



Lake Superior Tourism Study
**Collaboration Around the Lake: Situational Assessment
and Recommendations**

August 2018 | **Confidential**

Contents

Executive Summary	3
Background, Purpose, and Scope of Study	5
Interview Results and Supporting Research	11
> Ontario	13
> Minnesota	26
> Wisconsin	30
> Michigan	33
> Visitor Spending and Lodging Statistics	38
Collaboration: Insights & Considerations	41
Appendix	50



Executive Summary (1 of 2)

- With the purpose of informing its approach to collaboration for current and future tourism initiatives, TNO engaged Deloitte to conduct a situational assessment of stakeholders in the Lake Superior Watershed Region (LSWR)
- The LSWR was defined as the 16 counties in 3 US states and 2 districts in Ontario along the shore, with a total population of approx. 750,000 people
- The study centered mainly around a primary research effort consisting of 25 external interviews of Canadian and US stakeholders, complemented by secondary, desktop research
 - The majority of interviewees were representatives of local, regional, and state / district-level tourism bureaus / DMOs, but also included other organizations with an interest in the region
 - Stakeholders were asked to describe their key tourism activities and priorities, their experience with past collaboration efforts, and interest in collaborating around specific products / topics
- The interviews and research confirmed that tourism is significantly more developed along the US south shore, with a number of active communities in all three states, while in Ontario the activity is mainly concentrated in the two big population centers of Sault Ste. Marie and Thunder Bay
 - Of the three US states, Minnesota stands out for having the busiest tourism corridor along the lake, from Duluth all the way to the Canadian border, thanks in large part to its close proximity to the Minneapolis-St Paul metro area
 - In contrast, Wisconsin has the least activity on the US side, with smaller communities along the lake (with the exception of its share of the Duluth metro area), despite having one of the top tourism assets along the south shore: the Apostle Islands

Executive Summary (2 of 2)

- Based on our research and analysis, total visitor spend in the LSWR is ~CAD\$2.6 billion (~US\$1.9 billion)¹, a small fraction (<5%) of the total visitor spend in the three US states and Ontario
- The interviews revealed that regular collaboration, in particular cross-border collaboration, among local and regional stakeholders is relatively limited and informal
 - Whatever collaboration or communication exists relies mainly on personal connections, as opposed to formal mechanisms
 - Few examples of broad collaboration were provided by interviewees, with Ride Lake Superior standing out as the most referenced initiative
 - Despite generally positive attitudes to the idea of collaboration, some stakeholders were critical of past attempts or experiences, citing conflicts or misaligned interests
- An analysis of the interview results also revealed that local funding and priorities drive stakeholder behavior, that most stakeholders have very limited budgets and bandwidth to engage with others, and that personal relationships, focused initiatives, and bi-national leadership are all key to fostering productive collaboration
- In terms of opportunities for collaboration going forward, the Circle Tour was mentioned but did not generate a lot of excitement, while the hot topics of cruising and cultural tourism were suggested by some as promising areas for exploring cross-border collaboration, albeit with challenges
- As it explores opportunities for future collaboration, we suggest that TNO be mindful of initiatives already underway, to create spaces for networking and sharing of information, to structure collaboration initiatives wisely, and ensure that they have clear, unbiased, bi-national leadership
 - Developing innovative products, programs and initiatives, and being bold in promoting and leading them, will significantly influence TNO's visibility, reputation, and ability to drive change

¹ Using an average 2016 currency exchange rate of 1.326 CAD to 1 USD [<https://www.ofx.com>]

Background, Purpose and Scope of Study

Background, Purpose and Scope of Study

Background and Purpose of Study

- As the Regional Tourism Organization (RTO) in charge of Northern Ontario, TNO is always exploring ways to boost tourism-based development and growth in the region
- Given the important role that collaboration among stakeholders has played in TNO's efforts in Canada, it is interested in further exploring similar opportunities with US stakeholders across the lake
- The purpose of this study, therefore, has been to conduct a situational assessment of the stakeholders around the lake to better understand priorities and perspectives on cross-border collaboration

Scope

- The main component of this study was a primary research effort consisting of 25 external interviews of Canadian and US stakeholders identified by TNO
 - During these interviews, Deloitte gathered information on the stakeholders' key activities and priorities, their past experiences and views on tourism collaboration in general and cross-border in particular, and any suggestions for future collaboration
- The results of the interviews were complemented by secondary desktop research of the stakeholders' websites, key publications, and high-level tourism statistics, where available
- Based on the combination of both the primary and secondary research results, the report also outlines a series of key insights, learnings, and recommendations on the topic of collaboration

Scope > Interviews > US Stakeholders

The following is the list of US stakeholders that were interviewed for the study (identified by TNO)

US Stakeholder List			
Name	Organization	State	Interview Date
David Lorenz	Pure Michigan	Michigan	27-Apr
Paul and Cindy Hayden	Lake Superior Magazine	Minnesota	1-May
Linda Hoath	Sault Area Convention and Visitor Bureau	Michigan	2-May
Linda Kratt	Visit Cook County	Minnesota	2-May
Tim Campbell	Explore Minnesota	Minnesota	4-May
Susan Estler	Travel Marquette	Michigan	7-May
Anna Tanski	Visit Duluth	Minnesota	10-May
Mary Motiff	Bayfield County Tourism	Wisconsin	10-May
Tom Nemacheck	Upper Peninsula Travel and Recreation Association	Michigan	11-May

Scope > Interviews > Canada Stakeholders

The following is the list of Canadian stakeholders that were interviewed for the study (identified by TNO)

Canada Stakeholders Interview List			
Name	Organization	State	Interview Date
Paul Pepe	Tourism Thunder Bay	Ontario	25-Apr
Dan Belvilaqua	Superior Country	Ontario	26-Apr
Heather Bot	Algoma Country	Ontario	27-Apr
Marlaine Kohler	Waterfront Regeneration Trust	Ontario	27-Apr
Steve Burnett	Great Lakes Cruising Coalition	Ontario	27-Apr
Kirsten Spence	Quercwood Consulting	Ontario	30-Apr
Joanie McGuffin	Lake Superior Watershed Conservancy	Ontario	1-May
Debbie Jewell and Noreen Cartwright	Ontario Ministry of Tourism, Investment Development Office	Ontario	2-May
Rhonda Koster	Lake Head University, Acting Dean, Faculty of Social Sciences	Ontario	7-May
Brian Lachine	Wawa	Ontario	8-May
Betty McGie	Private Owner/Operator	Ontario	9-May
Ian McMillan	Tourism Sault Ste. Marie	Ontario	9-May
Ray Nadeau	Hotel Association - Thunder Bay	Ontario	9-May
Mark Fisher	Council of the Great Lakes Region	Ontario	10-May
Steve Bruno	Destination Ontario	Ontario	17-May

Scope > Complementary Desktop Research

The following main sources of information were consulted as part of our secondary research effort to complement interviews

Sources For US Research	Sources For Canada Research
<p>County Websites</p> <ul style="list-style-type: none"> • County Visitor Guides • County Annual Reports • County Economic Development Strategy Plans & Budgets • County Marketing Plans, Infographics, & Press Kits • County Recreation Plans • County Tourism Industry Analysis/Reports • County Cultural Plans <p>Databases</p> <ul style="list-style-type: none"> • US Census 2016 • State Visitor Reports <p>Third Party Research Provider</p> <ul style="list-style-type: none"> • Veritas Economic Consulting • Longwoods International • Tourism Economics' Regional Economic Impact Reports • Wisconsin Taxpayers Alliance <p>Academic Institution Research Reports</p> <ul style="list-style-type: none"> • Michigan State University <p>Press or Other Articles</p> <ul style="list-style-type: none"> • Circle Michigan 	<p>Websites of the stakeholders interviewed</p> <ul style="list-style-type: none"> • Community Annual Reports • Community Economic Development Strategic Plans • Community Regional Vision Reports • Brochures for the Circle Tour, RVing, angling, cycling, nature and adventure <p>Databases</p> <ul style="list-style-type: none"> • Statistics Canada <p>Third Party Research Provider</p> <ul style="list-style-type: none"> • Tourism Research from the Ministry of Tourism, Culture, and Sport • CBRE <p>Press or Other Articles</p> <ul style="list-style-type: none"> • American Friends of Canadian Land Trust • Tourism Industry Association of Canada • TB News Watch • City Population

TNO Overview

Created and funded by the Ontario Ministry of Tourism, TNO acts as a liaison and champion for the industry and all of its stakeholders in Northern Ontario

TNO is the largest of the 13 Regional Tourism Organizations (RTOs), created to help improve collaboration, harmonization and communication between stakeholders (e.g. DMOs, government agencies) across the tourism industry.

Mission: Take a leadership role to strategically guide and champion growth in Northern Ontario's tourism industry, through strong communication, collaboration and partnerships with industry.

