

*Prepared for*  
**Louisiana Economic Development**

September 2023

# Economic Impact of 2023 Essence Festival of Culture



*Prepared by*  
**Dillard University**

Dillard University is a historically Black institution that cultivates leaders who live ethically, think and communicate precisely, and act courageously to make the world a better place.

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## Acknowledgments

This report was prepared by **Dorian Williams, Ph.D.**, economist, Dean of the College of Business and **Casey Schreiber, Ph.D.**, Revis O. Ortique Eminent Scholar Chair in Social Sciences and Associate Professor of Urban Studies & Public Policy at Dillard University. Thanks and appreciation also go to Dr. Rochelle Ford, President of Dillard University.

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## Introduction

The Essence Festival began in New Orleans in 1995 as an event to recognize the 25th anniversary of Essence magazine and celebrate the magazine’s target audience of primarily African American women. Since then, Essence Communications grew into a media, technology and commerce company serving a global audience of 20 million. Essence Fest ballooned into an annual celebration of culture held every 4th of July weekend in New Orleans with concerts taking place at the Caesar’s Superdome and empowerment seminars at the Ernest N. Morial Convention Center. Dubbed the “party with a purpose,” Essence is an annual celebration of black culture, fashion, food and music.

Louisiana Economic Development contacted Dillard University to provide an estimate of the economic impact of the 2023 Essence Festival on the New Orleans metropolitan area. The purpose of this study is to provide a comprehensive economic impact analysis of the Essence Festival of Culture held in New Orleans, Louisiana on June 29, 2023 through July 3, 2023.

## Key Findings at a Glance



# Methodology

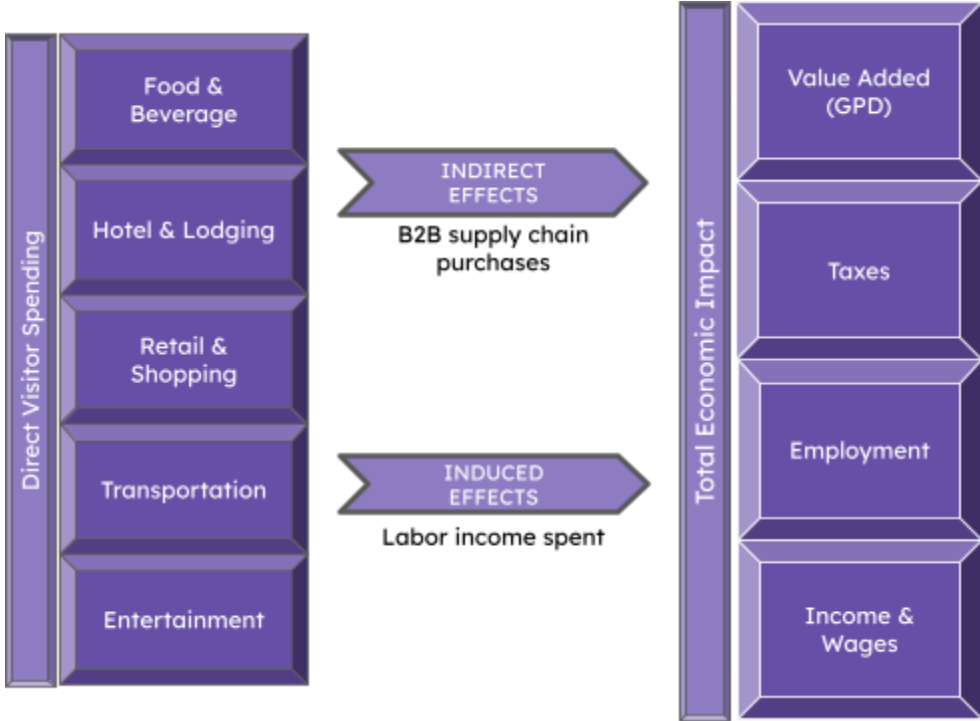
This report was prepared after the conclusion of the 2023 Essence Festival. In partnership with Essence, a post-event survey was distributed via email to Essence Festival attendees to determine visitor spending profiles at the 2023 Essence Festival. The analysis also relied on the availability of secondary data from BLS, DEA, MSY, New Orleans & Company, STR, the City of New Orleans and other stakeholders holding publicly available or non-proprietary data. IMPLAN data and software were used to conduct this economic analysis.

Impact modeling is based on IMPLAN Input-Output (I-O) models for Louisiana and New Orleans MSA to deliver 3 levels of economic impact (direct, indirect and induced). The results show total economic impacts including value-added (GDP), employment, income and tax impacts in the broader economy.

### 3 Levels of Economic Impact

- Direct effects - are the initial effects to a local industry due to the activity being analyzed.
- Indirect effects - are the business-to-business purchases in the supply chain taking place in the region that stem from the initial industry input purchases.
- Induced effects - stem from labor income being spent throughout the selected region associated with the industries included in the event analysis.

### MODELING 3 LEVELS OF ECONOMIC IMPACT: DIRECT, INDIRECT, INDUCED



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### **Assumptions**

There is no single “tourism” industry for modeling impacts because tourism comprises a wide variety of activities and businesses. Commodity events included in our model were chosen based on supporting data related to tourism spending and visitor profiles specific to the Greater New Orleans MSA and based on survey data collected from visitors to the 2023 Essence Festival.

Survey data queried Essence visitors about their travel and spending habits. Specific spending behaviors were calculated for twelve different spending categories including: (1) air travel (2) auto and ground transportation (3) gas stations (4) full-service restaurants (5) quick-service restaurants (6) Other food and drinking places, including bars and nightclubs (7) hotels (8) other accommodations such as airBnB rentals (9) retail shopping (10) Essence tickets and festival spending (11) gambling (12) other entertainment such as museums, heritage sites, zoo.

Survey results were based on 347 respondents, with a 95% confidence level sample size.

Even though locals partake in Essence festival activities, only spending by Essence attendees who do not live in the New Orleans area were used to calculate economic impact.

