

Explore Minnesota Tourism Council Meeting
Tuesday, September 10, 2024
Virtual Meeting

Attendees

Council Members: Sen. Robert Farnsworth, Dan Hartman, Ed Hoffman, Nort Johnson, Paul Larsen, Nick Leonard, Molly Luther, David McArthur, Shannon McKeeth, Laura Mullen, Beth Pierce, Xinyi Qian, Courtney Ries, Erika Rivers, Mike Schwieters, Kate Setley, Stephanie Shimp, Colleen Smith, Sara Soli, Frank Soukup, Laurie Staiger, Rachel Thompson, Danyl Vavreck, Jana Webster

Explore Minnesota Staff: Melodie Bahan, Marya Barsanti, Lauren Bennett McGinty, Randolph Briley, Devon Cox, Frances Fyten, Lyndsey Hanson, Karina Hill, Jared Laabs, Shannon Lukes Hauser, Sean Lydon, Mike Meyer, Gretchen Nussbaum, Derek Ramthun, Jen Schak, B Schneider, Kat Sutton

Agenda

Welcome

Approval of Minutes:

- The Council voted to approve the minutes from the June 18, 2024 Council meeting.

Council Business

New Council Members:

- David McArthur was introduced as a new Council member representing Campgrounds.
- There are three open seats on the Council: Travel Agency Representative, Northwest Regional Representative, and Chamber of Commerce for Underrepresented Communities.
- The next large group of Council seats will come up for appointment/reappointment in 2027.

Review Quarterly Council Reports:

- Council members should submit quarterly sector reports the first day of the month of each Council meeting.
- Reports this quarter reflected slightly lower travel overall for summer 2024, compared to summer 2023.
- Reports from the Metro area showed some growth.
- Due to rainy weather, many places that rely on outdoor recreation had lower tourism in summer 2024.
- Reports also noted that high costs continued to affect travel over the summer, both in terms of consumer spending and operational costs to businesses.
- There was increased passenger volume at MSP Airport over the summer.

- State Fair attendance was strong this summer.

Updates from Council Committees:

- Education and Industry Resources Committee:
 - The Committee discussed the need for educational programming development, including baseline education, higher education, continuing education, practical education and training for specific roles, technology education.
 - The Committee discussed the importance of education to encourage the next generation to join the hospitality industry.
 - There are many industry webinars and association meetings but no repository for educational resources and opportunities, which could be an opportunity for Explore MN alongside our educational programming.
 - The Committee discussed different types of education that are needed, including education for travelers, internship programs, educational platforms, destination education, how to advocate for your own community business or industry, how to grow tourism through education, DMO and CVB 101 training, customer service training, and tourism and international marketing.
 - The Committee recommended that Explore MN's industry stakeholder survey include questions specifically around what types of education are needed and how people get their education.
 - The Committee will review stakeholder survey responses and make recommendations based on the results.
 - The Committee will review the industry relations framework for educational programming for the next year.
- Legislative Committee:
 - Explore MN submitted annual budget narrative from the last year to MMB.
 - Explore MN is working on developing budget and policy proposals for the 2025 legislative session (due in October).
 - The Committee discussed how we can all help each other to better elevate tourism with legislators.
 - The Committee discussed how Explore MN can provide more research and information to the industry and increase the focus on how tourism helps the state's economy.
 - The Committee discussed how to engage legislative partners in the industry through various activities and events at the Capitol.
 - The Explore MN Tourism Conference will be in the Metro area in February (dates pending), which will give attendees opportunities to engage with legislators during the legislative session.
 - MACVB provides information on how to engage and advocate with legislators.
- Livability Committee:
 - The Committee focused on results to date of the talent attraction campaign, which will be shared with the rest of the Council.
 - The Committee discussed how Explore MN is collecting leads and measuring results of the campaign.
 - Explore MN is discussing how best to track leads, ROI and interest through measurements like click through rates, time on site, newsletter signups, as well as developing a long-term plan over the next year.

