

The North Dakota Traveler Economy - 2021 Results

September 2022

Prepared for: North Dakota Tourism Division





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INTRODUCTION PROJECT BACKGROUND

The travel sector is an integral part of the North Dakota economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's future. How critical? In 2021, visitor spending increased by \$500 million, and tourism supported jobs accounted for 6.5% of all jobs in the state, up from 6.2% in 2020.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs.

METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of North Dakota. The model traces the flow of visitor-related expenditures through the state's economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism. Tourism Economics then cross-checked these findings with employment and wage data for each sector to ensure the findings are within reasonable ranges.

Visitors included those who stayed in overnight accommodations or those who came from a distance greater than 50 miles and deviated from their normal routine.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis.

This is particularly true for North Dakota as it builds upon its tourism economy. By establishing a timeline of economic impacts, the industry can track its progress.

To quantify the significance of the visitor economy in North Dakota, Tourism Economics developed a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the visitor economy in terms of direct visitor spending, along with total economic impacts, jobs, and fiscal (tax) impacts in the broader economy.

The analysis draws on the following data sources:

- Longwoods International: survey data, including spending and visitor profile characteristics for visitors to North Dakota
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels and short-term rentals.
- Tax collections: Lodging and sales tax receipts
- Tourism Economics: international travel data for overseas, Canadian, and Mexican travel to North Dakota based on aviation, survey, and credit card information
- Dodge Construction Reports
- Government of North Dakota budget

ECONOMIC IMPACTS

KEY FINDINGS

TRAVELER ECONOMY

The North Dakota traveler economy encompasses both visitor activity along with spending in support of the tourism industry – from private investment in new buildings and machinery to governmental funding for tourism promotion. Spending by travelers totaled \$2.6 billion in 2021 with investment and government adding around \$215 million for a total travel demand of \$2.8 billion in 2021. The rebound in visitor activity helped increase visitor spending by \$500 million in 2021, an increase of 24%.

\$2.6B

Spending by Travelers

+

\$215M

Spending supporting traveler activity

=

\$2.8B

Direct traveler demand

Note: Numbers may not add up due to rounding

TOTAL ECONOMIC IMPACT

The direct travel demand in North Dakota of \$2.8 billion generated a total economic impact (total business sales) of \$4.2 billion in the state in 2021. Total economic impacts include indirect and induced impacts – the spending of the tourism-supported business to support their operations and the spending of worker wages in the economy. This visitor-associated economic activity sustained 36,573 jobs and generated \$248 million in state and local tax revenues in 2021.



\$4.2 BILLION

Total Economic Impact of Tourism in North Dakota in 2021

SUMMARY ECONOMIC IMPACTS

North Dakota Tourism (2021)



\$2.8B

Direct Traveler Demand



\$4.2B

Total Economic Impact



36,573

Total Jobs Generated



\$248M

State & Local Taxes Generated



VISITS & VISITOR SPENDING

Visitor activity bounced back in 2021. With COVID concerns waning and attractions and events undoing restrictions on attendance, travel rebounded from pandemic-influenced lows. Adding in rising consumer confidence in travel, visitation and visitor spending growth registered impressive growth rates in 2021. However, the rebound did not extend to all travel sectors as international travel was restricted until late in the year and recovery in business/event travel has not been as robust as leisure travel.

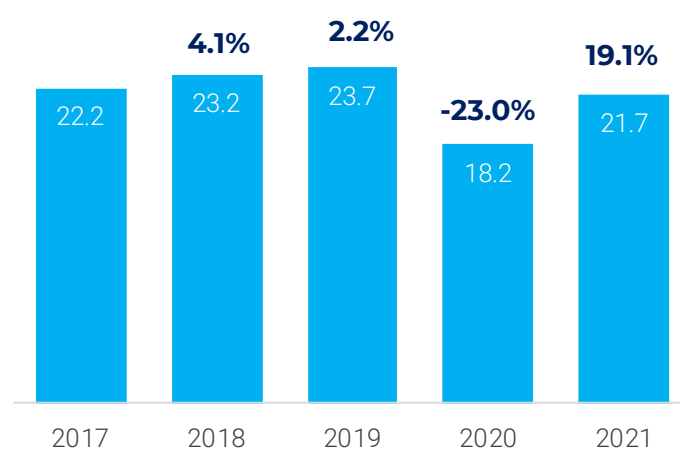
VISITOR VOLUME

Rebound in 2021

The recovery, led by leisure visitation, helped push overall visitation up by 3.5 million in 2021, growth of over 19%. Overall visitation levels recovered to 92% of pre-pandemic levels.

North Dakota visitor volume

Amounts in millions



Sources: Longwoods Intl., Tourism Economics

VISITOR SPENDING

Visitor spending increased by \$500 million.

Visitor spending jumped 24% in 2021, increasing by \$500 million to reach \$2.6 billion, 84% of pre-pandemic spending levels.

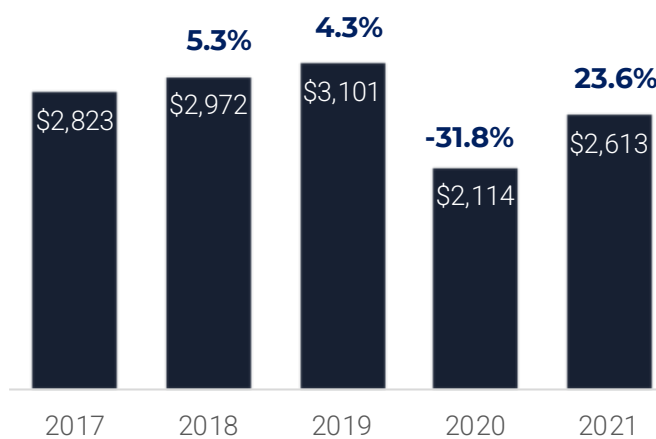
Visitor spending on food & beverages is the largest spending category, capturing nearly 30 cents of the average visitor dollar.

Retail also continues to be an important spending sector for visitors, capturing 22% of each visitor dollar.

Transportation costs of traveling in North Dakota average twenty cents of each visitor dollar with lodging capturing 15% of all visitor spending.

