



# Colorado Travel Year 2003

Draft Final Report

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# Background and Purpose



- Longwoods International was engaged by the Colorado Tourism Office to conduct a program of research for the 2003 travel year that includes:
  - *Visitor research*
  - *Image research*
  - *Advertising accountability/return on investment*
- From March to September 2003, Colorado conducted a national advertising campaign to build upon its 2002 campaign and strengthen the Colorado brand.
- The campaign included:
  - *Two television commercials, aired on cable television*
  - *One radio ad, aired nationally preceding local traffic reports*
  - *Ten 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, Outside Magazine, Sunset, Smithsonian, Texas Monthly*
  - *A travel planner insert in several major magazines*
  - *Three local newspaper ads plus a series of advertorials that ran weekly in the Denver Post*
  - *Three outdoor billboard in the Denver market and transit advertisements*
  - *web banners on various websites, such as Travelocity.com and CondeNet.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 and the volume of expenditures it generates*
  - *provide intelligence on:*
    - *the competitive environment*
    - *Colorado's key sources of business*
    - *the Colorado traveler profile*
    - *trip characteristics*
      - *trip planning, transportation, accommodations, dining, sports, recreation, sightseeing, entertainment, etc.*
    - *Colorado's product delivery in terms of over 60 destination attributes.*
  - *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*

# Background and Purpose



- ⦿ Throughout this report we emphasize pleasure travel to the state, especially the ski trips, touring trips and outdoors trips that are Colorado's largest vacation travel segments.
- ⦿ Where appropriate, comparisons are made with data from previous research.
- ⦿ In addition, U.S. travel norms are provided to put the data for Colorado in perspective.
- ⦿ The study focuses on overnight travel; day trips are not included.

# Method



## ○ Visitor Research

- *A representative sample of 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.*
- *To obtain more details on the Colorado trip, including information on their expenditures in Colorado, a sample of 1,642 travelers to Colorado in 2003 was sent a detailed follow-up survey.*
- *Included with the Colorado Visitor Survey was a map of Colorado to help respondents identify the places they had visited.*
- *A total of 1,061 returned the survey for a response rate of 65%.*
- *A parallel survey was sent to a representative sample of US travelers to provide normative data.*

# 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, 2004 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 storyboards of television ads that had been run in prior months.*
  - *1536 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.*
  - ◉ *The basic methodology used in 2003 was identical to that used in 2002, with one variation – the competitive set against which Colorado was evaluated for the purpose of image measurement was changed from Western and Mountain states to a selection of top national destinations (California, Alaska, Hawaii, New York, Nevada, Florida) identified as Colorado’s real competition in the 2002 analysis*
  - ◉ *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’ 2003 Colorado Visitor Survey and tax impact data from Dean Runyan Associates’ report “The Economic Impact of Travel on Colorado, 1996-2003”.*
- ◉ Please see the appendix for a copy of the questionnaires.



# Highlights and Conclusions

# National Trends in Tourism



- ⊙ Nationally in 2003, overnight leisure travel leveled off after a strong rebound in 2002, with visits to friends and relatives (VFR) declining 1% and discretionary leisure travel (marketable trips) up 1%.
  - ⊙ *Business travel continued to slump, adding a further 6% decline to the previous two year's 13% slide.*
- ⊙ In 2003, Colorado welcomed 24.9 million domestic U.S. visitors on overnight trips:
  - ⊙ *21.3 million people on leisure trips*
  - ⊙ *3.6 million business travelers*

# Colorado Leisure Visitor Numbers Decline Slightly



- ◉ Colorado showed a slight decrease in leisure travel during 2003 while national numbers remained fairly flat:
  - ◉ *visits to friends and relatives in Colorado slipped 5% to 10.5 million trips*
  - ◉ *Colorado marketable trips remained strong, declining just 2% to 10.8 million trips – still higher than in both 2001 and 2000*
- ◉ After recording some growth last year, business travel to Colorado slumped 13% to 3.6 million overnight trips in 2003:
  - ◉ *slipping back to a level last seen in 1996 as the nation recovered from the previous recession*

# Colorado's Key Segments



- ⊙ Colorado's trends for 2003 in most core segments generally paralleled national trends:
  - ⊙ *more special event trips*
  - ⊙ *fewer touring, ski, and combined business-pleasure trips*
  - ⊙ *little change for casino trips*
- ⊙ Colorado benefited especially from a large upswing in outdoor trips, reflecting both national growth in this type of travel, and a strong recovery after being hard hit by forest fires in 2002.
- ⊙ Although there was a national increase in country resort travel and city trips remained flat, Colorado welcomed fewer visitors on both of these types of trips in 2003.
- ⊙ In 2003, Colorado attracted the following numbers of visitors in these segments:

⊙ <i>Touring trips</i>	<i>2,575,000</i>
⊙ <i>Outdoors trips</i>	<i>2,560,000</i>
⊙ <i>Special event trips</i>	<i>1,650,000</i>
⊙ <i>Ski trips</i>	<i>1,480,000</i>
⊙ <i>Business-pleasure trips</i>	<i>910,000</i>
⊙ <i>City trips</i>	<i>540,000</i>
⊙ <i>Casino trips</i>	<i>485,000</i>
⊙ <i>Country resort trips</i>	<i>325,000</i>

# Market Share



- ◉ Colorado's modest decrease in marketable trips translated into a slight drop in market share nationally for this type of travel:
  - ◉ *in 2003, Colorado ranked 23<sup>st</sup> among the fifty states as a destination for discretionary leisure travel with a market share of 2.1%*
- ◉ The rebound in outdoor trips to Colorado combined with national growth resulted in a sharply higher market share (to 3.9% from 2.6%) for that type of trip;
  - ◉ *Colorado rose to the 10<sup>th</sup> most popular state for an outdoors vacation*
- ◉ Colorado's share of the touring market slipped slightly to 2.8%, with a rank of 14<sup>th</sup> for this type of travel:
  - ◉ *nearing the low of 2.5% in 2000 and well off the 1998 high of 3.8%*
- ◉ For ski trips, Colorado continued to hold its share at 17%, and remains the number one destination for overnight ski vacations.
- ◉ These pleasure and business travel volume estimates are based on trips taken by individuals 18 years of age or older, and include 6 million trips by residents of Colorado. They do not include day travel to or within the state.

# Expenditures



- Travel and tourism continue to make a major contribution to Colorado's economy.
- In 2003, total spending by overnight visitors increased by 1% to \$7.1 billion from the \$7 billion recorded in the last detailed visitor survey in 2001.
- 13% of that total, or \$.9 billion, originated in-state, i.e., was spent by Colorado residents on overnight travel:
  - *it should be noted that this is spending on overnight travel, and does not include the impacts of day trips originating within the state*
- Vacationers spent \$5.9 billion or 82% of the total, while business travelers contributed the remainder (\$1.2 billion).
  - *in the two years between surveys, expenditures by leisure visitors have increased by 6%, while spending by business visitors dropped 16%.*
- Denver accounted for about a third of visitor expenditures in 2003, while other regions of the state benefited from the rest.

# Expenditures



- ⦿ Across the U.S., people who stay in commercial accommodations, such as hotels, motels, resorts, inns and B & B's, typically spend more on their trips than other visitors, and Colorado visitors are no exception.
- ⦿ In 2003, Colorado visitors who stayed in commercial lodging accounted for 57% of all travel spending in the state
  - ⦿ *this continues a downward trend that has been apparent since 2000, when the number reached 69%*
  - ⦿ *much of this decline is attributable to the increased number of outdoor vacationers who tend to stay in campgrounds*
- ⦿ In 2003, the remaining 43% was spent by people who stayed in private homes, vacation properties, and private or public campgrounds.
- ⦿ The sectors benefiting the most from tourism expenditures in 2003 were the lodging and restaurant sectors, followed by transportation, retail and recreation.

