



EXPLORE MINNESOTA AGENCY OVERVIEW

HOUSE ECONOMIC DEVELOPMENT FINANCE & POLICY COMMITTEE
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exploreminnesota.com | exploreminnesota.com/industry





WHO EXPLORE MINNESOTA IS AND WHAT WE DO

MISSION

We support Minnesota's economy and promote sustainable travel by welcoming all to experience our diverse cultures and destinations through innovative marketing, industry partnerships and unique storytelling.

VISION

To be a top 10 destination for extraordinary travel in all four seasons.

POSITION

We lead Minnesota's travel industry by collaborating with partners and stakeholders to market our state for the economic benefit of all Minnesotans.



**BRINGING THE
WORLD TO MN**

EXPLORE MINNESOTA'S ORGANIZATIONAL STRUCTURE



Marketing, brand strategy, research and partnerships



Communications, website and public relations



Industry relations, welcome centers, international travel trade and market development



Operations, finance, grant and contract administration, HR and policy

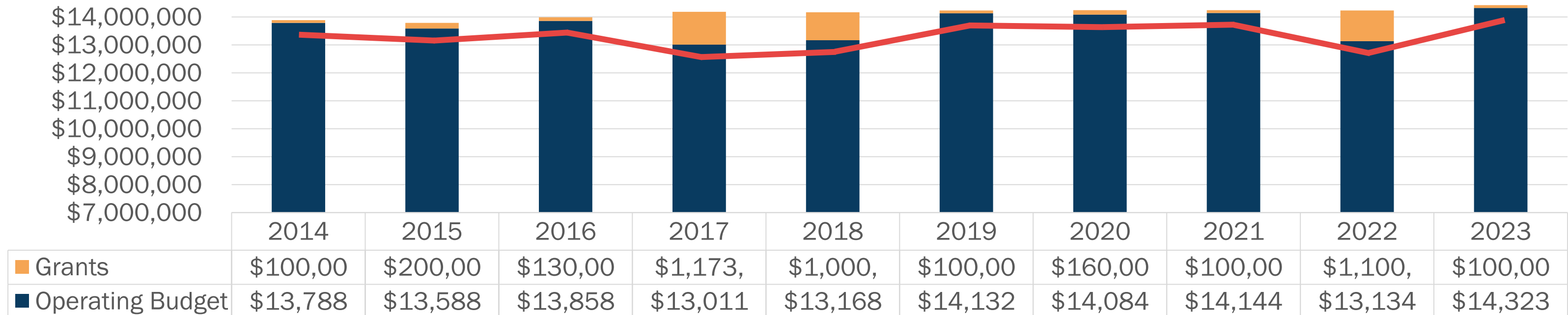


EMT HISTORICAL BUDGET

- ▶ Explore Minnesota has not had a budget increase since FY14* and is ranked 27th of 40 states reporting budgets to the US Travel Association.
- ▶ Funding increases in orange indicate specially-apportioned grants that passed through the agency and were not used for operations.

EMT Budget Trends
2014-2022

■ Operating Budget ■ Grants



*Any EMT operating increase is a supplemental adjustment for payroll and pension and becomes on-going

