EXPLORE MINNESOTA TOURISM

ANNUAL REPORT 2011

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

MESSAGE
from the Director

At Explore Minnesota Tourism, 2011 was a productive year, though it was also a challenging one. In Minnesota and across the country, the tourism industry continued a recovery that began in 2010. We saw a moderate increase in travel, reflected by growth in lodging demand, occupancy and revenue.

Although consumers continue to prefer short trips closer to home, and keep a close watch on their spending, Minnesota has the opportunity to draw travelers for value vacations in our state.

While we look forward to continuing, gradual improvement for the tourism industry, Explore Minnesota Tourism also responded to the challenge of promoting Minnesota travel with a declining budget. We did a lot with the resources we had.

We launched a new, award-winning advertising campaign and website, and developed new public and private sector partnerships to leverage our resources. We continue to connect travelers to travel businesses and destinations in a wide variety of ways, working closely with all of you in the tourism industry. However, we also missed the opportunity to serve travelers during a three-week government shutdown last July.

This report provides a glimpse of some of the highlights of our programs and activities. We have a great foundation to build on and many new initiatives underway. I look forward to working with you to ensure that tourism thrives in the months and years to come.

Sincerely,

John F. Edman

Director, Explore Minnesota Tourism

3 GOALS OF EXPLORE MINNESOTA TOURISM

Increase the number of resident and **nonresident travelers** in Minnesota.

*Annual number of travelers in Minnesota: **39 million***
More than seven times the population of the state!

Grow gross receipts/**sales** of tourism in Minnesota.

*Annual leisure & hospitality gross sales: **$11.3 billion***

Generate **increased** state and local sales tax **revenue** from tourism.

*State sales tax generated annually: **$732 million***
This is 17% of all state sales tax revenues.

Increase leisure & hospitality **employment** in Minnesota.

*Number of jobs: **235,000***
*Total payroll: **$4 billion***
*Size of employment: **11%** of total private sector employment*

BUDGET

Minnesota ranks 30th in U.S. state tourism office budgets.

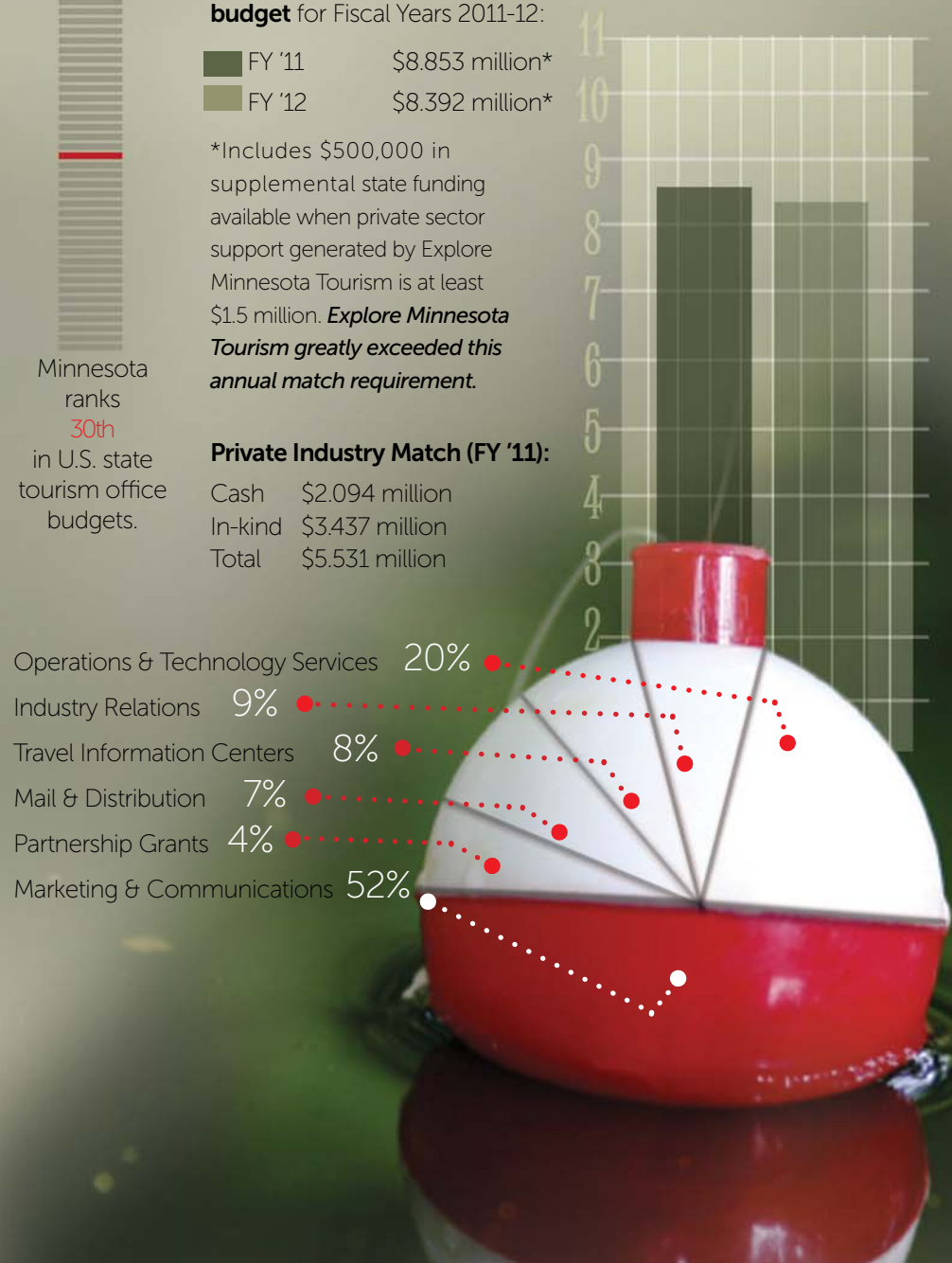
The general fund **operating budget** for Fiscal Years 2011-12:

