

# Application Summary

**Application:** FY25 DMO Plan

**Applicant:**

**Funding opportunity:** FY25 DMO Plan

## Application Responses

**Organization Name:** Destination Missoula

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**City:** Missoula

**State:** MT

**Zip:** 59802

**Funding Opportunity:** FY25 DMO Plan

**Amount Requested:** 481,809.00

## General Description Information

**1. Describe your destination (who you are, who you wish to attract and why would they come) addressing your strengths, opportunities, and potential challenges.:**

**1a. Destination:**

### INDIGENOUS LAND ACKNOWLEDGMENT

Destination Missoula and the Missoula Tourism Business Improvement District gratefully acknowledge and recognize the Indigenous peoples who are the original stewards of the land we now live, work and recreate on. We are in the aboriginal territories of the Séliš (Salish), Ksanka (Kootenai) and Ql̓ispé (Kalispel) people, and we honor the path they have always shown us in caring for this place for the generations to come. As we experience and enjoy Missoula and the surrounding region, we acknowledge that we are on Indigenous land, and every river, mountain, meadow, plant, fish, animal, insect and landmark has an Indigenous name and story.

### PREFACE

As we enter a new year, we are optimistic about tourism in Montana and in Missoula. Life is returning to a "new normal," allowing individuals to take time planning extended vacations rooted in meaningful experiences. In addition to the return of meetings and conferences held at local facilities, there's notable eagerness within the general public to get out and explore new destinations. According to the latest Destination Analysts' report, the tourism industry is seeing a significant uptick in traveler excitement compared to the last three years. Eighty-four percent of Americans expressed excitement for upcoming leisure trips in the next 12 months, with half of American travelers reporting at least two weeks of vacation days on the horizon. This enthusiasm and pent up energy around travel points to another busy

year for tourism.

And, although Montana has been lucky to see near recovery of our industry sooner than many states, we are also dealing with unforeseen consequences. Especially in Western Montana, the sudden interest in Montana has created a cycle of lack of affordable housing and available workforce, making it difficult for Montana businesses to service the influx of visitors and meet residents' needs. In addition, the rise of inflation and uncertain political climate, not only in the United States but across the world, and climate change affects the industry and each of us individually.

Due to this, we are looking at FY 2024/25 as a period of transition. Although we will still need to remain flexible and resilient to meet unexpected challenges, we are also seeing the light of a new future at the end of the tunnel. The tourism industry has grown and evolved in the last few years in our understanding of our roles and responsibilities to our residents as well as our visitors.

Destination Missoula, with guidance from internationally renowned travel and tourism consulting firm MMGY NEXTFactor, completed an extensive three-year Strategic Plan in September 2021. In addition to recognizing the importance of our traditional role of marketing to enhance year-round sustainable visitation, the boards of both Destination Missoula and the Missoula Tourism Business Improvement District reexamined the importance of our roles in our community in advocacy, management and stewardship of the assets and natural resources Missoula is blessed with. The importance of community alignment and our voice at the table around pressing issues such as affordable housing, workforce, childcare, transportation and land management, etc., became central to our understanding of success in the future.

With this understanding, Destination Missoula and Missoula TBID, with guidance from MMGY NEXTFactor and internationally renowned consultants Better Destinations and SMARInsights, embarked on a journey to develop a Destination Stewardship Plan for Missoula and the surrounding five valleys. To create a new joint vision for our organizations based on sustainability, inclusivity and quality-of-life-focused initiatives, we created a steering committee of 29 community leaders from all sectors; engaged 1,242 stakeholders and community members; and held nine focus groups with 92 participants, 16 one-on-one interviews, and four community town halls. MMGY NextFactor conducted a resident sentiment survey to assess residents' views on tourism before the summer tourism season started and after it was over. Approximately 953 residents participated in the survey. Additionally, SMARInsights conducted a national visitor profile survey designed to help us identify different visitor segments, key motivating factors, gauge the role of sustainability as a motivator, assess the image of the destination, and determine how Missoula compares to key competitors.

We are now in the final stages of the process, with a draft of the Destination Stewardship Plan: a 10-year, community-driven roadmap for the future of tourism in our area. We will look to our stakeholders for their valued feedback and confirmation as we begin to devise a strategy to implement the plan and strive to meet the ultimate goal to preserve the quality of life for our residents, to limit impact on our environment and to inform and inspire visitors to travel with care while they enjoy the many recreational options in our

beautiful home.

## **WHO WE ARE**

### **OUR ORGANIZATION**

Destination Missoula is committed to promoting Missoula, Montana, as a unique and transcendent destination. As we market Missoula we play to its strengths—of which there are a multitude—and look ahead to opportunities on the horizon. As a team, we keep our eyes open to inevitable challenges and work toward solving them efficiently and effectively. And we do it all with a foundation of pure gratitude that we get to live in and tout such an exceptional place.

Our organization is here for the visitors and residents of Missoula as well as the natural spaces that make this place so special. We know that inspiration and education go hand in hand when it comes to promoting our destination, and our work continues to focus on the benefits of responsible, sustainable tourism. Along with many in the tourism industry, we also recognize that our role and responsibilities to both our residents and visitors are changing and to be good stewards of the place we love also means being a leading voice in management and development of our resources and industry assets.

## **IDENTITY**

### **OUR VISION**

A vibrant and inclusive quality of life, place and experience for our community and visitors.

### **OUR MISSION**

Promoting responsible and sustainable year-round tourism in Missoula and the surrounding areas.

### **OUR DESTINATION**

In a valley that unfolds at the confluence of three rivers and seven wilderness areas, Missoula, Montana, is anything but ordinary. Here, nature inspires a philosophy of slowing your pace to mountain time, living out loud and taking it all in. Adventure is always top of mind in this paradise where recreation is second to none and a balanced and full life is priority number one.

We wish to attract people who identify with the Missoula way of life, even if just for a weekend. These are people who want to taste local cuisine, breathe fresh air and soak in the view. Most importantly, Destination Missoula aims to reach people who will respect, support and enjoy the community we've built. Lucky for us, Missoula has a knack for drawing in these adventurous yet conscientious visitors.

Missoula is the second-largest city in Montana, but to those visitors from large urban areas, Missoula is a vibrant, eclectic and authentic small town bursting with charm and personality, perfectly situated halfway between Montana's two awe-inspiring treasures: Glacier and Yellowstone national parks.

Served by the Missoula Montana Airport and three major highways, Missoula is the ideal hub from which to explore the many wonders of Montana. Accessibility to world-class recreation makes Missoula an unparalleled place for outdoor exploration. Where else can you hit up one of the West's best farmers

markets, kayak or river surf right downtown and hike or bike an epically scenic trail in 60,000 acres of wilderness—and wash it down with a finely crafted Montana beer, good food and friendly conversation at a local brewery—all in the same day?

Missoula is also a regional destination for shopping and dining. It features three distinct shopping districts and an abundance of eateries and places to drink—like fine dining, authentic steakhouses, food trucks, iconic taco joints, cafés, coffee shops, distilleries and taprooms—with something to fit all budgets and palates.

Missoula is Montana's most cosmopolitan and diverse community and the heart of arts and culture in the state, seamlessly blending contemporary culture and historical heritage. Visitors find this arts and cultural hub brimming with a seemingly endless array of entertainment and events: Think symphony, theater, film festivals, nationally recognized artists live in concert, author readings at independent bookstores, college sports, ballet, opera and even roller derby.

And Missoula proudly lives our history, from Native Americans and the Lewis and Clark Expedition to smokejumpers and Glacial Lake Missoula. Missoula is also a regional hub and state leader in commerce, education and health care.

Some might call it one-of-a-kind, cool or hip. Others will experience it as serene, welcoming and replete with natural beauty. Missoula is alive, pulsating with a distinctive small-mountain-town spirit, offering pristine open spaces, places to go, incredible things to see and do and the best people around. Missoula's unique character is shown through marketing efforts that incorporate brand fonts, colors and stunning, authentic imagery.

## **1b. Strengths:**

### ARTS AND CULTURE AND ATTRACTIONS

Nurtured by nature, culture is alive and well in Missoula, home to the most diverse and extensive arts and music community in Montana. From writers to performing artists, painters to photographers and historians to museum curators, all are inspired by the beauty, charm and roots of their surroundings. Missoula is fortunate to be home to numerous famous and creative individuals who add a dimension and depth to the community that is usually only associated with larger cities. Regionally, nationally and, in many cases, internationally renowned, Missoula's cultural community creates an essence that urban travelers want but do not expect in Montana, making Missoula a surprisingly unique destination with an allure that draws visitors back again and again.

Last year marked significant milestones in Missoula's cultural scene with the opening of the state-of-the-art Montana Museum of Arts and Culture, located on the University of Montana (UM) campus, and the eagerly awaited debut of the Missoula Butterfly House and Insectarium. Despite recent challenges, our arts community has shown resilience and creativity. We see exciting new growth emerging in this sector and the ongoing support from our community fills us with optimism for the future.

