

2024

Economic Impact of Motorcoach Group Travel in North Carolina

Conducted by:



Prepared for:



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 State of North Carolina recorded an estimated 413 million passenger miles in 2024, supporting significant economic impacts nationally. Direct spending by motorcoach group travelers amounted to \$1.1 billion in 2024, including spending on motorcoach transportation as well as a range of goods and services, such as accommodations and food and beverages.



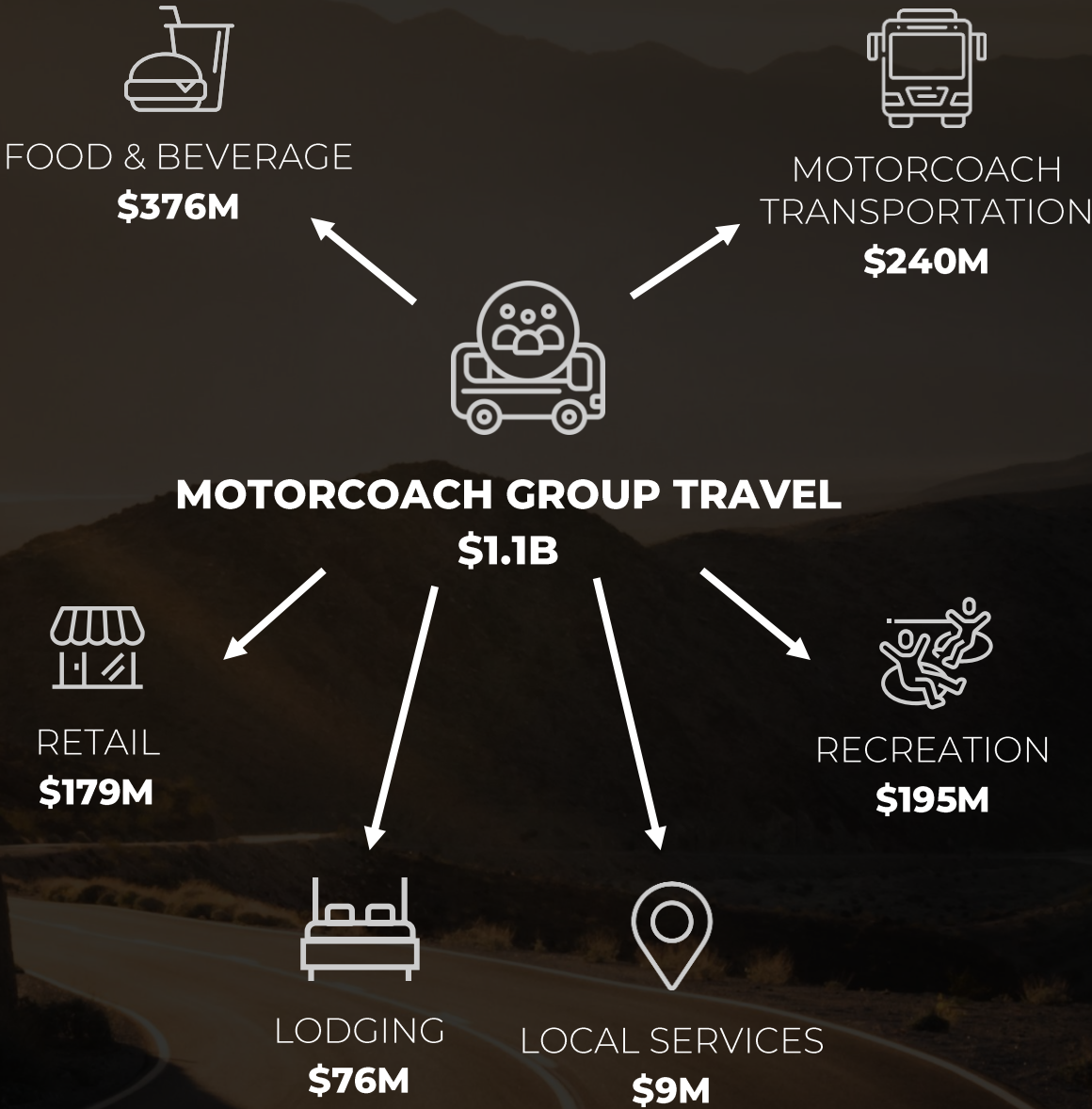
Total Economic Impact

The sector's direct spending impact of \$1.1 billion generated a total economic impact of \$2.4 billion in the North Carolina economy, which supported 15,387 part-time and full-time jobs and generated \$374 million in taxes.



