Idaho Wine Commission
2022 Economic Impacts

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Prepared for:

Idaho Wine Commission

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Executive Summary

This report provides an update to the Idaho Wine Commission Economic Impact Study from September 2019[1]. Starting with an assessment of the industry's strengths, challenges, and opportunities as informed by interviews with local wineries, this study proceeds to provide an overview of the industry and quantify the economic impacts of wine production in Idaho in 2022.

The Idaho wine industry supported $314.1 million in business revenue and 3,100 jobs statewide in 2022.

The industry's total economic impact[2] is generated through three types of activities: 1) wine production, 2) downstream distribution and sales to wholesalers, retailers, and restaurants, and 3) associated tourism activities. In 2022, the total economic impact of the wine industry from all three activities summed to **$314.1 million in business revenue**, **3,100 jobs**, and **$97.4 million in labor income** statewide. This is $64 million more in business revenue (after adjusting for inflation) and nearly 800 more jobs supported than in 2017, the year of the last economic impact study.

Idaho's wine industry continues to thrive in quantity, quality, and recognition.

The smallest of the western states' wine industries, Idaho's industry has gained notoriety and reputation as a wine region producing award winning wines and a destination for wine tourism.

Between 2017 and 2022, Idaho produced **an average of roughly 248,000 cases of wine per year**, more than the average number of annual cases of 200,000 produced between 2011 and 2017. While wine production experienced a decline during the pandemic years (2020 and 2021), 258,000 cases were produced in 2022, almost as much as pre-pandemic production.

In 2022, there were **70 wineries in Idaho**. That number has increased by nearly 35% from 52 wineries in 2017. Roughly 69% of Idaho's wineries are concentrated in five counties: Ada, Canyon, Nez Perce, Latah, and Kootenai and account for 91% of total statewide wine production in 2022. Ste. Chapelle Winery is the state oldest and largest wine producer and in 2022 produced around 125,000 cases of wine, accounting for nearly half (48%) of the state's total production.

Idaho has a total of **1,300 acres of vineyards**, with most of these in the Snake River Valley American Viticultural Area (AVA), Idaho's first AVA established in 2007. The other two AVAs – Lewis-Clark Valley and Eagle Foothills – that also produce high

[1] The 2019 report estimates economic impact for 2017.
[2] Including direct, indirect, and induced impacts.

quality grapes for Idaho's award-winning wines were established in 2016 and 2015 respectively.

Wine production, distribution and sales in Idaho have sizeable impacts on the state economy.

Idaho's wine industry remains a significant industry and an important source of employment and wealth creation across the state.

In 2022, wine production, distribution and sales had **direct revenues of nearly $57 million**, up from $55 million in 2017 (after adjusting for inflation). Direct revenue in 2022 consisted of $40 million in winery revenue and an additional $16.9 million generated through mark-ups among retailers, restaurants, and wholesalers. The industry **directly employed 540 workers in 2022**, of which 360 workers in wineries, and another 180 workers in restaurants, retail outlets, and wholesalers.

Factoring in additional secondary impacts throughout the state through upstream business-to-business transactions (indirect) and household consumption (induced), wine production, distribution and sales had a total economic impact of **$94.1 million in annual revenue for the state**, up from $88.5 million in 2017 (after adjusting for inflation). Wine production, distribution, and sales in Idaho also supported a total of **800 jobs** in 2022 and **$30.3 million in labor income** statewide. This is roughly 80 more jobs and nearly $6 million more in labor income than in 2017 (after adjusting for inflation).

Wine production in Idaho supports tourism and is an important attractor of visitors to Idaho.

Wine related tourism in Idaho has continued to rise - an estimated **890,000 visitors** incorporated winery or tasting room visits into their travel in 2022, 20% more than in 2017. This volume is equivalent to nearly 3% of all visitors to Idaho in 2022. **These visitors spent an estimated $173.1 million** on various non-wine goods and services, or an average of approximately $195 per visitor. The **total economic impact** of this spending (including indirect and induced effects) totaled **2,300 jobs**, $**67.1 million in labor income**, and **$220 million in business revenues** across the state economy.

Idaho's wineries and tasting rooms offer a range of unique tourism experiences stretching from the urban wine tasting landscape of Boise and Garden City to the expansive panoramic views of the Idaho's Western Treasure Valley Sunnyslope all the way up to the more temperate northern regions with vineyards concentrated in the Lewis Clark Valley and tasting rooms stretching into the area of Coeur d'Alene.

Population growth driven by in-migration is a growth opportunity for wine demand.

Over the past decade or more, Idaho has seen significant in-migration, which was a trend exacerbated by the pandemic as remote workers relocated to more affordable cities such as Boise. From 2021 to 2022, it is estimated nearly 88,000 people moved to Idaho, with the largest numbers coming from California (26,900) and Washington (14,400).[3] This in-migration has created opportunities and a new consumer base for Idaho wineries to serve. Multiple Idaho winemakers interviewed for this study noted the influx of former California residents, who quickly convert to Idaho wine drinkers as they are impressed by the high quality and relative affordability compared to California wines.

[3] U.S. Census Bureau State-to-State Migration Flows, 2022.

INTRODUCTION

Background and Purpose

Idaho has a long history of wine production, with the first vineyards planted in 1864. The modern Idaho wine industry took root in the 1970s and has grown strongly ever since. Nestled between the Rocky Mountains and the Snake River, Idaho's three wine regions – Snake River Valley, Lewis-Clark Valley, and Eagle Foothills, nurture the grapes with a moderate climate, limited precipitation, and a consistent growing season that adds complexity to the grapes. Idaho is known for growing and producing classic varieties including Cabernet Sauvignon, Merlot, Riesling, and Chardonnay, as well as more adventurous wines such as Tempranillo and Sangiovese.

To capture the growth of the industry and its significant contribution to the state economy, the Idaho Wine Commission (IWC) contracted for a study of total statewide economic impacts in 2019 and a study of impacts by county in 2021. Both of those studies summarized impacts for 2017 as the most recent available data at the time. This study is an update of the statewide and county economic impacts for 2022.

The report presents statewide industry trends and economic impacts of Idaho's wine industry. In addition to reviewing current conditions of Idaho's wine industry, the study aims to reveal key challenges and opportunities facing the Idaho wine industry going forward. The analysis also explores the wine industry's unique relationship with Idaho's tourism economy.

Methods

This study begins with an assessment of strength, challenges, and opportunities for the Idaho wine industry. The industry's identified strengths, challenges, and opportunities were informed by stakeholder interviews. A total of 14 phone interviews were conducted virtually with the wineries listed in Appendix A. Appendix B includes the questions asked during the interviews.

Data from the IWC, the U.S. Alcohol and Tobacco Tax and Trade Bureau (TTB), U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis is analyzed to reflect key economic indicators for the Idaho wine industry, including the number of wineries, acres planted, production volumes, employment, and wages. The IWC assessment data was used as a basis for industry production for 2022. This data was considered representative of the whole industry, and it was similar to other sources such as the U.S. Alcohol & Tobacco Tax & Trade Bureau (TTB) or the Idaho State Police Alcohol Beverage Control (ABC) production data. In addition to the stakeholder interviews, this study included an online survey to collect data on production, sales, and visitor volumes. Wineries that were interviewed were encouraged to complete the survey as well. Primarily, survey data was used to help inform visitor volume estimates and price per bottle estimates. A total of 12 wineries responded to the survey and are listed in Appendix A. Appendix B includes the survey questions.

Methodologically, this study builds on previous reports from 2019 and 2021. This study estimates economic impacts from three types of activities: 1) wine production, 2) downstream distribution and sales to wholesalers, retailers, and restaurants, and 3) associated tourism activities. Detailed information on methods and data sources used to estimate the impact of these three types of activities are included in Appendix C.

Total economic impacts are estimated using the IMPLAN (Impact Analysis for Planning) statewide model for Idaho. IMPLAN is an economic input output modeling application operated by the company with the same name. The total economic impacts presented in this report include:

- **Direct impacts.** These capture the employment, wages, and revenues spurred by wine production and sales; markups generated by downstream distribution of wine by wholesalers, retailers, and restaurants; visitor spending associated with wine tourism.
- **Indirect impacts**. Capture upstream business-to-business transactions that support the production of wine, including grape growers, capital investments, harvest equipment, and other support activities.
- **Induced impacts.** Include economic activities driven primarily by the spending of income earned through direct and indirect employment (i.e., household consumption).

This report presents statewide economic impacts and impacts broken down by the following five counties which account for most of the wine production in Idaho: 1) Ada; 2) Canyon; 3) Nez Perce; 4) Kootenai; and 5) Latah.

Organization of Report

The remainder of this report is organized as follows:

- **Industry Overview:** Details the current state of the winemaking industry in Idaho through discussion of key performance indicators, including production volumes, establishments, revenues, and employment.
- **Strengths, Challenges & Opportunities:** Synthesis of strengths, challenges, and opportunities that may help or hinder the industry going forward.
- **Economic Impacts:** Summarizes the overall economic impact of the winemaking industry on Idaho's economy.
- **Stakeholder Engagement:** Reviews the process of interfacing with a pool of respondent stakeholders from the winemaking industry to source operations data and prevailing sentiments on the state of the industry.

