

MONTANA



2011-2012

Office of Tourism FY12 Annual Report Montana Department of Commerce

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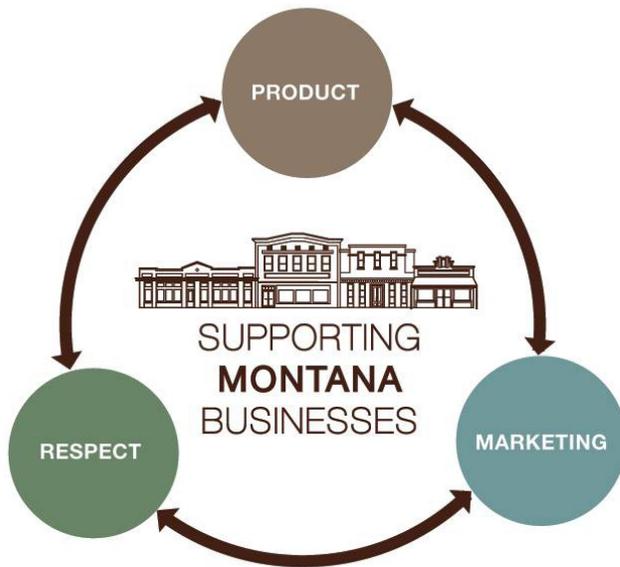
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FY12 ANNUAL REPORT

THE MONTANA VISION

The Montana Vision is to increase visitation and improve the visitor experience while preserving Montana community values and protecting its unique places. The Montana Office of Tourism strives to achieve its guiding principles by focusing on the supporting pillars of Montana businesses via product, marketing and respect.



PRODUCT

Collaborate through outreach, education and novel value-add programs to improve the visitor experience and help our partners better deliver on the Montana Brand.

MARKETING

Differentiate the Montana experience from all other competing destinations through new consumer marketing and PR initiatives.

RESPECT

Improve awareness and build recognition for the potential of tourism as a robust economic development engine.

Jeri Duran | Administrator
Carmen Levick | Executive Assistant

MARKETING

Katy Peterson | Bureau Chief
Susan Buhr | Marketing Coordinator
Bev Clancey | Publications Manager
Riana Davidson | Social Media Coordinator
Norm Dwyer | Web Designer
Thurston Elfstrom | Digital Marketing Manager
Carl Haller | Network Administrator
Deb Knudson | Administrative Assistant
Sarah Lawlor | Public Relations Manager
Donnie Sexton | Public Relations/Staff Photographer
Jan Wirak | Web Content Specialist

SALES AND CONSTITUENT SERVICES

Pam Gosink | Bureau Chief
Victor Bjornberg | Tourism Development & Education Manager
Carol Crockett | Visitor Information Services Manager
Marlee Iverson | Travel Trade Manager
Julie Walker | Program Assistant

INDUSTRY & OPERATIONS SERVICES

Anna Marie Moe | Bureau Chief
Corrie Hahn | Digital Project Coordinator
Marchita Mays | Receptionist
Linda Mclure | Business Operations Manager
Jo Morand | Fulfillment & Receptionist
Barb Sanem | Compliance Specialist
Robert Webster | Fulfillment Specialist
Carmen Whiting | Receptionist

FILM OFFICE

Deny Staggs | Acting Bureau Chief/Film Location Coordinator
Sage DuBois | Multi-Media & Project Coordinator
VACANT | Film Office Coordinator

MONTANA OFFICE OF TOURISM

STAFF

ACCOMPLISHMENTS

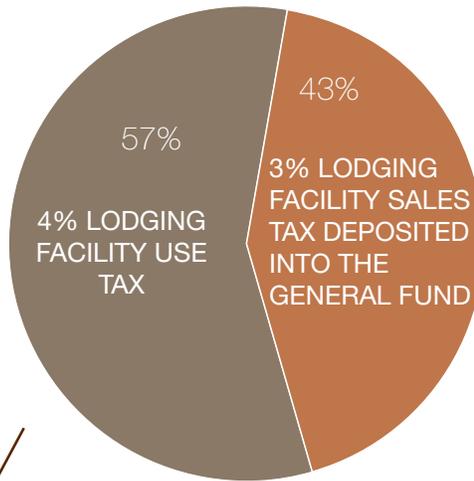
Montana hosted 10.5 million visitors in 2011, which translates to 11 new customers per Montana resident for our Main Street businesses.

Visitors to Montana spent \$2.8 billion, which is new money for Montana's economy.

Tourism and recreation businesses support 39,000 Montana jobs providing over \$896 million in workers' salaries.

