
North Central Planning Council Tourism Study

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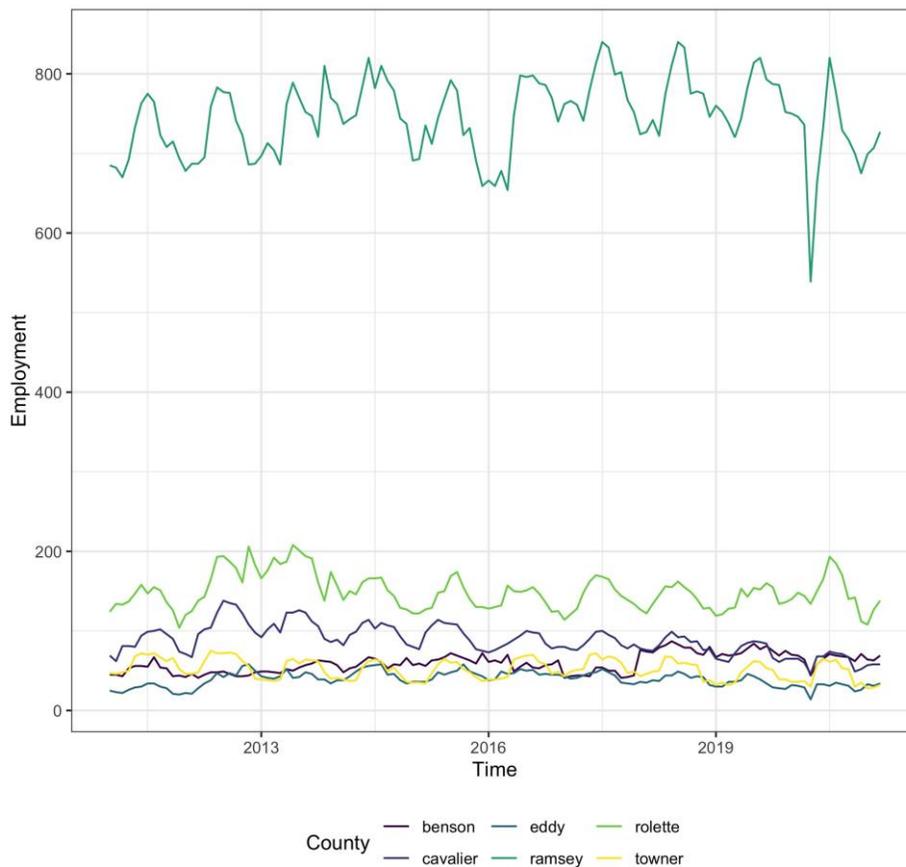
Executive Summary

The Institute of Policy & Business Analytics at the Nistler College of Business & Public Administration, University of North Dakota was hired to conduct a survey of select North Dakota businesses in Benson, Cavalier, Eddy, Ramsey, Rolette and Towner counties to better understand how tourism can be strengthened in the region. Business owners were asked to share their ideas and suggestions to increase tourism in the North Central Planning Council’s region by responding to an online survey conducted from December 28, 2021 through January 18, 2022.

Purpose

The interest is due, in part, to a lack of significant changes during the initial onset of the COVID-19 pandemic. Most of the counties in the North Central Planning Council’s region displayed minimal fluctuations at the onset of COVID-19 restrictions (typically March 2020). Using data from the Bureau of Labor Statistics we see that any declines in categories like leisure and hospitality employment were brief.

Leisure and Hospitality Employment by County 2010 to 2020



The following is a summary of the major findings:

- The tourism (n=6) and lodging (n=4) business sectors represented 44% of the survey respondents.
- Ramsey County (n=12) and Benson County (n=6) represented 78% of the survey respondents.
- Only 17% of respondents (n=4) changed employment practices at their business due to COVID-19.
- A total of 26 employees were impacted by COVID-19 in the four respective tourism sectors.
- Overall respondents believe the tourism related business sectors (Tourism, Lodging, Food Service, and Retail) all currently need assistance to create a thriving tourism economy in the North Central region.
- The most significant problem or challenge their business currently faces is hiring or retaining employees (59%) followed by supply chain problems (14%).
- Overall significant business challenges in the next six months will continue to be hiring or retaining employees (43%) followed by supply chain problems (19%), COVID-19 interruptions (10%) and regulations (10%).
- Businesses are generally confident about the outlook in the next six months, with 41% indicating they are “extremely” or “very confident” followed by another 41% who are “moderately confident”.

