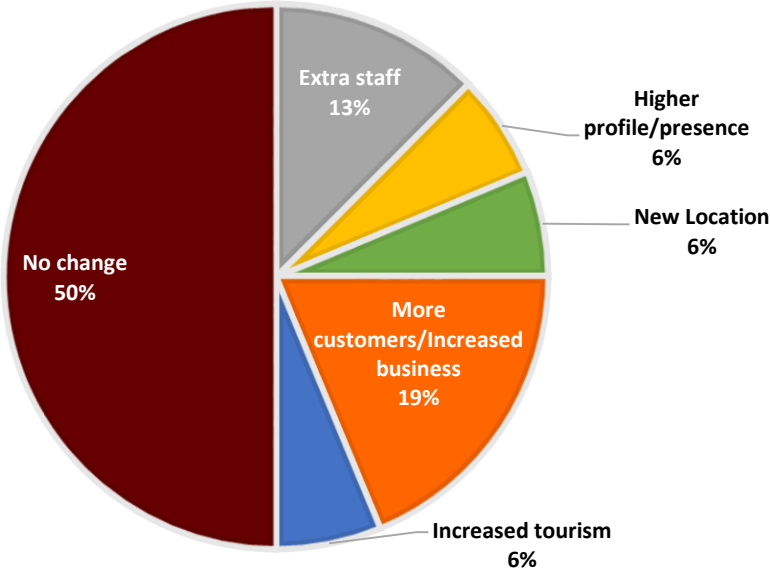


When asked “What benefits have you seen as a result of your affiliation with The Crooked Road?” almost half (8 out of 18) mentioned that they have seen increased business as a result of being affiliated with TCR. A third of respondents stated that they have more advertising opportunities and exposure. Some venues said that TCR encourages guests to stay longer, creates a larger interest in local events, and aids in tourism (Figure 8). Two venues said that their affiliation has done nothing for them. When asked “In what ways has your business changed since becoming affiliated with The Crooked Road?” half of the affiliated venues surveyed responded that their business has not changed and 19% responded with more customers and increased business (Figure 9).

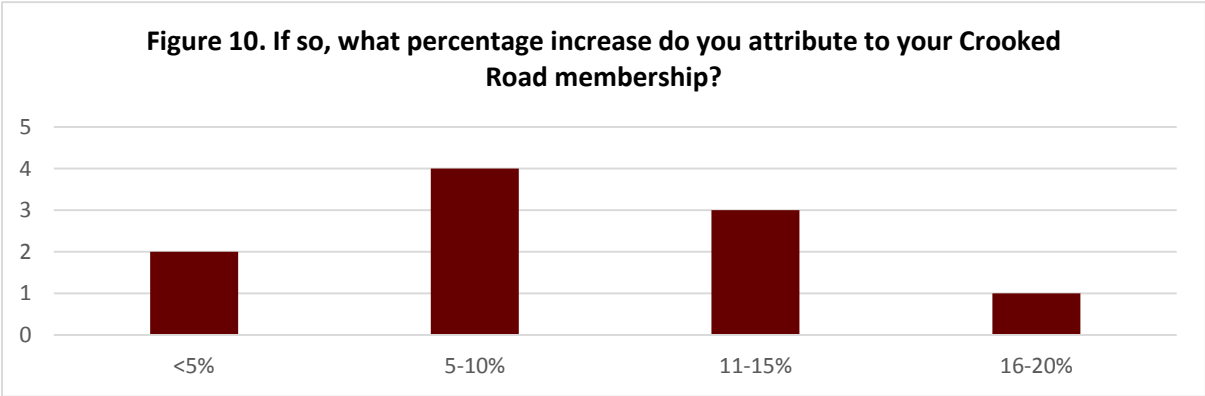


Ten venues stated that they have seen an increase in revenue since becoming associated with TCR. No venues have experienced a *decrease* in revenue since their affiliation began. Of those that have experienced an increase, four venues experienced an increase between 5-10%, three experienced an increase between 11-15%, and two venues experienced an increase of less than 5%. One venue has experienced an increase between 16-20% (Figure 10). Note that most of these are estimates or “best guesses” made on the part of the manager or owner of the affiliated venue. Most venues do not keep this data on-hand. A small portion of affiliated venue respondents stated that they have hired extra staff, usually only for a specific event.

**Figure 9. In what ways has your business changed since becoming affiliated with The Crooked Road?**

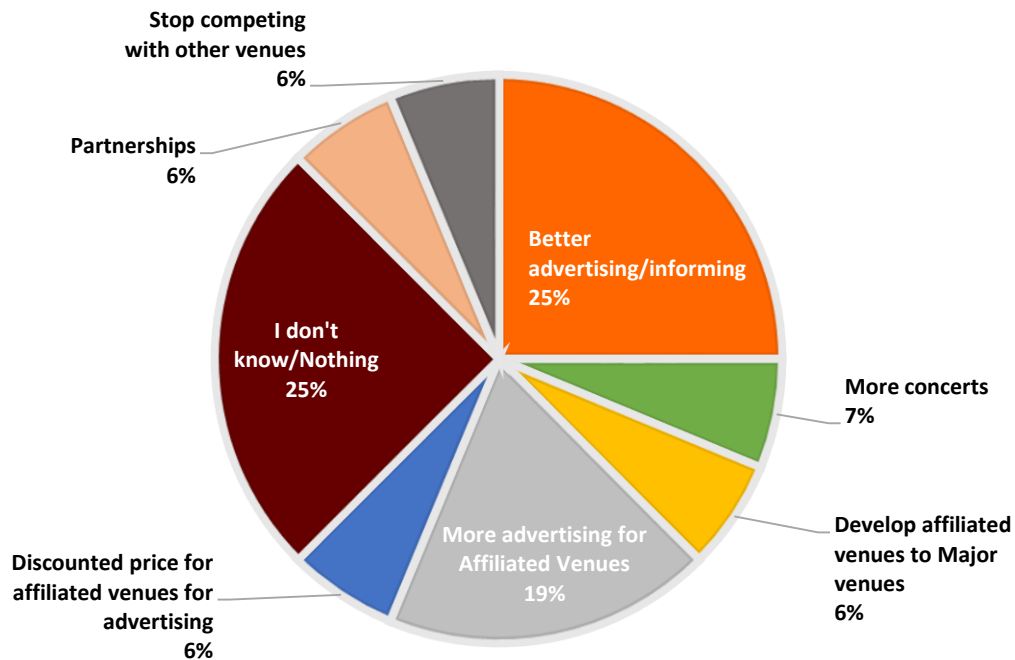


**Figure 10. If so, what percentage increase do you attribute to your Crooked Road membership?**



When asked “In what ways could The Crooked Road better serve your business” a quarter of respondents indicated the need for better advertising for TCR and informing venues ahead of time. Of those, three respondents stated a need for better advertising specifically for affiliated venues, while several mentioned that only major venues receive mention or advertisement. Another quarter responded with “nothing” or “I don’t know” (Figure 11).

**Figure 11. In what ways could the Crooked Road better serve your business?**



### Major Venue Interviews

Major venue interviews were conducted in person or by phone, for all nine major TCR venues except for one. OED spoke with those in leadership roles, typically an owner, operator, or manager. Each respondent was asked to estimate and discuss both quantitative and qualitative impacts of TCR on the economy and the communities of Southwest Virginia. Respondents were also asked about the Mountains of Music Homecoming events at their venues.

#### *Perceived Impacts*

Six of the major venues estimated an average 5-15% increase in revenue and number of visitors as a direct result of TCR marketing efforts. Both venues and communities highlighted TCR’s role in bringing international visitors in particular to the region. A few venues cited a decrease or stagnant number of visitations and revenue since the 2008 economic impact study. Major venues often host international and out of state visitors. One venue has a significant portion of their attendance hailing from Kentucky at almost every event. Respondents indicated that the region has a high incidence of repeat visitors from out of the region.

In a broad sense, most major venue respondents agreed that TCR is doing good work promoting Appalachian musical heritage and aligns its work with efforts to create more regional branding that “floats all boats”. Some respondents mentioned The Crooked Road’s efforts to increase “pride” in the Appalachian region. One venue stated that TCR signs create a unifying effect when visitors are driving throughout the region. A few major venue respondents mentioned the great work TCR jam sessions are doing to increase awareness of the unique musical and cultural heritage of the region.

## *Critiques*

Respondents from major venues offered constructive criticism for The Crooked Road organization. Generally, most stated that TCR would benefit from more regional cooperation among TCR leaders, major and affiliated venues. One major venue respondent cited the cultural heterogeneity throughout the region that TCR could highlight more in its marketing and events. If TCR were to partner more with communities and other attractions, particularly museums, visitors would gain a more in-depth understanding of the region, its history and its natural assets. Moreover, venues highlighted that with more collaboration, visitors will stay longer and partake in more regional activities. Relatedly, respondents encouraged TCR to structure its advertising in a way that encourages visitors to go out and explore more parts of Southwest Virginia. Current strategies may tend to highlight certain regions more than others or neglect regions that may require more advertising help than others for example.

More transparency in TCR's organization and its structure would help toward the goal of more collaboration. In this vein, a few major venues encouraged TCR to develop a clearer mission and objectives, aligning its actions accordingly. A clearer business plan and revenue structure is one approach that may help TCR to identify feasible organizational objectives and pursue sustainable activities.

Other respondents cited a need for more musician-focused advertising, explaining that artists specializing in Appalachian music would greatly benefit from targeted marketing. When advertising the Mountains of Music Homecoming, for instance, it may have been more beneficial for the venues and the events to market the musicians playing in certain cases rather than the venues themselves. A Musicians of the Month page, describing the lives and music of particular regional or visiting musicians, on TCR's website may also work toward this objective.

## **Mountains of Music Homecoming**

The Mountains of Music Homecoming (MoMH) is a nine-day music festival. In its first year (June 12-20, 2015), the region-wide festival offered numerous daily activities to spotlight the traditional music, culture and natural assets of Southwest Virginia. Total tickets sold to Crooked Road concerts during the Mountains of Music Homecoming were 2,969 tickets, with \$47,045 in ticket sale revenue. Of the 269 cultural events, 41 venues estimated 7,307 attendees to the events.

OED estimated the impact of MoMH's first year using ticket sale numbers and the study's estimated visitor breakdown—14% TCR multiday visitors and 6% TCR day trip visitors (See Figure 3 on page 6). To avoid double counting visitors and because the festival was advertised as a music festival to the outside world, OED only used the ticket count to musical events: 2,969 tickets. This count was reduced by the respective portions of TCR multiday and day trip visitors. TCR multiday visitors were then reduced by 30% to account for two or more tickets belonging to the same person. Total visitation attributed to Mountains of Music Homecoming is estimated to be 469 visitors; 291 multiday visitors and 178 day trip visitors. Because The Crooked Road visitor surveys asked if the primary reason for visiting the region was The Crooked Road, not Mountains of Music Homecoming, the estimated economic impact—measured by TCR ticket sales—may be slightly larger than the actual economic impact numbers.

