



# OPEN SESSION ANNUAL MEETING OF THE BOARD OF DIRECTORS

November 17, 2022 | 10 a.m. - 12 p.m.

# BOARD MEETING AGENDA

- Call to Order
- Approval of the Minutes: July 27, 2022, Board Meeting\*
- CEO Report
- CFO Financial Presentation
- CMO Report
  - Introductions of Staci Mellman, SVP, Integrated Marketing
  - Travel Week and FY2022 Q4 Events
  - FY2023 Marketing Strategies and Activities
- New Business
  - ROI Evolution
  - Election of Board Leadership\*(Governance committee report)
- Future Meeting Dates
- Public Comments and Questions
- Closing Remarks and Adjournment

\*vote required



Alice Norsworthy  
Chair  
Brand USA Board

## CHAIR OPEN

- Call to Order
- Approval of the Minutes – July 27, 2022, Board Meeting\*
- Brand USA Board of Directors
- Brand USA Executive and Senior Management

\*vote required



Alice Norsworthy  
Chair  
Brand USA Board



Brand USA

## APPROVAL OF THE MINUTES

- Approval of the Minutes\* - July 27, 2022, Board Meeting

\*Vote Required



# BRAND USA BOARD OF DIRECTORS



Alice Norsworthy  
Chair



Todd Davidson  
Vice Chair



Mark Hoplamazian  
Treasurer



Elliott Ferguson  
Secretary



Lauren Bailey



Kristen Esposito



Noel Irwin Hentschel



K. Dean Kantaras



Donald Moore

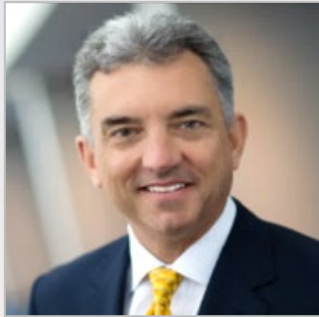


Keiko Matsudo Orrall



Thomas O'Toole

# BRAND USA EXECUTIVE AND SENIOR MANAGEMENT



Chris Thompson  
President & CEO



Tom Garzilli  
Chief Marketing Officer



Donald Richardson  
Chief Financial & DEI Officer



Aaron Wodin-Schwartz  
SVP, Public Affairs



Staci Mellman  
SVP, Integrated Marketing



Cassidy Bailey  
VP, Partner Engagement  
& Marketing



Jake Conte  
VP, General Counsel



Jackie Ennis  
VP, Global Trade  
Development



Mark Lapidus  
VP, Product &  
Technology



Jessie Newcomb, CPA  
VP, Finance &  
Accounting



Rosina Barbastefano  
Senior Director,  
Research & Analytics



Mathu Premaruban  
Senior Director,  
Marketing Communications  
& Public Relations



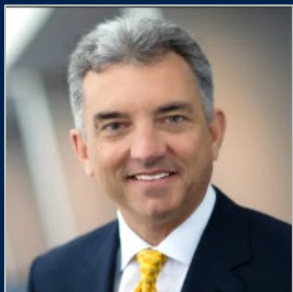
Brian Watkins  
Senior Director,  
Information Technology



Susan Zachar  
Senior Director,  
Integrated Marketing



Alexis Adelson  
Director Marketing,  
Operations & Special Projects



Chris Thompson  
President & CEO  
Brand USA

## CEO REPORT



Mark Hoplamazian  
Treasurer



Donald Richardson  
Chief Financial Officer  
Brand USA



Brand USA

## FINANCIAL PRESENTATION

- FY2022 Financial Highlights

# FY2022 FINANCIALS: HIGHLIGHTS

(As of September 30, 2022. All Figures Preliminary.)

- **PARTNER REVENUE**

Total partner revenues for FY2022 were \$34.3M

- Partner Cash Contributions – we received \$32.5M in partner contributions.
- In-Kind Contributions – we received \$0.7M in in-kind contributions.
- Sponsorship Revenue Partner Programs – we received \$1.1M of Sponsorship revenue and Partner Programs

- **EXPENSES**

- FY2022 Expenses – \$87M

- **CASH FLOW**

- Cash reserves remain strong.

- **TRAVEL PROMOTION FUND**

- All available funds have been matched.



Tom Garzilli  
Chief Marketing Officer  
Brand USA

## CMO REPORT



**Staci Mellman**  
**SVP, Integrated Marketing**  
**Brand USA**





VisitTheUSA.com

Brand USA

# A QUICK LOOK BACK AT FY2022 CONSUMER MARKETING



# Influencer Recovery Program

Authentic, credible stories leveraging engaged audiences:



LED TO THE FOLLOWING RESULTS:

**29**

Influencers

**43**

Destinations

**+80%**

vs. forecasted  
PUBLICATIONS

**+144%**

vs. forecasted  
REACH

**+50%**

vs. forecasted  
IMPRESSIONS

**7.3:1**

ROI



# LOOKING AHEAD TO FY2023 CONSUMER MARKETING

# Integrated Marketing Priorities

## 1 EXPAND AND OPTIMIZE REACH

- Increase Engagements by 200%
- Increase social footprint by 10%
- Establish KPIs and Improve vs. FY2022 benchmarks
- **Launch TikTok by EOY**

## 2 BRING CONSUMERS DOWN THE FUNNEL

- Develop a full-funnel approach (content + tactics): from awareness to conversion
- Update social organic strategy to match funnel
- Develop robust retargeting strategy for paid media

## 3 PROVIDE VALUE TO PARTNERS

- Create added value by featuring destinations across Visit The USA's paid campaigns and organic social media
- Integrate partner programs into Visit The USA's strategy (i.e., Influencer Program)

VISIT THE USA

AUDIO & TV

- New Platform: Audio. **Consumer Podcast with Atlas Obscura.**
- Targeting 200K downloads with 60% completion rate

- GoUSA TV and Brand USA's Consumer Podcast drive consumers beyond the gateway, deeper into the USA

- Continue to feature proximity to include more partners, showing consumers how easy and fun it is to travel from destination to destination.

