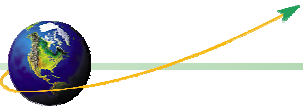


# Colorado Travel Year 2002

Final Report

*April 14, 2003*

# Table of Contents



	<u>Page</u>
Background and Purpose	3
Method	5
Executive Summary	8
Main Findings	33
Size & Structure of the U.S. Travel Market	34
Size & Structure of Colorado's Travel Market	40
The Competitive Environment	55
Sources of Pleasure Travel Business	72
Colorado's Pleasure Travel Profile	79
Destination Interest, Visitation & Image	97
Impacts of Colorado's Advertising Campaign	143
Appendix: Questionnaire	163

# Background and Purpose



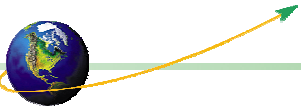
- ◉ Longwoods International was engaged by the Colorado Tourism Office to conduct a program of research for the 2002 travel year that includes:
  - ◉ *Visitor research*
  - ◉ *Image research*
  - ◉ *Advertising accountability/return on investment*
- ◉ In March 2002, Colorado launched a new national advertising campaign.
- ◉ The campaign ran through to September and included.
  - ◉ *A television commercial aired on cable television*
  - ◉ *Four magazine ads that ran in a variety of magazines, including Architectural Digest, Better Homes & Gardens, Conde Nast Traveler, Cooking Light, Family Fun, Gourmet, Midwest Living, New Choices, Outdoor Photographer, Outside Magazine, Sunset, Smithsonian, Texas Monthly, USA Weekend*
  - ◉ *An Amex travel planner insert in several major newspapers and magazines*
  - ◉ *Banner ads on various websites, such as Travelocity.com and NationalGeographic.com, directing people to the State's tourism website*

# Background and Purpose



- The purposes of the research are to:
  - *provide data on the size of Colorado's travel market*
  - *provide intelligence on:*
    - *the competitive environment*
    - *Colorado's key sources of business*
    - *the Colorado traveler profile*
  - *to measure the effectiveness of the advertising campaign at bringing visitors to Colorado during the campaign period, and increasing intentions to visit the state in the future*
  - *to estimate the return on advertising investment yielded by the campaign, in terms of incremental visitor spending and taxes returned to the state by those additional expenditures*
  - *through an analysis of Colorado's image, provide input into the development of positioning and messaging for future campaigns*

# Method



## ◉ Visitor Research

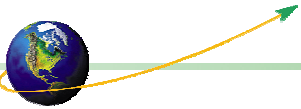
- ◉ *A representative sample of 2621 Colorado visitors was identified through **Travel USA®**, Longwoods' annual syndicated survey of the U.S. travel market.*
- ◉ ***Travel USA®** contacts 200,000 U.S. households annually.*
- ◉ *The households are members of a major consumer mail panel which is balanced statistically to be representative of the U.S. in terms of key demographic characteristics.*
- ◉ ***Travel USA®** is conducted quarterly and the travel patterns of a randomly selected adult (18+) member of the household are identified.*

# Method



- Advertising ROI and Image Research
  - *A benchmark study was conducted following the advertising period to measure detailed awareness of specific ads, estimate the impact of awareness on intentions to visit and image, and estimate short-term conversion that occurred during and shortly after the campaign period*
  - *An 8-page survey was mailed in January, 2003 to 2,800 households in two regions:*
    - *regional market, defined as Colorado plus neighboring states -- Utah, Arizona, New Mexico, Kansas, Oklahoma, Wyoming and Nebraska*
    - *all other states*
  - *The survey package included black & white copies of print ads and the web banners, and a storyboard of the television ad that had been run in prior months.*
  - *1537 surveys were completed, for a return rate of 55%.*

# Method



- Advertising ROI and Image Research (Cont'd)
  - *Data were weighted on key demographic variables prior to analysis to ensure that results are representative of and projectable to the population.*
  - *For a sample of this size, the confidence level is + / – 2.2%, based on statistical probability.*
  - *The estimates of the campaign's impacts on visits and intentions to visit Colorado are conservative in that:*
    - *trips intended by people unaware of advertising/promotions are backed out*
    - *controls ensure that only advertising influenced trips are included.*
  - *In our calculations to determine the ad campaign's return on investment, we related data from this survey to visitor expenditure data gathered in Longwoods' 2001 Colorado Visitor Survey (adjusted for inflation) and tax impact data from Dean Runyan Associates' report "The Economic Impact of Travel on Colorado, 1996-2000".*

# Executive Summary



# National Rebound in Tourism



- ⊙ Nationally in 2002, overnight leisure travel showed considerable resilience after a weak 2001, with visits to friends and relatives (VFR) gaining 5% and discretionary leisure travel (marketable trips) up 6%.
  - ⊙ *Business travel continued to slump, adding a further 3% decline to the previous year's 10% slide.*
- ⊙ In 2002, Colorado welcomed 26.2 million domestic U.S. visitors on overnight trips:
  - ⊙ *22.1 million people on leisure trips*
  - ⊙ *4.1 million business travelers*

# Colorado Visitor Numbers Rise



- Colorado showed even stronger growth in leisure travel than the nation as a whole:
  - *visits to friends and relatives in Colorado rose 9% to an all-time high of 11.1 million trips*
  - *Colorado marketable trips increased 10% to 11 million trips -- continuing a recovery from a low point in 2000, but still well behind the 1992 level of 12.5 million trips*
- Bucking the national trend, business travel to Colorado grew by 8% to 4.1 million overnight trips:
  - *however the state is still 20% behind the 2000 peak of 4.9 million trips*

# Colorado's Key Segments



- Colorado's trends for 2002 in core segments generally paralleled national trends:
  - *more touring, special event, combined business-pleasure, casino and country resort trips*
  - *little change for city and ski trips*
- The main outlier for Colorado was the outdoor segment, which contracted sharply, though not unexpectedly given the forest fire situation in early summer 2002.
- In 2002, Colorado attracted the following numbers of visitors in these segments:

○ <i>Touring trips</i>	2,920,000
○ <i>Outdoors trips</i>	1,710,000
○ <i>Ski trips</i>	1,620,000
○ <i>Special event trips</i>	1,630,000
○ <i>Business-pleasure trips</i>	1,440,000
○ <i>City trips</i>	610,000
○ <i>Casino trips</i>	480,000
○ <i>Country resort trips</i>	380,000

# Impact of Fires



- ⊙ The national increase in pleasure travel, for both visits to friends and relatives and marketable trips, was evident throughout the year.
- ⊙ In Colorado, however, virtually all of the improvement in leisure visitor numbers occurred in the first half of the year.
- ⊙ Marketable trips to Colorado dropped off sharply versus 2001 levels in the July to October period:
  - ⊙ *The fires and attendant publicity clearly had a major negative impact on Colorado tourism*
- ⊙ The gains in business travel to Colorado were spread across most of the year, although there was some decline in the last quarter relative to 2001.

# Market Share



- Colorado's higher than average growth in marketable trips translated into a slight gain in market share nationally for this type of travel:
  - *in 2002, Colorado's share of 2.2% ranked it in 21<sup>st</sup> place among the fifty states as a destination for discretionary leisure travel*
- Colorado also increased its share of the touring market to 3%:
  - *however, this is still well below the high of 3.8% posted in 1998*
- For ski trips, Colorado maintained its share of 17%, and continues to be the number one destination for overnight ski vacations.
- The decline in outdoors trips to Colorado, paired with growth nationally, resulted in a sharply lower market share (to 2.6% from 3.5%) for that type of trip;
  - *nonetheless, Colorado was still the 14<sup>th</sup> most popular state for an outdoors vacation*

# Regional Travel Trends



- ◉ Colorado was not alone in the region in terms of experiencing an above-average upswing in travel and tourism in 2002.
- ◉ Montana, Utah and Wyoming also posted sizeable gains, especially for marketable trips.
- ◉ For Wyoming and especially Montana, these were welcome gains after recording declines the previous year.
- ◉ Marketable trips to California grew at the national rate of 6%, while Arizona, Oregon and Nevada showed more moderate improvement.
- ◉ Idaho and Washington were the only states in the region to post a decrease in marketable travel.

# Sources of Business



- ◉ The region – consisting of the Mountain, West North Central and West South Central census divisions – continues to be the main source of travelers to Colorado.
  - ◉ *In 2002, 61% of all overnight leisure trips originated in the region*
- ◉ Colorado residents themselves accounted for slightly over 2 in 10 vacationers.
  - ◉ *this was down somewhat from 2001 (24%) and contributed to a similar drop in regional business*
- ◉ As has been the case for several years, the other top states providing tourists were California, Texas, and Colorado's immediate neighbors:
  - ◉ *Arizona*
  - ◉ *New Mexico*
  - ◉ *Nebraska*
  - ◉ *Wyoming*

# Sources of Business



- ◉ Colorado continues to draw 1 in 7 of its tourists from the Mid-West and Northeast from states such as:
  - ◉ *Illinois*
  - ◉ *Ohio*
  - ◉ *Minnesota*
  - ◉ *New York*
- ◉ Looking specifically at urban markets, the Denver market leads all others in terms of delivering tourists to Colorado, followed by:
  - ◉ *Colorado Springs – Pueblo*
  - ◉ *Dallas – Ft. Worth*
  - ◉ *Los Angeles*
  - ◉ *Albuquerque – Santa Fe*
  - ◉ *Chicago*
  - ◉ *Phoenix*



# Visitor Demographics



- People who visited Colorado in 2002 closely resembled the average U.S. leisure traveler in many ways:
  - *split evenly between men and women*
  - *similar age profile, with an average age of 43.6 years*
  - *a majority are married*
  - *children and/or teenagers are present in 3 in 10 households*
  - *most have an annual household income over \$50,000 and work in managerial or professional occupations*
- Colorado tourists' demographic profile differed from the U.S. leisure travel norms in only two respects:
  - *Colorado tourists in 2002 tended to be slightly better educated, with over half having completed college*
  - *Consistent with regional population distribution, Colorado visitors were more likely to come from small cities, towns and rural areas, and less likely to live in large metropolitan centers*

# Trip Profile Information



- ◉ After a year's plateau, use of the internet for trip planning and booking rose again in 2002.
- ◉ Colorado again surpassed the national average for vacations planned (39% vs. 31%) and booked (26% vs. 20%) online.
- ◉ Colorado's business travelers were similar to the average business traveler nationally for internet use:
  - ◉ *about a third of trips were planned and almost a quarter were booked to some extent online*
- ◉ A trip to Colorado in 2002 averaged about 6½ days in length:
  - ◉ *this was almost 2 days longer than the national norm, though consistent with the state's distance to major markets*
  - ◉ *Colorado trips increased slightly in length in 2002, while nationally, trips became somewhat shorter*

# The Competitive Set



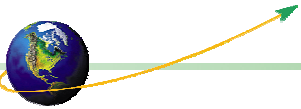
- Colorado is one of the top states that American vacationers dream about visiting:
  - *ranking 5<sup>th</sup> after Hawaii, Florida, California, and Alaska as a destination people would enjoy visiting*
  - *ahead of Nevada and New York*
  - *far surpassing other states in the region*
- Even people planning a trip to Colorado in the near future are thinking of these top states as alternatives to Colorado, rather than other Mountain states.
- A comparison of interest in travel and actual visitation to Colorado clearly indicates that there is a huge gap between getting on the “wish list” and eventual trip taking:
  - *over 110 million Americans dream of coming to Colorado, but only 22 million vacationers made the trip in 2002*
  - *Colorado’s visitation gap is much more pronounced than that for Florida or California which are almost the same in terms of wish list “desirability”*

# Hot Buttons



- ◉ **Excitement** and **adult atmosphere** are the top motivators for getting on the destination wish list:
  - ◉ *being seen as exciting means offering a real sense of adventure in a must-see destination*
  - ◉ *suitability for adults and couples is important because they are paying for the trip*
- ◉ Close to the top of the priority list is **family atmosphere**, meaning a destination should be perceived to offer lots that kids and families might enjoy.
- ◉ There are several factors that individually are of moderate importance, but that in combination define the excitement that attracts people to a destination:
  - ◉ **uniqueness**, including the scenery, local people and culture
  - ◉ **popularity**, as a well-known destination and frequent advertiser
  - ◉ **great sightseeing**, including lots to see and do, interesting cities and towns, landmarks, historical areas, shopping, museums and galleries
  - ◉ *the availability of **luxurious** accommodations and dining*
  - ◉ *a safe, friendly and **worry-free** environment*

# Hot Buttons



- The lowest priorities are:
  - *the opportunities for **entertainment**, e.g., theater, nightclubs, live music*
  - ***sports and recreation**, including organized activities (e.g., golf, tennis), swimming, walking, and more adventurous pastimes such as hiking, mountain biking and river rafting*
  - ***climate***
  - ***skiing** amenities, since this sport only appeals to a small segment of the overall market*
- **Affordability** is also relatively unimportant at the wish list stage:
  - *but it gradually rises to the top of the list the closer one gets to closing the sale*

# Colorado's Image



- ⊙ Colorado has a superb image relative to the average U.S. state destination and versus the other Mountain states in the region:
  - ⊙ *Colorado's image is superior in almost every area that people use to differentiate destinations*
  - ⊙ *and it has virtually no image weaknesses*
- ⊙ But the “average state” and other mountain states are not the real competition for Colorado, as pointed out before.
- ⊙ When compared against the top group of “dream destinations” that are the true competition, Colorado has an excellent overall image including on the top criterion of excitement.

# Colorado's Image



- Colorado also surpasses the competition with its image for:
  - *family-orientation*
  - *great scenery*
  - *outdoor recreation, including skiing and camping*
  - *being safe and friendly, with a relaxed atmosphere*
  - *affordable accommodations and dining*
  - *interesting small towns and villages*
- Colorado's image falls short of the competition in several main areas:
  - *lots to see and do, a very important hot button at the destination "wish list" stage of decision-making and also at the time of "closing the sale"*
  - *recreational opportunities such as swimming, boating, golf and tennis*
  - *nightlife, entertainment and the arts*
  - *good weather in spring and fall*
  - *opportunities for shopping*
  - *unique culture, e.g., different customs, local food specialties, etc.*
- Colorado is at a slight disadvantage to competitors with respect to image for travel distance, i.e., the cost of getting to Colorado:
  - *but this is less of an issue than the "variety" barrier, even in terms of closing the sale*

# Colorado's Product Delivery



- ◉ Despite image weaknesses in a number of areas, Colorado appears to deliver a superior product that exceeds visitors' expectations in almost every way.
- ◉ When we compare Colorado's image among recent visitors (i.e., "product delivery") to the state's image among people who have never been to the state, we find that the Colorado product surprises visitors especially with respect to:
  - ◉ *being a "must-see" destination – part of the excitement factor*
  - ◉ *suitability for the whole family, including kids and couples*
  - ◉ *safety and relaxed atmosphere*
  - ◉ *the diversity of recreational activities, including golf, hiking, off-road biking, rafting and canoeing/kayaking*
  - ◉ *affordability both in terms of getting to Colorado, availability of packages and overall value for money*
  - ◉ *overall climate*



# Colorado's Product Delivery



- And Colorado also appears to surpass expectations in the key area of variety, including:
  - *lots to see and do generally*
  - *interesting towns and historical sites*
  - *a great place for sightseeing on foot*
  - *exciting casinos*
- The only areas where Colorado is perceived to have a relatively weak product compared to other features or where there is some disappointment are:
  - *entertainment and nightlife*
  - *the availability of first class accommodations*
  - *crowded ski slopes*

# The 2002 Campaign



- Nationally, the 2002 campaign was recalled by 1 in 3 travelers:
  - *awareness was only slightly higher in the regional market than nation-wide*
- The advertising had a positive impact on people's impressions of Colorado as a vacation destination -- people aware of the advertising were more likely than those unaware of the campaign to:
  - *spontaneously mention Colorado as a destination they'd enjoy visiting*
  - *rate Colorado favorably overall as a destination*
- The campaign also strongly improved American travelers' image of Colorado in many areas, including some of the most important "hot button" criteria such as:
  - *excitement*
  - *lots to see and do/sightseeing opportunities*
  - *uniqueness*
  - *family-orientation*

# The 2002 Campaign



- ◉ As a result of the campaign, an incremental 4,672,000 travelers intend to take a trip to Colorado over the next two years or so:
  - ◉ *most of these trips (65%) are planned for 2004*
- ◉ The 2002 advertising was also quite successful at delivering visitors during the campaign period:
  - ◉ *1,861,000 people visited Colorado during or immediately following the campaign period (March to December) that otherwise would not have visited in the absence of a campaign*
  - ◉ *This represents 7% of 2002 trips.*
  - ◉ *90% of those additional visitors came from outside the region*
- ◉ More people recalled the print campaign than the television campaign, though the levels of awareness were reflective of the media spend levels for each component:
  - ◉ *Nonetheless, the TV campaign appeared to work better than the print campaign at generating interest and visitation.*
- ◉ The additional visitors generated by the 2002 campaign contributed \$522 million to the Colorado economy, expenditures that would not have been made without the campaign:
  - ◉ *this translates into \$205 in visitor spending per dollar spent on the campaign*

# Campaign ROI



- ⊙ This visitor spending yielded \$32.4 million in taxes:
  - ⊙ *\$16.1 million in state taxes*
  - ⊙ *\$16.3 million in local taxes*
- ⊙ Taking the cost of the campaign into consideration, the advertising returned \$12.74 in taxes to state and local treasuries for every dollar invested.
- ⊙ This return reflects short-term results and would be expected to increase, assuming that a portion of the 4.7 million planned trips materialize.

# Conclusions



- ◉ Colorado is in the enviable position of being one of American travelers' top “dream destinations”:
  - ◉ *in the company of states such as Hawaii, Alaska, California, and Florida*
  - ◉ *when people are considering a Colorado vacation, they are not thinking of Colorado as just another mountain state, and rank it far ahead of its neighbors*
- ◉ Colorado gets onto people's wish list initially because it has an excellent image on some key hot buttons – excitement, and being great for both adults and children.

# Conclusions



- ◉ But Colorado is thought of as uni-dimensional -- ***Mountains and more mountains*** which implies:
  - ◉ *great scenery*
  - ◉ *good in winter and summer*
  - ◉ *good for outdoor and ski vacations*
  - ◉ *safe, friendly and family-oriented*
- ◉ Colorado's primary image weakness is perceived to be lack of variety, and this factor appears to be the main important barrier standing in the way of both "getting on the wish list" and "closing the sale".
- ◉ People are concerned that Colorado doesn't have a lot to see and do, including:
  - ◉ *sightseeing and recreational opportunities unrelated to the mountains, including museums and galleries, historical sites, interesting architecture, opportunities for shopping, etc.*
  - ◉ *possibilities for entertainment, such as live music, theater and the arts*
  - ◉ *aspects that demonstrate Colorado has a unique culture*

# Conclusions



- ⊙ However, based on recent visitors' reactions to their experience, Colorado doesn't appear to deliver a lackluster product:
  - ⊙ *in fact, Colorado greatly exceeds visitors' expectations in virtually every area, including having "lots to see and do"*
- ⊙ The issue is therefore one of correcting misperceptions and educating travelers about Colorado's diversity.
- ⊙ This reaffirms our recommendation going back to 1986, that advertising for Colorado must clearly communicate the excitement and breadth of the vacation experience under the umbrella of:

***"Mountains, and Much More"***

# Conclusions



- ◉ The 2002 Colorado tourism advertising campaign was successful both nationally and regionally in:
  - ◉ *Creating awareness of the state as a desirable destination.*
  - ◉ *Enhancing Colorado's image, both overall and across a variety of measures.*
  - ◉ *Close to doubling intentions to visit Colorado.*
  - ◉ *Creating short-term conversion during the 2002 travel year.*
- ◉ The \$2,546,000 spent on advertising generated an incremental 1.86 million visitors, who spent an additional \$522 million in Colorado, resulting in a \$32.4 million boost in taxes taken in by state and local treasuries.
- ◉ For each dollar invested, taxpayers received a return of \$12.74 in less than a year.
- ◉ These results, using a very conservative methodology, demonstrate clearly that tourism promotion is a revenue generator, not a cost, to the people of Colorado.



# Main Findings

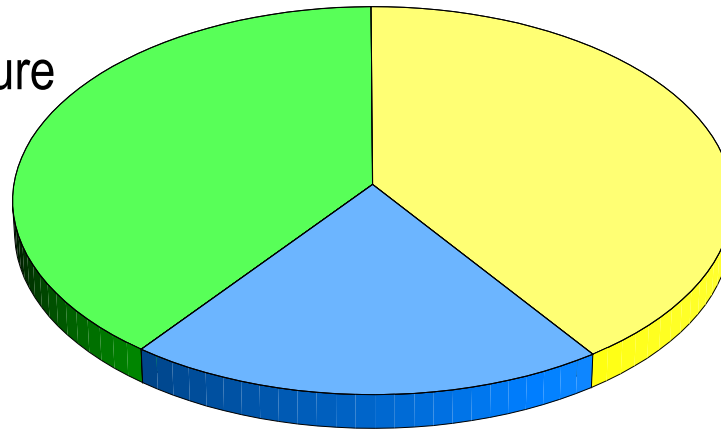
# Size & Structure of the U.S. Travel Market

# Size of the U.S. Travel Market — 2002 Overnight Trips



**Total = 1.512 Billion**

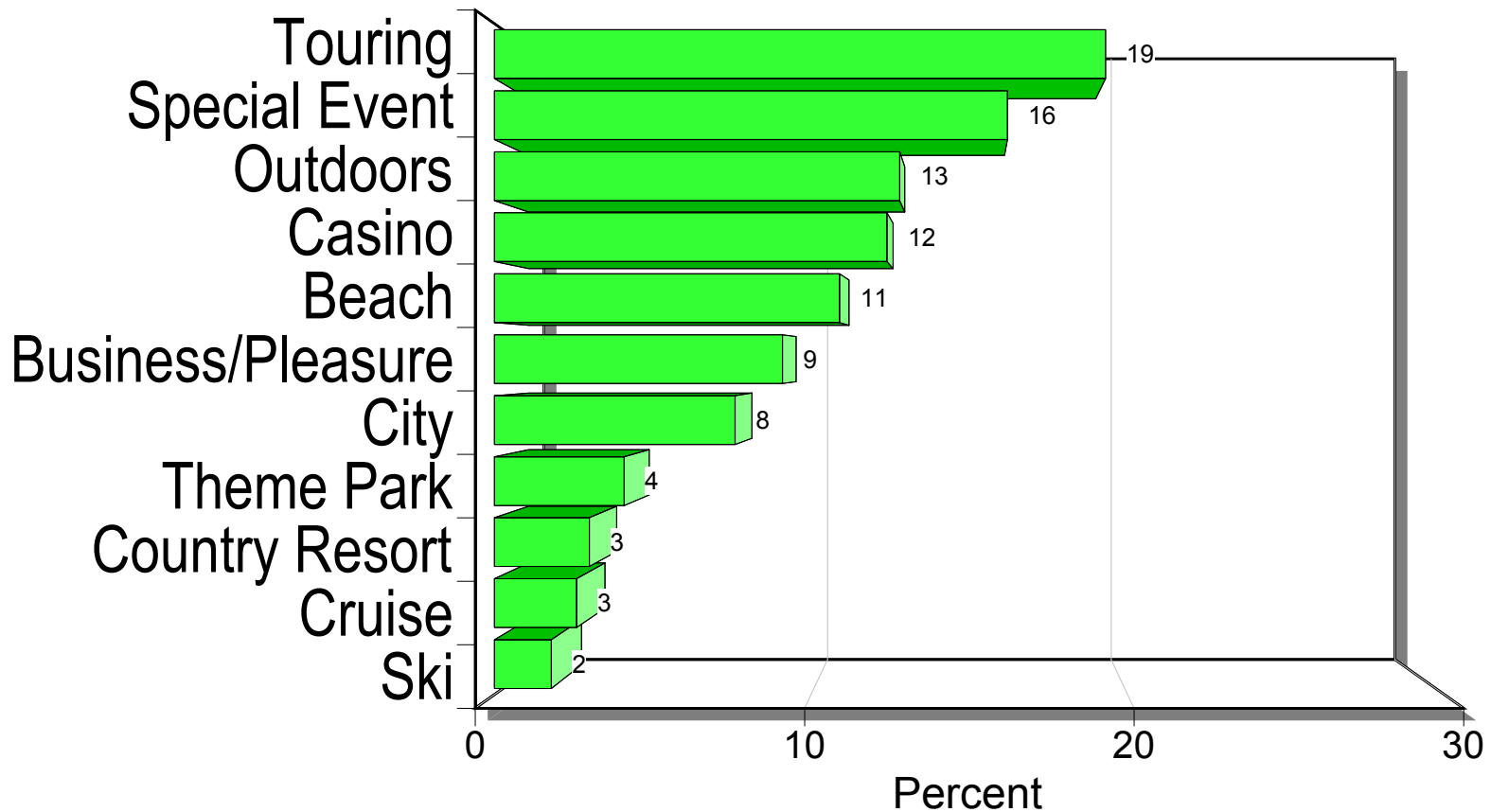
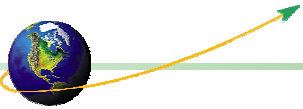
Marketable Pleasure  
614 Million  
(40%)



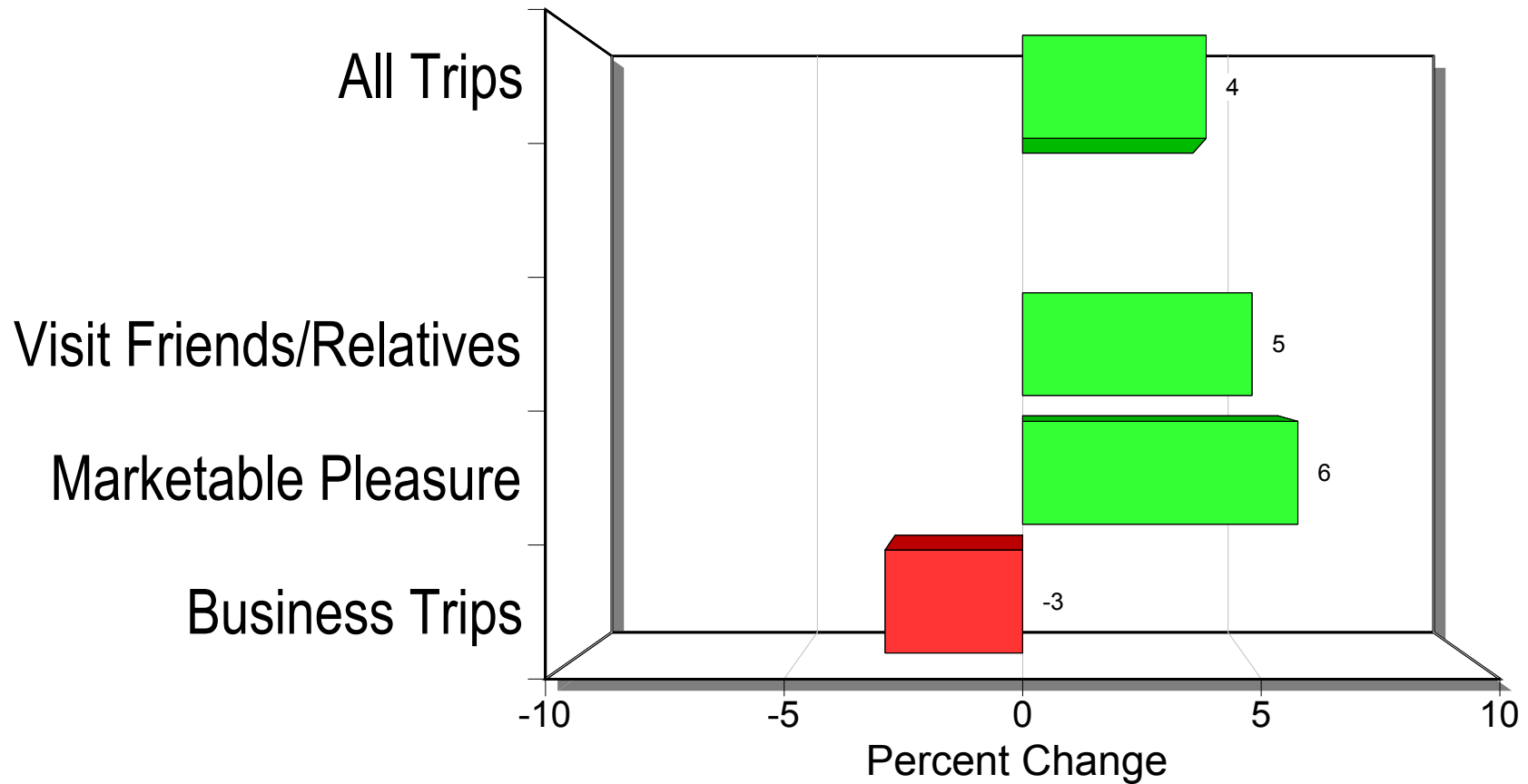
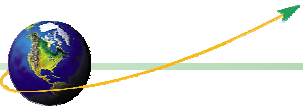
Visit Friends/Relatives  
615 Million  
(41%)

Business  
283 Million  
(19%)

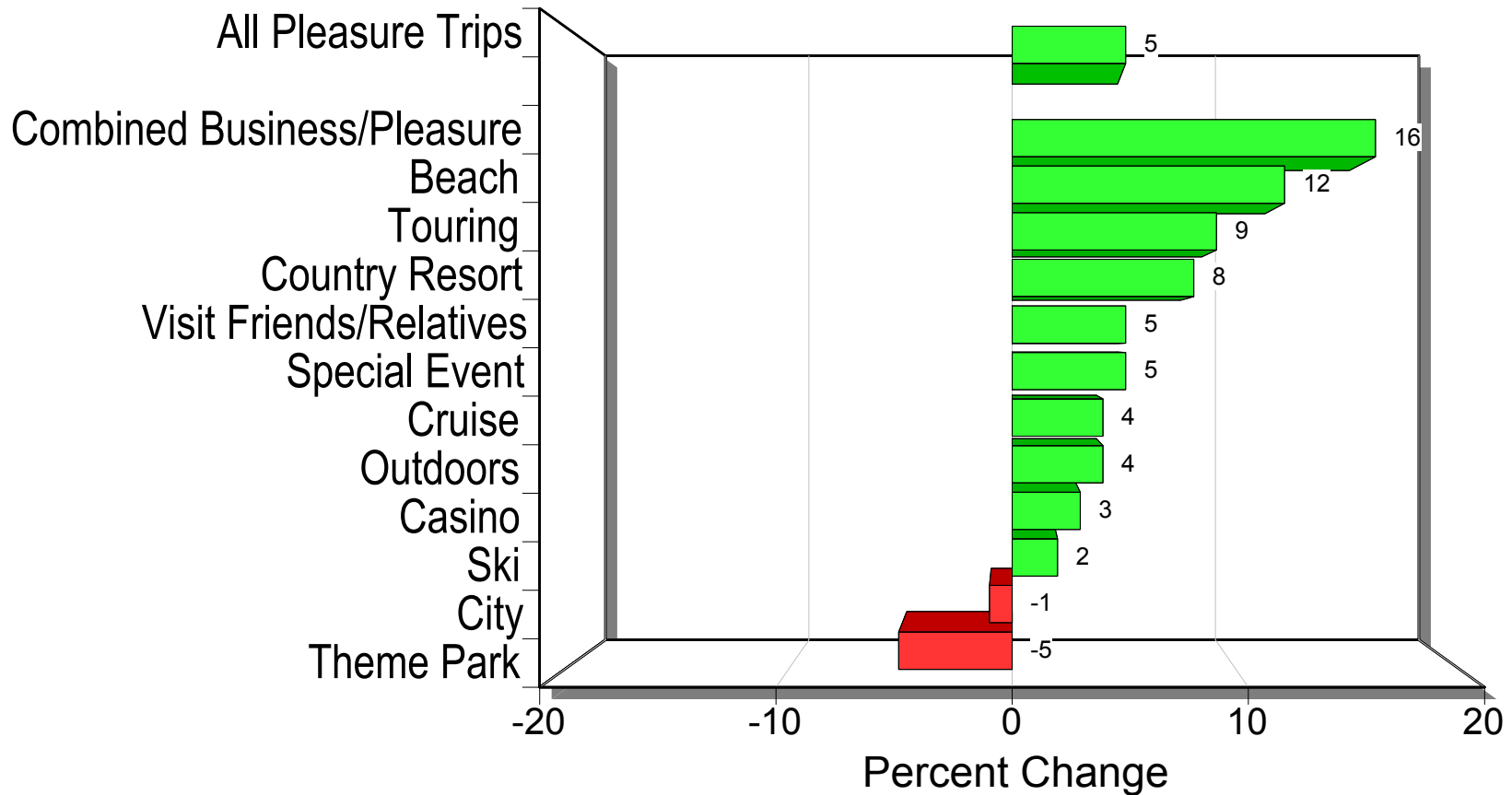
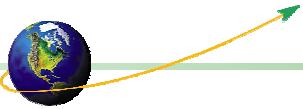
# U.S. Overnight Marketable Trip Mix — 2002 Travel Year



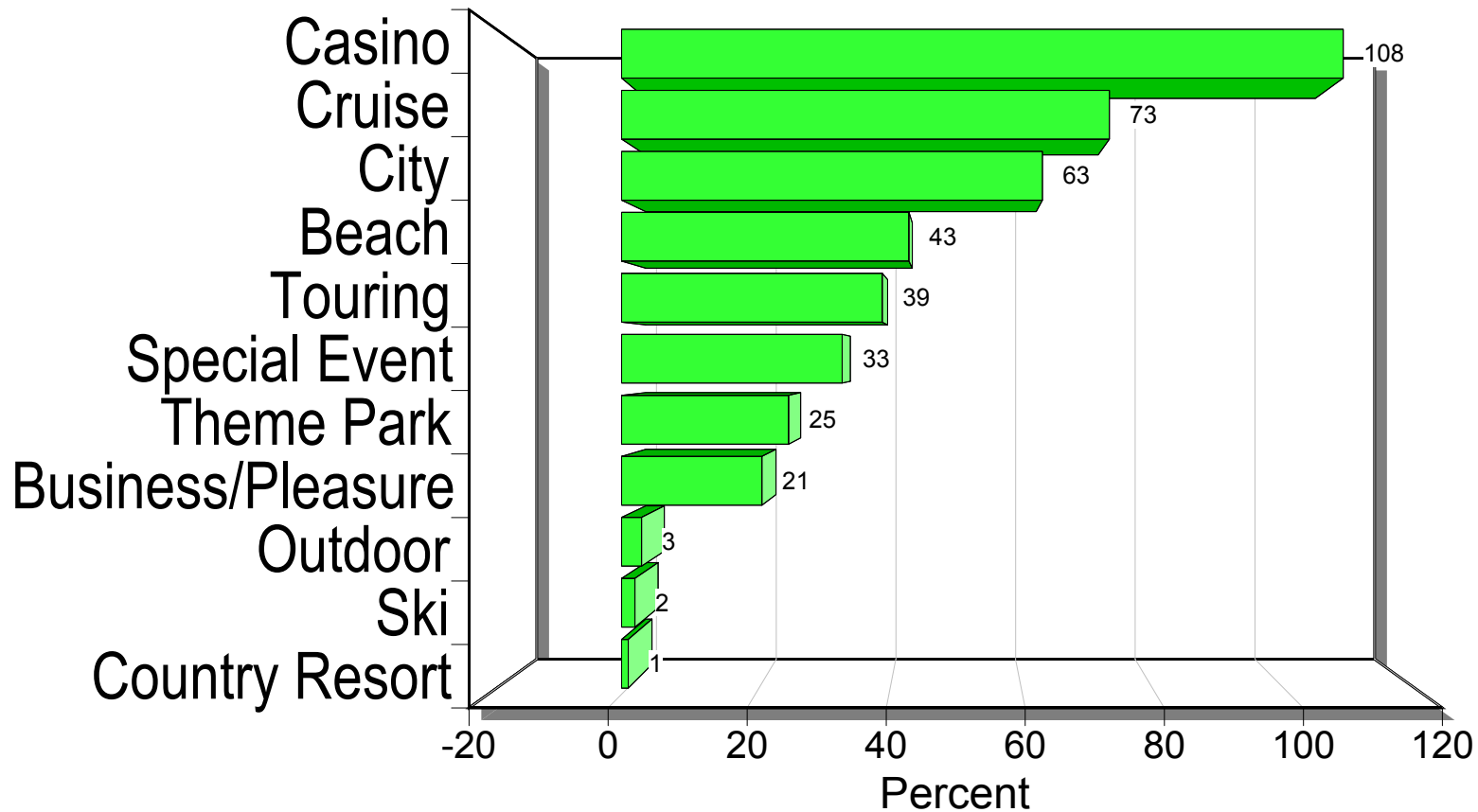
# U.S. Market Trends — 2002 vs. 2001



# U.S. Market Trends — 2002 vs. 2001



# U.S. Marketable Trips % Change From 1994 to 2002



# Size & Structure of Colorado's Travel Market

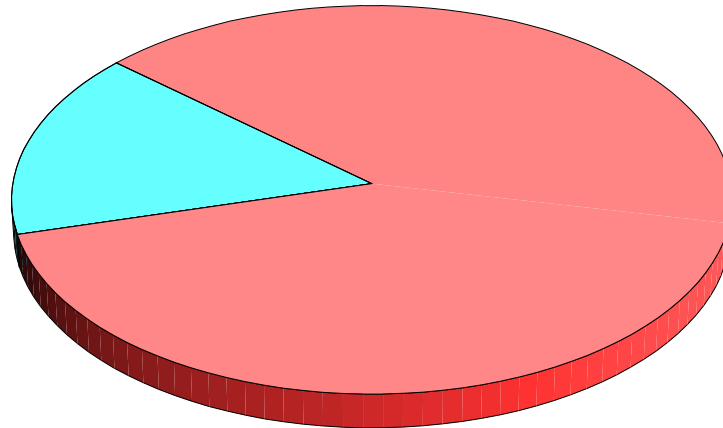


# Overnight Trips to Colorado in 2002



**Total = 26.2 Million**

Business  
4.1 Million  
(16%)

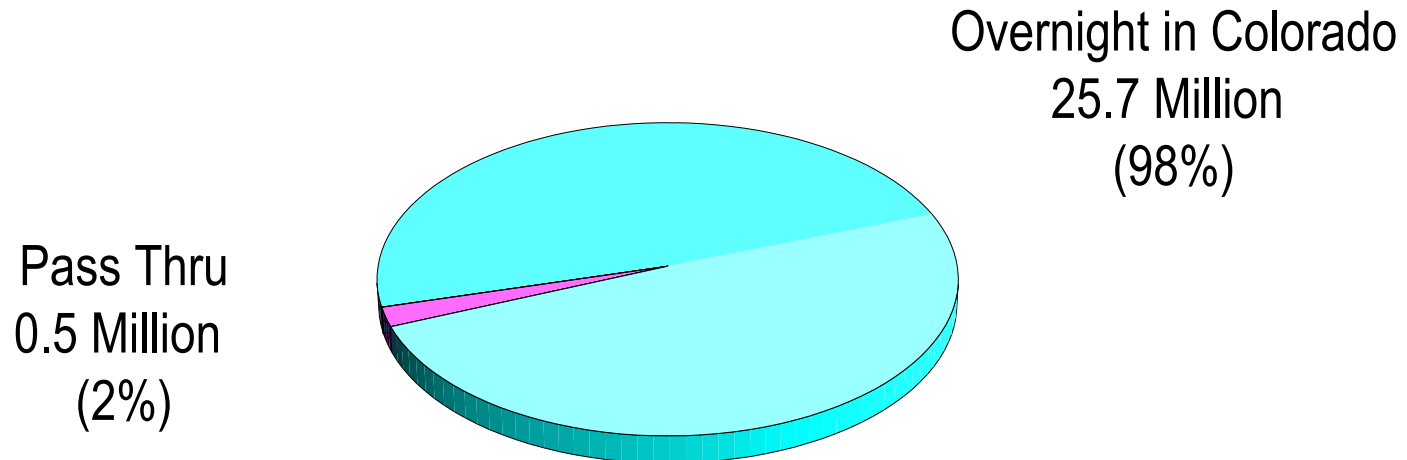


Pleasure  
22.1 Million  
(84%)

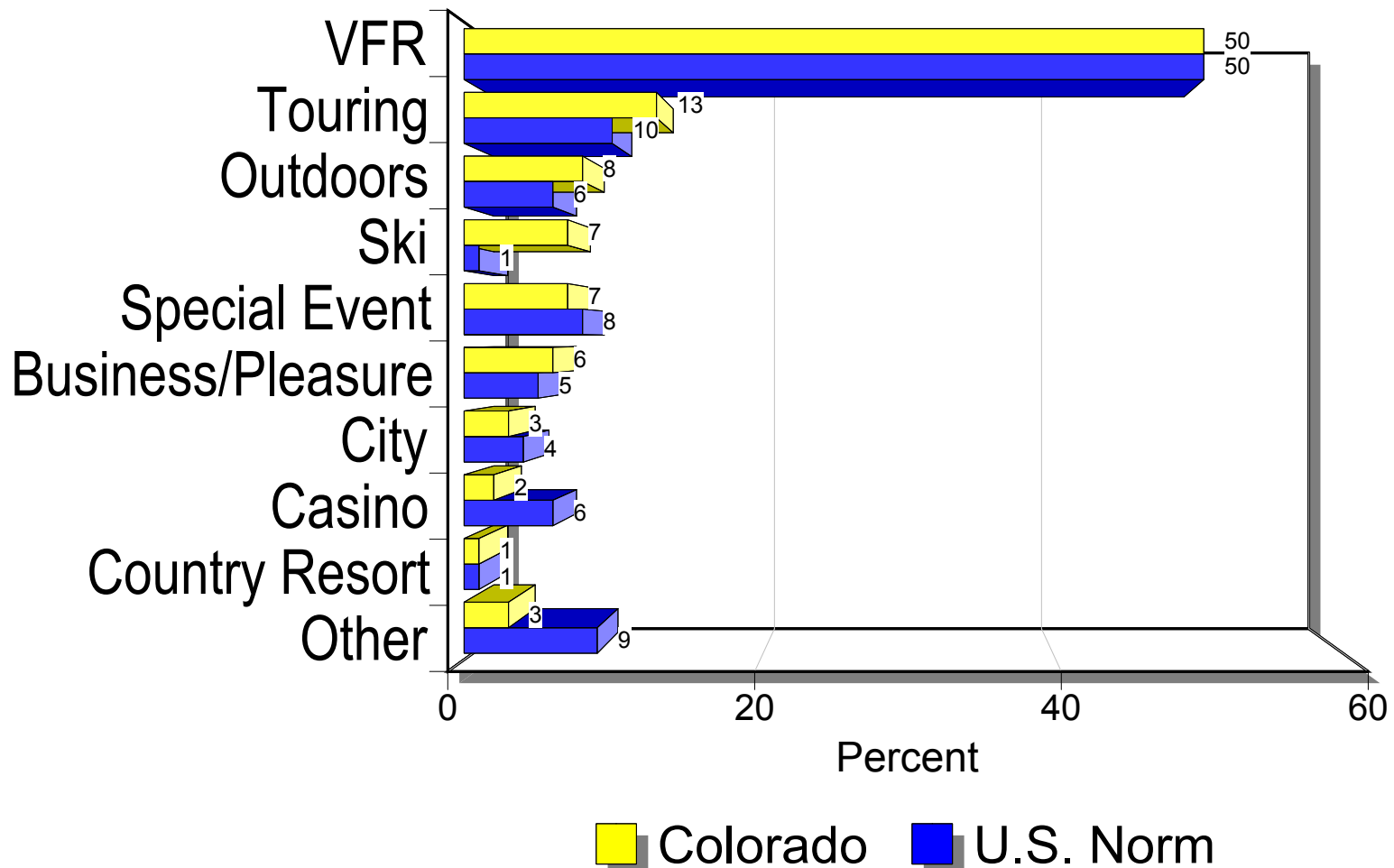
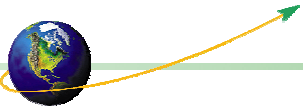
# Stayed Overnight in Colorado vs. Pass Thru



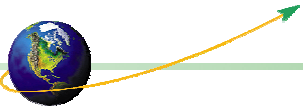
**Total Trips = 26.2 Million**



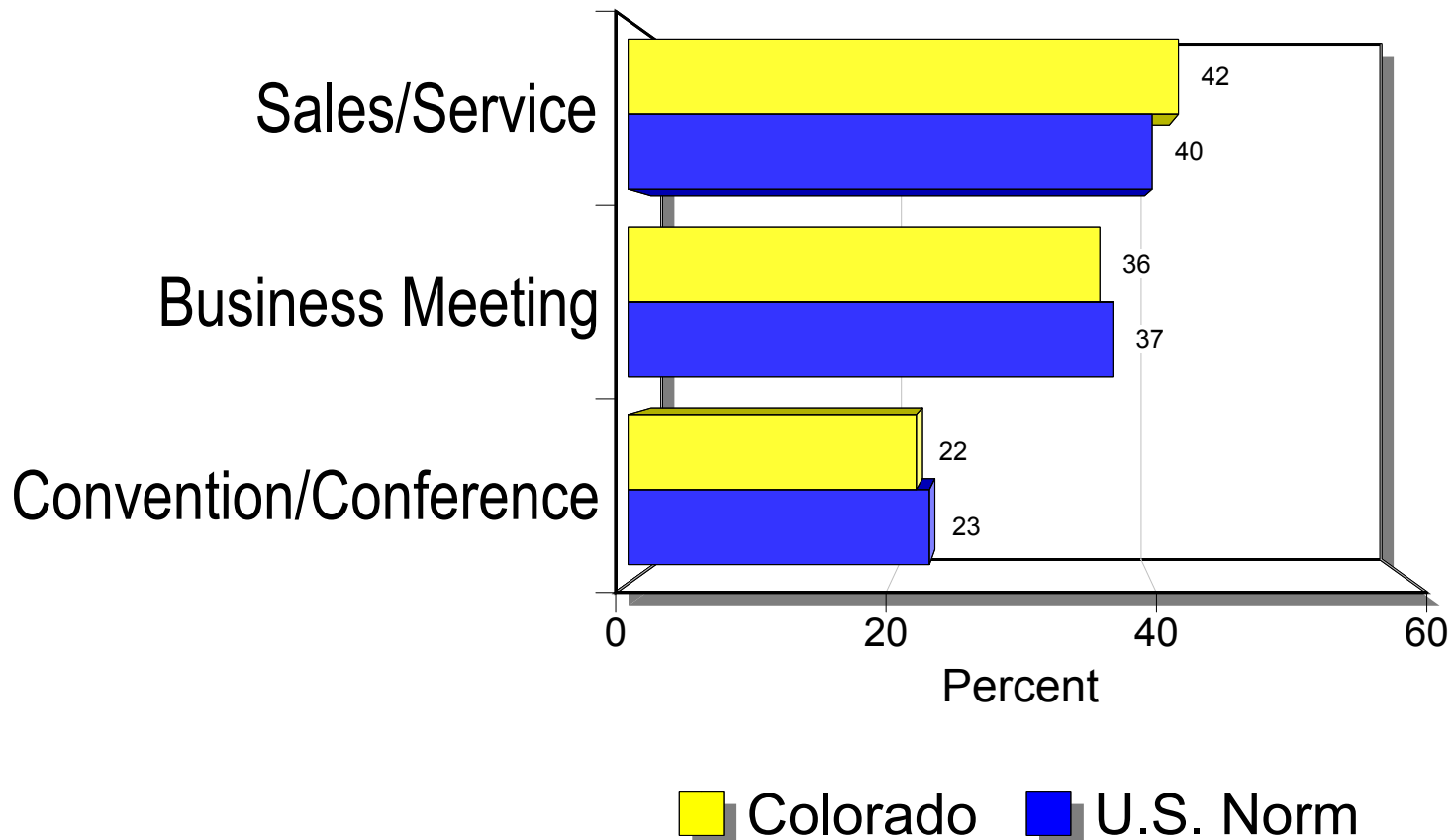
# Main Purpose of Pleasure Trips vs. the U.S. Norm



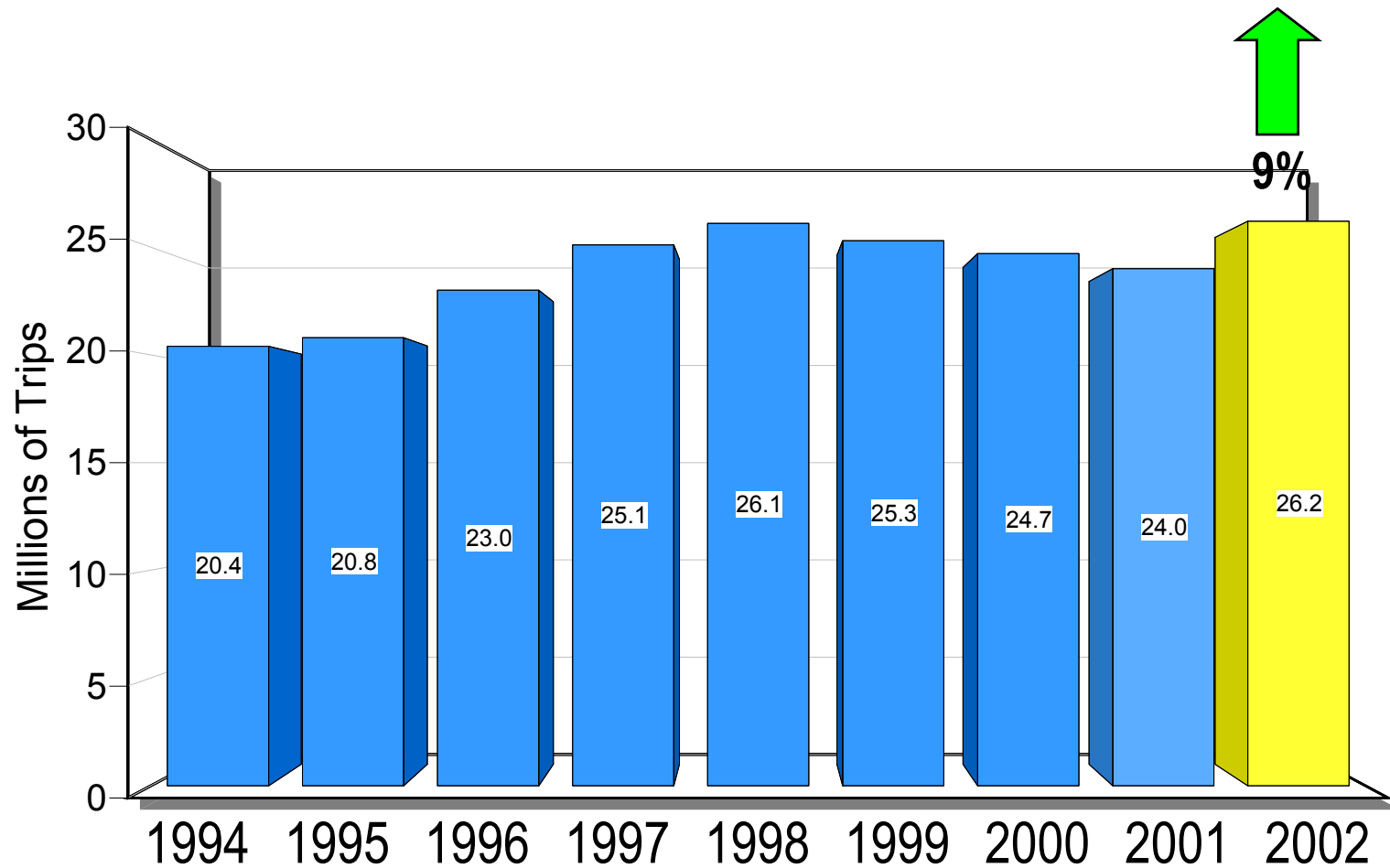
# Main Purpose of Business Trips vs. the U.S. Norm



