

# 2020 VISION

# Creating Tourism for Tomorrow

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Explore Minnesota Tourism  
April 2009

EXPLORE  
*Minnesota*  
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# Tourism in 2020

Looking ahead to 2020, Minnesota's tourism industry envisions a bright future for this key sector of the economy, with tourism as a leading economic force in the state. It is anticipated that tourism will be a \$20 billion business by 2020.

Communities across Minnesota will consider tourism to be an essential industry for economic development. Leisure and hospitality will be a leading producer of jobs, attracting new generations of employees. Minnesota's natural resources will continue to be a main attraction for travelers. Being environmentally conscious will be fundamental to the future health of the tourism industry.



## 2020 Vision

This report is the result of a planning process undertaken with the tourism industry by Explore Minnesota Tourism, the state's tourism promotion office. Thanks to all of the organizations around the state that hosted 2020 Vision discussion sessions, as well as to the hundreds of members of the tourism industry who participated in these sessions and who completed the 2020 Vision survey. This report reflects the interests and priorities identified by members of Minnesota's tourism industry during the 2020 Vision process.



# Introduction

What will tourism in your community and at your business be like in the year 2020? That was the question Explore Minnesota Tourism, the state's tourism promotion arm, raised with members of the tourism industry during this past year. Changes in the population, changes in consumers' interests and expectations, changes in the economy, and changes in society overall—all will inevitably lead to changes in how businesses operate and market themselves.

Minnesota tourism destinations—lodging businesses, various types of attractions, communities across the state and the organizations that promote them—need to prepare for doing business successfully in the year 2020. Explore Minnesota Tourism led a statewide process to identify the challenges and changes that Minnesota tourism will need to address in the next ten years to keep the tourism industry thriving. Called “2020 Vision, Creating Tourism for Tomorrow,” the process engaged the tourism industry in a series of discussion sessions, a survey, and follow-up at the annual state tourism conference.

## The 2020 Vision process included:

- A series of discussion sessions held with 17 organizations around the state in fall 2008, drawing more than 500 participants, focusing on the areas of travel product, marketing, business operations, the environment, and transportation.
- A detailed survey in December, 2008 regarding potential changes in these same five primary topic areas, with more than 450 responding to the survey.
- Follow-up at the Minnesota Tourism Conference in January, 2009, with sessions focusing on several of the topic areas covered in 2020 Vision sessions, and an electronic poll on the future outlook for Minnesota's tourism industry.

The body of this report includes results from both the discussion sessions and the survey, and reflects a broad spectrum of input from members of Minnesota's tourism industry.

The 2020 Vision process was not initiated in response to the current economic crisis. Participants were encouraged to take the “long view” for the tourism industry. Tourism will continue to be vital to the long-term economic health of the state, and this report outlines a blueprint for this industry to thrive as an economic force in Minnesota.

## 2020 Vision Sessions

Bed and Breakfast Association  
Congress of Minnesota Resorts  
Explore Minnesota Tourism Staff  
Mankato State University  
Metro Tourism Committee  
Minnesota Arrowhead Association  
Minnesota Association of Convention and Visitors Bureaus  
Minnesota Chamber of Commerce  
Minnesota Festivals and Events Association  
Minnesota Heartland Tourism Association  
Minnesota Recreational Trail Users Association  
Minnesota Resort and Campground Association  
Rochester Convention and Visitors Bureau  
Southern Minnesota Tourism Association  
St. Cloud State University/  
St. Cloud Convention and Visitors Bureau  
University of Minnesota Tourism Center  
Visit Duluth

## Economic Impact of Travel & Tourism

2007

- \$11 billion in gross sales, a 35% increase over 2000 sales
- \$679 million in state sales tax, 15% of state's sales tax revenues
- 247,808 leisure & hospitality jobs, almost 11% of private sector employment

# Business Operations

The tourism industry is made up of a wide variety of businesses, including lodging accommodations, restaurants, gift shops, and many types of attractions, including amusement parks, historic sites, museums, state parks, wineries, theaters and other performance venues. Communities are promoted as destinations primarily through the local chamber of commerce or convention and visitors bureau. Many of the tourism businesses are small to mid-size; some others operate as franchises of large corporations. Many of the attractions and tourism promotion organizations are nonprofits. Tourism-related businesses and organizations share many of the same concerns and challenges faced by other types of businesses, as well as some that are particular to the tourism industry. Addressing these concerns will be important to the success of these businesses in the coming years.

