

2024

Economic Impact of Visitors to Michigan



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Introduction

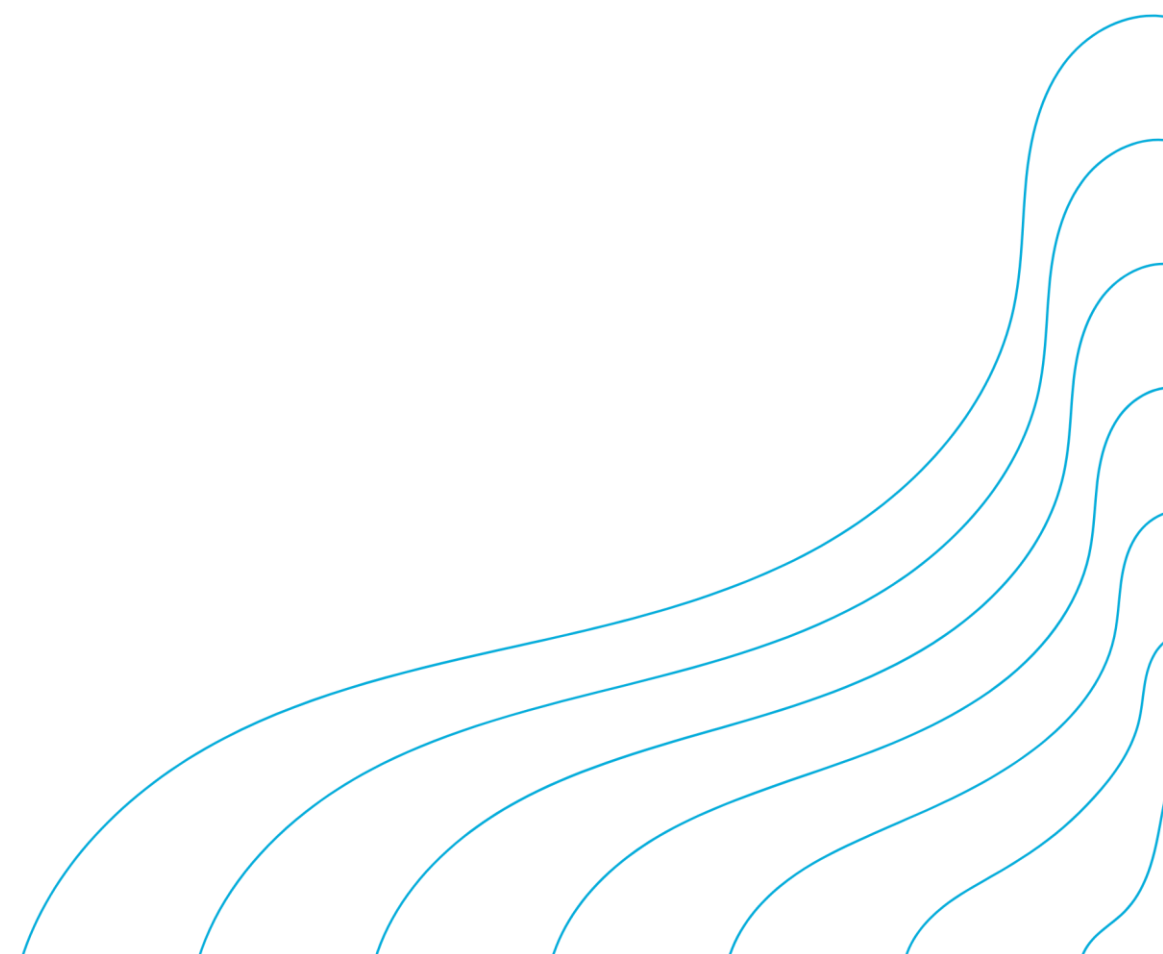
Visitors are integral to Michigan's economy, generating significant financial benefits for residents and local businesses. Visitor activity also produces substantial tax revenue which supports government services.

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

To quantify the significance of Michigan'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, 131.2 million visitors spent \$30.7 billion in the Michigan economy, generating a total economic impact of \$54.8 billion.



131.2M VISITORS TO MICHIGAN



\$30.7B VISITOR SPENDING



\$54.8B TOTAL ECONOMIC IMPACT



\$15.5B TOTAL PERSONAL INCOME



351.3K TOTAL JOBS SUPPORTED



\$3.6B STATE AND LOCAL TAXES



Results in Context

The visitor economy is an economic pillar in Michigan. In 2024, visitor spending supported one-in-seventeen jobs in Michigan and offset resident taxes by \$887 per household. In addition:



\$30.7B VISITOR SPENDING

Visitors spent \$84.2 million per day, on average, in Michigan.



\$15.5B PERSONAL INCOME

This is the equivalent of \$3,775 per resident household, regardless of any connection to the visitor economy.



351,292 JOBS

The visitor economy sustains 5.8% of all jobs in Michigan. These employees could fill Michigan's Big House Stadium about 3.3 times.

