

2024

Economic Impact of Visitors to Louisiana

Conducted by:



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Introduction

The travel sector is an integral part of Louisiana's economy. Visitors generate significant economic benefit to households, businesses, and government, and represent a critical driver of the state's future. In 2024, the visitor economy generated \$24.8 billion in total business sales and supported 7.5% of all jobs in Louisiana.

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 especially true as Louisiana's visitor economy has fully recovered from the pandemic and is now in expansion. By establishing a timeline of economic impacts, the industry can track its progress.

To quantify the significance of the visitor economy in Louisiana, 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.

An IMPLAN input-output model was constructed for Louisiana. 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 by sector.

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:

- DKSA: survey data, including spending and visitor profile characteristics for visitors to Louisiana
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR & AirDNA: hotel and short-term rental performance data including room demand, room rates, occupancy, and room revenue
- Visa Destination Insights: credit card transaction data
- Tax collections: lodging tax receipts, sales tax receipts by industry, and gaming revenues
- US Census Bureau: economic census data by industry and seasonal second homes inventory
- Tourism Economics: international travel data for overseas, Canadian, and Mexican arrivals and spending based on aviation, survey, and credit card information

ECONOMIC IMPACT METHODOLOGY



Economic Impact Methodology

Our analysis of the Louisiana 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 Louisiana economy, constructed using an IMPLAN input-output (I-O) model.

IMPLAN remains a nationally recognized and widely used modeling tool, the leading provider of economic impact data and analytics software. The model traces the full extent of industry impacts as dollars flow through the local economy.

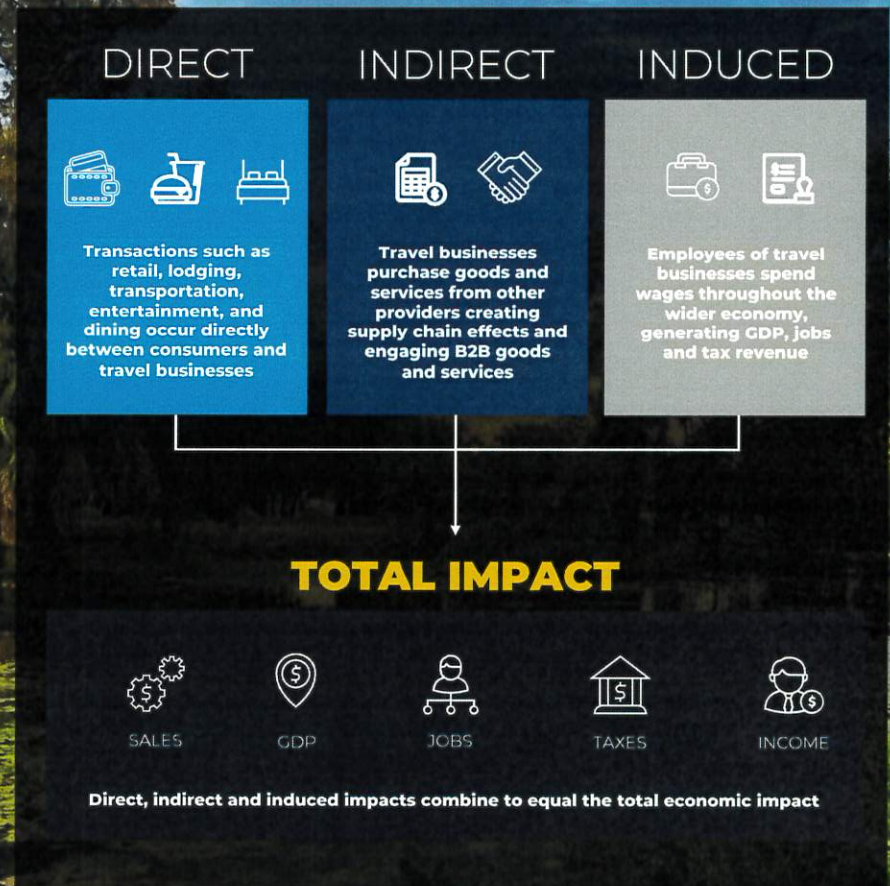
I-O models represent a profile of an economy by measuring the relationships among industries and consumers, quantifying three levels of impact:

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

Economic Impact Framework

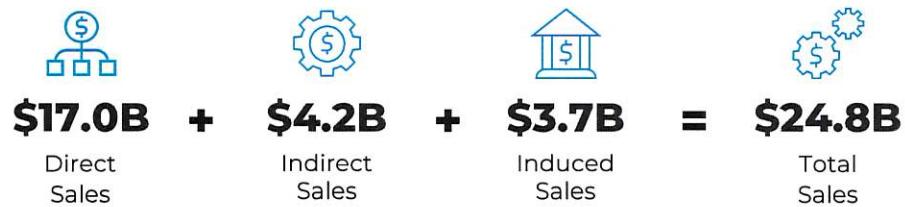


ECONOMIC IMPACT



Business Sales Impacts

Visitors contributed a direct impact of \$17.0 billion in 2024. This direct impact generated \$7.9 billion in indirect and induced impacts, resulting in a total economic impact of \$24.8 billion in Louisiana's economy. The total economic impact shows the benefits to the broader economy across industries at the indirect and induced levels.