MOTORCOACH GROUP TRAVEL

DIRECT ECONOMIC FOOTPRINT ON NORTH CAROLINA



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

Summary Impacts

Direct Impacts

Motorcoach group travel generated more than \$1.1 billion in business sales, \$344 million in wages and salaries, and supported over 9,200 jobs, contributing to \$206 million in taxes.

Total Impacts

When considering the total impact, including indirect and induced effects, business sales exceeded \$2.4 billion, wages and salaries tallied \$764 million, and job creation neared 15,400 jobs. Total tax revenue amounted to \$374 million, demonstrating a significantly broader economic footprint.

Summary Impacts (2024)

\$ millions, jobs

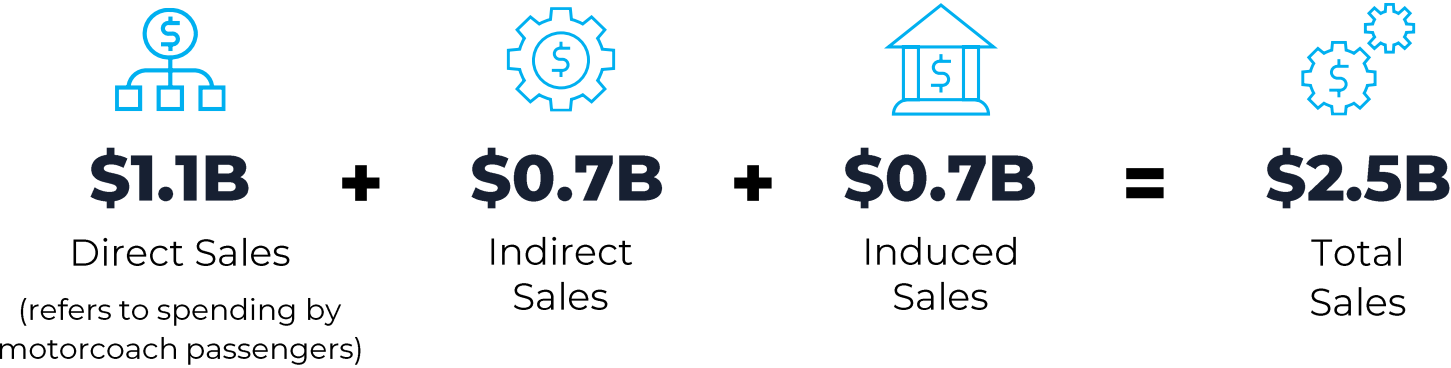
	Direct Impacts	Total Impacts
Business Sales	\$1,075	\$2,445
Wages and Salaries	\$344	\$764
Jobs	9,212	15,387
Total Taxes	\$206	\$374
State and Local	\$126	\$196
Federal	\$80	\$178

Source: Tourism Economics



Business Sales Impacts

Motorcoach group travel contributed a direct impact of \$1.1 billion in 2024. This direct impact generated \$1.4 billion in indirect and induced impacts, resulting in a total economic impact of \$2.5 billion in the North Carolina economy.



