

The seal of the State of New Mexico is visible in the background, featuring an eagle with a shield on its chest, perched on a cactus, with the words "ESTABLISHED 1846" and "THE STATE OF NEW MEXICO" around the border.

Legislative Finance Committee

New Mexico Tourism Department
October 22, 2024

Lancing Adams, Acting Cabinet Secretary

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Agency At-A-Glance

Vision: Be the primary destination for venturesome travelers

Mission: Grow New Mexico's economy through tourism

Divisions:

- New Mexico Magazine - P546
- Program Support -P547
- Tourism Development –P548
- Marketing and Promotions - P549

Total Authorized FTE: 59 FTE

Current Vacancy Rate: 6.77% (4 positions)

FY25 Budget (Current):

Recurring: \$25,612,700

Other State Funds: \$4,817,000

Non-recurring: \$23,560,000

FY24 General Fund Reversion:

- \$ amount: \$240,569.68
- % Total budget: 0.97%

Economic Impact Report (2023)

\$11.6 BILLION

Total Economic Impact of Tourism in New Mexico in 2023



\$8.6B

Direct Visitor
Spending



\$11.6B

Total
Economic
Impact



93,200

Total
Jobs
Sustained



\$810.7M

State & Local
Taxes Generated

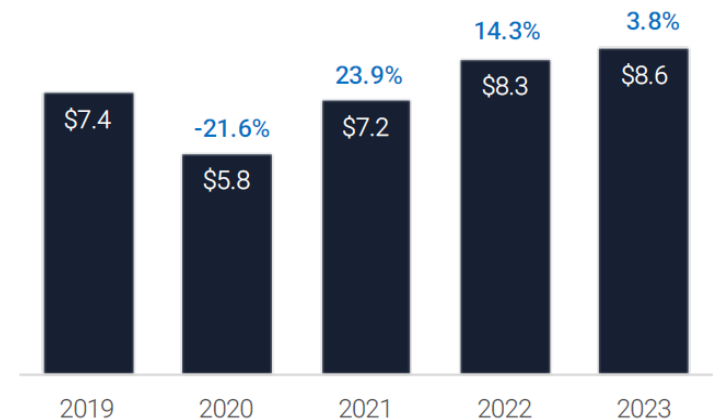
Source: 2023 Economic Impact Study (Tourism Economics)

Economic Impact Report (2023)

- Visitor spending increased by **3.8%** in 2023 & total visitation increased by **1.2%**
- International visitation increased by **34.3%**--bringing it to 2019 numbers
 - *Total international visitation to the US in 2023 was at 84% of 2019 numbers*
- International spending in NM increased by **36.2%**, surpassing 2019 numbers by nearly 6%
- Visitor-supported employment grew by **2.2%** in 2023