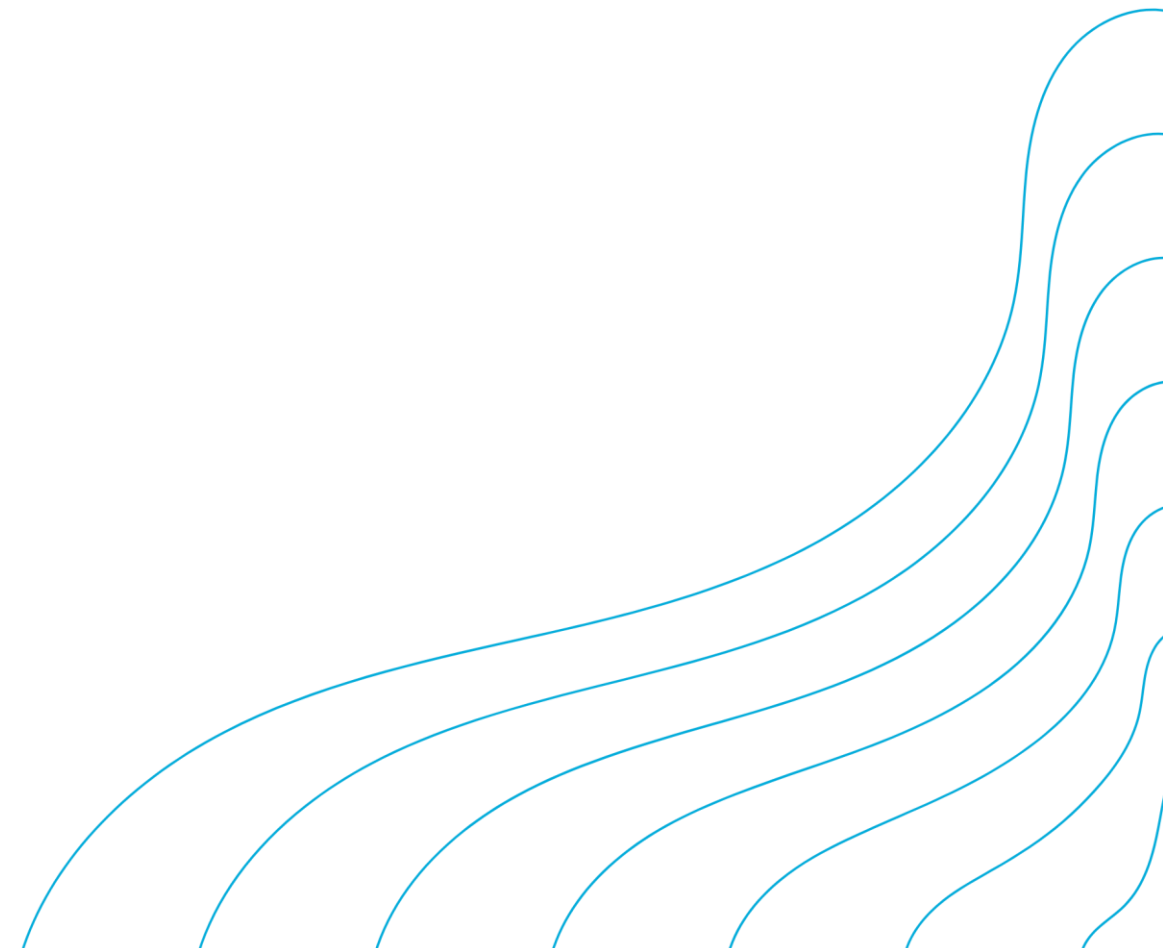


\$3.6B STATE & LOCAL TAXES

State and local taxes generated by the visitor economy could pay the salaries of 61,995 public school teachers.



VISITOR VOLUME & SPENDING



Michigan welcomed **131.2 million** visitors who spent **\$30.7 billion** in 2024.



Visitor Spending

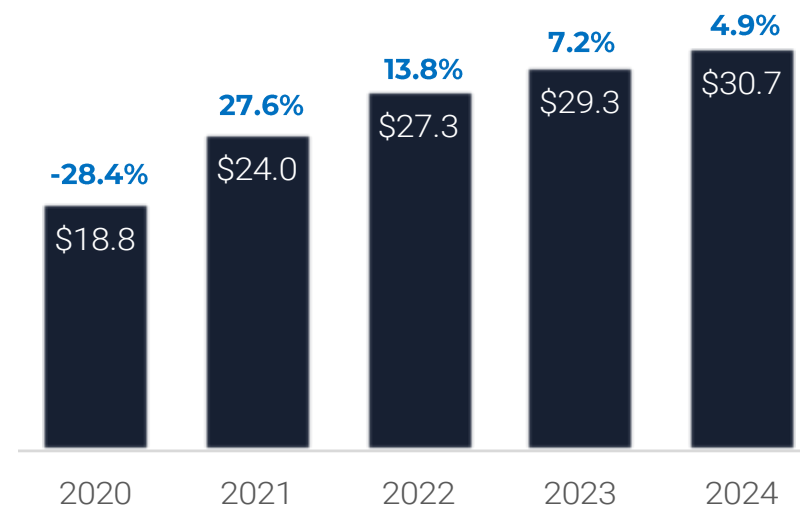
Visitors to Michigan spent \$30.7 billion across various sectors in 2024.

Of the \$30.7 billion spent, transportation purchases, including both ground and air, accounted for \$7.7 billion—25% of all visitor spending.

Visitors spent 24.0%, \$7.4 billion, of their budget on food and beverage.

Michigan Visitor Spending

\$ billions

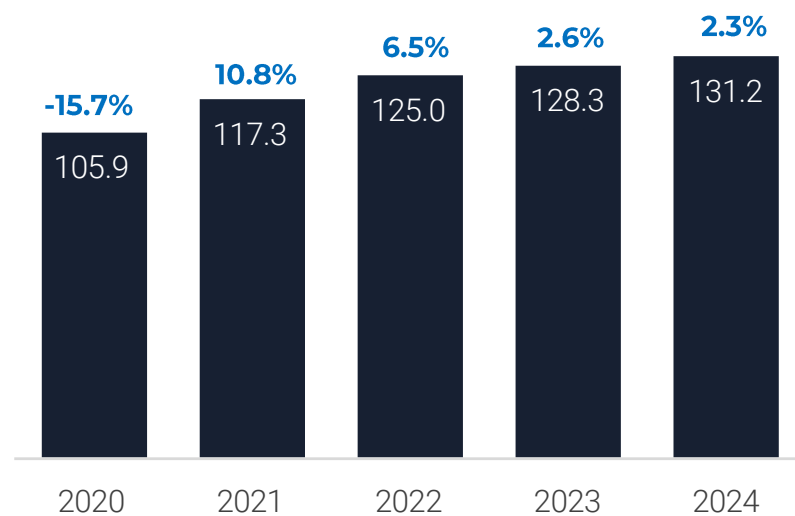


Visitor Volume

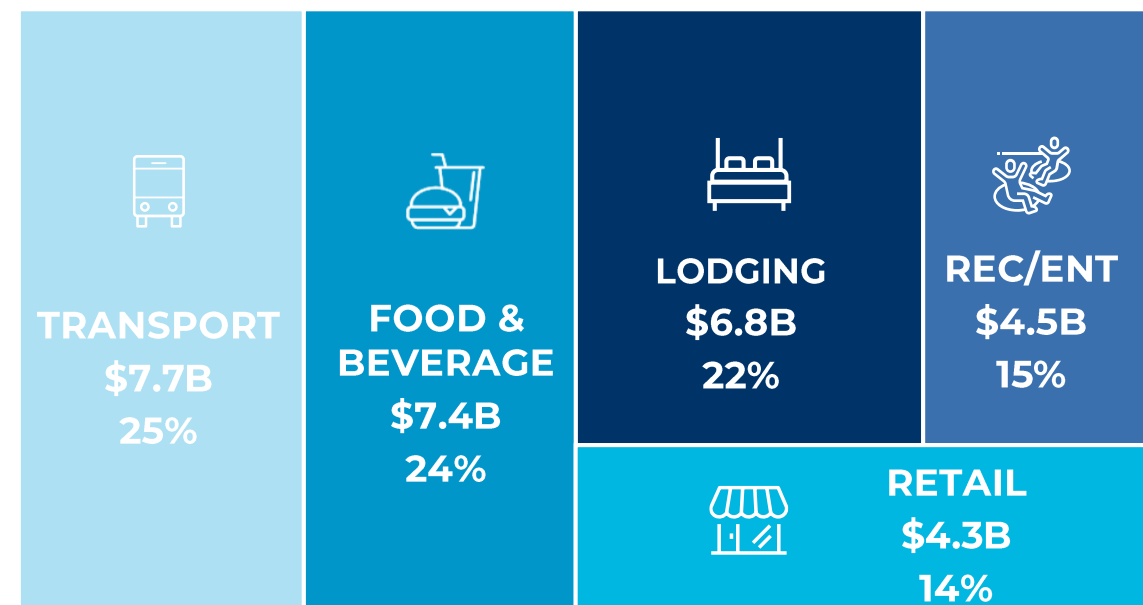
In 2024, 131.2 million visitors traveled to Michigan, a 2.3% increase over the prior year. Overnight and international arrivals supported growth, increasing 2.4% and 13.6%, respectively.

Michigan 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

Visitor spending increased 4.9% in 2024, a result of moderate demand growth coupled with price increases.

Driven by demand growth and higher room rates, in 2024, lodging led spending gains, increasing 6.2% year-over-year. Food and beverage spending growth followed, increasing 5.4% compared to the previous year.

In 2024, 55 million overnight visitors spent \$24.2 billion, with an average per person spend of \$440. Day spending increased to \$6.5 billion, with visitors spending an average of \$85 per person.

