

# ECONOMIC BENEFITS OF TOURISM IN ALASKA

## ECONOMIC IMPACT

Tourism in Alaska resulted in **\$3.9 billion in direct spending** with Alaska businesses, generating **\$5.6 billion in total economic impact** in 2022.



## ALASKA JOBS

The tourism industry offers diverse employment opportunities in Alaska, supporting **48,000 jobs** in 2023.



## STATE OF ALASKA REVENUES

Tourism contributed **\$158 million** in revenues to the State of Alaska in 2023 including **\$10.4 million** paid by out of state visitors through the vehicle rental tax (VRT). The VRT statute states the tax may be appropriated for tourism marketing.



## WHO IS ATIA?

The Alaska Travel Industry Association promotes Alaska as a top visitor destination and works to increase the economic impact of tourism in Alaska. ATIA is the respected voice of the industry, advocating on behalf of over 600 member businesses and communities.

*Sources: Destination Analysts and McKinley Research Group*

# THE IMPORTANCE OF DESTINATION MARKETING FOR ALASKA

## WHY ATIA?

Destination marketing is the economic development tool for tourism. While most states have tourism offices within state government, the Alaska Legislature leveraged the private-sector's expertise by outsourcing the destination marketing program to the Alaska Travel Industry Association. The state's destination marketing campaign, Travel Alaska, is managed by ATIA through annual investments by the State of Alaska. This appropriation is leveraged by tourism companies, most of which are small businesses, to generate an additional \$1 million.

Every  
**\$1 spent on  
advertising**  
=  
**\$378 visitor  
spending**

## TOURISM MARKETING RETURN ON INVESTMENT

Every dollar spent on advertising in 2023 resulted in \$378 in visitor spending. Those who saw ATIA's paid media campaign promoting travel to Alaska are nearly twice as likely to visit the state as those who didn't see ATIA's advertising.

Source: SMARInsights Research



## TOURISM MARKETING BUDGET COMPARISON

**California:** \$120 million  
**Florida:** \$80 million  
**Hawaii:** \$79 million  
**Alaska:** \$5 million

**Average State Tourism  
Office Funding:**  
\$19.6 million

**Average Increase in State  
Tourism Marketing Funding:**  
17%

Source: US Travel Association for FY22

## STRATEGIC INVESTMENT

The State of Alaska appropriated \$5 million to ATIA for FY25. The investment is crucial for maintaining and growing Alaska's visibility in a competitive global marketplace. However, Alaska is significantly outspent by other tourism destinations and is one of a handful of states decreasing tourism marketing funding. ATIA strongly believes a \$15 million investment is necessary for a competitive and impactful marketing campaign.