## IMMEDIACY OF OUTDOOR ACCESS

In Missoula, the great outdoors really are right outside your door and a river really does run through it. On any given day, anglers are gracefully casting in the Clark Fork River. Downstream, kayakers and river surfers perform athletic feats atop the man-made Brennan's Wave. Tubing is an alternative form of transportation in the summer as people ride the river right through town. Off the water, the trail system that crisscrosses the city keeps people grounded, and bicyclists ride on the country's friendliest streets. In late 2023, Missoula's city and county governments agreed to purchase Marshall Mountain, whose miles of trails currently are and will continue to be accessible to the public for outdoor recreation. In addition, collaboration between land owners and managers on Mount Dean Stone have allowed for many miles of new trails to be accessible to the public. For winter lovers, the surrounding hills and mountains offer a powder paradise of backcountry and cross-country skiing while Montana's Snowbowl provides downhill adventure right in Missoula's backyard. So, whether you run, ski, paddleboard, river surf, kayak, bike, hunt, fish, hike, backpack, float or camp, you can indulge your passion within minutes of the city center.

## REGIONAL HUB

Missoula is a regional center for retail, health care, education, forestry, ecology, transportation and culture. People come from across the state and region to shop in Missoula's historic downtown boutiques and at Southgate Mall—Western Montana's largest mall. The preeminent care provided by renowned physicians and hospitals makes Missoula a center for Western Montana's health care. Home to the University of Montana, Missoula hosts students from around the world who seek an education that is highly valued and recognized on a campus that is one of the country's most picturesque. This level of education also produces a population of "top in the field" professionals who work in and serve our community. In order to support these industries, Missoula must also be a transportation hub. Missoula can be reached by two major highways—U.S. Highway 93 and State Highway 200—and Interstate Highway 90. The Missoula Montana Airport is currently undergoing a massive expansion project. Phase 1 was completed in 2022, providing more gates and accommodating more flights into Missoula and Phase 2 is on track to be completed in 2025. It currently hosts seven major air carriers and has nonstop flights to the following destinations:

- Seattle
- Portland\*
- San Diego
- San Francisco\*
- Las Vegas
- Phoenix/Mesa
- Oakland\*
- Los Angeles\*
- Orange County\*
- Dallas
- Chicago\*
- Salt Lake City
- Minneapolis/St. Paul

- Atlanta\*

\*Seasonal

## SPORTS AND ADVENTURE

In Missoula, we play long after the game is over because our outfield is endless. Our proximity to three pristine rivers and seven wilderness areas, and within 100 miles of five ski areas, means adventure is virtually limitless here. We're a recreation hot spot where teams come together for the love of sport and play is nurtured by natural beauty and fresh mountain air. Missoula is home to a wide range of sports teams to cheer on. We've got everything from Griz Hockey and our Hellgate Roller Derby league to Missoula's very own Curling Club and Freestyle Ski Team, not to mention our beloved Minor League Baseball team, the Missoula PaddleHeads, whose home turf is nestled along the Clark Fork River at the scenic Ogren Park at Allegiance Field. UM Griz teams enjoy an enthusiastic fan base—Griz Nation set a new football season ticket record of 18,761 in advance of the 2023 season—particularly when teams reach championships, like the football and men's basketball teams did in their 2023-24 seasons. The annual Brawl of the Wild football game where UM rivals the Montana State Bobcats is a highlight of Missoula's event calendar.

Missoula is proud to be the host city for University of Montana athletics, where Montana Grizzly pride runs deep. Grizzly athletics brings people from across the region to enjoy Missoula's unwavering tradition of college sports. Our Washington-Grizzly Stadium welcomes locals and visitors alike to rattle the stadium with shouts of support for their teams. It also receives numerous accolades, solidifying its national reputation as an outstanding venue. In 2022, the NCAA ranked Washington Grizzly Stadium as the 12th biggest FCS football stadium in the country. Washington Grizzly Stadium also earned the coveted top spot of #1 FCS Stadium Experience in the nation for 2023, according to Stadium Journey.

Distinctive sporting events are held in Missoula each year. We host several races that draw residents and visitors alike, including the world-famous Missoula Marathon. This Boston Marathon qualifying race ranks in the top 10 U.S. marathons year after year, grabbing the #1 spot in both 2017 and 2018 and remaining high on the roster with a #2 spot in 2019, #3 in 2020, and #1 in top 5 "race-cation" destinations by BibRave. Maggotfest, a famed rugby tournament, draws rugby clubs from around the world for a weekend of lively competition—sometimes involving costumes and always featuring good sportsmanship. And Missoula's sports and recreation sector continues to grow: Missoula was selected to host the Pan-Am Cyclocross Championships for 2023 and will host this event again in 2024. This is an incredible opportunity for our small mountain town, as this world-renowned race has the potential to bring in competitors and spectators from 44 different countries around the globe.

The Fort Missoula Regional Park spans 156 acres and features a five-field, lighted softball complex with

moveable fences; two additional softball fields; 10 full-size multi-use fields for soccer, football, lacrosse and rugby; one lighted artificial turf multi-use field; pickleball, basketball and volleyball courts; and public restrooms and parking lots. The park was the first SITES-certified project (constructed with sustainable, long-term community usage and planning in mind) in Montana and the largest SITES-certified developed park to date. These impressive amenities allow Missoula to bid for and host major tournaments—which have a positive economic impact on Missoula—that Destination Missoula previously had not been able to, for lack of infrastructure. This park is the realization of a years-long effort to create a recreation epicenter in Missoula—accessible to all ages and abilities—providing walking trails, lots of open space, playgrounds, picnic shelters and pavilions, historic interpretation and more.

## MUSIC AND ENTERTAINMENT

Part of our charm is that we march to the beat of our own drum here in Missoula, and we wholeheartedly celebrate the mountain sound and the rhythm the rivers afford. Missoula’s music scene is broad, running the gamut from orchestral to bluegrass and country to hip hop, and the city has hosted such icons as Pearl Jam, Paul McCartney, The Rolling Stones, The Lumineers, Counting Crows, Third Eye Blind, Jason Mraz and many more. The Wilma—ranked by Pollstar as #106 of the Top 200 Clubs Worldwide (based on ticket sales)—is a beloved local spot to see live music, but Missoula’s outdoor venues steal the scene during the summer. Big Sky Brewing features an amphitheater next to the brewery with a capacity of 5,000. The 4,000-seat KettleHouse Amphitheater in Bonner (7 miles from Missoula) sits along the banks of the beautiful Blackfoot River.

It receives national acclaim year after year, and was recently ranked 58th among the Top 200 Amphitheaters Worldwide by Pollstar. But the expectation for music tourism doesn’t stop at a single venue—Pollstar listed Missoula among the Top 100 Concert Markets in the U.S. for 2023. Missoula’s local concert management company, Logjam Presents’, recent partnership with LiveNation is certain to bring bigger acts—and more of them—to Missoula this upcoming year.

## NIGHTLIFE

For a small town, Missoula surprises with a nightlife scene that is the perfect combination of laid back, family-friendly, weird and trendy. Whether visitors are looking for upscale dining and cocktails or dive atmospheres, they will find affordable fare, great ambiance and many options throughout the entire town. First Friday Gallery Night is consistently a favorite for visitors where they can mingle with locals, have complimentary beverages and snacks and admire local artwork while perusing downtown. The additional storefronts in the Mercantile Building have provided increased options for dining and nightlife and extended the already-vibrant downtown scene in Missoula. We have regular happenings that amp up the nightlife experience as well: local comedy shows, bar karaoke, DJs and bands, drag shows and even dueling pianos at our very own speakeasy lounge. We also offer family-friendly “nightlife” options, like the bowling alley, arcade, pool table and bar found at Westside Lanes. Most of our local breweries are family-friendly, too, so you can sip a tasty craft beer and play trivia with the whole family in the midst of Missoula’s downtown scene.

## TBID PARTNERSHIP

The Missoula Tourism Business Improvement District (TBID) and Destination Missoula boards work in close partnership. The boards meet together monthly, set mutual goals and establish budgets that work in concert to effectively market Missoula. TBID and Destination Missoula private funding helps to enhance bed tax funded programs and solely funds additional programs such as flight guarantees and grant funds as outlined in the DMO Plan. This partnership has proven a great strength not only for both organizations but for Missoula's overall tourism industry.

### **1c. Opportunities:**

#### TRANSPORTATION

Mountain Line's Zero-Fare bus service improves the quality of life for Missoula's entire community because more transit riders mean better air quality, less traffic and parking congestion, more students getting to class, more employees getting to work and more seniors and people with disabilities staying active and mobile.

Missoula boasts more than 22 miles of off-street trails and 40 miles of on-street bike lanes, making it an ideal destination for cyclists. Recent research indicates that over 50% of Missoula residents have enjoyed biking within the past month, contributing to its recognition as a Gold level Bicycle Friendly Community by the League of American Bicyclists. There are also many places to easily and affordably rent bikes in Missoula.

In addition to a number of car rental agencies in town as well as private car rental options through Turo, visitors can find their way around the Missoula community using UBER and LYFT. These app-based services put a ride or a delivery at your fingertips. They also provide a flexible source of income for Missoulians. Mountain Line and ride-sharing services offer a huge benefit to visitors who wish to explore the city but have opted not to rent a car, as there is service from the Missoula Montana Airport to all reaches of town.

