

# The Wisconsin Visitor Industry - 2023

May 2024

Prepared for: Wisconsin Department of Tourism



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## INTRODUCTION

# PROJECT BACKGROUND

The travel sector is an integral part of the Wisconsin economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's future. In fact, in 2023, tourism activity generated \$25 billion in total business sales to businesses across the state.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs. This is true for Wisconsin as it builds upon its visitor economy.

## METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of Wisconsin. The model traces the flow of visitor-related expenditures through the state's economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism. Tourism Economics then cross-checked these findings with employment and wage data for each sector to ensure the findings are within reasonable ranges.

Visitors included those people who stayed overnight on a trip or traveled more than 50 miles to the destination.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis.

By establishing a timeline of economic impacts, the industry can track its progress.

To quantify the significance of the visitor economy in Wisconsin, Tourism Economics developed a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the visitor economy in terms of direct visitor spending, along with total economic impacts, jobs, and fiscal (tax) impacts in the broader economy.

The analysis draws on the following data sources:

- Longwoods International: survey data, including spending and visitor profile characteristics for visitors to Wisconsin
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR: lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels
- Tax collections: Lodging and sales tax receipts
- Tourism Economics: international travel data for overseas, Canadian, and Mexican travel to Wisconsin based on aviation, survey, and credit card information.

# ECONOMIC IMPACTS KEY FINDINGS

## SUMMARY ECONOMIC IMPACTS Wisconsin Tourism (2023)

### TOTAL ECONOMIC IMPACT



**\$25.0B**

Total  
Economic  
Impact



**178,045**

Total  
Jobs  
Generated



**\$1.6B**

State & Local  
Taxes  
Generated

Wisconsin visitor activity generated a total economic impact (measured by total business sales) of \$25.0 billion in 2023. Tourism's economic impact in 2023 grew 5.4% as visitor spending growth combined with strengthening tourism business spending on services.

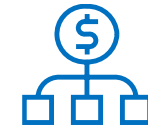
These business sales supported 178,045 jobs and generated \$1.6 billion in state and local tax revenues in 2023. The state and local tax revenue equates to a benefit of \$660 per occupied household in Wisconsin.

## VISITS AND VISITOR SPENDING



**113.0 MILLION**

Visits to Wisconsin in 2023



**\$15.7B**

Direct Visitor Spending

Wisconsin received 113.0 million visits in 2023, a 1.8 million increase. Visitor spending grew 5.0% in 2023, an increase of \$750 million.



## VISITOR INDICATOR TRENDS

Key indicators point to the normalization of Wisconsin's visitor activity in 2023.

As reported by STR, lodging revenues increased 4% in 2023, growing to levels 18% above 2019. After several years of recovery-influenced growth rates, 2023's growth was back in line with growth rates seen in the 2010s.

Room demand plateaued in 2023 as strength early in the year was countered by small demand declines in the second half of the year.

With bed tax revenue growth that was stronger than STR and sales tax measures, the metrics support the survey analysis results of growth in overnight visitors.

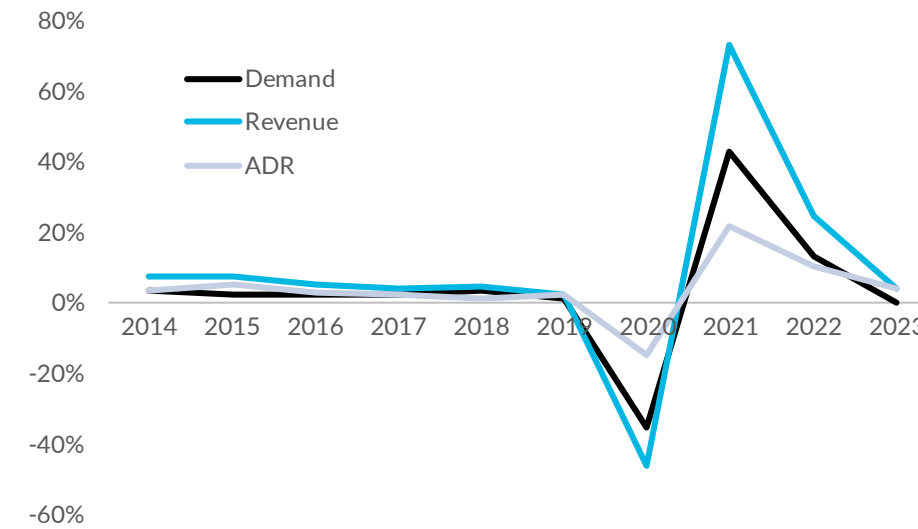
Sales tax collections in key visitor-centric industries support continued visitor spending gains. Similar to STR revenue growth, sales tax growth in the lodging industry increased around 4%. Growth rates in industries like restaurants and arts, entertainment & recreational industry were stronger, reaching 10% for restaurants.

Survey data noted a trend of shorter trips and increased day travel in 2023. This is supported by the tax revenue data, with strength in restaurant and arts, entertainment & recreational industries along with moderating lodging growth.

Retail sales saw growth plateau in 2023, as both residents and travelers pulled back on retail purchases. For visitors, spending in other categories had stronger increases than retail spending growth.

### Lodging performance indicators

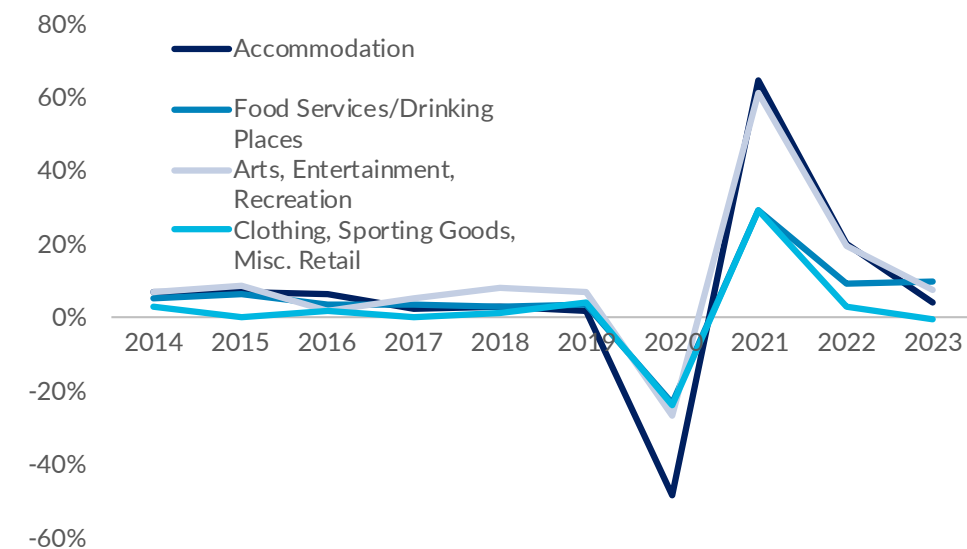
Annual percent change



Source: STR

### Taxable sales in tourism-related industries

Annual percent change



Source: Wisconsin DOR



## VISITS & VISITOR SPENDING

Visitor activity in Wisconsin in 2023 moved beyond the recovery phase as growth rates in visitation and visitor spending moderated, returning to pre-pandemic norms. Continued strong interest in travel by consumers moderated by less-consumer friendly macro-economic trends like higher interest rates were driving forces behind 2023 results.

