

Prepared for
Louisiana Economic Development

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Economic Impact of the 2024 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.

Acknowledgments

This report was prepared by **Dorian Williams, Ph.D.**, economist, Dean of the College of Business, Professor of Business Management and **Casey Schreiber, Ph.D.**, Revius 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. Monique Guillory, Interim 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. In 2024, Essence celebrated their 30th annual Festival.

Louisiana Economic Development contacted Dillard University to provide an estimate of the economic impact of the 2024 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 July 4, 2024 through July 7, 2024.

Key Findings at a Glance



Methodology

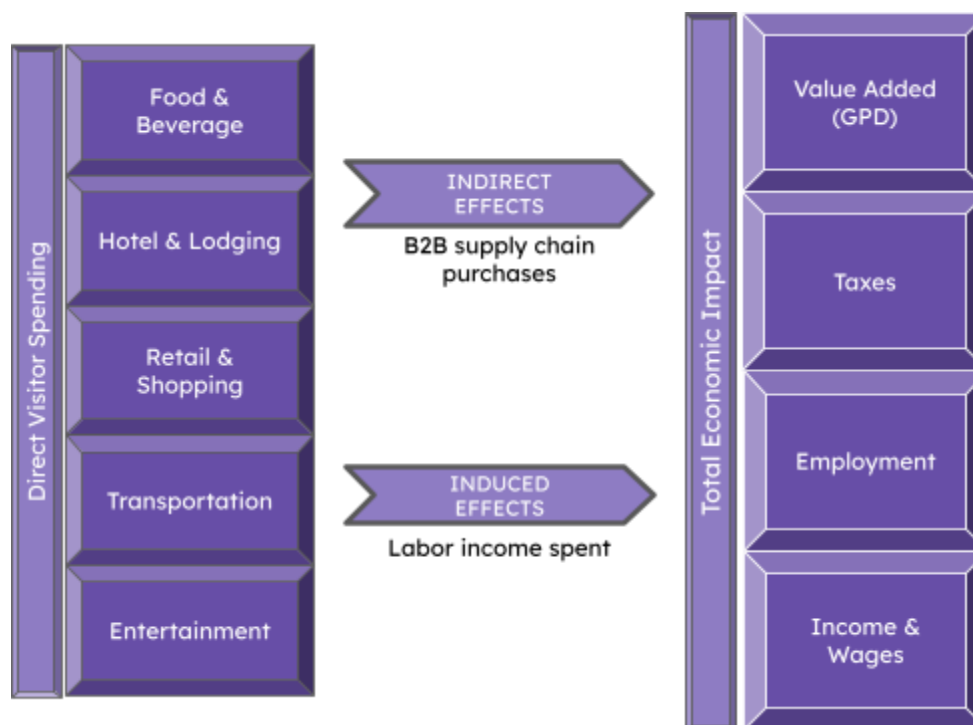
This report was prepared after the conclusion of the 2024 Essence Festival. In partnership with Essence, a post-event survey was distributed via email to Essence Festival attendees to determine visitor spending profiles at the 2024 Essence Festival. The analysis also relied on the availability of secondary 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



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 2024 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 and unique visitor spending. Visitor volume estimates based on festival data were verified and compared to deplaned passenger air travel volume and hotel occupancy volume.

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 2024 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 Leverages, Local Purchase Percentage (LPP), and Deflators.

Verification of results include 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. 2024 year end data releases), Dillard reserves the right to revise and update estimates included in current and previous analysis.

2024 Essence Festival Highlights

The 2024 Essence Festival of Culture celebrated the event's 30th year with fashion, beauty, art and headline musical performances. Essence Festival has always been held in New Orleans, other than in 2006 when damage from Hurricane Katrina forced the festival to Houston. The covid-19 pandemic caused the cancellation of the 2020 festival and a move to a virtual event in 2021.

The multi-day event showcased a headliner concert series at the Caesar's Superdome featuring Janet Jackson, Victoria Monet, Birdman and Usher. The 30th Anniversary also paid tribute to Frankie Beverly and Maze, celebrating Frankie Beverly's farewell tour and retirement.

Empowerment Seminars offered daily free admission from 9:00am to 5:00pm and included nationally renowned speakers such as Vice President Kamala Harris. The festival continued with a footprint that 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

70% hotel
occupancy rate
during Essence
2024



77% of Essence attendees are
out-of-town visitors



\$847 average spend
per Essence tourist
per day



Average length of stay in New
Orleans for Essence Visitors
3.7 days

Economic Impacts

The **2024 Essence Festival of Culture** produced a **\$346.3 million economic impact** to the New Orleans metropolitan area. This is the result of **\$198 million in Direct** economic impact combined with **\$80.7 million in Indirect** impact and **\$67.3 million in Induced** impact. The spending by out-of-town guests also resulted in the creation of **2,642** full and part time jobs generating **\$113.7 million** in labor income or employee earnings. Essence Fest also generated **\$49.8 million** in tax revenues for federal, state and local governments.