# Expenditures



- ⊙ Accommodations expenditures in the state in 2003 declined to \$1.8 billion from \$1.9 billion in 2001:
  - ⊙ *mainly reflecting the continued slowdown in business travel*
- ⊙ Expenditures in other sectors increased slightly or remained flat over the two year period.
- ⊙ Visitors' spending in restaurants rose to \$1.7 billion from \$1.6 billion, while spending in retail stores grew to \$1.3 billion from \$1.2 billion
- ⊙ The transportation (including gas purchases, car rentals and local fares) and recreation sectors each yielded about the same amounts as in 2001, bringing in \$1.3 billion and \$1.0 billion in expenditures, respectively.
- ⊙ In the recreation sector:
  - ⊙ *ski-related expenditures, at \$366 million in 2003, comprised a significant portion of the total (38%)*
  - ⊙ *the growing casino sector now accounts for just under \$100 million in overnight visitor spending*



# Expenditures



- Colorado visitors have different “value”, depending on the purpose of their trip:
  - *Looking first at the broad categories, business travelers are much bigger spenders (\$90 per person per day) than visitors on marketable trips (\$79), and especially people visiting friends and relatives (\$41).*
  - *Although only accounting for 43% of visitors, travelers on marketable pleasure trips contribute 53% of all expenditures*
  - *Skiers are among the most “valuable” vacationers, spending an average of \$144 each on a daily basis. And while small in overall numbers (6% of all visitors), skiers contribute a relatively high proportion of spending (15% of expenditures).*
  - *We see similarly high expenditures among Colorado city vacationers (\$131 per person daily), while outdoor and special event visitors spend below average amounts for people on marketable trips (\$73 and \$74, respectively).*

# Sources of Business



- The primary source of travelers to Colorado continues to be the immediate region – consisting of the Mountain, West North Central and West South Central census divisions:
  - *In 2003, 63% of all overnight leisure trips originated in the region, roughly the same as in recent years*
- Colorado residents themselves accounted for 1 in 4 of the state's vacationers in 2003:
  - *this was up very slightly from 2002*
- Consistent with the past several years, the other top states providing tourists were California, Texas, and Colorado's immediate neighbors:
  - *Wyoming*
  - *Nebraska*
  - *Arizona*
  - *New Mexico*
  - *Utah*

# Sources of Business



- ⊙ The Mid-West and Northeast contributed about 1 in 6 of the tourists coming to Colorado, represented mainly by states such as:
  - ⊙ *Illinois*
  - ⊙ *Minnesota*
  - ⊙ *New York*
- ⊙ The key urban markets delivering tourists to Colorado were led by Denver, followed by:
  - ⊙ *Los Angeles*
  - ⊙ *Colorado Springs – Pueblo*
  - ⊙ *Salt Lake City*
  - ⊙ *Dallas – Ft. Worth*
  - ⊙ *Albuquerque – Santa Fe*
  - ⊙ *Chicago*
  - ⊙ *Phoenix*

# Colorado's Pleasure Travel Profile



- ◉ Demographically, Colorado's overnight visitors are comparable to the U.S. norm:
  - ◉ *an even split of men and women*
  - ◉ *average age of 44*
  - ◉ *the majority are married*
  - ◉ *29% have kids/teens at home*
  - ◉ *average household income – with most earning \$50K+ and working in white collar jobs*
  - ◉ *half completed college*
- ◉ Skews:
  - ◉ *live in smaller centers vs. large cities, which is consistent with community sizes of the region*

# Trip Profile



- ⊙ Although Colorado continues to draw most of its leisure travelers from the West, it is still a relatively long-haul destination:
  - ⊙ *a majority of 2003 visitors (64%) traveled at least 500 miles to reach Colorado, while only a minority (42%) took such a long trip to the average destination on a national basis*
- ⊙ Prior to 2001, the long distance nature of travel to Colorado meant a longer than average planning and booking cycle.
- ⊙ The various events of the past couple of years (9/11, recession and the Iraq war) appear to have changed the habits of vacationers to Colorado and other destinations in this regard, to the point where Colorado vacationers now resemble the national norm:
  - ⊙ *most 2003 trips to Colorado (64%) and to the typical destination (58%) were planned at least 2 months in advance, and one-third in each group had made some advance booking in that 2+ months time frame*

# Trip Profile



- ⊙ In 2003, Colorado vacationers continued to be much more likely than the average leisure traveler to:
  - ⊙ *fly to their destination, although the family vehicle remains the top mode of transport*
  - ⊙ *rent a car on arrival*
- ⊙ For many years, the advice of friends and relatives has been the top source of information Colorado visitors have used to plan their trip. Over the past two years, the internet has finally caught up with this informal resource, as a major trip planning tool for trips to Colorado:
  - ⊙ *almost 4 in 10 Colorado vacationers in 2003 said they used the internet to plan their trip, substantially more than did so for the average destination, and a higher proportion than in 2001*
- ⊙ Use of the internet for trip booking shows a similar pattern:
  - ⊙ *about 6 in 10 Colorado visitors who made advance bookings booked some aspect of their trip online, above the national norm and considerably more than did so two years ago*

# Trip Profile



- ⊙ Travel agents continue to drop in popularity both as an information source and as a resource for booking travel to Colorado:
  - ⊙ *mirroring what we observe for destinations nationwide*
  - ⊙ *the only group that continues to make significant use of travel agents are business travelers, more at the booking stage than for travel planning*
- ⊙ Among specific Colorado tourism websites visited by 2003 vacationers, the most popular was:
  - ⊙ *www.colorado.com, the CTO's website, which attracted 15% of leisure visitors who went online to plan their trip, up from 10% in 2001*
- ⊙ Other popular sites included:
  - ⊙ DMCVB's [www.denver.org](http://www.denver.org) (6%)
  - ⊙ and the two ski sites – [www.skicolorado.org](http://www.skicolorado.org) (4%) and [www.coloradoski.com](http://www.coloradoski.com) (2%)

# Trip Profile



- ⊙ When surfing the web, Colorado visitors were primarily looking for information in four areas:
  - ⊙ *transportation to the state and car rentals*
  - ⊙ *directions and maps*
  - ⊙ *accommodations*
  - ⊙ *local activities and attractions:*
- ⊙ These are generally the typical types of information sought by the average traveler, although Colorado vacationers are more likely to look for information on things to see and do, and less likely to seek accommodations-related information and directions/maps than visitors to other destinations.
- ⊙ Most people who visited Colorado's official tourism website and other specific websites were mainly looking for detail about the state, having already chosen Colorado as their destination; however a substantial minority (29%) did say that they used the websites to help them decide whether or not Colorado would be on their itinerary.
- ⊙ People generally found the websites just by surfing around:
  - ⊙ *some were referred by friends or relatives*
  - ⊙ *a few recalled being referred to the websites by listings in advertising, brochures, etc.*
- ⊙ And they indicated a high level of satisfaction with the helpfulness of the various official websites and the official tourism publications.



# Trip Profile



- ⊙ When planning their 2003 trip, Colorado vacationers consulted other formal sources of information besides the internet, the most popular of which were:
  - ⊙ *hotels and resorts*
  - ⊙ *airlines*
  - ⊙ *publications/print material, including books, brochures, magazines, and newspapers*
  - ⊙ *auto clubs*
  - ⊙ *tourism offices operated by local visitor bureaus and government*
  - ⊙ *1-800 numbers*
- ⊙ About a third of vacationers obtained an “official” publication for trip planning purposes -- most often the state map, followed by:
  - ⊙ *one of the state Vacation Guides – Summer (6%) or Winter (2%)*
  - ⊙ *DMCVB’s Official Visitors Guide to Denver (4%)*
  - ⊙ *various attraction/destination/resort brochures*
  - ⊙ *Colorado Ski Country USA/Colorado Hotel & Lodging Association Guide (1%)*
- ⊙ The most popular sources for and methods of obtaining these publications were the internet, Colorado Welcome Centers/the Colorado Tourism Office, DMCVB, and hotels

# Trip Profile



- ⊙ In 2003, use of prepaid packages for vacations to Colorado continued to rebound after dropping to a low point in 2000.
  - ⊙ *however, at 7% of leisure trips, Colorado is well below the national average (11%) for this type of travel*
- ⊙ Touring vacationers, skiers and people visiting friends and relatives have been the groups most likely to book packages in 2003 and earlier years.
- ⊙ The number of people visiting Colorado on escorted group tours approximates the national average (3% vs. 4%).
- ⊙ Both for Colorado and other destinations, the length of the average trip has been steadily declining since 2000:
  - ⊙ *in 2003, the typical trip to Colorado averaged 5.8 nights, a full day shorter than three years earlier*
  - ⊙ *as a result, the time spent in Colorado also appears to have shortened, in 2003 standing at 4.5 nights, down from 5 nights in 2000*
  - ⊙ *the trip to the average destination is somewhat shorter than a Colorado vacation (5.1 nights overall), but nationally too we see a similar reduction in both overall trip length and time spent at the main destination*