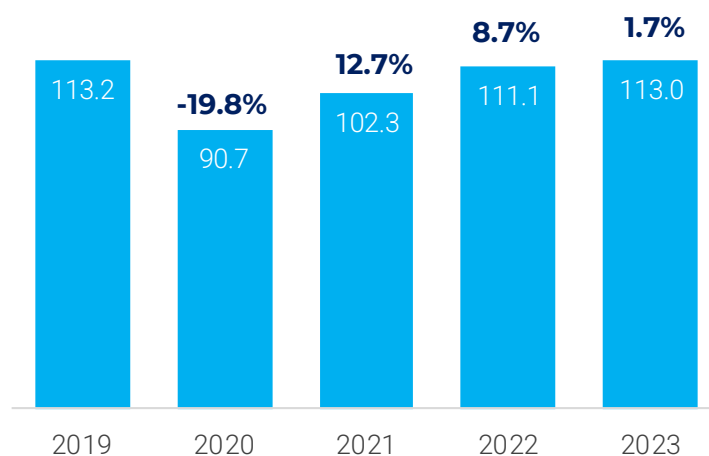
### VISITOR VOLUME

#### Normalization of growth in 2023

Visitor volumes increased by 1.8 million to reach 113 million. Strength in leisure visitation continued with visitation growth also supported by growth in international travel in 2023.

#### Wisconsin visitor volume

Amounts in millions, percentages are YOY



Sources: Longwoods International, Tourism Economics

### VISITOR SPENDING

#### Visitor spending grows to \$15.7 billion in 2023.

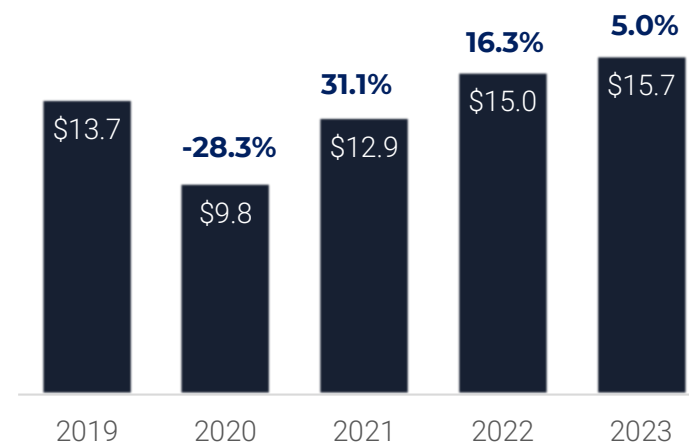
Lodging, including short-term rentals and second homes, accounts for the largest share of visitor spending in Wisconsin at 27.4%.

Surpassing \$4 billion, 26.2% of a visitor's trip budget was spent on food & beverages.

Retail's \$3.0 billion in spending from visitors was 19.1% of the visitor dollar with transportation and recreation/entertainment services each representing 13-14% of total visitor spending in Wisconsin in 2023.

#### Wisconsin visitor spending

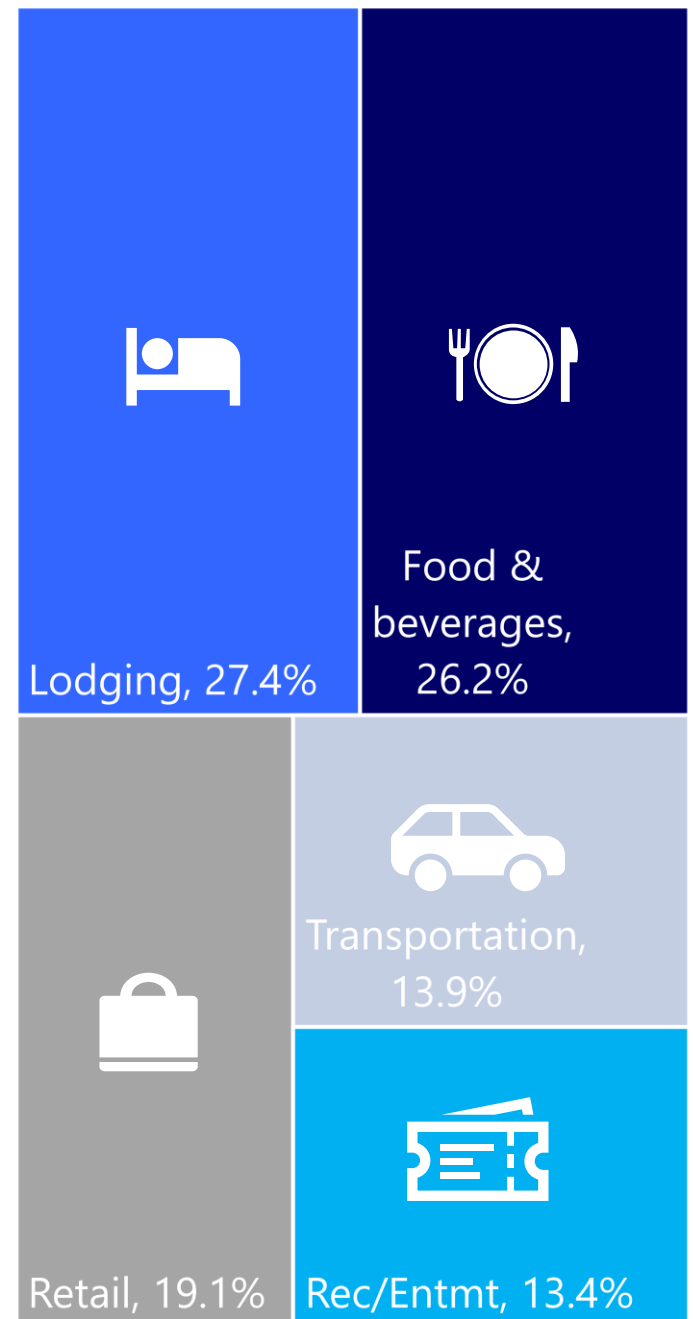
Amounts in \$ billions, percentages are YOY



Sources: Longwoods International, Tourism Economics

## \$15.7 BILLION

Visitor Spending in 2023



Source: Tourism Economics

Note: Lodging spending also includes dollars spent on short-term rentals and second homes. Transportation includes both air and local transportation.

## VISITOR SPENDING TRENDS

Continued pent-up demand for experiences by visitors helped drive increases in food & beverage and recreation/entertainment spending, supporting overall visitor spending growth of 5.0%. Spending grew \$750 million in 2023. Recreation/entertainment spending growth led all categories, increasing by 7.0% to surpass \$2 billion.

Despite declining gas prices, increased visits, a jump in air travel, and an uptick in miles traveled supported moderate growth in overall transportation spending.

## VISITOR SEGMENTS

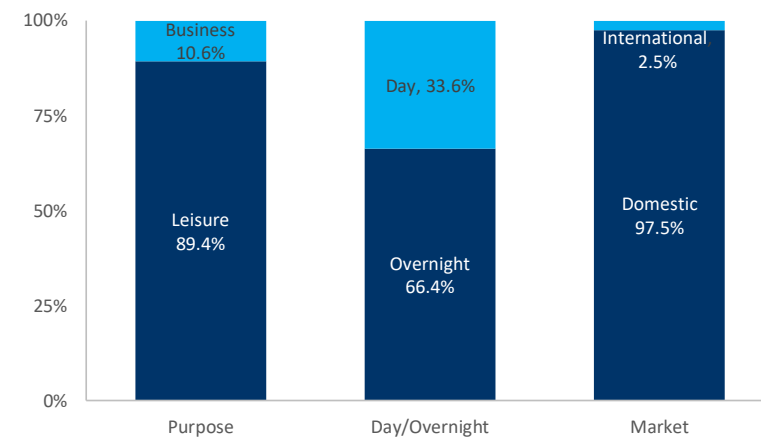
Day traveler spending pushed through the \$5 billion level in 2023 with day spending growing 7.2%.