New Mexico Visitor Spending

Amounts in \$ billions



Source: Tourism Economics



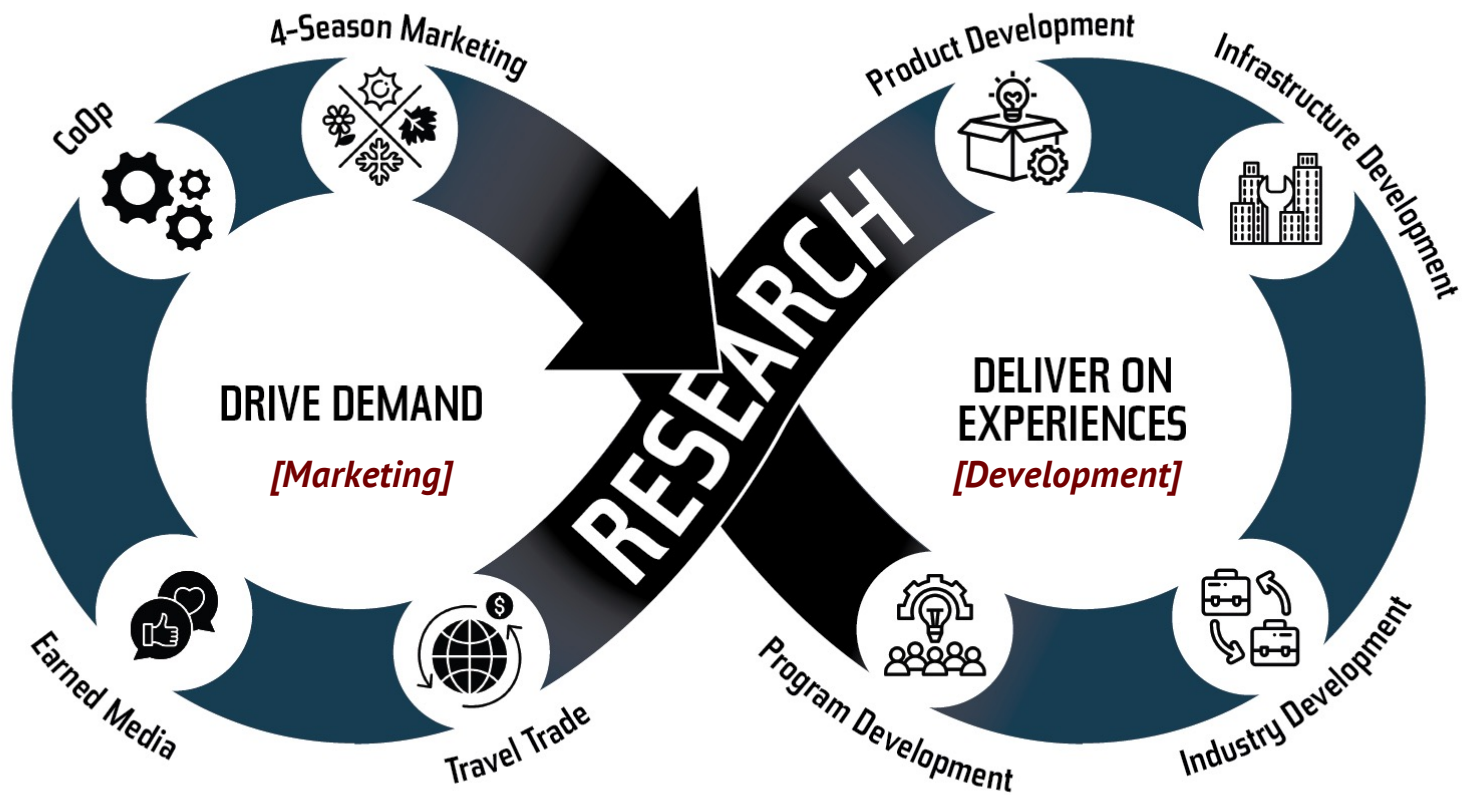
Tourism *Marketing* makes a
promise of “Adventure
Steeped in Culture” through
quality brand impressions.

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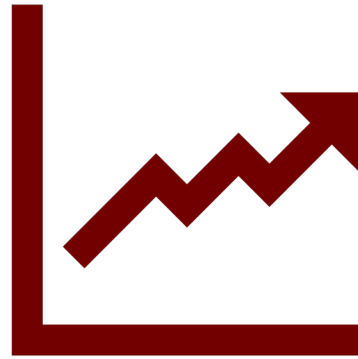


Tourism *Development* delivers
on our promise through
quality amenities, attractions,
and access.

