

# Minnesota Lodging Revenues Winter 2007-2008 (December – March)

## Preliminary Report

Prepared for:

**Explore Minnesota Tourism**  
State of Minnesota



UNIVERSITY OF MINNESOTA



and

**Minnesota Arrowhead Association  
Minnesota Heartland Tourism Association  
Southern Minnesota Tourism Association  
Metro Tourism Committee**

Prepared by:

**Davidson-Peterson Associates**  
A Division of Digital Research, Inc.  
201 Lafayette Center  
Kennebunk, ME 04043

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## 1.0 INTRODUCTION

The purpose of this report is to summarize the lodging revenues, occupancy, and average daily rates for winter 2007-2008 (December, January, February, and March) in Minnesota. To arrive at the estimated accommodations revenue, information was gathered from a sample of Minnesota's lodging industry.

For the winter season of 2007-2008, a total of 675 lodging properties were selected to participate in the survey – all of which were successfully contacted to complete a telephone interview. While 24% of the properties contacted provided no information, 75% provided complete information and 1% provided partial information such as occupancy figures, but no average daily rate or vice versa.

This report is the third of three seasonal lodging revenue reports that will be incorporated into an annual economic impact report following the spring season of 2008. A similar series of traveler profile reports are also provided and precede each seasonal lodging revenue report by about a month.

At the end of the study, results provided in all of the seasonal reports will be combined with results for the spring season of 2008 and additional survey data collected among Minnesota residents and travelers to estimate state, regional, and county level economic impacts, as well as provide detailed state and regional traveler profile information balanced by region and season.

No information from public campgrounds, including state and national parks, was included in this report. Information from public campgrounds will be collected by Explore Minnesota Tourism at the end of the study period and incorporated into the final economic impact report. Also, state and local taxes were included in the lodging revenue estimates as well as the estimated average daily rates.

Finally, these estimates are for preliminary purposes only and should be viewed as a barometer of winter 2007-2008. The estimates will change when all data has been collected for the year, including public campgrounds, and when we have added any new properties to the roster or removed properties no longer in business. These adjustments will be made at the end of spring 2008.

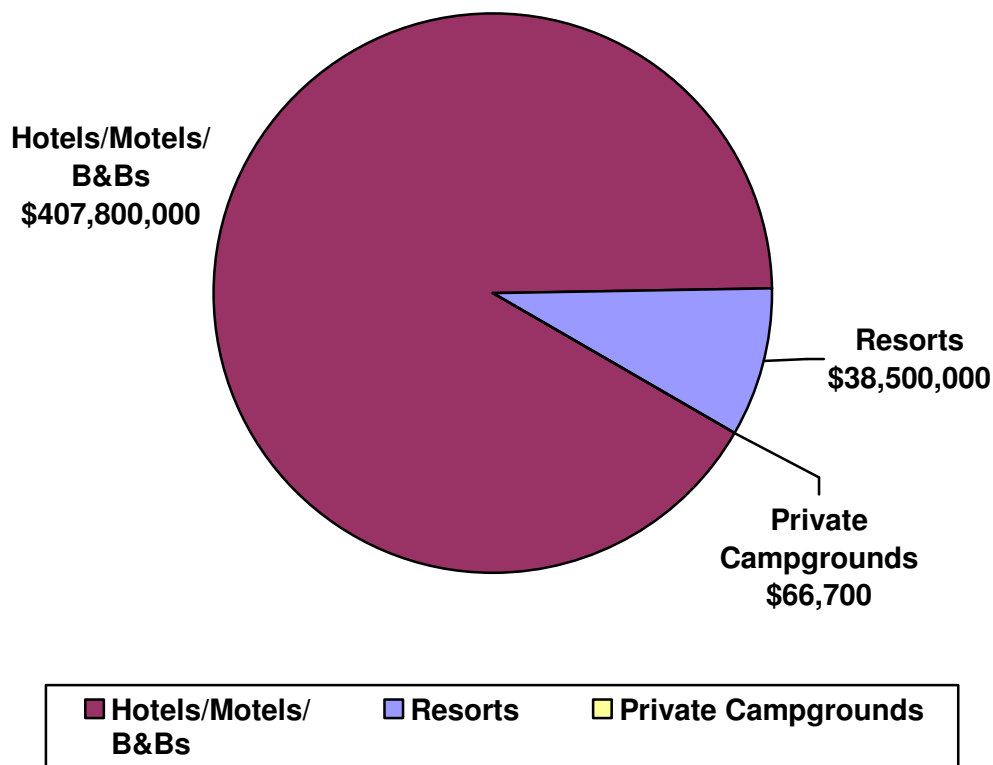
## 2.0 THE ESTIMATES

### Lodging Revenues

Winter lodging revenues were estimated at \$446 million, excluding revenue from those staying in public campgrounds.

Most of the lodging revenues for the winter of 2007-2008 were attributable to guests staying in hotels/motels/B&Bs. Of the \$446 million, 91% were from travelers staying in hotels/motels/B&Bs (\$408 million), while 9% were from travelers staying in resorts (\$38 million). Finally, less than 0.5% of lodging revenues were from travelers staying in private campgrounds (\$67 thousand).

**Total Revenues: \$446,300,000**



## **Occupancy**

The highest average occupancy reported in the winter season was from hotels/motels/B&Bs at 56%. Occupancy was substantially lower at resorts (38%) and private campgrounds (3%).

Type	Available Room-nights	Occupied Room-nights	Occupancy
Hotels/Motels/B&Bs	7,430,848	4,155,431	56%
Resorts	732,151	277,426	38%
Private Campgrounds	237,691	6,120	3%

## **Average Daily Rates**

The highest average daily rates in the winter season were reported by resorts (\$136.72) and hotels/motels/B&Bs (\$97.94). As expected, private campgrounds had the lowest average daily rates (\$10.68).

Type	Rate
Hotels/Motels/B&Bs	\$97.94
Resorts	\$136.72
Private Campgrounds	\$10.68

## **Caveats**

As noted in the Introduction, the winter lodging estimates presented in this report should be considered preliminary, and will be updated in the final economic impact report covering June 2007 through May 2008.

During the course of the 2007–2008 study, Davidson-Peterson Associates will attempt to contact all properties in the inventory database to, at a minimum, verify that the property is still in business and update the property size and open/close schedule accordingly. By the end of the 2007-2008 study, the lodging inventory update will be complete, and therefore, the universe used to project lodging estimates for the 12-month study period will be more accurate than that of the preliminary seasonal lodging revenue reports.

For the same reason, the lodging estimates presented in this report should not be compared to those presented in the (preliminary) winter 2005-2006 Minnesota Lodging Revenues report – both represent only initial indicators for the time period reported.

Additionally, the definition for the winter season was changed from a 3-month period (December, January, and February) in the 2005-2006 study to a 4-month period (December, January, February, and March) in the 2007-2008 study. Therefore, the data presented in this report cannot be compared to the previously reported winter season in 2005-2006.