The Missoula Montana Airport has seen a steady increase in yearly passengers. The 2023 total passenger volume of 913,198 set a new record, breaking the previous record of 907,777 set in 2019. We are increasingly optimistic about the influx of new flights as the airport's \$110 million, two-phase expansion project is underway, with Phase 1—construction of the new airport terminal—already completed and Phase 2 scheduled to be finished in the spring of 2025. The plans also include room for future expansion of the airport. Our visitor experience will only improve as the airport expands to accommodate more travelers and routes.

#### ECONOMIC UPTURN

Despite the many challenges our economy faced in the past few years, Missoula has continued to bounce back and see new growth in sectors that directly relate to tourism. Many new retail stores, restaurants and breweries have opened or are slated to open in Missoula in all three shopping districts, and we expect to see new hotels opening, existing hotels renovating, a growing tech industry and the complete reconstruction of our airport to accommodate our increasing demand for air service. Southgate Mall's



expansion has created even more opportunities for economic growth.

## INFRASTRUCTURE

The face of Missoula is changing rapidly, all the while preserving the heart of what makes this community one truly extraordinary place. Expansion of Southgate Mall, Midtown development and downtown revitalization are a few of the major projects that have recently been completed or will be completed within the next few years.

## MIDTOWN GROWTH

Expansion of Southgate Mall has brought new dining, shopping, entertainment, retail and office space to the Midtown district of Missoula. With more than \$64 million in private investments and additional funding from the City of Missoula, this project created a new street network in the surrounding neighborhoods to create ease of access to nearby schools and entertainment options, and to enhance livability and raise property values. This multi-year project actively creates new property tax revenue in addition to adding upward of 700 new construction jobs, 375 new permanent jobs and safeguarding 1,250 existing jobs. Texas Roadhouse and Hobby Lobby have recently opened locations, and a local Mexican restaurant, Elote, is set to open in 2024. We anticipate many more restaurants and retail stores will take over the newly renovated storefronts at Southgate Mall.

In the same spirit of stewardship, the Midtown Master Plan was created to provide a voice for the people who live, work and recreate in Midtown and collaboratively establish ways to promote equitable development and belonging in their community. Midtown has seen many changes in 2023. The Missoula Midtown Association has teamed up with ECONorthwest with input from local residents to create a project process and timeline that will reflect the values of destination stewardship in preparation for future growth in the area.

Midtown Missoula has quickly become a prominent destination in town, as a steady emergence of new businesses set up shop in the area. Some new developments include: Market on Front's Midtown store, The Den; Florabella; Double K Ranch Deli; El Cazador; and a new location for Liquid Planet Grille. Kent Plaza recently opened to the public as well, filling its storefronts with several leisure-focused businesses like OddPitch Brewery, Rice Fine Thai Cuisine, Lookout Throwing Co, The Nail Place, Golden Leaf Studios and more. Green Source Missoula opened a second location in VRTX Gym, providing a space for members to work, study and relax pre- or post-workout. The opening of second storefronts of some of Missoula's finest businesses has only served, and will continue to serve, to enhance the charm of the Midtown area and bring local Missoula flavors to a part of town that was once known primarily for larger branded stores.

Additionally, the Missoula Fairgrounds, home to the Western Montana Fair and other large special events, is enhancing its assets, including improvements to the ice rink, the addition of the Butterfly House & Insectarium and Community Gardens and continued work

on the site's buildings with the goal of increased accessibility.

#### DOWNTOWN MISSOULA REVITALIZATION

Downtown Missoula has recently seen an influx of new businesses that are adding a fresh new face to the town. We've seen the recent additions of Tres Bonne, Catalyst2GO, Brasserie Porte Rouge, Tea & Crepes, Bar Plata, Relic and Montana Decor. Across the river, new housing, restaurants and retail developments are taking shape near the previous site of the Missoulian. On top of new business development, Beartracks Bridge (formerly Higgins Avenue Bridge) now includes expanded pedestrian lanes stretching across it, making it easy for bikers, walkers and people using motorized wheelchairs or strollers to access points in the downtown area on either side of the river. Beneath the bridge in Caras Park, Phase 1 of the area's remodel has been completed, resulting in increased multi-use lawn space for events and activities. The park's concrete amphitheater was leveled, allowing for additional seating more easily accessed by people of all abilities. Phase 2 of the Caras Park remodel will include creation of accessible river areas, a plaza for the Clark Fork Market, additional trails, new restrooms and, eventually, an ice ribbon for winter skating.

#### HOTELS

On top of the recent downtown additions of The Wren (opened late winter 2022) and AC Hotel (opened in 2021), the Homewood Suites by Hilton replaced Ruby's Inn and a number of current hotels are renovating their spaces to better accommodate visitors. These include the Fairfield by Marriott, Holiday Inn Missoula Downtown, Hilton Garden Inn, Days Inn & Suites by Wyndham Downtown Missoula University and Comfort Inn I-90 Shopping District. Missoula is looking forward to welcoming two new hotels in 2024: LOGE and LivAway Suites.

#### MISSOULA PUBLIC LIBRARY

The Missoula Public Library was named the World's Best Public Library in 2022 by the International Federation of Library Associations. It appears most Missoulians agree because it is also the busiest library in the state, with 700,000 visitors annually, 60,000 cardholders and more than 1 million items loaned out per year. The newly built library serves as a lifelong learning hub for Missoula County, a permanent anchor of downtown Missoula and a popular cultural destination for Western Montana's many visitors.

#### SAWMILL DISTRICT

Located on the south side of the Clark Fork River just outside of downtown, the Sawmill District consists of new-construction condos, restaurants and retail and office space. Tagliare, a popular Missoula sandwich shop, recently opened a second location in this trendy new neighborhood. The Sawmill District abuts the Riverfront Trail System, providing easy access to the rest of town, and is in close proximity to Ogren Park, the Missoula PaddleHeads Stadium at Allegiance Field, Silver Park, Currents Aquatic Center, MoBash SkatePark and numerous other recreational opportunities. Additionally, the district's first Tech Campus

was completed in 2022, just the first phase in a list of projects aimed to open up space for hundreds of new workers in the Sawmill District. The district also announced that construction is underway for eight Sawmill Townhomes.

#### CULINARY AND SPIRITS TOURISM

Two of the hottest trends in travel right now are culinary trips and spirits trips, and Missoula is the perfect place for both. The culinary tourism market in the United States is valued at \$13.58 billion in 2024 and is expected to have a compound annual growth rate (CAGR) of 19% from 2024-2030 with a revenue forecast of \$40.53 billion by 2030. Missoula's food scene has always been strong, but with the introduction of new retail and restaurant space downtown and in Midtown, Missoula is witnessing a cultural food movement. Missoula's continued growth in this sector sets us up solidly as a food travel destination. From restaurants that source local ingredients to our food trucks, breweries, distilleries, cider house and winery, Missoula has the diverse food and dining experiences these travelers expect. With all of these options available to guests, it's easy to see why Wallethub listed Missoula among the Best Foodie Cities in the U.S. in 2022. Additionally, two Missoula area chefs were nominated for the prestigious Best Chef Award for the Mountain Region by the James Beard Foundation: Brandon Cunningham with the Social Haus and Walker Hunter with Brasserie Porte Rouge. After receiving immensely positive feedback from our first Missoula Dining Guide in 2021, we produced a second guide with up-to-date information about our thriving (and ever-growing) drink and dining scene.

#### RETAIN PASS-THROUGH VISITORS

Approximately 3.49 million people pass through Missoula annually, but just half of them spend one or more nights in the community. This presents a great opportunity for the Missoula community to reach more visitors who are already passing through.

#### DESTINATION STEWARDSHIP PLAN

The Destination Stewardship Plan is a 10-year strategic roadmap for Missoula to provide the framework for inclusive, sustainable tourism development and promotion that balances preserving and enhancing our residents' quality of life with quality visitor experiences. This plan is not just a guiding document for Destination Missoula and Missoula TBID, but is a plan for the whole community. It was developed over 12 months with strong community collaboration and input and it will need the whole community's backing and commitment to be successful. With a draft of the plan now complete, we will ask our stakeholders for feedback and confirmation. We will subsequently share with the community the Destination Stewardship Plan initiatives as to how we will reach our goals and a three-year implementation plan to ensure success.

### **1d. Potential Challenges:**

#### ECONOMIC UNCERTAINTY

Like every tourism market, we are waiting to see how changing consumer prices impact Missoula. Supply chain issues, workforce shortages and access to affordable housing also remain high on our list of issues to monitor closely. Already, Missoula is seeing businesses reduce operating hours and availability due to workforce shortages, and the workforce shortages go hand in hand with access to affordable housing. Our

drive markets in particular could be deterred by the fluctuation of gas prices as well as the uncertainty of future gas price increases. However, visitors can access outdoor activities and city amenities within a short distance once they arrive in Missoula. Our bike trails, walking trails and public transportation also offer free alternatives to driving.

#### DESTINATION IDENTITY

Surveys indicate that visitors have trouble distinguishing between Missoula and Bozeman. Marketing Missoula to out-of-state visitors emphasizing our community's character, cultural amenities and immediate access to recreation as distinct from those of Bozeman could be a viable approach to addressing this survey finding.

