

2024 Economic Impact & Guest Research



Highlights of the Study

- The 2024 Balloon Fiesta attracted an estimated 838,337 guest-visits over its nine-day run, October 5th to 13th. Survey research reveals that approximately 611,986 guest-visits (73%) came from outside of New Mexico, with visitors representing 46 states. One-third of out-of-state visitors traveled from Arizona, California, Colorado, and Texas. An estimated 125,750 guest-visits (15%) were by residents of the Albuquerque area.
- The 52nd Balloon Fiesta had a total estimated economic impact of \$216.33 million. Balloon Fiesta guest spending benefited local business volume by \$127.25 million and \$89.08 in indirect impact
- 2024 Balloon Fiesta visitors generated \$15.02 million in total tax revenues derived from direct spending by visitors on retail, food and drinks, overnight lodging, car rental, and gasoline. This revenue was distributed among three government entities: \$7.13 million for the State of New Mexico, \$6.23 million for the City of Albuquerque, and \$1.67 million for Bernalillo County.
- The bulk of direct spending attributable to Balloon Fiesta is lodging and dining/drinking. An estimated \$20.98 million was spent at local restaurants and bars. Survey research determined that 61% of all Balloon Fiesta guests paid for overnight accommodations, either at a hotel, motel, inn, or RV facility, resulting in an estimated \$45.48 million in local lodging revenue and generating \$2.73 million in lodgers' tax and hospitality fees for the Albuquerque area.
- Direct spending attributable to Balloon Fiesta produced an additional \$68.89 million in New Mexico's employment wages supporting 1,337 Full-Time Equivalent (FTE) jobs.
- Guests spent an average of \$27 per person with Balloon Fiesta concessionaires, many of which are regional businesses. Most of this spending was on food/drinks and retail and the estimated average spending excludes parking and admission charges.
- The most popular sessions at Balloon Fiesta (as indicated by survey respondents) are balloon mass ascensions, balloon glows, and drone shows as the most popular Balloon Fiesta attractions. The event earned high marks for guest satisfaction, with an overwhelming 95% of guests reporting they were either very satisfied or satisfied with 2024 Balloon Fiesta.
- Balloon Fiesta sponsors are recognized and appreciated by guests, and their sponsorship creates a real brand affinity with consumers. Attendees were asked, "When you think of Balloon Fiesta sponsors, which companies or brands come to mind?" Three out of five guests named two or more top-of-mind corporate sponsors; 52% could name three or more. Presenting Sponsor ExxonMobil was identified by 68% of guests through unaided sponsorship awareness.

Introduction

The Albuquerque International Balloon Fiesta® began in 1972 when thirteen vibrant balloons ascended into the skies above a shopping mall parking lot, creating a spectacle that would forever transform the city's horizon. What started as a simple event to recognize a radio station's anniversary, brought to life by visionary Sid Cutter, soon “ballooned” into something magical. After outgrowing several locations, including the State Fairgrounds, the annual event found its permanent home in 1996 at the sprawling 360-acre Balloon Fiesta Park.

