

2024

Economic Impact of Visitors to Iowa



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Introduction

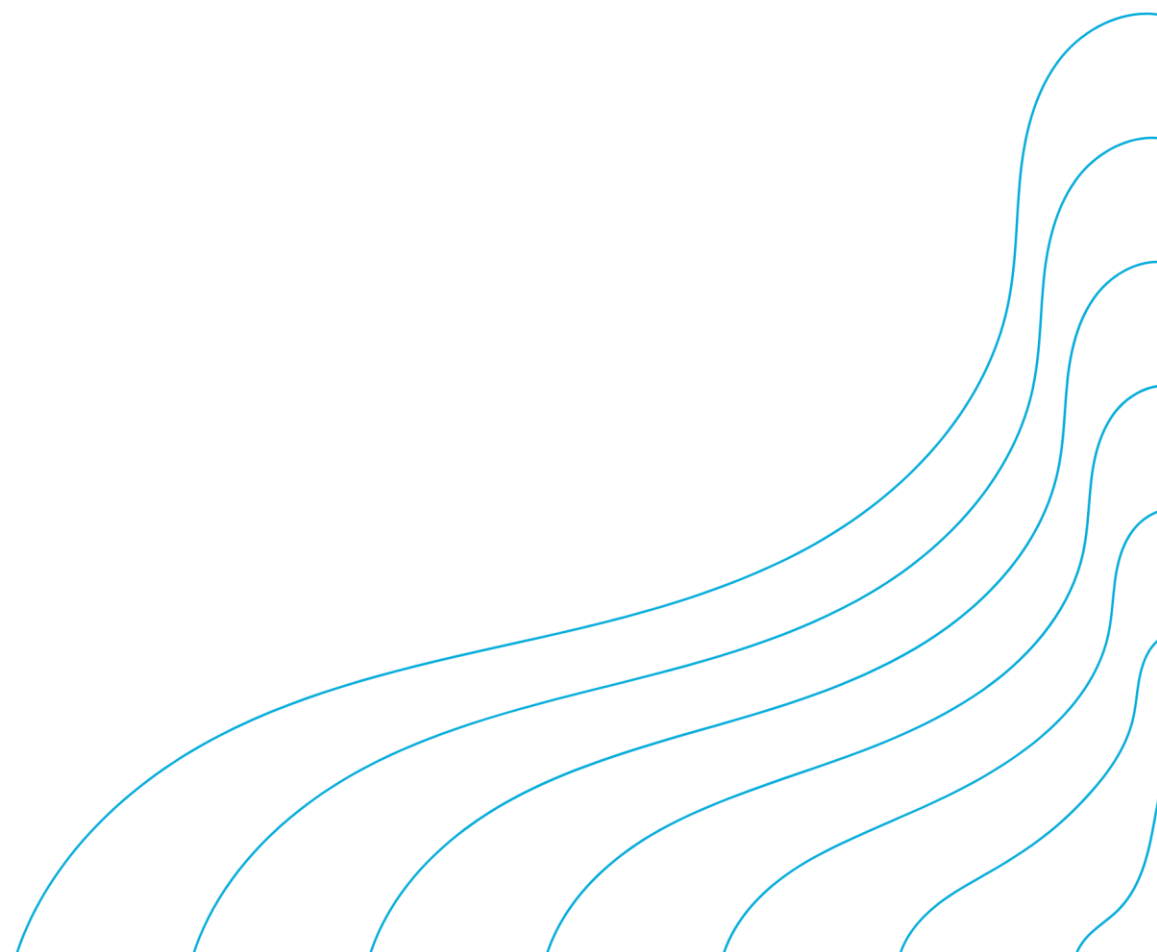
Visitors are integral to Iowa's economy, generating significant financial benefits for residents and local businesses. Visitor activity also produces substantial tax revenue which supports government services.

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

To quantify the significance of Iowa'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, **46.1 million visitors** spent **\$7.5 billion** in the Iowa economy, generating a total economic impact of **\$11.2 billion**.



