
NORTHLAND MARKETPLACE

Newsletter for the Tourism Industry

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Volume II No.1

MARKET TRENDS

State Demographic Trends was the topic of R. Thomas Gillaspay, state demographer, at the State Tourism Conference held at **Cragun's Resort**. According to Gillaspay, trends in demography (population) result from changes in age structure, as well as the resultant activities of each age group. For example, the post World War II baby boom resulted in a large number of people 23-39 years of age today. Following the baby boom period was a "baby-bust," a period of few births, from the early 1960s until the mid-1970s. The result: 64 percent less babies born in 1973 compared to babies born in 1959. In the next five years the population of Minnesotans 40-44 years of age will increase, while the pre-retirement, 15-19 and 20-24 age groups will decrease.

Another major area of change in the population is women in the workforce. In 1970, less than 50 percent of women aged 35-44 were in the labor force. By 1980 the number increased to 60 percent, and is expected to increase to more than 80 percent by 1990.

The traditional family in which the father works and the mother stays at home with the children comprises approximately 4 percent of all families nationally. The family with one child and both parents working, single persons, childless couples and single parent families are more common. Time becomes a premium commodity as a consequence of two income families.

Participation in recreational activities is also often related to age. For example, fishing participation tends to rise to a peak in the 35-44 year age group, then decline in the 45-54 year age group. Activities such as downhill skiing are predominantly for younger groups, while other activities, such as cross-country skiing, tend to be uniform from youth to the fifties age group in participation.

As a result, the marketing profession aims towards promotion of what the "baby-boomers," those aged 23-39, do in their leisure time. According to a 1983 national survey, "baby-boomers" are more likely than other adults to be physically active.

Further demographic information may be obtained by writing:

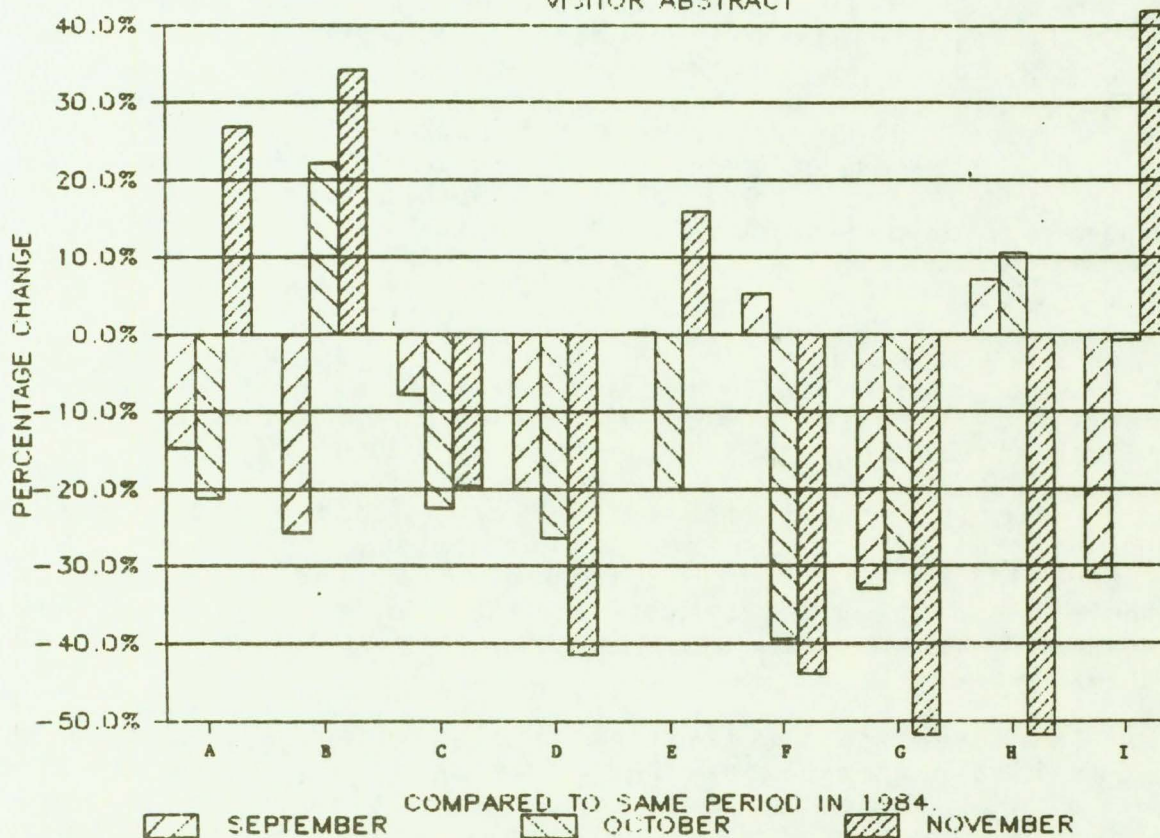
Office of the State Demographer
State Planning Agency
101 Capitol Square Building
St. Paul, Minnesota 55101

