

# The Door County Visitor Industry



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Prepared for: Destination Door County

DESTINATION  
DOOR COUNTY



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## INTRODUCTION PROJECT BACKGROUND

The travel sector is an integral part of the Door County economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the area's future. In 2023, tourism supported jobs accounted for 16.8% of all jobs in the county.

By monitoring the visitor economy, policymakers can make more informed decisions regarding the prioritization of the sector's development. They can also carefully monitor its successes and future needs. This is particularly true for Door County as it builds upon its tourism 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. The region analysis was done by using region-specific data on sales, employment, and income to share down state results.

Visitors included those who stayed overnight 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 baseline of economic impacts, the industry can track its progress over time.

To quantify the significance of the visitor economy in Door County, 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
- Tax collections: Sales tax receipts for key visitor-focused industries; bed tax collections

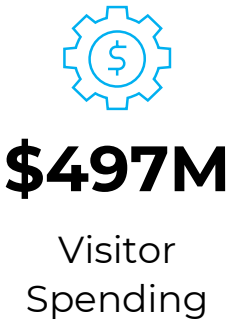


ECONOMIC IMPACTS

KEY FINDINGS

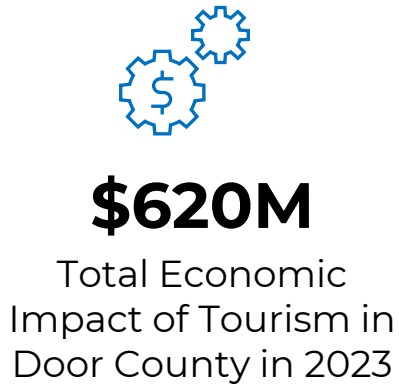
VISITOR SPENDING

Visitors to Door County spent \$497 million in the county in 2023. Visitor spending jumped 5.6%, a gain of \$26 million, in 2023 as strength in restaurant and recreational spending supported sales growth.



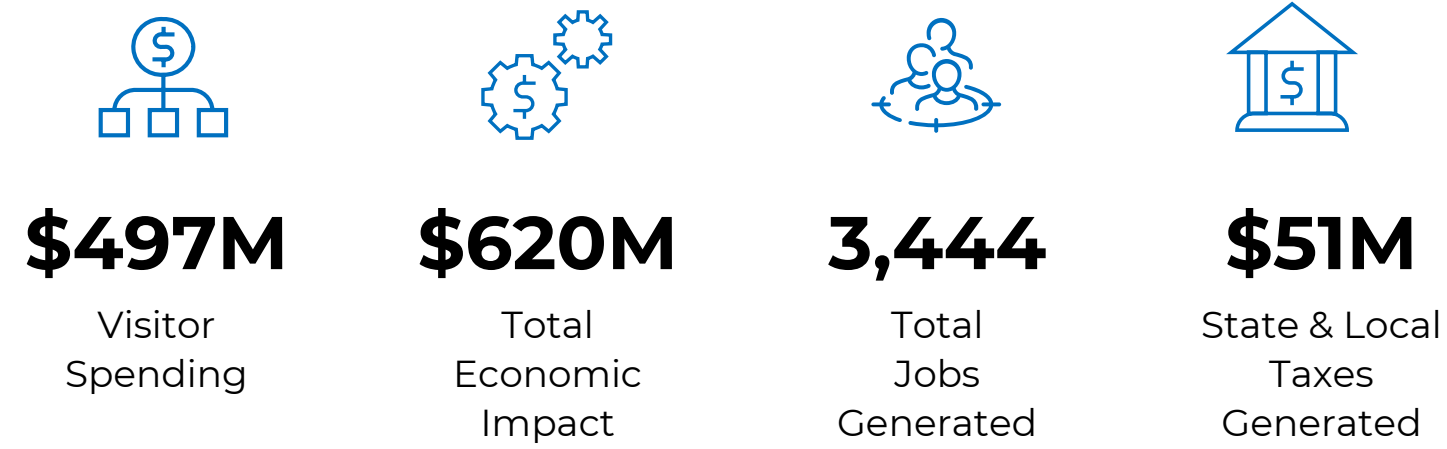
TOTAL ECONOMIC IMPACT

The direct visitor spending impact of \$497 million generated a total economic impact of \$620 million in Door County in 2023 including indirect and induced impacts. This total economic impact sustained 3,444 jobs and generated \$51 million in state and local tax revenues in 2023.