Spending categories correspond to NAICS codes as aggregated and bridged to IMPLAN codes.

Direct spending estimates followed the spending patterns for visitor profiles specific to the 2023 Essence Festival of Culture. Estimates were verified and compared to the spending patterns for tourist visitor profiles to the Greater New Orleans area.

The results presented in this report reflect a conservative analysis of economic impact taking into consideration Leakages, Local Purchase Percentage (LPP), and Deflators.

Verification of results included analysis of monthly taxable sales for the City of New Orleans as an indicator for economic activity.

Secondary data was used to verify the integrity of results from survey data.

The quality of analysis is contingent upon the quality and availability of collected data.

Measurements presented in this report are estimated based on the availability of data, including survey results, current indicators from secondary sources as well as historical and qualitative resources. As new information is released, estimates continue to be refined and analyzed. As additional data becomes available subsequent to this study (i.e. 2023 year end data releases), Dillard reserves the right to revise and update estimates included in current and previous analysis.

## 2023 Essence Festival Highlights

The 2023 Essence Festival of Culture honored 50 years of hip-hop with fashion, beauty, art and headline musical performances. 2022 marked the return of Essence to New Orleans after covid-19 caused the cancellation of the 2020 festival and a move to a virtual event in 2021. Essence Festival has always been held in New Orleans, other than in 2006 when damage from Hurricane Katrina forced the festival to Houston.

The multi-day event showcased a headliner concert series at the Caesar’s Superdome featuring Missy Elliot, Megan Thee Stallion and Lauryn Hill. Lauryn Hill celebrated the 25th anniversary of “The Miseducation of Lauryn Hill.” Featured musical artists included Doug E. Fresh, Juvenile, Wizkid, Monica, Coco Jones and Lil Wayne.

Empowerment Seminars offered daily free admission from 9:00am to 5:00pm. The footprint was expanded in 2022 to include more spaces in the Ernest N. Morial Convention Center as well as other venues throughout the downtown area.

**Essence** Communications global audience **20 million**


**3** days of events at the  
Caesar’s Superdome  
and Morial Convention Center

**420,000** annual visitors to  
New Orleans during Essence

**\$686** average spend  
per Essence tourist  
per day

**70%** hotel  
occupancy rate  
during Essence  
**2023**

Average length of stay in New  
Orleans for Essence Visitors  
**3.6** days



### Economic Impacts

The 2023 Essence Festival of Culture produced a \$316 million economic impact to the New Orleans metropolitan area. This is the result of \$180 million in Direct economic impact combined with \$74 million in Indirect impact and \$62 million in Induced impact. The spending by out-of-town guests also resulted in the creation of 2,495 full and part time jobs generating \$110 million in labor income or employee earnings. Essence Fest also generated \$34.7 million in tax revenues for federal, state and local governments.

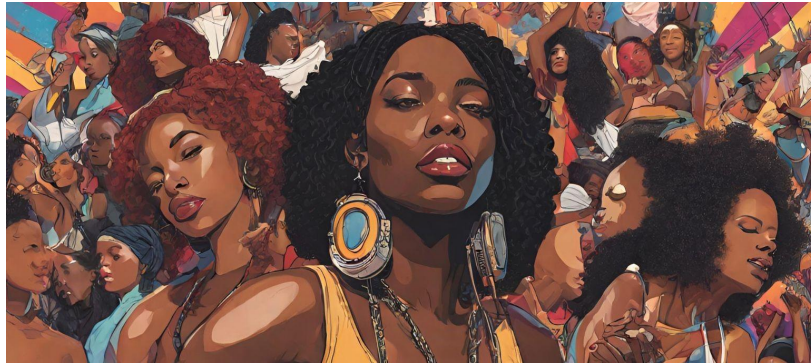
#### Overview: Economic Indicators by Impact

Impact	Employment	Labor Income	Value Added	Output
Direct	1,726	\$66,026,643	\$104,606,636	\$180,397,226
Indirect	406	\$23,944,357	\$37,948,768	\$73,652,161
Induced	362	\$19,861,217	\$35,969,554	\$61,883,249
<b>Total</b>	<b>2,494</b>	<b>\$109,832,217</b>	<b>\$178,524,958</b>	<b>\$315,932,636</b>

\*The figures contained in each table are for the New Orleans MSA unless otherwise noted. Numbers are rounded to the nearest whole number.

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## The Essence Visitor Profile



The primary audience for Essence Communications is black women. Of those who took the survey for this impact report, **81% are women** and **94% are African American**. The average age of the 2023 Festival attendee is **44 years old**. Essence visitors travel to New Orleans from across the United States with significant percentages traveling from Texas, New York, Georgia, Florida, Mississippi and North Carolina. Most out-of-town visitors (**54%**) **took a flight** to get to New Orleans, while others **drove from out of state (38%)**.

During her trip, the Essence visitor spends an average of 2.8 days at the festival but extends her **stay in New Orleans for an average of 3.6 days**. While in New Orleans, a majority of festival goers stayed in a **hotel (74%)**, some stayed in other accommodations such as **short-term rentals (19%)**, and a few stayed with **friends or family members who live in the area (5%)**.

The Essence traveler in 2023 spent approximately **\$2,470** on her trip to New Orleans. She spends an average of **\$686 per day** in New Orleans during her trip. This includes lodging, flight, beverages, shopping, dining, drinks at bars, Essence festival tickets, and any other entertainment she may have spent money on while in New Orleans. The direct spending in the twelve categories analyzed in this report reached as high as **\$222 million** spent in the Greater New Orleans area by visitors who traveled to New Orleans to attend Essence Fest. The visitor profile of the Essence Fest tourist skews towards a higher percentage of women, higher per person per day spend, and longer average number of nights each traveler stays in New Orleans compared to the average New Orleans visitor.



