

SEEKING MARKETS FOR MINNESOTA VACATION EXPERIENCES:

A FIVE YEAR MARKETING PLAN

TO EXPAND TOURISM IN MINNESOTA

FOR

THE TOURISM BUREAU

MINNESOTA DEPARTMENT OF ECONOMIC DEVELOPMENT

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## PREFACE

This report presents a suggested Five-Year Marketing Plan completed by Thomas von Kuster and Associates, Minneapolis, under contract with the Minnesota Department of Economic Development.

The project was completed under the leadership of Thomas von Kuster, Jr., President. Assisting under third-party contract were Terry McGowan, Hedstrom Blessing Incorporated and Fred Senn, Martin Williams Inc. The report contains the views of the authors and may not represent those of the Department of Economic Development.

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## EXECUTIVE SUMMARY

This report presents the first long-term marketing plan ever developed for the Minnesota Bureau of Tourism, Department of Economic Development. The plan describes a five-year marketing strategy designed to increase Minnesota tourism and adapt State and private sector actions to the changing environment faced by the tourism industry. It has been completed for the Bureau by Thomas von Kuster and Associates, Minneapolis. The plan has five major sections. Because this is Minnesota's first long-range tourism market plan, a major effort has been made to describe the purposes of a marketing plan and the key ingredients of a successful effort, as well as the tourist markets available to the State and how they should be approached. [This summary discusses the current position of Minnesota's tourism industry, its ability to weather any problems and continue to grow, the importance of State Tourism Bureau guidelines and activities, and highlights from the major sections of the report.]

### The Current and Future Position of Minnesota Tourism

The future of tourism in the State is clouded. People will always be taking vacations, and in the past Minnesota has held its market share against other competitive states. However, recent events raise some serious questions about the State tourist industry's ability to prosper and grow. Some events are within the control of the State and the tourism industry, others are not:

- o Energy cost and availability are very unfavorable to Minnesota. Public policies are encouraging rising prices for gasoline and other fuels used by 95% of the Midwest vacationers who enter Minnesota. Further, severe conservation measures and controlled allocation are being proposed which will affect discretionary vacation travel as soon as the summer of 1980.

- o Distance from major metropolitan areas in the Midwest is a growing problem in attracting tourists to the State. Chicago, a current major market of potential vacationers is 8 to 12 hours from Minnesota vacation areas, but less than 5 hours from Wisconsin or Michigan tourism centers. This travel time for driving will only get longer if lower speed limits already proposed are enforced.
- o Other Midwest states are developing tourism centers that will compete against Minnesota with new facilities and activities. Realizing the great value of tourism/travel spending in several sectors of their economies -- retailing, entertainment, lodging, restaurants, transportation, specialized services and suppliers, public facilities, etc. -- these states have used public and private investment to expand tourism activities within their borders.
- o Access to vacation areas outside Minnesota's major metropolitan areas by alternative transportation methods is limited. Air, train and bus travel to outstate vacation areas is sometimes inconvenient and difficult for travelers.
- o The most attractive season in Minnesota for selling the state as a vacation area is only 10 weeks long. It is so popular with repeat tourists that there is no place for first time vacationers to stay. And currently the cost of adding new facilities is so high that it is unlikely that new spaces will be added in the near future. This means any growth must occur

during off seasons -- Fall and Winter -- when the weather is chancy.

- o Inflation in recent years has actually reduced real income and discretionary spending. Further, it has increased the costs of providing tourism services greatly. There are no signs of abatement and unless fees at Minnesota facilities rise at the same rate maintenance, returns, and value will be uncertain. But as rates increase so does competition among alternatives for leisure spending.

Taken together, these six problems put Minnesota's tourist industry at a disadvantage versus competitors. And continuing to conduct "business as usual" may not be possible in this rapidly changing environment.

#### Ability of Minnesota and Its Tourist Industry to Weather These Problems and Continue to Grow

The overall objective of this market plan is 5% annual real growth<sup>1</sup> in all tourist-related spending. This goal will probably not be achievable given the above circumstances without substantial changes in the current approach to promoting and delivering Minnesota vacation experiences. Currently several factors hold back the State's ability to meet this objective.

- o The State has limited personnel and financial resources to support a major effort to expand vacation travel in Minnesota.

<sup>1</sup>Real growth in tourist spending is an annual increase in spending over and above the year end inflation rate.

- o The advertising budget available to the State is small versus the size of the industry and markets it serves.
- o State and industry efforts have not been coordinated in the past and have worked at cross purposes, leading to duplication of effort and giving confusing messages to the public.
- o Orientation of tourism marketing efforts has been to one particular area of Minnesota and has not shown the many other activities available to other tourist markets not already served.
- o New vacation experiences and facilities have not kept pace with the changing economy or the changing legal environment confronting the State's tourist industry, e.g., the Boundary Waters Canoe Area.

Unless a new strategy is developed to break out of this pattern of events, there will be no real growth in tourist spending measures. What is required to build such a break-out strategy?

- o New policies at the State and tourist industry levels.
- o A long range marketing plan to build consistency of effort, and industry and agency cooperation throughout Minnesota.
- o Creativity among tourist industry members in developing new vacation experiences given the energy problems, inflation, need for transportation alternatives to gasoline powered vehicles and other factors.

- o Market research to provide input and feedback on industry and State marketing and product/vacation experience development.
- o Timely and accurate measurement efforts and tools that can augment market research evaluation of State and industry programs.

### Importance of Tourism Bureau Activities and Guidelines to Market Planning

In developing this plan we are seeking to change the direction of Minnesota tourism marketing by introducing added prospectives and new concepts related to research, planning and cooperation. In the past no consistent and concerted, long-term efforts were made to market Minnesota. (Elements of the industry, State government, and State tourism regions did not work together to market the Minnesota vacation experience.)

Tourism Bureau activities and guidelines are vital to any cooperative long-term marketing strategy, since the Bureau has limited resources to promote tourism. Defining areas of cooperation is thus especially important so that industry and State resources can be leveraged/stretched to accomplish more in marketing Minnesota Tourism.

The guidelines and activities currently under development (and being started) will thus be valuable for three main reasons: (1) they will give overall direction to the joint State/industry effort to expand markets for Minnesota Tourism; (2) they will help set priorities for actions and use of the Bureau's limited resources; and (3) they will provide an excellent framework for evaluation of any State marketing effort which encourages, first, behaviors that enable Minnesota's important tourism industry to expand and, second, the measurement of the results. In preparing this plan the authors have used some broad guidelines developed in conversations with the Bureau and through past research.

## Highlights from the Five Sections of the Market Plan

The remainder of the summary presents findings, market planning recommendations and conclusions from the five major sections of the report.

### Purposes of the Minnesota Tourism Marketing Plan

The major purposes of this marketing plan are to organize, coordinate, and develop cooperation among the diverse elements important to Minnesota Tourism -- State agencies, regional associations, local business/tourism organizations, and individuals or firms in the tourism industry. In accomplishing this purpose, the Tourism Bureau must overcome the practical problems faced by State organizations in marketing vacation experiences -- lack of control over product/vacation development and delivery, the very wide range of activities available, limited personnel and financial resources, fierce competition for leisure time and spending, and uncertainties regarding energy costs and availability. Additionally, the State faces apathy and even hostility from segments of the public which are uninformed about the benefits tourism brings to the State.

In jointly promoting Minnesota vacations, several advantages and disadvantages inherent in the State's Tourism industry should be recognized. Among the advantages are attractive natural resources useable year around, high quality tourist facilities and transportation, and sophisticated metropolitan areas and related attractions. Disadvantages include a short high-demand season, dependence on automobile transportation, and in the past, lack of a sustained and consistent marketing program.



Seeking a  
Market for  
Minnesota  
Vacations

Market research is a valuable tool for policy and resource allocation decisions. It can provide information to:

- o Identify markets for vacation experiences, i.e. those who are coming to Minnesota and those who are not; and what are the characteristics of each group in terms of age, income, location, etc.
- o Evaluate the success of marketing efforts, i.e. how many vacationers were brought in from advertising? how much did they spend? how many Midwesterners know about vacation opportunities in the State? are vacationers satisfied enough to come back? why and why not?

The research used to develop the five-year plan and strategies came from two studies, one of the vacation habits of 14,000 Midwest families, and another of the results of the 1978-79 advertising campaign. Research, however is not definitive; success still depends on the judgement of those using the data available. But decision makers can make better decisions with better information. This data is the best ever gathered regarding the markets for Minnesota vacation experiences and the means of approaching these markets. Both research projects sought to describe the tourist markets and identify the most effective ways to approach them.

The desirable tourist markets described by the research included:

- o First time visitors who have not "tried" a Minnesota vacation.
- o Younger vacationing couples and families who will become long-time repeat visitors.
- o Older working and retired couples who have been returning to Minnesota for many years.
- o State and Metropolitan areas that supply the largest numbers and proportion of Minnesota vacationers and those to other Midwestern states.
- o Summer, Fall and Winter tourists in Minnesota and the Midwest and when they made a decision about their vacation plans.

Operational  
Ingredients  
Needed for  
Success

This plan describes in some detail the mechanisms required for the five year plan's success. These include guidelines set by the Tourist Bureau (noted earlier), an aggressive follow-up and fulfillment program, measurement and evaluation of marketing efforts, and promotion and media planning. Among the most important of these ingredients is a fulfillment program which is the first contact Minnesota has with potential visitors. Sufficient resources must be available so that the program can respond to potential tourists' requests for information with detailed brochures which can allow them to decide to come to Minnesota and also to reach them at the time they are deciding to where to travel.

Aggressive  
Marketing  
Objectives and  
Strategies

The overall objective of this plan is 5% annual real growth in all measurable tourism spending categories. To reach this objective, the five-year plan specifies eighteen objectives and related strategies. Timing for the implementation of these strategies is also suggested. An annual review of the plan should be made to (1) assess the success of objectives and strategies, (2) adjust the time table for implementing strategies and actions, and (3) add one more year to the plan so that Minnesota and its tourist industry have a continuing five-year plan providing a true long-term and consistent marketing effort.

Achieving these far-reaching objectives will require constant aggressive action as well as complete and organized cooperation on the part of the State Bureau of Tourism, other State agencies and the diverse facets of Minnesota's tourism industry.



## SECTION 1

### PURPOSES OF A MARKETING PLAN

This report contains five sections detailing the Five-Year Marketing Plan for Minnesota Tourism. This first section discusses the general and specific purposes of a marketing plan and how a marketing plan must recognize the problems, advantages and disadvantages of marketing Minnesota vacation experiences. The second section describes the tourism market and tourism market segments for Minnesota vacations and activities. The remaining sections cover these important areas:

- o Key Operational Ingredients for the Marketing Plan
- o Marketing Objectives and Strategies
- o Media Planning for the Five-Year Effort
- o Resource Allocation Considerations

Because it is important to place these topics in the proper context, the purposes of the Minnesota Tourism Marketing Plan are presented. This plan emphasizes new perspectives and concepts to develop cooperation and to communicate on a Minnesota-wide basis among the varied elements of the tourism industry. This has not happened in the past and is crucial to the success of the aggressive objective for 5% real growth in tourism spending in the State.

## Major Purposes of a Marketing Plan

The key purpose of the market plan is to organize and coordinate the diverse elements of the Minnesota tourism industry, first, by informing the State citizens and groups inside and outside the tourism industry about the State's actual and planned marketing activities for the next five years; and second, by planning the direction and allocation of resources so that the Bureau of Tourism can have the most aggressive program possible within its limited amounts of finances and personnel.

In the past, few efforts have been made to plan for near and long term cooperation among the State Tourism Bureau, other State agencies, the regional/local associations and individuals or firms in the tourism industry. This has lead to duplication of effort and lost opportunities for "stretching" resources by these groups through use of joint efforts.

An ideal marketing plan to allow for all the situations described below would require enormous resources. The State Tourism Bureau does not have the resources to solve all these problems for the tourist industry in Minnesota. Thus, it must be selective in its activities.

## Problems Faced by Minnesota in Tourism

A marketing plan for Minnesota tourism must recognize important problems confronting the State Tourism Bureau. These are:

- o Minnesota's Tourism Bureau has little or no control over the "product" it is offering or promoting. The Minnesota vacation experience is developed, delivered, priced and promoted mostly by others.

o There is an enormous range of vacation activities offered in the State. Promotion of all or too many activities spreads resources so thinly that communication efforts would be ineffective.

q As evidenced by recent events, there are changes in weather, political and economic environments over which the Tourism Bureau has no control which will continue to affect tourism in the State during every future year.

o The most desirable season for which to market Minnesota vacation experiences is short, only three summer months, and is "sold out." According to lodging statistics, few spaces are available in the summer season (June through Labor Day) in Minnesota resorts, hotels, motels and many campgrounds; and few new lodging facilities in outstate Minnesota are planned for development.

Practical  
Difficulties  
Faced by Any  
Vacation  
Experience  
Marketing Plan

While the problems above are not necessarily unique to Minnesota, there are five difficulties confronting any state making a long-term tourism marketing plan:

o Nearly every vacation experience is unique depending upon the individuals involved, their perceptions, the activities they choose, the vacation location and a host of other uncontrollable variables including the weather.

o Competition for leisure time and disposable income is intense, especially in the current inflationary

environment. While 70% of all Midwest families vacation, the range of leisure activities and opportunities for these families and those who do not vacation in a given year is large and expanding with computer games, sports events, theme parks, etc.

- o Some individual vacation activities cannot be differentiated on a state level, e.g. tennis courts do not change; most swimming pools are alike, etc.
- o The benefits of expanded tourism are not always evident to the "beneficiaries" given over-crowding, noise pollution, loss of local control/use of land and other resources, etc; witness last summer's noise pollution debate in the Brainerd area or the current controversy of land acquisition for Voyageur National Park.
- o Crossover within definable market segments among vacation activities makes conventional segmentation techniques more difficult, e.g. some families who go fishing have a member(s) who like to gamble.
- o Uncertainties about energy (gasoline, natural gas, oil, etc.) availability and cost will continue to affect vacation behavior and consumer perceptions for some years to come, causing some structural dislocation in certain tourist industry segments, e.g. lower occupancy at pass-through campgrounds or motels versus those in destination locations.



✓  
Competitive  
Advantages and  
Disadvantages  
for Minnesota's  
Tourism Industry

In the course of the research and discussions with representatives of the tourism industry, the Tourism Bureau and some regional agency administrators, eight major areas of strength and ten areas of weakness were identified for Minnesota tourism. These were helpful in organizing objectives and strategies for the market plan.

