



FY19 ANNUAL
REPORT



A SNAPSHOT OF OUR IMPACT

Tourism continues to be the leading industry in Nevada, contributing significantly in terms of economic impact. In 2018, the state saw an increase in travel spending, travel-generated employment and travel-generated income for employees in Nevada.

Note: Economic impact data is collected by the calendar year rather than fiscal, so the following information is based on CY2018 unless otherwise noted.

SPENDING:

2018 total travel-generated spending

\$65.5b

increased
from 2017



2018 room tax collections

\$25.1m

increased
from 2017



EMPLOYMENT:

2018 total
travel-generated
employment

463,440

increased
from 2017



Travel spending
in 2018 represents

26.1%

of all
employment
in the state

2018 visitors generated about

\$20.7b

for these employees
in income



increase
from 2017

TAX RECEIPTS:

Total state and
local tax receipts

\$4.9b

increased
by about



These tax revenues represent nearly

\$4.6k

of tax generation per
Nevada household

RURAL NEVADA IMPACT:

Spending

\$2.9b

increased
from 2017



Employment

28,148

increased
from 2017



Income

\$872.6m



State and Local
Tax Revenue

\$201.9m



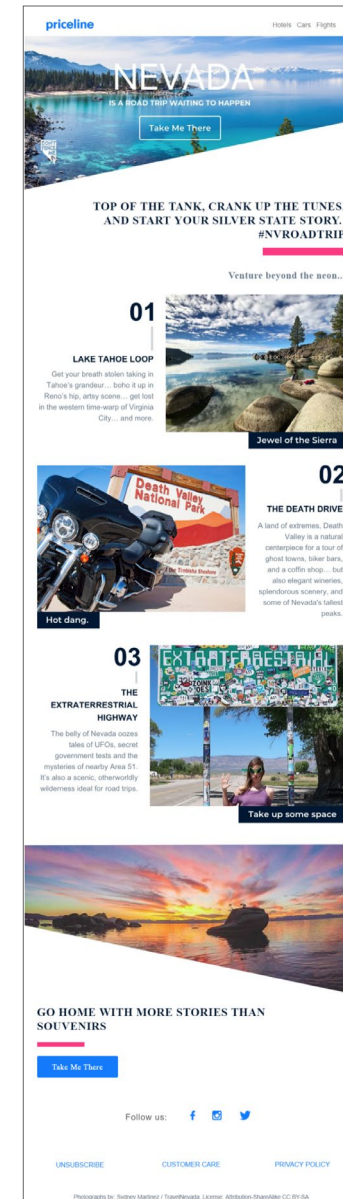
PAID MEDIA

Travel Nevada's FY19 media efforts continued with an “always on” paid media approach to strategically connect with potential travelers throughout the traveler’s journey. Paid media efforts were primarily focused within the dreaming and planning stages, where Nevada could be introduced to travelers when they’re thinking about travel decisions, and then compel potential visitors to choose Nevada when they are actively making decisions for their next trip.

Travel Nevada has moved away from targeting audiences using traditional demographics and has focused on reaching people with an “Adventure State of Mind”— those with a thirst for adventure who choose vacations that allow them to discover for themselves. Because adventure can mean different things to different people, the FY19 campaign segmented the primary “Adventure State of Mind” audience into two key segments to help deliver hyper-relevant content to each. These segments were identified as Explorers, those with interests in outdoor activities and adventures, and the Upward Bound audience, which was comprised of those with interests in culture and leisure experiences that allow them to leave with unique stories of their own. Paid media partners and tactics were chosen based on their connection and engagement with each of these audiences within the Adventure State of Mind.

