

2024

Economic Impact of Motorcoach Group Travel in The United States

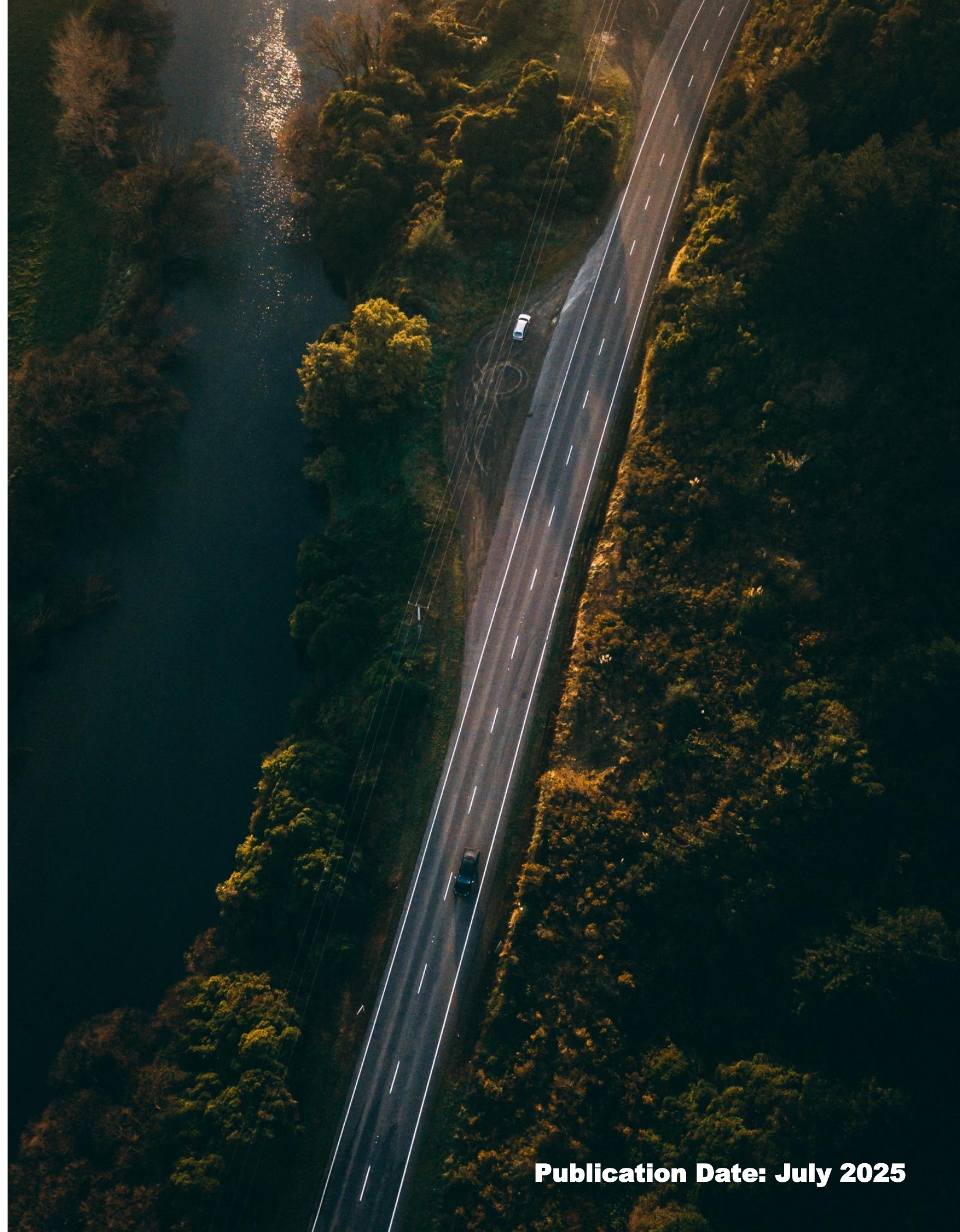
Conducted by:



Prepared for:



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Key Findings

Direct Spending Impacts

On behalf of the American Bus Association, Tourism Economics conducted a detailed economic impact analysis that quantifies the important role of motorcoach group travel. Motorcoach group travel represents people traveling aboard motorcoaches as organized groups, including charter, group tour and sightseeing activities, and the associated spending. It excludes scheduled service and commuter travel.