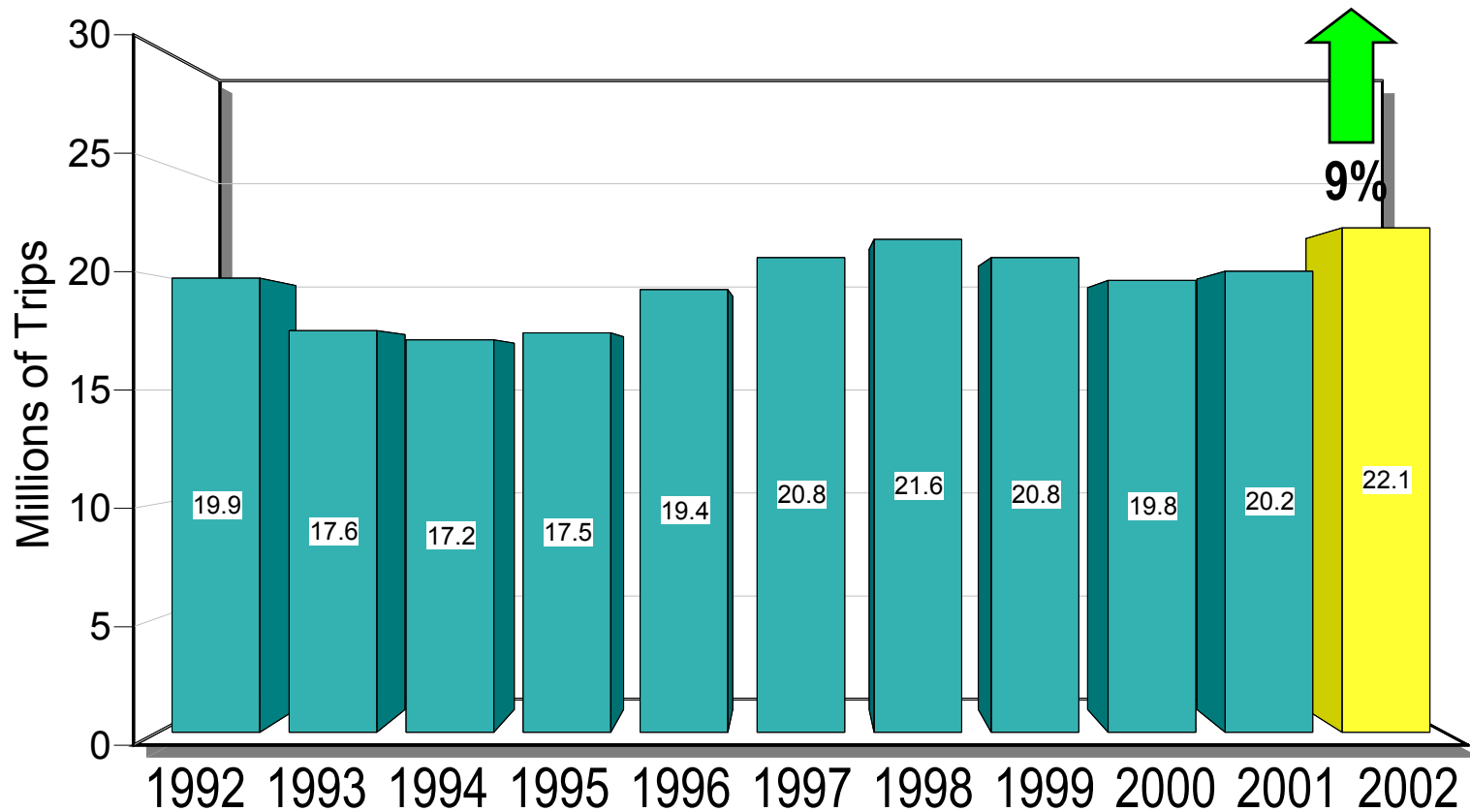
Base: Overnight Business Trips



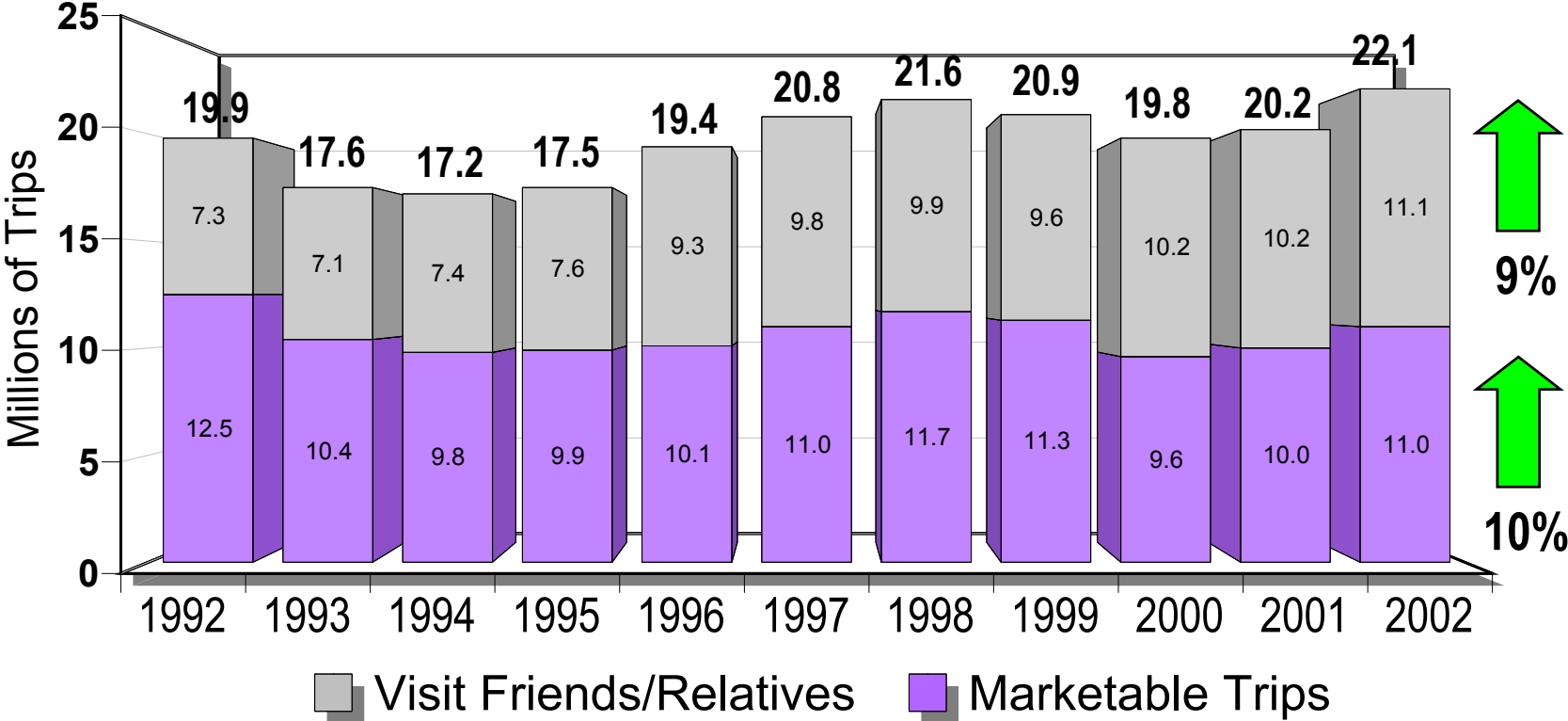
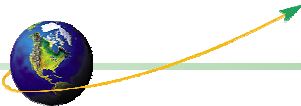
# Overnight Trips to Colorado — 1994 to 2002



# Overnight Pleasure Trips to Colorado — 1992 to 2002

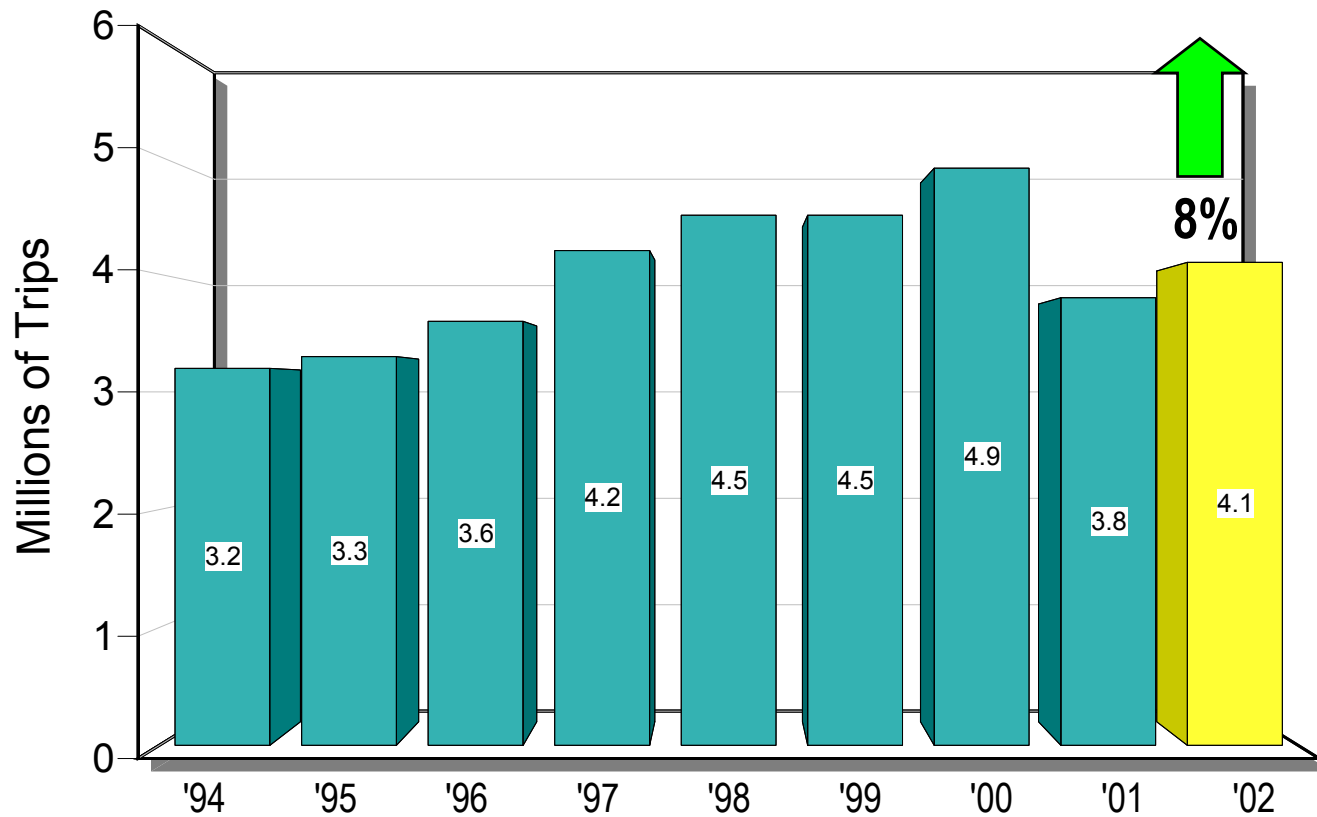


# Structure of Colorado's Overnight Pleasure Travel Market



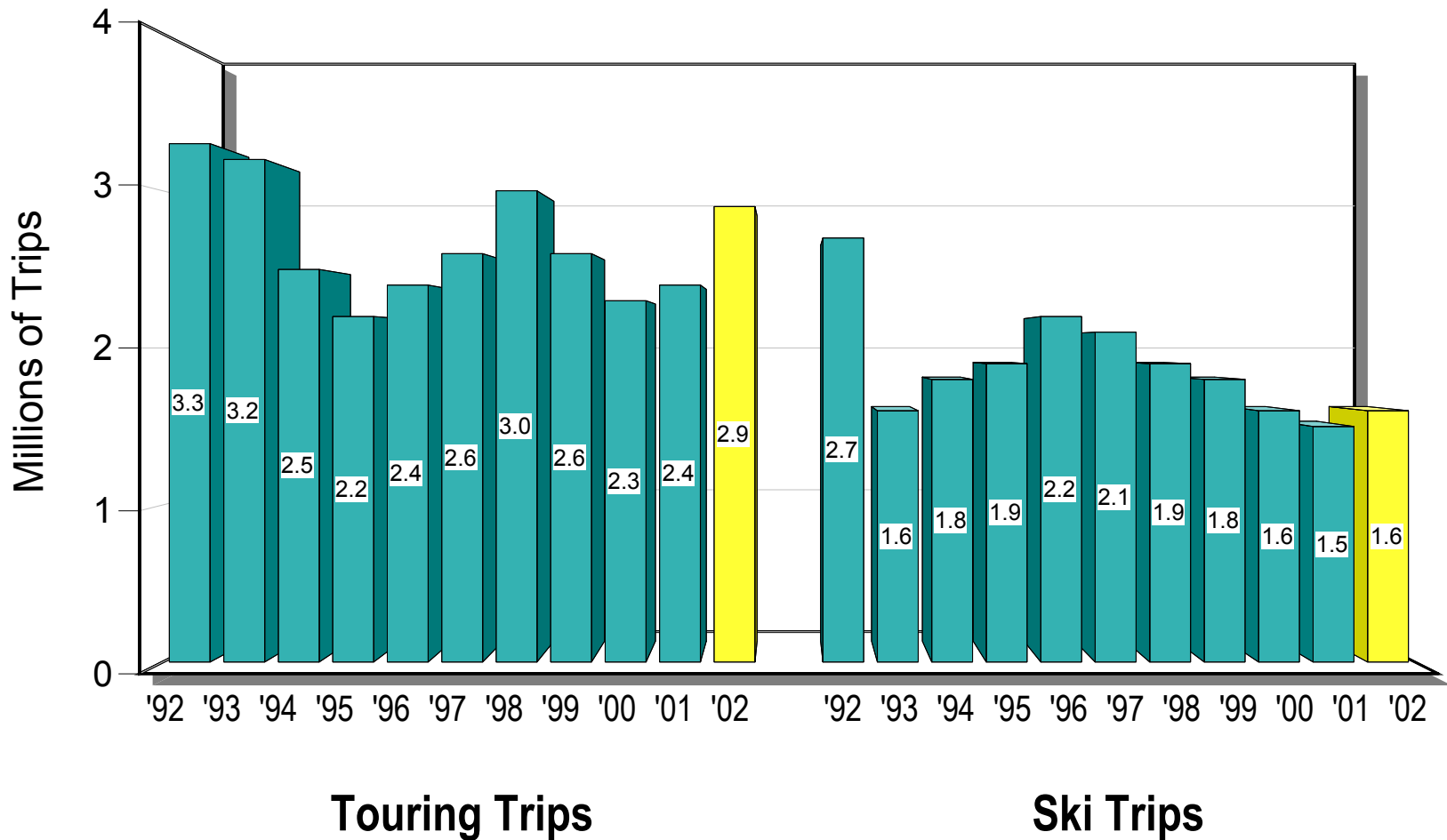
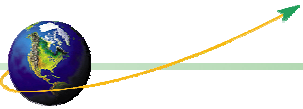
\*Data are rounded.

# Overnight Business Trips to Colorado – 1994 to 2002

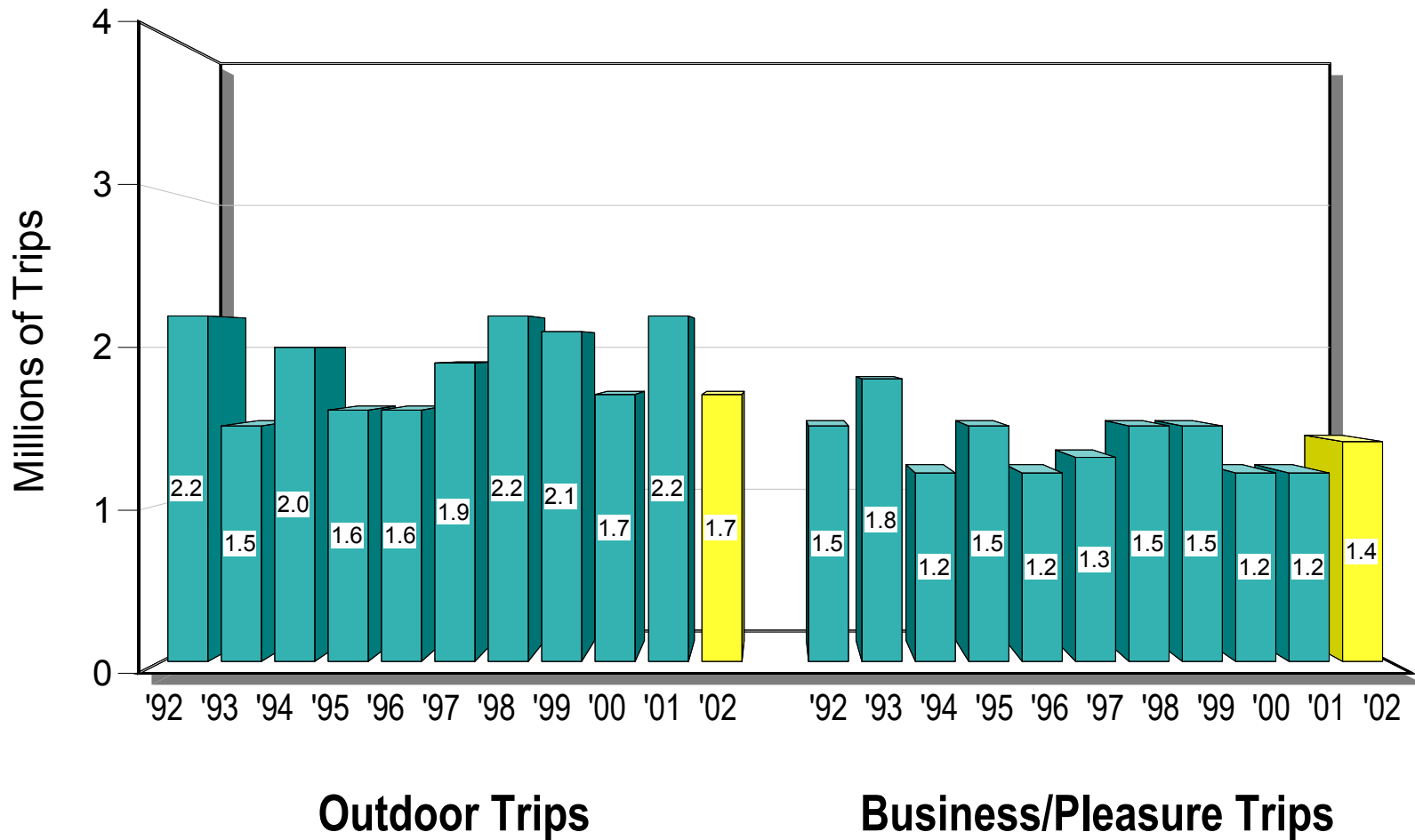
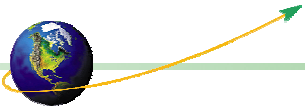




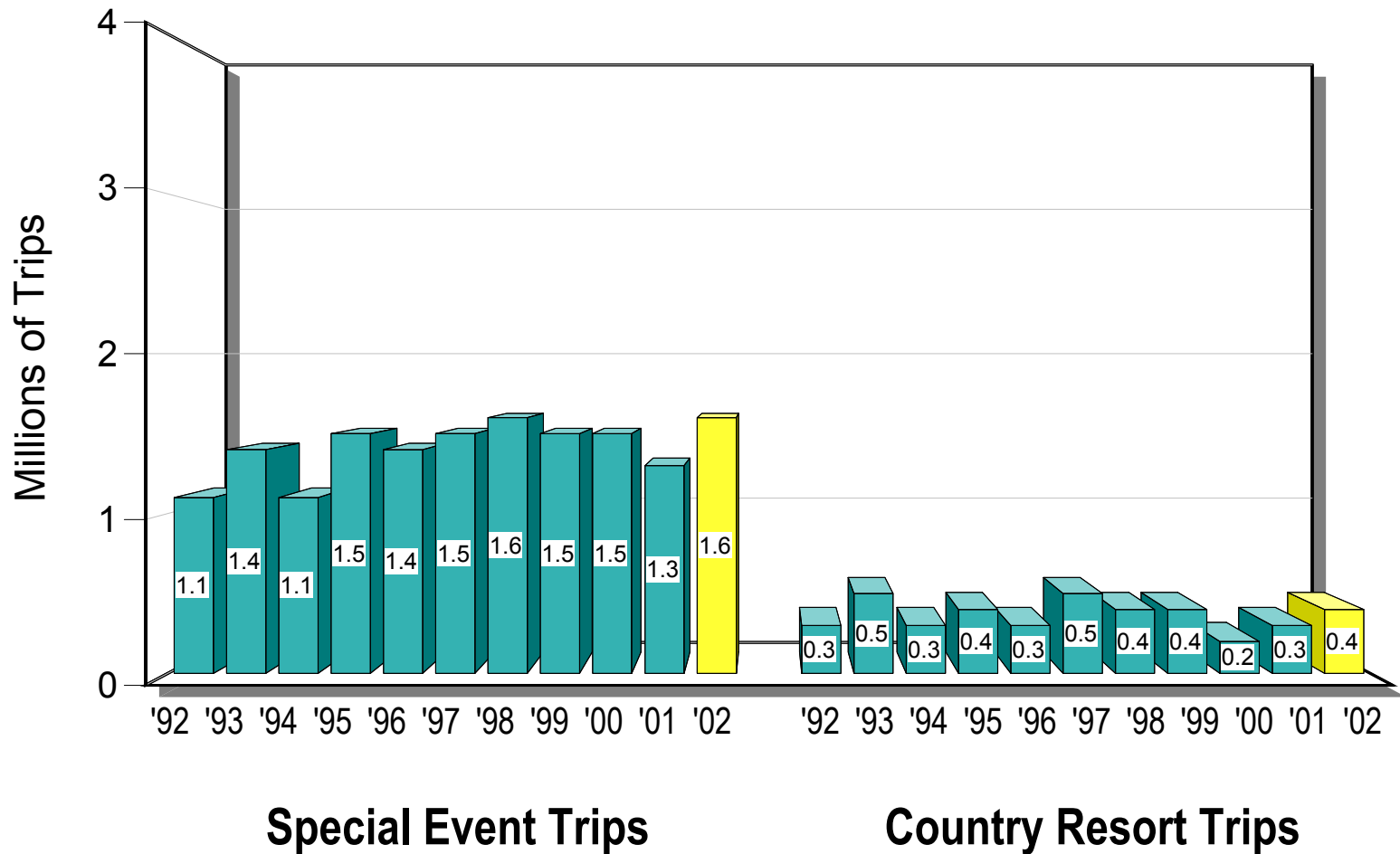
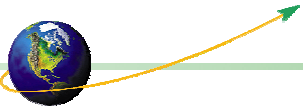
# Touring and Ski Trips to Colorado



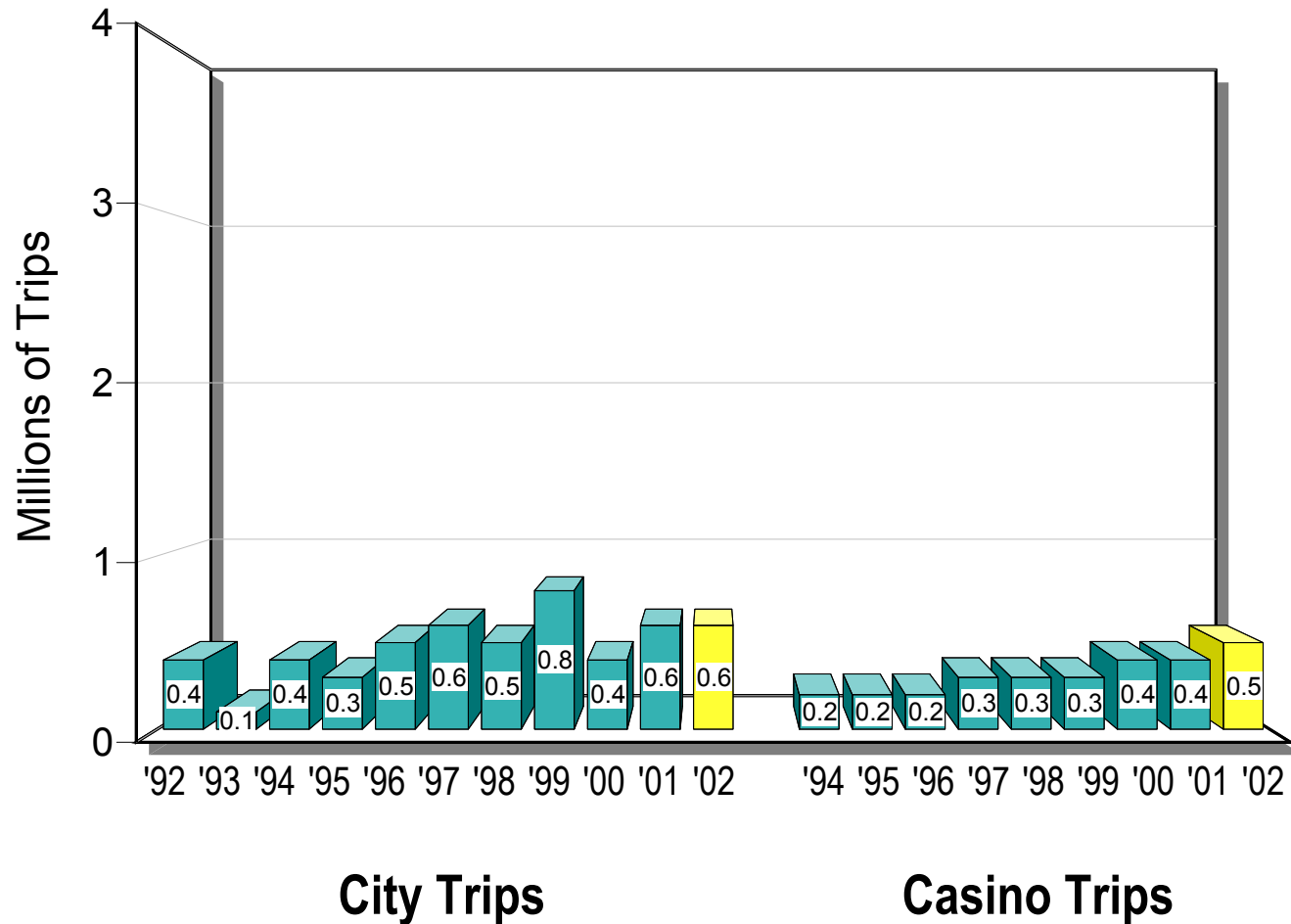
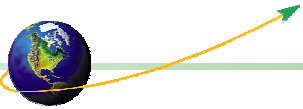
# Outdoors and Business/Pleasure Trips to Colorado



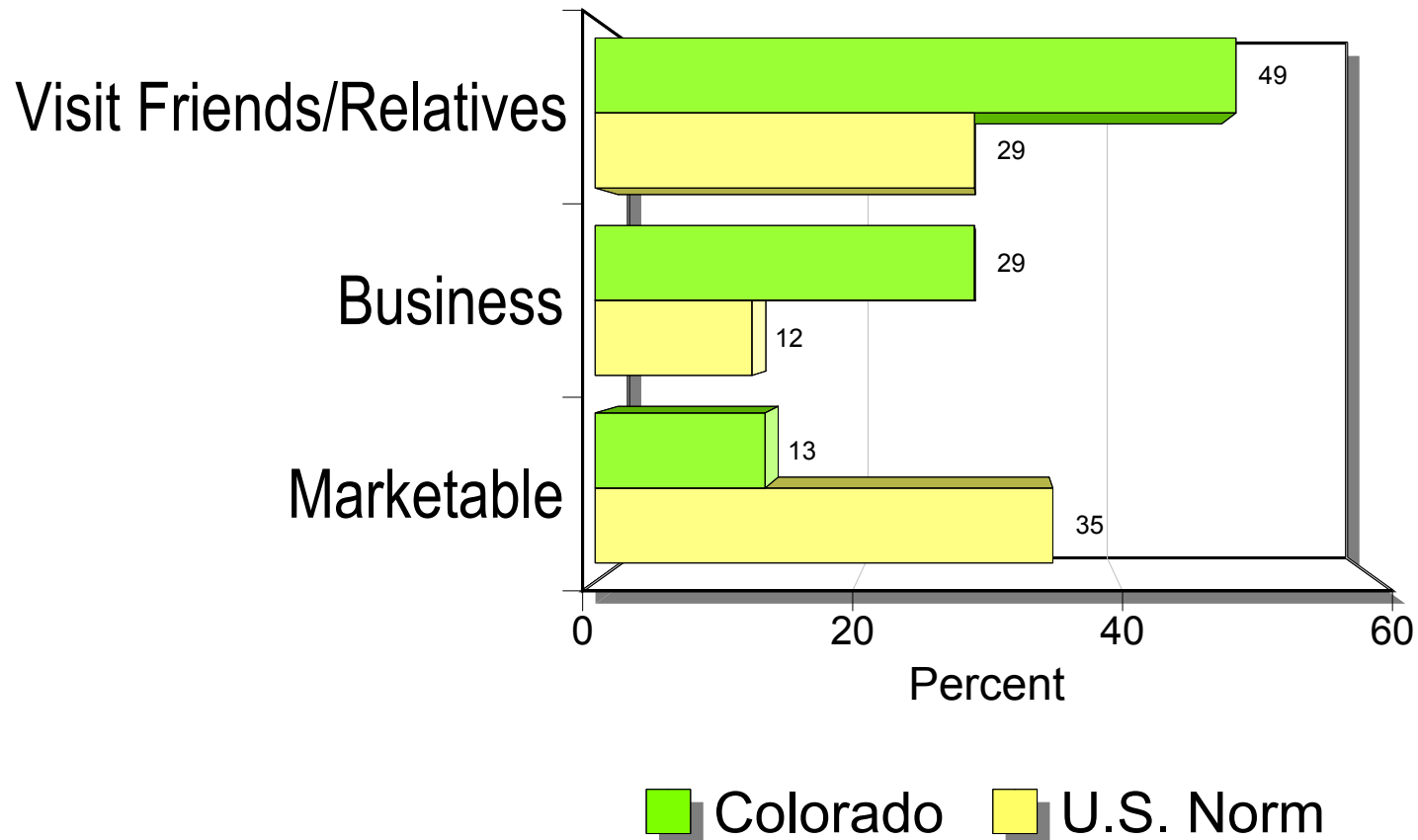
# Special Event and Country Resort Trips to Colorado



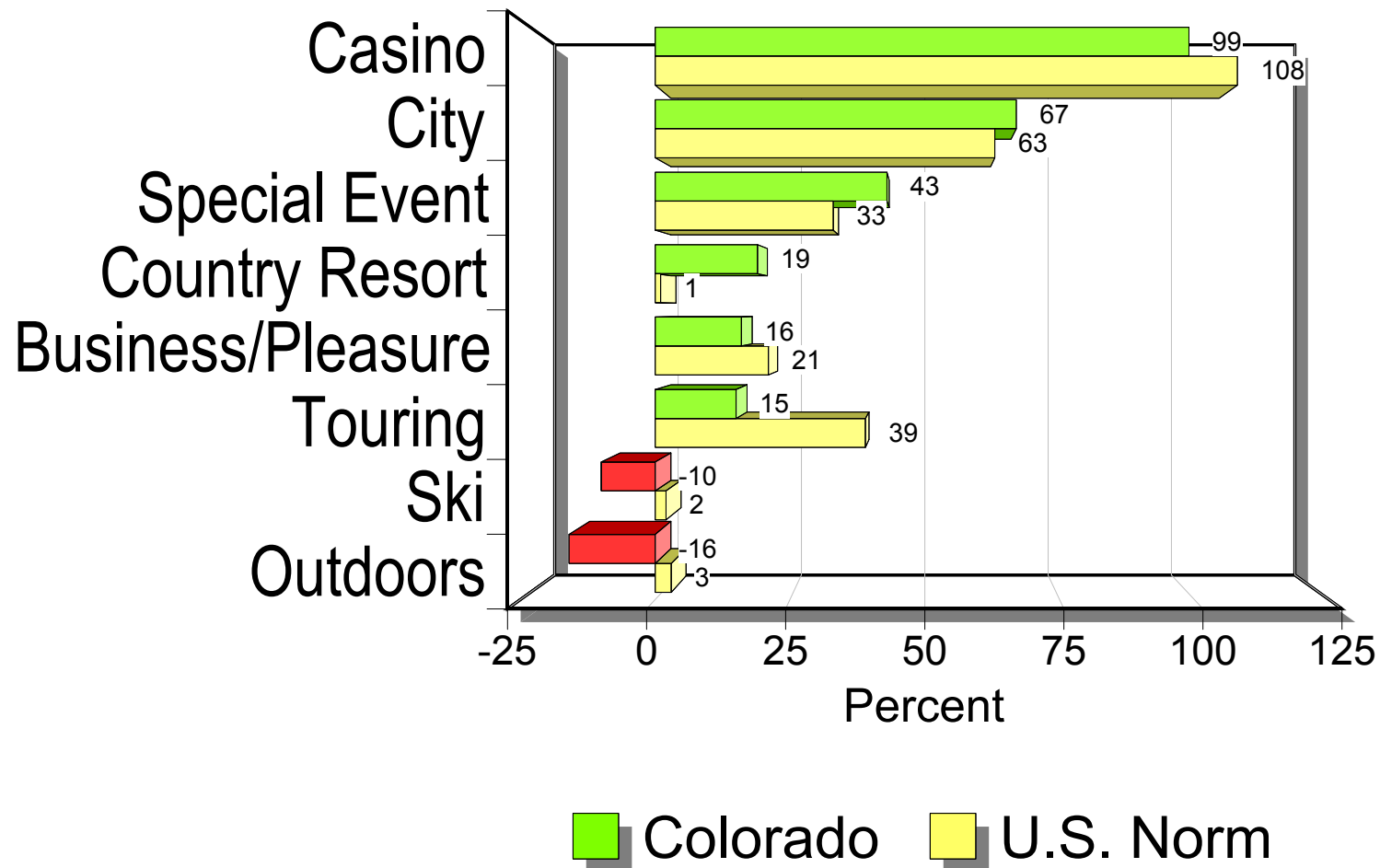
# City and Casino Trips to Colorado



# Colorado Trips — % Change 2002 vs. 1994



# Colorado Marketable Trips — % Change 2002 vs. 1994

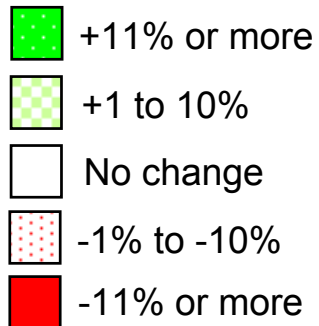
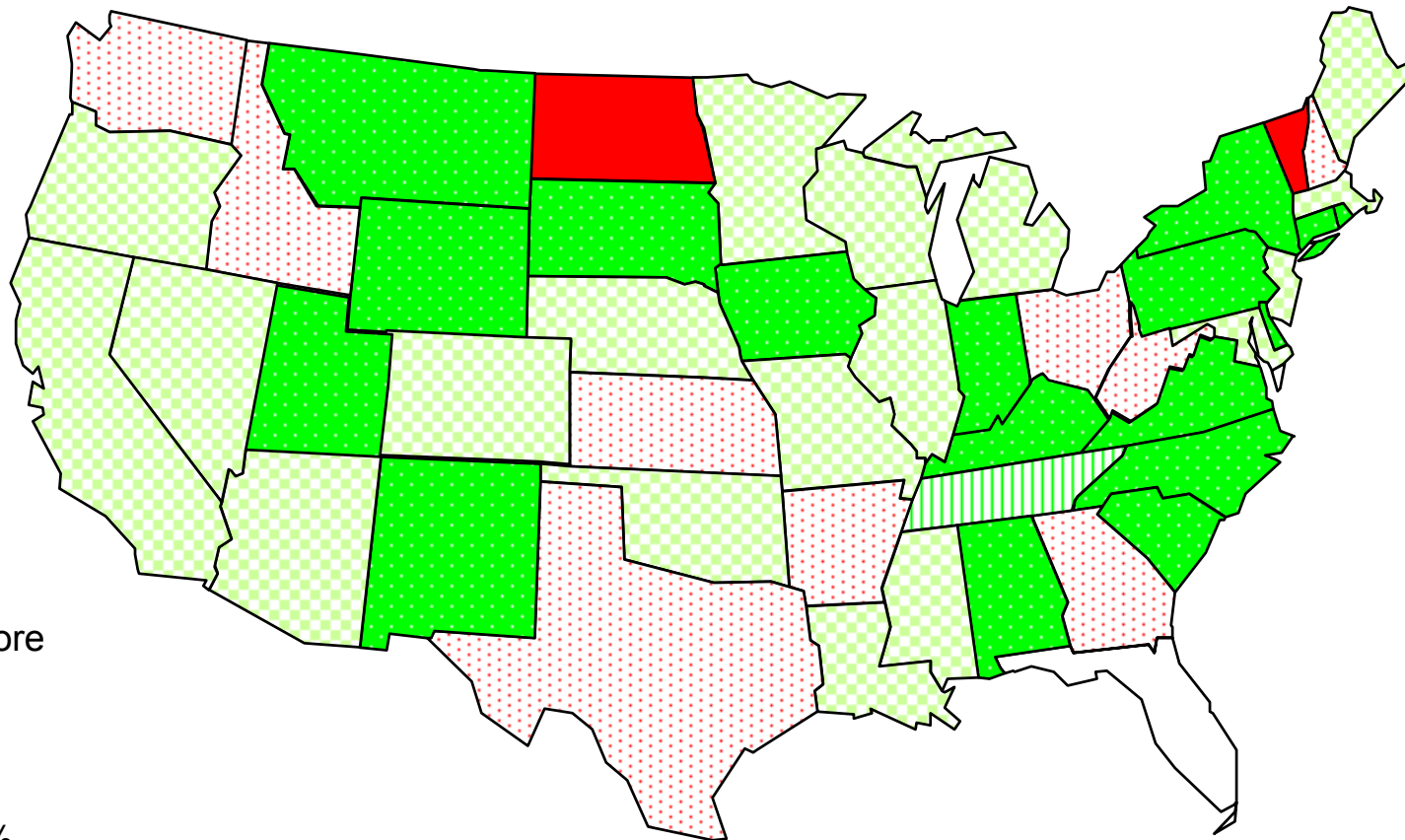


# The Competitive Environment

# State Trends in Marketable Trip Volume — 2002 vs. 2001

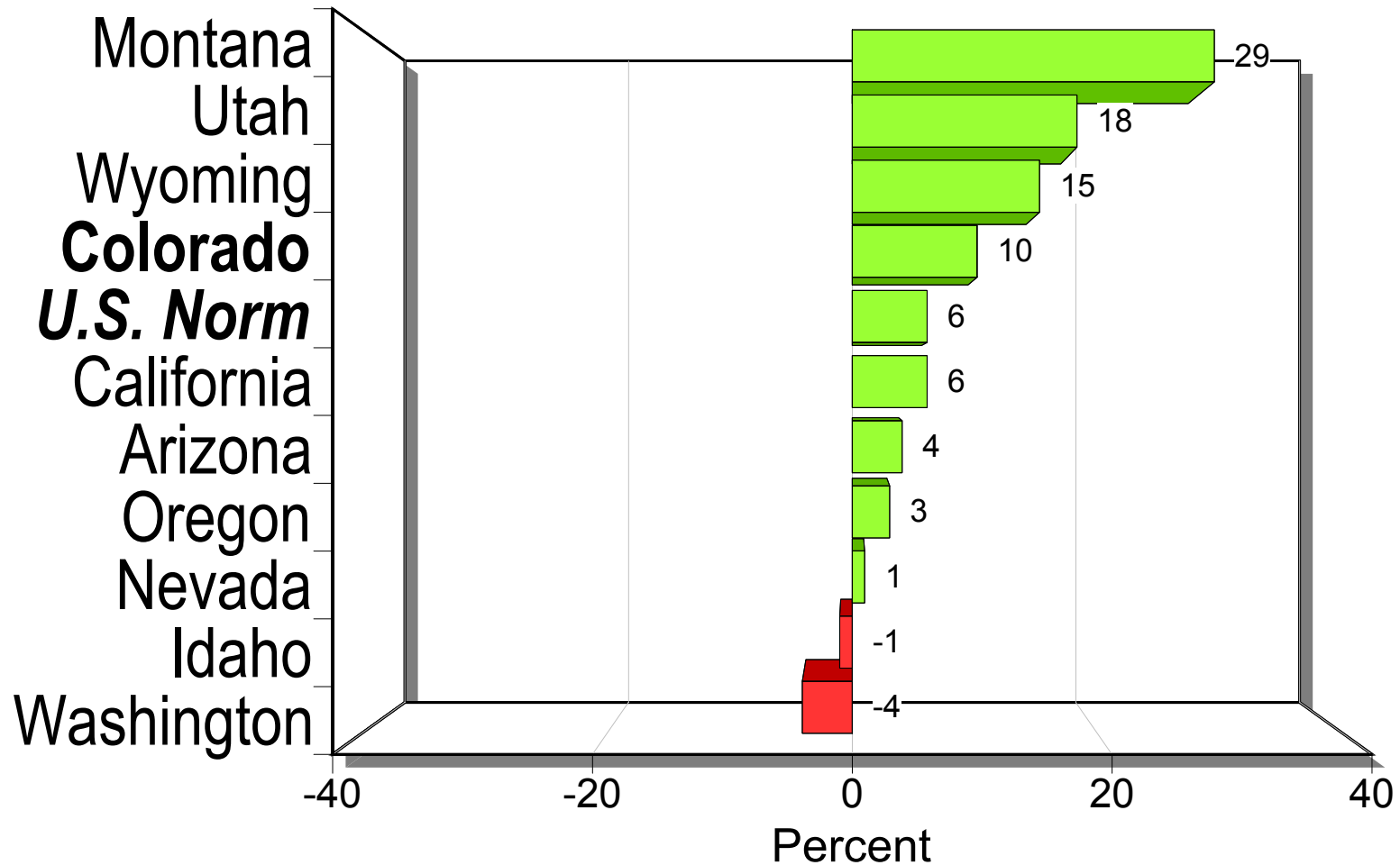
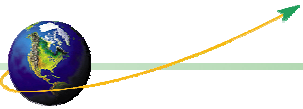


Percent Change

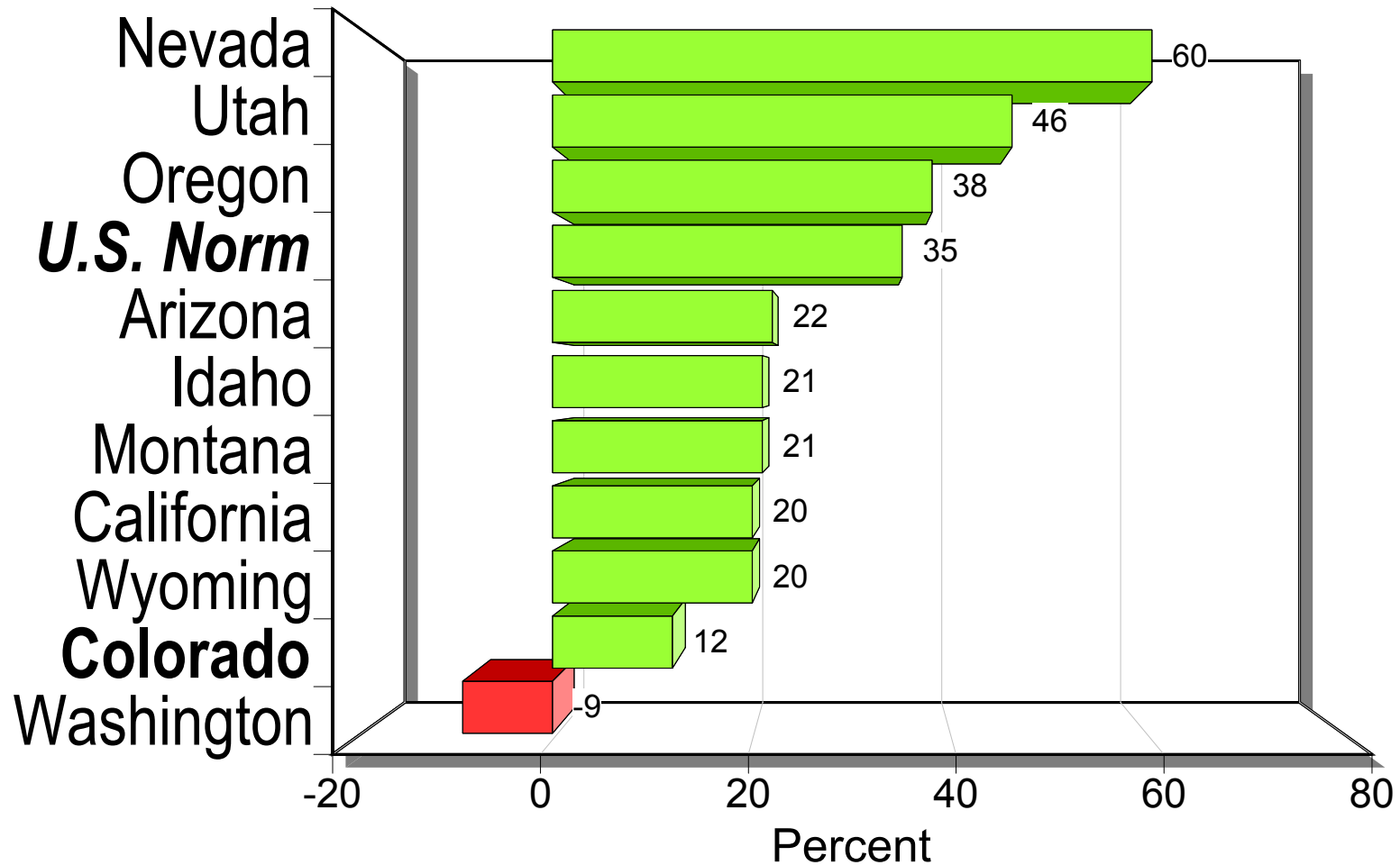




# Total Marketable Trips — % Change 2002 vs. 2001



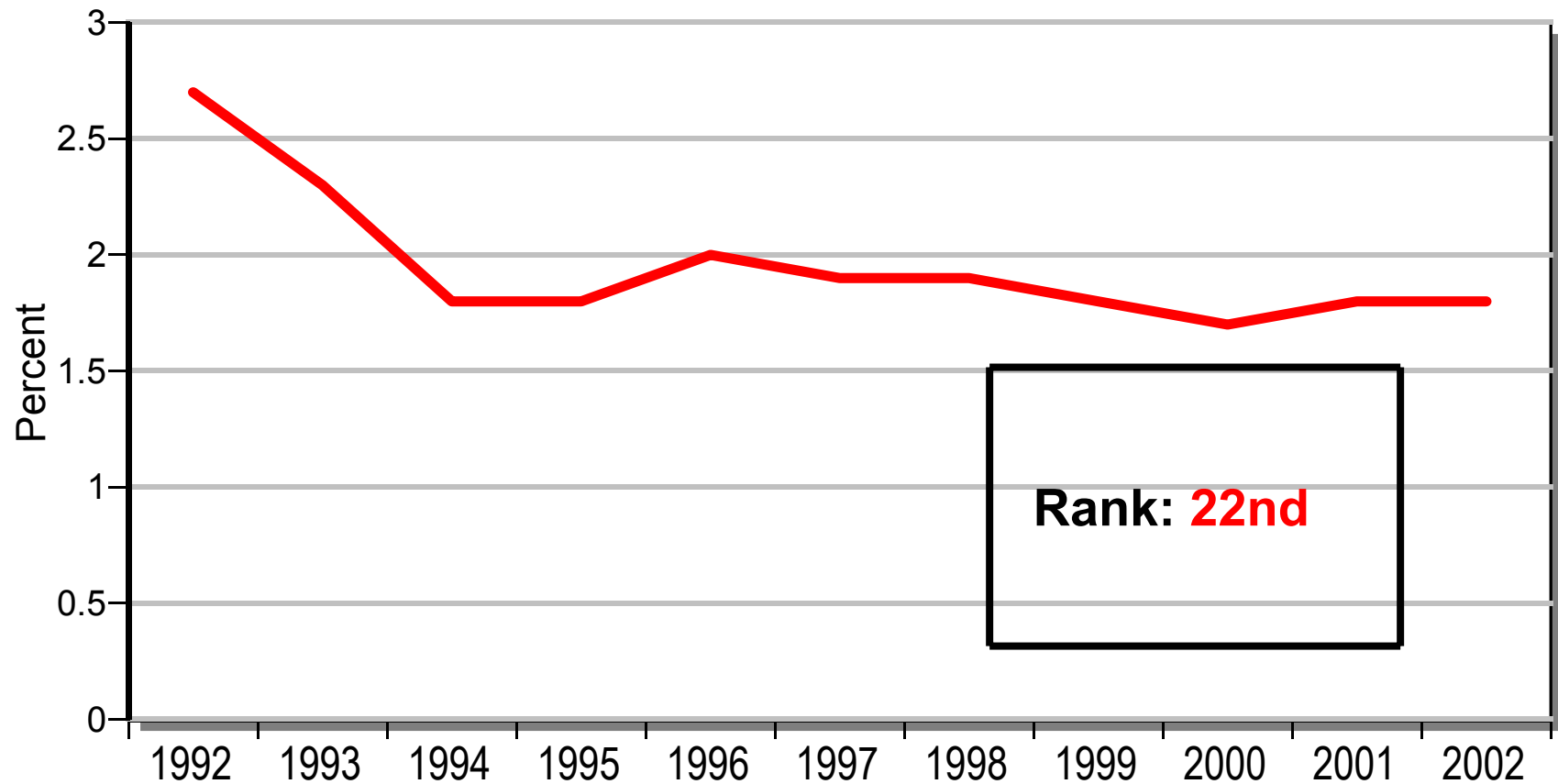
# Total Marketable Trips — % Change 2002 vs. 1994



