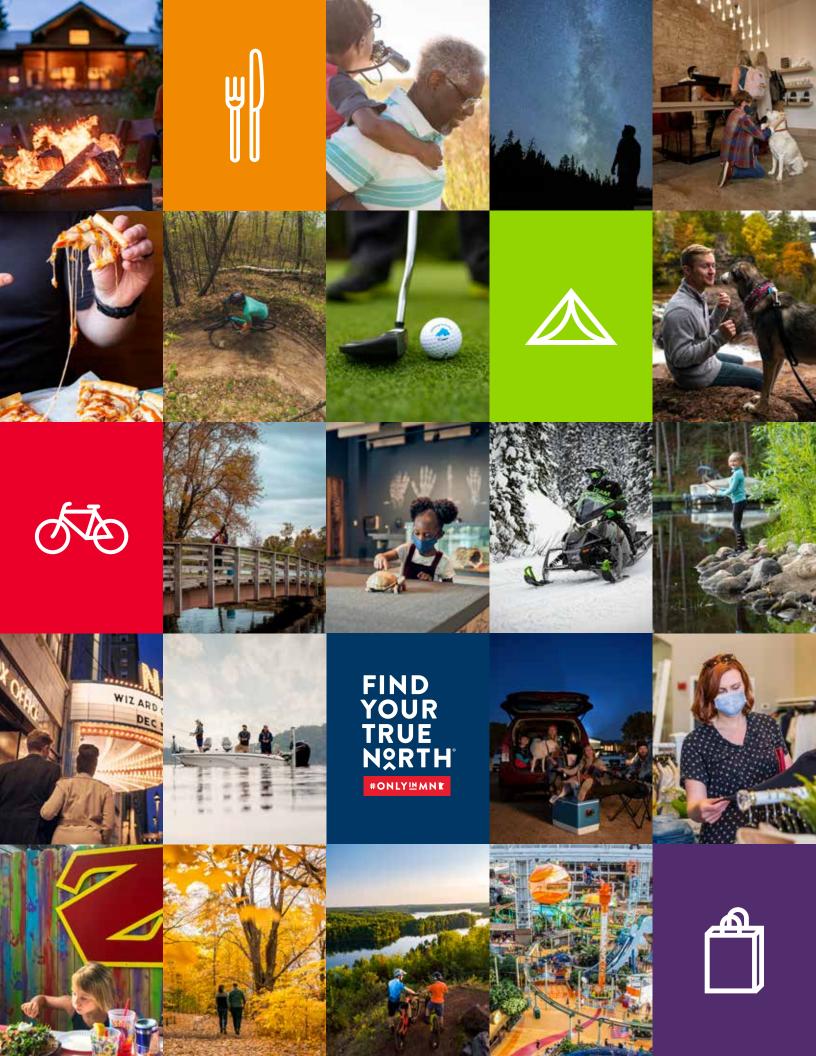
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2021 ANNUAL REPORT





A MESSAGE FROM THE DIRECTOR



Greetings,

I am honored to be the new director of Explore Minnesota Tourism, and I am thankful to John Edman for his decades of service to the industry. I would also like to recognize the staff at Explore Minnesota who have worked diligently to support the industry over the last two years despite the nonstop challenges.

In this report, you will see the story of 2021 and the growth and changes we've seen since the start of the pandemic. Although some parts of the state have bounced back faster than others, this report will show you that we are beginning to see the light at the end of the tunnel. As business travel and major events ramp back up this year, the path to a brighter tomorrow will appear.

Unfortunately, the industry continued to see significant losses, ending 2021 nearly \$12 billion down since January 2020. Labor shortages and supply-chain issues continue to plague the industry. In 2021 leisure and hospitality employment in Minnesota was down 16% relative to 2019. Spring and summer. Spring and summer, however, saw noticeable upswings in visitor traffic. Our 1,420 media placements

pushed interested adventurers to checkout our limitless options of family travel, summer getaways and other niche experiences that you can find #OnlyinMN.

Optimism and thirst for adventure were higher than ever, which we saw reflected in our website traffic. With the new <u>exploreminnesota.com</u> we hit six million visitors for the first time—a statistic worth celebrating. We also saw an increase in pages viewed per session and in acquisition of visitors and users.