#### ACCESS

With completion of Phase 1 of the new airport, capacity for services, seasonal flights and new airlines has been expanded and will continue to grow with Phase 2. For instance, Frontier and Sun Country will be serving Missoula as of summer 2024. That said, continued expansion of flights and new airlines is directly tied to an air service revenue guarantee program. Without this funding, it will be much more difficult to entice potential airlines to bring new services to Missoula, which will limit our potential market growth tremendously. Destination Missoula will continue to concentrate on expanding seasonal to year-round flights for the routes that make sense.

#### CANNABIS INDUSTRY

Destination Missoula will work to educate residents and visitors on how to safely and legally buy and consume cannabis while here. We have seen a decrease in available downtown retail space due to the increase in dispensaries, but we are waiting to see if, and how, the legalization of cannabis impacts our tourism industry outside of this factor.

#### RENTAL CARS

Montana saw an influx of visitors in 2021 as our tourism industry rebounded from 2020, but rental car agencies struggled to keep up in many areas, including Missoula. Presently, though numbers have not bounced back to pre-pandemic levels, car rental services in Missoula are slowly but surely building up their vehicle inventory options. While Missoula offers free public transit and a large system of biking and walking trails, the lack of available rental cars can still deter visitors. The existence of ride-sharing services like Uber and Lyft, in addition to car-sharing services from apps like Turo, can help offset this challenge while offering new income streams for Missoula residents.

#### SEASONALITY

Although Missoula has a more balanced annual visitation than most Montana cities, the vast majority of it is within the months of April through October, leaving over \$32 million in vacant room nights during the months of November through March. Since Missoula is not a major winter destination, Destination Missoula will continue to center marketing efforts to bolster Missoula's shoulder seasons through group and tour travel, sporting and cultural events, and meetings and conventions.

#### AFFORDABLE HOUSING

The housing shortage in Missoula has had a profound impact on the community, exacerbating issues of affordability and accessibility. With limited inventory and skyrocketing prices, many essential workers struggle to find suitable housing, leading to a loss of workforce vital for the city's functioning. Additionally, the creative fabric of Missoula suffers as artists and creatives are priced out of the market, diminishing the cultural vibrancy that defines the city. Addressing these housing challenges is crucial to preserving the diverse and dynamic character of Missoula.

#### RECREATION MANAGEMENT

Missoula's incredible access to the outdoors is one of our strengths. Residents and visitors enjoy abundant opportunities for diverse recreation here. But with high visitation of our natural spaces comes the possibility of these places being loved to death. Several Missoula organizations are working to build new trails in order to disperse users and take pressure off of popular trails. Missoula must continue to manage recreational experiences and offer alternative experiences in locations where usage may not be as high. Real-time tracking of visitation at trailheads, parks and river access sites could provide data to assist in distributing recreating populations to a wider array of places to prevent overuse of popular areas. Educating residents and visitors on the importance of recreating responsibly can also help safeguard our natural landscapes.

#### CLIMATE CONCERNS

Climate change has created unpredictable conditions for tourism, especially in the late spring and early summer seasons. It is hard to say if the river will flood and be too high for floating and fishing in June, or the possibility of them being too low in late summer. The dry summers have created fire conditions that have impacted travel to Missoula. The unpredictability caused by climate change is proving a challenge when advising visitors on travel timetables and plans. Winter sports are also impacted by climate change, as it is hard to determine if snowshoeing, cross-country skiing, snowmobiling and downhill skiing are activities that can be conducted as early or late as once was the norm.

#### SHORT-TERM VACATION RENTALS

Airbnbs and other short-term rentals through private individuals have historically been a challenge for organizations like Destination Missoula, which rely on TBID and bed tax funding. However, even though Airbnb and VRBO properties are now required to pay the same taxes as hotels, they still create a strain on the community at large and on the traditional hotel industry that so much of Missoula tourism was built around. While short-term vacation rental options help to attract younger travelers, it has also been a factor in Missoula seeing an increase in housing prices, including investments in second homes or rental-only homes, which has made it challenging for locals to obtain affordable housing. Additionally, short-term vacation rentals can offer lower prices than hotels or group accommodations making it harder for hotels to compete.

#### LOW CONVERSION OF PASS-THROUGH TRAVEL

As mentioned in the “Opportunities” section, Missoula does not convert approximately 1.5 million pass-through travelers a year, who either drive through or stop shortly for gas and to eat but do not spend the night. It is difficult to pull them off the interstate. Destination Missoula will continue marketing campaigns to entice travelers to stay longer.

#### INTERNATIONAL TRAVEL

Destination Missoula, through our sales department, will continue to focus efforts on increasing and broadening our group and tour travel. Although there may be lingering uncertainty surrounding international travel in some global sectors, we’re monitoring worldwide data and tourism trends for opportunities to devise creative and effective marketing strategies to promote travel to Missoula. We are working in cooperation with Destination MT and Glacier Country Tourism to attend trade shows directly targeting these markets and plan to increase awareness of Missoula in international regions, specifically Canada, China and Western Europe.

#### LIMITED COMPREHENSIVE CONVENTION SPACE

Although Missoula has many wonderful venues, in order to take the next step in growth, there is a need for infrastructure currently missing in the community. The largest indoor arena is owned by the University of Montana, and although they are willing and accommodating partners, the university’s schedule for the arena is paramount. Also, Missoula does not have any one facility with enough size to accommodate city-wide conferences or conventions: currently, such events must utilize multiple properties. In order to accommodate events of this size, Destination Missoula has to bid them out to a number of venues, which is not ideal for meeting and event planners.

#### PARKING

With all of the new projects in downtown Missoula—especially new hotels and restaurants—and new employment opportunities, parking in the city center will continue to be an issue until new parking facilities are built. Limited parking reduces access to the wonderful amenities that can be found in downtown Missoula. Luckily, Mountain Line does offer Park and Ride options for large events, providing much-needed access when parking is at its most limited.

Destination Missoula has forged a collaborative partnership with Mountain Line to develop an attractions map aimed at promoting the use of public transportation for navigating Missoula during visitors’ stays. In line with this initiative, Destination Missoula plans to increase the production and distribution of these maps throughout the year to effectively reach a broader audience of visitors.

#### ORGANIZATIONAL FUNDING

With constantly trying to find new and innovative ways to raise private funding, and the lingering uncertainty of bed tax funding, stable funding for Destination Missoula is always an issue and a priority. Destination Missoula, in partnership with other tourism industry organizations, works on a continual basis to educate Missoula and Montana legislators and citizens on the importance of tourism to a healthy state economy and to work toward preserving and enhancing bed tax funding. Destination Missoula also works in partnership with the Missoula Tourism Business Improvement District to expand and to create new

private revenue sources for Destination Missoula. Destination Missoula is researching opportunities to add additional funding to meet the rising cost of operating and marketing.

#### DEVELOPING NEED FOR VISITOR EDUCATION

Over the past few years, we've seen a growing need for visitor and resident education surrounding responsible recreation and sustainable tourism. Destination Missoula has taken on the role of outreach and education through multiple marketing campaigns and community-wide partnerships.

#### LACK OF COMMUNITY-WIDE STRATEGIC ORGANIZATION

Due to a lack of communication and the absence of a comprehensive event strategic plan, Missoula does not have cohesive strategic community organization of citywide events, making it difficult to maximize economic opportunities and enhance visitor experiences. Resident sentiment can also be negative due to a misperception of tourism causing overcrowding and housing shortages. Although Missoula is seeing progress in this realm, continued headway will require a sustained group effort to educate locals about the benefits of tourism. Last year, Destination Missoula and the Missoula Tourism Business Improvement District initiated a year-long Destination Stewardship Plan implementation process. The organizations initiated national and local research surveys of our visitors, Missoula residents and stakeholders to help us better understand the optimal balance between Missoula's community and tourism. From that research and understanding and with community-wide input, Destination Missoula is creating a vision and direction for tourism growth and infrastructure into the future and determining how we can guide that plan to fruition. Stakeholder validation of the plan will be complete this spring and a Destination Stewardship Implementation Committee will be created to guide the plan into the future.

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#### **2. Briefly describe how your destination aligns with the Montana brand or describe the Brand strategy for your DMO.:**

Destination Missoula's mission and goals align beautifully with the Montana brand, and we promote the state's brand pillars throughout all of our messaging. More spectacular unspoiled nature than anywhere else in the lower 48 states. Our messaging highlights the breathtaking nature surrounding Missoula and unbeatable access to outdoor adventure. Vibrant and charming small towns that serve as gateways to the state's natural wonders. Missoula is a gateway to natural wonders, as well as an adventure in and of itself. Our visitors are charmed by the possibility of shopping, dining, and dipping their toes in the Clark Fork River without walking more than a few blocks. Breathtaking experiences by day and relaxing hospitality at night. Accessibility, inclusivity and adventure all play an integral part in our messaging. Our visitors come here expecting to immerse themselves in nature by day and return to a vibrant, welcoming community by night.

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**Destination Marketing:**

**Destination Management:**

**Destination Stewardship:**

**Destination Development:**

:

**3a. Define your audience(s) (demographic, geographic and psycho-graphic):**

### **DESTINATION MISSOULA'S STRATEGIC ROLE**

Destination Missoula works to serve the roles of Destination Marketing, Destination Development, Destination Management and Destination Stewardship.

