

**IMPACT OF THE DEAD SEA SCROLLS EXHIBITION
ON THE LOCAL ECONOMY**

CBER RESEARCH REPORT #61

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Executive Summary

The local economic impact of the Dead Sea Scrolls Exhibition that was held at the Gulf Coast Exploreum from January 20 to May 6, 2005, is briefly summarized in this section.

Visitors & Visitor Profiles

1. The total attendance to the Exhibition was 205,661, of which 59,644 were group tourists, 33,894 were students and teachers, and the remainder, 112,123, were individuals and families.
2. More than half (52.79 percent) of all visitors came on Fridays, Saturdays and Sundays. Saturday was the busiest day of the week, attracting 21.65 percent of all visitors.
3. No less than 40 states were named as the home state of the visitors to the Exhibition, which included California, New Mexico, Minnesota, Wisconsin, Idaho, Utah, and Wyoming.
4. The top five states that sent most visitors to the Exhibition are, in order, Alabama (28.70%), Mississippi (17.57%), Florida (16.07%), Louisiana (15.15%), and Georgia (7.81%).
5. The sources of information that led the visitors to come to Mobile to see the Exhibition are, in order, friends and relatives (24.15%), magazines and newspapers (18.20%), Internet and websites (14.54%), television and radio commercials (12.44%), churches (9.01%), brochures (7.23%), billboards (4.17%), travel agencies (2.81%), welcome centers (1.96%), schools (1.19%), and others (4.42%).
6. Many visitors to the Exhibition were asked to identify the area's attractions that they either visited or planned to visit during their visit to the Exhibition. Practically all attractions in Mobile were included, led by Bellingrath Gardens and Home (28.33%), USS Alabama (15.52%), the Museum of Mobile (12.42%), Ft. Conde (11.51%), Mobile Museum of Art (7.50%), Dauphin Island Estuarium (6.08%), and others.
7. Among the group tours, 13 of 46 tour groups that responded to our survey stayed overnight in Mobile, visiting other attractions in Mobile.

Economic Impact

8. The total amount of local expenditures made by visitors to the Exhibition is \$13,489,540.29. This amount represents the Exhibition's direct local economic impact, excluding the multiplier effect. Note that expenditures made by the Exploreum to outside entities to attract the Exhibition such as outside billboards and radio sales are not included in the total.
9. Impact of the Exhibition on hotels and motels that are located in Mobile County only is \$919,019.23, which generated 14,669 room-nights. Lodging tax revenues generated by visitors to the Exhibition are \$82,711.73 for the City of Mobile (9% tax rate), \$9,190.19 for Mobile County (1% tax rate) and \$36,760.77 for the State of Alabama (4% tax rate). The total lodging impact is \$128,662.69.
10. The amounts of tax revenues generated from ticket sales and from sales at the Exploreum gift shop and the Exploreum cafe during the Exhibition are estimated at \$162,018 for the City of Mobile, \$39,254 for Mobile County, and \$157,018 for the State of Alabama.
11. Visitor expenditures during the Exhibition either created or supported 465 jobs, which include about 80 employees who were hired directly by the Exploreum to run the Exhibition.
12. Visitor expenditures outside the Exploreum generated tax revenues of \$69,055.17 to the City of Mobile, \$56,237.18 to Mobile County, \$342,502.53 for the State of Alabama, and \$45,123.26 for the Mobile County Public School System. State impact is greater because of the state income tax.
13. Total tax impacts by jurisdiction are \$313,784.90 for the City of Mobile, \$104,681.37 for Mobile County, and \$536,281.30 for the State of Alabama.
14. Visitor expenditures outside the Exploreum led to increases in sales at the local retail industry, which include: \$550,147.07 for grocery stores; \$400,207.56 for local restaurants; \$69,713.57 for men and boys clothing; \$115,820.44 for women and girls clothing; \$13,278.78 for clothing of children under 2 years old; \$53,668.39 for footwear; \$42,971.59 for other apparel products; \$703,221.85 for vehicle purchases; and more.

