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TRADE AREA CHARACTERISTICS

WASHBURN, WISCONSIN

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Extension
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ACKNOWLEDGMENTS

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TABLE OF CONTENTS

Executive Summary	v
Introduction and Purpose	1
Trade Area	3
Resident Households	11
Education and Employment	27
Economic Impacts: Tourism	34
Market Analysis	37

EXECUTIVE SUMMARY



The Washburn Trade Area is estimated to be the area from which Washburn area businesses attract the majority of their day-to-day customers and is characterized by the following:

EXECUTIVE SUMMARY

Geographically, it is comprised of the ZIP Code 54891 and is located entirely in Bayfield County, WI, on the shores of the Chequamegon Bay of Lake Superior.

~3,500

RESIDENTS

However, this may underestimate the true year round population due to a growing second-home market. Additionally, it does not include visitors.

WELL-EDUCATED WORKFORCE

42%

have a bachelor's degree or higher

32%

have some college or two-year degree

23%

have a high school diploma or GED

\$59,000

MEDIAN HOUSEHOLD INCOME

which is very similar to Wisconsin and the U.S.

MAJOR EMPLOYMENT SECTORS:

Service Industry: 48%

Manufacturing: 11%

Public Administration: 9%

Construction: 8%

Retail: 8%

RESIDENTS' TOP FIVE AREAS OF SPENDING, IN ORDER:

1. Shelter
 2. Health care
 3. Food at home
 4. Food away from home
 5. Entertainment and recreation
-

INFLOW/OUTFLOW

There is a sizable net outflow each day, indicating that many Trade Area residents commute elsewhere for employment and that the Trade Area may have some bedroom community characteristics



INTRODUCTION AND PURPOSE



This report is meant to describe key characteristics of Washburn, Wisconsin and the immediately surrounding area. It covers demographics, such as population, income, home ownership rates, and lifestyles; education and employment; local traffic counts; tourism; and the current business mix as it compares to peer communities.

It should, however, be noted that, while this report focuses on Washburn, the City's attributes and economic behaviors are intertwined with surrounding communities, particularly Ashland and Bayfield. Thus, community discussions may be necessary to determine the City's goals moving forward.

Finally, this report was done with secondary data and does not include input from community members. Thus, it should be used as a tool by the community to make decisions about its future; the report itself does not offer any recommendations.

ABOUT THE DATA

The data used for this project comes from several sources:

- ESRI
- ReferenceUSA
- Wisconsin Department of Transportation
- Wisconsin Department of Tourism
- US Census Bureau OnTheMap

One of the limitations of this report is that it generally only describes those who identify their primary residence as being in the Trade Area; think of this group as being comprised of those who vote in the Trade Area, even if they regularly vote absentee.

Finally, while visitors are important to the Trade Area, they are not considered in this report.



TRADE AREA



A Trade Area is the geographic area from which a community generates, or could generate, approximately 75% of its customers. Once this area is defined, it becomes possible to determine and analyze a community's potential customer base to find out its size, demographics, and spending habits, among other traits.

Individual businesses also have individual TAs that can be determined by factors such as the type of business, the products and services they sell, and the number of similar competitors near them. Because of this, some businesses attract primarily local customers while others have further reach. This report will focus on analyzing local customers, which consist of both year round and seasonal residents, while acknowledging that visitors also contribute heavily to the Washburn Trade Area's economy.

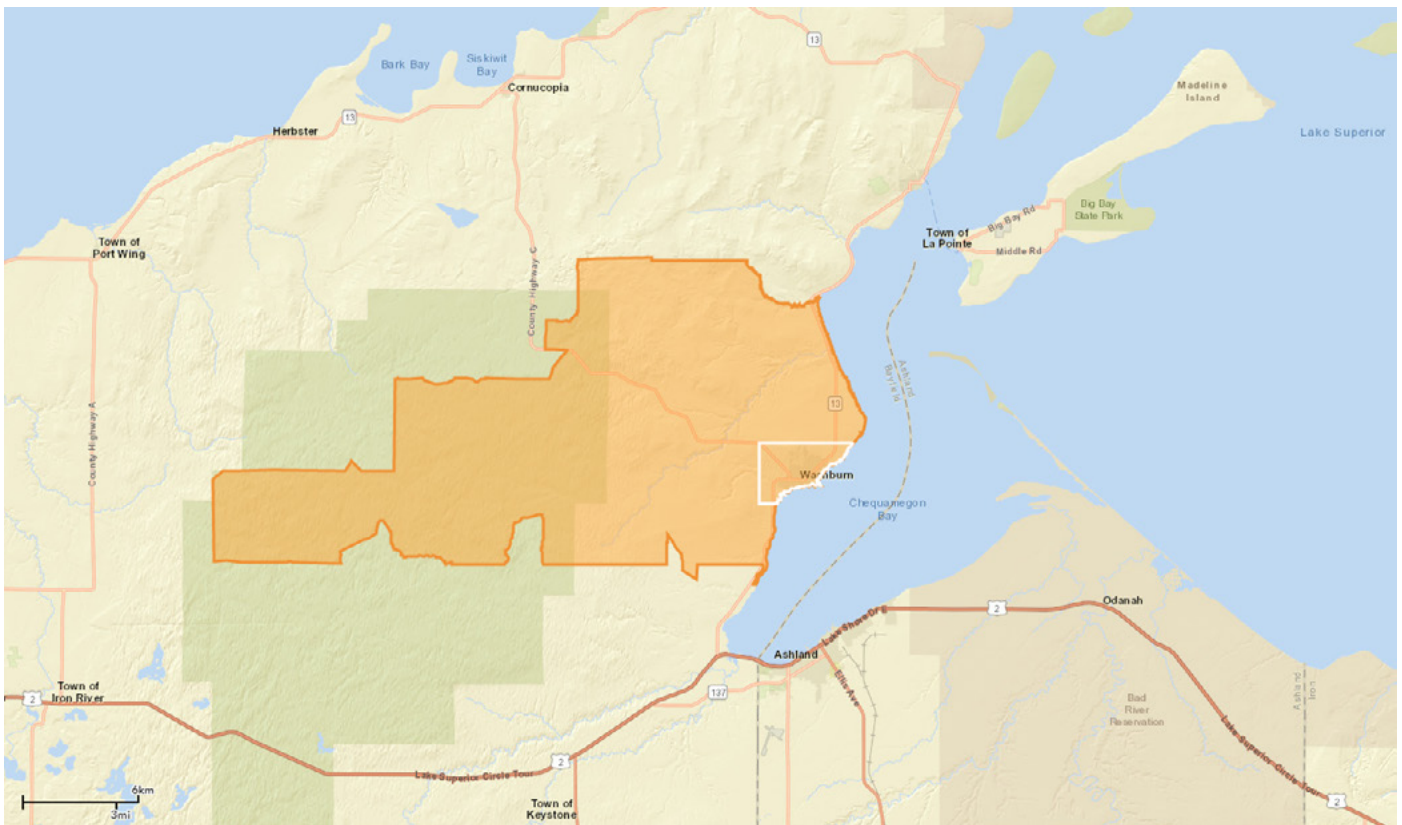
TRADE AREA

WASHBURN TRADE AREA

The Trade Area for this report will be referred to as the Washburn Trade Area and will be defined as the ZIP Code 54891 which is within a short drive of downtown Washburn. Because of this, this Trade Area is considered a Convenience Trade Area, which is the geographic area in which residents find it most convenient to purchase frequently or regularly used products and services, such as groceries, fuel, and personal care items.

In the map below, the white inner boundary is the City of Washburn and the orange shaded area is the ZIP Code 54891 Trade Area.

