

**NEVADA COMMISSION ON TOURISM
Marketing Committee
Monday, October 26, 2020**

The Nevada Commission on Tourism held a Marketing Committee meeting at 1 p.m. on October 26, 2020 via Zoom.

Call to Order

Fletch Brunelle, Chair, called the meeting to order at 1 p.m.

Committee Members Present

Carl Ribaldo
Christina Erny
Cynthia Mun
Deny Dotson
Fletch Brunelle

Committee Member Absent/Excused

N/A

Staff Present

Brenda Scolari
Christian Passink
Jessica Grundy
Kyle Shulz
M.E. Kawchack
Tracie Barnthouse

Guests Present

Fahlgren Mortine
Noble Studios

Meeting

BRUNELLE: Good afternoon, everyone. I'd like to call to order the Marketing Subcommittee meeting of the Nevada Commission on Tourism. It's October 26, 2020 at 1:00 PM, sharp. Can you please confirm that this meeting was properly noticed and posted?

GRUNDY: This is Jessica Grundy. Yes, it was.

BRUNELLE: All right. Thank you. M.E., can you please call roll?

KAWCHACK: I can. Thank you. Fletch Brunelle.

BRUNELLE: Here.

KAWCHACK: Christina Erny.

ERNY: Here.

KAWCHACK: Carl Ribaldo.

RIBAUDO: Here.

KAWCHACK: Deny Dotson.

DOTSON: Here.

KAWCHACK: Cynthia Mun.

MUN: Here.

KAWCHACK: Great. We have a quorum. Thank you.

BRUNELLE: Let's move to item B public comments. Is anyone on the call for public comments?

GRUNDY: I don't think so.

BRUNELLE: Okay. With that, let's move to agenda item C, approval of minutes. This is for July 28, 2020 meeting.

Are there any proposals by way of motion for any matter relating to those minutes? If not, I'll entertain a motion to approve those minutes.

ERNY: I'll second.

BRUNELLE: All those in favor, say aye.

COMMITTEE: Aye.

BRUNELLE: Aye. Any opposed? The motion carries unanimously. For the August 10th, 2020 meeting, are there any proposals by way of a motion for any matter relating to those minutes? If not, entertain a motion for a second to approve those minutes.

ERNY: I'll second.

BRUNELLE: All those in favor. Aye.

COMMITTEE: Aye.

BRUNELLE: Aye. Any opposed? Passes unanimously. We can move on to agenda item D, snapshot of the industry.

Wait, did I miss something?

KAWCHACK: You know what? I can do opening remarks. I'm sorry.

BRUNELLE: Yes, please.

KAWCHACK: I'll just do a really quick opening. Today's a little bit different. Thank you everybody for being here today. Today's meeting, as you notice, it only has discussion items. Aside from approval of minutes, we have no action items today because the upcoming Commission meeting, we don't have any action items on that meeting. Today will be informational, but as always, we welcome your insights and thoughts and questions on the programs that we're presenting today. At last quarter's commission meeting, we had approval to move forward with a \$300,000 budget for Discover Your Nevada and the recommendation was accepted with a direction to proceed with more money if budgets allow. The Division of Tourism was scheduled to be heard by the Interim Finance Committee on October 22nd for the acceptance of Cares Relief Act Funding or CRF. Hence the timing of this meeting, our hearing was expedited. Those funds were granted last month, which is a great thing, but as a result, we're able to pivot quickly and enhance the buys that were already in the works. We've worked with Fahlgren Mortine on the challenging tasks of building a substantial in-state plan to be extended through December 30th of this year. The Discover Your Nevada campaign will allow us to educate Nevadans about the offerings available in our state, about what is open, what is safe and how local businesses may continue to be supported. As we move into the next calendar year, we'll be reevaluating our budgets and income so that we can begin to best target our drive markets. We expect our longer haul market interest in availability to continue to shift exponentially. The next quarter we'll be focused on maintaining in-state visitation, expanding carefully into those drive markets and choosing our domestic markets wisely. Today we're going to share with you, information that we review on a regular basis. I'm sure that you all are doing that as well. We'll share with you how we've arrived at the information that we will be providing to the Commission. You'll also see how our creative has shifted for the in-state audience and what we have on deck for the coming months. The largest action at the next Commission meeting will be for them to review the grant applications that are coming in through the CRF. Those need to be approved and awarded in very short order and we'll submit a chair report like we did last quarter and Commissioner Mun will be in attendance if there are any questions. That brings me to the introduction of our newest committee member. We had a rather informal introduction last month, but I would like to take time to read her bio for the record. Cynthia Mun changed careers eight years ago to become a well-traveled children's book writer represented by the Bench Agency in New York. Beyond serving on the Nevada Commission on Tourism, Cynthia is currently president of the Yale Club of Nevada and ASC Director of Nevada for Yale College admissions. She is also regional advisor for the Society of Children's Book Writers and Illustrators for Nevada. Previously, she spent two decades in strategic and product

marketing for MGM resorts, Tropicana Las Vegas, and also DNB. She launched Pandora.com as its senior vice-president of marketing. Cynthia served as director of product marketing and management for Gemstar TV Guide International, where she led the strategic market development and launch of the first electronic book, the precursor to the Amazon Kindle. So many products that we all enjoy. Welcome again, Cynthia. Happy to continue working with you in this capacity. Thank you. Sorry for the changing around a little bit, but those are the opening remarks, and we can move on.

BRUNELLE: Thank you, M.E. And welcome, Cynthia.

MUN: Thank you.

KAWCHACK: I'm sorry, Carl.

RIBAUDO: I'm wondering, you mentioned that you were going through the grant cycle or grant applications. I don't know if you guys produced this, but I wonder if it would be of interest to this group and we don't need to see it today, but down the line is a content analysis of what those grants are looking like now, versus maybe what they've looked like in the past. Are we seeing these grants adapt to a pandemic time? Are we seeing grants sort of continuing on and, again, just a little bit of background for us so we can understand what's going on in some of these different rural parts of the state?

KAWCHACK: I don't know if Christian or Brenda want to speak to that. I know that one of the things that we did for this grant cycle was put together some offerings from media partners that I know were being offered. Madden had some things that they were preparing for other states and then they pivoted to what would be good for Nevada, and then I worked with Charter, Lonely Planet, Matador, Fahlgren helped with Adara and Travel Spike. Who else was on the list? I did things with Greenspun, Reno Gazette Journal, Las Vegas Review Journal. We put all those together. So kind of like, I explained to these media partners what we were seeing and they'd been talking to us back and forth about what we're seeing in Nevada and they put together some offerings for partners to choose from so that they could apply for those grants. Not all of them chose to go forward with them, but those were all -- I would like to do more of that in the future, I think so that they have more cohesive plans that they can get together and talk about them. Of course, this was moving very, very fast, but I think that there's something to be said for if we can do this in the future where I can kind of talk to partners, things that we want to do and not necessarily they don't all have to be co-ops either. It doesn't have to be that we're putting the money in front of it. It could be the thought behind it, right? Where we think this is a

really good idea and this is why and then have that in front of them so it's unique to Nevada and what we have to offer here.

RIBAUDO: My point is just to use the grant application process as another input to what's going on in Nevada tourism.

KAWCHACK: Yeah.

RIBAUDO: If we saw some content analysis that whenever, annually, twice a year, whatever, but I think gives this group a little bit better depth of what's going on. Also, it might allow you to shape strategy at rural levels by incentivizing different communities and destinations who apply for grants in certain ways or certain types of growth. So again, I don't want to make a big discussion, just the thought as a strategy piece for the future.

KAWCHACK: No, I agree. I look forward to actually looking at that because I want to see what they're asking for and what they feel is important and what might work somewhere then what we think would work.

RIBAUDO: Right. Thanks, Mr. Chair.

BRUNELLE: Thank you. Okay. We can move on to agenda item D, a snapshot of the industry and health sentiment. Kyle Shulz, Travel Nevada Research Manager will present takeaways from the industry sentiment and state statistics as well as survey results from Travel Nevada audience. Kyle.

SHULZ: Thanks, Fletch. Sorry. I was on mute. Can everybody see my screen? I should be showing the slide deck. Is everybody able to see it?

BRUNELLE: Yes, sir.

