

**The Impact of the 2006 Lamar Dixon Expo Center Visitor  
Spending and Operations on Ascension Parish and  
Louisiana**

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## Executive Summary

This report examines the economic impact of the Lamar-Dixon Expo Center, a multi-purpose event facility, on the economies of both Ascension Parish and Louisiana. We use data from Lamar-Dixon Expo Center financial records along with surveys of visitors of the facility to estimate the increase in sales, household earnings, and number of jobs that can be attributed to the center.

### Key Findings:

- In 2006, 134,934 persons visited the Lamar-Dixon Expo Center.
- Using data from surveys conducted at three events at the Lamar-Dixon Expo Center, we estimate that non-Ascension Parish visitors spent \$13,964,668 on lodging, transportation, retail shopping, and food and beverages in the parish during 2006. We estimate the impact of this spending along with Lamar-Dixon Expo Center operational expenditures on the Parish economy is:
  - Total new sales of \$21.4 million;
  - \$7.7 million in employee earnings;
  - An average of 379 jobs per year;
  - \$866,393 in tax collections for the parish and local government.
- From the surveys conducted, we estimate that non-Louisiana residents spent \$4,550,971 in the state on their visit to the Lamar-Dixon Expo Center and that the impact of these expenditures on the state's economy is:
  - Total sales of \$9.8 million;
  - \$3.2 million is employee compensation;
  - An average of 134 jobs per year;
  - \$408,387 in state taxes.

# The Impact of the Lamar Dixon Expo Center on Ascension Parish and Louisiana

## I. Introduction

The Lamar-Dixon Expo Center is a multi-purpose events facility located in Ascension Parish. The center began construction in 1998. It hosts various types of events throughout the year, specializing in equestrian and 4-H activities. Other events held at the Lamar-Dixon Expo Center are as diverse as corporate retreats and the Oktoberfest festival. The center consists of a trade mart building, barns, a 4-H building with a show arena, a YMCA fitness center, two large arenas, cattle holding area, an outside arena, and an Acadian-style chapel.

During the year 2006, the center attracted 134,934 visitors. We should note that that this number is both lower than the number of visitors in 2003 (the last economic impact study was based on 2003 with 168,588 visitors) and the number of visitors anticipated for 2007 (over 134,000 visitors were attracted in the first six months of 2007). Due to the lingering impact of Hurricanes Katrina and Rita, Louisiana tourism in general was down dramatically in 2006 from a typical year. In early 2006, some Ascension parish hotels were still occupied by evacuees and those involved in the effort to rebuild New Orleans. This fact suggests that our results based on the year 2006 should provide conservative estimates of the economic impact of the Lamar-Dixon Expo Center in a typical year.

## II. Methodology

The purpose of this report is to estimate the economic impact of the facility on both Ascension Parish and the state as whole. The direct impact from the facility includes its operating expenditures along with any spending made by visitors to the facility from outside Ascension Parish or the state. The Lamar-Dixon Expo Center had operating expenditures of \$2.2 million in the fiscal year of 2006. These expenditures include advertising and marketing, maintenance, and administration. Operating expenditures are an ongoing injection into the local economy. Visitors attending the Lamar-Dixon Expo Center from outside the parish and state also add money to the local economy with their spending on food and beverages, lodging, and other merchandise. This spending is directly attributable to the facility and would not have been injected into the economy otherwise.

The preceding expenditures are direct effects on the local and state economy. They are not, however, the only effects. Our analysis will also measure the indirect and induced effects of the injections by visitors to Lamar-Dixon Expo Center events. Indirect effects are changes in other industries caused by the new spending injected by visitors to the events. For example, when someone makes a purchase at a restaurant, the restaurant in turn purchases supplies from other industries. Therefore, the visitor spending causes indirect effects in industries other than the specific ones the spending is made in. Induced effects measure the impact of new spending by employees who work in jobs attributable to Lamar-Dixon visitors or directly at the Expo Center. When a visitor spends money at a local hotel, the hotel owners and employees take that money and spend it, or a portion of it, at other area businesses. Thus, there is a multiplier effect of expenditures due to the Lamar-Dixon Expo Center. This effect will be estimated and included in our estimates of the economic impact of the Lamar-Dixon Expo Center for the year.

