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**ARKANSAS TOURISM
ECONOMIC
IMPACT**

Dear Arkansas Tourism Industry Partners



Congratulations on a record-breaking 2021! When the global pandemic hit Arkansas in 2020, our tourism industry, like those in other states and around the world, saw immediate slowdowns. But by the end of that same year, something interesting began to happen. Arkansas's tourism sector was rebounding. Turns out, when people can't be indoors together, there's no better place to gather outdoors than The Natural State.

Arkansas's moniker provided resiliency for the tourism industry, and as we entered 2021, outdoor recreation in Arkansas took off. Our State Parks saw record visitation that year, and our federal partners reported similar experiences. Many private outdoor operators were having their best year on record.

Visitor spending, visitor-supported jobs and business sales generated \$1.1 billion in tax collections that support local, state and federal government operations. State and local taxes alone topped \$653 million in 2021.

National Park visitation in Arkansas rose 23% above its 2019 pre-pandemic level to just under four million visits, while hunting and fishing licenses issued to non-residents more than doubled relative to 2019.

These numbers illustrate that Arkansas is in the midst of a public perception turning point when it comes to our national profile as a tourist destination. Together we can keep that momentum strong as we head into 2023 and beyond.



Stacy Hurst
Secretary – Arkansas Department of Parks, Heritage and Tourism



Over the past year, many of you have heard me say, “just wait until next year’s numbers...” Well, that time has arrived, and I couldn't be more pleased to share the results with you. As you know, travel is back in a big way, and we continue to experience record-breaking visitation across The Natural State:

- Visitor spending increased by 33% in 2021, a bounce back after the significant decline in 2020. Spending grew across all sectors, driven by both pent-up demand as well as increases in prices of key commodities, especially in lodging and transportation. Indeed, average room rates at hotels in the state increased 13%.
- Lodging spending improved 49% after a fall of 29% in 2020. This rebound led to lodging spending exceeding its 2019 level by 5%.
- In 2021, tourism-supported jobs accounted for 5.6% of all jobs in Arkansas.
- Nearly one-in-four (23%) of Arkansas tourism jobs were lost in 2020. The travel recovery in 2021 welcomed a return of tourism jobs, which rose to 95% of its 2019 level.
- The job recovery in key industries in 2021 was strong, reaching 98% of pre-pandemic numbers in the restaurant industry, 96% in recreational businesses and 89% in lodging.
- Each household in Arkansas would need to be taxed an additional \$759 to replace the visitor-generated taxes received by Arkansas state and local governments in 2021.

It's satisfying to see these numbers and know that together we're achieving our goal to improve the economy of our state. Not only that, we have the great privilege of sharing the scenic beauty, authentic culture and unique wonder of The Natural State.

