



LAS VEGAS  
CONVENTION  
AND VISITORS  
AUTHORITY



# The Economic Impact of Southern Nevada's Tourism Industry

**APRIL 2024**  
ECONOMIC IMPACT SERIES BRIEF

**APPLIED  
ANALYSIS**



# Executive Summary

Southern Nevada's tourism industry has exceeded pre-pandemic marks across many indicators, setting new highs in spending and gaming revenue while visitation continues to recover. Applied Analysis ("AA") was retained by the Las Vegas Convention and Visitors Authority (the "LVCVA") to review and analyze the economic impacts of Southern Nevada's tourism industry. This brief outlines the economic impacts associated with the region's tourism industry, its convention travel segment and convention travel served by the Las Vegas Convention Center ("LVCC") in 2023.

- The Southern Nevada tourism industry continued its post-pandemic recovery in 2023. Monthly visitation through 2023 never dipped below 3.0 million visitors, with a peak of 3.6 million in March. Visitation increased by 5.2 percent on the year to 40.8 million, exceeding 40.0 million for the first time since 2019.
- The economic impacts of Southern Nevada's tourism industry are driven by visitor spending on rooms, dining, shopping, local transportation and other activities and amenities. That spending directly supports jobs, wages and economic activity, and it ripples through the economy to generate additional impacts via suppliers and vendors (indirect impacts) and by employee spending on goods and services in the community (induced impacts). Visitor spending on the year hit an all-time high for the second consecutive year, totaling \$51.5 billion. Total spending by visitors grew by 14.7 percent compared to 2022. Despite falling 1.7 million visitors short of the 2019 visitation total, aggregate visitor spending in 2023 increased dramatically due to a 45.5 percent rise in per-visitor spending compared to four years earlier.
- On a per-visitor basis, spending climbed to a record \$1,261 in 2023, 9.1 percent higher than in 2022. Visitor spending increased for most categories. The most significant increase in spending among categories was in shopping.
- In 2023, the total economic output related to visitor spending (including direct, indirect and induced impacts) rose 7.4 percent to \$85.2 billion, surpassing the all-time high set in 2022. Southern Nevada's tourism industry remained the largest employer in region, directly employing an estimated 248,520 workers. With indirect and induced impacts included, total employment impacts climbed to an estimated 379,630, a 5.8 percent increase from the prior year.
- Southern Nevada's tourism industry supported \$13.8 billion in direct wages, or 20.7 percent of all wages in the region. The additional indirect and induced impacts supported wages for workers across many sectors of the economy, with a total wage impact of \$21.2 billion, or 31.7 percent of all regional wages.
- Convention attendance climbed to 6.0 million in 2023, a 19.9 percent annual increase. Convention visitors spent \$1,520 per trip, about 25 percent higher than the average leisure visitor. Convention visitors collectively spent \$9.1 billion, which directly supported an estimated 43,910 jobs and \$2.4 billion in wages. When the indirect and induced impacts of convention visitor spending are included, the convention sector supported an estimated 67,080 jobs, \$3.7 billion in wages and \$15.1 billion in overall economic output.
- The LVCC hosted about one-fifth of regional convention attendees in 2023. Those attendees spent \$1.8 billion, which directly supported 8,700 jobs and \$484.8 million in wages. When the indirect and induced impacts are included, those totals rise to 13,290 jobs, \$741.7 million in wages and \$3.0 billion in economic output.