SUMMARY ECONOMIC IMPACTS

Door County Tourism (2023)





# VISITOR INDICATOR TRENDS

The analysis of visitor activity in Door County relies on several key data sources, including sales tax data and bed tax collections. These all continued to point to growth in visitor activity in the county.

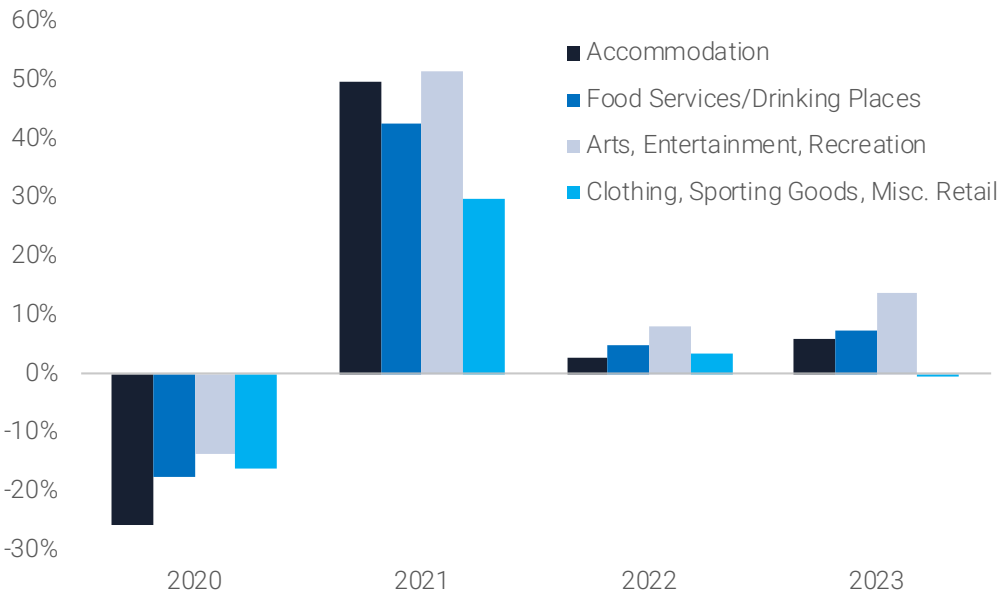
Sales tax collections in key visitor-centric industries pointed to normality in lodging sales but also strength in other visitor-focused industries. Overall, the data supported the view that in 2023, Door County was able to build upon the post-pandemic surge and hold on to recent gains.

Lodging industry sales tax collections grew 6% in 2023. Collections of the 0.5% county sales tax in the industry have surpassed \$500,000 for two years running. Sales tax collections at arts, entertainment and recreational businesses were up more than 13% in 2023.

For Wisconsin, survey data trends are showing that travelers are looking towards experiences and events over retail activity. The Door County sales tax data points to those trends being relevant for Door County travelers in 2023.

## Taxable sales in tourism-related industries

Annual percent change



Source: Wisconsin DOR, Tourism Economics





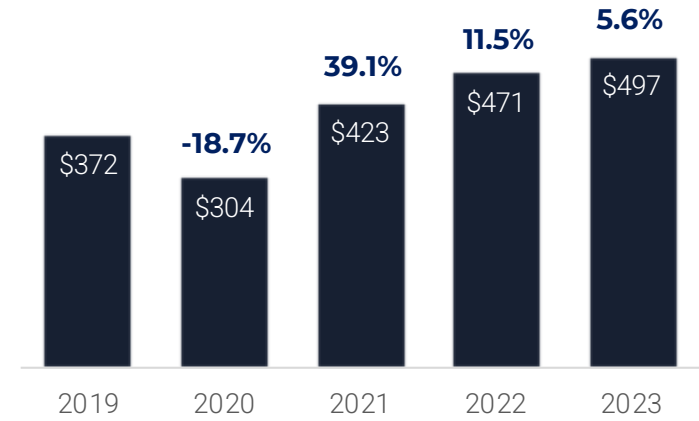


# VISITOR SPENDING

Visitor spending in Door County in 2023 rose more than \$26 million to reach \$497 million. A return to more sustainable growth rates while still out-performing the state were themes for Door County’s visitor economy in 2023.