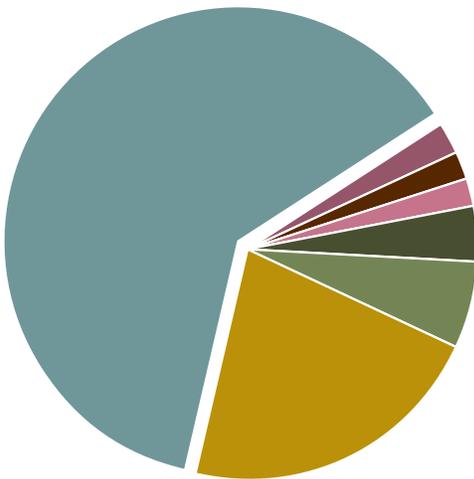
Visitor spending generated \$276 million in state and local tax revenue in 2011.

HOW THE 7% LODGING FACILITY TAX IS DISTRIBUTED

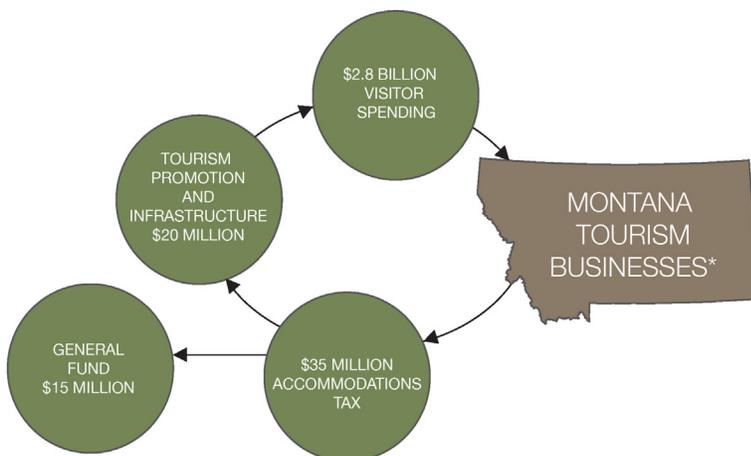


- 43% | 3% Lodging Facility Sales Tax Deposited Into General Fund
- 57% | 4% Lodging Facility Use Tax

HOW THE 4% LODGING FACILITY USE TAX IS DISTRIBUTED



- 62% MT Department of Commerce/MT Office of Tourism
- 22% Tourism Regions/CVBs
- 6% MT Fish Wildlife & Parks
- 4% MT Historical Society
- 2% MT Heritage Preservation & Development Commission
- 2% MT Department of Revenue
- 2% University of MT/ITRR Research



