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ECONOMIC IMPACT

2019 SUNDANCE FILM FESTIVAL

AUTHORS

Quin Monson, Ph.D. Y² Analytics, Founding Partner

Sven Wilson, Ph.D. Notalys, Chief Economist

Jay Goodliffe, Ph.D. Notalys, Chief Methodologist

FOR MEDIA OR OTHER INQUIRIES

Quin Monson, Ph.D. – Y² Analytics
Sven Wilson, Ph.D. – Notalys

801-717-9029
www.y2analytics.com
www.notalys.com

KEY DATA POINTS

At least 122,000 people attended the Sundance Film Festival between January 24 and February 3, 2019. Approximately 43,550 attendees came from out of state. These out-of-state visitors spent an estimated \$149 million in Utah during the festival. Sundance Institute also directly contributed to the Utah economy via the costs of planning and producing the 2019 festival. In total, the Sundance Film Festival contributed the following to Utah's economy in 2019:

- \$182.5 million in Utah gross domestic product
- 3,052 jobs for Utah residents
- \$94 million in Utah wages
- \$18.7 million in state and local tax revenue

BACKGROUND

The Sundance Film Festival is the flagship annual event of the non-profit Sundance Institute. The 2019 festival ran for 11 days between January 24th–February 3rd, 2019 and drew at least 122,000 attendees to film screenings, panel discussions, and other interactive storytelling events in Park City, Salt Lake City, and at the Sundance Resort. Just over a third of the attendees came from out of state. These out-of-state visitors contributed to Utah's economy by participating in festival activities and purchasing lodging, meals, and entertainment during their stay. Sundance Institute also contributed directly to the local economy via direct spending on planning and producing festival events.

This report estimates the total economic impact of the 2019 Sundance Film Festival using observational and self-reported survey data about festival attendees, their attendance patterns, and their spending habits; and using Sundance Institute direct spending data. The report was sponsored by Sundance Institute.

There are additional sources of economic activity not accounted for in this report. We omit impacts due to spending by official festival sponsors, unaffiliated businesses that operated around the event, airport taxes for attendees that traveled through Salt Lake International Airport, and secondary spending for visitors that return to the state post-festival since these data sources were not made available to either Sundance Institute or to our research team.

METHODOLOGY

The estimates in this report rely on three categories of data: 1) Blynscy radio signal sensors installed in each festival venue that collected passive data about devices moving in and around festival events, 2) self-reported spending data collected through random samples via intercept surveys during the festival and online surveys immediately after the festival, and 3) accounting records from Sundance Institute about direct spending to produce the festival. Using these data sources, we produced estimates for attendance and average spending for both in-state and out-of-state attendees.

METHODOLOGICAL INNOVATIONS

Studies prior to 2017 relied almost wholly on intercept sampling at the festival to estimate attendance and spending. Intercept studies are incredibly useful, but in the context of a busy festival getting a true random sample is challenging. Interviewers can be prone to oversample attendees that are approachable, perhaps those who better match the interviewers own age, socioeconomic status, or other characteristics. We used a variant of a Systematic Random Sample—randomly sampling the locations and times as well as a random start and fixed interval of interviewing to assure interviewers did not subconsciously bias the sample. Additionally, we conducted a separate random sample survey of ticketholders via online invitation immediately after the festival concluded. The results of that survey closely match the intercept survey, giving us the same demographic results across two separate survey modes.

Prior to 2017, attendance was estimated using a combination of the number of filled seats at film venues and an adjusted self-report of films attended per survey respondent. The self-reports were adjusted because film attendance by attendees is demonstrably over reported in the surveys. For example, the average survey respondent reports attending five films, which is not consistent with objective ticket redemption data. Additionally, the attendance estimate methodology has not been consistent over time. Instead of relying on self-reported attendance, technological advances allow us to take advantage of sensor technology that tracks devices that have Wi-Fi or Bluetooth radios inside of the festival venues. This allows us to directly and anonymously observe mobile devices as they enter the festival, move from venue to venue, and leave. The resulting attendance estimate is both higher and more accurate than previous years.

