

2024

Economic Impact of Visitors to Raleigh, North Carolina



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Introduction

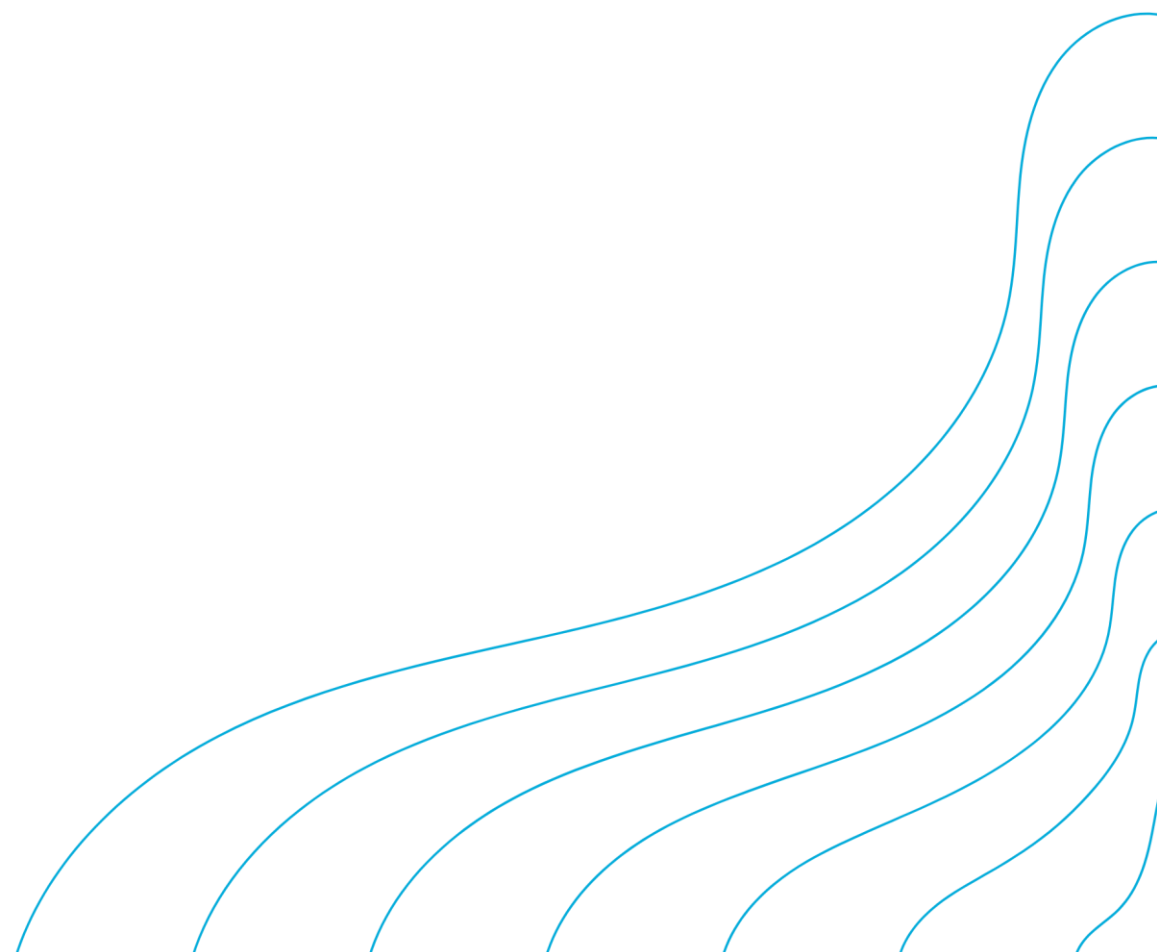
The travel sector is an integral part of Raleigh's regional economy, defined as Wake County. Visitors generate significant financial benefits for residents and local businesses. Visitor activity also produces substantial tax revenue which supports government services.

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

To quantify the significance of Raleigh'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

KEY FINDINGS



Key Findings

Visitors Generate Significant Economic Impact

In 2024, 19.0 million visitors spent \$3.4 billion in the Raleigh economy, generating a total economic impact of \$5.1 billion.



