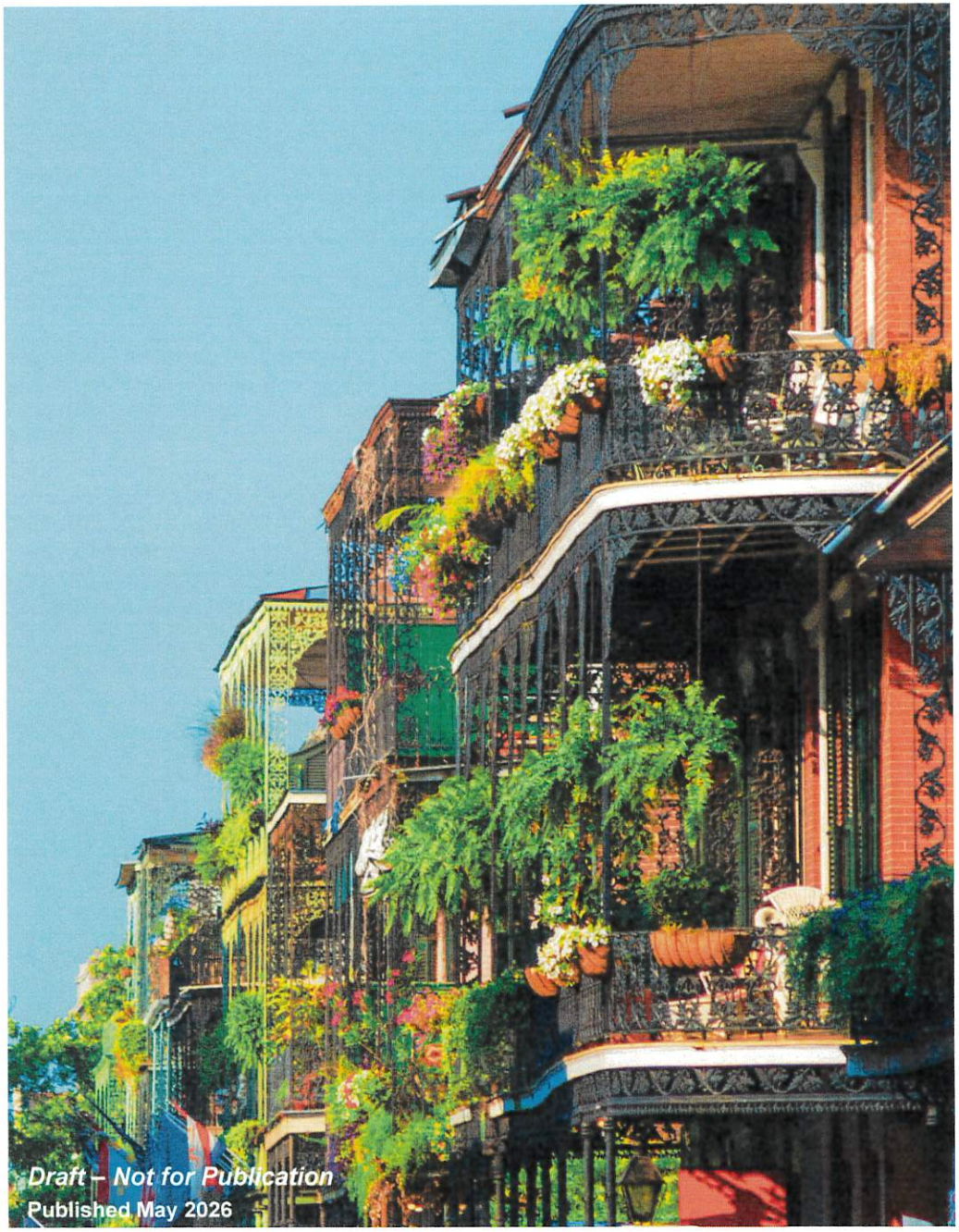
2025

Economic Impact of Visitors to Louisiana



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AN OXFORD ECONOMICS COMPANY

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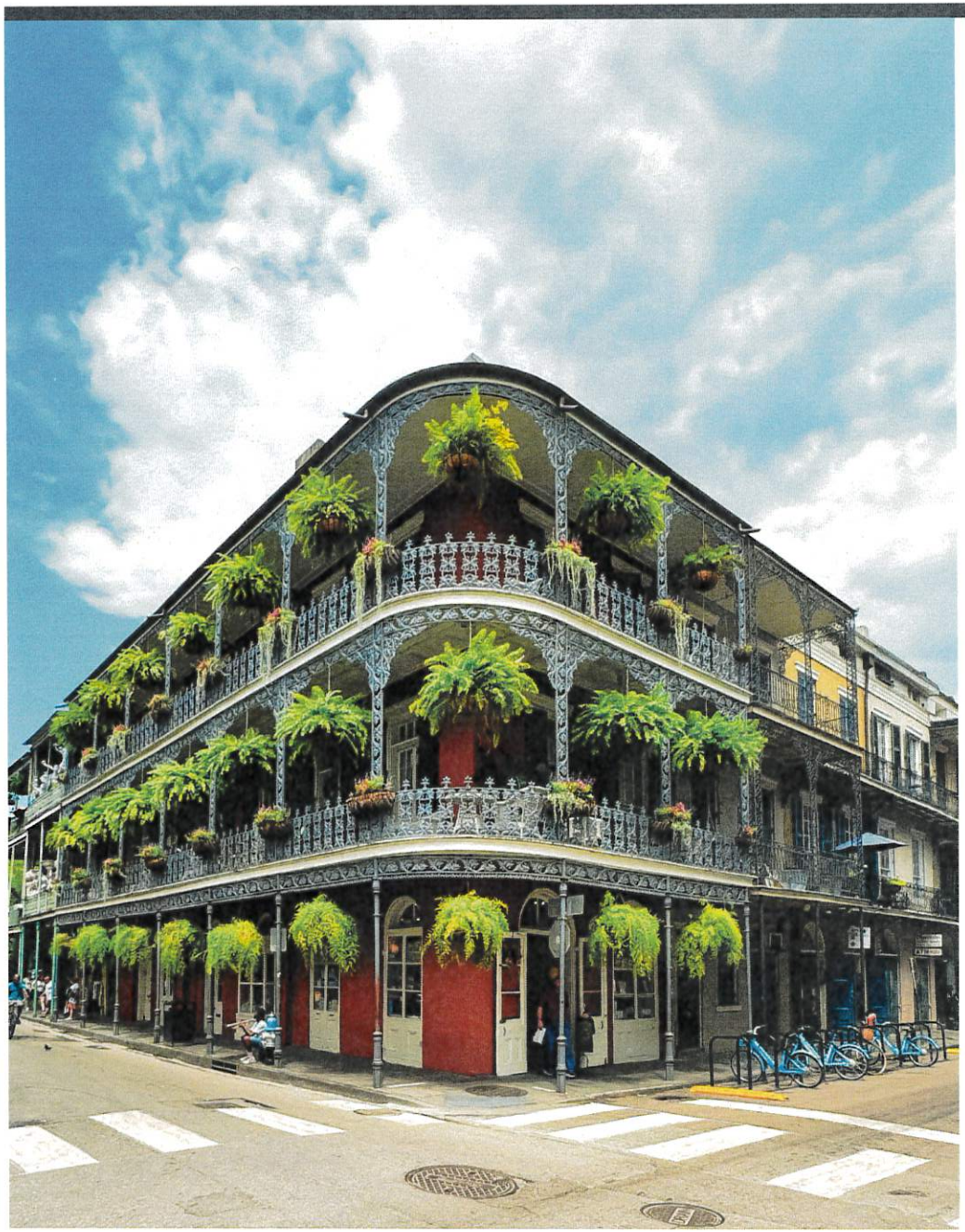

Introduction

Visitors are integral to Louisiana'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 Louisiana's visitor economy, Tourism Economics developed a comprehensive analysis of visitor spending 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