Figure 1. Total Expenditures Impact

Figure 2. Tax Impact by Jurisdiction

Figure 3. Impact on Selected Industries

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Section 1

Introduction

The Dead Sea Scrolls Exhibition, which is the exhibition of the oldest surviving texts of the Bible, was held at the Gulf Coast Exploreum in Mobile for 108 days from January 20 to May 6, 2005, except February 8 which was Mardi Gras day. This study estimates the impact of the Exhibition on the local economy.

Attendance

The total attendance to the Exhibition was 205,661. The attendance has three distinct categories: (a) adult and senior tour groups, (b) K through 12 school groups, and (c) individuals including families. Total attendance by adult/senior travel groups, defined as 14 or more people, was 59,644 in 1,854 groups. Almost all (98 percent) adult/senior groups arrived by van or bus. Total attendance by K through 12 students and teachers was 33,894 of which 14,843 came from Mobile and Baldwin Counties, while the remaining 19,101 came from other Alabama locations, Mississippi, Florida, and other states. Details of where students and teachers came from are summarized in table 1-1:

Table 1-1. Origination of School Groups Attendance

<u>Origin</u>	<u>Attendance</u>
Mobile Co. Public	4,354
Mobile Co. Private	6,464
Baldwin Co. Public	2,725
Baldwin Co. Private	1,300
Other AL Counties	3,967
MS Schools	5,005
Florida	9,171
Other States	908
Total	33,894

Source: Gulf Coast Exploreum, 2005.

On the basis of daily attendance data from March 1 to May 8, attendance figures are compiled by the day of the week as summarized in table 1-2. More than half (52.79 percent) of all visitors came on Fridays, Saturdays, and Sundays. Saturday was the busiest day of the week, attracting 21.65 percent of all visitors.

Table 1-2. Daily Attendance by Day of Week

Day of Week	Attendance	Percent
Monday	15,026	10.16%
Tuesday	19,649	13.29
Wednesday	15,580	10.54
Thursday	19,544	13.22
Friday	24,487	16.56
Saturday	32,006	21.65
Sunday	21,549	14.58
Total	147,841	100.00

Source: Gulf Coast Exploreum, 2005.

Section 2

Profile of Visitors

Surveys were made randomly on 877 visitors to the Exhibition. Findings of the survey are summarized below.

The first question relates to identifying the home states of the visitors. The results are summarized in table 2-1. No less than 40 states were named as the home state of the visitors to the Exhibition, which included California, New Mexico, Minnesota, Wisconsin, Idaho, Utah, and Wyoming. The top five states that sent most visitors to the Exhibition are, in order, Alabama (28.70%), Mississippi (17.57%), Florida (16.07%), Louisiana (15.15%), and Georgia (7.81%). Others in table 3 are: Connecticut, Idaho, Kansas, Kentucky, Maine, Montana, Nebraska, New Jersey, North Carolina, Oregon, South Carolina, South Dakota, Utah, West Virginia, Wyoming, Israel, and Germany.

Table 2-1. State of Primary Residence

Primary Residential States	Total	Percentage
Alabama	250	28.70
Mississippi	153	17.57
Florida	140	16.07
Louisiana	132	15.15
Georgia	68	7.81
Tennessee	22	2.53
Texas	13	1.49
Virginia	8	0.92
California	7	0.80
Michigan	7	0.80
Ohio	7	0.80
Indiana	5	0.57
Missouri	5	0.57
Arkansas	4	0.46
Colorado	4	0.46
Illinois	4	0.46
Iowa	4	0.46
Oklahoma	4	0.46
Massachusetts	3	0.34
New Mexico	3	0.34
New York	3	0.34
Maryland	2	0.23
Minnesota	2	0.23
Pennsylvania	2	0.23
Wisconsin	2	0.23
Others	17	1.87
Total	871	100.00

The second question, summarized in table 2-2, relates to why they visited Mobile. About 86 percent indicated their primary reason for visiting Mobile was vacation/pleasure or tour group, strongly suggesting that the Exhibition was the primary motivation for their visit.

Table 2-2. Primary Reasons for Visit

Primary Reason for Trip to the Mobile area	Total	Percentage
vacation/pleasure trip	421	48.45
tour group	327	37.63
visiting friends/relatives	94	10.82
business trip	18	2.07
convention	9	1.04
Total	869	100.00

The third question, summarized in table 2-3, relates to the number of people in each group. This question relates only to non-group tour individual and family visitors, excluding group tour visitors. Among the non-group tour visitors shown in table 4, the average size was 4.24, indicating that although many came to the Exhibition not as a commercial tour group, they still came as a private group.

