Headwaters to Ocean Conference

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Amounts and Distribution of Recreational Beach Expenditures in Southern California

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Objectives

To measure direct and total beach expenditures for the average southern California beach visit
To explore differences between beaches in cost categories (parking, food, shopping, lodging, rentals)
To calculate site and regional amounts generated annually from beach expenditures

Methods

Visitors were surveyed (n = 2,455) at 14 beaches: June 22 – July 31, 2009

Los Angeles County

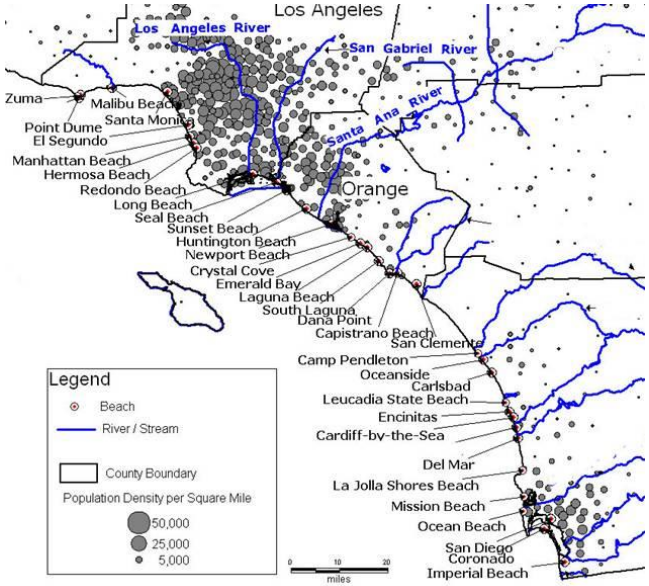
Zuma, Will Rogers, Santa Monica, Venice, Manhattan, Hermosa, Redondo, Mothers, Long Beach

Orange County

Huntington, Huntington State, Newport, Crystal Cove, Laguna

Analysis

Data were analyzed in aggregate and stratified by beach
Expenditures were calculated for several different cost categories (this is not a Travel-Cost study)
Results were calculated at the level of average per person per trip



Results

Who goes to the beach?

Table 1: Demographics of Southern California Beach Visitors

88% of visitors were from California; 12% tourists (8% out-of-state; 4% foreign country)

Age (years)	Mean	34.8
Sex	Female	59%
Ethnicity	Caucasian	51%
	Hispanic	29%
	Mixed – Other	10%
	Asian	6%
	African American	3%
	Middle Eastern	1%
Annual Income (amounts in $1,000)		
	$0 - $12	26%
	$13 - $24	7%
	$25 - $50	21%
	$51 - $75	17%
	$76 - $100	12%
	> $100	17%

Results

How much money do they spend and on what?

Direct Beach Expenditures (DBE) = (Parking + Food + Shops + Rentals + Lodging)

2,455 participants reported spending $113,148 in DBE (mean **$46.09 per person trip**)

	% of Visitors	Mean Expenditures	% of DBE
Lodging	12%	$19.36	42%
Shopping	21%	$10.60	23%
Food	31%	$9.68	21%
Parking	61%	$5.07	11%
Rentals	3%	$1.38	3%