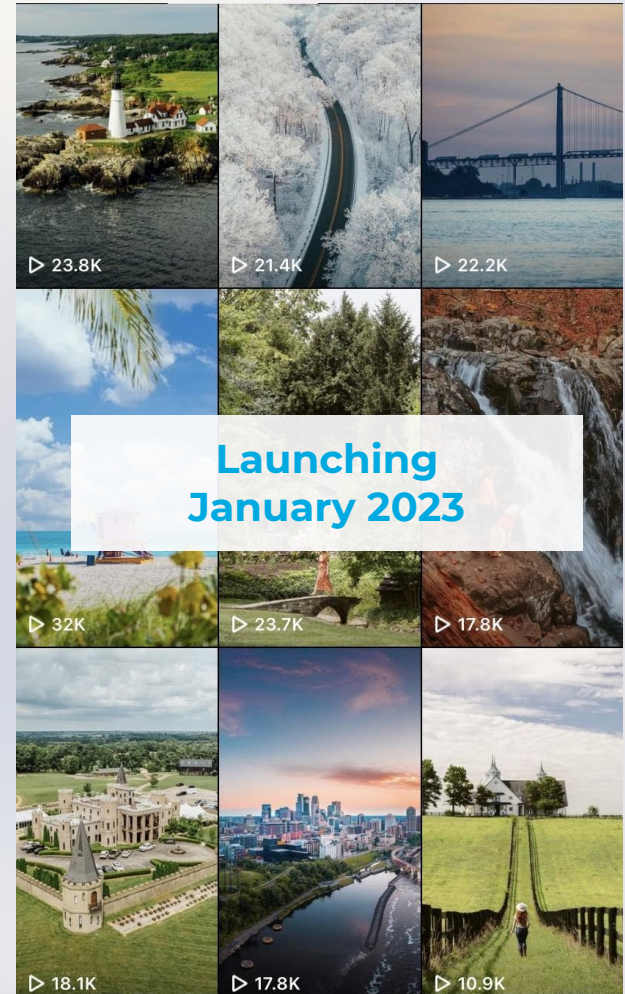
# Expand and Optimize Reach

Short-form, vertical video is everywhere:

- IG Reels, YouTube Shorts, Google Video Search, and TikTok

TikTok presents a unique growth and strategic opportunity:

- TikTok is the fastest growing and most engaging social platform
- Travel is a very big vertical on TikTok
- TikTok is a rising search engine
  - Where it fits in the Visit The USA ecosystem: Discoverability



## Atlas Obscura Podcast

# Small Town Big Story

Podcasting is growing exponentially.



A BBC Global News Study concluded that “podcasts are a particularly effective way to reach ad avoiders” and that podcasts generate an 89% lift in brand awareness, 57% in brand consideration 24% in brand favorability and 14% in purchase intent.

Our debut with Atlas Obscura is an audio version of our Emmy Award Winning GoUSA TV series, “Small Town, Big Story.”

11/1: Thompson Icehouse

11/15: Trailing of the Sheep

11/29: Bread & Puppet

12/13: Tarpon Springs



# WHAT WILL SUCCESS LOOK LIKE?

# Visit The USA

## PRIMARY KPIs

REACH	IMPRESSIONS	ENGAGEMENTS	NEW FOLLOWER GROWTH RATE
<b>FY20</b> 20M Organic 260M Paid	<b>FY22</b> 20M Organic 2.5B Paid	<b>FY22</b> 87K Facebook 295K Instagram 220M YouTube	<b>FY22</b> 1% Facebook 20% Instagram 33% YouTube
<b>FY23</b> 21M Organic (+6%) 390M Paid (+50%)	<b>FY23</b> 21M Organic (+6%) 3.5B Paid (+43%)	<b>FY23</b> 95K Facebook 320K Instagram 220K TikTok 330M YouTube	<b>FY23</b> 1% Facebook 50% Instagram 60% TikTok 40% YouTube

## SECONDARY KPIs

Profile Visits	Video Views	Engagement Rate	Branded Search Volume	Conversion Rate
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Establish new baseline and track progress MoM

Source: Facebook, YouTube, Sprinklr, October 1, 2021 - September 30, 2022. Reach and Impressions data and forecast are inclusive of Meta, YouTube, and TikTok. For YouTube, Views are considered Engagements.



- Add GoUSA TV to a minimum of five new platforms and at least five additional countries
- Produce seven new original series and license 30 additional hours of programming
- Increase overall sessions by 50% to 2.5M and grow time spent watching by 120% to 93.6M minutes
- Continue our work with a consortium of destinations, researchers, and media agencies to pioneer a new industry valuation metric for consumer consumption of streaming content





# THE CONTENT VALUE INITIATIVE (CVI)

# MEASURING VALUE ON CONTENT VIEWERSHIP

The Content Value Initiative is a working group of voluntary members from or associated with the Travel & Hospitality industry. Its purpose is to establish a baseline monetary value in the viewing of organic content by consumers on digital and streaming channels.

Version: 1.0 | Released 10/1/2022

Author: Odyssey, in collaboration with participants



## PURPOSE

### Determining the Value of a Minute of Content Watched

THE CHALLENGE: No standardized valuation method exists to measure impact and value for branded entertainment content on digital streaming and connected TV platforms. Thus understanding "the value of a minute watched" is difficult, imprecise and ambiguous at best.

THE SOLUTION: Odyssey, the Studio at Miles Partnership has established and is leading a working group of major tourism industry DMO partners, research organizations and media partners to establish a standardized measurement approach. The approach seeks to publish a content equivalent value using public data sources to measure content watched against cost averages for similar types of video advertising.

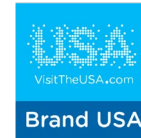
NEXT STEPS: With a baseline model established, the working group looks to publish an initial standard in Fall 2022.

## PARTICIPATION

### Founding Participants

Beginning in the summer of 2022, participants were solicited to join the Content Value Initiative based on their knowledge, experience and early adoption in entertainment content and/or media promoting entertainment content.

Version 1.0 was created with participation and feedback of the eight organizations shown in this list.



## EXECUTIVE SUMMARY

**Version 1.0 (Published October 1, 2022)**

Our content value initiative began in summer 2021 with the goal of answering the question “what is the value of a minute of content viewed to a marketing organization”. Quickly finding that no standardized measurement methodology existed outside of linear/Nielsen, we gathered 8 founding partners together to develop a model and find the marketing variables that would support it. Dozens of meetings and months of work later, we’re pleased to publish the first Content Engagement Value (“CEV”) calculator.

We began by assessing equivalency valuation models already in practice and decided the methodology behind the Advertising Value Equivalent (AVE) leveraged by Public Relations agencies was the most relevant. We then analyzed large- to small-screen content advertising platforms to ascertain relevant data and to build a meaningful and relevant model. The key data points are Cost Per Video (CPV) or Cost Per Click (CPC) with Average View Length.

