



Explore Minnesota Tourism 2022 Annual Travel Trends

Data available as of February 24, 2023

Minnesota 2022 Annual Travel Trends

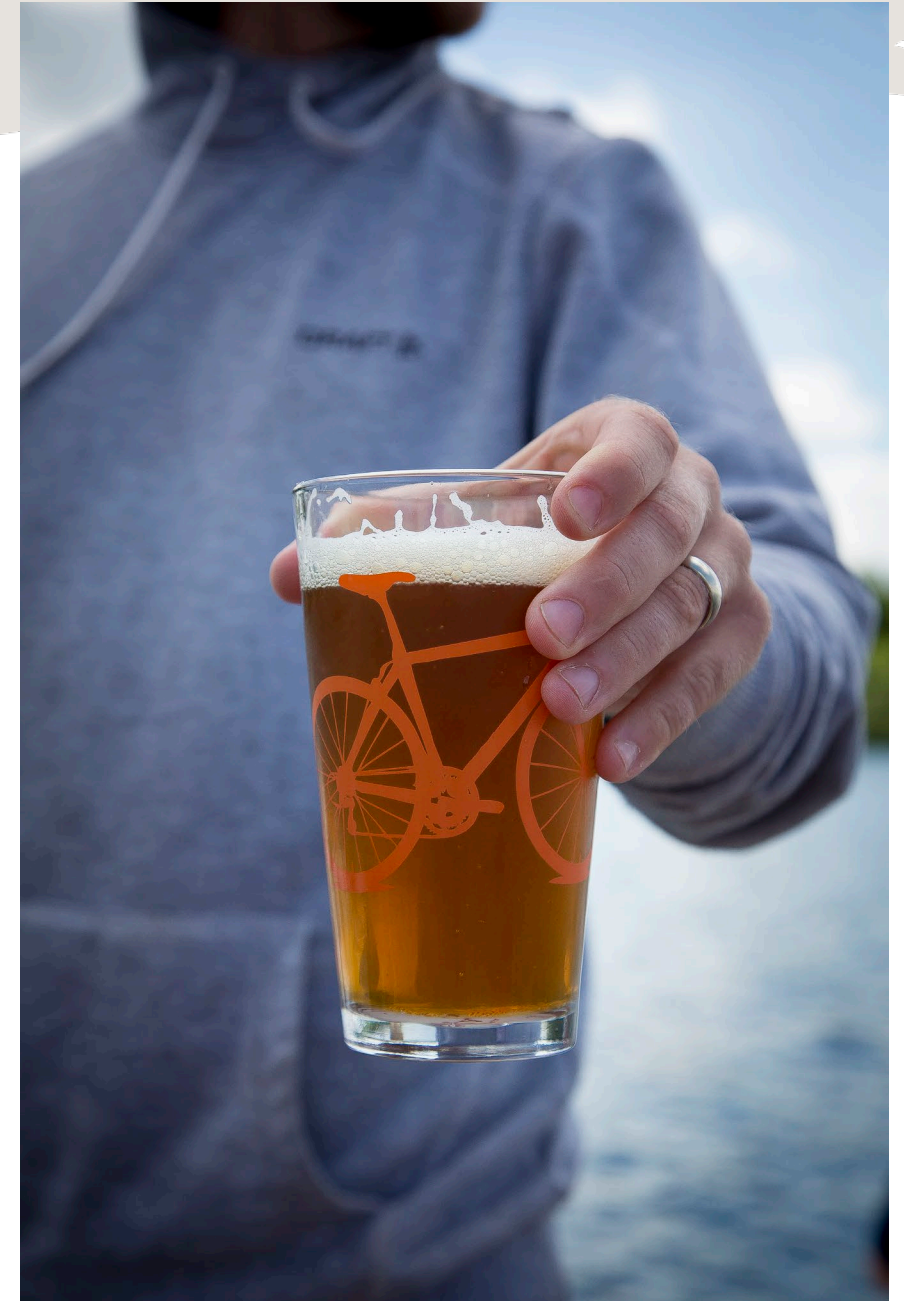
Explore Minnesota Tourism regularly reviews and analyzes travel indicators to better understand tourism industry trends and health.

This report includes annual 2022 travel trends from various sources, including new Datafy geo-location data. Look for more detailed geo-locations data findings in upcoming [Travel Indicators reports](#).

More data and research is available on [EMT's industry website](#):

- [Minnesota Travel Research & Reports](#), including traveler plans and business conditions surveys
- [Accommodations & Attractions Research & Reports](#), including monthly STR hotel and AirDNA short-term rental data for areas of Minnesota
- Annual leisure & hospitality industry [economic impact](#) by county and tourism region

DMOs and other industry partners are welcome to share this PPT and associated data and research. Reach out to Gretchen.Nussbaum@state.mn.us with questions and suggestions.



Minnesota 2022 Annual Report Content

Economic Impact	Slides 4 - 7
Recently Released 2021 Data	Slides 8 - 13
Explore Minnesota Tourism	Slides 14 - 17
Accommodations	Slides 18 - 23
Airports & International	Slides 24 - 27
Visitation	Slides 28 - 32
Points of Interest	Slides 33 - 35
Traveler Profile	Slides 36 - 39
Key Findings	Slides 40 - 43
Appendix	Slides 44 - 49



Economic Impact

Economic Impact study results, Leisure & Hospitality industry employment and travel spend

Tourism Economics 2022 Impact Study results are high-level and preliminary. Final, more detailed Impact Study results will be released summer 2023.

2022 Economic Impacts – Preliminary Findings

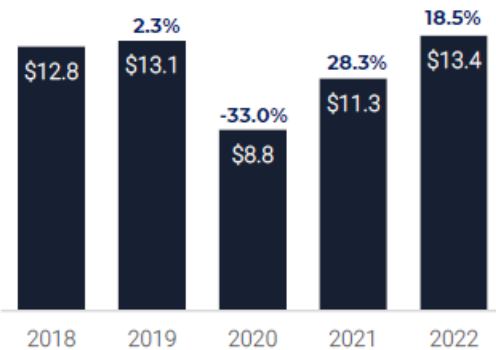


\$13.4 BILLION

Direct visitor spending in Minnesota

DIRECT SPENDING

Minnesota visitor spending
Amounts in \$ billions



Source: Tourism Economics

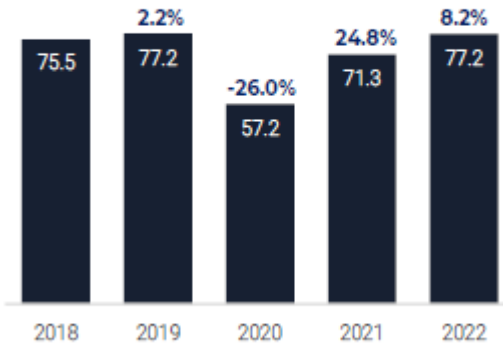


77.2 MILLION

Visitors to Minnesota in 2022

VISITOR VOLUME

Minnesota visitor volume
Amounts in millions



Source: Tourism Economics

TOTAL IMPACTS



\$23.3 BILLION

Total business sales as a result of visitor spending



\$2.2 BILLION

State and local taxes generated in 2022

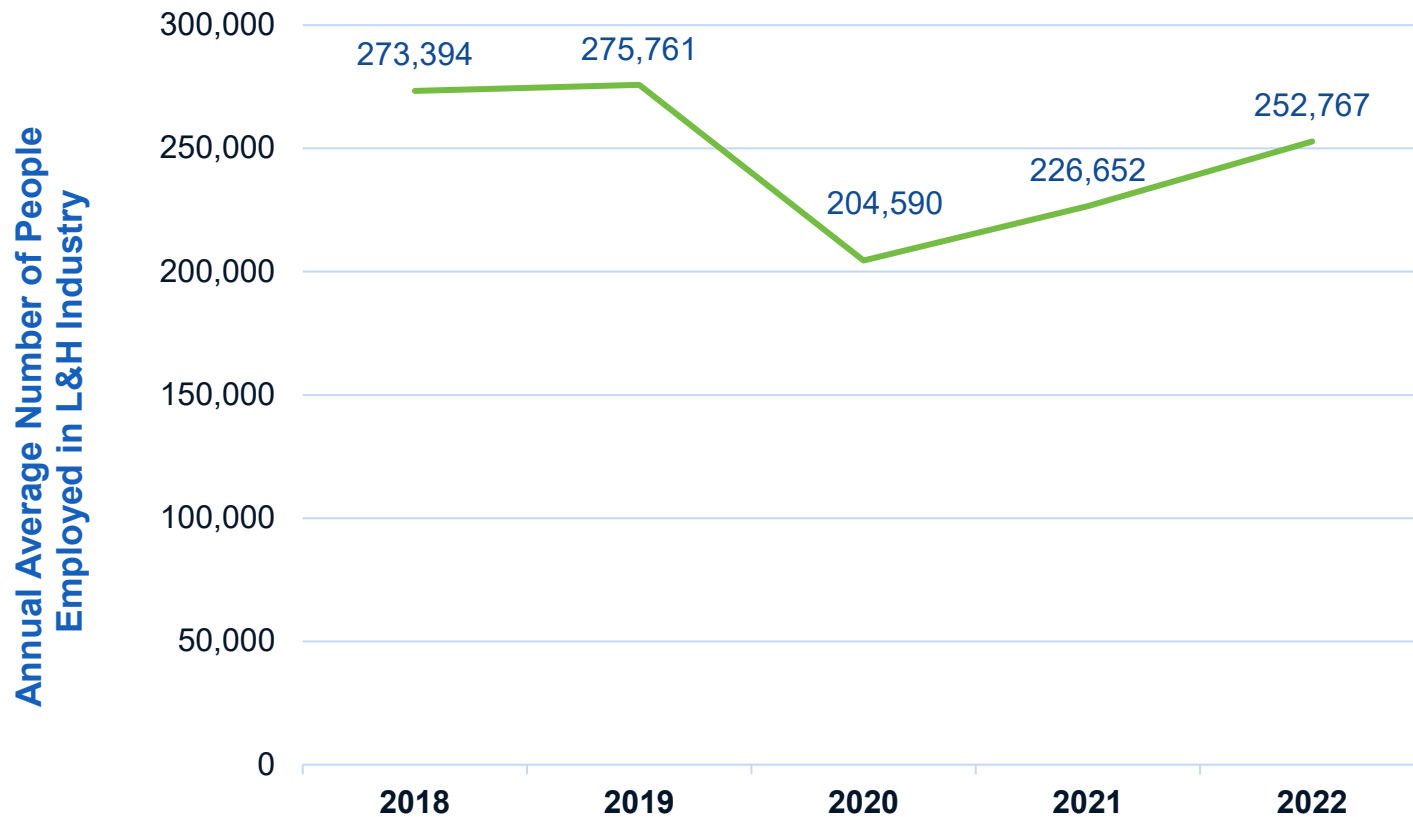


\$7.3 BILLION

Income supported by Minnesota's visitor economy

Each household in Minnesota would need to be taxed an additional \$993 to replace the visitor-generated taxes received by state and local governments in 2022.

Minnesota Leisure & Hospitality Employment Trend 2018 - 2022



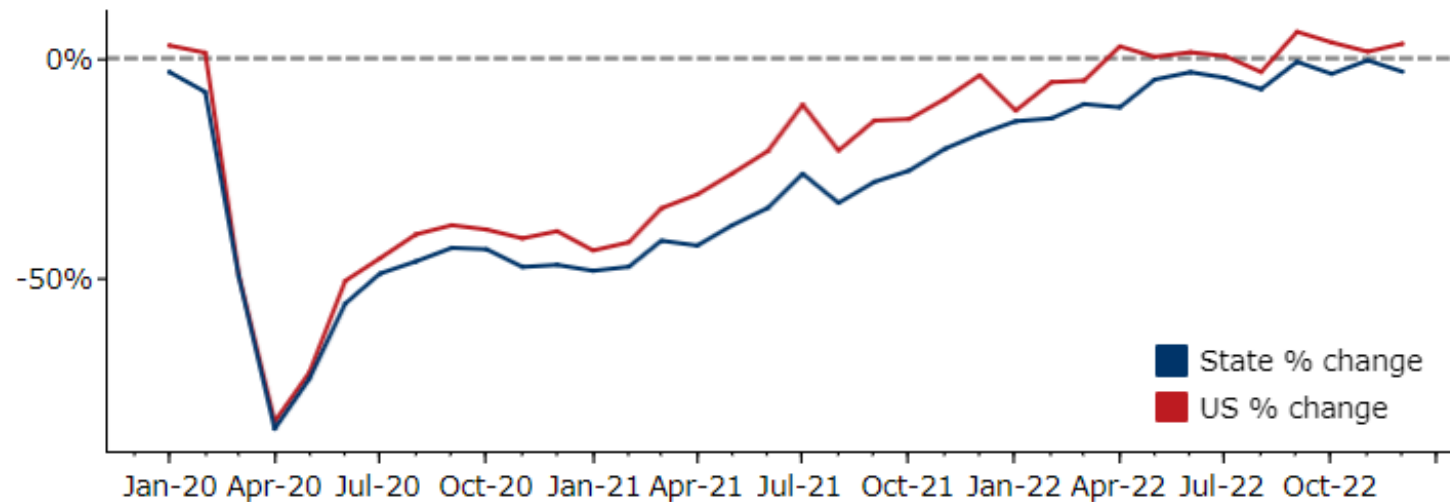
In Minnesota and across the country, Leisure & Hospitality employment was the hardest private industry subsector in 2020.

In 2022 Minnesota's Leisure & Hospitality posted the highest year over year growth compared to other industry subsectors. Arts, Entertainment & Recreation drove the most year over year growth.

Minnesota Travel Spending Trend 2020 - 2022

Travel Spending (% change vs 2019)

Minnesota vs U.S. total



As of December 2022, Tourism Economics reported that travel spending in Minnesota was down an estimated 3.2% relative to December 2019.

