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Explore Minnesota

Agency Profile 1

Explore Minnesota — Agency Profile

https://www.exploreminnesota.com/

AT A GLANCE

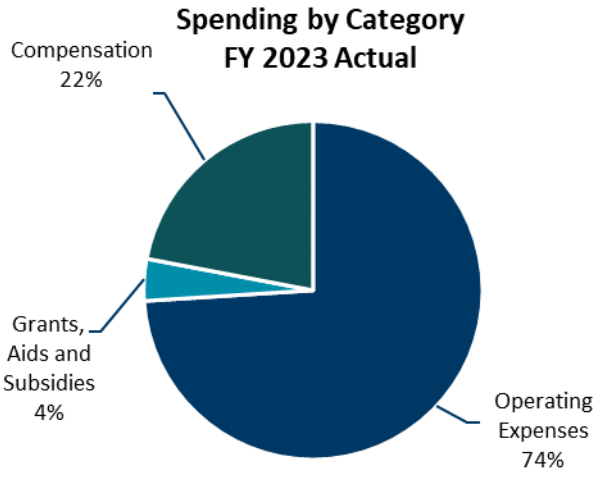
Explore Minnesota serves as the state's official promotion agency, dedicated to bolstering Minnesota's vibrant tourism economy. Through strategic advertising, marketing initiatives, educational efforts, and industry support, Explore Minnesota enhances the visibility and success of the multitude of businesses and organizations integral to the state's tourism sector. The tourism industry in Minnesota generates:

- Sales: Visitor spending: $14.1B
- Jobs: Total jobs generated: 180,473
- Wages: Total labor income generated: $8.1B
- Revenue: Total economic impact: $24.2B
- Return on Investment: Spring/Summer 2023 Explore Minnesota marketing campaign sales tax return on investment of $25 for every $1 spent

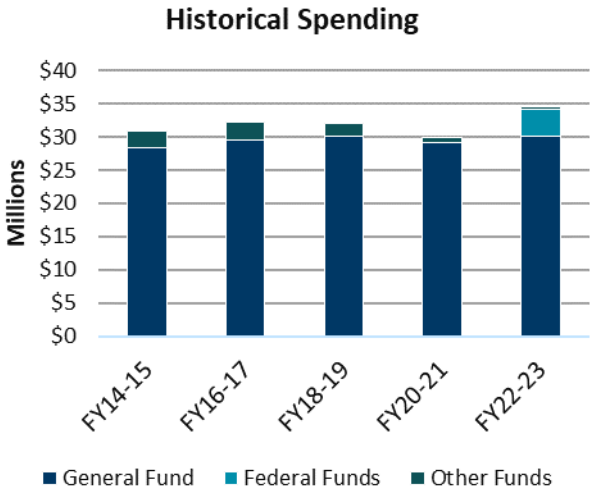
PURPOSE

The mission of Explore Minnesota is to sustainably grow Minnesota's economy by welcoming all through innovative and inclusive marketing, storytelling and industry partnerships.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

Explore Minnesota Tourism has a total biennial budget in FY 2024-25 of $33.7 million in general fund appropriations, and $900,000 in revenue through advertising sales and marketing programs. It also partners with public and private organizations to maximize resources and reach more consumers.

STRATEGIES

Tourism is a crucial part of Minnesota's economy with a yearly economic impact exceeding $24.2 billion and over 180,000 jobs generated. Visitor spending translates to an annual return of $1,002 in taxes to each Minnesotan household. (Source: Tourism Economics, 2023 Calendar Year data).

In FY 2024, Explore Minnesota's mission expanded to also add focus on showcasing Minnesota as the premier destination in the nation to visit, live, work and do business. We support Minnesota's long-term fiscal success by attracting new visitors, talent for the state's workforce, and businesses looking to establish roots here.

For the 2024-25 biennium, 85% of funding received was one-time support. This included $4 million for new initiatives and Tribal Nations support and $11 million for a new division to promote livability and workforce/business attraction for Minnesota. Much of the funding was also pass-thru grant funding. This served as an opportunity to develop new programming and report on results for future budget years and creating permanent programming.

