



NASCAR CHICAGO STREET RACE WEEKEND 2023 ECONOMIC IMPACT REPORT

PREPARED FOR:



PREPARED BY:



Sport Industry
Research Center



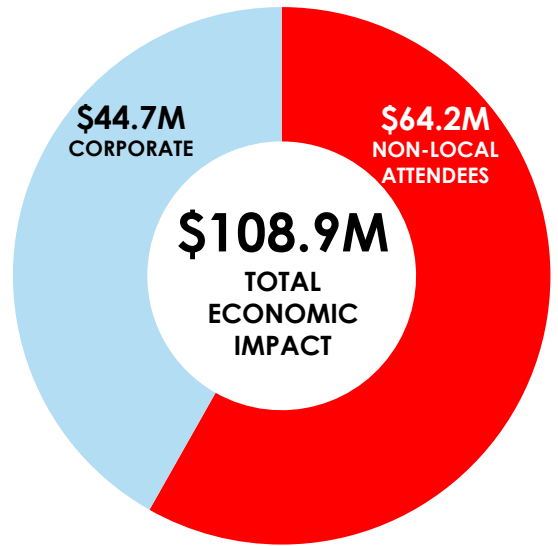
INTRODUCTION & OVERVIEW

This report was produced by the Sport Industry Research Center (SIRC) at Temple University for the Chicago Sports Commission. The report provides insight on the economic benefits that hosting the NASCAR Chicago Street Race Weekend 2023 generated for Chicago.

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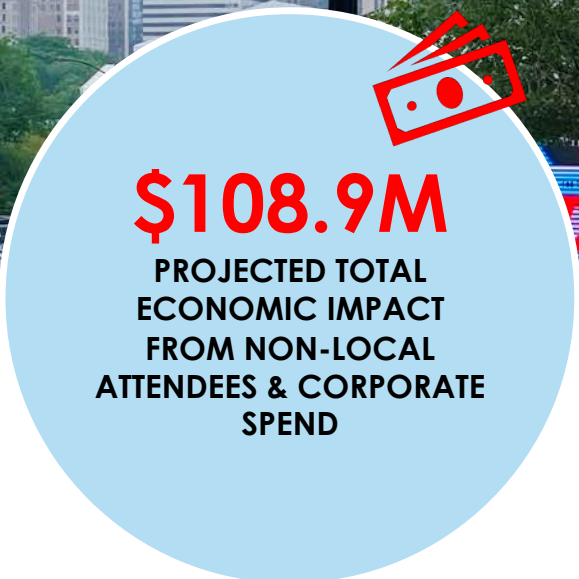
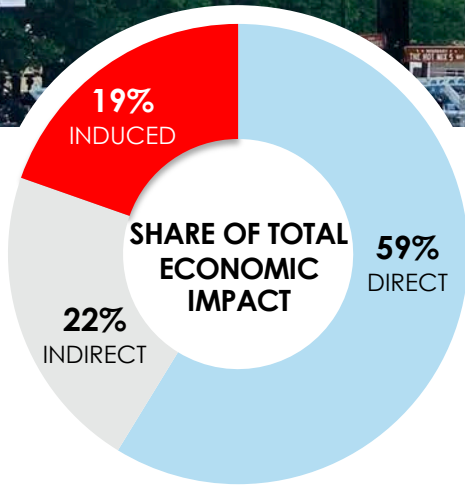
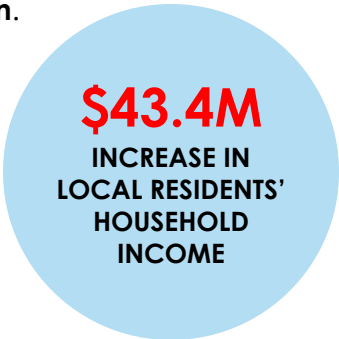
Chicago hosted the NASCAR Chicago Street Race Weekend 2023. The event attracted **47,405 unique attendees from 15 countries and 50 states¹**. Of attendees, **52.3%** were non-locals to Chicago who **traveled to Chicago solely or primarily for the NASCAR Chicago Street Race Weekend 2023**. A sample of **2,087** non-local attendees responded to an online survey and was used to estimate economic impact and travel patterns. The economic impact was **\$64.2 million from non-local attendees who traveled to Chicago solely or primarily for the NASCAR Chicago Street Race Weekend 2023** and **\$44.7 million from NASCAR and related corporations** to promote and produce the NASCAR Chicago Street Race Weekend 2023. This new money is estimated to generate a **total economic impact of \$108.9 million** for Chicago.





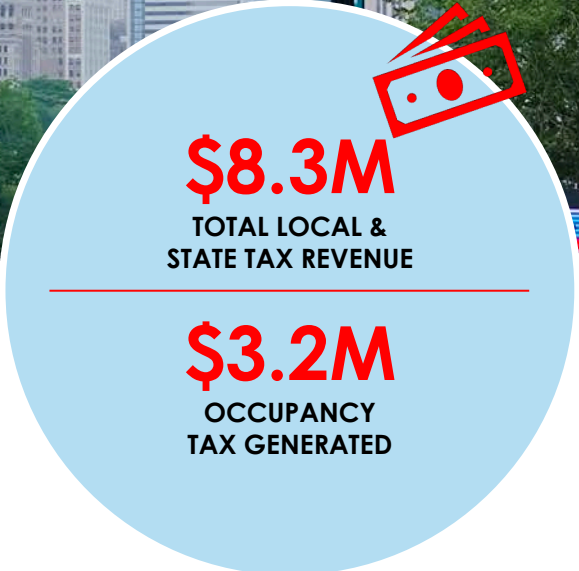
ECONOMIC IMPACT TOTAL

Combining non-local unique attendees, who solely or primarily traveled to Chicago for the NASCAR Chicago Street Race Weekend 2023, and non-local corporate production spend, the marginal revenue from direct spending retained in Chicago after accounting for leakage is **\$63.6 million**. This new money will increase local residents' household income by **\$43.4 million** and create, support, or expand **750 part-time, seasonal, and full-time equivalent jobs**, primarily in the food and beverage, retail, hospitality, and entertainment industries. As a result, Chicago is projected to receive an economic benefit of **\$108.9 million**.