INDUSTRY OVERVIEW

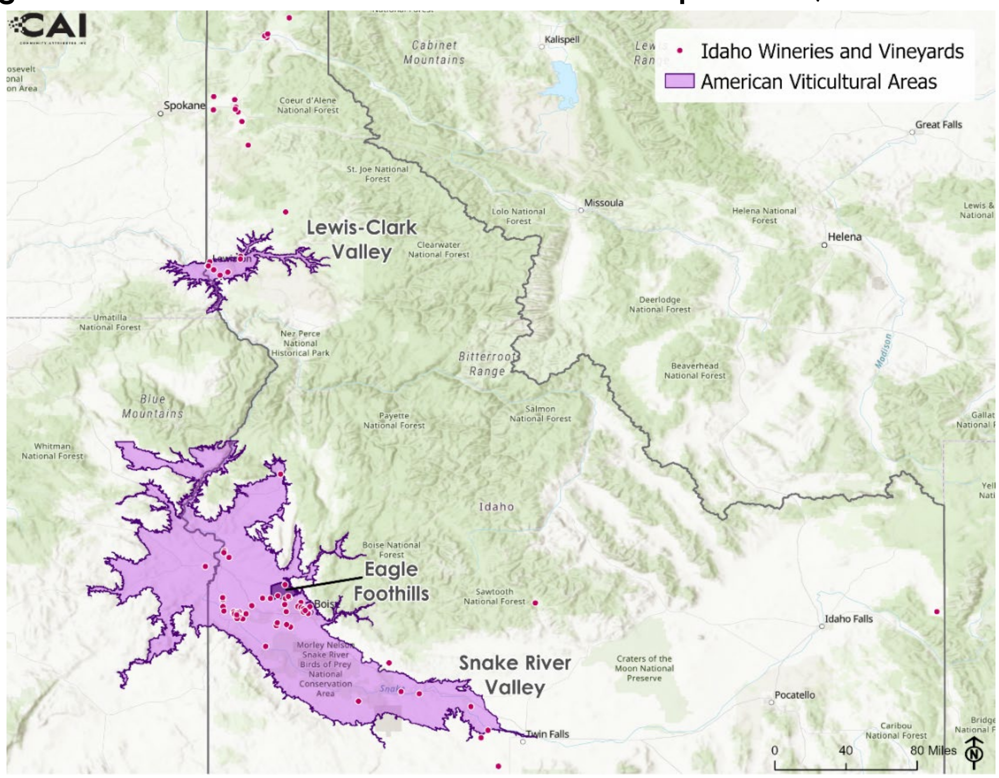
The following section provides an overview of the current state of the Idaho wine industry. The existing landscape of winery operations and overall production are provided, along with a discussion of the three viticultural areas located within the state.

Additionally, this section presents aggregate data on wine revenues, employment, and income.

American Viticultural Areas (AVA)

There are three designated viticultural areas in Idaho with soil and terrain ideal for vineyards and winemaking. These areas are mapped in **Figure 1**. Along the northeastern edge of the state, straddling the Washington state border, sits the Lewis-Clark Valley. The valley supports 100 acres of vineyard land, 91 in Idaho. The region enjoys a mild temperate climate with 11-22 inches of rain annually, providing an optimal environment for cultivating fruit crops.[4]

Figure 1. American Viticultural Areas and IWC Operations, Idaho[5]



Sources: Alcohol & Tobacco Tax & Trade Bureau, 2023; Idaho Wine Commission, 2023; Community Attributes, 2023.

To the south lies the larger Snake River Valley viticultural area, tracing the Snake River through the southwestern region of Idaho from across the Oregon border, just south of the Blue Mountains. This AVA is well known for its variety of wine grapes yielded by the region's unique edaphology and climatic properties – high altitudes,

[4] https://www.washingtonwine.org/resource/lewis-clark-valley/

[5] Location data only covers operations that are part of the IWC. Wine operations are mapped based on address data provided to IWC from wineries and vineyards. Additional information on whether a given address corresponds to an actual winery operation, business office, tasting room, or other establishment is not available.

cooler temperatures, crisp arid air, and dark loamy soil. Snake River Valley covers more than 8,200 square miles and includes 1,125 acres of vineyard land in Idaho and Oregon[6].

The third AVA, Eagle Foothills, is contained within the Snake River Valley and is the only AVA located entirely within the state of Idaho. The AVA encompasses nearly 50,000 acres of land north of Eagle with 100 acres planted currently[7]. The delineation of Eagle Foothills as a separate AVA from the Snake River Valley aligns with the area's wholly unique microclimate.[8]

Industry Indicators

There are a variety of economic indicators that can be used to gauge the overall health of the wine industry in Idaho. These indicators include production figures (these may be measured in gallons or cases), business revenues, employment metrics, and income.

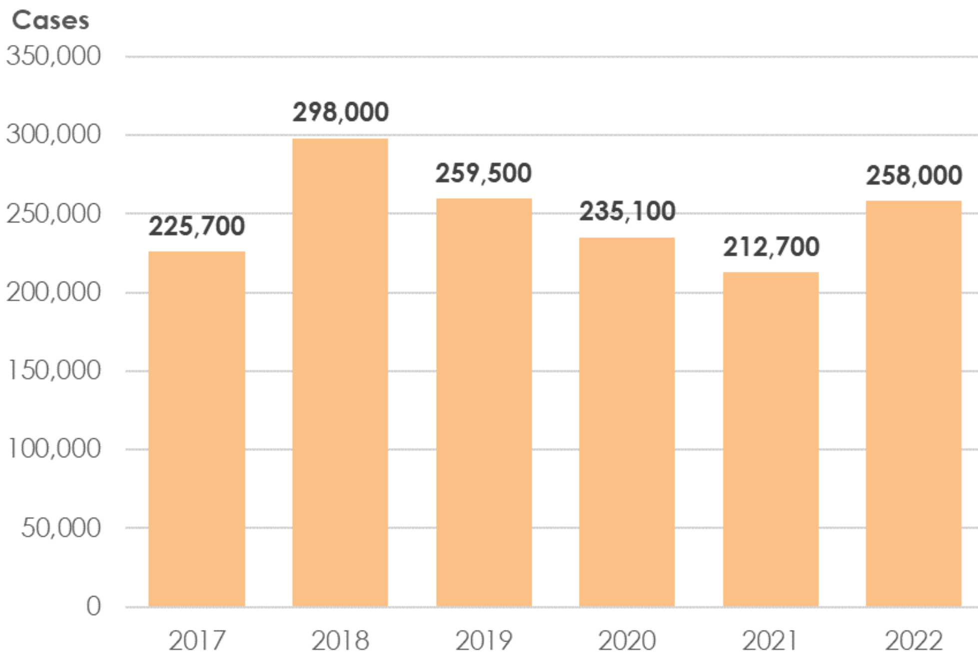
Idaho Wine Production

Total wine production for the state has been volatile since 2017 (**Figure 2**). However, Idaho's average annual production increased to roughly 248,000 cases of wine per year from 200,000 produced between 2011 and 2017. The drop in production in 2020 and 2021 has been primarily driven by pandemic impacts and a decreased yield. In 2021 Idaho vineyards reported yields were down slightly due to the heat[9]. Total cases produced dropped by more than 85,000 cases from 2018 to 2021, but nearly returned to pre-pandemic levels in 2022.

Wine produced in Idaho is not exclusively produced by grapes grown in Idaho. Wineries reported to the IWC that in 2022 they purchased 2,795 tons of grapes from in-state, while an additional 470 tons were purchased from out-of-state[10]. Additionally, wineries reported purchasing 1,098 gallons of grape juice produced by Idaho grapes and 22,503 gallons from out-of-state sources.

[6] https://idahowines.org/content/uploads/2023/06/IWC-Tour-Brochure-2023.pdf
[7] Ibid.
[8] https://www.winesnw.com/eaglefoothillsAVA.htm
[9] https://blog.idahowines.org/2021-harvest-recap
[10] Idaho Wine Commission assessment data, 2022.

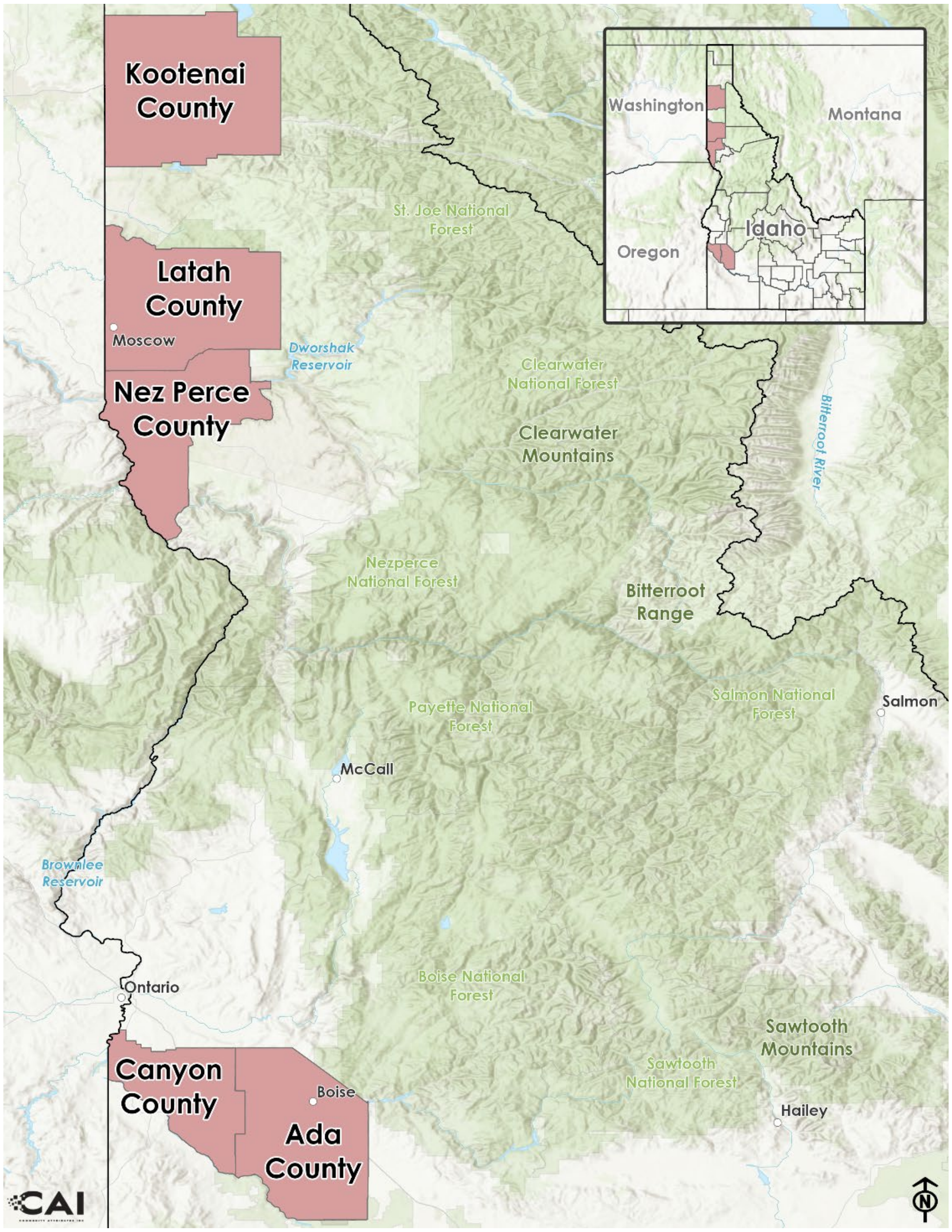
Figure 2. Idaho Wine Production (Cases), 2017-2022