Motorcoach group travel in the U.S. recorded an estimate 14.9 billion passenger miles in the U.S. in 2024, supporting significant economic impacts nationally. Direct spending by motorcoach group travelers amounted to \$39.8 billion in 2024, including spending on motorcoach transportation as well as a range of goods and services, such as accommodations and food and beverages.



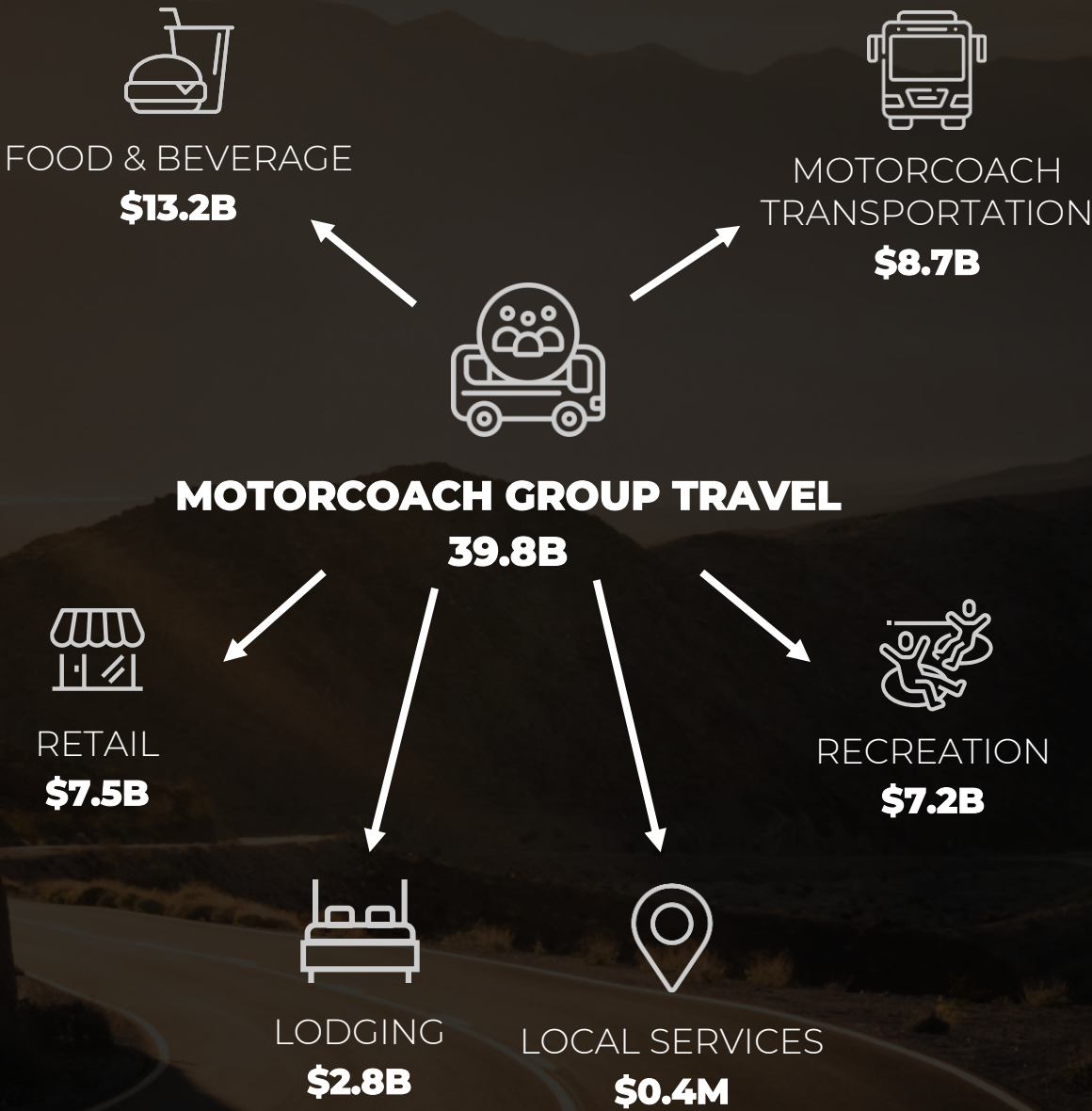
Total Economic Impact

The sector's direct spending impact of \$39.8 billion generated a total economic impact of \$89.7 billion in the U.S. economy, which supported 561,665 part-time and full-time jobs and generated \$16.0 billion in taxes.



MOTORCOACH GROUP TRAVEL

DIRECT ECONOMIC FOOTPRINT ON THE U.S.



Source: Tourism Economics
Note: totals may not sum due to rounding.

Summary Impacts

Direct Impacts

Motorcoach group travel generated \$39.8 billion in business sales, \$14.6 billion in wages and salaries, and supported over 342,000 jobs, contributing to over \$9.3 billion in taxes.