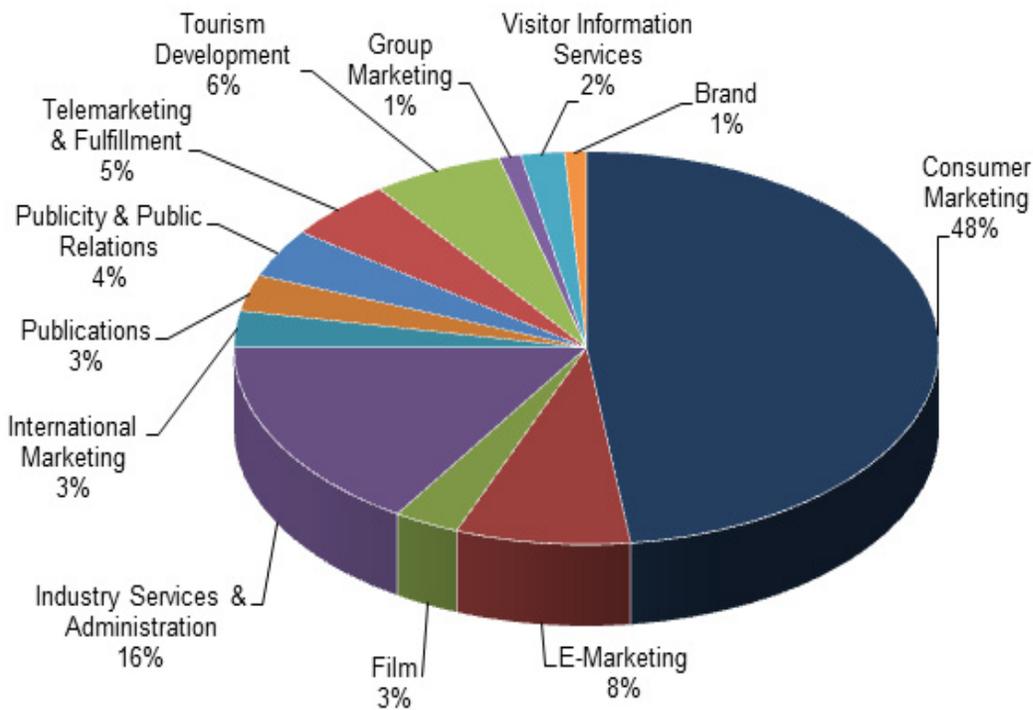
MONTANA'S TOURISM FUNDING

Funding for tourism promotion comes from a 4% Lodging Facility Use Tax, commonly known as the "Bed Tax." Enacted by the 1987 legislature, the tax is collected from guests of hotels, motels, bed and breakfasts, guest ranches, resorts and campgrounds. These funds are divided among the entities shown in the pie chart to the left.

It should be noted that no additional money for tourism funding comes from Montana's General Fund. In fact, tourism helps support the General Fund due to the additional 3% Lodging Facility Sales Tax that was added in 2003 to the original 4%. This additional 3% accounted for over \$15 million deposited directly into the General Fund in FY12 due to the success of Montana's tourism industry.

Distribution of Montana Office of Tourism Funds FY12

MONTANA'S TOURISM FUNDING



2011 Non-Resident Traveler Expenditures

Gasoline/Oil.....	\$947,600,000
Retail Sales.....	\$542,720,000
Restaurants/Bars.....	\$532,960,000
Hotel/B&B/etc.....	\$343,170,000
Groceries/Snacks.....	\$194,720,000
Auto Rentals/Repairs.....	\$ 75,090,000
Licenses/Entrance Fees.....	\$ 52,050,000
Outfitters/Guides.....	\$ 41,520,000
Campground/RV Park.....	\$ 19,920,000
Miscellaneous Services.....	\$ 15,970,000
Gambling.....	\$ 8,260,000
Transportation Fees.....	\$ 370,000
Total	\$2,774,340,00

ACCOMPLISHMENTS

Created advertising messages that supported Montana's image of spectacular nature and breathtaking experiences.

Targeted national and regional audiences, including Minneapolis, Seattle, Chicago and Salt Lake City.

Placed more than \$7.1 million in media, including magazine, online, radio, newspaper and out-of-home (transit, billboard, storefront) advertising.

Awarded a Gold Magellan Award from *Travel Weekly*, honoring the best in travel from design to marketing to services; a 2011 Silver Effie from Effie Worldwide, competing against HomeAway.com and Travelocity; and the "Best Overall State Tourism Marketing Campaign" award from the National Council of State Tourism Directors.

Contracted a research study on the effectiveness of 2011-2012 marketing campaigns*:

Increased awareness of Montana as a travel destination by 73% over previous year

Travelers aware of advertising 33% more likely to travel

For every dollar spent on advertising, \$157 is spent in Montana

Developed partnerships with private and public entities to extend the advertising budget.

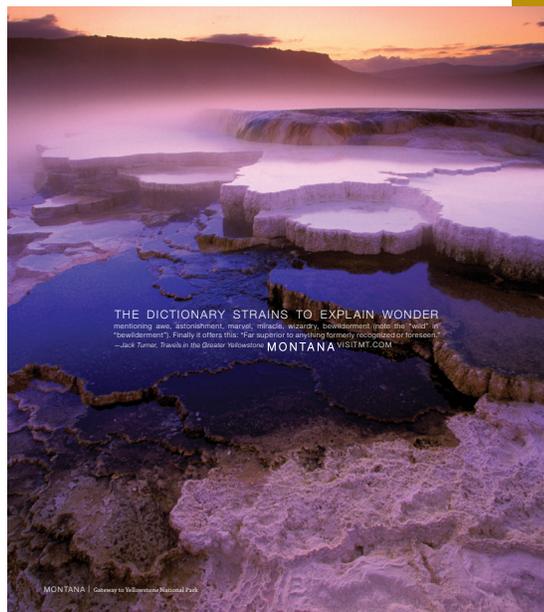
Get Lost (in Montana) partnered with local destination marketing groups and private businesses to encourage in-state travel by Montana residents.

Co-Op Marketing Program negotiated and coordinated premium placement advertising opportunities for Montana tourism partners, saving partners up to 75% off national and regional print and online media.

Sled the Rockies partnered with Wyoming and Idaho to promote snowmobiling in the northern Rockies.