Explore Minnesota achieves our mission through a strategy that supports the administration's One Minnesota plan and includes tactics to:

1. Grow Minnesota's Economy
2. Advance and Champion Welcoming Experiences for All
3. Provide Industry Leadership and Maximize Partner Collaboration
4. Foster State Stewardship
5. Ensure Organizational Excellence

1. Grow Minnesota's Economy

Marketing Campaigns – Domestic

In FY 2024, we launched a new campaign, "Star of the North™," positioning Minnesota as the premier destination to visit, live, work and do business. The campaign highlights travelers experiencing Minnesota for the first time, immersing themselves in local culture. It also includes stories from Minnesota transplants who share why they moved here and fell in love. This dual focus showcases both the allure of Minnesota for newcomers and the reasons it remains a beloved home for those who have made it their home.

- Results from our seasonal travel campaign, Mar 4 to Jun 30, 2024, show increased interest in Minnesota as a desirable place to visit and live. Our UpWave Brand Study revealed a seven-point lift in favorability for Minnesota (previous successful campaigns only achieved a four-point lift). Initial results from our livability campaign which similarly ran from Mar 4 to June 30, 2024, demonstrate steady net-positive performance, laying the groundwork for a good baseline and positive brand growth in FY 2025.
- From our FY 2023 campaign: for every $1 spent by Explore Minnesota, we saw a sales tax return on investment of $25. The $4 million invested in the campaign generated over $1 billion in additional visitor spending. (Source: SMARI Advertising Efficiency Study, 2023; ROI results delivered in October).
    - We maintained our national niche campaigns focused on such as winter sports, shopping, fishing, paddling and golf. For talent and business attraction, we focused on key industries including technology, high-tech manufacturing, health and wellness and education. This targeted approach concentrates spending on audiences more likely to convert to book a trip or consider moving to Minnesota.

Marketing Campaigns – International

International visitors to Minnesota are vital for full economic recovery and future growth of Minnesota's travel industry. The international traveler stays an average of 18 days and spends an average, $4,200 per trip—significantly more than domestic travelers.

- In FY 2024, data from U.S. Travel Association and IST showed that Minnesota continues to lag behind the national average of post-pandemic travel recovery from international markets. Minnesota is projected to only reach recovery sometime in 2026 (vs. 2025 nationally).

- EMN commissioned a product assessment in target European countries which revealed product voids in certain markets indicating the need for a stronger trade development strategy.
- With our international agency of record, RMI and in-country marketing and we created and executed 34 programs, including advertising, sales and media elements in each. Trackable attribution (as of 6/30/2024) of 1095 additional passengers and over 600 room nights to Minnesota.

