



Keeping Southwestern NC's Economy On Track

The Economic Contribution of the Great Smoky Mountains Railroad

October 2025



Study made possible by funding from these entities

CONTENTS

Executive Summary 1

Introduction..... 2

Visitor Profile 3

Visitor Expenditures 6

Economic Contribution 8

Conclusions 10

CONTRIBUTORS

Institute for Transportation Research and Education (ITRE) at NC State University

- Steve Bert, MA, AICP
- Garrett Rider, BS
- Adam Fleischer, BS
- Ryan Hassett, BS
- Lauri Salovaara, MPA
- Daniel Findley, PE, PhD

DESIGN, EDITING, AND FINAL PRODUCTION

- Lisa Callister, BA

This report is an economic contribution study of the Great Smoky Mountains Railroad conducted by the Institute for Transportation Research and Education (ITRE) at North Carolina State University on behalf of the Smoky Mountain Host of NC (SMHNC).



Executive Summary

ANNUAL ECONOMIC CONTRIBUTION OF THE GREAT SMOKY MOUNTAINS RAILROAD

A 52-mile stretch of railroad tracks running between Dillsboro and Andrews was previously used as part of a commuter and trade route. This rail line opened Western North Carolina up to the rest of the world. However, as cars became the more prevalent form of travel in the area, the railroad became idle. Fortunately, the corridor was preserved by NCDOT Rail Division, a major leader in short line segment preservation. Then in 1988, the segment was bought and converted into a scenic train route. Today, this scenic route is once again opening Western North Carolina to the rest of the world, this time in the form of tourism.

The Great Smoky Mountains Railroad has been a significant economic asset to North Carolina, drawing more than 5 million customers since 1998. By appealing to both local residents and travelers from afar, the Great Smoky Mountains Railroad plays a significant role in promoting tourism and supporting Bryson City and Southwestern North Carolina's regional economy.

The Great Smoky Mountains Railroad stands as a cornerstone of regional prosperity, **generating the following annual economic activity --**



1,435
jobs



\$191.4M
in economic output



\$75.6M
in employee earnings



\$10.0M
in local & state tax revenues



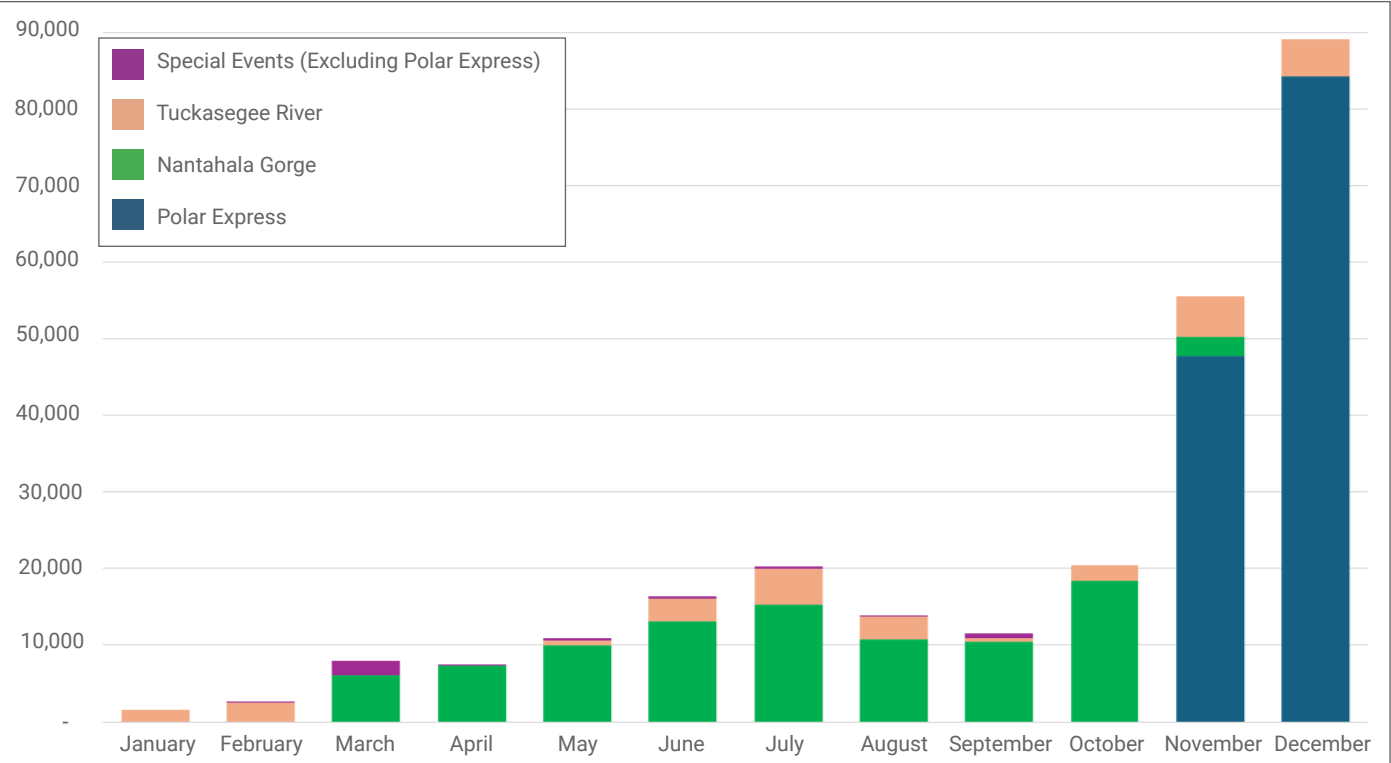
HISTORY OF THE GREAT SMOKY MOUNTAINS RAILROAD

