

Kansas State Fair Economic Impact and Marketing Study

Analysis of the 1996 Kansas State Fair

Volume 1

by

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ACKNOWLEDGMENTS

This report is an investigation of the demographics, interests, and economic impacts of visitors to and participants in the Kansas State Fair and various Non-Fair events. The study was funded by the Fair and was performed by the Institute for Public Policy and Business Research at the University of Kansas. Several surveys of Fair and Non-Fair visitors and participants formed the core of the study. All surveys were developed cooperatively with the State Fair staff.

Bill Ogg, Fair General Manager, Joan Brown, Operations Manager, and Robert Gottschalk, former General Manager, provided many useful suggestions during the course of the study. Discussions with the State Fair Board further helped to focus the work. The cooperation and helpfulness of the State Fair staff assured that the numerous surveys associated with the study were administered effectively.

Special thanks goes to Joan Brown, who served as liaison between the KU research staff and the State Fair staff and State Fair Board. Her assistance was also invaluable in helping us to coordinate the on-site surveys during the 1996 Fair.

Thanks also goes to the Fair and Non-Fair event visitors and participants who took the time to answer our survey questions.

Dr. Charles Krider, Director of IPPBR, provided overall direction for KU research effort. Pat Oslund, Research Economist, and Norman Clifford, IPPBR Director of Research, performed the analysis of the survey results and formulated the economic impact models. Robert Glass and Vincent Glaeser helped to supervise the on-site surveys, and Glaeser and Laura Stull provided assistance with graphics. Lindsay Barrett, Brad Sweeney, and Chris Worthen, KU undergraduates, provided capable research assistance. Alexander Barket, Research Associate, developed software for the survey data input. David Burress, Associate Scientist at KU, consulted with us on modeling issues.

The opinions expressed in this report are solely those of the authors.

OVERVIEW OF THE STATE FAIR PROJECT

During 1996, the Institute for Public Policy and Business Research, University of Kansas, conducted an extensive analysis of the activities of the Kansas State Fair. The study included all aspects of the State Fair's activities, including:

- the Kansas State Fair itself, held in September, 1996 (Report Volume 1); and
- Non-Fair events held throughout the year (Report Volume 2).

The study examines both the marketing aspects of Fair and Non-Fair activities and their economic impacts on the economies of Reno County, South Central Kansas, and the State of Kansas as a whole. Marketing aspects of the events include attendance, demographics, place of residence of event-goers, reasons for attending events, and perceptions of the quality of Fair and Non-Fair events and facilities. Economic impacts include per capita expenditures and the overall effect of these expenditures on payroll and employment in the aforementioned geographic areas.

Our study makes use of data from many sources. The most important data sources are original surveys that IPPBR developed in conjunction with the State Fair staff. An on-site survey of over 1,600 visitors was conducted during the State Fair in September, 1996. All State Fair exhibitors and concessionaires were surveyed by mail in October and November of the same year. Hutchinson tourism-related businesses were surveyed in November and December, 1996. A telephone survey of a random sample of 900 Kansans was conducted during December, 1996 and January, 1997 to find out opinions of people who had not attended the Fair. Finally, on-site surveys were conducted of visitors to and participants in Non-Fair events throughout the year. Survey data was supplemented by administrative statistics on Fair attendance, income sources, and expenditures. Finally, Fair-specific data were supplemented by data from the U.S. Bureau of the Census and the U.S. Bureau of Economic Analysis.

Information for the marketing analysis comes primarily from the surveys described above. The survey questions were designed to provide the State Fair staff with information that they considered important.

The economic impacts of Fair and Non-Fair events were estimated by applying an economic impact model of the State of Kansas and Kansas counties developed at the University of Kansas.

The report that follows is laid out in two volumes. Volume 1 deals with the marketing considerations and economic impacts of the 1996 State Fair. It also includes the impacts of the State Fair organization's spending on payroll and supplies of Non-Fair events, since this analysis so closely parallels the analysis for the Fair itself. Volume 2 provides a detailed analysis of nine Non-Fair events and provides suggestions on how to generalize the results of these nine events to other events during the year.

The study was a cooperative effort of the State Fair staff and IPPBR. All survey forms were developed jointly. IPPBR conducted the on-site surveys at the Fair in September, 1996, while State Fair staff conducted most of the on-site surveys at Non-Fair events. The study also required the cooperation of hundreds of visitors, exhibitors, and concessionaires, who, for the most part, were very willing to provide the information needed.

EXECUTIVE SUMMARY: VOLUME 1

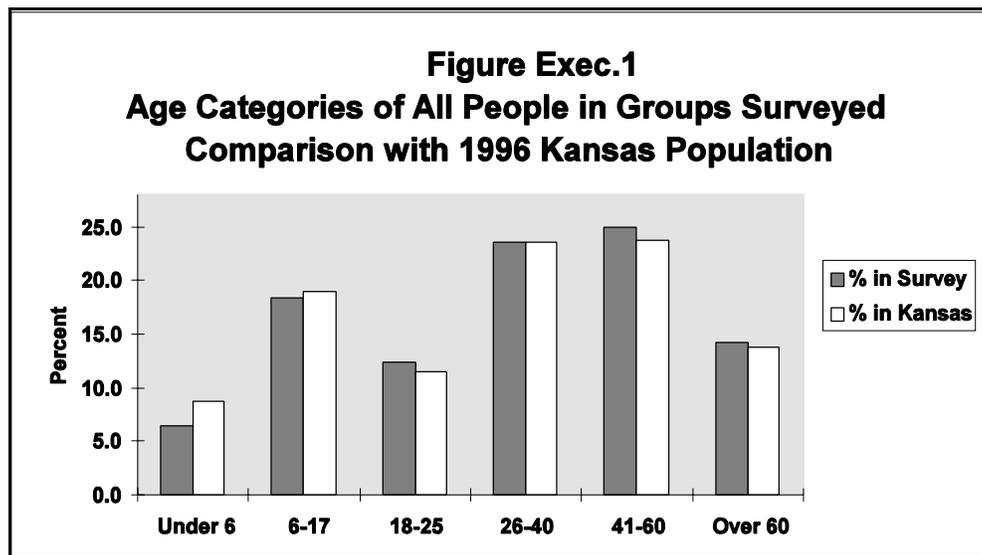
Survey of Fair-goers

- IPPBR conducted on-site surveys at the 1996 State Fair in Hutchinson, Kansas, and collected 1,616 surveys with valid data. The survey covered Fair-goer demographics, interests, and expenditures.
- Based on the survey, the age breakdown of 1996 Fair-goers appears fairly representative of the Kansas population (under age 80) as a whole. The Fair drew a slightly lower percentage of very young children (5 and under) than in the general population, and a slightly higher percentage of adults in the 41-60 age range. Overall, the data show that the Fair attracts visitors from all age groups.

Table Exec.1
Age Categories of All Fair-goers in Groups Surveyed
Comparison with 1996 Kansas Population

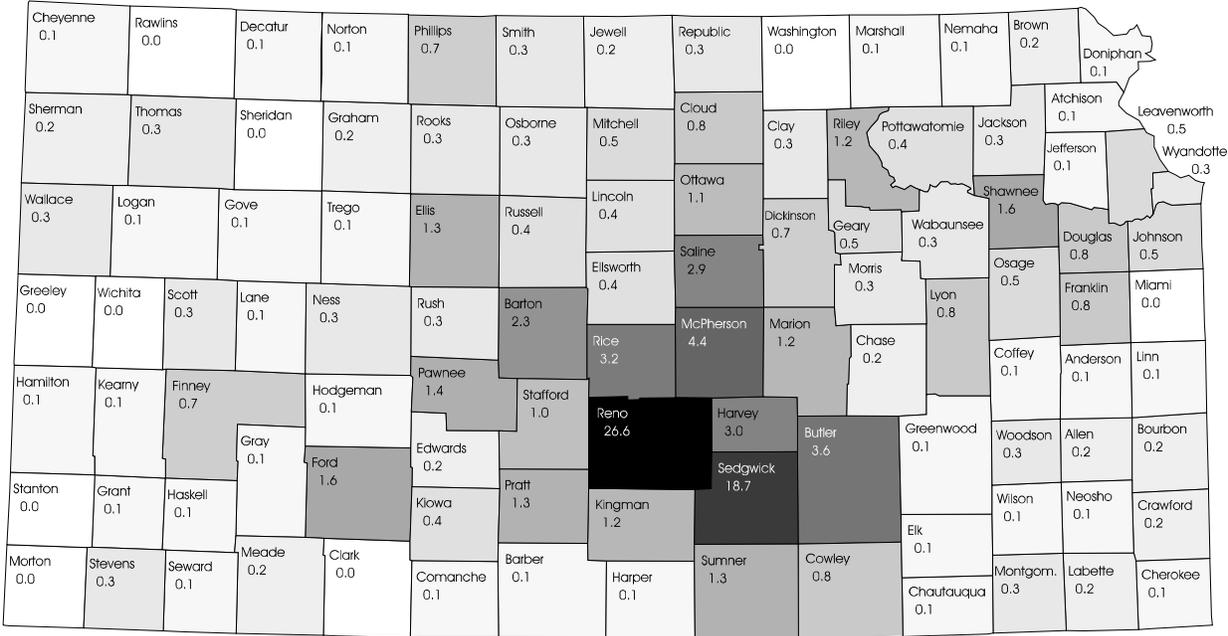
Age	Number in Survey	% in Survey	% in Kansas Pop
under 6	301	6.4	8.7
6-17	861	18.4	18.9
18-25	578	12.4	11.4
26-40	1102	23.6	23.5
41-60	1168	25.0	23.7
over 60	664	14.2	13.8
total	4674	100.0	100.0

Source: population data from US Bureau of the Census, Population Estimates for States, 1996.



- Fair-goers were asked questions about the state, city, and county where they lived. Most Fair-going groups were from Kansas while fewer than 4 percent were from out of state. Respondents listed 21 other states besides Kansas as their place of residence. Of these, Texas, Oklahoma, and Missouri had the most respondents. Participants were more likely to come from out of state than were visitors. About 3.2 percent of visitor groups, and 7.7 percent of participant groups reported an out-of-state residence.
- The survey sample represented Fair-goers from almost every county in Kansas (96 of 105 counties). About 26.6 percent of Kansas groups of Fair-goers came from Reno county, followed by 18.7 percent from Sedgwick County. The top 10 counties for Fair attendance together accounted for about two-thirds of total Kansas attendance (see Figure Exec.2). About 2 percent of groups attending the Fair came from the counties in and near the Kansas City metropolitan area (Johnson, Wyandotte, Leavenworth, Miami, Douglas). The counties that make up the South Central Kansas area (Barber, Barton, Butler, Cowley, Ellsworth, Harper, Harvey, Kingman, McPherson, Marion, Pratt, Reno, Rice, Sedgwick, Stafford, Sumner) accounted for 69.2 percent of groups attending the Fair.
- Participants were more widely scattered across the state than were Fair-goers in general. 58.2 percent of participants were concentrated in the top 10 counties, in contrast with 67.9 percent of Fair-goers in general. Two counties from the urban area of Northeast Kansas (Douglas and Leavenworth) were represented on the top 10 list for participants, each with 4 respondents.

Figure Exec.2
County of Residence of 1996 Fair-Goers
 (Percent of Fair-goer Groups from Kansas)



- About 43 percent of the respondents from outside of Hutchinson reported driving 25-60 miles to the Fair. This range included people who traveled from Wichita and other Sedgwick County communities. Over 30 percent of respondents outside Hutchinson reported that they traveled over more than 100 miles to attend the Fair.
- Fair-goers were asked how important each of several types of activities was in their decision to attend the Fair. Livestock and agricultural exhibits were the highest-rated factors attracting people to the Fair, with over 46 percent of respondents citing these activities as “very important.” In other words, people said that the traditional emphasis of the Fair was what drew them in. Commercial exhibits and fine arts/domestic arts exhibits were also cited as “very important” by over 40 percent of respondents.
- Fair-goers were asked to rate several Fair facilities on a scale of “good,” “adequate,” or “needs improvement.” All facilities were rated as “good” by at least 55 percent of respondents. Restrooms and parking were most commonly cited as needing improvement, and least commonly cited as “good”. Still, no Fair facility received a rating of under 55 percent “good,” indicating a high degree of satisfaction with facilities.
- On average, visitors reported spending close to \$18 per person each day on concessions, rides, food, and other Fair attractions. Visitors from outside the state spent on average about \$3.70 per person per day on restaurant meals, about \$3.51 on retail purchases, and about \$.92 per person per day on motels. The amount spent by out-of-towners on motels seems rather small. One possible explanation, supported by some of our interviews with respondents, is that many people stay overnight in recreational vehicles parked in the general Fair parking lots.

Telephone Survey

- IPPBR conducted telephone surveys of 900 households to find out about their awareness of and interest in the Kansas State Fair. The households were broken into two groups: those living within 100 miles of Hutchinson and those living outside that radius.
- Not surprisingly, there were significant differences in Fair attendance between the two geographic survey regions. Of the group living within 100 miles of the Fair, 26 percent stated that they had attended the Fair in 1996. This contrasted with 8.7 percent of the group that lives farther away from the Fairgrounds. We conducted additional analysis on a subgroup of respondents living in the Kansas City area. About five percent of the respondents in the Kansas City subgroup reported that they attended the Fair last year.
- People who did not attend the Fair were asked if they knew the month, place, and approximate admission price of the event. Overall, awareness about the time and place of the Fair was high, particularly in the area within 100 miles of the Fairgrounds. However, respondents were not very aware of the price of the Fair. About 32 percent of the overall sample and 27 percent of those outside a 100-mile radius of the Fair knew that the price of an adult admission was less than \$5.00.

- The level of exposure to information and advertising about the Fair was high in the geographic area within 100 miles of the Fairgrounds. Three-fourths of respondents recalled seeing TV advertisements and TV news pieces about the Fair. They also reported seeing newspaper ads and articles and hearing about the Fair on the radio. Exposure to information about the Fair declines with distance from the Fairgrounds. For example, fewer than one-third of respondents from the Northeast Kansas metro area reported seeing a TV ad or news piece.
- People were asked why they did not attend the Fair. The major reason mentioned by respondents in both groups was that they were too busy. Not surprisingly, a high percentage of people who live more than 100 miles from the Fairgrounds mentioned distance as a major reason. A high percentage of people also mentioned that they were simply not interested in this type of event. This was a more common response for the group living far from the Fair than for the group living within 100 miles. Very few people mentioned that the Fair was too expensive. For the group that lives more than 100 miles from the Fair, not knowing about the Fair was a significant reason for non-attendance.

Concessionaires and Commercial Exhibitors Survey

- IPPBR conducted a mail survey of concessionaires and commercial exhibitors. Of 626 surveys mailed, 316 were returned.
- One-hundred-seventy-nine firms and organizations reported making some sales during the fair. Ninety-three firms reported sales over \$5,000, while 33 firms reported sales over \$20,000.
- For many of the firms and organizations, the development of leads and the opportunity to disseminate information was the motivating force behind State Fair activities. Approximately two-thirds of respondents cited this as the major reason for participating in the Fair.
- Firms were asked to estimate their sales at the Fair. We estimated that the businesses that responded to the survey represented over \$3.3 million in sales at the Fair in 1996.
- The survey responses indicated that leads generated at the 1996 Fair were expected to bring in about \$8 million in future sales.
- Firms and organizations were asked whether they were satisfied with the success of their business activities at the 1996 State Fair. About 32 percent expressed some dissatisfaction, while about 25 percent were very satisfied.
- The overwhelming majority of exhibitors and concessionaires, close to 98 percent, reported that they planned to return to the Fair in 1997.

Economic Impacts

- Estimating the economic impact of the Fair involves several steps:
 - 1) collection of data on the actual magnitude of spending associated with various Fair activities;
 - 2) formulation of reasonable assumptions about the counterfactual; that is, what spending would have happened if the Fair activity in question had not taken place;
 - 3) adjustment of total spending for import coefficients and trade margins;
 - 4) application of an input-output model to estimate multiplier effects; and
 - 5) calculation of the difference between the actual and the counterfactual effects.

- The formulation of a counterfactual is a key element of impact modeling. Visitors were asked where they would have spent their funds if the Fair did not exist. About 2 percent of Kansas they would spend their money out of state. The Fair retains these funds within the Kansas economy.

- Multipliers are another key element of impact modeling. A multiplier allows us to calculate indirect effects that occur when a stimulus such as the Fair generates income that is then re-spent within the economy.

- Overall, we estimate that the September, 1996 Kansas State Fair was directly and indirectly responsible for about 179 full-time equivalent (FTE) jobs in Reno County, 142 FTE jobs in South Central Kansas, and 52 jobs in the state of Kansas as a whole.

- Non-Fair events contributed an additional 26 jobs in Reno County, 20 jobs in the South Central Kansas region, and 11 jobs in the state as a whole.

- The impacts on the state are smaller than those for South Central Kansas or Reno County. The reason for this is that a visitor from outside South Central Kansas (for instance, from Johnson County) brings new money into South Central Kansas, but takes money out of Johnson County. For the state as a whole, the effects net out. Similarly, the impacts on South Central Kansas are smaller than those on Reno County.

- Table Exec.2 summarizes economic impacts of Fair and Non-Fair events. The table shows new expenditures added to the community, new payroll (income) and new jobs. All numbers have been adjusted to take into account the counterfactual assumptions and multiplier effects.

Table Exec.2
Summary of Impacts of Fair and Non-Fair Activities

Channel of Impact	Expend. Added: Reno County (\$)	Payroll Added: Reno County (\$)	Jobs Added: Reno County	Expend. Added: S. Central Kansas (\$)	Payroll Added : S. Central Kansas (\$)	Jobs Added: S. Central Kansas	Expend. Added: All of Kansas (\$)	Payroll Added: All of Kansas (\$)	Jobs Added: All of Kansas
State Fair visitors and participants: tourism	3,298,729	1,288,218	88.4	2,288,741	829,775	57.2	611,826	215,198	13.9
Concessionaires and commercial exhibitors	1,140,531	570,380	30.5	1,195,007	639,862	34.3	878,106	433,742	22.6
Carnival	49,395	28,477	1.9	28,323	15,863	1.1	5,128	2,217	0.2
State Fair operations	2,029,631	1,173,857	58.2	1,759,890	996,772	49.3	657,429	317,034	15.4
<i>Fair sub-total</i>	6,518,286	3,060,932	179.0	5,271,961	2,482,272	141.9	2,152,489	968,191	52.1
Non-Fair visitors and participants: tourism	799,622	293,901	21.0	629,613	219,052	15.3	388,732	141,583	9.0
Non-Fair events: operations	157,361	84,558	4.9	139,170	73,119	4.3	68,425	30,977	1.7
<i>Non-Fair sub-total</i>	956,983	378,459	25.9	768,783	292,171	19.6	457,157	172,560	10.7
<i>Combined Total</i>	7,475,269	3,439,391	204.9	6,040,744	2,774,443	161.5	2,609,646	1,140,751	62.8

note: numbers may not add up due to rounding errors

1. RESULTS OF THE STATE FAIR SURVEYS

Staff from the Institute for Public Policy and Business Research supervised on-site surveys on Fair visitors and participants during the entire 10-day period of the 1996 Kansas State Fair. The survey research team interviewed people as they exited the Fair and administered a three-page survey that covered demographics, expenditures, and interest in various types of Fair events. We present the results of the survey below.