Overview: Economic Indicators by Impact

Impact	Employment	Labor Income	Value Added	Output
Direct	1,847	\$69,552,830	\$118,348,903	\$198,293,882
Indirect	426	\$23,375,368	\$40,682,820	\$80,660,981
Induced	369	\$20,766,487	\$39,454,489	\$67,372,594
Total	2,642	\$113,694,685	\$198,486,212	\$346,327,456

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

The Essence Visitor Profile



The primary audience for Essence Communications is black women. Of those who took the survey for this impact report, **82% are women** and **95% are African American**. The average age of the 2024 Festival attendee is **44 years old**. Essence visitors travel to New Orleans from across the United States with significant percentages traveling from Texas, Georgia, Florida, and Mississippi. Most out-of-town visitors who are not from Louisiana **took a flight (54%)** to get to New Orleans, while others **drove from out of state (38%)**.

During her trip, the Essence visitor spends an average of 2.6 days at the festival but extends her **stay in New Orleans for an average of 3.7 days**. A majority of festival goers stayed overnight in New Orleans (**84%**). Of the overnight visitors, a majority stayed in a **hotel (76%)**, some stayed in other accommodations such as **short-term rentals (17%)**, and a few stayed with **friends or family members who live in the area (7%)**.

The Essence traveler in 2024 spent approximately **\$3,135** on her trip to New Orleans. She spends an average of **\$847 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 **\$269 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

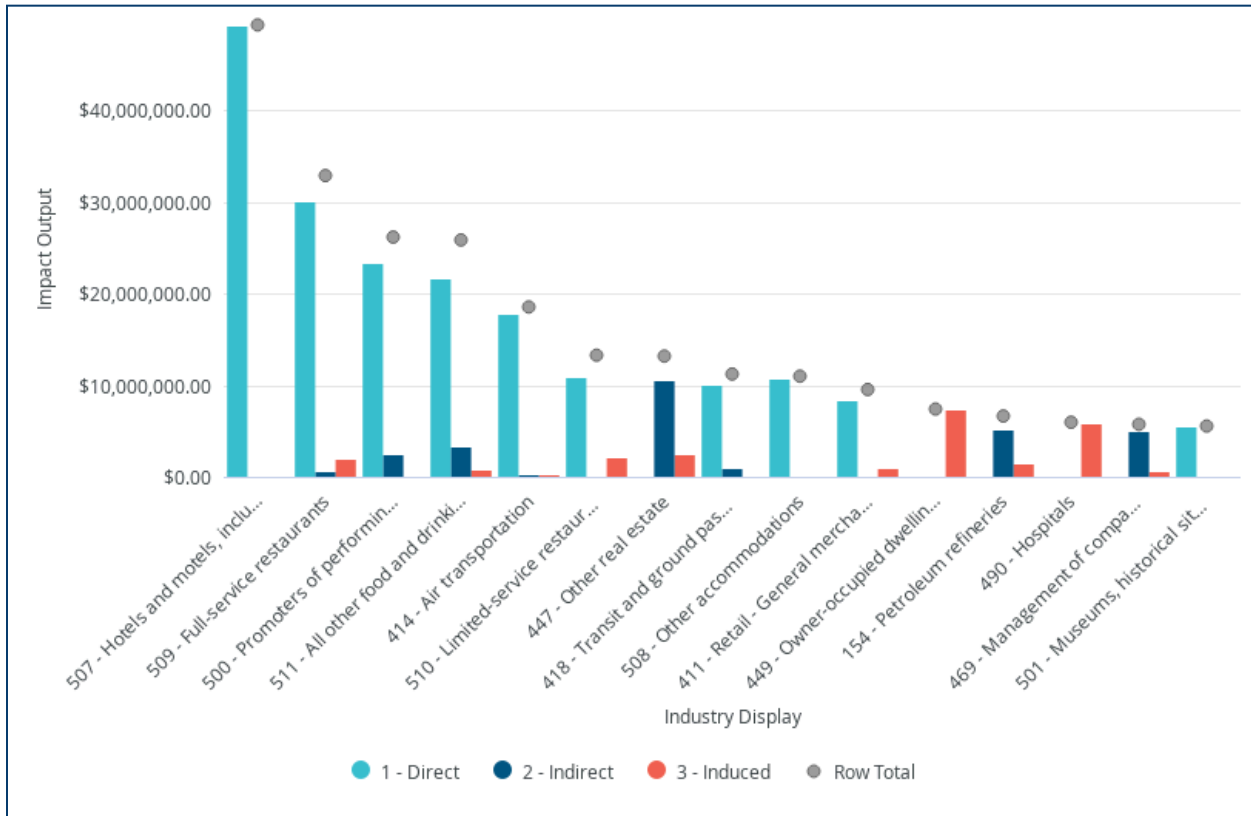
Each category of visitor spending produced direct, indirect and induced impacts in the New Orleans MSA. Tourism activity is organized into 12 categories: (1) air travel (2) auto and ground transportation (3) gas stations (4) full-service restaurants (5) quick-service restaurants (6) other food and drinking 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.