# Visitor Volume Climbs to Post-Pandemic High

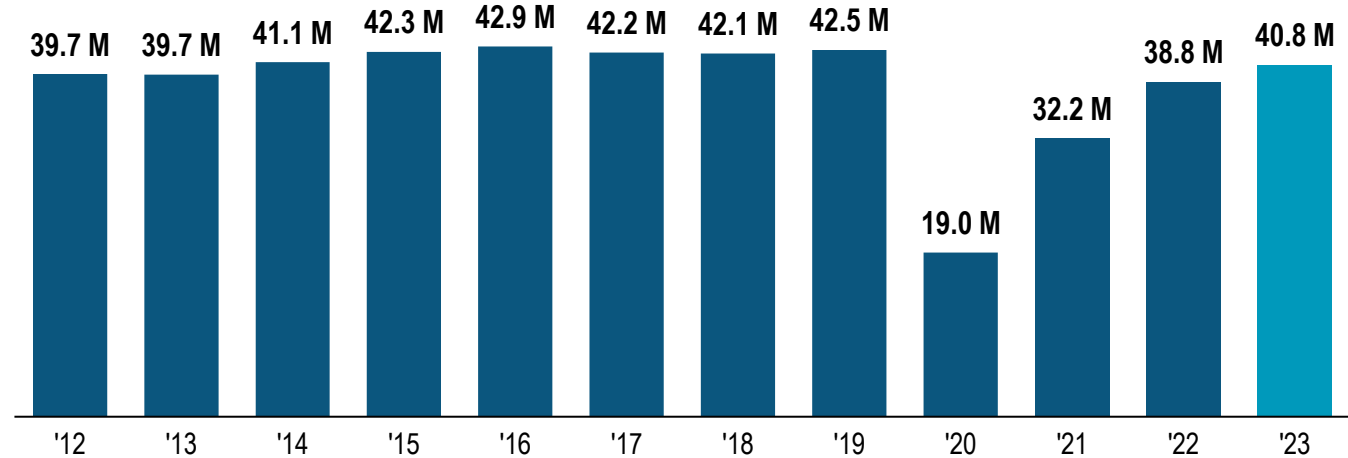
The Southern Nevada tourism industry continued its post-pandemic recovery in 2023. New venues and new events added to the foundation of amenities and experiences that make Las Vegas one of the premier tourist destinations in the world. The Las Vegas Strip was in the spotlight for a global audience during Formula 1's inaugural Las Vegas Grand Prix, the Sphere captured social media buzz for its unique experiences both inside and outside the venue, and new properties such as the Durango Resort and Fontainebleau opened their doors.

Monthly visitation through 2023 never dipped below 3.0 million visitors, with a peak of 3.6 million in March. Visitation increased by 5.2 percent on the year to 40.8 million, exceeding 40.0 million for the first time since 2019.

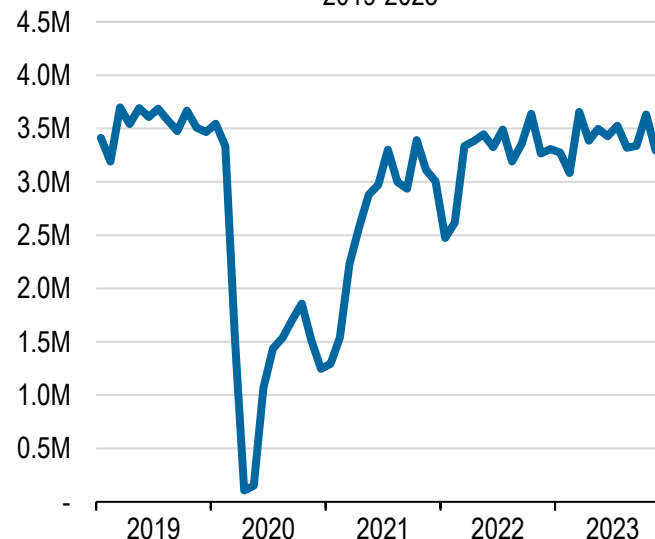
The convention and trade show segment welcomed 6.0 million convention attendees in 2023. This was the first year since the pandemic that convention attendance hit 6.0 million, but the total remained about 10 percent below 2019 levels.

International visitation, which suffered significantly due to pandemic-era travel restrictions, also reported its best year since 2019. Travel from around the globe increased 39.0 percent in 2023 to 4.7 million, accounting for 11.6 percent of total visitation.