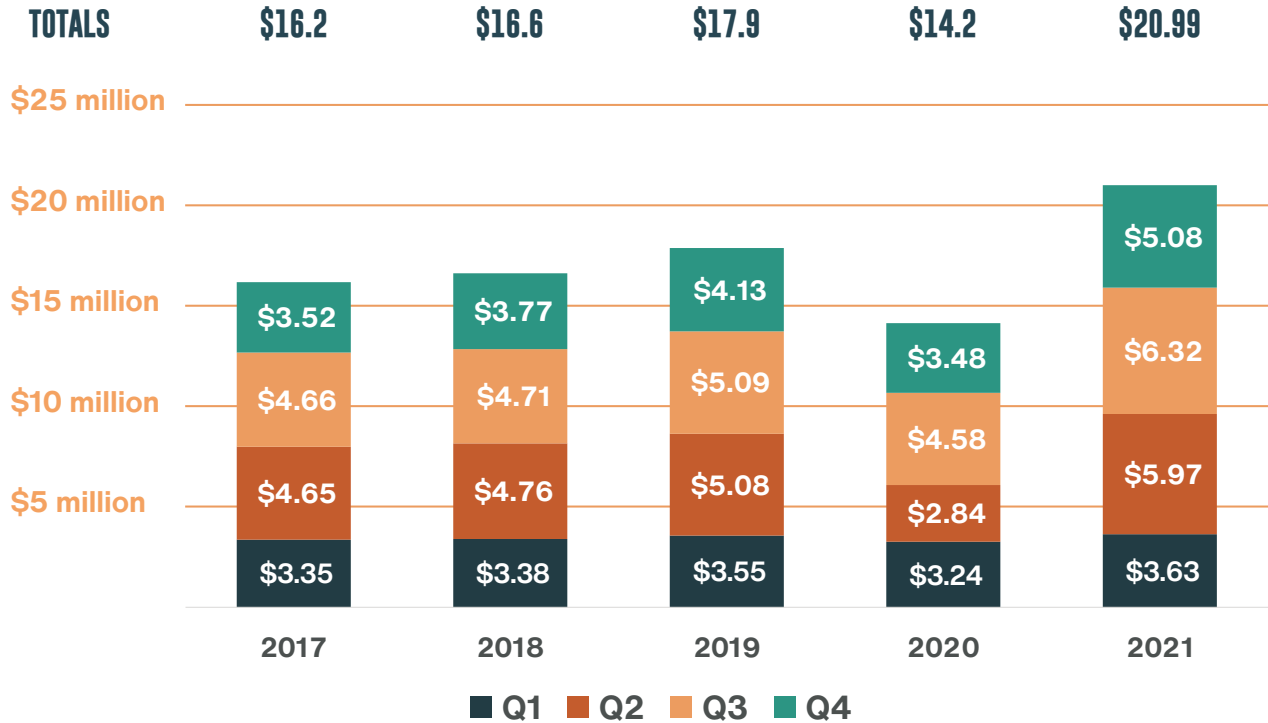
Well done, Arkansas!



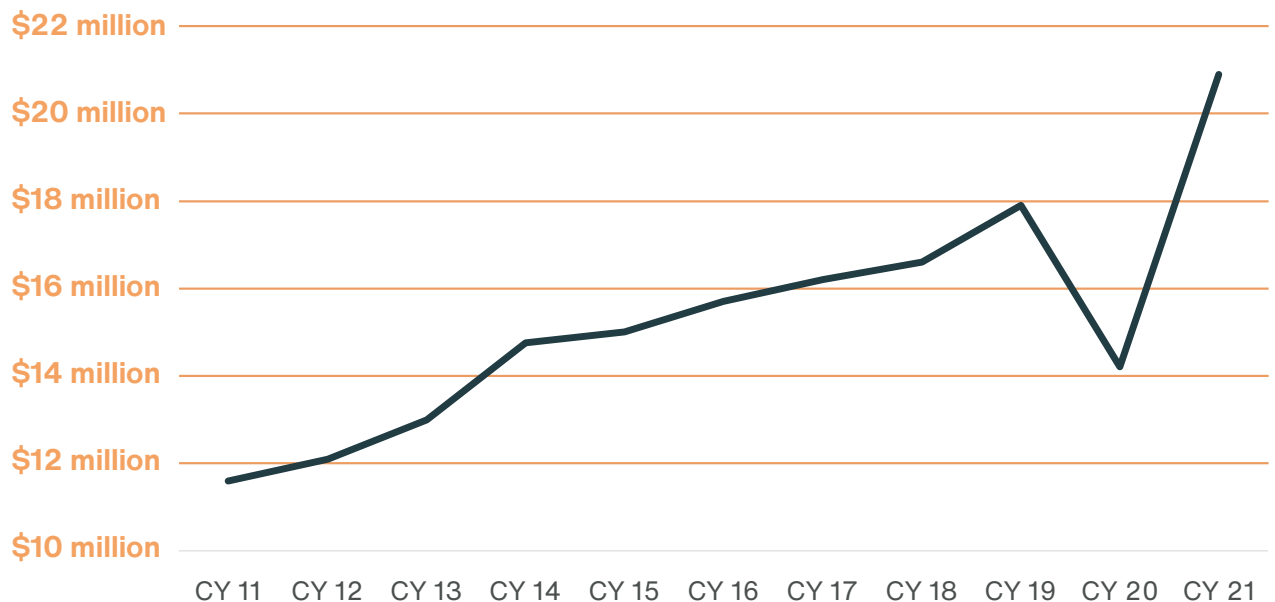
Travis Napper
Director – Arkansas Tourism