Explore Minnesota continued to find ways to support our tourism industry. We provided more than \$3 million in grant funding to hundreds of communities across the state, all without a match requirement, ensuring that your dollars went as far as possible. We also launched several social engagement campaigns like The Minnesota Scoop and The Culinary Campfire with Yia Vang to get people back on the road and into your communities.

Explore Minnesota also took pride in seeing some of its work this past year recognized with awards. We received a <u>Mercury Award</u> from the U.S. Travel Association for how our team used CDC data on COVID-19 cases to help plan our media strategy in key markets. We also won an <u>Adrian Award</u> from the Hospitality Sales and Marketing Association for our 2022 Travel Guide.

In the report you'll see a lot of the good that came out of 2021—hope, excitement and a team at Explore Minnesota ready to take it all on and promote your favorite state. As we move out of the pandemic, you'll see more of our hard work as we take on the challenge of a new beginning. We look forward to what 2022 brings and can't wait to be bigger, better and bolder than ever.

Sincerely,

Lauren Bennett McGinty, Director



MINNESOTA'S TOURISM INDUSTRY HAS SUFFERED

\$11.7 BILLION

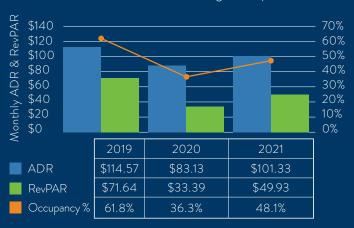
in travel spending losses as of Jan. 27, 2022

25 MILLION

Visitors to MSP airport in 2021

STR MINNESOTA HOTEL PERFORMANCE METRICS

2019-2021 Annual Average Comparison



PANDEMIC ECONOMIC IMPACT

SALES



Leisure & hospitality

\$11.7 BILLION

in gross sales annually



Spending

\$32 MILLION per day

REVENUE



Generating

\$731 MILLION



Representing

12.1%

of total state sales tax revenue

JOBS



205,000+ full- and part-time jobs

١



of total private sector employment

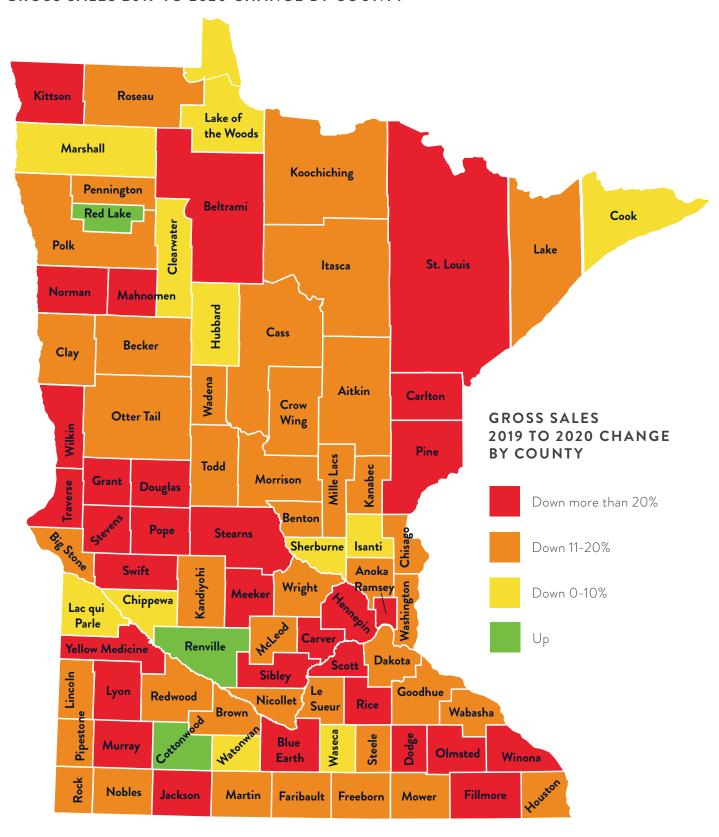


\$4.9 BILLION

in wages

^{*}Note: Sales, revenue and jobs data is for the leisure and hospitality sector, 2020. Data not available yet for 2021.