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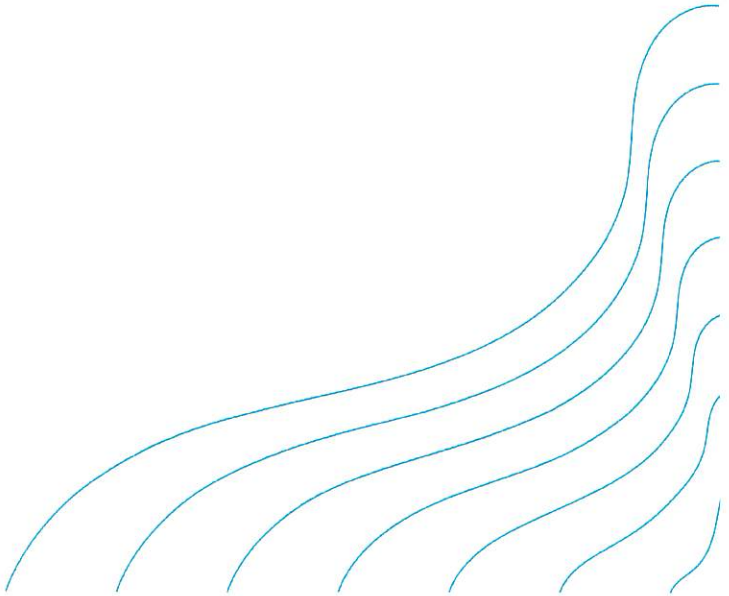
ECONOMIC IMPACT METHODOLOGY



Economic Impact Methodology

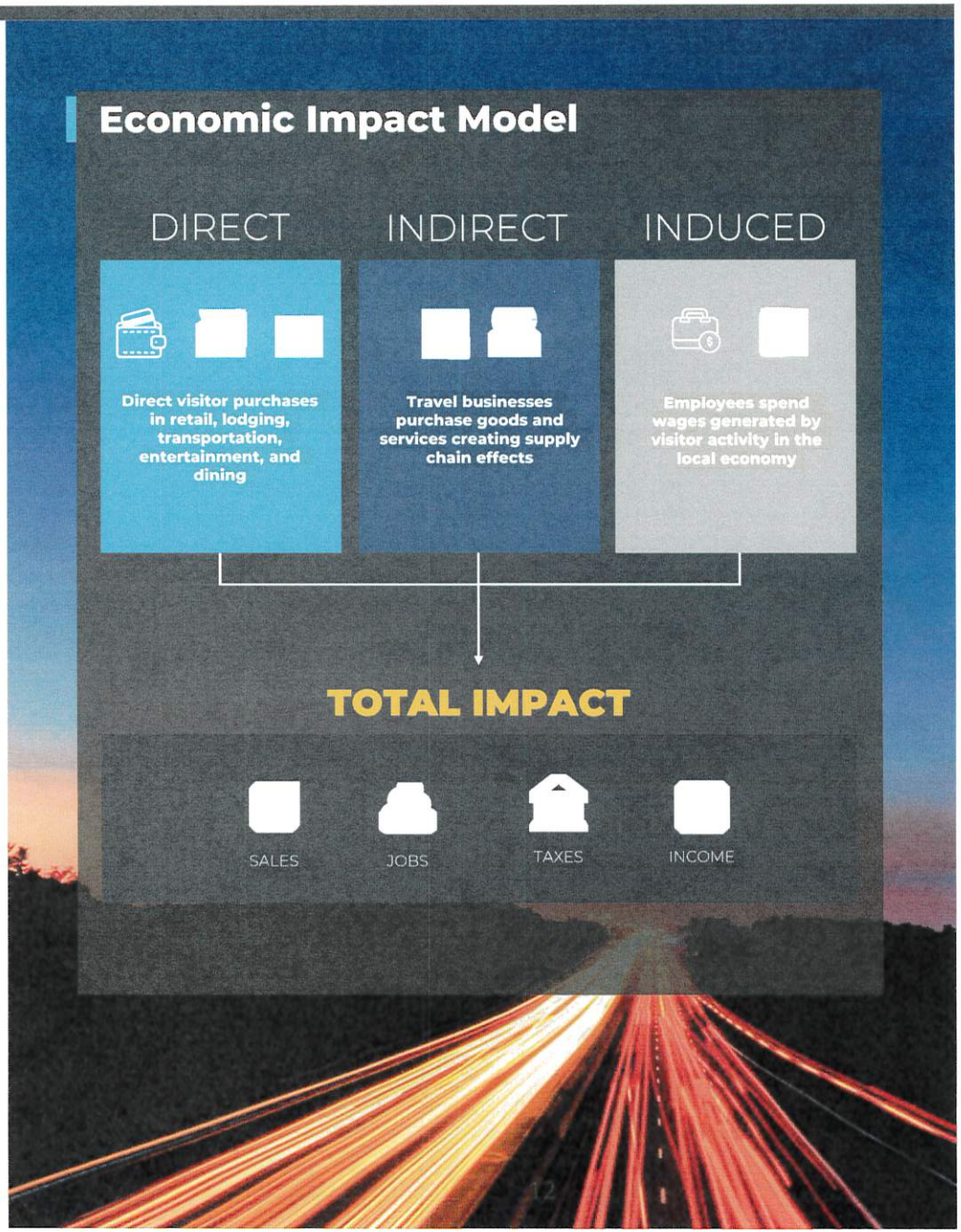
The development of visitor economy impact modeling begins with a comprehensive demand-side analysis. Visitor survey data provides estimates on the volume of visitors by type and their spending in specific industries (e.g., lodging, restaurants, retail, recreation and entertainment, transportation). These 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
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes



