

PORT OF SAN DIEGO

Big Bay Boom®

An Independence Day Spectacular



2024

San Diego Big Bay Boom Economic Impact Report

PRODUCED FOR ARMED SERVICES YMCA SAN DIEGO

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Acknowledgments

The project team is deeply grateful to the following community stakeholders who provided insights that informed the contents of this report.

Contributors

Armed Services YMCA

SD Working Waterfront

Fox5/KUSI News

About San Diego Armed Services YMCA¹

The San Diego Armed Services YMCA enhances the lives of military members and their families in spirit, mind, and body through programs relevant to the unique challenges of military life.

Its focus is to provide needed programs and services for single or married junior enlisted personnel and their family members. **The Armed Services YMCA empowers military families, no matter who they are or where they're from**, by ensuring access to resources, relationships, and opportunities for all to learn, grow, and thrive.

The Armed Services YMCA is the beneficiary organization of the Big Bay Boom. The event's net proceeds go directly to the YMCA to support free or low-cost programs and services for military children, spouses, and their families.

About BW Research

BW Research is an independent economic research organization, experienced in workforce and economic development analyses. BW Research has led over one hundred workforce, supply chain, community benefit, policy, and market research studies over the last fifteen years. BW Research serves both public and private sector clients, including economic development organizations, cities, counties, workforce development boards, and educational institutions.

About the 2024 Big Bay Boom Economic Impact Report

The 2024 Big Bay Boom Economic Impact Report quantifies and measures the economic impact of the 2024 Big Bay Boom Fireworks Show in San Diego County, held annually on July 4 at the San Diego Bay. The Big Bay Boom is the largest fireworks display in California, supported by key sponsors and regional stakeholders such as the Port of San Diego, the City of San Diego, and San Diego County, among others.²

¹ <https://asymca.org/>

² <https://bigbayboom.com/>

Executive Summary

The Big Bay Boom Fireworks show is a key driver of tourism and economic activity in San Diego, drawing hundreds of thousands of spectators to the city's waterfront every July 4th since its inception in 2001. The influx of visitors provides a significant boost to local hotels, restaurants, storefronts, and other businesses throughout San Diego, in addition to generating sizeable tax revenues for both state and municipal governments.

The 2024 Big Bay Boom Economic Impact Report, commissioned by the Armed Services YMCA, highlights the economic impacts and fiscal benefits of the 2024 San Diego Big Bay Boom, quantifying key visitor spending metrics, tax revenues generated, and return on investment (ROI). The report also identifies areas of future research to be explored in ensuing economic impact reports.

Key Findings

- 1. The economic impact of the 2024 Big Bay Boom totaled \$100 million from non-local attendees, a 34 percent increase from the 2022 Big Bay Boom.** Direct economic impacts account for over half (56%) of the total economic impact, while indirect and induced impacts account for \$19 million (20%) and \$24 million (24%), respectively. The most heavily impacted industries include hotels and motels, restaurants, and retail shops. The economic impact is just under two-thirds of the Comic-Con convention in San Diego which brings in an economic impact of around \$160 million into the local economy each year.³
- 2. Non-local attendees spent an estimated \$66 million across food, hotels, shopping, and entertainment.** Of this spending, \$29 million (44%) was spent on food, \$16 million (25%) on hotels, \$6 million (9%) on shopping, and \$15 million (22%) on entertainment. Non-local attendees are defined as attendees who originate from outside of San Diego County and whose primary purpose was attending the Big Bay Boom. The 2024 Big Bay Boom also saw an estimated 70 percent increase in non-local spending relative to the 2022 event. The increase in spending can largely be attributed to the increased recognition and awareness of the event, a decline in social restrictions due to COVID-19, and the event being held on a Thursday in 2024, while in 2022, it was held on a Monday.
- 3. A total of \$10 million was spent by non-local attendees in the Port of San Diego, generating a return on investment (ROI) of \$22.16 for every dollar invested into the event by the Port of San Diego, over \$22 dollars were spent with Port of San Diego businesses.** An estimated 18 percent⁴ of the total visitor expenditures were spent with Port of San Diego businesses.
- 4. A total of \$4.6 million was produced in tax revenues from the event, including state and local sales tax, transient occupancy tax, and production and import tax revenues.** State and local

³ San Diego State University, Just How Much Money Does Comic-Con Make For San Diego? <https://www.sdsu.edu/news/2022/07/sdsuxcomic-con-just-how-much-money-does-comic-con-make-for-san-diego->

⁴ San Diego State University, 2022 Big Bay Boom Economic Impact Estimate. <https://bigbayboom.com/wp-content/uploads/2023/01/BBB-A-SDSU-EIR-2022.pdf>

sales tax represented 58% of total tax revenues generated, with **nearly \$600,000 of local tax revenues generated for the City and County of San Diego**. Transient occupancy tax revenues represented 37% of total tax revenues generated, or \$1.7 million, while the remaining 5% of tax revenues were generated by production and import taxes levied on goods used or sold during the event.

- 5. Future research could analyze the factors contributing to repeat San Diego visits from Big Bay Boom attendance, how visitors learned about the event, and the economic impact of local attendees** to develop a more robust understanding of the key elements driving the event’s continued growth and contributions to the San Diego economy. This additional analysis could be informed by a comprehensive local and non-local attendee survey conducted during the Big Bay Boom at key locations across the bay.