Sources: Alcohol & Tobacco Tax & Trade Bureau (TTB), 2023; Idaho Wine Commission, 2023; Community Attributes, 2023.

Additional production data provided by the Idaho Wine Commission allows production to be visualized at the county level. **Figure 3** presents the county boundaries for the counties analyzed in this study.

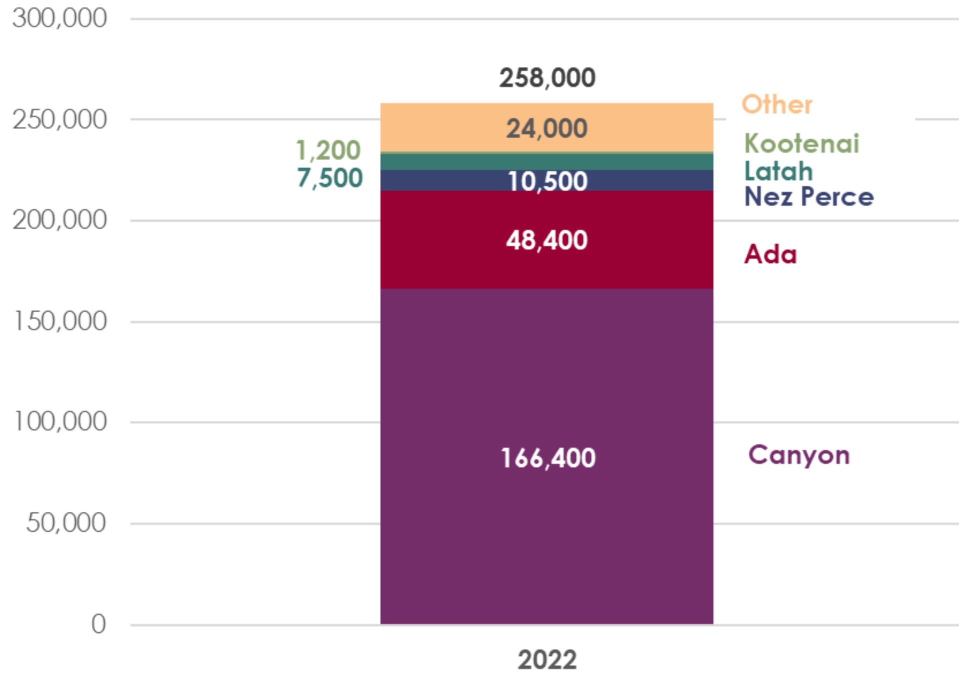
Figure 3. Ada, Canyon, Latah, Nez Perce, and Kootenai County Boundaries



Sources: Community Attributes, 2023.

Figure 4 presents production by the five counties analyzed in this study. In 2022, Canyon, Ada, Nez Perce, Latah, and Kootenai counties accounted for roughly 91% of total statewide wine production. Canyon and Ada produce the highest number of cases, totaling nearly 85% of wine production in the five counties analyzed in 2022. Precept's Sawtooth and Ste Chappelle wineries represent a large portion of Canyon County's wine production.[11] In 2022, Sawtooth and Ste Chappelle production represented roughly 75% of Canyon County's total.

Figure 4. Wine Production (Cases), By County, 2022



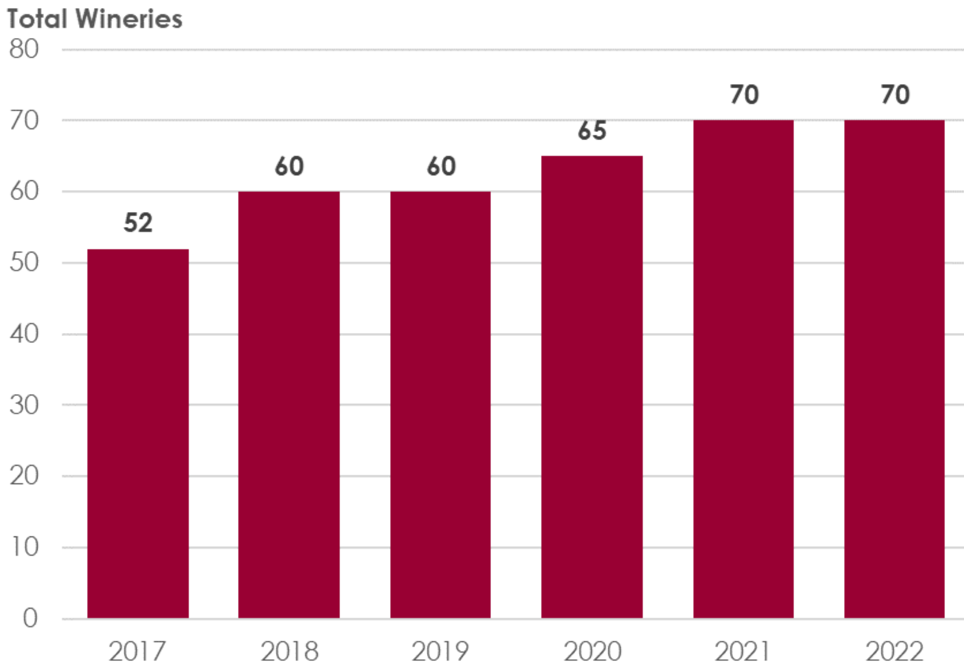
Sources: Idaho Wine Commission, 2023; Community Attributes, 2023.

Idaho Wineries

The number of wineries in operation in Idaho has increased by nearly 35% between 2017 and 2022. As of 2022, 70 wineries and estate wineries were in operation (**Figure 5**). Ste. Chapelle Winery is the state's oldest and largest wine producer and in 2022 produced around 125,000 cases of wine, accounting for nearly half (48%) of the state's total production[12]. Among the other wineries that reported their production to the IWC in 2022, the next largest were Holesinsky with 15,000 cases, Koenig Vineyards with 13,000 cases, and Telaya Wine Co. and Cider Wines with 10,000 cases annually.

[11] Precept Wine is the largest privately-owned wine company in the Pacific Northwest and has a substantial presence in Idaho. (preceptwine.com/about/)
[12] Idaho Grape Growers & Wine Producers Commission assessment data, 2022.

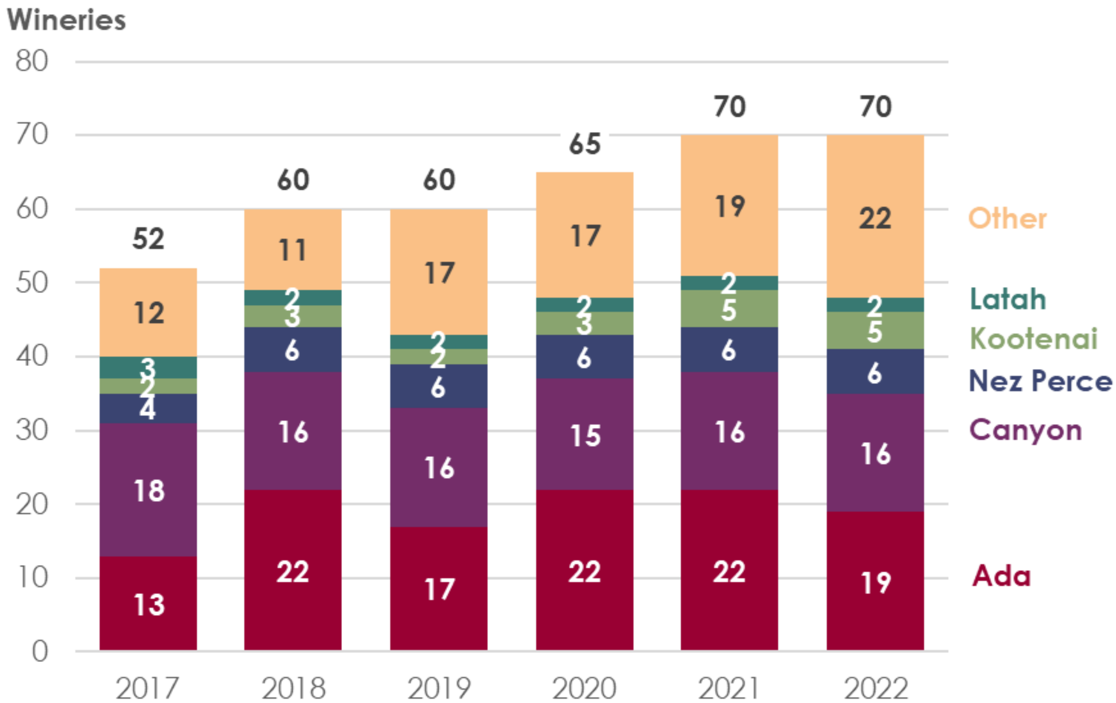
Figure 5. Total Wineries, Estate Vineyards, and Vineyards, Idaho 2017 - 2022



Sources: Idaho Wine Commission, 2023; Community Attributes, 2023.