Michigan Visitor Spending

\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Total visitor spending	\$18,829	\$24,019	\$27,336	\$29,294	\$30,723	4.9%
Transportation	\$4,726	\$6,017	\$7,023	\$7,391	\$7,732	4.6%
Food & beverage	\$4,430	\$5,564	\$6,323	\$7,008	\$7,385	5.4%
Lodging	\$3,976	\$5,463	\$6,133	\$6,523	\$6,829	6.2%
Recreation & entertainment	\$2,666	\$3,401	\$3,970	\$4,222	\$4,457	3.0%
Retail	\$3,031	\$3,574	\$3,887	\$4,150	\$4,321	2.9%

Source: Tourism Economics

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

Michigan Visitor Volume and Spending, by Segment

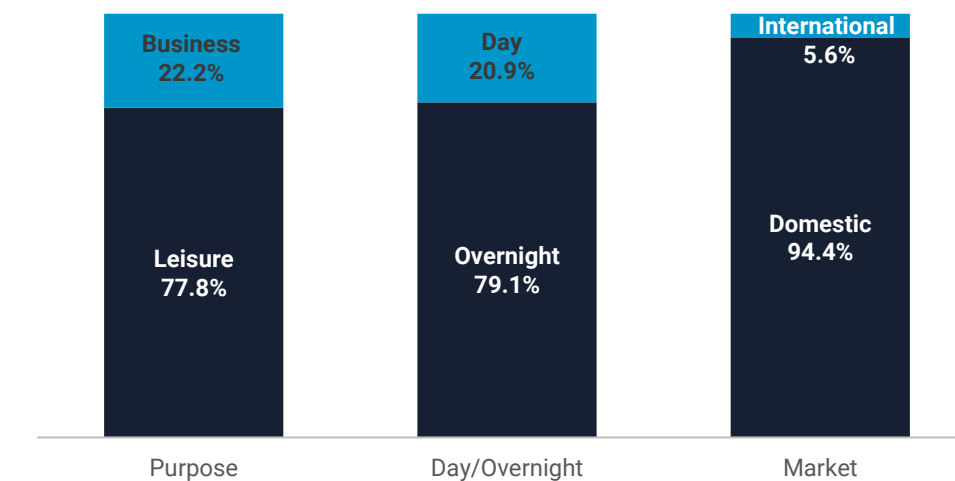
Millions of persons, \$ millions, and \$ per person

	2020	2021	2022	2023	2024	2024 Growth
Total visitor volume	106.3	117.4	125.0	128.3	131.2	2.3%
Day	63.0	68.5	72.5	74.5	76.1	2.1%
Overnight	43.3	48.9	52.5	53.8	55.1	2.4%
Total Visitor Spending	\$18,829	\$24,019	\$27,336	\$29,294	\$30,723	4.9%
Day	\$4,223	\$5,212	\$5,837	\$6,268	\$6,497	3.7%
Overnight	\$14,606	\$18,807	\$21,499	\$23,027	\$24,226	5.2%
Per Visitor Spending	\$405	\$461	\$490	\$512	\$525	2.5%
Day	\$67	\$76	\$81	\$84	\$85	1.4%
Overnight	\$338	\$385	\$409	\$428	\$440	2.8%

Source: Tourism Economics

Michigan Visitor Spending Share, by Segment

% total spending by market



Source: Tourism Economics

Visitor Economy Trends

The visitor economy looks at a broader range of tourism-related expenditures. These include government support for tourism as well as capital investment (both new structures and machinery and equipment spending).

Led by domestic traveler spending at \$29.0 billion, overall visitor economy spending in 2024 reached nearly \$33.7 billion. Capital investment in support of tourism totaled \$2.4 billion in 2024.

Tourism Capital Investment

\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Total Tourism CAPEX	\$1,190	\$1,506	\$1,843	\$2,708	\$2,379	-12.2%
Machinery & Equipment	\$771	\$976	\$1,124	\$1,630	\$1,510	-7.4%
Construction	\$419	\$530	\$719	\$1,079	\$869	-19.4%

Source: Tourism Economics, Oxford Economics

Visitor Economy Distribution

In Michigan, the international visitor market increased its share to 5.1% of tourism demand in 2024; up from 4.4% in 2023.

Capital investment in tourism-related construction and machinery & equipment represented 7.1% of all tourism-related demand.

Domestic visitor markets remained the largest category, providing 86.1% of demand in 2024.

The governmental support share was 0.4% of the Michigan visitor economy in 2024.

Michigan Visitor Economy

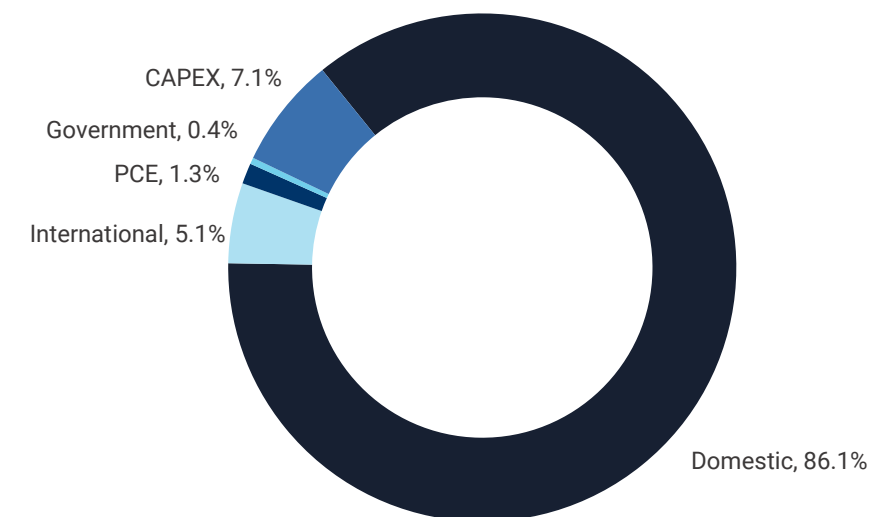
\$ millions

	2020	2021	2022	2023	2024	2024 Growth
Tourism Demand	\$20,488	\$26,063	\$29,697	\$32,570	\$33,684	3.4%
Domestic Visitor	\$18,450	\$23,588	\$26,194	\$27,871	\$29,002	4.1%
International Visitor	\$379	\$431	\$1,142	\$1,423	\$1,721	21.0%
Non-visitor PCE	\$355	\$394	\$406	\$425	\$444	4.4%
Governmental Support	\$114	\$144	\$112	\$142	\$138	-2.7%
Capital Investment	\$1,190	\$1,506	\$1,843	\$2,708	\$2,379	-12.2%

Source: Tourism Economics, Oxford Economics

Michigan Visitor Economy

\$ millions



Source: Tourism Economics, Oxford 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.

