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SOUTHERN MISSISSIPPI

THE TRENT LOTT NATIONAL CENTER FOR EXCELLENCE IN
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DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Impact Study of the 34th Mistletoe Marketplace



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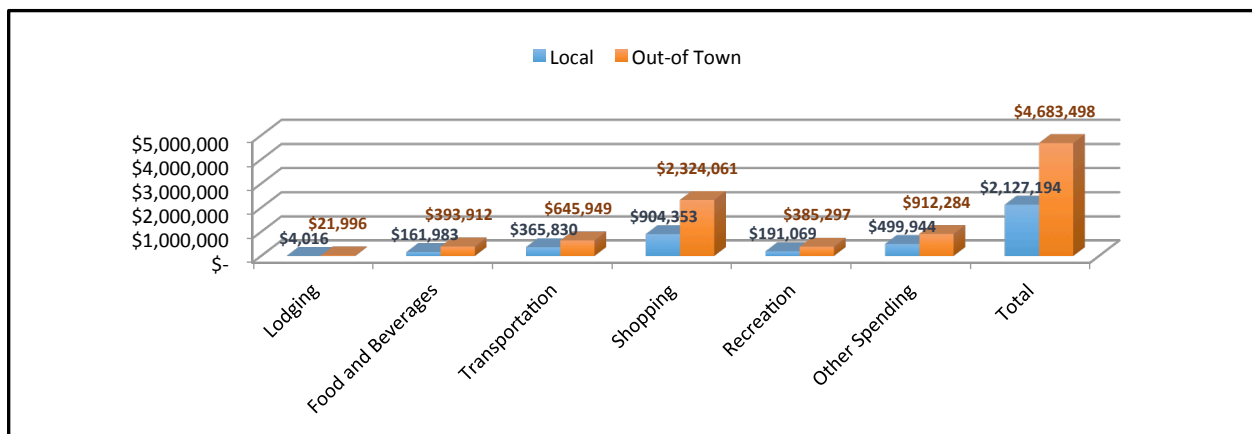
Impact Study of the 2014 Mistletoe Marketplace

Executive Summary

The Junior League of Jackson requested assistance from The University of Southern Mississippi's Department of Economic Development and Tourism to conduct an economic impact study for their annual Mistletoe Marketplace. Research faculty and graduate students collected primary and secondary data to determine the impact of the three-day event by gathering participant feedback using a survey instrument designed to gain a better understanding of spending patterns. Over 300 attendee and vendor travel parties were surveyed and 271 usable surveys were analyzed.

The results revealed that the Mistletoe Marketplace attracted an estimated 30,500 total attendees who spent over \$6,810,692 during the three-day period. Of this total, approximately \$4,683,498 was generated from out-of-town visitors, and \$2,127,194 came from local attendees. The breakdown of this spending is provided in Figure 1. The economic impact of these sales added an additional \$6,063,688 in earnings to the City of Jackson economy through a multiplier effect or what is commonly referred to as a "ripple effect" that occurs when sales are generated. It is estimated that the Mistletoe Marketplace supports about 809 jobs while it is taking place. In addition, the estimated 3,220 out-state visitors and vendors added \$714,167 to the state economy and generated an additional \$34,565 in state tax revenue.

Figure 1. Total spending by local versus out-of-town visitors



The results also identified that there is a direct impact from the Mistletoe Marketplace on the lodging industry within the 5 miles radius from the Trade Mart, including about 2% increase in the occupancy percentage and about \$1.14 increase of Average Daily Rate (ADR). This impact on the hotels, however, is minimal because tourists' spending for lodging is about \$21,966, which is only 0.4% of the total spending by out-of-town visitors.

Lastly, based on the results of the survey, two main target markets are identified. The primary target market is females over 45 years old, and the second target market is females between 35 and 45 years old. The primary target market comes primarily from Rankin, Madison, Attala, Humphreys, Copiah, Simpson, Yazoo, and Scott Counties, whereas the second target market travels from Rankin, Attala, Madison, Forest, Scott, Lauderdale, and Tammany Counties. To increase out-of-town visitors for the future events, therefore, the Mistletoe Marketplace event coordinator might consider targeted advertising in the corresponding counties by designing customer-driven marketing strategies that build beneficial relationships with the suggested target markets. In addition, suggestions for future studies are made at the end of this report.

Introduction

The Junior League of Jackson is an organization of women committed to promoting voluntarism, developing the potential of women and improving communities through the effective action and leadership of trained volunteers. With more than 2,400 provisional and active members, the Junior League of Jackson has become one of the largest Leagues in the Association of Junior League International (Junior League of Jackson, 2014). The league generates revenues for its diverse commitments through several fundraising events including, Junior League Jumble, Touch A Truck Jackson and the Mistletoe Marketplace.

The Mistletoe Marketplace, for the past 34 years, has been one of the primary sources of revenue for the Junior League of Jackson. The Mistletoe Marketplace is a three-day shopping event and the official start of the holiday season in Jackson, MS (Mistletoe Marketplace, 2014). This year, the League celebrates the 34th Annual Mistletoe Marketplace at the Mississippi Trade Mart, featuring more than 160 merchants and their most incredible and imaginative items, between Thursday, November 6, 2014 and Saturday, November 8, 2014. In addition, the Mistletoe Marketplace offers special events, such as two preferred shopping brunches and tween tailored event.

The 34th Mistletoe Marketplace attracted about 18,330 tourists to the City of Jackson (hereafter Jackson) in 2014, with a great potential for many of those tourists to return for future events. In general, the Mistletoe Marketplace contributes to the regional economy in three different ways - directly, indirectly, and through induced effects. For example, direct effects are created by tourists who stay at hotels, go to restaurants, and participate in various activities, including shopping at the Mistletoe Marketplace, whereas indirect effects on the regional economy are created by hotels and restaurants' purchases of goods and services. Additionally, some portion of these expenditures go to employees, suppliers, and owners (i.e., induced effects), who, in turn, spend their earnings in Jackson, thereby boosting the regional economy.

More specifically, additional effects occur when companies affiliated with local hotels or restaurants (either directly or indirectly) have a ripple effect in the buying and selling of goods and services. This may include purchase of fuel, food, equipment, and services from other local and regional firms. These purchases lead to further inter-industry activities that constitute the indirect impact.

Purpose of Study

The main purpose of this study is to examine the effect of tourists' (out-of-town visitors) expenditures on the local economy, particularly, local earnings. The economic activity of tourists brings added value to the general economy because it can be linked with other industries in Jackson. Visitor spending figures represent only a portion of their actual value to relevant businesses and to the regional economy.

The specific deliverables of the study include:

Conduct a research project to determine the economic impact of the 2014 Mistletoe Marketplace, which is held November 5-7, 2014.

1. Collect and analyze existing data provided by the organizers
2. Modify an existing tourism intercept survey
3. Gather primary data on consumer spending patterns
 - a. Arrange for 4 students to conduct intercept surveys
 - b. Have 2 students on Friday and 2 students on Saturday conducting surveys
 - c. Collect 300+ surveys
 - d. Have a drawing as an incentive for completing surveys
4. Compile data collected and run the EMSI Analyst input-output model

5. Prepare a final written report that will include:
 - a. Economic impact of the event as measured by jobs supported, per capita income, multiplier effect, and estimated fiscal impact
 - b. Estimated hotel nights generated by the event
 - c. Customer analysis
6. Prepare a press release on the results of the study

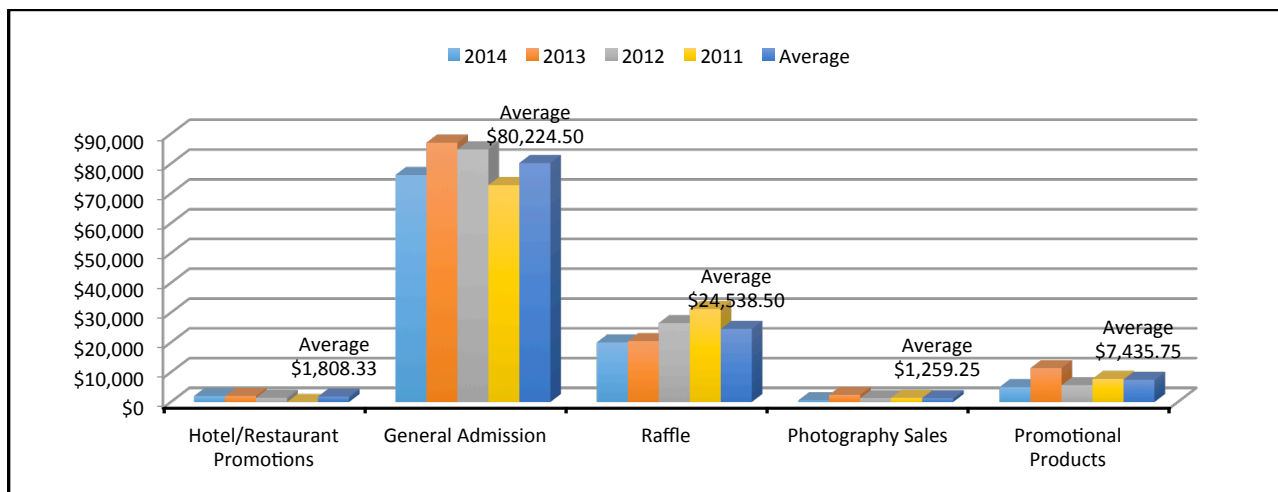
EMSI Analyst is able to calculate to the county level so Hinds County, where the City of Jackson is located, multipliers are used for input/output analysis.

