

NEVADA COMMISSION ON TOURISM

NEVADA TOURISM INSIGHT



WHO WE ARE, WHAT WE DO

Mission: To enhance the economic vitality of the State of Nevada and its statewide tourism industry entities.

Vision: Think Big. Be Bold.

The Nevada Commission on Tourism generates revenue for the state of Nevada by increasing domestic and international tourism. NCOT is the only agency that markets and promotes the entire state of Nevada as a visitor destination and has done so for 29 years. Nevada's key traveler feeder markets are outside the state. These travelers generally stay longer and spend more money, boosting revenue for the State.



TOURISM IS NEVADA'S NO. 1 ECONOMIC ENGINE

- Nevada welcomed approximately 51.4 million visitors in CY11, up 2.5 percent over CY10.
- Nevada's travel industry generated \$56.5 billion in total (direct and secondary) travel spending in CY11p.
- Nevada's travel industry generated \$2.7 billion in state and local tax revenue in CY11p.
- Nevada's travel industry supported 447,000 jobs in CY11p.
- Nevada's travel industry produced \$19.9 billion in earnings in CY11p.
- Nevada's travel industry comprised 30% of all employment in CY11p.
- Nevada is 4.4 times more tourism-dependent than the U.S. average with tourism accounting for 12.5 percent of Nevada's overall statewide Gross Domestic Product (GDP) in CY11p.
- Total lodging tax collected in FY12 was approximately \$556 million.
- More than 22% of NCOT's budget is transferred to other agencies.

ROI



\$1 = \$19

- Every \$1 NCOT spent on advertising generated \$19 in state and local tax revenue (based on studies of actual visitors who indicated they were positively influenced by our advertising) in FY12.

\$5.3 MILLION = \$101 MILLION

- NCOT's FY12 \$5.3 million advertising investment influenced the production of more than \$101 million in tax revenue for the state of Nevada.

\$68 MILLION IN NCOT GENERATED PR VALUE

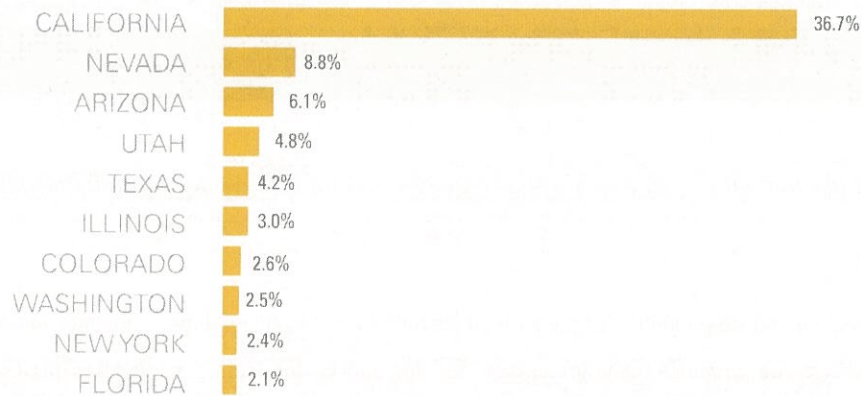
- NCOT generated free media coverage in newspapers, magazines, broadcast and Internet valued at \$68 million, based on the cost of the same space for advertising in FY12. ROI 233:1