Total Impacts

When considering the total impact, including indirect and induced effects, business sales surge to nearly \$89.7 billion, wages and salaries to over \$30.4 billion, and job creation exceeds 560,000. Total tax revenue surpasses \$15.9 billion, demonstrating a significantly broader economic footprint.

Summary Impacts (2024)

\$ millions, jobs

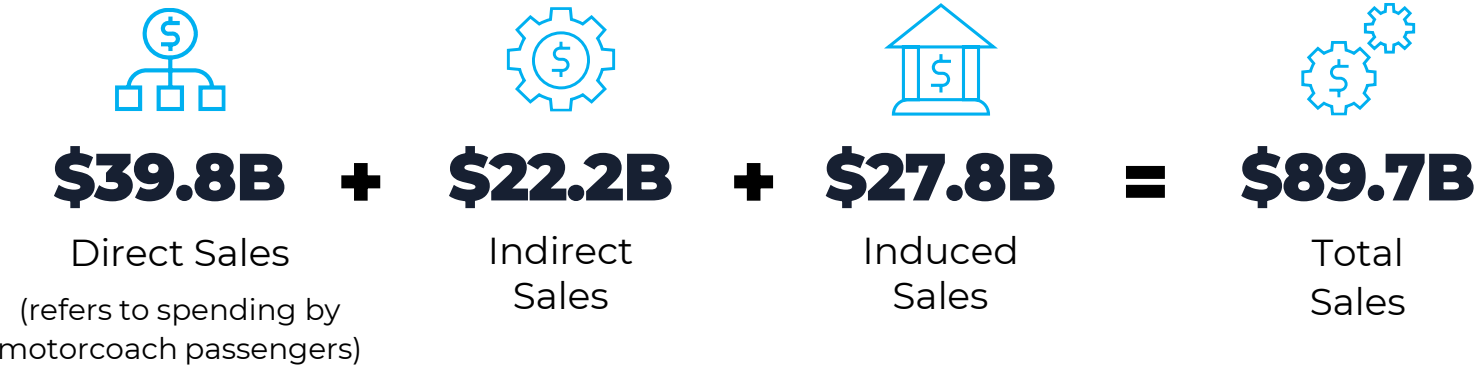
| | Direct Impacts | Total Impacts |
|--------------------|----------------|---------------|
| Business Sales | \$39,818 | \$89,729 |
| Wages and Salaries | \$14,646 | \$30,440 |
| Jobs | 342,316 | 560,277 |
| Total Taxes | \$9,264 | \$15,922 |
| State and Local | \$5,875 | \$8,779 |
| Federal | \$3,389 | \$7,143 |

Source: Tourism Economics



Business Sales Impacts

Motorcoach group travel contributed a direct impact of \$39.8 billion in 2024. This direct impact generated \$50.0 billion in indirect and induced impacts, resulting in a total economic impact of \$89.7 billion in the U.S. economy.