## Door County visitor spending

Amounts in \$ millions



Sources: Tourism Economics

## VISITOR SPENDING

Visitors to Door County spent \$497 million across a range of sectors in 2023

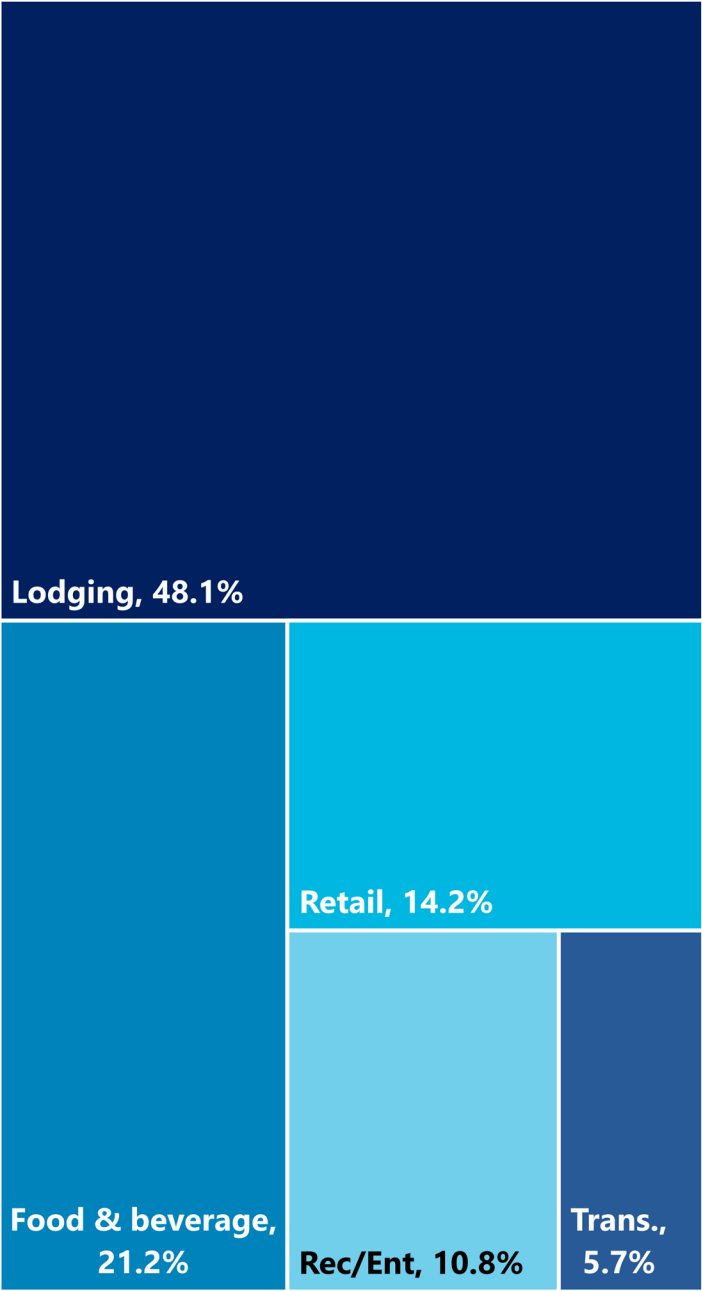
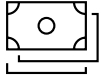
Lodging remained the largest spending category for visitors in Door County with lodging businesses, including short-term rentals, capturing 48% of all spending in the county.

Visitors spent 21.2% on food & beverages—at businesses from restaurants to grocery stores.

Shopping in Door County registered 14% of each visitor’s budget, with the \$54 million spent on recreational and entertainment activities increasing the recreational share to 10.8% in 2023. Transportation spending in the county fell to 5.7% as lower gas prices held down costs for visitors.

\$497 MILLION

Visitor Spending in 2023



Source: Tourism Economics

Note: Lodging spending includes dollars spent on short-term rentals and second homes.

VISITOR SPENDING TRENDS

Visitor spending increased by 5.6% in 2023, a gain of \$26 million in 2023. Spending grew across most key sectors with the exception of transportation as a significant decline in gas prices held down overall transportation spending. Spending at lodging businesses—including short-term rental spending—grew to \$239 million in 2023, increasing by about \$11 million. Recreational and entertainment spending grew 9.2% in 2023, leading all sectors in terms of year-over-year growth. This represented an increase of \$4.5 million on arts, recreational, amusement, entertainment activities in the county. Food & beverage spending in Door County surpassed \$100 million in 2023, increasing 7.7% over the prior year. Retail spending by visitors in the county topped \$70 million.

VISITOR SEGMENTS

In 2023, prices in certain sectors coupled with changing preferences meant that there were changes in where the visitor dollar was spent. Visitors valued experiences, supporting spending in areas like restaurants and recreation/entertainment. Spending shares in both those sectors grew 0.4 percentage points. The decline in gasoline prices helped decrease transportation’s share spent in Door County to 5.7%.

