

**Performance Report Card
Tourism Department
Third Quarter, Fiscal Year 2013**

Performance Overview: The leisure and hospitality industry is leading New Mexico's job growth, adding 2,800 jobs from March 2012 to March 2013. This represents 73.7 percent of the total job gains over that period. New Mexico ranks 38th nationally for employment growth and trails in this category, at 0.5 percent, compared with every state in the region except Wyoming. If New Mexico's overall employment growth matched that of its leisure and hospitality industry -- 3.3 percent -- the state would rank fourth in the nation for job growth.

The Tourism Department is not a key agency and is not required to report quarterly on performance measures. However, because the leisure and hospitality industry is leading New Mexico's job growth, and as the Legislature appropriated nearly \$2 million in additional funding for tourism advertising for FY14, LFC staff recommends making the Tourism Department a key agency for reporting purposes. This is a model for potential report cards for the department; some information is not yet available, such as quarterly data for accommodations gross receipts tax revenue. LFC staff asked the department to supply the missing data, but limited information was available, primarily due to difficulty retrieving information quarterly instead of annually.

Marketing and Promotion Program		Budget: \$5,789.2	FTE: 37.5	FY11 Actual	FY12 Actual	FY13 Target	Q1	Q2	Q3	Rating
1	Gross receipts tax revenue from accommodations revenue			n/a	n/a	n/a	n/a	n/a	n/a	-
2	Number of new jobs created in the leisure and hospitality industry year-over-year			n/a	n/a	500	n/a	n/a	2,800	G
3	Dollars spent per overnight primary visitor per day			n/a	\$63.50	\$53.00	Reported Annually			-
4	New Mexico's domestic overnight visitor market share			n/a	1.0%	1.0%	Reported Annually			-
5	Percent of visitors who choose New Mexico as their primary destination			n/a	72%	69%	Reported Annually			-
6	Number of unique digital visitor guide visits			n/a	n/a	120,000	40,256	32,398	43,878	G
Program Rating				n/a	n/a					G
Comments: The department reports it will use the additional advertising funds appropriated for FY14 to expand marketing efforts farther into Texas to include Dallas and Houston and also begin advertising in Chicago. Last year's return on investment study indicated the current marketing campaign has a three-to-one return for state and local tax dollars. The study showed ads in Colorado and Arizona produced the greatest returns, so the department will continue the campaign in those states, using television commercials, digital ads, billboards and print ads. A study also showed New Mexico has a lower return visitation rate than neighboring states, and the department will work on a plan to combat this issue. In addition to out-of-state marketing, the department has an in-state campaign to encourage New Mexicans to stay local rather than travel elsewhere for vacation, taking their dollars with them.										
Tourism Development Program		Budget: \$2,011.5	FTE: 4	FY11 Actual	FY12 Actual	FY13 Target	Q1	Q2	Q3	Rating
7	Number of communities using the New Mexico true brand in advertising (cumulative)			n/a	n/a	5	n/a	n/a	7	G
8	Number of entities participating in collaborative applications for the cooperative advertising program (cumulative)			n/a	n/a	150	n/a	n/a	232	G
9	Number of referrals from newmexico.org website to partner websites			n/a	n/a	60,000	n/a	15,761	26,992	Y
Program Rating				n/a	n/a					G

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Comments: The department encourages collaborative applications for the cooperative advertising program by awarding significantly greater funds for collaborative versus individual applications. The results significantly exceeded expectations, with 232 collaborating entities compared to the target of 150. The results for the second and third quarters for the number of referrals to partner websites indicate the department should be on track to meet the annual target; however, the department did not start tracking this number until the second quarter, leaving first quarter results unknown.

New Mexico Magazine Program		Budget:	FTE:	FY11 Actual	FY12 Actual	FY13 Target	Q1	Q2	Q3	Rating
10	Circulation rate*	\$3,405.1	14	96,500	94,221	100,000	n/a	n/a	n/a	-
11	Advertising revenue per issue, in thousands*			\$64.1	\$65	\$110	n/a	n/a	n/a	-
12	Number of qualifying website visits to nmmagazine.com and newmexico.org, in thousands			n/a	n/a	480	131.9	123.5	206.0	G
Program Rating				n/a	n/a					G

Comments: The New Mexico Magazine is the oldest state magazine in the United States, founded in 1923, and is the third-largest state-owned publication in circulation. The Western Publications Association named it the best regional and state consumer magazine for 2013 -- a great follow-up to an award for "most improved" magazine of the year in 2012. Program revenues exceeded expenditures in FY12 for the first time in several years, and the department reports it is on track to repeat this success again for FY13.

* Denotes House Bill 2 measure