Business Sales Impacts by Industry (2024)

\$ millions

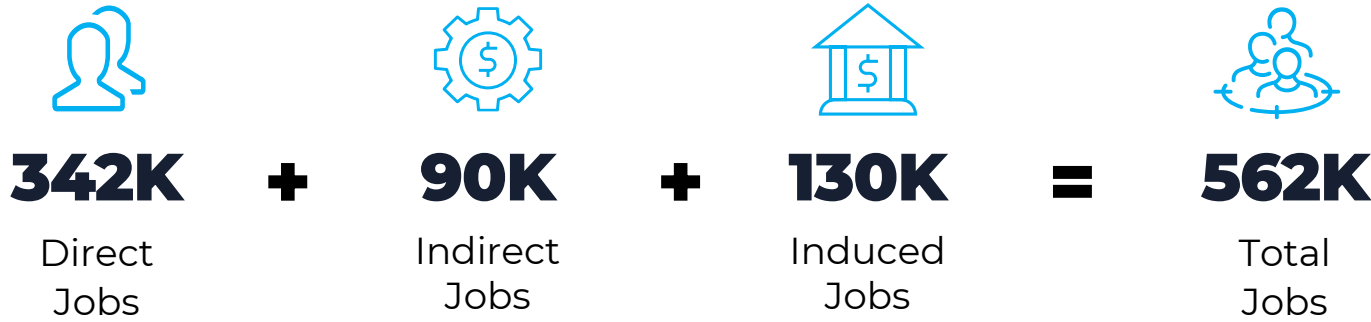
| | Direct Business Sales | Indirect Business Sales | Induced Business Sales | Total Business Sales |
|-------------------------------------|-----------------------|-------------------------|------------------------|----------------------|
| Total | \$39,818 | \$22,841 | \$27,069 | \$89,729 |
| Finance, Insurance, and Real Estate | | \$7,568 | \$8,029 | \$15,597 |
| Food & Beverage | \$13,171 | \$472 | \$1,769 | \$15,412 |
| Transportation | \$9,117 | \$975 | \$1,035 | \$11,128 |
| Retail Trade | \$7,518 | \$212 | \$2,351 | \$10,081 |
| Recreation and Entertainment | \$7,175 | \$1,277 | \$486 | \$8,939 |
| Business Services | | \$5,641 | \$2,466 | \$8,107 |
| Education and Health Care | | \$123 | \$4,642 | \$4,764 |
| Communications | | \$1,507 | \$1,484 | \$2,991 |
| Lodging | \$2,838 | \$8 | \$44 | \$2,889 |
| Personal Services | | \$1,552 | \$1,226 | \$2,779 |
| Wholesale Trade | | \$1,263 | \$1,465 | \$2,729 |
| Manufacturing | | \$929 | \$882 | \$1,811 |
| Construction and Utilities | | \$943 | \$712 | \$1,655 |
| Government | | \$236 | \$332 | \$567 |
| Agriculture, Fishing, Mining | | \$134 | \$146 | \$280 |

Source: Tourism Economics

The total economic impact of **\$89.7 billion** accrued to industries across the economy.

Employment Impacts

Motorcoach group travel sustained 342,316 direct jobs in 2024, with an additional 219,339 jobs supported from the indirect and induced impacts of group travel activity. The total employment impact reached 561,665 jobs, equivalent to 0.3% of total employment. Motorcoach group travel spending supported the largest number of jobs in the food and beverage industry (135,525).