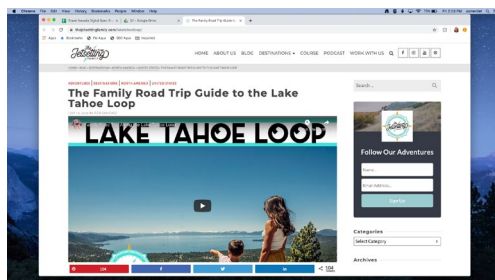
This media connection strategy was accomplished through a mix of:

- **Immersive content partnerships** with top-tier adventure travel and lifestyle publishers to ensure that the messaging is seen by the right audience and while that audience is consuming relevant content
- **Action-driven messaging** across digital and social channels to make information about Nevada easy for the audience to find when they are researching for a trip
- **Cross-screen, data-targeted video** to reach the right audience across whichever screen or device they choose to consume their video or television content



- **Travelzoo:** The sponsored story and social videos drove a high-quality audience to Nevada's site as Travelzoo was the leading driver of travel guide downloads, with more than 75% being full form submissions.
- **inPowered:** Nevada's native content outperformed inPowered's engagement benchmark by more than 50%, with users spending more than double the average time spent with the content. This not only showed that targeting was reaching the right users, but also that content was engaging enough that users spent quality time with Nevada's messaging.

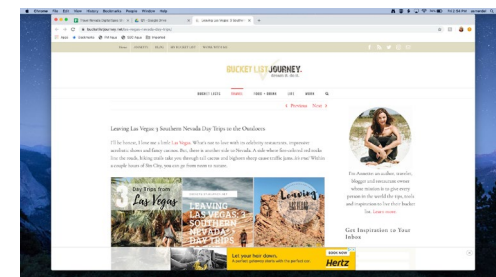
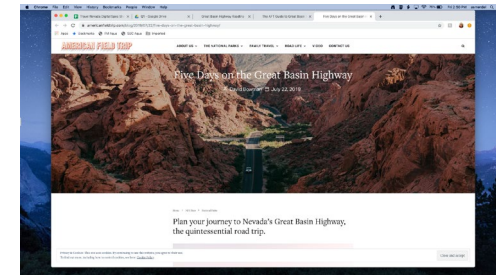
- **Omnivirt:** As a way to extend the reach of Travel Nevada's 360° video, the premium VR network Omnivirt was able to showcase Nevada's footage in a 3D orb that was positioned in a San Jose airport terminal to capture the attention and engagement of passengers and employees while travel was top of mind.
- **Pandora:** Pandora efforts shifted in FY19 to include newer premium opportunities such as sponsored listening, connected car and connected home to adapt and reach engaged users based on how listening is evolving with technology throughout daily activities.