Door County visitor spending and annual growth

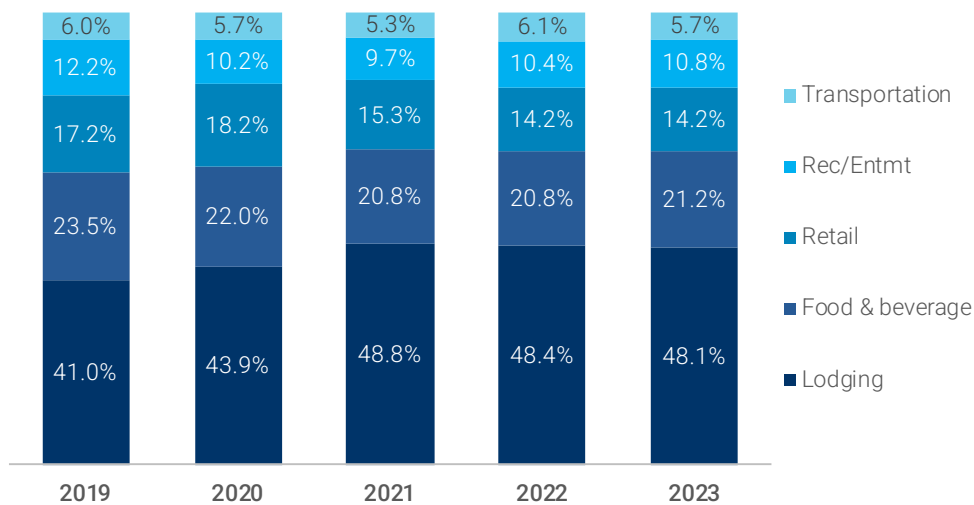
Amounts in \$ millions and 2023 % change

	2019	2020	2021	2022	2023	2023 Growth
Total visitor spending	\$372.1	\$304.2	\$423.1	\$470.7	\$497.0	5.6%
Lodging*	\$152.6	\$133.6	\$206.6	\$227.9	\$238.9	4.8%
Food & beverage	\$87.5	\$66.9	\$88.2	\$97.9	\$105.5	7.7%
Retail	\$64.1	\$55.3	\$64.9	\$66.9	\$70.5	5.4%
Rec/Entertainment	\$45.5	\$30.9	\$41.1	\$49.1	\$53.6	9.2%
Transportation*	\$22.4	\$17.4	\$22.3	\$28.8	\$28.5	-1.1%

Source: Tourism Economics  
\* Lodging includes short-term rentals and second home spending