46.1M VISITORS TO IOWA



\$7.5B VISITOR SPENDING



\$11.2B TOTAL ECONOMIC IMPACT



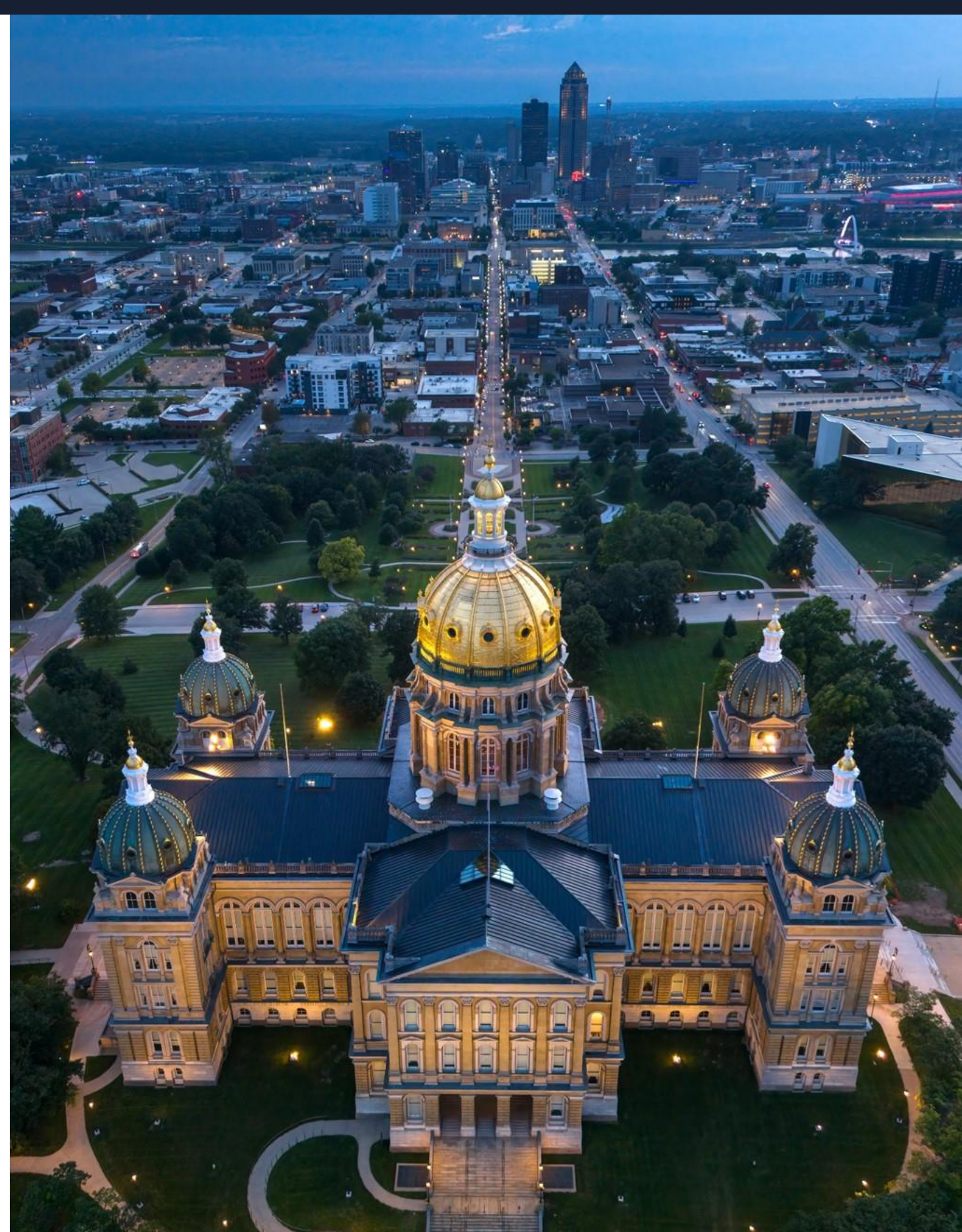
\$2.5B TOTAL PERSONAL INCOME



71,918 TOTAL JOBS SUPPORTED



\$1.2B STATE AND LOCAL TAXES



Results in Context

The visitor economy is an economic pillar in Iowa. In 2024, visitor spending supported one-in-eighteen jobs in Iowa and offset resident taxes by \$891 per household. In addition:



\$7.5B VISITOR SPENDING

Visitors spent \$20.5 million per day, on average, in Iowa.



\$2.5B PERSONAL INCOME

This is the equivalent of \$1,947 per resident household, regardless of any connection to the visitor economy.



71,918 JOBS

The visitor economy sustains 5.5% of all jobs in Iowa. These employees could fill Kinnick Stadium.

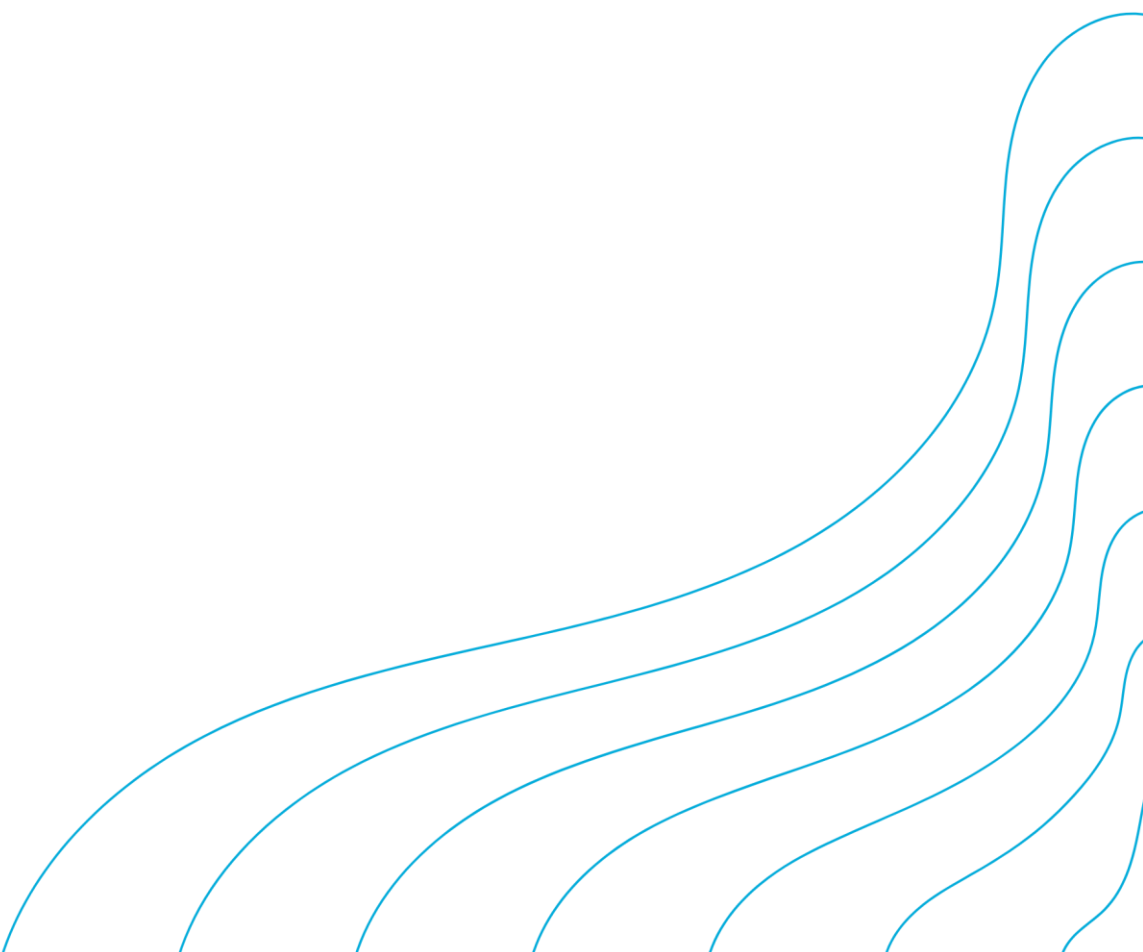


\$1.2B STATE & LOCAL TAXES

State and local taxes generated by the visitor economy could pay the salaries of 19,849 public school teachers.