Content Engagement Value

*Updated 10/1/2022*

**\$0.033 per Second**

**\$1.96 per Minute**

### PLATFORMS MEASURED

*To be considered, we required a cost per click/view variable as well as an average time watch variable.*

- Amazon Prime Video
- Hulu
- YouTube
- Instagram
- Facebook Watch
- TikTok

## NEXT STEPS

### STEP 3: Creating an Index of all Cost Per Second data

#### What's Next with The Content Engagement Value Initiative?

- October 2022: Version 1.0 released and voluntarily adopted by participants
- November 2022: Begin virtual workshops on Version 2.0
- Winter/Spring 2023: Destinations International events include “shirtsleeve” workshops to gain more input and participation
- July 2023: Keynote Presentation to Industry of Version 2.0 CEV model at Destinations International Annual Convention in Dallas, TX

# STRONG VIEWERSHIP NUMBERS

Oct. 2021-Sept. 2022: **39M minutes**

Monthly Increase: **+97%**

**\$1.96 per minute**

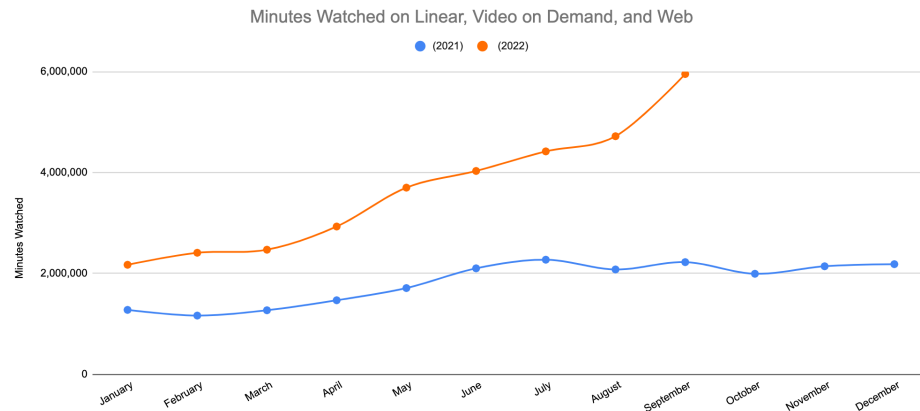
**Calculated value: \$76.4M**



Because every place has a story.

## Hours/Minutes Watched YoY

### Minutes Watched on Linear & Video-On-Demand



\*Total number of minutes watched = all time, all devices, all sources

# What's Next for GoUSATV



Continue to develop content and explore translations



Continue to add distribution and organic viewership



Begin research utilizing current viewers



Create an audience development campaign and begin pulling in viewership

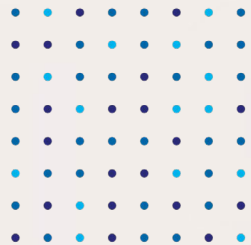


# STAKEHOLDER AMPLIFICATION

Advancing the efforts of those partners  
already in market and lowering the barriers  
of entry to new destinations and attractions



# STAKEHOLDER AMPLIFICATION



**BRAND USA  
TRAVEL WEEK**



**U.K. & EUROPE 2022**



**GLOBAL  
MARKETPLACE**

INTERNATIONAL PAVILION

# ALL 3 EVENTS IN NUMBERS

509

ATTENDEES ACROSS THE WEEK



26

CEO ATTENDEES

66

MEDIA ATTENDEES

129

EXHIBITOR COMPANIES

129

BUYER COMPANIES

216

EXHIBITOR ATTENDEES

133

BUYER ATTENDEES



4387

APPOINTMENTS



18 MARKET UPDATES



18 ENRICHMENT  
SERIES SPEAKERS



6 MONDAY SESSION  
SPEAKERS

4

VENUES

6

EVENING EVENTS

5

SPONSORS

# TRAVEL WEEK IN NUMBERS

400

ATTENDEES ACROSS THE WEEK



129

EXHIBITOR COMPANIES

129

BUYER COMPANIES

175

EXHIBITOR ATTENDEES

133

BUYER ATTENDEES



3677

APPOINTMENTS



18 MARKET UPDATES



18 ENRICHMENT  
SERIES SPEAKERS



6 MONDAY SESSION  
SPEAKERS

3

VENUES

4

EVENING EVENTS

# CEO SUMMIT IN NUMBERS

26

CEOs ACROSS THE WEEK

19

CEO SUMMIT MEDIA



60 CEO INTERVIEWS



1 MEDIA BREAKFAST



2 EVENING EVENTS



2 PRESS BRIEFINGS



6 AIRLINE SPEAKERS

# MEDIA FORUM IN NUMBERS

83

MEDIA FORUM ATTENDEES



36

EXHIBITOR ATTENDEES

47

MEDIA ATTENDEES



OVER 700  
APPOINTMENTS



3 EVENING EVENTS



1 MEDIA BREAKFAST



6 PRESS BRIEFINGS



# PRESS COVERAGE RESULTS WITHIN FIRST WEEK

9,525,372

**TOTAL REACH OF UK & EUROPEAN  
EARNED MEDIA ARTICLES**



8

**MARKETS**  
(U.K., Ireland, Germany, Switzerland, France,  
Spain, Italy, Denmark)



36

**ARTICLES GENERATED ACROSS UK &  
EUROPEAN TRADE AND CONSUMER  
OUTLETS**



# BRAND USA TRAVEL WEEK

## Coverage Highlights

**TRAVEL WEEKLY**

**Special Report: US industry leaders confident of recovery despite headwinds**



By Robin Spangle | September 26, 2022, 07:00

US industry leaders are bullish about prospects for the UK and continental European markets, despite inflationary and currency pressures including the fall of the pound against the dollar.

Brand USA chief executive Chris Thompson acknowledged headwinds and said the US industry was monitoring exchange rates and rising living costs closely.

**itn** Ireland's Travel Trade Network




**Discover LA's CEO and President, Adam Burke sits down with ITTN's Fionn Davenport.**

**TTG** ITALIA

**Brand Usa, the run-up of New York and Los Angeles**

BY GAIA GUARINO



**TOURMAG**  
Le Média spécialiste du tourisme


**Brand USA aims for 1.9 million French arrivals by 2024**

Brand USA Travel Week, September 26-30, 2022 in Frankfurt

Send to a friend | Share this article

Since the opening of its borders at the end of 2022, the United States has seen over 10 million French people. In August 2022 alone, they were more than 100,000 to go across the Atlantic. To encourage this momentum, Brand USA, the organization promoting the United States throughout the world, will intensify its marketing efforts starting in October, with the launch of a marketing campaign and the organization of a forum. In the meantime, the Brand USA Travel Week dedicated to the UK and Europe markets begins this Monday, September 26, 2022.

