



**ECONOMIC IMPACT OF VISITORS
IN NEVADA 2023**

July 2024

Prepared for: Travel Nevada



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INTRODUCTION

PROJECT BACKGROUND

The travel sector is an integral part of the Nevada economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's future. In 2023, tourism-supported jobs accounted for 21% of all jobs in the state.

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 Nevada as it builds upon its visitor economy.

METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of Nevada. 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.

The value of seasonal and second homes was estimated based on census data for seasonal units and estimated gross rents.

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.

By establishing a timeline of economic impacts, the industry can track its progress.

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

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:

- OmniTrak: survey data, including spending, for domestic visitors to Nevada
- LVCVA and RSVCA: Visitation statistics
- Affinity: credit card transaction data, by spending category
- 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
- Nevada Department of Taxation: bed and sales tax receipts
- Nevada Gaming Control Board: revenues and tax collections for Nevada gaming
- Tourism Economics: international travel data for overseas, Canadian, and Mexican travel to Nevada based on aviation, survey, and credit card information

ECONOMIC IMPACTS

KEY FINDINGS

VISITOR VOLUME AND SPENDING

In 2023, visitor volumes to Nevada continued to recover toward pre-pandemic levels, increasing 3.0% year-over-year to 52.2 million, 6.9% shy of 2019 levels. Visitor spending grew 12.5% to \$55.2 billion as steady demand growth was accompanied by higher prices of key commodities.

TOTAL ECONOMIC IMPACT

Visitor spending of \$55.2 billion generated a total economic impact of \$83.7 billion in Nevada in 2023, including indirect and induced impacts, and sustained 443,536 jobs. In fiscal year 2023, visitor-generated state and local tax revenues tallied \$6.0 billion.



52.2 MILLION

Total Visitor Volume to Nevada in 2023



\$55.2B

Visitor Spending



\$83.7B

Total Economic Impact



443,536

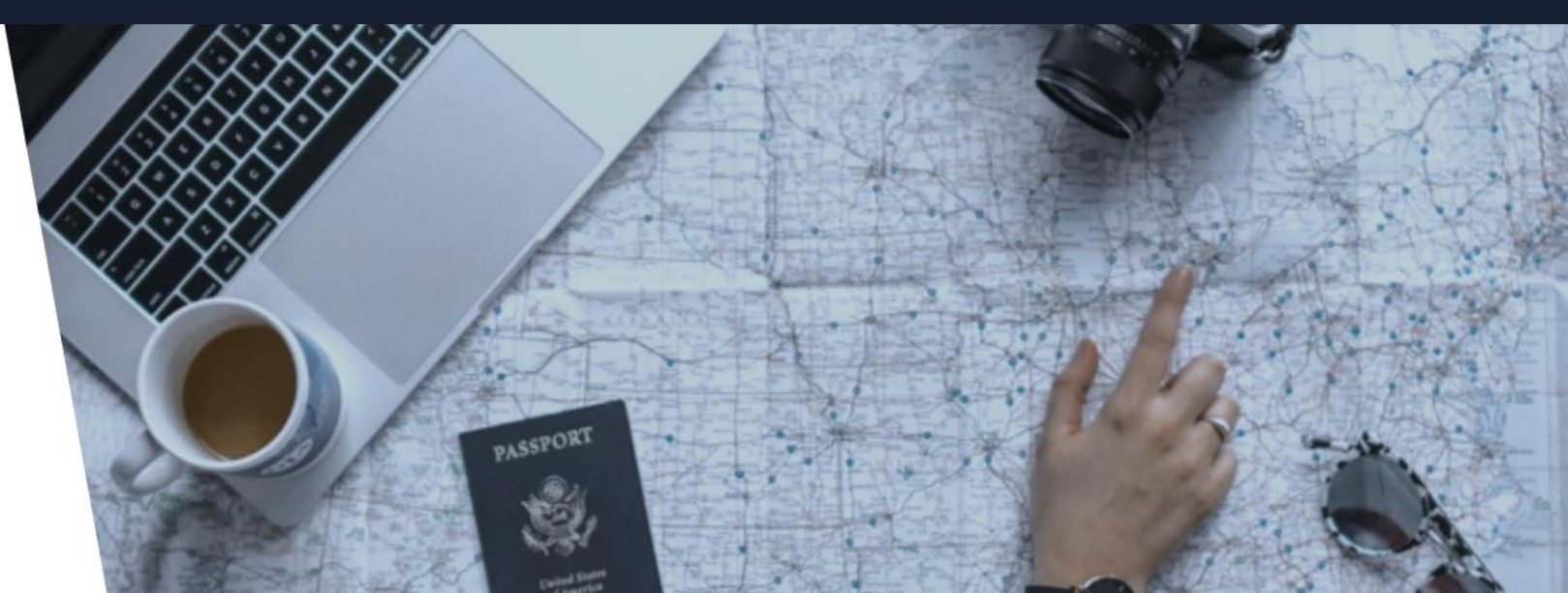
Total Jobs Generated



\$6.0B

State & Local Taxes Generated (Fiscal year 2023)





VISITOR VOLUME & VISITOR SPENDING

Visitor volume increased 3.0% year-on-year to 52.2 million in 2023, trailing 2019 levels by 6.9%. Visitor spending, meanwhile, totaled \$55.2 billion in 2023, a 12.5% year-on-year increase driven by a combination of healthy visitor growth and elevated price levels.