✓ Advantages

1. Availability of quality facilities for lodging, camping and eating in the State.
2. Attractive natural resources.
3. Activities the year around -- golf, shopping, fishing, skiing, snowmobiling, etc.
4. High quality of transportation and highway systems.
5. "Sophisticated" metropolitan areas with popular cultural activities and events.
6. Major professional and college sports attractions.
7. Clean air and uncrowded areas.
8. Excellent snow removal on major highways for winter travel.

### Disadvantages

1. Negative national image for cold (ice box) weather.
2. Heavy dependence on automobile transportation.
3. Lack of new products, i.e., vacation experiences and facilities created in outstate Minnesota by the State tourist industry.
4. Lack of a sustained State tourism marketing program in the past.
5. Limited resources for existing services and development of new services at the Tourism Bureau.
6. Inadequate technical assistance to the tourist industry.
7. Prevalent resort owner attitude against payment of travel agency commissions.
8. Need for better fulfillment of potential vacation consumer requests for information.
9. Limited vacation destination facilities in Southern Minnesota's regions which are closer to the Midwest's major concentrations of population.
10. Lack of coordinated effort by the Tourism Bureau, other State agencies, local/regional organizations and the tourism industry in the past.

Types of  
Marketing  
Plans

The long-range marketing plan developed for the Tourism Bureau should recognize the above issues. Thus, it is not concerned solely with promotion. Any plan describing a segment of activities related to selling a product can also be called a marketing plan: i.e., media plans describe advertising activities related to selling products; product development plans try to match markets with new or existing products; pricing strategies are developed to encourage sale of new (or existing) products to new or existing markets. All of these examples can be considered marketing plans.

Specific  
Purposes of  
this Plan

The plan described in succeeding sections is a combination of these marketing plans. It is limited in two respects: first, the Tourism Bureau has limited resources and, as noted above, cannot do "everything" the tourist industry wants or needs it to do; and second, the Tourism Bureau should not be doing some tasks which are more appropriately left to the industry whose resources, in the aggregate, vastly exceed those of the Tourism Bureau in dollars and personnel. Nevertheless studies show that State resources invested in Minnesota tourism promotion have returned substantial dividends to the State in terms of tax revenue, income and jobs. Therefore, in selecting and developing the objectives and strategies for this long range plan, we used four basic questions as guidelines for State actions:

- o What functions can no other individual or group perform in tourism marketing?
- o What activities can the Tourism Bureau participate in that can provide real leverage for their investment?

This leverage should be not only in terms of budget stretching activities, but also for learning how advertising, promotion and product offerings can be improved.

- o What types of specific investments in various activities will provide the highest returns for the Tourist Bureau's and the taxpayer's dollar?
- o How can the Tourist Bureau encourage the type of behavior that will expand Minnesota tourism in general?

Planning within these and other parameters is especially important to give an overall direction to the Minnesota vacation marketing effort, to set priorities for use of available resources, and to encourage evaluation of the effect of the market strategy.

## SECTION 2

### SEEKING A MARKET FOR MINNESOTA VACATIONS

In the previous section, the purposes of the marketing plan were described. In this section, four topics will be presented: the usefulness of market research in gathering data about Minnesota vacationers and vacation experiences, the market segments important to Minnesota tourism, the vacation decision process, and implications and conclusions from the data presented. A media plan is in Section 5 of the report.

#### Usefulness of Market Research on Vacationers

Market research is a valuable tool for business and resource allocation decisions. It can answer key questions on a broad range of issues important to the tourist industry which provides vacation experiences to Minnesota tourists. These include:

- o Who is buying or not buying Minnesota vacations?
- o What share of the market of Midwest vacations does Minnesota capture?
- o Is Minnesota an acceptable vacation destination?
- o Are Minnesota tourists satisfied with their experiences?
- o Will people take another vacation here?  
Why? Why not?

Answers to these and other questions are important at both the State level and the individual lodging facilities

level. For the State Tourism Bureau answers will indicate:

- o How to best promote Minnesota vacations in general.
- o Whether Minnesota can expand its share of the Midwest vacation market.
- o What resources to allocate to various means of attracting more vacationers to Minnesota.

For individual lodging facilities the value will be first, to see if their "vacationers" (i.e., customers) fit the typical Minnesota profile and second, to discover whether added investment in new facilities or activities not currently available will likely be absorbed by the existing market or whether new vacationers can or will be attracted by investment in new facilities.

Individual lodging facilities need to regularly conduct their own research that can answer questions important to their own operation, maintenance and expansion. These are not discussed in detail here, but should address:

- o Customer satisfaction with services, activities and facilities.
- o Customers' intentions to return the next year or in another season.

- o Other facilities or services they would want available.
- o Reactions of current customers (who may be older couples) if new facilities/activities were to be added which might attract a different market (young couples or families).
- o The effect of energy and inflation on current customers' intentions and spending for vacations.

Reactions and impressions can be gathered before new investments are made or service/facility problems become serious. ✓

Despite all these benefits market research is not absolute. It provides information from which one can make decisions. The State and members of the tourist industry thus must make their own judgements from the information available. And any data from consumers is very time sensitive; i.e., it presents views that may change dramatically from one year to the next -- witness the events surrounding last year's gasoline shortage.

The market research for this report is based upon a survey of nearly 14,000 Midwest families, completed in 1979 regarding their 1978 travel behavior and results of evaluation studies of the State's 1978-1979 advertising efforts. These were compared with a similar 1968 study about Minnesota tourism to show long-term trends. Further, research on Minnesota tourists will come from a study of 1979, and planned 1980 travel, being completed

Important  
Market Segments  
and Seasons  
for Minnesota  
Tourism

for the Iron Range Resource and Rehabilitation Board. Little research has been available about individual facilities or areas in Minnesota. But more should be encouraged given the value of this information for marketing strategies and investment decisions regarding tourism in Minnesota.

One of the objectives of the present study is to develop a marketing strategy in order to increase Minnesota's share of the regional tourism market. In doing this we must identify as closely as possible the various key market segments for Minnesota vacations. This is done by identifying the various economic, sociological and seasonal characteristics of the Minnesota traveler. (Summary statistics are shown in Table 1, page 15.)

The travelers who came to Minnesota were overwhelmingly white and married. This generalization holds for each season of the year. In this sense Minnesota tourists were not much different from the tourists who went to Michigan and Wisconsin. The vacation year is divided into three main seasons: Summer (May through August), Fall (September through November) and Winter (December through March). Spring, in particular April, is the slowest travel season and perhaps the most difficult and undesirable time to sell/come to Minnesota because of the weather.

Vacationer  
Life Cycle

There was an evident seasonal variation in the family status of tourists. "Young parents" were a greater fraction of the tourists in the summer and winter than in the fall. They were 21.8% of the summer tourists and



26.3% of the winter tourists and only 15.3% of the fall tourists. These percentages may be correlated with the academic school calendars of the children of these "young parents." The "working older couples," whose major objective and/or activity while being tourists is likely to be "shopping," "relaxing" and "sight-seeing," rather than participating in winter or summer sports, are more frequent travelers in the state in the fall season (32.2%) than in any other season. Unfortunately, Minnesota has not been able to attract many "young couples" in the summer and fall. In the winter months their shares increased to nearly 15.8% due, presumably, to their participation in winter activities.

Compared to Minnesota, both Michigan and Wisconsin had a larger share of "young couples" and "young parents" for the summer and fall seasons, and also attracted more "young couples" in the winter. Minnesota was consistently ahead of these two states in all three seasons in attracting "working older couples."

#### Age of Female Tourist

The age of female tourists was considered as a proxy for the family age. Additionally, it is appropriate to use female age to get an overall age picture because females go on a higher percentage of vacation trips compared to men.

While female travelers from all age groups came to Minnesota in each of the identified tourist seasons, there was some seasonal variation in the ages of the female travelers. In the summer months female travelers in the age group 30-39 years constituted nearly one

quarter of the females who toured the state, whereas those in the age group 60 and over were less than one-sixth of the females. These percentages changed as expected in the fall season. The 30-39 age category would presumably have children in school and would be less likely to travel in the fall. This slack was taken up by the older age groups, (50-59 years and 60 and over) who could be visitors to the state to visit relatives and friends, or came just to relax. In the winter months the younger age females (those under 30) dominated. This age group behavior would hold under the hypothesis that the young travelers would be more active and hence were attracted by winter sports activities.

In all three seasons (summer, fall and winter), both Michigan and Wisconsin attracted a larger share of females in the younger categories, i.e., under 30 and 30-39 age groups. Minnesota scored better for the 60 and over age group for all seasons over both Michigan and Wisconsin.

#### Income

As might be expected, income of tourists is highly correlated with vacation travel. Families earning over \$20,000 per year shared over 30% of the vacation market in all three seasons. The tourists in the income grouping of \$8,000-\$13,999 constituted 28% of the tourists all through the year with insignificant variation in this percentage across the seasons.

It is interesting to note that both Michigan and Wisconsin had a larger share of families with income over \$14,000 in all three seasons.

TABLE 1 - VACATION MARKET

DEMOGRAPHIC CHARACTERISTICS OF THE VACATIONERS IN  
MINNESOTA, MICHIGAN AND WISCONSIN  
FOR THREE TOURIST SEASONS IN 1978  
PERCENTAGE OF EACH MARKET SEGMENT

	SUMMER			FALL			WINTER		
NUMBER OF TRIPS TAKEN	MINN (818)	MICH (1323)	WISC (1332)	MINN (295)	MICH (496)	WISC (491)	MINN (95)	MICH (161)	WISC (152)
<b>LIFE CYCLE</b>									
Young Couple ....	9.8%	10.7%	10.4%	9.2%	12.3%	10.6%	15.8%	23.0%	17.1%
Young Parent ....	21.8	25.6	25.8	15.3	19.2	16.7	26.3	24.8	25.7
Middle Parent ...	18.5	18.7	18.5	13.2	16.5	16.3	17.9	18.6	17.1
Older Parent ....	15.4	16.7	17.1	13.6	15.5	16.7	14.7	15.5	20.4
Working Older Couple .....	21.6	17.7	17.9	32.2	19.0	26.7	16.8	8.7	15.1
Retired Older Couple .....	13.0	11.2	10.4	16.6	17.5	13.0	8.4	9.3	4.6
	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>AGE OF FEMALE</b>									
Under 30 Years ..	21.1%	24.6%	24.2%	16.9%	22.6%	20.6%	32.6%	36.6%	33.6%
30 - 39 .....	24.1	26.4	26.2	20.0	20.6	18.9	22.1	26.7	27.0
40 - 49 .....	19.6	17.8	19.7	16.9	17.5	20.8	20.0	15.5	16.4
50 - 59 .....	20.0	18.1	16.9	23.4	21.2	20.2	10.5	11.2	16.4
Over 60	15.2	13.1	13.1	22.7	18.1	19.6	14.7	9.9	6.6
	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>INCOME</b>									
Less than \$8,000	13.7%	12.4%	13.2%	17.6%	13.7%	16.7%	11.6%	16.8%	12.5%
\$8,000-\$13,999 ..	28.4	24.2	23.7	27.5	27.6	24.0	28.4	18.6	21.1
\$14,000-\$19,999 .	27.1	30.8	31.4	23.4	28.4	28.5	24.2	29.8	25.0
\$20,000-\$24,999 .	13.6	15.1	15.8	13.6	14.3	15.7	16.8	13.7	17.8
Over \$25,000 ....	17.2	17.5	15.9	18.0	15.9	15.1	18.9	21.1	23.7
	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>OCCUPATION</b>									
Professional ....	18.7%	19.9%	19.4%	13.6%	15.7%	15.7%	17.9%	25.5%	23.0%
Farmer .....	9.3	2.2	5.5	12.9	2.0	5.1	10.5	1.2	7.2
Manager .....	11.7	15.2	13.7	12.5	13.7	13.4	18.9	19.3	14.5
Crafts, Foreman .	16.5	20.3	18.6	15.3	16.9	18.9	17.9	14.3	19.1
Operative .....	10.5	12.1	10.2	9.5	13.1	10.8	7.4	3.1	11.8
Retired and Misc.	16.3	14.7	14.3	19.3	21.6	15.9	12.6	13.7	10.5

\*

\*Columns total less than 100% because only  
significant percentages are included.

Data is from Tourism in Minnesota by von Kuster & Associates, Inc., July 1979.

## Occupation

As with the other characteristics studied above, there is some seasonal variation in the occupations of Minnesota tourists. Farmers constituted an insignificant percentage of tourists in the summer but were the fourth largest occupation in the rest of the year. This is consistent with their farming activity which keeps them busy in the summer months. Among other occupational categories, there is fairly even distribution among professionals, craftsmen and foremen, and managers across the three seasons. The "retired" group figured prominently in the summer and fall months, but not in the winter, presumably because they were less able to cope with the elements during the cold weather season in the northern states.

Minnesota had a smaller share of professionals than Michigan and Wisconsin in all three seasons. Minnesota had a larger share of retired people in the summer over both these states. In the winter, Minnesota fared better with craftsmen over Michigan, and with managers over Wisconsin. Both Michigan and Wisconsin attracted a very small number of farmers as visitors to those states.

## State and City of Residence

The majority of tourists in Minnesota are Minnesotans. Given the proximity of the various tourist attractions and knowledge of these attractions by travelers, it is not surprising that state residents tour their own state. Within this category in each of the three tourist seasons (Summer, Fall and Winter) they came mainly from the Twin Cities Metropolitan Area (See Table 2, page 18). The next highest group of tourists (over

13% in each of the seasons) came from Chicago. Among Iowa cities the Des Moines area contributed a small percentage of the tourists in the summer and fall seasons. Among the Wisconsin cities, the joint contribution of Madison-Milwaukee was only 4.3% in the summer, but nearly doubled in the winter. Minnesota's neighboring states to the West, the Dakotas, contribute to a very small share of travelers in any season. Although some metropolitan areas on the Minnesota-Dakota borders do contribute a large number of tourists, the Dakotas as a whole have lower populations than the other market and thus have a smaller number of available tourists. Hence, even though a large proportion of Dakota tourists come to Minnesota, the number still remains relatively small.

Facts on the source of tourists, based on the Metro Area definition, do not give us a very complete picture. Since the non-SMSA areas were not considered, many areas were left out. Considering this flaw, it has been assumed that ADI (which includes the primary geographic area reached by a city's television stations) would give a better breakdown of media market influence of the major cities which send tourists to Minnesota. Overall it indicates that in the winter the percentages of visitors coming from the nearer and smaller places go up. They come to Minnesota for winter sports and shopping. Winter driving reduces the number of travelers from the more distant points, viz., Indianapolis, South Bend, Columbus, Omaha.