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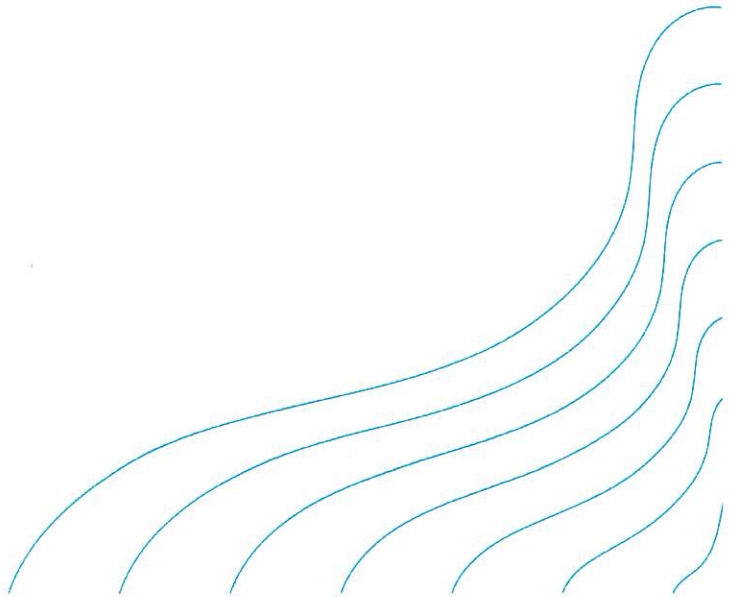
ECONOMIC IMPACT



Business Sales Impacts

Direct business sales totaled $17.2 billion in Louisiana in 2025. These direct impacts generated an additional $8.0 billion through supply chain (indirect) and income (induced) effects.

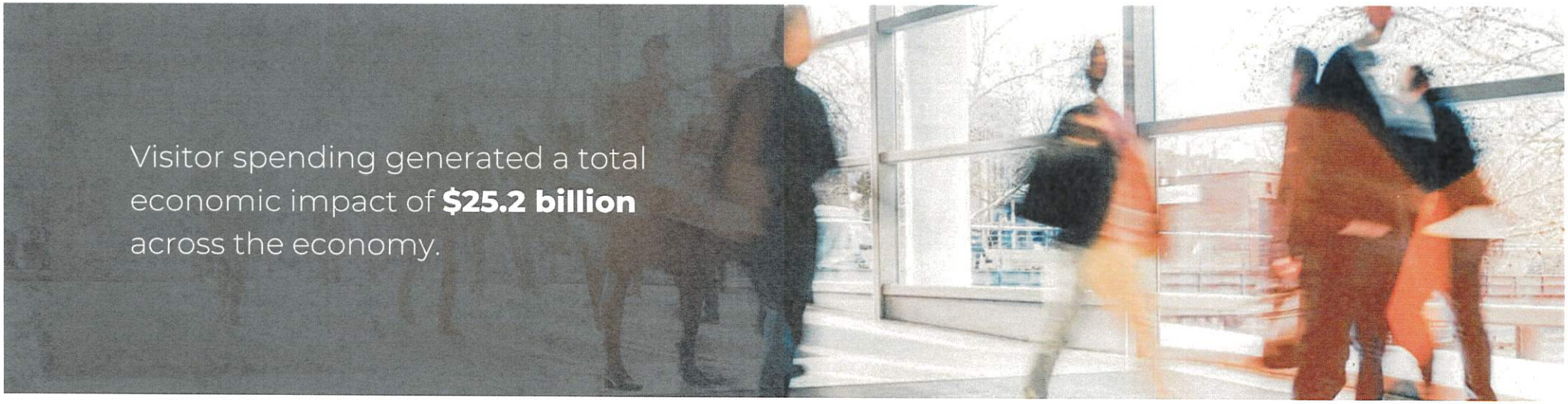
As a result, the total economic impact of visitors reached $25.2 billion.