In a previous report by Loren C. Scott and Associates,<sup>1</sup> input-output tables from the Bureau of Economic Analysis (BEA) were used to measure the multiplier effects. In this report, we use IMPLAN, software that closely follows the methods of the BEA, to estimate the impact.

### **III. Impact of Continuing Activities on the Parish and State Economies**

As mentioned previously, there are two new flows into the parish and state economies due to the ongoing operations of the Lamar-Dixon Expo Center – expenditures made by the facility for ongoing operations and visitor spending. The former is simple to measure using the financial data for the fiscal year while the latter is significantly more difficult to estimate.

#### **Lamar-Dixon Expo Center Operating Expenditures**

First, we derive the simpler of the sources of new monies to measure. Financial reports of the Lamar-Dixon Expo Center show that operating expenditures for the fiscal year of 2006 were \$2,163,441. \$1,951,590 was spent on administrative and operational expenses; \$188,558 was spent on maintenance, and \$22,735 was spent on advertising and marketing. This is in contrast to FY04 expenditures of \$1,186,096.

#### **Estimating Lamar-Dixon Expo Center Visitor Spending**

As with other tourism impact studies, we focus on spending from visitors from outside Ascension Parish and from outside the state to find the expenditures due to the Lamar-Dixon Expo Center. It is assumed that visitors from inside the parish would only be spending money in which they would otherwise spend in the parish if it weren't for the center and thus should be excluded from the measurement of the impact of the facility. A survey conducted of 266 visitors who attended any of

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<sup>1</sup> See Loren C. Scott & Associates, "The Impact of the Lamar Dixon Expo Center on Ascension Parish and Louisiana," November 2004.

the three recent Lamar-Dixon Expo Center events listed in Table 1 is used to estimate spending per visitor.

**Table 1**  
**Surveyed events at the Lamar Dixon Expo Center**

<b>Event</b>	<b>Dates</b>	<b>Surveys Completed</b>
LSU State Livestock Show	February 10-17, 2007	169
Southern Elegance Craft Show	March 3-4, 2007	31
Louisiana Sportsman's Show	March 8-11, 2007	66
<b>Total</b>		<b>266</b>

The specific questions from the survey can be found in Appendix A. The results of the questions not detailed in the report can be found in Appendix B.

Of those visitors that completed the survey, 33 (12.64%) of those surveyed came from Ascension Parish, 228 (87.36%) came from other parishes in Louisiana, and 10 (4.35%) came from outside of Louisiana.<sup>2</sup> The average household income of visitors was \$75,000,<sup>3</sup> well above the median household income for the state as a whole. Because our survey focuses on measuring visitors from outside the parish, the events selected for surveys were those more likely to attract visitors from outside the parish. To ensure conservative estimates, we use estimates from the previous report by Loren C. Scott & Associates of the percent of visitors who are from the parish, outside the parish, and outside the state of Louisiana. Those figures were obtained using event level estimates of attendance provided by Lamar-Dixon for 2003 which were not available for this study for the year 2006.

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<sup>2</sup> There were 34 respondents that indicated they were not from Ascension Parish but did not indicate whether or not they were from Louisiana.

<sup>3</sup> This is the median of the average range resulting from the survey, i.e. \$70,000-\$79,999.

The survey consisted of questions pertaining to spending during the visitor's trip to the Lamar-Dixon Expo Center. These included questions about respondents' allocation of spending on food and beverages, shopping, transportation, lodging, and other expenditures.<sup>4</sup> These questions were asked both in terms of Ascension parish spending, if the visitor was from outside the parish, and Louisiana spending, if the visitor was from outside of the state. This data is used to estimate spending for all visitors to the Lamar-Dixon Expo Center in the past year.