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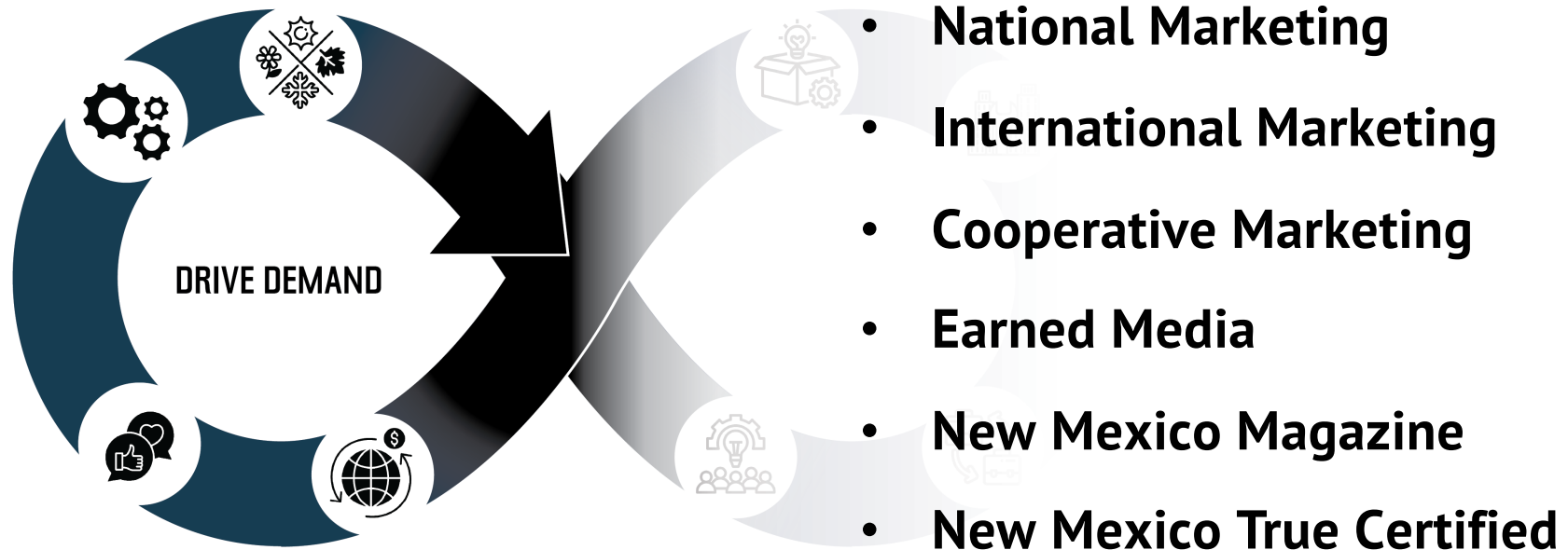
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Drive Demand: Tourism Marketing

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Drive Demand: Tourism Marketing



National Marketing

GROWTH MARKETS

San Francisco, Los Angeles, San Diego

4% average visitation
103:1 average ROAS
\$1,788 avg. trip spend

RETENTION MARKETS

Austin, Dallas, Denver, Phoenix

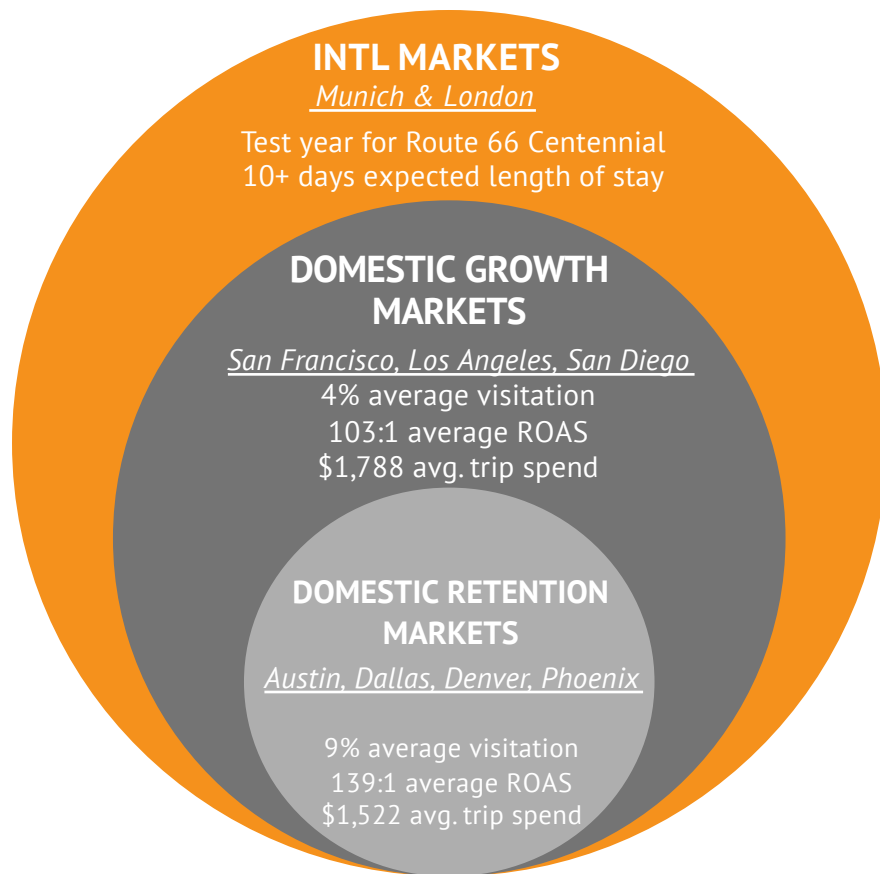
9% average visitation
139:1 average ROAS
\$1,522 avg. trip spend

The market strategy will be focused on differentiating growth vs. retention markets.

