

# Economic Impact of Sports Tourism in Wisconsin

October 2024

Prepared for: Wisconsin Department of Tourism





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# INTRODUCTION

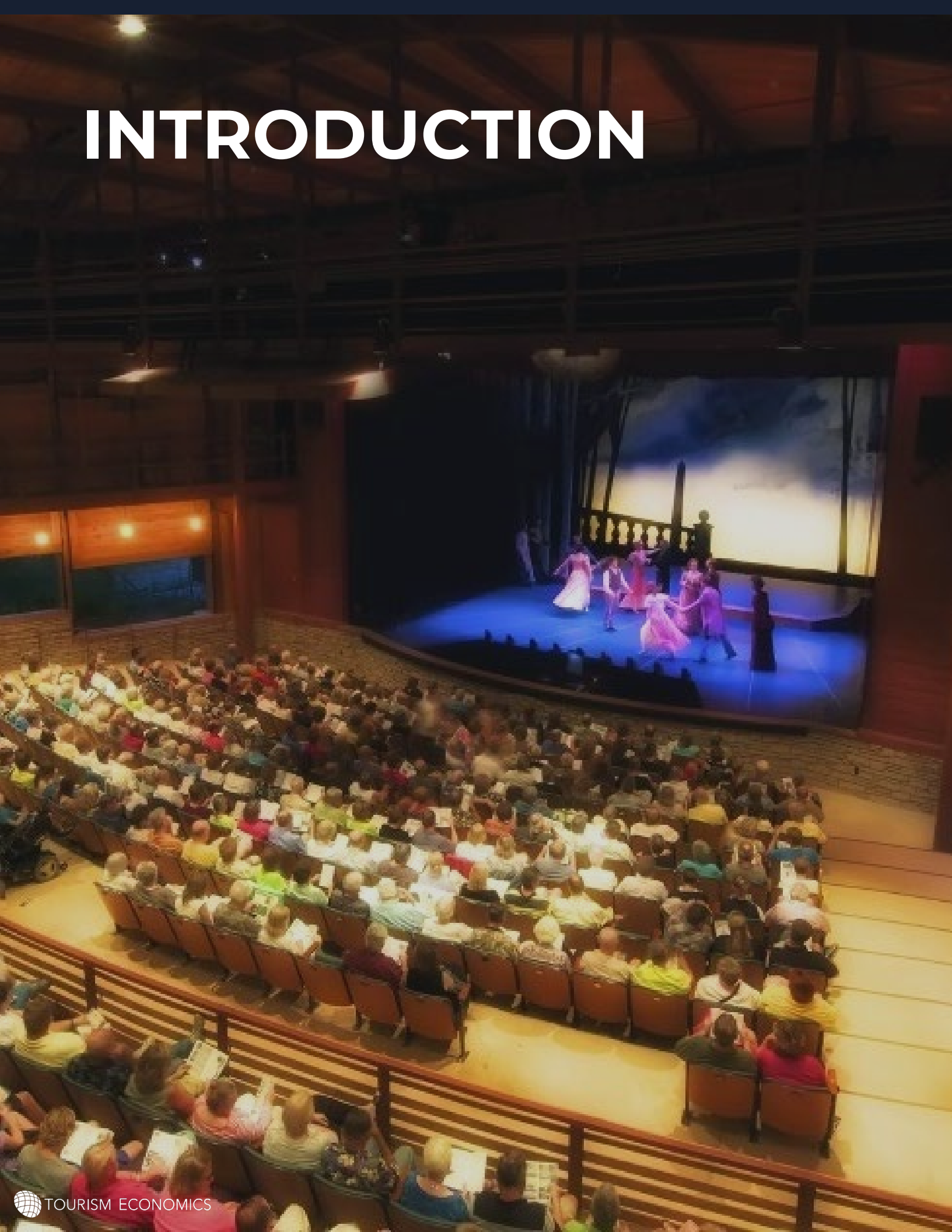
## Research Overview

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 sports tourism 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

**DIRECT IMPACTS**  
Wisconsin four visitor market segments measured by visitor spending and operations



RETAIL



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING



OPERATIONS

**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



SALES



GDP



JOBS



INCOME



TAXES



# KEY FINDINGS





# Economic Impact of Sports Tourism in Wisconsin: Key Findings (2023)

## Direct Spending Impacts (2023)

The sports tourism sector generated significant economic impacts in the State of Wisconsin as event rights holders and sports venues spent money to sustain tournament operations, including spending on payroll, event operations, and general and administrative expenses.

