Minnesota Tourism Business Trends

Winter 2026

Industry Sentiment Survey Results & Related Research

To better tell Minnesota's travel story, Explore Minnesota (EMN) routinely surveys tourism and leisure & hospitality (L&H) businesses, as well as destination marketing organizations (DMOs).

Between Feb. 9 and 18, our business sentiment survey received 246 responses. Survey results provide a partial perspective on current statewide trends.

SUMMARY

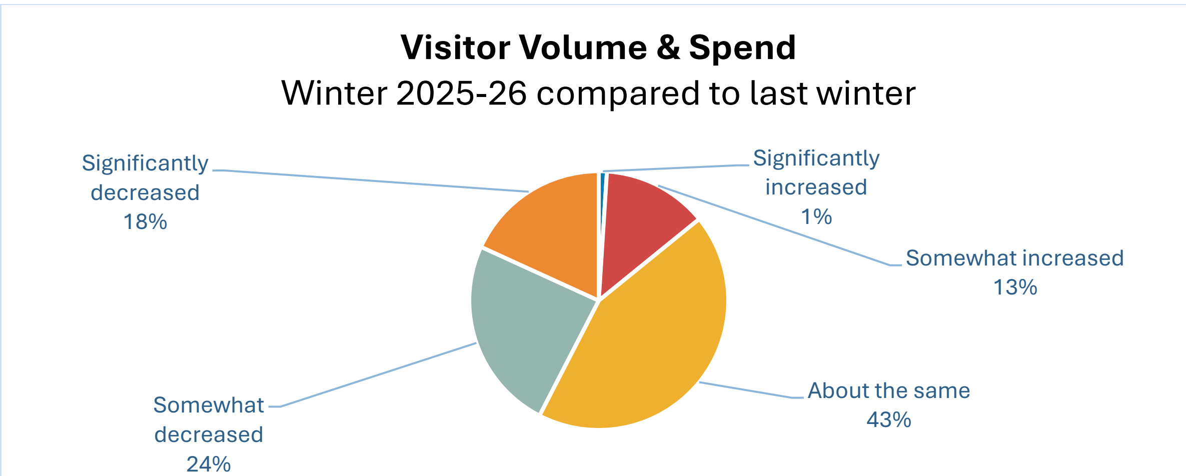
Winter tourism season trends are mixed, reflecting ongoing economic pressures, decreased Canadian visitation and recent federal Immigration and Customs Enforcement arrival and actions in Minnesota. For business performance this winter compared to last winter season, 14% of survey respondents reported increased business, 43% are flat and 42% down. Minnesota travel indicators for December and January vary. Hotel metrics and L&H employment are up, while MSP Airport passengers and Canadian arrivals are down.

The survey found federal actions are impacting almost half of Minnesota's reporting tourism businesses. While direct effects are concentrated in the metro region, greater Minnesota communities have also been impacted. The most visible economic impact has been on reservations and events. Roughly 20% of businesses report cancellations or reduced bookings. In many cases, the impact includes immediate revenue losses as well as the effects of decreased morale and increased uncertainty.

As we prepare for the historically busy summer travel season and the rest of 2026, Minnesota's tourism industry is showing resiliency. Businesses' outlook is more positive than negative: 46% optimistic, 26% neutral and 28% pessimistic. As one survey respondent explained, "We still have more to offer than anyone, and we need to continue to promote all that makes Minnesota such a great place to not only live but visit."

MIXED WINTER TRAVEL SEASON PERFORMANCE

Most survey respondents reported that their business is down or flat for the 2025-2026 winter travel season (defined as December through March) compared with winter 2024-2025. For visitor volume and spend this winter compared to last winter season, 14% are somewhat or significantly increased, 43% are about the same and 42% are somewhat or significantly decreased. There is some winter performance variation by Minnesota region. metro (55%) and northeast Minnesota (45%) businesses most frequently reported decreased customer activity.



In recent years, extreme weather, including a lack of snow and ice, has impacted Minnesota's tourism businesses. While the weather this winter has been less unusual, it remains a consideration. In survey comments, an outdoor recreation outfitter explained that snowmobiling has been difficult for the last three years due to a lack of snow.

