



# Tourism Development Opportunities in Owatonna, Minnesota

Authored by Cynthia C. Messer and Liz Templin





# Tourism Development Opportunities in Owatonna, Minnesota

**May 2016**

Authored by Cynthia C. Messer, University of Minnesota Tourism Center and Liz Templin, University of Minnesota Extension Center for Community Vitality

**Editors:**

Elyse Paxton, Senior Editor, University of Minnesota Extension Center for Community Vitality

**Expert Team Members and Report Contributors:**

Cynthia C. Messer, Director and Extension Professor, University of Minnesota Tourism Center  
Liz Templin, Community Economics Educator, University of Minnesota Extension Center for Community Vitality  
Dan Erkkila, PhD., Tourism Specialist and Extension Professor, University of Minnesota Tourism Center  
Bruce Schwartau, Community Economics Program Leader, University of Minnesota Extension Center for Community Vitality  
LuAnn Hiniker, PhD, Regional Director, University of Minnesota Extension  
Lisa Havelka, Regional Manager, Explore Minnesota Tourism

**Community Partners/Sponsors:**

Katie Godfrey, Director of Conventions & Tourism, Owatonna Area Chamber of Commerce & Tourism

**University of Minnesota Tourism Center is a collaboration of University of Minnesota Extension and the College of Food, Agricultural and Natural Resource Sciences.**

© 2016 Regents of the University of Minnesota. All rights reserved. University of Minnesota Extension is an equal opportunity educator and employer. In accordance with the Americans with Disabilities Act, this material is available in alternative formats upon request. Direct requests to 612-624-4947.  
♻️ Printed on recycled and recyclable paper with at least 10 percent postconsumer waste material.



# Table of Contents

<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>INTRODUCTION</b>	<b>5</b>
<b>DEFINING TOURISM</b>	<b>5</b>
<b>MINNESOTA &amp; REGIONAL TOURISM</b>	<b>7</b>
<b>DEVELOPING TOURISM OPPORTUNITIES</b>	<b>7</b>
<b>OWATONNA’S TOURISM STRUCTURE</b>	<b>8</b>
<b>OWATONNA’S TOURISM ASSETS: PROJECT FINDINGS, IDEAS AND STRATEGIES</b>	<b>9</b>
<b>Maintaining and Enhancing Attractions and Services</b>	<b>10</b>
Trend: Cultural / Heritage Tourism	10
Trend: Culinary Tourism	17
Trend: Active Lifestyle and Wellness Tourism	19
Trend: Accessible Travel	22
<b>Marketing Tourism in Owatonna</b>	<b>25</b>
Current Marketing Efforts	25
Market Research	26
Trend: Online Presence and Social Media	26
Trend: Multi-Generational and Niche Tourism	28
<b>CONCLUSION</b>	<b>32</b>
<b>RESOURCES</b>	<b>33</b>
<b>REFERENCES</b>	<b>34</b>
<b>APPENDICES</b>	<b>35</b>
Appendix A: U.S. Travel Answer Sheet, U.S. Travel Association	
Appendix B: Tourism and Minnesota’s Economy, Explore Minnesota Tourism	
Appendix C: Millennial Tourism	
Appendix D: Motorcycle Tourism	
Appendix E: Bicycle Tourism	

## EXECUTIVE SUMMARY

The Owatonna Area Chamber of Commerce and Tourism partnered with the University of Minnesota Tourism Center and Extension Center for Community Vitality to assist with its tourism development efforts. The main objective was to better understand the city's current tourism products and identify opportunities to expand tourism in Owatonna. To address this goal, the Tourism Center sent a team of tourism and community development specialists to the community to assess existing products and services. The team first visited Owatonna on November 4, 2015, with some team members making additional visits during the winter and spring 2016. During each visit, they evaluated characteristics including appearance, amenities, and access, looking for opportunities to enhance tourism.

The team's findings were coupled with secondary research on significant tourism trends and information provided by the Owatonna Area Chamber of Commerce and Tourism. The Owatonna Tourism Director also provided data from an online survey conducted in 2015 related to downtown Owatonna. Survey responses represented both public perceptions and those of downtown stakeholders. The final research component included a mystery visit by eight Latino visitors to assess the community's potential to market to Latino visitors. This report reflects the collective findings aligned with tourism trends and the existing data and information provided by the community.

Two significant global tourism trends to consider when examining Owatonna's tourism opportunities are the desire for authentic experiences and the increased use of social media and user driven information. Several additional trends in tourism are relevant to Owatonna and are discussed in this report:

- Cultural/Heritage Tourism
- Culinary Tourism
- Active Lifestyle and Wellness Tourism
- Accessible Travel
- Multigenerational and Niche Tourism

Owatonna has a desirable set of built assets including its historic downtown, community facilities, businesses, county fairgrounds, and good infrastructure. The community's assets also include natural resources, such as an extensive park system, trails, and a river. These tangible assets, coupled with community pride and active human and social capital, provide a solid foundation for harnessing the tourism opportunities identified in this project. Taking advantage of these opportunities can, in many instances, be accomplished by tweaking existing efforts.

A number of short- and long-term projects that address these opportunities are listed below. They are explored in greater detail throughout the report, accompanied by specific findings that support these ideas.

### Ideas and Strategies

- *Cultural/Heritage Tourism*
  - Strengthen downtown as a tourism destination.
  - Enhance parking downtown with improved signage, a lot for RVs, etc.
  - Enhance interpretive signs of historic buildings, statues, and artwork.
  - Establish stronger link between downtown and parks and Muckle Trail.

- Consider a campaign that captures residents' favorite activities/attractions or stories. These can be used on social media to target specific markets. For example, disc golf or a "Grandparents Guide to Owatonna Activities."
- Develop a virtual version of the historic walking tour.
- Create a downloadable podcast (or audiovisual) of the historic walking tour.
- Expand visitor information downtown and at key stop points on Interstate 35.
- Implement and enforce zoning and planning in the historic district to restore building facades and establish guidelines for signage, etc.
- Expand downtown business offerings with complementary businesses and attractions, such as boutique retail and unique dining.
- Encourage businesses and restaurants to extend hours so visitors and residents can visit downtown during the evening.
- Explore targeted offerings to appeal to niche markets.
- Use creative strategies to fill empty storefronts (e.g. pop-up temporary stores and displays).
- *Culinary Tourism*
  - Maintain and expand unique dining options and food-related retail stores downtown.
  - Establish a dinner restaurant downtown to replace closed restaurants.
  - Build on the farmers' market downtown with cooking demonstrations or cooking/candy-making classes, etc.
  - Enhance hospitality through customer service training.
- *Active Lifestyle and Wellness Tourism*
  - Improve connections between the state and local bike trails.
  - Develop additional educational offerings for visitors.
  - Package recreational opportunities with lodging and dining options to target niche markets.
  - Offer unique bikes rentals for families, including multi-passenger versions.
- *Accessible Travel*
  - Develop a plan to identify and address the accessibility needs of diverse travelers.
- *Multigenerational and Niche Tourism*
  - Promote local tourism opportunities to residents to reach the Visiting Friends and Relatives (VFR) market.
  - Package and promote Owatonna for multigenerational or niche market experiences.
  - Consider bilingual or multilingual marketing materials.
- *Marketing*
  - Enhance location-based marketing for visitors.
  - Package recreational opportunities with lodging and dining options to target niche markets (e.g., multigenerational, business travelers, and ethnically diverse audiences).
  - Enhance wayfinding signage.
  - Identify regional marketing opportunities with nearby communities for greater reach (for example, Minne-Roadtrip marketing targeted toward motorcycle tourists).
  - Conduct a visitor profile either for Owatonna or regionally.
  - Build a systematic data collection process with lodging properties and attractions.
  - Develop a tracking system to measure outcomes.

Owatonna has the potential to enhance and grow its tourism, given its many assets and strong Chamber of Commerce and Tourism marketing efforts. The community can build on its current momentum by leveraging its assets, strengthening community involvement, and enhancing targeted marketing.

## INTRODUCTION

The Owatonna Area Chamber of Commerce and Tourism partnered with the University of Minnesota Tourism Center and Extension Center for Community Vitality to assist with its tourism development efforts. The purpose was to better understand current tourism products and identify opportunities to expand tourism in Owatonna. To address this goal, the Tourism Center sent a team of tourism and community development specialists to the community to assess existing products and services. The team visited Owatonna on November 4, 2015 and met with representatives from the Owatonna Area Chamber of Commerce and Tourism. They then spent time in the community to complete the assessment and document their findings. Some team members made additional individual visits during the winter and spring.

Once in the community, the team split up. They took photos and recorded their experience walking and driving around Owatonna, visiting businesses, the historic downtown, parks and outdoor spaces, and other areas. They evaluated characteristics including appearance, amenities, and access, looking for opportunities to enhance tourism.

Their findings were coupled with research on significant tourism trends and information provided by the Owatonna Area Chamber of Commerce and Tourism. The Owatonna Tourism Director also provided data from an online survey conducted in 2015 related to downtown Owatonna. The responses, although not large in number, represent both public perceptions and downtown stakeholder thoughts. An attempt was also made to collect guest zip codes from Owatonna lodging properties, but not enough were collected to be useable.

The final research component was a mystery visit by eight Latino visitors to assess the community's potential to market to Latino visitors as a niche market. The following report reflects the collective findings aligned with tourism trends and the existing data and information provided by the community.

## DEFINING TOURISM

Tourism has many definitions, but the Tourism Assessment Program (TAP) uses “person-trips,” as defined by the U.S. Travel Association: “One person on a trip away from home overnight in paid accommodations or on a day or overnight trip to places 50 miles or more (one-way) away from home.”

This definition meets the goal of a destination marketing organization to generate overnight stays and includes specific criteria of measureable distance, time, and paid accommodations. It does not, however, describe the purpose of travel. According to the U.S. Travel Association, nearly 4 out of 5 domestic trips by U.S. travelers are for leisure purposes. The top leisure travel activities for U.S. domestic travelers are 1) visiting relatives, 2) shopping, 3) visiting friends, and 4) fine dining.

Research by Destination Analysts (2016) suggests that American leisure travelers, on average, take 4.4 trips annually, with the second most frequented destination type small towns or rural destinations/attractions.

Additionally, U.S. residents took 454.5 million person-trips for business purposes in 2014. (U.S. Travel Association, 2015).

Travelers visiting friends and relatives (VFR), pass-through travelers, and business travelers are considered tourists under the above definition. Identifying and differentiating current and potential visitors is an important step for Owatonna. In this report, several potential niche markets are discussed, but opportunities also exist within the business and VFR markets.

Owatonna can provide goods and services to a variety of tourists, which include the following:

- **Leisure visitors (including those visiting friends and relatives )**

In addition to the types of visitors mentioned above, there are also those who do not meet these particular criteria. Some visitors may include vacationers or day trippers from regional communities or the Twin Cities, or those visiting friends and relatives (VFR).

The Visiting Friends and Relatives (VFR) market is a significant segment of tourists. According to the U.S. Travel Association, more than three out of four domestic trips are taken for leisure purposes, accounting for 1.7 billion person trips in 2014.

Marketing to the VFR market is done primarily through community residents. It is strengthened by regularly informing community members about attractions, events, and happenings in the community and region. Building awareness of local tourism activities and events gives residents information to share with their friends and family. It also offers other positive benefits, such as increasing community pride and involvement. Promoting festivals and events to residents, and building tourism knowledge, benefits the community and is key to reaching the VFR market. It also presents an opportunity to market the unique attractions of the Owatonna community and region, as well as track visitor impact.

- **Pass-through visitors**

Enticing travelers who drive by on Interstate 35 or Highway 14 to stop, stay a while, and spend money is another opportunity. Location-based marketing may be an effective strategy to reach these potential visitors. Improved way-finding signs, coupled with readily available information in key locations, such as gas stations and convenience stores, will further encourage visitors who exit for gas or food to visit the downtown or a local attraction, and see the potential for a longer stay.

- **Business visitors**

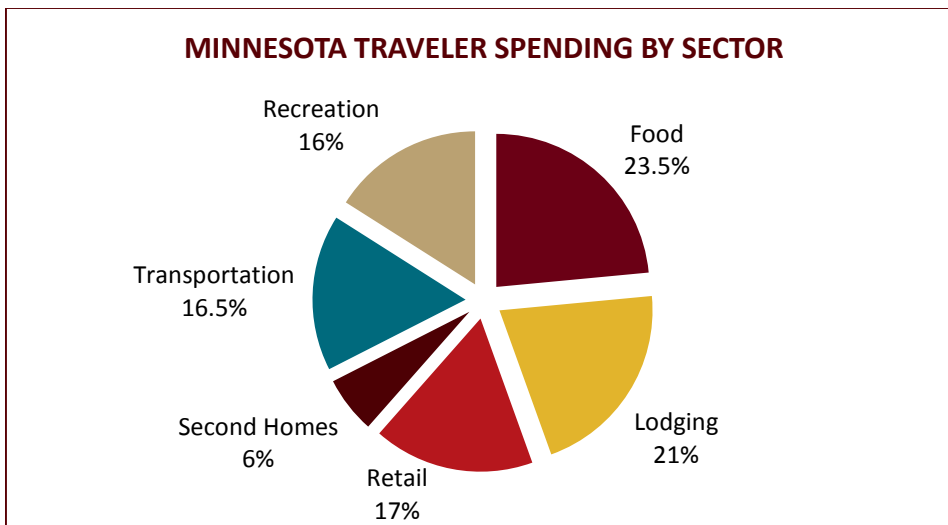
A strategy for more intentionally marketing to existing business travelers and increasing their stay is relatively low-cost and easy to implement. Owatonna and Steele County have a strong core of manufacturing and service organizations that bring business travelers to their companies. This includes customers, vendor representatives, and employees. Other entities that bring people to Owatonna for goods and services include the hospital, funeral homes, and county government offices.

Working with local businesses to reach visitors helps promote tourism opportunities and build awareness of the importance of tourism in Owatonna. Strategies may include placing copies of the official visitor guide at local businesses, and creating special packages for business travelers.

## **MINNESOTA AND REGIONAL TOURISM**

Tourism is a major economic driver. In Minnesota, it is a \$13.6 billion dollar industry that generates 17 percent of state sales tax revenue and more than 254,000 jobs from entry level to executive level. Spending is then distributed throughout the economy.





**Source:** Explore Minnesota Tourism 2016, based on 2014 revenue data.

Tourism happens in virtually every county of the state. In Steele County, for instance, 2014 tourism gross sales were \$69,652,276, generating \$4,278,490 in sales tax and employing 1,543 people in full-time, part-time, or seasonal jobs (Explore Minnesota, 2016).

Owatonna’s historic retail sales provide an indication of its comparable strength in drawing visitors from outside the city. According to the most recent retail trade analysis conducted by the University of Minnesota Extension using 2014 sales, Owatonna’s food and drinking establishments collect 38% more in sales per person than the average establishment in Greater Minnesota. Amusement businesses collect 39% more while lodging is about 6% below the Greater Minnesota average.

Owatonna is a destination city for purchasers of sporting goods but it is important to recognize that Rochester, Mankato, and Burnsville have even larger leisure goods sales. Owatonna’s leisure goods comprise over 12% of all local taxable sales. Compared to similar sized Greater Minnesota cities of Winona, Willmar, Austin, Northfield, Elk River, Faribault, and Albert Lea, Owatonna shows its retail strength in the tourism-related sectors. Owatonna sales for eating and drinking establishments are 29% above these cities, and amusement sales are 109% above. Accommodations, while not strong, exceeded expected sales by 55%.

## DEVELOPING TOURISM OPPORTUNITIES

In his book, *Marketing for Entrepreneurs*, Frederick Crane (2013) says that opportunities can be “recognized, discovered or created.” This is particularly true of tourism opportunities because tourism is about individual experiences.

**Recognizing opportunities** means matching existing assets—supply—with current or potential tourist markets—demand. For example, Owatonna has excellent parks, a river, and access to bike trails. Since bike tourism is a growing trend in Minnesota, joint marketing between Owatonna and nearby communities, including Faribault and Northfield, can help establish the area as a destination region. Packages targeted toward biking, outdoor enthusiasts, and even multi-generational groups will draw visitors to the community or entice them to stay longer.

**Discovering opportunities** means supply or demand exists, and the other must be found or “discovered.” For example, what opportunities exist to leverage downtown resources or current

markets? Enhancing current boutique shopping and dining options downtown will help build Owatonna as a destination area for visitors and residents.

**Creating opportunities** is necessary when neither supply nor demand exist in an obvious manner. Owatonna has a diverse population, including a sizeable Latino population. Are there opportunities to market the community to Latino visitors? This could involve tapping local experts to assist the community with cultural awareness and appropriate bilingual signage and communications.

## **OWATONNA'S TOURISM STRUCTURE**

The Owatonna Area Chamber of Commerce and Tourism is the leading organization guiding tourism promotion and development for the community, but staff also work with other organizations and agencies, including the Owatonna Partners for Economic Development. It appears the Owatonna Area Chamber of Commerce and Tourism has a good relationship with key stakeholders, as evidenced by responses to surveys conducted by the Chamber in 2015. While it was beyond the scope of this study to assess community support for tourism, the expert team saw evidence that there *is* support across the community. This support took many shapes, including welcoming attitudes and positive customer service across the community, visible collaborative efforts, and local responses to the survey conducted by the Chamber. It is important for the community to maintain these relationships and enhance resident support using available communication strategies.