MAP 1 Washburn Trade Area

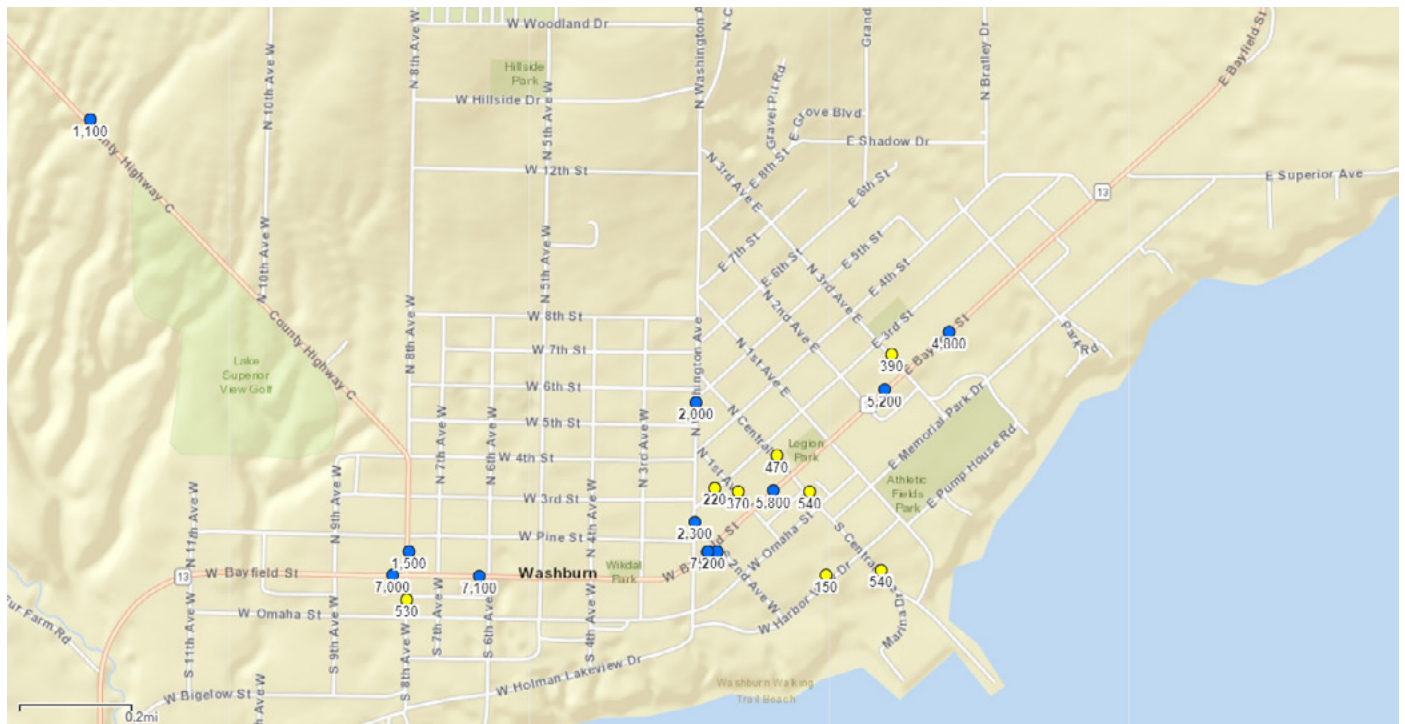


TRAFFIC COUNTS

Annual average daily traffic (AADT) counts can be helpful when determining where to locate new businesses and services. This section focuses on the AADT of the business districts. In the map below, blue markers indicate that average daily traffic counts are between 1,000 and 10,000 vehicles per day while yellow markers represent counts under 1,000.

Counts peak above 7,000 vehicles per day in several spots along W Bayfield St (STH 13), which is the main road through downtown Washburn. Other heavily traveled roads in the City include E Bayfield St, N Washington Ave, and County Highway C. Not pictured in the map below are two blue dots indicating heavy travel. One is south of the City, between Washburn and Barksdale, indicating that there is an AADT of about 6,900 along S Bayfield St (STH 13). The other is north of the City, about halfway to Bayfield, indicating that there is an AADT of 3,900 on this stretch of STH 13.

MAP 2 AADT Downtown Washburn



RESIDENT HOUSEHOLDS



Demographic and lifestyle characteristics of Trade Area residents can give insight into their potential demand for products and services within the Trade Area. These statistics reflect both adults and families, and comparison data is included for Wisconsin and the U.S.



POPULATION AND AGE

Quantifying the population, or all people living in the Trade Area, can give insight into the market size and potential while changes in population size can signal potential changes in future market size. Consumers’ preferences can also vary by age; leveraging this variance can help businesses meet the needs of the market and Trade Area residents. As noted in the previous section, however, the population data available may not be entirely accurate due to the transiency of and difficulty in counting the student population in the trade area.

The Trade Area had a population of approximately 3,500 in 2020 and has grown 0.6% since 2010, which is faster than Wisconsin but not quite as fast as the U.S. as a whole. The Trade Area’s daytime population was slightly smaller than its total population, indicating a net daily outflow and suggesting that people commute elsewhere for their jobs. The median age in the Trade Area in 2020 was 50.5, which is significantly higher than Wisconsin (40.0) and the U.S. (38.5) and may indicate that this is a popular place for retirees. The median age also grew between 2010 and 2020 by 3.1 years, which is more than both Wisconsin and the U.S. (1.6 and 1.4 years, respectively), indicating that the Trade Area is aging more quickly than both larger entities.

TABLE 1 Population and Age

	Washburn Trade Area	Wisconsin	U.S.
Population			
2010 Population	3,309	5,686,986	308,745,538
2020 Population	3,489	5,902,099	333,793,107
% Annual Change '10-'20	0.6%	0.4%	0.9%
2020 Total Daytime Population	3,123	5,850,905	331,970,099
Total Daytime Pop.% of Total Pop.	89.5%	99.1%	99.5%
2020 Daytime Worker Population	1,323	2,687,272	146,991,446
2020 Daytime Resident Population	1,800	3,163,633	184,978,653
Population by Age			
2010 Median Age	47.4	38.4	37.1
2010 18 +	80.0%	76.4%	76.0%
2020 Median Age	50.5	40.0	38.5
2020 18 +	82.4%	78.7%	78.0%

Source: United States Census



RACE & ETHNICITY

Since consumer preferences can vary with race and ethnicity, understanding the Trade Area’s distributions can help meet the needs of all residents. In 2020 the Trade Area had quite different metrics of diversity of race and ethnicity than Wisconsin. For example, though the proportion of residents identifying as white was fairly similar, American Indians made up over 5% of the Trade Area’s population in 2020. Additionally, those identifying as two or more races comprised nearly double the proportion of the same group Wisconsin-wide. While the annual rate of change between 2010 and 2020 may be useful to decipher which groups’ presences are growing the fastest, the rates should be used carefully as they are inflated due to the small starting proportion of non-white groups. Please note that those with Hispanic ethnicity can be of any race.

TABLE 2 Race and Ethnicity

	Washburn Trade Area	Wisconsin	U.S.
2020			
White	87.4%	83.9%	69.4%
Black	1.4%	6.5%	13.0%
American Indian	5.1%	1.0%	1.0%
Asian	0.5%	3.1%	5.9%
Pacific Islander	0.0%	0.0%	0.2%
Some Other Race	1.0%	2.9%	7.1%
Two or More Races	4.6%	2.4%	3.6%
Hispanic Origin	2.7%	7.3%	18.8%
2010-2020 Annual Change			
White	-0.2%	-0.3%	-0.4%
Black	8.8%	0.3%	0.3%
American Indian	0.0%	0.0%	1.1%
Asian	5.2%	3.0%	2.1%
Pacific Islander	0.0%	0.0%	0.0%
Some Other Race	9.6%	1.9%	1.4%
Two or More Races	0.9%	2.9%	2.2%
Hispanic Origin	7.6%	2.2%	1.4%

Source: United States Census



HOUSEHOLDS AND HOUSEHOLD COMPOSITION

Households are comprised of one or more people, related or otherwise, who live in one housing unit. Household size, composition, and life cycle stage can be useful to signal demand for goods and services.

The Trade Area had 88 more households in 2020 than in 2010; Wisconsin and the U.S. also saw increases during this time. Additionally, the average household size decreased slightly from 2.22 to 2.321 people per household. In 2010, the last year for which data is available, the distribution of different types of household differed very little from Wisconsin and the U.S. There were, however, comparatively fewer households with children in the Trade Area.

