

Report
September 2015

Impact of the 2015 New York International Auto Show on the New York City Economy

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A. Executive Summary

The New York International Auto Show retained Keen Independent Research (Keen Independent) to estimate the total economic impact of the 2015 Show on the New York City economy. This report examines Show-generated spending in New York City in 2015.

Approach

Keen Independent Research (Keen Independent) examined:

- Individuals who came to New York City to attend the Show such as non-local New York International Auto Show (NYIAS) attendees, members of the press, exhibiting company employees and public relations staff; and
- Companies and other groups involved in the Show, including auto manufacturers, other exhibiting companies, public relations departments, and the NYIAS producer.

Direct spending. Keen Independent analyzed expenditure data to determine the spending that occurred in New York City as a direct result of the 2015 Show. Survey data indicate that the 2015 Show generated \$190 million in direct spending in New York City.

The direct impacts of the Show include money spent by non-local NYIAS attendees and participants on lodging, eating and drinking, parking, entertainment, transportation, retail purchases from local stores and other goods and services. Show-related expenditures by auto manufacturers and exhibiting companies, public relations departments and the NYIAS Producer also contribute to this economic impact.

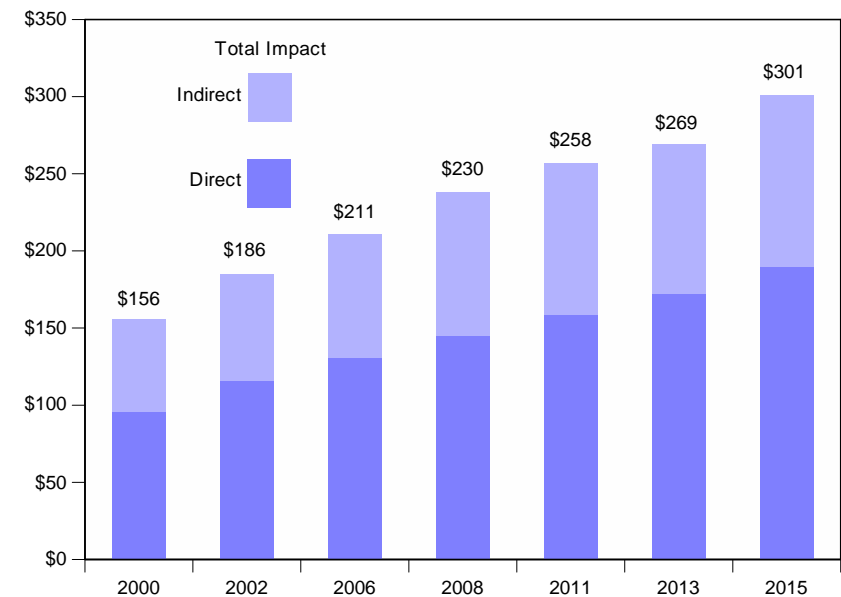
Indirect impacts. Money directly spent by non-local visitors and companies involved in the Show further circulates throughout the New York City economy. Keen Independent used an economic model for New York City (five boroughs) created by the U.S. Department of Commerce to estimate this additional impact. Analysis of the multiplier effect indicates an additional \$58 of spending across New York City economic sectors for every \$100 in direct spending from the Show.

Total Impact

In total, the 2015 New York International Auto Show generated \$301 million in spending in New York City, considerably larger than previous years even after accounting for inflation (see Figure 1). Figure 2 on the following page illustrates spending by category.

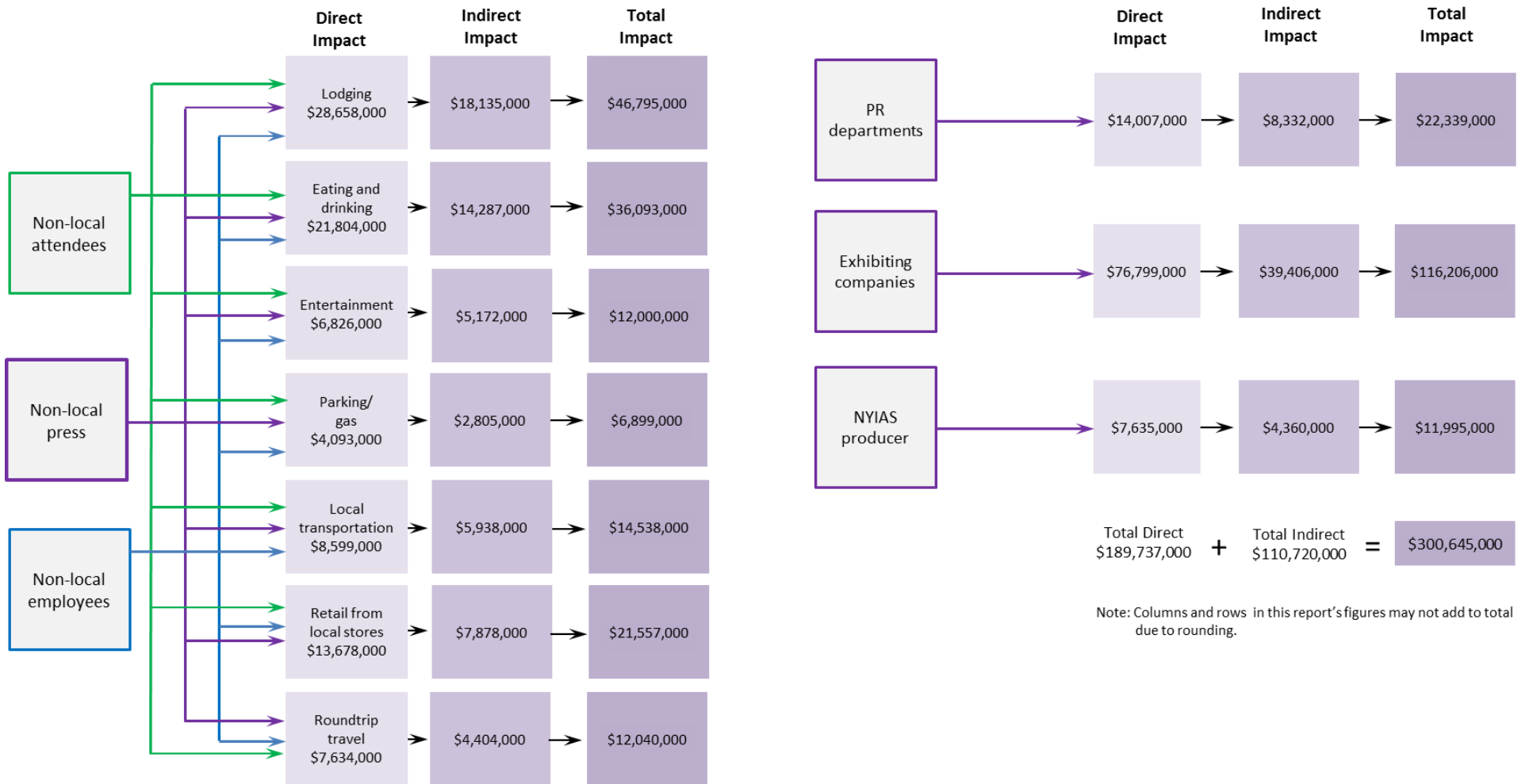
Figure 1.