This report uses estimates from previous studies to approximate the percentage of non-local spending brought in by the event.⁵ IMPLAN, an economic input-output model, was used to model the direct, indirect, and induced impacts of the event. Attendance was estimated to range from 300,000 to 500,000, and roughly 14 percent of attendees were estimated to be non-locals whose primary purpose for visiting was the 2024 Big Bay Boom event. The impacts described were modeled using 43,000 to 71,000 non-local attendees.

The 2024 Big Bay Boom brought in an estimated \$100 million for the medium scenario, of which \$56 million was produced in direct impacts, \$20 million in indirect impacts, and \$24 million in induced impacts (Table 1). **The medium attendance scenario (400,000 attendees) is used as the most likely scenario and is a reference point throughout the report.**

Table 1. Economic Impact Summary

Attendance Scenario	300,000	400,000	500,000
Non-Local Attendees, Primary Purpose was BBB	43,000	57,000	71,000
Total Economic Impact	\$74,816,000	\$99,754,000	\$124,693,000
Local Tax Revenue⁶	\$1,712,000	\$2,283,000	\$2,854,000
Total Tax Revenue	\$3,458,000	\$4,611,000	\$5,764,000
Return on Investment (ROI)	\$16.62	\$22.16	\$27.70

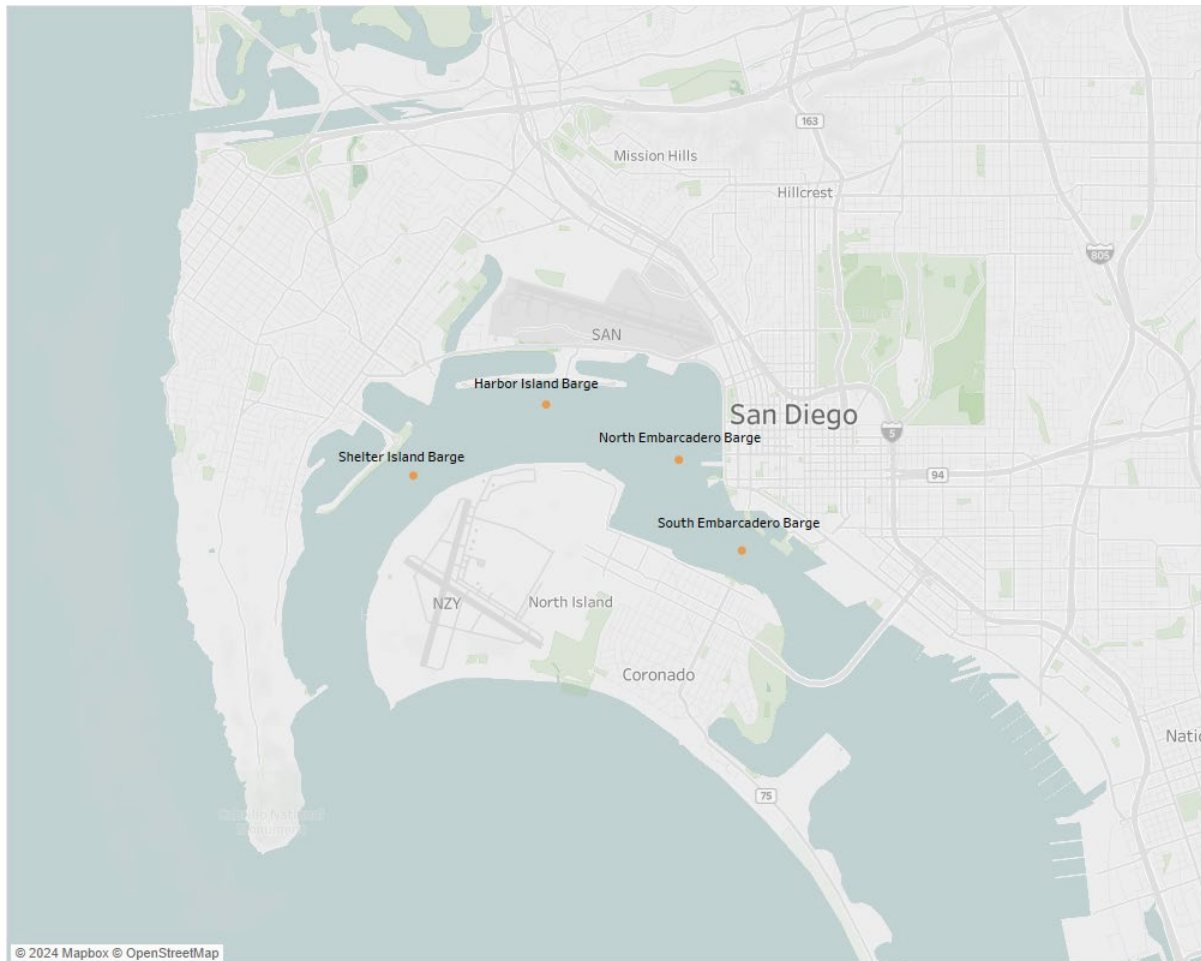
⁵ San Diego State University, 2022 Big Bay Boom Economic Impact Estimate. <https://bigbayboom.com/wp-content/uploads/2023/01/BBB-A-SDSU-EIR-2022.pdf>

⁶ Local taxes include sales tax generated at a Sub County and County level by IMPLAN, in addition to calculated transient occupancy tax generated.