Table 2 enumerates expenditures on a per capita basis for persons visiting that reside outside of Ascension Parish. The survey was in terms of households or groups and the number of people contained in the groups was used to find expenditure per visitor. On average, visitors from outside Ascension parish spent \$54.00 on food and beverages over the course of their trip to the Lamar-Dixon Expo Center. About three quarters of these visitors also shopped in some manner during their trip. On average, visitors spent \$49.17 on retail purchases. The average visitor spent \$20.44 on transportation related costs, such as gasoline. This was significantly higher than in past years, undoubtedly due to higher fuel prices. More visitors surveyed in this report stayed overnight in the parish than in 2003, with 108 visitors spending at least one night in the parish. For those who stayed overnight in the Parish, the average nights stayed was 3.3 with an average rate of \$30.02 per person per night. Accounting for those not staying overnight, the average spending per visitor was \$64.94 on accommodations. In total, visitors residing outside of Ascension Parish spent an average of \$211.21 in the parish while visiting the Lamar-Dixon Expo Center. This represents an increase of \$76.69 from the \$134.53 estimate for spending in 2003.

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<sup>4</sup> Any expenditure under other expenditures is categorized as retail spending for the purposes of this report.

**Table 2**  
**Average Expenditures in Ascension Parish by Non-Ascension Parish Residents**

<b>Category</b>	<b>Average Expenditures</b>
Food and Beverage	\$54.00
Shopping	\$49.17
Transportation	\$20.44
Lodging	\$64.94
Other	\$22.67
<b>Total</b>	<b>\$211.22</b>

Source: Survey results and author's calculations

Table 3 contains the estimates of per capita expenditures in the state by visitors residing outside of Louisiana. The sample size for this data is much smaller; therefore the confidence in the estimate is weaker. Therefore, a comparison to the 2003 study is important to validate these results. In 2003, the visitor survey estimated average expenditures of \$249.43. Our overall result shows a slight decline between 2003 and 2006. While acknowledging the larger margin of error for state estimates, we feel comfortable proceeding with the knowledge that our study will provide conservative estimates of the economic impact of the Lamar-Dixon Expo Center on Louisiana's economy.

**Table 6**  
**Average Expenditures in Louisiana by Non-Louisiana Residents**

<b>Category</b>	<b>Average Expenditures</b>
Food and Beverage	\$69.33
Shopping	\$30.77
Transportation	\$24.55
Lodging	\$80.43
Other	\$35.83
<b>Total</b>	<b>\$240.91</b>

Source: Survey results and author's calculations.

Visitors from outside Louisiana spent on average \$69.33 on food and beverages in Louisiana during their trip to the Lamar-Dixon Expo Center. Over half of those spent money shopping at

retailers in the state, averaging \$30.77 per person. Per person, the average visitor from out of stated spent \$24.55 on gas or other transportation related costs. The average visitor also spent \$80.43 on lodging during their stay. Of those surveyed, 6 spent at least one night in Louisiana, staying an average of 2.2 nights and spending an average of \$60.08 per night per person. In total, visitors residing outside of Louisiana spent an average of \$240.91 per person in Louisiana during their trip to the Lamar-Dixon Expo Center.

In order to estimate the impact of Lamar-Dixon Expo Center visitor spending on the Ascension Parish and Louisiana economies, the total amount of visitor spending has to be estimated. The Lamar-Dixon Expo Center data indicate that the center attracted 134,934 visitors during 2006. Of those visitors, it is estimated that 51%,<sup>5</sup> or 66,816, of them were from Ascension Parish. This leaves 49% of visitors, or 66,118 people, to the Lamar-Dixon Expo Center residing outside of Ascension Parish. Given the assumption that residents of Ascension Parish would otherwise spend the same amount inside the parish without the presence of the Lamar-Dixon Expo Center, only those from outside Ascension Parish inject new money into the parish economy.