SHULZ: Okay, perfect. We wanted to take this opportunity to share with the Committee some updates on health sentiment and visitation statistics. We're going to run through these pretty quickly since we're all in the industry. We're all kind of looking at these, but this will set up kind of what we're going to be talking about a little bit later in the meeting. I will start with traveler sentiment. These are all from Destination Analysts, and the first thing that we always look at is how concerned are people with contracting the virus? You can see from this slide here it's really been more or less unchanged over the last six, seven months. It's never gone above seven, never gone below six on a 10-point scale. People are still by and large, about as fearful about contracting the virus as they were at the beginning of the pandemic. One question that's also asked in each week's fielding is how do you expect the severity of the coronavirus situation to change in the U.S.? This largely seems to follow case levels and national news coverage. Where

case levels started to increase in mid-March and early April you can see the sentiment worsened as the economy started to shut down and case levels started to decline, the sentiment got better. Once things start to open back up again and case level started to increase sentiment worsened. As you can see here in June and then we're now getting into another period of increasing case levels nationally and people, more or less are expecting the situation to start to get worse again. Another thing that's asked about is road trips sentiments, particularly road trips as an alternative to airline travel. That's still pretty, fairly high. It was 46% as of last week and this really does show up in the actual travel data. The TSA each day reports their previous level of checkpoint declines. The seven-day average in mid-October was still 64% below past year's levels, but when we look at road-trip travel, this is data from Arrivalist. It's their daily travel index. Even though we're still seeing year over year declines, in early October we were seeing road trip levels nationally about where they were in 2019 as an average. Road trip travel, as we all know, has come back a lot quicker than airline travel. Conference sentiment is another one of those indicators that's been really steady over time. There's still over 70% of people who say they're unlikely to attend conferences or conventions until the current virus situation is resolved. It'll be interesting to see how that kind of translates into the actual convention attendance data now that the Governor has kind of allowed for more capacity increases at certain venues, but at least overall travel sentiment is still fairly stable in this regard. One area where we've seen some improvement is just overall travel sentiment. About once a month, Destination Analysts asks, what one word best describes how you feel about travel right now. In April, these were really very heavily negative associations with travel. These are things like scared, unsafe, cautious, nervous and in September those things were still very prevalent. Those were still the most highly cited words, but we started to see some more positive associations. These are things like excited, good, ready, confident, love. This is still very far away from what normal levels would be, but we're starting to see some increased sentiment there. Another area where we're starting to see some increase movement in the positive direction is being comfortable in your own community. This reached a low point in early April at about 20% and it's slowly but steadily increased. As of the last fielding, it was about 47%, which is almost to where we were at the start of fielding in mid-March. This is another sentiment that's been slowly increasing and the real proxy here is if people aren't comfortable in their own communities, they're certainly not going to be comfortable traveling to go out to other communities. This is a similar chart. The question is I'm planning to avoid all travel until the coronavirus situation has resolved. It's a very similar trend line from the previous slide. There was a peak of agreement here in late March at about 80 to 83 percent. A trough at about 47% in

mid-June and where we've seen some increases here, some setbacks, we're at about 58.7%, but the overall trend is moving in the right direction. Another indicator that's moved in the right direction, albeit slowly, is travelers' state of mind. There was a question that began fielding in early June, and it started off at about 50/50. Sentiment declined a little bit and troughed at about 43% of people in the ready to travel state of mind. Now we're at a relatively high 55.5%. I wanted to reiterate that this is a question about people's state of mind. It's not asking about whether they plan to travel or whether they have traveled in the past. It's purely about if people are in some form ready to travel or not. We also thought it would be helpful to talk about traveler spending. We all know that there's been a huge decline in travel and people are also indicating that they plan to spend less on travel and that they have less disposable income to spend on travel. This kind of compounds the losses to the industry even in addition to the amount of visitation or the amount of losses and visitation that we're seeing. We'll go through some of the health metrics and visitation metrics here. Again, I'm going to go through this quickly because these are statistics that we're all kind of aware of being in the industry, but it starts with the health situation. The graph we're showing here is the seven-day average cases in the state from the Department of Health and Human Services. We reached our peak level of cases in mid-July. We've had about a two-month of sustained decrease in seven-day case levels until about mid-September. Since that time over the last month or so, we've seen a sustained increase in case levels, but that hasn't necessarily translated into sustained increases in hospitalizations. There could be a few different reasons for this, but we reached our peak here in about early August. Again, we had a two-month sustained decrease and the seven-day average of hospitalizations, then a little bit of an uptick earlier in October, but again, we haven't really seen the same level of increase in hospitalizations as we've seen in cases, which is a good indicator. In terms of the actual visitation statistics, we're going to look at Las Vegas and Washoe County rather than the state as a whole, purely for the reason that we only have rural data through June, whereas we have Las Vegas and Washoe County data through August, so that's a little bit more up to date. We saw our peak declines in April here for visitor volume at about 96%. One thing to note here is after we reopened in June, we've seen kind of slow but steady increases. July increased from June, August increased from July, and we're now at about 55% below where we were last year. Very same sentiment or very same trend with room nights occupied. We reached our low point again in April at a 97% drop and then July again, a little bit better than June, August a little bit better than July. Hopefully this trend continues through the rest of the calendar year, but we'll have to kind of wait and see how that works. Average daily rates in Las Vegas hit its biggest decline in May at about \$80 less

per night. We're now at about \$22 less per night in August. Hopefully as we start to see more increases in visitation, that gap will close an average daily rate. Washoe County wasn't hit as hard as Las Vegas in terms of average daily rate. Their largest drop was about \$43 in April. Washoe County is now still also at about \$22 below where we were last year. August is a very good month for Washoe County in terms of events, so that could have an effect here, but again, hopefully as we start to see more visitation in Washoe County, that that gap will close. Convention and attendance, as we all know, has essentially been zero through August. We all know that the Governor increased capacity limits. Again based on the traveler sentiment I don't know how that's going to affect overall attendance. Fletch and Christina, you might have a better idea on that than we do? By and large, again, traveler sentiment is indicating that they're not super ready to travel for conventions at this point in time and it also takes a lot of time to plan these things, to get people registered. It could be awhile before we really start to see some increments here. Airport volume in McCarran and Reno/Tahoe airports – again, very similar trends where we're seeing the actual visitation. Albeit they're seeing more decreases than we're seeing visitation as a whole, but July was better than June, August was better than July. Continuing that trend as well. Daily vehicle traffic counts into the state. This is from Primm/Jean and I-15 and then through South Lake Tahoe, at Highway 50. Again, this largely translates from the sentiment data that we were seeing earlier. There was not as significant of a decrease in road travel. Only 57% in April. And I use only in quotes there. In August we actually saw an increase year over year in terms of travel into the safe of these two areas. So again, just that same sentiment, that people are much more likely to travel via road than via airline at this point in time. At the last Marketing Committee meeting, we talked about showing some competitive stats or some stats with Nevada versus the competitive set, not necessarily to show the full Commission, but just for this Committee's awareness. We've got a few different slides to show here. The first one being destinations associated with the Coronavirus. Las Vegas, as you can see, is this dark blue line kind of at the bottom. And although it's at a relative high point compared to itself, Las Vegas has about 10% of people associating it with the virus. Las Vegas is still well below Texas, California, Florida, and New York, which has each seen big spikes after they saw large caseloads and they've kind of sustained those levels. Las Vegas, a point of optimism, has not seen those levels as of yet. The U.S. Travel Association and Tourism Economics each week, produce estimates for a weekly change in travel spending year over year. There's kind of a lot going on in this chart, but the thing to kind of note here is each destination or each state that we looked at was more or less in the same boat. We had roughly the same level of declines through about the middle of May and that's when the recovery

period kind of differs. New York, this bottom blue here, is still about 70% below where it was last year. Still, it's the hardest hit state, at least in terms of this competitive set. Nevada is the red line, which as of the latest results, which I believe were about a week or two ago, at least in terms of this chart, we're very similar to California and Florida. Each of those states, including Nevada is at about 40% declines year over year and traveler spending. The other western states, Utah, Arizona, Oregon have fared a little bit better in the recovery period. They're only at a, and again using only in quotes here, but they're only at about 30% below where they were last year on a year over year basis. It could be for a few different reasons. California, Nevada, Florida, we all have these huge metro hubs and these really dense metro hubs whereas Arizona, Utah, Oregon maybe not as dense and maybe that kind of helps them in that respect in their recovery period. Again, Nevada's kind of in this middle group of spending declines. Destination Analysts also asked about two months ago, what states travelers visited for leisure on trips this summer, Nevada ranked eighth out of all the states that were cited at 4.8%. This was only asked to people who indicated that they had traveled over the summer, so a smaller subset of their survey. Kind of take that with a grain of salt, but we all know kind of what the visitation statistics are saying. A bit more optimism, on a bit of a hopeful note, Destination Analysts asked about a month ago, what three U.S. destinations do you most want to visit in the next 12 months and Las Vegas was number two. Although they're the number two set of destinations, Nevada as a whole was still in the top 15, ahead of Miami head of San Diego. People are probably living in Las Vegas when they talk about Nevada in that sense. But this provides hope that even if people haven't been traveling to Las Vegas and to the states as much as we would've hoped for when everything shut down, back in March, the hope is that once the coronavirus situation gets resolved, Nevada is still top of mind for travelers. Las Vegas is still top of mind for travelers, and that will lead to a quicker recovery period. The key takeaways, and again, this is things we'll be kind of referencing later in our presentation and in a separate document is the story here is that the return to travel will be determined kind of on the health situation. Fear levels around contracting the virus are still pretty high and haven't really wavered too much, but there are some indicators in travel sentiment that are showing some positive signs. So again, these are things like avoiding all travel until the situation is resolved, comfort in your own community. These are things that are overall trending in the right direction, but travel sentiment is still far from normal levels, as we all know. They still remain depressed. Again, in August, there about 55% below where we were last year, but these have increased each month since the reopening. So again, the hope is that this will keep increasing as people get more comfortable traveling and again, being comfortable in their own

community. Then the final point really again, is that last slide that we looked. That Las Vegas and Nevada are still top of mind for travelers. And this provides hope that pent up demand will lead to a quicker recovery once the COVID crisis passes. Albeit we don't know when that time will be. We don't know if it's going to be three months, six months, a year later, but that's still the hope. We're going to go onto the Consumer Newsletter survey results, but I wanted to ask if there were any questions, comments about what we just showed.