Our organization has always served the purpose of destination marketing, but our dedication to this community and its members requires a hybrid approach. On top of promoting our city and the surrounding area as a premier destination, we are constantly working to improve and preserve Missoula.

We work alongside community leaders and stakeholders in order to best serve Missoula's visitors and residents. This means ongoing collaboration with organizations such as the Downtown Missoula Partnership, Missoula Chamber of Commerce, Missoula Parks & Recreation and city, county, economic development, land managers and other destination marketing organizations throughout the region. In our role of Destination Development, we will be working with the Missoula Montana Airport to help develop a state-of-the-art digital visitor information center in the new terminal. Our Destination Stewardship Plan is a testament to our commitment to destination management and stewardship, as it will pave the way for a rich, healthy tourism industry that takes all angles into account.

As with any destination in Montana, we enjoy breathtaking natural landscapes in every direction. Missoula is a city you can enjoy inside and out, and our visitors come to enjoy the juxtaposition of big-city amenities alongside natural spaces. In order to preserve this, we've shifted much of our focus to Destination Stewardship. From "recreate responsibly" messaging to projects like our Downtown River Map, website and video collaboration, Destination Missoula is fiercely dedicated to the health of our wild spaces. We're confident that educated visitors are happy visitors, and our tourism industry will stand the test of time as long as we promote it responsibly.

On top of our commitment to sustainability, we'll continue our work in Destination Stewardship by creating marketing materials and messaging, based on extensive research, that's inclusive and representative of a diverse community, allowing us to reach a wide audience and ensure that everyone feels welcome in Missoula.

### **OUR AUDIENCE**

#### **GEOGRAPHIC**

The strategy of targeting a particular type of traveler can be enhanced by also targeting a particular geographic area. It is most effective to market to those who are predisposed to come to this area. Destination Missoula concentrates on more



“niche” marketing, particularly direct flight and drive markets. Direct year-round flight markets include Seattle, Salt Lake City, Las Vegas, Minneapolis, Denver, Dallas, and Phoenix. Destination Missoula also directs our outreach to our drive markets, which fall within an approximate 200- to 300-mile radius from Missoula: Spokane, Washington; Coeur d’Alene, Sandpoint, Lewiston, Boise, Salmon and Idaho Falls, Idaho; and Yellowstone Park, Bozeman, Butte, Great Falls, Glacier National Park, Kalispell, Montana; and Alberta, Canada.

To ensure the most effective use of marketing funds and energies, markets will be pursued in the following order:

- Nonstop flight markets.
- Regional drive markets.
- The primary states from which most inquiries come:
  - Texas, Florida, California, Illinois, Ohio, Michigan, Wisconsin, Pennsylvania, Washington and Minnesota.
  - The secondary states from which most inquiries come: Missouri, Indiana, North Carolina, New York, Georgia, Tennessee, Iowa, Montana, Kentucky and Virginia.
- Montana residents.

#### DEMOGRAPHIC

In addition to the geographic target markets, there are demographic markets Destination Missoula will target with tourism promotion and marketing. Each of these markets represents a strong and growing segment of the tourism marketplace. Destination Missoula will pay particular attention through this marketing plan to niche marketing for small and mid-size market meetings, sporting events, signature events, arts and culture, music and entertainment, food and spirits, and leisure and family travel. The average visitor to Missoula is 59 years of age with an income of \$75,000 – \$200,000+, and 79% of visitors were either traveling alone or as a couple and 10% with immediate family.

#### PSYCHOGRAPHIC

- Active empty-nesters
- Baby boomers
- Business travelers
- Cultural and historical-experience travelers
- Family travelers
- Leisure travelers
- Outdoor enthusiasts
- Motorcyclists
- Recreational vehicle travelers

- Women
- Geo-travelers
- Multigenerational travelers
- Culinary and spirits travelers
- LGBTQ+ travelers
- Adaptive travelers
- Music, concert and festival travelers
- Birders and wildlife enthusiasts
- Sustainability travelers
- Wellness travelers
- Last-minute travelers
- In-state travelers
- Sports groups and athletes
- Event-specific travelers
- University students and their families
- Conference and trade show travelers

### **3b. What research supports your DMO strategy? :**

Research on each of the existing and emerging markets for Missoula is available from the following sources:

- Brand MT and Business Development – General Travel Statistics
- STR Reports – Missoula-Specific Hotel Statistics and competitive market analysis
- U.S. Travel Association – 2024 Forecast ([ustravel.org/research/travel-forecasts](https://ustravel.org/research/travel-forecasts) and Answer Sheet – ([ustravel.org/sites/default/files/2024-03/National%20Data\\_0.pdf](https://ustravel.org/sites/default/files/2024-03/National%20Data_0.pdf) )
- Destination Analysts – travel analysis ([futurepartners.com/blog](https://futurepartners.com/blog))
- Longwoods International Travel Sentiment Surveys and Research - ([longwoods-intl.com/covid-19](https://longwoods-intl.com/covid-19)) and US Travel Market Trends – ([longwoods-intl.com/longwoods-travel-usa-us-travel-market-trends](https://longwoods-intl.com/longwoods-travel-usa-us-travel-market-trends))
- Institute of Tourism and Recreation Research - 2023 Interactive Data Reports for City of Missoula – ([umt.edu/tourism-recreation-research](https://umt.edu/tourism-recreation-research))
- Canadian Government Travel Statistics ([statcan.gc.ca/en/start](https://statcan.gc.ca/en/start))
- U.S. Department of Commerce, Office of Travel & Tourism Industries – Canadian Travel Statistics ([trade.gov/datavisualization/ntto-travel-industry-monitor](https://trade.gov/datavisualization/ntto-travel-industry-monitor))
- Institute of Tourism and Recreation Research – Montana Travel Industry 2023 ([umt.edu/tourism-recreationresearch/publications/spending.php](https://umt.edu/tourism-recreationresearch/publications/spending.php))

- Future of Tourism Coalition - ([futureoftourism.org](http://futureoftourism.org))
- Center for Responsible Travel - ([responsibletravel.org](http://responsibletravel.org))
- Destination Stewardship Center - ([destinationcenter.org](http://destinationcenter.org))
- The Travel Foundation - ([thetravelfoundation.org.uk](http://thetravelfoundation.org.uk))
- Sustainable Travel, Intl. - ([sustainabletravel.org](http://sustainabletravel.org))
- The Wandering RV - 70+ Female Travel Statistics and Trends - ([thewanderingrv.com/female-travel-statistics](http://thewanderingrv.com/female-travel-statistics)).
- GutsyTraveler.com – Women Travel Statistics 2024 – 80% of All Travel Decisions Made by Women ([gutsytraveler.com/women-travel-statistics](http://gutsytraveler.com/women-travel-statistics))
- Sports Events and Tourism Association - State of the Industry Report 2023 ([sportseta.org/research/state-of-theindustry-report](http://sportseta.org/research/state-of-theindustry-report))
- Project Play, Aspen Institute - State of Play 2023 Report ([projectplay.org/state-of-play-2023-introduction](http://projectplay.org/state-of-play-2023-introduction))
- Skift.Com - The New Era of Food Tourism Trends and Best Practices for Stakeholders ([research.skift.com/reports/the-new-era-of-food-tourism-trends-and-best-practices-for-stakeholders](http://research.skift.com/reports/the-new-era-of-food-tourism-trends-and-best-practices-for-stakeholders))
- Skift – Megatrends Defining Travel in 2023 - ([skift.com/insight/state-of-travel](http://skift.com/insight/state-of-travel))
- Cision PR Newswire - ([prnewswire.com/news-releases/global-culinary-tourism-market-2020-to-2027---byactivity-type-age-group-and-mode-of-booking-301106550.html](http://prnewswire.com/news-releases/global-culinary-tourism-market-2020-to-2027---byactivity-type-age-group-and-mode-of-booking-301106550.html))
- Motorcycle Industry Statistics by State 2024 – ([consumeraffairs.com/insurance/motorcycle-industry-statistics-bystate.html#trends-predictions-and-projections](http://consumeraffairs.com/insurance/motorcycle-industry-statistics-bystate.html#trends-predictions-and-projections))
- CMI Community Marketing & Insights – 17th Annual LGBT Tourism and Hospitality Survey ([cmi.info/cmis-freelgbtq-research-reports](http://cmi.info/cmis-freelgbtq-research-reports))
- Future Market Insights – Music Tourism Market Outlook 2023 to 2033 – ([futuremarketinsights.com](http://futuremarketinsights.com))

### **3c. What are your emerging markets?:**

#### POTENTIAL GROWTH MARKETS

The following areas are growing tourism markets that Destination Missoula feels are a perfect fit for Missoula, and our marketing will be directly tailored to them:

#### WELLNESS TRAVEL

The Global Wellness Institute estimates wellness tourism grew into a \$651 billion market in 2022 and projects the market to top \$1 trillion in 2024. It used to be that food created the buzz that lured travelers to all sorts of destinations, but wellness is taking over as travelers seek out healthier, more active vacations. Food is still a draw, of course, but it is even more enticing if it satisfies a wellness craving. The hope is that if wellness travel is marketed in a strategic way, it can work to prevent overtourism, drawing

people away from beyond-crowded cities and into more tranquil, less touristy locales that could use the economic boost. This desire for wellness and tranquility is more relevant than ever in light of the pandemic. Missoula is a great option for health and wellness travelers because of the sheer number of spas, workout studios and outdoor activity options. Missoula claimed first place in SmartAsset's ranking of Most Fitness-Friendly Places in the Country in 2023—for the third consecutive year.