### Summary of Economic Indicators

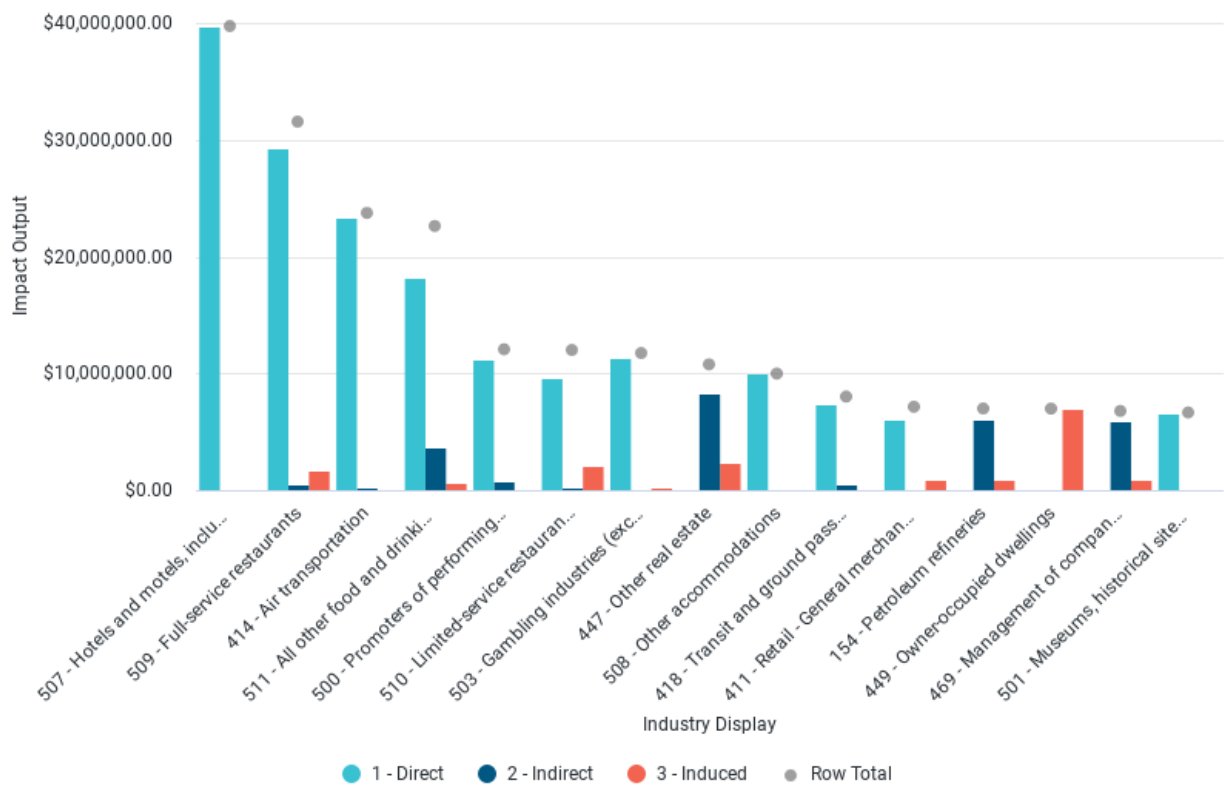
Each category of visitor spending produced direct, indirect and induced impacts in the New Orleans MSA. Tourism activity is organized into 12 categories: (1) air travel (2) auto and ground transportation (3) gas stations (4) full-service restaurants (5) quick-service restaurants (6) other food and drinking places, including bars and nightclubs (7) hotels (8) other accommodations such as short term rentals (9) retail shopping (10) Essence tickets and festival spending (11) gambling and casinos (12) other entertainment such as museums, heritage sites, zoo.

	Impact	Jobs	Labor Income	Value Added	Output
<b>Air Transportation</b>	Direct	71	\$4,340,547	\$7,340,819	\$23,360,137
	Indirect	75	\$5,054,087	\$7,423,150	\$15,095,125
	Induced	38	\$2,071,867	\$3,752,252	\$6,455,462
<b>Auto Transportation</b>	Direct	268	\$4,228,374	\$2,389,234	\$8,153,036
	Indirect	24	\$1,565,938	\$2,876,146	\$5,948,334
	Induced	24	\$1,298,451	\$2,351,648	\$4,045,406
<b>Bars and Nightclubs</b>	Direct	243	\$8,857,422	\$12,233,401	\$18,476,359
	Indirect	33	\$2,138,190	\$3,148,370	\$5,975,045
	Induced	44	\$2,422,551	\$4,387,341	\$7,548,167
<b>Essence Tickets</b>	Direct	117	\$3,567,489	\$8,964,647	\$13,653,196
	Indirect	48	\$1,820,434	\$3,281,952	\$6,035,100
	Induced	22	\$1,182,048	\$2,140,727	\$3,683,048
<b>Fast Food</b>	Direct	92	\$2,441,445	\$4,281,602	\$9,459,141
	Indirect	24	\$1,379,437	\$2,334,698	\$4,671,938
	Induced	15	\$843,876	\$1,528,311	\$2,629,295
<b>Food/Restaurants</b>	Direct	339	\$11,653,996	\$17,316,696	\$29,386,422
	Indirect	57	\$3,451,722	\$5,594,081	\$10,938,723
	Induced	61	\$3,331,670	\$6,033,823	\$10,380,703
<b>Gambling/Casinos</b>	Direct	68	\$3,154,077	\$7,927,569	\$12,880,404
	Indirect	28	\$1,849,316	\$2,868,540	\$5,094,475
	Induced	20	\$1,108,191	\$2,006,989	\$3,452,869