Employment Impacts by Industry (2024)

Jobs

| | Direct Jobs | Indirect Jobs | Induced Jobs | Total Jobs |
|-------------------------------------|-------------|---------------|--------------|------------|
| Total | 342,316 | 91,428 | 126,532 | 560,277 |
| Food & Beverage | 115,160 | 4,524 | 15,393 | 135,077 |
| Retail Trade | 77,988 | 1,564 | 18,114 | 97,666 |
| Transportation | 73,210 | 7,719 | 6,610 | 87,539 |
| Recreation and Entertainment | 56,972 | 9,584 | 4,010 | 70,565 |
| Business Services | | 27,357 | 12,711 | 40,067 |
| Finance, Insurance, and Real Estate | | 21,209 | 15,567 | 36,776 |
| Education and Health Care | | 1,151 | 31,669 | 32,820 |
| Personal Services | | 8,473 | 12,219 | 20,691 |
| Lodging | 18,986 | 45 | 265 | 19,296 |
| Wholesale Trade | | 2,925 | 3,159 | 6,084 |
| Communications | | 2,295 | 2,511 | 4,806 |
| Manufacturing | | 1,745 | 1,291 | 3,035 |
| Construction and Utilities | | 1,392 | 1,473 | 2,865 |
| Government | | 715 | 838 | 1,553 |
| Agriculture, Fishing, Mining | | 732 | 703 | 1,435 |

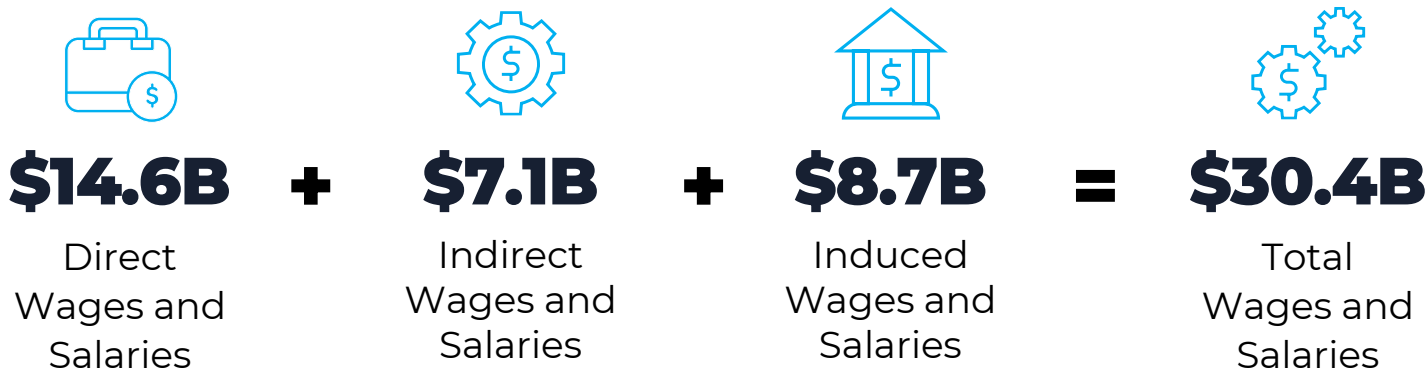
Source: Tourism Economics

The motorcoach group travel economy supports **1 in 385 of all jobs** in the U.S., including more than **135,000 jobs** in the food and beverage industry.



Wages and Salaries Impacts

Motorcoach group travel generated \$14.6 billion in direct wages and salaries and a total of \$30.4 billion, including indirect and induced impacts.



Wage and Salary Impacts by Industry (2024)

\$ millions

| | Direct Wages & Salaries | Indirect Wages & Salaries | Induced Wages & Salaries | Total Wages & Salaries |
|-------------------------------------|-------------------------|---------------------------|--------------------------|------------------------|
| Total | \$14,646 | \$7,105 | \$8,689 | \$30,440 |
| Transportation | \$4,087 | \$378 | \$387 | \$4,852 |
| Food and Beverage | \$4,096 | \$180 | \$559 | \$4,835 |
| Business Services | | \$2,732 | \$1,174 | \$3,906 |
| Retail Trade | \$2,855 | \$77 | \$870 | \$3,802 |
| Recreation and Entertainment | \$2,565 | \$485 | \$187 | \$3,237 |
| Education and Health Care | | \$62 | \$2,564 | \$2,626 |
| Finance, Insurance, and Real Estate | | \$1,411 | \$1,114 | \$2,525 |
| Personal Services | | \$630 | \$658 | \$1,288 |
| Lodging | \$1,042 | \$3 | \$15 | \$1,061 |
| Communications | | \$371 | \$363 | \$734 |
| Wholesale Trade | | \$328 | \$377 | \$705 |
| Construction and Utilities | | \$186 | \$169 | \$355 |
| Manufacturing | | \$147 | \$116 | \$263 |
| Government | | \$82 | \$99 | \$181 |
| Agriculture, Fishing, Mining | | \$33 | \$37 | \$70 |