Big Bay Boom Overview

The San Diego Big Bay Boom is an annual Independence Day fireworks display occurring in San Diego Bay. Spearheaded by Sandy Purdon, Shelter Cove Marina owner and longstanding Port of San Diego tenant, the event has occurred annually since its inception in 2001 and is comprised of four separate firework launch points located throughout San Diego Bay (Figure 1).

Figure 1. Big Bay Boom Launch Points



Proceeds generated from the Big Bay Boom benefit the Armed Services YMCA, which is specifically dedicated to serving active-duty junior enlisted military service members and their families of all six armed services: Army, Marine Corps, Navy, Air Force, Space Force, and Coast Guard.⁷ The Big Bay Boom has contributed over \$1.24 million to the Armed Services YMCA since 2001.

The Big Bay Boom receives generous financial and logistical support from various local businesses, public agencies, and community organizations, including the Port of San Diego, the City of San Diego, San Diego County, and San Diego Working Waterfront (formerly the San Diego Port Tenants Association).⁸

⁷ <https://asymca.org/about/>

⁸ A full list of Big Bay Boom sponsors is available at the following link. <https://bigbayboom.com/sponsors/>

Modeling

BW Research used IMPLAN, a static Input-Output model that analyzes the effects of a specific economic stimulus on a given region using complex models of industry spending patterns, demand for commodities, and industry links at the local level.⁹ The cumulative effects of an investment are quantified, and results are categorized into direct, indirect, and induced effects. Direct effects show the change in the economy associated with job growth in the given industry, or how the industry experiences the change. Indirect effects include all the backward linkages or the supply chain responses resulting from industry growth. Induced effects refer to household spending and are the result of workers who are responsible for the direct and indirect effects of spending their wages. In addition to projected job impacts, IMPLAN generates statistics on incremental labor income, gross regional product, and fiscal impacts (i.e., taxes) generated by specified investments.

Table 2 details the IMPLAN industries utilized in distributing the spending of non-local attendees.¹⁰

Table 2. IMPLAN Industries

Industry	IMPLAN Code	Description
Hotels	507	Hotels and motels, including casino hotels
Food	509	Full-service restaurants
	510	Limited-service restaurants
	406	Retail - Food and beverage stores
Shopping	409	Retail - Clothing and clothing accessories stores
	407	Retail - Health and personal care stores
	411	Retail - General merchandise stores
	410	Retail - Sporting goods, hobby, musical instrument and book stores
Entertainment	501	Museums, historical sites, zoos, and parks
	502	Amusement parks and arcades
	497	Commercial Sports Except Racing
	496	Performing arts companies
	504	Other amusement and recreation industries

⁹ More information about IMPLAN, short for “Impact Analysis for Planning”, is available at the following link. <https://implan.com/history/>

¹⁰ The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. A full list of NAICS codes associated with each IMPLAN industry is available upon request.

Modeling Structure

According to estimates provided by event hosts, 2024 Big Bay Boom attendance was assumed to range from 300,000 to 500,000.¹¹ For modeling purposes, a high, medium, and low attendance scenario—300,000, 400,000, and 500,000 attendees—was used.

The analysis conducted looks only at non-local attendees and does not estimate the impact of local residents attending the event. For this study, non-local attendees are defined as attendees who reside outside of San Diego County.

Several survey results from San Diego State University's report were used to estimate investments in different industries in San Diego.¹² 66 percent of attendees were non-local, of which 42 percent's primary purpose was attending the Big Bay Boom. The average hotel night stay for these attendees was 4.8 nights, with an average of 2.89 individuals per room. These same attendees spent a median of \$106.16 on food, \$21.13 on shopping, and \$53.08 on entertainment each day during their visit. These values were taken from San Diego State University but are adjusted for inflation using the Current Price Index (CPI) inflation calculator.¹³

The average hotel room night was extrapolated from hotel occupancy data from Smith Travel Research. This data details rooms sold and the average daily rate (ADR) for Coronado, Downtown, and Pt. Loma – Airport regions. An average was taken to obtain an average hotel night cost of \$270.34 for the event.

Port of San Diego proportions were utilized from the Fermanian Business and Economic Institute to estimate visitor spending in Port of San Diego and value which goes toward rent.¹⁴

A summary of the estimates used can be found below, in Table 3. Utilized Estimates.

¹¹ Port of San Diego Big Bay Boom, About the Fireworks Show. <https://bigbayboom.com/donate/about-the-fireworks-show/>

¹² San Diego State University, 2022 Big Bay Boom Economic Impact Estimate. <https://bigbayboom.com/wp-content/uploads/2023/01/BBB-A-SDSU-EIR-2022.pdf>

¹³ Bureau of Labor Statistics, CPI Inflation Calculator. <https://data.bls.gov/cgi-bin/cpicalc.pl>

¹⁴ Fermanian Business and Economic Institute, The Big Bay Boom – A Study of its Economic Impact. https://bigbayboom.com/wp-content/uploads/2018/04/BBB_EIR_2018.pdf