Minnesota winter travel indicators

Travel indicators for the first two months of the winter travel season provide additional perspective on industry trends and health.

- **Accommodations** – Minnesota's December and January key hotel metrics, hotel occupancy, average daily rate (ADR) and revenue per available room (RevPAR), were mostly up year-over-year (YoY).
  - December: occupancy increased 1.8% to 43.8%, ADR decreased .1% to $121.59 and RevPAR increased 1.6% to $53.21
  - January: occupancy increased 11.4% to 46.1%, ADR increased 5.5% to $124.49 and RevPAR increased 17.5% to $57.33
    - All five Minnesota tourism regions were up, and the metro was especially strong with 18.8% occupancy and 26.4% RevPAR YoY increases

Minnesota State & Tourism Region Hotel Metrics - January 2026						
Geography	Occupancy		ADR		RevPAR	
	2025	YoY % Change	2025	YoY % Change	2025	YoY % Change
Total U.S.	52.4%	-.2%	$152.09	.6%	$79.69	.4%
State of MN	46.1%	11.4%	$124.49	5.5%	$57.33	17.5%
Northeastern MN	38.5%	.9%	$131.71	1.5%	$50.72	2.4%
Central MN	39.7%	2.4%	$127.68	4.3%	$50.68	6.8%
Northwestern MN	40.3%	3.2%	$117.89	4.6%	$47.49	8%
Southern MN	42.3%	5.5%	$119.04	3.2%	$50.30	8.9%
Metro MN	50.9%	18.8%	$123.54	6.4%	$62.83	26.4%

Source: Smith Travel Research (STR/CoStar) paid subscription

- **L&H employment** – Minnesota's L&H employment increased 1.3% YoY to 263,502 in December. Source: MN Dept. of Economic Development *State-level January jobs data will be published in April. This unusual delay is due to the Oct./Nov. Federal government shutdown.*

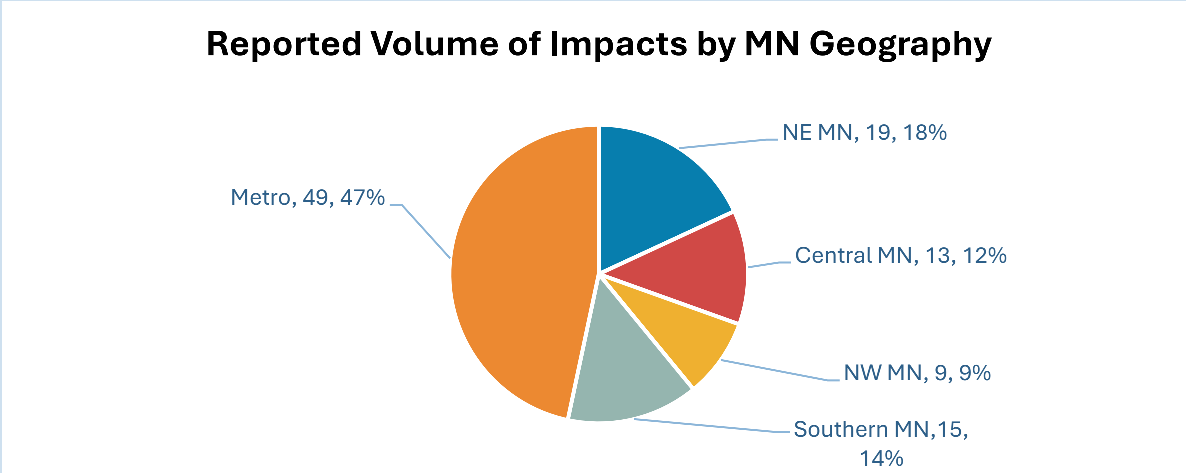
- **Air travel** – Minneapolis-Saint Paul Airport (MSP) passenger volume decreased 9% YoY to 2.8 million passengers in December. *Source: Minneapolis Saint Paul Metropolitan Airports Commission (MAC). January MSP passenger data will be available in the coming weeks.*