Similar to The Crooked Road economic impact calculations, OED then used spending averages on retail, restaurants, accommodations and other industries to estimate total MoMH visitor spending. Total

estimated dollars coming into Southwest Virginia as a result of MoMH visitor spending was over \$135,000. Approximately \$33,000 immediately left the region. Once the money entered the region, it was spent and re-spent by regional companies and households. The economic output due to MoMH visitor spending was approximately \$150,000, with \$46,000 going to households through wages. As MoMH was only one week long, the number of jobs “created” does not apply.

To add to this impact, The Crooked Road brought about \$280,000 to the region through grants and sponsorships. About 75% of that funding or \$210,000 was spent in the region. Most spending went to regional musicians and artists, particular venue events, and local marketing- and sound-related companies. Some money immediately left the region. The rest circulated in the economy to produce an additional \$74,000. Total economic output due to TCR expenditures on MoMH was estimated to be approximately \$249,000.

MoMH visitor spending and The Crooked Road expenditures on MoMH combined to result in a total economic output of almost \$399,000. More than \$89,000 of this money went directly to households through salaries and wages.

<b>Table 12. Total Economic Impact of MoMH</b>		
	<b>Labor Income</b>	<b>Output</b>
Direct Effect	\$57,464	\$278,506
Indirect Effect	\$20,699	\$79,412
Induced Effect	\$11,215	\$40,678
<b>Total Effect</b>	<b>\$89,378</b>	<b>\$398,596</b>

The 54 affiliate and non-affiliate businesses that responded to The Crooked Road survey provided feedback on the first year of Mountains of Music Homecoming (MoMH). Of the 54 businesses that responded to the survey, fourteen (primarily affiliated venues) said they were in some way involved in MoMH, mostly through concert or jam sessions (6), cultural experiences (4), art shows (2) or music festivals (2). Thirty-seven businesses did not change any business practice, and two lodging establishments stated they were not aware of the event. A small proportion of businesses either increased their hours, advertised more, or incorporated higher staffing levels.

Impacts of MoMH on affiliated and non-affiliate businesses varied. Thirteen of fifty-two businesses (25%) said they experienced an increase in visitors due to MoMH. Twelve of fifty-three businesses (23%) cited an increase in revenue during MoMH, nine of which attributed their revenue increase to MoMH. Of those citing an increase in revenue, five estimated a 5-10% increase and four estimated a less than 5% increase. Meanwhile, 41 businesses or 77% of respondents cited no effect on revenue. When asked how MoMH most influenced their business, six respondents indicated that the week increased tourism, and created more awareness and notoriety for The Crooked Road. With more advertising and early coordination among multiple groups and businesses in the future, Mountains of Music Homecoming has the potential to increase tourist spending in the region and compound the economic impact of TCR and its affiliated organizations.

Major venue interviews also conveyed mixed opinions. When asked about the Mountains of Music Homecoming events, all major venue respondents stated no increase in visitors as a result of the new annual event outside of The Crooked Road concert they hosted. While most respondents agreed that it

was a good idea, they cited a lack of advertising and marketing to effectively increase attendance. In the future, a yearlong coordination effort among tourism venues (musical, cultural and outdoors), lodging establishments, restaurants and other tourist-related entities could increase the effects of MoMH on individual organizations and the region at large.

## **Community Interviews**

Virginia Tech Office of Economic Development conducted interviews with a random selection of economic development or tourism directors from eight localities (cities/counties) along The Crooked Road. They were asked to discuss the qualitative and/or quantitative impacts that TCR has had on their communities.

Every community respondent indicated the importance TCR has on the pride in the region. One respondent explained that they noticed an increase in local pride, as people begin to see local resources as an opportunity. This is particularly true for coal-producing counties in far SWVA that have been impacted by industry layoffs.

Many respondents mentioned the youth outreach JAMs programs offered by The Crooked Road and the Junior Appalachian Musicians (JAM) nonprofit as a true success story in their communities. JAMs programs offer low cost music classes to elementary and middle school youth in an effort to engage younger generations and preserve the Appalachian music heritage. Developed in partnership with JAM in 2010, The Crooked Road's (TCR) Traditional Music Education Program (TMEP) is designed to specifically promote traditional Southwest Virginian music. TMEP supports existing music programs and instructors, implements new programs, supports youth music performance, and incorporates traditional music into the coursework and instructions of local schools. TMEP integrates both direct learning and professional development into its strategy for promoting regional music traditions. By working together with JAM, the Crooked Road has developed several components which help it achieve its mission to foster pride in the region's rich music and cultural heritage.

TMEP offers after-school programs, a youth music series and festival at Heartwood in Abingdon, Virginia, a roster for school performances that provides educators with local/regional artists that play heritage music, and workshops and re-certification courses in traditional music for teachers. JAM has worked alongside TCR to help develop its after-school programs, guide the TMEP advisory group, and support programs as they develop. To date, all over the TCR region, the TMEP has impacted more than 1,600 teachers, 10,500 students and youth performers, and has trained over 300 teachers. As a result of this program, communities have noticed an increase in cross-generational participation in playing and enjoying traditional Appalachian music.

A common critique among all respondents of TCR was a lack of broad, regional cooperation. They indicated a need for more cross promotion between venues, other businesses, communities and regions. Regions offer other attractions from outdoors and craft activities to shopping and historic sites. Cross promoting these many attractions to a greater extent, for instance providing a sample weeklong itinerary, would increase visitation as well as the length of visitations by multiday visitors, thereby increasing overall impact and benefits to SWVA as a whole.



## RECOMMENDATIONS

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Through extensive interviews, surveys, and discussions with venue managers, key stakeholders, community leaders, business owners, and visitors to the region, OED was able to compile a list of recommendations for The Crooked Road so that it may increase its overall impact in the region.

1. The Crooked Road should consider changes to its marketing strategy. Respondents to visitor surveys, business surveys and interviews, and community interviews mentioned missed advertising opportunities that TCR could pursue in the future. Recommendations include the following strategies:
  - TCR’s year-round marketing strategy should focus on cross promotion among neighboring venues, other attractions and tourism-industry businesses. Multiday tourists are the demographic that brings the most money into the region. Today, this demographic group is looking for an “experiential” package filled with activities, sightseeing and discovery. SWVA has an authenticity that appeals to multiday tourists today. TCR can capitalize on this and other regional assets by encouraging collaboration among major and affiliate venues to organize their activities to complement one another, as well as other activities in their respective sub-regions in SWVA. In this manner, visitors are not attracted by one or two nebulous events, but by an entire regional (or sub-regional) experience. Creating and promoting these experiential multiday excursions will attract and keep visitors in the area. This strategy is currently espoused by the Virginia Tourism Corporation and is the vision for the Mountains of Music Homecoming. However, it is an approach that can be expanded to encompass all of TCR programming.
  - The Crooked Road should promote itself more among locals utilizing local papers and media. While local spending may not increase the economic impact of TCR in dollars, their awareness and support of TCR events will boost the quality of the event and overall quality of life in the region. Visitors are as much entranced by the friendly and welcoming people in this region as they are with the activities and beauty of the region. Getting the support of more local people may help toward that experiential goal.
  - Sixteen percent of visitors used The Crooked Road website and its visitor guide to learn about the events in SWVA. They and others reflected that the website could be more dynamic and informative. Certain regions and their music could be highlighted more, showing venue clusters and distance between them for travel planning. Instead of just focusing on the venues, TCR can highlight musicians playing in the region, offer travel itineraries and useful knowledge to visitors new to the area, cross-promote other activities, lodging, restaurants for visitors to the region.
  - Several venues mention a need to market regional and visiting artists more. Often people are drawn into music through the musicians they know and love (i.e. their story and music). TCR can showcase regional musicians and their stories, help promote these artists and thereby create another hook for visitors to the region. In helping these artists, TCR is also helping its venues.
  - Continue to reach out to former and current visitors to The Crooked Road. Since a large portion of visitors learned about The Crooked Road and its events through word-of-mouth, TCR should continue to engage this group of visitors, ensure their return to and promotion of the region, and encourage additional ripple effects produced by word-of-mouth advertising.
2. Related to its marketing strategy, TCR can also provide more information to tourists. For instance, TCR can develop sample itineraries and related recommendations to encourage multiday visits. Specifically, visitors to the region would benefit from a better map showing detailed sub-regions in

SWVA, directions and estimated time of arrival between venues to help visitors, and suggestions on what travelers can do on their way to an event.

3. For Mountains of Music Homecoming, most locals interviewed agreed that TCR should offer different ticket pricing structure to maintain affordability for local attendees impacted by the economic downturn in the region. Offering discounts to locals would ensure better attendance at MoMH events. Several local attendees also asked for better advertising to locals for these events. Many locals at these events did not know about Mountains of Music before coming to the event.
4. To promote collaboration and trust among partners in the region, The Crooked Road should consider increasing its organizational transparency through communicating more its mission, objectives, how activities fit with mission and objectives, and revenue structure. Surveys and interviews with local attendees, venues and communities revealed interest in the inner workings of TCR and its priorities.
  - One step that The Crooked Road could take toward increased transparency is having one page on the TCR website stating The Crooked Roads mission, the activities and initiatives it is doing to achieve that mission, and an overview of the nonprofit's annual budget. Any larger documents describing TCR's mission, objectives and organization can be present to download.
  - Another step TCR could take is working closely with its affiliated venues to prioritize its activities in an efficient, sustainable manner that matches the resources of the organization. With a shared vision of the organization's priorities, venues will be clear on what activities they should collaborate and promote within the region.
5. Input from venues and communities showed an esteem for The Crooked Road and the contributions it has made toward promoting regional culture and pride. One of the greatest and most prolific impacts cited by respondents was the pride that TCR has helped to instill in locals of all ages. Many respondents described the JAM/TMEP partnership program, in particular, as a Crooked Road program that has helped younger generations and older alike to continue this heritage music culture and develop a stronger sense of community. The Crooked Road should continue to support the JAM/TMEP program and its successful efforts to pass down this musical tradition.

## **ACKNOWLEDGEMENTS**

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Special thanks to The Crooked Road staff; Crooked Road and Mountains of Music volunteers; Crooked Road venues; and communities and businesses across Southwest Virginia for their thoughtful input and support during this project.