**Table 4**  
**Total Estimated Expenditures in Ascension Parish**  
**by Non-Ascension Parish Residents**

Category	Total Expenditures
Food and Beverage	\$3,570,160.58
Shopping	\$3,250,902.20
Transportation	\$1,351,321.99
Lodging	\$4,293,615.05
Other	\$1,498,667.18
<b>Total</b>	<b>\$13,964,667.99</b>

Source: Survey results and author's calculations.

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<sup>5</sup> As previously stated, we apply the percentages of visitors from Ascension parish, outside Ascension parish, and outside Louisiana from the 2003 report due to the lack of data for 2006.

Given the number of people injecting money into the parish and state economies due to being visitors to the Lamar-Dixon Expo Center, we estimate the total amount of expenditures in the parish and state by multiplying those respective populations by the average expenditures obtained from the survey. The results for Ascension Parish are contained in Table 4 while the results for the state are contained in Table 5.

Total expenditures in Ascension Parish by those visitors residing outside of the parish are listed in Table 4, which shows the estimation of just under \$14 million in expenditures injected into the Ascension Parish economy due to the presence of the Lamar-Dixon Expo Center. The most significant expenditures were on food, with an estimated total of \$ 3.6 million. \$3.2 million was made in retail expenditures, while \$1.4 million was spent on transportation costs within the parish. Finally, an estimated total of \$4.3 million of expenditures was made for accommodations.

**Table 5**  
**Total Estimated Expenditures in Louisiana**  
**by Non-Louisiana Residents**

<b>Category</b>	<b>Total Expenditures</b>
Food and Beverage	\$1,309,759.49
Shopping	\$581,254.14
Transportation	\$463,682.21
Lodging	\$1,519,356.81
Other	\$676,918.84
<b>Total</b>	<b>\$4,550,971.48</b>

Source: Survey results and author's calculations

Table 5 indicates the visitors from outside of Louisiana injected of an estimated \$4.6 million in direct expenditures into the Louisiana economy. Once again, the largest amount was attributed to food and beverages, \$ 1.3 million. Out-of-state visitors spent \$1.3 million at Louisiana retailers (classifying “other” as retail expenditures) while making expenditures of \$464 thousand on

transportation related items. Using the survey estimates, a majority of out-of-state visitors spent at least one night in the state and an estimated total of \$1.5 million on accommodations.

### **Total Impact of expenditures on the economy of Ascension Parish**

The visitor expenditures data in Table 4 was used to find the economic impact of their injection into the Ascension Parish economy. The data was assigned to its respective sector in an IMPLAN model of the parish economy. From this, we obtained the estimated impact of the expenditures on the parish economy.

The results in Table 6 show that Lamar-Dixon Expo Center's presence added approximately \$21.4 million in net new sales to the Parish economy. Not surprisingly, the Accommodation and Food Services and Retail Trade industries had the largest gains with \$8.3 million and \$6.9 million in net new sales, respectively. The new sales were mostly comprised of direct injections into the economy. However, indirect and induced effects, as explained earlier, were also significant.

Table 6 also enumerates the effect of the Lamar-Dixon Expo Center on employment in the parish. Once again, the Retail trade along with the Accommodation and Food Services account for the most significant attribution of employment. Overall, we estimate that 379 jobs in Ascension Parish can be attributed to the ongoing presence of the Lamar-Dixon Expo Center. We also estimate that the center is responsible for \$7.7 million in household earnings for residents of Ascension parish. Its ongoing operations can also be attributed to \$866 thousand in revenue to the parish and local governments from sales taxes.

**Table 6**  
**2006 Annual Impact of Lamar-Dixon Expo Center**  
**on the Ascension Parish Economy**

<b>Category</b>	<b>Total</b>
New Ascension Parish Sales	\$21,406,629
New Ascension Parish Earnings	\$7,676,875
New Ascension Parish Employment	379
New Ascension & Local Sales Tax Revenues	\$866,393

Source: IMPLAN, and author's calculations.