Sampling Procedures

We randomly selected people to survey as they exited the Fairgrounds between 2 PM and 10 PM each day of the Fair. Our original goal was to survey 2000 Fair-goers, but bad weather during the last weekend of the Fair caused us to fall short. In all, we collected **1616 valid surveys**. This constituted a sufficient number of surveys to complete an accurate statistical analysis.

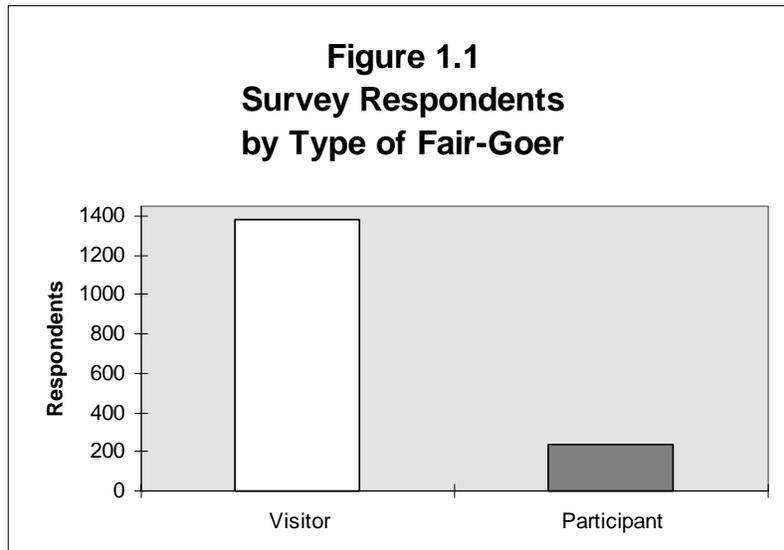
We distributed the survey team across the various Fair gates. Our concern was that out-of-town visitors might be inclined to use some gates more than others; we wanted to prevent any bias of this nature. In addition, we surveyed people as they lined up to enter the Grandstand for evening events. Our concern was that Grandstand event-goers would exit the Fairgrounds simultaneously sometime after 10 PM, and that they would be under-sampled unless we took specific measures to prevent this. We set goals for the number of surveys to be collected at the Grandstand each night based on expected attendance.

Demographics

Several of the survey questions were related to the basic demographics of Fair-goers. Our first survey question broke the survey sample into “visitors” and “fair participants.” 85.5 percent of the people whom we surveyed placed themselves in the visitor category, as shown in Table 1.1. The distribution of participants is also shown in the table. Overall, it appears that we under-sampled Fair participants. According to the paid admissions statistics provided by the State Fair staff, various kinds of participants comprised about one-third of Fair admissions. In particular, we may have under-sampled Fair exhibitors and concessionaires and their employees. For the most part, these Fair participants could not be interviewed while they were working. We interviewed them as we interviewed anyone else--as they exited the gates. But many of these people exited the Fairgrounds only after our surveys were done for the evening. Also, some participants may have been in groups where the representative, that is, the interviewee, was a “visitor.”

**Table 1.1
Survey Respondents by Visitor or Participant**

Type of Fair-goer	Number	Percent
visitor	1381	85.5
participant	235	14.5
Total	1616	100.0
...Band Day (school band) participant or family	26	11.2
...4H or FFA (ag. youth activities) or family	64	27.5
...livestock exhibitor or family	54	23.2
...ag exhibitor or family	5	2.1
...domestic arts exhibitor	7	3.0
...employees of exhibitor, concessionaire	34	14.6
...State Fair employee	24	10.3
...Other	19	8.2
...Missing = 2		



We recorded the gender of the respondent. The respondents were almost evenly split between males and females. Some of the surveys were missing data on gender or had invalid codes. This gender breakdown is typical of that for the state as a whole. Of the Kansas population under age 80, 49.9 percent is male and 50.1 percent is female (US Bureau of the Census, *Population Estimates for States*, 1996).

Table 1.2
Gender of Respondent

Gender	Number	Percent
male	698	50.6
female	682	49.4
missing or invalid data	236	

We asked the respondents their age category (Table 1.3). When we talked to a group that included teenagers and older adults, we generally addressed one of the older adults as the respondent (even if we tried to address the younger person, the older person generally took over). We asked about the ages of all of the people in the group, and compiled the data by age category. Overall, the groups that we surveyed included 5,373 people, 4,674 of whom had valid age data recorded.

The age breakdown of 1996 Fair-goers was fairly representative of the Kansas population (under age 80) as a whole. The Fair drew a slightly lower percentage of very young children (5 and under) than in the general population, and a slightly higher percentage of adults in the 41-60 age range. Overall, the data show that the Fair attracts visitors from all age groups.

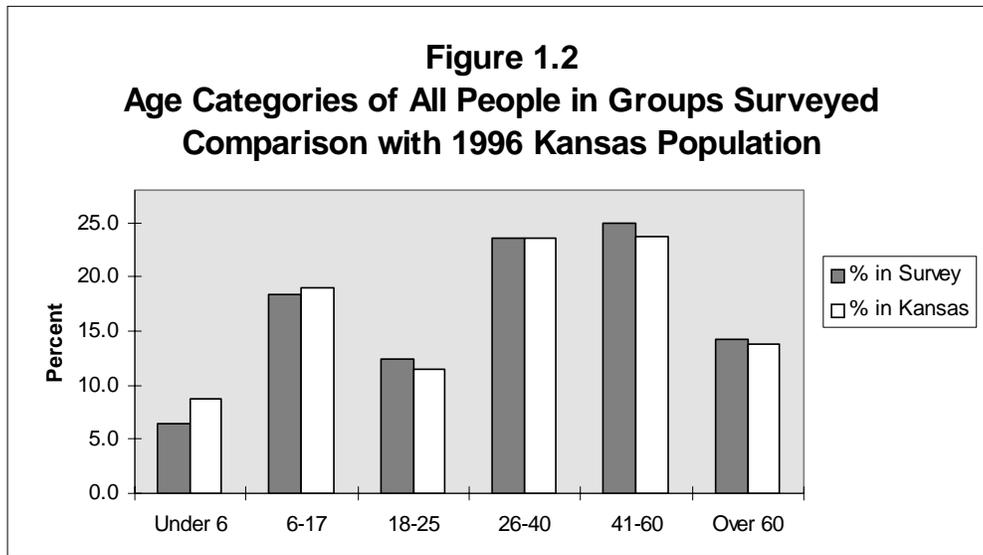
Table 1.3
Age Category of Respondents

Age	Frequency	Percent
6-17	88	5.7
18-25	217	14.0
26-40	459	29.7
41-60	497	32.1
over 60	287	18.5
total	1548	100.0

Table 1.4
Age Categories of All Fair-goers in Groups Surveyed
Comparison with 1996 Kansas Population

Age	Number in Survey	% in Survey	% in Kansas Pop
under 6	301	6.4	8.7
6-17	861	18.4	18.9
18-25	578	12.4	11.4
26-40	1102	23.6	23.5
41-60	1168	25.0	23.7
over 60	664	14.2	13.8
total	4674	100.0	100.0

Source: population data from US Bureau of the Census, Population Estimates for States, 1996.



We asked the respondents their occupation. When we tabulated the data, we organized occupations into 14 categories. Approximately 8.5 percent of respondents were employed in farming, and almost 14 percent said that they were retired. Although we do not have comparable data for the state as a whole, the respondents seem to represent a good mix of occupations.

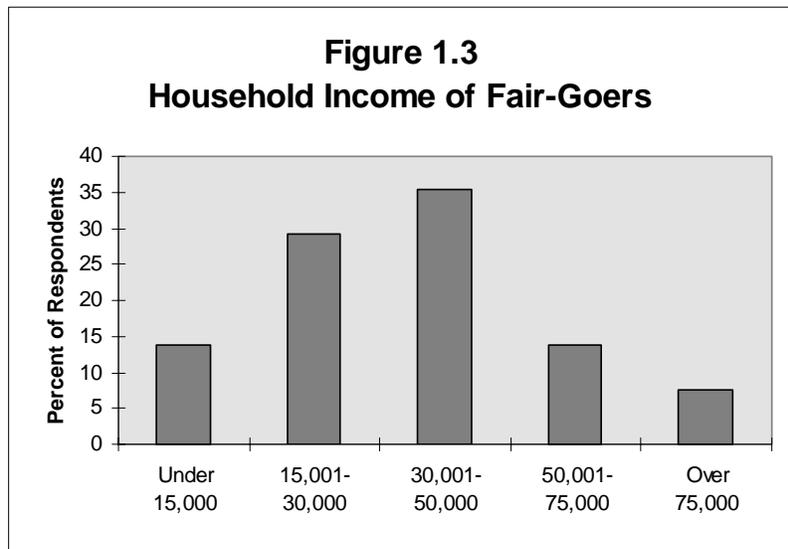
Table 1.5
Occupation of Respondent

Occupation	Number	Percent
Executive or administrative	117	7.4
Professional or technical	246	15.5
Sales and retailing	84	5.3
Administrative support	64	4.0
Services and restaurants.	26	1.6
Farming and agriculture	134	8.5
Factory: skilled labor	71	4.5
Skilled trades	115	7.3
Transportation and trucking	39	2.5
General labor	197	12.4
Retired	220	13.9
Other-employed	94	5.9
Student	126	8.0
Homemaker	51	3.2
Total	1584	100.0
Frequency Missing = 32		

At the end of the survey interview, respondents were asked their household income. The most common income category was \$30,001-\$50,000. All but about 14 percent of Fair-goers reported household incomes over \$15,000. Over 20 percent of Fair-goers reported incomes over \$50,000.

Table 1.6
Household Income of Fair-Goers

Income Category	Number of Respondents	Percent
under 15,000	192	13.9
15,001-30,000	406	29.3
30,001-50,000	489	35.3
50,001-75,000	190	13.7
over 75,000	107	7.7
Frequency Missing = 232		



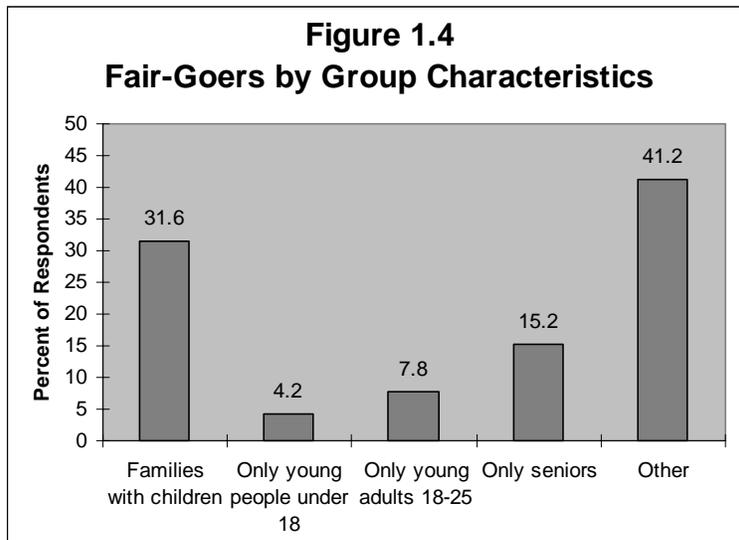
Most people visited the Fair with a group of two or more people. The most common group size was two people (44.5 percent of the sample): about 15 percent of respondents came in groups of 5 or more (Table .7). To gain further insight into the kinds of groups who attend the Fair, we categorized groups into types: “Families with children,” “Young people under 18,” “Young adults 18-25,” “Seniors over 60,” and “Other.” Families with children comprised almost one-third of Fair-going groups. Groups consisting entirely of seniors comprised another 15 percent. The “Other” category consisted primarily of adults in a mixture of age groups.

Table 1.7
Number of People in Group

# People in Group	Number of Groups	Percent
Group Size = 1	160	10.1
2	706	44.5
3	221	13.9
4	253	16.0
5	96	6.1
6	72	4.5
7 +	78	4.9
Total	1586	100.0
Frequency Missing = 30		

**Table 1.8
Group Characteristics**

Type of Group	# of Groups	Percent
Families with children	501	31.6
Only young people under 18	67	4.2
Only young adults 18-25	123	7.8
Only seniors	240	15.2
Other	652	41.2
Total	1583	100.0



Fair-goers were asked questions about the state, city, and county where they lived. Most of the Fair-going groups were from Kansas, while fewer than 4 percent were from out of state. Respondents listed 21 other states besides Kansas as their place of residence. Of these, Texas, Oklahoma, and Missouri had the most respondents. Participants were more likely to come from out of state than were visitors. About 3.2 percent of visitor groups, and 7.7 percent of participants, reported an out-of-state residence.

Table 1.9
State of Residence of Respondent

State	Total Respondents	Percent	Visitors	Percent	Participants	Percent
Kansas	1531	96.1	1315	96.8	216	92.3
All other states	62	3.9	44	3.2	18	7.7
..Texas	10	0.6				
..Oklahoma	9	0.6				
..Missouri	9	0.6				
..Other	33	2.1				
Total	1593	100.0	1359	100.0	234	100.0
Frequency Missing = 23						

The survey sample represented Fair-goers from almost every county in Kansas (96 of 105 counties). About 26.6 percent of Kansas groups of Fair-goers came from Reno county, followed by 18.7 percent from Sedgwick County. The top 10 counties for Fair attendance together accounted for about two-thirds of total Kansas attendance (see Table 1.10 and Figure 1.5). About 2 percent of groups attending the Fair came from the counties in and near the Kansas City metropolitan area (Johnson, Wyandotte, Leavenworth, Miami, Douglas). The counties that make up the South Central Kansas area (Barber, Barton, Butler, Cowley, Ellsworth, Harper, Harvey, Kingman, McPherson, Marion, Pratt, Reno, Rice, Sedgwick, Stafford, Sumner) accounted for 69.2 percent of groups attending the Fair.

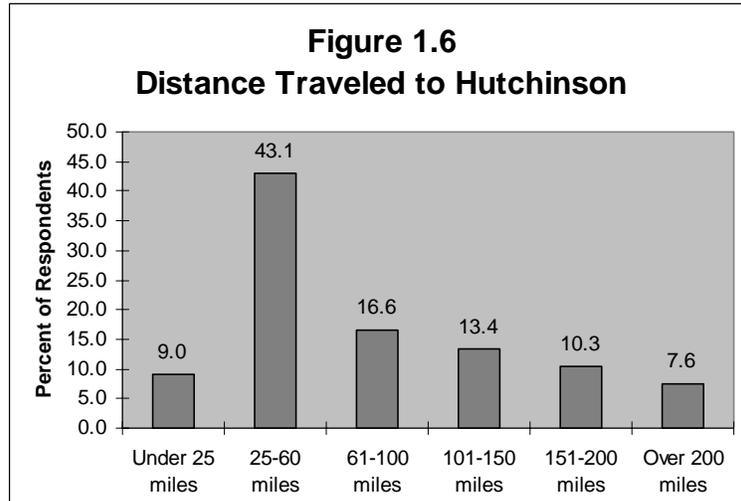
Participants were more widely scattered across the state than were Fair-goers in general. Only 58.2 percent of participants were concentrated in the top 10 counties, in contrast with 67.9 percent of Fair-goers in general. Two counties from the urban area of Northeast Kansas (Douglas and Leavenworth) were represented on the top 10 list for participants, each with 4 respondents.

Travel Distance and Days at Fair

Information on county of residence was supplemented by information on how far people traveled to attend the State Fair. The question was asked of all people who lived outside of the city of Hutchinson. About 43 percent of these respondents reported driving 25-60 miles. This range included people who traveled from Wichita and other Sedgwick County communities. Over 30 percent of respondents outside Hutchinson reported that they traveled over more than 100 miles to attend the Fair.

Table 1.11
Travel Distance to Hutchinson
 (asked only of people who did not report living in Hutchinson)

Distance	Number of Respondents	Percent
under 25 miles	111	9.0
25-60 miles	531	43.1
61-100 miles	205	16.6
101-150 miles	165	13.4
151-200 miles	127	10.3
over 200 miles	94	7.6
total	1233	100.0



The majority of Fair-goers (52.3) percent, attended the Fair for a single day, as shown in Table 1.12. However, many Fair-goers reported that they had attended on additional days, or that they planned to attend other days in the future. This was particularly true for those who classified themselves as participants, who often reported that they attended the Fair for several days. In fact, only about one-fourth of participants stayed for a single day. About 1.7 percent of visitors and 16.4 percent of participants planned to be present all 10 days of the Fair.

Table 1.12
Number of Days Attending Fair

Number of Days	Number: All Respondents	Percent	Number: Visitors	Percent	Number: Participants	Percent
1 day	807	52.3	751	57.0	56	24.9
2 days	311	20.2	295	22.4	16	7.1
3 days	185	12.0	142	10.8	43	19.1
4 days	94	6.1	60	4.6	34	15.1
5 days	46	3.0	34	2.6	12	5.3
6 days	20	1.3	8	0.6	12	5.3
7 days	4	0.3	2	0.2	2	0.9
8 days	6	0.4	0	0.0	6	2.7
9 days	11	0.7	4	0.3	7	3.1
10 days	59	3.8	22	1.7	37	16.4
Total	1543	100.0	1318	100.0	225	100.0

Fair Publicity

Respondents were asked to cite how they found out about the Fair. The surveyors recorded all factors that the respondents mentioned; a single respondent could provide multiple answers. Overall, the reason that most people knew about the Fair was that they attended regularly, and hence had come to expect when the Fair would be held. This response was more common for the group living within South Central Kansas than for the group living outside the area. Still, over 50 percent of the group living outside South Central Kansas cited “attend regularly” as the reason they knew about the Fair. A similar response that some people gave was that they knew about the Fair because they lived or had lived near Hutchinson. This response was much more common for respondents living within South Central Kansas than those living outside the area.