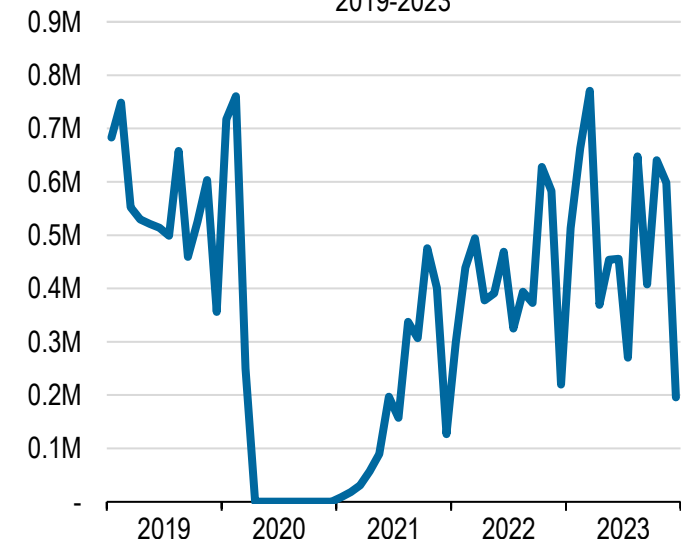
Las Vegas Visitation



Monthly Visitor Volume  
2019-2023



Monthly Convention Attendance  
2019-2023



Source: Las Vegas Convention and Visitors Authority

# Visitor Spending Reaches New High Again

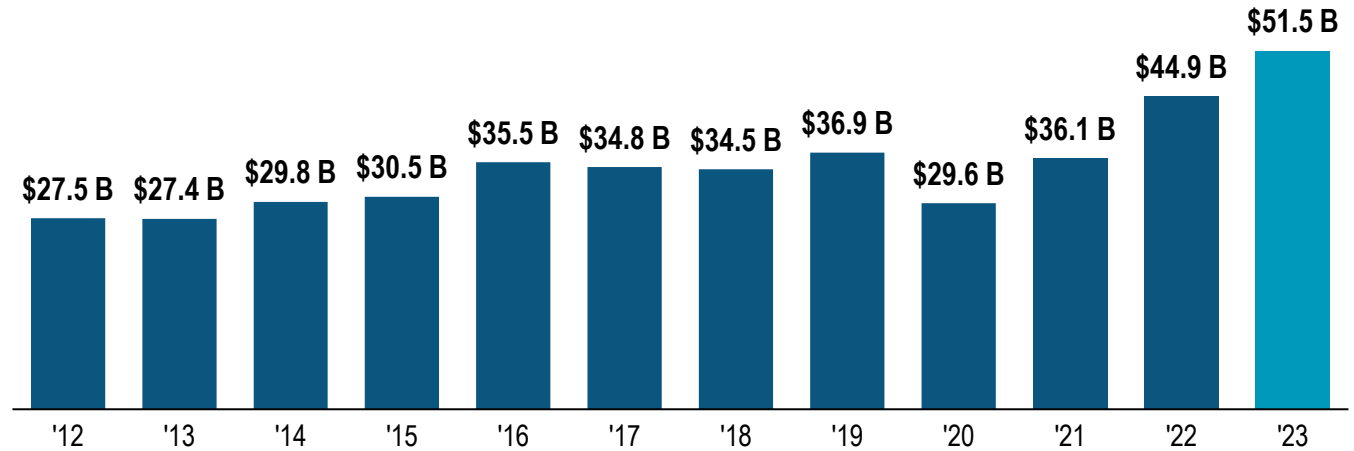
After shattering records in 2022, Las Vegas visitor spending set a new all-time high again in 2023. Total visitor spending on the year reached \$51.5 billion, up 14.7 percent over the previous record of \$44.9 billion in 2022.

Per-visitor spending also set a new record in 2023, climbing 9.1 percent to \$1,261. The annual increase was the third largest year-over-year growth rate in the past decade. Compared to 2022, visitor spending increased for most categories except for food and beverage and entertainment.

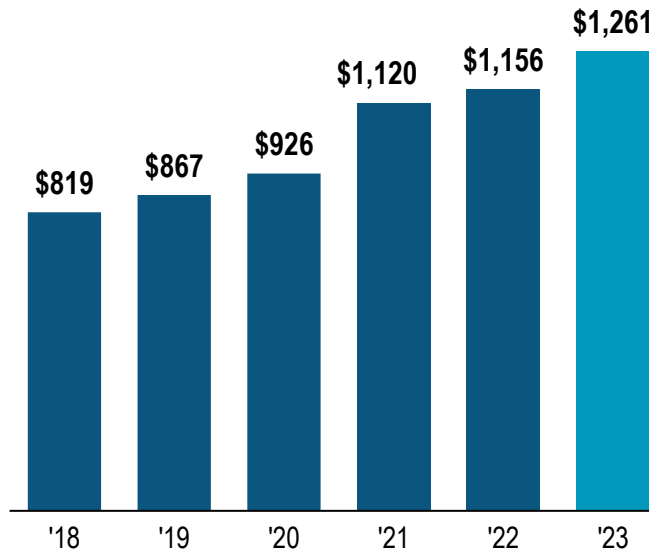
The most significant increase in spending among categories was in shopping. Reported per-visitor spending on shopping increased 27.3 percent to \$249, making it the largest single spending category. Sightseeing had the second-largest dollar increase, rising \$33 to \$47 per visitor.

Spending shares among categories remained mostly stable. The share of spending on shopping increased the most at 2.9 percentage points, while shares for gaming and food and beverage each dipped 1.8 percentage points.