In addition, travelers that attended a sports event – either as a participant or spectator – spent money while at the sports 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 sports tourism sector amounted to \$1.1 billion in 2023.



## Total Economic Impact (2023)

The sports tourism sector’s direct spending impact of \$1.1 billion generated a total economic impact of \$1.8 billion in Wisconsin’s economy, which supported 12,447 part-time and full-time jobs and generated \$134.5 million in state and local taxes.



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

	2019	2023
Total business sales	\$1,409.4	\$1,838.6
Direct business sales	\$849.0	\$1,123.5
Visitor spending	\$768.8	\$1,025.9
Tournament operations	\$80.2	\$97.6
Total personal income	\$416.8	\$533.4
Direct personal income	\$233.8	\$303.2
Total employment	11,739	12,447
Direct employment	8,054	8,514
Total taxes	\$195.8	\$260.7
Total state & local taxes	\$106.7	\$134.5
Total federal taxes	\$89.1	\$126.3
Direct taxes	\$123.0	\$166.3
Direct state & local taxes	\$72.9	\$94.8
Direct federal taxes	\$50.1	\$71.5

Source: Tourism Economics

Note: totals may not sum due to rounding.



# ECONOMIC IMPACTS: SPORTS TOURISM





# DIRECT IMPACTS

**The sports tourism sector generated \$1.1 billion in direct spending impacts in the State of Wisconsin in 2023.**

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

1. Spending at off-site establishments in the local economy by sport's participants and spectators
2. Tournament operations

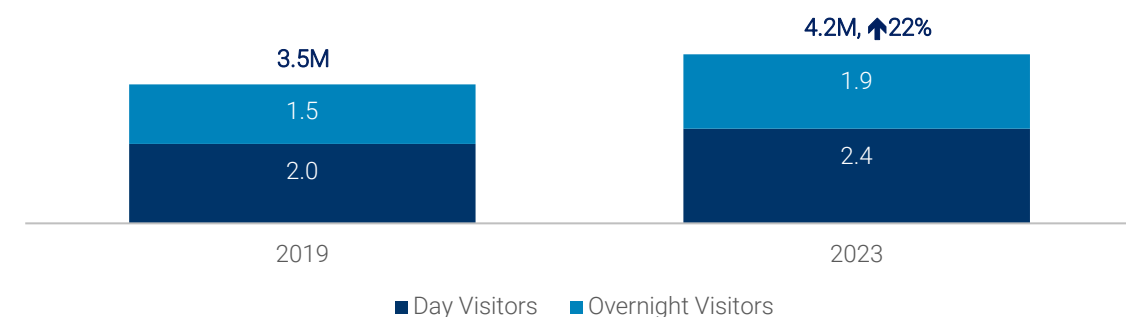
For purposes of this report, "sports tourism" includes adult and youth amateur events and collegiate tournaments. The economic impact analyses conducted within the report exclude professional sports and collegiate regular season games.

## Direct Impacts: Sports Tourism Travel Volume and Spending

### Sports-Related Travel Volume

In 2023, 4.2 million sports travelers attended a sports tournament, race, or other event – either as a participant or spectator – in Wisconsin. Over half (56%) of the 4.2 million sports travelers visited the host community for the day and 44% stayed overnight (an increase from the 43% that stayed overnight in 2019). These sports travelers spent money while at the sports venue and at off-site establishments in the local economy, including local restaurants, hotels, retailers, and recreation / entertainment venues.