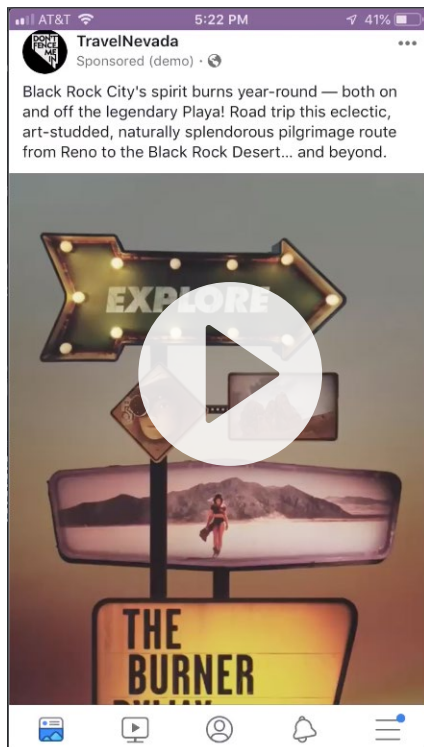


Video - Click to Play

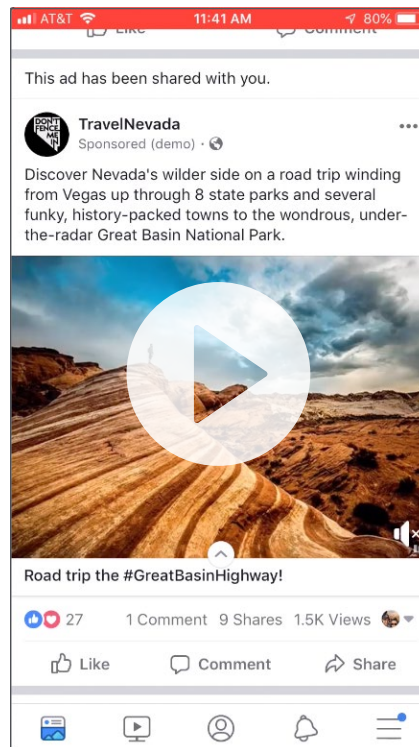
- **Discovery Networks:** Nevada's partnership with Travel Channel & Discovery Channel adapted to the ways people consume video by reaching beyond traditional cable into digital and social extensions; these extensions resulted in Travel Nevada's social video ranking #1 in overall share score and comment score of all Travel Channel sponsored Facebook videos they'd posted to date, indicating that the audiences reached through that partnership are not only relevant, but also extremely engaged.
- **Matador:** A series of four influencer and hero videos engaged our target audience in the dreaming phase of the traveler's journey while also driving a high volume of quality site traffic.
- **Ad Parlor:** Travel Nevada leveraged various targeted efforts via Facebook and Instagram including video, lead generation and interactive ads, which continued to reach the key audience segments in platforms where they spend significant time. Optimizations made in FY19 produced an increase in lower-funnel actions, such as eNewsletter sign-ups and Visitor Guide downloads/requests.
- **Travel Mindset:** FY19 was the first year Nevada worked with Travel Mindset for influencer relations and amplification, which resulted in a very successful partnership with this industry-leading influencer network. Travel Mindset coordinated five influencer trips to Nevada, which generated 10 blog posts and 5 blog videos, with more than 500 social posts and 610,000 engagements across Facebook, Instagram and Twitter.

Video - Click to Play





Video - Click to Play



Video - Click to Play

Overall, the FY19 campaign exceeded key benchmarks and drove consistent, engaged traffic to the site throughout the year. On-site intent-to-travel metrics — eNewsletter sign-ups, visitor guide views/downloads/requests, etc. — continue to improve year over year, indicating the campaign efforts were targeting and connecting with high-quality potential visitors. Additional metrics provided by travel publishers like Travelzoo and Online Travel Agents like Expedia, TripAdvisor and Priceline also indicated that Nevada's FY19 custom content and campaign messaging not only created a lift in interest about Nevada overall, but also generated an increase in bookings (where applicable) on their respective sites.

SEARCH

In February 2019, Travel Nevada merged organic and paid search efforts in order to maximize efficiencies and impact as part of an integrated search strategy. Optimization improvements saw immediate results, with triple digit growth Year Over Year in organic sessions, page 1 keywords and position 1 keywords. By June 2019, paid search saw a 30% increase in users Year Over Year and a 41% increase in goal conversions.

SOCIAL MEDIA

As a part of Travel Nevada's integrated marketing approach, its social media efforts include both paid and organic tactics, many of which align with the paid media partnerships previously outlined. Travel Nevada's social media channels, which strategically showcase all of the state's greatest experiences throughout the year, saw strong engagement in FY19. The channels generated nearly 15 million impressions and generated more than 17% of TravelNevada.com's site traffic, a nearly 19% increase over FY18.

FY19 Influencer Campaign with Travel Mindset

- Total Social Media Impressions: 187 million
- Total Social Media Reach: 9.2 million
- Total Social Media Engagement: 610,100
- Earned Media Value: \$1.5 million

Digital Campaign with Matador Network and Airstream

- Total Facebook Views: 1,603,000
- Love Nest (Free-Range Art Highway): 323,000
 - Dadventures (Lake Tahoe Loop): 484,000
 - Road Warrior (The Death Drive): 509,000
 - Portraits of Nevada's Cowboy Corridor: 287,000



- FY19 Total Post Reach: 7,297,256
- FY19 Total User Engagements (Post Likes, Comments, Shares and Clicks): 290,549



- FY19 Total Tweet Impressions: 4,512,000



- FY19 Total Reach: 2,897,506
- FY19 Total User Engagements (Post Likes, Comments, Shares and Saves): 218,787

Website Traffic

- Total Sessions Driven from Social: 309,474
 - 17.9% of all website traffic in FY19
 - 18.9% increase from FY18