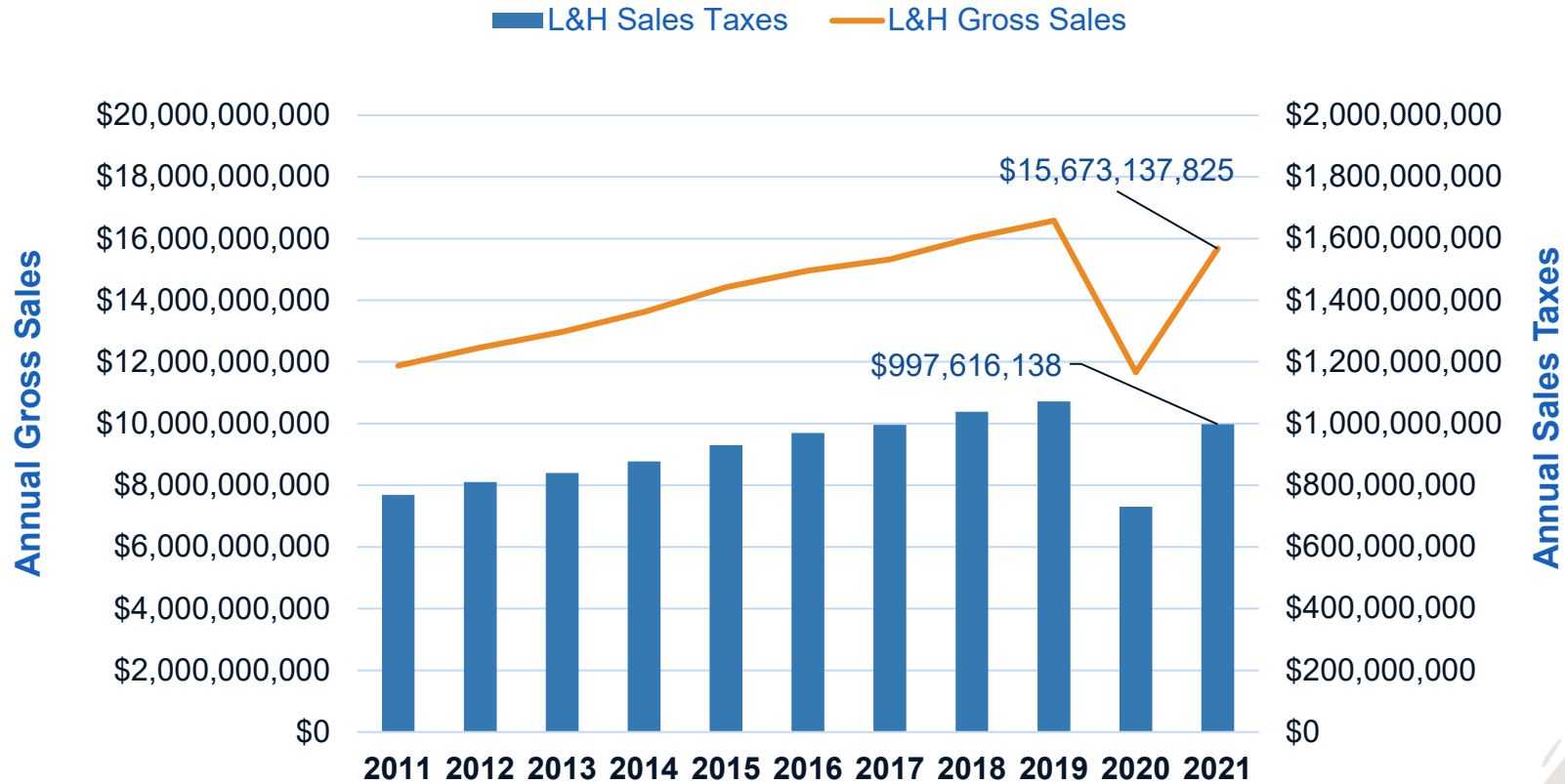
Comparatively, total U.S. travel spend was up 3.1% in December 2022 relative to December 2019.

Recently Released 2021 Data

Gross sales and sales tax, Leisure & Hospitality industry rankings, and outdoor recreation

County and regional-level 2021 data from the Minnesota Department of Revenue is available [here](#).

Minnesota L&H Industry Gross Sales & Sales Taxes 2011 - 2021

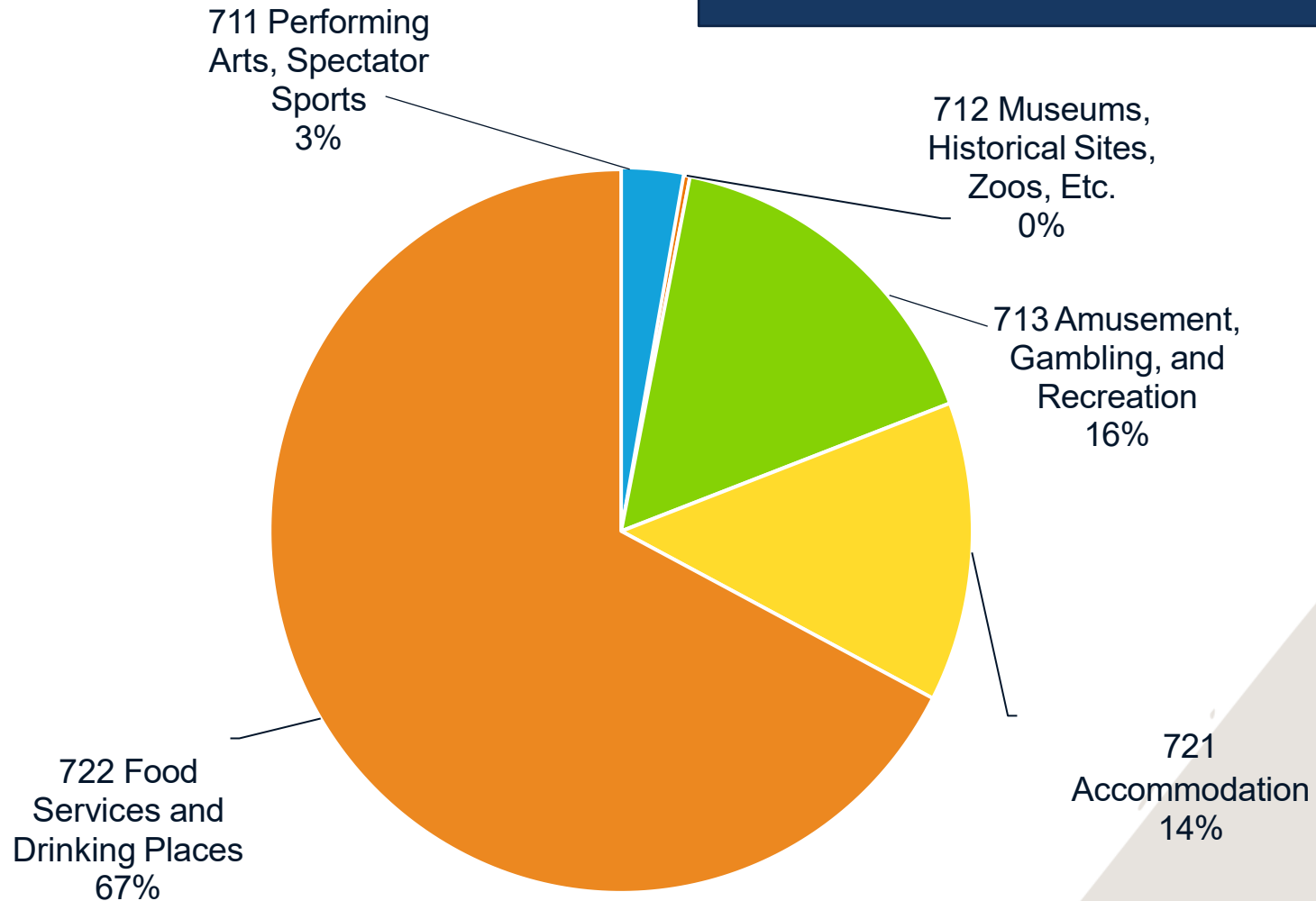


MN L&H Gross Sales of \$15.7 billion in 2021 are 5.5% below \$16.6 billion in 2019 and 34.4% above \$11.7 billion in 2020.

Similarly, MN L&H State Sales Taxes of \$998 million in 2021 are 6.9% below \$1.07 billion in 2019 and 36.5% above \$731 million in 2020.

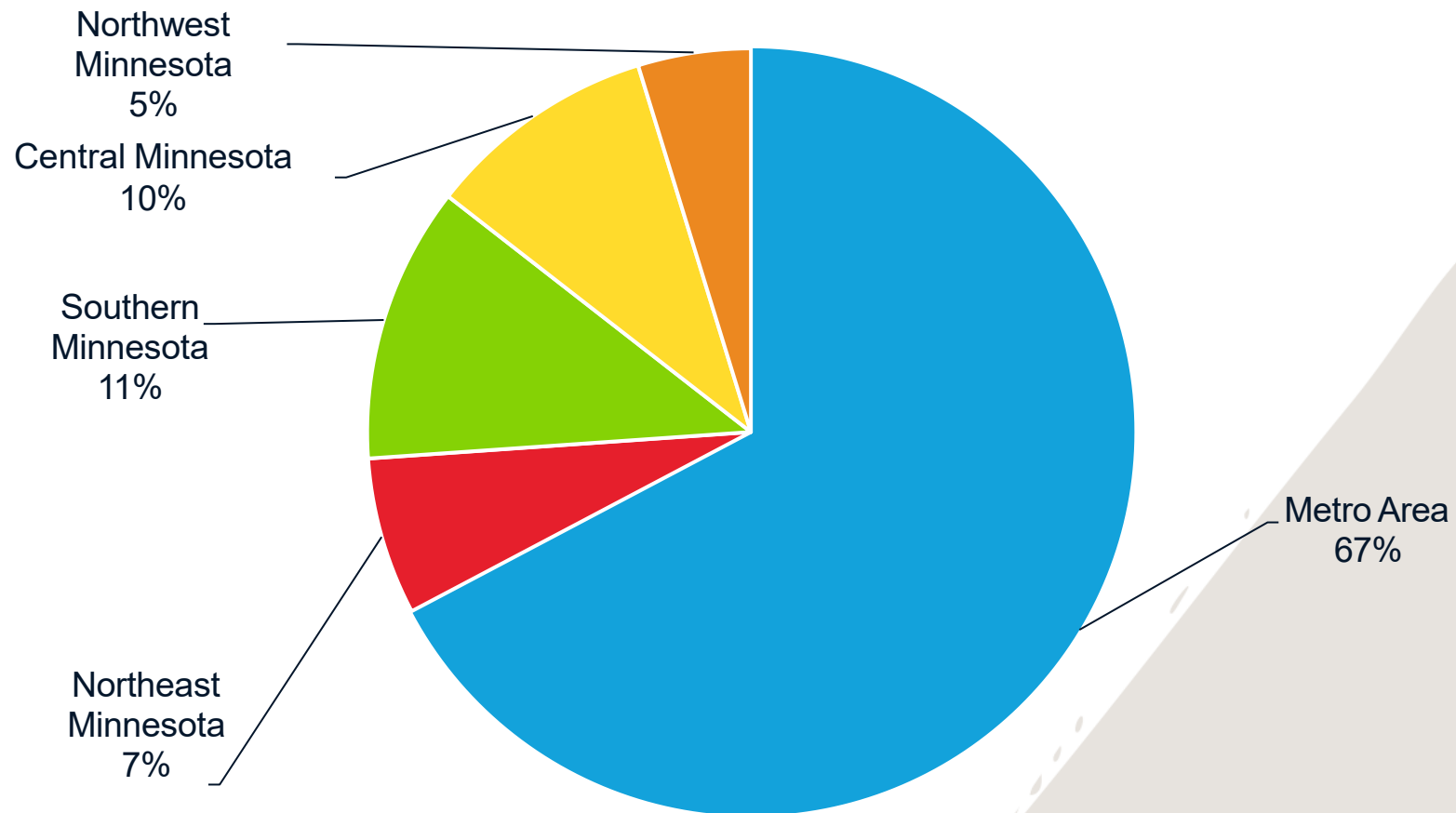
Minnesota L&H Gross Sales by Sub-Sector 2021

Minnesota's L&H sales vary greatly by sub-sector,
with Food & Drink comprising two-thirds of sales.



Minnesota L&H Gross Sales by MN Region 2021

Two-thirds of Minnesota's L&H sales are in the Metro Area, and other MN regions account for 5 to 11% of sales.



Minnesota L&H Comparison to Other Private Industries 2021

MN Industry	Employment	# of Establishments	GDP (Current Dollars)
Health Care and Social Assistance (62)	472,779	21,430	\$39,934.50
Manufacturing (31)	313,004	8,262	\$53,128.70
Retail Trade (44)	281,546	17,667	\$23,037.80
Leisure & Hospitality (71 & 72)	228,883	15,421	\$12,980.00
Professional, Scientific, and Technical Services (54)	158,552	23,955	\$55,205.90
Finance and Insurance (52)	144,785	9,852	\$38,296.60
Construction (23)	130,347	17,012	\$18,694.70
Administrative and Support and Waste Management and Remediation Services (56)	127,940	9,025	\$10,533.70
Wholesale Trade (42)	126,454	13,797	\$30,929.60
Transportation and Warehousing (48)	89,165	5,065	\$11,071.50
Management of Companies and Enterprises (55)	87,410	1,800	\$16,386.80
Other Services (except Public Administration) (81)	82,335	18,056	\$8,503.70
Educational Services (61)	49,792	2,852	\$3,885.10
Information (51)	42,642	4,813	\$14,192.50
Real Estate and Rental and Leasing (53)	34,062	6,614	\$47,242.90
Agriculture, Forestry, Fishing and Hunting (11)	22,695	3,002	\$7,462.50
Utilities (22)	11,972	434	\$6,297.50
Mining (21)	5,796	227	\$2,117.60

Relative to Minnesota's other private sector industries, Leisure & Hospitality ranks:

