PREPARED FOR

DISCOVER KODIAK

ECONOMIC IMPACTS OF KODIAK'S VISITOR INDUSTRY

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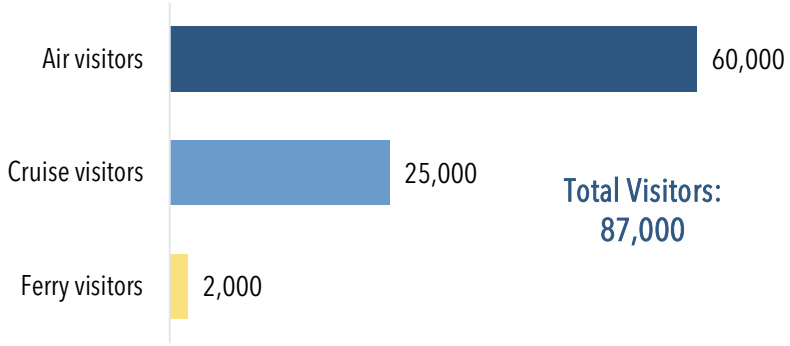
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Executive Summary

Discover Kodiak contracted with McKinley Research Group to estimate the economic impacts of the visitor industry in Kodiak Borough in 2025. Following are key findings from the study.

Kodiak welcomed an estimated 87,000 visitors in 2025. Over two-thirds (69%) arrived by air, 29% by cruise ship, and 2% by ferry.

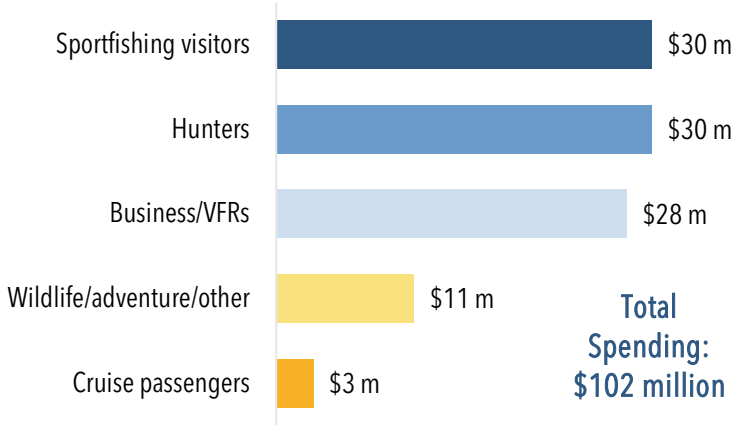
Kodiak Visitor Volume, 2025



Kodiak's visitor industry is unique and varied. Major markets include sportfishing visitors, hunters, wildlife/bear viewing visitors, those visiting friends or relatives (VFRs), business travelers, and cruise ship passengers.

Kodiak visitors spent an estimated $102 million in 2025. Sportfishing and hunting visitors represent the bulk of that figure, each at $30 million, while business and VFR travelers represented $28 million.

Kodiak Visitor Spending, 2025



Kodiak's visitor industry represented 850 jobs, $45 million in wages, and $130 million in spending in 2025, including direct and indirect impacts. (Indirect impacts occur when visitor industry businesses and employees make local purchases.) Visitor-related jobs represented 9% of total Borough employment in 2025.

Kodiak Visitor Industry Economic Impacts, 2025

	Direct	Indirect	Total
Employment	675 jobs	175 jobs	**850 jobs**
Wages	$35 million	$10 million	**$45 million**
Spending	$102 million	$28 million	**$130 million**

Kodiak visitors accounted for $3.9 million in revenues to the City of Kodiak and Kodiak Island Borough in 2025 through sales tax, lodging tax, and cruise ship fees. Nearly all of those revenues (96%) accrued to the City.

Introduction and Methodology

Kodiak Island has a thriving tourism industry, demonstrated by the wide variety of businesses catering to visitors: hotels, remote lodges, fishing and hunting guides, restaurants, rental car companies, and tour operators, among others. This range of businesses and sectors also makes tourism challenging to measure in economic terms. Discover Kodiak contracted with McKinley Research Group (MRG) to estimate the economic impacts of tourism in Kodiak Borough in terms of jobs, wages, and spending in 2025. This study also estimates municipal revenues attributable to tourism.

Sources for this study included the following.