Total economic impact of the 2015 NYIAS in millions of 2015 dollars



A. Executive Summary

Figure 2.
Total economic impact of the 2015 New York International Auto Show



B. Approach

The 2015 New York International Auto Show ran from April 3 through April 12 at the Jacob K. Javits Convention Center (with two additional preview days). The 2015 Show attracted 1 million visitors. More than one-half of the visitors came from outside New York City to attend the Show.

Non-local visitors spent money on hotels, restaurants, entertainment, retail goods and other services in New York City. Exhibiting companies added to the local economic impact through their purchases of local goods and services related to their participation in the Show.

NYIAS retained Keen Independent Research to calculate the total economic impact of Show-related spending on New York City. Keen Independent estimated the spending flows that occurred in New York City because of the 2015 New York International Auto Show. Members of the Keen Independent study team conducted similar impact analyses for NYIAS from 2000 through 2011. NYIAS had a similar analysis prepared in 2013.



B. Approach

Keen Independent followed a framework for this study consistent with standard economic impact analyses. The research began by collecting spending information from a sample of Show visitors and other participants. With this survey data and NYIAS information about the number of visitors, exhibiting companies and other participants, Keen Independent estimated total direct impacts. The study team then determined indirect impacts through use of an economic model for New York City.

Data Collection

Keen Independent collected information on Show-related expenditures from the following sources:

- Individuals who came to New York City to attend the Show, including non-local NYIAS attendees, members of the press, exhibiting company employees and public relations staff;
- Auto manufacturers and other exhibiting companies;
- Public relations departments; and
- NYIAS Producer.

Non-local individuals. Non-local individuals coming to the Show spent money on lodging, eating and drinking, entertainment, parking, gas, local transportation, purchases from retail stores and other goods and services in New York City as part of their trip to attend the Show. Some individuals spent money traveling to and from New York City via bus, train or airplane (of which only a portion was counted as spending in New York City).

Keen Independent collected data about these purchases through intercept surveys during the Show and electronic surveys immediately after the Show.

- Keen Independent conducted intercept surveys of visitors and exhibiting company employees from Friday, April 10 through Sunday, April 12. Through this effort, the study team obtained 629 completed surveys from non-local attendees. Keen Independent used the survey data collected on Friday, April 10 as representative of the spending patterns of weekday attendees and survey data collected on April 11 and 12 as representative of the weekend attendee.
- The study team collected expenditure data through electronic surveys of non-local attendees who purchased their tickets to the Show online. This effort yielded more than 2,600 useable responses. The database of online ticket buyers was assumed to represent a random sample of all non-local attendees.
- Keen Independent conducted intercept surveys on April 10 through April 12 of more than 1,000 randomly selected attendees; these surveys helped determine the percentage of total attendees who came from outside of the five boroughs of New York City to attend the Show.

The study team excluded non-local individuals who indicated that they came to New York for some other reason and happened to attend the Show. Only individuals who came to New York City specifically to attend the Show or who extended their stay in New York City to attend the Show are included in the impact analysis.

B. Approach

Appendix A provides more detail on the methodology used to collect information from non-local Show attendees.

Members of the press. Immediately following the Show, Keen Independent conducted an electronic survey of out-of-town members of the press who came to New York City to cover the Show. Keen Independent obtained 329 completed surveys.

For the purposes of this study, members of the press included all those who obtained a press pass and attended the 2015 Show for business purposes. Thus, professionals from various non-news agencies and financial institutions were included in the analysis.

Exhibiting company employees. During the Show, Keen Independent obtained 50 completed surveys from exhibiting company employees.

Survey data pertain to exhibiting company employees hired to help staff exhibits. Exhibiting companies and public relations departments separately provided expenditure data for company executives and other staff who attended the Show, as discussed below.

Manufacturers, exhibiting companies and public relations departments. Keen Independent surveyed auto manufacturers, exhibit contract companies, public relations departments and non-local smaller exhibiting companies and vendors participating in the 2015 Show. The study team also collected expenditure data from several of the exhibit contracting companies responsible for the design and management of exhibits.

Category of expenditures for these groups included:

- Construction of staging and exhibit spaces, including both materials and labor;
- Freight loading, unloading and transportation;
- Building support services such as trash removal and janitorial services, electrical, plumbing and phone service and other building and exhibit support services;
- Employment services;
- Printing and publishing services;
- Auto detailing;
- Security;
- Advertising including signage, public relations and press conference staff;
- Photography and videography;
- Entertainment and catering; and
- Other goods and services.

