

2024

Economic Impact of Visitors in North Carolina



CONTENTS

Introduction

Key Findings

Results in Context

Visitor Economy Trends

Economic Impact Methodology

Economic Impact

Appendix



Introduction

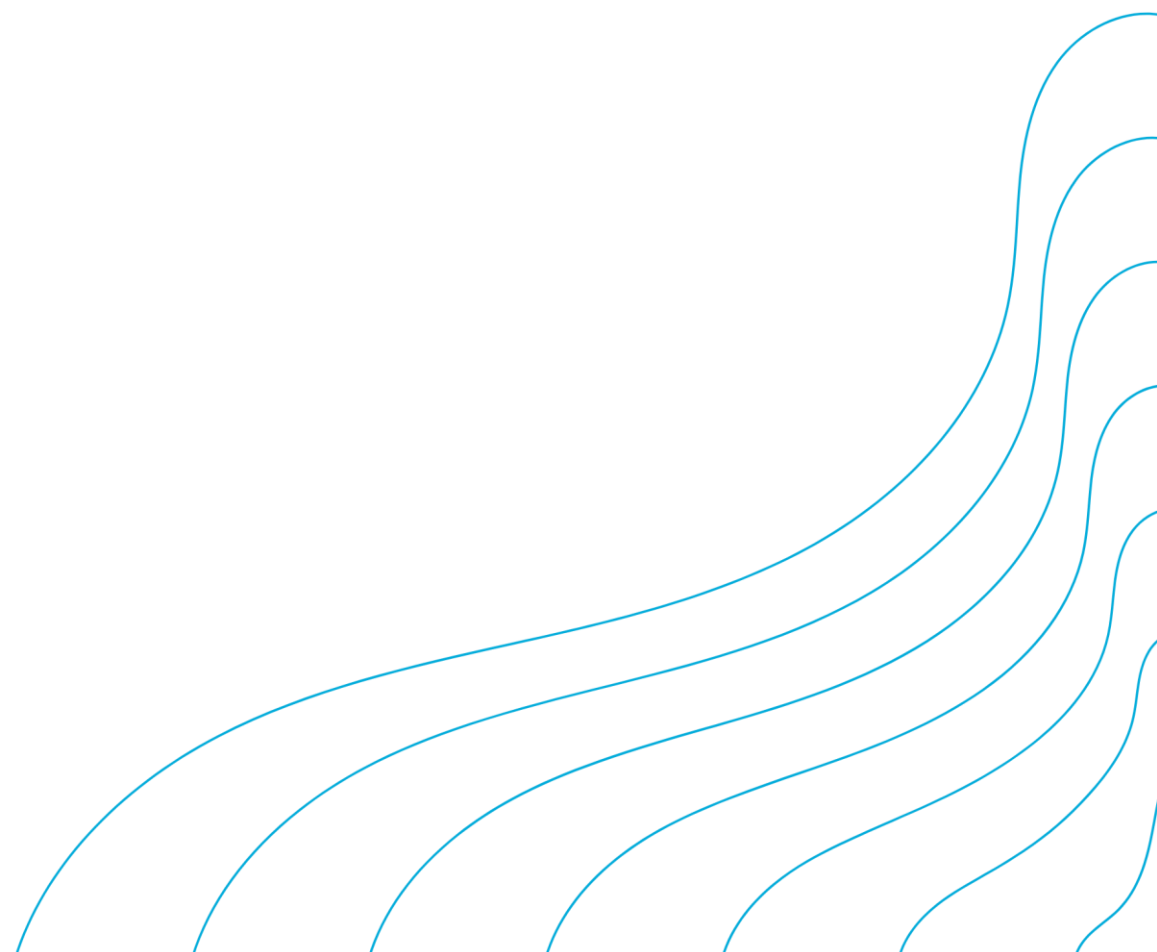
Visitors are integral to North Carolina's economy, generating significant financial benefits for residents and local businesses. Visitor activity also produces substantial tax revenue which supports government services.

Credible measurements of the visitor economy are designed to inform policy decisions that foster the sector's development.

To quantify the significance of North Carolina's visitor economy, Tourism Economics developed a comprehensive analysis of visitor spending, as well as tourism-related capital investment and its total economic impact on businesses, employment, personal income, and taxes. At a high level, our approach includes the following stages:

- Compilation of visitor statistics
- Compilation of industry data
- Compilation of government data
- Analysis of visitor spending by category
- Economic impact modeling

KEY FINDINGS



Key Findings

Visitors Generate Massive Economic Impact

The **\$41.9 billion** in direct tourism demand generated a total economic impact of **\$62.2 billion** in North Carolina in 2024 including indirect and induced impacts. This total economic impact sustained more than 430,000 jobs and generated **\$4.9 billion** in state and local tax revenues in 2024.