NCOT HAS EXPANDED INTERNATIONAL MARKETING AND SALES EFFORTS

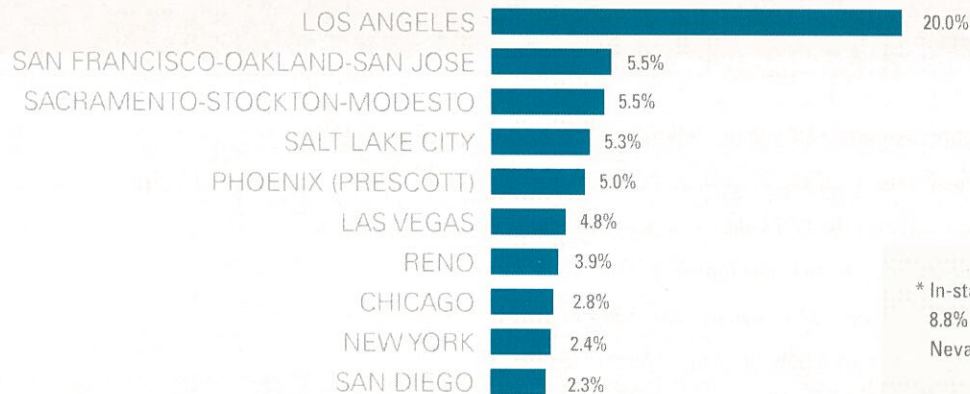
Nevada has representatives based in nine countries or regions: the United Kingdom, Canada, Mexico, Germany, France, Brazil, Australia, South Korea and China. The Nevada Commission on Tourism was the first U.S. tourism entity licensed by the Chinese government to advertise to outbound Chinese.



TOP TEN STATE SOURCES OF VISITORS TO NEVADA IN CY11



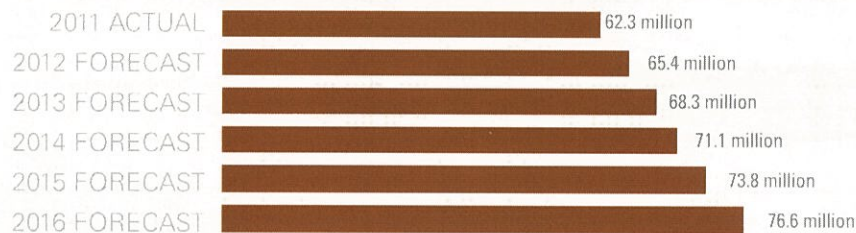
TOP TEN DMA SOURCES OF VISITORS TO NEVADA IN CY11



* In-state visitors represented 8.8% of the total visitors to Nevada in CY11.



PROJECTED U.S. GROWTH IN INTERNATIONAL VISITATION BY CALENDAR YEAR



COMPETITIVE LANDSCAPE

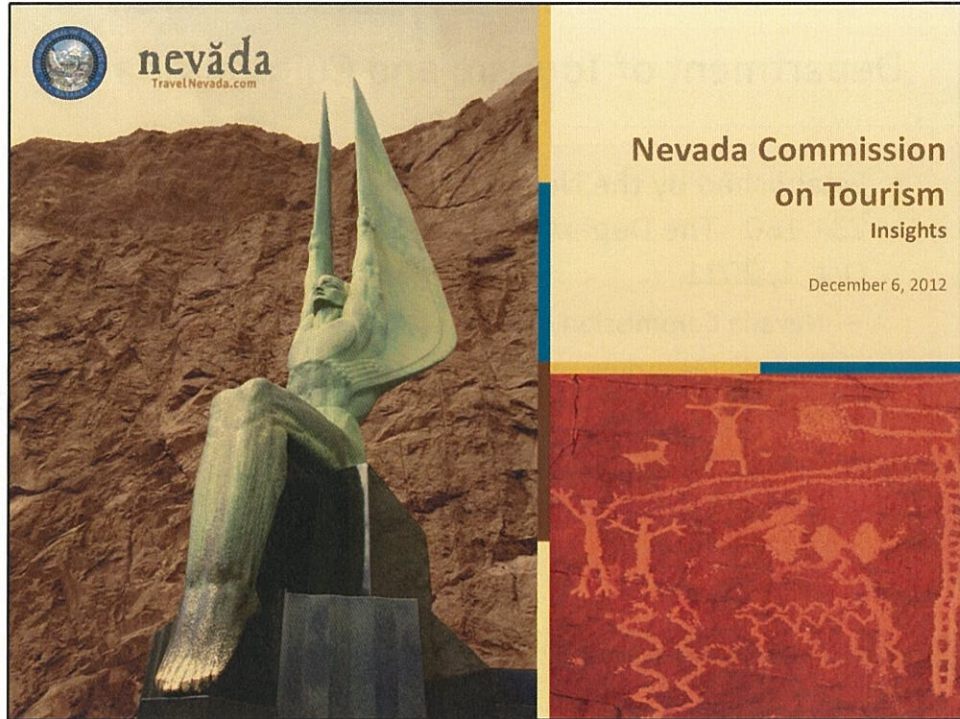
Nevada is 16th in state tourism spending: Tourism-dependent Nevada has less funding (\$12.8 million) to invest in attracting visitors than other competitor states: California (\$61.4 million), Montana (\$17.8 million), Arizona (\$13.5 million) and Colorado (\$13.5 million) [FY12].