BREAKDOWN OF PROJECTED ECONOMIC IMPACT

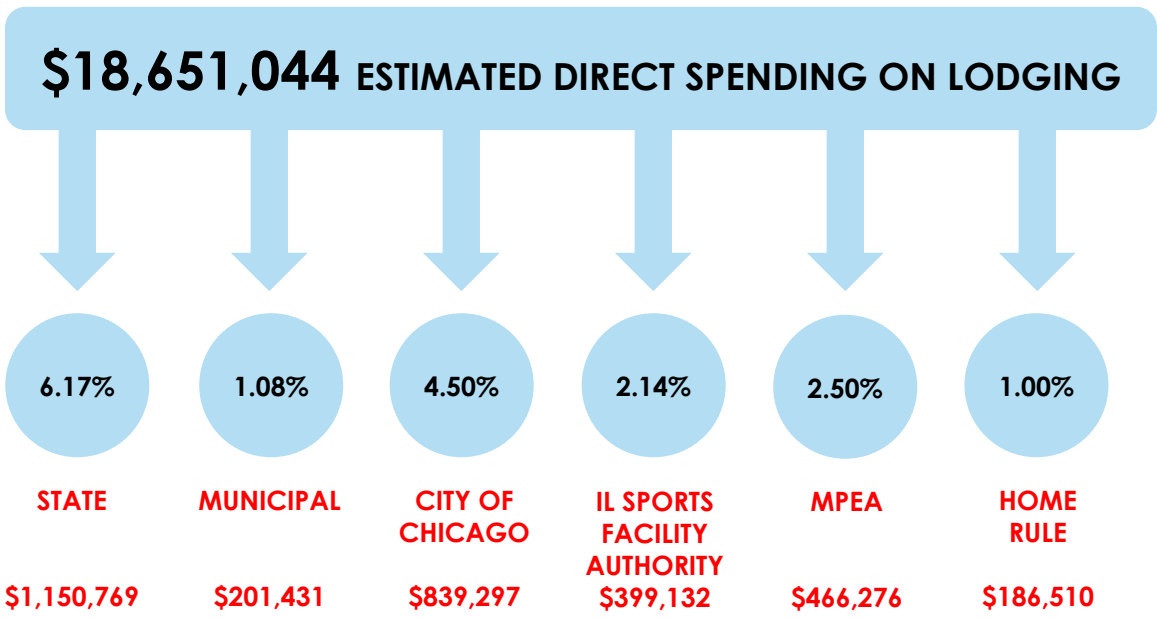
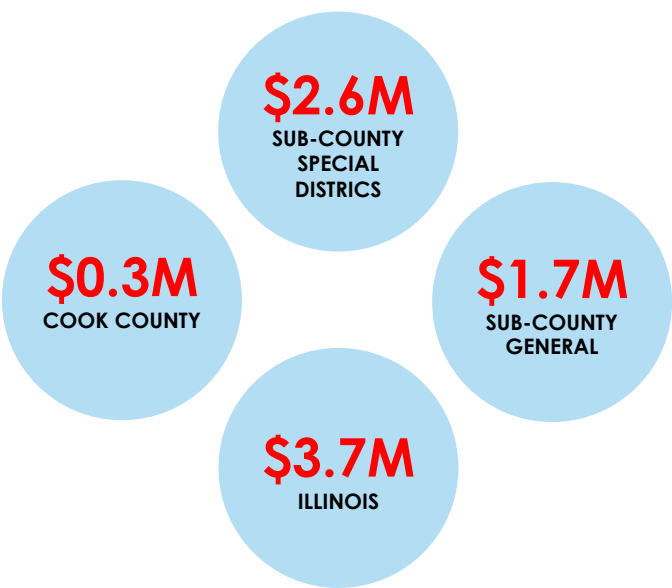
	EMPLOYMENT (JOBS SUPPORTED)	LABOR INCOME (INCREASE IN HOUSEHOLD INCOME)	OUTPUT (TOTAL ECONOMIC IMPACT)
DIRECT EFFECT	533	\$25,826,584	\$63,564,632
INDIRECT EFFECT	107	\$9,474,470	\$23,744,433
INDUCED EFFECT	110	\$8,049,705	\$21,558,375
TOTAL EFFECT	750	\$43,350,759	\$108,867,440



TAXES GENERATED TOTAL

\$8.3 million in new tax revenue was generated at the state and local level as a result of hosting the NASCAR Chicago Street Race Weekend 2023. The largest sources of taxation revenue are property taxes, sales taxes, personal income taxes, and hotel occupancy taxes. Occupancy taxes are projected to generate **\$3,243,417**. These taxes can be further divided based on the portion that accrues to various governmental bodies. The amount that visitors reported spending on lodging is subject to **17.39%** in state and local taxes.