Table 3. Utilized Estimates

Description	Estimate	Source
Number of Attendees	300,000 – 500,000	Port of San Diego
Percentage of Non-Local Attendees (outside of San Diego County)	34%	SDSU 2022 Economic Impact Estimate
Percentage of Non-Local Attendees, Primary Purpose to Attend Big Bay Boom	42%	SDSU 2022 Economic Impact Estimate
Percentage of the above who stayed in a hotel	64%	SDSU 2022 Economic Impact Estimate
Average Hotel Stay	4.8 nights	SDSU 2022 Economic Impact Estimate
Average Individuals per Hotel Room	2.89	SDSU 2022 Economic Impact Estimate
Hotel Average Daily Rate (ADR)	\$270.34	Hotel Occupancy Data
Non-Local Median Spending on Food (Per Day)	\$106.16	SDSU 2022 Economic Impact Estimate (adjusted for inflation)
Non-Local Median Spending on Shopping (Per Day)	\$21.13	SDSU 2022 Economic Impact Estimate (adjusted for inflation)
Non-Local Median Spending on Entertainment (Per Day)	\$53.08	SDSU 2022 Economic Impact Estimate (adjusted for inflation)
Proportion of Hotel Spending Occurring in the Port of San Diego	50.29%	SDSU 2022 Economic Impact Estimate
Proportion of Shopping and Entertainment Spending Occurring in the Port of San Diego	4.52%	SDSU 2022 Economic Impact Estimate
Proportion of Restaurant Spending Occurring in the Port of San Diego	2.36%	SDSU 2022 Economic Impact Estimate

Overview

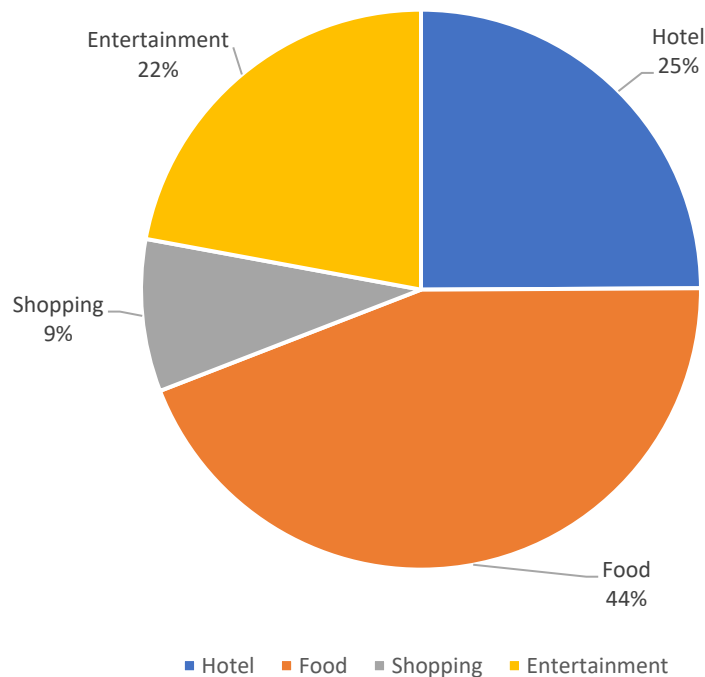
The research team modeled investments in the hotel, food, shopping, and entertainment industry. For this report, the attendee estimate of 400,000 is considered our medium scenario and is used as our primary scenario throughout the report. In the medium scenario, \$16.4 million will be spent on hotels and motels (including casino hotels), \$29.1 million on full-service and limited-service restaurants, and food and beverage stores, \$5.8 million on retail, and \$14.6 million on entertainment, amusement, and recreation industries (Table 4).

Table 4. Investment Allocations by Spending Category and Attendance Scenario

Attendance Scenario	300,000	400,000	500,000
Hotel	\$12,310,532	\$16,414,042	\$20,517,553
Food	\$21,829,893	\$29,106,524	\$36,383,155
Shopping	\$4,345,004	\$5,793,339	\$7,241,674
Entertainment	\$10,914,947	\$14,553,262	\$18,191,578
Total	\$49,400,376	\$65,867,167	\$82,333,960

The investment across the scenarios is linear with the number of attendees. Therefore, across the scenarios, 22 percent of investments are invested in entertainment, 25 percent in hotels, 9 percent into shopping, and 44 percent into food (Figure 2).