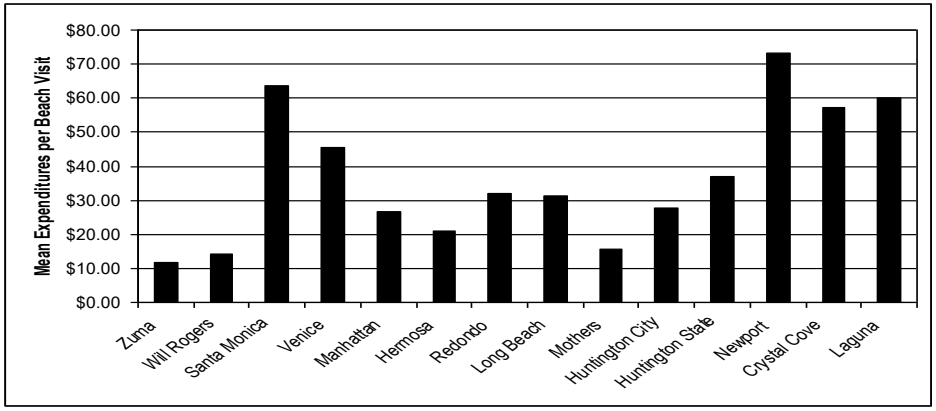
DBE = $46.09 per person trip

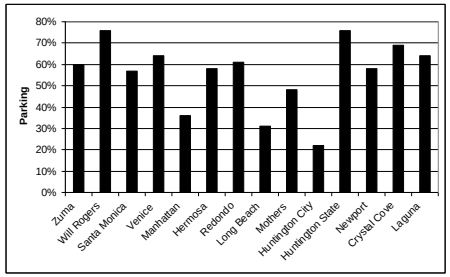
Do a lot of people spend money at the beach?

$0	20%
Up to $10	35%
Up to $20	10%
Up to $30	6%
Up to $40	5%
Up to $50	4%
Over $50	20%

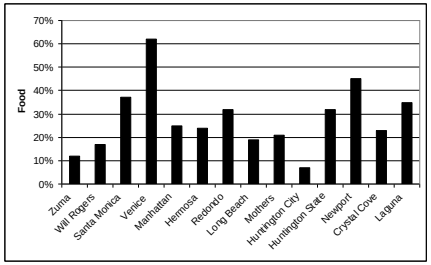
Results *How do beaches compare?*

Mean Direct Beach Expenditures by Site (Parking + Food + Shopping + Lodging + Rentals)

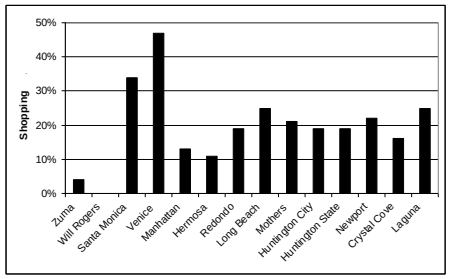




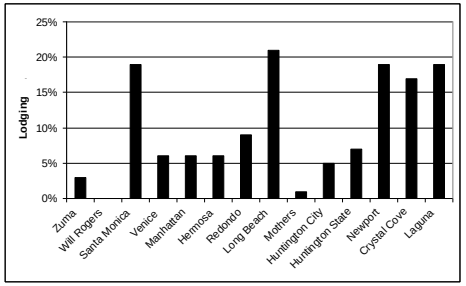
Parking



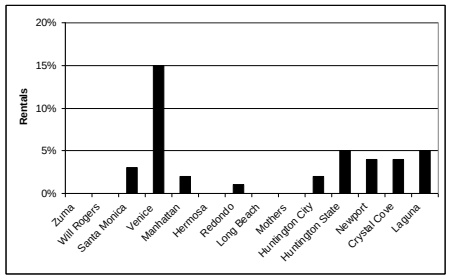
Food



Shopping



Lodging



Rentals

Results

What other expenses are there for a beach visit?

Off-Site Expenditures for Beach Trip

Fuel Costs *= [(Mean distance) x (2, roundtrip)] / [(Mean mileage per gallon) x (Mean cost of fuel)] x [% that drove]*

Fuel Costs = [(35 miles x 2)/ (21.1 mpg) x ($2.96)] x 90% = **$8.84 per trip**

Equipment Costs *= [Mean expenditures on beach gear] / [Median annual beach visits]*

Equipment Costs = ($106.06) / (10 trips) = **$10.60 per trip**

Total Expenditures

Total Expenditures = [DBE ($46.09)] + [Fuel ($8.84)] + [Equipment ($10.60)] = **$65.53 per person trip**