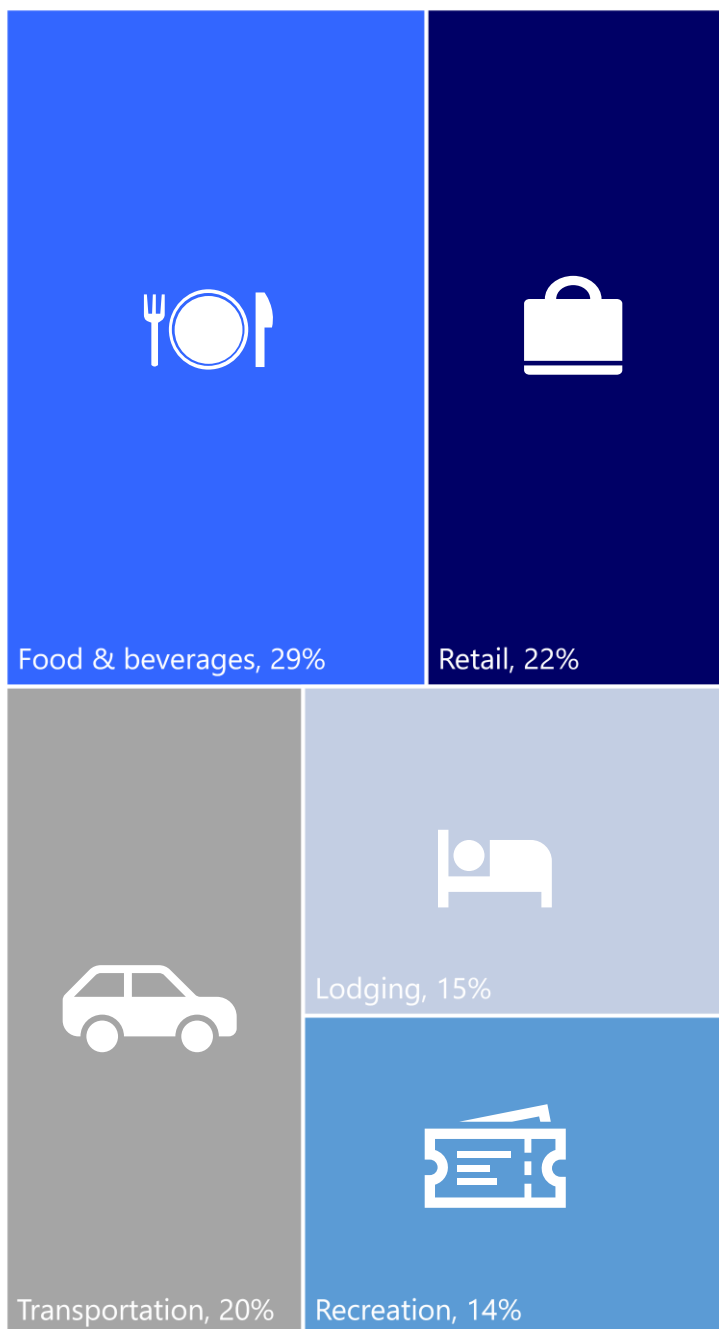
North Dakota visitor spending

Amounts in \$ millions



Sources: Longwoods Intl., Tourism Economics

 **\$2.6 BILLION**
Total Visitor Spending in 2021



Sources: Longwoods Intl., Tourism Economics

Note: Lodging spending is calculated as an industry. Spending includes food & beverages as part of package at hotel. Transport includes both air and local transportation.

Note: Numbers may not add up due to rounding

VISITOR SPENDING TRENDS

Spending grew across all sectors with some of the strongest growth seen in the categories that had been hardest hit during the pandemic – lodging and recreation. Lodging spending by travelers in the state jumped \$95 million to reach \$384 million. With venues reopening and loosening capacity restrictions, opportunities to spend on concerts, shows, and other events helped boost recreational spending by 26%.

Retail spending by visitors has recovered more than other categories with 2021 spending by visitors at restaurants, bars, and grocery stores recovering to 88% of 2019 levels, only about \$75 million from pre-pandemic levels.

North Dakota visitor spending and annual growth

Amounts in \$millions, 2021 % change, and compound annual growth rate(CAGR)

	2017	2018	2019	2020	2021	2021 Growth	% relative to 2019
Total visitor spending	\$2,823	\$2,972	\$3,101	\$2,114	\$2,613	23.6%	84.3%
Lodging*	\$428	\$442	\$467	\$289	\$384	33.0%	82.3%
Food & beverage	\$819	\$848	\$892	\$637	\$768	20.5%	86.0%
Retail	\$593	\$619	\$640	\$467	\$565	20.9%	88.3%
Recreation	\$426	\$471	\$492	\$298	\$375	25.6%	76.1%
Transportation**	\$556	\$591	\$610	\$422	\$521	23.4%	85.5%