- Explore MN is proposing increased funding in the upcoming biennium to support more lead generation programs.
- The business attraction campaign launched on September 9, 2024, and leads generated through that campaign will go directly to DEED for follow up.
 - Business attraction leads can take 3-7 years to follow through.
- Marketing Committee:
 - The Committee debriefed regarding summer travel numbers statewide, noting that many large marquee events in the Metro area produced strong results.
 - There are fewer large events planned in 2025.
 - It was a strong summer for many resorts, but they are starting to see some rate pressures in the marketplace and cancellations due to cost concerns.
 - Neighboring states are strong competition for MN tourism businesses.
 - Craft beverage and tap room business is down overall, and smaller business are seeing significant challenges and competition from large retailers.
 - Different segments of the craft beverage industry are working to develop increased coordination between themselves.
 - The golf sector thrived over the summer due to major events in the Metro area.
 - There are significant growth opportunities with Tribal Nations developing cultural attractions and learning throughout the state.
 - The Committee discussed Explore MN seasonal campaigns.
 - The Committee discussed potential increased travel and relocation to MN due to the increased attention to the state after the naming of the Governor to the national ticket.
- Outdoor Recreation Committee:
 - The Committee discussed potential goals and future opportunities for collaboration by Committee members.
 - Development of an Outdoor Recreation Industry climate resilience and adaptability toolkit which could be used by businesses.
 - Collaboration with the Legislative Committee to discuss potential advocacy and budget increases.
 - Creation of a state outdoor business alliance.
 - Inaugural Outdoor Recreation Industry Summit in June 2025.

Explore MN Team Updates

Destination Marketing:

- The Marketing team is looking at ways to integrate major events that are happening in MN into each year's marketing strategy.
 - For 2025, the major events to highlight include the 50th anniversary of Voyageurs National Park (spring and summer campaigns); the spring Purple Rain musical opening in Hennepin Theater District, which may be a pre-Broadway engagement; and a Bob Dylan biopic.
- For the next spring and summer campaign, the niches include live events, food and drink, lake life, and national and state parks.
- A new Star of the North video is being produced featuring a Chicago couple, which incorporates live event and lake themes in the Metro with people experiencing it for the first time.
- For winter, the plan is to get a family from the south (ideally Dallas area) to come to MN

- to experience winter outdoor recreation activities.
- Marketing planning goals for the coming year:
 - Enhancing collaborative project discipline.
 - Communications, Digital, Campaign and Research teams all report into one Marketing area.
 - Continuing work to break down silos and further integrate teams.
 - Cultivating more in-house expertise.
 - What can we do internally to use taxpayer dollars most efficiently.
 - Can team members take short courses to become subject matter experts?
 - Hiring a videographer to create more assets and enhance ability to quickly and nimbly release content.
 - Growing cross-Explore MN discipline.
 - Adding livability and business marketing to traditional tourism marketing.
 - Think through how to wrap all areas together to represent the brand of MN in the best possible light.
- Individual department pillars:
 - Campaign marketing
 - Continue Star of the North, which has produced favorable results.
 - Revise travel guide to include more Star of the North campaign links including specific travel itineraries linked to videos.
 - Review swag offered in online store to increase product offerings.
 - Communications
 - Bring more attention to MN to make the state stand out on the national stage.
 - Bring in local angle by deepening relationships with reporters and increasing appearances on morning shows and other local media.
 - Continue to develop more tools to communicate Explore MN's brand across state government.
 - Digital
 - Continue optimization to become the best DMO website in the nation.
 - Website facelift to make sure everything is working in the right way, with a focus on user experience.
 - Restyle website to align with new campaign work and documentary style assets.
 - Establish strategic email program (primarily to target out of state travelers) and optimize to maximize conversion rates and integrate with larger strategy.
- Stars of the North content initiative:
 - Interview famous people who live in MN, frequently visit MN, or are from MN about what they love about the state and what visitors should do here.
 - The campaign will start in October.

Livability Marketing:

- Livability marketing has been integrated into a single marketing department with destination marketing; Kat will lead strategy for the combined department.
- Workforce attraction campaign has increased awareness.
- Evergreen content with quality of live videos running year-round featuring all four

seasons.