19.0M VISITORS TO RALEIGH



\$3.4B VISITOR SPENDING



\$5.1B TOTAL ECONOMIC IMPACT



\$1.5B TOTAL PERSONAL INCOME



36,519 TOTAL JOBS SUPPORTED



\$320.9M STATE AND LOCAL TAXES



Results in Context

The visitor economy is an economic pillar in Raleigh. In 2024, visitor spending supported one-in-24 jobs in Raleigh and offset resident taxes by \$720 per household. In addition:



\$3.4B VISITOR SPENDING

Visitors spent \$9.2 million per day, on average, in Raleigh.



\$1.5B PERSONAL INCOME

This is the equivalent of \$3,412 per resident household, regardless of any connection to the visitor economy.



36,519 JOBS

The visitor economy sustains 4.2% of all jobs in Wake County. These employees could fill Lenovo Center approximately 1.8 times.



\$320.9M STATE & LOCAL TAXES

State and local taxes generated by the visitor economy could pay the salaries of 5,650 public school teachers.



VISITOR VOLUME & SPENDING



Raleigh welcomed **19.0 million** visitors who spent **\$3.4 billion** in 2024.



Visitor Spending

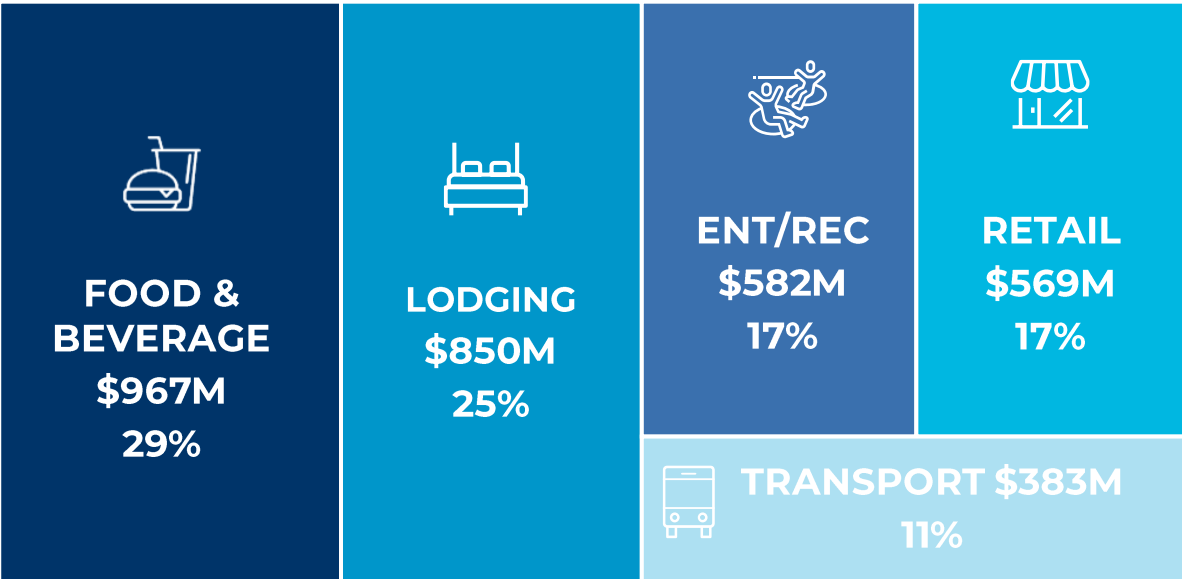
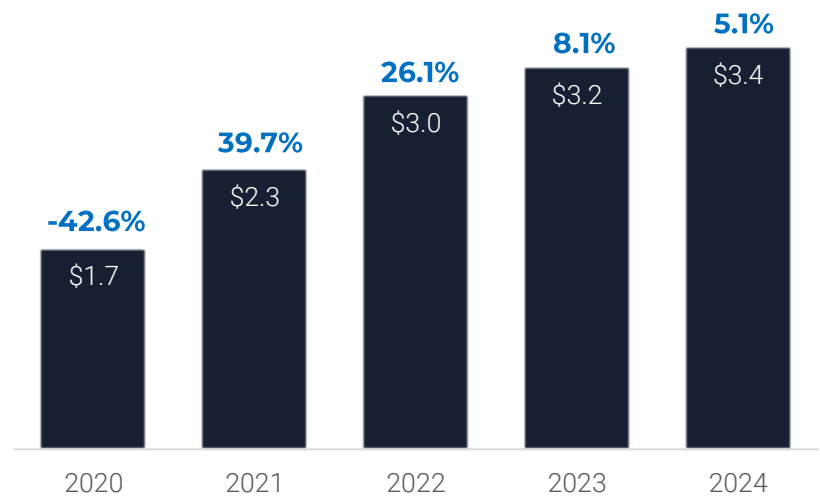
Visitors to Raleigh spent \$3.4 billion across various sectors in 2024.