Among the various print and broadcast media, “newspaper ads” were most frequently cited as the reason that people knew about the Fair. This was followed by “radio ad” for those living within South Central Kansas and “TV ad” for those living outside South Central Kansas.

Table 1.13
Means by Which Respondent Found Out About Fair

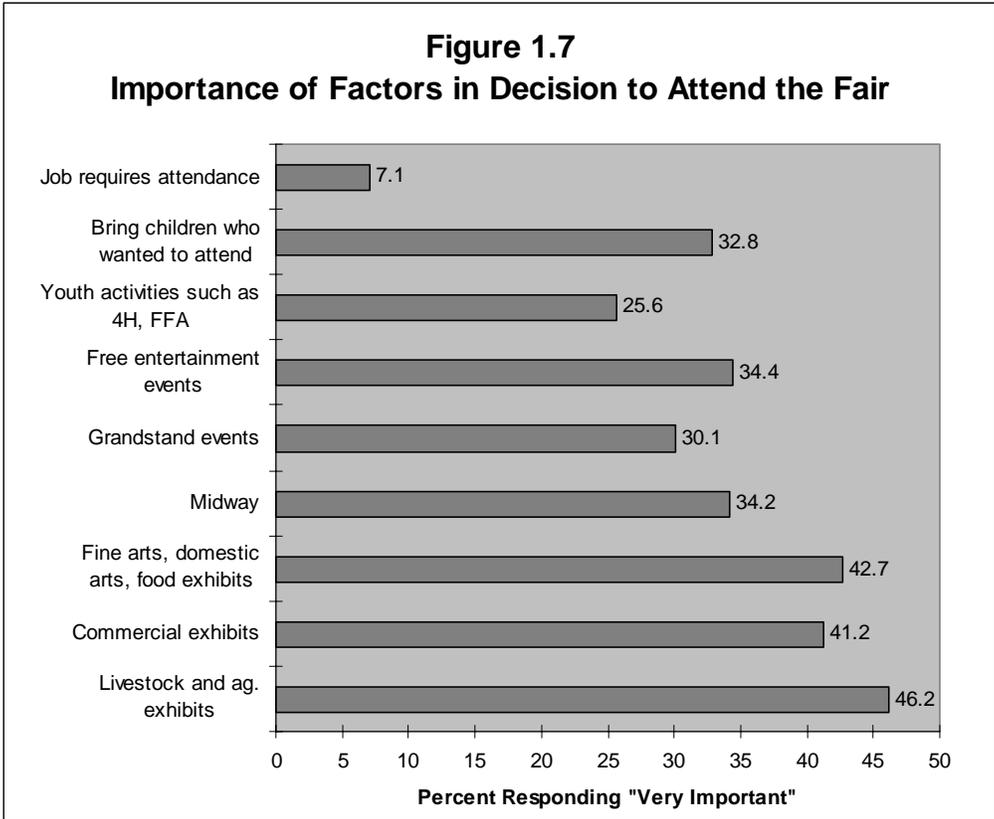
Means by which person found out about Fair	% of All Respondents	% of Respondents from SC Kansas	% of Respondents from Outside SC Kansas
Newspaper ad	11.4	12.1	10.3
Newspaper article	3.9	3.9	4.1
Outside sign	2.2	3.4	0.3
Radio ad	7.3	7.7	6.6
TV ad	7.1	6.9	7.3
Radio or TV story	6.8	7.0	6.4
Mailing	2.4	2.0	3.0
Attend regularly	60.6	66.1	51.1
Live in or have lived near Hutchinson	12.2	15.2	6.9
Other	14.8	10.7	21.8

Reasons for Attending Fair

Fair-goers were asked how important each of the several types of activities was in their decision to attend the Fair. Livestock and agricultural exhibits were the highest rated factor attracting people to the Fair, with over 46 percent of respondents citing this as “very important.” In other words, people said that the traditional emphasis of the Fair was what drew them in. Commercial exhibits and fine arts/domestic arts exhibits were also cited as “very important” by over 40 percent of respondents. It should be noted that these results differ substantially with the results from our telephone survey of a random sample of Kansans (see Chapter 2 of this report).

Table 1.14
Importance of Various Factors in Decision to Attend Fair

Potential reason for attending Fair	% Responding "Very Important"	% Responding "Mildly Important"	% Responding "Not Important"	Number Responding
livestock and agricultural exhibits	46.2	29.3	24.5	1548
commercial exhibits	41.2	39.0	19.8	1550
fine arts, domestic arts, food exhibits	42.7	28.5	28.9	1542
midway	34.2	19.5	46.3	1537
Grandstand events	30.1	17.2	52.7	1545
free entertainment events	34.4	25.1	40.5	1535
agricultural youth activities (4H, FFA)	25.6	15.7	58.7	1531
bring children who wanted to attend	32.8	4.5	62.7	1542
job requires attendance	7.1	1.8	91.1	1522

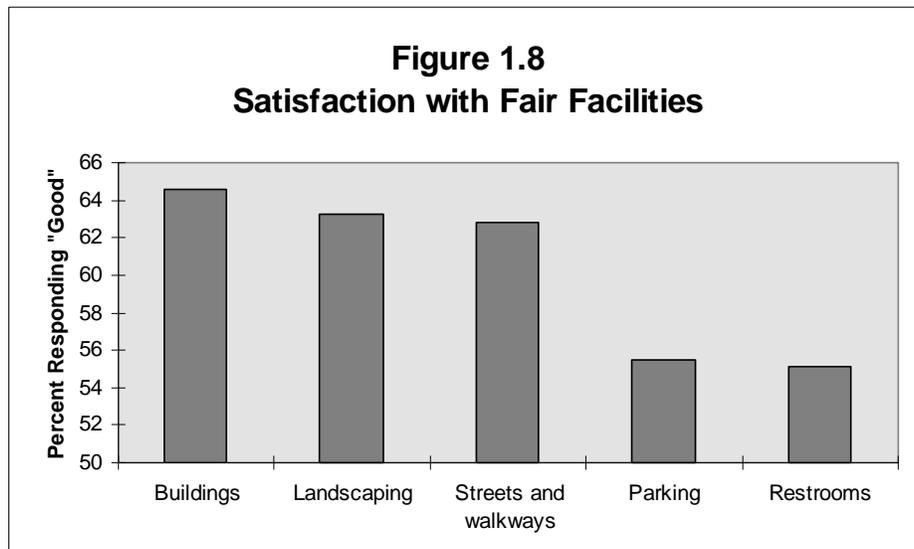


Satisfaction with Fair Facilities

Fair-goers were asked to rate several Fair facilities on a scale of “good,” “adequate,” or “needs improvement.” All facilities were rated as “good” by at least 55 percent of respondents. Restrooms and parking were most commonly cited as needing improvement, and least commonly cited as “good”. Still, no Fair facility received a rating of under 55 percent “good.”, indicating a high degree of satisfaction with facilities.

Table 1.15
Satisfaction with Fair Facilities

Facility	% Responding “Good”	% Responding “Adequate”	% Responding "Needs Improvement"
Buildings	64.6	31.4	4.1
Landscaping	63.3	33.0	3.8
Streets and Walkways	62.8	32.6	4.5
Parking	55.5	33.0	11.5
Restrooms	55.1	32.2	12.7



The respondents were asked if they had any additional comments about the Fair or about particular Fair facilities. Over 600 respondents added one or more comments. Some of the comments covered multiple subjects--we broke these apart for the purpose of analysis. We categorized these comments as related to 1) attractions, concessions, or exhibits; 2) building, grounds, and maintenance; 3) admissions, prices, and costs; 4) employees, security, and staff;. 5) parking availability, parking lot conditions, transportation, and camping area; 6) public relations and advertising; 7) restrooms; and 8) general comments about the Fair. We also categorized each comment as negative (or suggesting improvement), neutral, or positive. With the exception of the general comments, most of the comments were either negative or suggested things that might be done to make the Fair better. The general comments, on the other hand, were overwhelmingly positive. For each category, Table 1.16 summarizes the most frequent comments.

Table 1.16
Summary of Comments on Fair and Fair Facilities

Category	# positive	# negative	# neutral	Frequent Comments
Attractions, concessions, exhibits	24	108	8	need more and better rides; need more variety or different types of Grandstand shows; sharks were gone when people were looking for them.
Building, grounds, maintenance	24	115	0	need more drinking fountains; need more shade; need more benches; need air conditioning; danger from wires on ground in Midway area.
Admissions and pricing	3	85	2	various things too expensive.
Parking, transportation, lots	4	60	4	need more handicapped parking and electric carts for those who need them; need more camper space; too many vehicles inside Fairgrounds; liked free parking.
Public relations and advertising	8	20	0	need to improve maps; need better signs; Fair is good for Hutchinson economy.
Restrooms	0	42	0	need more restrooms; need to be cleaner.
General	140	0	0	Fair is enjoyable; Fair is fun; Fair is improving.

Spending Patterns

We asked the Fair-goers several questions related to their entire family or group's spending at the Fair and in the Hutchinson community. All respondents were asked about their spending on various types of goods and services, categorized as items 1-8 in Table 1.17 below. Questions about spending on fees and concessions were asked of all respondents. Note that fees included admissions to Grandstand events. It appears that a few exhibitors also included their space rental in this category. Questions about spending on tourism categories (3-8 below) were asked only of respondents who lived outside of Reno county, and were listed as zero for Reno county residents. The idea was that Reno County residents did not spend money at restaurants or stores *because of* the Fair.

Table 1.17
Visitors' Fair Expenditures by Type
 1996 Kansas State Fair

Number of Respondents and Type of Expenditure	Reno County Residents	Other South Central Kansas Residents	Kansas Residents Other Than South Central	Residents of Other States	All Locations
Number of respondents	338	567	427	55	1,387
Total people in group (over 5 yrs)	843	1,687	1,686	201	4,417
1. \$ Admissions and entry fees per person	5.87	5.08	3.53	4.18	4.60
2. \$ Concessions per person	21.81	18.76	14.96	22.58	18.07
3. \$ Tourist attractions per person	0.00	0.13	0.09	0.33	0.10
4. \$ Motels and other lodging per person	0.00	0.12	1.41	0.92	0.63
5. \$ Gas and car expenses per person	0.00	1.07	1.91	3.51	1.30
6. \$ Restaurants and food per person	0.00	1.63	2.37	3.70	1.70
7. \$ Retail shopping per person	0.00	1.15	1.28	3.51	1.09
8. \$ Other per person	0.00	1.79	8.81	1.25	4.10

Table 1.17 shows expenditures by type and by residence for those Fair-goers classified as visitors, as well as those participating in domestic arts and Band day, whose expenditure patterns were similar. A more detailed breakdown of expenditures by visitors and participants is found in Chapter 6 of in this volume.

The numbers in Table 1.17 were constructed as follows. First, we calculated the number of people age 6 and over in each group. Very young children do not pay admission, and therefore are not counted in the the “number of visitors” data compiled by the Fair, so we wanted to exclude them from our notion of visitors as well. Second, we created new variables (spending per person) by dividing the expenditure items by the (adjusted) number of people in the group. For those visitors who made an overnight trip to the Fair, it appeared that the spending on tourism items (motels, restaurants, etc.) was reported for the entire stay at the Fair, not just a single day. For these visitors, we made additional adjustments for the length of stay. We then calculated the mean (or average) of these new expenditure variables.

On average, visitors reported spending close to \$18 per person each day on concessions, rides, food, and other Fair attractions. Visitors from outside the state spent on average about \$3.70 per person per day on restaurant meals, about \$3.51 on retail purchases, and about \$.92 per person per day on motels. The amount spent by out-of-towners on motels seems rather small. One possible explanation, supported by some of our interviews with respondents, is that many people stay overnight in recreational vehicles parked in the general Fair parking lots.

We further analyzed the distribution of visitor tourism expenditures to see if most groups were spending a little in Hutchinson, or if some groups were spending nothing while others had significant expenditures. The latter appeared to be the case. For each type of tourism expenditure, we looked at the number of groups spending \$10 or more. We then calculated this as a percentage of the total respondents from outside Reno county. Restaurants and gas were the two expenditure categories for which more than a quarter of visitor groups had tourism expenditures of \$10 or more.

Table 1.18
Respondent Groups from Outside Reno County with Expenditures Over \$10
 Visitors, Band Day Participants, Domestic Arts Participants

Type of expenditure	Number of Respondents from Outside Reno County	Percentage of Respondents from Outside Reno County
\$ Tourist attractions	27	2.6
\$ Motels and other lodging	60	5.7
\$ Gas and car expenses	315	30.0
\$ Restaurants and food	280	26.7
\$ Retail shopping	83	7.9
\$ Other	51	4.9
Total number of groups = 1049		

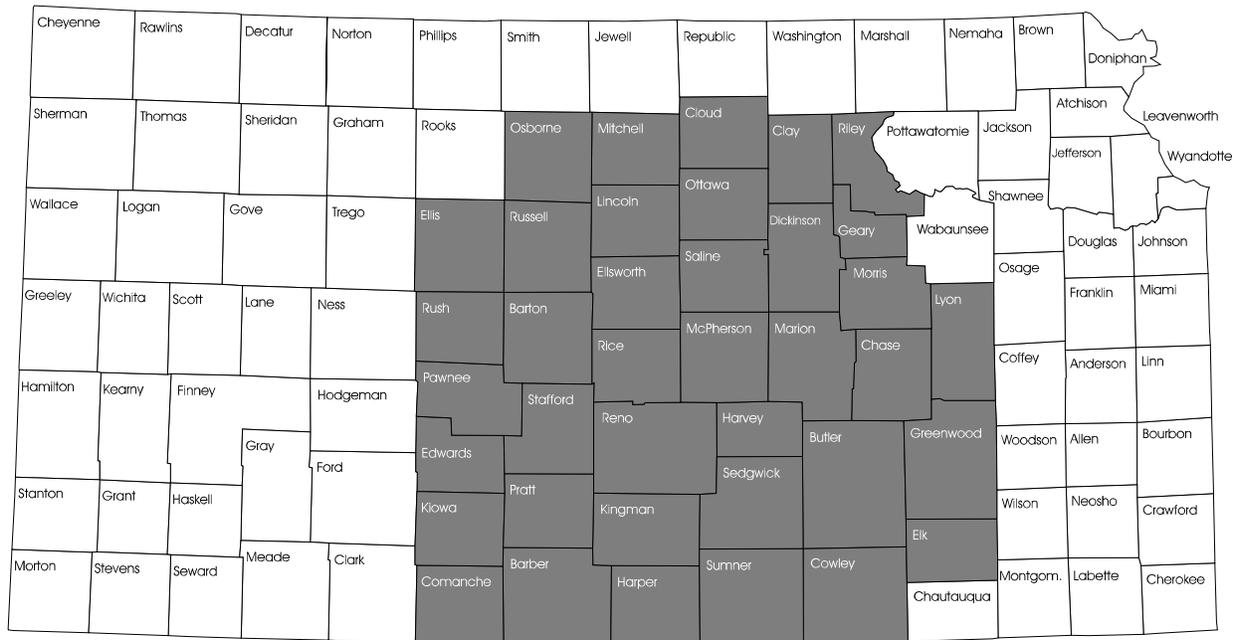
2. RESULTS OF THE TELEPHONE SURVEY

Background

In November and December, 1996, IPPBR conducted a telephone survey of 900 Kansas households. The purpose of the survey was to gauge how aware Kansans are of the State Fair, to find out what basic kinds of events are of interest to potential Fair-goers, and to find out what kinds of Grandstand shows might attract people to the Fair. Unlike the on-site survey, the telephone survey was able to gather information on why people *did not* come to the Fair.

The sample of households that we telephoned was divided into two groups. 450 households were selected randomly from counties that are completely or mostly within a 100 mile radius of Hutchinson. For people in this part of the sample, driving times to Hutchinson are under two hours. The remaining 450 households were chosen randomly from counties in Kansas outside the 100-mile radius. Figure 2.1 shows the division of counties, with gray indicating the counties in the “close to the Fair” group. Note that the sampling procedure slightly over-represents people who live within 100 miles of the Fairgrounds. The counties included in this group comprise only 42 percent of the Kansas population but 50 percent of the sample.

Figure 2.1
Division of Counties for the Telephone Survey



In the analysis that follows, we present a combined analysis for all 900 households in the sample and separate analyses for the two geographic groups where appropriate. For some questions, we also focus in on a subgroup of people outside a 100 mile radius of Hutchinson-- people living in urban counties that are part of or adjacent to the Kansas City metropolitan area (Johnson, Douglas, Miami, Wyandotte, Leavenworth). The sub-group includes 194 respondents.

Demographics

All survey participants were asked basic demographic questions: age, gender, and income. The age category of people over 60 is somewhat over-represented in our sample: people over 60 comprised about 18 percent of the Kansas population as of 1994, but they comprised 25.3 percent of people answering the survey. We surmise that this age group was more likely to be at home to answer survey questions when called. About 63 percent of respondents were female: again, females are over-represented because they are probably more likely to answer the phone. Over half of the respondents placed themselves in the middle income category, with incomes between \$15,000 and \$50,000. The age and gender breakdown was similar over the two geographic divisions of the sample. However, the group living outside a 100-mile radius of the Fair had more respondents in the highest income group.

Table 2.1
Age of Respondents

Age	Number of Respondents	Percentage of Respondents
18-25	116	13.0
26-40	277	31.0
41-60	274	30.7
over 60	226	25.3
missing	7	

Table 2.2
Gender of Respondents

Gender	Number of Respondents	Percentage of Respondents
female	566	63.1
male	331	36.9
missing	3	

Table 2.3
Income of Respondents

Household Income	# Entire Sample	% Entire Sample	# Within 100 Miles	% Within 100 miles	# Outside 100 Miles	% Outside 100 Miles
zero	10	1.3	5	1.3	5	1.3
under \$15,000	102	13.1	54	13.9	48	12.3
\$15,001-\$30,000	227	29.2	111	28.6	116	29.8
\$30,001-\$50,000	241	31.0	121	31.2	120	30.8
\$50,001-\$75,000	120	15.4	64	16.5	56	14.4
over \$75,000	77	9.9	33	8.5	44	11.3
missing--refused to answer	123		62		61	

Attendance at the State Fair and Other Events

The first question on our survey asked respondents about attendance at the State Fair and a number of other tourist destinations and events. For the group as a whole, 17.3 percent claimed to have attended the State Fair in 1996. For comparison, 11.9 percent said that they had visited the Cosmosphere, 16 percent had visited the Wichita Riverfest, 12.3 percent the Renaissance Festival, and 42 percent a Kansas State Park.