NEVADA
DEPARTMENT OF
TOURISM AND
CULTURAL AFFAIRS

Mission: Create sustainable financial, intellectual and creative vitality for the State of Nevada, and the businesses and individuals engaged in the tourism and cultural industries.

Vision: A world-class tourism and cultural affairs organization that embraces strategic thinking, innovation and creative problem solving.



Igniting Innovation

When the market is overcrowded, innovating is the only way to break free from the pack. If you aren't living on the edge, you're taking up too much space. You must take major risks."

Scott Koepf, CTC, Avoya Travel



Department of Tourism and Cultural Affairs

- Established by the Nevada legislature through NRS 231.160. The Department was officially launched on Oct. 1, 2011
 - Nevada Commission on Tourism (NCOT)
 - Nevada Magazine
 - Nevada Arts Council (NAC)
 - Division of Museums and History (DMH)
 - Nevada Indian Commission (NIC)

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Department of Tourism and Cultural Affairs

- **Mission:** Create sustainable financial vitality for the State of Nevada and the businesses and individuals engaged in the tourism and cultural industries.
- **Vision:** A recognized world-class tourism and cultural affairs organization that embraces strategic thinking, innovation and creative problem solving.

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Strategic Imperatives

- Generate revenue to the State of Nevada through activities within the tourism and cultural affairs arenas.
- Preserve Nevada's unique history through acquisition and conservation of appropriate archival materials and objects, facilities, programs and services that provide stewardship over, and enhance appreciation for, the state's heritage.

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Strategic Imperatives

- Raise awareness around the value of the arts and cultural contributions to enrich the lives of residents, enhance the livability of communities and contribute to the state's economic revitalization.
- Provide intellectual, educational and financial resources to persons engaged in the creative and cultural industries, and Native American communities that contribute to individual and collective success of Nevada and its residents.

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Nevada Commission on Tourism

- Mission: To enhance the economic vitality of the State of Nevada and its statewide tourism industry entities.
- Vision: Think Big. Be Bold.
- Two-fold Programming:
 - Integrated Marketing
 - Education

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Strategic Imperatives

- **Generate revenue** for public and private industry partners and tax revenue for state and local municipalities
 - **Increase consumer spending** per trip and increase length of stay at Nevada lodging properties
- **Educate** the Nevada tourism industry to help bolster all sales and marketing efforts of statewide industry partners
- Increase visitation to Nevada's **rural and historic areas**

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Nevada Overview

- 51.4 million visitors in CY11
- \$56.5 billion in total (direct and secondary) travel spending
- \$2.7 billion in state and local tax revenue
- 447,000 jobs
- \$19.9 billion in earnings
- 30% of all employment
- Nevada is 4.4 times more tourism-dependent than the US average – 12.5% of total statewide GDP
- Total lodging tax \$493 million

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Nevada Commission on Tourism = Results-Driven Marketing

- ROI – 19:1
- \$5.3 million advertising = \$101 million tax revenue
 - Fall/winter 2011/12 campaign generated \$38 million in tax revenue.
 - Spring/Summer 2012 campaign generated \$63 million in tax revenue.
- \$68 million PR value

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Current Visitors

- In-state visitors represented 8.8% of the total visitors to Nevada in CY11.
- Top ten state sources of visitors to Nevada in CY11:
 - California 36.7%
 - Nevada 8.8%
 - Arizona 6.1%
 - Utah 4.8%
 - Texas 4.2%

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During 2012, NCOT...