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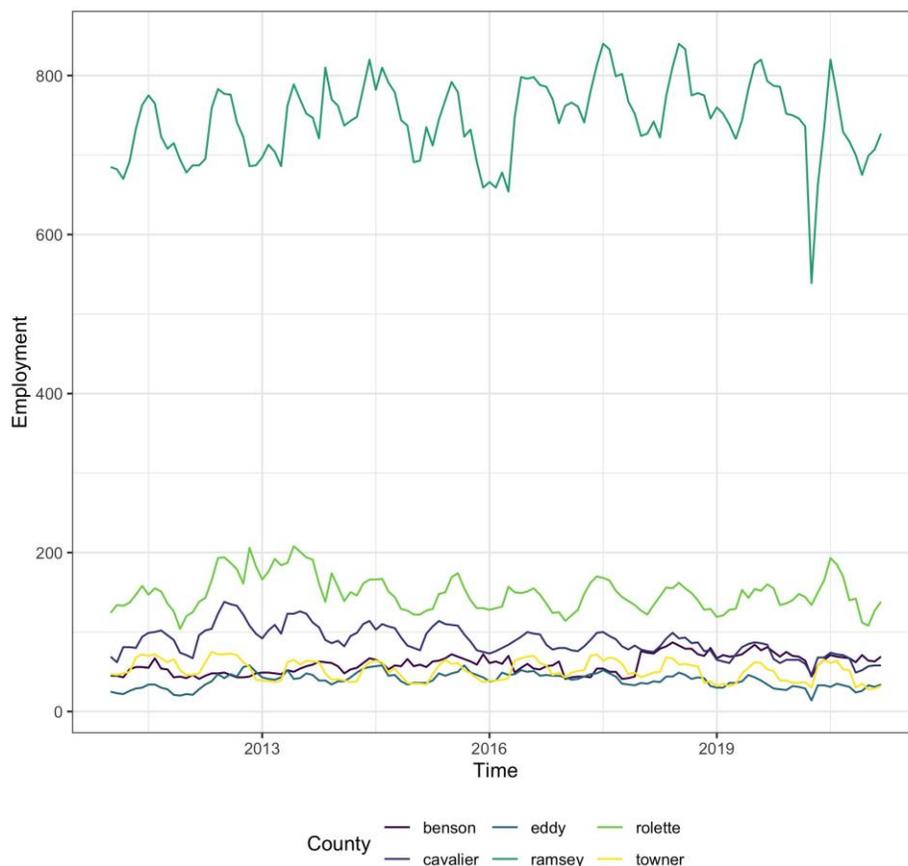
North Central Planning Council Tourism Study

Purpose

The Institute of Policy & Business Analytics at the Nistler College of Business & Public Administration, University of North Dakota was hired to conduct a survey of select North Dakota businesses in Benson, Cavalier, Eddy, Ramsey, Rolette and Towner counties to better understand how tourism can be strengthened in the region.

The interest is due, in part, to a lack of significant changes during the initial onset of the COVID-19 pandemic. Most of the counties in the North Central Planning Council's region displayed minimal fluctuations at the onset of COVID-19 restrictions (typically March 2020) (Figure 1). Using data from the Bureau of Labor Statistics we see that any declines in categories like leisure and hospitality employment were brief.

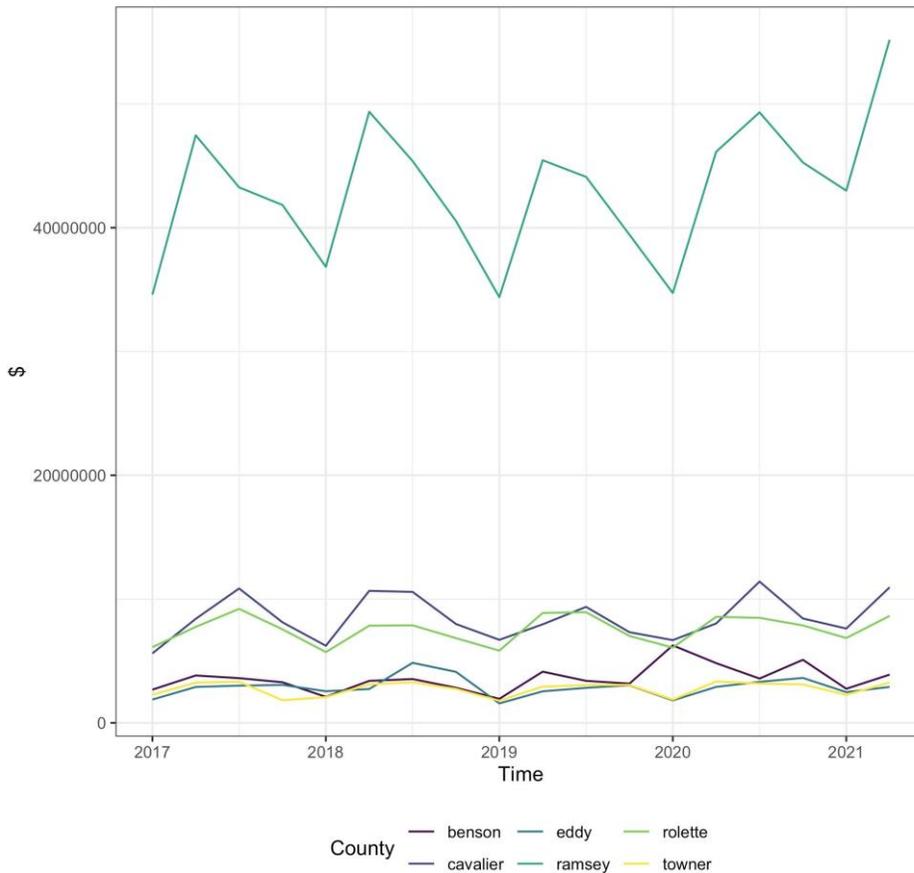
Figure 1. Leisure and Hospitality Employment by County 2010 to 2020



Data from the North Dakota Tax Commissioner's office show a similar lack of change in taxable sales and purchases at the onset of the pandemic.