VISITOR VOLUME & SPENDING



Iowa welcomed **46.1 million** visitors who spent **\$7.5 billion** in 2024.



Visitor Spending

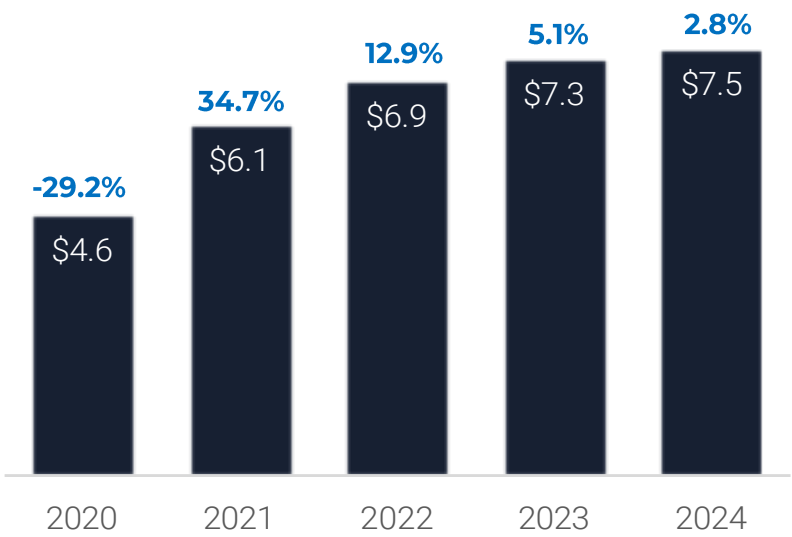
Visitors to Iowa spent \$7.5 billion across various sectors in 2024.

Of the \$7.5 billion spent, transportation purchases, including both ground and air, accounted for \$1.9 billion—25% of all visitor spending.

Visitors spent 23%, \$1.7 billion, of their budget on food and beverages.

Iowa Visitor Spending

\$ billions

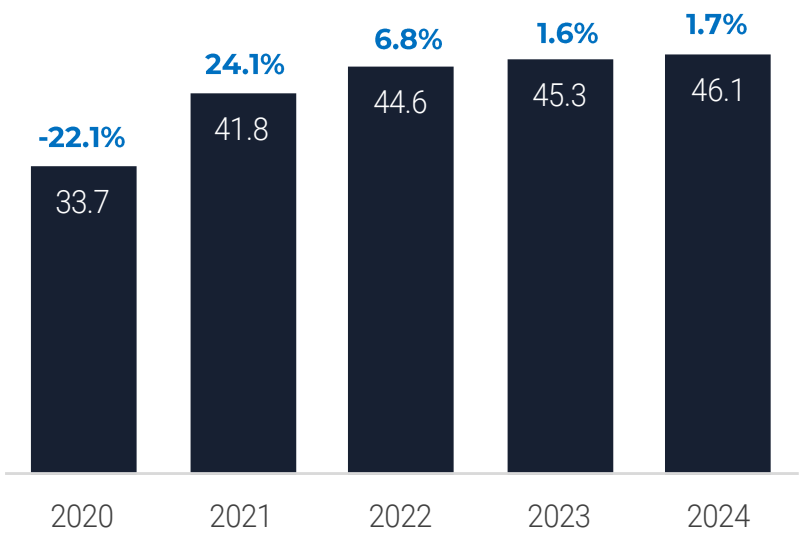


Visitor Volume

In 2024, Iowa welcomed nearly 760,000 additional visitors, driving visitor volume to 46.1 million visitors, a 1.7% increase over the prior year.

Iowa Visitor Volume

millions



Source: Tourism Economics



Source: Tourism Economics

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

Visitor Volume and Spending Trends

As a result of rising demand, visitor spending increased 2.8% in 2024 to reach \$7.5 billion.

Visitor spending on recreation and entertainment demonstrated the strongest growth among the categories, rising 5.2% over the previous year to tally \$1.2 billion.

Food and beverage spending followed, increasing 4.1% compared to the previous year and exceeding \$1.7 billion. Visitor spending on retail saw a 3.2% year-over-year increase and reached nearly \$1.2 billion.

Driven by higher room rates, visitor spending on lodging expanded 2.5%. Meanwhile, rising air and land travel demand offset lower gas prices, as transportation spending remained flat.

Iowa Visitor Spending

\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Total visitor spending	\$4,565	\$6,148	\$6,939	\$7,289	\$7,492	2.8%
Transportation	\$1,142	\$1,615	\$1,834	\$1,888	\$1,889	0.0%
Food & beverage	\$1,084	\$1,369	\$1,530	\$1,676	\$1,745	4.1%
Lodging	\$740	\$1,137	\$1,337	\$1,397	\$1,432	2.5%
Entertainment & recreation	\$723	\$959	\$1,114	\$1,176	\$1,237	5.2%
Retail	\$876	\$1,067	\$1,124	\$1,152	\$1,189	3.2%

Source: Tourism Economics

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

In 2024, overall visitor volume expanded 1.7% over the previous year to reach 46.1 million visitors. Day visitor volume demonstrated strong growth, expanding 4.5%, rising to 24.0 million visitors. Overnight visitor volume declined -1.2%, moderating to 22.1 million visitors, largely a result of a decline in hotel demand.