- Employment, wage, and population data from Alaska Department of Labor and Workforce Development
- Air passenger from the Bureau of Transportation Statistics
- Cruise passenger data from Cruise Line Agencies of Alaska
- Ferry passenger data from Alaska Marine Highway System
- Hunting and sportfishing participation data from Alaska Department of Fish & Game
- Federal park visitation and survey data from U.S. Fish and Wildlife Service
- Sales and bed tax data from City of Kodiak and Kodiak Island Borough.

The study team also drew from previous MRG tourism research:

- Alaska Visitor Statistics Program
- Alaska Visitor Volume Reports
- The Economic Impact of Alaska's Visitor Industry
- Anchorage Airport Wi-Fi Survey
- The Economic Impact of Guided Hunting in Alaska
- The Economic Impact of Guided Sportfishing in Southeast Alaska.

The study team conducted telephone interviews with and/or gathered information via email from the following organizations and businesses.

- Alutiiq Museum
- Best Western Kodiak Inn
- Big Ray's
- Big Timber Lodge
- Double Shovel Cider Co.
- First Student
- FLOW
- Henry's
- Kodiak Chamber of Commerce
- Kodiak Legends Lodge
- Kodiak Maritime Museum
- Kodiak National Wildlife Refuge Visitor Center
- Kodiak Scenic Tours
- Raspberry Island Lodge
- SalmonCrazy Adventures.

Economic impact analysis was conducted using IMPLAN, an econometric modeling tool, with adjustments to reflect Kodiak's unique tourism context.

Kodiak Visitor Markets

A broad overview of Kodiak's visitor markets is provided as context for the economic impact analysis, along with indicators of participation where available. Note that there is significant overlap between these markets: fishermen often view wildlife, cruise passengers participate in cultural activities, etc.

Sportfishing

Kodiak Island is one of Alaska's premier sportfishing destinations, offering all five species of Pacific salmon, halibut, rockfish, lingcod, steelhead, rainbow trout, and Dolly Varden. A wide range of experiences are available to fishing participants, from one-day charters to week-long remote lodge experiences. Businesses catering to the sportfishing market included accommodations, guides, small-plane operators, outfitters, and restaurants.

The Alaska Department of Fish & Game (ADF&G) reports the following sportfishing indicators for Kodiak. These figures include Alaska residents.

- 58 sportfishing guide businesses (2025)
- 97 sportfishing guides (2025)
- 2,933 guided sportfishing trips (2025)
- 17,621 anglers (2024)
- 76,627 angler days (2024)
    - 56% were not Alaska residents
    - 32% were guided.

Analysis of angler data suggests that over 14,000 visitors from outside of Kodiak participated in sportfishing in 2025.



Source: Discover Kodiak

Cruise Passengers

In 2025, 16 cruise ships made 29 calls at Kodiak, bringing almost 25,000 cruise visitors. The bulk of calls were from mid-size vessels in terms of passenger capacity (between 250 and 1,000 passengers), while the bulk of passengers (60%) arrived on larger ships.

Kodiak Cruise Vessel Capacity and Calls, 2025

Vessel	Capacity	Calls	Passenger Volume
Small Vessels (<250 passengers)			**844**
Hanseatic Inspiration	230	3	633
Hanseatic Spirit	230	1	211
Mid-size Vessels (250 to 1,000 passengers)			**9,077**
Seabourn Quest	450	2	846
Fridtjof Nansen	530	1	311
Roald Amundsen	530	3	817
Villa Vie Odyssey	600	1	618
Seven Seas Mariner	700	1	509
Silver Nova	728	2	1,230
Seven Seas Explorer	750	2	1,317
Viking Orion	930	2	1,687
Viking Venus	930	2	1,742
Large Vessels (over 1,000 passengers)			**14,678**
Riviera	1,250	3	3,241
Westerdam	1,848	2	3,723
Noordam	1,972	2	3,801
Queen Elizabeth	2,092	1	1,887
Nieuw Amsterdam	2,106	1	2,026
Grand Total	**15,876**	**29**	**24,599**

