



nwa Northwest
Arkansas
Council



UNIVERSITY OF
ARKANSAS

Sam M. Walton College of Business

STATE OF THE NORTHWEST ARKANSAS

Region

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Overview



The State of the Northwest Arkansas Region Report is an annual publication, commissioned by the Northwest Arkansas Council, that serves as a tool for evaluating economic performance. In July 2018, the Northwest Arkansas Council created a new blueprint for development in which Northwest Arkansas is benchmarked with other contemporary, high-performing regions, namely Austin, Texas; Des Moines, Iowa; Madison, Wisconsin; Durham-Chapel Hill, North Carolina; Raleigh, North Carolina; and Provo-Orem, Utah. The 2025 report compares Northwest Arkansas with these geographies in gross domestic product, employment, unemployment, establishment growth, median household income, average annual wages, poverty, educational attainment, research and development, homeownership costs, commuting time, and average domestic airfares for the year 2024.

“NORTHWEST ARKANSAS HAS REAL MOMENTUM, BUT KEEPING PACE WITH THE NATION’S TOP REGIONS WILL REQUIRE BOLD ACTION AND COLLECTIVE COMMITMENT. TO STAY COMPETITIVE, WE NEED TO ENSURE WE’RE DRIVING INNOVATION, GROWING RESEARCH AND WORKFORCE, AND PLANNING EARLY FOR GROWTH SO HOUSING AND INFRASTRUCTURE CAN MEET FUTURE DEMANDS.”

- NELSON PEACOCK, PRESIDENT AND CEO, NORTHWEST ARKANSAS COUNCIL

The table below provides a summary of the performance of the Northwest Arkansas region (Benton, Madison and Washington counties) on these measures. Important indicators such as employment, household income and wages showed strong increases from 2023, while improvements in metrics such as business establishment growth and higher education attainment were more limited.

INDICATOR	MOST RECENT ANNUAL DATA	VALUE FROM 1 YEAR PRIOR	CHANGE
Population Estimate, <i>July 2024</i>	605,547	590,295	2.6% 
Real GDP <i>(millions of chained 2017 dollars), 2023</i>	\$33,361	\$32,911	1.4% 
Avg. Annual Unemployment Rate, <i>2024</i>	2.7%	2.4%	0.3% 
Total Nonfarm Employment, <i>2024</i>	307,000	299,200	2.6% 
Median Household Income, <i>2024</i>	\$81,208	\$77,695	4.5% 
Average Annual Wages, <i>2024</i>	\$59,550	\$56,540	5.3% 
Business Establishments, <i>2024</i>	15,779	15,654	0.8% 
% of Adult Population <i>w/a bachelor's degree or higher, 2024</i>	38.20%	36.60%	1.6% 
Poverty Rate, <i>2024</i>	11.0%	10.4%	0.6% 
R&D Expenditures (thousands), <i>2023</i>	\$221,525	\$184,080	20.3% 
Average Domestic Airfare, <i>2024</i>	\$465	\$492	5.6% 

Peer Regions Overview

RANKING SCALE	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th
	Fayetteville-Springdale-Rogers MSA	Austin-Round Rock-San Marcos MSA	Des Moines-West Des Moines MSA	Madison MSA	Durham-Chapel Hill MSA	Raleigh-Cary MSA	Provo-Orem-Lehi MSA
Population Growth, 2023-2024	2.6%	3.1%	2.3%	1.9%	1.9%	3.5%	3.7%
Real GDP Growth, 2022-2023	1.4%	4.5%	1.0%	3.2%	3.5%	4.6%	4.4%
Annual Unemployment Rate, 2024	2.7%	3.5%	3.0%	2.4%	3.2%	3.1%	3.3%
Nonfarm Employment Growth, 2023-2024	2.6%	2.2%	1.2%	1.2%	1.7%	2.6%	1.3%
Median Household Income, 2024	\$81,208	\$99,897	\$85,446	\$89,714	\$83,542	\$102,144	\$101,014
Average Annual Wages, 2024	\$59,550	\$71,390	\$64,660	\$67,700	\$78,130	\$68,010	\$61,450
Business Establishment Growth, 2023-2024	0.8%	0.2%	5.8%	4.4%	0.9%	1.2%	3.4%
% of Adults w/Bachelor's Degree or Higher, 2024	38.2%	52.3%	41.6%	52.2%	54.7%	52.5%	44.0%
Poverty Rate, 2024	11.0%	9.2%	8.7%	9.6%	11.2%	8.9%	8.9%
R&D Expenditures, 2023	\$221.5M	\$1.03B	\$420.8M	\$1.73B	\$1.55B	\$1.51B	\$723.7M
# of Utility Patents Granted Per 100K Residents, 2022	24.9	119.2	41.2	69.2	94.2	82.8	54.3
High-Tech Employment Growth, 2023-2024	8.3%	-1.0%	3.6%	-5.2%	7.8%	0.7%	2.2%
% of Workers Traveling Fewer than 30 Min., 2024	73.3%	56.6%	76.5%	72.1%	67.2%	58.6%	64.6%
Avg. Domestic Airfare, 2024	\$465	\$399	\$395	\$500	\$364	\$364	\$434