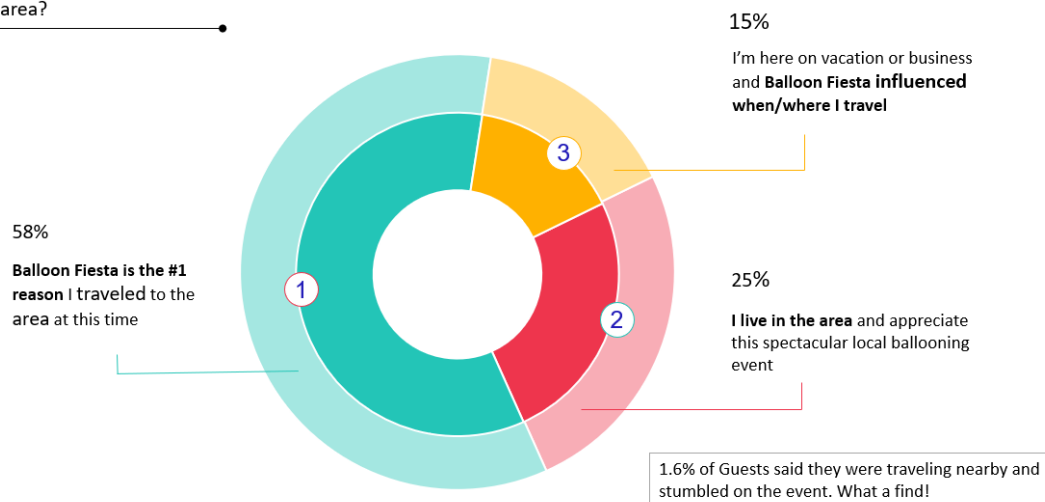
Celebrating its 52nd year 2024 Balloon Fiesta drew an estimated 838,337 guest visits, including over 712,500 tourists (85% of attendees) from outside the Albuquerque region. The event showcased 551 registered hot air balloons and 667 registered pilots, representing 45 states and 16 countries. Exceptional weather conditions blessed this year’s Fiesta, ensuring all 14 scheduled events were a success. Guests were spellbound by Mass Ascensions and enchanted by the evening Balloon Glows, followed by an enhanced drone light show and fireworks display.

The Balloon Fiesta’s magic extends far beyond the launch field, inspiring guests to explore Albuquerque and central New Mexico’s rich cultural heritage, distinctive cuisine, and outdoor treasures. For locals, it’s a beloved tradition and time for families and friends to reconnect. Balloon Fiesta serves as an economic powerhouse, enhancing quality of life for residents while cementing the region’s reputation as a premier destination for unforgettable experiences.

Purpose of Study

Every October, Balloon Fiesta serves as the primary attraction bringing visitors to Albuquerque, with an impressive 58% of guests citing it as their #1 reason for traveling to the area. Another 15% report being in the area for vacation or business, with Balloon Fiesta influencing their travel timing and destination choice.

What is the main reason for being in the Albuquerque area?



The influx of tourism benefits businesses and communities across the region, contributing to direct revenue, job creation, and increased wages, while fostering civic pride.

To truly understand the Balloon Fiesta's impact, a comprehensive analysis is needed to ensure continued value for everyone involved – from event organizers and sponsors to involved government partners and community supporters. The assessment goes beyond just the financials to explore key areas such as:

- guest satisfaction and unforgettable experiences
- the people who attend (and why they do it!)
- what really drives the crowds to show up
- effectiveness of marketing and communication strategies
- the true power of sponsorship visibility and impact

The holistic analysis helps ensure the event continues to maximize both economic and community benefits while identifying opportunities for improvement and growth.

Methodology

Forward Analytics, continuing their partnership with AIBF since 2009, conducted the 2024 Balloon Fiesta impact study through comprehensive guest surveys. The study measured spending patterns, demographics and visitor experience. While updated for current needs, the survey maintained key elements from previous years to ensure consistent tracking.

The research team conducted face-to-face intercept interviews with 913 adult attendees (ages 18+) across all 14 sessions of Balloon Fiesta. Participants received a Balloon Fiesta car air freshener souvenir as a token of appreciation for their time. This sample size achieved a statistical significance of +/-3.15% margin at the 95% confidence interval, meaning the results are accurate within 3.15 percentage points of the true population 95% of the time. This level of precision exceeds the standard threshold for making business decisions, which typically accepts a +/-5% margin of error at a 95% confidence level.

The Economic Impact Model

This economic impact analysis uses the Caffrey & Isaacs model, a methodology developed for the American Council on Education (ACE) and recognized nationwide. The model uses linear cash flow analysis to track how money from outside sources, particularly tourists, affects the local economy. In this study, Forward Analytics applied this ACE-based methodology to measure both the direct spending of Balloon Fiesta visitors and the subsequent indirect economic effects in the Albuquerque Metro area.