BREAKDOWN OF STATE/LOCAL TAXES

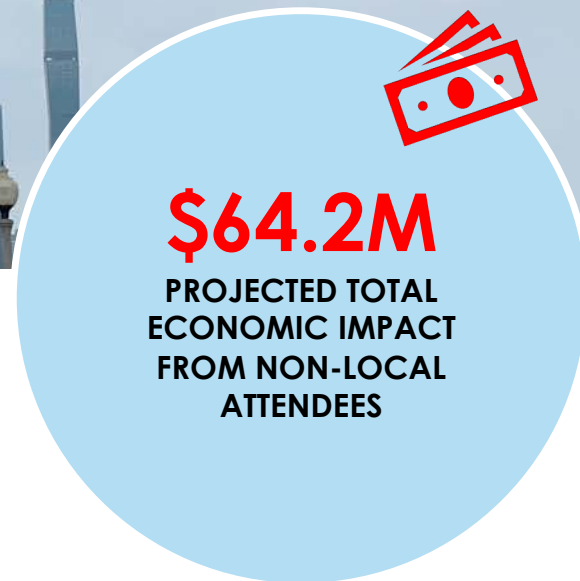
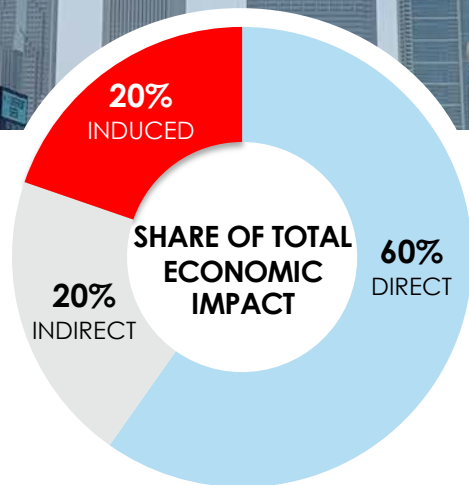


ECONOMIC IMPACT NON-LOCAL ATTENDEES

The NASCAR Chicago Street Race Weekend 2023 attracted 24,781 unique non-local attendees who traveled to Chicago solely or primarily for the NASCAR Chicago Street Race Weekend 2023 and injected new money into the economy. After accounting for leakage, the marginal revenue from retained direct spending was **\$38.4 million**. This new money will increase Chicago's residents' household income by **\$25.5 million** and create, support, or expand **475 part-time, seasonal, and full-time equivalent jobs**, primarily in the food and beverage, retail, hospitality, and entertainment industries. As a result, Chicago is projected to receive an economic benefit of **\$64.2 million**.

\$25.5M

INCREASE IN
LOCAL RESIDENTS'
HOUSEHOLD INCOME



BREAKDOWN OF PROJECTED ECONOMIC IMPACT

	EMPLOYMENT (JOBS SUPPORTED)	LABOR INCOME (INCREASE IN HOUSEHOLD INCOME)	OUTPUT (TOTAL ECONOMIC IMPACT)
DIRECT EFFECT	355	\$15,599,651	\$38,363,451
INDIRECT EFFECT	56	\$5,190,527	\$13,164,186
INDUCED EFFECT	65	\$4,724,478	\$12,654,295
TOTAL EFFECT	475	\$25,514,656	\$64,181,932



ECONOMIC IMPACT

NON-LOCAL ATTENDEE SPENDING

The spending profile of 24,781 non-local unique attendees, who traveled to Chicago solely or primarily for the NASCAR Chicago Street Race Weekend 2023, across seven categories appears on the right.

The average spending was **\$684.60 per day** (\$1,793.66 / 2.62 nights), with **54.6%** staying overnight in a hotel or vacation rental, averaging **1.75 room nights per person** resulting in **23,315 total room nights**.

	AVERAGE NON-LOCAL SPENDING	TOTAL NON-LOCAL SPENDING
FOOD & BEVERAGE	\$407.94	\$10,109,161
LODGING	\$723.60	\$17,931,532
RETAIL SHOPPING	\$217.09	\$5,379,707
TOURIST ATTRACTIONS	\$64.25	\$1,592,179
LOCAL TRANSPORTATION	\$104.80	\$2,597,049
ENTERTAINMENT	\$60.72	\$1,504,702
OTHER	\$215.26	\$5,343,358
TOTAL	\$1,793.66	\$44,448,688





ECONOMIC IMPACT

CORPORATE SPENDING

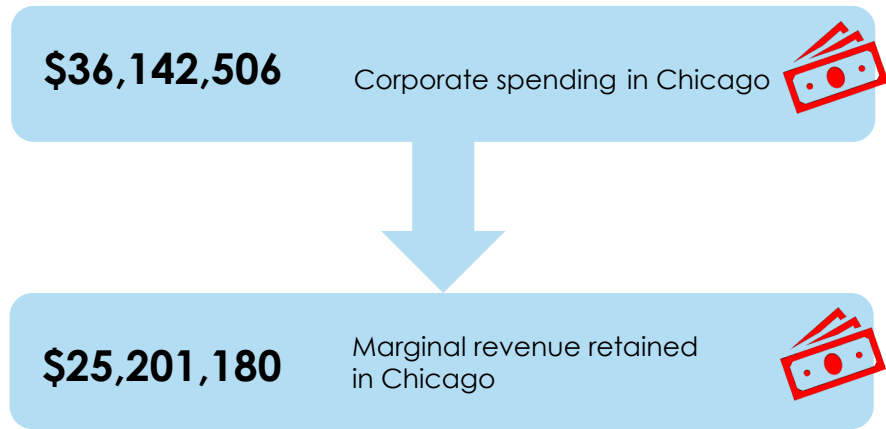
A report on corporate spending in Chicago was provided by NASCAR. The report included event production spending that occurred for the NASCAR Chicago Street Race Weekend 2023 within Cook County by non-local corporations. Corporate spending by local companies was not included in this report.

NASCAR events held in Chicago had a **significant footprint in Chicago** with considerable corporate spending by NASCAR and non-local corporations to produce and leverage the NASCAR Chicago Street Race Weekend 2023.

NASCAR and its partner corporations reported total corporate spending in Chicago of **\$36.2 million** across twenty IMPLAN categories.

SIRC adjusted spending estimates and derived marginal revenue retained in Chicago while accounting for leakage occurring from corporate spending. The adjusted marginal revenue total was **\$25.2 million**.