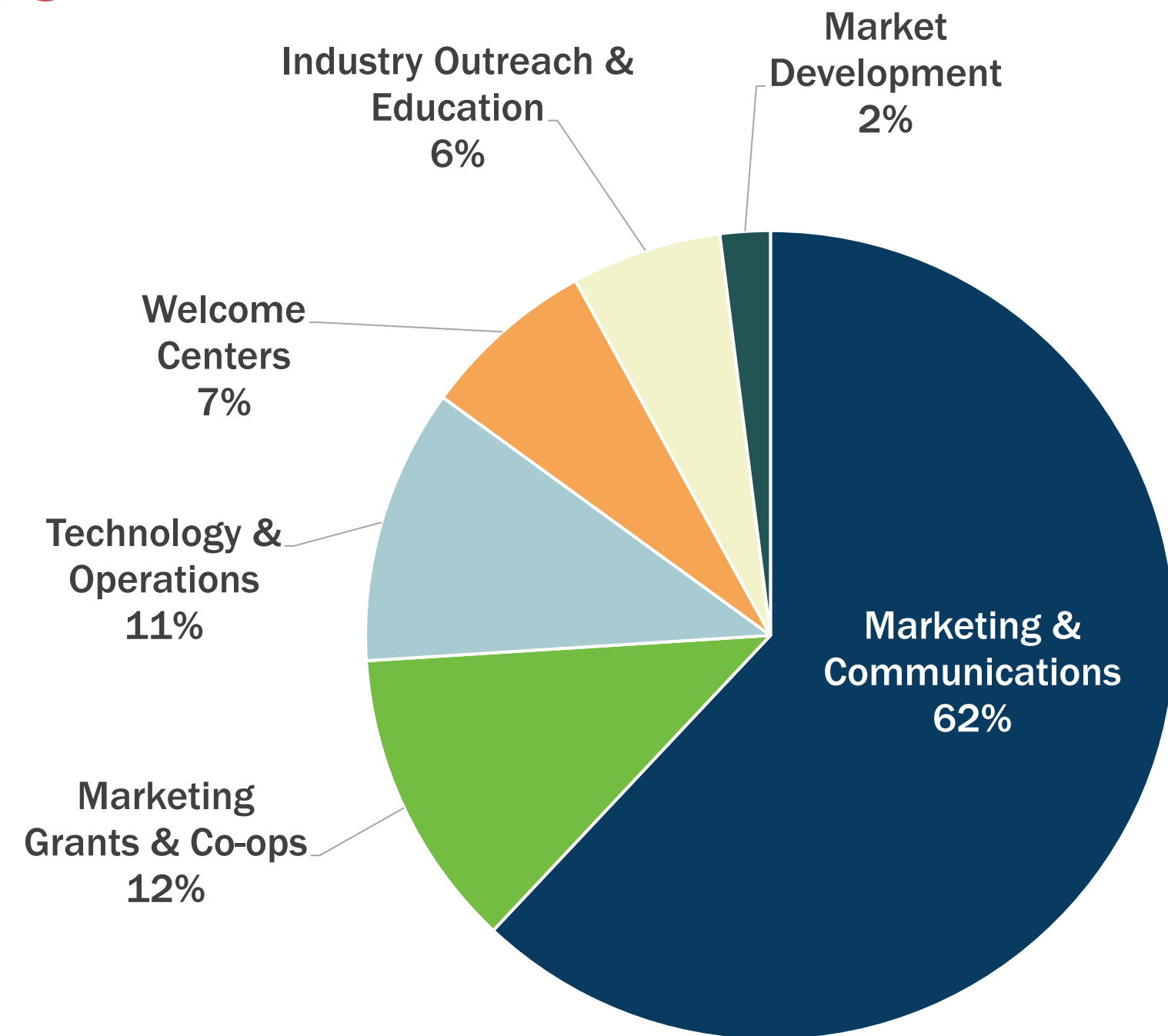
EXPLORE MINNESOTA ANNUAL BUDGET ALLOCATION

► Revenues:

► Gross sales

- 2019: \$16.6 billion
- Estimated 2022: \$14.7 billion

► \$14.1 billion in losses between January 2020 and June 2022



WHAT WE DO FOR MINNESOTANS

- ▶ Market the unique aspects of MN to bring economic support to small businesses
- ▶ Attract new visitors to support the vitality of the leisure & hospitality industry (275,000+ jobs)
- ▶ Without EMT, each household would pay an additional **\$625 in taxes** each year
- ▶ Generates significant sales tax revenue for the state's economy





MARKETING PROGRAM OVERVIEW

- ▶ Highlighting important accolades, national treasures, outdoor recreation, affordable, family friendly, arts & culture in every season
- ▶ **Annual marketing budget:** \$7–\$8m
- ▶ A tax ROI of \$18 (\$10 for general campaigns/\$31 for niche)*
- ▶ EMT’s advertising influenced 720,000+ trips in 2021
- ▶ Attracting people of all ages, all backgrounds
- ▶ **Multiple mediums:** TV/online video, print, radio/podcasts, digital display, rich media, social media, public relations, influencers, email, experiential, partnerships.

