State of the tourism industry

§5B-2I-4(h)

The West Virginia Department of Tourism shall submit a report annually to the Governor and the Legislature about the development of the tourism industry in the state and the necessary funding required by the state to continue the development of the tourism industry.
Tourism was growing at a record-breaking level before the pandemic.

- **$4.8 Billion** in traveler spending
- **$1.2 Billion** in earnings
- **47,600** tourism-supported jobs
- **$791 Million** in-state & local tax revenue

Source: West Virginia Travel Impacts, Dean Runyan Association, 2020
THANKS TO INCREASED INVESTMENT, TRAVELER SPENDING GREW BY 14.8% IN JUST THREE YEARS

This increase in traveler spending of $611 million reversed 4 consecutive years of decline.

Source: West Virginia Travel Impacts, Dean Runyan Association, 2020
But it’s impact on West Virginia was less than the national average thanks to our strong marketing & outdoor recreation opportunities.
WE ARE BOUNCING BACK FAST

2021 visitor arrivals to West Virginia at all-time high

Hatfield-McCoy Trail permit sales up 46%

Vacation rentals are booming, bringing in more than $10 million in NEW sales tax

Trips down West Virginia whitewater up 26%

37% increase in skier visits

Visitation to New River Gorge National Park up 30%

Source: Arrivalist; Hatfield-McCoy Regional Recreational Trail Authority; West Virginia Whitewater Commission; West Virginia Ski Areas Association; National Park Service, U.S. Travel
A LOOK BACK ON 2021
Tourism advertising is paying dividends

The state’s investment in tourism marketing has improved our image in key regional markets.

Sample West Virginia Tourism Ads
The 2021 West Virginia Vacation Guide won a U.S. Travel Association Mercury Award for Printed Collateral Materials and was described as “a keepsake-quality product that would instantly elevate the consumer’s perception of West Virginia.”
The Department of Tourism’s campaign for industry partners during the COVID-19 pandemic, #PlaceIBelongWV, won a U.S. Travel Mercury Award for Community Building.
Our social channels are taking off

We continue to promote West Virginia as a four-season vacation destination across our social media platforms, and we’re seeing landmark success.

Engagement up 34%

Link clicks up 170%

Web sessions from social referrals up 214%

Web conversations from social referrals up 757%
MORE TRAVELERS ARE VISITING WVTOURISM.COM

- Pageviews up 17.93%
- Unique pageviews up 25.77%
- New and returning users up 40%
West Virginia tourism-related content received more than 3 billion impressions in 2021.

PUBLIC RELATIONS EFFORTS HAVE PUT ALL EYES ON WEST VIRGINIA
WE WERE THE ONLY STATE TO BE FEATURED IN ALL MAJOR TRAVEL LISTS FOR 2022

- Lonely Planet: Top Travel Region
- Condé Nast Traveler: Condé Nast Best Places to Go
- USA Today: Top 10 Family Vacation Destination
- Frommer's: Best Places to Visit in 2022
NEW RIVER GORGE NATIONAL PARK & PRESERVE
RECEIVED LANDMARK COVERAGE

The Department’s public relations efforts focused heavily on promoting America’s newest national park.

898 MILLION earned media impressions
West Virginia proudly hosted major international and domestic events in 2021.

UCI Mountain Bike World Cup welcomed 7,500 international travelers to Snowshoe.

Spartan Race welcomed more than 10,000 visitors to Summit Bechtel Reserve.
Since 2019, the Tourism Development Act tax credit program has received more applications than in its first 10 years of existence. Recent applications represent more than **$250 million** in investment in West Virginia’s tourism industry.
STATE PARKS CONTINUE TO REACH NEW HEIGHTS

- With **$151 million** in improvements in the past four years, along with increased marketing, our state parks system has become a national leader.
  - More than **8.9 million visitors**.
  - Annual revenue **up 52%** in just 4 years.
TRAVELERS ARE REDISCOVERING THEIR LOVE OF THE GREAT OUTDOORS

Last year’s hunting and fishing license revenue was the highest in more than 20 years.

Source: West Virginia Department of Tourism; West Virginia Division of Natural Resources
The Department of Tourism’s public-private partnership fund has purchased **more than $10 million** to support the advertising of **nearly 100 tourism businesses** across the state since the creation of the Cooperative Advertising Program in 2017.