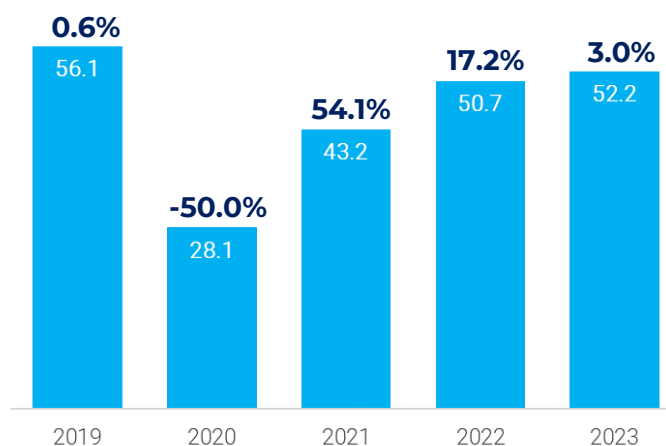
VISITOR VOLUME

Continued recovery in 2023

Visitor volume continued to build on its post-pandemic growth in 2023, increasing 3.0% over 2022, measuring 6.9% short of 2019 levels.

Nevada visitor volume

Amounts in millions



Sources: LVCVA, RSCVA, Tourism Economics

VISITOR SPENDING

Visitors to Nevada spent **\$55.2 billion** across a range of sectors in 2023.

Visitor spending measured \$55.2 billion in 2023, a 12.5% increase from the prior year.

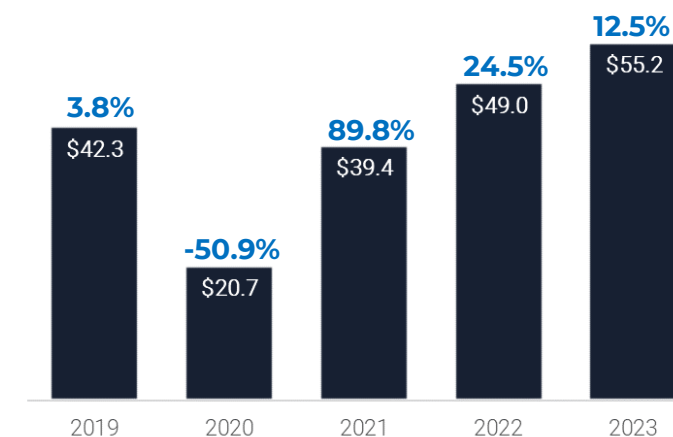
Of the \$55.2 billion spent in Nevada in 2023 by visitors, gaming remained the highest spending category, registering \$10.5 billion and capturing 19.1% of all visitor spending. Retail spending reached \$10.2 billion, 18.5% of total visitor spending.

Lodging, including the value of second homes, comprised 17.1% of visitor spending in 2023. Transportation expenditures, including both air and local transportation within the destination, accounted for \$9.1 billion (16.4%).

Recreation spending, including outdoor and other entertainment purchases, increased to \$8.6 billion in 2023, while food and beverage saw a slight pullback from the prior year, resulting in \$7.3 billion in spending.

Nevada visitor spending

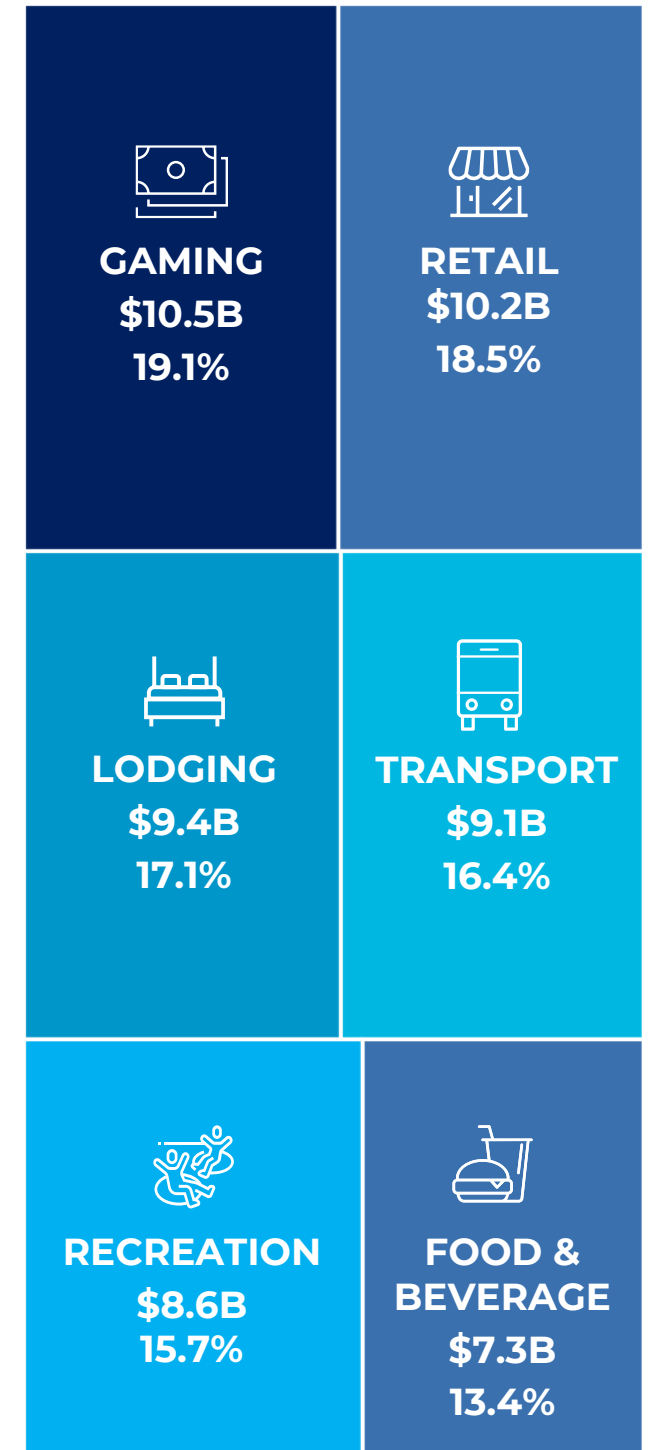
Amounts in \$ billions



Sources: OmniTrak, LVCVA, RSCVA, Tourism Economics

\$55.2 BILLION

Visitor Spending in 2023



Source: Tourism Economics

Note: Lodging spending is calculated as an industry. Spending also includes dollars spent on second homes. Transport includes both air and local transportation.