Owatonna has a good infrastructure of attractions and amenities, as well as a well-developed tourism marketing effort that represents the community's collective tourism experience. A continued focus on marketing and carefully planned tourism development strategies will enhance the economic benefit tourism brings to Owatonna. The community's location at the crossroads of Interstate 35 and Highway 14, and its status as a regional economic hub, positions it well as a tourism destination.

A 2013 retail market study by Stantec Consulting for the city of Owatonna pointed to several tourism-related retail/service opportunities. These included a focus on defining market niches for each shopping district and establishing identities for these commercial districts, as well as protecting the historic character of downtown. It was also suggested that Owatonna include additional food services, including seafood and Italian restaurants, a day spa, clothing shops, and other unique retail stores downtown. The feasibility of these and other entrepreneurial ideas should be considered during tourism planning and development.

Cabela's and the adjoining business district is recognized as a draw for visitors. Intentionally linking this area to the natural and historic opportunities downtown can help expand the visitor experience. Owatonna's historic downtown has transitioned to more service and office use in recent years as retail and dining options close or relocate. The historic downtown area is a gem, however, that can be further enhanced to create a vibrant destination for both visitors and residents. Targeting specific retail and dining businesses, enhancing streetscapes, and creating interpretation will preserve the historic character Owatonna's downtown area and reestablish it as a destination that serves both visitors and locals. Encouraging residents to tell Owatonna's stories through social media and the arts will build support for tourism, grow local pride, and increase social capital across the community. Maintaining and capitalizing on existing historic areas, the arts, natural settings, and recreational activities, as well as refining current marketing efforts, will address relevant tourism trends.

## **OWATONNA'S TOURISM ASSETS: PROJECT FINDINGS, IDEAS AND STRATEGIES**

**So, what are the opportunities for Owatonna to more fully harness its tourism potential?**

To more fully leverage tourism as an economic engine, it is necessary to identify key trends that benefit the community. Evaluating, understanding, and adapting to changing travel trends is essential to successfully target marketing efforts and attract niche markets to the community. Two important global trends of the 21<sup>st</sup> century for both destination and tourism businesses include the following:

- A desire for authentic experiences
- An increased use of social media and user driven information

Several major tourism trends are relevant to current and potential tourism opportunities in Owatonna and include the following:

- Cultural/heritage tourism
- Culinary tourism
- Active lifestyle and wellness tourism
- Accessible travel
- Multi-generational travel
- Niche markets

Potential strategies to address these trends are explored in this report within the context of Owatonna's tourism development opportunities.

Owatonna has an abundance of tourism assets that also enhance residents' quality of life. The community has done a good job of identifying and promoting these assets, as evidenced by available marketing literature and discussions with Owatonna Chamber of Commerce and Tourism staff. Local assets include physical resources, such as parks, buildings, and businesses, as well as less tangible resources, such as cultural heritage, events, and volunteer networks. The following discussion focuses on two critical aspects to effectively harness these assets for tourism:

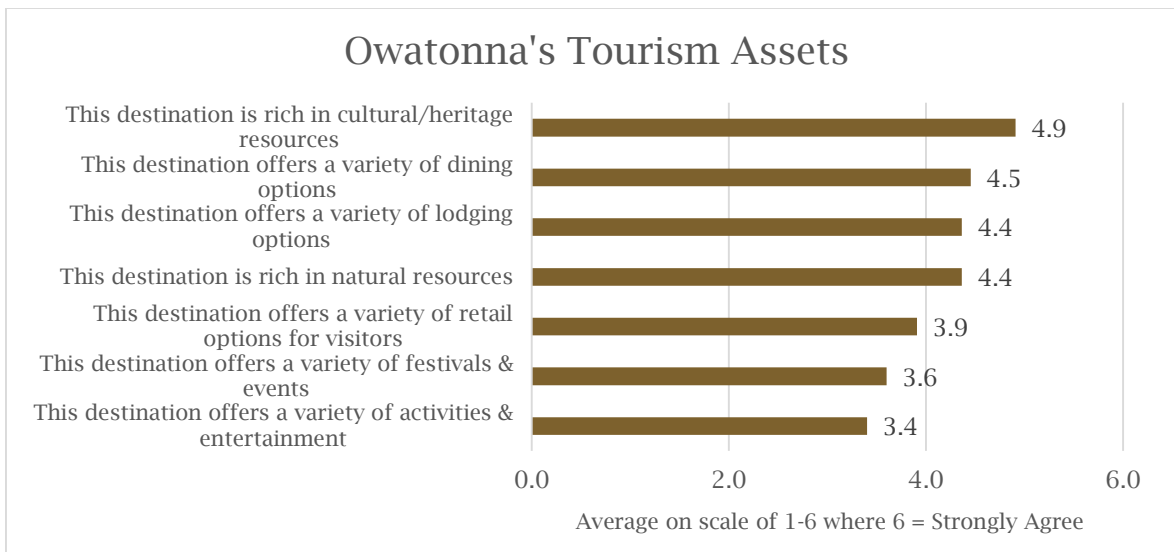
- 1) Maintaining and enhancing attractions and services
- 2) Marketing

### **1) Maintaining and Enhancing Attractions and Services: Findings and Strategies to Consider**

Owatonna's built and natural assets include its historic downtown that features Central Park Square, National Farmers' Bank, the firehouse and courthouse, the State Orphanage Museum, Reptile and Amphibian Discovery (RAD) Zoo, county fairgrounds, and other community facilities, plus unique businesses, and good infrastructure. Natural assets include the river, more than 30 parks and green spaces, golf and disc golf courses and trails. These tangible assets, coupled with community pride and actively engaged human and social capital, provide a solid foundation for harnessing tourism opportunities.

Harnessing these opportunities more fully can, in many instances, be accomplished by building on existing efforts rather than requiring major capital development.

## Owatonna's Tourism Assets



### Trend: Cultural/Heritage Tourism

Cultural/heritage tourism is defined by the National Trust for Historic Preservation as “traveling to experience the places, artifacts and activities that authentically represent the stories and people of the past and present. It includes cultural, historic and natural resources.”

Cultural/heritage visitors like to engage with locals to learn about the community and its assets. They visit:

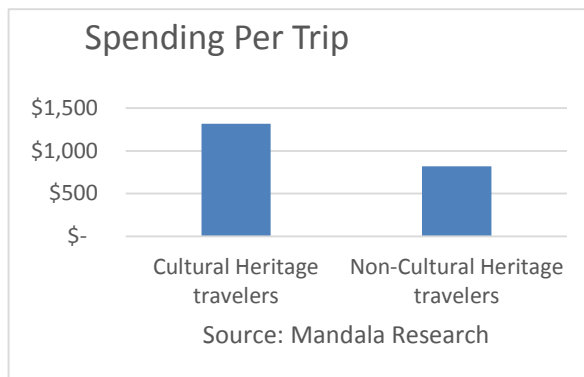
- Historic sites
- Museums
- Art galleries
- Theaters
- Cultural events or festivals

*“Regardless of how cultural tourism is precisely defined, it clearly reflects three strong trends in tourism: the search for authenticity, visitors’ desire for immersive experiences, and heightened industry focus on diverse markets.”*

(Source: Mandala, L. (2015) *Arts, Tourism, & Cultural Diplomacy*. Americans for the Arts, Washington, D.C.)

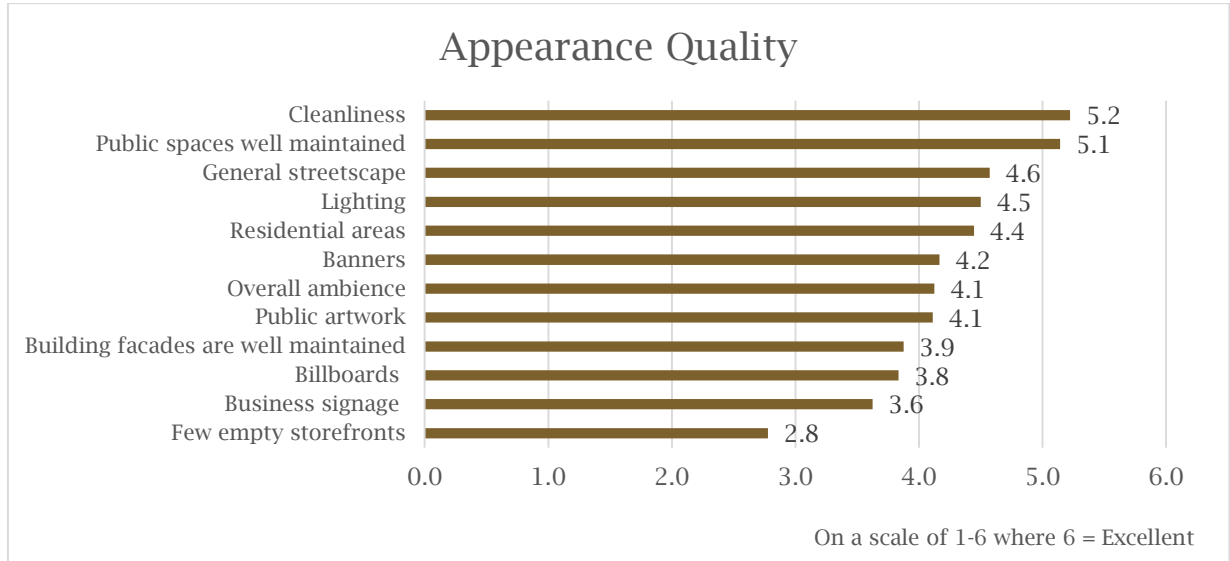
A 2013 study on cultural/heritage travelers by Mandala Research, LLC found that more than 129 million U.S. travelers participated in cultural/ heritage activities on their most recent trip or during the previous three years. For approximately 23% of these travelers, cultural/heritage activities are drivers of destination choice.

Based on self-reported spending data, the study found that cultural/heritage travelers spend significantly more per trip than non-cultural/heritage travelers. They spend an average of \$1,319 per trip compared to \$820 spent by non-cultural/heritage travelers. Of additional significance is that cultural/heritage travelers seek experiences that combine a variety of activities including culture, shopping, nature, dining, and recreation.



**Findings from Observations of Expert Team Visitors**

The expert team and mystery visitors explored many of Owatonna’s traditional cultural/heritage attractions, including downtown and the State Orphanage Museum. The wealth of historic buildings downtown and throughout Owatonna is a key motivator for cultural/heritage visitors. Overall, the appearance of a community is important to tourism in general, but it is particularly important to the cultural/heritage visitor. Owatonna rated high on many appearance qualities including cleanliness, maintaining public spaces, streetscape, lighting, and residential areas. The two greatest opportunities for improvement are business signage and filling empty storefronts.



Cultural/heritage visitors want to interact with local residents and actively engage in understanding the unique characteristics of Owatonna. Hospitality is of utmost importance. Of particular note is that visitors to Owatonna feel respected and safe during their visit and that their needs were met. Opportunities were identified to enhance business hours to accommodate visitors and encourage visitor feedback.



## Historic Downtown

Owatonna's historic downtown is valued as a unique and significant asset for the community. The National Farmers Bank has national historic register designation and is the anchor attraction in Owatonna's downtown. In 2015, the location received National Register Historic District status. This defines the historic downtown as a twelve block area and is significant; and reframing the community's marketing from "historic downtown" to "historic district" can further communicate its value visitors and residents.



The historic district designation strengthens Owatonna's ability to preserve the historic character and aesthetic beauty of the area. Improvements that impact private facilities may require a local ordinance to allow changes to exterior architectural features that are visible from a public street. For example, going north on Cedar Street, buildings have varying facades and maintenance levels, as well as differing signage styles. A primary focus of Owatonna's tourism development should be enhancing this historic district with a strong, cohesive streetscape and aesthetic look that is both authentic and compelling. (There are many examples of communities that have done this with success. For example, Dahlonega, Georgia at [www.dahlonega.org](http://www.dahlonega.org) or Solvang, California [www.solvangusa.com](http://www.solvangusa.com)). This will strengthen Owatonna's ability to address key tourism trends, enhance the quality of life for local residents, and encourage new business development.



The concept of clustering as an economic development strategy has been widely used by communities (Harvard Institute for Strategy and Competiveness). In Owatonna, the potential to cluster additional boutique shopping and culinary businesses, including dining establishments, will help recreate the historic downtown into a destination reflective of the character and history of the community while still embracing present day trends. Shops like Costas' Candies, Kristi's Clothing, Rustique, and the Little Professor Book Center attract shoppers to Owatonna from across Southeast Minnesota, and Cabela's draws from an even larger radius that includes pass-through travelers. Expanding shopping and dining options with complementary boutique businesses rounds out the experience for both visitors and residents and encourages people to visit longer. The recent closure of several long-standing retail and dining establishments downtown has been a setback, but it also provides an opportunity to identify and encourage targeted complementary retail businesses. Collaborating with Owatonna Partners for Economic Development, property owners, and the local business incubator can provide resources and funding ideas for entrepreneurs.

Explore ways to utilize the empty storefronts until tenants are found. One strategy is to utilize pop-up retail stores or art and craft fairs. Pop-ups are a temporary short-term use of space and a popular trend in large cities. Capitalize on the draw of existing businesses like Kristi's Clothing. For example, collaborating with the owner to create pop-up designer trunk shows could feature regional designers and artisans and build on Kristi's existing market, as well as draw new visitors from the Twin Cities and Rochester markets.



Empty storefronts can also be a canvas for telling Owatonna's stories, past and present, and its role as a regional hub and farming community. Photo story boards, historic artifacts, and creative displays can become community projects that engage residents in telling their story. This type of activity also builds community pride and involvement. The current murals and interpretation signs in downtown help connect visitors and residents to the history and heritage of Owatonna, and filling empty stores with additional visual storytelling or interactive performances can add interesting experiences for both visitors and residents. Additional pocket parks, public art or murals, and interpretive signage can further tell Owatonna's story.

The historic county courthouse, firehouse, and prairie-design Farmers Bank face Central Park. A central square/park is unusual in Minnesota and an asset with its location and band shell and serves as a focal point and community gathering space. The park is well utilized by the community for events, including musical performances, festivals and a farmers market, but there may be an opportunity to extend its use with more tourism-focused events. The park itself includes good interpretation signage and plenty of seating areas, but concerns were noted regarding locked toilet facilities and a lack of play space for children. One visitor stated, "Since there is not a playground in this park, its appeal is only for adults." Given that this park is in the city center and traffic moves 360° around it, this is probably intentional because of the safety issue.

The National Farmers' Bank is also a key attraction. It is still a working bank under the Wells Fargo brand and visitors are welcome to enter and move about the facility. This does require a balance between respecting the business function and its tourism attraction status. Visitor information leaflets are available at the entrance and staff seem able to focus on their customers. There may be an opportunity to partner with Wells Fargo to further market this historic branch to their national customers. <http://stories.wellsfargobank.com/oldest-jewel-box-bank-draws-tourists-minnesota/> According to their website one of their corporate priorities is "connecting with communities and stakeholders." There are many ways this could occur, from featuring the prairie-design on their website and acknowledging their role in preserving history to a coffee table book about the site that could be sold through the Chamber. Wells Fargo also supports communities with corporate giving to support "strong, vibrant places to live, work, and grow."

Overall, the downtown feels safe. The general streetscape is positive. Further enhancing the streetscape with banners, stylized lighting, benches, and landscaping will further define the historic district and strengthen its sense of place. Sidewalks are in good condition and easy for pedestrians to move about, although not a lot of pedestrian traffic was observed other than on Cedar Street near shops and dining. Free street parking is available downtown and is well signed. Several comments in the resident survey suggest that parking is limited. This may be more of an issue during summer. During multiple visits in the winter and spring, there was never a problem finding parking, even on a busy Saturday. The amount of parking appears to match current needs, but increased visitor traffic could require expanded parking options in the future. Traffic flow around downtown appeared functional and sufficient during project visits.



Updating existing signs and creating new ones is needed. Additionally, more wayfinding signs to attractions outside the downtown core are needed. City parking signs are very faded and several storefront signs are clearly in disrepair. Kiosks with information and maps or interpretive guides at key points throughout the district can further encourage visitors to stop and engage. Several visitors noted that they had difficulty finding visitor information until the Chamber facility was pointed out on the map. It was also noted that the Steele County Government Center overlooking Interstate 35 is not on the map.

The Main Street Mural pocket park is a nice enhancement that uses a former building site made vacant by fire. The murals, created by local artist Steve DeLaitch on adjacent building walls, are a creative way to tell Owatonna's story. Several visitors commented on the need for places to sit and enjoy the murals. They also mentioned the gravel, indicating it was not particularly appealing or user friendly.



Owatonna is missing key opportunities to encourage visitors to spend more time looking around town, shopping in local businesses, and discovering potential opportunities for a return visit. For example, the historic walking tour brochure is well done, but having audio-visual options would be helpful. The 24-hour information center at the Chamber office provides many resources, but visitors did not know it existed. Limited visitor information was found in the facilities visited. It is suggested that Owatonna extend the availability of maps and develop additional information access points with kiosks or literature racks. Creating and marketing a mobile guide for visitors to use is also recommended. Local businesses could then use signage to promote "download it here."

A drive around the residential area, just outside of the inner business center, suggests a clean city with well-kept roads and a generous variety of amenities designed to enhance the quality of life for residents. Many of these amenities are also assets for tourism. In addition to parks, for example, the public library downtown is a wonderful resource that incorporates modern facilities while also preserving the original historic building. Visitors were welcomed and found the resources convenient and inviting.

