

The Economic Impact of Travel

Portland Region

2022 Preliminary Estimates

April 2023

PREPARED FOR
Travel Portland



Page intentionally blank



The Economic Impact of Travel in the Portland, Oregon Region

2022 Preliminary Estimates

Travel Portland

4/10/2023

PRIMARY RESEARCH CONDUCTED BY

Dean Runyan Associates
811 SW 11th Avenue Suite 920
Portland, Oregon 97205

Table of Contents

Summary.....	6
Direct Travel Impacts.....	7
Direct Spending Inflation-Adjusted and Current Dollars.....	8
Air Passenger Visitor Arrivals.....	9
Overnight Volume.....	9
Direct Travel Impacts Detail (Spending).....	10
Direct Travel Impacts Detail (Emp.,Earnings,Tax Receipts).....	11
Average Expenditures.....	12
Visitor Volume.....	13
Glossary.....	14
Methodology.....	15



Portland Region

2022p

Region Impacts / Summary

Portland Region Travel Impacts 2022p

During 2022, travel spending in the Portland Region continued to recover, growing even faster than the state as a whole.

- Travel Spending (\$Current) increased 36.0% from \$3.8 billion in 2021 to \$5.2 billion in 2022.
- Direct employment experienced a gain of approximately 5,200 jobs across the region. This represents a 19.2% increase in travel employment. The amount of money earned by employees and proprietors went up by 25.2%.
- Tax receipts generated by travel spending were up 28.9% compared to 2021. Local and state taxes have increased 34.1% and 24.5% respectively.
- Overnight visitor volume has increased from 11.3 million person trips to 11.9 million person trips. This represents an increase of 5.4%.

These preliminary estimates for the Portland Region are likely to change when more data is available. The estimates for 2021 were changed because of new and revised information. Secondary impact effects are not included in this estimate.

Portland Region's travel economy **increased 36.0%**, whereas Oregon's travel industry **grew 26.5% in 2022**.

Portland Region includes (West) Clackamas, (West) Multnomah, Columbia, & Washington Counties.



Portland Region / Trend

Direct Travel Impacts 2013-2022p

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Percent Chg.	
											2021-22	2019-22
Spending (\$Millions)												
Total (Current \$)	4,204	4,418	4,672	4,867	5,139	5,373	5,625	2,180	3,792	5,156	▲ 36.0%	▼ -8.3%
Other	1,086	1,142	1,181	1,223	1,298	1,376	1,515	536	929	1,444	▲ 55.5%	▼ -4.7%
Visitor	3,118	3,276	3,490	3,644	3,841	3,997	4,110	1,644	2,864	3,713	▲ 29.6%	▼ -9.7%
Non-transportation	1,997	2,102	2,286	2,447	2,575	2,647	2,728	1,128	1,927	2,308	▲ 19.8%	▼ -15.4%
Transportation	1,121	1,174	1,204	1,197	1,265	1,350	1,382	517	937	1,404	▲ 49.9%	▲ 1.6%
Earnings (\$Millions)												
Earnings (Current \$)	967	1,039	1,134	1,239	1,353	1,458	1,566	1,143	1,217	1,524	▲ 25.2%	▼ -2.7%
Employment (000's)												
Employment	30.3	31.5	32.8	34.5	35.3	36.2	36.9	26.4	27.2	32.4	▲ 19.2%	▼ -12.3%
Tax Revenue (\$Millions)												
Total (Current \$)	185	198	222	234	259	269	278	147	193	248	▲ 28.5%	▼ -10.9%
Local	95	104	122	125	134	137	139	61	88	118	▲ 34.1%	▼ -15.1%
State	90	94	100	109	125	132	139	86	105	130	▲ 23.8%	▼ -6.7%

Notes:

Calendar year 2021 has been revised since the release of the April 2022 report.

(Current \$) reflects dollar amounts that are not adjusted for inflation.

CARES Act support is included. The stimulus reduced the extent of job loss due to COVID-19.