Trends

Based on the provided secondary data, in terms of revenues and expenses for the Mistletoe Marketplace over the four-years period, several interesting trends were identified, which may considerably affect operating performance of the Mistletoe Marketplace. It is speculated that the Sanderson Farms PGA Golf Championship (November 3-9) in Jackson and college football featuring ranked Mississippi teams might have impacted attendance in 2014.

Profits from the event were derived from several different sources with general admission revenue providing the most profit. Figure 2 shows the profits generated by different promotion activities for the Mistletoe Marketplace over the four-year period. The promotional activities produced profits or benefits of bringing more visitors to the Mistletoe Marketplace. The average profit for the promotional activities was \$214,684, which is about 30% of the total revenue. Not surprisingly, general admission revenue accounted for about 70% of the total profits among all promotional activities, which is about \$80,225 on average, followed by Raffle (\$24,539), Promotional Products Sales (\$7,436), and Photography Sales (\$1,259). Also, the Hotel and Restaurant Promotion provided about 1.57% the profits (\$1,808) to the Mistletoe Marketplace. However, “Tidings Ad Sales” was not considered in this comparison due to insufficient data. Importantly, the Mistletoe Marketplace spent about \$2,000 on social media advertising in 2014, which is about 2% of the total promotional expenses, however, it may increase total visitors for future events, thus being beneficial in the long run.

Figure 2. Profits of promotion activities for the Mistletoe Marketplace

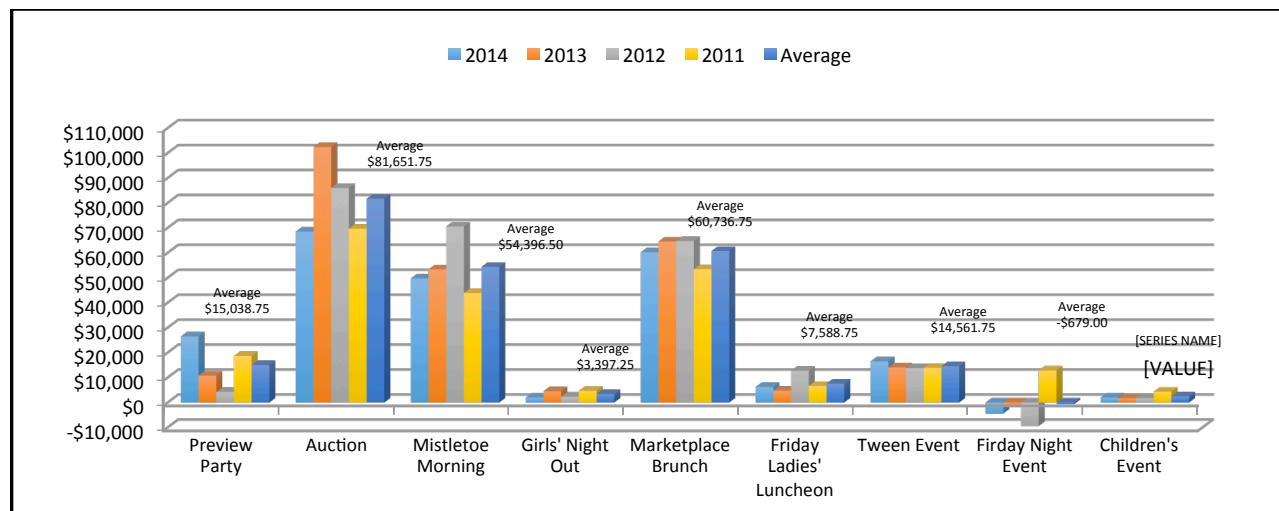


Note – 1) Any costs related to graphic design, social media advertising, promotional photography, website maintenance fee, email marketing, printing, signs, advertising (print/billboards), and shopping bags were subtracted from general admission revenue to determine the profits for general admission (i.e., profits = revenues – expenses)
 2) Dollar amount related to year 2014 is budgeted profits

As seen in Figure 3, special events generated profits for the Mistletoe Marketplace, except Friday Night Event (-\$679) over the four-year period, which is about less than -.02% of the total profits from special events run by the Mistletoe Marketplace. Among these special events, the Auction, including Silent Auction and Live Auction, generated the most profits (\$81,652), followed by Marketplace Brunch (\$60,737), Mistletoe Morning (\$54,397), Preview Party (\$15,039), and Tween Event (\$14,562). In fact, the Auction accounted for about 34% of the total profits from all special events.

In addition, the Mistletoe Marketplace provided other special events for the visitors as a part of customer services, such as Pictures with Santa, Rudolph Run, and Special Event Bartenders. The total expenses for these events over the four-years were \$35,743, with an average spending of \$8,936 per year, which is about 6% of the total expense.

Figure 3. Profits of special events in the Mistletoe Marketplace



Note - Dollar amount related to year 2014 is budgeted profits.

Multiplier effect on the local economy

An event like the Mistletoe Market Place enhances a local economy by bringing in “new” money that flows through the local economy. Economic input-output (I/O) analysis generates estimates of these indirect economic impacts referred to as “multiplier effects” or commonly known as “ripple effects.” Multiplier effects measure the impact on output, income, and employment resulting from an increase in final demand. An increase in final demand (e.g., an additional dollar of output or employee compensation or one additional job in the sector) results in a total increase in output, income, or employment in the economy equal to its multiplier. In this regard, multipliers estimate the amount of direct, indirect, and induced effects on income or employment that result from each additional dollar of output, additional job, and additional dollar of employee compensation in a sector. This study estimates the direct, indirect, and induced impacts in terms of local earnings (i.e., income that is received by all persons from all sources).

In the case of the Mistletoe Marketplace, direct economic impact is created by the out-of-town visitors, whereas indirect economic impact is considered additional jobs and payroll created or supported in the surrounding economy as a result of the purchase of inputs by shops, hotels, and restaurants where tourists stay and shop. Also, induced economic effect consists of changes in economic activity resulting from household spending of income earned directly or indirectly as a result of tourists’ spending in Jackson.

Visitor impact

The Mistletoe Marketplace attracted thousands of visitors from outside the region, but the majority of attendees were from Madison and Rankin County. An intercept survey was conducted during the Mistletoe Marketplace to determine the home location and spending patterns of attendees. A copy of the survey questionnaire is provided in Appendix A. For this study, a systematic random sample was used to obtain visitors' expenditures in the Mistletoe Marketplace. The five research assistants were present at the main entrance of the Mistletoe Marketplace on two separate days, Friday, November 7 and Saturday, November 8, 2014. To include a diverse of sampling of participants for this study, the survey was conducted during three different time periods, morning, afternoon, and late afternoon, which further ensures representation of the total population.

Research assistants selected a number from a random table, and counted those who approached the entrance of the Marketplace and passed by each research assistant. The person or group who passed by research assistants at the corresponding interval was asked for their willingness to complete the survey questionnaire. If a group of people was chosen, only one person from the group was asked to complete the survey. As a token of appreciation, a coupon for a free soda in the Mistletoe Marketplace was provided upon completion of the survey. A total of 317 samples were randomly collected, however, 26 surveys were discarded for insufficient information or "filter checks", resulting in 291 samples (i.e., 291 travel parties) being included in this study, which represented 780 total visitors (an average of 2.89 persons per party). A travel party is either a household or group of non-household members traveling together.