\$41.9B TOURISM DEMAND SPENDING



\$62.2B TOTAL ECONOMIC IMPACT



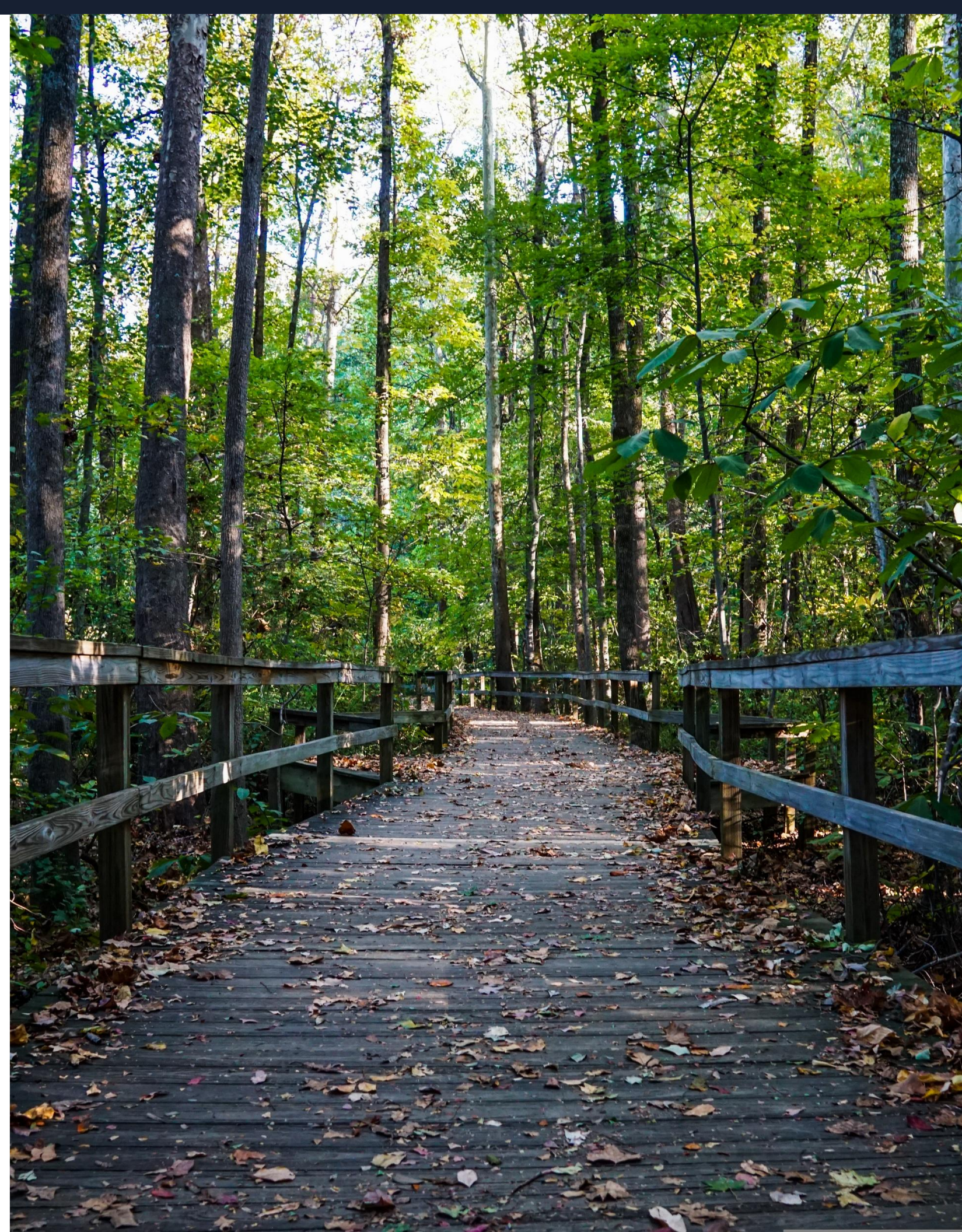
\$17.9B TOTAL PERSONAL INCOME



430,264 TOTAL JOBS SUPPORTED



\$4.9B STATE AND LOCAL TAXES



Results in Context

The visitor economy is an economic pillar in North Carolina. In 2024, Tourism Demand spending supported one-in-16 jobs in North Carolina and offset resident taxes by \$1,177 per household. In addition:



\$40.9B TOURISM DEMAND SPENDING

The \$40.9 billion spent as a result of the North Carolina tourism economy in 2024 was equivalent to \$114.8 million per day.



\$17.9B PERSONAL INCOME

The \$17.9 billion in total personal income generated by tourism was the equivalent of nearly \$4,300 per household in North Carolina.



430,264 JOBS

Tourism sustained 6.2% of all jobs in North Carolina. All tourism supported employees could fill Bank of America Stadium over 5.5 times.

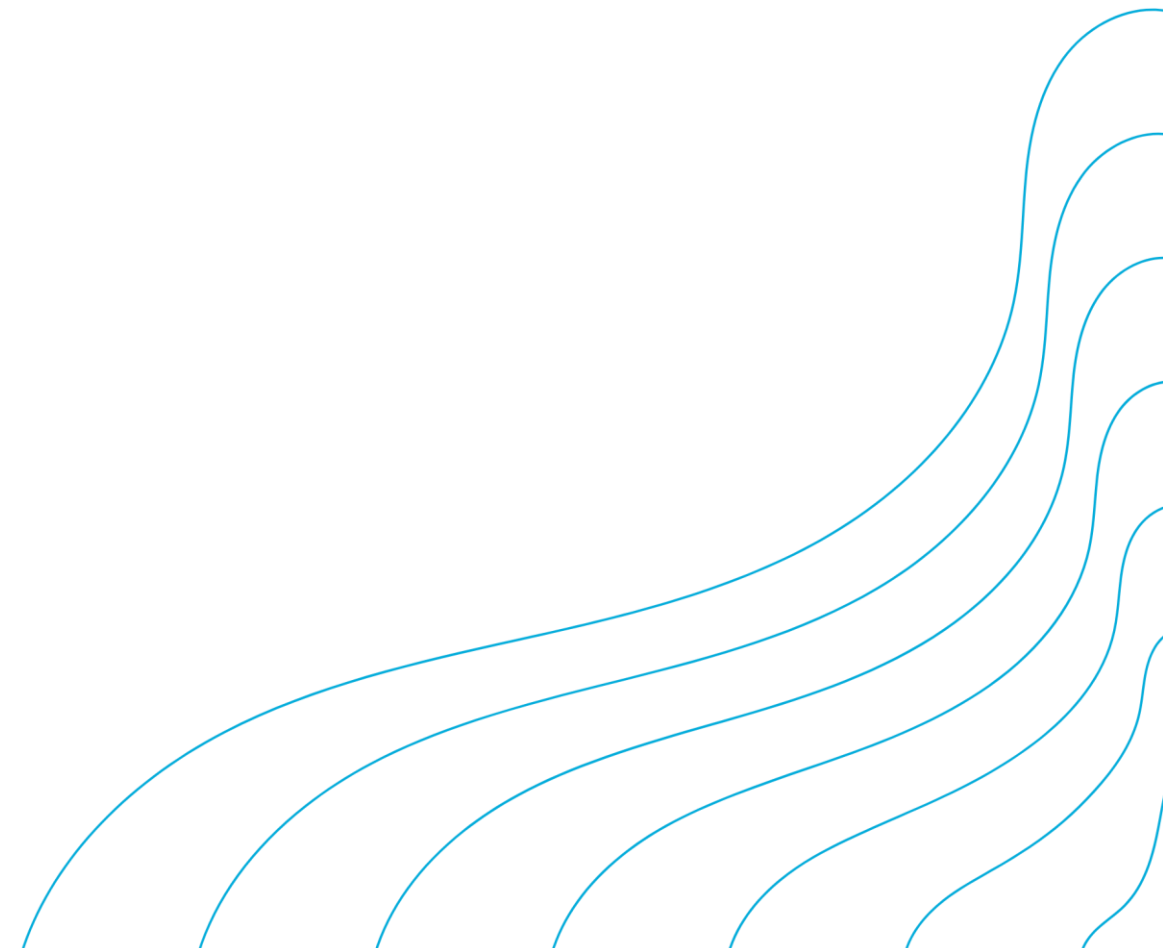


\$4.9B STATE & LOCAL TAXES

Each household in North Carolina would need to be taxed an additional \$1,177 to replace the visitor taxes received by the state and local governments in 2024.