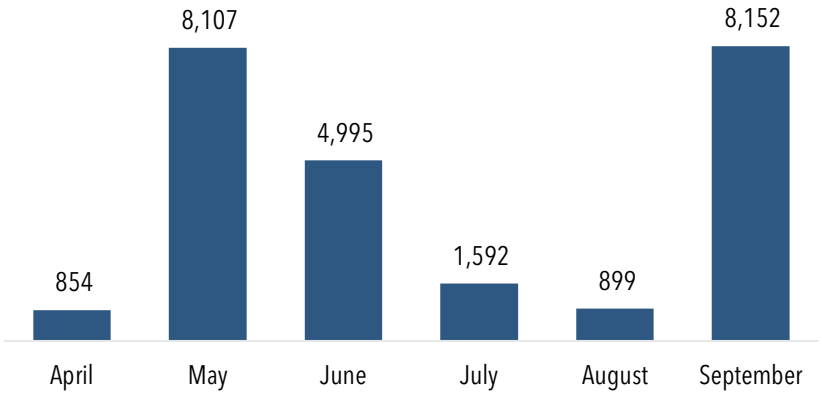
Source: Cruise Line Agencies of Alaska

Nearly all cruise ships dock at Pier 2, within walking distance of downtown Kodiak. (Ships occasionally anchor in Chiniak Bay and lighter passengers to shore.) Common activities among passengers include city/sightseeing tours, museums, walking tours, hiking tours, floatplane/bear viewing tours, and wildlife cruises.

The Alaska cruise season runs from May through September with a small number of ships visiting in April and October. Kodiak's cruise volume is generally concentrated in the beginning and end of the season as ships "re-position" – that is, transition between Alaska and other cruise regions. In 2025, two-thirds (over 16,000 passengers) of Kodiak's cruise passenger volume visited in May or September.

Reported passenger volumes reflect *all* passengers onboard ships that call at Kodiak, including a small fraction who do not disembark while in port.

Kodiak Cruise Passenger Volume by Month, 2025



Source: Cruise Line Agencies of Alaska

Bear and Wildlife Viewing

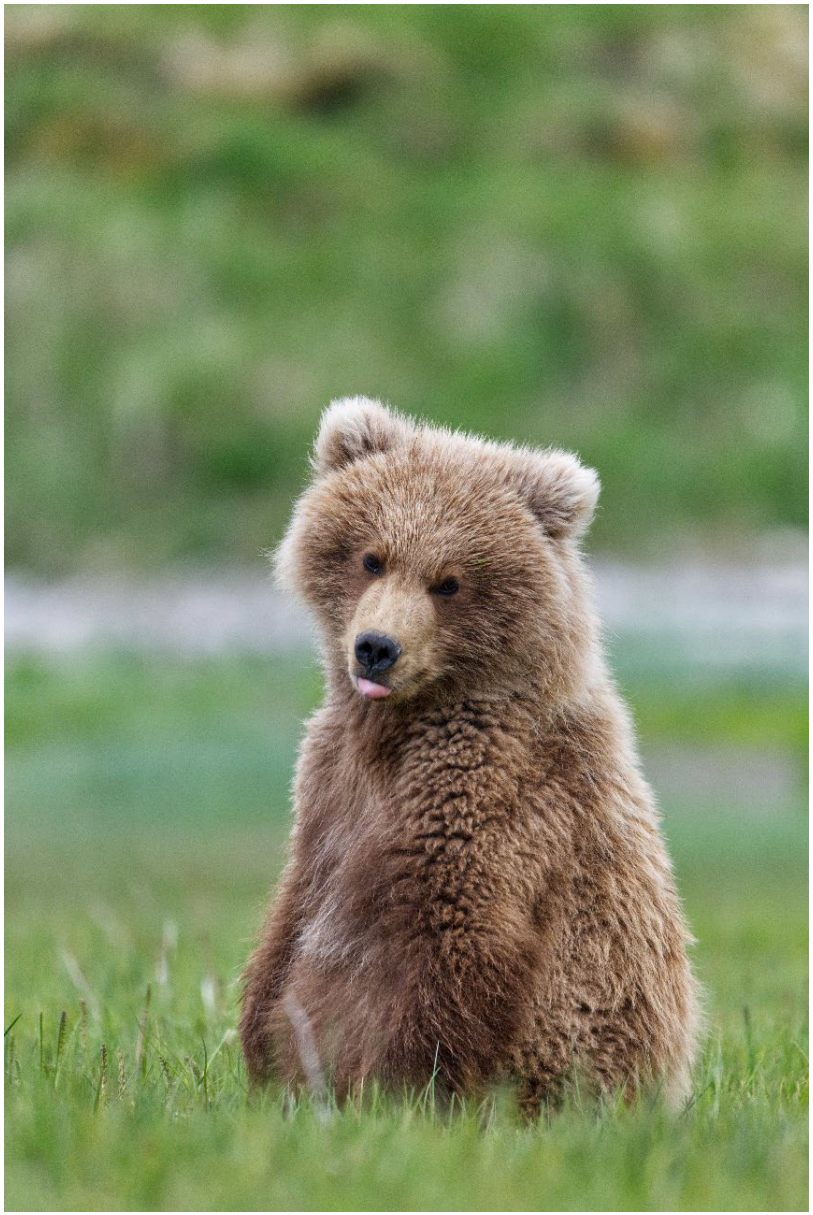
Bear watching is key activity for many of Kodiak's visitors, drawn by the bears' famously large size and population density. Bear watching is most popular July through September. Visitors participate in bear viewing on the road system, via floatplane, and on wildlife watching cruises. More dedicated bear watchers participate in multi-day packages such as to the Kodiak Brown Bear Center & Lodge. Many fishing lodges also highlight bear watching as an activity.

