



Travel Nevada's Destination Development Demonstration (3D) Project

PROJECT OVERVIEW

Travel Nevada wishes to build an innovative Destination Development program from the ground up to reimagine rural Nevada's attraction for travelers in new and exciting ways.

To accomplish this goal, Travel Nevada is creating a Destination Development program, 3-D, to provide up to six Nevada destinations access to expert consulting services to help them create high-potential, travel-worthy experiences. The program also will give each selected destination access to a portion of \$2 million in EDA-funded grants to bring their concept to life and spur the creation of new visitor infrastructure. Each awardee will have the opportunity to apply for a share of these funds once their strategy is complete.

As a first step, Travel Nevada conducted a formal RFP process early in 2022 to secure expert services to assist in shaping and facilitating the destination development program. The selected consulting team is headed by Cathy Ritter, Founder & CEO of Better Destinations, a Denver-based consultancy focused on using tourism to support local priorities, including rural economic development. The team also includes project Co-Leader Mitch Nichols, president of Nichols Tourism Group Inc. in Bellingham (WA), and Research Lead Carl Ribaudo, president and chief strategist of SMG Consulting of South Lake Tahoe.

The consulting team has been engaged to support the project as follows:

- Assist in shaping the program and selecting up to six awardees statewide.
- Foster collaborative partnerships to deliver experiences capable of attracting increased visitation and traveler spending and aligned with Nevada's principles of good stewardship.
- Guide development of projects that align with Travel Nevada's brand pillars and hold appeal for the state campaign's targeted travelers.
- Assist awardees in workshopping a research-based strategy for shaping their destination's unique assets to attract desirable visitors.

- Deliver a 10-year destination plan for each awardee to provide ongoing guidance in developing their destination and potentially to attract investment.

The final step in this project will be a June 2024 report identifying the best practices and learnings from all demonstration projects. This report will also provide recommendations on how Travel Nevada can shape an ongoing Destination Development program to create and promote new visitor experiences that drive rural economic development statewide.

PROGRAM STRUCTURE

The Destination Development Demonstration (3D) Project is structured as a "ground up/top down" approach. Each awardee will play an active role in charting their future success as a tourism destination, with oversight and support from Travel Nevada and the consulting team. The project is structured for any organization that is eligible for Travel Nevada's Marketing Matching Grant program. Preference will be given to applicants proposing projects that create wide benefits, hold strong attraction for Travel Nevada's targeted visitors, and align with Travel Nevada's Brand Pillars.

To provide oversight of the two-year demonstration project, Travel Nevada will form the 3D Working Group, representing a wide range of perspectives across the state. Members of the Working Group will provide ongoing input and support for the project, help build awareness, assist in selecting awardees, and advise on the program's future direction.

Travel Nevada will kick off a seven-week application period for the 3D Project with a statewide Road Show in August. The 3D Road Show will provide partners with insight into the program and inspire them to apply. Potential applicants will be invited to submit a letter of intent to express their interest in applying. Throughout the application period, the Travel Nevada Destination Development team will be available for questions about the application process.

Once the application period closes (on Oct. 14, 2022), Travel Nevada will select up to six awardees. The projects will be conducted in two eight-month phases -- from December 2022 to July 2023 and from September 2023 to April 2024. The projects will be phased to provide opportunities for later cohorts of awardees to learn from the experience of the first cohort. The projects also will provide learning opportunities for future Travel Nevada Destination Development program participants.

EXPECTATIONS FOR AWARDEES

Throughout the project, each awardee will be asked:

- To explore what could make their destination a place that desirable travelers will seek out. They will be asked to consider a full range of possibilities, including outdoor recreation, arts and culture, history, wellness, or even industry-related, such as mining or agriculture.
- To build an ongoing collaboration with local and regional partners who can support creation of well-rounded experiences for travelers.
- To utilize a data-driven approach and be guided by research and insights shared by Travel Nevada and its Destination Development consultants.
- To take part in Travel Nevada-sponsored activities to build their skills as tourism marketers and developers.
- To create a "destination story" that will complement Travel Nevada's campaign strategy and be ready for promotion to the state's targeted travelers.
- To maintain open communications with Travel Nevada, its Destination Development consultants, and other partners throughout the process of developing the demonstration project.
- To meet all program requirements for participation and reporting.

PROJECT STRUCTURE

Each awardee will participate in an eight-month project aimed at building a meaningful, authentic travel experience for a desirable audience of visitors. Awardees will meet on a regular basis with Travel Nevada and its 3D consulting team throughout the project. Each project will include the following components:

Step 1: Mapping the Landscape

For each awardee, the first three months of the project will be dedicated to building a collaborative approach to destination planning and creating understanding of possibilities for developing the destination. Activities during this timeframe are as follows:

- **Identifying partners.** Each awardee will be supported in developing a Community Stakeholder Map to give key partners – whether outdoor recreation, local tribes, land managers, arts and culture, history and heritage, wellness, or significant local industries, such as agriculture or mining – a chance to take part in the planning process. Using this tool, the 3D consulting team will assist awardees in recruiting members for their local Steering Committee. Each awardee will be required to establish a venue for meetings as well as for broader community engagement. Each awardee will be supported in planning a meeting schedule for their project.