- **Canadian visitation** – Canadian arrivals to Minnesota decreased 14% YoY to 43,400 in December. Additionally, in January, Canadian arrivals decreased to 38,600, which is down 14% relative to January 2025 and down 18% relative to January 2024. *Source: U.S. Customs and Border Protection (CBP)*

FEDERAL IMMIGRATION ENFORCEMENT IMPACTS HEAVIEST IN THE METRO

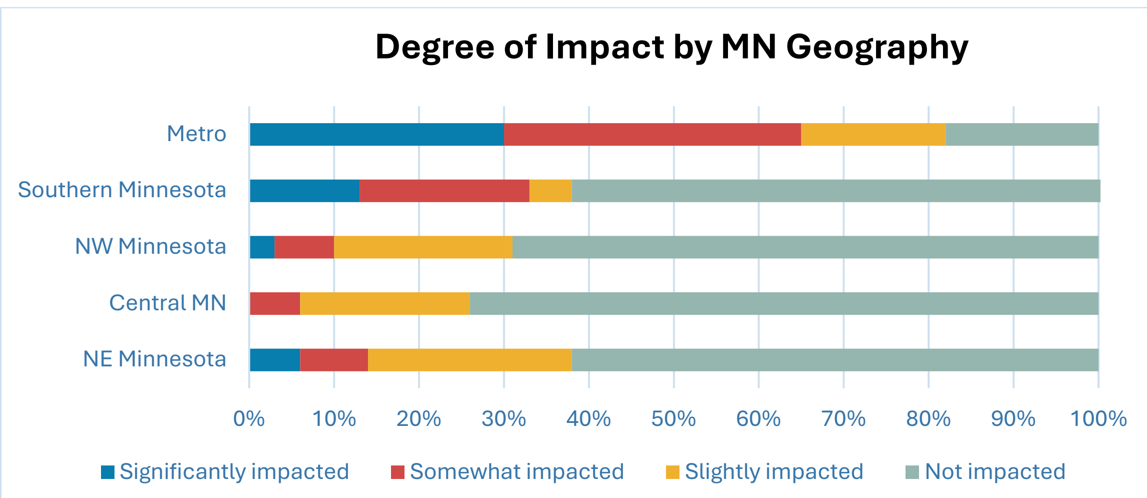
Almost half of those who responded to the EMN survey reported that their business has been impacted by recent immigration enforcement arrival and actions. Specifically, 18% are slightly impacted, 16% are somewhat impacted and 11% are significantly impacted. No impact has been felt by 55% of reporting Minnesota tourism businesses.

Reported impacts are not uniform across the state. Of the approximately half of respondents who reported impacts, almost half are in the Minneapolis-St. Paul metro region. Outside of the Metro, federal activity has impacted tourism businesses less frequently. Impacts were reported by 19 survey respondents (18%) in northeast Minnesota, 15 respondents (14%) in southern Minnesota, 13 respondents (12%) in central Minnesota, and nine respondents (9%) in northwest Minnesota.



Survey results data label format: MN Tourism Region, number of businesses that reported impacts, percent of impacted businesses relative to the total reported number of impacted businesses across Minnesota.

The degree of impact also varies statewide. Metro businesses were most likely to be significantly or somewhat impacted.



Tourism businesses reported varied impacts from federal actions. Most notably, 20% have canceled, postponed or reduced an event, meeting or reservation or experienced any of these issues. Additionally, customer traffic and spend have decreased for 20% and 12%, respectively. About 1% of businesses reported increased business. The biggest staffing impact (18%) is reduced staff morale and productivity. Staff absenteeism (8%) and staff detained or deported (2%) are lesser challenges.