Figure 2. Investment Allocations by Spending Category



Fiscal Impacts

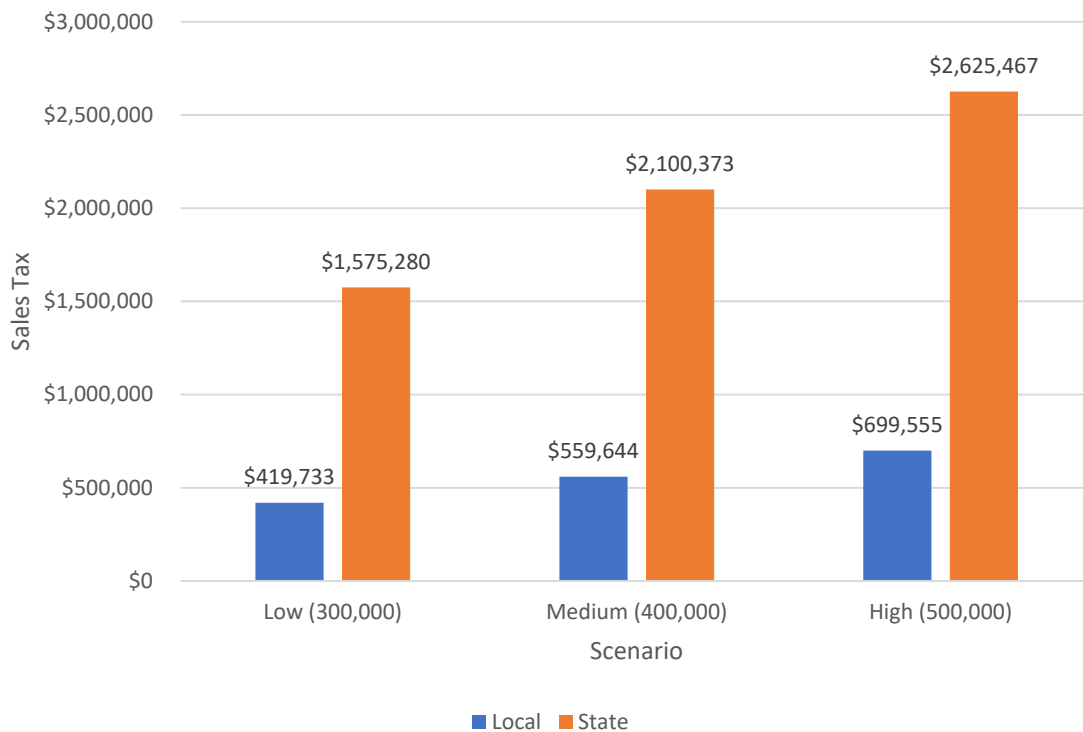
The 2024 Big Bay Boom generated a total of \$4.6 million in tax revenues, though state and local sales taxes, transient occupancy taxes, and production and import taxes generated from event spending. Table 5 provides an overview of the tax revenues generated by the Big Bay Boom.

Table 5. Tax Summary

Attendance Scenario	300,000	400,000	500,000
Production and Imports Tax	\$170,688	\$227,585	\$284,481
Transient Occupancy Tax	\$1,292,606	\$1,723,474	\$2,154,343
Sales Tax	\$1,995,013	\$2,660,017	\$3,325,021
Total Taxes	\$3,458,307	\$4,611,076	\$5,763,845

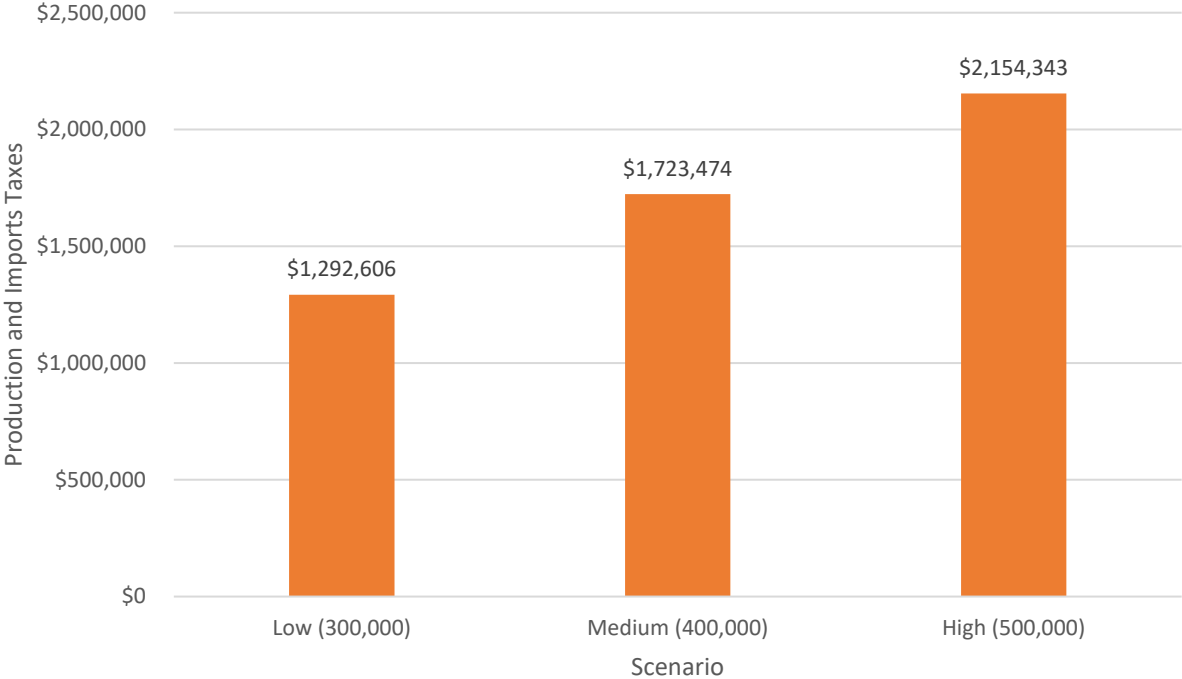
State and local sales taxes accounted for 58% of total tax revenues generated, or a total of \$2.6 million. Of this sales tax revenue, **local sales tax** for the City and County of San Diego reached nearly \$600,000, while **state sales tax** generated \$2.1 million (Figure 3).

Figure 3. Sales Tax



In addition to sales taxes, the event also generated **transient occupancy taxes** from hotel stays, with San Diego’s current transient occupancy tax rate at 10.5 percent.¹⁵ Using the hotel occupancy and average daily rate (ADR) estimates to determine total hotel expenditures of \$16.4 million in the medium scenario, the transient occupancy generated reaches \$1.7 million (Figure 4).

