

# 2018-19 EXPLORE MINNESOTA STRATEGIC DIRECTION

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As the state’s tourism promotion office, Explore Minnesota pursues an entrepreneurial approach, leveraging the state’s tourism investment with increased involvement by the private sector. A council of representatives from the state’s tourism industry strongly connects Explore Minnesota with tourism businesses and organizations.

## VISION

To elevate Minnesota as a premier travel destination through results-driven, innovative destination marketing.

## MISSION

To inspire consumers and facilitate their travel to and within the state of Minnesota

## CORE VALUES

As an organization, we value:

- **Diversity** of all types. As a tourism destination, Minnesota offers a diverse array of destinations, activities and events. As a workplace, we value the wide array of backgrounds, opinions and work styles our employees bring to the table.
- **Creativity** in product and problem solving. Developing creative ways to market Minnesota as an attractive destination is in everyone’s job description.
- **Teamwork.** Every employee, as well as our peers in the Minnesota tourism industry, works together toward the same goal of promoting Minnesota as a great place to visit. Veteran and new employees collaborate and help each other succeed.
- **Integrity.** Whether it’s a promise to travelers, our industry peers or each other, we accomplish what we set out to do and strive to exceed expectations with every project, while remaining honest and ethical no matter what.
- **Exceptional customer service.** Our extensive library of travel information and resources is second to none, accessible to all, and always delivered with a smile.
- **Fun!** Fewer things are more fun than traveling, and we strive to infuse that feeling into everything we do.

# STRATEGIC IMPERATIVES

**Drive Sustainable Economic Growth**

**Create Innovative Marketing & Brand Awareness**

**Increase Consumer Reach & Engagement**

**Provide Personalized Service**

**Enhance Stakeholder Collaboration**

## KEY INITIATIVES

Inspire and influence visitation and associated spend from new & existing domestic and global markets

Take entrepreneurial approach to growth by supporting industry investment in public/private partnerships

Lead a statewide strategy to support community marketing efforts and creation of significant new events

Continue to evolve creative and deliver differentiating messaging in response to changing market conditions

Reach new audiences in an efficient manner via highly targeted marketing tactics

Develop experiential strategies to increase brand awareness and position Minnesota as a must-visit destination

Engage new and existing audiences with the content they want to see, where and when they want to see it

Be a social media thought leader and collaborate with stakeholders to engage highly qualified audiences

Strategically foster relationships with existing and new media contacts to tell Minnesota's story to new and existing domestic and global audiences

Provide personalized customer service through diverse touchpoints to meet the needs of today's travelers

Assist travelers planning their Minnesota vacations by providing the most up-to-date and accurate travel information

Continually monitor, enhance and improve customer satisfaction

Identify and develop a variety of marketing partnerships, affordable co-op programs and educational opportunities to encourage industry participation

Implement an enhanced industry outreach and engagement strategy to increase involvement in EMT programs

Build advocacy for the Minnesota hospitality industry

## KEY MEASURES

Grow gross leisure and hospitality sales to \$17.2 billion\*

Grow leisure and hospitality jobs to 280,000\*

Grow leisure and hospitality sales tax revenue to \$1.1 billion\*

\*projections through 2019

Achieve 7-to-1 return on investment of our advertising

Generate annual incremental traveler spending of \$390 million\*

Achieve annual incremental visitation of 3.5 million\*

\*projected direct results of our advertising campaign

Drive 4.5 million visits annually to exploreminnesota.com

Inspire 250,000 uses of #OnlyinMN on social media annually

Increase email subscriptions by 50,000 annually

Increase earned media impressions by 250 million annually

Provide personalized service to 3.2 million customers annually

Make information readily available in the customers' preferred format

Achieve positive customer satisfaction levels of 3.75/4

Enhance public/private partnerships to surpass \$5 million in annual match dollars

Achieve 90% industry satisfaction levels of EMT services

# THE STRATEGIC PLANNING PROCESS



360-degree survey sent to Minnesota tourism industry stakeholders and Explore Minnesota staff



Shared Strategic Direction draft with tourism industry for further comment



Outside consulting firm conducted strategic planning exercises with the Explore Minnesota Tourism Council



Presented Strategic Direction to Explore Minnesota Tourism Council



Reviewed and synthesized comments and themes; drafted key initiatives and key measures



**Adoption and implementation of 2018-19 Strategic Direction**



Drafted Strategic Direction narrative

Explore Minnesota worked with an independent consulting firm to take the pulse of the state's tourism industry. First, stakeholders were invited to complete a survey, with questions about the importance of Explore Minnesota, current organizational objectives, brand identity, challenges and opportunities, the perceived impact of events, and how Explore Minnesota is doing overall. 277 stakeholders responded, representing all regions and sectors of the Minnesota tourism industry. Nearly 70% of respondents represented small businesses with 10 or fewer employees.

