

Economic Impact of Tourism in North Dakota - 2023

April 2024

Prepared for: North Dakota Office of Tourism



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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 economy. Two points showing tourism's importance in 2023 are that visitor spending surpassed \$3.3 billion, and tourism supported jobs accounted for 6.8% of all jobs in the state, up from 6.5% in 2021.

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. This is particularly true for North Dakota as its visitor economy rebounds. 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.

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 overnight or traveled more than 50 miles to the destination.

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 more comprehensive than Bureau of Labor Statistics (ES202/QCEW) data because sole-proprietors do not require unemployment insurance and are not counted in the ES202 data.

The analysis draws on the following data sources:

- Longwoods International: survey data, including spending and visitor totals for domestic 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
- National Park Service, North Dakota Tourism: National and state park visitation data
- Tax collections: Lodging, restaurant, 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

ECONOMIC IMPACTS

KEY FINDINGS

Visitor activity in North Dakota has moved out of the recovery phase and back to influences like traveler interests, advertising, personal finances, and prices governing visitor volume and spending growth. In 2023, strong traveler interest and falling gas prices was countered by overall macroeconomic weakness. Visitor volumes and spending grew moderately in North Dakota with volume increasing 5.3% to reach 25.6 million in 2023, supporting visitor spending that reached \$3.3 billion, a \$270 million increase.

VISITOR VOLUME

The number of visitors to North Dakota increased by 1.3 million travelers, reaching 25.6 million visitors in 2023.



25.6 MILLION

Total Visitors to North Dakota in 2023

VISITOR SPENDING

Visitor spending grew to \$3.3 billion in 2023, with the 8.8% growth in 2023 helping visitor spending surpass pre-pandemic levels.



\$3.3 BILLION

Visitor spending in 2023

TOTAL ECONOMIC IMPACT

The direct visitor spending impact of \$3.3 billion generated a total economic impact of \$5.7 billion in North Dakota in 2023 including indirect and induced impacts. This total economic impact sustained nearly 40,000 jobs and generated \$307 million in state and local tax revenues in 2023.



\$5.7 BILLION

Total Economic Impact of Tourism in North Dakota in 2023

SUMMARY ECONOMIC IMPACTS North Dakota Tourism (2023)



\$3.3B

Visitor
Spending



\$5.7B

Total
Economic
Impact



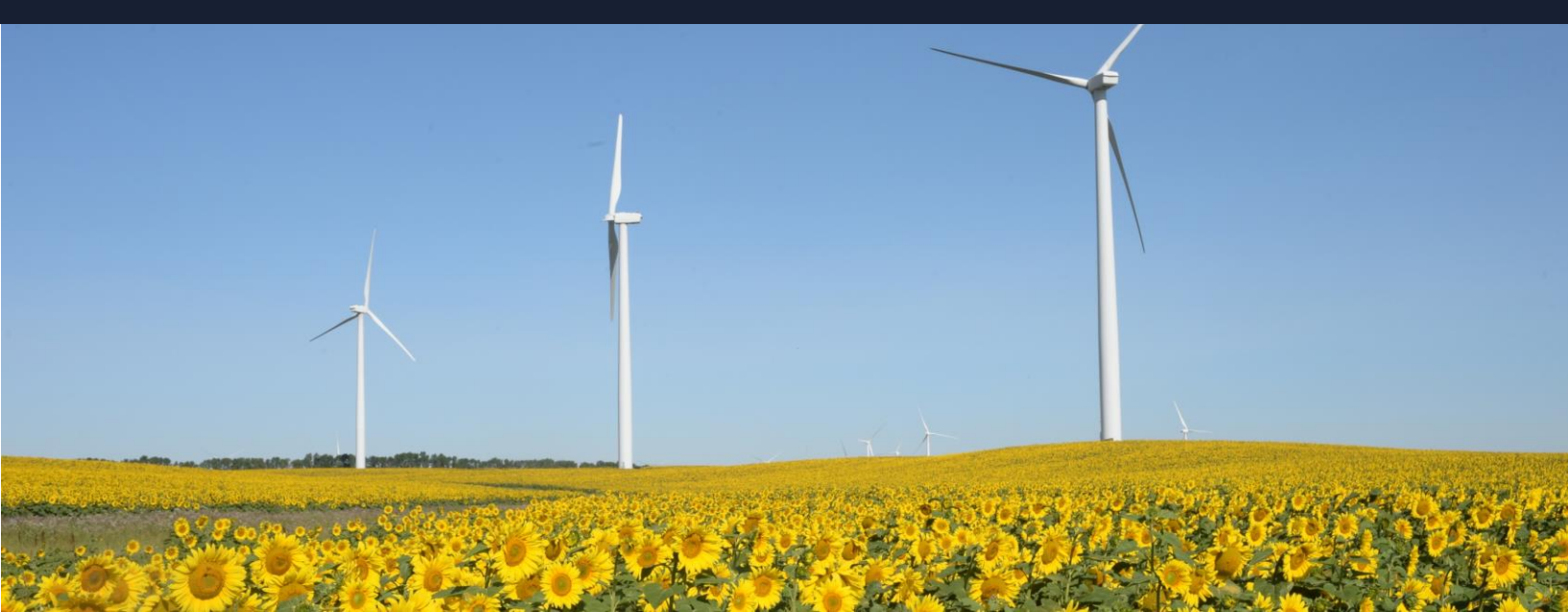
40,000

Total
Jobs
Supported



\$307M

State & Local
Taxes
Generated



VISITS & VISITOR SPENDING

Led by strong interest in travel by consumers and lower gas prices, North Dakota visitor volume and visitor spending continued to show healthy growth in 2023. Visitor volumes increased by 5.3% in 2023 with day travel growth out-performing overnight. Visitor spending increased 8.8% with more varied performance by spending category as some substitution, influenced by prices and personal finances, was noticed.

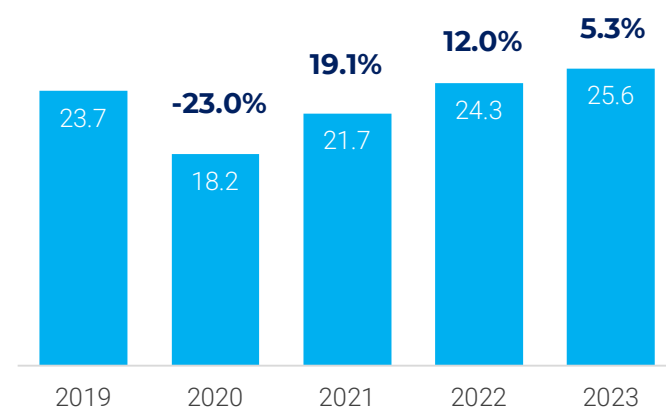
VISITOR VOLUME

Increased by 1.3 million

North Dakota welcomed 25.6 million visitors in 2023. Visitation increased by 5.3% with strong international travel, still in recovery, helping support growth. With lower gas prices and personal finances having travelers looking for activities closer to home, day travel growth led overnight travel in 2023.

North Dakota visitor volume

Amounts in millions



Sources: Longwoods International, Tourism Economics

VISITOR SPENDING

Visitor spending increased 8.8% in 2023, surpassing pre-pandemic levels.

Strength in lodging and recreational spending led North Dakota visitor spending to surpass \$3.3 billion in 2023, an increase of \$270 million.