Spending by overnight visitors reached \$10.4 billion in 2023. With 45.9 million overnight person-trips in Wisconsin, spending by an overnight visitor grew to \$227 per-person trip.

Overall, per-visitor spending grew to \$139 in 2023, up from \$135 in 2022.

## Wisconsin spending share by segment

Percent % of total visitor spending by market



Source: Tourism Economics

## Wisconsin visitor spending and annual growth

Amounts in \$ millions and 2023 % change

	2019	2020	2021	2022	2023	2023 Growth
<b>Total visitor spending</b>	<b>\$13,668</b>	<b>\$9,804</b>	<b>\$12,856</b>	<b>\$14,956</b>	<b>\$15,707</b>	<b>5.0%</b>
Lodging*	\$3,683	\$2,407	\$3,491	\$4,130	\$4,305	4.2%
Food & beverage	\$3,549	\$2,622	\$3,407	\$3,871	\$4,120	6.4%
Retail	\$2,690	\$2,222	\$2,647	\$2,894	\$2,994	3.5%
Rec/Entertainment	\$1,948	\$1,221	\$1,642	\$1,969	\$2,108	7.0%
Transportation**	\$1,798	\$1,331	\$1,669	\$2,091	\$2,180	4.3%

Source: Longwoods International; Tourism Economics

\* Lodging includes short-term rentals and other second home spending

\*\* Transportation includes both ground and air transportation

## Visitor volume and spending

Amounts in millions of persons, \$ millions, and \$ per person

	2019	2020	2021	2022	2023
<b>Total visitors</b>	<b>113.2</b>	<b>90.7</b>	<b>102.3</b>	<b>111.1</b>	<b>113.0</b>
Day	70.4	58.5	62.3	65.7	67.1
Overnight	42.8	32.3	39.9	45.4	45.9
<b>Total visitor spending</b>	<b>\$13,668</b>	<b>\$9,804</b>	<b>\$12,856</b>	<b>\$14,956</b>	<b>\$15,707</b>
Day	\$4,839	\$4,070	\$4,335	\$4,927	\$5,281
Overnight	\$8,829	\$5,733	\$8,522	\$10,029	\$10,426
<b>Per visitor spending</b>	<b>\$121</b>	<b>\$108</b>	<b>\$126</b>	<b>\$135</b>	<b>\$139</b>
Day	\$69	\$70	\$70	\$75	\$79
Overnight	\$206	\$178	\$213	\$221	\$227

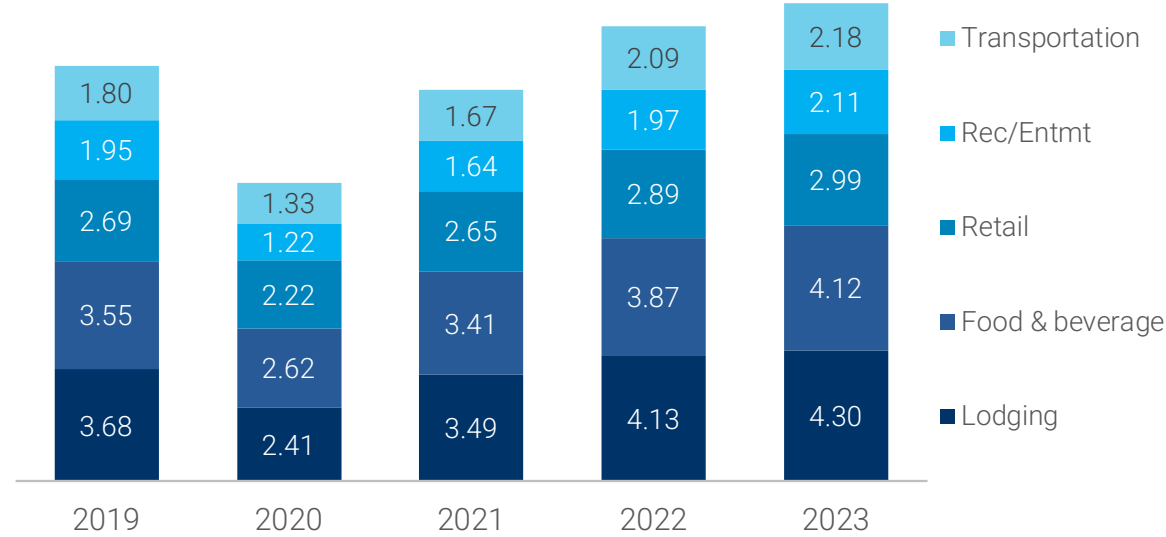
Source: Tourism Economics

### VISITOR SPENDING DISTRIBUTION - LEVELS

Several spending categories reached and exceeded key milestones in 2023. Increasing by \$250 million, food & beverage spending by visitors exceeded \$4 billion. Recreation and entertainment spending surpassed the \$2 billion level, reaching \$2.1 billion in 2023. Nearing a milestone was retail spending by visitors, closing in on the \$3 billion level. Recreation and entertainment spending increased \$140 million in 2023 as tour- and experiential-travel drove visitor interests.

#### Visitor Spending in Wisconsin, 2019-2023

By category, amounts in \$ billions



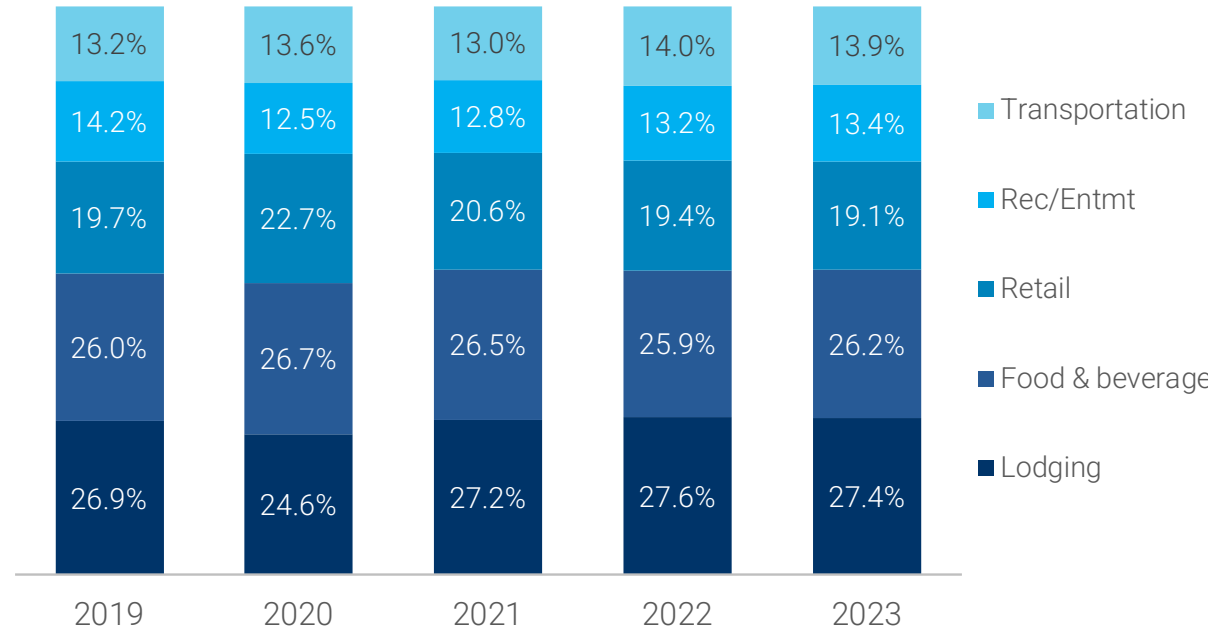
Source: Tourism Economics

### VISITOR SPENDING DISTRIBUTION - SHARES

Price changes and traveler interests drove category share changes in 2023. Interest in entertainment and recreational experiences increased the share of the visitor dollar spent on recreation/entertainment to 13.4% and food & beverages to 26.2%. While retail spending remains a key part of some visitor trips, the movement away from material goods in 2023 dropped the visitor retail share to 19.1%.