## **APPENDIX 1**

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Using previous visitor surveys and pulling from the economic impact literature, OED designed a two-page survey for attendees to TCR events. The purpose of this survey was to:

- Gather spending data from visitors to the region in order to estimate total direct effects of TCR due to visitor spending in SWVA
- Identify how many TCR attendees came to the region primarily to travel The Crooked Road
- Understand what activities TCR attendees participate in when in the region
- Understand how TCR attendees hear about The Crooked Road and its events
- Gather TCR attendees impressions of The Crooked Road

Venue: \_\_\_\_\_

Date: \_\_\_\_\_

Take this  
survey  
online



## The Crooked Road Visitor Survey

Thank you for visiting The Crooked Road: Virginia's Heritage Music Trail! **Fill out this survey and be entered to win a Crooked Road Hat, T-shirt and 2-disc music sampler.** Provide your contact information to win:

Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

\_\_\_\_ Yes, I would like to be on The Crooked Road email list and receive news and event information

1. What is your home zip code (or country if international)?

\_\_\_\_\_

2. Do you live in the Crooked Road region (SWVA)?

*[Includes Counties: Bland, Buchanan, Carroll, Dickenson, Floyd, Franklin, Giles, Grayson, Lee, Montgomery, Patrick, Pulaski, Scott, Smyth, Russell, Tazewell, Washington, Wise, Wythe; Independent Cities: Bristol, Galax, Norton and Radford]*

Yes, I live in the SWVA region.

No, I'm visiting from outside the region.

3. How likely are you to recommend The Crooked Road to friends and family?

Very Unlikely - Undecided - Very Likely

4. Please estimate the total amount you will spend at Crooked Road venues/events during this summer.

\$ \_\_\_\_\_ Venue Tickets

\$ \_\_\_\_\_ Food/Drink at Venue ONLY

\$ \_\_\_\_\_ Souvenirs at Venue ONLY

5. Please estimate the total amount of money you will spend during your time in The Crooked Road region (if visiting SWVA). **Do NOT include the cost of your ticket(s) or items purchased at Crooked Road venues/events.**

\$ \_\_\_\_\_ Dining \$ \_\_\_\_\_ Groceries

\$ \_\_\_\_\_ Retail shopping \$ \_\_\_\_\_ Gasoline

\$ \_\_\_\_\_ Accommodations \$ \_\_\_\_\_ Outdoor Recreation

\$ \_\_\_\_\_ Arts, music, movies \$ \_\_\_\_\_ Rented House

\$ \_\_\_\_\_ Other: \_\_\_\_\_

6. How many people did you represent when filling out the last two questions?

\_\_\_\_\_

7. Prior to coming, did you know the venue you are attending is part of The Crooked Road (TCR)?

Yes, I heard about it through advertising by TCR

Yes, but I didn't hear about the venue from TCR

No, I didn't know this was a Crooked Road venue

**Flip Page to Continue**

8. How did you hear about this venue?
- Radio
  - Newspaper/magazine
  - Email
  - Television
  - Billboard
  - Word of Mouth
  - Social Media
  - Crooked Road Website/Visitor Guide
  - Other: \_\_\_\_\_
9. What changes would improve the visitor experience along The Crooked Road? What other businesses/attractions might have complemented your visit to The Crooked Road?

**KEEP GOING IF YOU'RE VISITING SOUTHWEST VIRGINIA**

10. Did you come to the region **specifically** to travel The Crooked Road?
- Yes, I came to enjoy the music along The Crooked Road
  - No, I came primarily to hear heritage music, but did not know about The Crooked Road
  - No, I came for another reason, but enjoy heritage music at venues along The Crooked Road
  - No, I came for another reason. This is my first time at a Crooked Road venue.

11. If not The Crooked Road, what was your primary reason for visiting Southwest Virginia?
- Work
  - Visiting Family and Friends
  - Visiting other attractions in the region (please specify):
  - Other: \_\_\_\_\_
12. How likely are you to visit The Crooked Road again?
- Very Unlikely - Undecided - Very Likely
13. How likely are you to return to this region of Virginia?
- Very Unlikely - Undecided - Very Likely
14. How many nights are you spending in Southwest Virginia?
15. What other activities are you doing during your trip to Southwest Virginia?
- Fishing
  - Biking
  - Photography
  - Birdwatching
  - Hiking
  - Museums
  - Horseback riding
  - ATVs
  - Theater
  - Other: \_\_\_\_\_
  - Shopping
16. What towns are you visiting while in the region?
17. Where are you staying?
- With Friends/Family
  - Hotel/Motel
  - Camper
  - A property I own
  - B&B
  - Other: \_\_\_\_\_
  - A rented house
  - Camping (tent) \_\_\_\_\_

## APPENDIX 2

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### Measuring the Economic Impact of *The Crooked Road*

#### ONLINE SURVEY FOR VENUES, AFFILIATES AND OTHER BUSINESSES

Aim: These are online surveys meant to gather business perceptions of TCR's impact (economic or otherwise) and support findings from the visitor's survey. This data will also help to differentiate between county impacts, major versus affiliated venues, and older versus new TCR jurisdictions.

---

Greetings! The Virginia Tech Office of Economic Development is conducting a research project to assess the ways that The Crooked Road and its work affect the communities of Southwest Virginia. As part of this project, we have developed a brief questionnaire for businesses that participate in or are impacted by The Crooked Road (TCR). Your responses will help us understand how TCR affects regional businesses, and how TCR can best create a positive economic impact in the region.

NOTE: All responses will be kept confidential-- the final, public version of the report will contain only aggregate, generalized data that does not identify specific businesses.

If you have any questions or comments about this survey or the research project, or if you would like to participate in more in-depth interviews with the project researchers regarding the impacts of The Crooked Road on your business, please contact: Sarah Lyon-Hill, Virginia Tech Office of Economic Development ([sarahlh@vt.edu](mailto:sarahlh@vt.edu))

What is your zip code? \_\_\_\_\_

In what county or independent city are you located? \_\_\_\_\_

What is your primary business classification?

\_\_\_ Hotel/motel/B&B

\_\_\_ Restaurant/bar

\_\_\_ Convenience/grocery store

\_\_\_ Outdoor recreation/outfitter

\_\_\_ Automotive/gas

\_\_\_ Real Estate/Rental

\_\_\_ Campground

\_\_\_ Retail/specialty

\_\_\_ Arts and Crafts

\_\_\_ Cultural Heritage Attraction

\_\_\_ Event Space

\_\_\_ Other: \_\_\_\_\_

Describe your relationship with The Crooked Road. I am...

\_\_\_ A Major Venue

\_\_\_ An Affiliated Venue

\_\_\_ Not officially affiliated with The Crooked Road

---

#### ***If NOT affiliated with The Crooked Road:***

The Crooked Road is a 330 mile driving trail through the mountains of Southwest Virginia that connects nine Major Venues and over 60 Affiliated Venues and Festivals in order to promote this region's rich

heritage of traditional music and bring about more economic opportunities for musicians, artisans and other businesses in Southwest Virginia. The Crooked Road's Major Venues are:

- Birthplace of Country Music (Bristol)
- Blue Ridge Institute and Museum (Ferrum)
- Blue Ridge Music Center (Galax)
- Carter Family Fold (Hiltons)
- Country Cabin II (Norton)
- Floyd Country Store (Floyd)
- Heartwood (Abingdon)
- Old Fiddlers Convention and Rex Theater (Galax)
- Ralph Stanley Museum (Clintwood)

Affiliated Venues are scattered throughout Southwest Virginia: <https://www.myswva.org/tcr/venues>.

**You have a Crooked Road Venue near you! We are interested in how that Crooked Road Venue impacts your business through its activities and events that draw in visitors to the area.**

What Crooked Road Venues are closest to your business?

- |  |   |
|--|---|
| <input type="checkbox"/> Birthplace of Country Music (Bristol)           | <input type="checkbox"/> Country Cabin II (Norton)        |
| <input type="checkbox"/> Blue Ridge Institute and Museum (Ferrum)        | <input type="checkbox"/> Floyd Country Store (Floyd)      |
| <input type="checkbox"/> Blue Ridge Music Center (Galax)                 | <input type="checkbox"/> Heartwood (Abingdon)             |
| <input type="checkbox"/> Carter Family Fold (Hiltons)                    | <input type="checkbox"/> Ralph Stanley Museum (Clintwood) |
| <input type="checkbox"/> Old Fiddlers Convention and Rex Theater (Galax) |   |

Affiliated Venue or Festival (please write in):

---

Do you think your business is affected by The Crooked Road and its venues?  Yes  No

Do you mention the Crooked Road as an attraction to visitors or use Crooked Road images/logos in your marketing/advertising?  Yes  No

Do you expect an increase or decrease in revenue when your local Crooked Road Venue(s) holds an event or activity in your community?

- Increase  
 Decrease  
 Neither

If so, what percentage increase/decrease?

- |                                 |                                 |                               |
|---------------------------------|---------------------------------|-------------------------------|
| <input type="checkbox"/> <5%    | <input type="checkbox"/> 16-20% | <input type="checkbox"/> >30% |
| <input type="checkbox"/> 5-10%  | <input type="checkbox"/> 21-25% |                               |
| <input type="checkbox"/> 11-15% | <input type="checkbox"/> 26-30% |                               |

Considering the past three years, would you estimate your business' annual gross-revenue?

- |  |   |
|--|---|
| <input type="checkbox"/> Less than \$25K | <input type="checkbox"/> \$100K to \$199K |
| <input type="checkbox"/> \$25K to \$49K  | <input type="checkbox"/> \$200K to \$299K |
| <input type="checkbox"/> \$50K to \$199K | <input type="checkbox"/> More than \$300K |

What percent of your 2014 annual gross-revenue would you estimate could be largely attributed to events that occur at Crooked Road Venue(s)?

<input type="checkbox"/> None	<input type="checkbox"/> 21-30%	<input type="checkbox"/> 61-70%
<input type="checkbox"/> Less than 5%	<input type="checkbox"/> 31-40%	<input type="checkbox"/> 71-80%
<input type="checkbox"/> 5-10%	<input type="checkbox"/> 41-50%	<input type="checkbox"/> 81-90%
<input type="checkbox"/> 11-20%	<input type="checkbox"/> 51-60%	<input type="checkbox"/> 91-100%

Would you estimate how many visitors you get annually?

<input type="checkbox"/> Less than 10,000	<input type="checkbox"/> 75,001-100,000	<input type="checkbox"/> 200,001-250,000
<input type="checkbox"/> 10,000-50,000	<input type="checkbox"/> 100,001-150,000	<input type="checkbox"/> 250,001-300,000
<input type="checkbox"/> 50,001-75,000	<input type="checkbox"/> 150,001-200,000	<input type="checkbox"/> More than 300,000

What percent of annual visitors to your business would you attribute to The Crooked Road and its venues?

