THE ECONOMIC IMPACT OF THE 2025 GOLF TOURNAMENT

SEATTLE, WA

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INTRODUCTION

The Golf Course in Seattle, Washington, plays host to the 2025 Golf Tournament. This tournament, which is an annual event on the Organizer, was founded in 1966. Each year, thousands of local and non-local golf fans flock to the Golf Course grounds to watch golf's best compete for a chance at the Trophy. The Event generates significant economic impacts throughout the local region and the state of Washington each year.

Project Details

Designed to analyze the economic impact of the 2025 Golf Tournament on the state of Washington. This analysis includes the economic effect of operational spending necessary for the Organizer to host this event. This analysis also consists of the economic effects of non-local visitors attending the event on spending in the local economy. Each year, thousands of fans attend the event, but for the purpose of this analysis, only those who traveled from outside of the MSA (metropolitan statistical area) to attend the event will be counted in visitor spending estimates. In addition, we have modeled the economic impact of tournament prize money won by golf players who reside in the state of Washington.

ECONOMIC IMPACT ANALYSIS

Eventcorp is North America's leader in point-of-experience audience research, insights, and analytics. Being in business for over 30 years, Eventcorp has surveyed over 3 million attendees and worked with a range of clients to provide high volume and quality data needed to improve and grow their operations. From operation audits to enhancing the attendee experience to marketing, sponsorship, and measuring out-of-region spending/economic impact analysis, Eventcorp provides actionable insights across many key business functions.

IMPLAN is the leading economic modeling application at the forefront of economic theory and practice. IMPLAN utilizes input-output methodology to show how the linkages of industries, households, and government in the economy are connected through buy-sell relationships. By modeling changes by these actors, the ripple effect throughout the economy for a given region in a given year is demonstrated.

IMPLAN has been a standard tool for academic and professional economists for decades. The methods used to produce IMPLAN's economic data set and economic impact estimates have been widely published in both professional publications and peer-reviewed academic journals. Many of these methods are considered standard best practices in a wide variety of applied economic fields today.

Methodology

This study used the most recent IMPLAN annual data set and the IMPLAN calculation process to estimate the economic impact on the state of Washington from the Golf Tournament operations, spending by non-local tournament visitors, and the earnings made by golfers who live in Washington.[1] All values were provided by the Golf Tournament, and survey results were attained through the point-of-experience survey deployed by Eventcorp.

To comply with standard best practices, IMPLAN economists modeled all visitor spending, golfer earnings, and operational values associated with the 2025 Golf Tournament using the 2023 IMPLAN Data, which was the most recently available data set at the time of this analysis. However, the events were modeled in 2025 as the spending values provided were for the 2025 event. Additionally, all results for this analysis are reported in 2025 values to maintain consistency with the inputs.

The IMPLAN estimation of the operational output necessary to host the Golf Tournament was based on the known Employment, Labor Income, and Intermediate Input spending values from the Organizer tournament operators. The other components of Output (Other Property Income, Taxes on Production and Imports, Output) were left blank to be estimated by the IMPLAN model. The Tournament operators provided a full-time equivalent (FTEs) value for employment and thus had to be converted to IMPLAN Employment, an industry-specific mix of full-time, part-time, and seasonal employment, which is an annual average that accounts for seasonality, prior to being run in IMPLAN.

Survey data was collected by Eventcorp on-site at the Golf Tournament to gain a better understanding of how visitors spent money in the region throughout the duration of the tournament. These spending behaviors were applied to those attendees who traveled from outside of the Seattle MSA to attend the event. Eventcorp worked with the Organizer to develop the out-of-region visitor stream of questions curated through our 30-year history of best practices. This means that all attendees who live in the Seattle MSA were not included in the visitor spending estimates for this project. To avoid double counting visitor spending with the operations, only dollars that were spent outside of the tournament itself were considered in this analysis.

The visitor spending estimates were split into seven expense categories: accommodations, restaurant, grocery, retail, recreation, transportation, and transit. For each of these categories, total spending estimates were derived by multiplying the average spending (by category) from the survey data by the number of visitors.

The first exception would be for accommodation spending, as 69 percent of overnight visitors indicated they utilized commercial accommodations during their overnight stay. Of the overnight visitors, 85% percent of respondents indicated they stayed in a hotel,

[1] IMPLAN Group, LLC. IMPLAN 2023. Huntersville, NC. IMPLAN.com

while the other 15% percent indicated they remained in a short-term rental. The spending by those who stayed in a hotel or motel was modeled as output in the IMPLAN Industry for hotels and motels. The spending on short-term rental accommodations was modeled as additional household income to the owners of the property.