2017 Business Plan Focus Areas

1. Governance
2. Product Development and Investment Attraction
3. Marketing & Communications
4. Workforce & Industry Training
5. Partnerships

Timeline of Strategic Developments



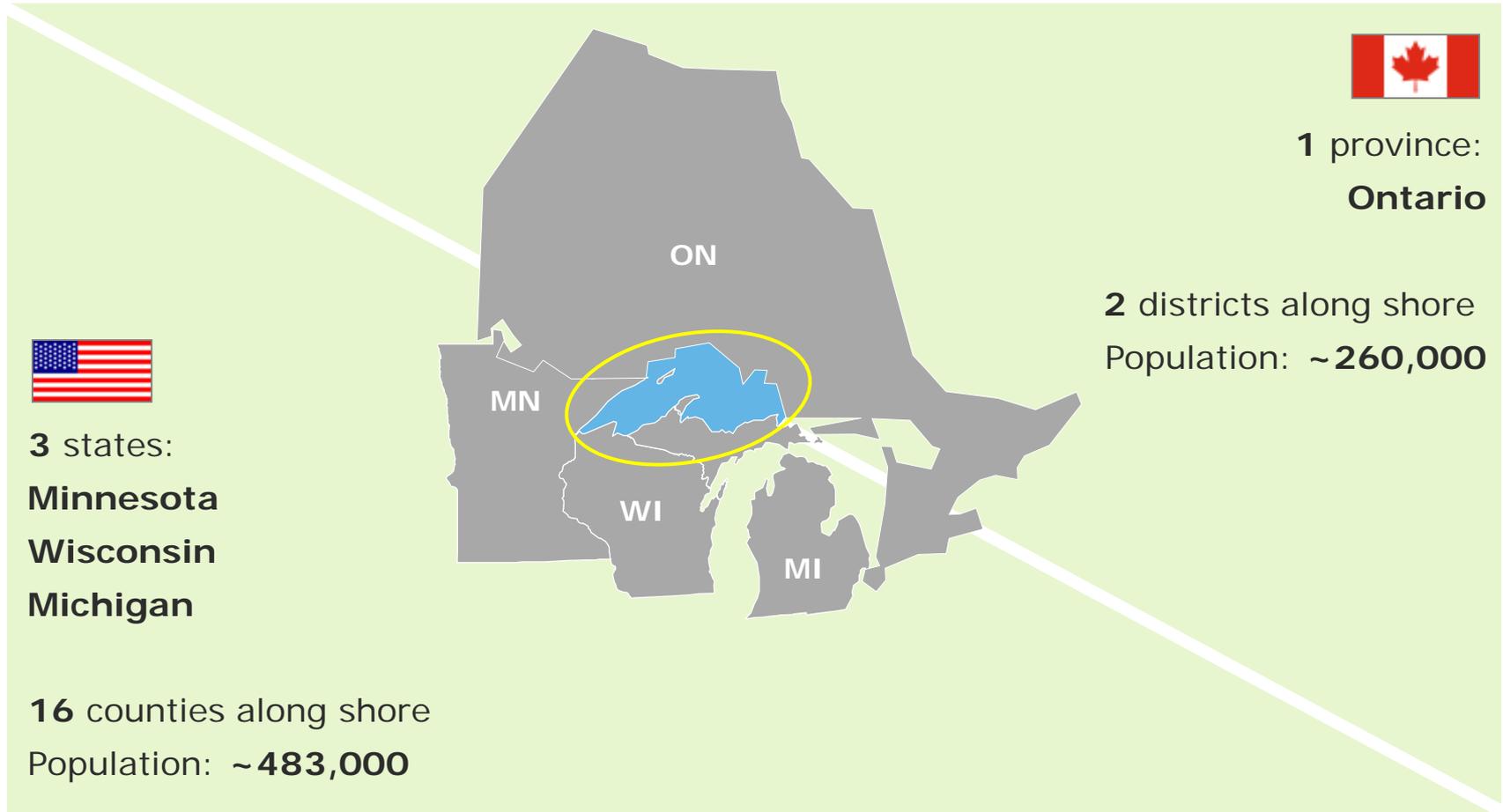
Sample Collaborative Initiatives

- ▶ TNO partnered with Manitoulin Island Cycling Advocates and Island municipalities to install large trail marker signs at eight Manitoulin Island locations (2018)
- ▶ TNO, in partnership with the French River Resorts Association and Northeastern Ontario Tourism, developed an Experience Fishing Program to support operators in developing and enhancing product offerings and accessing new markets through additional training (2017)

Interview Results and Supporting Research

The Lake Superior Watershed Region

Lake Superior is bordered by 3 US states and the province of Ontario, with ~750,000 people living in counties / communities along the shore



Canada > Ontario > Overview

The Canadian North Shore is anchored by two large population centres in opposite ends, with a handful of small communities in between



Ontario: List of districts along shore		
District	Population ¹	Main Community
Algoma	114,094	City of Sault Ste. Marie
Thunder Bay	146,048	City of Thunder Bay
>Total	260,142	

Ontario	
Number of counties along shore:	2
Share of total state population ¹ :	1.9%

Tourism Highlights

- Thunder Bay and Sault Ste. Marie attract the lion's share of tourism in Ontario's North Shore, while small communities in between, like Wawa, Terrace Bay and Nipigon, are slowly waking up to tourism.
- The city of Thunder Bay has been experiencing a boom over the past few years, with high occupancy rates in the summer months (close to 90%, third highest in the country), a vibrant culinary scene, and new construction projects underway or in the pipeline.
- Sault Ste. Marie, meanwhile, has also been investing to develop major attractions and experiences, such as The Agawa Canyon Tour Train and Group of 7 tour, which have been attracting international interest.
- Outside of these two cities, the rest of the Ontario shoreline is much less developed and attracts few visitors, with Wawa and Terrace Bay in particular making changes to become more tourist friendly.

Sources:
¹ www12.statcan.gc.ca/

Canada > Ontario > Stakeholder Interviews

Destination Ontario



Description

Destination Ontario (DO) is the DMO of the Ontario Government.

Funded by the ON government, DO's mission is to generate visitation, enhance tourism expenditures, and contribute to provincial economic prosperity through impactful marketing and investment partnerships.

Website | www.ontariotravel.net



The DO website is modern, easy to navigate, and visually attractive; it offers lots of carefully curated content focused on places and experiences.

Interview Highlights

- Ontario faces significant challenges with Lake Superior: transportation to markets, entrepreneurship, seasonal businesses, limited infrastructure.
- There is potential to reposition the North and develop products around (a) parks, (b) iconic trails, and (c) paddling to attract international travelers.
- Many businesses in the North are stuck in the past, with limited or no online presence, and are not very customer-focused (e.g. limited opening hours).
- There is an urgent need to attract younger talent with new ideas rooted in the natural beauty of the North (e.g. glamping, treehouses, eco-lodges).
- DO is always open and interested in holding regular meetings with stakeholders to discuss best practices and innovation not only in tourism, but other industries, too.

Key Publications / Content



2016-2017 Annual Report

Highlights Destination Ontario's activities and performance results for the fiscal year 2016-2017.



2015-2019 Local Comprehensive Outdoor Recreation Plan

Serves as a guide for the development of existing and future outdoor recreation areas and facilities in the county to meet the recreational needs of its residents and visitors.

Canada > Ontario > Stakeholder Interviews

Algoma Country



Description

Algoma Country (AC) is the DMO for the Algoma district.

Funded via government grants and member fees, its mission is to support tourism growth through partnerships, product development, research, education, and marketing.¹

Website | www.algomacountry.com

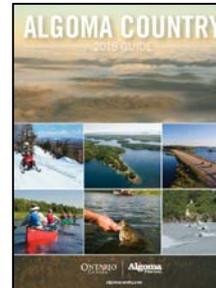


The AC website is attractive and modern with a sharp brand identity and professional images that enhance what Algoma has to offer.

Interview Highlights

- AC works in partnership with destinations in Northern Ontario, TNO, and Trillium on a regular basis.
- Michigan is a key target market for the Algoma region, given its proximity and population, with a focus on outdoor activities, such as fishing and hunting.
- There is a significant gap in infrastructure and services along the North Shore that is hindering tourism growth; things like fuel and restrooms are few and far between.
- There is a close working relationship between Wawa and Algoma Country, focused on supporting specific activities such as snowmobiling, with good results.
- Coordination among stakeholders is an arduous task along the North Shore; needs are great and funds are limited, so compromises are often required.

Key Publications / Content



Algoma Country 2018 Guide

Introduces Algoma Country's fishing, hunting, touring, outdoors, cities & towns, events, travel information, and business directory.

¹ https://tiac-aitc.ca/cgi/page.cgi/_membership.html/5073-Algoma-Country
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Canada > Ontario > Stakeholder Interviews

The Municipality of Wawa

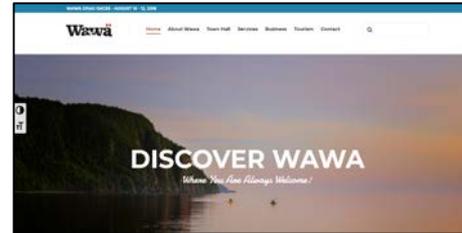


Description

The Municipality of Wawa is an active community in Algoma Country.

Boosting tourism is a priority for the municipality, which receives support and grants from multiple sources to fund infrastructure and product development.

Website | www.wawa.cc



Wawa's website is modern and attractive, and aligns with Algoma Country's branding; also includes professional images that highlight the areas key assets.

Interview Highlights

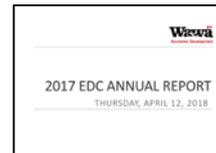
- The area specializes in power sports (boon docking, on- and off-trail snowmobiling) and wants to diversify into other assets (e.g., blueberry wine farms).
- Wawa has received funding from multiple sources over the years to improve its infrastructure, including \$2.1 million to beautify the inland lake area, playground structures, signage, marketplace, and theatre.
- Wawa is modelling its strategy after Terrace Bay's to entice visitors to stay for 1-2 days by redoing their downtown storefronts, investing in beautification, and marketing their lighthouse attraction.
- Outpost operators (lodges deep in the forest) have difficulty connecting with visitors interested in fishing and the wilderness experience; addressing this is key to Wawa, since it serves as the gateway for many of them.

Key Publications / Content



The Corporation of the Municipality of Wawa Staff Monthly Report

Outlines the Wawa's capital projects, attractions, tourism strategy, new projects, funding and grants.



2017 Economic Development Corporation Annual Report

Highlights Wawa's key partnerships, marketing goals, new incentive programs, and the fiscal year's results.

Canada > Ontario > Stakeholder Interviews

Tourism Sault Ste. Marie



Description

Tourism Sault Ste. Marie (TSSM) is the tourism DMO of the city.

Funded mainly via the municipal budget, its core objectives are to undertake product initiatives, grow tourism activity, and leverage the city as a gateway to world-class outdoor activities.

