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2016-17 Biennial Budget – Explore Minnesota Tourism

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www.exploreminnesota.com

AT A GLANCE

Explore Minnesota Tourism is the state's official tourism promotion agency. Through advertising, marketing, education and other programs, we support the thousands of businesses and organizations that make up Minnesota's tourism industry. This industry generates:

SALES

- \$12.5 billion in gross sales
- More than \$34 million a day

JOBS

- More than 245,000 full- and part-time jobs
- 11% of total private sector employment
- \$4.3 billion in wages

REVENUE

- \$811 million in state sales tax
- 17% of state sales tax revenues
- More than twice the growth of all other industries (2003-2012) * Note: Sales, jobs and revenue data for leisure & hospitality sector, 2012

RETURN ON INVESTMENT

- \$8 in state and local taxes
- \$84 in spending by travelers--for every \$1 invested in state tourism advertising

PURPOSE

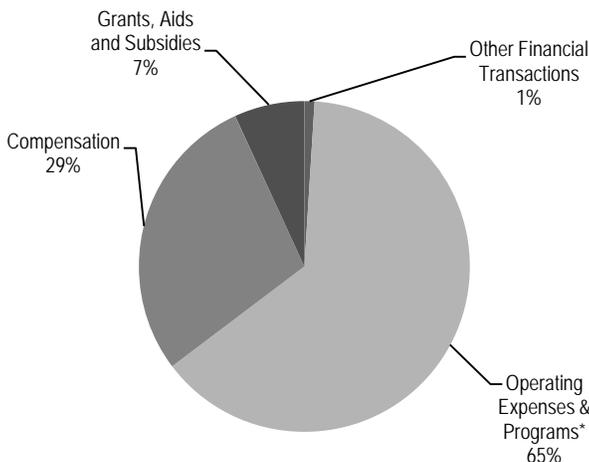
The mission of Explore Minnesota Tourism is to promote and facilitate travel to and within the state of Minnesota. We do this by marketing Minnesota tourism, including destinations, lodging, museums, attractions, restaurants, events and outdoor recreation, to consumers.

Through consumer advertising, public relations, publications, websites, social media, international marketing and other efforts, we reach millions of potential travelers each year.

Our work to promote tourism in Minnesota contributes to a **thriving economy that encourages business growth and employment opportunities**

BUDGET

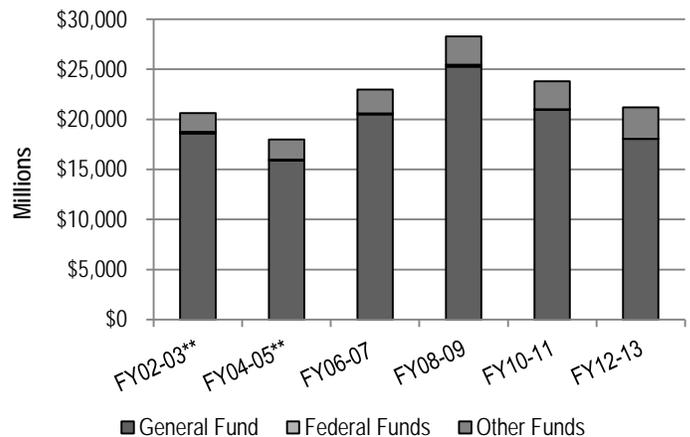
**Spending by Category
FY 13 Actual**



*Explore Minnesota's Operating Expenses include advertising, marketing, public relations and other tourism promotion efforts.

Source: SWIFT

Historical Spending*



*Various pass-thru funds were appropriated each year, e.g., MN Film Board, Mississippi River Pkwy Commission, St. Louis Co., Shakespeare Festival, Upper MN Film Office and others.

**Prior to FY05, Tourism was a division of Dept of Trade & Econ Development; spending figures for FY02-03 and 04 are based on MAPS expenditures data

Source: Consolidated Fund Statement and MAPS

Explore Minnesota Tourism has a total biennial budget of \$28 million in general fund appropriations, and \$1 million in revenue through advertising sales and marketing programs. We also partner with public and private organizations to maximize resources and reach more consumers. All of our funding is directly used to promote Minnesota tourism businesses.