- Growth markets:
 - Lower volume visitation/awareness
 - High average trip spend
- Retention markets:
 - Higher volume visitation/awareness
 - Lower average trip spend

Placing a higher priority on the growth markets will help us increase overall awareness and increase travel to New Mexico among those who are likely to spend more.

International Marketing



We have also added two international markets to our FY25 Spring/Summer media plan to support the Route 66 centennial

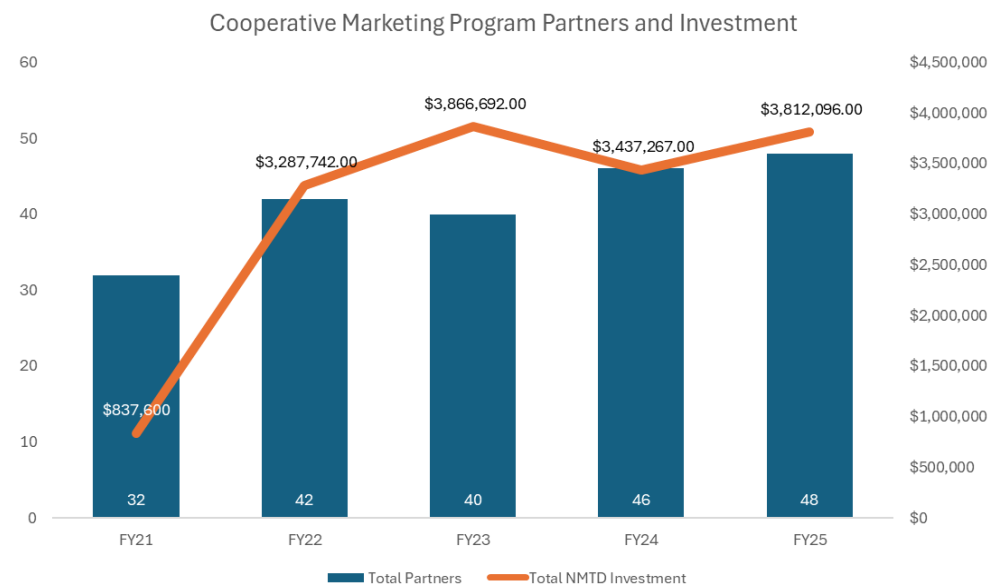
- This cohort plans to stay longer, take detours off of Route 66 and spend more on retail and experiences to immerse themselves in the destination
- Placements in Munich and London include high-traffic billboards, digital placements popular with international travelers, and relevant e-newsletters



Cooperative Marketing

The Cooperative Marketing & Advertising Program (CoOp) is a co-funded, co-branded marketing program aimed at growing New Mexico's tourism economy together by utilizing the strength of the New Mexico True brand.

In FY25, the CoOp program awarded more than \$3.8MM in funding to 48 local governments, attractions, and tourism-related nonprofits statewide.

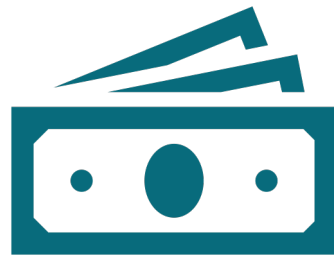


Earned Media

Summary of FY24 National Earned Media Program



Impressions
2B+



Estimated Value
\$26M+



Placements
140



ROI
\$77 : \$1

New Mexico Magazine

New Mexico Magazine received 20 excellence awards from the *International Regional Publishers Association*, including the **2024 Magazine of the Year**

Reaches an audience of over 535,000 each month through our print, digital, and social media venues

The 2025 Travel Adventure Guide will be on newsstands in late December with a distribution of 300,000 copies



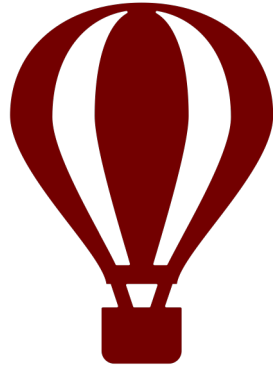
New Mexico True Certified

This free program is open to licensed New Mexico businesses whose products are made in or grown in New Mexico. Once accepted into New Mexico True Certified, a company's products are eligible for the use of a proprietary logo to use in its packaging or marketing.