Website | www.saulttourism.com

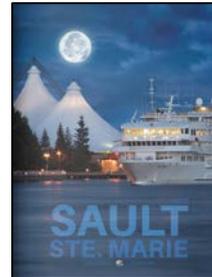


The TSSM website looks professional, easy to navigate, and has lots of helpful information, but the design is not as visually attractive or fresh compared to others in this report.

Interview Highlights

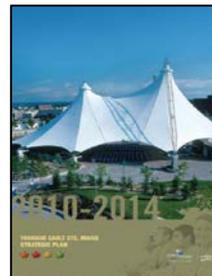
- Post 9/11, the Soo witnessed a shift to domestic tourism due to cross-border security concerns and passport issues, but the situation has improved since then.
- TSSM has focused on developing unique experiences, like the Group of Seven and the Agawa-Canyon tour train, which is attracting global travelers, especially from Asia.
- The development of these experiences has required collaboration and multiple sources of funding to achieve the desired results (e.g. \$12M to upgrade trains).
- TSSM echoed that a lack of tourism infrastructure is a major gap in the North Shore; basic things like rest stops, hotels, phone reception, need to be addressed.
- Relationship with the Soo Michigan has been good in the past, but there is still much that can be done together under a “twin cities” mentality.

Key Publications / Content



Sault Ste. Marie Visitor Guide

Introduces Sault Ste. Marie’s boat tours, marinas, summer and winter activities, lodging, waterfalls, food, and vacation packages.



2010-2014 Tourism Sault Ste. Marie Strategic Plan

Includes a situation analysis of Sault Ste. Marie, SWOT analysis, goals, objectives, target markets, renewed positioning and strategic direction, marketing/ promotional strategies and tactics, and partnerships.

Canada > Ontario > Stakeholder Interviews

Superior Country



Description

Superior Country (SC) is the regional DMO in Thunder Bay district, formerly known as North of Superior Tourism Association.

Funded via its members and advertising revenue, its purpose is to promote the Northwest Ontario region to generate revenue for its members.

Website | www.superiorcountry.ca

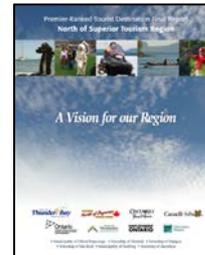


The SC website is modern and visually attractive, with professional images. Provides good content on the region's outdoor activities, assets, and attractions.

Interview Highlights

- SC markets the region for municipalities, private operators, retail lodges, and businesses and is looking to engage in more product development opportunities and enhancing the Circle Tour publications.
- The Circle Tour stamp initiative has been successful in building partnerships with participating states and attracts travelers (50% of which are motorcyclists).
- Emerging product-centric strategies and product initiatives such as glamping or water experiences have lots of potential, and could greatly benefit the region.
- The Night Skies initiative and snowmobiling are opportunities that target and attract specific groups of tourists, such as photographers, during the off-season and winter months.

Key Publications / Content



A Vision for Our Region Tourist Destination Final Report 2008

Outlines Superior Country's regional profile, product dimensions, performance results (including visitation, occupancy, and yields), and its plans moving forward.



Lake Superior Circle Tour Adventure Guide 2018

Highlights key information about the Circle Tour to include details of crossing the border, mileage charts, key attractions and activities within the participating regions, and maps.

Canada > Ontario > Stakeholder Interviews

Tourism Thunder Bay

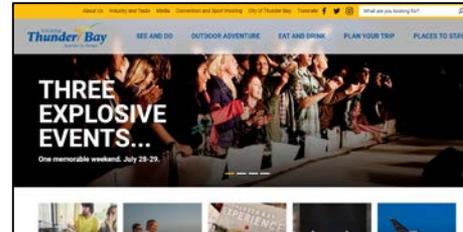


Description

Tourism Thunder Bay (TTB) is the local DMO of Thunder Bay.

Funded via government budget and local hotel tax, it focuses on boosting tourism development and activity through marketing initiatives, partnerships, and new products.

Website | www.visitthunderbay.com



The TTB website is attractive, vibrant, and easy to navigate, with professional photos and plenty of content and suggestions on what to do in the area.

Interview Highlights

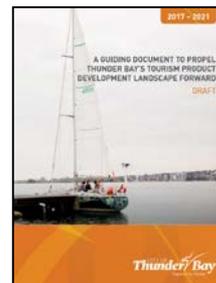
- Tourism has grown significantly in the Thunder Bay area for several years, but is still largely domestic and tied to events and general business activity.
- Leisure tourists are slowly waking up to the area's assets, just as the city is broadening its culinary offerings and expanding its hotel capacity.
- TTB was a key contributor to the development of Ride Lake Superior, which was very much a grassroots effort that took hold thanks to personal relationships.
- Collaboration has been historically difficult due to cities and counties focusing on their own jurisdictions, but that is changing as the Lake becomes the big attraction.
- Being mindful about seasonality is key to fostering collaboration; activities that exacerbate capacity issues in the summer are much harder to get off the ground.

Key Publications / Content



2018 Thunder Bay Experience Visitor Guide

Introduces Thunder Bay's water activities, ports, the marina, beaches, parks & leisure, hiking/biking trails, galleries, museums, entertainment, food & drinks, sports, and shopping centers.



2017 – 2021 Product Development Guiding Document [Draft]

Outlines key focus areas for product development in Thunder Bay, as well as the roles, responsibilities, resources and activities to support the pursuit of each product development strategy.

Canada > Ontario > Stakeholder Interviews

Lake Superior Watershed Conservancy



Description

Lake Superior Watershed Conservancy (LSWC) is a registered charity.

Funded via grants and donations, it is dedicated to ensuring the long-term sustainable health of the LS region through education, communication, scientific study, preservation, and conservation¹.

Website | www.superiorconservancy.org



The LSWC website layout is basic, but functional. Provides essential information about the organization, its goals, and activities.

Interview Highlights

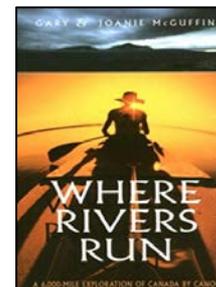
- LSWC is registered on both sides of the lake: a registered Canadian non-profit, and a company in the US, Lake Superior Conservancy Inc.
- Top priority is to support a collaborative network of communities to responsibly evolve the culture, economy, and tourism around the Lake.
- Protecting the health and conservation of the Lake is key to ensuring its future tourism potential; LSWC is keen on making sure that stakeholders keep this in mind.
- The relationship with the First Nations communities in the Lake Superior region has not been great, and most communities are not engaged in the tourism dialogue.
- Cultural tourism has significant potential in Lake Superior, but will require bringing the First Nations communities to the table.

Key Publications / Content

	2016	2017
Revenue		
Contributions	\$ 38,500	\$ 102,000
Grants	49,000	65,000
Other Income	1,000	1,000
Expenses	(10,000)	(10,000)
Net Income	78,500	158,000
Expenses		
Salaries	50,000	50,000
Travel	1,000	1,000
Printing	1,000	1,000
Advertising and Promotion	1,000	1,000
Telephone	1,000	1,000
Utilities	1,000	1,000
Professional Fees	1,000	1,000
Depreciation and Amortization	1,000	1,000
Other	1,000	1,000
Change in Net Assets	78,500	158,000
Net Assets at Beginning of Year	10,000	88,500
Net Assets at End of Year	88,500	246,500

2017 Consolidated Financial Statements

Highlights Lake Superior Watershed Conservancy's performance results for the fiscal year 2016-2017.



Where Rivers Run

A published book written by Joanie and Gary McGuffin about their 2-year honeymoon canoe trip across Canada.

¹ http://docs.wixstatic.com/ugd/4aae23_f5ce0b89befe4b06b5c8609f62a9a6e1.pdf
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Canada > Ontario > Stakeholder Interviews

Waterfront Regeneration Trust



Description

Waterfront Regeneration Trust (WRT) is a registered charity.

Funded via donations and government budget depending on the project, its purpose is to renew and expand partnerships and networks and develop and implement a collaborative communications plan to promote the great lakes waterfront trail.

Website | www.waterfronttrail.org



Recently redesigned, the WRT website now has a modern look and feel and provides lots of relevant content; also integrates social media and news into the home page.

Interview Highlights

- The Waterfront Trail is a unique asset that draws many visitors and connects many waterfront communities; there is still plenty of potential going forward.
- Cycling tourism is a big opportunity worth billions of dollars and American cycle tourists are willing to travel long distances, staying overnight in hotels prescribed by the designed routes assigned by the trails.
- Infrastructure gaps in Canada represent a challenge in portions of the Trail; addressing them can unlock more opportunities to bring in tourists for longer periods.
- Successful collaboration along the North Shore will require buy-in from First Nations communities where tourism has not been a part of their economy, in contrast to places like Manitoulin Island, where tourism has been a priority.

Key Publications / Content



2014 Strategic Plan

Provides a summary of Waterfront Regeneration Trust's vision, mission, and strategic direction for the next decade.



2013 State of the Trail Report

Describes current attributes of the Trail and projects underway shaping the Trail's improvement and expansion.

Canada > Ontario > Stakeholder Interviews

Council of the Great Lakes Region



Description

The Council of the Great Lakes Region (CGLR) is a member-based organization.

Funded via members, sponsors, and project-specific funding, its goal is to enhance collaboration and cross-border integration in the GLR to tackle the region's common challenges.

Website | www.councilgreatlakesregion.org



The CGLR website is well-developed with several professional photos of vibrant backdrops. It also has beautiful cover art for its publications.