International Marketing Results

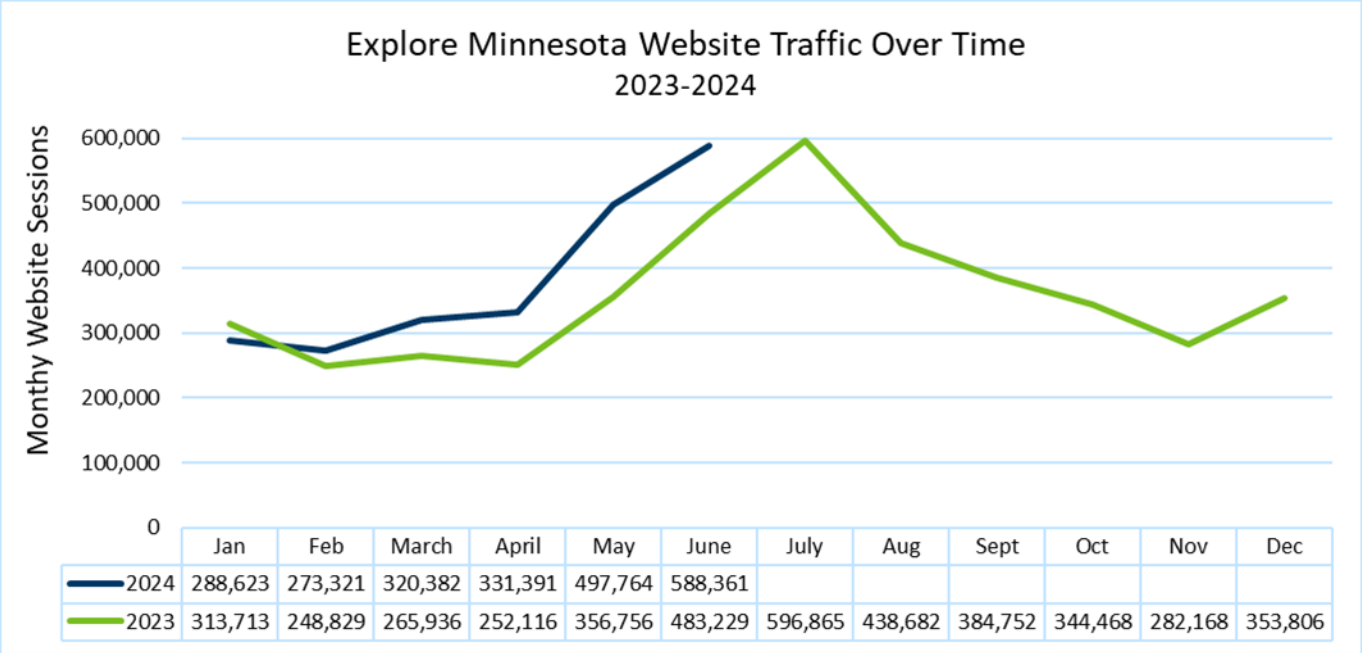
Tactic	Results
Digital ad impressions	13.5 million
Digital ad click-thru	135,000
Newsletter deliveries	2.6 million
Open rate	26%
Earned media placements	49
Print audience reach	640,000
Broadcast audience reach	1.34 million
Digital ad reach	72,000
Social media impressions	8 million
Social media click-thrus	400,000
Product itineraries	11

- We participated in U.S. Travel's IPW in May 2024, the largest international inbound travel trade show for the United States and held 115+ one-on-one appointments.
- We participated in more than 150 meetings on the Brand USA Travel Trade Missions to Japan, Korea and Canada. We learned more about our target audiences, work with travel trade and media to position Minnesota for travel growth from these key international source markets.
- We welcomed familiarization trips for select travel trade and media from:
  - Ireland, with Aer Lingus and Delta, writer from Irish Times print/digital; resulted in feature article.
  - The Netherlands, national primetime television program with 1.3 million households per viewing.
  - Germany, with Lufthansa Airlines, media familiarization tour with six participants from key media and trade familiarization tour with 12 participants representing key US inbound tour operators.

Communications and Media Relations

In FY 2024, we conducted qualitative and quantitative research to develop a new brand framework for the State of Minnesota, the first update since 2014. This new framework is centered around how Minnesota enables individuals to cultivate possibility through access, inclusion, creativity, celebration and engagement. We revised our web content to match the framework and, compared to FY 2023, saw a 28% increase in organic (non-paid) traffic and a 13% increase in the average session duration of this traffic.

Explore Minnesota Organic (Unpaid) Website Traffic



	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2024	288,623	273,321	320,382	331,391	497,764	588,361						
2023	313,713	248,829	265,936	252,116	356,756	483,229	596,865	438,682	384,752	344,468	282,168	353,806

Source: GA4, 2024.

Throughout FY 2024, we secured favorable coverage of Minnesota in some of the nation's most popular and trusted publications, including New York Times, Wall Street Journal, People, Travel & Leisure, Forbes, NPR, CBS News, ESPN.com, Sports Illustrated and Midwest Living. This coverage significantly raised national awareness and favorability of the state. Similarly, our efforts boosted visibility with coverage in news outlets such as the Star Tribune, MPR, CBS News Minnesota, Rochester Post Bulletin, Duluth News Tribune, The Forum Fargo-Moorhead, Detroit Lakes Tribune, Red Wing Republican Eagle, Willmar West Central Tribune and others.