The Duluth and Northeastern Minnesota Visitor Statistics Abstract for December, 1985 shows an increase in attendance for the Duluth Arena Auditorium, Thompson Hill Travel Information Center, and Split Rock Lighthouse for the month of December. Among the probable causes of increased tourist travel in November was the grounding of the ship Socrates in Duluth, the winter sports season, and a change in the counting system.

On the other hand, Canal Park Visitors Center, Glensheen, St. Louis County Heritage and Arts Center, Tweed Museum, U.S. Hockey Hall of Fame and the Forest History Center experienced declines in visitorship during the same period.

DULUTH & NORTHEASTERN MINNESOTA

VISITOR ABSTRACT



DULUTH & NORTHEASTERN MINNESOTA VISITOR ABSTRACT

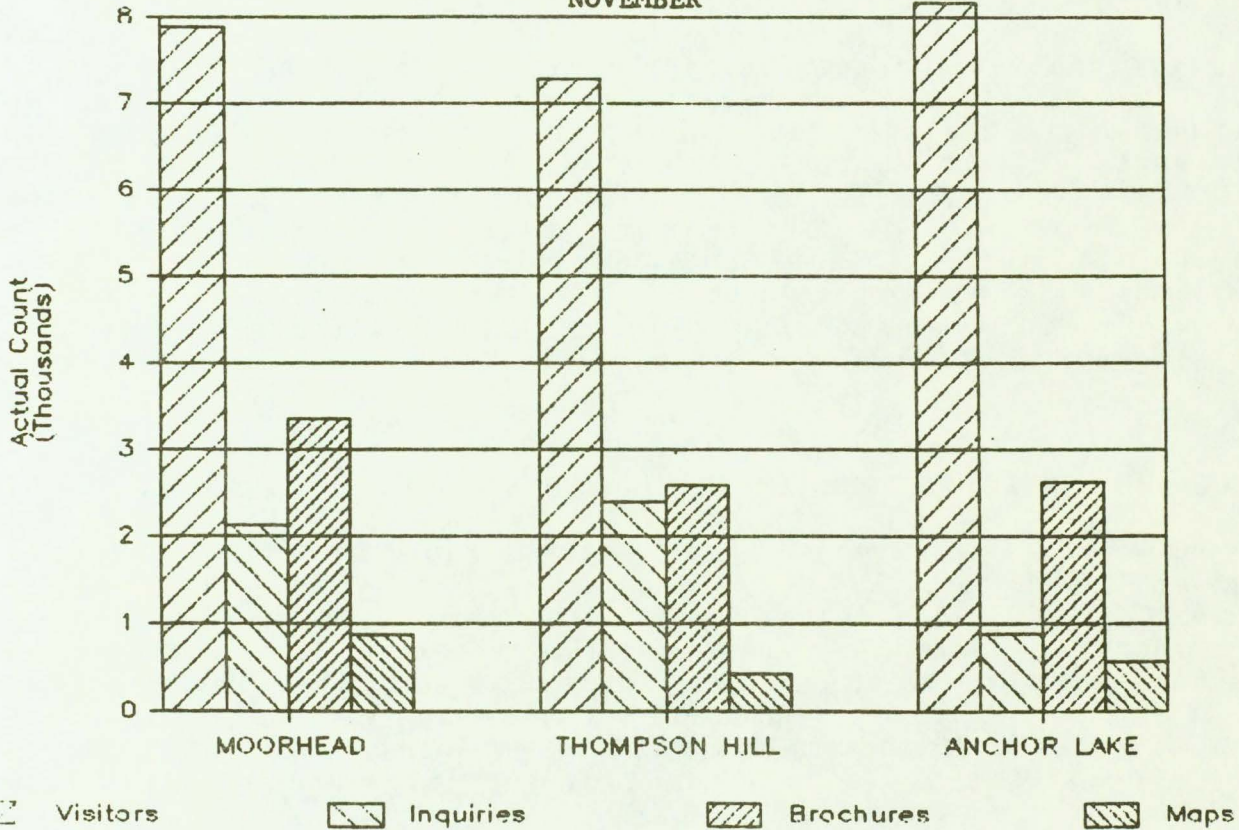
VISITOR SITE	MONTH		
	SEPTEMBER	OCTOBER	NOVEMBER
A CANAL PARK VISITORS CENTER	-14.73%	-21.23%	26.83%
B DULUTH ARENA AUDITORIUM	-25.67%	22.11%	34.23%
C GLENSHEEN	-7.78%	-22.38%	-19.51%
D ST. LOUIS CT HERITAGE & ARTS	-20.08%	-26.36%	-41.44%
E THOMPSON HILL	0.32%	-19.99%	15.87%
F TWEED MUSEUM OF ART	5.24%	-39.49%	-43.82%
G U.S. HOCKEY HALL OF FAME	-32.99%	-28.17%	-62.14%
H FOREST HISTORY CENTER	7.12%	10.55%	-61.83%
I SPLIT ROCK LIGHTHOUSE	-31.55%	-0.72%	422.50%