ESTIMATED CORPORATE SPENDING IN CHICAGO

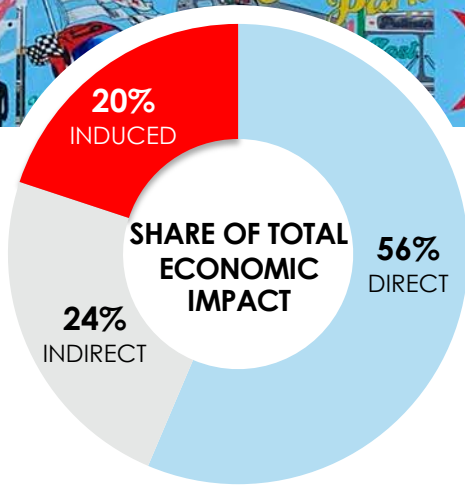




ECONOMIC IMPACT

CORPORATE SPENDING

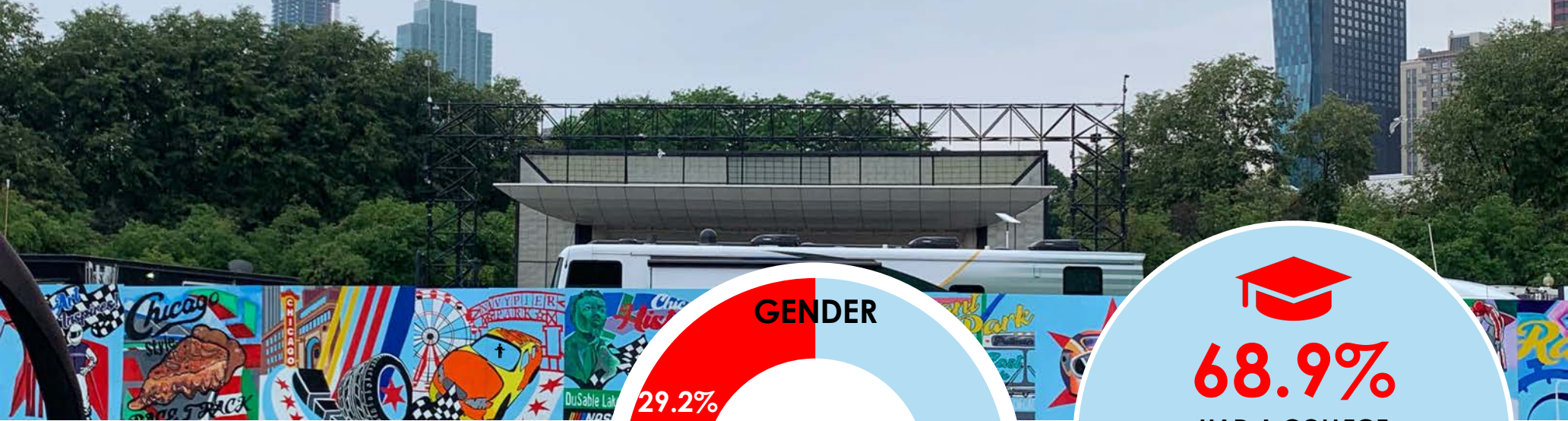
The NASCAR Chicago Street Race Weekend 2023 generated NASCAR and related corporate spending in Chicago. After accounting for leakage, the marginal revenue from retained direct spending was **\$25.2 million**. This new money will increase residents' household income by **\$17.8 million** and create, support, or expand **275** part-time, seasonal, and full-time equivalent jobs, primarily in the food and beverage, retail, hospitality, and entertainment industries. As a result, Chicago is projected to receive an economic benefit of **\$44.7 million**.



BREAKDOWN OF PROJECTED ECONOMIC IMPACT

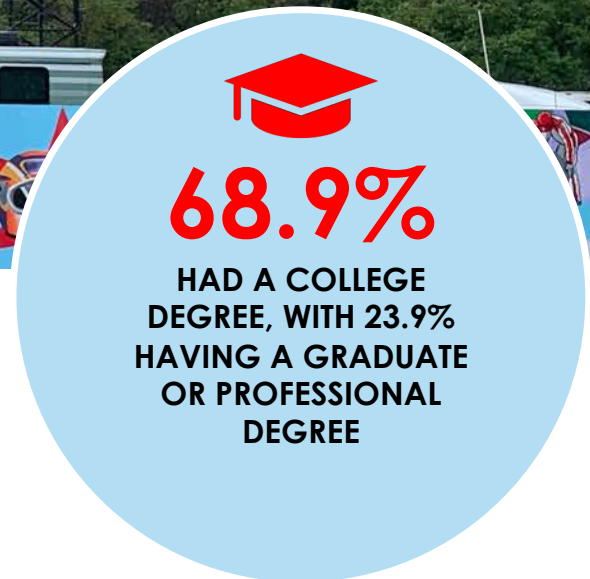
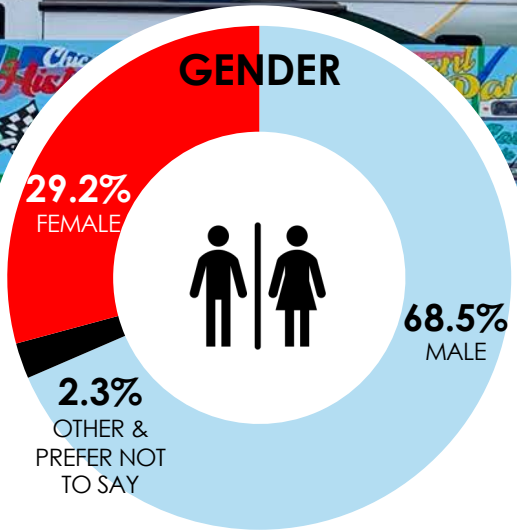
	EMPLOYMENT (JOBS SUPPORTED)	LABOR INCOME (INCREASE IN HOUSEHOLD INCOME)	OUTPUT (TOTAL ECONOMIC IMPACT)
Direct Effect	178	\$10,226,933	\$25,201,180
Indirect Effect	51	\$4,283,943	\$10,580,247
Induced Effect	46	\$3,325,226	\$8,904,081
TOTAL EFFECT	275	\$17,836,102	\$44,685,508