<input type="checkbox"/> None	<input type="checkbox"/> 21-30%	<input type="checkbox"/> 61-70%
<input type="checkbox"/> Less than 5%	<input type="checkbox"/> 31-40%	<input type="checkbox"/> 71-80%
<input type="checkbox"/> 5-10%	<input type="checkbox"/> 41-50%	<input type="checkbox"/> 81-90%
<input type="checkbox"/> 11-20%	<input type="checkbox"/> 51-60%	<input type="checkbox"/> 91-100%

In what other ways does The Crooked Road and its Venues (positively or negatively) affect your business and its operations?

---

***If Major or Affiliated Venue...***

Do you mention the Crooked Road as an attraction to visitors or use Crooked Road images/logos in your marketing/advertising?  Yes  No

What benefits have you seen as a result of your affiliation with The Crooked Road?

Have you experienced an increase or decrease in revenue since becoming affiliated with Crooked Road?

Increase  
 Decrease  
 Neither

If so, what percentage increase/decrease do you attribute to your Crooked Road membership?

<input type="checkbox"/> <5%	<input type="checkbox"/> 16-20%	<input type="checkbox"/> >30%
<input type="checkbox"/> 5-10%	<input type="checkbox"/> 21-25%	
<input type="checkbox"/> 11-15%	<input type="checkbox"/> 26-30%	

Do you advertise separately from The Crooked Road?  Yes  No

If yes, in what types of media do you advertise? (e.g. print, online, name of magazine, website, etc.)



In what ways has your business CHANGED since becoming affiliated with The Crooked Road? (e.g. increased staff)

In what ways could The Crooked Road better serve your business?

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***Mountains of Music Homecoming Questions (all survey respondents)***

This was the first year that The Crooked Road organized a week-long, region-wide festival. Mountains of Music Homecoming offered concerts and activities in over 30 communities from June 12<sup>th</sup> to 20<sup>th</sup>.

Were you involved in activities associated with the Mountains of Music Homecoming? If so, what activities?

Did you experience an increase in visitors due to Mountains of Music Homecoming?

Yes                       No

Did you experience an increase or decrease in revenue during the Mountains of Music Homecoming week?

Increase  
 Decrease  
 Neither

If so, what percentage increase/decrease?

<5%                       16-20%                       >30%  
 5-10%                       21-25%  
 11-15%                       26-30%

Do you think this increase/decrease in revenue was a result of the Mountains of Music Homecoming?

Yes, my revenue was affected by Mountains of Music Homecoming  
 No, the Mountains of Music Homecoming had no revenue generating effects

In what other ways was your business influenced by the Mountains of Music Homecoming?

Did you change your business practices in any way during the Mountains of Music Homecoming week? (e.g. increase staff, buy more supplies, advertising, etc.)

### APPENDIX 3

**Attendance Summary for The Mountains of Music Homecoming Festival:** MoMH was attended by visitors from several states and foreign countries. Based on the 463 surveys collected during the festival, international visitors traveled from Canada, France, the United Kingdom and Australia to attend the Mountains of Music Homecoming. Those from outside of Virginia arrived primarily from North Carolina, Tennessee, Florida, Kentucky and Maryland, in descending order. By far the most out of state visitors were from North Carolina, residing in the cities of Winston-Salem and Raleigh, the Town of Asheville, and the Charlotte metropolitan area. Not surprisingly, 71% of the completed surveys were from Virginia residents, largely those living in The Crooked Road region. Those from outside TCR’s region came primarily from proximate counties, such as Roanoke and Craig, and independent cities such as Salem, Roanoke and Danville. Attendees residing in other Virginia jurisdictions became fewer in number and more scattered the further one moved away from the region.

**All TCR Attendance:** OED created maps showing where TCR attendees are coming from and where they are going while in Southwest Virginia. **These maps were based on 600+ survey responses.** See pages below:

**Figure 12. Where are Visitors Coming from? (Nationwide)**

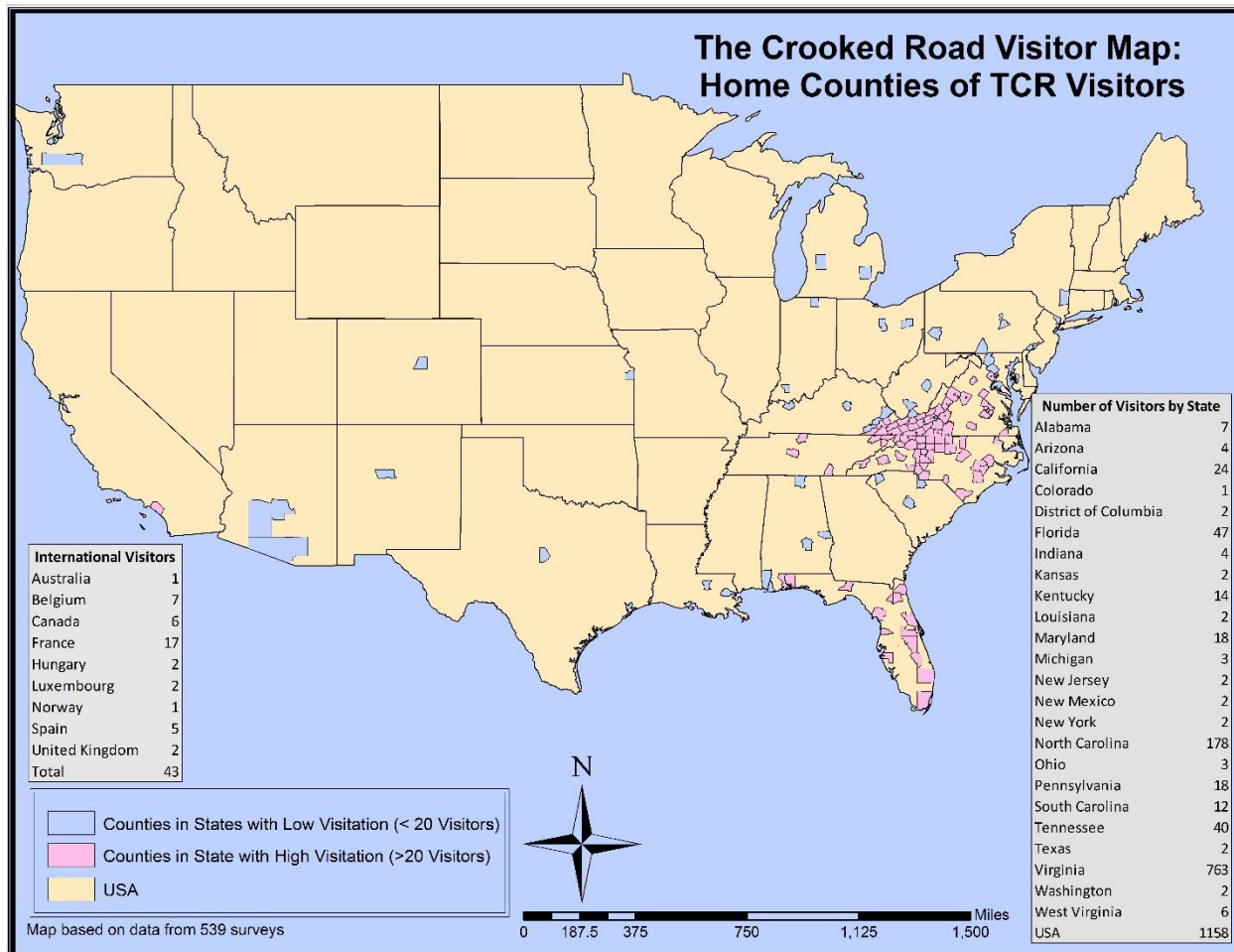


Figure 13. Top Home Counties for TCR Attendees

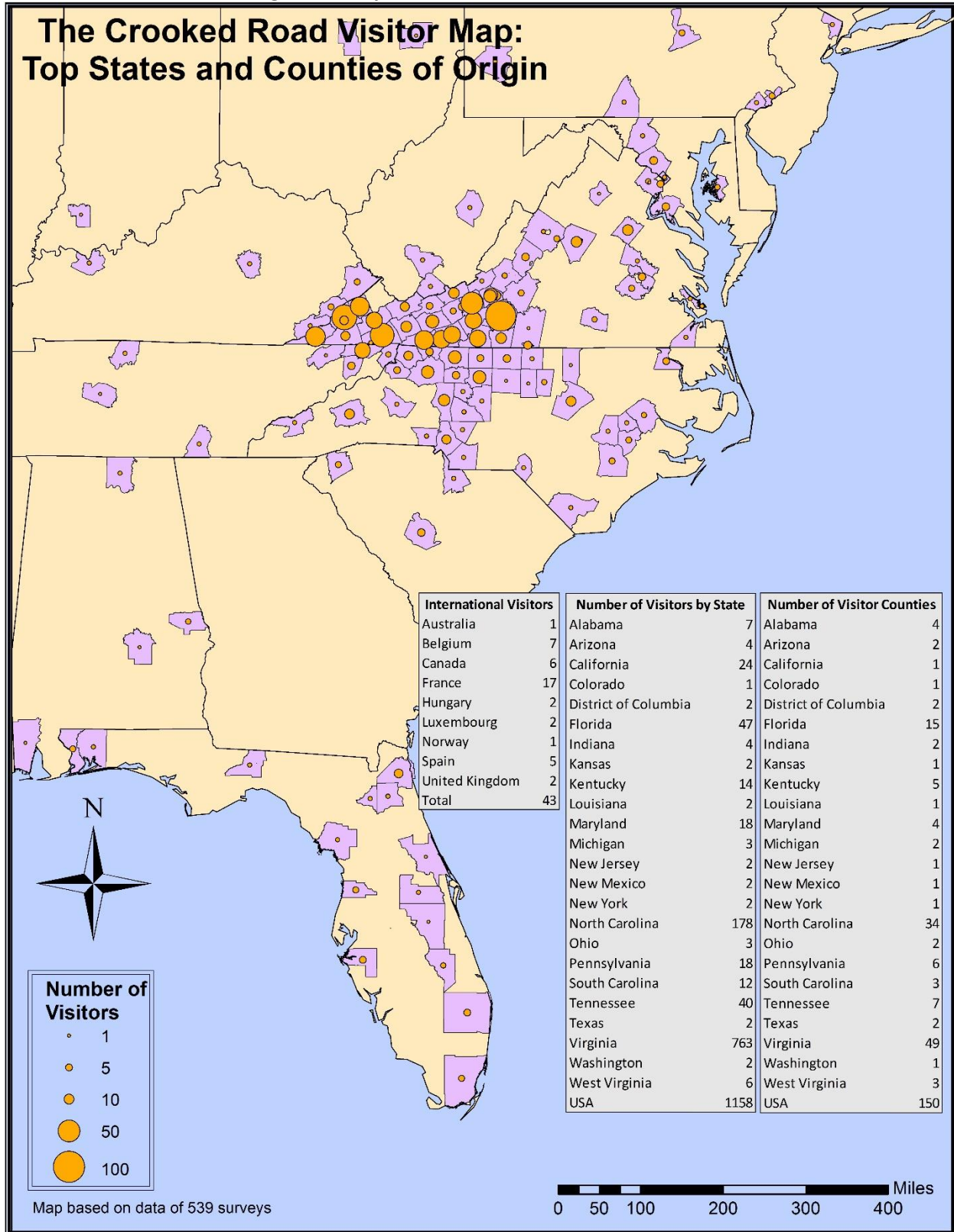
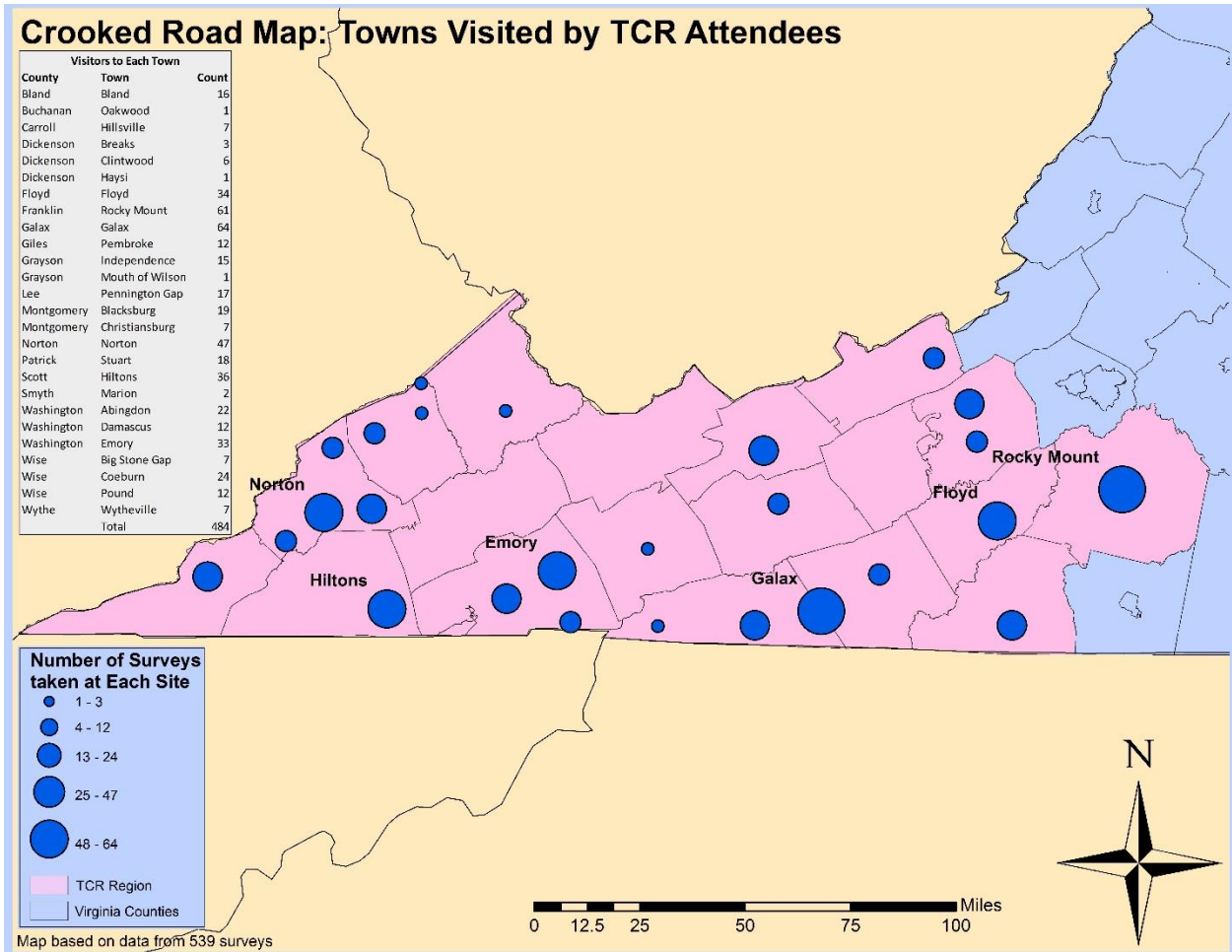


Figure 14. Top Places that Nonlocal TCR Attendees Visit When in SWVA



## APPENDIX 4

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IMPLAN is an economic impact modeling system that employs input-output (I-O) analysis to estimate total effect on a regional economy as a result of an initial direct exogenous impact, such as an influx in spending from tourists in the Crooked Road region. IMPLAN was originally developed by the USDA Forest Service.

IMPLAN employs input-output models to create a “snapshot” of a specific region’s economy, using careful analysis of all sales and purchases of goods and services throughout all sectors of the regional economy, which is updated quarterly. To develop the model, an economy is broken up into three broad categories: industry, government, and households which are then divided amongst regional sectors. IMPLAN creates input-output tables to illustrate how dollars flow between different sectors within an economy.

To gather the information needed to create I-O tables for a given region, IMPLAN uses national industry data from the U.S. Bureau of Economic Analysis to determine how an industry spends money to operate and produce commodities. Households are also treated like an industry to determine expenditure patterns. County-level economic data is used to augment national data and effectively estimate regional or county level impacts. Average prices for goods and services are gathered along with local expenditure data to determine the consumption patterns of regional households and local governments. I-O tables are typically thought of as spreadsheets, detailing all transactions that take place between sectors in an economy. This allows analysts to estimate the degree to which a change in regional spending or shock, such as a closure of a manufacturing plant, will ripple through an economy.

For example, TCR attracts visitors to the region who then spend money on food, lodging, recreation and other industry-related activities. Food, lodging, and recreation establishments experience an increase in demand for their services, which they must meet. A restaurant owner may order more meat/produce or hire more staff as a result of this increased demand. The meat or produce supplier then must increase production to meet the restaurants demand, purchasing inputs. Additionally, the new restaurant worker now has a higher level of income that is then spent in the regional economy. The increased demand for goods and services by TCR tourists creates a rippling effect that moves through the regional economy. IMPLAN uses extensive amounts of carefully collected, up-to-date regional data on economic transactions to measure these rippling effects, known as *multipliers*.

Multipliers allow analysts to assess how a change in one sector of an economy will affect the whole economy. Multipliers measure the amount of total economic activity that results from an additional dollar spent in the economy. An overall multiplier effect is composed of three categories: direct, indirect, and induced effects. *Direct effects* are the dollar value of economic activity available to circulate through the economy. In terms of TCR, the direct effect is the in-region spending by out-of-region visitors to The Crooked Road. *Indirect effects* refer to what’s going on between industries and sectors as a result of this increased spending. In the TCR example, this would be the money paid to the produce/meat supplier by a restaurant owner to meet increased demand. *Induced effects* result from the increased spending by employees generated from the direct and indirect effects. Based on regionally-specific multipliers, IMPLAN generates a series of tables that show an economic event’s direct, indirect, and induced effects on a region’s economy. These multipliers are then used in the I-O

model to calculate all indirect and induced effects in terms of total economic output (\$), jobs created, and household income (\$).

Sample Output Multipliers for TCR Region							
Code	Description	Direct Effects	Indirect Effects	Induced Effects	Total Effects	Type I Multiplier	Type SAM Multiplier
400	Retail - Food and beverage stores	1	0.26	0.23	1.48	1.26	1.48
402	Retail - Gasoline stores	1	0.25	0.26	1.50	1.25	1.50
404	Retail - Sporting goods, hobby, musical instrument and book stores	1	0.27	0.21	1.48	1.27	1.48
405	Retail - General merchandise stores	1	0.25	0.23	1.48	1.25	1.48
406	Retail – Miscellaneous retailers	1	0.27	0.29	1.56	1.27	1.56
499	Hotels and motels, including casino	1	0.23	0.17	1.41	1.23	1.41
500	Other accommodations	1	0.23	0.22	1.44	1.23	1.44
501	Full-service restaurants	1	0.23	0.24	1.46	1.23	1.46
502	Limited-service restaurants	1	0.18	0.21	1.39	1.18	1.39

A handful of key assumptions underlie each IMPLAN-generated model:

- Constant returns to scale- meaning that the same quantity of inputs will be needed per unit of output, regardless of the level of production.
  - In TCR analysis, this means that restaurants would still need the same amount of raw food to produce a given meal.
- No supply constraints- no restrictions on raw materials. There is enough to produce an unlimited amount of product.
  - Restaurants can obtain as much supply as needed to meet increased demand for meals.
- Fixed input structure- no input substitution in response to an output change.
  - Restaurants are still going to use the same food supply for their meals, despite the increase
- Industry technology- Industries will always produce the same mix of commodities regardless of the level of production
  - Restaurants aren't going to change their offerings in response to an increase demand. Restaurant X will still serve traditional meat and potato type meals and won't switch to Japanese entrees.
- Commodity technology- an industry uses the same technology to produce each of its products
  - A restaurant isn't going to start using the same type of technology to prepare their offerings.
- The model is static- no price changes are built-in
  - Suppliers aren't going to charge restaurants more for their increased demand.

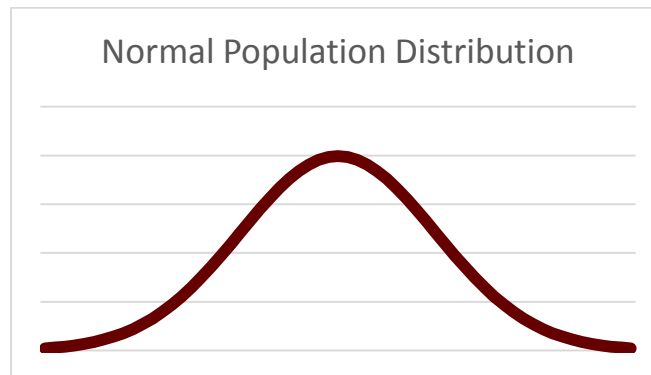
## APPENDIX 5

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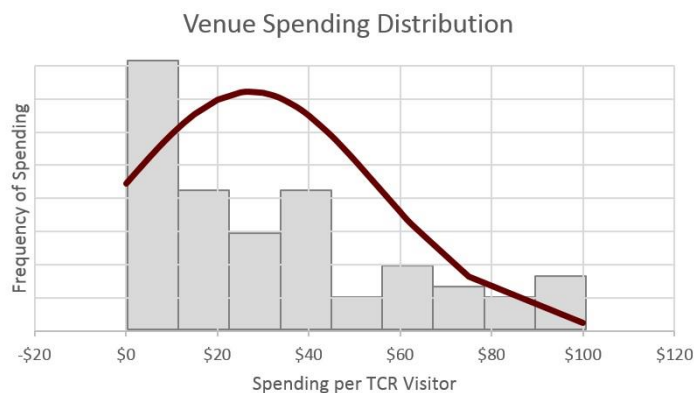
All spending estimates were based on numbers from nonlocals who said they were in the region because of The Crooked Road. Survey respondents were asked to estimate their spending on venue food and souvenirs, restaurant dining, retail, groceries, gas, arts, outdoor recreation, accommodation, and other.