B. Approach

NYIAS Producer. The NYIAS Producer makes Show-related goods and services purchases from local suppliers prior to and during the Show. Show expenditure categories include:

- Advertising including signage, public relations and related services;
- Machinery and equipment rental and leasing of Convention Center Space;
- Technical and professional services including information services, accounting and Show management;
- Building support services such as trash removal and janitorial services, electrical, plumbing and phone service and other building and exhibit support services;
- Show entertainment including celebrity talent;
- Transportation to/from and within New York City;
- Printing and related services;
- Security;
- Photography and videography;
- Postage and mailings;
- Food services;
- Accommodations for NYIAS staff; and
- Other goods and services.

Expenditures made in New York City by the NYIAS Producer are included in the economic impact analysis.

Impact Model

The direct spending discussed above circulates within the local economy to generate further spending by companies and employees' households. Keen Independent captured these indirect or "multiplier" effects when calculating the total economic impact of the 2015 Show on New York City.

The RIMS-II (Regional Input-Output Modeling System) model of the New York City economy provides data to calculate the total economic impact of events such as the 2015 Show. The U.S. Department of Commerce developed the RIMS-II model, incorporating regional data as recent as 2010. Multipliers are specific to New York City and the individual economic sectors affected by direct spending from non-local visitors and other participants in the Show.

Consistency with Previous Studies

Keen Independent's overall study methods, including the surveys, were consistent with research in 2011 and prior years.

C. Non-local NYIAS Attendees

From a sample of visitors at the Show and online ticket buyers, Keen Independent estimates that 62 percent of all Show attendees came from outside of New York City to attend the Show.

More than nine out of ten of these non-local attendees surveyed indicated that they came to New York City for the primary reason of attending the Show. In total, non-local attendees who came to New York City specifically to attend the Show represented almost 56 percent of total attendance. Based on these data, more than 500,000 people specifically came to New York City to attend the Show (or extended their stay to see the Show).

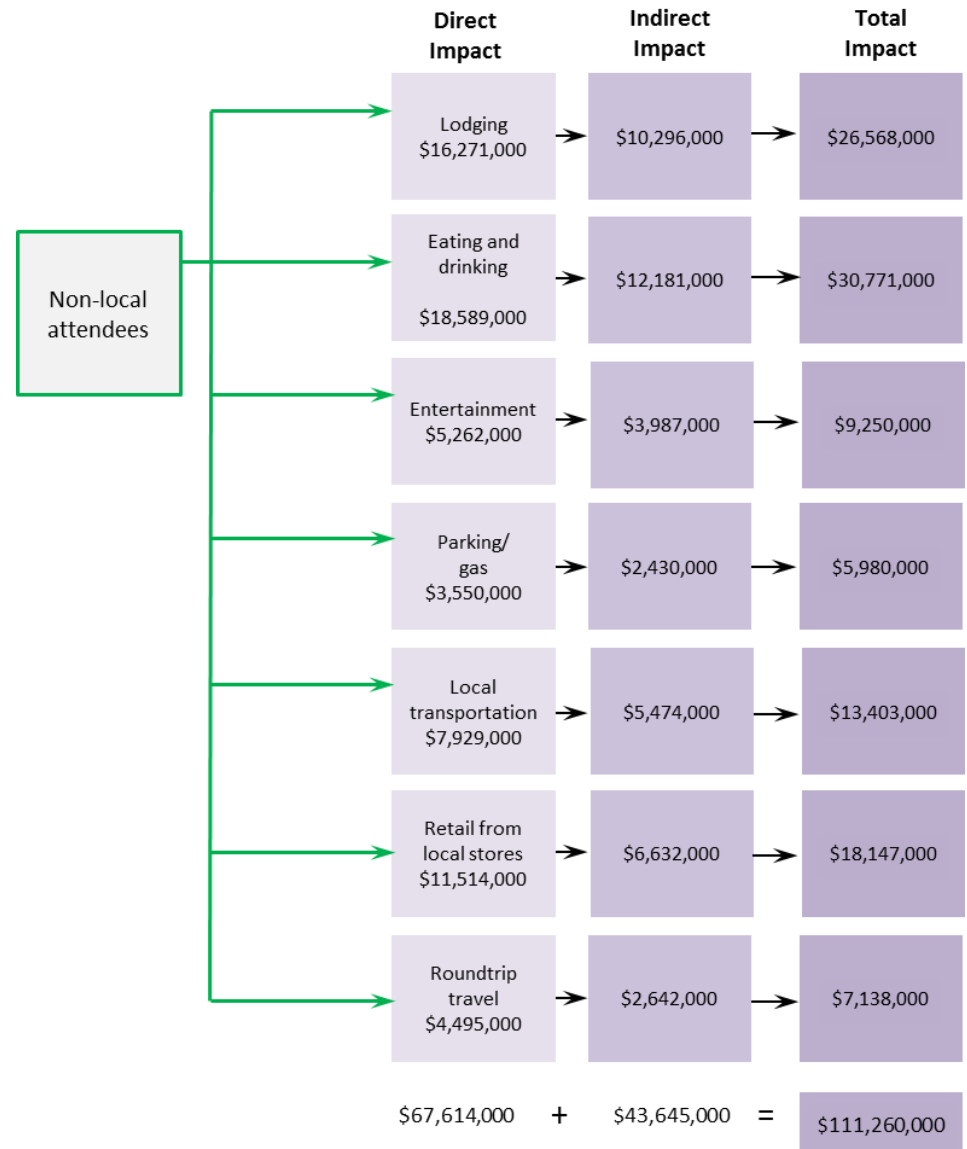
Most of these individuals made day trips from the Tri-State area to attend the Show; 12 percent of non-local attendees indicated that they paid for lodging in New York City.

