



EXPLORE MINNESOTA TOURISM ANNUAL REPORT 2012

To promote and facilitate travel to and within the state of Minnesota

EXPLORE
Minnesota
® EMT



THE YEAR 2012 was a very busy and exciting one as consumers grew more confident about the economy. We again saw a moderate increase in travel, as the tourism industry continues to recover from the recession.

We were working very hard to leverage our investments to promote all corners of the state. We reached out to a wide variety of travelers, from regional consumers to emerging international markets, to **grow travel**.

Although our resources are modest, we were able to generate over \$5 million in partnerships to creatively maximize our impact. We **served over six million customers** through our traditional and digital marketing efforts.

One of the more exciting efforts undertaken this past year was an independent study that shows we generate an 8 to 1 return on investment. This translates into a remarkable **\$84** in spending by travelers **for each dollar we invest**.

We certainly have a long way to go in continue to grow our \$12 billion tourism industry in Minnesota. However, the year 2012 was a year of **great work by great people** and we hope you are pleased with the results.

Please don't hesitate to let us know if you have questions or need any additional information regarding the programs mentioned in this report. We look forward to working with you in the future to the benefit of the entire state.

Sincerely,

John F. Edman

John F. Edman
Director, Explore Minnesota Tourism

message
FROM THE DIRECTOR



Explore Minnesota Tourism goals

Increase the number of resident and nonresident travelers in Minnesota.

Grow gross receipts/sales of tourism in Minnesota.

Generate increased state and local sales tax revenue from tourism.

Increase leisure & hospitality employment in Minnesota.

The general fund **operating budget** for Fiscal Years 2012-13:

FY '12	\$8.392 million*
FY '13	\$8.392 million*

*Includes \$500,000 in supplemental state funding available when private sector support generated by Explore Minnesota Tourism is at least \$1.5 million. **Explore Minnesota Tourism greatly exceeded this annual match requirement.**



Private Industry Match (FY12)

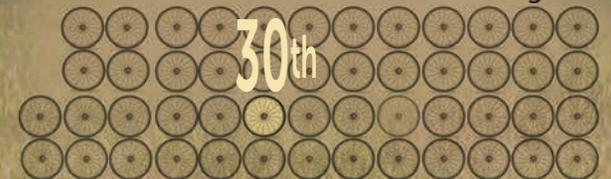
Cash	\$2.133 million
In-kind	\$3.358 million
Total	\$5.490 million

TRAVELERS	SALES	REVENUE	EMPLOYMENT
<p>71 million Annual number of travelers (in person-trips) in Minnesota</p>	<p>\$11.9 billion Annual leisure & hospitality gross sales</p>	<p>\$769 million State sales tax generated annually. <i>This is 17% of all state sales tax revenues.</i></p>	<p>240,000 thousand Number of hospitality jobs. Total payroll: \$4.1 billion Size of employment: 11% of total private sector employment</p>

WELCOME



Rank in U.S. state tourism office budgets:



budget

Results-driven advertising & marketing

partnerships

Every
\$1
 invested in
 state tourism
 marketing



generates
\$84
 in spending
 by travelers.

"More to Explore" TV ads aired in 5 Midwest markets, including Winnipeg; TV ads also aired during Summer Olympics, supplemented by online ads

New radio ads complemented TV ads in Minnesota and Chicago markets; launched the radio campaign with online video take-off of a classic Bob Dylan video

Launched the Pedal Minnesota promotion through a multi-agency partnership, with Health Partners as a major sponsor, using an ad campaign and a new website to promote bicycling in Minnesota

"Spin to Win" sweepstakes in winter and spring utilized Facebook and generated an extra month's worth of web traffic and 31,000 consumer leads

Partnered with Valleyfair, the Science Museum and the Minnesota Zoo for radio and online advertising in Sioux Falls and Fargo promoting travel to the metro area

Expanded co-op advertising opportunities for the tourism industry at reduced rates, doubling Explore Minnesota investment to underwrite this program

Created the Explore Minnesota Challenge race series with Anderson Race Management and the Minnesota Distance Running Association, promoting travel throughout the state to participate in racing events

Partnered with Mall of America to expand consumer awareness of Minnesota through advertising in the Mall's movie theaters, video kiosks, website, and other Mall visitor info

Led a public/private task force to evaluate and develop a cohesive brand for the State of Minnesota

Increased awareness of Explore Minnesota and promoted historic sites through partnership with the Minnesota Historical Society

Advertising during Minnesota Twins home games on the FSN-TV network included sponsorship of the score box

