

Economic Impact of Meetings in Wisconsin

October 2024

Prepared for: Wisconsin Department of Tourism



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INTRODUCTION

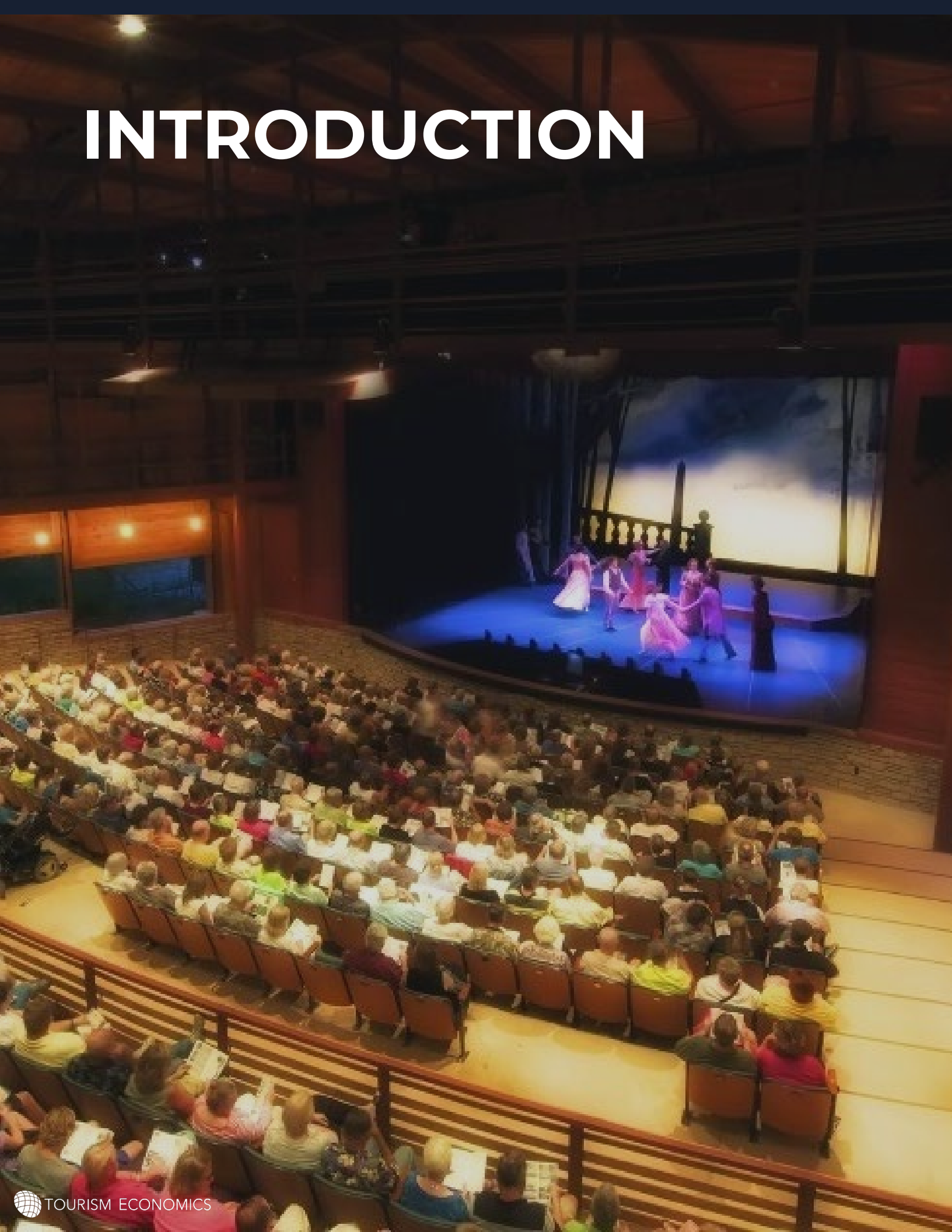
Research Overview

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.

Travel Wisconsin commissioned Tourism Economics to measure the economic value of meetings for the State of Wisconsin in 2019 and 2023:

To quantify the economic significance of this market segment in Wisconsin, Tourism Economics prepared a comprehensive model for using multiple primary and secondary data sources.