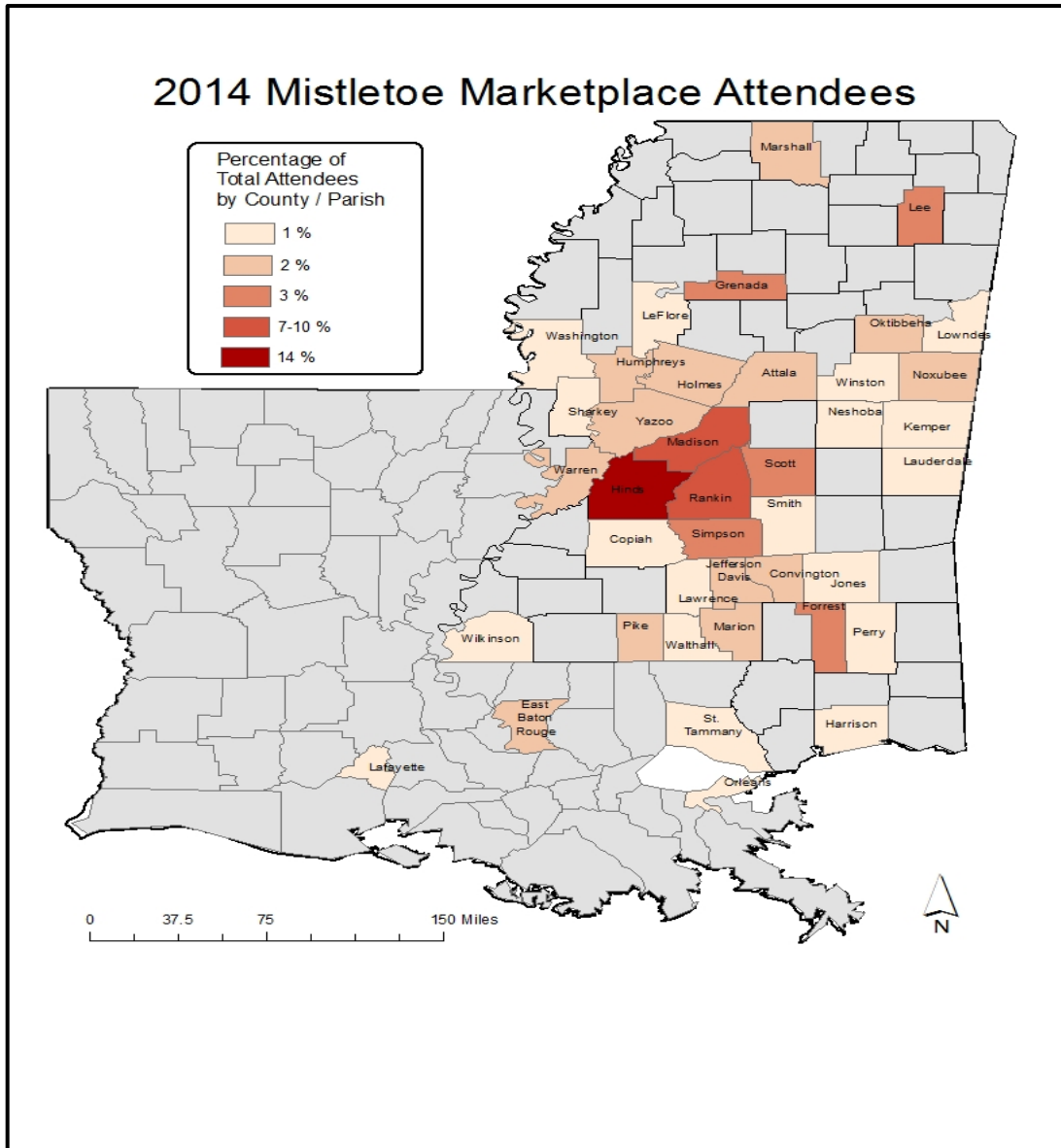
Out of town visitors are the driver of economic impacts due to their spending in the local economy that would not have otherwise occurred. As indicated in Table 1, about 60.1% of surveys were completed by attendees from outside the immediate area. Over the three-day period, an estimated 12,170 local residents attended the Mistletoe Marketplace, and 18,330 out-of-town visitors attended the Marketplace, for a total of 30,500 estimated attendees.

Table 1: Origins of surveyed Mistletoe Marketplace attendees

	Travel Parties	Total Persons (excluding Vendors)	%	Attendees
Non-residents	163	469	60.1	18,330
Local	108	311	39.9	12,170
Total	271	780	100	30,500

Respondents were asked their home zip code to differentiate between local residents and out-of-town visitors. The location of survey respondent's homes is illustrated on Map 1. The visitors came mainly from Madison (10.2%) and Rankin (7.2%) Counties. Some visitors also traveled from Simpson (3.4%), Lee (3.1%), Grenada (3.1%), and Forrest (3.1%) Counties. In addition, the out-of-State visitors came primarily from Louisiana, Texas, and Florida (refer to Appendix B).

Map 1: Origin of Visitors by Zip Code in Mississippi



Visitor spending patterns

Out-of-town visitors were asked to estimate their spending in the eight categories: lodging, food and beverages, entrance fee, retail shopping (souvenirs, gifts etc.), parking, recreation (entertainment) and other spending. For this study, parking fee was combined with transportation, and entrance fee with recreation in order to run EMSI Analyst Input-Output model. Based on the surveys collected, average spending per person figures were calculated. Multiplying the average spending per person by the estimated number of out-of-town attendees yielded an overall estimate of visitor spending. As seen in Table 2, out-of-town visitors spent approximately \$4,683,498 over the three-day time period. The majority of this spending was directly related to the Mistletoe Marketplace, including food and beverages, shopping, and lodging.

Table 2. Spending by out-of-town visitors with spending based on surveyed respondents

NAICS	Description	Per Person (Average) \$	Total Spending \$	Local Purchasing (65%)
721110	Lodging	1.20	21,996.00	14,297.40
722310	Food and Beverages	21.49	393,911.70	256,042.61
485999	Transportation	35.24	645,949.20	419,866.98
453220	Shopping	126.79	2,324,060.70	1,510,639.46
713990	Recreation	21.02	385,296.60	250,442.79
812990	Other Spending	49.77	912,284.10	592,984.67
	Total	255.51	4,683,498.30	3,044,273.90

Note - the total amount of Transportation includes parking fee (\$18.23 per person); the total amount of Recreation includes entrance fee (\$7.86 per person)

The Regional Purchase Coefficient (RPC) is the proportion of regional demand fulfilled from regional production and is an important consideration for measuring the true economic impact of visitor spending. When visitors purchase goods and services from local establishments, which is new money that stimulates regional economic activities through linkages of tourism with other sectors of the economy, some of the spending immediately leaks from the region. As Stynes (1997) indicated, “generally, only sixty to seventy percentage of tourist spending appears as final demand in a local region” (p. 17).

For example, the industry classification for food and beverages “NAICS code: 722310” spending amount was \$256,042. The multiplier effect for food service contractor is 1.17 or \$299,570 in local earnings. Similarly, the lodging, except casino hotels, and motels with an industrial classification code “NAICS code: 721110” spending amount was \$14,297 with the multiplier effect of 1.40 or \$20,017 in local earnings. For the purposes of this study, only sixty-five percent (65%) of the total estimated spending was used to calculate the economic impact.

Local earnings generation

EMSI Input-output software was used to determine the economic impact of the Mistletoe Marketplace using local earnings as its primary calculation. Visitors’ total spending adjusted for regional purchasing coefficient was \$4,683,498. This was entered by industry classification into the “Input” category of the model, which subsequently generated three output categories of local earnings: direct, indirect and induced. Table 3 shows the economic impact from the event spending, which resulted in an overall effect of \$6,063,688.

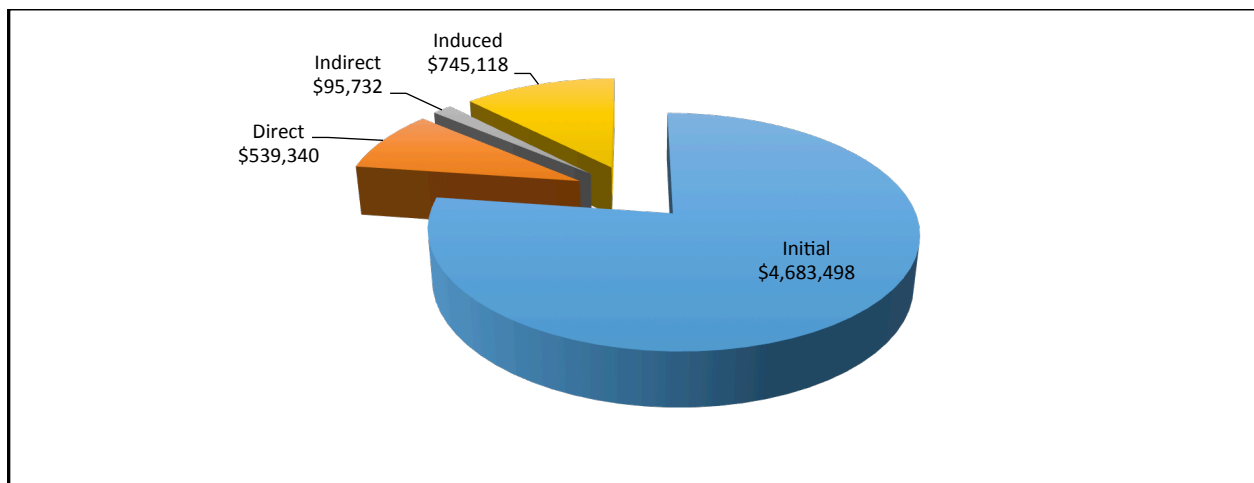
Table 3. Local Earning Created by Mistletoe Marketplace Visitor Spending

	INPUT	OUTPUT			
		Initial	Direct	Indirect	Induced
Mistletoe Marketplace Spending for Local Economy (\$)	\$4,683,498				
Local Earnings		\$4,683,498	\$539,340	\$95,732	\$745,118
Aggregate Effect on Earning					\$6,063,688

The model allocates \$539,340 of the total spending by out-of-town visitors as direct impact, \$95,732 as indirect and \$745,118 as induced impacts on the local economy, respectively. Figure 4 shows the breakdown with the initial local earnings. The initial effects consisted of the \$4,683,498 in new money from visitors to the local economy. Direct, indirect and induced effects all result in the spinoff spending.