MARKETING MONTANA

The marketing program develops advertising and promotional campaigns to positively and uniquely brand Montana, differentiate the state as a travel destination and increase tourism from domestic and Canadian travelers. Nationwide tourism trends, statistics from the Institute of Tourism and Recreation Research (ITRR) at the University of Montana and the results of contracted research studies help determine the overall marketing strategy.



*Source: Leisure Trends Group, 2011-2012

ACCOMPLISHMENTS

MTOT continued to enhance and refine the user experience on GetLostMT.com, including the addition of a 'Bucket List,' which allows users to save Places To Go or Things to Do on the site. MTOT also expanded GetLostMT.com's web presence by launching a mobile version of the site, as well as native mobile apps for iPhone and Android.

MTOT's primary consumer website, VisitMT.com received 2,018,058 visits in FY12, up almost 2% over FY11.

MTOT continued to utilize Facebook, Twitter, Flickr and YouTube effectively, with VisitMT.com. MTOT's Facebook became the most engaging state Facebook page for states with 100 -150K fans early in 2012. As of June, 2012, MTOT's Facebook page had over 140K engaged fans. MTOT uses Facebook to support the brand promise; promote travel to the state during

all seasons, foster community interaction and discussion among the fans.

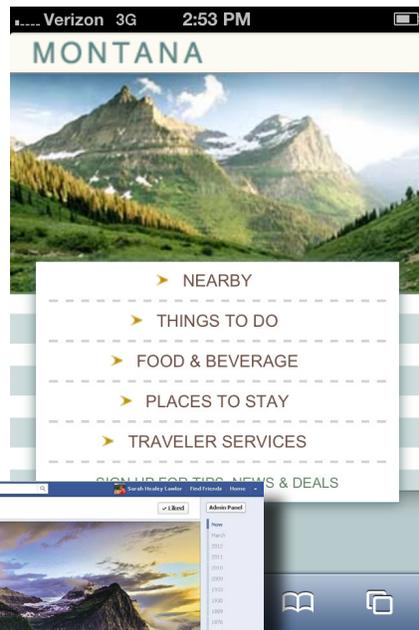
In the first quarter of 2011, MTOT tested the functionality of the mobile VisitMT.com site and consequently embarked on an overarching re-build of the site based on the usability study findings.

MTOT also improved its content delivery systems by moving to a .NET platform for the search and listing display on its websites. The new system includes improved Google map features, as well as a more interactive search engine.

ELECTRONIC MARKETING

Electronic Marketing utilizes interactive and emerging technologies to develop innovative content that will inspire potential Montana travelers. These technologies include interactive websites, mobile apps and social media.

The foundation of MTOT's electronic marketing is the extensive database of places and business important to Montana's visitors. MTOT works closely with our communities and business partners to gather this information and keep it as up to date as possible.



ACCOMPLISHMENTS

The Branding Initiative continues to guide the efforts of the Montana Office of Tourism (MTOT) advertising and marketing, outreach, publication and web programs.

MTOT has developed a tourism and brand workshop titled “Coming Together to Expand Montana’s Tourism Story” as an outreach effort to assist businesses throughout Montana in bolstering their ability to attract and retain visitors to their area.

Conducted and developed a winter “brand” initiative to define and identify Montana’s winter

season marketing efforts, the roles of winter stakeholders and produced the *Defining the Winter Experience* guidebook.

The program is also designed to help business owners learn about social media sites and beneficial practices. Five workshops were conducted in FY12.

Prior to each workshop, a 3-day road trip of the area is scheduled to visit businesses and attractions that are representative of the brand pillars. Images and posts are then shared on Facebook and Twitter to emphasize the impact of social media and how it effectively contributes to marketing efforts.

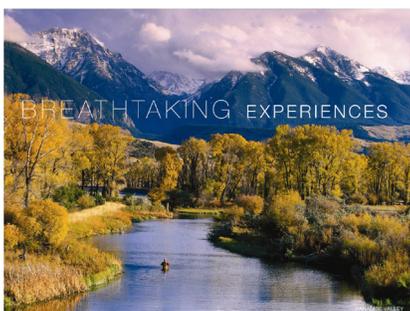
The MONTANA BRAND is:



More spectacular unspoiled nature than anywhere else in the lower 48.



Vibrant and charming small towns that serve as gateways to our natural wonders.



Breathtaking experiences by day and relaxing hospitality at night.

BRANDING INITIATIVE

The brand development program is responsible for implementing and promoting a consistent positive brand image for Montana as a vacation destination. The program works to not only ensure consistency with the brand platform and brand principles, but also to develop and administer brand outreach and services to encourage cooperation and support of the Montana Office of Tourism brand strategy.