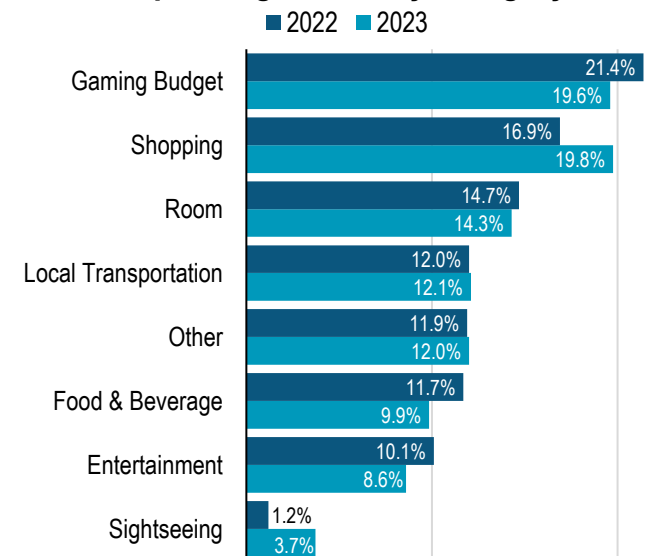
Las Vegas Visitor Spending



Spending Per Visitor



Spending Shares by Category



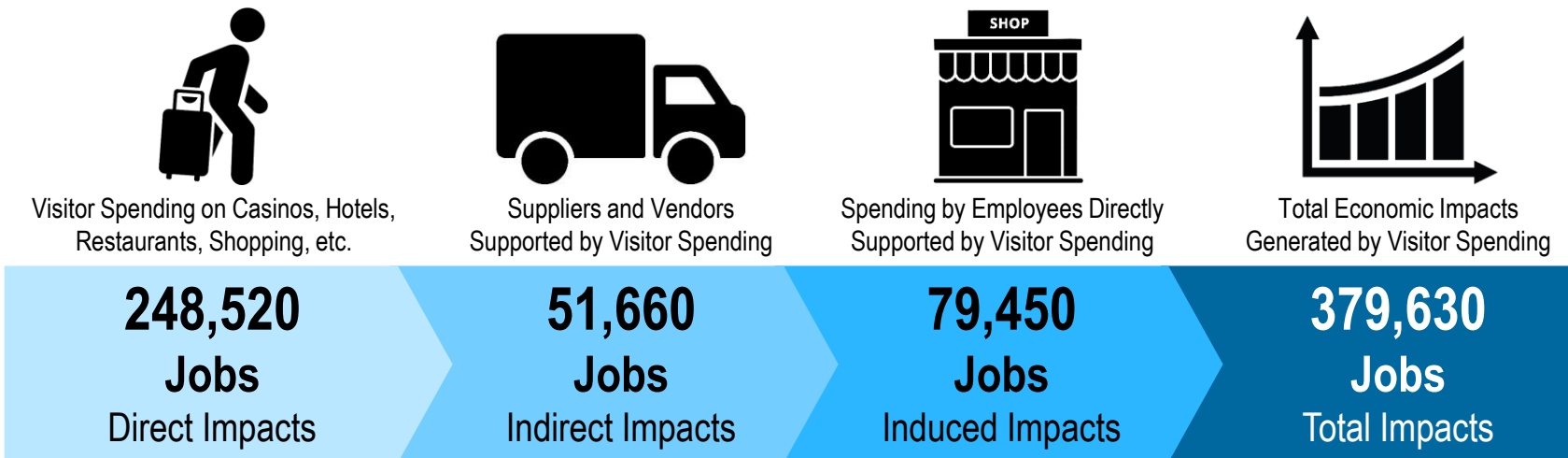
Source: Las Vegas Convention and Visitors Authority, Applied Analysis

# Employment Impacts

The tourism workforce in Southern Nevada is the lifeblood of the regional economy. Although visitation continued to recover in 2023, record-high visitor spending bolstered employment throughout the industry. This includes workers at resorts, hotels and casinos, bars, restaurants, nightclubs, retail outlets, sightseeing tour companies, taxicab operators and all other tourism-related businesses. Total employment related to the tourism industry in 2023 totaled 379,630, up 0.7 percent compared to 2019.

Hotels and casinos continued to be one of the largest employers in Southern Nevada, directly employing 136,650 workers in 2023. This was a 2.1 percent increase over 2022. The total represented 12.5 percent of regional employment and 13.9 percent of private employment. Combined with other tourism-related workers throughout the economy, the Southern Nevada tourism industry directly employed an estimated 248,520 workers in 2023, or 22.7 percent of the region's total workforce and 25.2 percent of private sector employment.

Beyond the workers directly supported by visitor spending, additional jobs throughout Southern Nevada were created by the ripple effects of that spending. Indirect, or secondary, impacts are generated by tourism-related businesses contracting with suppliers and other businesses, which in turn have their own employees. Tourism industry employees also spend their earnings throughout the community in their day-to-day lives, supporting other jobs in what are known as induced impacts. In all, the employment impacts of visitor spending totaled 379,630 jobs when indirect and induced impacts are combined with direct employment. That total accounted for 34.6 percent of Southern Nevada employment in 2023.



Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.

# Wage and Salary Impacts

Southern Nevada tourism workers earned direct wages and salaries of \$13.8 billion in 2023, a 10.0 percent increase from 2022. The direct wages earned by the tourism workforce accounted for 20.7 percent of all wages earned in Southern Nevada during the year and 23.6 percent of all earnings among private industry workers.

Each dollar spent by visitors at hotels, restaurants and other locations in Southern Nevada ripples through the economy, creating indirect and induced impacts. These multiply the overall wage impacts of direct visitor spending by generating wages for workers across many sectors of the economy. In 2023, an estimated \$3.2 billion of indirect wages was generated by tourism businesses paying suppliers, vendors and other service providers.

As tourism industry employees spend their wages throughout the community at stores, doctor's offices, restaurants, and other local businesses, they generate induced impacts. These induced impacts were estimated at \$4.1 billion in 2023. When the direct, indirect and induced impacts are combined, they total \$21.2 billion in wages and salaries throughout Southern Nevada that were supported by visitor spending. That total accounted for 31.7 percent of all wages paid in Southern Nevada and 36.0 percent of all private wages during the year.



Visitor Spending on Casinos, Hotels, Restaurants, Shopping, etc.

**\$13.8 Billion**  
**Wages**  
Direct Impacts



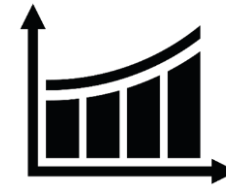
Suppliers and Vendors Supported by Visitor Spending

**\$3.2 Billion**  
**Wages**  
Indirect Impacts



Spending by Employees Directly Supported by Visitor Spending

**\$4.1 Billion**  
**Wages**  
Induced Impacts



Total Economic Impacts Generated by Visitor Spending

**\$21.2 Billion**  
**Wages**  
Total Impacts

Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.

# Economic Output Impacts

The direct economic output associated with Southern Nevada's tourism industry in 2023 is equal to the \$51.5 billion of aggregate visitor spending. That total accounted for nearly a third (29.8 percent) of the region's estimated gross domestic product of \$172.6 billion. Although these two concepts are not perfectly aligned, the relationship illustrates the relative size and significant importance of Southern Nevada's tourism industry to the regional economy as a whole.

The ripple effects of visitor spending apply to output impacts as they do with employment and wage impacts. The indirect impacts of supplier and vendor activity related to the tourism industry totaled \$14.1 billion, while the induced impacts generated by tourism industry employees totaled \$19.6 billion. When these rippled impacts are combined with the direct spending impacts, the overall impact of visitor spending on the Southern Nevada economy grew to \$85.2 billion, which accounts for half (49.4 percent) of all regional economic activity.



Visitor Spending on Casinos, Hotels, Restaurants, Shopping, etc.

**\$51.5 Billion**  
**Output**  
Direct Impacts



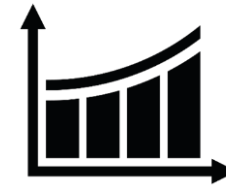
Suppliers and Vendors Supported by Visitor Spending