Ada and Canyon counties, which can be found in the Eagle Foothills and Snake River Valley AVAs, contain about half of Idaho's wineries. As of 2022, Ada's 19 and Canyon's 16 wineries represented 35 of the state's 70 wineries. Meanwhile, the five counties analyzed in this report represented 69% of the state's wineries (**Figure 6**).

Figure 6. Total Wineries and Estate Wineries by County, 2017 – 2022

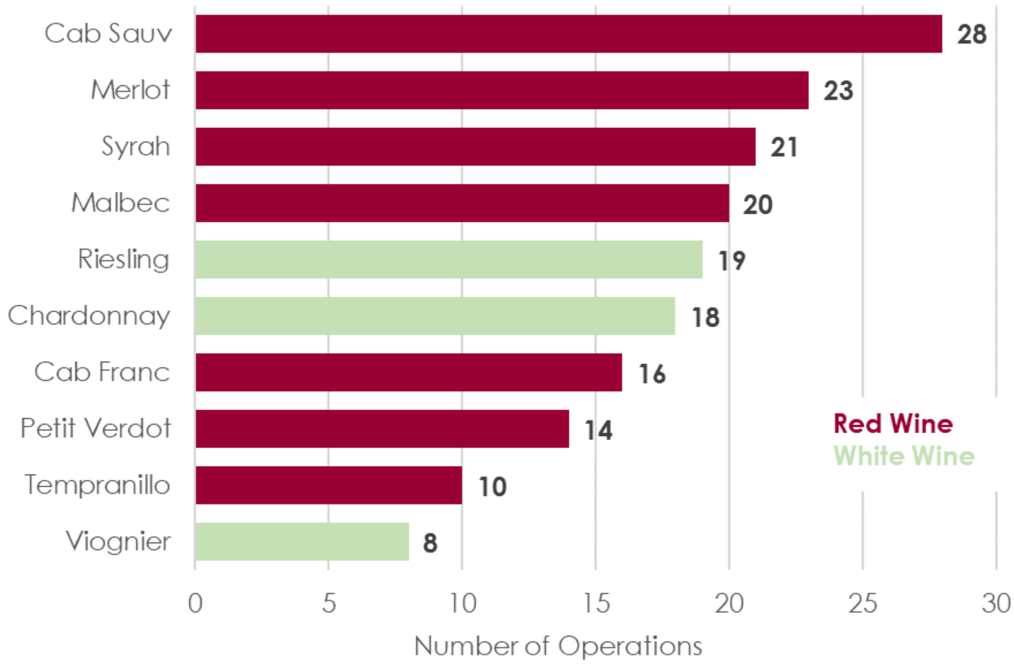


Sources: Idaho Wine Commission, 2023; Community Attributes, 2023.
Note: The counts presented above exclude Cideries and Meaderies.

The Idaho Wine Commission also provides current data on the varieties of wine currently produced by member wineries within the state. The top varieties produced are provided by establishment count and by acreage in **Figure 7** and **Figure 8**, respectively.

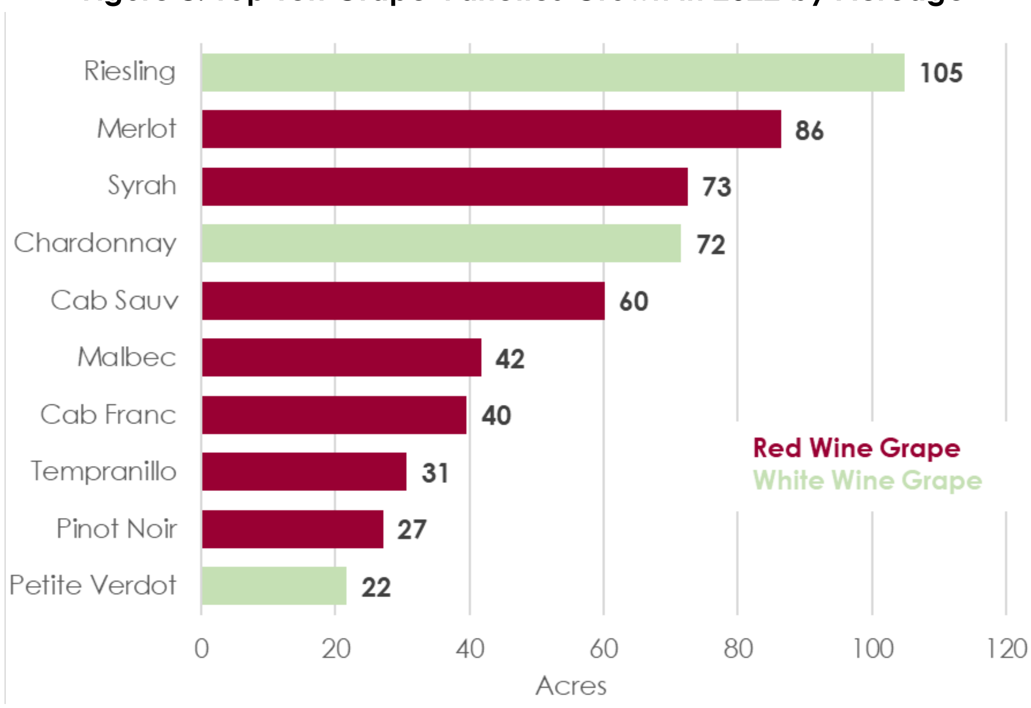
By count of operations producing each wine variety, Cabernet Sauvignon is the most common wine produced, followed by Merlot and Syrah. A larger number of Idaho's wineries produce red wines, however, when accounting for the acreages of each grape variety being grown, Riesling (a variety of white grape) is the most common wine variety in Idaho by a substantial margin. In total, IWC's member vineyards have over 100 acres of land planted with Riesling grapes (**Figure 8**).

Figure 7. Top Ten Grape Varieties Grown by Idaho Vineyards and Estate Wineries, 2022



Sources: Idaho Wine Commission, 2023; Community Attributes, 2023.

Figure 8. Top Ten Grape Varieties Grown in 2022 by Acreage



Sources: Idaho Wine Commission, 2023; Community Attributes, 2023.

Business Revenues, Employment, and Income

The wine industry within Idaho may also be understood through business revenues, jobs, and labor incomes.

Business Revenues

Wineries generate business revenues by selling wine through multiple sales channels. Direct-to-consumer sales represent a large proportion of sales for Idaho's wineries, especially smaller operations - often accounting for 90% to 100% of a winery's sales per the survey conducted for this analysis. Direct-to-consumer sales include wine clubs and tasting rooms, or any other scenarios in which a consumer buys directly from a winery.

While less common, wineries also generate business revenues by directly selling their wine to local retailers and restaurants (self-distribution) or by selling to a wholesaler who distributes the wine to retailers and restaurants (wholesale distribution). Wholesale distribution is most common among larger wineries, as it can be hard to justify the costs associated with wholesale distribution for smaller wineries.

The process of alcohol distribution through a wholesaler is termed the *three-tier system*. Within this system, distribution begins when the winery sells their product to a wholesaler. The wholesaler is then responsible for storing and distributing the wine to retailers and restaurants, for which they typically charge roughly a 30% mark-up to ensure they can generate their own revenues.[13] Retailers mark-up the wine again by 30% to 40% and sell it to the end consumer.[14] Restaurants also apply a mark-up on the price of the wine they purchase, which can reach as high as 300% depending on the establishment.[15] Wine sales by wineries alongside the mark-ups charged by wholesalers, retailers, and restaurants sum to the total wine industry revenues estimated for this study.

The analysis conducted for this study estimates business revenues generated by Idaho's wineries by combining production data provided by the Idaho Wine Commission alongside sales estimates and sales-channel insights obtained through the winery survey. Supplemental price per bottle information was also sourced from the survey and various online sources to arrive at total business revenues. For more details regarding the assumptions and data used to arrive at business revenues, please refer to Appendix C.

