



Explore Minnesota Listening Sessions Recap

**October 20 & 22, 2020
4 Sessions / Approximately 200 Attendees**

COVID-19 Impact on Minnesota Tourism Industry

Minnesota's Pre-Pandemic Tourism Industry



\$16 Billion Sales



**\$1.0 Billion in
Sales Taxes**



273,000 Jobs



**73 Million
Visitors Annually**

Note: Sales, revenue and jobs data is for the leisure and hospitality sector 2018. Source Minnesota Department of Revenue and Longwood International

Minnesota Occupancy is down 41.3%

Year-to-Date Change through September 2020

	MN	U.S.	WNC Reg	Metro
Occupancy	-41.3%	-33.6%	-33.6%	-49.4%
Rates	-20.3%	-19.5%	-15.3%	-27.2%
RevPAR	-53.2%	-46.6%	-43.7%	-63.2%
Revenue	-52.6%	-48.7%	-43.7%	-62.4%
Supply	1.3%	-4.0%	0.0%	2.1%
Demand	-40.5%	-36.3%	-33.5%	-48.4%

Minnesota Hospitality Loss Since COVID-19

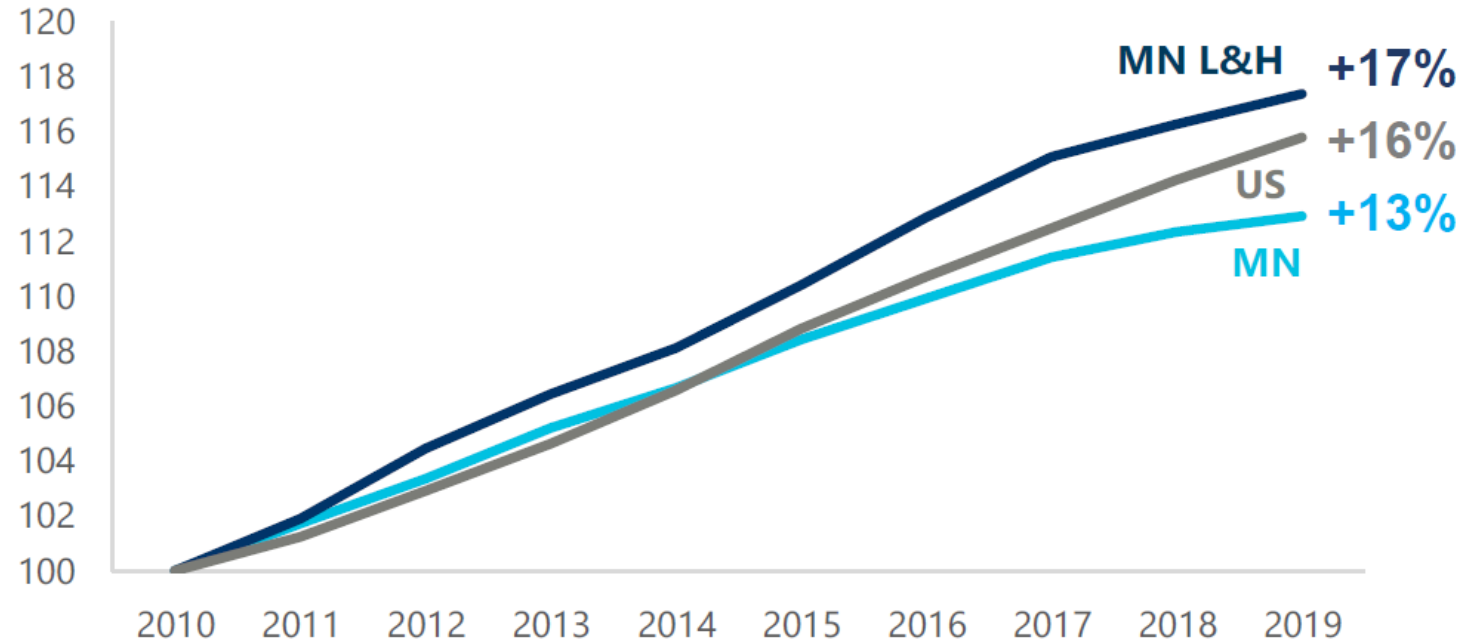
\$5.4 Billion*

*Oxford Economics – Sales in Minnesota Leisure and Hospitality Industry
March 2020 to October 2020

Leisure & hospitality sector has led job growth in Minnesota

L&H employment in Minnesota

Index (2010=100)