Non-local attendees who came to New York City specifically to attend the 2015 Show spent about \$68 million in New York City. More money was spent by out-of-town visitors on food services and lodging than any other sector. Total expenditures in these categories amount to \$18.6 and \$16.3 million, respectively.

The indirect impacts from non-local NYIAS attendees amount to \$44 million. Again, these indirect impacts represent the additional purchases that businesses and households make in response to the direct spending generated by the Show.

In total, non-local attendees generated more than \$111 million in spending in New York City as a result of the 2015 Show. Figure 3 presents the direct, indirect and total economic impacts associated with the non-local NYIAS attendee portion of the spending flow model. The appendix has a more detailed description of the non-local attendee portion of the spending flow model.

Figure 3.
Total impact of non-local NYIAS attendees



D. Non-local Press

Non-local members of the press who came to New York City to cover the Show spent \$7 million in the local economy.

Two-thirds of the 10,466 members of the press and media who attended the 2015 Show came from outside of New York City. On average, these non-local individuals stayed in New York City for about three nights. About one-half of all non-local members of the press paid for lodging in New York City while attending the Show.

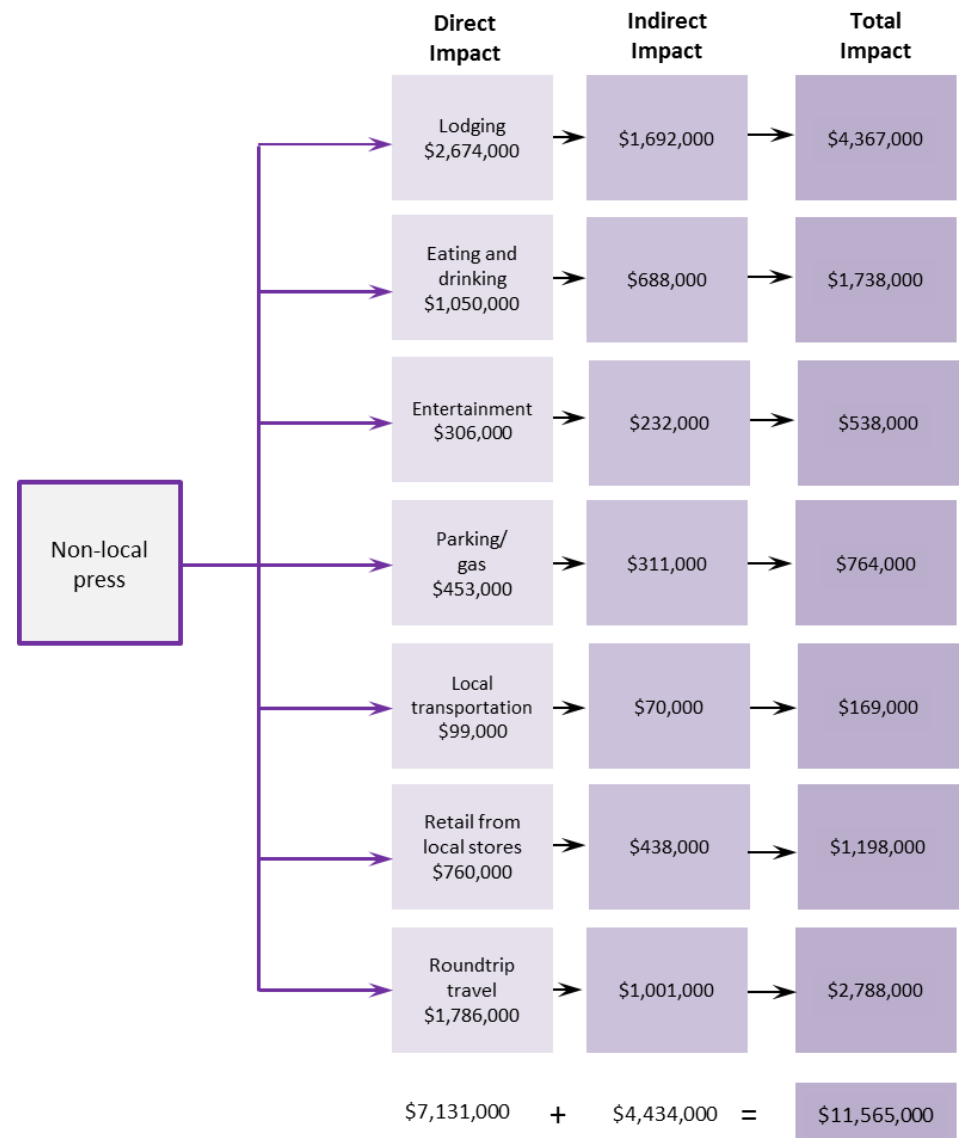
Model results indicate that money spent by out-of-town members of the press generated the largest direct impacts in the accommodations and travel sectors of the local economy. Expenditures on lodging account for close to 37 percent of all press-related spending, amounting to \$2,674,000.

Overall, spending by non-local press is much higher than was reported in previous years due to the greater number of non-local press attending the 2015 Show.

Indirect impacts from non-local members of the press totaled \$4.4 million in 2015.

In sum, non-local members of the press generated close to \$12 million in spending in New York City as a result of the 2015 Show. Figure 4 portrays the direct, indirect and total economic impacts of non-local press on the New York City economy.

Figure 4.
Total impact of non-local press



E. Non-local Employees of Manufacturers and Exhibiting Companies

The approximately 5,660 non-local individuals working for auto manufacturers, exhibit contract companies and public relations departments in 2015 directly contributed \$16.6 million to the New York City economy.

These employees include exhibit display staff, individuals responsible for exhibit management, public relations employees and auto manufacturer executives. In general, floor display staff and exhibit management employees stayed in New York City for the duration of the Show. Auto manufacturer, public relations employees and similar staff stayed an average of three to five nights.