GROSS SALES 2019 TO 2020 CHANGE BY COUNTY



Notes: The Leisure and Hospitality industry consists of Accommodations; Food Services and Drinking Places; and Arts, Entertainment and Recreation. Source: Minnesota Department of Revenue

GENERAL FUND OPERATING BUDGET FOR FISCAL YEARS 2020-21:

\$14.2 MILLION

Annually*

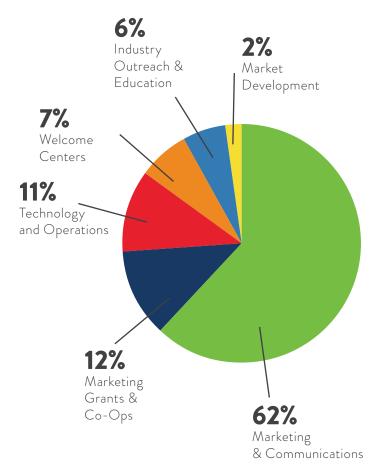
PRIVATE INDUSTRY MATCH

Cash: \$1.7 million

In Kind: \$6.7 million

Total: \$8.4 million

ALLOCATION OF BUDGET





^{*}Includes \$500,000 in supplemental state funding available when private sector support generated by Explore Minnesota is at least \$3 million.



WEBSITE VISITS

6 MILLION

ACQUISITION

+36%

Visit

+37%

Users

BEHAVIOR

+6%

Session duration

+7%Pages/session

BRAND CAMPAIGN EVOLUTION

ADVERTISING MEDIA





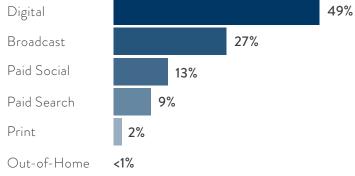


Spring/Summer

63%

13%

24%



GEOGRAPHIC REACH



Niches for 2021: Road Trips, Camping, Winter Recreation, Museums, Food and Drink, and Hiking

MARKETING COLLABORATIONS























FIND YOUR TRUE NORTH

#ONLYMMNE

Despite the ongoing challenges for travel and tourism in 2021, our Find Your True North campaign continued to support Minnesota and meaningfully connect with our potential travelers. We are always adapting to the changing landscape of travel to ensure Minnesota is a top-of-mind destination as the recovery continues.











CONTENT PARTNERSHIPS

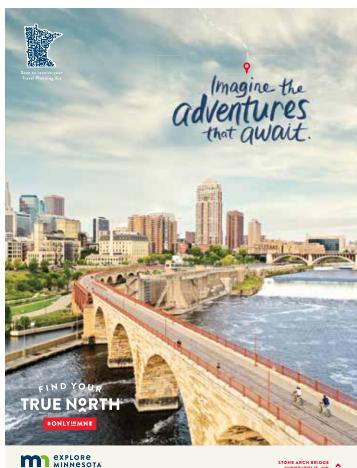


BACKPACKER



















Our MN Scoops summer promo brought together 100 businesses from around the state, and although it lasted just a few weeks, it ended up in the top 5 for most visited web pages.