VISITOR VOLUME & SPENDING TRENDS

Visitor spending increased 12.5% in 2023, a third consecutive year of double-digit growth following severe COVID-19 declines in 2020. Spending expanded across nearly all sectors, driven by continued strong demand and increases in prices of key visitor spending categories.

Retail spending increased a rapid 30.4% to lead growth, followed by a robust 20.1% gain in recreational spend. While entertainment again led the industry, outdoor recreation expenditures saw strong double-digit growth as well.

Lodging spending, including second homes, increased 9.8% as overnight visitors faced a considerable uptick in ADR versus 2022. Indeed, average daily room rates at Nevada hotels increased about 11% in comparison to the prior year, reaching levels 43% higher than seen pre-pandemic.

Conversely, food and beverage spending lagged in 2023 as consumers shifted spending priorities in the face of elevated price levels across most sectors of the visitor economy.

Nevada visitor spending and annual growth

Amounts in \$ billions, 2023 % change

	2019	2020	2021	2022	2023	2023 Growth
Total visitor spending	\$42.28	\$20.74	\$39.38	\$49.02	\$55.17	12.5%
Gaming	\$9.38	\$5.34	\$9.11	\$10.07	\$10.54	4.6%
Retail	\$7.14	\$3.91	\$8.61	\$7.83	\$10.22	30.4%
Lodging*	\$7.70	\$3.42	\$6.11	\$8.60	\$9.45	9.8%
Transportation**	\$6.44	\$3.12	\$6.05	\$7.94	\$9.06	14.1%
Recreation (non-gaming)	\$5.40	\$2.04	\$4.51	\$7.19	\$8.64	20.1%
<i>Entertainment</i>	\$ 4.28	\$ 1.57	\$ 3.42	\$ 5.67	\$ 6.91	22.0%
<i>Outdoor recreation</i>	\$ 1.11	\$ 0.47	\$ 1.09	\$ 1.53	\$ 1.72	13.0%
Food & beverages	\$6.22	\$2.91	\$4.98	\$7.37	\$7.27	-1.5%

Source: LVCVA, RSCVA, Tourism Economics

* Lodging includes second home spending

** Transportation includes both ground and air transportation



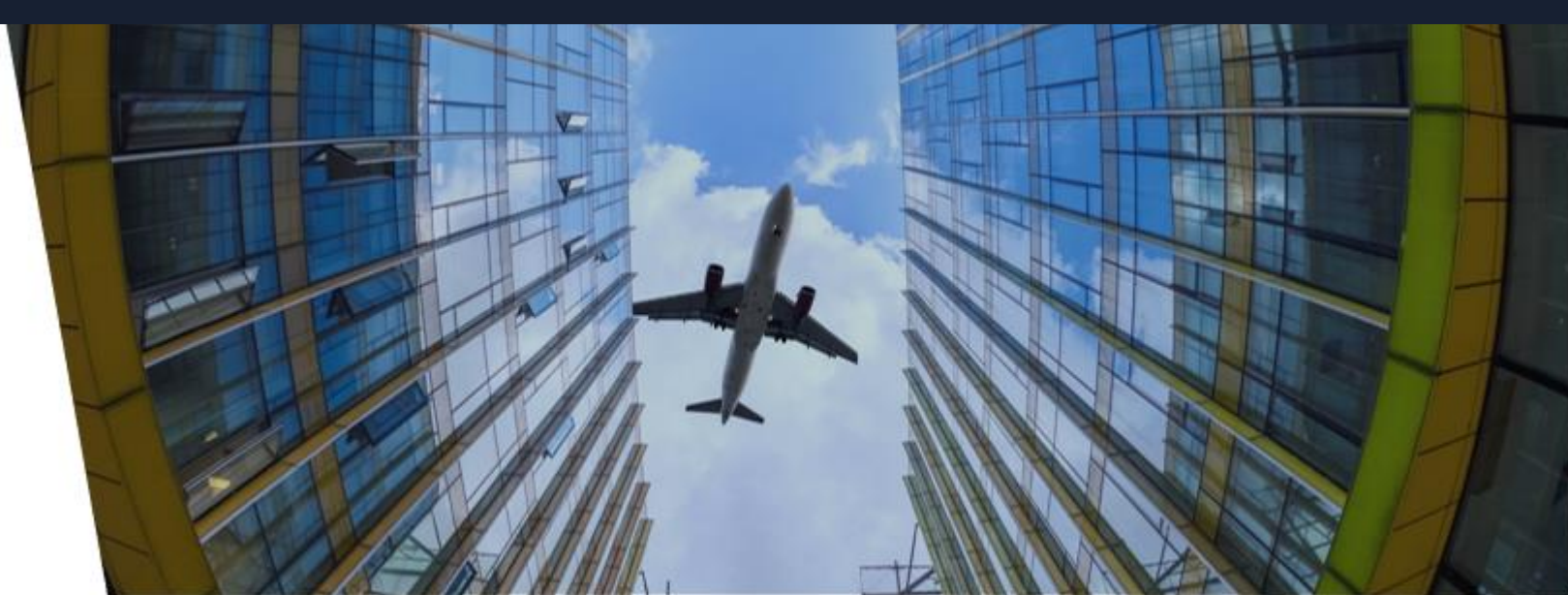
Nevada visitor volume and spending, by market

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

	2019	2020	2021	2022	2023	2023 % relative Growth	to 2019
Total visitors	56.09	28.06	43.23	50.68	52.20	3.0%	93.1%
Domestic	50.21	26.86	41.83	47.11	47.39	0.6%	94.4%
International*	5.88	1.20	1.40	3.57	4.81	34.8%	81.7%
Total visitor spending	\$42,279	\$20,744	\$39,376	\$49,018	\$55,165	12.5%	130.5%
Domestic	\$36,091	\$19,597	\$38,639	\$44,902	\$50,048	11.5%	138.7%
International*	\$6,188	\$1,148	\$737	\$4,116	\$5,118	24.3%	82.7%
Per visitor spending	\$754	\$739	\$911	\$967	\$1,057	9.3%	140.2%
Domestic	\$719	\$730	\$924	\$953	\$1,056	10.8%	146.9%
International*	\$1,052	\$959	\$527	\$1,154	\$1,064	-7.8%	101.2%

Source: LVCVA, RSCVA, Tourism Economics

* 2023 estimates are preliminary



ECONOMIC IMPACT FRAMEWORK

ECONOMIC IMPACT METHODOLOGY

Our analysis of the Nevada 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 Nevada 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.