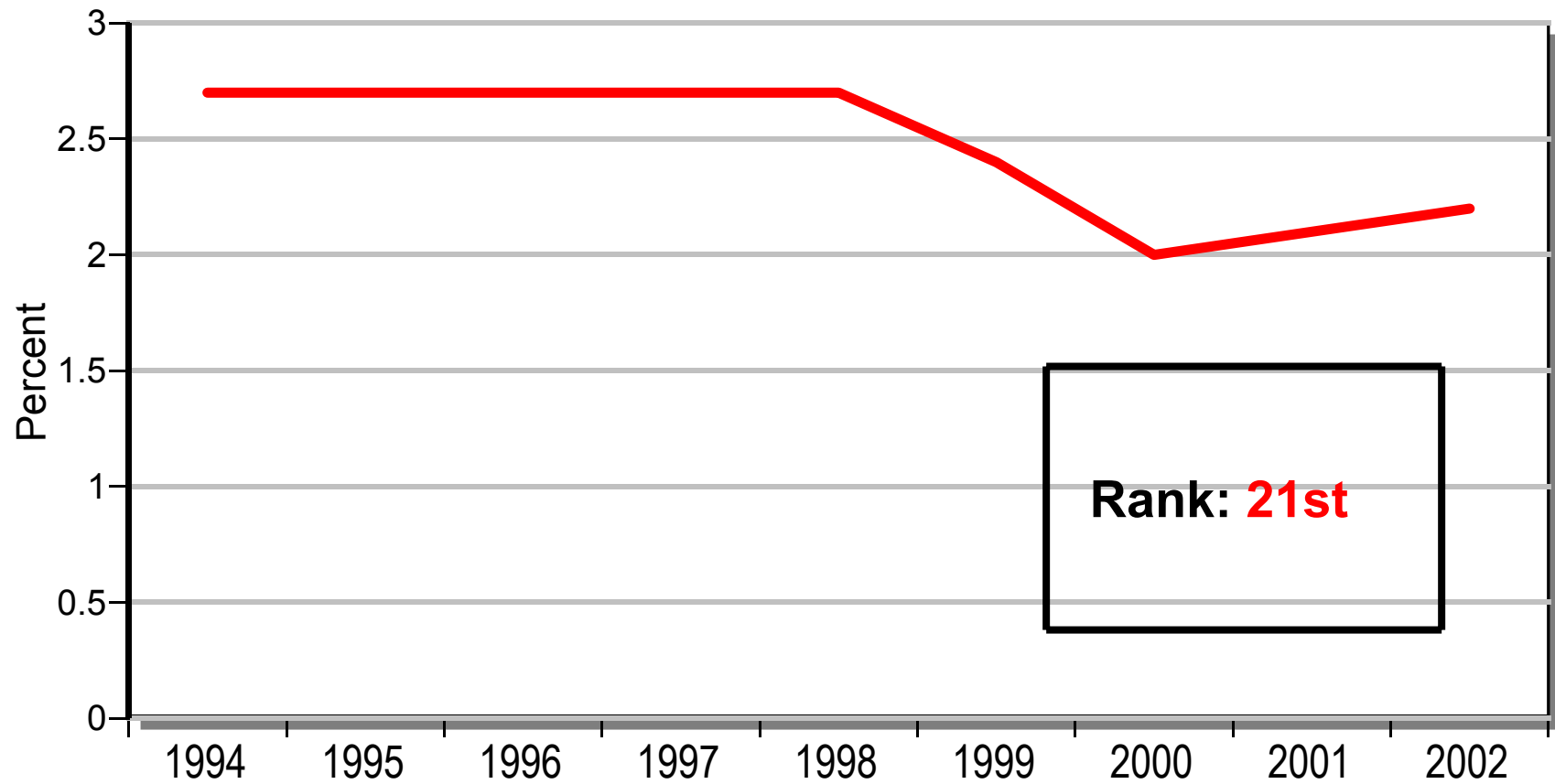
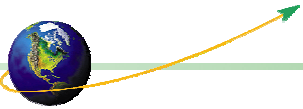
# Colorado's Share of U.S. Overnight Pleasure Trips



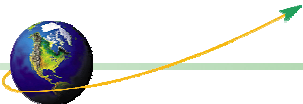
Percent Identifying Colorado as Main Destination of Trip



# Colorado's Share of All Overnight Marketable Trips



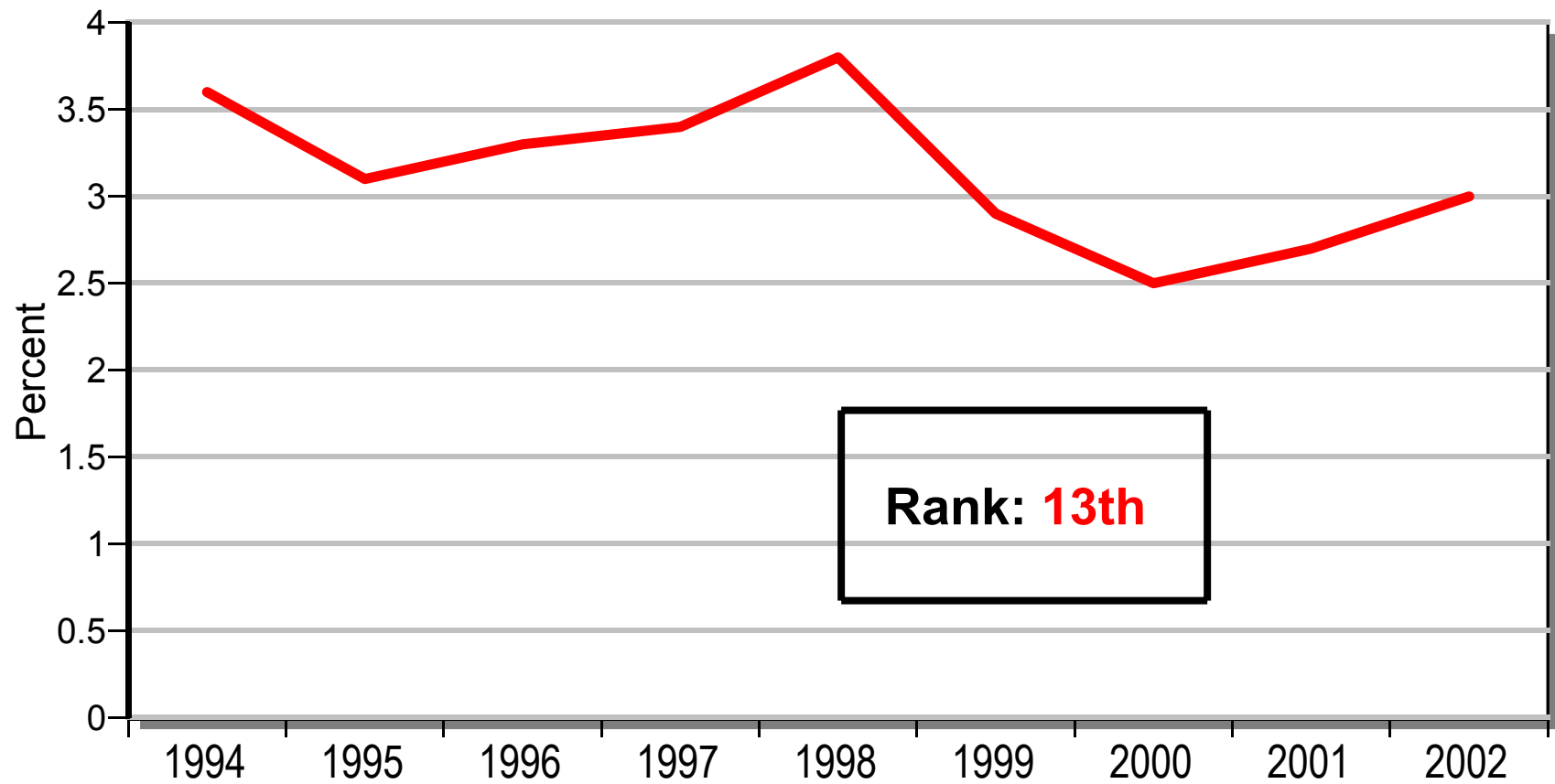
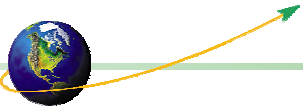
# Colorado's Share of All Overnight Marketable Trips



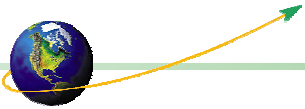
<i>Destination</i>	<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
California	1	9.5%	1	9.4%	1	9.6%
Florida	2	8.7%	2	9.1%	2	9.2%
Nevada	3	8.5%	3	8.9%	3	8.4%
New York	4	4.5%	5	4.3%	5	4.0%
Texas	5	4.1%	4	4.8%	4	4.1%
New Jersey	6	4.0%	6	3.9%	7	3.7%
Pennsylvania	7	3.7%	7	3.4%	6	3.8%
<b>Colorado</b>	<b>21</b>	<b>2.2%</b>	<b>23</b>	<b>2.1%</b>	<b>24</b>	<b>2.0%</b>

\*Among 50 U.S. states

# Colorado's Share of All Overnight Touring Trips

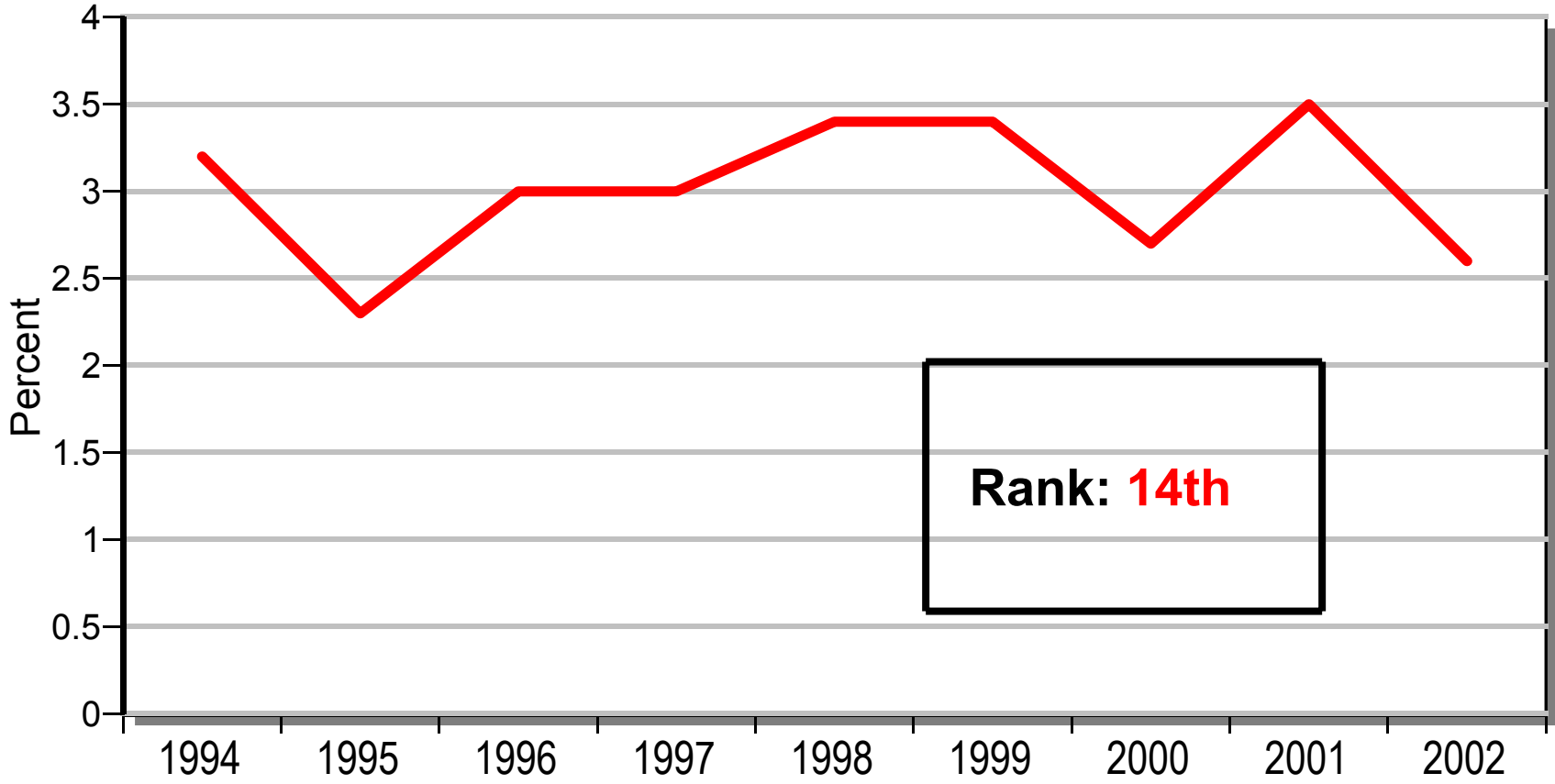
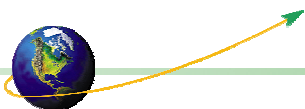


# Colorado's Share of All Overnight Touring Trips



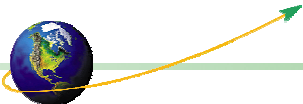
<i>Destination</i>	<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
California	1	9.8%	1	9.1%	1	10.0%
Florida	2	5.8%	2	6.7%	2	6.6%
New York	3	5.5%	3	6.4%	3	5.7%
Nevada	4	5.2%	4	5.0%	4	4.9%
Tennessee	5	5.1%	5	4.9%	5	4.2%
<b>Colorado</b>	<b>13</b>	<b>3.0%</b>	<b>17</b>	<b>2.7%</b>	<b>20</b>	<b>2.5%</b>

# Colorado's Share of All Overnight Outdoors Trips





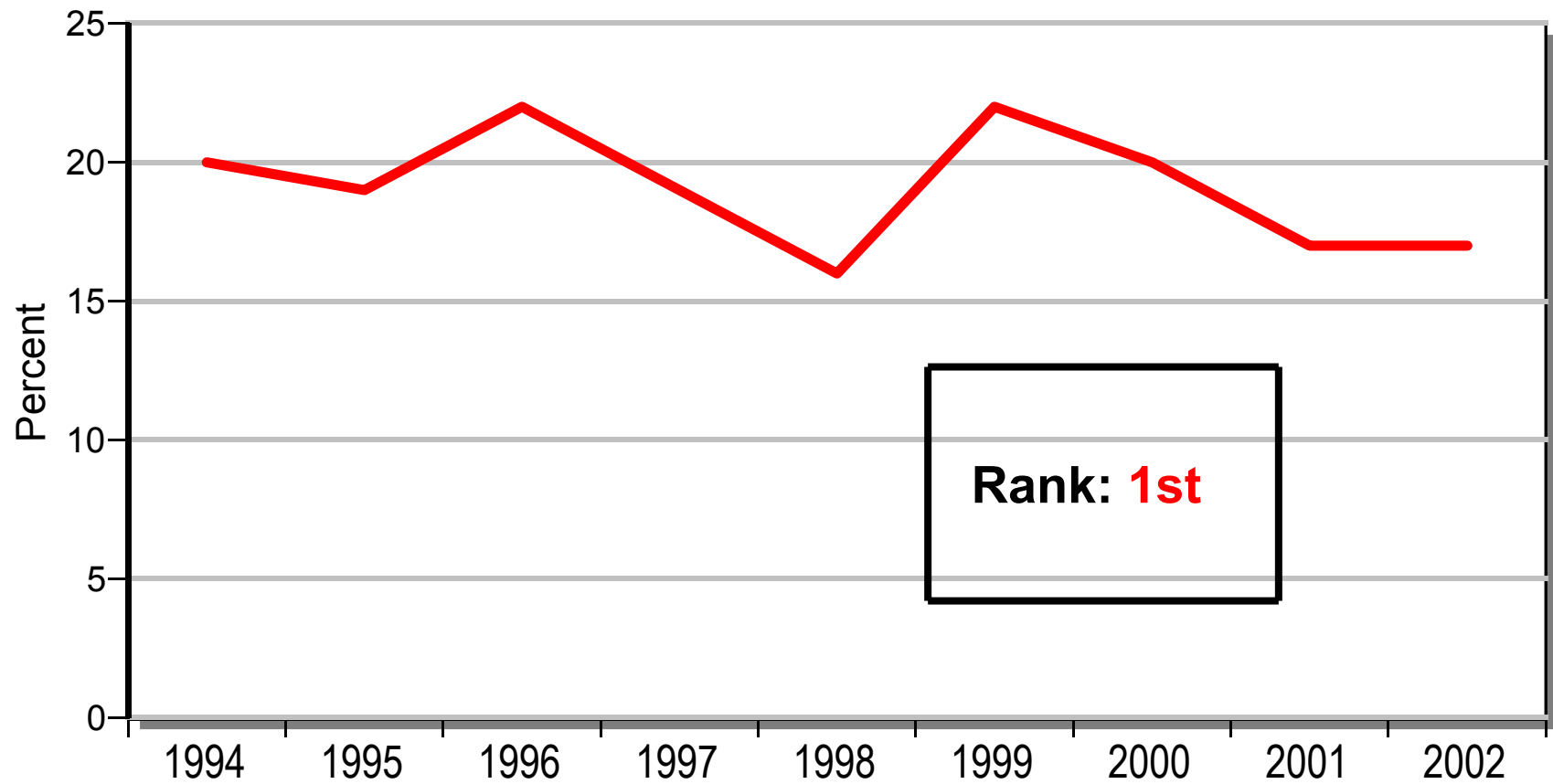
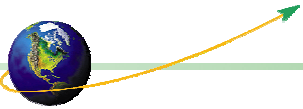
# Colorado's Share of All Overnight Outdoors Trips



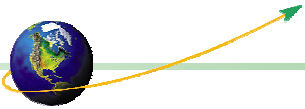
<i>Destination</i>	<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
California	1	11.4%	1	11.6%	1	12.3%
Michigan	2	5.7%	4	5.1%	2	6.1%
Texas	3	5.3%	3	5.4%	4	5.5%
Wisconsin	4	5.1%	2	5.9%	3	5.8%
New York	5	4.6%	8	4.2%	9	3.2%
Pennsylvania	6	4.4%	5	4.9%	5	5.2%
Minnesota	7	4.2%	7	4.4%	7	4.0%
<b>Colorado</b>	<b>14</b>	<b>2.6%</b>	<b>10</b>	<b>3.5%</b>	<b>11</b>	<b>2.7%</b>

\*Among 50 U.S. states

# Colorado's Share of All Overnight Ski Trips

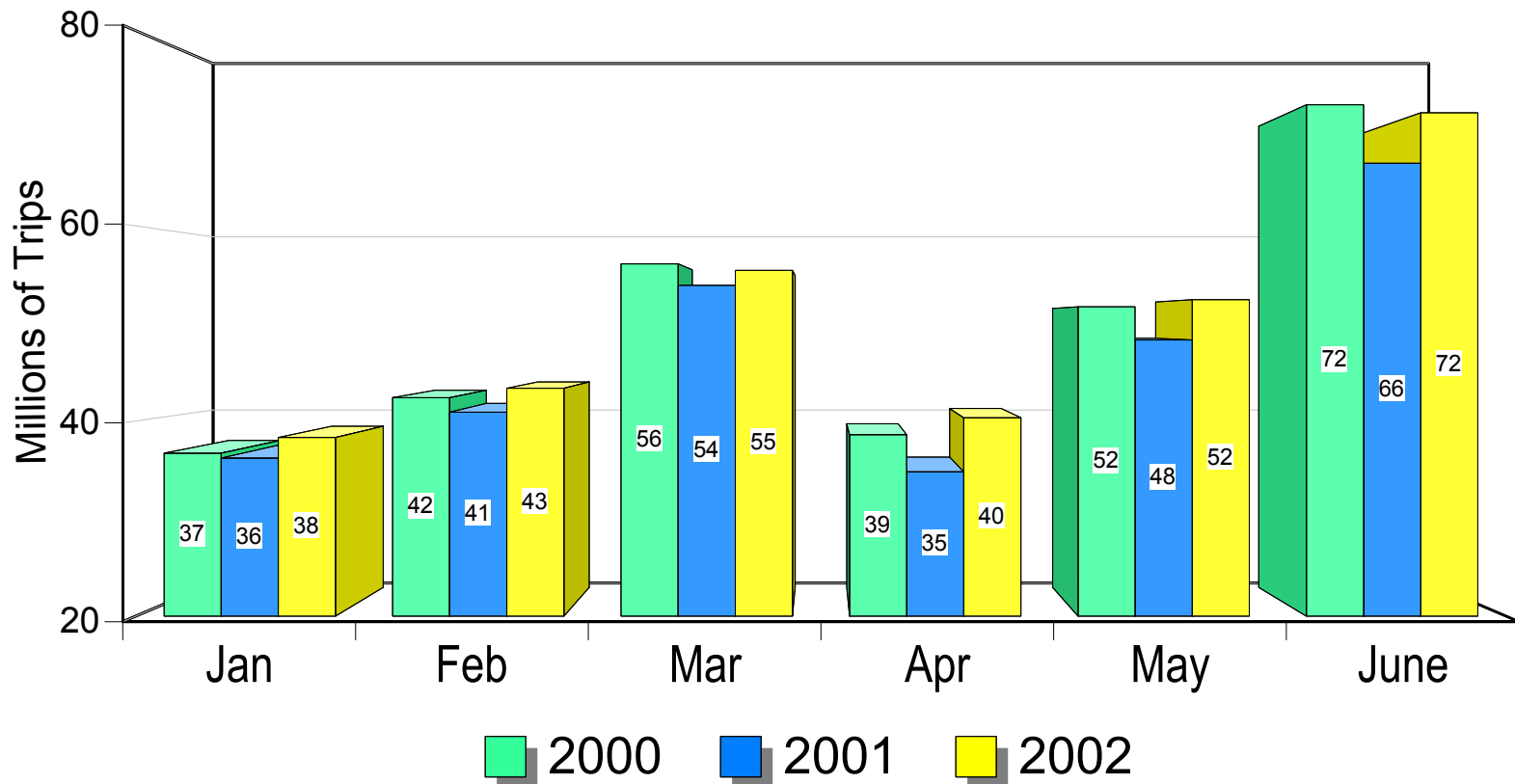


# Colorado's Share of All Overnight Ski Trips

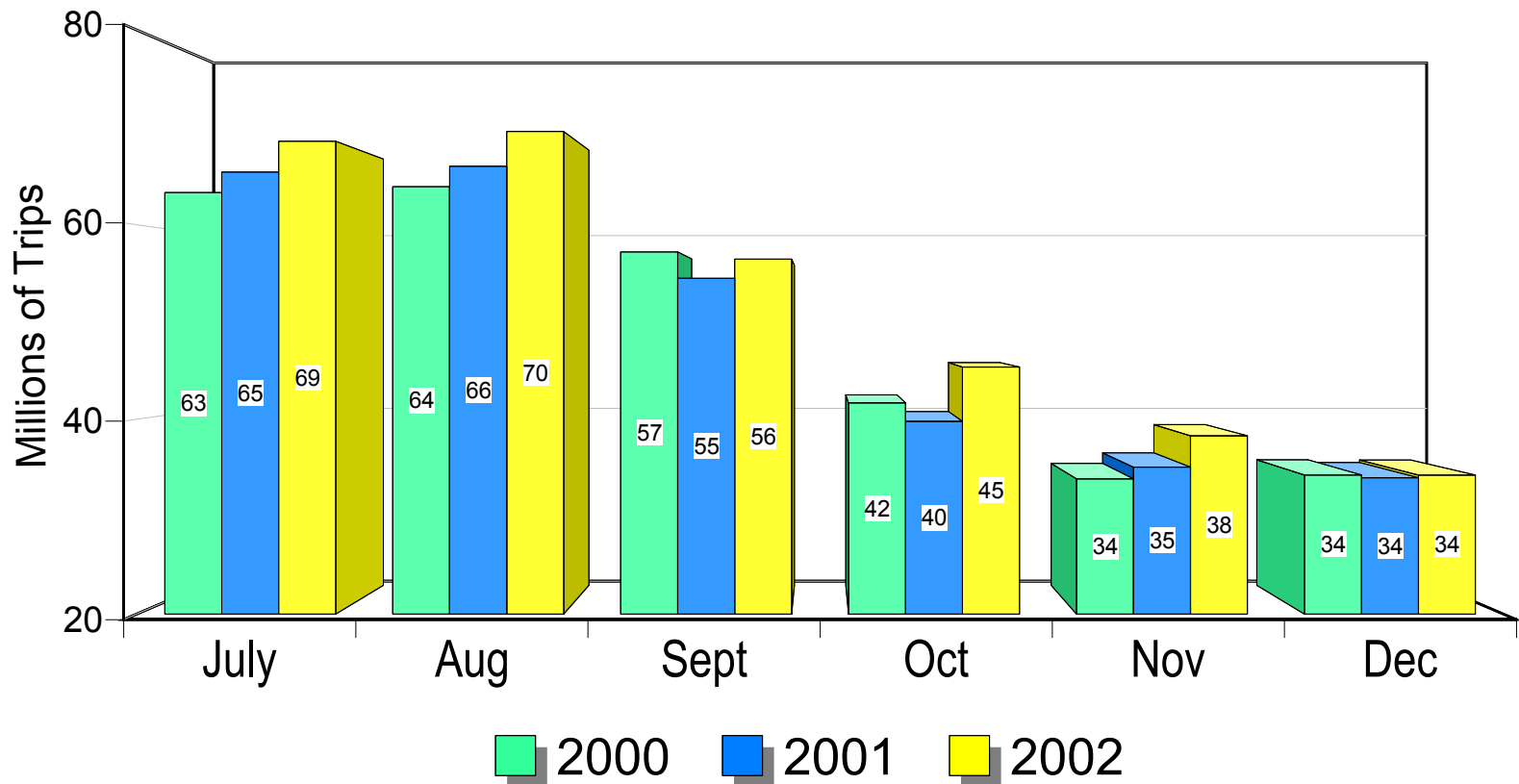


<i>Destination</i>	<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
<b>Colorado</b>	<b>1</b>	<b>17.4%</b>	<b>1</b>	<b>16.9%</b>	<b>1</b>	<b>19.7%</b>
California	2	15.5%	2	15.7%	2	13.8%
Nevada	3	8.2%	4	7.6%	5	6.6%
Vermont	4	7.9%	3	12.2%	3	10.1%
Utah	5	7.1%	6	4.0%	4	6.7%

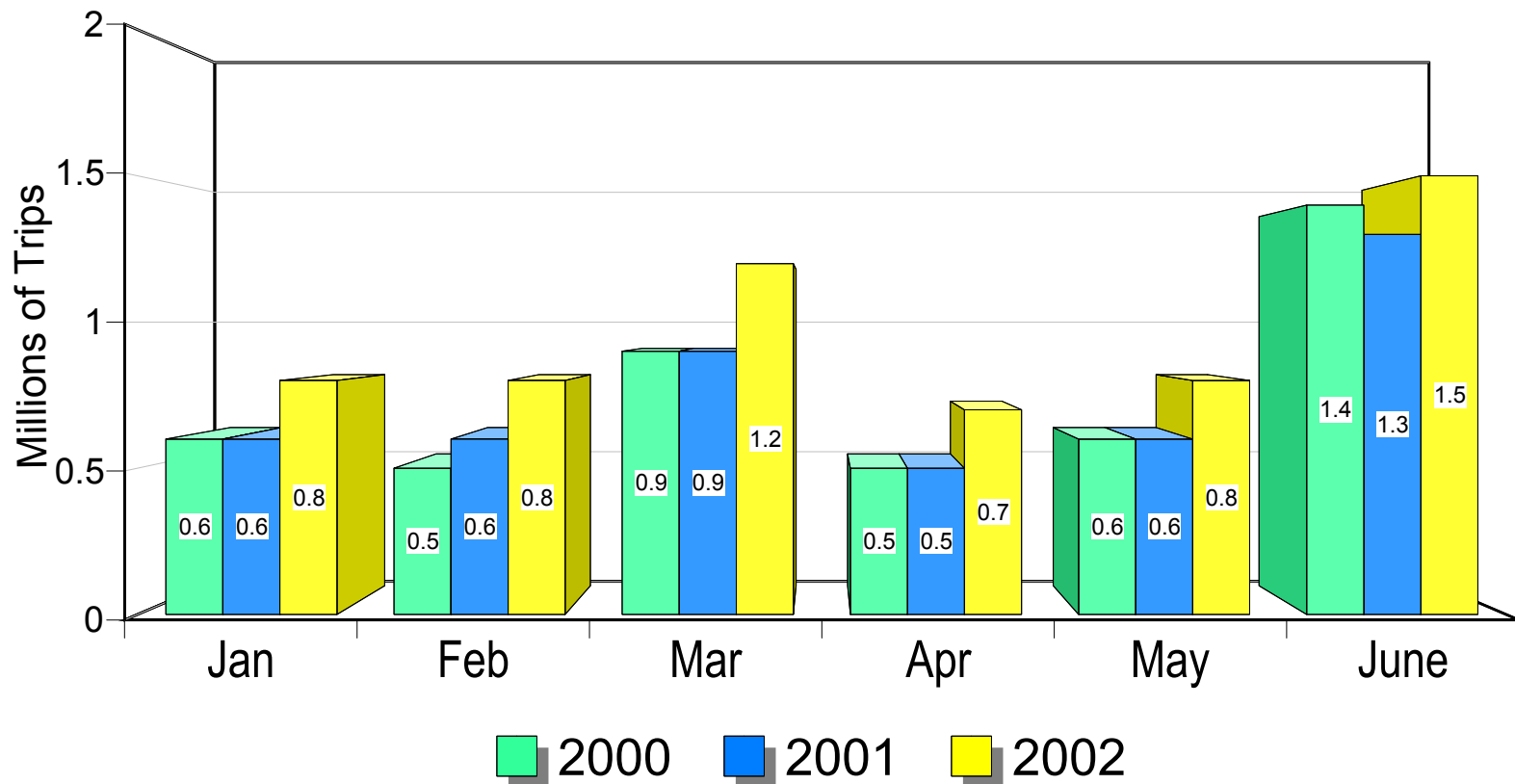
# U.S. Overnight Marketable Trips by Month — 2000 to 2002



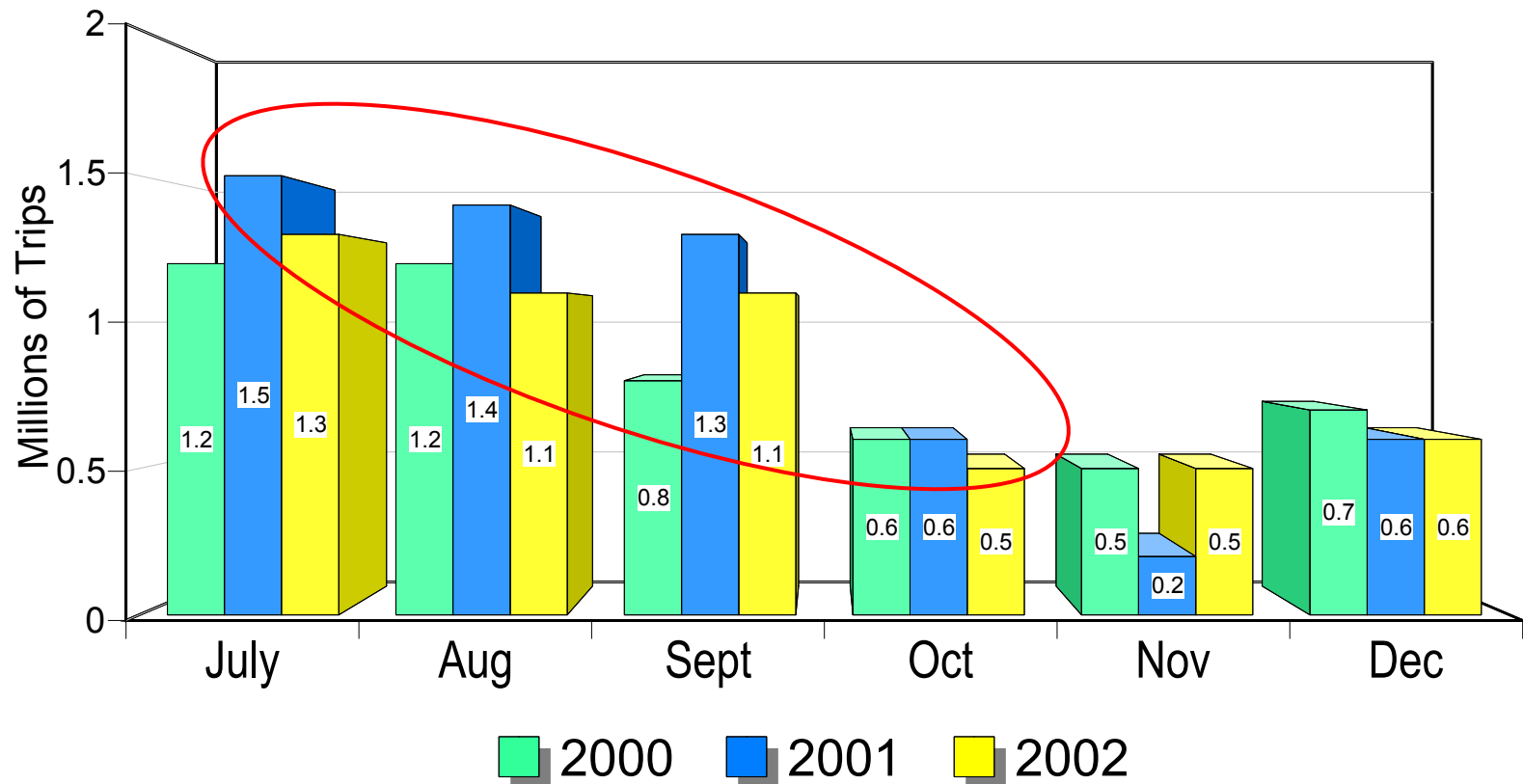
# U.S. Overnight Marketable Trips by Month — 2000 to 2002 (Cont'd)



# Overnight Marketable Pleasure Trips to Colorado by Month



# Overnight Marketable Pleasure Trips to Colorado by Month (Cont'd)

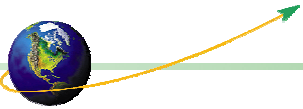


# Sources of Pleasure Travel Business

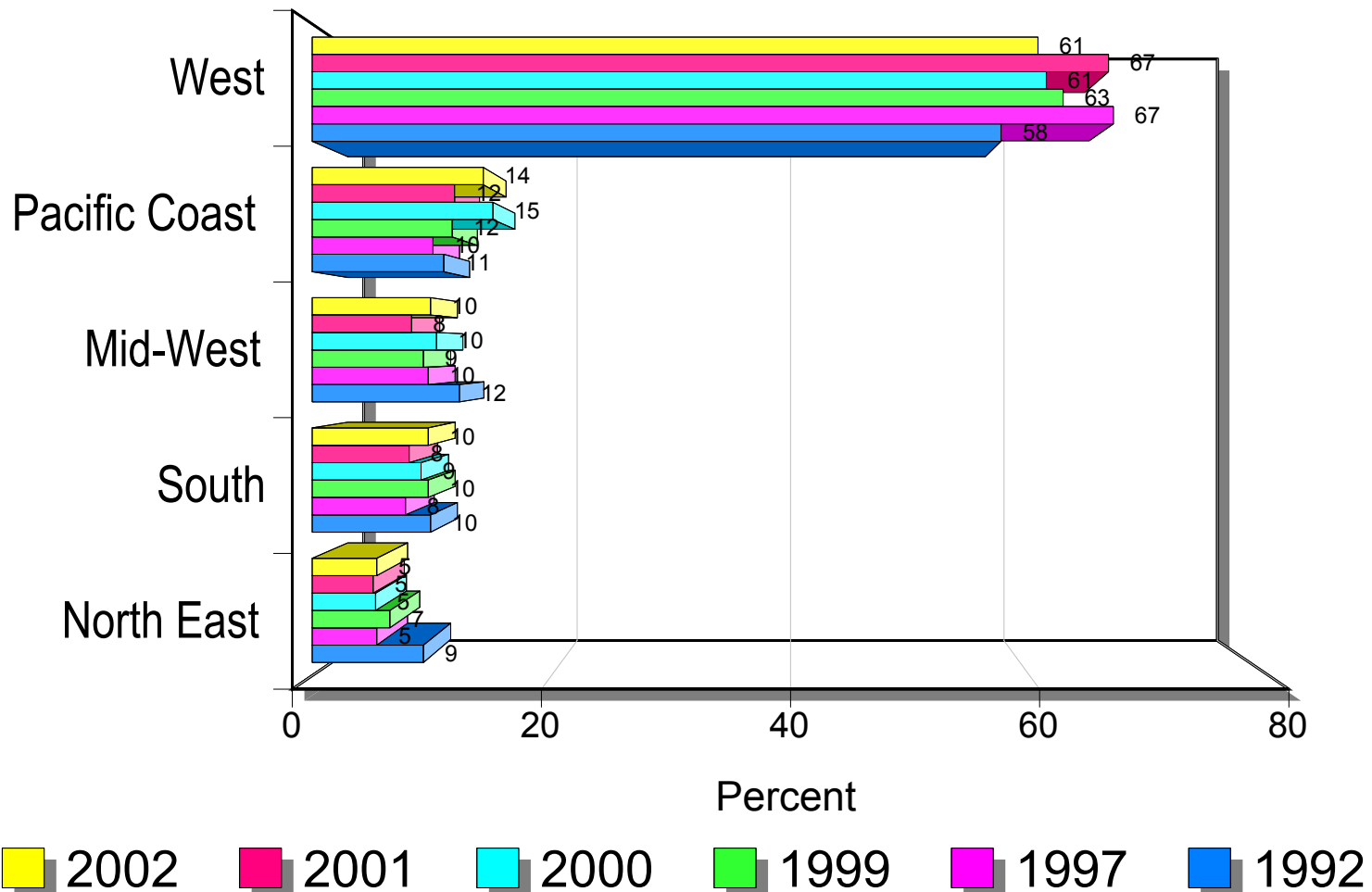




# Regional Sources of Business



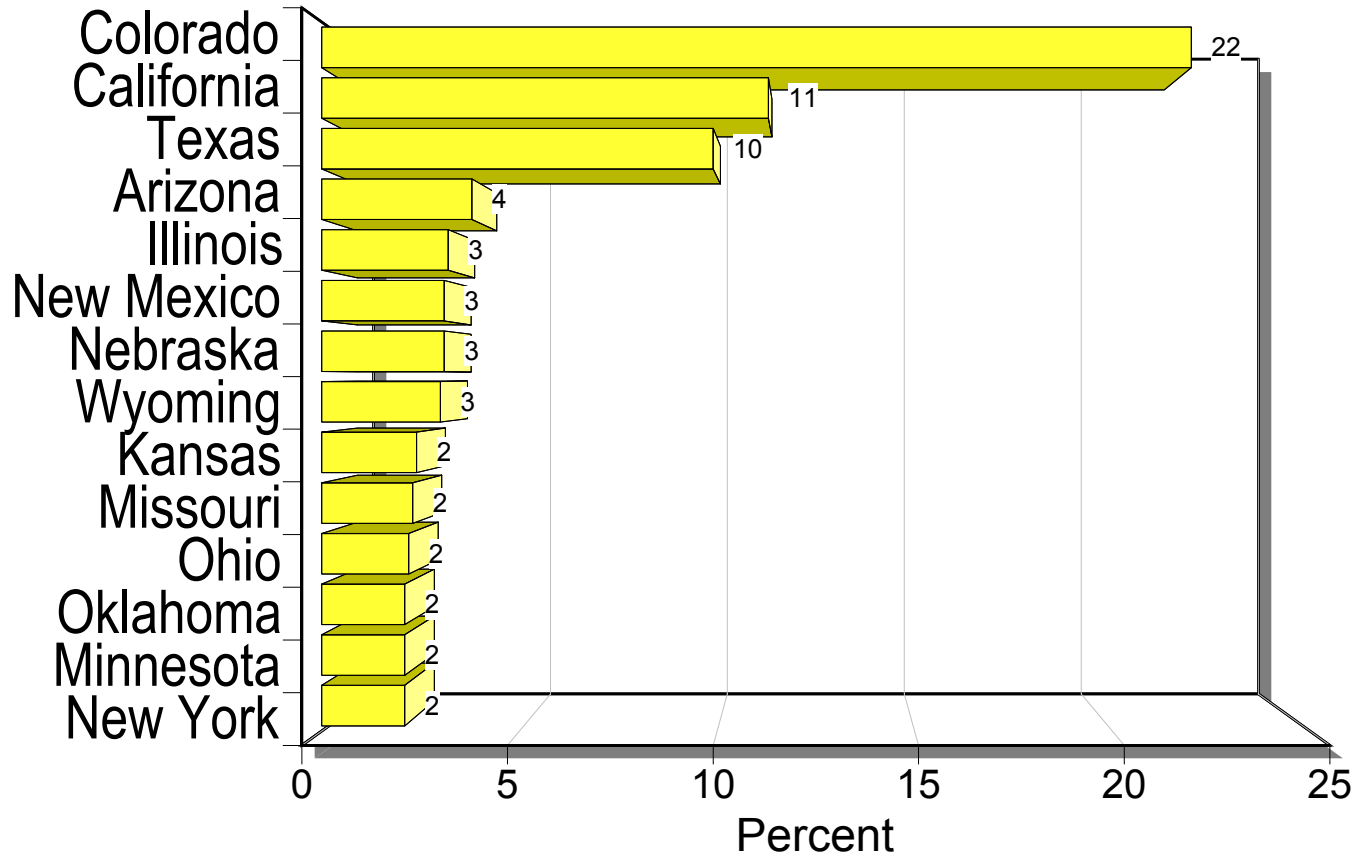
Base: Overnight Pleasure Trips



# State Sources of Business



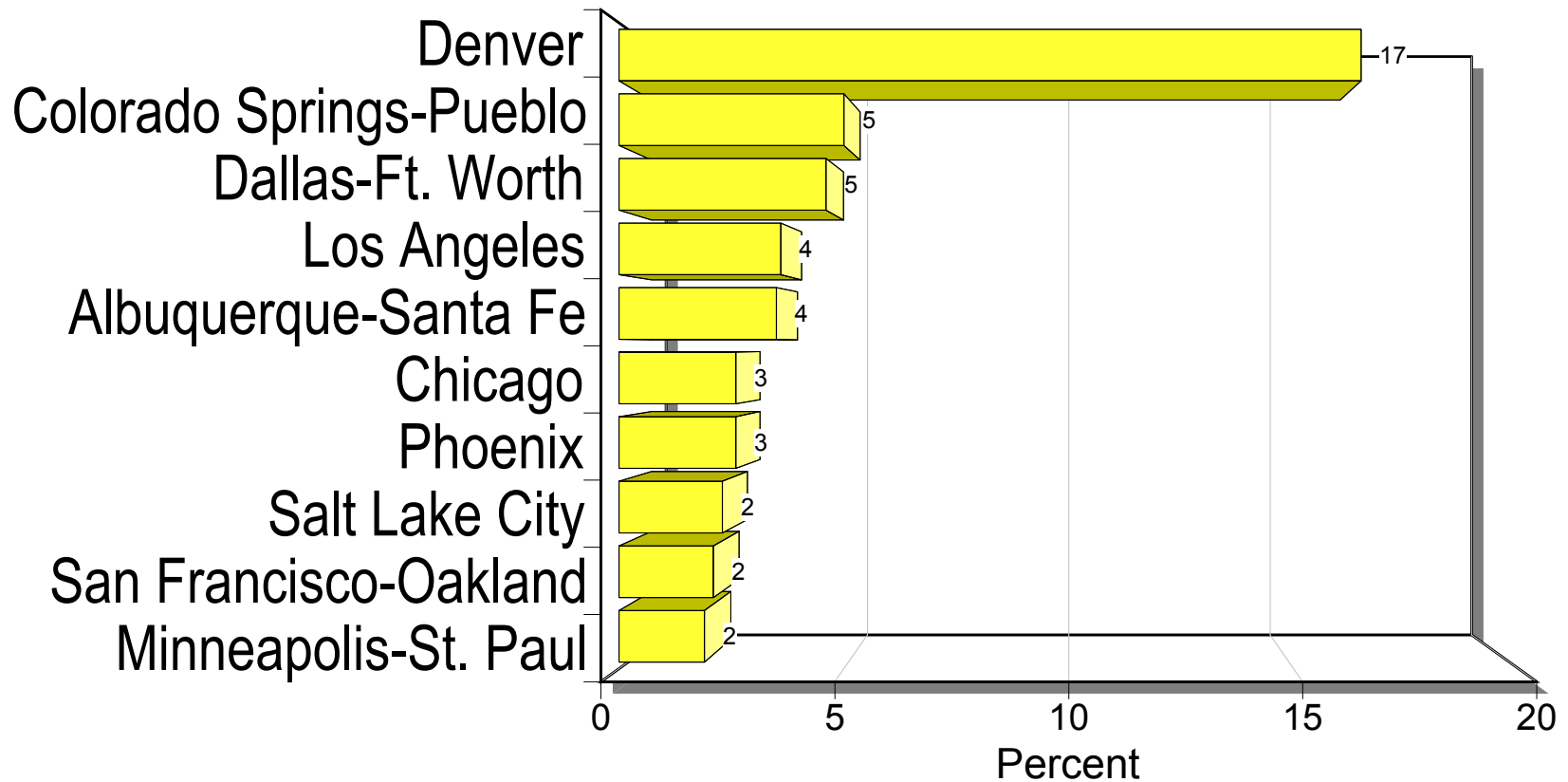
Base: Overnight Pleasure Trips



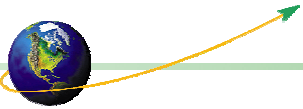
# Urban Sources of Business



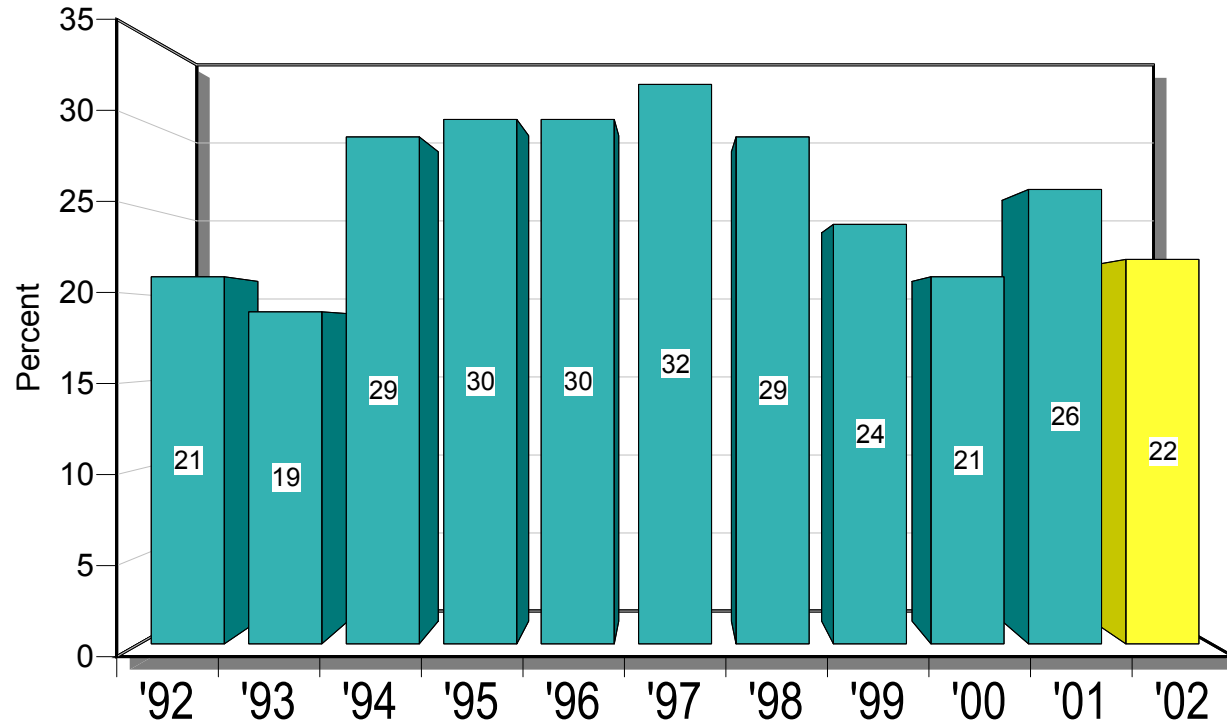
Base: Overnight Pleasure Trips



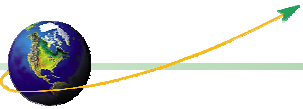
# In-state Pleasure Trips



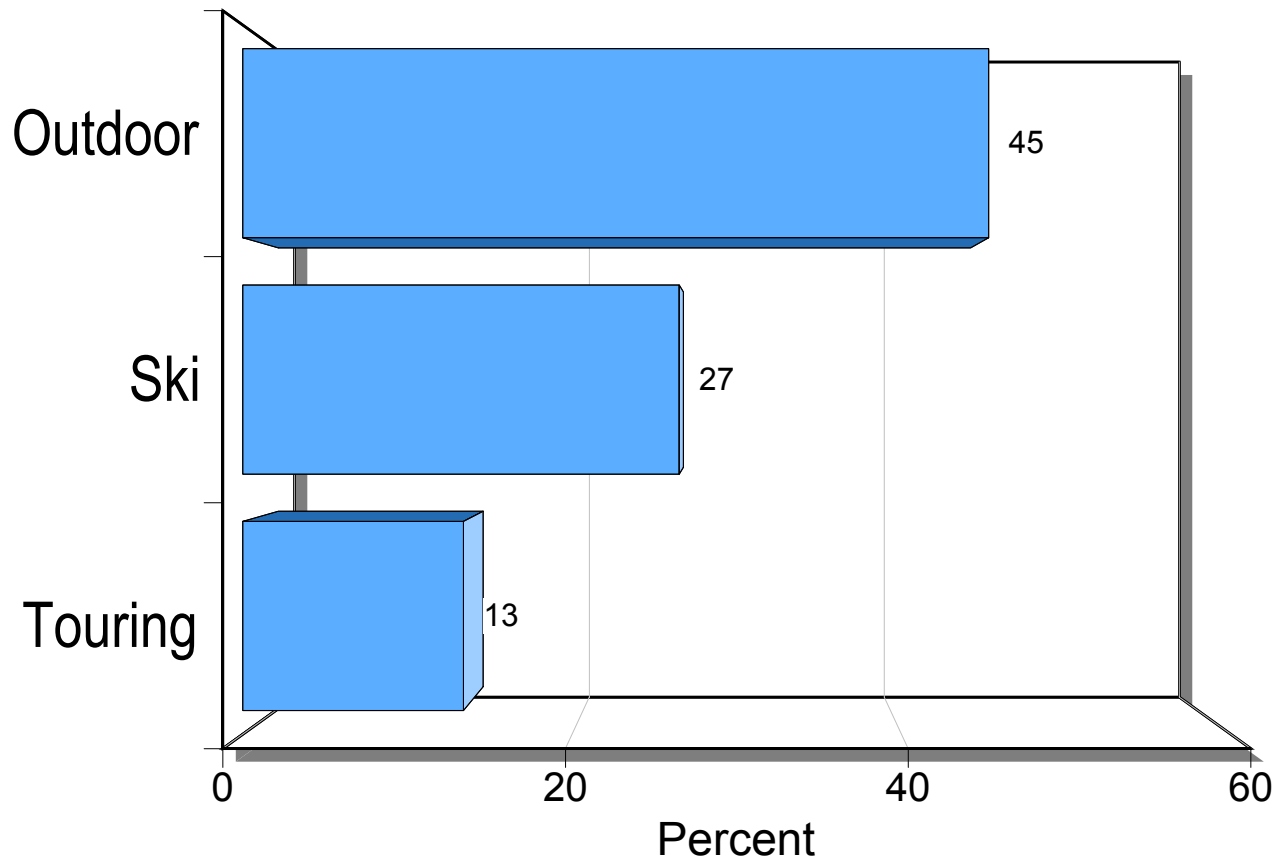
Percent of Pleasure Trips Originating in Colorado