**Last updated in 2017*

MARKETING MN TO NATIONAL MARKETS

▶ Ongoing

- General campaign:

Spring/Summer (63%): MN, MT, WY, UT, CO, ND, SD, NE, IA, MO, WI, IL, IN, MI, Winnipeg, OH, Winnipeg and Thunder Bay Canada

Fall (13%): MN, ND, SD, OMA, STL, IA, WI, Northern IL

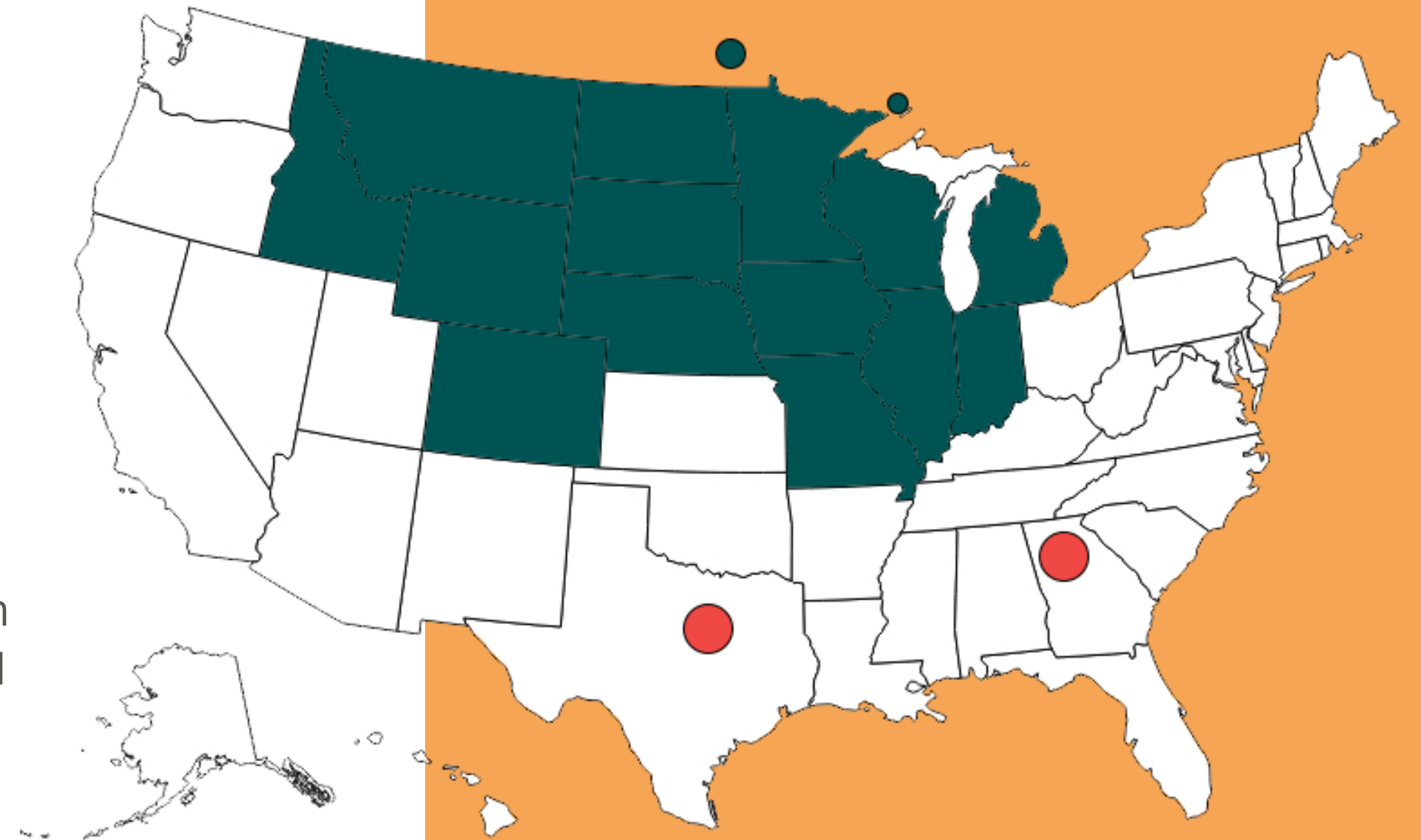
Winter (24%): MN, ND, SD, IA, WI, Northern IL, IN, MI, OMA, STL, MO, CO, Winnipeg and Thunder Bay Canada

▶ Niche marketing (topic-specific)