- **Destination Audit.** The 3D consulting team will assist each awardee with preparing an audit of their destination's existing assets for visitors, including lodging, dining venues, retail, entertainment, events, attractions, and public lands.
- **Research Review.** The consulting team will provide each awardee with relevant insights from Travel Nevada's contracted research partners. These may include the Rural Visitor Profile, Tourism Economics reports, Destination Analysts and Arrivalist findings.
- **Customized research.** Each awardee will be provided with customized research to assess their best opportunities for developing their destination. This will include an online consumer survey to identify key interests of Nevada travelers and connecting those interests to the awardee's destination. The consulting team also will conduct a focus group with stakeholders in each destination to allow for deeper investigation of themes and issues from the survey insights.
- **Gap Analysis.** The consulting team will work with each awardee to identify assets, liabilities, and opportunities to focus on the top priorities for each awardee's planning process. The next step is a Gap Analysis, both to highlight a destination's best potential attributes and to identify areas for improvement.

Step 2: Plan Development

With the planning landscape now thoroughly mapped, the remaining five months will be dedicated to developing the awardee's 10-year destination vision. This work, to be captured in a final report, will set the course for each awardee's future destination-building and marketing efforts. Each report will include a timeline of action steps, guidance on how the plan would be funded and implemented, as well as recommended Key Performance Indicators (KPIs). Each awardee will be provided with a professionally produced planning document to inspire and guide partnership, investment, and future development.

Each awardee's planning process includes the following steps:

- **Scenario Modeling:** The first step is for each local Steering Committee to consider "scenario models" developed by SMG Consulting to prioritize their desirable visitor segments and identify preferred directions for destination development activities.
- **Destination Identity:** Based on its selected scenario model(s), the consulting team will assist each local community in mapping out a vision for the kind of destination they want to be. Considerations will include how their chosen "brand identity" relates to

what the community values (especially relating to destination stewardship), its key product assets, and the visitor segments they wish to attract.

- **Key Target Audiences:** SMG Consulting will model each local community's selected visitor segments. This essentially will be a "stress test." This step will ensure that chosen visitor segments will deliver desirable economic benefits, would respond to what the local community has to offer, and be a good fit with what the local community values.
- **Development Opportunities:** The consulting team will use Nichols Tourism Group's time-tested formula – Link/Enhance/Develop – to identify new product development opportunities for each local community. The formula represents three approaches for product development:
 - Linking existing products in compelling ways.
 - Enhancing or reinterpreting existing products to make them more relevant to targeted audiences.
 - Developing a brand-new product or experience that builds on competitive strengths and is synergistic with existing products.
- **Potential partners:** The consulting team will guide awardees in providing a thoughtful analysis of potential partners with resources to enhance or support creation of desirable products or experiences for preferred visitors. These could include other state agencies, state or federal land managers, private entities, nonprofits or neighboring communities.
- **Strategy development:** All the steps described above have laid the groundwork for the consulting team to collaborate with the awardee on strategy development. The destination has its value proposition for visitors, an understanding of its highest-potential products, a list of products worth developing, and deep insight into its preferred visitor segments. It understands its competition. Now the focus shifts to creating strategies for putting the ideas into action. (Please note the project does not include production of promotional ads, collateral, websites, social media, or creative campaigns.)
- **Performance Measures:** The consulting team will assist each awardee with setting SMART goals and/or identifying data sources for Key Performance Indicators (KPIs) to track the success of their product development goals. These could include traditional measures of tourism success – such as visitor numbers, sales tax revenues, jobs, business earnings, new business openings, lodging rates – or visitor satisfaction, resident sentiment, ratings of environmental quality, and other measures.

- **Barriers to implementation:** As a necessary step in creating a vision, the consulting team will work with the local steering committee to provide an honest assessment of the factors that could get in the way of an awardee's plan. This work also will include identifying potential ways to address these factors.
- **Travel Nevada resources:** As a final step, the consulting team will explore how each local project can be integrated into – or even influence – Travel Nevada strategies and programs.

FINAL REPORT

The consulting team will synthesize all findings, research, and outcomes from the 3D Project into a comprehensive final report for Travel Nevada. A key component of this report will be a recommended action plan for Travel Nevada to identify funding and resources to convert the demonstration project into a long-term part of Travel Nevada's mission with an ongoing funding source.