Of the \$3.4 billion spent, food and beverage purchases accounted for \$967 million—29% of all visitor spending.

Visitors spent 25%, \$850 million, of their budget on lodging.

Raleigh Visitor Spending

\$ billions



Source: Tourism Economics

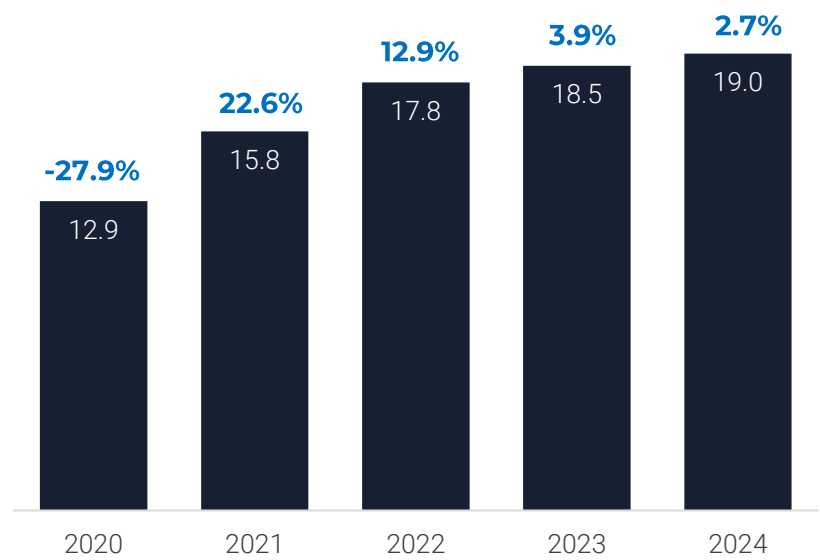
Note: Lodging includes all accommodation types, and transportation includes both ground and air transportation.

Visitor Volume

In 2024, 19.0 million visitors traveled to Raleigh, a 2.7% increase over the prior year. International and day visitation demonstrated strong growth, increasing 10.1% and 3.9%, respectively.

Raleigh Visitor Volume

millions



Source: Tourism Economics

Visitor Volume and Spending Trends

Visitor spending increased 5.1% in 2024, a result of solid demand growth coupled with price increases.

Driven by demand growth and higher room rates, in 2024, lodging led spending gains, increasing 7.7% year-over-year. Food and beverage spending growth followed, increasing 5.9% compared to the previous year.

In 2024, the average per person spend rose to \$176, a year-over-year increase of 2.3%. Additionally, the share of business visitors expanded to reach 9.6% of all visitors.

Raleigh Visitor Spending

\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Total visitor spending	\$1,676	\$2,341	\$2,952	\$3,189	\$3,351	5.1%
Food & beverage	\$517	\$689	\$837	\$913	\$967	5.9%
Lodging	\$413	\$487	\$705	\$790	\$850	7.7%
Entertainment & Recreation	\$237	\$397	\$528	\$559	\$582	4.1%
Retail	\$356	\$488	\$524	\$552	\$569	3.0%
Transportation	\$153	\$280	\$358	\$376	\$383	2.0%

Source: Tourism Economics

Note: Lodging includes all accommodation types, and transportation includes both ground and air transportation.