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

DIRECT IMPACTS

Visitor spending



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 out of employees' wages:



INCOME EFFECT



HOUSEHOLD CONSUMPTION

TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



JOBS



INCOME



TAXES



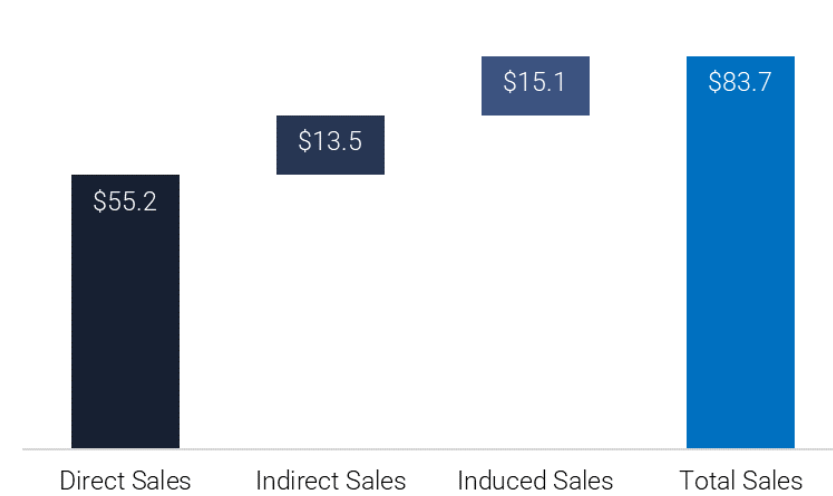
ECONOMIC IMPACT FINDINGS

BUSINESS SALES IMPACTS

Visitors contributed a direct impact of \$55.2 billion in 2023. This direct impact generated \$28.5 billion in indirect and induced impacts, resulting in a total economic impact of \$83.7 billion in the Nevada economy, 11.2% more than a year earlier.

Summary economic impacts (2023)

Amounts in \$ billions



Source: Tourism Economics

Business sales impacts by industry (2023)

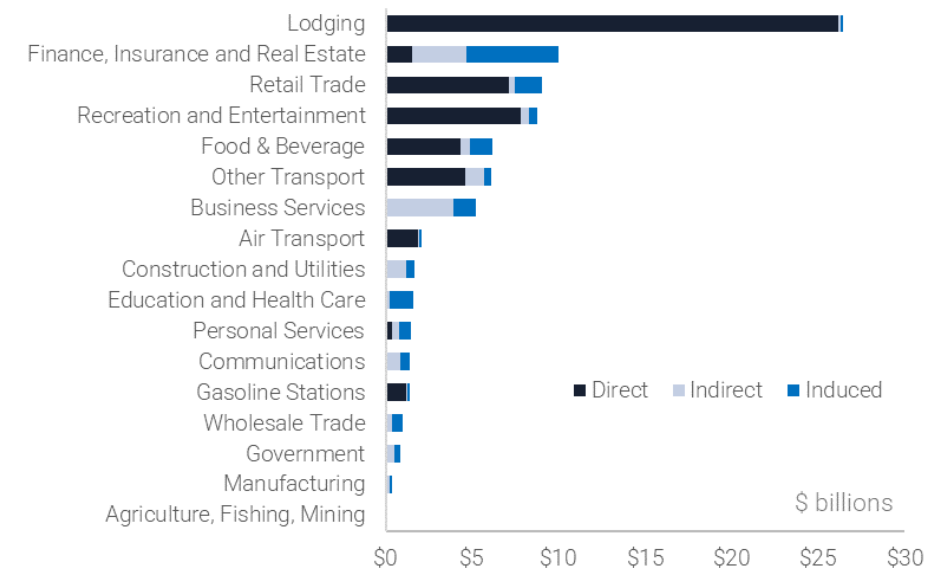
Amounts in \$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$55,165	\$13,472	\$15,057	\$83,694
Lodging	\$26,177	\$146	\$111	\$26,435
Finance, Insurance and Real Estate	\$1,553	\$3,125	\$5,333	\$10,011
Retail Trade	\$7,151	\$321	\$1,583	\$9,055
Recreation and Entertainment	\$7,835	\$446	\$505	\$8,786
Food & Beverage	\$4,359	\$553	\$1,280	\$6,192
Other Transport	\$4,598	\$1,118	\$409	\$6,125
Business Services		\$3,895	\$1,353	\$5,248
Air Transport	\$1,872	\$81	\$104	\$2,057
Construction and Utilities		\$1,171	\$478	\$1,649
Education and Health Care		\$220	\$1,383	\$1,602
Personal Services	\$395	\$389	\$704	\$1,489
Communications		\$819	\$589	\$1,409
Gasoline Stations	\$1,224	\$32	\$110	\$1,366
Wholesale Trade		\$371	\$616	\$987
Government		\$486	\$344	\$831
Manufacturing		\$245	\$136	\$381
Agriculture, Fishing, Mining		\$54	\$17	\$71

Source: Tourism Economics

Business sales impacts by industry (2023)