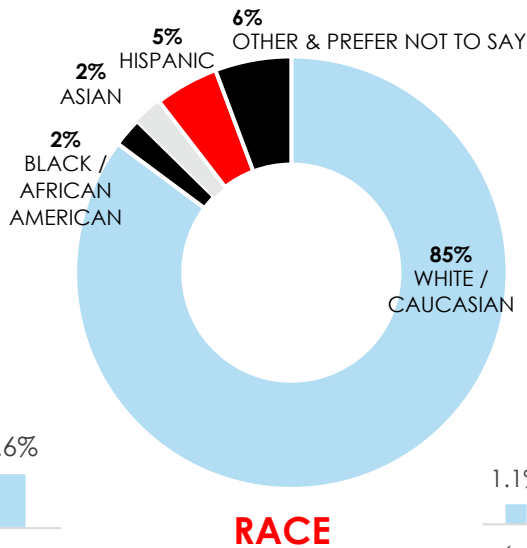
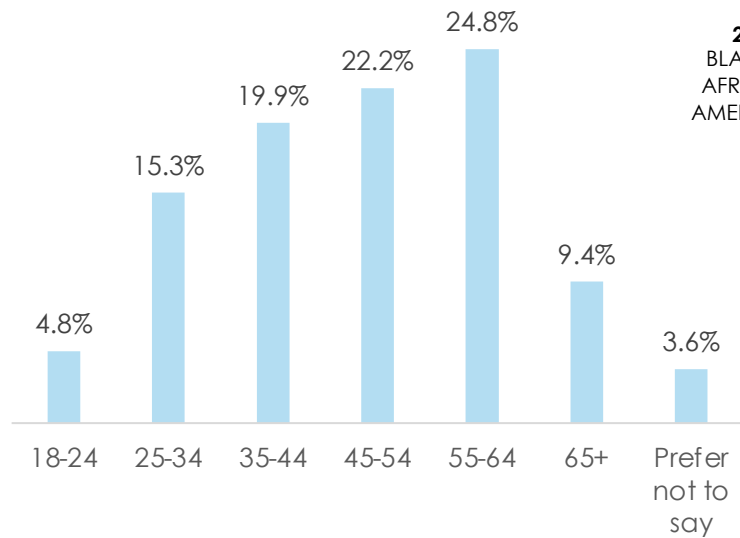


DEMOGRAPHICS

Based on the sample of non-local respondents, the NASCAR Chicago Street Race Weekend 2023 attendees were most likely **white, male, college-educated, with diverse incomes and ages.**

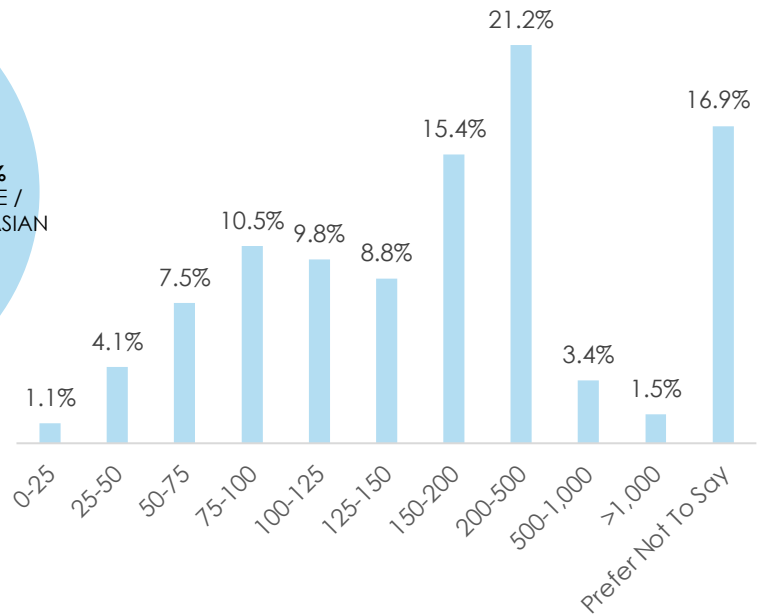


AGE OF ATTENDEES



RACE

INCOME (\$000s)



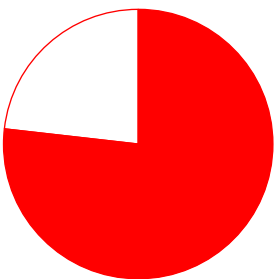


TRAVEL BEHAVIOR

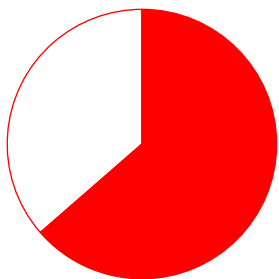
NASCAR Chicago Street Race Weekend 2023 attracted **47,405 unique attendees** of which **24,781 were non-local attendees** who traveled to Chicago solely or primarily for NASCAR Chicago Street Race Weekend 2023. Non-local attendees traveled from **15 countries, including the United States and 50 states (with D.C. and Puerto Rico)**¹. NASCAR Chicago Street Race Weekend 2023 offered Chicago an opportunity to shine as a premier travel destination, with **76.8% of respondents reporting they would recommend Chicago as a travel destination**. Additionally, **5.3% of all respondents reported this was their first visit to Chicago**.

TOP NON-US COUNTRIES

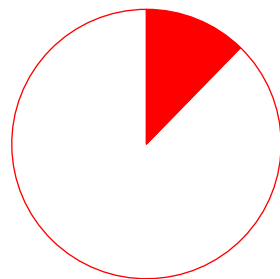
41.3%	CANADA	13.0%	UNITED KINGDOM
6.5%	MEXICO	4.3%	FRANCE



76.8%
WOULD RECOMMEND CHICAGO AS A TRAVEL DESTINATION



63.6%
PLAN ON RETURNING TO CHICAGO FOR VACATION



5.3%
FIRST VISIT TO CHICAGO



ECONOMIC IMPACT INFORMATION

Data was collected using an online survey distributed one (1) day after the event. Email invitations were sent to event attendees who attended at least one day of NASCAR Chicago Street Race Weekend 2023.