Extended media reach through partnerships with WCCO, KARE-11, Bring Me the News, Minnesota Broadcasters Association, and MPR's The Current radio station

Cooperative advertising distinguished tourism regions as unique destinations



Expanded Market reach

Expanded social media contacts, **tripling** the number of **Facebook fans** and **increasing Twitter** followers by **65%**

Provided story ideas, information and photos to **travel media**, generating **extensive coverage** of Minnesota as a destination

Promoted Minnesota travel through interviews on **radio** and **TV shows**

Visits to **exploreminnesota.com** increased by **44%**

Launched **award-winning mobile apps** for smartphones, and enhanced mobile websites

Promoted Minnesota activities and destinations through the **Minnesota Travel Guide** (300,000 distributed); designed new look and content for 2012 edition

Served on-the-road travelers at Travel Information Centers (TIC) and wide network of affiliated centers; **TIC visits up by 15%**

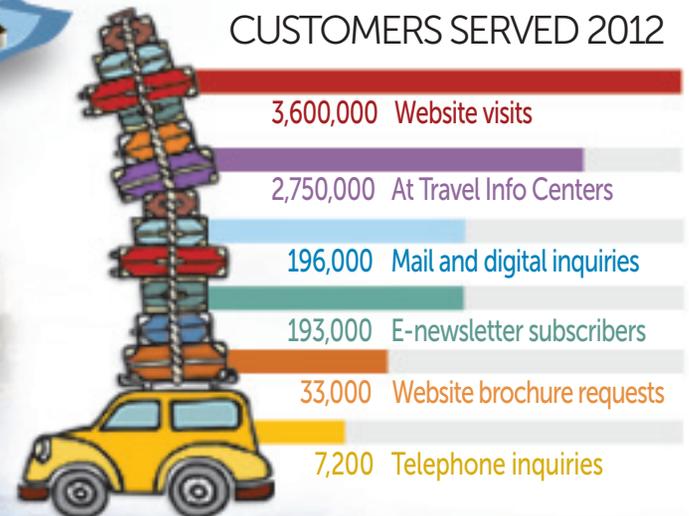
Issued monthly e-newsletters with trip ideas to spur getaways; **e-news subscriptions increased by 70%**

Offered seasonal trip ideas through **Minnesota Explorer** travel newspaper (total circulation of **3 issues: 1.6 million**), published in partnership with **Star Tribune**

Provided customized, **person-to-person travel planning** service through phone center



CUSTOMERS SERVED 2012



Quality Information for **travelers**

International & Group tour



More than 300 **domestic tour operators** offer Minnesota trips, ranging from day trips to multi-day tours of the state



With Minnesota industry partners, hosted **Active America China** for 50 Chinese tour operators, showcasing the metro region to this emerging market



Launched a quarterly travel trade **e-newsletter**, which is distributed to 4,000+ tour operators and media representatives in **domestic** and **international** target markets



Hosted international press, generating **TV coverage**, **radio** broadcasts and **travel articles** valued in excess of \$5 million



Co-hosted the **International Motor Coach Group** annual meeting, highlighting the metro region to 40 tour operators who own the majority of motor coaches used in North America



2012 **Minnesota Group & Packaged Travel Planner** highlighted shopping opportunities in Minnesota—designed to coincide with the 20th anniversary of Mall of America



Industry Relations

■ Through the Organizational Partnership and Scenic Byway Grant program, awarded **88 grants**, a total of about **\$329,000**, to communities and organizations for tourism marketing



■ Tourism businesses and organizations acquired about **100,000 direct referrals monthly** from the **Explore Minnesota website**

■ Increased visibility of Minnesota in the marketplace for meetings and conventions and **amateur sports events**

■ The **Governor's Fishing Opener** was held in the metro area for only the second time, hosted by Waconia, and attracted **the most media ever** in the event's 65-year history

■ Promoted the first-ever **Minnesota Museums Month** in cooperation with a variety of arts and cultural organizations

■ Represented **tourism industry interests** in addressing concerns regarding invasive species

■ Redesigned **travel industry website** for easier navigation



Timely research

Conducted studies on **economic impact** of tourism and return on investment generated by tourism marketing

Completed market **segmentation study** to help hone advertising messages and strategies

Surveyed lodging businesses and campgrounds on expectations and results of **summer tourism** business

Tracked lodging industry performance through Smith Travel Research

Collaborated with Dept. of Revenue on reporting of leisure and hospitality **sales tax data** used to track industry performance



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For more details on Explore Minnesota Tourism marketing and programs, go to: www.industry.exploreminnesota.com