Since 2017, estimated revenues for Idaho's wine industry have increased from roughly $55 million to nearly $57 million, after adjusting for inflation. Winery revenues represent about two-thirds of total business revenues, while distributor, retail, and restaurant mark-ups represent the remaining third (**Figure 9**). The present analysis includes updated assumptions regarding the proportion of sales through each sales

[13] "What is the Profit Margin of Wine in the US?", David Beck, 2021.
[14] "Wine Pricing: Strategy, Profitability and Adjustments", Sommelier Business, 2022.
[15] *Ibid.*

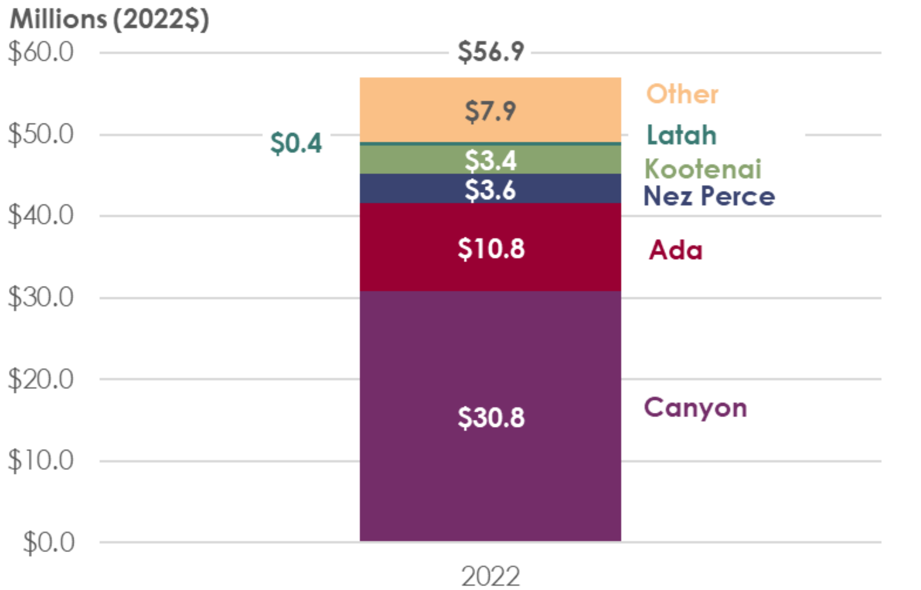
channel (direct-to-consumer, self-distribution, and wholesale distribution) derived from the data received through the winery survey compared to the previous analyses. Updating the assumptions has impacted the share of revenues represented by each mark-up category.

Figure 9. Wine Industry Business Revenues, Idaho, 2017 and 2022 (In $2022)

Sources: Alcohol & Tobacco Tax & Trade Bureau (TTB), 2023; Idaho Wine Commission, 2023; wine-searcher, 2023; Community Attributes Inc., 2023.

Figure 10 presents business revenues estimates by county. Canyon and Ada County accounted for most business revenues in 2022, totaling more than $41 million (73%).

Figure 10. Wine Industry Business Revenues by County, 2022



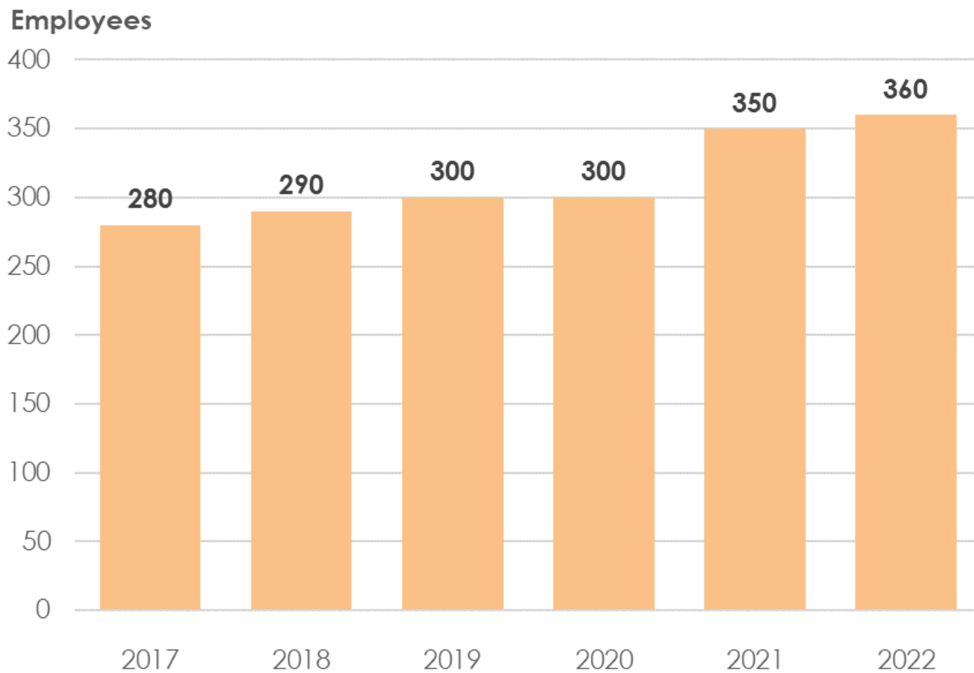
Sources: Idaho Wine Commission, 2023; wine-searcher, 2023; Community Attributes Inc., 2023.

Employment and Income

As Idaho's wine industry has continued to establish itself, winery related employment has continued to increase. Winery estimates are presented as annualized employees, which aims to capture the average number of employees working at wineries each year, since monthly employment counts may vary. The analysis approaches employment in this manner due to the seasonal nature of winery employment in Idaho, driven by increased demand for work during tourist and harvest seasons. Employment estimates utilize a range of sources, including U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW), winery survey data, and assumptions utilized in the previous analysis. For more detail regarding the assumptions and data used to arrive at winery employment and wages, please refer to Appendix C.

Since 2017, annualized employment has increased from an estimated 290 workers to 360 workers in 2022 (**Figure 11**). According to publicly available data published by the Bureau of Labor Statistics, the average annual wage per worker in the wine industry has increased by about $5,000 from 2017 to 2022, after adjusting for inflation. As of 2022, average annual wage including benefits in the wine industry totaled about $37,000. One stakeholder interviewed for this study highlighted labor as one of the most prominent challenges faced by their business and the industry overall. These challenges persist for both service-oriented roles in tasting rooms and for vineyard jobs. The Idaho wine industry does not benefit from a large migrant workforce in the same way other larger wine growing regions do. While some Idaho wineries do utilize a migrant workforce, this is not true for all Idaho wineries, as multiple winemakers noted that they typically employ residents that desire full-time jobs rather than seasonal work to make ends meet. This, in combination with inflation and other macroeconomic forces, makes it challenging for wineries to maintain full-time staff while also contending with rising costs up and down the supply chain.

Figure 11. Winery Employment, Idaho, 2017-2022



Sources: Bureau of Labor Statistics, 2023; Community Attributes, 2023.

Winery employment in Canyon, Ada, Kootenai, Nez Perce, and Latah counties has increased by roughly 90 workers from 2017 to 2022. Ada and Canyon have seen the largest increases, increasing by an estimated 50 and 20 workers, respectively (**Figure 12**).

Figure 12. Winery Employment by County, 2017 and 2022

Geography	Employment	
	2017	2022
Canyon	130	150
Ada	50	100
Kootenai	10	20
Nez Perce	10	20
Latah	10	10
Other	70	60
5-County Total	*210*	*300*
Statewide	**280**	**360**

Sources: Bureau of Labor Statistics, 2023; Community Attributes, 2023.

Strengths, Challenges & Opportunities

Winemakers in Idaho were asked to share their perspective and outlook regarding the industry. In these discussions, several challenges and opportunities emerged. This section of the report presents the findings from the interviews.

Strengths

Idaho wine's current strengths currently lie in two major categories, increased recognition of production quality and unique tourism offerings. The Idaho wine industry has continued to grow in notoriety and recognition, positioning the industry well to continue to build on its recent success. For example, Idaho is producing an increasing number of gold medal winning wines in regional competitions in recent years. In part driving this recent success, Idaho wine provides unique tourism offerings through the combination of urban winery areas and more traditional rural winery locations. The urban winery scene of Garden City and Boise allows visitors or residents to visit several different wineries tap rooms, in addition to remaining close to several outdoor activity offerings just outside the cities. The vastness of the state also provides two different rural winery settings as northern Idaho offers cooler temperatures in a more mountainous and forested region, while southern Idaho provides high desert landscape throughout which wineries are scattered.

Challenges

Challenges facing the wine industry identified through the interviews include:

- Lingering impacts from COVID-19
- The trade-off between population growth and constricted land use capacity
- Capital investment and labor costs
- Uncertainties surrounding climate change.

The COVID-19 Pandemic

The impacts of the pandemic on winemaking businesses varied. Many winery operations suffered major losses due to COVID. Traffic to tasting rooms was low or non-existent, staffing shortages became common, special events (including grand openings) were disrupted or canceled, and winemakers had to reckon with how to engage with consumers and club members in a new normal. Several wineries had to shut down for a period of time.

For other winemaking operations, COVID-19 spurred unexpected gains. Their businesses embraced new innovations and online distribution channels. Sales increased due to increased consumer spending on recreation and indulgences. Furthermore, Idaho's relatively less stringent COVID-19 regulations incentivized consumers from states with stricter regulations to leave their locked down states to enjoy wineries in Idaho, yielding a lift in out-of-state foot traffic.

Other wine operations, particularly vineyards, saw little to no impact from the COVID-19 pandemic due to their natural isolation and self-contained operation. In general, wineries that reported adverse pandemic impacts have begun approaching a full recovery to pre-pandemic productivity.

Population Growth and Land Capacity

Local regulations continue to pose a challenge for winemakers. There is a trade-off between growing in-migration and shrinking land capacity. The residential development and commercial development required to support this in-flux of population requires additional land. The competition for land is driving up real estate prices and threatening prime agricultural land for growing grapes and other food items. For the wine industry, land capacity for additional vineyards will be essential to satisfy increasing demand from population growth. This trade-off between constrained land capacity and the gains from population growth is a key concern for many winemakers operating in the southern AVAs near Boise.