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



Sources: Longwoods International, Wisconsin DMOs, U.S. Travel Association

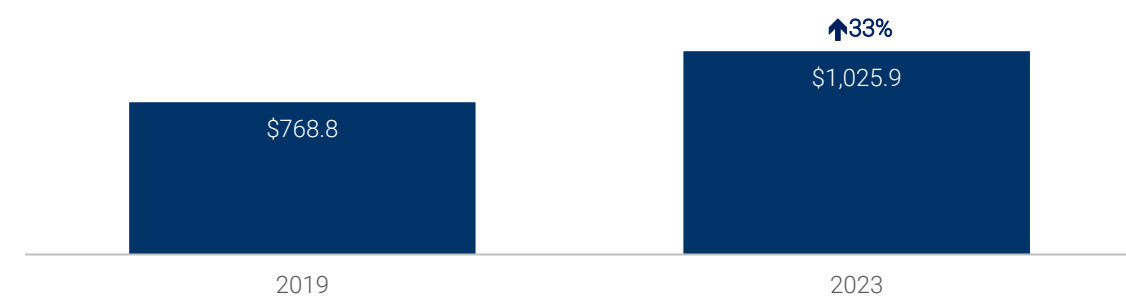
Note: totals may not sum due to rounding.

### Sports-Related Travel Spending

In 2023, the 4.2 million sports travelers spent \$1.0 billion in the State of Wisconsin.

Spending by sports travelers increased at a faster pace than the volume of sports travelers between 2019 and 2023, increasing 33% over the four-year period from \$768.8 million to \$1.0 billion.

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



Sources: Longwoods International, Wisconsin DMOs, U.S. Travel Association



## Direct Impacts: Sports Tourism

### Sports-Related Travel Spending (2023)

## Sports-Related Travel Spending (2023)

Sports travelers, event rights holders, and sports venues spent \$314.7 million on transportation, \$264.2 million on food and beverages, and \$185.6 million on retail. Lodging, tournament operations, and recreation rounded out spending, registering \$167.8 million, \$97.6 million, and \$93.5 million, respectively.

On average, day-tripper sports travelers spent \$97 per person per event and overnight sports travelers spent \$319 per person per event in 2023.



Airfare, rental cars, gasoline, taxis, parking, public transportation, and ride share	Full-service restaurants, fast food, and convenience stores	Souvenirs, general merchandise, malls, and local retailers	Hotels, motels, short-term rentals, and other lodging
Transportation, \$314.7	Food & Beverage, \$264.2	Retail, \$185.6	Accommodations, \$167.8
			Amusements, theaters, entertainment, and other recreation
			Recreation, \$93.5

Source: Tourism Economics

## SPORTS-RELATED TRAVEL SPENDING (\$ millions)

	2019	2023
Total spending	\$849.0	\$1,123.5
Lodging	\$117.7	\$167.8
Food & beverage	\$202.2	\$264.2
Retail	\$145.9	\$185.6
Recreation	\$71.3	\$93.5
Transportation	\$231.8	\$314.7
Tournament operations	\$80.2	\$97.6

Source: Tourism Economics

Note: totals may not sum due to rounding.



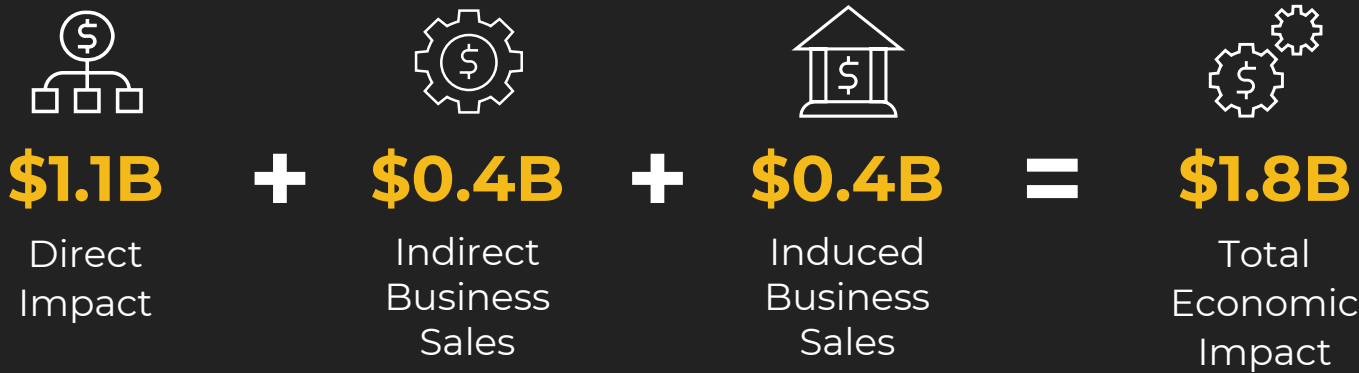
# Economic Impacts: Sports Tourism (2023)