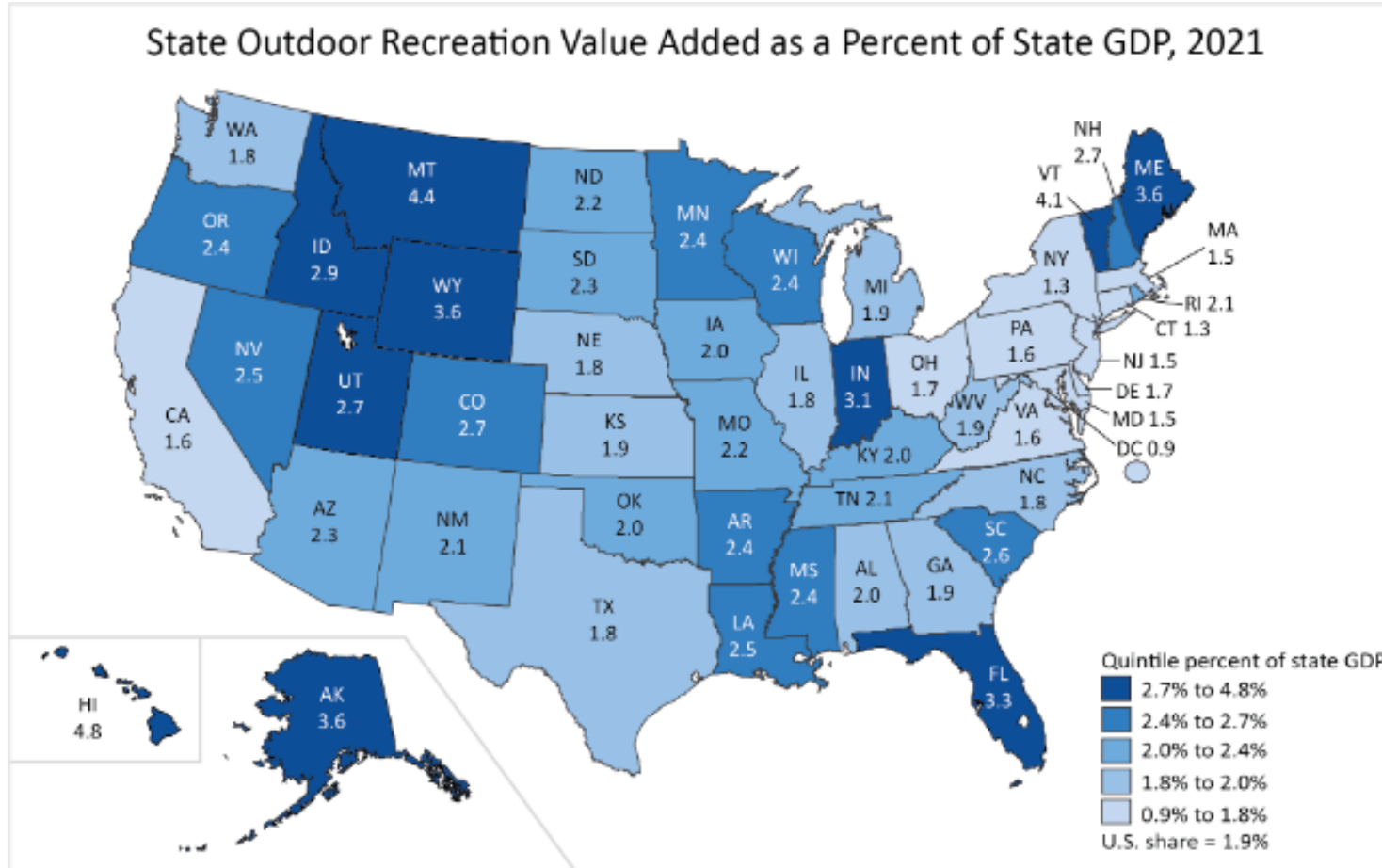
4th for employment

6th for number of establishments

11th for GDP

Sources: U.S. Bureau of Labor Statistics QCEW & U.S. Bureau of Economic Analysis

Minnesota Total Outdoor Recreation Value Added 2021



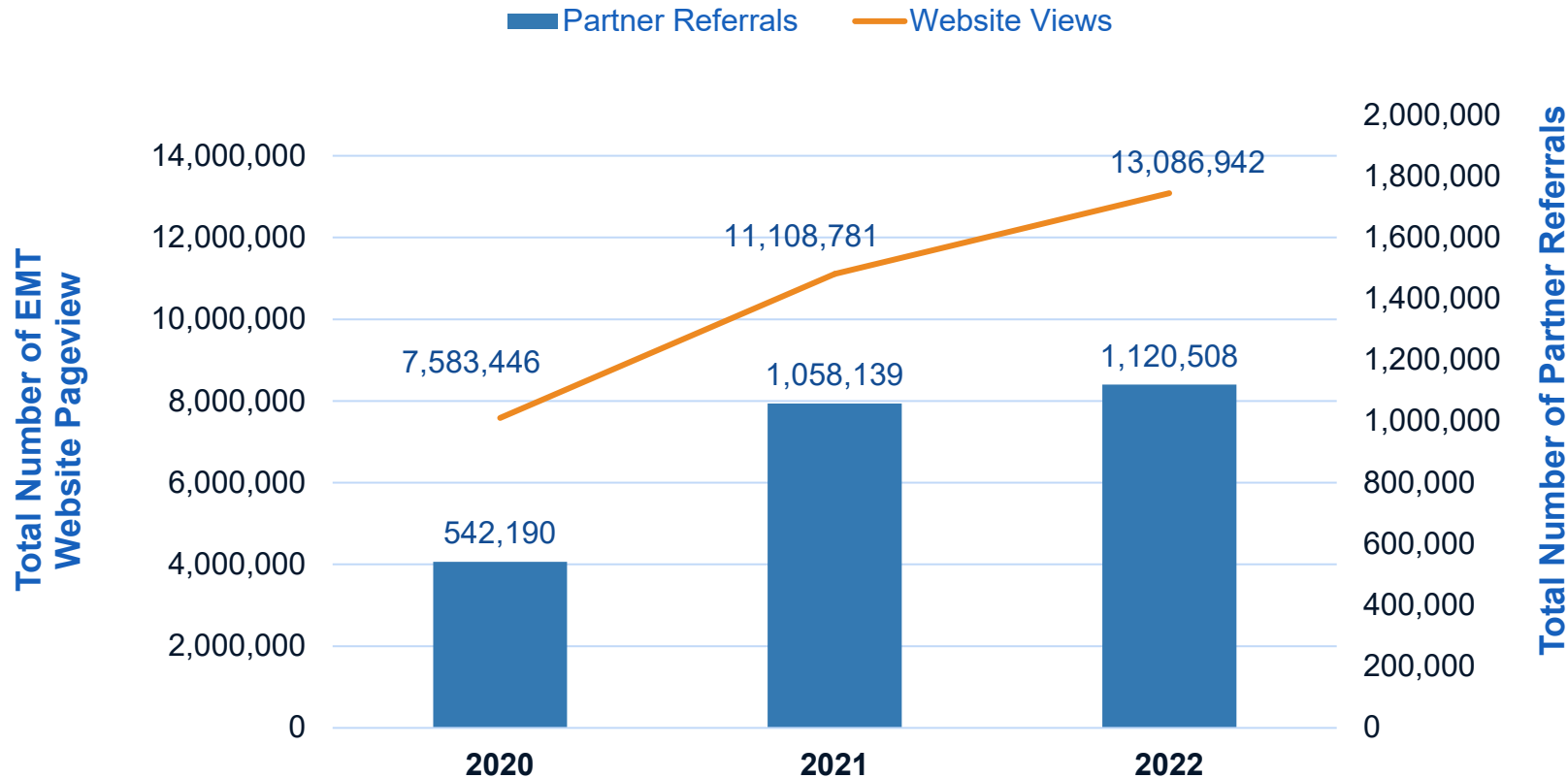
In 2021 Outdoor Recreation made of 2.4% of Minnesota's GDP. This is higher than the U.S. average of 1.9%.

Additionally, outdoor recreation accounted for 3.1% of total wage and salary employment in Minnesota in 2021 and 2% of total compensation.

Explore Minnesota Tourism

Website views, partner referrals, newsletters and Welcome Centers

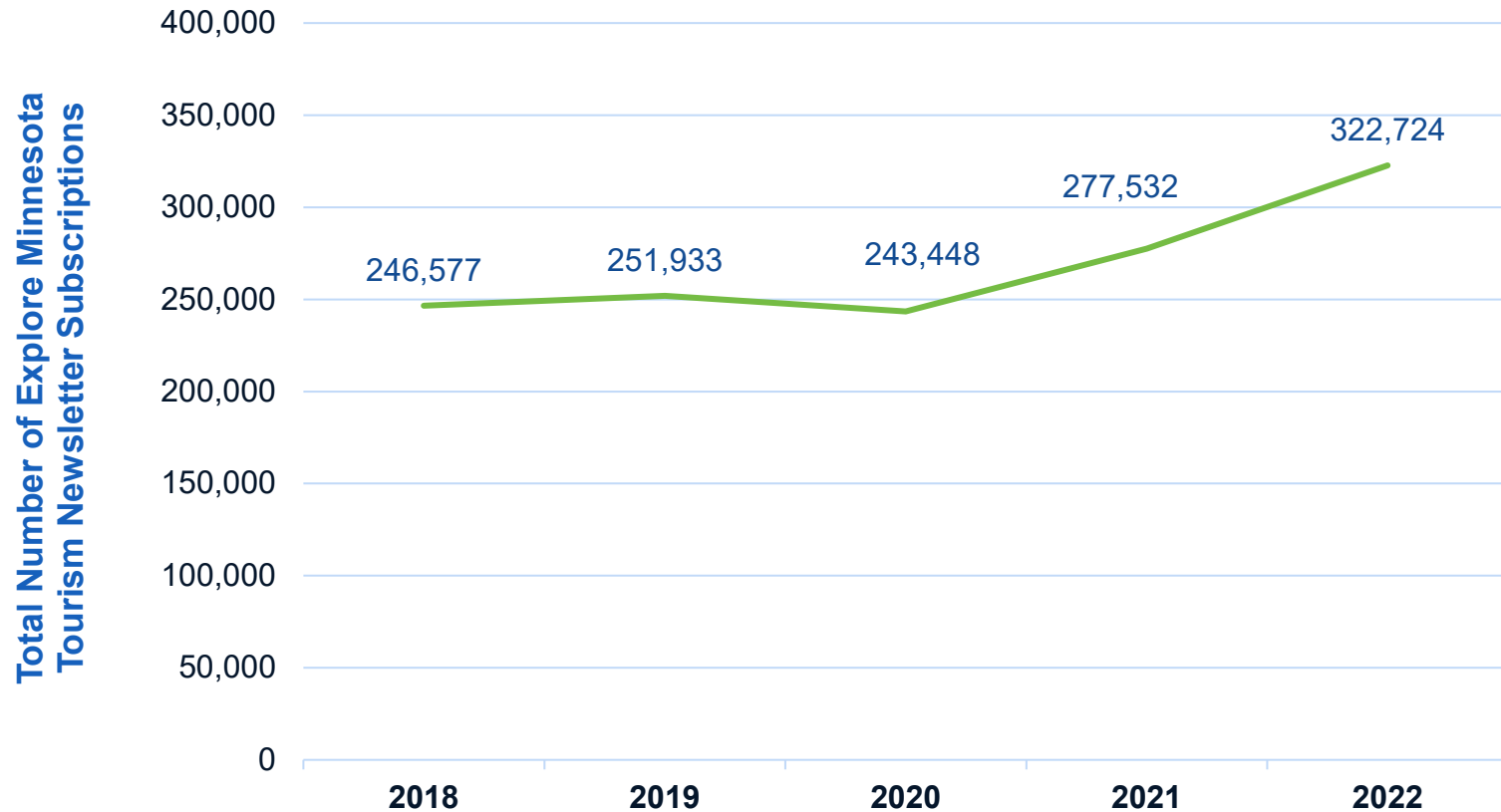
Website Pageviews & Partner Referral Trends 2020 - 2022



Since the launch of Explore Minnesota's new website in February 2020, the number of pageviews and partner referrals has steadily increased year over year.

In 2022, there were more than 13 million page views and 1.1 million partner referrals.

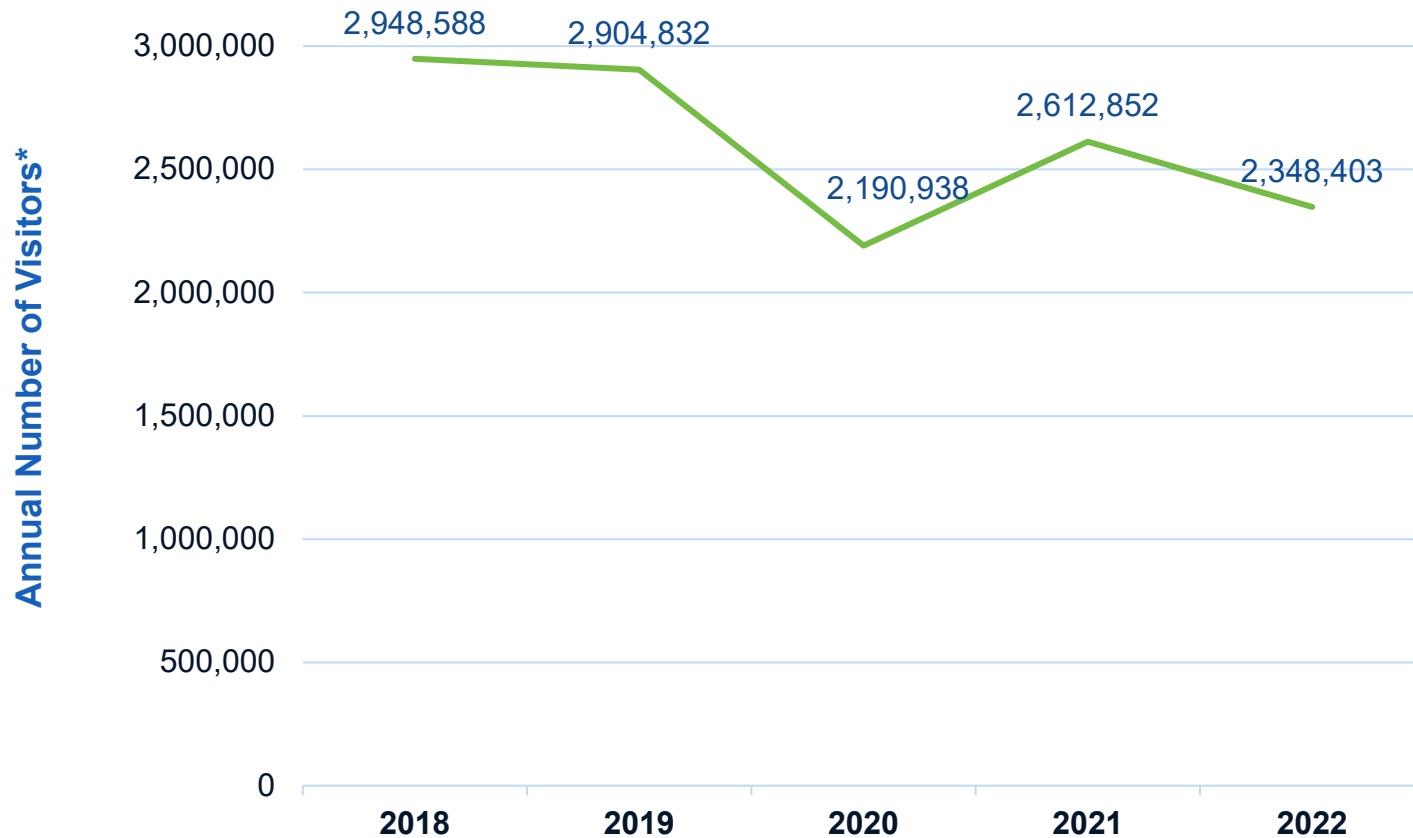
Newsletter Subscription Trend 2018 - 2022



The number of people who subscribe to Explore Minnesota's newsletters has increased year over year.