Our team first used this technology to estimate attendance in 2017 with twenty-two sensors installed in main festival venues. In 2018 the sensor network was expanded to thirty-six sensors. This year there were thirty-eight sensors installed across nearly all the festival venues. These additional sensors captured more devices and allowed our team to quantify and estimate a population of attendees that has been undercounted in years prior to 2018 – short-term attendees. These are visitors that come to one single event at the festival and then leave. Historically they have been challenging to quantify because their short visit does not facilitate interviewing them. These additional sensors allow us a chance to see their impact on the festival.

ATTENDANCE ESTIMATES

For our attendance estimates, we rely on data provided by Blynscy, an innovative Utah company that specializes in sensors that anonymously track individuals throughout an environment via their cell phones. For this analysis, each device is assigned a unique ID and the Blynscy data reports where and when that device is seen at various festival venues as measured by thirty-eight sensors installed across the festival footprint (including venues in Park City, Sundance Resort, and Salt Lake City). The Blynscy sensor system captures any device equipped with a WiFi or Bluetooth radio, but the captured data does not make a distinction between which devices belong to identified festival attendees and other devices. In order to be conservative about attendance estimates, we implemented a set of rules to determine which devices counted as devices in the hands and pockets of festival attendees. We counted as festival attendees devices that either attended two or more events or that stayed the entire time at one ticketed event (generally a film screening). Additionally, to identify Park City regulars, we screened out devices

that were seen in the geographic vicinity before or after the festival. Using these parameters, we estimate 122,313 unique attendees over the course of the festival. We also assume that all or nearly all attendees carry a cell phone or other mobile device with them during the festival. Festival attendees without mobile devices do not count toward this attendance estimate.

SURVEY METHODS

Our research team conducted three surveys to determine spending among festival attendees: 1) random intercept interviews during the festival at festival screenings and other official festival venues, 2) an online survey among ticket-buyers immediately after the festival, and 3) an online survey immediately after the festival among festival attendees that were not available in the screening lines, which generally consists of industry professionals, VIPs, and other contributors to the festival.

Intercept interviewers from Y² Analytics were on site throughout the festival. The interviewers were assigned to events in Park City, Salt Lake City, and at the Sundance Resort using a random assignment algorithm. We used Systematic Random Sampling techniques to select survey respondents. At film screenings, interviewers were given a random starting place and a fixed interval (for example, start on the 13th person in line and interview every 5th person) to approach festival-goers in line waiting to enter the film. Similarly, when assigned to non-film events interviewers were given a random starting place and a fixed interval to approach attendees as they passed by. Surveys were self-administered on paper questionnaires, which allowed interviewers to maintain the random interval and interview multiple attendees simultaneously. In total, we interviewed 1,399 festival attendees in person.

Additionally, we fielded a similar instrument via an online survey among Sundance Institute database ticket buyers shortly after the festival. Ticket buyers were selected at random to participate and invited over email with one follow up reminder. Those who had already been sampled to take the intercept survey were screened out of this sample. In total, we interviewed 2,979 festival attendees online. The results of the online survey weighted to attendance proportions between Park City and Salt Lake City were statistically equivalent to the intercept survey.

Finally, we fielded the same online instrument among a database of festival pass-holders. These attendees included industry professionals, VIPs, and other festival contributors who are not generally available in the lines outside theaters. In total, we interviewed 249 festival pass-holders.

ECONOMIC IMPACT

Spending during the Sundance Film Festival generates many positive economic benefits. Tourism-related industries are beneficiaries of spending that would not otherwise be part of the state's economy, and that spending entering the state induces additional spending as companies hire additional labor, increase their capacity, and purchase the goods that are necessary to accommodate the additional visitors.

The detailed surveys conducted of festival attendees provide data on how much attendees spend on a variety of services: lodging, meals, transportation, recreation, and other retail expenses. For each category of spending, we apply the latest available (2015) RIMS II economic multipliers produced by the U.S. Bureau of Economic Analysis.