	<b>Impact</b>	<b>Jobs</b>	<b>Labor Income</b>	<b>Value Added</b>	<b>Output</b>
<b>Gas Stations</b>	Direct	15	\$714,967	\$1,552,479	\$2,605,615
	Indirect	7	\$387,589	\$608,912	\$1,148,456
	Induced	4	\$245,602	\$444,820	\$765,174
<b>Hotel</b>	Direct	272	\$14,523,632	\$26,594,227	\$39,744,374
	Indirect	72	\$4,042,231	\$6,212,170	\$11,794,552
	Induced	75	\$4,103,873	\$7,432,296	\$12,786,783
<b>Other Accommodations</b>	Direct	119	\$6,973,274	\$7,945,828	\$9,982,956
	Indirect	12	\$663,797	\$1,034,500	\$1,905,195
	Induced	31	\$1,680,380	\$3,043,165	\$5,235,931
<b>Other Entertainment</b>	Direct	58	\$3,305,831	\$4,216,167	\$6,612,181
	Indirect	15	\$791,940	\$1,392,580	\$2,864,640
	Induced	16	\$900,496	\$1,630,802	\$2,805,858
<b>Shopping</b>	Direct	65	\$2,265,588	\$3,843,965	\$6,083,404
	Indirect	11	\$799,676	\$1,173,669	\$2,180,577
	Induced	12	\$672,213	\$1,217,379	\$2,094,554
<b>Totals</b>		<b>2,494</b>	<b>\$109,832,217</b>	<b>\$178,524,958</b>	<b>\$315,932,636</b>

### Top Industries by Impact Output

The majority of spending by Essence Fest visitors are in areas directly serving them including Transportation, Restaurants, Hotels, and Shopping. However, other industries serving tourism businesses are impacted indirectly by Essence visitor spending including, for example, Petroleum Refineries and Hospitals. The chart below illustrates the Top 15 industries generating direct or indirect impact as a result of Essence Fest visitor spending. The graph below represents total impact, comprised of the amounts of direct, indirect, or induced impact.