A total of 3,585 attendees answered questions on their demographics, travel behavior, event attendance, and future travel intentions. Among them, 2,087 non-local attendees answered additional spending questions. Data collected from non-local attendees, the NASCAR, and its corporate partners was used to estimate the economic impact of the NASCAR Chicago Street Race Weekend 2023 to Chicago. Data was analyzed using IBM SPSS Statistics version 25, IMPact Analysis for PLANning (IMPLAN) software, and R version 4.1.3.

The IMPLAN system was developed by the USDA Forest Service to provide accurate and timely economic impact projections. To expand the system's utility and increase service offerings, the Forest Service privatized IMPLAN, which is now maintained by the Minnesota IMPLAN Group. Relying on an input-output model, the most widely accepted methodology for measuring economic impact, IMPLAN captures the inter-industry effects of changes in economic activity. Each of 546 industries exhibit a unique profile of interactions with the other industries based on observed patterns of business transactions. IMPLAN data is specific to the make-up and interactions of the local economy, typically tracked at the county level.

IMPLAN's approach uses a matrix of multipliers to represent the inter-industry impact of a change in any sector of the economy. Using these multipliers, it is possible to calculate not only the direct impact of any change in activity but also the indirect and induced effects as the impact ripples through subsequent rounds of increased activity. Researchers can then project future employment activity and changes in household income as well as associated effects on industry sectors. This approach can provide insight for policy analysis, planning, or estimation of the relative effects of multiple proposed alternatives on the county's economy.

Note: For readability, the term 'data' was used in singular terms.



ECONOMIC IMPACT TERMINOLOGY

DIRECT EFFECT: Direct effect estimates the injection of new money from non-local attendees and corporations into Chicago as a result of hosting NASCAR Chicago Street Race Weekend 2023. To determine direct spending attributable to hosting the event, data from two sources was collected. Data from non-local attendees was collected across seven categories: food & beverage, lodging, retail shopping, tourist attractions, local transportation, entertainment, and other expenses. Data from NASCAR and corporate partner spending was collected from the NASCAR.

INDIRECT EFFECT: Indirect effect estimates the additional spending that occurred or will occur in Chicago because of the initial injection of new money from NASCAR Chicago Street Race Weekend 2023. A part of each dollar injected into the county's economy will be re-spent locally, so that the total impact of non-local attendee spending is greater than the direct spending figure alone. The indirect economic impact measures the effects that result from inter-industry transactions (i.e., when a business re-spends part of the initial direct spending with other businesses or suppliers). The summation of each subsequent round of inter-industry spending in the local economy constitutes indirect impact.

INDUCED EFFECT: Induced effect estimates changes in household income attributable to hosting NASCAR Chicago Street Race Weekend 2023. The induced effect refers to changes in household-level spending that result from the initial direct effect spending and subsequent indirect effect spending of these dollars in Chicago. The summation of each subsequent round of household spending in the local economy constitutes the induced economic impact.

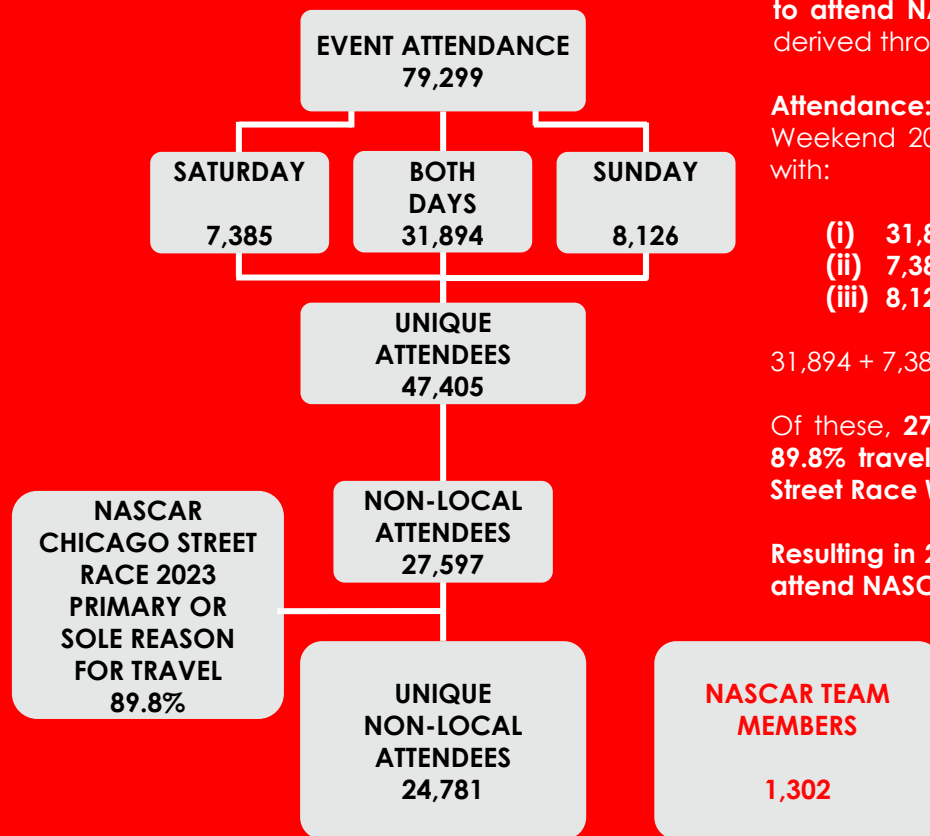
LEAKAGE: All numbers in this report account for leakage. Leakage is defined as the amount of total direct spending (total revenue) that is not retained in Chicago. The amount remaining represents marginal revenue generated from total direct spending minus an amount (leakage) that leaves the county's economy and is returned to non-local companies and businesses across various industry sectors. Leakage varies by sector.

Of \$44.4 million non-local attendee spending, 86.3% was retained in Chicago after accounting for 13.7% leakage, for a direct effect of \$38.4 million.

Of \$36.1 million corporate spending, 69.8% was retained in Chicago after accounting for 30.2% leakage, for a direct effect of \$25.2 million.