- Scrutinized All Programs
- Enhanced International Sales and Marketing Efforts
- Hired Burson-Marsteller/Y&R
- Developed Strategic Plan
- Embraced Integrated Marketing Approach
- Heightened Social Media Outreach
- Launched “Discover Your Nevada” Campaign
- Continued to Develop the Statewide Brand

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Looking Ahead

- During FY13, NCOT will focus its efforts on four key areas:
 - Finalize and launch the new brand
 - Build awareness of Nevada within legacy and emerging international markets
 - Create mobile apps and retail programs that enhance the customer experience in Nevada and drive business through customized offers
- Plan for Nevada's 150th Birthday (Sesquicentennial)

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Key Messages

- **Road Trips** - Nevada is a road-tripper's paradise – long open roads, bits of history scattered along the roadside and hidden around corners, and you're just a window pane away from breathing in the atmosphere and culture of the true West.
- **Modern Western Culture** – in Nevada, the wild, wild West lives on.
- **The Easy Getaway** - Nevada offers travelers an easy way to pack a full vacation into a weekend-getaway budget.
- **Culture, Cityscapes and Culinary** - Part of Nevada's complex nature is its affinity for the arts, its colorful neighborhoods and its culinary scene.

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Key Messages

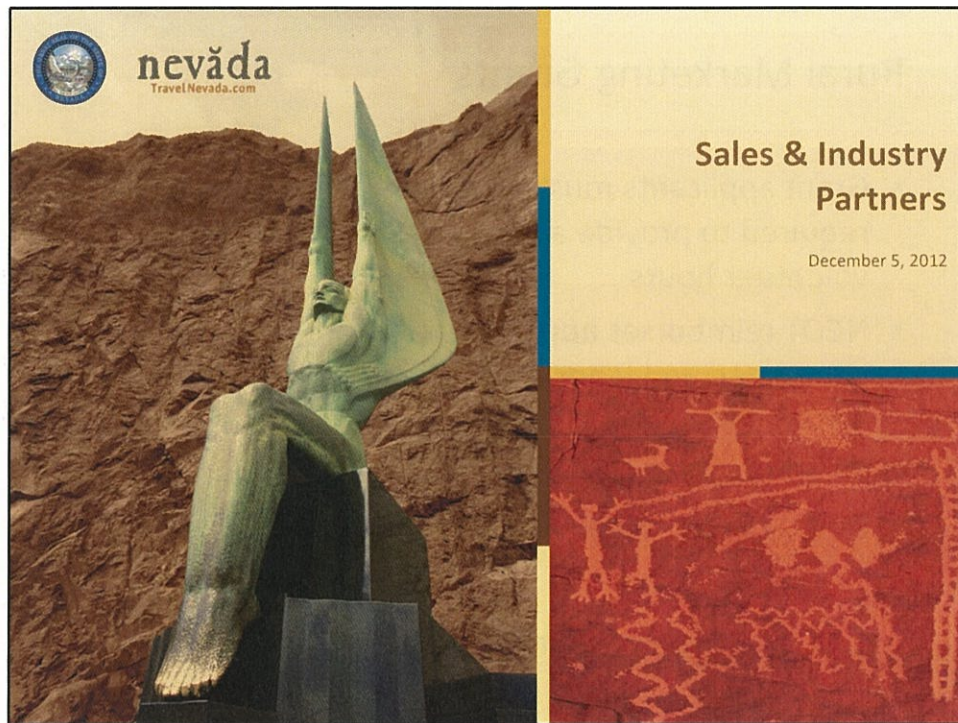
- **History & Heritage** - Nevada's history is a patchwork of fascinating stories - visitors can taste, smell and hear history come alive.
- **Outdoor Adventure** - Nearly 90 percent of Nevada public land, which means there's an abundance open space to be explored, discovered, and tested.
- **Events** - Nevada can legitimately lay claim to some of the most absurd, unusual, and downright unique events in the world.

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State Agency Partnerships

- Department of Conservation
 - State Parks
 - State Office of Historic Preservation
- Department of Transportation
 - Enhance transportation routes, modes
 - Create visitor experiences
- Department of Wildlife
 - Hunting, wildlife viewing
- Governor's Office on Economic Development
 - Brand
 - Film Office
 - Economic diversity

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Rural Marketing Grants

- Helps the rural communities of Nevada market their towns to potential visitors around the world in an effort to generate overnight stays.
- Two Marketing Grant cycles each fiscal year. The 1st cycle begins in early February with applications due in early April. The 2nd cycle begins in early August with applications due in late September.
- Competitive Grants – receive more requests than available funds.
- Developed/presented by rural entities, reviewed by NCOT, recommended by Territory Chairs, approved by NCOT Commissioners