Not surprisingly, there were significant differences in Fair attendance between the two geographic survey regions. Of the group living within 100 miles of the Fair, 26 percent stated that they had attended the Fair in 1996. This contrasts with 8.7 percent of the group that lives further from the Fairgrounds. We analyzed the group living outside a 100-mile radius further, breaking out a subgroup of respondents from the Kansas City area. About five percent of these respondents reported that they had attended the Fair last year.

Table 2.4
Attendance at State Fair in 1996

Location	% Yes	% No
overall sample	17.3%	82.7%
within 100 miles	26.0%	74.0%
outside 100 miles	8.7%	91.3%
---Northeast metro	5.2%	94.8%

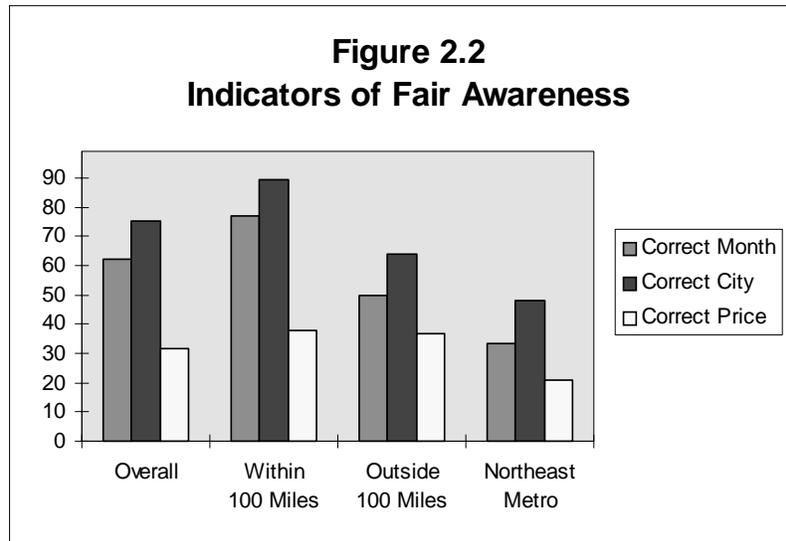
Fair Awareness

People who did not attend the Fair were asked if they knew the month, place, and approximate admission price of the event. Overall, awareness about the time and place of the Fair was high, particularly in the area within 100 miles of the Fairgrounds. But respondents were not very aware of the admission price of the Fair. About 32 percent of the overall sample and 27 percent of those outside a 100-mile radius of the Fair knew that the price of an adult admission is less than \$5.00.

Differences in awareness about the Fair are even more pronounced when we concentrate on the subgroup of respondents in Northeast Kansas in and near the KC metro area. Fewer than half of this subgroup knew that the Fair takes place in Hutchinson, 33.5 percent knew that the Fair takes place in September, and 21.1 percent knew that the Fair admission is less than \$5.00.

Table 2.5
Indicators of Fair Awareness

Location	% answering correct month	% answering correct city	% answering correct price
overall sample	62.1	75.5	31.7
sample within 100 miles	77.2	89.6	38.0
sample outside 100 miles	49.9	63.9	26.6
---Northeast metro	33.5	48.1	21.1



In part, awareness of the Fair is built up by exposure to advertisements and news pieces. Information about the Fair is disseminated in many different ways--though print media, radio, television, and other means. We asked respondents if they recalled seeing, hearing, or reading various kinds of information about the Fair. The level of exposure to information was high in the geographic area within 100 miles of the Fairgrounds. Three-fourths of respondents recalled seeing TV advertisements and TV news pieces about the Fair. They also reported seeing newspaper ads and articles and hearing about the Fair on the radio. Exposure to information about the Fair declines with distance from the Fairgrounds. For example, less than one-third of respondents from the Northeast Kansas metro area reported seeing a TV ad or news piece. This suggests that those who are less aware of the Fair (see Table 2.5) are also those less exposed to media information about it. However, the correlation does not prove causality. It is possible that those who are already aware of the Fair do a better job of remembering information about it.

Table 2.6
Exposure to News Pieces and Advertising
 (percent of respondents recalling exposure)

Information source	overall sample	within 100 miles	outside 100 miles	subgroup-NE metro
newspaper advertisement	60.3	71.3	44.0	35.6
newspaper article	55.7	67.3	44.4	30.9
radio advertisement	54.6	64.7	44.4	32.5
radio news piece	47.7	58.2	37.1	26.8
TV advertisement	59.4	75.1	43.8	32.0
TV news piece	58.8	74.4	43.1	33.0
signs posed at stores	37.1	52.7	21.6	16.5
direct mailing about Fair	14.0	18.2	9.8	7.2
brochure about Fair	20.3	29.3	11.3	6.7
highway billboard	25.6	36.0	15.1	14.4

Reasons for Non-Attendance

We asked people who did not attend the Fair the main reasons (people could state more than one reason) that they did not attend. The question was asked in a free format, and the surveyors marked all reasons that the respondent mentioned.

The major reason mentioned by people in both groups was that they were too busy. Not surprisingly, a high percentage of people who live more than 100 miles from the Fairgrounds mentioned distance as a major reason. Surprisingly, people in the urban areas of Northeast Kansas were less likely to cite distance as a reason for non-attendance than were people in the “outside 100 miles” group generally.

A high percentage of respondents also mentioned that they were just not interested in this type of event. This was a more common response for the group living far from the Fair than for the group living within 100 miles. Very few people mentioned that the Fair was too expensive. For the group that lives more than 100 miles from the Fair, not knowing about the Fair was a significant reason for non-attendance. This was especially true for people in the Northeast Kansas counties near Kansas City--over 24 percent of these respondents mentioned that they did not know about the Fair.

Table 2.7
Reasons for Not Attending the Fair
 (percent of respondents mentioning)

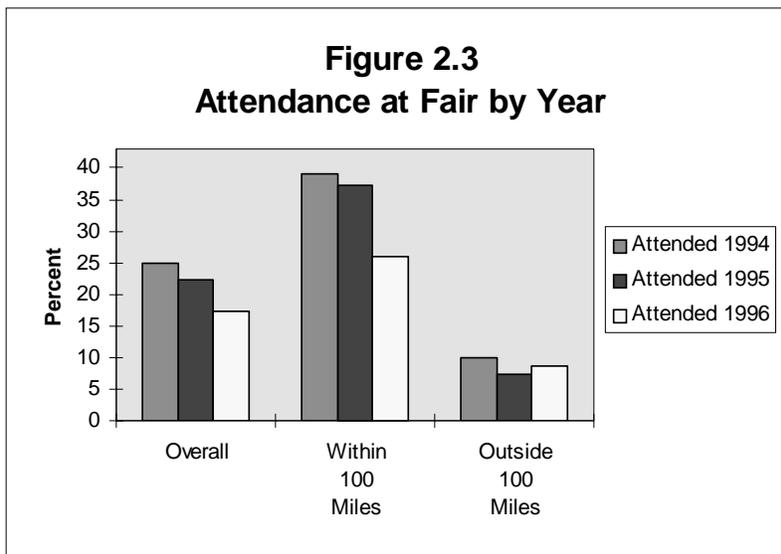
Reason mentioned	overall sample	within 100 miles	outside 100 miles	subgroup-NE metro
too far away	22.8%	8.9%	34.1%	29.7%
too expensive	6.1%	5.9%	6.3%	4.9%
didn't know about it	9.9%	2.7%	15.7%	24.3%
not interested	22.5%	17.2%	26.9%	29.2%
don't like this kind of event	8.7%	6.5%	10.4%	15.1%
conflicts with other tourism events	5.1%	4.8%	5.3%	5.4%
conflicts with personal events	23.9%	24.1%	23.7%	16.8%
too busy	38.8%	41.2%	36.8%	29.7%
weather	1.2%	2.1%	0.5%	0.5%
went last year	2.4%	4.2%	1.0%	0.5%
other	22.3%	29.8%	16.2%	14.1%

Attendance at the Fair in Previous Years and Plans for 1997

We asked all respondents if they had attended the Fair in previous years. Reported attendance was higher in 1994 and 1995 than in 1996, particularly for the group living within 100 miles of Hutchinson. The difference between 1995 and 1996 has a partial explanation--paid attendance in 1996 was 7.6 percent lower than in 1995, primarily due to unfavorable weather conditions. It may also be the case that people's recollections of whether they attended one or two years ago were inaccurate.

Table 2.8
Attendance at the Fair by Year
 (percent reporting attendance)

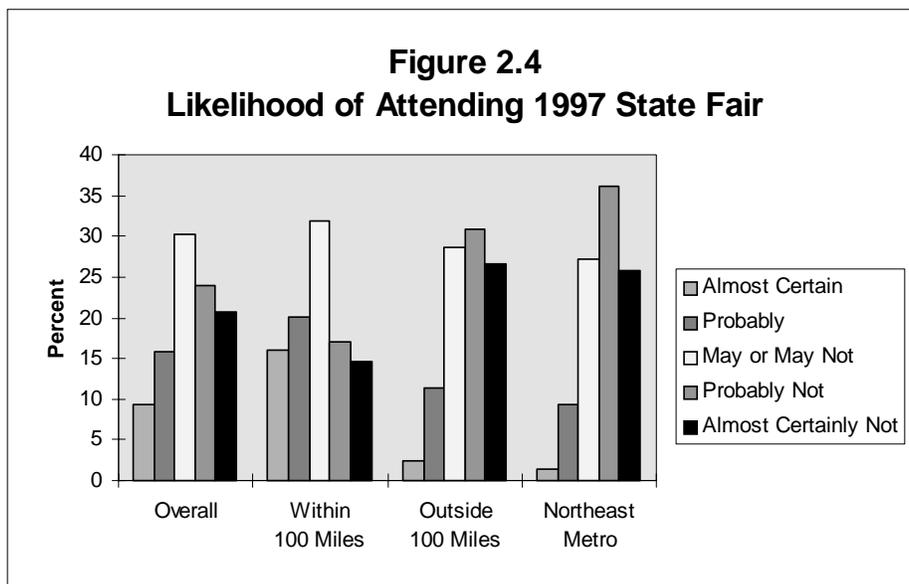
Location	attended in 1994	attended in 1995	attended in 1996
overall sample	25.0	22.3	17.3
within 100 miles	39.1	37.3	26.0
outside 100 miles	10.0	7.3	8.7



We asked people if they were planning to attend the Fair in 1997. Over 36 percent of the group living near the Fair said that they were likely to attend in 1997. In contrast, less than 14% of the group living further away said that they were likely to attend. For the sub-group living in Northeast Kansas urban counties, the percentage fell to 10.8. A noticeably large percentage of each group was undecided--between 27 and 32 percent, depending on location.

Table 2.8
Plans to Attend 1997 State Fair

Likelihood of Attendance	overall sample	within 100 miles	outside 100 miles	subgroup--NE metro
almost certainly will attend	9.3	16.0	2.4	1.5
probably will attend	15.8	20.2	11.3	9.3
may or may not attend	30.2	31.8	28.7	27.3
probably will not attend	24.0	17.1	30.9	36.1
almost certainly will not attend	20.7	14.7	26.7	25.8



Degree of Interest in Fair Activities

The Kansas State Fair offers a great variety of exhibits and activities. We asked respondents a series of questions to gauge what kinds of activities interest them most. For these items, a score of 1 indicated “very interested,” 2 indicated “somewhat interested,” and 3 indicated “not interested.” The lower the score, the higher the interest indicated. Average scores were very similar across the geographic areas, so we present only the combined scores. Overall, people indicated the most interest in free entertainment, entertainment in the Grandstand, fine arts, and “Fair food.” Among the general population, the traditional Fair livestock exhibits and the midway were the activities for which people expressed the least interest.

We also examined the same set of questions for people who said that they would almost certainly or probably attend the Fair in 1997 (226 people). A similar pattern across the activities emerged. Not surprisingly, the degree of interest in Fair activities was higher (the score lower) for the group that was likely to attend.

Table 2.9
Degree of Interest in Fair Activities

Type of activity	average score entire sample	average score respondents likely to attend
livestock	2.15	1.91
commercial exhibits	1.91	1.71
fine arts	1.76	1.71
midway	2.22	1.98
entertainment in Grandstand	1.72	1.63
free entertainment	1.64	1.48
youth activities	2.06	1.80
food	1.76	1.51

*note: a low numeric score indicates a high degree of interest

We asked the respondents for specific information about what kind of Grandstand entertainment attracted them the most. For each type of entertainment, we calculated the percentage of respondents who said they almost certainly or probably would attend. The responses for the two groups of households (within and outside 100 miles) were almost identical. Therefore, we assumed that people interpreted the question to mean whether they would attend this kind of entertainment in general (not specifically in Hutchinson). County music, comedy, and rodeo events were the kinds of entertainment in which people indicated the most interest.

Table 2.10
Interest in Grandstand Entertainment

Type of entertainment	% who certainly or probably would attend
truck and tractor pull	24.0
auto races	28.8
big name R&B performer	35.3
big name country performer	53.4
big name rock act	28.6
big name gospel performer	34.1
big name magician	34.6
big name comedian	53.4
rodeo	47.7

The survey asked people whether they would be more likely to come to the Fair if it offered more of what they expressed an interest. Almost 45 percent of the group outside a 100-mile radius of Hutchinson, and 35.8 percent of those within a 100-mile radius said that they would be more likely to come if the Fair expanded its offerings.

The survey included two free-form questions: “Is there anything else the State Fair could do that would make it more likely for you to attend?” and “Are there other Grandstand events that you would be interested in attending?” Not surprisingly, many people said that they would attend if the Fair were closer to where they lived. People also suggested holding the Fair before the beginning of the school term. According to the respondents, they would be more likely to attend if the Fair increased advertising, brought in bigger name performers, and improved parking and access for people with disabilities. Suggestions for Grandstand events included having a demolition derby, horse racing, motor cycle racing, and having people shot out of cannons.

3. SURVEY OF EXHIBITORS AND CONCESSIONAIRES

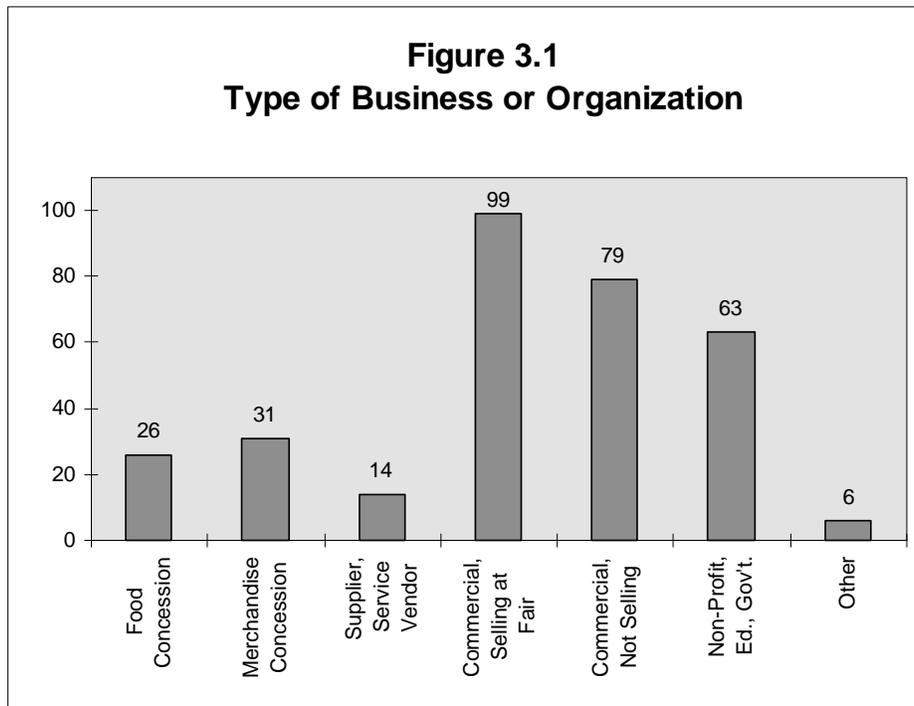
During October, 1996, IPPBR mailed surveys to 626 exhibitors and concessionaires who had participated in the 1996 Kansas State Fair. Responses were received from 318 businesses and organizations. The survey gathered marketing information to help the State Fair staff improve services to this group, and information on sales, costs, and employment to be used in the State Fair economic impact study. This chapter analyzes the survey information to create a clearer picture of how the State Fair affects those who do business at it. Chapter 7 incorporates the survey results into the impact study.

Description of Respondents

Concessionaires and exhibitors were asked to describe their line of business at the Fair. Commercial businesses making sales at the Fair constituted the single largest group of respondents, representing about 31 percent of the total. The next largest group of respondents was commercial businesses that do not make direct sales at the Fair, but instead used the Fair to provide information about their products and to develop leads and contacts. Nonprofit organizations including state and local government also made up a substantial part of the survey sample. It should be pointed out that those non-profits such as churches that operated food concessions were grouped under food. It should also be pointed out that many of the firms that categorized themselves as “not making direct sales at the Fair” nevertheless reported some small amount of direct sales activity.

Table 3.1
Type of Business or Organization

Type of Exhibitor or Concessionaire	Frequency	Percent	Cumulative Frequency	Cumulative Percent
food concession	26	8.2	26	8.2
merchandise concession	31	9.7	57	17.9
supplier, service vendor	14	4.4	71	22.3
commercial, selling at fair	99	31.1	170	53.5
commercial, not selling	79	24.8	249	78.3
non-profit, ed., govt.	63	19.8	312	98.1
other	6	1.9	318	100



One-hundred-seventy-nine firms and organizations reported making some sales during the fair. Ninety-three firms reported sales over \$5,000, while 33 firms reported sales over \$20,000.