To find out more information on the brand initiative, workshops or to view Brand Books 1, 2 & 3 visit www.travelmontana.org/branding.

ACCOMPLISHMENTS

Public relations efforts in FY12 delivered Montana's key messages in over 500 earned media impressions via editorial, online and broadcast coverage in North America.

Supported international publicity efforts and collateral efforts between MTOT and regional constituents, hosting forty-four journalists (both domestic and international) on individual press trip visits with developed custom, story-specific itineraries. When appropriate, we escort these journalists to maximize their Montana experience(s).

Hosted and provided financial assistance with three group press trips, partnering with in-state tourism constituents and private tourism businesses including lodging properties, outfitters, restaurants, museums and others.

Coordinated and assisted three TV production crews on multi-day shoots. The logistics of hosting broadcast media is particularly intensive, yet yields high return on investment.

Provided hundreds of journalists with researched information, recommendations, contacts, photographs and all of the elements necessary to develop editorial stories on travel and vacationing in Montana.

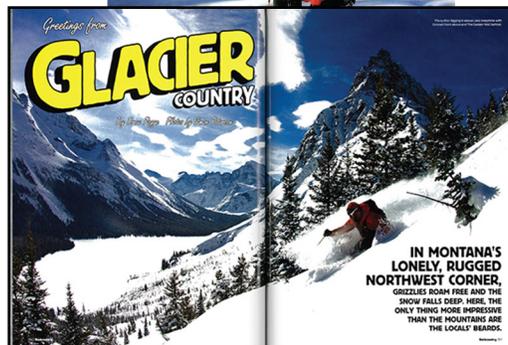
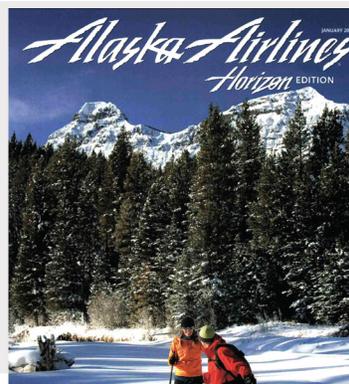
Expanded story idea content and photos on MTOT's pressroom website - www.pressroom.visitmt.com. This

media-specific web presence increased the number of inquiries and PR opportunities.

Maintained a media database of 1,700 active contacts, updating and adding influential travel journalists, bloggers and broadcast contacts annually.

Continue to provide information to the industry via www.montanatourismnews.org and accompanying e-newsletter to provide timely, relevant news and resources to our tourism partners.

Cultivated media coverage of Montana's tourism and film industry through 42 in-state and out-of-state press interviews.



Backcountry
THE UNTRACKED EXPERIENCE

Unplug and unwind at these lake escapes, where time stands still, nature reigns, and there's a profound sense of peace.

Introduction By JOYCE MAYNARD

PUBLIC RELATIONS & PUBLICITY

Our public relations & publicity program enables us to tell Montana's myriad tourism stories, leveraging the editorial credibility of journalism.

Working with a lifestyle media, our public relations team garners placement in all media channels: print, web, broadcast and social, to create awareness for the state's vast range of destinations.

We serve as a clearinghouse of Montana information and a concierge service to travel media, providing logistical and vetted financial assistance to media-producing articles and/or programming on Montana.



ACCOMPLISHMENTS

Created one, ad-free, year-round guide (*Montana Guidebook*) marketing Montana in all seasons. Study results revealed advertising undermines the guide's authenticity and credibility and overshadows any interesting content. Winter 2011-2012 marked the last season for distributing the *Montana Winter Guide*.

Created an exciting new visual design to the tourism side of the Montana Highway Map. A *Quick Response (QR)* code scanned by smart phones gives access to 321 Montana city maps.

Launched a new iPad magazine app, *Get Lost in Montana-The Magazine*, with stories and snapshots of Montana's real flavor begging visitors to get off the beaten path and...*Get Lost in Montana*.



PUBLICATIONS

The Montana Office of Tourism publications provide coverage of Montana's year-round recreation and attractions to visitors of all ages in print, digital and app format.

These free guides and magazine are packed full of gorgeous photos, itinerary suggestions and easy-to-read information helping our visitor further their sense of discovery for planning their trip or while in Montana.

They give the local story with depth and perspective portraying Montana at its best.

The guides have been designed to be used in conjunction with the Montana Office of Tourism's website, www.VisitMT.com. Consumers can use the printed guides, supplemented by www.VisitMT.com and www.WinterMT.com to create fun-filled itineraries on where to go, how to get there, where to stay and what to do for a very personal experience.