These multipliers capture how much additional spending is induced by the festival. The RIMS II model also estimates the effect of the festival on earnings in the state, and the number of jobs produced.

Sundance Institute spending that is necessary to sustain the festival also contributes to the economic impact and its contribution to the total economic impact is also included.

The primary economic impact of spending coming from outside the state is referred to as *State Gross Domestic Product (State GDP)*. This is the *value-added* of all goods and services. It includes direct spending by visitors to the festival, indirect spending, which is the value of inputs that are produced by other local businesses, and induced expenditures, which result from the increased spending by Utah households. State GDP removes the value of intermediate inputs and, thereby, captures new spending that occurs because of the festival.

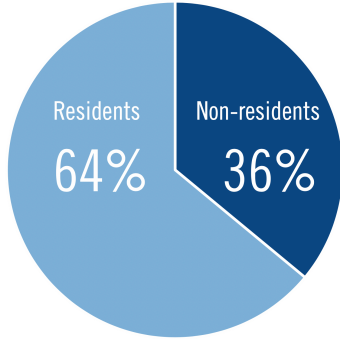
We also report a measure of *Total Output*. This measures the value of every dollar *associated* with spending on the festival. However, Total Output includes intermediate goods and, therefore, contains some double-counting. We include this as a reference value but note that the true economic impact is captured best by the State GDP estimate.

Finally, using data from a number of sources, we develop estimates of state and local taxes (sales taxes and income taxes) that result from the increase in spending and earnings in the state.

RESULTS

ATTENDEES: NUMBERS & CHARACTERISTICS

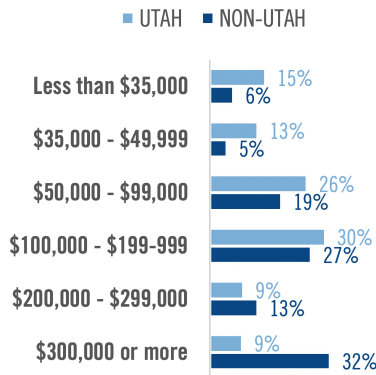
Figure 1: Proportion of non-resident attendees



About 122,313 attendees filled 229,242 seats at events over the course of the festival. An estimated 64% of attendees were Utah residents (about 78,300 individuals) while 36% came from out-of-state (about 43,550 individuals). About 37% of non-residents came from California, 10% from New York, 5% from Texas, 5% from Illinois, 4% from Florida, 4% from Colorado, 3% from Massachusetts, and 33% from other states. Approximately 3% of non-resident attendees traveled from outside the United States to attend the festival, representing at least 35 different countries.

The estimated number of out-of-state attendees is approximately the same as prior years.

Figure 2: Attendee income



93% of non-resident attendees reported attending multiple days of the festival, with 62% of non-residents staying between 2 and 5 days. 87% of Utah residents attended only one or two days of events. A majority of Utah resident attendees came from Salt Lake County (53%), Davis County (16%), and Summit County (10%).

Out-of-state festival-goers tended to come from relatively high-income households. 32% of non-resident respondents reported a household income of \$300,000 or more, a plurality of those visitors. Resident attendees also came from relatively high-income households in Utah; the most common income category for Utah residents is \$100,000 – \$199,999 per year.

Though this is an industry event, many attendees are not entertainment industry professionals (49%). 6% of non-resident participants are students, about 1% are press, and 42% work in non-entertainment fields.

SPENDING

Table I below provides estimates of aggregate spending by both residents and non-residents of Utah. Utahns spent almost \$28 million dollars to participate in the festival. This number is far exceeded, however, by the amount spent by non-residents. People coming to the state spent over \$149 million during their stay here, not including purchases of tickets to the festival.