Overall, the expert team and mystery visitors had positive comments about the customer service at businesses and attractions. They were treated with respect and generally questions were answered with accurate directions or information. Several Latino visitors noted with appreciation that some stores, banks, and facilities had signs in Spanish or bilingual staff.



Several experts did identify an overall lack of knowledge about community attractions or a failure to cross-market other community attractions. One person stated, "...People in the local business were polite and helpful when I asked for directions, but when I asked about what to do in Owatonna, no one had a good answer. They said there was nothing to do in Owatonna." This suggests an opportunity for service training with frontline staff, including information about what there is to see or do in the community. Providing all businesses with visitor guides is recommended. Knowledge and employee attitudes toward the community are also important for visitor experience.

Offering customer service training and highlights of things to see/do is also suggested. Explore how other Minnesota communities have successfully approached this. For example, Thief River Falls offers a service workshop coupled with a bus tour of key sites for frontline staff at lodging and attractions. Visit Duluth partners with attractions to offer frontline staff motivation and gives each workshop attendee a free pass to visit several city attractions.

Most downtown businesses are closed evenings (other than Thursday) and on Sunday. Continue encouraging businesses downtown to stay open late on Thursday and to offer specials or events to bring visitors and residents downtown on those evenings. For example, businesses can use location-based marketing to promote specials to visitors or pass-through visitors. Build on the *11@7* music event in the summer as a start. Feature special Thursday dining options highlighting local restaurants and food retailers, or invite food trucks that offer regional foods. Feature special promotions at local businesses and market at lodging establishments and other key tourist-utilized facilities, like gas stations, to reach visitors.

Business hours are important to attracting tourists. Visitors to historic communities and downtowns want unique or authentic dining and shopping experiences with business hours that accommodate travelers. Is Thursday night when visitors are in your community, or is this day targeted to locals? What alternatives can be explored with local businesses?

### **Other Cultural/Heritage Sites**

The State School Orphanage Museum is a unique tourism asset. The campus has a stunning main building that has been well-maintained. Driving up a hill through a large grassy area filled with trees to the main building is breathtaking. Absolutely a positive first impression.

The walking tour of campus is nicely laid out. It is very interesting and well done, allowing one to walk at their own pace to read and view the displays. (One interpretive sign did make mention of "mentally retarded," which is a term no longer deemed appropriate to use.) There was simply not enough time to see everything. One visitor specifically praised the staff and volunteers offering additional information and stories that enhanced the experience.

Visitors had mixed experiences with the interpretative equipment. Some noted that it worked perfectly and the sound was at a good level, while others indicated problems in using the equipment. Suggestions about the video are that its location in a hallway could block access for others and that the directions could be clearer (i.e., which play button to press, putting numbers on the buttons in the order to push them). The VHS tape being sold also needs to be updated to DVD or made available for download.

The combined campus setting of the Orphanage Museum and Art Center is an excellent resource for the community and visitors. Expanding tourism opportunities through classes, workshops, and events targeted to visitors is recommended. For example, a visual arts event for multi-generational families that highlights the importance of family can offer these visitors a unique experience and memento of time spent together.



The Steele County Fair is a major regional draw. Explore ways to expand its use for tourism. For example, several mystery visitors noted the potential of this event for Latino visitors and encouraged bilingual promotion of the event.

The Village of Yesteryear was closed when we visited, but staff invited us to come back at Christmas to see it. Visitors, however,

were not given any specifics (dates, times, etc.) of the event, or information about its history that would inspire a return visit.

Little information about the Native American history of Owatonna was available, and may present an opportunity to engage with tribal members to help interpret the native history of the community and region. The mineral spring further invites interpretation and may have potential for development of mineral spring or spa experiences. Many cultures value mineral springs and would be interested in drinking or immersing in the waters. Several Latino visitors questioned the potential to create a mineral spring bath or spa, noting this is a popular cultural activity in their country of origin.

## Cultural/Heritage Tourism: Next Steps for Consideration

### *Short-Term Project Ideas and Strategies*

- Make the historic walking tour brochures more widely available.
- Develop a virtual version of the historic walking tour to post online.
- Create a downloadable podcast (or audiovisual) of the historic walking tour.
  - Use local talent
  - Explore applying for a Minnesota Historical Society grant to fund this effort
  - Feature it on the Visit Owatonna website and lodging facilities with “Download it here” signage.
  - Create a “Passport to History” map/game/activity for kids and families (for example, visit four sites/get stamps and earn something worthwhile, such as an ice cream sundae, waterpark tickets, etc.)
  - Market to homeschool/online school families.
- Work with Parks and Recreation and civic groups to market the historic walking tour.
- Consider a campaign to capture residents’ favorite activities/attractions or stories; stories can be used on social media to target specific markets. (For example disc golf or the “Grandparents’ Guide to Owatonna Activities,”) ”
- Consider a Spanish-language brochure or flyer highlighting recreational and leisure activities and attractions.

### *Long-Term Ideas and Strategies*

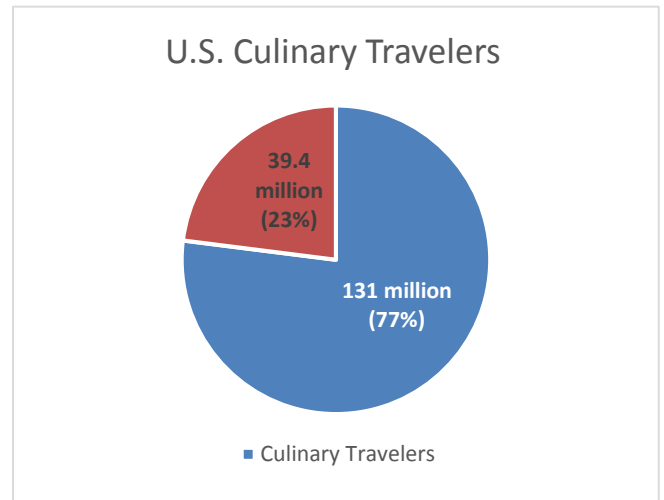
- Work with local business owners to create unique complementary pop-up stores to bring visitors downtown.
- Seek interpretive design expertise to assist with additional historic interpretation and visual enhancement of downtown.
- Develop and implement additional way-finding signage.

- Explore cooperative promotions with Minnesota History Center, Mall of America, and other Twin Cities and Rochester attractions and organizations that market to international visitors. This will help promote the unique cultural/heritage opportunities in Owatonna. (Day trip opportunities do not fill local lodging, but it is a first step to building greater awareness.)
- Develop an event in Central Park and invite Latino families to celebrate their culture.
- Market events/celebrations such as the County Fair to Latinos and people of color.

### Trend: Culinary Tourism

Culinary tourism is a fast growing trend that encompasses many available opportunities in Owatonna. According to a 2013 study of American Culinary Travelers by Mandala Research, LLC, culinary tourism includes a broad array of activities such as:

- Dining experiences
- Gourmet food shops
- Food festivals
- Cooking classes
- Farmers markets
- Wineries
- Breweries



This study found that, of the approximate 170.4 million U.S. leisure travelers (those having taken at least one trip in the last 12 months for leisure), nearly 77% identified as culinary travelers, having participated in culinary activities in the previous three years. Furthermore, about half of all leisure travelers (51%) travel to learn about and enjoy unique and memorable eating or drinking experiences.

Experts noted that research shows millennials spend more of their earnings on food than any other generational cohort. They are buying local organic food and will spend more on the experience that accompanies their meals. This experience might include sidewalk dining, a patio area that provides great ambience, music, art displays, or themed eating and décor.

### Findings from Observations of Expert Team and Latino Visitors

Owatonna has a number of different dining options, including chain restaurants located near Interstate 35. The fact that there are no chain restaurants downtown, however, was cited as an opportunity to differentiate the community from others with unique or specialty dining options. In downtown, there are bakeries/sweet shops, coffee, bagel and sandwich shops, cafes for breakfast and lunch, pizza, a Mexican pupuseria, an Asian fusion restaurant, and a Halal market. Building on these existing options is recommended. One expert observed, "A stop at the Halal market downtown proved worthwhile. As soon as I walked in, I was greeted in a friendly manner, but the signage outside the market is limited. There is



a former restaurant sharing the space of the market, which presents an interesting challenge/opportunity. Having this market in the core downtown area and a good ethnic (Somali) restaurant plus market might be a real draw.”

Data from the 2013 market area study suggests that residents in Owatonna’s trade area spend 4% of their income eating out and 4.5% of their income on entertainment. Expanding dining and entertainment options downtown, especially in the evening, will better serve both visitors and locals.

Creating a downtown “Eat Street” with more unique dining, including al fresco dining options and live music venues, would help draw visitors and rejuvenate the downtown. Building on current Thursday night “open later” status and capitalizing on Owatonna’s history as a farming community is recommended. There is growing interest in locally sourced foods to utilize regional resources at local restaurants, events, or food trucks. Highlighting things that are unique, like Bushel Boy tomatoes, with an event or salsa contest using Bushel Boy tomatoes may help engage visitors.

The community also has a number of Mexican restaurants that presents an opportunity. Several visitors noted positive experiences both in receiving recommendations about where to dine and their experience at the restaurant. For example, visitors noted Grace’s and El Tequila Mexican Restaurant for good food, service, and friendly discussion. Visitors also like that the latter had cultural murals on the walls.

How can Owatonna tourism engage and expand local ethnic dining experiences and related businesses? There is a mix of Asian, Mexican, American, and other menus, but there is an opportunity to enhance these offerings. For example, the vacant restaurant adjacent to the Jambo Halal Market downtown has potential. Exploring a Somali or African cuisine cooking class or take-out restaurant to initially build awareness may be a good idea. Many people like learning about new foods, and the adjacent market could sell goods, spices, etc. to complement the community space.

Latino visitors were pleased that there is a Mexican grocery in town with a good variety of products, and they also noted the availability of produce at Walmart. They felt both were positive ways to encourage Latino visitors to shop in the community and then also for other activities. Additionally, they suggested more Latino and “street food” options would appeal to Latino visitors.

Given the nearby trails and popularity of biking, there may be potential food opportunities for bike travelers, as well as a craft brewery or wine tasting room.

Several experts noted that the bars downtown draw local patrons but were not oriented toward visitors. In fact, one of the busier bars had police cars there due to something going on, which created a negative perception and raised questions regarding visitor safety.

### Culinary Tourism: Next Steps for Consideration

#### ***Short-Term Ideas and Strategies***

- Dining
  - Focus on maintaining and expanding unique dining options and food-related retail downtown.
  - Establish a dinner restaurant downtown.
- Business hours

- Encourage restaurants and businesses downtown to expand their hours and days of operation to extend beyond the typical business day (this is especially important to business travelers).
- 
- Cooking classes
  - Explore opportunities to partner with businesses, such as the Somali market and Mexican restaurants, and offer residents and visitors ethnic cooking classes.
  - Explore business interest in offering classes, such as chocolate making or cupcake decorating, which can be packaged and offered to draw visitors and encourage overnight stays. For example, this opportunity could also be packaged as a multi-generational activity.
- Customer service training
  - Offer regular hospitality training to area businesses to maintain quality service.
  - Offer basic business and hospitality/tourism training for newer businesses and entrepreneurs, or provide resources to support this.
- Social media
  - Ensure establishments are correctly located on Google Maps and Yelp, along with hours of operation.
  - Suggest downtown businesses explore location-based marketing to promote specials, such as menu features or a “social media users” deal.
  - Encourage establishments to develop a strategy for responding to online consumer reviews.
  - Implement ways to link Visit Owatonna social media with local business’ social media (i.e., retweet messages).



### ***Long-Term Ideas and Strategies***

- Build on the diversity of dining options and availability of closed restaurant venues downtown. Opportunities include ethnic, upscale, and local, fresh, organic dining choices.
- Develop downtown Owatonna as a dining/entertainment destination.
- Establish an approach to enhance the downtown historic district, implementing zoning and planning to retain its historic character and aesthetic appeal.

### **Trend: Active Lifestyle and Wellness Tourism**

Travelers today are interested in participating in some type of physical activity, recreation, or other activity. The “2014 Global Wellness Economy Monitor,” conducted by SRI International, found that wellness tourism accounted for \$494 billion in revenue in 2013, an increase of nearly 13% since 2012. According to the study, wellness travel encompasses two types of trips—those specifically designed to maintain and improve health and those in which travelers keep their healthy habits while they travel for business or pleasure. In the U.S., it is estimated that one in four adults (41 million people) are consumers of Lifestyles of Health and Sustainability (LOHAS), <http://www.lohas.com/about>.

Many tourists plan trips specifically for active lifestyle or wellness activities—sports or recreation activities like biking or hiking, visiting spas, health resorts, and mineral baths and hot springs. They also enjoy yoga retreats, national parks, gyms and fitness centers, and even specialty restaurants. Many of these activities are assets that enhance the quality of life for residents as well.

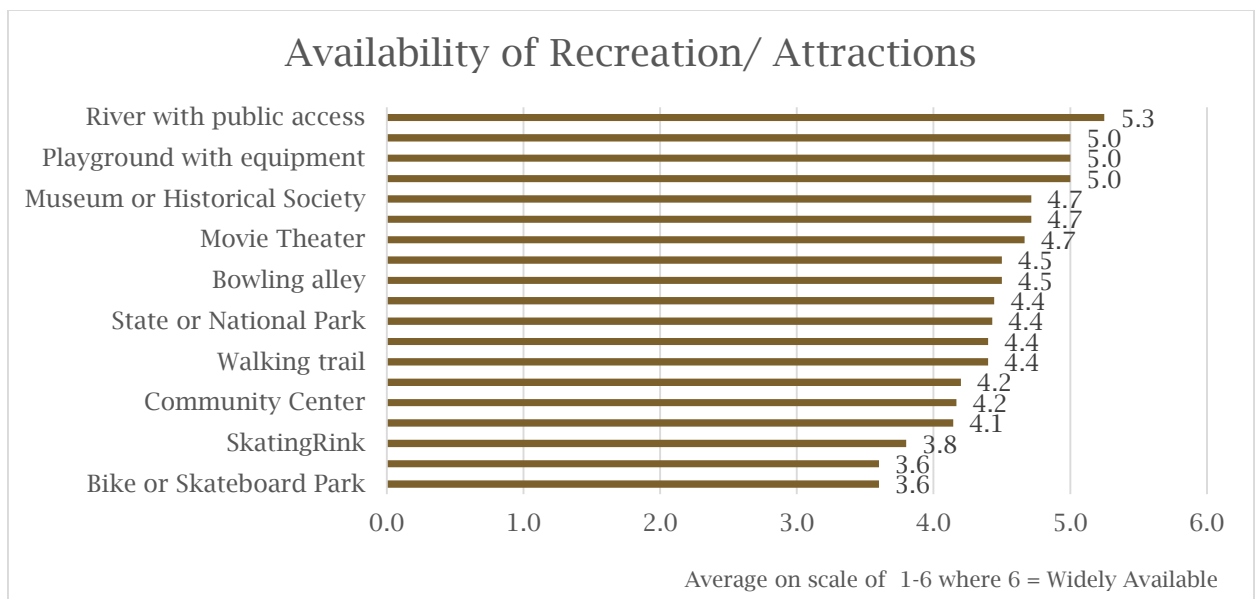
***Findings from Observations of Expert Team and Latino Visitors***

Owatonna’s more than 30 parks, green spaces, trails, lakes, and rivers encourage recreational pursuits. Visitors and expert team members were very positive about the amount of green space and the quality of parks in the community. They visited a number of the parks, including Mineral Springs Park, Lake Kohlmier, Kaplan Woods, Morehouse Park, and Muckle Trail. The trail infrastructure along the river connects many of these parks, inviting residents and visitors to spend time outdoors.



These trails also provide a link to extended regional trails and provide an opportunity for greater regional marketing to outdoor and biking enthusiasts.





Enhancing access to downtown with a well signed direct link from the Muckle Trail into downtown invites trail users to stop for a meal or treat and visit Central Park and the historic bank. Make it easy for them with clear signage and promote the availability of public toilets, bike racks and water fountains. Maps and signage to bike maintenance facilities or bike rental shops can also help build trail use by visitors.

Owatonna has an abundance of public and private recreational facilities, including two 18-hole golf courses, plus a par 3 course, disc golf, horseshoes, soccer fields, tennis courts, ballparks, trails, boating, water parks, and miniature golf. Designed primarily to enhance the quality of life for residents, there is an opportunity to expand the use of these community assets for visitors as well. Offer targeted packages that make it easy for visitors—for example, a two day/one night (or longer) package that includes lodging and a set of recreational activities like a round of golf and a half-day canoe or bike rental. These can be marketed in outdoor recreation venues or with a low-cost Facebook ad to test their appeal.



One expert noted the city appears to have made use of public giving in a very positive way by encouraging public donations to help fund city infrastructure like parks. Many areas include signage pointing out donations with “made possible by...” comments to give credit for donations. There were some cases, however, where the item provided was falling in disrepair, which could cause problems with families making a donation. It also seems the city is planning continued greenery with the inter-planting of young trees in the community square.

There appears to be problems with DNR funding for natural areas (see <http://www.dnr.state.mn.us/heritage/factsheets/wildlife-owatonna.html>). According to this site, the Owatonna Wildlife Work Area includes two million acres of public and private land and water in Dodge, Freeborn, Mower, Rice, Steele and Waseca counties. Reduced funding is impacting maintenance of eight state game refuges, a waterfowl refuge, two wildlife sanctuaries, and wildlife as well as habitat conservation. This is a recreational opportunity that should not be overlooked.