Business Sales Impacts by Industry (2024)

\$ millions

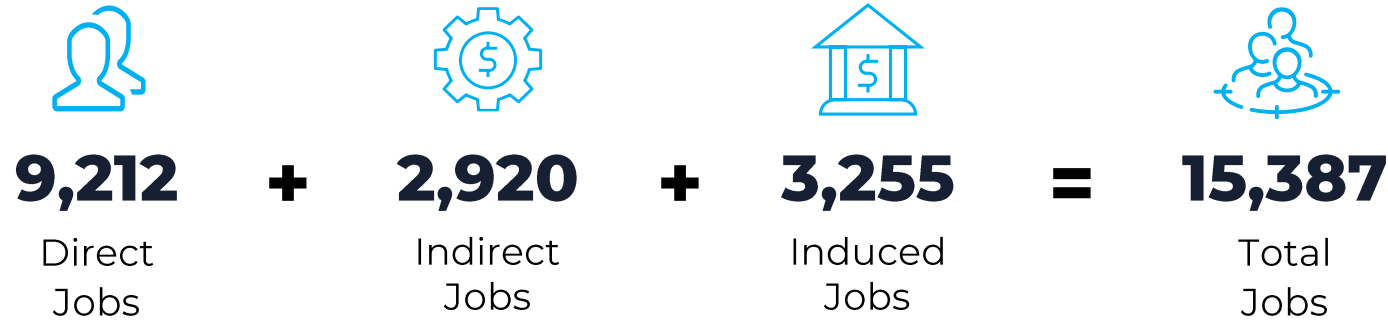
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total	\$1,075	\$704	\$666	\$2,445
Finance, Insurance, and Real Estate		\$251	\$201	\$452
Food and Beverage	\$376	\$14	\$48	\$437
Transportation	\$250	\$29	\$26	\$305
Retail Trade	\$179	\$6	\$65	\$250
Recreation and Entertainment	\$195	\$31	\$9	\$236
Business Services		\$171	\$60	\$231
Education and Health Care		\$3	\$97	\$101
Wholesale Trade		\$40	\$42	\$81
Personal Services		\$54	\$27	\$81
Lodging	\$76	\$0	\$1	\$77
Communications		\$35	\$40	\$75
Construction and Utilities		\$31	\$21	\$52
Manufacturing		\$29	\$21	\$50
Agriculture, Fishing, Mining		\$5	\$4	\$9
Government		\$3	\$4	\$7

Source: Tourism Economics

The total economic impact of **\$2.5 billion** accrued to industries across the economy.

Employment Impacts

Motorcoach group travel sustained 9,212 direct jobs in 2024, with an additional 6,175 jobs supported from the indirect and induced impacts of group travel activity. The total employment impact reached 15,387 jobs, equivalent to 0.23% of employment in North Carolina. Motorcoach group travel spending supported the largest number of jobs in the food and beverage industry (4,172).



Employment Impacts by Industry (2024)

Jobs

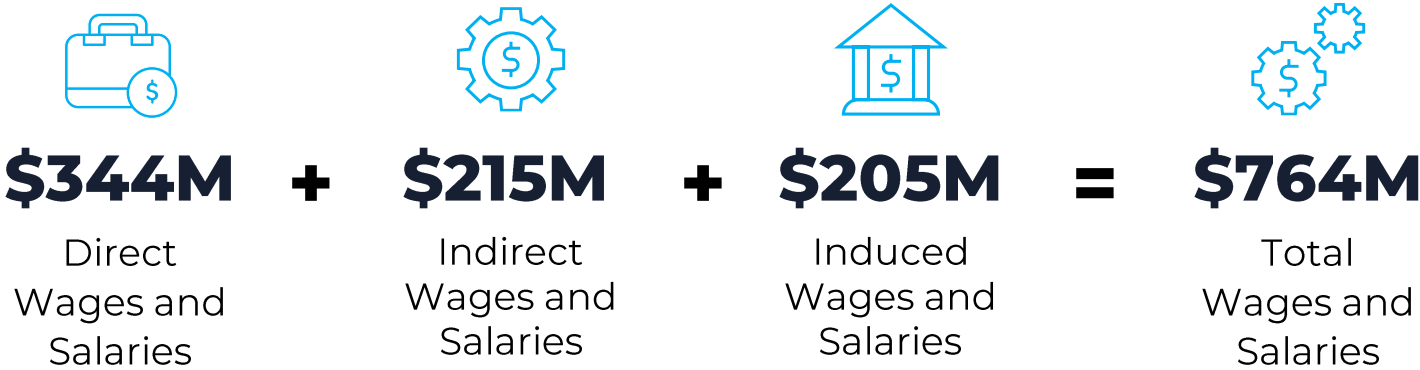
	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total	9,212	2,920	3,255	15,387
Food and Beverage	3,575	142	455	4,172
Retail Trade	2,120	49	552	2,721
Recreation and Entertainment	1,575	244	91	1,911
Transportation	1,352	246	177	1,775
Business Services		878	343	1,222
Finance, Insurance, and Real Estate		713	374	1,086
Education and Health Care		33	679	712
Personal Services		306	290	596
Lodging	590	1	5	595
Wholesale Trade		99	98	196
Communications		68	80	147
Manufacturing		60	38	98
Construction and Utilities		47	41	87
Agriculture, Fishing, Mining		25	20	46
Government		11	12	22