Similarly, for each season the majority of people who took vacations in Michigan were from Michigan. It is

TABLE 2 - VACATION MARKET

SEASONAL TOURISTS WHO CAME TO  
MINNESOTA, MICHIGAN AND WISCONSIN IN 1978  
BASED ON ADI CODES\*\*  
PERCENTAGES BY MAJOR CITY

STATE AND CITY OF RESIDENCE	DESTINATION STATES								
	MINN (818)	SUMMER MICH (1323)	WISC (1332)	MINN (295)	FALL MICH (496)	WISC (491)	MINN (95)	WINTER MICH (161)	WISC (152)
MINNESOTA	39.0%	1.6%	10.1%	35.6%	2.0%	12.4%	39.0%	2.5%	11.0%
Twin Cities ..	32.0	1.1	8.0	26.4	1.8	10.8	27.4	2.5	8.6
*Rochester ....	2.1	.2	.5	1.7	-	.6	2.1	-	.7
Alexandria ...	1.6	.1	.7	2.4	-	.6	5.3	-	1.3
Mankato .....	1.1	-	.2	2.0	-	.2	2.1	-	.7
*Duluth .....	2.2	.2	.7	3.1	.2	1.2	2.1	-	.7
MICHIGAN	1.5%	51.4%	3.9%	-	53.1%	5.9%	-	56.5%	6.0%
Detroit .....	.5	28.6	2.0	-	31.5	3.1	-	31.1	3.3
Grand Rapids .	.4	8.5	1.1	-	8.5	1.4	-	9.3	-
Flint .....	.1	7.8	.2	-	6.3	.4	-	6.2	-
Traverse City	.2	3.3	.2	-	4.2	.6	-	8.1	2.0
Other Metro .. (Lansing, Marquette)	.3	3.2	.4	-	2.6	.4	-	1.8	.7
WISCONSIN	11.0%	5.2%	31.8%	14.6%	4.8%	32.0%	18.0%	7.4%	35.6%
Milwaukee ....	2.1	1.5	12.6	3.4	1.2	14.5	4.2	3.1	15.8
Madison	1.6	.4	4.6	1.2	.8	3.7	1.2	-	5.9
Wausau	1.5	.9	3.5	1.2	.6	4.1	1.0	-	1.3
La Crosse	2.3	.4	2.6	3.7	-	2.6	7.4	.6	3.3
Green Bay	1.3	1.8	7.8	2.0	2.0	5.9	2.1	3.7	8.6
*Superior	2.2	.2	.7	3.1	.2	1.2	2.1	-	.7

- No data for this item.

\*Totals do not equal 100% because border cities between states  
were counted twice.

\*\*Arbitron television market survey.

Data is from Tourism in Minnesota by von Kuster & Associates, Inc., July 1979.

TABLE 2 - VACATION MARKET Continued

SEASONAL TOURISTS WHO CAME TO  
MINNESOTA, MICHIGAN AND WISCONSIN IN 1978  
BASED ON ADI CODES\*\*  
PERCENTAGES BY MAJOR CITY

STATE AND CITY OF RESIDENCE	DESTINATION STATES								
	SUMMER			FALL			WINTER		
	MINN (818)	MICH (1323)	WISC (1332)	MINN (295)	MICH (496)	WISC (491)	MINN (95)	MICH (161)	WISC (152)
OHIO	2.3%	14.0%	2.8%	1.7%	16.2%	1.6%	1.1%	9.3%	-
Cleveland....	.6	3.0	.8	.7	3.8	.4	-	1.9	-
Toledo .....	-	2.0	.3	-	3.0	-	-	1.2	-
Dayton .....	.2	2.3	.4	-	2.4	.8	-	2.5	-
Columbus ....	1.0	4.5	.7	.3	3.4	.2	1.1	1.9	-
Other Metro .	.5	2.2	.6	.7	3.6	.2	-	1.8	-
Areas (Youngstown, Cincinnati, Stubenville, Zanesville)									
INDIANA	3.9%	9.3%	3.5%	1.0%	9.2%	3.8%	-	8.7%	.7%
South Bend ..	1.2	5.7	1.4	1.0	5.2	1.2	-	3.1	.7
Other Metro .	2.7	3.6	2.5	-	4.0	2.6	-	5.6	-
Areas (Indianapolis, Lafayette, Terre Haute, Fort Wayne, Evansville)									
MISSOURI	2.9%	2.7%	2.9%	2.6%	1.0%	2.0%	3.2%	1.8%	1.4%
Combined Metro	2.9	2.7	2.9	2.6	1.0	2.0	3.2	1.8	1.4
Areas (St. Louis, *Kansas City, St. Joseph, Cape Gerardeau, Hannibal, Springfield, Kirksville)									
KANSAS	1.5%	.5%	.3%	2.0%	.4%	.2%	3.2%	.6%	.7%
Combined Metro	1.5	.5	.3	2.0	.4	.2	3.2	.6	-
Areas (*Kansas City, Wichita)									
TOTALS*	107.4%	101.6%	104.2%	108.0%	100.2%	101.8%	106.7%	100.4%	100.9%

- No data for this item.

\*Totals do not equal 100% because border cities between states  
were counted twice.

\*\*Arbitron television market survey.

Data is from Tourism in Minnesota by von Kuster & Associates, Inc., July 1979.

TABLE 2 - VACATION MARKET Continued

SEASONAL TOURISTS WHO CAME TO  
MINNESOTA, MICHIGAN AND WISCONSIN IN 1978  
BASED ON ADI CODES\*\*  
PERCENTAGES BY MAJOR CITY

STATE AND CITY OF RESIDENCE	DESTINATION STATES								
	MINN (818)	SUMMER MICH (1323)	WISC (1332)	MINN (295)	FALL MICH (496)	WISC (491)	MINN (95)	WINTER MICH (161)	WISC (152)
ILLINOIS	15.3%	14.4%	39.8%	17.6%	11.3%	36.0%	11.6%	13.0%	41.5%
Chicago .....	9.7	12.6	29.7	9.8	9.9	27.9	8.4	10.6	33.6
Rockford .....	2.3	.5	5.6	3.7	.6	4.7	2.1	.6	3.9
*Moline .....	2.3	.4	2.7	3.1	.4	2.0	-	-	.7
Other Metro ..	1.0	.9	1.8	1.0	.4	1.4	1.1	1.8	3.3
Areas (Springfield, Peoria, *Quincy)									
IOWA	14.1%	1.5%	7.4%	15.0%	1.4%	6.1%	13.7%	-	2.0%
Cedar Rapids ..	3.2	.3	2.1	3.1	.4	2.9	2.1	-	1.3
*Davenport ....	2.3	.4	2.7	3.1	.4	2.0	1.1	-	-
Des Moines ...	4.8	.4	1.8	3.7	.6	-	4.2	-	-
Sioux City ...	1.7	.2	.3	3.4	-	.6	4.2	-	-
*Mason City ...	2.1	.2	.5	1.7	-	.6	2.1	-	.7
NORTH DAKOTA	7.2%	.1%	.7%	8.8%	.2%	1.0%	7.4%	.6%	-
Fargo .....	6.0	.1	.5	7.1	.2	.4	4.2	.6	-
Minot .....	1.2	.1	.2	1.7	-	.6	3.2	-	-
SOUTH DAKOTA	3.1%	.2%	.6%	4.7%	-	.4%	7.4%	-	.7%
Sioux Falls ..	2.7	.2	.5	4.4	-	.4	7.4	-	.7
Rapid City ...	.4	-	.1	.3	-	-	-	-	-
NEBRASKA	5.6%	.7%	.4%	4.4%	.6%	.4%	2.1%	-	1.3%
Omaha .....	4.4	.5	.3	2.4	.6	.2	2.1	-	-
Other Metro ..	1.2	.2	.1	2.0	-	.2	-	-	1.3
Areas (Lincoln, North Platte)									

- No data for this item.

\*Totals do not equal 100% because border cities between states  
were counted twice.

\*\*Arbitron television market survey.

Data is from Tourism in Minnesota by von Kuster & Associates, Inc., July 1979.



interesting to note that apart from Detroit which produced the largest share in all seasons (around 35%) of the vacationers in Michigan, many other metropolitan areas in Michigan contributed a substantial share of the tourist market in Michigan. The second major share was contributed by the Chicago Metropolitan Area. A few metropolitan areas of Ohio, Wisconsin and Indiana send a small percentage of tourists to Michigan.

Unlike Minnesota or Michigan, most vacationers in Wisconsin came from out-of-state. Tourists from the Chicago Metropolitan Area constituted an overwhelming share (which varied between 37% in the Fall to 45% in the Winter) of the Wisconsin tourist market in all three seasons. The Milwaukee Metropolitan Area held less than 20% of the market share in all seasons. The Twin Cities and other Minnesota cities provide more than 10% of Wisconsin tourists in each season.

Ownership  
of Boats,  
RVs, etc.

The vacation experience may be said to be enhanced by the ownership of vehicles appropriate to the season of tourist travel. Boats, snowmobiles and recreational vehicles are relatively costly capital expenditure items. People who invest in such items would like to enjoy their possessions and would be expected to take time off to enjoy them. About 43% of the Summer and Fall travelers in Minnesota owned one or more of the following: boat, motorcycle, snowmobile. The most commonly held single durable asset among tourists was a boat; 29.4% of the Summer travelers owned a boat, while 25.3% of the Winter travelers owned a snowmobile. Also, 17.2% of the vacationers in the Summer owned a

TABLE 3 - VACATION MARKET

OWNERSHIP OF BOAT, MOTORCYCLE, SNOWMOBILE AND  
RECREATIONAL VEHICLE AMONG THE  
MINNESOTA, MICHIGAN AND WISCONSIN VACATIONERS  
DURING THREE SEASONS IN 1978  
PERCENTAGE OF MARKET SEGMENT

NUMBER OF TRIPS TAKEN	SUMMER			FALL			WINTER		
	MINN (818)	MICH (1323)	WISC (1332)	MINN (295)	MICH (496)	WISC (491)	MINN (95)	MICH (161)	WISC (152)
OWNERSHIP									
Boat Only .....	21.1%	16.8%	16.7%	19.0%	19.2%	18.1%	16.8%	16.8%	15.1%
Motorcycle Only .	6.5	7.8	5.7	7.5	8.3	4.3	6.3	8.7	6.6
Boat and Motorcycle .....	2.7	3.2	2.6	3.1	2.8	2.9	1.1	3.1	2.6
Snowmobile .....	5.3	2.9	2.1	7.8	2.6	2.4	9.5	9.3	7.9
Boat and Snowmobile .....	3.8	2.2	3.5	2.4	2.2	4.3	6.3	3.7	4.6
Motorcycle and Snowmobile .....	2.3	1.2	1.2	2.0	1.6	2.9	5.3	1.2	3.9
Boat and Snowmobile and Motorcycle .	1.8	1.7	1.2	1.7	2.2	.6	4.2	1.2	.7
Total Boat .....	29.4	24.9	24.0	26.2	26.4	25.9	28.4	24.8	23.0
Total Snowmobile	13.2	8.0	8.0	13.9	8.6	10.2	25.3	15.4	17.1
Recreational Vehicle (RV) ....	17.2	19.3	15.4	12.5	17.7	14.3	10.5	19.3	11.2

Data is from Tourism in Minnesota by von Kuster & Associates, Inc., July 1979.

recreational vehicle, while only 10.5% of the Winter tourists owned a recreational vehicle (See Table 3).

Compared to Michigan, more Minnesota vacationers own boats. But Michigan vacationers own a greater percentage of motorcycle and recreational vehicles. Wisconsin vacationers own the smallest share of these sporting or recreational vehicles.

Tourist  
Activities

( In general, shopping and relaxing were the most favorite activities of Minnesota vacationers. ) This is also true for Michigan and Wisconsin. Minnesota lagged behind Michigan and Wisconsin in the number of vacations spent in this state by those who relaxed and did nothing. For shopping activity, Minnesota came second to Michigan.

As might be expected, young couples participated more in the active sports, while retired couples did more sightseeing, etc. Nevertheless, the older the family unit, the less often they mention "relaxing and doing nothing" in describing their vacations.

Minnesota was above average in attracting visitors who vacationed for the following reasons: boating, camping, fishing, and hiking. Of these four categories, Minnesota was ahead of both Michigan and Wisconsin in accounting for those vacations taken to go fishing. Michigan was preferred to Minnesota and Wisconsin for boating, camping and hiking. The three Lake states were above average in all of these categories, except Wisconsin reported a below-average figure for those vacations designed for camping.

Both Wisconsin and Michigan were above average in reporting the number of visits to those states by tourists who swim, while Minnesota reported a below-average figure. Again, Minnesota lagged behind Michigan and Wisconsin in representing the number of vacations spent in this state by those who relaxed and did nothing.

While vacations during which tourists visited historic sites and museums were below average in each of the Lake states, South Dakota's figures were well above average in these categories. Both South Dakota and Michigan reported above-average figures for those vacationing in National and State Parks, while Wisconsin and Minnesota were below average.

Although a smaller percentage of vacations included canoeing, waterskiing and visiting family and friends, Minnesota was still above average in attracting these tourists.

General  
Purposes  
of Vacation  
Trips

In all three vacation seasons (Summer, Fall and Winter), the largest number of people who came to Minnesota reported "visiting family and friends" as their main purpose of visit. The percent of Minnesota travelers who reported "visit to family and friends" as their purpose of visit was 49.6% in the Summer, 66.4% in the Fall and 69.3% in the Winter. When these percentages are compared with the corresponding figures of the other North Central states, Minnesota resembles more closely the states which are not major vacation destinations as opposed to destination states like Michigan and

Wisconsin who are Minnesota's main competitors in the vacation market. This indicates that at present Minnesota as a destination state does not attract as many people as it might if it were perceived more often as a vacation destination in addition to a place to visit family and friends.

Other categories which were often cited as the purpose of the visit were "Metro sightseeing" and "Non-Metro sightseeing." These categories attracted a considerable percentage (15% to 25%) of people in all three seasons.

The ability to attract more people to "visit more family and friends" is limited and is difficult to control. The better strategy may be to break out of the trend and try to attract first time visitors. The "sightseeing" aspects and the many other activities available can be made more appealing to prospective vacationers.

#### The Growing Importance of Shorter Vacations

The weekend trip (1 or 2 days) has grown in importance over the last 10 years.) In 1968, 6% of all vacations were one or two day trips; in 1978, 16% were weekend trips. Further, longer trips are declining in importance. Ten years ago vacations longer than a week were 54% of all vacations; in 1978 they were 36%. This shorter time for overnight pleasure trips may limit the number of activities or purposes vacationers have for trips and time for learning "new activities." Thus, while the trips may be more impulsive (require less planning) than in the past, the activities tourists intend to pursue are probably more carefully selected or

pre-packaged. Further, energy costs and availability, as they affect transportation, may have the impact of accentuating this trend to more short trips for many travelers; however, some data also indicates that vacationers may take fewer, longer vacations because of the energy situation. Thus, the trend to shorter trips should be watched closely as it affects Minnesota vacation markets.