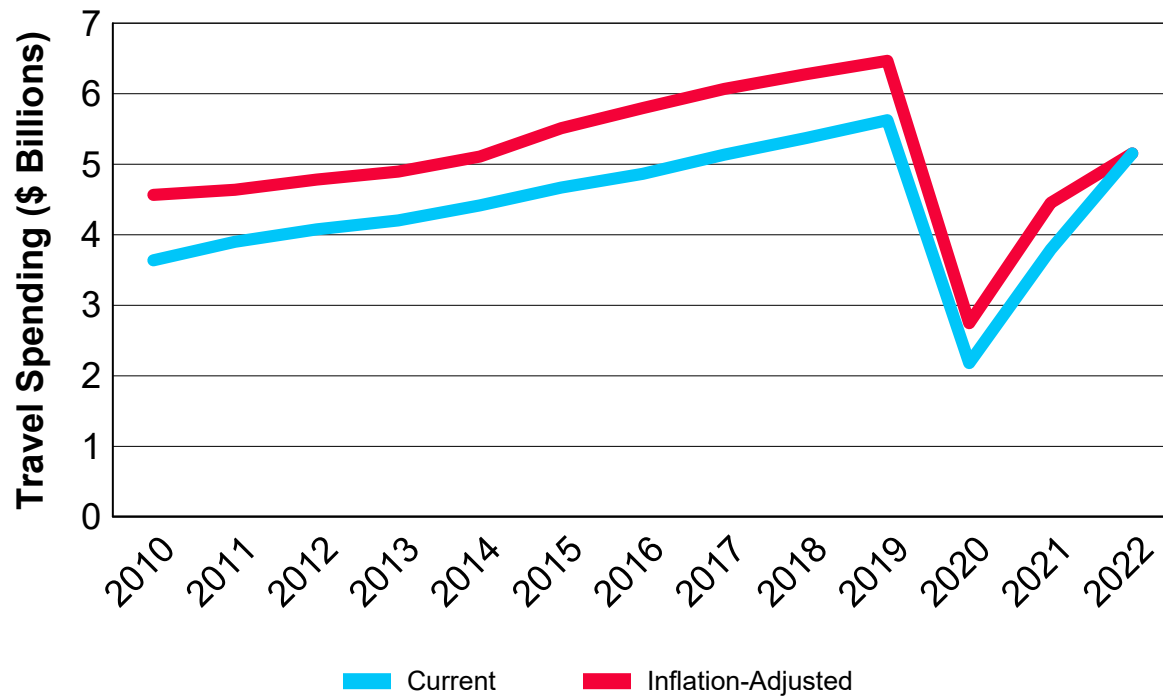
The category "Other" represents a portion of resident spending on air travel to leave Oregon and travel arrangement activity.

Local taxes include lodging tax (TLT), food & beverage tax (where applicable), auto rental tax (where applicable), airport facility charges (where applicable).

State taxes include lodging tax (TLT), personal & business income tax, and motor fuel excise taxes.

Portland Region / Spending

Direct Spending Inflation-Adjusted



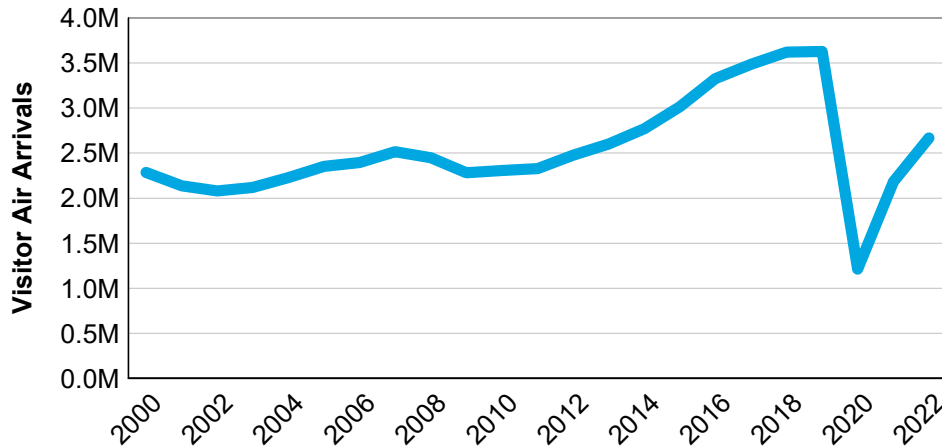
Adjusted for inflation the increase in travel spending during 2022 was 15.8% compared to a 36.0% increase in current dollars.