Raleigh Visitor Volume and Spending, by Segment

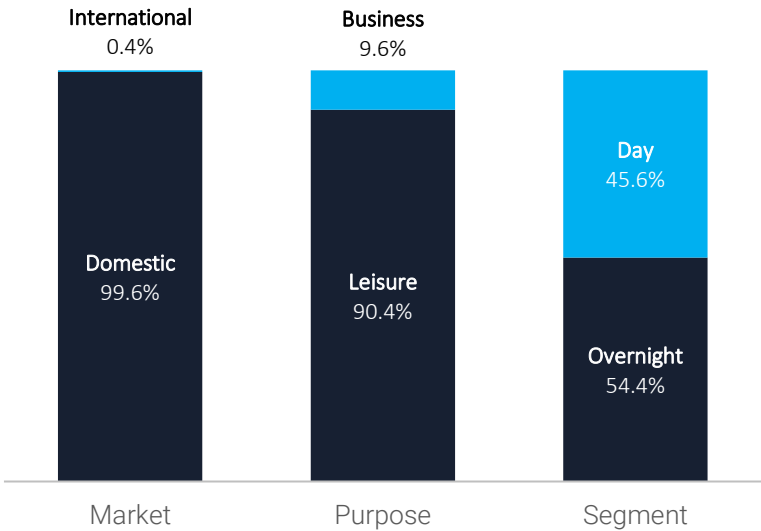
Millions of persons, \$ millions, and \$ per person

	2020	2021	2022	2023	2024	2024 Growth
Total visitor volume	12.9	15.8	17.8	18.5	19.0	2.7%
Total Visitor Spending	\$1,676	\$2,341	\$2,952	\$3,189	\$3,351	5.1%
Per Visitor Spending	\$130	\$148	\$166	\$172	\$176	2.3%

Source: Tourism Economics

Raleigh Visitor Volume Share, by Segment

% total visitation by market



Source: Tourism Economics

ECONOMIC IMPACT METHODOLOGY



Economic Impact Methodology

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

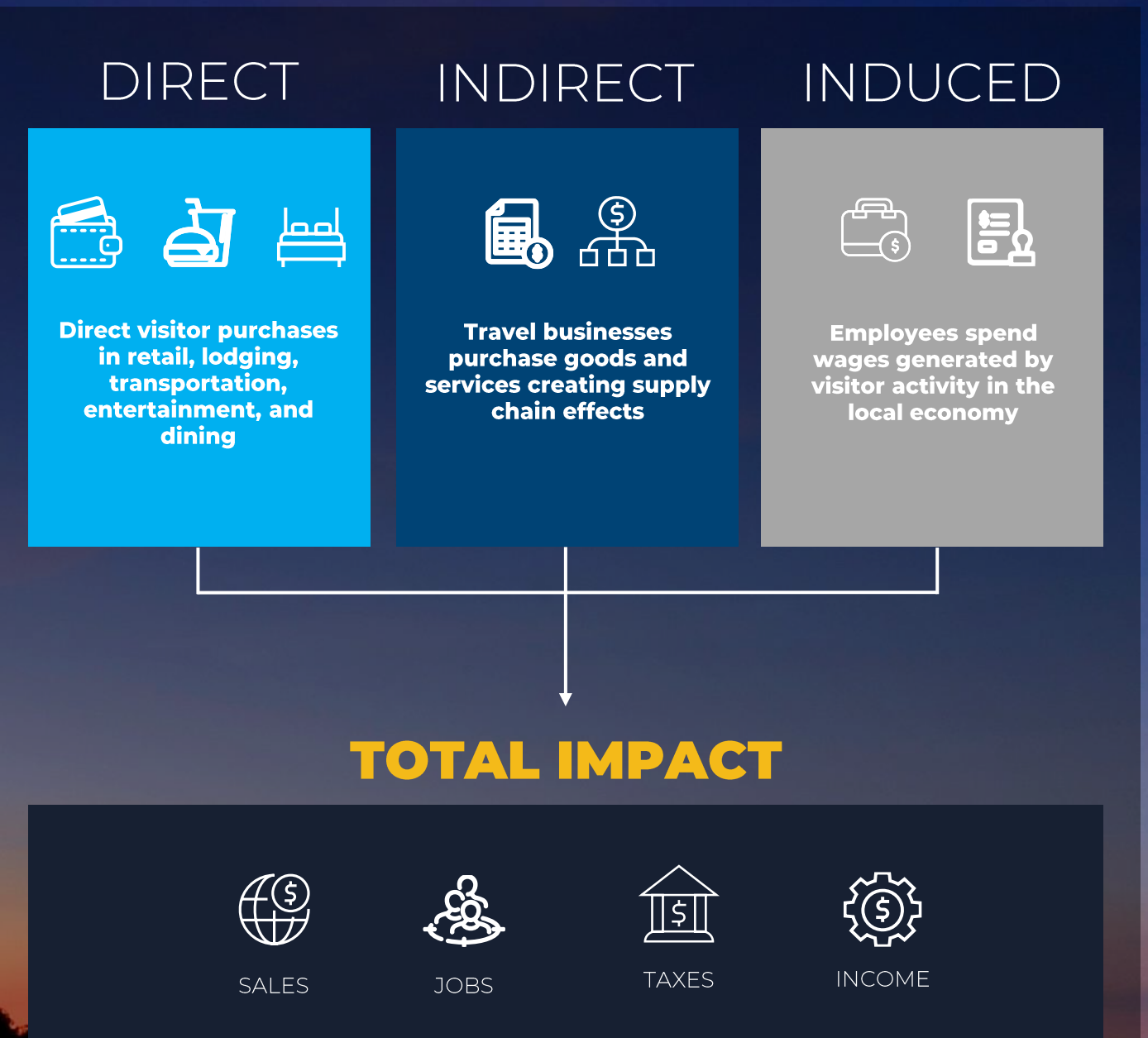
This provides a detailed profile of visitor spending by industry, which is then connected to a local input-output (I-O) economic impact model constructed within the IMPLAN platform. This uses government (Bureau of Economic Analysis and Census) data to trace the flow of visitors through the local economy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