The analysis focuses on "fresh dollars" - new money brought into the region that genuinely expands the local economy, rather than existing local money being redistributed. According to survey data, 85% of Balloon Fiesta attendees (approximately 712,600 people) were non-residents whose spending contributed new money to the local economy. The remaining 15% were local residents whose spending, while significant, was excluded from this analysis since it represents the internal circulation of existing local money.

The study tracks two types of economic impact. First, it measures direct business revenue generated when non-local Balloon Fiesta guests spend money at local establishments such as hotels, restaurants, retailers, attractions, and transportation services. Second, it captures indirect impact through the "multiplier effect" - how these initial expenditures continue circulating through the economy as businesses and individuals re-spend the money, until it eventually leaves the local economic system. The combination of direct and indirect spending reveals the Balloon Fiesta's total impact on local business volume.

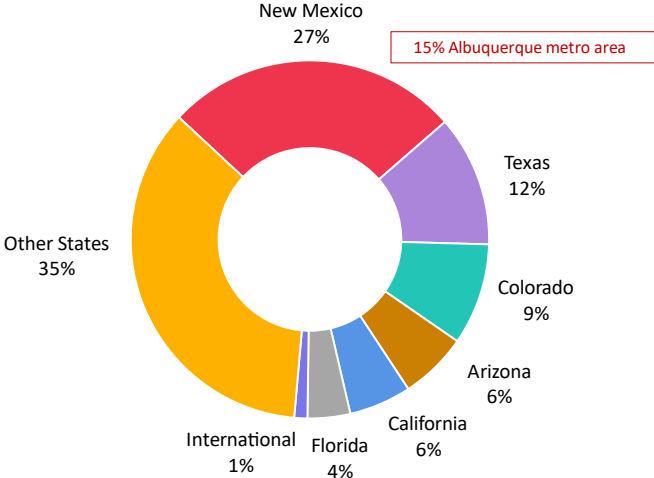
Additionally, the analysis calculates the fiscal impact, measuring tax revenue generated for the City of Albuquerque, Bernalillo County, and the State of New Mexico, as well as the effect on local wages and salaries.

This assessment is intentionally conservative, as it excludes several significant sources of economic activity. The study omits spending by the Balloon Fiesta organization itself, official sponsors, vendors, and peripheral businesses operating during the event. Notably, much of the organization's operating budget comes from out-of-area sponsors and funds local expenditures such as advertising, equipment rentals, insurance, entertainment, and hospitality services.

Demographics and Guest Information

Balloon Fiesta survey data shows that 27% of guests were from New Mexico, with 15% specifically from the Albuquerque metro area. One-third of Balloon Fiesta guests reside in Texas (12%), Colorado (9%), Arizona (6%), and California (6%). Survey respondents represented a nationwide draw spanning 46 states and various international locations, including England, Scotland, Belgium, Singapore, and Canada.

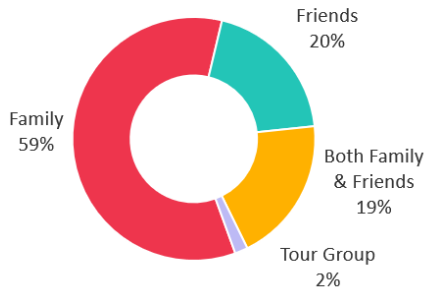
Where do Balloon Fiesta Guests reside?



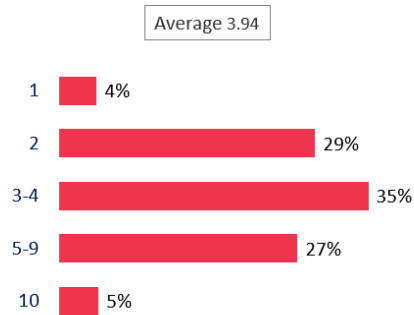
Nearly 4 out of 5 Fiesta guests attended the event with family, including 19% who attended with both friends and family. Parties of two accounted for 29% of visits, while 32% came in groups of 5 or

more. The average party size was 3.94 people, consisting of 3.35 adults and .59 children. Twenty percent of adult guests brought children to the event. The age breakdown is illustrated below.