Table 2-3. Number of People in Non-Group Tour Visitors

Number of People in Group (non-tour)	Total	Percentage
1	23	4.33
2	192	36.16
3	67	12.62
4	111	20.90
5	34	6.40
6	33	6.21
7	15	2.82
8	13	2.45
9	6	1.13
10	4	0.75
11 or more	33	6.21
Total	531	100.00
Average Group Size	4.24	

The next question relates to the length of stay of the visitors. Of the total, 57.49 percent were day trippers, while the remaining 42.51 percent stayed one or more nights in Mobile as shown in table 2-4. About 10.94 percent stayed 3 or more nights in Mobile.

Table 2-4. Length of Stay in Mobile

Length of Stay in Mobile	Total	Percentage
day-trip only	499	57.49
1 night	164	18.89
2 nights	110	12.67
3 or more nights	95	10.94
Total	868	100.00

The next question, summarized in table 2-5, identifies sources of information that led the visitors to come to Mobile to see the Exhibition. The most popular sources are, in order, friends and relatives (24.15%), magazines and newspapers (18.20%), Internet and websites (14.54%), television and radio commercials (12.44%), churches (9.01%), brochures (7.23%), billboards (4.17%), travel agencies (2.81%), welcome centers (1.96%), schools (1.19%), and others (4.42%). Others include: Bank's Seniors Club, Elderhostel, passing through, past visit, work, word of mouth, AAA, Chamber of Commerce, Exploreum representative, Golden Agers Group, hometown bank, Pensacola Archaeological Society, resort, Senior Citizen Group, Senior Troup, and tour guides.

Table 2-5. Sources of Information

Information Sources Used in Deciding to Visit Mobile	Total	Percentage
friends/relatives	284	24.15
magazine/newspaper	214	18.20
internet/web site	171	14.54
television/radio	145	12.33
church	106	9.01
brochures	85	7.23
billboards	49	4.17
travel agency	33	2.81
welcome center	23	1.96
school	14	1.19
others	52	4.42
Total	1,176	100.00

Finally, visitors were asked to identify the area’s attractions that they either visited or planned to visit during their visit to the Exhibition. Practically all attractions in Mobile were identified through the survey as shown in table 2-6, led by Bellingrath Gardens and Home, USS Alabama, and the Museum of Mobile. Other attractions, festivals and special events include: Cathedral, Azalea Trail Run, beach, Carnival Museum, Coastal Birding Trail, Fire Museum, malls, Saenger Theatre, and the University of South Alabama.

Table 2-6. Attractions Visited or Planned to Visit

Attractions Visited or Planned to Visit	Total	Percentage
Bellingrath Gardens & Home	219	28.33
USS Alabama Battleship Memorial Park	120	15.52
Museum of Mobile	96	12.42
Fort Conde Museum & Welcome Center	89	11.51
Museum of Art	58	7.50
Dauphin Island Estuarium & Sea Lab	47	6.08
Conde-Charlotte Museum House	30	3.88
Cruise ships	23	2.98
Other attractions/festivals/special events	21	2.72
Fort Gaines	19	2.46
Oakleigh Period House Museum Complex	14	1.81
Richard-DAR House Museum	13	1.68
Bragg-Mitchell Mansion	9	1.16
Mobile Greyhound Park	8	1.03
Wildland expeditions	7	0.91
Total	773	100.00

In a separate survey, we also surveyed tour group operators who sent tour groups to the Exhibition. No less than 23 group tour operators out of 55 responded to our survey. The 23 operators sent 46 groups with 1,604 visitors. According to the survey, 13 of 46 tour groups that they sent to Mobile stayed overnight in Mobile, and the equal percentage of tour groups visited other attractions in Mobile. The results of the survey of group tour operators are summarized in table 2-7.