Source: Tourism Economics



Motorcoach group travel spending drives income across industries, including **nine industries with more than \$1 billion** in total wages and salaries.

Tax Impacts

Motorcoach group traveler spending, visitor-supported jobs, and business sales generated \$15.9 billion in total government revenues. State and local taxes alone tallied nearly \$8.8 billion in 2024.

Each household in the U.S. would need to be taxed an additional \$120 to replace the motorcoach group travel-generated taxes received by state and local governments in 2024.

Tax Impacts (2024)

\$ millions

| | 2024 |
|-------------------|----------|
| Total Tax Revenue | \$15,922 |
| Federal | \$7,143 |
| Personal income | \$2,861 |
| Corporate | \$782 |
| Indirect business | \$219 |
| Social insurance | \$3,282 |
| State and Local | \$8,779 |
| Sales | \$5,040 |
| Bed tax | \$355 |
| Personal income | \$681 |
| Corporate | \$343 |
| Social insurance | \$35 |
| Excise and fees | \$434 |
| Property | \$1,890 |

Source: Tourism Economics



Geographical Distribution of Motorcoach Operators

Bus Operator Locations in the U.S.

To provide a comprehensive understanding of the motorcoach industry's footprint within the U.S., this section identifies where motorcoach companies are primarily located, highlighting key operational hubs and areas with higher concentrations of service providers. Specifically, the top five states with the highest concentration of operators are:

- California
- Texas
- New Jersey
- Massachusetts
- North Carolina

Understanding these locations offers valuable insights into the industry's infrastructure, facilitating strategic planning for both operators and stakeholders interested in the state's motorcoach sector.

Fuel Usage

The analysis reveals that the motorcoach industry, supporting group travel across the United States, collectively consumed an estimated 304.7 million gallons of fuel in 2024. This figure accounts for the operational demands of the 47,348 motorcoaches in service in the U.S., reflecting the miles traveled to facilitate charter, packaged tours, and sightseeing excursions.



APPENDIX



Economic Impact Methodology

Our analysis of the motorcoach group travel impact begins with direct passenger spending and operator spending/expenditures 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 state economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy. The state results are part of broader national research.

The study defines motorcoach group travel as the activity of transporting motorcoach charter, sightseeing and packaged tour passengers, and the additional spending by these passengers during their trip, such as on accommodations, food and beverages, and entertainment. This study measures the motorcoach and other jobs in the economy supported by passenger spending, as well as wages and salaries, taxes, and total business sales.