Interview Highlights

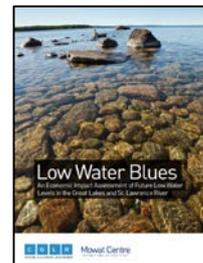
- CGLR members are in discussions on how to reposition the region to capture global growth in tourism, attract visitors for more than 1-2 days, and balance the flow of tourists between the US and Canada.
- CGLR also contributes with white papers and research on various topics, such as a recent report on the Great Lakes & Lawrence Region Tourism Trends and Statistics.
- A key consideration when fostering collaboration is having the right stakeholders at the table and taking into account political sensitivities and motivations.
- Key tourism goals for the next 5 years include making people aware of the Great Lakes and the opportunities they represent; getting stakeholders together at various levels to promote and support activities financially; and addressing concerns / issues hindering growth.

Key Publications / Content



Great Lakes Tourism Trends Report

Provides an overview of the nature, size, and impact of tourism activity in the Great Lakes and St. Lawrence River region in the North American context, with key statistics and trends.



Economic Impact Assessment of Future Low Water Levels in the Great Lakes

Discusses issues faced by the Great Lakes, performing analysis of the situation, measures the economic impact, and suggests areas for future action.

Canada > Ontario > Stakeholder Interviews

Great Lakes Cruising Coalition



Description

The Great Lakes Cruising Coalition (GLCC) is a binational member organization.

Funded via its members, it focuses on developing the infrastructure, capabilities and resources to grow cruising activity in the Great Lakes.

Website | www.greatlakescruisingcoalition.com

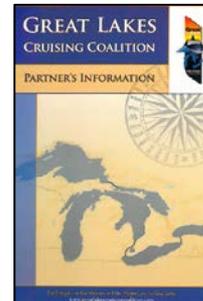


The GLCC website is more text-based, visually less developed, and appears to be more passive than the websites of the other stakeholders in this study.

Interview Highlights

- The Great Lakes are one of the last un-cruised places, and Lake Superior is typically seen as a remote, exotic cruising destination to be discovered.
- Lake Superior is a top prize for global cruising operators that are shifting towards smaller expedition cruises catering to affluent, adventurous travelers.
- Further development of tourism offerings in the area will be required to attract adventurous travelers that like to venture out of the ship and explore.
- Investment in infrastructure is needed to expand multi-use docks (for freight & cruising) with limited capacity at Sault Ste. Marie, Red Rock, and Thunder Bay.
- Laws on cabotage on both sides of the lake are a significant stumbling block for the development of cruising in the Great Lakes, along with border security; solutions are being discussed for both.

Key Publications / Content



Great Lakes Cruising Coalition Partner's Information

Outlines GLCC's mission statement, types of cruise adventures, inland experiences, the role of cultural tourism, and other state attractions.

Canada > Ontario > Stakeholder Interviews

Lakehead University and Quercwood Consulting



Description

Lakehead University is a major academic institution based in Thunder Bay that has been following and studying economic development and tourism in the area for many years.

Interview Highlights

- Significant infrastructure gaps such as paths without shoulders for cyclists, few bathroom facilities, and poor signage on the North Shore are limiting tourism growth.
- Many North Shore communities are resource-based economies and are reluctant to branch out into tourism; a shift in mindset is required to be more visitor-friendly and expand their infrastructure and services.
- Larger, forward-thinking communities have better relationships with government partners, yielding a better history of getting grants and drafting proposals, causing friction with smaller ones who become dependent.
- The best model for cross-border collaboration would be to bring stakeholders together to air out concerns in-person, to identify and build collective strengths to make everyone better off, in some kind of binational forum focused on Lake Superior tourism.



Description

Quercwood Consulting advises on trail development, planning, and project management.

Quercwood has significant experience with grass-roots organizations along the North Shore; currently working in developing a trail in Marathon.

Interview Highlights

- Trails are one of the biggest products that the North Shore has to offer, but many are not in ideal conditions and require attention.
- Developing and marketing trails as destinations (e.g. Group of 7 trail, Marathon Trail) is a great way to support the development of tourism in the North Shore; they can provide a boost to depressed areas.
- There is a 'North Shore Network' that brings together municipality representatives on a quarterly basis to share their respective ongoing and planned projects.
- The Heart of the Continent is an example of a cross-border collaboration between Canada and the US, mostly around land protection, that was supported by National Geographic.
- First Nation communities needs to be more broadly integrated into tourism efforts around the Lake.

Canada > Ontario > Stakeholder Interviews

MTCS-IDO and Lodging



Description

The MTCS Investment and Development Office focuses on promoting tourism investment in the province and providing support to hundreds of events and festivals in the province, among other key activities.

Interview Highlights

- The MTCS-IDO works in collaboration with TNO, and has also funded studies to develop tourism assets, products or programs in the province in the past.
- Historically, bi-national collaboration between border states and provinces has not been hugely successful; despite many attempts.
- The funding model for tourism DMOs and bureaus in the US (largely via hotel or other form of tax) keeps them largely within their borders.
- The MTCS-IDO has been significantly involved in promoting cruising in the Great Lakes and attracting cruise operators to the province, but there are many hurdles and stakeholders involved; it is complex.
- There is lots of interest in the North among Western Europeans, Germans – there was an attempt to get Air Berlin to fly to Thunder Bay, but didn't go through.



Description

TNO stakeholders in the lodging sector, representing small lodges and larger hotels.

Interview Highlights

- From a small business angle, accessing financial support has become harder over the years in the province; less government support is available and banks are tough
- TNO has been a positive development for the North, since it has increased visibility of Northern issues in Toronto, where priorities tend to be different
- TNO has been supportive of small businesses / lodges, and has been successful overall in bringing stakeholders together to collaborate, think on issues collectively
- Since passports were made a requirement in the US, it has been harder to get Americans to cross the border; there are many more Canadians crossing south
- The hunting / fishing tourism niche is an important one for Northern Ontario and has been a focus for TNO; there is still potential to do more, and ecological conservancy must be an integral part of any effort

US States > Minnesota > Overview

With Duluth as its gateway, Minnesota's Lake Superior coastline is relatively well-developed and a busy travel corridor during the summer months



Minnesota: List of counties along shore			
County	Population ²	Main community	Visitor spend ³
St. Louis	199,980	Duluth	\$557.7 M
Lake	11,496	Two Harbors	\$41.1 M
Cook	5,286	Grand Marais	\$69.7 M
> Total	216,762		\$668.5 M

Minnesota	
Number of counties along shore:	3
Share of total state population ¹ :	3.9%

Tourism Highlights

- Key assets include Lake Superior, microbreweries, culture and heritage, museums, galleries, ski mountains, waterfalls, state parks, trails
- Key activities vary by community, but include a broad range of outdoor activities, with water sports, hiking/backpacking, and chartered fishing among the top, as well as indoor activities, such as culinary events and courses, that make the MN coast an all-season destination
- The Duluth-Superior metro area is the largest on the lake, and has multiple entertainment venues for a wide range of events, from Broadway shows to concerts to sporting events
- A significant share of visitors come up from Minneapolis-St Paul, MN's largest metro area, particularly during the summer months
- Experiences and marketing efforts are focused on (a) family travel, (b) multi-generational travel, and (c) LGBTQ travel getaways

Sources:

¹ <https://www.census.gov/quickfacts/MN>

² <https://www.census.gov/data/tables/2016/demo/popest/counties-total.html>

³ Explore Minnesota Tourism & Minnesota's Economy 2018

US States > Minnesota > Stakeholder Interviews

Explore Minnesota



Description

Explore Minnesota (EM) is the marketing arm / DMO of the state's Ministry of Tourism.

Funded via the state budget, its purpose is to promote the state's public and private assets and to facilitate travel to and within the state of Minnesota.¹

Website | www.exploreminnesota.com



The Explore Minnesota website is vibrant and attractive with several professional images and features Minnesota's main attractions and activities.

Interview Highlights

- Unlike other states, Minnesota has a number of regional tourism promotion organizations, and EM works in partnership with them; the Arrowhead Association covers the Lake Superior shore.
- EM focuses mainly on marketing the state and its assets and providing input as needed to regions and communities in setting their own tourism priorities.
- Along with the Arrowhead Association, EM supported Ride Lake Superior with a *Ride the Arrowhead* guide, magazine ads, and digital marketing.
- The Circle Tour and the RV Tour have not been in EM's radar, since there hasn't been enough interest from communities in the Lake Superior area.
- EM expressed interest in meeting twice a year with other tourism stakeholders to boost LS tourism.

Key Publications / Content



Minnesota Travel Guide

Introduces Minnesota's national parks and forests, arts & culture scene, breweries, food, shopping centers, and multiple outdoor activities.



Annual Report 2016

Highlights the economic impact of Minnesota Tourism, its advertising campaigns, social media growth, the year's top achievements, and the results of all the consumer and media outreach.

¹ https://www.michiganbusiness.org/cm/Files/Reports/MEDC-2014-2015-Annual-Report_E3.pdf

US States > Minnesota > Stakeholder Interviews

Visit Duluth



Description

Visit Duluth (VD) is the local Convention and Visitors Bureau (CVB), or DMO, of the city.

Funded via a flat allocation from the city and co-op opportunities, its focus is to create economic impact, address seasonal needs, and broaden operations to include events, convention sales, and leisure travel.¹

Website | www.visitduluth.com



The Visit Duluth website is attractive with several professional images, advertisements for local lodging, and features events happening in the area.

Interview Highlights

- Diversification in lodging has been significant with a growing number of Airbnbs and new properties.
- The development of new lodges was business-development driven as opposed to responding to higher demand, potentially threatening occupancy rates.
- VD combats seasonality by attracting business travelers with meetings and conventions during weekdays and shoulder seasons.
- VD is looking to emphasize its American cultural heritage by promoting Duluth as the home of Bob Dylan.
- VD is definitely interested in creating and maintaining a dialogue with other stakeholders around the lake to facilitate cross-border collaboration and bring events to region.

Key Publications / Content



Duluth Visitor Guide 2018

Advertises Duluth's major attractions, geography, events, night life, restaurants, water sports, trails, sports and recreation events, lodging, transportation, and small business advertisements with coupons available at the back.