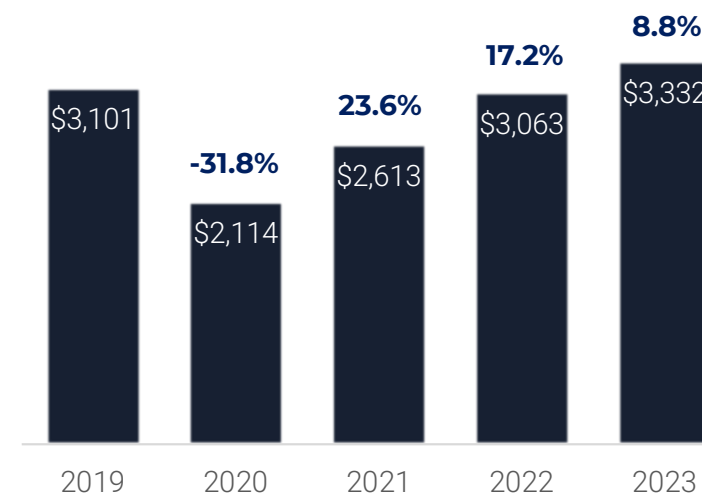
Food & beverage spending by visitors continued to be the largest spending category with retail activity an important spending category for North Dakota travelers, ranking 2nd at 20%.

Nineteen percent of visitors' total budget spent in North Dakota went to transportation costs traveling around the state.

Lodging and recreation & entertainment spending captured the remaining third of visitor spending in 2023.

North Dakota visitor spending

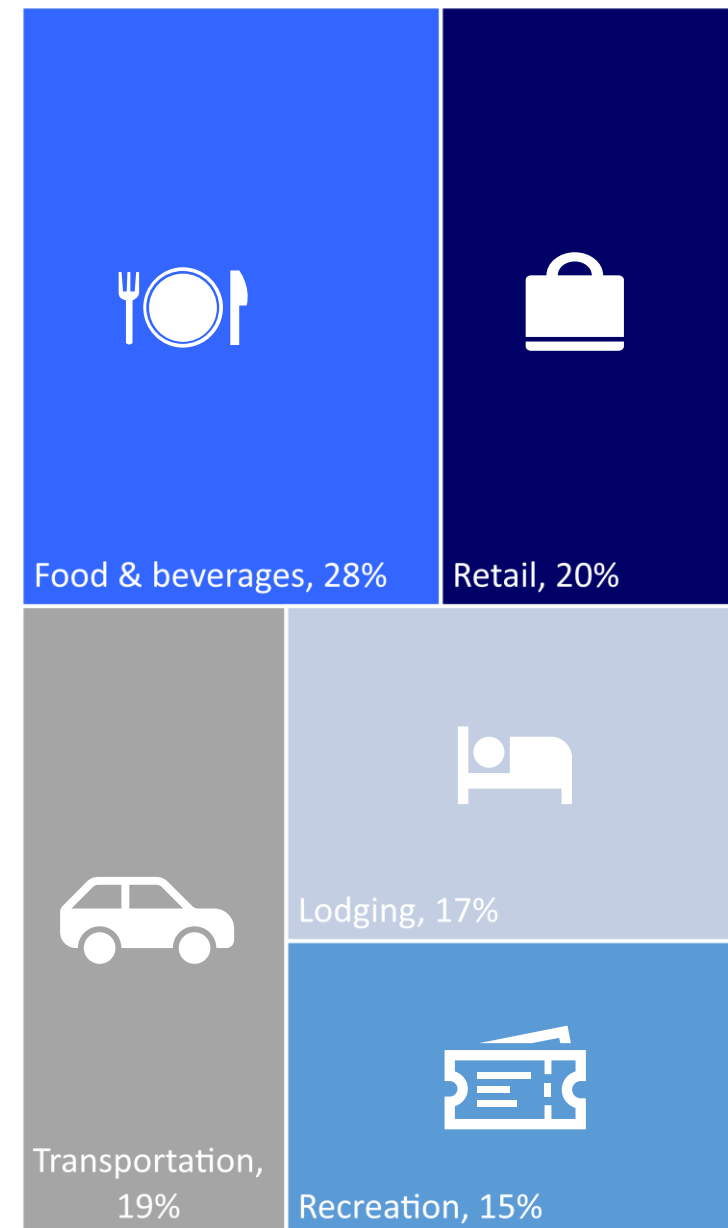
Amounts in \$ millions



Sources: Longwoods International, Tourism Economics

\$3.3 BILLION

Visitor Spending in 2023



Source: Tourism Economics

Note: Lodging spending includes short-term rental and other second homes rental spending. Transportation includes both air and local transportation.

VISITOR SPENDING TRENDS

Increasing by \$67 million, spending by visitors on food & beverages climbed past \$900 million in 2023. Lodging, the fastest growing category in 2023, surged more than \$80 million, surpassing \$500 million in 2023. Spending on experiences and activities continued to be important for travelers in 2023. Recreational spending increased 12%, jumping past \$500 million in 2023 and is now above pre-pandemic levels (2019). All three of these categories reached new highs in the year.

With gasoline costs dropping by about 10%, transportation spending growth by visitors was more muted, increasing only 4.5% to \$631 million.

North Dakota visitor spending and annual growth

Amounts in \$ millions, 2023 % change, and % recovered relative to 2019

	2019	2020	2021	2022	2023	2023 Growth	% relative to 2019
Total visitor spending	\$3,101	\$2,114	\$2,613	\$3,063	\$3,332	8.8%	107.5%
Lodging*	\$467	\$289	\$384	\$488	\$572	17.3%	122.6%
Food & beverage	\$892	\$637	\$768	\$882	\$949	7.6%	106.3%
Retail	\$640	\$467	\$565	\$638	\$675	5.7%	105.4%
Recreation	\$492	\$298	\$375	\$451	\$506	12.2%	102.8%
Transportation**	\$610	\$422	\$521	\$603	\$631	4.5%	103.4%

Source: Tourism Economics

* Lodging includes short-term rentals and other second home spending

** Transportation includes both ground and air transportation



North Dakota visitor spending and annual growth

Amounts in millions of visitors, \$ millions, and per person spend

	2019	2020	2021	2022	2023
Total visitors	23.7	18.2	21.7	24.3	25.6
Day	16.1	12.9	15.2	16.9	17.8
Overnight	7.5	5.3	6.5	7.4	7.8
Total visitor spending	\$3,101	\$2,114	\$2,613	\$3,063	\$3,332
Day	\$1,649	\$1,209	\$1,441	\$1,627	\$1,742
Overnight	\$1,452	\$905	\$1,172	\$1,436	\$1,590
Per visitor spending	\$131	\$116	\$120	\$126	\$130
Day	\$102	\$94	\$95	\$96	\$98
Overnight	\$193	\$170	\$180	\$194	\$203

Source: Tourism Economics

North Dakota international visitors and spending

Amounts in thousands of visitors, \$ millions

	2019	2020	2021	2022	2023
International visitors	542	127	71	281	435
Canada	467	113	56	262	407
Overseas*	75	15	15	19	28
Total spending	\$196	\$33	\$31	\$90	\$125
Canada	\$78	\$12	\$8	\$65	\$83
Overseas*	\$118	\$21	\$23	\$25	\$42