$17.2B Visitor Spending *(Direct Sales)* + **$4.3B** Indirect Sales + **$3.7B** Induced Sales = **$25.2B** Total Economic Impact

Business Sales by Industry (2025)
$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	**$17,186**	**$4,270**	**$3,720**	**$25,176**
Food & Beverage	$4,989	$89	$290	$5,368
Recreation and Entertainment	$3,622	$184	$96	$3,901
Lodging	$2,961	$10	$4	$2,976
Retail Trade	$2,514	$66	$296	$2,877
Finance, Insurance and Real Estate	$393	$810	$881	$2,084
Business Services	$301	$1,210	$352	$1,863
Gasoline Stations	$1,729	$6	$18	$1,753
Education and Health Care		$11	$765	$776
Other Transport	$465	$224	$87	$775
Construction and Utilities		$473	$194	$667
Agriculture, Fishing, Mining		$359	$110	$469
Manufacturing		$274	$135	$410
Personal Services	$100	$104	$155	$359
Communications		$210	$145	$356
Wholesale Trade		$111	$114	$225
Government		$110	$63	$174
Air Transport	$112	$18	$14	$144

Source: Tourism Economics



GDP (Value-Added Impacts)

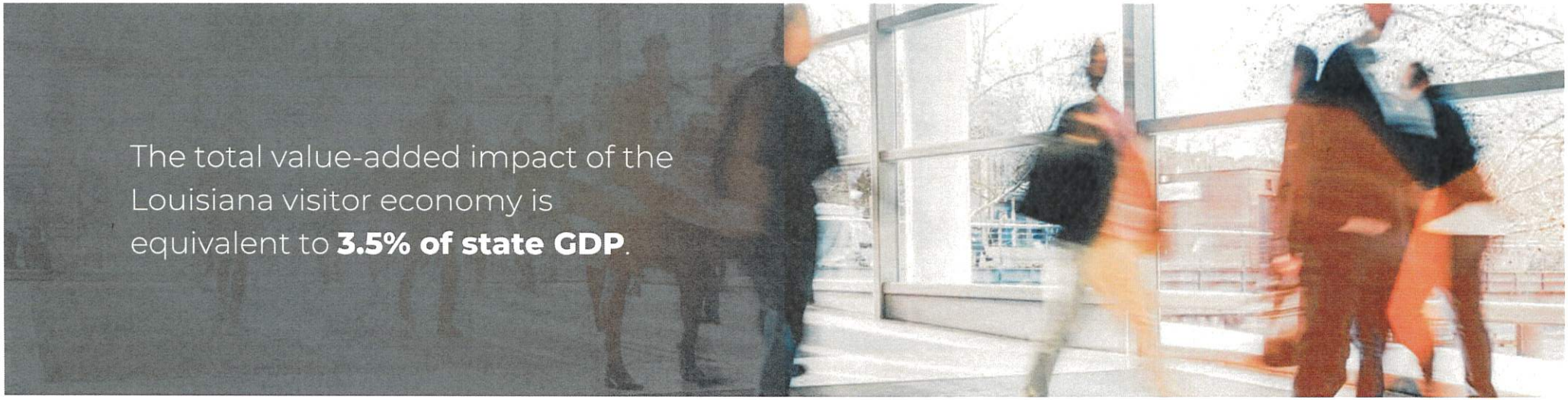
The value of all visitor-associated goods and services produced in Louisiana was $11.8 billion in 2025, equivalent to 3.5% of Louisiana's GDP.