Annual Report 2016

Highlights key information on tourism tax growth, lodging metrics, the economic impact of Duluth's marketing, advertising campaigns, social media engagement, and marketing partners.

¹ <http://www.duluthmn.gov/media/541563/2017-visit-duluth.pdf>

US States > Wisconsin > Overview

Wisconsin has a great asset in the Apostle Islands, but communities outside of Superior seem smaller and less developed than in the other two states



Wisconsin: List of counties along shore			
County	Population ²	Main community	Visitor spend ³
Douglas	43,509	Superior	\$90.2 M
Bayfield	14,891	Washburn	\$46.5 M
Ashland	15,714	Ashland	\$34.9 M
Iron	5,726	Hurley	\$19.6 M
>Total	79,840		\$191.1 M

Wisconsin	
Number of counties along shore:	4
Share of total state population ¹ :	1.4%

Tourism Highlights

- Key assets in the Lake Superior region include the Apostle Islands, the Ice Caves, national forests, national trails, and scenic byways.
- Popular activities in the summer include outdoor recreation such as kayaking around the islands, sailing, cruising to the Apostle Islands, hiking along the 40 waterfall trails, and mountain/road biking, while in the offseason there is some dogsledding and cross-country skiing.
- Wisconsin is home to the 3-day Indian Summer Festival, the largest Native American cultural festival in the country.
- Excluding Superior, which is part of the Twin Ports metro area with Duluth, Wisconsin's other main communities along the shore appear to be smaller and/or less developed than the communities in the other states, with more basic websites and fewer active CVBs.

Sources:

¹ <https://www.census.gov/quickfacts/WI>

² <https://www.census.gov/data/tables/2016/demo/popest/counties-total.html>

³ Travel Wisconsin 2016 Total Tourism Impacts

US States > Wisconsin > Stakeholder Interviews

Travel Wisconsin



Description

Travel Wisconsin (TW) is the DMO of the state's Ministry of Tourism.

Funded via the state budget, its purpose is to drive the economy by creating jobs and revenue for the state by addressing needs and feedback of the tourism industry partners and stakeholders.¹

Website | www.travelwisconsin.com



The Travel Wisconsin website is very well-developed, vibrant, and colorful, with multiple professional images featuring the area's local attractions.

Interview Highlights

- The contact provided for Travel Wisconsin deferred to the CVB in Bayfield County for input on tourism activity and collaboration efforts with other stakeholders.

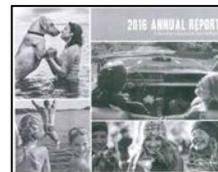
Key Publications / Content



Wisconsin Travel Guide

Introduces Wisconsin's scenic trails, timeless shrines, Indian Summer Festival, food & drink tours.

It comes with a built-in calendar of events, activity guide by county, and to-do list of regional attractions.



2016 Annual Report

Highlights the economic impact of Wisconsin Tourism, responsibilities to its legislators, its advertising campaigns, social media and channel growth, the year's achievements, new publications, and the results of consumer and media outreach.

¹ <https://doa.wi.gov/budget/SBO/2015-17%20380%20TOUR%20Biennial%20Report.pdf>

US States > Wisconsin > Stakeholder Interviews

Bayfield County Tourism



Description

Bayfield County Tourism (BCT) is the country's DMO / CVB.

Funded via the local hotel tax, its mission is to promote Bayfield County as a visitor destination, promote the development of quality recreation areas and provide eligibility to federal and state grand funding programs.¹

Website | www.bayfieldcounty.org

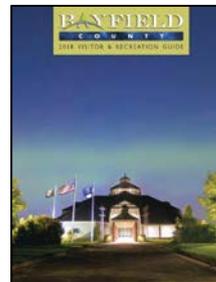


Bayfield Country Tourism does not have its own website, only a section in the county's website. Content is more basic and less visual than in the dedicated websites of other CVBs.

Interview Highlights

- The state's ice caves along the shore are a major asset in the winter; dogsledding, tubing, cross-country skiing, and fat biking are also popular.
- BCT has been stepping up its collaboration with the other Northwestern counties in the state to promote tourism, in particular around specific attractions.
- Small scale cruising to the Apostle Islands is already popular in the summer, so cruising is a topic of interest for Wisconsin and its counties on Lake Superior; the Washburn marina is deep enough to accommodate the newer, smaller expedition ships.
- Getting Minnesota travelers to drive east of Duluth and Michigan travelers to drive west has been a challenge, given these states' own attractions

Key Publications / Content



Bayfield County 2018 Visitor & Recreation Guide

Introduces Bayfield's scenic trails, national parks, lakeshores, and features its main communities (Bayfield/Red Cliff, Cable area, Iron River area, South Shore area, Washburn area, and several others).



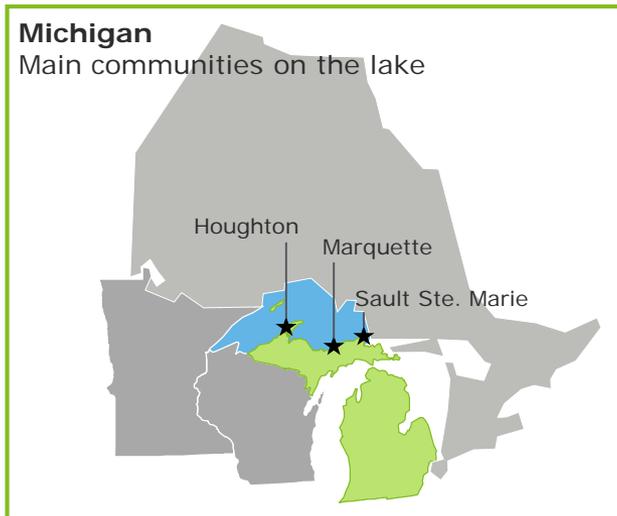
2015-2019 Local Comprehensive Outdoor Recreation Plan

Serves as a guide for the development of existing and future outdoor recreation areas and facilities in the county to meet the recreational needs of its residents and visitors.

¹ <https://www.bayfieldcounty.org/DocumentCenter/View/4199/Outdoor-Rec-Plan-2015-2019-Final-updated-20160610>

US States > Michigan > Overview

With Marquette as the activity hub, Michigan's Upper Peninsula has been growing in popularity, especially during the summer season



Michigan: List of counties along shore			
County	Population ²	Main community	Visitor spend ³
Gogebic	15,243	Ironwood	\$67.4 M
Ontonagon	5,911	Ontonagon	\$32.7 M
Houghton	36,555	Houghton	\$64.0 M
Keweenaw	2,199	Eagle River	\$20.6 M
Baraga	8,503	L'Anse	\$42.4 M
Marquette	66,435	Marquette	\$189.0 M
Alger	9,219	Munising	\$40.4 M
Luce	6,358	Newberry	\$35.1 M
Chippewa	37,724	Sault Ste. Marie	\$159.8 M
>Total	188,147		\$651.3 M

Michigan	
Number of counties along shore:	9
Share of total state population ¹ :	1.9%

Tourism Highlights

- Key assets include Pictured Rocks national lakeshore, Keweenaw National Historic site, Copper Harbour, the Soo locks, 100+ beaches, 129 lighthouses, mountain biking trails and events, campgrounds.
- The Upper Peninsula, which is 90% forested, retains its aura of accessible wilderness with vast wildlife and waterfowl refuges.
- Activities have traditionally been more land-based, particularly mountain biking, hiking, and camping, but water-based activities on the lake have been growing significantly over the past several years

Sources:

¹ <https://www.census.gov/quickfacts/MI>

² <https://www.census.gov/data/tables/2016/demo/popest/counties-total.html>

³ Michigan Tourism Regional Economic Impact Report 2016

US States > Michigan > Stakeholder Interviews

Pure Michigan



Description

Pure Michigan (PM) is the DMO of the state's Ministry of Tourism.

Funded via the state budget, its purpose is to promote the state as a destination, strengthen the Michigan brand, and provide the tools to assist the development of tourism activity in the state.

Website | www.michigan.org

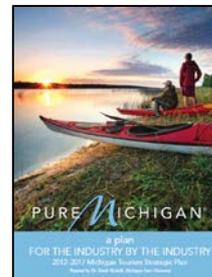


The Pure Michigan website is vibrant and attractive with multiple professional images featuring the area's local attractions.

Interview Highlights

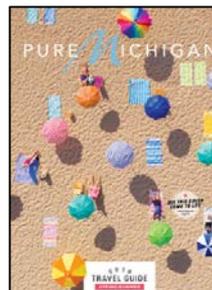
- Michigan touches on 4 of the 5 great lakes, so they are an essential part of the state's tourism branding; Lake Superior is second only to Lake Michigan in importance.
- Certain areas are at or over capacity in July, August, and now June, like Marquette or Munising; others, such as the Keweenaw Peninsula, could use some more visitors.
- PM has led the Great Lakes USA marketing initiative for many years, and is now a big supporter of developing the cruising potential of the lakes; removing the barriers.
- At the local state level, PM runs a successful co-op marketing program with local CVBs, in which funds are pooled for advertising and promotion initiatives.
- PM is definitely interested in pursuing a closer, more collaborative bilateral relationship with Ontario to cross-promote each other as a "two nation destination".

Key Publications / Content



2012-2017 Michigan Tourism Strategic Plan

Identifies a series of goals and objectives important to the industry's continued growth and vitality. The actions that will be taken will drive the tourism industry forward for the next 5 years and beyond.



2017 Pure Michigan Travel Guide

Introduces Michigan's locally-sourced food & drinks, farmer's markets, history & heritage, beer tours, cityscapes, waterways, mountains, state parks, and others.

Travel guides are available for each of the Winter, Spring/Summer, and Fall seasons.

US States > Michigan > Stakeholder Interviews

Travel Marquette



Description

Travel Marquette (TM) is the city's local Convention and Visitors Bureau (CVB).