Completed in 1881, the Murphy Branch of the Western North Carolina Railroad spans 116 miles connecting Murphy to Asheville. The route opened up a once isolated area to new visitors and trade allowing for the economy of the area to flourish. At the peak of its usage, the route ran six passenger trains daily. However, with the invention and success of the automobile, the train route began to lose demand. By 1948, the Southern Railway System ended passenger traffic on the route, although the rail line continued to be used as a freight route until 1985. Many parts of the route were eventually bought by private individuals and state agencies, including the 52-mile section between Dillsboro and Wesser, known today as the Great Smoky Mountains Railroad (GSMR).

CURRENT OPERATIONS

The Great Smoky Mountains Railroad is one of Western North Carolina’s most beloved tourist attractions, bringing in more than 257,000 visitors each year. It offers a unique way to experience the beauty and charm of the region by rail. Among the popular offerings is the Tuckasegee River Excursion, a scenic journey through lush countryside and quaint small towns, such as Whittier and Wilmot, including a layover in the historic village of Dillsboro, where visitors can explore local shops and restaurants. The Nantahala Gorge Excursion takes passengers along the edge of the stunning Nantahala River, winding through the gorge and offering breathtaking views of the mountains and whitewater rapids. During the holiday season, the railroad transforms into an unforgettable experience with the Polar Express, a festive ride based on the renowned children’s book. Complete with hot cocoa, caroling, and a visit from Santa himself, the Polar Express has become a regional sensation, drawing thousands of families each winter and selling out weeks or months in advance. The railroad also hosts a variety of special events throughout the year, including themed rides like the Moonshine Experience, the Bunny Hopper Express, and fall foliage tours, making it a year-round destination that captures the imagination of children and adults alike. Figure 1 shows the number of visitors by excursion in 2024.

Figure 1. Great Smoky Mountains Railroad Special Excursions - 2024 Monthly Ridership by Event



Caption: The Polar Express is GSMR’s largest event of the year. In 2024 it accounted for more than 50 percent of the railroad’s total ridership.

Visitor Profile

The Great Smoky Mountains Railroad attracts a diverse array of visitors, including domestic and international tourists, who are drawn to its unique combination of cultural heritage, natural beauty, and immersive experiences. Families with children are particularly inclined to participate in themed excursions such as the Polar Express, which offers a festive and interactive environment. Couples and retirees often seek the nostalgic appeal of the historic railcars and the opportunity to engage with the scenic landscapes of the Appalachian region in a leisurely manner. Additionally, outdoor enthusiasts and photographers are drawn to the railroad for its access to remote areas, particularly along the Nantahala Gorge, which offers striking views of rivers, forests, and rugged terrain. The railroad also serves as a complementary attraction for visitors to nearby destinations such as Great Smoky Mountains National Park and the Blue Ridge Parkway. Moreover, the inclusion of scenic towns such as Bryson City and Dillsboro along the route enhances the cultural appeal of the experience, providing opportunities to engage with local arts, crafts, and Appalachian traditions. As such, the Great Smoky Mountains Railroad functions as a significant regional tourism asset that appeals to a broad spectrum of visitor demographics.