VISITOR ECONOMY TRENDS



Visitor Economy Trends

The visitor economy covers a broader range of tourism-related expenditures. These include government support for tourism as well as capital investment (both new structures and machinery and equipment spending).

Tourism demand reached \$41.9 billion in 2024. Among tourism demand categories, domestic traveler spending accounted for the majority of tourism demand (\$38.0 billion), while capital investments in support of tourism totaled \$1.8 billion in 2024.

North Carolina Tourism Demand

\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Tourism Demand	\$23,656	\$33,236	\$37,892	\$40,730	\$41,899	2.9%
Domestic Visitor	\$21,384	\$30,610	\$34,643	\$37,045	\$37,966	2.5%
International Visitor	\$197	\$243	\$662	\$722	\$840	16.3%
Non-visitor PCE	\$575	\$833	\$880	\$989	\$1,005	1.6%
Governmental Support	\$178	\$191	\$237	\$240	\$247	2.8%
Capital Investment	\$1,322	\$1,359	\$1,471	\$1,734	\$1,842	6.2%

Sources: Tourism Economics, Oxford Economics

Visitor Economy Distribution

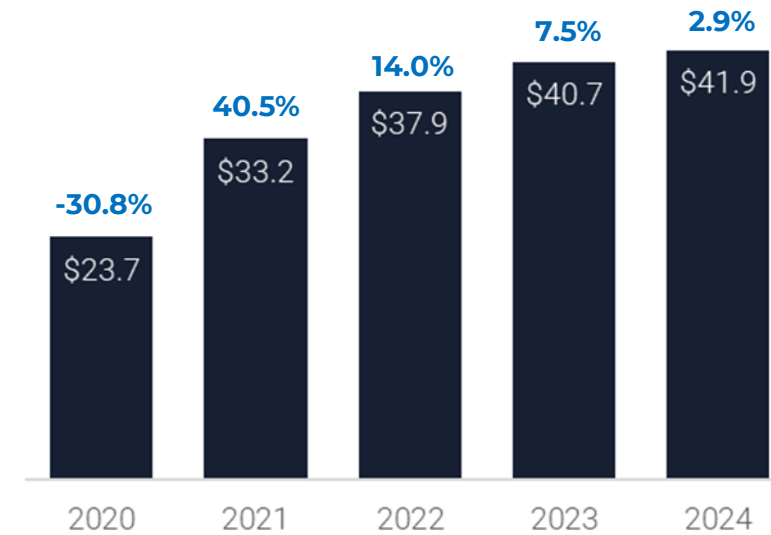
International visitor spending increased 16.3% year-over-year in 2024. As a result, the international visitor market's share of tourism demand increased to 2.0%.

Domestic visitor markets remained the largest category, accounting for 90.6% of demand in 2024.

Capital investment in tourism-related construction and machinery & equipment, personal consumption expenditure, and governmental support comprised the remaining 7.4% of all tourism-related demand in 2024.