FROM STATISTICS COMPILED BY MN SEA GRANT.
COMPARED TO SAME PERIOD IN 1984.

The Minnesota Department of Transportation's Travel Information Centers (TIC's) were down system wide in visitorship, inquiries, brochure distribution and map distribution in November, 1985 compared to November, 1984.

Northern Minnesota Travel Center Data

NOVEMBER



SITE	VISITORS	INQUIRIES	BROCHURES	MAPS
MOORHEAD	7884	2124	3360	882
THOMPSON HILL	7280	2394	2593	426
ANCHOR LAKE	10601	887	2631	566

101:disk#7
1/21/1986

Compiled by Mn. Dept. of Transportation

1985 Assessment of the Tourism Year in Northern Minnesota was made by Dr. Tom Wood, director of the Tourism Management and Development Center at the University of Minnesota, Duluth. In examining and talking to many resorts, campgrounds, and outfitters in Northern Minnesota, it appears that 1985 did not continue the growth the tourism industry had in 1983 and 1984.

While, in general, 1985 generated less revenue than 1984, it was better than 1983. Nineteen eighty-four had been an exceptionally good year - those operators who had exceeded revenues in 1985 over 1984 had substantial price increases. Exceptions to this general statement were those operators who either expanded facilities in 1985 increasing their capacity, or new operators who improved their business through new and aggressive marketing.

In summary, the total number of people visiting northern Minnesota in 1985 was down from 1984. One factor which positively affected lodging and campground receipts in some communities, particularly Duluth, was the presence of large numbers of seasonal construction workers. The decrease in visitors can be attributed to several factors: 1) airline price wars providing low cost transportation to other destinations (e.g. Cancun, Florida); 2) Canterbury Downs inauguration and other Twin Cities activities which resulted in fewer traditional trips to northern Minnesota; and 3) extremely cool and wet weather in summer months (a major factor in cancellations).

RESEARCH

1984 ECONOMIC IMPACT OF TOURISM IN MINNESOTA

According to the U.S. Travel Data Center's report to the Minnesota Office of Tourism, U.S. travelers spent nearly \$4.8 billion in Minnesota during 1984, 5.7 percent more than in 1983. The travel dollars spent in Minnesota generated 115.9 thousand jobs, 6.4 percent of the nonagricultural employment in the state. Traveler spending generated 5.7 percent of all state tax revenue collected, \$275.1 million, plus an additional \$45.5 million in local tax revenue during 1984. Hennepin County led all counties in travel dollars with \$2.5 billion.

The Minnesota Office of Tourism has summarized the Office's **1985 Spring/Summer Survey results**. Among the survey's findings were:

- 1) expanded advertising by the state increased inquiries 12.4 percent during the spring/summer season
- 2) 97 percent of the respondents to the survey who did not vacation in the spring/summer of 1985 indicated that they plan to visit or vacation in Minnesota in the future
- 3) women tended to contact the Tourism Office for information more frequently than men, although both sexes read the material
- 4) inquiries from states other than Minnesota were up 15 percent, while in-state inquiries gained only 2.5 percent
- 5) the most common age groups in the travel parties consisted of individuals "under 18" and in the 25-44 year age group categories, according to the survey.