DIGITAL REACH

SOCIAL ENGAGEMENTS

8,073,879

SOCIAL IMPRESSIONS

155,868,054

VISITS TO THE WEBSITE VIA SOCIAL

388,345

277,532

CONSUMER REACH AND ENGAGEMENT

SOCIAL MEDIA









PUBLIC RELATIONS

CY21 TOTAL MEDIA RESULT S





DESKSIDE MEETINGS: THE DAILY BEAST, MIDWEST LIVING, FOX NEWS, MEN'S HEALTH, TORONTO STAR











RESULTS INCLUDE A VARIETY OF MINNESOTA LEISURE TRAVEL TOPICS AND TOURISM BUSINESS COVERAGE

FAMILY TRAVEL SUMMER GETAWAYS FESTIVALS & EVENTS HAPPENINGS FOOD & SUPPORT LOCAL SPORTS BORDER REOPENING ECONOMI BEVERAGE MUSEUMS STATE AND NATIONAL PARKS OUTDOOR RECREATION TOURISM RECOVERY HERITAGE HOLIDAY ACTIVITIES BIKING UNIQUE LODGING COVID-19 PANDEMIC IMPACT MARKETING TOURISM SURVEY FALL CAMPING TOURISM TRENDS MINNESOTA LAKES ROAD COLORS SCENIC FALL DRIVES ADVENTURE HI WINTER ACTIVITIES 'BEST OF' LISTS BUCKET-LIST TRIPS DARK SK HOSPITALITY INDUSTRY GOVERNOR'S OPENERS TRAVEL RESTRICTIONS

HIGH-PROFILE STORY PLACEMENTS











TRAVEL+

LEISURE









Shermans Travel



THE WALL STREET JOURNAL.

Note: Media coverage is a result of many initiatives including: Explore Minnesota and PR agency media outreach, tourism and hospitality industry surveys, virtual media desk side meetings, travel marketing and promotion activity, seasonal pushes, several inbound media requests and more.

^{*}Estimated audience reach totals may include some of the same people seeing multiple stories.



27 Best Christmas Towns to Put on Your Holiday Bucket List





made light displey the event is also a siemic trato pratosy alodg Lake Superior, or well as a building Christman village set up in triest of

GMA

Parade

See Americal 10 Don't-Miss Destinations for Your Summer Travel Bucket List





Ely, Minnesota (pop. 3,390)

here to Go in 2022

Northern Minnesota

Once known for its mining boomtowns, the Iron Range has gotten a mighty makeover.

The best US State parks to bookmark for travel

Hiking in Itasca State Park in Park Rapids, Minnesota



The Best Food Festival in Every State

EatThis, NotThat!

REALSIMPLE

and 6 Recipes to Get You

Started

How to Cook With Wild Rice-

FOOD&WINE

11 Distillery Hotels Worth Planning a Trip Around

New your drink and sleep there, to

Forbes

These Halloween Parades Across

Reader's Digest

in America You Should Visit at Least Once

Stillwater, Minnesota

TRAVEL+ LEISURE

10 Mountains You've Never Heard Of but Need to Ski This Winter

Lutsen Mountains, Minnesota



TODAY

name than 1,000 life studes in the Jeffers Fetrude size with images of are about 123 hours madessed of Minorapella by our

TRAVEL+ LEISURE

Stargaze on a Houseboat in One of America's Newest Dark-sky Parks

The U.S. Remain Beloved Traditions

The Best Christmas Towns

Best for: A white Christmas



Wonderful places to celebrate indigenous American heritage



USNews



The Mississippi River Valley, Southern Minnesota

The 50 Best Places to Travel in 2021

31. Northern Minnesota



TRAVEL | BEST OF THE WORLD

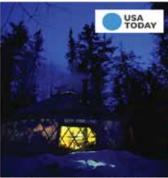
25 amazing journeys for 2022

We're ready to explore again. Here are the best adventures for the year ahead.

Northern Minnesota

ShermansTravel

No, cold-weather camping is not a terrible idea - and here's why you should try it



A yurt provides a cozy winter camp shelter and a vier a dazzing night sky on Minnesota's Gunfint Trall. Explore Minnesota

The coolest winter ice castles and sculptures in America



react to Long-Lake Regional Park in the Tirin Olive audiotic of Tirin Gings (and position, and position general with quite the frager sight to behind. Any you manned at the casts, take note of the regional careaus, remains, count apares, tables and formation, all translational count rediviously placed circles. This time sets, then had set acculpture garden with fairly star-relational country of the casts in the casts in the Casts in Microsopia Schotting opera in many January and states in place through early fairly. vester permitting



Nowhere Else

Chriffith

America

The Best U.S. Destinations for Learning How to Mountain Bike

The 32 Best State Parks in

These 7 Cities Embrace Winter Like

Minnesota

Stop for These Unique Eats On Your Next Minnesota Road Trip





Eat ice cream, get rewarded - The Minnesota Scoop



MidwestLiving

15 of the Best Outdoor Winter **Activities and Festivals Around** the Midwest

cuinter freeze you out. When ion crystallizes the landscape, Niels go, Skale through our list and find the season's coolest activities.