The lack of neither notable nor lasting impacts from COVID and subsequent policy and behavioral changes is not indicative of the situation being benign or manageable. The popular press is filled with stories regarding the “pivots” businesses made to keep workers employed and business doors open. Understanding whether this occurred in the North Central Planning Council’s region, what was done, or the other problems faced is important to guide policy going forward. Thus, the need for this study.

Figure 2. Taxable Sales and Purchases by County 2017 to 2021



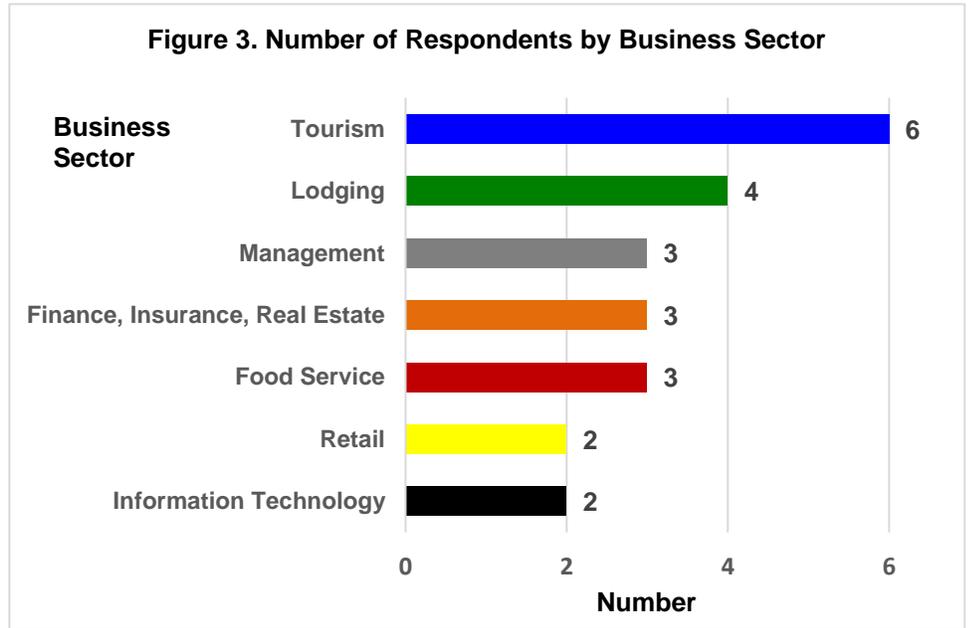
Methodology Overview

The results of this study are based on twenty-three businesses completing an online survey in the North Central Planning Council’s region. Survey data was conducted from December 28, 2021 through January 18, 2022.

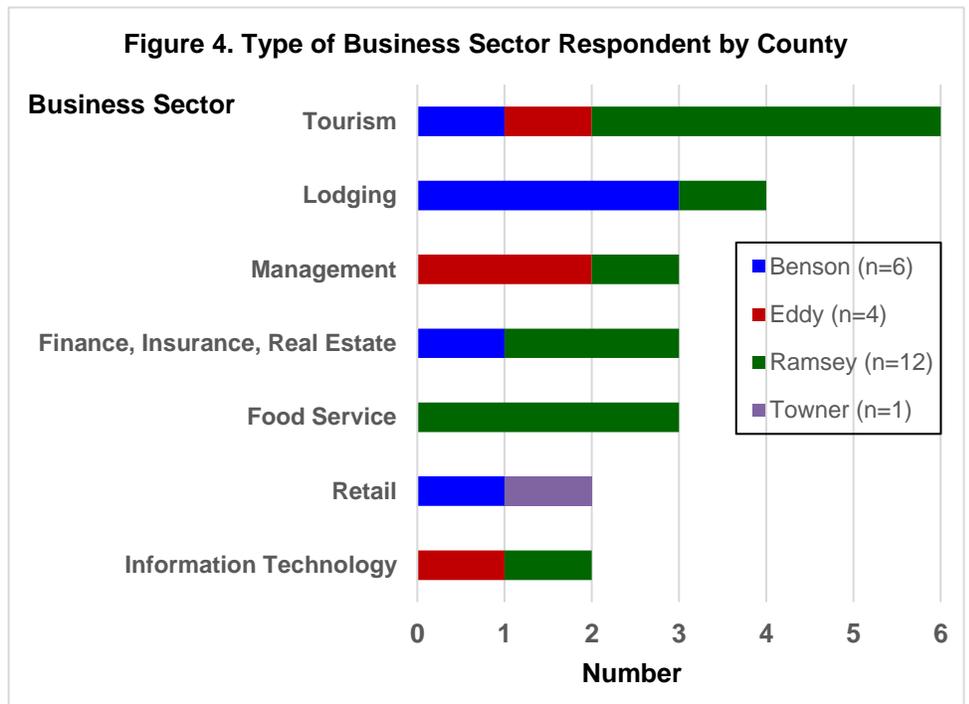
Section I. Major Findings

BUSINESS SECTOR RESPONDENT DEMOGRAPHICS

The tourism (n=6) and lodging (n=4) business sectors represented 44% of the survey respondents (Figure 3).



Ramsey County (n=12) and Benson County (n=6) represented 78% of the survey respondents (Figure 4).