While marine life viewing represents a lesser draw, wildlife cruises offer opportunities to see whales, otters, dolphins, orcas, and other marine life. Kodiak's 240+ bird species bring some avid bird-watchers, as well.

Wildlife photography is an important sub-segment of the wildlife viewing market, with some tours and lodge packages focused specifically on that activity.

Kodiak National Wildlife Refuge is a key destination for wildlife viewing. A federal report cites 7,179 visitors to the refuge in 2025. (Note that visitors may have engaged in fishing, hunting, hiking, and other activities.) In town, the Refuge's Visitor Center reports 17,535 visitors in the most recent fiscal year.

Bear and wildlife watchers are important contributors to the island's tourism economy, spending money on lodging, air and vessel transport, tour packages, guides, restaurants, and shopping.



Source: Discover Kodiak

Hunting

Hunters represent an important visitor market for Kodiak, particularly because they tend to be big spenders. While some hunters are on one-day, unguided deer hunts with minimal expenses, many are on multi-day, guided hunts costing in the tens of thousands of dollars. The more expensive bear hunting packages can cost upwards of $50,000.

ADF&G reports the following number of hunters in the Kodiak region for 2025. Figures include Alaska (and Kodiak) residents.

- Deer hunters: 4,648
- Goat hunters: 479
- Bear hunters: 313
- Elk hunters: 76

ADF&G also records hunters' place of residence. About half of bear hunters in 2025 were Alaska residents, along with 75% of deer hunters (including 36% who were Kodiak residents).

These indicators suggest that roughly 4,000 visitors to Kodiak participated in hunting in 2025.

Additional ADF&G data shows that 50 contracting outfitters were licensed to sell Kodiak area hunts in 2025. These contracting outfitters employed an estimated 65 assistant guides, and an additional 50 packers and other support staff.

Culture

Participating in cultural activities is an important component of many visitors' Kodiak experience, with museums providing the primary means of experiencing and learning about local culture. The Alutiiq Museum, Kodiak History Museum, Kodiak Military History Museum, and the Kodiak Maritime Museum all offer these opportunities for visitors, with the latter operating as "a museum without walls," offering outdoor displays and walking tours of the waterfront. The Native Village of Afognak offers five-day "Dig Afognak" cultural camps to Alaska Natives, who travel from the main island as well as elsewhere in Alaska and the Lower 48. Visitors also have more casual opportunities to experience culture through public art displays, Alaska Native guides and business owners, and public dance performances, for example.

The Alutiiq Museum reported just over 10,000 visitors in 2025, with roughly 70% from outside Kodiak. They noted that visitation was affected by renovations in the early part of the year.



Source: Discover Kodiak

Other Markets

Visiting Friends and Relatives

VFRs are an important segment of most destinations' tourism sectors, as they bring outside dollars to a community, without much (if any) investment in advertising to them. They usually spend less per person than other visitors, as many stay in local homes, participate in fewer tours, and spend less on rental cars, for example. Kodiak's VFR market is unique in drawing a large number from outside Alaska to visit Coast Guard staff. Interviewees noted that these visitors frequently participate in high-value activities such as sportfishing and day cruises, and often stay in local hotels.