Rural Marketing Grants

- Grant applicants must be nonprofit entities and are required to provide a 50-50 match in funds or volunteer hours
- NCOT reimburses applicants after projects are completed and labor and funding details are documented
- FY 13 - \$1,371,432
- FY 14-15 – \$1,400,000

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Rural Marketing Grants

\$171.3 MILLION

RURAL COMMUNITIES LEVERAGED \$1.025 MILLION IN GRANTS AND NEARLY 111,000 VOLUNTEER HOURS TO GENERATE A REPORTED \$171.3 MILLION IMPACT ON RURAL ECONOMIES IN FY10

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IPW Las Vegas June 8 – 12, 2013

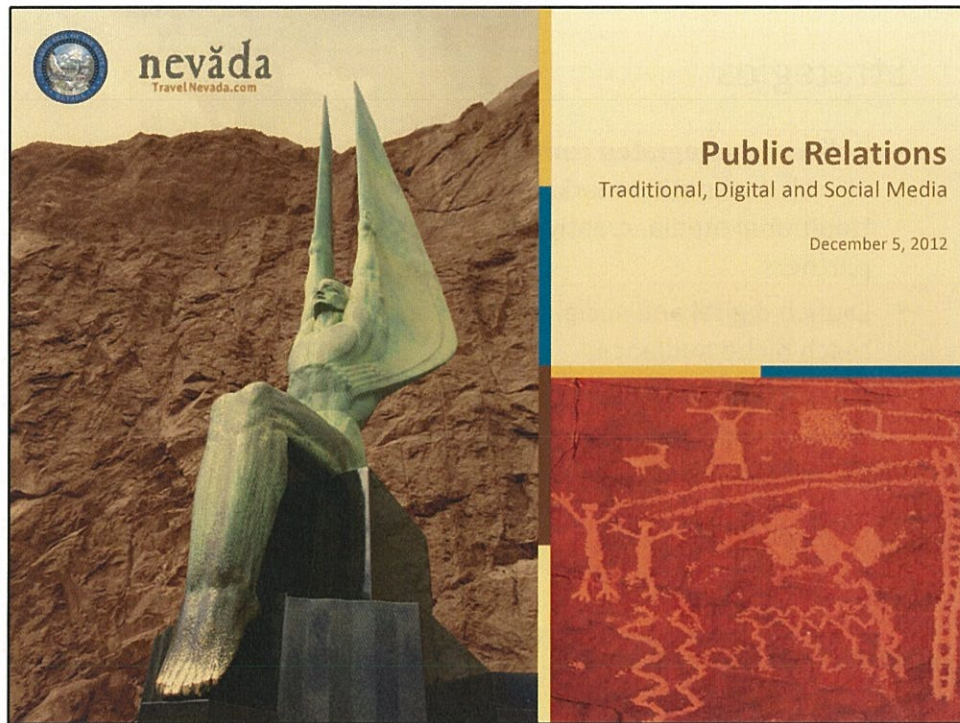
- U.S. Travel Association's IPW is the travel industry's premier international marketplace and the largest generator of travel to the U.S.
- 1,200 international and domestic buyers from more than 70 countries
- More than 1,000 U.S. travel organizations from every region of the USA
- Generate more than \$3.5 billion in future Visit USA travel.
- NCOT – 75 buyers on fam trips across the state.

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Sales

- Trade Shows
Over 20,000 Professional Contacts Made
81.1% Trade Show and Sales Mission Contacts Resulted in Business for Nevada
- Familiarization Tours
Domestic and International Tour Operator and Travel Agents
- Cooperative Marketing
Key International Travel Companies
Develop Tours and Itineraries
Increase Exposure and Room Nights

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Goals

- Inform, inspire and motivate travelers to experience Nevada
- Promote diversified product offerings to reach core and first-time audience segments
- Drive an increase in dispersal, spend and duration by travelers

Strategies

- Deliver an integrated communications plan complementary to overall destination marketing strategy that combines traditional media, creative tactics, digital communications and partners
- Launch digital and social media programs that can effectively reach niche audiences
- Support collaboration and synergy with NCOT partners and stakeholders, together building programs that generate shared success

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Getting the Word Out!