The stakeholder survey revealed several key learnings. First and foremost, stakeholders largely believe that Explore Minnesota is critical as the lead voice of the state's tourism industry. Another point of agreement was the largest challenge facing Minnesota as a destination is brand awareness, both domestically and abroad. Overall, stakeholders felt that Explore Minnesota is doing a good job addressing its current strategic objectives, but there is room to do even better.

Next, Explore Minnesota staff received a survey with similar questions. Staff members agreed with stakeholders that Explore Minnesota plays a key role in the state's tourism industry. However, staff identified financial stability, rather than brand awareness, as the greatest strategic challenge.

The results of both surveys were presented to the Explore Minnesota Tourism Council at a full-day strategic planning retreat. Looking 10 years ahead, Council members envision Minnesota to be "a globally known destination, that through environmental preservation and expanding marketing efforts has established itself as a premier outdoor and recreational tourist destination that leverages its cultural heritage and diversity to create accessible, authentic and signature experiences for all visitors."

The Tourism Council also provided guidance that future decisions must:

- **Support and benefit the economy of Minnesota**
- **Be authentic and on brand to the state of Minnesota**
- **Be regionally equitable and promote all parts of Minnesota**
- **Be bold, innovative, progressive and responsive**
- **Be evidence-based and non-partisan**

*Full results from the stakeholder survey, staff survey and strategic planning retreat are available on the [Explore Minnesota industry website](#).*

# STRATEGIC IMPERATIVES

The feedback from the Minnesota tourism industry, Explore Minnesota staff and Explore Minnesota Tourism Council was evaluated and broken down into five key Strategic Imperatives, four of which are directly tied to Explore Minnesota's efforts, and one Economic Growth, which is impacted by the entire Minnesota leisure and hospitality industry.

Each of the five Strategic Imperatives is further broken down into three Key Initiatives, meaning what specific actions Explore Minnesota will take in an effort to achieve its goals. These goals, or Key Measures, are the final piece of the strategic direction, and were determined based on current benchmarks and Explore Minnesota's known budget for the 2018-19 biennium.

## 1) DRIVE ECONOMIC GROWTH

The Minnesota Departments of Revenue and Employment and Economic Development provide economic data for the leisure and hospitality industry in three key areas: gross sales, sales tax revenue and jobs. By the end of 2019, we project Minnesota's leisure and hospitality industry will represent:

- **\$17.2 billion in gross sales**
- **Almost 280,000 full- and part-time jobs**
- **\$1.1 billion in state sales tax**

It's important to note that Explore Minnesota is only one of the many players that contribute to these numbers. Every accommodation, attraction, visitors bureau, event, and other tourism-related entity in the state plays a role. As the state's tourism promotion agency, Explore Minnesota will do its part to achieve growth in these areas in three key ways:

- *Inspire and influence visitation and associated spend from new and existing domestic and global markets*
- *Take an entrepreneurial approach to growth by supporting industry investment in public/private partnerships*
- *Lead a statewide strategy to support community marketing efforts and creation of significant new events*

## 2) CREATE INNOVATIVE MARKETING & BRAND AWARENESS

By and large, stakeholders believe building brand awareness for Minnesota as a tourism destination via innovative marketing efforts is Explore Minnesota's most important role. As such, Explore Minnesota will:

- *Continue to evolve creative and deliver differentiating messaging within campaigns*
- *Reach new audiences, domestically and internationally, in an efficient manner via highly targeted marketing tactics*
- *Develop experiential strategies to increase brand awareness and position Minnesota as a must-visit destination*

### 3) INCREASE CONSUMER REACH & ENGAGEMENT

An important extension of Explore Minnesota's marketing efforts, reaching and engaging with consumers directly and via earned media coverage is another key pillar of our strategic plan. The key initiatives that fall under this umbrella are:

- *Engage new and existing audiences with content they want to see, where and when they want to see it*
- *Be a social media thought leader and collaborate with stakeholders to engage highly qualified audiences*
- *Strategically foster relationships with existing and new media contacts to tell Minnesota's story to new and existing domestic and global audiences*

### 4) PROVIDE PERSONALIZED SERVICE

Explore Minnesota prides itself on its ability to deliver personalized travel planning assistance to millions of travelers every year, not only online and via phone, but face to face at our staffed highway Welcome Centers. Over the next two years, we will:

- *Provide personalized service to 3.2 million customers annually*
- *Make information readily available in the customers' preferred format (print publications, online resources or otherwise)*
- *Achieve positive customer satisfaction levels of 3.75/4, monitored via regular customer surveys*