## Business Sales by Industry

The sports tourism sector generated a total economic impact of \$1.8 billion in the State of Wisconsin in 2023.

The \$1.1 billion in tournament operational spending and off-site spending by out-of-town spectators and participants generated \$359.1 million in indirect expenditures (purchases of inputs from suppliers) and \$356.1 million in induced expenditures (new consumption generated by household income impacts), resulting in a total economic impact of \$1.8 billion.

### Business Sales Impacts: Sports Tourism (2023)



Note: totals may not sum due to rounding.

### ECONOMIC IMPACTS: SPORTS TOURISM

#### BUSINESS SALES BY INDUSTRY (\$ MILLIONS), 2023

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$1,123.5	\$359.1	\$356.1	\$1,838.6
By industry				
Food & Beverage	\$264.2	\$24.1	\$27.2	\$315.6
Retail Trade	\$185.6	\$4.8	\$30.4	\$220.8
Air Transport	\$204.0	\$0.6	\$0.8	\$205.3
Finance, Insurance and Real Estate	\$9.9	\$81.4	\$101.5	\$192.8
Business Services	\$44.0	\$99.6	\$31.7	\$175.3
Lodging	\$167.8	\$0.1	\$0.7	\$168.6
Recreation and Entertainment	\$147.1	\$10.2	\$4.6	\$162.0
Gasoline Stations	\$75.7	\$0.4	\$2.6	\$78.7
Education and Health Care		\$1.2	\$66.6	\$67.9
Other Transport	\$25.1	\$26.0	\$9.5	\$60.5
Communications		\$26.2	\$16.2	\$42.4
Wholesale Trade		\$18.4	\$18.1	\$36.5
Construction and Utilities		\$22.1	\$9.7	\$31.8
Manufacturing		\$20.8	\$10.6	\$31.5
Personal Services		\$10.1	\$18.6	\$28.6
Government		\$10.8	\$5.4	\$16.2
Agriculture, Fishing, Mining		\$2.2	\$1.9	\$4.1

Source: Tourism Economics

Note: totals may not sum due to rounding.



# Economic Impacts: Sports Tourism (2023)

## Employment Impacts by Industry

The sports tourism sector supported 12,447 part-time and full-time jobs in the State of Wisconsin in 2023.

The tournament operational spending and off-site spending by out-of-town spectators and participants directly supported 8,514 full-time and part-time jobs in 2023. Indirect and induced impacts generated 1,946 indirect jobs and 1,987 induced jobs.

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

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	8,514	1,946	1,987	12,447
By industry				
Food & Beverage	2,585	312	302	3,200
Recreation and Entertainment	2,419	103	58	2,581
Lodging	1,653	1	9	1,663
Business Services	549	586	192	1,326
Retail Trade	615	39	258	912
Finance, Insurance and Real Estate	44	341	232	616
Education and Health Care		13	522	535
Other Transport	196	223	71	490
Air Transport	399	1	1	402
Personal Services		91	175	265
Wholesale Trade		48	46	94
Manufacturing		53	25	77
Communications		42	30	72
Gasoline Stations	54	2	16	72
Government		47	18	65
Construction and Utilities		33	19	51
Agriculture, Fishing, Mining		11	13	24

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

# Economic Impacts: Sports Tourism (2023)

## Labor Income Impacts by Industry

The sports tourism sector generated \$533.4 million in total labor income in the State of Wisconsin in 2023.