The direct effect flows out of the initial impact. The \$4,683,498 refers to local businesses, which become more active as they sell more to the retailers and restaurants where visitors spend their money. This results in a supply chain activity triggering more spending by other local vendors, as long as the supply chain businesses increase their sales to visitors. The indirect effect is really a secondary supply chain effect, which explains how different businesses benefit from contractual relationships to supply services, products and goods. This occurs when those businesses' increased activity prompts increased spending in an industry, setting off the same kind of reaction in its own supply chain, and for this study resulted in \$95,732 indirect spending from the Mistletoe Marketplace. The induced effect is a much broader effect, as evidenced by the number of jobs represented there, for a total ripple effect of \$745,118 additional local earnings spending as indicated in Figure 4. For instance, hotel and linen supply employees, supported directly or indirectly by tourists' expenditures, spend their earnings (income) in the local region for housing, food, transportation, and the usual array of household product and service needs. The sales, income, and jobs that result from household spending of added wage, salary, or proprietor's income are induced effects. In particular, an estimate of the total job supported by the Mistletoe Marketplace is about 809, including 24 jobs in food and beverage, 31 jobs in recreation, and only 1 job in lodging industry. In this regard, the increase in economic activity can further increase demand and growth of other businesses within the region.

Figure 4. EMSI input/output model indicating additional local earnings spending calculations



Spending by local residents

Local residents spent a lesser amount compared to out-of-town visitors. As seen in Table 4, it is estimated that local residents spent approximately \$2,127,194 on activities related to the Mistletoe Marketplace in the local economy as compared to \$4,683,498 for out-of-town visitors. Spending by local residents is not included in the estimated economic impact (Crompton, 2001). Only out-of-town visitors are evaluated for economic impact on Jackson.

Table 4. Spending by Local Attendees with spending based on surveyed respondents

NAICS	Description	Per Person (Average) \$	Total Spending \$
721110	Lodging	0.33	4,016.10
722310	Food and Beverages	13.31	161,982.70
485999	Transportation	30.06	365,830.20
453220	Shopping	74.31	904,352.70
713990	Recreation	15.70	191,069.00
812990	Other Spending	41.08	499,943.60
	Total	174.79	2,127,194.30

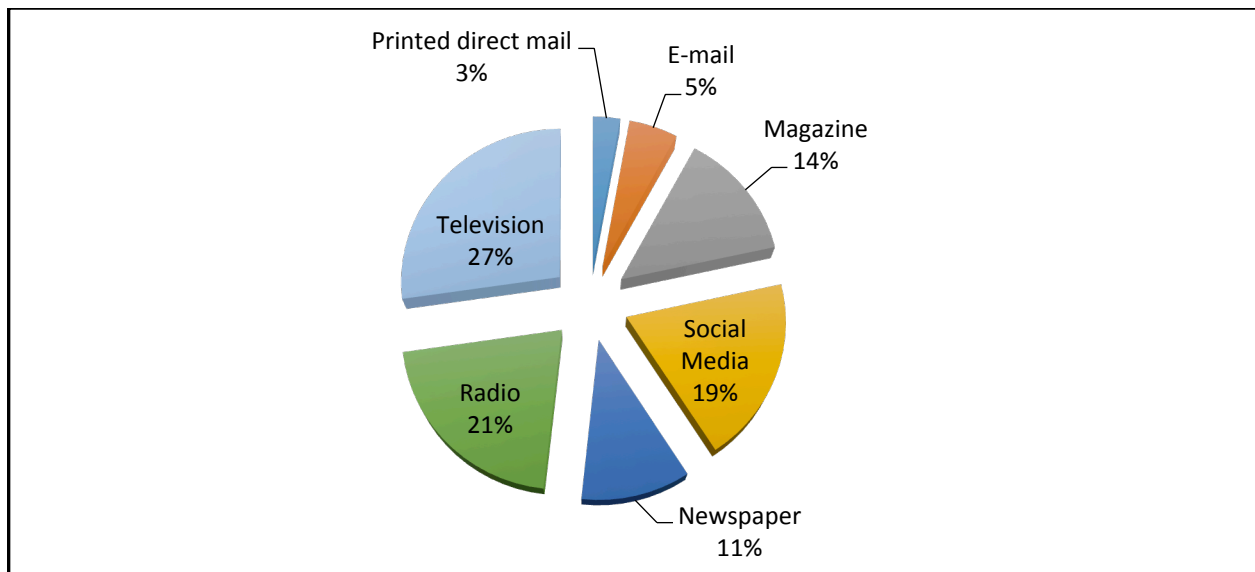
Note - the total amount of Transportation includes Parking Fee (\$21.67 per person); the total amount of Recreation includes Entrance Fee (\$8.47 per person)

Medium of advertisement

As seen in Figure 5, the use of television as a medium of advertisement for the Mistletoe Marketplace has the highest impact, followed by radio, and social media. About 27% of the participants who completed the survey had heard of the event through television, whereas about 21% heard through radio. In addition, the emergence of social media made it the third most impactful alternative for advertising for the event (19%). Figure 5 shows the percentage breakdown of all the methods employed in advertising the Mistletoe Marketplace.

In particular, as the use of social media by visitors will significantly increase, particularly on mobile devices (e.g., smartphone), it is recommended that the Mistletoe Marketplace event coordinator might focus on different social media platforms (e.g., Instagram, Facebook) to advertise the event, which will increase future traffic for the Mistletoe Marketplace.

Figure 5. Medium of Advertisement for Communicating the Mistletoe Marketplace



Impact of Lodging Industry by the Event

The Mistletoe Marketplace is an event organized once a year during the first week of November in the Trade Mart Building in Jackson. Within a ten-mile radius from the Mistletoe Marketplace, there are 128 hotels. These hotels include 59 economy hotels, 23 midscale hotels, 24 upper-midscale hotels, and 8 upscale hotels, and 2 upper upscale hotels. In addition, 58 hotels exist within a five-mile radius from the Mistletoe Marketplace, such as 26 economy hotels, 8 midscale hotels, 18 upper-midscale hotels, and 6 upscale hotels. Unfortunately, there is no evidence of a luxury hotel in this region (Trend Report, 2014). While there are 128 hotels within a ten-mile radius of the Trade Mart, for this study, only the 58 hotels within a five-mile radius were used to estimate the impact on the lodging industry.

As seen in Figure 6, the average occupancy percentage of the hotels over the four years from 2010 is about 52.2%, which is about 10% lower than the average of the lodging industry (62.2%) in the U.S. (Lodging Industry Profile, 2014). More specifically, the occupancy percentage between years 2010 and 2012 is slightly lower, but the occupancy percentage for year 2013 is about 3.1% higher than the average of the hotels (52.2%), to 55.3%. In addition, Figure 7 shows the average daily rate (ADR) of the hotels is approximately \$67.99 with a big fluctuation of ADR per month over different time periods. The detailed breakdown of the occupancy percentage and ADR of the hotels in a five-mile radius from the Mistletoe Marketplace is provided in Figures 6 and 7. Due to incomplete information for the year 2014, the occupancy percentage and ADR for the year 2014 is not included in these figures.

