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Swiftonomics: Eras Tour Impact on Colorado

Authors: Cole Anderson, Andy Archuleta

Introduction

International music superstar Taylor Swift is in the middle of what could be the single highest grossing music tour in history. Swift is currently traveling the country on her 'Eras' tour which features 52 shows in 20 venues across the U.S culminating with a finale in California this August. The tour also recently added an international leg that will feature shows in Europe, Australia, and Asia bringing the total number of shows to over 100 and extends the tour into the summer of 2024.

The massive reception from fans to see Taylor Swift perform live has also generated a lot of interest from the broader public on the economics behind the tour. Numerous news outlets have covered stories on the financial implications for Swift, herself, and different local markets. This report summarizes existing analyses and estimates both direct and dynamic impacts the tour will have, demonstrating just how significant the economic impact will be to Colorado when Swift performs live at Empower Field on July 14th and 15th

Key Findings

- **Taylor Swift's two Denver Eras shows are estimated to contribute \$140 million to Colorado's GDP.**
- **Recent polling of Eras concertgoers indicated they spend an average of \$1,327 on all show-related expenses such as tickets, travel, merchandise, lodging, and food.ⁱ This amounts to more than \$200 million in direct consumer spending associated with the Denver concerts.**
- **Swift's two Eras shows in Denver will generate an estimated \$38 million in ticket sales, equal to 63% of Red Rock's total ticket sales in 2022 of \$60 million.ⁱⁱ**
- **The totality of Taylor Swifts' U.S tour could generate \$4.6 billion in total consumer spending, larger than the GDP of 35 countries.ⁱⁱⁱ**

Historical Revenue

The Eras tour has not only proved to be the hottest ticket of the year but could go down as the hottest music ticket of all time. The tour has grossed an estimated \$300 million in just 22 shows for an average of \$13.6 million per show. Of the top 3 grossing tours of all time, Swift's per show gross is over double the next highest of \$6.69 million, as shown in Figure 1. Therefore, it has grossed 34% of the revenue of the highest grossing music tour of all time, in just 7% of the number of shows.

Highest Grossing Music Tours of All-Time			
Tour Name	# of Shows	Gross \$ per Show	Actual Gross
Elton John – Farewell Yellow Brick Road ^{iv}	Through 309 shows	\$2,870,000	\$887,000,000
Ed Sheeran – ÷ Tour	255	\$3,040,000	\$776,200,000
U2 – U2 360° Tour ^v	110	\$6,690,000	\$736,421,584
Taylor Swift – Eras Tour ^{vi}	Through 22 shows	\$13,600,000	\$300,000,000

Figure 1

Economic Impact to Colorado

A recent study estimated that the totality of Swift’s U.S tour could generate \$4.6 billion in total consumer spending, larger than the GDP of 35 countries.^{vii} Visit Chicago reported the city’s highest ever hotel occupancy rate for the weekend of Taylor’s Eras concerts in the city and, in March, Las Vegas’ occupancy rate reached its highest level since February 2020 during Swift’s concerts.^{viii}

So, what impact can Denver expect?

Swift’s concerts on Friday the 14th and Saturday the 15th will be played to a sellout Empower Field crowd. Although the orientation of the stage renders several sections of seats unusable, thousands of concertgoers will fill the field. Previous Eras venues have reported attendance above capacity. Empower Fields capacity of 76,000 seats is used for this analysis.

According to a new report by research and survey company QuestionPro, the average Eras concertgoer spends \$1,327 when accounting for all expenses such as tickets, travel, merchandise, outfits, and food.^{ix}

To estimate direct consumer spending by concertgoers, CSI assumes full capacity at Empower Field for both concerts, as shown in Figure 2.

Direct Consumer Spending			
# of Attendees	# of Shows	Average Total Spending Per Person	Total Direct Consumer Spending
76,000	2	\$1,327	\$201,704,000

Figure 2

While Figure 2 illustrates the direct consumer spending by those in attendance for the two shows, a significant amount of this spending will not enter the Colorado economy as Swift, her promoters, managers, and others will collect and spend a portion of the shows' revenue outside the state. To understand the true economic impact on the state, CSI subtracted a specific portion of ticket sales, merchandise sales, and other expenses to determine what actual spending could be modeled for the state as shown in Figure 3.

CSI estimates the total revenue generated from primary ticket sales to be \$38,000,000 for both concert dates at Empower field, using an average ticket price of \$250. However, much of the exorbitant ticket costs reported for the Eras tour come from the resale market.

As of July 10th, tickets for Swift's Friday show in Denver were available in the range of \$1,199 to \$10,299, and Saturday's show had available tickets ranging from \$1,289 to \$8,239, according to Ticketmaster.

Vivid Seats, a verified secondary market ticketing platform, listed the highest priced ticket at \$12,157 for the July 14th show and \$8,270 for the 15th. The lowest priced ticket was listed at \$990 for the 14th and \$1,064 for the 15th.^x As a result of the overwhelming demand, the average resale ticket for Swift's Eras tour comes in at \$1,605, a 542% markup from the original ticket price of \$250.^{xi} Swift tickets originally ranged from \$49 to \$499 on Ticketmaster.

Total Denver Eras Concerts Spending	
Allocation of Direct Spending	Amount
Total Direct Consumer Spending at Denver's Eras Concerts	\$201,704,000
Portion of Direct Spending on Ticket Sales	\$38,000,000

Portion of Direct Spending in Venue	\$11,400,000
Portion of Direct Spending Outside Venue	\$121,173,184

Figure 3

Economic Impact to Colorado from Taylor Swift's Concerts	
GDP Contribution	\$140 Million

Figure 4

The economic modeling shows that the Colorado economy could expect, as a direct result of Taylor Swift's two shows, a \$140 million-dollar boost to the state's GDP, although some of this will be in the form of displaced spending, essentially, if it had not been spent at the Eras concerts, it would've been spent elsewhere in Denver.

Following the conclusion of the concert, local data and analysis will become more readily available shedding light on the fully realized economic impacts of the event. However, based on already available reporting, the impact of Taylor Swift's upcoming Denver stop will be historic.

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- i [Generating \\$5 billion, the Taylor Swift The Eras Tour has \(globenewswire.com\)](#)
 - ii [Red Rocks Amphitheater Shatters Attendance Record in 2022 \(outsider.com\)](#)
 - iii [Taylor Swift's The Eras Tour Could Generate \\$4.6 Billion For Local Economies \(forbes.com\)](#)
 - iv [Elton John Tour Grosses Near \\$900 Million After Europe Concerts – Billboard](#)
 - v [U2's '360' Tour Gross: \\$736,137,344! – Billboard](#)
 - vi [How The Eras Tour Could Boost Taylor Swift's Net Worth \(forbes.com\)](#)
 - vii [Report for Selected Countries and Subjects \(imf.org\)](#)
 - viii [Taylor Swift's Eras Tour is a boon to local economies | Fortune](#)
 - ix [Generating \\$5 billion, the Taylor Swift The Eras Tour has \(globenewswire.com\)](#)
 - x [Taylor Swift Denver tickets - Empower Field at Mile High - 07/15/2023 | Vivid Seats](#)
 - xi [This is How Much It Costs to See Taylor Swift on The Eras Tour | Spending | U.S. News \(usnews.com\)](#)