### 1. Calculating High and Low Spending Estimates for Multiday TCR Visitors

First, OED used 81 survey responses to estimate the spending by TCR multiday visitors. OED calculated average and median per person spending for all nonlocal survey respondents, which can serve as high and low estimates of visitor spending. Average and median estimates were used as high and low spending estimates because the range of reported spending was skewed, with big spenders increasing the overall average spending per person. Hypothetically, if one were to sample the entire population of TCR multiday visitors, both measures of central tendency, the median and the average, would be the same (Central Limit Theorem). This would create a normal distribution curve, where average and median would be at the peak to the curve.



However because we only have a small sample of multiday visitors, some having spent a lot and many others having spent \$0, what would be a normal distribution is skewed right, meaning that the median is lower than the average. In the case of venue spending on food, for instance, median spending was \$20 and average spending was \$27. If we were to continue to sample visitors, the median and average would likely converge into one spending per person estimate that is somewhere in between the reported average and median.



Because the median and average are different, it is realistic to assume that actual spending per person would fall within the range of median and average spending estimates. To calculate the high per person spending estimate, OED used the average spending per person. To calculate the low spending estimate, OED took the median spending of all visitors who spent money in each spending category and averaged that median over total number of visitors. This low estimate allows us to account for visitor spending in certain spending categories (e.g. souvenirs, retail, arts, outdoors) where a median dollar amount would otherwise not exist due to \$0 spending by the majority of visitors. For example, median spending on retail by multiday visitors would be \$0. By weighting the spending of visitors who actually spent money on retail, the final economic impact number will not totally disregard spending by this group of visitors. “Weighted” median spending by multiday visitors is then \$9. The table below shows the components leading to the final high and low spending estimations, bolded in the bottom two rows.

<b>Table 1. Non-Accommodation Spending Per Person (Multiday)</b>									
	<b>Venue Spending</b>		<b>Outside Venue Spending</b>						
	<b>Food</b>	<b>Souvenirs</b>	<b>Dining</b>	<b>Retail</b>	<b>Groceries</b>	<b>Gas</b>	<b>Arts</b>	<b>Outdoors</b>	<b>Other</b>
<b>Median Spending</b>	\$20	\$0	\$20	\$0	\$0	\$19	\$0	\$0	\$0
<b>Median of those who spent more than \$0</b>	\$30	\$28	\$50	\$38	\$33	\$38	\$40	\$20	\$230
<b>Number of people who spent more than \$0</b>	64	35	47	20	30	52	16	6	5
<b>Number of people who spent \$0</b>	17	46	34	61	51	29	65	75	76
<b>Percent of multiday visitors that spent money</b>	79%	43%	58%	25%	37%	64%	20%	7%	6%
<b>"Weighted" Median Spending</b>	<b>\$24</b>	<b>\$12</b>	<b>\$29</b>	<b>\$9</b>	<b>\$12</b>	<b>\$24</b>	<b>\$8</b>	<b>\$1</b>	<b>\$14</b>
<b>Average Spending</b>	<b>\$27</b>	<b>\$18</b>	<b>\$61</b>	<b>\$14</b>	<b>\$21</b>	<b>\$42</b>	<b>\$12</b>	<b>\$10</b>	<b>\$16</b>

Average and median per person spending estimates for accommodations were calculated differently than non-accommodation spending. Survey responses regarding accommodation spending were few, and they tended to be sporadic and unreliable. To standardize responses, OED researched average accommodation pricing, specifically springtime rates to control for seasonal fluctuation in prices. OED used websites such as Travelocity, Expedia, AirBNB, Homeaway, VRBO, as well as county and regional websites that led to individual accommodation websites. Based on observed pricing and reported accommodation spending by survey respondents, OED came up with average and median spending per



person by accommodation type (Table 2). For example, a list of vacation rental property prices per night were compiled from two or more websites and compared with price estimates from visitor surveys. From that list, OED calculated the median and average price for rental properties in the SWVA region.

Accommodation	Average	Median	Average Days
Hotel and Motel	\$211	\$181	4
Rental	\$370	\$216	6
B&B	\$175	\$214	4
Camping	\$220	\$177	6
Stayed with friends or family	\$0	\$0	5

OED added average and median non-accommodation spending to average and median accommodation spending estimates. Table 3 shows the combined values; e.g. Average per person spending + Average per person Accommodation Spending on a B&B = \$396. This gave us a total spending range from a low of \$134 (based on median spending and staying with friend and family) to a high of \$591 (based on average spending and staying in a vacation rental).

		Average Accomm. Spending								Median Accomm. Spending			
		Hotel	Rental	B&B	Camping	Hotel	Rental	B&B	Camping				
	<b>Stayed with Friends or Family</b>	\$211	\$370	\$175	\$220	\$181	\$216	\$214	\$177				
<b>Average Spending (High Est.)</b>	\$221	<b>\$432</b>	<b>\$591</b>	\$396	\$441	\$402	\$437	\$435	\$398				
<b>Median Spending (Low Est.)</b>	<b>\$134</b>	\$345	\$504	\$309	\$354	\$315	\$350	\$348	\$311				

## 2. Calculating High and Low Spending Estimates for Daytrip TCR Visitors

Second, OED analyzed 33 complete survey responses of nonlocal day-trippers who came to the region specifically for The Crooked Road. Again, high and low spending estimates were based on average and median spending where average per person spending is the high estimate, and a “weighted” median per person spending is the low estimate. Table 4 shows the components used to estimate the final high-low spending estimates, bolded in the bottom two rows.

	<b>Venue Spending</b>		<b>Outside Venue Spending</b>						
	<b>Food</b>	<b>Souvenirs</b>	<b>Dining</b>	<b>Retail</b>	<b>Groceries</b>	<b>Gas</b>	<b>Arts</b>	<b>Outdoors</b>	<b>Other</b>
<b>Median Spending</b>	\$10	\$3	\$0	\$0	\$0	\$2	\$0	\$0	\$0
<b>Median of those who spent more than \$0</b>	\$20	\$15	\$17	\$20	\$73	\$15	\$10	\$15	\$15
<b>No. of people who spent more than \$0</b>	21	16	12	2	2	16	1	1	1
<b>No. of people who spent \$0</b>	11	16	20	30	30	16	31	31	31
<b>Percent of multiday visitors that spent money</b>	66%	50%	38%	6%	6%	50%	3%	3%	3%
<b>"Weighted" median spending</b>	<b>\$13</b>	<b>\$8</b>	<b>\$6</b>	<b>\$1</b>	<b>\$5</b>	<b>\$8</b>	<b>\$0*</b>	<b>\$0*</b>	<b>\$0*</b>
<b>Average Spending</b>	<b>\$20</b>	<b>\$8</b>	<b>\$8</b>	<b>\$1</b>	<b>\$5</b>	<b>\$11</b>	<b>\$0*</b>	<b>\$0*</b>	<b>\$0*</b>

*\*Spending reported by daytrip visitors on the arts, outdoors and other category was minimal. Both the average and adjusted median estimated less than \$0.50 per visitor.*

### 3. Calculating Annual Visitation of Multiday Visitors (Low Estimation)

Third, OED calculated the portion of nonlocal TCR visitors. To provide a confident estimate range, OED calculated a high and low visitor estimation based on venue *and* festival attendance. Estimates were established for multiday and daytrip visitors. Tables 5-8 illustrate the calculations of the lower TCR multiday and daytrip visitor estimates (venue and festival attendance).

To arrive at 2015 visitor estimates to venues and festivals overall, OED asked major venue directors for an estimate of annual visitation to their venues. The assumption in this case was that visitors to the region went to one or more of the major venues while visiting the region. In an effort NOT to double count visitors, this assumption precludes any counting of affiliate venue visitors. This was the same assumption made in the 2008 study. Moreover, because TCR marketing highlights its major venues, the likelihood is great that a visitor to the region who came because of The Crooked Road would go to at least one if not more of the major venues even if visiting an affiliate venue as well.

For Multiday venue visitors, OED asked major venues to estimate their annual visitation or their percent increase since 2008. Some venues were unable to provide a numeric estimate, but were able to estimate a percentage increase or decrease since 2008. In those cases, OED noted the percentage estimate (Table 5 and 7). If venues were unable to provide a numeric estimate and a percentage change estimate, OED used percent increase in meals tax revenue (accounting for changes in tax rates over time). The assumption in this case was that this percent change could serve as an equivalent percent change in visitation.

As seen in Figure 3 on page 6 of this document, of the total TCR attendees surveyed, fourteen percent were multiday visitors who stated they were in the region specifically for The Crooked Road. Fourteen percent of total venue attendance was used during the seven months of the year with higher TCR activity and more agreeable weather (spring, summer, and early fall), or peak season. For a much more conservative estimate, OED assumed a smaller proportion of TCR venue attendees would come from outside the region in the off-season months. As such, seven percent was used for the months of lower activity and colder temperatures (winter and early spring). Finally, the visitation number was reduced by 30% to account for multiday visitors attending more than one major venue.

$$\text{TCR Multiday Visitor Attendance by Venue} = \\ [((2015 \text{ Visitor Estimate} * 0.14) * (7/12)) + ((2015 \text{ Visitor Estimate} * 0.07) * (5/12))] * 0.30$$

Table 5 shows the breakdown of total venue estimates and the steps taken to reach total estimated count of multiday visitors in 2015. In total, multiday venue visitation attributable to TCR is 13,708.