Conversations with, and advocacy on behalf of, the state’s natural resource agencies can benefit tourism.

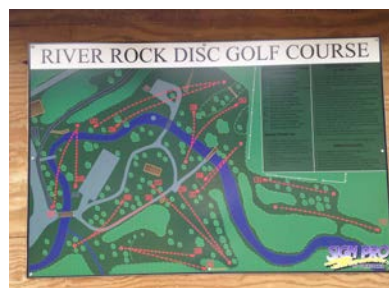
The RAD Zoo is a fun and unusual family experience. Better signage and expanded cross-marketing for this attraction with other downtown businesses and facilities can be developed. This includes creating new packages with other family-focused recreation activities.

### **Biking**

Biking is a growing active lifestyle trend for travelers and residents alike. According to People for Bikes ([www.peopleforbikes.org](http://www.peopleforbikes.org)), Americans spend \$81 billion on biking annually. More about this in trend can be found in Appendix C. Owatonna has an active biking community, a good trail infrastructure, and proximity to several popular regional trails. Explore ways to collaborate with neighboring communities to promote a regional biking destination.

### **Disc Golf**

Disc golf has grown in popularity in the last several years. Expert team visitors visited the course and spoke with several users during our visit. Users were enthusiastic about the facility and noted they travel all over the state to play at good disc courses. This might represent a potential niche market for a tournament.



Cabela’s attracts outdoor enthusiasts. Is the community currently partnering with Cabela’s to promote use of the community’s excellent park infrastructure? For example, visitors could purchase golf clubs and receive free green fees and cart rental. Packaging these opportunities with other activities may encourage visitors to stay longer.

## Active Lifestyle and Wellness Tourism: Next Steps for Consideration

### ***Short-Term Project Ideas and Strategies***

- Enhance signage visibility for the tourism information site at the Chamber office.
- Package recreational opportunities with lodging and dining options to target niche markets.
- Explore a public bike sharing system downtown.
- Offered unique bikes rentals for families, including multi-passenger versions that could be painted and “named.” (For example, “Tilly Turtle” trike or a “Larry Lizard” bike.)

### ***Long-Term Project Ideas and Strategies***

- Explore development of RV parking near downtown.
- Improve access and safe connections between local trails and downtown amenities.
- Develop a unique “triathlon” event to utilize local sport resources such as disc-golf, horseshoeing, and biking.

### **Trend: Accessible Travel**

Accessible travel is a global tourism trend. The World Health Organization estimates that approximately 15% of the world’s population has a physical, mental, or sensory disability (2011). In



the United States, the 2010 census data suggests that nearly one-fifth of the U.S. population has a disability.

A 2015 study conducted by Mandala Research, LLC, suggests that more than 26 million adults with disabilities traveled for pleasure or business between 2013 and 2015, spending \$17.3 billion. Acknowledging that these individuals typically travel with at least one other adult, the potential impact is double. In this study, disability is defined as having blindness, deafness, or a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying. Individuals with cognitive disabilities were also included.

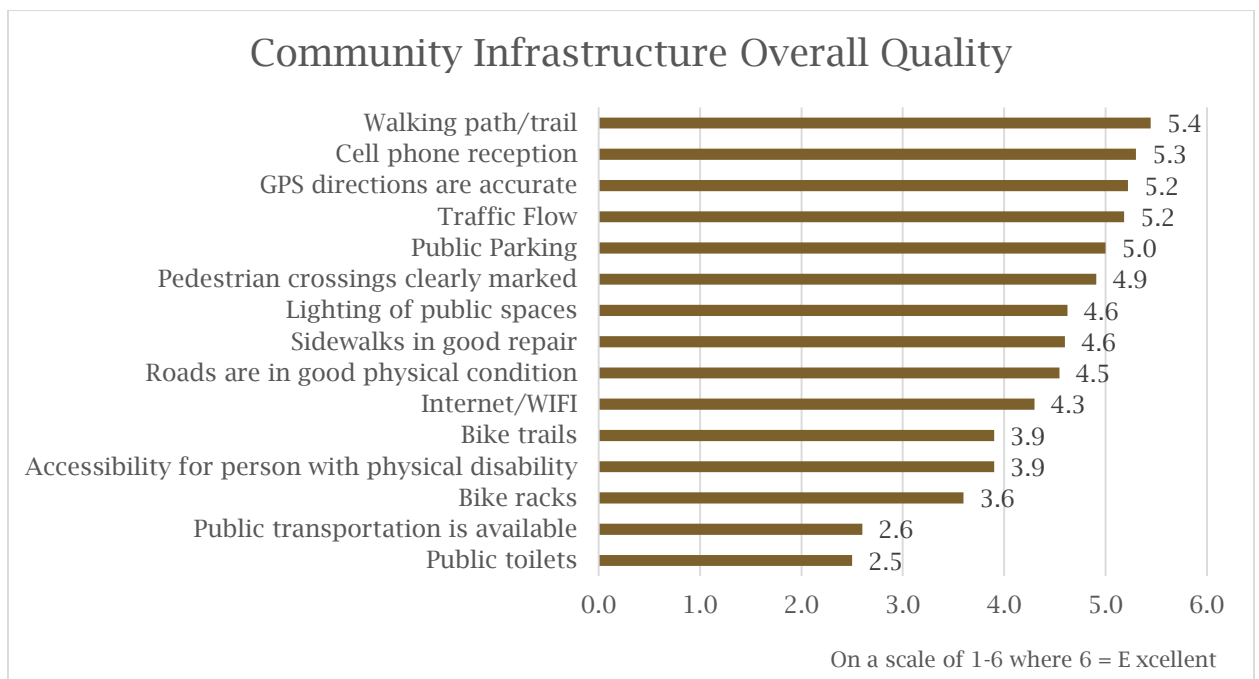
Accessible tourism is not just about providing access to visitors with disabilities and special needs, but it is also about making visitors feel safe and welcome. Anticipating and meeting the needs of all visitors includes not only accessible facilities but also trained staff, reliable and accessible information, and inclusive marketing. Encouraging the use of universal design concepts will create products and environments that are usable by all people. This benefits visitors and residents alike, including families with young children, the aging population, and those with temporary disabilities.

*Findings from Observations of Expert Team and Latino Visitors*

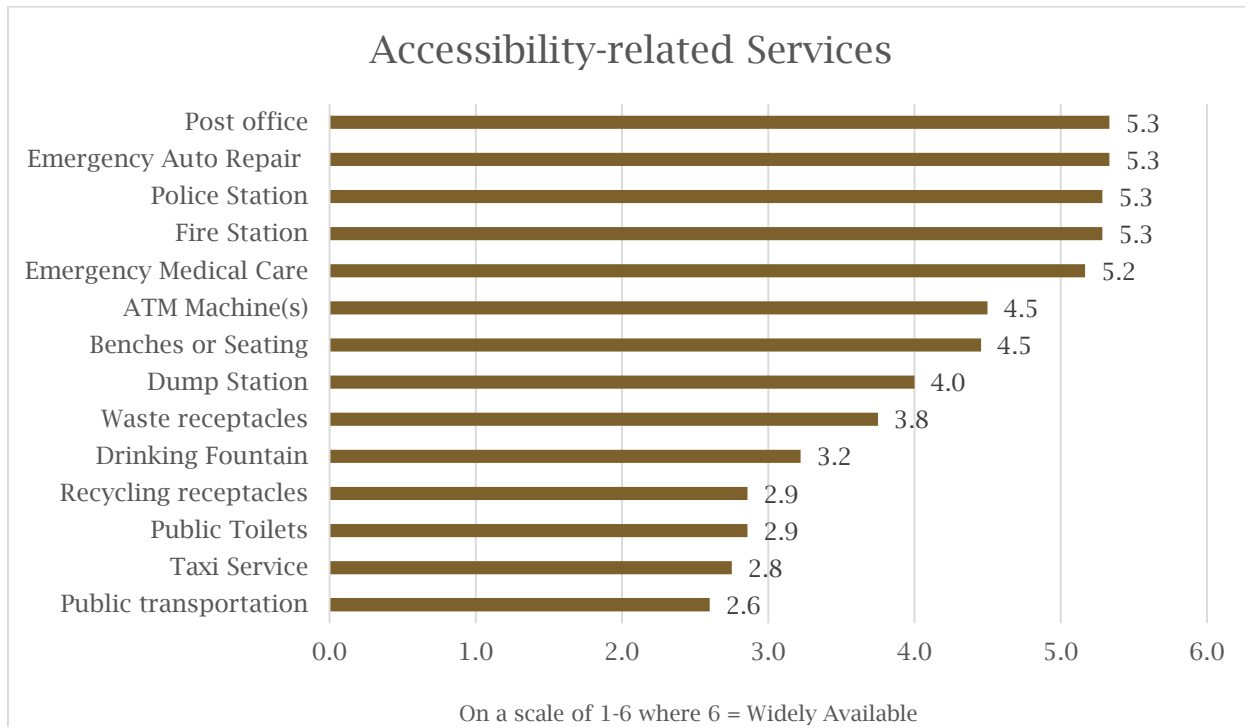
An important need for accessibility is having good community infrastructure. Team members found that some aspects of the community, like park seating areas, are not fully accessible. The gravel and lighting at the Main Street Mural were cited as an example and an opportunity.

Finding public restroom facilities was noted by both experts and visitors as an issue. Several had difficulty finding any public facilities or found those in the central park were locked or under repair. Public facilities are a critical feature for tourism.

Important community services for visitors include the availability of information, parking, easy access to government amenities, such as a post office, library, or fire station, and the availability of places to worship. Access to good cell phone coverage and Wi-Fi is also a priority for visitors.



Interesting architecture contributes to public areas but also creates challenges for accessibility. For example, the main entrance to the county courthouse is not open. ADA considerations are probably at play, but having to go around to a side entrance takes away from the experience. This experience also happened at other facilities around town. Visitors noted the elevator in the bank was hard to locate and lacked signage, but the Orphanage Museum planned to install an elevator to make it accessible.



Other aspects of accessibility go beyond individuals with physical limitations. For example, literature in the bank said the President’s Office was in the southwest corner. — Indoors it may be difficult to determine direction. Clear, specific signage is needed. These may seem like minor things, but they are opportunities to enhance visitor experience. Working with local or regional resources to assess and enhance accessibility is recommended.

One expert noted the Frank Lloyd Wright building has a sign stating “registered guests only” and felt this limited access, as visitors wouldn’t feel comfortable entering the site. There was no sign located at the other entrance, and visitors cannot see the building from the road.

A final aspect of accessibility is attracting and serving diverse populations. Owatonna has a diverse resident population. One tourism opportunity is to reach more diverse visitors through both the VFR market and targeted marketing. Bilingual or multilingual marketing materials show respect, invite their business, and meet their needs.

Specific comments from Latino mystery visitors include the following:

- “Owatonna should see Latino visitors as a great source of income for the hospitality and service industries.”

- “In general, I feel welcome when I asked for directions to find a restaurant that offered breakfast; they were very clear and accurate. All the people, Anglo and Latinos I met were very nice and friendly and willing to help me.”
- “People who have trouble speaking English, at most stores there isn't someone who could help them or understand.”
- “I didn't see Latino families, so this can be a challenge for other Latino tourists because they feel more welcoming in a place where there are more Latinos.”
- “Improve signage in Spanish, provide Latino food alternatives, use billboards welcoming Latinos, and learn about Latino culture and heritage.”

### Accessible Tourism: Next Steps for Consideration

#### ***Short-Term Project Ideas and Strategies***

- Work with the city parks and recreation department to provide links to the Visit Owatonna website on their websites. This will facilitate the marketing of tourism attractions to families.
- Encourage businesses to consider the needs of diverse visitors. For example, employ ethnically diverse or bilingual staff, or offer a variety of coffees from Latin America.

#### ***Long-Term Project Ideas and Strategies***

- Tap local and state experts to assess the community's tourism facilities and its efforts for full accessibility.
- Develop a plan to identify and address the needs of diverse travelers.
- Encourage business owners to promote a bilingual staff.

## **2) Marketing Tourism in Owatonna**

### **Current Marketing Efforts**

Currently, Owatonna has good marketing efforts, including websites and collateral materials. The 2016 visitor guide is a nice presentation of the community's attractions and amenities. The visitor guide and other materials are available at the 24-hour visitor center located in the Chamber office. The visitor guide and the Visit Owatonna website use a consistent look that creates an attractive first impression. In addition to Owatonna specific marketing, the Owatonna Area Chamber of Commerce and Tourism recently began collaborating with Faribault and Northfield on a regional marketing effort to introduce a new brand and website called [minneroadtrip.com](http://minneroadtrip.com). This is a great step to extend the community's reach through regional collaboration. Each of the three communities offers complementary yet unique attractions and activities that will create synergy and attract visitors. Evaluating initial Minne-Road Trip 2016 efforts and considering ways to expand the collaboration is recommended. Visitors are motivated by activities and experiences but are not limited by geographical boundaries.

There are opportunities to enhance Owatonna's visibility both on the Internet and within print literature. Utilizing the free resources offered through Explore Minnesota Tourism is a short-term

opportunity, but market research on current and potential visitors and data on the impact of tourism marketing is needed to inform decisions going forward.

This section will first provide an overview of market research, followed by information about three trends:

- Online presence and social media
- Multi-generational tourism
- Niche markets

## **Market Research**

Focusing on current visitors to Owatonna should be a priority. The community has an anecdotal understanding of them, but data about who stays in local lodging facilities was not available during this study. Knowing more information about who Owatonna visitors are, where they come from, their average spending, their retail purchases, and their needs and wants will provide a stronger platform to develop an informed tourism development strategy—and a baseline from which to measure growth and success.

A first step to determining this information is to work with local businesses and identify visitors based on registration forms, guest books, and purchase receipts. For example, systematically gathering guest zip codes from lodging properties and campgrounds on a monthly or quarterly basis will help strengthen local tourism marketing. Zip codes provide immediate information to both businesses and Visit Owatonna about the geographic origin of guests without individually identifying them. This information can then be used to geographically target marketing efforts. Zip code data also enables businesses to further segment their markets based on demographic and psychographic parameters.

One of the best things Owatonna can do is conduct a visitor profile study across a 12-month period to deepen their understanding about who is coming and why. Knowing Owatonna’s market will help identify missing services/products and inform potential business development.

Visit Owatonna might also consider partnering with nearby destination communities like Faribault and Northfield to create a regional visitor profile. The three communities potentially share visitors and synergies, and a regional visitor profile may reduce costs of this research for each community.

## **Trend: Online Presence and Social Media**

According to the 2016 “State of the American Traveler” report by Destination Analysts, 48.1% of U.S. travelers reported using social media for trip planning in the previous 12 months, and 45.5% used user-generated content when planning their trips. This indicates the need for businesses and attractions to monitor and respond to comments on social media.

Destination Analysts also found that only 32% of American travelers reported using a destination marketing organization’s website for trip planning information. Marketing campaigns increasingly require strong social media strategies, in addition to website and traditional print literature, to reach current and potential visitors.

Reaching travelers en route and during their visit should be a key component of marketing efforts. A Google/NielsenLife360 study in 2013 showed that 3 out of 4 mobile searches triggered follow-up actions such as a store visit, a phone call, or further research; and that more than half of these

actions occur within one hour. This was further supported by 2015 research from Kleiner Perkins Caufield Byers indicating that 51% of digital media is now via mobile devices.

### ***Findings from Observations of Expert Team Visitors***

Prior to visiting Owatonna, expert team members reviewed the community's online presence through various websites. When Googling "Owatonna MN Tourism," the Chamber website was the first item to appear. There is a "Tourism" tab on the site that links to visually interesting Visit Owatonna pages. There is also a similar tab that links to the Chamber. The combination chamber/tourism website indicates a strong relationship between the two entities (often not the case in other communities). The challenge is to keep the tourism website focused on things that will attract and hold visitors.

The website suggests many things are going on in the community. The colors and fonts are interesting and carried through in the visitor guide, which creates a strong brand look, but it may be difficult to read for some users. The tabs are easy to navigate and content is good. Links were generally live and accurate. The lodging page includes helpful information about the properties so visitors can assess options before leaving the site. One team member found the events up to date, but another noted that it is "not helpful seeing lists of events that are done and gone." The "Itineraries" tab provides 10 suggested itineraries targeting history, families, and groups, as well as seasonal ideas. Titled "Perfect Day" itineraries, it appears to encourage day trip visits. This can be extended to include overnight or multi-day packages as well.

Lodging properties should be encouraged to respond to all visitor postings on consumer driven sites like TripAdvisor. These should be timely and have a positive tone. Online reputation management is increasingly important for both the facility and the community.

Encouraging tourism businesses to claim their websites on a map, such as Yelp or Google Maps, is recommended. A brief scan suggests that many local businesses and facilities have not done so.

### **Online Presence and Social Media: Next Steps for Consideration**

#### ***Short-Term Project Ideas and Strategies***

- Enhance search engine optimization (SEO) to elevate [www.visitowatonna.org](http://www.visitowatonna.org) in searches.
- Ensure all businesses and attractions are correctly located on Google Maps and Yelp. Increasingly, visitors are using mobile GPS devices to locate attractions, stores, and services. Because Android phones use Google Maps and iPhones use Yelp, it is critical that locations are correct on both platforms.
- Encourage businesses to claim their business on Google Places and Yelp to add information (hours, photos, menus, etc.), as well as respond to reviews.
- Utilize the free resources available from Explore Minnesota Tourism.
- Link [www.visitowatonna.org](http://www.visitowatonna.org) to existing videos about community attractions. For example, link the attraction listing for National Farmers Bank to Wells Fargo at <https://www.youtube.com/watch?v=fRA2MpeANCM>
- Use social media to push special offers or packages to targeted markets.
- Explore location-based digital marketing strategies, like geo-fencing, to reach in-town visitors or pass-through travelers.