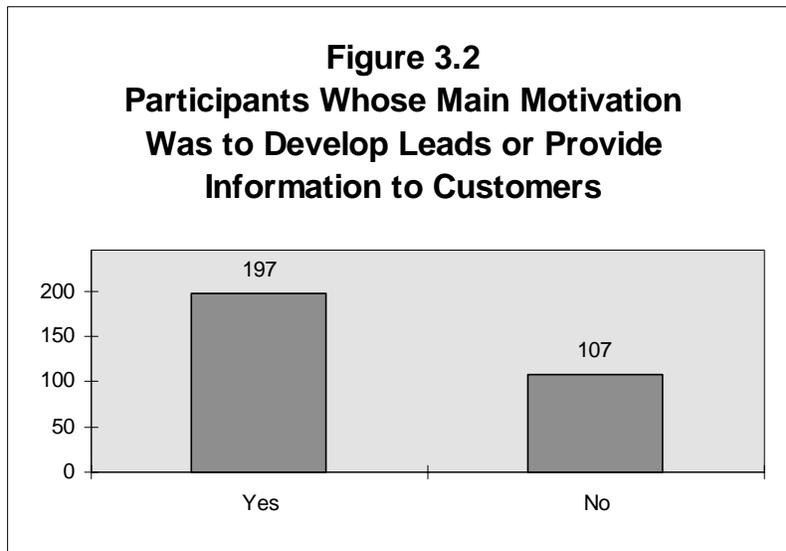
Table 3.2
Approximate Sales During State Fair

Dollar Sales	Frequency	Percent	Cumulative Frequency	Cumulative Percent
\$0	86	32.5	86	32.5
\$1-2500	52	19.6	138	52.1
\$2,501-5,000	34	12.8	172	64.9
\$5,001-10,000	35	13.2	207	78.1
\$10,001-20,000	25	9.4	232	87.5
\$20,001-40,000	16	6	248	93.6
\$40,001-60,000	6	2.3	254	95.8
\$100,001-150,000	8	3	262	98.9
over \$200,000	3	1.1	265	100

For many of the firms and organizations, the development of leads and the opportunity to disseminate information was the motivating force behind State Fair activities. Approximately two-thirds of respondents cited this as the major reason for participating in the Fair.

Table 3.3
Was Major Reason for Participation to Develop Leads or to
Provide Information to Your Market?

Response	Frequency	Percent	Cumulative Frequency	Cumulative Percent
no	107	35.2	107	35.2
yes	197	64.8	304	100



Firms were asked to estimate their expected sales due to leads. The expected sales from leads generated during the Fair were substantial: 96 firms expected that sales over \$10,000 during the next year would result from their Fair activities.

Table 3.4
Expected Dollar Volume of Business During Year
Resulting from Leads Developed During Fair

Expected Sales during year from leads created during Fair	Frequency	Percent	Cumulative Frequency	Cumulative Percent
\$ 0	31	15.3	31	15.3
\$1-2500	27	13.4	58	28.7
\$2,501-5,000	17	8.4	75	37.1
\$5,001-10,000	31	15.3	106	52.5
\$10,001-20,000	18	8.9	124	61.4
\$20,001-40,000	24	11.9	148	73.3
\$40,001-60,000	14	6.9	162	80.2
\$60,001-80,000	9	4.5	171	84.7
\$80,001-100,000	4	2	175	86.6
\$100,001-150,000	10	5	185	91.6
\$150,001-200,000	4	2	189	93.6
over \$200,000	13	6.4	202	100

Using the range estimates of dollar sales and leads provided by respondents, we approximated the overall sales and leads represented by the survey sample. We estimated that the businesses that responded to the survey represented over \$3.3 million in sales at the Fair in 1996. We estimate that the firms generated leads at the Fair that they expected to bring in over \$8 million. Among the respondents, commercial firms selling at the Fair report the highest dollar volume of sales. Those commercial firms not selling at the Fair report the highest dollar amount of leads--that is, expected *future* sales.

Table 3.5
Estimates of Total Sales and Total Leads

Type of Business or Organization	Number of Firms Answering Sales Question	Estimated Total Sales (\$)	Number of Firms Answering Leads Question	Estimated Total Leads (\$)
Food concessionaire	26	617,500	7	36,250
Merchandise Concessionaire	31	570,000	12	512,500
Suppliers and service vendors	9	112,500	8	130,000
Commercial firms selling at Fair	95	1,961,250	74	3,201,250
Commercial firms not selling at Fair	54	67,500	65	3,816,250
Non-profits, education, govt.	45	26,250	27	502,500
Other	5	5,000	4	11,250
Total	265	3,360,000	197	8,210,000

Firms and organizations were asked about their expenditures associated with Fair participation. Ideally, we would have asked firms the exact geographic location of their expenditures. But we suspected that this would have made our survey questions so complicated that we would have gotten very few responses. We compromised by asking simply whether the expenditure was inside or outside Reno county. We pro-rated wages for each firm based on the firm's survey responses about the place of residence of employees.

The survey respondents reported spending about 1.5 million on space costs, wages, materials, rentals, and other goods and services. Of the total, over half was spent in the Reno County area. About 40 percent of wages and salaries went to people living in Reno County, and another 30 percent went to people living in other parts of South Central Kansas.

The respondents reported that 4,563 employees and volunteers worked at their organization's booth or exhibit. Almost 30 percent of these people resided outside the South Central Kansas area. For paid employees, the average hourly wage at the Fair was \$8.72--this included the regular hourly wages for businesses that sent their full-time employees to the Fair. For food concessions, the average hourly wage was much lower: \$5.23.

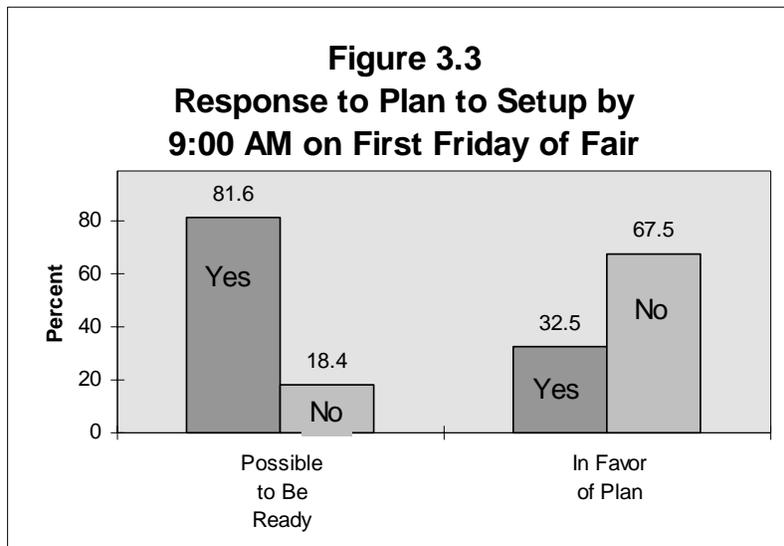
Table 3.6
Total Expenditures and Employment for Firms Responding to Survey

Expenditure Item	Total	In Reno County	In Other SC Kansas
Fair Space Cost	298,297	298,297	--
Wages and Salaries	485,495	188,103	146,235
Materials and Supplies	581,787	203,276	--
Rentals	49,766	27,486	--
Other	155,276	81,288	--
Total Expenditures	1,570,621	798,449	--
Total Employment (inc. volunteers)	4,563	1,556	1,662

Exhibitors and concessionaires were asked if it would be possible for them to set up by 9:00 AM on the first Friday of the Fair, and whether they were in favor of such a plan. The overwhelming majority felt that they could be ready if necessary. However, over two thirds of respondents were opposed to such a plan.

Table 3.7
Is It Possible for Your Organization to be Ready by 9:00 Friday, and Are You In Favor of Such A Plan?

Response	Frequency	Percent
<i>Possible to be ready?</i>		
No	57	18.4
Yes	252	81.6
<i>In favor of plan?</i>		
No	197	67.5
Yes	95	32.5



Firms and organizations were asked whether they were satisfied with the success of their business activities at the 1996 State Fair. Over 32 percent expressed some dissatisfaction, while about 25 percent were very satisfied. Nevertheless, the overwhelming majority of exhibitors and concessionaires, close to 98 percent, plan to return to the Fair in 1997.

Table 3.8
Satisfaction with Success of Business at 1996 Fair

Satisfaction with Fair business	Frequency	Percent	Cumulative Frequency	Cumulative Percent
very unsatisfied	55	17.9	55	17.9
somewhat unsatisfied	44	14.3	99	32.1
neutral	36	11.7	135	43.8
somewhat satisfied	97	31.5	232	75.3
very satisfied	76	24.7	308	100

Table 3.9
Plan to Participate in Fair in 1997?

Response	Frequency	Percent
No	7	2.3
Yes	294	97.7

Exhibitors and concessionaires had many suggestions concerning how the Fair might be made better for their enterprises. Many participants thought that buildings should close earlier, especially on weekdays. Participants mentioned air-conditioning, fixing leaks, and other building renovations as efforts that would improve their businesses. Many participants were interested in increasing Fair attendance--they suggested lowering gate prices and making better use of the Grandstand. Finally, several exhibitors were concerned with parking, especially handicapped parking.

4. SURVEYS OF HUTCHINSON BUSINESSES

In order to get further insight into the effect of the Fair on Hutchinson businesses, IPPBR conducted a mail survey. We targeted those categories of business most associated with tourism:

- gas stations and convenience stores;
- hotels and motels;
- restaurants and fast-food establishments.

The surveys were not altogether successful. Even after two follow-up mailings, the response on most of the surveys was low. Even more importantly, those firms that did respond for the most part refused to divulge their sales figures for the periods before, during and after the Fair. On the other hand, several firm managers added extensive comments to the survey forms, giving a perspective of the Fair from the business point of view. We focus on the qualitative information on these surveys, since we did not get enough information for a quantitative analysis. Overall, the responses indicate that the Fair is a “mixed blessing” to Hutchinson businesses. However, it should be pointed out that this information comes from a very small sample of respondents.

Gas Stations and Convenience Stores

Altogether 39 businesses were mailed surveys, and 16 firms mailed the forms back. Firm managers are concerned that traffic is directed away from the business areas of Hutchinson. They are also concerned that local consumers stay away during the Fair.

Table 4.1
Comments from Survey of Gas Stations and Convenience Stores

While the fair hurts us sales wise, it helps us the rest of the year having the fair grounds so close to us. Business slows down - could lay people off - local customers stay away.

Our fast food sales drop.

Employees don't show up for work - they go to the fair. We feel motels and eating places are about the only places that benefit. Most people coming to the Fair don't need gasoline because they fill up in their home town before they leave and they don't have to fill again till they return home.

It definitely helps the economy in Hutchinson & therefore it has an impact on my business after the fair leaves town.

Actually, the fair helps some of my convenience stores and hurts others. Overall, sales show no significant changes during the Fair in my Hutchinson stores.

We enjoy meeting new people, we enjoy the fair, and we support it. As for business, our local business usually decreases, but we get some out-of- town business, so it really doesn't affect the total.

Most fair traffic is directed around our area. Hutchinson would get a better economic impact if traffic were allowed to flow through town with less signs suggesting around town routes.

There are too many signs directing traffic on the outskirts of town. We would have more customers if the signs let people go through town.

Hotels and Motels

We mailed surveys to 14 hotels and motels in the Hutchinson area, but only 3 responded, clearly not enough for a statistical analysis. Those who did respond seemed to think that the Fair brings them repeat business throughout the year.

Table 4.2
Comments on Surveys of Hotels and Motels

The impact of the Fair is by word of mouth, so others want to stay and give us a try. Brings back those people at other times of the year.

Customers who come during the State Fair stay with us whenever they come back to Hutch.

Brings lots of people to Hutchinson and they spend more money and time.

Increase in room sales; Decrease in food sales; Decrease in catering & meeting room revenue.

Restaurants and Fast Foods

We mailed surveys to 99 Hutchinson area restaurants and fast food establishments. 18 businesses responded to the survey, but only 7 provided quantitative data on sales and employment. Four respondents reported that they had either hired someone or increased employee hours during the Fair period.

Table 4.3
Comments of Surveys of Restaurants and Fast Food Establishments

Our sales drop approx 25% during the fair. Senior citizens don't like getting out in the extra traffic. Our business people work in booth for clubs they belong to. Some customers take their vacations to work at the Fair.

We do about \$50 to \$100 more per day during the Fair. \$750 per day is our average

Most of the revenue generated by the fair leaves Reno county at its close. A lot of this is spent by local people. I believe overall it creates a negative impact to our local economy.

Our sales increase about 5% during Fair.

We are busy during the Fair, but slower the week before and the week after.

Our regular customers work at the Fair so we lose business during the Fair. We are on 4th street. All the traffic is directed in on 11th, 17th, and 30th.

5. ECONOMIC IMPACT MODELING

Over the last ten years, IPPBR has developed techniques for modeling economic impacts in Kansas and Kansas counties. At its core, the impact modeling relies on a category of models known as “input-output models.” In order to understand economic impact modeling, it is helpful to review the basic workings of the input-output methodology.

Input-Output Models

At the center of any input-output model is a supply and demand equation, or more precisely, a supply and demand equation for each commodity or service in the model (our current model includes 60 sectors). Take, for example, the auto repair industry. Supply, or output, is simply the value of the service that is produced by firms in the region. Demand is a bit more complicated because there are several types of demand:

- 1) demand from consumers who live within the region;
- 2) demand from other firms in the region;
- 3) demand from travelers and other consumers from outside the region.

The input-output model adopts the standard economic assumption that, in equilibrium, a firm produces exactly as much as the purchasers demand.

Suppose purchasers, say travelers, increase their demand for auto repairs. Then firms will respond by increasing supply, and, consequently, increasing their employment and payrolls. The new income received by employees will, in turn, increase demand for other types of goods and services: for example, restaurants and building supplies. So firms in these additional industries also experience increases in demand. The initial increase in demand for auto repair reverberates throughout the local economy and generates what are known as “multiplier effects.” The multiplier effect for wages is the ratio of the wage increase in the entire regional economy to the “first round” wage increase in the industry that experienced the initial increase in demand (auto repair). The main purpose of the input-output model is to estimate multiplier effects in a manner consistent with economic theory.

There are some additional complications in applying input-output models, but none of them change the basic concepts described above. Complications include:

- 1) Import coefficients. Depending on the size of the region, generally only about one-half to three-fourths of the services purchased by consumers and firms is produced locally. The fraction is even smaller for manufactured goods. The remainder is imported from other regions and even other countries.
- 2) Trade margins. The location where a good is purchased is often not the same as the location where the good is manufactured. Suppose, for example, that a State Fair

visitor purchases a new car in Hutchinson. The consumer may buy the car from a local dealer, but less than 20 percent of the payment for the car “sticks” in the local community. The rest goes to pay for the production of the vehicle, say in Detroit. The amount that stays in the local community is called the retail trade margin.

Input-output models require large amounts of data. The most important data are referred to as the “input coefficients.” Again consider the example of the auto repair sector. The input coefficients for this industry show the amounts of each commodity or service (parts, petroleum products, utilities, advertising, labor, etc.) that go into producing auto repair. For a model with 60 sectors, there are 60 x 60 or 3,600 input coefficients. In addition to the input coefficients, the model requires data on imports, trade margins, ratios of payroll to employment, and other items. For many of the data items in the model, especially the input coefficients, we rely on national averages, because there simply are no local data available. The national data are adjusted using what local data are available--in particular, data on income and employment by industry provided by the US Bureau of Economic Analysis¹ and data from the US Economic Census.²

Impact Modeling

Estimating the economic impact of a particular economic activity (for instance, one associated with the State Fair) requires more than just the technical application of a computerized input-output model. It requires that one collect data on the actual magnitude of spending associated with the activity. It requires that one make reasonable assumptions about the counterfactual; that is, what spending would have happened if the particular activity in question had not taken place. It requires that total spending be adjusted for import coefficients and trade margins. It requires the use of an input-output or similar model to estimate multiplier effects. And finally it requires that impacts be reported as the difference between the actual and the counterfactual. The general schematic that was used for estimating the economic impacts of the State Fair is shown in Table 5.1 below.

¹ US Department of Commerce, Bureau of Economic Analysis. *Regional Economic Information System*. Data on CD ROM. June, 1996.

² US Department of Commerce, Bureau of the Census. *1992 Economic Census*. Data on CD ROM. #CD-EC92-H. May, 1996.

Table 5.1
Steps in Modeling Economic Impacts

Step	Description	Sources and methods
Step 1	Estimate actual spending.	Conduct surveys. Supplement with published data.
Step 2	Estimate counterfactual spending.	Formulate reasonable assumptions of where spending would have occurred otherwise. Use surveys to test assumptions if possible.
Step 3	Estimate net new spending--actual minus counterfactual.	Note: the differencing of the actual and counterfactual may sometimes take place at a later stage of the modeling--after Step 5.
Step 4	Estimate net direct local spending (and associated payroll and jobs)	Apply import coefficients and trade margins to #3. Use payroll and job coefficients.
Step 5	Estimate total local spending = direct plus indirect local spending (and associated payroll and jobs)	Apply input-output model to get multiplier effects. Apply payroll and job coefficients.

In the chapters that follow, we break the economic impact of State Fair activities into four categories:

- Chapter 6: State Fair visitors and participants, and their spending on tourism goods and services.
- Chapter 7: Concessionaires and commercial exhibitors, and their associated spending on goods, services and payroll.
- Chapter 8: The Carnival and its spending on goods, services, and payroll.
- Chapter 9: State Fair operations: that is, the Fair's spending on goods, services, and payroll from the Fair and Non-Fair budgets.

6. TOURISM IMPACTS OF STATE FAIR VISITORS AND PARTICIPANTS

This chapter analyses the effect of tourism expenditures associated with the State Fair on the economies of Reno County, South Central Kansas, and the entire state. These expenditures include:

- 1) tourist attractions, primarily the Cosmosphere;
- 2) hotels, motels, and other lodging;
- 3) gas and car expenses;
- 4) restaurants and food;
- 5) retail shopping;
- 6) other purchases.³

We also report expenditures on “fees” and “concessions”⁴ in this chapter, but they are not included in the economic impact analysis of tourism. “Fees” are included in the State Fair operations analysis (Chapter 9) while concessions are included in the analysis in Chapter 8.

Our approach was to estimate the average amount of expenditures per person from the information gathered by the on-site surveys described in Chapter 1. The average expenditure amounts were “blown-up” to represent the entire population of Fair-goers.

Attendance at the Kansas State Fair

The State Fair staff provided us with official attendance numbers for 1996, broken down by category of Fair-goer. As discussed in Chapter 1, our on-site surveys under-sampled Fair exhibitors and other participants. To correct for this, we calculated average expenditures separately for each group of Fair-goer, and then multiplied through by the group attendance totals.