The second exception would be for recreation spending. The visitor spending estimates were split into five subcategories: average spending on theme parks, golf, casinos, museums, and other recreation. For each of these subcategories, total spending estimates were derived by multiplying the average spending (per subcategory) from the survey data by the number of visitors.

Total visitor spending on restaurants was split between the full-service restaurant industry (2/3) and the fast-food industry (1/3) for modeling purposes. Total visitor spending on grocery and retail shopping was run through the associated IMPLAN retail industries, with margins applied to the input values as the local retailers will only keep the retail margin for these purchases.[2] Total visitor spending on recreation was equally split across four different IMPLAN recreation Industries: golf, museums, theme parks, gambling, and other recreation.

Additionally, the total spending by visitors on private vehicle transportation was split by allocating seventy-five percent to gasoline purchases and twenty-five percent to parking expenses. The gasoline purchases were run through the retail gasoline industry and thus had the appropriate margins applied to the total spending value to capture only the portion of the purchaser price kept by the retailer.[3] Lastly, the total visitor spending on transit was run through the IMPLAN transit and ground transportation industry.

The primary study area for this analysis was defined as the Seattle MSA, the host region for the Golf Tournament. However, in order to measure the economic impact of the Golf Tournament across the entire state of Washington, a multi-regional input-output (MRIO) analysis was used for this project. This involves creating a second region comprising all other Washington counties, excluding the Seattle MSA. An MRIO analysis utilizes interregional commodity trade and commuting flows to quantify the demand changes across regions stemming from a shift in production and/or income in another region. MRIO offers the advantage of providing a more robust and accurate picture of a local economy because most economies are not isolated to a single region. This technique maintains the unique industry structure and specializations of the original region and allows for the flow of purchases within the remainder of the state to be realized. This is the recommended approach as it limits any potential bias from analyzing impacts at the aggregate state level.

The figure below shows how the spending in the first region bounces to the other region(s) and back, showing the interdependence of firms throughout the state.

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[2] The 2023 margin value for Industry 389 - Retail - Food and beverage stores (grocery) was 28.80%, and 26.80% for Industry 394 - Retail - General merchandise stores (retail).

[3] The 2023 margin value for Industry 391 - Retail - Gasoline stores was 18.60%.

All operation inputs and visitor spending data were applied to the Seattle MSA region, as this is where the event took place. In order to account for the earnings of players who participated in the tournament, each player had to be defined as a Washington resident or a non-Washington resident. All related player earnings by residents were modeled as income earned by proprietors in the "Rest of Washington" region.

Types of Effects

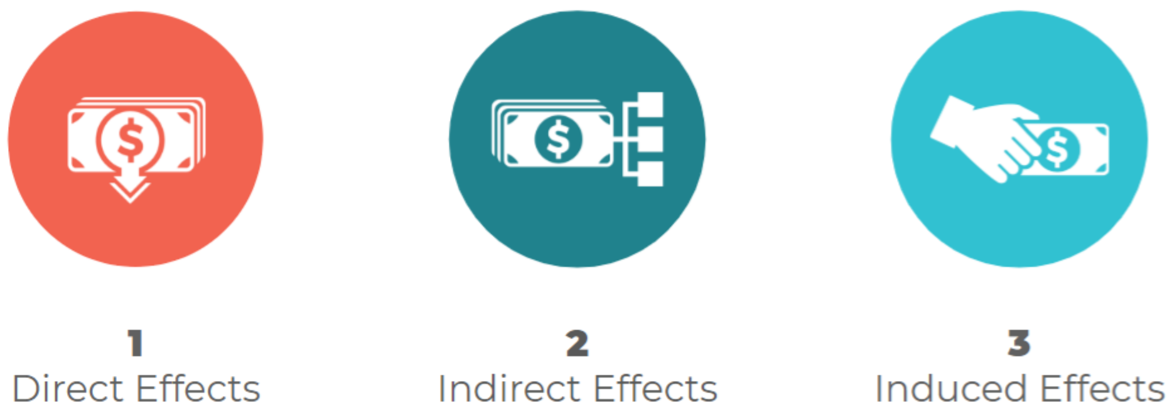
Input-Output (I-O) Analysis is designed to show the ripple effects of a given economic activity in other industries and geographies through input purchases, labor payments, and trade. Production in a given industry supports the demand for production in other sectors throughout the economy, both due to spending by workers and supply chain.

The economic impact of an industry consists of the following three types of effects, which sum up the total effect.

Direct Effects are the initial effects on a local industry or industries due to the activity or policy being analyzed.

Indirect Effects are the stemming effects from business-to-business purchases in the supply chain taking place in the state.