- Consider Spanish-language ads and webpages to make visitor information easier for Spanish speakers. Enlist local talent to translate and culturally adapt content.

**Long-Term Project Ideas and Strategies**

- Encourage businesses to make their website mobile-friendly.
- Consider opportunities to tell stories about Owatonna. One idea is to create short video interviews with residents. Local schools and classes could be enlisted to develop this project, conduct interviews, and produce videos. This will also build social capital in the community by connecting different generations.

**Trend: Multi-Generational and Niche Tourism**

One of the strongest tourism trends in the 21st century is multi-generational travel. A multi-generational trip is defined by AARP as a family trip that includes three or more generations traveling to a destination to vacation together.

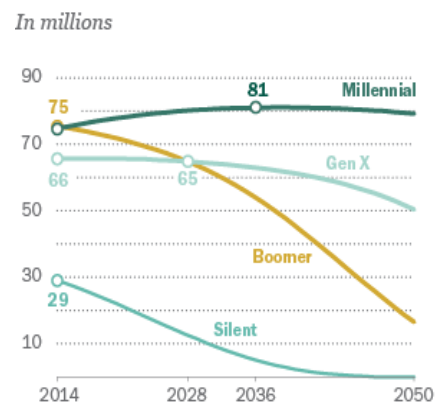
According to research conducted in 2011 by Preferred Hotel Group, more than 40 percent of all active U.S. leisure travelers took at least one multi-generational trip during the previous 12 months. Making memories and spending time with family are cited as the primary reasons for multi-generational travel. American Automobile Association (AAA) research in 2014 found that more than one-quarter of Americans took multi-generational trips that included three generations, and an additional 15 percent were grandparents planning to take their grandchildren on vacation. This research is supported by Destination Analysts (2016), which suggests that approximately 45% of multigenerational travelers plan to travel more this year.

Targeting specific generations, such as baby boomers (those born between 1946 and 1964) or millennials (those born between 1980 and 1997, according to Pew Research), is also a popular approach for destination marketers because of similarities within the generational cohorts.

Millennials are a potential market for Owatonna and refer to the population ages 18-34 as of 2015. This generation is now the largest population cohort in the United States (Pew Research Center). According to research by MMGY Global (2015), 33% of millennials took at least one vacation within 50 miles of their home in 2014, and one-third indicated their choice was driven by a desire to save money for a more substantial vacation in the year ahead. The study further suggests that 6 in 10 prefer to spend their money on experiences rather than material things.

There is opportunity for generational marketing to reach both millennials and baby boomers. According to Destination Analysts Traveler Psychographic Intensity (2014), millennials are active, highly connected travelers with a desire for urban culture and culinary experiences. Baby boomers are more interested in less active, rural experiences that yield a sense of exploration. Both generations place high value (65%) on authenticity and engaging with the arts and cultural assets of a destination (65% for boomers and 72% for millennials).

**Projected Population by Generation**



Note: Millennials refers to the population ages 18 to 34 as of 2015.  
 Source: Pew Research Center tabulations of U.S. Census Bureau population projections released December 2014  
 PEW RESEARCH CENTER [www.pewresearch.org](http://www.pewresearch.org)

In Minnesota, millennials comprise some 23 percent of the population, according the Minnesota State Demographic Center (2015) and exhibit racial, ethnic and cultural diversity. For example, young adults of color represent 22% of Minnesota’s 18-34 year olds, the first adult cohort in Minnesota in which more than 1 in 5 is a person of color (Henderson & Egbert, 2015). More information about millennials is found in the Appendices.

While there are common attitudes and interests within each generational cohort, it may be beneficial to further segment within each cohort to address more targeted needs. For example, within the millennial generation, the needs of a single male in his mid-twenties are different from those of a couple with small children. These may represent niche markets, and Owatonna’s strong set of existing tourism assets allows for refined targeted marketing.

The expert team identified several niche markets that align with key tourism trends discussed above. Targeting one or more of these in a short-term effort and tracking impact to assess viability is recommended.

### **Niche Markets**

Targeting niche markets is a viable approach for Owatonna to maximize limited marketing dollars.

One potential market is the rapidly diversifying populations in Minnesota. This trend reflects a national one that shows the strong buying power of multicultural groups. According to research by the Selig Center for Economic Growth at the University of Georgia (2015), the buying power of minority groups provides an opportunity for tailored marketing. The Hispanic market alone represents \$1.3 trillion in buying power, approximately 10% of total U.S. buying power.

### ***Findings from Observations of Expert Team and Latino Visitors***

Owatonna’s close proximity to the Twin Cities and Rochester, abundance of family-oriented recreational opportunities, and historic attractions were all factors considered in identifying Latinos as a potential target audience. An additional consideration is the current Latino and Somali resident population in the Owatonna area.

As part of this tourism assessment study, a small group of Latino visitors was recruited to participate in a mystery visit to assess the potential of this sector as a niche market. The group included millennials, baby boomers, parents, and single adults. Some had been to Owatonna previously, but for several this was a first visit. Overall, much of what they identified as tourism assets and interests aligns with non-Latino visitors. They identified shopping, dining, and family-oriented recreation as key assets. They were also interested in the parks, trails, history, and culture of Owatonna. The spring, and its historic role in Owatonna, was identified as a key attraction for Latino visitors, as was Native American history. They suggested a Latino-focused event or using sports venues, such as the soccer fields, to target Latino visitors in addition to shopping, dining, and family activities. The fair might be a good, targeted, first marketing effort, and providing information in Spanish was also cited also as a necessity and a way of showing respect and interest in this target group. One visitor stated, “I was very impressed with everything that Owatonna has to offer to visitors. The city has many attractions that I plan to attend in the future. People are polite and the town is clean.”

Specific comments and suggestions from Latino mystery visitors included the following:

- “I believe that many Latinos are not attracted to Owatonna because they feel that there is nothing to do.”
- “More bilingual advertising will increase the participation of Latinos in events in Owatonna.”

- “Information, ads, and in Spanish would be easier for Latino-Spanish speaking visitors.”
- “I think they need to have event that brings the Latino families out and celebrates their culture, or even just a fun day with the family.”
- “Owatonna could be marketed for an "escape" to spend time at parks. Family parks with games because Latino families tend to have many children and so they come take their children to have fun. “
- “There are very few Latino-based stores and restaurants, etc.”

This report also offers information on three additional niche markets with potential for both community and regional tourism efforts. These overviews are included in Appendix C.

**Bike tourism** is a potential market for Owatonna. The community’s existing trails, plus regional biking opportunities, provide ways to target increased bike tourism. The community also has the potential to be part of a larger trail system, as trails are built and links are made to other regional communities. Strengthening collaboration efforts with Faribault and Northfield, and potentially Mankato, could position the region as a biking destination. As a green and sustainable tourism offering, it is appealing aspect for both residents and visitors. Explore Minnesota Tourism and PedalMN provide a number of resources to assist communities and are listed the resources section of this report.

**Motorcycle Tourism** is another emerging trend that Owatonna can capitalize on with amenities that motorcyclists already seek out—nice routes/roads to connect to other destinations, dealerships, courses/classes, dining, and attractions. This is a potential focus for regional collaboration using the Minne-Roadtrip brand.



Limited information exists about recreational on-road motorcycle tourism. A study by Research Resolutions & Consulting Ltd for the Tourism Northern Ontario Canada (2014) found that Canadian motorcycle tourists engage in a number of activities, including camping (34%), dining in high quality restaurants, (28%) and visiting historic sites or buildings (14%). The study also found that American motorcycle tourists are more likely to participate in cultural activities, such as visiting museums (24%), cultural festivals, (36%) and culinary experiences (39%).

A report by the State of Victoria Australia (2013) suggested that motorcycle tourists have unique characteristics that include the following:

- They are more likely to make last minute decisions.
- They are dependent on external factors, including weather and riding conditions.
- The actual travel experience is the overarching motivator.
- Riders enjoy new routes and destinations.
- They seek information about the destination and the technical road conditions.

Owatonna’s position at the crossroads of both North-South Interstate 35 and East-West Highway 14 positions it as a destination on the way “to and from.” For example, Highway 14 is designated as Laura Ingalls Wilder Historic Highway. Are there other named highways in the region to connect to in marketing the community? (<https://www.revisor.mn.gov/statutes/?id=161.14> ). There are good highways and county roads in the area. Explore how to get positioned in apps like Best Biking Roads



and work with businesses, lodging, campgrounds, and gas stations to promote local/regional tourism opportunities for motorcycle visitors.

**Group Tours** is an established market for Owatonna. The Visit Owatonna website and brochure information clearly targets groups and provides information for planners. Further developing this market with new tours for repeat bus groups in your database, and marketing to new groups with expanded itineraries, is recommended. Brainstorm new itinerary options by thinking outside the box to include activities, such as golf, mini-golf competitions, or other activity-based itineraries. On the community side, expand volunteer opportunities by creating a cadre of step-on guides and storytellers. Be intentional in recruiting a cross-representation of your resident population, including youth and ethnic populations. Offer tours targeted toward diverse audiences by working with representatives of different populations and building culturally relevant itineraries and culturally aware guides.

**Business travel** in Owatonna encompasses a number of large and small businesses, including Federated Insurance, Josten's, Owatonna Hospital, Cabela's, and Cybex International. These businesses, along with others in the community, bring clients and vendors to town. Additionally, smaller businesses like funeral homes and the county government center bring visitors into the community—both day visitors and overnight. Work with these businesses to understand their visitor needs and then create an offering, such as an activity package, for those visitors. These packages can be tracked and measured for effectiveness.

#### Multi-Generational and Niche Marketing: Next Steps for Consideration

##### ***Short-Term Project Ideas and Strategies***

- Target one or two niche markets and track ROI.
- Create packages targeted toward niche markets such as multi-generational, business, diverse markets) that include activities such as a bike rental, golf fees, gym access, and a brew or dinner.
- Promote local tourism opportunities to residents to reach the Visiting Friends and Relatives (VFR) market.
- Consider targeting Latino families as a niche market. Promote via VFR and local resources to build positive word-of-mouth.
- Collaborate with Faribault and Northfield to create suggested ride routes targeted toward motorcycle visitors.
- Explore access to motorcycle visitors via targeted mobile apps.
- Include road information and technical road information on the Visit Owatonna site.
- Link to current road conditions at the Minnesota Department of Transportation website.
- Expand community involvement with group tours via volunteer guide and storytelling opportunities.
- Work with Explore Minnesota on group tour opportunities.
- Create bi-lingual or multi-lingual visitor information. Tap local resources to help translate.

##### ***Long-Term Project Ideas and Strategies***

- Explore the creation of a regional motorcycle ride event with neighboring communities.
- Expand the Minne-Roadtrip regional collaboration.
- Conduct a visitor profile either for Owatonna or regionally.
- Establish a marketing plan to reach targeted markets.
- Build a systematic data collection process with lodging properties and attractions.
- Track and report outcomes to stakeholders and residents.

## CONCLUSION

Owatonna has many assets that are currently utilized and well marketed for tourism. The tourism marketing leadership of the visitor bureau, and the support of the Chamber, are strong assets for enhanced tourism development. Embracing the new historic district designation for downtown provides an opportunity to engage businesses, residents, and government in a concerted effort to preserve the character of downtown and make it a focal point for tourism. Targeting this development toward tourism will require expanding unique shopping, dining, and entertainment options and create a streetscape that denotes the character of Owatonna. This will take time to fully develop, but a vibrant historic district will draw several target audiences and enhance quality of life for residents. Linking the historic district to the range of available cultural and recreational amenities will further create a quality leisure experience for visitors and invite return trips.

A visitor profile of current visitors will help the community understand who is coming and better align marketing and visitor services to their needs and interests. Work with local lodging properties and attractions to create systematic data gathering. Concentrating on two or three niche markets to target with specific messaging will enable Visit Owatonna to maximize marketing spending and track results. Establishing clear tracking methods will also enable Visit Owatonna to measure tourism marketing effectiveness and communicate its value to the community and key stakeholders.

## RESOURCES

- Explore Minnesota Tourism offers a variety of information, marketing opportunities, assistance, and grants.
  - [www.industry.exploreminnesota.com](http://www.industry.exploreminnesota.com)
  - <http://www.exploreminnesota.com/highways-byways-backroads/routes/> is a good resource for information/development of local motorcycle routes, etc.
  - Lisa Havelka, Southern Regional Manager, (507)389-2683, [lisa.havelka@state.mn.us](mailto:lisa.havelka@state.mn.us)
- Minnesota Historical Society manages the Minnesota Historical & Cultural Heritage Grants: <http://legacy.mnhs.org/grants>
- The Minnesota Trails website is a continuation of Minnesota Bike Trails & Rides, published quarterly in cooperation with the Parks & Trails Council of Minnesota, a non-profit organization that acquires, protects, and enhances critical lands for public enjoyment. Their purpose is to guide people to these places by telling the story of the people who use, manage, and support these special places: <http://mntrails.com>
- Society for the Accessible Travel and Hospitality (SATH) provides facts and resources regarding this market: [www.SATH.org](http://www.SATH.org)
- Southern Minnesota Initiative Foundation provides grants: <http://www.smifoundation.org/>
- University of Minnesota Resources:
  - SE Regional Sustainable Partnership invites communities to propose projects that integrate and extend sustainable practices including tourism. Contact Erin Meier at [tegtm003@umn.edu](mailto:tegtm003@umn.edu)
  - University of Minnesota Tourism Center provides examples of tourism research projects and previous projects conducted in Minnesota: [www.tourism.umn.edu](http://www.tourism.umn.edu)
  - University of Minnesota Extension offers resources for businesses on e-marketing: <http://www.extension.umn.edu/community/retail/e-marketing/> and a blog at <http://blog-emarketing-guides.extension.umn.edu/>
  - The Center for Urban and Regional Affairs offers a Community Assistantship Program gives student researchers the opportunity to apply their research and technical skills in real world community challenges; funding is available to help pay student's salaries and expenses: <http://www.cura.umn.edu/CAP>
  - University of Minnesota College of Design has a number of centers that offer project opportunities for students and faculty to work with communities on local needs: <http://centers.umn.edu/unit/college-design>
  - Industry resource on responding to online reviews: <http://travelmediagroup.com/wp-content/uploads/2015/03/TMG-How-To-Respond-To-Online-Reviews-Whitepaper.pdf>

## REFERENCES

- AARP. (2015). AARP Travel Research: Multi-Generational Travel. Retrieved from [http://www.aarp.org/content/dam/aarp/research/surveys\\_statistics/general/2015/AARP-Travel-Multi-Gen-Report-res-life.pdf](http://www.aarp.org/content/dam/aarp/research/surveys_statistics/general/2015/AARP-Travel-Multi-Gen-Report-res-life.pdf)
- American Automobile Association. (2014). Multigenerational Vacations Rise. Retrieved from <http://newsroom.aaa.com/2014/06/multi-generational-vacations-rise-aaa-says/>
- Destination Analysts, Inc. (2016). State of the American Traveler Study. Retrieved from <http://www.destinationanalysts.com/wp-content/uploads/2016/03/TheStateoftheAmericanTraveler-January2016.pdf>
- Henderson, B.C. & Egbert, A. (2015). Young Adults in Minnesota: a demographic & economic profile. Minnesota State Demographic Center. Retrieved from <http://mn.gov/admin/images/young-adults-in-mn-profile-popnotes-june2015.pdf>
- Mandala, L. (2015). Arts, Tourism, & Cultural Diplomacy. Washington, D.C: Americans for the Arts.
- Mandala Research, LLC. (2013). The American Culinary Traveler 2013 and The Cultural and Heritage Traveler 2013 studies. Retrieved from <http://mandalaresearch.com/>
- Meeker, M. (2015). Internet Trends 2015- Code Conference. Retrieved from <http://www.slideshare.net/kleinerperkins/internet-trends-v1>
- MMGY Global. (2015). Millennials & Travel Infographic based on 2015 Portrait of American Travelers study. Retrieved from <http://mmgyglobal.com/infographic.html>
- Nielsen Company. (2013). Google/Nielsen Life360 Mobile Search Moments. Retrieved from <https://www.thinkwithgoogle.com/research-studies/creating-moments-that-matter.html>
- Pew Research. (2015, January 16). This year, Millennials will overtake Baby Boomers. Retrieved from <http://www.pewresearch.org/fact-tank/2015/01/16/this-year-millennials-will-overtake-baby-boomers/>
- Research Resolutions & Consulting, Ltd. Prepared for Tourism Northern Ontario. (2014). North American Motorcycle Tourists in Northern Ontario (RTO13): A Situation Analysis. Retrieved from <http://tourismnorthernontario.com/documents/assets/uploads/files/en/14-03-11-rto13-motorcycling-report-final.pdf>
- SRI International. (2014). 2014 Global Wellness Economy Monitor. Retrieved from <http://www.travelmarketreport.com/articles/Booming-Wellness-Tourism-Now-a-Nearly-495-Billion-Industry> .
- Stantec Consulting, Inc. (2013). Commercial market Study: Owatonna Minnesota. Retrieved from <http://owatonnadevelopment.com/wp-content/uploads/2015/07/Owatonna-Commercial-Study.pdf>
- State of Victoria (2013). *Motorcycle Tourism Strategy 2013-2016*. Retrieved from [http://www.tourism.vic.gov.au/images/stories/TV\\_Motocycle-Tourism-Strategy.pdf](http://www.tourism.vic.gov.au/images/stories/TV_Motocycle-Tourism-Strategy.pdf)
- U.S. Travel Association. (2015). U.S. Travel Answer Sheet. Retrieved from [www.ustravel.org](http://www.ustravel.org)
- Weeks, M. (2015). *2015 Multicultural Economy Report*. (Press release). Retrieved from <http://news.uga.edu/releases/article/2015-multicultural-economy-report/>

## **APPENDICES**

Appendix A: U.S. Travel Answer Sheet

Appendix B: Tourism and Minnesota's Economy

Appendix C-E: Student-generated market overviews on Millennials, motorcycle and bicycle tourism



# U.S. TRAVEL ANSWER SHEET

FACTS ABOUT A LEADING AMERICAN INDUSTRY THAT'S MORE THAN JUST FUN



## LEISURE TRAVEL

- Direct spending on leisure travel by domestic and international travelers totaled **\$650.8 billion** in 2015.
- Spending on leisure travel generated **\$99.6 billion** in tax revenue.
- Nearly 4 out of 5** domestic trips taken are for leisure purposes (79%).
- U.S. residents logged **1.7 billion** person-trips\* for leisure purposes in 2015.
- Top leisure travel activities for U.S. domestic travelers: (1) visiting relatives; (2) shopping; (3) visiting friends; (4) fine dining; and (5) beaches.