## MUSIC AND ENTERTAINMENT

More than 32.5 million people in the United States travel to attend at least one music festival per year. Of those 32 million, 14.7 million are millennials. The economic impact of these visitors in the U.S. is \$5.91 billion. Missoula's ever-growing music and entertainment scene is the perfect fit for this niche market. Missoula's local concert management company, Logjam Presents, is consistently ranked among the top 100 promoters worldwide. The Logjam venues are locally adored and nationally acclaimed: Pollstar ranked the Wilma Theatre #106 in the Top 200 Theaters Worldwide and KettleHouse Amphitheater ranked #58 in the Top 200 Amphitheaters Worldwide. KettleHouse Amphitheater also landed #8 in Pollstar's rankings of the Top 100 Outdoor Amphitheaters and was nominated for Outdoor Concert Venue of the year in 2022. Logjam's partnership with LiveNation will likely see more shows taking place at Washington-Grizzly Stadium, too. With our diversity of venues and the allure of scenic outdoor concert settings like KettleHouse or Big Sky Amphitheater, we believe Missoula's music scene will continue to explode over the next few years. In fact, Pollstar listed Missoula as one of the Top 100 Concert Markets in the U.S. for 2023! Destination Missoula will actively partner with local music venues to promote their services to musicians, tour managers and media affiliates. We will revisit our music-focused marketing to ensure that we're continually doing as much as possible to support the entertainment sector of our town. Our music website for Missoula—[missoula.live](http://missoula.live)—will continue to give people a comprehensive view of the music and entertainment experiences that Missoula offers.

## FILM PRODUCTION

Missoula has a strong foundation when it comes to the arts and creative opportunities, and we believe film production is an emerging market with the potential to bring huge economic growth to Missoula. According to the "Economic Impact of Montana Film Production" report, film production in Montana had an economic impact of \$153.9 million and supported the equivalent of 840 full-time jobs between July 2020 and June 2022. Missoula County has seen an economic impact of \$6.7 million. The show "Maid" (written by a University of Montana graduate) garnered national attention for Missoula, as it reached 67 million households and was featured by various media outlets such as Oprah Daily, NPR, Washington Post, Newsweek, Parade and the New York Times. Lily Gladstone, the first Native American actor to be nominated for an Academy Award, hails from Montana and has appeared in films shot here. Though filming of "Yellowstone" will wrap in Montana as the hit series comes to an end, we will closely monitor new opportunities in this market throughout the year.

## FLIGHT MARKETS

Missoula is constantly looking for opportunities to bring new flight service into the area. It is vitally important that Destination Missoula markets to any new service areas as well as our existing direct flight markets to ensure our existing flights remain viable and service only continues to expand. With the \$110

million airport expansion, additional gates, increased capacity and passenger amenities, Missoula will only continue to grow as a destination for travelers. To encourage new airlines to establish service and to expand direct and year-round flight offerings, Destination Missoula and the Missoula TBID contribute annually to a Missoula flight guarantee program.

## CULINARY

There are 39 million travelers who identify themselves as culinary travelers. Annually, they create a \$201 billion economic impact. On average, they spend \$1,194 per trip with up to 50% spent directly on food and food-related activities. It is currently one of the fastest growing sectors in tourism worldwide. Culinary travelers tend to be younger, more affluent and better educated travelers. Millennials, having become the largest traveling demographic in the United States, list culinary experiences as very important. They feel it is the best way to get to “know the story” of a place. Trends are moving from the most expensive dining experience to the most authentic. The culinary traveler is looking for a unique experience and likes packages based around cooking classes, farmers markets, gourmet food shopping and winery, brewery and distillery tours and festivals. Culinary travelers tend to plan ahead using both print and online media sources. With Missoula’s exciting and diverse food scene—from fine dining and cafés to farm-to-table sustainability, ethnic cuisine, food trucks and breweries, wineries and distilleries—culinary tourism is a perfect niche to target. Exposure to the food scene has been and will continue to be a priority when bringing in press writers, and we are actively looking for new opportunities to help Missoula’s food and beverage industry by reaching more culinary travelers.

## LGBTQ+

LGBTQ+ travel is a \$211 billion industry in the United States. These travelers average five trips annually—four for leisure and one for business with 60% planning two or more trips in the next 12 months. Their average age is 48, with a household income of \$50,000 and up. They prefer mid-range hotels that understand their needs, and they tend to return to areas they feel do the best job of outreach and are safe and relaxing. LGBTQ+ travelers look for culture, arts, food and wine, and rest and relaxation, and nature is important particularly to women. Of the 21 top cities they tend to visit, Missoula has direct flights into ten, and given the current political climate, Missoula’s open and welcoming environment and status as a cultural hub make it a safe place for LGBTQ+ travelers to visit. EmpowerMT’s rainbow crosswalk across Pine Street near the Missoula Art Museum serves as a symbol of Missoula’s diversity and openness to various identities. After decades of hiatus, the return of Missoula’s Annual Pride Week in June 2022 proved to be a great success. We witnessed an outpouring of community support for the lively, weeklong festivities. The 2023 Pride events gained even more traction and locals and visitors alike wait in enthusiastic anticipation for expanded Pride event offerings in June 2024.

## **ADDITIONAL TARGET MARKETS**

### YOUTH SPORTS – SPORTS AND EVENTS

The youth sports travel sector is now a \$17 billion travel industry. The youth sports industry in the United States has ballooned to a \$15.3 billion business, and there has been more than 55% growth since 2010. It is estimated that more than 48.9 million kids between the ages of 5 and 18 currently play at least one

organized sport each year in the United States and 21 million are involved in non-school youth sports. The average youth athlete plays 2.5 sports. Youth sports also generate family and multigenerational travel. Forty-one percent of children with a household income of \$100,000 or more participate in team sports and 19% of children with household incomes of \$25,000 or less participate. American families spent an average of \$3,167 per player/per sport on the road for what are now being called "tournications." Missoula continues to see success in our youth sports events market thanks to partners like the Montana High School Association, Missoula Youth Hockey Association and Fort Missoula Regional Park.

## MOTORCYCLE

Motorcycle travel is one of the fastest growing segments in tourism. It is a \$34 billion industry with over 11 million riders. The demographic trend has been older and more affluent as more baby boomer professionals become interested in motorcycle travel. The average household income is \$85,000+ with 84% having attended college and 16% with postgraduate degrees. However, now you are starting to see more millennial riders. Women are becoming the fastest growing segment. Gen X women are three times more likely to own and regularly ride their bikes, and women motorcycle tour businesses are starting to thrive. An average trip lasts 10-14 days, with travelers spending \$3,100 per trip. These riders also love to attend related events, averaging three events per year and spending an average of \$400 per weekend event attended.

Missoula is on a major route for riders coming from the West Coast and those wanting to see Glacier National Park. Destination Missoula will be doing specific niche marketing and creating website itineraries to market to these riders. More specifically, Missoula will be targeting women motorcycle riders. Destination Missoula is also seeing more interest from international tour operators in motorcycle itineraries for their clients and will create specific itineraries scoped to this market.

## INTERNATIONAL

The United States remains the single largest destination for global long-haul travel and the third-largest destination for overall global travel, but our market share has declined considerably since 2015 and fell sharply in 2020 due to COVID-19 travel restrictions and safety precautions. International travel to the United States is growing quickly, but still has not reached full pre-pandemic recovery. With factors such as a global economic slowdown, our strong dollar and lengthy visa wait times possibly inhibiting future growth, international travel volume is expected to reach 98% of 2019 levels in 2024 and we are expected to make a full recovery by 2025. Spending levels, however, are not expected to make a full recovery until 2026. The overall U.S. global market share of international travel is declining, while countries such as France and Spain are seeing increased global market share. On average, each overseas traveler spends approximately \$3,700 and stays an average of 17 nights and the top leisure travel activities for overseas visitors are shopping, sightseeing, fine dining, national parks/monuments and amusement/theme parks. While we can't predict the short- and long-term impact of the pandemic on international travel, we will continue to watch for opportunities in this market.

## UNIVERSITY OF MONTANA FAMILY AND RECRUITS

The University of Montana is located in Missoula and comprises students from all over the state, region and country, meaning prospective students and their families will visit Missoula when touring campus.

During this time, students will have the opportunity to fall in love with Missoula as a place to live as well as attend school, and their families will continue to visit for events, sports, graduation and general visits. This is a huge benefit to Missoula as it allows a constant influx of visitors. Many graduates might then choose to live in Missoula, and those who do relocate will come back to their old college stomping grounds for decades to come.

In 2023, UM saw its highest rate of growth in 14 years, and Destination Missoula is working with the university to continue this trajectory, helping with recruitment efforts by promoting Missoula as a place of great diversity of ideas, as a cultural haven in Montana and in the region and as a welcoming and safe community for locals and visitors alike.