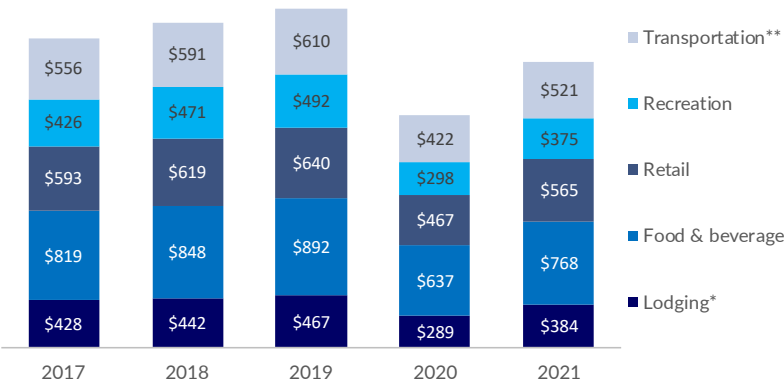
Source: Tourism Economics

* Lodging includes second home spending

** Transportation includes both ground and air transportation

Visitor Spending in North Dakota, 2017-2021

By category, amounts in \$millions



Source: Tourism Economics

VISITOR SPENDING DISTRIBUTION - SHARES

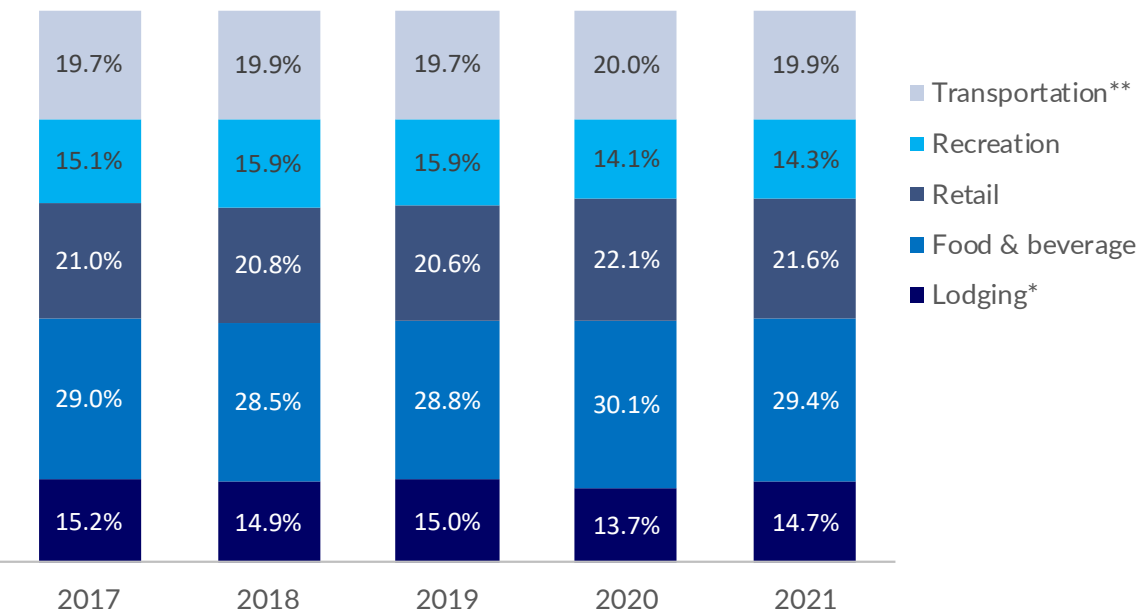
Spending shares inched back towards pre-pandemic levels as travel started to return to more normal conditions. Lodging, which had fallen 1.3 percentage points, grew by one percentage point to 14.7% - close to pre-pandemic shares.

Food & beverages jumped to over 30% of each visitor dollar in 2020 and fell back to 29.4% in 2021.

Retail, whose share had been falling during much of the latter part of the 2010s, gained share in the pandemic and has maintained a higher share in 2021 as shop-local campaigns have highlighted retail's importance to area economies, spurring spending by visitor in shops.

Visitor Spending Shares in North Dakota, 2017-2021

By category, %



Source: Tourism Economics

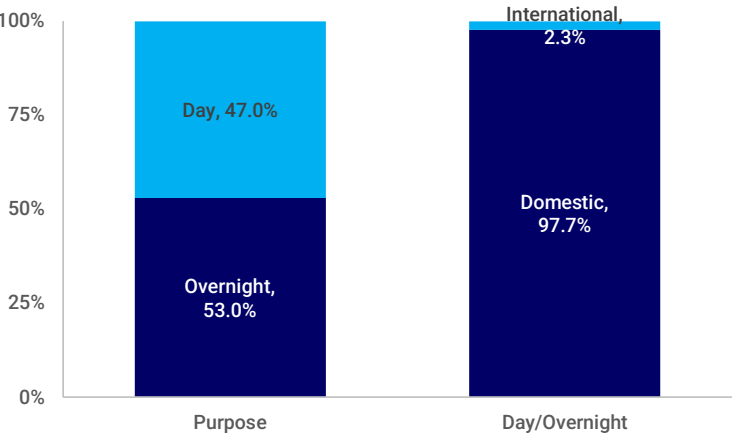
VISITOR SEGMENTS

With lodging demand returning in 2021, overnight spending growth outpaced day spending growth. Overnight visitor spending jumped by 38% to reach \$1.4 billion. Overnights visitor spending share jumped back over 50% in 2021 to 53% of all visitor dollars spent in North Dakota, up from 47% in 2020. This is in line with pre-pandemic overnight shares in the low-50s.

Restrictions on international visitation were in place for much of 2021, severely limiting international visitation and spending. With those in place, international visitation was only 2.3% of all visitor spending in 2021. Domestic travel dominates overall visitor spending with a nearly 98% share.

North Dakota spending share by segment

Percent % of visitor spending by market



Source: Tourism Economics

PER VISITOR SPENDING

With limitations on travelers' ability to spend in 2020, per-visitor spending fell to \$116. With overnight visitation growth and easing of capacity and other pandemic related restrictions, visitor spending increased to \$120 in 2021. Growth in per-visitor spending has not recovered as much as key higher-valued segments like business travel and international travel have not recovered as fully.

Visitor volume and spending

Amounts in mils of persons, \$millions, and \$ per person

	2017	2018	2019	2020	2021
Total visitors	22.2	23.2	23.7	18.2	21.7
Total visitor spending	\$2,823	\$2,972	\$3,101	\$2,114	\$2,613
Per visitor spending	\$127	\$128	\$131	\$116	\$120

Source: Tourism Economics



VISITOR ECONOMY TRENDS

The visitor economy looks at 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).

Overall, traveler demand reached \$2.8 billion in 2021 with domestic spending dominating, bringing in \$2.6 billion towards overall traveler demand. Capital investment in support of tourism grew to \$188 million in 2021, an increase of 5%. Growth in governmental support of tourism was nearly a third in 2021.

Tourism Capital Investment

Amounts in millions of nominal dollars

	2017	2018	2019	2020	2021
Total Tourism CAPEX	\$209	\$240	\$219	\$179	\$188
Machinery & equip.	\$150	\$152	\$127	\$88	\$108
Construction	\$58	\$89	\$93	\$91	\$80

VISITOR ECONOMY DISTRIBUTION

In North Dakota, domestic visitor markets increased their relative importance to 90% of tourism demand in 2021. This is up from around 85% in 2018.

Capital investment in tourism-related construction and machinery & equipment represented 6.6% of all tourism-related demand.

International visitor markets provided 2.1% of demand in 2021. This is down more than five percentage points from levels seen pre-pandemic.

Personal consumption expenditures and governmental support make up the last one percent of North Dakota tourism demand in 2021.