# Instate Trips – By Segment

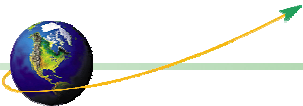


Percent of Pleasure Trips Originating in Colorado

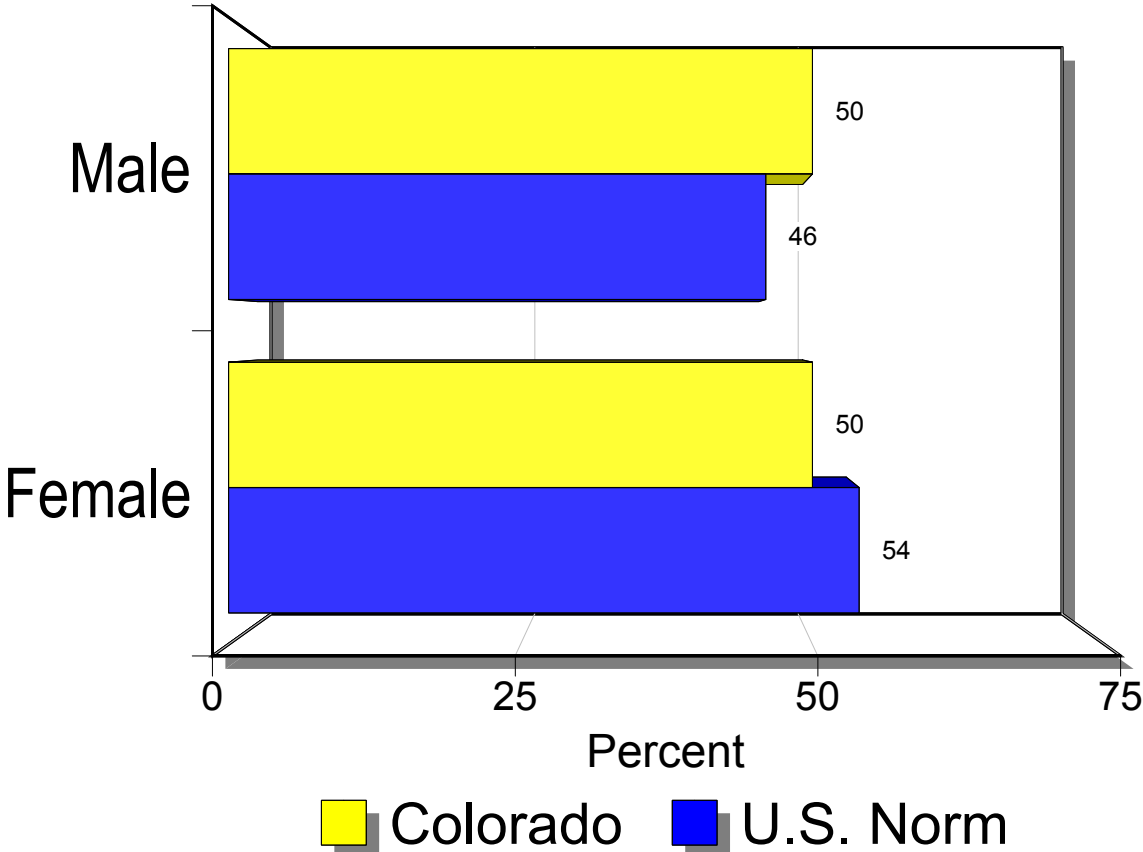


# Pleasure Travel Profile

# Gender

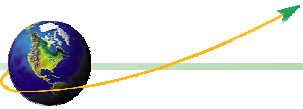


Base: Overnight Pleasure Trips

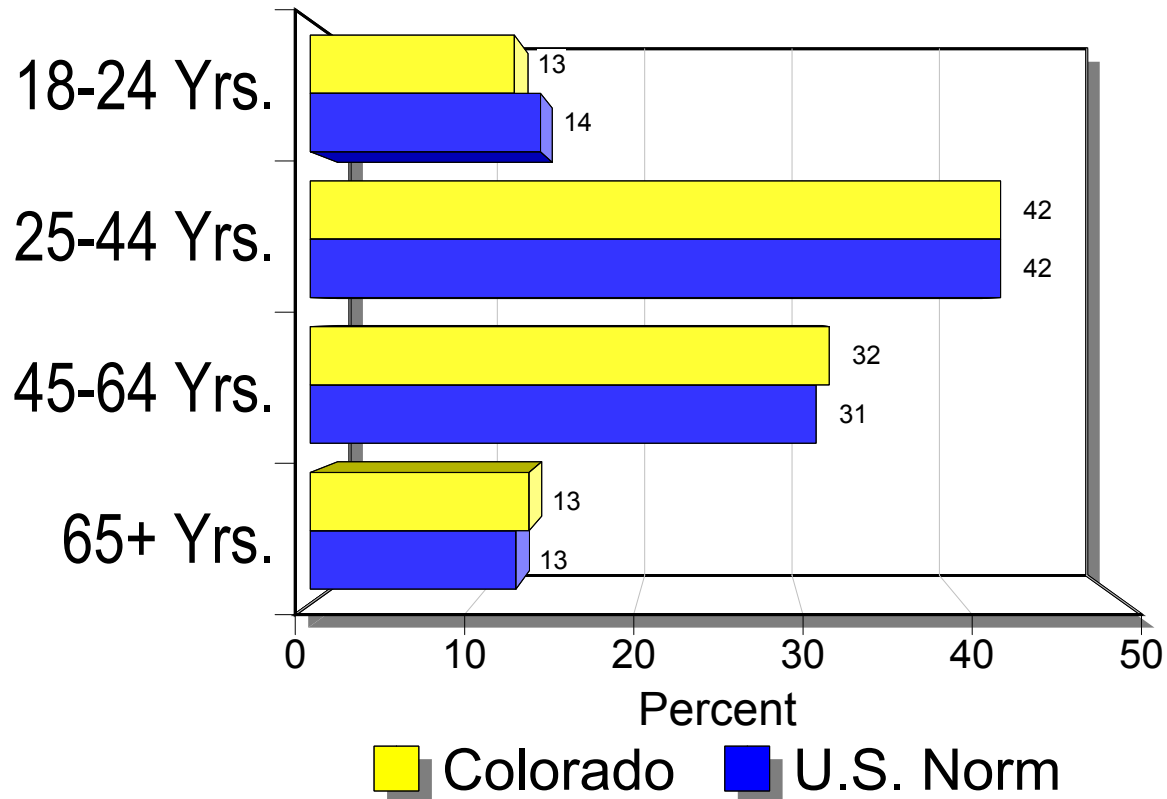




# Age

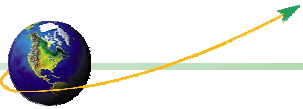


Base: Overnight Pleasure Trips

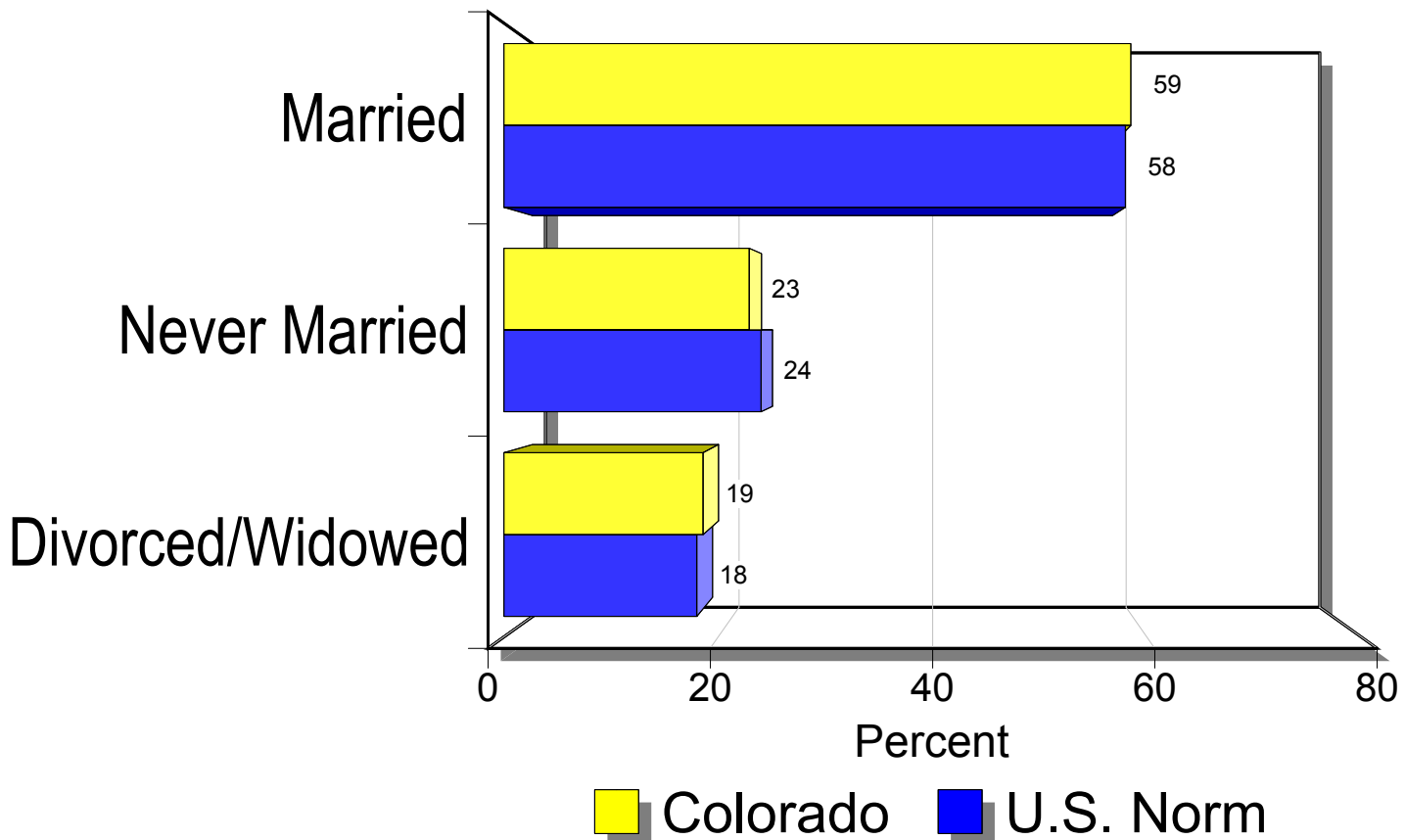


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Age	43.6	43.3

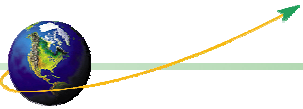
# Marital Status



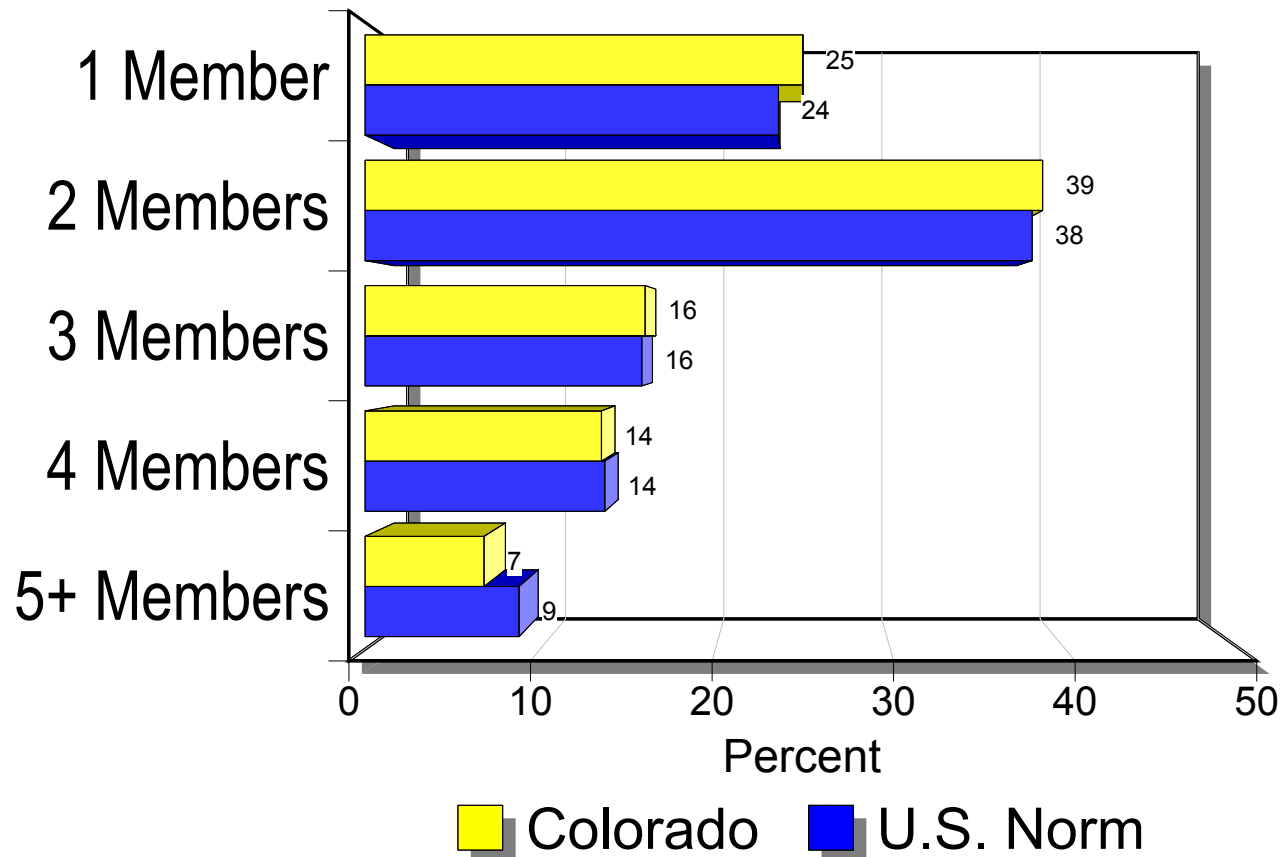
Base: Overnight Pleasure Trips



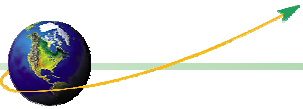
# Household Size



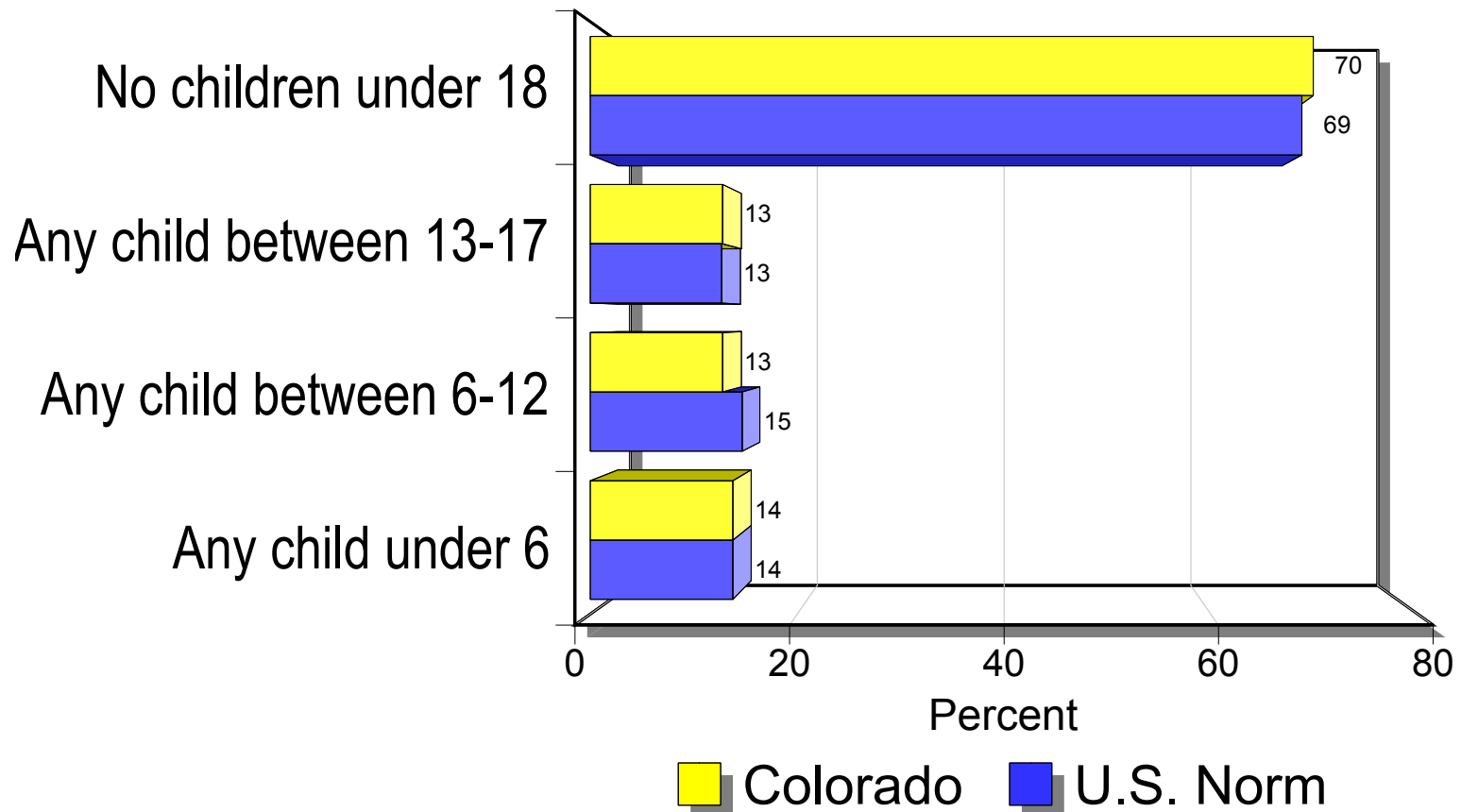
Base: Overnight Pleasure Trips



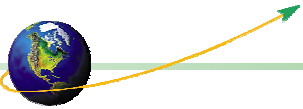
# Children in Household



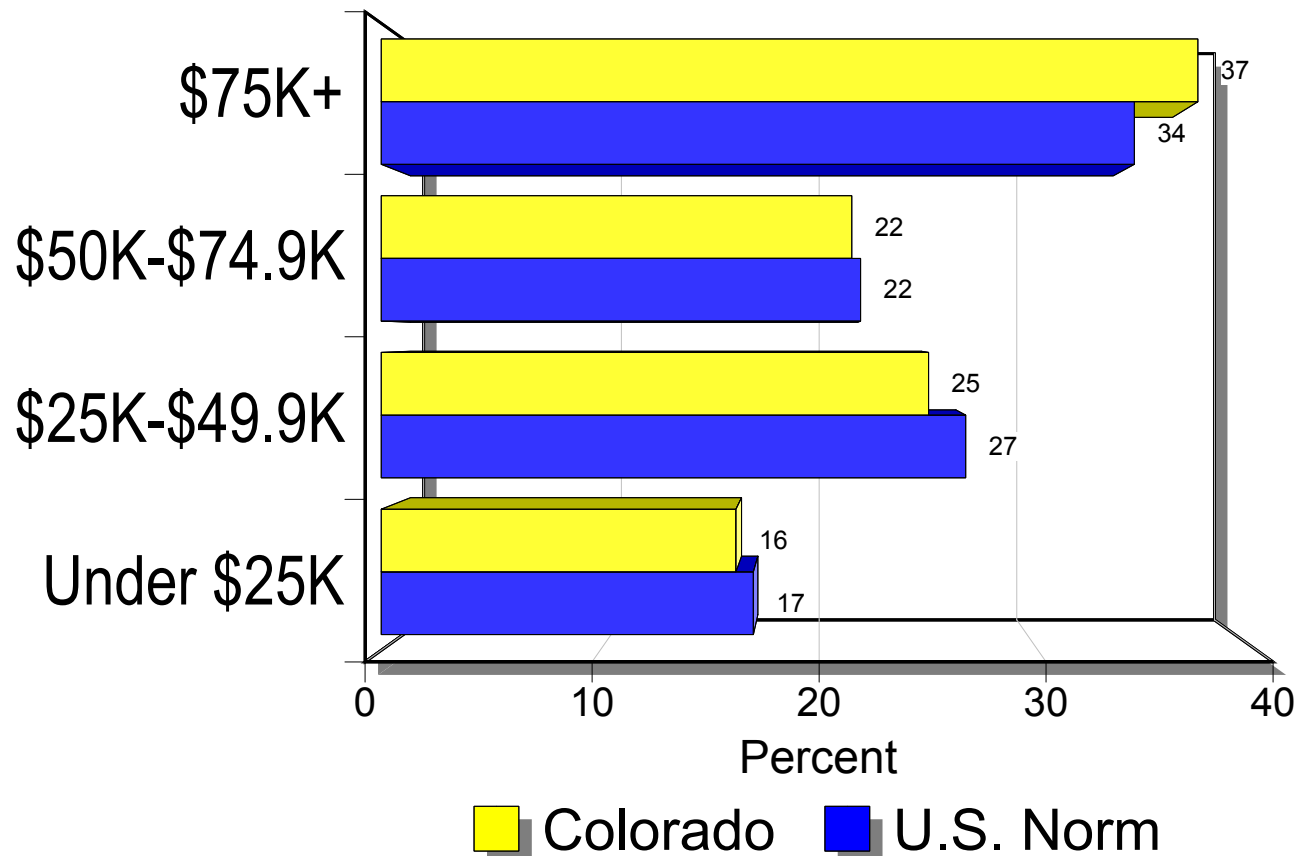
Base: Overnight Pleasure Trips



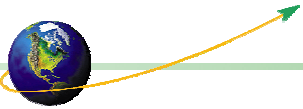
# Income



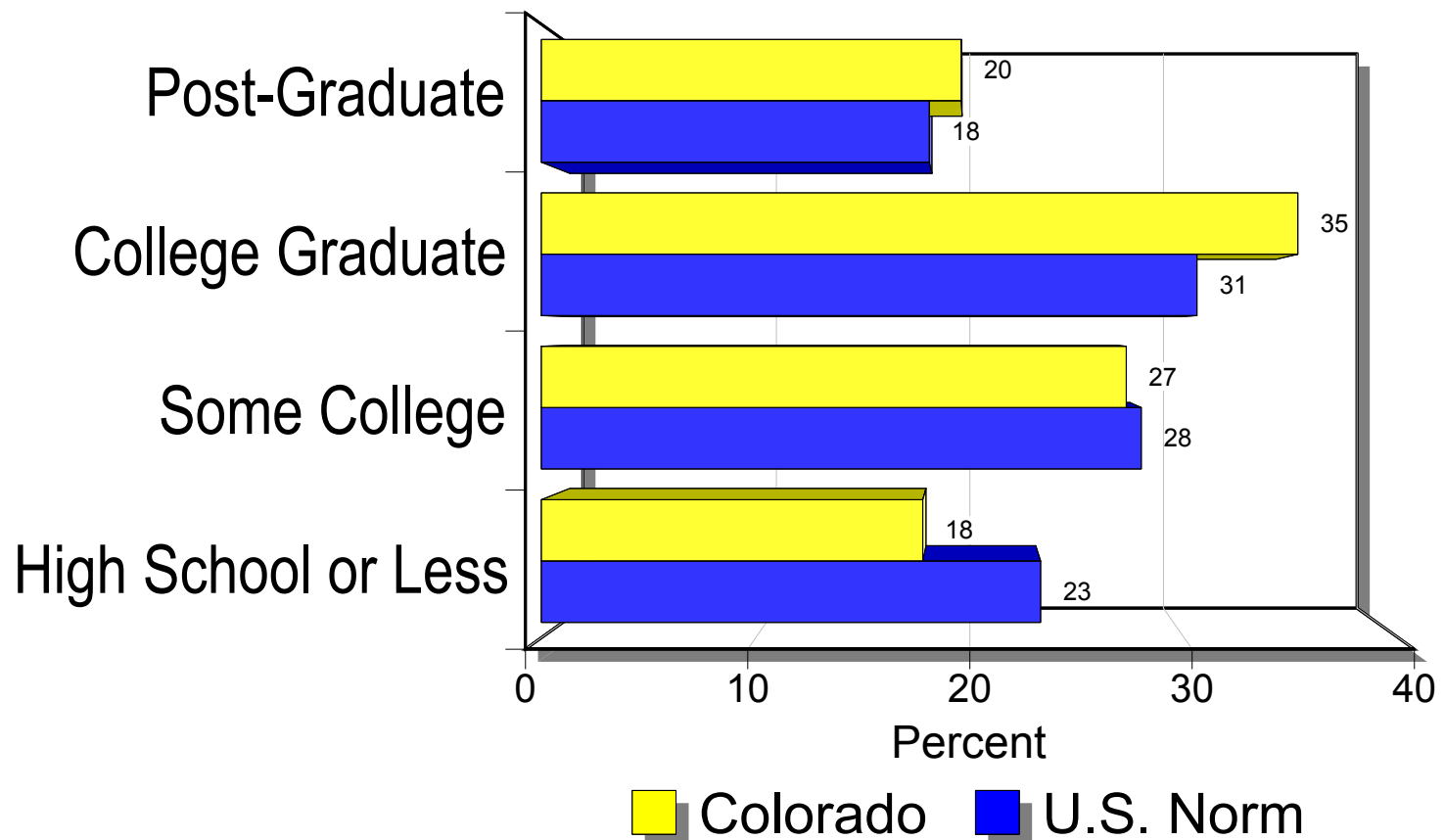
Base: Overnight Pleasure Trips



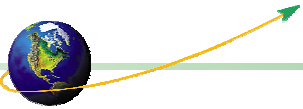
# Education



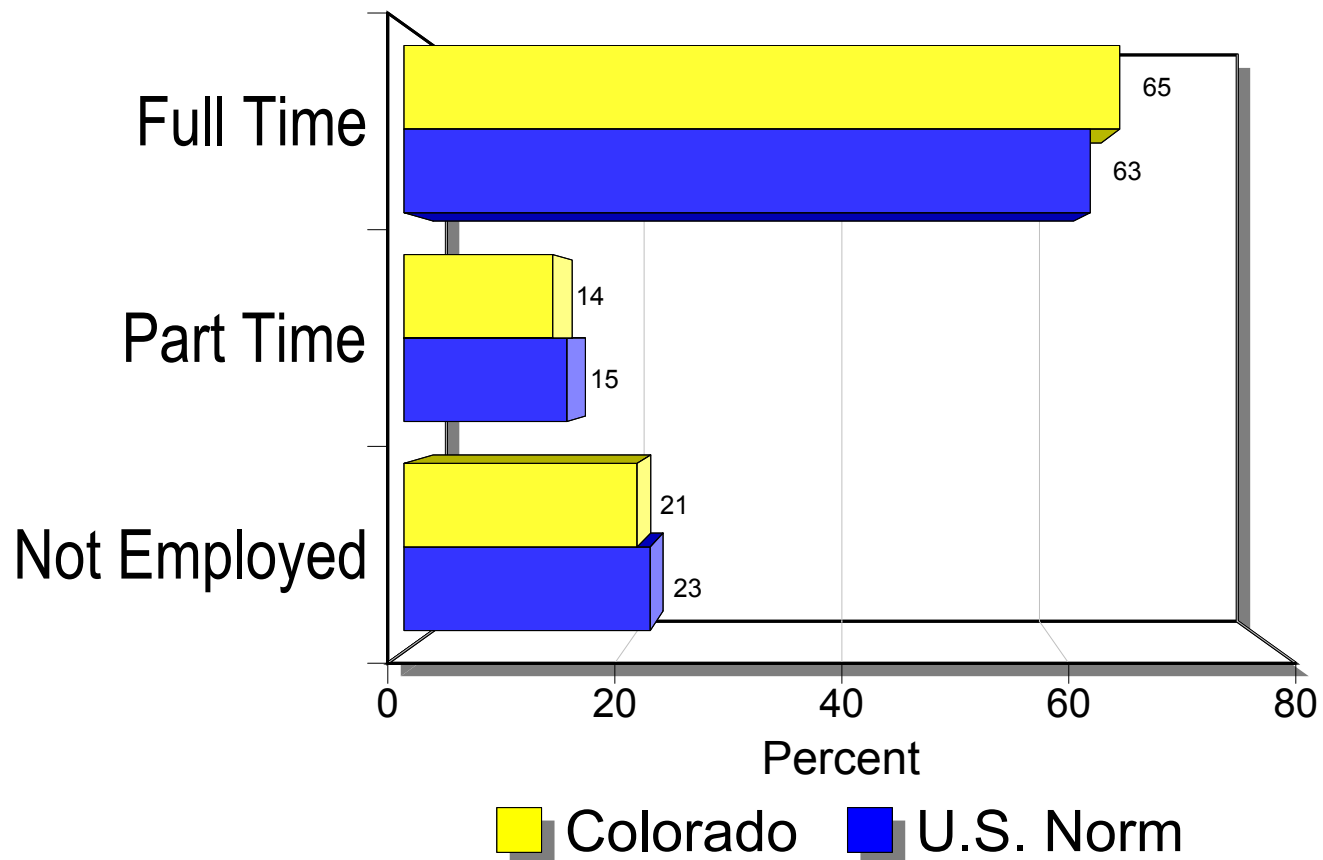
Base: Overnight Pleasure Trips



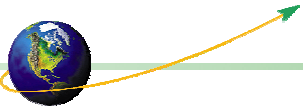
# Employment



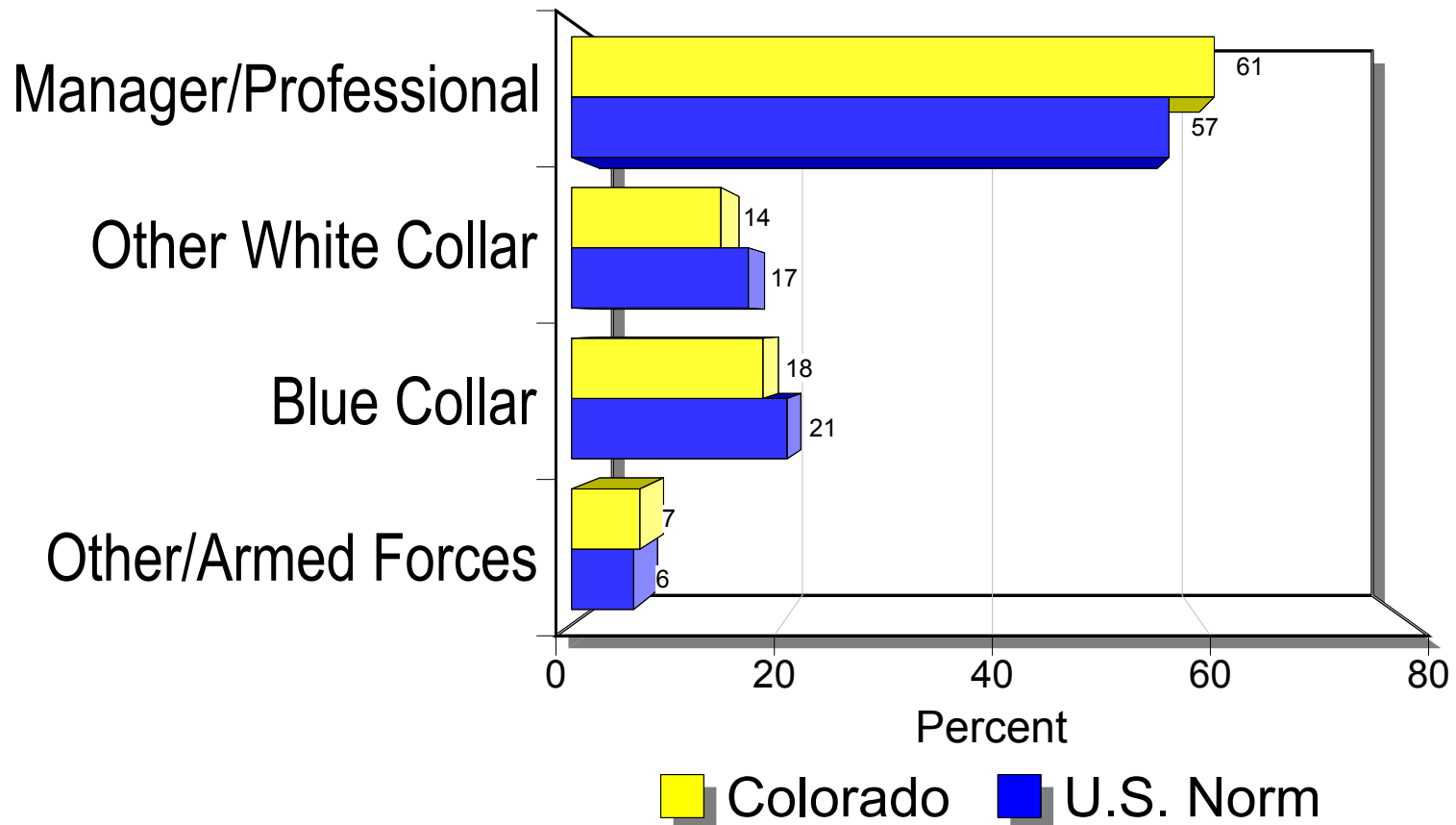
Base: Overnight Pleasure Trips



# Occupation

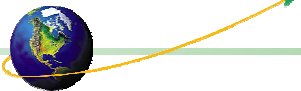


Base: Overnight Pleasure Trips by Those Who Are Employed

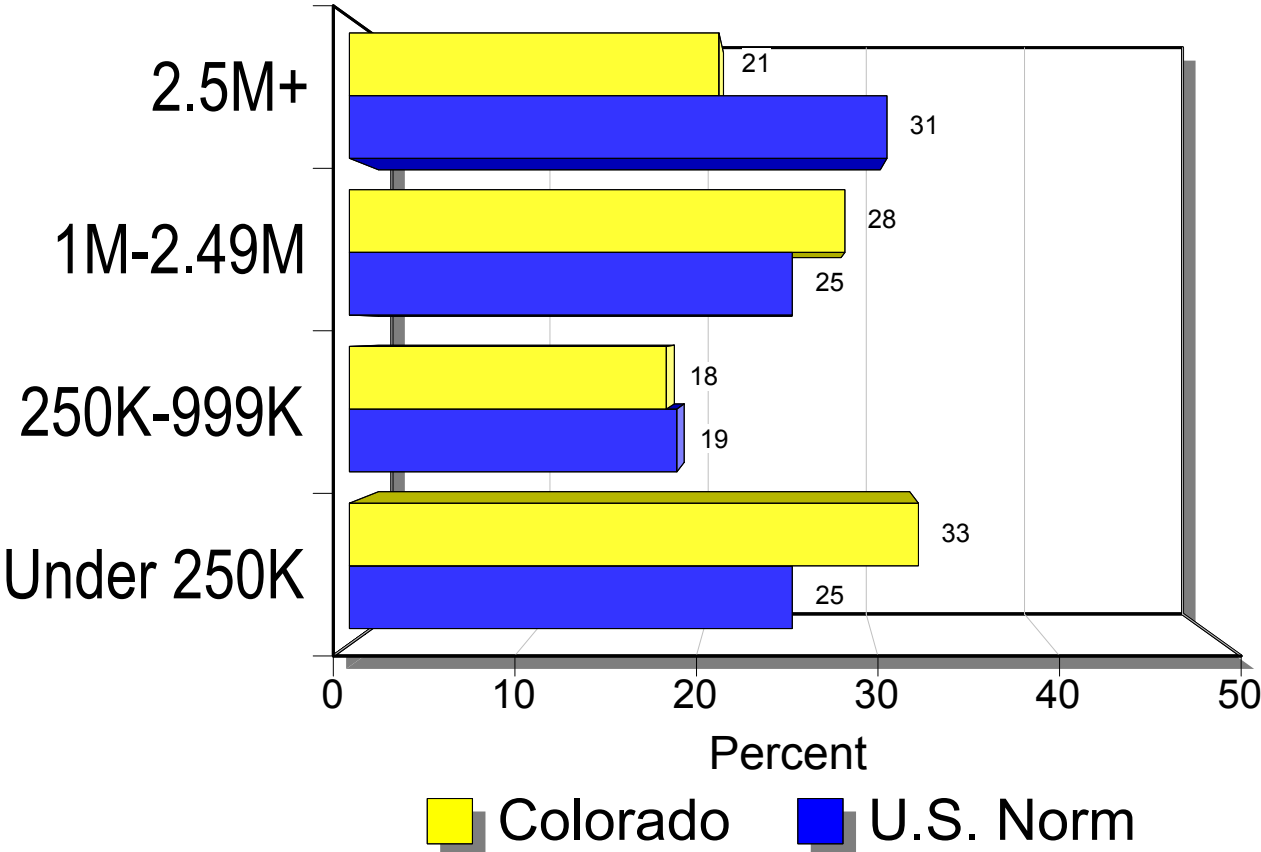




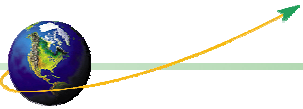
# Community Size



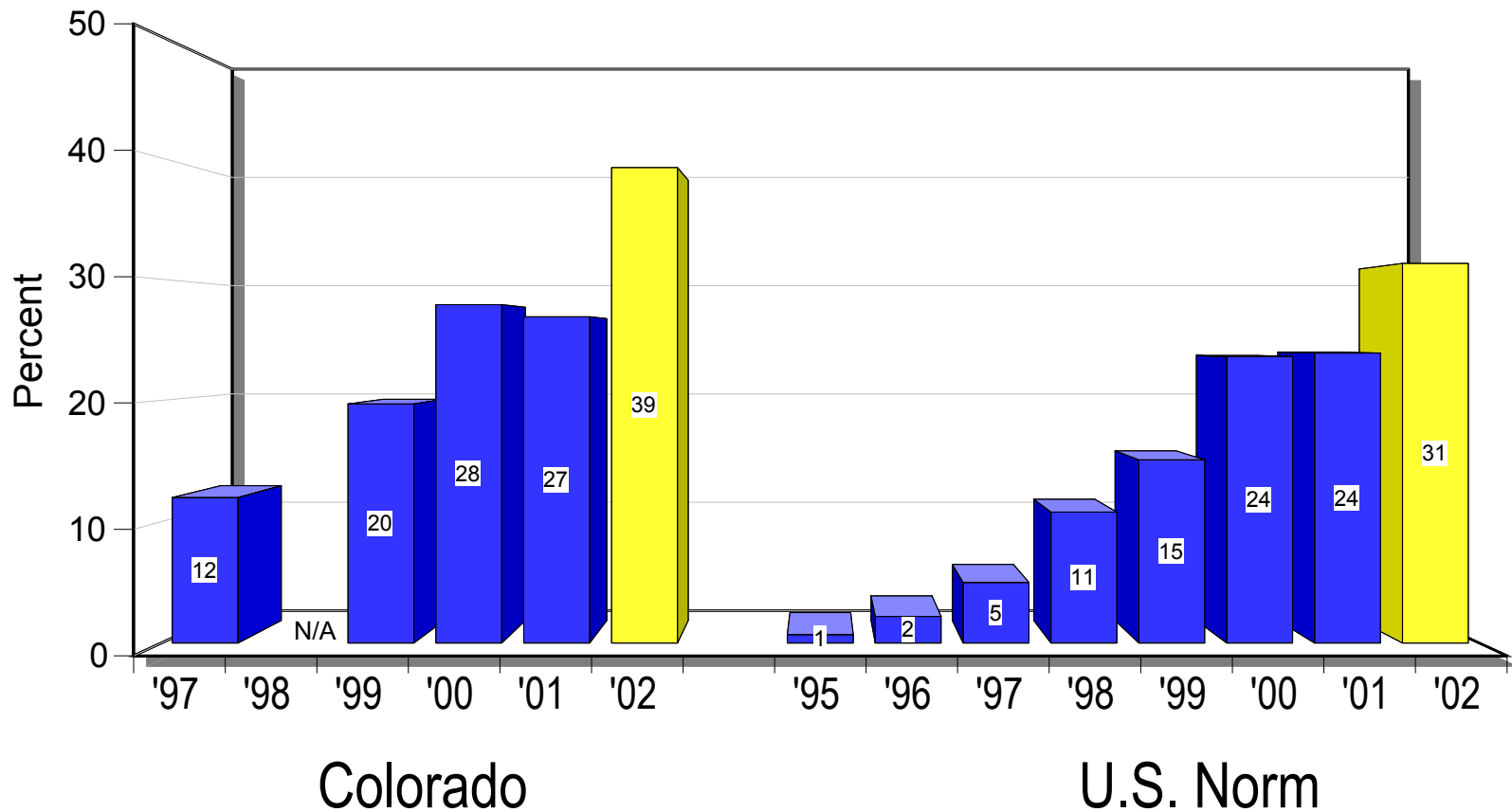
Base: Overnight Pleasure Trips



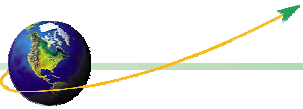
# Use of Internet for Trip Planning



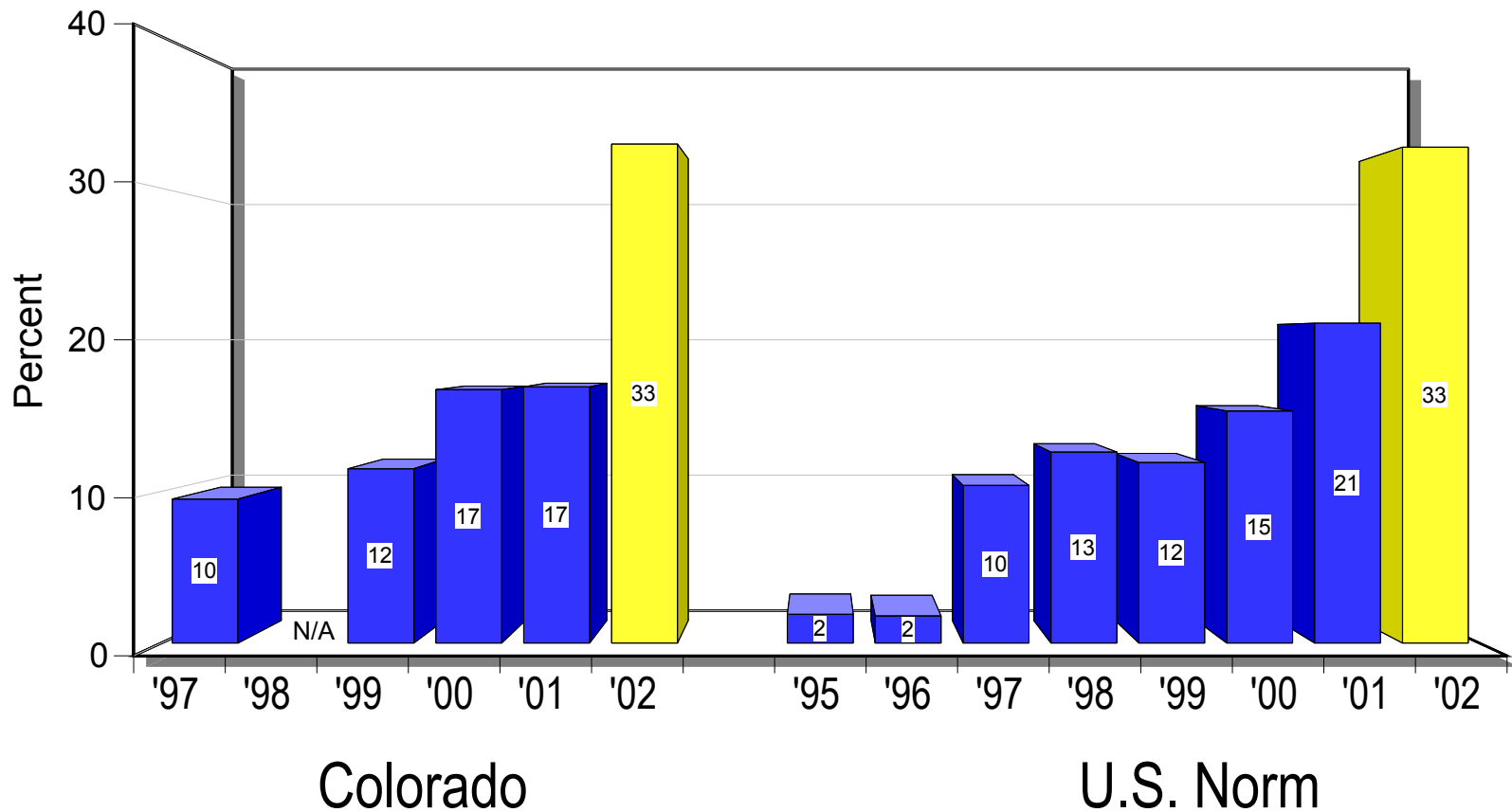
Base: Overnight Pleasure Trips



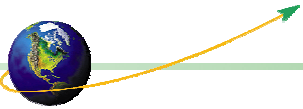
# Use of Internet for Trip Planning



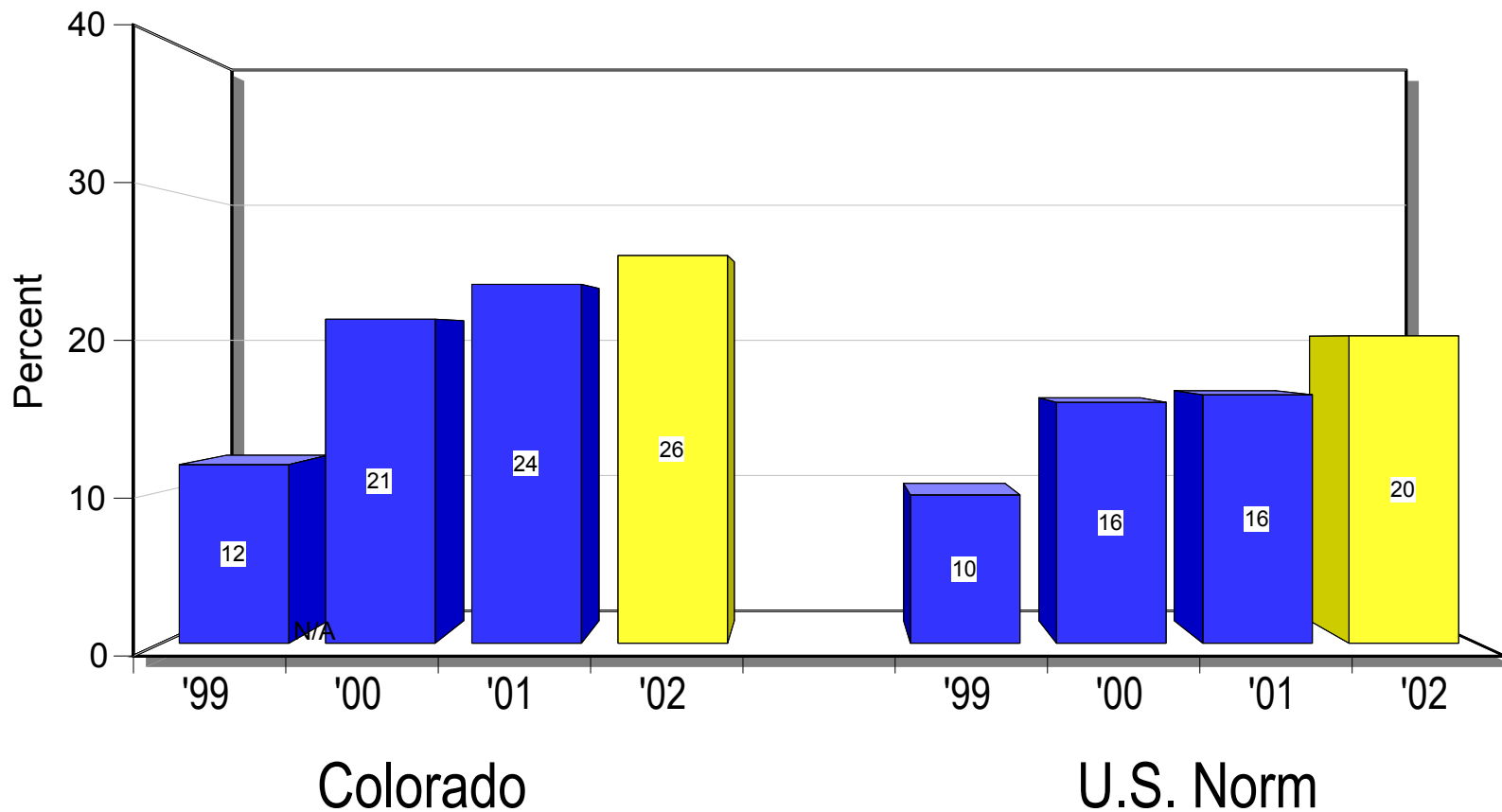
Base: Overnight Business Trips



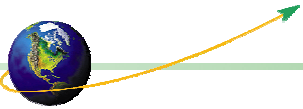
# Use of Internet for Trip Booking



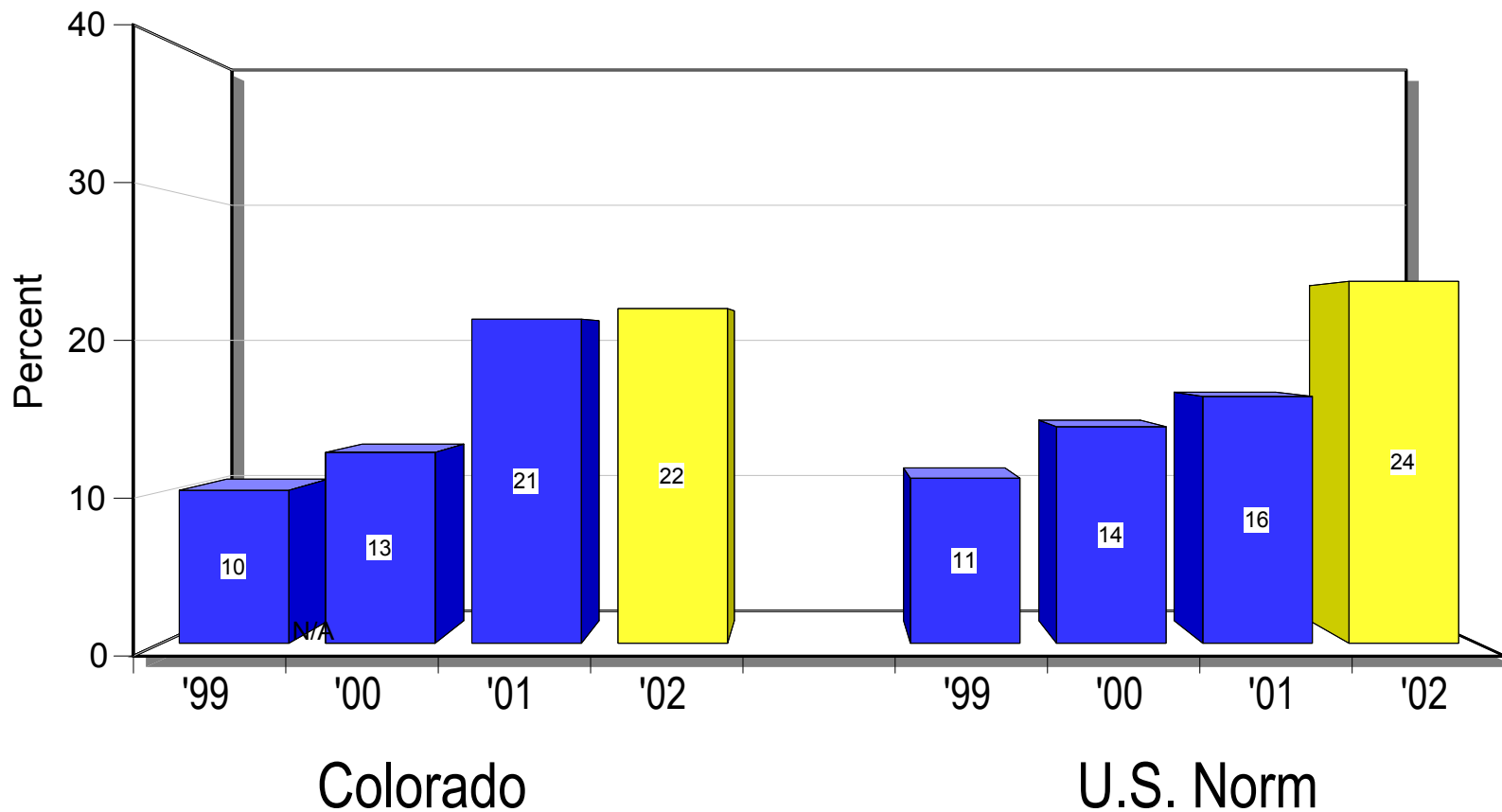
Base: Overnight Pleasure Trips



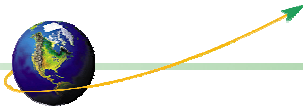
# Use of Internet for Trip Booking



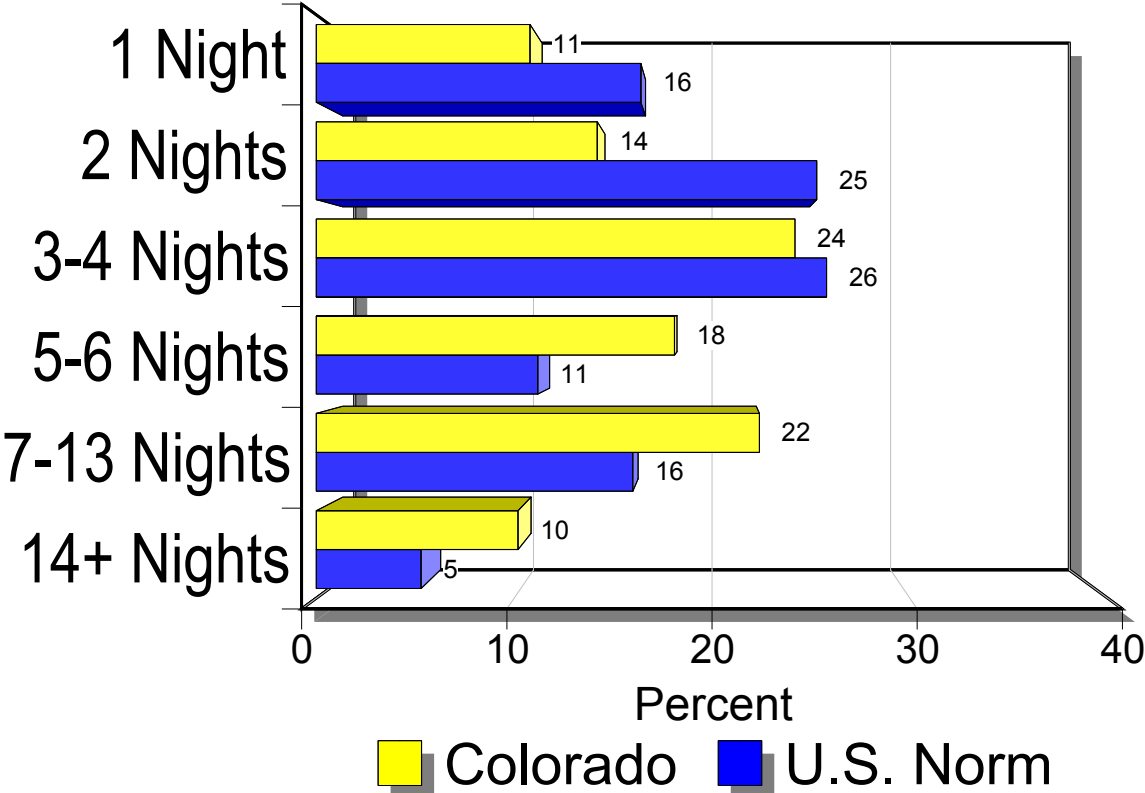
Base: Overnight Business Trips



# Length of Trip

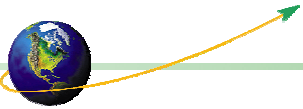


Base: Overnight Pleasure Trips

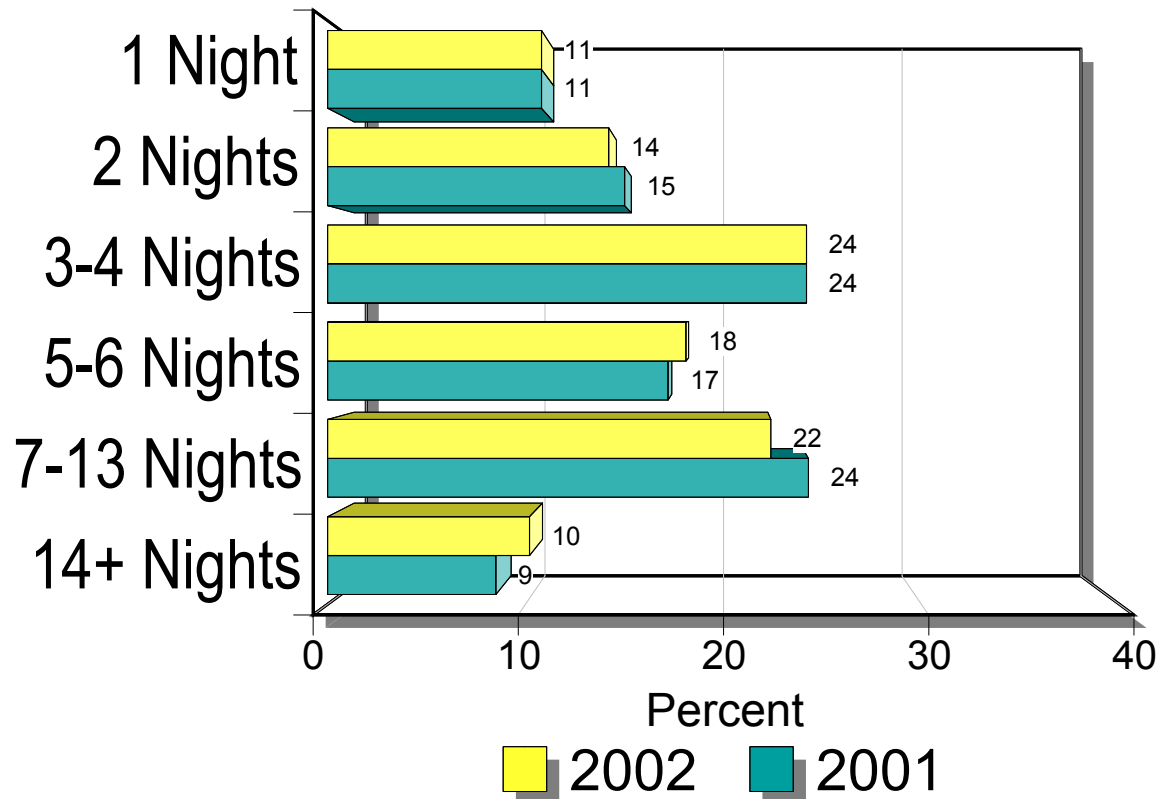


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Number of Nights Away	6.4	4.7