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

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

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

Economic Impact Model



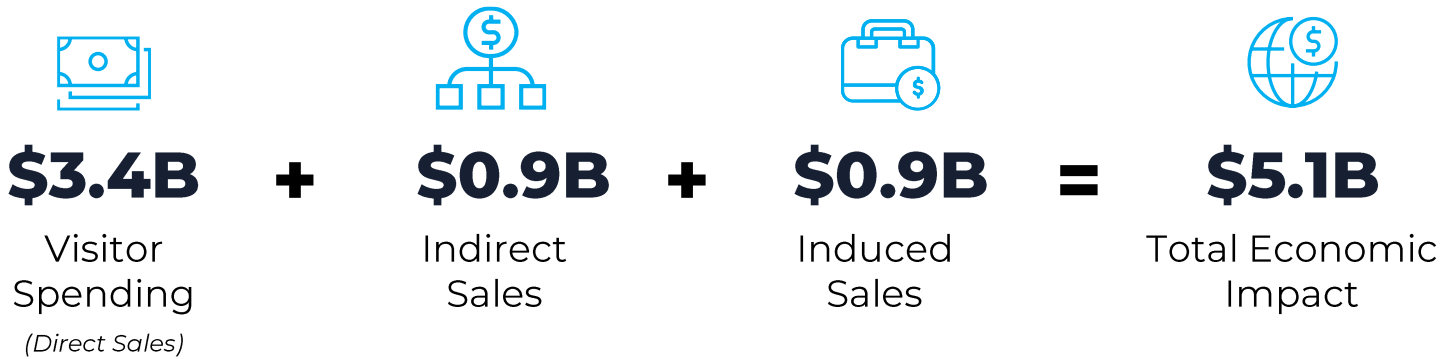
ECONOMIC IMPACT



Business Sales Impacts

Direct business sales tallied \$3.4 billion in Raleigh in 2024. These direct impacts generated an additional \$1.7 billion through supply chain (indirect) and income (induced) effects.

As a result, the total economic impact of visitors reached \$5.1 billion, 4.5% ahead of the prior year.