Business Sales Impacts by Industry (2024)

\$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$16,971	\$4,204	\$3,666	\$24,841
Food & Beverage	\$4,822	\$87	\$286	\$5,194
Recreation and Entertainment	\$3,465	\$179	\$94	\$3,738
Lodging	\$2,956	\$10	\$4	\$2,970
Retail Trade	\$2,478	\$66	\$293	\$2,838
Finance, Insurance and Real Estate	\$395	\$796	\$868	\$2,059
Gasoline Stations	\$1,842	\$6	\$18	\$1,866
Business Services	\$303	\$1,185	\$346	\$1,835
Other Transport	\$493	\$220	\$86	\$799
Education and Health Care		\$10	\$753	\$763
Construction and Utilities		\$466	\$191	\$657
Agriculture, Fishing, Mining		\$353	\$108	\$462
Manufacturing		\$270	\$133	\$403
Communications		\$215	\$144	\$360
Personal Services	\$99	\$102	\$153	\$355
Wholesale Trade		\$109	\$113	\$222
Government		\$109	\$62	\$171
Air Transport	\$118	\$18	\$14	\$150

Source: Tourism Economics

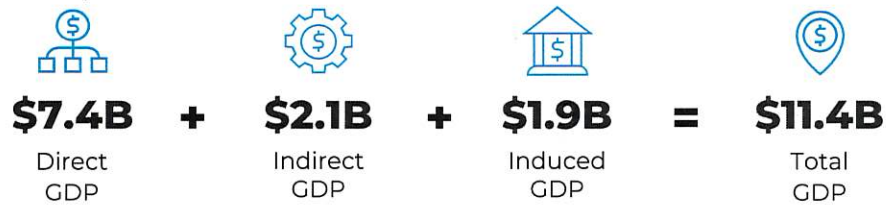


The total economic impact of **\$24.8 billion** accrued to industries across the economy.



Value-Added Impacts

The value of all visitor-associated goods and services produced in Louisiana was \$11.4 billion in 2024, equivalent to 3.5% of Louisiana's GDP.



Value-Added Impacts by Industry (2024)

\$ millions

	Direct Value-Added	Indirect Value-Added	Induced Value-Added	Total Value-Added
Total, all industries	\$7,383	\$2,127	\$1,923	\$11,434
Food & Beverage	\$2,155	\$43	\$161	\$2,359
Recreation and Entertainment	\$1,988	\$77	\$42	\$2,107
Lodging	\$1,808	\$6	\$2	\$1,816
Finance, Insurance and Real Estate	\$111	\$564	\$584	\$1,259
Business Services	\$163	\$747	\$202	\$1,112
Retail Trade	\$650	\$38	\$172	\$860
Other Transport	\$275	\$102	\$41	\$417
Education and Health Care		\$4	\$338	\$342
Construction and Utilities		\$164	\$71	\$236
Personal Services	\$50	\$66	\$89	\$205
Wholesale Trade		\$84	\$83	\$167
Gasoline Stations	\$155	\$3	\$9	\$167
Communications		\$69	\$53	\$122
Manufacturing		\$81	\$40	\$121
Government		\$52	\$22	\$75
Air Transport	\$28	\$5	\$5	\$38
Agriculture, Fishing, Mining		\$22	\$9	\$31

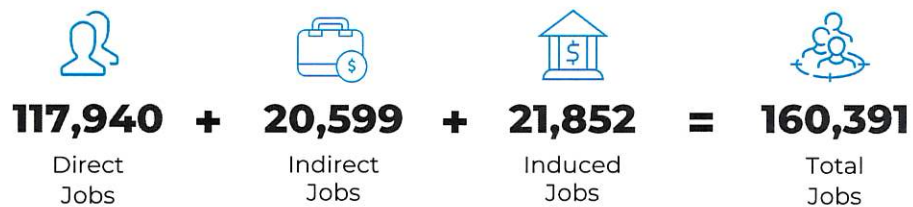
Source: Tourism Economics

The total value-added impact of the Louisiana visitor economy is equivalent to **3.5% of state GDP.**



Employment Impacts

Visitor activity sustained 117,940 direct jobs in 2024, with an additional 42,451 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact increased to 160,391 in 2024, 1-in-13 jobs in the state (7.5%). Visitor activity supported the largest number of jobs in the food and beverage industry (53,738).