Figure 6. Occupancy percentages for hotels within 5 miles radius

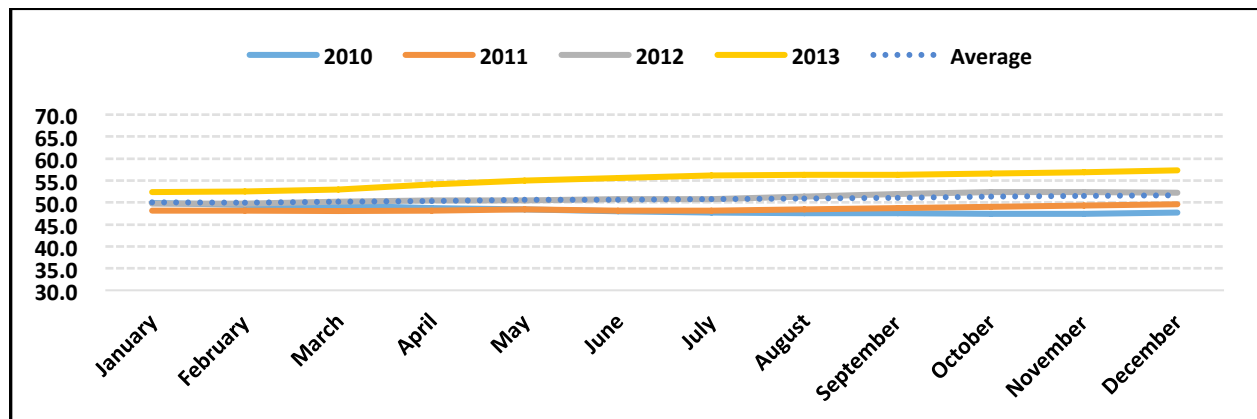
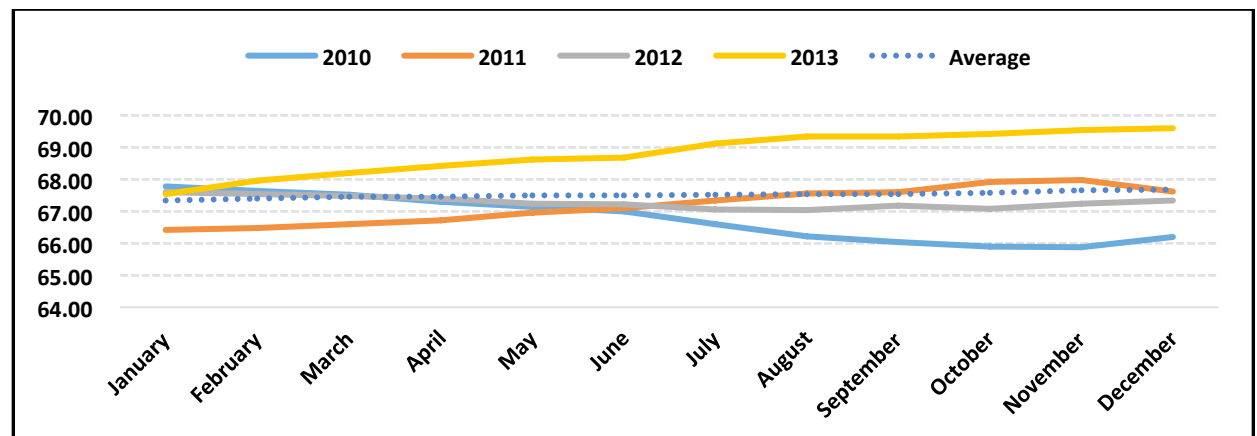
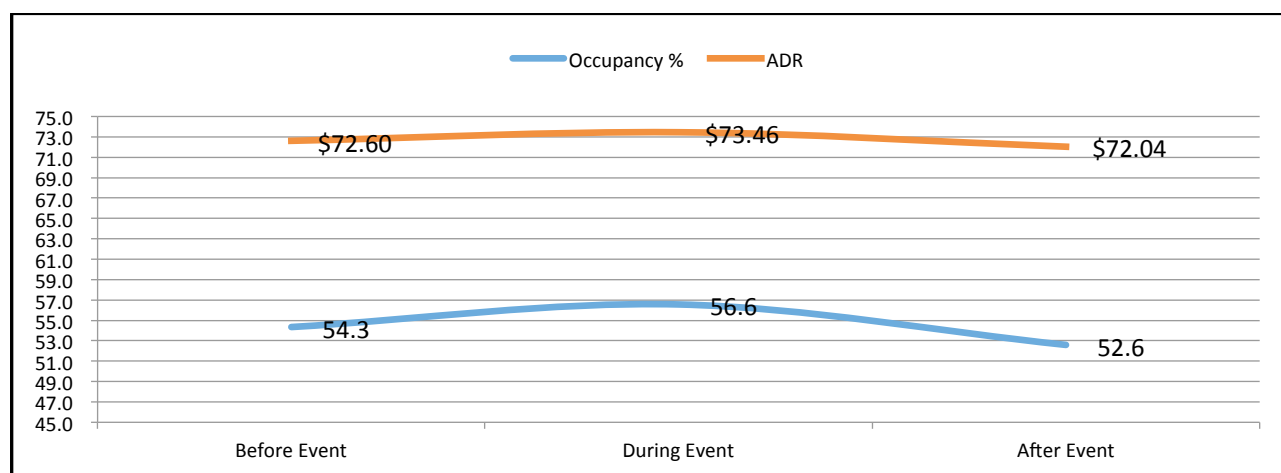


Figure 7: Average daily rates for hotels within 5 miles radius



In addition, to estimate the direct impact of the Mistletoe Marketplace on the lodging industry, the occupancy percentage and ADR of the hotels were calculated before, during, and after the three-day event. As seen in the Figure 8, there is an increase in the occupancy percentage and ADR when compared to the week before and after the event. For example, the occupancy percentage increased by about 2.3% when compared to the week before the Mistletoe Marketplace opened for the visitors. Also, after the event ended, the occupancy percentage decreased by 4%, to 52.6%. In this regard, this pattern may confirm that there is a direct impact of the Mistletoe Marketplace on the lodging industry within the five-mile radius from the Mistletoe Marketplace. However, this impact on the lodging industry is at the minimal level, which is further validated by the fact that tourists' spending on lodging is about \$21,966.00, which is only 0.4% of the total spending by tourists (refer to Table 2).

Figure 8: The Pattern of Occupancy Percentage and ADR in relation to the Mistletoe Marketplace



Customer Analysis

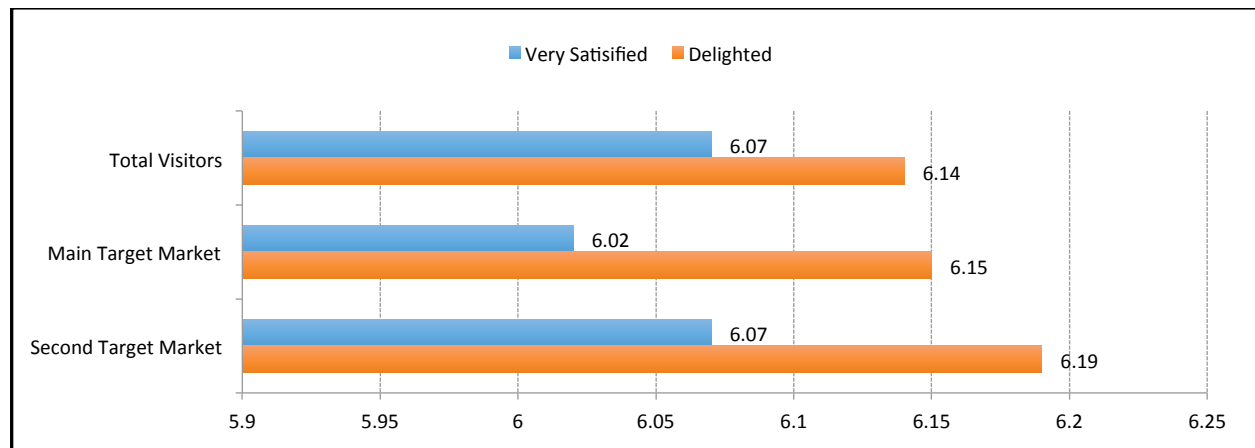
Based on the results of the survey, customer profiles for the Mistletoe Marketplace in 2014 were analyzed. Females represented the overwhelming percentage of attendees with about 88.7% of the total visitors. Regarding education level, the majority of respondents had either college or graduate degrees, representing approximately 59.7% of the total visitors, followed by twenty percent (20%) who completed a two-year degree, and seventeen percent (17.2%) with less than a high school diploma. More importantly, more than half of the visitors (52.1%) were over 45 years old, followed by visitors between 35 and 45 years old (22.4%), and those who are between 25 and 35 years old (14.8%). In this regard, females 45 years and above are the main visitors (main target market) for the Mistletoe Marketplace, while females between 35 and 45 years are the second largest visitor segment, which is called “the second target market” for the Mistletoe Marketplace.

As Kotler, Bowen, and Makens (2009) indicated, an organization must identify the parts of the market that it can serve best and most profitably, and concurrently it must design customer-driven marketing strategies that build the right relationships with the right customers (target market). Interestingly, about 29.4% of the main target market is primarily coming from Rankin (8.7%) and Madison (7.7%) Counties. Also, approximately three to five percent (3 to 5%) of the main target market are visiting from Attala (4.9%), Humphreys (4.9%), Copiah (4.9%), Simpson (4.9%), Yazoo (4.9%), and Scott (3.9%) Counties (see Appendix C). Regarding the second target market, they are primarily coming from Rankin (7.8%), Attala (7.4%), Madison (6.4%), Forest (5.3%), Scott (3.2%), Lauderdale (3.2%), and Tammany (3.2%)

Counties (See Appendix D). Based on these survey results, therefore, Mistletoe Marketplace event coordinators might consider targeted advertising in the corresponding counties to increase awareness for the future, which may eventually attract more visitors to the Mistletoe Marketplace.