As of December 2022, there were more than 300,000 total subscriptions.

Minnesota Welcome Center Visitation Trend 2018 - 2022



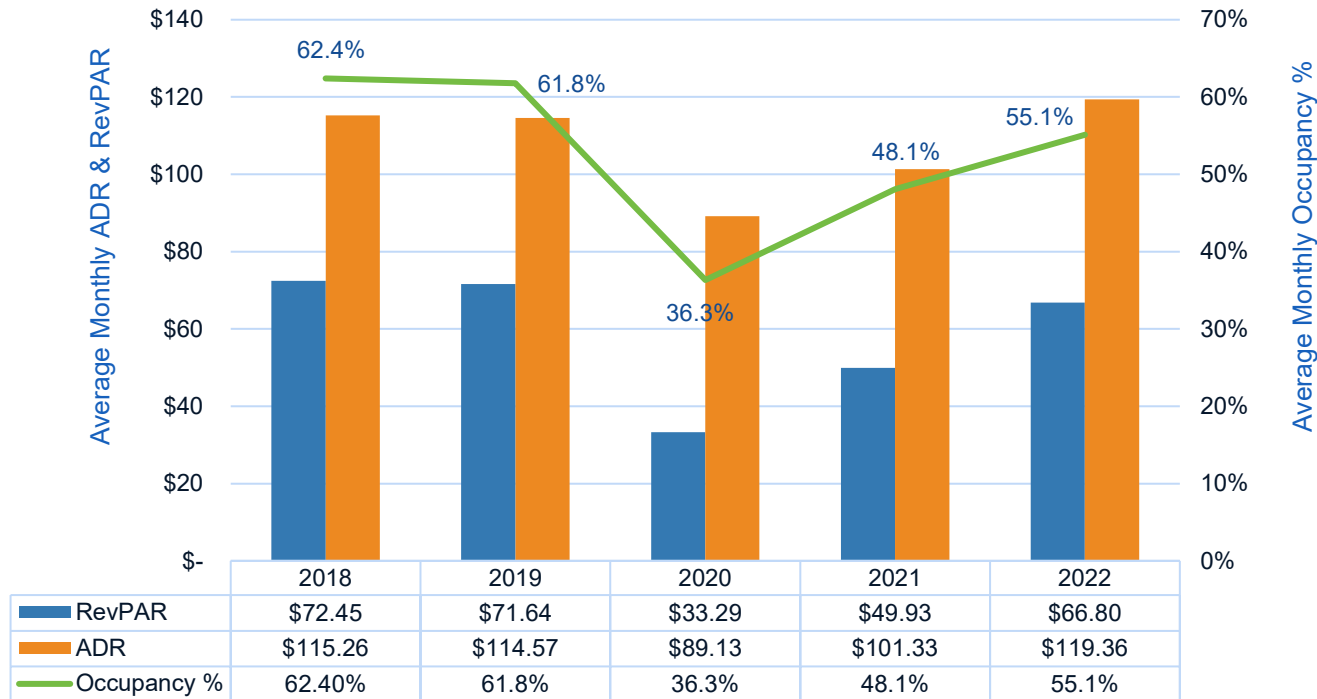
Approximately 2.3 million people visited a MNDOT facilities with an Explore Minnesota Welcome Center in 2022.

Additionally, more than 11,000 travelers were served by Travel Counselors via email, live chat or phone.

Accommodations

Hotel and short-term rental occupancy, ADR, & RevPar,
and room/listing supply

Minnesota Hotel Performance Metrics 2018 - 2022



Minnesota had an average monthly hotel occupancy rate of 55.1% in 2022. This is above the 2021 average occupancy of 48.1% and below 62.4% occupancy in 2018.

Similarly, the 2022 average monthly hotel RevPAR of \$66.80 is above the 2021 RevPAR of \$49.93 and below the 2019 and below \$72.45 RevPAR in 2018.

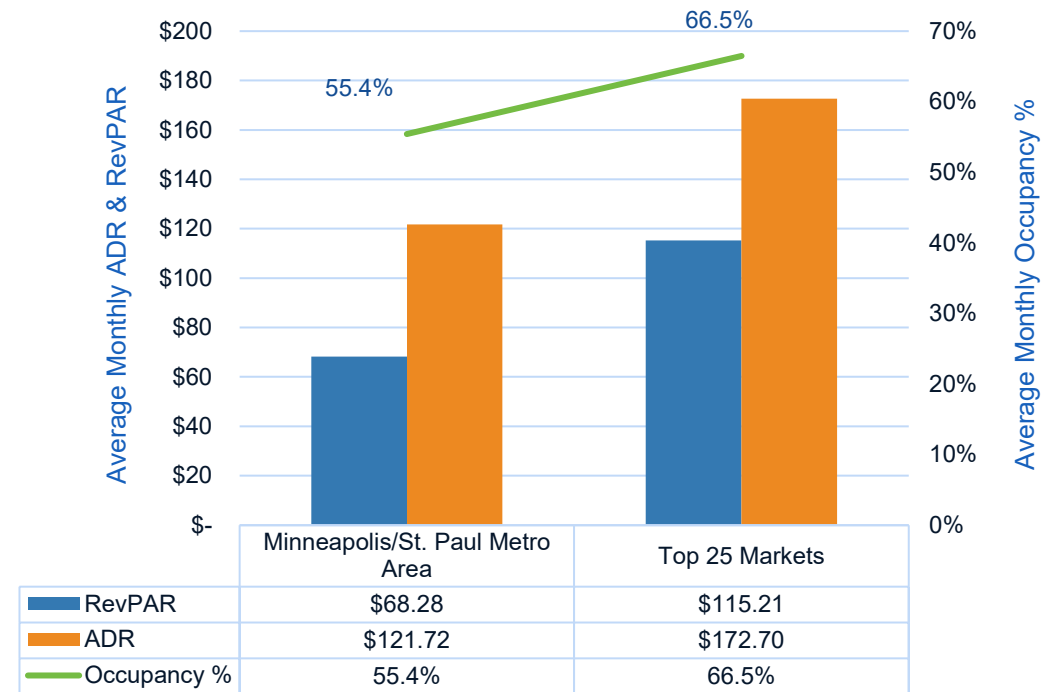
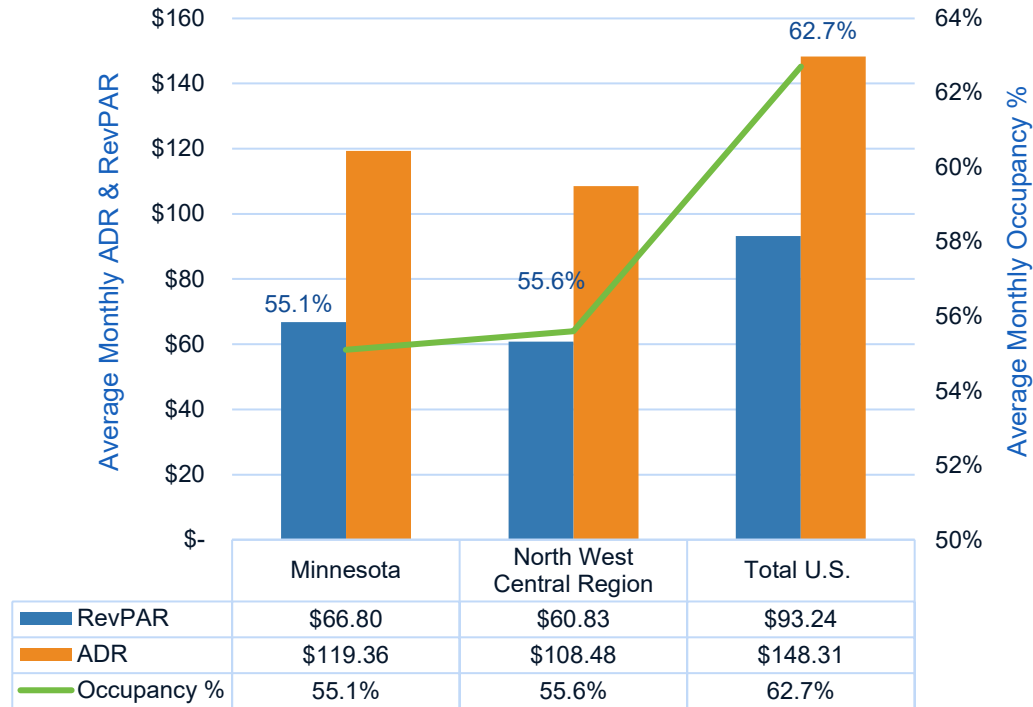
The 2022 Minnesota ADR of \$119.36 was above the 2018 to 2021 ADRs of \$89.13 to \$115.26.

Minnesota Hotel Performance Metrics Comparison by Geography 2022

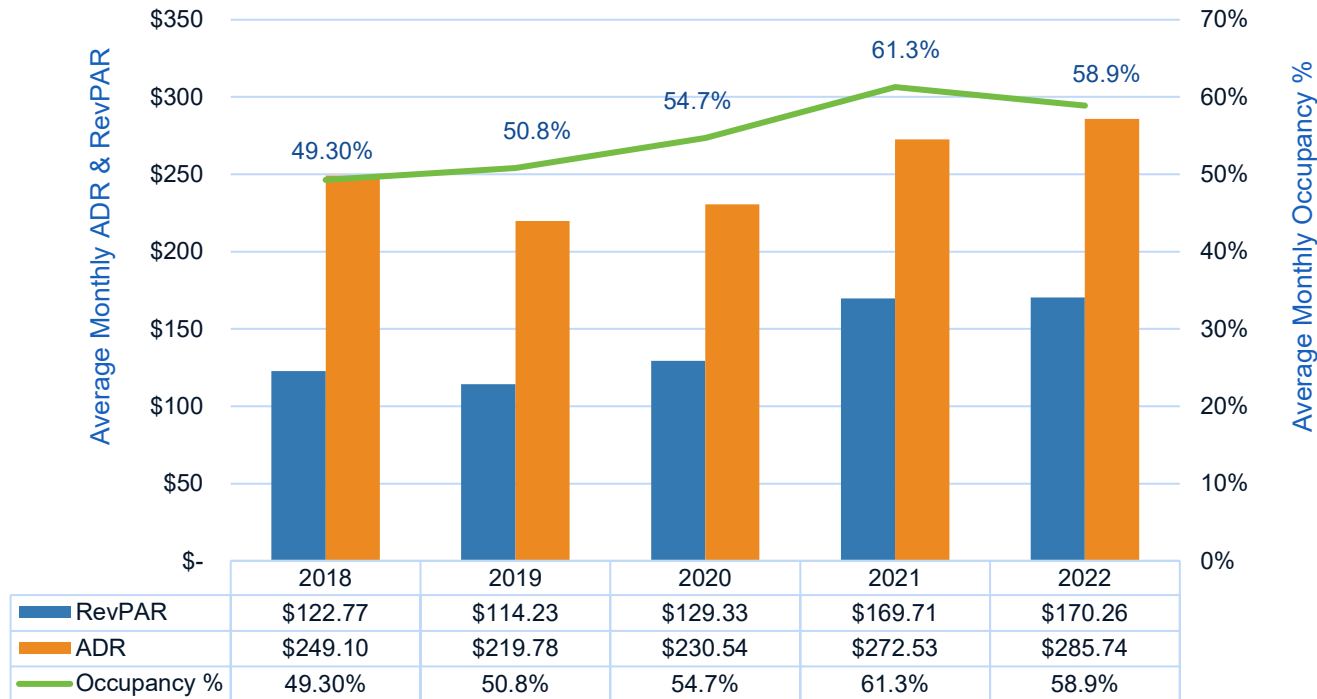
Minnesota and the U.S. North West Central Region's hotel lodging metrics were lower than the Total U.S. in 2022.

While Minnesota's 2022 occupancy was lower compared to the North West Central Region, the state's RevPAR and ADR were higher.

All three of the Twin Cities' key 2022 lodging metrics were low compared to the combined Top 25 U.S. Markets.

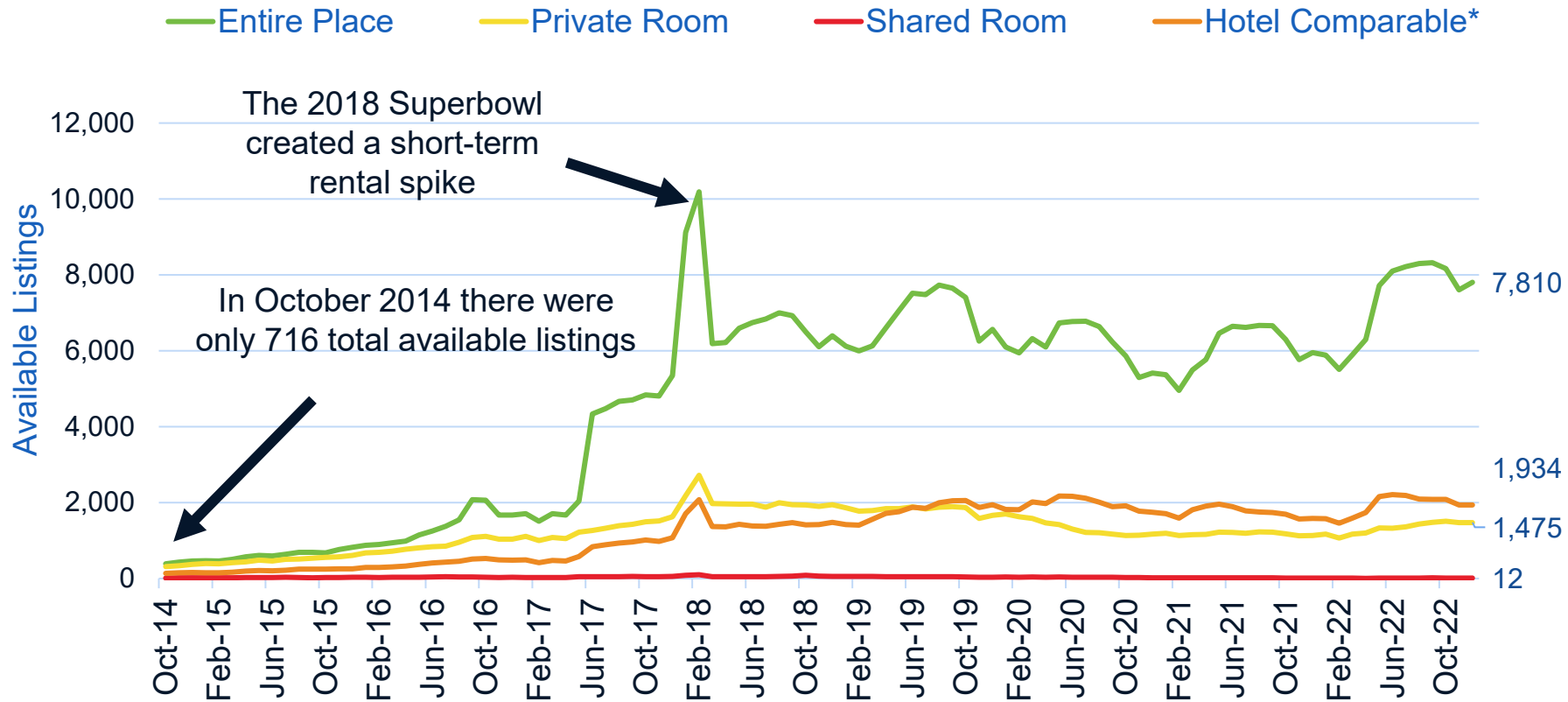


Minnesota Short-Term Rental Entire Place Performance Metrics 2018 - 2022



The 2022 Minnesota occupancy percentage of 58.9% was below 61.3% occupancy in 2021. The 2022 RevPAR and ADR are higher relative to prior years.