Visitor Spending Shares in Door County, 2019-2023

By category, %



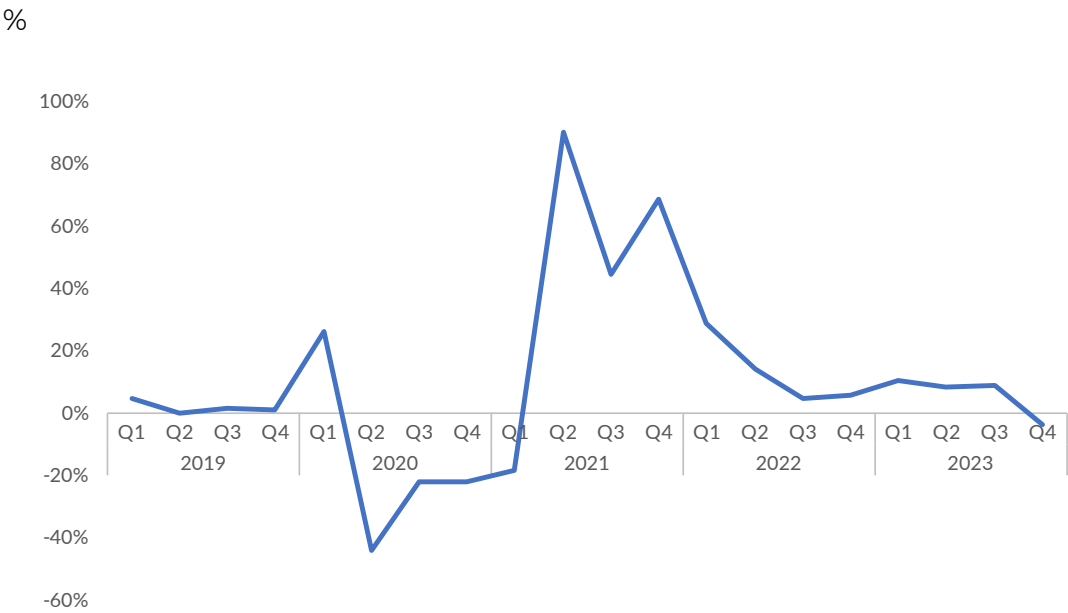
Source: Tourism Economics

# VISITOR SPENDING SEASONALITY

Annual results indicated strong spending growth in Door County in 2023. However, breaking up the year into quarters indicated that growth was not even throughout the year. The first quarter in 2023 saw double-digit growth, with subsequent quarters tapering throughout the year.

Visitor spending grew 9.0% in the key summer season, surpassing \$150 million.

## Door County year-over-year growth rates



Source: Tourism Economics

## Visitor Spending by quarter

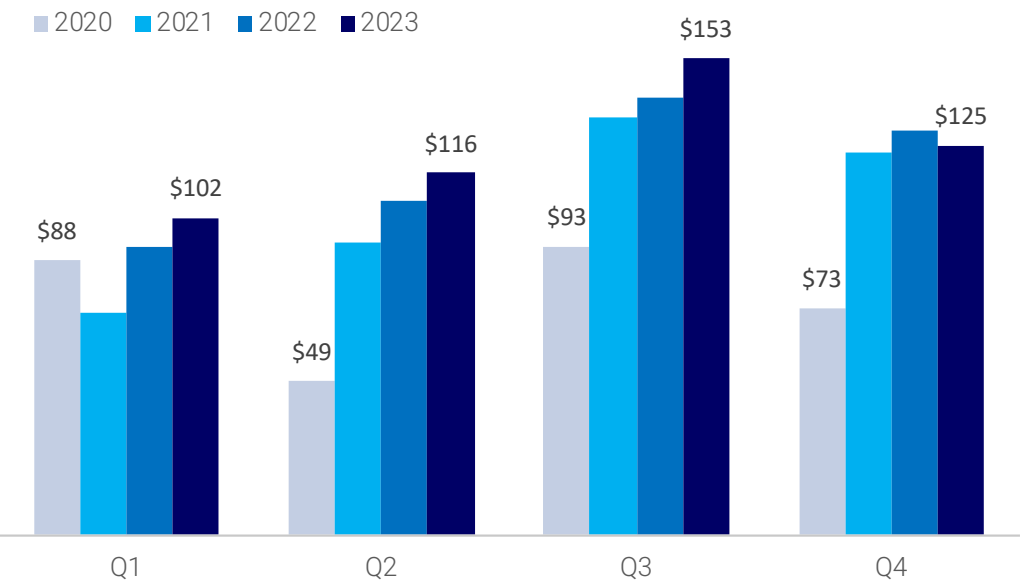
Amounts in \$ millions

	Q1	Q2	Q3	Q4
2019	\$70.1	\$88.5	\$119.6	\$93.9
2020	\$88.2	\$49.5	\$92.9	\$73.1
2021	\$71.8	\$94.1	\$134.1	\$123.1
2022	\$92.5	\$107.4	\$140.6	\$130.2
2023	\$102.1	\$116.4	\$153.2	\$125.2
% Change	10.4%	8.4%	9.0%	-3.8%