BRUNELLE: Kyle, just a couple of comments in terms of auto traffic and convention attendance and I'll start with the auto traffic. The interesting anecdote there is that what we're seeing is that although the traffic has recovered, quote/unquote, to last year's levels, that it's more people are driving through. They aren't necessarily coming to the destination but driving through. Otherwise, if we saw that, hey, if half of the people typically come to Las Vegas drive and we're at 40% instead of a 100% of the airline side, while we should be at a much higher recover rate, the answer is no, because people are driving through and the hotels are still having less capacity. So just kind of an interesting antidote when you take a look at the auto traffic side. Then on the convention side with the raising of limits to 250 per room or a 1,000 per group, we have surveyed some of our customers, specifically for Las Vegas and have found that in several cases that there needs to be a much more aggressive number, as some of the groups that have moved into later part of next year from either this year or the first and second quarter of last year are larger than the thousands. We're still in ongoing conversations with them at this moment in time. So there are some smaller groups that are coming, but nonetheless, it's when we take a look at moving into later on next year, those are things that we're still working on with our customers and obviously conversations with the Governor's office and the health officials,

RIBAUDO: Kyle, I just like to add, I'm a member of a national tourism think tank now, but we've been grappling with this issue a lot. We track virus loads all over the country and there's one thing that's becoming very consistent. I don't want to get into the politics of it or anything like that but the better COVID management scheme a destination has, the more they inspire confidence of people that travel there. I think that's a key thing. I know a lot of communities are arguing over masks, no mask, this, that, but it's very clear in our information we're seeing that the more consistent that message is the better it is for tourism. We're urging the destinations we've been involved with to really lock down that COVID management strategy and be totally aligned within the tourism sector as much as you can possibly be. I think that that feeds into it. The other thing we've noticed on the air side with the Reno Air Service Corporation, we've become a very interesting destination that's favored by a lot of carriers now because of the outdoor nature of the

Reno/Tahoe region. The fact we've got a lot of conversations going on with more carriers than we ever imagined, simply because of that. We see that carriers are now beginning to look favorably, they're changing route structures, they're adding destinations that are outdoors or adding more places that they might not have even considered. We're seeing that as an ongoing trend, but I can't stress enough this COVID management and just FYI, everyone keep an eye on Whitefish, Montana. Whitefish, Montana, has got some skyrocketing infection rates. And it's interesting to watch what's going on there. So just FYI, you might want to take a look, but the data seems pretty consistent with what we're seeing otherwise.

MUN: Carl?

RIBAUDO: Yeah.

MUN: Cynthia Mun. I'm guessing as Reno area opens up for skiing, it'll change the makeup of tourism there, don't you think?

RIBAUDO: Yeah. I think what we're going to see there -- that's a great question. We're going to see primarily just regional drive. I think every ski resort in the country now has sort of written -- well, not every, but most ski resorts have written off international and fly visitation skiers and are focused much more on drive-out regional visitation, which I think in the case of Vail, which I know a little bit about and then Alterra, I think that's where their focus is. The other thing is the resorts will be operating at less than full capacity as they seek to manage their capacity loads. It's not going to be like it has been in the past and to comment on the drive traffic, South Shore's packed. I mean, we got a lot of people in town. I mean, South Shore is packed, but it's not -- I mean lodging revenues and all the rest are still below previous year activities, but we are seeing tremendous activity on outdoor recreation to the point where there are crowding and trash issues and resident local residents pushing back pretty hard on some of that.

BRUNELLE: All right, Kyle, I think we can continue on with your presentation.

SHULZ: Thanks, Fletch. Thanks for those comments everybody and Carl to your points, I know we aggregated at the Las Vegas and Washoe County data in our previous presentation, but to your point about outdoor recreation, people maybe associating a destination with outdoor recreation. Most of the visitation and room night occupied and room tax collection data has been better in Washoe County than it has been in Clark County and better in rural counties than either of those for the most part. That's just more credence to that point. We'll continue here with our Consumer Newsletter survey that we sent out about a month ago. At the previous Marketing Committee, it was

mentioned that we might want to do more exploratory research. This is one way that we wanted to do that. Carl, I believe you mentioned this at the Marketing Committee previously. We have other ways that we're going to do this in the future. We've adjusted our IME Study to kind of have some of these more exploratory questions into that. We also have a Web Usability Study that we're going to be doing upcoming, which is very focus-group based so we can have some of those more exploratory questions there as well. This is just one way of us doing that and we want them to share kind of some of the results with you. One thing to keep in mind here is that the results that are going to be shown are not a representative sample of U.S. travelers. They're also not necessarily a representative sample of our own newsletter subscribers and we didn't do any sort of weighting of the data to make them more representative. This is just really the raw results of who answer the questions and how they answered the questions. We sent it to about 50,000 people and we got about 1,200 responses. One question that we asked is at this point in time, are you ready to travel? And 60% of those that answered said, yes, they were and 40% said, no they weren't. We're going to be doing some segmenting based on these two responses, so that's why we show this slide first. One of the first questions we asked is during the pandemic, have you felt more of any of these types of emotions. There was kind of a mix of positive and negative. The thing to note here is all the positive emotions, calm, rested, relaxed, at peace, those all fared below any of the negative emotions. So cautious, combined, confined and uncertain, are the most heavily cited. Again, all of those more positive emotions were less felt than any of the negative emotions. When we segment by those for ready to travel versus those who aren't, an interesting thing that I noticed was that the trend that the responses between ready to travel, not ready to travel largely resembled one another in their trajectory with the exception of being bored. People who are ready to travel are much more bored than not ready, but overall, they follow the kind of the same trajectory. People who are not ready to travel felt the negative emotions more than people who are ready to travel, which might be kind of obvious. It was interesting that it kind of showed itself in the data. We also asked about behavior during the pandemic and we asked if they've done any of these sorts of things. The most cited responses were people who have canceled travel plans or changed travel plans along with people spending less time with friends and family. Again, when we segment by people who are ready versus not ready to travel, the trajectory, it's fairly similar between the two groups. Ready to travel people or people who are ready to travel, changed their travel plans more often. But again, people who aren't ready to travel seem to be doing these things more often than people who are ready to travel. It seemed to be changing their routine a little bit more. We also asked about if you were to visit a

destination's website, what would you want it to address? The main thing to note here is people who are ready to travel really are more likely to want a destination to provide some more practical information. This is things like what is there to see and do in a destination, where do I stay in a destination, what are deals associated with businesses that are open. Whereas people who aren't ready to travel really want to know more on the health side. What are the mandates and restrictions from local authorities, places where you can be crowd free, how do you travel safely, health information? So again, they're more health conscious, whereas the people who are ready travel already are more -- they want to know more practical information from a destination. We asked at the current moment how safe do you feel to travel, which is really a bell curve. I expected there to be more heavily weights towards the not safe to travel than what it actually looks like, but when we segment between those who are ready to travel versus those who aren't, no surprise here. People who are ready to travel think traveling's pretty safe overall. Whereas those who aren't don't think it's safe. I was kind of surprised at how many people in the not ready to travel segments thought travel safety was neutral at this point, almost a quarter of them. People who are ready to travel, again feel safer versus people who aren't. No surprise there. This chart here is really a culmination of a couple of different questions. One being, how safe do you feel certain activities are during the pandemic and two, how has the COVID-19 breakout affected your likeliness to do the following. This top, right-hand box up here is activities that people think are safe and they're more likely to do them. This bottom, right-hand box, people think are safe, but they're, on average, less likely to do them. And then this bottom, left-hand box is activities that people think are not safe and they're less likely to do them due to the pandemic. There's a pretty strong, positive relationship between these things. If you think something is more safe, you're generally more likely to do it, but for people who are not ready to travel, there's only one activity that they think is safe and that they're more likely to do and that's recreate outdoors. All the other things that they think are safe, generally speaking, they're not necessarily more likely to do. This is like visit a ghost town, take a road trip, travel to rural areas. For the most part, people who aren't ready to travel think activities relating to travel are unsafe, and they're less likely to do them. When we look at people who said they are ready to travel, there's a lot more options that they think are safe, not necessarily that they're more likely to do them. But they have a lot more things that they think are safe on average. Again, recreating outdoors is the top thing that people think is safer and that they're more likely to do. People who are ready to travel are also more likely to take a road trip, visit a ghost town, dine in an outdoor restaurant, play golf. Again, there's very few things that they think are less safe and not safe and are less likely to do. These are things

