

While New Mexico’s tourism industry took many hits throughout the pandemic, sector job growth and industry gross state product have steadily recovered and are nearing prepandemic levels. The Legislature has made investments to the base operating budget and special appropriations to support the department’s programs and advertising efforts.

The Tourism Department (NMTD) has met or exceeded most performance measures in FY23 and is positioned to meet targets where performance was low with dedicated new staff for outreach.

In FY23, the department awarded \$177 thousand to local events through its new tourism event growth and sustainability program. The department also continued its cooperative marketing and advertising grant program, which provides a 2 to 1 matching investment to tourism-related entities, such as nonprofits and local governments. The department awarded \$3.9 million to 41 partners through the cooperative program provide guidance in marketing and advertising initiatives that align with the New Mexico True brand.

Marketing and Promotion

Workforce. For the first time since the pandemic, national employment in leisure and hospitality pulled ahead of New Mexico, marking a recovery of the industry for the United States and signaling the tourism economy is seeing rebounds at the national level. Jobs in the New Mexico leisure and hospitality sector are within 0.3 percentage of prepandemic employment levels. The department reports 4.6 percent more jobs in the sector in the fourth quarter of FY23 year over year.

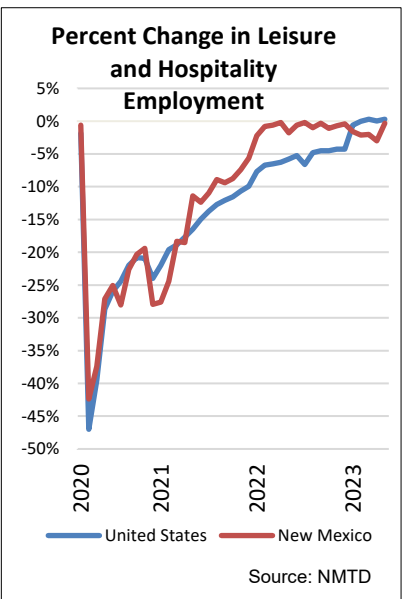
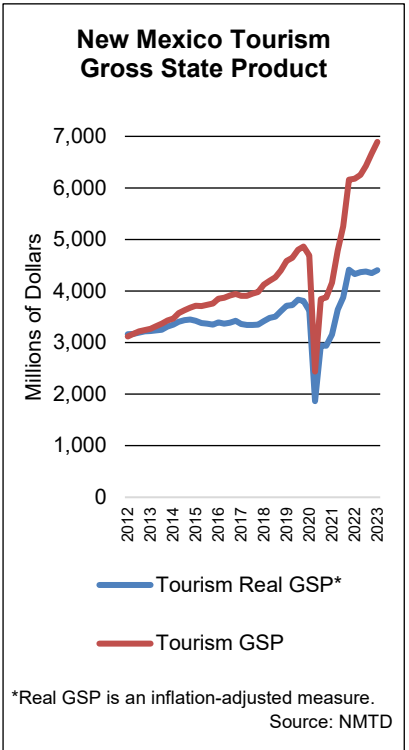
Media and Engagement. The department secured 14 times the target for earned media in FY23 from various news, sports, and magazine features. NMTD reports a return on investment of \$67 in earned media for every dollar spent on national marketing, a 168 percent improvement from the return on investment in FY22. The department attributes this growth in earned media value to placement and targeting in top-tier leisure travel media. Additionally, the cooperative marketing grant program resulted in a total earned media value of more than \$5.1 million.

Budget: \$18,656.1 **FTE:** 13

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Actual	Rating
Year-over-year change in New Mexico leisure and hospitality employment	-14%	19%	3%	4.6%	G
Percent email open rate of NM True eNewsletters	New	New	18%	27%	G
Amount of earned media value generated in millions	\$1.7	\$5.2	\$1	\$16.4	G
Program Rating	Y	Y			G

ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No



Outdoor Tourism and Infrastructure

Outdoor recreation is a large component of tourism in New Mexico. According to annual visitation data from 2022, 60 percent of trips to New Mexico included an outdoor activity, 12 percent higher than the national average.

To support outdoor infrastructure that allow for sustainable tourism, the Tourism Department:

- Works closely with the Economic Development Department's Outdoor Recreation Division to ensure trails are supported by the New Mexico True brand and expand outdoor tourism development.
- Launched Destination Forward which provides eligible entities technical support for planning, design, and renovation.
- Serves on the grant review committee for EDD's Trails+ grant that provides awards to organizations to fund outdoor infrastructure groups.
- Support local government initiatives to support beautification and litter reduction through the department's Clean and Beautiful Grant Program.
- Work with Councils of Government to identify tourism-related infrastructure projects for capital outlay funds. Of the 111 identified programs, 42 percent of them support rural outdoor recreation projects.

New Mexico Magazine

New Mexico Magazine revenues in FY23 were 6 percent higher than in FY22. The magazine celebrated 100 years of publication and collaborated with the New Mexico History Museum to open an exhibit recapping the beginning of the publication, featuring over a thousand magazine covers and over 200 photographs published in the magazine. The publication also released *Centennial Cookbook: A Century of Flavors* featuring recipes from the magazine's archives and shared by contemporary chefs throughout the state. The magazine received the Adrian Award honoring excellence in travel marketing from Hospitality Sales and Marketing Association International.

Budget: \$3,242.4 **FTE:** 10

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Actual	Rating
Advertising revenue per issue, in thousands	\$182	\$137	\$75	\$146	G
Program Rating	G	G			G

Tourism Development Program

The program, which supports tourism development in communities and other entities with competitive grants, made collaboration with Native American partners a priority in recent years, with tribal community engagement in the Clean and Beautiful Program increasing by 73 percent in FY23. NMTD hired a tribal liaison in the third quarter to help support Native communities and, as a result, engagement quintupled compared to all other quarters combined.

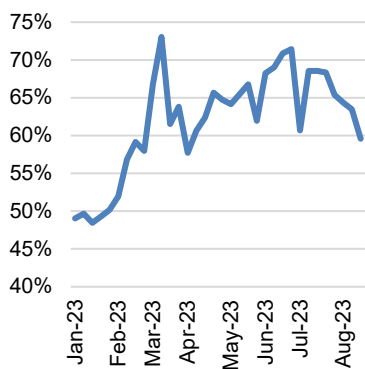
The Clean and Beautiful Program awarded nearly \$791 thousand to 45 participants. Awards were invested in litter eradication, waste reduction, community beautification, youth empowerment, and program development. Through the new tourism event growth and sustainability program, which has three different award tracks, NMTD awarded \$177 thousand to 12 events. The New Mexico True Certified program continued to grow in FY23 and helped businesses with co-branded advertisements, certified logos, and holiday gift guides. Participation in the program increased 8 percent in FY23. The Cooperative Marketing Grant Program provides a 2 to 1 marketing funding match and customized media strategies for tourism-related entities. In FY23, the department awarded \$3.9 million in grant funding to 41 partners. Marketing campaigns supported by the cooperative grant include digital billboards in El Paso to promote Silver City, social media content for the Santa Fe Children's Museum, and photo asset creation for Mesilla.

Budget: \$3,006.1 **FTE:** 17

Source: NMTD

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Actual	Rating
Number of meetings or events conducted with Native American entities	21	23	70	50	Y
Number of participants in New Mexico True Certified Program	414	401	400	433	G
Program Rating	R	G			G

New Mexico Occupancy Rate 2023



Source: NMTD