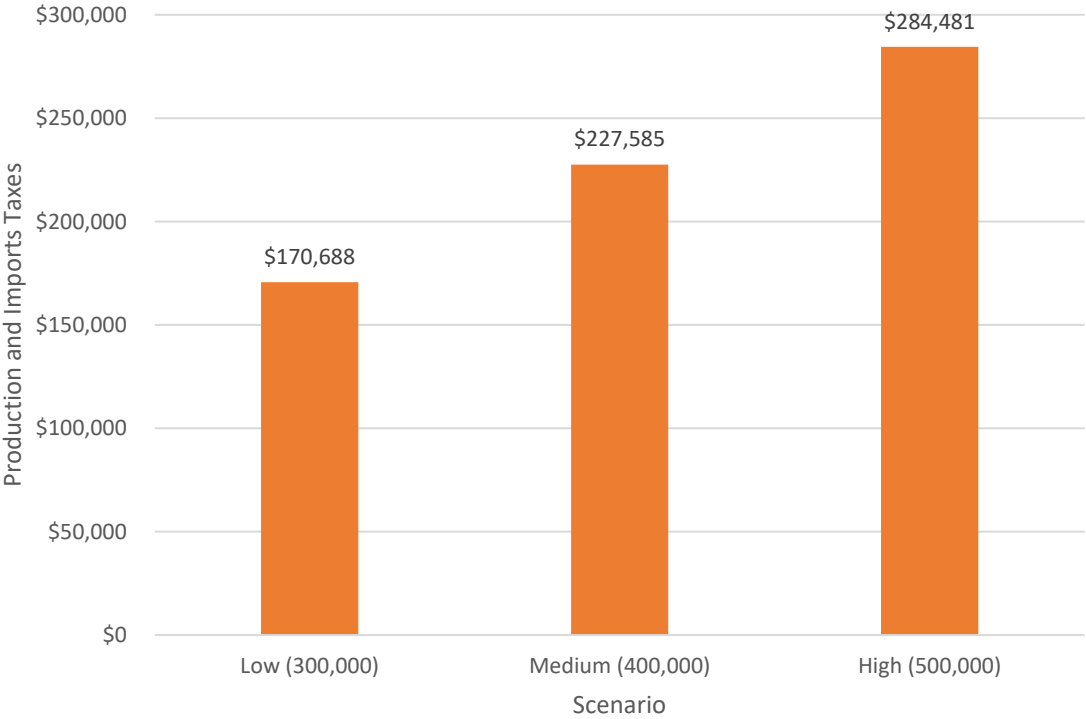
Figure 4. Transient Occupancy Taxes



The Big Bay Boom also generated **production and import taxes** through excise and customs duty taxes levied on goods used or sold during the event. The 2024 event generated \$170,000, \$227,000, and \$284,000 in production and import tax for the low, medium, and high scenario, respectively (Figure 5).

¹⁵ The City of San Diego, Transient Occupancy Tax (TOT)/Tourism Marketing District (TMD). <https://www.sandiego.gov/treasurer/taxesfees/tot#:~:text=to%20the%20City%3F-No.,levied%20on%20the%20lodging%20business>

Figure 5. Production and Import Tax



Hotels

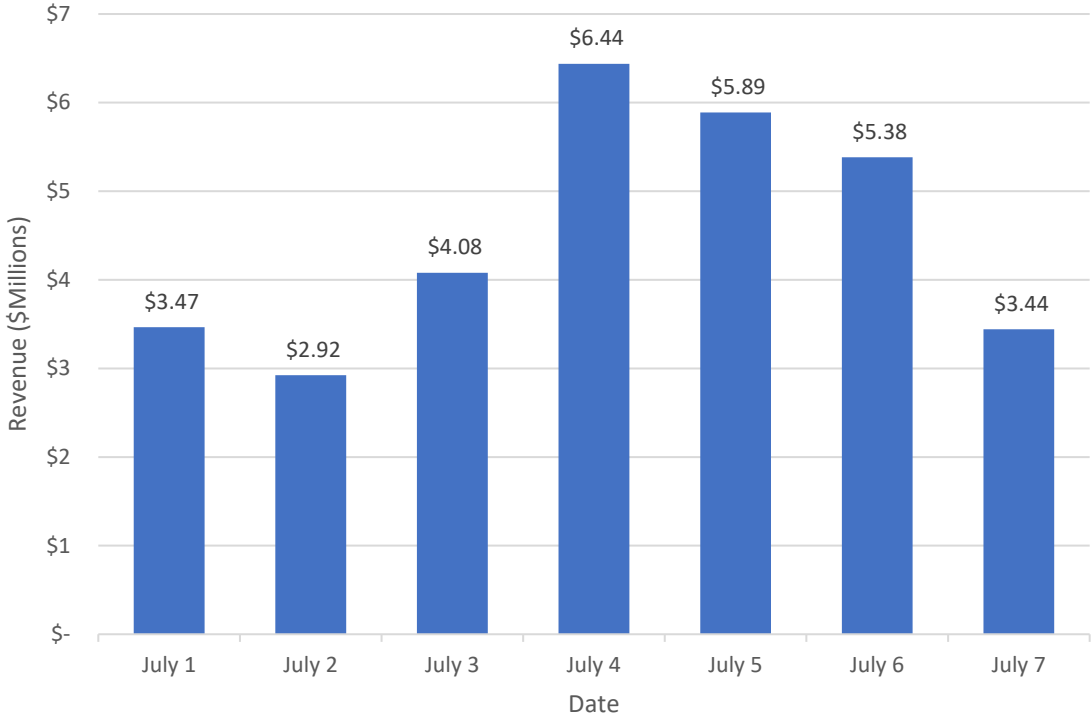
The following table outlines projected hotel occupancy rates for the 2024 San Diego Big Bay Boom under three different attendance scenarios. These estimates were derived using proportions detailed in Table 3 from San Diego State University and range from 27,000 – 45,696 (Table 6).