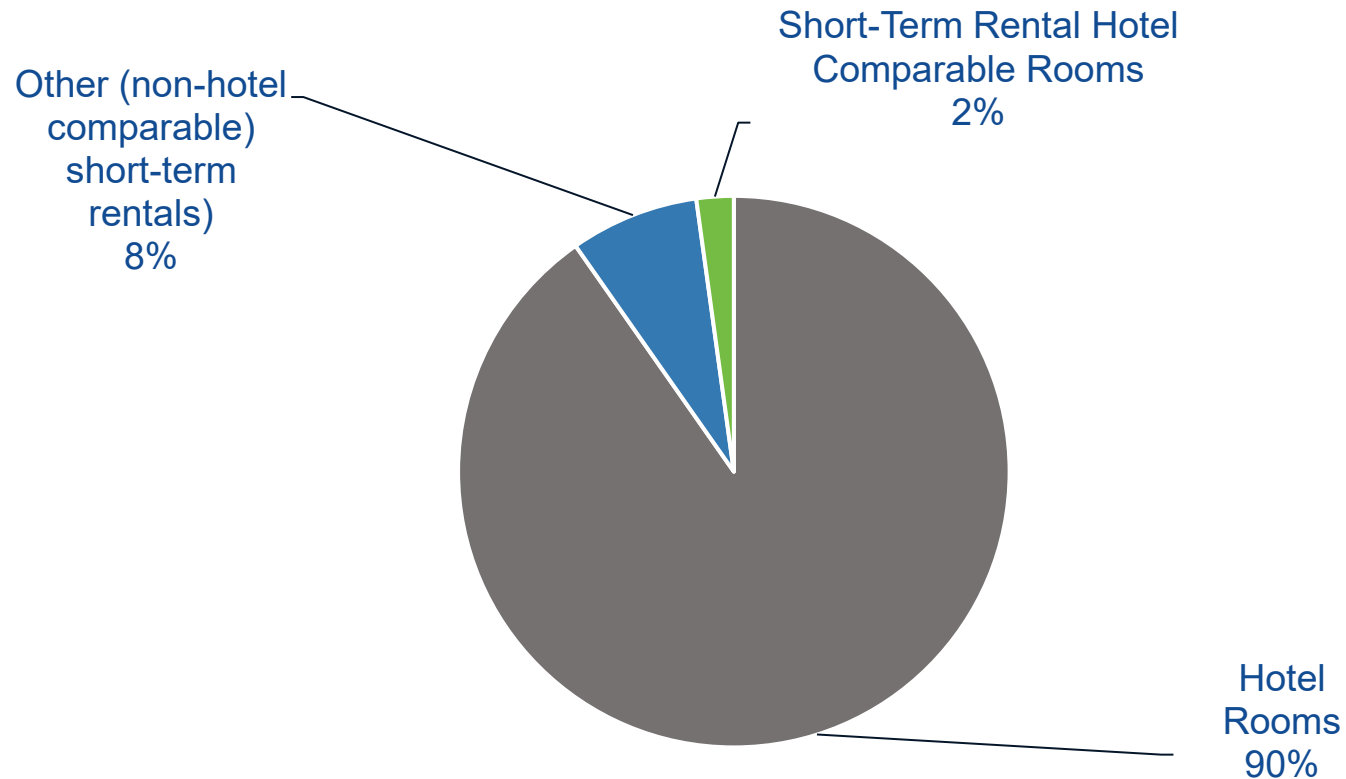
Minnesota Short-Term Rental Listings Available October 2014-December 2022



Since October 2014, the number of short-term rental listings available in Minnesota has greatly increase.

In 2022 there were more listings available than in 2021.

Minnesota Short-Term Rental Hotel Comparable Available Listings Compared to Minnesota Hotel Rooms December 2022



In December 2022 almost 86 thousand or 90% of rooms available in Minnesota were at traditional accommodations, including hotels, motels, and resorts.

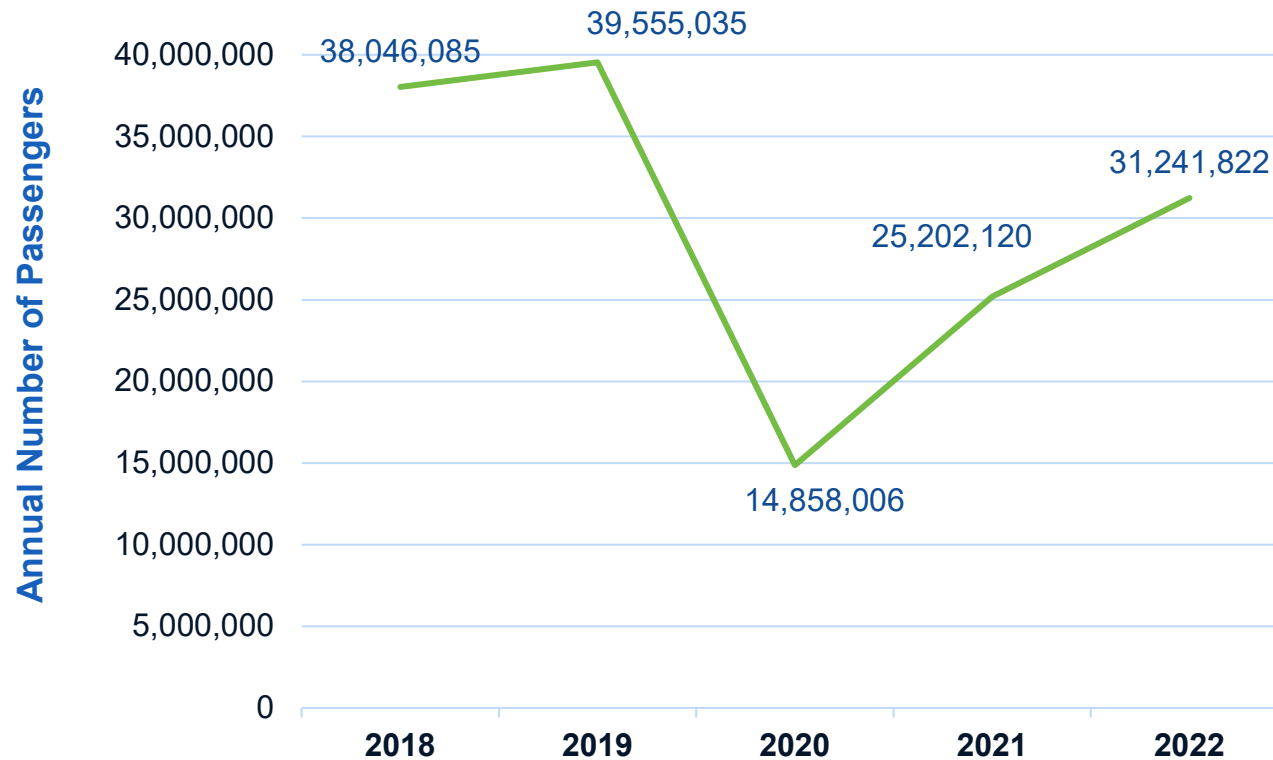
The more than 9,000 total short-term rentals available made up about 10% of the spaces available across the state in December 2022.

Short-term rentals were comprised of 2% hotel comparable rooms (studios and one bedroom) and 8% other entire place rentals.

Airports & International

Airport passenger and international arrival volumes

Minneapolis/St. Paul (MSP) Airport Total Passenger Traffic Trends 2018 - 2022

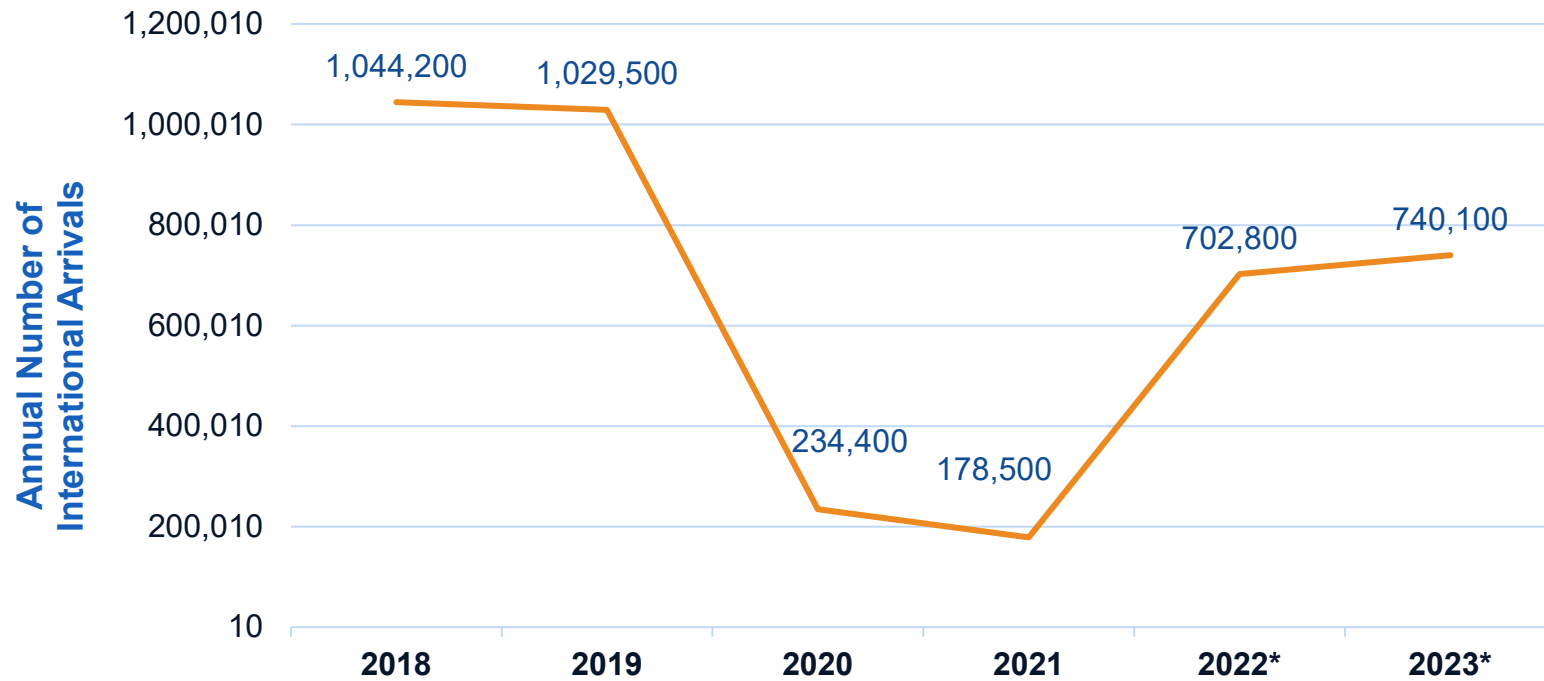


The number of passengers at MSP airport increased to 31 million in 2022.

In 2022, 241,678 passengers went through the Duluth airport. This is down 24% compared to 2019 and up 10% compared to 2021.

For additional reference, across Minnesota airports in December 2022 the number of passengers was down 15.5% compared to December 2019.

Minnesota International Visitor Arrival Trends 2019 - 2023*



In 2022 Minnesota's number of international arrivals increased to 702,800 visitors.

An estimated \$602 million was spent in Minnesota by overseas visitors in 2022.

Minnesota International Visitor Arrivals Top Origin Markets 2021

Visits from top 15 markets of origin for Minnesota, 2021



In 2021 86,000 or 48% of
Minnesota's international visitors
Were from Canada.

Other top origin market countries were:
United Kingdom
Mexico
India
Germany
France

Visitation

Visitor volume, length of stay, and monthly & weekly volumes

This report section is based on geo-location data from Datafy. Areas geofenced capture a sample size of devices and are statistically modeled to estimated visitor volumes. The definition of travelling 85 or more miles from home is used in this state of Minnesota analysis instead of the standard 50 mile definition. This decision was made so that visitation estimates align most closely with other data sources and are highly accurate.

State of Minnesota – Visitation Trends

2022

In-state and out of state visitors who travelled more than 85 miles

Total Trips

77,936,848



Visitor Days

184,202,153



Trips

Visitor Days

● In-State

● Out-of-State



In 2022 Minnesota had an estimated 78 million trips, with 49.2% from Minnesotans and 50.8% from out of state.

There were 184 million visitor days, with 40.9% from Minnesotans and 59.1% from out of state.

Minnesota – Trip Length

2022

In-state and out of state visitors who travelled more than 85 miles

Visitor Days by Length of Stay



- Day Trip 29.6%
- 2 Days 10%
- 3 Days 8.3%
- 4 Days 10%
- 5 Days 15.9%
- 6+ Days 26.1%

In 2022 29.6% of Minnesota trips were day trips and 70.4% of trips include an overnight stay.