BUSINESS SECTOR RESPONDENT DEMOGRAPHICS

Table 1 presents the number of businesses, the range, mean, and total number of full-time equivalent employees by business sector.

Table 1. Full-time Equivalent Employees by Business Sector of Respondents

Business Sector	Number	Range	Mean	Total
Tourism	6	1 to 25	8.0	47
Lodging	4	4 to 10	6.5	26
Management	3	2 to 3	2.6	8
Finance, Insurance, Real Estate	3	1 to 34	14.6	44
Food Service	3	3 to 12	6.3	19
Retail	2	1 to 10	6.3	9
Information Technology	2	8 to 9	5.6	17
Totals	23	1 to 34	7.1	170

Changed Business Employment Due to COVID-19

Only 17% of respondents (n=4) changed employment practices at their business due to COVID-19 (Figure 5).

A total of 26 employees were impacted by COVID-19 in the four respective tourism sectors (Table 2).

Businesses were asked to describe how COVID-19 specifically impacted employment. A food service business owner indicated they did most of the work themselves due to lack of employees, while another owner in the lodging sector only had salaried employees on the payroll unless specific work volumes were met (a certain number of rooms filled). One information technology business held fewer in person meetings during COVID-19.

Figure 5. Changed Employment at their Business Due to COVID-19

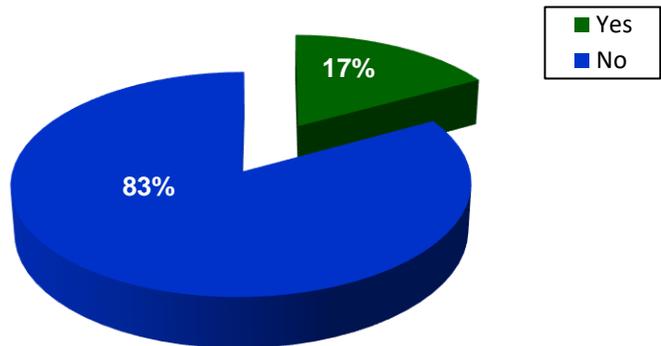


Table 2. Tourism Business Sectors Number of Employees Impacted by COVID-19

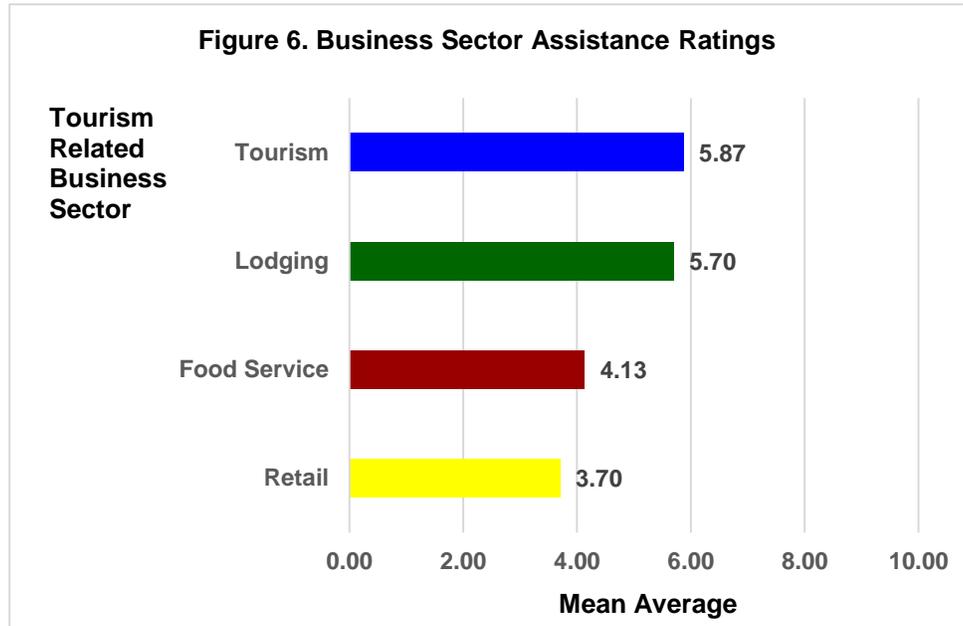
Business Sector	Number	Employees
Food Service	1	4
Lodging	1	10
Information Technology	1	9
Management	1	3
Totals	4	26

BUSINESS SECTOR TOURISM RATINGS

Business Sector Tourism Ratings

Respondents were asked to rate food service, retail, tourism, and the lodging sectors on a scale of 0 to 10, with 0 meaning the sector “needs major assistance” and 10 meaning the sector is exceeding tourism expectations and “does not need assistance”.

Overall respondents believe the tourism related business sectors all currently need assistance to create a thriving tourism economy in the North Central region (Figure 6).



Ideas to Strengthen Tourism

Respondents were asked to provide ideas and suggestions to strengthen tourism. Major terms used to describe what can be done are presented in a word cloud of responses in Figure 7.

Figure 7. Word Cloud of Ideas and Suggestions to Strengthen Tourism



IDEAS TO STRENGTHEN TOURISM

Respondents ideas and suggestions to strengthen tourism are provided by business sector.

Food Service

- Restaurants that are open past 8pm-not bars.
- More eating establishments.
- We need staffing in restaurants to keep the hours viable.
- Food industry could use assistance attracting people into town.