FY '11	$8.853 million*
FY '12	$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 (FY '11):

Cash	$2.094 million
In-kind	$3.437 million
Total	$5.531 million



Results-driven advertising & marketing

MORE TO EXPLORE

PARTNERSHIPS

Every **$1** invested in state tourism marketing generates **$53** in gross sales.

Created a new marketing campaign themed *"More to Explore"* featuring playful TV ads that aired in 5 Midwest markets; this ad won a 2011 Mercury Award from the U.S. Travel Association as **"best state tourism TV ad"**

Initiated a public/private task force to evaluate developing a **cohesive brand** for the State of Minnesota

Initiated a state and community collaboration to develop a statewide **bicycle tourism** marketing program

Partnered with **Mall of America** to **expand consumer awareness** of Minnesota through advertising in the Mall's movie theaters, video kiosks, website, monthly e-newsletter, coupon book and visitor guide

Partnered with **Caribou Coffee** on a joint **direct mail** promotion

Developed a co-op **ad insert** in March/April *Midwest Living* reaching seven-state market area

SPIN to WIN

Conducted spring and winter **sweepstakes** that generated website traffic and leads

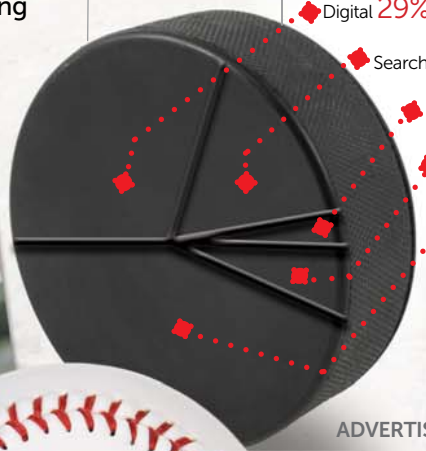
Developed **radio** ads in partnership with **DNR** to promote state parks and trails, and with the **Minnesota Historical Society** to promote historic sites

"Minnesota Moments" aired during **Minnesota Twins** home games on the FSN-TV network.

Extended **media reach** through partnerships with **WCCO, KARE-11** and **Bring Me the News**

Sponsored **programming** on MPR's ***The Current*** radio station

Regional advertising touted unique getaways.