#### Visitor Spending Shares in Wisconsin, 2019-2023

By category, %



Source: Tourism Economics



## VISITOR SPENDING SEASONALITY

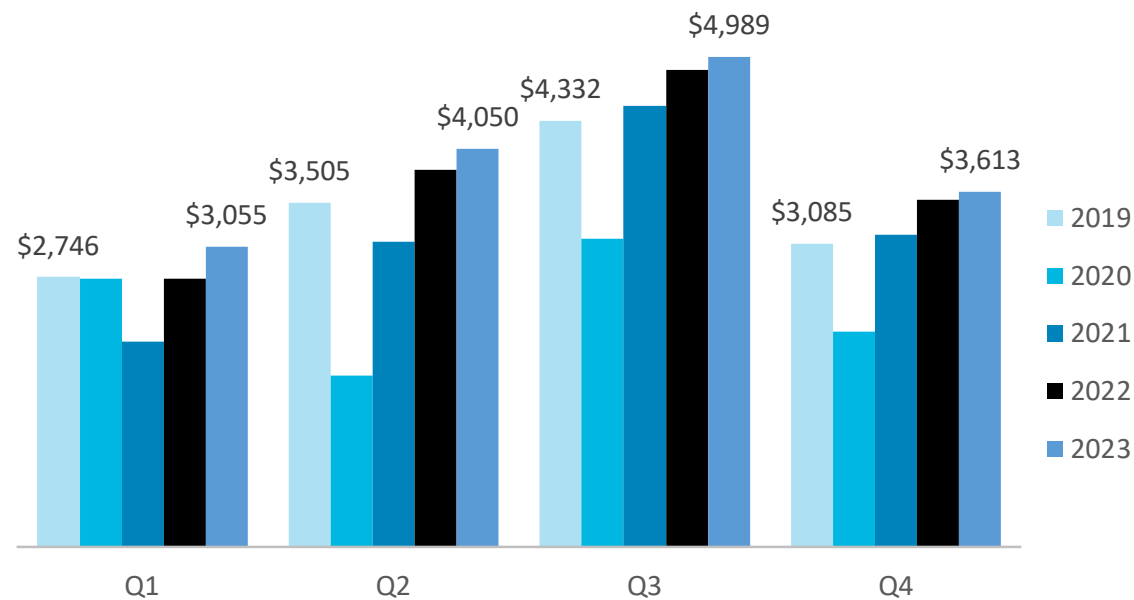
Visitor spending in the key summer months neared \$5 billion in 2023, nearly a third of all visitor spending during the year. The summer months have also seen the largest spending jump over 2019 levels, with the \$5 billion in spending representing an increase of \$660 million over pre-pandemic levels.

Growth during 2023 was centered in the first half of the year, with Q1 jumping 12% to surpass \$3 billion. Visitor spending increased \$330 million in the first quarter, the largest increase among the four quarters.

The 5% jump in spending in Q2 helped push visitor spending in the spring and early summer to over \$4 billion.

### Wisconsin quarterly visitor spending, 2019-2023

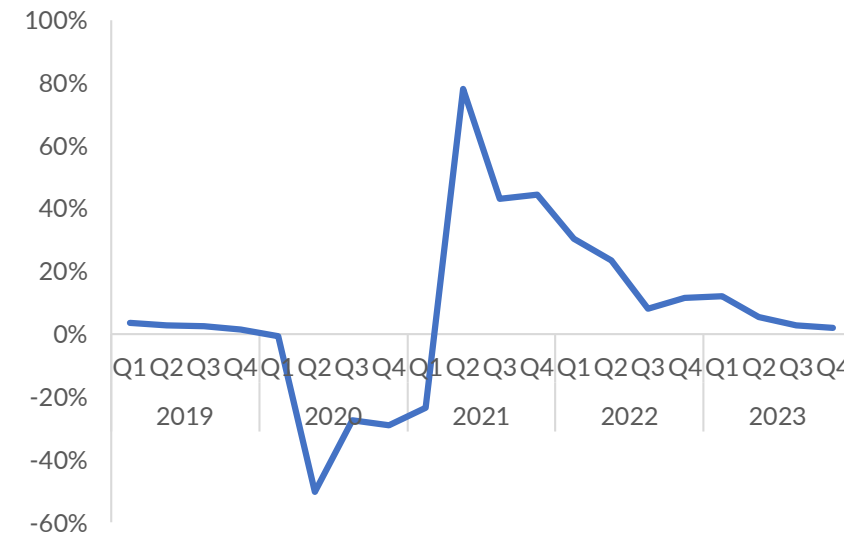
Amounts in \$ millions, 2019 & 2023 values