North Dakota tourism demand

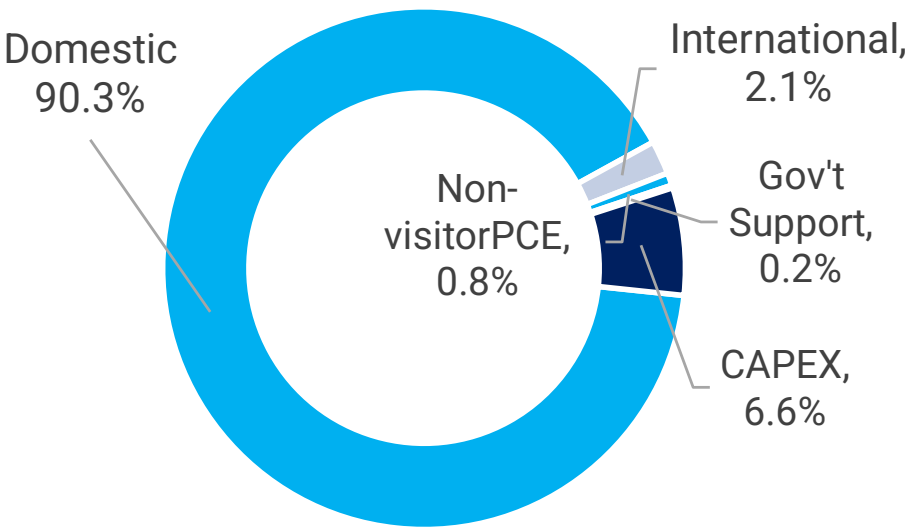
Amounts in \$millions, 2021 % change, and CAGR from 2017

	2017	2018	2019	2020	2021	2021 Growth	% relative to 2019
Tourism Demand	\$3,068	\$3,251	\$3,359	\$2,307	\$2,827	22.6%	84.2%
Domestic Visitor	\$2,596	\$2,754	\$2,905	\$2,081	\$2,554	22.7%	87.9%
International Visitor	\$227	\$218	\$196	\$33	\$59	79.1%	30.1%
Non-visitor PCE	\$31	\$33	\$33	\$11	\$22	107.1%	67.2%
Gov't Support	\$5	\$5	\$6	\$4	\$5	33.0%	82.1%
Capital Investment	\$209	\$240	\$219	\$179	\$188	5.1%	85.7%

Source: Tourism Economics

North Dakota tourism demand

Percent distribution



Source: Tourism Economics



ECONOMIC IMPACT METHODOLOGY

Our analysis of the North Dakota visitor economy begins with direct traveler-related demand and analyzes the downstream effects of this spending on the broader economy. To determine total economic impact, we input direct spending into a model of the North Dakota economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers and quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a discrete group of sectors (such as recreation and transportation). This supports a relative proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by visitor spending spend those wages in the local economy. This is called the induced impact or income effect.

The Tourism Economics model calculates these three levels of impact - direct, indirect and induced - for a broad set of indicators, including:

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

ECONOMIC IMPACT FRAMEWORK

DIRECT IMPACTS

North Dakota tourism's contribution measured visitor spending



RETAIL



REC/ENTERTAINMENT



FOOD & BEVERAGE



TRANSPORTATION



LODGING

INDIRECT IMPACTS

Purchases of inputs from suppliers
Suppliers' own supply chains



SUPPLY CHAIN EFFECTS



B2B GOODS & SERVICES PURCHASED

INDUCED IMPACTS

Consumer spending out of employees' wages:



INCOME EFFECT



HOUSEHOLD CONSUMPTION

TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



JOBS



INCOME



TAXES



ECONOMIC IMPACT FINDINGS

BUSINESS SALES IMPACTS

Travel-related spending of \$2.8 billion supported another \$1.4 billion in business sales from indirect and induced impacts, creating a total impact of \$4.2 billion in sales for businesses in North Dakota.

The restaurant and retail industries saw the most sales from visitor activity in 2021, much of those gains directly from visitor spending. Other industries with significant sales volumes attributed to visitors – like finance, insurance & real estate and business services – gain much of their sales from tourism businesses and wages spent by tourism-supported workers.

Summary Economic impacts (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

Note: Numbers may not add up due to rounding

Business sales impacts by industry (2021)

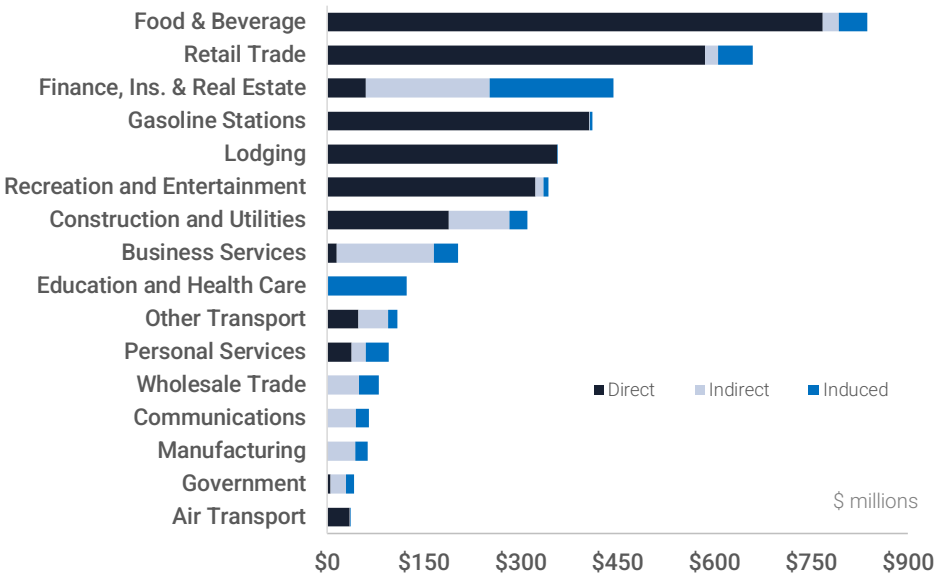
Amounts in millions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$2,827	\$748	\$633	\$4,207
Food & Beverage	\$ 768	\$25	\$44	\$837
Retail Trade	\$ 586	\$20	\$54	\$660
Finance, Ins. & Real Estate	\$ 60	\$192	\$192	\$443
Gasoline Stations	\$ 406	\$1	\$4	\$411
Lodging	\$ 356	\$0	\$0	\$357
Recreation and Entertainment	\$ 322	\$13	\$8	\$343
Construction and Utilities	\$ 188	\$94	\$28	\$310
Business Services	\$ 15	\$150	\$37	\$202
Education and Health Care	-	\$1	\$122	\$123
Other Transport	\$ 48	\$46	\$15	\$108
Personal Services	\$ 37	\$23	\$35	\$95
Wholesale Trade	-	\$49	\$31	\$80
Communications	-	\$45	\$20	\$65
Manufacturing	\$ 1	\$43	\$19	\$63
Government	\$ 5	\$24	\$12	\$42
Air Transport	\$ 35	\$1	\$1	\$37
Agriculture, Fishing, Mining	-	\$20	\$11	\$30

Source: Tourism Economics

Visitor economy business sales impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

VALUE ADDED IMPACTS

The value of all visitor-supported goods & services produced in North Dakota in 2021 for North Dakota visitors was \$1.9 billion, 3.1% of the North Dakota economy.