Business Sales by Industry (2024)

\$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$3,351.1	\$860.2	\$864.8	\$5,076.1
Food & Beverage	\$966.8	\$44.1	\$62.7	\$1,073.7
Lodging	\$850.5	\$0.7	\$0.4	\$851.6
Retail Trade	\$568.5	\$5.5	\$66.8	\$640.8
Finance, Insurance and Real Estate	\$47.2	\$247.6	\$323.1	\$617.8
Recreation and Entertainment	\$532.7	\$34.9	\$12.2	\$579.8
Business Services		\$250.2	\$63.3	\$313.5
Education and Health Care		\$2.5	\$161.0	\$163.5
Gasoline Stations	\$156.6	\$0.3	\$6.0	\$162.9
Other Transport	\$100.3	\$24.1	\$9.8	\$134.2
Personal Services	\$49.5	\$30.4	\$36.7	\$116.5
Construction and Utilities		\$84.0	\$27.9	\$111.8
Communications		\$69.3	\$35.5	\$104.9
Air Transport	\$79.1	\$4.9	\$7.9	\$91.8
Wholesale Trade		\$17.3	\$33.6	\$50.9
Government		\$24.9	\$9.3	\$34.1
Manufacturing		\$15.3	\$7.0	\$22.3
Agriculture, Fishing, Mining		\$4.1	\$1.6	\$5.8

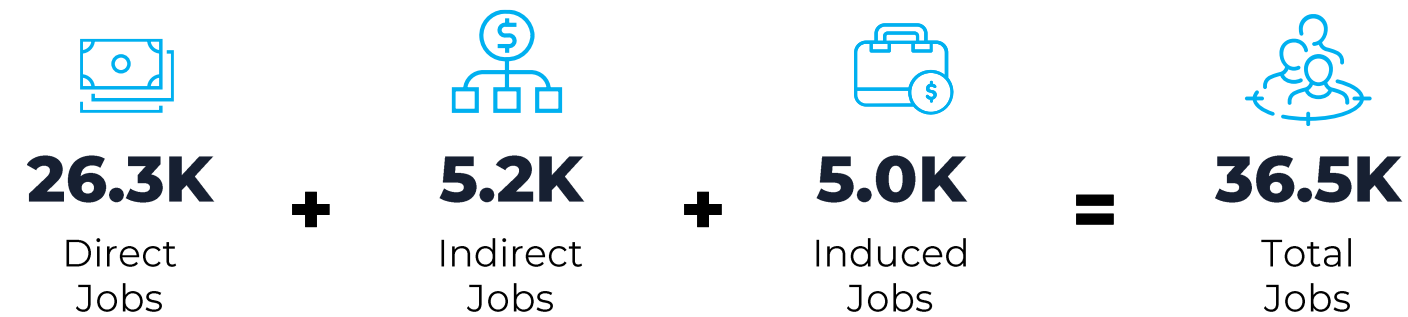
Source: Tourism Economics

The total economic impact of **\$5.1B billion** accrued to industries across the economy.



Employment Impacts

Visitor activity sustained 26,261 direct jobs in 2024, with an additional 10,258 jobs supported from the indirect and induced impacts of visitor activity. Total employment impacts tallied 36,519 in 2024, translating to one-in-24 jobs in Raleigh.



Employment by Industry (2024)

jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	26,261	5,234	5,023	36,519
Food & Beverage	9,614	643	908	11,165
Recreation & Entertainment	6,910	579	191	7,680
Lodging	4,656	4	3	4,663
Retail Trade	3,040	61	734	3,834
Business Services		1,950	517	2,467
Finance, Insurance & Real Estate	202	858	656	1,715
Education & Health Care		28	1,209	1,237
Personal Services	571	275	354	1,200
Other Transport	840	141	59	1,040
Construction & Utilities		242	65	307
Air Transport	269	10	16	294
Communications		158	68	225
Wholesale Trade		75	143	217
Government		157	46	202
Gasoline Stations	161	2	39	202
Manufacturing		40	11	50
Agriculture, Fishing & Mining		13	5	19