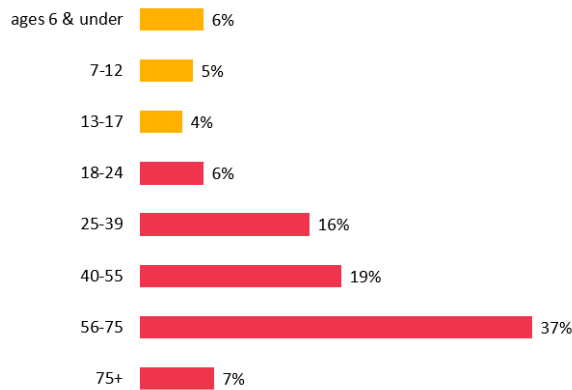
I came to Balloon Fiesta with...



Guest Party Size



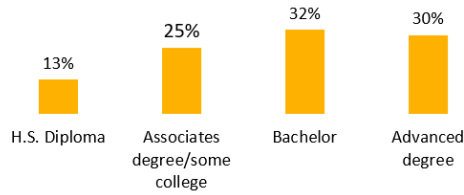
Age Breakdown of Balloon Fiesta Guests



Balloon Fiesta welcomes everyone to share in the magic of hot air balloons. The event draws a diverse audience, with ethnic representation including 78% White (Non-Hispanic), 19% Hispanic (of any race), 4% Asian; 2% African American, and 2% American Indian/Native American. (Note that these figures may not fully capture attendance by non-English speakers due to survey teams limitations.)

Attendees come from various backgrounds, with 62% holding a bachelor's degree or higher, and 68% reporting household incomes exceeding \$80,000. Bringing together a mix of working professionals (57%), retirees (35%), and students and homemakers (7%), Balloon Fiesta creates a unique event that celebrates our entire community.

Education Level



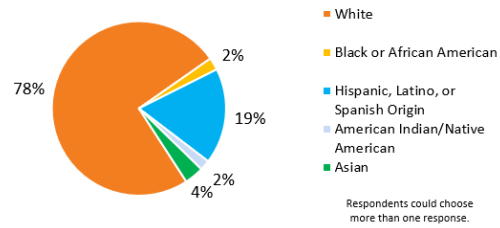
Employment Status



Household Income



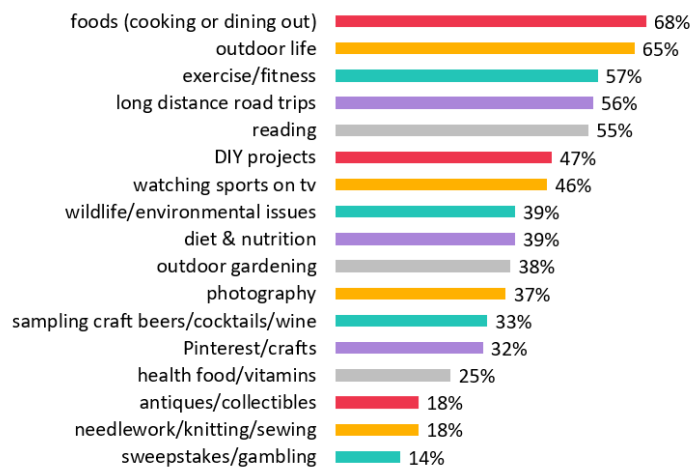
Ethnicity



Understanding who attends an event goes far beyond basic demographics. Both event organizers and sponsors benefit from a deeper analysis into attendees’ interests, lifestyles, and consumer behaviors. With 93% of Balloon Fiesta Guests being primary or shared household purchase decision-makers, sponsors and organizers can build meaningful connections and achieve marketing goals through strategic partnerships and targeted marketing.