like going to bar, going to a casino, traveling on an airline, traveling to an urban area and that sort of thing. When we asked about how people have gathered their information on traveling safely, the most cited answers were state and local government websites, public health websites, and then destination websites of various sorts. Not so much magazines or newspapers, these or other print material. But again, when we segment by ready to travel versus not, the ready to travel people, they're more likely to rely on their own experience while traveling, rely on word of mouth, travel guides to some extent, but also destination websites. Whereas people who aren't ready to travel, they rely more on these sort of authoritative type websites. Things like public health websites, state and local government websites. Even news sources can kind of be seen as more authoritative. There's just a difference in how people are getting their information and traveling safely. We also asked about if people were ready to hear travel messages at this point in time. You can kind of see the breakout here between ready and not ready to travel, but what this basically boils down to is 70% of people said they're ready to hear travel messaging whereas 30% didn't. Again, going back to how many people are ready to travel, 60% said yes, 40% said no. Based on how you responded to this question, you were asked a couple of follow-up questions. People who are ready to travel, we asked them when you think you might be ready by and large they think they're going to be ready in three to 12 months, but this is going to be heavily dependent on the health situation as noted down here. We asked about what the most important decision would be to or what the most important factor would be to get out and travel in and by and large, this is all related to the COVID situation, which is not surprising. But this is low or declining COVID cases, a vaccine being developed, or the situation being resolved. If this gets pushed out like 12 months from now, 15 months from now, these people who think they're going to be traveling three to 12 months, probably that's going to get pushed out as well. And then they basically think when they will be ready to travel, they're going to do it by auto. Only 21% said plane. All of these other destinations are via the road. When we talked or when we asked people who were ready to travel some follow-up questions, we asked what content would be helpful for planning at this time. Again, it's mostly practical information. Things such as like, what deals are available, what businesses are open, what is there to see and do. Not so much on the safety side tips, how to travel safely, not as much on the COVID case levels. Again, they really want more of that practical information. This was a little bit of a surprising insight that people who responded to the survey are pretty evenly spread as far as what part of the funnel they're in. Twenty-eight percent said they've already selected and booked a destination. Twenty-four percent said they selected, but they didn't book, and then the rest said they were in the process of searching or not in

the process of selecting a destination or not in the process of selecting a destination. Some differences there as well. Then the key takeaways here -- the main thing that we kind of wanted to point out is that again, people who are ready to travel versus not, there's some pretty decent attitudinal and behavioral differences here, but basically they're looking for a destination or at least the people who responded are looking for a destination to provide different things. People who are ready to travel are looking for a destination to provide more practical information that they would normally see on a destination's website, whereas those who weren't ready to travel want that more health conscious information, whether that's trips tips on how to travel safely or information from a local health authorities. But there's just some differences again in how people are feeling and what sources they're using to gather information and what they expect those sources to kind of tell them when they get there. That is it for the presentation. Are there any questions or comments from that Consumer Newsletter survey that we just looked at?

RIBAUDO: Yeah, I find it really interesting and I appreciate you guys doing it, but it's pretty clear across this data as well as other, there's a risk averse-segment of the market and a risk-tolerance segment of the market. And what we see today is the risk-tolerance segment of the market. The question is when will that risk-averse part of the market come back? I don't think it's a matter of capacity changes that brings that market back. It's a factor of safety and hygiene considerations. That's why I mentioned earlier that it's key that these COVID management strategies be in place. The question becomes if these risk-averse folks are not coming back for 12 months or even beyond, what becomes the bridge strategy to get there for different tourism destinations or state travel, because we're never going to get back to optimization until they return back in the market. And what is that bridge strategy? I just throw that out there for discussion, but it's a very clear, and not just in this research, but stuff I've seen, there's a risk-averse group that is not moving.

BRUNELLE: Carl, good points in terms of the bridge strategy and the COVID management. What we're doing here in the destination is we have, as you know, on the consumer side, came out with Vegas Smart, which talked about to the leisure traveler, here's what we're doing as a destination. We're also putting together content that talks about a Meet Smart Vegas Smart. It really piggybacks on what we had done in the destination for the leisure traveler, and then applying that to the meeting side of things. We had several of the resort partners, including Wynn, Las Vegas Sands, Caesars Entertainment, MGM Resorts that had put together programs specifically illustrating how they could safely host meetings at larger caps, beyond the thousand, so that we could show how these can be done because as you

know, in some of these spaces, you've got hundreds of thousands of square feet, and they can actually bring people in and have them safely distanced, if you will, and have meetings. As a destination, we're going from 11 and a half million square feet of meeting and convention space soon to be 15 million. From that perspective, we believe illustrating how the safety is being applied across the destination. And for us, we're hoping to release that video content and some other things to educate meeting planners and others in that segment, that this is what we're doing, and when you're ready and you feel it's time, we'll be ready for you. To your point on having a bridge strategy, at least in our estimation, that's going to be the right approach.

RIBAUDO: I think it's great. I think the more we get alignment is critical to -- it's a holistic process is the way I see it and alignment's critical. You need a statewide message. You need a Las Vegas message, Washoe County message. You need a rural Nevada message, everything in alignment, so that the consumer knows if I'm coming to that state, they've got a handle. They got it figured it out. I think the more states, or the more regions can get that alignment, they offer competitive advantage, particularly to that risk-averse segment. I think what you're doing is a great lead and people can learn from that and follow that.

ERNY: Going off of that, I mean, yeah, we're kind of thinking what you guys are saying as well, in that people are so interested in that health and safety message, even if they are traveling. I mean, our key landing pages that we have all our advertising to, we've integrated health messaging in it and people are clicking on it on every landing page and wanting to know, to your guys' point, what's open, what are the health and safety, what are people doing? We keep mixing in people with masks and do our advertising too. And that content continues to perform better than the ones where people aren't in masks. We're just testing it and seeing what people are interested in. I think to your point, Carl, it's important that people want to see that the destination is taking it seriously and that was all I was going to say - is to your point about the bridge too, I mean, I think a way to get people there is to, I think within their own friend groups. If they know a friend who has traveled and they did it safely, then they can tell them. I think that influencer marketing is kind of like the buzzword, but more so getting people to show firsthand how safe it is to travel. I think that's going to be really important going into these next few months to get those people to be like, oh, I know her and she wouldn't do it if it wasn't safe or he wouldn't do it if it wasn't safe, but they did and they went to this destination. I think that that's really going to be helpful.

RIBAUDO: To your guys, I'm not sure what you're going to show us or anything, but the fact that Washoe and Las Vegas are very similar. There may be competitive advantage for the State of Nevada to have this sort of uniform message that we get it. Okay. Whatever that looks like or whatever that means. But I look at states and how they're sort of eating themselves alive. For example, in California, you have Orange County and Huntington Beach, and then you have other places like San Francisco or some others that are really working to get this thing under control and management programs and so forth. And you look at it and it's just a mess. But with Nevada, you have an opportunity to create this alignment that other states may not have and that alignment on messaging and safety may in fact be a competitive advantage along with all the rural places you could get yourself lost in.

KAWCHACK: I think to both Fletch and Christina's point, we are -- I'm getting a little bit ahead of what I'll be telling you about, but we are doing a mask-shoot this week and then we have another one coming up at the museums in another week after next. So that will be running on broadcast actually. We had two different pages on our site, both the Discover Your Nevada page and then we had our COVID page. Our COVID information that was a little bit more geared towards like the Governor's press releases as things were coming out so quickly. And then we had recreate responsibly, and we've merged both of those now, so that our COVID page, which was getting most of the traffic, it's now more about recreate responsibly. It's telling people exactly how they can do it, what to expect, where to go, how you can even be responsible outside. Also, those are more stewardship messages, because as we've talked about sometimes, we're seeing those outdoor places get trashed and kind of overpopulated. I know that there is even a little bit of a fear that Tahoe might have to close parts again as numbers go up. I think that there's something going on in Washoe County right now as a matter of fact. I'm not sure if we've heard anything yet. We keep checking, but we are definitely getting that message out. All of our Discover Your Nevada messages are really trying to tell people exactly what you can do now, what's timely. Like for a while, Hoover Dam was closed. You can't go to Hoover Dam. Well, now you can. We had to change that messaging right away. You can go to Hoover Dam. These are the restrictions. This is how you can do it. This is how you can go safely. It's a matter of being able to pivot and make sure that everybody has that timely information. I don't know if Christian wants to talk about talking to all of the businesses locally, but we have a guide that we've been working with for more of our rural partners for local businesses to make sure that they know anything that's changed so that we can all stay aligned because for a while there restrictions were changing so fast. I'll call out Deny. I think Virginia City has done a great job with their marketing and their bandanas. Bandanas had always

been cool in Virginia City and so we're going to be incorporating that into our shoot this week as well. We did some new bandanas and we're doing a giveaway for those as well. I do agree. I think that it's important to make sure that we're all on the same page and including that.