National Media & PR Metric	FY23	FY24
Total Positive National Media Impressions	2.2 billion	1.3 billion
Estimated Ad Value	$473,000	$1.4 million

Source: Cision & Weber Shandwick, 2024

Website / Digital Strategy

In FY 2024, we developed new exploreminnesota.com content specifically for individuals interested in relocating to the state. By conducting a thorough content audit and improving content, we increased total web sessions by 20.1%, average session duration by 7.1% and the number of website users by 10.4% within the year.

Exploreminnesota.com metrics	FY23	FY24	FY24 vs. FY23
Total Sessions	7.802.277	9,765,053	+ 20.1%
Average Session Duration	1 min, 57 sec	2 min, 6 sec	+ 7.1%
Number of Users	8,054,892	8,989,165	+10.4%

Source: GA4, 2024

The Explore Minnesota Instagram account remains the most-followed account of any Minnesota state agency, with over 247,000 followers. This year our impressions and engagements increased by over 23%, while video views rose by over 40%. These results highlight our ability to effectively boost awareness of the State of Minnesota through innovative, efficient, and cost-effective methods.

Explore Minnesota Instagram metric	FY24	FY24 vs. FY23 (% difference)
Impressions	16,369,934	Up 23.5% from FY23
Engagements	303,645	Up 23.9% from FY23
Engagement rate/Impression	1.9%	Up 0.4% from FY23
Video views	3,676,929	Up 40.7% from FY23
Video saves	18,609	N/A setting baseline for comparisons
Video shares	33,638	N/A setting baseline for comparisons
Profile views on Instagram in FY24	116,577	N/A setting baseline for comparisons
Website clicks	6,538	N/A setting baseline for comparisons
Instagram story impressions	1,903,220	N/A setting baseline for comparisons
Instagram story reach	1,881,284	N/A setting baseline for comparisons
Growth rate	+6.12% followers	N/A setting baseline for comparisons

Source: Sprout Social, 2024

An example of this strategy was clear when the Explore Minnesota team seized on a viral moment after a Timberwolves playoff game. The team quickly responded to the moment and over the two weeks, we continued to engage audiences on social media and the website, receiving overwhelmingly positive feedback both locally and nationally. This success prompted us to explore additional tactics, including sponsored posts, merchandise sales and creating banners for in-state industry partners to display.

Explore Minnesota invested less than $12,000 on the effort, resulting in a 980% increase in social engagement and an 84% rise in website sessions compared to previous weeks. We attracted nearly 6,000 new social media users across platforms. Key target cities reached included Winnipeg, Chicago, New York and Dallas. Our national and local media attention was nearly five times greater than that of our highest-performing pitches or events. Additionally, we generated over $1,200 from shop sales through a low-risk partner venture with no upfront investment.

Marketing and Distribution Partnerships

We enhanced our exposure in neighboring states through sports promotions with the Milwaukee Brewers, Northwestern Athletics in Chicago, the Iowa Wild in Des Moines, as well as the Saint Paul Saints and MN Aurora FC. The total in-kind value of these partnerships exceeded $2.2 million, more than double the amount spent. Another key partnership was with American Airlines, which facilitated nearly 59,000 Star of the North campaign video completions. This partnership provided more than $125,000 in in-kind value and targeted visitor flight markets of Chicago, Dallas, Denver, and St. Louis.

Notably, we distributed over 200,000 Minnesota travel guides in FY 2024 using the following approaches:

- Paid campaigns targeting potential travelers across the U.S. and Canada.
- Distributed along major highways, as well as pathways into Minnesota from Canada.
- Key placements at MSP International Airport, six welcome centers, 50 affiliate welcome centers and the Mall of America.