Source: Tourism Economics

### Wisconsin visitor spending growth rates

Compared with same quarter a year ago, %



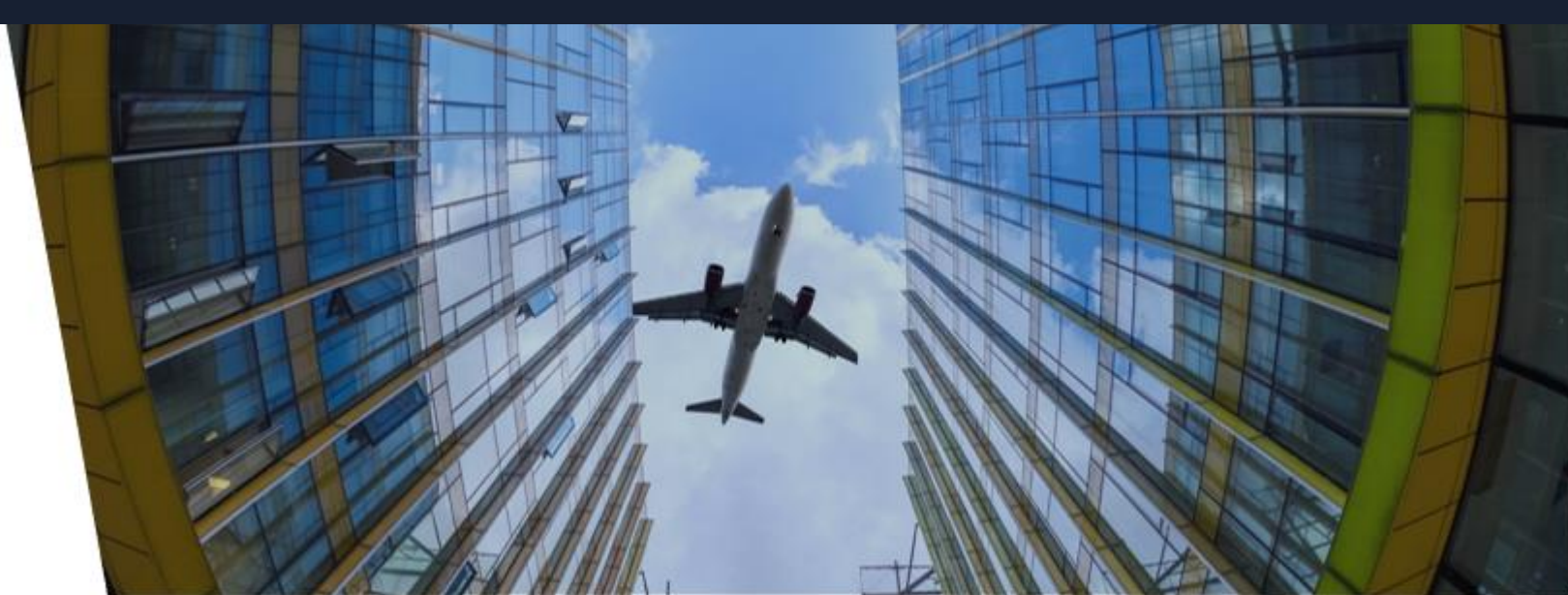
Source: Tourism Economics

### Visitor spending by quarter

Amounts in \$ millions

	Q1	Q2	Q3	Q4
2019	\$2,746	\$3,505	\$4,332	\$3,085
2020	\$2,726	\$1,743	\$3,141	\$2,194
2021	\$2,088	\$3,103	\$4,493	\$3,171
2022	\$2,726	\$3,838	\$4,855	\$3,537
2023	\$3,055	\$4,050	\$4,989	\$3,613
% Change	12.1%	5.5%	2.7%	2.1%

Source: Tourism Economics



## ECONOMIC IMPACT METHODOLOGY

Our analysis of the Wisconsin visitor economy begins with direct visitor spending and analyzes the downstream effects of this spending on the broader economy. To determine total economic impact, we input direct spending into a model of the Wisconsin economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers and quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a discrete group of sectors (such as lodging, restaurants, and transportation). This supports a relative proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by visitor spending spend those wages in the local economy. This is called the induced impact or income effect.

The Tourism Economics model calculates these three levels of impact - direct, indirect and induced - for a broad set of indicators, including:

- Spending
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

## ECONOMIC IMPACT FRAMEWORK

### DIRECT IMPACTS

Visitor spending



RETAIL



REC/ENTERTAINMENT



FOOD & BEVERAGE



TRANSPORTATION



LODGING

### INDIRECT IMPACTS

Purchases of inputs from suppliers



SUPPLY  
CHAIN  
EFFECTS



B2B GOODS &  
SERVICES  
PURCHASED

### INDUCED IMPACTS

New consumption generated by household income impacts



INCOME  
EFFECT



HOUSEHOLD  
CONSUMPTION

### TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



JOBS



INCOME



TAXES



# ECONOMIC IMPACT FINDINGS

## BUSINESS SALES IMPACTS

The total economic impact of visitor activity in Wisconsin reached \$25.0 billion, an increase of \$1.3 billion over 2022 sales. This \$25.0 billion is made up of \$15.7 billion in direct impacts – visitor spending – along with \$4.6 billion business sales in indirect impacts and another \$4.7 billion in induced impacts. The total economic impact of \$25.0 billion in the Wisconsin economy grew 5.4% more than a year earlier.

Indirect business sales grew faster than tourism sales as tourism businesses' confidence in the economy spurred spending in areas like business services and communications services.

### Summary Economic impacts (2023)

Amounts in \$ billions



Source: Tourism Economics

Note: Numbers may not add up due to rounding

## Business sales impacts by industry (2023)

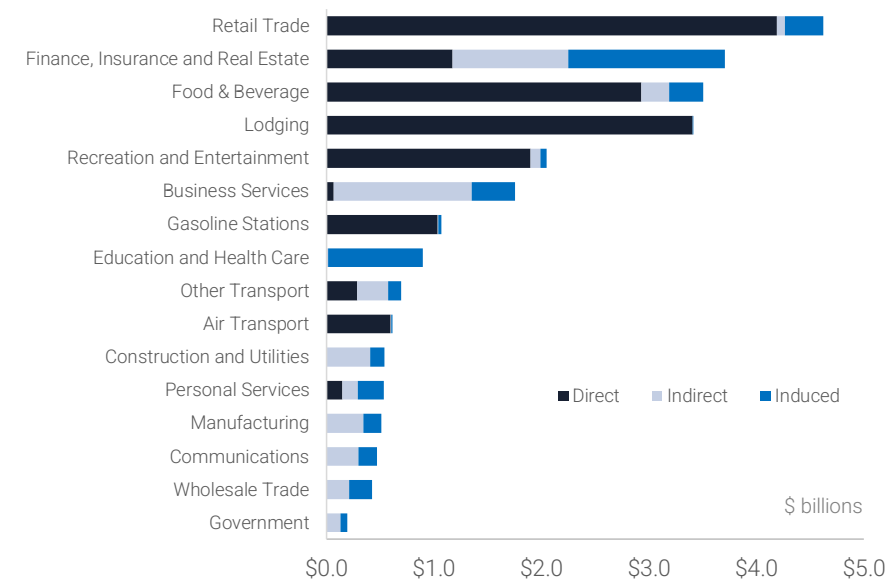
Amounts in \$ millions

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$15,707.0</b>	<b>\$4,638.9</b>	<b>\$4,657.4</b>	<b>\$25,003.3</b>
Retail Trade	\$4,188.8	\$75.5	\$353.8	\$4,618.0
Finance, Insurance and Real Estate	\$1,171.5	\$1,077.7	\$1,454.3	\$3,703.6
Food & Beverage	\$2,924.9	\$260.3	\$319.6	\$3,504.8
Lodging	\$3,403.5	\$0.9	\$1.4	\$3,405.8
Recreation and Entertainment	\$1,896.8	\$91.8	\$60.3	\$2,049.0
Business Services	\$63.2	\$1,285.6	\$400.8	\$1,749.6
Gasoline Stations	\$1,031.5	\$3.8	\$32.0	\$1,067.3
Education and Health Care	-	\$11.6	\$880.4	\$892.0
Other Transport	\$285.6	\$284.7	\$121.4	\$691.7
Air Transport	\$593.6	\$7.0	\$9.3	\$609.9
Construction and Utilities	-	\$401.9	\$135.7	\$537.6
Personal Services	\$147.5	\$139.9	\$243.1	\$530.5
Manufacturing	\$0.0	\$341.4	\$168.1	\$509.5
Communications	-	\$293.9	\$176.2	\$470.1
Wholesale Trade	-	\$207.9	\$211.3	\$419.3
Government	-	\$126.5	\$66.5	\$192.9
Agriculture, Fishing, Mining	-	\$28.4	\$23.3	\$51.7

Source: Tourism Economics

## Visitor economy business sales impacts by industry (2023)

Amounts in \$ billions



Source: Tourism Economics

## VALUE ADDED IMPACTS

The value of all visitor-supported goods & services produced in Wisconsin in 2023 for Wisconsin visitors grew to \$11.8 billion, increasing by 8.4% in 2023.