- New video featuring Mayo Clinic doctor living in Rochester Area.
- Meta ads are driving the most traffic.
- Explore MN monitors Minnesota subreddit; there has been an uptick of interest since the Governor was named to national campaign.
- *The Case for Moving to Minnesota*: Atlantic Monthly custom content partnership and video impact package.
- New tactics
 - Pre-roll on Condé Nast network.
 - Extend wired.com promo for 8 weeks.
 - SEM/paid search full-year strategy.
- Campaigns are in more states and places than ever before, boosting image and awareness for tourism and workforce attraction.
- Business attraction campaign launched September 9, 2024.
 - Migrated content from JoinUsMN.com.
 - Campaign departs from halo effect pieces but speaks to the quality of workforce and quality of life in MN.
 - DMOs and local organizations will be able to use collateral from this campaign to support their own efforts.
 - Includes 4 MN companies (Microbiologics, Rosenbauer, Mayo Clinic/Mayo Ventures, Polar Semiconductor) which connect to workforce areas the state is currently focused on.

Destination Development:

- Ahead of unveiling strategic work plan, Destination Development conducted a stakeholder survey of around 400 people with DMOs and other businesses to assess engagement and the value of industry programs. Indicated we would like only one survey response per organization.
 - Respondents to survey were invited to indicate if they wish to participate in follow-up meetings with Explore MN.
 - Explore MN plans to conduct annual stakeholder surveys to increase touchpoints with the industry.
 - Organizations were asked to submit a single response; 97 were received.
 - 89.5% believe they understand the role and function of Explore Minnesota
 - 78.9% believe they are aware of Explore Minnesota's programs and services
 - 70% directly engage with Explore Minnesota team members at least quarterly
 - Respondents most valued the following agency initiatives:
 - Social Media 89.13%
 - Communications and Media Relations 87.24%
 - Domestic Tourism Marketing Campaigns 83.16%
 - Respondents most valued the following industry-focused programs and services:
 - Grant Programs (4.53 weighted average)
 - Industry News (4.34 weighted average)
 - Co-op Marketing Program (4.31 weighted average)
 - 82% engage in professional development at least a few times a year.

- 78% prefer in-person professional development. Live webinars were the second preference.
 - 62% have organizational budgets under \$500,000.
 - 59% have marketing budgets under \$75,000.
 - Most organization's geographic targets for marketing:
 - Surrounding States (ND, SD, IA, WI, and IL) (66%)
 - Greater Minnesota (63%)
 - Twin Cities Metro (61%)
 - Demographic targets in marketing
 - Individual leisure travelers (96%)
 - Leisure groups (53%)
 - Sports groups (45%)
 - Challenges for organizations
 - Insufficient organizational (64%) or marketing (69%) budget
 - Hospitality workforce availability (68%)
 - Not enough visitors year-round (68%)
 - Over-tourism was not a challenge for the majority of respondents.
- Venue contract is still being finalized for the 2025 Explore MN Tourism Conference, metro location, dates pending.
- Market Development look ahead:
 - Sept. 18 Explore MN hosting International & Leisure Group Strategy Meeting for Minnesota Industry (hybrid – Council members are invited to join)
 - Oct. 4–7 MN Vikings game in London: Airing :30 spots during live broadcast, NFL Live and analyst programming throughout UK
 - Oct. 21–24 Brand USA Travel Week London: B2B pre-scheduled meetings with UK and European tour operators and partners (Beth, Jen and Lauren attending; LBM participating in CEO Track as well).
 - Oct. 28–30 Brand USA South Korea travel agent Megafam: Theme and itinerary will focus on entertainment, arts and culture for 10 people; supports direct Seoul-MSP flight.
 - Nov. 17–20 National Tour Association's Travel Exchange North American tour operators in pre-scheduled one-on-one meetings
 - American Bus Association and Brand USA India travel events in 2025.
- Industry Relations look ahead:
 - Sept. 9–11 Upper Midwest CVB Fall Conference – Rochester
 - Sept. 12 SMTA in-person meeting – Austin
 - Sept. 18–20 Mississippi River Parkway Commission Great River Road National Scenic Byway Annual – Winona
 - Oct 2–4 MACVB Annual Meeting
 - Oct. 10–11 Minnesota Sports Alliance annual meeting
 - Oct. 11–12 MN GPHO – Sleepy Eye
 - Oct. 24 Opening of new St. Croix Welcome Center
 - Oct. 28–31 AIANTA American Indigenous Tourism Conference
 - Nov. 8-9 MN GDHO – Sandstone
 - Nov. 14–15 MN Tribal State Relations Training – Mystic Lake
 - Nov. 21 MRPC Quarterly Meeting