North Carolina Travel Related Expenditures

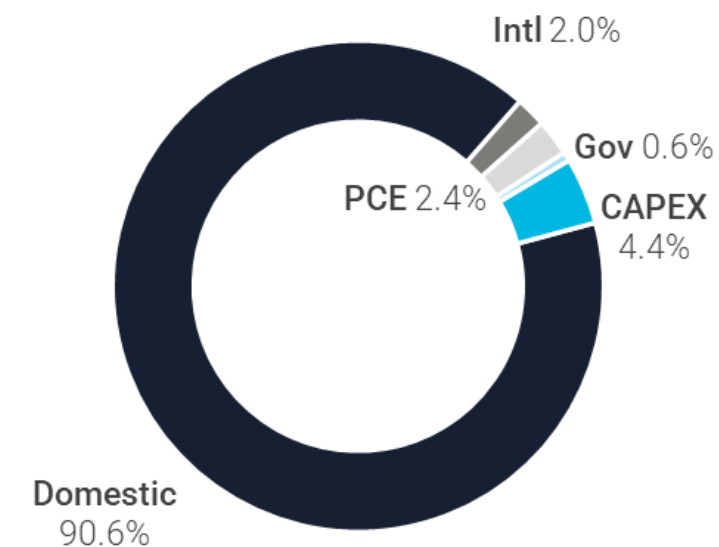
\$ billions



Sources: Tourism Economics, Oxford Economics

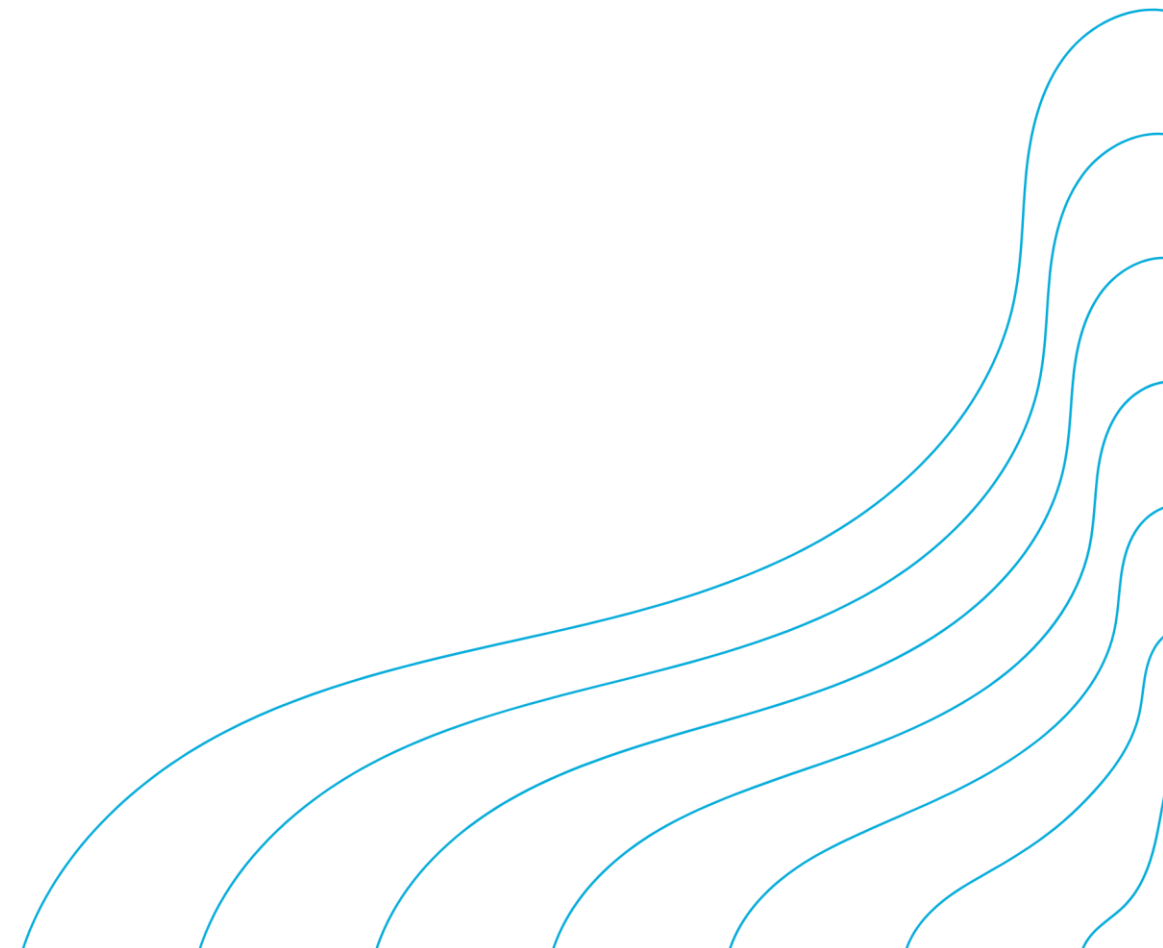
North Carolina Visitor Economy

% of total tourism demand



Sources: Tourism Economics, Oxford Economics

ECONOMIC IMPACT METHODOLOGY



Economic Impact Methodology

The development of visitor economy impact modeling begins with a comprehensive demand side analysis. Visitor survey data provides estimates on the volume of visitors by type and their spending in specific industries (e.g. lodging, restaurants, retail, recreation and entertainment, transportation). These estimates are strengthened through an analysis of industry-specific data sets on the lodging industry, aviation, and sectoral-level business sales. Government data, including taxes by type, as well as employment and personal income by industry, are used to supplement and confirm demand-side visitor spending calculations.

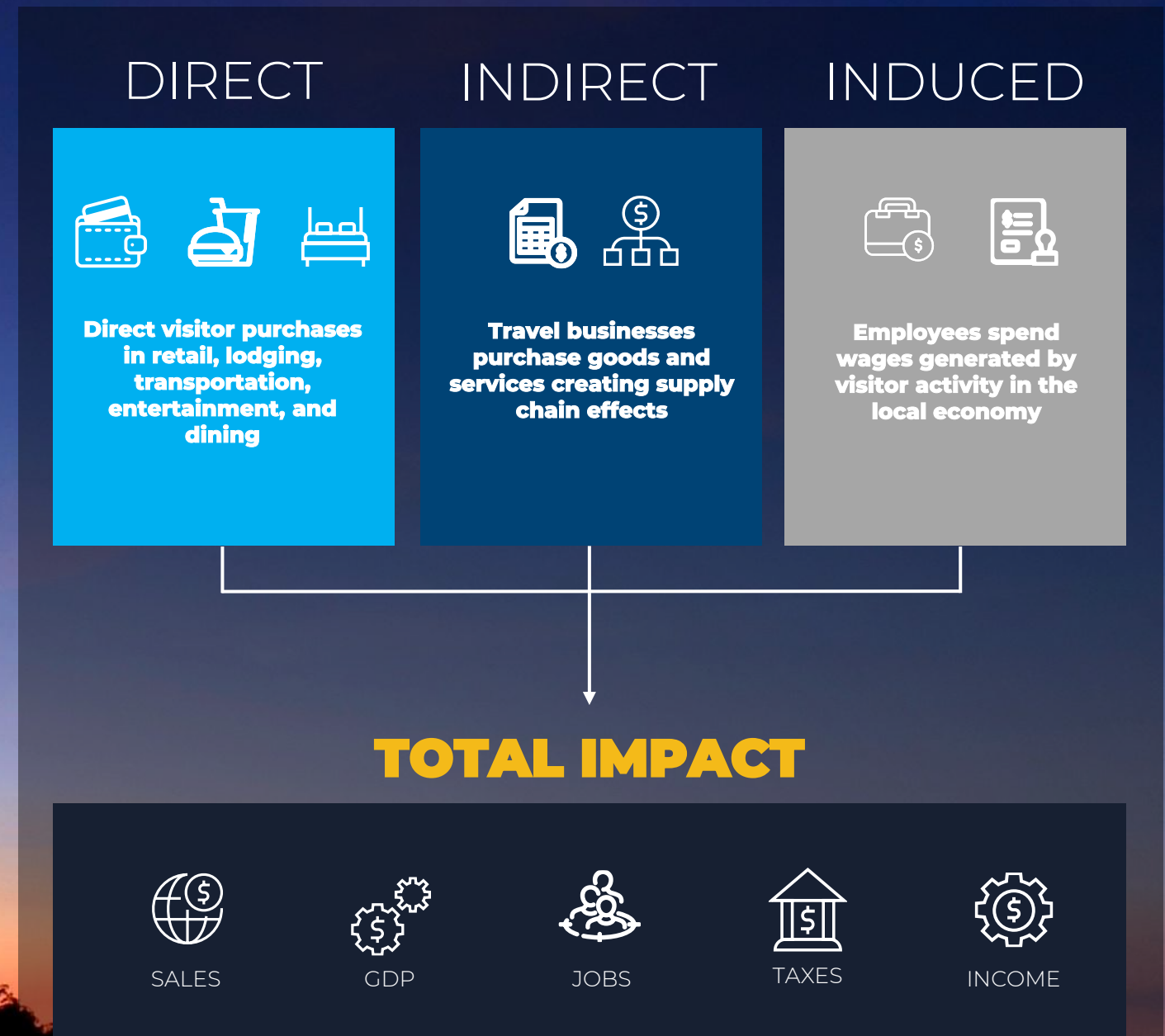
This provides a detailed profile of visitor spending by industry, which is then connected to a local input-output (I-O) economic impact model constructed within the IMPLAN platform. This uses government (Bureau of Economic Analysis and Census) data to trace the flow of visitors through the local economy and its effects on businesses, households, and government. The model quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a defined set of sectors. This supports a proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Businesses providing direct services to visitors purchase goods and services, generating additional impacts called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Additional business activity is generated as employees spend incomes locally that are earned due to visitor activity. This is called the induced impact or income effect.