PUBLIC RELATIONS

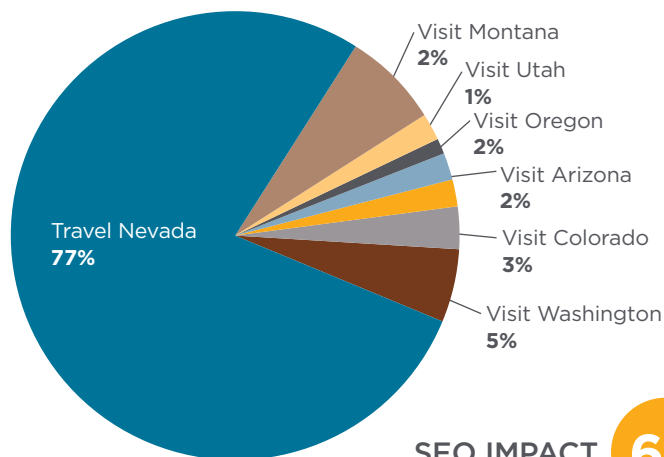
The Travel Nevada PR team has historically encouraged road trips to help with this, but as it entered FY19, an integrated team took that promotion to the next level, developing several new road trip routes and promoting them through paid, earned, shared and owned channels, generating millions of impressions, link clicks and engagements showing travel intent.

In line with its marketing objectives, Travel Nevada saw an increase in its PR KPIs across the board.

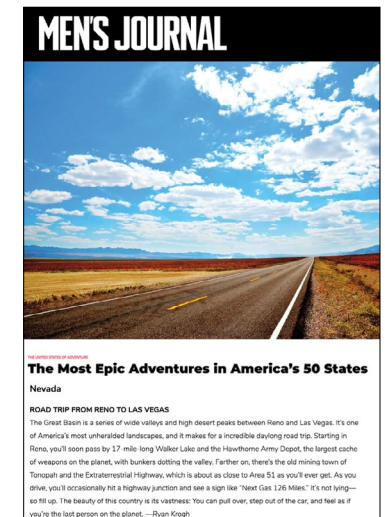
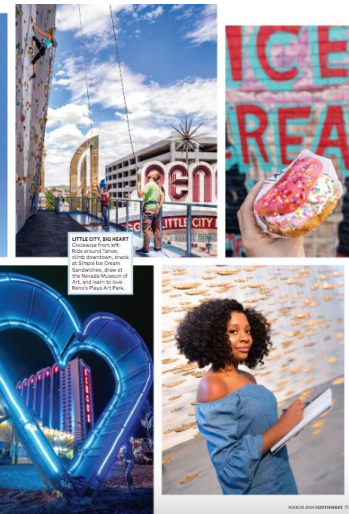
- Maintained an SEO Impact score of 60, meaning that earned placements mentioning Nevada were on sites that improved the chances of the state appearing in key travel searches
- Maintained more than 75% share of voice against its competitors for key state assets, like Great Basin National Park and Hoover Dam, suggesting that the affiliation between the state and its assets is strong
- Secured more than 20 articles related to key campaign elements in Top 100 outlets
- Hosted four media missions to target travel markets, engaging with more than 50 travel journalists
- Hosted three themed FAMs for more than 10 journalists and influencers, showcasing road trips and key state attractions

SHARE OF VOICE

comparing Nevada against competitive states by tourism keywords



SEO IMPACT **60**

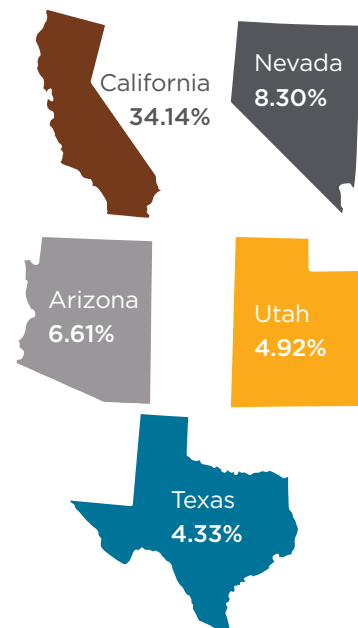


RESEARCH AND INTEGRATED MARKETING EFFECTIVENESS STUDY RESULTS AND STATS

Visitors to Nevada are as diverse as the state's tourism offerings. However, over the last several years, the average age of Nevada visitors has decreased, while the average education level has increased. Research shows that these travelers are more adventurous and have more disposable income to experience more during their visits.