Amounts in \$ billions



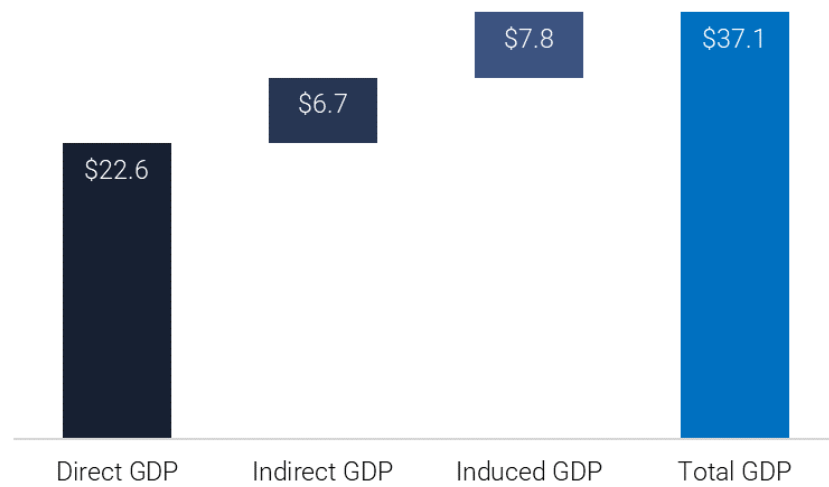
Source: Tourism Economics

VALUE ADDED IMPACTS

The value of all visitor-associated goods and services produced in Nevada in 2023 increased to \$37.1 billion, 15.5% of Nevada's economy.

Summary value-added impacts (2023)

Amounts in \$ billions



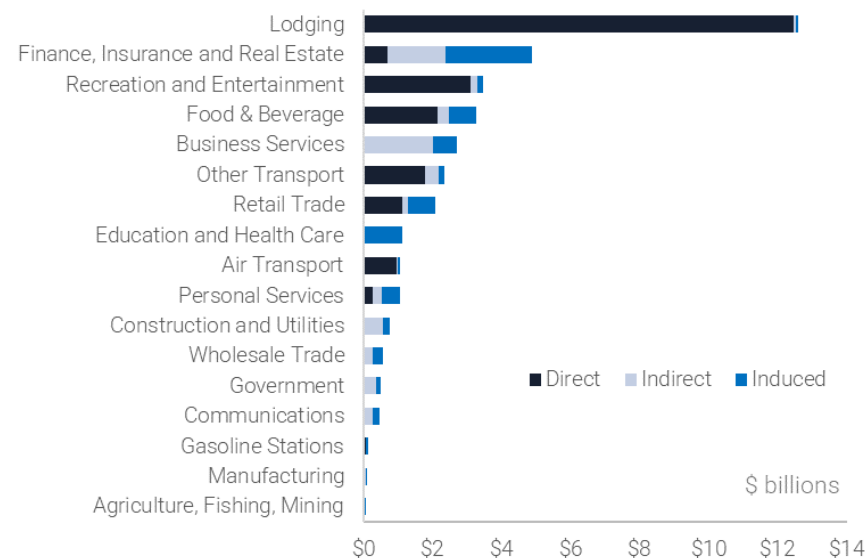
Source: Tourism Economics

The locally produced portion of visitor-associated sales in the lodging industry added \$12.6 billion to state GDP in 2023.

Spending by visitor-associated workers supported \$1.1 billion in GDP contribution in the education and health care industries, showing how visitors support businesses across the industrial spectrum.

Value-added impacts by industry (2023)