Table 2-7. Survey of Group Tour Operators

Company	groups booked	# in groups	over night?	hotels	attractions
Meyer Real Estate	2	100			Mobile/Tensaw River Delta Cruise from Blakely St. Park; Mobile Flea Market; Oakleigh; Bragg-Mitchell Mansions; Bellingrath Gardens.
G & M Travel	3	27			Festival of Flowers
Colonial Trailways	5	160	1	Drury Inn; Hampton Inn	USS Alabama; Bellingrath Gardens; Oakleigh Historic Complex
Home Spun Tours	1	30	1	in Orange Beach	malls; Flea Market; USS Alabama; Mansion; Mardi Gras parades; restaurants
Christian Tours	1	40	1	Best Western Regency Inn	Oakleigh Historical Mansion
Mary Broussard Tours	1	45			
All Seasons Travel	2	72	1	Lafayette Plaza	Museum of Mobile; Oakleigh
Marion Tours	1	50	1	Drury Inn	Bellingrath Gardens; Mobile Visitor Center; dinner at Roussos
Rainbow Travel	3	150			
Barkley Travel Service	2	50	1	Drury Inn	USS Alabama; Bellingrath Gardens; Foley Outlet Mall
Calco Travel	2	85			
Bryan Tours	3	65	1	Drury Inn	Bellingrath Gardens
Avanti Travel	1	48			
World Travel Consultants	2	70			
Calco Travel	1	29	1	Microtel	
Nell's Travels	1	52	1	Riverview Plaza	
The Family YMCA	1	53			Museum of Mobile; Original Oyster House on the Bay; The Old Home where The Mardi Gras Museum is located
Dixieland Tours	4	120			
Landmark Tours & Travel	3	120	1	Comfort Inn-Daphne	USS Alabama; Bellingrath Gardens
Kaleo Tours	1	37	1	Fairfield	
Agape Christian Tours	2	93			
American Travel	3	80	1	Homewood Suites (2 groups); Marriott (1 group)	City Tour w/ guide; DAR House; Fort Conde; USS Alabama; Bellingrath Gardens; Festival of Flowers; The Pillars; Bienville Club; Wintzell's Oyster House
Go Travel	1	28	1	Holiday Inn Bellingrath	Bellingrath Gardens and/or Home
	46	1604	13		

Section 3

Visitor Expenditures & Economic Impact

Expenditures made by visitors to the Exhibition are estimated in this section in order to calculate their economic impact at the end of this section.

Expenditures by Individual Visitors

The total attendance to the Dead Sea Scrolls Exhibition was 205,661. Broadly classifying, the attendance can be divided into three main categories: adult groups organized by group tour operators, school groups, and individuals that include families and groups that are not organized by group tour operators. Visitor figures for the three categories are 59,644 for adult groups, 33,894 for student groups, and the remaining 112,123 for individuals. Expenditures made by individual visitors are estimated in this section.

According to our survey of visitors to the Dead Sea Scrolls Exhibition, 48.45 percent were in Mobile for vacation and pleasure, 37.63 percent for group tours, and the remainder for visiting friends and relatives (10.82 percent), business trip (2.07 percent) and conventions (1.04 percent). It is safe to infer from these survey findings that 86.08 percent ($48.45 + 37.63 = 86.08$) of those who came to see the Exhibition were in Mobile primarily because of the Exhibition. Our survey also indicates that 57.49 percent of the visitors to the Exhibition were day trippers and the remaining 42.51 percent stayed one or more nights in Mobile. It may be noted that among those who came to see the Nicholas and Alexandra Exhibition and stayed one or more nights, 50.7 percent stayed at hotels and motels in Mobile, 12.8 percent stayed at hotels and motels in Eastern Shore, 35.2 percent stayed with friends and relatives, and 1.3 percent stayed at RVs.

The number of day trippers who came to Mobile mainly for the Exhibition and did not stay overnight can be estimated below. This approach excludes impact of those visitors who saw the Exhibition, but came to Mobile for primary reasons other than seeing the Exhibition:

$$112,123 \times 0.8608 \times 0.5749 = 55,487$$

Of 55,487 day trippers, 62.34 percent are assumed to have come from Mobile and its adjacent local areas in Alabama, Mississippi and Florida, while the remaining 37.66 percent came from areas other than local areas. The local areas are based on the survey findings of visitors to the Exhibition who indicated that 28.70 percent came from Alabama, 17.57 percent came from Mississippi and 16.07 percent came from Florida:

$$55,487 \times 0.6234 = 34,591 \text{ (local areas)}$$

$$55,487 \times 0.3766 = 20,896 \text{ (non-local areas)}$$

The number of overnighers who came to Mobile mainly for the Exhibition and stayed one or more nights can be estimated:

$$112,123 \times 0.8608 \times 0.4251 = 41,029$$

Of 41,029 who stayed overnight, those who stayed in local hotels and motels are estimated:

$$41,029 \times 0.507 = 20,802 \text{ (hotels/motels in Mobile County)}$$

$$41,029 \times 0.128 = 5,252 \text{ (hotels/motels in Eastern Shore)}$$

The remaining 14,975 of 41,029 who stayed overnight are believed to have stayed with friends and relatives or in RVs. Room nights booked directly by the Exploreum include Riverview Plaza (322 Room nights), Holiday Inn Bellingrath (180 Room nights), Drury Inn (369 Room nights), Admiral Semmes (74 Room nights), and Hampton Inn (161 Room nights).

Expenditures made by visitors to the Dead Sea Scrolls Exhibition were not surveyed directly from these visitors. However, in-depth personal interviews on visitor expenditures were made on visitors to the very similar Nicholas and Alexandra Exhibition that was held in Mobile from June 12, 1999 to the end of January. The similarity is rather remarkable in that the percentage of visitors who were day trippers and thus did not spend a night in Mobile was 57.49 percent for the Dead Sea Scrolls Exhibition and 66.2 percent for the Nicholas and Alexandra Exhibition. Importantly among those who came to see the Nicholas and Alexandra Exhibition and stayed one or more nights, 50.7 percent stayed at hotels and motels in Mobile, 12.8 percent stayed at hotels and motels in Eastern Shore, 35.2 percent stayed with friends and relatives, and 1.3 percent stayed in RVs.

Personal interviews with visitors to the Nicholas and Alexandra Exhibition indicate that for those from outside the Mobile metro area, the expenditures per person were:

\$12.76 for souvenirs inside the exhibition

\$85.50 for lodging if they stayed at hotels and motels with the amount including those made by one-nighters as well as more than one-nighters

\$23.68 for meals

\$10.43 for gasoline

\$1.58 for parking with many sharing the ride

\$39.05 for general shopping, and

\$20.50 for other expenditures

To summarize, per person expenditures by those who came from non-local areas averaged \$87.50 on lodging for those who stayed at least a night in Mobile; \$12.76 for souvenirs inside the exhibition, \$74.74 for goods and services which include meals, general shopping, admissions to other attractions, gasoline, and parking. These figures,

excluding \$20.50 for other expenditures, are adopted in this study with no adjustment for inflation.

The amount of expenditures by individual visitors to the Dead Sea Scrolls Exhibition is derived below:

- (a) Expenditures by day trip visitors (34,591) from local and adjacent areas are assumed limited to ticket purchase, gifts inside the Exploreum, and snacks from the cafe inside the Exploreum. Since these figures are added separately, no additional expenditures are assumed to have been made by these local visitors:

$$34,591 \text{ (local areas)} \times \$0 = \$ 0.00$$

- (b) Non-lodging expenditures by day trip visitors (20,896) from non-local areas and by overnighers (41,029) are the following:

$$(20,896 + 41,029) \times \$74.74 = \$4,628,274.50$$

- (c) In addition, there are lodging expenditures made by those who stayed in hotels in Mobile County (20,802) only. These overnight visitors who stayed at local hotels and motels are assumed to have stayed only one night with two persons per room. The room rate is the average room charges in Mobile County during the first 7 months of 2003:

$$20,802 \div 2 \times \$62.65 = \$651,622.65$$

Expenditures by Group Tour Visitors

There were 59,644 adult group tour visitors to the Exhibition. Our survey of group tour operators indicates in table 2-7 that 13 of 46 tour groups (28.26%) stayed overnight at Mobile hotels such as Drury Inn, Hampton Inn, Holiday Inn, Admiral Semmes, Best Western, Lafayette Plaza, Microtel, Riverview Plaza, and Baldwin County hotels. Findings of the survey also indicate that the same 28.26 percent of adult group tourists visited places other than the Exploreum, including Delta cruise, Mobile Flea Market, Oakleigh, Bragg-Mitchell, Bellingrath Gardens, Festival of Flowers, USS Alabama, Museum of Mobile, malls, and more. Some visited more than one place.