ATTENDEE METHODOLOGY



The estimate for total unique non-local attendees traveling with **a sole or primary reason to attend NASCAR Chicago Street Race Weekend 2023 was 24,781**. This estimate was derived through the following process:

Attendance: 79,299 non-unique total attendance during NASCAR Chicago Street Race Weekend 2023. NASCAR provided the number of unique ticket holders for each day, with:

- (i) **31,894 (67.3%)** Two-day, non-transferable
- (ii) **7,385 (15.6%)** Saturday only
- (iii) **8,126 (17.1%)** Sunday only

$31,894 + 7,385 + 8,126 = 47,405$ unique attendees

Of these, **27,597 (58.2%)** were unique non-local attendees. Among unique attendees, **89.8% traveled to Chicago with a sole or primary reason to attend NASCAR Chicago Street Race Weekend 2023**.

Resulting in 24,781 unique non-local attendees traveling with a sole or primary reason to attend NASCAR Chicago Street Race Weekend 2023 $(27,597 * 89.8\%)$

The event also brought 1,302 NASCAR team members to Chicago. Their spend is included in the corporate spending calculations.

¹ = Attendee number, home country, and states were provided by NASCAR ticket purchase data



ROOM NIGHTS ESTIMATE METHODOLOGY

The estimate for room nights generated from the NASCAR Chicago Street Race Weekend 2023 was **29,532**. This estimate includes non-local attendees who traveled to Chicago with a sole or primary reason to attend the event, and hotel rooms booked by NASCAR, NASCAR teams, or NASCAR support services. This estimate was derived through the following process:

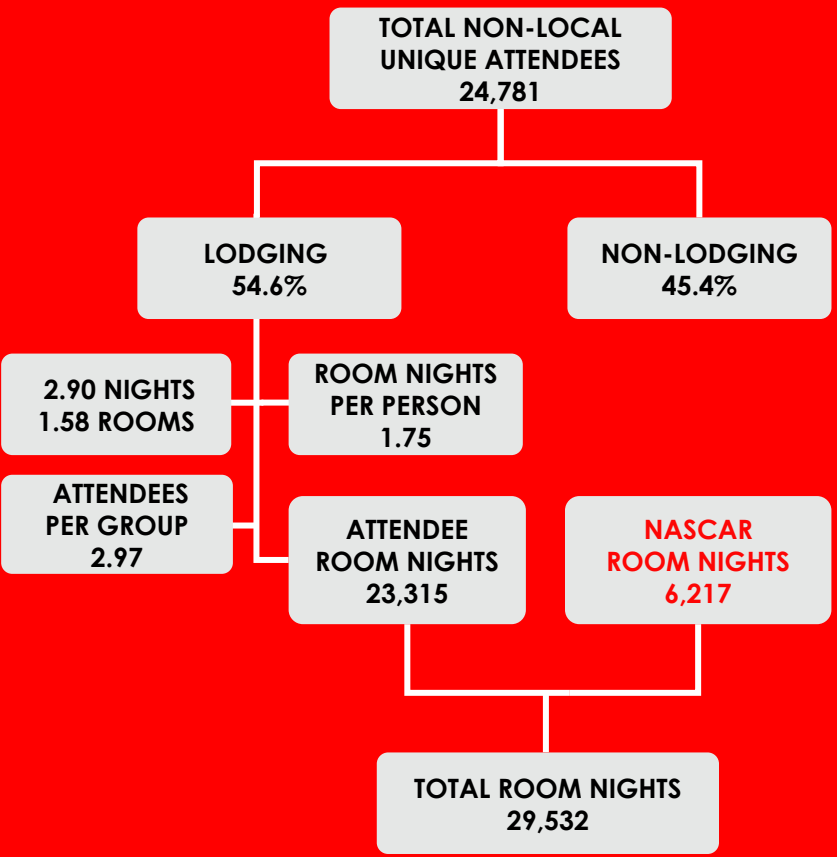
An estimated **24,781 unique non-local attendees** traveled to NASCAR Chicago Street Race Weekend 2023.

Among them, **54.6%** stayed in hotels, vacation rentals, or an equivalent. As a result, **13,514 attendees stayed at least one night in paid lodging** ($54.6\% \times 24,781 = 13,514$)

On average, overnight attendees stayed for **2.90 nights** with **1.58 rooms per travel group**, and **travel groups averaged 2.97 people**. Travel groups averaged **1.75 room nights per person** (weighted by group size and stay duration).

$$1.75 \text{ room-nights per person} \times 13,514 \text{ attendees} = \mathbf{23,315 \text{ TOTAL ROOM NIGHTS}}$$

$$+ 6,217 \text{ NASCAR team, staff, \& vendor room nights} = \mathbf{29,532 \text{ TOTAL ROOM NIGHTS}}$$





CORPORATE SPENDING METHODOLOGY

NASCAR and corporate activation during NASCAR Chicago Street Race Weekend 2023 in Chicago after accounting for leakage is presented below. Spending by NASCAR and corporation for NASCAR Chicago Street Race Weekend 2023 within Cook County were reported to SIRC for this report. SIRC classified corporate spend into twenty (20) IMPLAN categories.

IMPLAN CATEGORIES	CORPORATE SPENDING IN Chicago
EVENT/FACILITY SUPPORT SERVICES	\$5,627,315
CONSTRUCTION (NON-RESIDENTIAL)	\$4,212,610
OTHER FOOD & BEVERAGE	\$3,585,663
PERFORMING ARTS COMPANIES	\$3,317,909
PROMOTERS OF PERFORMING ARTS & SPORTS	\$2,527,412
ADVERTISING, PUBLIC RELATIONS, AND RELATED SERVICES	\$1,319,138
RACING AND TRACK OPERATIONS	\$819,115
HOTELS AND MOTELS	\$719,512
RESTAURANTS	\$564,794
CONSTRUCTION (HIGHWAYS AND STREETS)	\$449,068
OTHER CATEGORIES (AGGREGATED)	\$2,058,645
TOTAL	\$25,201,180



The SIRC Team



Thilo Kunkel, Ph.D.