Those who were aware of Travel Nevada's efforts were more likely than those unaware to plan a trip to visit Nevada in the next 12 months, took more trips to the state, and spent more on average. The campaign also helped shift perceptions of the state, particularly with first time visitors and those who have never visited the state overnight.

Domestic Visitor Origin Top 5 States



2014 vs. 2018

OUR VISITOR IS...

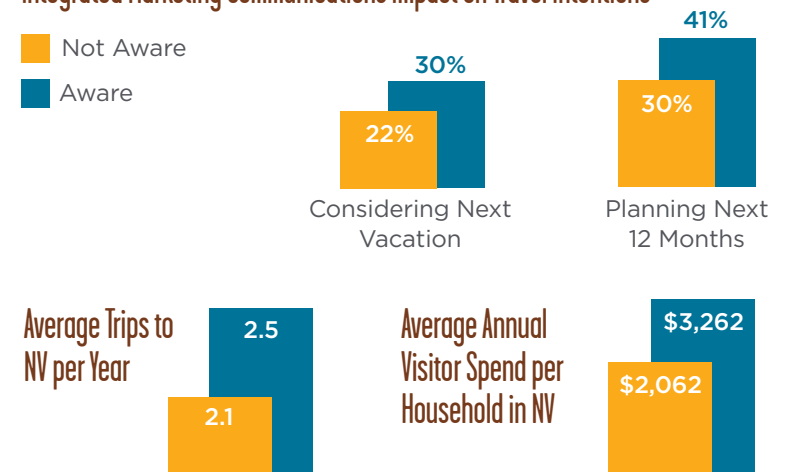
Younger
55.33 vs. 47.65

Has a higher median income
\$62,261 vs. \$78,929

More educated
57.99% vs. 64.39% college

Integrated Marketing Communications Impact on Travel Intentions

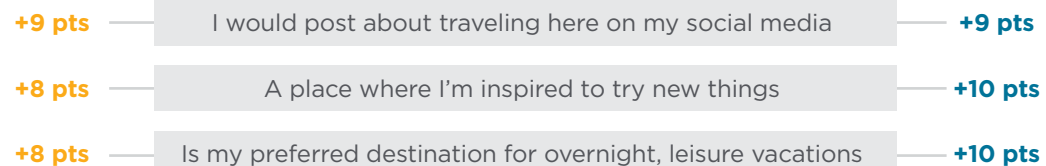
Not Aware
Aware



Integrated Marketing Communications Impact on Destination Attributes — Aware vs. Unaware Difference