Source: Tourism Economics

The motorcoach group travel economy supports **1 in 440 of all jobs** in the State of North Carolina, including **4,172 jobs** in the food and beverage industry.

Wages and Salaries Impacts

Motorcoach group travel generated \$344 million in direct wages and salaries and a total of \$764 million, 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	\$344	\$215	\$205	\$764
Food and Beverage	\$113	\$5	\$14	\$133
Business Services		\$80	\$27	\$107
Transportation	\$77	\$11	\$9	\$97
Retail Trade	\$65	\$2	\$24	\$92
Finance, Insurance, and Real Estate		\$49	\$29	\$78
Recreation and Entertainment	\$62	\$12	\$4	\$78
Education and Health Care		\$2	\$52	\$53
Personal Services		\$22	\$14	\$36
Lodging	\$27	\$0	\$0	\$27
Wholesale Trade		\$11	\$11	\$22
Communications		\$8	\$10	\$18
Construction and Utilities		\$7	\$5	\$12
Manufacturing		\$4	\$3	\$7
Agriculture, Fishing, Mining		\$1	\$1	\$2
Government		\$1	\$1	\$2

Source: Tourism Economics

Motorcoach group travel spending drives income across industries, including **ten industries with more than \$20 million** in total wages and salaries.

Tax Impacts

Motorcoach group traveler spending, visitor-supported jobs, and business sales generated \$374 million in total government revenues. State and local taxes alone tallied \$196 million in 2024.

Each household in the State of North Carolina would need to be taxed an additional \$85 to replace the motorcoach group travel-generated taxes received by state and local governments in 2024.

Tax Impacts (2024)

\$ millions

	2024
Total Tax Revenue	\$374
Federal	\$178
Personal income	\$66
Corporate	\$22
Indirect business	\$5
Social insurance	\$85
State and Local	\$196
Sales	\$127
Bed tax	\$9
Personal income	\$19
Corporate	\$3
Social insurance	\$0
Excise and fees	\$7
Property	\$31

Source: Tourism Economics



Geographical Distribution of Motorcoach Operations

Motorcoach Operations in the State of North Carolina

To provide a comprehensive understanding of the motorcoach industry's footprint within the State of North Carolina, this section identifies where direct group travel spending primarily takes place, highlighting key operational hubs and areas with higher concentrations of service providers.

Specifically, the top three congressional districts with the highest concentration of operations are:

- North Carolina's Twelfth Congressional District
- North Carolina's Fourteenth Congressional District
- North Carolina's Sixth Congressional District

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 North Carolina, collectively consumed an estimated 8.4 million gallons of fuel in 2024. This figure accounts for the operational demands of the 788 motorcoaches in service in North Carolina, 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.