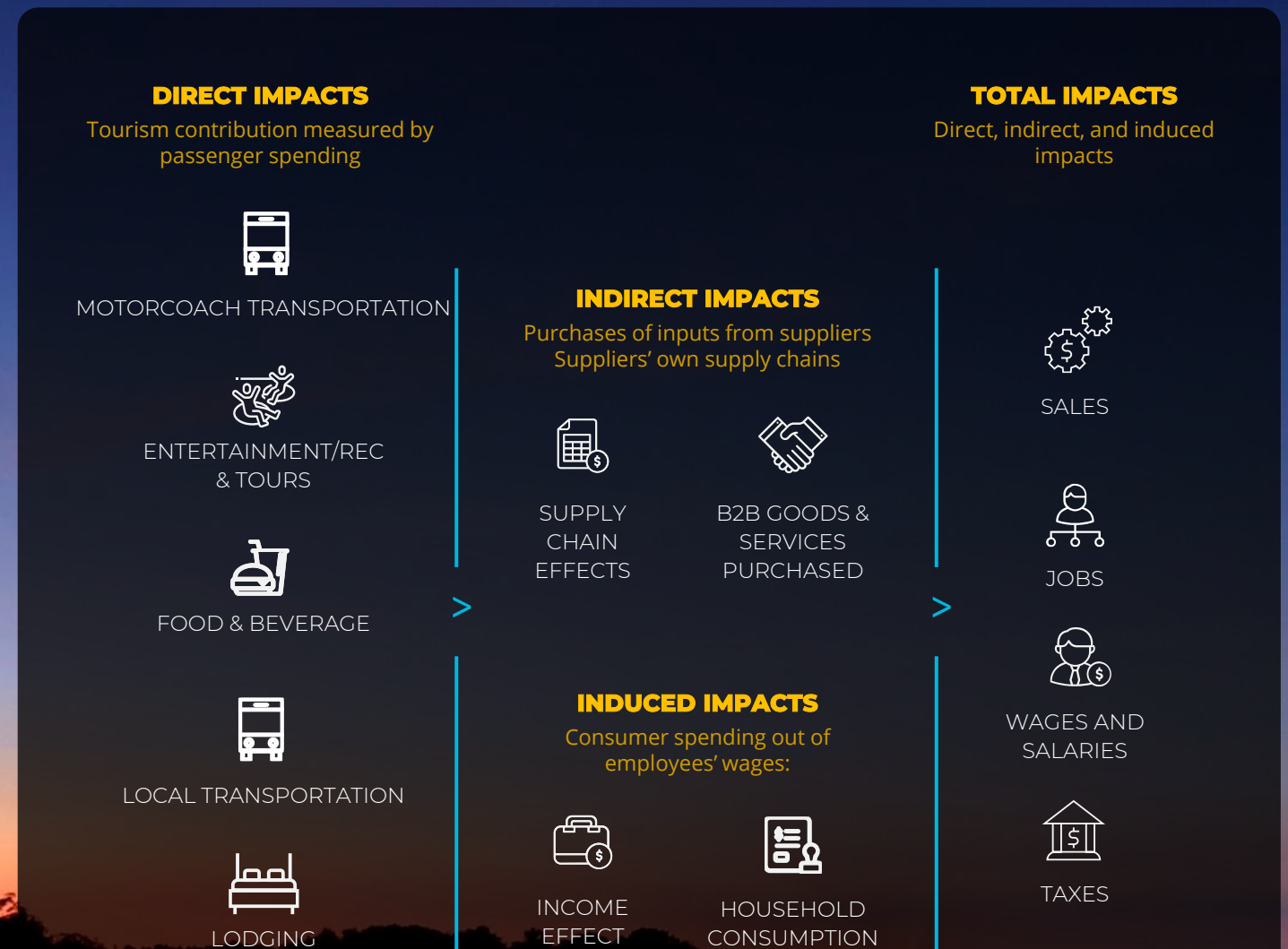
I-O models represent a profile of an economy by measuring the relationships among industries and consumers, quantifying three levels of impact:

- 1. Direct impacts:** Motorcoach group traveler 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 and Salaries
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

Economic Impact Framework



Glossary of Terms

Glossary – Spending Definitions

| Term | Description |
|---------------------------------|---|
| Motorcoach group transportation | Includes people traveling aboard motorcoaches as organized groups, including charter, group tour and sightseeing activities, and the associated spending. It excludes scheduled service and commuter travel |
| 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 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 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. |

Glossary – Economic Impact Definitions

| Term | Description |
|--------------------|---|
| Direct Impact | Impacts (business sales, jobs, income, and taxes) related to businesses where motorcoach group travelers 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 motorcoach group traveler activity. |
| Total Impact | |
| 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. |
| Wages and Salaries | Labor 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 extensive research, undertaken to provide a thorough understanding of the motorcoach industry's economic footprint, was commissioned by the American Bus Association Foundation and carried out by Tourism Economics, a division of Oxford Economics.

Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling 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.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics in order 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.

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