Employment Impacts by Industry (2024)

Jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	117,940	20,599	21,852	160,391
Food & Beverage	48,419	1,308	4,011	53,738
Recreation and Entertainment	28,011	1,989	852	30,853
Lodging	18,829	55	25	18,909
Retail Trade	11,529	659	2,974	15,162
Business Services	1,263	7,071	2,152	10,485
Other Transport	4,307	1,360	577	6,244
Finance, Insurance and Real Estate	626	3,680	1,935	6,241
Education and Health Care		158	5,227	5,385
Personal Services	2,114	1,022	2,193	5,329
Gasoline Stations	2,704	52	175	2,931
Construction and Utilities		971	393	1,364
Wholesale Trade		522	529	1,051
Government		541	247	787
Communications		476	239	715
Manufacturing		448	176	624
Agriculture, Fishing, Mining		252	113	365
Air Transport	138	35	34	208

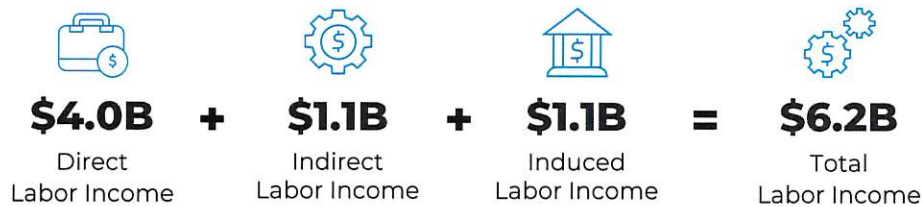
Source: Tourism Economics

Visitor spending supported **1-in-13 of all jobs** in Louisiana, including **53,738 jobs** in the food and beverage industry.



Labor Income Impacts

Visitor activity generated \$4.0 billion in direct labor income and a total of \$6.2 billion including indirect and induced impacts. There are nine industries in which visitor activity supported more than \$200 million in total labor income.



Labor Income Impacts by Industry (2024)

\$ millions

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
Total, all industries	\$4,013	\$1,057	\$1,110	\$6,180
Food & Beverage	\$1,448	\$39	\$112	\$1,599
Recreation and Entertainment	\$911	\$37	\$23	\$970
Lodging	\$694	\$2	\$1	\$697
Business Services	\$83	\$391	\$118	\$592
Retail Trade	\$378	\$25	\$112	\$516
Education and Health Care		\$5	\$389	\$395
Other Transport	\$235	\$87	\$34	\$357
Finance, Insurance and Real Estate	\$62	\$140	\$83	\$285
Personal Services	\$64	\$63	\$90	\$217
Gasoline Stations	\$121	\$2	\$7	\$130
Construction and Utilities		\$88	\$36	\$124
Wholesale Trade		\$46	\$46	\$92
Government		\$45	\$18	\$63
Communications		\$35	\$18	\$53
Manufacturing		\$30	\$13	\$42
Agriculture, Fishing, Mining		\$18	\$6	\$24
Air Transport	\$16	\$4	\$4	\$24

Source: Tourism Economics



Tax Impacts

Visitor spending, visitor supported jobs, and business sales generated more than \$3.5 billion in government revenues in 2024.

State and local taxes alone exceeded \$2.0 billion.