TABLE 3 Households and Composition

	Washburn Trade Area	Wisconsin	U.S.
Households			
2010 Households	1,442	2,279,768	116,716,292
2020 Households	1,530	2,391,911	126,083,849
Annual % Change '10-'20	0.7%	0.5%	0.9%
Household Size			
2010 Avg. HH Size	2.22	2.43	2.58
2020 Avg. HH Size	2.21	2.41	2.58
2010 Household Composition			
Households with 1 Person	31.6%	28.2%	26.7%
Households with 2+ People	68.4%	71.8%	73.3%
Family Households	63.3%	64.4%	66.4%
Husband-wife Families	51.8%	49.6%	48.4%
With Related Children	17.8%	20.3%	21.6%
Other Family (No Spouse Present)	11.5%	14.8%	18.0%
Nonfamily Households	5.1%	7.4%	6.8%
Households With Children	25.5%	30.6%	33.4%

Source: United States Census

HOUSING OWNERSHIP

Housing ownership is an important factor to consider for several reasons. First, the rate of homeownership can signal the amount of income or wealth in a community since homeownership rates increase with income. Second, homeownership positively correlates with demand and expenditures for home furnishings, appliances, repair services, and improvement. Therefore, businesses like garden centers, home furnishing and improvement stores, and appliance repair may have a better chance of prospering where homeownership rates are high.

In 2020, there were 128 more housing units in the Trade Area than there were in 2010. The largest share of housing units were owner occupied (65%), with renter occupied and vacant or seasonal households being nearly equal (18% and 17%, respectively). The average home value, however, was about \$30,000 lower than the Wisconsin average and, though it was less than two-thirds the U.S. average.

TABLE 4 Housing

	Washburn Trade Area	Wisconsin	U.S.
Home and Householder Characteristics			
2020 Average Home Value	\$206,334	\$238,886	\$328,824
2018 Median Contract Rent (Households Paying Cash Rent)	\$537	\$703	\$862
2018 Median Year Structure Built	1971	1973	1977
2018 Median Year Householder Moved into Unit	2005	2008	2009
2010			
2010 Owner Occupied	63.0%	59.1%	57.7%
2010 Renter Occupied	21.0%	27.7%	30.9%
2010 Vacant or Seasonal	16.0%	13.1%	11.4%
2010 Total Housing Units	1,717	2,624,358	131,704,730
2020			
2020 Owner Occupied	64.6%	57.1%	56.4%
2020 Renter Occupied	18.3%	29.5%	32.3%
2020 Vacant or Seasonal	17.1%	13.4%	11.3%
2020 Total Housing Units	1,845	2,762,173	142,148,018
Overall Change, 2010-2020			
Change in Owner Occupied	1.6%	-2.0%	-1.3%
Change in Renter Occupied	-2.7%	1.8%	1.4%
Change in Vacant or Seasonal	1.1%	0.3%	-0.1%
Change in Total Housing Units	128	137,815	10,443,288

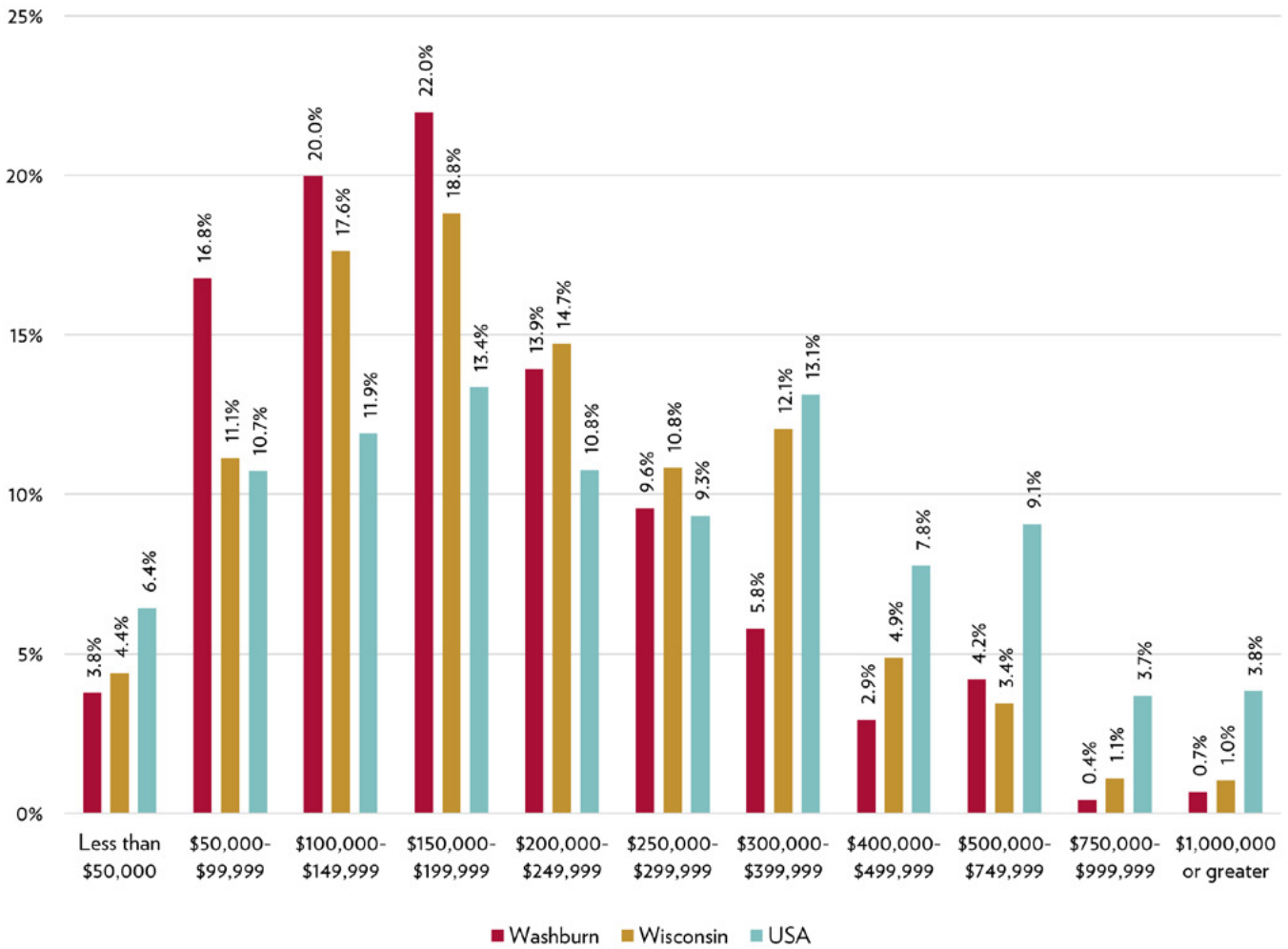


RESIDENT HOUSEHOLDS

HOME VALUES

The distribution of home values for the Trade Area is strongly concentrated between \$100,000 and \$250,000 (42% of all homes) but especially between \$150,000 and \$200,000. The distribution skews lower than Wisconsin and the U.S., with over 75% of the Trade Area's homes being valued at less than \$200,000.