The average length of stay varied:

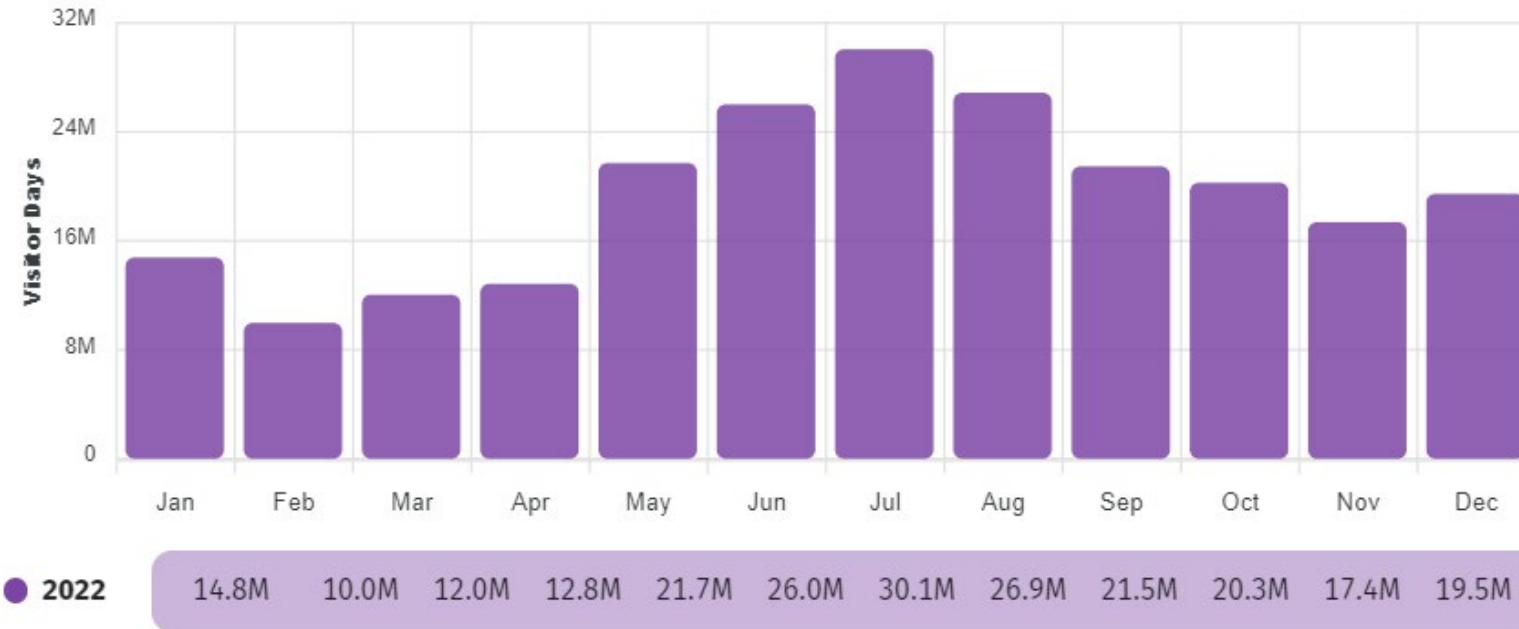
In state visitors – Ave. stay length was 1.9 days
Out of state visitors – Ave. stay length was 2.7 days

State of Minnesota – Monthly Visitation Trends

2022

In-state and out of state visitors who travelled more than 85 miles

Monthly Volume by Visitor Days



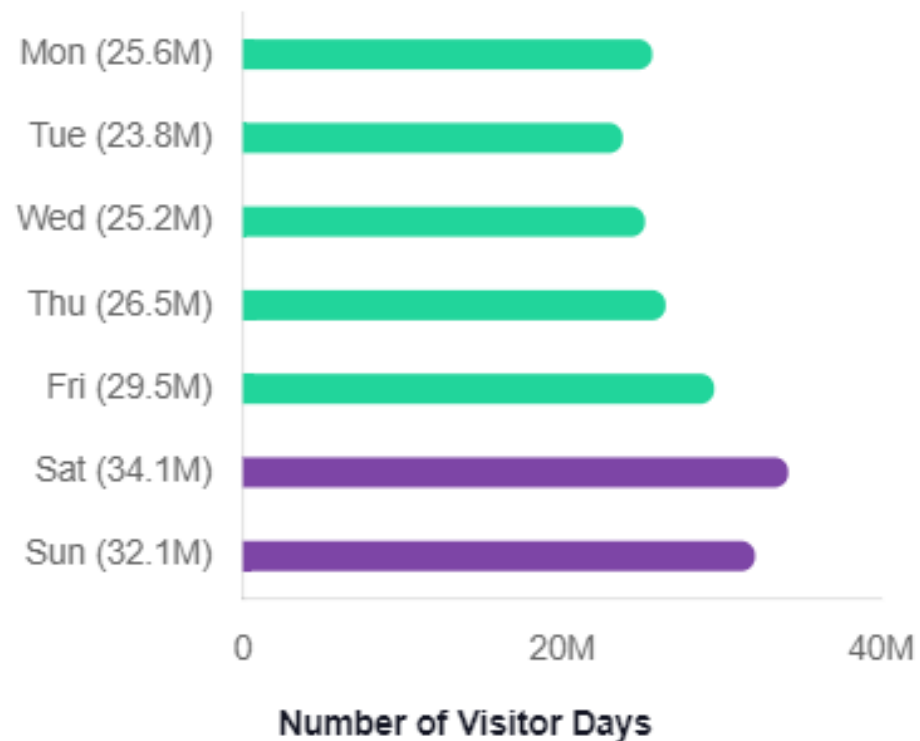
Seasonality greatly impacted 2022 Minnesota visitor days. There were the most days in July (30.1 million) and the least in February (10.0 million).

State of Minnesota – Weekly Visitation Trends

2022

In-state and out of state visitors who travelled more than 85 miles

Weekday vs. Weekend



Visitation by day of week also varied. There were the most visitor days on Saturdays (34.1 million) and the least on Tuesdays (23.8 million).

Points of Interest

State parks, national parks, other Points of Interest (POIs)

This report section is based on geo-location data from Datafy. Please refer to each slide for the minimum miles traveled used in the analysis. POI Polygon set-up is a critical and time-intensive component of geo-location dashboard configuration. POIs are expected to evolve in the coming months. Reach out to to with Gretchen.Nussbaum@state.mn.us with questions and suggestions.

Minnesota – Top Ten Points of Interest* By Category

2022

In-state and out of state visitors who travelled 85 miles or more

Attractions & Entertainment

- Mall of America
- Casinos
- Valleyfair
- Lake Superior Maritime Visitor Center
- Great Lakes Aquarium
- MN Largest Candy Store
- Como Park Zoo & Conservatory
- Science Museum of MN
- Glensheen Mansion
- Minnesota Zoo

Events & Venues

- U.S. Bank Stadium
- Target Field
- MN State Fair Grounds
- National Sports Center
- Minneapolis Convention Center
- Xcel Energy Center
- Duluth Entertainment & Convention Center (DECC)
- Target Center
- Bayfront Blues Festival Grounds
- Brainerd International Raceway

Great Outdoors (not including State Parks)

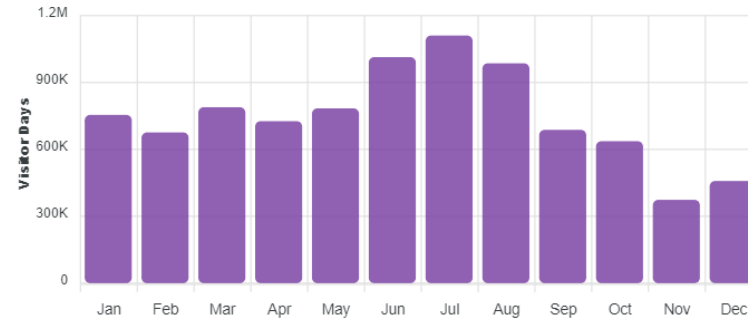
- Mississippi River & Riverfront Parks
- Lake Superior North Shore
- Boundary Waters Canoe Area Wilderness
- Voyageurs National Park
- Minnehaha Park
- Golf Courses
- Spirit Mountain Recreation Area
- Nokomis-Hiawatha Regional Park
- Cuyuna State Recreation Area
- Lutsen Mountains

State of Minnesota – State Park Trends 2022

In-state and out of state visitors who travelled 2 miles or more and visited a state park

In 2022 more than 1.4 million unique visitors took an estimated 8.1 million trips to Minnesota state parks.

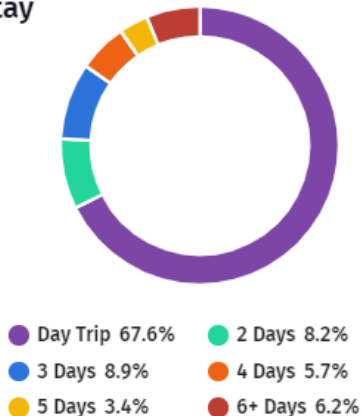
Monthly Volume by Visitor Days



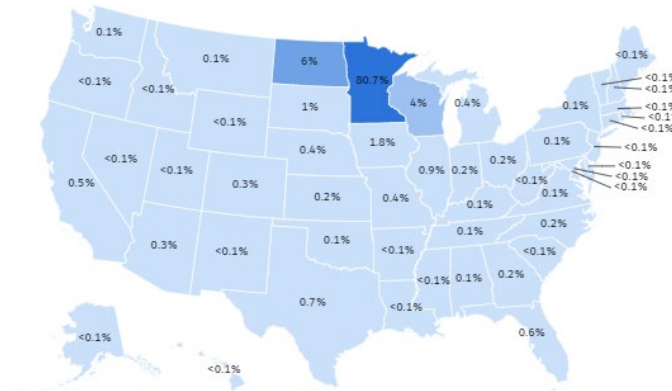
Weekday vs. Weekend



Visitor Days by Length of Stay



Share of Trips by State



81% in-state visitors and 19% out of state visitors

Most visited MN state parks were:
Gooseberry Falls
Fort Snelling
Interstate
Itasca
Split Rock Lighthouse
Tettegouche

Traveler Profile

In and out of state visitors, top origin market DMAs, and demographics

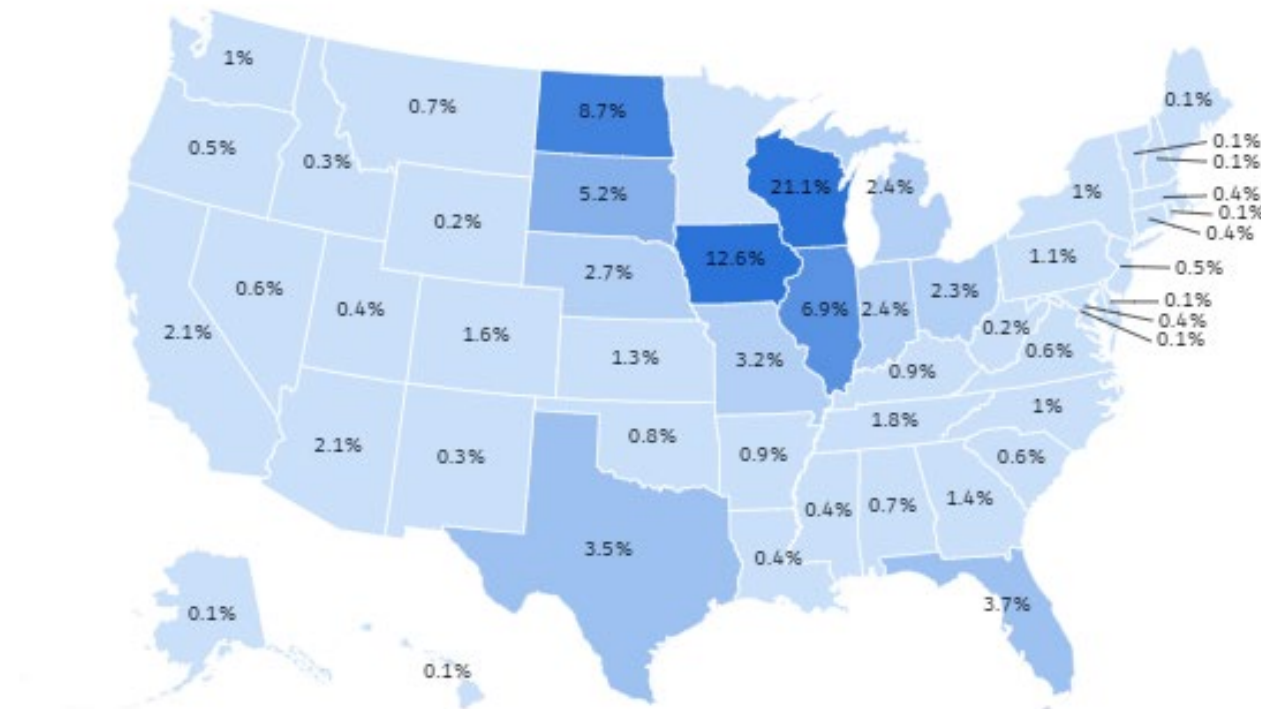
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Minnesota – Origin Markets States

2022

In-state and out of state visitors who travelled more than 85 miles

Share of Trips by State



In 2022 49.2% of visitors were Minnesotans and 50.8% were from out of state.