This will be important to promoting and providing Minnesota vacations in that travelers will need to know what activities are available and how they can participate prior to their arrival. They do not have the time to "explore" after they arrive as have past vacationers who had longer stays. Clearly presented, informative communications that will help a prospective traveler make decisions thus will be vital, as will well prepared, concentrated and exciting vacation activities/experiences.

#### How Much the Tourist Spent

Fifty-seven percent of the vacationers to Minnesota spent less than than \$201. That figure should be compared to the average of 58% of all vacationers to Minnesota and to competing states in this spending category. Like Minnesota, Michigan was slightly below average and reported 54%. Wisconsin however, reported that 63% of all vacations to that state cost less than \$201.

The smallest amounts spent on travel per vacation were spent on vacations to Iowa, North Dakota and Wisconsin. These three states had a larger-than-average proportion of vacations that cost less than \$500. Minnesota reflected the average of 81%.

The largest amounts spent by Midwest tourists per vacation were spent on vacations to South Dakota and Manitoba/Ontario. The larger amounts can be attributed to the distance one must travel to reach those destinations and the resultant additional nights spent enroute.

When the  
Decision to  
Vacation  
Was Made

The data indicate that there is more impulsive planning for Winter vacations than for Fall or Summer vacations. Winter vacations were generally planned either in the same month that the vacation was taken, or at most, a month ahead of time. While some Summer vacations were planned far in advance of the actual travel time, the majority of the decisions to take vacation were made during the month of actual travel. Fall travel plans generally started in August, but most such decisions were made in the month of actual travel or at most a month ahead of it. Perhaps those who travel in the summer months are, as we have seen in an earlier part of our report, young parents whose children may have an important input into the decision-making process. Because of the vacations schedule of the children and also because they tend to make trips educational for the children, they have to plan ahead of time.

Sources of  
Information  
About  
Vacations

Information for 67% of the trips to Minnesota was based on previous visits and another 28% of the trips were influenced by information gathered from friends or relatives. These percentages are extremely close to those reflected by Wisconsin and Michigan and all other regional states. Only 6% of this state's vacations were the result of knowledge gained from writing away for information. Yet, in a neighboring state it is signifi-

cant that 20% of the trips to South Dakota were a result of information gathered in this manner. In addition, South Dakota was above average in the categories of advertising sources, news articles, AAA or other motor clubs. Thirteen percent of the vacations to South Dakota were based on information learned from advertising, a figure significantly higher than Minnesota's 6%. Besides the two above-mentioned categories where Minnesota promotional activity appears to be weak, very few trips to Minnesota were based on information gained from news articles or from the AAA or other motor clubs. Perhaps attentions should be focused on these areas to make more people aware of what Minnesota has to offer its vacationers.

Another weak area in the Midwest tourism business is the number of trips generated by a travel agency. No vacations to Minnesota were the result of information supplied by a travel agent, while in states outside the region 3% were the result of information obtained through a travel agent. Possibly this source could be made a more integral part of attracting tourists to Minnesota.



## Conclusions

Tourism plays an important role in Minnesota's economy, not only via the direct expenditures of tourists, but also by the multiplier effects generated. Since the tourists seek to spend economically scarce time and monetary resources, they will make their decisions on the basis of information at their disposal. The major concerns of tourism information sources should be to persuade people to travel, help prospective tourists decide where to go, how to go, and where to stay. Much of this information dissemination process is promotional for it concerns itself with persuading a person, first to become a tourist, and then to choose among several destinations and facilities.

Promotional strategies for each season should be concentrated in the period when travel decisions are actually being made. Since Fall and Winter vacation decisions are made shortly before they are taken, the promotion strategy should emphasize advertisements slightly before these seasons. But since people start making summer vacation plans from the beginning of the year and also, since Summer is the season when Minnesota gets most of its annual vacation share, more money should be allocated for promoting the summer attractions and it should be distributed proportionately over the first nine months of the year. On the other hand, lodges in the lake-studded North and other parts of Minnesota operate at full capacity during the Summer. There would likely arise an excess demand for accommodations in the Summer if more people are attracted during that period.

( Minnesota is deficient in attracting people through newspaper articles, travel agencies, etc. ) Since this is

a relatively untapped potential, promotional activities should be done in these areas. In recent years the emergence of the "package" tour concept has been highly successful. The potential for this should be explored. It appears that a high percentage of the Minnesota vacationers had been here before or that their sources of information were a friend or a relative. This suggests that emphasis should be put on good quality service to those who vacation here so that the future market for the return visits of these vacationers can be kept open.

Minnesota can attract a great number of sports enthusiasts in all seasons. Minnesota has many facilities, but those can be used only by persons skilled in the sports. It seems that if along with facilities, more training programs for the novice, possibly as part of a vacation package, can be made available Minnesota may attract more people who are sports-minded. Also there are very few attractions here which are interesting to children. This may be because new facilities are not well enough known yet. Availability of more information about the existing attractions should help a great deal. For example, the presence of a large amusement park, such as Valley Fair in the vicinity of the Twin Cities, should be made known to the target groups. The Minnesota Zoological Gardens also have a great potential in attracting children and their parents to Minnesota as well as the Omni Theatre in St. Paul.

### SECTION 3

#### KEY OPERATIONAL INGREDIENTS FOR A FIVE-YEAR MARKETING PLAN

This section describes the four key ingredients required for the operational success of the Five-Year Marketing Plan. These ingredients are necessary during all five years of the plan and are important to achieving and/or measuring the Tourism Bureau's success at implementing and continuing the plan over time.

These ingredients are:

- o A clear policy statement of the Tourism Bureau's mission, function and annual activities which will (1) allow evaluation of performance, (2) promote public and tourist industry understanding of the Bureau's role, and (3) encourage behavior and actions by the tourist industry that will expand Minnesota vacation markets, revenues and employment. (This policy statement is a separate document, currently being developed with a target completion date of August 1980.)
- o An active and aggressive follow-up and fulfillment program which will quickly and meaningfully respond to requests from all markets reached through advertising, public relations, cooperative or other efforts.
- o Measurement and evaluation of the marketing plan aimed at expanding Minnesota tourism, which should

concentrate on both the desired end result (5% real growth in all tourism spending) and the various objectives, strategies, and activities designed to reach that goal.

- o Promotion and media planning/action for Minnesota, its major attractions, and tourism industry activities which will inform residents, non-residents and the tourist industry about vacation experiences in Minnesota and differentiate them from those in other states.

Guidelines  
for Tourism  
Bureau  
Activities

Having proper resource allocation is a major reason for developing guidelines for Bureau activities. At the end of Section 1 are listed the questions used in developing marketing objectives and strategies. All are related in some way to resource allocation.

The Bureau has been developing a policy statement during the last few months and it is expected that it will be ready in August 1980. Thus, it is not our place here to define the mission and function of the Bureau, but their activities can be divided into two groups:

- o Direct Service to the tourism industry such as organizing advertising programs, responding to consumer requests for information and providing the industry with data on its performance.
- o Technical Assistance which might be workshops or other activities to facilitate and encourage the tourist industry.

Feedback  
from the  
Constituencies  
Served

A key part of this program is getting feedback from the constituencies being served -- the diverse segments of the tourist industry, vacation consumers, and state residents and taxpayers. These are the audiences for policy decisions and the actions selected. These publics need to be accessed in different ways. Two types of surveys should be used:

- o Exploratory surveys to accomplish these purposes
  - informing the surveyed group about Bureau actions and
  - getting reaction to several important functions or actions prior to implementation.
- o Evaluation surveys to find out how well known Bureau activities are and how these functions and actions have been received by the industry, vacationers, and state residents.

The survey results should be widely distributed. Information dissemination about Minnesota Tourism and Bureau activities is vital. Lack of knowledge and information has created misimpressions among the tourist industry and public about tourism's contribution to the State. Further, more information would help industry members develop their own strategies to improve tourism service delivery.

Bureau  
Activities and  
Guidelines to  
Stimulate  
Industry's  
Interest in  
Achieving  
Goals

The most valuable impact of Bureau guidelines may be to encourage tourist industry behavior that will help it expand and grow. The matching grants program is intended to accomplish this. But, the Bureau should request some data regarding its industry programs and promotions so that effectiveness can be measured among tourist markets important to Minnesota, for example:

- o Which region, lodge, campground, State Park or festival attracted the largest number of these important market segments?
  - First time visitors to the State
  - Young couples and families
  - Tourists whose trips were arranged in whole or part by travel agents
  - Vacationers returning to that spot or the State
- o Once one year of information has been collected about these markets, which of the above groups had the greatest increase (or highest proportion) in attracting these tourist market segments?
- o Awards should be given to those facilities and events that are most successful in these categories. Furthermore, organizers and managers should be encouraged to tell others what problems they had to overcome and how they succeeded.
- o For off-season travel (Fall and Winter), regions or lodges, etc. with the largest number of travelers or the largest number of facilities or nights available should be rewarded.

o The region with the largest number of new vacation products, i.e., events and facilities, should be rewarded.

The goals of these and other competitions and actions should be (1) to encourage creativity among all those who deliver services to Minnesota vacationers and (2) to transfer knowledge across the State about what effective actions others are taking to build markets for Minnesota vacation experiences.

Follow-Up and  
Fulfillment of  
Consumer  
Requests for  
Information

Selecting a vacation is quite different from other consumer purchases in terms of time, frequency of purchase, cash outlays, and consumer involvement in the purchase. Further, influences from past use/experience and by friends and family are stronger in selecting vacations than when making other purchases. Thus, when the opportunity presents itself to communicate with potential customers the State must take utmost advantage of it. To this end an aggressive follow-up and fulfillment program must be developed.

This program can be a direct or indirect service to the lodging industry. As the level of fulfillment goes from general information about the State to specific answers about individual lodging facilities the more direct the service becomes. Helping individual lodging facilities may not be a proper function of the Tourism Bureau and to answer requests about each lodging facility may stretch Bureau resources beyond their limits. However, it is important to bring consumers to the point where they can make a decision about coming to Minnesota.

Three factors are important to such fulfillment:

- o Timeliness - Response must allow time for vacationers to make decisions about where to go. This will vary among seasons (as noted in the previous chapter) and by response and delivery mechanisms.
- o Decision-related information -- The information presented must help a vacationer choose to come to Minnesota to pursue his activities. In this way it should as be as complete as possible.
- o Accurate information -- The product described must be the product delivered. This is especially true for vacation experiences which depend heavily on word-of-mouth advertising and thus on consumer perception and the service delivery system.

Measurement  
and Evaluation

There are four vital areas of measurement and evaluation:

- o Policy impact -- As noted earlier, definition and revision of policies helps define possible services given limited resources. Regular evaluation is required for improvement and revision in a changing and competitive environment.
- o Objective achievement -- Important issues are: when they are achieved, at what cost, how have the objectives changed, and how far from achievement is the Bureau.



- o Action or strategy effectiveness -- For example, do facilities respond to competitive incentives from the Bureau? Does fulfillment convert readers to active vacationers? Are activities being completed on a timely basis?
- o Product evaluation -- Is the Bureau promoting what the industry is providing to vacationers?

#### Structure of Measurement and Evaluation

Evaluation takes time and money to complete and in some ways is easy to overlook in seeking more direct and visible services. However, information and data gathered by the State can help the industry be more competitive and creative. Publications of tourist data and information offered by other states are very helpful to the industry in those states. They serve three purposes: first, evaluation of the above areas, and second, information for the industry necessary for planning at the state and individual facility level, and third, an active service from the state to the regions/facilities especially when coupled with conclusions, recommendations, workshops and statewide sharing of ideas about improving vacation experiences.

The structure of the program might be as follows:

- o Annual reports regarding the latest year's results and past trends in key areas -- receipts, advertising response/commission rates, industry problems and solutions, occupancy rates, goal achievement in key market segments.

- o Seasonal/rapid turnaround papers concerning the impact of current activities and campaigns including reports from industry panels (hotels, motels, parks, resorts, etc.) and consumer response and satisfaction.
- o Workshops both in season and off season on vital phases of facility management, strategy and use of available data and information from the state and their own customer base.

#### Promotion and Media Planning

The State's role is limited again by resources and Bureau policies. The limitations reinforce the need for planning and consistency of promotion. Planning is vital to efforts limited by small budgets and number of personnel. Among its immediate competitors Minnesota lags in attracting people through use of promotion and new articles. There are five important facets to consider about promotion and the time when it will be most effective. As the reader can see, promotion is not just simply placing ads:

- o Timing -- As noted above, the lead time in planning a vacation needs to be recognized so that public relations and advertising can have the most influence.
- o Cost -- It is important to reach key markets directly because paying for overreach will further constrict a limited budget. Nevertheless, there are budget-stretching strategies like cooperative advertising, press releases for free publicity, direct mail to information centers of large markets, etc.

- o Messages and Products -- Advertising messages should match available vacation experiences. If summer is "filling up," one should tell people so or inform them about where summer is not "full" yet.
- o Audiences -- Important market segments were outlined in Section 2 and will be further matched to a media plan in Section 5. The goal should be to reach the selected segment at the best time to influence their decisions.
- o Effectiveness -- This should be measured on several parameters: total number of people reached, the proportion of Midwest families reached, number and conversion rate of responses from potential customers, number and conversion rate of those requesting information to actual vacations in the State and spending habits of vacationers. Advertising and public relations should be included. In addition, data regarding industry efforts should be collected. Relative effectiveness would be checked so that effective public relations and advertising efforts are expanded.

In all these efforts, the Bureau should be certain that it is augmenting industry efforts and not substituting its resources for the industry's resources. The effectiveness measures thus should show increases in nearly all categories. Again, the State should encourage cooperation and joint efforts with the tourism industry to insure the best possible use of resources to reach the widest available audience.

## SECTION 4

### MARKETING OBJECTIVES AND STRATEGIES

This Section presents a delineation of the tourism plan of action for 1980 and beyond. On the next two pages of the section are listed the overall plan objective and the 18 related major, minor and policy review objectives designed to achieve an aggressive 5% real growth in tourism revenues sought by the plan. Following this summary list, means of achieving the objectives are outlined by market plan strategies, rationale, tasks and dates for activating each step of the plan, as well as personnel responsible for the various actions.

Use and Future  
Development  
of These  
Objectives

The objectives and strategies described below are those which are currently most effective and desirable to implement. It is important that progress be reviewed each year so that one more year can be added for every completed year of this plan. By doing so, the Bureau can have a continuing five-year plan; and a long-term consistent marketing effort can be provided to the Minnesota tourism industry.

### Overall Objective

A 5% annual real growth in state-wide tourism expenditures as measured by all tourism related revenues over and above the year-end inflation rate.