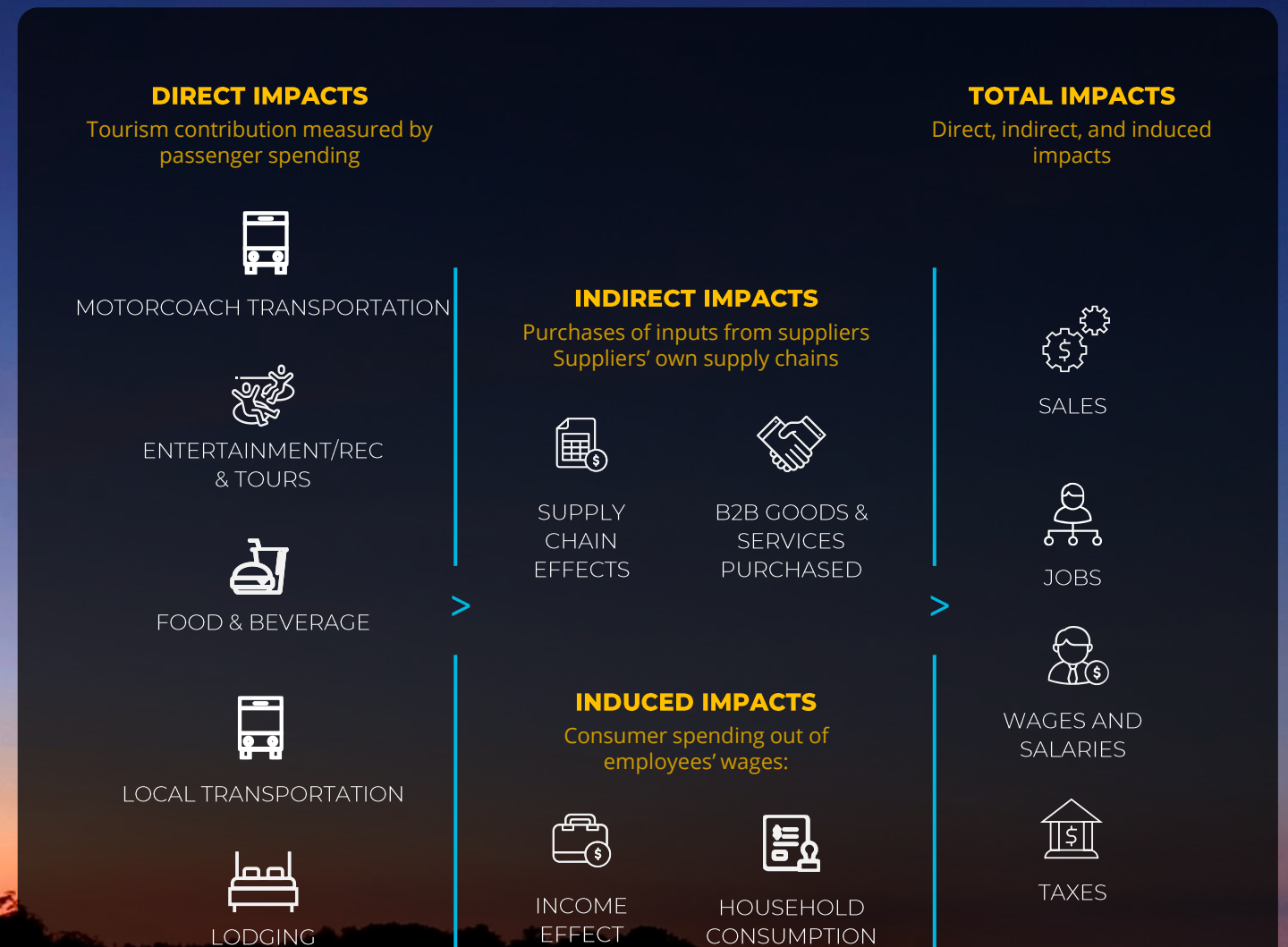
I-O models represent a profile of an economy by measuring the relationships among industries and consumers, quantifying three levels of impact:

- 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	The sum of the Direct Impact, Indirect Impact, and Induced Impact. It represents the comprehensive effect on business sales, jobs, income, and taxes within an economy resulting from motorcoach group traveler 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.
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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