Fall from great heights





* StarTribune

Fishing opener offers the first great Minnesota get-together, after a long year apart

Minnesotans were back together on Saturday - vaxed, relaxed and newly unmasked.



PERHAM, MINN. - The sun was shining, the walleye were biting and there were more boats on Otter Tail County's many lakes than anyone could remember seeing before.

After a long, grim year off, the Minnesota Governor's Fishing Opener was back on Saturday. And Minnesotans were back together - vaxed, relaxed and newly

Minnesota

Holiday Markets 2021: Seasonal Shopping Around Minnesota

Dr. Amy Nation - Navember 13, 202







10 Active Minnesota Adventures

Hey kid, take a walk on the wild side... or at least get outside. Whether you're swimming, skiing, hiking, or biking, these journeys are stellar.

by Mpls.St.Paul Editors







MidwestLiving What's New in the Midwest This Year

new boutique hotels and intriguing art exhibits are among the adventures that await Midwest travelers in 2021







GHOST TOWNS

ANOKA, MINN.

Halloween Capital of the World



The RV craze continues to soar during the pandemic

Vacationers are looking to travel while at the same time have more control of their environment



MN State Parks sampler: Hayes Lake State Park offers quiet recreation near northern border

TOURISM CRISIS + RECOVERY COVERAGE



Minnesotans Expected To Vacation In Minnesota This Summer



TwinCities

Gov. Walz announces \$1 million in grants for MN tourism industry



Hospitality workers on edge, wondering if jobs will come back

By Kavita Kumar Star Tribune | FEDRUARY 20, 2025 - 3,54PM





Sen. Klobuchar celebrates reopening of U.S.-Canada border for tourism



J.S.-Canada border

Minnesota Tourism Industry Grapples with Continued Volatility

On top of concerns about the Delta variant, 81 percent of hospitality businesses surveyed report significant labor challenges.



KVRR FARGO-MOGRHEAG

MN Tourism Looking To Rebound After Revenues Cut In Half In 2020



27 MoU, 500 - throughs for an Audy a being to describ the works are this or wife from the parameter 2.020. Earlier through a parameter 2.020. Earlier Minister Arms and Storier bright is described as the parameter 2.00 and 2.00 described as the parameter 2.00 and 2.00 described as the parameter 2.00 and 2.00 described as 2.00 and 2.00 described as 2.00 described

Forbes

When The Delta Variant Started To Peak In Minnesota, Here's What Visitors Did



Survey: MN hospitality industry gets summer bump, but not for all

The survey shows how different factors impacted the bottom line, and what remains at stake this fall.

Minnesota's moment in media spotlight could have impact on tourism





'The Best News:' U.S. Opens Land Border To Canada, Welcomes International Visitors From Several Countries

yahoo!news

Minnesota tries to court Canadian tourists with new marketing blitz



TOURISM

Minnesota tourism rebounds after lockdown but remain wary of COVID-19 delta variant's impact



Northland non-profit tourism organizations supported through 'crisis grants'



News Tribune

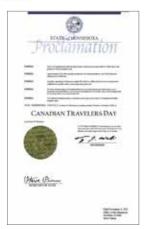


Information Radio - MB with Marcy Markusa



You may know runnesse who it been mining their lings as after the LS. Well they've been residing us. Alyses higher his fersion with Explore Montesons salls hold Many Markstar about high they want to see us again.

And her Australia





Minnesota craves Canadian visitors



Minnesota tries to court Canadian tourists with new marketing blitz





U.S. border businesses optimistic as some restrictions ease



Minnesota business owners in the tourism and hospitality industry prepare to bounce back this summer

According to Evatine Minnecota, the state text nearly 50% of 4s Sourier revenue last your totaling 6.2 billion dollars.





Minnesota welcomes Canadians as U.S. border crossings reopen

Microscota celebrates related restrictions as Canadiana pross into U.S.