### Major Objectives:

1. Increase awareness of Minnesota as a vacation area for State residents, non-resident potential customers, especially those residing in the adjacent states, and those identified by research as yielding the best possibility of positive response.
2. Evaluate and define responsibilities and procedures of each tourism region in the State for each to implement marketing efforts as they affect that region, within the five-year plan.
3. Structure the program to implement fulfillment of consumer inquiry and mail response, coordinating regional marketing management efforts and programs developed by the State Tourism Bureau.
4. Coordinate the State, local and tourism industry efforts through shared information, education, matching grants programs and promotion of better inter-agency relationships as they affect tourism.
5. Measure results and success of marketing efforts by research, mail inquiries, regional response and quarterly review of sales figures to improve efficiency of promotional efforts and further identify areas of greatest potential.
6. Develop adaptable strategies to improve Minnesota Tourism Industry's competitive position in the face of increasing costs and changing availability of energy which will affect consumers and suppliers of vacations in the State.

### Minor Objectives

These objectives are subordinate to the major objectives only in timing -- the major objectives must be implemented and sustained for the minor objectives to succeed.

7. Design a symbol, logo or visual element to be used to promote Minnesota using every medium conceivable.
8. Expand efforts to develop among travel agencies and incentive brokers a more complete awareness of State vacation opportunities for individual and group travel.
9. Coordinate promotional programs of local groups such as Chambers of Commerce throughout the State to inform vacationers about local and State attractions.
10. Coordinate a program of tourist promotion with State and local restaurant associations and fast food operations.
11. Develop a program of promotion on a national level with car rental, airline, bus, RV, boat and snowmobile companies (doing business in the State) to encourage awareness of Minnesota tourism.
12. Develop a program of public relations and promotion to reach Canadian citizens and influence international sales in general.
13. Promote major community festivals on a national basis.
14. Outline specific programs for promoting arts, theatre and recreation to show value to the entire State.
15. Evaluate tourism promotion programs of other states and out-of-state communities to benefit from their experiences, both successes and failures, to assist Minnesota's promotional efforts.

#### Tourism Bureau Activity and Service Objectives

16. Develop a program for schools, geared to an appropriate the level of awareness, telling about Minnesota with subtle emphasis on tourism and promotion of the State.
17. Develop and implement a long-range program of tourism market development to encourage new business opportunities, expansion of facilities and evaluation of tourism potential by regions.
18. Educate State citizenry, increasing their knowledge and understanding of the value of tourism to all segments of the population.

# MINNESOTA TOURISM MARKETING OBJECTIVES AND EVALUATION SUMMARY, TIME TABLE FOR FIVE-YEAR MARKETING PLAN

OBJECTIVES	1980			1981			1982			1983			1984			1985		
	Summer	Fall	Winter	Summer	Fall	Winter	Summer	Fall	Winter	Summer	Fall	Winter	Summer	Fall	Winter	Summer	Fall	Winter
1. Increase vacation awareness	XXXXXXXXXX*		E**	XXXXXXXXXX		E	XXXXXXXXXX		E	XXXXXXXXXX		E	XXXXXXXXXX		E	To be started in the Spring of 1981 to replace 1980 in the continuing Five Year Marketing Plan		
2. Directions for regional managers	XXXXXX		E	XXXXXX		E	XXXXXX			XXXXXX			XXXXXX					
3. Fulfillment-consumer response/inquiry	XXXXXX	E	XXXXXX	E	XXXXXXXXXX	E	XXXXXXXXXX	E	XX	E	XXXXXX	E	XXXX	E	XX	E	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	
4. Coordinate information w/all agencies	XXXX		E	XXXX	E		XXXX	E		XXXX	E		XXXX	E				
5. Measure results of adv & prom & PR		XXXXXXXX			XXXXXX			XXXXXX			XXXXXX			XXXXXX			XXXXXX	
6. Respond to energy problems	XXXX		E	XXXXXX		E			E									
7. Design & use visual element/logo	XXXX		E	XXXXXX		E	XXXXXX		E	XXXXXX		E	XXXXXX					
8. Expand travel agency awareness	XXXX	XXXXXXXX		XXXX	E	XXXXXX	XXXX	E	XXXXXX	XXXX	E	XXXXXX	XXXX	E	XXXXXX	XXXX	E	XXXXXX
9. Coordinate w/chambers of commerce		XXXXXXXX			E	XXXXXX		XXXXXX			XXXXXX		XXXXXX		XXXXXX		XXXXXX	
10. Coordinate w/restaurants		XXXXXXXX	E		XXXXXX			XXXXXX			XXXXXX			XXXXXX			XXXXXX	
11. Program-transportation & rv companies		XXXXXXXX			E													
12. PR & prom-Canada & international				XXXXXX		E	XXXXXX		E	XXXXXX		E	XXXXXX		E			
13. Promote community festivals				XXXXXX		E				XXXXXX		E						
14. Promote arts & theater events				XXXXXX		E				XXXXXX		E						
15. Evaluate other States travel prom			XXXX	E					XXXX	E					XXXX	E	*X = Time span for the effort **E = Evaluation	
16. School program for awareness of State					XXXXXX		E		XXXXXX		E		XXXXXX		E			
17. Market development-expanded facilities					XXXXXX			XXXXXX		E		XXXXXX			XXXXXX			
18. Educate citizens on value of tourism			XXXXXX	E		XXXXXX		E										



# MINNESOTA TOURISM OBJECTIVES FOR CALENDAR YEAR 1980

OBJECTIVES	SPRING			SUMMER			FALL			WINTER			RESPONSIBLE
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
1. Increase vacation awareness			XXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXX	E***			Director* + Ad Agency
2. Directions for regional managers					XXXXXXXXXXXX					E			Director
3. Fulfillment-consumer response/inquiry					XXXXXXXXXXXX				E	XXXXXXXXXXXX			Director + Coordinator
4. Coordinate information w/all agencies					XXXXXXX			E					Director
5. Measure results of adv & prom & PR								XXXXXXXXXXXXXXXXXXXX					Research Director
6. Respond to energy problems					XXXXXXX						E		Director
7. Design & use visual element/logo					XXXXXXX						E		Director
8. Expand travel agency awareness					XXXXXXX			XXXXXXXXXXXXXXXXXXXX					Director
9. Coordinate w/chambers of commerce								XXXXXXXXXXXXXXXXXXXX					Director
10. Coordinate w/restaurants								XXXXXXXXXXXX		E			Director
11. Program-transportation & rv companies								XXXXXXXXXXXX					Director
12. PR & prom Canada & international													Director
13. Promote community festivals													Director
14. Promote arts & theatre events													Representative 1981
15. Evaluate other States travel prom										XXXXXXX	E		Research Director
16. School program for awareness of State													Director 1981
17. Market development-expanded facilities													Policy 1981
18. Educate citizens on value of tourism								XXXXXXXXXXXX		E			Policy

\*Refers to Tourism Bureau Director.

\*\*X = Time span for the effort

\*\*\*E = Evaluation

## OVERALL MARKETING OBJECTIVE

The objective of the plan is to achieve 5% real growth annually as measured by all tourism-related revenues over and above the year-end inflation rate.\*

Strategy --- Promote Minnesota vacation experiences by the most effective methods and promotional media to both current vacationers and prospective travel markets in the State, contiguous states and important regional and national tourism market segments.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director Advertising Agency

Strategy --- Extend the tourist season through the Fall-Winter periods by advertising and promotion. This growth may be attained with existing housing and recreation facilities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director Advertising Agency

Strategy --- Promote to show Minnesota as unique and memorable. Enhance its image by promoting the scenic, historic, educational and cultural activities and locations which are available throughout the State on a 12-month basis.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director Advertising Agency

Strategy --- Engage all industries which derive benefits from tourism to assist in coordinated efforts to promote Minnesota as a vacation destination.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Director

Strategy --- Evaluate Minnesota Tourism Bureau and tourism industry marketing and promotional efforts to insure the best possible use of the limited financial and personnel resources available.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	November 1, 1980	Research Director

RATIONALE: Achieving 5% real growth in tourism revenues will be difficult because in mid to late Summer facilities in Minnesota are at 100% occupancy. However, economic potential exists in Minnesota's "unsold assets" which are available at other times than the peak summer season -- the abundant variety of natural environments, entertainment, arts, shopping, and other indoor and outdoor activities. Well-planned marketing efforts will expand tourist interest in Minnesota vacations.

\*While this is an aggressive goal, the plan's authors are very concerned that this indicator (1) may not be measurable unless carefully defined, (2) may not accurately reflect the results of the strategies and (3) may not be available on a timely basis so that individual strategies and objectives can be changed quickly and limited resources saved for other actions.

### Objective One

Increase awareness of Minnesota as a vacation area for State residents, non-resident potential customers, especially those residing in the adjacent states, and those identified by research as yielding the best possibilities of positive response.

Strategy --- Attract first time customers by promotion through specific area advertising (i.e.: Chicago, Des Moines, Omaha and Midwest border belt) and by direct message to travelers in Minnesota on business and non-recreational trips.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director Advertising Agency

Strategy --- Develop a public relations campaign of stories and pictures for newspapers and magazines published in adjacent states highlighting the positive attributes of Minnesota in historic, educational, cultural and natural resources depending on the type of publication.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director Advertising Agency

Strategy --- Measure results at half-year and full-year intervals of marketing efforts in the adjacent markets.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Format Review	June 1, 1980	Research Director
	Market Check	December 1, 1980	Research Director
	Market Check	June 1, 1981	Research Director

RATIONALE: Promoting Minnesota tourism has the greatest potential within select demographic groups. The immediate areas/states surrounding Minnesota also offer the best potential markets because of lower energy costs, more convenience and less time required for vacation planning (impulse trips) than to more distant destinations.

## Objective Two

Evaluate and define responsibilities and procedures of each tourism region in the State for each to implement marketing efforts as they affect that region, within the five-year plan.

Strategy --- Outline for region managers the procedures to implement tourism plans in their region: how to work with those establishments and and those involved in tourism in their region, and the need for good lines of two-way communication for feedback information.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Director

Strategy --- The geographic boundaries of each region should be reviewed to assure that vacation activities within each region are similar or or have convenient access within that area (i.e. areas near the metropolitan Twin Cities should be in the Metroland area).

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Review	June 1, 1980	Tourism Director

Strategy --- Quarterly meetings with region managers should be scheduled to review activities and outline direction to implement programs.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	First Meeting	August 1, 1980	Tourism Director

RATIONALE: Because of the many and diverse activities available throughout the State, and the varied interests and responses by potential vacationers, the involvement of and implementation of programs through region managers is critical to the success of any statewide marketing/promotional effort.

### Objective Three

Structure the program to implement fulfillment of consumer inquiry and mail response, coordinating region marketing management efforts and programs developed by the State Tourism Bureau.

Strategy --- Appoint one individual in the State Tourism Bureau to be responsible for coordinating all inquiries from tourism marketing programs

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	May 15, 1980	Tourism Director

Strategy --- If individual programs are designed for large response, a fulfillment company should be selected to handle inquiries.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Coordinator

Strategy --- A tourism coordinator should be responsible for success of consumer response and managing the five-year fulfillment program.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Coordinator

Strategy --- Through cooperation of individual facilities follow up current tourist trade by direct mail or "departure" material thanking them and suggesting they encourage their friends, neighbors and relatives to look to Minnesota for future vacations.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Presentation	June 1, 1980	Tourism Coordinator
	Distribution	August 1, 1980	Tourism Coordinator

Strategy --- As customer inquiries are received which request information about specific regions of the State, a copy of the response should be forwarded to the region manager.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	Tourism Coordinator

RATIONALE: The results of a five-year fulfillment program should be coordinated by one individual to achieve proper measurement, intelligent response to consumers and responsible management of investment in time and money.

#### Objective Four

Coordinate the State, local and tourism industry efforts through shared information, education, matching grants programs, and promotion of better inter-agency relationships as they affect tourism.

Strategy --- Quarterly meetings with all State agencies that impact the tourism industry should be organized to expand cooperation and the exchange of information important to market planning prior to vacation seasons.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	July 1, 1980	<u>Tourism Director</u>

Strategy --- A letter, addressed to specific individuals in each area of the tourism industry, should be sent from the director of the State Tourism Bureau outlining programs being developed by the Bureau, asking for their cooperation and requesting their support by exchanging information and ideas.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	June 1, 1980	<u>Tourism Director</u>

Strategy --- Identify specific responsibilities of each of the State vacation regions, directing them in the method of developing local cooperation and support.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	July 1, 1980	<u>Tourism Director</u>

Strategy --- Invite all region participants to share their successes, problems and opportunities so that the entire State tourism industry may benefit by this information.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	<u>Tourism Director</u>

Strategy --- An annual meeting of region management should be held in various locations throughout the State for an in-person presentation of programs and more specific directions to each manager to strengthen efforts in their regions.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	<u>Tourism Director</u>

Objective Four continued

Strategy --- Enlist the cooperation of the AAA, various lodging organizations and other travel and vacation organizations to exchange information and coordinate efforts. This should also include communication with Departments of Transportation and Natural Resources.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director

Strategy --- Identify all groups with promotional budgets, direction and track record to develop an approach for sharing expenditures, matching grants and eliminating unnecessary duplication and promotional voids.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Coordinator

Strategy --- Consider using regularly scheduled mailings by Minnesota State agencies to Minnesota residents and segments of the tourist industry as a means of providing better communications about Minnesota vacation opportunities and the tourism market plan and its changes.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	October 1, 1980	Tourism Director

RATIONALE: Because there are areas of both geographic and demographic duplication or under-programmed efforts to promote tourism throughout the State, it is most important to coordinate all tourist industry segments. More effective cooperation will provide economies to the various groups' budgets and strengthen the promotional messages statewide.

### Objective Five

Measure results and success of marketing efforts with research regarding mail inquiries, regional response and quarterly review of sales figures to improve efficiency of promotional efforts and further identify areas of greatest potential.

Strategy --- Conduct follow-up surveys of recent vacationers, both resident and non-resident, to get current information regarding motivation and how vacations are spent.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Research Director

Strategy --- Develop a panel for quick feedback to evaluate the general efforts of the marketing plan.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Research Director

Strategy --- Identify select areas for market testing of promotional programs and advertising approaches.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Research Director

Strategy --- Design follow-up survey forms to be used as handouts by lodging facilities upon vacationer departure, for mailing to the State Tourism Bureau to provide firsthand information from current tourists.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Research Director

Strategy --- Investigate the research approach of other states to evaluate their results and vacationer response to information and promotion efforts.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Research Director

RATIONALE: The first year or two of any marketing plan must be tracked to evaluate its approach and direction and, if necessary, adjust specific programs accordingly.



## Objective Six

Develop adaptable strategies to improve the Minnesota tourism industry's competitive position in the face of increasing costs and changing availability of energy which will affect consumers and suppliers of vacations in the state.