Iowa Visitor Volume, by Segment

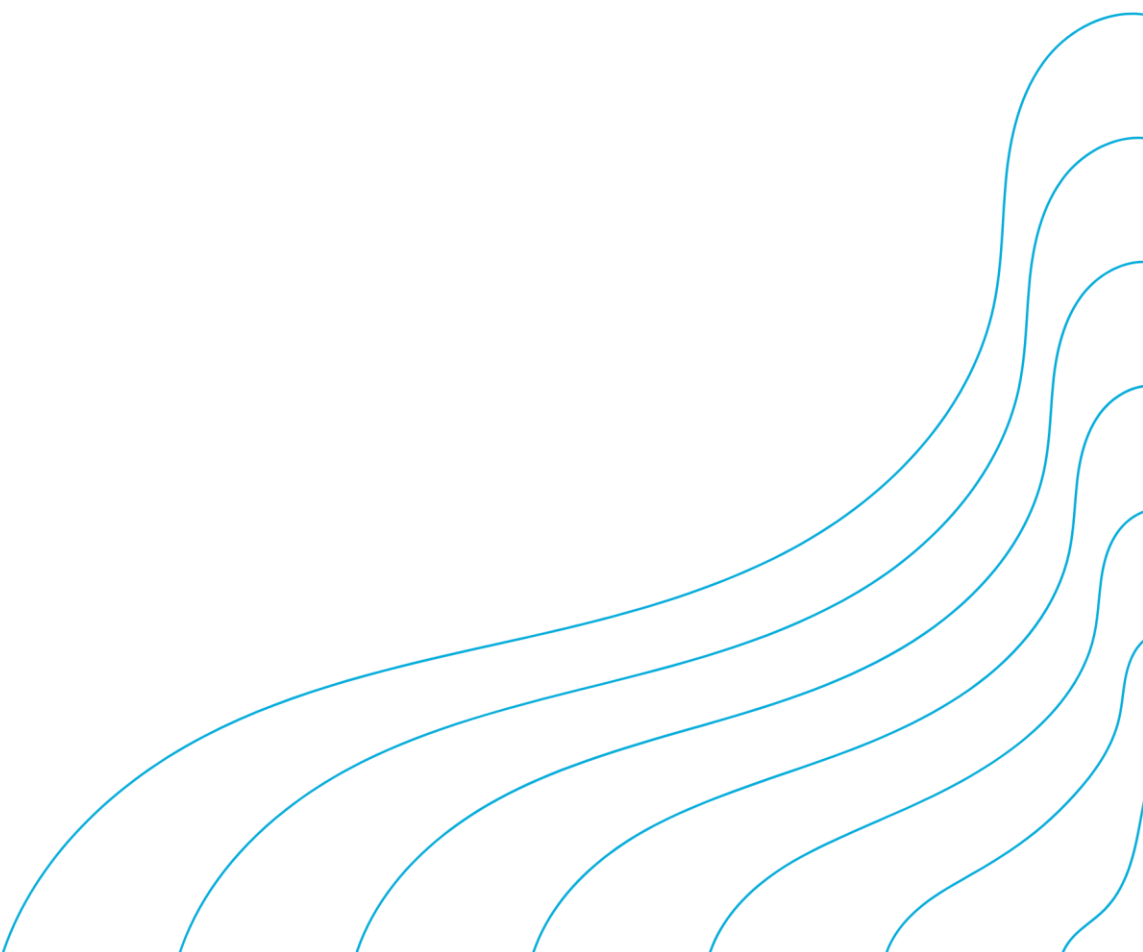
millions

	2020	2021	2022	2023	2024	2024 Growth
Total visitor volume	33.7	41.8	44.6	45.3	46.1	1.7%
Day	17.6	20.9	22.3	22.9	24.0	4.5%
Overnight	16.1	20.8	22.3	22.4	22.1	-1.2%

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.