**\$14.1 Billion**  
**Output**  
Indirect Impacts



Spending by Employees Directly Supported by Visitor Spending

**\$19.6 Billion**  
**Output**  
Induced Impacts



Total Economic Impacts Generated by Visitor Spending

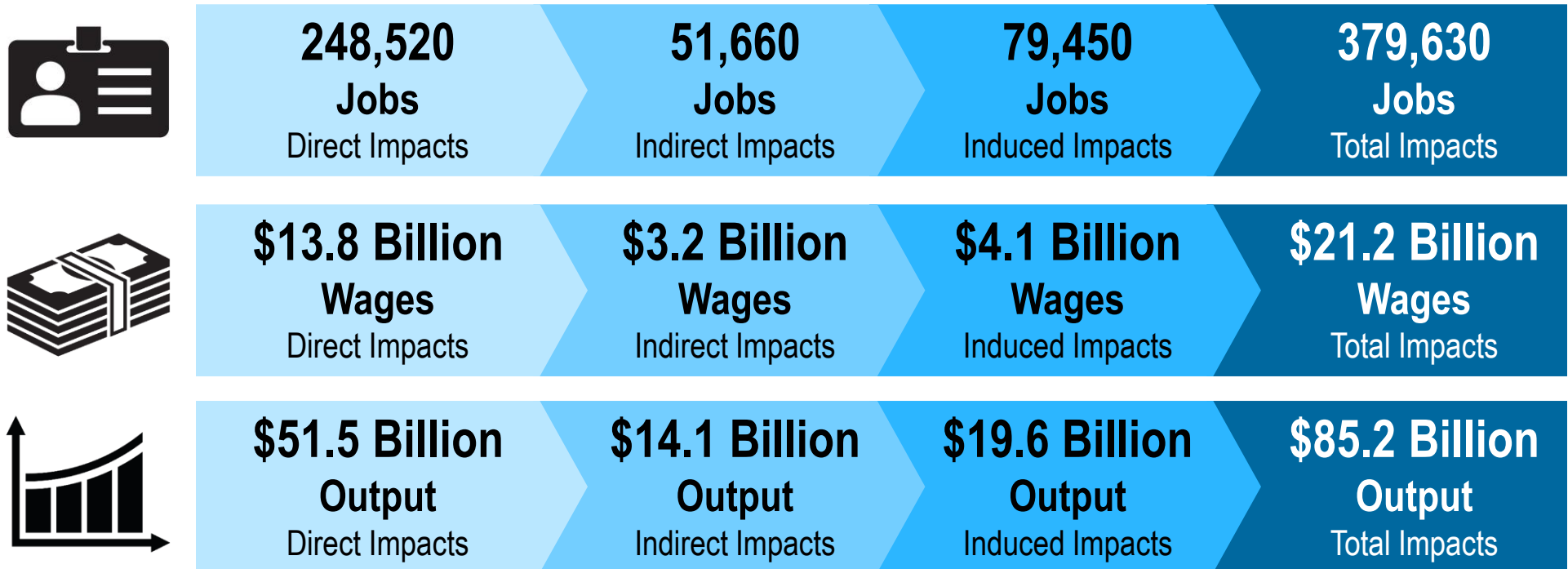
**\$85.2 Billion**  
**Output**  
Total Impacts

2023 Southern Nevada GDP estimate based on state-level data. Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.

# Total Economic Impacts

The direct impacts of Southern Nevada's tourism industry and the record spending of the 40.8 million visitors have profound impacts on the region's economy. In 2023, the industry directly accounted for roughly 22.7 percent of regional employment and 20.7 percent of wages earned. Those impacts are magnified when the ripple effects of that direct spending generate additional economic activity. Suppliers of goods and services to businesses in the tourism industry providing food, cleaning supplies, uniforms and other inputs stimulate economic activity and create jobs. Many of these suppliers are based in Southern Nevada, keeping those dollars in the region and stimulating job growth in other sectors of the economy. Additionally, as tourism industry employees spend their wages at local businesses throughout the community, such as grocery stores, movie theaters, doctor's offices and retailers, they spur additional commerce in the local economy known as induced impacts.

Once these indirect and induced impacts of the tourism industry are combined with the direct impacts, the industry accounts for an estimated \$85.2 billion in aggregate economic output (53.0 percent of regional gross product), supporting 379,630 jobs (34.6 percent of regional employment) while generating \$21.2 billion in local wage and salary payments (31.7 percent of total wages and salaries in the region).



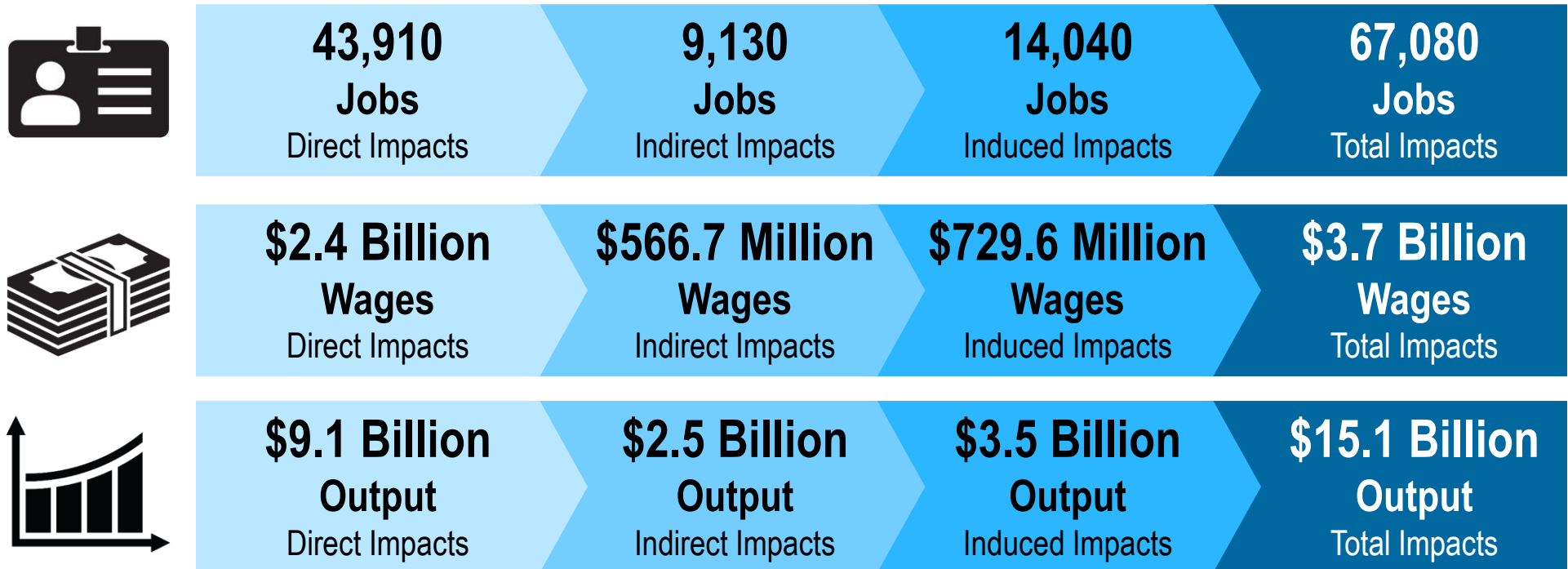
Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.