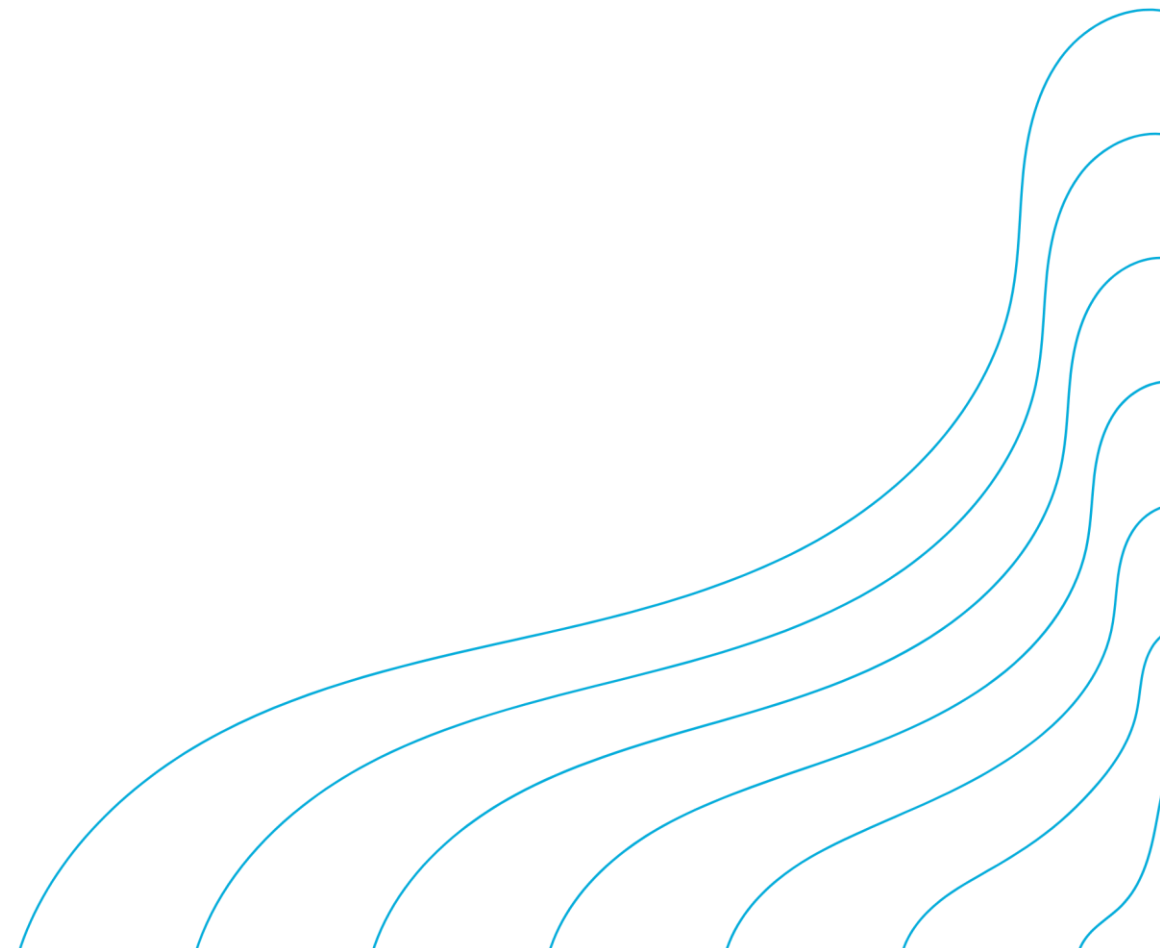
The model calculates these three levels of impact—direct, indirect and induced—for the following metrics:

- Spending
- GDP
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

Economic Impact Model

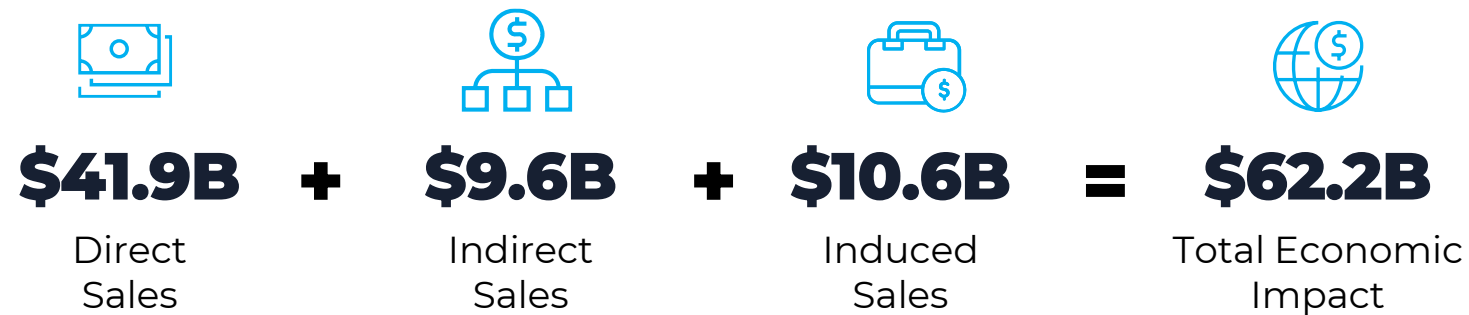


ECONOMIC IMPACT



Business Sales Impacts

Direct business sales, including visitor spending and capital expenditures in support of tourism spending, tallied \$41.9 billion in North Carolina in 2024. These direct impacts generated an additional \$20.3 billion through supply chain (indirect) and income (induced) effects. As a result, the total economic impact of the visitor economy reached \$62.2 billion in 2024.



Business Sales by Industry (2024)

\$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$41,899	\$9,639	\$10,640	\$62,178
Food & Beverage	\$11,302	\$351	\$700	\$12,353
Lodging	\$7,520	\$43	\$290	\$7,853
Finance, Insurance, Real Estate	\$2,942	\$2,377	\$1,949	\$7,268
Recreation and Entertainment	\$5,034	\$188	\$146	\$5,368
Retail Trade	\$3,948	\$216	\$1,066	\$5,230
Air Transport	\$3,839	\$39	\$56	\$3,933
Business Services	\$521	\$1,986	\$912	\$3,419
Gasoline Stations	\$2,813	\$14	\$75	\$2,901
Manufacturing	\$611	\$1,164	\$814	\$2,589
Personal Services	\$1,382	\$281	\$407	\$2,070
Wholesale Trade	\$611	\$630	\$589	\$1,829
Education and Health Care		\$18	\$1,686	\$1,704
Construction and Utilities	\$620	\$710	\$286	\$1,617
Other Transport	\$510	\$608	\$248	\$1,366
Government	\$247	\$196	\$868	\$1,311
Communications		\$685	\$471	\$1,156
Agriculture, Fishing, Mining		\$135	\$77	\$211