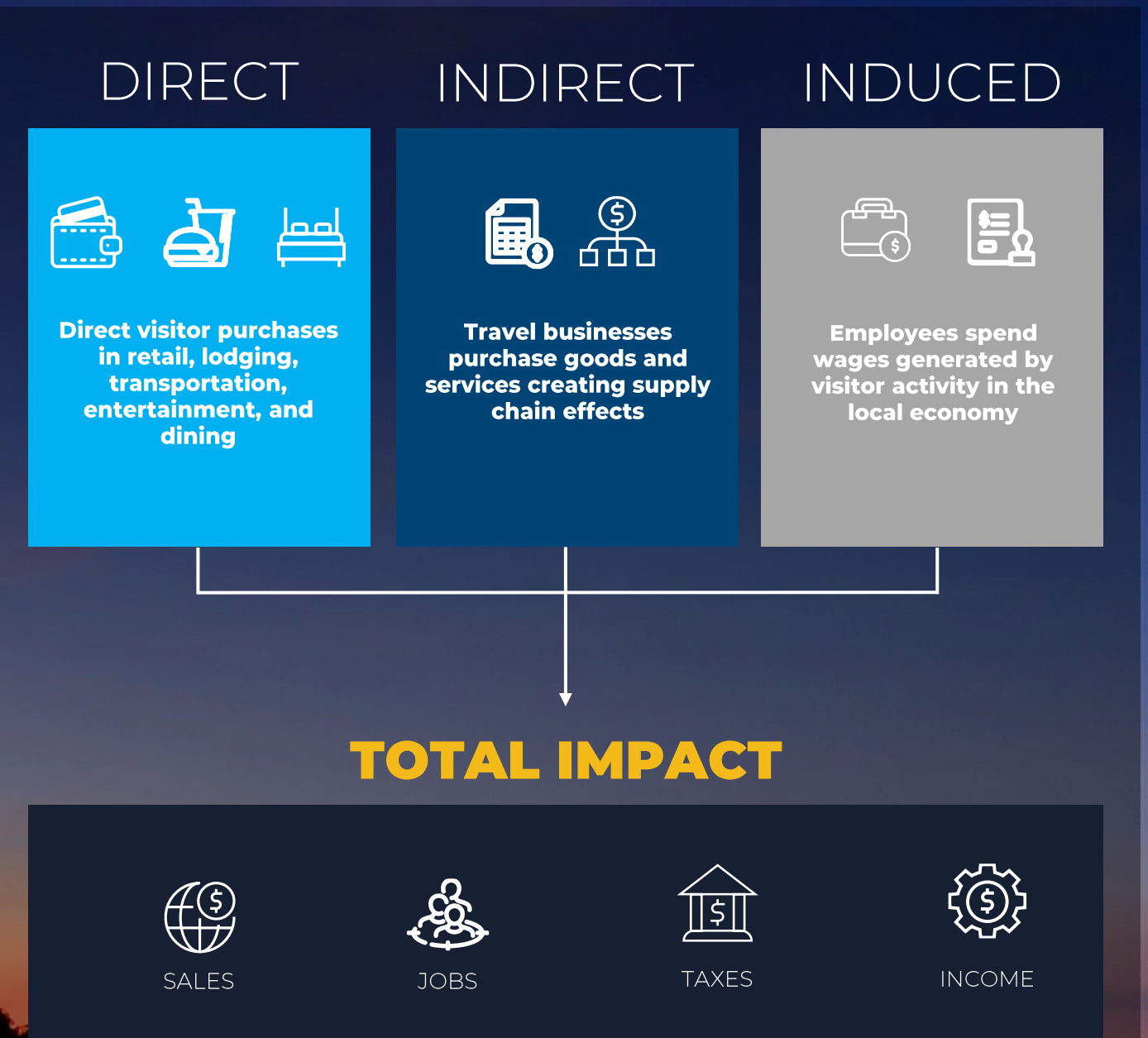
This provides a detailed profile of visitor spending by industry, which is then connected to a local input-output (I-O) economic impact model constructed within the IMPLAN platform. This uses government (Bureau of Economic Analysis and Census) data to trace the flow of visitors through the local economy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

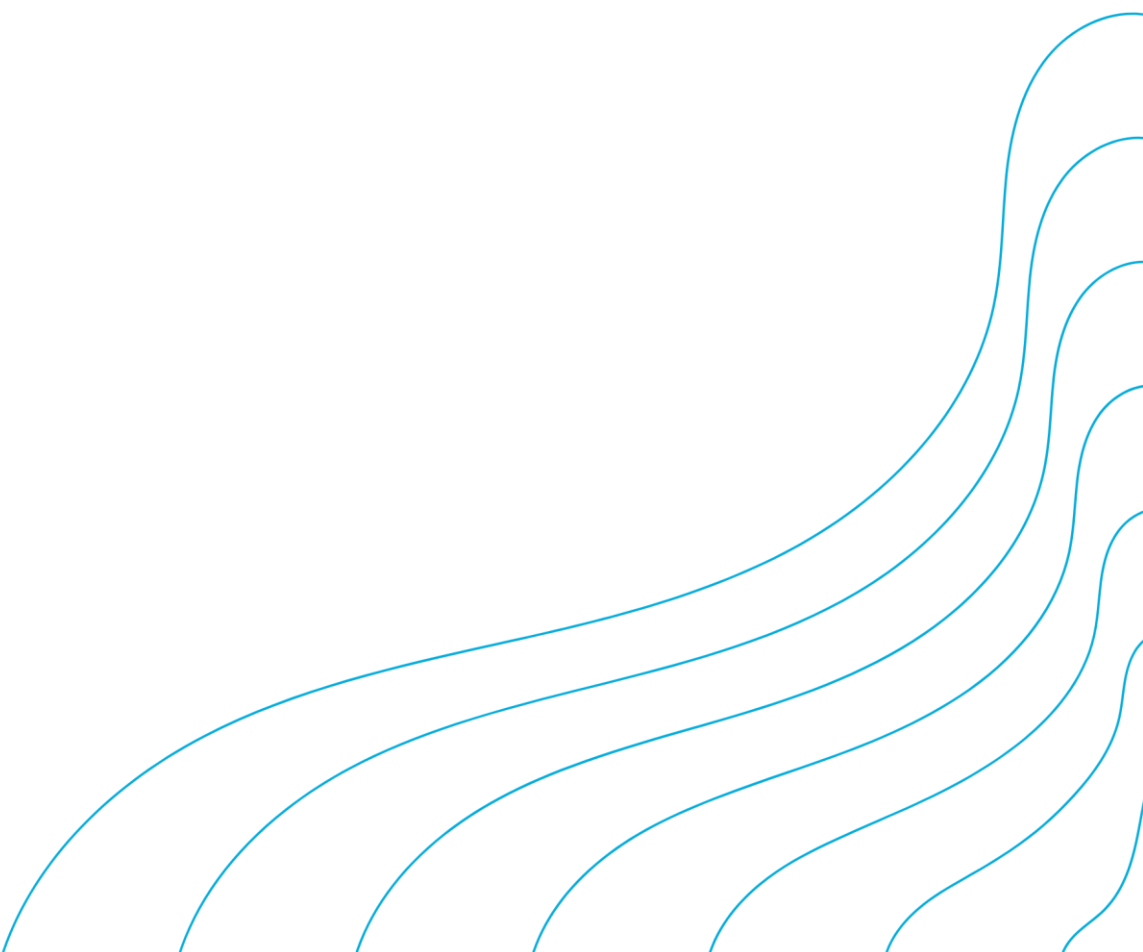
The model calculates these three levels of impact—direct, indirect and induced—for the following metrics:

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

Economic Impact Model



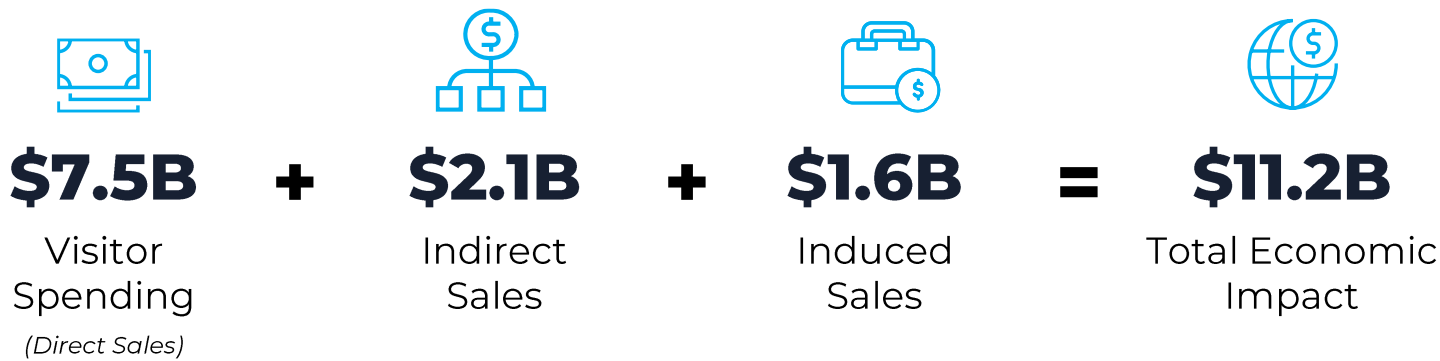
ECONOMIC IMPACT



Business Sales Impacts

Direct business sales reached nearly \$7.5 billion in Iowa in 2024. These direct impacts generated an additional \$3.7 billion through supply chain (indirect) and income (induced) effects.

As a result, the total economic impact of visitors approached \$11.2 billion, a 2.8% increase over the prior year.



Business Sales by Industry (2024)

\$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$7,492	\$2,116	\$1,557	\$11,165
Food and Beverage	\$1,745	\$116	\$116	\$1,977
Lodging	\$1,365	\$0	\$0	\$1,366
Retail Trade	\$1,189	\$30	\$129	\$1,348
Gasoline Stations	\$1,027	\$3	\$10	\$1,040
Finance, Insurance, Real Estate	\$67	\$479	\$494	\$1,040
Recreation and Entertainment	\$909	\$75	\$30	\$1,014
Other Transport	\$648	\$189	\$40	\$878
Business Services	\$231	\$504	\$115	\$851
Education and Health Care		\$14	\$272	\$286
Personal Services	\$97	\$72	\$98	\$266
Communications		\$190	\$70	\$260
Construction and Utilities		\$205	\$52	\$257
Air Transport	\$213	\$3	\$3	\$219
Wholesale Trade		\$87	\$66	\$152
Manufacturing		\$82	\$38	\$119
Government		\$53	\$17	\$69
Agriculture, Fishing, Mining		\$14	\$9	\$23

Source: Tourism Economics

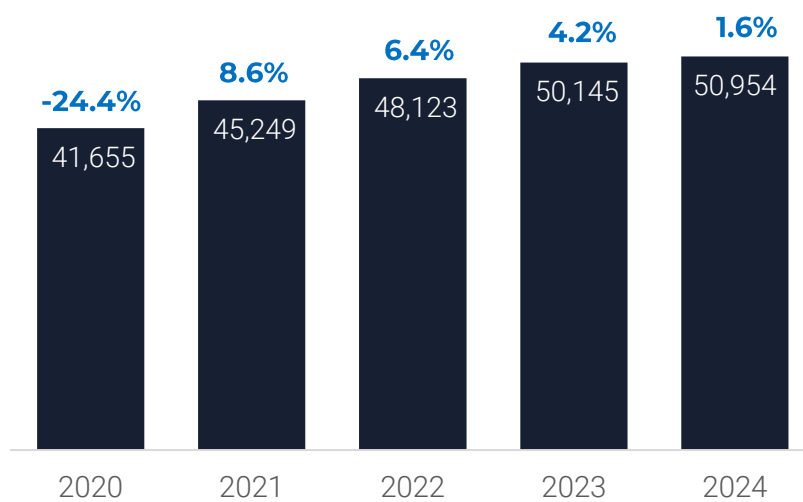
The total economic impact of **\$11.2 billion** accrued to industries across the economy.



Direct Employment

Employment directly supported by visitor activity increased 1.6% in 2024, reaching 50,954 jobs. With the increase, the number of jobs directly supported by visitors remains about 4,000 jobs below pre-pandemic levels. Overall, direct tourism jobs accounted for 3.9% of all jobs in Iowa in 2024.