- Primarily print/digital
- Nationwide

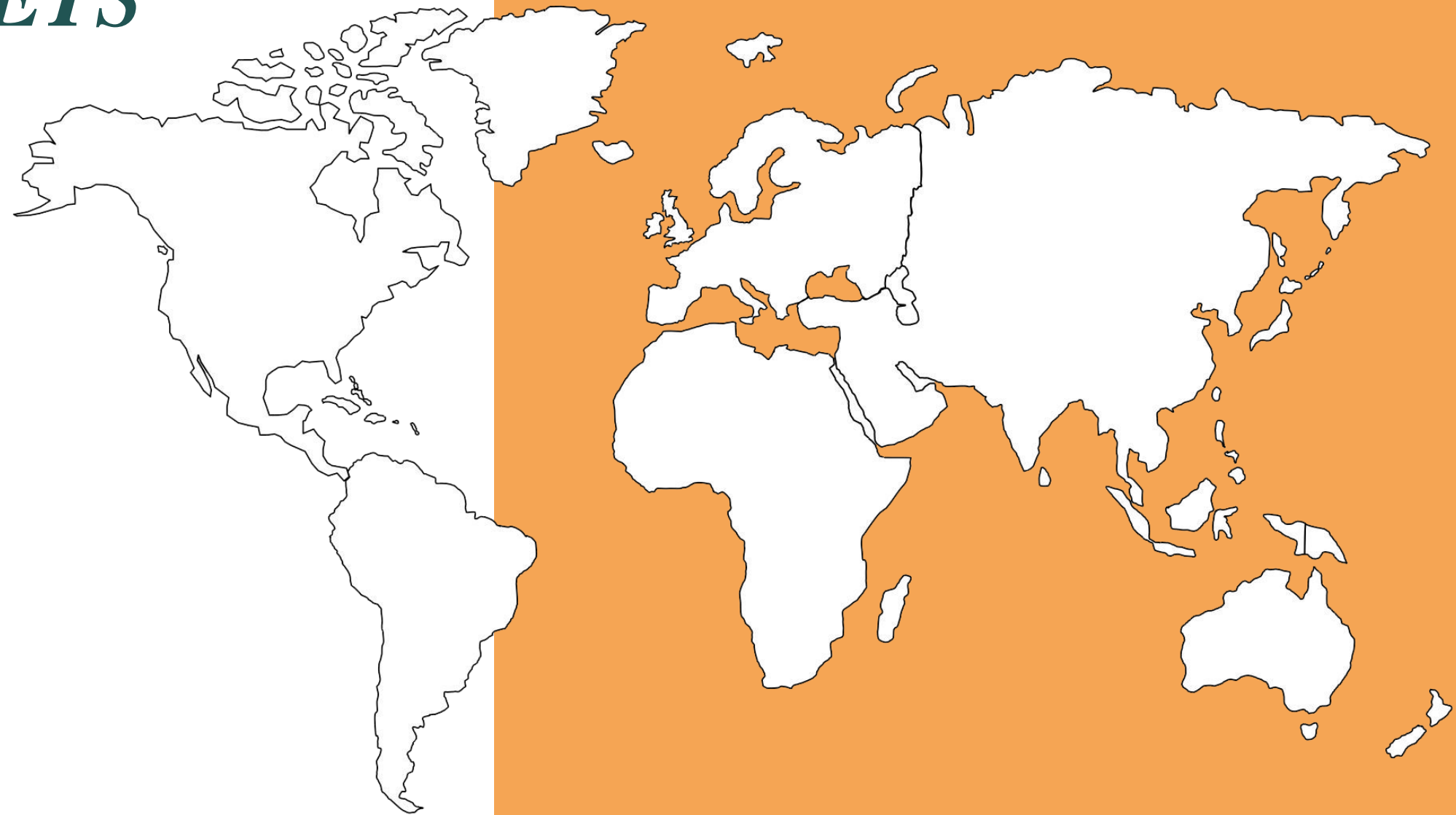
▶ New markets

- Dallas, TX & Atlanta, GA



MARKETING MN TO INTERNATIONAL MARKETS

- ▶ **Reestablish presence** in UK, Germany, France, Nordic, Belgium, Netherlands, Luxembourg, South Korea, Japan and Canada
- ▶ **Prioritize partnerships** with multi-state cooperative marketing organizations: Brand USA, Mississippi River Country (MRC), Great Lakes of North America (GLNA) and Rocky Mountain International/The Great American West (RMI) to leverage shared objectives to maximize marketing dollars
- ▶ Focus efforts on **earned media through active engagement with travel media**—sharing story ideas, news and familiarization trip opportunities.
- ▶ Consider new **high-interest markets**