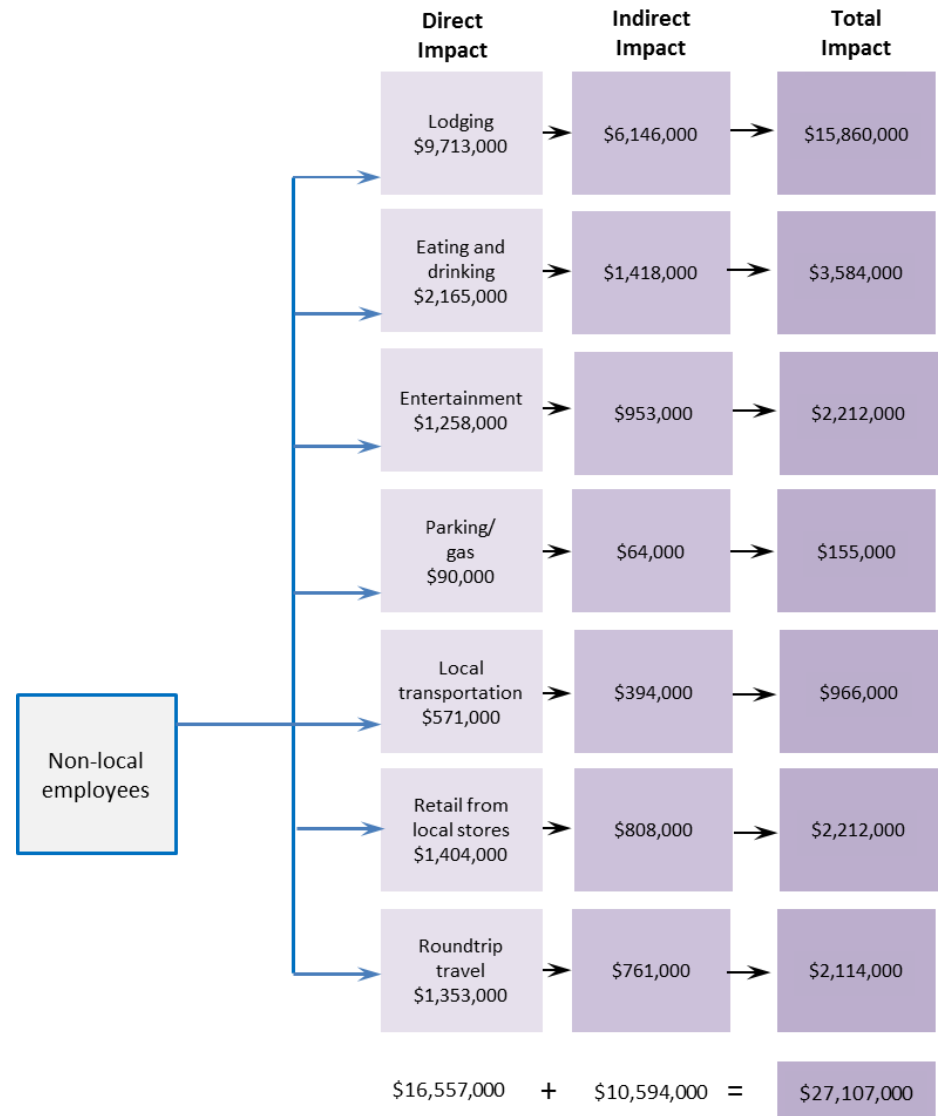
Keen Independent examined impacts from these employees based on survey data collected on-site from individual exhibitors at the Show as well as information from exhibiting companies and auto manufacturers. As for prior years, the model includes one-half of total expenditures on airfare for non-local employees. As with the non-local press expenditures, this impact is largely driven by the large number of non-local employees (5,660 in 2015).

Money spent on lodging (about \$10 million) accounts for much of the expenditures related to non-local employees.

The indirect impacts from non-local employees totaled \$10.6 million.

Overall, non-local employees generated \$27 million in spending in New York City. Figure 5 examines the total economic impacts by spending category.