# Length of Trip

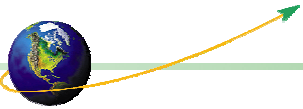


Base: Overnight Pleasure Trips

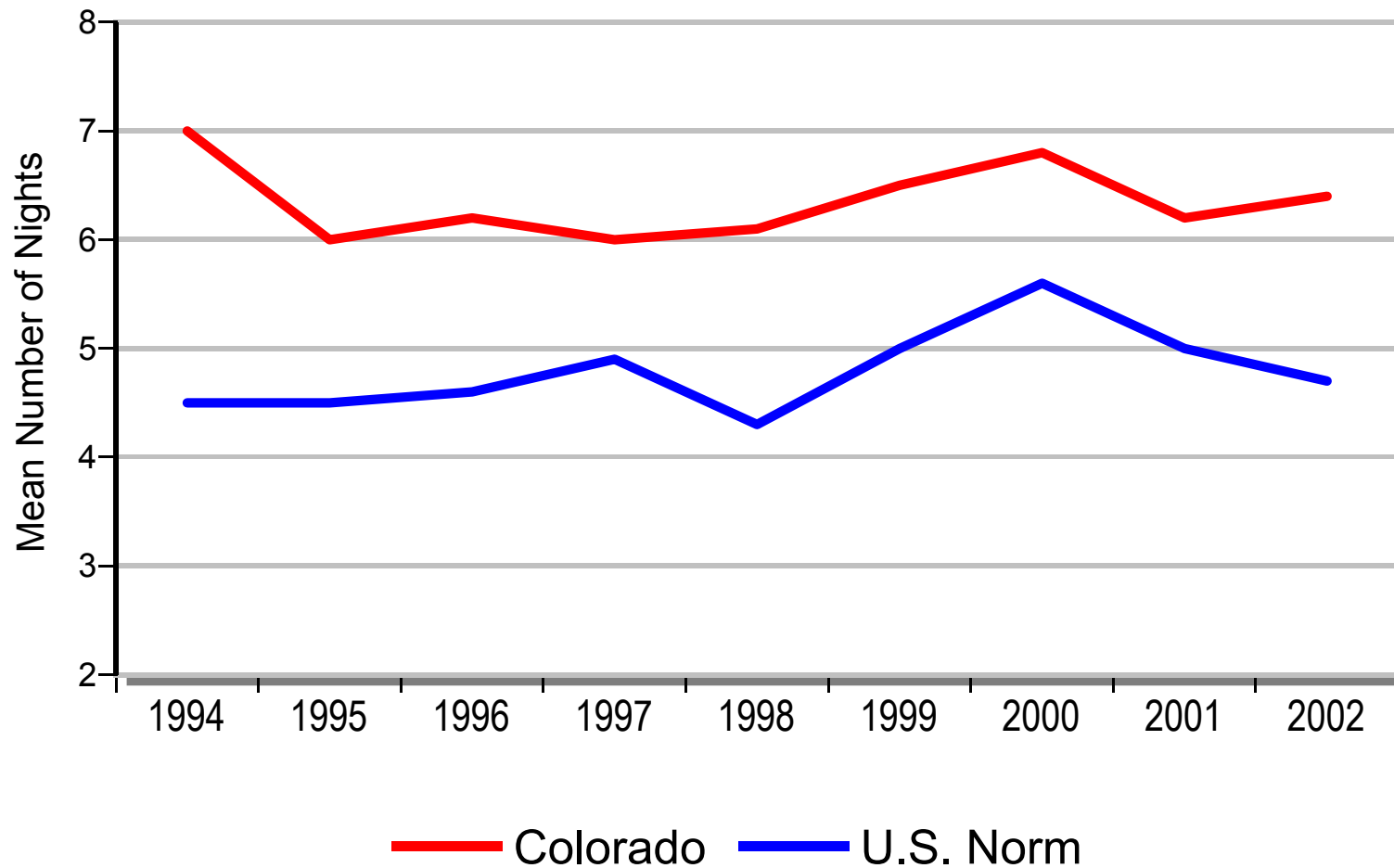


	<u>2002</u>	<u>2001</u>
Average Number of Nights Away	6.4	6.2

# Length of Trip



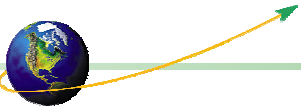
Base: Overnight Pleasure Trips



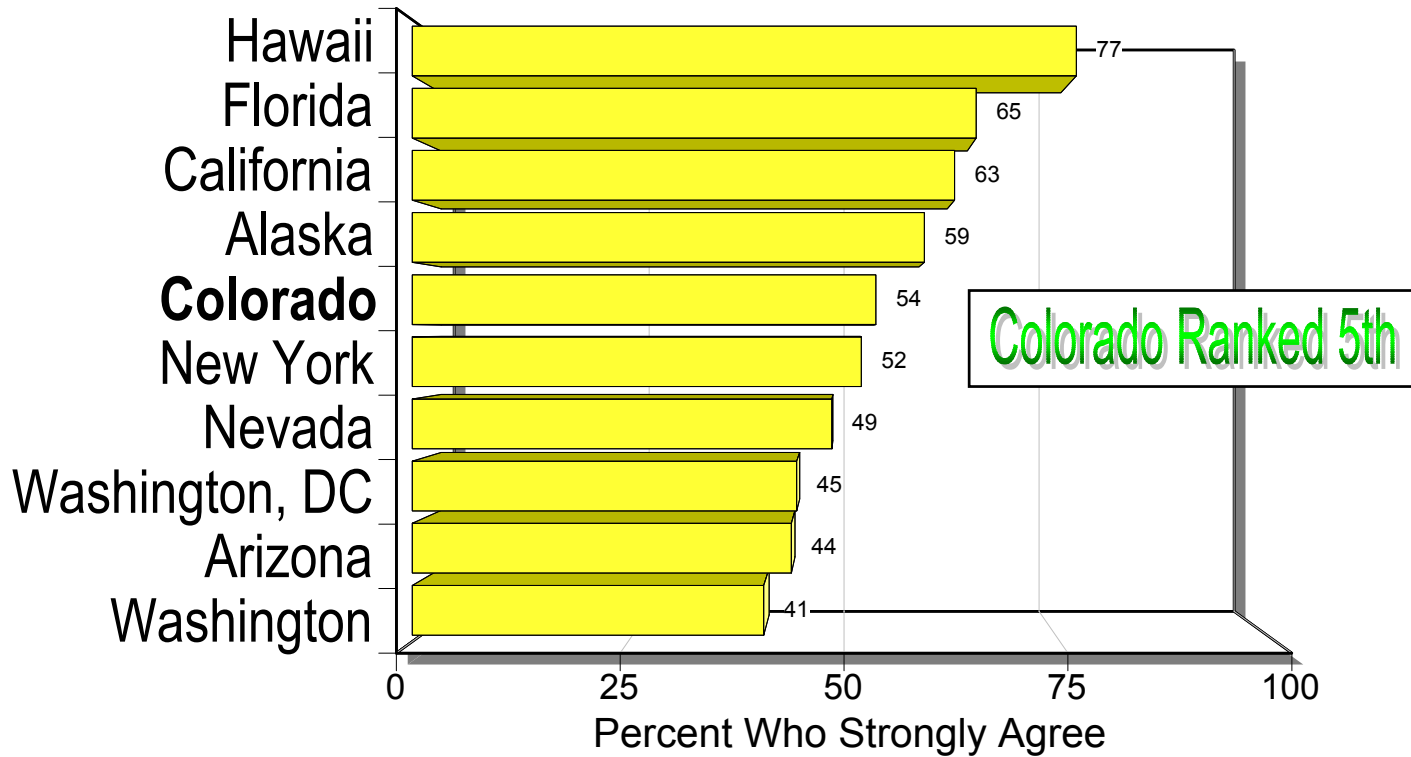


# Destination Interest, Visitation & Image

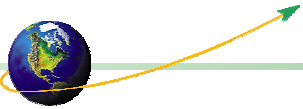
# U.S. Dream Destinations



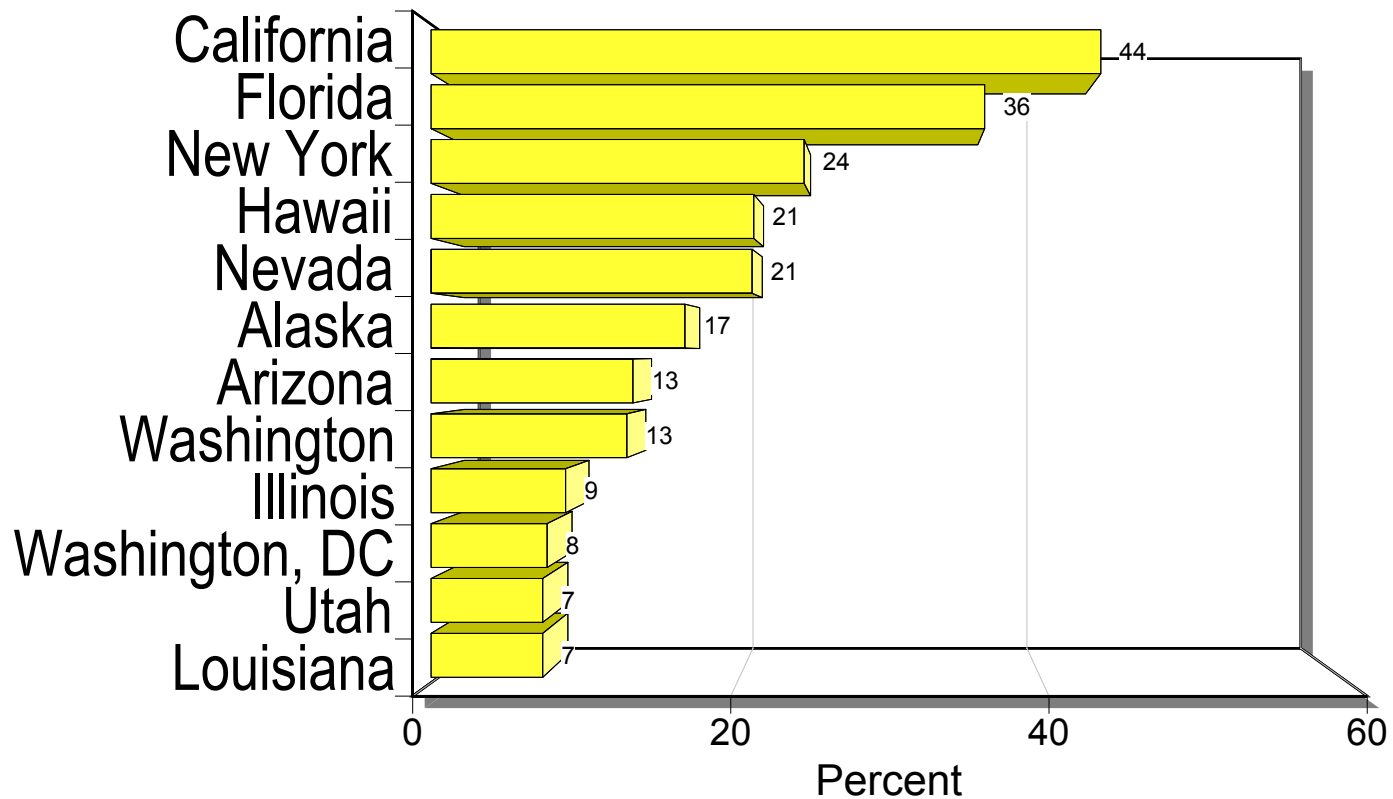
## “Would Enjoy Visiting”



# Colorado's Most Important Competition

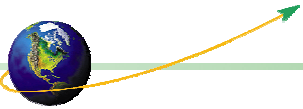


## Other Destinations Favored by Potential Colorado Visitors

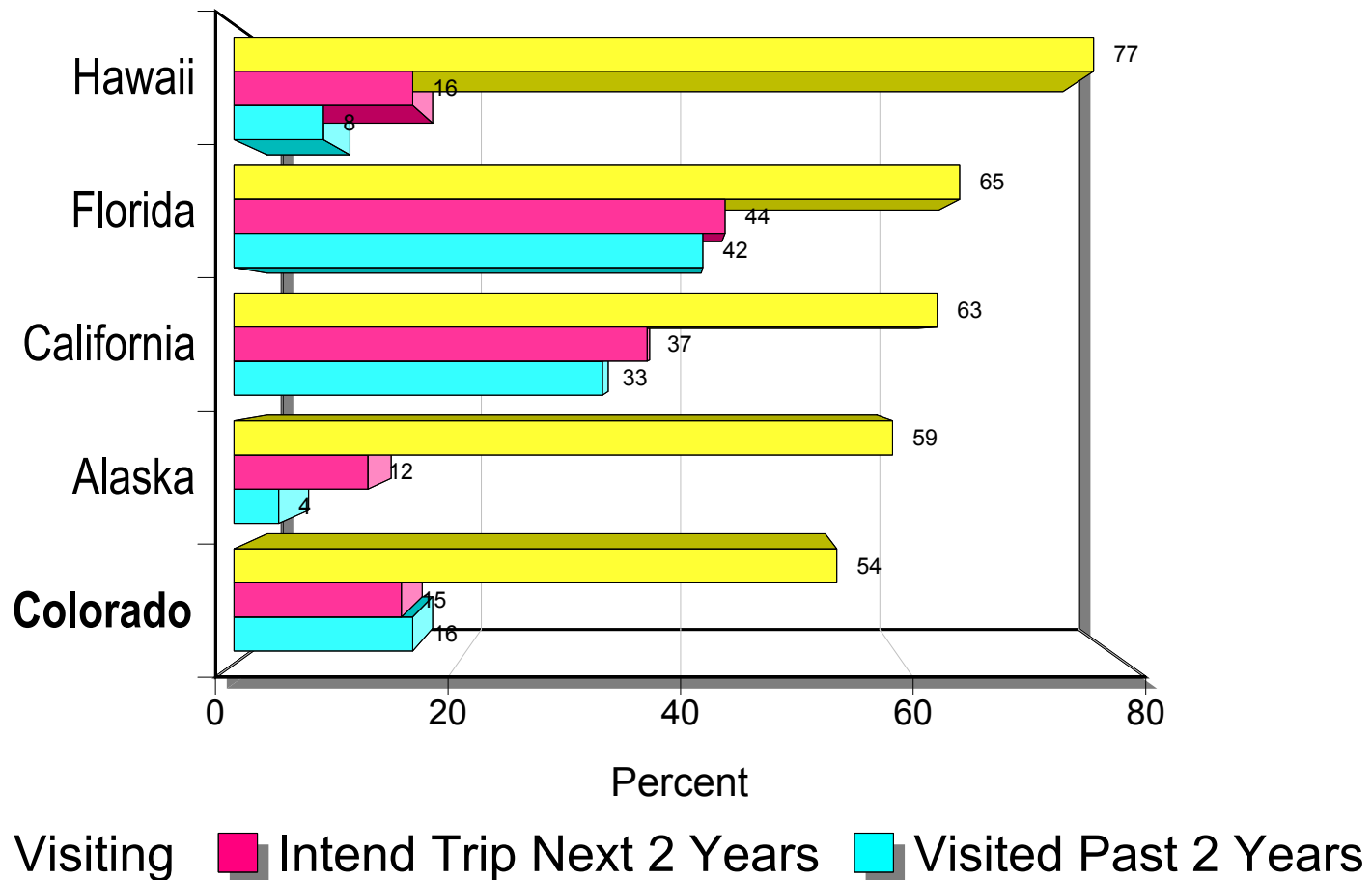


Base: Intend a Trip to Colorado in Next 2 Years

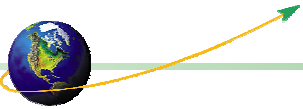
# Interest Vs. Visitation



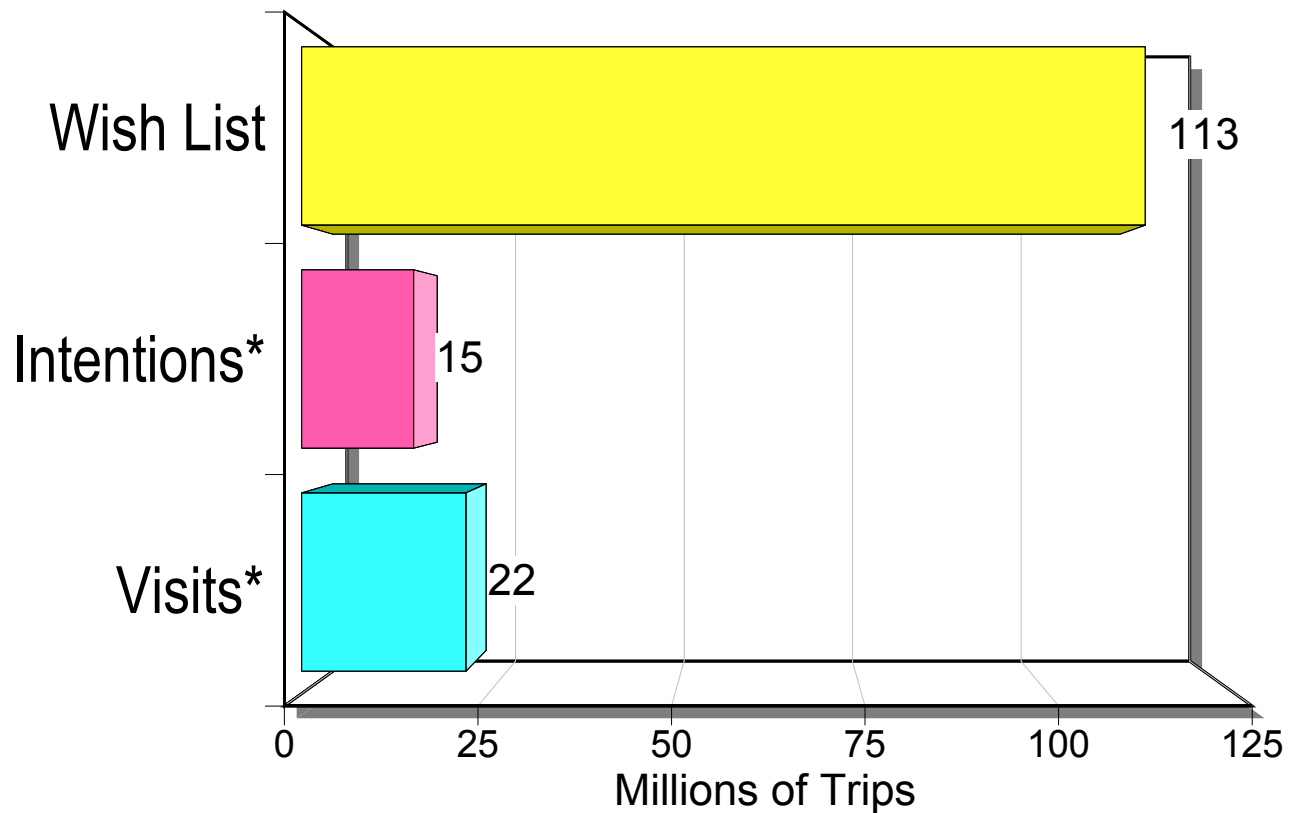
Base: Overnight Pleasure Trips



# Interest in Colorado vs. Visitation

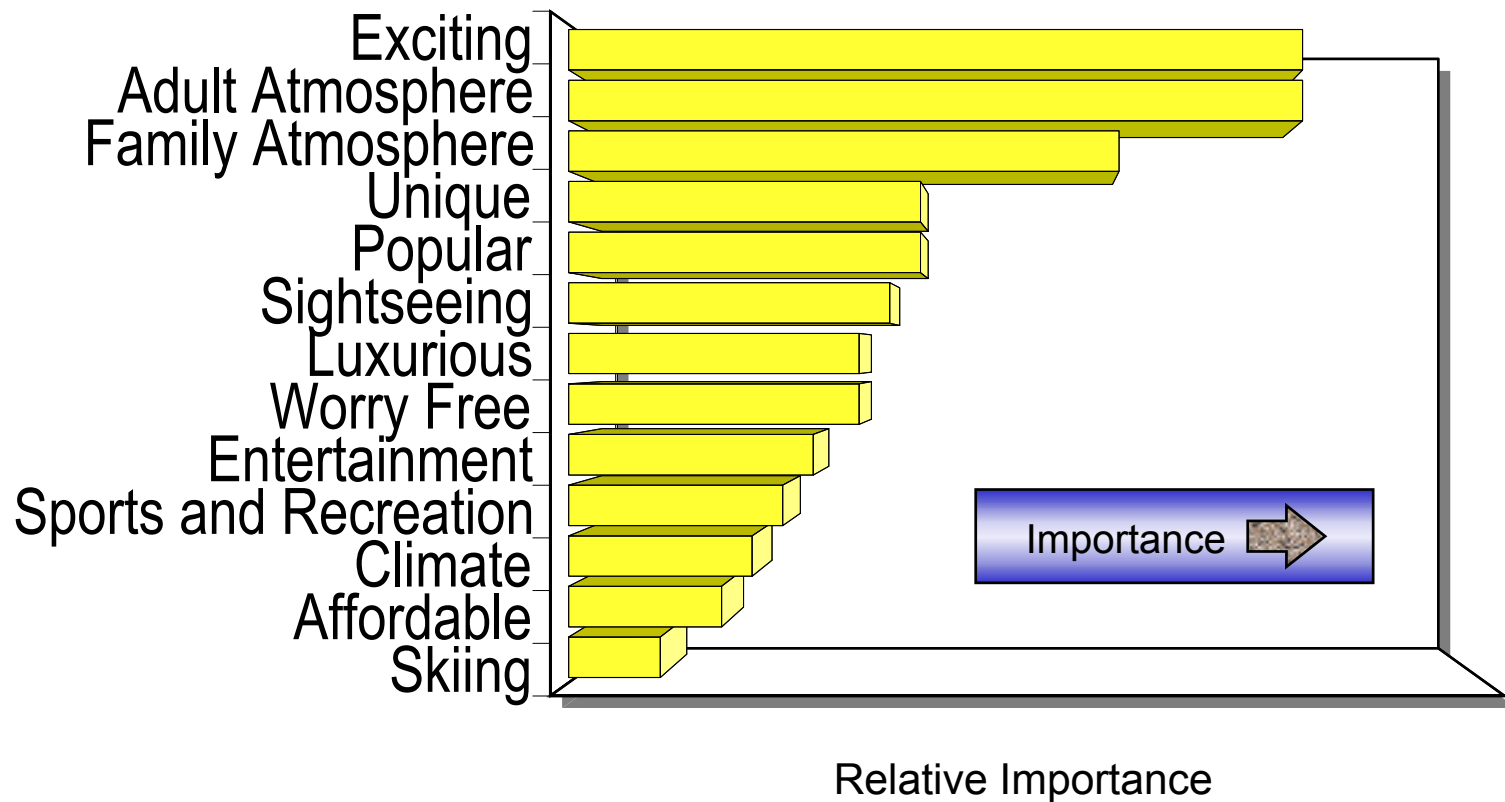


Base: Overnight Pleasure Trips



\*Annualized

# Travel Motivators — What's Important in Getting on the Destination Wish List



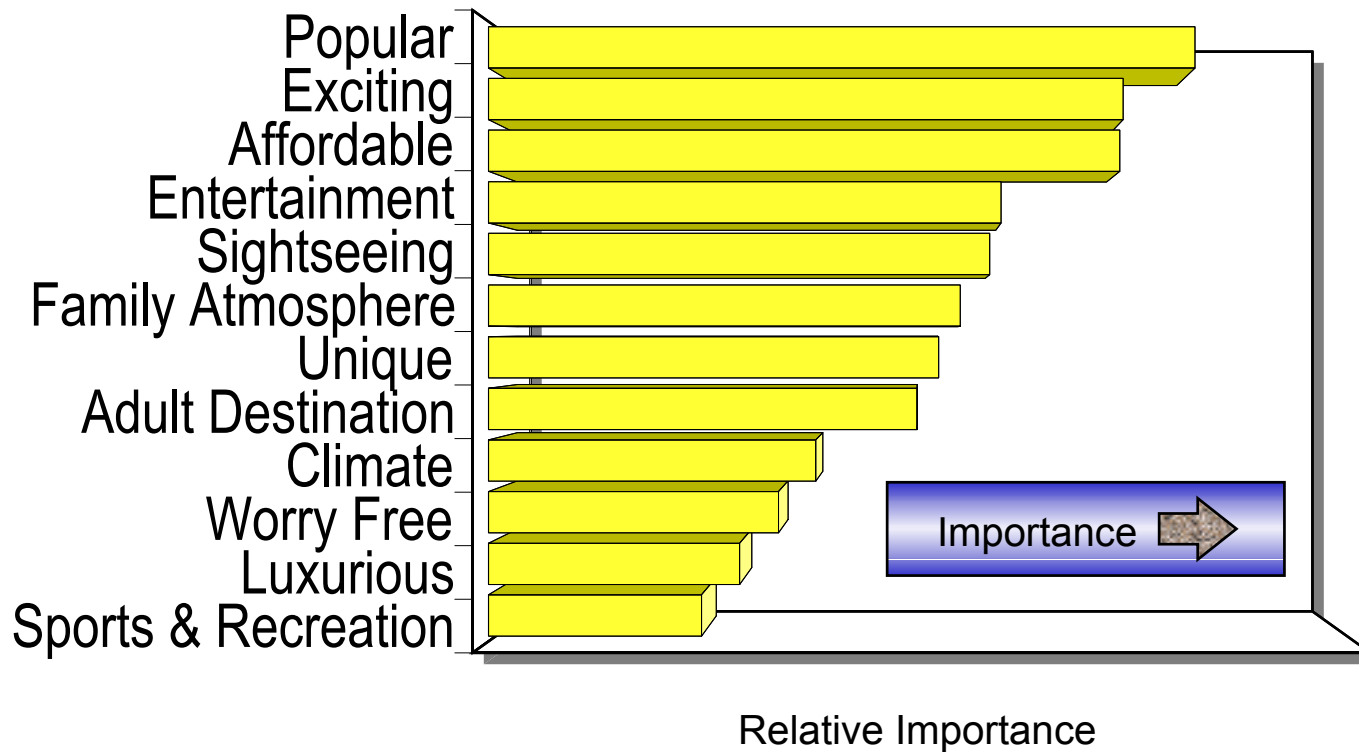
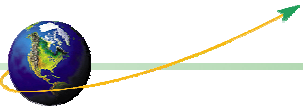
•A measure of the degree of association between each factor and whether a destination is a place “I would really enjoy visiting.”

# Wish List — Most Important Individual Dimensions



1. Must see destination
2. A fun place for a vacation
3. Good for couples
4. Good for adult vacation
5. Unique vacation experience
6. An exciting place
7. Good for families
8. A real adventure
9. Interesting place
10. Children would enjoy
11. Good place to relax
12. Lots to see and do
13. Popular with vacationers
14. Interesting small towns/villages
15. Great for walking

# Motivators for Closing the Sale





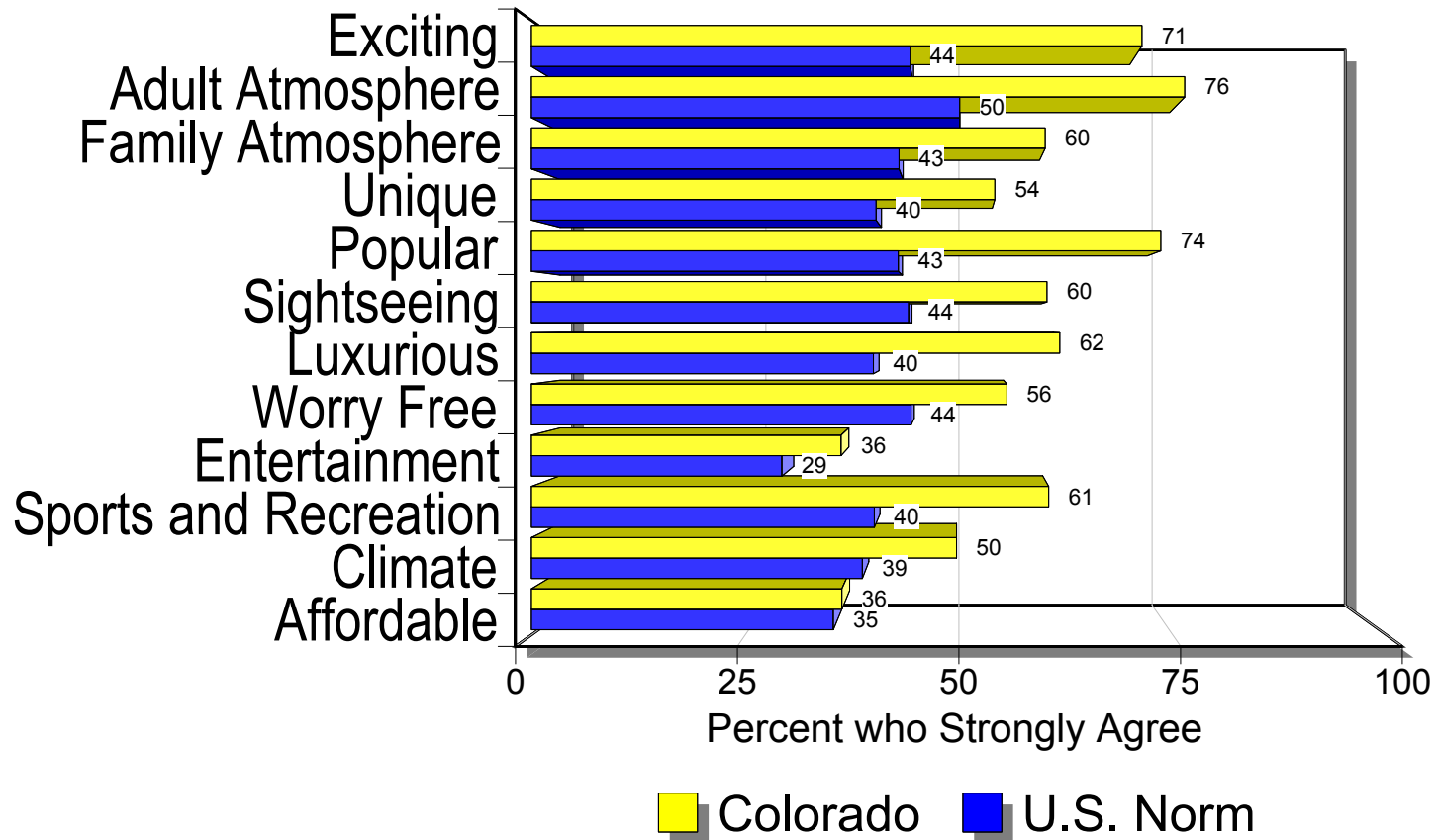
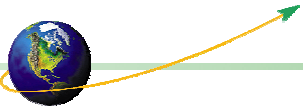
# Closing the Sale — Most Important Individual Dimensions



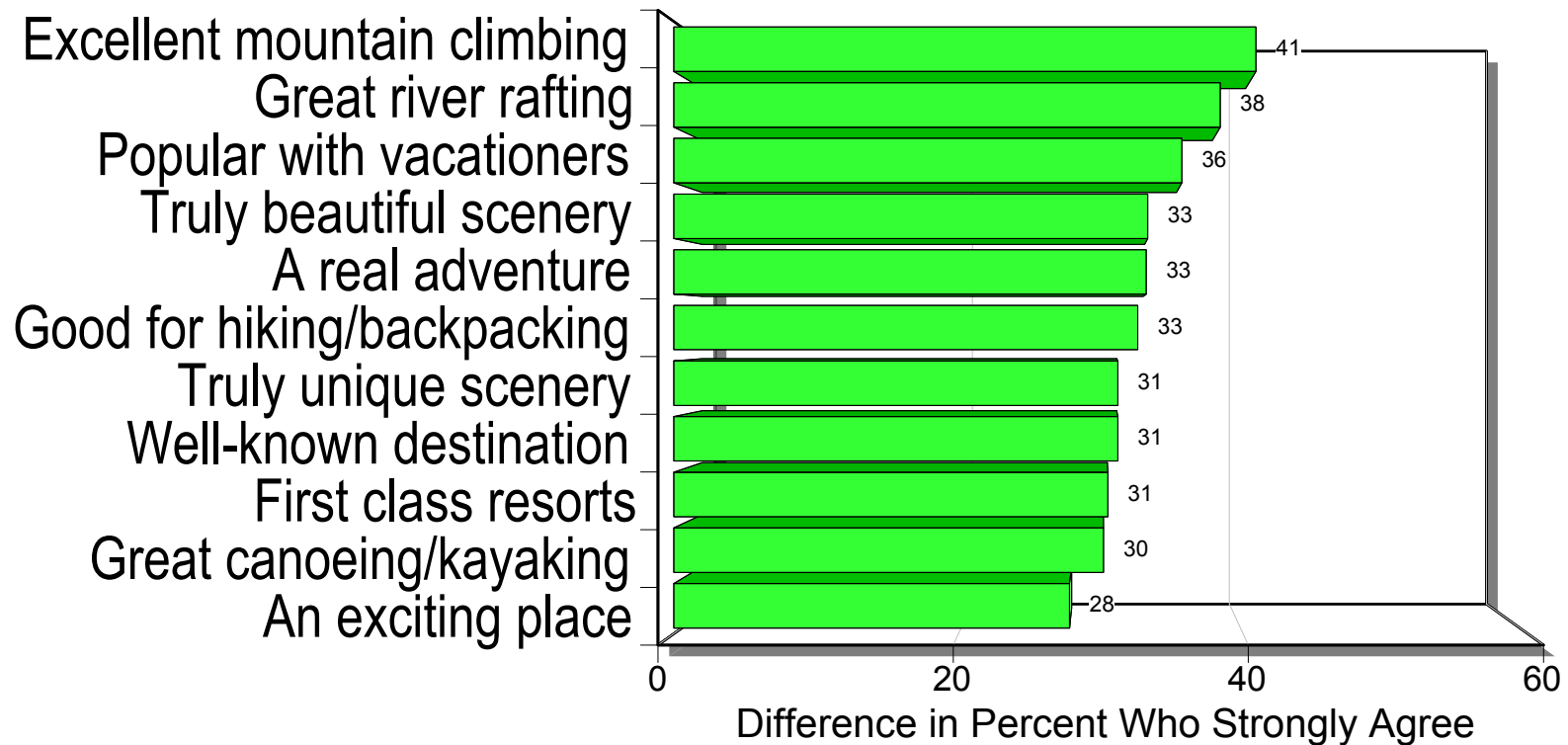
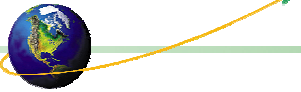
1. Affordable to get to
2. Excellent value for money
3. A fun place for a vacation
4. Good vacation packages
5. Children would enjoy
6. An exciting place
7. Must see destination
8. Excellent museums/galleries
9. Well-known destination
10. Popular with vacationers
11. Great live music
12. Good for couples
13. Lots to see and do
14. Not too far away
15. First class resorts
16. Elegant restaurants

# Colorado's Image vs. The Competition

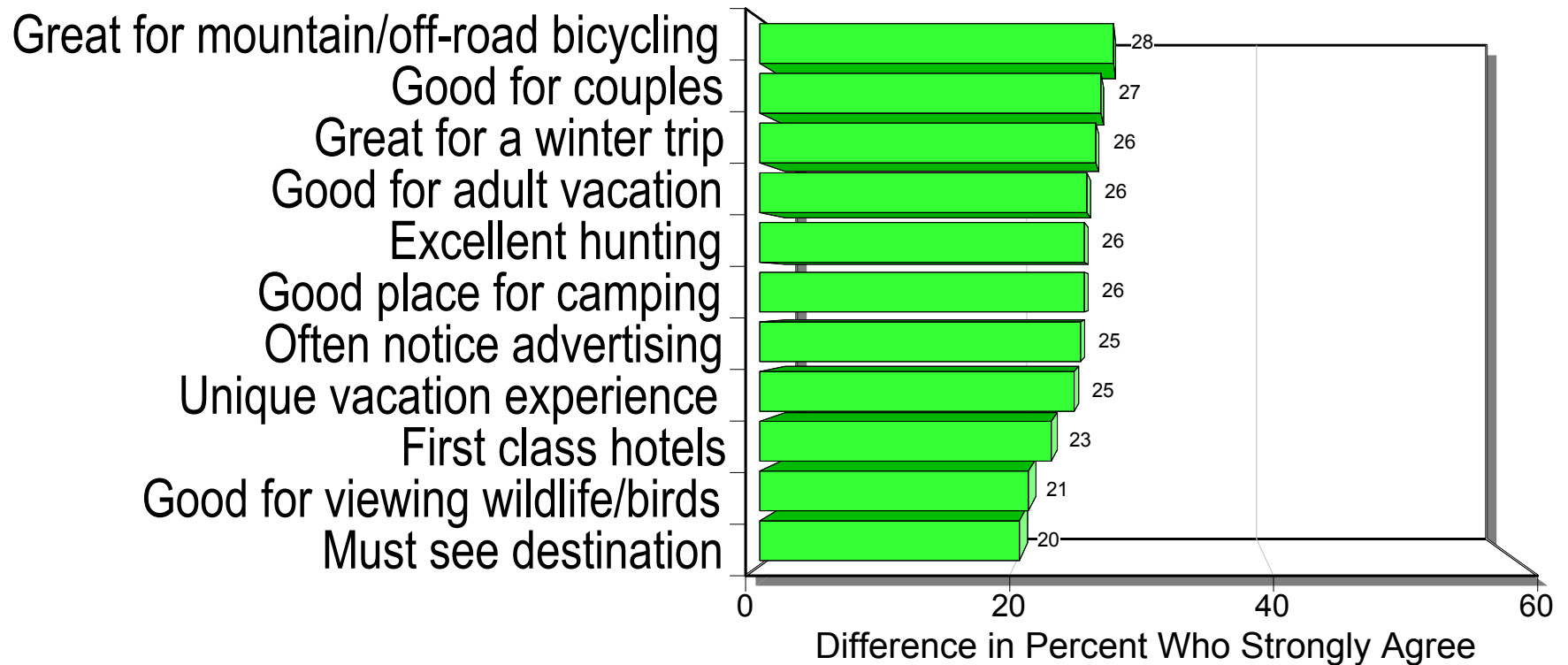
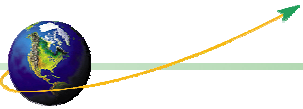
# Colorado's Image vs. the U.S. Norm



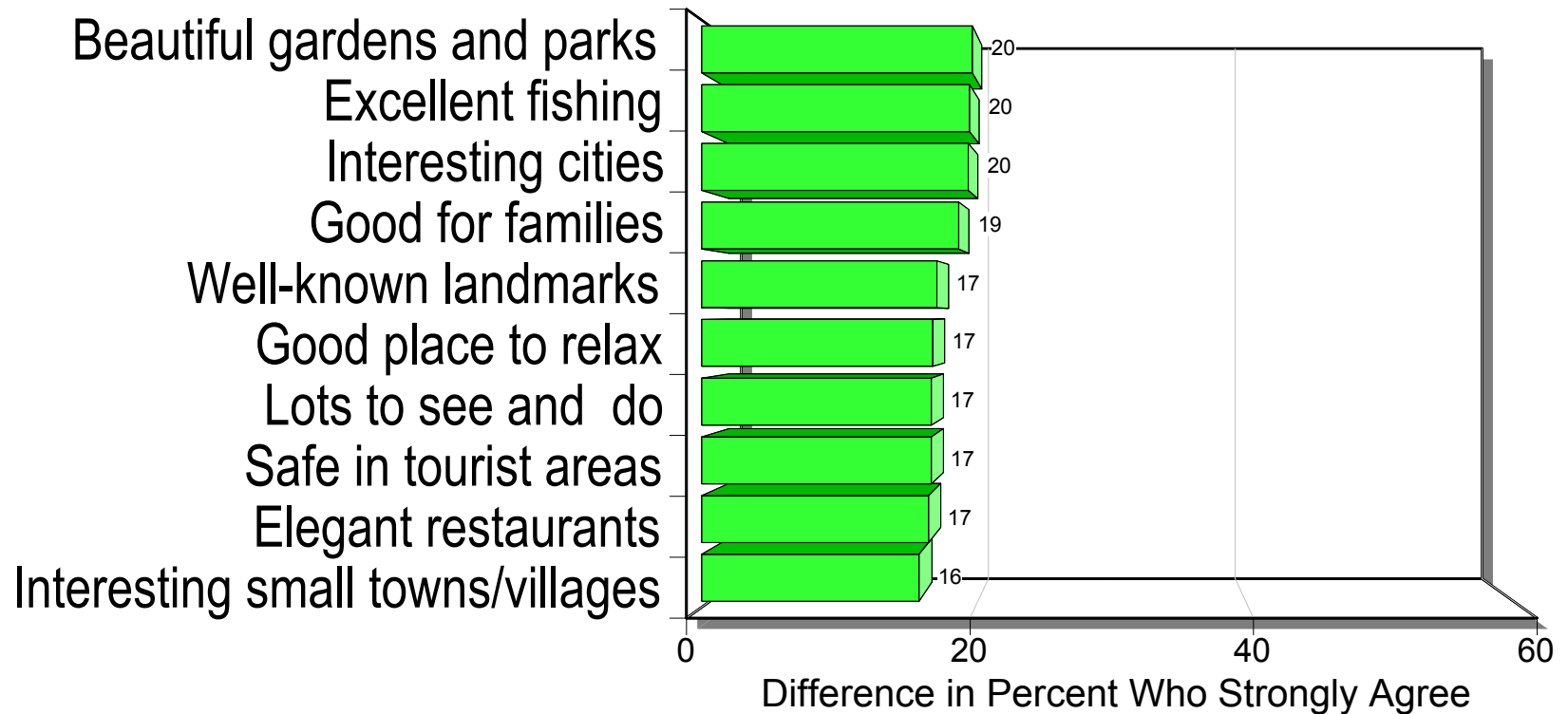
# Colorado's Image Strengths vs. the U.S. Norm



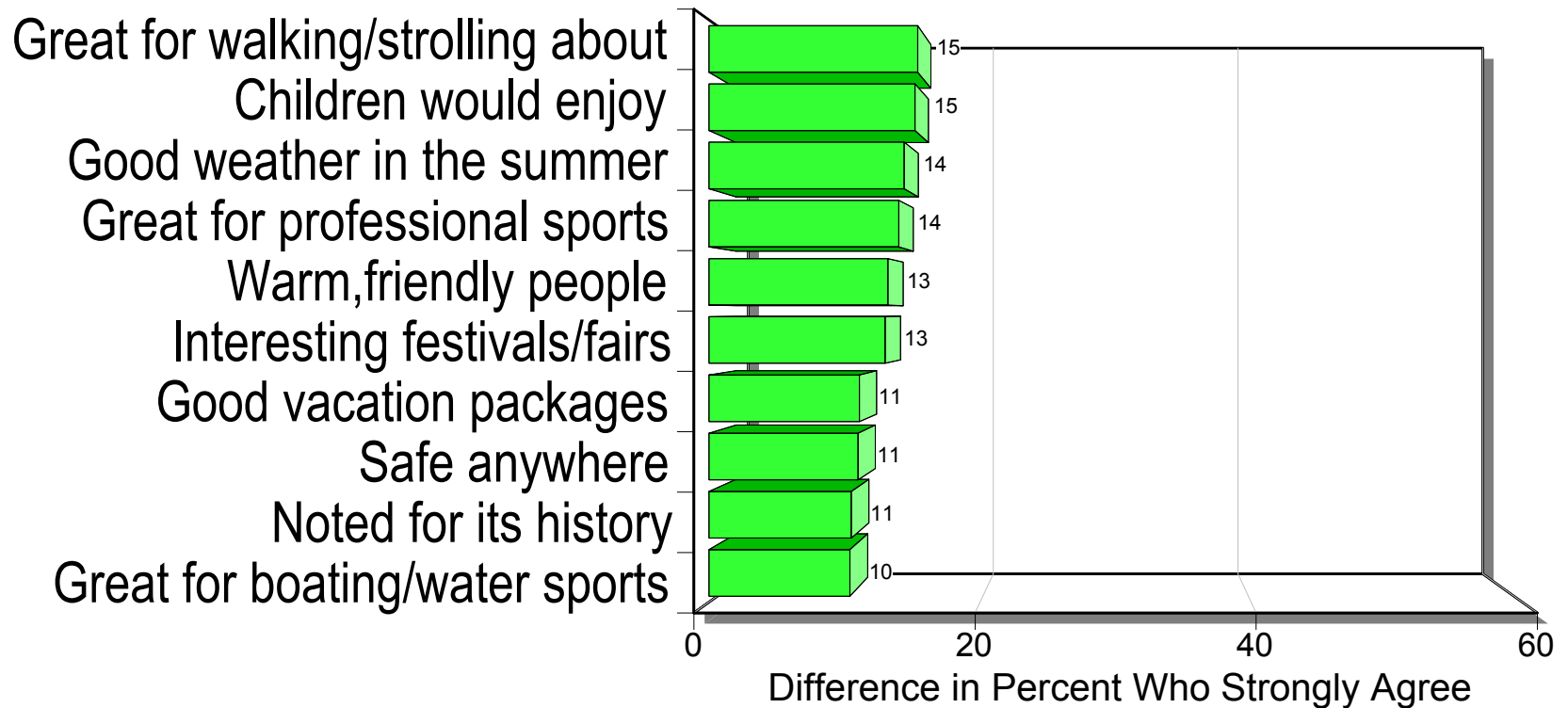
# Colorado's Image Strengths vs. the U.S. Norm (Cont'd)