### **Total Impact of expenditures on the economy of Louisiana**

The data from Table 5, the total expenditures of visitors from outside Louisiana, along with the Lamar-Dixon Expo Center operating budget were used in a similar manner to estimate the center's impact on the state economy. An IMPLAN model of the state economy with relevant multipliers for input (the injections) and output was built. Then the data was assigned to its respective spending categories to estimate the impact of the injections. The results of are shown in Table 7.

The presence of the Lamar-Dixon Expo Center is estimated to be responsible for \$9.8 million in sales at firms in the state of Louisiana. The results once again indicate that the Retail and Accommodations and Food Services industries are the most affected by the Lamar-Dixon Expo Center, as one would expect.. The results also show that the center creates 134 jobs in the state annually. The majority of these jobs are in the Accommodation and Food Services or Retail industries. The visitor spending and operating expenditures also create \$3.2 million in earnings for households of Louisiana. In addition to this, we estimate that the presence of the Lamar-Dixon Expo Center leads to \$408,387 in revenues to the state government due to taxes.

**Table 7**  
**2006 Annual Impact of the Lamar Dixon Expo Center**  
**on the Economy of Louisiana**

<b>Category</b>	<b>Total</b>
New Louisiana Parish Sales	\$9,782,722
New Louisiana Parish Earnings	\$3,233,544
New Louisiana Parish Employment	134
New Louisiana Sales Tax Revenues	\$408,387

Source: IMPLAN, and author's calculations.

#### IV. Conclusions

Two caveats are worth noting before summarizing results. First, the hurricanes of 2005 and subsequent recovery effort led to a smaller number of visitors to the Lamar-Dixon Expo Center as well as Louisiana. With the Bicentennial celebration in the Spring 2007, the attendance for this year has topped that of 2006 in less than half a year. More visitors will also translate into a larger economic impact. Second, an economic impact study such as this one does not address the value of a facility to local patrons. While Ascension parish residents may enjoy an event geared for the local citizens, it has no economic impact unless it attracts visitors from outside the parish. Thus, while economic impact studies are a useful tool, they may not accurately measure the total value of a facility like the Lamar-Dixon Expo center to the local citizens

To measure economic impact, we used surveys from three recent events held at the Lamar-Dixon Expo center. We estimate that 68,816 visitors came from outside of Ascension parish and spent \$13,964,667.99 in the parish due to their trip to the Expo center. Using this estimate along with the

operating budget of the Lamar-Dixon Expo center, we estimate that the Expo center is responsible for \$21.4 million in new sales, 379 jobs, \$7.7 million in household income, and \$ 866,393 in sales taxes for the parish and local governments within the parish.

We also estimate that 18,891 visitors visited the Lamar-Dixon Expo center from outside of the state and spent about \$4.6 million in the state during their trip. We estimate that this visitor spending along with the operating budget of the Lamar-Dixon Expo center lead to \$9.8 million in new sales for the state, 134 jobs, and \$408,387 in state taxes.

**Appendix A**  
**Lamar Dixon Survey**

Hello, my name is \_\_\_\_\_. On behalf of the LSU Public Policy Research Lab we are conducting a survey to help determine the economic impact that the Lamar Dixon Expo Center has on Ascension Parish and Louisiana. We would appreciate your help by taking this survey. It will only take a couple of minutes.

You are free to stop the survey if at any point. You may contact Steven Procopio (225-578-7499) for further information on this survey or Robert C. Mathews, Chairman of LSU's Institutional Review Board at 225-578-8692 or in 203 B-1 David Boyd Hall.

### **Ascension Parish Spending Questions**

1. Are you from Ascension Parish? (If questions arise about where Ascension Parish is, say "the Gonzales area") If yes, skip to 2'T.
2. How much will you spend in Ascension Parish on Food and Beverages during your visit? If zero, skip to 4
3. How many people will that cover?
4. How much will you spend in Ascension parish on shopping during your visit? If zero, skip to 6.
5. And how many people will that cover?
6. How much will you spend on gas or other transportation related items in Ascension Parish? If zero, skip to 8.
7. And how many people will that cover?
8. Will you stay overnight in Ascension Parish during your visit to the Lamar Dixon Expo *Center*? If no, skip to 12.
9. How many nights will you stay in Ascension Parish?
10. What rate will you pay per night for lodging?
11. And how many people will that cover?
12. How much will you spend on any other expenditures in, Ascension Parish that I have not covered? If zero, skip to 14.
13. And how many people will that cover?