Source: Tourism Economics

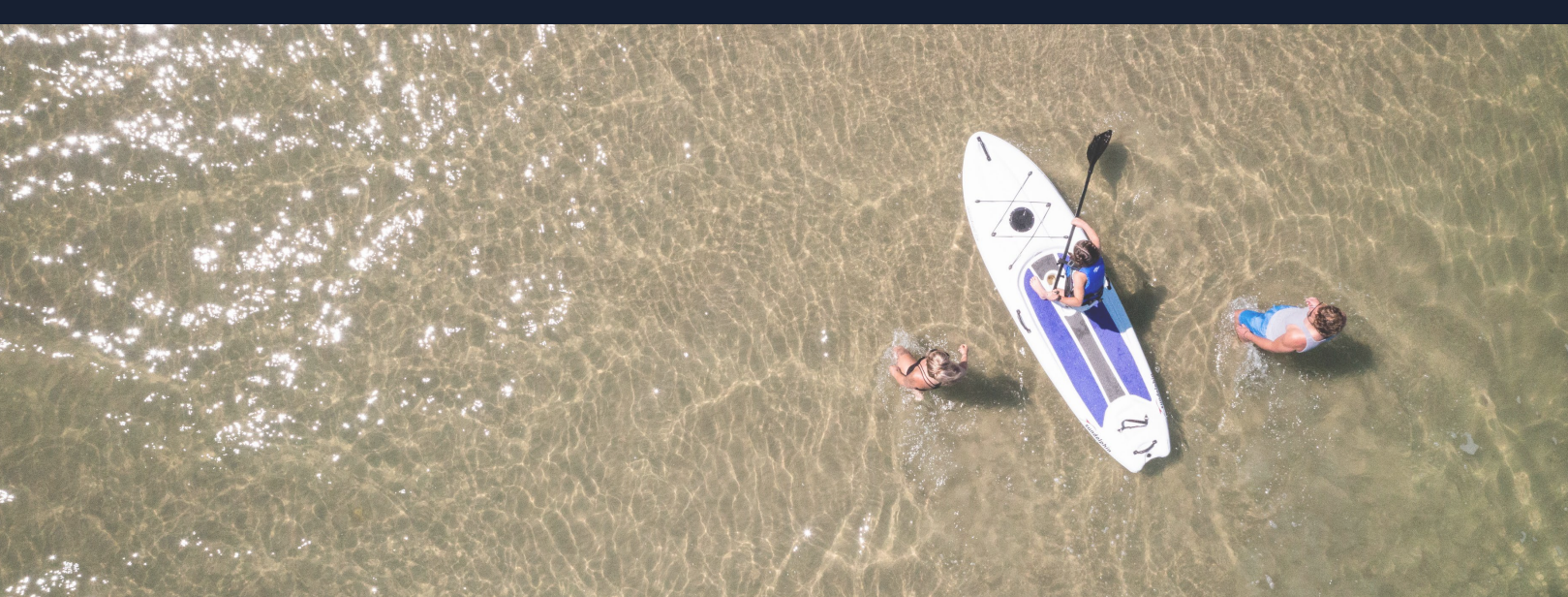
## Door County quarterly visitor spending, 2020-2023

Amounts in \$ millions, 2020 & 2023 values



Source: Tourism Economics





## ECONOMIC IMPACT METHODOLOGY

Our analysis of the Door County 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 Door County 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 recreation 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



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING

### INDIRECT IMPACTS

Purchases of inputs from suppliers



SUPPLY CHAIN EFFECTS



B2B GOODS & SERVICES PURCHASED

### INDUCED IMPACTS

Consumer spending out of employees' wages:



INCOME EFFECT



HOUSEHOLD CONSUMPTION

### TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



JOBS



INCOME



TAXES



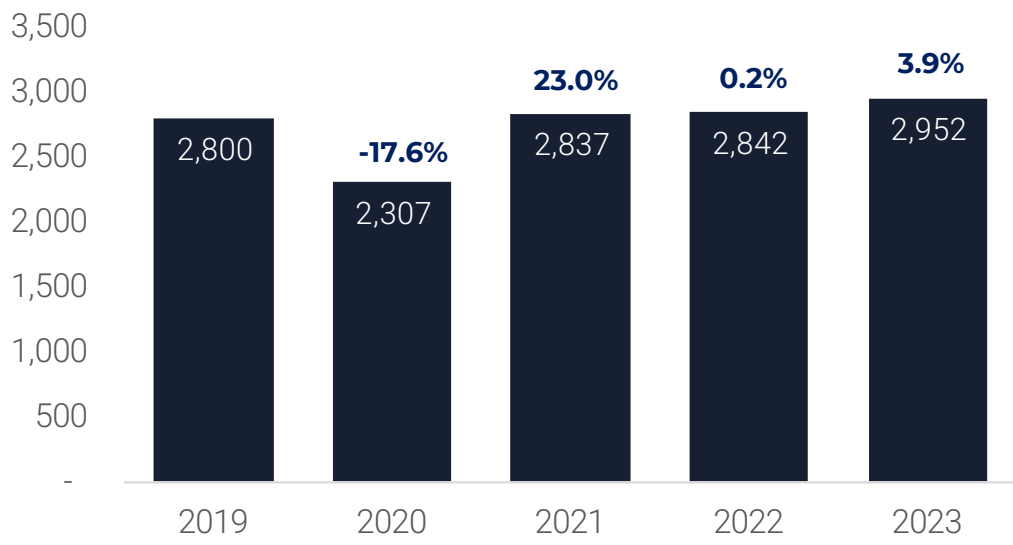
# ECONOMIC IMPACT FINDINGS

## DIRECT IMPACTS

Employment directly supported by visitor activity rebounded in 2023 after plateauing in 2022. Visitor activity in Door County directly supported 2,952 jobs, an increase of 110 jobs.