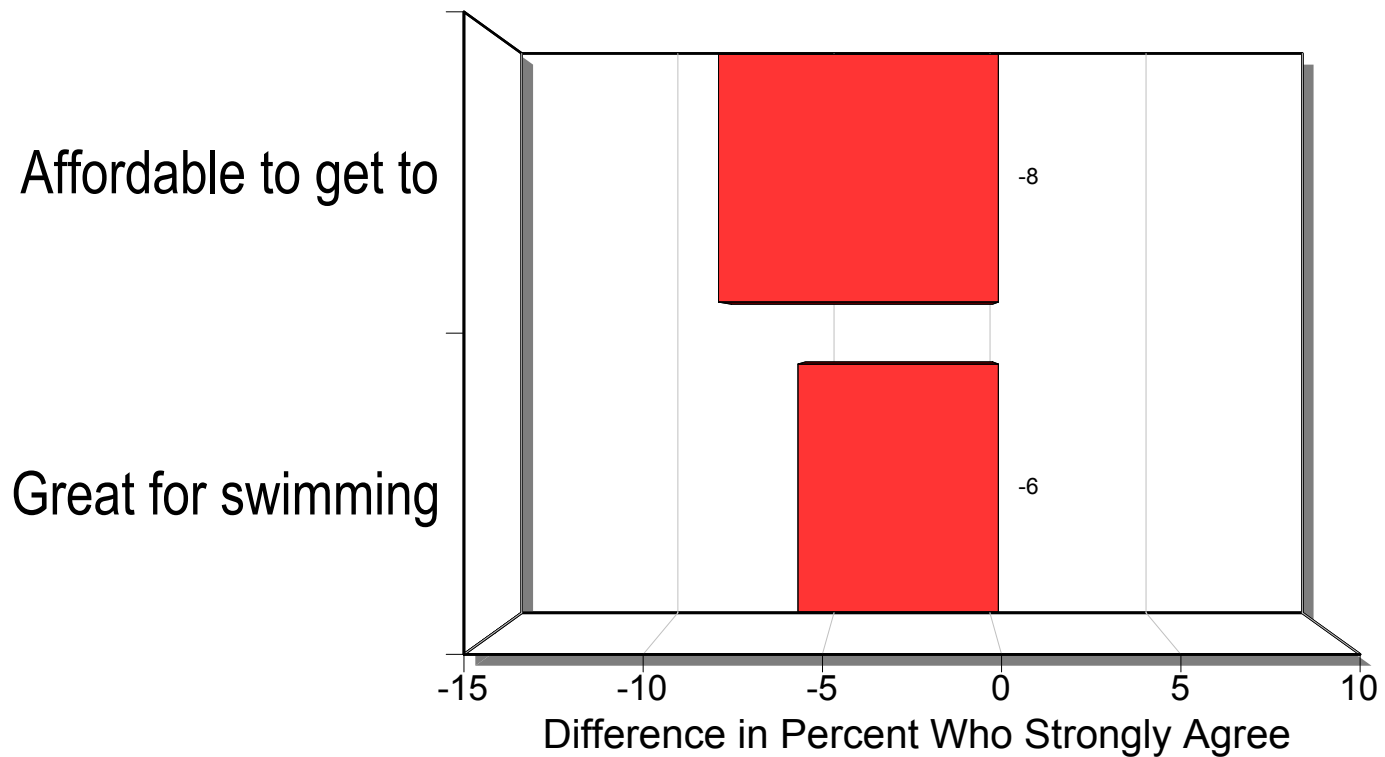
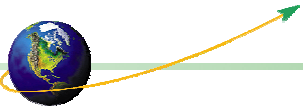
# Colorado's Image Strengths vs. the U.S. Norm (Cont'd)



# Colorado's Image Strengths vs. the U.S. Norm (Cont'd)

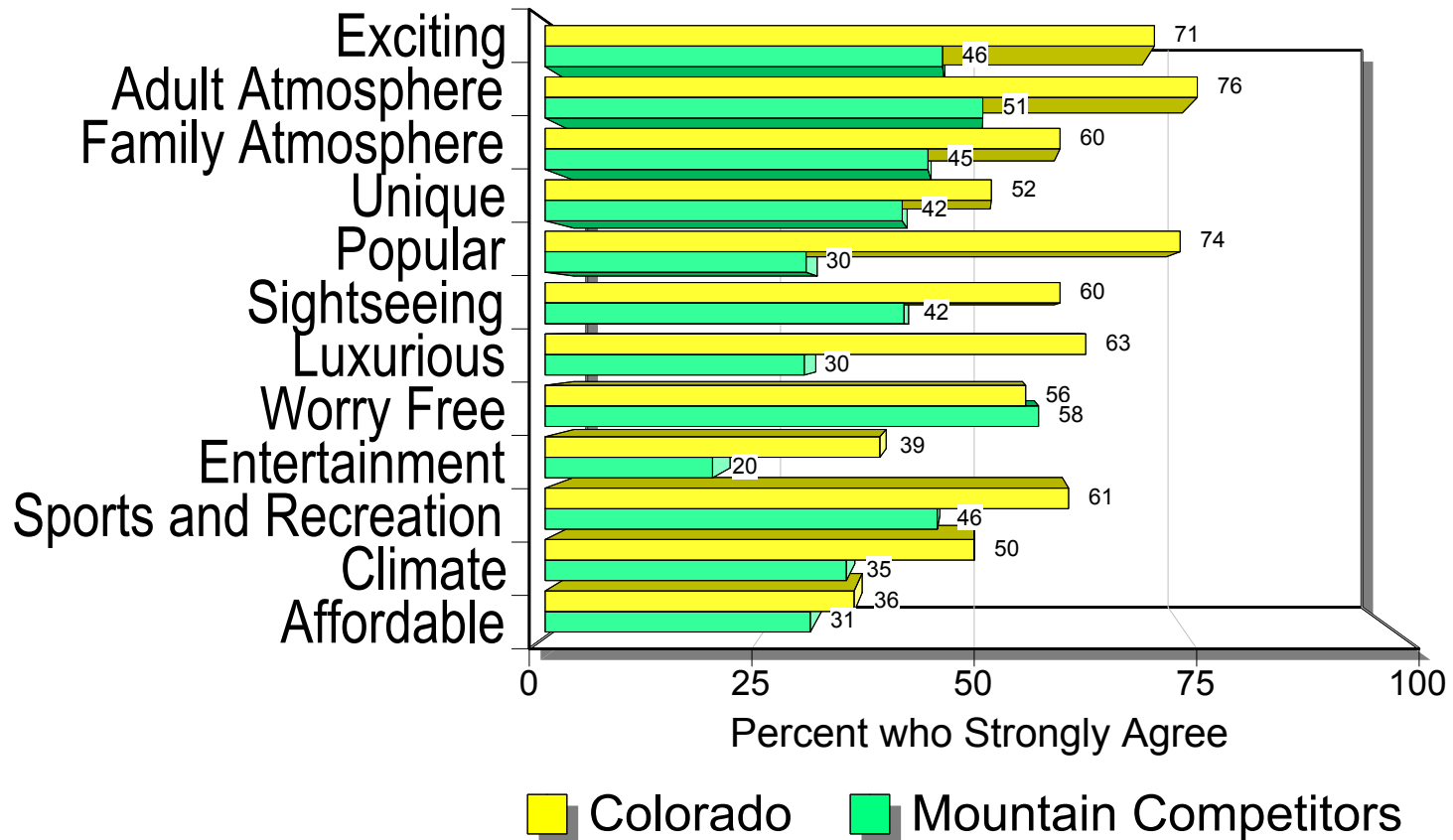
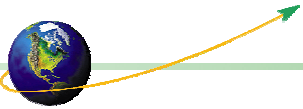


# Colorado's Image Weaknesses vs. the U.S. Norm



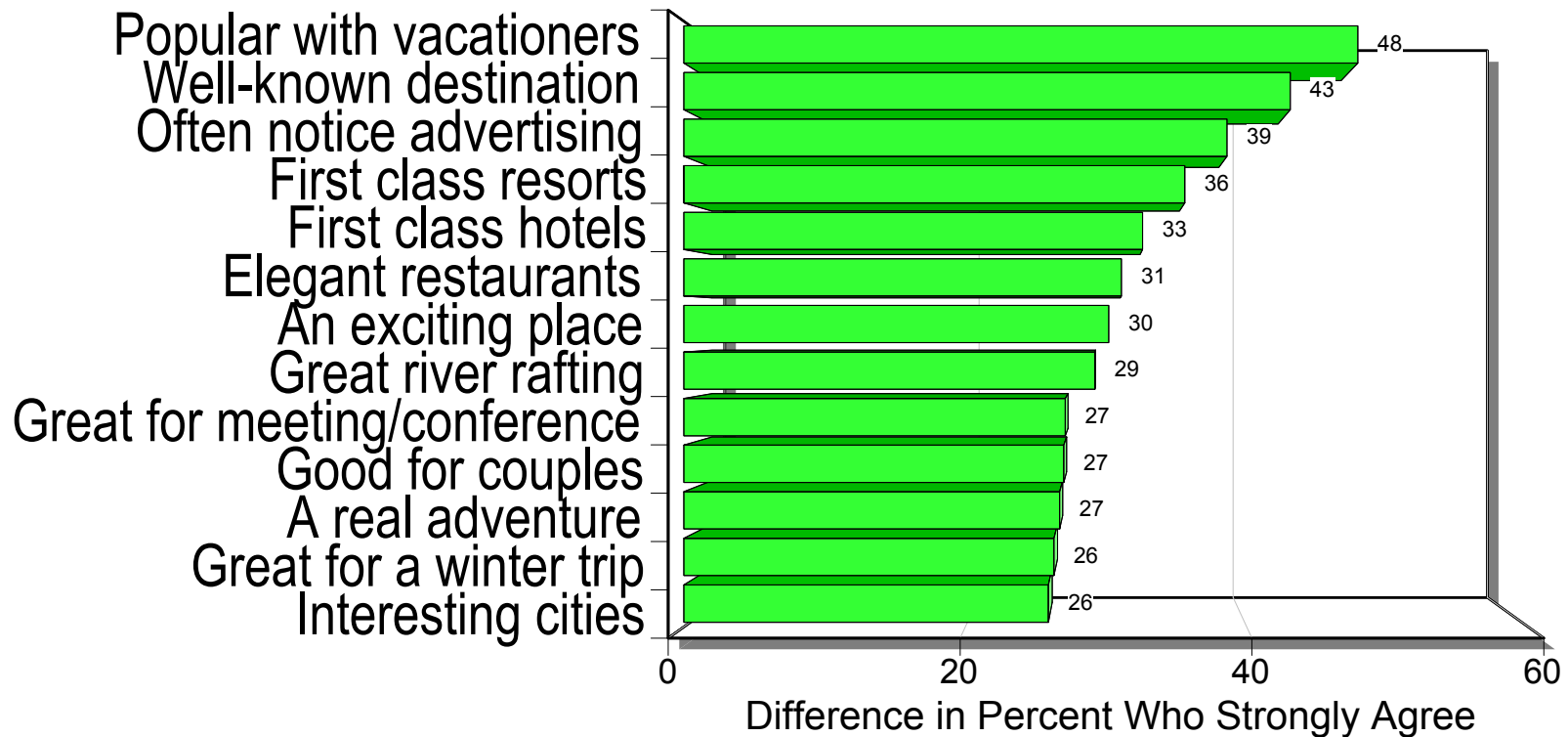


# Colorado's Image vs. Mountain Competitors\*

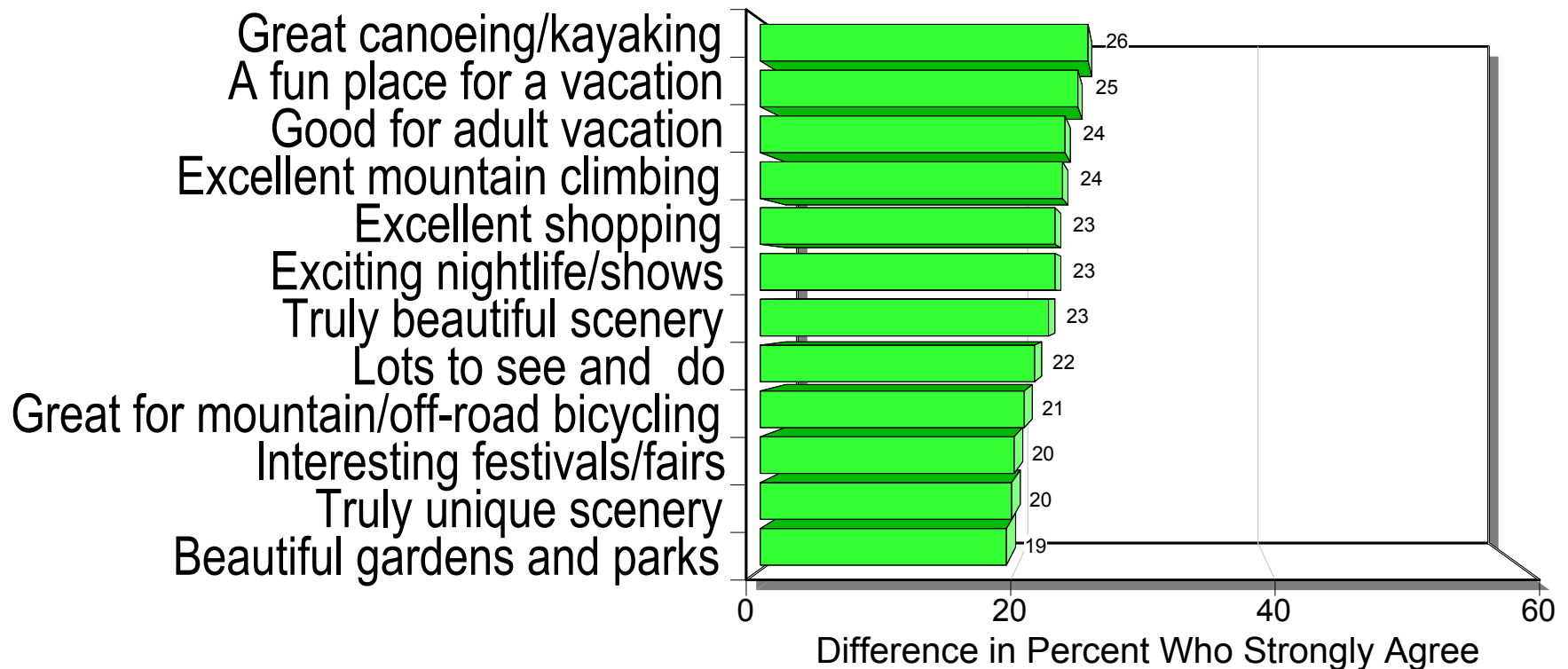


\* Montana, Utah, Wyoming, Idaho

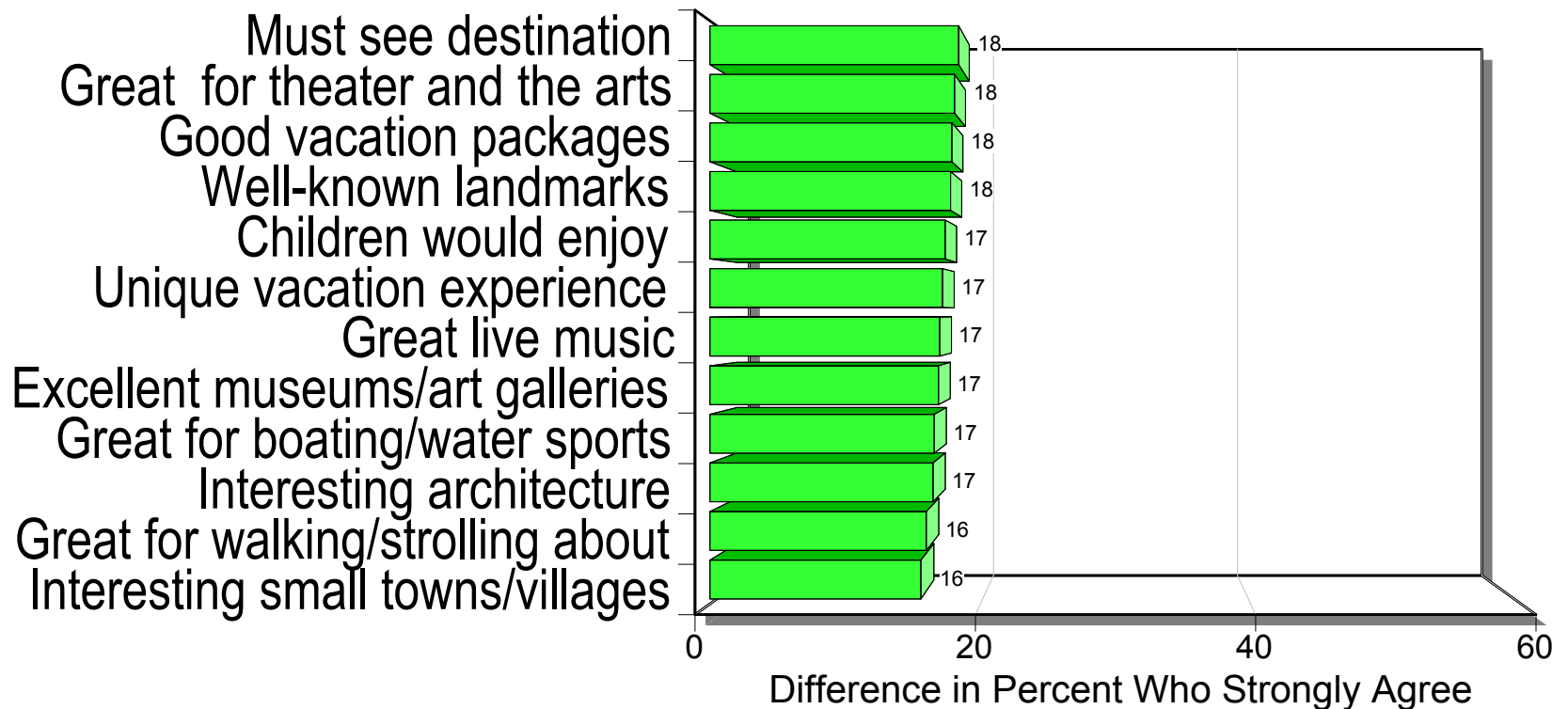
# Colorado's Image Strengths vs. Mountain Competitors



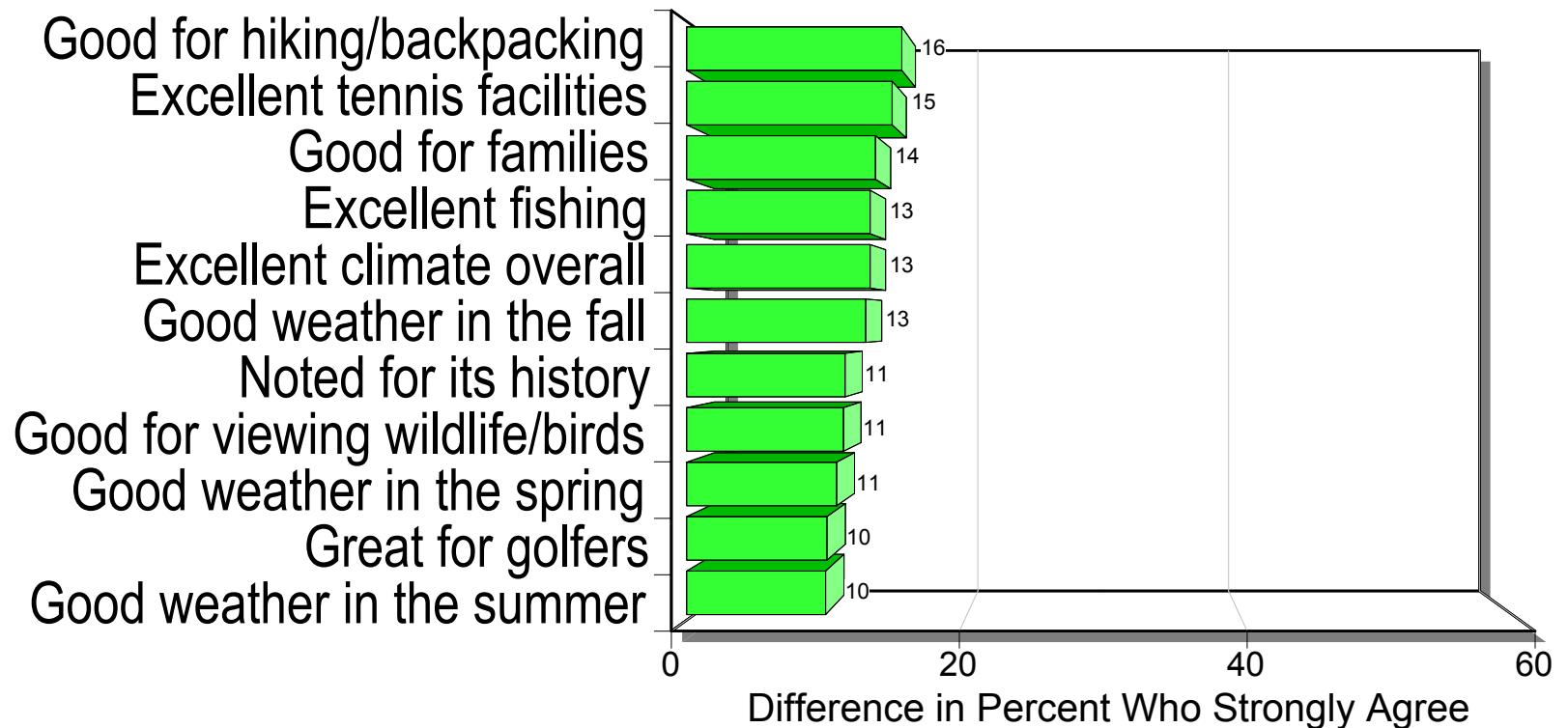
# Colorado's Image Strengths vs. Mountain Competitors (Cont'd)



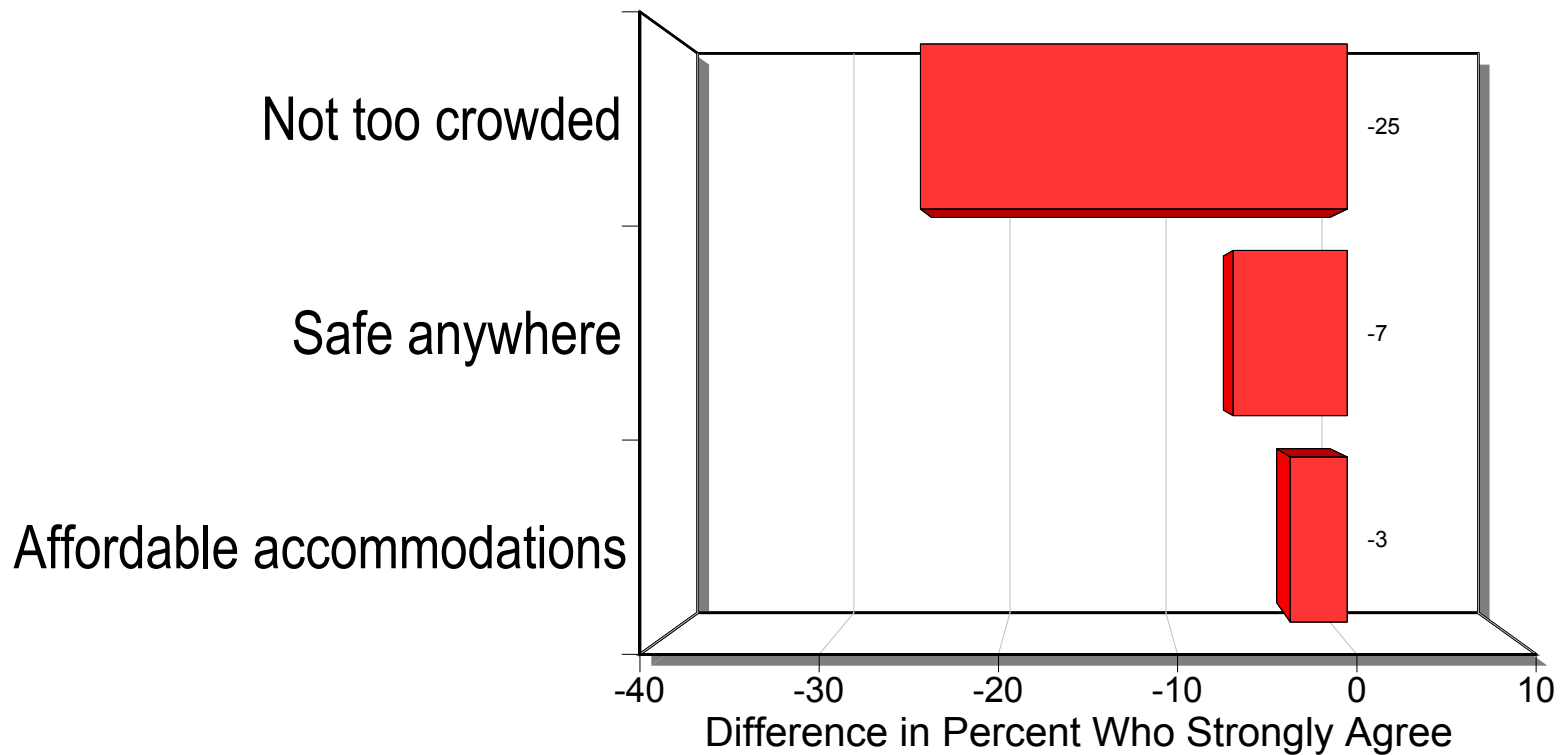
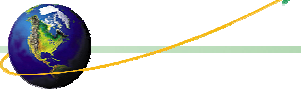
# Colorado's Image Strengths vs. Mountain Competitors (Cont'd)



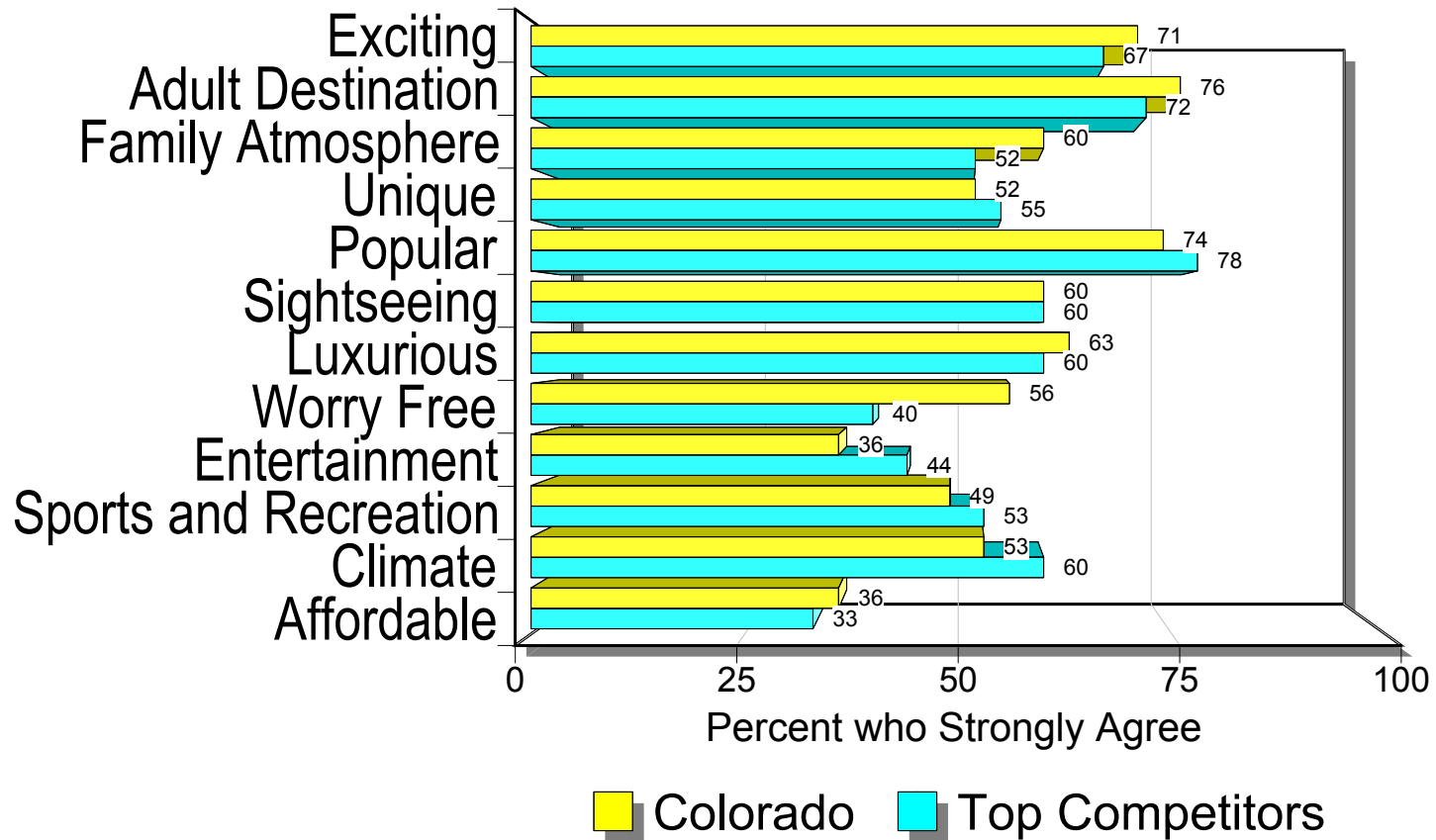
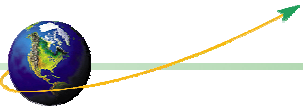
# Colorado's Image Strengths vs. Mountain Competitors (Cont'd)



# Colorado's Image Weaknesses vs. Mountain Competitors

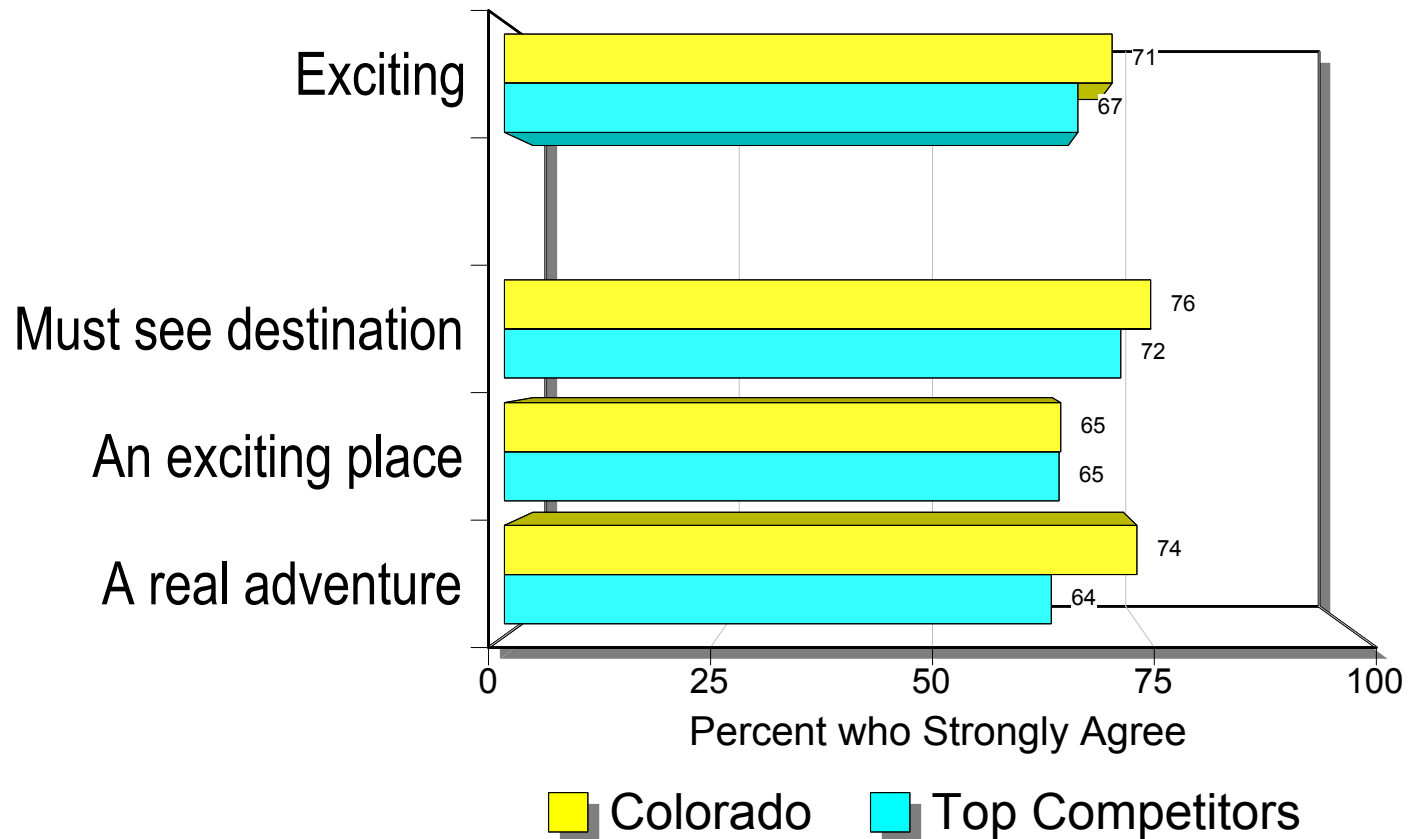


# Colorado's Image vs. The Top Competition\*



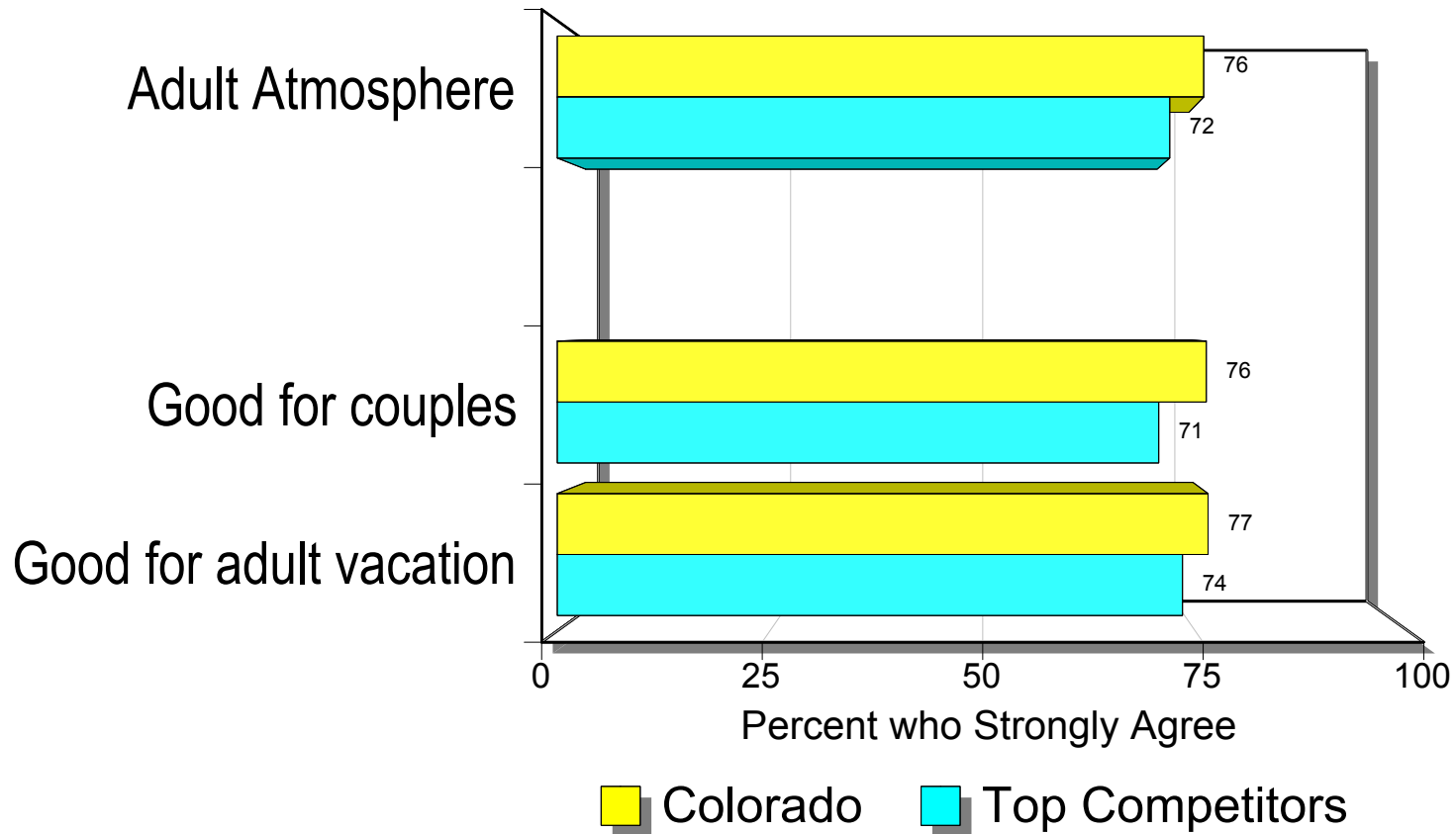
\* California, New York, Florida, Hawaii and Alaska

# Colorado's Image — Exciting

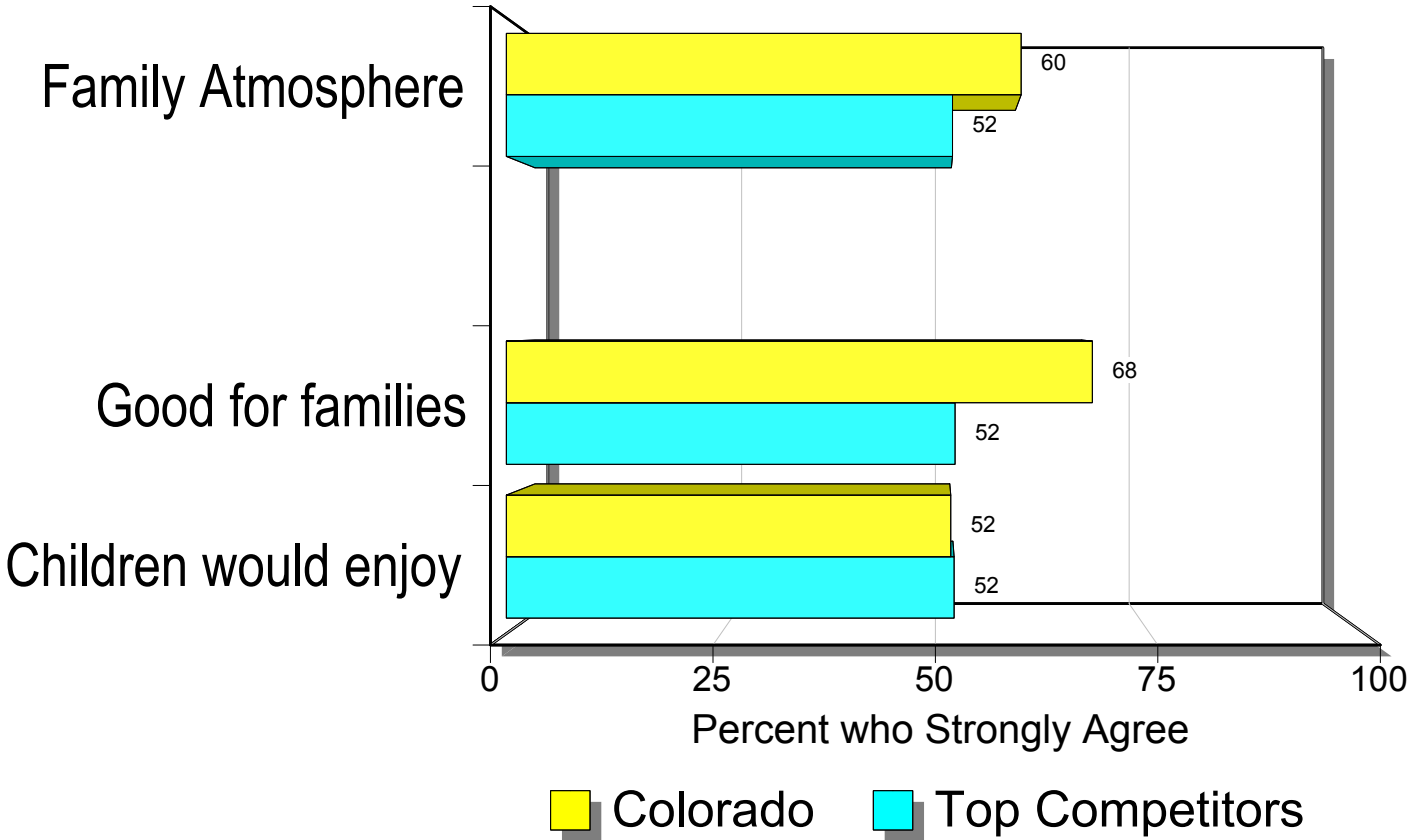
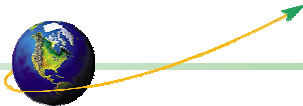




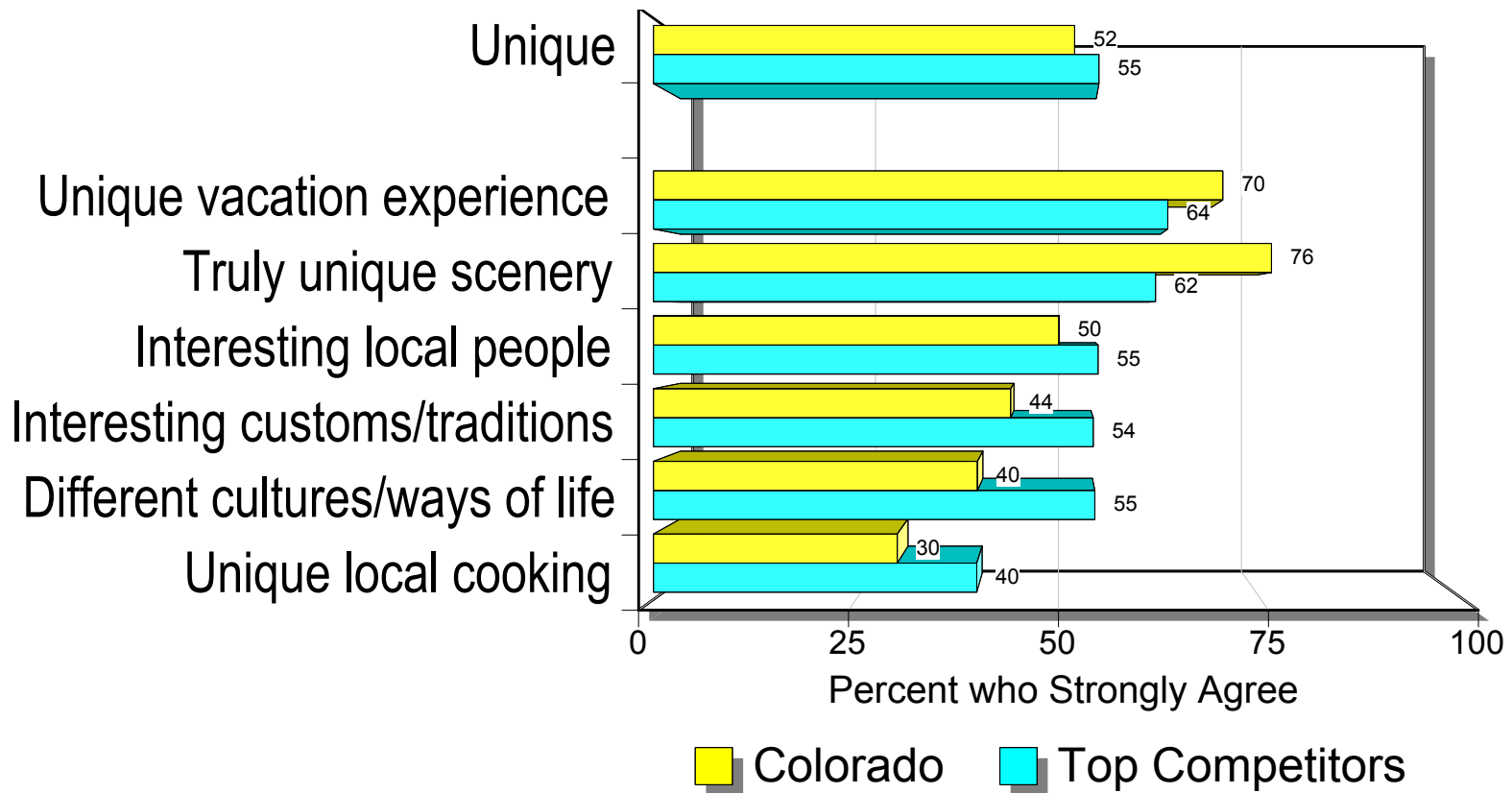
# Colorado's Image — Adult Destination



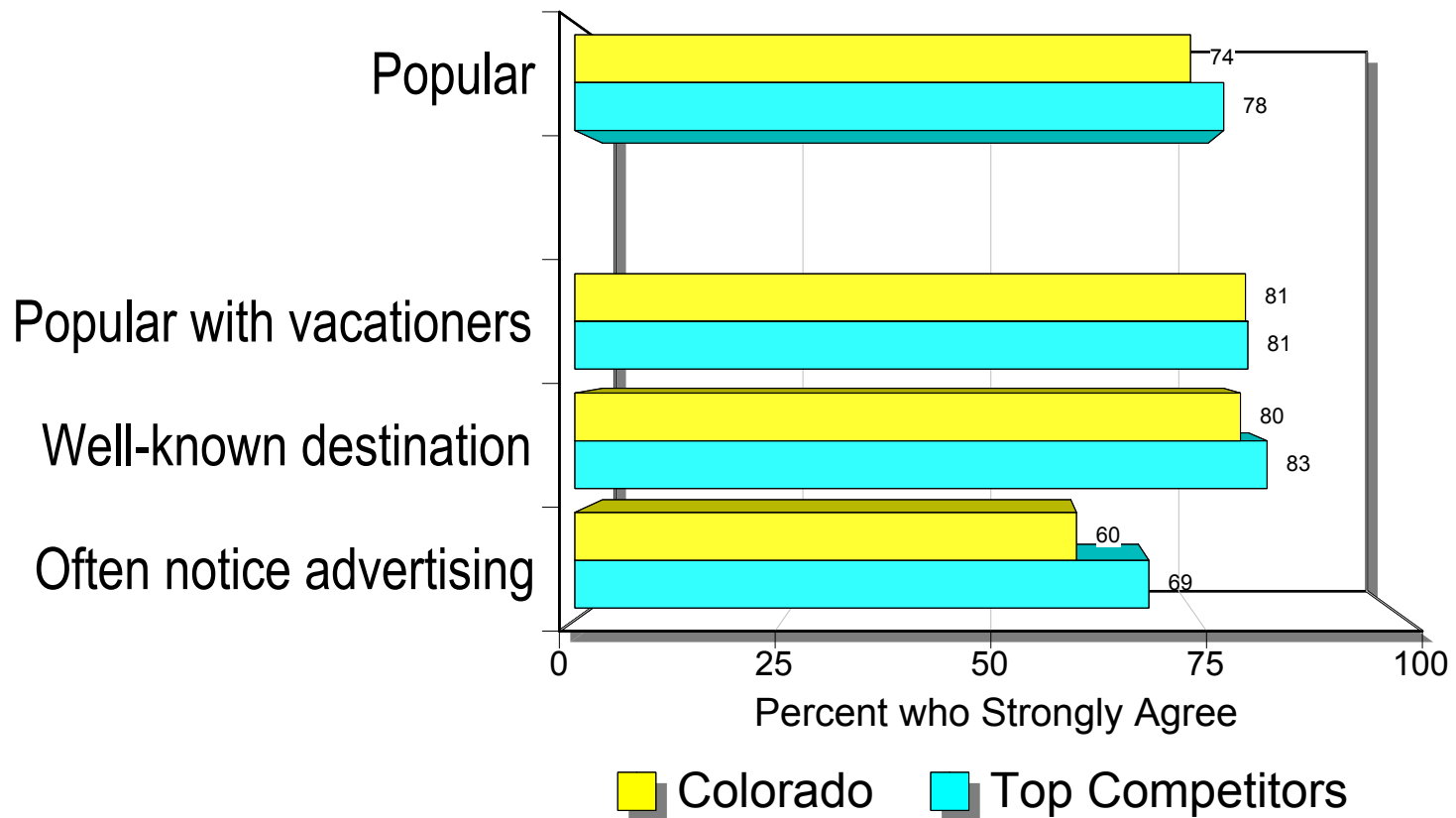
# Colorado's Image — Family Atmosphere



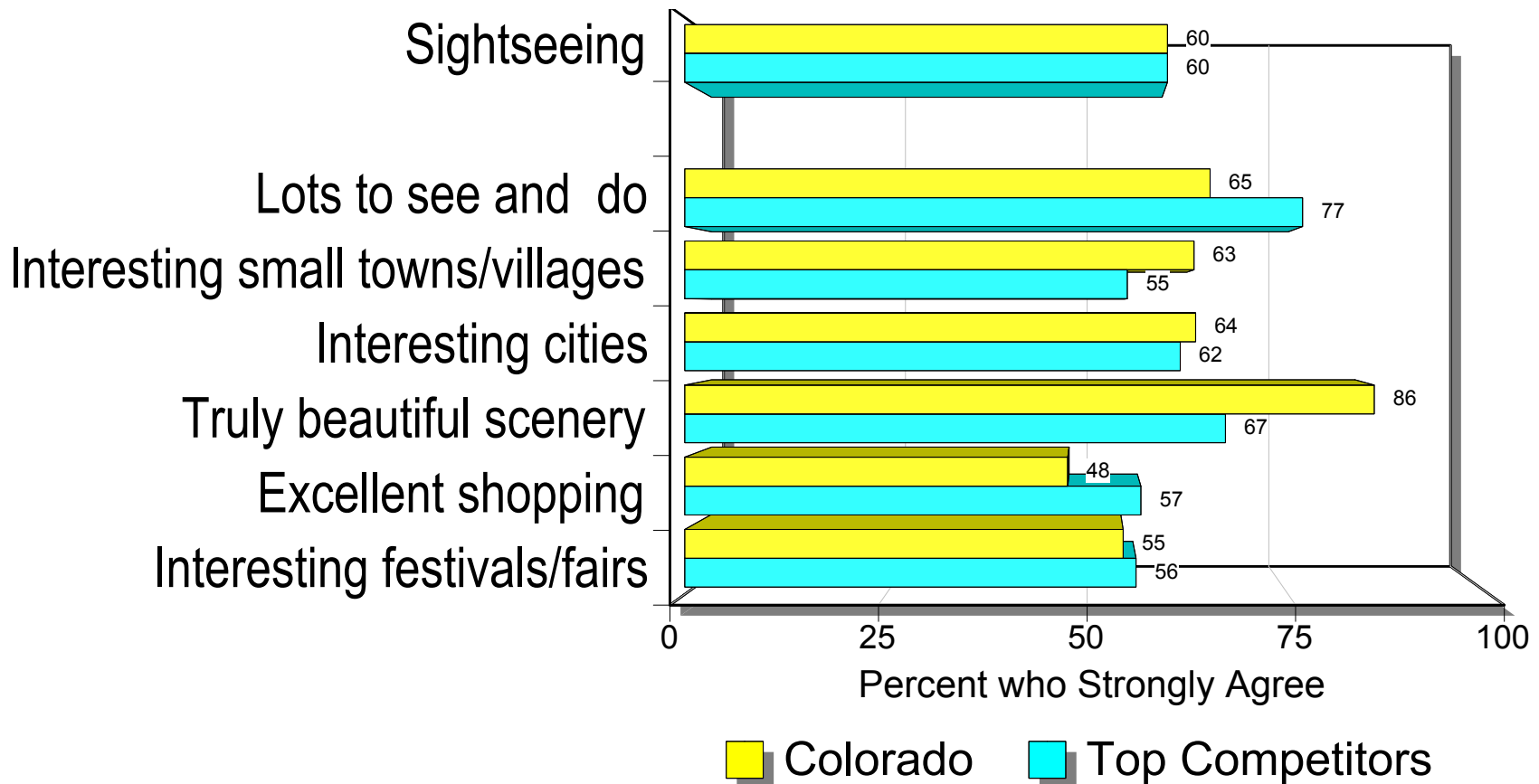
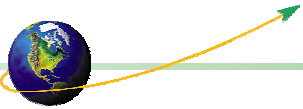
# Colorado's Image — Unique