Industry	Impact	Jobs	Labor Income	Value Added	Output
Air Travel	Direct	37	\$2,600,158	\$7,866,778	\$17,821,050
	Indirect	40	\$2,515,318	\$4,300,030	\$9,195,055
	Induced	20	\$1,116,678	\$2,121,460	\$3,622,851
Auto Transportation	Direct	354	\$6,662,592	\$5,004,663	\$10,985,702
	Indirect	24	\$1,555,834	\$3,064,046	\$6,391,730
	Induced	33	\$1,875,672	\$3,563,949	\$6,085,182
Bars and Nightclubs	Direct	263	\$9,759,392	\$13,667,742	\$21,780,213
	Indirect	41	\$2,542,116	\$3,905,264	\$7,614,316
	Induced	50	\$2,787,726	\$5,296,751	\$9,044,156
Essence Spending	Direct	126	\$3,722,663	\$14,358,557	\$24,946,428
	Indirect	96	\$3,769,223	\$7,299,224	\$13,878,946
	Induced	29	\$1,643,858	\$3,123,113	\$5,333,170
Fast Food	Direct	105	\$3,154,913	\$4,756,385	\$10,735,801
	Indirect	27	\$1,494,712	\$2,716,196	\$5,555,119
	Induced	19	\$1,057,935	\$2,010,170	\$3,432,225
Food/Restaurants	Direct	306	\$11,993,741	\$16,608,355	\$30,171,230
	Indirect	61	\$3,581,804	\$6,227,883	\$12,478,689
	Induced	63	\$3,552,574	\$6,750,292	\$11,525,491
Gambling	Direct	29	\$1,417,800	\$3,770,880	\$5,589,369
	Indirect	10	\$631,209	\$1,033,219	\$1,946,653
	Induced	8	\$467,198	\$887,594	\$1,515,732

Industry	Impact	Jobs	Labor Income	Value Added	Output
Gas Stations	Direct	11	\$578,589	\$1,332,238	\$2,252,440
	Indirect	5	\$313,241	\$517,149	\$995,559
	Induced	4	\$201,885	\$383,645	\$654,964
Hotel	Direct	352	\$17,544,582	\$33,946,996	\$49,253,774
	Indirect	80	\$4,478,854	\$7,391,399	\$14,379,046
	Induced	86	\$4,822,256	\$9,161,247	\$15,644,907
Other accommodations	Direct	133	\$6,835,357	\$8,379,126	\$10,791,140
	Indirect	13	\$751,253	\$1,237,837	\$2,312,090
	Induced	29	\$1,647,238	\$3,129,218	\$5,344,180
Other Entertainment	Direct	52	\$2,475,507	\$3,310,260	\$5,490,158
	Indirect	15	\$729,167	\$1,422,050	\$2,900,658
	Induced	13	\$749,476	\$1,423,754	\$2,431,548
Shopping	Direct	77	\$2,807,536	\$5,346,922	\$8,476,577
	Indirect	15	\$1,012,637	\$1,568,524	\$3,013,120
	Induced	15	\$843,991	\$1,603,296	\$2,738,188
Totals		2,642	\$113,694,685	\$198,486,212	\$346,327,456

Top Industries by Impact Output

The majority of spending by Essence Fest visitors are in areas directly serving them including Hotels, Restaurants, and Food and Drinking Places. 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 impact as a result of Essence Fest visitor spending. The graph below represents total impact, comprising the amounts of direct, indirect, or induced impact.