Results *What does it add up to?*

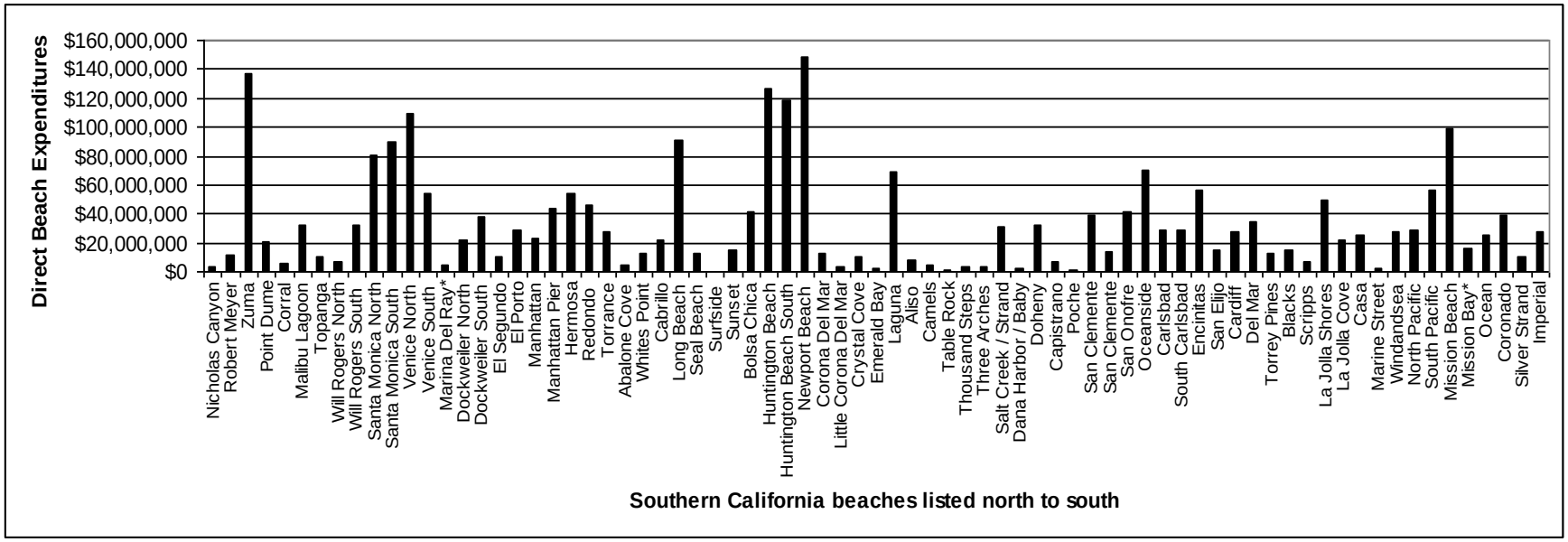
Regional Direct Beach Expenditures = [(129,549,073 trips*) x (42% adults**)] x [DBE ($46.09)] = **$2.5 billion** spent annually at beaches on parking, food, shopping, lodging and rentals.

Regional Total Travel Expenditures = [(129,549,073 trips*) x (42% adults**)] x [TTE ($65.53)] = **$3.5 billion** spent annually on southern California beach trips.

* = From published beach attendance data for southern California beaches.
** = From published demographic data of beach visitors that included children. Considering only 42% of visitors to be 18 years or older and participating in the beach economy is very conservative.

33% of DBE at only 6 of 75 beaches (*Huntington, Newport, Zuma, Santa Monica, Venice and Mission*).

Annual Direct Beach Expenditures for 78 Southern California Beaches



Discussion

- The results provide baseline economic measures prior to a potential event in the future that may deny access to a public beach, such as from an oil spill.

- The results can be used by government agencies, beach managers and researchers by providing detailed measures of fiscal expenditures at different southern California beach types.