Retail

- Downtown shopping, more competition. Large sporting goods store.
- More retail establishments.
- Women complain there are not enough shops and clothing stores in the Devils Lake area.
- We need staffing in all retail establishments.
- Need more grocery stores, bait shop, food services.

Tourism Attractions

- More Beaches!
- Things for the younger people to do while they are on vacation in the area.
- We need more attractions to entertain those that are here.
- Devils Lake tourism focuses primarily around the lake. We must invest in these areas.
- An example I think that ND could benefit from is winter carnivals that include the snow sculpting and special activities to include kids and women while the men are fishing.
- Our direct area focuses largely on our fishing and hunting industry to draw people. It would be nice to draw people for other reasons like our car show that draws people from all over the United States and Canada, when the border is open. We have recently started an art festival in town, I think it will grow to a great attraction!
- Add more state parks on Devils Lake.
- Getting the ND game and fish to stock Devils Lake with Perch on an annual basis.
- Lake access needs major improvement.
- Turn off pumps that are draining Devils Lake of its valuable water.
- The lake needs a public beach.
- Additional grants to build better facilities.
- More funding to develop more tourism options
- We are also in dire need of a meeting space to hold larger gatherings.
- Hopefully Devils Lake continues to be a great fishery... that and hunting is the big draw to the area.

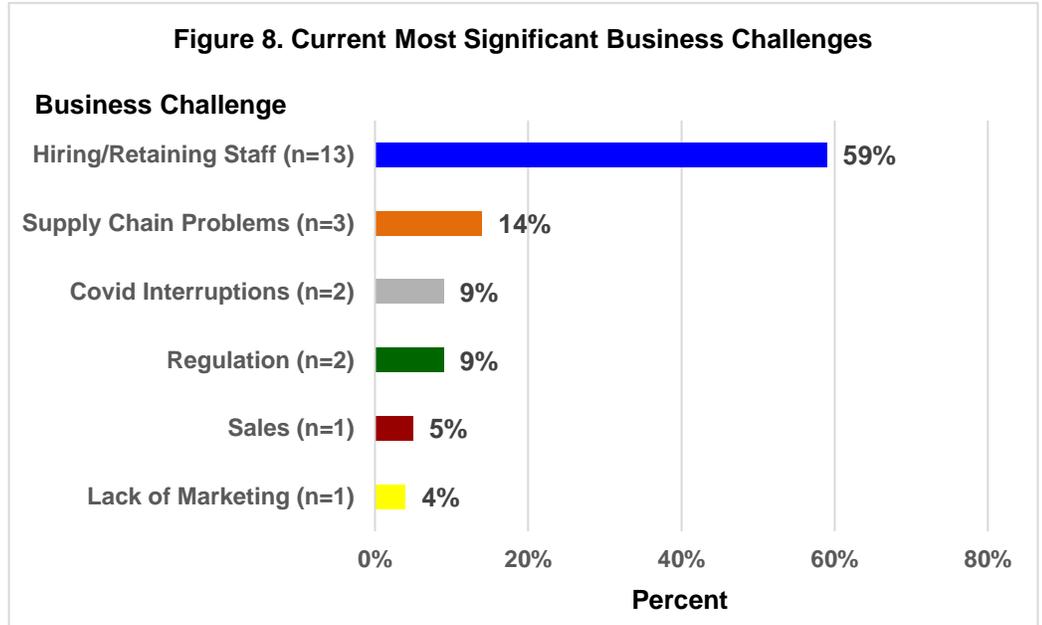
Marketing and Promotions

- More marketing for the area.
- Help with attracting proprietors, and entrepreneurs.
- Ramsey County commissioners need to better support fishing and recognize that tourism is a major contributor to this regions' economy.
- Open the Canadian border.

CURRENT BUSINESS CHALLENGES

Most Significant Business Challenge.

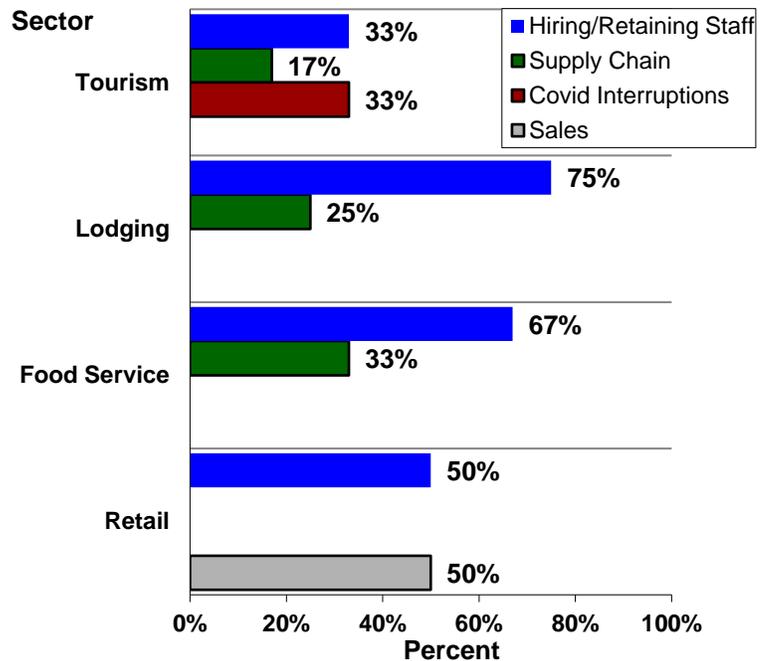
Businesses report (Figure 8) the most significant problem or challenge their business currently faces is hiring or retaining employees (59%) followed by supply chain problems (14%).