FIGURE 1 Home Values



Source: United States Census

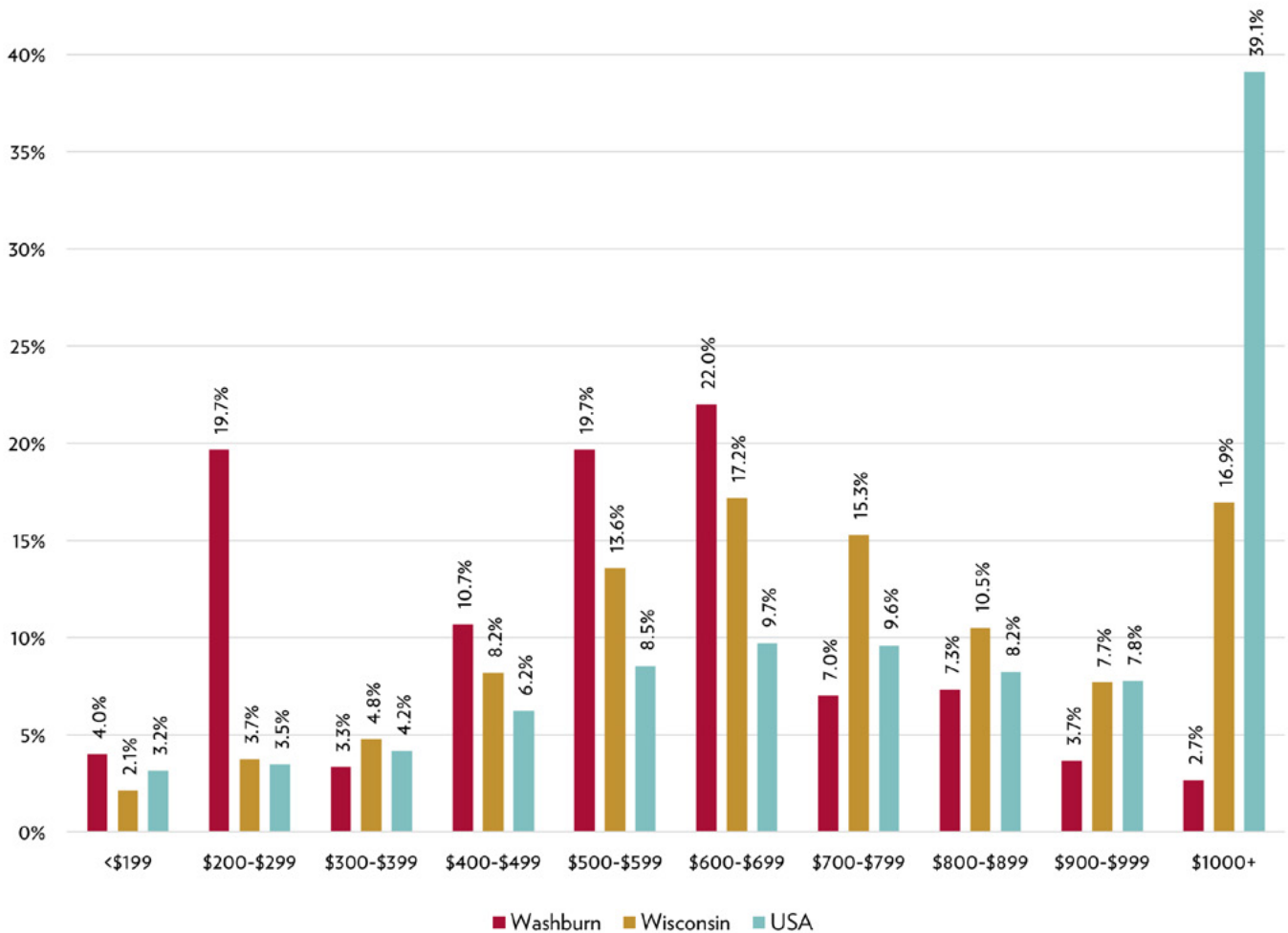
RESIDENT HOUSEHOLDS

CONTRACT RENT

Rent in the Trade Area was heavily concentrated in both the \$200-\$300 range as well as the \$500-\$700 range in 2020, with over one-half of renters paying between \$400 and \$700 per month. Very few renters, paid more than \$900 per month. This skews quite a bit lower than Wisconsin, overall.

Additionally, it is important to note that contract rent only includes utilities if they are included as part of a lease and that many tenants may be paying more than what is stated here when separately-paid utilities are considered.

FIGURE 2 Contract Rent



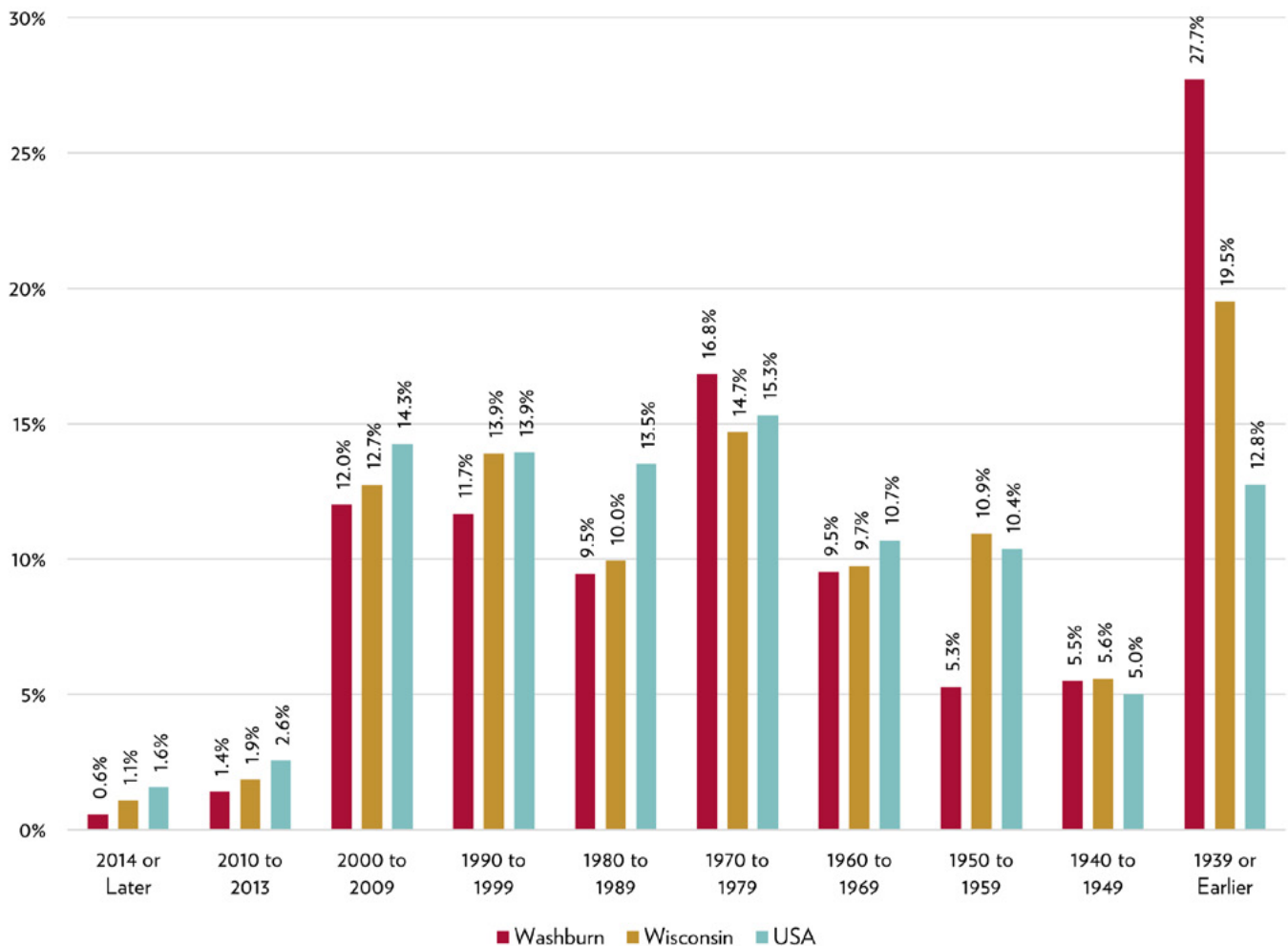
Source: United States Census



BUILD YEAR OF HOUSING UNITS

The distribution of housing unit build dates for the Trade Area is similar to, but slightly older than, Wisconsin. In the Trade Area, over one-quarter (28%) of housing units were built prior to the start of World War II while this only applies to 20% of Wisconsin housing units and 13% of housing units nationwide. Conversely, fewer than 2% of housing units in the Trade Area have been built since 2010, though 12% were built between 2000 and 2009. Excluding housing units built prior to 1939, the 1970s were the most prolific years for building housing units in the Trade Area. As these units are approaching 50 years old, their conditions should be assessed at the community level.