TYPICAL VISITOR PARTY AND TRIP CHARACTERISTICS

The Great Smoky Mountain Railroad attracted over 250,000 visitors to Bryson City in 2024. Many of these visitors shop at local stores, eat at local restaurants, and stay at local hotels, which helps support jobs, income, and tax revenue for Southwestern North Carolina’s economy. An onboard passenger survey was administered to riders of the Great Smoky Mountains Railroad to gather detailed information on visitor characteristics, spending, and the overall passenger experience. Approximately 750 survey responses were received and analyzed.

Visitor Household Size. Survey results indicate that the average visitor household size was just under three people. The most commonly reported household size was two individuals, accounting for 47.5 percent of all responses. No households reported more than ten members.

Repeat and New Visitors. Regarding previous experience with the GSMR, 37.3 percent of respondents had visited within the past ten years, while 44 percent were first-time visitors. The remaining 18 percent either reside permanently in the region or identified as seasonal residents.

Length of Stay in the Region. More than 87 percent of visitors reported staying at least one night in the area, with two nights being the most commonly reported length of stay. Swain County was the most popular overnight destination, with sixty-nine percent of visitors choosing to stay there. Other frequently selected counties included Jackson County, where 9.3 percent of respondents stayed, and Sevier County, reported by 5.6 percent of respondents.

Figure 2. Number of Nights Spent in the Area

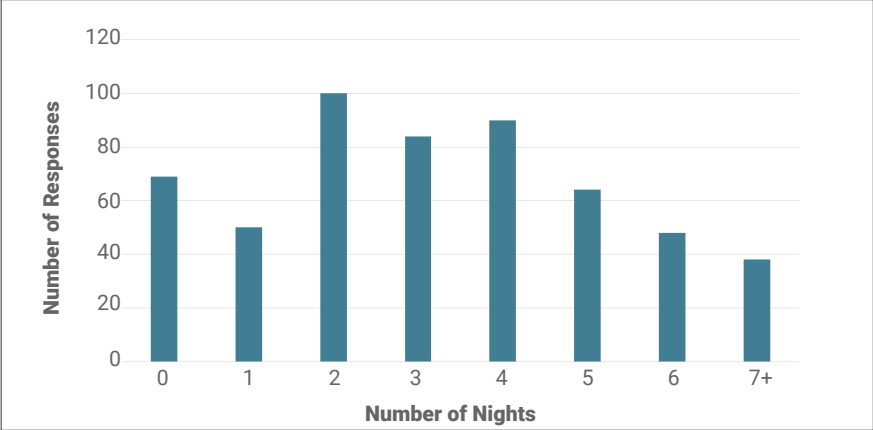
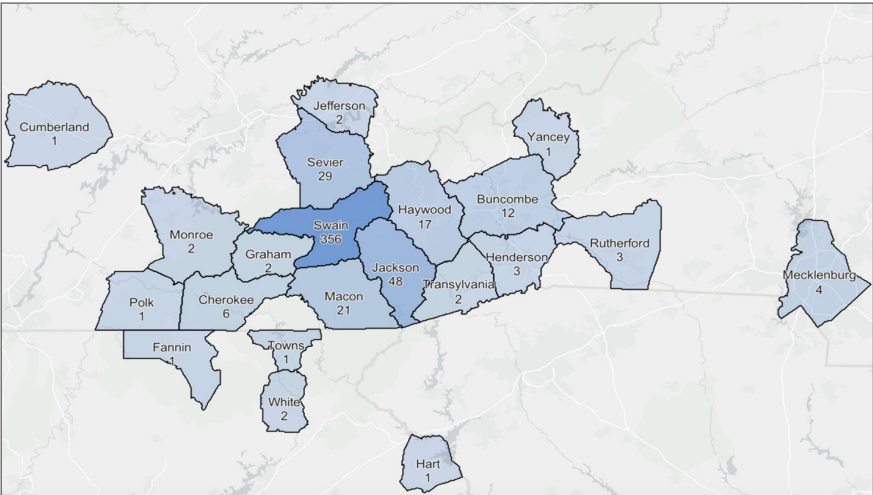