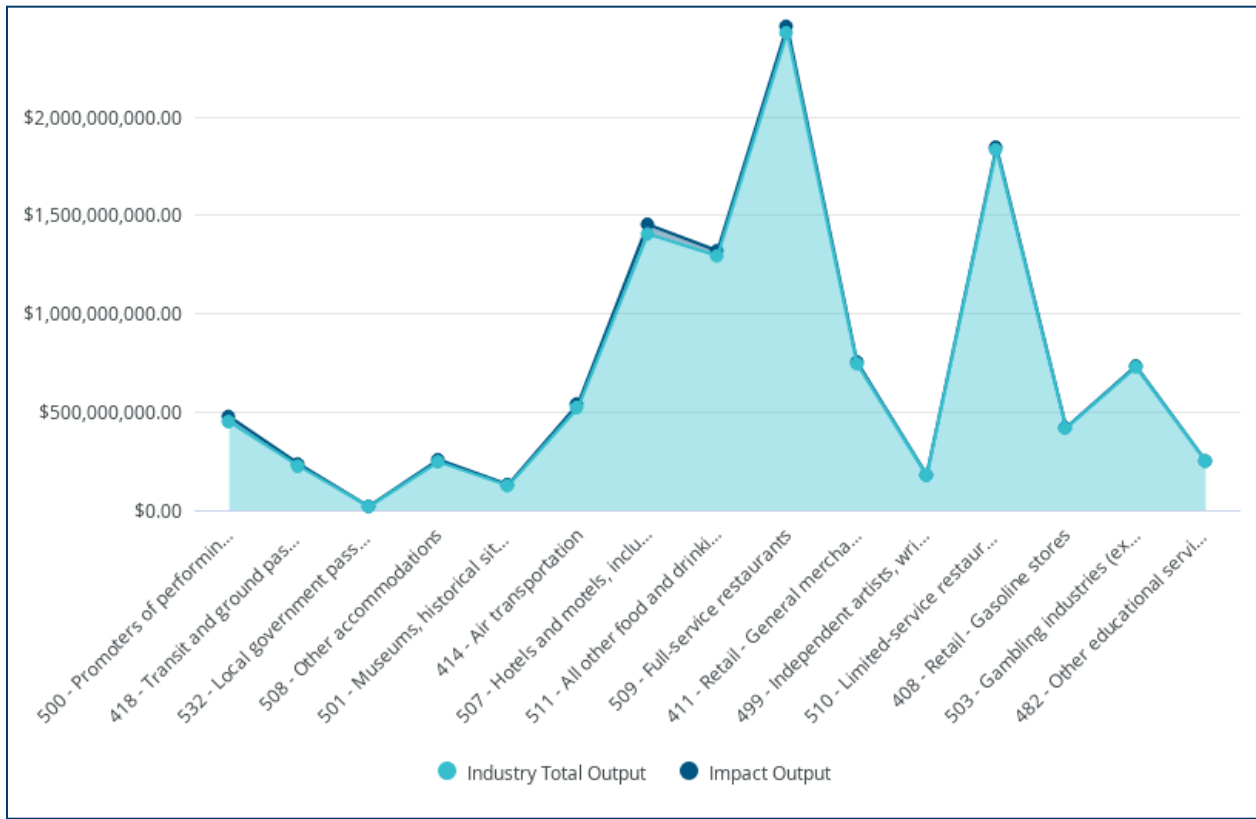
The Hotel Industry experienced the highest impact out of the industries included in this report. During the week of July 2024 that Essence was held in New Orleans, compared to the other top 25 markets in the United States, New Orleans saw the highest year-over-year increases in key performance metrics for the hotel industry including a 15.5% increase in Occupancy Rates; a 35.1% increase in average daily room rates; and a 56.1% increase in revenue per available room.

Top 25 Industries Ranked by Total Impact

Industry	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	\$49,253,823	\$5,360	\$9,401	\$49,268,585
Full-service restaurants	\$30,134,281	\$657,943	\$2,050,415	\$32,842,639
Promoters of performing arts and sports and agents	\$23,429,651	\$2,527,381	\$180,212	\$26,137,243
All other food and drinking places	\$21,603,849	\$3,370,683	\$849,048	\$25,823,580
Air transportation	\$17,821,050	\$340,068	\$356,094	\$18,517,212
Limited-service restaurants	\$10,897,766	\$249,706	\$2,107,409	\$13,254,882
Other real estate	\$0	\$10,608,547	\$2,547,735	\$13,156,282
Transit and ground passenger transportation	\$10,143,134	\$928,114	\$132,469	\$11,203,716
Other accommodations	\$10,791,148	\$10,527	\$166,801	\$10,968,476
Retail - General merchandise stores	\$8,476,577	\$92,555	\$947,544	\$9,516,676
Owner-occupied dwellings	\$0	\$0	\$7,388,451	\$7,388,451
Petroleum refineries	\$0	\$5,174,127	\$1,450,917	\$6,625,044
Hospitals	\$0	\$0	\$5,944,590	\$5,944,590
Management of companies and enterprises	\$0	\$5,012,998	\$712,620	\$5,725,618
Museums, historical sites, zoos, and parks	\$5,490,158	\$90	\$42,910	\$5,533,158
Gambling industries (except casino hotels)	\$4,433,851	\$2,442	\$339,429	\$4,775,722
Employment services	\$0	\$3,421,166	\$1,025,106	\$4,446,273
Insurance carriers, except direct life	\$0	\$1,731,229	\$2,708,073	\$4,439,303
Monetary authorities and depository credit intermediation	\$0	\$2,558,118	\$1,627,294	\$4,185,412
Insurance agencies, brokerages, and related activities	\$0	\$1,994,407	\$1,194,243	\$3,188,650
Other local government enterprises	\$1,155,518	\$1,067,366	\$851,403	\$3,074,287
Retail - Gasoline stores	\$2,252,440	\$196,856	\$470,188	\$2,919,484
Legal services	\$0	\$1,742,730	\$1,013,841	\$2,756,571
Offices of physicians	\$0	\$0	\$2,488,333	\$2,488,333
Electric power transmission and distribution	\$0	\$1,869,568	\$596,482	\$2,466,051

Top 15 Industries by Growth Percentage

The chart and table below illustrates the top 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 bars.