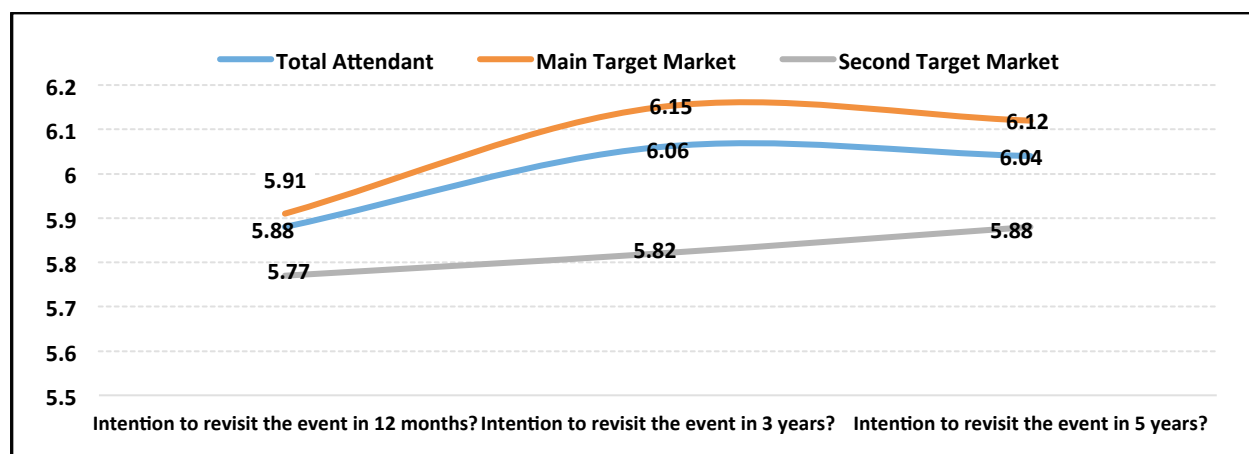
In addition, visitors were asked to rate their overall satisfaction with the Mistletoe Marketplace. In particular, two items were used to measure their overall satisfaction on a seven-point Likert scale, ranged from 1 (very unsatisfied or terrible) to 7 (very satisfied or delighted). Figure 9 shows that the highest overall satisfaction was 6.17 (delighted) by the second target market (female between 35 and 45 years). The average of overall satisfaction was 6.07 (very satisfied) and 6.14 (delighted), respectively. With respect to the main target market (female over 45 years), their overall satisfaction was very similar to that of the total visitors, which means that not only total visitors, but also target markets are very satisfied with their experience at the Mistletoe Marketplace

Figure 9. Overall Satisfaction with the Mistletoe Marketplace



Visitors' overall satisfaction levels are positively related to their intention to visit the Mistletoe Marketplace in the future. In fact, visitors' revisit intentions to the Marketplace were measured by the three items, short (12 months), middle (3 years), and long-term (5 years) intention, on a seven-point Likert scale, ranged from 1 (most unlikely) to 7 (most likely). In terms of the total visitors, the average of revisit intention to the Mistletoe Marketplace in twelve months was 5.88, followed by revisit intention in three years (6.06) and in five years (6.04). Also, the average of the main target market's revisit intention in twelve months was 5.91, followed by revisit intention in three years (6.15), and in five years (6.12), which are slightly higher than the average of the total visitors' revisit intentions in the three different time periods. As seen in Figure 10, interestingly, there is a linear relationship between second target market's revisit intention and three different time periods, which ensures that the second target market will continue to return to the Mistletoe Marketplace as long as they are provided with at least equal experiences along with the same level of merchant items and services for the target market.

Figure 10. Visitors' Revisit Intentions to the Mistletoe Marketplace



State Tax Impact

A rough estimate of the State general fund revenue impact was determined by multiplying the total new spending in the State of Mississippi by 4.84%. This percentage is calculated by dividing the total general fund revenue less any sources that do not vary with economic activities (e.g., severance taxes, payments in lieu of taxes, and the AMS settlement) by the total State income from Bureau of Economic Analysis, Personal Income Summary from the year of 2013.

With new spending by all visitors to the Mistletoe Marketplace, including local residents, in the State of Mississippi, an estimate of State General Fund (SGF) revenue impact was \$329,637. More importantly, an estimate of SGF revenue impact from out-of-town visitors was \$226,681, which is about 69% of that of total attendees, whereas out-of-State visitors represented \$34,565 SGF revenue impact, which is about 15.3% of that of out-of-town visitors.

Table 5. An estimate of State General Fund revenue impact

	Out-of-Town Visitors	Out-of-State Visitors	Local Residents	Total Attendees
Total Spending	\$4,683,498	\$714,167	\$2,127,194	\$6,810,693
Average Spending	\$255.51	\$317.38	\$174.79	\$430.30
Estimate of SGF Revenue Impact	\$226,681	\$34,565	\$102,956	\$329,637

Note – The spending by out-of-town includes that by out-of-state visitors

Limitations

Despite adherence to the basic principles of economic impact analysis and cautious efforts to accurately sample visitors and, thus, estimate the total attendance, the resulting impacts might still remain “best estimates.” There is likely to be some measurement errors in both the total attendance count and sampling procedures, although researchers made every effort to use a systematic random sampling procedure, which further guaranteed the generalization of the results to the sample population. Furthermore, the data depend on the accuracy of samples’ responses to the questionnaire. If they were interviewed at the beginning of their visit to the Mistletoe Marketplace, they were required to estimate their likely expenditures for their spending of the relevant questions in the survey. If the interview occurred at the end of their visit, they needed to recall the various expenditures incurred in the Mistletoe

Marketplace. To minimize these error variances, the intercept survey was conducted during three different time periods, (morning, afternoon, and late afternoon), on two separate days, and concurrently with completion of the survey, research assistants asked respondents to carefully estimate or recall their spending in the Mistletoe Marketplace.

Notwithstanding the assumption of good faith efforts by respondents to provide accurate data, survey errors are inevitable and their marginal errors might not be calculable. As Crompton (2001) indicated, “the questionable assumption has to be made that the error is random and thus self-canceling” (p. 87). Despite its weaknesses and limitations, therefore, we believe that this economic impact analysis of the Mistletoe Marketplace is valuable in understanding its importance to the regional economy, as well as the community.

Conclusion

The Mistletoe Marketplace attracted an estimated 30,500 total attendees who generated local sales during the three-day period of over \$6,810,692. Of this total, out-of-town visitors generated about \$4,683,498 in sales to the economy, and local attendees generated \$2,127,194. Also, the economic impact of these sales added an additional \$6,063,688 in earnings to the economy through a “ripple effect” that occurs when sales are generated. In addition, there is a direct impact of the Mistletoe Marketplace on the lodging industry; about 2% increases in the occupancy percentage and about \$1.14 increase of ADR. However, this impact on the hotels within the five-mile radius of the Mistletoe Marketplace is at the minimal level because tourists’ spending for lodging is about \$21,966, which is only 0.4% of the total spending by out-of-town visitors. Lastly, based on the results of the survey, two main target markets are identified. The primary target market is females who are over 45 years old, and the second target market is females between 35 and 45 years old. The primary target market primarily comes from Rankin, and Madison, Attala, Humphreys, Copiah, Simpson, Yazoo, and Scott Counties, whereas the second target market is traveling from Rankin, Attala, Madison, Forest, Scott, Lauderdale, and Tammany Counties.

Recommendations for Study Improvement

After concluding this economic impact study, the following research is recommended for the Junior League of Jackson in terms of increasing benefits to the Mistletoe Marketplace. First of all, although the Mistletoe Marketplace attracts over 30,000 visitors each year, it is very interesting to know why do people visit the Mistletoe Marketplace, and how do these motivations affect their experience with the event. At the same time, knowing what visitors take away from their visit to the Mistletoe Marketplace will eventually help to increase the total visitation to the future event. By understanding the links between visitors’ motivations and their actual visits to the event, therefore, the Junior League of Jackson will be able to provide more effective and more enriching experiences to their visitors at the Mistletoe Marketplace.