Some key lifestyle segments and consumer behaviors include food and culinary interests, active outdoor lifestyles, health and wellness, and travel and experience seekers.

Hobbies & Interests of Balloon Fiesta Guests

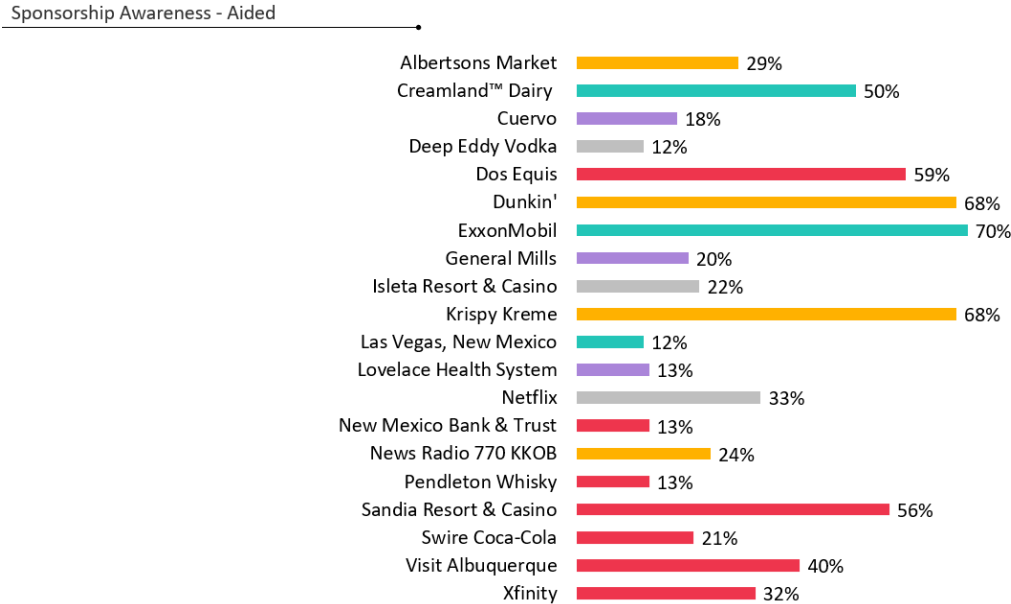


Sponsorship Impact and Brand Value

The impact of Balloon Fiesta sponsorship undoubtedly leaves a lasting impression on guests’ hearts and minds. After an event, sponsors seek to assess the effectiveness of their efforts and measure the return on investment. To support this, the guest survey evaluated both awareness and emotional connections to the event’s generous sponsors.

One key metric assessed was *unaided* sponsorship awareness, which revealed a strong connection between sponsors and Balloon Fiesta guests. ExxonMobil, the presenting sponsor, was top-of-mind for 68% of Balloon Fiesta guests when asked to name corporate sponsors without prompts. Other leading sponsors, including Dos Equis (39%), Krispy Kreme (38%), Chick-fil-A (36%), and Sandia Resort & Casino (33%), also demonstrated strong unaided brand recognition. Three out of five guests named two or more top-of-mind corporate sponsors; 52% could name three or more.

The survey then measured *aided* sponsorship awareness. Survey respondents were presented with a list of companies and brands and asked, “Which of the following do you recognize as sponsors of Balloon Fiesta?” ExxonMobil led again, with 70% of respondents identifying it as a sponsor, followed closely by Dunkin’ and Krispy Kreme at 68% each. Dos Equis (59%) and Sandia Resort (56%) were recognized by the majority of participants.