Table 6. Hotel Occupancy for Each Scenario

Attendance Scenario	300,000	400,000	500,000
Hotel Occupancy	27,417	36,557	45,696

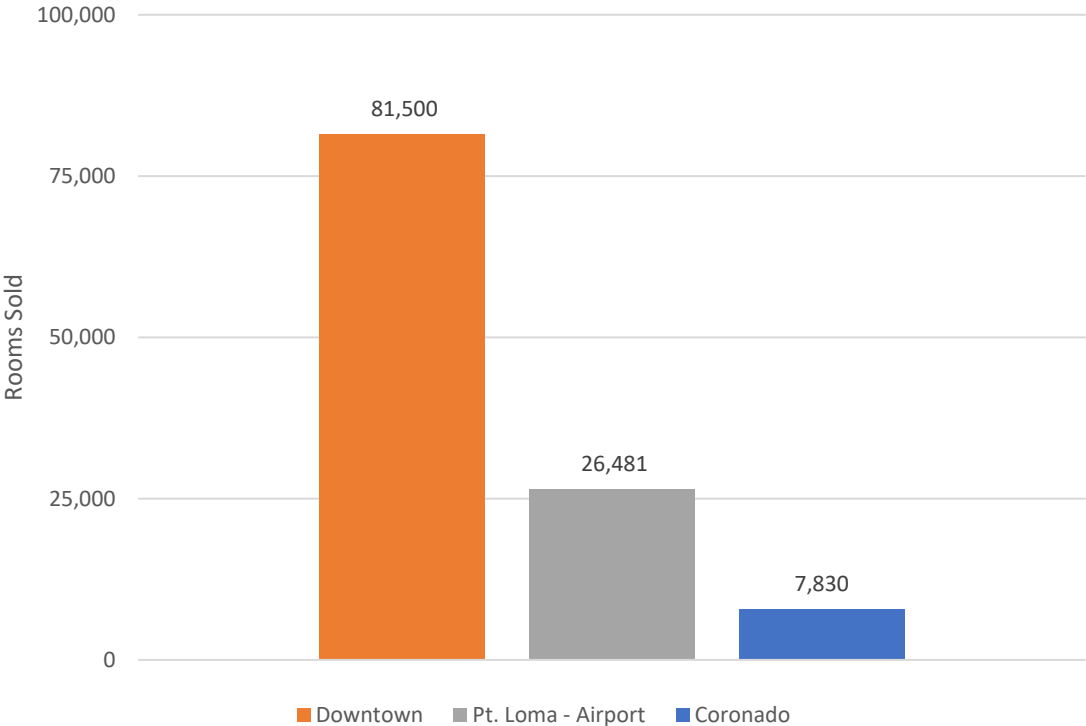
Hotel occupancy data shows that hotel revenue for hotels in Coronado, Downtown, and Pt. Loma– Airport totaled \$6.4 million on July 4th, 16.7 percent higher than the average daily revenue for these hotels in July (Figure 6).

Figure 6. Hotel Revenue by Day



Downtown San Diego was the most popular location for hotel nights from July 1 – 7, Pt. Loma–Airport second, and Coronado third. A total of 116,000 rooms were sold from July 1 – 7 across these regions (Figure 7).

Figure 7. Hotel Rooms Sold by Region, July 1 – 7



Port of San Diego Return on Investment

Port of San Diego investments for the 2024 Big Bay Boom included \$275,000 in cash investments and \$170,000 in in-kind payments from the Port of San Diego, totaling \$445,000. Additional City and County of San Diego grants of \$161,627 and \$25,000, and in-kind support from local radio media and Fox5/KUSI of approximately \$187,750 and \$300,000, bring total 2024 Big Bay Boom expenditures to \$1,119,377, as detailed in Table 7.

Table 7. 2024 Big Bay Boom Expenditures

Contributing Organization	Amount	Type
Port of San Diego	\$275,000	Cash Investment
Port of San Diego	\$170,000	In-Kind Contribution
City of San Diego	\$161,627	Cash Investment
County of San Diego	\$25,000	Cash Investment
Local Radio Media	\$187,750	In-Kind Contribution
Fox5/KUSI	\$300,000	In-Kind Contribution
Port of San Diego Total	\$445,000	
Overall Total	\$1,119,377	

The research team analyzed the Port of San Diego’s Return on Investment (ROI) by comparing the \$445,000 Port of San Diego investment to total visitor spending in the Port of San Diego. This involved calculating spending proportions in the Port relative to the total spending by attendees and applying this proportion to overall spending to determine Port of San Diego-specific expenditures. The estimated expenditures in the Port of San Diego are detailed in Table 8.