<b>Table 5. 2015 Multiday Venue Visitor Estimates (Low)</b>							
<b>Venues</b>	<b>2008 Report Estimates</b>	<b>Percent change (estimated change in visitation)</b>	<b>2015 Report Estimates</b>	<b>14% attributable to TCR (7 months)</b>	<b>7% attributable to TCR (5 months)</b>	<b>Sum total, over 12 months</b>	<b>Reduced by 30% for multi-venue visitation</b>
Birthplace of Country Music	11,600	--	25,000	2,042	729	2,771	1,856
Blue Ridge Institute	4,950	--	4,950	404	144	549	368
Blue Ridge Music Center	32,700	22%	39,894	3,258	1,164	4,422	2,962
Carter Fold (Clinch Mountain)	21,700		17,360	1,418	506	1,924	1,289
Country Cabin	5,500	27%	7,000	572	204	776	520
Heartwood			41,444	3,385	1,209	4,593	3,078
Floyd Country Store	18,000	28%	31,200	2,548	910	3,458	2,317
Ralph Stanley Museum	2,500	0%	2,500	204	73	277	186
Rex Theater	12,500	22%	15,250	1,245	445	1,690	1,132
						<b>Total</b>	<b>13,708</b>

Unless otherwise stated by venue directors, festival counts remained the same. Venues cited 5-15% of visitation could be attributed to TCR. Thus, for festival attendance, OED used venue responses citing 10% of their attendees were due to TCR. Based on the attendee breakdown of all 577 survey responses, OED found that 42% of attendees were nonlocal and 72% of nonlocals staying in the region for multiple days. Total Multiday festival goers attributed to TCR was 4,695 (estimate for all scenarios).

$$\text{TCR Multiday Visitation Count} = [((2015 \text{ Total Visitation} * .10) * 0.42) * 0.72]$$

Table 6 lists all festivals affiliated with The Crooked Road, the 2015 annual visitation estimates, and the number of TCR nonlocal multiday visitors. Ten festivals were added to the TCR roster since the 2008 study as indicated by the dashed lines in the 2008 report estimates column.

<b>Table 6. Multiday Festival Visitor Estimates (For Every Scenario)</b>					
<b>Festivals</b>	<b>2008 Report Estimates</b>	<b>2015 Report Estimates</b>	<b>10% attributable to TCR</b>	<b>42% of population is nonlocal</b>	<b>72% of non-local was multiday</b>
Galax Fiddlers Convention	40,000	40,000	4,000	1,680	1,210
Bristol Rhythm and Roots	30,000	62,000	6,200	2,604	1,875
Blue Ridge Folklife Festival	8,000	8,000	800	336	242
Norton Doc Boggs Festival	1,000	1,000	100	42	30
Home Craft Days Mountain Empire	15,000	15,000	1,500	630	454
Grayson County Old Time Fiddlers and Bluegrass Festival	2,000	2,000	200	84	60
Wayne Henderson Festival	2,200	2,200	220	92	67
Henry Reed Festival	--	400	40	17	12
Russell Fork Autumn Fest	--	4,000	400	168	121
Hills of Home	--	4,000	400	168	121
Clinch Mt. Music Fest	--	1,500	150	63	45
SWVA Historical Museum Fest	--	1,247	124.7	52	38
Tazewell Fiddlers Convention	--	2,000	200	84	60
Albert Hash Memorial Festival	--	850	85	36	26
Floyd Fest	--	10,000	1000	420	302
TCR Youth Music Festival	--	800	80	34	24
Natural Tunnel Papa Joe Smiddy Mountain Music Festival	--	250	25	11	8
				<b>Total</b>	<b>4,695</b>

4. Calculating Annual Visitation of Daytrip Visitors (Low Estimation)

OED used the same methodology to arrive at daytrip venue and festival visitor estimates (Tables 7 and 8). Based on survey responses and venue interviews, OED found 6% of TCR attendees were daytrip visitors who came specifically for TCR. For off-season months, OED decreased this estimate to 3%. For festival attendees, OED took 10% of total festival attendees and attributed it to TCR; 42% of total TCR attendees were nonlocal; and then of that total, 28% were daytrip visitors. The combined total annual TCR daytrip visitation to both venues and festivals was 10,299.

<b>Table 7. Daytrip Venue Visitor Estimates (Low)</b>						
<b>Venues</b>	<b>2008 Report Estimates</b>	<b>Percent Change (for estimated change in visitation)</b>	<b>2015 Report Estimates</b>	<b>6% attributable to TCR (7 months)</b>	<b>3% attributable to TCR (five months)</b>	<b>Sum Total, over 12 months</b>
Birthplace of Country Music	11,600		25,000	875	313	1,188
Blue Ridge Institute	4,950		4,950	173	62	235
Blue Ridge Music Center	32,700	22%	39,894	1,396	499	1,895
Carter Fold	21,700	-20%	17,360	608	217	825
Country Cabin	5,500	27%	7,000	245	88	333
Floyd Country Store	18,000	28%	31,200	1,092	390	1,482
Heartwood			41,444	1,451	518	1,969
Ralph Stanley Museum	2,500	0%	2,500	88	31	119
Rex Theater	12,500	22%	15,250	534	191	724
					<b>Total</b>	<b>8,768</b>

<b>Table 8. Daytrip Festival Visitor Estimates (For Every Scenario)</b>					
<b>Festivals</b>	<b>2008 Report Estimates</b>	<b>2015 Report Estimates</b>	<b>10% attributable to TCR</b>	<b>42% of population is non-local</b>	<b>28% of nonlocals are daytrippers</b>
Galax Fiddlers Convention	40,000	40,000	4,000	1,680	470
Bristol Rhythm and Roots	30,000	62,000	6,200	2,604	729
Blue Ridge Folklife Festival	8,000	8,000	800	336	94
Norton Doc Boggs Festival	1,000	1,000	100	42	12
Home Craft Days Mountain Empire	15,000	15,000	1,500	630	176
Grayson County Old Time Fiddlers and Bluegrass Festival	2,000	2,000	200	84	24
Wayne Henderson Festival	2,200	2,200	220	92	26
Henry Reed Festival	--	400	40	17	5
Russell Fork Autumn Fest	--	4,000	400	168	47
Hills of Home	--	4,000	400	168	47
Clinch Mt. Music Fest	--	1,500	150	63	18
SWVA Historical Museum Fest	--	1,247	124.7	52	15
Tazewell Fiddlers Convention	--	2,000	200	84	24
Albert Hash Memorial Festival	--	850	85	36	10
Floyd Fest	--	10,000	1000	420	118
TCR Youth Music Festival	--	800	80	34	9
Natural Tunnel Papa Joe Smiddy Mountain Music Festival	--	250	25	11	3
				<b>Total</b>	<b>1,826</b>

#### 5. Calculating Annual Visitation of Multiday and Daytrip Visitors (High Estimation)

OED developed higher population estimates of multiday and daytrip visitors attributable to The Crooked Road. To arrive at a higher multiday estimates, OED assumed 14% of venue attendees were TCR multiday visitors during the entire year (12 months). Similarly for daytrippers, 6% was used across the entire year to adjust for daytrip visitors attributable to TCR (see Figure 3 on Page 6). Tables 9 and 10 illustrate this methodology.

Venues	2008 Report Estimates	Percent change (for estimated change in visitation)	2015 Report Estimates	14% attributable to TCR	Reduced by 30% for multi-venue visitation
Birthplace of Country Music	11,600		25,000	3,500	2,345
Blue Ridge Institute	4,950		4,950	693	464
Blue Ridge Music Center	32,700	22%	39,894	5,585	3,742
Carter Fold (Clinch Mountain)	21,700		17,360	2,430	1,628
Country Cabin	5,500	27%	7,000	980	657
Heartwood			41,444	5,802	3,887
Floyd Country Store	18,000	28%	31,200	4,368	2,927
Ralph Stanley Museum	2,500	0%	2,500	350	235
Rex Theater	12,500	22%	15,250	2,135	1,430
			<b>Total</b>		<b>17,315</b>

OED added the increased multiday venue TCR visitor estimate (17,315) to the festival estimate (4,695) to arrive at a total multiday TCR visitor estimate of 22,010 people.

Venues	2008 Report Estimates	Percent Change (for estimated change in visitation)	2015 Report Estimates	6% attributable to TCR
Birthplace of Country Music	11,600		25,000	1,500
Blue Ridge Institute	4,950		4,950	297
Blue Ridge Music Center	32,700	22%	39,894	2,394
Carter Fold	21,700	-20%	17,360	1,042
Country Cabin	5,500	27%	7,000	420
Floyd Country Store	18,000	28%	31,200	1,872
Heartwood			41,444	2,487
Ralph Stanley Museum	2,500	0%	2,500	150
Rex Theater	12,500	22%	15,250	915
			<b>Total</b>	<b>11,076</b>

OED added the increased venue daytrip visitor estimate (11,076) to the festival estimate (1,826) to arrive at a total daytrip TCR visitor estimate of 12,902 people.

## 6. Calculating Ticket Spending Based on TCR Visitor Counts

OED used TCR visitor estimates to estimate money spent on tickets to festivals and venue events. OED went onto venue websites to ascertain ticket prices if applicable. TCR provided ticket prices and attendance. This was done for both low and high visitation estimates (Tables 11 and 12).

<b>Table 11. Ticket Spending Estimates (Low TCR Population)</b>			
<b>Venues</b>	<b>TCR Visitors</b>	<b>Ticket Price</b>	<b>Total \$</b>
Birthplace of Country Music	3,044	\$12	\$36,528
Blue Ridge Institute	603	Free	\$0
Blue Ridge Music Center	4,857	Free	\$0
Carter Fold	2,114	\$10	\$21,137
Country Cabin	852	Free	\$0
Floyd Country Store	3,799	\$5	\$18,994
Heartwood	5,046	Free	\$0
Ralph Stanley Museum	304	\$5	\$1,522
Rex Theater	1,857	\$5	\$9,284
<b>Festivals</b>			
Fiddlers Convention	1,680	\$22	\$36,960
Bristol Rhythm and Roots	2,604	\$75	\$195,300
Blue Ridge Folklife Festival	336	\$7.50	\$2,520
Norton Doc Boggs Festival	42	\$9.50	\$399
Home Craft Days Mountain Empire	630	Free	-
Grayson County Old Time Fiddlers and Bluegrass Festival	84	Free	-
Wayne Henderson Festival	92	\$20	\$1,848
Henry Reed Festival	17	\$8-\$15	\$220
Russell Fork Autumn Fest	168	Free	\$0
Hills of Home	168	\$35-\$100	\$13,745
Clinch Mt. Music Fest	63	Free	\$0
SWVA Historical Museum Fest	52	\$15	\$786
Tazewell Fiddlers Convention	84	\$7-\$12	\$888
Albert Hash Memorial Festival	36	\$10	\$357
Floyd Fest	420	\$150	\$63,000
TCR Youth Music Festival	34	\$5	\$168
Natural Tunnel Papa Joe Smiddy Mountain Music Festival	11	\$13	\$131
<b>Total</b>			<b>\$403,787</b>