Survey research further demonstrates how Balloon Fiesta creates an outstanding environment for brand awareness, as well as sponsor appreciation and effectiveness. When asked to respond to statements about event sponsors, guests showed remarkably positive attitudes:

Brand Recognition and Appreciation

- 92% of guests agree that corporate sponsorship is essential to making Balloon Fiesta possible
- 79% hold favorable views toward brands due to their Balloon Fiesta sponsorship

Marketing Impact

- 55% consider Balloon Fiesta sponsorship more effective than traditional advertising
- 33% report increased likelihood to purchase from sponsor brands

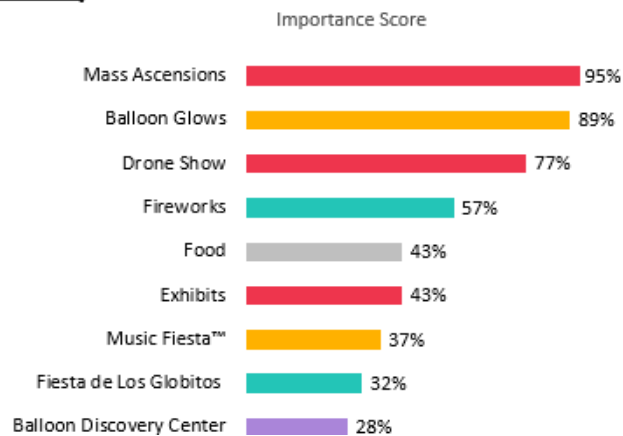
Community and Economic Impact

- 97% recognize the sponsors' contribution to enhancing the region's image and economy

Understanding Guest Priorities

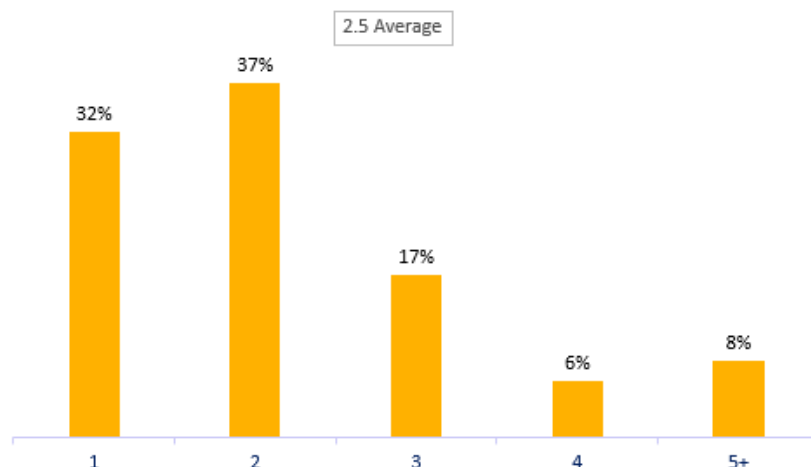
Understanding what guests value most at Balloon Fiesta is fundamental to the event's continued success and helps identify prime sponsorship opportunities. Survey participants rated event attractions on a scale of 1-10 (1 = not important and 10 = very important). The percentages below represent top-tier importance ratings (scores of 8-10), with Mass Ascension and Balloon Glows consistently ranking as premier attractions.

Top Attractions at Balloon Fiesta



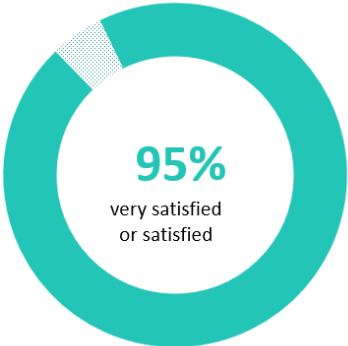
Balloon Fiesta's variety of experiences creates compelling reasons for multiple visits. Through a combination of morning and evening ballooning events, food vendors, shopping, arts and crafts, and live performances, guests attended an average of 2.5 sessions over the 9-day celebration.