### Summary value-added impacts (2023)

Amounts in \$ billions



Source: Tourism Economics

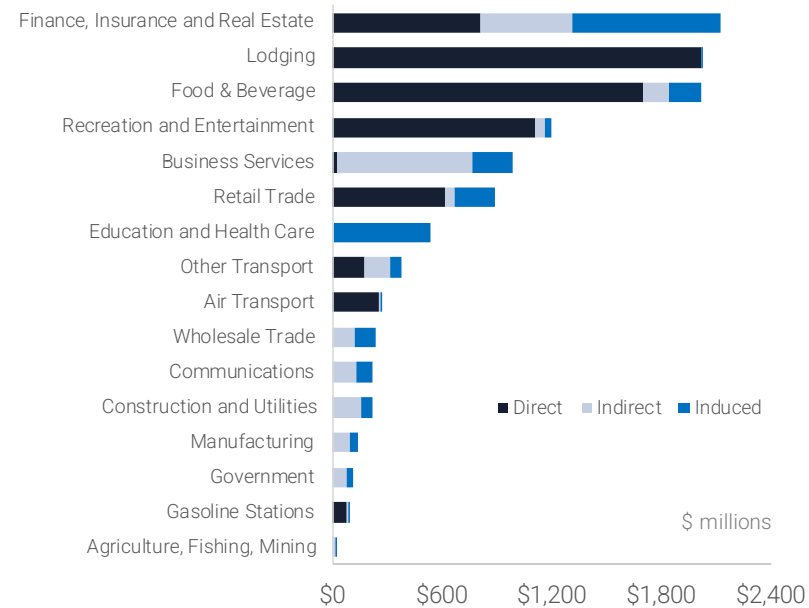
Note: Numbers may not add up due to rounding

The locally produced portion of visitor-supported sales in the finance & real estate industries added more than \$2.1 billion to state GDP in 2023.

Spending by visitor-supported workers supported more than \$530 in GDP contribution in the education and health care industries, showing how visitor activity supports businesses across the industrial spectrum.

### Visitor value-added impacts by Industry (2023)

Amounts in \$ millions



Source: Tourism Economics



### Summary value-added impacts by industry (2023)

Amounts in \$ millions

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
<b>Total, all industries</b>	<b>\$ 6,898.0</b>	<b>\$ 2,320.0</b>	<b>\$ 2,592.5</b>	<b>\$ 11,810.6</b>
Finance, Insurance and Real Estate	\$ 812.3	\$ 503.9	\$ 814.1	\$ 2,130.3
Lodging	\$ 2,019.3	\$ 0.5	\$ 0.7	\$ 2,020.5
Food & Beverage	\$ 1,700.9	\$ 138.2	\$ 177.5	\$ 2,016.6
Recreation and Entertainment	\$ 1,110.9	\$ 56.0	\$ 35.0	\$ 1,201.8
Business Services	\$ 25.7	\$ 735.4	\$ 228.8	\$ 989.9
Retail Trade	\$ 615.7	\$ 52.0	\$ 222.7	\$ 890.3
Education and Health Care	-	\$ 6.0	\$ 531.6	\$ 537.6
Other Transport	\$ 174.6	\$ 138.8	\$ 61.9	\$ 375.4
Personal Services	\$ 104.6	\$ 93.3	\$ 149.9	\$ 347.9
Air Transport	\$ 254.9	\$ 3.0	\$ 4.0	\$ 261.9
Wholesale Trade	-	\$ 120.8	\$ 118.5	\$ 239.3
Communications	-	\$ 126.5	\$ 94.4	\$ 220.8
Construction and Utilities	-	\$ 159.8	\$ 54.6	\$ 214.4
Manufacturing	-	\$ 94.3	\$ 40.3	\$ 134.6
Government	-	\$ 76.1	\$ 31.4	\$ 107.5
Gasoline Stations	\$ 79.2	\$ 2.2	\$ 15.6	\$ 97.0
Agriculture, Fishing, Mining	-	\$ 13.2	\$ 11.5	\$ 24.7

Source: Tourism Economics

## EMPLOYMENT - DIRECT IMPACTS

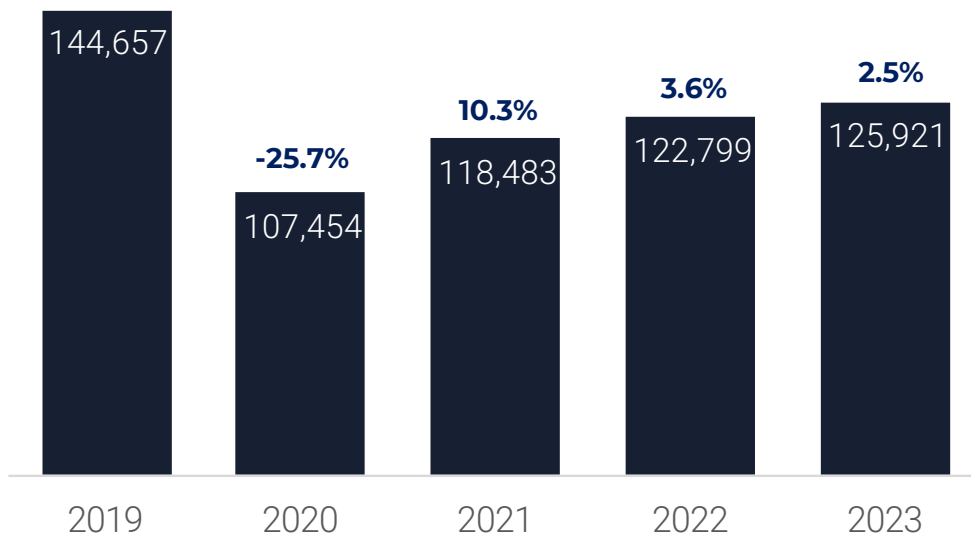
Employment directly supported by visitor activity rose 2.5% in 2023, growing to 125,921 jobs. The number of jobs jumped by more than 3,100 in 2023. Despite the increase, the number of jobs directly supported by visitors remains around 19,000 jobs below pre-pandemic levels.

Job growth in key industries in 2023 was strong, reaching 5% in lodging, 4.5% in the restaurant industry and 6% in the arts & recreation industry. Employment growth in retail and transportation industries were positive but only in the 1-3% ranges, limiting visitor-supported employment growth.

Recovery in visitor-supported jobs has been slower than spending, with visitor-supported employment levels at 87% of pre-pandemic levels compared to 115% of spending.

### Direct visitor-supported employment, Wisconsin

Amounts in number of jobs



Source: Tourism Economics



## EMPLOYMENT - RANKING

The evaluation of the direct impact of visitor activity allows for comparisons and rankings against other industries.

Comparing employment levels, were direct visitor-supported employment to be ranked against other industries, tourism would rank 13<sup>th</sup> in the state.

## EMPLOYMENT – SHARE OF KEY INDUSTRIES

Visitor activity supports a significant share of employment in several industries with 93% of lodging employment visitor-related. Visitor activity employs 30% of jobs in arts & recreational industries and 19% of all restaurant employment.

Overall, direct tourism jobs accounted for 4.1% of all jobs in Wisconsin in 2023.