RIBAUDO: Yeah, compared to what you just said to what I see in California, it's night and day.

KAWCHACK: Wow.

RIBAUDO: You got opportunity.

KAWCHACK: Well, that's good. That's good to hear.

RIBAUDO: Thanks guys.

BRUNELLE: Thank you and Kyle thanks for the great presentation. I'm assuming you're going to circulate the deck as well with the minutes to the meeting. Thank you very much. Now let's move on to agenda item E, Discover Your Nevada campaign update.

KAWCHACK: Okay, guys, I'm going to go ahead and share my screen now. I hope. Okay. Can you guys see now?

BRUNELLE: Yes, ma'am.

KAWCHACK: All right. Okay. Well, we've all been busy with the Discover Your Nevada campaign. I'm going to start by showing you this spot, which I know that you've seen the spot before, but we did change it. It's been really scripted. So here you go [audio playing]. I'm going to turn it up, sorry. We did change that just a little bit to speak more to our local audience, going to the Discover Your Nevada page. I think that you've all seen DiscoverYourNevada.com. This is where we're driving all of our in-state traffic. It's where we're featuring relevant itineraries and deals for locals. I'll go ahead and click through if you have not seen it. We're changing those itineraries. Right now, we're in fall. This week we have our Virginia City trip and those are changing out every week or so we're going to be switching over to Carson City this week for Nevada Day, of course. We have calls to action for signups, for newsletter parks, for our Nevadans for deals. Some of our social media calls to action and activities. We also have our website in Spanish, which is a stripped-down version, but I think we have a lot of our radio spots going to this page. The Hispanic market is important for us, especially for trips and things to do so we were able to change that out with all of the relevant information here as well. We're kind of testing that and seeing how that goes. Okay. We're also able to collaborate with our digital partners at Noble Studios on some reboot of our digital ads. We have changed those taglines out to be more geared towards our local Nevadans especially like Rome Means Nevada Because You're Battle Born to Rome. Those are some favorites and

they're all outdoors. I really love these, and we brought those into the print ads. As you know, we have a lot of print placements. Last time we met we reviewed the local media buy. These are some of the placements that occurred. Reno Gazette Journal was one of the first ones that we started with. It began with an insert that went to more 22,000 Northern Nevada subscribers. We had a few partners come in as advertisers in this piece. We featured road trips and responsible travel and stewardship. We ended up with a significant overrun, so we got those in some visitor's centers and we also secured distribution within Nevada Appeal and Record Courier for Nevada Day. We're able to extend that locally. We also had a contest going out that included Pony Express Territory as a sponsor, Virginia City and Carson City as sponsors. We have digital paramount advertising, and we secured a holiday wrap in the Thanksgiving issue which we're excited about that as well. I know that we were asked about added value last time, and that's about \$45,000 for this print buy. Then we also are in the Las Vegas Review Journal, the traditional print buy started with a spadea. I don't know if our friends in the south have seen that, but it went to 80,000 RJ subscribers. It was complemented with sponsored content, going to a park-packed weekend itinerary, some digital advertising. We also have a contest coming up sponsored by the Las Vegas Territory. We will be in their holiday guide as well. We have a guide to the holidays with Las Vegas Territory and then we just got some pre-roll. We secured a homepage takeover and a partnership with Terrible's. It'll be in gas stations there, showing our 15 seconds. Excited about that. That added value is right around \$15,000 right now. This is a new partner for us. Greenspun. We hadn't worked with them in the past and I hope to continue this partnership right out of the box. They came up with this sponsored content piece, which is kind of difficult to see on the screen, but I'm getting these mailed to me and I'll be happy to mail these along with the inserts. They come up with this, so it's really supposed to be geared towards their audience, and this was kind of fun and a little bit different than what we normally do. This was about autumn adventures, ghost towns and outdoor adventures for weekend excursions right around Nevada Day weekend. This was something that they put together just by talking to us. This was really fun for us. This buy is six print ads as well as the sponsor content. We get two of these. Then we get in their weekly fixed e-mails. We get takeovers, including the sliding billboard with a bounce back e-mail. Then additionally, we get into the Las Vegas monthly when they start printing those again in the calendar year. Those go into all the hotels in Las Vegas. We get six of those as part of the added value package. And that is valued at about \$45,000. The timing on that is great because that's going to be when we're going to be expanding past our in-state efforts. That's going to be lining up in January.

BRUNELLE: You know I have to –

KAWCHACK: Go ahead.

BRUNELLE: You know, I always love the feel of your stuff, but I have to ask, are we missing an opportunity despite the decks worth of information, we just saw by not having some kind of travel safe sniper message or line or anything in this stuff isn't there and I'm missing it?

KAWCHACK: We have that in the content. When I mailed it –

BRUNELLE: Okay.

KAWCHACK: -- just like in the insert, we have a stewardship message and the spadea is included. Everything that we have does have -- make sure that you're recreating responsibly.

BRUNELLE: Okay. All right.

KAWCHACK: We also are very cognizant of that because of the CRF funding. Let's go ahead. As we ramp up our buy through Fahlgren, that we are continuing through that CRF funding, we do have direct buys in the local market. We're so appreciative. I'm so appreciative of Fahlgren and what they do because I am definitely not media buyers. What I have learned. We are currently running audio locally in Reno and Las Vegas and Hispanic in both markets. We have video through Charter which is great. We have special spot offerings that come through whenever they have an opening. We get a notice. It's a great partnership. We've been able to jump on with spots for Walking Dead and UNR games and then also we're doing some video exploring our backyard. There are several shows in the state that do feature road trips. They generally start in the spring. We missed that initial window but what I found out is that a lot of those shows that are advertising you can't necessarily secure the content. When I first was asking about it was, you could secure the advertising, but you might end up sponsoring a show that is going to Arizona and we didn't want to do that. When Tracie was collaborating on the PR side during those conversations, she was able to connect to the team in Reno and they extended their program, which was set to end. They replaced because a lot of the sports programming stopped because there weren't in-person sports. Now, of course, it's coming back and they're jamming this in for us, but we're going to be on for the next two months -- there's four episodes. We're doing exploring our backyard and I'd love to see this continue in the spring because it's a great audience. I was really impressed with some of the stuff that they have done in the past. I just think that this is an extension of our PR efforts, but we can control that message a little bit better. That I see going into the spring right now. It really helps our audiences understand what is open and

what is safe and what they can do right now. We'll expand that as we go. We also have a ton of print coming up in local papers and then of course digital only like Carson Now and This Is Reno. I mentioned Tracie and press coverage. This is just a little bit of our press coverage that we've had. This only goes through September. It does not include October yet, but Discover Your Nevada is on the top. I've also included some of the press coverage that we've had for just Department of Tourism and Cultural Affairs, because it does really dovetail into what we do for Discover Your Nevada when we talk about the ghost town book, which if you haven't bought it, go ahead and buy it – Nevada Magazine produced, a fantastic ghost town book. Also, the suffrage train that the museum was doing here in Carson City, as well as the Carson City Coin Press. That is all being covered by Tracie right now and as we're headed into winter; we're updating content to reflect the holiday season. We always saw kind of splitting the buy between pre-election and post-election. It was kind of a mental shift, but it also -- it's seasonal, but it also works out financially and it's your traditional six-week flight. Everything kind of lined up and we're going to continue the Roam Means Nevada messaging but then shifting to visuals that are a little bit cozier and we're shifting to Home Means Nevada For the Holidays. That way we can incorporate our shop local message. Right here in this ad, Black Rock Mud is featured. We are hoping to get more deals to feature from hotels and DMOs. We, of course can't bank on that, but we're happy to host those on our site and hope that we can. The message will continue to encourage Nevadans to book a nearcation and give the gift of Nevada. We have the creative coming up. We have the mask shoot coming up this week as well as a winter shoot that we are really hoping we'll be able to do around December 7th. I know that they are busy making snow since it was 12 degrees this morning at my house. We'll see. How does this break out? I know that last time we wanted to see it broken out in a pie chart. The pie has shifted significantly. When you have a larger pie, we make different choices in spending. We're still going after awareness, largely because it shows that at a state level, this is what we could do the most with more money to work with. You approach it differently. With a smaller budget, there wasn't enough to make a lot of impact in this space. We now have the budget to be terrestrial at -- we can account for a more comprehensive connection strategy than before. We can surround audiences in the television environment. So just like when I was explaining that the print had some digital components, you'll see the audio-visual part of this is a big piece of the pie, but it also has a lot of digital and streaming included. We are hitting people where they're consuming that media. I want to point out that a lot of this audio visual is streaming as well as terrestrial. The print as well is also digital. I don't know if, Meredith, you want to talk about any of the audio video specifically. It's not really apples to apples is what I'm

saying, but I did want to make sure that you guys were able to see it as we presented it last time, because we are doing a jump from \$300,000 to \$1.5 million now, but we are able to do a whole lot more in ways that were much more used to doing. This is more along the lines of something that we are more used to doing.