Second, based on the results of this study, out-of-town visitors (about 60.1%) were essential to the Mistletoe Marketplace. Although several promotional activities were utilized to bring more out-of-town visitors each year, the majority is still coming from the neighboring counties. Moreover, only about 6.5% of visitors are from other surrounding states, however, their spending was much higher than out-of-town visitors (\$255.51) and local residents (\$174.79) (see Table 5). In this regard, with cooperation of the state tourism organizations, such as Chambers of Commerce and Convention and Visitor Bureaus, the Mistletoe Marketplace should develop an effective promotional tool, including social media, to reach potential out-of-town visitors, which will further enhance the participation to the Mistletoe Marketplace. For example, out-of-town visitors will stay in hotels and go to restaurants around Trade Mart, which may

increase the economic impact to Jackson, as well as the state of Mississippi. In addition, the present promotion vehicle should be evaluated in terms of its effectiveness in attracting visitors to the Mistletoe Marketplace with consideration of relevant expenses.

Similarly, it is worth examining the effectiveness of special events currently run by the Mistletoe Marketplace. In particular, the Mistletoe Marketplace implemented several special events, such as Pictures with Santa, Rudolph Run, and Special Event Bartenders, without producing any revenues. It is, however, unknown whether these events prompted visitors to stay longer, which might increase their spending in the Mistletoe Marketplace. At least, visitors' satisfaction levels with different special events should be examined. Also additional special events, which can generate extra revenues for the Mistletoe Marketplace, should be considered for the future event. Lastly, it would be an interesting study to learn if the Mistletoe Marketplace can be one of the State-represented events for visitors.

Increased awareness of the study by staff working the event would have helped the students with their data collection. The students reported that they often had to explain that the research was sanctioned by the event organizer.

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Appendix A. The Copy of the Survey Questionnaire

1. What was the main purpose of this trip? (Please check all the apply)

- | | |
|--|---|
| <input type="checkbox"/> Attend this event | <input type="checkbox"/> To visit relatives(s) and/or friend(s) |
| <input type="checkbox"/> Business | <input type="checkbox"/> Convention or meeting |
| <input type="checkbox"/> Recreation and/or leisure in addition to this event | <input type="checkbox"/> Other; please specify: _____ |

2. With whom did you come to this event?

- | | |
|---------------------------------------|---|
| <input type="checkbox"/> Family only | <input type="checkbox"/> Family and friends |
| <input type="checkbox"/> Alone | <input type="checkbox"/> Friends |
| <input type="checkbox"/> Organization | <input type="checkbox"/> Other; please specify: _____ |

3. Have you ever been to this event?

- | | |
|---|---|
| <input type="checkbox"/> Never attended before | <input type="checkbox"/> Attended last year |
| <input type="checkbox"/> Attended two years ago | <input type="checkbox"/> Attended three years ago |

4. Prior to leaving home on this trip, did you see or hear any ads promoting travel to this event?

- Yes, *go to Question 5* No, *if the answer is NO, continue to Question 9*

5. By what means did you see or hear an advertisement(s) about this event? (Please check all that apply).

- | | |
|--|---|
| <input type="checkbox"/> Printed direct mail | <input type="checkbox"/> Radio |
| <input type="checkbox"/> E-mail | <input type="checkbox"/> Television |
| <input type="checkbox"/> Magazine | <input type="checkbox"/> Poster |
| <input type="checkbox"/> Social Media | <input type="checkbox"/> Word of mouth |
| <input type="checkbox"/> Newspaper | <input type="checkbox"/> Other; please specify: _____ |

6. How much new information did you receive from this/these ad(s) on a scale of 1-7?

<i>Not At All</i>		<i>Neutral</i>			<i>A Great Deal</i>
[1]	[2]	[3]	[4]	[5]	[6] [7]

7. What was your knowledge of this event before your exposure to this/these ad(s) on a scale of 1-7?

<i>Not At All</i>		<i>Neutral</i>			<i>A Great Deal</i>
[1]	[2]	[3]	[4]	[5]	[6] [7]

8. How much did this/these ad(s) influence you to visit this event on this trip on a scale of 1-7?

<i>Not At All</i>		<i>Neutral</i>			<i>A Great Deal</i>
[1]	[2]	[3]	[4]	[5]	[6] [7]

9. How many people (including yourself) are in your immediate group? (This is the number of people for whom you typically pay the bills during your trip to this event. (e.g., your family or close friends) _____ People

10. What is your zip code? _____

11. Are you involved in or related to the organization of this event (e.g., vendors, exhibitors, employees, volunteers)? Please identify: _____

- Yes No

12. Are you spending the night away from home because of this event:

- Yes No, *if the answer is NO, continue to Question 13*

if the answer is YES, are you staying at a hotel or motel or with friends or relatives

13. To better understand the economic impact of this event, we are interested in finding out the approximate amount of money you and other visitors in your immediate group will spend, including travel to and from your home. We understand that this is a difficult question, but please do your best because your responses are very important to our efforts. During the course of your visit, what was the approximate amount of money your immediate group will spend in each of the

following: Please write “0” if you did not spend any money in a particular category.

<i>Type of Expenditure</i>	<i>Amount spent during this trip</i>
a. Lodging Expenses (hotel, motel, condos, etc.)	\$
b. Food & Beverages consumed at restaurants.	\$
c. Entrance fee	\$
d. Transportation (Gas, Vehicle rental, repairs)	\$
e. Retail Shopping (souvenirs, gifts, etc.)	\$
f. Parking	\$
g. Recreation (entertainment)	\$
h. All other spending	\$

14. Would you have come to Jackson at this time even if this event had not been held?

Yes No Not Applicable (Jackson resident)

15. Would you have come to Jackson in the next three months if you had not come at this time for this event? Yes No Not Applicable (Jackson resident)

16. Your intention to revisit the event in 12 months?

<i>Most Unlikely</i>						<i>Most Likely</i>
[1]	[2]	[3]	[4]	[5]	[6]	[7]

17. Your intention to revisit the event in 3 years?

<i>Most Unlikely</i>						<i>Most Likely</i>
[1]	[2]	[3]	[4]	[5]	[6]	[7]

18. Your intention to revisit the event in 5 years?

<i>Most Unlikely</i>						<i>Most Likely</i>
[1]	[2]	[3]	[4]	[5]	[6]	[7]

19. Please rate your overall satisfaction of the event on a scale of 1-7?

<i>Very Unsatisfied</i>			<i>Neutral</i>		<i>Very Satisfied</i>	
[1]	[2]	[3]	[4]	[5]	[6]	[7]
<i>Terrible</i>			<i>Neutral</i>		<i>Delighted</i>	
[1]	[2]	[3]	[4]	[5]	[6]	[7]

20. What is your gender? Male Female

21. Which age group do you belong to?

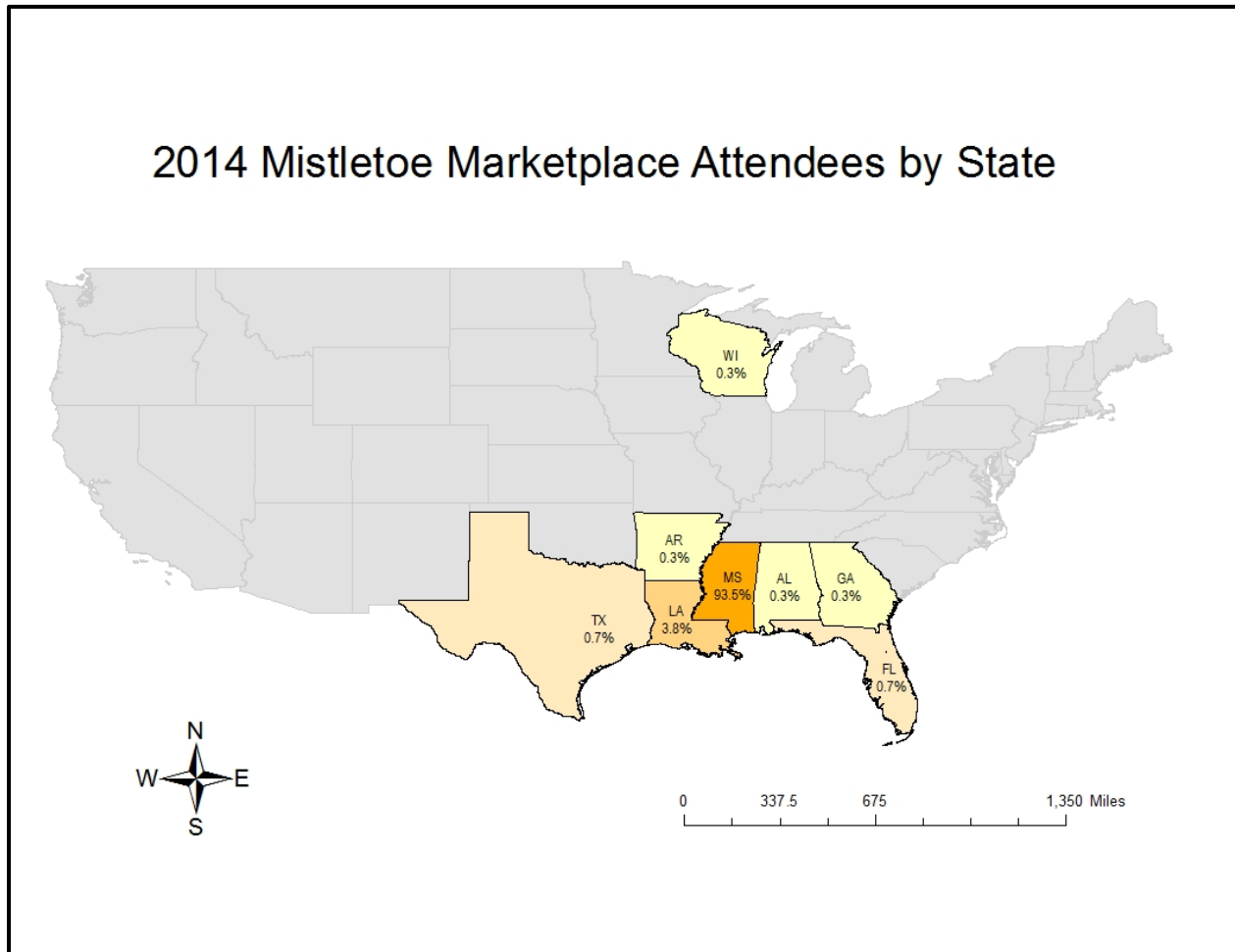
under 15 15 to 25 25 to 35 35 to 45 45 and over