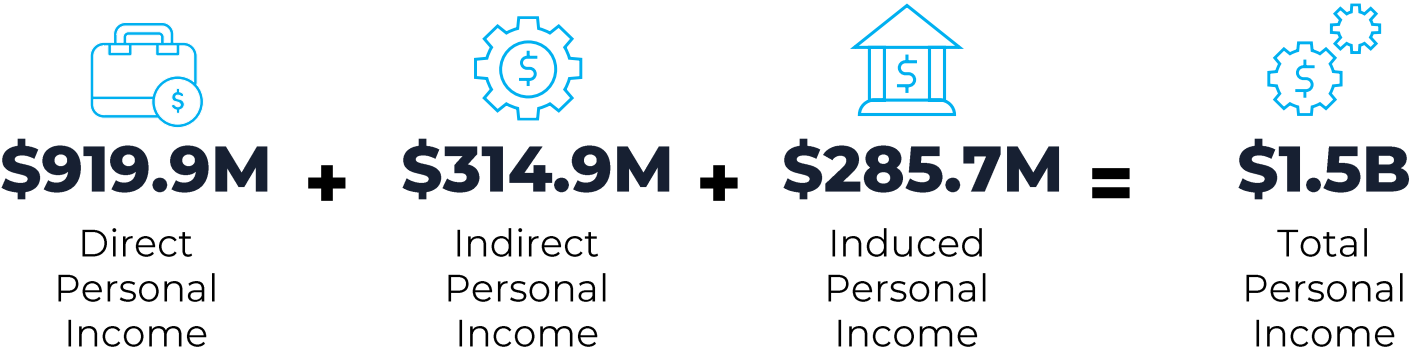
Source: Tourism Economics

Visitor spending supports **one-in-24 of all jobs** in Raleigh, including **11,165** in the food and beverage industry.



Personal Income Impacts

Visitor activity generated \$919.9 million in direct personal income in 2024. Including \$600.6 million in indirect and induced impacts, employees received \$1.5 billion in personal income.



Personal Income by Industry (2024)

\$ millions

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
Total, all industries	\$919.9	\$314.9	\$285.7	\$1,520.5
Food & Beverage	\$283.0	\$16.5	\$24.6	\$324.0
Lodging	\$231.1	\$0.2	\$0.1	\$231.4
Recreation & Entertainment	\$175.7	\$15.0	\$4.4	\$195.1
Business Services		\$134.2	\$35.1	\$169.2
Retail Trade	\$101.0	\$2.6	\$31.9	\$135.6
Finance, Insurance & Real Estate	\$10.4	\$46.1	\$39.6	\$96.0
Education & Health Care		\$1.3	\$85.5	\$86.7
Other Transport	\$60.9	\$10.1	\$4.2	\$75.2
Personal Services	\$32.1	\$17.3	\$20.5	\$69.9
Construction & Utilities		\$26.4	\$7.4	\$33.8
Wholesale Trade		\$8.8	\$17.2	\$26.0
Communications		\$16.5	\$7.0	\$23.5
Air Transport	\$16.7	\$0.8	\$1.4	\$18.9
Government		\$15.2	\$3.5	\$18.7
Gasoline Stations	\$9.0	\$0.1	\$2.4	\$11.5
Manufacturing		\$3.8	\$1.0	\$4.8
Agriculture, Fishing & Mining		\$0.1	\$0.1	\$0.2

Source: Tourism Economics



Tax Impacts

Visitor activity generated nearly \$617 million in government revenues in 2024. State and local taxes alone tallied more than \$320.9 million. Each household in Raleigh would need to be taxed an additional \$720 to replace the visitor-generated taxes received by state and local governments in 2024.

State and local revenues grew \$14.3 million with both sales and property tax growth driving the increase.