Dr. Kunkel is an Associate Professor of Sport Management and the Director of the Sport Industry Research Center at Temple University. His research is positioned on the intersection of strategic management and marketing, and he has published his research in over 50 peer reviewed articles in top marketing and sport management journals and presented at over 80 conferences. Dr. Kunkel regularly consults sport organizations, sponsors, mobile app developers, and athletes on their brand positioning, fan engagement, and sponsorship activation. Dr. Kunkel holds a Ph.D. in Business from Griffith University, Australia, a Diplom in Business Administration, and in Business and Economic Education from Saarland University, Germany.



Daniel Funk, Ph.D.

Dr. Daniel Funk is a Professor and Ed Rosen Senior Research Fellow for the School of Sport, Tourism and Hospitality Management at Temple University. Dr. Funk's research focuses on sport marketing, sport management, and sport tourism. His research examines consumer experiences in order to help organizations understand customer acquisition, retention and expenditure. Much of this work has direct relevance to industry, and accordingly has been funded, in full or part, by industry partners to provide actionable insight to evaluate the economic, media, and community benefits of sport and cultural events. He holds a PhD from The Ohio State University and has worked at universities in the United States and Australia.



Bradley Baker, Ph.D.

Dr. Baker is an Assistant Professor in the Department of Sport, Tourism and Hospitality Management at Temple University. His primary research area is digital sport management, focusing on the intersection of sport, technology, and people, with a second research area studying quantitative research methods, research applications of machine learning, and meta-science. Dr. Baker's academic training is primarily in computer programming (BS from Johns Hopkins University with a double major in Computer Science and Mathematical Sciences) and Sport and Recreation Management (MS and PhD from Temple University). He co-founded D5AI, a start-up conducting research into advances in artificial intelligence and deep learning, where his inventions have led to 10 patents.



QUESTIONS? CONTACT US

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School of Sport, Tourism
 and Hospitality Management

Sport Industry
 Research Center

The Sport Industry Research Center (SIRC) at Temple University is a research center providing marketing and management services to enhance the economic, social, and environmental sustainability of sport. SIRC conducts and disseminates research, educates and trains executives, and functions as a think tank and an informational resource for those involved in sport and related industries.

AREAS OF EXPERTISE



Economic impact



Sport governance



Media and social media



Event experience



Sport for development



Sport leadership



Brand image



Sponsorship

PREVIOUS CLIENTS

Previous clients of SIRC include the National Basketball Association, Chicago Sports Commission, Philadelphia Convention & Visitors Bureau, PHL Sports, Laver Cup, Miami Marathon and Half Marathon, U.S. Road Sports and Entertainment Group, Visit Kansas City, Chicago Match Race Center, Life Time Fitness, the City of Philadelphia, and the World Surf League.

The information and content provided in this report are governed by a mutual confidentiality agreement between the NASCAR and SIRC.



ECONOMIC IMPACT TRAVEL PURPOSE

The following categories were used to differentiate reasons for 27,597 unique non-local attendees (58.2% of all attendees) traveling to the NASCAR Chicago Street Race Weekend 2023 in Chicago.

Primary & Sole*: 24,781 (89.8% of unique non-local attendees) traveled to Chicago solely or primarily for the NASCAR Chicago Street Race Weekend 2023. The total economic impact output was **\$64.2 million**.

Dual: Attending NASCAR's Chicago Street Race Weekend 2023 was equally important as other attractions in the decision of traveling to Chicago for **2,181 (7.9%)** attendees. Their total economic impact was **\$6.2 million**.

Secondary: Other attractions were more important than attending NASCAR's Chicago Street Race Weekend 2023 in the decision of traveling to Chicago for **635 (2.3%)** attendees. Their total economic impact was **\$1.4 million**.

***Note:** Only these attendees are included in the economic impact analysis.

24,781
 NON-LOCAL ATTENDEES TRAVELED TO CHICAGO BECAUSE OF NASCAR CHICAGO STREET RACE WEEKEND 2023

\$7.6M
 PROJECTED ECONOMIC IMPACT FROM NON-LOCAL ATTENDEES WHO TRAVELED TO CHICAGO FOR DUAL OR SECONDARY PURPOSES

PROJECTED ECONOMIC IMPACT BY TRAVEL PURPOSE

	PRIMARY & SOLE*	DUAL	SECONDARY
TOTAL ECONOMIC IMPACT	\$64,181,932	\$6,166,127	\$1,403,126
UNIQUE NON-LOCAL ATTENDEES	24,781	2,181	635



ECONOMIC IMPACT

NASCAR Chicago Street Race Weekend 2023 attracted 27,597 unique non-local attendees **(58.2% of all attendees)**. Of those attendees, 24,781 **(52.3% of all attendees)** traveled to Chicago solely or primarily for NASCAR Chicago Street Race Weekend 2023.

NASCAR Chicago Street Race Weekend 2023 was equally important with other reasons for visiting Chicago for 2,181 **(4.6%)** attendees, while 635 **(1.3%)** traveled to Chicago primarily for other attractions.

NON-LOCAL SPENDING BY TRAVEL PURPOSE

	SOLE/PRIMARY*	DUAL	SECONDARY
FOOD & BEVERAGE	\$407.94	\$538.41	\$312.00
LODGING	\$723.60	\$610.89	\$562.40
RETAIL SHOPPING	\$217.09	\$186.39	\$159.38
TOURIST ATTRACTIONS	\$64.25	\$71.34	\$100.75
LOCAL TRANSPORTATION	\$104.80	\$109.55	\$91.75
ENTERTAINMENT	\$60.72	\$142.36	\$72.13
OTHER	\$215.26	\$270.08	\$216.25
TOTAL	\$1,793.66	\$1,929.02	\$1,514.66

*Note: Only these attendees are included in the economic impact analysis.