Ideally, we would have calculated average expenditures separately for each detailed type of Fair participant. But some of the groups of Fair participants had very small representation in our survey sample. We combined those survey respondents who reported that they were at the Fair for Band Day or as domestic arts participants with the general visitor category. We combined the rest of participants into a single general participants category, including 4H/FFA, livestock exhibitors, and commercial and other exhibitors. We then matched up the aggregate categories from our survey with the Fair attendance figures. School attendance and State Fair employees were not included in the analysis. Our categorization of Fair attendance is shown in Table 6.1

³ Consumer purchases in this category include big ticket items, livestock-related purchases, and farm supplies. In the economic impact analysis, we combined the category with retail purchases.

⁴ “Fees” includes all admissions charges, including Grandstand shows. Some exhibitors may also have reported their space rental in this category. “Concessions” includes all other on-site spending at the Fair: food, rides, and items purchased from commercial exhibitors.

Table 6.1
1996 Fair Attendance by Type
 Correspondence with Survey Categories

<u>Visitor, band, dom. art</u>		<u>Other exhibitors and 4H/FFA</u>		<u>Other-Not included in analysis</u>	
type of admission	number	type of admission	number	type of admission	number
regular admissions	213,671	exhibitors	19,372	Fair emp.	5,154
seniors	18,881	exhibitors with space	33,478	School	8,440
band	6,344	4H, FFA	4,748	<i>subtotal</i>	<i>13,594</i>
debate	207	entertainers	180		
N/C participant	19,823	wristbands	735		
paid participant	3,187	minus domestic arts	-2,756	<u>Summary</u>	
domestic arts, fine arts	2,756	<i>subtotal</i>	<i>55,757</i>	<i>gate</i>	<i>334,220</i>
estimated first Friday	25,000			<i>est. first Fri.</i>	<i>25,000</i>
<i>subtotal</i>	<i>289,869</i>			<i>TOTAL</i>	<i>359,220</i>

Geographic Breakdown of Attendance

The survey respondents provided information on their state and county of residence. We used this information to place the respondent's residence into one of four geographic areas: Reno County; South Central Kansas excluding Reno County; other Kansas counties; or other states.

Table 6.2
Geographic Breakdown of Fair-Goers

Fair-goer Category	Reno	Other SC Kansas	Other Kansas	Other States	Total
Visitors, Band Day, domestic arts					
number of respondent groups	338	567	427	55	1387
number of people over age 5	843	1687	1686	201	4417
percent of respondent groups	24.4%	40.9%	30.8%	4.0%	100.0%
percent of people	19.1%	38.2%	38.2%	4.6%	100.0%
Other exhibitors and 4H/FFA					
number of respondent groups	23	41	76	15	155
number of people over age 5	58	126	312	47	543
percent of respondent groups	14.8%	26.5%	49.0%	9.7%	100.0%
percent of people	10.7%	23.2%	57.5%	8.7%	100.0%

Note that the numbers in Table 6.2 do not correspond exactly to those in Table 1.10 in Chapter 1. There are two main reasons for this. First, Table 1.10 refers only to Fair-goers from Kansas, while Table 6.2 refers to Fair-goers from out-of-state as well. Second, the "participant" category used in Table 1.10 is a much broader than the exhibitor category used in the economic impact analysis.

Average Expenditures by Category and Place of Residence

Survey information was used to calculate average expenditures per person per day. The calculations were done separately for each general type of Fair-goer and for each geographic region. The results are shown in Tables 6.3 and 6.4. Expenditures in tourism categories for Reno County residents were assumed to be zero. We do not count the expenditure of a Reno county resident on gas, shopping, or restaurants as being *caused* by the Fair.

Table 6.3
Average Expenditures per Day for Visitors, Band Day, and Domestic Arts
by geographic region of residence

Type of expenditure	Reno	Other SC KS	Other KS	Other State	Weighted Average
\$ Admissions and entry fees	5.87	5.08	3.53	4.18	4.60
\$ Concessions and carnival per person	21.81	18.76	14.96	22.58	18.07
\$ Tourist attractions per person	0.00	0.13	0.09	0.33	0.10
\$ Motels and other lodging per person	0.00	0.12	1.41	0.92	0.63
\$ Gas and car expenses per person	0.00	1.07	1.91	3.51	1.30
\$ Restaurants and food per person	0.00	1.63	2.37	3.70	1.70
\$ Retail shopping per person	0.00	1.15	1.28	3.51	1.09
\$ Other per person	0.00	1.79	8.81	1.25	4.10
\$ Total	27.68	29.73	34.36	39.98	31.59

Table 6.3
Average Expenditures per Day for Other Exhibitors and 4H/FFA
by geographic region of residence

Type of expenditure	Reno	Other SC KS	Other KS	Other State	Weighted average
\$ Admissions and entry fees	5.34	12.94	10.04	12.76	10.45
\$ Concessions and carnival per person	19.51	20.12	25.92	11.03	22.60
\$ Tourist attractions per person	0.00	0.00	0.03	0.04	0.02
\$ Motels and other lodging	0.00	0.55	2.02	9.69	2.13
\$ Gas and car expenses per person	0.00	2.46	2.18	2.46	2.04
\$ Restaurants and food per person	0.00	2.73	3.11	7.33	3.05
\$ Retail shopping per person	0.00	0.55	0.94	2.90	0.92
\$ Other per person	0.00	58.05	0.44	2.29	13.92
\$ Total	24.85	97.40	44.68	48.50	55.13

Total Spending and Counterfactuals

The average spending items in Tables 6.3 and 6.4 were multiplied through by the corresponding attendance figures to provide estimates of total spending by geographic region of the Fair-goer. The results were then adjusted for assumptions about the counterfactual as described below.

The results of our on-site survey provide some insight into the alternate places that Fair-goers would have spent their funds had the Fair not taken place. For the most part, Fair-goers reported that they would have spent their funds in their home county had they not attended the Fair. About 2 percent of Kansas Fair-goers reported that they would have spent their funds in another state had the Fair not taken place.⁵ This percentage was not significantly different for livestock exhibitors versus other Fair visitors.

As a counterfactual, we assumed that Reno County residents would have spent 98 percent of their funds within in Reno County had the Fair not taken place, and the rest of their funds outside the state. Similarly, we assumed that residents of South Central Kansas would have spent 98 percent of their funds within the South Central Kansas region, and that residents of other parts of Kansas would have spent 98 percent of their funds somewhere in the state. We define net new spending due to the Fair as follows:

- net new spending for Reno county is all spending that made by people living outside Reno County, plus 2 percent of the spending of Reno County residents;
- net new spending for South Central Kansas is all spending from other Kansas regions and from out-of-state, plus 2 percent of spending from South Central Kansas;
- net new spending for the entire state of Kansas is that portion of spending that comes from out-of-state, plus 2 percent of spending from in-state.⁶

The results of the spending calculations are shown in Table 6.5.

⁵ Some Reno county residents reported that they would have spent their funds in other parts of the state in the absence of the Fair, while some Kansas residents from outside Reno county claimed that they would have continued to spend their money in Reno county even without the Fair. These cross-regional effects within Kansas appeared to net out, and were not analyzed further.

⁶ In essence, 2 percent of the expenditures that Kansas residents make at the Fair would otherwise have gone out-of-state. The Fair recaptures these expenditures for the local economy.

Table 6.5
Estimates of Net New Spending

Type of Expenditure	Total Spending	Net New Spending to Reno	Net New Spending to SC Kansas	Net New Spending to Kansas
\$ Fees	1,915,324	1,565,909	850,676	152,691
\$ Concessions, carnival, oth. on-site	6,496,758	5,200,435	2,909,934	473,993
Total on-site	8,412,082	6,766,344	3,760,610	626,684
\$ Tourist attractions	29,858	29,858	15,753	5,052
\$ Motels	300,026	300,026	280,033	63,723
\$ Gas and car expenses	489,633	489,633	342,351	66,801
\$ Restaurants and food	661,825	661,825	450,361	95,734
\$ Retail shopping	366,469	366,469	234,725	66,419
\$ Other	1,965,648	1,965,648	1,035,404	66,302
Total local tourism	3,813,459	3,813,459	2,358,627	364,032

note: total may not add up due to rounding errors

To estimate economic impacts, we then adjusted the amount of local tourism in Table 6.5 above using import coefficients and retail trade margins. This gave us “net direct local spending.” We estimated the payroll and jobs associated with this spending. We then applied the input-output models for each region to get “net total spending”, total payroll, and total jobs. The results are shown in Table 6.6.

Table 6.6
Economic Impacts of State Fair Tourism Spending

Net direct local expenditure impact on Reno county, SC Kansas, and State of Kansas				
	Reno County	SC Kansas	All Kansas	
Net direct local spending (\$)	1,629,014	1,098,910	201,964	
Payroll content of direct spending (\$)	699,082	437,263	86,752	
Number of jobs supported	58.7	37.7	7.9	
Net impacts, including multiplier effects				
	Reno County	SC Kansas	All Kansas	
Net total (direct plus indirect) local spending (\$)	3,298,729	2,288,741	611,826	
Payroll content of total spending (\$)	1,288,218	829,775	215,198	
Number of jobs supported	88.4	57.2	13.9	
Aggregate Multipliers				
Payroll	1.8	1.9	2.5	
Jobs	1.5	1.5	1.8	

Overall, State Fair tourism brings approximately 88 jobs and \$1.3 million in payroll to Reno County. Fair tourism accounts for about 57 jobs and \$830,000 in payroll in South Central Kansas, and 14 jobs and \$215,000 in payroll for the state as a whole.

7. ECONOMIC IMPACT OF CONCESSIONAIRES, COMMERCIAL EXHIBITORS, AND PUBLIC SERVICE EXHIBITORS

In some respects, the State Fair can be thought of as hundreds of business and public service enterprises operating in a common space. These enterprises hire employees, purchase supplies, and sell goods and services to customers. To find out more about the characteristics of these enterprises, IPPBR mailed surveys to all concessionaires, commercial exhibitors, and non-profit and governmental exhibitors (such as state agencies and political organizations) that participated in the 1996 Kansas State Fair. This chapter uses the survey information to estimate the economic impact that the business activities of concessionaires and exhibitors have on the economies of Reno County, South Central Kansas, and the entire state.

Place of Business of Exhibitors and Concessionaires

Table 7.1 summarizes the locations of the business addresses of all concessionaires, commercial exhibitors, and non-profit and governmental exhibitors on our mailing list.⁷ About 28 percent of the concessionaires and exhibitors came from Kansas outside the South Central area, while close to 20 percent of concessionaires and exhibitors came from out-of-state.

Table 7.1
Business Address of Concessionaires, Commercial Exhibitors,
and Non-Profit and Governmental Exhibitors

Location	Number on Mailing List	Percent
Reno County	132	21.25%
SC Kansas, other than Reno	195	31.15%
Other Kansas	176	27.96%
Out-of state	123	19.65%
Total	626	100.00%

Wages and Other Expenditures of Exhibitors and Concessionaires

Table 3.6 in Chapter 3 summarizes the expenditures that survey respondents made on labor, goods, and services due to their State Fair activities. The table is incomplete in two respects:

⁷ We could not perform a similar analysis on the actual survey returns because, in accordance with our promise of confidentiality, we removed the names of the respondents before we entered the survey data.

first, expenditures other than those made in Reno county are not broken down by location;⁸ second, the table includes only survey respondents, not the entire population of concessionaires and exhibitors. We addressed the first problem by assuming that the expenditures for which no geographic location was specified were made in the concessionaire’s or exhibitors’s home county (see Table 7.1 above). We addressed the second problem by assuming, as is usual in survey work, that the respondents were representative of the population. Our response rate was over 50 percent on this survey, so representativeness is probably not a serious issue. We calculated “blow-up” factors to estimate expenditures for the entire population from the survey sample. The blow-up factors and the methods by which they were calculated are shown in Table 7.2.

Table 7.2
Estimates of Factors for “Blowing-up” Survey Sample to Population

Type of Exhibitor or Concessionaire	Estimate of % of total sales represented in survey sample	Blow-up factor = $1 \div (\% \text{ sales})$	Method
Food Concessionaires	45.5	2.20	Compared total sales recorded on respondent surveys with gross sales reported by State Fair staff.
Merchandise concessionaires and commercial exhibitors selling at Fair.	65.9	1.52	Started with the “concessions, etc. “ estimate from State Fair on-site visitor surveys. Subtracted known totals for Carnival and food.
Commercial exhibitors not selling at Fair	51.0	1.96	Used ratio of total surveys (626) to total returns (318).
Non-profit, governmental, and other exhibitors	51.0	1.96	Used ratio of total surveys (626) to total returns (318).

The expenditures reported on the returned surveys were adjusted by applying the applying the blow-up factors described above and by distributing the reported expenditures over geographic regions. The results are shown in Table 7.3.

⁸ Our goal was to keep the survey form as simple as possible. We were concerned that exhibitors and concessionaires would not answer detailed questions about the location of their spending.

Table 7.3
Expenditures by Type and Geographic Region as
Reported on Surveys and Adjusted for Survey Response Rates

Type of Expenditure	Reno County	Other SC Kansas	Other Kansas	Total in Kansas	Out of State
<i>food concessionaires</i>					
wages	112,283	14,999	5,554	132,836	3,903
all other	339,932	50,457	45,290	435,679	31,827
<i>merchandise concessionaires and all others selling at fair</i>					
wages	133,589	63,152	64,775	261,516	45,520
all other	109,162	110,204	98,917	318,283	69,513
<i>commercial exhibitors not selling at fair</i>					
wages	74,428	115,232	18,636	208,296	13,096
all other	96,579	109,212	98,027	303,818	68,887
<i>non-profit, governmental, and other exhibitors</i>					
wages	16,789	59,304	51,709	127,802	36,338
all other	54,989	55,480	49,798	160,267	34,995
<i>totals</i>					
wages	337,089	252,687	140,674	730,450	98,857
all other	600,662	325,353	292,032	1,218,047	205,222

The expenditure amounts in Table 7.3 were then adjusted for import and trade coefficients. The input-output models were applied for each of the geographic regions to incorporate multiplier effects. Finally, adjustments were made for the counterfactual case. If the Fair and its related businesses did not exist, people would have spent their money elsewhere and would have supported employment at alternative businesses. As it turns out, we have different counterfactual cases for different types of exhibitors.

For food and merchandise concessionaires, and for commercial exhibitors who sell at the Fair, the counterfactual is based on the behavior of the purchasers. Take, for example, a consumer who lives in Reno county. This consumer would be very likely to spend his or her money in Reno county even in the absence of the Fair. The spending in Reno county would, in turn, would induce local expenditures on wages and supplies, albeit from a different set of firms than the State Fair concessionaires. For the most part, we assume that only purchases from consumers who live outside Reno county are “new” to the county and create economic impacts at the county level. The exception is the 2 percent of funds that Fair-goers said they would otherwise spend out of state (see Chapter 6 for more explanation). Similarly, purchases from

people who live outside the state are new to the state and create impacts at the state level. We add to these 2 percent of the Fair spending of Kansas residents; that is, the Fair re-captures a small percentage of funds that would otherwise go out of state. To summarize, our counterfactual assumption is that Fair-goers would spend most of their funds in their county of residence in the absence of the Fair. We used the estimates of concessions spending by geographic region (see Table 6.5) to adjust all results.

Some commercial exhibitors use the Fair as a form of advertising. Their primary purpose for participating in the Fair is to make contacts with potential customers. We assume that in the absence of the Fair, these firms would still have made advertising expenditures. However, the expenditures might not necessarily have been in Kansas. We assume that, in the absence of the Fair, out-of-state firms would have made all of their advertising expenditures out-of-state. We assume that in-state firms would have spent 34 percent of their advertising budgets out-of-state, a percentage equal to the statewide average.⁹ In essence, the Fair diverts advertising expenditures from out-of-state sources to in-state sources. This phenomenon is known as “import substitution.”

Non-profit and governmental organizations such as political groups, state agencies, universities, and religious groups comprise a significant portion of State Fair exhibitors. These organizations also use the Fair as a form of advertising. In that sense they are similar to some of the commercial exhibitors. Again, we assume that in the absence of the Fair these groups would still have made expenditures to communicate with the public. We use the same assumptions as we did for the commercial exhibitors as to what proportion of advertising expenditures would be out-of-state.

Tables 7.4a - 7.4e show the net outcomes of our calculations. The first section of these tables is derived by adjusting the numbers in Table 7.3 for trade margins and import coefficients. The second section is derived by applying multipliers. The third and fourth sections of the tables adjust for the counterfactuals described above.

After accounting for the counterfactual, we find that the Fair-related activities of concessionaires, commercial exhibitors, and non-profit and commercial organizations are responsible for about 30 full time equivalent employees in Reno county, 34 employees in all of South Central Kansas, and 23 employees in the state as a whole.

⁹ The University of Kansas, IPPBR Kansas Long-Term Model estimates an out-of-state purchase coefficient for advertising of 34 percent. Estimates are made using data from the U.S. Bureau of the Census, *County Business Patterns*.