- Extended increased 80/20 match to help businesses advertise through the Pandemic.
- Expanded program to allow short-term participation from rentals and vacation homes.
When outdoor adventure calls, a summer road trip to Jefferson County is the answer. Bring along your bike or set out for a hike on the Appalachian Trail. Afterward, beat the summer heat with one of River Riders’ exhilarating whitewater rafting expeditions. Then, end an eventful day with cold brews at Bavarian Brothers or Abolitionist Ale. This summer, let Almost Heaven set the perfect road trip itinerary.

WVtourism.com/JeffersonCounty
We continued to offer new training and resources to partners.

The Department of Tourism has continued its commitment to partner education by hosting trainings with leading travel and tourism brands such as:

- Arrivalist®
- USA VisitTheUSA.com
- hotelbeds
- CrowdRiff
- Longwoods International
OUR NETWORK OF PARTNERS CONTINUES TO EXPAND

Nearly 300 industry partners joined our industry database to access trainings, cooperative advertising, public relations assistance and more.

- 135 of which were new contacts or businesses we brought into the fold of our weekly communications
TOURISM ADVERTISING IS KEY FOR CONTINUED GROWTH
Tourism advertising works

60% of those who saw at least one West Virginia tourism ad said they'd “probably or definitely take a trip to West Virginia in the next 12 months.”

- Longwoods International
The Halo Effect

Research continues to show tourism advertising improves West Virginia’s image as a place to live, start a business, go to college and retire.

Source: Longwoods International, 2020
THE FUTURE IS BRIGHT FOR WEST VIRGINIA TOURISM

69% of Americans have a renewed appreciation for the outdoors

Source: Destination Analysts, The Harris Poll
Pinterest searches for things like natural travel and lake fishing are up more than 250%

Source: Destination Analysts, The Harris Poll
THE FUTURE IS BRIGHT FOR WEST VIRGINIA TOURISM

Enjoying scenic beauty (60%) and visiting U.S. national parks (54%) are among top trip characteristics of interest.

Source: Destination Analysts, The Harris Poll
Rural nights Booked on Airbnb are up 180%

Source: Destination Analysts, The Harris Poll
NECESSARY FUNDING TO CONTINUE GROWTH
The Legislature appropriated an additional $7 million in general revenue and $7 million in surplus in FY22 to promote tourism in West Virginia.

Maintaining level marketing funding for FY23 will be critical to further growth in the state’s tourism industry as we work to position West Virginia as the perfect post-covid destination.

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lottery</td>
<td>$12,115,474</td>
<td>$11,357,898</td>
<td>$11,540,567</td>
<td>$11,540,567</td>
<td>$11,540,567</td>
<td>$11,652,513*</td>
</tr>
<tr>
<td>Surplus</td>
<td></td>
<td>$2,500,000</td>
<td>$7,000,000</td>
<td></td>
<td>$7,000,000</td>
<td></td>
</tr>
<tr>
<td>General</td>
<td></td>
<td></td>
<td>$7,000,000</td>
<td>$14,000,000</td>
<td>$12,000,000</td>
<td>$14,000,000</td>
</tr>
</tbody>
</table>

*Proposed salary adjustments

General Revenue Appropriation

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Promotion</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Public Relations</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Events &amp; Sponsorships</td>
<td>$500,000</td>
</tr>
<tr>
<td>Industry Development</td>
<td>$500,000</td>
</tr>
<tr>
<td>State Parks &amp; Recreation Advertising</td>
<td>$1,500,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$14,000,000</strong></td>
</tr>
</tbody>
</table>
In compliance with §11-3-9(h)(7)(A) and §11-3-9(h)(11), the Tourism Office has received three deposits into the Tourism Promotion Fund from revenue generated at the Bechtel Summit Reserve since 2015.

The funds were used to assist with marketing of the 2021 Spartan Race at the Bechtel Summit. In the past 4 years, the event has attracted more than 40,000 annual attendees and generated a significant boost for the local economy.

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/1/17 – 6/30/18</td>
<td>$321.85</td>
</tr>
<tr>
<td>7/1/18 – 6/30/19</td>
<td>$555.74</td>
</tr>
<tr>
<td>7/1/19 – 6/30/20</td>
<td>$638.87</td>
</tr>
<tr>
<td>7/1/20 – 6/30/21</td>
<td>$416.92</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,933.38</strong></td>
</tr>
</tbody>
</table>