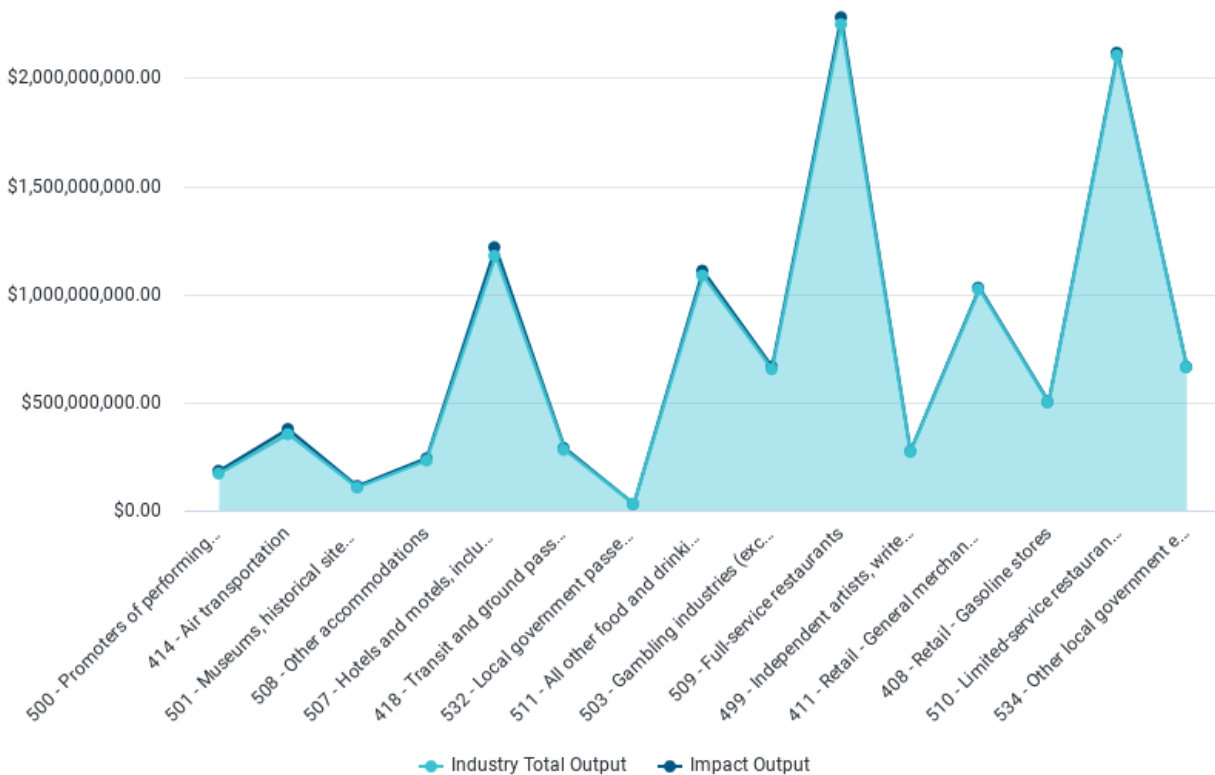


## Top 25 Industries Ranked by Total Impact

	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	\$39,744,404	\$4,951	\$7,415	\$39,756,770
Full-service restaurants	\$29,355,880	\$507,712	\$1,705,540	\$31,569,133
Air transportation	\$23,360,137	\$222,561	\$163,445	\$23,746,144
All other food and drinking places	\$18,276,316	\$3,671,475	\$678,988	\$22,626,778
Promoters of performing arts	\$11,184,088	\$810,394	\$74,090	\$12,068,571
Limited-service restaurants	\$9,646,488	\$240,387	\$2,126,325	\$12,013,201
Gambling industries (except casino hotels)	\$11,425,475	\$1,835	\$321,610	\$11,748,920
Other real estate	\$0	\$8,361,767	\$2,408,663	\$10,770,430
Other accommodations	\$9,982,961	\$128	\$1,761	\$9,984,851
Transit and ground passenger transportation	\$7,350,318	\$549,721	\$119,986	\$8,020,025
Retail - General merchandise stores	\$6,083,404	\$85,547	\$969,706	\$7,138,656
Petroleum refineries	\$0	\$6,072,112	\$926,220	\$6,998,332
Owner-occupied dwellings	\$0	\$0	\$6,981,848	\$6,981,848
Management of companies and enterprises	\$0	\$5,903,058	\$882,553	\$6,785,611
Museums, historical sites, zoos, and parks	\$6,612,181	\$141	\$43,046	\$6,655,368
Hospitals	\$0	\$0	\$5,050,551	\$5,050,551
Insurance carriers, except direct life	\$0	\$1,483,967	\$2,651,130	\$4,135,097
Employment services	\$0	\$2,697,448	\$897,698	\$3,595,146
Monetary authorities and depository credit intermediation	\$0	\$2,038,108	\$1,343,713	\$3,381,821
Legal services	\$0	\$2,175,978	\$1,034,069	\$3,210,047
Retail - Gasoline stores	\$2,605,615	\$177,443	\$426,592	\$3,209,650
Scenic and sightseeing transportation	\$55,599	\$2,830,562	\$153,393	\$3,039,554
Independent artists, writers, and performers	\$1,867,783	\$1,056,445	\$94,220	\$3,018,448
Insurance agencies, brokerages, and related activities	\$0	\$1,466,678	\$1,190,897	\$2,657,575
Electric power transmission and distribution	\$0	\$1,846,520	\$630,302	\$2,476,823

### Top 15 Industries by Growth Percentage

The charts below illustrate the Top 25 industries by growth percentage as a result of Essence Fest visitor spending. The majority of spending by Essence Fest visitors are in areas directly serving them including restaurants, hotels, and retail sales locations.



For example, full-service restaurants are a \$2.25 billion industry, or stated another way, the full-service restaurant industry in the New Orleans metropolitan statistical area produces a total output of \$2.25 billion annually. Essence Fest contributed \$31.6 million to that total output, which accounts for a 1.4% estimated growth percentage in the full-service restaurant industry. The chart below delineates the total industry output for New Orleans for 15 different industries and the impact output of Essence Fest on each of the industries, ranked by the growth percentage each of those industries experienced due to Essence Fest.

## Top 25 Industries by Estimated Growth Percentage

Industry	Industry Total Output	Impact Output	Estimated Growth Percentage
Promoters of performing arts	\$171,004,733	\$12,068,571	7.06%
Air transportation	\$352,589,748	\$23,746,144	6.73%
Museums, historical sites, zoos, and parks	\$106,161,783	\$6,655,368	6.27%
Other accommodations	\$230,638,206	\$9,984,851	4.33%
Hotels and motels, including casino hotels	\$1,177,098,704	\$39,756,770	3.38%
Transit and ground passenger transportation	\$280,207,438	\$8,020,025	2.86%
Local government passenger transit	\$29,226,199	\$821,518	2.81%
All other food and drinking places	\$1,085,918,156	\$22,626,778	2.08%
Gambling industries (except casino hotels)	\$653,197,389	\$11,748,920	1.80%
Full-service restaurants	\$2,248,143,212	\$31,569,133	1.40%
Independent artists, writers, and performers	\$271,271,159	\$3,018,448	1.11%
Retail - General merchandise stores	\$1,022,679,895	\$7,138,656	0.70%
Retail - Gasoline stores	\$499,297,205	\$3,209,650	0.64%
Limited-service restaurants	\$2,103,948,778	\$12,013,201	0.57%
Other local government enterprises	\$662,005,858	\$2,346,552	0.35%
Performing arts companies	\$71,180,710	\$239,809	0.34%
Radio and television broadcasting	\$373,501,494	\$1,232,979	0.33%
Scenic and sightseeing transportation	\$946,110,613	\$3,039,554	0.32%
Management of companies and enterprises	\$2,116,743,620	\$6,785,611	0.32%
Advertising, public relations, and related services	\$481,578,334	\$1,442,008	0.30%
Cable and other subscription programming	\$29,792,531	\$86,937	0.29%
Sound recording industries	\$11,468,168	\$30,962	0.27%
Internet publishing and broadcasting	\$318,042,136	\$855,539	0.27%
Other educational services	\$236,736,673	\$636,765	0.27%
Other federal government enterprises	\$25,835,804	\$68,321	0.26%

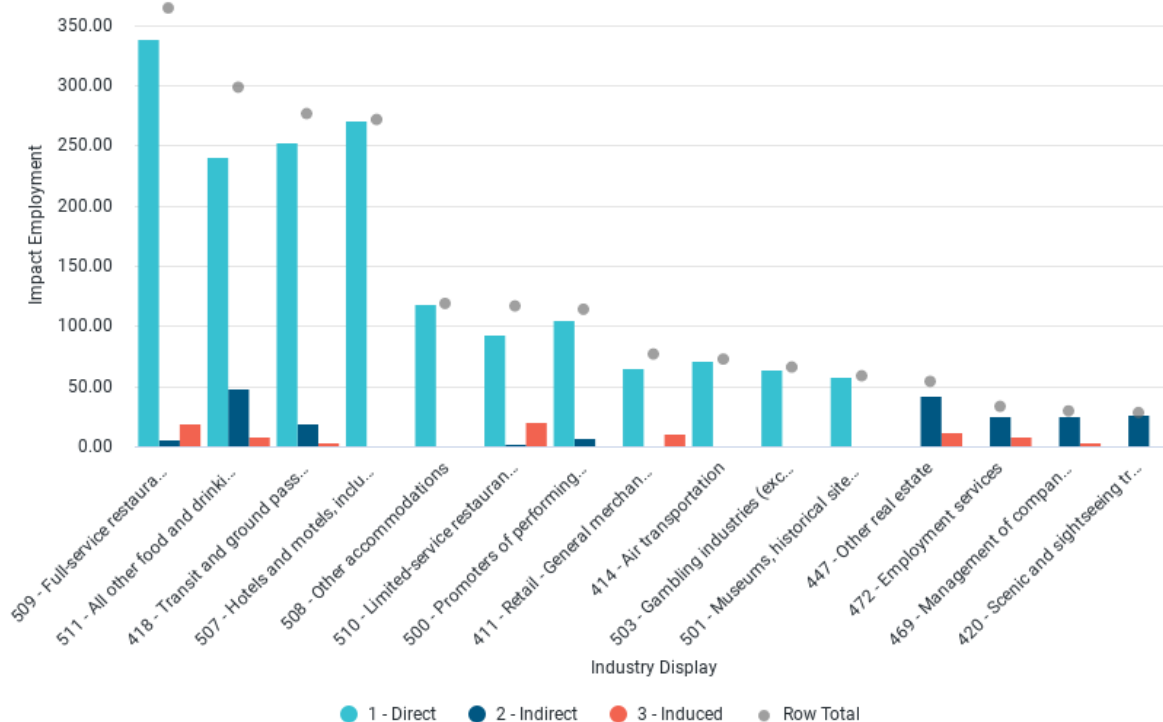
## Economic Output: Employment, Labor, Value-Added, and Taxes