Figure 3. Where Visitors Stayed During Their Visits (Responses by County)



Visitor Profile

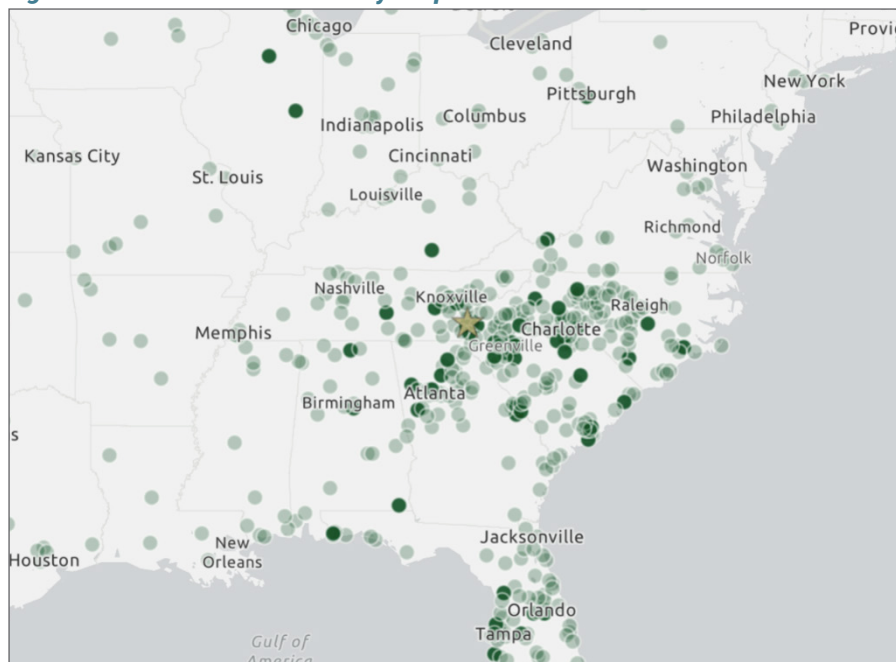
When asked how important the GSMR was in choosing this area as a destination, more than 93 percent of responses indicated some level of importance. Almost 68 percent of visitors state that the GSMR was a “very important” factor, and 26 percent stated that the GSMR was “somewhat important” in determining their choice of destination.

Visitors to the GSMR were also asked if there was a special event or primary reason that attracted them to the area. 69.6 percent of respondents who reported an answer to this question said that the GSMR was the primary reason for visiting. 12.3 percent listed a special event, such as a holiday, family gatherings, or other vacation. 8.9 percent of responses were visitors who came for the scenery, including but not limited to hiking, camping, and fishing. The remaining 9.2 percent reported other tourist attractions such as the Biltmore Estate, Great Smoky Mountains National Park, and Harrah's Cherokee Casino. Two things to note with the following table are that the Great Smoky Mountains Railroad includes the Polar Express special event as well, and for visitors listing the train and another reason, such as “Train, Casino”, their factor for visit is recorded as “Other Area Tourist Attractions”.

Table 1. Primary Considerations for Visiting

Primary Factor for Visit	Number of Survey Responses	Percent of Survey Responses
Great Smoky Mountains Railroad	227	69.6%
Other Area Tourist Attractions	30	9.2%
Scenery	29	8.9%
Special Event	40	12.3%
Total	326	100%