Most survey comments focused on federal presence in Minnesota, and respondents presented differing points of view. Common themes ran through responses:

- **Comments about politics and the media:**
  - The federal presence is hurting Minnesotans
  - State and local government and protesters' responses to the federal presence are problematic
  - Greater Minnesota is different than the Minneapolis-St. Paul Metro region
  - The media plays a big role and should stop being so negative

- **Comments about business:**
  - Boycotts hurt small businesses the most
  - There has been an uptick in requests for visitor guides in some communities
  - Winter is normally a slow time of year; therefore, it is hard to gauge federal impacts

- **Comments about safety:**
  - Fear is discouraging Minnesota visitors
  - Business owners are receiving lots of inquiries about upcoming trip safety

National Research

EMN works with YouGov to measure brand health, and can gather national sentiment on current events through their survey platform. This data was gathered in mid-January.

- Nationwide, 50% believe protesters in Minnesota are mostly peaceful, while 27% think the state's protesters are mostly violent, and 23% are unsure
- The day after the shooting of Alex Pretti, 70% said this is a "significant turning point" in American politics

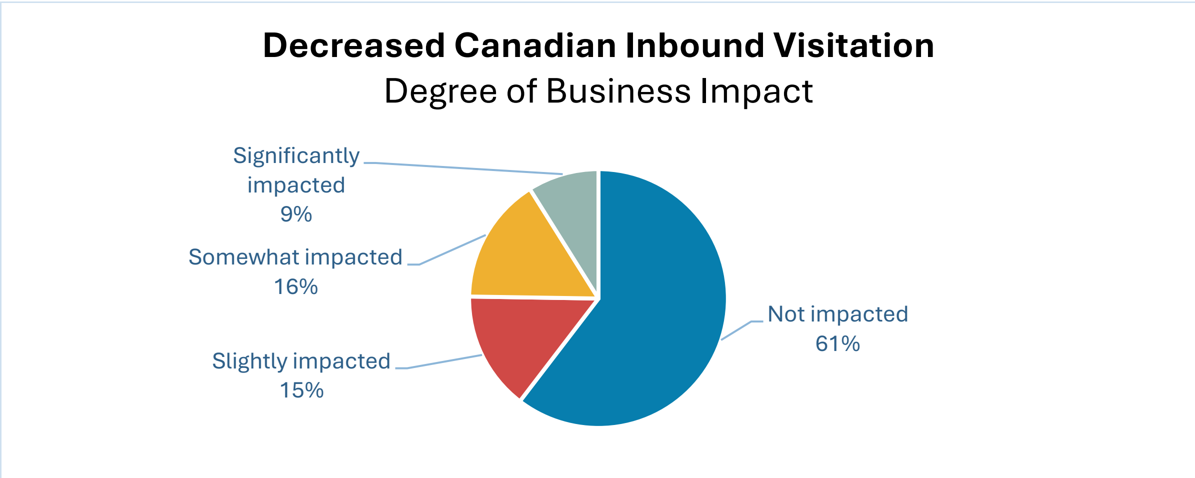
In their January survey of U.S. leisure travelers, **Future Partners** asked about upcoming travel plans and federal impacts.

- 46% are somewhat or very likely to avoid a U.S. destination if they expect visible law enforcement, military or immigration presence
- 10% have already acted to avoid visiting U.S. cities due to federal law enforcement activity in the last year

LESS THAN HALF IMPACTED BY DECREASED CANADIAN VISITATION

According to U.S. Customs and Border Protection, Canadian arrivals to Minnesota were down 18% in 2025 relative to 2024.

In the EMN industry survey, tourism businesses were asked to what degree their business has been impacted by decreased Canadian visitation. More than half (61%) reported that they are not impacted by this travel trend. For affected Minnesota businesses, the reported degree of impact varies: 15% slightly, 16% somewhat and 9% significantly.