2. Advance and Champion Welcoming Experiences for All

In FY 2023-24, we continued our efforts to ensure that our work accurately reflects Minnesota as a welcoming state, well-positioned to attract a diverse range of visitors and potential residents. Explore Minnesota continues to maintain a website Lighthouse Accessibility score of 91 – 99 for exploreminnesota.com and ensured compliance with WCAG 2.2, the highest level of accessibility standards. This exceeds the current state requirement of compliance up to WCAG 2.1.

Collaboration with Minnesota's Tribal Nations

- We received $2.2 million in onetime funding to support Tribal Nations engagement for FY 2024-25. With most of the funding, we developed the first Tribal Nations Tourism Grant Program.
    - The first round of solicitation ran from December 2023 to May 2024.
- $181,800 available to each Tribal Nation: Bois Forte, Fond du Lac, Grand Portage, Leech Lake, Lower Sioux, Mille Lacs, Prairie Island and Red Lake Nation
    - We added a Tribal Nations representative to our tourism council, and our Explore Minnesota Business council has two Tribal seats.
- Funding is reserved for a full-time tribal liaison in FY 2025.

3. **Provide Industry Leadership and Maximize Partner Collaboration**

Welcome Centers

In partnership with MNDOT, Explore Minnesota manages six welcome centers strategically located across the state. We also maintain affiliate relationships with 58 community managed welcome centers. Four partner centers in strategic locations – St. Cloud, Grand Portage, Worthington and Fisher's Landing – receive $103,000 in funding from Explore Minnesota.

- Overall visitation to state-run Welcome Centers in FY 2024: 1.74 million
    - Local DMO brochures distributed at state-run Welcome Centers: 580,000
    - Brochures distributed: 400,000
    - Mall of America Brochure Program: 67 travel related community and business participants
    - MSP Airport Brochure Program: 29 tourism community participants

FY 2024 Tourism Recovery Grant Program

The 2024 Recovery Grant Program was funded and administered by Explore Minnesota for the purpose of providing funds to individual and collaborative nonprofit Destination Marketing Organizations (DMOs) and other tourism promotion organizations to aid in post-pandemic tourism recovery of communities statewide. No match dollars were required to participate in this program.

- Awarded: $1,153,185
- Individual grant awards ranged from $5,000 to $40,000, based on organizational budget
- 110 grantees
- Grants aided communities in every region in the state
- Grant dollars were primarily used to support creation and distribution of visitor guides, tourism print ads and digital advertising in Minnesota and around the region.

Co-op Marketing Program

Explore Minnesota investment in FY 2024 co-op marketing was more than $734,000. We had 100 industry participants who placed over 275 ads. Participants were 67% DMO's, 33% other tourism-related businesses (Metro: 36%; Northeast: 30%; Northwest: 15%; Central: 10%; Southern: 8%).

4. Foster State Stewardship

Outdoor Recreation Industry Partnership (ORIP)

Work at ORIP began in as part of Explore Minnesota in September 2023 with an operational budget of $150,000.

- We worked with the MN Children's Cabinet to support of the Children's Outdoor Bill of Rights.
- The State of Minnesota is now part of the Confluence of States and the Outdoor Recreation Roundtable.
- ORIP, along with the Administration, arranged the first-ever use of federal emergency loan funding for businesses impacted by a lack of snow during the winter of 2023-24.
- Hosted by Commissioner Strommen and Executive Director Bennett McGinty, we introduced the Explore Minnesota More podcast.
- In FY 2024 we began to develop the State Outdoor Business Alliance, unifying Minnesota's outdoor recreation industry sector.