### 5) ENHANCE STAKEHOLDER COLLABORATION

Finally, stakeholders view Explore Minnesota as an important resource for supporting their own initiatives, including providing grants and other opportunities, and to a lesser extent, providing education and training. In order to enhance stakeholder collaboration, we will:

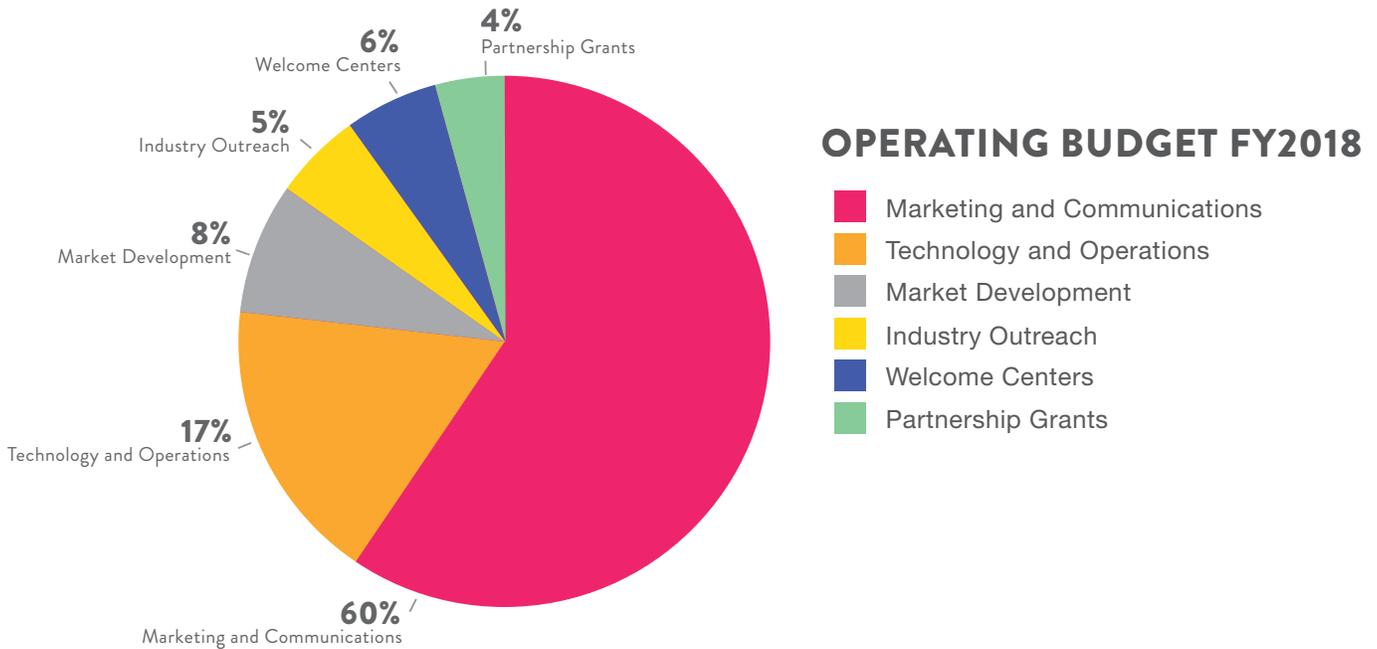
- *Identify and develop a variety of partnerships, co-op programs and educational opportunities to encourage industry participation*
- *Implement an enhanced industry outreach and engagement strategy to increase involvement in these programs*
- *Build advocacy for the Minnesota hospitality industry*

# OPERATING BUDGET

General fund operating budget for fiscal year 2018:

**\$14.184 MILLION\***

\*Includes \$500,000 in supplemental state funding, available when private sector support generated by Explore Minnesota is at least \$3 million.



## Because Tourism Matters.

Minnesota's tourism industry:

- **Generates jobs in communities across the state.**
- **Provides employment to youth and a diverse workforce.**
- **Brings incremental spending and associated tax revenues to Minnesota.**
- **Supports community "quality of life" assets enjoyed by both residents and visitors.**
- **Establishes Minnesota as a good place to live, work and do business.**

The face of tourism in Minnesota is diverse, from small family businesses to major corporations. Minnesota's tourism industry supports economic vitality in communities across the state and has a positive impact in virtually every county. The leisure and hospitality sector contributes \$14.4 billion in annual gross sales, supports nearly 260,000 full- and part-time jobs and generates \$930 million in state sales tax each year. A total of 11% of all private sector employment and nearly 17% of all state sales taxes is generated from this industry.



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