



## Economic Impact of the 2021 National Folk Festival in Salisbury, Maryland

For the third year, the National Folk Festival was held live in Salisbury, MD on September 10<sup>th</sup>-12<sup>th</sup>. BEACON conducted a study to estimate the local economic impact of this event. First, a survey of festival attendees was conducted and a visitor spending profile was developed. This information was then used to estimate the economic impact of this event within the region (Somerset, Wicomico, and Worcester Counties) using the IMPLAN software. IMPLAN was originally developed by the University of Minnesota in conjunction with the United States Department of Agriculture's Forest Service. Since that time, it has been further developed by MIG, Inc. and has become the gold standard for conducting economic impact analysis.

The economic impact estimate examines the impact of "new" money infused into the local economy through spending by visitors, vendors, and performers. The 2021 National Folk Festival attendance was approximately 91,000, based on estimates developed by the City of Salisbury. Based on the survey that was administered by BEACON during each of the three days of the festival and through follow-up email campaigns, it is estimated that approximately 38% of attendees were visitors from outside of the local region. Of these visiting festival attendees over 70% stayed at least one night in the region in a variety of accommodations including hotels, rentals, camping, and stays with family & friends. The average travel party size was 2.3 people. The new local spending by visitors (on accommodation, food, entertainment, gas, etc.) moves through the economy and generates additional downstream economic activity. The total regional economic impact of this new local spending is presented below.

### Economic Impact

The estimated long-term economic impact of the 2021 National Folk Festival<sup>1</sup> is **\$217,491** per 1,000 attendees.

<b>NFF 2021 - Regional Economic Impact</b>	
Direct Local Effect	\$99,744
Indirect Local Effect	\$33,247
Induced Local Effect	\$22,748
Future Visitor Impact	\$41,113
Promotional Impact	\$20,639
<b>Total Economic Impact</b>	<b>\$217,491</b>

NOTE: The economic impact estimates above do not include the portion of economic activity that "leaks" out of the region to surrounding areas. This "leakage" represents both spending by visitors and spending by vendors and that occur outside of the study region and are therefore, unavailable for re-circulation within the local economy.

<sup>1</sup> This includes the direct, indirect, and induced impacts. Direct impacts are the impacts of spending by the entities/businesses, indirect impacts are the impacts of spending by the vendors of these entities, and induced impacts are the impacts of portions of incomes spent locally by the institutions' and the vendors' employees.