FIGURE 3 Build Year of Housing Units



Source: United States Census

RESIDENT HOUSEHOLDS

YEAR OWNER OR RENTER MOVED IN

Both the “Year Owner Moved In” graph and the “Year Renter Moved In” graph for the Trade Area closely resemble that of Wisconsin and the U.S. There are, however, approximately double the proportion of renting residents who have lived in their current units for over thirty years (since 1989 or before) in the Trade Area compared to Wisconsin and the U.S. Finally, nearly 75% of homeowners have lived in their homes for at least ten years.

FIGURE 4 Year Owner Moved In

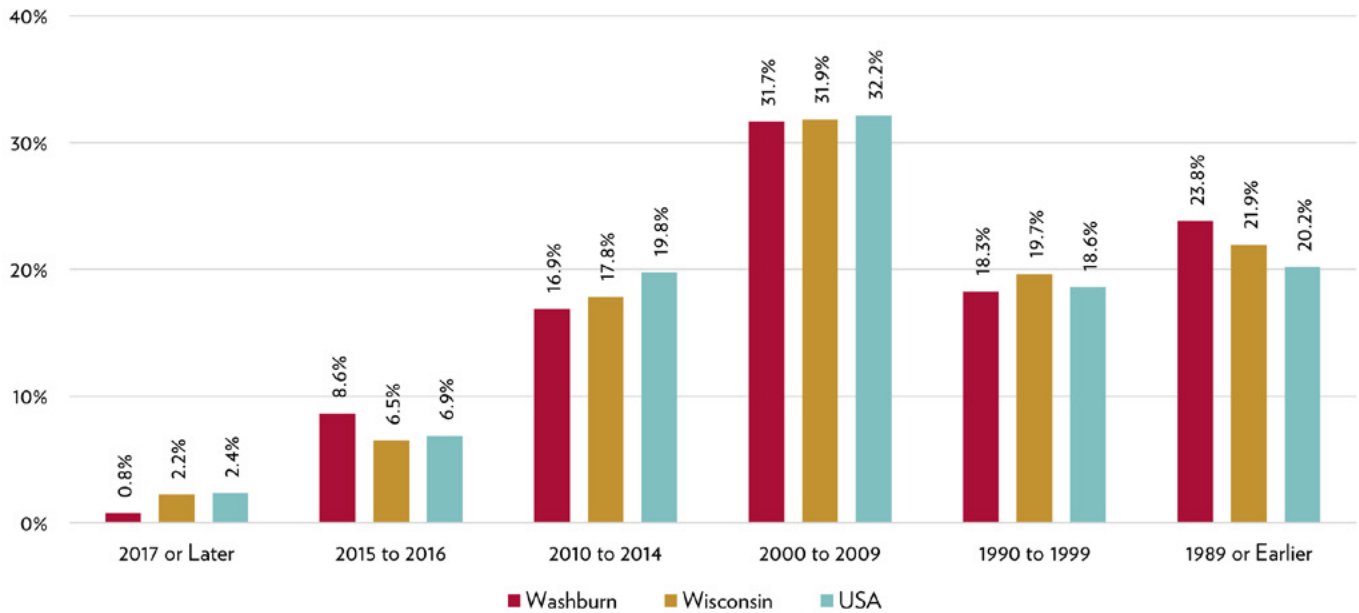
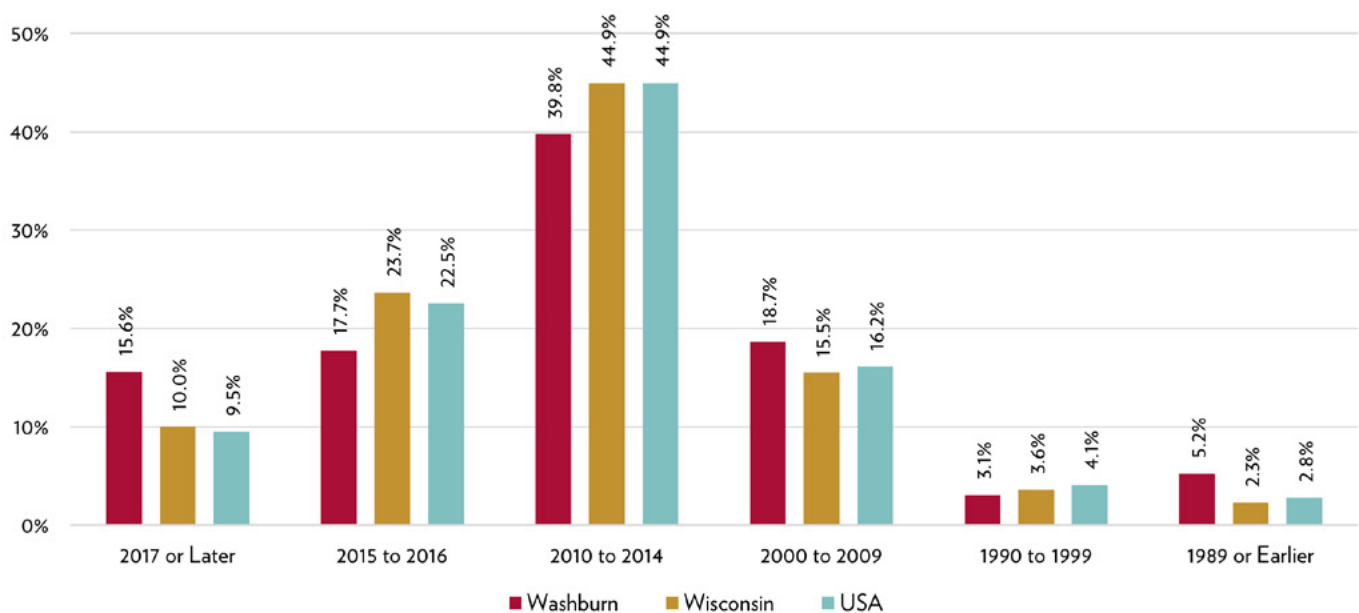


FIGURE 5 Year Renter Moved In



Source: United States Census



HOUSEHOLD INCOME AND PER-CAPITA INCOME

Income can be used to estimate residents’ purchasing power as it is positively correlated with many different types of retail expenditures. Knowing average incomes can also help businesses better target their products and services to specific income ranges based on their target market.

Median household income in the Trade Area was \$58,683 in 2020, only slightly lower than Wisconsin (\$60,185) and the U.S. (\$62,203). Per capita income for the Trade Area was \$34,865, also just a bit lower than Wisconsin (\$32,803), and the U.S. (\$34,136). Overall, the distribution of household income in the Trade Area is very similar to that of Wisconsin and the U.S.

TABLE 5 Household Income

	Washburn Trade Area	Wisconsin	U.S.
Median HH Income			
2020 HH Income	\$58,683	\$60,185	\$62,203
Per Capita Income			
2020 Per Capita Income	\$34,865	\$32,803	\$34,136
2020 Households by Income			
Number of Households Measured	1,530	2,391,897	126,082,216
<\$15,000	9.3%	9.1%	10.3%
\$15,000 - \$24,999	11.8%	8.5%	8.8%
\$25,000 - \$34,999	9.7%	9.3%	8.7%
\$35,000 - \$49,999	11.4%	13.3%	12.2%
\$50,000 - \$74,999	17.7%	19.2%	17.3%
\$75,000 - \$99,999	14.6%	13.9%	12.6%
\$100,000 - \$149,999	12.7%	16.0%	15.3%
\$150,000 - \$199,999	8.2%	5.6%	6.9%
\$200,000+	4.5%	5.0%	7.9%
Average Household Income	\$79,398	\$80,735	\$90,054