Amounts in \$ billions



Source: Tourism Economics

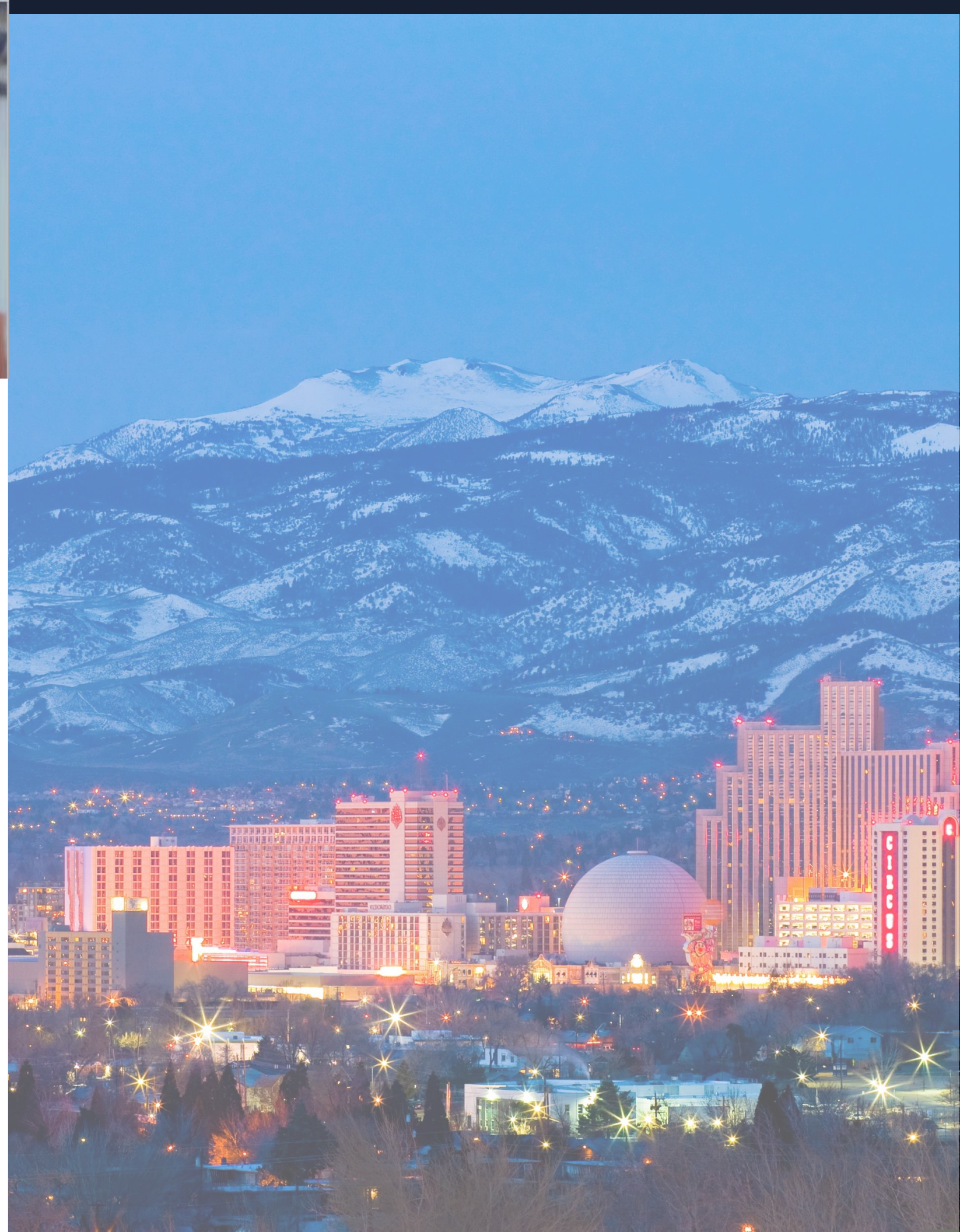


Value-added impacts by industry (2023)

Amounts in \$ millions

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	\$22,557	\$6,720	\$7,793	\$37,070
Lodging	\$12,456	\$71	\$61	\$12,588
Finance, Insurance and Real Estate	\$694	\$1,689	\$2,491	\$4,873
Recreation and Entertainment	\$3,088	\$198	\$180	\$3,465
Food & Beverage	\$2,132	\$324	\$809	\$3,264
Business Services		\$2,023	\$689	\$2,713
Other Transport	\$1,788	\$391	\$165	\$2,344
Retail Trade	\$1,133	\$154	\$803	\$2,091
Education and Health Care		\$6	\$1,103	\$1,109
Air Transport	\$944	\$58	\$66	\$1,068
Personal Services	\$257	\$270	\$515	\$1,042
Construction and Utilities		\$555	\$191	\$746
Wholesale Trade		\$253	\$306	\$559
Government		\$351	\$129	\$479
Communications		\$260	\$207	\$466
Gasoline Stations	\$65	\$13	\$42	\$121
Manufacturing		\$77	\$31	\$109
Agriculture, Fishing, Mining		\$28	\$5	\$33

Source: Tourism Economics



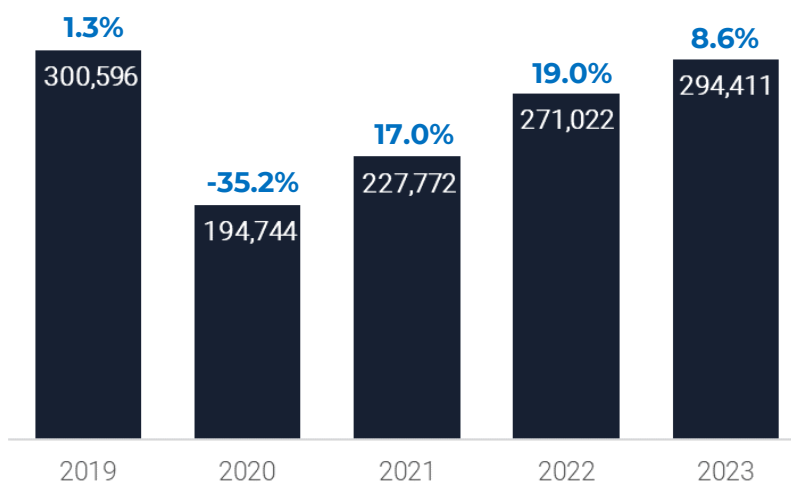
ECONOMIC IMPACT FINDINGS

DIRECT IMPACTS

Direct employment increased 8.6% in 2023, recovering to more than 294,000 jobs. The recovery in visitor-supported jobs remained slower than spending in 2023. While visitor-supported employment fell about 2% short of pre-pandemic levels, spending has recovered to 30% higher than pre-pandemic levels.

Visitor supported employment in Nevada

Amounts in number of jobs



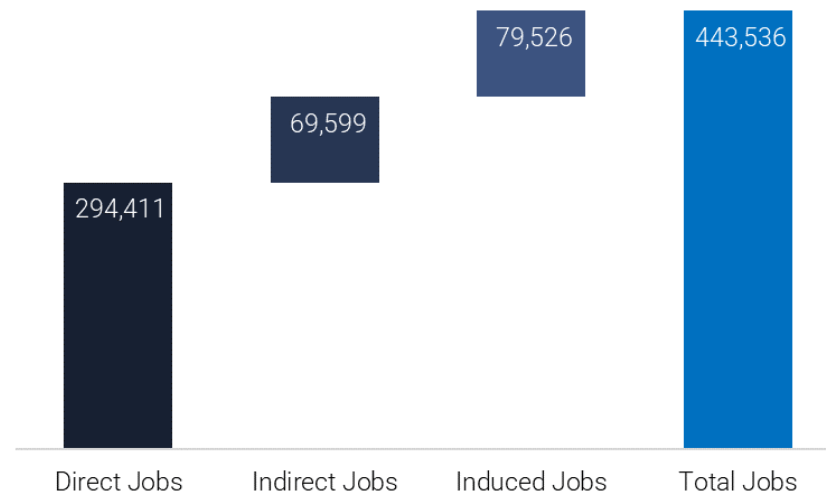
Source: Tourism Economics

EMPLOYMENT IMPACTS

Visitor activity sustained 294,411 direct jobs in 2023, with an additional 149,125 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact recovered to 443,536 in 2023, constituting approximately one of every five jobs in the state.