Number of Sessions Attended

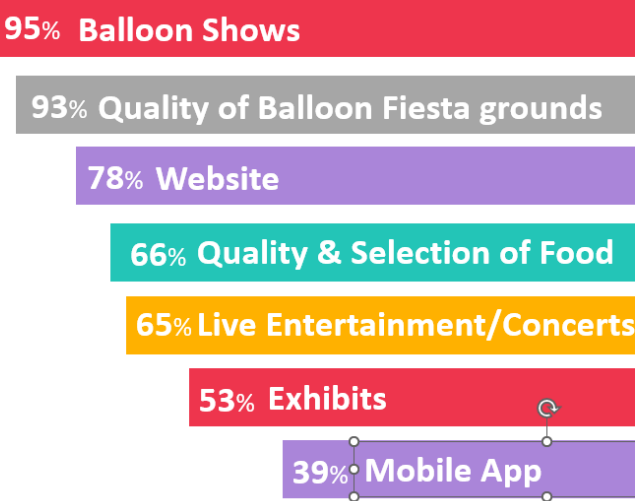


Balloon Fiesta delivers on its promise of outstanding entertainment value, with 95% of guests reporting an exceptional overall experience. The high satisfaction extends across key event components, with balloon shows earning 95% satisfaction and grounds quality receiving 93% approval. Website functionality achieved a solid 78% satisfaction rating, while food offerings and entertainment got positive ratings of 66% and 65% respectively. Areas presenting opportunities for enhancement include exhibits at 53% satisfaction and mobile app at 39%.

Overall Balloon Fiesta Satisfaction Score



Satisfaction Score: Key Event Components



Economic Impact of 2024 Balloon Fiesta

The total economic impact of 2024 Albuquerque International Balloon Fiesta is estimated at \$216.33 million for the nine-day event. Balloon Fiesta increased the local business volume by \$127.25 million in direct impact and \$89.08 million in indirect impact.

The following chart breaks down the direct business revenue generated by non-local guests who traveled to Albuquerque to experience Balloon Fiesta. Each guest spent an estimated \$178 per day outside of Balloon Fiesta grounds and in the economy of the Albuquerque metro.

Direct and Indirect Impact of 2024 Balloon Fiesta

Balloon Fiesta Guest spending outside of Balloon Fiesta grounds	Impact Dollars
Overnight accommodations	\$45,477,302
Retail purchases	\$21,997,561
Food and drinks at restaurants/bars	\$20,978,561
Non-festival entertainment	\$13,532,027
Car rental	\$9,619,925
Gasoline	\$9,113,988
Misc. items and services	\$3,619,942
Uber/other ground transportation	\$1,460,803
Parking	\$1,453,677
Direct Impact	\$127,253,786
Indirect Impact	\$89,077,650
Total Impact	\$216,331,436

While Balloon Fiesta drives significant economic revenue for Albuquerque’s restaurants, retailers, and hospitality sector, the event grounds itself buzz with a vibrant marketplace of food and merchandise that enriches the experience. Guests arrive ready to explore regional foods, commemorative items, and artisan crafts. For vendors, the event provides an exceptional opportunity to reach hundreds of thousands of enthusiastic guests who have budgeted for this special occasion.

At Balloon Fiesta Park, non-local guests contributed an average of \$15.24 per person at food and beverage concessions. They spent another \$9.80 per person with merchandise retailers and artisans, and an additional \$1.74 per person on miscellaneous items and services.

It's important to note that these on-site expenditures are not included in the overall economic impact calculations. The research methodology omits this transitory retail revenue since it cannot accurately determine how much the vendor proceeds remain within the Albuquerque economy versus departing with out-of-area vendors to their residence.

Impact on Government Revenues

Direct spending by Balloon Fiesta guests generated substantial tax increases for the State of New Mexico, City of Albuquerque, Bernalillo County. In total, an estimated \$15.02 million in tax revenues came from visitor spending on retail, food and drinks, overnight lodging, car rental, and gasoline.