Sources: Tourism Economics

*Overseas visits and spending includes Mexico

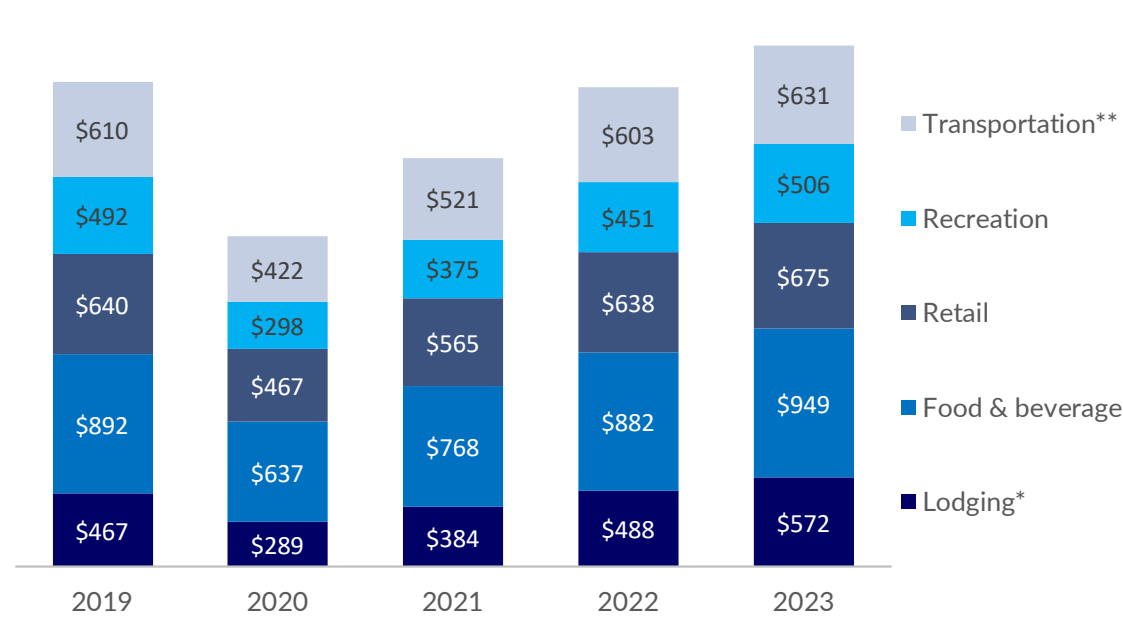
VISITOR SPENDING DISTRIBUTION - LEVELS

With the strong \$84 million jump in lodging spending in 2023, lodging spending is now \$280 million higher than pandemic-lows set in 2020. The strongest increase among the spending categories was in food & beverage spending, which increased by \$312 million since 2020 with its \$67 million gain in 2023.

Changing the focus to comparing against pre-pandemic levels, retail activity ranks third in dollar gains among the spending categories, \$35 million above 2019 levels.

Visitor spending in North Dakota, 2019-2023

By category, amounts in \$ millions



Sources: Longwoods International, Tourism Economics

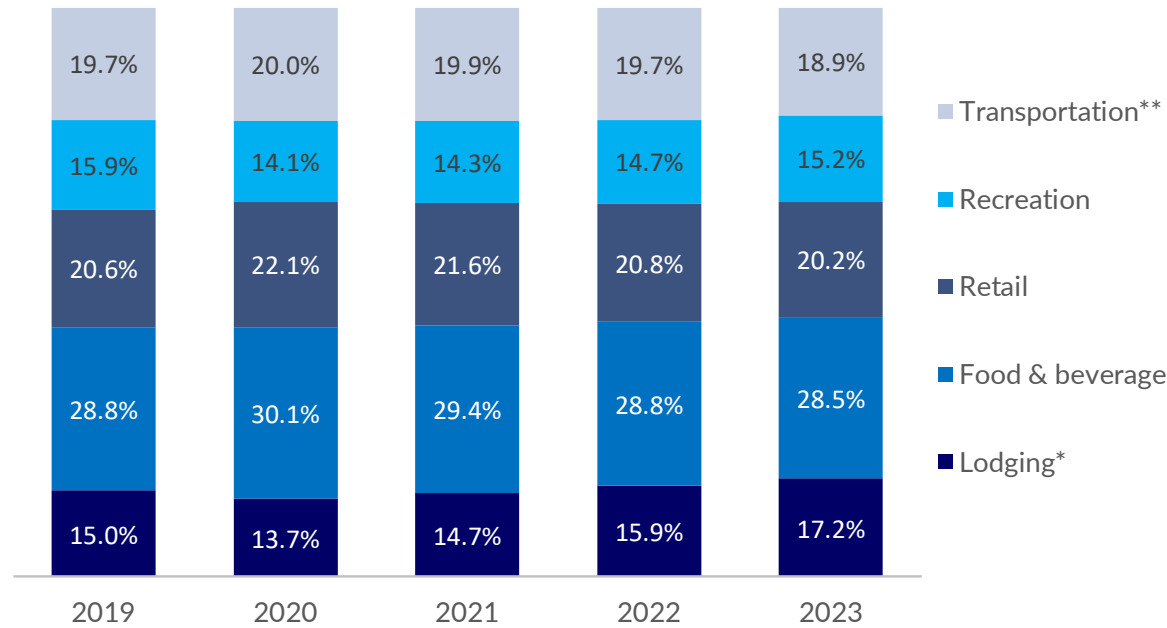
VISITOR SPENDING DISTRIBUTION - SHARES

With lodging spending increasing 17%, more than double overall visitor spending growth in North Dakota, the share of the visitor dollar spent on lodging grew 1.3 percentage points to 17.2% in 2023. Recreational spending's share also grew, surpassing 15% in 2023.

Declines in the cost of a gallon of gasoline helped the share of the visitor dollar spent on transportation decline below 19%, the lowest in several years. Retail activity's share also declined in 2023 as travelers were more interested in activities rather than retail goods. Retail does maintain a strong share of over 20% as many travelers were using travel opportunities to buy essential retail goods.

Visitor spending shares in North Dakota, 2019-2023

By category, %



Sources: Longwoods International, 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 \$3.8 billion in 2023 as domestic traveler spending dominated. Capital investment in support of tourism jumped to \$373 million in 2023 as businesses interest in new buildings increased post-pandemic.

Tourism Capital Investment

Amounts in \$ millions

	2019	2020	2021	2022	2023
Total Tourism CAPEX	\$219	\$179	\$188	\$220	\$373
Machinery & equip.	\$127	\$88	\$108	\$127	\$136
Construction	\$93	\$91	\$80	\$93	\$237

Source: Oxford Economics, Tourism Economics

VISITOR ECONOMY DISTRIBUTION

In North Dakota, domestic visitor markets continued to dominate overall tourism demand at 84.6% of tourism demand in 2023.

Capital investment in tourism-related construction and machinery & equipment represented 10% of all tourism-related demand.

International visitor markets provided 3.3% of demand in 2023. This is still significantly depressed as arrivals have been slow to return. In 2019, international spending accounted for 5.8% of all traveler demand.

The governmental support share was 1.5% of all North Dakota tourism demand in 2023.