Capital and Labor Costs

An additional issue cited by interviewees is capital and labor costs. The necessary equipment to operate wineries has become increasingly expensive, creating a barrier to entry for smaller winemaking businesses. While total employment is increasing, wages required to pay staff have also increased, driven in part by inflation. Many in the labor force have been hesitant to return to the service industry post-COVID, resulting in labor shortages and higher turnover for wineries and their tasting rooms.

Climate Change and Future Uncertainty

A final challenge facing Idaho's wine industry is climate change. This issue has become a long-term concern for a variety of industries reliant on agriculture. Multiple interviewees cited the impacts of climate change, including temperatures, wildfires, and other climatic events as important concerns for their business going forward. This is a challenge that is naturally accompanied by uncertainty. Idaho's wineries and vineyards will benefit from additional research and discussion to understand the impacts of climate change on winemaking in Idaho over a longer time horizon, and the steps required to mitigate adverse effects to wineries.

Growth Opportunities

Future opportunities for the Idaho wine industry are attributed to:

- Population growth and commensurately increasing demand
- New generations of wine consumers
- Continued tourism growth

Population Growth and Market Demand

Despite the tandem challenges related to land use regulation and development, recent population growth trends present an opportunity for Idaho wineries to grow their business in terms of sales and the physical scale of their operations driven by a larger local consumer base. Multiple wineries reported already seeing an increase in local customers that have recently moved to Idaho, most notably, former residents of California who are pleasantly surprised by high quality, yet still affordably priced Idaho wine. The additional population will also encourage the development of new winery operations with proper land capacity regulations in place.

Future Wine Consumers

Interviewees noted an opportunity for the Idaho wine industry to attract younger consumers. Multiple respondents remarked on the considerations that winemakers will need to make regarding how best to market and serve younger generations of prospective wine consumers. Millennials are aging up and earning incrementally higher incomes that will empower them to spend more on discretionary items like local wines, a trend some winemakers have already seen. Much of Generation Z is now also of legal drinking age and primed to be introduced to the world of wine. Idaho winemakers are actively reckoning with how they can garner the spending of these new wine consumers to ensure the longevity of their businesses.

Tourism Growth

Interviews with respondents revealed additional insights related to Idaho wine's relationship with the tourist economy. A recurrent theme among interviewees was a general lack of awareness of Idaho's wine industry among consumers outside the state or the greater Pacific Northwest. Respondents acknowledged the state's wine industry is viewed as emerging and relatively young compared to the more established industries of California, Washington, and Oregon. Further, tourists who do visit the state of Idaho rarely come to visit wineries specifically. The exception to this would be visitors from Utah, a state which contains more significant regulations around the alcohol industries than are seen in Idaho. Interviewees believe tourists are commonly drawn to the outdoor amenities of the state or the attractions in Boise and wineries are often discovered along the way.

Although most respondents acknowledged that Idaho's wine industry is not currently a central draw for tourism, they also argue that the industry generates a large portion of in-state spending as tourists discover wineries while visiting the state. This signals an opportunity to further integrate the wine industry into the tourism marketing and brand identity of the state. Respondents suggested the industry be marketed not only as a complement to the natural environment and city offerings that already draw tourists, but also as an interesting complement or alternative to the wine offerings of other Pacific Northwest markets. Respondents argued that Idaho wine is unique in the variety of wines offered and the extent to which consumers are able to interact more directly with winemakers. Multiple interviewees noted that there is a strong likelihood that visitors will meet the winemaker when visiting a tasting room, as it is often the winemaker serving every day in their tasting room. Many stakeholders feel this is one of Idaho wine's strongest attributes, and provides a low pressure, relaxed environment for visitors to ask questions and learn about wine from the winemakers themselves. Overall, respondents desire a greater push for marketing Idaho's wine industry outside of the state, with the Idaho wine industry taking more of a place on the national stage.

ECONOMIC IMPACTS

The following section discusses the economic impacts generated by wine production and wine tourism throughout Idaho. The industry's total economic impact is generated through wine production, downstream distribution and sales to wholesalers, retailers, and restaurants, and associated tourism activities.

The economic impacts are presented through supported business revenues, jobs, and labor income falling under direct, indirect, or induced impacts.

- Direct impacts are attributable to the day-to-day operations of wineries as they produce and sell wine in addition to the spending they attract from tourism to their community.
- Indirect impacts are generated through upstream business-to-business transactions. An example of indirect impacts includes vineyard only operations since wine grapes are an input into wine production.
- Induced impacts are driven by income-derived consumption by the wine industry's workforce. For example, indirect impacts capture the impacts of a winery worker spending money at the local grocery store and the impact that has on the local economy.

Wine Production, Distribution, and Sales

In 2022, the production and sale of Idaho wine supported a total estimated $94.1 million in statewide business revenues, 800 jobs, and more than $30 million in labor income throughout the state (**Figure 13**). Compared to 2017, this represents an increase of nearly $6 million in supported business revenues and labor income (after adjusting for inflation) and an additional 80 jobs.

Figure 13. Estimated Total Economic Impacts of Wine Production, Distribution, and Sales, Idaho, 2022

Impact Type	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
Direct Impact	$56.9	540	$18.3
Indirect Impact	$19.0	120	$6.2
Induced Impact	$18.2	140	$5.7
Total	**$94.1**	**800**	**$30.3**

Sources: Idaho Wine Commission, 2023; wine-searcher, 2023; Bureau of Labor Statistics, 2023; IMPLAN; 2023; Community Attributes Inc., 2023.

Figure 14 presents total economic impact of wine production and sales by county for Canyon, Ada, Nez Perce, Latah, and Kootenai counties. In 2022, Canyon County's wineries supported the largest amount of business revenues ($49.3 million), jobs (360), and labor income ($13.7) among the five counties. In total, the five counties analyzed for this study accounted for 86% of total statewide business revenues supported by wine production, distribution, and sales, 84% of supported jobs, and 83% of supported labor income.

Figure 14. Estimated Total Economic Impacts of Wine Production and Sales by County, Idaho, 2022

Impact Type	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
Canyon			
Direct	$30.8	230	$7.7
Indirect	$10.3	70	$3.4
Induced	$8.2	60	$2.6
Total	**$49.3**	**360**	**$13.7**
Ada			
Direct	$10.8	110	$4.0
Indirect	$3.8	20	$1.3
Induced	$3.9	30	$1.2
Total	**$18.5**	**160**	**$6.5**
Nez Perce			
Direct	$3.6	40	$1.3
Indirect	$1.2	10	$0.4
Induced	$1.2	10	$0.4
Total	**$6.0**	**60**	**$2.0**
Latah			
Direct	$3.4	30	$0.8
Indirect	$1.1	10	$0.4
Induced	$0.8	10	$0.3
Total	**$5.4**	**50**	**$1.4**
Kootenai			
Direct	$0.4	30	$1.2
Indirect	$0.1	0	$0.0
Induced	$0.9	10	$0.3
Total	**$1.5**	**40**	**$1.6**

Sources: Idaho Wine Commission, 2023; wine-searcher, 2023; Bureau of Labor Statistics, 2023; IMPLAN; 2023; Community Attributes Inc., 2023.

Wine Tourism

As Idaho's wine industry continues to gain recognition, wine tourism will continue to become an increasingly important pillar of the state's tourism economy. It is estimated that wine tourism accounted for nearly 890,000 visitors in 2022, a roughly 20% increase from the 744,000 estimated visitors in 2017.[16] This growth may be caused, in part, by recent in-migration to Idaho and the wider reach to out-of-state visitors generated by net new residents. Multiple winery and vineyard owners expressed such a thought, noting they have met many California transplants who enjoy Idaho wines' high quality and relatively low price. These new residents then spread word back to their friends and families in California, attracting new visitors and new business.

Idaho's wine industry possesses a range of additional strengths that draw visitors. Idaho is well known for its vast and diverse landscapes that draw in millions of visitors annually to enjoy the state's natural splendor. In tandem, Idaho wine also has diverse offerings for visitors, whether it's the urban winery scene of Garden City and Boise, or the more rural and peaceful settings of Sunnyslope or Northwest Idaho. By helping generate higher rates of tourism for Idaho, wineries are supporting local communities and the state through increased spending on goods and services such as lodging, restaurants, fuel stations and convenience stores, ride shares, and souvenir and boutique shops.

A few winery and vineyard owners interviewed for this study discussed the importance of promoting wineries alongside the state's natural amenities and outdoor activities. While interviewees said they have seen improvement in visitors pairing winery visits with their outdoor activity-focused visits, they feel the natural cohesion between these two attractions will be important for wine tourism going forward. Interviewees feel the urban wine areas such as Boise and Garden City are particularly well suited for this, noting that despite being considered urban, these cities are within a one-hour drive of a range of outdoor activities that attract visitors.

Measuring the Impact of Wine Tourism

Visitor spending estimates for 2022 by wine tourists total roughly $173 million statewide (**Figure 15**). Visitor spending includes spending on lodging, transportation (at the destination), food and beverage, grocery and retail, and recreation and entertainment by visitors incorporating wine tasting or winery visits during their trip. Ada and Canyon are estimated to represent the highest amounts of spending at the county level, aligning with the fact these counties possess the largest number of Idaho's wineries.

[16] Note: The appendix contains additional information about how tourism estimates were derived.

Figure 15. Direct Visitor Spending by County, Idaho, 2022

Geography	Visitor Spending (millions 2022$)
Ada	$38.0
Canyon	$33.7
Kootenai	$19.8
Latah	$9.1
Nez Perce	$3.6
5-County Total	*$104.2*
Statewide	**$173.1**

Sources: Dean Runyan Associates, 2021; Longwoods International, 2021; Community Attributes Inc., 2023.