Source: Discover Kodiak

Special Events

Visitors are often drawn to Kodiak for special events, the most popular being Kodiak Crab Festival, a five-day annual event over Memorial Day weekend. Festival organizers reported over 10,000 attendees in 2025, with about one-fifth coming from off-island. Other special events that draw outside visitors include the Kodiak Rodeo and State Fair, and Kodiak Kelp Fest. Included in this market are school sports teams attending competitions.

Business Visitors

Like VFRs, business visitors require little to no advertising investment – but unlike VFRs, they nearly always stay in local hotels and dine out, leading to high per-person spending. Kodiak's business visitors include those associated with the commercial fishing and seafood processing sector, health care workers, professional wildlife photographers, wildlife and fisheries researchers, and Coast Guard-affiliated workers, among others. The ComFish Alaska event every April is a particularly big draw for business visitors; it is Alaska's largest and longest-running commercial fisheries conference/trade show.

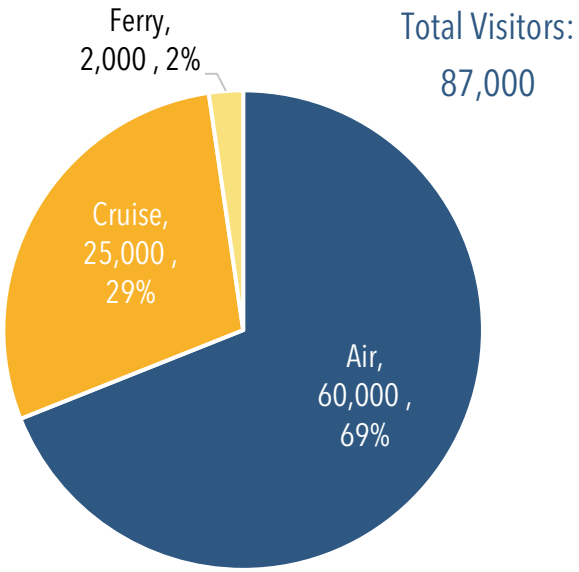
Adventure

Kodiak attracts a small number of visitors who can be characterized as "adventure" travelers: they come to trek/backpack and camp in remote areas. These visitors spend money on gear, provisions, and local accommodations, and are usually self-guided. The Kodiak Mountain Series also attracts adventurous travelers, offering a three-day, three-mountain running race in June.

Kodiak Visitor Volume

This analysis estimates that Kodiak received 87,000 visitors in 2025. This number includes out-of-state residents as well as Alaskans visiting from elsewhere in the state. (In-state residents commonly visit Kodiak to hunt, fish, visit friends/relatives, and conduct business.) Over two-thirds of visitors (69%) traveled to/from Kodiak by air, 29% by cruise ship, and 2% by ferry.

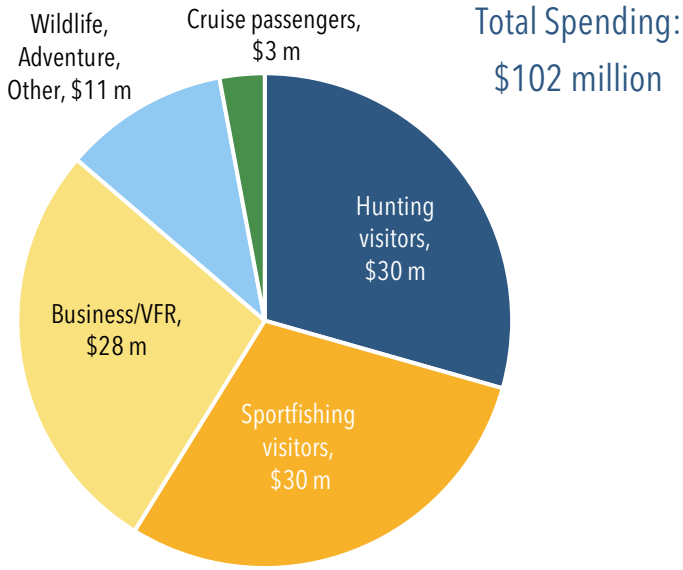
Kodiak Visitor Volume by Transportation Market, 2025



Kodiak Visitor Spending

This analysis estimates that Kodiak visitors spent a total of $102 million in the local economy in 2025. Hunting and fishing visitors each accounted for 29% of all spending, while business and visiting friends/relatives accounted for 27%; and cruise passengers represented 3%. Other kinds of visitors, including wildlife viewers and adventure travelers, represented 11%.