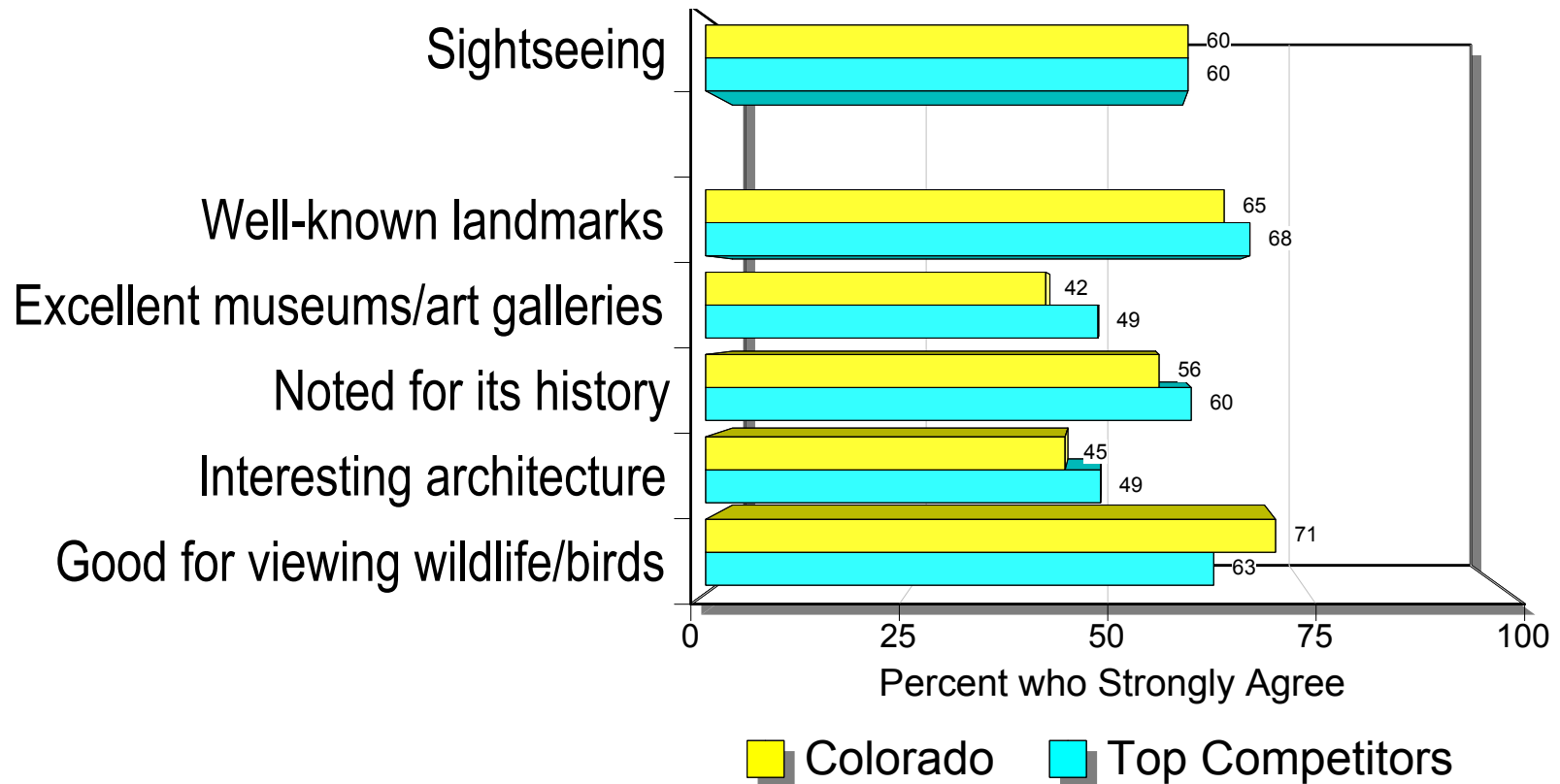
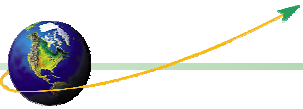
# Colorado's Image — Popular



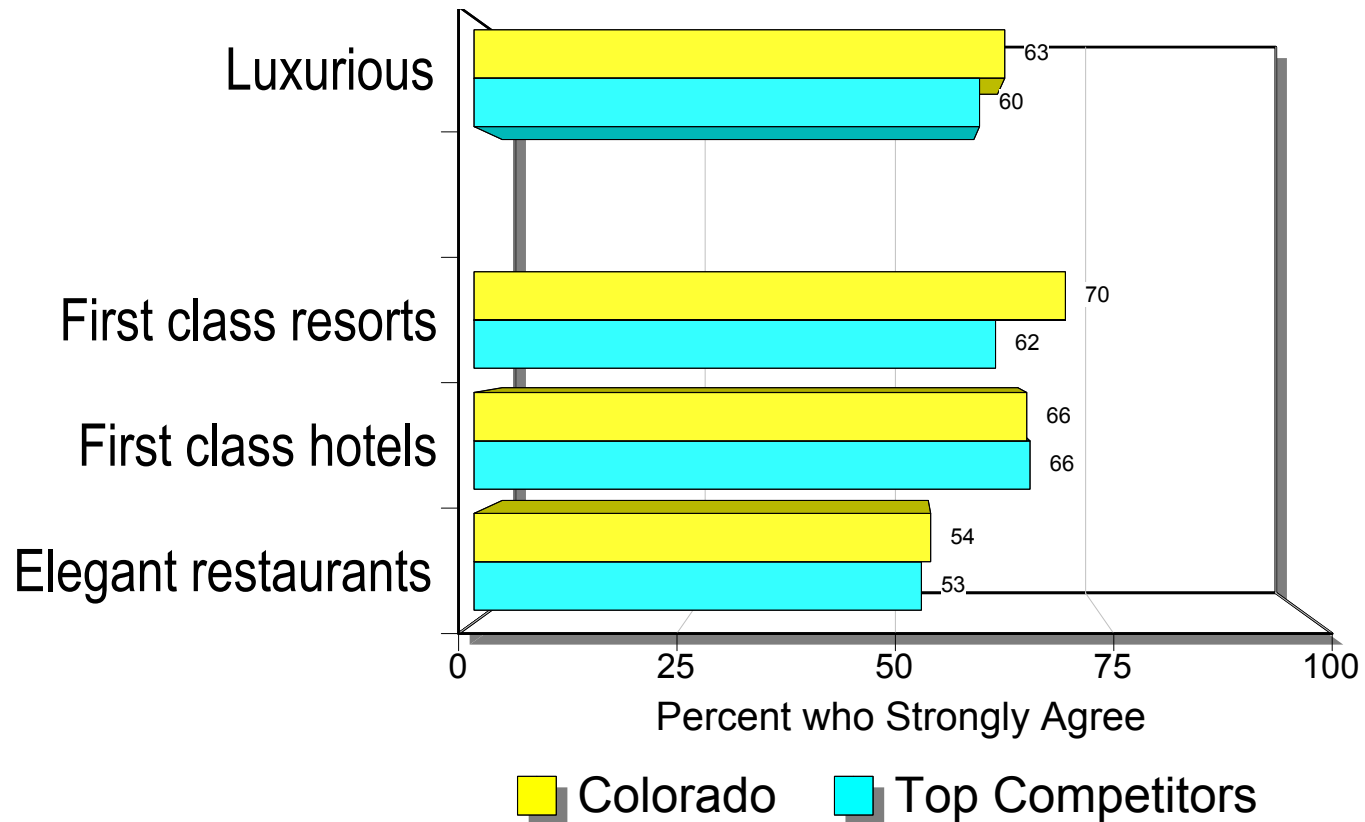
# Colorado's Image — Sightseeing



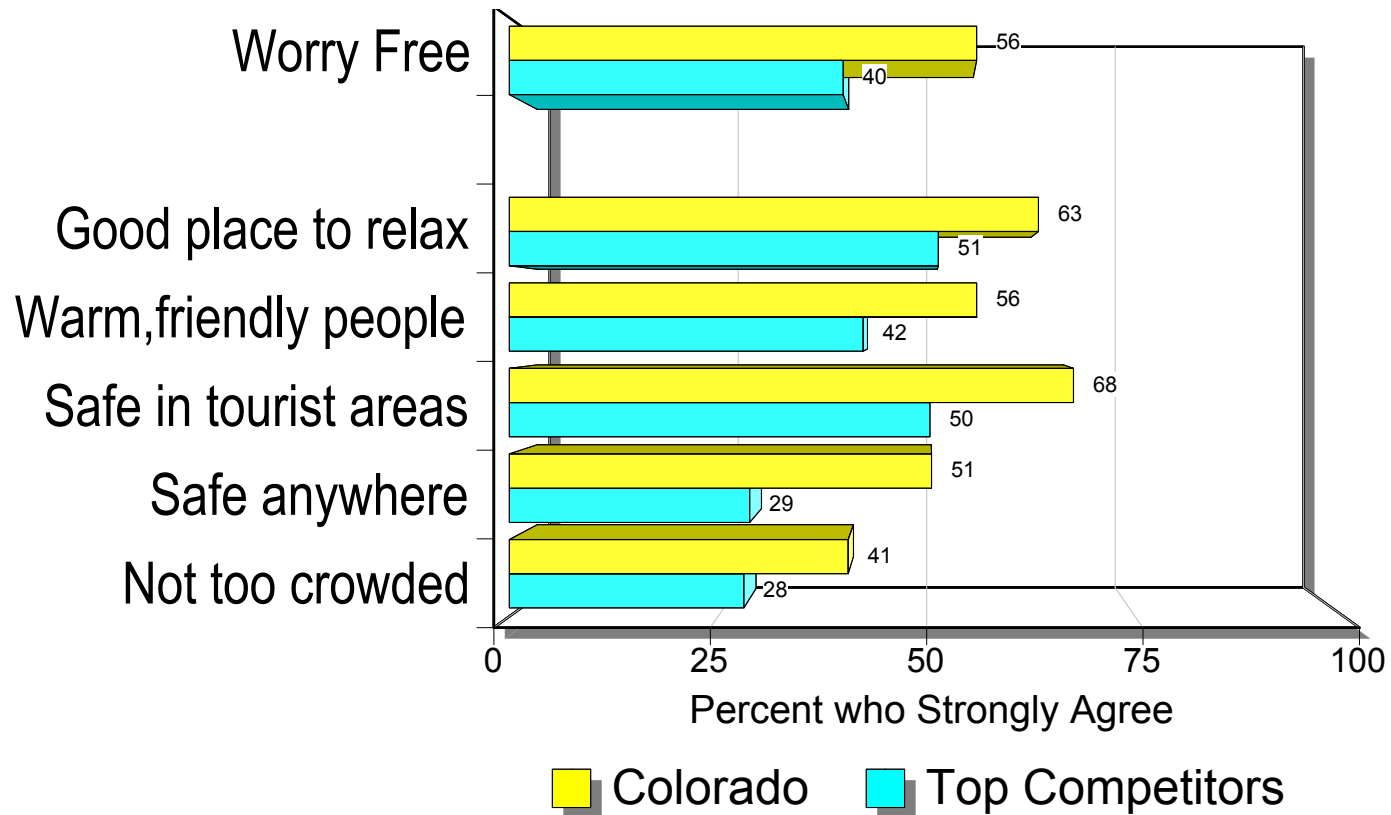
# Colorado's Image — Sightseeing (Cont'd)



# Colorado's Image — Luxurious

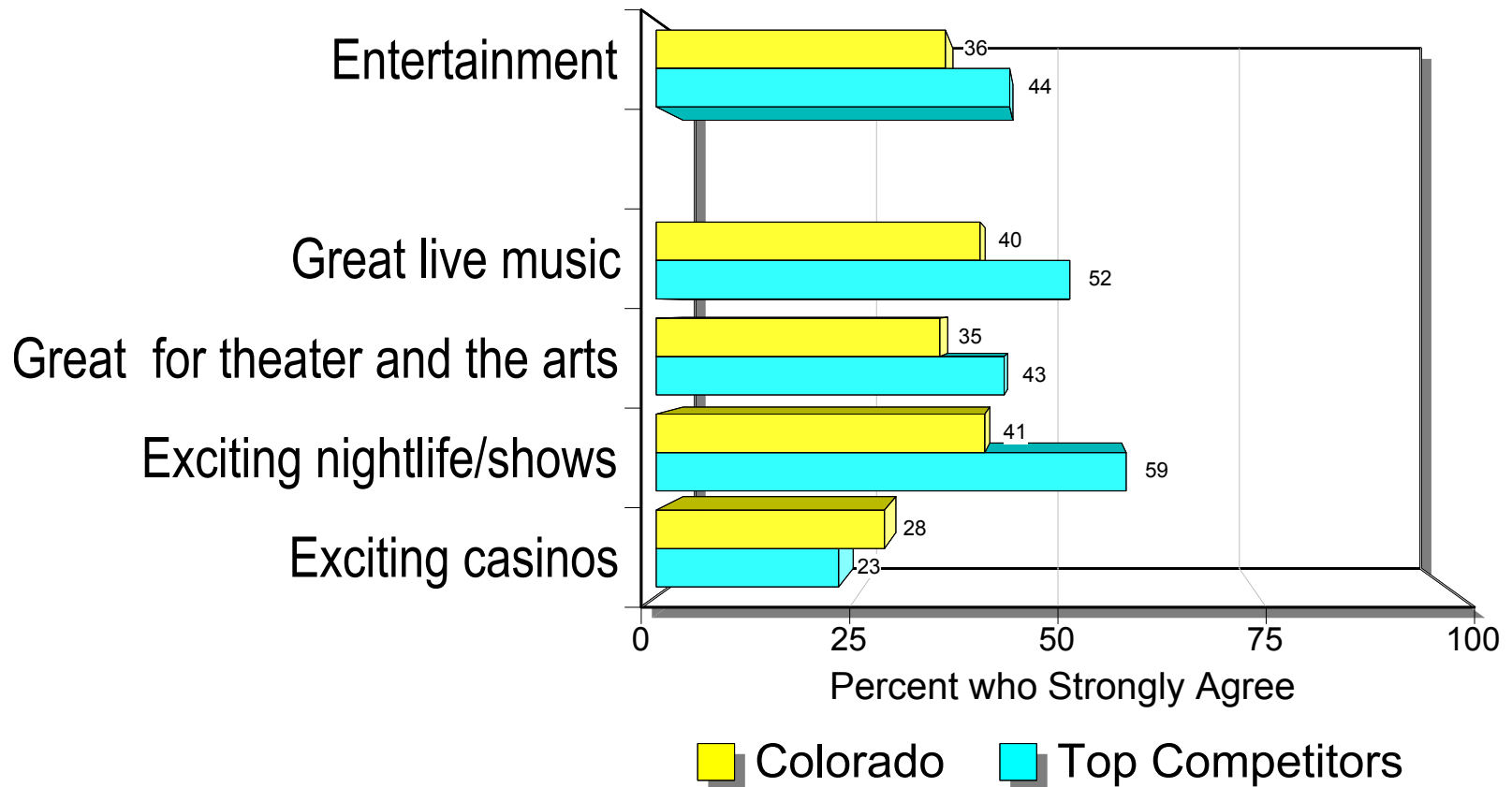
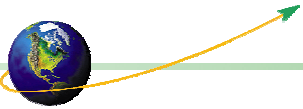


# Colorado's Image — Worry Free

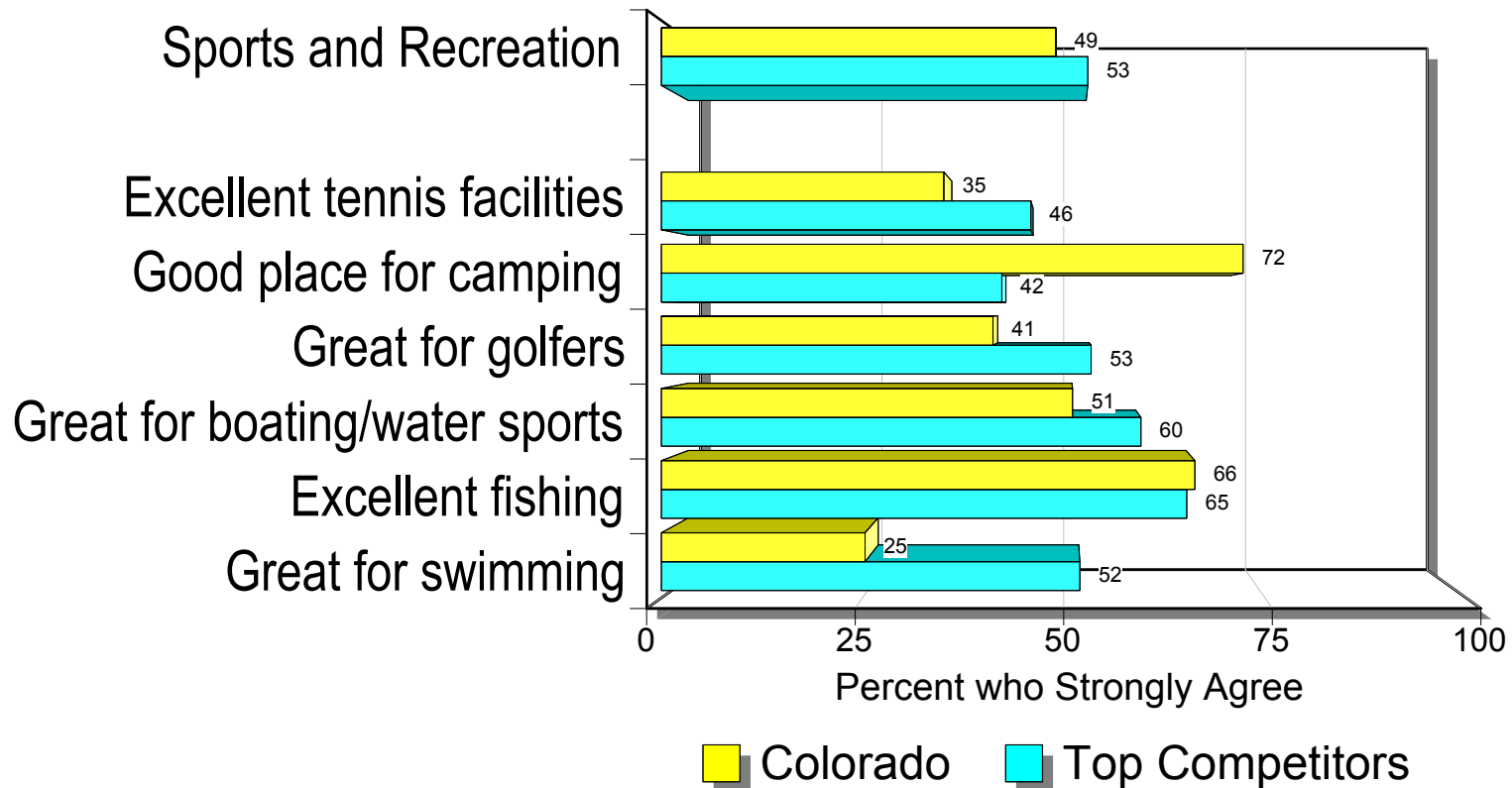




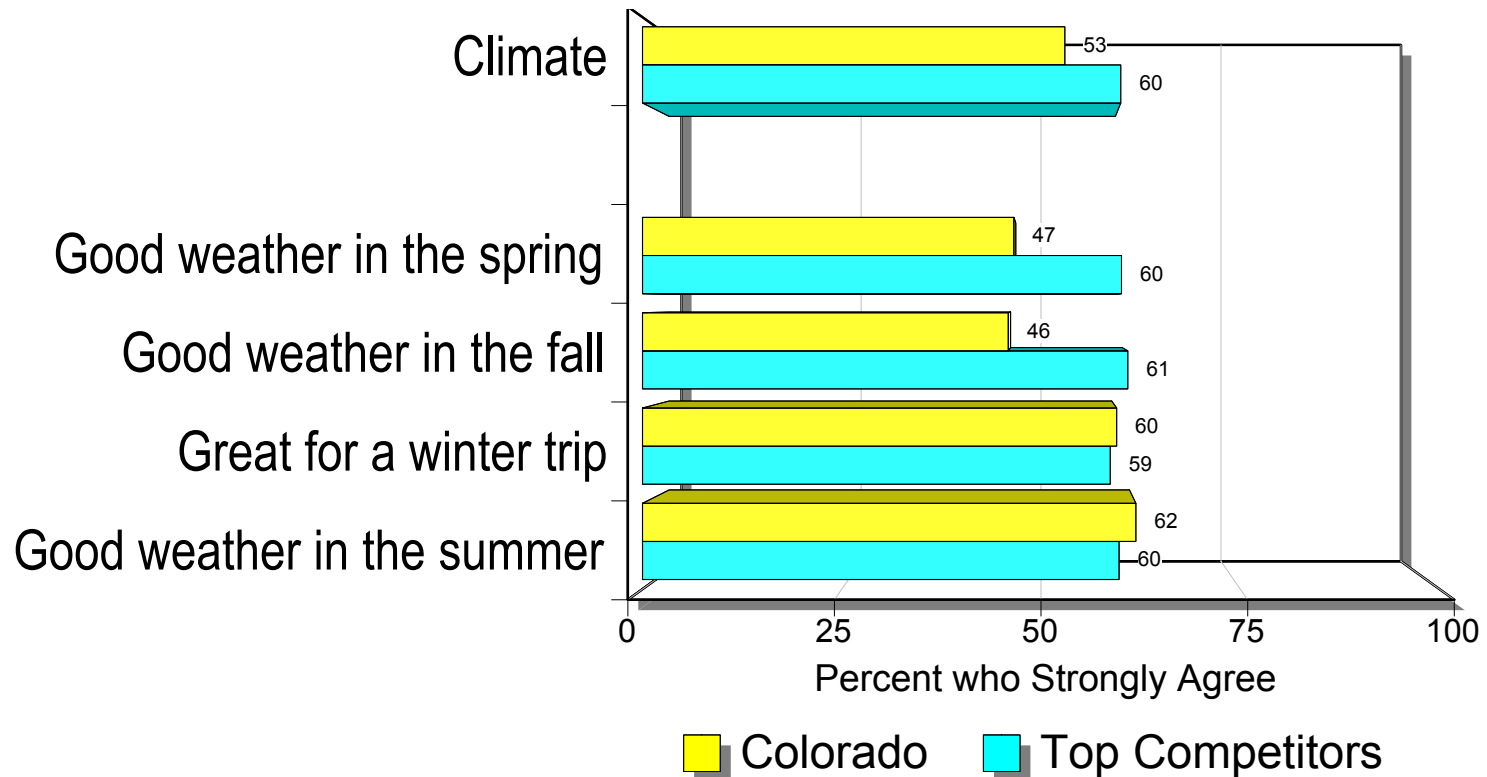
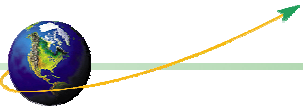
# Colorado's Image — Entertainment



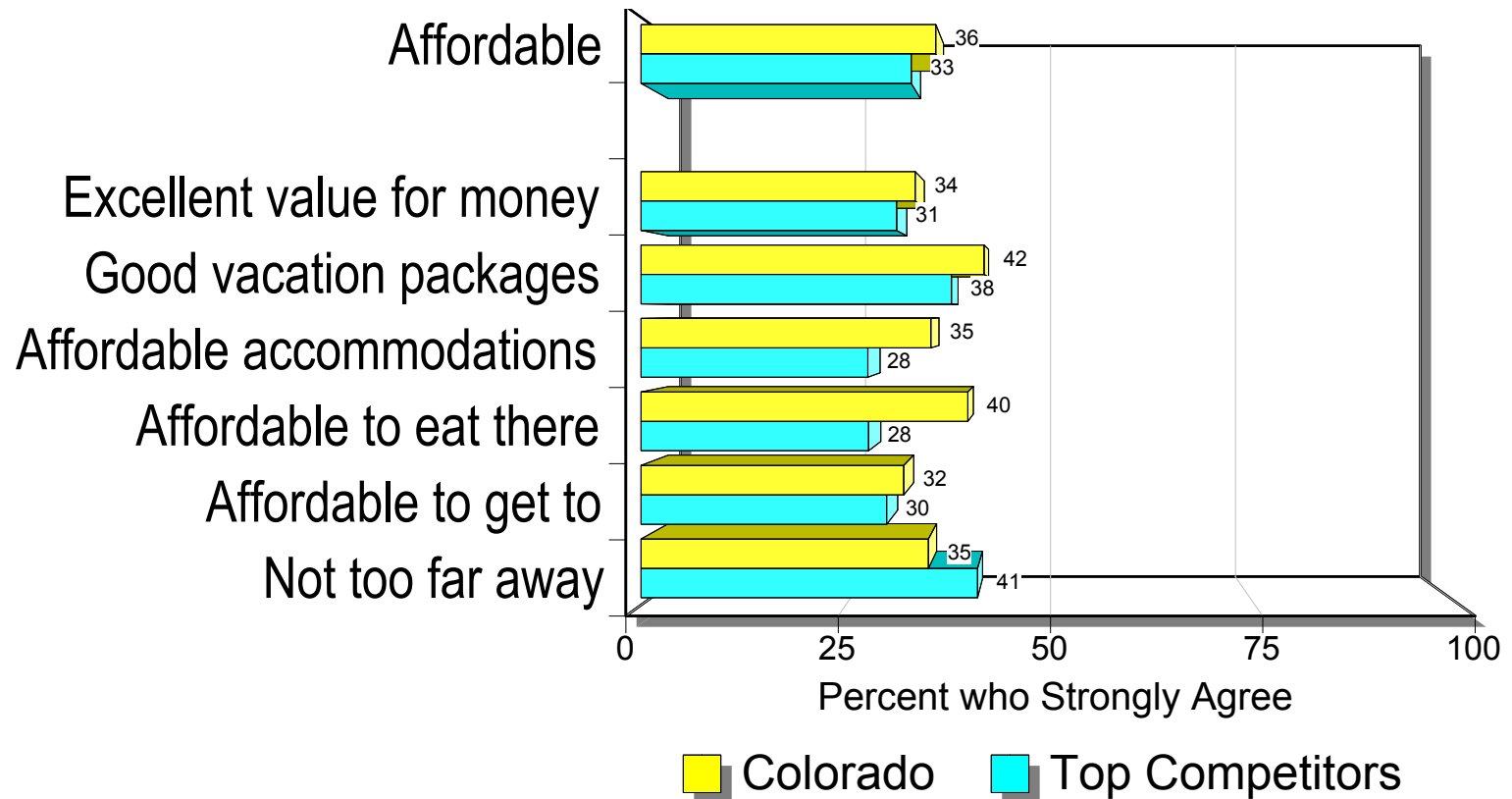
# Colorado's Image — Sports & Recreation



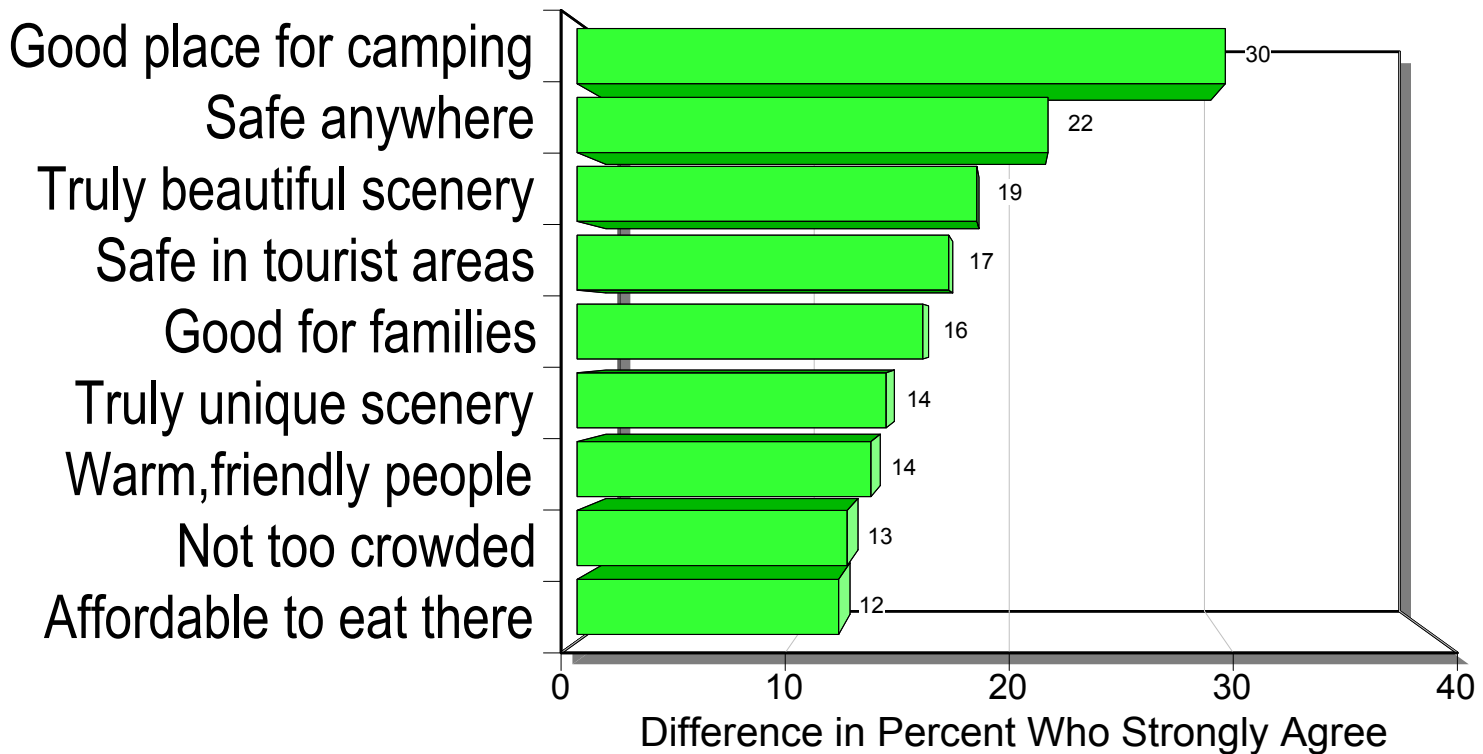
# Colorado's Image — Climate



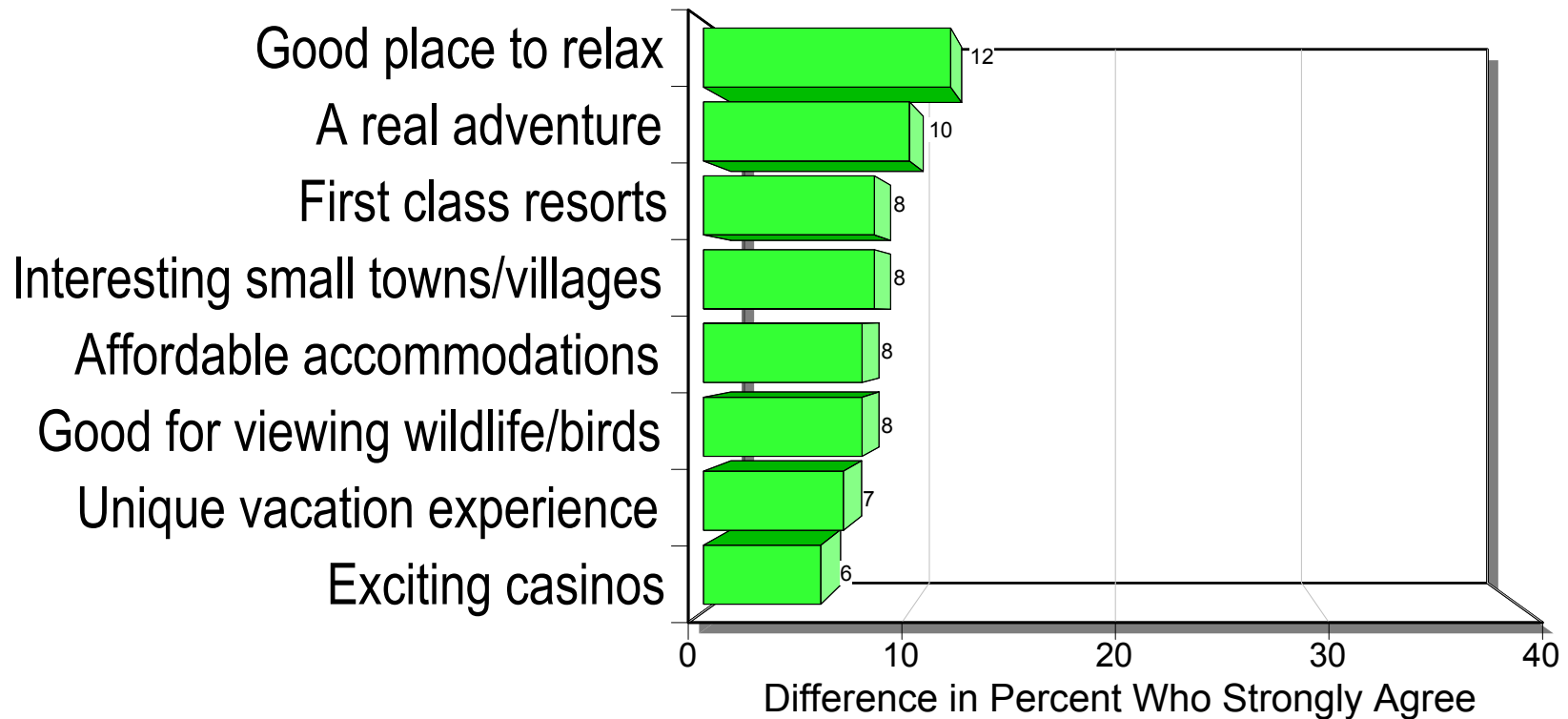
# Colorado's Image — Affordable



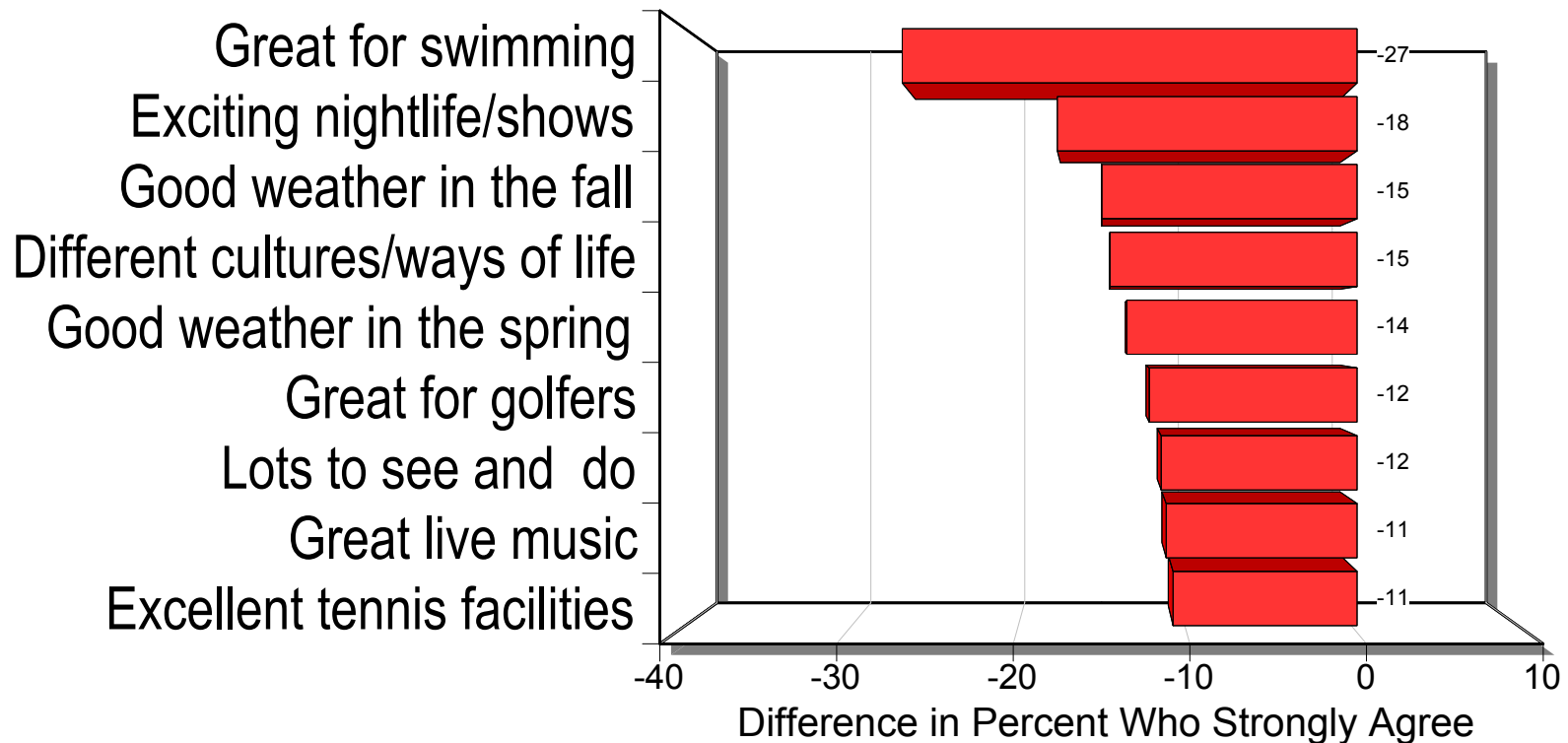
# Colorado's Image Strengths vs. the Top Competition



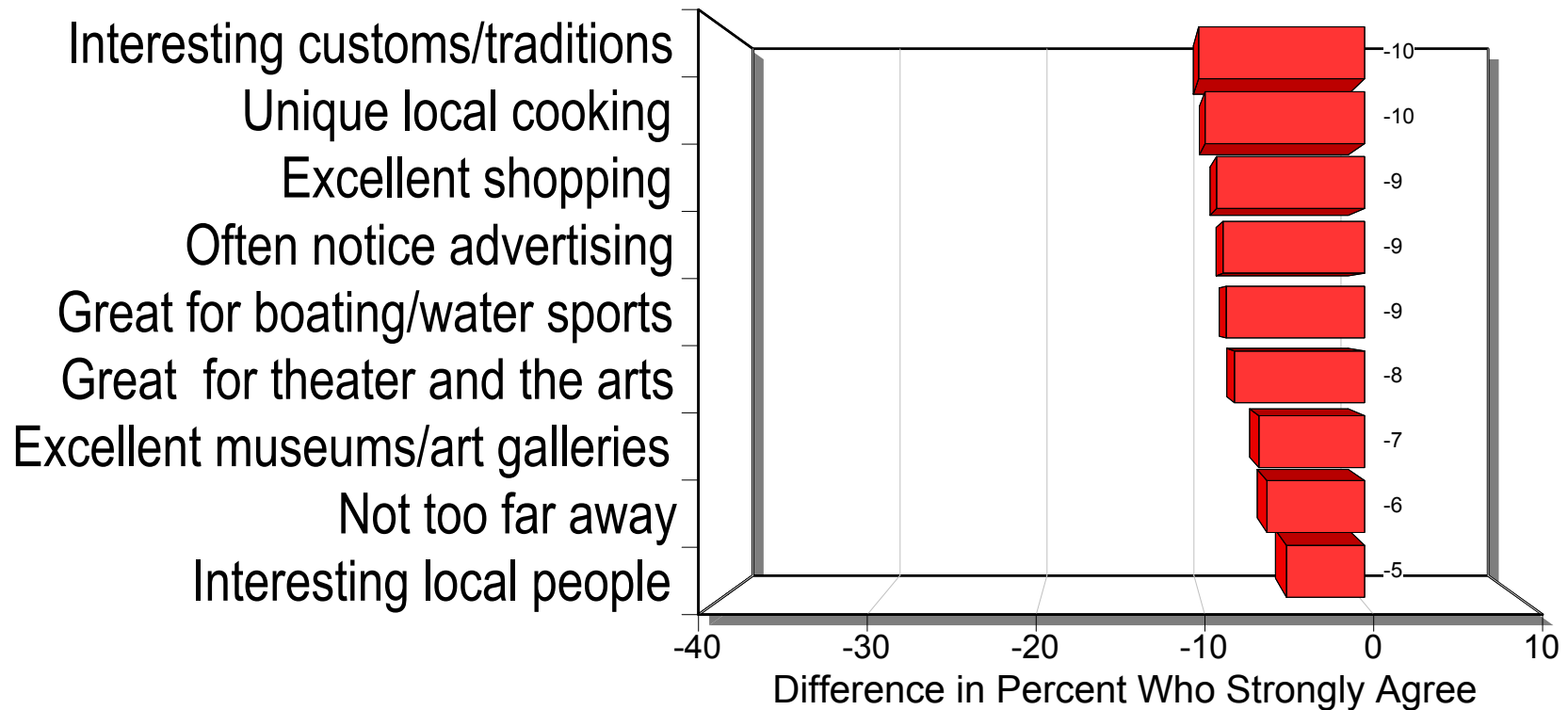
# Colorado's Image Strengths vs. the Top Competition (Cont'd)



# Colorado's Image Weaknesses vs. the Top Competition



# Colorado's Image Weaknesses vs. the Top Competition (Cont'd)





# Colorado's Most Important Specific Image Strengths



## Wish List Stage

1. Beautiful/unique scenery
2. Good for families
3. Warm, friendly people
4. Good place to relax
5. A real adventure
6. First class resorts
7. Interesting towns/villages
8. Unique vacation experience

## Closing the Sale

1. Good for families
2. Good place to relax
3. A real adventure
4. First class resorts
5. Interesting towns/villages

# Most Important Specific Weaknesses/Barriers to Choosing Colorado



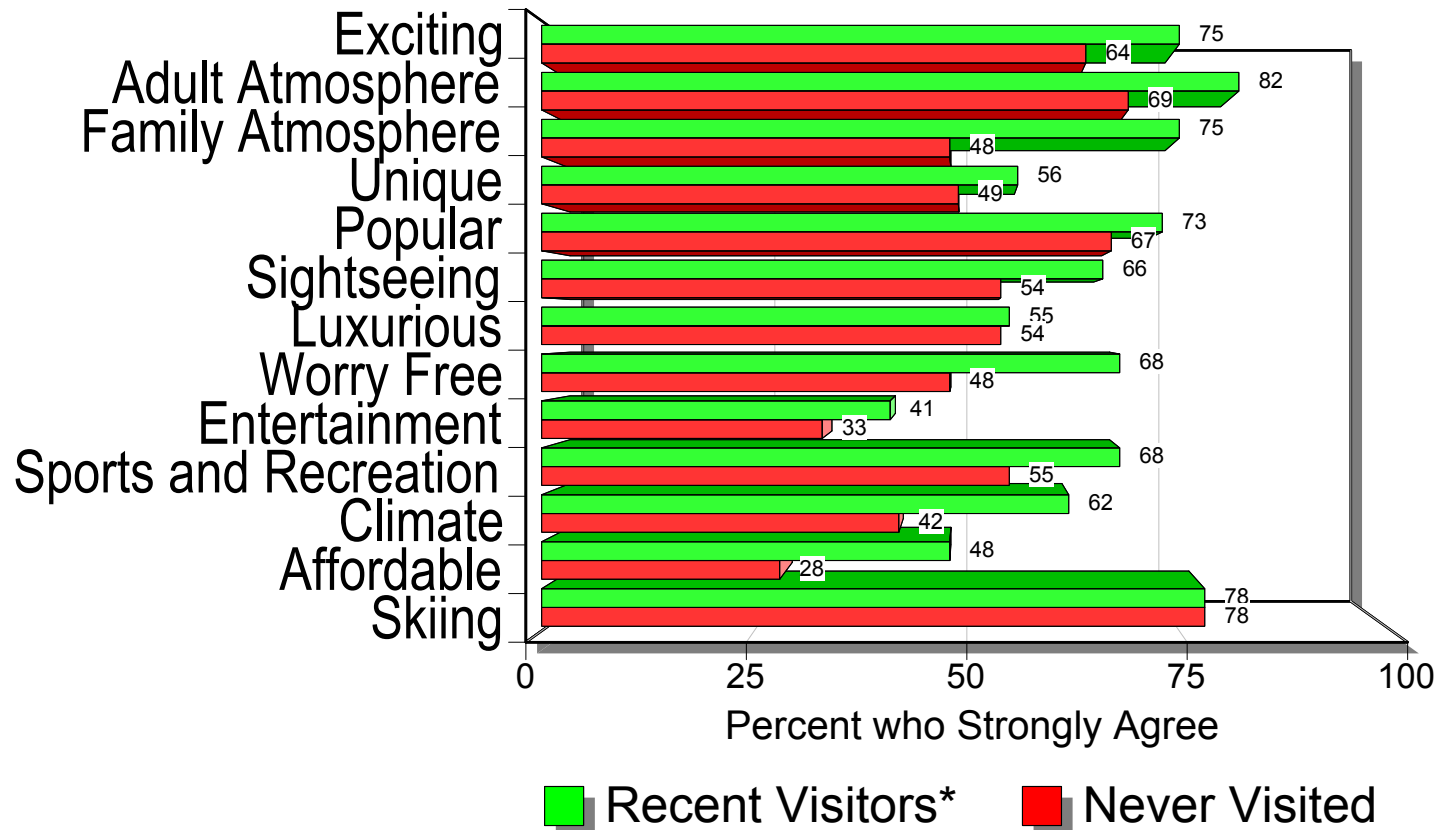
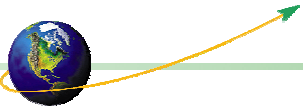
## Wish List Stage

1. Lots to see and do
2. Great live music
3. Excellent shopping
4. Excellent museums/galleries
5. Interesting local people

## Closing the Sale

1. Lots to see and do
2. Great live music
3. Often notice advertising
4. Great for theater & the arts
5. Excellent museums/galleries
6. Not too far away

# Colorado's Product vs. Image

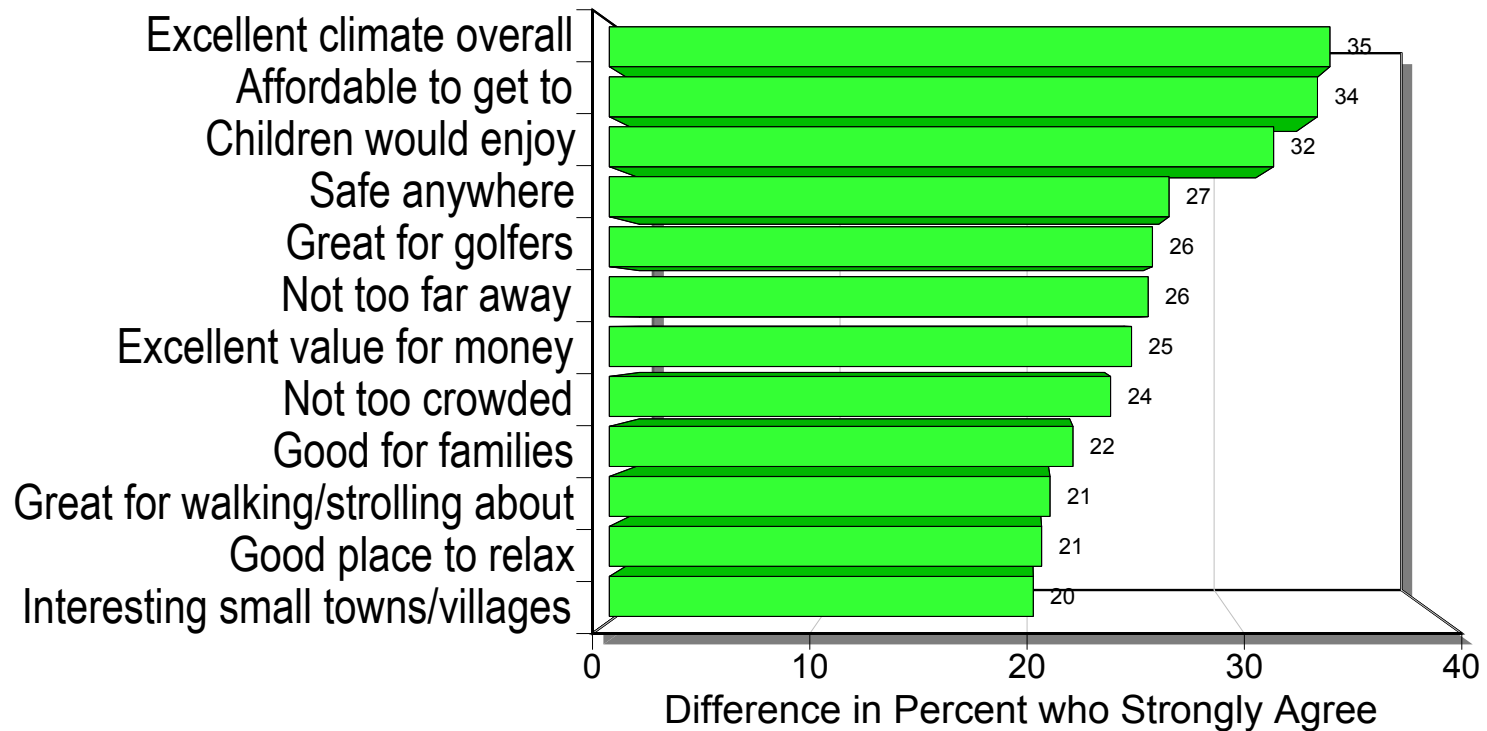


\* Recent Visitors from 2001 Visitor Study

# Product Strengths vs. Image



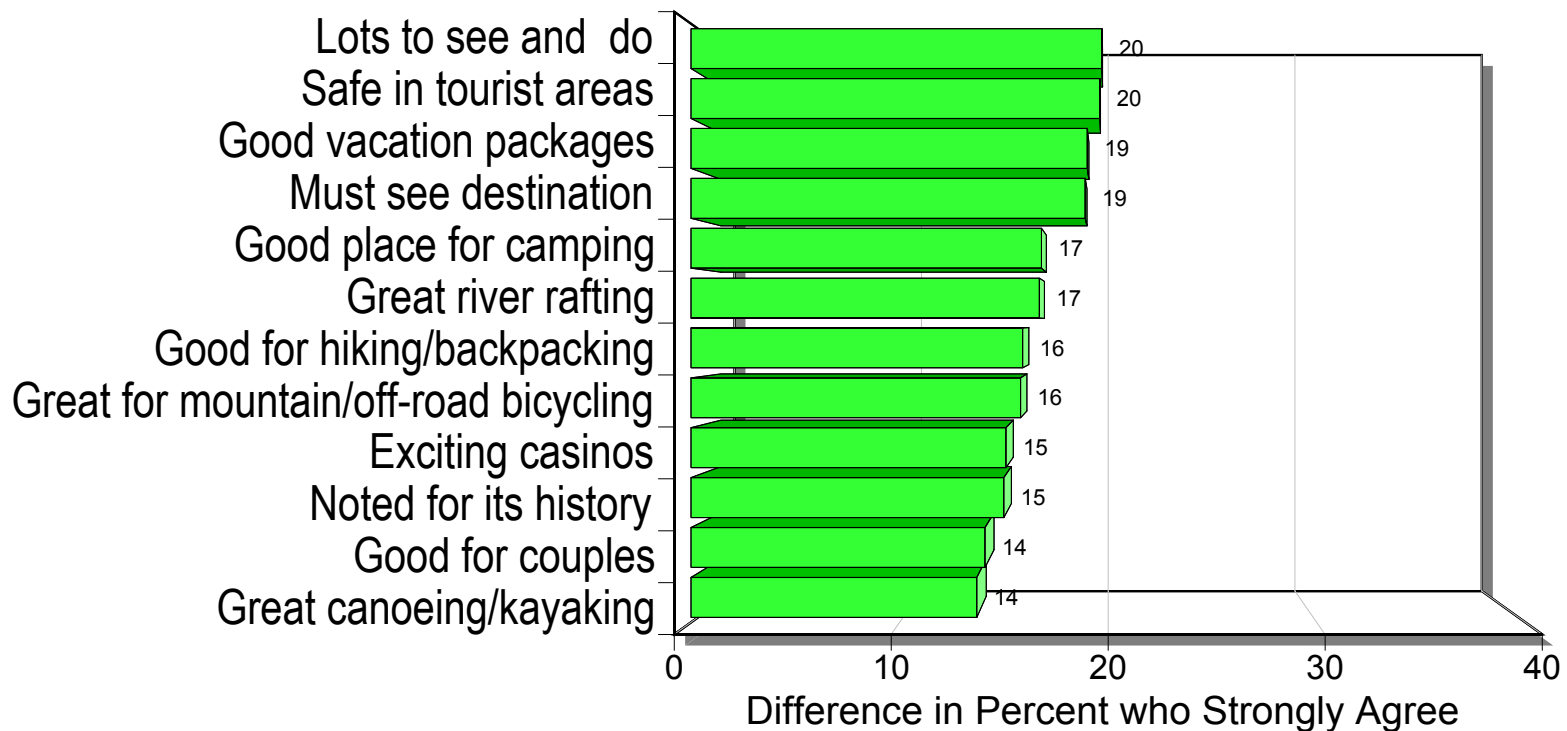
Net Difference in Ratings – Visitors vs. Non-Visitors