22. What is the highest level of education you have completed?

Less than high school 4-year College Degree
 High school Higher than College Degree or Graduate Degree
 2-year College Degree Other; please specify: _____

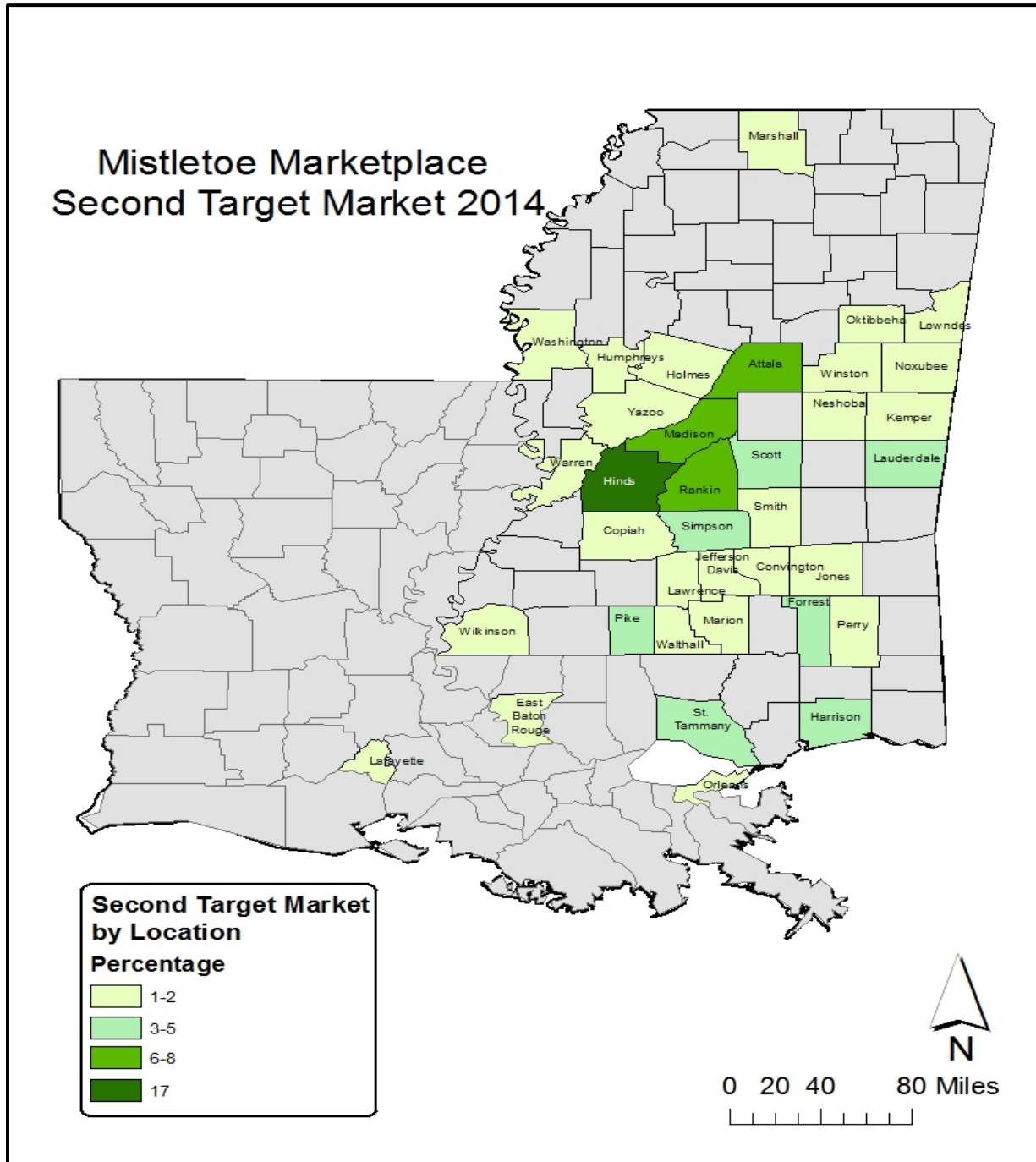
Appendix B.

Map 3. Origin of visitors by zip code in other states



Appendix D.

Map 3. Origin of second target market by zip code



Appendix E.

Table 5. Percentages of visitors by zip codes based on surveyed respondents

Counties	Total Attendees	Main Target Market	Second Target Market
Madison	10.2	7.7	6.4
Covington	2.4	2.1	2.1
Morton	1	0.97	n/a
Smith	1.7	1.9	2.1
Hinds	14.4	13	17.2
Harrison	1	0.97	3.2
Simpson	3.4	4.9	3.2
Rankin	7.2	8.7	7.8
Yazoo	2.4	4.9	1.1
Humphreys	2.4	4.9	1.1
Leflore	n/a	2.9	n/a
Attala	2.4	4.9	7.4
Copiah	1.4	4.9	2.1
Grenada	3.1	0.97	n/a
Scott	2.4	3.9	3.2
Lee	3.1	1.1	n/a
Marshall	2.4	2.9	1.1
Washington	1	1	1.1
Marion	2.4	1	1.1
Holmes	2.7	1.9	2.1
Pike	1	1	2.1
Winston	1.4	1	2.1
Perry	1.4	n/a	1.1
Lawrence	1	1	1.1
Neshoba	1	1	2.1
Lowndes	1.4	1	1.1
Warren	2.4	1	1.1
Wilkinson	1.4	1	2.1
Jones	1.4	n/a	2.1
Lauderdale	1	n/a	3.2
Noxubee	2.4	0.97	1.1
Jefferson	2.4	1.9	1.1
Walthall	1.4	0.97	1.1
Forest	3.1	1.9	5.3
Summitt	1.4	1	1
Oktibbeha	2.4	1	1.1
Kemper	1	1	1.1
Sharkey	1	1.9	n/a

New Orleans	1	1.9	1.1
Lafayette	1	1.9	2.1
East Baton Rouge	2.4	1.9	1.1
Tammany	1	1	3.2

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Services Offered by The University of Southern Mississippi

Economic Development Outreach

In addition to providing graduate education in economic development through the Master of Science in Economic Development program (MSED) and the Graduate Certificate in Economic Development, the Department of Economic Development provides assistance to economic developers through four main approaches:

1. Graduate students can work on class projects involving research for a community (e.g., retail pull factor analysis).
2. Each student is required to do a thesis or capstone project. The capstone project involves completing an actual economic development research study (e.g., feasibility study).
3. Each student is required to do an internship in an economic development organization.
4. Communities can do sponsored research projects and tap into the faculty expertise and university data sources (e.g., EMSI and REMI).

Examples of class projects involving research for communities:

- Retail Analysis for the City of Greenwood
- Feasibility of a Livability Court for the City of Hattiesburg
- Economic Impacts of a Native American Casino in Jones County, Mississippi
- Ecotourism Development in Noxubee County
- Strategic Plans for Stone County, Sunflower County, Bolivar County and Historic Downtown Development Association
- Community Study for the Hattiesburg Mid-Town District
- Entrepreneurial Development Plan for the Area Development Partnership

The University of Southern Mississippi offers economic development training through the following programs:

- True South Economic Development Course—the International Economic Development Council accredits this introductory course. It fulfills one of the prerequisites for those who wish to take the examinations for the Certified Economic Developer (CEcD) designation.
- Basic Community Economic Development: Practical Tools for Elected Officials—This course covers key components for attracting new business and industry into a community. It is important for economic developers and elected officials to understand their roles of building a successful economic development team.