## BUSINESS TRAVEL

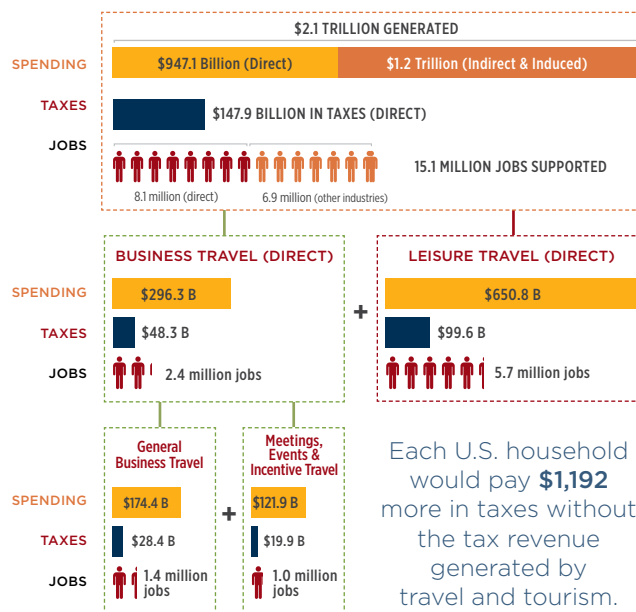


(Including Meetings, Events and Incentive)

- Direct spending on business travel by domestic and international travelers, including expenditures on meetings, events and incentive programs (ME&I), totaled **\$296.3 billion** in 2015.
- ME&I travel accounted for **\$121.9 billion** of all business travel spending.
- U.S. residents logged **454.5 million** person-trips\* for business purposes in 2014, with 36.7% for meetings and events.
- For every dollar invested in business travel, businesses benefit from an average of **\$9.50** in increased revenue and **\$2.90** in new profits (2012).

\* Person-trip defined as one person on a trip away from home overnight in paid accommodations or on a day or overnight trip to places 50 miles or more (one-way) away from home.

## U.S. TRAVEL INDUSTRY IMPACT



Source: U.S. Travel Association  
Note: Direct spending totals do not include international passenger fares  
= 1 million jobs

### SOURCES OF TRAVEL SPENDING



**TOTAL: \$947.1 billion** Source: U.S. Travel Association

## INTERNATIONAL TRAVEL

- In 2015, international traveler spending in the U.S. totaled around **\$133 billion** and U.S. residents travel spending abroad totaled **\$110 billion**, creating nearly **\$23 billion** trade surplus in international travel spending. Total U.S. Travel Exports (also including international passenger fares, and international traveler spending on medical, educational and cross-border/seasonal work-related activities) was **\$217 billion**.
- The U.S. received **75 million** international arrivals in 2015. Of those, approximately **36 million** came from overseas markets and **39.7 million** were from Canada and Mexico.
- The United States' share of total international arrivals is **6.3%** (down from **7.5%** in 2000).

- International travel spending directly supported about **1.1 million** U.S. jobs and **\$28.4 billion** in wages.
- Each overseas traveler spends approximately **\$4,400** when they visit the U.S. and stay on average **18 nights** (2013).
- Overseas arrivals represent **47%** of all international arrivals, yet account for **80.5%** of total international travel spending.
- Top leisure travel activities for overseas visitors: (1) shopping; (2) sightseeing; (3) fine dining; (4) national parks/monuments; and (5) amusement/theme parks.

### TOP 5 INTERNATIONAL MARKETS TO THE U.S. (2014 ARRIVALS)

ORIGIN OF VISITOR	2014
Canada	23.0 million
Mexico	17.1 million
United Kingdom	4.1 million
Japan	3.6 million
Brazil	2.3 million

### TOP 5 HIGH-GROWTH TRAVEL MARKETS THRU 2020 (forecasted)

ORIGIN OF VISITOR	ARRIVALS % CHANGE '20/'14
China	129.2%
India	47.0%
Taiwan	39.1%
South Korea	36.0%
Australia	26.5%

Source: U.S. Travel estimates based on U.S. Department of Commerce - National Travel and Tourism Office

Direct spending by resident and international travelers in the U.S. averaged \$2.6 billion a day, \$108.1 million an hour, \$1.8 million a minute and \$30,033 a second.

The U.S. Travel Association is the national, non-profit organization representing all components of the travel industry that generates \$2.1 trillion in economic output. It is the voice for the collective interests of the U.S. travel industry and the association's 1,350 member organizations. U.S. Travel's mission is to promote and facilitate increased travel to and within the United States. For more information, visit [www.ustravel.org](http://www.ustravel.org)

### BY THE NUMBERS (all data 2015 unless indicated otherwise)

**\$2.1 trillion:** Economic output generated by domestic and international visitors (includes \$947.1 billion in direct travel expenditures that spurred an additional \$1.2 trillion in other industries)

**15.1 million:** Jobs supported by travel expenditures (includes 8.1 million directly in the travel industry and 6.9 million in other industries)

**\$231.6 billion:** Wages shared by American workers directly employed by travel

**\$147.9 billion:** Tax revenue generated by travel spending for federal, state and local governments

**2.7%:** Percentage of nation's gross domestic product (GDP) attributed to travel and tourism

**1 out of 9:** U.S. jobs that depend on travel and tourism

**No. 7:** Where travel ranks in terms of employment compared to other major private industry sectors

**84%:** Percentage of travel companies that are considered small businesses (2012)

**2.2 billion:** Number of person-trips\* that Americans took for business and leisure purposes

**75 million:** Number of international arrivals in the U.S. in 2015, including 35 million from overseas markets

Travel is among the **top 10 industries** in 49 states and D.C. in terms of employment

Copyright 2016 by the U.S. Travel Association. All Rights Reserved. (04/2016)

## Economic Impact: Sales and Jobs

Travel/tourism in Minnesota generates:

### SALES

- \$13.6 billion in gross sales
- More than \$37 million a day

### JOBS

- 254,400 full- and part-time jobs
- 11% of total private sector employment
- \$4.7 billion in wages

### REVENUE

- \$878 million in state sales tax
- 17% of state sales tax revenues

Note: Data for leisure & hospitality sector, 2014

## International Travel to Minnesota

Minnesota's appeal as a travel destination extends across the globe, including:

- 633,00 Canadian travelers on overnight trips
- 258,000 additional international travelers from other countries

Note: Canadian estimate is for 2014; Estimate for other countries is 2012-2014 annual average

## Growth in the tourism industry

Sales at leisure and hospitality businesses grew 37% from 2004 to 2014, including 5% annual growth for 2014.



Leisure & Hospitality Gross Sales (in billions) 2004-2014

## Impacts of state tourism advertising

- 3.2 million Minnesota trips
- \$337.4 million traveler spending
- \$31.2 million direct state and local taxes
- 2.6 million additional intended trips in next 12 months
- \$75 to \$1 traveler spending return on ad investment
- \$7 to \$1 state and local tax return on ad investment

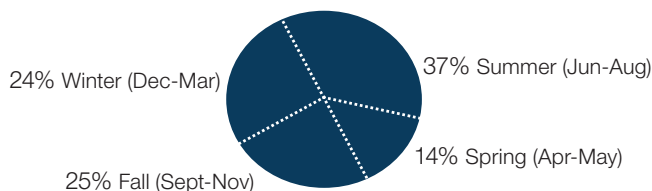
Note: Impacts of Explore Minnesota's spring/summer 2015 advertising

## Minnesota ranking among states

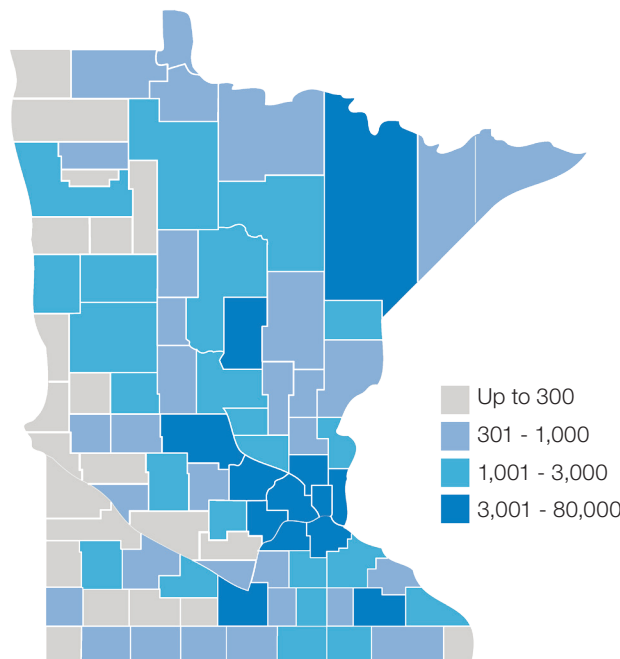
The economic impact of travel & tourism in Minnesota ranks significantly higher compared to other states in:

Traveler Spending	22 <sup>nd</sup>
Travel-Generated Employment	18 <sup>th</sup>
Travel-Generated Payroll	15 <sup>th</sup>
Travel-Generated Tax Receipts	10 <sup>th</sup>

## Traveler expenditures by season



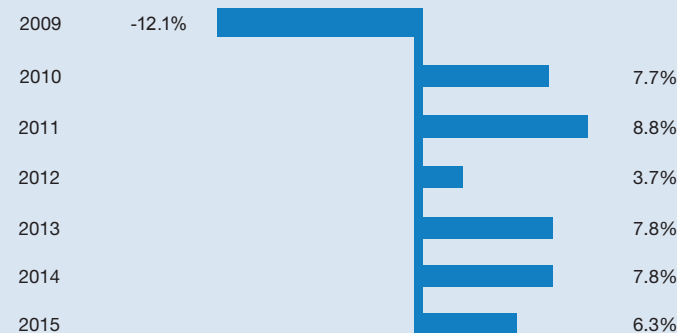
## Leisure & hospitality jobs by county, 2014



- Travel & tourism creates jobs and generates sales in every county of Minnesota.
- Tourism jobs represent all levels of employment, from important entry-level service jobs to high-paying executive positions.
- Traveler spending indirectly supports jobs in many other industries, as well, from financial services to printing.

## Change in room revenue

Source: STR, Inc.



After a decline in room revenue in 2009 due to the recession, Minnesota lodging properties have seen annual increases in room revenue.

## Traveler spending by sector

Spending during Minnesota's 69 million annual person-trips (including overnight and day trips) is distributed throughout the economy:

- Food 23.5%
- Lodging 21%
- Retail 17%
- Recreation 16%
- Transportation 16.5%
- Second Homes 6%

Find more information at: [industry.exploreminnesota.com](http://industry.exploreminnesota.com)

Sources: Minnesota 2015 Tourism Advertising Evaluation, Longwoods International; The Economic Impact of 2013 Travel in Minnesota, Tourism Economics; The Economic Impact of Expenditures by Travelers on Minnesota, June 2007-May 2008, Davidson-Peterson Associates; Minnesota Department of Revenue, 2014; Minnesota Department of Employment and Economic Development, 2014; Bureau of Labor Statistics; U.S. Travel Association; U.S. Department of Commerce, National Travel and Tourism Office, 2012-2014; Statistics Canada, 2014.

# Economic Impact by County

## Minnesota's Leisure and Hospitality Industry, 2014

	Gross Sales	Sales Tax	Private Sector Employment		Gross Sales	Sales Tax	Private Sector Employment
<b>Minneapolis - St. Paul Area</b>				<b>Southern Minnesota</b>			
Anoka	\$515,671,031	\$34,771,223	12,164	Big Stone	\$4,521,180	\$326,513	116
Carver	\$167,402,057	\$11,119,607	3,804	Blue Earth	\$178,359,038	\$11,631,162	3,963
Chisago	\$60,511,475	\$3,936,536	1,461	Brown	\$37,537,540	\$2,515,410	1,136
Dakota	\$817,349,108	\$53,729,727	17,379	Chippewa	\$15,833,603	\$1,107,936	384
Hennepin	\$4,681,048,376	\$307,267,775	79,869	Cottonwood	\$10,118,032	\$694,832	274
Isanti	\$33,960,959	\$2,378,311	951	Dodge	\$11,546,686	\$811,695	423
Ramsey	\$1,878,232,243	\$121,713,288	27,482	Faribault	\$11,065,714	\$739,566	301
Scott	\$353,798,403	\$19,830,978	5,896	Fillmore	\$20,026,267	\$1,411,494	629
Washington	\$477,244,735	\$32,203,251	10,700	Freeborn	\$44,426,704	\$3,011,110	1,009
Wright	\$207,778,783	\$12,010,512	4,472	Goodhue	\$69,953,034	\$4,750,068	1,803
<b>Region Total</b>	<b>\$9,192,997,170</b>	<b>\$598,961,208</b>	<b>164,178</b>	Houston	\$9,921,296	\$681,019	257
<b>Central Minnesota</b>				Jackson	\$10,478,233	\$682,046	318
Aitkin	\$21,303,335	\$1,429,108	474	Lac Qui Parle	\$4,059,040	\$277,276	98
Benton	\$54,806,319	\$3,654,142	1,328	Le Sueur	\$27,358,861	\$1,726,275	619
Crow Wing	\$219,764,993	\$13,723,626	3,969	Lincoln	\$4,078,741	\$296,194	102
Douglas	\$108,111,248	\$7,272,122	2,217	Lyon	\$70,864,422	\$3,251,500	1,377
Grant	\$2,178,720	\$129,392	46	Martin	\$34,217,605	\$2,185,015	807
Kandiyohi	\$88,229,427	\$5,462,315	1,637	Mower	\$50,175,741	\$3,309,800	1,228
McLeod	\$42,143,380	\$2,804,361	1,290	Murray	\$8,116,516	\$565,976	177
Meeker	\$18,578,868	\$1,251,223	502	Nicollet	\$35,372,248	\$2,439,473	926
Mille Lacs	\$47,710,177	\$2,605,451	885	Nobles	\$27,632,132	\$1,891,472	718
Morrison	\$40,789,850	\$2,820,276	1,045	Olmsted	\$445,238,740	\$29,345,590	8,316
Otter Tail	\$87,332,472	\$5,839,655	2,055	Pipestone	\$11,098,269	\$763,735	316
Pope	\$14,920,237	\$970,748	345	Redwood	\$25,863,966	\$1,844,768	416
Sherburne	\$82,294,708	\$5,245,656	2,163	Renville	\$7,679,065	\$540,555	264
Stearns	\$310,680,454	\$20,514,081	7,449	Rice	\$155,337,179	\$6,488,858	2,339
Stevens	\$16,147,681	\$930,812	351	Rock	\$10,431,131	\$727,352	261
Todd	\$19,966,823	\$1,386,165	365	Sibley	\$8,260,746	\$593,366	178
Wadena	\$15,559,350	\$1,060,268	388	Steele	\$69,652,276	\$4,278,490	1,543
<b>Region Total</b>	<b>\$1,190,518,042</b>	<b>\$77,099,401</b>	<b>26,509</b>	Swift	\$8,939,780	\$641,835	221
<b>Northwest Minnesota</b>				Traverse	\$1,932,793	\$135,744	0
Becker	\$79,053,922	\$5,090,534	1,552	Wabasha	\$27,002,096	\$1,775,116	777
Beltrami	\$92,827,650	\$6,031,109	2,192	Waseca	\$14,339,431	\$960,951	420
Cass	\$104,579,509	\$6,373,522	1,866	Watsonwan	\$7,244,083	\$488,290	205
Clay	\$81,953,715	\$5,310,616	1,945	Winona	\$98,293,435	\$6,650,028	2,331
Clearwater	\$5,707,849	\$418,449	180	Yellow Medicine	\$13,077,134	\$523,746	203
Hubbard	\$31,419,452	\$2,128,812	733	<b>Region Total</b>	<b>\$1,590,052,757</b>	<b>\$100,064,256</b>	<b>34,455</b>
Kittson	\$2,914,505	\$201,451	64	<b>Northeast Minnesota</b>			
Lake of the Woods	\$36,094,180	\$2,010,636	506	Carlton	\$66,832,919	\$3,968,889	1,084
Mahnomen	\$14,286,821	\$974,941	92	Cook	\$59,004,973	\$3,759,244	920
Marshall	\$5,173,475	\$399,428	125	Itasca	\$72,699,353	\$4,578,685	1,458
Norman	\$2,897,790	\$194,171	63	Kanabec	\$13,224,485	\$869,947	336
Pennington	\$25,212,483	\$1,696,670	551	Koochiching	\$29,761,365	\$1,898,140	578
Polk	\$47,697,630	\$2,932,443	1,114	Lake	\$34,781,898	\$2,289,774	896
Red Lake	\$2,320,566	\$168,422	66	Pine	\$66,451,094	\$3,530,607	958
Roseau	\$21,034,459	\$1,346,393	362	St Louis	\$508,749,581	\$34,530,464	10,533
Wilkin	\$4,537,697	\$321,876	127	<b>Region Total</b>	<b>\$851,505,668</b>	<b>\$55,425,750</b>	<b>16,763</b>
<b>Region Total</b>	<b>\$557,711,703</b>	<b>\$35,599,473</b>	<b>11,538</b>	<b>Minnesota Total</b> <b>\$13,622,881,649</b> <b>\$877,706,017</b> <b>254,380</b>			

Notes: State total does not equal the sum of counties or regions because some data is withheld to avoid disclosure of individual businesses; and some state level data is for businesses located outside of Minnesota. The Leisure and Hospitality industry consists of Accommodations; Food Services and Drinking Places; and Arts, Entertainment and Recreation.

