

NEW MEXICO OUTDOOR RECREATION DIVISION

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NM outdoor recreation businesses expect continued growth

More than two-thirds anticipate expansion, new survey shows

SANTA FE, N.M. – More than two-thirds of outdoor recreation businesses in New Mexico expect to expand in the next three years, according to a new survey released today by the New Mexico Economic Development Department's Outdoor Recreation Division (ORD).

The inaugural Outdoor Recreation Business Survey, conducted in partnership with endeavOR, an alliance of outdoor recreation businesses, reports that 68.6% of outdoor recreation businesses responding to the survey anticipate expanding over the next three years, compared to just 3.8% that expect a decline during that period.

"New Mexico is poised to continue growing in the outdoor recreation sector," Acting New Mexico Economic Development Department Secretary Mark Roper said. "We are pleased to see that around 70% of outdoor recreation businesses are looking to expand in the next three years and nearly 60% are marketing to individuals outside of our state."

The survey was conducted to determine how ORD can best support the growth and development of New Mexico's outdoor recreation businesses. Survey results provide the division with significant insight into the composition, goals, and needs of our state's outdoor recreation businesses.

The survey received 105 responses from businesses, representing 21 of New Mexico's 33 counties. More than 50% of respondents employed three people or less and 42.3% of businesses surveyed have operated for 21 years or more. These results indicate New Mexico outdoor recreation enterprises are largely small businesses with great longevity.

"The findings from this survey provide valuable insights into the needs and aspirations of our outdoor recreation businesses," ORD Director Karina Armijo said. "Respondents highlighted critical areas for improvement, emerging trends, and challenges facing the future of the industry."

The majority of business owners indicated a need for assistance to expand their marketing. ORD aims to offer more marketing support to outdoor recreation enterprises, recognizing that reaching a greater audience is vital to creating jobs and growing the outdoor economy in New Mexico. Through the Outdoor Marketing Grants, ORD awarded \$873,872 to 41 nonprofits and communities with one-time federal funding earlier this year to support promotion of the region's outdoor recreation opportunities.

The survey also revealed the potential for increased funding opportunities for for-profit outdoor recreation businesses. ORD is dedicated to supporting these businesses through programs like the newly launched ActivatOR Outdoor Recreation Growth Accelerator, in partnership with CNM Ingenuity. ActivatOR will assist 18 New Mexico-based outdoor recreation businesses through a 14-week program, which includes weekly workshops, individual mentorship, and networking opportunities. This free program will run for three consecutive years, aiming to help businesses grow and succeed.

"It's invigorating to see the caliber of New Mexico outdoor recreation businesses participating in the

inaugural outdoor growth accelerator, ActivatOR," 2024 ActivatOR manager and former ORD director Axie Navas said. "From established manufacturers to start-up hospitality companies, these brands are the present and future of the state's formidable outdoor industry. The accelerator offers them a chance to hone their leadership skills, network with like-minded founders and CEOs, and get creative when it comes to pitching investors and audiences."

With the data and feedback received from this survey, ORD is better equipped to strengthen its support for the industry, foster growth, and boost the state's overall economy. You can read the <u>survey results</u> on ORD's website, <u>NMOutside.com</u>.

Gov. Michelle Lujan Grisham created ORD in 2019 and identified the outdoor recreation industry as a key target sector to diversify New Mexico's economy. NM's outdoor industry employs more than 28,000 people and contributes \$2.4 billion annually to the state's GDP, according to 2022 data from the Bureau of Economic Analysis.

ORD aims to increase equitable access to the outdoors for all New Mexicans, ensuring healthy outcomes, environmental stewardship, and economic prosperity.

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The mission of the Outdoor Recreation Division, a division of the New Mexico Economic Development Department, is to increase equitable access to the outdoors for all New Mexicans, ensuring healthy outcomes, environmental stewardship, and economic prosperity. For more information, visit nmoutside.com or follow us on Facebook, LinkedIn, Twitter, and Instagram at @NMOutdoorRec.



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