Figure 4. Home Locations of Survey Respondents

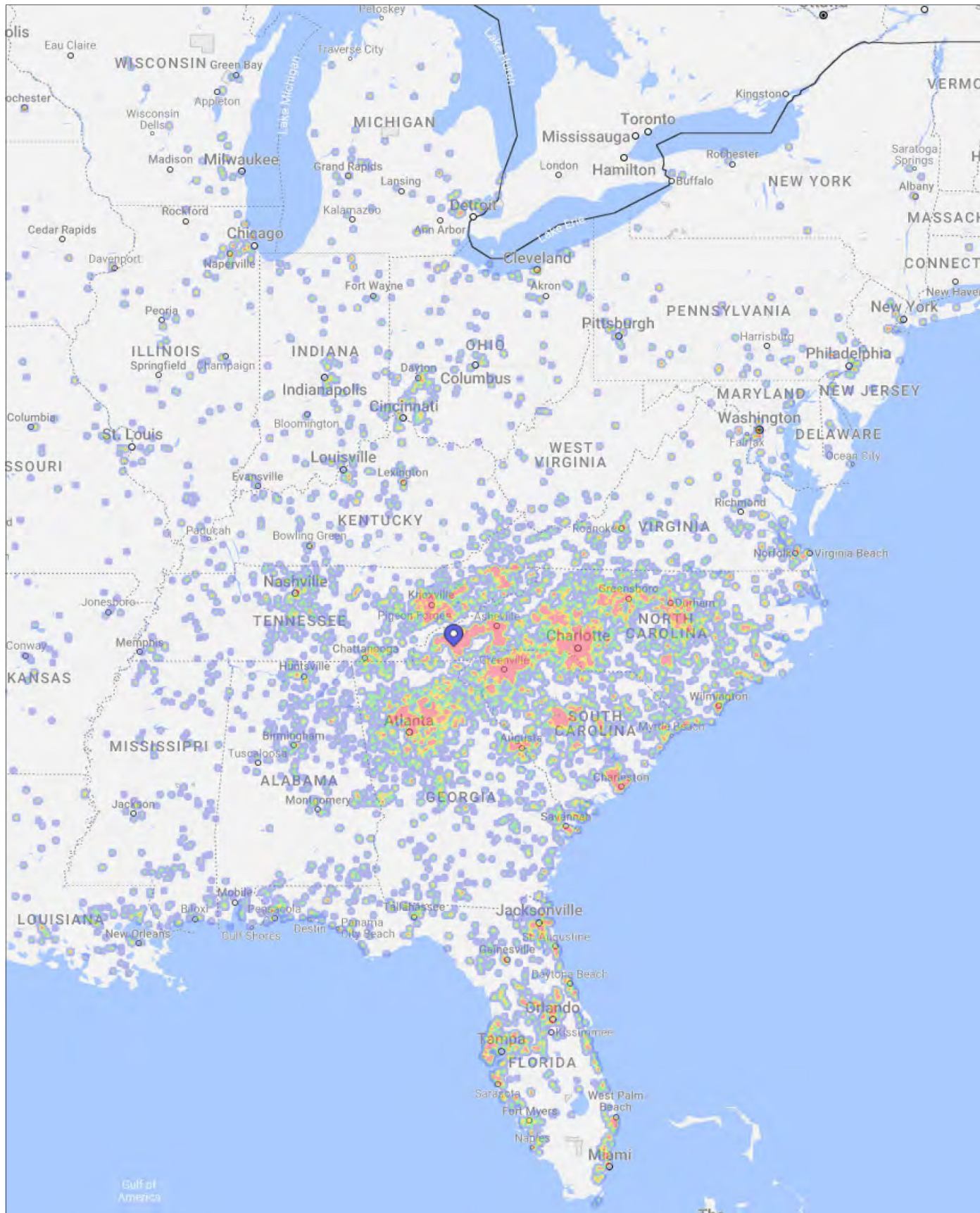


Visitors surveyed in this study originated from more than 30 states. North Carolina visitors made up the largest share of reported visits, with 26 percent of responses. Approximately 13 percent of visitors were from Florida, 11 percent from South Carolina, 10 percent from Georgia, and 9 percent from Tennessee. Figure 4 shows the geographic dispersion of the home locations for those who visited the Great Smoky Mountain Railroad and completed a survey.

In addition to collecting visitor information through onboard surveys, Placer.ai data was utilized to gain deeper insights into the geographic origins of GSMR visitors. Placer.ai uses anonymized mobile device location data to study visitor movement patterns, providing a broader and more comprehensive picture of where travelers are coming from—beyond those who completed the survey. By combining survey results with Placer.ai analytics, researchers can create a richer, more nuanced understanding of the GSMR's visitor base, identifying both primary and secondary markets and uncovering travel trends that might otherwise go undetected. Figure 5, on the following page, shows the GSMR market area. According to Placer data, 9 percent of visitors come from Charlotte and 8 percent from Atlanta.