Sources: Bureau of Labor Statistics CPI, Dean Runyan Associates



Portland Region / Travel Activity Trends

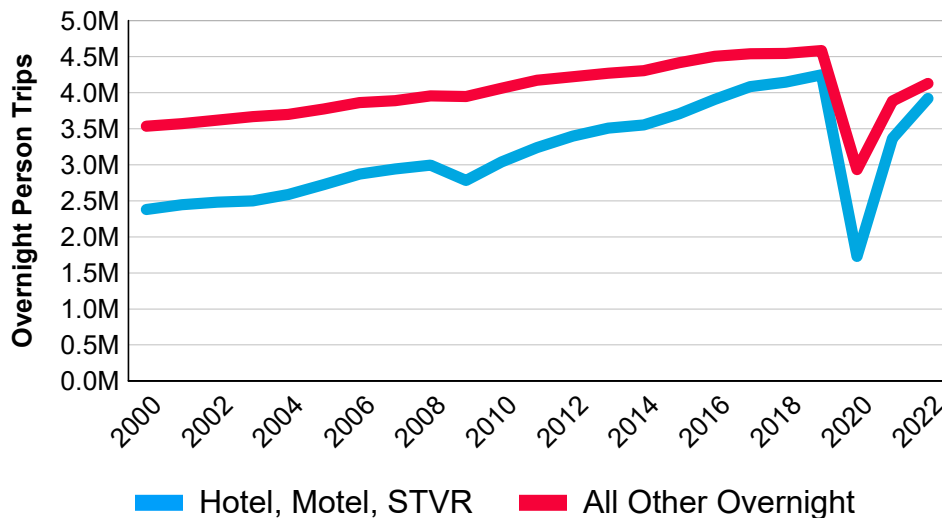
Air Passenger Visitor Arrivals / U.S. Air Carriers



2.7 million domestic visitors traveled to Portland by air in 2022. This is an increase of 22.2% from 2021 visitation of 2.2 million.

Sources: Bureau of Transportation Statistics, Dean Runyan Associates

Overnight Visitor Volume



In 2022, the number of people staying overnight increased by 5.4% compared to the year before. People who stayed in places like hotels, motels, or short-term vacation rentals went up by 16.5%. People who went camping, stayed with family and friends, or used a second home grew by 6.2%.

Sources: Oregon Department of Revenue, Dean Runyan Associates, Omnitrak Group, KeyData Dashboard, STR LLC.

Portland Region / Detail Trend

Direct Travel Impacts 2013-2022p

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2021-2022
Direct Travel Spending (\$Millions)											
Destination Spending	3,118	3,276	3,490	3,644	3,841	3,997	4,110	1,644	2,864	3,713	▲ 29.6%
Other Travel*	1,086	1,142	1,181	1,223	1,298	1,376	1,515	536	929	1,444	▲ 55.5%
TOTAL	4,204	4,418	4,672	4,867	5,139	5,373	5,625	2,180	3,792	5,156	▲ 36.0%
Visitor Spending by Type of Traveler Accommodation (\$Millions)											
Hotel, Motel, STVR	1,793	1,908	2,074	2,190	2,328	2,422	2,489	895	1,553	2,152	▲ 38.6%
Hotel, Motel									1,427	2,024	▲ 41.8%
STVR									126	128	▲ 1.5%
Private Home	833	866	902	920	956	997	1,024	507	853	1,042	▲ 22.1%
Campground	20	21	21	21	21	22	23	19	14	17	▲ 18.1%
2nd Home	9	9	9	9	9	10	10	7	8	9	▲ 8.6%
Day Travel	462	472	485	504	527	547	564	216	435	493	▲ 13.3%
TOTAL	3,118	3,276	3,490	3,644	3,841	3,997	4,110	1,644	2,864	3,713	▲ 29.6%
Visitor Spending by Commodity Purchased (\$Millions)											
Accommodations	641	705	811	886	944	963	977	369	623	800	▲ 28.4%
Food Service	679	707	757	815	867	908	956	416	713	844	▲ 18.3%
Food Stores	129	134	141	144	147	149	153	87	148	168	▲ 13.4%
Local Tran. & Gas	523	529	498	484	523	573	580	285	463	647	▲ 39.8%
Arts, Ent. & Rec.	201	206	215	226	234	239	245	65	109	120	▲ 10.8%
Retail Sales	347	350	363	375	384	388	396	190	335	377	▲ 12.7%
Visitor Air Tran.	598	645	706	713	742	777	802	232	474	757	▲ 59.7%
TOTAL	3,118	3,276	3,490	3,644	3,841	3,997	4,110	1,644	2,864	3,713	▲ 29.6%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

*Other Travel includes resident air travel, travel arrangement, and convention/ trade shows.