# Product Strengths vs. Image



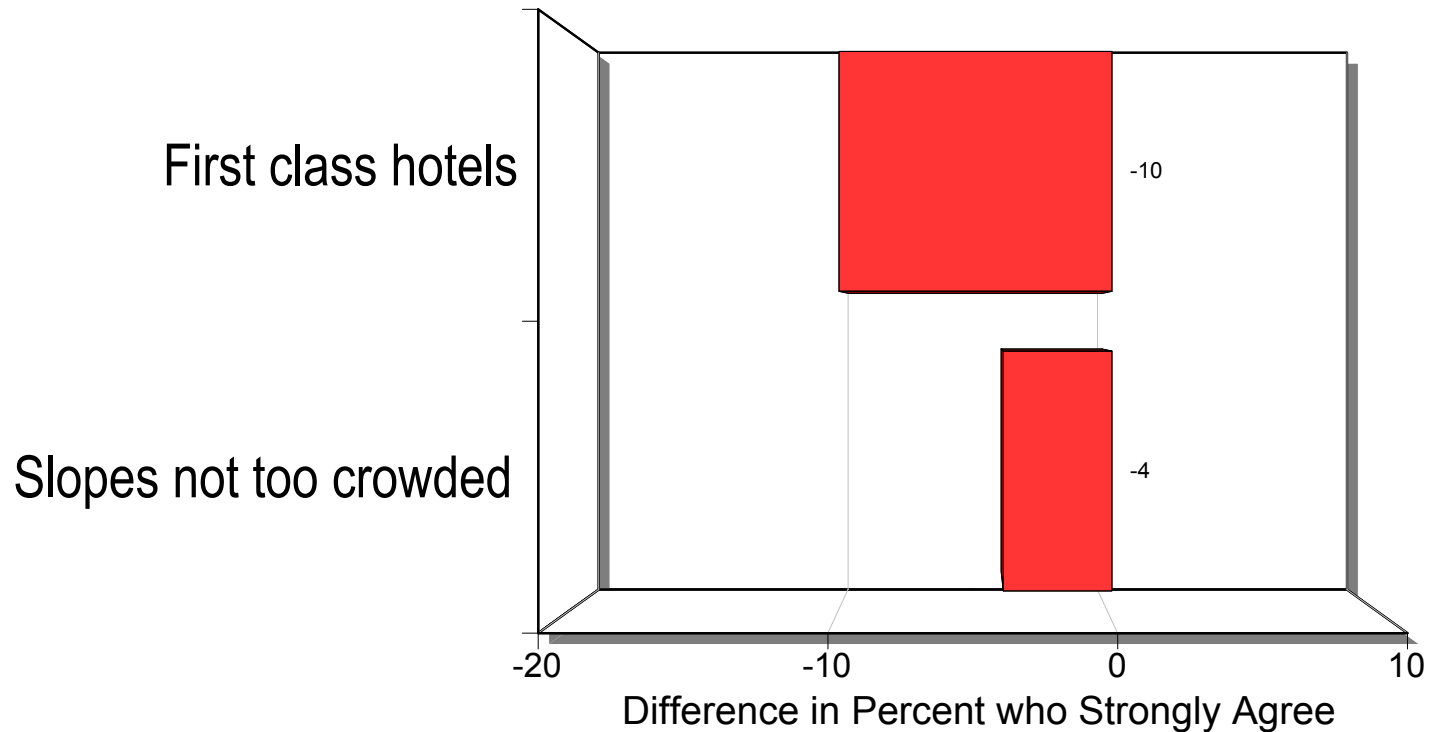
Net Difference in Ratings – Visitors vs. Non-Visitors



# Product Weaknesses vs. Image



Net Difference in Ratings – Visitors vs. Non-Visitors



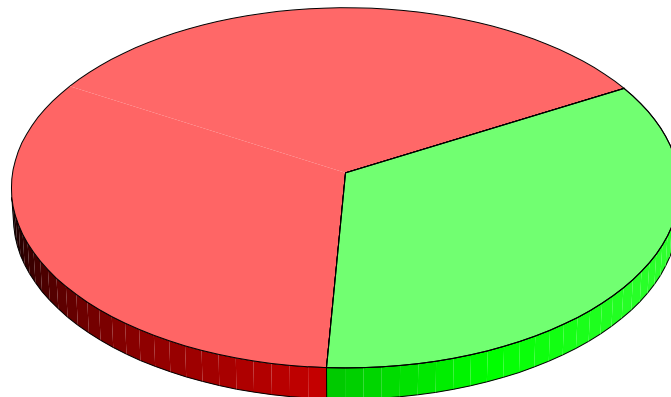
# Impacts of Colorado's Advertising Campaign

# Awareness of Colorado's Ad Campaign



**Total Aware = 61.4 Million**

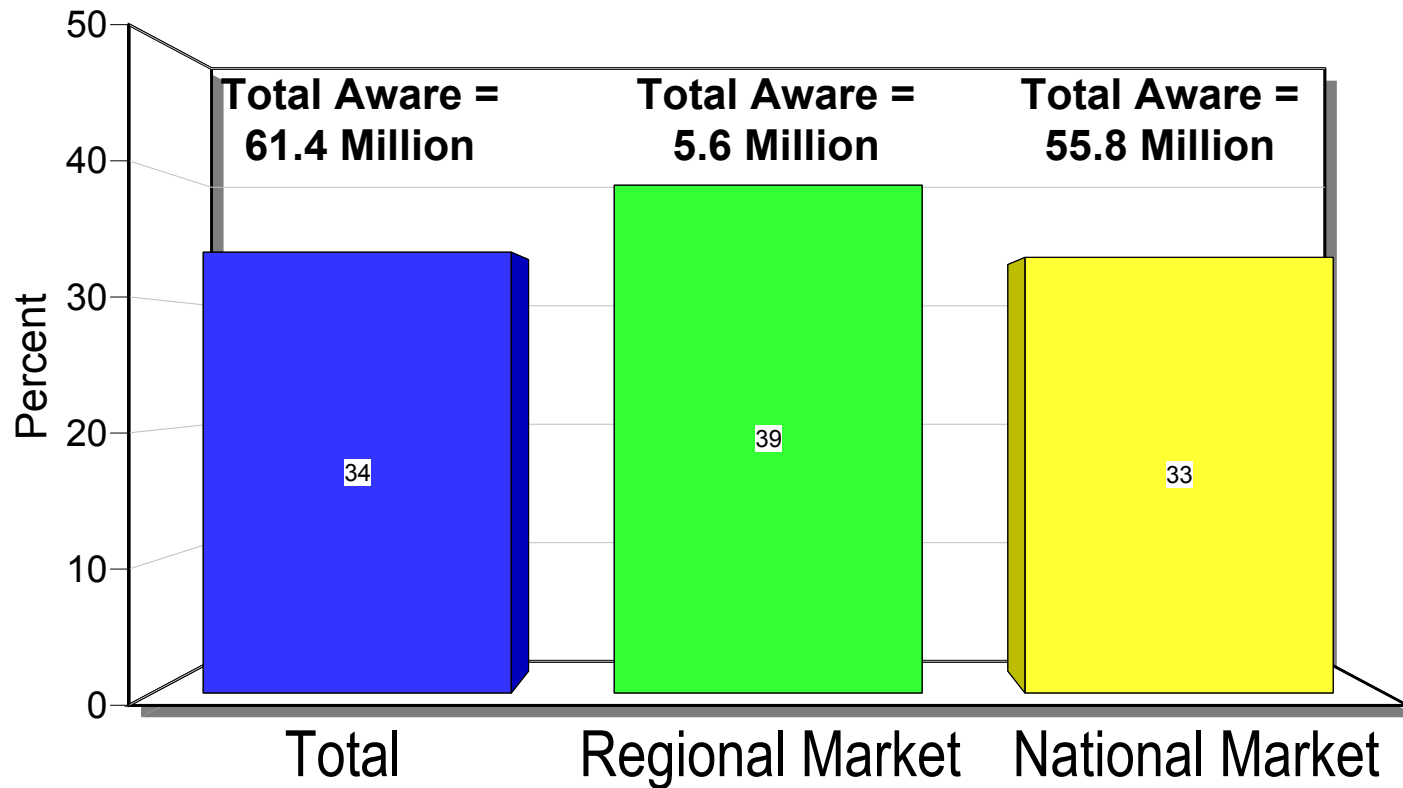
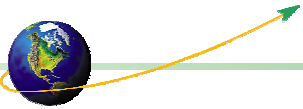
Unaware  
66%



Aware\*  
34%

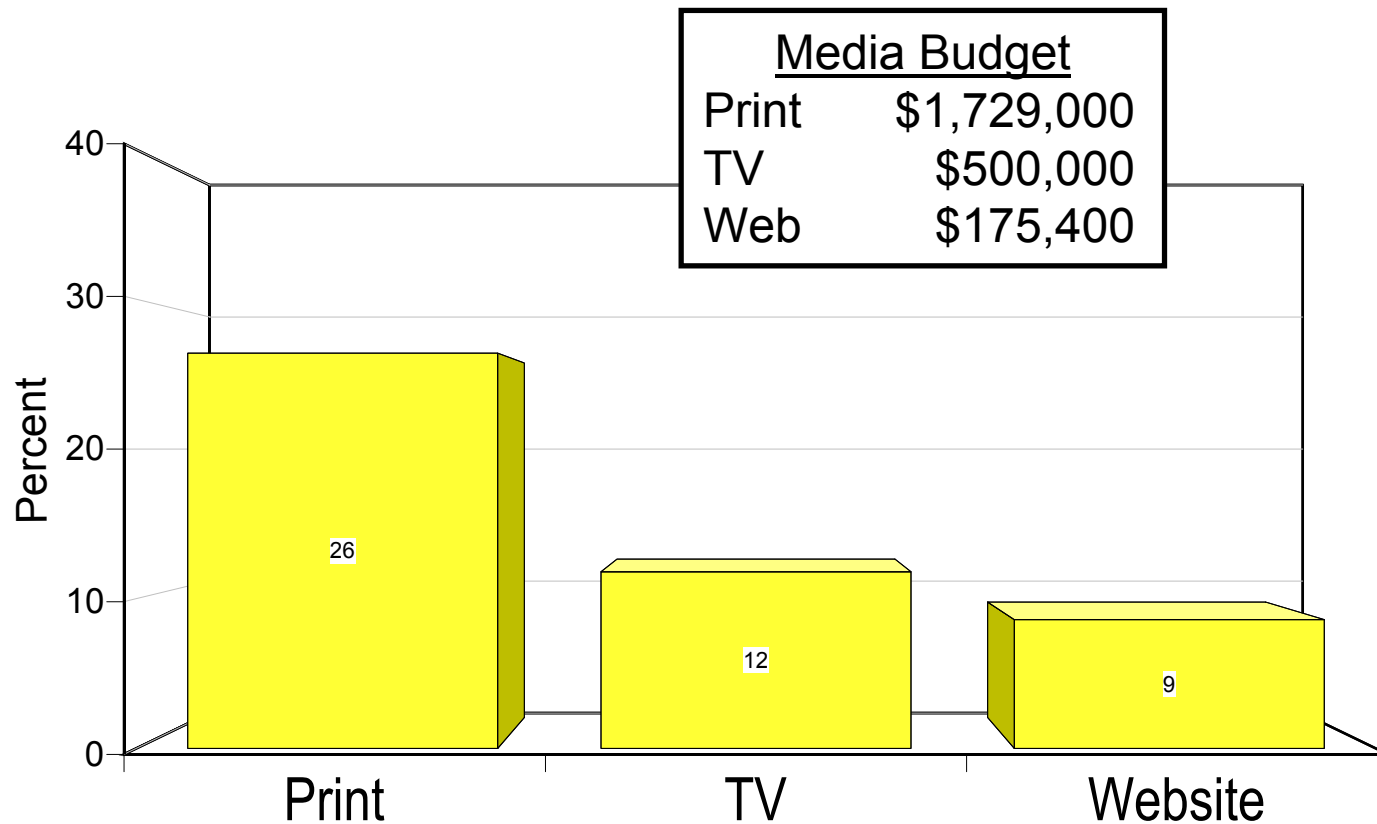
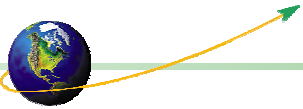


# Awareness\* by Advertising Market



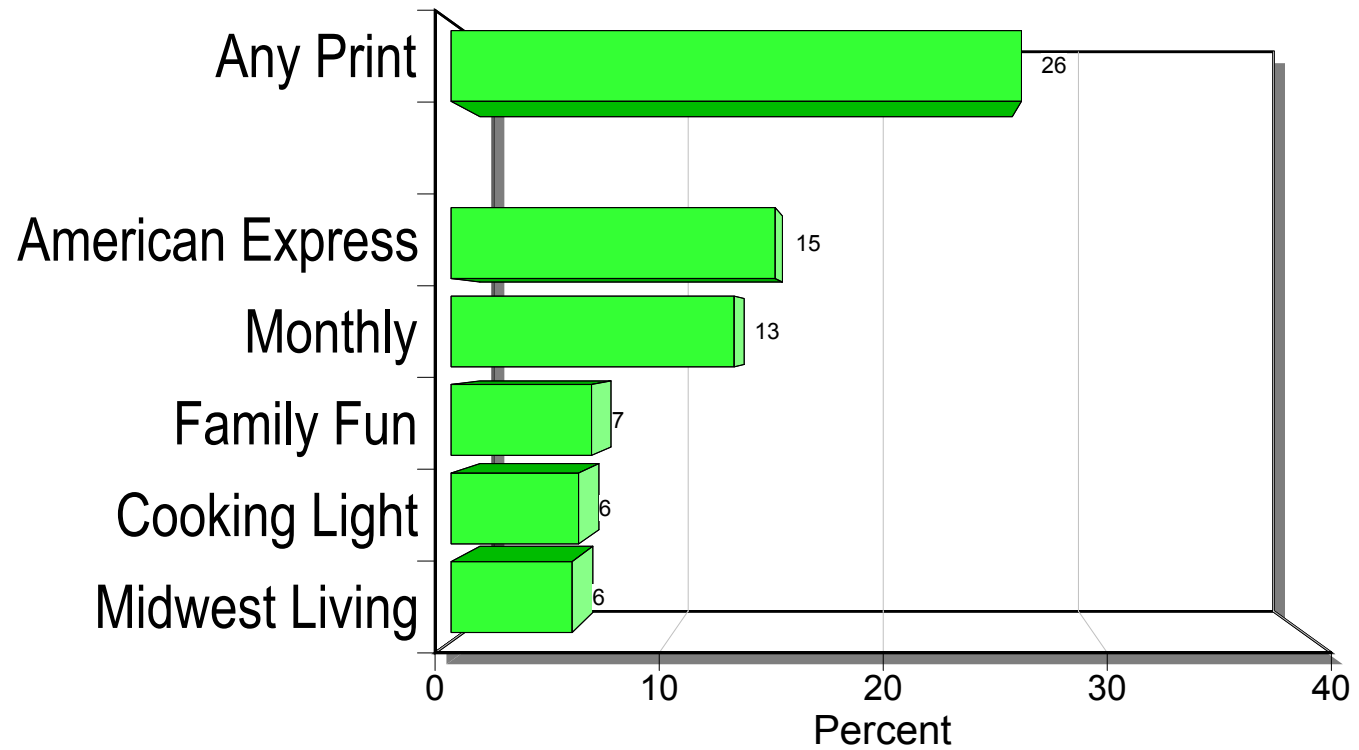
\*Saw at least one ad.

# Awareness\* by Medium

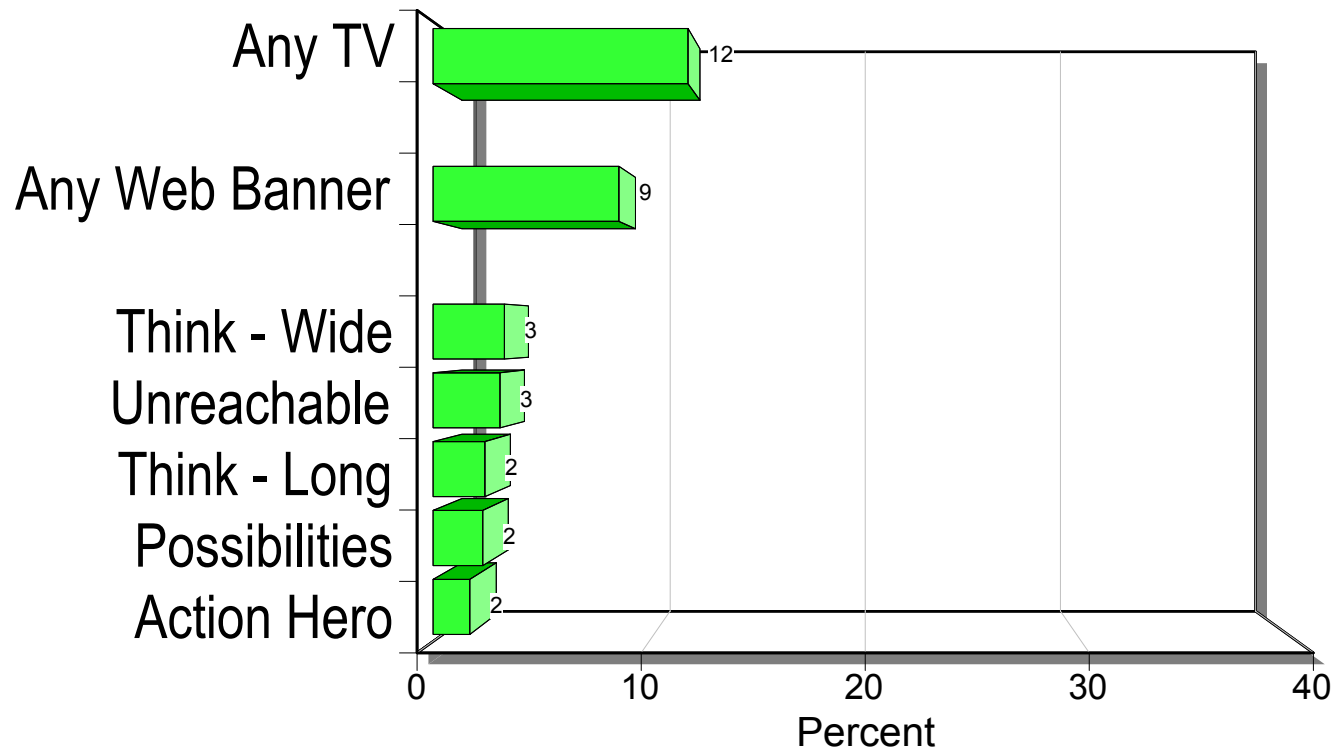
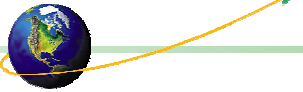


\*Saw at least one ad.

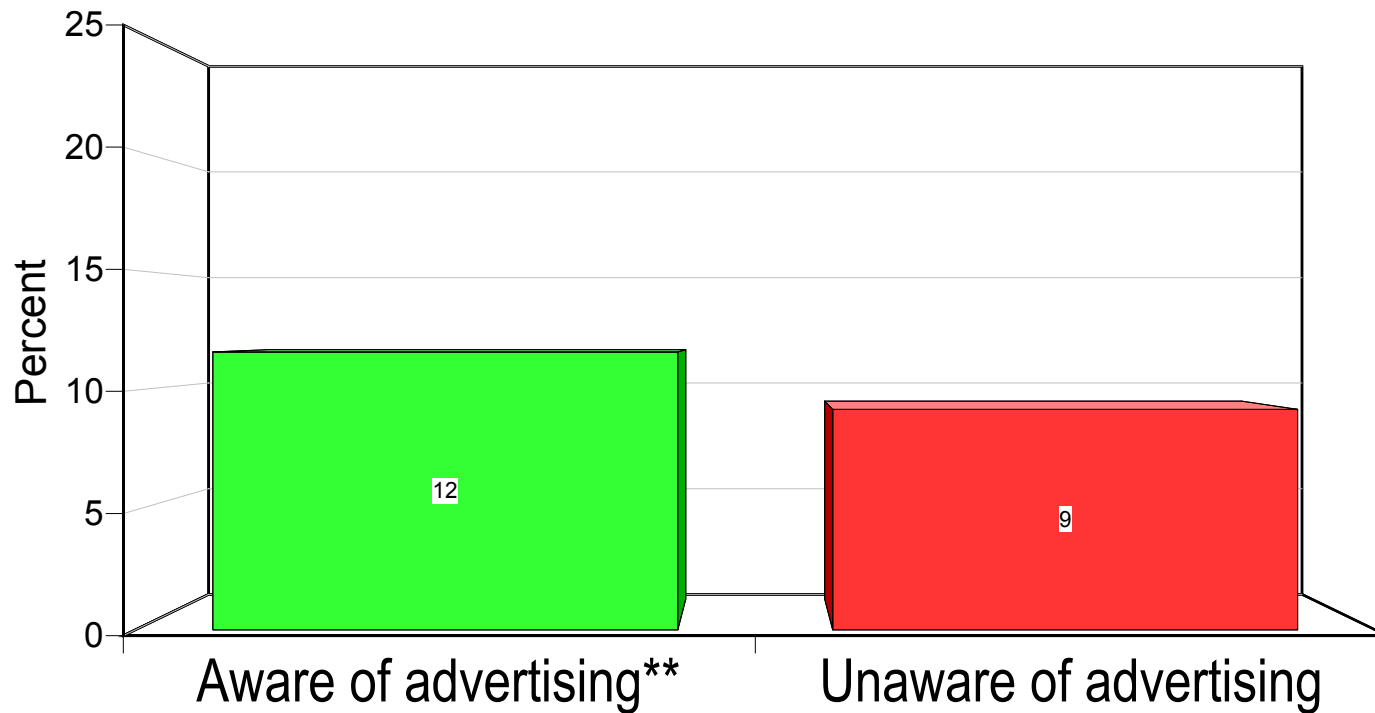
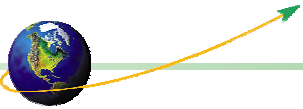
# Awareness of Individual Ads



# Awareness of Individual Ads (Cont'd)



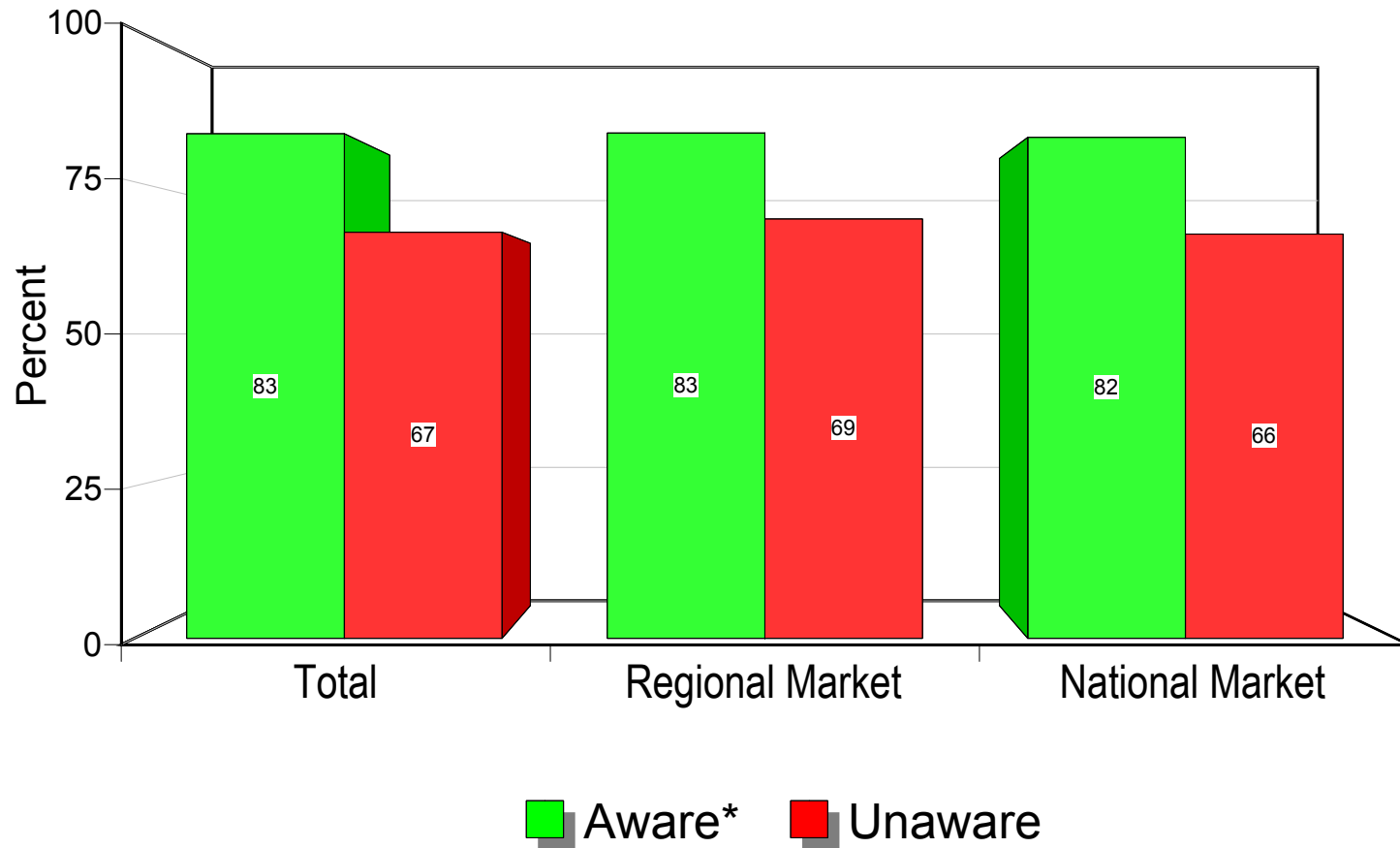
# Impact on Unaided Awareness\*



\*Spontaneous mentions of Colorado among North American destinations “would enjoy visiting.”

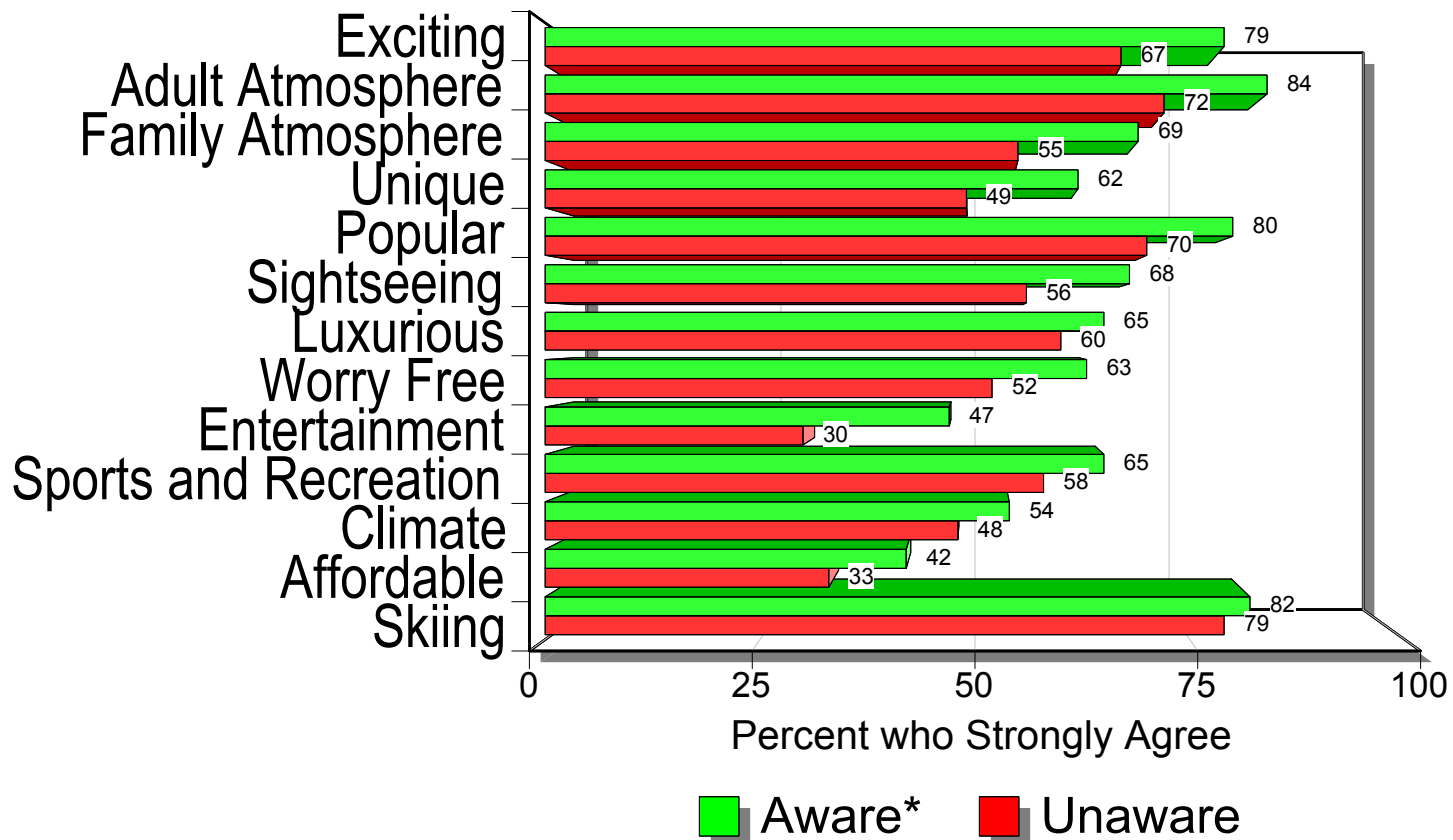
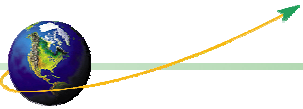
\*\*Saw at least one ad.

# Impact on Overall Image



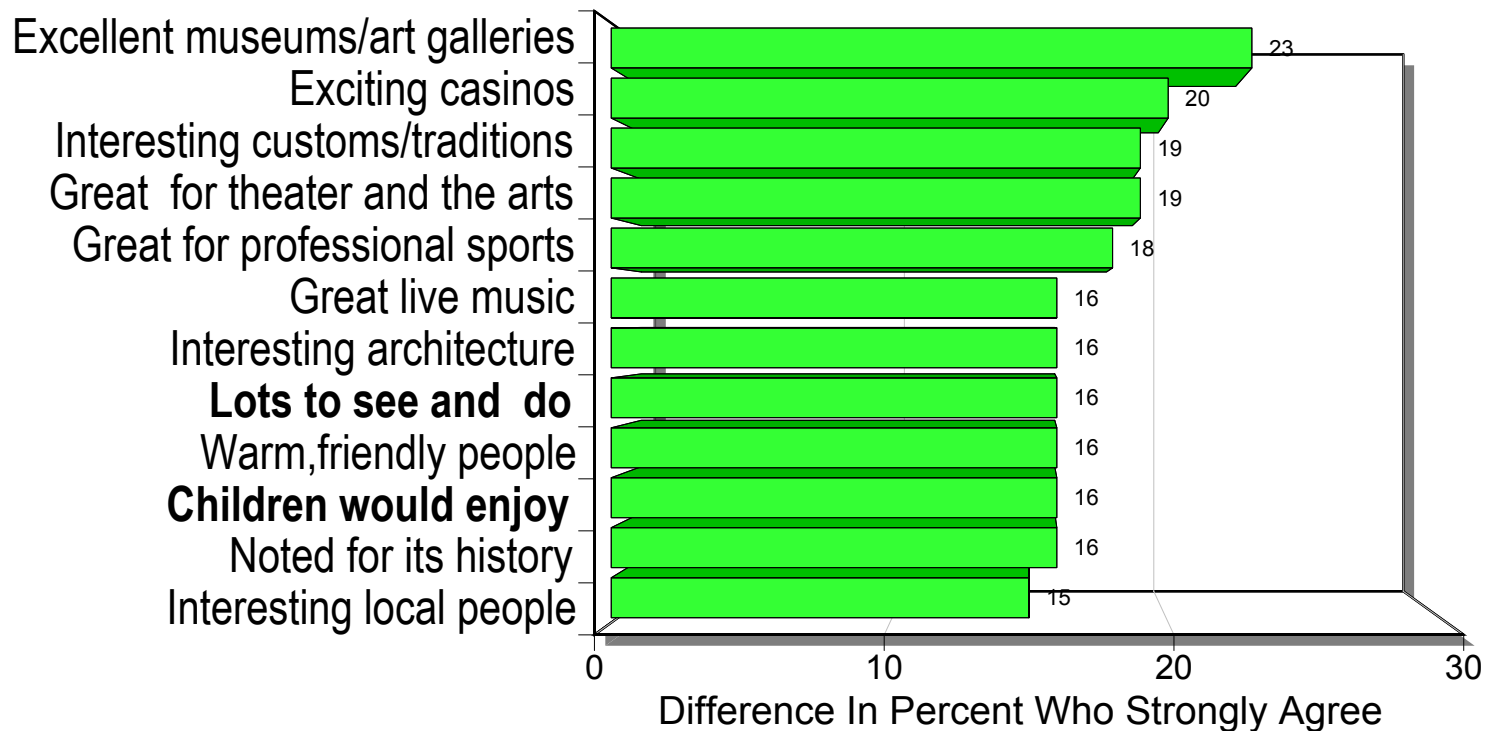
\*Saw at least one ad.

# Impact of Advertising on Colorado's Image



\*Saw at least one ad.

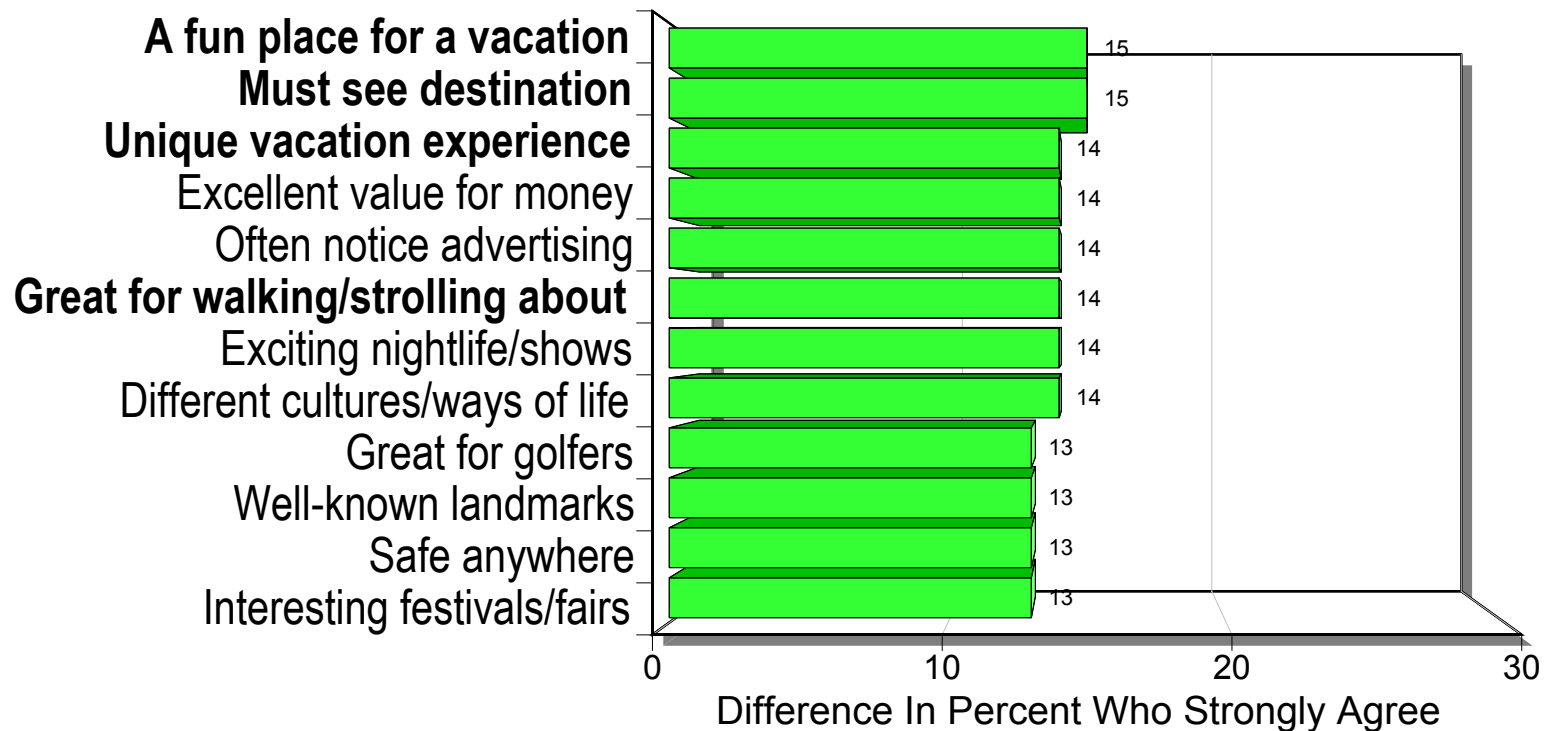
# Attributes on Which the Campaign Had the Greatest Impact



Note: Bolded items are attributes that are some of the most important hot buttons for travelers

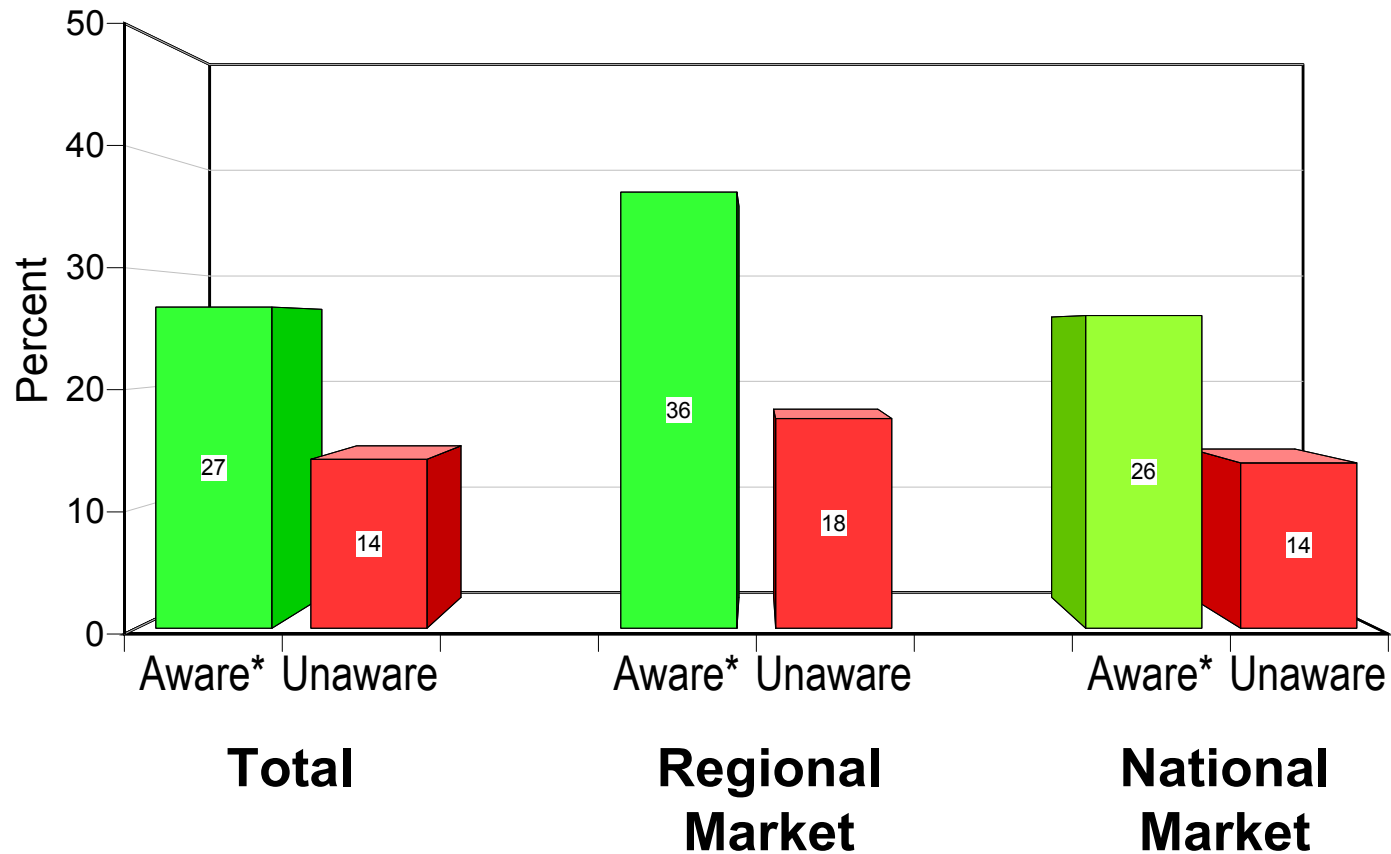


# Attributes on Which the Campaign Had the Greatest Impact



Note: Bolded items are attributes that are some of the most important hot buttons for travelers

# Intend to Visit Colorado on an Overnight Trip



\*Saw at least one ad.

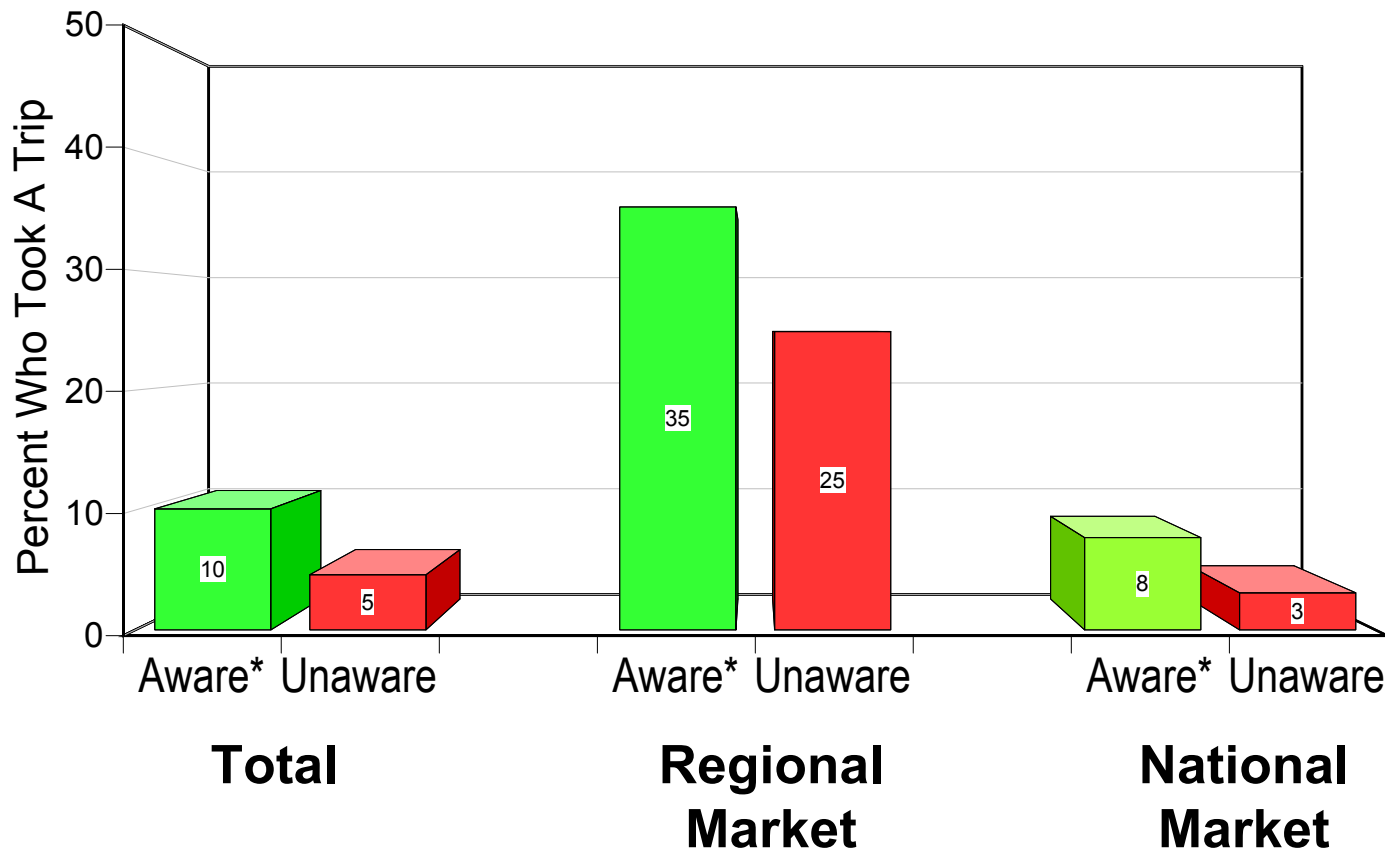
# Intended Person-Trips Due to Advertising — by Market



	<u>In 2003</u>	<u>In 2004</u>	<u>Total</u>
Regional	248,000	196,000	444,000
National	1,396,000	2,831,000	4,228,000
<b>Total</b>	<b>1,645,000</b>	<b>3,027,000</b>	<b>4,672,000</b>

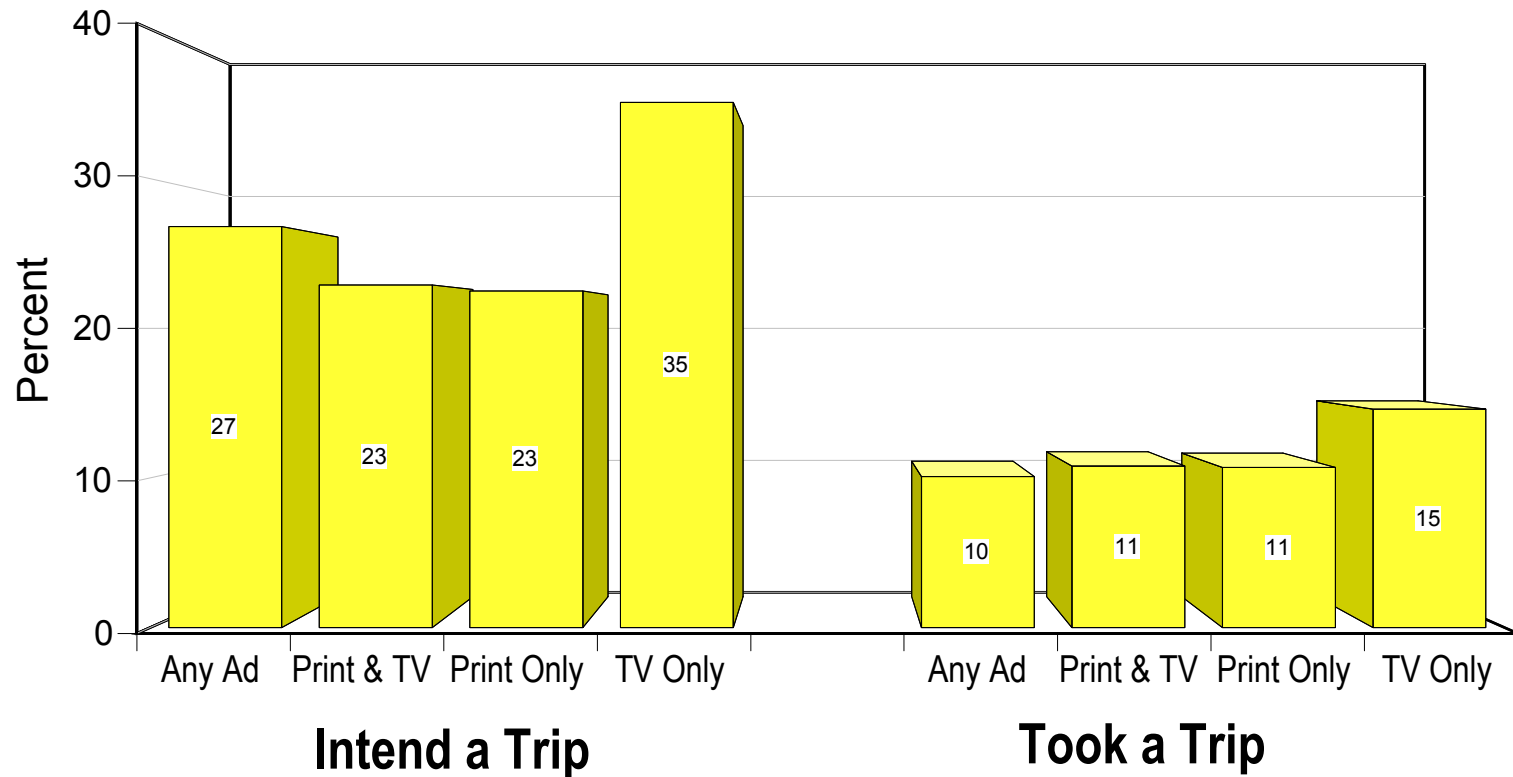
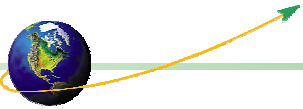
# Short Term Conversion

# Impact of Advertising on Overnight Trips Taken to Colorado



\*Saw at least one ad.

# Intend to Visit/Visited Colorado on an Overnight Trip — by Medium

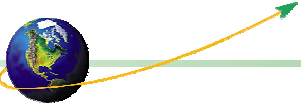


# Overnight Trips to Colorado Due to Advertising — by Market



	<b>Trips Taken</b> <b><u>Mar. – Dec., 2002</u></b>	
Regional Market	189,000	10%
National Market	<u>1,672,000</u>	90%
Total	1,861,000	

# Campaign Efficiency



Total overnight trips due to advertising	1,861,000
Advertising expenditures	\$2,546,000
Advertising cost per trip	\$1.37

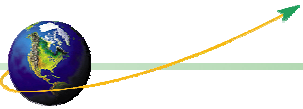


# Spending/Taxes Returned Due to Advertising



Total Visitors	1,861,000
Visitor Spending/Trip	\$281
Total Incremental Spending	\$522,190,000
Total Taxes Generated	\$32,428,000
State Taxes	\$16,083,000
Local Taxes	\$16,345,000

# The Bottom Line: 2002 ROI



Advertising expenditures	\$2,546,000
Visitor Spending per Ad Dollar	\$205
Total Taxes Returned per Ad Dollar Invested	\$12.74
State Taxes	\$6.32
Local Taxes	\$6.42

# Appendix: Questionnaire