Impact modeling was based on an IMPLAN Input-Output (I-O) model for the State of Wisconsin economy. The results of this study show the scope of the segment's impact in terms of direct visitor spending and operations, as well as total economic impacts, including employment, household income, and fiscal (tax) impacts.



Economic Impacts Methodology

Tourism Economics estimated the economic impacts for the visitor market segment; direct spending using regional Input-Output (I-O) model based on a customized IMPLAN (www.implan.com) model for the State of Wisconsin economy. IMPLAN is recognized as an industry standard in local-level I-O models.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers to track the flow of industry revenue to wages, profits, capital, taxes and suppliers. The supply chain is traced as dollars flow through the economy, representing indirect impacts. The model also calculates the induced impacts of spending. Induced impacts represent benefits to the economy as incomes earned as a result of direct spending are spent in the local economy, generating additional sales, jobs, taxes, and income.

The modeling process begins with aligning the direct expenditure measurements with the related sectors in the model (e.g. hotels, restaurants, retail, and recreation). The model is then run to trace the flow of these expenditures through the economy. In this process, the inter-relationships between consumers and industries generate each level of impact. IMPLAN calculates three levels of impact – direct, indirect, and induced – for a broad set of indicators.

These include the following:

- Business sales (also called gross output)
- Household income (including wages and benefits)
- Employment
- Federal taxes
- State and local taxes

ECONOMIC IMPACTS FRAMEWORK



KEY FINDINGS



Economic Impact of Meetings in Wisconsin: Key Findings (2023)

Direct Spending Impacts (2023)

The meetings sector generated significant economic impacts in the State of Wisconsin as meeting organizers and venues spent money to sustain operations, including spending on payroll, event operations, and general and administrative expenses.

In addition, travelers that attended a meeting spent money while at the event and at off-site establishments during their stay in Wisconsin, including at local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the meetings sector amounted to \$3.1 billion in 2023.



Total Economic Impact (2023)

The meetings sector’s direct spending impact of \$3.1 billion generated a total economic impact of \$5.9 billion in Wisconsin’s economy, which supported 39,068 part-time and full-time jobs and generated \$439.0 million in state and local taxes.



SUMMARY ECONOMIC IMPACTS (\$ millions and number of employees)

	2019	2023
Total business sales	\$4,961.7	\$5,858.7
Direct business sales	\$2,645.0	\$3,123.0
Visitor spending	\$949.6	\$1,121.2
Meetings operations	\$1,695.4	\$2,001.7
Total personal income	\$1,637	\$1,907
Direct personal income	\$894	\$1,041
Total employment	40,322	39,068
Direct employment	25,155	24,141
Total taxes	\$726.3	\$878.4
Total state & local taxes	\$388.2	\$439.0
Total federal taxes	\$338.1	\$439.4
Direct taxes	\$383.4	\$467.3
Direct state & local taxes	\$203.8	\$234.5
Direct federal taxes	\$179.6	\$232.9

Source: Tourism Economics
Note: totals may not sum due to rounding.

ECONOMIC IMPACTS: MEETINGS



DIRECT IMPACTS

The meetings sector generated \$3.1 billion in direct spending impacts in the State of Wisconsin in 2023.

This section outlines the meetings sector's direct impacts, for 2019 and 2023 which ultimately serve as inputs for the economic impact model. The meetings sector's direct impacts are separated into two spending categories:

1. Spending at off-site establishments in the local economy by meeting participants
2. Meetings operations

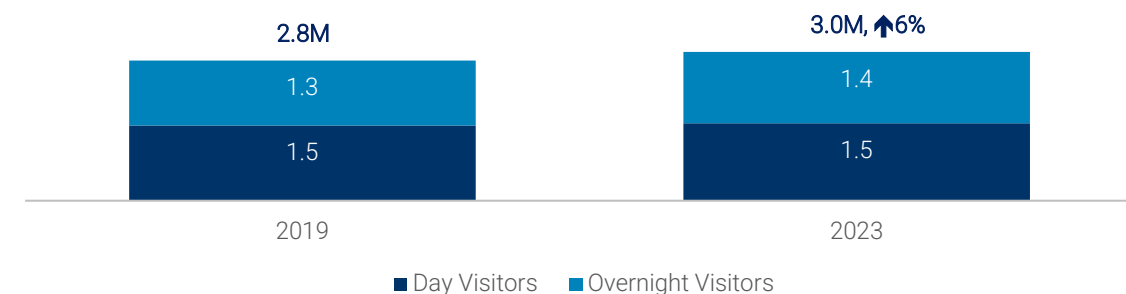
For purposes of this report, meetings are defined as a gathering of 10 or more participants for a minimum of four hours in a contracted venue. This includes business events but excludes social, educational (formal educational activities at primary, secondary, and university level education), and recreational activities. Consumer exhibitions are included.