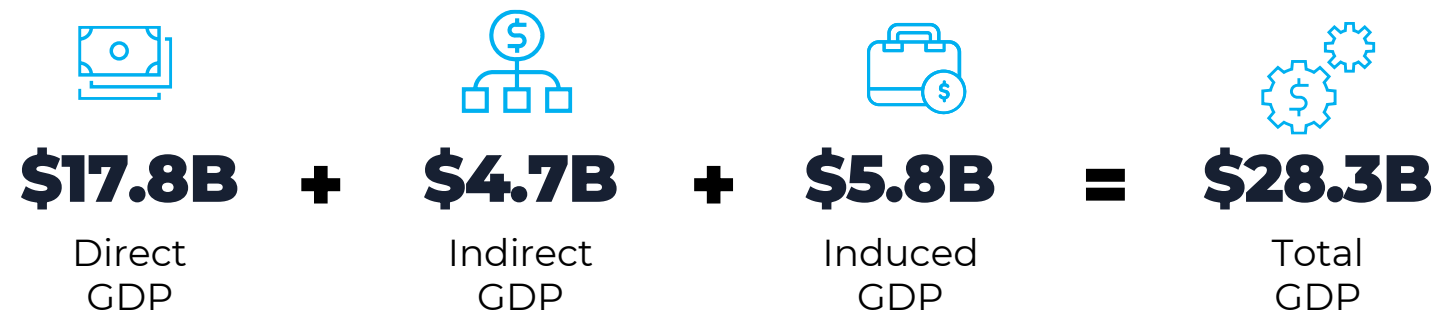
Source: Tourism Economics

The total economic impact of **\$62.2 billion** accrued to industries across the economy.



GDP (Value Added Impacts)

North Carolina's visitor economy GDP reached \$28.3 billion in 2024. This represented 3.4% of North Carolina's economy. GDP removes the value of all imported (from other states and internationally) goods and services (e.g., a hotel purchases materials such as linens from outside the State of North Carolina).

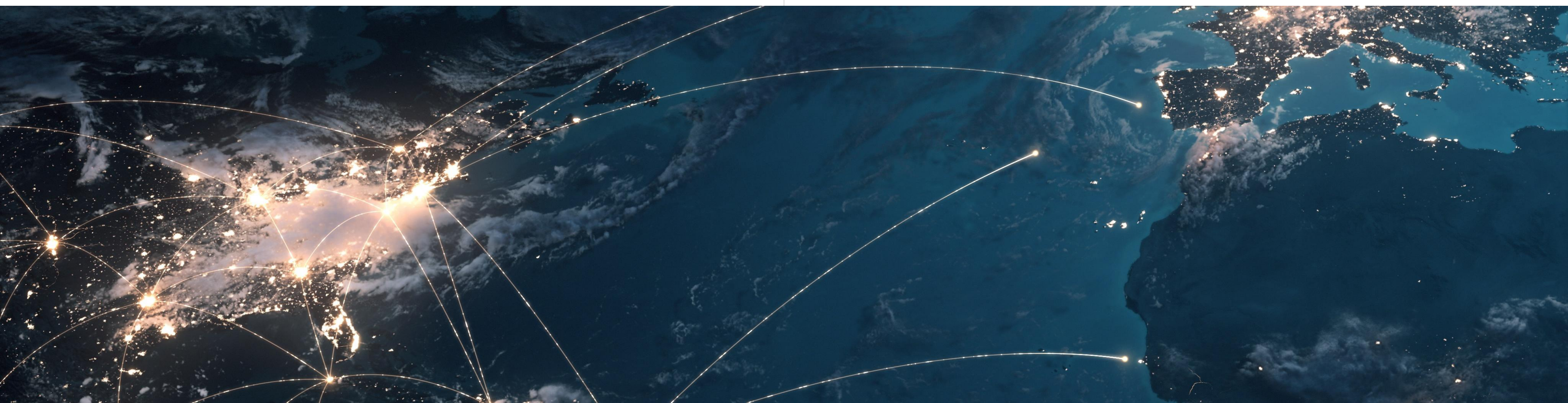


GDP by Industry (2024)

\$ millions

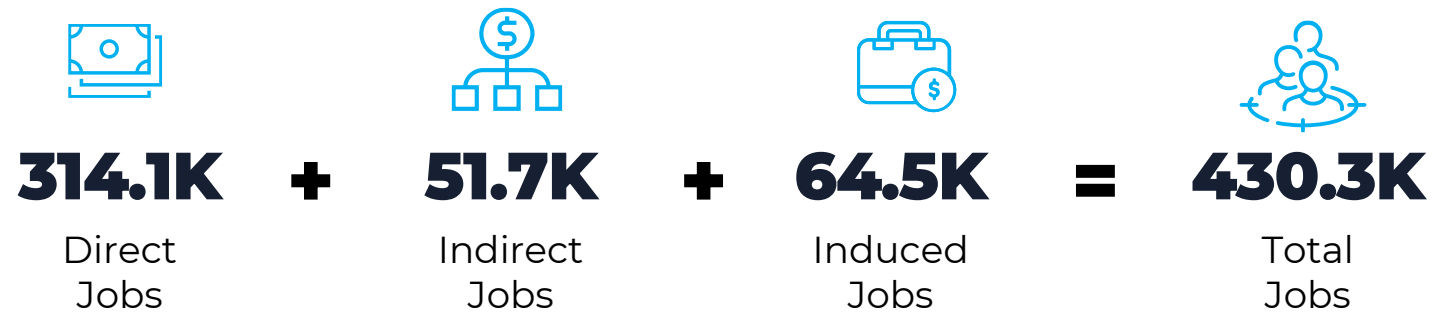
	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	\$17,815	\$4,691	\$5,830	\$28,337
Food & Beverage	\$4,791	\$171	\$338	\$5,300
Lodging	\$4,314	\$28	\$238	\$4,580
Finance, Insurance, Real Estate	\$1,897	\$1,349	\$1,128	\$4,375
Recreation and Entertainment	\$2,587	\$100	\$84	\$2,771
Retail Trade	\$942	\$130	\$639	\$1,711
Business Services	\$210	\$983	\$516	\$1,709
Air Transport	\$1,224	\$15	\$23	\$1,263
Education and Health Care		\$9	\$962	\$971
Personal Services	\$562	\$148	\$214	\$924
Construction and Utilities	\$302	\$368	\$165	\$835
Wholesale Trade	\$185	\$325	\$307	\$817
Other Transport	\$268	\$352	\$126	\$747
Government	\$58	\$84	\$589	\$731
Gasoline Stations	\$462	\$9	\$49	\$520
Manufacturing	\$12	\$302	\$205	\$520
Communications		\$286	\$225	\$511
Agriculture, Fishing, Mining		\$33	\$21	\$54

Source: Tourism Economics



Employment Impacts

The visitor economy sustained 314,116 direct jobs in 2024, with an additional 116,148 jobs supported from the indirect and induced impacts of visitor activity. Total employment impacts tallied 430,264 in 2024, translating to one-in-16 (6.2%) jobs in the state.