Visitor Profile

Figure 5. Great Smoky Mountains Railroad Trade Area (Sourced from Placer.Ai)



Visitor Expenditures

VISITOR SPENDING

Visitor spending associated with trips to the Great Smoky Mountains Railroad (GSMR) plays a vital role in supporting the local and regional economy. Many visitors extend their stay beyond the train excursion, leading to additional nights in local accommodations and greater engagement with nearby businesses and attractions. This spending helps sustain jobs, generate local tax revenue, and support small businesses, particularly in rural areas such as Swain County and surrounding counties. For this study, visitor spending associated with GSMR trips were analyzed.

Visitor spending was divided into six categories: lodging, groceries, restaurants, entertainment, retail, and other. “Other” captured Great Smoky Mountains Railroad visitor spending that did not fit into one of the other categories. Of the 541 visitors providing a response for at least some of the categories, only six reported planning to spend no money at all.

Lodging. Lodging is the largest expense for most visitors to the railroad. Over 87 percent of visitors that responded to the question reported planning to spend on lodging during their visit. For instances where visitors spent money on lodging outside of North Carolina, those expenditures still count for “spending on lodging” regarding the percentage of visitors, but do not get attributed towards average expenses on lodging or lodging impact of the railroad. Reported expenses for lodging are estimated to be roughly \$657. This equates to an average cost per visitor of \$169.

Groceries. Approximately 64 percent of respondents that responded to the question reported grocery expenditures of some form during their visit. Among these visitors, the reported average group expense totaled \$156, or \$40 per person.

Restaurants. Restaurants saw the largest proportion of respondents report some form of spending, with over 95 percent of visitors reporting having eaten at a restaurant. These expenses average approximately \$254 per group and \$64 per visitor.

Entertainment. More than 90 percent of visitors to the GSMR that provided a response to the questions regarding trip expenditures reported spending on entertainment. Some typical entertainment locations included casinos, the Biltmore Estate, and other local attractions. The average group entertainment expenditures were \$324 per group for groups who reported spending money. This equates to approximately \$84 per person.

Retail. More than 90 percent of visitors responding to the survey reported spending on retail of some kind, ranging from clothing stores to souvenir shops. The average group spent \$190 on these retail items, coming to \$52 in retail spending per visitor.

Other. Approximately 54 percent of GSMR survey respondents reported spending on other goods or services throughout their trip. Some common additional purchases included rental cars or tour fees. In 2024, among groups who did spend money on other purchases, the average group spent \$161, coming to just under \$44 per person.

ESTIMATED ANNUAL EXPENDITURES

The Great Smoky Mountains Railroad attracts visitors to the region who make restaurant, grocery, lodging, entertainment, retail, and other expenditures. As previously established, 68 percent of survey respondents indicated that the railroad was very important in influencing their travel, while another 25.7 percent of responses indicated the railroad was somewhat important. These classifications derived the expenditures in the region that can be directly attributable to the GSMR. The expenditures per visitor per category were applied to 2024 ridership data, using a visitor count of 257,464. The following table provides the estimated annual expenditures per category, as attributable to the GSMR.