Written by Caroline Lefevre on Monday, September 26, 2022



**CincoDías**

TRAVEL INSIDE

**The US opens a price war to recover lost European tourism**

• The appreciation of the dollar and hyperinflation in the EU force operators to lower rates



Chris Thompson, CEO of Brand USA

**travel INSIDE**  
THE AMERICAN TRAVEL INDUSTRY

**«Swiss customers often travel to the USA several times»**


TRAVEL INSIDE - 05.10.2022

**Tom Garzilli is CMO at Brand USA and speaks in an interview with TRAVEL INSIDE about the importance of the Swiss source market.**



Tom Garzilli/DCW

**ttg** FOR SMARTER, BETTER, FAIRER TRAVEL



American Western drama series 1883 is being filmed in the Fort Worth area

**MOVIES AND TV ARE PLAYING A LEAD ROLE IN US TOURISM**

28 SEP 2022 BY KATHERINE MASTERS (NÉE LAWREY)

The hottest new series and the old classics alike are driving visitors to seek out filming locations when planning US itineraries

**ttg** FOR SMARTER, BETTER, FAIRER TRAVEL

**US TOURIST BOARD BOSSES GIVE 'AUTHENTIC DIVERSITY' TOP BILLING**

27 SEP 2022 BY KATHERINE MASTERS (NÉE LAWREY)

We want to send travellers deep into our neighbourhoods and celebrate what's authentic about our communities, said US travel leaders as Brand USA Travel Week kicked off in Frankfurt.



A new New York Travel Guide

Tourist board chiefs from a variety of US cities

USA Travel

**TTG** ITALIA

**Unespected Usa: the wow effect for stars and stripes luxury**

BY GAIA GUARINO

The 'luxury offer' of the United States focuses on that surprising face of the country that goes beyond the classic destinations and allows you to discover 'its most authentic side'.

**fwv** | TRAVEL TALK

**USA tourists expect a quick recovery**




Optimistic speakers, but also focused listeners: CEOs Fred Dixon (New York), Adam Burke (Los Angeles), Elliott Ferguson (Washington) and William Pate (Atlanta) at Brand USA Travel Week.

**fwv** | TRAVEL TALK

**Brand USA Travel Week**

**"It's about networking, networking, networking!"**

by Helger Jacobs  
Monday 26 September 2022



Hopes to continue the momentum of Travel Week 2021 this year! Tom Garzilli, Brand USA's Chief Marketing Officer.

Brand USA Travel Week UK & Europe kicks off today, Until September 29th, US tourism professionals as well as European tour operators and trade media will meet in Frankfurt for the first time. Marketing boss Tom Garzilli on the location, timing and new content of the trade fair.





# BRAND USA TRAVEL WEEK



U.K. & EUROPE 2022

## Earned Media

- Five international storytelling pillars for 2023:
  1. Great outdoors
  2. Sports tourism
  3. Luxury
  4. Culinary journeys
  5. Film & music tourism
- Pillars were identified by speaking to senior international editors and journalists, researching trend reports in the travel and lifestyle sectors, and having a comprehensive understanding of the global media landscape
- These pillars will also be the foundation of Brand USA's 'What to See and Do Across the USA' document for media and trade



# **BRAND USA TRAVEL WEEK**



**U.K. & EUROPE 2022**

# BRAND USA TRAVEL WEEK



U.K. & EUROPE 2022

## Survey Feedback & Considerations for 2023

### Foundational Elements:

**APPOINTMENTS**

**ENRICHMENT**

**NETWORKING**



### Event Logistics:

- Accommodating more exhibitors, specifically destinations
- Optimizing Market Updates
- Improving user experience on registration platform

Registration will open January 2023

# BRAND USA TRAVEL WEEK



Brand USA

U.K. & EUROPE 2023



**OCTOBER 16-19, 2023**  
etc. venues County Hall | London







# GLOBAL MARKETPLACE

SINCE LAUNCH IN OCTOBER 2020

- Facilitated over 8,000 meetings
- Hosted over 3,500 event attendees
- Served partners in more than 30 countries