14,523,577 Unique Monthly Visitors



7,977,448 Unique Monthly Visitors



9,599,651 Unique Monthly Visitors



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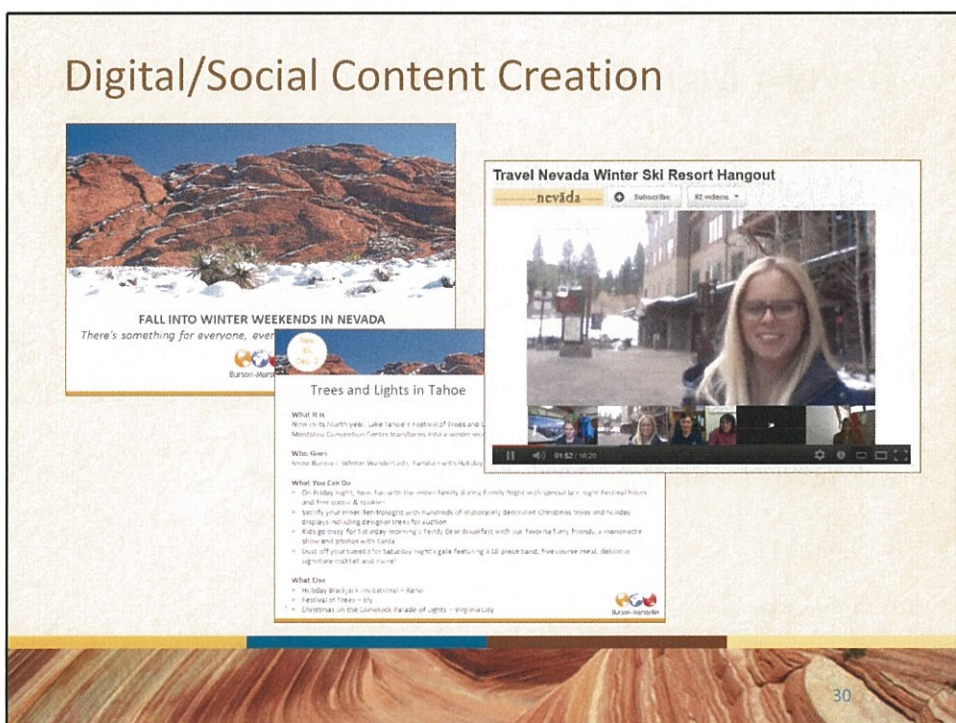
Social Media

Content calendars, sweepstakes, special curated content - "Fall into Winter Weekends" and "Spring into Summer Weekends"