## Workforce Availability

An aging workforce and declining rural populations both may lead to future labor shortages in the tourism industry. Action in the following areas could help ensure a future workforce for the tourism industry:

- Address immigration issues to facilitate hiring of non-U.S. labor.
- Consider impact of school calendars on employee availability.
- Develop career paths in the tourism industry to attract and keep younger employees.
- Stay competitive in pay and benefits to attract and retain employees.

## Educating the Workforce

Tourism businesses are concerned about educating and training younger generations of employees for their industry, focusing on the following:

- Improve tourism career education in secondary and post-secondary schools.
- Foster a strong work ethic and basic skills among young employees.
- Provide customer-service training for tourism employees.
- Provide training related to generational differences in the workforce.

## Other Business Operation Concerns

Tourism businesses have concerns about some areas of government regulation and about containing high costs of some aspects of doing business, citing:

- Need for affordable health care,
- Need for affordable marketing/advertising opportunities,
- Impact of taxes, fees and licensing requirements, especially on small businesses,
- Impact of zoning requirements and shoreland regulations, especially on resorts.

Which business operations issues should be priorities for Minnesota’s tourism industry over the next 10 years?

1=Very low priority 4=Very high priority	1	2	3	4	Unsure
Affordable health insurance	5%	8%	22%	57%	8%
Quality customer-service training for tourism employees	3%	8%	34%	53%	2%
Taxes and fees	3%	12%	32%	48%	5%
Improving tourism career education in colleges	9%	21%	45%	22%	3%

*Tourism businesses need to “be more competitive and change with our customers.”*

SURVEY RESPONDENT

## 2020 Survey Results:

Affordable health insurance and quality customer-service training for tourism employees are rated highest among business operations issues.

# Travel Product

What experiences should be developed to appeal to the travelers of tomorrow? The kinds of things people enjoy doing on vacations and quick getaways changes over the years. In order to keep attracting customers, Minnesota travel destinations will need to keep in tune with changing preferences and demands in lodging and recreational activities.

## Development of Minnesota Travel Experiences

When the tourism industry brainstorms the kinds of things they need to offer to travelers in the coming years, several common themes come up, including:

- New and upgraded lodging accommodations (hotels, motels, resorts, B&Bs, campgrounds) that offer the quality and amenities today's travelers look for
- Community and regional festivals/events designed to engage and entertain
- Packaged "quick-trips," that offer short, fun, easy getaways
- Experiences that integrate technology, such as geocaching and technology-assisted tours
- Educational travel experiences
- Attracting amateur and youth sporting competitions/ events
- Trails for biking, hiking, snowmobiling and ATV riding
- Golf
- Planned activities that easily engage families and their children in the outdoors
- Experiences that reflect Minnesota's history in engaging ways
- Experiences that feature Minnesota's local foods, artists and varied ethnic heritage

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## What travel products and experiences should be developed in Minnesota over the next 10 years?

1=Very low priority  
4=Very high priority

	1	2	3	4	Unsure
Community and regional festivals and events	1%	7%	35%	56%	1%
"Green" travel destinations, experiences	4%	11%	36%	48%	1%
Packaged quick-trips	2%	12%	41%	43%	2%

## 2020 Survey Results:

Community and regional festival and events, "green" travel destinations, educational travel experiences, and packaged quick-trips were all rated as "very high" priorities as travel products to be developed over the next 10 years. Grants to develop travel products also received high ratings.

*"We want our visitors to.....  
learn about the Minnesota that's  
beyond your imagination."*

SURVEY RESPONDENT



# Marketing

Tourism’s benefits to Minnesota communities depend on the successful marketing of Minnesota as a travel destination. Marketing of Minnesota tourism takes place on many levels: by the state through Explore Minnesota Tourism, by regional tourism associations, by communities (typically through chambers of commerce or visitors bureaus), by lodging businesses, and by attractions, from amusement parks to zoos. New technologies have opened up a variety of new marketing channels, and utilizing them effectively is key to reaching new customers.