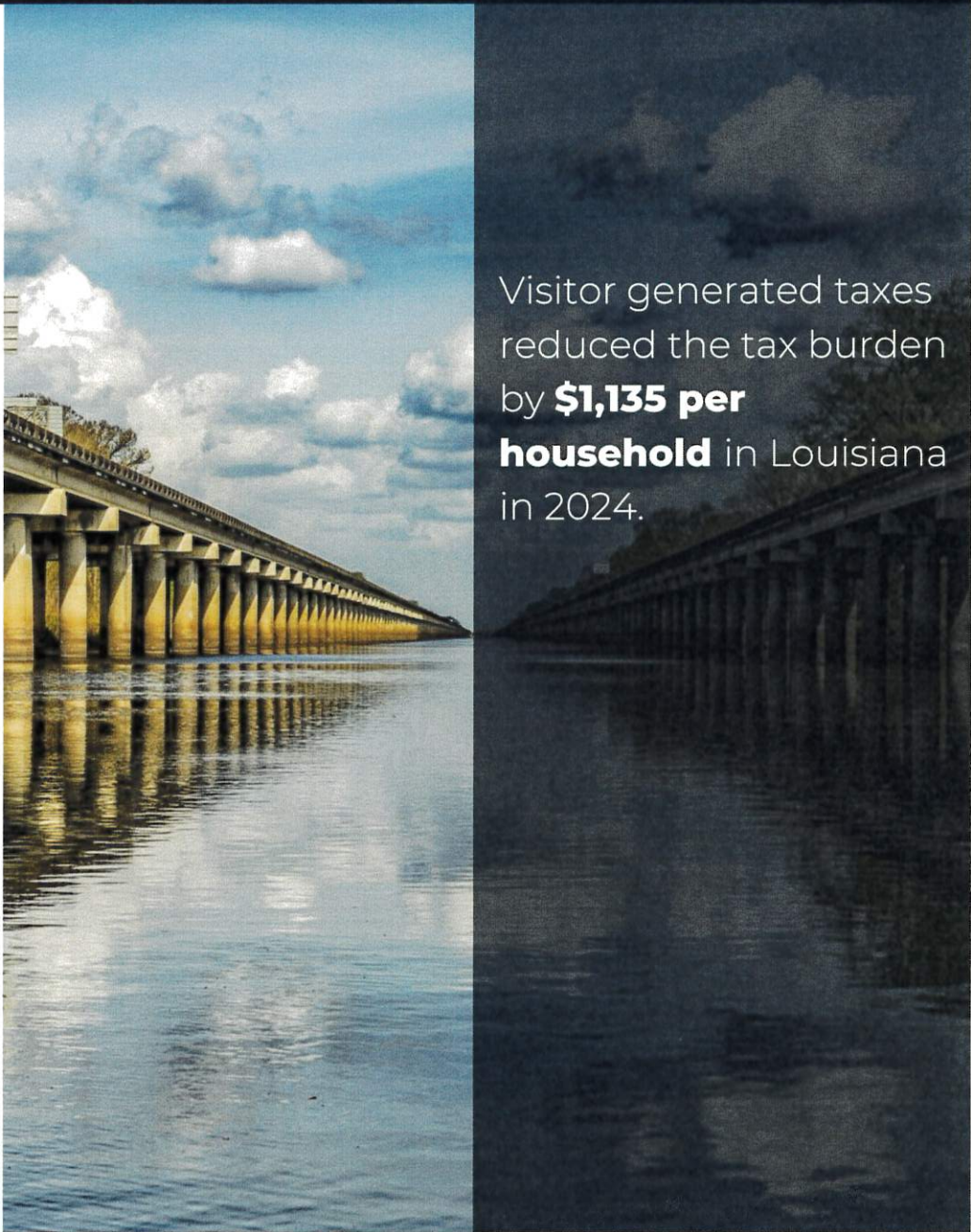
Each household in Louisiana would need to be taxed an additional \$1,135 to replace the visitor-generated taxes received by state and local government in 2024.

Tax Impacts (2024)

\$ millions

	Direct	Indirect/ Induced	Total
Total Tax Revenue	\$2,703	\$867	\$3,570
Federal	\$1,005	\$542	\$1,547
Personal income	\$358	\$193	\$551
Corporate	\$129	\$106	\$235
Indirect business	\$129	\$37	\$166
Social insurance	\$389	\$207	\$596
State and Local	\$1,698	\$325	\$2,023
Sales	\$1,092	\$180	\$1,272
Bed tax	\$168		\$168
Personal income	\$51	\$28	\$79
Corporate	\$6	\$6	\$12
Social insurance	\$8	\$4	\$12
Excise and fees	\$117	\$37	\$154
Property	\$255	\$69	\$325

Source: Tourism Economics



Visitor generated taxes reduced the tax burden by **\$1,135 per household** in Louisiana in 2024.

ECONOMIC IMPACT IN CONTEXT



Economic Impact In Context



\$17.0B VISITOR SPENDING

The \$17.0 billion in visitor spending means that almost **\$46.5 million** was spent **every day** by visitors in Louisiana, on average.



\$6.2B LABOR INCOME

The \$6.2B million in total income generated by tourism is the equivalent of **\$3,466 per household** in Louisiana.



160,391 JOBS

The 160,391 jobs sustained by tourism supports **7.5%** of all **jobs** in Louisiana.



\$2.0B STATE & LOCAL TAXES

The \$2.0 billion in state and local taxes generated by visitors is enough to cover the salaries of more than **40,200 public-school teachers** in Louisiana.



APPENDIX



Appendix

Glossary – Spending Definitions

Term	Description
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 and 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.
Second homes	Where applicable, spending associated with 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) 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.
Labor 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

Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling 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.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics in order 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.

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