### Employment/Jobs

The 2023 Essence Festival resulted in the creation of **2,495 total jobs**. Employment is defined as an industry-specific mix of full-time, part-time, and seasonal employment. It is an annual average that accounts for seasonality and follows the same definition used by the BLS and BEA (not equal to full-time equivalents). Festival spending supported the creation of **2,495 total jobs/employment impact** combining **1,726 direct employment impact** with **406 indirect employment impact** and **363 induced employment impact**.

- Indirect employment represents the number of jobs supported by the business to business transactions and suppliers activity as a result of Essence Fest.
- Induced employment represents the number of jobs that could be supported by household spending as a result of the economic activity generated by Essence Fest.

The industries that serve tourists saw the biggest impact in terms of job creation with full-service restaurants; hotels and motels; transit and ground passenger transportation; and food and drinking places including bars and nightclubs providing the most employment opportunities for full and part-time workers.



## Industries Ranked by Total Impact Employment

Industry Display	Direct	Indirect	Induced	Total Impact Employment
Full-service restaurants	339	6	20	364
Hotels and motels, including casino hotels	272	0	0	272
Transit and ground passenger transportation	253	19	4	277
All other food and drinking places	241	48	9	298
Other accommodations	119	0	0	119
Promoters of performing arts	106	8	1	114
Limited-service restaurants	94	2	21	117
Air transportation	71	1	1	72
Retail - General merchandise stores	65	1	10	77
Gambling industries (except casino hotels)	64	0	2	66
Museums, historical sites, zoos, and parks	58	0	0	59
Retail - Gasoline stores	15	1	2	18
Local government passenger transit	14	1	0	15
Commercial Sports Except Racing	6	3	1	9
Independent artists, writers, and performers	5	3	0	8
Other local government enterprises	4	1	1	6
Scenic and sightseeing transportation	1	26	1	28
Racing and Track Operation	1	0	0	1
Performing arts companies	0	1	0	2
Other federal government enterprises	0	0	0	0
Automotive equipment rental and leasing	0	1	1	2
Other real estate	0	42	12	54
Management of companies and enterprises	0	26	4	29
Employment services	0	25	8	33
Services to buildings	0	16	3	19

\*employment figures rounded to whole numbers

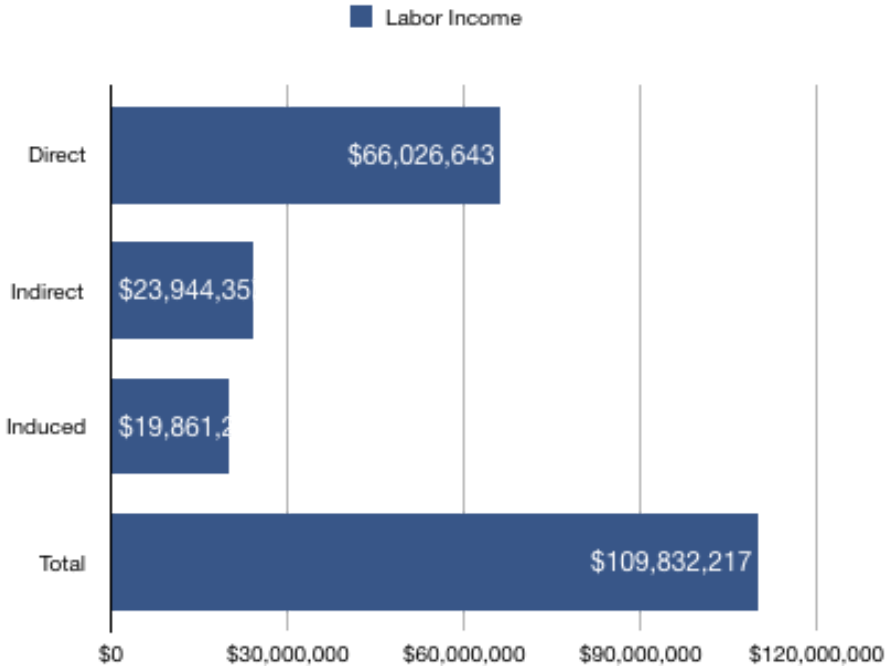


**Labor Income**

Labor Income represents all forms of Employment income paid, including Employee Compensation (wages, salaries, and benefits) and Proprietor Income. The employee compensation is the total payroll cost of wages and salary employees to the employer. This includes wages and salaries, all benefits, and payroll taxes. Proprietor income represents the current production income of sole proprietorships, partnerships and tax-exempt cooperatives.

Impact	Labor Income
Direct	\$66,026,643
Indirect	\$23,944,357
Induced	\$19,861,217
<b>Total</b>	<b>\$109,832,217</b>

In this analysis, Labor Income represents the ratio of the Industry’s Labor Income to Output. The total Labor Income output generated by Essence Fest 2023 was **\$110 million**.