Source: United States Census

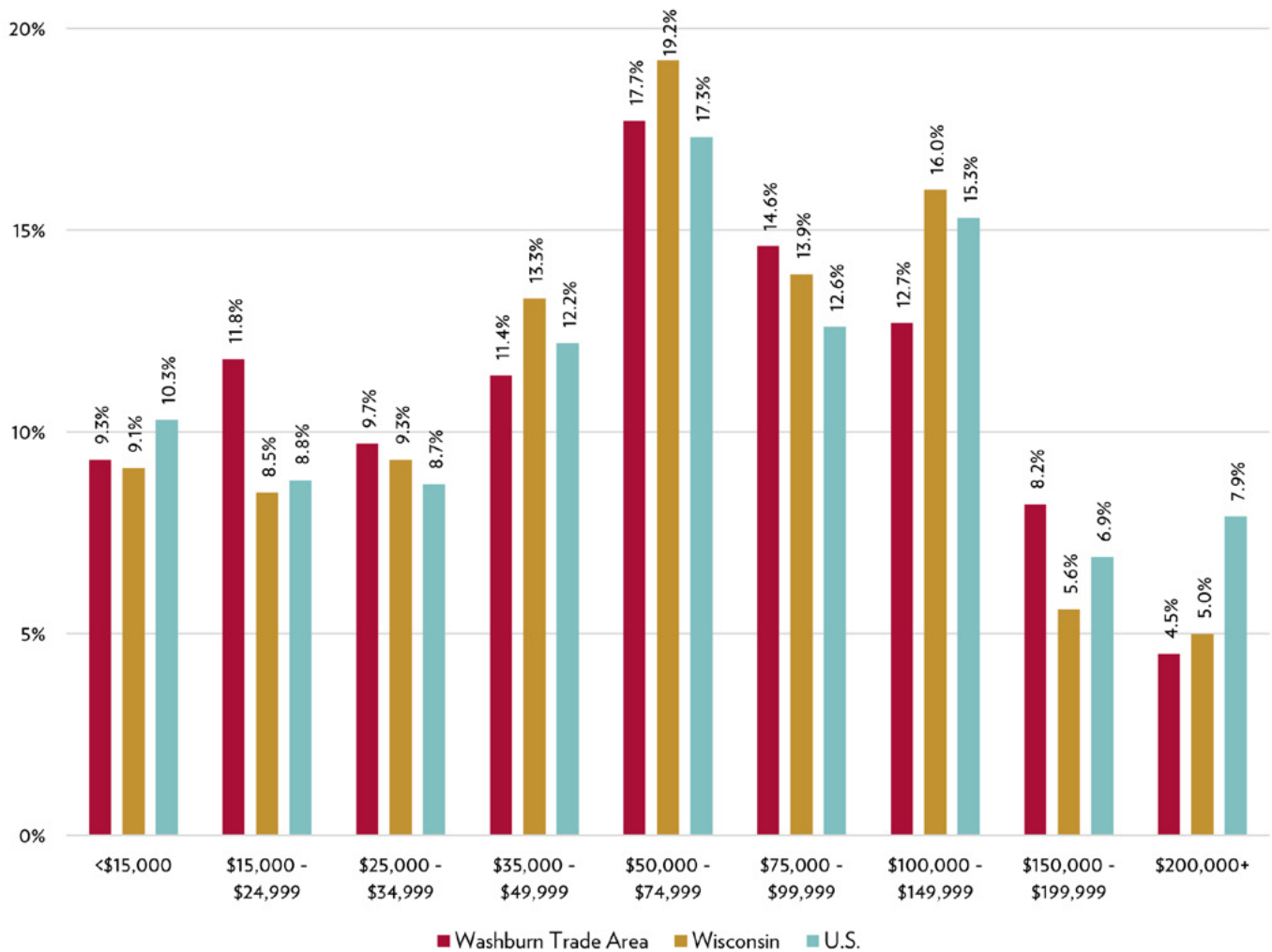


HOUSEHOLD INCOME DISTRIBUTION OF TRADE AREA, WISCONSIN, & U.S.

Generally, the income distribution in the Trade Area is very similar to that of Wisconsin and the U.S. There are, however, two exceptions. One is on the lower end of the distribution where the Trade Area outpaces the state and country in the \$15,000 to \$25,000 income range. One the higher end of the distribution, the Trade Area also outpaces Wisconsin, especially, and the U.S. in the \$150,000 to \$200,000 income range.

All three geographies peak in the \$50,000 to \$75,000 range, while the Trade area and Wisconsin see the smallest proportions in the \$200,000+ range and the U.S. in the \$150,000 to \$200,000 range.

FIGURE 6 Household Income Distribution



Source: United States Census



ANNUAL RESIDENT SPENDING

Residents in the Trade Area and across Wisconsin spend by far the most on shelter. Average spending on health care is the second largest average expenditure, while food at home rounds out the top three. In all three of these categories, Trade Area residents spend approximately the same as the Wisconsin average.

The categories following these essentials can be telling regarding resident preferences, priorities, and area business potential. For example, in both geographies, food away from home and entertainment/recreation were the next highest categories, suggesting that they are priorities among residents.

Depending on the spending category, Trade Area residents on average spend between 92% and 108% as much as residents statewide. Compared to residents statewide, Trade Area residents on average spend the least on education, which would make sense due to the higher average age in the Trade Area, and the most on Support Payments, Cash Contributions, and Gifts in Kind. Since the average spending in the Trade Area is very similar to that of Wisconsin, it may be that the cost of living in the Trade Area is very similar to other parts of the state, and that Trade Area residents have comparatively more disposable income.

Finally, by comparing the total dollars spent in each category across geographies, we can approximate the contribution that each Trade Area makes to the larger surrounding economy. For example, 0.06% of all food away from home spending in Wisconsin is done by residents of the Trade Area. The larger the share, the more important the area is for the larger surrounding economy.

TABLE 6 Annual Resident Spending (in \$)

Spending Category	Washburn Trade Area		Wisconsin		"Washburn Trade Area's Share of WI"	
	Total	Average	Total	Average	Total	Average
Shelter	\$25,624,242	\$16,748	\$40,717,933,881	\$17,023	0.06%	98%
Health Care	\$8,407,406	\$5,495	\$12,990,712,640	\$5,431	0.06%	101%
Food at Home	\$7,484,732	\$4,892	\$11,668,579,695	\$4,878	0.06%	100%
Food Away from Home	\$4,971,634	\$3,249	\$8,062,275,683	\$3,371	0.06%	96%
Entertainment/Recreation	\$4,638,804	\$3,032	\$7,186,174,436	\$3,004	0.06%	101%
Support Payments/Cash Contributions/Gifts in Kind	\$3,600,787	\$2,353	\$5,207,962,408	\$2,177	0.07%	108%
Travel	\$3,338,429	\$2,182	\$5,120,460,591	\$2,141	0.07%	102%
HH Furnishings & Equipment	\$2,896,817	\$1,893	\$4,765,294,898	\$1,992	0.06%	95%
Apparel & Services	\$2,751,568	\$1,798	\$4,600,471,091	\$1,923	0.06%	94%
Education	\$2,182,626	\$1,427	\$3,699,427,427	\$1,547	0.06%	92%
Vehicle Maintenance & Repairs	\$1,665,956	\$1,089	\$2,623,399,237	\$1,097	0.06%	99%
Personal Care Products & Services	\$1,185,524	\$775	\$2,002,042,644	\$837	0.06%	93%

Source: United States Census



RESIDENT HOUSEHOLDS

LIFESTYLES

Lifestyle segmentation systems examine the buying habits and preferences of consumers in an area. One lifestyle segmentation system is Tapestry™ by ESRI Business Information Solutions. Consumers are classified into 67 demographic and behaviorally distinct segments. The segments are based on type of neighborhood (urban, suburban, rural); the residents’ socioeconomic status (age, income, occupation, type and value of residence); and their buying behaviors.

The table below shows the segments that are most prevalent in the Washburn Trade Area and how the distribution compares to Wisconsin and the U.S. Each segment is then summarized below the table. Overall, the Washburn Trade Area has a focus on outdoor and traditional living

is very diverse in terms of its Tapestry Segmentation results; oftentimes in other communities, there are only two or three different segments present, especially in high enough frequencies to report. Since the City of Washburn and the surrounding area have a broad range of residents, from college students to families to retirees, it is appropriate to show and describe any Lifestyle that applied to more than 1% of Trade Area households.