North Dakota tourism demand

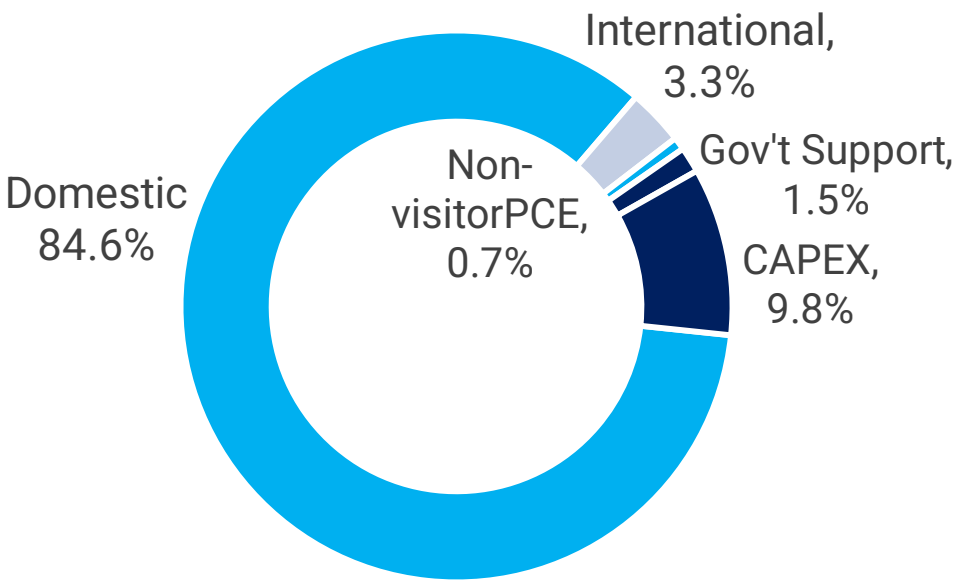
Amounts in \$ millions, 2023 % change, and % relative to 2019

	2019	2020	2021	2022	2023	2023 Growth	% relative to 2019
Tourism Demand	\$3,407	\$2,362	\$2,878	\$3,363	\$3,791	12.7%	111.3%
Domestic Visitor	\$2,905	\$2,081	\$2,582	\$2,973	\$3,208	7.9%	110.4%
International Visitor	\$196	\$33	\$31	\$90	\$125	39.0%	63.6%
Non-visitor PCE	\$33	\$24	\$27	\$27	\$28	5.3%	86.7%
Governmental Support	\$54	\$46	\$50	\$53	\$57	7.2%	105.4%
Capital Investment	\$219	\$179	\$188	\$220	\$373	69.8%	170.2%

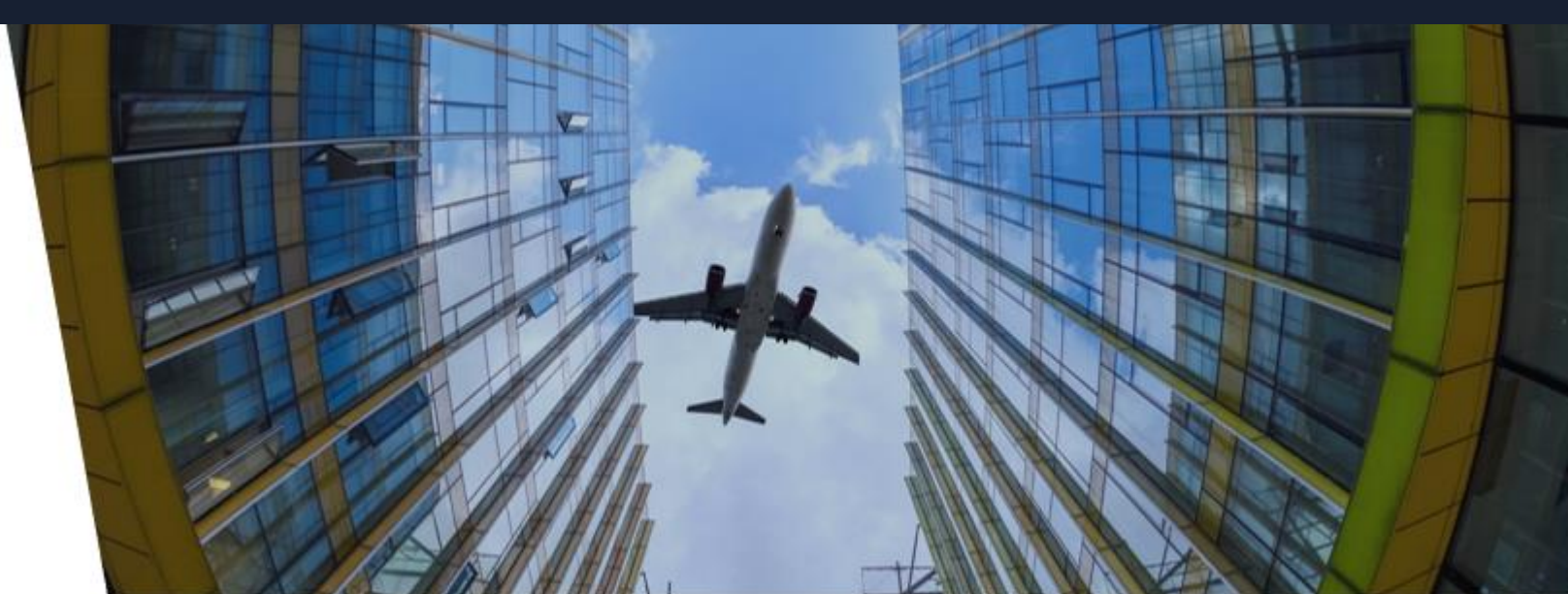
Sources: Oxford Economics, Longwoods International, Tourism Economics

North Dakota tourism demand

Percent distribution



Sources: Oxford Economics, Longwoods International, Tourism Economics



ECONOMIC IMPACT METHODOLOGY

The analysis of the North Dakota visitor economy begins with direct visitor spending 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

Visitor spending, construction, and government support for tourism



RETAIL



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING

INDIRECT IMPACTS

Purchases of inputs from suppliers



SUPPLY
CHAIN
EFFECTS



B2B GOODS &
SERVICES
PURCHASED

INDUCED IMPACTS

Consumer spending from employees' wages:



INCOME
EFFECT



HOUSEHOLD
CONSUMPTION

TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



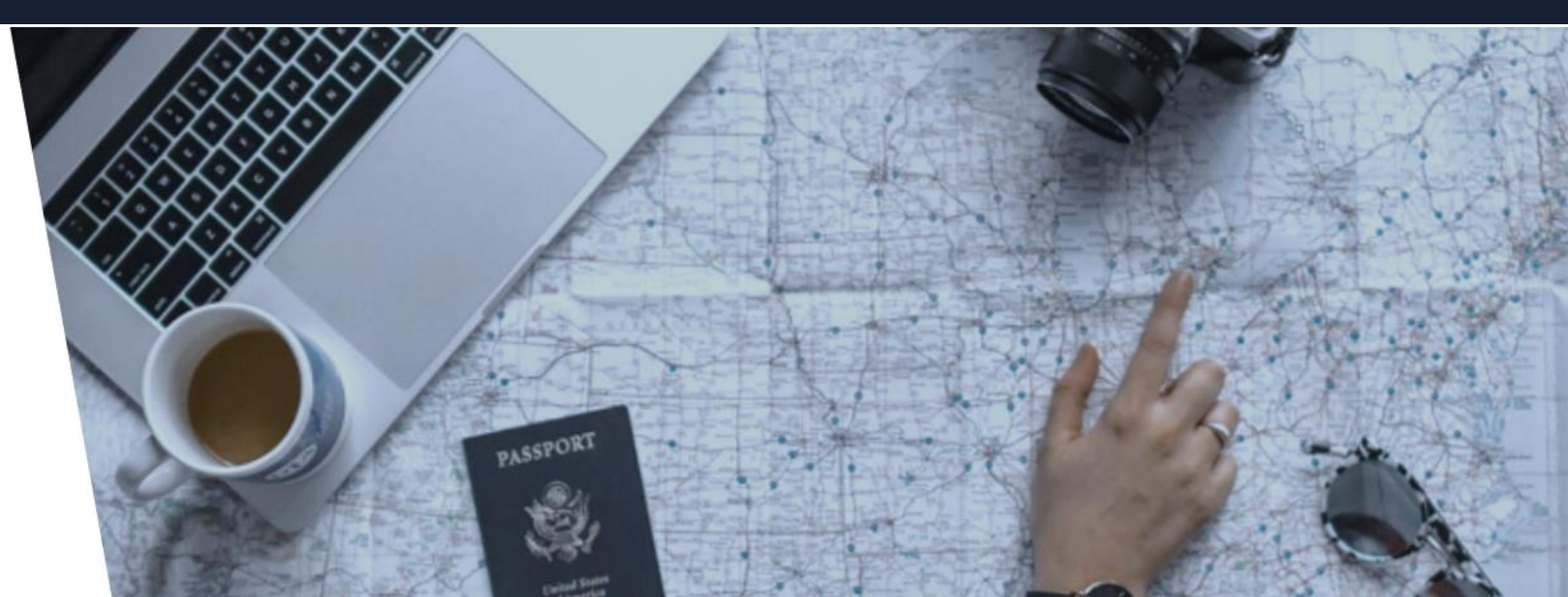
JOBS



INCOME



TAXES



ECONOMIC IMPACT FINDINGS

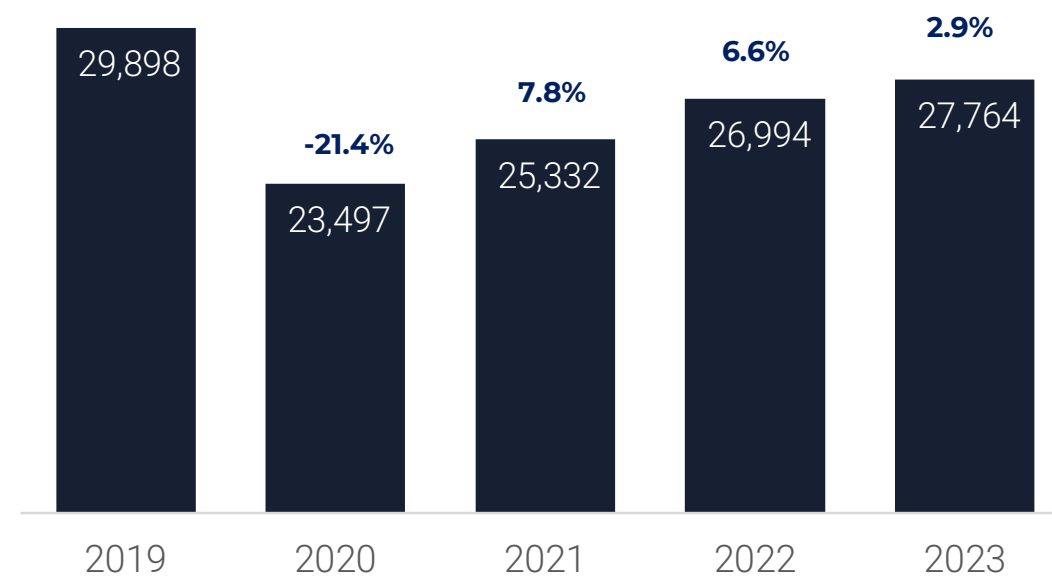
DIRECT IMPACTS

Employment supported by visitor activity rose 2.9% in 2023, surpassing 27,750 jobs. The number of jobs jumped more than 770 in 2023. With the increase, the number of jobs directly supported by visitors is within 7% of pre-pandemic jobs levels.

The evaluation of the direct impact of visitor activity allows for comparisons and rankings against other industries. Comparing employment levels, were direct visitor-associated employment to be ranked against other industries, tourism would rank 9th in the state.