Visitor-Supported Employment in Iowa jobs

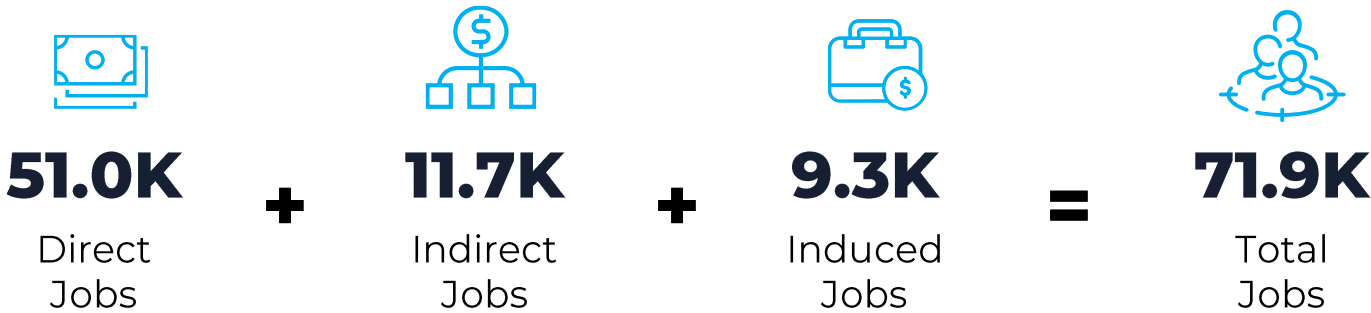


Source: Tourism Economics



Employment Impacts

Visitor activity sustained 50,954 direct jobs in 2024, with an additional 20,964 jobs supported from the indirect and induced impacts of visitor activity. Total employment impacts tallied 71,918 in 2024, translating to one-in-18 jobs in the state.



Employment by Industry (2024)

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	50,954	11,667	9,297	71,918
Food & Beverage	18,076	1,642	1,526	21,244
Lodging	14,064	2	3	14,068
Recreation and Entertainment	6,155	927	353	7,434
Retail Trade	5,008	294	1,379	6,681
Business Services	1,153	3,238	774	5,165
Personal Services	2,234	709	1,005	3,948
Finance, Insurance and Real Estate	621	1,759	967	3,347
Other Transport	1,594	1,434	301	3,330
Education and Health Care		141	2,303	2,444
Gasoline Stations	1,710	25	93	1,828
Communications		411	136	548
Wholesale Trade		252	177	429
Construction and Utilities		289	95	384
Government		291	72	363
Air Transport	338	8	7	354
Manufacturing		201	77	278
Agriculture, Fishing, Mining		44	29	72

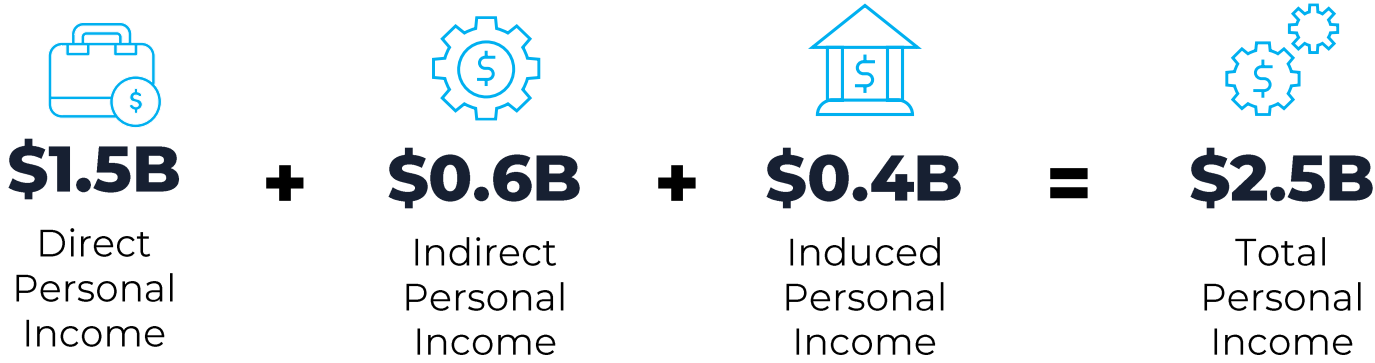
Source: Tourism Economics

Visitor spending supports **one-in-18 of all jobs** in Iowa, including over **21,200 jobs** in the food and beverage industry.



Personal Income Impacts

Visitor activity generated \$1.5 billion in direct personal income in 2024. Including nearly \$1.1 billion in indirect and induced impacts, employees received \$2.5 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	\$1,478	\$610	\$442	\$2,530
Food & Beverage	\$392	\$33	\$31	\$457
Lodging	\$406	\$0	\$0	\$406
Business Services	\$91	\$214	\$48	\$352
Retail Trade	\$175	\$10	\$44	\$228
Other Transport	\$57	\$51	\$11	\$119
Recreation and Entertainment	\$146	\$18	\$7	\$172
Finance, Insurance and Real Estate	\$57	\$131	\$68	\$256
Education and Health Care		\$7	\$139	\$145
Personal Services	\$82	\$26	\$42	\$150
Gasoline Stations	\$50	\$1	\$3	\$53
Communications		\$33	\$12	\$44
Wholesale Trade		\$24	\$17	\$40
Construction and Utilities		\$21	\$8	\$29
Government		\$25	\$6	\$31
Air Transport	\$22	\$0	\$0	\$23
Manufacturing		\$14	\$6	\$20
Agriculture, Fishing, Mining		\$2	\$1	\$3

Source: Tourism Economics



Tax Impacts

Visitor activity generated \$2.0 billion in government revenues in 2024. State and local taxes alone tallied nearly \$1.2 billion. Each household in Iowa would need to be taxed an additional \$891 to replace the visitor-generated taxes received by state and local governments in 2024.

Tourism-supported revenues to state government increased \$17 million in 2024 to reach \$615 million, with sales tax growth driving the increase.