Local non-lodging expenditures by group tour visitors are obtained by multiplying the number of group tour visitors by the daily non-lodging expenditures:

General expenditures:

$$59,644 \times \$74.74 = \$4,457,792.56$$

Lodging expenditures by group tour visitors are obtained by making the same assumption made in individual overnight visitors that only 50.7 percent of overnight visitors stayed at

hotels and motels in Mobile County. It is also assumed that all group tour visitors shared rooms:

Lodging expenditures:

$$59,644 \times 0.2826 \times 0.507 \div 2 \times \$62.65 = \$267,396.58$$

Bookings made directly by the Exploreum for local attractions are summarized in table 3-1.

Table 3-1. Bookings Made Directly by the Exploreum

Places	Visitors	Amount
Oakleigh Mansion	980	\$3,154.00
Bellingrath Gardens	1,394	\$31,239.00
Festival of Flowers	214	\$1,515.00
Museum of Mobile	669	\$1,869.00
Fort Conde	411	
USS Alabama Battleship	89	\$693.00
Malbis Greek Orthodox Church	52	\$0.00
Bragg-Mitchell Mansion	53	\$150.00
Bay City Tours – Step On Guide		\$844.00
Colonel Trailways		\$366.00
DAR House	106	\$156.00
Dauphin Island Estuarium	46	\$225.00
Tangier Outlet Mall	62	
Conde Charlotte House	64	\$173.00
Robert Moore’s Christmas Town	20	
Mardi Gras Parade	296	
Fairhope	34	
Lecture	250	
Restaurants	1,332	\$15,953.50

Expenditures by Student Group Tours

The number of students and teachers who came to Mobile to see the Exhibition was 33,894. Although 43.8 percent (14,843) came from Mobile and Baldwin Counties and the remaining 56.2 percent (19,051) came from other Alabama locations, Mississippi, Florida and other states, it is assumed in this study that all expenditures made by student group tours were made inside the Exploreum. Since buses needed gasoline and some groups must have visited other places, the assumption made in this study will underestimate the impact. In the absence of tangible records that suggest otherwise, it

seems prudent to make the assumption that all expenditures made by student group tour visitors were made inside the Exploreum:

$$33,894 \times \$0 = \$ 0.00$$

Local Expenditures: Summary

Total expenditures made by visitors to the Exhibition in Mobile are summarized in table 3-2 below:

Table 3-2. Total Visitor Expenditures in Mobile

Local individual visitors	\$ 0
Non-local individual visitors	\$ 4,628,274.50
Individual lodging expenditures	\$ 651,622.65
Adult group tour visitors	\$ 4,457,792.56
Group tour lodging expenditures	\$ 267,396.58
Student group tour visitors	\$ 0.00
Ticket sales	\$ 2,287,907.00
Gift shop & cafe sales	\$ 1,757,219.00
total	\$14,050,212.29

Gift shop sales during the Exhibition were \$1,257,219 while sales at the Exploreum cafeteria are assumed at \$500,000. From this gross expenditures impact, the following amounts need to be subtracted since expenditures made to outside entities have no local impact and since gift shop and cafe sales overestimate the impact of the Exhibition to the extent that some sales are made regardless of the Exhibition.

Table 3-3. Adjustments to Total Visitor Expenditures

Gift shop sales – prior year same time frame	\$ 54,672
Exhibition fees & shipping	\$ 417,000
Advertising outside Mobile/Baldwin County	
Billboards	\$ 55,000
Radio ads	\$ 21,000
Print ads (newspaper/magazines)	\$ 13,000
total	\$ 560,672

Although there were other costs incurred such as Call Center and internet ticket purchase set up/operations (\$130,000), direct mail to tour operator industry and tour group leaders

(\$22,000), promotional material printing & distribution (\$12,000), and media relations support costs such as electronic press kit, travel to Atlanta etc., and wire service (\$7,200), these expenditures were made mostly in Mobile.

Subtracting adjustments, the net expenditures impact of the Exhibition on the local economy is obtained at \$13,489,540.29. This amount represents the Exhibition’s direct local economic impact, excluding the multiplier effect.