The tournament operational spending and off-site spending by out-of-town spectators and participants generated \$303.2 million in direct personal income, \$116.7 million in indirect labor income, and \$113.4 million in induced personal income, resulting in \$533.4 million in total labor income in 2023.

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

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
Total, all industries	\$303.2	\$116.7	\$113.4	\$533.4
By industry				
Food & Beverage	\$78.4	\$9.9	\$9.4	\$97.7
Business Services	\$27.8	\$45.3	\$14.3	\$87.3
Lodging	\$69.4	\$0.1	\$0.5	\$70.0
Recreation and Entertainment	\$58.8	\$3.5	\$1.7	\$64.0
Education and Health Care		\$0.6	\$37.6	\$38.2
Air Transport	\$35.8	\$0.1	\$0.1	\$36.0
Finance, Insurance and Real Estate	\$2.1	\$16.1	\$13.8	\$31.9
Retail Trade	\$19.9	\$1.5	\$9.4	\$30.8
Other Transport	\$9.1	\$12.9	\$3.7	\$25.7
Personal Services		\$5.5	\$8.6	\$14.0
Wholesale Trade		\$4.7	\$4.7	\$9.4
Communications		\$4.4	\$3.6	\$8.1
Government		\$4.4	\$1.7	\$6.0
Manufacturing		\$4.0	\$1.8	\$5.8
Construction and Utilities		\$3.3	\$1.7	\$5.0
Gasoline Stations	\$1.9	\$0.1	\$0.6	\$2.6
Agriculture, Fishing, Mining		\$0.4	\$0.4	\$0.8

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



# Fiscal Impacts: Sports Tourism (2023)

## Tax Generation

The sports tourism sector generated \$260.7 million in federal, state, and local governmental revenue.

The tournament operational spending and off-site spending by out-of-town spectators and participants generated a total fiscal (tax) impact of \$260.7 million.

The State of Wisconsin government collected \$73.0 million, and the local governments collected \$61.5 million as a result of the sports tourism sector in 2023.

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

	State	Local	Total
Total taxes	\$73.0	\$61.5	\$134.5
Sales	\$49.4	\$6.9	\$56.3
Bed Tax	\$0.0	\$5.9	\$5.9
Personal Income	\$12.1	\$0.0	\$12.1
Corporate	\$6.2	\$0.0	\$6.2
Social Insurance	\$0.0	\$0.0	\$0.0
Excise and Fees	\$4.8	\$1.5	\$6.3
Property	\$0.4	\$47.2	\$47.6

Source: Tourism Economics

Note: totals may not sum due to rounding.

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

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$166.3	\$94.5	\$260.7
Federal	\$71.5	\$54.8	\$126.3
Personal Income	\$28.6	\$21.7	\$50.3
Corporate	\$5.1	\$5.5	\$10.7
Indirect Business	\$2.9	\$1.1	\$4.0
Social Insurance	\$34.8	\$26.5	\$61.3
State and Local	\$94.8	\$39.6	\$134.5
Sales	\$40.4	\$15.9	\$56.3
Bed Tax	\$5.9	\$0.0	\$5.9
Personal Income	\$6.9	\$5.2	\$12.1
Corporate	\$3.0	\$3.2	\$6.2
Social Insurance	\$0.0	\$0.0	\$0.0
Excise and Fees	\$4.4	\$1.9	\$6.3
Property	\$34.2	\$13.4	\$47.6

Source: Tourism Economics

Note: totals may not sum due to rounding.



# Economic Impacts By Year

## 2019 and 2023

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

In 2019, the sports tourism sector in the State of Wisconsin generated a total economic impact of \$1.4 billion, which included \$416.8 million in total labor income, supported 11,739 part-time and full-time jobs, and generated \$106.7 million in state and local tax revenues.

In 2023, the sports tourism sector in the State of Wisconsin generated a total economic impact of \$1.8 billion, which included \$533.4 million in total labor income, supported 12,447 part-time and full-time jobs, and generated \$134.5 million in state and local tax revenues.

### SUMMARY ECONOMIC IMPACTS

(\$ millions and number of employees)

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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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