UMD's Tourism Center Research Activities, two Master's of Business Administration graduate students have completed their research requirements.

Susan Gall submitted her paper, "**An Analysis of the Camp Coast-to-Coast Marketing Program for Affiliates.**" The paper describes the trends in membership campgrounds and effectiveness of marketing techniques used in selling memberships.

Dale Pearson submitted his paper, "**A Study of the Use of Leisure Time Activities in Duluth, Minnesota.**" Pearson surveyed Duluth residents to determine how they use their leisure time, and analyzed the difference in their preferences to their actual participation. His study also examines where Duluthians spent their leisure time.

A study of Minnesota's private campgrounds is being conducted under the direction of Dr. Tom Wood by undergraduate students Margery MacLachlan (Brainerd), and Tammy Johnson (Alexandria). The study is in conjunction with the Minnesota Association of Campground Owners.

Dr. Wood, is also conducting an assessment of resort and outfitter marketing efforts in the Ely area.

CONSTRUCTION DEVELOPMENT

According to Neal and Carol Holter, owners, **The World of Christmas** boasts the largest collection of Christmas merchandise in the state of Minnesota. The World of Christmas now has four locations: Park Rapids, Pequot Lakes, Detroit Lakes and Walker. More information may be obtained from the World of Christmas at (218) 732-9609.

The former **Canadian National Railroad Depot** in Warroad became the new home for city offices, library and museum. The depot, built in 1914, closed in 1977. In 1980 the depot was proclaimed a State Historic Site by former Minnesota Governor Albert Quie and placed on the National Register of Historic Places by a special act of Congress. For further information contact:

Mrs. Mergens
Warroad, Minnesota 56763
or telephone: (218) 386-2317.

The community of Warroad also hosted a celebrity golf/fishing weekend to raise funds for the building of Warroad's new **Olympic Arena** which opened last fall. Among the celebrities who participated were professional hockey players from seven different teams, professional boxers, and coaches. Another similar Celebrity Golf Tournament is scheduled for July, 1986 at the Warroad Estates Golf Course. For more information contact:

Mike Marvin
Warroad, Minnesota
or call: (218) 386-2082.

Deer Trail Resort in Longville added a 15-unit campground with full hookups. A concrete boat run has also been constructed, according to Alice Moë of Deer Trail Resort in Longville.

Maddens Resort on Gull Lake, Brainerd, announced the construction of a new resort/conference center. The new facility which is expected to open April, 1986, will provide seating for 800 persons, an exhibit room, state-of-the-art audio visual equipment and related support equipment. It will contain approximately 30,000 square feet of space adaptable to serve groups of all sizes. Construction costs are estimated at approximately \$1.5 million. For further information contact:

Mark Anderson
Advertising/Public Relations
c/o Madden's Resort
Box 387
Brainerd, Minnesota 56401
or call: (612) 820-2811.

Trestle Inn restaurant and saloon is a new addition to Lee and Nita Schumacher's Crooked Lake Resort. Handmade tables and stove complement the interior of the Inn, while the exterior displays timber taken from a nearby railroad trestle. The same trestle was used during the logging days in the area some 60 years ago. The Crooked Lake Resort is located 20 miles from Finland, Minnesota. For more information contact:

Crooked Lake Resort and Trestle Inn
Box 548
Finland, Minnesota 55603

MEETINGS AND CONFERENCES:

The Heart of the Arrowhead Association promotes the use and enjoyment of the Isabella-Finland area. The Association meets every third Thursday of the month and presently has over 20 members from diversified businesses along State Highway 1. The Heart of the Arrowhead Association started in 1981 and was chartered in 1983. It is active in a variety of activities, including the St. Urho Day Celebration held in Finland, Saturday, March 15, 1986. The celebration includes a parade, a Finnish Ethnic Center, dances, and more. For more information contact:

Bonnie Tikkanen
Box 578
Finland, Minnesota 55603.

The State Bicycle Conference will be held Feb. 7-9 at Cragun's Resort and Conference Center in Brainerd. The conference is geared toward 4-H agents, youth, and civic leaders interested in learning how to establish and/or expand local bicycle programs. For further information contact Mike Dornfeld at (612) 296-1605.

The Minnesota Association of Campground Operators will hold their convention March 14th & 15th at the Sunwood Inn, St. Cloud. For further information contact:

The Minnesota Association of Campground Operators (MACO)
1000 E. 146th St.
Suite 121
Burnsville, MN 55337
or call: (612) 432-2228.