## DIRECTORY



LOBBY

MAIN-STAGE

USA PARTNER PAVILIONS

USA PARTNER DIRECTORY

INTERNATIONAL PAVILION

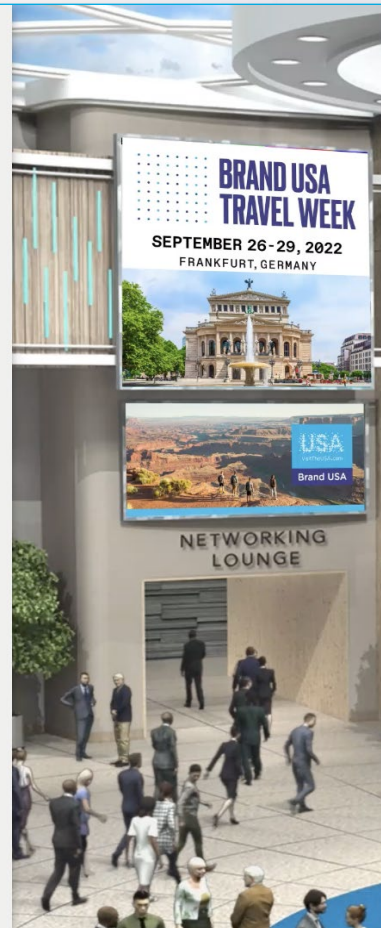
BUYER DIRECTORY

VIDEO ON-DEMAND

NETWORKING LOUNGE

UPCOMING EVENTS

SITE TUTORIAL





# GLOBAL MARKETPLACE

**DECEMBER 6** Invite Only: One-To-One Business Meetings: U.K. & Europe

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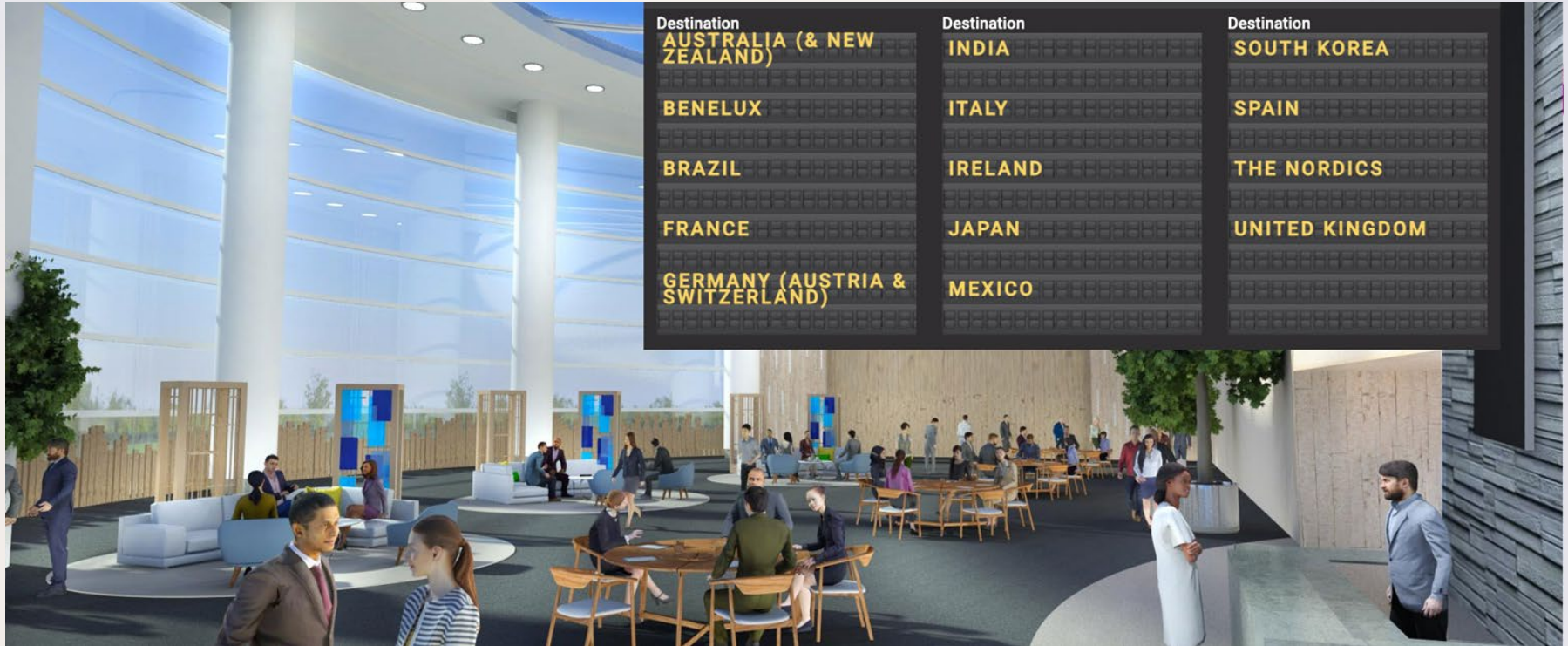
**DECEMBER 7 & 8** One-to-One Business Meetings: Asia & the Pacific

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**FEBRUARY 7 & 8** One-to-One Business Meetings: U.K. & Europe



# GLOBAL MARKETPLACE



Destination

AUSTRALIA (& NEW ZEALAND)

BENELUX

BRAZIL

FRANCE

GERMANY (AUSTRIA & SWITZERLAND)

Destination

INDIA

ITALY

IRELAND

JAPAN

MEXICO

Destination

SOUTH KOREA

SPAIN

THE NORDICS

UNITED KINGDOM



**BRAND USA WELCOMES YOU TO**



**GLOBAL MARKETPLACE**

# Global Trade Highlights July-November 2022

## **FOCUS: Revive Brand USA's presence in 10 target market regions post-pandemic**

- FY2022 Trainings (in-person and virtual): nearly 16K globally
- FY2022 USA Discovery Program Active Users: nearly 31K globally

## **Movie Screenings Across 27 cities globally, including:**

- "Into America's Wild" premiere in Mexico City
- "Into America's Wild" screenings events in Lucerne, Seoul, Tokyo, and Toronto
- Trade partner screenings in Belgium, Germany, Netherlands, and the U.K.

## **In-person events**

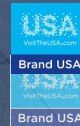
- Australia, Brazil, Canada, Germany, India, Ireland, Japan, Mexico, S. Korea, and U.K.

## **TEJ JATA: Tokyo, September**

**Celebration event in NYC: new nonstop service Auckland-JFK**

**Trade Coop/Media campaigns: Australia, Brazil, Canada, France, Germany, India, Ireland, Mexico, & the U.K.**

**Product Familiarization trips: India and New Zealand**



# Global Trade FY2023

## **FOCUS:** Reinforce Brand USA's global presence in key target markets

- Increase resources in all target markets
- Reinstate teams in Belgium, France, Italy, Netherlands, & Spain
- Trainings (in-person and virtual)
- USA Discovery Program: RFP in FY2023
- In-person trade events all markets
- Product development/Insider Guide Initiative
- Product familiarization trips
- Joint tour operator co-op/trade media campaigns
- MegaFams (U.K., Europe, Australia, & New Zealand)
- Sales Missions/B2B to Australia, India, Japan, Latin America, Mexico, & South Korea
- Brand USA Movie screenings
- Global 1:1 Business Meetings on Brand USA Global Marketplace
- International Pavilion (14 markets plus '101 International Hub')



# FY2022 Participation Overview



TOTAL  
PARTNER  
PARTICIPATION  
S\*

1,376



TOTAL  
UNIQUE  
PARTNERS\*\*

273



AVERAGE  
PARTICIPATIONS  
PER PARTNER\*\*

4.3



NUMBER OF  
UNIQUE PROGRAMS  
OFFERED

56



TOTAL  
IMPRESSIONS\*

2B+



TOTAL  
ATTRIBUTABLE  
BOOKINGS\*\*\*

\$343.2M

\*Includes all partnerships, including General Media

\*\*Includes all partnerships, excluding General Media

\*\*\*Total Attributable Expedia Bookings in Multi-Channel Programs

# FY2023 Programs Overview

- 50+ Unique Programs Available in FY2023
- 300+ Participations Secured Already in FY2023



# Leveraging the NFL International Series

## The Objective

Bring America's sports culture to life, by leveraging a major sports media moment across three key international markets and integrate opportunities for partners to participate.

## Brand USA's Approach

### BRANDING LAYER:

Leveraged United Stories creative and adapted the assets to promote destinations with teams participating in the NFL International Series and promote the tailgating culture within the U.S. cities.

### MEDIA PLAN:

Collaborated with our media partnerships to develop market-specific media plans that offer a robust mix of consumer media across digital, TV, and OOH. All while providing additional value for our U.S. destination partners and leverage the in-kind media that was readily available.