Funded via the local hotel tax, its purpose is to build relationships with community leaders as well as create a destination marketing plan for Marquette.¹

Website | www.travelmarquettemichigan.com

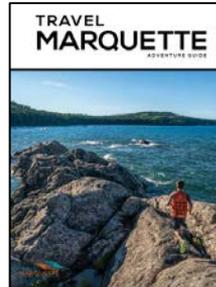


The Travel Marquette website is attractive and well developed, with engaging videos and professional images featuring the area's local attractions.

Interview Highlights

- Marquette has been expanding the scope of its outdoor activities to include paddle boarding, kayaking, fishing, hiking, snowshoeing, snowmobiling, and cross-country skiing to become an all-season destination.
- Marquette has been broadening its consumer base to families (multigenerational travel), aspirational athletes, and corporate groups looking for team building activities to grow occupancy and ADR during shoulder seasons.
- TM pointed out opportunities for collaboration in (a) partnering to bring in travel journalists to create comprehensive travel journals, (b) co-hosting sports events, and (c) promoting lighthouse trails.
- TM's impression was that mostly seniors are doing the Circle Tour, and that the stamp program seemed to generate some excitement / interest.

Key Publications / Content



Travel Marquette Adventure Guide

Highlights Marquette's main events and key activities such as camping, biking, hiking, and ATV Adventures. It also recommends restaurants, beaches, shops, museums, and waterfalls to visit.



Travel Marquette Press Kit

Discloses activity-specific information. For example, for biking, it includes the number of trails, total distance, and the number of full-service bike shops to help visitors customize an itinerary.

¹ <https://searchwide.com/wp-content/uploads/2017/11/SearchWide-Travel-Marquette-Position-Overview.pdf>

US States > Michigan > Stakeholder Interviews

Upper Peninsula Travel and Recreation Association



Description

Upper Peninsula (UP) Travel and Recreation Association is the regional CVB.

Funded via the local hotel tax, its sole purpose is to market Michigan's Upper Peninsula and assist with planning group tours for the entire UP including Mackinac Island and Isle Royale.¹

Website | www.uptravel.com



The UP Travel website is functional and offers good content, but lower budget in terms of appearance, with few professional images or videos.

Interview Highlights

- Adventure sports and biking culture has grown rapidly with bike racks at most hotels. There has been renewed interest in the region's 1940s-styled cabin resort.
- Marquette has become a true cold-vibes city, with a booming lodging industry, large biking communities, and a new, for-profit, Duke University Medical Center.
- Key assets for the area include Copper Harbor's Keweenaw Adventures and Mount Bohemia, Calumet Theatre, Michigan Tech Engineering School, Keweenaw Peninsula, Porcupine Mountains, and Silver City.
- Its advertising involves 'motor coach marketing' which connects UP to the National Tour Association, American Bus Association, and Ontario Motor Coach Association.
- PM is encouraging all CVBs in the state to meet once or twice a year to discuss plans and share notes.

Key Publications / Content



UPTRA Travel Planner

Highlights the UP's key activities, trails, museums, tours, breweries, and wildlife. It also features destinations within counties: Gogebic, Ontonagon, Alger, Houghton, Baraga, Keweenaw, Menominee, Luce, Mackinac, Chippewa and others.

¹ <http://www.circlemichigan.com/member-profile/34/120/>

US States > Michigan > Stakeholder Interviews

Sault Area Convention and Visitor Bureau



Description

Sault Area CVB (SAC) is the city's DMO.

Funded via local hotel tax, its purpose is to promote the city, increase occupancy, and stimulate economic development and growth in the region through tourism.

Website | www.saultstemarie.com



The Sault Ste. Marie website is modern and vibrant, with professional images featuring the area's local attractions, and draws on the Pure Michigan brand.

Interview Highlights

- Collaboration with the state on marketing initiatives (funds matching) has helped grow Soo Michigan's tourism numbers since 2007.
- SAC has been actively promoting water-based activities and trails in the summer, while events have been an important draw in the off-season.
- Collaboration between the Soos has been ongoing for a long time in multiple areas, such as joint hockey events, with varying levels of success; relationship is very good.
- SAC believes there is potential in developing more cross-border events that take place in both cities, particularly sports, culture or history events (e.g. cross-border 50/50 marathon, locks heritage celebration).
- More opportunities for stakeholders to meet on a regular basis would help boost collaboration.

Key Publications / Content



Sault Ste. Marie Pure Michigan Visitor Guide

Introduces Sault Ste. Marie's boat tours, marinas, summer and winter activities, lodging, waterfalls, food, and vacation packages.



Sault Area Convention & Visitor Bureau Executive Director's Report 2016

Discusses the Executive Director's meeting in October 2016. Topics include waterfront redevelopment, cruising, conventions, and collaboration with Traverse Magazine.

Selected Visitor Spend and Lodging Statistics (1 of 3)

For the lakeshore counties and districts of MN, WI, MI, and ON

County Municipality	Total Visitor Spend	Spend on Lodging	As a % of Total	Occupancy	Avg Daily Rate	\$ per available room ¹	Room rentals per year ('000s) ²
Michigan (USD)							
Gogebic	\$67.4 M	\$17.5 M	25.9%	NA	\$89.0	NA	196
Ontonagon	\$32.7 M	\$9.5 M	29.0%	55%	\$125.0	\$68.8	76
Houghton	\$64.0 M	\$16.8 M	26.2%	NA	\$128.5	NA	131
Keweenaw	\$20.6 M	\$7.4 M	35.8%	59%	\$135.0	\$79.7	54
Baraga	\$42.4 M	\$7.8 M	18.3%	NA	\$89.3	NA	87
Marquette	\$189.0 M	\$56.1 M	29.7%	60%	\$83.0	\$50.1	676
Alger	\$40.4 M	\$10.8 M	26.6%	NA	\$89.0	NA	121
Luce	\$35.1 M	\$8.9 M	25.3%	NA	\$89.0	NA	100
Chippewa	\$159.8 M	\$26.0 M	16.3%	NA	\$103.0	NA	253
Total/Avg, 9 counties	\$651 M	\$161 M	24.7%		\$103	\$22	1,553
Total/Avg, State	\$23,742 M	\$3,878 M	16.3%	60.1%	\$97	\$58	39,946
% of total State	2.7%	4.2%					3.9%

¹ Calculated as: Average Daily Rate x Occupancy (where available)

² Calculated as: Spend on Lodging / Average Daily Rate

Sources: Figures were either extracted from, or calculated using assumptions and figures extracted from, the sources listed on page 9 or the additional sources listed in the Appendix. Note that in most cases the latest data available was from 2016, with some older figures used to address gaps where necessary.

Selected Visitor Spend and Lodging Statistics (2 of 3)

For the lakeshore counties and districts of MN, WI, MI, and ON

County Municipality	Total Visitor Spend	Spend on Lodging	As a % of Total	Occupancy	Avg Daily Rate	\$ per available room ¹	Room rentals per year ('000s) ²
Minnesota (USD)							
St Louis	\$557.7 M	\$205.0 M	36.8%	64%	\$114.0	\$73.0	1,798
Lake	\$41.1 M	\$8.6 M	21.0%	NA	\$89.0	NA	97
Cook	\$69.7 M	\$14.6 M	21.0%	NA	\$89.0	NA	165
Total/Avg, 3 counties	\$669 M	\$228 M	34.2%		\$97	\$24	2,346
Total/Avg, State	\$14,953 M	\$3,140 M	21.0%	56.2%	\$105	\$59	29,790
% of total State	4.5%	7.3%					7.9%
Wisconsin (USD)							
Douglas	\$90.2 M	\$24.4 M	27.1%	NA	\$89.0	NA	275
Bayfield	\$46.5 M	\$16.0 M	34.4%	NA	\$89.0	NA	180
Ashland	\$34.9 M	\$12.0 M	34.4%	NA	\$89.0	NA	135
Iron	\$19.6 M	\$5.3 M	27.1%	NA	\$89.0	NA	60
Total/Avg, 4 counties	\$191 M	\$58 M	30.2%		\$89.0	NA	649
Total/Avg, State	\$12,311 M	\$2,657 M	21.6%	59.6%	\$99.4	\$59.2	26,733
% of total State	1.6%	2.2%					2.4%

¹ Calculated as: Average Daily Rate x Occupancy (where available)

² Calculated as: Spend on Lodging / Average Daily Rate

Sources: Figures were either extracted from, or calculated using assumptions and figures extracted from, the sources listed on page 9 or the additional sources listed in the Appendix. Note that in most cases the latest data available was from 2016, with some older figures used to address gaps where necessary.

Selected Visitor Spend and Lodging Statistics (3 of 3)

For the lakeshore counties and districts of MN, WI, MI, and ON

County Municipality	Total Visitor Spend	Spend on Lodging	As a % of Total	Occupancy	Avg Daily Rate	\$ per available room ¹	Room rentals per year ('000s) ²
Ontario (CAD)							
Algoma	\$162.8 M	\$57.6 M	35.4%	55%	\$110.5	\$60.8	522
Thunder Bay	\$383.2 M	\$135.7 M	35.4%	73%	\$116.8	\$85.0	1,161
Total/Avg, 2 districts	\$546.0 M	\$193.3 M	35.4%		\$114.9	\$77.8	1,683
Total/Avg, Province	\$26,870 M	\$5,455 M	20.3%	68%	\$146	\$99	37,468
% of total Province	2.0%	3.5%					4.5%

Lake Superior Watershed (CAD)³							
US (16 counties)	\$2,003 M	\$592 M	29.5%				4,547
Canada (2 districts)	\$546 M	\$193 M	35.4%				1,683
Total (CAD)	\$2,549 M	\$785 M	31%				6,230
Total (USD)	\$1,922 M	\$592 M	31%				6,230

¹ Calculated as: Average Daily Rate x Occupancy (where available)

² Calculated as: Spend on Lodging / Average Daily Rate.