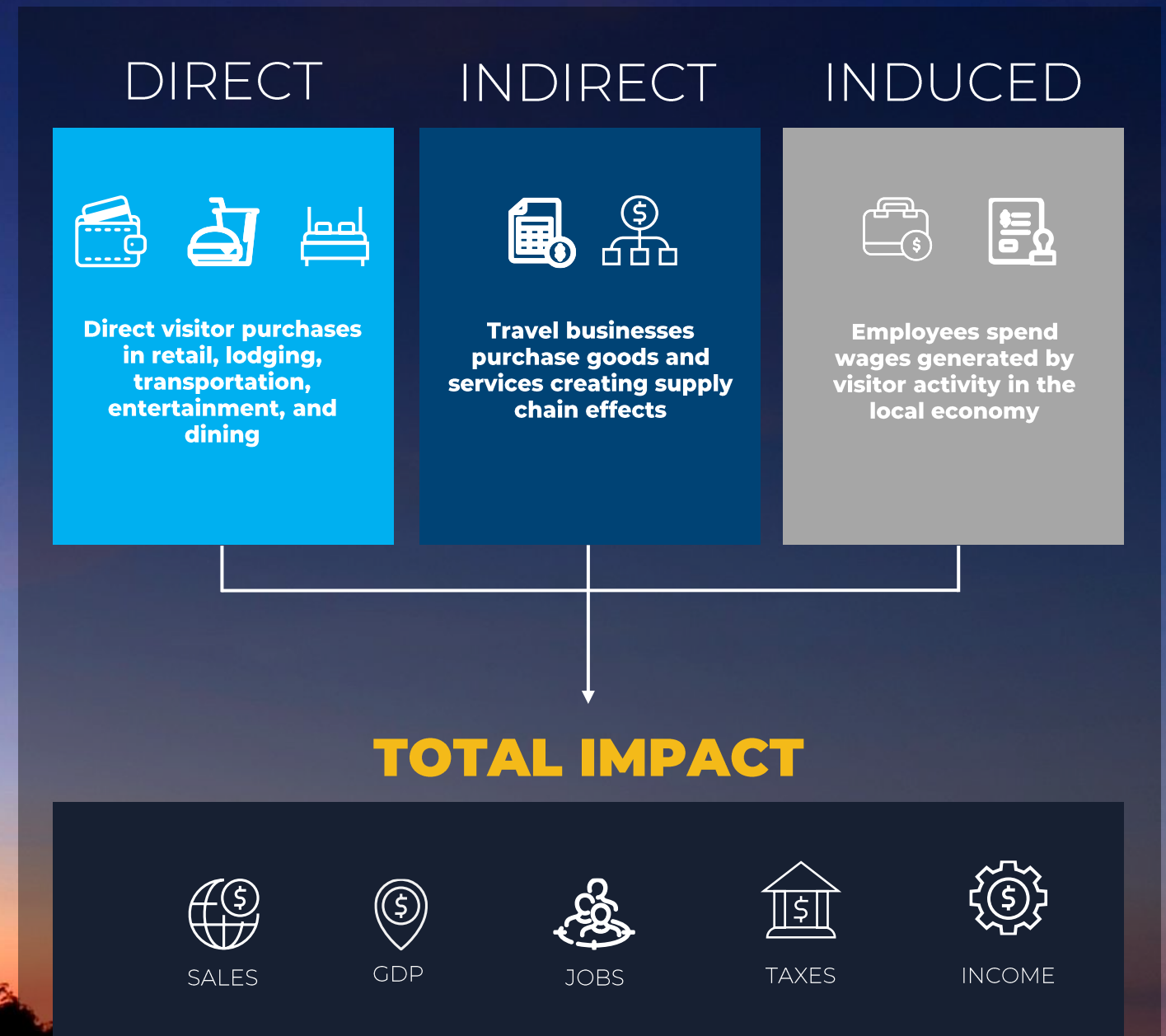
This provides a detailed profile of visitor spending by industry, which is then connected to a local input-output (I-O) economic impact model constructed within the IMPLAN platform. This uses government (Bureau of Economic Analysis and Census) data to trace the flow of visitors through the local economy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

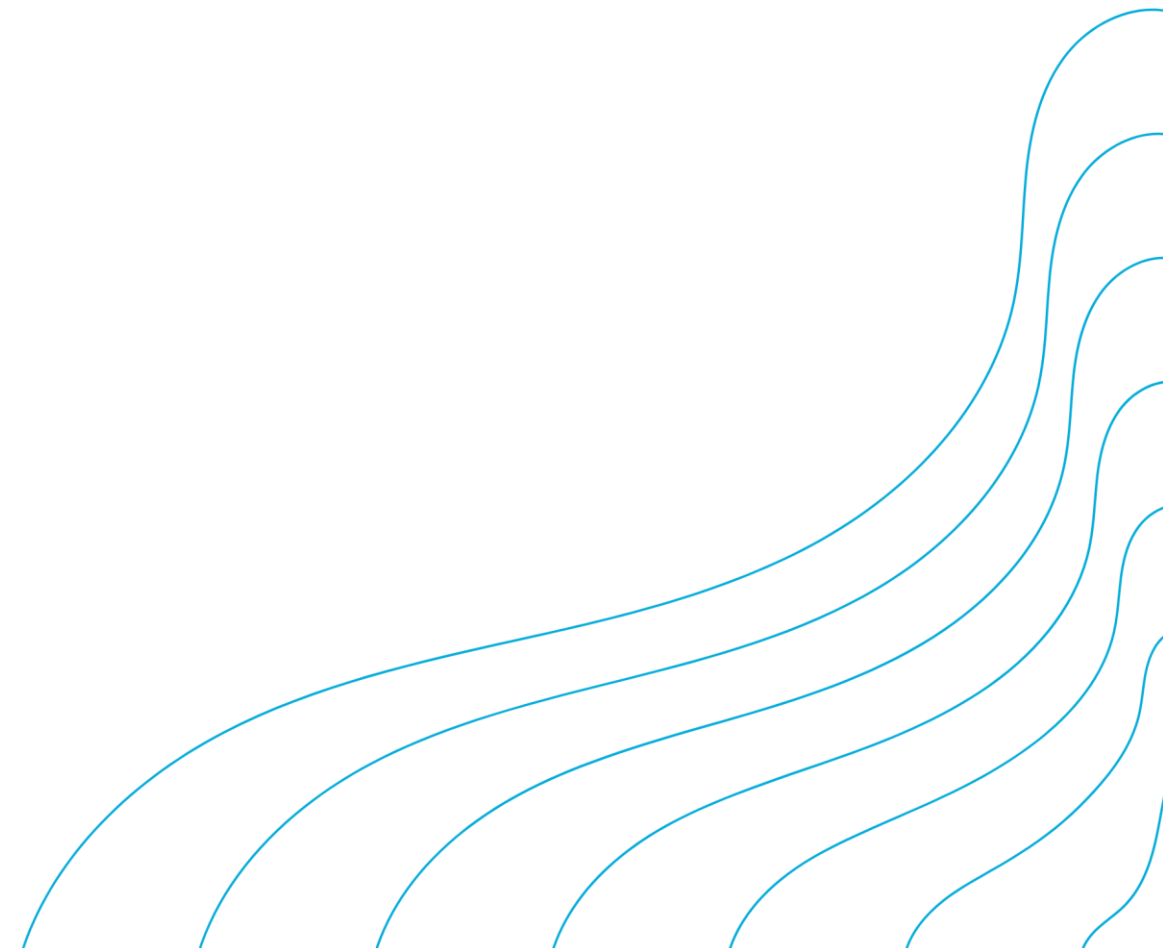
The model calculates these three levels of impact—direct, indirect and induced—for the following metrics:

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

Economic Impact Model



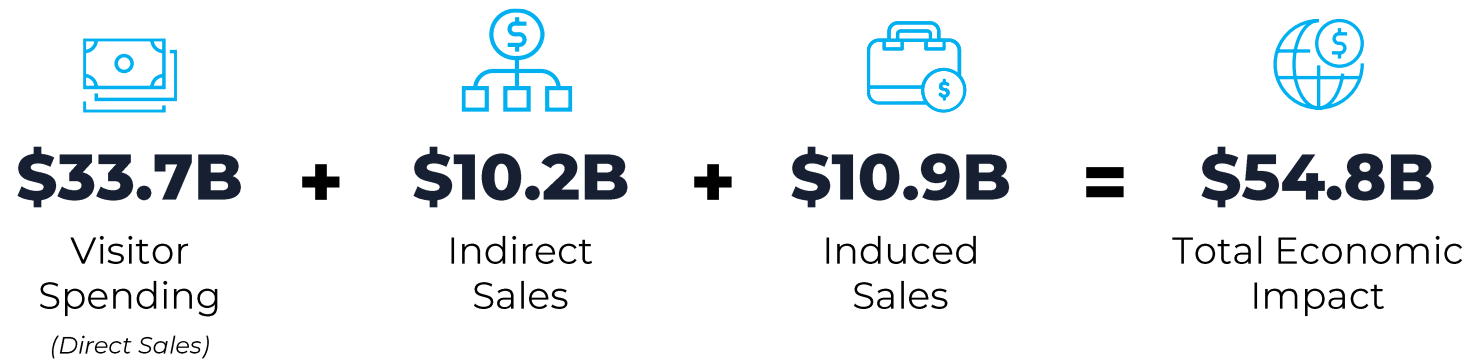
ECONOMIC IMPACT



Business Sales Impacts

Direct business sales, including visitor spending and TSA spending, tallied \$33.7 billion in Michigan in 2024. These direct impacts generated an additional \$21.1 billion through supply chain (indirect) and income (induced) effects.

As a result, the total economic impact of visitors reached \$54.8 billion, 3.1% 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	\$33,684	\$10,249	\$10,898	\$54,831
Finance, Insurance and Real Estate	\$2,649	\$2,434	\$3,316	\$8,400
Retail Trade	\$6,013	\$293	\$1,018	\$7,324
Food & Beverage	\$5,908	\$388	\$605	\$6,901
Lodging	\$5,342	\$3	\$18	\$5,363
Recreation and Entertainment	\$4,056	\$201	\$134	\$4,391
Business Services	\$134	\$2,661	\$1,105	\$3,900
Construction and Utilities	\$2,379	\$778	\$366	\$3,522
Gasoline Stations	\$3,197	\$11	\$67	\$3,276
Other Transport	\$1,453	\$704	\$287	\$2,444
Air Transport	\$1,919	\$49	\$69	\$2,037
Education and Health Care		\$30	\$1,761	\$1,791
Communications		\$820	\$486	\$1,306
Manufacturing	\$228	\$692	\$358	\$1,278
Personal Services	\$267	\$344	\$621	\$1,232
Wholesale Trade		\$616	\$533	\$1,149
Government	\$138	\$114	\$89	\$342
Agriculture, Fishing, Mining		\$109	\$66	\$175

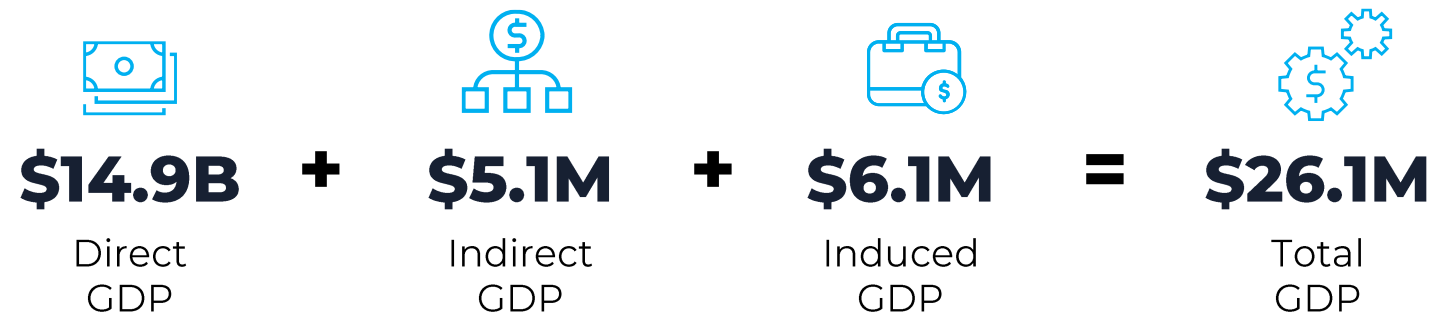
Source: Tourism Economics

The total economic impact of **\$54.8 billion** accrued to industries across the economy.



GDP (Value Added Impacts)

Michigan visitor economy GDP increased to \$26.1 billion in 2024. This represented 3.7% of Michigan's economy. GDP removes the value of all imported (from other states and internationally) goods and services.

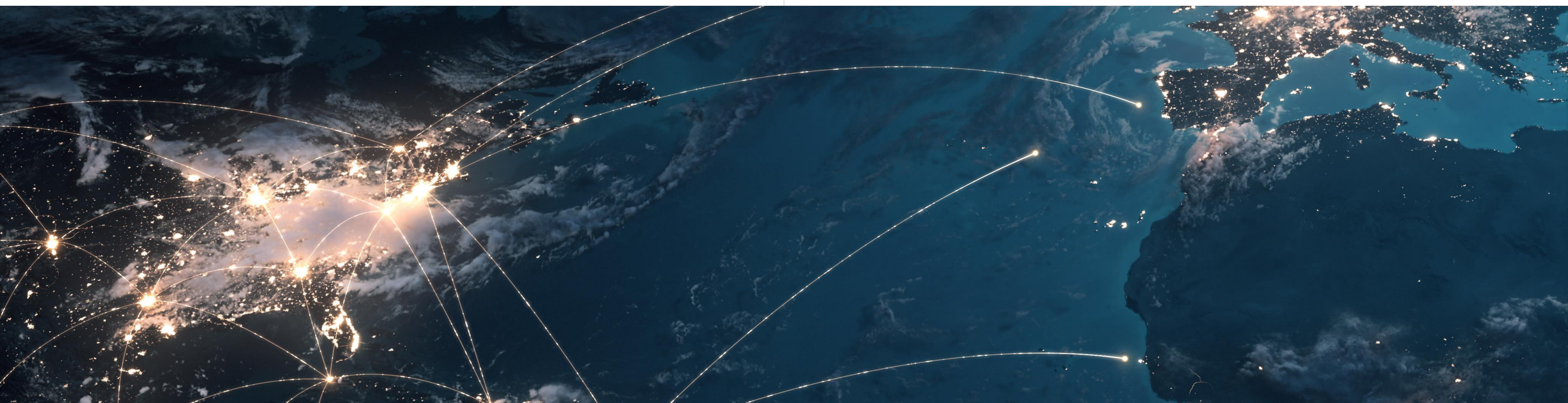


GDP by Industry (2024)