## Employment in Wisconsin, by major industry

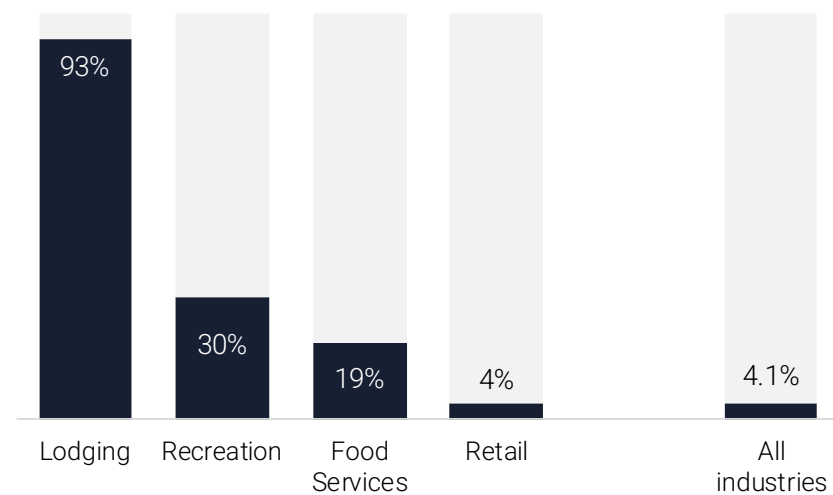
Amounts in number of jobs, direct jobs for Tourism



Source: Tourism Economics

## Visitor employment intensity

Direct jobs, visitor-supported share of industry employment



Source: BEA, BLS, Tourism Economics

## EMPLOYMENT – TOTAL IMPACTS

Visitor activity directly sustained 125,921 jobs in 2023, with an additional 52,124 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact recovered to more than 178,045 in 2023, one of every twenty-one jobs in the state

### Summary employment impacts (2023)

Amounts in number of jobs



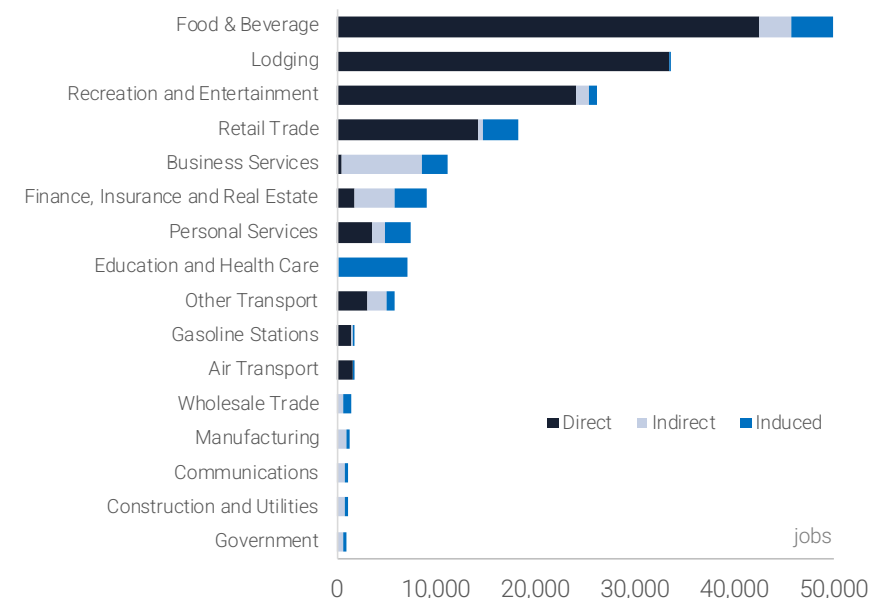
Source: Tourism Economics

Visitor spending supports the largest number of jobs in the food & beverage industry (48,885).

Spending by businesses directly impacted by visitor spending supports more than 4,000 jobs in the finance, insurance, and real estate industry.

### Visitor job Impacts by industry (2023)

Amounts in number of jobs



Source: Tourism Economics



### Summary employment Impacts by industry (2023)

Amounts in number of jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
<b>Total, all industries</b>	<b>125,921</b>	<b>24,756</b>	<b>27,368</b>	<b>178,045</b>
Food & Beverage	42,440	3,290	4,178	49,909
Lodging	33,517	17	20	33,553
Recreation and Entertainment	24,084	1,227	844	26,155
Retail Trade	14,146	586	3,591	18,322
Business Services	460	8,045	2,555	11,059
Finance, Insurance and Real Estate	1,774	4,016	3,208	8,998
Personal Services	3,485	1,361	2,502	7,348
Education and Health Care	-	127	7,007	7,135
Other Transport	2,971	2,000	881	5,852
Gasoline Stations	1,501	29	255	1,785
Air Transport	1,544	15	21	1,581
Wholesale Trade	-	669	741	1,410
Manufacturing	-	924	408	1,333
Communications	-	707	394	1,101
Construction and Utilities	-	808	290	1,098
Government	-	688	267	955
Agriculture, Fishing, Mining	-	245	206	450

Source: Tourism Economics

## LABOR INCOME IMPACTS

Visitor activity generated \$3.9 billion in direct labor income and a total of \$6.8 billion when including indirect and induced impacts. Total tourism-generated income in Wisconsin in 2023 rebounded 4.5% above 2022, \$300 million more in income to Wisconsin households.

### Summary labor income impacts (2023)

Amounts in \$ billions

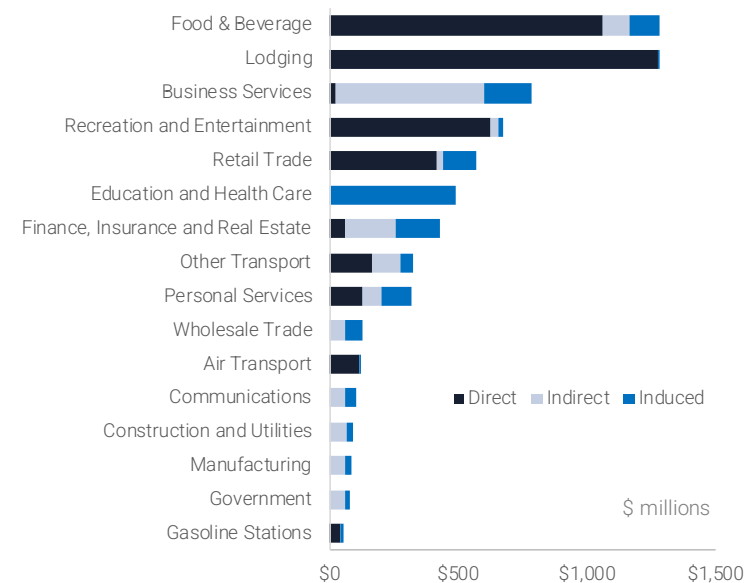


Source: Tourism Economics

There are nine industries in which visitor activity supports more than \$300 million in personal income. These range from the obvious—food & beverage and lodging, to the less obvious—business services and education & healthcare.

### Visitor labor income Impacts by industry (2023)

Amounts in \$ millions



Source: Tourism Economics



### Summary labor income impacts (2023)

Amounts in \$ millions

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
<b>Total, all industries</b>	<b>\$3,914.9</b>	<b>\$1,441.3</b>	<b>\$1,464.0</b>	<b>\$6,820.2</b>
Food & Beverage	\$ 1,063.6	\$102.0	\$117.4	\$1,283.0
Lodging	\$ 1,275.2	\$0.3	\$0.5	\$1,276.0
Business Services	\$ 24.3	\$577.7	\$181.3	\$783.3
Recreation and Entertainment	\$ 626.7	\$30.2	\$21.2	\$678.0
Retail Trade	\$ 416.7	\$24.4	\$129.0	\$570.0
Education and Health Care	-	\$5.3	\$483.5	\$488.8
Finance, Insurance and Real Estate	\$ 62.0	\$193.5	\$174.5	\$429.9
Other Transport	\$ 163.4	\$113.8	\$46.0	\$323.1
Personal Services	\$ 126.4	\$77.8	\$114.1	\$318.3
Wholesale Trade	-	\$62.3	\$65.4	\$127.7
Air Transport	\$ 113.6	\$1.2	\$1.7	\$116.5
Communications	-	\$59.3	\$41.2	\$100.6
Construction and Utilities	-	\$67.8	\$25.4	\$93.2
Manufacturing	-	\$60.0	\$26.1	\$86.2
Government	-	\$58.8	\$22.2	\$81.0
Gasoline Stations	\$ 42.9	\$1.0	\$8.4	\$52.3
Agriculture, Fishing, Mining	-	\$6.0	\$6.2	\$12.1

Source: Tourism Economics



## ECONOMIC IMPACT FINDINGS

### FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$3.0 billion in government revenues.

State and local taxes alone tallied \$1.6 billion in 2023.