Visitor supported employment in North Dakota

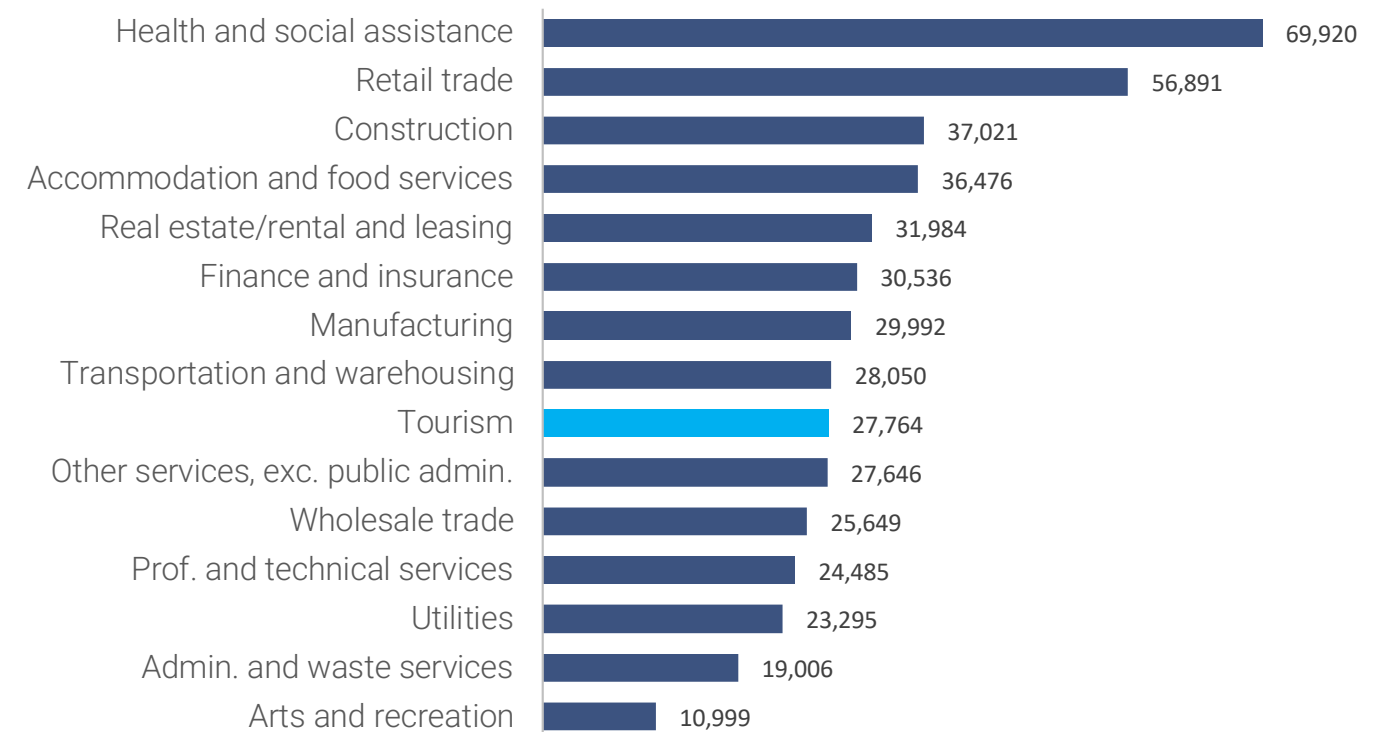
Amounts in number of jobs



Source: Tourism Economics

Employment in North Dakota, by major industry

Amounts in number of jobs



Source: Tourism Economics



ECONOMIC IMPACT FINDINGS

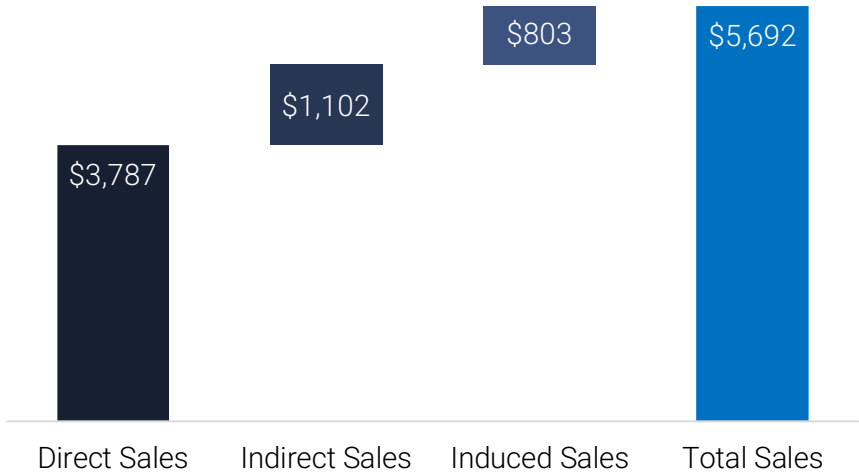
BUSINESS SALES IMPACTS

Visitor activity supported \$5.7 billion in business sales in North Dakota in 2023. This measure is commonly referred to as the overall economic impact of the tourism economy. Direct spending consisted of \$3.3 billion in visitor spending and \$460 million in investment and governmental support of tourism. An additional \$1.9 billion in indirect and induced impacts resulted in the total economic impact of \$5.7 billion in North Dakota.

Significant benefits accrue in sectors like finance, insurance, and real estate, and business services, education & health care. Companies that interact with tourism-related businesses spent \$196 million on business services like advertising, building services, and lawyers to support their visitor sales.

Summary Economic impacts (2023)

Amounts in \$ millions



Source: Tourism Economics

Business sales impacts by industry (2023)

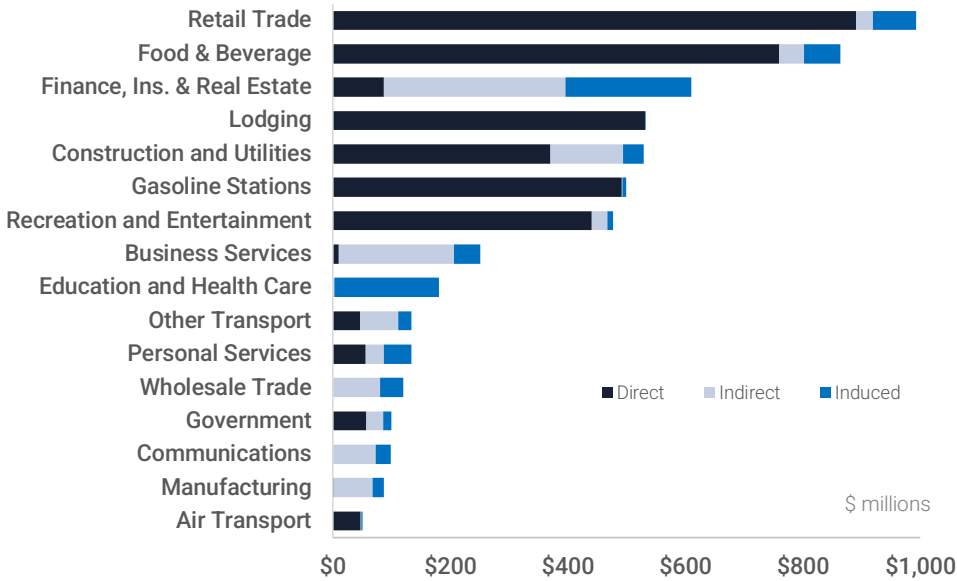
Amounts in \$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$3,787	\$1,102	\$803	\$5,692
Retail Trade	\$ 891	\$29	\$73	\$993
Food & Beverage	\$ 759	\$43	\$62	\$863
Finance, Ins. & Real Estate	\$ 87	\$309	\$214	\$610
Lodging	\$ 531	\$0	\$0	\$532
Construction and Utilities	\$ 370	\$125	\$35	\$529
Gasoline Stations	\$ 491	\$1	\$7	\$499
Recreation and Entertainment	\$ 440	\$27	\$10	\$477
Business Services	\$ 10	\$196	\$45	\$251
Education and Health Care	-	\$3	\$177	\$180
Other Transport	\$ 46	\$65	\$22	\$134
Personal Services	\$ 56	\$31	\$47	\$133
Wholesale Trade	-	\$80	\$40	\$120
Government	\$ 57	\$29	\$14	\$100
Communications	-	\$72	\$26	\$98
Manufacturing	\$ 2	\$65	\$19	\$87
Air Transport	\$ 47	\$1	\$2	\$51
Agriculture, Fishing, Mining	-	\$25	\$11	\$35

Source: Tourism Economics

Business sales impacts by industry (2023)

Amounts in \$ millions



Source: Tourism Economics

VALUE ADDED IMPACTS

The value of all visitor-supported goods & services produced in North Dakota in 2023 for North Dakota visitors was \$2.4 billion, 3.2% of the North Dakota economy.

Summary value-added impacts (2023)

Amounts in \$ millions



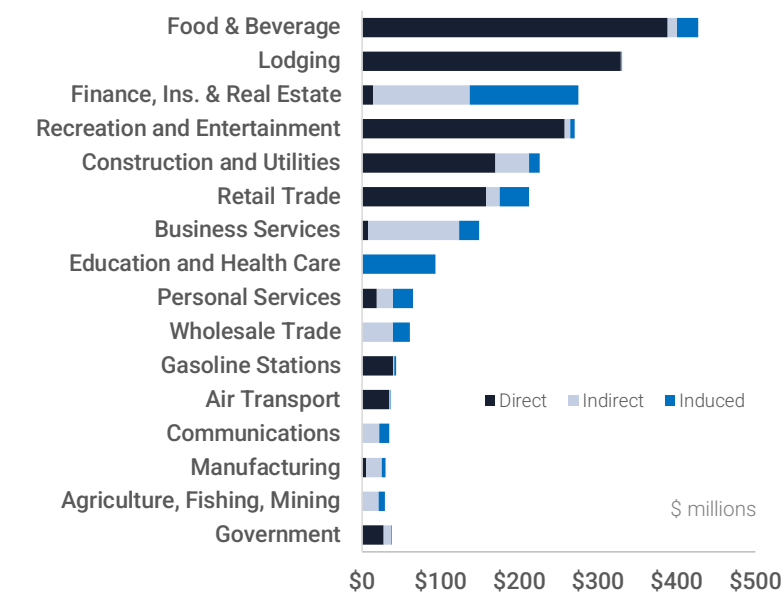
Source: Tourism Economics

The locally produced portion of visitor-supported sales in the finance & real estate industry added \$276 million to state GDP in 2023.