Table 2. GSMR Attributable Expenditures

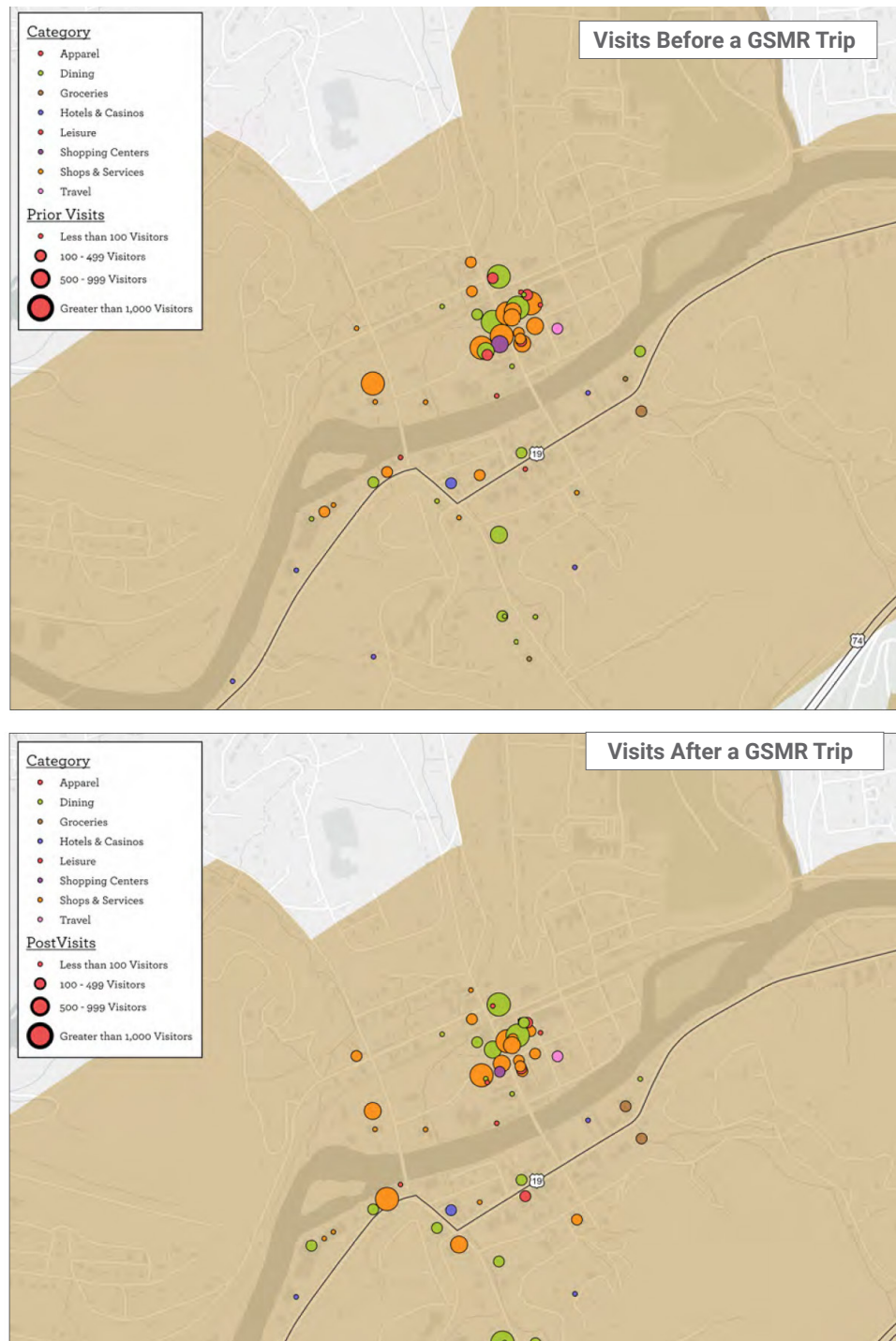
Expenditure Type	Expenditures Attributable to GSMR
Lodging	\$35,150,000
Entertainment	\$17,470,000
Restaurant	\$13,220,000
Other	\$9,150,000
Groceries	\$8,343,000
Total	\$94,200,000

Visitor Expenditures

LOCAL SPENDING INSIGHTS BEFORE BOARDING AND AFTER VISITING GSMR

In addition to collecting visitor information through onboard surveys, Placer.ai data was used to identify the specific storefront locations that individuals visited immediately before and after their trip on the Great Smoky Mountains Railroad. This location-based data offers valuable insight into visitor behavior and spending patterns, revealing how passengers interact with the broader business community in Bryson City. By understanding which restaurants, shops, and attractions are frequented in conjunction with a GSMR visit, stakeholders can better assess the railroad's role in driving foot traffic and supporting the local economy. Figure 6 shows points of interest visited in Bryson City before and after a trip to GSMR. This information helps illustrate the ripple effect GSMR has on nearby businesses and highlights the importance of the railroad as an anchor attraction for economic activity in downtown Bryson City.