TABLE 7 Tapestry Segmentation

	Washburn Trade Area	Wisconsin	U.S.
Segment Name and Code			
The Great Outdoors (6C)	68.0%	0.8%	1.6%
Heartland Communities (6F)	32.0%	6.1%	2.3%

Source: United States Census

Tapestry Segment Summaries

The Great Outdoors (6C)

These neighborhoods are found in pastoral settings throughout the United States. Consumers are educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners and partial to homegrown and home-cooked meals. Although retirement beckons, most of these residents still work, with incomes slightly above the US level.

Heartland Communities (6F)

Well settled and close-knit, Heartland Communities are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.



EDUCATION AND EMPLOYMENT



EDUCATIONAL ATTAINMENT AND EMPLOYMENT CHARACTERISTICS

Educational attainment can affect income levels, types of occupations held by residents, and consumer tastes and preferences. Employment characteristics can also signal tastes and preferences as well as indicate traits of the population; for example, the atmosphere of a traditionally-farming community is usually different than that of a technology-oriented community. The employment characteristics of residents who work in the Trade Area can also be an indication of the types and sizes of businesses in the Trade Area as well as potential opportunities for complementary businesses to do well.

In 2020, 42% of Trade Area residents held a bachelor’s degree or higher which is significantly higher than both Wisconsin and the U.S. The Trade Area also had a much lower percentage of residents with less than a high school education than Wisconsin and the U.S. Taken together this indicates that the Trade Area is well educated.

The 2020 unemployment rate for the Trade Area is 11%, which is similar to Wisconsin and slightly lower than the U.S. It should be noted that the recession induced by COVID-19 began only a few months prior to the writing of this report and that these high unemployment rates reflect that situation.

The following page continues a discussion about employment characteristics of the Trade Area with a table of the distribution of employment by each industry and occupation.

TABLE 8 Education and Employment Characteristics

	Washburn Trade Area	Wisconsin	U.S.
2020 Education			
Population Age 25+	2,662	4,076,714	229,185,446
% Less Than High School	3.1%	7.8%	11.3%
% High School Diploma or GED	22.8%	30.4%	26.7%
% Some College or 2-year Degree	32.2%	31.5%	28.8%
% Bachelor’s degree or higher	41.9%	30.2%	33.1%
2020 Civilian Population 16+ In Labor Force			
Civilian Employed	88.8%	88.2%	87.0%
Civilian Unemployed (Unemployment Rate)	11.2%	11.8%	13.0%

Source: United States Census

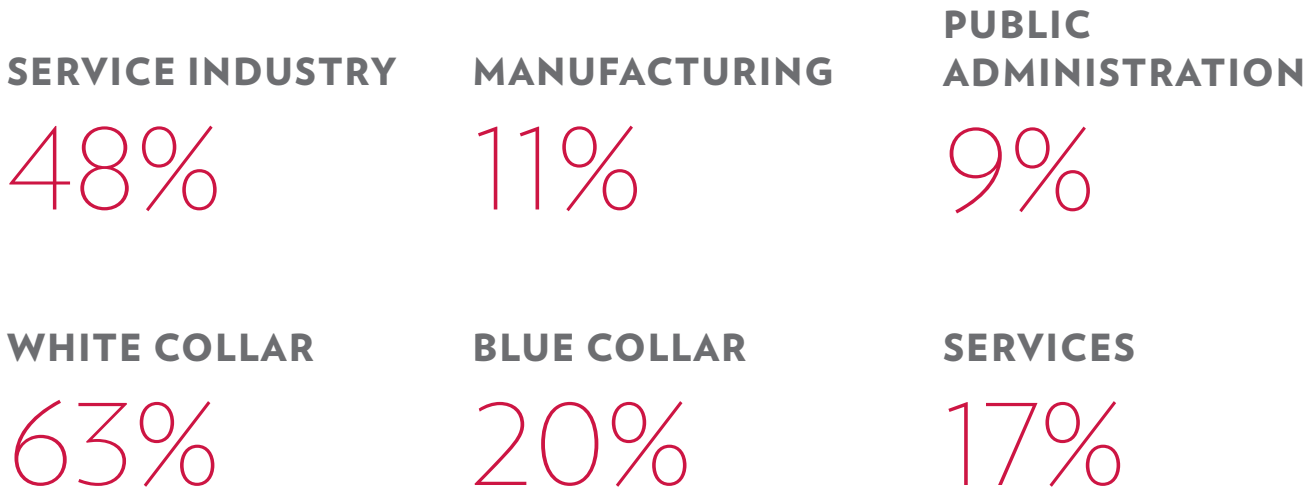


EMPLOYMENT INDUSTRIES AND OCCUPATIONS

The Trade Area contained about 1,700 workers in 2020. The most common industries in which workers were employed were services (48%), manufacturing (11%), and public administration (9%). The Trade Area's top two are very similar to that of both Wisconsin and the U.S., but these other entities have retail as their third most common industry.

The distribution of occupations of Trade Area residents was very similar to that of Wisconsin and the U.S. In the Trade Area, 63% of residents were employed in white collar occupations, 20% were employed in blue collar occupations, and 17% were employed in service occupations. Even within subcategories the Trade Area is distributed fairly similarly to Wisconsin and the U.S.

1,673
WORKERS IN 2020



EDUCATION AND EMPLOYMENT

TABLE 9 Employment Sectors

	Washburn Trade Area	Wisconsin	U.S.
By Industry			
Total	1,673	2,728,814	147,328,622
Agriculture/Mining	3.9%	2.1%	1.8%
Construction	8.3%	6.5%	7.4%
Manufacturing	11.4%	19.5%	10.6%
Wholesale Trade	1.0%	2.5%	2.5%
Retail Trade	7.8%	9.5%	9.7%
Transportation/Utilities	4.2%	4.7%	5.6%
Information	1.3%	1.6%	1.8%
Finance/Insurance/Real Estate	4.5%	6.3%	7.0%
Services	48.1%	43.8%	48.9%
Public Administration	9.4%	3.5%	4.8%
By Occupation			
Total	1,673	2,728,814	147,328,622
White Collar			
Management/Business/Financial	13.9%	14.8%	15.2%
Professional	31.6%	22.6%	23.5%
Sales	6.8%	8.5%	9.7%
Administrative Support	10.8%	13.5%	13.3%
Services			
	17.0%	15.1%	16.8%
Blue Collar			
Farming/Forestry/Fishing	1.0%	1.0%	0.8%
Construction/Extraction	4.8%	4.7%	5.4%
Installation/Maintenance/Repair	2.7%	3.3%	3.1%
Production	7.9%	10.3%	5.9%
Transportation/ Material Moving	3.5%	6.3%	6.1%

Source: United States Census



WORKER INFLOW AND OUTFLOW

Knowing where workers come from and where residents work can be an indicator of economic health in the Trade Area. If there are more jobs available in a community, more businesses are viable, which can increase both tax revenue and local quality of life. This knowledge can also identify “bedroom communities.” Bedroom communities are those to which many residents come home after work, school, extracurricular activities, shopping, and anything else, to do little more than sleep. If there are few workers inflowing and working where they live, but many workers outflowing, a bedroom community should be suspect.

As a rule, people also tend to spend their incomes locally. However, when someone commutes out of their community each day, it can be more convenient to stop at a grocery store, for example, on the way home than to make a special trip to one within the community. People who commute into the Trade Area offer an opportunity for businesses to capture dollars that may have otherwise been spent elsewhere. However, Trade Area residents who commute out are at risk of spending dollars elsewhere, so “shop local” efforts may be effective to keep these dollars in the Trade Area.

Additionally, the reasons that residents leave for work and that employers commute in should be explored, discussed, and determined at the community level. For example, if most of the local schools’ teachers commute in every day, is it because they would rather separate their home and work lives, or is it because the supply of quality and affordable of housing in the Trade Area is inadequate? Generally, do the adults in a household work in separate cities and live where they each have an equal commute?