### Visitor supported employment in Door County

Amounts in number of jobs



Source: Tourism Economics







## ECONOMIC IMPACT FINDINGS

### BUSINESS SALES IMPACTS

Visitor spending reached \$497 million in 2023. This direct impact of \$497 million generated \$60 million in indirect impacts and another \$63 million in induced impacts, resulting in a total economic impact of \$620 million in the Door County economy, 5.7% more than a year earlier.

The indirect and induced effects add a total of \$123 million in sales for businesses located in Door County.

Significant benefits accrue in sectors like finance, insurance, and real estate, and business services, education & health care.

#### Summary Economic impacts (2023)

Amounts in \$ millions

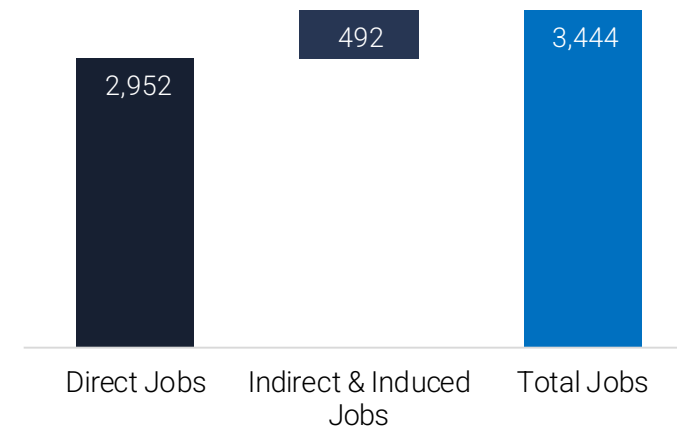


Source: Tourism Economics

Visitor activity sustained 2,952 direct jobs in 2023, with an additional 492 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact recovered to 3,444 in 2023, one of every six jobs in the county.

#### Summary employment impacts (2023)

Amounts in number of jobs



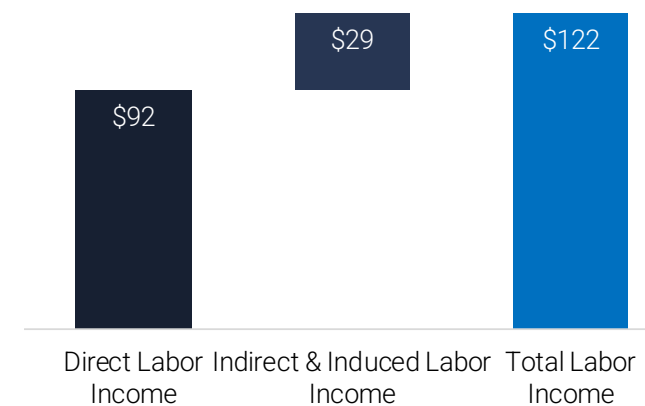
Source: Tourism Economics

### LABOR INCOME IMPACTS

Visitor activity generated \$92 million in direct labor income and a total of \$122 million when including indirect and induced impacts. Total tourism-generated income in Door County in 2023 increased 7.3% above the prior year.

#### Summary labor income impacts (2023)

Amounts in \$ millions



Source: Tourism Economics

# ECONOMIC IMPACT FINDINGS

## DIRECT IMPACTS

Door County’s \$497 million in visitor spending represents 3.2% of all visitor spending in Wisconsin. Door County’s share of visitor spending rose in 2023 as visitor spending in the county had a stronger rebound than the state.

Of all jobs directly supporting visitors in Wisconsin, 2.3% were in Door County.

## TOTAL IMPACTS

With visitor spending growth outpacing the state and with Door County having businesses that serve visitor-associated businesses, the overall impact of visitors to Door County neared \$620 million, 2.5% of the state. With total business sales rising faster than those of the state, Door County’s share rose in 2023.

The total jobs supported from tourism (3,444 jobs) represented 1.9% of all visitor-associated jobs in the state.

The share of total income earned by Door County job holder's rose to 1.8% of all income earned by Wisconsin jobs supported by tourism.