Spending by travel demand-supported workers supported \$93 million in GDP contribution in the education and health care industries, showing how tourism activity supports businesses across the industrial spectrum.

Value-added impacts by Industry (2023)

Amounts in \$ millions



Source: Tourism Economics



Summary value-added impacts by industry (2023)

Amounts in \$ millions

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	\$ 1,487	\$ 482	\$ 428	\$ 2,396
Food & Beverage	\$ 389	\$ 12	\$ 27	\$ 428
Lodging	\$ 329	\$ 1	\$ 0	\$ 330
Finance, Ins. & Real Estate	\$ 14	\$ 123	\$ 139	\$ 276
Recreation and Entertainment	\$ 258	\$ 7	\$ 6	\$ 271
Construction and Utilities	\$ 170	\$ 43	\$ 13	\$ 226
Retail Trade	\$ 158	\$ 17	\$ 38	\$ 213
Business Services	\$ 8	\$ 115	\$ 26	\$ 149
Education and Health Care	-	\$ 1	\$ 93	\$ 94
Other Transport	\$ 33	\$ 29	\$ 9	\$ 72
Personal Services	\$ 19	\$ 21	\$ 25	\$ 65
Wholesale Trade	-	\$ 40	\$ 21	\$ 61
Gasoline Stations	\$ 40	\$ 1	\$ 3	\$ 44
Government	\$ 27	\$ 10	\$ 1	\$ 38
Air Transport	\$ 35	\$ 0	\$ 1	\$ 36
Communications	-	\$ 22	\$ 13	\$ 35
Manufacturing	\$ 6	\$ 19	\$ 5	\$ 30
Agriculture, Fishing, Mining	-	\$ 22	\$ 8	\$ 29

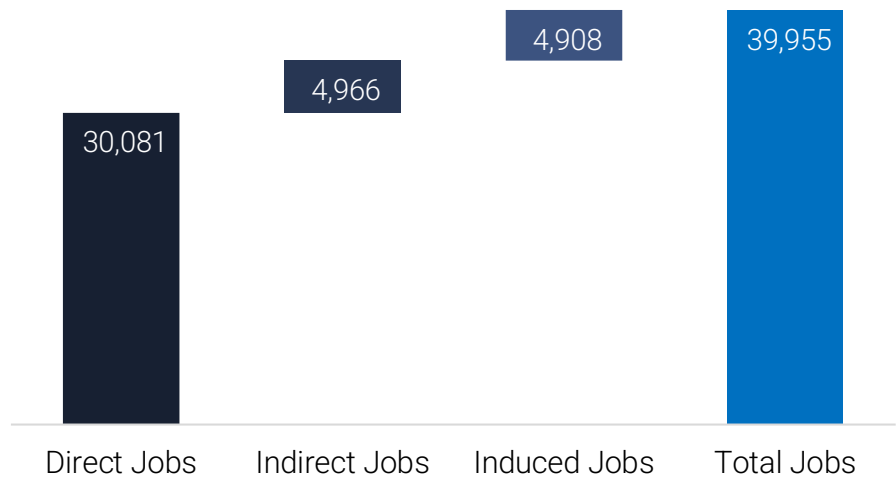
Source: Tourism Economics

EMPLOYMENT IMPACTS

Visitor activity supported a total of nearly 40,000 jobs in 2023, including 30,081 direct jobs and an additional 9,900 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact equates to 1-in-14 jobs in the state.

Summary employment impacts (2023)

Amounts in number of jobs

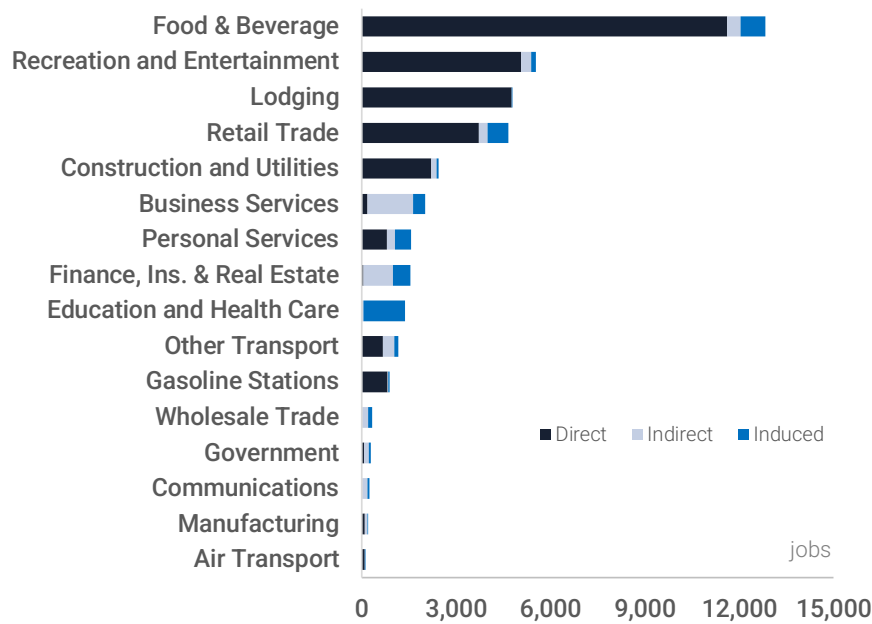


Source: Tourism Economics

With tourism a labor-intensive industry, more of the employment impact is directly from visitor activity, pushing those industries' rankings up. Ranking 1st, visitor spending supported the largest number of jobs in the food & beverage industry in 2023, more than 12,800. Spending by visitor activity supported nearly 1,400 jobs in education and health care businesses.

Visitor job Impacts by industry (2023)

Amounts in number of jobs



Source: Tourism Economics



Summary employment Impacts by industry (2023)

Amounts in number of jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	30,081	4,966	4,908	39,955
Food & Beverage	11,621	425	781	12,828
Recreation and Entertainment	5,065	322	143	5,529
Lodging	4,763	6	3	4,772
Retail Trade	3,728	263	662	4,653
Construction and Utilities	2,196	179	71	2,445
Business Services	175	1,446	396	2,017
Personal Services	785	268	506	1,560
Finance, Ins. & Real Estate	48	938	555	1,542
Education and Health Care	-	36	1,336	1,372
Other Transport	659	369	125	1,153
Gasoline Stations	808	27	45	880
Wholesale Trade	-	199	115	314
Government	71	150	66	287
Communications	-	174	59	233
Manufacturing	80	101	20	201
Air Transport	82	2	2	87
Agriculture, Fishing, Mining	-	59	23	82

Source: Tourism Economics

LABOR INCOME IMPACTS

Visitor activity generated \$887 million in direct labor income and a total of \$1.4 billion when including indirect and induced impacts. Total tourism-generated income in North Dakota in 2023 grew 16% over 2021 results, nearly \$200 million more in income to North Dakota households.