2% TOURISM TAX

MILLIONS



The 2% tax revenue provides funding for the Arkansas Tourism marketing budget. When a traveler visits the state, they pay 2% tax on lodging and attractions. The 2% tax revenue is then used to advertise to potential visitors both in and out of state.



Totals may not sum due to rounding.

STATE TOURISM ECONOMIC IMPACT

\$759
Amount each Arkansas household would have to pay in additional taxes to replace state and local taxes paid by visitors in 2021.



VISITOR SPENDING
\$8.0 BILLION
33.3% INCREASE OVER 2020
0% INCREASE OVER 2019



INCOME
\$1.8 BILLION
28.6% INCREASE OVER 2020
1.1% INCREASE OVER 2019



EMPLOYMENT
64,144 JOBS
23.6% INCREASE OVER 2020
5.35% DECREASE FROM 2019

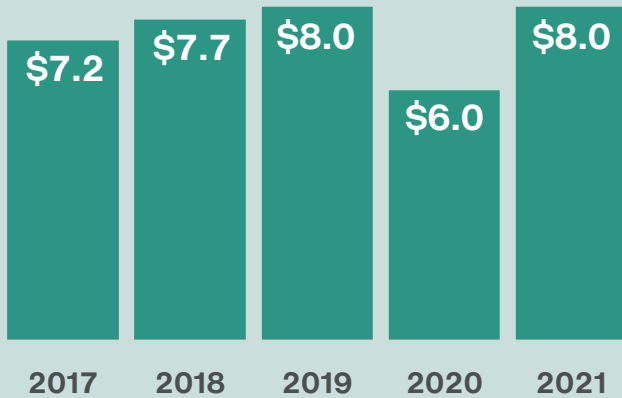


STATE TAX
\$467 MILLION
27.2% INCREASE OVER 2020
8.9% INCREASE OVER 2019

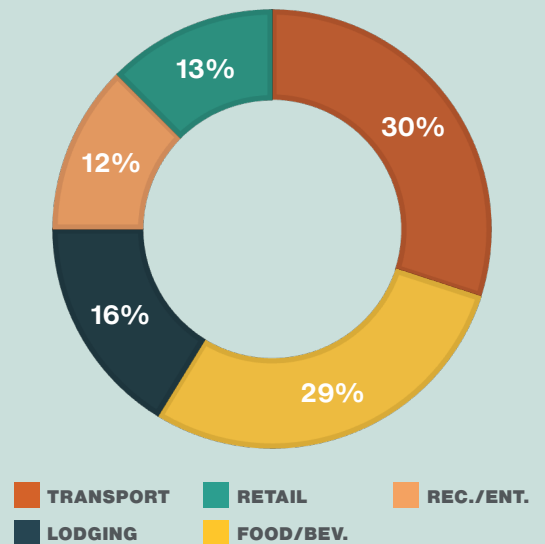


LOCAL TAX
\$186 MILLION
21.6% INCREASE OVER 2020
10.0% INCREASE OVER 2019

VISITOR SPENDING TRENDS - BILLIONS



VISITOR SPENDING DETAILS



Source: U.S. Travel Association & Tourism Economics. All numbers above are travel-generated.

Totals may not sum due to rounding.