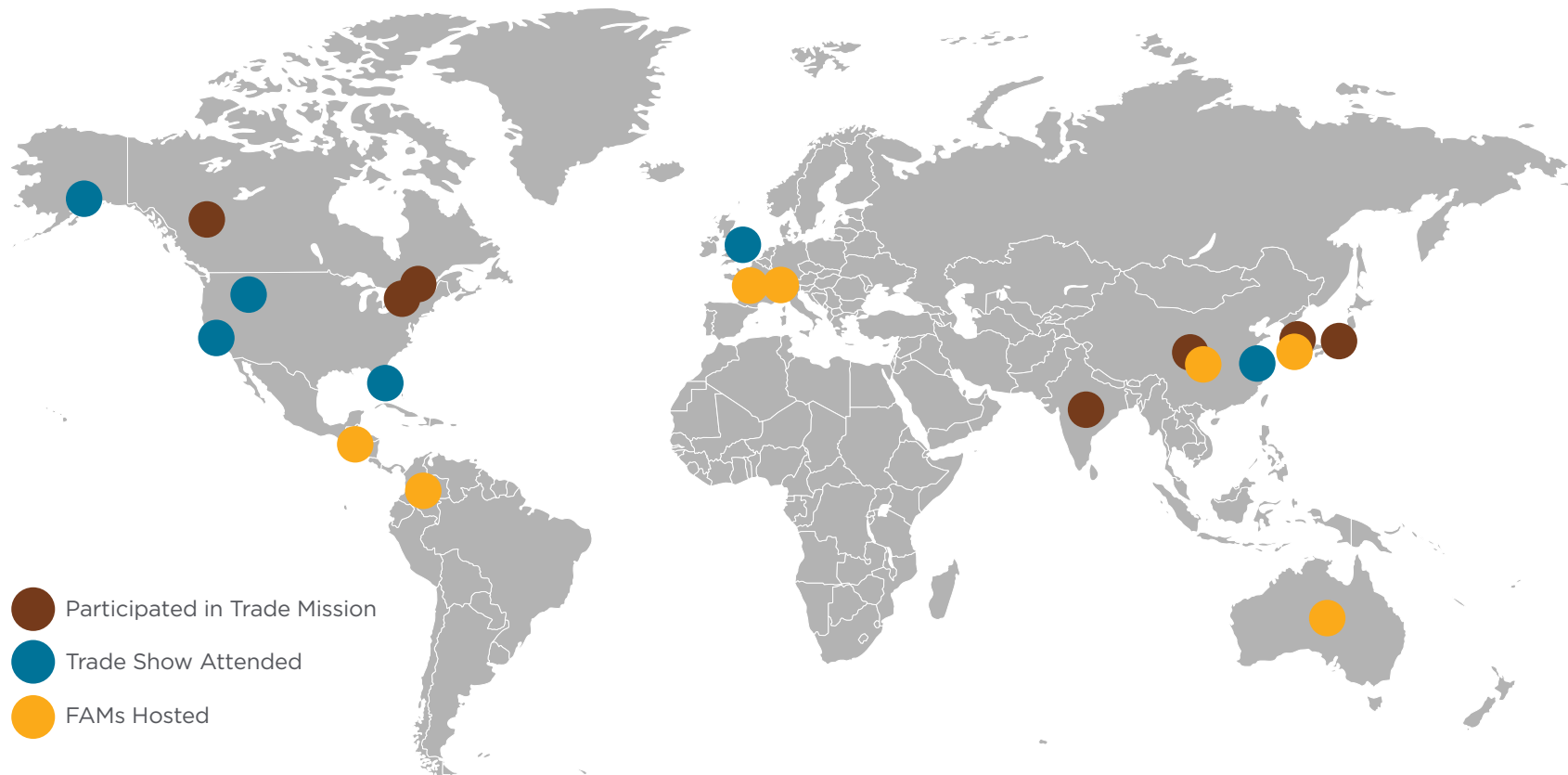
Total Audience

First Time Visitor



Sources: The OmniTrak Group

DOMESTIC & INTERNATIONAL SALES TEAM EFFORTS & IMPACT



In FY19, Travel Nevada organized a pan-regional **trade campaign** with Mexico, Chile, Columbia, Argentina and Brazil that included both consumer and public relations elements. Additionally, Travel Nevada launched its first ever campaign with CTrip, China's leading tour operator to the United States, featuring Nevada's branded road trips. CTrip is currently booking over 100,000 Nevada room nights annually and is projecting to increase that by 50% with this campaign.

On December 17, 2018, the Nevada Commission on Tourism awarded the 2nd Cycle **Rural Marketing Grants**. 84 grants were awarded, totaling \$643,797, to fund marketing projects in rural Nevada. These funds are vital to the rural communities in Nevada, allowing their marketing dollars to go much further and contributing to the overall allure of Nevada as a tourism destination, as well as increasing room tax revenue.