## SUSTAINABILITY

These travelers tend to be highly educated, mature, affluent, well-traveled, environmentally aware and sensitive to the social and cultural traditions, systems and mores of the destination they visit. They are similar to—and in many cases cross over with—the culinary traveler. Missoula is proud of the many sustainable initiatives that show our commitment to living our values. For example, in the summer, River Ambassadors help people recreate responsibly on the Clark Fork, Bitterroot and Blackfoot rivers and also collect data on erosion issues and recreation numbers to determine usage impacts and inform improvement priorities. Logjam Presents has implemented a zero-waste policy at their concert venues, using compostable cups, plates and cutlery and recycling cans with readily available bins.

Missoula's community bus service, Mountain Line, has 12 zero-emissions electric buses in their fleet as of 2022, furthering their goal to have a zero-tailpipe-emissions fleet by 2035. These buses proudly operate as "Zero-Fare" transportation options—meaning no cost to the riders. They are also 100% ADA accessible and offer special routes and curb-to-curb services to ensure accessibility for all riders. Destination Missoula has partnered with Mountain Line to create an attraction map that encourages visitors to use the bus system to sustainably visit Missoula's attractions. The University of Montana's Office of Transportation offers free, convenient public transportation to campus through their UDASH routes. UDASH expanded its route offerings in 2023 to reach more UM students, faculty and staff for safe, sustainable transportation.

In the summer of 2021, UM—backed by the support of several local organizations and the City of Missoula—launched a free river shuttle bus service, allowing river enthusiasts to hop on or off the bus every hour from noon to 6 p.m., curbing excessive use of multiple river access points. The free river shuttle has been a great success and continues today.

The Big Sky Documentary Film Festival is striving to be a zero-waste event by providing recycling and composting stations at all of their venues, limiting food vendors to those who provide recyclable and compostable silverware, promoting reuse by distributing reusable cups to guests and making the festival walk-friendly. The River City Roots Festival provides compost and recycle stations and reusable cups in place of single-use plastics and houses the events in a walkable zone. Both the City of Missoula and Missoula County have also recently committed to an initiative for 100% clean electricity by 2030.

## BIRDING

It is estimated that approximately 45 million people in the United States are bird-watchers. According to an analysis done by The American Birding Expo, U.S. birders spend approximately \$14.8 billion on travel-related expenses, and the U.S. Fish & Wildlife Service states that the higher the income and education level, the more likely a person is to be a birder. U.S. bird-watchers are usually highly educated, affluent, slightly more women (56%), usually travel solo or with a partner, but not large groups, and, although made up of all age groups, middle-aged and aging adults represent the largest group (40–70). They usually will spend 13 –14 days birding away from home.

Situated along pristine rivers offering exceptional riparian zones, Missoula and the Bitterroot Valley are brimming with numerous habitats and a wide variety of bird species. Both areas are havens for bird-watchers. Three of the best-known spots for bird-watching in the region are Kelly Island, a 650-acre conservation area comprising six islands at the confluence of the Bitterroot and Clark Fork rivers; Lee Metcalf National Wildlife Refuge, a 2,700-acre refuge with more than 225 identified species; and the 1,200-acre Teller Wildlife Refuge.

## HISTORY

In Missoula, we proudly live our history. Evidence of the prehistoric ice age floods and Glacial Lake Missoula are still etched on the mountains surrounding Missoula. The indigenous peoples of the Missoula Valley were members of the Salish Tribes. Over the centuries, Séliš (Salish), Ksanka (Kootenai), Qlispé (Kalispel), Nimi'ipuu (Nez Perce), A'aninin (Gros Ventre) and Niitsitapi (Blackfoot Tribes) used the Missoula Valley as a travel route to the eastern plains and buffalo. They called the area "Nemissoolatakoo," from which the name "Missoula" is derived and which translates roughly to "the place of freezing water." Their first encounter with non-natives came in 1805, when the Lewis and Clark expedition passed through the Missoula Valley. Missoula and the surrounding five valleys' rich history comes alive in places like Travelers' Rest State Park and the Historical Museum at Fort Missoula. Missoula is full of ways to become immersed in history—from historic downtown tours, river walks and tours of the Missoula Smokejumper Visitor Center to walking portions of the Lewis and Clark trail. The Downtown Missoula Partnership partnered with Historical Research Associates, the city's Historic Preservation Commission and the Historical Museum at Fort Missoula and produced a vision for a comprehensive heritage program in downtown Missoula, including both banks of the Clark Fork River. The Higgins Street Bridge was recently renamed "Beartracks Bridge" to honor a prominent Salish family; visitors can find interpretive signs on the south end of the bridge to learn about the family and Tribe's history. There are few, if any, communities the size of Missoula that have developed a defined heritage interpretive plan, and it could act as a prototype for other Montana towns to use. The Montana Natural History Center serves as a fantastic spot to learn about the biodiversity of Western Montana, including full-scale replicas and mounts of local animals like bears, mountain lions and ungulate species. Visitors can learn about the history, legacy and modern traditions of the American Indian Tribes who call this area their ancestral home at places like the Payne Family Native American Center, which is the site of a historic Salish Indian encampment, the Native American Studies building on the University of Montana campus; and the Three Chiefs Culture Center and Museum north of town.



## CULTURE

The indigenous peoples of the Missoula Valley now reside on the Flathead Indian Reservation, located between Missoula and Kalispell. The reservation is home to the Séliš (Bitterroot Salish), Ksanka (Kootenai), Qlispé (Kalispel) Tribes, with an estimated 65% of the total Confederated Salish and Kootenai population (approximately 7,753 enrolled members) residing there. The Confederated Salish and Kootenai Tribes are nationally recognized as leaders of an innovative, self-governed community. Their environment and natural resource departments, academic facilities and visitor education programs all work to inform communities of the Tribes' history and culture, about the land they are stewards of and ways Tribal members and non-members alike can respect the space and enjoy Montana's beauty, responsibly and peacefully. There are several Tribal events open to the public throughout the year, including powwows, Indian Relay Races, and Fourth of July festivities. These events are deeply rooted in respect for the Tribes' heritage and provide critical cultural and historical perspective unlike many have encountered before. Visitors can learn about the culture of Montana's Tribes at the Payne Family Native American Center on the UM campus, the first facility in the United States purposely built for a Native American Studies Department and American Indian Services. In addition to the cultural significance of the region's Tribes, Missoula has been home to the Hmong people, who settled in this community in 1976. Missoula was officially recognized as a resettlement community for refugees in recent years. This opportunity allowed Missoula to open its arms to a wide range of families and individuals seeking a safe environment to flourish in. People hailing from the Democratic Republic of the Congo, Eritrea, Syria, Iraq and Afghanistan have resettled in Missoula, and subsequently brought important, diverse cultural perspectives to our Montana town. Local organization Soft Landing plays a critical role in the resettlement process for refugees and spearheads "United We Eat"—a program that has garnered national attention by celebrating cultural heritage through traditional meals cooked and sold by refugees in Missoula.

## CANADIAN TRAVEL

In 2023, 21 million Canadians traveled to the United States, up from 2.5 million in 2021. Pre-pandemic, it was estimated that Canadian visitors made up 10% (1,366,000) of all nonresident travelers to the state. Of those travelers, 45% were primarily "just passing through," 37% were in Montana for "vacation, recreation, or pleasure," and 9% were primarily in the state for "shopping." The most visited Montana region was Glacier Country, with 71% of respondents having been there on a previous visit. When asked what would increase their likelihood to return to Montana, visitors said more information on new and different things to do, a wider range of retail shopping opportunities, increased opportunities to experience local cuisine and more opportunities to experience cultural heritage. Missoula has the ability to provide all of these experiences for Canadian travelers.

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## **4. Describe proposed tactics and projects as related to overall goals and controlled by the organization in its financial statements.:**

Our organization has identified four goals that guide our efforts throughout FY 2025 and beyond. We

reached these through thoughtful collaboration with our boards and consultation from MMGY NEXTFactor, and they directly tie into the goals and initiatives for year three of our three-year Strategic Plan completed in September 2021. These goals are:

## **DESTINATION MARKETING**

Promote our destination with an emphasis on responsible travel messaging and increasing diversity and inclusion.

### **OBJECTIVES:**

1. Market to visitors with responsible travel messaging.

- Promote responsible travel messaging through traditional and innovative methods of marketing and platforms.
- Use responsible travel messaging in the majority of all paid media campaigns.

2. Increase diversity in marketing campaigns.

- Use diverse models reflective of our community in paid media campaigns (diversity in age, ethnicity, gender, body shape, ability, etc.)
- Bring in an accessible influencer to the market.

3. Create a community-focused campaign on the benefits of tourism.

- Digital: Create and distribute engaging social media posts, infographics, and/or videos highlighting the economic, cultural, and social benefits of tourism in our community.
- Radio: Produce and air radio advertisements or segments featuring interviews with local stakeholders discussing the positive impact of tourism on the community's economy and overall well-being.
- Print: Design and distribute informative brochures, flyers, or place print ads promoting the benefits of tourism in our community.

## **DESTINATION STEWARDSHIP**

Balance the needs of visitors and residents through collaborative community engagement to create better visitor

experiences, enhanced quality of life for residents and a more sustainable destination.