FY25 Snapshot:

- 495 current partners
- 2023 holiday campaign brought in 12,000 referrals to businesses that sold nearly \$582,000



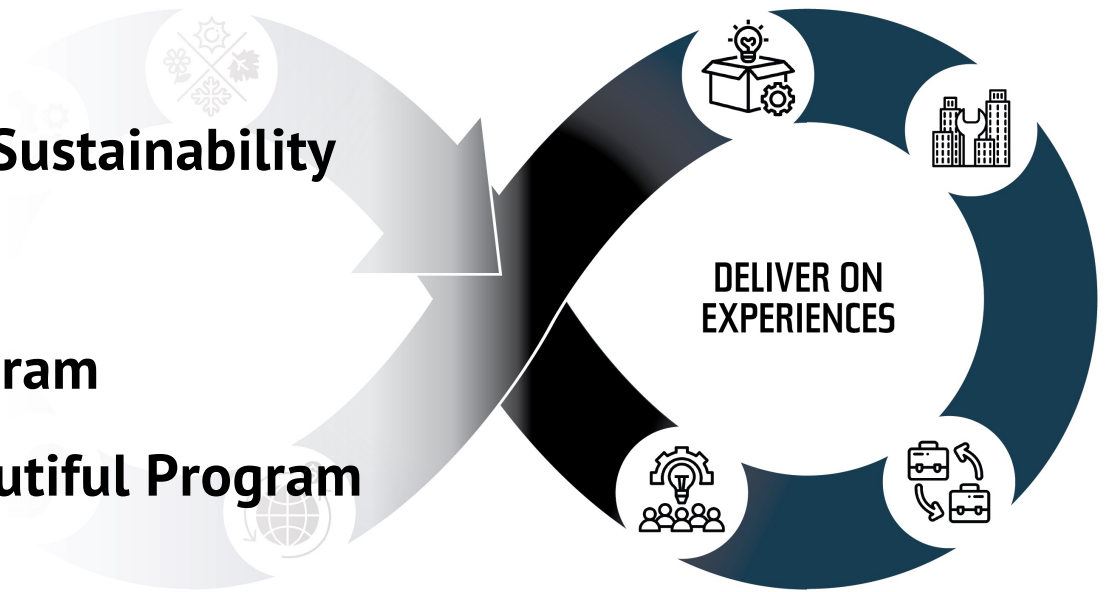


Deliver on Experiences: Tourism Development

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Deliver on Experiences: Tourism Development

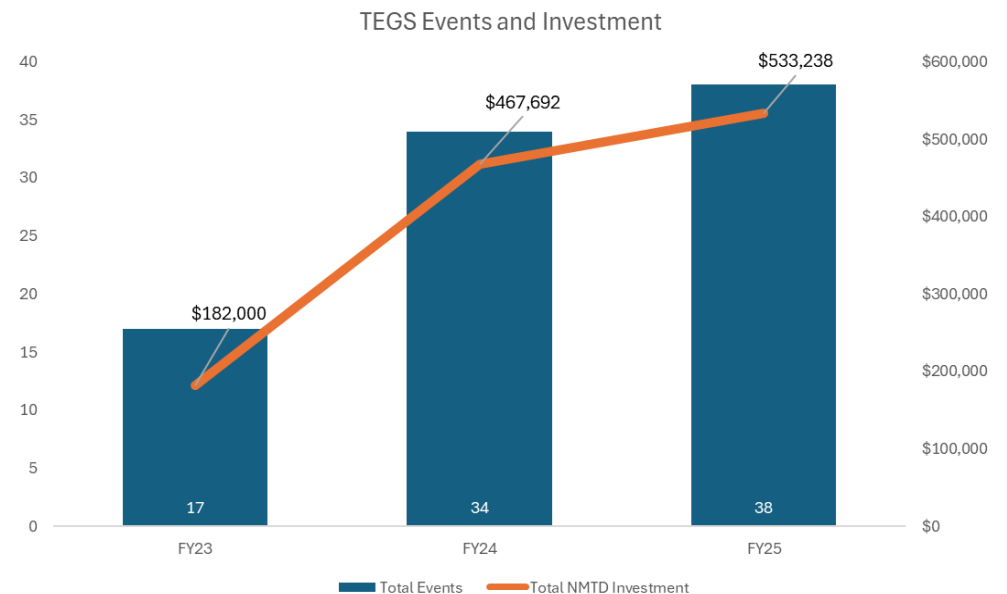
- **Tourism Event Growth & Sustainability Program (TEGS)**
- **Destination Forward Program**
- **New Mexico Clean & Beautiful Program**



Tourism Event Growth & Sustainability Program

The Tourism Event Growth & Sustainability (TEGS) Program provides technical assistance, marketing, and sponsorship to qualified tourism events within New Mexico to support their growth and sustainability.