TOTAL VISITORS
41.3 MILLION

41.4% INCREASE OVER 2020
13.8% INCREASE OVER 2019



TOTAL LEISURE
30.1 MILLION

39.4% INCREASE OVER 2020
11.1% INCREASE OVER 2019



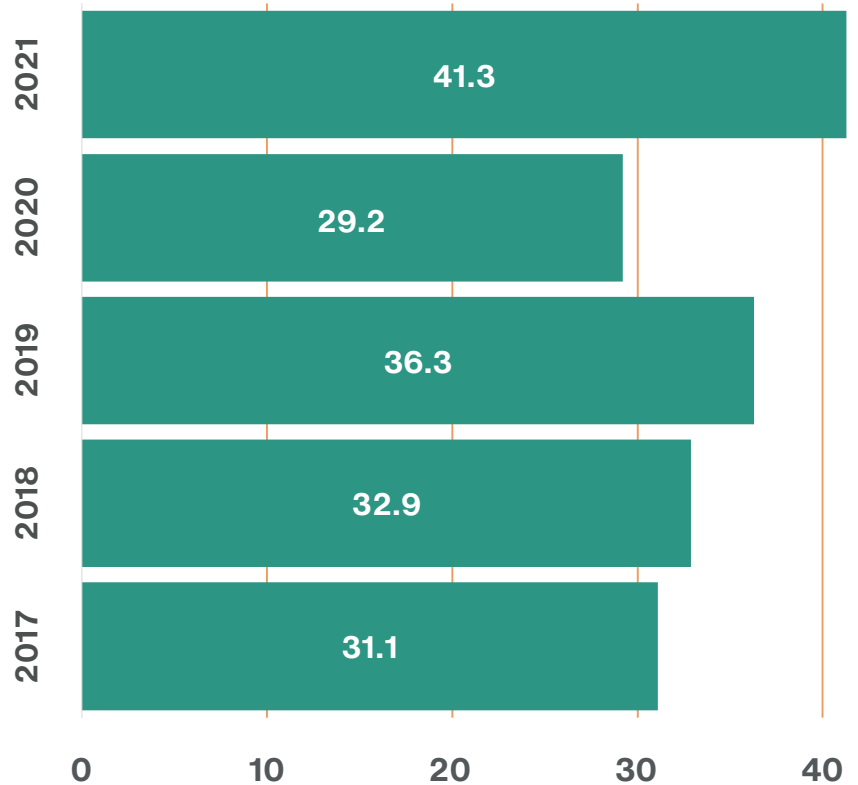
OVERNIGHT
40%

36.5% INCREASE OVER 2020
23.1% DECREASE FROM 2019

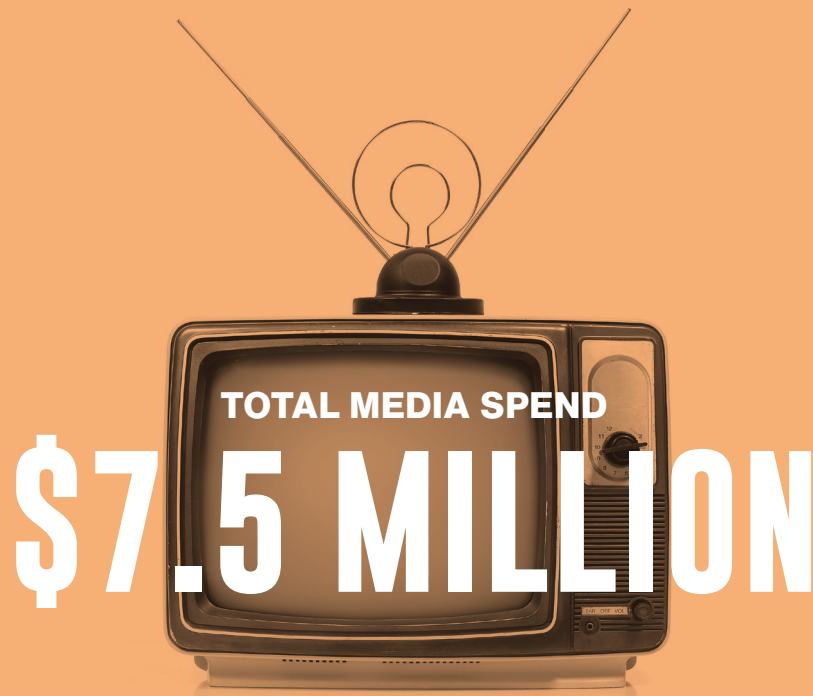
ARKANSAS VISITOR VOLUME

VISITOR HISTORY

MILLIONS



Source: D.K. Shifflet & Associates



MARKETING METRICS

Arkansas Tourism works with CJRW, the agency of record, to produce high quality, inspirational advertisements on multiple channels to encourage visits to and within the state. Most advertising and media spend occurred in spring 2021.



PARTNER CONVERSIONS

878,391



EMAIL OPEN RATE

25.85%

SPRING/SUMMER 2021 CAMPAIGN EFFECTIVENESS