Summary employment impacts (2023)

Amounts in number of jobs



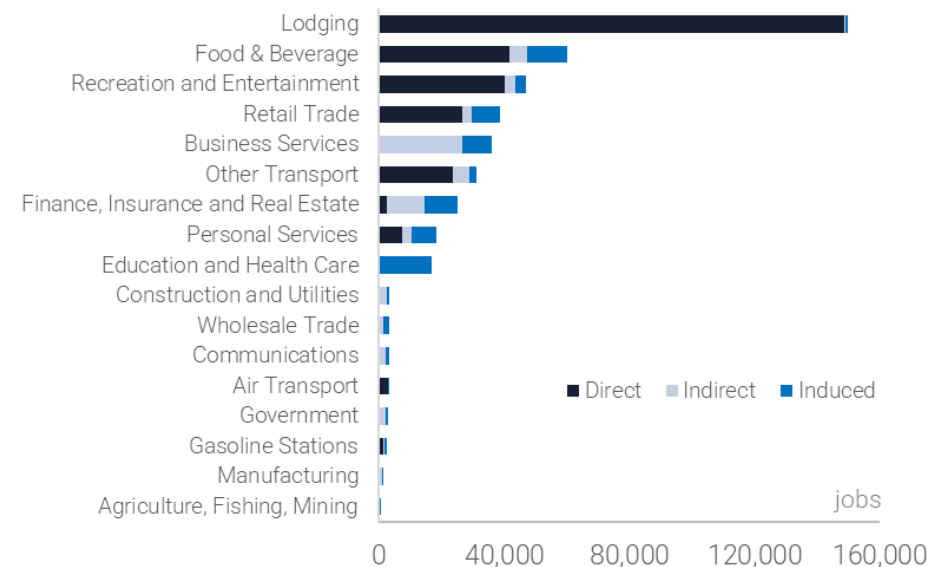
Source: Tourism Economics

Visitor spending supports the largest number of jobs in the lodging industry (149,787).

Spending by businesses directly impacted by visitor spending supports 26,532 jobs in the business services industry—in areas like accounting, advertising and building services.

Employment impacts by Industry (2023)

Amounts in number of jobs



Source: Tourism Economics



Employment impacts by industry (2023)

Amounts in number of jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	294,411	69,599	79,526	443,536
Lodging	148,455	727	605	149,787
Food & Beverage	41,502	6,002	12,556	60,060
Recreation and Entertainment	40,078	3,410	3,513	47,001
Retail Trade	26,484	3,088	9,177	38,750
Business Services		26,532	9,555	36,087
Other Transport	23,767	5,286	2,193	31,245
Finance, Insurance and Real Estate	2,549	12,019	10,613	25,181
Personal Services	7,321	3,040	7,803	18,164
Education and Health Care		146	16,678	16,823
Construction and Utilities		2,389	1,068	3,457
Wholesale Trade		1,231	2,207	3,438
Communications		2,088	1,282	3,371
Air Transport	2,833	161	199	3,193
Government		2,090	726	2,816
Gasoline Stations	1,424	271	906	2,602
Manufacturing		856	316	1,172
Agriculture, Fishing, Mining		262	130	392

Source: Tourism Economics

LABOR INCOME IMPACTS

Visitor activity generated \$15.7 billion in direct labor income and a total of \$23.6 billion including indirect and induced impacts. Total visitor-generated income in Nevada in 2023 increased 9.2% over the prior year.

Summary labor income impacts (2023)

Amounts in \$ billions



Source: Tourism Economics

There are seven industries in which visitor activity supports more than \$1 billion in personal income. These range from the obvious—lodging and food & beverage, to the less obvious—business services and retail.

Labor income impacts by industry (2023)

Amounts in \$ billions



Source: Tourism Economics



Labor income impacts by industry (2023)

Amounts in \$ millions

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
Total, all industries	\$15,701	\$3,969	\$3,971	\$23,641
Lodging	\$9,530	\$45	\$37	\$9,611
Business Services		\$1,605	\$567	\$2,172
Recreation and Entertainment	\$1,881	\$142	\$115	\$2,139
Food & Beverage	\$1,284	\$230	\$438	\$1,952
Other Transport	\$1,231	\$322	\$123	\$1,676
Retail Trade	\$867	\$91	\$424	\$1,382
Education and Health Care		\$5	\$1,057	\$1,062
Finance, Insurance and Real Estate	\$189	\$390	\$349	\$927
Personal Services	\$243	\$170	\$274	\$687
Air Transport	\$425	\$18	\$23	\$465
Government		\$300	\$109	\$409
Construction and Utilities		\$263	\$112	\$374
Wholesale Trade		\$150	\$202	\$352
Communications		\$161	\$92	\$253
Manufacturing		\$59	\$24	\$83
Gasoline Stations	\$52	\$7	\$23	\$82
Agriculture, Fishing, Mining		\$11	\$3	\$14

Source: Tourism Economics

ECONOMIC IMPACT FINDINGS

FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$12.5 billion in government revenues in fiscal year 2023.

State and local taxes alone tallied \$6.0 billion in FY 2023.

Each household in Nevada would need to be taxed an additional \$5,161 to replace the visitor-generated taxes received by Nevada state and local governments in FY 2023.