Strategy --- Promote statewide gasoline availability program in border states and within Minnesota.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u>

Strategy --- Promote, by region, those facilities offering transportation service from local airline and bus terminals.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u>

Strategy --- Encourage the Minnesota State Service Station Association to distribute material to their members to give to customers to promote vacationing in Minnesota where energy is available and activities are available within a tankfull of gasoline.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u>

Strategy --- Develop an information program regarding campsites and State Park facilities with brochures and/or ads showing the their locations to encourage RV owners to vacation within reasonable distances.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u>

Strategy --- Promote the 55 mile an hour speed limit for conservation with a chart showing gasoline usage at various speeds and what savings can mean in travel and economy.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u>

Strategy --- Promote to the "average" consumer the typical weekly costs to vacation in State regions, using specific examples in each future season, i.e., If you live in Rochester, you can spend a week in Bemidji in your RV for only \$\_\_\_\_\_ for gasoline and \$\_\_\_\_\_ in campsite costs and \$\_\_\_\_\_ for food for a family of 2, 4, 6. Or to see the beauty of Fall in Minnesota, a family of four can travel from Willmar (or Minneapolis-St. Paul) for only \$\_\_\_\_\_ gasoline, \$\_\_\_\_\_ lodging, \$\_\_\_\_\_ food.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Director</u> <u>Advertising Agency</u>

Strategy --- Promote "800" long distance calls for information on energy availability, costs and distance from consumer location to intended destinations.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	August 1, 1980	<u>Tourism Coordinator</u>

RATIONALE: Promotion of energy availability, encouraging within-state travel and informing vacationers about various transportation services available to lodging facilities will increase consumer confidence about vacationing and give RV owners a base of comparison about expenses from which to make a decision.

### Objective Seven

Design a symbol, logo or visual element to be used to promote Minnesota using every medium conceivable.

Strategy --- A symbol of Minnesota, the seasons, strong State identity and a descriptive slogan (i.e., where the good times are, Minnesota -- the good life, good times -- the year around) should be developed for use on all State correspondence, vehicles and by all vacation facilities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	June 1, 1980	Tourism Director

Strategy --- Patches, stickers, posters, bill boards, stamps, media (Public Service) should be available -- for sale -- to offset their costs and used as fund raiser devices for promotional expenses.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Director

Strategy --- Request Congressional representatives to use the new symbol on their communications.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Director

RATIONALE: The Minnesota State Seal (as any other official seal) is not appropriate for retentive value. A symbol can be a status symbol, an identification, tell our story and bring unity to any promotional efforts.

### Objective Eight

Expand efforts to develop among travel agencies and incentive brokers a more complete awareness of State vacation opportunities for both individual and group travel and also providing rewards for their efforts through better compensation.

Strategy --- Work with necessary resorts and associations pointing out necessity of commissions to booking agents as done by other states.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	June 1, 1980	Tourism Director

Strategy --- Begin a direct mail campaign (a personalized letter, using a computerized word processing machine) to state travel agencies, national convention bureaus and incentive brokers telling of Minnesota vacation opportunities and offering more complete information.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Coordinator

Strategy --- Promote the offering of off-season incentives such as higher commissions for bookings in defined periods.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	November 1, 1980	Tourism Director

RATIONALE: While increasing travel agent/broker awareness will be helpful to Minnesota tourism, unless booking agents receive an income for their efforts, no successful program can be developed. Other states have successful programs -- it can be done here.

Objective Nine

Coordinate promotional programs of local groups, such as Chambers of Commerce, throughout the State to inform vacationers about local and State attractions.

Strategy --- Communicate with a letter (direct mail) from the director of the State Tourism Bureau to each Chamber office outlining State plans and recommend an approach for local offices.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	<u>Tourism Director</u>

Strategy --- Outline a procedure whereby a common approach is used by all Chambers to promote the State in general, with specific opportunities for each community.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	<u>Tourism Director</u>

Strategy --- Region managers should help coordinate local promotional efforts and offer a procedure for handling and directing referrals to the State Tourism Bureau.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	<u>Tourism Director</u>

Strategy --- Region managers should communicate to state office campaigns being used locally to take advantage of all possible approaches.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	<u>Tourism Director</u>

RATIONALE: A coordinated effort has synergistic advantage to all Chamber offices by consumer reaction to a broad program -- opportunities are clearly defined and appeal to Chambers because of totally positive approach.

### Objective Ten

Coordinate a program of tourist promotion with State and local restaurant associations and fast food operations.

Strategy --- Communicate with the management of each group, first, outlining the purpose and benefits of increasing tourism, and then soliciting their assistance in the promotion of a statewide effort.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Coordinator

Strategy --- Develop programs requiring their involvement, pointing out in every instance the benefits to local outlets.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Coordinator

Strategy --- Contact, by region, managers of most prominent and large facilities for in-person presentations of the tourism program.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	August 1, 1980	Tourism Coordinator

Strategy --- Prepare merchandising ideas for use by food outlets in promoting tourism. Also use these outlets as a distribution system for promotional material.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	October 1, 1980	Tourism Director

RATIONALE: Because increased tourist traffic directly benefits food outlets, their cooperation and effort to further promote tourism programs is needed.

## Objective Eleven

Develop a program of promotion on a national level with car rental, airline, bus, RV, boat and snowmobile companies (doing business in the State) to encourage awareness of Minnesota tourism.

Strategy --- Work with airlines to include Minnesota in their basic advertising programs mentioning destinations with the use of posters and brochures.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Work with airlines to include "stuffer" about Minnesota vacations in each ticket folder for passengers coming and going to the State -- not sustaining, because of cost, but periodically.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Work with car rental agencies to include a vacation pitch in their rental information packages.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Work with bus companies to promote vacation opportunities in terminals servicing Minnesota (i.e. Chicago, Omaha, Des Moines, Fargo).

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Work with the manufacturers to include a brochure on Minnesota vacations in every boat, RV and snowmobile sold.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	September 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Work with airline and bus companies to explore off-hour or off-season rate discounts as "energy savers" to State vacation facilities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Director Tourism Coordinator

Strategy --- Contact, through advertising in trade publications and direct mail, travel organizations on State, area and national levels to promote off-season group discounts.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Advertising Agency

RATIONALE: The potential exists to expand traveler awareness of Minnesota as a vacation destination state through joint efforts with travel and transportation companies and Minnesota-based business organizations operating on a national scale. In this way large numbers of potential vacationers can be informed on a timely basis, i.e., at the point of purchase or during time of use.

## Objective Twelve

Develop a program of public relations and promotion to reach Canadian citizens and influence international sales in general.

Strategy --- Design an advertising program to appeal to the Canadian traveler, offering a variety of Minnesota vacation experiences -- historic and cultural events, ethnic diversity, festivals, outdoor activities, etc.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Develop a public relations program for Canadian media in Saskatchewan, Manitoba and Ontario Provinces appealing to curiosity -- Did you know Minnesota has -----? Again, directed to cultural and historic events, shopping, pro sports and recreation.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Develop a brochure to be distributed by U.S. embassies and consulates in Minnesota describing what Minnesota offers to European and Asian consumers. Stress corporations, culture and beauty and request a response regarding travel interests.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Offer economic and investment information internationally, while again soliciting a mail response about specific interests.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

RATIONALE: Because of the growing international interest in the U.S. among Canadians, Europeans and Asians, structure programs to direct this interest to Minnesota and vacationing here to enjoy and get to know our citizens (i.e., efforts of Ireland, Spain, Japan and Greece).

### Objective Thirteen

Promote major community festivals on a national basis.

Strategy --- Prepare a public relations campaign of articles and pictures for national publications and metropolitan newspapers.

IMPLEMENT:	Task	Date	Personnel
	Start	1981	Tourism Director

Strategy --- Prepare 10-minute 16MM sound motion pictures of each event for television stations to use as "filler" material, both in Minnesota and adjacent states.

IMPLEMENT:	Task	Date	Personnel
	Start	1981	Tourism Director

Strategy --- Enlist the cooperation of the management of each festival to prepare material and cover costs of production and distribution.

IMPLEMENT:	Task	Date	Personnel
	Start	1981	Tourism Director

Strategy --- Develop a marketing approach to include information about other State tourism attractions during the presentation of each event.

IMPLEMENT:	Task	Date	Personnel
	Start	1981	Tourism Director

Strategy --- Offer free vacations -- room, board and travel -- as prizes on network television audience participation and quiz shows where where exposure is in the millions of viewers and cost is only the dollar amount of the vacation prize.

IMPLEMENT:	Task	Date	Personnel
	Start	1981	Tourism Director

RATIONALE: A positive presentation of community festivals and other cultural events (see Objective 14) will reflect that Minnesota as a whole offers more than hunting and fishing activities as recreation opportunities.



#### Objective Fourteen

Outline specific programs for promoting the arts, theatre and recreation to show value to the entire State.

Strategy --- The three metro areas of the Twin Cities, Duluth and Rochester have cultural programs which should be shown as recreational vacation opportunities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	1981	Manager, Special Projects

Strategy --- A promotion program comparing Minnesota's cultural assets to the cultural centers of America should be developed to emphasize to potential vacationers and current travelers to this State the quality and variety of cultural activities in Minnesota.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	1981	Manager, Special Projects

Strategy --- Materials emphasizing cultural activities should be created for distribution at vacation spots.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	1981	Manager, Special Projects

RATIONALE: By promoting the cultural programs available in Minnesota the market interested in vacationing in Minnesota can be expanded.

### Objective Fifteen

Evaluate tourism promotion programs of other states and out-of-state communities to benefit from their experiences, both success and failure, to assist Minnesota's promotional efforts.

Strategy --- Have an independent source communicate with states that offer similar vacation opportunities, asking for their opinions and reactions to their promotional efforts. What was the position of their tourism before, during and after their promotion programs?

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	December 1, 1980	Tourism Coordinator

Strategy --- Review other states' tourism promotion programs on a wide basis to develop a parallel for Minnesota's evaluation of its program, even though there may be differences in areas of climate and activity opportunities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	December 1, 1980	Tourism Coordinator

Strategy --- Communicate with the Canadian provinces regarding their tourism promotion program evaluations.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	Start	December 1, 1980	Tourism Coordinator

RATIONALE: There are a number of easily identified areas where tourism programs exist which may or may not be successful. By studying the rationale and approach used by these areas useful information may be developed for implementation.

### Objective Sixteen

Develop a program for schools, geared to an appropriate level of awareness, telling about Minnesota with subtle emphasis on tourism and promotion of the State.

Strategy --- Outline and communicate to school districts the availability of educational kits for appropriate school levels, to increase awareness of State attributes.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1980</u>	<u>Tourism Director</u>

Strategy --- Develop kits for grade level grouping to include posters, map and booklets and guide for use by teachers. For advanced grades gear information to vacation benefits and opportunities with historic, cultural and recreational identification.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Have a grade school level contest, either drawing or essay form. "What Minnesota Means to Me," with judging by area for a greater number of winners, with appropriate rewards -- certificate, book or grand prize trip to the State Capital.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- College level material can be geared to economic benefits of State tourism and promotion. Request suggestions and ideas for further promotion, giving a reward appropriately designed for recognition or use at an individual school.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

RATIONALE: Influencing, with a positive approach, the student-level generation will not only reap long-term benefits when the students reach maturity and become tourists, but will also offer opportunities to obtain ideas and suggestions which can be informative and helpful from this age group.

## Objective Seventeen

Develop and implement a long-range program of tourism market development to encourage new business opportunities, expansion of facilities and evaluation of tourism potential by region.

Strategy --- Develop necessary information -- economic, sociological, geographic trends -- to create a base for a 10-year plan of growth, by area.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Solicit projections from State and federal institutions regarding growth patterns in the State and on a national level.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Evaluate transportation and energy information from utilities and manufacturers on a 10-year basis.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

Strategy --- Compile information, by region, of local community plans and projects to grow with expansion or new industry or educational facilities.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	<u>1981</u>	<u>Tourism Director</u>

RATIONALE: Because any expansion or new business development requires substantial capital investment, information should be gathered from all possible sources to supply necessary data for major decision-making regarding State or private investment.

## Objective Eighteen

Educate the State citizenry, increasing their knowledge and understanding of the value of the tourism industry to all segments of the population.

Strategy --- Because of the negativism about Winter weather in Minnesota there exists in the eyes of the nation an attitude that this is an undesirable area, which is reflected in the citizenry -- an inferiority complex so to speak. A message from the governor to citizens of the State, transmitted by advertising, statement stuffers in company mailings and local level distribution by community Chambers of Commerce, should present the facts as they exist, Winter is a special vacation season. The message should outline the need for a positive approach and help in redirecting Minnesotans' own thinking about Winter in their State.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Director

Strategy --- Messages should be developed to emphasize to specific segments of the community the importance of tourism to our State, economically and socially.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Director

Strategy --- Communication with every State newspaper, magazine, radio and television station should outline the "think positive" campaign and its importance. Comparisons should be made to show undesirability of other areas of the nation (e.g. hurricanes, much higher humidity) and how the media responses in those areas remain positive about vacations in those areas.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Director

Strategy --- Solicit suggestions from the citizens for their thoughts on improving our image and why Minnesota is a desirable area 12 months of the year.

IMPLEMENT:	<u>Task</u>	<u>Date</u>	<u>Personnel</u>
	<u>Start</u>	November 1, 1980	Tourism Director

RATIONALE: Any efforts to broaden the vacation base are weakened by continual reference to any negative aspects of Minnesota. By citing the economic advantages to the State and requesting citizen cooperation, any program developed is that much stronger.

## SECTION 5

### LONG RANGE MEDIA STRATEGY AND RESOURCE ALLOCATION CONSIDERATIONS

Previous Sections have described the purposes of a marketing plan, important considerations regarding guidelines and activities, markets for Minnesota vacation experiences, and eighteen aggressive objectives together with related strategies for expanding tourism in Minnesota. As noted earlier, the authors believe that to achieve real growth in the current competitive travel environment a new breakout strategy will be required; just doing more of what has been done in the past will not work. This Section presents a media strategy. Before discussing the strategy, one must examine why the Tourism Bureau should promote Minnesota, what is being promoted and to whom, how promotional success is measured and what resource limitations may restrict State efforts at achieving a breakout from traditional markets.

Why is it  
Important for  
The Tourism  
Bureau to  
Promote  
Minnesota

There are six major reasons the Tourism Bureau must actively promote Minnesota vacations. These have been discussed earlier and deserve additional emphasis here.

- o The tourism industry is between the second and fifth largest industry in Minnesota, depending on what industry sectors are counted as tourist related.
- o Spill-over benefits from tourism in Minnesota to other segments of the State's economy are substantial; for example, shopping is the most frequently mentioned activity of Minnesota vacationers.
- o Coordination of efforts is best accomplished at the State level because the industry is diverse and

fragmented; but all segments benefit from united efforts to pool resources.