Jobs



Employment in Northwest Arkansas increased 2.6% from 299,200 in 2023 to 307,000 in 2024, which placed it in joint first position with the Raleigh-Cary MSA, with both having the same growth rate when compared to peer regions. From 2019 to 2024, Northwest Arkansas' employment grew at an average annual rate of 3.1%, a pace that was faster than the peer average (2.7%), more than twice as fast as that of Arkansas (1.3%) and more than three times as fast as that of the United States (0.9%).

Unemployment



The unemployment rate for Northwest Arkansas in 2024 was 2.7%, an increase of 0.3% from 2023. The 2024 unemployment rate in Northwest Arkansas was lower than all but one peer region which is Madison MSA. Northwest Arkansas was also significantly lower than the state and national unemployment rate of 3.5% and 4.0% respectively. The unemployment rate increased 0.2% from 2019.



**NWA CREATED 7,800 NET NEW
JOBS FROM 2023 TO 2024.**



**ONE IN 37 (2.7%) ADULTS
IN NORTHWEST ARKANSAS'
LABOR FORCE WERE
UNEMPLOYED IN 2024.**

Metropolitan GDP

Real metropolitan gross domestic product (GDP) in the Northwest Arkansas region increased by 1.4% between 2022 and 2023, bringing the GDP to \$33.3 billion. The region's five-year average annual growth rate from 2018 to 2023 was 4.3%, 0.7% lower than the average annual growth rate for peer regions, 1.9% higher than that of the nation, and 1.8% higher than the average growth rate in the state of Arkansas.



**THE NWA GDP HAS GROWN
\$6.32 BILLION SINCE 2018.**

Median Household Income

The median household income for Northwest Arkansas grew 4.5% to \$81,208 in 2024 from \$77,695 in 2023, and it was the third-fastest growth rate among all the peer regions. However, the median household income was still the lowest among the peer regions. From 2019 to 2024, Northwest Arkansas' average annual growth rate was 5.7%, which was the highest among the peer regions.



**MEDIAN NWA HOUSEHOLD
INCOME INCREASED 4.5%
SINCE 2023.**



Annual Wages

The average annual wage in Northwest Arkansas was the lowest among peer regions at \$59,550 in 2024. Annual wages increased at a rate of 5.3% since 2023, which was higher than the peer region's average. From 2019 to 2024, the annual wage growth averaged 4.6% per year in Northwest Arkansas, which tied the Provo-Orem-Lehi MSA for being the third-highest among peer regions. Annual wage growth was strongest in the Austin-Round Rock-San Marcos MSA region between 2019 and 2024 at 5.3%.

Poverty

In 2024, the poverty rate for Northwest Arkansas was 11.0%, a 0.6% increase from 2023. The NWA region had the second-highest poverty rate among the peer regions, behind Durham-Chapel Hill MSA. Since 2019, the poverty rate in Northwest Arkansas has improved 1.6% and was the second-fastest decline in poverty rates among the peer regions. The 2024 poverty rate in Northwest Arkansas was better than the 15.5% poverty rate for the state of Arkansas.