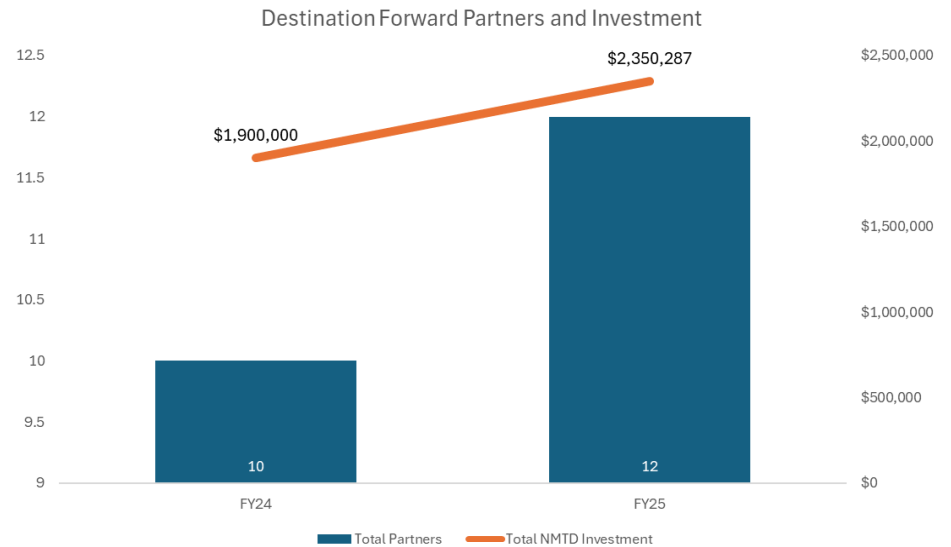
In FY25 the TEGS program awarded \$533,238 in grant funding to 38 tourism-related events, statewide.



Destination Forward Program

The purpose of the Destination Forward Grant Program is to support the development and implementation of tourism infrastructure projects throughout New Mexico.

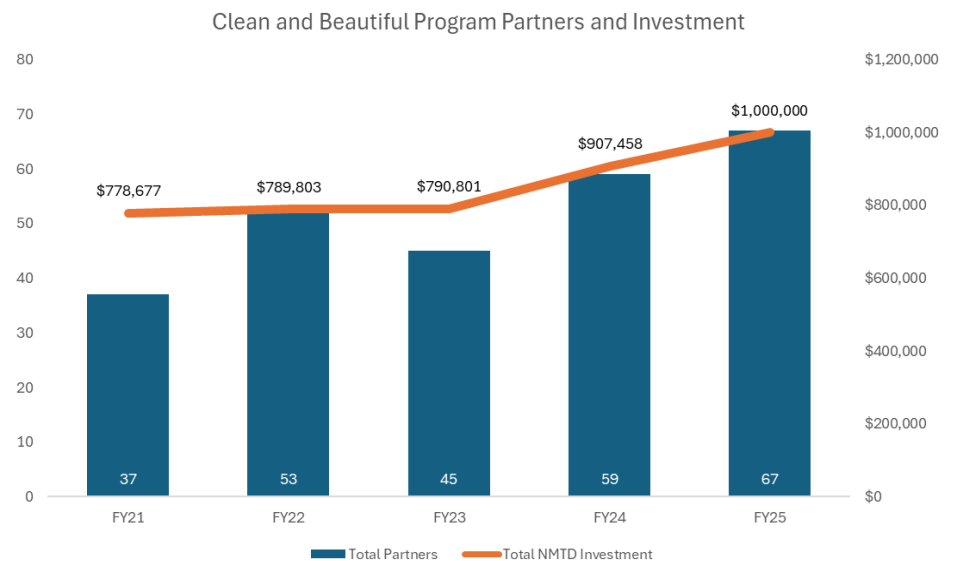
In FY25 the Destination Forward program awarded \$2.35MM in grant funding for 12 tourism-related infrastructure projects, statewide.