$7.5B Direct GDP + **$2.3B** Indirect GDP + **$1.9B** Induced GDP = **$11.8B** Total GDP

GDP Impacts by Industry (2025)
$ millions

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	**$7,513**	**$2,310**	**$1,933**	**$11,756**
Food & Beverage	$2,208	$44	$163	$2,415
Recreation and Entertainment	$2,062	$79	$43	$2,184
Lodging	$1,820	$6	$2	$1,828
Finance, Insurance and Real Estate	$111	$571	$589	$1,271
Business Services	$163	$757	$204	$1,124
Retail Trade	$657	$38	$174	$869
Other Transport	$265	$103	$41	$409
Education and Health Care		$4	$342	$346
Construction and Utilities		$192	$72	$263
Personal Services	$50	$67	$90	$207
Agriculture, Fishing, Mining		$159	$9	$168
Gasoline Stations	$149	$3	$9	$161
Wholesale Trade		$72	$73	$146
Manufacturing		$91	$40	$131
Communications		$67	$53	$121
Government		$53	$23	$76
Air Transport	$27	$5	$5	$37

Source: Tourism Economics



Employment Impacts

Visitor activity sustained 119,305 direct jobs in 2025, with an additional 42,556 jobs supported from the indirect and induced impacts of visitor activity. Total employment impacts tallied 161,861 in 2025, translating to one-in-13 jobs in Louisiana.

119.3K Direct Jobs **+** **20.6K** Indirect Jobs **+** **21.9K** Induced Jobs **=** **161.9K** Total Jobs

Employment by Industry (2025)
jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	**119,305**	**20,629**	**21,927**	**161,861**
Food & Beverage	49,115	1,321	4,040	54,476
Recreation and Entertainment	28,709	2,009	855	31,574
Lodging	18,878	56	25	18,959
Retail Trade	11,620	657	2,990	15,267
Business Services	1,260	7,069	2,143	10,472
Finance, Insurance and Real Estate	625	3,682	1,931	6,238
Other Transport	4,205	1,362	578	6,145
Education and Health Care		160	5,256	5,415
Personal Services	2,123	1,028	2,204	5,355
Gasoline Stations	2,636	52	177	2,865
Construction and Utilities		971	392	1,363
Wholesale Trade		525	530	1,055
Government		543	247	791
Communications		456	237	693
Manufacturing		449	177	626
Agriculture, Fishing, Mining		252	113	365
Air Transport	135	35	34	205

Source: Tourism Economics

Personal Income Impacts

Visitor activity generated $4.1 billion in direct personal income in 2025. Including $2.2 billion in indirect and induced impacts, employees received $6.3 billion in personal income.

$4.1B Direct Personal Income + **$1.1B** Indirect Personal Income + **$1.1B** Induced Personal Income = **$6.3B** Total Personal Income

Personal Income by Industry (2025)
$ millions

	Personal Income	Personal Income	Personal Income	Personal Income
Total, all industries	**$4,083**	**$1,068**	**$1,122**	**$6,272**
Food & Beverage	$1,477	$40	$113	$1,629
Recreation and Entertainment	$943	$38	$23	$1,004
Lodging	$703	$2	$1	$707
Business Services	$84	$396	$119	$599
Retail Trade	$382	$25	$113	$521
Education and Health Care		$5	$394	$399
Other Transport	$232	$88	$34	$354
Finance, Insurance and Real Estate	$62	$141	$84	$288
Personal Services	$65	$64	$91	$220
Gasoline Stations	$118	$2	$7	$127
Construction and Utilities		$89	$37	$126
Wholesale Trade		$46	$46	$93
Government		$46	$18	$64
Communications		$34	$18	$52
Manufacturing		$30	$13	$43
Agriculture, Fishing, Mining		$18	$6	$24
Air Transport	$16	$4	$4	$24