The Minnesota Motel Association will be holding its 34th annual convention February 27, 28 and March 1 at the Thunderbird Motel in Bloomington. The three day convention includes a management seminar on planning, the insurance situation and ways in which housekeeping can reduce costs, how to "speak media," including marketing, advertising, and publicity, hiring and firing, and the employee's right to know about hazardous substances in the work place. Hank Todd, Director, Minnesota Office of Tourism, will be the luncheon speaker on Saturday. Dave Jennings, Speaker of the Minnesota House of Representatives, will be the luncheon speaker Thursday. For information on the Minnesota Motel Association's 34th annual convention contact:

MMA

1000 E. 146 St.

Suite 121

Burnsville, Minnesota 55337

or call: (612) 432-2224.

MINNESOTA STATE ISSUES

The increasing use of gasohol is beginning to cut deeply into **Minnesota's State Highway Funds**, according to the November 22, 1985 **Minnesota Counties**. As a result of the gasohol increase, state and county highway officials express concerns that highway maintenance and construction projects may have to be dramatically curtailed. Highway funds come from the tax on Minnesota's gas, and are distributed approximately as follows: 62 percent state highway fund; 29 percent county highway fund; 9 percent city streets. Gasohol is a blend of 90 percent gasoline and 10 percent ethanol, a corn distillate. Gasohol receives a state tax exemption of 4 cents per gallon and 6 cents per gallon federal tax exemption. By July, 1985, gasohol consumption escalated to 21 percent of all gasoline sold in Minnesota. As a result of this increase, \$15 million is lost from the highway user trust fund. Projections indicate gasohol consumption may rise to 50 percent of all of Minnesota's gasoline intake, representing a loss of \$40-60 million per year to the highway fund. This can have a significant impact on our highway system and information centers in the near future.

The Commission on Minnesotans Outdoors, chaired by Lt. Governor Marlene Johnson, will examine existing outdoor recreation opportunities in Minnesota, analyze current trends and prepare a state plan for the future. The commission will work in conjunction with President Reagan's Commission on Americans Outdoors. Public hearings in 1986 have been scheduled to allow the public and its representatives to express their views and concerns February 4 in Duluth, April 2 in Moorhead, February 11 in Mankato, and April 16 in St. Paul. Members of the commission are Robert Dunn (Princeton), Wayne Olson (St. Paul), Mary Kenny (Bloomington), William Kirchner (Richfield), Alan Page (Minneapolis), Rodney Searle (Waseca), and Beverly Anderson (Minneapolis).

Minnesota lodging establishments will experience increased licensing fees due to a new state law. This law requires licensing agencies to take in as much money as they spend. As a result a base fee of \$50 plus \$20 per room up to a maximum \$250 is anticipated. According to a representative of the Licensing Division of the Minnesota Department of Health, the regulatory agency in this case, an investigation of their assessment system showed that an increase was necessary. Another area needing revision has been noted from complaints about the 36-100 room assessment presently charging a flat fee of \$120.

Wisconsin Tourism Development

Madison lawmakers are contemplating a bill which would provide for a one-fourth percent travel development fee on a broad range of recreation related businesses for promotion of tourism. Wisconsin travel demand, when compared to that of its neighbors (Michigan and Minnesota) is very favorable. Wisconsin draws nine times as many people from its five major market areas as does Minnesota and 17 times the number that Michigan draws. (Source: Greater Minocqua Chamber of Commerce, Wisconsin)

PUBLICATIONS

The Lake Superior Port Cities Magazine has increased its publishing frequency to six times per year. Added to the magazine is a feature, "Calendar of Events," which covers the Lake Superior region (Minnesota, Wisconsin, Michigan and Ontario). All events information should be sent to:

Events Editor
Port Cities Magazine
325 Lake Avenue South
Duluth, MN 55802

Please include: name of event, location, dates, times, sponsoring organizations, facility, and phone number for further information.

UMD's Tourism Center's spring issue of the **Northland Trekker** magazine will be distributed in February to outdoor and travel writers for the first time to whet their appetites. The **Trekker** is distributed free-of-charge to group trip leaders such as tour bus operators, car rental agencies, travel agents, and senior citizen organizations. This issue will feature Alexandria's Runestone heritage and Duluth's Fitger's On The Lake.