### **OBJECTIVES:**

1. Initiate the implementation of the Destination Stewardship Plan.

- Present final Destination Stewardship Plan to the community.
- Develop Destination Stewardship Implementation Plan.
- Create Implementation Steering Committee.

2. Focus on Community Alignment

- Arrange 6 meetings with community stakeholders and residents to educate about the benefits of tourism and overall destination management and stewardship.
- Assist with recruitment efforts for the University of Montana through destination and brand awareness research.
- Meet yearly with the Confederated Salish and Kootenai Tribes (CSKT).
- Meet with the mayor, Missoula City Council and Missoula Board of County Commissioners at least once a year.
- Work with community organizations including the Missoula Community Justice, Equity, Diversity and Inclusion (JEDI) Network, Missoula Heritage Committee and the Front Country Recreation Cooperative to fulfill Destination Stewardship Plan goals around resource management, sustainable tourism, heritage preservation and diversity, equity and inclusion while incorporating other existing community plans.

## **DESTINATION MANAGEMENT**

Gain a deeper understanding of our visitors and residents through research and use the research to better manage our visitation throughout the year.

### **OBJECTIVES:**

1. Collect, analyze and expand visitor and resident data. This information will help us define our visitor demographics, characteristics, time and flow throughout our community and their economic impact in order to hone our outreach. It will also help us to understand resource use by residents and non-residents in order to balance the needs of both. We will use the data from the following research sources to generate reports at least quarterly to our boards to update them on trends and changes to our market and to help us reevaluate our marketing and resource management strategies for FY25:
  - Reports from KeyData, Smith Travel Research (STR) and the Institute for Tourism and Recreation Research (ITRR) on visitation, occupancy and Average Daily Rate (ADR) trends.
  - Reports regarding demographics of visitors to our Visitor Information Center (VIC), call center and website.
  - Reports from new tools such as Zartico or Symphony to understand where visitors originated, time spent and flow while in our community.
  - Conduct yearly resident sentiment survey in collaboration with ITRR.

2. Increase year-round occupancy by .5% compared to FY 23-24.

3. Educate staff through professional development opportunities.

- Belong to Destinations International in order to attend webinars, summits, Annual Convention and more.
- At least one staff member will attend the Montana Governor’s Conference on Tourism and the Montana Lodging and Hospitality Association conference.
- 100% of the full-time staff will attend at least two webinars, summits or conferences/conventions during FY 24-25.

**DESTINATION DEVELOPMENT**

Work in collaboration with the Missoula Montana Airport to better serve residents and visitors.

**OBJECTIVES:**

1. Partner with the Missoula Montana Airport to provide additional funding and resources for a state-of-the-art, digital airport visitor information center.
  - Meet with the Missoula Montana Airport to determine where the new permanent visitor center will be located.
  - Research innovative display options.
  - Collaboratively create a design plan.
2. Create Airline Guarantee Coalition.
  - Collaborate with the Missoula Montana Airport and Missoula Economic Partnership.

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**5. Define and describe your overall objectives. Objectives are formed from your goals. They are logical, attainable steps to achieve the goals and are able to be measured.:**

**Objectives/Metrics/Evaluation:**

Our organization has identified four goals that guide our efforts throughout FY 2025 and beyond. We reached these through thoughtful collaboration with our boards and consultation from MMGY NEXTFactor, and they directly tie into the goals and initiatives for year three of our three-year Strategic Plan completed in September 2021.

<b>OBJECTIVES</b>	<b>MEASURABLE METRICS FOR SUCCESS</b>	<b>REPORT THE METRIC ACHIEVED</b>	<b>EVALUATION OF SUCCESSFUL METRICS</b>
Market to visitors with responsible travel messaging.	<ul style="list-style-type: none"><li>• Promote responsible travel messaging through traditional and innovative methods of marketing and platforms.</li><li>• Use responsible travel messaging in the majority of all paid media campaigns.</li></ul>		

<p>Increase diversity in marketing campaigns.</p>	<ul style="list-style-type: none"> <li>• Use diverse models reflective of our community in paid media campaigns (diversity in age, ethnicity, gender, body shape, ability, etc.)</li> <li>• Bring in an accessible influencer to the market.</li> </ul>		
<p>Create a community-focused campaign on the benefits of tourism.</p>	<ul style="list-style-type: none"> <li>• Digital: Create and distribute engaging social media posts, infographics, and/or videos highlighting the economic, cultural, and social benefits of tourism in our community.</li> <li>• Radio: Produce and air radio advertisements or segments featuring interviews with local stakeholders discussing the positive impact of tourism on the community's economy and overall well-being.</li> <li>• Print: Design and distribute informative brochures, flyers, or place print ads promoting the benefits of tourism in our community.</li> </ul>		
<p>Initiate the implementation of the Destination Stewardship Plan.</p>	<ul style="list-style-type: none"> <li>• Present final Destination Stewardship Plan to the community.</li> <li>• Develop Destination Stewardship Implementation Plan.</li> <li>• Create Implementation Steering Committee.</li> </ul>		
<p>Focus on Community Alignment</p>	<ul style="list-style-type: none"> <li>• Arrange 6 meetings with community stakeholders and residents to educate about the benefits of tourism and overall destination management and stewardship.</li> <li>• Assist with recruitment efforts for the University of Montana through destination and brand awareness research.</li> <li>• Meet yearly with the Confederated Salish and Kootenai Tribes (CSKT).</li> <li>• Meet with the mayor, Missoula City Council and Missoula Board of County Commissioners at least once a year.</li> <li>• Work with community organizations including the Missoula Community Justice,</li> </ul>		

	Equity, Diversity and Inclusion (JEDI) Network, Missoula Heritage Committee and the Front Country Recreation Cooperative to fulfill Destination Stewardship Plan goals around resource management, sustainable tourism, heritage preservation and diversity, equity and inclusion while incorporating other existing community plans.		
Increase year-round occupancy.	<ul style="list-style-type: none"> <li>• Increase by .5% compared to FY 23-24.</li> </ul>		
Educate staff through professional development opportunities.	<ul style="list-style-type: none"> <li>• Belong to Destinations International in order to attend webinars, summits, Annual Convention and more.</li> <li>• At least one staff member will attend the Montana Governor’s Conference on Tourism and the Montana Lodging and Hospitality Association conference.</li> <li>• 100% of the full-time staff will attend at least two webinars, summits or conferences/conventions during FY 24-25.</li> </ul>		
Develop and launch a state-of-the-art interactive visitor's center at the Missoula Montana Airport, highlighting the unique essence of Missoula, to be fully operational by FY 25.	<ul style="list-style-type: none"> <li>•Collaborate with our ad agency to create a design plan.</li> <li>• Work with Missoula Airport to approve the plan.</li> <li>• Work with Missoula Airport and contractors to build out the design.</li> </ul>		
Create Airline Guarantee Coalition	<ul style="list-style-type: none"> <li>•Collaborate with the Missoula Montana Airport and Missoula Economic Partnership.</li> </ul>		
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**Budget Form:** Missoula DMO FY25 budget.xlsx

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**DMO Budget:**

**Destination Missoula**

<b>Allowable Method</b>	<b>Amount Budgeted</b>	<b>% Budgeted</b>	<b>Amend +/-</b>	<b>Updated Budget</b>	<b>% Budgeted</b>
Administration	\$96,361.80	20.00%	\$0.00	\$96,361.80	20.00%
Agency Services	\$21,000.00	4.36%	\$0.00	\$21,000.00	4.36%
Earned Media/Tourism Sales	\$25,100.00	5.21%	\$0.00	\$25,100.00	5.21%
Education/Outreach	\$14,250.00	2.96%	\$0.00	\$14,250.00	2.96%
Marketing Resources	\$32,878.00	6.82%	\$0.00	\$32,878.00	6.82%
Opportunity Marketing	\$1,155.20	0.24%	\$0.00	\$1,155.20	0.24%
Paid Media	\$119,000.00	24.70%	\$0.00	\$119,000.00	24.70%
Product Development	\$1.00	0.00%	\$0.00	\$1.00	0.00%
Research	\$1.00	0.00%	\$0.00	\$1.00	0.00%
Visitor Services	\$130,122.00	27.01%	\$0.00	\$130,122.00	27.01%
Website Development (Online, Website, Mobile)	\$41,940.00	8.70%	\$0.00	\$41,940.00	8.70%
	\$0.00	0.00%	\$0.00	\$0.00	0.00%
	\$0.00	0.00%	\$0.00	\$0.00	0.00%
	\$0.00	0.00%	\$0.00	\$0.00	0.00%
	\$0.00	0.00%	\$0.00	\$0.00	0.00%
<b>TOTAL BUDGET</b>	<b>\$481,809.00</b>	<b>100.00%</b>	<b>\$0.00</b>	<b>\$481,809.00</b>	<b>100.00%</b>

Revenue Projection	\$481,809.00
Funds not spent during previous fiscal year	\$0.00
Rollover Funds at Commerce	\$0.00
Allocated Following Audit	\$0.00
<b>Budget increase total</b>	<b>\$481,809.00</b>

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**Narrative Evaluation:**

This will be provided following the end of the FY 24-25 fiscal year.