**Starting in 2021 we have additional information regarding the impacts of short term vacation rentals (STVR) and hotel, motels. Trend for these breakouts not available.

Portland Region / Detail Trend

Direct Travel Impacts 2013-2022p

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2021-2022
Industry Earnings Generated by Travel Spending (\$Millions)											
Accom. & Food Serv.	478	511	559	615	665	726	781	523	579	802	▲ 38.6%
Arts, Ent. & Rec.	64	67	71	75	80	84	90	60	64	85	▲ 33.1%
Retail**	64	66	71	75	80	84	87	81	84	92	▲ 10.4%
Ground Tran.	39	42	46	47	51	52	57	50	49	68	▲ 37.9%
Visitor Air Tran.	108	119	134	145	163	175	177	151	155	159	▲ 2.9%
Other Travel*	215	234	254	281	315	337	375	277	286	317	▲ 10.7%
TOTAL	967	1,039	1,134	1,239	1,353	1,458	1,566	1,143	1,217	1,524	▲ 25.2%
Industry Employment Generated by Travel Spending (Jobs)											
Accom. & Food Serv.	18,650	19,360	20,160	21,280	21,780	22,360	22,770	15,390	16,180	20,270	▲ 25.3%
Arts, Ent. & Rec.	2,680	2,770	2,840	3,030	3,090	3,080	3,150	1,930	2,030	2,760	▲ 35.9%
Retail**	2,310	2,340	2,390	2,450	2,560	2,580	2,570	2,220	2,200	2,220	▲ 0.8%
Ground Tran.	1,300	1,340	1,420	1,360	1,410	1,400	1,450	1,380	1,300	1,530	▲ 17.0%
Visitor Air Tran.	1,600	1,690	1,860	1,980	2,000	2,110	2,100	1,770	1,790	1,720	▼ -4.1%
Other Travel*	3,800	3,980	4,160	4,430	4,440	4,690	4,870	3,660	3,670	3,890	▲ 6.1%
TOTAL	30,340	31,480	32,830	34,530	35,290	36,220	36,910	26,360	27,180	32,390	▲ 19.2%
Tax Receipts Generated by Travel Spending (\$Millions)											
Local Tax Receipts	95	104	122	125	134	137	139	61	88	118	▲ 34.1%
State Tax Receipts	90	94	100	109	125	132	139	86	105	130	▲ 23.8%
TOTAL	185	198	222	234	259	269	278	147	193	248	▲ 28.5%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

*Other Travel includes resident air travel, travel arrangement, and convention/ trade shows.

**Retail includes gasoline.

Portland Region / Visitor Details

Visitor Volume & Expenditures 2022p

Visitor Volume estimates for the Portland region is based on cross-referencing visitor surveys, visitor air travel, and lodging data. Volume estimates therefore will differ from methodologies that rely solely on visitor surveys. Visitor Spending is a more reliable metric to Visitor Volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys.

Hotel, Motel, STVR

All Modes

Air

Ground

Private Home

All Modes

Air

Ground

Other Overnight

All Modes

All Overnight

All Modes

Day

All Modes

	Person		Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
All Modes	\$220	\$609	\$516	\$1,417	2.3	2.7
Air	\$368	\$1,080	\$725	\$2,128	2.0	2.9
Ground	\$220	\$474	\$556	\$1,199	2.5	2.2
All Modes	\$66	\$261	\$124	\$503	1.9	4.1
Air	\$154	\$893	\$259	\$1,502	1.7	5.8
Ground	\$40	\$129	\$81	\$263	2.0	3.3
All Modes	\$46	\$183	\$121	\$484	2.6	4.0
All Modes	\$123	\$400	\$252	\$852	2.0	3.4
All Modes	\$127	\$127	\$188	\$188	1.5	1.0



32.8%

Hotel, Motel, STVR
share of total
person-trips

Visitor Volume, 2020-2022p

	Person-Trips (Millions)			Party-Trips (Millions)		
	2020	2021	2022	2020	2021	2022
Hotel, Motel, STR	1.8	3.4	3.9	0.8	1.3	1.7
Private Home	2.7	3.8	4.0	1.4	2.0	2.1
Other Overnight	0.1	0.1	0.1	0.1	0.1	0.1
Day	2.1	4.1	3.9	1.4	2.6	2.6
Visitor Volume	6.8	11.3	11.9	3.6	6.0	6.4