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## Target Markets

In the coming years, it will be important to keep drawing our traditional tourism markets, but also to target specific new audiences to keep the tourism industry thriving in the future. Target markets must reflect a variety of demographics:

- Minnesota residents and residents of nearby states and Canadian provinces
- Select targeted cities farther from Minnesota
- Select international markets
- Younger, 20-35 year-old travelers
- Families
- Baby boomers and retirees
- Various ethnic communities
- Gay and lesbian (GLBT) travelers

## Marketing Emphasis

Minnesota offers a range of travel experiences, and that diversity will continue to be important to attracting the travelers of tomorrow. Outdoor recreation and cultural experiences will continue to be key tourism draws, though there may need to be changes in the nature of these activities to keep up with consumer interests. Keeping Minnesota travel experiences fresh and current will be important for the tourism industry. Experiences to emphasize in future marketing include:

- Enjoyment of natural resources
- Outdoor recreation: trails, golf, fishing, etc.
- Quick trips: short, close-to-home getaways
- Family travel, including grandparent/ grandchild trips

### Which markets should be priorities for Minnesota’s tourism industry over the next 10 years?

1=Very low priority 4=Very high priority	1	2	3	4	Unsure
Residents of nearby states & provinces	0%	1%	14%	84%	1%
Minnesota residents	0%	3%	22%	75%	1%
Targeted cities/states farther from Minnesota	3%	18%	45%	32%	2%
International markets	14%	35%	31%	17%	4%

## 2020 Survey Results:

Residents of nearby states and provinces were rated a “very high” priority as target markets by 84% of respondents, with Minnesota residents a “very high” priority market for 75%. Enjoyment of Minnesota’s natural resources ranked highest as a marketing emphasis, rating as a “very high” priority for 82%.

- Enticing young people to outdoor recreation
- Cultural experiences: arts, heritage, ethnic food, wineries, historic sites
- Diverse lodging/camping experiences, including resorts

## Marketing Tactics

While there continues to be a role for traditional advertising and public relations, effective marketing of the future will utilize technologies and tactics that might not even exist yet. Just as the past 10-12 years brought a major shift to Internet marketing, the next 10-12 years are likely to offer other new channels for reaching consumers. Savvy marketers must develop strategies to reach consumers using an effective mix of new and traditional communication channels.

- Traditional print and broadcast advertising will continue to have a marketing role, to attract interest and point to web sites and other channels carrying more detailed marketing messages.
- Internet use to research and book trips will continue to grow, and will expand in areas of online videos, consumer reviews, and use of social networking sites.
- Mobile marketing will develop as a way to reach travelers using laptops, multimedia phones and other mobile devices.
- Multicultural marketing will increase as the diverse population of the Midwest grows in size and affluence.
- Cooperative marketing and partnerships can offer cost-effective opportunities for the tourism industry.
- Developing favorable coverage of Minnesota in a variety of travel media will continue as an effective way to draw attention to our destinations.

## What should be emphasized in marketing Minnesota during the next 10 years?

1=Very low priority  
4=Very high priority

	1	2	3	4	Unsure
Enjoyment of natural resources	0%	1%	17%	82%	0%
Outdoor recreation: trails, golf, fishing, etc.	0%	3%	21%	75%	1%
Quick trips: short, close-to-home getaways	2%	3%	23%	71%	1%
Cultural experiences: arts, heritage, ethnic food, wineries, etc.	2%	9%	36%	52%	1%

*"It's important to emphasize what is unique to Minnesota and most relevant to tourists. Our outdoor life and cultural offerings have consistently placed us on "Top Places to Live" lists, making Minnesota attractive locally and across the country."*

SURVEY RESPONDENT

# Environment

Minnesota’s bounty of beautiful lakes, rivers, forests, prairies, parks and other natural areas continue to be a large part of our state’s appeal to travelers, who enjoy them not only for their scenic views, but also for the recreational opportunities they offer. Those involved in Minnesota’s tourism industry place a high value on our state’s natural environment, and consider protecting our great outdoors a top priority.