### PARTNER INTEGRATION:

Utilize existing partner programs that offer turnkey deliverables and leverage the NFL International games for campaign timing. In addition, expand the reach of our co-operative campaigns by layering on value-add media to support the overarching campaign.





NFL International Series: Brand USA Promotion

# Promotion around the London NFL Games





NFL International Series: Currently Launching & Up Next

## November Games

Munich | Nov. 13<sup>th</sup>

Tampa Bay Buccaneers  
vs

Seattle Seahawks

Mexico City | Nov. 21<sup>st</sup>

San Francisco 49ers

vs

Arizona Cardinals



## Munich & Mexico City NFL Games



PLACEHOLDER —  
PENDING CREATIVE  
EXAMPLE



# KENTUCKY BOURBON EXPERIENCE STRATEGY FRAMEWORK

## BUSINESS GOAL

Drive Consumer Impact by Leveraging the Unique Kentucky Bourbon Experience with High Value International Audience

International Tourism Impact  
in the State of Kentucky

Leverage Tourism to Create Loyal Consumers through  
Global Exposure to Product

## MARKETING OBJECTIVES

Brand Awareness, Engagement, Activations Integrated in the Overarching Brand Strategy

## TASKS

Sponsorship and  
Storytelling

Activations and Events

Multi-channel Marketing

## CHANNELS/ASSETS

United Stories Segment  
Influencers  
Earned Media  
Kentucky Bourbon  
Experience series on GoUSA TV

National Bourbon Heritage Month Activation  
United Stories Airstream  
In-market Events  
Giant Screen Film Events

Multi-level Marketing  
in Select Countries  
Industry Training  
Participation in Brand USA  
Global Marketplace

# Kentucky Promotion Around National Bourbon Heritage Month

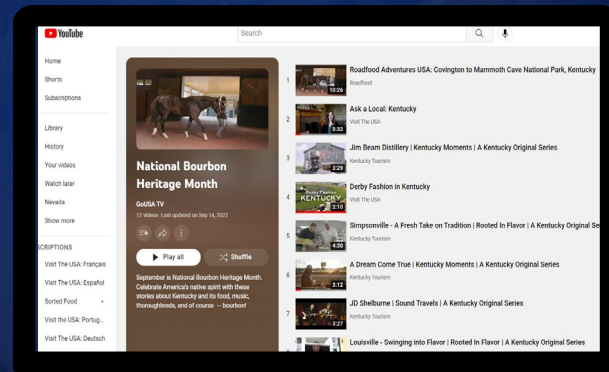
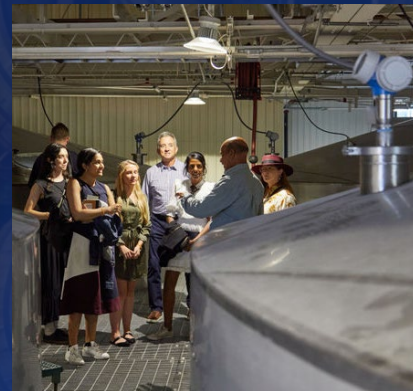
📍 U.K. Press Trip



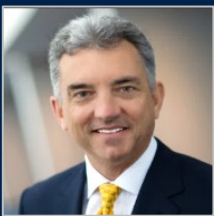
📍 Hosted a concert activation at Buffalo Trace Distillery



📍 Five U.K., Canada, & German Influencers explored Kentucky







**Chris Thompson**  
**President & CEO**  
**Brand USA**



**Rosina Barbastefano**  
**Senior Director, Research & Analytics**  
**Brand USA**



**Adam Sacks**  
**President,**  
**Tourism Economics**

# ROI Evolution



TOURISM  
ECONOMICS

AN OXFORD ECONOMICS COMPANY

# Measuring the ROI of Brand USA

Adam Sacks

President

Tourism Economics

[adam@tourismeconomics.com](mailto:adam@tourismeconomics.com)



TE serves 500+ destinations,  
companies, and associations





# TOURISM ECONOMICS SERVICES

Fact-based insights to guide the way ahead



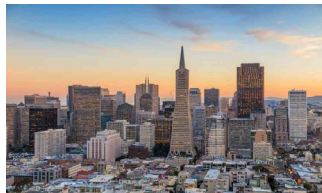
**GLOBAL  
TRAVEL**



Travel data and forecasts for 190 countries, 50 states, and 300 cities



**ECONOMIC  
IMPACT**



Economic valuation of visitors, events, and industries.



**FORECASTING**



Scenario forecasts, budget projections, and market opportunity analysis



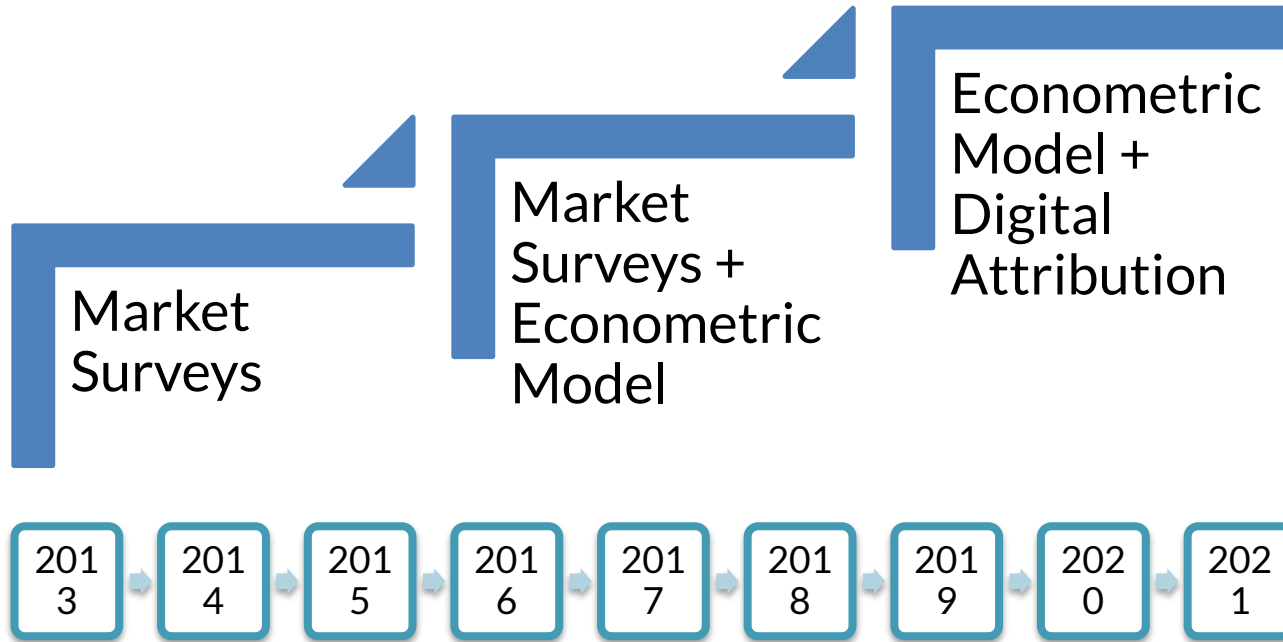
**POLICY  
STUDIES**



Evaluation of funding, taxation, and travel facilitation policies.