New Mexico Clean & Beautiful Program

The New Mexico Clean & Beautiful Program partners with communities to Keep New Mexico True by providing funding and technical assistance to municipalities, counties, and tribal governments on litter eradication, waste reduction, and community beautification initiatives.

In FY25 C&B awarded \$1MM in grant funding to 67 communities, statewide.





New Initiatives



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Marketing Center of Excellence

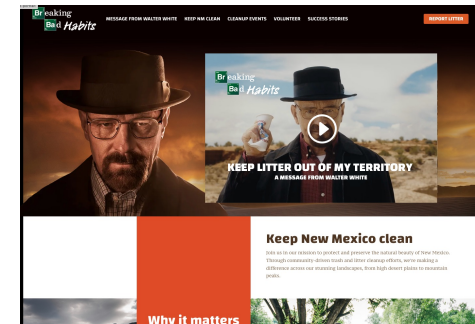
The Marketing Center of Excellence is tasked with supporting executive agencies in developing robust, high-impact campaigns by providing marketing expertise, resources, and technical assistance.

Key Projects

- Develop a campaign workflow/communication protocol between executive agencies, establishing official points of contact for executive campaign decisions
- Implement protocols for standardized reporting of communication and marketing effectiveness
- Develop an asset library for all executive agencies and manage the creation those assets
- Develop a robust suite of tools and resources for public relations, marketing campaigns, and overall strategy

Breaking Bad Habits: Statewide, Interagency Anti-Litter Campaign

- Coordination of website creation and content development, messaging
- Oversight of communications strategies and alignment between executive agencies and creative firms
- Management of production and communication timelines and deadlines for campaign launch
- Contribution to interagency task force achievements



Route 66 Centennial Grant Program



Purpose: To provide support for communities along Rt. 66 as they prepare for the Centennial, through three distinct grant tracks: Marketing and Promotions, Infrastructure, and Special Events.

Marketing and Promotions:

Digital marketing campaign, creative production, branded promotional items, and web development.

- **Funding:** \$500,000
- **8 Communities Awarded:** Albuquerque, Santa Fe, Moriarty, Tatum, Grants, Gallup, Santa Rosa, Pecos

Infrastructure:

Enhance infrastructure and visitor experience within Rt. 66 Communities.

- **Funding:** \$1,043,000 (\$680,000 Legis. Approx. & \$363,000 General Fund)
- **6 Communities Awarded:** Gallup, San Jon, Santa Fe, Santa Rosa, Tatum, Albuquerque

Special Events:

Sponsorship of special events, fairs, and festivals celebrating the Centennial.

- **Funding:** \$70,000
- **6 Communities Awarded:** Albuquerque, Grants, Moriarty, Santa Fe, Santa Rosa, Pecos

Total Funding: \$1,613,000

Travel Trade

Purpose:

The purpose of the Travel Trade Program is to grow visitation to New Mexico through domestic and international travel by promoting New Mexico through business-to-business relationships in the travel trade ecosystem.

Description:

The Travel Trade Program features tactics and strategies intended to inspire travel buyers and product developers to sell more packaged tours that feature bookable New Mexico product to domestic and international audiences.

FY25 Snapshot:

- Attending four travel trade conventions
- Establishing framework for growth & sustainability





FY26 Budget Request

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FY26 Base Budget Request



Base Budget – Requesting a 3.3% increase over FY25 OPBUD

200 category - \$790.8K 

To support two (2) new positions – one (1) in Program Support (P547) and one (1) in Tourism Development (P548). Includes a 10% group insurance increase. Ensures that filled positions are fully funded in their appropriate Pcode.

400 category - \$200K 

To support the New Mexico Bowl.

FY26 Agency Special Appropriations Request



National Advertising - \$16 million

For national and international marketing.

Destination Forward - \$1.9 million

For grants to tribal and local governments for tourism related infrastructure projects for expenditure in fiscal years 2025 through 2027.

Marketing Center of Excellence - \$2 million

To continue to implement HB 377 passed in 2022 – centralized state agency marketing campaigns.

Litter and Beautification Campaign - \$2 million

For a marketing campaign for litter pick-up and beautification efforts.

Special Olympics - \$300,000