Employment by Industry (2024)

jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	314,116	51,654	64,494	430,264
Food & Beverage	95,995	4,189	8,440	108,624
Retail Trade	69,356	2,350	11,963	83,669
Lodging	45,767	552	562	46,881
Recreation and Entertainment	36,367	2,345	1,984	40,696
Finance, Insurance, Real Estate	16,880	8,890	5,839	31,609
Business Services	1,224	14,498	5,329	21,051
Personal Services	9,349	2,409	5,945	17,703
Education and Health Care		164	15,058	15,222
Air Transport	13,501	81	112	13,695
Other Transport	5,769	5,704	2,071	13,544
Construction and Utilities	7,354	1,802	512	9,669
Manufacturing	4,309	2,836	1,793	8,939
Wholesale Trade	2,326	2,276	2,171	6,773
Gasoline Stations	4,948	110	593	5,650
Communications		1,525	934	2,459
Government	971	873	561	2,405
Agriculture, Fishing, Mining		1,048	627	1,675

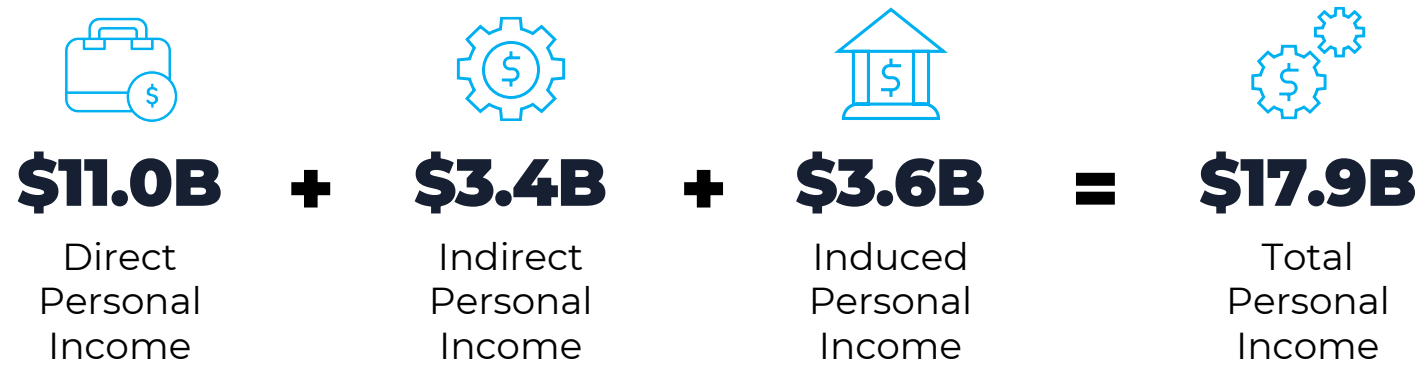
Source: Tourism Economics

Visitor spending supported **one-in-16 jobs** in North Carolina, including over **108,000 jobs** in the food and beverage industry.



Personal Income Impacts

Visitor activity generated \$11.0 billion in direct personal income in 2024. Including indirect and induced impacts, employees received \$6.9 billion in personal income. Total visitor-generated income in North Carolina increased 3.7% in 2024.



Personal Income by Industry (2024)

\$ millions

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
Total, all industries	\$10,975	\$3,369	\$3,566	\$17,910
Food & Beverage	\$2,338	\$133	\$230	\$2,701
Retail Trade	\$1,638	\$100	\$484	\$2,222
Lodging	\$1,963	\$19	\$20	\$2,001
Recreation and Entertainment	\$1,614	\$76	\$63	\$1,753
Business Services	\$72	\$1,097	\$357	\$1,527
Finance, Insurance, Real Estate	\$460	\$549	\$425	\$1,434
Air Transport	\$1,320	\$9	\$12	\$1,341
Education and Health Care		\$10	\$1,019	\$1,029
Other Transport	\$212	\$379	\$121	\$712
Personal Services	\$369	\$117	\$217	\$703
Manufacturing	\$316	\$204	\$144	\$664
Wholesale Trade	\$157	\$217	\$211	\$585
Construction and Utilities	\$321	\$188	\$73	\$581
Communications		\$173	\$106	\$279
Gasoline Stations	\$158	\$5	\$27	\$189
Government	\$36	\$71	\$37	\$144
Agriculture, Fishing, Mining		\$25	\$19	\$44

Source: Tourism Economics



Tax Impacts

Visitor activity generated \$10.0 billion in government revenues in 2024.

State and local taxes alone tallied \$4.9 billion in 2024.

Each household in North Carolina would need to be taxed an additional \$1,177 to replace the visitor-generated taxes received by state and local governments in 2024.