Figure 5.
Total impact of non-local employees

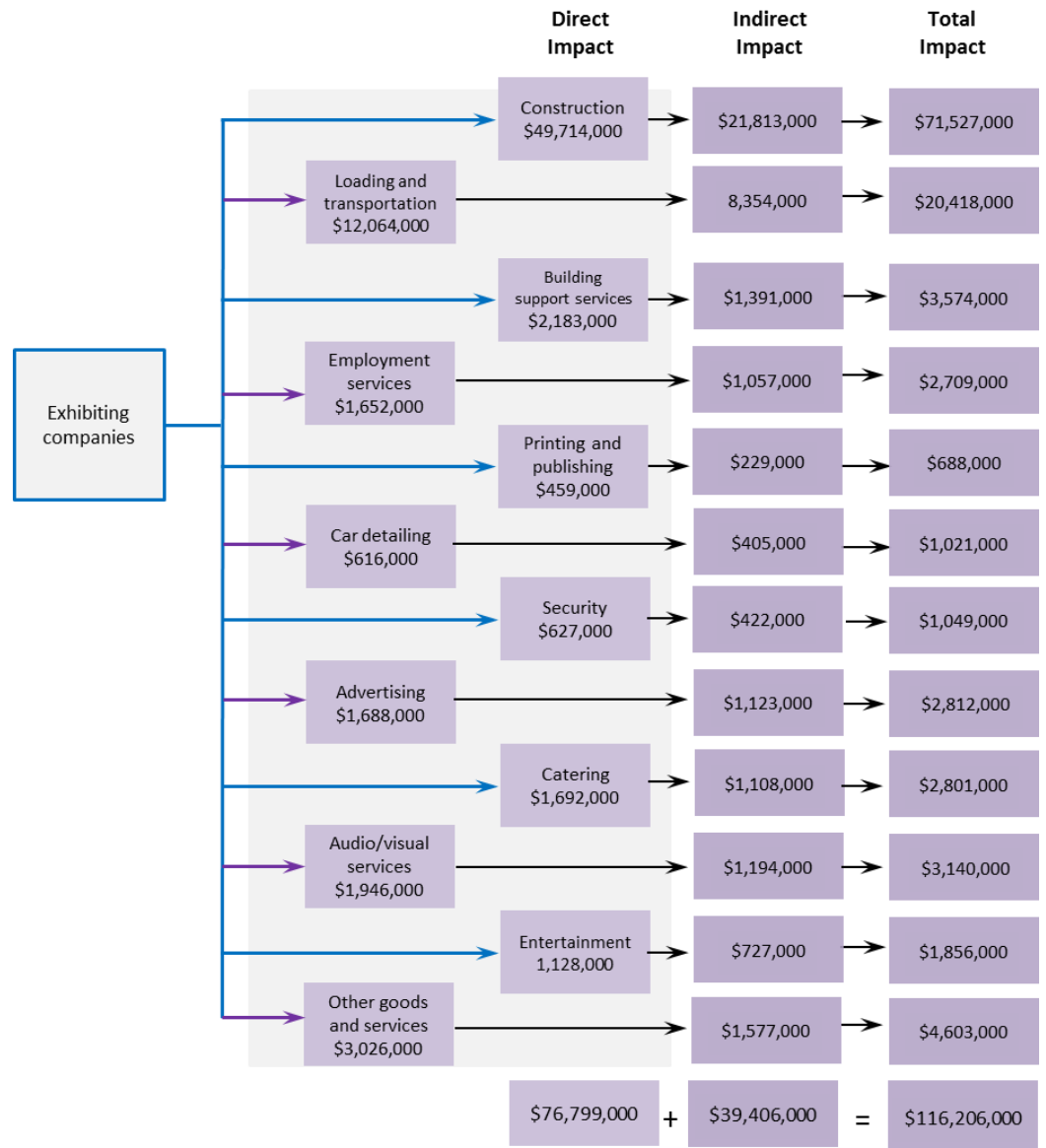


F. Exhibitors and Exhibiting Companies

There were 56 auto manufacturer exhibits and more than 80 smaller exhibitors such as after-market vendors in the 2015 Show. Exhibiting companies directly generated \$77 million in spending in the New York City economy. Spending on labor and construction accounts for the largest portion of direct spending by exhibiting companies.

Exhibiting companies generated \$116 million in spending after accounting for indirect impacts, as shown in Figure 6.

Figure 6.
Total impact of exhibiting companies



G. Public Relations Departments and Special Events

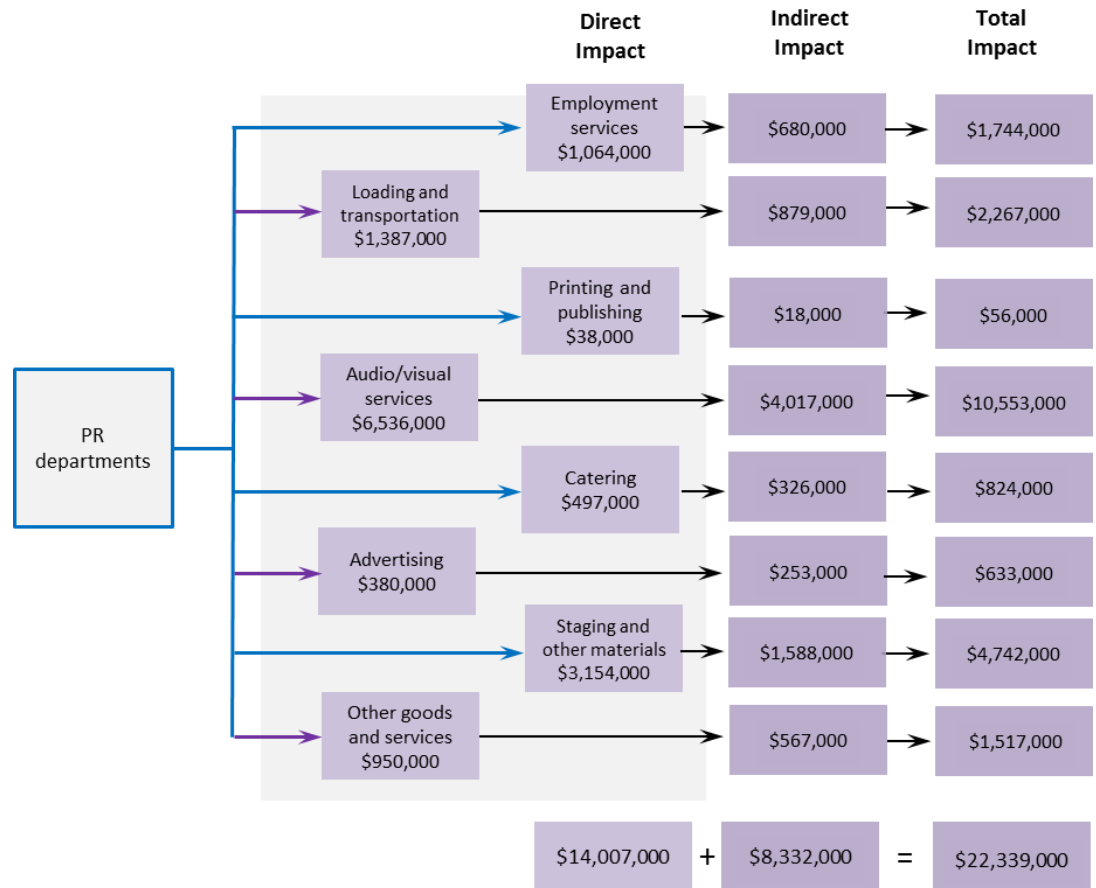
The 2015 New York International Auto Show saw participation from 33 public relations departments. PR departments and special events directly contributed \$14 million to the New York City economy.