Travel Nevada's **Brand USA** Canada Multi-Channel Campaign generated a total of 1,613,850 Expedia impressions, 48,022 hotel nights and two page spread inserts with The Vancouver Sun and Edmonton Journal. The Brand USA Televisa brand awareness campaign ran in Mexico in early FY19, delivering more than 29.9M impressions and 1.5M full views, with a performance of 1.7% in CTR and 87.2% in completion rate. The Brand USA Australia Multi-Channel Campaign included a call to action campaign with Expedia, which generated a total of 3,811 hotel room nights. A total of 7,831,235 digital impressions were generated from Facebook, Google Banner Ads, Adtheorent Takeover and Expedia.

Travel Nevada issued requests for proposals for two **new international markets**: Japan and South Korea. The markets were analyzed and selected due to the growth and travel trends reflected over the past 10 years.

- **South Korea:** The number of Koreans traveling overseas in 2010 totaled 12.5 million and reached over 28 million in 2018, showing a large, steady gain year over year. In addition, there are 5 weekly non-stop flights from South Korea to Las Vegas and these travelers are seeking experiences outside of the city. The Korean traveler is also one of the highest spending guests while traveling abroad. We will be marketing extending their stays in Nevada and visiting other parts of the state from Las Vegas.
- **Japan:** Japan is the second-largest economy in Asia and the U.S. is the top international destination for the Japanese visitor. Currently, there is no non-stop service from Japan to Nevada; however, with the expansion of Haneda airport in Tokyo, there are plans to launch non-stop service. Japan's outbound travel posted record numbers in 2018, with 19 million, and is expected to increase. Road trips are a growing trend in Japan with travelers seeking to go out and explore destinations on their own. While Las Vegas remains a top destination for this market, the trend is moving toward extending their visits to explore the unexplored.



EDUCATION & PARTNERSHIPS

With so many amazing destinations, attractions and experiences in the state, Travel Nevada relies heavily on its partners to help tell stories that inspire travel. This fiscal year saw deeper partner engagement and more experiences for travelers.

RURAL ROUNDUP

Rural Roundup, the premier conference for Nevada's rural tourism industry, was held in Fallon, Nevada, Wednesday, April 10 through Friday, April 12, 2019. With presentations on destination development, grants, working with international partners and more, the 231 registered attendees gained valuable insights useful in marketing their own destinations. The event scored a 4.4 in terms of value on a five-point scale, as evaluated by partners.

NEVADA GOVERNOR'S GLOBAL TOURISM SUMMIT

The 2018 Nevada Governor's Global Tourism Summit returned to Reno and was held at The ROW in downtown Reno. More than 320 delegates comprising tour companies, territory representatives, hoteliers, state agencies, visitors' bureaus and media attended the conference. The highlight was a dinner honoring Governor Brian Sandoval and his contributions to the tourism industry over his eight years in office. The international sales and media marketplaces paired Nevada partners with international tour operators, airlines and journalists for one-on-one meetings.

NEVADA MAGAZINE

The Nevada Press Association, which judges 17 regional publications, presented more than 30 awards to Nevada Magazine at its annual event, including 11 first place awards for:

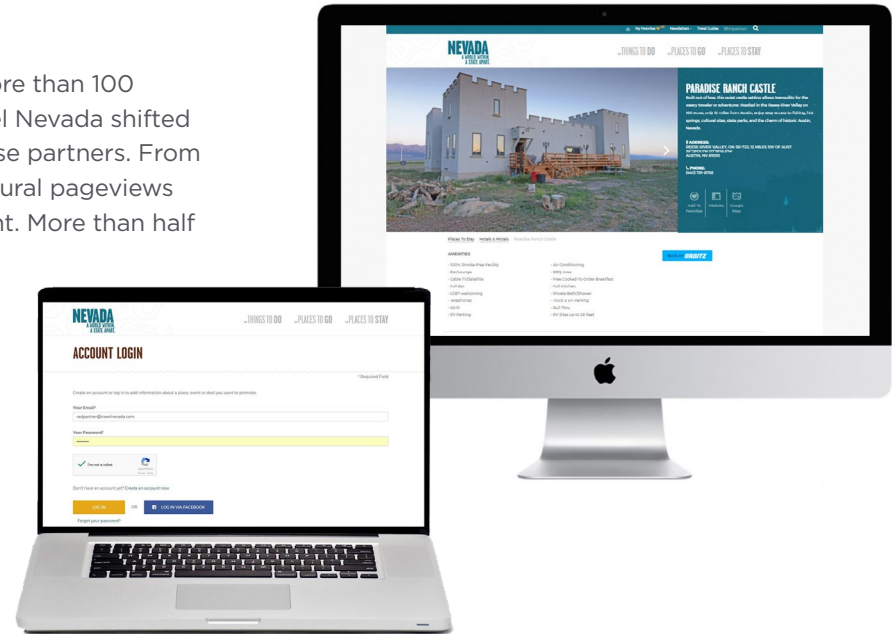
- General Excellence
- Front Cover Design
- Overall Design
- Advertising General Excellence
- Best Multiple Photo Series
- Best Portrait
- Best Profile/Interview
- Four advertising awards