For example, full-service restaurants are a \$2.42 billion industry, or stated another way, the full-service restaurant industry in the New Orleans metropolitan statistical area produces a total output of \$2.42 billion annually. Essence Fest 2024 contributed \$32.8 million to that total output, which accounts for a 1.35% estimated growth percentage in the full-service restaurant industry. The table below delineates the total industry output for New Orleans for 25 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	Essence Impact Output	Percentage of Total Industry Output
Other accommodations	\$245,597,662.26	\$18,345,889.32	7.47%
Hotels and motels, including casino hotels	\$1,402,547,780.30	\$82,923,083.89	5.91%
Air transportation	\$520,910,357.84	\$18,753,198.25	3.60%
Promoters of performing arts and sports	\$449,920,144.77	\$15,766,815.17	3.50%
Transit and ground passenger transportation	\$223,117,034.52	\$7,713,366.45	3.46%
Local government passenger transit	\$17,874,693.57	\$571,149.17	3.20%
All other food and drinking places	\$1,291,409,597.03	\$23,622,521.88	1.83%
Museums, historical sites, zoos, and parks	\$124,349,673.30	\$1,604,725.66	1.29%
Full-service restaurants	\$2,424,718,639.01	\$29,187,388.81	1.20%
Retail - General merchandise stores	\$743,150,587.38	\$7,139,681.39	0.96%
Independent artists, writers, and performers	\$176,925,142.86	\$1,382,838.60	0.78%
Retail - Gasoline stores	\$416,293,177.69	\$2,145,506.76	0.52%
Limited-service restaurants	\$1,830,224,160.60	\$9,179,480.18	0.50%
Radio and television broadcasting	\$390,828,031.89	\$1,739,357.93	0.45%
Cable and other subscription programming	\$295,544,512.78	\$1,308,826.43	0.44%
Amusement parks and arcades	\$8,384,716.67	\$33,017.85	0.39%
Sound recording industries	\$22,017,921.28	\$85,295.67	0.39%
Management of companies and enterprises	\$1,494,759,375.11	\$5,663,218.43	0.38%
Stationery product manufacturing	\$10,721,693.31	\$38,646.25	0.36%
Advertising, public relations, and related services	\$645,922,306.88	\$2,327,380.41	0.36%
Wineries	\$3,523,549.38	\$12,188.61	0.35%
Other educational services	\$249,314,935.15	\$827,750.50	0.33%
Services to buildings	\$598,550,887.10	\$1,813,847.34	0.30%
Internet publishing and broadcasting	\$339,411,028.58	\$1,025,219.64	0.30%
Postal service	\$209,406,690.15	\$611,208.12	0.29%

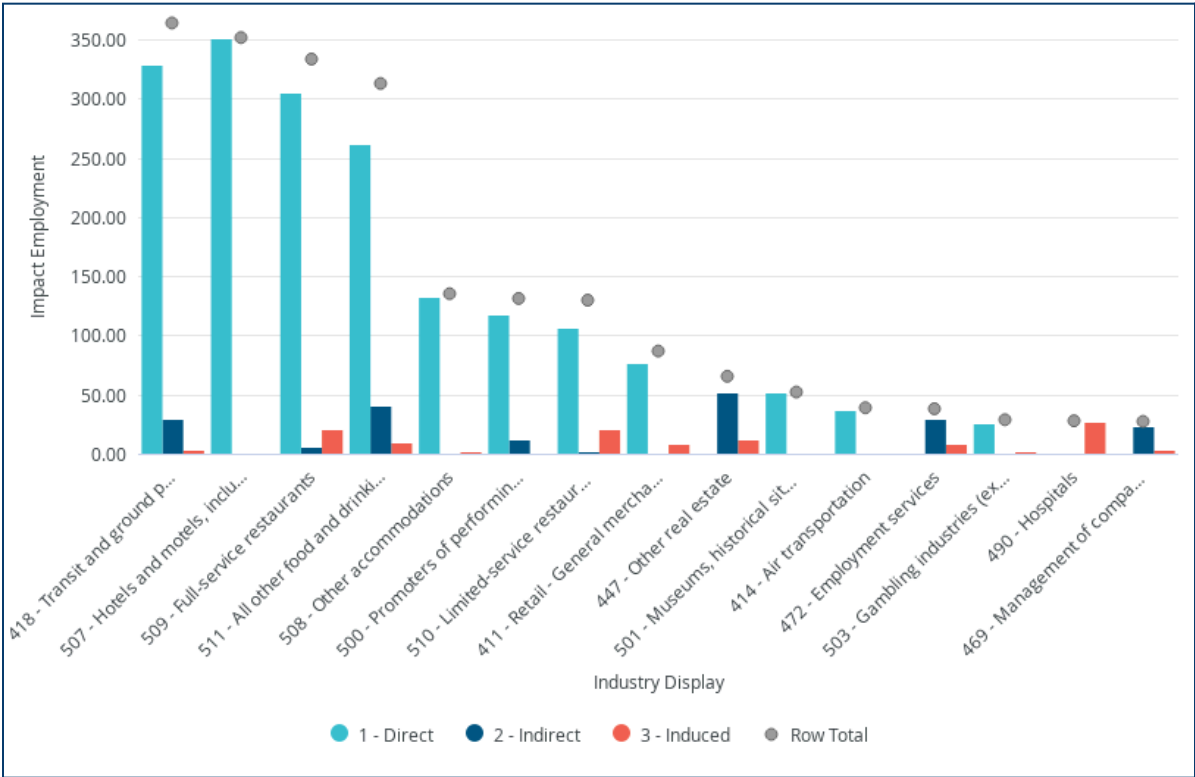
Economic Output: Employment, Labor, Value-Added, and Taxes

Employment/Jobs

The 2024 Essence Festival resulted in the creation of **2,642 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 **2,642 total jobs/employment impact** combining **1,847 direct employment impact** with **426 indirect employment impact** and **369 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 transportation; full-service restaurants; hotels and motels; and food and drinking places including bars and nightclubs providing the most employment opportunities for full and part-time workers.