\$ millions

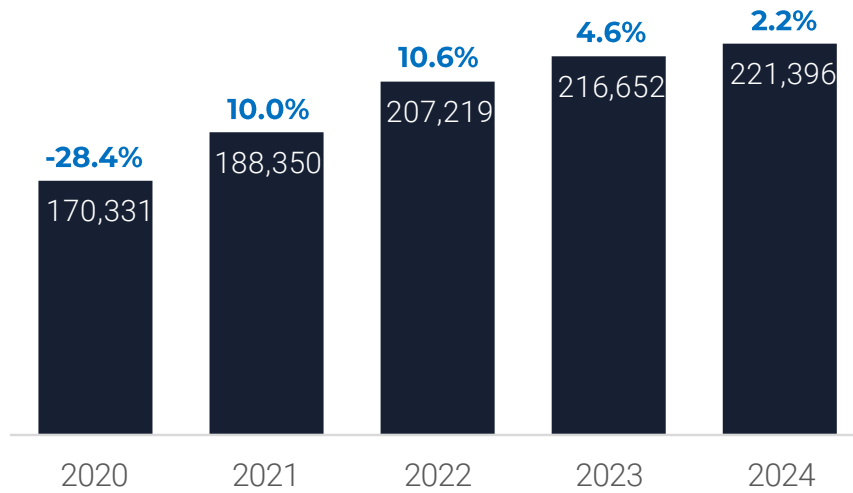
	Direct GDP	Indirect GDP	Induced GDP	Total GDP
Total, all industries	\$14,850	\$5,108	\$6,099	\$26,057
Finance, Insurance and Real Estate	\$1,626	\$1,169	\$2,031	\$4,826
Retail Trade	\$2,548	\$209	\$636	\$3,392
Lodging	\$2,877	\$2	\$14	\$2,893
Food & Beverage	\$1,977	\$222	\$284	\$2,483
Recreation and Entertainment	\$2,061	\$101	\$80	\$2,242
Business Services	\$27	\$1,546	\$633	\$2,206
Gasoline Stations	\$1,274	\$7	\$36	\$1,317
Construction and Utilities	\$834	\$287	\$141	\$1,262
Other Transport	\$667	\$397	\$153	\$1,217
Education and Health Care		\$15	\$1,049	\$1,064
Personal Services	\$143	\$259	\$392	\$794
Air Transport	\$688	\$23	\$33	\$744
Wholesale Trade		\$343	\$292	\$635
Communications		\$256	\$178	\$434
Manufacturing	\$52	\$200	\$96	\$349
Government	\$76	\$27	\$25	\$128
Agriculture, Fishing, Mining		\$45	\$26	\$71

Source: Tourism Economics



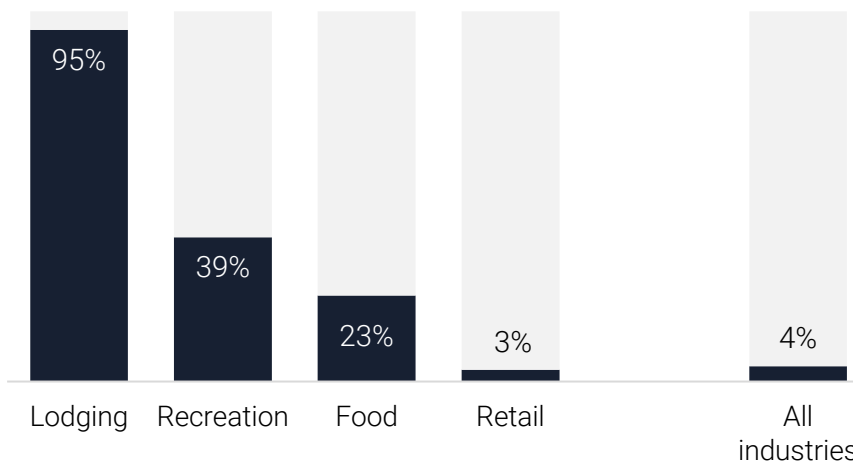
Direct Employment

Visitor-Supported Employment in Michigan jobs



Source: Tourism Economics

Tourism Employment Intensity share of total industry employment

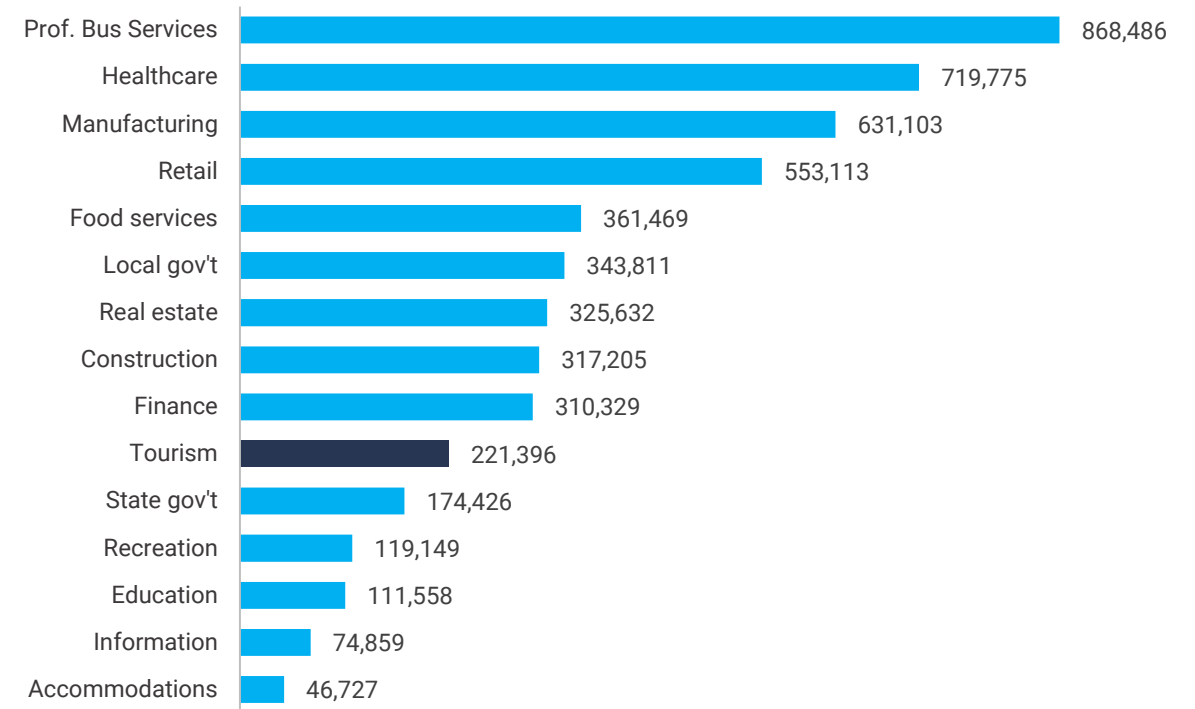


Source: Tourism Economics

Employment directly supported by visitor activity increased 2.2% in 2024, reaching 221,396 jobs. With the increase, the number of jobs directly supported by visitors remains about 10,000 jobs below pre-pandemic levels.

If direct visitor-supported employment was treated as a single industry, it would rank 10th in comparison to other comparably measured sectors, behind construction and finance.