³ Used an average 2016 conversion rate of 1.326 CAD to 1 USD [<https://www.ofx.com/en-ca/forex-news/historical-exchange-rates/yearly-average-rates>]

Sources: Figures were either extracted from, or calculated using assumptions and figures extracted from, the sources listed on page 9 or the additional sources listed in the Appendix. Note that in most cases the latest data available was from 2016, with some older figures used to address gaps where necessary.

Insights & Recommendations on Collaboration

Collaboration > Key Insights

The following key themes around collaboration became clear after analyzing the results of the interviews

- 
Local funding and priorities drive stakeholder behavior
 Visitor bureaus in the US are funded by local hotel tax, which makes them sharply focused on bringing tourists to their area and filling up their properties. Any initiative that involves promoting or spending outside their jurisdictions must have a clear local benefit to attract significant interest.

- 
Focused initiatives are better
 Stakeholders indicated that they are generally more inclined to support initiatives that are more specific and have clearly defined audiences and goals, such as festivals, sporting events, or races, which make it easier to translate into increased tourism activity in their respective areas (and require less funding).

- 
Personal relationships are key
 Many interviewees cited a personal relationship or friendship as a reason to collaborate or support a specific initiative. Ride Lake Superior, for example, was successful due in large part to the personal relationships and efforts of its creators. Unfortunately, networking opportunities are few and far between.

- 
Bi-national leadership is important
 Stakeholders voiced that initiatives that are perceived as having “one-sided” leadership tend to face more obstacles, especially if the sponsor is an organization. Finding champions on both sides of the border from the start is therefore an important ingredient for success.

- 
Stakeholders have limited bandwidth
 A majority of stakeholders emphasized that they have small teams and don’t have a lot of time to accommodate collaboration efforts, especially if they aren’t specific or align with their goals. Scheduling calls and meetings during the off-season is usually better.

Collaboration > The Critical Perspective

Several stakeholders voiced honest concerns around collaboration, underscoring the need for better communication



"[Collaboration with US partners] is a challenge. A Canadian organization must take the lead. American partners are self-centered, they do not want to fund anything. Our greatest weapon is our familiarity with the route."

"I feel that things move very slowly, but the Canadians can't help it. It's also tough to get Americans to talk collaboratively, there's too much hierarchy and bureaucracy."

"Nobody knows what the conversation is about, everyone has different agendas when it comes to marketing. I want to see TNO focus on developing Canada [infrastructure and product development] before grabbing partnerships with the US."



"There's a turf war between the states. We don't want to send people to other states."

"I have no time [to collaborate with neighboring states and counties]. I'm collaborating so often that I don't get any other work done!"

"We're technically participating in [Ride Lake Superior]. We did get resistance from businesses to learn about it, fill out the forms, and be an active part of the program because businesses are already so busy and motorcycles are a small niche for us anyway."

"The only initiatives I know about involving finances are partnerships with other states."

Ride Lake Superior > A Case Study in Collaboration

Many interviewees cited Ride Lake Superior as an example of a 'grassroots' effort that garnered cross-border support

- This initiative, spearheaded by two passionate bikers in Canada, evolved into a successful product targeted at a specific customer group
- Its creators visited stakeholders in the US to personally promote the idea, leveraging their personal relationships
- Stakeholders in the US were willing to support in part because it was mostly in kind: information, signage, education of local businesses to cater to bikers, distribution of brochures
- Funding was mainly arranged through grants in Canada, which was used to develop a world-class website with content from all communities around the lake
- This "selfless" approach was key to Ride Lake Superior's success, but with no monetary commitment on the table, support from US stakeholders is predicated largely on personal relationships
- In this context, unilateral funding from Canada will be required to sustain Ride Lake Superior



"Inspired by Ride Lake Superior, we did our own Ride the Arrowhead. We put together maps, bought ads in magazines, did some electronic marketing and started co-op programs with communities."

"We supported Ride Lake Superior because it's a very specific audience and there are ways to reach them, making them easier to target."

The Circle Tour > A Product in Need of a Rethink

Stakeholders had a wide range of opinions about the Circle Tour, but were mostly unenthusiastic

- With a name that dates back 40+ years, the Circle Tour is a product in need of rethink and support from stakeholders around the lake
- The use of the name by two different entities north and south of the border for commercial purposes is making collaboration difficult
- Most stakeholders would refer to one of the guides published by the two entities when asked about the Circle Tour, which they see as advertising products
- The concept of encouraging families to drive around the lake did not resonate with US stakeholders looking to keep tourists in their own jurisdictions
 - For example, promoting RV touring was an issue for CVBs that are funded by hotel taxes
- A few suggested taking a more targeted approach: create a “Drive Lake Superior” product similar to Ride Lake Superior, directed at the many automotive clubs in North America and their members
- In light of the challenges, TNO has created an initiative to revitalize the Circle Tour with other stakeholders



“Many businesses advertise in one Circle Tour guide but not the other, while some do both. One is much better in terms of content, I think the US one, while the Canadian one is linked to a stamp program that tourists like.”

“Few families are driving around the lake. It’s too long... and there’s nothing on the Canadian side between Thunder Bay and the Soo.”

“Circle Tour? We struggle to get people to drive over from our neighbour states...”

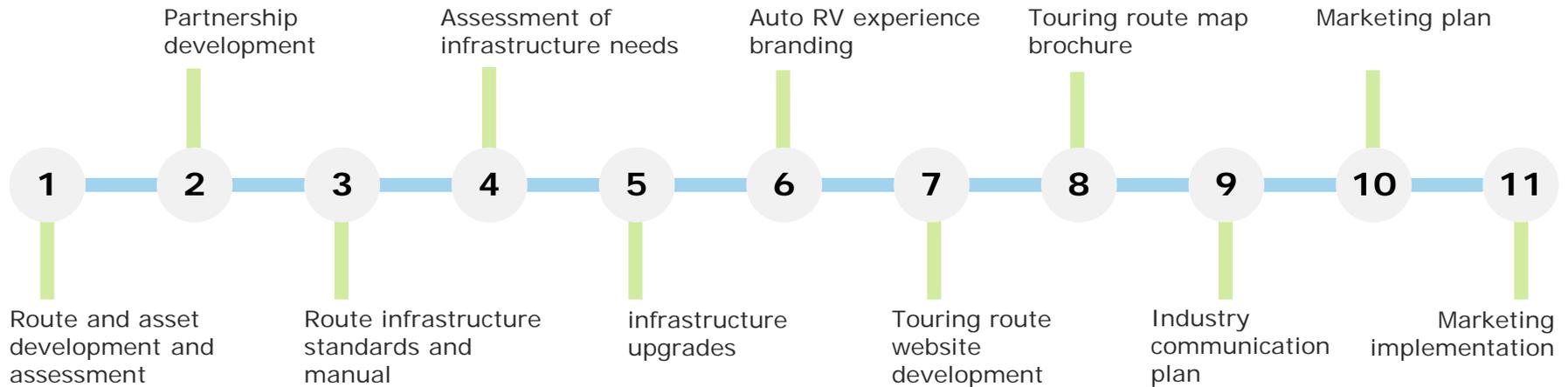
TNO's Circle Tour Revitalization Initiative

TNO has developed a plan to overhaul and re-energize the Circle Tour

TNO's Approach to Revitalizing the Circle Tour

TNO has created a Circle Tour Development Plan based on its knowledge of the product, experience developing other products, and input from key tourism stakeholders from around the lake.

Proposed Lake Superior Circle Tour Development Work Plan



Key Considerations

- TNO's active involvement in revitalizing the Circle Tour will have to address the strained relationships among stakeholders as a result of two entities on opposite sides of the lake promoting their own Circle Tour guides
- Due to TNO's jurisdiction residing north of the border, maintaining transparent and constant communication and finding a US co-sponsor or champion may prove vital to align on goals and the potential for the region as a whole
- While the work plan provides a comprehensive roadmap to take a revitalized Circle Tour to market, it will require significant commitment from stakeholders to provide the funding and make the investments required

Hot Topics > Cruising

Cruising was in the minds of many interviewees, although most recognized that significant hurdles exist

Overarching Sentiment:

“There are huge issues to solve, but there is a strong desire from both sides to collaborate because everyone knows there’s strong market demand for cruising.”

Interview Highlights

- The cruising industry is moving towards smaller expedition ships that cater to more affluent, adventurous travelers that are drawn to exotic, remote locations, and in the mind of many global travelers, Lake Superior is such a location
- Less than 10 cruise ships make it to Lake Superior every year, compared to many times more ships in the other Great Lakes; part of this is a historical fear of the Big Lake, given its remoteness and navigational challenges
- Cruising in all of the Great Lakes is getting plenty of attention at the highest levels of government, and is a topic that has been addressed by the Conference of Governors and Premiers
- However, cruising in Lake Superior and other Great Lakes faces several big hurdles; namely the issue of cabotage, border security considerations, need for specialized pilots to navigate ships (which can be costly), and lack of port infrastructure
- Significant investment, plenty of political will, and a cross-border dialogue is needed to take advantage of the cruising opportunity in all five lakes, but particularly in the more remote Lake Superior



Hot Topics > Cultural Tourism

The lake's cultural heritage is a major asset, but leveraging it will require stronger relationships with indigenous communities



Overarching Sentiment:

“There is rich cultural and indigenous heritage around the lake, but a significant effort is required to bring the indigenous communities into fold.”