Direct Impacts: Meetings Meetings Travel Volume and Spending

Meetings Travel Volume

In 2023, 3.0 million travelers attended a meeting in State of Wisconsin. Approximately half (48%) of the 3.0 million meetings travelers stayed overnight in the host community and 52% visited for the day. These meetings travelers spent money while at the meetings venue and at off-site establishments in the local economy, including local restaurants, hotels, retailers, and recreation / entertainment venues.

Meetings traveler levels and four-year growth
(millions of travelers and 2019 – 2023 percentage change)



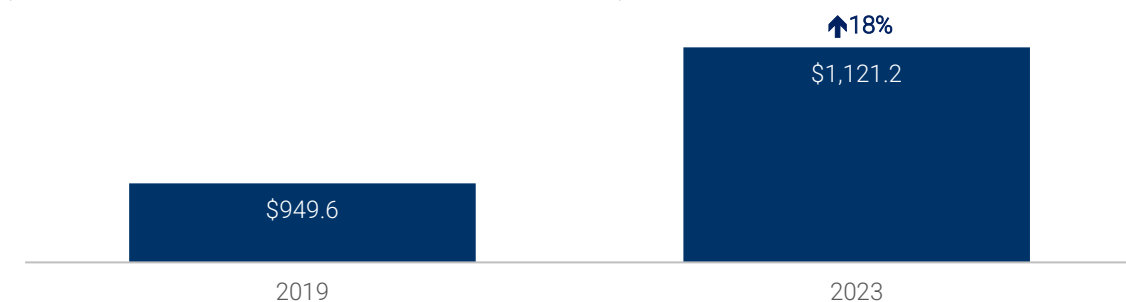
Sources: Longwoods International, Events Industry Council, U.S. Travel Association, STR

Note: totals may not sum due to rounding.

Meetings-Related Travel Spending

In 2023, the 3.0 million meetings travelers spent \$1.1 billion in the State of Wisconsin. Spending by meetings travelers increased at a faster pace than the volume of meetings travelers between 2019 and 2023, increasing 18% over the four-year period from \$949.6 million to \$1.1 billion.

Meetings-related travel spending and four-year growth
(\$ billions and 2019 – 2023 percentage change)



Sources: Longwoods International, Events Industry Council, U.S. Travel Association, STR