- o Inflation is hurting industry efforts in two ways: first, it is lowering returns to owners, resulting in fewer dollars/resources for promotion; and second, it is raising the cost of promotion, resulting in equal dollar amounts reaching smaller audiences. (Cooperative efforts can stretch the limited resources and regain some of these losses.)
- o Competition is fierce among states to attract tourists. In the Midwest, Minnesota is fourth among the 12 states in the North Central Region as a vacation destination. Nevertheless, according to 1978-1979 data, five other states are spending more to promote tourism. Maintaining and improving Minnesota's position is important.
- o Returns from dollars invested in tourism promotion for are very high -- in tax revenues alone from tourists the Bureau estimates \$\_\_\_\_\_ for every dollar invested, and in all tourist spending \$ \_\_\_\_\_.

Overall, given these reasons and the condition of the current inflationary economy, Minnesota should want to retain as tourists as many of its own citizens as possible and also attract as many as possible from outside the State.

What is  
Being  
Promoted -  
Vacation  
Experiences

Minnesota vacation experiences are the "products" offered to potential tourists. A major reason for people not coming to Minnesota is their not knowing about the State and the vacation opportunities available. As noted earlier, the range of experiences is tremendous -- from quiet lakes and fishing to the bustle and excitement of major metropolitan retailing, business and cultural centers.

It is interesting to note that participating in and enjoying many Minnesota vacation experiences -- canoeing, fishing, sailing, hunting, golfing, boating, snow-mobiling, skiing, collecting art, etc. -- requires confidence, knowledge and some expertise. The challenge to Minnesota and its tourism industry is to "package" and promote these experiences so that both experts and beginners in any of these activities can be attracted to Minnesota. Beginners need packaged learning experiences; while experts seek new challenges or perfection of skills. The added challenge then is to expand this group of experts by attracting beginners and offering them some form of experience which will help them to gain any expertise needed to fully enjoy Minnesota's vacation activities.

To Whom  
Should  
Minnesota  
be Promoted

Beyond experts and beginners at taking Minnesota vacations, one must be concerned with the demographics, location and other key characteristics of the potential tourist market. Ninety-three percent of Minnesota vacationers have been here before and may be considered expert Minnesota vacationers. The "expert Minnesota vacationer" is getting older, travels in smaller groups



(retired or without his/her family) and/or owns equipment used on these vacations (boats, snowmobiles, recreational vehicles and camper/trailers, and sometimes a vacation cabin). Unfortunately, this market will continue to age and decline in numbers. The State must begin to attract younger vacationers and family vacationers and develop a new group of expert Minnesota vacationers.

A breakout media strategy is needed to reach these groups and compliment the other aggressive objectives and strategies of the five year plan. This media strategy should especially seek to reach two types of first-time vacationers -- those who have not come to Minnesota before and those who may have been to Minnesota but have not tried all the seasons or vacation activities the State has to offer.

Measuring  
Promotional  
Success

Throughout the five year marketing plan an important component to measure will be whether the media strategy can reach the desired markets. Media placement is a large portion of the Tourism Bureau's advertising budget. Further, when planned by season, media placement is adaptable to changes in marketing environment or message if feedback measures are available. The measures used in the past have counted numbers of responses, cost per response, conversion of responses to vacation travelers and cost of advertising versus resultant tourist spending. New and broader measures must be developed to find out whether the media strategy is helping to achieve the objectives of the five year plan: attracting first-time visitors, drawing younger

vacationers, informing more people about Minnesota, getting more vacationers through package tours and travel agents, and expanding the number of non-summer vacationers. The media measures must also have three characteristics to be useful:

- o Timeliness - The measures of promotional success must be available quickly enough to monitor seasonal efforts and make modifications to the media strategy during long seasonal and full year media campaigns.
- o Reliability - Accuracy and credibility of the measures is needed so that proper conclusions about media use can be drawn.
- o Reasonable Cost - Perfect measurement information may be obtained at extremely high cost; however, measuring media effectiveness should cost no more than 5% of the annual media budget.
- o Long Term Commitment - The measurement system must be based on consistent methodologies applied over a relatively long time period. Movements in awareness or preference in tourism will change over time, and the use of trend data and benchmarks for goals is important.

Those measuring the communications results must recognize that media placement is only one part of the five year market plan. Marketing communications will be able to influence only the portion of travel which is discretionary, meanwhile the goal of the total plan

includes real growth in tourist expenditures in Minnesota. Thus, the various activities suggested by the market plan will need measures beyond those used to monitor media effectiveness to reflect the various goals of the many objectives and strategies of the five year effort.

Resources  
Limitations  
and Media  
Planning

As noted earlier, the Tourism Bureau has limited resources. Expansion of all tourist-related revenues by 5% real growth above inflation, the goal of the five year plan, can be achieved by first maintaining Minnesota's position as a vacation State among traditional market segments, and then reaching other new markets in a breakout strategy. "Old" markets need to be informed not only about new activities, but also about the reliability of old experiences they depend upon re-living again. Reaching "new" markets will require some experimentation with new messages, new activities and new promotional means. The current budget plus an inflation adjustment can reach the traditional Minnesota vacationer markets; however, new markets will only be reached by diverting funds from communication to traditional markets or by adding substantial funds to the media and other marketing activity budgets. Diversion of media funding away from traditional markets requires clear understanding between the Bureau and its advertising agency of the risks of losing a market share in traditional vacation markets. Because these risks may be great given the rapidly changing vacation environment, three brief media plans are suggested here, each with a different level of spending and a different objective of market share

maintenance and market breakout and expansion.

### The Five Year Media Strategy

On the next several pages the five year media strategy is presented. Topics discussed include considerations in creating a long range media strategy, the implications of a breakout strategy, objectives for media placement, important tactical points, vacationer profiles and media use patterns, the maintenance strategy, and expenditures and efforts needed for breakout strategies.

#### Considerations in Creating the Media Strategy

The purpose of this media strategy is to isolate and quantify current, relevant media considerations to support the research, objectives and strategies outlined in the five year marketing plan. Therefore, this strategy will serve to channel the options available to the Tourism Bureau, rather than present a firm five year media plan. Further, it would not be desirable to present a complete five year plan since the rapidly changing environment for tourism and the economy may make it obsolete over night. This is because any current strategy necessarily reflects the media/communications industry in 1980. The media environment in 1982 or 1985 could be quite different, i.e., Will the fast growing phenomenon of cable TV offer travel and tourism a special opportunity? Will direct mail become a more feasible media alternative or complement? Surely, the 1980 census in progress will also improve the clarity of the target audience picture. It will, thus, still be necessary to develop individual media plans for each year and season based on specific budgets, communications objectives and creative considerations for that period.

Paid Media  
Needs  
Editorial  
Support

It should be noted that in this section the discussion is about paid media only. Strategies for public relations support and cooperative spending by other segments of the tourism industry mentioned earlier (Section 4) are not included in this section. Nevertheless, these complementary efforts would be extremely important ingredients in the individual annual or seasonal media plans. Editorial support for paid communications efforts increases advertising impact at little or no cost to Minnesota.

Reaching  
New versus  
Old Market  
Segments

The five year marketing plan rightly suggests the need to attract more first-time visitors, and more affluent vacationers. It also recommends the creation or the increase of awareness about Minnesota vacations in a broader geographic area. There should be a clear understanding that a greater advertising investment is required to attract new, more distant markets than to maintain traditional close-in markets with established heavy useage patterns. For example, the Minneapolis Tribune has always been an extremenly efficient "cost per response" medium for the State. However, it could be argued that the Tribune's respondents come from a "pre-sold" market sector. Heavier levels of spending with lower initial response rates may be necessary to break into new markets. Careful test strategies and research can lower the risk of these media explorations -- but they will be necessary to evolve and implement a successful "breakout strategy."

What Does a  
"Breakout  
Strategy"  
Imply

There are three important issues in creating a breakout media strategy. These are:

Does a breakout media strategy mean investing a greater share of the advertising budget in Fall and Winter?

Perhaps yes. But in the knowledge that the traditional close-in markets are the best prospects for non-peak travel to Minnesota. Research shows that a larger percentage of Fall and Winter tourists come from Minnesota than those who travel here during the peak Summer months.

Does it mean investing a larger share in more distant markets? Again, perhaps yes. But with cautious experimentation. And most likely, we should lead with our best season -- Summer. Careful market selection based on travel habits, transportation costs and availability should guide the investment strategies in new markets. Another consideration is the involvement of private industry partners, such as airlines or bus companies (noted in Section 4).

Both of the above strategies suggest increases in the share of spending. Where can expenses be cut back?

If the total pie does not grow, it seems reasonable to soften summer investment against the traditional markets where there is already an extremely high proportion of repeat visitors. This means cutting back in advertising spending, but not necessarily in communications. An extremely favorable publicity climate exists for Minnesota within the State but is not enjoyed in other states. Also, it is a fact that a great deal of

response can be generated with smaller (in space) and less dramatic advertising if the advertiser is willing to sacrifice his image objectives.

Objectives  
of the  
Media  
Strategy

The first step in formulating a media strategy is to set media objectives. Following are five objectives for this long range media strategy. All five objectives recognize that the Tourism Bureau must earn for the investment in media measured and unmeasured returns in excess of cost in terms of income to Minnesota citizens, sales and gasoline tax revenues to the State, and revenue/profit to the wide range of Minnesota business that benefit from tourism --retailers, lodging establishments, transportation companies, restaurants, etc.

1. Select vehicles to help achieve the marketing objective of generating a 5% real growth in state-wide tourism income per year.
2. Provide media vehicles targeted to market segments who are defined by research as the most likely prospects for vacation travel to Minnesota.
3. Provide media vehicles which help create the opportunity for a successful breakout strategy (i.e., attracting new "users" to Minnesota...or old Summer "users" to new experiences in Fall and Winter which are historically low periods of travel to Minnesota.
4. Communicate with potential first time visitors to the State as well as past visitors.



5. Reach a slightly younger, more affluent target market than has traveled in Minnesota in the past.

Direction  
for Media  
Budget  
Levels

After setting objectives, the next step in media strategy development is to devise a plan or roadmap for implementing the objectives.

Following are six important tactical or strategic points.

1. Budget constraints limit the Tourism Bureau's ability to contact old and new markets simultaneously. The actual advertising budget for Fiscal Year 1981 is \$400,000.<sup>1</sup> The authors have devised three levels for comparative purposes:

- a. \$500,000 (low level)
- b. \$750,000 (mid range)
- c. \$1,000,000 (high level)

For each level of spending, the authors will indicate what can be accomplished in terms of reaching geographic areas and various market segments. The State should recognize, first, the realities of media costs (\$400,000 spent in 1980) and double-digit inflation make even a \$500,000 budget for a 12 month plan in a six state marketing

<sup>1</sup>The \$400,000 advertising budget is composed of three segments: media placement costs, \$250,000; media commission or agency fees, \$75,000; and production work, \$75,000. Thus all dollars in an advertising budget cannot go for media placement.

area a maintenance amount; second, increased funding is absolutely necessary for expanding the the State's marketing area to make any breakout strategy meaningful; third, competitive promotional spending by other states competing for the same tourist dollars is becoming increasingly more substantial.

2. Cooperative efforts between the Tourism Bureau and members of the tourism industry can stretch limited resources. There are many opportunities for synergistic investment that should be explored. Some examples of current and planned synergistic investment on behalf of the tourism industry are:

- The Banner program
- Co-op advertising with airlines, bus companies and car rental companies, etc.
- Co-op advertising with other destinations such as the "Explorers' Highroad" - Manitoba, North Dakota and Minnesota, or the Mississippi River states.
- Federally funded programs such as the BWCA project.
- Greater participation in State advertising efforts by regional organizations.

3. The budget levels should be constructed such that one dovetails with the next and they build

geographically: at \$400,000 only the traditional nearby markets can be approached with advertising; at \$500,000 and \$750,000 there are adequate dollars available to cover a traditional marketing area as well as some experimentation with specific markets or with national media on a regional basis; at \$1,000,000 there are dollars to begin penetration of specific national markets.

The geographic limitations of each budget level would be:

- a. Low Level Plan - The State's traditional border state marketing area (i.e., North Dakota, South Dakota, Iowa, Wisconsin, Illinois, and Minnesota, plus national media on a regional basis.<sup>1</sup>
- b. Mid Range Plan - Traditional area plus Indiana, Ohio, Missouri, Nebraska, Kansas and continuation of experimentation in national media on a regional basis.
- c. High Level Plan - Selected demographic and/or lifestyle targets on a national basis, plus areas covered by the Low and Mid level plans.

<sup>1</sup>Many national media offer regional advertisers a regional option. For example, a page in Time magazine can be bought for just the state of Iowa, and National Geographic has a breakout for the Chicago Metro area. This allows advertisers to experiment with a media test market, and to roll out to larger, more distant regions.

4. The Tourism Bureau should concentrate media spending for each season during the period of time when travel decisions are made for that season:
  - a. Fall - - Promote in late Summer and Fall
  - b. Winter - Begin promotion in Fall, continue beyond Christmas
  - c. Summer - Promote in January through June
5. Markets which have historically accounted for the bulk of past tourism business, the captive markets, should receive proportionately less media weight (budget allocations) than newer markets which may offer long range potential.
6. Inflation is eroding the media reach available to Minnesota and its tourist industry. For example, newspaper line rates increased approximately 9% between 1979 and 1980. This is not a recent phenomenon. In reviewing costs for the past decade, one finds that newspaper rate increases averaged approximately 9.2% per year. Similarly, radio costs have increased by 9% per year. In neither media have audiences grown nationally or in the North Central region. Assuming a continued 9% rate of inflation, the following budget levels would be needed in two to five years simply to purchase the media bought in Year 1:

Year 2 --- \$436,000

Year 3 --- \$475,240

Year 4 --- \$518,012

Year 5 --- \$564,631

Thus, just to stay even a \$400,000 budget in 1980 dollars must grow to over \$560,000 by 1985. Other budget levels would also increase substantially.

#### Vacationer Profiles

In the objectives portion of this media section, the authors noted that they wanted to reach the most likely prospects for vacation travel to Minnesota based on available research information. The following data from Simmons Market Research Bureau, is presented to help describe Minnesota's target audience customer profile.

Simmons Market Research Bureau, Inc. (SMRB) provides another source of information about vacation travel in addition to The Tourism Bureau's excellent data base. Based on the interviews and travel diaries of 15,000+ adults, SMRB reports contain a wealth of travel related information. The section of the research useful for the purposes of the media strategy defines demographics and media usage for adults who travel to the North Central region.<sup>1</sup>

<sup>1</sup>These include adults from both these states and the rest of the nation (see Table 2 on page 18). While SMRB may not represent Minnesota travelers or those to specific lodges in the State as did Tourism Bureau research, use of SMRB data in conjunction with that presented earlier in this report and from prior Bureau studies can help define media usage in the target markets.