Induced Effects are the effects in the state stemming from household spending of labor income, after removal of taxes, savings, and commuters.



Economic Indicators

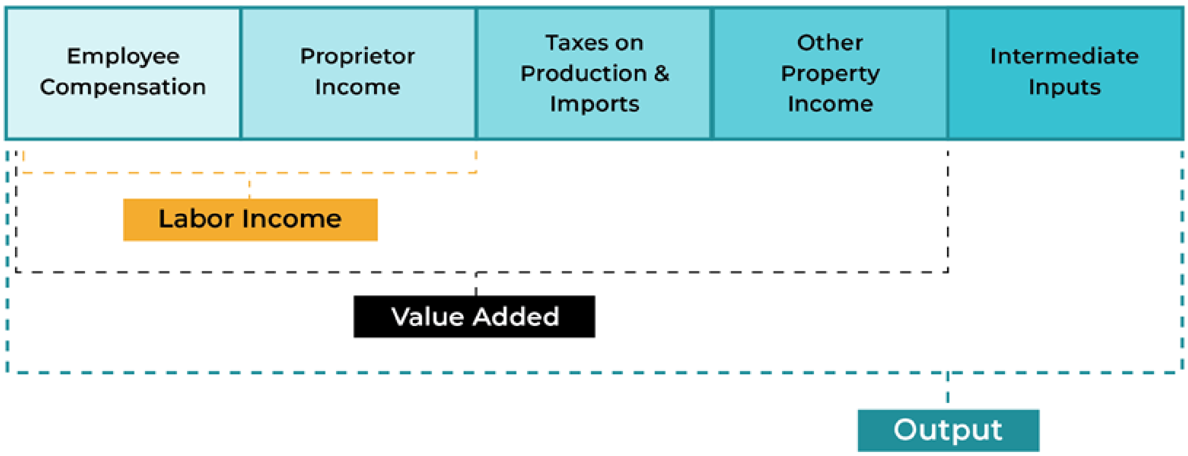
There are four key economic indicators that IMPLAN reports. Each is based on the Leontief Production Function for a given industry in the selected region in a given year, which demonstrates the interconnectedness of the economy.

Employment
An industry-specific mix of full-time, part-time, and seasonal employment, which is an annual average that accounts for seasonality; Employment isn't strictly full-time equivalents.

Labor Income
All forms of employment income, including employee compensation (wages and benefits) and proprietor income.

Value Added
The difference between an industry's or establishment's total output and the cost of its intermediate inputs is a measure of the contribution to Gross Domestic Product (GDP).

Output
The value of industry production; in IMPLAN, these are annual production estimates for the year of the dataset.



Tax Impacts

The tax impact report captures all tax revenue across all levels of government that exist for the specific industries and institutions affected by an event or group of events. The tax impact values are based on the existing relationships of the data found in the IMPLAN data.

IMPLAN does not distinguish individual units of government; rather, it distinguishes only the level of government. There are five levels of government for which IMPLAN reports tax impacts:

Sub County General
The Sub County General table estimates revenue collected by city, township, village, etc., governments.

Sub County Special Districts
The Sub County Special table estimates revenue collected by units of government such as public-school districts and fire districts.

County

The County table estimates revenue collected by county governments.

State
The State table estimates revenue collected by state governments.

Federal
The Federal table estimates revenue collected by the federal government.

June 1-5, 2034

Seattle, WA

Average Spending

$1,294.42
Per attendee for entirety of trip

Accommodation	$341.25
Dining	$172.15
Transportation	$204.05
Retail Shopping	$143.66
Recreation	$327.82
Grocery & Liquor	$105.48

41% Local (MSA)

25% Elsewhere in Washington

34% Out of State

Average Length of Stay 2.5 Nights

Average Travelling Party Size 3.1 People

Economic Impact

Visitor Spending

$25.7M	Total Output
$3.8M	Total Tax Impact
150	Jobs Supported

Tournament Operations

$58.8M	Total Output
$5.4M	Total Tax Impact
210	Jobs Supported

Impact of Tournament Purse	Total Output	Total Tax Impact	Jobs Supported
	268K	51K	1

$44.5M	Total Direct Output	$38.8M	Total Value Added
$29.9M	Total Indirect Output	$20.0M	Total Labor Income
$15.3M	Total Induced Output	361	Total Jobs Supported

Total Output

$89.7M

ECONOMIC IMPACT RESULTS

The following section details the economic impact results of all operations, visitor spending, and player earnings associated with the Golf Tournament in 2025. The results for each of the three types of impacts are reported at the state level.