Top states for 2022 out of state Minnesota visitation were:

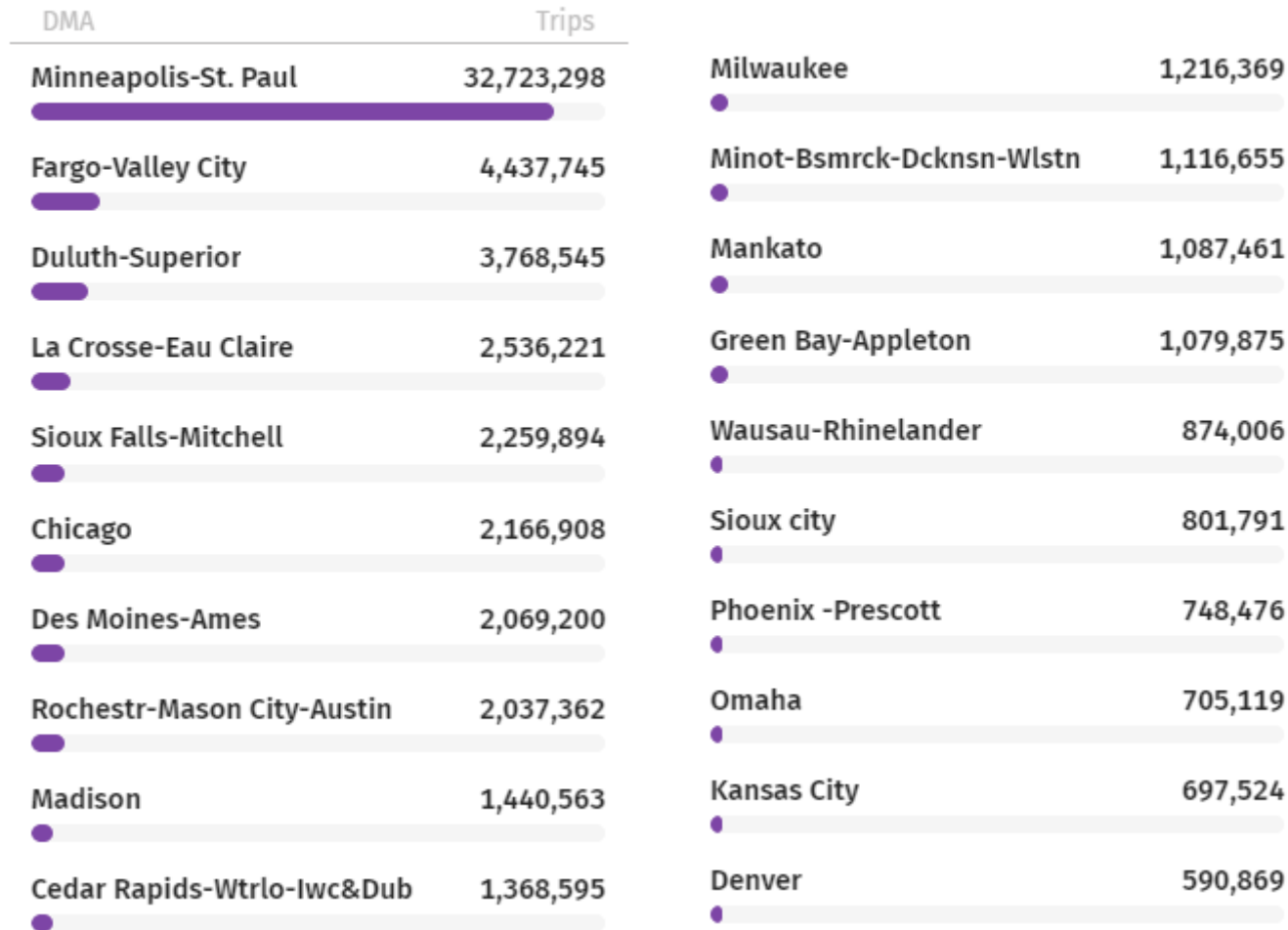
- Wisconsin – 21.1%
- Iowa – 12.6%
- North Dakota – 8.7%
- Illinois – 6.9%
- South Dakota – 5.2%

Minnesota – Origin Market DMAs

2022

In-state and out of state visitors who travelled more than 85 miles

Top DMAs



Top Minnesota DMAs for 2022 in state visitation were:

Minneapolis-St. Paul
Duluth-Superior
Rochester-Mason City-Austin

Top DMAs for 2022 out of state visitation were:

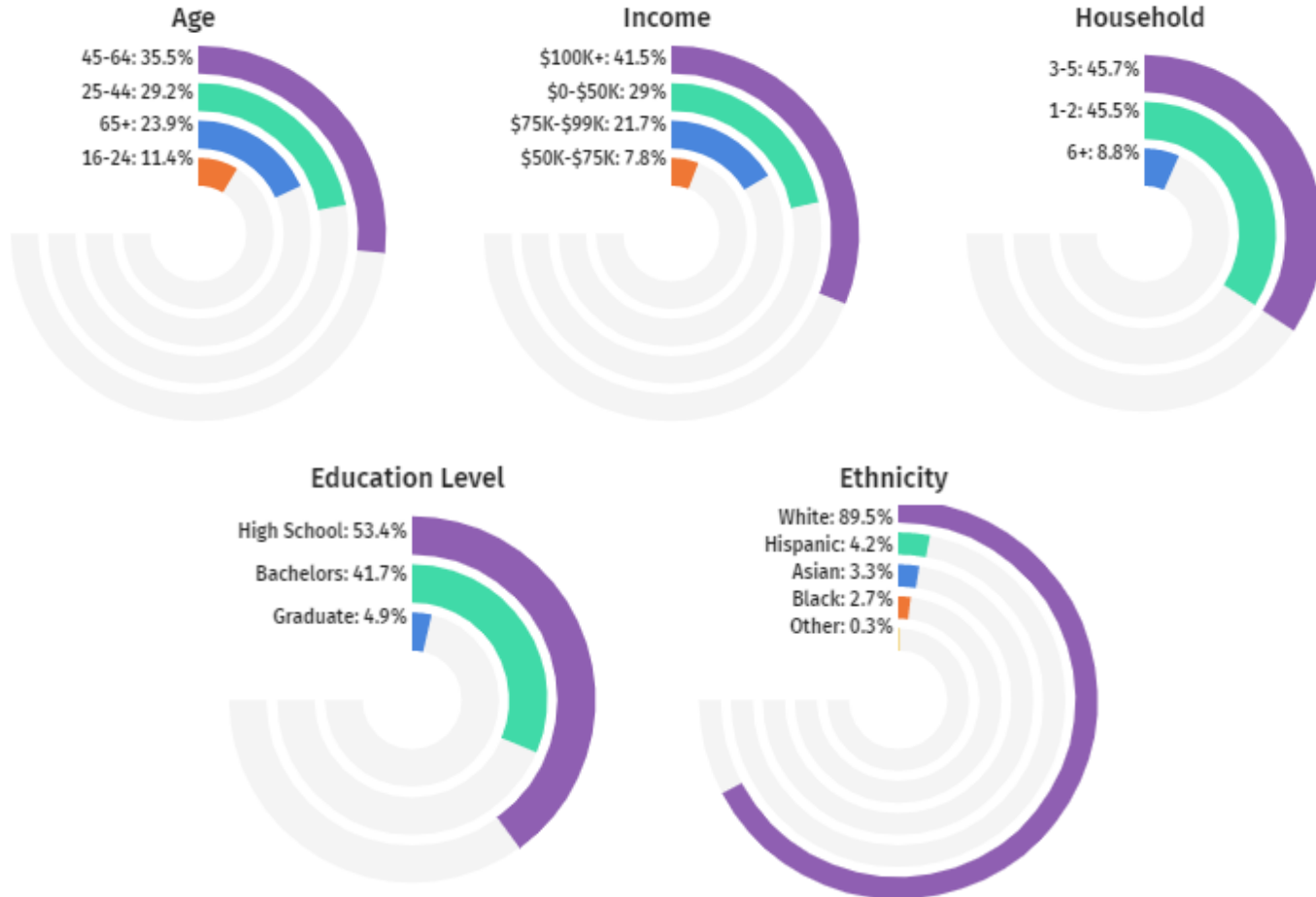
Fargo-Valley City
La Crosse-Eau Claire
Sioux Falls-Mitchell
Chicago
Des Moines-Ames

Minnesota – Visitor Demographics

2022

In-state and out of state visitors who travelled more than 85 miles

Top Demographics



In 2022 the most common Minnesota visitor demographics were:

Age – 35.5% were 45 to 64 years old

Income – 41.5% had an income of \$100k+

Household size – 45.7% had 3 to 5 people in their household

Education level – 53.4% had a high-school level education

Ethnicity – 89.5% were White

Key Findings

2022 Minnesota travel indicator take-aways

2022 Minnesota Travel Indicators Key Findings

Economic Impact –

Tourism matters for Minnesota. Tourism Economics found that in 2022 our state had 77.2 million visitors, who had a \$13.4 billion direct impact and \$23.3 billion indirect impact on our economy and communities. Each household in Minnesota would need to be taxed an additional \$993 to replace the visitor-generated taxes received by state and local governments in 2022.

Recently Released 2021 Data –

According to the Minnesota Department of Revenue, in 2021 Leisure & Hospitality gross sales were \$15.7 billion, with sales taxes of \$998 million collected. Additionally, with almost 229 thousand employed in 2021, Leisure & Hospitality is the 4th largest industry for employment in Minnesota.

Explore Minnesota Tourism –

The new website launched in 2020 is performing well, with more than 13 million page views, 1.1 million partner referrals, and more than 300 thousand newsletter subscriptions in 2022. Additionally, more than 2 million stopped at a state welcome center last year and an additional 11,000 were served by a travel counselor through email, phone, or live chat.



2022 Minnesota Travel Indicators Key Findings

Accommodations –

Smith Travel Research (STR) lodging performance metrics for Minnesota and the Minneapolis/Saint Paul metro area have improved year over year since the pandemic. However, hotel performance indicators continue to lag behind the total U.S. and other top metro areas across the country.

The number of short-term rentals available in Minnesota increased to more than 9 thousand listings in 2022 according to AirDNA. short-term rentals comprise about 10% of total available accommodations.

Airports & International –

As reported by the airports, in 2022 the number of passengers at MSP airport increased to 31 million, and the number of passengers that went through the Duluth airport rose to almost 242 thousand.

Last year Minnesota had over 700 thousand international visitors who spend an estimated \$602 million according to Tourism Economics.



2022 Minnesota Travel Indicators Key Findings

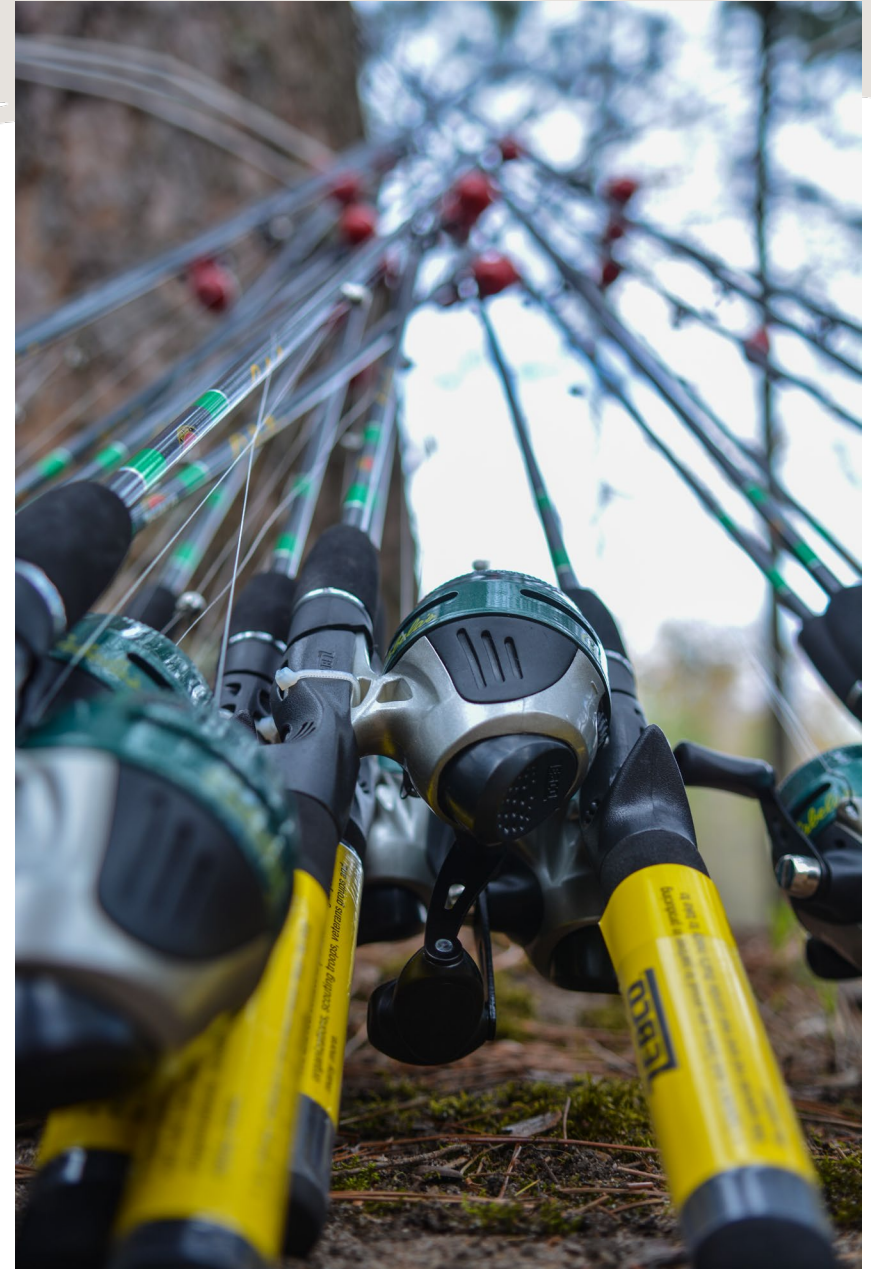
Visitation –

In 2022 an estimated 29.5 million unique visitors made 78 million Minnesota trips. About half of trips were from in-state visitors and the other half were from out of state. About 70% of trips included an overnight stay, with an in-state visitor average length of stay of 1.9 days and 2.7 days for out of state visitors.

Points of Interest –

Visitors go to a variety of attractions throughout the state with the Mall of American, casinos, sports venues, the State Fair, state parks, the Mississippi and Lake Superior North Shore as top destinations.

Traveler Profile – Most out of state visitors are from surrounding states, with Fargo, La Crosse, Sioux Falls, Chicago and Des Moines as top visitors DMAs. The most common visitor demographics were travelers between 45 and 64 years old who are White and have a household income of more than \$100 thousand annually.