February 24, 1986 is the deadline for information for the Summer, 1986 **Trekker**. A Calendar of Events and several short feature stories on festivals/events require input from Chambers of Commerce and visitors attractions in Northern Minnesota. Name of event, place, dates/times, description of special or unique aspects of events, contact person/phone, and **photographs** are needed.

The Trekker's focus this summer will be **package deals**. If your business makes the arrangements for and offers reduced rates on group lodging, food, and/or recreation, please describe the details of the package for the **Trekker**.

Contact:

Jane W. Seybolt, Tourism
Publications Editor
Northland Trekker
116 SBE/UMD
10 University Drive
Duluth, MN 55812
Phone: (218) 726-8542

EDUCATION

The University of Minnesota-Crookston's Division of Hospitality and Home Economics offers a two year Associate Degree in Hotel/Resort Management. The program combines both technical and theoretical course work to prepare the student for midmanagement positions. According to Glenn Olson, chairman of the department, over 95 percent of the graduates find employment in the field or transfer to four-year institutions. For information on the Crookston program call toll free: 1-800-232-6466.

Hotel-Motel Restaurant Management - Alexandria Vocational Institute

The Alexandria Vocational Institute's Hotel-Motel Restaurant Management program is a 20-month program designed to prepare men and women for the hospitality industry primarily at entry point employment. Classroom, field-trips, an internship of on-the-job training and two work experiences are combined to give the student an understanding of management principles, human relations and modern business techniques essential to enter the hospitality industry job market. An example of one of their one-week work experience projects is the Duluth-Superior Work Experience Project with hotel properties in Duluth and Superior. Contact:

Kevin Kopischke
Hotel/Motel/Restaurant Mgmt.
Alexandria Vo-Tech Inst.
1601 Jefferson St.
Alexandria, MN 56308

or call: (612) 762-0221.

University of Minnesota, Duluth The School of Business and Economics is in the initial process of designing a tourism management concentration in conjunction with the Bachelor of Business Administration Degree. The degree concentration would be directed toward tourism-oriented small business owners and mid-management level positions within the tourism industry. Contact:

Dr. Thomas J. Wood, Director
Tourism Management and Development Center
116 School of Business and Economics
University of Minnesota
Duluth, MN 55812

or call: (218) 726-8542.

Twelve Ways To Kill A Festival

1. **Rest assured that everything will fall in place.** There is no need for organization.
2. **Begin your planning tomorrow.** These things are a piece of cake.
3. **Ignore Health Department regulations.** After all, the inspector was once on your bowling team.
4. **Give everybody equal authority.** There's no need for leadership.
5. **Assume that publicity is under control.** The local newspaper is sure to provide informational coverage.
6. **Draw up rigid plans.** Flexibility is for gymnasts, not festival organizers.
7. **Forget the idea of a simple event.** Get your money's worth and start out with a week-long festival.
8. **Demand help from local businesses and organizations.** They owe you some cooperation anyway.
9. **Don't worry about manpower.** You and your six helpers can handle any crowd.
10. **Move the festival's date around from year to year.** There's no reason to establish a traditional time for it.
11. **Discard receipts, invoices, and other records.** These things just get in the way.
12. **Let somebody else worry about start-up money.** Spend your time auditioning aerobic dancers.

Source: Arkansas Department of Parks & Tourism
"Building a Festival"

To: Tourism Friends

From: Tourism Management & Development Center
School of Business and Economics
University of Minnesota, Duluth
10 University Drive
Duluth, Minnesota 55812-9989

Re: **Northland Marketplace**

The Northland Marketplace is soliciting information on tourism related developments, attractions, and personalities for inclusion in this newsletter.

Please use this form to submit information. If additional sheets are needed, please feel free to photo-copy this one.

Please mail to the above address: **Northland Marketplace,**
Attn: Donald M. Stauty

Category of Information: (Please type or print)

Facility construction Attraction/Event Legislative
 Organizational Staff and/or Ownership change Other

Brief synopsis of information: _____

Contact Person: _____

Address _____

_____ Telephone _____

Private contributions account for a large part of the Marketplace's success. A **tax deductible** gift to the University of Minnesota Foundation, designated for the **Northland Marketplace**, will help ensure its future publication.

The Tourism Management & Development Center was established by the School of Business and Economics of the University of Minnesota, Duluth in response to the needs of Northern Minnesota's tourism-oriented small businesses and area attractions; to promote scholarly research in the tourism field; and to educate students in tourism management.

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