Industries Ranked by **Direct Impact** Employment

Industry	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	352	0	0	352
Transit and ground passenger transportation	330	30	4	364
Full-service restaurants	306	7	21	334
All other food and drinking places	262	41	10	313
Other accommodations	133	0	2	135
Promoters of performing arts and sports	118	13	1	131
Limited-service restaurants	107	2	21	130
Retail - General merchandise stores	77	1	9	87
Museums, historical sites, zoos, and parks	52	0	0	52
Air transportation	37	1	1	39
Gambling industries (except casino hotels)	27	0	2	29
Local government passenger transit	24	2	0	27
Retail - Gasoline stores	11	1	2	15
Commercial Sports Except Racing	5	3	1	8
Independent artists, writers, and performers	3	3	0	6
Other local government enterprises	3	2	2	7
Scenic and sightseeing transportation and support	1	15	2	17
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	53	13	65
Employment services	0	29	9	38
Management of companies and enterprises	0	24	3	27

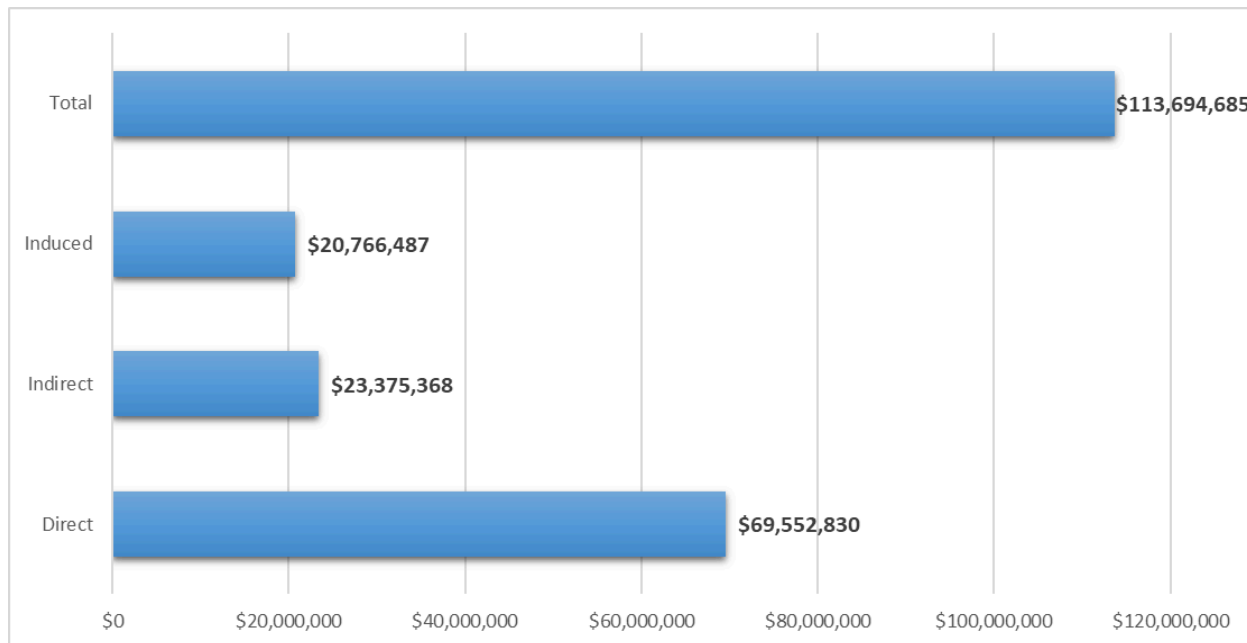
*employment figures rounded to whole numbers

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.

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 2024 was **\$113.7 million**.