Kodiak Visitor Spending by Major Market, 2025

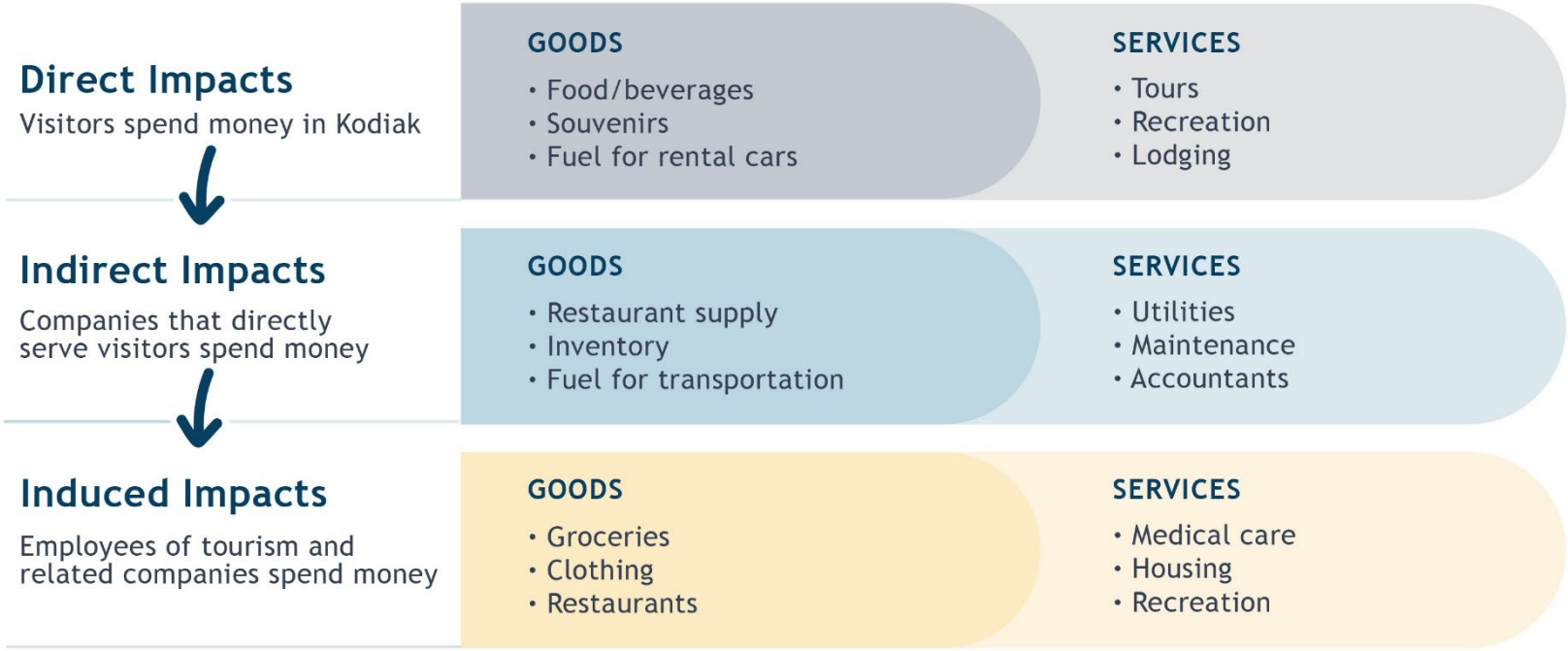


Economic Analysis

Visitors to Kodiak bring new dollars to the island's economy when they purchase tours, stay in local accommodations, dine out at restaurants, purchase lodge packages, etc. As these dollars circulate in-region, additional employment and labor income are created.

- **Direct impacts** include visitor spending with local businesses
- **Indirect impacts** are jobs and labor income supported by spending on goods and services by local businesses serving visitors.
- **Induced impacts** are generated as employees both in the industry and of vendors providing goods and services to the industry spend their payroll dollars in local economies.