Appendix

Definitions

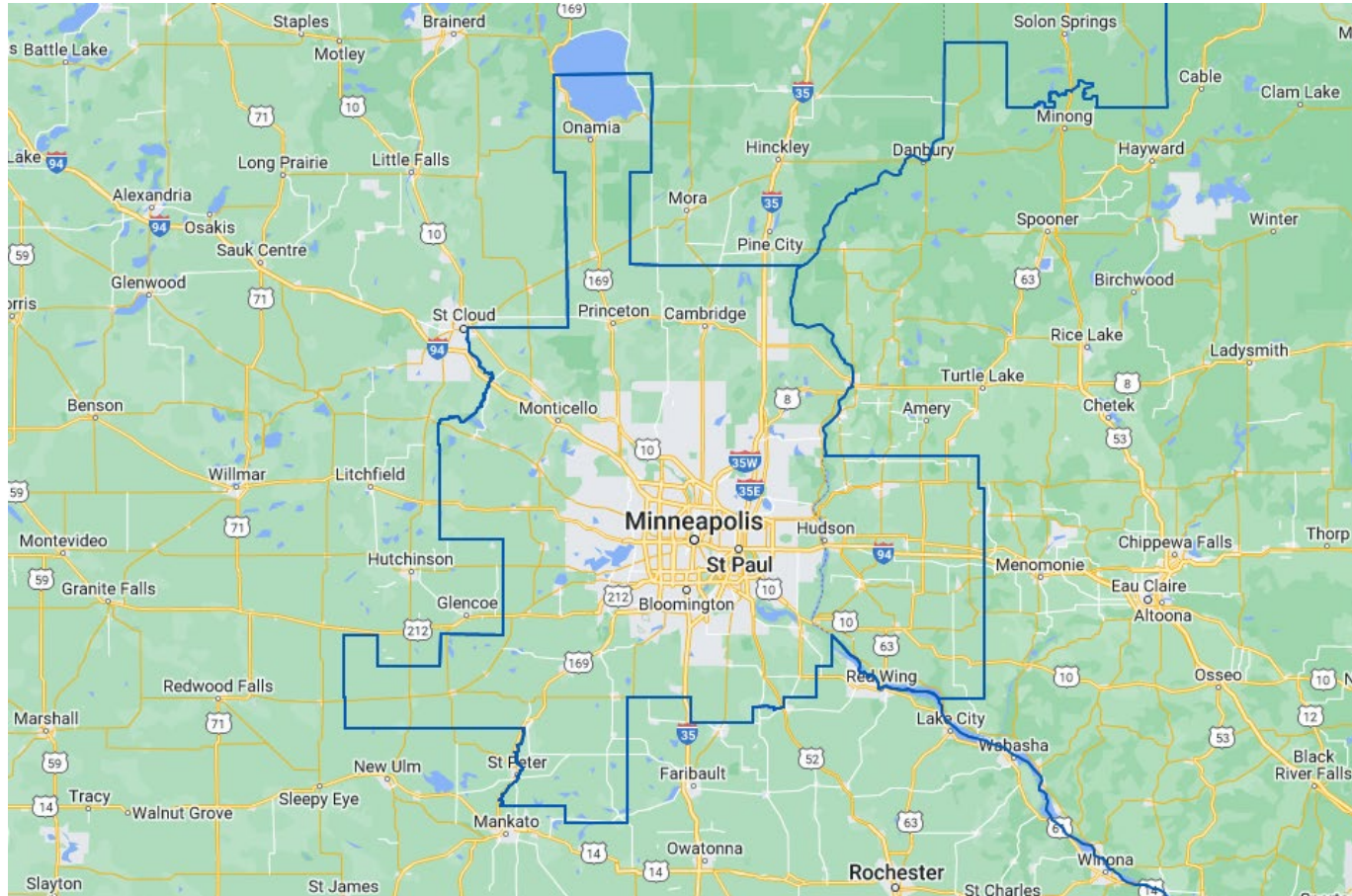
Glossary of Lodging Performance Terms

- **Occupancy Percentage** – Rooms sold divided by rooms available multiplied by 100. Occupancy is always expressed as a percentage of rooms occupied.
- **Listings Available** - Total number of listings whose calendars had at least one day classified as available or reserved during the reporting period.
- **Listings Booked** - Total number of listings that had at least one reservation during the reporting period.
- **Hotel Comparable Short-Term Rental** - Studio and one bedroom Entire Home vacation rentals. AirDNA believes these are the type of listings most likely to compete directly with hotels.

Hotel and short-term rental data in graphs is provided under permission granted by AirDNA and STR, the data sources.

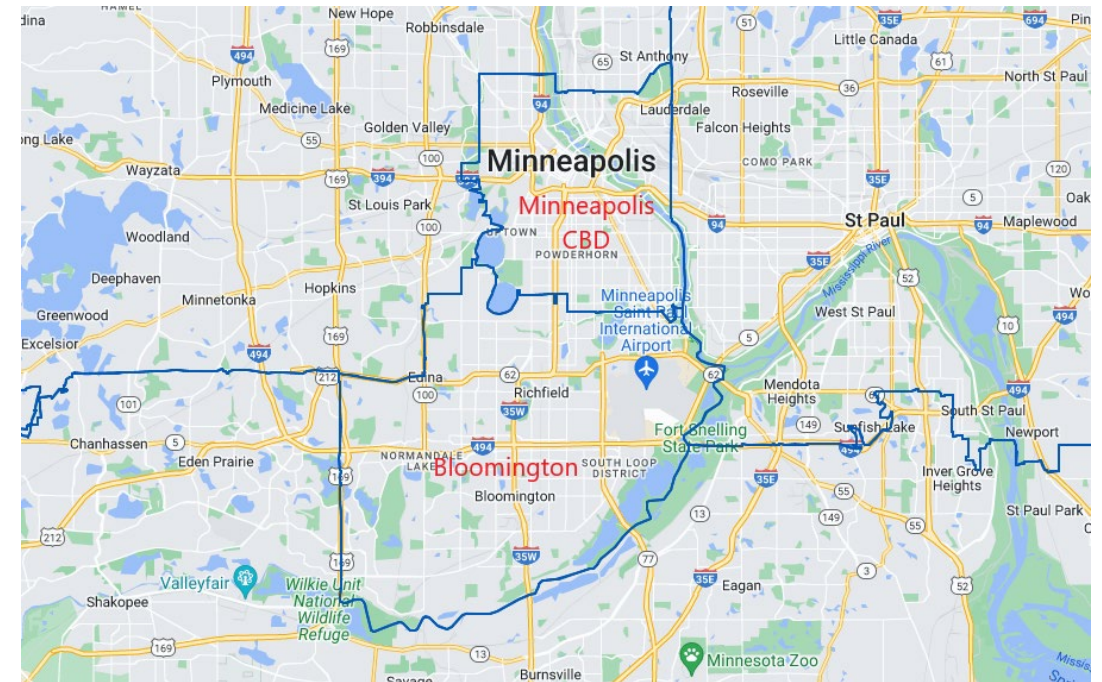
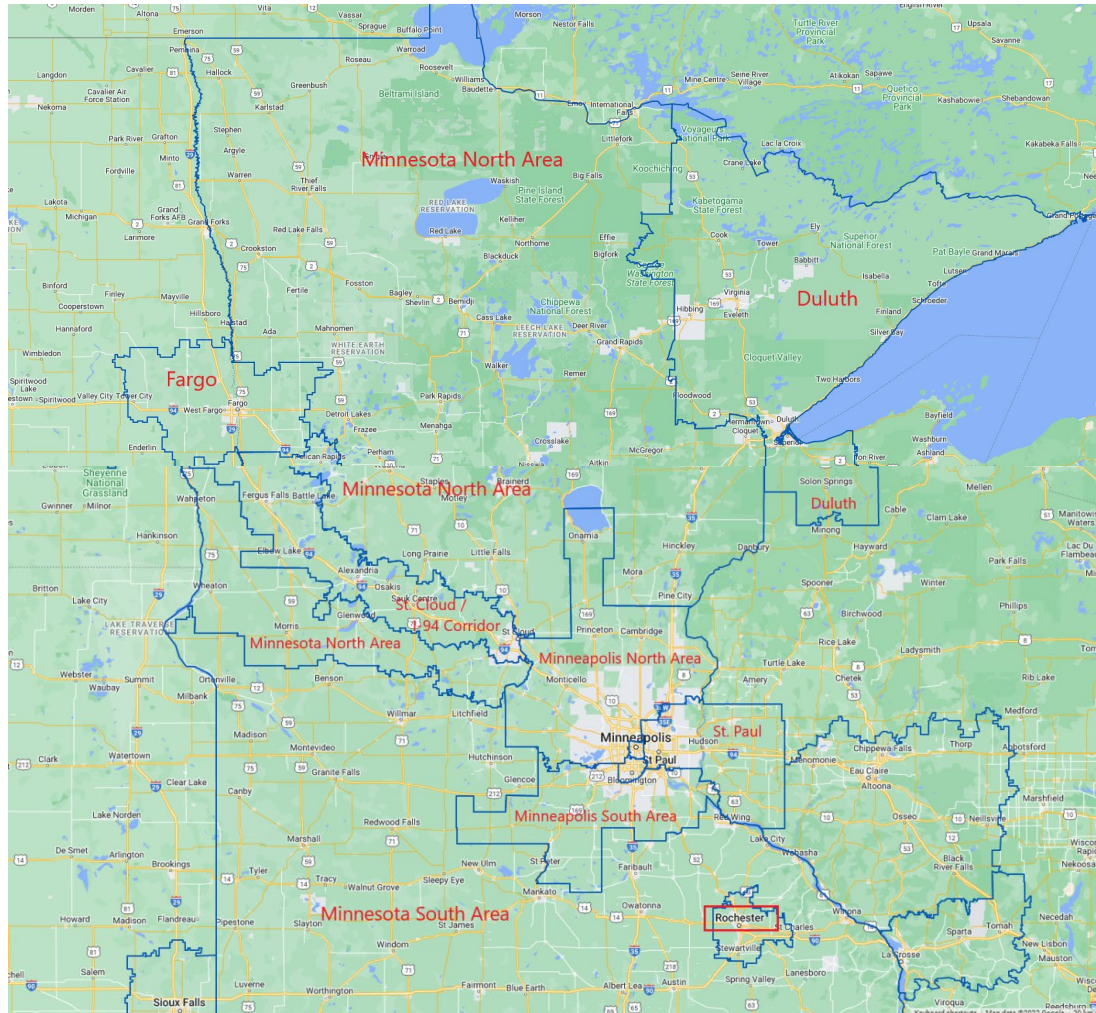
Lodging Performance Minneapolis Area Definition

In the Smith Travel Resource (STR) Top Markets report, Minneapolis is defined as the greater Minneapolis/St. Paul metro area as shown below and the North West Central region is defined as North Dakota, South Dakota, Minnesota, Nebraska, Iowa, Kansas, and Missouri.



Lodging Performance Minnesota Areas Definition

In the Smith Travel Resource (STR) Minnesota Report, Minnesota areas and Minneapolis are defined as shown on the below maps. AirDNA regions are similar to STR MN regions with additional granularity.



Datafy Geo-Location Data Background & Definitions

Data may change as new data is delivered throughout the year. Know that every effort is made to ensure the accuracy of the data provided. That said, mistakes can occur. Please notify your Datafy contact with any questions that arise.

- **Census Demographics** - Calculated using the Home Zip Code of the Unique Device, and then matching the zip code to the corresponding data from the US Census and American Community Survey (ACS).
- **Cluster** - A grouping of POIs based on venue type, visit purpose, etc.
- **Distance Filter** - Calculated as the distance between the center point of a POI and the center point of a device's Home Zip Code. This is a dynamic filter that allows real-time adjustments and flexibility to segment Visitors, Visitor Days, and Trips based on the distance between home location, and the POI. Calculated as flight distance, not drive distance.
- **Home Zip Code** - The inferred home zip code of observed devices. This is determined by a history of observations and patterns of behavior. Our database includes home zip codes for more than 200 million devices. Home Zip Codes are updated monthly based on the historical pattern of behavior, and our process is capable of determining when someone moves to a new zip code.
- **Household Level Demographics** - Calculated based on a positive match between a device and a household with a demographic profile. For example, if a college student lives at home with a parent and visits an attraction, then the household profile would report the income, education levels, and age brackets of everyone in the household, including the parent. These are aggregated, weighted, and averaged across all the household members and all of the POIs visited and dates observed within the selected filters. Most of the values reported are at the household level, with a few exceptions that are device-level.
- **Number of Trips** - The number of distinct trips to a destination by a distinct Visitor. Utilizes a combination of observation patterns, distance traveled, etc. For example, if a Visitor visits on Thursday through Sunday, that would be considered one single trip. If the visitor returns later that month, it would be counted as a second trip.
- **Point of Interest (POI)** - A physical boundary drawn on a map and utilized to capture mobile device activity within the boundary.

Datafy Geo-Location Data Background & Definitions

- **Repeat vs One Time Visitors** - A calculation of repeat Visitors based on observations of Unique Devices and Trips taken within the selected time frame. Once a Unique Device is observed a second time at any of the selected POIs across the date range in the filters, then that device is “flagged” as a repeat visitor. This analysis is dynamic and can span multiple years. For example, if a Visitor visits in March 2020, they would contribute to the yellow line in the chart if the date range covers March 2020. If that Visitor returns and visits again in September of 2021 and the date range in the filters spans March 2020 through September 2021, then that Visitor shifts from a one-time visitor, to a repeat visitor for all of the observations. Therefore, now this Visitor would contribute to the purple line in both March and September and any subsequent visits.
- **Trips** - The number of distinct trips to a destination by a Visitor or POI. Utilizes a combination of observation patterns, distance traveled, etc. For example, if a Visitor visits on Thursday through Sunday, that would be considered one single trip. If the visitor returns later that month, it would be counted as a second trip.
- **Unique Device** - A unique mobile device determined by unique identifiers.
- **Visitors** - An estimate of the number of visitors to a given POI or Cluster of POIs that factors in logic for Trips. For example, if one visitor visited the same attraction three days in a row, they would count as three Visitor Days, but only one Visitor. If that same visitor returned one month later and was observed at that same attraction for three more days in a row, then the cumulative results would be 6 Visitor Days, 2 Visitors, and 2 Trips.
- **Visitor Days** - An estimate of the number of Visitors to a given POI or Cluster of POIs based on our proprietary volume estimate methodology. The Visitor Days calculation uses Unique Device identifiers as a baseline, and a daily estimate is generated factoring in many points of data including year-over-year changes in mobile device data availability, device behavior, local factors, unique POI characteristics, etc. The daily estimate is added up for whichever date range is selected by the filters.
- **Trip Length** - The number of distinct trips to a destination by a Visitor or POI. Utilizes a combination of observation patterns, distance traveled, etc. For example, if a Visitor visits on Thursday through Sunday, that would be considered one single trip. If the visitor returns later that month, it would be counted as a second trip.
- **Our Zip Code vs Postal Zip Code** - The inferred home zip code of observed devices. This is determined by a history of observations and patterns of behavior. Our database includes home zip codes for more than 200 million devices. Home Zip Codes are updated monthly based on the historical pattern of behavior, and our process is capable of determining when someone moves to a new zip code.