Nevada Magazine

PARTNER PORTAL

In FY19, 78 new tourism entities signed up for a partner account, and more than 100 events were created by partners. While participation grew by 30%, Travel Nevada shifted efforts in tandem with a new search strategy to measure referrals to those partners. From January to June 2019, overall partner referrals were up 8%. Tracking for rural pageviews also began in January 2019, as baselines were set for future measurement. More than half a million rural pageviews were reported as of June 2019.



STATE PARKS

State Parks are a vital part of what makes Nevada a remarkable outdoor destination, just as the park rangers and staff are important partners in welcoming visitors from all over the world. To strengthen our partnership and shared mission, Travel Nevada initiated an agreement to make the permitting of promotional uses far easier for both departments. The Division of Tourism often brings tour operators, journalists, photographers, videographers and content creators into our state parks to educate them about outdoor resources, and to gather images and stories for marketing purposes.

This inter-departmental agreement gives the Division of Tourism approved access to all state parks and recreation areas, with adequate notification to the park rangers. This drastically reduces the hours spent processing paperwork for tourism activities that are mutually beneficial to both departments.

STAKEHOLDER ENGAGEMENT

Travel Nevada's stakeholder engagement efforts continued to focus on sharing the value of tourism as the state's leading economic engine, along with its impacts in all facets of the economy, including schools.

The division is pleased to report that Nevada Tourism Day, celebrated at the legislature on Wednesday, February 13, was a rousing success. Partners from throughout the state and legislators met to discuss tourism capped off the proceedings with public comments about tourism's beneficial impact on the state, saying "There's so much to see in Nevada, and that's what tourism is all about."

- In 2018, preliminary estimates show that 463,000 jobs were supported by tourism.
- Tourism helped to generate approximately \$21B in state income.
- Over 72 percent of lodging taxes were used to support schools and promote tourism destinations around the state.
- Tourism Day was strategically scheduled earlier in the session than in previous years to maximize legislator attendance and awareness.





“Tourism continues to be the No. 1 industry in Nevada. We see year-over-year growth in visitation and visitor spending because of the work conducted by the Nevada Division of Tourism. The result is increased tax revenue for and increased economic vitality for residents of the Silver State. I am proud to serve as chair of the Nevada Commission on Tourism and welcome visitors from all over the world to Nevada. In-state travel has increased approximately 2 percent since the division began to target residents as a key audience, and I am encouraged to see more Nevadans discovering the beauty and diversity of their home state. In cooperation with the Division of Museums and History, the Nevada Arts Council, and the Nevada Indian Commission – collectively known as the Nevada Department of Tourism and Cultural Affairs – we are committed to positioning Nevada as a top-tier destination and a leader in implementing innovative and compelling travel promotion and outreach.”

— Lieutenant Governor Kate Marshall

“There are many of us at the Division of Tourism who innately understand why Nevada is an incredible place to live and visit. Our job is to articulate that understanding to the country and the world, so travel planners will choose Nevada as their next destination. We undertake this mission with energy and conviction and are confident in tourism’s ability to enhance the quality of life in communities throughout the state.”

— Nevada Division of Tourism and Cultural Affairs Acting Director Brenda Scolari



For more information, visit **TravelNevada.biz**.