Summary value-added impacts (2021)

Amounts in millions of nominal dollars



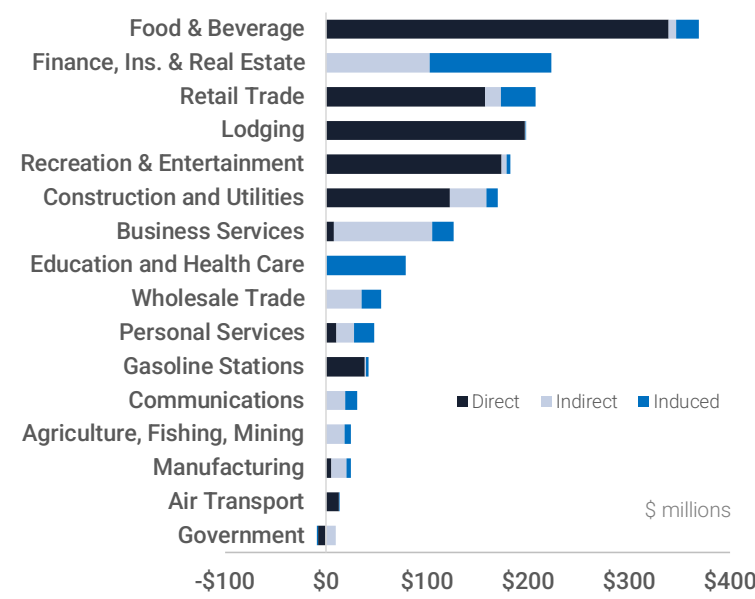
Source: Tourism Economics

The locally produced portion of visitor-supported sales in the finance & real estate industries added \$223 million to state GDP in 2021, a larger value than retail and lodging despite not having a direct component.

Spending by travel demand-supported workers supported \$78 million in GDP contribution in the education and health care industries, showing how tourism activity supports businesses across the industrial spectrum.

Visitor value-added impacts by Industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

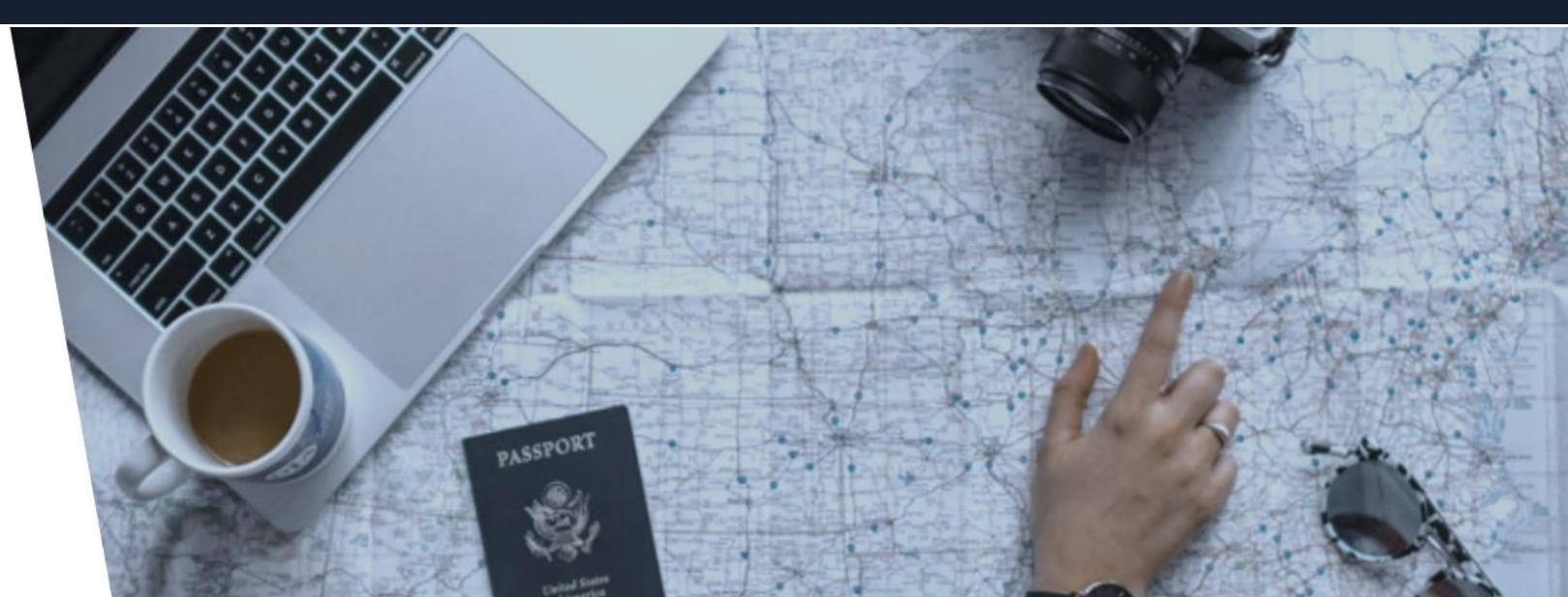


Summary value-added impacts by industry (2021)

Amounts in millions of nominal dollars

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	\$ 1,090	\$ 404	\$ 364	\$ 1,858
Food & Beverage	\$ 340	\$ 7	\$ 22	\$ 369
Finance, Ins. & Real Estate	-	\$ 103	\$ 120	\$ 223
Retail Trade	\$ 158	\$ 15	\$ 35	\$ 208
Lodging	\$ 197	\$ 1	\$ 0	\$ 198
Recreation & Entertainment	\$ 174	\$ 5	\$ 4	\$ 183
Construction and Utilities	\$ 123	\$ 36	\$ 12	\$ 170
Business Services	\$ 8	\$ 97	\$ 22	\$ 127
Education and Health Care	-	\$ 1	\$ 78	\$ 79
Other Transport	\$ 33	\$ 24	\$ 8	\$ 64
Wholesale Trade	-	\$ 35	\$ 20	\$ 55
Personal Services	\$ 11	\$ 17	\$ 20	\$ 48
Gasoline Stations	\$ 38	\$ 1	\$ 2	\$ 42
Communications	-	\$ 19	\$ 12	\$ 31
Agriculture, Fishing, Mining	-	\$ 18	\$ 6	\$ 25
Manufacturing	\$ 5	\$ 15	\$ 4	\$ 24
Air Transport	\$ 13	\$ 0	\$ 0	\$ 13
Government	\$ (9)	\$ 9	\$ (1)	\$ (0)