## Louisiana Spending Questions

14. Are you from Louisiana? If yes, skip to 26a.
15. How much will you spend in Louisiana (including spending in ASCENSION PARISH) on Food and Beverages during your visit? If zero, skip to 17.
16. How many people will that cover?
17. How much will you spend in Louisiana (including spending in, ASCENSION PARISH) on shopping during your visit? *If zero, skip to 19.*
18. How many people will that cover?
19. How much will you spend on gas or other transportation related items in Louisiana including spending in ASCENSION PARISH)? If zero, skip to 21.
20. And how many people will that cover?
21. Will you stay overnight in Louisiana (including spending in ASCENSION PARISH) during your visit to the Lamar Dixon Expo Center'? If no, skip to 25
22. How many nights will you stay in Louisiana?
23. What rate will you pay per night for lodging?
24. And how many people will that cover?
25. How much will you spend on any other expenditures in Louisiana (including spending in ASCENSION PARISH) that I have not covered? If zero, skip to 27.
26. And how many people will that cover?
- 26.a. How did you learn about the expo?
- 26.b. When did you learn about the expo?
- 26.c. When did you decide to come to the expo?
- 27.d. What primarily drew you to the expo?
27. Have many adults (other than yourself) attended this event with your group? (Your best estimate is fine for a large, group)

28. Would you attend this event again next year if they held it at the Lamar Dixon Expo Center?
29. Based on your experiences at the Lamar-Dixon Expo center, would you consider attending other events (excluding this event) here in the future?

**Demographic Questions**

30. What is your Zip Code at your home address?
31. What is the highest grade of school or College that you completed?

None	Elementary	High School
Some College	Bachelors	Graduate/Professional

32. What is your age?

33. What is your total household annual income from all sources?

- Under \$10,000 /year
- \$10,000-19,999 / year
- \$30,000-439,999 /year
- \$40,000-\$49,999 /year
- \$50,000-\$59,999 /year
- \$60,000-69,999 /year
- \$70,000-\$79,999 /year
- \$80,000-\$89,000 /year
- \$90,000-\$99,000/year
- \$100,000-\$5,150,000 /year

Over \$150,000 /year

Thanks for your time and patience. We appreciate your co-operation,

34. What race do you consider yourself?
- Caucasian
  - African American
  - Asian or Pacific Islander
  - Hispanic
  - American Indian
  - Multi-racial or mixed race Other (specify)

35. What is your sex?

Date: \_\_\_\_\_ Initials: \_\_\_\_\_

**Appendix B**  
**Response to Survey Questions Not Addressed**

**Table B.1**  
**Demographic Responses**

<b>Demographic</b>	<b>Responses</b>	<b>Number Responding</b>
Ascension Parish Residents	33	261
Non-Ascension Parish Residents	228	261
Non-Louisiana Residents	190	200
Average Age	42.8	219
Female	137	226
Caucasian	219	230
African American	3	230

**Table B.2**  
**Education Question**

<b>Education Level</b>	<b>Respondents</b>	<b>Percentage</b>
High School	66	29.07
Some college	56	24.67
Bachelors	52	22.91
Graduate/Professional	33	23.35

**Table B.3**  
**Household Income**

<b>Household Income per Year</b>	<b>Number of Responses</b>
Under 10,000	3
10,000-29,999	5
30,00-39,999	14
40,000-49,999	14
50,000-59,999	17
60,000-69,999	24
70,000-79,999	22
80,000-89,000	32
90,0000-99,999	11
100,000 - 150,000	43
Over 150,000	23