Table 7.4a
Direct and Total Impacts
All Concessionaires, Commercial Exhibitors, and Non-Profits and Governmental Organizations

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
(after adjusting for imports and trade margins)	Reno County	All SC Kansas	All Kansas
Direct spending on payroll, supplies, goods, services	725,672	1,097,807	1,400,777
Payroll of concessionaires and exhibitors	337,089	589,776	730,450
Number of full-time equivalent jobs	19.3	33.8	41.9
2. Unadjusted total impacts, including multiplier effects			
	Reno County	All SC Kansas	All Kansas
Direct plus indirect spending, including payroll	1,392,667	2,234,957	3,531,722
Total payroll (inc. jobs created by mult. effect)	697,553	1,187,489	1,707,355
Number of full-time equivalent jobs	37.4	63.6	89.2
3. Adjustments for counterfactual			
Adjustment factors: Averages for all types of concessionaires and commercial exhibitors.	81.9%	53.5%	24.9%
4. Adjusted total impacts			
Adj. direct plus indirect spending	1,140,531	1,195,007	878,106
Adj. total payroll (inc. jobs created by mult. effect)	570,380	639,862	433,742
Adj. number of full-time equivalent jobs	30.5	34.3	22.6

Table 7.4b
Direct and Total Impacts
Food Concessionaires

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
	Reno County	All SC Kansas	All Kansas
Direct spending on supplies, goods, services	259,743	303,403	339,892
Payroll of concessionaires and exhibitors	112,283	127,282	132,836
Number of full-time equivalent jobs	6.4	7.3	7.6
2. Unadjusted total impacts, including multiplier effects			
	Reno County	All SC Kansas	All Kansas
Direct plus indirect spending	524,607	633,739	869,237
Total payroll (inc. jobs created by mult. effect)	243,211	291,672	369,187
Number of full-time equivalent jobs	13.1	15.6	19.2
3. Adjustments for counterfactual			
Adjustment factor: % of Fair-goer spending on concessions, etc. that is "new" to area.	80.0%	44.8%	7.3%
4. Adjusted total impacts			
Adj. direct plus indirect spending	419,686	283,915	63,454
Adj. total payroll (inc. jobs created by mult. effect)	194,569	130,669	26,951
Adj. number of full-time equivalent jobs	10.5	7.0	1.4

Table 7.4c
Direct and Total Impacts
Merchandise Concessionaires and Commercial Exhibitors Who Sell at the Fair

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
	Reno County	All SC Kansas	All Kansas
Direct spending on payroll, supplies, goods, services	214,101	328,340	438,575
Payroll of concessionaires and exhibitors	133,589	196,741	261,516
Number of full-time equivalent jobs	7.7	11.3	15.0
2. Unadjusted total impacts, including multiplier effects			
	Reno County	All SC Kansas	All Kansas
Direct plus indirect spending	426,273	661,424	1,098,556
Total payroll (inc. jobs created by mult. effect)	247,853	372,597	558,826
Number of full-time equivalent jobs	13.4	20.0	29.4
3. Adjustments for counterfactual			
Adjustment factor: % of Fair-goer spending on concessions, etc. that is "new" to area.	80.0%	44.8%	7.3%
4. Adjusted total impacts			
Adj. direct plus indirect spending	341,019	296,318	80,195
Adj. total payroll (inc. jobs created by mult. effect)	198,282	166,923	40,794
Adj. number of full-time equivalent jobs	10.7	9.0	2.1

Table 7.4d
Direct and Total Impacts
Commercial Exhibitors Who Do Not Sell at Fair

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas (after adjusting for imports and trade margins)			
	Reno County	All SC Kansas	All Kansas
Direct spending on payroll, supplies, goods, services	126,745	308,598	385,242
Payroll of concessionaires and exhibitors	74,428	189,660	208,296
Number of full-time equivalent jobs	4.3	10.9	11.9
2. Unadjusted total impacts, including multiplier effects			
	Reno County	All SC Kansas	All Kansas
Direct plus indirect spending, including payroll	250,156	621,194	964,962
Total payroll (inc. jobs created by mult. effect)	141,475	351,975	479,420
Number of full-time equivalent jobs	7.6	19.0	25.0
3. Adjustments for counterfactual			
Adjustment factor: % of commercial exhibitor spending on payroll, supplies, etc. that is "new" to area.	86.0%	65.4%	47.0%
4. Adjusted total impacts			
Adj. direct plus indirect spending	215,072	406,360	453,168
Adj. total payroll (inc. jobs created by mult. effect)	121,633	230,247	225,146
Adj. number of full-time equivalent jobs	6.6	12.4	11.8

Table 7.4e
Direct and Total Impacts
Non-Profits and Governmental Organizations

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas

(after adjusting for imports and trade margins)	Reno County	All SC Kansas	All Kansas
Direct spending on payroll, supplies, goods, services	125,083	157,465	237,068
Payroll of concessionaires and exhibitors	16,789	76,093	127,802
Number of full-time equivalent jobs	1.0	4.4	7.3

2. Unadjusted total impacts, including multiplier effects

	Reno County	All SC Kansas	All Kansas
Direct plus indirect spending, including payroll	191,631	318,599	598,967
Total payroll (inc. jobs created by mult. effect)	65,014	171,246	299,923
Number of full-time equivalent jobs	3.3	9.1	15.6

3. Adjustments for counterfactual

Adjustment factor: % of nonprofit and governmental organization spending on payroll, supplies, etc. that is "new" to area.	86.0%	65.4%	47.0%
--	-------	-------	-------

4. Adjusted total impacts

Adj. direct plus indirect spending	164,755	208,414	281,289
Adj. total payroll (inc. jobs created by mult. effect)	55,896	112,022	140,851
Adj. number of full-time equivalent jobs	2.9	5.9	7.3

8. ECONOMIC IMPACT OF THE CARNIVAL

During the 1996 State Fair, carnival rides and shows brought in gross receipts of over \$866,241. Of this, \$334,258 went directly to the State Fair as a percentage return, and \$66,200 was paid as space rentals. The remainder went to pay wages and other expenses, and as profits to the Carnival owners.

Unfortunately, we did not conduct a survey of the Carnival during the 1996 State Fair, so we do not know exactly how much was paid in wages and other expenses in that year. Instead, we surveyed the Carnival manager during the 1997 Fair. He assured us that the Carnival's 1996 and 1997 employment and expenditure statistics were similar.

Overall, the Carnival employs about 175 people. Of these, approximately 25 are from the Hutchinson/Reno County area. The Carnival would like to hire more employees locally, but has trouble finding qualified workers during the Fair. From the raw data provided by the Carnival, we estimate that the Carnival pays about \$17,500 in local wages and salaries. In addition, it makes expenditures for motels, services, and fuel in the local area. We apply the economic impact model to these amounts.

The results of the impact model must be adjusted for the counterfactual--where people would have spent their money if the Fair and the Carnival did not exist. Once the appropriate adjustments are applied, the economic impact model indicates that Carnival activities support about 1.9 full time equivalent jobs in Reno County, 1.1 jobs in South Central Kansas, and 0.2 jobs in the state as a whole. In addition, the percentage and space fees paid to the Fair support State Fair employees and State Fair purchases of goods and services. This aspect of the Carnival's impact is included in our analysis of State Fair operations in the next Chapter.

Table 8.1
Economic Impact of Carnival

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
	Reno County	SC Kansas	All Kansas
Direct spending on supplies, goods, inc. payroll	30,500	30,500	30,500
Local payroll of carnival	17,500	17,500	17,500
Number of full-time equivalent jobs	1.35	1.35	1.35
2. Unadjusted total impacts, including multiplier effects			
	Reno County	SC Kansas	All Kansas
Direct plus indirect spending	61,743	63,221	78,463
Total payroll (inc. jobs created by mult. effect)	35,757	36,329	41,026
Number of full-time equivalent jobs	2.37	2.39	2.6
3. Adjustments for counterfactual			
Adjustment factor: % of Fair-goer spending on concessions, etc. that is "new" to area.	80.0%	44.8%	7.3%
4. Adjusted total impacts			
	Reno County	SC Kansas	All Kansas
Adj. direct plus indirect spending	49,395	28,323	5,128
Adj. total payroll (inc. jobs created by mult. effect)	28,606	16,276	2,295
Adj. number of full-time equivalent jobs	1.89	1.07	0.19

9. ANALYSIS OF STATE FAIR OPERATIONS: 1996 STATE FAIR AND NON-FAIR EVENTS

The Kansas State Fair operates just like any other business in many ways: it earns income from sales of the services that it offers, and it spends that income on wages, supplies, materials, and other items. The spending of the State Fair has an economic impact in the same way that a private firm has an impact. And just as would be the case with a private firm, the economic impact can only be measured against a counterfactual.

In this chapter, we estimate the economic impact of State Fair operations, both for the State Fair *per se*, and for Non-Fair Events. Our approach has five steps:

- 1) analyze income items, and make a reasonable allocation on where the money would have gone if it had not gone to the State Fair (the counterfactual for income).
- 2) analyze expenses, and allocate to the geographic region where good or service purchased was actually purchased.
- 3) adjust for imports and trade margins;
- 3) apply the economic impact model to estimate multiplier effects associated with State Fair spending.
- 4) adjust results based on the counterfactual for income.

Income: Fair and Non-Fair Events

For each income item in the FY 1997 budget, we estimated the fraction of the income that was “new” to each geographic region. It must be remembered that to some extent, the State Fair is supported by the expenditures of local residents, most of whom would still have spent their money in local region even in the absence of the Fair. The fractions and methods of allocation are shown in Tables 9.1 and 9.2. For example, our survey data indicated that about 80 percent of the spending on food concessions would otherwise have been spent outside Reno County. Hence 80 percent of the “percentages-food” line in Table 9.2 is considered to be new income from the point of view of Reno County.

Expenses: Fair and Non-Fair Events

The economic impact analysis also required us to estimate the location from which the Fair purchased goods and services. The Fair staff provided us with a list of expenditures by state and county from the Fair fee fund local bank account. This represented somewhat under half of total expenditures. We assumed that expenditures for Grandstand Shows during the State Fair were all made to out-of-state locations. We subtracted this amount from the fund total. We then calculated percentages spent in Reno county, South Central Kansas, other Kansas, and out of state for the remaining funds. We used the resulting numbers to allocate Fair and Non-Fair expenses.

In addition, the Fair staff provided with a report of the county of residence of payroll checks paid from the Fair fee fund. We used this information to allocate total payroll to Reno county, South Central Kansas, and the remainder of Kansas.

Table 9.3 shows the estimated allocations of expenditures on the Fair and Non-Fair budgets.

Direct Payroll and Employment

Payroll figures were taken directly from Fair budget materials. We estimated full-time equivalent direct jobs at the Fair as follows:

- 1) we included all regular positions funded in the Fair budget;
- 2) we subtracted the payroll for regular positions from payroll total to get payroll for temporary positions;
- 3) we assumed an average payroll cost of \$5.25 per hour (including FICA) and assumed that a full-time equivalent employee works 2000 hours per year;
- 4) we estimated full time equivalent temporary employees as
(temporary payroll) ÷ \$5.25 ÷ 2000.

Economic Impacts

State Fair operations during and related to the Fair itself are responsible for about 58 jobs and \$1,174,000 in payroll for Reno County; about 49 jobs and \$997,000 in payroll for South Central Kansas; and about 15 jobs and 317,000 in payroll for the state as a whole. Operations related to Non-Fair events add an additional 5 jobs and \$85,000 in payroll in Reno County, jobs; 4 jobs and \$73,000 in payroll in South Central Kansas , and 2 jobs and 31,000 in payroll for the state as a whole (see Tables 9.4 and 9.5).

Table 9.1
Fair Income and Alternative Spending Allocation

Income Item	Total Income	Income from outside Reno	Income from KS, outside SC KS	Income from outside state	Allocation based on:
State General Fund	115,000	112,194	81,006	0	Fraction of population in Reno county and in SC Kansas
EDIF Appropriation	-	-	-	-	
Transfer from SFCIF	-	-	-	-	
Admissions-Outside Gate	774,500	637,646	498,313	40,584	Fraction of visitors from outside Reno, outside SC, and outside State
Admissions-Grandstand	349,000	287,332	224,547	18,288	Fraction of visitors from outside Reno, outside SC, and outside State
Admissions-Skycoaster Ride	27,975	22,393	12,530	2,041	Fraction of concessions spending from various locations
Space Sales	473,200	406,834	309,548	222,226	For those selling at Fair, fraction of concessions spending at various locations. For those who use Fair for advertising, counterfactual assumption about alternative location of advertising spending.
Percentages-Carnival	334,258	267,562	149,716	24,387	Fraction of concessions spending from various locations
Percentages-Food	236,000	188,910	105,706	17,218	Fraction of concessions spending from various locations
Percentages-Other	58,642	46,941	26,266	4,278	Fraction of concessions spending from various locations
Entry fees, Stall fees, etc.	40,134	35,848	26,537	3,476	Fraction of participants from outside Reno, outside SC, and outside State
Facilities and Grounds Rental	12,000	9,450	5,712	2,358	Addresses of concessionaires and exhibitors
Parking, camping, permits	88,500	72,862	56,941	4,637	Fraction of visitors from outside Reno, outside SC, and outside State
Premium Book Advertising	3,700	2,914	1,761	727	Addresses of concessionaires and exhibitors
Recovery of Expenses	157,000	130,633	93,628	21,256	average of all other
Sales tax collected	76,680	63,802	45,728	10,382	average of all other
Total Operating Income	2,746,589	2,285,320	1,637,938	371,857	-

Table 9.2
Non-Fair Income and Alternative Spending Allocation

Income Item	Total Income	Income from outside Reno	Income from KS, outside SC KS	Income from outside state	Allocation based on:
State General Fund	0	0	0	0	fraction of population in Reno county and in SC Kansas
EDIF Appropriation	-	-	-	-	
Transfer from SFCIF	-	-	-	-	
Admissions to off-season	59,500	35,879	18,445	6,843	Fraction of visitors from outside Reno, outside SC, and outside state
Off-season concessions	29,000	17,487	8,990	3,335	Fraction of visitors from outside Reno, outside SC, and outside state
Facilities and grounds rental	111,049	85,064	72,959	19,100	Analysis of list of off season events (assigned alternative location for each event)
Parking, camping	3,500	2,111	1,085	403	Fraction of visitors from outside Reno, outside SC, and outside state
Entry fees, Stall fees, etc.	40,134	35,848	26,537	3,4760	Fraction of participants from outside Reno, outside SC, and outside State
Facilities and Grounds Rental	12,000	9,450	5,712	2,358	Addresses of concessionaires and exhibitors
Recovery of Expenses	30,000	20,764	14,993	4,385	Average of all other
Sales tax collected	3,957	2,739	1,978	578	Average of all other
Total Operating Income	237,006	164,540	118,450	34,644	-

Table 9.3
Geographic Allocation of Fair and Non-Fair Expenditures

type of expense	% spent in Reno	% spent in SC KS	% spent in all KS	% spent out of state
wages and salaries	83	93	100	0
Grandstand entertainers	0	0	0	100
all other expenses	44	56	82	18

Table 9.4
Economic Impacts of 1996 State Fair Operations

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
	Reno County	SC Kansas	All Kansas
Direct local spending on payroll, supplies, goods	1,265,448	1,499,649	1,970,688
Payroll for Fair	769,471	868,427	931,789
Number of full-time equivalent jobs	37.5	42.33	45.4
2. Unadjusted total impacts, including multiplier effects			
	Reno County	SC Kansas	All Kansas
Direct plus indirect spending	2,439,291	2,951,084	4,855,865
Total payroll (inc. jobs created by mult. effect)	1,410,788	1,671,444	2,341,658
Number of full-time equivalent jobs	69.9	82.7	113.4
3. Adjustments for counterfactual			
Adjustment factor: % of Fair operations spending that is "new" to area.	83.2%	59.6%	13.5%
4. Adjusted total impacts			
	Reno County	SC Kansas	All Kansas
Adj. direct plus indirect spending	2,029,631	1,759,890	657,429
Adj. total payroll (inc. jobs created by mult. effect)	1,173,857	996,772	317,034
Adj. number of full-time equivalent jobs	58.2	49.3	15.4

Table 9.5
Economic Impact of Non-Fair Events Operations

1. Direct local expenditures in Reno County, SC Kansas, and all Kansas			
	Reno County	SC Kansas	All Kansas
Direct spending on payroll, supplies, goods	112,953	135,221	181,927
Direct payroll	59,222	66,838	71,715
Number of full-time equivalent jobs	3.5	4.0	4.3
2. Unadjusted total impacts, including multiplier effects			
	Reno County	SC Kansas	All Kansas
Direct plus indirect spending inc. payroll	227,352	278,464	468,108
Total payroll (inc. jobs created by mult. effect)	122,167	146,304	211,919
Number of full-time equivalent jobs	7.1	8.5	11.8
3. Adjustments for counterfactual			
Adjustment factor: % of spending on Non-Fair operations that is "new" to area.	69.2%	50.0%	14.6%
4. Adjusted total impacts			
	Reno County	SC Kansas	All Kansas
Adj. direct plus indirect spending	157,361	139,170	68,425
Adj. total payroll (inc. jobs created by mult. effect)	84,558	73,119	30,977
Adj. number of full-time equivalent jobs	4.9	4.3	1.7

APPENDIX 1
SURVEY FORMS

Appendix 1.A: State Fair On-Site Survey

Appendix 1.B: Telephone Survey

Appendix 1.C: Concessionaires and Exhibitors

Appendix 1.D: Hutchinson Businesses

Appendix 1.A
University of Kansas

Survey of Kansas State Fair, 1996

Date: _____ Time: _____ am / pm Gate: _____ Surveyor Initials: _____

Hello. My name is XXX and I am working with the University of Kansas on behalf of the Kansas State Fair. Today we are doing a survey of visitors to the fair. Do you have a few minutes to answer some questions? (If yes, continue. If no, thank them, record refusal, and move to next group)

Refusals _____

I'd like you to know that participation in this survey is strictly voluntary, and all responses will be kept confidential. This card (give card) has a phone number that you can call if you have any questions about the survey. I'll start the survey now.

1a. Are you here as a visitor to the Fair today, or are you here because you or your family are directly involved as a participants or employees?

___ visitor ___ participant or employee

(If a participant or employee, ask 1b)

1b. Which of these best describes the reason you are at the fair?

___ band day participant (or family)

___ 4H or FFA participant (or family)

___ livestock exhibitor (or family)

___ agriculture exhibitor (or family)

___ domestic arts exhibitor (or family)

___ employee of an exhibitor or concessionaire (or family)

___ employee of the State Fair itself (or family)

___ Other (Please describe) _____

2. What is your occupation or trade (when employed)? _____

3a. Including yourself, how many people are in your party? _____ *(# of people)*

(Note: if person is with a tour group, have person confine the answer to immediate friends and family)

3b. How many of the group, including yourself, are females and how many are males?

(Put a number for females and males, and also put a check indicating the respondent.)

Females _____ # _____ (R?) Males _____ # _____ (R?)

3c. Including yourself, what are the age categories of those in your group?

How many are...? And yours is...?

(Put a number for each age group and also put a check by the age group of the respondent)

under 5 _____ # _____ (R?)

26-40 _____ # _____ (R?)

6-17 _____ # _____ (R?)

41-60 _____ # _____ (R?)

18-25 _____ # _____ (R?)

over 60 _____ # _____ (R?)

4. In what state, city (if any), and county do you live?

a) state KS _____ b) city Hutch _____ c) county Reno _____

(If from city of Hutchinson, skip to q8.)

5. (If don't live in city of Hutchinson) **About how far is that from Hutchinson in miles?** _____

6. (If don't live in Hutchinson or Reno County)
How long is your planned visit to the Hutchinson, Reno County area? _____ days

7a. (If don't live in Hutchinson or Reno County)
Is the fair the main reason for your visit to the Hutchinson/Reno County Area?
Yes _____ No _____

(If no)

7b. **What is the main reason for your visit?** (check off best option. Don't cue.)