All local expenditures made by public relations departments are included in the model (excepting employee expenditures already counted, such as lodging), as this spending would not have occurred if the 2015 Show had not taken place.

At \$6.5 million, expenditures on multimedia and videography/photographic services account for the greatest portion of direct spending by PR departments.

Including indirect impacts, exhibiting companies generated \$22 million in spending in New York City as a result of their participation in the 2015 Show. Figure 7 illustrates the impacts associated with this portion of the spending flow model.

Figure 7.
Total impact of PR departments and special events

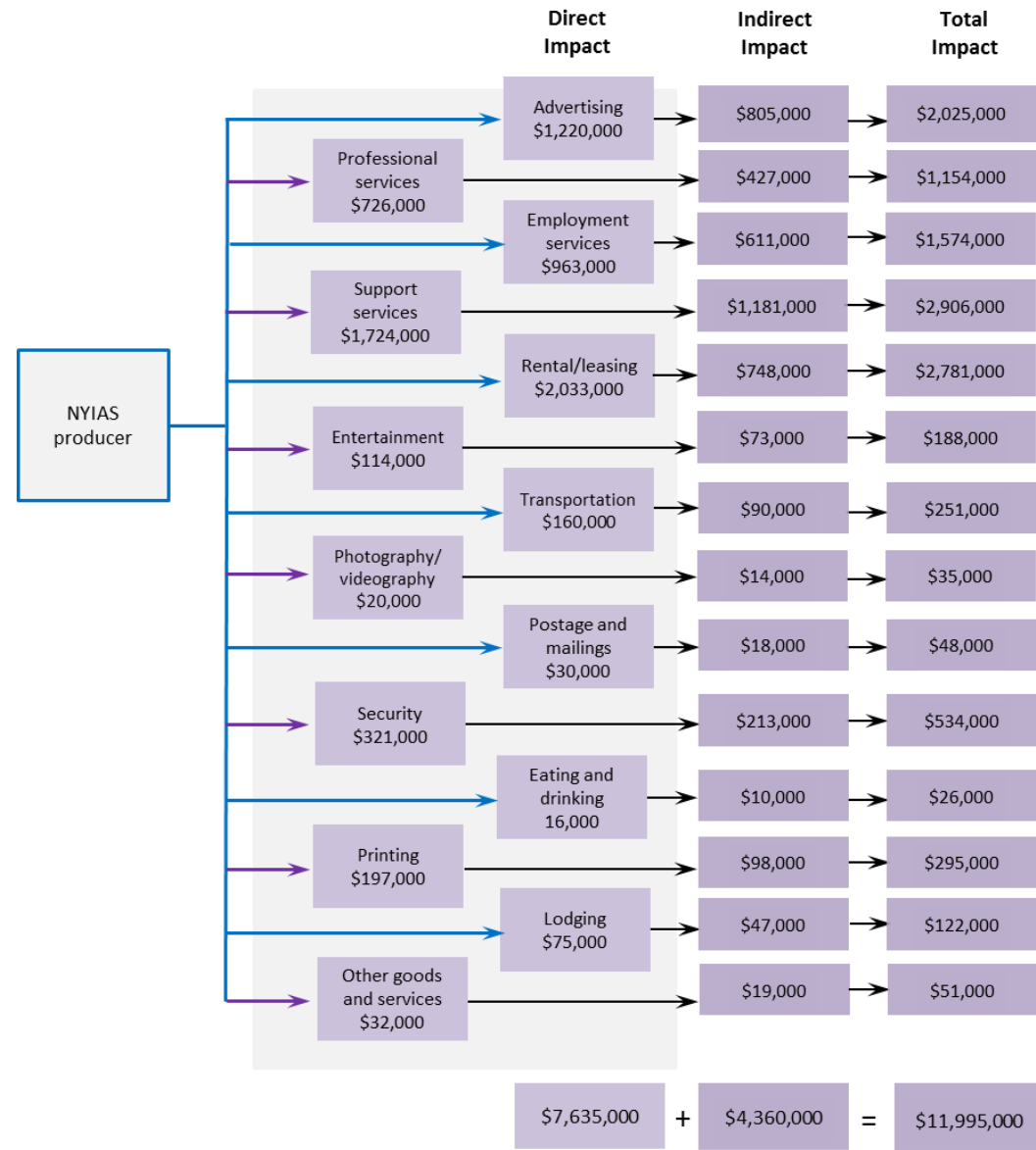


H. NYIAS Producer

The Producer of the New York International Auto Show spends money on local goods and services before and during the Show. Examples of expenditures include advertising and promotion, photography and employment services. In 2015, the Producer of the Show spent more than \$7 million on Show-related purchases that directly contributed to the New York City economy.

After adding indirect effects, the NYIAS Producer generated \$12 million in spending in New York City. Figure 8 traces the direct, indirect, and total economic impacts associated with the NYIAS Producer.

