

A Positive Outlook

When It Comes to Conventions, Las Vegas Is Serious Business



Jeremy Aguero, Consultant



**APPLIED
ANALYSIS**

visitation has grown by 1.7 million; convention visitors made up 1.2 million of that total. Put another way, Las Vegas added twice as many convention visitors as leisure visitors during that time frame.

The return of strong convention visitation is crucial for the southern Nevada tourism industry and economy. Not only do convention attendees help fill hotel rooms during traditionally slower midweek periods, they also spend about \$400 more per trip on average than their leisure counterparts. Because of that additional spending power, convention delegates accounted for 15 percent of Las Vegas visitation but 20 percent of the economic impact produced by the tourism industry in 2016. The convention segment's \$12.4 billion in economic impact included \$3.5 billion in wages for 85,000 workers such as hotel clerks, restaurant servers, taxi drivers and trade show staffers.

Southern Nevada's ever-evolving convention infrastructure, combined with the world-class experience the destination provides, have helped Las Vegas maintain its position among the top convention and trade show locations in the country. Last year, Las Vegas hosted 57 of the nation's largest conventions, making it the Trade Show News Network's top trade show destination for the 23rd consecutive year. Those conventions, as well as thousands more small and mid-sized shows, are made possible by the availability of exhibit and meeting space throughout southern Nevada.

Notably, southern Nevada is home to three of the 10 largest convention centers in the country, yet growing demand continues to crowd out potential shows looking for a home in Las Vegas during prime convention periods. That demand for additional space from existing and potential new shows is a driving force behind a wave of convention center expansion projects that are under construction or on the horizon. The Las Vegas Convention Center's \$1.4 billion expansion and renovation project will add a 600,000-square-foot hall to its existing 1.9 million square feet of exhibit space. On the heels of its 350,000-square-foot expansion at Mandalay Bay Convention Center, MGM Resorts International announced it will add 200,000 square feet of meeting space at Aria and another 250,000 square feet to the MGM Grand Convention Center. Finally, Wynn Resort's Paradise Park project will include 260,000 square feet of meeting space. Combined, space contained in these projects alone would rank as the fourth-largest convention center in the country.

Amid increasing competition from cities such as Chicago and Orlando, these expansions are critical to retaining existing shows that continue to grow and attracting new shows that want to come to Las Vegas but have been turned away due to space limitations. Throughout decades of success, Las Vegas has remained a top tourism destination because of its ability to both adapt and evolve to meet the demands of an ever-changing consumer, whether that's a budget-conscious leisure traveler or an experience-seeking international visitor. With the continuing expansion and evolution of its convention-focused amenities, Las Vegas is reinforcing its reputation as not only a place to play, but as a place where business gets done.

NEVADA STATE BANK
THE DOOR TO YOUR FUTURE



702.383.0009 nsbank.com/outlook

A division of ZB, N.A. Member FDIC