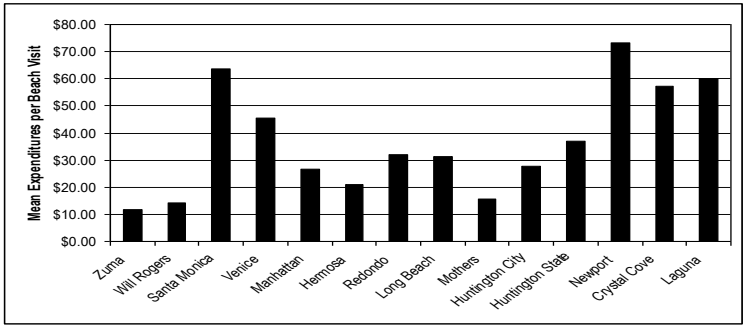
- Data show that direct beach expenditures were not equally distributed across beaches; some sites generated significantly more money per trip compared to other beaches.

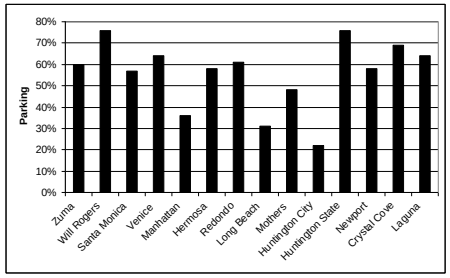
- Dependent on the desires and limitations of each beach, managers can increase revenues by promoting among the five cost categories (parking, food, shopping, lodging, rentals).

Discussion

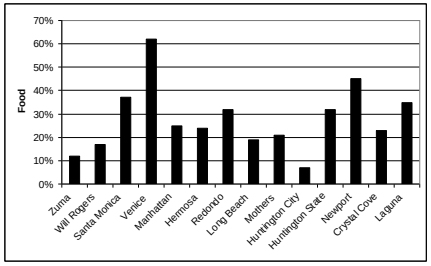
Zuma experiences over 7 million visitors annually.
Mean expenditures per visitor were low ($11.78), generating $35 million a year in DBE.
Parking rates were high, and parking fees were high allowing little room to increase capitalization.
Participation rates in the services; food, shopping, rental and lodging were low.
If Zuma were equal to the regional average DBE of $46.09 per trip, the beach would generate over $136 million annually in direct beach expenditures.

Mean Direct Beach Expenditures by Site (Parking + Food + Shopping + Lodging + Rentals)

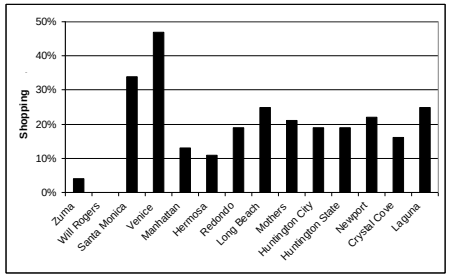




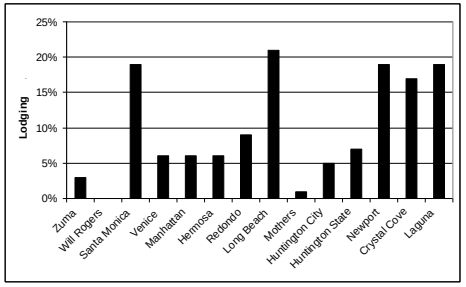
Parking



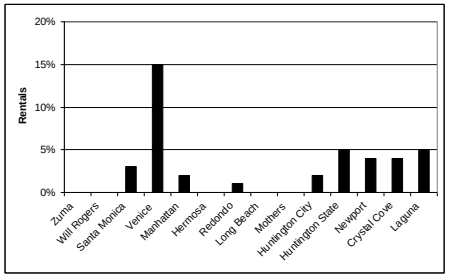
Food



Shopping



Lodging



Rentals

Conclusions

The beaches of southern California:

- generate billions of dollars annually in recreational expenditures.
- are a significant economic contributor to one of the world's largest economies.
- vary in their capture rates of beach expenditures for different cost categories.

Coastal Water Research Group