# Impacts of Conventions and Meetings

The conventions and meetings segment welcomed 6.0 million attendees in 2023. Compared to 2022, convention attendance grew by 1.0 million, which was a 19.9 percent annual increase on the year. Historically, the convention segment boosts visitation during weekdays and helps keep room occupancy rates high when leisure visitors are less likely to be in town. While 2023 convention attendance remained 10 percent below pre-pandemic levels, Southern Nevada's convention and meeting segment generated notable economic impacts during the year.

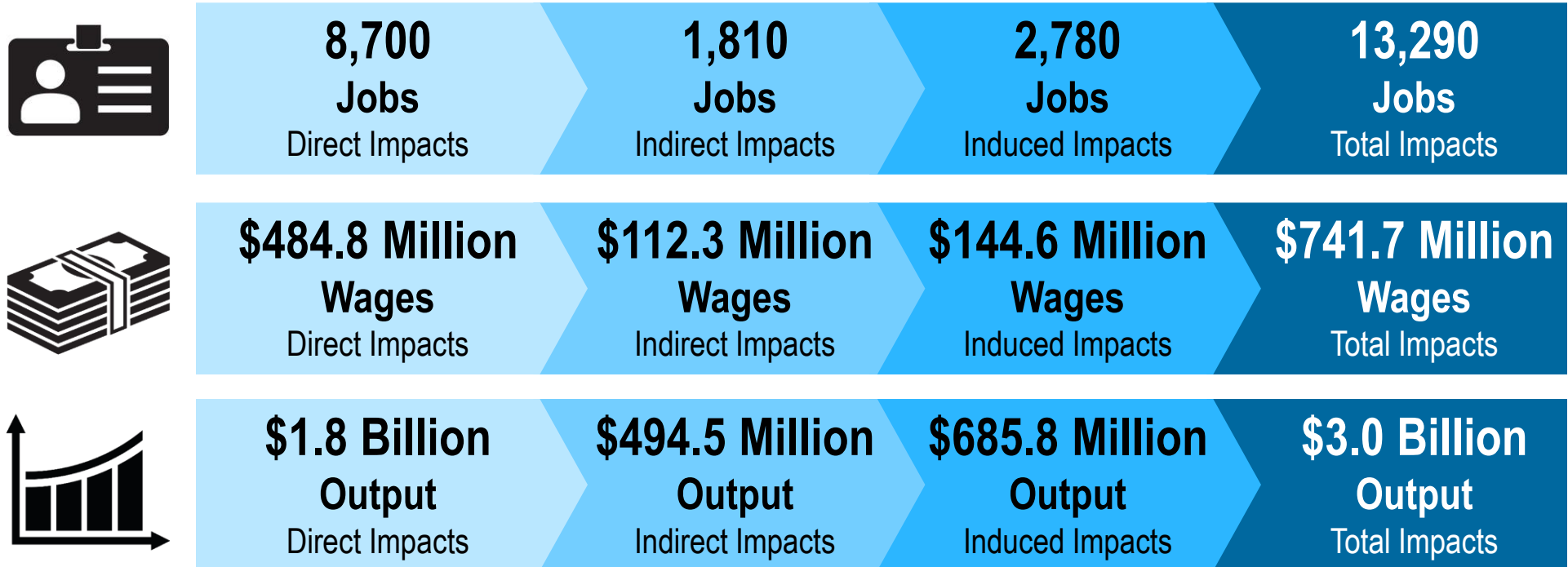
Traditionally, survey data indicates that convention visitors spend more per visit than the average leisure visitor. This relationship held true in 2023. The average convention visitor spent \$1,520 per trip, about 25 percent higher than the \$1,217 spent by the average leisure visitor. Because of their higher average spending profile, convention visitors generate higher per-capita economic impacts in Southern Nevada than leisure visitors. In 2023 convention visitors spent \$9.1 billion, directly supporting an estimated 43,910 jobs and \$2.4 billion in wages. When the indirect and induced impacts of convention visitor spending are included, the convention sector supported an estimated 67,080 jobs, \$3.7 billion in wages and \$15.1 billion in overall economic output in Southern Nevada, illustrating the segment's importance to the tourism industry. Compared to 2022, these impacts increased by 12.5 percent, 12.0 percent and 14.2 percent, respectively.



Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.

# Impacts of the Las Vegas Convention Center

The Las Vegas Convention Center (“LVCC”) is a key component of Southern Nevada’s convention and meeting segment, hosting about one-fifth of regional convention attendees per year. In 2023, the LVCC’s impacts exhibited strong growth compared to the prior year. During the year, the facility hosted 48 conventions\* with a combined attendance of 1,186,600, an annual increase of 40.0 percent. The direct impacts of \$1.8 billion in spending by those attendees was 8,700 jobs and \$484.8 million in wages and \$1.8 billion in total output. When the indirect and induced impacts are included, those totals rise to 13,290 jobs, \$741.7 million in wages and \$3.0 billion in economic output. Compared to 2022, these totals increased by 31.5 percent, 30.9 percent and 33.5 percent, respectively.



\* Excludes public-invited special events. Calculations are based on IMPLAN, an input-output econometric model. Refer to the Methodology section of this analysis for further detail.

# Methodology and Limitations

## METHODOLOGY

General and industry-specific employment and wage data reported on a quarterly basis were obtained from the Nevada Department of Employment, Training and Rehabilitation. Baseline travel volume, visitor spending data and room tax collections were obtained from the Las Vegas Convention and Visitors Authority, the Nevada Gaming Control Board, Clark County School District and the Nevada Commission on Tourism. Gross domestic product estimates were obtained from the U.S. Bureau of Economic Analysis.

Beginning in the 2019 fiscal year, the Gaming Control Board implemented new accounting procedures for departmental revenue reporting as follows: with regards to Financial Accounting Standards Board ("FASB") accounting standards codification 606, revenue from contracts with customers, all non-restricted licensees (public and nonpublic organizations as defined by FASB) were required to follow the new accounting standard when preparing standard financial statements. While the analysis contained herein is reflective of the latest economic activity, there may be modest variances from prior year editions of this report as a result of third-party reporting changes.

To identify the interrelationships in a regional economy, the IMPLAN (Impact Analysis for Planning) software, databases and methodology were used when estimating the economic impacts generated by the Southern Nevada resort and tourism industry. IMPLAN is one of three generally accepted applications used to model industry interrelationships within an economy. The model attempts to demonstrate mathematically how the outputs of one industry become the inputs of other industries.

IMPLAN employs a regional social accounting system that is used to generate a set of balanced accounts and multipliers. The social accounting system is an extension of input-output analysis. Input-output analysis has been expanded beyond market-based transaction accounting to include non-market financial market flows by using a social accounting matrix framework. The model is designed to describe the transfer of money between industries and institutions (e.g., households) and contains both market-based and non-market financial flows, such as inter-institutional transfers. IMPLAN uses regional purchase coefficients generated by complex econometric equations that predict local purchases based on a region's characteristics. In this case, the region is Clark County, Nevada. Output from the model includes descriptive measures of the economy including total industry output, employment and value-added contributions for over 500 industries.

## ANALYSIS LIMITATIONS

This analysis used the best available data to analyze the economic impacts of Southern Nevada's tourism industry. It relies heavily on data reported by third-party data providers; and, although we have no reason to doubt the accuracy of these data, they have not been subjected to any auditing or review procedures by Applied Analysis. Input-output models, as is the case with all economics-based models, are not without their limitations. The static model used in this analysis, IMPLAN, for example, assumes that capital and labor are used in fixed proportions. This means that for every job lost or created, a fixed change in investment, income and employment will result. In reality, developers, operators, consumers and governments deal with a changing economy in very complex ways, constantly altering their mix of capital, labor and levels of investment. Finally, it is important to note that this is a preliminary undertaking that will be supplemented by on-going and future analyses. This report is not intended to be comprehensive and may not be appropriate for all purposes.