**SPRING 2021
 MEDIA SPEND**

\$6.1 MILLION



**AD INFLUENCED
 VISITOR SPENDING**

\$759 MILLION

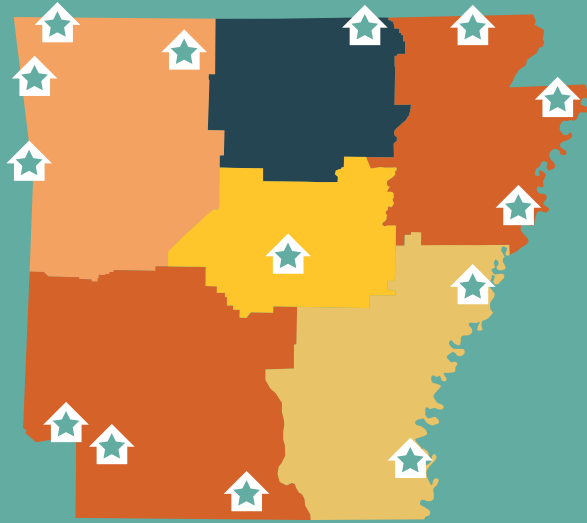


**RETURN ON
 INVESTMENT**

\$1:\$124

Source: CJRW & SMARInsights 2021 Advertising Effectiveness & ROI Report

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ARKANSAS WELCOME CENTERS

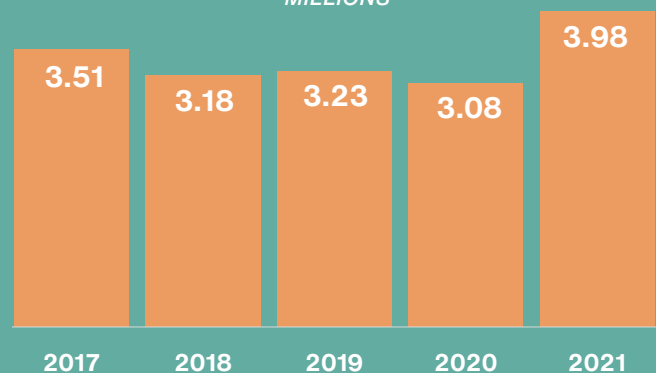


WELCOME CENTER VISITORS

1,069,917

70.6% INCREASE OVER 2020
LESS THAN 1% DECREASE FROM 2019

ARKANSAS NATIONAL PARKS VISITATION - MILLIONS



INDUSTRY BROCHURES

Any Arkansas destination marketing organization or tourist attraction can place its brochure in any Arkansas Welcome Center after approval by Arkansas Tourism.

Contact Arkansas Tourism at tourism.inquiries@arkansas.gov for more information.