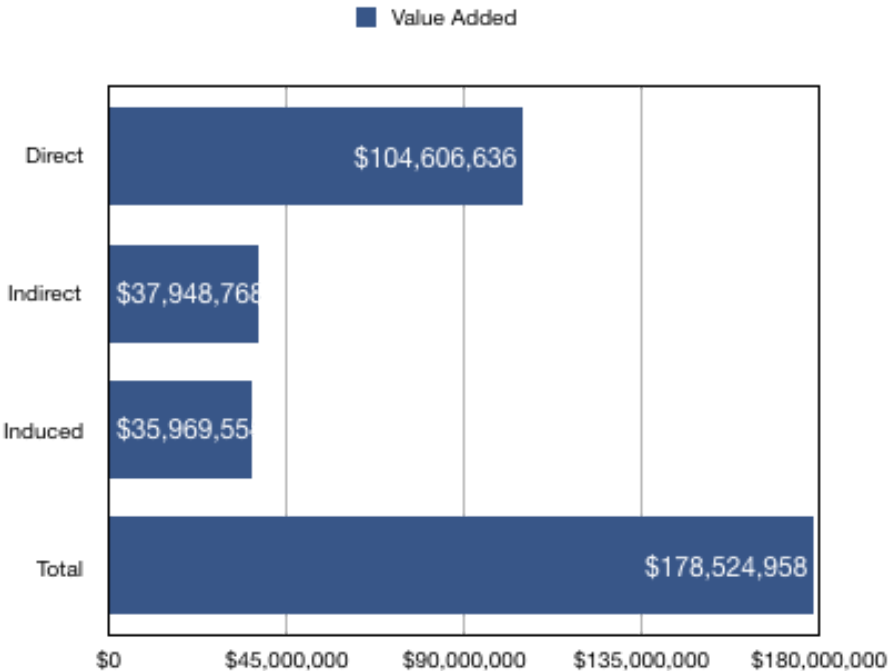
- Direct Labor Income is the initial income earned by those directly employed due to Essence Fest.
- Indirect Labor Income is the Employee Compensation and Proprietor Income associated with business-to-business transactions.
- Induced Labor Income is the amount of Employee Compensation and Proprietor Income that is associated with household spending as a result of the economic activity generated by Essence Fest.

Value Added

Impact	Value Added
Direct	\$104,606,636
Indirect	\$37,948,768
Induced	\$35,969,554
<b>Total</b>	<b>\$178,524,958</b>

Value Added is equivalent to the Industry’s contribution to GDP. Value added encompasses Labor Income, Proprietor Income, Employee Compensation, Other Property Income and Taxes on Production and Imports. Essence Fest 2023 contributed **\$179 million in total Value Added.**

Total Value Added



Value added represents the difference between Output and the cost of Intermediate Inputs throughout the economy during a specified period of time. It equals gross Output (sales or receipts and other operating income, plus inventory change) minus intermediate inputs (consumption of goods or services purchased from other industries or imported). The charts below provide more detail on value added toward Employee Compensation and Proprietor Income.

## Employee Compensation

Employee compensation is the total remuneration of employees in return for their work on domestic production, and is the sum of wage and salary income plus supplements. Wages and salaries are broadly defined to include commissions, tips and bonuses. Employee compensation generated from Essence Festival visitor spending totaled **\$95.5 million** in value added compensation.

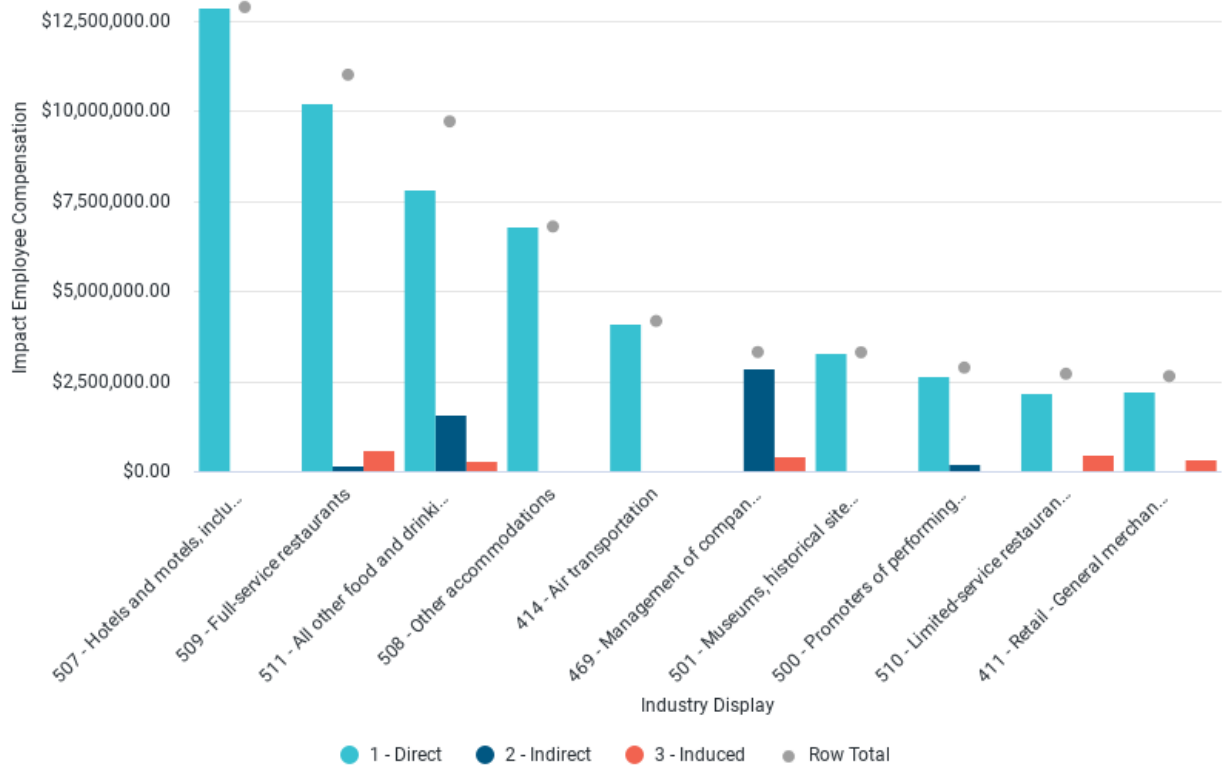
Employee Compensation	Direct	Indirect	Induced	Total
	\$59,225,266	\$19,408,825	\$16,853,338	\$95,487,430

- The industries that experienced the biggest value added toward employee compensation were hotels and motels, full-service restaurants, food and drinking places including bars and nightclubs, air transportation, entertainment industries and shopping and retail establishments.