Outdoor Recreation:

- The Outdoor Recreation Industry Partnership (ORIP) was created to support and promote Minnesota’s outdoor recreation industry.
- The outdoor recreation industry generates \$12 billion per year and supports 93,000 jobs.
- ORIP has several ongoing initiatives:
 - The FY25 Economic Impact Report
 - The report will help tell the story to leaders and lawmakers of the value of the outdoor recreation industry to Minnesota’s economy.
 - Phase two (inventory of outdoor rec assets) currently underway.
 - The next phase will be economic analysis.
 - The report will launch in June 2025 at the Industry Summit.
 - MN State Outdoor Business Alliance
 - The purpose of the alliance is to break down silos in the outdoor industry and create a broad business coalition across the entire industry.
 - Outreach to potential members is ongoing.
 - A transition plan is being developed to more clearly separate the alliance from ORIP.
 - Public launch will be on October 25, 2024.
 - First annual meeting will be held January 2025.
 - 25 states already have outdoor business alliances.
 - First Annual Outdoor Industry Summit
 - Will take place in June 2025 with around 100 participants.
 - A work plan is in development.
 - We are working to identify potential venues for the summit.
 - Explore Minnesota More Podcast
 - Upcoming episodes include Game Fair, MN Zoo Treetop Trail, Upstream, DL Trolls, MN Nordic Ski Opener.
 - Identifying additional production staff and equipment.

Film:

- Due to a statute change, MN Film and TV is now part of Explore MN (Explore MN Film).
- Melodie Bahan joined Explore MN in July 2024 from MN Film and TV to lead this group.
- This change brings MN into alignment with all other states, which have film groups as part of state government.
- There will be two staff positions added to this team:
 - Incentive specialist will administer the state’s tax credit program (currently administered by DEED).
 - Production liaison.
- The Explore MN Film website is expected to be fully functional by early October.
- Explore MN Film will launch several initiatives in the coming months:
 - Integrate film tourism campaigns into the website and the work of Explore MN Film.
 - Market MN to the film industry through industry publications and events.
 - Coordinating with other state agencies, such as MNDOT, on issues that are specific to film and television production.
 - Create film friendly communities throughout MN, providing education and best practices to local jurisdictions to use to attract film production.
 - This will help create a more consistent experience for film productions coming into the state and help attract productions which can bring

significant economic activity to communities.

Legislative/Administrative:

- Explore MN has finalized its budget narrative and policy proposal. The budget proposal is up next.
- Legislative committee assignments will be finalized in December.
- Explore MN will continue to conduct outreach with legislators.
- The legislative session will begin January 14, 2025.
- The budget forecast will be released in November, and the Governor's final budget proposal will likely be finalized early next year.
- Explore MN is working with the state's policy team on proposed changes to the Tourism Council and Explore MN for Business Council (adjusting the number of Council members, types of Council positions, length of terms, and meeting requirements).
- There will be updates to Explore MN's mission (listed in the statute).
- Explore MN will be added to the statute governing Tribal Liaisons to reflect the hiring of a new Tribal Liaison for the agency (starting September 18, 2025).
- Budget proposals:
 - The budget request will be broken out by each division within Explore MN.
 - Budget requests will be based on outcomes and ROI, and how funding received in the last biennium increased the tourism revenue brought into the state's economy.

Future Council meeting dates:

- Tuesday, December 10 (virtual)

Explore MN Strategic Plan

- Explore MN is working to ensure that the strategic plan is aligned with the agency's goals and the Governor's One Minnesota plan.
- The strategic plan will be revisited regularly to ensure alignment with goals and budget.
- **Mission:** We sustainably grow Minnesota's economy by welcoming all through innovative and inclusive marketing, storytelling and industry partnerships.
- **Vision:** Position Minnesota as the best state for travel, quality of life and economic opportunity.
- **Position:** We lead Minnesota's growth by fostering collaboration and marketing the state for the economic benefit of all Minnesotans.
- **Strategic imperatives:**
 - Grow Minnesota's economy.
 - Advance and champion welcoming experiences for all.
 - Foster state stewardship.
 - Provide industry leadership and maximize partner collaboration.
 - Ensure organizational excellence.