The distribution of tax revenue among government entities was:

- State of New Mexico: \$7.13 million (comprising gross receipts tax, gasoline excise tax, and leased vehicle gross receipts tax)
- City of Albuquerque: \$6.23 million (from combined sales tax and lodgers' tax)
- Bernalillo County: \$1.67 million (from gross receipts tax)

The following describes the government revenue impact allocable to 2024 Balloon Fiesta:

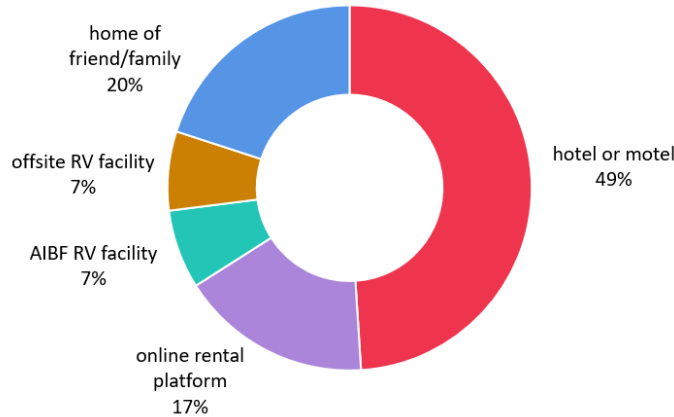
Gross Receipts Tax

New Mexico's gross receipts tax rate is 4.875 percent but varies throughout the state because of one or more local taxes. The gross receipt taxes attributable to Balloon Fiesta contributes \$6.20 million to the State of New Mexico. \$1.67 million to Bernalillo County, and \$3.50 million to the City.

Lodgers' Tax & Hospitality Fee

Economic impact analysis measured an estimated \$45.48 million spent by Balloon Fiesta guests on overnight accommodations in Albuquerque and the nearby communities. Presently, all bookings for overnight lodging are subject to taxes including lodgers' tax and hospitality fee that are paid to the City of Albuquerque, as well as state gross receipts tax.

Survey research determined that 61% of Balloon Fiesta guests stayed overnight in the Albuquerque area. Among these guests, 49% of stayed at a hotel or motel, 17% stayed at an online rental platform, i.e., Airbnb or Vrbo, while 14% stayed at RV parks. Measured by the cost of overnight accommodations and the average number of hotel/motel overnights reported by survey respondents, Balloon Fiesta guests generated an estimated \$2.73 million in lodgers' tax and hospitality fees for Albuquerque.



Leased Vehicle Gross Receipts Tax

Balloon Fiesta guests spent an estimated \$9.61 million on rental cars while visiting Albuquerque. The costs include layers of different taxes and fees that are often imposed on rental car firms directly then passed along to the consumer. In addition to collecting state and local gross receipts tax, New Mexico levies a 5% surcharge on rental cars generating \$480,996 in state revenue.

State Gasoline Excise Tax

Guests (non-residents) spent an estimated \$9.11 million in gasoline attributable to Balloon Fiesta. New Mexico’s gasoline excise tax generates an estimated \$443,948 for the State of New Mexico.

Employment Impact

Business revenues attributable to Balloon Fiesta generated an additional \$69.89 million in New Mexico’s employment wages* when direct impacts are considered. The additional employment wages supported an estimated 1,337 FTE jobs at an annual per capita personal income of approximately \$55,343**. The most impacted industries include tourism and hospitality, but also include other employment sectors like construction, manufacturing, transportation and warehousing, professional services, etc.

* Forward Analytics uses a Gross Employment Multiplier of 1.5368 generated by the United States Bureau of Economic Analysis to determine the employment wage impact. Employment wages= Direct Impact - (Direct impact * 1.5368).

** Per capita personal income in New Mexico was computed using Census Bureau midyear population estimates for 2023. Released by the U.S. Bureau of Economic Analysis in September 2024.