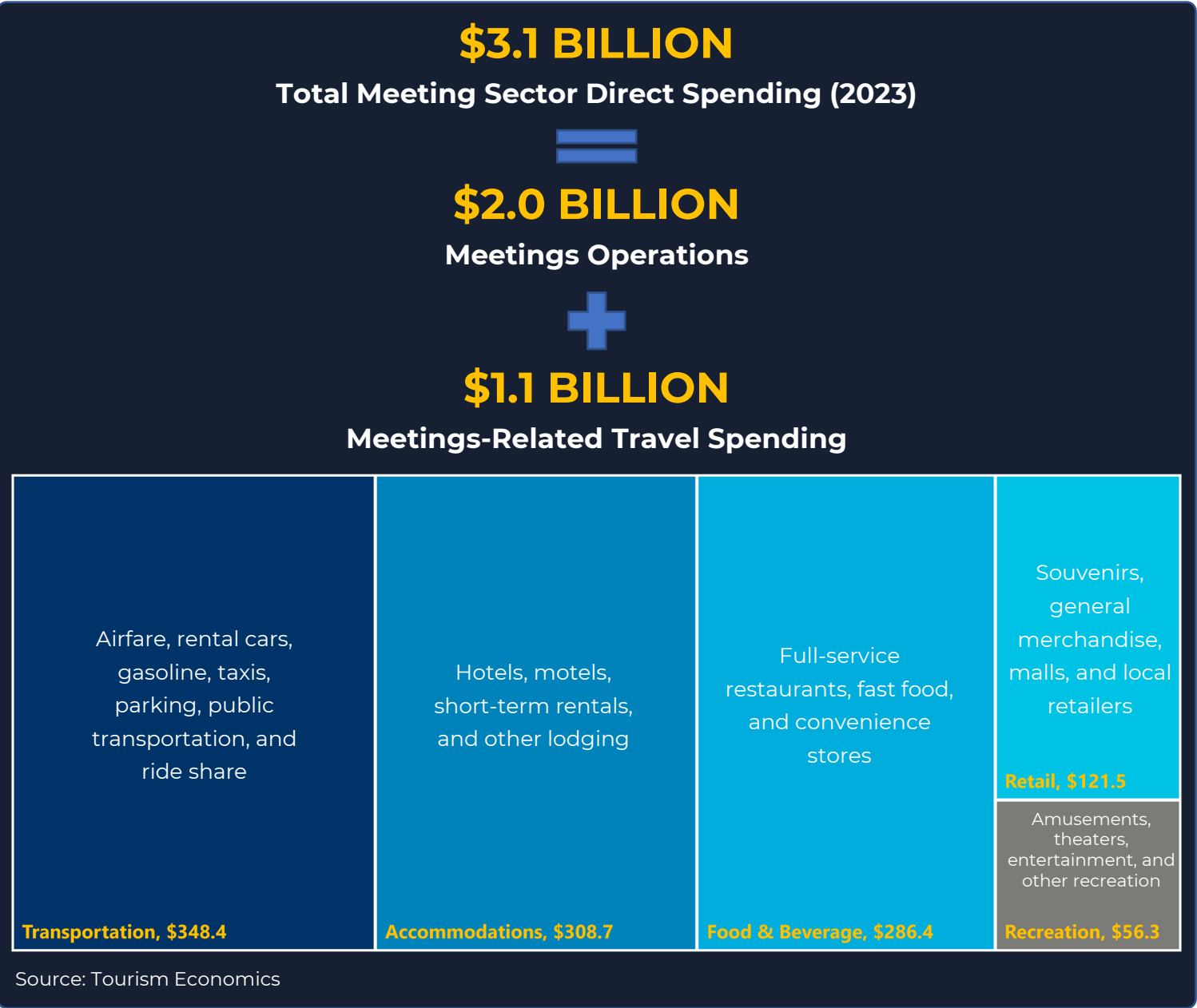
Direct Impacts: Meetings

Meetings-Related Travel Spending (2023)

Meetings-Related Travel Spending (2023)

Meetings travelers, meeting organizers, and venues spent \$1.1 billion on meetings operations, \$348.4 million on transportation, and \$308.7 million on lodging in 2023. Food and beverages, retail, and recreation rounded out spending, registering \$286.4 million, \$121.5 million, and \$56.3 million, respectively.

On average, day-tripper meetings travelers spent \$139 per person per meeting and overnight meetings travelers spent \$473 per person per meeting in 2023.



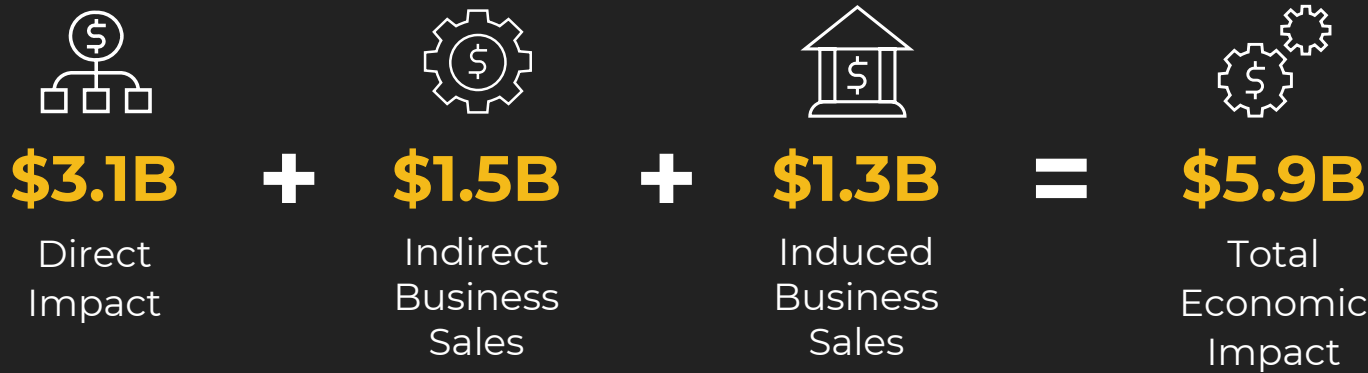
Economic Impacts: Meetings (2023)

Business Sales by Industry

The meetings sector generated a total economic impact of \$5.9 billion in the State of Wisconsin in 2023.