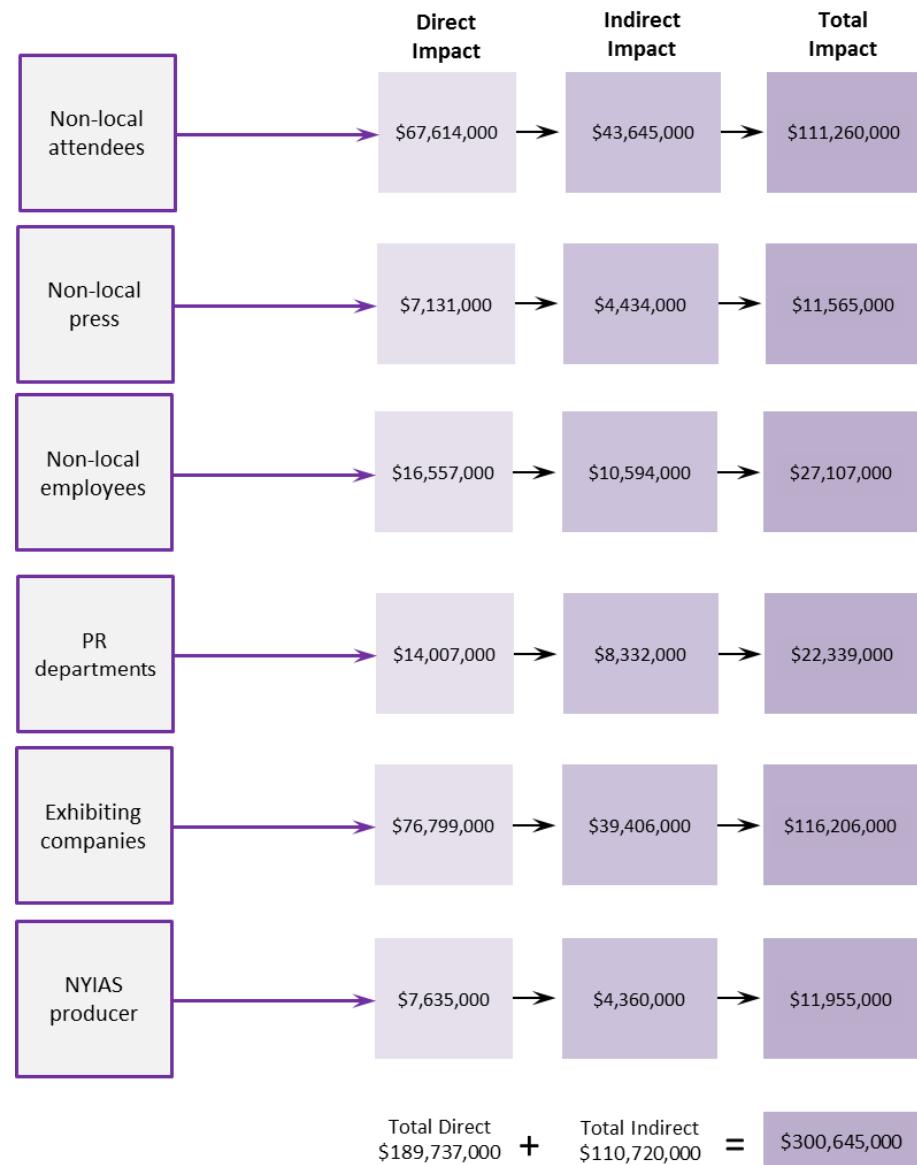
Figure 8.
Total impact of NYIAS Producer



I. Total Economic Impact

The total impact on spending in New York City from the 2015 New York International Auto Show was \$190 million in direct spending and \$111 million in indirect (“multiplier”) effects, for a total impact of about \$301 million. Figure 9 summarizes this total impact across different types of spending.

Figure 9. Summary of the economic Impact of the 2015 New York International Auto Show



Appendix A.

Summary of Hotel Usage

Surveys. Keen Independent obtained 163 visitor intercept surveys on Friday, April 10 and 466 surveys on the weekend of April 11 for a total of 629 surveys. The study team used the 163 surveys collected on Friday to represent the spending patterns of weekday attendees and the remaining surveys to represent the typical weekend crowd.

Keen Independent also performed an online survey of non-local Show visitors who purchased online tickets to the Show. The study team emailed the online survey to non-local attendees immediately following the Show and received 2,909 completed surveys.

To research place of residence of Show attendees, Keen Independent also collected zip code information from a random sample of more than 1,000 people at the Show as well as from the database of online ticket buyers. Analysis of these data provided the percentage of attendees who came from outside New York City to attend the Show.

Analysis. Keen Independent separately analyzed expenditure data from the weekday and weekend intercept and online ticket buyer surveys. This analysis yielded four sets of results for the following model inputs:

- Proportion of non-local attendees who came to New York City for the primary reason of attending the Auto Show or who extended their stay in order to attend the Auto Show;
- Average party size;
- Average number of days spent in New York City;
- Proportion of non-local attendees who paid for lodging in New York City;
- Average number of nights spent in New York City by those who paid for lodging;
- Average number of rooms paid for per night per party;
- Average amount spent per room per night by those who paid for lodging in New York City;
- Proportion of non-local attendees who spent money on food and beverages in New York City;
- Average amount spent per party per day by those who spent money on food and beverages;
- Proportion of non-local attendees who spent money on parking in New York City;
- Average amount spent per party per day by those who spent money on parking;
- Proportion of non-local attendees who spent money on gas in New York City;
- Average amount spent per party per day by those who spent money on gas;
- Proportion of non-local attendees who spent money on entertainment, local transportation, retail purchases from local stores, and on round trip transportation in getting to New York City; and
- Average amount spent per party in total on entertainment, local transportation, retail purchases from local stores and on round-trip transportation in getting to New York City.

Appendix A.

Summary of Hotel Usage

The study team independently used responses to the weekday and weekend intercept and online surveys to calculate spending for a proportionate amount of the total number of non-local attendees (e.g., the weekday intercept survey set was used to estimate spending for 7 percent of non-local attendees).

About 62 percent of all Show attendees came from outside of the New York City area to attend the Show. And, more than 90 percent of the non-local attendees surveyed indicated that they came to New York City for the primary reason of attending the Auto Show (or extended their stay to see the Show). Applying these results, the percentage of Show attendees who came to New York City specifically to attend the Show represents more than 55 percent of total Show attendance,