COMMUNICATIONS & PR PROGRAM OVERVIEW

- ▶ Create content for web/social media to **attract and retain visitors**
- ▶ Generate travel resources with **important need-to-know information** about getting to and around MN
- ▶ **Generating interest** in MN in national, state and local media; emphasizing lesser-known locations throughout the state while continuing to promote easy/short itineraries in the metro area

RECENT TRAVEL ACCOLADES FOR MN

- ▶ **Thrillist:** “Best Places to Travel in January: Winter Vacation Ideas & Destinations“
- ▶ **AFAR:** “The Best Places to Travel in 2023”
- ▶ **Midwest Living:** “7 Rooftop Experiences to Enjoy This Winter”
- ▶ **CNN Travel:** “Best Places to Visit in 2023”
 - One of only two US locations included.
- ▶ Made it on to more than 40 “top” lists in various new outlets/magazines, with 33 top 10 placements, in 2022 alone.

thrillist

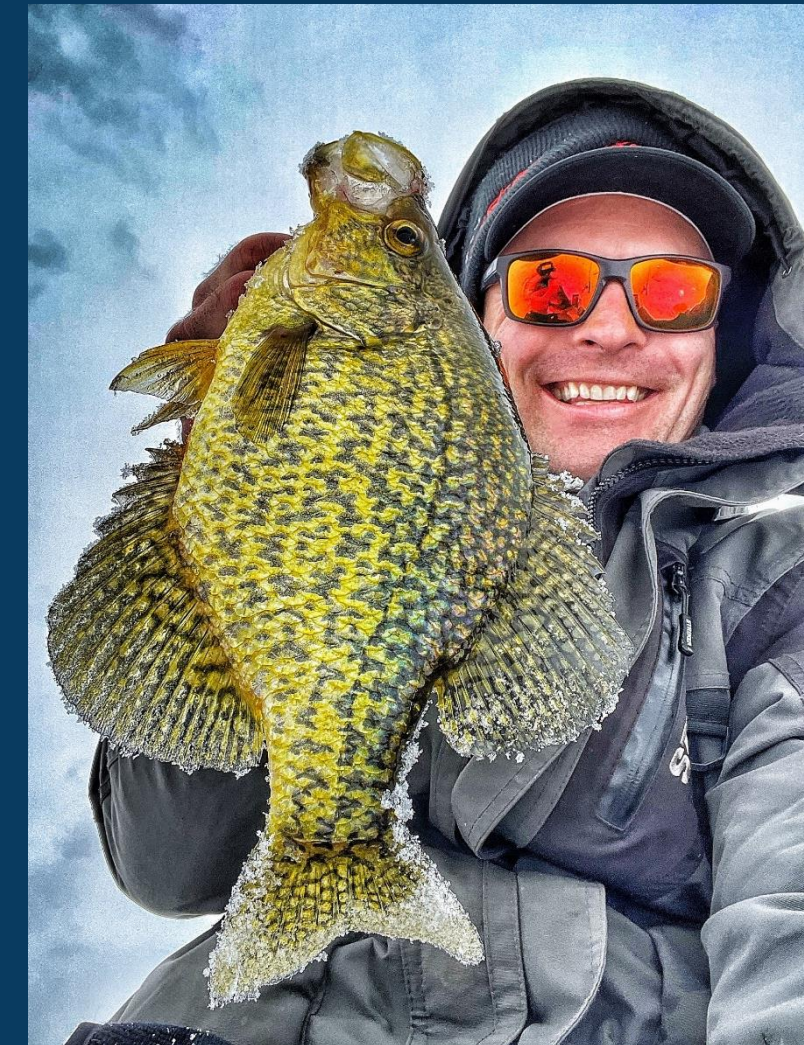
AFAR

MidwestLiving

CNN travel

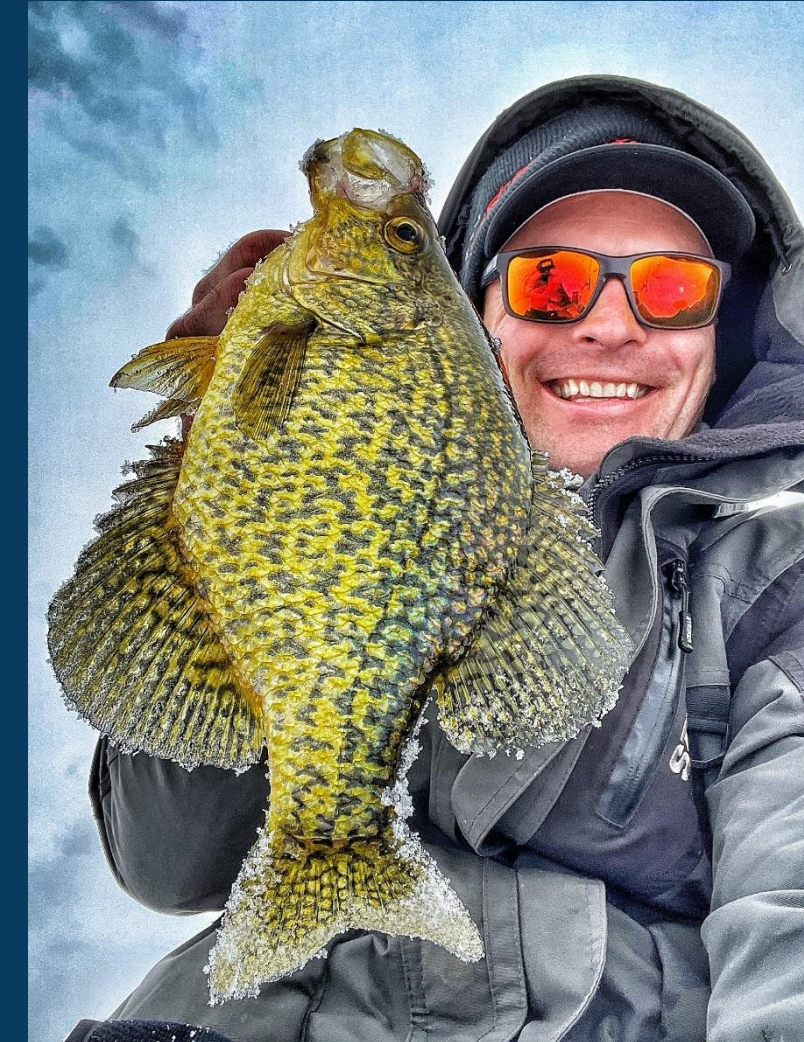
WHAT WE DO FOR THE INDUSTRY

- ▶ Educational resources
- ▶ Grants
- ▶ Co-ops
- ▶ Partnerships
- ▶ Destination development support
- ▶ Affiliate welcome centers
- ▶ Event & story Marketing
- ▶ Explore Minnesota Tourism Council
- ▶ Collaboration with statewide tourism/hospitality groups
- ▶ National & international marketing



2021-2023 TOURISM INDUSTRY GRANTS

- ▶ Crisis Marketing Grant Phase I:
 - \$1 million
 - 121 recipients
 - No matching funds or out-of-state required
 - July 1, 2020 – April 30, 2021
- ▶ Crisis Marketing Grant Phase II:
 - \$1.29 million
 - 125 recipients
 - \$17,500 maximum award
 - No matching funds or out-of-state required
 - Dec. 1, 2020 – Dec. 31, 2021
- ▶ Recovery Grant:
 - \$750,000
 - 50 recipients (23 unfunded; funds exhausted)
 - \$20,000 maximum award
 - No matching funds or out-of-state required
 - Sept. 15, 2021 – June 30, 2022
- ▶ 2023 Marketing Grant



INDUSTRY SITUATIONAL ANALYSIS

▶ Industry still struggling after covid:

- Employment: ↓ 16.96%
- Gross Sales: ↓ 5.48%
- Sales Taxes: ↓ 6.94%

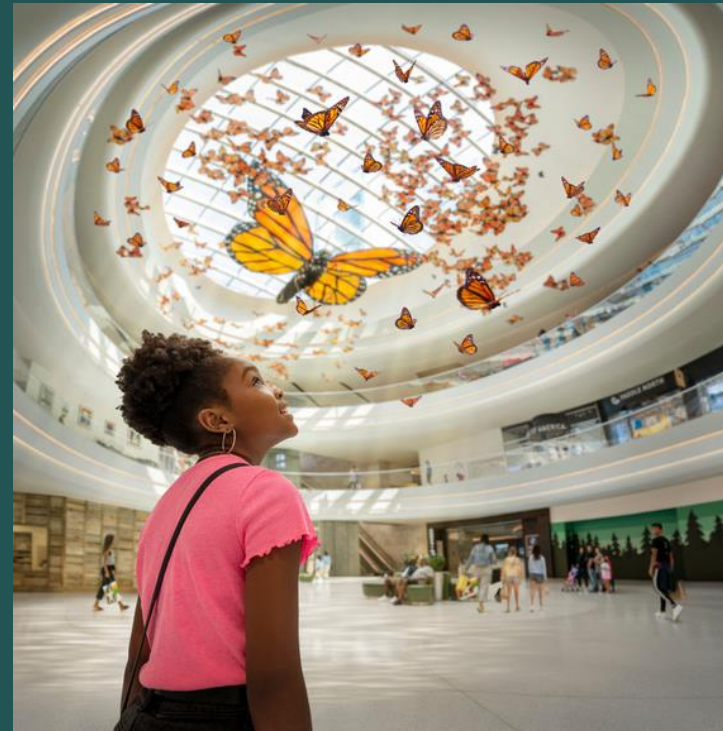
▶ Explore Minnesota's NEW strategy

- Focus on growth rather than just recovery
- Change in how, why and where people travel
- Type of travel changed
- New strategic plan for FY23-25

▶ Strategic plan research findings

- Capitalize on Minnesota's natural resources; year-round travel.
- Increase engagement with tourism industry stakeholders.
- Highlight unique position as a one-stop destination for a range of travel experiences.
- Work with governmental partners to strengthen the tourism workforce and stabilize the state's travel and tourism industry.
- Shift national media perception of Minnesota.
- Assume a leadership role for equity, diversity, accessibility and inclusion.





EXPLORE MINNESOTA'S STRATEGIC GOALS

#1

Grow Minnesota's visitor economy

#2

Create a welcoming experience for all visitors

#3

Maximize partner & stakeholder leadership & collaboration

#4

Foster destination stewardship

#5

Ensure organizational excellence

GROW MN'S VISITOR ECONOMY

- ▶ Increase total visitation
- ▶ Increase economic impact of tourism
- ▶ Grow jobs created by tourism

MAXIMIZE PARTNER & STAKEHOLDER LEADERSHIP & COLLABORATION

- ▶ Increase private and in-kind stakeholder contributions
- ▶ Grow stakeholder participation in Explore Minnesota's programs
- ▶ Prioritize opportunistic and partnership marketing



FOSTER DESTINATION STEWARDSHIP

- ▶ Conduct a Destination Assessment of Minnesota
- ▶ Build partnerships with governmental agencies to identify areas growth/sustainability where tourism intersects
- ▶ Create new educational opportunities around maintaining cultural, environmental and economic integrity of Minnesota as a tourism destination

CREATE A WELCOMING EXPERIENCE FOR ALL VISITORS

- ▶ Increase the percentage of diverse vendors used
- ▶ Increase spend in diverse markets
- ▶ Expand and highlight content celebrating diverse cultures
- ▶ Foster relationships with underserved, cultural and heritage communities



STATEWIDE SUPPORT FOR ECONOMIC GROWTH

- ▶ Working with other government agencies to **tackle workforce development and support L&H jobs**
- ▶ **Increasing tax revenue** in every corner of the state
- ▶ **Supporting outdoor recreation**, parks and trails and sustainability in partnership with the DNR
- ▶ Developing **partnerships with Minnesota-based businesses** to increase economic growth in tourism-related industries
- ▶ Emphasizing and growing **diversity, equity, inclusion and accessibility messaging**





Consumer travel & diversity marketing



Co-operative marketing program



Public relations & brand visibility—natl + intl



International inbound market recovery



Research & consumer intelligence data



Tourism Infrastructure & marketing grant programs



Welcome center & visitor services support



Tourism Conference & industry resources

MAJOR PROGRAM CHANGES

Growth where it's needed most

Proposed initiatives fall under four industry-facing goals. Reassessing and optimizing how we use current funding is a top priority. We are also better aligning new positions and reassessing vacant positions to fit a more future-focused need.

NEW IDEAS FOR FY24-25



Tourism and hospitality workforce marketing campaign to attract talent and ignite interest in tourism and hospitality career paths.