5 Expanded MARKET REACH

Number of Facebook fans has nearly ***quadrupled*** *this year*

Expanded ***social marketing*** outreach using Facebook, Twitter, Flickr and blogs

Used social media to ***create a "buzz"*** prior to the launch of the new ad campaign

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

Quality INFORMATION for travelers

Launched an **all-new exploreminnesota.com**, with a fresh look, new features and easier navigation; the *website won a Gold Adrian Award* from the Hospitality Sales and Marketing Association International

Number of e-newsletter recipients has more than **doubled** *this year*

Developed all-new **Biking Guide** in cooperation with DNR and MnDOT

Issued **monthly e-newsletters** with trip ideas to spur getaways

Developed a "widget" builder that allows others to add information from exploreminnesota.com to their own websites

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

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**

Served on-the-road travelers at **Travel Information Centers (TIC)** and wide network of affiliated centers and through a mobile website

Streamlined staffing at state TICs and **expanded use** of other information mediums by TIC staff

CUSTOMERS SERVED 2011

WEBSITE USERS	2,500,000
AT TRAVEL INFO CENTERS	2,400,000
MAIL AND E-MAIL INQUIRIES	150,000
E-NEWSLETTER SUBSCRIBERS	113,000
WEBSITE BROCHURE REQUESTS	24,000
TELEPHONE INQUIRIES	10,500

MN Travel Information Centers

Industry RELATIONS

Launched database-driven Meet in Minnesota and Sports Marketing websites

Held bicycle tourism summit in cooperation with other state and federal agencies

Held first-ever Governor's Pheasant Opener, in Montevideo area

Revised Partnership Grant program; awarded 94 grants, a total of about $329,000, to communities and organizations for tourism marketing

Developed Legacy Destination program in cooperation with Conservation Minnesota and Minnesota Citizens for the Arts

Timely RESEARCH

Conducted consumer and stakeholder **surveys on Minnesota branding**

Market segmentation study underway 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

INTERNATIONAL & GROUP Travel

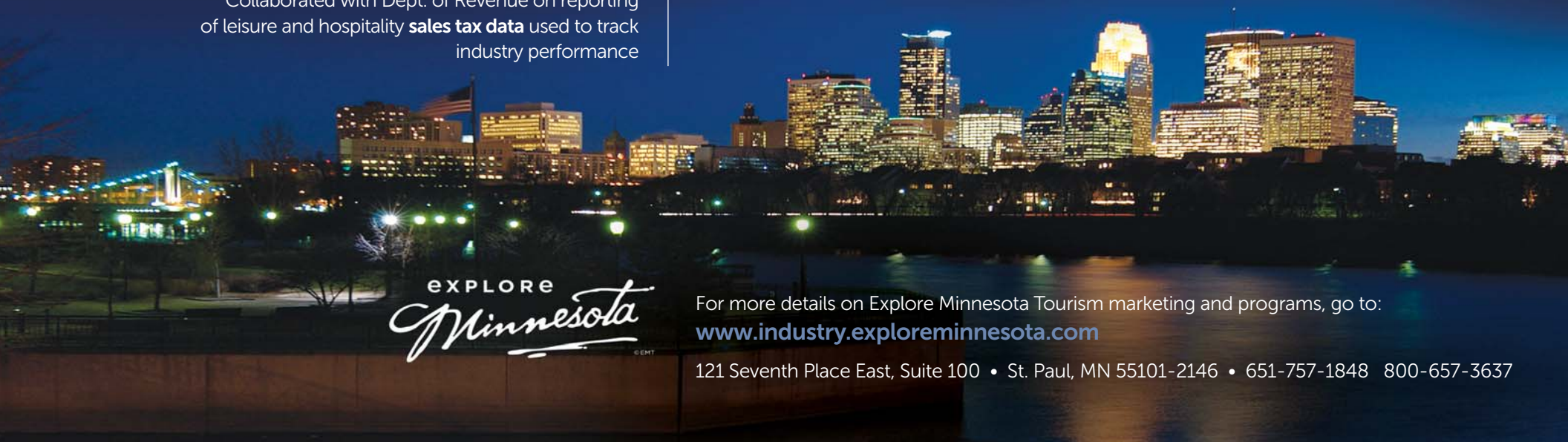
Launched a **database-driven website** for the travel trade

Hosted international press writing travel articles about Minnesota, generating $3 million in media coverage in Germany, Norway, Sweden, Netherlands, United Kingdom and Japan

Minnesota tourism represented in **six overseas markets** through multi-state partnerships

More than **280 domestic tour operators** offer Minnesota trips

2011 Minnesota **Group Tour Planner** highlighted arts and culture



explore Minnesota

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

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