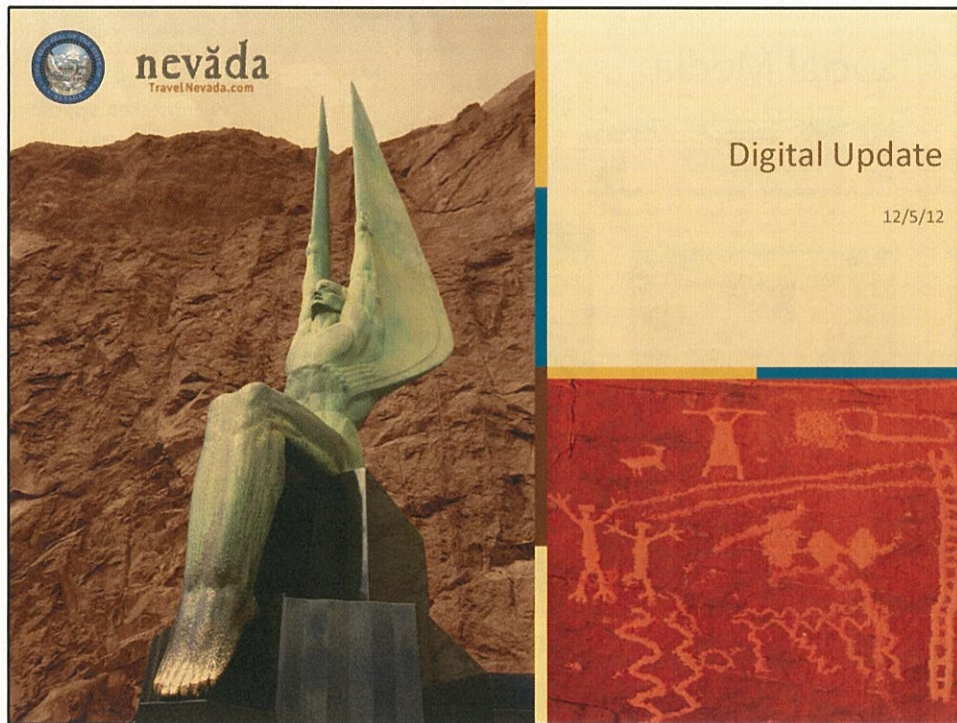


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Digital/Social Content Creation



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Travel = Digital

- **87%** of travelers use the internet for bulk of travel planning
- Top online activities include:
 - **62%** research upcoming trips
 - **45%** sources initial trip idea
 - **43%** read reviews from other travelers
 - **31%** watch travel videos
- **76%** of travelers plan leisure trips online
- **80,000+** monthly searches for adventure travel

2012 Online Travel Industry Statistics

Power of Mobile

- **85%** of leisure travelers use their smart phone while traveling
- **30%** use mobile apps to find hotel deals
- **29%** use mobile apps to find flight deals
- **15%** download mobile apps specific to upcoming vacations

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Strategies

- Leverage digital and social platforms to promote diversified offerings (multi-season) and inspire and motivate travel
- Integrate with overall marketing and communications mix – for efficiency and scale

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Building the NCOT Digital Ecosystem...



- Refresh website and create iPhone app that provide engaging content, connectivity, promotions and offers.
- Activate social platforms to drive conversation and garner high engagement.

TravelNevada.com



Incorporate new brand look and feel with inviting interactivity, robust navigation, social media components and rich content

Users will enter an environment where they can craft their own vacations; explore multimedia content and shape trip planning

Enable site to be comfortably viewed on phone and tablet interfaces

The Travel Nevada iPhone App



Travel guides, trip planner, maps, suggested itineraries, multimedia, geo-location services, guided tours and content uploads

Trip Planner – created by users, created by another user or suggested and promoted itineraries

Digital Advertising – Fall/Winter Campaign

Strategies:

- **Content Integration** - Create compelling content to engage audiences where they are
- **In-Market Travelers** - Expressed interest, primed for messages
- **Key Segments** - Behavioral, interest and geo-targeted



Spring/Summer Campaign Highlights

•NCOT will launch an all-new brand campaign in Spring 2013 designed to encourage trial and visitation to Nevada from the surrounding States.

•Integrated media support for the campaign is scheduled to begin mid-April and will consist of the following elements:

- Television
- Print
- Digital
- Mobile Application
- All-new TravelNevada.com Website

•Media units will be highly targeted and purchased based on maximizing impact against the target audience. Geographic, demographic and psychographic factors will be considered when determining placement.

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Measuring Success


- Advertising impact study
 - Awareness and intent metrics
- Engagement and interaction with rich media units
- Engagement and interaction with website
- Brand champions

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Timing and Next Steps

- Digital advertising launch end of December-February
- Winter getaway sweepstakes November-January
- Website and iPhone App launch to coincide with Spring/Summer advertising and new branding
- Work with key stakeholders to get involved with iPhone App and upload content
 - To get involved contact: Bianca Chan
bianca.chan@bm.com


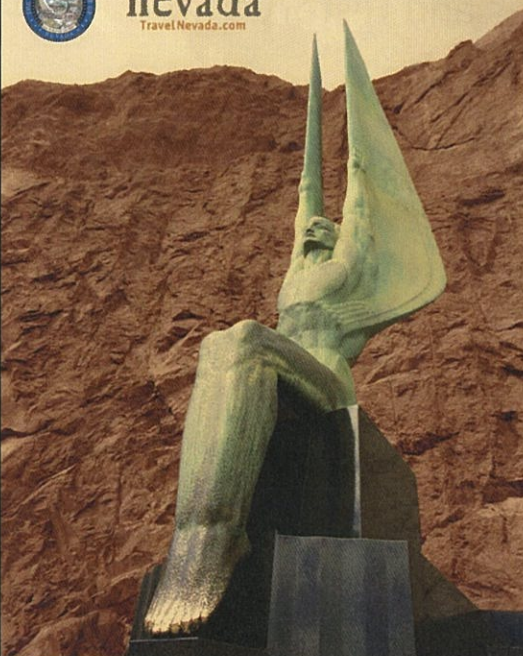
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TravelNevada.com