Tourism Related Sectors by Current Most Significant Challenges.

Figure 9 presents the tourism related sectors by the most significant challenge their business currently faces.

Figure 9. Tourism Related Sectors by Current Most Significant Business Challenges



CURRENT BUSINESS CHALLENGES

Figure 10 presents the tourism related sectors by the second most significant challenge their business currently faces.

Figure 10. Tourism Related Sectors by Second Most Significant Business Challenges

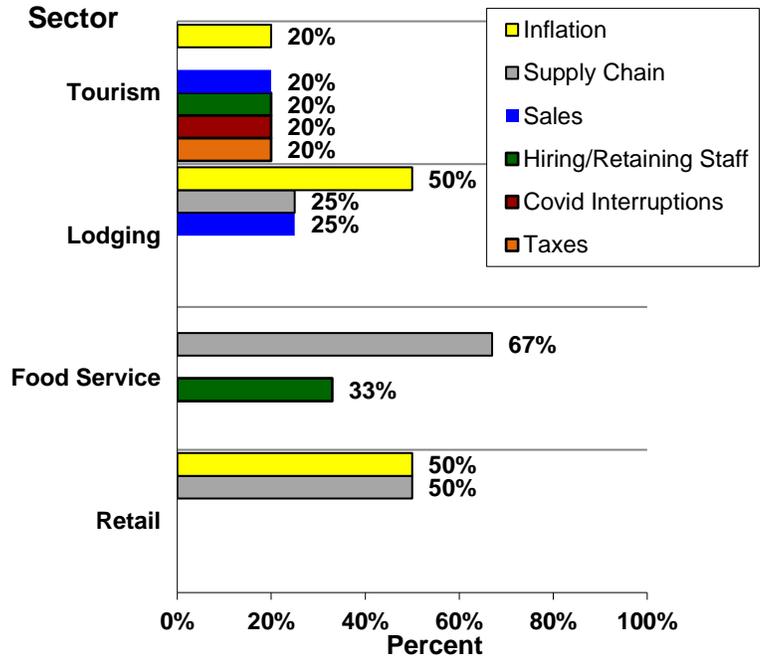
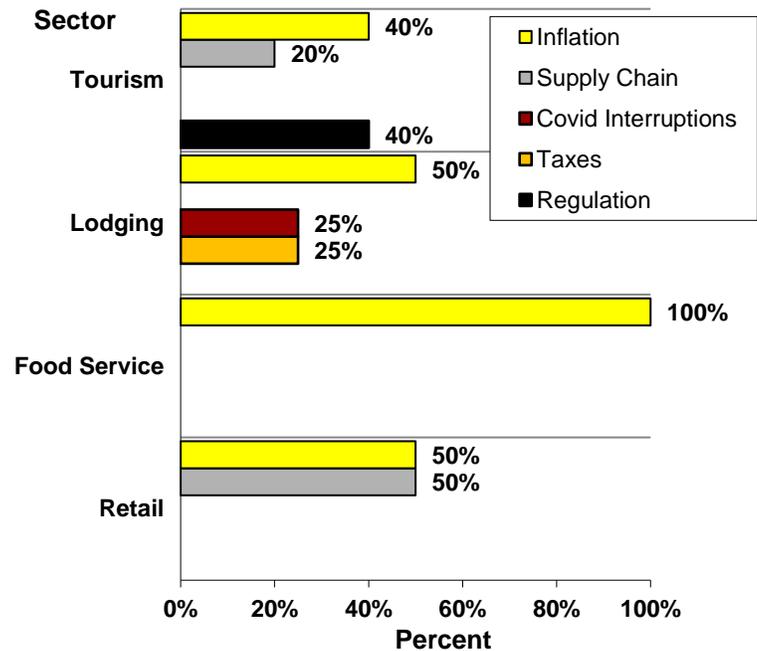


Figure 11 presents the tourism related sectors by the third most significant challenge their business currently faces.

Figure 11. Tourism Related Sectors by Third Most Significant Business Challenges



BUSINESS CHALLENGES NEXT SIX MONTHS

Most Significant Business Challenge in the Next Six Months.

Businesses believe the most significant problem they will face in the next six months will continue to be hiring or retaining employees (43%) followed by supply chain problems (19%) (Figure 12).