# Evolution of Brand USA ROI Analysis



# Market Surveys (FY2013-FY2016)

## Traditional method for measuring advertising awareness and influence

Methodology: survey a statistically valid sample in each market to measure intent to visit among respondents who recalled seeing the ad and could identify the US as the ad focus.

The intent to visit in the next 12 months is compared to the control group of those who did not fit the criteria.

**Pros:** ability to test awareness and influence in each market using specific advertisements

**Cons:** depends on “intent” and “recall” which can be soft metrics. Not feasible in all markets. Expensive.

### Advertising effectiveness metrics

Market surveys 2014-2016

	Seen ad	Identified USA	Intent to visit US in next 12 months			Influence share
			Recalled	Did not recall	Difference	
2014 Surveys						
Brazil	28%	40%	71%	62%	9%	1.0%
Australia	11%	40%	43%	28%	15%	0.7%
Germany	6%	20%	46%	17%	29%	0.3%
Japan	24%	30%	44%	29%	15%	1.1%
Korea	37%	30%	32%	22%	10%	1.1%
2015 Surveys						
Brazil	33%	33%	79%	67%	12%	2.0%
Mexico	33%	33%	79%	70%	9%	1.5%
Germany	33%	33%	27%	18%	9%	0.5%
2016 Surveys						
Mexico	21%	21%	96%	89%	7%	1.3%
China	21%	21%	61%	46%	15%	7.2%

# Econometric Model

**Calculate the relationships between surveys and a more comprehensive set of market indicators**

**Methodology:** Where survey-based ROI calculations are available, a pooled cross-sectional model estimates coefficients for each explanatory (right-hand side) variable.

**Dependent (left-hand side) variable is:**

Incremental visits / long-haul travel demand

**Explanatory (right-hand side) variables are:**

Media impressions / long-haul travel demand

Online engagement\* / long-haul travel demand

Market share % change in the fiscal year

\* Online engagement is the sum of social media engagements and website page views.

# Testing the Model

The econometric model accurately estimates ROI that is consistent with survey results.

This allows the model to be used for markets where survey results are unavailable.

## Model inputs:

IVIS(i) = Incremental visits from market i

LH(i) = Long-haul travel from market i

MED(i) = Media impressions in market i

ONL(i) = Online engagement in market i

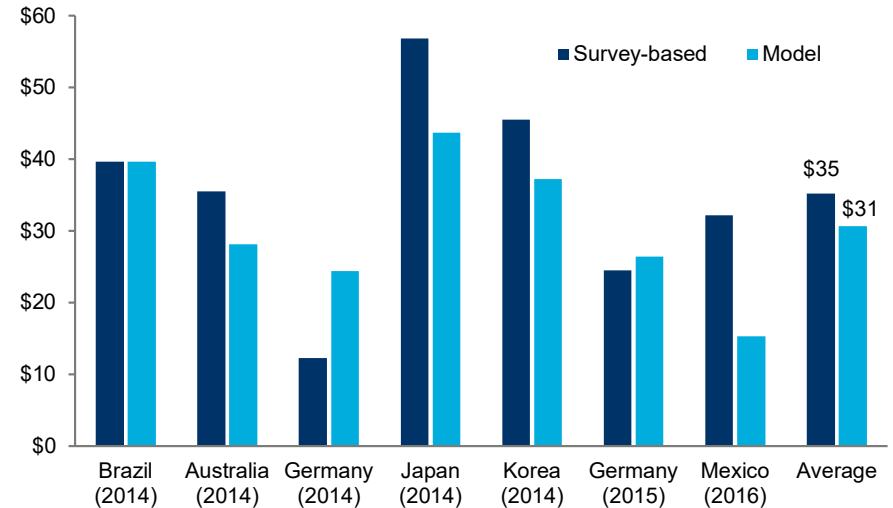
MSH(i) = Log difference in US share of travel from market i

## Equation form:

$$\text{LN}(\text{IVIS}(i)/\text{LH}(i)) = K + b1*\text{LN}(\text{MED}(i)/\text{LH}(i)) + b2*\text{LN}(\text{ONL}(i)/\text{LH}(i)) + b3*\text{MSH}(i)$$

## Comparing Estimates of Brand USA ROI

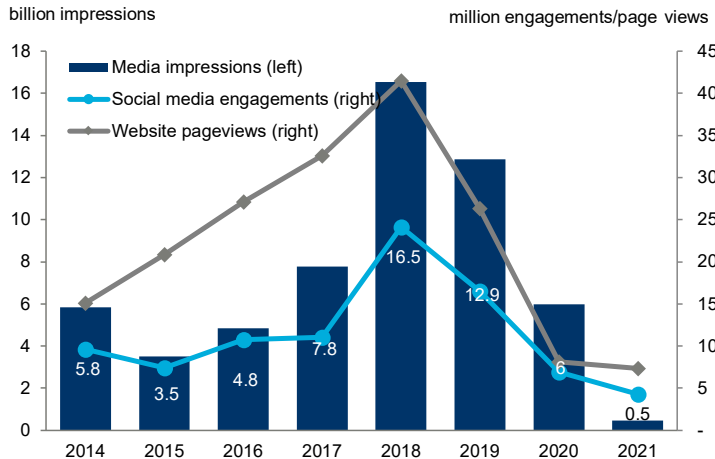
Visitor spending per \$ marketing investment