In 2018, the last year for which this data is available, the Washburn Trade Area had more residents (1,034) than workers (550), which means there was a net outflow of 484 people each day, so there may be a bedroom community effect at play. Only 19% of employed Trade Area residents worked within the Trade Area but 35% of those employed in the Trade Area also lived in the Trade Area.

TABLE 10 Worker Inflow and Resident Outflow Counts 2018

Washburn Trade Area Employees			Washburn Trade Area Residents		
	Count	Share		Count	Share
Employed in the Trade Area	550	100%	Living in the Trade Area	1,034	100%
Employed in the Trade Area but Living Outside	358	65%	Living in the Trade Area but Working Outside	842	81%
Employed and Living in the Trade Area	192	35%	Living and Employed in the Trade Area	192	19%

Source: United States Census

WHERE TRADE AREA RESIDENTS WORK AND WHERE TRADE AREA EMPLOYEES LIVE BY COUNTY SUBDIVISION

The Washburn Trade Area employed 550 people in 2017. Approximately 23% of these employees, or 125, were City of Washburn residents. Another 18% came from the City of Ashland. Approximately 35% of Trade Area employees live somewhere other than a municipality listed in Table 11, which includes those living in smaller towns or villages near the Trade Area. Compared to many other communities, this is a small percentage. The Washburn Trade Area also supplies 1,034 employees to the region. About 33% of employed Trade Area residents work in the City of Ashland while half that many (17%) work in the City of Washburn. Outside of the Trade Area, residents tend to work in relatively large cities such as Duluth, Superior, Eau Claire, and Marshfield. One-third of Trade Area residents work somewhere that is not listed in the right half of Table 12 below.

TABLE 11 Worker Flow by County Subdivision in 2018

Place of Residence for Washburn Trade Area Employees (n=550)			Place of Residence for Washburn Trade Area Residents (n=1,034)		
	Count	Share		Count	Share
Washburn City	125	23%	Ashland City	346	33%
Ashland City	99	18%	Washburn City	171	17%
Barksdale Town	35	6%	Bayfield City	49	5%
Bayview Town	27	5%	Duluth City	26	3%
Washburn Town	22	4%	Bayfield Town	24	2%
Iron River Town	13	2%	Eileen Town	21	2%
Duluth City	10	2%	Superior City	19	2%
Eileen Town	9	2%	Eau Claire City	15	1%
Russell Town	9	2%	Barksdale Town	11	1%
Ashland Town	8	1%	Marshfield City	10	1%
All Other Locations	193	35%	All Other Locations	342	33%

Source: US Census Bureau OnTheMap LODES Data



WHERE TRADE AREA RESIDENTS WORK AND WHERE TRADE AREA EMPLOYEES LIVE BY COUNTY

When broadening the comparison geography to counties, it is clear that most (79%) Trade Area employees live either in Bayfield or Ashland Counties. The county of employment for Trade Area residents is slightly more varied. Approximately 67% of all Trade Area employees are employed in Bayfield or Ashland Counties. A more thorough commuter analysis should follow this report to determine in more detail where Trade Area residents work and where commuters to the Trade Area live.

TABLE 12 Worker Flow by County in 2018

Place of Residence for Washburn Trade Area Employees (n=550)			Place of Residence for Washburn Trade Area Residents (n=1,034)		
	Count	Share		Count	Share
Bayfield County, WI	297	54%	Ashland County, WI	371	36%
Ashland County, WI	135	25%	Bayfield County, WI	323	31%
St. Louis County, MN	20	4%	St. Louis County, MN	31	3%
Gogebic County, MI	9	2%	Douglas County, WI	22	2%
Douglas County, WI	9	2%	Dane County, WI	16	2%
Sawyer County, WI	7	1%	Eau Claire County, WI	16	2%
Iron County, WI	5	1%	Sawyer County, WI	15	1%
Rusk County, WI	5	1%	Wood County, WI	13	1%
St. Croix County, WI	5	1%	La Crosse County, WI	12	1%
Brown County, WI	4	1%	St. Croix County, WI	11	1%
All Other Locations	54	10%	All Other Locations	204	20%

Source: US Census Bureau OnTheMap LODES Data

ECONOMIC IMPACTS

TOURISM



Tourism involves more than sharing community or state pride—it is an important component of the local economy. This data examines Bayfield County, which is the narrowest geographic area for which information is available. While county level data is good, and certainly better than nothing, it may not tell the whole picture, so it may be prudent for the City of Washburn to conduct a tourism study of its own.

\$54 MILLION

DIRECT VISITOR SPENDING IN 2019

Bayfield County ranked 44 of Wisconsin's 72 counties in Direct Visitor Spending in 2019. The County saw an increase of 0.3% over 2018 whereas Wisconsin as a whole saw a 2.6% increase.

Visitor Spending Per Capita was also calculated to give a relatively uniform statewide measurement. In 2019, visitors spent about \$3,587 for each Bayfield County resident, which was greater than the per capita rate for Wisconsin as a whole (\$2,351). Bayfield County ranks 10 of 72 in this metric.

\$72 MILLION

TOTAL BUSINESS SALES IN 2019

Total Business Sales, according to the Wisconsin Department of Tourism, considers Direct Visitor Spending and its Induced Impact (see definitions in the footnote). In this metric, Bayfield County saw a benefit of approximately \$72,000,000 in 2019, which is an increase of about 1.1% over 2018 and places the County at a rank of 47 of 72 Wisconsin counties.

644 JOBS

SUPPORTED DIRECTLY BY TOURISM

In Bayfield County in 2019, there were 644 jobs supported directly by tourism. This metric is up from 631 in 2018. Labor income due to tourism was about \$12,600,000 in 2018, up 4.4% from the year before. Bayfield County ranks 49 and 50 of 72, respectively, in each Employment and Total Labor Income.

\$6.5 MILLION

IN TAX REVENUE

Bayfield County contributed approximately \$6,500,000 in tax revenue to the State of Wisconsin and local governments in 2019, which places the County at a rank of 42 of 72. This metric is beneficial to county residents because it offsets taxes that they may otherwise pay.

According to the Wisconsin Department of Tourism's document "The Power of Wisconsin Tourism: 2017 Key Messages for Wisconsin's Tourism Industry," there are three levels of impact for tourism:

DIRECT IMPACT: Visitors' expenditures on recreation, lodging, restaurants and attractions.

INDIRECT IMPACT: The flow of visitors' expenditures as traced to food wholesalers and farmers, utilities, marketing, publishing, and so on.

INDUCED IMPACT: The benefits to the economy as tourism employees spend their wages in the local economy, generating additional jobs, taxes, and wages.



ECONOMIC IMPACTS

TABLE 13 Tourism Economic Impacts in Jefferson and Walworth Counties

	Bayfield County	Wisconsin	Bayfield County's Share of WI
Direct Visitor Spending (\$ Millions)			
2018	\$53.8	\$13,318.6	0.40%
2019	\$54.0	\$13,667.8	0.39%
* % Change	0.3%	2.6%	
Rank			44/72
Direct Visitor Spending Per Capita			
2018	\$3,577	\$2,291	156%
2019	\$3,587	\$2,351	153%
% Change	0.3%	2.6%	
Rank			10/72
Total Business Sales (\$ Millions)			
2018	\$71.2	\$21,571.6	0.33%
2019	\$72.0	\$22,223.4	0.32%
* % Change	1.1%	3.0%	
Rank			47/72
Employment			
2018	631	199,073	0.32%
2019	644	202,217	0.32%
* % Change	2.0%	1.6%	
Rank			49/72
"Total Labor Income (\$ Millions)"			
2018	\$12.0	\$5,675.3	0.21%
2019	\$12.6	\$5,902.1	0.21%
* % Change	4.4%	4.0%	
Rank			50/72
State and Local Tax Revenue from Tourism (\$ Millions)			
2018	\$6.5	\$1,581.6	0.41%
2019	\$6.5	\$1,610.0	0.41%
* % Change	0.1%	1.8%	
Rank			42/72

* % Change data comes from Dept of Tourism report, rounding may not match

Source: Wisconsin Department of Tourism





Extension

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