Fiscal (tax) impacts

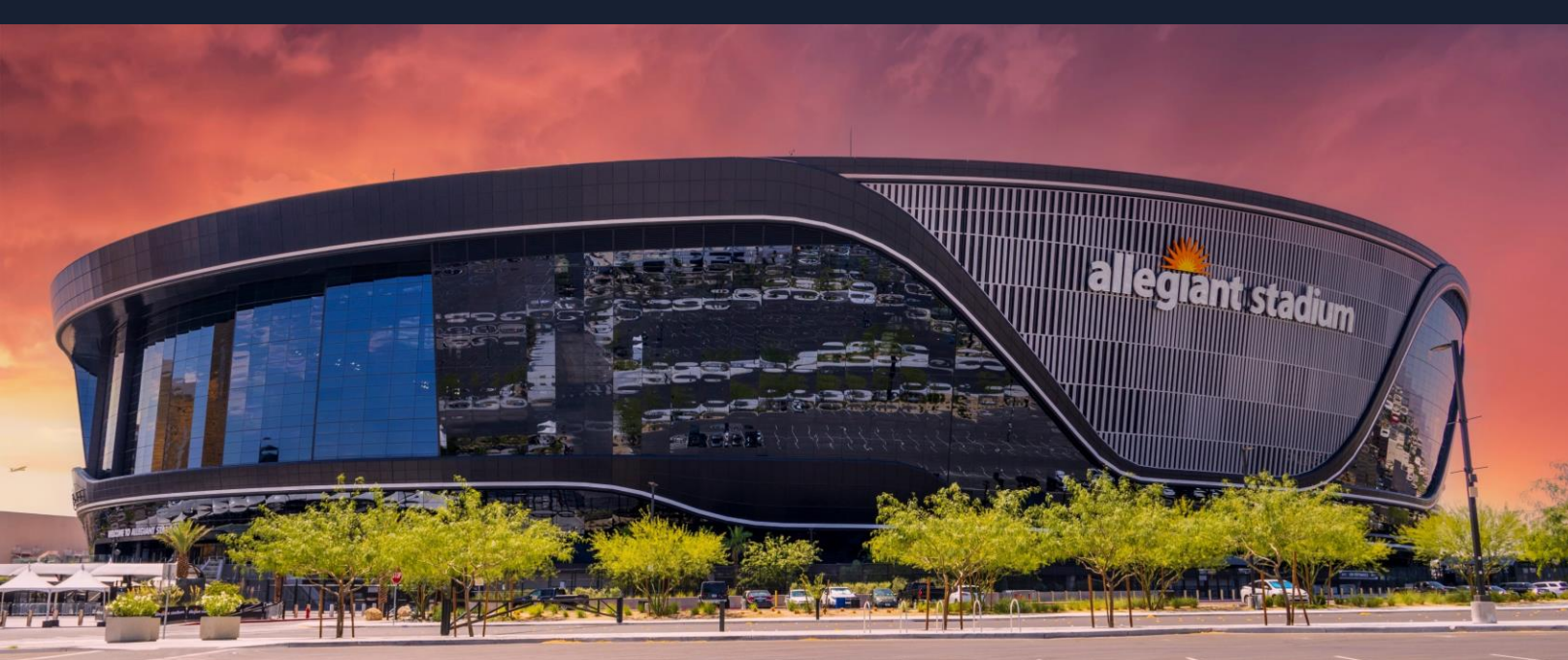
Amounts in \$ millions, fiscal year

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$8,628	\$3,853	\$12,480
Federal	\$4,039	\$2,436	\$6,475
Personal Income	\$1,285	\$917	\$2,203
Corporate	\$699	\$425	\$1,124
Indirect business	\$369	\$198	\$567
Social insurance	\$1,685	\$897	\$2,582
State and Local	\$4,589	\$1,416	\$6,005
Sales*	\$1,118	\$826	\$1,944
Gaming	\$939	\$107	\$1,046
Lodging Tax	\$1,184	\$0	\$1,184
Excise and Fees	\$715	\$125	\$840
Property	\$633	\$358	\$992

Source: Tourism Economics

* Includes entertainment tax levied on live entertainment

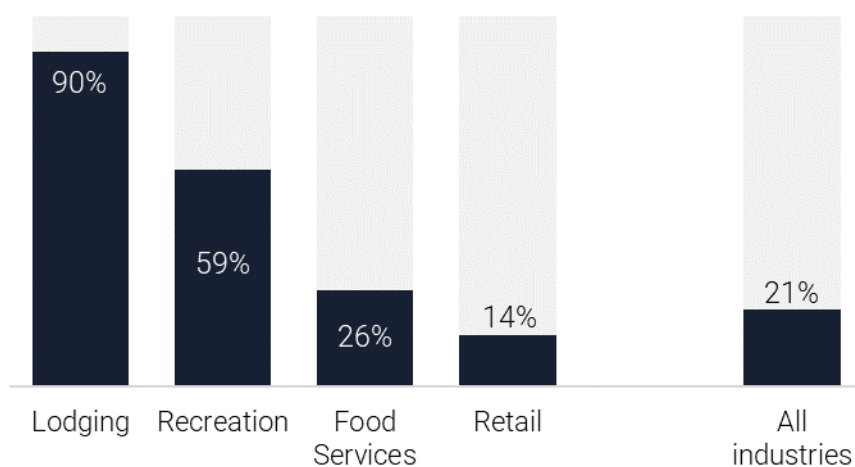




ECONOMIC IMPACTS IN CONTEXT

In 2023, visitors sustained 90% of all employment in the lodging sector, 59% of recreation employment, and 26% of food services employment.

Tourism employment intensity



Source: BEA, BLS, Tourism Economics

ECONOMIC IMPACTS IN CONTEXT



\$55.2B VISITOR SPENDING

The \$55.2 billion in visitor spending means that more than \$151 million was spent EVERY DAY by visitors in Nevada.



\$23.6B LABOR INCOME

The \$23.6 billion in total income generated by tourism is the equivalent of \$20,316 for every household in Nevada.



443,536 JOBS

The number of jobs sustained by tourism supports 21% of all jobs in Nevada.



\$6.0B STATE & LOCAL TAXES

In FY 2023, state and local taxes generated by tourism tallied \$6.0 billion, supporting the average salaries of about 102,750 public school teachers, enough to fill Allegiant Stadium about 1.5 times.

Each household in Nevada would need to be taxed an additional \$5,161 to replace the visitor-generated taxes received by Nevada state and local governments in FY 2023.

APPENDIX

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 visitors 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.
Service stations	Visitor spending on gasoline.
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	Employment is measured by the Bureau of Economic Analysis (BEA) and Bureau of Labor Statistics (BLS) definitions, 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)	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 600 full-time staff, including 350 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

For more information:

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