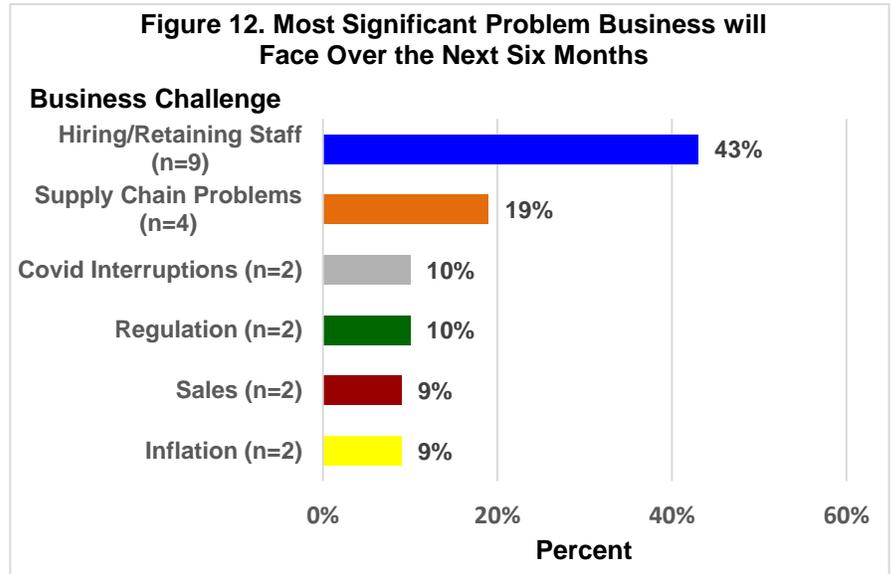


Table 3 presents the tourism business sectors most significant problem their business will face over the next six months.

Table 3. Tourism Sectors Most Significant Problem Business will Face Over the Next Six Months						
Business Sector	Supply Chain	Hiring/Retaining Staff	Covid Interruptions	Sales	Regulations	Inflation
Tourism (n=5)	20%	20%	40%	----	20%	----
Lodging (n=4)	----	75%	----	----	----	25%
Food Service (n=3)	68%	32%	----	----	----	----
Retail (n=2)	50%	----	----	50%	----	----

ADDRESSING BUSINESS CHALLENGES

Tourism Sectors Solutions to Deal with Business Problems or Challenges

Tourism Sector (n=6) Solutions Utilized

- 50% Increasing Wages or Compensation
- 33% Increasing Workers
- 17% Looking for or Contracting with Other Suppliers
- 17% Talking to Legislators or Regulators
- 17% Not Addressing the Problems or Challenges

Lodging Sector (n=4) Solutions Utilized

- 75% Increasing Wages or Compensation
- 25% Increasing Workers
- 25% Training, Education, or Skill Development Training
- 25% Changing Work Environment (remote work, flexible schedules, etc.)
- 25% Not Addressing the Problems or Challenges

Food Service Sector (n=3) Solutions Utilized

- 100% Increasing Wages or Compensation
- 67% Looking for or Contracting with Other Suppliers
- 33% Increasing Workers

Retail Sector (n=2) Solutions Utilized

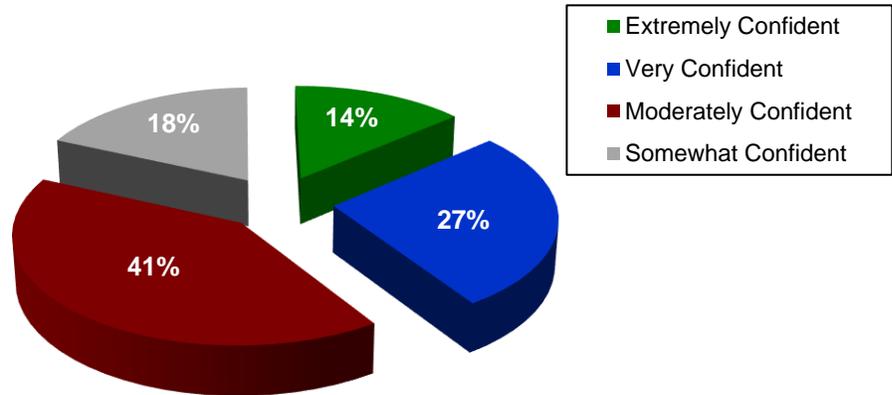
- 50% Looking for or Contracting with Other Suppliers

BUSINESS OUTLOOK

Business Confidence

Businesses are generally confident about the outlook in the next six months, with 41% indicating they are “extremely” or “very confident” followed by another 41% who are “moderately confident” (Figure 13).

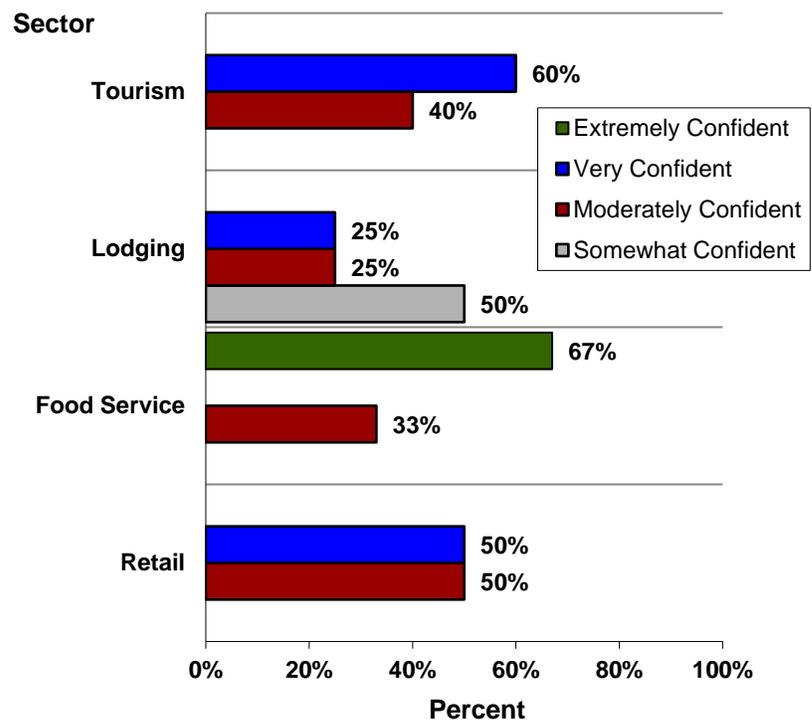
Figure 13. Business Six Month Outlook



Business Confidence by Tourism Sectors

The tourism sectors are mostly confident about the outlook in the next six months, with food service, tourism and lodging leading the optimism (Figure 14).