Source: Tourism Economics

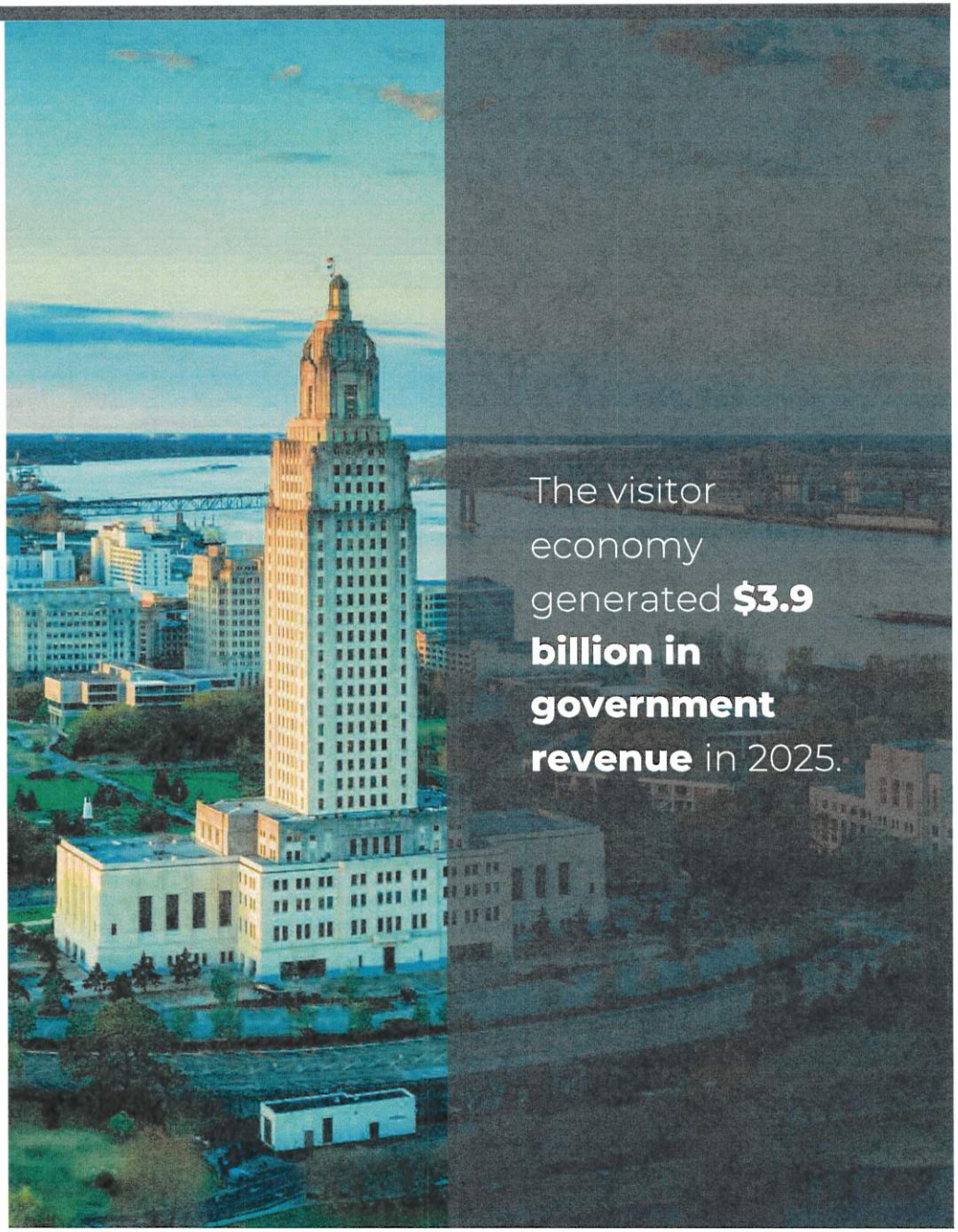
Tax Impacts

Visitor activity generated $3.9 billion in government revenues in 2025. State and local taxes alone tallied $2.3 million. Each household in Louisiana would need to be taxed an additional $1,317 to replace the total visitor-generated taxes received by state and local governments in 2025.

Tax Impacts (2025)
$ millions

	Direct	Indirect/ Induced	Total
Total Tax Revenue	**$2,752**	**$1,167**	**$3,918**
Federal	**$1,022**	**$549**	**$1,570**
Personal income	$364	$196	$559
Corporate	$131	$107	$238
Indirect business	$131	$37	$168
Social insurance	$396	$209	$605
State and Local	**$1,730**	**$618**	**$2,348**
Sales	$1,120	$169	$1,289
Bed tax	$168	$0	$168
Personal income	$49	$31	$81
Corporate	$6	$6	$13
Social insurance	$8	$4	$13
Excise and fees	$119	$337	$456
Property	$258	$71	$329

Source: Tourism Economics



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 to the destination.

The study area is defined as the state of Louisiana.

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 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. This year's analysis includes revisions to levels of lodging spending estimates, incorporating newly available data covering the short-term rental market. Tax figures are also slightly adjusted to align with actual MGR tax data provided by the client.