STAKEHOLDER COLLABORATION

RESEARCH RECAP

Explore Minnesota continues to closely monitor national and state consumer sentiment toward travel and the economic impacts of COVID-19 on the tourism industry. We regularly share information and trends with the industry, our stakeholders and media.







Through a partnership with the Federal Reserve Bank of Minneapolis and Hospitality Minnesota, we collect input about business conditions from Minnesota's hospitality industry on a quarterly basis. We also survey people with an interest in Minnesota travel twice a year to gain insight into their trip plans and travel expectations.

Explore Minnesota collaborated with the Department of Revenue on reporting leisure and hospitality industry sales tax and Minnesota resorts data and trends. We began receiving AirDNA short-term rental data to supplement STR hotel data and provide a wider view into lodging performance for the state and areas of Minnesota.

INDUSTRY RELATIONS

As the COVID-19 pandemic remained through 2021, industry communications and outreach continued to be a vital, yet challenging, aspect of Explore Minnesota's mission. Industry relations staff persisted through remote-work status to hold numerous virtual meetings and presentations with stakeholders across the state.

The agency's e-newsletter, EMT Express, remained a weekly deployment for the nearly 8,000 subscribers interested in our programs and the fluctuations of the tourism industry.

Destination Marketing Organizations (DMOs) continued to be impacted in their capacity to achieve their missions of inviting consumers to visit. Explore Minnesota responded with another crisis marketing grant program requiring no matching dollars. Funding came from the current budget and funds repurposed from programs that were paused or canceled. Grants were made to 125 recipients.

The appropriation to Explore Minnesota of \$750,000 through the 2021 legislative session led to the formation of a recovery grant program for 50 grantees that will continue through the first half of 2022. This funding was awarded within 8 hours of the opening of the grant application.

5 MILLION

The largest combined program ever (\$2.8 million general fund budget + \$750,000 appropriation)

GRANTS



Crisis Marketing Grant Phase I:

- 121 recipients
- \$14,000 maximum award
- No matching funds or out-state requirement
- July 1, 2020 through April 30, 2021



Crisis Marketing Grant Phase II:

- 125 recipients
- \$17,500 maximum award
- No matching funds or out-state requirement
- Dec. 1, 2020 through Dec. 31, 2021



Recovery Grant:

- 50 recipients
 - 23 additional grant applications not funded due to grant funds being exhausted
- \$20,000 maximum award
- No matching funds or out-state requirement
- Sept. 15, 2021 through June 30, 2022

INDUSTRY CO-OP MARKETING PROGRAMS

- Explore Minnesota offset costs to offer the industry a 50% to 85% discount
- Launched July 1 with new programs added throughout the year
- Provided more than 400 marketing opportunities
- Benefited more than 160 participating organizations



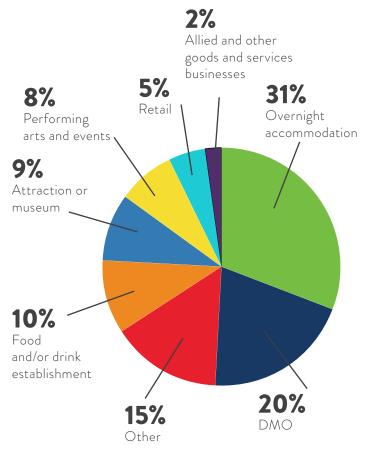
#ONLYINMN Monument Installations

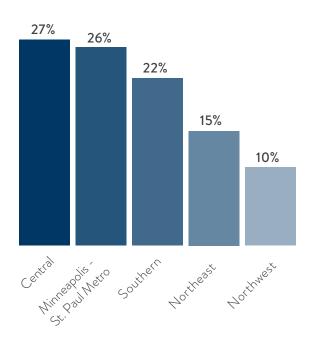
- Minnesota State Fair Drive-through Fall Food Parade
- St. Paul Winter Carnival Drive-through Ice and Snow Sculpture Park
- Twin Cities Pride Festival
- St. Paul Saints at CHS Field
- Minnesota State Fair
- Small monument permanently installed at Mall of America

INDUSTRY OUTREACH

In October 2021, five virtual industry listening sessions were conducted with over 250 participants. An industry engagement survey also was released, and it received over 200 responses.