FY 2024 Governor's Openers

- 2023 Pheasant Hunting Opener: Held in Owatonna and Steele County October 13-14, 2023. Explore Minnesota supported the host community with a $12,000 grant and provided primary event coordination for state agencies of Governor's Office and MN DNR.
    - 36 media attendees
    - 92 interviews with media conducted
    - 10.4 million media reach on television, radio, social media and other digital platforms
- 2023 Deer Hunting Opener: Explore Minnesota attended and supported the 2023 Governor's Deer Hunting Opener held in collaboration with MN DNR at the Eagle Bluff Environmental Learning Center in Lanesboro, Minnesota on Saturday, November 4, 2023.
- 2024 Fishing Opener: Held on Lake Pepin in Lake City, Minnesota, May 9-11, 2024. Explore Minnesota supported the host community with a $20,000 grant and provided primary event coordination for state agencies of Governor's Office and MN DNR.
    - 28 media outlets attended
    - 321 media mentions across print, radio, web and broadcast mediums
    - 575 million media impressions
    - 25 million audience reach
    - 7,000 social media post engagements

State Stewardship

In FY 2024 Explore Minnesota began working with the Global Sustainable Tourism Council to discuss implementing programs around statewide stewardship. Explore Minnesota has significant research that was done in conjunction with the University of Minnesota and because analyzing the information to form a strategy around these efforts.

5. Ensure Organizational Excellence

Team Hiring and Training

In FY 2024, we invested in hiring and training our internal team of marketing experts to use taxpayer dollars in the most efficient ways possible. We established Deputy Director roles to focus on strategy and oversight across the agency. We also reclassified and added training opportunities for existing positions to retain our talent. We filled positions that were vacant following the Covid-19 Pandemic.

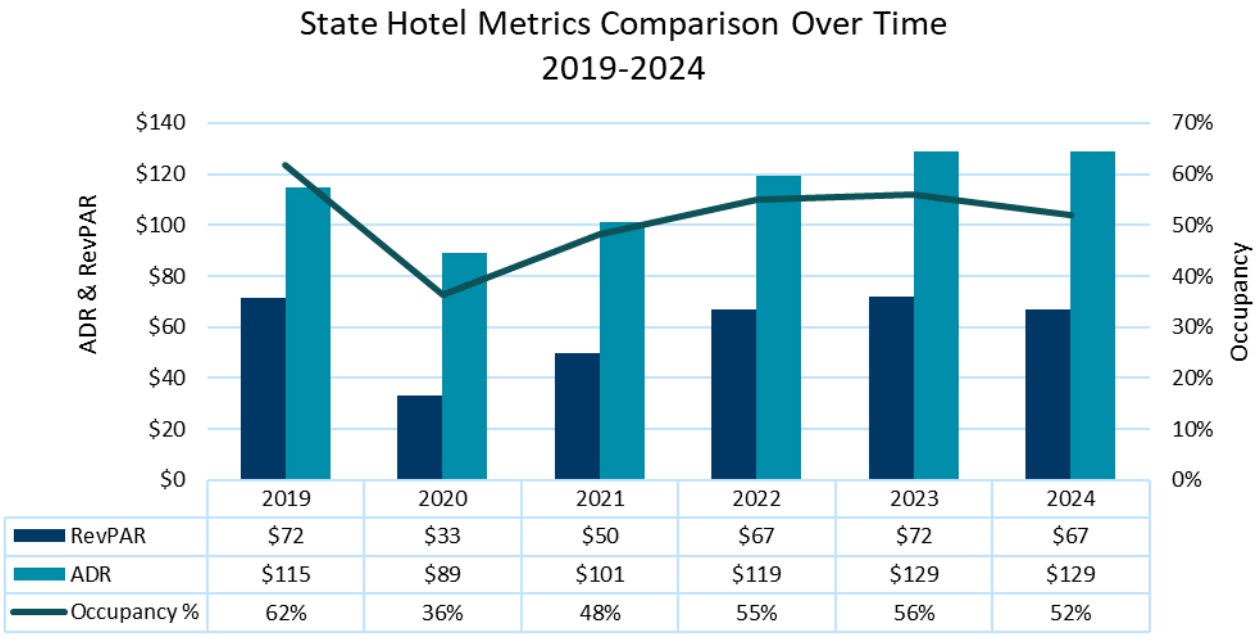
Diversity, Equity and Inclusion

In FY 2024, Explore Minnesota assembled a task force specific to DEI for the agency, dedicated to creating an Equity Change Plan which will be introduced in FY 2025. Additionally, the entire staff at Explore Minnesota participated in IDI training—although the training was not mandatory, we had a 100% participation rate among staff.