ACCOMPLISHMENTS

Coordinated Group Market advertising in major trade publications, which also includes an online presence.

Attended three national conventions promoting Montana National Tour Association (NTA),

American Bus Association (ABA) and Travel Alliance Partners (TAP).

Hosted several domestic tour operators on individual familiarization tours across Montana.



ACCOMPLISHMENTS

Thirty seven European, Scandinavian and Australian tour operators met with fourteen Montana suppliers at the Rocky Mountain International Roundup in Buffalo, Wyoming.

Hosted 39 tour operators on the Mega Fam which included four nights in Montana's Glacier Country before moving into Idaho.

Hosted numerous European, Scandinavian and Australian tour operators on individual Familiarization tours throughout Montana.

MTOT participated in TTGIncontri in Italy, World Travel Market in the United Kingdom, Scandinavian Mission, Australian Mission, ITB in Berlin and French Mission.

Montana was also represented at consumer shows in our European markets.

Met with forty-six tour companies at US Travel Associations, International PowWow.

Montana saw an increase of 12% in overnights offered by Tour Operators.

GROUP TOURS

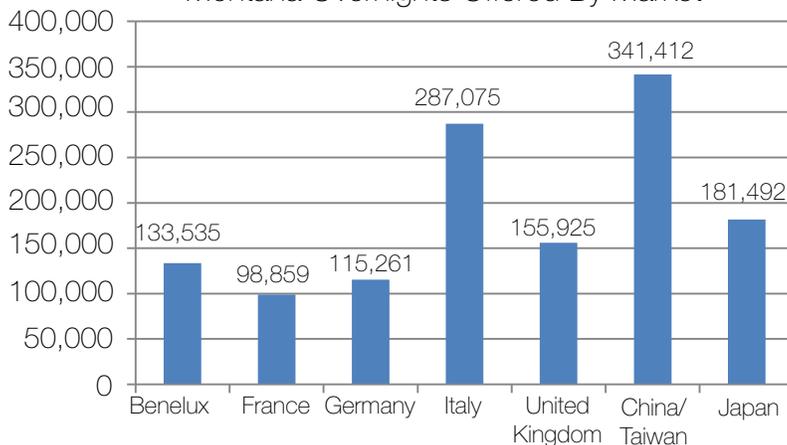
The Group Travel program provides tour operators with the tools to build a successful group tour product. Group tours can bring a substantial amount of money to our state.

For example, on average, an individual touring on a motorcoach will spend \$183 per day, and a full capacity motorcoach contributes \$5,000 to \$7,000 per day to the local economy.

OVERSEAS MARKETING

The Montana Office of Tourism continues marketing in Europe, Scandinavia and Australia, as well as Japan and Taiwan. We continue to see increased overnights offered in each market.

Montana Overnights Offered By Market



ACCOMPLISHMENTS

VISITOR INFORMATION CENTERS (VICs)

Partnered with the Montana Department of Transportation to produce and distribute travel-related information posters in rest area kiosks around the state.

VICs served 171,778 travelers May through September in 2012.

Travelers assisted by VIC staff lengthened their stay by 31%.

From April through September, average expenditure per group per trip for VIC staff-assisted travelers was approximately 55% higher than that of all visitors.

VICs provide free WiFi service.

Made in Montana products are displayed in VICs.

SPECIAL EVENTS GRANT PROGRAM (SEGP)

SEGP provided \$100,000 for eight annual events in six Montana communities:

Big Sky – Big Sky PBR

Great Falls – The Russell: Sale to benefit the CM Russell Museum

Helena – 52nd Annual Last Chance Stampede & Fair

Helena – Montana Wild West Fest

Hobson – Montana Bale Trail

Kalispell – Big Sky Classic

Kalispell – Montana Dragon Boat Festival

West Yellowstone – Kids' N' Snow

VISITOR INFORMATION SERVICES

The Visitor Information Services (VIS) Program is a component of an integrated and comprehensive tourism marketing strategy. Upon arriving in and traveling through Montana via highway, air, or rail, travelers need an integrated, strategic system of information from a variety of sources for a successful vacation experience.

GLACIER COUNTRY

SEGP Grants
(23 events)
\$193,910

CENTRAL MONTANA

SEGP Grants
(17 events)
\$124,058

MISSOURI RIVER COUNTRY

SEGP Grants
(9 events)
\$42,490

SOUTHWEST MONTANA

SEGP Grants
(17 events)
\$204,705

YELLOWSTONE COUNTRY

SEGP Grants
(12 events)
\$95,437

SOUTHEAST MONTANA

SEGP Grants
(11 events)
\$93,900

ACCOMPLISHMENTS

2012 Montana Governor's Conference on Tourism & Recreation provided tourism education and training for 378 attendees.

Multi-State Tourism Planning Project underway involving SE Montana, NE Wyoming and the western Dakotas.