Impact	Labor Income
Direct	\$69,552,830
Indirect	\$23,375,368
Induced	\$20,766,486
Total	\$113,694,685



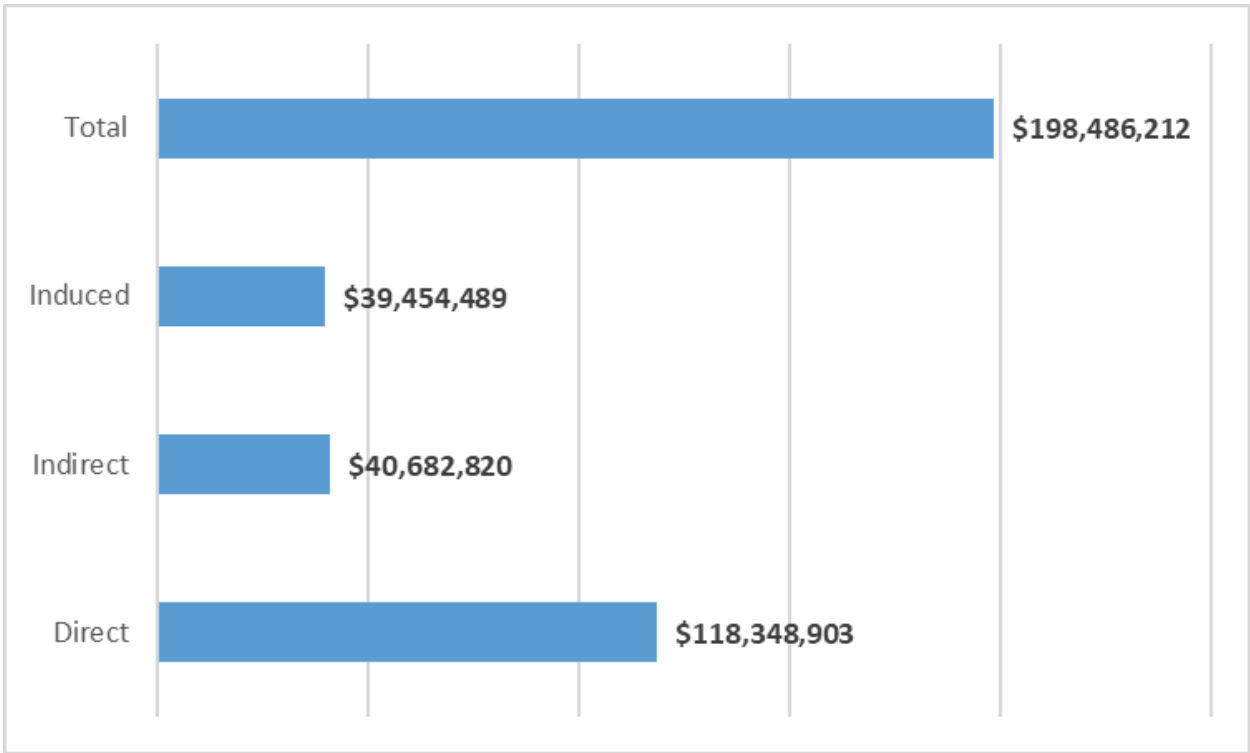
- Direct Labor Income is the initial income earned by those directly employed due to Essence Fest.
- Indirect Labor Income is the Employee Compensation and Proprietor Income associated with business-to-business transactions.
- Induced Labor Income is the amount of Employee Compensation and Proprietor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

Value Added

Impact	Value Added
Direct	\$118,348,903
Indirect	\$40,682,820
Induced	\$39,454,489
Total	\$198,468,212

Value Added is equivalent to the Industry’s contribution to GDP. Value added is all of the income generated at each stage of production and encompasses Labor Income, Proprietor Income, Employee Compensation, Other Property Income and Taxes on Production and Imports. Essence Fest 2024 contributed **\$198.5 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 and tables 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 **\$99.4 million** in value added compensation.