Source: Tourism Economics



ECONOMIC IMPACT FINDINGS

EMPLOYMENT - IMPACTS

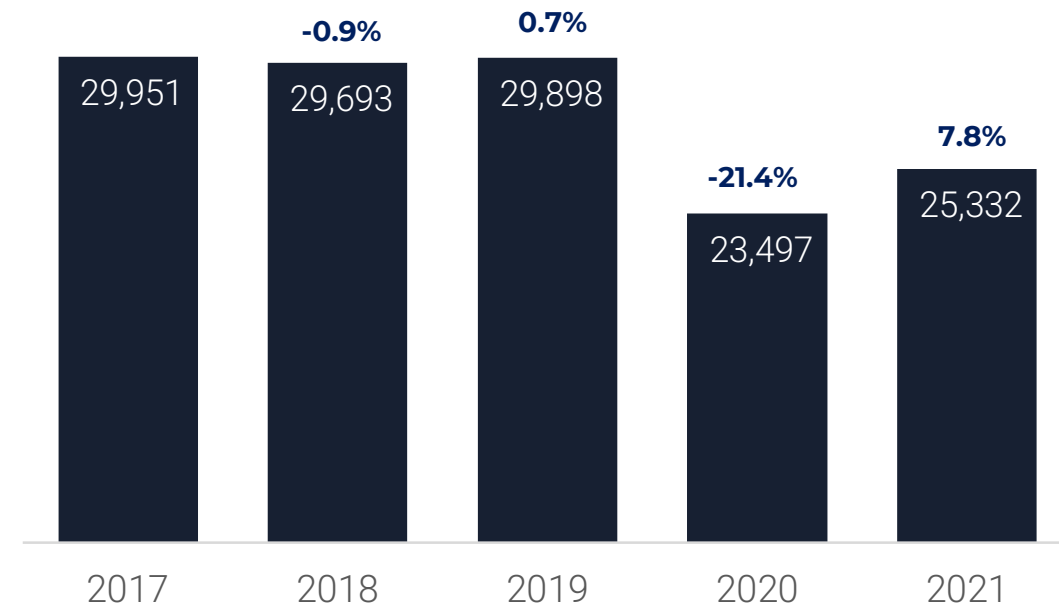
Employment directly supported by visitor activity rose 7.8% in 2021 to more than 25,300 jobs. The number of jobs jumped by over 1,800 in 2021. These jobs are ones that directly serve the visitors at businesses like hotel, restaurants, retailers, recreational/entertainment entities, and transportation companies. These jobs do not include those tourism related jobs in government and construction.

The evaluation of the direct impact of visitor activity allows for comparisons and rankings against other industries.

Employment directly supported by visitors reached 25,332 in 2021. Comparing employment levels, were direct visitor-supported employment to be ranked against other industries, tourism would rank 7th in the state.

Employment supported by travel spending in North Dakota

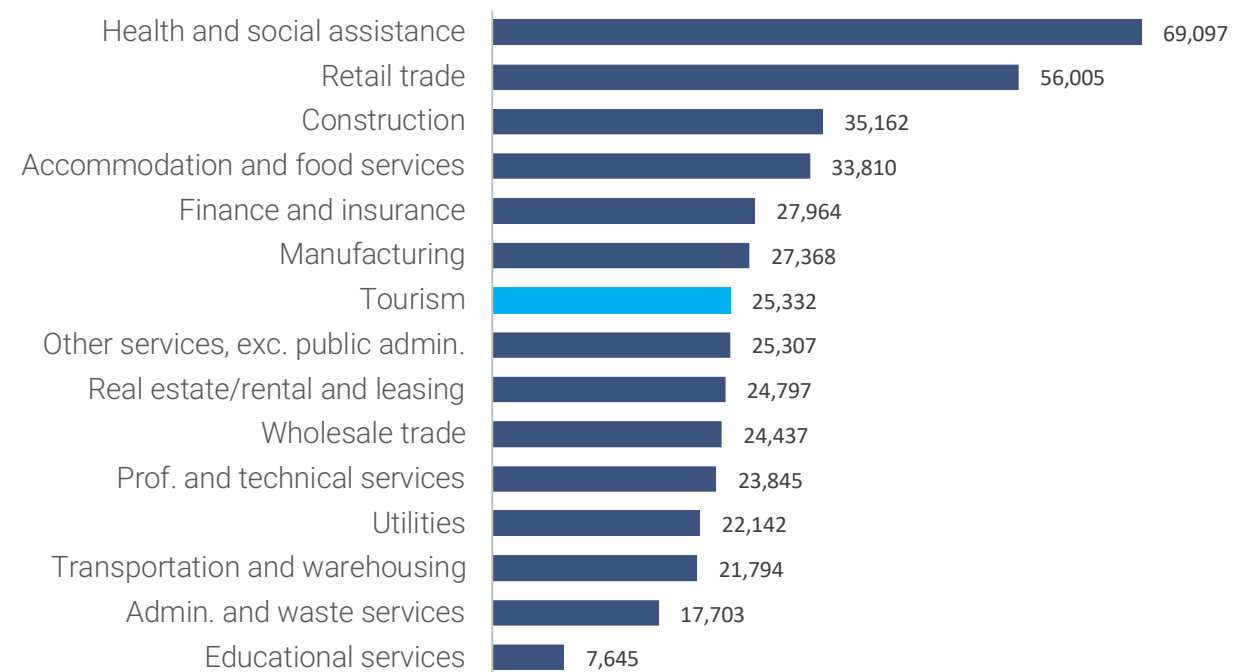
Direct impact, amounts in number of jobs



Source: Tourism Economics

Employment in North Dakota, by major industry

Amounts in number of jobs, direct jobs for Tourism



Source: Tourism Economics

EMPLOYMENT – TOTAL IMPACTS

North Dakota travel demand directly generated more than 27,200 jobs and a total of 36,573 jobs when indirect and induced impacts are included. The total jobs impact supported 6.5% of all jobs in North Dakota in 2021, one of every fifteen jobs in the state.