Montana Superhost Program provided customer service training to 1,533 individuals through Community and High School Seminars, on-line training, and Supervisor-level Training Webinars.

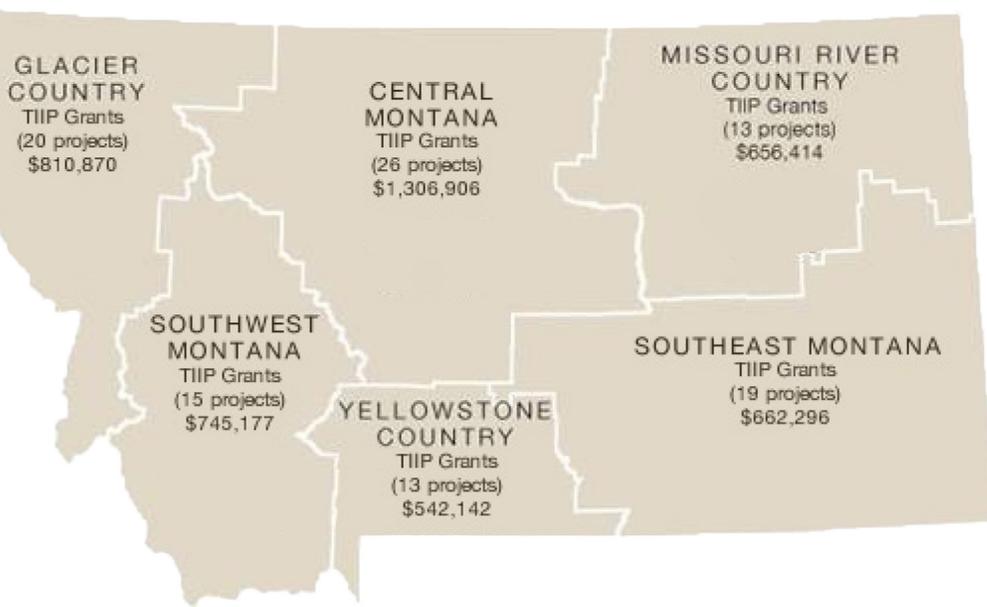
TOURISM INFRASTRUCTURE INVESTMENT PROGRAM (TIIP)

TIIP invested \$530,000 into twelve projects resulting in \$3 million in facility improvements (\$5/\$1 leverage).

- Big Sky** – Big Sky Community Park
- Butte** – World Museum of Mining
- Bynum** – Two Medicine Dinosaur Center
- Choteau** – Pine Butte Guest Ranch
- Glasgow** – Children's Museum of Northeast Montana
- Glasgow** – Valley Event Center
- Great Falls** – Ursuline Center
- Helena** – Exploration Works
- Huntley** – Huntley Project Museum
- Kalispell** – Museum at Central School
- Missoula** – Caras Park Pavilion
- Red Lodge** – Carbon County Museum

TOURISM DEVELOPMENT & EDUCATION

The TD&E program focuses on providing technical, financial and marketing assistance for tourism-related projects. Assistance is provided through education services, including workshops, an annual conference, a recurring statewide strategic planning process and a customer service training program.



MONTANA FILM OFFICE



MONTANA FILM OFFICE

ACCOMPLISHMENTS

Assisted in bringing more than sixty-seven productions to Montana with an estimated direct economic impact of \$7.141 million and 179 FTE jobs.

Promoted and administered the Big Sky on the Big Screen Act, Montana's film production incentive bill. This tax credit program keeps Montana competitive among other states and nations.

Certified thirteen new productions for the Big Sky on the Big Screen Act.

Hosted 56,320 user sessions and 151,814 page views on www.MontanaFilm.com, which lists more than 368 Montana crew members and 1,000 businesses that provide services to the industry.

Garnered over 1,539 followers on Facebook, over 2,193 on Twitter and over 6,631 views of Film Office videos on YouTube.

Fielded 216 project inquiries, a 28% conversion rate.