# Trip Profile



- ⊙ As in previous years, about half of Colorado vacationers stay in the homes of friends and relatives, time shares or second homes when visiting the state.
- ⊙ The most popular commercial accommodations continue to be hotels and motels, followed at some distance by private and public campgrounds and condo rentals:
  - ⊙ *use of hotels by Colorado vacationers is lower than the national norm*
- ⊙ The Colorado travel party has stayed relatively steady at about 3 people, usually consisting of two spouses, plus a child or occasionally, a friend or another adult family member:
  - ⊙ *relative to the national norm, Colorado vacationers are somewhat more likely to travel with kids or other family members, and less likely to travel alone*
- ⊙ Almost 4 in 10 Colorado vacations in 2003 occurred during the summer months, well ahead of the national average:
  - ⊙ *the fall/early winter season was the only time of year when Colorado drew fewer vacationers than the typical destination*

# Trip Experience



- ◉ In 2003, the most popular regions for tourists were Denver Metro, followed by the Northwest and South Central:
  - ◉ *about 4 in 10 Colorado vacationers stayed overnight in the Denver Metro area, while 3 in 10 stayed in the Northwest and South Central regions*
- ◉ People also visited the other regions in substantial numbers:
  - ◉ *North Central (22%)*
  - ◉ *Southwest (12%)*
  - ◉ *Southeast (7%)*
  - ◉ *Northeast (6%)*
- ◉ Most regions appeared to have attracted more overnight visitors than they did in 2001, the only exception being the Southwest.

# Trip Experience



- ⊙ Denver's most popular attractions in 2003 for Colorado vacationers were:
  - ⊙ *shopping areas and malls, including 16<sup>th</sup> Street Mall, Castle Rock Factory Outlets, Cherry Creek Shopping Center, Colorado Mills Shopping Mall, Flatirons Crossing Mall and Park Meadows Retail Resort*
  - ⊙ *sightseeing at the LoDo Historic District, Colorado State Capitol, Coors Brewery, Red Rocks Amphitheater, Larimer Square, Denver Zoo, and the U.S. Mint*
  - ⊙ *sports events, particularly a Colorado Rockies baseball game*

# Trip Experience



- The top attractions for vacationers in other regions:
  - *in the Northwest, mountain towns headed people's list, including Grand Junction, Vail/Beaver Creek, Breckenridge, Glenwood Springs and Keystone*
  - *in North Central, the primary draws were Estes Park with nearby Rocky Mountain National Park, Ft. Collins, Boulder, and gambling at Central City/Black Hawk*
  - *the Northeast towns of Sterling, Burlington, Ft. Morgan and Julesburg*
  - *in the Southwest, visitors most often took in Durango with its Durango & Silverton Narrow Gauge Railroad, Cortez/Mesa Verde and the Mesa Verde National Park, Montrose and Gunnison/Black Canyon of the Gunnison*
  - *in the South Central region, tourists most frequently visited Colorado Springs, followed by the Garden of the Gods Park, Pikes Peak and Royal Gorge natural attractions, as well as the towns of Manitou Springs, Cripple Creek and Canon City*
  - *Pueblo and Trinidad were the most popular stops in the Southeast*

# Trip Experience



- The Colorado vacation experience continues to be a blend of the rural and urban:
  - *most vacationers in 2003 included the mountains on their itinerary, taking in national and state parks, other wilderness areas, lakes and rivers, farming areas and the natural environment along the way*
    - *vacationers' top specific "adventure" activities included hiking (16%) and skiing (10%)*
  - *their travels also frequently included Colorado's cities and numerous smaller towns and villages, where they enjoyed local historic sites and landmarks, shopping, unique local cuisine and fine dining, museums and art galleries, local nightlife, plus other points of interest*

# Travel Profile by Segment



- The touring vacationer in 2003:
  - *usually from out of state with most traveling a fairly long distance to reach Colorado*
  - *yet mainly a driving trip, with far fewer flying in than the average destination*
  - *less likely to be a repeat visitor than other segments*
  - *one of the oldest segments – averaging 48 years, which is older than the norm for touring vacationers nationally*
  - *slightly skewed female (56%)*
  - *relative to all Colorado vacationers, slightly above average in terms of education, income and job status*
  - *the greatest degree of spur-of-the-moment travel planning among the segments, and more than the U.S. norm for touring trips*
  - *one of the groups most inclined to use the internet for trip planning and booking, and least apt to use a travel agent*
  - *also very prone to look for information in books and magazines, and seek out materials from visitors bureaus and auto clubs, as well as “official” publications such as the Colorado Official Summer Guide, and the [www.colorado.com](http://www.colorado.com) website*
  - *unlike their counterparts nationally, not particularly likely to take advantage of pre-paid packages or escorted tours, though still the segment most apt to take an escorted tour of Colorado*
  - *the longest duration trip of the segments, averaging almost 7 days, but among the shorter stays in Colorado itself*
  - *average travel party size and composition, both for Colorado and for the segment nationally*
  - *above average expenditures while in Colorado*



# Travel Profile by Segment



- Outdoor vacationers to Colorado:
  - *among the large marketable trip segments, the one with the biggest in-state constituency (55%) and virtually all are repeat visitors*
  - *slightly younger than the average Colorado visitor (average of 40) and skewed male (56%)*
  - *average education and occupation for Colorado visitors, but much better educated/job than the U.S. norm for this type of trip*
  - *the lowest average income for Colorado marketable trips, though comparable to outdoor vacationers to other destinations*
  - *their trips are among those planned the longest in advance, though the least likely to involve advance booking*
  - *relative to both other Colorado segments and the national norm, the group least likely to use the internet for travel planning, and seldom use travel agents*
  - *apart from hotels and resort, make limited use of formal information sources, relying mainly on past personal experience and other people's advice to plan their trip*
  - *rarely use packages or group tours*
  - *moderate trip length for Colorado, but longer than the typical outdoors trip nationally*
  - *most of the trip (84%) is spent in the state*
  - *travel party usually comprises four individuals – like outdoor trips generally, friends are as likely to be on the trip as spouses, and children are under-represented*
  - *largely a driving trip; rarely fly-in*
  - *the lowest daily expenditures among major segments*

# Travel Profile by Segment



- Colorado overnight ski vacationers in 2003:
  - *largely from out-of-state, this segment traveled the furthest to reach Colorado (85% traveled 500 miles or more) and most flew in (65%)*
  - *high repeat business, though not as “loyal” as outdoors vacationers*
  - *among the youngest segments – average age of 37, which is slightly younger than the national norm for overnight ski vacationers*
  - *skewed male (57%), while nationally the segment is not*
  - *the most upscale segment in terms of education and income – though likely because of their younger age, have not yet attained the job status of other segments*
  - *consistent with travel distance, Colorado skiers tend to plan their travel well in advance, and virtually all make advance bookings – to a much greater extent than skiers visiting other destinations*
  - *make above average use of the internet for trip planning (especially the [www.skicolorado.org](http://www.skicolorado.org) and [www.coloradoski.com](http://www.coloradoski.com) websites), and like other skiers nationwide, are the group most likely to make online bookings*
  - *the leisure segment most likely to make use of travel agents, contact airlines and hotels/resorts directly, and gather information through associations and clubs; but least likely to seek information from government tourism offices or CVB’s*
  - *frequently use prepaid packages, though not to the same extent as the national norm*
  - *the typical Colorado ski trip lasts 5 days, slightly longer than the national norm, and almost all of the trip is spent in-state*
  - *Colorado skiers usually travel in a party of four, a somewhat smaller travel party than to other destinations (5), and friends are as likely to be in the party as spouses*
  - *the highest per capita expenditures among Colorado’s marketable trip segments - \$144 per person per day*

# The Competitive Set



- ◉ Colorado continues to be one of America's top "dream destinations" for vacation travel:
  - ◉ *as in 2002, Colorado ranks 5th after Hawaii, Florida, Alaska, and California as a destination people would "really enjoy visiting"*
  - ◉ *edging out Nevada and New York*
  - ◉ *considerably ahead of other regional competitors, such as Arizona and Washington*
- ◉ Narrowing the focus just to people planning a trip to Colorado in the next couple of years, it is clear that they are also thinking of these top states, but especially California, as alternative destinations for their vacation.