Sources: Minnesota Department of Revenue; Minnesota Department of Employment and Economic Development



**TOURISM ASSESSMENT PROGRAM****MARKET OVERVIEW: Millennial Tourism**

By Corryn Bradley, Undergraduate Assistant

**INTRODUCTION**

Minnesota is home to 1.5 million millennials (ages 18-34) the largest of the generational cohorts (Helmstetter & Tigan, 2014). Millennial travelers took 3.4 more vacations in 2015 than in the past and are willing to “staycation” within 75 miles of home or vacation more locally for day trips or for overnight stays (Bishop, 2015). According to MMGY Research, 33% of millennials took at least one vacation within 50 miles of their home in 2015 (MMGY, 2015). While they are not yet the core spending group for travel, they will be in five to 10 years, and they will bring their habits with them (Barton, 2013). Millennials want to experience the culture of where they are traveling to and expect a full travel experience with memories they can share either with friends or on social media.



Millennials’ travel interests are not limited to just one thing. They are organized, active, and open-minded when traveling (Bishop, 2015). Millennials also differ from other generations in how they spend their leisure time. Travel and activities are planned more quickly than previous generations, and many millennials receive real time updates and advice from their friends on social media that influence their decision-making (Mink, 2014). Millennials prefer activities that offer a good value, while also being entertaining and interactive (Mink, 2014). They also want to take more vacations, but because they are not at peak earning potential yet, they often do not have the funds for lengthy, lavish vacations.

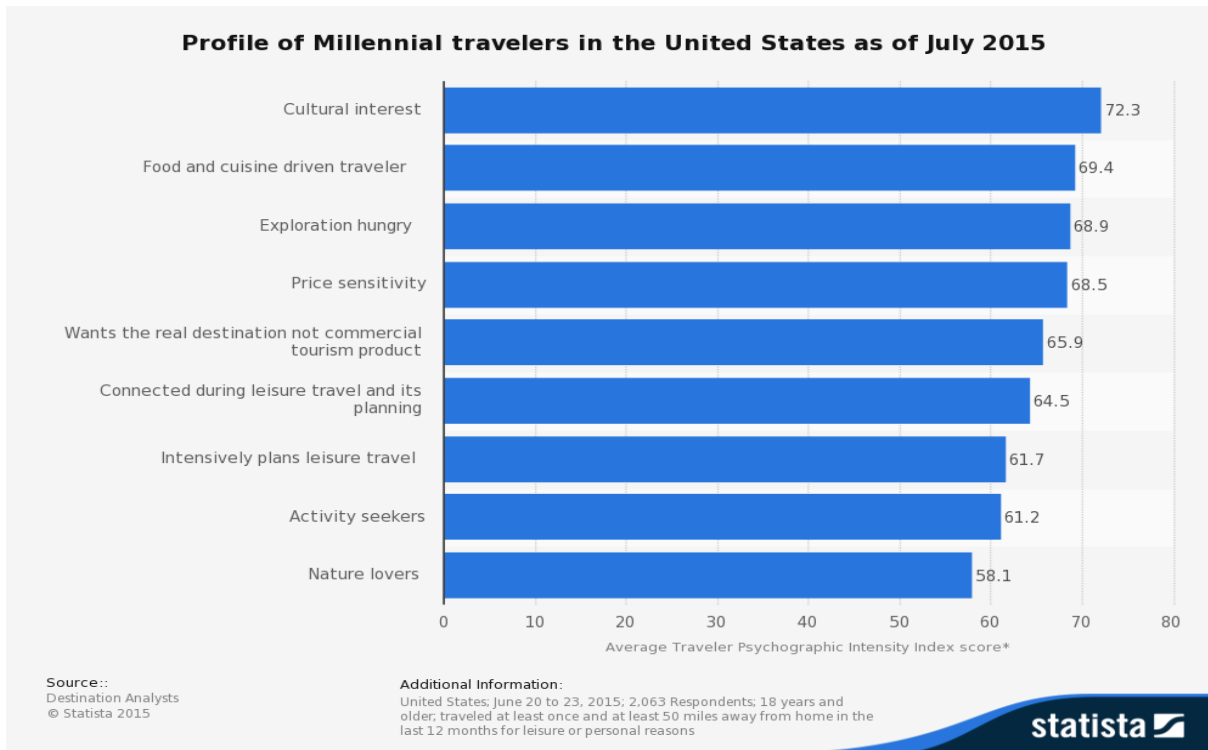


Figure 1. Profile of Millennial travelers in the United States as of July 2015.

### Travel Trends

Certain travel trends emerge among millennials. As a highly digital generation, many millennials still use more traditional methods of trip planning, such as using a travel agent (Rafat, 2015). In a survey conducted by The Center for Generational Kinetics, 1,000 U.S. adults were polled, ages 18-65, from September 30 - October 3, 2015. The following results were found:

- *Image is everything*: 27% of millennials have stayed in a hotel to impress someone.
- *Live for now*: 33% of millennials would put off buying a home to take a dream vacation.
- *Foodies & adventurers*: 79% of millennials say they are more adventurous about eating and drinking when traveling than when at home.
- *Old school travel methods*: While 59% of millennials say online ratings and reviews determine their hotel selection, a shocking 35% of millennials would still use travel agents when choosing a hotel.
- *Get rich quick*: 43% of millennials believe you should receive your first rewards program benefit as soon as you sign up.
- *Experience is everything*: 12% of millennials have quit their job to take a vacation or go to an event, such as a concert.
- *Gimme gimme goodies*: 69% of millennials see freebies (such as snacks, sandwiches, or to-go breakfast) as more important than increased loyalty or reward points.

## ***R&R-Recreation and Relaxation***

Travel trends among millennials show they value vacations, but they also want adventure and new experiences. Sixty percent of millennials say that experiencing nature is an important part of their leisure travel (Bratton, 2014).

Millennials are open to traveling to more rural places and are asking for how to do so. While vacationing, millennials feel a responsibility to connect to the culture of the destination, while also making some sort of difference (Bratton, 2014). Sixty-one percent of millennials desire quiet, peaceful destinations, but fear losing connectivity and not having enough to do on their vacations (Bratton, 2014). Forty-eight percent of millennials would prefer to visit an urban setting (Bratton, 2015).

## ***Millennials Love Food***

Millennials value food and are more likely to travel to places that offer unique and fun culinary experiences (Ashworth, 2012). Examples of culinary experiences that attract millennials are breweries, vineyards, specialty cheese and chocolate shops, as well as any other unique local food experiences. Essentially, they want something that they cannot get anywhere else. Food is another way the millennials distinguish their experiences from everyone else and connect with each other (Ashworth, 2012). There is an increasing trend in millennial culinary tourism. Below are several culinary tourism statistics:

- 51.4% of millennials will not travel to places that do not have good restaurants and food, and 63.9% of millennials desire unique, special, or interesting food experiences when traveling—something they can't get anywhere else. Food is an incredibly important marketing tool.
- 64.8% of millennials do extensive research about destination restaurants prior to traveling.
- 67.8% of millennials want to visit art, cultural, natural history, or science-related museums while traveling.
- 64.4% of millennials attend theater, performing arts, or live music shows when they travel.
- 62.3% prioritize learning about the culture of the destination they are traveling to.

## ***The Social Network***

Technology is a key distinguishing factor for millennials, especially when traveling. One-quarter of millennials cite technology as their generation's most unique feature (Pew Research Center, 2010). More than 90% of millennials use the internet frequently and nearly half (41%) have joined social networking sites (Pew Research Center, 2010). According to Benckendorff, Moscardo, and Pendergast (2009), millennials are the first generation to consider themselves global citizens from childhood, in part due to their comfort with technology and their use of social media. Their largest concern next to the quality of the experience itself is not being able to connect to Wi-Fi and share their trip on various social media sites. About 47.7% of millennials feel uncomfortable when they do not have access to emails or texting (Pew Research Center, 2010).

There is also a certain level of trust that millennials have toward travel destinations and accommodations that have semi-popular to very popular social media sites. Millennials use pictures to influence their desire to stay at a certain place or visit a certain location. Social network sites, such as Facebook, make up 47.6% of the research they conduct before deciding where to vacation; if it is a business trip, then reviews will decide where they choose to stay and eat (Francis-Cummings, 2014). Millennials are also drawn to the idea of "making it their own." From the vast amount of information that they have access to, they pick and choose what is the most relevant to them.

## References

- Ashworth, K. (2012, March 7). Millennials Are the Tastemakers in Food. Retrieved from <http://www.millennialmarketing.com/2012/06/millennials-are-literally-the-tastemakers-in-food/>
- Barton, C. (2013, March 18). Traveling with Millennials. Retrieved from [https://www.bcgperspectives.com/content/articles/transportation\\_travel\\_tourism\\_consumer\\_insight\\_traveling\\_with\\_millennials/](https://www.bcgperspectives.com/content/articles/transportation_travel_tourism_consumer_insight_traveling_with_millennials/)
- Benckendorff, P., Moscardo, G., & Pendergast, D. (2009). Tourism and Generation Y. Retrieved from <http://www.cabi.org/cabebooks/ebook/20103056772>
- Bishop, C. (2015). Millennials: Not Who You Think They Are. Retrieved from [http://www.mmgyglobal.com/media/1483518/8969\\_millennials\\_whitepaper2.pdf](http://www.mmgyglobal.com/media/1483518/8969_millennials_whitepaper2.pdf)
- Bratton, D. (2014, October 22). Marketing National Parks to Millennials and Baby Boomers. Retrieved from <http://www.destinationanalysts.com/marketingnationalparkstomillennials/>
- Destination Analysts. (n.d.). Profile of Millennial travelers in the United States as of July 2015. In *Statista - The Statistics Portal*. [Figure 1]. Retrieved, from <http://www.statista.com/statistics/318096/profile-of-millennial-travelers-in-the-us/>.
- Helmstetter, C., & Tigan, J. (2014, March 1). 6 surprising trends about Minnesota Millennials. Retrieved from <http://www.mncompass.org/trends/insights/2014-03-01-minnesota-millennial-trends>
- Francis-Cummings, E. (2014, October 17). Fun with Infographics: The Millennial Generation and New Travel Technologies - Destination Analysts. Retrieved from <http://www.destinationanalysts.com/fun-infographics-millennial-generation-new-travel-technologies/>
- Gailewicz, J. (2014, March 29). Meet the Millennials: The Consumers to Change It All. Retrieved from <http://thenextweb.com/entrepreneur/2014/03/29/meet-millennials-consumers-change-marketing-landscape/1/>
- Lee, T. (n.d.). Top 10 Millennial Traveler Trends. [Figure 2]. Retrieved, from [http://www.hotelinteractive.com/article\\_print.aspx?articleID=28911](http://www.hotelinteractive.com/article_print.aspx?articleID=28911)
- Mink, R. (2014, October 25). New study sheds light on millennial generation. *Leisure Group Travel Magazine*. Retrieved from <http://leisuregrouptravel.com/new-study-sheds-light-on-millennial-travel/>
- MMGY Global. (2015). Millennials & Travel Infographic. Retrieved from <http://mmgyglobal.com/infographic.html>
- Pew Research Center. (2010, February). Millennials: Confident, connected, open to change. Retrieved from <http://www.pewsocialtrends.org/files/2010/10/Millennials-confident-connected-opento-change.pdf>
- Rafat, A. (2015, March 16). Travel Habits of Millennials: Only 10 Percent Used a Travel Agent Last Year. Retrieved from <http://skift.com/2015/03/16/travel-habits-of-millennials-only-10-percent-used-a-travel-agent-last-year/>

## **STRENGTHENING MINNESOTA'S TOURISM**

The University of Minnesota Tourism Center is a collaboration of University of Minnesota Extension and the College of Food, Agricultural and Natural Resource Sciences.



## TOURISM ASSESSMENT PROGRAM

# MARKET OVERVIEW: Motorcycle Tourism

By Corryn Bradley, Undergraduate Assistant

## INTRODUCTION

The growth of motorcycle tourism is relatively new in Minnesota but filled with opportunity. Motorcycle tourism is already popular in the U.S. and globally in such areas as Europe and Canada and includes both independent motorcycle travelers as well as organized tours. For example, the Edelweiss Bike Travel is a touring company with more than 35 years of experience in motorcycle tourism offering tours in countries around the world including the U.S. (Elvidge, 2014).

### *Motorcycle Tourism Motivators*

There are limited studies on motorcycle tourism to identify demographic characteristics of motorcycle tourists and what they seek. In one study conducted by Tourism Northern Ontario in 2014, American motorcycle tourists were profiled against Canadian motorcycle tourists. It was found that American motorcycle tourists consider motorcycling as the trip driver, with 54% stating that it could be the primary reason for a trip instead of one of many trip activities. The study also found that cultural festivals, culinary experiences and historic attractions were of significant interest to these travellers. Additional activities of interest found in the study are noted in Figure 5.



© Explore Minnesota Tourism

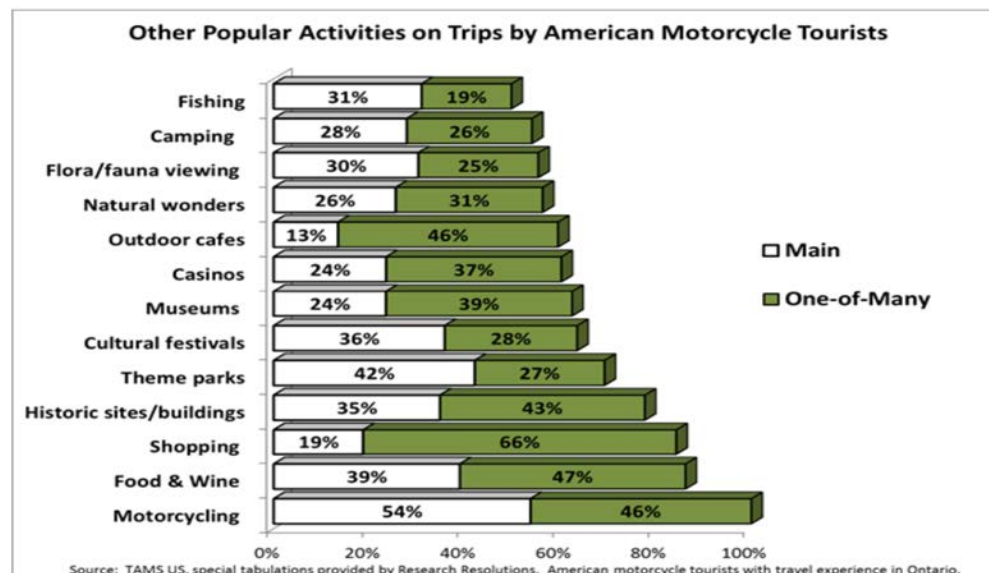
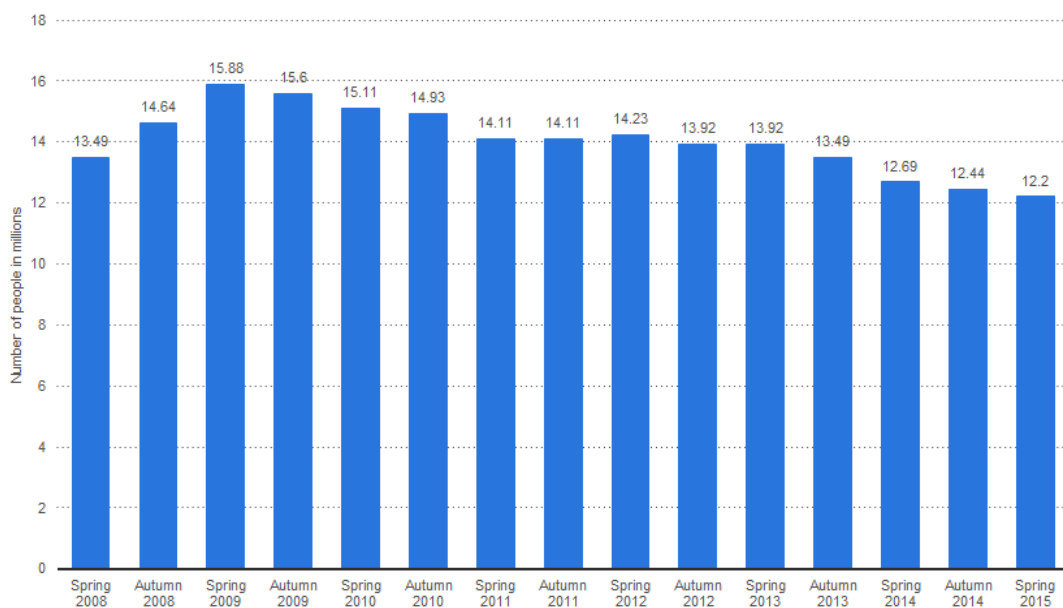


Figure 5: Popular Activities of American Motorcycle Tourists to Ontario

The study also found that American motorcycle tourists to Ontario, compared to Canadian motorcycle tourists, spent more on average, accounting for 71% of motorcycle tourist spending in the region. It is estimated that motorcycle tourists spent between \$16 million and \$20 million in 2013 (Tourism Northern Ontario, 2014).