STRATEGIES

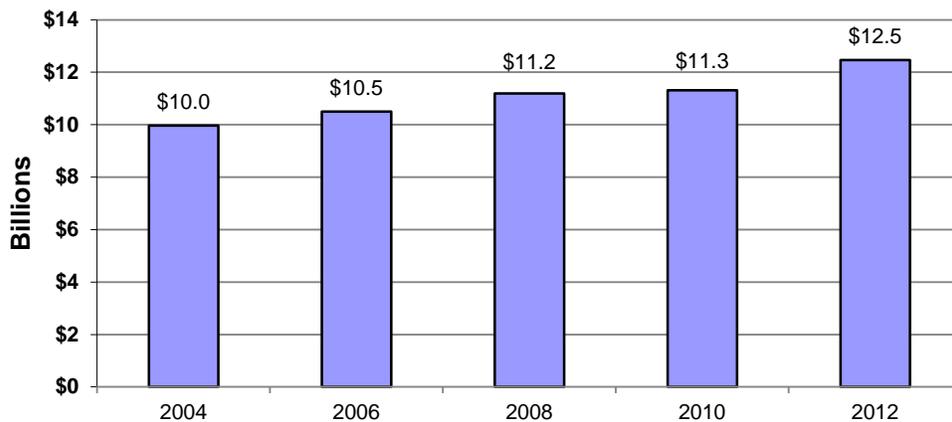
Explore Minnesota Tourism:

- Creates inspiring advertising and promotions that market Minnesota as a travel destination.
- Develops local, regional and statewide partnerships to expand marketing reach.
- Delivers comprehensive travel information in a variety of ways: in person, online, via phone and printed materials.
- Promotes Minnesota as a travel destination for international, group and sports travel markets.
- Provides timely tourism research on economic impact, customers, travel trends and marketing effectiveness.
- Educates and leads Minnesota's tourism industry and other state agencies in their efforts to promote travel.

RESULTS

Leisure and Hospitality Gross Sales

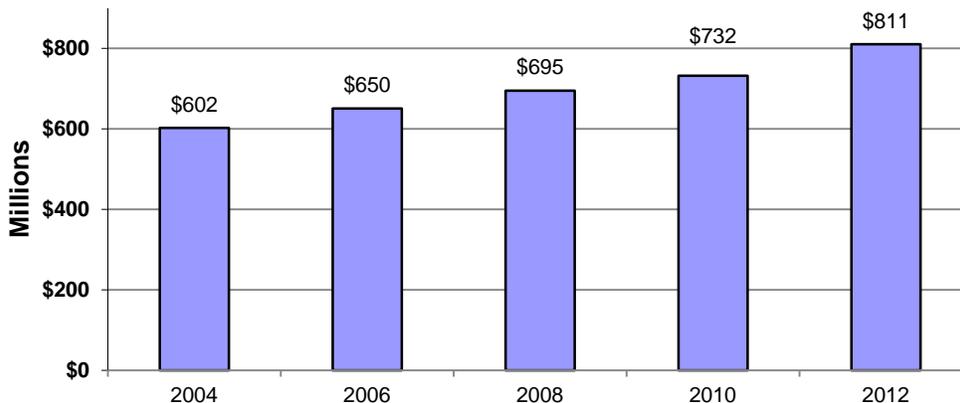
Source: Minnesota Department of Revenue



Minnesota's leisure and hospitality industry is a major provider of tourism services. The increase of gross sales in this sector illustrates the effect of successfully advertising travel to and throughout Minnesota.

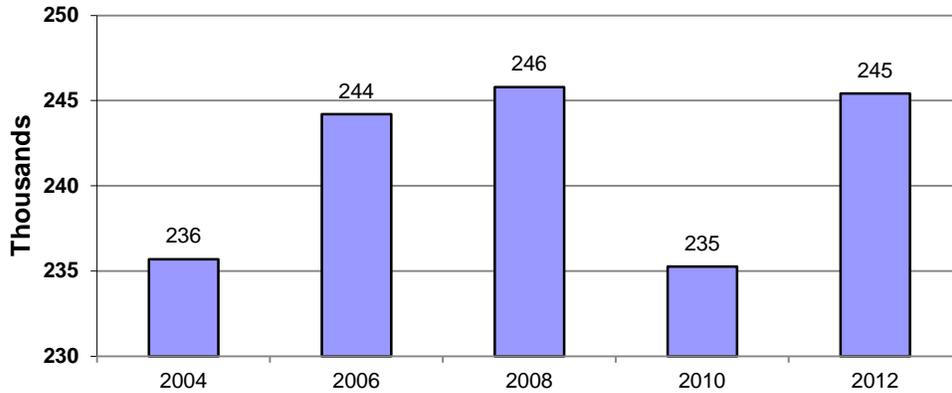
Leisure and Hospitality State Sales Tax*

Source: Minnesota Department of Revenue



Minnesota's leisure and hospitality industry is crucial to the state's vitality, accounting for 17% of total state sales tax revenue. *This chart represents substantial 49.1% growth since 2003 (\$543.6 million), compared with 21.5% growth over the same period for all other industries.

Minnesota Leisure and Hospitality Jobs
Source: Bureau of Labor Statistics,
Quarterly Census of Employment and Wages



Minnesota's leisure and hospitality jobs account for 11% of total private sector employment in the state. The result of 245,000 jobs in 2012 was close to the prerecession high, and preliminary results for 2013 point toward exceeding that mark.

MS116U.30 (<https://www.revisor.mn.gov/statutes/?id=116U>) provides the legal authority for Explore Minnesota Tourism.