# The Competitive Set



- ⊙ Although Colorado is high on people's wish list, it drops down in rank to 8th place when people are asked to indicate places they are planning to visit in the next two years and falls to 23rd in terms of marketable trips actually taken in 2003 :
  - ⊙ *California and Florida jump to the top of the list*
  - ⊙ *several states move ahead that trailed Colorado at the wish list stage, including New York, Nevada and Arizona*
  - ⊙ *the really long-distance destinations, Alaska and Hawaii, move down in rank, especially at the trip-taking stage*
- ⊙ These results suggest that one of the key issues for Colorado is the need to close the sale:
  - ⊙ *part of which is overcoming the distance barrier*

# Travel Motivators



- ⊙ In 2003, the top two image factors that motivated vacationers to consider one destination over another were the perceptions of:
  - ⊙ **excitement** and a sense of adventure offered by a destination
  - ⊙ perceived suitability for **adults** and couples
- ⊙ **Family atmosphere**, i.e., suitability for families and having plenty of things for kids to enjoy, rounded out the top priorities.
- ⊙ Vacationers attached somewhat less importance to:
  - ⊙ a safe, **worry-free** atmosphere
  - ⊙ **uniqueness**, including the scenery, local people and culture
  - ⊙ **sightseeing** opportunities, especially variety, and individual characteristics such as beautiful scenery, historic sites, and interesting towns and cities
  - ⊙ destination **popularity**
  - ⊙ **climate**

# Travel Motivators



- ⊙ A few factors were relatively low priorities at the wish list stage:
  - ⊙ *the availability of **luxury** accommodations and dining*
  - ⊙ *opportunities for **sports and recreational activities**, including **skiing***
  - ⊙ *options for **entertainment** and nightlife*
- ⊙ **Affordability** is not very important at the wish list stage, but it becomes increasingly a key factor, the closer people come to finalizing their destination choice.
- ⊙ The top hot buttons have not changed to any great extent since 2002.
- ⊙ However, a few shifts among other factors are noteworthy:
  - ⊙ *worry-free atmosphere – the safety issue – rose in importance in 2003, as did climate*
  - ⊙ *luxury accommodations/dining and entertainment/nightlife became less important in the decision-making process*

# Colorado's Image



- Colorado's image as a vacation destination has changed in a few ways over the past year.
- On the positive side, Colorado is now viewed more favorably for:
  - *safety and lack of crowds*
  - *outdoor activities, including mountain climbing and biking; river sports, such as canoeing and rafting; camping*
  - *affordable to get to*
  - *beautiful parks and gardens*
- However, these improvements are balanced by image declines in other areas:
  - *popularity as a destination*
  - *excitement and uniqueness*
  - *sightseeing opportunities, including festivals, landmarks and historic sites, interesting cities*
  - *opportunities for entertainment*

# Colorado's Image



- ◉ These shifts did not alter Colorado's overall image to any great extent, but tended to reinforce the general strengths and weaknesses observed in 2002:
  - ◉ *it is also likely that most of these shifts are a reflection of the change in competitors being evaluated against Colorado this year (Hawaii, Alaska, California, Florida, New York, Nevada) vs. Western and Mountain states in 2002*
- ◉ In 2003, vacationers think Colorado has an edge on the top competition in terms of:
  - ◉ *beautiful and unique scenery*
  - ◉ *skiing and mountain climbing*
  - ◉ *other outdoor activities (canoeing, hunting, camping, hiking)*
  - ◉ *safe, family-oriented and uncrowded*
  - ◉ *good summer weather*



# Colorado's Image



- ◉ People believe Colorado is similar to the competition with respect to:
  - ◉ *suitability for adults and couples*
  - ◉ *affordability*
- ◉ The main weaknesses continue to be the perceptions that Colorado:
  - ◉ *is slightly less exciting than the competition*
  - ◉ *is less unique and interesting*
  - ◉ *is less popular*
  - ◉ *has a less appealing climate apart from summer*
  - ◉ *offers less to do in terms of sightseeing and entertainment*
  - ◉ *is short of good accommodations and dining*

# Colorado's Product Delivery



- ⊙ The good news is that, despite potential visitors' perceptions that Colorado is inferior to other top destinations in these areas, people who actually experience Colorado come away with a very positive impression:
  - ⊙ *matching or exceeding expectations in every way*
- ⊙ Recent Colorado visitors are especially impressed with Colorado's:
  - ⊙ *affordability in terms of the cost of traveling there, the availability of good packages, and expenses once in the state*
  - ⊙ *variety and quality of dining*
  - ⊙ *climate*
  - ⊙ *friendly atmosphere*
  - ⊙ *outdoor activities*
  - ⊙ *popularity*
  - ⊙ *sightseeing opportunities, notably the interesting cities, towns and villages*
  - ⊙ *the sense of excitement offered*
  - ⊙ *adult atmosphere*

# The 2003 Campaign



- ◉ The 2003 campaign was recalled by 4 in 10 travelers across the country:
  - ◉ *reaching an estimated 76.9 million travelers versus 61.4 million in 2002*
  - ◉ *up by about 25% in both regional and national markets*
  - ◉ *awareness continued to be somewhat higher in the regional market than nation-wide*
- ◉ The print component led in terms of generating awareness – 45% recalled at least one magazine or newspaper ad – which is consistent with the weight of the media buy.
- ◉ About 2 in 10 remembered seeing a TV ad, and somewhat fewer recalled the radio or outdoor/transit advertising.
- ◉ Approximately 1 in 10 travelers recalled Colorado's internet home page, which is somewhat higher than the level of registration we have found with other destinations.

# The 2003 Campaign



- The 2003 campaign had a substantial impact on people's impressions of Colorado – those aware of the campaign were more likely than those who had not seen it to:
  - *think of Colorado spontaneously as a potential vacation destination*
  - *have a positive overall image of Colorado*
- The campaign created a better image of Colorado on most individual dimensions, especially in the areas of high priority for vacationers – excitement, family orientation, worry-free and friendly atmosphere, uniqueness, the range of opportunities for sightseeing, and popularity.
- People aware of the campaign also thought better of Colorado for:
  - *climate in both spring and summer*
  - *the availability of entertainment and nightlife*
  - *affordability/value, a factor that becomes very important as the planning cycle moves closer to the point of purchase*

# The 2003 Campaign



- ⊙ The advertising also influenced people to consider a future trip to Colorado:
  - ⊙ *25% of those aware of the 2003 campaign said they planned a trip to Colorado over the next 2 years, compared to only 12% of those unaware of the advertising*
  - ⊙ *these are approximately the same overall levels as in 2002*
  - ⊙ *however, the 2003 campaign had a greater impact on people in national markets than it did in 2002, and also relative to regional markets – given the larger population base in national markets, this resulted in more planned trips*
- ⊙ The campaign generated an incremental 9,174,000 potential trips to Colorado, planned for over the next two years or so:
  - ⊙ *almost twice the number recorded in 2002*
  - ⊙ *all from national markets*
  - ⊙ *half of these trips are planned for 2004*
- ⊙ The 2002 advertising was very successful at “converting” people into trip-takers during the campaign period and shortly afterwards:
  - ⊙ *3,848,000 people visited Colorado during or immediately following the advertising period (March to December) that otherwise would not have visited without the campaign*
  - ⊙ *this is double the number of trips generated by the 2002 campaign*
  - ⊙ *90% of those additional trips came from outside the region*

# The 2003 Campaign



- ⊙ When we look at impacts of the campaign by the various media used in the campaign, we find that:
  - ⊙ *awareness of campaign components is generally in line with expenditures for each medium – the two interesting surprises were that TV and billboards yielded particularly high awareness relative to their limited budgets*
  - ⊙ *TV generated the highest intentions to visit and actual visits as a stand alone medium*
  - ⊙ *however, the combination of broadcast and print, including radio plus print, and TV plus radio plus print, created equal or better results*

# Campaign ROI



- ⊙ When we apply the most recent estimates of what tourists spend in Colorado to the advertising-influenced trips, we estimate that the 2003 campaign yielded:
  - ⊙ *approximately \$1.1 billion in additional visitor spending*
- ⊙ The state taxes returned to Colorado's Treasury on this additional spending was \$32.5 million, double what was returned in 2002.
- ⊙ When the cost of the campaign is factored into the equation (approximately double the 2002 budget), the advertising returned \$203 in additional spending and \$6.27 in state taxes for every dollar invested – virtually identical to the yield in 2002.
- ⊙ This return covers short-term results and is anticipated to increase, assuming that some of the 9.2 million planned trips take place:
  - ⊙ *the Conversion Study conducted for CTO on the 2002 campaign indicated an additional 2.5% conversion rate on planned trips for the January – May period in 2003, with related visitor spending boosting overall ROI by 6%*
  - ⊙ *a similar study is planned to quantify conversion resulting from the 2003 campaign*