Tax Impacts

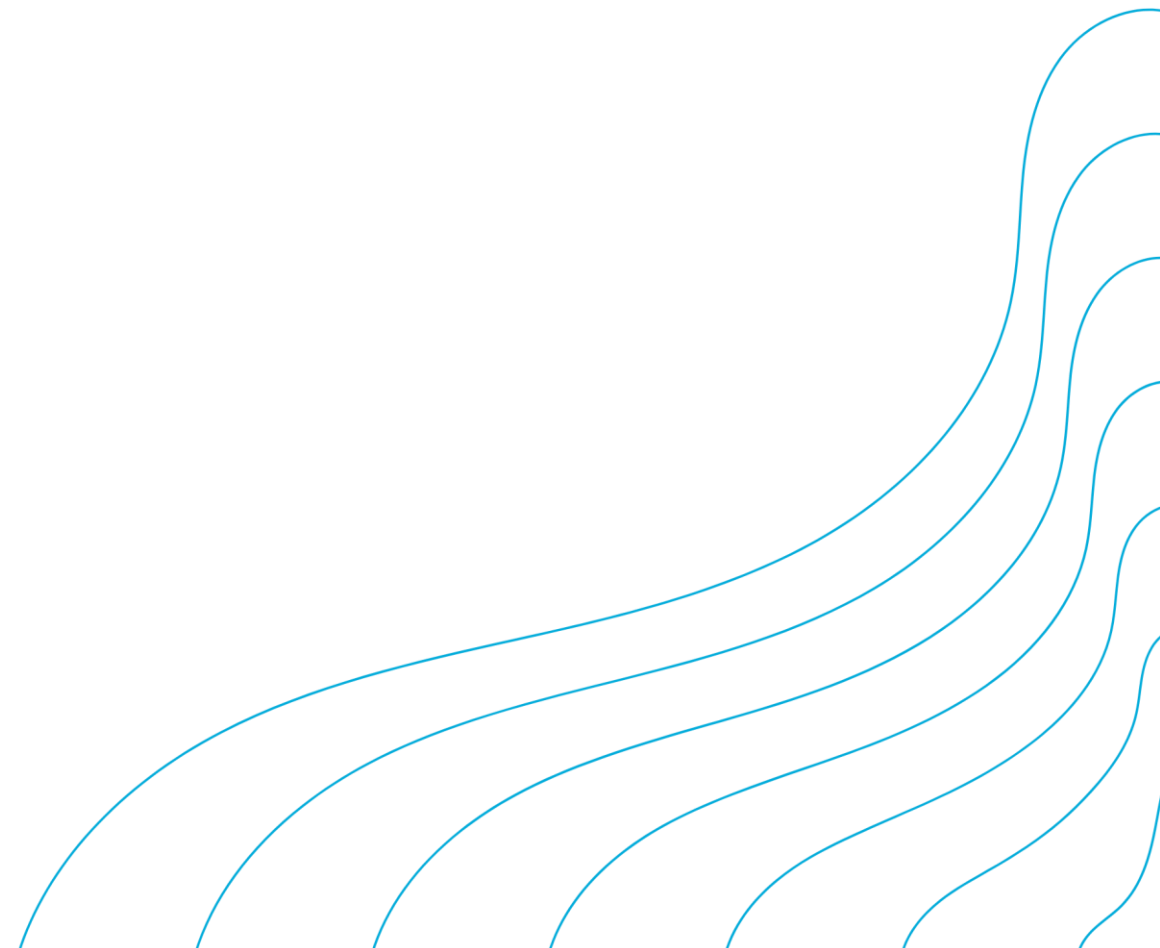
\$ millions

	2020	2021	2022	2023	2024	2024 growth
Total Tax Revenues	\$6,397	\$8,217	\$9,017	\$9,725	\$10,045	3.3%
Federal Taxes	\$3,244	\$4,148	\$4,504	\$4,949	\$5,116	3.4%
Personal Income	\$947	\$1,167	\$1,239	\$1,376	\$1,427	3.7%
Corporate	\$509	\$712	\$812	\$873	\$898	2.9%
Indirect Business	\$394	\$551	\$629	\$676	\$692	2.4%
Social Insurance	\$1,394	\$1,718	\$1,824	\$2,025	\$2,099	3.7%
State and Local Taxes	\$3,153	\$4,068	\$4,513	\$4,775	\$4,930	3.2%
Sales	\$1,118	\$1,563	\$1,782	\$1,916	\$1,974	3.0%
Lodging	\$223	\$332	\$406	\$406	\$416	2.5%
Personal Income	\$367	\$453	\$481	\$533	\$553	3.7%
Corporate	\$343	\$480	\$547	\$588	\$606	2.9%
Social Insurance	\$25	\$30	\$32	\$36	\$37	3.7%
Excise and Fees	\$84	\$118	\$134	\$144	\$149	3.2%
Property	\$993	\$1,092	\$1,130	\$1,152	\$1,195	3.8%

Source: Tourism Economics



APPENDIX



Appendix

Methodology Overview

Measuring the visitor economy begins with a comprehensive demand side analysis. A visitor is defined as someone who stayed overnight or traveled more than 50 miles, outside of their normal routine, to the destination.

The study area is defined as the State of North Carolina.

Visitor survey data provide estimates on the volume of visitors by type and their spending in specific categories (e.g. lodging, restaurants, retail, recreation and entertainment, transportation). These estimates are strengthened through an analysis of industry-specific data sets on the lodging industry, aviation, and sectoral-level business sales. Government data, including taxes by type as well as employment and personal income by industry are used to supplement and confirm demand-side visitor spending calculations.

The Tourism Satellite Account (TSA) which measures the tourism-related capital investments into the economy of the study area, are estimated through the analysis of industry-specific data sets on the construction industry, Census Capital Expenditure Survey data, BEA personal consumption expenditure data, and government data.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis (BEA). This is more comprehensive than Bureau of Labor Statistics (BLS QCEW) data because sole-proprietors do not require unemployment insurance and are not counted in the QCEW data.

The complete set of data inputs is provided below.

Data Sources

- **Bureau of Economic Analysis and Bureau of Labor Statistics:** Employment and wage data, by industry
- **STR, AirDNA and Key Data:** Lodging data, including room demand, room rates, occupancy, and room revenue for hotels and short-term rentals
- **North Carolina Department of Revenue:** Sales tax data by category for North Carolina
- **U.S. Census Bureau:** Economic Census data, as well as data on population, households, second homes, and real estate taxes paid
- **Visit North Carolina:** Annual budget data
- **U.S. Energy Information Administration:** Gasoline prices for the South Atlantic area
- **Tourism Economics:** International travel data for to North Carolina based on aviation, survey, and credit card information
- **Oxford Economics:** Construction data, by industry, for North Carolina

Glossary

SPENDING DEFINITIONS	LODGING	All accommodation businesses, including hotels, B&Bs, campgrounds, and short-term rentals. This includes food, entertainment, and other services provided by these establishments.
	FOOD & BEVERAGE	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
	RECREATION	Includes visitors spending within the arts, entertainment and recreation sector.
	RETAIL	Includes visitor spending in all retail sub-sectors within the local economy, excluding grocery stores.
	LOCAL TRANSPORT	Ride share, taxis, limos, trains, rental cars, buses, and gasoline purchases.
	AIR TRANSPORT	Where applicable, the local share of air transportation spending.
ECONOMIC IMPACT DEFINITIONS	SECOND HOMES	Where applicable, spending associated with seasonal second homes for recreational use as defined by the Census Bureau.
	DIRECT IMPACT	Impacts (business sales, jobs, income, and taxes) related to businesses where visitors spend dollars (e.g. recreation, transportation, lodging).
	INDIRECT IMPACT	Impacts created from the purchase of goods and services as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected sectors (i.e. business-to-business purchases).
	INDUCED IMPACT	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor activity.
	EMPLOYMENT	Employment is measured by the Bureau of Economic Analysis (BEA) definition, and captures full-time and part-time jobs, which includes salary and wage employees and proprietors.
	PERSONAL INCOME	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
	VALUE ADDED (GDP)	Business sales net of intermediate (supply chain) purchases.
LOCAL TAXES	City and County taxes generated by visitor spending. Includes any local sales, income, bed, usage fees, licenses and other revenue streams to local governmental authorities.	
STATE TAXES	State tax revenues generated by visitor spending. Includes sales, income, corporate, usage fees and other assessments of state governments.	

About the Research Team

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modeling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

Oxford Economics employs more than 600 full-time staff, including 350+ professional economists and analysts. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC.



TOURISM
ECONOMICS

AN OXFORD ECONOMICS COMPANY

For more information: admin@tourismeconomics.com.