- ___ visiting friends or relatives
- ___ shopping
- ___ business
- ___ passing through on the way to another destination
- ___ other tourist attraction
- ___ other, describe _____

8. **We are trying to get an idea of how visitors to the fair affect the Hutchinson and Reno County economies. I will list several categories. What we are looking for is how much you think your group will spend in the local area in each category as a result of your visit or visits to the Fair.**

\$ _____ admissions and entry fees at the Fair.

\$ _____ spending at the Fair for concessions, rides, food, souvenirs, etc.

(If the person lives in Hutchinson or Reno County, skip to 9 here)

\$ _____ spending at other nearby tourist attractions such as the Cosmosphere, Fun Valley, etc.

\$ _____ motels or camping

_____ # of nights

Where (city) is the lodging located? Hutchinson / _____

\$ _____ gas and other car expenses, just in the local area

\$ _____ restaurants and food (outside of the Fairgrounds)

\$ _____ retail shopping

\$ _____ any other (describe) _____

9. **Suppose for a moment that you had NOT ATTENDED the Fair. Which of the following best describes the alternative way in which you would have used your money?**

- ___ spent it in the Hutchinson\Reno County area
- ___ spent it elsewhere in Kansas
- ___ spent it outside of Kansas
- ___ something else _____

10. How did you find out about the Kansas State Fair. (record answer, don't cue)

- | | |
|---|--|
| <input type="checkbox"/> ad in newspaper | <input type="checkbox"/> radio or TV story |
| <input type="checkbox"/> article in newspaper | <input type="checkbox"/> mailing |
| <input type="checkbox"/> outside sign | <input type="checkbox"/> attend regularly |
| <input type="checkbox"/> radio ad | <input type="checkbox"/> other . Describe |
| <input type="checkbox"/> TV ad | _____ |

11. How important were each of the following factors in your decision to attend the Fair? Please state whether the factor was very important, mildly important, or not important:

- | | | | | |
|--|-------|------|--------|-----|
| a. to see livestock and agricultural exhibits | | Very | Mildly | Not |
| b. to see commercial exhibits | | Very | Mildly | Not |
| c. to see fine arts, quilts, food, and other exhibits | | Very | Mildly | Not |
| d. to visit the midway, rides and games | | Very | Mildly | Not |
| e. to see entertainment in the Grandstand | | Very | Mildly | Not |
| f. to see free entertainment events (such as music) | | Very | Mildly | Not |
| g. to see or participate in youth activities such as 4H and FFA | | Very | Mildly | Not |
| h. to bring children who wanted to attend | | Very | Mildly | Not |
| i. because job requires attendance at Fair | | Very | Mildly | Not |
| j. Were there other important factors in your decision to attend the Fair? | _____ | Yes | _____ | No |

(If Yes) Please describe _____

12. What other days have you attended (or will you attend) the 1996 Kansas State Fair?

- | | |
|-------------------------------------|---------------------------|
| Friday, Sep 6th _____ (preview day) | Wednesday, Sep 11th _____ |
| Saturday, Sep 7th _____ | Thursday, Sep 12th _____ |
| Sunday, Sep 8th _____ | Friday, Sep 13th _____ |
| Monday, Sep 9th _____ | Saturday, Sep 14th _____ |
| Tuesday, Sep 10th _____ | Sunday, Sep 15th _____ |

13. How would you rate the following Fair facilities? Are they good, adequate, or do they need improvement? (circle choice and put comments in the space provided)

- | | | | | |
|---|---|---|-----------------------------|-------|
| G | A | N | Landscaping | _____ |
| G | A | N | Buildings | _____ |
| G | A | N | Parking | _____ |
| G | A | N | Restrooms | _____ |
| G | A | N | Streets and Walkways | _____ |

Are there other Fair facilities that you think need improvement? _____ Yes _____ No

(If Yes) Please describe _____

14. Do you have any other comments about the Fair?

15. For classification purposes only, which figure best describes your household income?
- under 15,000 _____
 - 15,001-30,000 _____
 - 30,001-50,000 _____
 - 50,001-75,000 _____
 - over 75,000 _____

THANK YOU FOR YOUR TIME. HAVE A SAFE TRIP HOME.

Household Telephone Survey

State Fair Awareness

Hello, my name is XXX and I am calling from the University of Kansas. *{put in screening question to select only respondents 18 and over}*. Tonight *{or today, depending on time}* we are conducting a survey related to tourism attractions and events in Kansas. All responses are confidential, and you may discontinue the survey at any time. Do you have about 5 minutes to answer some questions?

If you have any questions about this survey, you may call Pat or Norm *{don't give last names}* at 913-864-3701.

1. Have you attended any of the following in the last 12 months?

- | | | | |
|--------------------------------------|-----|----|---|
| A) The Kansas Cosmosphere | yes | no | ? |
| B) A Kansas State Park | yes | no | ? |
| C) The Kansas State Fair | yes | no | ? |
| D) The Renaissance Festival | yes | no | ? |
| E) The Wichita River Festival | yes | no | ? |

READ: We will now be asking you some more detailed questions about one of these tourism events, the Kansas State Fair.

IF C = yes, jump ahead to question 6.

IF C = no or ?, continue...

2. Do you know in what month the Kansas State Fair takes place each year? _____

1. Correctly named September
2. Named another month, not September
3. Didn't know

3. Do you know in what city the Kansas State Fair takes place each year? _____

1. Correctly named Hutchinson
2. named another city
3. didn't know

4. How much do you think it costs for an adult admission to the Kansas State Fair? ____

(Read options)

- 1. Under \$5**
- 2. \$5-\$10**
- 3. Over \$10**

5. What are main reasons you did not attend the Fair this year?

(Don't cue, record all that person mentions.)

- it's too far away to travel
- it's too expensive
- I didn't know about it
- I'm not interested
- I don't like this kind of event
- Fair conflicts with other tourism events
- Fair conflicts with personal events or obligations
- I am too busy
- the weather is too bad
- I went last year
- other (explain) _____

6. Did you attend the Kansas State Fair

- last year in 1995? (yes, no, don't remember)
- two years ago in 1994? (yes, no, don't remember)

7. Do you recall seeing, hearing, or reading any of the following kinds of information about the State Fair this year? Yes or No

- a. newspaper advertisement
- b. newspaper article
- c. radio advertisement
- d. radio news piece
- e. TV advertisement
- f. TV news piece
- g. signs posted at grocery or other stores
- h. direct mailing about Fair
- i. brochure describing Fair events
- j. billboard along highway

8. Next year the 1997 Kansas State Fair will be held September 5-14 in Hutchinson Kansas. Regular adult admissions will be \$4 and children will be \$2. Which of these best describes how likely it is that you will attend the Fair next year? _____

- 1) Almost certainly will go
- 2) Probably will go
- 3) May or may not go
- 4) Probably won't go
- 5) Almost certainly won't go

9. I am going to read a list of the types of activities, events, and exhibits commonly found at State Fairs. I would like you to indicate how interested you are in each of the following. Please respond whether you are

- 1.VERY interested**
- 2.SOMEWHAT interested**
- 3 NOT interested.**

- a. Livestock and agricultural exhibits**
- b. Commercial exhibits, new products, and product demonstrations**
- c. Fine arts exhibits, quilts and domestic arts exhibits, baking and other food exhibits**
- d. The midway, rides and games**
- e. Entertainment such as big name performers at the Fair Grandstand**
- f. Free entertainment events such as free music and free stage shows**
- g. Youth activities such as 4H and FFA**
- h. Food concessions**

IF #8 = 2, 3, 4, or 5 AND any of #9 are “very” THEN GO TO #10.(These are people who might not be going in 1997, but are interested in State Fair kinds of activities) ELSE GO TO #12.

10. Suppose that the Kansas State Fair significantly expanded its offerings of the activities for which you expressed a strong interest. How would this affect your decision to attend the Fair next year? Now do you think you : _____

- 1. Almost certainly would go**
- 2. Probably would go**
- 3. Might or might not go**
- 4. Probably would not go**
- 5. Almost certainly would not go**

11. Is there anything else the State Fair could do that would make it more likely for you to attend?

12. Every year the State Fair holds several major events in the Grandstand. We are going to list some potential grandstand shows. Assuming that the price were typical for the kind of event listed, please state whether you:

- 1) almost certainly would go**
- 2) probably would go**
- 3) might or might not go**
- 4) probably would not go**
- 5) almost certainly would not go.**

- a. truck and tractor pull**
- b. auto races**
- c. Big Name Rhythm & Blues performer**
- d. Big Name country music performer**
- e. Big Name rock music performer**
- f. Big Name gospel/religious music performer**
- g. Big Name magician**
- h. Big Name comedian**

___i. rodeo

13.a Are there other types of grandstand events that you would be interested in attending? _____

yes no

13.b (If yes on 13.a) What kinds of events? _____

Before I finish, I have a few background questions.

14. In what county do you live? _____

15. What is your age group?

(Note, there should not be any under 18. They should have been screened out first)

1. Under 18_____

2. 18-25_____

3. 26-40_____

4. 41-60_____

5. over 60_____

16. Are you female or male? (fill in from sound of voice if possible)

female male

17. And finally, which best describes your gross annual household income? _____

1. Under 15,000

2. 15,000-30,000

3. 30,000-50,000

4. 50,000-75,000

5. over 75,000

THIS CONCLUDES THE SURVEY. THANK YOU VERY MUCH.

Appendix 1.C

Survey of State Fair Exhibitors and Concessionaires

1. Name of firm: _____
 Name of person completing survey: _____

(ID information will be removed before data are tabulated)

2. Which of the following best describes your line of business at the Fair?

- Food concessionaire
 Merchandise concessionaire
 Supplier or service vendor
 Commercial exhibitor making sales at Fair
 Commercial exhibitor not making sales at Fair
 Other (Please describe) _____

3. Firm's Expenditures at Fair

Please list approximately how much your firm spent on labor, materials, and other items related to your State Fair activities. We also need a rough estimate of the percentage of each expense that was made in Hutchinson/Reno County.

	Total Amount Spent	Approximate % spent in Hutchinson/Reno County
Fair space cost	\$	100%
Wages, salaries, benefits	\$	____%
Materials and Supplies	\$	____%
Rentals (other than space cost)	\$	____%
Other	\$	____%
TOTAL Expenses	\$	____%

4. Employment at firm's State Fair booth or exhibit.

- a) How many people worked at your firm's State Fair booth or exhibit? _____
- b) Approximately how many total hours did the average employee work over the entire Fair period? _____
- c) Approximately what was the average hourly wage? _____
- d) Approximately how many of your firm's employees at the Fair were from the Hutchinson/Reno County area? _____
- e) Approximately how many employees were from nearby counties (Sedgwick, Kingman, Pratt, Stafford, Rice, McPherson, Harvey, Butler, Barton)? _____
- f) How did you find employees for the Fair? _____

5. What were the approximate dollar sales of your firm during your State Fair activities?

- | | |
|----------------------|------------------------|
| ___ \$ 0 | ___ \$ 40,001-60,000 |
| ___ \$ 1-2,500 | ___ \$ 60,001-80,000 |
| ___ \$ 2,501-5,000 | ___ \$ 80,001-100,000 |
| ___ \$ 5,001-10,000 | ___ \$ 100,001-150,000 |
| ___ \$ 10,001-20,000 | ___ \$ 150,001-200,000 |
| ___ \$ 20,001-40,000 | ___ over \$ 200,000 |

6. Business Leads and Advertising

- a) Was the primary purpose of your State Fair activities to generate business leads and/or to get information to your market? ___Yes ___No
- b) If yes, approximately what dollar volume of business during the year do you expect to result from leads created during the Fair period?

- | | |
|----------------------|------------------------|
| ___ \$ 0 | ___ \$ 40,001-60,000 |
| ___ \$ 1-2,500 | ___ \$ 60,001-80,000 |
| ___ \$ 2,501-5,000 | ___ \$ 80,001-100,000 |
| ___ \$ 5,001-10,000 | ___ \$ 100,001-150,000 |
| ___ \$ 10,001-20,000 | ___ \$ 150,001-200,000 |
| ___ \$ 20,001-40,000 | ___ over \$ 200,000 |

7. How satisfied are you with the success of your business activities at the State Fair this year?

- very unsatisfied
- somewhat unsatisfied
- neutral
- somewhat satisfied
- very satisfied

8. If the State Fair were to begin a gate admission charge on the first day (Preview Day), this would mean that booths and/or exhibits would be required to be in place by 9 AM on the first day.

- a) **Would it be possible for your booth or exhibit to be set up by 9 AM on the first day of the Fair?**
 Yes No

- b) **Are you in favor of such a plan?** Yes No

9. Do you plan to participate in the State Fair next year? Yes No

10. Do you have any suggestions to help make the 1997 State Fair better for your business?

Thank You Very Much.
Please return your survey by Dec. 2 in the postage paid envelope provided.

Appendix 1.D

The University of Kansas
Institute for Public Policy and Business Research
607 Blake Hall • Lawrence, KS 66045

**Impact of the Kansas State Fair on Hutchinson
 Gas Stations and Convenience Stores**

Mail Survey

We hope that you can assist us with a study of the economic impact of the Kansas State Fair that we are currently conducting. As part of this study, we need to collect basic revenue and employment data from gas station and convenience store managers and owners. We assure you that the data will be kept strictly confidential, and that no individual establishment will be singled out for reporting purposes. Your response is, of course, voluntary. Please feel free to call the “Fair Survey Research Team” at (913) 864-3701 if you have any questions about the research study or the requested data.

1. Does the Kansas State Fair have any impact on your business?

” **NO** If you checked NO, please go directly to question #6 on the back side of the page.

” **YES** If you checked YES, please continue to question #2 below.

2. Gasoline Sales. What were your station or store’s gasoline sales during the following periods? Please fill in an estimate. Please enter “0” if your store does not sell gasoline.

	August 1996	State Fair Period (Sept. 5-15)	Rest of September 1996	October 1996
Gross Revenue (\$)	\$	\$	\$	\$

3. Other Sales. What were your station or store’s sales of goods and services other than gasoline during the following periods? Please fill in an estimate.

	August 1996	State Fair Period (Sept. 5-15)	Rest of September 1996	October 1996
Gross Revenue (\$)	\$	\$	\$	\$

4. Employment and Payroll. Did you hire any extra employees or add hours for current employees during the State Fair period, September 5-15?

" NO

" YES

If yes, what was the average hourly wage paid to these employees? _____

If yes, what was the total extra dollar amount added to your firm's payroll during the State Fair period? _____

5. Are there other ways in which the Kansas State Fair has had an impact on your business?

" NO

" YES If yes, please describe.

6. Do you have any general comments about the impact of the State Fair on the Hutchinson and Reno County economies?

**THANK YOU VERY MUCH.
PLEASE RETURN THE SURVEY IN THE ENVELOPE PROVIDED
BY DECEMBER 20.
ALL RESPONSES ARE CONFIDENTIAL.**

The University of Kansas
Institute for Public Policy and Business Research
607 Blake Hall • Lawrence, KS 66045

Impact of the Kansas State Fair on Hutchinson Hotels and Motels

Mail Survey

We hope that you can assist us with a study of the economic impact of the Kansas State Fair that we are currently conducting. As part of this study, we need to collect basic revenue and employment data from hotel and motel managers and owners. We assure you that the data will be kept strictly confidential, and that no individual hotel or motel will be singled out for reporting purposes. Your response is, of course, voluntary. Please feel free to call the “Fair Survey Research Team” at (913) 864-3701 if you have any questions about the research study or the requested data.

1. Does the Kansas State Fair have any impact on your business?

- " NO If you checked NO, please go directly to question #6 on the back side of the page.
- " YES If you checked YES, please continue to question #2 below.

2. Occupancy Rates. What was the average percentage of rooms filled during the following time periods this year? Please fill in an estimate.

	August 1996	State Fair Period (Sept. 5-15)	Rest of September 1996	October 1996
Occupancy Rate (%)				

3. Gross Revenues. What were your hotel or motel’s gross revenues during each of the following time periods? Please fill in an estimate.

	August 1996	State Fair Period (Sept. 5-15)	Rest of September 1996	October 1996

Gross Revenue (\$)				
--------------------	--	--	--	--

4. Employment and Payroll. Did you hire any extra employees or add hours for current employees during the State Fair period, September 5-15?

" NO

" YES

If yes, what was the average hourly wage paid to these employees? _____

If yes, what was the total extra dollar amount added to your firm's payroll during the State Fair period? _____

5. Are there other ways in which the Kansas State Fair has had an impact on your business?

" NO

" YES If yes, please describe.

6. Do you have any general comments about the impact of the State Fair on the Hutchinson and Reno County economies?

THANK YOU VERY MUCH.
PLEASE RETURN THE SURVEY IN THE ENVELOPE PROVIDED
BY DECEMBER 20.
ALL RESPONSES ARE CONFIDENTIAL.

The University of Kansas
Institute for Public Policy and Business Research
607 Blake Hall • Lawrence, KS 66045

Impact of the Kansas State Fair on Hutchinson Restaurants

Mail Survey

We hope that you can assist us with a study of the economic impact of the Kansas State Fair that we are currently conducting. As part of this study, we need to collect basic revenue and employment data from restaurant managers and owners. We assure you that the data will be kept strictly confidential, and that no individual restaurant will be singled out for reporting purposes. Your response is, of course, voluntary. Please feel free to call the "Fair Survey Research Team" at (913) 864-3701 if you have any questions about the research study or the requested data.

1. Does the Kansas State Fair have any impact on your business?

- " NO If you checked NO, please go directly to question #5 on the back side of the page.
- " YES If you checked YES, please continue to question #2 below.

2. Gross Revenues. What were your restaurant's gross revenues during each of the following time periods? Please fill in an estimate.

	August 1996	State Fair Period (Sept. 5-15)	Rest of September 1996	October 1996
Gross Revenue (\$)				

3. Employment and Payroll. Did you hire any extra employees or add hours for current employees during the State Fair period, September 5-15?

- " NO
- " YES
 If yes, what was the average hourly wage paid to these employees? _____

If yes, what was the total extra dollar amount added to your firm's payroll during the State Fair period? _____

4. Are there other ways in which the Kansas State Fair has had an impact on your business?

" NO

" YES If yes, please describe.

5. Do you have any general comments about the impact of the State Fair on the Hutchinson and Reno County economies?

THANK YOU VERY MUCH.

**PLEASE RETURN THE SURVEY IN THE ENVELOPE PROVIDED
BY DECEMBER 20.**

ALL RESPONSES ARE CONFIDENTIAL.