# Conclusions



- On the positive side:
  - *Travel and tourism is big business for the state of Colorado, contributing \$7.1 billion in direct expenditures by overnight leisure and business visitors to the state's economy.*
  - *Colorado continues to be one of American vacationers' top dream destinations, retaining its 5<sup>th</sup> place ranking among states as a destination people would "really enjoy visiting".*
  - *Colorado remains the country's top ski destination with a 17% share of overnight ski trips, and in 2003 substantially increased its share of outdoor vacations.*
  - *The Colorado product continues to impress visitors, delivering much more than people expect before they arrive*
  - *The increased investment in advertising and marketing paid off in a substantial way through the 2003 spring/summer campaign, yielding significant incremental visitation and visitor expenditures, as well as doubling the amount which that spending returned to the state treasury in taxes.*
  - *The impressive results of the 2003 campaign suggest that the advertising was on strategy, delivering the right motivating message to its audience, and improving Colorado's image among those aware of the campaign.*



# Conclusions



- The other side of the coin:
  - *Colorado's overall visitor numbers declined in 2003, both on the leisure side and especially business travel.*
  - *This translated into a slight drop in overall market share.*
  - *Although overnight visitor expenditures grew very slightly from 2001 to 2003, they did not keep pace with inflation.*
  - *Colorado welcomed more outdoor and special event vacationers, but this was counter-balanced by drops in the numbers of touring, ski and combined business-pleasure trips.*
  - *The main problem with these segment shifts is that the groups where Colorado lost ground spend a lot more money in the state than the segments where volume rose.*
  - *Colorado continues to have some important image weaknesses, including perceived excitement, uniqueness and the depth/variety of experience offered.*

# Recommendations and Challenges for the Future



- ⦿ The strategic direction of the 2003 campaign appeared to be on target and should be continued.
- ⦿ Although the 2003 campaign and the campaign in 2002 made headway in improving some people's image of Colorado in a number of areas, the broader job of correcting misperceptions and image weaknesses among U.S. vacationers as a whole will take more time.
- ⦿ This argues for continued, substantial budgetary support to ensure the consistency and sustained presence in the marketplace that will bring about these changes.
- ⦿ The shifts in visitor volumes suggest the need for renewed focus on attracting higher-yield vacation segments, such as skiers, business-pleasure and touring vacationers
- ⦿ Rising gasoline prices and continued weakness in the economy may make it increasingly difficult to motivate long-distance travel to the state, suggesting an increased need to showcase partner packages and other efforts to overcome this potential affordability barrier and help "close the sale".

# Main Findings

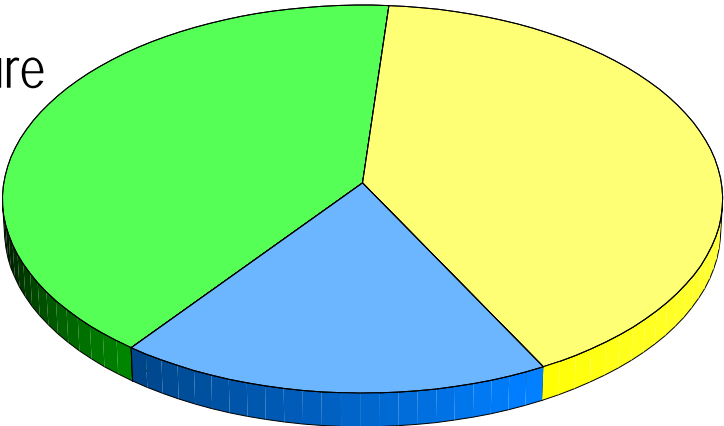
# Size & Structure of the U.S. Travel Market

# Size of the U.S. Travel Market — 2003 Overnight Trips



Total = 1.494 Billion

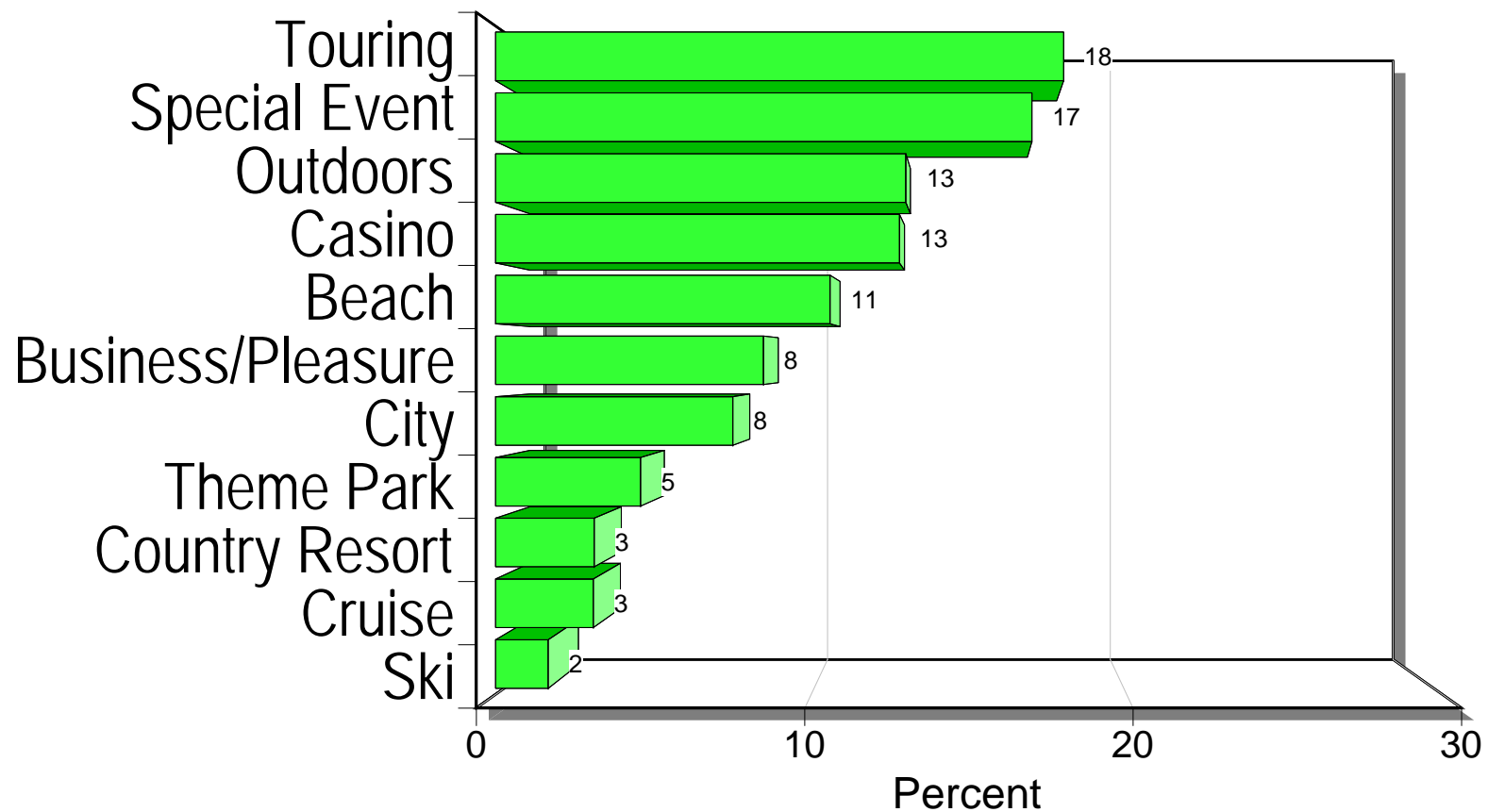
Marketable Pleasure  
620 Million  
(41%)