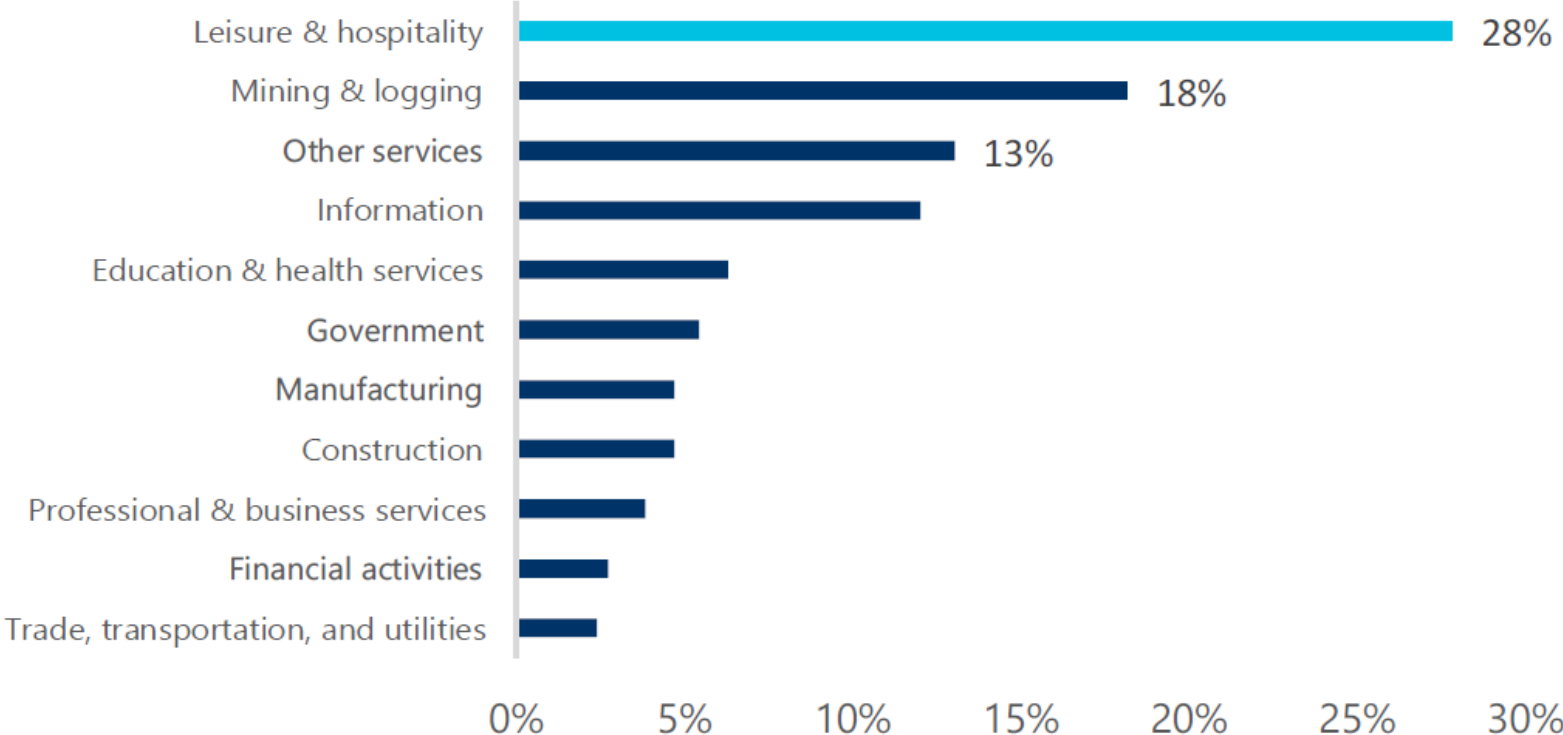


Source: BLS

But no sector has been hit as hard at travel

MN employment loss by industry

% of industry lost since February



Source: BLS

Minnesota Hospitality Job Loss Since COVID-19

75,000+*

*Oxford Economics – 28% of Job losses in Minnesota Leisure and Hospitality Industry

Industry Questions and Discussion

Question #1

How is your business or organization evolving to meet the challenges of today and planning for the future?

Question #2

How can Explore Minnesota best support the evolution of the tourism industry in Minnesota?

Question #3

What other issues or concerns should Explore Minnesota communicate to others?

Industry Status & Comments

- The tourism industry in Minnesota needs help to survive.
- There are some bright spots in the 2020 hospitality industry in Minnesota, but overall the industry is decimated with thousands out of work and small businesses closing, all while uncertainty wreaks havoc with potential traveler plans.
- Businesses and Destination Marketing Organizations have made major changes with increased protocols under enormous amounts of uncertainty.
- Private businesses have major workforce issues i.e. hiring enough staff, recruiting international workers.
- There has been a tremendous amount of ingenuity and creativity within the hospitality industry to make travel as safe as possible.
- DMOs are working harder than ever with fewer resources
 - Being very cautious in their forecasting
 - Being thoughtful in their messaging
 - Remaining nimble, flexible and quick to pivot

Key Takeaways for Explore Minnesota Marketing

- Continue to promote the outdoors as a safe way to experience travel.
- Focus on the mental health benefits of the outdoors.
- Inspire travel that highlights all the places to explore in MN (Nashville in your backyard).
- Explore Minnesota should provide key messaging for the entire industry to unite around in order to deploy a recovery effort illustrating all important safety protocols, expounding on outdoor recreation and embracing the benefits of travel, including the economic benefits.
- Increasing perception of safety in the Metro.

Other Suggestions

- Expanded education (and inspiration!) for industry professionals
- Agency programs that directly benefit partners are well received and appreciated
 - Co-op Program
 - Crisis Marketing Grant
 - Free online lead generation
- Find support for businesses still adversely impacted due to COVID-19 capacity restrictions (theaters, museums, event and convention centers, sporting facilities, etc.).
- Canadian Border closure – help is critical for businesses located in the NW Angle.
- Relying on state agencies for help making events and businesses safely operational.
- CARES Act Funding and PPP discussion – except for some municipalities granting dollars, most DMOs in Minnesota were left out of these programs while state designations in Wisconsin have allowed their DMOs to stay operational, keeping their staff working and allowing them to be visible in the market. Many DMOs in Minnesota are struggling to survive and things will only be exacerbated in the winter when occupancy levels deplete further. Most DMO 2021 budgets are forecasted to be down between 25%-75% while some have lost nearly all revenue.



THANK YOU

[See the recordings or read the transcripts here](#)

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