Local tax revenues from visitor activity tallied \$543 million with property taxes, bed taxes, fees, and income taxes supporting local governmental revenues. Local revenues grew \$35 million in 2024.

Tax Impacts

\$ millions

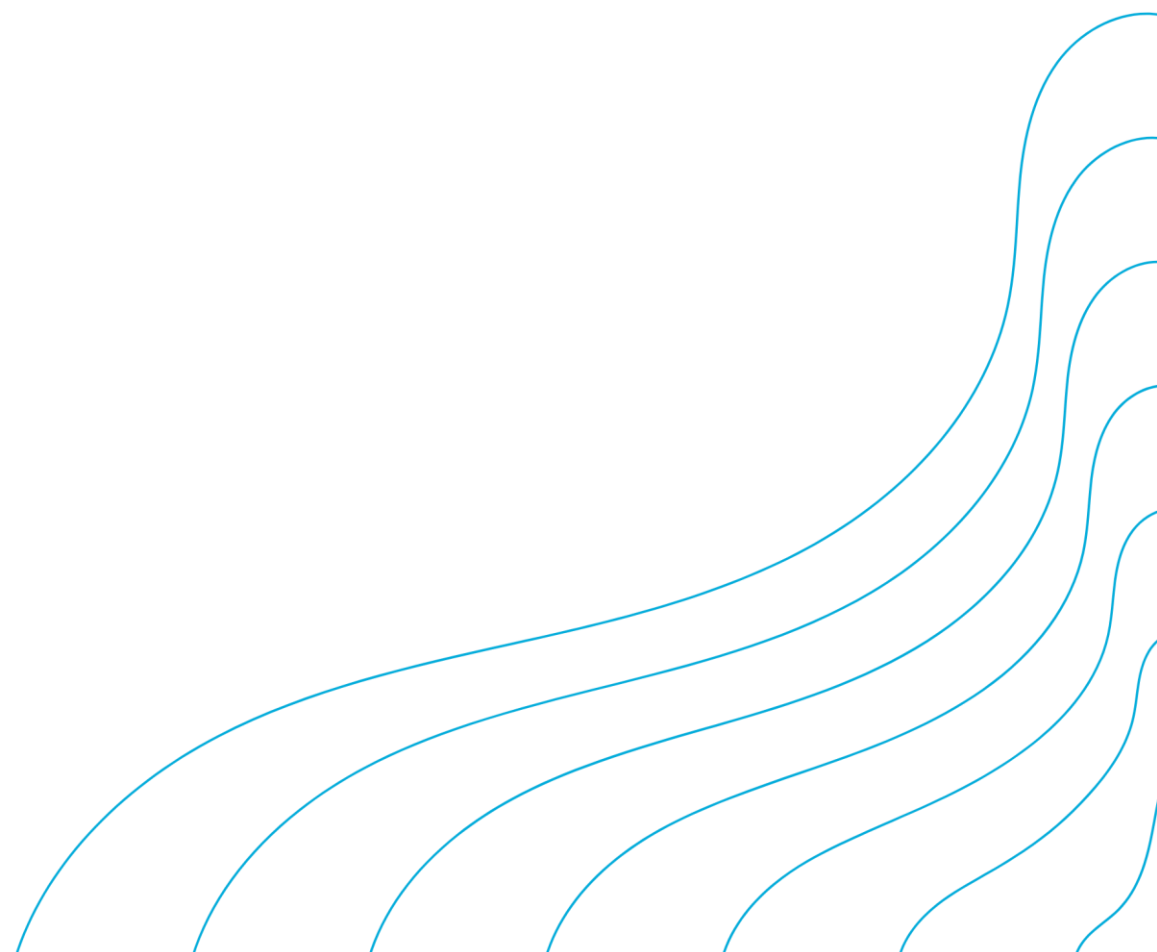
	2020	2021	2022	2023	2024	2024 Growth
Total Tax Revenues	\$1,537	\$1,756	\$1,875	\$1,946	\$2,020	3.8%
Federal Taxes	\$673	\$754	\$809	\$840	\$862	2.7%
Personal Income	\$206	\$234	\$257	\$267	\$274	2.7%
Corporate	\$47	\$57	\$63	\$66	\$68	2.8%
Indirect Business	\$41	\$48	\$50	\$52	\$54	2.8%
Social Insurance	\$379	\$417	\$439	\$455	\$467	2.7%
State Taxes	\$405	\$532	\$572	\$599	\$615	2.8%
Sales	\$280	\$338	\$353	\$371	\$382	2.8%
Lodging	\$34	\$52	\$63	\$66	\$68	2.5%
Personal Income	\$72	\$82	\$90	\$93	\$96	2.7%
Corporate	\$12	\$15	\$16	\$17	\$18	2.8%
Excise and Fees	\$5	\$46	\$49	\$51	\$53	2.7%
Local Taxes	\$459	\$469	\$494	\$507	\$543	6.9%
Sales	\$35	\$42	\$43	\$45	\$47	2.8%
Lodging	\$40	\$60	\$75	\$79	\$81	2.5%
Personal Income	\$2	\$2	\$2	\$2	\$3	2.7%
Excise and Fees	\$42	\$8	\$9	\$9	\$9	2.8%
Property	\$341	\$357	\$364	\$372	\$403	8.5%

Source: Tourism Economics

The visitor economy generated **\$2.0 billion in government revenue** in 2024.

Source: Tourism Economics

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 the state of Iowa.

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:** Visitor survey data, including volumes estimates by segment
- **STR & AirDNA:** Lodging performance data, including room demand and revenue for hotels and short-term rentals
- **Arrivalist:** Mobile device geolocation data
- **Iowa Tax Collections:** Lodging and sales tax receipts, by industry
- **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 airports in Iowa
- **Tourism Economics:** International arrivals data for visitors to Iowa

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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