Total economic impacts supported by Idaho's wine tourism in 2022 totaled $220 million in business revenues, 2,300 jobs, and an estimated $67 million in labor income (**Figure 16**). Compared to 2017 wine tourism industry impacts, this is an additional 700 jobs, $16 million in labor income, and $58 million in business revenues.

Figure 16. Total Estimated Economic Impacts of Wine Tourism, 2022

Impact Type	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
Direct Impact	$130.4	1,600	$39.5
Indirect Impact	$49.3	400	$15.0
Induced Impact	$40.3	300	$12.6
Total	**$220.0**	**2,300**	**$67.1**

Sources: Dean Runyan Associates, 2021; Longwoods International, 2021; IMPLAN, 2023; Community Attributes Inc., 2023.

Wine tourism in Ada and Canyon counties are estimated to have supported the largest economic impacts in 2022, supporting roughly $84 million in business revenues, about 950 jobs, and more than $27 million in labor income (**Figure 17**).

Figure 17. Total Estimated Economic Impacts of Wine Tourism by County, Idaho, 2022

Geography	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
Ada	$45.1	505	$15.3
Canyon	$39.1	442	$12.0
Kootenai	$28.8	315	$8.9
Latah	$11.1	125	$3.1
Nez Perce	$4.5	51	$1.3
5-County Total	*$128.6*	*1,438*	*$40.6*
Statewide	**$220.0**	**2,300**	**$67.1**

Sources: Dean Runyan Associates, 2021; Longwoods International, 2021; IMPLAN, 2023; Community Attributes Inc., 2023.

Total Economic Impacts

The total economic impact of Idaho's wine industry includes wine production and sales in addition to wine tourism. In 2022, it is estimated that Idaho wine supported roughly $314.1 million in business revenues, 3,100 jobs, and $97.4 million in labor income (**Figure 18**).

Figure 18. Total Estimated Economic Impacts of Idaho Wine, 2022

	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
A. Wine Production and Sales Channels			
Direct Impacts			
Wineries	$40.0	360	$13.6
Multi-tier Mark-ups	$16.9	180	$4.7
Total Direct	$56.9	540	$18.3
Indirect Impacts	$19.0	120	$6.2
Induced Impacts	$18.2	140	$5.7
Total Economic Impacts	**$94.1**	**800**	**$30.3**
B. Allied Wine Tourism			
Direct Impacts	$130.4	1,600	$39.5
Indirect Impacts	$49.3	400	$15.0
Induced Impacts	$40.3	300	$12.6
Total Economic Impacts	**$220.0**	**2,300**	**$67.1**
C. Total Impacts, Wine Production and Sales Channels and Allied Tourism (A + B)			
Total Economic Impacts	**$314.1**	**3,100**	**$97.4**

Sources: Dean Runyan Associates, 2021; Longwoods International, 2021; IMPLAN, 2023; Idaho Wine Commission, 2023; wine-searcher, 2023; Bureau of Labor Statistics, 2023; Community Attributes Inc., 2023.

Figure 19 presents the total estimated economic impacts by county in 2022. Together, the wine industries in Canyon, Ada, Kootenai, Nez Perce, and Latah County supported roughly $209 million in business incomes, 2,100 jobs, and $66 million in labor income.

Figure 19. Total Estimated Economic Impact of Idaho Wine by County, 2022

Geography	Business Revenues (millions 2022$)	Jobs	Labor Income (millions 2022$)
Canyon	$88.4	800	$25.7
Ada	$63.5	670	$21.8
Kootenai	$30.3	350	$10.5
Latah	$16.5	170	$4.5
Nez Perce	$10.5	110	$3.3
5-County Total	*$209.2*	*2,100*	*$65.8*
Statewide	**$314.1**	**3,100**	**$97.4**

Sources: Dean Runyan Associates, 2021; Longwoods International, 2021; IMPLAN, 2023; Idaho Wine Commission, 2023; wine-searcher, 2023; Bureau of Labor Statistics, 2023; Community Attributes Inc., 2023.

Summary and Conclusion

Idaho's wine industry has proven its resiliency over the past four years and continues to grow in quality and recognition. Idaho's wineries and vineyards were able to adapt during the COVID-19 pandemic and show growth from 2017 to 2022. While labor incomes have far outpaced the growth seen in business revenues, Idaho's wine industry continues to prove it is an important industry for the state. Through wine production and sales and wine related tourism, Idaho's wine industry supported $314.1 million in business revenues, 3,100 jobs, and $97.4 million in labor income in 2022. This represents a 26% increase in business revenues, 34% increase in jobs, and 29% increase in labor income statewide compared to 2017 after accounting for inflation.

Appendix A. Stakeholder Engagement Respondents

Respondent Breakdown

To supplement the publicly provided data utilized in this report, stakeholder interviews and a survey were administered. The interviews focused on the current state of the wine industry, while the survey focused on winery production, sales, and visitor information. In addition to addressing data and information gaps, the interviews were conducted to gain further insight into the state of Idaho's wine industry from the perspective of winemakers and vineyard owners. In total, 21 wineries identified by the Idaho Wine Commission were contacted and requested to participate in the interviews within the Idaho wine industry. A total of 14 wineries were interviewed. Respondents operate wineries and vineyards across the state, with locations in Ada, Canyon, Kootenai, Latah, Nez Perce, and Twin Falls counties. The survey was distributed to all wineries on the IWC's contact list. The survey was completed by 12 wineries. **Figure 20** captures the wineries and vineyards that were interviewed or replied to the survey.

Figure 20. Stakeholder Interviews and Survey Respondents

Winery/Vineyard	Type of Outreach
Clearwater Canyon Cellars	Interview
Colter's Creek Winery	Interview/Survey
Dude DeWalt Cellars	Interview/Survey
Holesinky Winery	Interview
Koenig Vineyards/SCORIA	Interview/Survey
Potter Wines	Interview/Survey
Rivaura Winery	Interview
Rolling Hills Vineyard	Interview/Survey
Skyline Vineyards	Interview
Sol Invictus Vineyard	Interview/Survey
Telaya Wine Co.	Interview
Williamson Orchards and Vineyards	Interview/Survey
Lanae Ridge Vineyard	Interview
J Victor Vineyards	Interview
3100 Cellars	Survey
Indian Creek Winery	Survey
Lost Sage	Survey
Hells Canyon Winery	Survey
Cinder Wines	Survey

Sources: Community Attributes Inc., 2023.

Summary of Survey Responses

CAI coordinated with the IWC to connect with winery and vineyard owners/operators in the Idaho wine industry. A survey was distributed to Idaho's wineries and vineyards containing questions about production volumes, workforce and wages, and distribution channels.

Winery Supply Chains & Facilities

The wineries included in the survey study account for a variety of operations in terms of scale and distribution. 11 wineries provided 2022 sales data, with median annual sales volume of $0.5 million. The lowest annual sales reported was $15,000, while the highest annual sales figure was reported at $2.2 million. Winery staff were also surveyed about what proportion of sales are attributed to in-state versus out-of-state, and what the proportion of sales were derived from self-distribution, wholesaling, and direct-to-consumer channels (ie. clubs, tasting rooms, etc.). The majority of surveyed wineries relied substantially on in-state sales, with the median proportion of in-state sales at 95%. One winery reported 100% of its sales in-state, while another reported only 50% of its sales in-state.

By distribution channel, the majority of surveyed wineries sell primarily direct-to-consumer. The median proportion of sales from wine clubs, tasting rooms, etc. was 90% - with a minimum of 50% and a maximum of 100%. Both the median proportion of sales attributed to wholesaling and to self-distribution was 5%.

Ten wineries provided details about their workforce and wages. Without exception, these wineries employ more part-time or seasonal employees than full-time staff. The median number of full-time workers employed among the ten respondents was 2.5. This range varied with a minimum of zero and a maximum at ten. The median number of part-time or seasonal workers employed among the ten respondents was ten, with a minimum of four and a maximum of 24. The median total hours worked in 2022 for all employees among surveyed wineries was 8,000 hours. The lowest annual hours worked was approximately 1,200 hours, while the maximum was over 43,500 hours. The median amount of total wages paid among surveyed wineries was over $208,000, with a minimum of about $28,900 for the smallest winery operation and a maximum of over $670,000 for the largest operation.

Winery Tourism

Additional survey questions were targeted at wine consumption and tourism. Ten of the wineries surveyed confirmed they have a tasting room. The median number of estimated tasting room visitors in 2022 was 10,000, with a minimum reported at 4,500 and a maximum of 21,500. Of these visitors, a median of 15% were estimated to come from outside Idaho, with a minimum reported at 5% and a maximum at 25%. All of the wineries with tasting rooms reported an additional offering of special events such as tastings or festivals. Special events were estimated to draw a median of 1,150 visitors in 2022, with a minimum reported at 150 and a maximum at 3,000. A median of 8% of visitors were believed to be from outside Idaho, with a minimum reported at 5% and a maximum at 15%.

Appendix B. Survey and Interview Questions

Survey Questions

1. What is the name of your winery?
2. Where is it located (city)?
3. Please estimate your organization's:
   a. Total wine sales ($) in 2022.
   b. Total employees in 2022.
      i. Full-time:
      ii. Part-time:
   c. Total hours worked by all employees (full-time and part-time) in 2022.
   d. Total wages (including benefits) paid in 2022.
4. In a typical year, what share of your grapes are sourced from each of the states below:
   a. Idaho
   b. Washington
   c. California
   d. Any other state
5. Roughly, what share of your wine sales are in-state versus out of state?
6. What percentage of wine sales were via the following?
   a. Self-distribution
   b. Wholesaler
   c. Direct-to-consumer (wine clubs, tasting room sales, etc.)
   d. Other (please specify.)
7. Do you have a tasting room?
   a. Yes
   b. No
8. If yes, approximately how many people visited your tasting room in 2022?
   a. Roughly what share of those visitors came from outside Idaho state?
9. Do you hold events at your winery throughout the year (such as harvest festivals or tasting events)?
   a. Yes
   b. No
10. If yes, approximately how many people attended these events in 2022?
    a. Roughly what share of those attendees came from outside Idaho state?