The \$3.1 billion in meetings operational spending and off-site spending by out-of-town meeting participants generated \$1.5 billion in indirect expenditures (purchases of inputs from suppliers) and \$1.3 billion in induced expenditures (new consumption generated by household income impacts), resulting in a total economic impact of \$5.9 billion.

Business Sales Impacts: Meetings (2023)



Note: totals may not sum due to rounding.

ECONOMIC IMPACTS: MEETINGS

BUSINESS SALES BY INDUSTRY (\$ MILLIONS), 2023

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$3,123.0	\$1,461.7	\$1,274.1	\$5,858.7
By industry				
Business Services	\$1,099.7	\$465.0	\$113.3	\$1,678.0
Finance, Insurance and Real Estate	\$912.4	\$376.8	\$363.2	\$1,652.4
Food & Beverage	\$286.4	\$92.8	\$97.3	\$476.5
Lodging	\$308.7	\$0.9	\$2.7	\$312.3
Retail Trade	\$121.5	\$15.5	\$108.7	\$245.7
Education and Health Care		\$3.6	\$238.4	\$242.0
Air Transport	\$232.0	\$4.4	\$2.7	\$239.1
Communications		\$116.2	\$58.0	\$174.2
Construction and Utilities		\$122.3	\$34.7	\$157.0
Other Transport	\$26.4	\$60.8	\$33.9	\$121.1
Wholesale Trade		\$53.6	\$64.6	\$118.2
Manufacturing		\$64.1	\$38.0	\$102.0
Personal Services		\$31.9	\$66.5	\$98.4
Gasoline Stations	\$79.6	\$0.8	\$9.4	\$89.8
Recreation and Entertainment	\$56.3	\$16.1	\$16.6	\$89.0
Government		\$32.3	\$19.1	\$51.5
Agriculture, Fishing, Mining		\$4.7	\$6.8	\$11.5

Source: Tourism Economics
Note: totals may not sum due to rounding.

Economic Impacts: Meetings (2023)

Employment Impacts by Industry

The meetings sector supported 39,068 part-time and full-time jobs in the State of Wisconsin in 2023.

The meetings operational spending and off-site spending by out-of-town meeting participants directly supported 24,141 full-time and part-time jobs in 2023. Indirect and induced impacts generated 7,817 indirect jobs and 7,109 induced jobs.

Economic Impacts: Meetings
Employment Impacts by Industry, 2023 (number of jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	24,141	7,817	7,109	39,068
By industry				
Business Services	12,290	3,098	687	16,075
Finance, Insurance and Real Estate	4,184	1,434	830	6,447
Food & Beverage	2,802	1,148	1,080	5,030
Lodging	3,041	10	33	3,085
Education and Health Care		38	1,868	1,906
Retail Trade	403	122	922	1,447
Recreation and Entertainment	704	168	209	1,081
Other Transport	206	583	255	1,045
Personal Services		272	626	898
Air Transport	454	9	5	468
Construction and Utilities		248	66	315
Wholesale Trade		139	164	303
Communications		177	107	283
Manufacturing		187	88	275
Government		157	65	222
Gasoline Stations	56	5	57	118
Agriculture, Fishing, Mining		22	46	68

Source: Tourism Economics
Note: totals may not sum due to rounding.

Economic Impacts: Meetings (2023)

Labor Income Impacts by Industry

The meetings sector generated \$1.9 billion in total labor income in the State of Wisconsin in 2023.

The meetings operational spending and off-site spending by out-of-town meeting participants generated \$1.0 billion in direct personal income, \$460.3 million in indirect labor income, and \$405.8 million in induced personal income, resulting in \$1.9 billion in total labor income in 2023.