## Preserving the Natural Environment

Addressing potential threats to the state’s waters and natural habitats will be important not only to retain the high quality of life of our state’s residents, but also to preserve a major attraction for visitors to our state, who pump vital dollars into communities across Minnesota. Several issue areas will be on the “watch list” for those who work in tourism-related areas:

- Water quality of lakes, rivers and ground water
- Threats related to invasive species
- Appropriate recreational use of natural areas without damaging them
- Balancing development and preservation of lakeshore and other natural habitats

## Recreation at Lakes and Natural Areas

State parks, local parks, and private accommodations such as resorts and campgrounds all provide travelers with access to our woods and waters. They are an important resource, especially to all those who don’t own their own lake-shore property. The tourism industry places critical importance on maintaining these access points for residents and visitors, making it easy for travelers to enjoy our great outdoors. Issue areas raised by the industry include:

- Maintaining easy public access to lakes, rivers and other outdoor areas
- Attracting younger audiences to outdoor recreation
- Addressing the complexity of fishing and hunting regulations

## Green Travel Opportunities

“Green” is a current buzzword in the travel industry, but communities and businesses must consider how to offer meaningful experiences to travelers that live up to their expectations. In the coming years, the Minnesota tourism industry must consider how to translate this global travel trend into environmentally-friendly travel options for travelers in our state by:

- Incorporating environmentally friendly business practices
- Preparing for increased consumer scrutiny of everything labeled “green”
- Promoting experiences that incorporate lodging, dining and recreation that are all geared to protecting and engaging in the local environment

### Which environmental issues should be priorities for Minnesota’s tourism industry over the next 10 years?

	1=Very low priority 4=Very high priority	1	2	3	4	Unsure
Preserving natural resources		1%	4%	24%	71%	1%
Access to Minnesota’s land and water resources		1%	6%	24%	68%	1%
Appropriate use of environmental resources		1%	3%	31%	64%	1%
Water quality concerns (both ground water and surface water)		2%	5%	27%	64%	1%

*“We need to figure out how to preserve the traditional lake vacation that Minnesota is famous for and also redefine that vacation so that it appeals to a younger generation, too.”*

SURVEY RESPONDENT

## 2020 Survey Results:

Overall, environmental issues ranked among the highest priorities for the tourism industry, with 95% of respondents placing high priority on preserving natural resources and on the appropriate use of these resources.



# Transportation

A high-quality transportation infrastructure is essential to a strong tourism industry. Literally, it’s what gets travelers to their destinations. In Minnesota, there are several components of our transportation system that will be important to a thriving tourism sector in the years leading to 2020.

## Roads & Bridges

Most travel to and within Minnesota is by car. Although fuel prices will continue to influence travel decisions, the majority of Minnesota travel in the foreseeable future will be by road, as more fuel-efficient vehicles become commonplace. In the coming years, it will be important to:

- Maintain the current system of roads and bridges in good condition
- Improve rural roads and highways, as well as those in the metro area
- Identify and fund the most critical road improvement projects across the state

## Air Service

Both business and leisure travelers depend on an efficient air transit system. Air service to the Minneapolis-St. Paul Airport brings travelers to our area from across the country and from countries around the world. Ten other Minnesota

cities are also currently served by commercial air service. In addition, private planes bring visitors to communities throughout the state. The tourism industry needs:

- Expanded, competitive air service with reasonable prices at the Minneapolis-St. Paul Airport
- Continuing air service to greater Minnesota communities, combating the trend of declining air service to smaller cities
- Facilities to serve travelers who arrive by private planes

## Rail Service

Americans are once again turning to train travel, in reaction to the increased costs and hassles of travel by air and car and a rediscovery of the pleasure of rail travel. Some potential projects that could play a role in developing tourism in the future include:

- High-speed rail between Chicago and Minnesota
  - Rail service between the Twin Cities area and Duluth
  - Light-rail service, which helps visitors to get around the Twin Cities metro area

### Which transportation/transit issues should be priorities for Minnesota’s tourism industry over the next 10 years?

1=Very low priority 4=Very high priority	1	2	3	4	Unsure
Development and maintenance of trails <i>(bike, walking, snowmobile, ATV, etc.)</i>	2%	7%	32%	59%	1%
Highway and bridge construction/maintenance	2%	12%	39%	46%	1%
Reasonable and competitive air fares and service	5%	11%	38%	45%	1%
Improved long-distance passenger rail service	8%	17%	31%	42%	3%

## Additional Transit Options

In the future, there may be an increasing number of travelers, including older travelers and those who arrive in the state by air, who will want transportation alternatives to driving themselves. Some possible transit options for communities to consider:

- Shuttle services to area attractions and events
- High-quality inter-city bus service
- Multi-modal transportation alternatives
- Trails for biking, walking, snowmobiling, etc.

## 2020 Survey Results:

Trail development and maintenance rated as the highest transportation priority, followed by highway and bridge construction/maintenance and reasonable and competitive air fares and service.

“It would be interesting to put together a tourism package where visitors can fly in and never have to worry about how they are getting anywhere.”

SURVEY RESPONDENT

# Moving Ahead to 2020



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The 2020 Vision process and this report serve as a foundation for building tourism for tomorrow. The Explore Minnesota Tourism Council, representing all major facets of the travel and tourism industry in the state, will have a primary role in planning for the future of the tourism industry, based on the findings of this report. However, everyone involved in tourism has a role to play in shaping this business to continue to thrive and benefit Minnesota. Businesses, tourism promotion organizations and a variety of government agencies can take positive steps to address the areas identified as key to the future of the tourism industry. The 2020 Vision process also identified who the primary players are in addressing various issues of concern to the tourism industry.

## **Business operations:**

Individual businesses have the lead role in addressing issues related to business operations, but chambers of commerce, convention and visitors bureaus (CVBs), industry trade organizations, and as appropriate, local and state government agencies, also can be effective in addressing business operation issues.

## **Marketing:**

Chambers of commerce and CVBs bureaus take the lead in tourism marketing for communities across the state. Explore Minnesota Tourism has the lead role in promoting the state as a destination for travelers, and some other state agencies, such as the Minnesota Historical Society and the State Parks and Trails Division of DNR, also promote their sites to travelers. Individual businesses and attractions (from amusement parks to zoos, from museums to theaters) have the primary responsibility for promoting their own business, but also have opportunities to coordinate their efforts with their local chamber or CVB and with Explore Minnesota Tourism.

## **Travel Product/Experiences:**

When it comes to developing or expanding the experiences Minnesota offers to travelers, the primary players are individual businesses, chambers and CVBs, and industry trade organizations. In some cases, state and local government agencies can also play a role in developing amenities that become travel products (such as bike trails, historic sites, naturalist programs at parks, etc.).

**Environment:**

Environmental concerns include such areas as clean water and land use, issues that must be addressed by local, state and federal government agencies. Businesses can address environmental concerns in their operations, in areas relating to energy conservation, building design, recycling, purchase of local foods and other goods, land stewardship and other aspects. Chambers, CVBs, and trade organizations can assist businesses in these efforts, and everyone involved in tourism can keep abreast of local environmental issues and contact appropriate government officials to encourage action on these issues.

**Transportation:**

Federal, state and local governments have the responsibility for transportation infrastructure development and maintenance. However, everyone involved in the tourism industry can help determine which transportation projects would be beneficial to local and state tourism and alert appropriate officials about their priorities.

What will Minnesota tourism look like in 2020? With the insights and initiative of everyone involved in this industry working toward that future, tourism will be an even more significant part of the Minnesota economy, providing jobs and revenue in communities across our state.

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**Notes:**

Due to rounding, percentages in the survey results charts in this report do not always add up to 100%. The complete results for the 2020 Vision Survey are posted online at: [www.industry.exploreminnesota.com](http://www.industry.exploreminnesota.com)





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