**LAKE ERIE SHORES & ISLANDS**

**ANNUAL REPORT 2020**

**Larry Fletcher - President**

As I work on this annual report, I find the need to include a “disclaimer” acknowledging 2020 as the year COVID-19 changed our world. Otherwise, anyone comparing our performance from 2019 to 2020 would wonder how we could have missed the targets by so much.

We had started 2020 having come off a very strong 2019 with tourism related spending, overall hotel occupancy, lodging tax receipts, sales tax, and all other metrics we track being up from the previous year. The pieces were all falling together for 2020 to be an incredible year and we therefore had set very ambitious goals. We know now that 2020 was in fact incredible, but not defined in the way we could have ever anticipated.

In mid-March when the reality of COVID began to set in, our organization like all others had to quickly shift our goals and expectations from making plans based on growing our business, to developing strategies for how to survive. Our initial main focus areas therefore became:

* **The Health & Safety of Our Team:** We closed our welcome centers to the public and asked employees to work from home. To make sure we were still serving our partners and guests, phones and email communications continued to be answered remotely and an online chat function was engaged on our website.
* **Survival of Our Organization:** Because for the foreseeable future we would not be welcoming in guests, and also with an eye on our budget which we knew would be impacted significantly, we found it necessary to eliminate our part-time travel counselor staff. We also began exploring various relief fund options, ultimately reducing our payroll by 50% by utilizing *SharedWork Ohio*. We cut expenses across all other areas of our operation and adjusted our revenue projections down by as much as 70%. Recently we were able to obtain PPP funds.
* **Support for Our Region’s Businesses & Communities:** Once businesses and activities began becoming available to people, we gathered and promoted information about what people could do, where they could shop, get carry-out or delivery, etc. When travel restrictions were put into place, our messaging shifted to “Plan Now, Visit Later” and we used various channels to let leisure and business travelers know we would be ready to welcome them back when the time was right.

Once restrictions were eased, we shifted our message back to one that welcomed out-of-town visitors and highlighted what our businesses were doing to provide a clean and safe experience. Through this all we served as an information resource for our tourism industry partners and continued to encourage residents to support their local businesses; work that continues today.
* **Advocacy for Safe Opening of Businesses & Relief Measures:** Several Shores & Islands Board members and I served on some of the Governor’s “Responsible Restart Ohio” committees advocating for the safe opening of our tourism industry businesses. Members of our team also provided testimony on this subject at several Ohio Legislative Committee hearings and are continuing that work with our legislators to help our tourism industry.

The ambitious goals for the year that I mentioned earlier included items such as increasing tourism spending, website and social media engagement, favorable media coverage, groups brought to the region, etc. Understandably, most of these original goals were not able to be accomplished. I am however proud that our team was able to make the necessary adjustments so we could effectively address the adjusted goals mentioned above.

As we continued to modify our operation and services to be consistent with state/national orders and levels of travel across the year, we looked ahead with optimism as our region is well-positioned for a relatively quick recovery once travel can resume to near-normal levels. Some of those reasons are:

The decrease in visitation and associated spending this year, although down significantly, did not drop as much as we had originally projected. Lodging taxes in Erie County were down 47% from 2019 levels and Ottawa County down 24%; this in a year that some markets in Ohio saw decreases of 75%. This combined with expense reduction measures resulted in our organization having sufficient funds to aggressively market once the time is right.

Our social media engagement stayed strong throughout 2020 and overall, we actually saw growth in the number of followers to our main social platforms. At the end of 2020 we were just short of 300,000 followers when totaling Facebook, Instagram and Twitter. This is an indication of how loyal visitors to our region are, and the pent-up demand for travel that exists.

Website visits were down 28% year over year, but we ended 2020 with more than 1.2 million visits which is still very strong. Of particular note is that all of the website metrics we track were up in December 2020 over December 2019. We now have a vaccine and people are starting to plan for those trips they missed last year.

Outdoor recreation activities spiked in 2020 and our region is rich with assets and opportunities to meet this demand. Once youth sports competitions could resume the athletes showed up in strong numbers, and we are well-positioned to meet that demand as well.

Tourism industry research is showing that moving forward, travelers will be staying closer to home and driving more instead of flying. Our region has always benefitted from having more than 100 million people living within a day’s drive. We will realize that benefit even more so in 2021.

I say these things knowing we have a long way to go before we are out from under the weight this virus has brought to us. We cannot forget about the economic and human suffering already experienced by many, and that others will feel that pain in the weeks and months ahead. As we look forward with optimism, we must also do what we can to help the many who need our support.

As we wait for the vaccine plan to continue implementation, the Shores & Islands staff team, boards and committees will continue to keep the Shores & Islands region top of mind with visitors and potential visitors, support our local businesses and tourism industry partners, stay flexible and adjust our operation through the year as required, and have our marketing plans ready to engage at the appropriate levels when the time is right.

In closing, we at Lake Erie Shores & Islands thank all those on the front lines of what is arguably the most challenging period of time the tourism industry has ever been through. Our region’s health care workers; first responders; staff of service industry and retail establishments; public officials, educators; transportation workers, and so many others. The risks and sacrifices of these individuals allow our communities to continue serving the needs of residents and visitors alike, and we are in their debt.