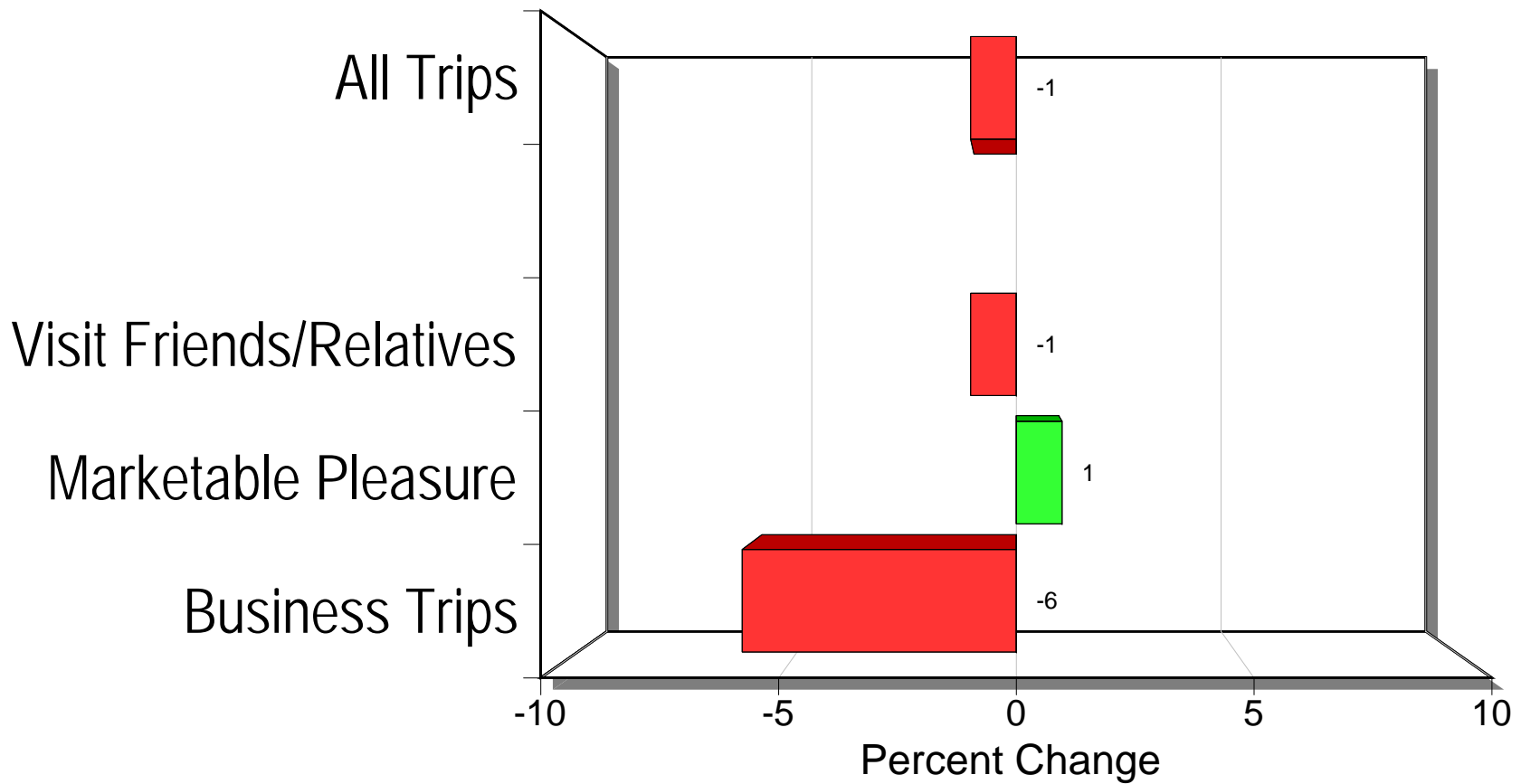
Visit Friends/Relatives  
609 Million  
(41%)

Business  
265 Million  
(18%)

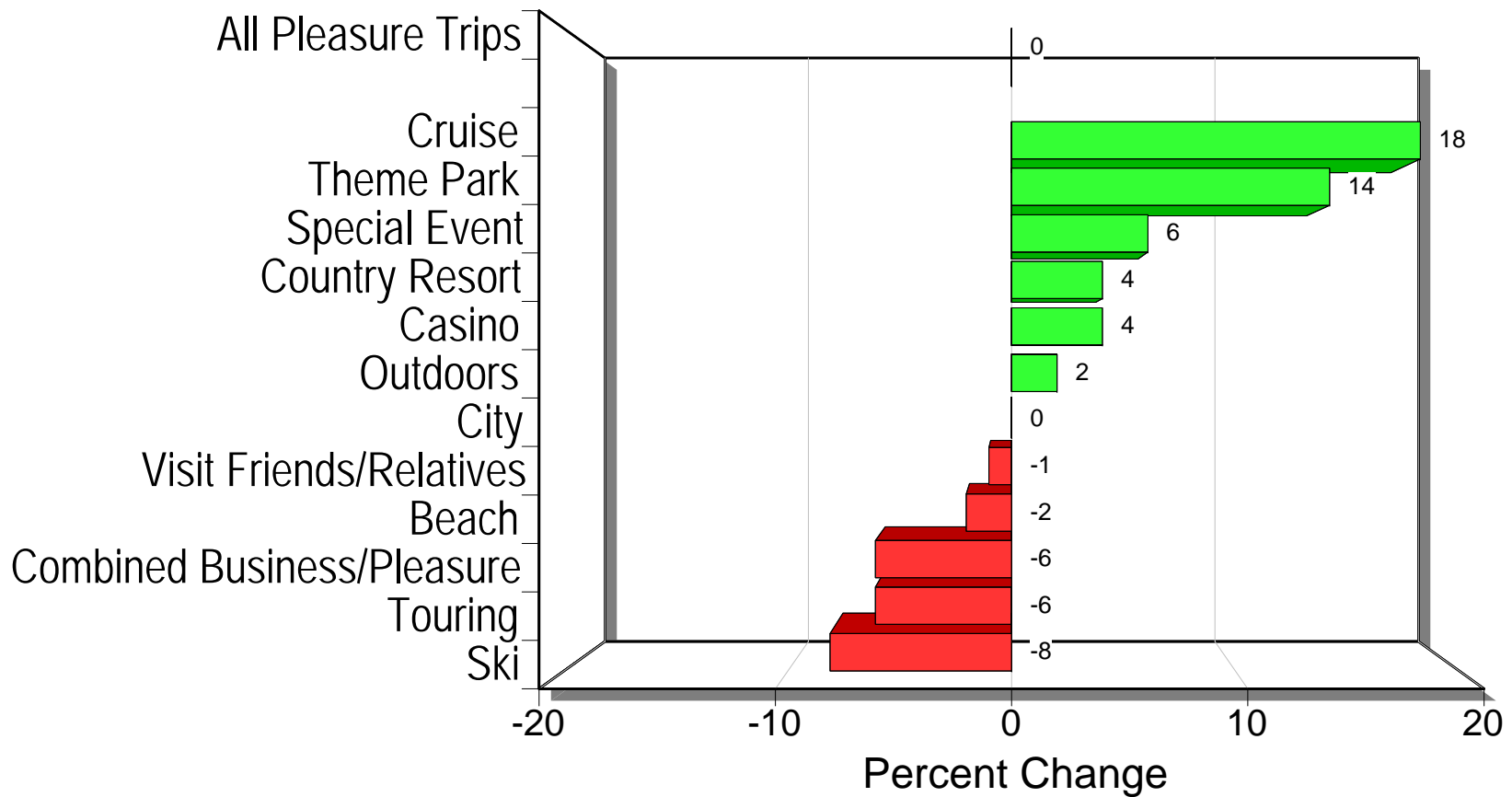
# U.S. Overnight Marketable Trip Mix – 2003 Travel Year