TABLE 1: AGGREGATE SPENDING

	UTAH	NON-UTAH	COMBINED
<i>Lodging</i>	\$-	\$69,905,576	\$69,905,576
<i>Car Rental</i>	\$87,041	\$6,797,127	\$6,884,168
<i>Other Transportation</i>	\$2,451,507	\$9,999,369	\$12,450,876
<i>Meals</i>	\$10,396,528	\$26,246,109	\$36,642,637
<i>Recreation & Entertainment</i>	\$11,644,364	\$28,291,228	\$39,935,592
<i>Other Spending</i>	\$3,049,470	\$7,805,778	\$10,855,248
<i>Total</i>	\$27,628,910	\$149,045,188	\$176,674,097

Tables 2 & 3 summarize spending on a per-person basis. Spending across all categories was \$3,410 for each out-of-state visitor or a total of \$632 per day. Utahns, primarily because they seldom need lodging, spent less but still purchased \$352 in goods and services during the festival or \$142 per day.

TABLE 2: AVERAGE TOTAL SPENDING BY CATEGORY

	UTAH	NON-UTAH
<i>Lodging</i>	\$-	\$1,599
<i>Car Rental</i>	\$1	\$156
<i>Other Transportation</i>	\$31	\$229
<i>Meals</i>	\$132	\$600
<i>Recreation & Entertainment</i>	\$148	\$647
<i>Other Spending</i>	\$39	\$179
<i>Total</i>	\$352	\$3,410

TABLE 3: AVERAGE DAILY SPENDING BY CATEGORY

	UTAH	NON-UTAH
<i>Lodging</i>	\$-	\$280
<i>Car Rental</i>	\$0	\$25
<i>Other Transportation</i>	\$13	\$45
<i>Meals</i>	\$53	\$112
<i>Recreation & Entertainment</i>	\$53	\$127
<i>Other Spending</i>	\$23	\$44
<i>Total</i>	\$142	\$632

ECONOMIC IMPACTS

The spending by non-residents and by Sundance Institute contribute economically to the state. Table 4 summarizes the economic impact of this spending. We estimate that the economic impact of the festival (State GDP) is over \$182 million. Most of this is due to spending brought in by visitors to the state. The total amount of economic activity associated with the festival is \$313 million, though we caution again that this value contains significant double-counting for some types of expenditures. Nonetheless, the festival has a sizeable impact on the state economy.

TABLE 4: ECONOMIC IMPACTS

	NON-RESIDENT	SUNDANCE INSTITUTE	COMBINED
<i>Total Spending</i>	\$149,045,188	\$12,914,483	\$161,959,671
<i>Economic Impact (State GDP)</i>	\$170,698,380	\$11,810,144	\$182,508,524
<i>Total Output</i>	\$293,210,963	\$19,987,948	\$313,198,911
<i>Earnings</i>	\$88,185,498	\$6,211,741	\$94,397,239
<i>State and Local Taxes</i>	\$18,395,081	\$272,798	\$18,667,879
<i>Jobs</i>	2,888	164	3,052

The festival has other economic impacts. We estimate that the annual employment associated with the festival is 3,052 jobs and total earnings of those employees is over \$94 million. Additionally, we estimate that the festival generates \$19 million in state and local taxes. These are revenues that would not be available to the state without the festival.

APPENDICIES

APPENDIX A: ATTENDEE RESIDENCY STATUS

<i>Utah</i>	64.3%
<i>Non-Utah</i>	35.7%

APPENDIX B: ATTENDEE AGE

	TOTAL	UTAH	NON-UTAH
<i>Under 18</i>	0.6%	0.3%	1.1%
<i>18-25</i>	15.3%	18.4%	9.9%
<i>26-35</i>	28.9%	32.2%	22.9%
<i>36-45</i>	18.4%	18.1%	19.0%
<i>46-55</i>	17.4%	13.5%	24.3%
<i>56-64</i>	12.8%	10.7%	16.5%
<i>Over 65</i>	6.6%	6.8%	6.3%

APPENDIX C: ATTENDEE GENDER

	TOTAL	UTAH	NON-UTAH
<i>Male</i>	32.5%	29.9%	37.3%
<i>Female</i>	66.1%	68.3%	62.2%
<i>Other</i>	1.4%	1.8%	0.5%