Tourism Economic Impact Model



Economic Impacts

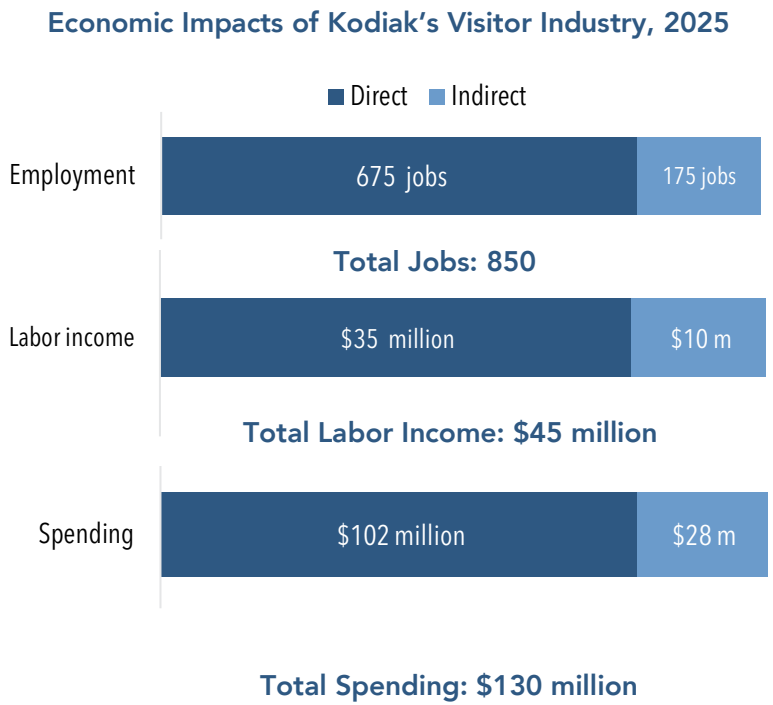
Direct visitor spending with Kodiak businesses was associated with an estimated 675 jobs in 2025. Adding 175 indirect/induced jobs, total employment impacts are estimated at 850 jobs.

Direct labor income is estimated at $35 million in 2025. Including indirect/induced impacts, total wage impacts are estimated at $45 million.

Direct visitor spending of $102 million added to indirect spending of $28 million results in $130 million in total spending associated with Kodiak's tourism industry in 2025.

Tourism's Role in the Borough Economy

Alaska Department of Labor and Workforce Development reports an annual average of 5,798 "wage and salary" jobs in Kodiak Island Borough in 2025; this figure excludes sole proprietorships and commercial fishing jobs, estimated at 3,400, for a total of roughly 9,200 jobs. The number of tourism-related jobs (850) represented 9% of total Kodiak employment in 2025.



Municipal Revenues

Tourism-related revenues to Kodiak's municipal governments totaled roughly $4 million in 2025, with 96% accruing to the City and 4% to the Borough.

Kodiak Tourism-Related Municipal Revenues, 2025

Source	City of Kodiak	Kodiak Island Borough	Total
Lodging tax	$356,646	$107,878	**$464,524**
Sales tax	$2,800,000	n/a	**$2,800,000**
Cruise ship fees	$621,134	$40,235	**$661,369**
Total	**$3,777,780**	**$148,113**	**$3,925,893**

Property taxes paid by tourism businesses, although difficult to measure, reflect an additional source of municipal revenues.

Lodging Tax

The Kodiak Island Borough and the City of Kodiak each charge 5% lodging tax. The Borough tax is only charged outside City limits.

- The Borough reported $107,878 in "transient accommodation tax" revenues for calendar year 2025.
- The City reported $356,646 in "transient room tax" revenues for fiscal year 2025.

Sales Tax

The City of Kodiak charges a 7% sales tax; the Borough does not charge a sales tax. The City's maximum taxable amount (sales tax cap) is $3,000 per single transaction.

Based on an estimate of 2025 visitor spending, adjusted for sales tax caps and sales to businesses based outside the City (such as remote lodges), sales taxes are estimated to have generated roughly $2.8 million for the City of Kodiak in 2025.

Cruise Ship Fees

Cruise lines paid the City of Kodiak $580,899 for dockage, lightering, and other services in Fiscal Year 2025.

The Commercial Vessel Passenger Tax is levied by the State of Alaska on cruise ships with more than 250 passengers; the State distributes these tax revenues among Alaska cruise ports. The City and Borough each received $40,235 in CPV funds in Fiscal Year 2025.

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