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 & KeyData:** Lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels performance data, including room demand and revenue for hotels and short-term rentals
- **Visa Destination Insights:** Credit card transaction data
- **U.S. Census Bureau:** Economic Census data, in addition to population, household, second homes and median real estate tax data
- **Tax Collections:** Lodging, sales tax collections by industry and gaming revenues for Louisiana
- **DKSA:** Survey data, including spending and visitor profile characteristics for visitors to Louisiana
- **Tourism Economics:** : international travel data for overseas, Canadian, and Mexican arrivals based on aviation, survey, and credit card information

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.*
	SECOND HOMES	*Where applicable, spending associated with seasonal second homes for recreational use as defined by the Census Bureau.*
ECONOMIC IMPACT DEFINITIONS	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	*State 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.

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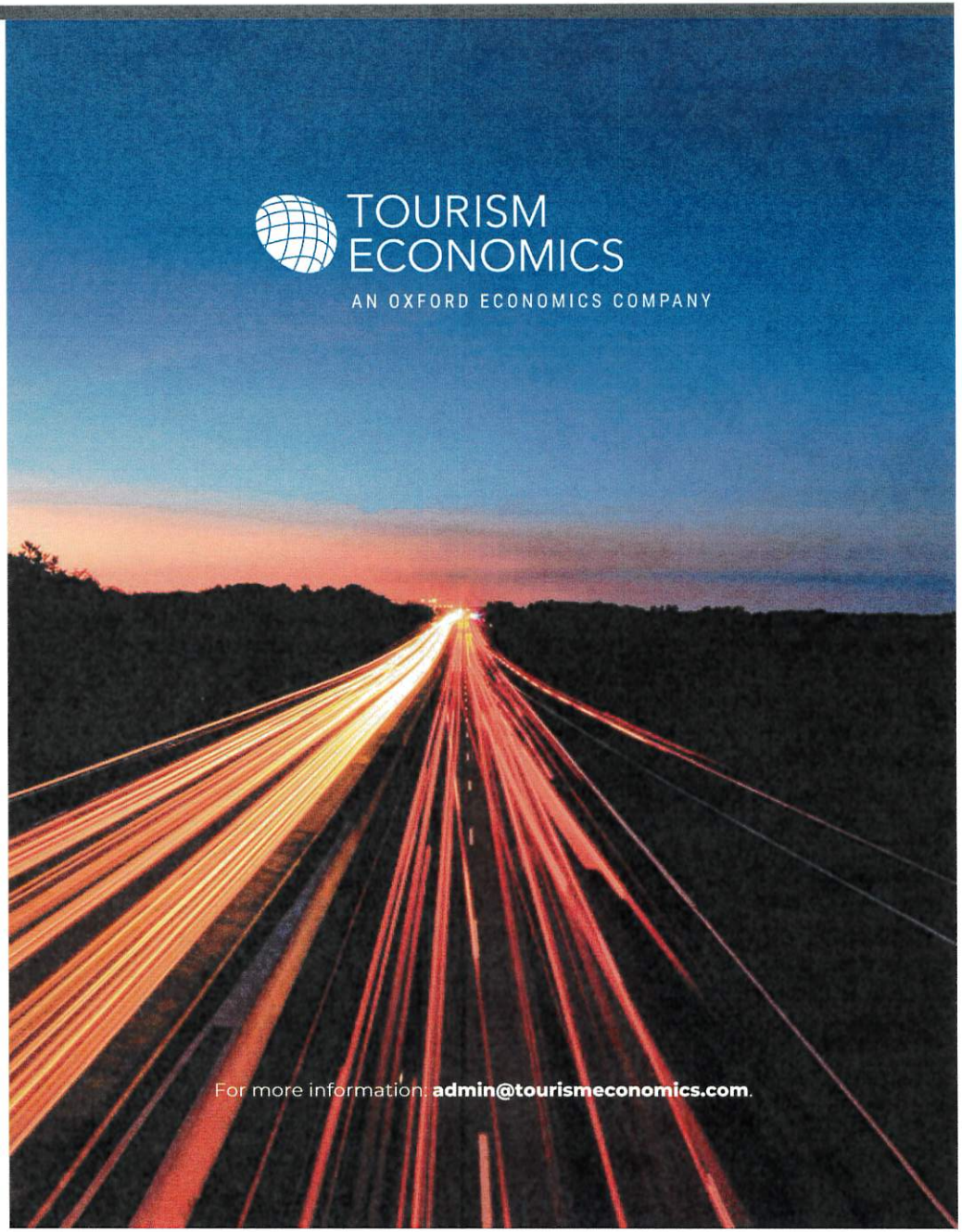
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