Ticket sales by type of sales outlet or by type of buyers are summarized in table 3-4 below.

Table 3-4. Ticket Sales by Type

Type	Total	%
Walk-Ins	50,957	24%
Call Center	30,352	15%
School Groups	33,944	16%
Adult Groups	59,644	29%
On-Line	24,223	12%
Special Events	5,639	3%
Award Vacations	902	1%
total	205,661	100%

Impact on Lodging Industry

Impact of the Exhibition on hotels and motels that are located in Mobile County alone is estimated in table 3-5. Impact on hotels and motels in Eastern Shore is not included, while all impacted hotels and motels in Mobile County are assumed to be located in areas subject to city lodging taxation.

Table 3-5. Impact on Mobile County Hotels and Motels

Total lodging expenditures:	
Individuals & families	\$651,622.65
Group tour visitors	\$267,396.58
total	\$919,019.23 (14,669 room-nights)
Lodging tax impact:	
City of Mobile (9%)	\$ 82,711.73
Mobile County (1%)	\$ 9,190.19
State of Alabama (4%)	\$ 36,760.77
total	\$128,662.69

Tax Impact of Ticket and Gift Shop Sales

Usual Sales tax rates are applied to ticket sales and sales of gift items at the Exploreum Gift Shop as well as snacks sold at the Exploreum cafe. The sales and tax payments are summarized in table 3-6.

Table 3-6. Tax Impact of Sales Inside the Exploreum

Sales by Type	Sales	City Tax	County Tax	State Tax
Tickets	\$2,287,906	\$ 86,730	\$ 21,682	\$ 86,730
Gift Shop	\$1,257,218	\$ 50,288	\$ 12,572	\$ 50,288
Cafe (estimate)	\$ 500,000	\$ 25,000	\$ 5,000	\$ 20,000
total		\$162,018	\$ 39,254	\$157,018

Estimating Impact of Visitor Expenditures Outside the Exploreum

The amount of net local expenditures made in Mobile County by visitors to the Dead Sea Scrolls Exhibition is obtained at \$13,489,540.29, which excludes all expenses made by the Exploreum to outside agencies in order to bring the Exhibition to Mobile. A large portion of this amount eventually becomes earnings of the area's workers and generates economic impact. For example, when a bus-load of visitors buy meals at a local restaurant, part of the sale goes to the company as profits, part of the sale is used to pay

for non-labor expenses such as interest on loans or supplies used to prepare meals, and part of the sales will be used to pay for services of employees. When employees receive the wages, they again spend some of their wages on local stores such as gas stations, grocery stores, beauty salons, baseball games, and more. All of these follow-up economic activities also generate tax revenues in the process. Table 3-7 on the next page measures impact of these visitor expenditures on the local economy outside the Exploreum.

Table 3-7 is briefly explained below. First of all, earnings, tax and retail sales impacts are calculated from net expenditures without including the multiplier effect because of the relatively short duration of the Exhibition. If the Exhibition is an on-going event, the visitor expenditures impact on the local economy will increase by 74.8 percent from \$13,489,549.29 to \$23,579,716.43 as shown in the upper right corner cell of table 3-7. The earnings impact, \$7,103,591.92 is derived from \$13,489,549.29, not from \$23,579,716.43.

Secondly, the visitor expenditures outside the Exhibition supported 385 jobs during the Exhibition period, which excludes about 80 employees who were hired directly by the Exploreum to run the Exhibition.

Thirdly, the visitor expenditures outside the Exploreum generated tax revenues of \$69,055.17 to the City of Mobile, \$56,237.18 to Mobile County, \$342,502.53 for the state of Alabama, and \$45,123.26 for the Mobile County Public School System. State impact is greater because of the state income tax.

Finally, the visitor expenditures outside the Exploreum led to increases in sales at the local retail industry, which include: \$550,147.07 for grocery stores; \$400,207.56 for local restaurants; \$69,713.57 for men and boys clothing; \$115,820.44 for women and girls clothing; \$13,278.78 for clothing of children under 2 years old; \$53,668.39 for footwear; \$42,971.59 for other apparel products; \$703,221.85 for vehicle purchases; and more as shown in the table.

Table 3-7.

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