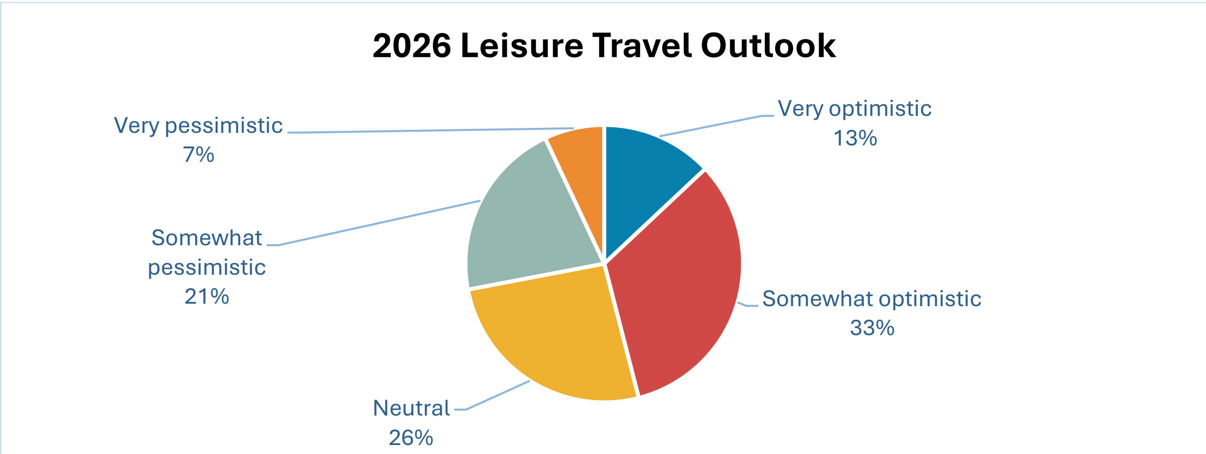
In survey comments, deep sadness about the decreased American goodwill with Canada was mentioned. Partially related to less Canadian visitation, another respondent explained that their North Shore business has received fewer visitors throughout 2025. Additionally, a survey respondent shared that international visitation, including from Canada and Scandinavia, is down overall and that they are concerned about attendance at an upcoming large cultural festival. Finally, another explained that they have delayed a conference because non-U.S.-based companies' staff will not travel to the U.S.

Tourism Economics Research

Tourism Economics estimates that 2025 international visitation to Minnesota was down 17.4% to 507,000. While this total international drop is mostly due to Canadian travel trends, it also includes a 2.9% Overseas visitation decrease. After Canada, Minnesota's 2025 top origin markets are India, the United Kingdom and Germany.

2026 OUTLOOK MORE POSITIVE THAN NEGATIVE, DESPITE CONTINUED ECONOMIC PRESSURE

Minnesota tourism and hospitality businesses' 2026 leisure travel outlook is similar to recent years. According to sentiment survey results, 46% of businesses are somewhat or very optimistic, 26% neutral and 29% somewhat or very pessimistic.



Economic pressures continue to impact leisure travel. One survey respondent commented, "We expect consumer spending to be flat. We expect that those with money will continue to spend, while the middle continues to shrink and is no longer reliable, and those with less economic ability to spend even less. Our tourism economy cannot be built on serving only those with money. We need to find ways for everyone to participate."

Multiple considerations were shared in survey comments.

Opportunities:

- Travelers want to escape and relax in Minnesota's beautiful nature and more rural areas
- Desire to turn current national attention into something positive for our state

Challenges:

- Limited marketing budgets and ability to bring attention to 'ma and pa resorts' and smaller hidden gems across the state
- Increasing costs, tariffs, taxes and local and state regulations impact operations and limit growth
- Staffing remains tough for some industry businesses

National Research

According to MMGY's Winter 2025 Portrait of American Travelers report, 25% are interested in visiting Minnesota in the next two years. This is a statistically significant 4% YoY increase relative to winter 2024.

A January 2026 **Longwoods International survey** found that 91% of U.S. leisure travelers have plans in the next six months. However, financial concerns continue to impact travel decisions. Personal financial situations (29%), inflation (28%), airfare prices (28%) and gas prices (19%) will "greatly impact" some individuals' travel plans.

CONCLUSION

While many Minnesota tourism businesses report winter softness, statewide hotel metrics and employment data show mixed-but-stable indicators. Our statewide survey shows that nearly half of tourism businesses are experiencing some level of impact from the federal presence, demonstrating the ripple effect of these actions in all aspects of life in our state.

Explore Minnesota will continue to monitor industry trends carefully, support industry partners, and ensure Minnesota's brand remains strong during this period of national attention.