MILES: Sure. I will jump in just for a few quick elaborations. Hi, everybody. I think I know pretty much everybody, but I'm Meredith Miles with Fahlgren Mortine. I'm a media connection supervisor here. In helping go through the CRF funding with Nevada and taking a look, kind of as M.E. mentioned, while the percentages don't necessarily align directly to that original \$300,000 level, when you jump up to that \$.5 level, the strategy is still ultimately the same. It's just when you have a larger budget of this size, essentially it allowed Travel Nevada to incorporate components that they really probably couldn't consider at the lower level. Things like a statewide broadcast buy, things like that. Overall, the approach really isn't any different than what M.E. had initially presented at that \$300K level. In addition to some of the things that M.E. said about how, when you have like an audio video bucket, the way we sort of look at everything is really rooted in you're going to have your video component that's not just traditional linear television with spot TV and cable, but then you're also accounting for really high profile opportunities, fixed high profile elements like sporting events, so Raiders games or other kind of higher profile opportunities for live viewing. Then on top of that, because of how consumption habits have changed so drastically evolved, we know that like a traditional linear buy isn't enough to ensure that we're really reaching everybody. In order to surround -- make sure we're really capturing the state and building that awareness, we've got things like our streaming TV and OTT. We've got our Hulu, which has great penetration into both markets. We are leveraging a video partner that can actually target the 32nd spot to people who are actively streaming kind of those walled gardens like the Netflix and the Disney Plus, and identify people who are having that sort of viewing fragmentation and capturing them in that way, even though we can't rent in those programs, we can run two people while they're watching those programs. Things like that to make sure it's a very comprehensive look and a video strategy as opposed to just a TV strategy. Similarly with audio, you know, being able to have a comprehensive statewide radio plan to make sure we've got that region frequency, but then also making sure we're accounting for not just local spot buys and small market radio, but then also making sure from the streaming factor of the Pandora and Spotify streamers, people are listening on the go and throughout their day. Just making sure we kind of have all of those bases covered to really ensure we're surrounding that Nevada audience with a consistent message. Like you were saying, Carl, making sure that we have sort of that

unity and that consistent thread throughout to amplify that Discover Your Nevada approach. Then lastly, as M.E. mentioned, I know that sort of when we look at a pie chart, the buckets sort of don't always neatly break out. There is a lot of blurring of the lines but in that digital bucket kind of as it's defined in the pie chart, those are some of the more traditional tactics. When we're talking about running across OTAs to ensure we're capturing people who are in the mindset that they are ready. I'm ready to travel and I'm starting to look to make sure we say, hey, have you considered what's down the road as opposed to if they are looking to go out of state, as well as things like display and native to ensure that we're not just capturing people with the awareness factor of the brand and the Discover Your Nevada message, but pulling them into that content that M.E.'s team is creating and curating constantly and updating to really pull people in so that they're reading about these different places. They can go and feel comfortable and confident in the measures that are being taken to ensure there's things that are safe, understanding what's open and so forth. So it's a pretty, like I said, it's hard to sort of take the entire program that's really robust, especially now at the level that it is and kind of plug it into sort of four buckets, but we just wanted to elaborate a little bit further since it was just more of an extrapolation off of the initial program.

KAWCHACK: Thanks Meredith.

MILES: You bet.

KAWCHACK: Any other questions on Discover Your Nevada. Okay. Then there's two other things that we need to go through for Discover Your Nevada. I'm going to invite the Noble team to do a really quick couple of minutes on how we're faring right now. We don't have a ton of information because we did just start. We're going to go ahead and pass this over to them and then I'm going to come back. There was one part of Kyle's presentation that we need to come back to and that is on the reporting up to the Commission. We'll come back to that and then I'll do a quick marketing update.

STIEHLER: Hi everybody. We've all met before, but I'm Erin Stiehler from Noble Studios and joining me today, who actually hasn't met the majority of the Committee is one of our digital marketing managers who supports the Travel Nevada account. And that's Danielle Christianson, also a Nevada native and born and raised in Vegas, but then moved to the better part of the state and now lives up in Reno. We are excited about -- that one was just for you Fletcher; I didn't get as much of a laugh out of you as I thought I would. We are just going to take you through some of the engagement metrics we're seeing around the Discover Your Nevada campaign on the website and some of the calls

to actions that we have for it for when all of that awesome media that we're driving. When those users get to Discover Your Nevada landing page. Just to remind all of us will help us level set, really wanted to go over what's our goal and our purpose of the Discover Your Nevada campaign and how are we trying to address this audience in terms of our messaging. Really the goal is to promote in-state travel because that is the primary focus of Travel Nevada's marketing efforts right now. We want to encourage Nevadans to choose a staycation and/or vacation in their own state. Just like Meredith was saying, if they're already looking on Expedia or if they're already looking at other areas, we want to capture that demand and try to encourage them that it's safer to maybe take a few hour road trip within the confines of the state that they're in rather than going to a neighboring state. Also, there's a lot of Nevada that has yet to be explored for a lot of our in-state travelers. I think we can all attest as those who live here that there's probably so many regions that you have yet to go to or know very little about and so we're really hoping to inspire Nevadans to get to know their state better and learn about different areas, specifically in the rural market. Okay. Next step, like I said, Danielle is going to walk you guys through some of the engagement that we're seeing on the site and specifically what markets we're seeing that engagement from.

CHRISTIANSON: Thanks, Erin. Just as M.E. and Erin have talked about the main conversion in addition to getting the traffic and getting the users over to the Discover Your Nevada section of the website, we also want to make sure what conversions are we focusing on for this campaign. There are really three main conversions on site that we're focusing on. E-mail signups. So as M.E. showed as well, getting users onto the site if they're not already on our audience list runner, a newsletter list who sign up for those. Also partner referrals. Once they're navigating the site and looking for things to do, making sure we're getting those partner referrals as well. M.E. The great thing is both of these initiatives wrap up to our higher level KPIs for overall Travel Nevada's website. Then on the right-hand side, we have itinerary engagement. For each of the itineraries also on there, we have downloadable mobile itineraries, wanting to really make sure we're not only getting people to digest that content, but they're also engaging with it, saving the content from a download mobile perspective. Getting into some of the quick highlights for the campaign, one of the great things that we've seen, so far if we look September to date, really around the middle of September, we started seeing a little bit more movement in terms of traffic going to the Discover Your Nevada section of the website. Really in October, that's when we've been seeing a lot of the spikes from a lot of our different channels, activities and strategies, all cumulating and beginning. The even better thing to see over here is really day over day, week over week, we're

seeing consistent increases in traffic, both from a user perspective, as well as the people visiting multiple pages within the Discover Your Nevada section of the site. A couple of the notable points on here too. The average session duration we're seeing from our Discover Your Nevada visitors is just about three and a half minutes and the e-mail signup rate is just about 1.2%. So again, not only are we getting those increases of traffic, but we're really getting into quality users. They're getting to our site; they're signing up for the e-mail newsletter. Also, when they're getting to the section of the site, they're reading all of the gorgeous, amazing content that has been developed to really figure out what's the ideal trip that they want to have when they're looking to travel the State of Nevada. Also, within here, when looking at the types of traffic that are currently coming, at least from September to date for the campaign, about 26% of them have been about a traffic is coming from rural cities within overall when we're looking at the traffic percentage. There were some of the quick highlights of how it's performing so far to date a lot of what you can see as I mentioned, week over week just as I was talking through. A couple of the next steps that we have here at planned on the docket are just as M.E. mentioned, creative and messaging updates, really getting ready for that holiday season, ongoing channel optimizations for e-mail. One of the items that we mentioned is right now, which is the download a mobile itinerary. One thing that we're looking to do for those is making an e-mail option. If users want to download it or if they want to get it automatically dropped right into their e-mail inbox, they can do so as another way of supporting additional newsletter subscribers. Then also from a page search perspective, in addition to what the team is doing on the display front and the native front, we're also reaching people as Nevadans are actively searching for what to do within Nevada. So when people are looking for things to do or looking for places to go, we really want to make sure we're capturing their attention and sending them to the Discover Your Nevada landing page section of the site. Then last, I know we've talked about this is converting a DYN into evergreen initiatives, ongoing after we have this campaign launched, looking at the success and how we can extend it further.

STIEHLER: That's a wrap with Noble's recap. Does anyone have questions, thoughts, feedback?

RIBAUDO: Yeah, I do. I'm sorry. How much money do we spend on the in-state program?

KAWCHACK: The in-state program is now \$1.5 million.