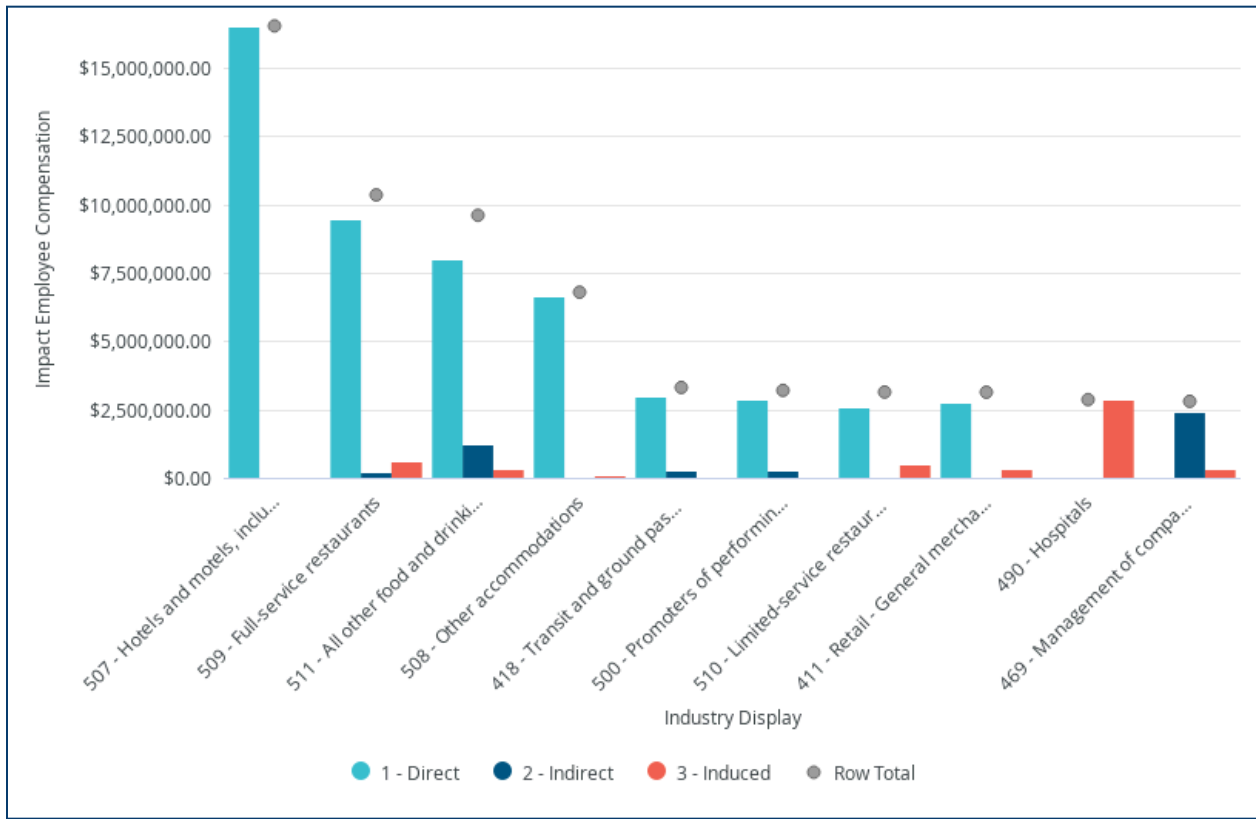
Employee Compensation	Direct	Indirect	Induced	Total
	\$61,526,013	\$19,983,897	\$17,867,983	\$99,377,894

- 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, transportation and retail establishments.

Employment Compensation: Top 10 Industries by Ranked by **Total Impact**

Industry	Direct	Indirect	Induced	Total Impact
Hotels and motels, including casino hotels	\$16,511,266	\$1,797	\$3,152	\$16,516,215
Full-service restaurants	\$9,487,167	\$207,140	\$645,532	\$10,339,838
All other food and drinking places	\$8,026,774	\$1,252,356	\$315,459	\$9,594,589
Other accommodations	\$6,673,302	\$6,510	\$103,151	\$6,782,963
Transit and ground passenger transportation	\$2,988,907	\$273,490	\$39,035	\$3,301,432
Promoters of performing arts and sports	\$2,863,485	\$308,887	\$22,025	\$3,194,397
Limited-service restaurants	\$2,576,918	\$59,046	\$498,324	\$3,134,288
Retail - General merchandise stores	\$2,786,812	\$30,429	\$311,521	\$3,128,762
Hospitals	\$0	\$0	\$2,858,180	\$2,858,180
Management of companies and enterprises	\$0	\$2,446,849	\$347,831	\$2,794,680

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
	\$8,026,816	\$3,391,470	\$2,898,504	\$14,316.790

Proprietor Income: Top 10 Industries Ranked by **Total Impact**

Industry	Direct	Indirect	Induced	Total
Full-service restaurants	\$2,497,364	\$54,527	\$169,927	\$2,721,818
All other food and drinking places	\$1,677,526	\$261,731	\$65,928	\$2,005,185
Transit and ground passenger transportation	\$1,348,371	\$123,378	\$17,610	\$1,489,359
Hotels and motels, including casino hotels	\$1,033,333	\$112	\$197	\$1,033,643
Limited-service restaurants	\$625,586	\$14,334	\$120,976	\$760,896
Legal services	\$0	\$230,750	\$134,240	\$364,990
Accounting, tax preparation, bookkeeping, and payroll services	\$0	\$238,886	\$68,263	\$307,149
Other real estate	\$0	\$233,817	\$56,153	\$289,971
Offices of physicians	\$0	\$0	\$278,632	\$278,632
Promoters of performing arts and sports	\$229,730	\$24,781	\$1,767	\$256,278

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 2024 generated a total of **\$49.8 million in federal, state and local taxes.**

Tax Impact Totals:

Impact	City	Special District	Parish	State	Federal	Total
Direct	\$2,372,345	\$4,113,934	\$3,313,882	\$8,830,819	\$14,321,020	\$32,951,999
Indirect	\$388,551	\$673,380	\$542,425	\$1,736,924	\$4,797,386	\$8,138,665
Induced	\$517,271	\$896,815	\$722,408	\$2,101,614	\$4,430,001	\$8,668,108
	\$3,278,167	\$5,684,129	\$4,578,714	\$12,669,356	\$23,548,407	\$49,758,773

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 2024 that does not generate additional effects in the region. **\$69.8 million** in leakages occurred in this analysis.

Direct Leakages by Type:

Institutional Commodity Sales	Margin	Imports to Region
\$1,453,014	\$25,861,519	\$42,505,076

- 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.

References

- IMPLAN data library
- City of New Orleans
- DK Shifflet reports
- Essence Festival, Inc.
- 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)