The summary results include impacts from operations and visitor spending that occurred in the Seattle MSA region, player earnings in the rest of Washington region, as well as the impacts resulting from trade between the two regions in the state. All results are presented in 2025 dollars and rounded to the nearest whole number.

Total Economic Impact

The total impact on the state of Washington from the 2025 Golf Tournament includes the operational spending by the Organizer to host the event, the visitor spending of attendees from outside of the region, and the prizes earned by Washington resident golf players. This resulted in a total economic impact of 654 jobs, $27.1M in Labor Income, $52.2M in Value Added, and $99.9M in Output to the state of Washington in 2025.

Total Economic Impact

	Employment	Labor Income	Value Added	Output
Direct	306	$11,206,511	$22,500,008	$44,371,454
Indirect	212	$8,467,906	$15,227,799	$30,526,983
Induced	136	$7,489,368	$14,508,539	$25,047,233
Total	654	$27,163,784	$52,236,346	$99,945,670

Operating Expenditures

The Organizer's operational spending necessary to put on the 2025 Golf Tournament included $14.7M in expenditures on goods and services and 11 employees (FTEs) that earned $1.4M in labor income. The direct spending by the Organizer to operate the event supported a total of 220 jobs, $9.5M in labor income, $23.7M in value added (also known as contribution to Gross Domestic Product), and $52.5M in output in Washington.

Economic Impact of Operations

	Employment	Labor Income	Value Added	Output
Direct	11	$1,400,000	$8,565,593	$23,275,593
Indirect	168	$5,853,378	$10,786,678	$21,677,967
Induced	41	$2,256,130	$4,375,867	$7,550,655
Total	220	$9,509,509	$23,728,137	$52,504,215

The total spending by the Organizer for the 2025 Golf Tournament also supported $1.6M in tax revenue to the state of Washington. In addition to this state level tax impact, there are also $491.9K in taxes supported at the county level, $684.8K at the two sub county levels, and $2.8M supported at the Federal level, for a total of $5.5M in tax impacts.

Tax Impact of Operations

	Sub County General	Sub County Special District	County	State	Federal
Direct	$113,866	$263,503	$273,616	$872,618	$604,116
Indirect	$62,466	$139,095	$143,945	$468,969	$1,573,451
Induced	$33,840	$72,075	$74,364	$236,378	$616,922
Total	$210,172	$474,674	$491,925	$1,577,965	$2,794,489

Visitor Spending

The visitor spending at local businesses outside the event generates additional economic activity in the state. The survey results indicated that approximately 7.2K of the visitors to Washington utilized commercial accommodations, which were split amongst hotel and short term rental options. The total number of visitors was used to derive spending totals for food, grocery/retail, recreation, transportation, and transit industries.

This direct spending by visitors to Seattle resulted in a total economic impact of 415 jobs, earning roughly $16.5M in Labor Income, $26.45M in Value Added, and $43.86M in Output to the state of Washington.

Economic Impact of Visitor Spending

	Employment	Labor Income	Value Added	Output
Direct	295	$9,806,511	$13,934,416	$21,095,862
Indirect	44	$2,614,527	$4,441,121	$8,849,016
Induced	76	$4,164,592	$8,070,252	$13,918,081
Total	415	$16,585,630	$26,445,789	$43,862,958

The direct spending of visitors to the Golf Tournament also supported taxes throughout Washington. The total impact for Sub County General taxes (city/township) was $200.5K, Sub County Special District taxes were $452.9K, County taxes were $469.2K, State taxes were $1.48M, and Federal taxes were $4.30M. This totals $6.91M in supported taxes in 2025.

Tax Impact of Visitor Spending

	Sub County General	Sub County Special District	County	State	Federal
Direct	$112,577	$260,802	$270,662	$843,683	$2,478,823
Indirect	$26,934	$59,638	$61,691	$198,486	$686,586
Induced	$60,952	$132,423	$136,827	$436,673	$1,138,249
Total	$200,462	$452,863	$469,179	$1,478,841	$4,303,659

Taxes

The total impact for Sub County General taxes was $432.2K, Sub County Special District taxes were $962.6K, County taxes were $996.5K, State taxes were $3.16M, and Federal taxes were $7.4M, for a total of $12.95M in supported taxes across the state.

Total Tax Impact

	Sub County General	Sub County Special District	County	State	Federal
Direct	$226,443	$524,305	$544,278	$1,716,301	$3,082,940
Indirect	$89,400	$198,733	$205,636	$667,454	$2,260,036
Induced	$116,370	$239,603	$246,578	$778,340	$2,048,272
Total	$432,213	$962,641	$996,491	$3,162,095	$7,391,248