### Direct impacts (2023)

Amounts in \$ millions

	2019	2020	2021	2022	2023	2023 Growth
<b>Visitor Spending</b>						
Door County	\$372.1	\$304.2	\$423.1	\$470.7	\$497.0	5.6%
Wisconsin	\$13,667.8	\$9,803.6	\$12,856.3	\$14,956.2	\$15,707.0	5.0%
Share	2.72%	3.10%	3.29%	3.15%	3.16%	
<b>Employment</b>						
Door County	2,800	2,307	2,837	2,842	2,952	3.9%
Wisconsin	144,657	107,454	118,483	122,799	125,921	2.5%
Share	1.94%	2.15%	2.39%	2.31%	2.34%	
<b>Labor Income</b>						
Door County	\$63.7	\$58.6	\$77.2	\$85.1	\$92.2	8.3%
Wisconsin	\$3,230.9	\$2,727.4	\$3,187.9	\$3,700.8	\$3,914.9	5.8%
Share	1.97%	2.15%	2.42%	2.30%	2.36%	

Source: Tourism Economics

### Total impacts (2023)

Amounts in \$ millions

	2019	2020	2021	2022	2023	2023 Growth
<b>Business Sales (Total Economic Impact)</b>						
Door County	\$478.3	\$396.9	\$530.7	\$586.6	\$619.8	5.7%
Wisconsin	\$22,223.4	\$17,267.1	\$20,928.7	\$23,730.6	\$25,003.3	5.4%
Share	2.15%	2.30%	2.54%	2.47%	2.48%	
<b>Employment</b>						
Door County	3,246	2,740	3,321	3,331	3,444	3.4%
Wisconsin	202,217	157,332	169,707	174,623	178,045	2.0%
Share	1.61%	1.74%	1.96%	1.91%	1.93%	
<b>Labor Income</b>						
Door County	\$85.2	\$80.4	\$102.5	\$113.3	\$121.6	7.3%
Wisconsin	\$5,902.1	\$5,143.9	\$5,798.3	\$6,525.7	\$6,820.2	4.5%
Share	1.44%	1.56%	1.77%	1.74%	1.78%	

Source: Tourism Economics



ECONOMIC IMPACT FINDINGS

**FISCAL (TAX) IMPACTS**

The gains in spending, jobs and income earned by jobs associated with visitor activity supported increases in tax impacts. Visitor associated state and local tax revenue in the county increased 6.6% to \$51 million in 2023, 3.2% of all tax revenues generated by tourism in the state.

State and local tax revenues grew by \$3.2 million in 2023.

**Fiscal (tax) impacts**

Amounts in \$ millions

	2019	2020	2021	2022	2023	2023 Growth
<b>State and Local</b>						
Door County	\$40.2	\$32.5	\$42.7	\$47.8	\$51.0	6.6%
Wisconsin	\$1,616.9	\$1,167.7	\$1,388.2	\$1,518.0	\$1,605.8	5.8%
Share	2.48%	2.78%	3.08%	3.15%	3.18%	
<b>Federal</b>						
Door County	\$27.6	\$24.7	\$31.2	\$32.7	\$34.9	6.5%
Wisconsin	\$1,288.9	\$1,064.3	\$1,212.9	\$1,335.9	\$1,398.2	4.7%
Share	2.14%	2.32%	2.58%	2.45%	2.49%	

Source: Tourism Economics





# ECONOMIC IMPACTS IN CONTEXT



## **\$497M ECONOMIC IMPACT**

The nearly \$497 million in visitor spending means that \$1.4 million was spent EVERY DAY by visitors to Door County.



## **\$26M VISITOR SPENDING INCREASE**

The \$26 million increase in visitor spending is similar in size to the money spent, since 2007, to secure public access to open shoreline in Door County.



## **3,444 TOTAL JOBS**

The total number of jobs sustained by tourism represents one out of every six jobs in Door County.



## **\$51M STATE & LOCAL TAXES**

Each household in Door County would need to be taxed an additional \$2,130 to replace the visitor taxes received by the state and local governments in 2023.



Glossary – Spending Definitions

Term	Description
Lodging	Includes visitor spending in the accommodation sub-sector. This includes short-term rentals and 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	Includes visitor spending on recreational activities.
Shopping	Includes visitor spending on shopping activities within the local economy.
Transportation	Includes visitor spending on local transport services such as gas, ride-share, limos, rental cars, and any local share of private 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.

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. recreation, transportation, lodging).
Indirect Impact	Impacts created from the 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.
Employment	Employment is measured by the Bureau of Economic Analysis (BEA) and Bureau of Labor Statistics (BLS) definitions, and captures full-time and part-time jobs, which includes salary and wage employees and proprietors.
Labor income	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
Local Taxes	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenue 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 destinations 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 400 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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