RESULTS

Growing Visitation Where It Matters

From Jan-Jun 2024, Minnesota had an average monthly hotel occupancy rate of 52%. This is below 2022 and 2023 occupancy rates and reflects the impact of unusual winter weather. The 2024 year to date average monthly hotel RevPAR (revenue per available room) of $67 is equal to 2022, and less than the 2023 full year average monthly rate. The 2023 Minnesota ADR (average daily rate) of $129 was equal to 2022 and above prior years' full year monthly average.



	2019	2020	2021	2022	2023	2024
RevPAR	$72	$33	$50	$67	$72	$67
ADR	$115	$89	$101	$119	$129	$129
Occupancy %	62%	36%	48%	55%	56%	52%

Tourism in Minnesota has an $24 billion-plus yearly economic impact and generates more than 180,000 jobs—demonstrating how vital it is to the state's economy. Explore Minnesota's work generates revenue for the State of Minnesota. In fact, the impact of visitor spend results in a tax savings of $1,002 per individual Minnesotan households annually. (Source: Tourism Economics, 2023 Calendar Year data).

Part A: Performance Data

Additional charts measuring performance are available throughout this document.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Internal response and overall success of Minnesota Timberwolves playoffs response.	Number of social media impressions; website traffic; percentage increase YoY; revenue; media impressions.	Social media impressions measured through Sprout Social; web traffic measured by G4 Analytics (Google); media impressions measured by Cision.	Though we have not experienced this type of event before, it quickly came together and was approved because we shifted responsibilities internally instead of relying on our external vendors. This shift allowed us to spend just $12,000 rather than paying external vendor fees per hour, moving more quickly for less dollars.	Less than $12,000 resulted in; 980% increase in social engagement; 84% rise in website sessions week over week; nearly 6,000 new social media users across platforms; key target cities included Winnipeg, Chicago, New York and Dallas; national and local media attention five times greater than highest-performing pitches or events; over $1,200 from shop sales.
Optimization of livability / workforce attraction campaign via targeted and self-optimizing media buys.	CTR (Click through rate); VCR (video completion rate).	Campaign measurement conducted through RADaR Analytics partnership with True Media; G4 analytics (Google); Sprout Social.	Because our livability workforce campaign launched in March of FY24, we do not have historical trends for this type of campaign. However, this strategic approach ensures this one-time funding is spent in the most efficient way possible. Instead of allocating our media spend per geographic location, we bought media at a tactical level across all chosen markets. The campaign then self-optimized, seeking not just the highest-performing market geographies, but also the highest performing channels within that geography.	As of May 2024, the campaign's video completion rate had optimized to 99% with top markets including New York City, Seattle, Boston, Washington D.C. and San Francisco. The campaign's LinkedIn click through rate (CTR) was 0.52%, or more than twice the 0.2% benchmark, while the campaign's native display click through rate on its "learn more" call to action was at 4.18% or more than twice the 1.5-2% benchmark.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Tourism impact on state economy; tourism impact on amount of state jobs; visitor spend impact on household annual taxes	Dollars; job numbers; dollar tax savings	Tourism Economics 2022 calendar year and 2023 calendar year data.	Tourism in Minnesota had a $22.8 billion yearly economic impact, generating 170,000 jobs. The impact of visitor spend resulted in a tax savings of $985 per individual Minnesotan household annually. (2022 Tourism Economics calendar year report).	Tourism in Minnesota has a $24.2 billion-plus yearly economic impact and generates more than 180,000 jobs. The impact of visitor spend results in a tax savings of $1,002 per individual Minnesotan household annually. (2023 Tourism Economics calendar year report).

MS 116U.30 https://www.revisor.mn.gov/statutes/cite/116U.30 provides the legal authority for Explore Minnesota.