# U.S. Market Trends – 2003 vs. 2002

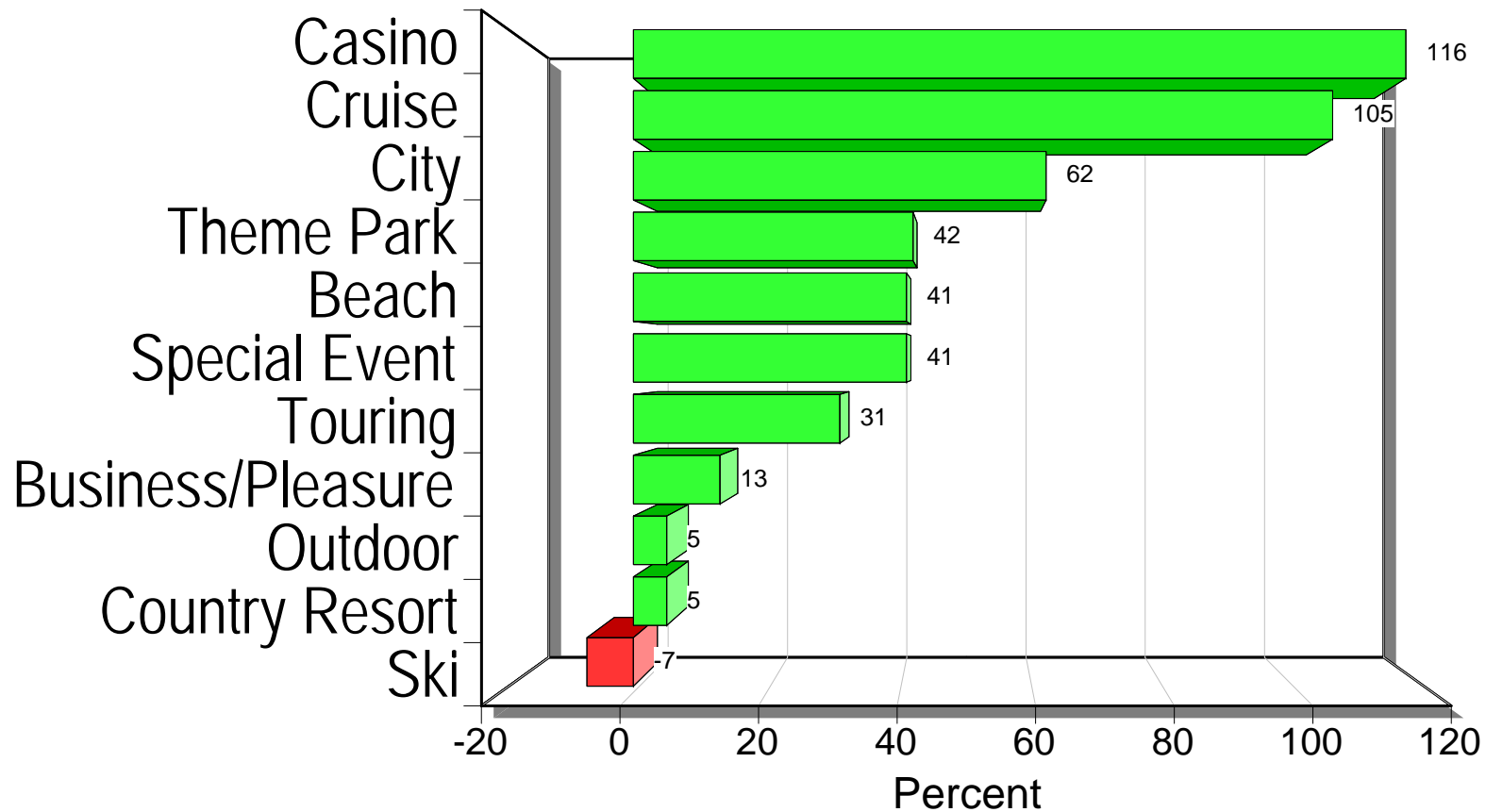


# U.S. Market Trends – 2003 vs. 2002





# U.S. Marketable Trips % Change From 1994 to 2003



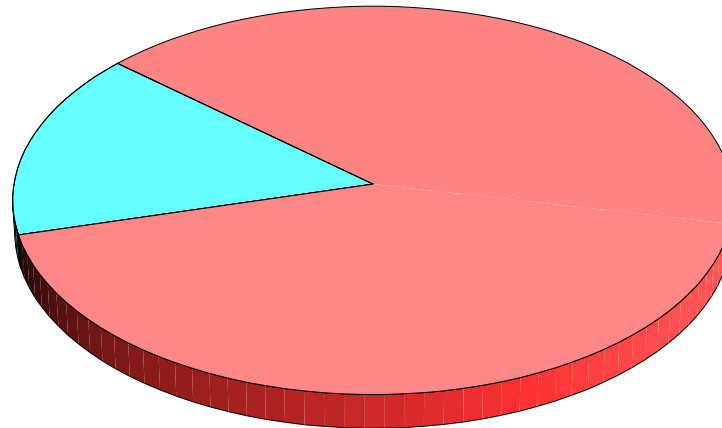
# Size & Structure of Colorado's Travel Market

# Overnight Trips to Colorado in 2003



Total = 24.9 Million

Business  
3.6 Million  
(14%)



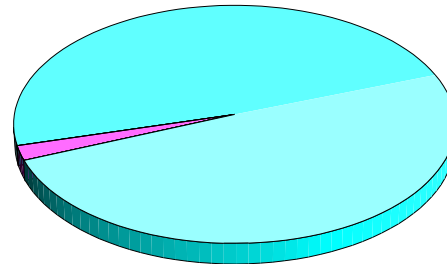
Pleasure  
21.3 Million  
(86%)

# Stayed Overnight in Colorado vs. Pass Thru



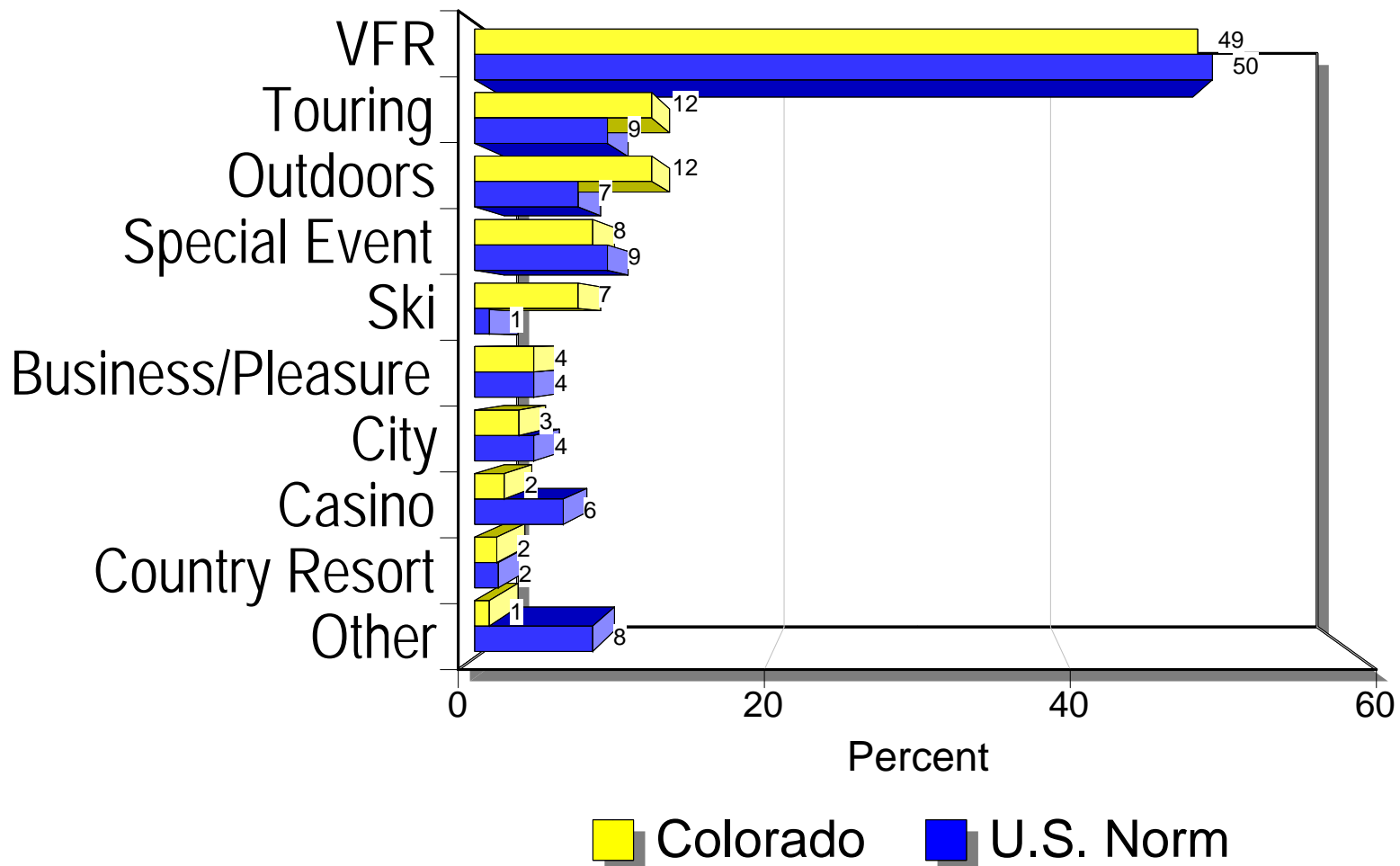
Total Trips = 24.9 Million

Pass Thru  
0.5 Million  
(2%)