Interview Highlights

- Interest in indigenous cultural tourism is growing globally, and Lake Superior has a rich heritage that could be leveraged to create unique experiences
- First Nations communities along the North Shore, however, have not been engaged in the tourism conversation to date, and tourism is therefore not on their radars
- In Ontario, the creation of parks in the past resulted in the displacement of some communities, which caused some discontent that lingers to date
- A significant effort is therefore required to mend and build relationships with key communities to bring them on board and educate them on the benefits of tourism; this may require getting the support of indigenous leaders from other communities that are active and successful in tourism (e.g. Manitoulin Island in Ontario)
- Indigenous cultural tourism can be a major contributor to the positioning of Lake Superior, and in particular the Canadian north shore, as a prime eco-tourism destination rooted in history and tradition

Cross-border Collaboration > Considerations

1 **Be mindful of initiatives or efforts already underway**

- Where possible, align initiatives at the local level with initiatives or programs spearheaded by higher level working groups, such as the Conference of Governors and Premiers
- Avoid duplicating efforts and be particularly mindful of initiatives that may already be underway in the other side of the border to avoid competitive situations that force stakeholders to choose

2 **Create spaces or opportunities for networking or sharing of information**

- Create an online platform or forum to share ideas and information among stakeholders and build personal connections and goodwill
- Organize informal social gatherings or events once or twice a year for stakeholders to meet, get to know each other, and build relationships

3 **Structure collaboration initiatives wisely**

- Favor initiatives that are specific, have clear goals, and can be easily translated into impact for the communities involved
- Limit the size of the group involved in calls and meetings to encourage participation and ownership, and minimize the amount of work required from stakeholders

4 **Ensure initiatives have clear, unbiased, bi-national leadership**

- Stakeholders must be able to clearly see that an initiative has bi-national leadership and support from the start, to minimize criticisms or defensive behaviors
- To the extent possible, enlist the support of champions on both sides of the border to spearhead initiatives before rolling them out to the broader stakeholder group

Appendix:

Additional sources and calculation details for spend and lodging data

Additional Sources for Spending and Lodging Data (1 of 2)

Sources	Links
CBRE Hotel Trends National Market Report for December 2017	CBRE Hotel Trends NMR December 2017.pdf (Provided by TNO)
CBRE North Algoma Resource-Based Remote Tourism Operators Study, Final Report	www.tourismnorthernontario.com/wp-content/uploads/2017/01/A16.050-North-Algoma-Remote-Tourism-Operator-Study-FINAL-Report-May-2016.pdf
Cvent	www.cvent.com/rfp/marquette-mi-event-venues-0495db31649e4934917487d2cef59d6f.aspx
Duluth Annual Report 2016	Duluth Annual Report.pdf (Provided by TNO)
Evaluation of Economic Development Strategies: Ontonagon	www.miseagrant.umich.edu/smallharborsustainability/files/2015/04/OntonagonEconomicAssessment_3-13-17.pdf
Explore Minnesota: 2018 Tourism & Minnesota's Economy Factsheet	www.exploreminnesota.com/industry-minnesota/research-reports/researchdetails/?nid=135
Federal Pay	www.federalpay.org/perdiem/2016/minnesota/duluth
Hotel Planner	www.hotelplanner.com/Hotels/226845/Reservations-Cobblestone-Hotel-Suites-Chippewa-Falls-Chippewa-Falls-100-North-Bridge-St-54729
Kayak	www.ca.kayak.com/Chippewa-Falls-Hotels.26274.hotel.ksp
Michigan Tech Recreation	www.michigantechrecreation.com/camps/info/hotel/index
Michigan Tourism Past Performance and Future Expectations 2016	www.canr.msu.edu/uploads/375/79120/MI_Tourism_Review_2015_Forecast_2016.pdf

Additional Sources for Spending and Lodging Data (2 of 2)

Sources	Links
News Watch	www.tbnewswatch.com/local-news/rising-tourism-boosts-local-economy-775255
North of Superior Tourism Region Final Report, A Vision for Our Region	www.mtc.gov.on.ca/en/publications/PR_north_superior_report.pdf
Per Diem 101	www.perdiem101.com/
Sault Ste. Marie Economic Development Corporation 2016 Annual Report	www.sault-canada.com/en/aboutus/resources/SSMEDC-2016-Annual-Report-2016.pdf
Smith Travel Research's Lodging Performance for Minnesota	www.exploreminnesota.com/industry-minnesota/research-reports/researchdetails/?nid=306
Study of Keweenaw Mountain Lodge, Copper Harbor, Michigan	www.keweenawcountyonline.org/notices/100.pdf
Tripadvisor	www.tripadvisor.ca/Hotel_Review-g59774-d3264490-Reviews-Indianhead_Motel-Chippewa_Falls_Wisconsin.html
Tourism Economics' Economic Impact of Travel in Michigan 2016	www.michigan.org/industry/research
Tourism Economics' Economic Impact of Tourism in Wisconsin 2016	www.industry.travelwisconsin.com/research/economic-impact
Tourism Statistics Parry Sound District 2014	www.rto12.ca/wp-content/uploads/2014/04/CD-49-Parry-Sound-2011.pdf
UP Matters	www.upmatters.com/news/local-news/occupancy-rate-for-lodging-in-michigan-on-the-rise-as-new-hotel-opens-in-marquette/677358837

Data Sources and Calculations by State / Province (1 of 2)

	Michigan	Minnesota	Wisconsin	ON – Algoma	ON – Thunder Bay
Visitor Spend	State-level data from: Tourism Economics, 2016	State-level data from: Explore Minnesota, 2016	State-level data from: Travel Wisconsin & Tourism Economics, 2016	Province-level data from: Ontario Ministry of Tourism, 2016	
	County-level data from: Tourism Economics, 2016	County-level data from: Explore Minnesota, 2016	County-level data from: Travel Wisconsin, 2016	District-level data from: CBRE, 2016 (July 2018 note) 65% of total for Region 13B	District-level data from: CBRE, 2016 (July 2018 note) 65% of total for Region 13C
Spend on Lodging	State-level data from: Tourism Economics, 2016	State-level data from: Explore Minnesota, 2016	State-level data from: Travel Wisconsin & Tourism Economics, 2016	Province-level data from: (Visitor Spend) * (Lodging as % of Visitor Spend)	
	County-level data from: Tourism Economics, 2016	County-level calculated as: (Visitor spend) * (Lodging as % of Visitor Spend)	County-level calculated as: (Visitor spend) * (Lodging as % of Visitor Spend)	District-level data from: (Visitor spend) * (Lodging as % of Visitor Spend)	District-level data from: (Visitor spend) * (Lodging as % of Visitor Spend)
Lodging as a % of Visitor Spend	State-level calculated as: (Spend on Lodging) / (Visitor Spend)	State-level calculated as: (Spend on Lodging) / (Visitor Spend)	State-level data from: Tourism Economics, 2016	Province-level data from: Ontario Ministry of Tourism, 2011	
	County-level calculated as: (Spend on Lodging) / (Visitor Spend)	County-level calculated as: Duluth (used as proxy for St Louis County): Weighted average of lodging spend as a % of visitor spend, using data extracted from Longwoods International Lake, Cook County: Assumed to be same as state-level	County-level data from: Travel Wisconsin & Tourism Economics, 2016 University of Wisconsin, 2013	District-level assumption: Assumed to be same % as City of Thunder Bay	Calculated using data from: City of Thunder Bay, 2016

Data Sources and Calculations by State / Province (2 of 2)

	Michigan	Minnesota	Wisconsin	ON – Algoma	ON – Thunder Bay
Occupancy	State-level data: Michigan State University, 2015	State-level data: Explore Minnesota, 2016	State-level data: Travel Wisconsin & Tourism Economics, 2016	Province-level info: CBRE, 2016	
	County-level data: <u>Ontonagon</u> : Veritas Economics, 2012 <u>Keweenaw</u> : Use/Re-Use Study, 2016 <u>Marquette</u> : UP Matters, 2016	County-level data: <u>Duluth (used as proxy for St Louis County)</u> : Visit Duluth Annual Report, 2016	County-level data not available	District-level data: PFK Report on Algoma Country for Tourism Northern Ontario, 2014	City-level data (used as proxy for district): CBRE, 2016
Average Daily Rate	State-level data: Michigan State University, 2015	State-level data: Explore Minnesota, 2016	State-Level data: Michigan State University, 2015	Province-level data: CBRE, 2016	
	County-level data: <u>Ontonagon</u> : Veritas Economics, 2012 <u>Keweenaw, Houghton</u> : Use/Re-Use Study, 2016 <u>Baraga</u> : Michigan Tech Recreation, 2016 <u>Marquette</u> : Cvent Supplier Network, 2016 <u>Chippewa</u> : Kayak, 2016 <u>All other counties</u> , assumed per diem rate from FederalPay, 2016	County-level data: Assumed per diem rate from FederalPay, 2016	County-level data: Assumed per diem rate from FederalPay, 2016	District-level data: CBRE, 2016	City-level data (used as proxy for district): CBRE, 2016
Revenue Per Available Room	State-level calculated as: (Occupancy Rate) * (Average Daily Rate)	State-level calculated as: (Occupancy Rate) * (Average Daily Rate)	State-level calculated as: (Occupancy Rate) * (Average Daily Rate)	Province-level calculated as: (Occupancy Rate) * (Average Daily Rate)	
	County-level calculated as: (Occupancy Rate) * (Average Daily Rate)	County-level calculated as: (Occupancy Rate) * (Average Daily Rate)	County-level calculated as: (Occupancy Rate) * (Average Daily Rate)	District-level calculated as: (Occupancy Rate) * (Average Daily Rate)	District-level calculated as: (Occupancy Rate) * (Average Daily Rate)
# Room Rentals per year	State-level calculated as: (Spend on Lodging) / (Average Daily Rate)	State-level calculated as: (Spend on Lodging) / (Average Daily Rate)	State-level calculated as: (Spend on Lodging) / (Average Daily Rate)	Province-level calculated as: (Spend on Lodging) / (Average Daily Rate)	
	County-level calculated as: (Spend on Lodging) / (Average Daily Rate)	County-level calculated as: (Spend on Lodging) / (Average Daily Rate)	County-level calculated as: (Spend on Lodging) / (Average Daily Rate)	District-level calculated as: (Spend on Lodging) / (Average Daily Rate)	District-level calculated as: (Spend on Lodging) / (Average Daily Rate)



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