Figure 6. Bryson City Points of Interest Visited Directly Before & After a GSMR Trip



Economic Contribution

METHODOLOGY

To estimate the impact of the Great Smoky Mountains Railroad on North Carolina's economy, economic activities resulting from visitor spending and ongoing operations were analyzed. To derive these impacts, visitor expenditures and ticket revenue obtained from the passenger survey results and GSMR operational data were used to model direct, indirect, and induced economic impacts within IMPLAN's economic modeling platform. Direct impacts refer to the immediate spending by visitors on items such as tickets, dining, lodging, and retail purchases in Bryson City and surrounding areas. Indirect impacts capture the ripple effects as local businesses that serve visitors—like restaurants



and hotels—purchase goods and services from other local suppliers, such as food distributors or cleaning services. Induced impacts result from the increased household income of employees working in both direct and indirect roles, who then spend their earnings locally on housing, groceries, transportation, and other daily needs. Together, these layers of economic activity illustrate how GSMR supports not just tourism, but the broader regional economy through job creation, business revenue, and community reinvestment.

Railroad Operations. The ongoing operations of the Great Smoky Mountains Railroad generate significant economic activity throughout Southwestern North Carolina. To keep the railroad running smoothly, GSMR makes a wide range of purchases—including fuel, mechanical parts, rail maintenance materials, safety equipment, cleaning supplies, and marketing and administrative services. These operational needs support a network of local and regional suppliers, many of which are based in North Carolina. In turn, this spending helps employ North Carolinians in various sectors such as transportation, maintenance, hospitality, and professional services. The wages earned by these workers support household spending, contribute to local and regional economic output, and generate tax revenues for state and local governments. In this way, GSMR's daily operations serve as a continuous engine for economic vitality in the region.

Visitor Spending. Visitors who come to the region to ride the Great Smoky Mountains Railroad and stay to explore and make purchases play a vital role in supporting the local economy. Their spending on lodging, dining, retail, fuel, and other services directly benefits local businesses and helps sustain jobs throughout the area. These expenditures support the earnings of local workers—from hotel staff and restaurant servers to shop owners and service providers—who, in turn, reinvest their income into the community. This cycle of spending contributes to the region's overall economic output and helps generate essential tax revenue for local and state governments. In this way, GSMR serves as both a destination and a powerful economic driver for Southwestern North Carolina.

Economic Contribution

FINDINGS

The Great Smoky Mountains Railroad attracts over 250,000 visitors each year who come to experience its scenic excursions, nostalgic charm, and access to the breathtaking landscapes of Western North Carolina. This influx of tourism generates significant economic activity for the region, creating jobs and sustaining businesses. GSMR offers a unique way to experience the region's natural beauty, heritage, and serves as a major tourism anchor. The scenic railroad helps sustain local jobs, attract repeat visitation, and generate tens of millions in annual economic activity for the region.

The Great Smoky Mountains Railroad contributes the following to North Carolina's economy --



1,435
jobs



\$191.4M
in annual economic output



\$78.6M
in annual employee
earnings



\$10.0M
in annual local & state
tax revenues

Table 2. The Economic Contribution of the Great Smoky Mountains Railroad (\$2025)

Impact	Employment	Labor Income	Output	Local & State Tax Revenue
Direct	950	\$48,160,000	\$100,608,000	\$5,812,000
Indirect	230	\$14,932,000	\$42,542,000	\$1,463,000
Induced	255	\$15,501,000	\$48,259,000	\$2,736,000
Total	1,435	\$78,593,000	\$191,409,000	\$10,011,000

Conclusions

ECONOMIC IMPORTANCE OF THE GREAT SMOKY MOUNTAINS RAILROAD

The Great Smoky Mountains Railroad is a vital economic driver for Bryson City and the surrounding region, serving as both a cultural landmark and a major tourism engine. Offering a variety of excursions—from scenic rides along the Nantahala Gorge and Tuckasegee River to themed experiences like the Polar Express—this heritage railroad draws visitors year-round. The Great Smoky Mountain Railroad not only showcase the natural beauty of western North Carolina but also encourage overnight stays, local shopping, and dining, supporting tens of millions of dollars in spending within the local economy annually. By attracting families, outdoor enthusiasts, and history lovers alike, the railroad helps sustain small businesses, supports hospitality jobs, and plays a key role in Bryson City's identity as a vacation destination in the Smokies.