**THE AVERAGE WORKER IN
NWA SAW A \$11,950 GAIN IN
ANNUAL WAGES SINCE 2019.**



**POVERTY IN NWA INCREASED
TO 11% IN 2024.**

Educational Attainment



The percentage of adults 25 years or older with a bachelor's degree or higher in Northwest Arkansas increased to 38.2% between 2023 and 2024. On average, 49.6% of adults 25 years or older had a bachelor's degree or higher in peer regions. Since 2019, higher education attainment grew 5.2% in Northwest Arkansas, higher than the average change of 4.9% among peer regions.

Cost of Home Ownership



In Northwest Arkansas, the median home price of existing single-family homes grew by 4.8% between 2023 and 2024, up from \$346,900 to \$363,600. The rate of increase was third highest compared to peer regions. When considering the cost of housing and transportation, the typical Northwest Arkansas resident spent 43% of their income on housing and transportation, which tied for second highest, alongside the Provo-Orem-Lehi and Madison MSAs. With the exception of the Durham-Chapel Hill MSA, (highest at 44%), the typical residents in every other region had lower expenditure on housing and transportation.



IN NWA, 38.2% OF ADULTS (25 YEARS+) HAD A BACHELOR'S DEGREE OR HIGHER IN 2024, HIGHER THAN THE NATIONAL AVERAGE (36.8%).



SINCE 2020, THE MEDIAN PRICE OF EXISTING SINGLE-FAMILY HOMES IN NWA INCREASED BY 60.7%.



Commuting

In 2024, 73.3% of Northwest Arkansas workers spent fewer than 30 minutes commuting to work, which was the second highest among the peer regions. The percentage of workers in Northwest Arkansas who used alternative modes of transportation to get to work, including biking, walking, and public transit, increased from 1.3% in 2023 to 2.1% in 2024, which was the joint 2nd lowest alongside the Des Moines-West Des Moines MSA.

Average Annual Domestic Airfare

Domestic round-trip flight from Northwest Arkansas National Airport had an average price of \$465 last year. While there's an improvement, only one other peer region had higher average fares (Madison MSA).



**COMMUTE TIMES IN NWA
AREN'T BAD COMPARED TO
PEER REGIONS. THREE OUT
OF EVERY FOUR MOTORISTS
LAST YEAR ARRIVED AT WORK
IN LESS THAN 30 MINUTES.**



**THE AVERAGE COST OF A
DOMESTIC ROUNDTrip
FLIGHT FROM NWA WAS \$465
IN 2024.**

Academic Research and Development



The University of Arkansas had \$221.5 million in research and development expenditures in 2023, up 20.3% from 2022. The increase in funds improved the University of Arkansas' ranking from No. 138 in 2022 to No. 132 in 2023 among all universities in the United States. In 2023, the University of Arkansas received 93 invention disclosures (up from 63 in 2022), filed 47 new patent applications (down from 86 in 2022), and received 18 patent issues (up from 11 in 2022).

Business Establishment Growth



Northwest Arkansas business establishment growth from 2023 to 2024 was 0.8%, which was slower than the growth rate in all but one of its peer regions. The five-year change in the number of establishments from 13,741 in 2019 to 15,779 in 2024 represents an average annual increase of 2.8%, less than all but one peer region.



R&D EXPENDITURES AT U OF A WERE \$221.5 MILLION IN 2023 AND RANKED NO. 132 IN THE NATION.



NWA BUSINESS ESTABLISHMENTS GREW BY 125 SINCE 2023 AND HAS INCREASED 2,038 SINCE 2019.



High-Technology Employment

High-technology employment refers to jobs in industries that rely heavily on advanced technological development and innovation. These sectors typically involve significant investment in research and development (R&D) and require specialized knowledge in fields such as engineering, information technology, biotechnology, aerospace, telecommunications, and advanced manufacturing. Northwest Arkansas has increased high-tech jobs in recent years and ranked first among all peer regions in the growth of high-tech jobs from 2023 to 2024. The total number of employees in high-tech jobs increased from 13,060 to 14,150 in this period, a growth rate of 8.3%, which ranks first among the peer regions.



**HIGH-TECHNOLOGY
EMPLOYMENT IN NWA
INCREASED BY 1,090 FROM
2023 TO 2024.**





Information for this report was gathered from the following sources: Center for Neighborhood Technology, National Association of Realtors, National Science Foundation, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, U.S. Census Bureau and U.S. Bureau of Transportation Statistics.

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