A summary of participants:







2021 MINNESOTA GOVERNOR'S FISHING OPENER

With the postponement of the 2020 Governor's Fishing Opener, the 2021 event was held in Otter Tail County and was unlike any Governor's Fishing Opener event before – safely and successfully executed during a global pandemic. The event generated 773 media hits and mentions and an estimated audience reach of nearly 517 million.

In tandem with the official events, Otter Tail County executed the first-ever public fishing challenge, #OnlyinMN Cup, with more than 500 participants.



INDUSTRY EDUCATIONAL OPPORTUNITIES

Taking a low-barrier approach – meeting people where they are geographically, financially and within their own career – Explore Minnesota focused on providing unique and accessible educational programming for the state's tourism industry.

The first-ever virtual Explore Minnesota Tourism Conference was broadcast on Tuesday, March 2, and Wednesday, March 3, 2021. This entirely free event reached nearly 700 registered participants – a record-setting number of attendees for any educational opportunity presented by the agency!

Explore Minnesota also launched its first Speaker Series, featuring top industry leaders presenting on timely subjects such as reputation management, research, cultural sensitivity and professional development. Hundreds of industry professionals have attended or accessed these webinars, which were recorded and posted on Explore Minnesota's industry website.



TRADE SHOWS AND TRAVEL TRADE MEETINGS

Brand USA Travel Trade Meetings March 15 to March 18, 2021 (Virtual)

- 20 appointments with tour operators from the UK, Germany, Norway, Italy, The Netherlands, Spain, Belgium and Mexico.
- Participating destination marketing partners: Visit Duluth, Meet Minneapolis and Enjoy Eagan

Mississippi River Country Canadian Presentation April 22, 2021 (Virtual)

Along with 5 other states, Explore Minnesota presented to 53 members of the Canadian media

Visit USA UK Media Event

May 5, 2021 (Virtual)

6 media appointments from the UK with magazines, newspapers and freelance writers

American Bus Association

May 27, 2021 (Virtual)

26 appointments with motorcoach and group tour operators

MARKET DEVELOPMENT

TRADE EDUCATION

Brand USA Global Inspiration Program

This program consists of a targeted media campaign in the UK, Germany and France; a print campaign in English, German, Spanish, Japanese, Korean and Simplified Chinese; and a digital campaign in English, Portuguese, Simplified Chinese, German, French, Japanese, Spanish and Korean.



PRODUCT DEVELOPMENT

New Minnesota and North Dakota Cooperative Itinerary

In cooperation with North Dakota Tourism and Great American West/Rocky Mountain International, a Minnesota-North Dakota itinerary was created through two selected receptive operators and promoted consumers through Scandinavian tour operators.

SOCIAL MEDIA

Maintained presence on Chinese social media channels through representation contract with East West



Weibo Followers: 141,974



WeChat Followers: 3,506

Memberships: Remain the same but we might want to take out Great Lakes of North America.

STRATEGIC MEMBERSHIPS

























PROVIDED PERSONALIZED CUSTOMER SERVICE TO

3,398,822

2,612,852
visitors to Welcome Centers

747,023

printed Minnesota travel publications and maps



WELCOME CENTERS



MALL OF AMERICA

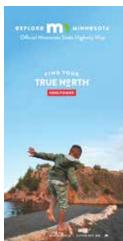
PERSONALIZED SERVICE

FACTORS WHICH AFFECTED CUSTOMER SERVICE IN 2021:

- · COVID-19 pandemic continues.
- Visitors concerned for their personal safety due to increased crime and the trial of Minneapolis police officer Derek Chauvin.
- Welcome Centers information counters were closed for direct customer service Nov. 21, 2020 through May 26, 2021.
- Welcome Centers reopened Thursdays through Sundays on May 27, 2021.
- · Canada/USA border reopened Nov. 8, 2021.
- Fulfilled travel counselor speaking engagement requests by conducting presentations via Zoom.
- Peak customer inquires: April through Labor Day









Explore Minnesota 1217th Place East, Suite 360 St. Paul, Minnesota 55101, USA

exploreminnesota.com/industry