Summary employment impacts (2021)

Amounts in number of jobs



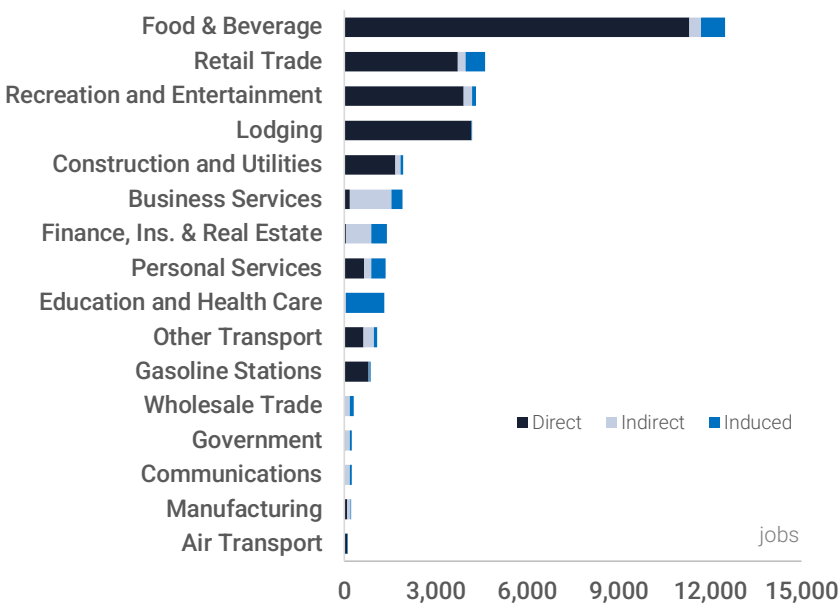
Source: Tourism Economics

Visitor spending supports the largest number of jobs in the restaurant industry (nearly 12,500).

Traveler-related spending supports more than 1,900 jobs at business service companies – in areas like accounting, advertising and building services. More than 90% of these jobs are not directly related to visitor activity.

Visitor job Impacts by industry (2021)

Amounts in number of jobs



Source: Tourism Economics



Summary employment Impacts by industry (2021)

Amounts in number of jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	27,239	4,633	4,701	36,573
Food & Beverage	11,324	379	781	12,484
Retail Trade	3,709	265	650	4,624
Recreation and Entertainment	3,921	276	121	4,318
Lodging	4,162	7	3	4,172
Construction and Utilities	1,670	173	71	1,914
Business Services	175	1,359	372	1,905
Finance, Ins. & Real Estate	37	839	526	1,401
Personal Services	635	244	479	1,358
Education and Health Care	-	36	1,262	1,298
Other Transport	620	346	112	1,078
Gasoline Stations	787	30	43	860
Wholesale Trade	-	185	113	298
Government	28	154	67	248
Communications	-	183	60	243
Manufacturing	91	95	19	206
Air Transport	82	2	2	86
Agriculture, Fishing, Mining	-	57	21	78

Source: Tourism Economics

LABOR INCOME IMPACTS

Traveler activity generated \$756 million in direct labor income and a total of \$1.2 billion when including indirect and induced impacts.

Summary labor income impacts (2021)

Amounts in millions of nominal dollars

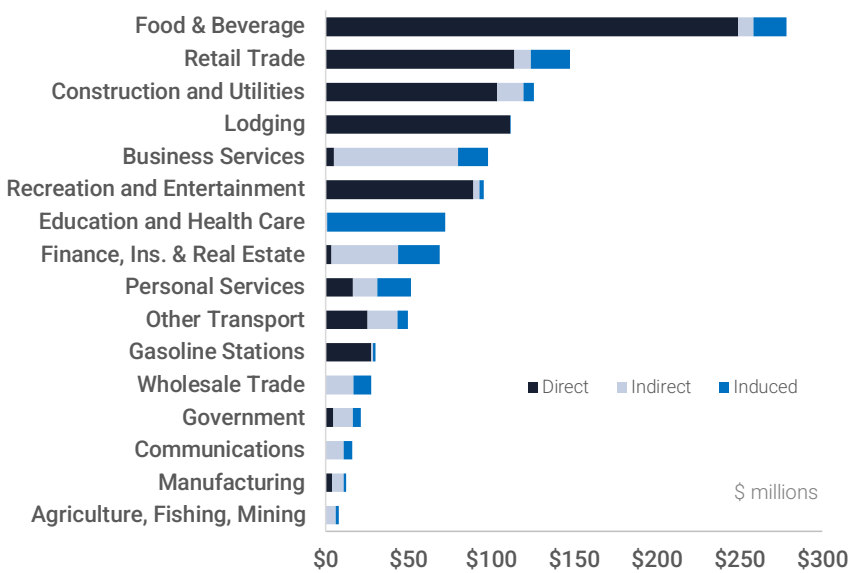


Source: Tourism Economics

There are ten industries in which visitor activity supports more than \$50 million in personal income. These range from the obvious—food & beverage and lodging, to the less obvious—business services and finance, insurance & real estate.

Visitor labor income Impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics



Summary labor income impacts (2021)

Amounts in millions of nominal dollars

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
Total, all industries	\$756	\$241	\$220	\$1,217
Food & Beverage	\$ 249	\$9	\$20	\$279
Retail Trade	\$ 114	\$10	\$24	\$148
Construction and Utilities	\$ 104	\$16	\$6	\$126
Lodging	\$ 111	\$0	\$0	\$111
Business Services	\$ 5	\$75	\$18	\$98
Recreation and Entertainment	\$ 89	\$4	\$3	\$96
Education and Health Care	-	\$1	\$71	\$72
Finance, Ins. & Real Estate	\$ 3	\$40	\$25	\$69
Personal Services	\$ 16	\$15	\$20	\$51
Other Transport	\$ 25	\$18	\$6	\$50
Gasoline Stations	\$ 27	\$1	\$2	\$30
Wholesale Trade	-	\$17	\$11	\$27
Government	\$ 5	\$12	\$5	\$21
Communications	-	\$11	\$5	\$16
Manufacturing	\$ 4	\$7	\$2	\$12
Agriculture, Fishing, Mining	-	\$6	\$2	\$8
Air Transport	\$ 4	\$0	\$0	\$4

Source: Tourism Economics

ECONOMIC IMPACT FINDINGS

FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$492 million in government revenues.

Each household in North Dakota would need to be taxed an additional \$769 to replace the \$248 million in traveler taxes received by North Dakota state and local governments in 2021.