Figure 14. Tourism Related Sectors by Six Month Confidence Outlook



Appendix A

Survey Instrument

North Central Planning Council Tourism
Survey Instrument

The Institute of Policy & Business Analytics at the Nistler College of Business & Public Administration, University of North Dakota is conducting a brief survey of North Dakota businesses in Benson, Cavalier, Eddy, Ramsey, Rolette and Towner counties to better understand how tourism can be strengthened in the region. We are asking businesses owners to share their ideas and suggestions to increase tourism in the North Central Planning Council’s region. All business responses will be aggregated by county and/or industry.

If you have questions please contact Cordell Fontaine or David Flynn at UND.ipba@UND.edu

If you want to learn more about the Institute and our mission please visit our website <https://business.und.edu/policy-institute/index.html>

County Business Location

1. What county do you conduct most of your business transactions?

If you have multiple counties, please select the one in which you conduct the most business in the past year.

Benson Cavalier Eddy Ramsey Rolette Towner

Business Sector

2. Please indicate the sector in which your business operates.

Food Service (including food/beverage restaurants, bars)

Retail

Lodging (Hotels, Motels, Resorts, and Bed and Breakfasts)

Tourism

Transportation

Finance, Insurance, Real Estate

Information Technology

Management

Health Care

Agriculture

Manufacturing

Energy

Autonomous Systems

Other (Please Specify)

3. Did you change employment at your businesses because of COVID-19?

Yes No

Employment Change

Please use the space below to describe how employment changed at your business during COVID-19.

4. Food Sector

Thinking now about the **Food Service Sector** including food/beverage establishments (restaurants, bars), using a scale of 0 to 10, with 0 meaning “Needs Major Assistance” and 10 meaning this sector is exceeding tourism expectations and “Does Not Need Assistance”, how well is this sector doing to create a thriving tourism economy in the North Central region?

0 Needs Major Assistance

1

2

3

4

5

6

7

8

9

10 Does Not Need Assistance

5. Retail Sector

Now thinking now about the **Retail Sector**, using a scale of 0 to 10, with 0 meaning “Needs Major Assistance” and 10 meaning this sector is exceeding tourism expectations and “Does Not Need Assistance”, how well is this sector doing to create a thriving economy in the North Central region?

Same response categories as Q4

6. Tourism Sector

Now thinking now about the **Tourism Sector**, using a scale of 0 to 10, with 0 meaning “Needs Major Assistance” and 10 meaning this sector is exceeding tourism expectations and “Does Not Need Assistance”, how well is this sector doing to create a thriving economy in the North Central region?

Same response categories as Q4

7. Lodging Sector

Now thinking now about the **Lodging Sector**, using a scale of 0 to 10, with 0 meaning “Needs Major Assistance” and 10 meaning this sector is exceeding tourism expectations and “Does Not Need Assistance”, how well is this sector doing to create a thriving economy in the North Central region?

Same response categories as Q4

8. Tourism in North Central Region

What can be done to strengthen tourism in the North Central Region?

Please share your ideas and suggestions below.

9. Programs or Services

Are there any programs or services that could be provides to support you in the short-term (next 6 months) or in the long-term (beyond 6 months)? Please share your ideas and suggestions below.

10. Employees

What is the number of current full-time equivalent employees at your business?

11. Most Significant Problem or Challenge

What is the most significant problem or challenge your business faces right now?

- Hiring and/or Retaining Staff
- Sales
- Taxes
- Regulation
- Supply chain Problems
- Inflation
- COVID-19 Interruptions
- Other (Please Specify)

12. Second Most Significant Problem or Challenge

What is the second most significant problem or challenge your business faces right now?

Same response categories as Q11

13. Third Most Significant Problem or Challenge

What is the third most significant problem or challenge your business faces right now?

Same response categories as Q11

14. Business Problem Next Six Months

What do you expect will be the most significant problem your business will face over the next six months?

Same response categories as Q11

15. Addressing these Problem(s)?

How are you addressing your problems or challenges? Please check all that apply.

- Increasing Wages/Compensation
- Looking for/Contracting with Other Suppliers
- Increasing Workers
- Increasing Business Hours
- Talking to Legislators/Regulators
- Talking to a Business Coach/Consultant/Economic Development Professional
- Training/Education/Skill Development Training
- Changing work Environment (remote work, flexible schedules, etc.)
- Not Addressing Problems Currently
- Other (Please Explain)

16. Overall, how confident are you about the outlook for your business in the next six months?

- Not Confident
- Somewhat Confident
- Moderately Confident
- Very Confident
- Extremely Confident