Each household in Wisconsin would need to be taxed an additional \$660 to replace the visitor-generated taxes received by Wisconsin state and local governments in 2023.

#### Fiscal (tax) impacts

Amounts in \$ millions

	2019	2020	2021	2022	2023	2023 Growth
<b>Total Tax Revenues</b>	<b>\$2,905.8</b>	<b>\$2,232.0</b>	<b>\$2,601.2</b>	<b>\$2,853.8</b>	<b>\$3,004.0</b>	<b>5.3%</b>
<b>Federal Taxes</b>	<b>\$1,288.9</b>	<b>\$1,064.3</b>	<b>\$1,212.9</b>	<b>\$1,335.9</b>	<b>\$1,398.2</b>	<b>4.7%</b>
Personal Income	\$295.2	\$271.1	\$330.1	\$382.3	\$446.8	16.9%
Corporate	\$120.2	\$88.9	\$100.0	\$113.6	\$126.1	11.0%
Indirect Business	\$154.0	\$108.4	\$115.5	\$124.9	\$113.0	-9.6%
Social Insurance	\$719.5	\$595.9	\$667.3	\$715.0	\$712.4	-0.4%
<b>State and Local Taxes</b>	<b>\$1,616.9</b>	<b>\$1,167.7</b>	<b>\$1,388.2</b>	<b>\$1,518.0</b>	<b>\$1,605.8</b>	<b>5.8%</b>
Sales	\$594.6	\$420.6	\$475.9	\$527.8	\$548.8	4.0%
Bed Tax	\$120.8	\$70.5	\$118.6	\$150.7	\$159.7	6.0%
Personal Income	\$141.5	\$114.6	\$147.8	\$160.8	\$165.1	2.6%
Corporate	\$168.9	\$79.9	\$82.0	\$88.8	\$93.3	5.1%
Social Insurance	\$13.3	\$8.7	\$7.5	\$7.6	\$7.3	-4.0%
Excise and Fees	\$144.5	\$56.3	\$63.2	\$69.3	\$73.2	5.6%
Property	\$433.3	\$417.1	\$493.4	\$513.0	\$558.4	8.9%

Source: Tourism Economics



## ECONOMIC IMPACT FINDINGS

### FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$1.6 billion for state and local governments in 2023.

Local governments received \$820 million in tax revenues from visitor activities with property taxes and bed taxes the largest revenue streams. Tax revenues grew by \$60 million.

The state received \$787 million from the economic activity related to visitors. Tax revenues grew by \$30 million with sales tax and income tax receipts making up the majority of state revenues.

#### Fiscal (tax) impacts

Amounts in \$ millions

	2019	2020	2021	2022	2023
<b>State &amp; Local Revenues</b>	<b>\$1,616.9</b>	<b>\$1,167.7</b>	<b>\$1,388.2</b>	<b>\$1,518.0</b>	<b>\$1,605.8</b>
<b>State Taxes</b>	<b>\$900.2</b>	<b>\$602.5</b>	<b>\$688.8</b>	<b>\$757.9</b>	<b>\$786.6</b>
Sales	\$549.6	\$388.8	\$439.9	\$487.8	\$507.3
Bed Tax	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Personal Income	\$141.5	\$114.6	\$147.8	\$160.8	\$165.1
Corporate	\$168.9	\$79.9	\$82.0	\$88.8	\$93.3
Social Insurance	\$13.3	\$8.7	\$7.5	\$7.6	\$7.3
Excise and Fees	\$27.0	\$10.5	\$11.8	\$12.9	\$13.6
Property	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Local Taxes</b>	<b>\$716.7</b>	<b>\$565.2</b>	<b>\$699.4</b>	<b>\$760.0</b>	<b>\$819.2</b>
Sales	\$45.0	\$31.9	\$36.0	\$40.0	\$41.6
Bed Tax	\$120.8	\$70.5	\$118.6	\$150.7	\$159.7
Personal Income	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Corporate	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Social Insurance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Excise and Fees	\$117.6	\$45.8	\$51.4	\$56.4	\$59.5
Property	\$433.3	\$417.1	\$493.4	\$513.0	\$558.4

Source: Tourism Economics



# ECONOMIC IMPACTS IN CONTEXT



## **\$25.0B ECONOMIC IMPACT**

The \$25 billion in total business sales supported by visitors in Wisconsin is larger than the revenue of the NFL (\$20 billion).



## **\$750M VISITOR SPENDING INCREASE**

The \$750 million increase in visitor spending would buy about 105 million pounds of Wisconsin bratwurst – enough to provide 80% of all US households with a pound of brats.



## **178,045 TOTAL JOBS**

The total number of jobs sustained by tourism would employ every resident of Winnebago County, the 7th largest county in Wisconsin.



## **\$1.6B STATE & LOCAL TAXES**

Each household in Wisconsin would need to be taxed an additional \$660 to replace the visitor taxes received by the state and local governments in 2023.

## Glossary – Spending Definitions

Term	Description
Lodging	Includes visitor spending on lodging services. This includes commercial hotels, short-term rentals and other services provided by hotels, rentals and similar establishments.
Food and beverage	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
Recreation/ Entertainment	Includes visitor spending on arts, entertainment, recreation, personal services and other recreational activities.
Retail	Includes visitor spending on non-food, non-transportation shopping activities within the local economy.
Transportation	Includes visitor spending on local transport services such as gasoline, taxis, limos, trains, rental cars, buses, and the local share of air transportation spending.
Second homes	Where applicable, spending associated with the upkeep of seasonal second homes for recreational use as defined by the Census Bureau.
Visitor trip/Visits	Any journey staying overnight or a day journey involving travel of more than 50 miles from home. The measure used for visitor counts is a 'person-trip' – one trip taken by one visitor.

### Methodology note

We acknowledge the critical role Wisconsin's tribes play in enriching Wisconsin's tourism offering and bringing in travelers to Wisconsin. The survey data used in this analysis encompasses all visits to Wisconsin. However, because tribal tourism data is private, this analysis is unable to confirm the precise magnitude of these activities. As a result, the total economic impact of tribal tourism may not be wholly reflected in this report.

## Glossary – Economic Impact Definitions

Term	Description
Direct Impact	Impacts (business sales, jobs, income, and taxes) created directly from spending by visitors to a destination within a discreet group of tourism-related sectors (e.g. rec./entmt., trans., lodging).
Indirect Impact	Impacts created from purchase of goods and services used as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected tourism-related sectors (i.e. economic effects stemming from business-to-business purchases in the supply chain).
Induced Impact	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor spending.
Total Impact	Direct + Indirect + Induced impacts. Total business sales impact commonly referred to as total economic impact.
Employment	Jobs directly and indirectly supported by visitor activity (includes part-time and seasonal work). One job is defined as one person working at least one hour per week for fifty weeks during the calendar year.
Labor income	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
Value Added (GDP)	The economic enhancement a company gives its products or services before offering them to customers.
Local Taxes	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenues streams of local governmental authorities – from transportation to sanitation to general government.
State Taxes	State tax revenues generated by visitor spending. This will include sales, income, corporate, usage fees and other assessments of state governments.

## ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, London, Frankfurt, Ontario, and Sydney.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 600 full-time staff, including 350+ professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

For more information:

[admin@tourismeconomics.com](mailto:admin@tourismeconomics.com)