APPENDIX D: ATTENDEE EDUCATION

	TOTAL	UTAH	NON-UTAH
<i>High School Graduate or Less</i>	3.4%	4.4%	1.6%
<i>Some College</i>	13.7%	16.9%	8.0%
<i>Bachelor's Degree</i>	43.6%	42.0%	46.4%
<i>Master's Degree</i>	27.1%	25.5%	30.1%
<i>Doctorate/Other Post-Grad</i>	12.1%	11.2%	13.8%

APPENDIX E: ATTENDEE INCOME

	TOTAL	UTAH	NON-UTAH
<i>Less than \$35,000</i>	11.6%	14.5%	6.2%
<i>\$35,000 - \$49,999</i>	9.7%	12.5%	4.5%
<i>\$50,000 - \$99,000</i>	23.1%	25.5%	18.7%
<i>\$100,000 - \$199,999</i>	28.9%	30.2%	26.6%
<i>\$200,000 and Over</i>	10.1%	8.8%	12.5%
<i>\$300,000 or more</i>	16.7%	8.5%	31.5%

APPENDIX F: ATTENDEE OCCUPATION

	TOTAL	UTAH	NON-UTAH
<i>Entertainment Industry</i>	13.6%	3.4%	31.8%
<i>Non-Entertainment Industry</i>	49.1%	53.3%	41.7%
<i>Press</i>	1.4%	1.4%	1.3%
<i>Student</i>	10.6%	13.3%	5.8%
<i>Other</i>	25.3%	28.6%	19.4%

APPENDIX G: ATTENDEE INTENDED TO SKI OR SNOWBOARD DURING FESTIVAL

	TOTAL	UTAH	NON-UTAH
<i>Yes</i>	21.2%	19.0%	25.1%
<i>No</i>	78.8%	81.0%	74.9%

APPENDIX H: COUNTY OF RESIDENCE (UTAH)

	UTAH
<i>Salt Lake</i>	52.7%
<i>Davis</i>	15.7%
<i>Utah</i>	11.7%
<i>Summit</i>	10.2%
<i>Wasatch</i>	3.5%
<i>Weber</i>	2.6%
<i>Other</i>	3.5%

APPENDIX I: MOST ATTENDED VENUE

	TOTAL	UTAH	NON-UTAH
<i>Park City</i>	61.1%	47.9%	84.9%
<i>Salt Lake City</i>	33.9%	45.9%	12.2%
<i>Sundance Resort</i>	5.0%	6.2%	2.8%

APPENDIX J: EVER ATTENDED SUNDANCE FILM FESTIVAL BEFORE

	TOTAL	UTAH	NON-UTAH
<i>Yes</i>	63.0%	66.4%	56.8%
<i>No</i>	37.0%	33.6%	43.2%

APPENDIX K: PLANNING TO RETURN AND ATTEND FILM FESTIVAL NEXT YEAR

	TOTAL	UTAH	NON-UTAH
<i>Yes, Definitely</i>	51.0%	56.4%	41.3%
<i>Yes, Probably</i>	41.8%	39.0%	46.9%
<i>No, Probably not</i>	6.4%	3.6%	11.5%
<i>No, Definitely not</i>	0.8%	1.1%	0.2%

APPENDIX L: STATE OF RESIDENCE (NON-UTAH)

	NON-UTAH
<i>California</i>	37.1%
<i>New York</i>	10.4%
<i>Texas</i>	4.5%
<i>Illinois</i>	4.5%
<i>Florida</i>	4.0%
<i>Colorado</i>	4.0%
<i>Massachusetts</i>	2.7%
<i>Other</i>	32.8%

APPENDIX M: COUNTRY OF RESIDENCE (NON-US)