Worked with a number of notable new television shows, films and national commercials. TV shows like NBC's *Navy Seal Team 6*, *Ax Men*, and *The American Rancher* showcased Montana ranchers. The feature film *Winter in the Blood* adapted from Montana novelist James Welch's filmed on location in Havre, Chinook and Fort Belknap. Oscar winning Director, Alexander Payne began prep for his next film in the Billings

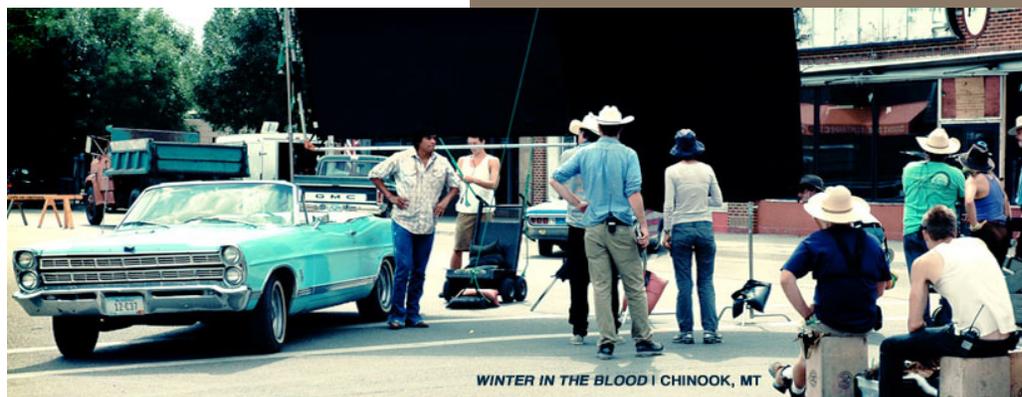
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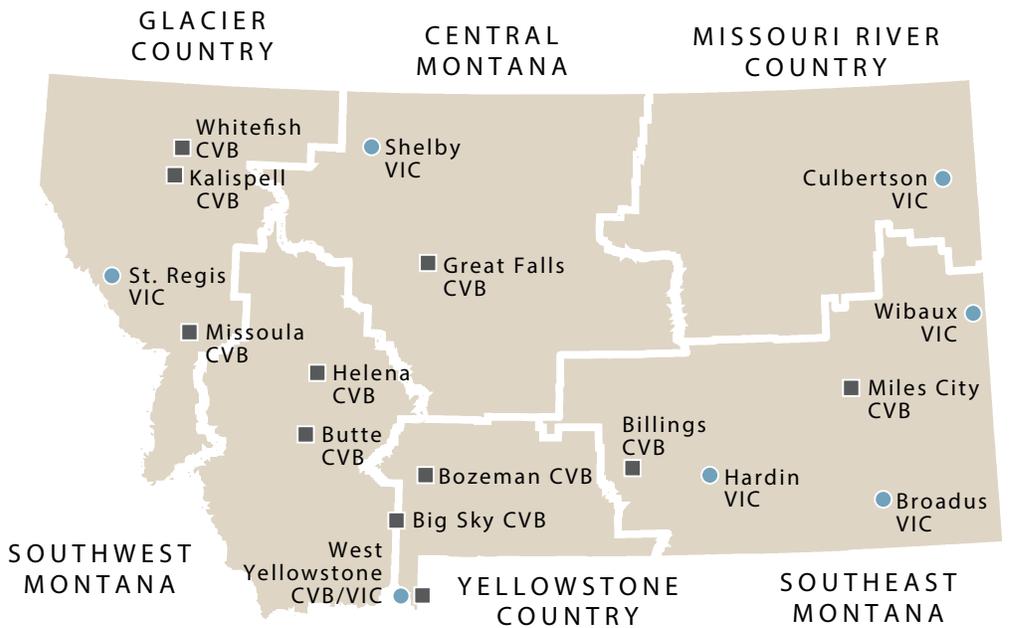
National TV commercials were filmed including Toyota, Lincoln, Dodge Ram and John Deere. Still photo magazine shoots were captured for H&M, Anthropologie and Johnson's Baby.

Creating the Montana Big Sky Film Grant adds additional financial support for feature films, TV productions and resident Montana filmmakers that shoot more than 50% in the state and hire local Montanans.

Created an iPhone mobile app that provides a searchable and GIS mapped location images, crew members and services needed for production of film, TV and still photo production.

The Montana Film Office brings economic development to the state by promoting Montana as a motion picture and television production destination. www.MontanaFilm.com





- CVB Location (Convention and Visitors Bureau)
- VIC Location (Visitor Information Center)

MONTANA'S TOURISM PARTNERS

Montana's tourism industry is comprised of a multitude of entities working tirelessly to promote Montana and enhance our visitors' travel experience. It is because of the dedication and active participation of our tourism partners throughout the state that Montana continues to be a valued and treasured travel destination.

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TOURISM ADVISORY COUNCIL