### ***Motorcycle Ownership***

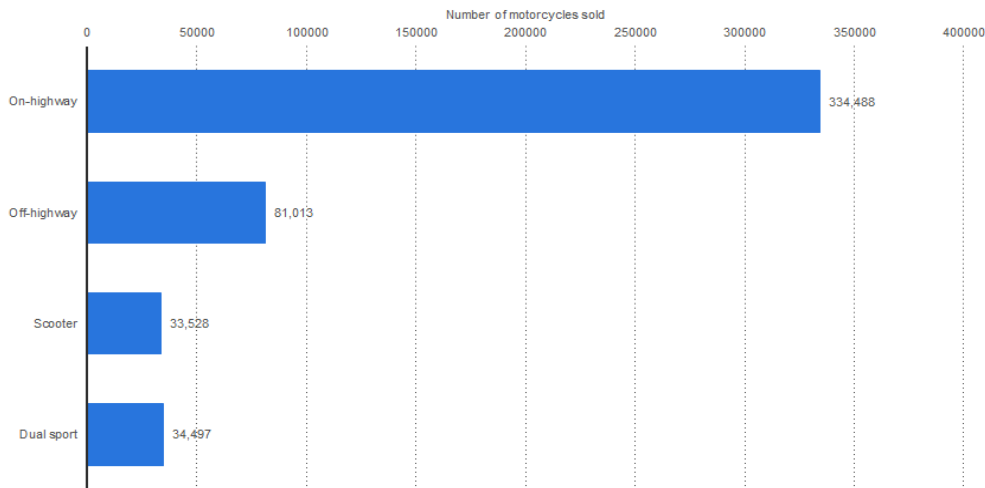
The Bureau of Transportation Statistics of the Research and Innovative Technology Administration released “Motorcycle Trends in the United States” (2009), which is a special report on the current and emerging trends involving street-legal motorcycles within the United States. They found, that during the last decade, there has been a notable increase in the number of motorcycle sales and registrations. Along with this growth, there has been a shift in the demographics of motorcycle users. All of this information is key to developing motorcycle tourism.



**Figure 2.** Motorcycle ownership: Number of people living in households that own a motorcycle in the United States (USA) from spring 2008 to spring 2015 (in millions).

### ***An Increase in Bike Sales***

Between 2005 and 2007, sales of sport bikes increased from 16 to 19 percent of all motorcycle sales (including off-road bikes, which are not distinguished from on-road motorcycles in the available total sales data); sales of touring bikes increased from 13 to 15 percent; sales of dual-purpose bikes increased from 3 to 4 percent, while sales of off-highway bikes decreased from 27 to 22 percent of total motorcycle sales (Morris, 2009).



**Figure 3.** The number of motorcycles sold in the U.S. in 2014, based on the type of cycle.

### *Owner Demographics*

Survey data from the Motorcycle Industry Council on motorcycle owner demographics from 1985 to 2003 reveals a shift toward older owners (Morris, 2009). The median age of owners increased from 27.1 years in 1985 to 41.0 years in 2003. From 1985 to 2003, the percentage of owners 40–49 years old increased from 13.2 to 27.9 percent, and the percentage of owners 50+ years old increased from 8.1 to 25.1 percent (Morris, 2009). Also, survey results for 2003 indicated that 90 percent of owners were male, while survey results for 1998 indicated that 92 percent of owners were male, a slight—but probably not statistically significant—trend consistent with growing female ownership (Morris, 2009).

The increased trend in motorcycle ownership can also be noted in the chart below, which ranks states by the highest motorcycle ownership. According to Bos (2014), Minnesota comes in ninth, with 240,288 motorcycles among a population of about 5,310,658 people, making it approximately 22 people per motorcycle. This is significant, especially because the population of Minnesota is markedly higher than that of other states ranked before it, skewing the data a bit. Also with Minnesota sharing a border with four of the other top ranked states—Wisconsin, North Dakota, South Dakota, and Iowa—the potential for regional motorcycle tourism is good. Motorcycle tourists love riding in comfort and enjoy long distance road trips as much as shorter day trips. They enjoy exploring rural areas, scenic byways, nature reserves, and small towns (Elvidge, 2014).

Rank	State	# Bikes	Population	People per bike
1	South Dakota	69,284	816,598	12
2	New Hampshire	79,266	1,316,807	17
3	Iowa	173,929	3,050,202	18
4	Wisconsin	317,276	5,691,659	18
5	Wyoming	30,351	564,554	19
6	North Dakota	32,654	674,629	21
7	Vermont	30,070	625,909	21
8	Montana	46,996	990,958	21
9	Minnesota	240,288	5,310,658	22
10	Alaska	30,983	714,146	23

**Figure 4.** 50 States Ranked for Highest Motorcycle Ownership based on people per motorcycle



## REFERENCES

Bos, B. (2014, February 16). States Ranked for Highest Motorcycle Ownership: You Won't Guess Who's No. 2 - The Motley Fool. (n.d.). [Figure 4]. Retrieved from <http://www.fool.com/investing/general/2014/02/16/50-states-ranked-for-highest-motorcycle-ownership.aspx>.

Department of Transportation. (n.d.). Percentage of long-distance trips in the U.S. by transportation mode in 2001. In *Statista - The Statistics Portal*. Retrieved from <http://www.statista.com/statistics/184164/percentage-of-long-distance-trips-in-the-us-by-transportation-mode-2001-2002/>.

Elvidge, J. (2014, September 24). Motorcycle Touring the Alps This budget Edelweiss tour pays big on adventure. Retrieved from <http://www.cycleworld.com/2014/09/24/motorcycle-touring-on-edelweiss-bike-travel-alps-extreme-tour/>

Explore Minnesota By Motorcycle. Retrieved from <http://www.exploreminnesota.com/travel-ideas/explore-minnesota-by-motorcycle/>

Morris, C. (2009, May 14). Motorcycle Trends in the United States. Bureau of Transportation Statistics. Retrieved from [http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/special\\_reports\\_and\\_issue\\_briefs/special\\_report/2009\\_05\\_14/html/entire.html](http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/special_reports_and_issue_briefs/special_report/2009_05_14/html/entire.html)

Nielsen Scarborough. (n.d.). Motorcycle ownership: Number of people living in households that own a motorcycle in the United States (USA) from spring 2008 to spring 2015 (in millions). [Figure 2]. In *Statista - The Statistics Portal*. Retrieved from <http://www.statista.com/statistics/228882/people-living-in-households-that-own-a-motorcycle-usa/>.

Research Resolutions & Consulting Ltd. (2014). "North American Motorcycle Tourists in Ontario: A Situational Analysis." Retrieved from <http://tourismnorthernontario.com/documents/assets/uploads/files/en/14-03-11-rto13-motorcycling-report-final.pdf>.

Statista - The Statistics Portal. (2015). "U.S. motorcycle sales in 2014, by type (in units)." [Figure 3]. Retrieved from <http://www.statista.com/statistics/252264/us-motorcycle-sales-in-units-by-type/>

US Department of Transportation. (n.d.). Leading states based on motorcycle registrations in the U.S. in 2013 (in 1,000s)\*. [Figure 1]. In *Statista - The Statistics Portal*. Retrieved from <http://www.statista.com/statistics/252507/leading-us-states-based-on-motorcycle-registrations/>.

## STRENGTHENING MINNESOTA'S TOURISM

The University of Minnesota Tourism Center is a collaboration of University of Minnesota Extension and the College of Food, Agricultural and Natural Resource Sciences.



## TOURISM ASSESSMENT PROGRAM

# MARKET OVERVIEW: Bicycle Tourism

By Corryn Bradley, Undergraduate Assistant

### INTRODUCTION

Bicycle tourism is a growing aspect of the tourism industry in Minnesota and across the United States. Thousands of people enjoy leisure riding, whether it is a few hours with family or a few days from state to state. Most leisure cyclists will travel to interesting destinations and highly rated trails. As one cyclist describes bicycle tourism, "It is the freedom to go as far as you want to and to go when you want to. There is no better way to connect with people." (Sani, 2014). In a first-ever global survey, the Adventure Travel Trade



© Explore Minnesota Tourism

Association (ATTA) studied 200 tour operators and found that bicycle tourism has become more organized and more important for consumers who travel worldwide. Jim Sayer Adventure Cycling Association's executive director (Sani, 2014) points out that more states and regions are calculating the economic benefits of bicycle tourism, as well as single and multi-day events. Many people, especially at the state level, are advocating for bicycle tourism.

Bicycle tourism is defined as, "Any travel-related activity for the purpose of pleasure which incorporates a bicycle" (Building Bike Tourism, 2015). This definition is broad, but purposefully so, because bicycle use is so varied. Bicycle tourism is an emerging way of understanding the array of economic activities that involve a bicycle. It is where business, tourism, and advocacy meet.

Bicycle tourism takes many forms including road touring and day trail rides. There is also some difficulty defining exactly what bicycle tourism *is*. The generally accepted definition of tourism classifies a tourist as someone who travels more than 50 miles from their home and stays overnight (Sani, 2014). However, for communities day travelers can also be an important market and this is true in developing local bicycle tourism. In order to increase bike tourism, considerations and accommodations need to be made for cyclists.

## Bicyclist Demographics

A study of touring cyclists in Montana (Nickerson et al, 2013) found that:

- Touring cyclists have a median age of 53 years old, 56% of cyclists have a median household income of \$75,000-150,000, with 10% earning over \$200,000, and 76% of respondents were male.
- 86% of touring cyclists indicated they bring a form of wireless technology with them during their trip. The most common uses for their wireless technology is for weather reports, directions/maps, lodging availability, sharing trip experiences online, and finding hours of operations.
- 92% of respondents indicated they were planning a multi-day cycle trip in the next three years with only 1% stating they were not planning a trip.
- Cyclists engaged in other related activities during the past three years such as: day road rides (87%), taking bikes on vacation (85%), independent bike touring (82%), casual riding in town (80%), and road racing (76%). Additionally, 46% of cyclists were spectators at a cycling-related event.
- Cyclists touring in Montana spend on average \$75.75/person/day and stay 8 nights or more in the state on average. Forty-one percent of those nights were spent in either hotels/motels or bed and breakfasts.
- Other activities participated in during their Montana multi-day cycling trip included visiting historical sites (40%), visiting Lewis & Clark sites (38%), wildlife watching (37%), day hiking (33%), and experiencing local breweries (29%).

Additionally, a 2013 study of users of the Illinois Prairie Path, a 61-mile multi-use trail connecting 18 communities in west suburban Chicago (Trails for Illinois, 2013) found:

- Nearly 66% of respondents traveled five miles or less to use the trail. Overall, survey respondents came from 100 different zip codes, including a handful from Michigan, Iowa, Minnesota, Wisconsin, Missouri, Colorado, Washington, Texas, and one from South Korea. (N=679)
- 54% of respondents identified as male, 46% as female. (N=657)
- 56% of respondents were over the age of 45 and 19% were younger than 35.
- 91% of respondents identified themselves as Caucasian, 2.4% Latino, 2% Asian, and 1% African American. (N=662)
- 30% of respondents who live outside the immediate area reported spending money during their trail visit on the day they were surveyed.
- The average amount spent by those reporting a purchase was \$41.50.
- Restaurants and bars (21%), grocery and convenience stores (10%) and vehicle expenses (8%) were the most common expenditures.
- For nearly 60% of respondents across all demographics, cycling was their primary activity on the trail. Walking, nature enjoyment running and socializing as additional reasons for using the trail.

## Bicycle Events

A very visible form of bicycle tourism that draws visitors from out of town is a bicycle ride, event or festival. There are many examples of community or regional bicycle rides as well as professional events such as races or competitions. For example, the Register's Annual Great Bike Ride Across Iowa (RAGBRAI) is a one week ride across the state on routes that change annually. According to the RAGBRAI website, it is the oldest and longest bike riding tour in the world. Started in 1973, RAGBRAI attracts participants and spectators from around the world. In 1997, an estimated 20,000 riders participated. The popularity of the ride has forced RAGBRAI officials to limit the number of riders to 8,500 each year. These events attract not only riders but also their family and friends who usually explore the town while attending the event.

## Bicycle Tours

Organized bike tours are another popular aspect of bike tourism globally. A number of tour companies specialize in arranging bicycle tours. These companies put together itineraries and routes that include interesting destinations and scenic rides. Bike tours establish routes and organized events, and they account for a large majority of the bike tourism industry (PedalMN, n.d.). Regional examples include the Family Fun Minnesota tour, a six-day group bike tour of Northern Minnesota.

## Opportunities for Communities

Heidi Beierle (2011), a bike tourism expert from the University of Oregon provides the following ideas for making communities cyclist friendly:

- Use "Cyclists Welcome" or "Bikers Welcome" signage at community gateways and at key visitor services, such as restaurants or motels.
- Have public restrooms available or ensure that at least one business offers free water and restroom access.
- Provide inexpensive lodging options, such as camping or hostel, along with hotel accommodations.
- Keep key destinations open at convenient times. Bicycle tourists travel every day of the week and usually begin riding early in the morning.
- Ensure restaurants and lodging either have Wi-Fi or know where cyclists may access it. If the area has poor cell coverage, know the best locations to find a signal.
- Educate local residents to develop friendly rapport with visitors, particularly cyclists, within the community and on the road. Every cyclist is a potential customer, and local residents can have a significant effect on whether or not the cyclist spends money in a community.
- Provide visible bike parking outside of restaurants, coffee shops, and cafes and understand that cyclists may want to sit within the business where they can see their bikes.
- For lodging establishments, allow cyclists to bring bicycles inside their room. Provide rags for use on bikes or other dirty items. Let cyclists know what time services (such as food, laundry, or entertainment) close for the evening and open in the morning.



## References

- Beierle, H. (2011, June 1). Bicycle Tourism as a Rural Economic Development Vehicle. [Figure 5]. Retrieved from <http://atfiles.org/files/pdf/Bicycle-Tourism-economic-development-Beierle.pdf>
- Building Bike Tourism | Travel Initiatives. (n.d.). Retrieved from <http://www.adventurecycling.org/bicycle-tourism/building-bike-tourism/>
- Cycling in Minnesota. (2014, May 16). [Figure 3]. (n.d.). Retrieved from [https://en.wikipedia.org/wiki/Cycling\\_in\\_Minnesota](https://en.wikipedia.org/wiki/Cycling_in_Minnesota)
- Larson, D. (2015). [Figure 4]. Encyclopingedia - USA Cycling Stats and Demographics - USA Cycling. Retrieved from <http://www.usacycling.org/corp/demographics.php>
- Mayer, F. (n.d.). (2010, August 1). Inside Minnesota's Booming Bike Economy. Retrieved from <http://www.minnesotabusiness.com/inside-minnesotas-booming-bike-economy>
- Nickerson, N.P., Jorgenson, J., Berry, M., Kwenye, J., Kozel, D. and Schutz, J.. (2013). Analysis of Touring Cyclists: Impacts, Needs and Opportunities for Montana. Retrieved from <https://www.adventurecycling.org/default/assets/File/USBRS/Research/Multi-dayCyclingStudyWeb.pdf>
- Nielsen Scarborough. (n.d.). Number of cyclists/bike riders: Number of people who have been cycling within the last 12 months in the United States (USA) from spring 2008 to spring 2015 (in millions). [Figure 1]. In *Statista - The Statistics Portal*. Retrieved from <http://www.statista.com/statistics/227415/number-of-cyclists-and-bike-riders-usa/>
- Pedal Minnesota. (n.d.). Retrieved from <http://www.exploreminnesota.com/pedal-mn/>
- RAGBRAI. (n.d.) General Information. Retrieved from <http://ragbrai.com/about/general-information/>
- Sani, M. (2014, November 6). Bicycle tourism industry is changing to suit consumer demand. Retrieved from <http://www.bicycleretailer.com/north-america/2014/11/06/bicycle-tourism-industry-changing-suit-consumer-demand#.Vkotv1WrRpg>
- Trails for Illinois. (2013). Making Trails Count: Illinois Prairie Path. Retrieved from <https://dl.dropboxusercontent.com/u/34402609/MTCIPP31014.pdf>

## STRENGTHENING MINNESOTA'S TOURISM

The University of Minnesota Tourism Center is a collaboration of University of Minnesota Extension and the College of Food, Agricultural and Natural Resource Sciences.