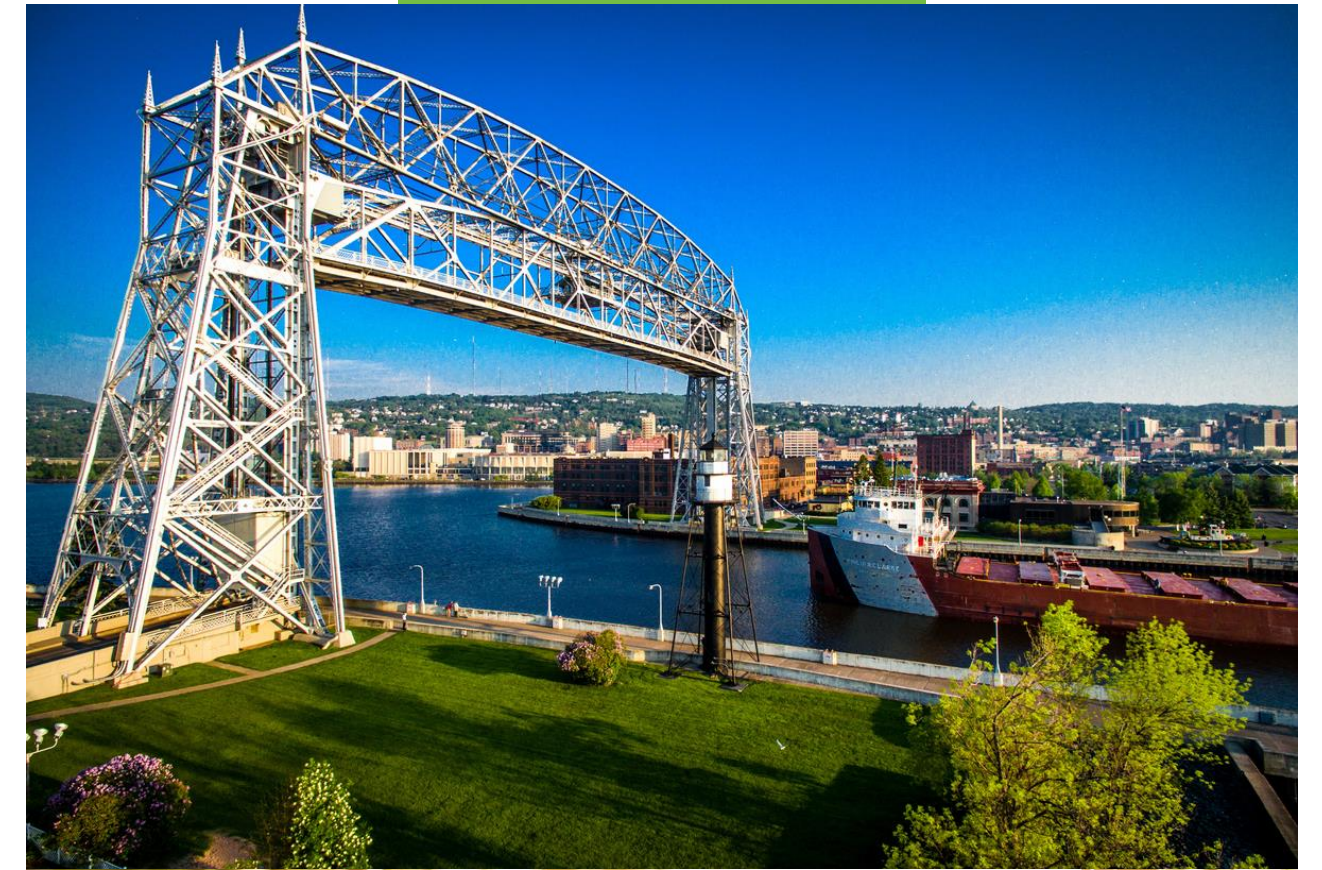
New grants to secure group business, DEI&A initiatives and funding to support bids to secure large-scale events and sporting mega events.



Tribal Nations destination development grant program and new funding for collaboration and engagement at the state and national level.



Harness the brand and expertise of Explore Minnesota to market Minnesota as not only a place to visit, but to live and work.



COMMITMENT TO A RENEWED OFFICE OF TOURISM

- ▶ Create a better perception of Minnesota focused on our unique attributes
- ▶ New leadership to prioritize growth and new opportunities
- ▶ Seek support and increased collaboration from other state agencies
- ▶ Connect regularly with legislative partners
- ▶ Emphasize the need for tourism and its importance to the state's economy
- ▶ Be a leader for equity, diversity, accessibility and inclusion



THANK YOU!

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