<b>Table 12. Ticket Spending Estimates (High TCR Population)</b>			
<b>Venues</b>	<b>TCR Visitors</b>	<b>Ticket Prices</b>	<b>Total \$</b>
Birthplace of Country Music	3845	\$12	\$46,140
Blue Ridge Institute	761	Free	\$0
Blue Ridge Music Center	6136	Free	\$0
Carter Fold	2670	\$10	\$26,700
Country Cabin	1077	Free	\$0
Floyd Country Store	5759	\$5	\$28,797
Heartwood	5413	Free	\$0
Ralph Stanley Museum	385	\$5	\$1,923
Rex Theater	2345	\$5	\$11,727
<b>Festivals</b>			
Fiddlers Convention	1680	\$22	\$36,960
Bristol Rhythm and Roots	2604	\$75	\$195,300
Blue Ridge Folklife Festival	336	\$7.50	\$2,520
Norton Doc Boggs Festival	42	\$9.50	\$399
Home Craft Days Mountain Empire	630	Free	\$0
Grayson County Old Time Fiddlers and Bluegrass Festival	84	Free	\$0
Wayne Henderson Festival	92	\$20	\$1,848
Henry Reed Festival	17	\$8-\$15	\$220
Russell Fork Autumn Fest	168	Free	\$0
Hills of Home	168	\$35-\$100	\$13,745
Clinch Mt. Music Fest	63	Free	\$0
SWVA Historical Museum Fest	52	\$15	\$786
Tazewell Fiddlers Convention	84	\$7-\$12	\$888
Albert Hash Memorial Festival	36	\$10	\$357
Floyd Fest	420	\$150	\$63,000
TCR Youth Music Festival	34	\$5	\$168
Natural Tunnel Papa Joe Smiddy Mountain Music Festival	11	\$13	\$131
<b>Total</b>			<b>\$407,590</b>

### 7. Combining Spending and TCR Visitor Estimates to Develop Four Annual Spending Scenarios

Finally, OED used annual TCR visitation and spending estimates in IMPLAN to produce a total economic impact estimates for The Crooked Road. Each spending category was multiplied by estimated TCR annual visitation, both multiday and daytrip. This was done for four different scenarios:

- low spending (“weighted” median) and low population estimates;
- low spending and high TCR population estimates;
- high spending (average) and low TCR population estimates;
- high spending and high TCR population estimates.

Tables 13 through 16 illustrate these different scenarios.

**Table 13. Aggregate Spending for Input into IMPLAN (low spending, low TCR population)**

Industry	Multiday Spending per Person	%Multiday Visitors	Estimated Multiday Visitors	Total Multiday Visitor Spending	Day trip Visitor Spending per Person	Total estimated # of day trip visitors	Total Daytrip Visitor Spending	Total Visitor Spending
Venue Food	\$24	100%	18,403	\$441,663	\$13	10,594	\$137,723	\$579,386
Venue Souvenirs	\$12	100%	18,403	\$220,831	\$8	10,594	\$84,753	\$305,584
Dining	\$29	100%	18,403	\$533,676	\$6	10,594	\$63,565	\$597,240
Retail	\$9	100%	18,403	\$165,623	\$1	10,594	\$10,594	\$176,218
Hotel	\$181	42%	18,403	\$1,398,966	**	**	**	\$1,398,966
Camping	\$177	11%	18,403	\$358,299	**	**	**	\$358,299
B&B	\$214	9%	18,403	\$354,434	**	**	**	\$354,434
Rental Housing	\$216	14%	18,403	\$556,495	**	**	**	\$556,495
Groceries	\$12	100%	18,403	\$220,831	\$5	10,594	\$52,971	\$273,802
Gas	\$24	100%	18,403	\$441,663	\$8	10,594	\$84,753	\$526,415
Arts	\$8	100%	18,403	\$147,221	\$0*	10,594	\$0*	\$147,221
Outdoors	\$1	100%	18,403	\$18,403	\$0*	10,594	\$0*	\$18,403
Other	\$14	100%	18,403	\$257,637	\$0*	10,594	\$0*	\$257,637
							<i>Subtotal</i>	<i>\$5,550,100</i>
							<b>TOTAL with Venue Ticket Sales</b>	<b>\$5,953,887</b>

\*Spending reported by daytrip visitors on the arts, outdoors and other spending category was minimal, with only one instance of spending reported in each category. Median and average spending per person was thus calculated to be less than \$0.50 per person

\*\*Daytrip visits did not stay at accommodations and thus spent no money in these spending categories.

**Table 14. Aggregate Spending for Input into IMPLAN (Low spending, high TCR population)**

Industry	Multiday Spending per Person	%Multiday Visitors	Estimated Multiday Visitors	Total Multiday Visitor Spending	Day trip Visitor Spending per Person	Total estimated # of day trip visitors	Total Daytrip Visitor Spending	Total Visitor Spending
Venue Food	\$24	100%	22,010	\$528,239	\$13	12,902	\$167,721	\$695,960
Venue Souvenirs	\$12	100%	22,010	\$264,120	\$8	12,902	\$103,213	\$367,332
Dining	\$29	100%	22,010	\$638,289	\$6	12,902	\$77,410	\$715,698
Retail	\$9	100%	22,010	\$198,090	\$1	12,902	\$12,902	\$210,991
Hotel	\$181	42%	22,010	\$1,673,197	**	**	**	\$1,673,197
Camping	\$177	11%	22,010	\$428,534	**	**	**	\$428,534
B&B	\$214	9%	22,010	\$423,912	**	**	**	\$423,912
Rental Housing	\$216	14%	22,010	\$665,581	**	**	**	\$665,581
Groceries	\$12	100%	22,010	\$264,120	\$5	12,902	\$64,508	\$328,627
Gas	\$24	100%	22,010	\$528,239	\$8	12,902	\$103,213	\$631,452
Arts	\$8	100%	22,010	\$176,080	\$0*	12,902	\$0*	\$176,080
Outdoors	\$1	100%	22,010	\$22,010	\$0*	12,902	12,902	\$22,010
Other	\$14	100%	22,010	\$308,139	\$0*	12,902	\$0*	\$308,139
							<i>Subtotal</i>	\$6,647,514
							<b>TOTAL with Venue Ticket Sales</b>	<b>\$7,079,123</b>

\*Spending reported by daytrip visitors on the arts, outdoors and other spending category was minimal, with only one instance of spending reported in each category. Median and average spending per person was thus calculated to be less than \$0.50 per person

\*\*Daytrip visits did not stay at accommodations and thus spent no money in these spending categories.

**Table 15. Aggregate Spending for Input into IMPLAN (High spending, low TCR population)**

Industry	Multiday Spending per Person	%multiday visitors	estimated multiday visitors	Total Multiday Visitor Spending	Day trip Visitor Spending per Person	Total estimated # of day trip visitors	Total Daytrip Visitor Spending	Total Visitor Spending
Venue Food	\$27	100%	18,403	\$496,870	\$19	10,594	\$201,288	\$698,159
Venue Souvenirs	\$18	100%	18,403	\$331,247	\$8	10,594	\$84,753	\$416,000
Dining	\$61	100%	18,403	\$1,122,559	\$8	10,594	\$84,753	\$1,207,312
Retail	\$14	100%	18,403	\$257,637	\$1	10,594	\$10,594	\$268,231
Hotel	\$211	42%	18,403	\$1,630,839	**	**	**	\$1,630,839
Camping	\$220	11%	18,403	\$445,343	**	**	**	\$445,343
B&B	\$175	9%	18,403	\$289,841	**	**	**	\$289,841
Rental Housing	\$370	14%	18,403	\$953,255	**	**	**	\$953,255
Groceries	\$21	100%	18,403	\$386,455	\$5	10,594	\$52,971	\$439,425
Gas	\$42	100%	18,403	\$772,910	\$11	10,594	\$116,535	\$889,445
Arts	\$12	100%	18,403	\$220,831	\$0*	10,594	\$0*	\$220,831
Outdoors	\$10	100%	18,403	\$184,026	\$0*	10,594	\$0*	\$184,026
Other	\$16	100%	18,403	\$294,442	\$0*	10,594	\$0*	\$294,442
							<i>Subtotal</i>	<i>\$7,937,149</i>
							<b>TOTAL with Venue Ticket Sales</b>	<b>\$8,344,739</b>

\*Spending reported by daytrip visitors on the arts, outdoors and other spending category was minimal, with only one instance of spending reported in each category. Median and average spending per person was thus calculated to be less than \$0.50 per person

\*\*Daytrip visits did not stay at accommodations and thus spent no money in these spending categories.

**Table 16. Aggregate Spending for Input into IMPLAN (High spending, high TCR population)**

Industry	Multiday Spending per Person	%Multiday Visitors	Estimated Multiday Visitors	Total Multiday Visitor Spending	Day trip Visitor Spending per Person	Total estimated # of day trip visitors	Total Daytrip Visitor Spending	Total Visitor Spending
Venue Food	\$27	100%	22,010	\$594,269	\$19	12,902	\$245,130	\$839,399
Venue Souvenirs	\$18	100%	22,010	\$396,179	\$8	12,902	\$103,213	\$499,392
Dining	\$61	100%	22,010	\$1,342,608	\$8	12,902	\$103,213	\$1,445,820
Retail	\$14	100%	22,010	\$308,139	\$1	12,902	\$12,902	\$321,041
Hotel	\$211	42%	22,010	\$1,950,523	**	**	**	\$1,950,523
Camping	\$220	11%	22,010	\$532,641	**	**	**	\$532,641
B&B	\$175	9%	22,010	\$346,657	**	**	**	\$346,657
Rental Housing	\$370	14%	22,010	\$1,140,116	**	**	**	\$1,140,116
Groceries	\$21	100%	22,010	\$462,209	\$5	12,902	\$64,508	\$526,717
Gas	\$42	100%	22,010	\$924,418	\$11	12,902	\$141,917	\$1,066,336
Arts	\$12	100%	22,010	\$264,120	\$0*	12,902	\$0*	\$264,120
Outdoors	\$10	100%	22,010	\$220,100	\$0*	12,902	\$0*	\$220,100
Other	\$16	100%	22,010	\$352,159	\$0*	12,902	\$0*	\$352,159
							<i>Subtotal</i>	\$9,185,698
							<b>TOTAL with Venue Ticket Sales</b>	<b>\$9,912,611</b>

\*Spending reported by daytrip visitors on the arts, outdoors and other spending category was minimal, with only one instance of spending reported in each category. Median and average spending per person was thus calculated to be less than \$0.50 per person

\*\*Daytrip visits did not stay at accommodations and thus spent no money in these spending categories.