Department of Tourism
and Cultural Affairs

- Division of Museums
and History
- Nevada Arts Council
- Nevada Indian
Commission



Nevada's 150th Birthday

- Steering Committee – through Jan 31
 - Roadmap for event development
- Year of events, celebrations, historic commemoration, relevance
- Department of Tourism & Cultural Affairs
 - Divisions of Museums and History

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Division of Museums and History

Created with the mission...

"to engage people in the cultural and natural history of Nevada so they may celebrate the past, learn from it, and develop perspective for present and future generations."

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Division of Museums and History

Core Services

- *Curatorial Services*
- *Education & Research Services*
- *Tourism & Community Development*



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Division of Museums and History

Operates seven museums

- *Nevada Historical Society, Reno – 1904*
- *Nevada State Museum, Carson City – 1941*
- *Lost City Museum, Overton – 1953*
- *Nevada State Railroad Museum, CC – 1980*
- *Nevada State Museum, Las Vegas – 1982*
- *Nevada State Railroad Museum – East Ely – 1991*
- *Nevada State Railroad Museum, BC – 2002*

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Division of Museums and History

Challenges –

- Museums are in survival mode
- Budget reductions total nearly 50% since 2007
- Workforce reduction from 97 FTE's to 60 FTE's
- Staff work part-time; 32 hours per week
- Public service reduced from 6 or 7 days per week to 4 days per week
- Impacts spread to every program

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Nevada Arts Council

The Nevada Arts Council (NAC) is the agency charged with ensuring that state and national funds support cultural activity and encourage participation in the arts throughout Nevada.

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Nevada Arts Council

- **Mission** - To enrich the cultural life of the state through leadership that preserves, supports, strengthens, and makes excellence in the arts accessible to all Nevadans.
- **Vision** - A Nevada in which the arts enrich the lives of all residents, enhances the livability of communities, and contributes to the state's economic revitalization.

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Nevada Arts Council

- **Programs Sample**
 - Artist Services
 - Arts Learning – Poetry Out Loud
 - Community Arts Development Program (CAD) - supports local arts agencies, presenting and community based organizations with assistance and training for all phases of organizational development.
 - Folklife Program - seeks to discover, understand, document, and support significant cultural traditions wherever they arise
 - Grants Funding

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Nevada Indian Commission

- Established in 1965
- Liaison for the Governor to the 27 Tribes, Bands and Colonies
- Statewide Responsibility
- 2 Full-time Employees
 - Executive Director – Appointed by the Governor
 - Administrative Assistant
- 5-Member Board
 - 3 American Indian
 - 2 General Public
- Cabinet Appointment

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Nevada Indian Commission

- Mission

To ensure the well being of American Indian citizens statewide through development and enhancement of the government-to-government relationship between the State of Nevada and Indian Tribes and through education for a greater cultural understanding of the State's first citizens

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Nevada Indian Commission

- Agency Operations:
 - Promote the Government-to-Government relationship between the State of Nevada and Indian Tribes
 - Advocate for the social and economic well-being of all American Indians and Alaska Natives residing in Nevada
 - Educate government (federal, state and local) agencies and the general public for a greater cultural understanding of the state's first citizens
 - Coordinate efforts of all State department Tribal Liaisons

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Nevada Indian Commission

- Identify Tribal needs and priorities (working with the Tribes)
 - Recommend and support state legislation on matters that will improve, protect, and address the interests of American Indians and Alaska Natives living in Nevada
 - NIC strategic planning
- Advocate for Tribal Tourism on a national level through the American Indian Alaska Native Tourism Association (AIANTA)
- Identify funding for the Stewart Indian Cultural Center

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