North Central Region

Illinois	Michigan	North Dakota
Indiana	Minnesota	Ohio
Iowa	Missouri	South Dakota
Kansas	Nebraska	Wisconsin

SMRB describes the demographic categories with the single largest percentages of travel to this area as follows:

<u>Category</u>	<u>Percent</u>
24-45 years old . . . . .	46%
Professional or manager . . . . .	27%
Married . . . . .	73%
Central area resident . . . . .	73%
A and B county resident (metro, not rural) . . . . .	63%
Household with 3 or 4 people . . . .	42%
Homeowner . . . . .	75%
Household having an annual income of \$10,000-\$25,000 . . . . .	49%

SMRB, thus, helps identify the best prospects for potential tourists in the North Central region, of which Minnesota is a part.

However a central issue is which of these demographic categories are not now coming to Minnesota and who might come if informed and motivated? Media targets must be sought within these broad classifications with activity patterns, economic ability and/or geographic proximity

which suggests they would vacation in Minnesota. For example: cross country skiers from Chicago; canoeists from Davenport; even road racing from Omaha. Much of this information is available from research completed for the Tourism Bureau and discussed earlier.

Media Usage  
Among  
These Groups

Media usage by the person who travels to the North Central area can be compared to media use by the general population averages. Target group media usage relative to average population usage is heavier in these four areas: (1) magazines, (2) newspapers, (3) outdoor advertising exposure and (4) radio. Conversely, the person who travels to the North Central area is not a heavy TV viewer. This suggests that television should be used only as a secondary medium and, if used at all, only at selective times and in selective programming.

o Magazines and newspapers should probably share the media emphasis, at least in the near future. Magazines, while not as good a direct response vehicle as newspaper, tend to have the proper editorial environment to help the destination advertiser build image and preference. Magazines also allow better target audience segmentation, especially since the trend toward more and better special interest magazines is still growing.

o Radio also serves a unique function. It can provide timely information (e.g. local weather, travel and energy conditions, etc.). That element of flexibility may be a necessary complement to individual media plans as they are developed.

The  
Maintenance  
Budget in  
1980-1981

Following is a suggested plan of attack working with the \$400,000 budget level. (After discussion of this level, ideas regarding media activity at the higher budget levels will be presented.)

The authors have established that visitors to the North Central region are heavy consumers of print media. With that in mind, the recommended base media effort in the traditional marketing area should be newspaper.

With newspaper, the Bureau can achieve:

- o Deep in-market penetration (majority household coverage within the target geographic areas)
- o A timely, travel oriented advertising environment (i.e. Sunday travel section placement)
- o A synergistic effect with news releases from the Department of Tourism in the same media

Radio was identified as another strong medium to employ against prospects. When purchased with enough frequency radio has tremendous benefit as a reminder vehicle.

A possible newspaper/radio plan (using nearly all of the \$400,000) could take the following form:



AREA	NUMBER 1000 LINE ADS	NUMBER OF WEEKS OF RADIO (12 Spots/Wk)	TOTAL COST
Minnesota	4	3	\$77,464
Wisconsin	5	3	\$72,522
Illinois	4	3	\$119,752
Iowa	4	4	\$46,032
North Dakota	7	7	\$42,168
South Dakota	7	7	\$34,692
			<u>\$392,630</u>

A schedule calendar showing possible seasonality for this plan appears on the next page.

SUGGESTED TIMING FOR ADVERTISING  
BY THE MINNESOTA STATE BUREAU OF TOURISM  
DURING THE FIRST YEAR OF THE  
FIVE YEAR MEDIA PLAN

NEWSPAPER LOCATION	1980			1981								
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
MPLS/ST. PAUL 2 Newspapers \$7,320 per insertion	XXX	-	-	XXX	-	XXX	-	-	-	-	XXX	-
OUT-STATE MN 7 Newspapers \$3,280 per insertion	XXX	-	-	XXX	-	XXX	-	-	-	-	XXX	-
WISCONSIN 10 Newspapers \$7,830 per insertion	XXX	-	-	XXX	XXX	XXX	-	-	-	-	XXX	-
ILLINOIS 6 Newspapers \$15,070 per insertion	XXX	-	-	XXX	-	XXX	-	-	-	-	XXX	-
IOWA 4 Newspapers \$5,700 per insertion	XXX	-	-	XXX	-	XXX	-	-	-	-	XXX	-
NORTH DAKOTA 6 Newspapers \$2,520 per insertion	XXX	-	-	XXX	XXX	XXX	XXX	-	-	-	XXX	XXX
SOUTH DAKOTA 8 Newspapers \$2,760 per insertion	XXX	-	-	XXX	XXX	XXX	XXX	-	-	-	XXX	XXX

NOTE: Radio, where recommended, would overlay the newspaper program and be aired during some of the same weeks that newspaper ads run.

Limited  
Contact  
of New  
Markets

If there are any remaining dollars (or if dollars are diverted to reach new markets after financing the newspaper/radio base for traditional markets), at the \$400,000 gross budget level, the Bureau can begin experimentation with regional editions of nationally circulated general interest magazines (Slightly more resources would be available at the \$500,000 advertising budget level.) Another valuable experiment will be to employ special interest magazines circulated to very well defined demographic groups. As noted earlier, in order for the breakout strategy discussed previously to have any demonstrable effect and attract new users to the the State, the State must begin to reach non-traditional targets in the North Central region (e.g. younger couples and families) and outside the region with life styles compatible with Minnesota activities (e.g. residents of Texas or bass fishermen in Georgia).

Several magazines, as shown by the Simmons research, receive large readership by the target audiences or markets. Certain magazines receive especially high readership and reach over 10% of those traveling to the North Central region in target groups which should be contacted:

MAGAZINES	Index of readership	Percent
	among visitors to the	coverage
	North Central region	of target
	<u>compared to population</u>	<u>audience</u>
<u>News</u>	(100 = average)	
Newsweek	129	14.2%
Time	118	15.3%

Women's Service

Better Homes and Gardens	121	16.7%
Family Circle	125	15.7%
Good Housekeeping	111	14.1%
Ladies Home Journal	129	12.8%
McCalls	108	12.8%
Woman's Day	117	13.6%

General Interest

Family Weekly	97	15.4%
National Geographic	141	20.6%
Parade	95	23.8%
People	110	12.8%
Readers Digest	134	33.9%
Sunday Picture Magazines	132	38.4%
TV Guide	91	24.6%

Magazines with high index numbers are not necessarily those with the highest readership by our target audience. The index merely reflects the relative difference/similarity between each magazine's readership by our target audience and that target's numbers in the population. For example, 7.4% of all U.S. adults travel to the West North Central area; 6.7% of TV Guide's readers travel to the area. Since 6.7% is less than 7.4%, TV Guide gets a low index number (91). However TV Guide is so big (current total U.S. adult readers - 42,236,000) that the 6.7% represents almost one-fourth of total adults who travel to the target area. The coverage figures, the authors believe, are more important than the index numbers. A need exists to use regional editions of national publications with

sufficient penetration (over 10% of the market) to generate adequate prospect reach.

Efforts  
Required  
for a  
Breakout  
Strategy

The Tourism Bureau must make efforts to change traditional media spending patterns in order to generate substantial new tourism business. If spending continues along traditional lines, the Bureau will spend media dollars in areas of current strength.

Reviewing available research, it is possible to determine by geographic area where tourist traffic to Minnesota originates on a season-by-season basis (see Table 2, page 18). It can be argued that if dollars were allocated according to these percentages we would be overspending in areas of strength and underspending in heretofore untapped markets. Minnesota, for instance, having over one-third of the source of tourists to the State, represents a captive market. State residents know the vacation product and need mainly maintenance, or reminder, advertising effort to keep them here and inform them about new facilities and events. Residents in surrounding states, however, may offer more potential in that the State's tourism message has had relatively little exposure in those areas.

Table 4 on the next page recaps sources of tourists by state of residence and details one manner in which media dollars might be allocated geographically. Naturally, messages developed would fit the media and the market being approached.

TABLE 4 - MEDIA

MEDIA BREAKOUT: HOW MEDIA INVESTMENTS  
CAN BE ALLOCATED TO ATTRACT NEW MARKETS  
AND MAINTAIN TRADITIONAL MARKETS

Present Source of MN Vacations	Percent per State	1981 400,000	1982 500,000	1983 750,000	1984 1,000,000
Minnesota	28%	20%	15%	17.5%	15%
Illinois	9%	30%	25%	17.5%	15%
Wisconsin	7%	15%	10%	7.5%	7.5%
Iowa	8%	15%	10%	7.5%	7.5%
Sub-Total	52%	75%	60%	50%	45%
North Dakota	3.3%				
Nebraska	2.6%				
Indiana	2.0%				
South Dakota	2.0%	15%	15%	15%	10%
Ohio	1.3%				
Michigan	1.3%				
Missouri	1.3%				
Kansas	.6%				
Sub-Total	15%	15%	15%	15%	15%
All Other States (National or regional ads beyond Midwest)	33%	10%	25%	35%	45%
TOTALS		100%	100%	100%	100%

National Reach Using Special Interest Publications      If additional budget dollars are made available (\$750,000 and \$1,000,000 levels), the amount of money spent in the State's traditional marketing area would continue to increase but the percentage of total tourism spending which that amount represented would decrease. More dollars would be earmarked for continued experimentation in both regional and national editions of national publications as well as full-run editions of special interest publications.

Below is a list of some of those publications. The list is by no means definitive; but, it is meant to provide thought starters for future development. These were selected for readership that is predisposed to a travel message and Minnesota activities.

Special Interest Publication, Editorial Comment, Comments	Circulation	Cost Per Page 4/C (1980 costs)
<u>Better Homes &amp; Gardens</u> - Available in several regional editions; covers a wealth of home and family-related material.	8,007,200	\$52,675
<u>The Texas Fisherman</u> - Read by Texas fishing, boating, camping and hunting enthusiasts; these people have excellent air-access to Minnesota.	81,200	\$929
<u>Bassmaster</u> - Circulated to members of the Bass Anglers Sportsman Society; the readers spend tremendous sums of money yearly	303,200	\$7,700

supporting their hobby; an "air-conditioned" fishing trip to Northern Minnesota could be promoted.

<u>Adventure Travel</u> - Read by members of the American Adventurers Association; the publication offers suggestions on <u>active</u> vacations for a young, high income audience.	101,600	\$2,800
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<u>Outside</u> - Skews to an affluent, 25-40 year old audience who consider themselves active; editorial covers a variety of outdoor related activity	205,300	\$6,600
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<u>National Geographic</u> - A prestige vehicle which receives tremendous readership and retention. (Several regional editions are available.)	10,249,700	\$79,950
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In-Flight Magazines - Read by a captive audience of U. S. air travelers; these people are by and large predisposed toward travel and are affluent enough to afford regular air travel; the State might consider some sort of coop ventures with certain of the carriers who publish:

<u>Air Group One</u> (5 magazines)	922,000	\$26,993
<u>East/West Network</u> (8 magazines)	998,000	\$29,380

Using National Publications	At the higher budget levels (\$750,000 and \$1,000,000) the Tourism Bureau can begin to use some national runs of general interest magazine publications. With the help of an optimization model, a computer can be used to calculate the most efficient and highest reach schedule
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against a desired target audience. Runs were made at two budget levels: \$200,000 and \$400,000; creative unit used was a full page four color. The target audience is young adults who visit the North Central region.

Results were as follows:

- o At the \$200,000 level the publications selected for national full-run editions were: People, Readers Digest and TV Guide.

The net reach of adults who travel to the West North Central area is 57.7% and suggested frequency is 1.49 times per year in each.

- o At the \$400,000 level the publications selected for national editions were: Readers Digest, TV Guide, Sunday Picture Magazine, Newsweek and Better Homes and Gardens.

The net reach of adults who travel to the West North Central area is 76.4% and suggested frequency is 1.67 times per year in each.

The \$400,000 and \$500,000 maintenance budgets call for the use of magazines on an experimental, regional basis. This would probably mean that the magazine lineup would differ somewhat because not all magazines offer regional editions.

Of the publications which "won" on the optimization runs, the following might be purchased on a regional basis:

	<u>Cost per page 4/C</u>
Reader's Digest (10-state North Central region)	\$17,784
TV Guide (West Central area)	\$14,800
Better Homes and Gardens (7-state West North Central region)	\$11,062
Newsweek (West Central edition)	\$6,020
	<hr/>
	\$49,666

A schedule of two insertions in each publication, along with the newspaper/radio plan suggested previously, will total close to the \$500,000 budget level (see page 85).

#### The Need to Measure Media Effectiveness

In a complex and diversified industry like tourism in Minnesota, growth depends on many variables. The industry's capacity to service vacationers, its competitive position, energy uncertainties and the economic situation are examples of current, critical variables that will work against achieving 5% real growth in vacation spending. Advertising is also a key variable. There are proven research methods for analyzing its impact -- and these should be employed so that advertising can not only be held accountable, but also directed to new markets and adapted to changing circumstances.

The following research strategies to monitor advertising performance deserve consideration:

1. Establish benchmarks for awareness, preference and intent to visit Minnesota in key markets. Measure changes in those key variables with an on-going program of research.
2. Measure and analyze coupon response. The research division at the Department of Economic Development has established a solid methodology, and has experience in this area.
3. Develop a quick feedback system. This could take the form of a panel recruited from the Minnesota resort operators, motels, hotels, campgrounds, etc. This panel could monitor the number of vacationers, repeat visits, duration of stay, vacationer state of origin, percentage of first timers, how they learned about Minnesota, etc. Over time this would generate a wealth of data to use in evaluating advertising effectiveness.

There are several ways to begin implementing these strategies. The State should investigate using an existing consumer panel such as NFO or Market Facts on a regular basis. Another option would be to buy into one of the national quarterly travel surveys available.

It is important to remember that cost per response methods of measurement when used alone can have two

misleading biases. First of all, local Minnesota media will appear to be more cost effective because the audience is familiar with the product and predisposed to travel here. Secondly, a tourism ad is not only a direct response ad. One of its important objectives, especially among far-away audiences, is to generate awareness and intrigue. Many people who do not clip a coupon may be influence by the advertising.

Another consideration is that breakout strategies will require some experimentation in national and distant media which are not as cost efficient as local newspaper advertising. Over time, the cost per response from a developing market should decrease as the market begins to "understand" the Minnesota vacation product. As first timers visit, they will repeat (assuming their experience was positive) and word of mouth will act as a strong support to paid media in building awareness and preference for Minnesota vacation experiences.