Summary labor income impacts (2023)

Amounts in \$ millions

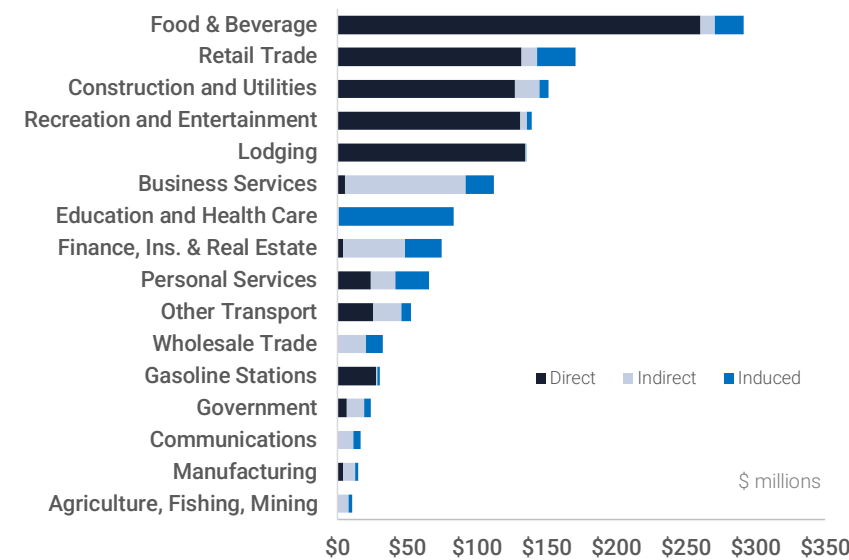


Source: Tourism Economics

The income earned by tourism-supported workers in particular industries can be significant even if not directly related to visitor activity. Jobs that directly serve visitors earn \$132 million in retail trade businesses. Business service jobs—like in building services, advertising, etc.—that serve tourism businesses provide \$87 million to those workers.

Visitor labor income Impacts by industry (2023)

Amounts in \$ millions



Source: Tourism Economics



Summary labor income impacts (2023)

Amounts in \$ millions

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
Total, all industries	\$887	\$276	\$248	\$1,411
Food & Beverage	\$ 260	\$10	\$21	\$292
Retail Trade	\$ 132	\$11	\$28	\$171
Construction and Utilities	\$ 127	\$17	\$7	\$152
Recreation and Entertainment	\$ 131	\$5	\$4	\$139
Lodging	\$ 135	\$0	\$0	\$135
Business Services	\$ 5	\$87	\$20	\$112
Education and Health Care	-	\$1	\$82	\$83
Finance, Ins. & Real Estate	\$ 4	\$44	\$26	\$75
Personal Services	\$ 24	\$18	\$24	\$66
Other Transport	\$ 25	\$20	\$7	\$53
Wholesale Trade	-	\$20	\$12	\$32
Gasoline Stations	\$ 28	\$1	\$2	\$30
Government	\$ 6	\$12	\$5	\$24
Communications	-	\$11	\$5	\$17
Manufacturing	\$ 4	\$9	\$2	\$15
Agriculture, Fishing, Mining	-	\$8	\$3	\$11
Air Transport	\$ 5	\$0	\$0	\$6

Source: Tourism Economics

ECONOMIC IMPACT FINDINGS

FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated nearly \$600 million in government revenues.

State and local taxes alone tallied \$307 million in 2023, increasing nearly \$60 million over 2021.

Each household in North Dakota would need to be taxed an additional \$960 to replace the visitor-generated taxes generated by visitor activity in North Dakota and received by state and local governments in 2023.

Fiscal (tax) impacts

Amounts in \$ millions

	2018	2020	2021	2023	2023 2-YR Growth
Total Tax Revenues	\$600.0	\$449.1	\$491.9	\$594.0	20.8%
Federal Taxes	\$299.5	\$227.6	\$244.0	\$287.0	17.6%
Personal Income	\$86.5	\$73.1	\$79.5	\$97.0	21.9%
Corporate	\$38.3	\$20.1	\$21.3	\$27.0	27.0%
Indirect Business	\$17.0	\$10.2	\$10.6	\$12.4	17.2%
Social Insurance	\$157.6	\$124.1	\$132.6	\$150.7	13.6%
State and Local Taxes	\$300.5	\$221.5	\$247.9	\$307.0	23.8%
Sales	\$146.8	\$108.3	\$124.7	\$152.2	22.0%
Bed Tax	\$10.1	\$6.2	\$8.3	\$11.5	39.5%
Personal Income	\$8.9	\$7.6	\$8.2	\$10.1	22.6%
Corporate	\$5.3	\$2.9	\$3.1	\$4.7	51.7%
Social Insurance	\$10.1	\$8.5	\$9.3	\$12.0	28.6%
Excise and Fees	\$85.3	\$61.2	\$65.7	\$83.8	27.6%
Property	\$33.9	\$26.7	\$28.6	\$32.8	14.5%

Source: Tourism Economics

Tourism-supported revenues to state government rose to \$230 million in 2023. The majority of the tourism-supported state revenues are from sales tax collections with excise and fees adding another \$70 million to state coffers.

Local tax revenues from visitor activity rose to \$78 million in 2023 with property taxes, sales taxes, and bed taxes supporting local governmental budgets.

Fiscal (tax) impacts

Amounts in \$ millions

	2020	2021	2023
State Taxes	\$161.1	\$181.1	\$229.0
Sales	\$91.2	\$106.0	\$132.7
Bed Tax	-	-	-
Personal Income	\$7.6	\$8.2	\$10.1
Corporate	\$2.9	\$3.1	\$4.7
Social Insurance	\$8.5	\$9.3	\$12.0
Excise and Fees	\$50.9	\$54.6	\$69.6
Property	-	-	-
Local Taxes	\$60.4	\$66.8	\$77.9
Sales	\$17.1	\$18.8	\$19.5
Bed Tax	\$6.2	\$8.3	\$11.5
Personal Income	-	-	-
Corporate	-	-	-
Social Insurance	-	-	-
Excise and Fees	\$10.3	\$11.1	\$14.1
Property	\$26.7	\$28.6	\$32.8

Source: Tourism Economics

ECONOMIC IMPACTS IN CONTEXT



\$3.3B VISITOR SPENDING

North Dakota's \$3.3 billion in visitor spending means that visitors spend on average \$9 million per day in the state.



\$250M VISITOR SPENDING INCREASE

Visitor spending growth in North Dakota of \$250 million is more than double the size of the city of Fargo's 2023 General Fund (\$112 million).



40,000 TOTAL JOBS

The total job impact of visitor activity in North Dakota is as big as the population of West Fargo, North Dakota's 4th largest city.



\$307M TAX REVENUES

The \$307 million in tax revenues supported by visitor activity is a savings of \$960 per household in North Dakota – or enough for 19 visits for a family of four to the Chahinkapa Zoo.

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	Includes visitor spending within the arts, entertainment and recreation sub-sector.
Retail	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.

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. recreation, transportation, 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.
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, state, and city 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 600 full-time staff, including 350+ professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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