### Employment Compensation: Top 10 Industries by Ranked by Direct Impact

Impact	Direct	Indirect	Induced	Totals
Hotels and motels, including casino hotels	\$12,860,710	\$1,602	\$2,399	\$12,864,712
Full-service restaurants	\$10,219,514	\$176,747	\$593,741	\$10,990,003
All other food and drinking places	\$7,831,069	\$1,573,160	\$290,934	\$9,695,163
Other accommodations	\$6,782,371	\$87	\$1,197	\$6,783,655
Air transportation	\$4,095,916	\$39,023	\$28,658	\$4,163,598
Museums, historical sites, zoos, and parks	\$3,272,921	\$70	\$21,307	\$3,294,298
Promoters of performing arts	\$2,661,929	\$192,882	\$17,634	\$2,872,446
Gambling industries (except casino hotels)	\$2,538,004	\$408	\$71,441	\$2,609,852
Retail - General merchandise stores	\$2,243,855	\$31,554	\$357,675	\$2,633,084
Limited-service restaurants	\$2,168,386	\$54,036	\$477,966	\$2,700,388

Employment Compensation: Top 10 Industries Ranked by Total Impact



## Proprietor Income

Many business owners experience additional income because of Essence attendees. Essence attendees contributed to a total of **\$14.3 million in value added to Proprietor Income** in the New Orleans area. Proprietor income consists of payments received by self-employed individuals and unincorporated business owners. More specifically, it represents the current production income of sole proprietorships, partnerships, and tax-exempt cooperatives.

Proprietor Income	Direct	Indirect	Induced	Total
	\$6,801,377	\$4,535,532	\$3,007,878	<b>\$14,344,787</b>

### Proprietor Income: Top 10 Industries Ranked by Direct Impact

Impact	Direct	Indirect	Induced	Totals
Hotels and motels, including casino hotels	\$1,662,933	\$207	\$310	\$1,663,451
Full-service restaurants	\$1,427,327	\$24,686	\$82,926	\$1,534,939
Transit and ground passenger transportation	\$1,194,596	\$89,342	\$19,501	\$1,303,439
All other food and drinking places	\$970,296	\$194,920	\$36,048	\$1,201,264
Limited-service restaurants	\$321,408	\$8,009	\$70,846	\$400,264
Gambling industries (except casino hotels)	\$254,525	\$41	\$7,165	\$261,731
Retail - Gasoline stores	\$250,975	\$17,091	\$41,090	\$309,156
Air transportation	\$244,631	\$2,331	\$1,712	\$248,673
Other accommodations	\$190,907	\$2	\$34	\$190,944
Promoters of performing arts	\$182,187	\$13,201	\$1,207	\$196,595

**Taxes**

The tax impact captures all tax revenue across all levels of government that exist within the New Orleans MSA for the specific industries affected by Essence Festival. Essence Fest 2023 generated a total of **\$34.7 million in federal, state and local taxes.**

Tax Impact Totals

Impact	City	Special Districts	Parish	State	Federal	Total
<b>Direct</b>	\$1,083,930	\$2,479,816	\$1,738,246	\$5,086,808	\$10,949,081	\$21,337,882
<b>Indirect</b>	\$231,904	\$530,154	\$371,615	\$1,279,059	\$4,194,416	\$6,607,148
<b>Induced</b>	\$357,424	\$817,793	\$573,238	\$1,671,526	\$3,341,005	\$6,760,986
<b>Total</b>	\$1,673,258	\$3,827,762	\$2,683,100	\$8,037,393	\$18,484,502	<b>\$34,706,016</b>

Note that the study area data used in the tax impact analysis model includes the New Orleans Metropolitan Statistical area as defined by the U.S. Census Bureau, which encompasses a geographic footprint beyond the boundaries of the City of New Orleans or Orleans Parish. Each column represents a distinct type of tax (state-levied taxes; parish levied taxes; city-levied taxes; and special district-levied taxes). The tax impact model relies on estimates given the data releases available at the time of reporting. Data releases subsequent to this publication may yield slight differences in actual tax data comparisons.

### Leakages and Displaced Economic Impacts

Displaced economic benefits were taken into consideration in the analysis of economic impact. Leakages are economic activity associated with Essence Festival 2023 that does not generate additional effects in the region. **\$41.7 million** in leakages occurred in this analysis.

Direct Leakages by Type

Institutional Commodity Sales	Margin	Imports to Region
\$2,045,962	\$20,444,489	\$19,243,027

- Institutional Commodity Sales: Total output of commodities sold by institutions
- Margin: The margin shows the producer, transportation, wholesale, or retail portion of the Value Chain that is not analyzed when margins are applied. These leakages represent the value of the wholesale and retail trade services produced in delivering commodities from producers establishments to purchasers.
- Imports to Region: indicates the goods and services that were produced or sourced from outside of the region.

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## References

- City of New Orleans
- DK Shifflet reports
- Essence Festival, Inc.
- IMPLAN data library
- Louis Armstrong International Airport
- Louisiana Department of Culture, Recreation and Tourism (CRT) archived research
- New Orleans & Company occupancy reports
- Smith Travel Research (STR)
- United States Bureau of Labor Statistics (BLS)
- United States Bureau of Transportation Statistics
- United States Department of Commerce, Bureau of Economic Analysis (BEA)