Tax Impacts

\$ millions

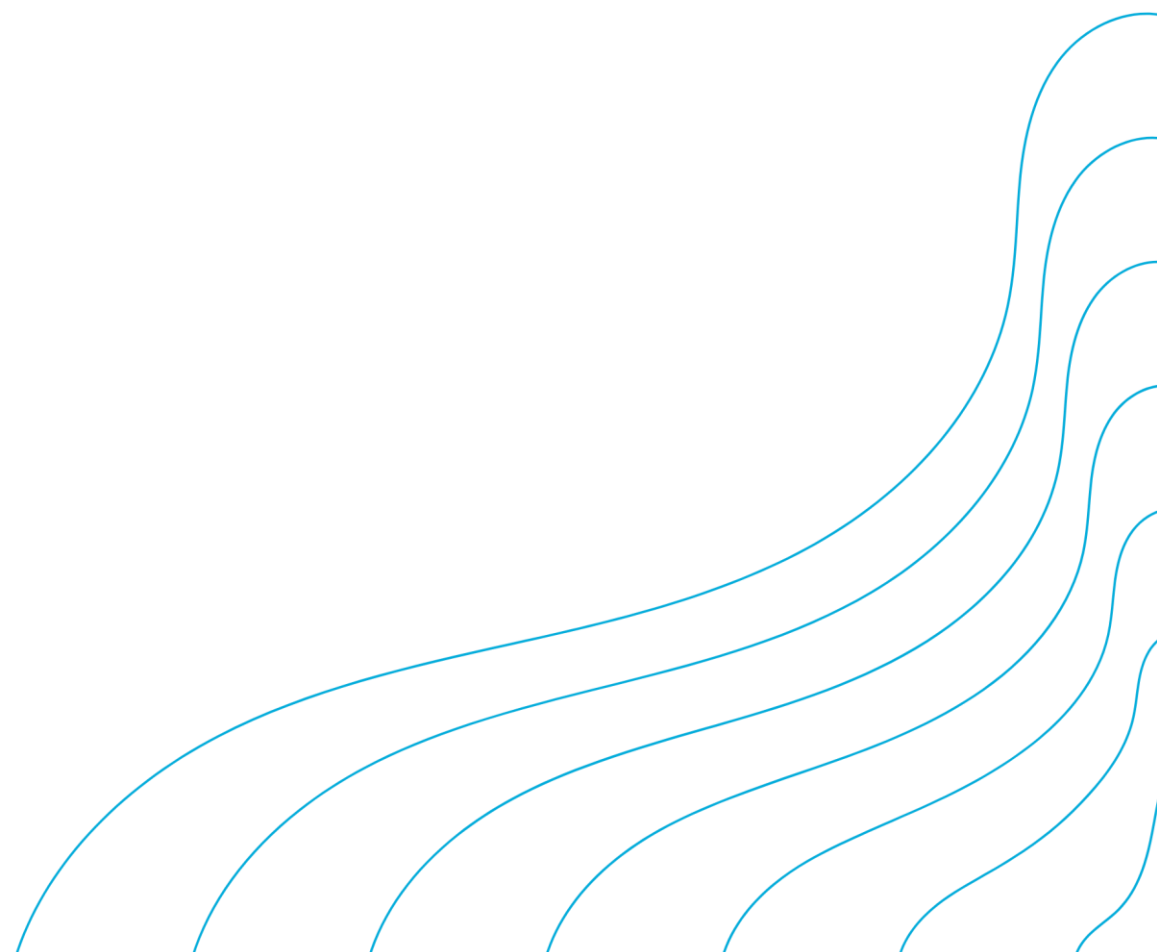
	2024
Total Tax Revenue	\$616.9
Federal	\$296.1
Personal income	\$88.7
Corporate	\$38.1
Indirect business	\$25.4
Social insurance	\$143.9
State	\$155.6
Sales	\$85.6
Personal income	\$37.5
Corporate	\$4.6
Social insurance	\$2.2
Excise and fees	\$25.8
Local	\$165.2
Sales	\$36.0
Bed tax	\$41.0
Excise and fees	\$5.7
Property	\$82.4

Source: Tourism Economics

The visitor economy generated **\$617 million in government revenue** in 2024.



APPENDIX



Appendix

Methodology Overview

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

The study area is defined as Wake County, North Carolina.

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

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

The complete set of data inputs is provided below.

Data Sources

- **Longwoods International:** Consumer survey data, including spending and visitor profile characteristics
- **STR:** Lodging performance data, including room demand and revenue for hotels
- **Tax Collections:** Lodging and restaurant tax receipts
- **BEA/BLS:** Employment, wage, and CPI data, by industry
- **US Census:** Business sales and employment by industry, seasonal second homes inventory, population, households, and median real estate taxes paid
- **US Bureau of Transportation:** Air passenger data for Raleigh-Durham International Airport
- **U.S. Energy Information Administration:** Gasoline price data
- **International State Travel (Tourism Economics):** Arrivals and spending data for international visitors to North Carolina

Glossary

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

About the Research Team

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

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

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For more information: admin@tourismeconomics.com.