	NON-US
<i>Argentina</i>	0.6%
<i>Australia</i>	3.4%
<i>Austria</i>	0.3%
<i>Belgium</i>	0.3%
<i>Brazil</i>	0.3%
<i>Canada</i>	11.4%
<i>Colombia</i>	0.6%
<i>Denmark</i>	0.3%
<i>Finland</i>	1.5%
<i>France</i>	2.0%
<i>Germany</i>	0.9%
<i>Honduras</i>	9.1%
<i>Hong Kong</i>	0.6%
<i>Iceland</i>	0.3%
<i>India</i>	0.9%
<i>Ireland</i>	0.9%
<i>Israel</i>	0.3%
<i>Italy</i>	0.9%
<i>Japan</i>	0.6%
<i>Kenya</i>	0.3%
<i>Korea</i>	0.6%
<i>Lebanon</i>	0.3%
<i>Mexico</i>	17.3%
<i>Netherlands</i>	1.2%
<i>New Zealand</i>	0.3%
<i>Poland</i>	0.9%
<i>Portugal</i>	0.3%
<i>Romania</i>	0.3%
<i>Russia</i>	0.3%
<i>Serbia</i>	0.3%

<i>Spain</i>	0.9%
<i>Sweden</i>	0.6%
<i>Switzerland</i>	0.3%
<i>Uganda</i>	0.3%
<i>United Kingdom</i>	41.0%

APPENDIX N: FESTIVAL DAYS ATTENDED

	TOTAL	UTAH	NON-UTAH
<i>1</i>	32.4%	46.2%	7.6%
<i>2</i>	31.7%	40.9%	15.1%
<i>3</i>	7.2%	1.9%	16.9%
<i>4</i>	6.5%	1.9%	14.7%
<i>5</i>	6.4%	1.7%	14.8%
<i>6</i>	4.7%	1.5%	10.3%
<i>7</i>	2.6%	0.9%	5.7%
<i>8</i>	1.7%	0.8%	3.3%
<i>9</i>	1.3%	0.9%	2.1%
<i>10</i>	2.8%	1.6%	4.8%
<i>11</i>	2.8%	1.6%	4.8%
<i>Average</i>	3.1	2.1	4.7

ABOUT THE AUTHORS

QUIN MONSON, Ph.D., Y² Analytics

Quin Monson is a recognized survey researcher and a founding Partner at Y² Analytics. He has extensive experience executing scientific surveys nationally and in dozens of states. He has particular expertise with sampling, weighting, and online modes. He has fielded numerous political, academic, and professional surveys via traditional phone techniques, novel internet modes, and increasingly rare in-person interviews. Quin received his Ph.D. from the Ohio State University where he focused on public opinion, elections, and survey research methods. He is a Senior Scholar of the Center for the Study of Elections and Democracy and an Associate Professor of Political Science at Brigham Young University.

SVEN WILSON, Ph.D., Notalys Chief Economist

Sven E. Wilson is an economist with over 25 years of experience doing empirical analysis in the areas of economics, public policy and demographics. He is a founding Partner of Notalys, a Utah-based economic and public policy consulting firm that has done numerous policy analyses in the state of Utah in recent years. He is a graduate of Brigham Young University and holds a Ph.D. in economics from the University of Chicago. He is professor of public policy at BYU, where he has taught policy research and data analysis, and he is a research economist at the National Bureau of Economic Research.

JAY GOODLIFFE, Ph.D., Notalys Chief Methodologist

Jay Goodliffe is a Partner and Chief Methodologist at Notalys. Dr. Goodliffe has taught and researched public policy in Utah and nationally for 20 years, with primary specialty in statistical methodology and applying advanced methods to practical problems. He received his bachelor's degree from MIT, and his master's degree and Ph.D. from the University of Rochester. His experience includes designing, administering, and analyzing complex survey data; assessing incentive and information systems in market and non-market environments; compiling and synthesizing disparate databases to identify patterns and relationships; and conducting cost-benefit analyses. He has published numerous articles in the areas of methodology, game theory, and social network theory. At BYU, Dr. Goodliffe teaches classes on statistical analysis, econometrics, multilevel models, game theory, and data visualization.