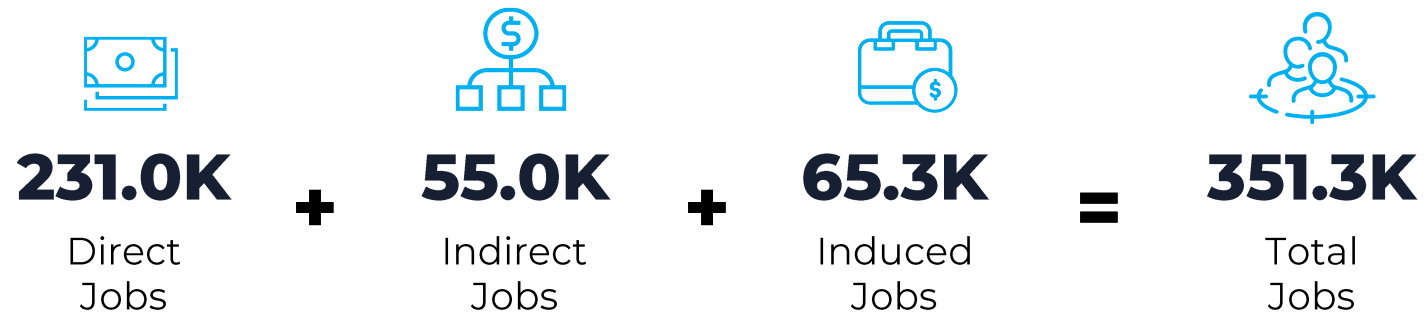
Employment in Michigan, by major industry jobs



Source: BEA, BLS, Tourism Economics

Employment Impacts

Visitor activity sustained 230,973 direct jobs in 2024, with an additional 120,319 jobs supported from the indirect and induced impacts of visitor activity. Total employment impacts tallied 351,292 in 2024, translating to one-in-17 jobs in the state.



Employment by Industry (2024)

jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	230,973	54,983	65,336	351,292
Food & Beverage	84,052	5,147	7,372	96,571
Recreation and Entertainment	46,414	2,469	1,698	50,581
Lodging	44,369	33	222	44,624
Retail Trade	17,472	2,379	9,462	29,313
Business Services	511	16,722	7,202	24,436
Finance, Insurance and Real Estate	2,404	10,515	8,161	21,079
Personal Services	7,788	3,765	7,631	19,185
Other Transport	8,103	6,768	2,697	17,567
Education and Health Care		349	15,919	16,268
Construction and Utilities	8,780	1,369	687	10,837
Gasoline Stations	5,457	75	438	5,970
Air Transport	4,571	105	150	4,825
Wholesale Trade		1,700	1,407	3,107
Manufacturing	526	1,518	693	2,737
Communications		1,233	889	2,122
Government	524	423	304	1,251
Agriculture, Fishing, Mining		413	404	817

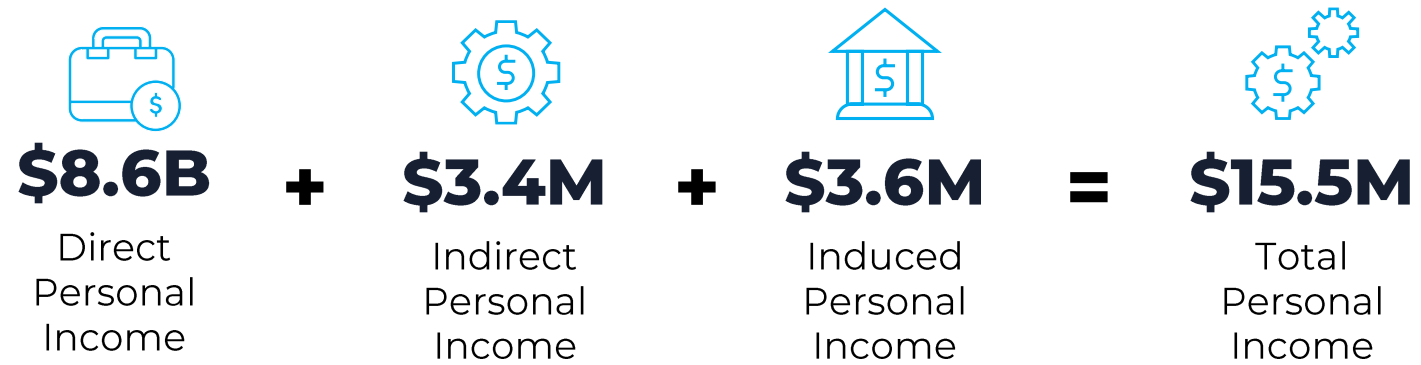
Source: Tourism Economics

Visitor spending supports **one-in-17 of all jobs** in Michigan, including over **96,000 jobs** in the food and beverage industry.



Personal Income Impacts

Visitor activity generated \$8.6 billion in direct personal income in 2024. Including \$6.9 billion in indirect and induced impacts, employees received \$15.5 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	\$8,564	\$3,357	\$3,588	\$15,509
Food & Beverage	\$1,733	\$163	\$207	\$2,103
Business Services	\$22	\$1,382	\$550	\$1,954
Lodging	\$1,870	\$2	\$11	\$1,883
Recreation and Entertainment	\$1,331	\$60	\$46	\$1,437
Retail Trade	\$908	\$110	\$363	\$1,381
Other Transport	\$842	\$371	\$120	\$1,334
Education and Health Care		\$15	\$1,096	\$1,111
Finance, Insurance and Real Estate	\$152	\$408	\$422	\$983
Construction and Utilities	\$734	\$144	\$68	\$946
Personal Services	\$123	\$207	\$331	\$662
Air Transport	\$571	\$16	\$23	\$611
Wholesale Trade		\$174	\$150	\$323
Manufacturing	\$52	\$127	\$57	\$236
Communications		\$130	\$94	\$224
Gasoline Stations	\$170	\$3	\$16	\$189
Government	\$56	\$33	\$25	\$114
Agriculture, Fishing, Mining		\$12	\$7	\$20

Source: Tourism Economics



Tax Impacts

Visitor activity generated \$7.2 billion in government revenues in 2024. State and local taxes alone tallied more than \$3.6 billion. Each household in Michigan would need to be taxed an additional \$887 to replace the visitor-generated taxes received by state and local governments in 2024.

Tourism-supported revenues to state government rose to \$2.2 billion in 2024. The majority of state revenues are generated through sales taxes with income, corporate, and excise and fees from visitor activity, together adding \$525 million to state coffers.

State revenues grew by \$87.2 million with sales tax growth driving the increase.