Fiscal (tax) impacts

Amounts in millions of nominal dollars

	2018	2020	2021	2021 Growth
Total Tax Revenues	\$600.0	\$449.1	\$491.9	9.5%
Federal Taxes	\$299.5	\$227.6	\$244.0	7.2%
Personal Income	\$86.5	\$73.1	\$79.5	8.8%
Corporate	\$38.3	\$20.1	\$21.3	5.8%
Indirect Business	\$17.0	\$10.2	\$10.6	3.3%
Social Insurance	\$157.6	\$124.1	\$132.6	6.8%
State and Local Taxes	\$300.5	\$221.5	\$247.9	11.9%
Sales	\$146.8	\$108.3	\$124.7	15.1%
Bed Tax	\$10.1	\$6.2	\$8.3	32.5%
Personal Income	\$8.9	\$7.6	\$8.2	8.8%
Corporate	\$5.3	\$2.9	\$3.1	7.3%
Social Insurance	\$10.1	\$8.5	\$9.3	8.8%
Excise and Fees	\$85.3	\$61.2	\$65.7	7.3%
Property	\$33.9	\$26.7	\$28.6	7.3%

Source: Tourism Economics

State government saw \$181 million in tourism-supported governmental revenues. Sales tax collections from visitor activity brough in \$106 million. Tourism-supported tax revenues brought in an additional \$20 million to state coffers in 2021.

Local governments received \$65 million in governmental revenues in 2021.

Fiscal (tax) impacts

Amounts in millions of nominal dollars

	2020	2021
State Taxes	\$161.1	\$181.1
Sales	\$91.2	\$106.0
Bed Tax	-	-
Personal Income	\$7.6	\$8.2
Corporate	\$2.9	\$3.1
Social Insurance	\$8.5	\$9.3
Excise and Fees	\$50.9	\$54.6
Property	-	-
Local Taxes	\$60.4	\$64.7
Sales	\$17.1	\$16.7
Bed Tax	\$6.2	\$8.3
Personal Income	-	-
Corporate	-	-
Social Insurance	-	-
Excise and Fees	\$10.3	\$11.1
Property	\$26.7	\$28.6

Source: Tourism Economics

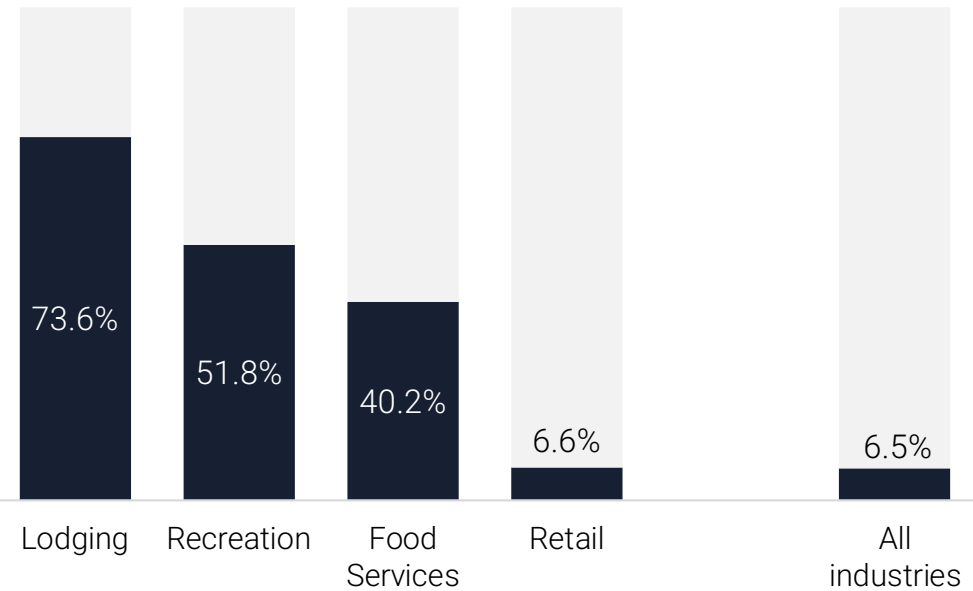
ECONOMIC IMPACTS IN CONTEXT

Visitor activity supports a significant share of employment in several industries with the majority of lodging employment traveler-related. In other key industries, visitor activity supports 52% of jobs in recreational industries, 40% of restaurant employees, and 6.6% of jobs in retail industries.

Overall, all traveler-related jobs accounted for 6.5% of all jobs in North Dakota in 2021.

Visitor employment intensity

Direct jobs, visitor-supported share of industry employment



Source: BEA, BLS, Tourism Economics

ECONOMIC IMPACTS IN CONTEXT



\$2.6B VISITOR SPENDING

The \$2.6 billion in visitor spending is similar to what American's spend on Halloween candy – or about \$25 per-person.



\$500M VISITOR SPENDING GAINS

The \$500 million increase in visitor spending is similar in size to Bitzero's planned investment in North Dakota.



36,600 JOBS

The total number of jobs sustained by tourism, including indirect and induced benefits, would fill up the FargoDome twice over (for football).



\$248M STATE & LOCAL TAXES

Each household in North Dakota would need to be taxed an additional \$769 to replace the visitor taxes received by the state and local governments in 2021.

Glossary – Spending Definitions

Term	Description
Lodging	Includes visitor spending in the accommodation sub-sector. This includes food and other services provided by hotels, rentals and similar establishments.
Food and beverage	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
Recreation/ Entertainment	Includes visitor spending within the arts, entertainment and recreation sub-sector.
Shopping	Includes visitor spending in all retail sub-sectors within the local economy.
Local transport	Includes visitor spending on local transport services such as taxis, limos, trains, rental cars, buses, and the local share of air transportation spending.
Second homes	Where applicable, spending associated with the upkeep of seasonal second homes for recreational use as defined by the Census Bureau.
Total Tourism Demand	Includes all visitor spending plus other spending streams in support of the traveler industry. This includes government spending and capital investment in support of travel.

Glossary – Economic Impact Definitions

Term	Description
Direct Impact	Impacts (business sales, jobs, income, and taxes) created directly from spending by visitors to a destination within a discreet group of tourism-related sectors (e.g. rec./entmt., trans., lodging).
Indirect Impact	Impacts created from purchase of goods and services used as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected tourism-related sectors (i.e. economic effects stemming from business-to-business purchases in the supply chain).
Induced Impact	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor spending.
Total Impact	Direct + Indirect + Induced impacts. Total business sales impact commonly referred to as total economic impact.
Employment	Jobs directly and indirectly supported by visitor activity (includes part-time and seasonal work). One job is defined as one person working at least one hour per week for fifty weeks during the calendar year.
Labor income	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
Value Added (GDP)	The economic enhancement a company gives its products or services before offering them to customers.
Local Taxes	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenues streams of local governmental authorities – from transportation to sanitation to general government.
State Taxes	State tax revenues generated by visitor spending. This will include sales, income, corporate, usage fees and other assessments of state governments.

ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, London, Frankfurt, Ontario, and Sydney.

Oxford Economics is 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. 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, we employ over 400 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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