Economic Impacts: Meetings
Labor Income Impacts by Industry, 2023 (\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
Total, all industries	\$1,041.0	\$460.3	\$405.8	\$1,907.1
By industry				
Business Services	\$619.8	\$210.1	\$51.1	\$881.0
Finance, Insurance and Real Estate	\$121.6	\$72.2	\$49.3	\$243.1
Food & Beverage	\$85.0	\$35.9	\$33.7	\$154.5
Education and Health Care		\$1.6	\$134.6	\$136.2
Lodging	\$127.7	\$0.5	\$1.7	\$129.9
Retail Trade	\$13.1	\$4.8	\$33.6	\$51.4
Other Transport	\$9.6	\$27.3	\$13.2	\$50.0
Personal Services		\$16.6	\$30.6	\$47.2
Air Transport	\$40.7	\$0.8	\$0.5	\$41.9
Recreation and Entertainment	\$21.5	\$5.3	\$5.9	\$32.7
Communications		\$19.3	\$13.0	\$32.3
Wholesale Trade		\$14.1	\$16.7	\$30.8
Construction and Utilities		\$22.2	\$6.0	\$28.2
Government		\$14.7	\$5.9	\$20.7
Manufacturing		\$14.1	\$6.5	\$20.6
Gasoline Stations	\$2.0	\$0.2	\$2.1	\$4.3
Agriculture, Fishing, Mining		\$0.8	\$1.5	\$2.3

Source: Tourism Economics
Note: totals may not sum due to rounding.

Fiscal Impacts: Meetings (2023)

Tax Generation

The meetings sector generated \$878.4 million in federal, state, and local governmental revenue.

The meetings operational spending and off-site spending by out-of-town meeting participants generated a total fiscal (tax) impact of \$878.4 million.

The State of Wisconsin government collected \$293.8 million, and the local governments collected \$145.3 million as a result of the meetings sector in 2023.

Fiscal Impacts: Meetings
State and Local Tax Revenue, 2023 (\$ millions)

	State	Local	Total
Total taxes	\$293.8	\$145.3	\$439.0
Sales	\$217.4	\$30.4	\$247.8
Bed Tax	\$0.0	\$10.9	\$10.9
Personal Income	\$43.6	\$0.0	\$43.6
Corporate	\$20.1	\$0.0	\$20.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$11.7	\$3.2	\$15.0
Property	\$0.9	\$100.7	\$101.6

Source: Tourism Economics

Note: totals may not sum due to rounding.

FISCAL IMPACTS: MEETINGS
TOTAL TAX REVENUES (\$ MILLIONS), 2023

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$467.3	\$411.1	\$878.4
Federal	\$232.9	\$206.5	\$439.4
Personal Income	\$99.7	\$81.7	\$181.4
Corporate	\$13.1	\$21.3	\$34.5
Indirect Business	\$4.5	\$4.1	\$8.6
Social Insurance	\$115.5	\$99.4	\$214.9
State and Local	\$234.5	\$204.6	\$439.0
Sales	\$130.5	\$117.3	\$247.8
Bed Tax	\$10.9	\$0.0	\$10.9
Personal Income	\$23.9	\$19.7	\$43.6
Corporate	\$7.7	\$12.5	\$20.1
Social Insurance	\$0.0	\$0.0	\$0.1
Excise and Fees	\$8.0	\$7.0	\$15.0
Property	\$53.5	\$48.1	\$101.6

Source: Tourism Economics

Note: totals may not sum due to rounding.

Economic Impacts By Year

2019 and 2023

The meetings sector generated significant impact throughout the State of Wisconsin in 2019 and 2023.

In 2019, the meetings sector in the State of Wisconsin generated a total economic impact of \$5.0 billion, which included \$1.6 billion in total labor income, supported 40,322 part-time and full-time jobs, and generated \$388.2 million in state and local tax revenues.

In 2023, the meetings sector in the State of Wisconsin generated a total economic impact of \$5.9 billion, which included \$1.9 billion in total labor income, supported 39,068 part-time and full-time jobs, and generated \$439.0 million in state and local tax revenues.

SUMMARY ECONOMIC IMPACTS

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About the Research Team



Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become 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.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics in order to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

Oxford Economics employs 400 full-time staff, including 250 professional economists and analysts. 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.

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