RIBAUDO: Okay. What percent of those visitors are day visitors versus overnight visitors?

KAWCHACK: That's what we're trying to accomplish is getting them to stay the night. All of our itineraries that we're putting up there are all not day trips. Every one of them is at least 24 hours.

RIBAUDO: Well, let me just throw this out to be the disruptor. I'm fine with everything you showed, but what if we skip this and just went to out of state visitors? California is doing the same thing. They're doing in-state first and I think every state's doing it, but \$1.5 billion is a lot of dough. I would imagine and, Fletch maybe you have some better data or Christina, you have better data on overnight versus day visitation from Nevada. My hunch is its preponderance of a day visitation market. My theory is it's really hard to get day visitors to become overnight visitors just from my experience in Lake Tahoe. It's really hard to do that because that behavior is baked in. They just see you as a day visit place. If that's the case, the logical extension of the thought would be let's skip it and let's start picking on Arizona or California or whatever because they are going to be overnight visitors. I just throw that out there for discussion, critique, whatever you want. I just throw it out there. I love the work. It's all done. It's thought out, but I'm just asking a counterintuitive question.

MUN: Carl, I think you bring up a really good point. This is Cynthia. What do we save if we skip it?

KAWCHACK: I'll tell you right now. We're not in a point where we can skip it because it's CRF funding and that was what was approved. However, the goal is really -- it's saving us the money that we would have spent. That \$300,000 was like cobbled together. This is what we can spend, right. But now we have the CRF funding money, \$1.5 million. That's \$300,000 that then we can spend out of market and the goal was to try and start spending that in the next calendar year. I think that we might have more restrictions possibly coming. We might end up on someone's list again. I don't think that we're completely out of the woods. That's just my thought. I would rather not spend money in markets where -- I mean, I think there's stuff yet to be seen. I also think that a lot of our partners in state are spending money out of state like Las Vegas, like Reno and a lot of the money that I believe that some of our rural partners through their grant funding are looking to spend money out of state. If we're spending money in state and they're then going out of state and kind of just helping the efforts, but if we're doing everything that we can in state and their money is being spent out of state, then we're all kind of covering our bases because they're not doing anything in state right now. And I do think that there are a number of people, especially those people that you brought up that are not looking to travel yet. I still think that there's a number of people who might think it's safe to stay overnight closer to home. I really do, especially around the holidays.

MUN: Especially around the winter months. Basically, a lot of people, even my son's boarding school is sending all the kids back home because during the winter months they think COVID is going to be more prevalent.

Right? And I'm guessing just like in the past, people came to Vegas and well they went to Reno area for skiing, but they came to Vegas to get away from the winter months out in the east coast. Maybe something similar would happen?

KAWCHACK: Yeah. Colleges are not having kids come back after Thanksgiving. If people are coming back from college --

RIBAUDO: I'm just throwing the question out.

KAWCHACK: No, Carl – I have second guessed a lot of this.

RIBAUDO: I'm just throwing the question out. That's all.

KAWCHACK: I mean we're in it, but I'm happy to hear what other committee members want to say about it, but we are definitely looking -- I kind of am looking forward to the next step. Like when are we --

RIBAUDO: I'm good. I'm just throwing it out. That's all.

DOTSON: This is Deny. M.E., you had mentioned that some of us are looking at doing some campaigns outside the state lines and yeah, we are. I kind of led one with the Reno/Tahoe Territory. We're looking at some outdoor digital boards over in California in the Bay area just to start it again, just to get it going. I know there's some other campaigns going on as well that people are putting in for, but Carl, you're right. It's time. I think it's time. I mean, you got to start dipping into things and diversifying a little bit. At first the drive market was it, but when you get snow flying this winter, that's going to stop people from coming over the hill and then you're going -- it's going to be interesting to see how much they fly and will come and support ski this winter.

RIBAUDO: I think it's a nice experiment. Let's just see. If people in-state, we'll take overnight visits in a greater proportionality than day visitors. I'm good. I'm just asking the question. That's all. I'm just asking the question to clarify our thinking.

MUN: But I think it really does have to be married with the fact of safety. I think until all of this COVID stuff is over, that is just going to continue. And just to remind everyone, Nevada didn't have a huge problem with travel, visitors', tourists before COVID. I mean, we were pretty much at the top. A lot of this happened because of COVID. All the efforts that we have been doing in the past were well done. It's not like all of a sudden, we were terrible marketers and nothing -- something terrible happened not because of our doing. This was something that was caused by this pandemic. I think we have to keep remembering that. A lot of these issues are because of that and not anything to do with who we are as Nevada or what we have to offer.

KAWCHACK: I think that COVID has given us an opportunity to talk more directly to Nevadans and kind of foster that audience again, kind of reinforce that audience and also really reevaluate our domestic markets, because they're not going to be the same as where we were before. That's something that I really want to take a good look at because we think, at least website traffic wise, what was it that came up last month? I think Massachusetts popped up something like completely random. I mean, things that haven't popped up, I want to start looking at those and why and then start looking at what the air traffic is and just develop those markets and see if there's other opportunities out there.

MUN: It's a great test market. I mean, it's a great way for us to go and do things and figure things out with this opportunity of like having a placebo out there. Right?

KAWCHACK: Absolutely.

RIBAUDO: I say go for it. Next meeting remind me to bring up the orange juice curve. There's a lesson learned but that's all right. I think the creative looks great. Beautiful.

STIEHLER Yeah. I think one note to layer on is this is phase one of the campaign, right? This is phase one of recovery. We need to educate our in-state travelers that it is safe to travel within our state borders before we can convince out-of-state travelers to come because those who feel safe out-of-state coming, already are. We see that right? In South Lake and in Vegas and et cetera. So phase one, to your point, really excited to see the data and see the engagement from this audience because that is a part of the mission is to educate locals about the different aspects of tourism within their state and how to get them more involved and more active, specifically in our rural communities. Then we can like ladder that out and start spreading to other markets and yet, and M.E.'S point, it was like a really random state in the Midwest. I think it was right outside of Chicago actually.

KAWCHACK: I remember seeing Massachusetts because it's someplace we have never been.

RIBAUDO: Let me piggyback on that. Do you think the safety message is as focused and as sharp as it should be if in fact that's the objective?

KAWCHACK: On our Discover Your Nevada page, I think that it is.

RIBAUDO: No, I'm talking about in the ads.

KAWCHACK: In the ads. I don't think that in digital ads, you, it should be super open and safe in the digital message. I think it needs to be more eye-catching because I think a lot of people are kind of tired of seeing the same

thing. I think that for digital, especially when you're going through and you're clicking through, then you get the message there when you get to the page. It is in the copy of the print ad. I think that based on, especially what we were seeing in our small little consumer survey, I think that people want to be inspired by things. I think that people do want to see that people that we are safe as a state, but I don't think that you have to hammer them over the head with it. Some of the stuff that I saw for Expedia, for example, I'll use Expedia. You can't use the word safe when you're on Expedia. You can't actually use the word safe in any of it or advertise it because you can't promise it. It's, looking at it that way, and then seeing what other people have out there. It's like how many different ways can you try and say it without saying it? I'd rather not try and just get all of the information on our website where you're starting to get deeper into there and like, okay, now I'm looking at it. Okay. This is what I want to see. Okay, COVID restrictions that says, oh, the bars are open now. Great. That's the kind of stuff that I think people are looking for.

RIBAUDO: I'm good. I was just asking a question.

ERNY: One of the things that I was looking to bring up is delivering on our promise as well, especially when talking about health and safety in rural Nevada, where at least I haven't traveled the entire state, but I've heard that restrictions may be a little more lax in some of the areas and we don't want to promote something that everyone's wearing a mask in every single area of everywhere Nevada when it may or may not be true. I haven't scoured the state to make sure, but I know in like Vegas and Reno, maybe people are more in tune with those health and safety restrictions. But –

MUN: I think it's more than that, Christina, because there'll be able to go see how many infections we have.

ERNY: Right. I think we shouldn't promote that we are safe across the entire state. If we are safe, I mean, take it for what you want, but wearing a mask throughout the state, if not, and they go to a bar and pick a city and everyone's kind of looking at them all funny, like why are you wearing that. At least –

KAWCHACK: Thank you for that point. It's true.

MUN: Having policy and having people adhere to it is completely different.

ERNY: Well, my thing is, I don't think we should promote that it's happening if it's not happening is one of my thoughts, but I think it's good. And I think in that content, as you were talking about, M.E., as long as we bring home, the fact of like make it a longer than a day-trip messaging and stay overnight and extend it and make it a road trip and go to multiple cities, maybe. I mean and it's all in that copy that will hopefully convert those overnight visitors.