Interview Questions

General

1. Give us a brief overview of your winery and business operations.

Idaho Wine

2. In your view, what is unique or special about Idaho wine as compared with other regions of the U.S.?
    a. More specifically, how is a wine tour through Idaho different from a wine tour through CA or WA?
3. How well-known do you feel Idaho wine is outside Idaho?

Industry Challenges and Opportunities

4. How did the COVID-19 pandemic impact your business?
    a. Has your business fully recovered?
    b. How do you see your business in the next 5 years?
5. What are the most important existing and future challenges for the Idaho wine industry?
6. What are the most important opportunities for the Idaho wine industry?

Tourism and Marketing

7. What are the main attractions for Idaho's wine tourism?
8. Where and how do you feel wine fits in to Idaho's overall tourism industry? Is it a big factor in generating in-state spending?
9. Are there any policies you feel help OR hinder Idaho wine tourism (or tourism in general)?
    a. If so, what are they? And how do they help/hinder?
10. Can you please describe some of the challenges you have found when it comes to marketing Idaho wine and/or Idaho tourism?

Appendix C. Economic Impact Methodology

This appendix details the methodology of this report and reviews the assumptions used to estimate direct estimates.

Business Revenues

Estimating business revenues began with obtaining total wine production data. The IWC assessment data was used as a basis for industry production for 2022. This data was considered representative of the whole industry, and it was similar to other sources such as the U.S. Alcohol & Tobacco Tax & Trade Bureau (TTB) or the Idaho State Police Alcohol Beverage Control (ABC) production data. Wine production was broken out by county, with an additional categorization of Precept-owned and non-Precept owned wineries. Production was broken out by Precept and non-Precept wineries due to the difference in distribution by sales channel employed by Precept wineries compared to the state's smaller wineries. Sales channels assumptions for the state's non-Precept wineries were informed by survey data.[17] The assumptions for Precept wineries utilize the same assumptions as the previous analyses for consistency (**Figure 21**).

Figure 21. Sales Channel Assumptions

Sales Channel	Percent of Total Sales	Source
Precept Wineries		
Direct-to-consumer	5.0%	
Self-distribution	0.0%	
Retail	0.0%	
Restaurant	0.0%	Previous Analyses
Wholesale Distribution	95.0%	
Retail	80.0%	
Restaurant	20.0%	
Non-Precept Wineries		
Direct-to-consumer	88.0%	Winery Survey
Self-distribution	5.0%	Winery Survey
Retail	2.5%	Previous Analyses
Restaurant	2.5%	Previous Analyses
Wholesale Distribution	7.0%	Winery Survey
Retail	3.5%	Previous Analyses
Restaurant	3.5%	Previous Analyses

Source: Community Attributes Inc., 2023.

To arrive at total sales, production data was combined with dollar per bottle data and mark-up assumptions to yield revenues generated from the mark-ups applied by

[17] This excludes retail and restaurant assumptions, which used assumptions from previous analysis due to data limitations.

wineries, wholesalers, retailers, and restaurants. Price per bottle estimates were informed by survey data and *Wine-Searcher* data. *Wine-Searcher* is an online database that updates average price per bottle of certain Idaho wine varieties monthly (**Figure 22**). Current prices obtained through *Wine-Searcher* were deflated to reflect 2022 dollars. The average retail price per bottle for Precept's wineries was also estimated to be slightly above $14 per bottle.

Figure 22. Price per Bottle by County

Geography	Price per Bottle
Latah	$23.06
Canyon	$20.03
Nez Perce	$17.36
Kootenai	$17.36
Ada	$16.69
Other	$17.36
Statewide*	**$18.26**

Source: Idaho Wine Commission, 2023; Wine-Searcher, 2023; Community Attributes Inc., 2023.
**Note: The statewide total represents a weighted average informed by production data by county.*

Mark-up assumptions were informed by a range of online sources reporting on wine distribution throughout the country, and by CAI's previous analyses. **Figure 23** inventories the mark-up percentage assumptions used to arrive at business revenues.

Figure 23. Mark-up Percentage Assumptions

Mark-up Tier	Mark-up Percentage	Source
Wholesale Distributor	30.0%	Previous Analyses
Retail	30.0%	Sommelier Business
Restaurant	100.0%	Previous Analyses

Source: Sommelier Business, 2023; Community Attributes Inc., 2023.

Mark-up revenues represent the net revenues generated by wine production throughout the sales cycle. In other words, mark-up revenues only capture the additional revenues generated by wine mark-ups, and exclude the costs needed to purchase the wine at each tier.

Employment and Income

Employment estimates were derived from a range of sources, including U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (BLS QCEW), winery survey data, and assumptions utilized in the previous analysis.

The analysis primarily relied on BLS QCEW data to estimate winery jobs and labor income. However, BLS QCEW data does not necessarily capture business owners and self-employed workers. This is evident as the number of wineries in Idaho exceeds the number of establishments captured within the wine industry of BLS's QCEW data. Therefore, to arrive at total employment the analysis assumes there are 2.75 employees per winery not captured in the BLS data. This roughly computes to 1 business owner per winery with an additional 1.75 workers on average. This assumption aligns with the assumptions used in Community Attributes previous analysis analyzing Idaho's wine industry which were informed by national data released by the Bureau of Economic Analysis (BEA).

Wages were estimated using average annual wages reported by the BLS and adjusted to include benefits. Benefits percentages were informed by Idaho data released by the BEA capturing total compensation and salaries for workers in the beverage and tobacco product manufacturing industry.

Visitor Volume and Spending

Visitor volume and spending estimates were derived from survey data and tourism industry reports conducted for the Idaho Department of Commerce and Visit Idaho.

Visitor Volume

Visitor volume estimates were calculated using winery survey data. The survey asked wineries to estimate the number of visitors they received in 2022 to their tasting rooms and special events. Using this data, an estimate for visitors per case of wine produced statewide was estimated and applied to 2022 production figures. Using this method, it is estimated that wineries throughout Idaho attracted roughly 890,000 visitors in 2022, a roughly 20% increase compared to 2017. Individual county volumes were estimated using the statewide figure distributed among counties given production volumes and regional visitor volumes presented in the 2021 Longwood International Idaho Tourism Statistics report for all regions.[18]

Visitor Spending

To arrive at business revenues generated by wine tourism a spending profile was first created for Idaho and each of the five counties analyzed in this study. Spending profiles were informed by the Idaho Economic Impact Report 2021 conducted by Dean Runyan for all regions. Each county was assigned the per trip spending values reported by Dean Runyan for 2021, except for Kootenai, whose region showed significantly higher spending than any other region and instead was assigned the statewide total.[19] Spending by trip is broken out by day and overnight visitors (**Figure 24**).

[18] https://commerce.idaho.gov/content/uploads/2022/09/ITC-Longwoods-Reports-Regions-2022-FINAL.pdf
[19] https://commerce.idaho.gov/content/uploads/2023/02/ITC-Dean-Runyan-Report-Regional-2023.pdf

Figure 24. Visitor Spending Profiles

Geography	Spending Per Trip	
	Day Visitors	Overnight Visitors
Ada	$43	$329
Canyon	$43	$329
Nez Perce	$22	$244
Latah	$22	$244
Kootenai*	$31	$358
Statewide	*$62*	*$358*

Source: Dean Runyan Association, 2021; Community Attributes Inc., 2023.
**Note: Kootenai utilizes the state average for overnight visitor spending per trip.*

Spending estimates by sector were then sourced from the total spending data captured in the 2021 Longwood International Idaho Tourism Statistics reports for the state and all regions. The regional report did not provide spending by sector for day visitors, so the analysis used the statewide spending pattern for day visitors in the county analysis (**Figure 25**).

Figure 25. Spending by Sector

Sector	Share of Spending	
	Day Visitors	Overnight Visitors
Statewide		
Lodging	0%	39%
Transportation at Destination	23%	14%
Restaurant Food & Beverage	34%	25%
Retail Purchase	30%	12%
Recreation/Entertainment	14%	11%
Ada		
Lodging	0%	23%
Transportation at Destination	23%	22%
Restaurant Food & Beverage	34%	36%
Retail Purchase	30%	15%
Recreation/Entertainment	14%	5%
Canyon		
Lodging	0%	23%
Transportation at Destination	23%	22%
Restaurant Food & Beverage	34%	36%
Retail Purchase	30%	15%
Recreation/Entertainment	14%	5%
Nez Perce		
Lodging	0%	25%
Transportation at Destination	23%	14%
Restaurant Food & Beverage	34%	36%
Retail Purchase	30%	16%
Recreation/Entertainment	14%	9%
Latah		
Lodging	0%	25%
Transportation at Destination	23%	14%
Restaurant Food & Beverage	34%	36%
Retail Purchase	30%	16%
Recreation/Entertainment	14%	9%
Kootenai		
Lodging	0%	20%
Transportation at Destination	23%	8%
Restaurant Food & Beverage	34%	30%
Retail Purchase	30%	11%
Recreation/Entertainment	14%	30%

Sources: Source: Dean Runyan Association, 2021; Longwoods International, 2021; Community Attributes Inc., 2023.

The spending profiles, spending by sector, and visitor volume for day and overnight trips were combined to arrive at total business revenues by sector generated by wine tourism.