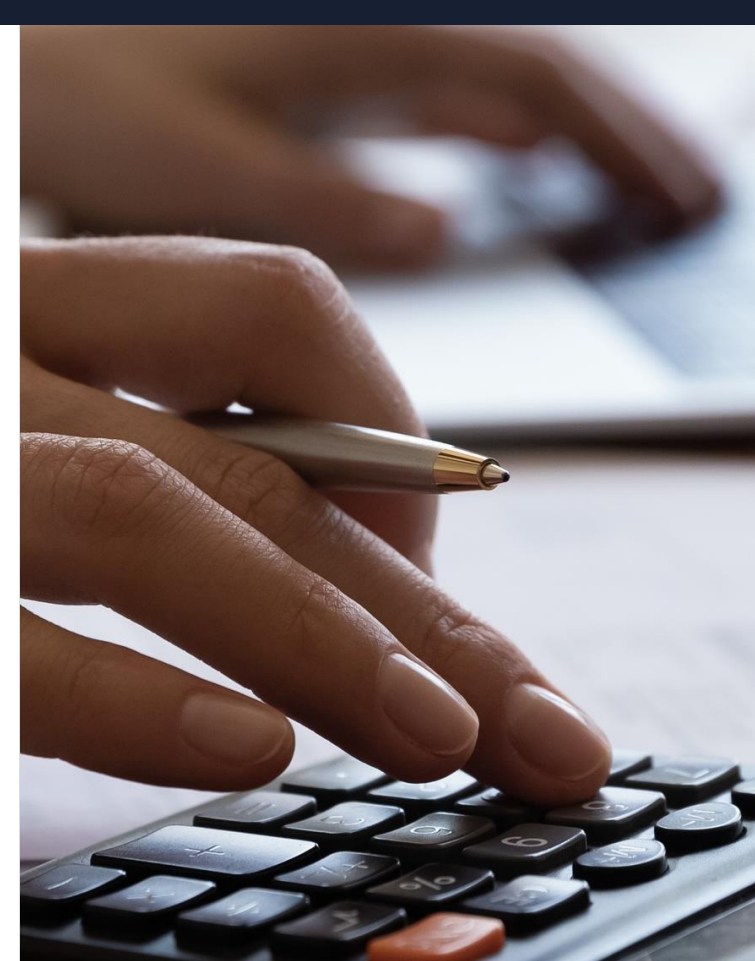
Local tax revenues from visitor activity tallied \$1.4 billion with property taxes, bed taxes, fees, and income taxes supporting local governmental revenues. Local revenues grew \$57.3 million in 2024.

Tax Impacts

\$ millions

	2020	2021	2022	2023	2024
Total Tax Revenue	\$5,067	\$5,857	\$6,452	\$7,033	\$7,209
Federal	\$2,514	\$2,904	\$3,250	\$3,535	\$3,566
Personal income	\$848	\$992	\$1,181	\$1,280	\$1,287
Corporate	\$215	\$233	\$257	\$282	\$290
Indirect business	\$219	\$260	\$284	\$312	\$320
Social insurance	\$1,232	\$1,419	\$1,528	\$1,661	\$1,669
State and Local	\$2,553	\$2,953	\$3,202	\$3,498	\$3,643
Sales	\$982	\$1,170	\$1,295	\$1,419	\$1,463
Bed tax	\$17	\$26	\$33	\$36	\$38
Personal income	\$201	\$234	\$278	\$290	\$319
Corporate	\$31	\$34	\$41	\$45	\$46
Social insurance	\$6	\$7	\$7	\$8	\$8
Excise and fees	\$187	\$205	\$216	\$237	\$245
Property	\$1,128	\$1,276	\$1,332	\$1,464	\$1,525

Source: Tourism Economics



The visitor economy generated **\$7.2 billion in government revenue** in 2024.

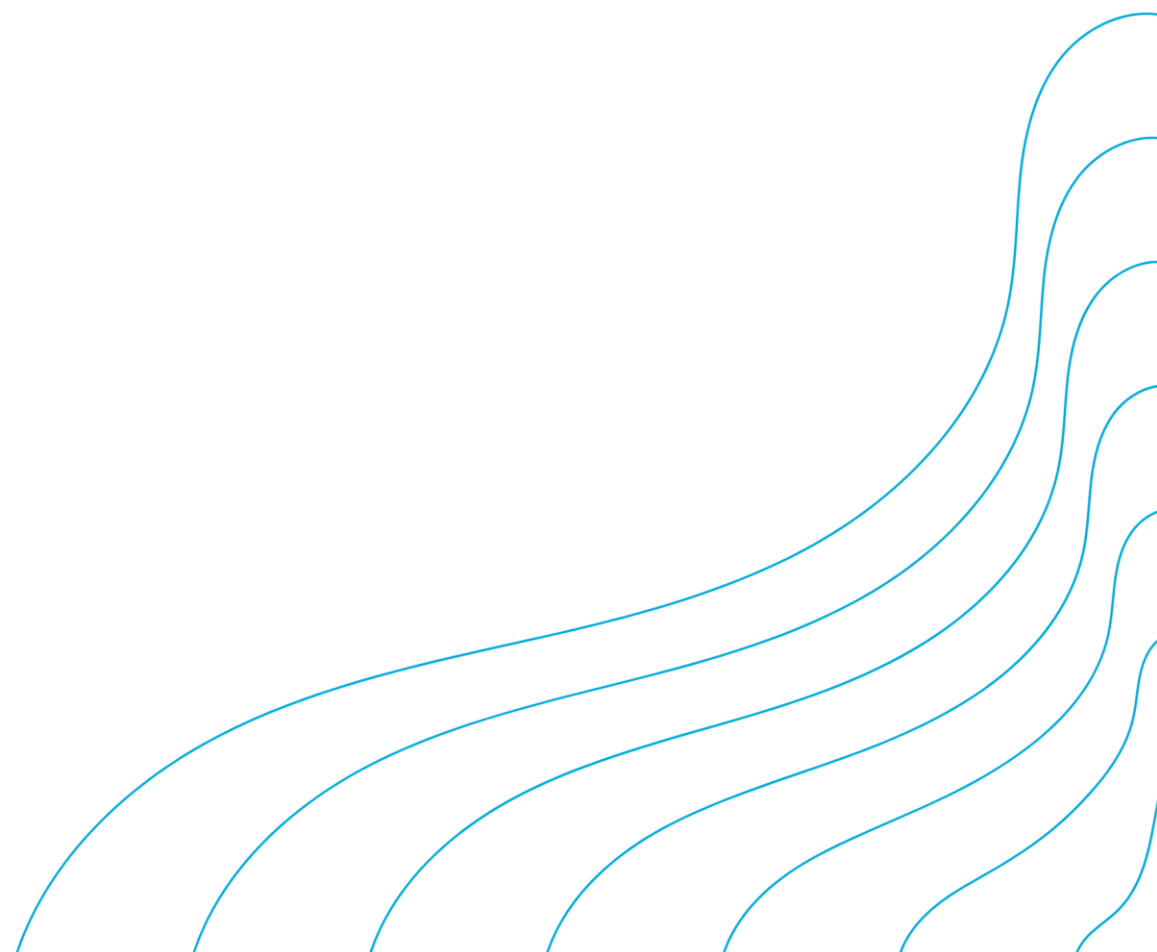
State and Local Tax Impacts

\$ millions

	2022	2023	2024
State Taxes	\$1,935	\$2,107	\$2,194
Sales	\$1,270	\$1,392	\$1,435
Personal Income	\$262	\$273	\$301
Corporate	\$41	\$45	\$46
Social Insurance	\$7	\$8	\$8
Excise and Fees	\$156	\$172	\$177
Property	\$199	\$218	\$227
Local Taxes	\$1,267	\$1,391	\$1,448
Sales	\$25	\$27	\$28
Bed tax	\$33	\$36	\$38
Personal income	\$16	\$17	\$17
Corporate	\$0	\$0	\$0
Social insurance	\$0	\$0	\$0
Excise and fees	\$60	\$65	\$67
Property	\$1,133	\$1,245	\$1,298

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 Michigan.

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 Tourism Satellite Account (TSA) which measures the tourism-related capital investments into the economy of the study area, are estimated through the analysis of industry-specific data sets on the construction industry, Census Capital Expenditure Survey data, BEA personal consumption expenditure data, and government data.

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
- **Michigan State Tax Collections:** 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 Michigan
- **Tourism Economics:** International arrivals data for overseas, Canadian, and Mexican travel to Michigan
- **Oxford Economics:** Construction data, by industry, for Michigan

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.
	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

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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