Table 8. Port of San Diego Attendee Spending in Each Scenario

Attendance Scenario	300,000	400,000	500,000
Hotel	\$6,191,000	\$8,254,700	\$10,318,400
Food	\$514,400	\$685,800	\$857,300
Shopping	\$196,400	\$261,900	\$327,400
Entertainment	\$493,500	\$658,000	\$822,500
Total	\$7,395,300	\$9,860,400	\$12,325,600

The Return on Investment represents the total attendee spending brought into the Port of San Diego per one dollar of funding. For an event attendance of 400,000, a total of \$22.16 was spent in the Port of San Diego per dollar of funding (Table 9).

Table 9. Port of San Diego Return on Investment

Attendance Scenario	300,000	400,000	500,000
Return on Investment (ROI) per Dollar Spent	\$16.62	\$22.16	\$27.70

Television

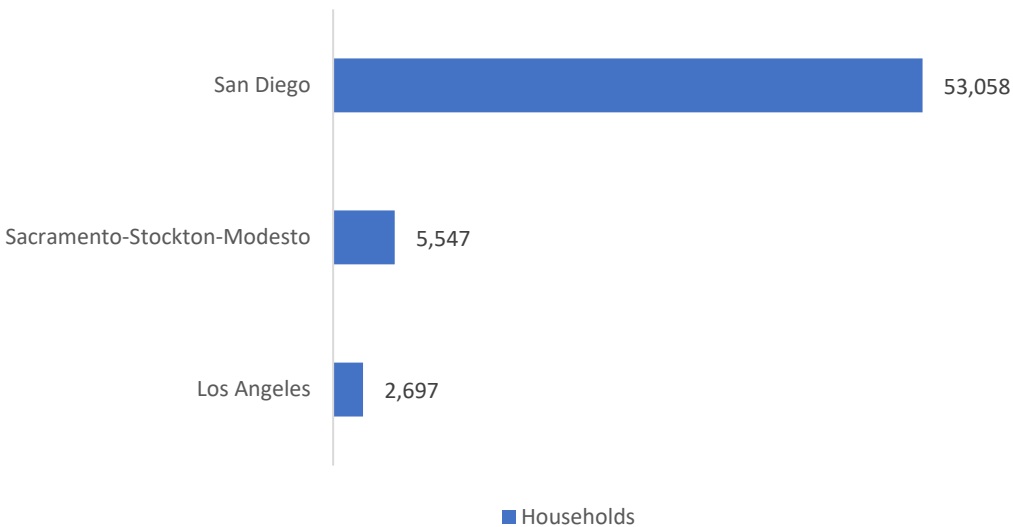
Television viewership for the 2024 Big Bay Boom was up since last year according to viewership estimates derived from Fox5/KUSI and Nielsen.

Quick Facts

- The 2024 Big Bay Boom was the #1 program from sign-on to sign-off, with an average viewership of **116,969** among adults aged 18 and over.
- The event also saw a 77 percent year-on-year growth in household viewership, with **61,302** households tuning in.
- The event had a 157 percent higher household delivery than Macy’s two-hour July 4th special on KNSD channel.
- The 2024 Big Bay Boom had 3,200 streams on fox5sandiego.com and 4,715 views on KTLA+.

Over 53,000 San Diego households watched the 2024 Big Bay Boom, representing 87% of 2024 TV viewership. The Sacramento-Stockton-Modesto region accounted for 9% of viewers, and Los Angeles households represented the remaining 4% (Figure 8).

Figure 8. 2024 Household Viewership by Region¹⁶



¹⁶ Nielsen San Diego Household Preliminary Overnight Report, 7/4/24.

Considerations for Future Analysis

This section identifies areas for future analysis and improvement, increasing the accuracy of future economic impact reports for the San Diego Big Bay Boom.

1. **Future analyses should consider the event's effects on future Big Bay Boom attendance and additional visits to San Diego unrelated to the Big Bay Boom.** The Big Bay Boom brings visitors to San Diego for the event and generates interest in San Diego, which may spur future Big Bay Boom attendance or attract additional visits to the city unrelated to the Big Bay Boom itself. Some Big Bay Boom attendees may have visited San Diego for the first time and will become repeat visitors, generating more expenditures and bringing more money into the city.
2. The Big Bay Boom can increase attendance by **understanding the mediums that generate interest in the event and where attendees learn about the event**, in addition to other local attractions that spur event attendance. Developing this understanding will help Big Bay Boom organizers improve and refine their outreach strategy and identify potential partnerships with local attractions to increase Big Bay Boom attendance.
3. **Future analyses should include the economic impact of both non-local and local attendees to holistically capture the event's impact on the local economy.** Currently, the economic impact report only analyzes the value brought in by non-local attendees. It is important to recognize that the event also impacts local resident spending, who are more likely to spend money in the local economy in restaurants and retail during the event.
4. **Future analyses should also collect precise revenue estimates from Port of San Diego establishments** to quantify the exact economic benefits provided to Port establishments. The current report methodology uses estimates derived from previous reports and research – identifying precise revenue estimates would strengthen the robustness of future analyses.

To successfully collect the data needed to address the considerations for future analysis above, a comprehensive attendee survey would need to be conducted at the time of the event, in addition to a targeted Port of San Diego business survey or other outreach strategy. This attendee survey will include preliminary screener questions regarding attendee demographics (age, gender, ethnicity, etc.) and origin location to segment the survey sample and generate results by demographic category and local/non-local origin.