# Levering the model based on KPIs

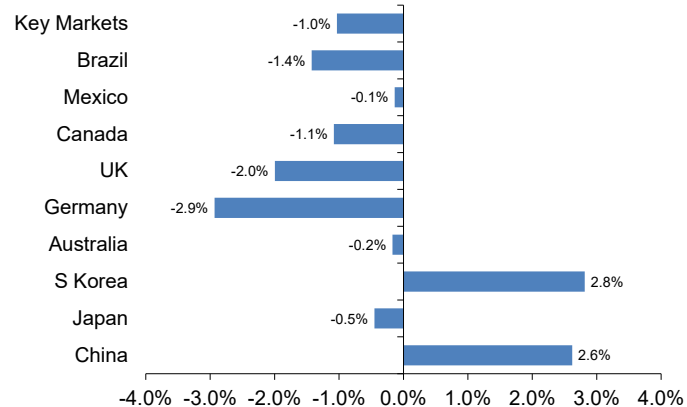
The econometric model has effectively measured ROI, by complementing survey research based on KPIs and market performance

## Brand USA Key Performance Indicators



## Change in US Market Share

Percentage Point Difference (2016 minus 2015)



Source: Tourism Economics

# Incorporating mobile device data (FY2018)

**Data from Arrivalist, a location services company tracking mobile devices, was analyzed to confirm FY2018 modeling.**

Arrivalist compiled mobile device data to observe a control group that are exposed to non-Brand USA ads and compare the efficiency of users who are arriving from the control group to an exposed user base & compute the incremental lift in advertising.

- ❑ Tourism Economics scaled results to the size of the visitor market in each country and then projected the results based on unique impressions by market.
- ❑ This analysis produced estimates of “incremental devices” that visited the US as a result of Brand USA paid marketing. This estimate of device counts was then scaled to visitor counts based on average leisure travel party size.
- ❑ Markets not covered in the Arrivalist research were then estimated based on the average lift across markets tracked on a per unique Brand USA impressions basis.

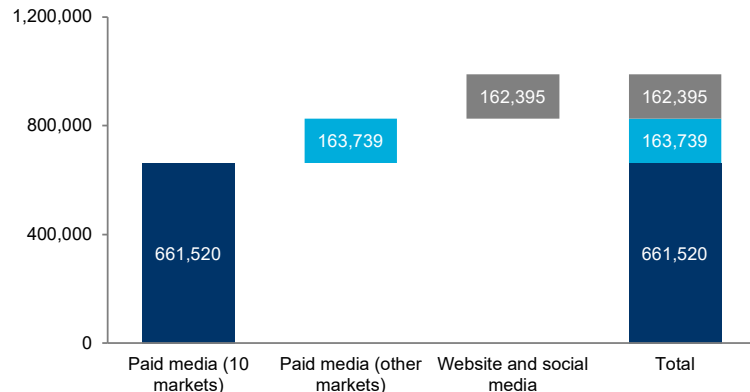
# Comparing methodology results

**Tourism Economics analysis of Arrivalist data indicates that 987,654 incremental visits to the US were influenced by Brand USA marketing in FY2018.**

The econometric model indicates 1,057,911 incremental visits influenced by Brand USA marketing, which is 7.1% higher than the mobile device-based model.

The mobile device model yields an ROI of \$27.80 per marketing dollar. This compares to \$29.75 from the econometric model in FY2018.

**Brand USA Marketing-Influenced Visits**  
Incremental visits to the US



## Arrivalist-based ROI Estimates

Paid media - 10 Arrivalist markets	661,520
Paid media - other markets	163,739
Social Media	150,179
Website	12,216
Total	987,654

Econometric model results	1,057,911
Difference	7.1%



# History of Brand USA ROI

Across nine years, Brand USA has generated \$25.5 billion in incremental international visitor spending with an implicit ROI of \$22.19 in visitor spending and \$3.36 in Federal tax receipts per budget dollar invested.

Fiscal year	2013	2014	2015	2016	2017	2018	2019	2020	2021	Average	Total
Spending ROI (per \$ spent)	\$ 34.36	\$ 17.75	\$ 19.25	\$ 27.70	\$ 26.13	\$ 28.47	\$ 20.93	\$ 6.42	\$ 1.05	\$ 22.19	
Federal Tax ROI (per \$ spent)	\$ 5.17	\$ 2.67	\$ 2.90	\$ 4.17	\$ 3.94	\$ 4.29	\$ 3.24	\$ 1.00	\$ 0.16	\$ 3.36	
Brand USA budget (mn)	\$ 99	\$ 173	\$ 158	\$ 147	\$ 156	\$ 144	\$ 151	\$ 87	\$ 35	\$ 128	\$ 1,150
Spending impact (mn)	\$ 3,402	\$ 3,070	\$ 3,036	\$ 4,084	\$ 4,064	\$ 4,100	\$ 3,171	\$ 560	\$ 37	\$ 2,836	\$ 25,525
Federal tax impact (mn)	\$ 512	\$ 462	\$ 457	\$ 615	\$ 612	\$ 618	\$ 491	\$ 87	\$ 6	\$ 429	\$ 3,861
Visits impact	1,143,186	903,440	1,025,183	1,193,893	1,158,645	1,127,976	900,784	215,840	15,055	853,778	7,684,003
Marketing Budget (mn)	\$ 73	\$ 161	\$ 143	\$ 133	\$ 141	\$ 129	\$ 135	\$ 73	\$ 21	\$ 112	\$ 1,007
Spend ROI (per \$ marketing)	\$ 46.77	\$ 19.11	\$ 21.20	\$ 30.71	\$ 28.90	\$ 31.76	\$ 23.56	\$ 7.72	\$ 1.78	\$ 25.35	
State & local taxes (mn)	\$ 460	\$ 415	\$ 411	\$ 552	\$ 550	\$ 555	\$ 422	\$ 75	\$ 5	\$ 383	\$ 3,445
Total tax impact (mn)	\$ 973	\$ 878	\$ 868	\$ 1,168	\$ 1,162	\$ 1,172	\$ 913	\$ 161	\$ 11	\$ 812	\$ 7,306
Total economic impact (mn)	\$ 7,395	\$ 7,064	\$ 6,600	\$ 8,878	\$ 8,834	\$ 8,914	\$ 6,836	\$ 1,208	\$ 79	\$ 6,201	\$ 55,808
Total jobs supported	53,181	46,510	44,533	59,463	54,212	52,305	42,524	7,514	491	40,081	



Keiko Matsudo Orrall



Elliott Ferguson



Noel Irwin Hentschel

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- Vice Chair
- Vice Chair
- Treasurer
- Secretary

2023

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**SUMMER**

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**FALL**

Washington, DC | NOVEMBER 14-15

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**Board of Directors 2023 Meetings**





# Questions & Answers





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