KAWCHACK: Yes. And that is the goal of Discover Your Nevada. Again, trying to always update that information and I know that there's winter coming and hopefully we'll get more packages, deals that kind of information, we're going to build those itineraries, always trying to keep them fresh. We're refreshing again for winter, even though we just got fall and I know we're headed to 2:30pm right now. I know Kyle's got the one sheet that we want to go through really quickly. And then I was just going to read through a couple other things really quick. Are there any other questions at this point? No. Okay. Kyle, can you run through your one sheet? Kyle is going to go through what we talked about at the last meeting. We wanted to have State of the State, State of the Industry and State of Travel Nevada and then our awareness to give to the Commission on a regular basis. This is kind of where we are. He's going to run through this pretty quickly because a lot of this is setting benchmarks. This is what was sent out just before the meeting because it's a little bit difficult to see on screen. I'll stop talking. Go ahead, Kyle.

SHULZ: Thanks, M.E. Like you mentioned at the previous Marketing Committee meeting, we really kind of hammered home the fact that we want the Commission to see on a high level how we're performing as an agency, how the state is performing. These are the things that we kind of came up with. As M.E. mentioned, we have State of the State, which is informing the Commissioners of how the State looks like in terms of just the high level of visitation metrics. These are things like room tax collections, visitor volume room nights when it's occupied. We also thought it'd be helpful for them to see some health data. We put in the daily average COVID hospitalizations in there, just to see how that's trended over time. State of the Industry is kind of traveler sentiment data that we went over earlier in this meeting. Really, again, just to give the Commission an understanding of where travelers are at, at this point in time. These are things like how concerned are travelers about contracting the virus? What is their level of planning to avoid all travel? Are they comfortable in their own community? Are they excited to travel? Those different levels. We also have descriptors in here of what each block means. It's important to note here and we do this in the text that these are far from normal levels, but we did think it was important to give them a sense of where traveler sentiment is at the moment. Then as M.E. mentioned, we have the State of Travel Nevada, which is informing the Commission again on a high level of what do our metrics kind of look like at that point? How are they trending? These are things like overall website traffic, how engaged people are on the site measured by average session duration, how many newsletter subscribers and social followers do we have? What is the overall scope of our audience looks like and how engaged are those people? Again, as measured by an e-mail engagement and social engagement. And then what is the state of

awareness of our agency? This comes from the IME study. I think M.E. mentioned this, but we didn't field this survey in Q4 of FY20 for budgetary reasons. We resumed in Q1 of FY21. We haven't gotten those results back yet. Some of these are benchmarking, but essentially, it's how aware are people of our marketing efforts? What is their plan to visit? So are people who are aware of our advertising are they more likely to plan to visit the state than not? Net increase in brand attributes, which is essentially are people who are aware of our marketing. Do they associate Nevada with the brand attributes that we want to associate with them? And then the incremental spend increase? What's the difference in people who are aware of our stuff versus those who aren't and what is their spending within the state? Carl, you mentioned it at the last marketing committee meeting, having a value proposition that we pointed to for the commission. This kind of gets to that, that value proposition. Again, some of these are being benchmarked right now because we haven't necessarily asked for some of these in the past. M.E., I don't know if you wanted to mention anything else from any of these, any of these blocks, but we did want to bring this up for consideration of the committee.

KAWCHACK: I just wanted to keep in mind that obviously the first part, the State of the State is something that we wouldn't normally be putting in here, but because of COVID it impacts everything that we do. I think that for right now, it is very important. We will be watching visitor volume and room nights occupied and room tax, but we're adding the hospitalizations in there. The State of the Industry is another thing that we wouldn't necessarily be looking at. We would probably have something else pertaining to a competitive set analysis, but this is something that we'll continue to watch through the recovery. I think that this does show a pretty good snapshot that would help the Commission kind of understand at a high level what we're looking at. If there's any suggestions, we can take those and get them ready for the Commission meeting. We are, of course not really on the agenda like I mentioned. This would just go into the packet and part of the director's report.

MUN: Will you be able to see a Reno versus Vegas at all?

KAWCHACK: What do you mean?

MUN: In terms of the metrics. This is all for the entire state, right?

KAWCHACK: Yeah, it's an aggregate of the state.

MUN: Got it. I'm just thinking if you just put a little -- I guess it would always -- is the percentage always about the same throughout the year in terms of what percentage of travel goes to Reno and what percentage goes to Vegas?

SHULZ: I can kind of answer that Cynthia. Vegas has less variability historically in terms of like monthly visitation, whereas places like Reno or even rural Nevada, like most other destinations they have spikes in the summer and troughs in the winter. Vegas doesn't have those as much. Vegas is more of a year-round destination. Again, this is historically. COVID – it really has kind of thrown all this through a loop. In the spring and summer months, rural Nevada and Reno had a larger share of the state's visitation than they historically do. Historically Vegas will have less volatile swings in that sense. But again, COVID, it's tough to say how that will pan out for this year.

BRUNELLE: If I can interject real quick knowing that it's 2:36pm right now, and I'm not trying to cut anyone off, if we could have the committee members review the metrics report and send feedback to M.E. and to Carl as to questions, because to your point, Cynthia, maybe for the time being there could be a roll up that's Reno, Las Vegas total, just in a couple of the key areas. I know that as I take a look at room tax collections, we see where they're at. Are the committee members or the larger Commission going to want to know, how does it compare to what it was last year? It'd probably be a good idea for us to read this and send you some quick feedback if we could, and I'd ask the committee to send their feedback before the end of the week.

MUN: That sounds great.

RIBAUDO: Fair enough. Good deal.

BRUNELLE: Okay. Next on the agenda was the general marketing and agency updates.

KAWCHACK: I'll make it really quick. I just wanted to let everybody know that we did have a Recovery Committee meeting on September 29th. That includes Pam Robinson, Julie Pazina, Kristen Windbigler, Tim Haughinberry, Patty Herzog, Tracie Barnthouse and Christian Passink. Pam and Kristin were not present, but Pam Robinson has been nominated to chairperson of that committee. An update was given on CRF amounts of allocations that Travel Nevada received for the grant program. The committee was given a timeline of events and went through the recovery grant guidelines that Travel Nevada revised to be included in coordination with the CRF compliance requirements. Then Travel Nevada staff also gave an update on the status of public affairs, which included Tourism Day at the Legislature, which I'll get to in a second. Also, just a kind of update. We received 169 applications requesting \$3,372,539 in funding.

We have \$1.65 million available for the hybrid grant program and 45,000 for the voluntourism program. Shari Bombard is going through all of that and Christian and that will be reviewed at the Commission meeting on November 4th. Then we have other projects that we're working on currently that I just want to run through. We also work with all seven State Museums, the Arts Council, the Nevada Indian Commission on public relations and marketing efforts, including the websites. There's a Nevada Day adjacent event coming up at the Mint to honor our healthcare workers. That is on October 30th. We are also – Stewart is open to the public on Nevada Day, October 31st. We're also shooting a commercial at the State Museum the week of November 9th. We're going to run that locally through the end of the year. We also launched a kids' page in collaboration with a program with the Board of Education we've been talking about. We're running a flag contest for fourth graders through the state of Nevada. They are to design a Nevada flag as part of their curriculum. They will win a Zoom call with the Governor for the best flag. This year looked a little bit different for everybody, but we hope to really expand the program in that collaboration and bring Nevada Magazine into that, we did a small brochure, but it's a really fun page. It's discovernvkids.org. We're going to have a really robust program with games and everything. But that was really fun. That was a fun program. We're also going through our 2021 Visitors Guide. It's in heavy development. It focuses outdoors. We started this over the summer knowing that COVID would heavily impact what we could cover in there. It's going to be produced through December and it will print early next year. You'll also see more about the Tourism Means More campaign as we head into the next year. It's about educating the public and the Legislature about how important the industry is in our state. Our industry site, travelnevada.biz, continues to serve as a great resource for partners. So please visit that site and I'll make sure that everybody gets updates as we communicate out what's happening with that campaign. That will really start coming up after election day. We're also still going through a massive information overhaul on our website. I think Sydney is working with RSCVA and all the LVCVA on our urban updates. We had to let some informational parts of our site go to our partners in the last few years and not all the updates were happening as we had hoped. Now we're really updating those urban parts of the site. You'll see that changing. This week, as I mentioned, we're doing a shoot in Carson City, Carson Valley, Reno and Virginia City to promote safe, travel and planning a snow shoot in December, fingers crossed. That's our quick update.

BRUNELLE: Very good. Any questions for M.E. on that? All right. If not, we can move now to additional public comments from anyone on the phone and I'll pause for a moment. I don't think we have anyone else on the phone.

Any other comments from the Committee? With that, I moved to adjourn today's marketing committee meeting. It is 2:42pm. Can I get a second?

MUN: I Second.

BRUNELLE: All those in favor?

COMMITTEE: Aye.

BRUNELLE: Aye. All those opposed. We're very sorry. Everybody be safe and stay warm. It's cold in Las Vegas today. We are peaking at 57 degrees right now. So that's cold for us.

Adjournment

The meeting adjourned at 2:42 p.m.

DRAFT