	Person-Nights (Millions)			Party-Nights (Millions)		
	2020	2021	2022	2020	2021	2022
Hotel, Motel, STR	4.4	8.5	9.8	1.9	3.4	4.2
Private Home	11.6	16.0	15.8	6.0	8.8	8.4
Other Overnight	0.5	0.5	0.6	0.2	0.2	0.2
Day	2.1	4.1	3.9	1.4	2.6	2.6
Visitor Volume	18.8	29.1	30.0	9.6	15.1	15.4

Glossary

Term	Definition
Hotel, Motel	Accommodation types that house transient lodging activity.
Private Home	Unpaid overnight accommodations used to host visiting friends and family overnight.
Other Overnight	Combination of other overnight visitors who stay in campgrounds or 2nd homes.
Day Travel	Greater than 50 miles traveled non-routine to the destination.
Visitor Spending	Direct spending made by visitors in a destination.
Other Travel	Spending by residents on travel arrangement services, convention/trade shows, and a portion of ground transportation to visit other destinations.
Direct Spending	Expenditures made by consumers, combination of Visitor Spending and Other Spending.
Direct Earnings	Total after-tax net income from travel. It includes wage and salary disbursements, proprietor income, and other earned income or benefits.
Direct Employment	Employment generated by direct spending; includes full time, part time, seasonal, and proprietors.
Local Taxes	City and county taxes generated by travel spending.
State Taxes	State taxes generated by travel spending.
Destination Spending	Interchangeable with Visitor Spending. Direct spending made by visitors in a destination.
STVR	Short Term Vacation Rental, private and semi-private lodging rented by owners or property management companies (e.g. Airbnb, VRBO).
2nd Home	Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip.



Assumptions / Methodology

Travel Impacts Methodology

Primary travel impact analysis will make use of the Regional Travel Impact Model (RTIM), prepared and maintained by Dean Runyan Associates and used for most of our travel impact analysis since 1985. This model was developed to provide robust impact findings at small geography without reliance on annual survey research. This is a “bottom up” approach whereby analysis is conducted at the county level, then aggregated to regions and the state, allowing us to use the most detailed tax, employment, wages, and other data that are available. Our clients have selected this approach to provide particularly detailed and defensible findings for all parts of their constituency.

Because the model does not rely on annual survey research for its primary inputs, we work in other states with a variety of other visitor profile providers, including national panel managers or those making use of intercept or regional web methodology. Analysis is conducted separately by type of visitor lodging, making use of data and modeling appropriate to each. Impact analysis associated with visitors staying in commercial lodging makes use of lodging tax data to calculate lodging sales, then employs expenditure distribution data for these types of visitors to calculate total sales and the distribution among expenditure categories. We maintain our own expenditure distribution database for each state we work in, but also make use of historic and current expenditure data, as available. Rental cabins, condos and other property are included in this category if lodging tax has been applied to sales.

Earnings, employment, and tax receipts are calculated using employment and wage data by business category, for each county, plus the applicable taxes on each type of expenditure. Tax impacts, such as for restaurant, fuel, and retail purchases, are calculated from spending amounts; totals will be checked against data from state sources.

Sales attributed to campers are calculated from campground inventory (separately for public and commercial campgrounds), camping occupancy data and average expenditures for camping parties. Expenditure data will be from expenditure databases that we maintain, augmented by visitor survey data available for Oregon, as available.

Other impacts are calculated in a manner like those for commercial accommodation travelers. Sales attributable to travelers staying in their own second homes, or in rented condo, cabin, and other accommodations, are calculated from inventories of these types of lodging and the associated utilization and expenditure data. Findings are made consistent if some of these sales have been subject to lodging tax. Second home inventories are from US Census sources and any local/regional data available. Other impacts are calculated in a manner like those for commercial accommodation travelers.

Day travel spending is calculated as a factor of overnight spending, with the proportions based on visitor data for Oregon travelers. This analysis will rely the most on visitor profile data provided by the profile contractor. Other impacts are calculated in a similar way as those for commercial accommodation travelers.

All spending estimates are summed for each county and separately for each business category with applicable data then used to calculate earnings, employment, and tax receipts. County totals will be mapped to regions using address and other location data for lodging, camping, and other rental accommodations using separate methods for each type of lodging.

In all cases, our data and methodology are transparent, allowing for reliable error trapping and effective review of findings. All findings are also checked against available comparable data, such as county-level employment data by industry from the US Bureau of Labor Statistics and lodging sales data from STR and Key Data.