Overnight in Colorado  
24.4 Million  
(98%)

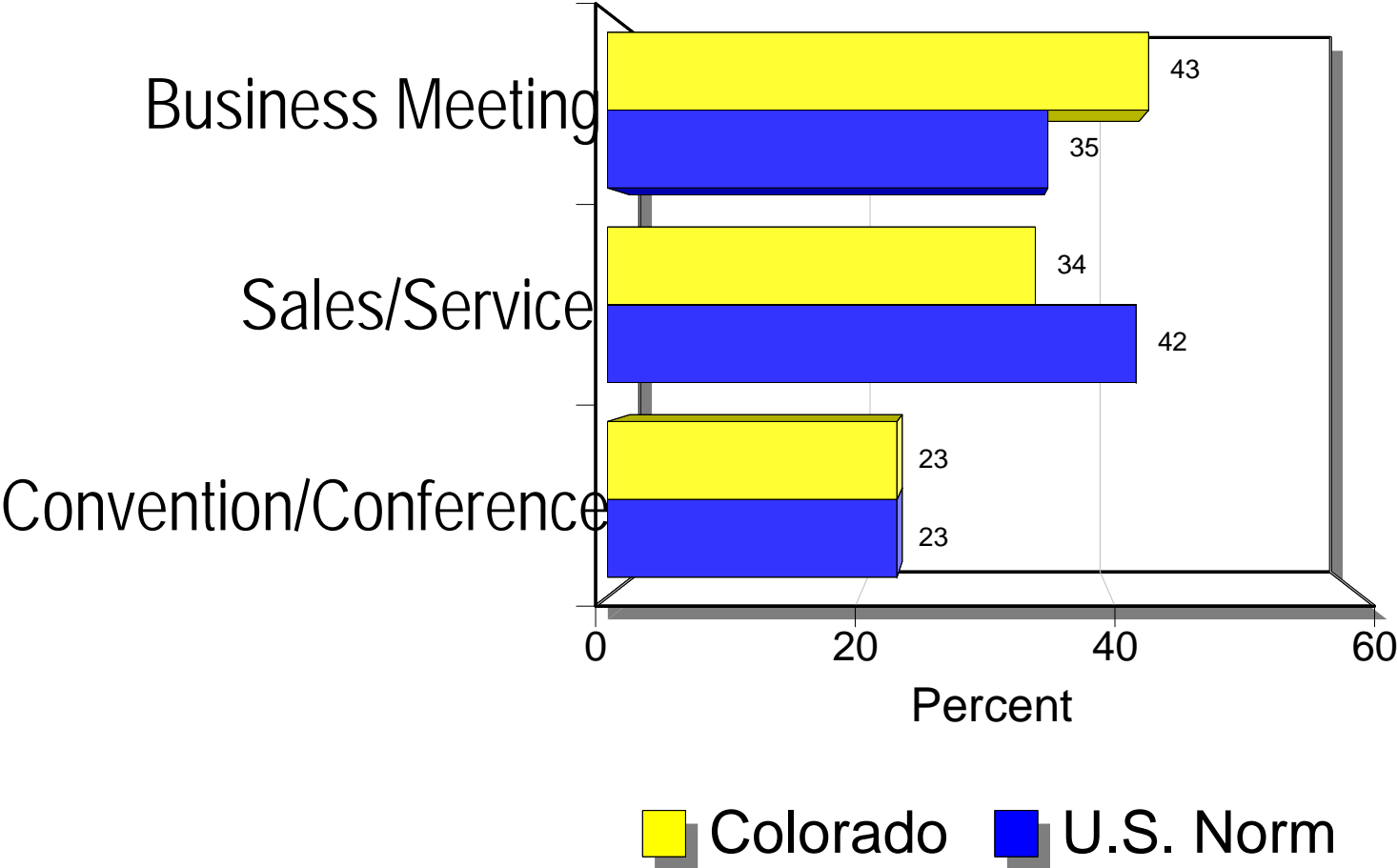
# Main Purpose of Pleasure Trips vs. the U.S. Norm



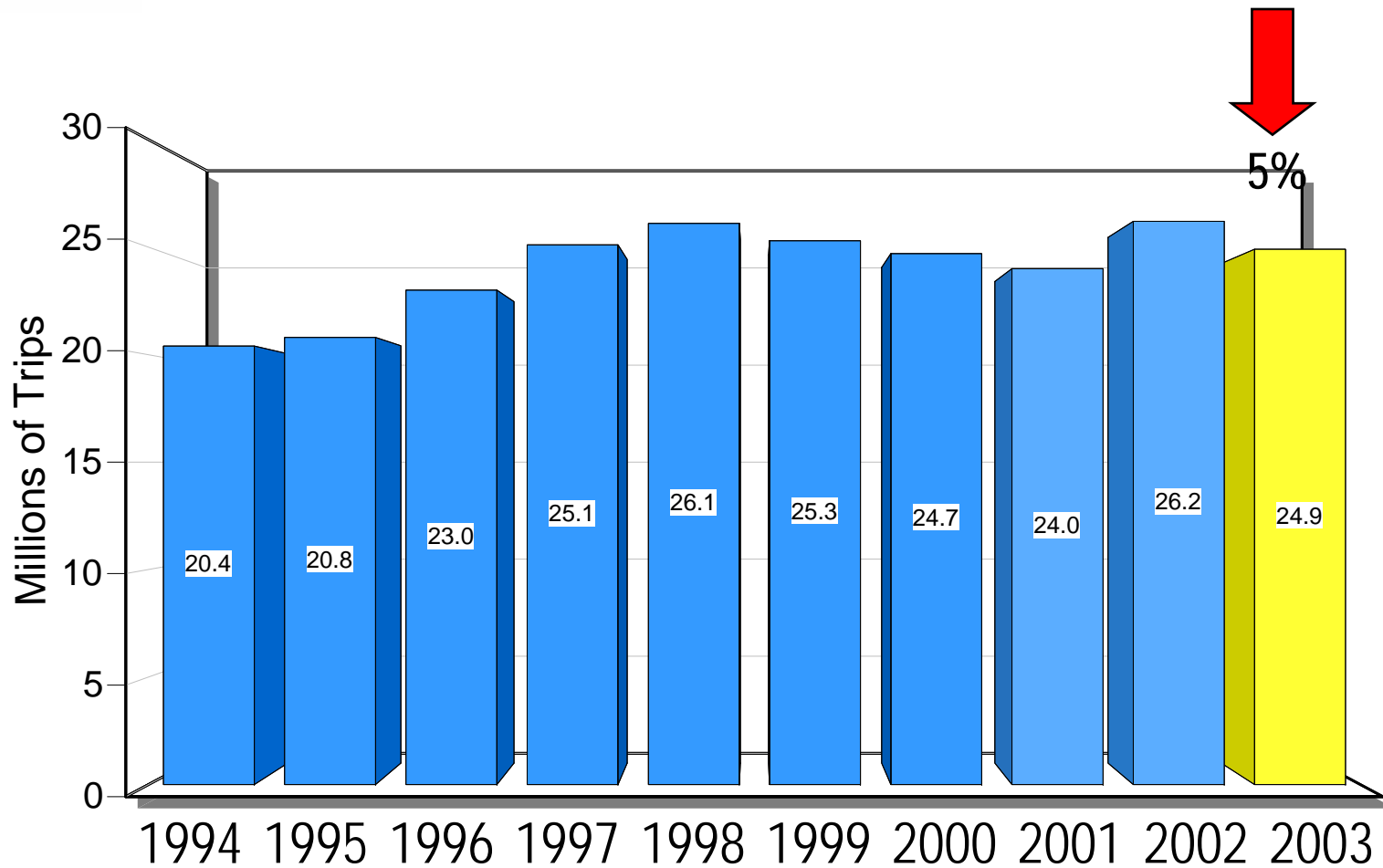
# Main Purpose of Business Trips vs. the U.S. Norm



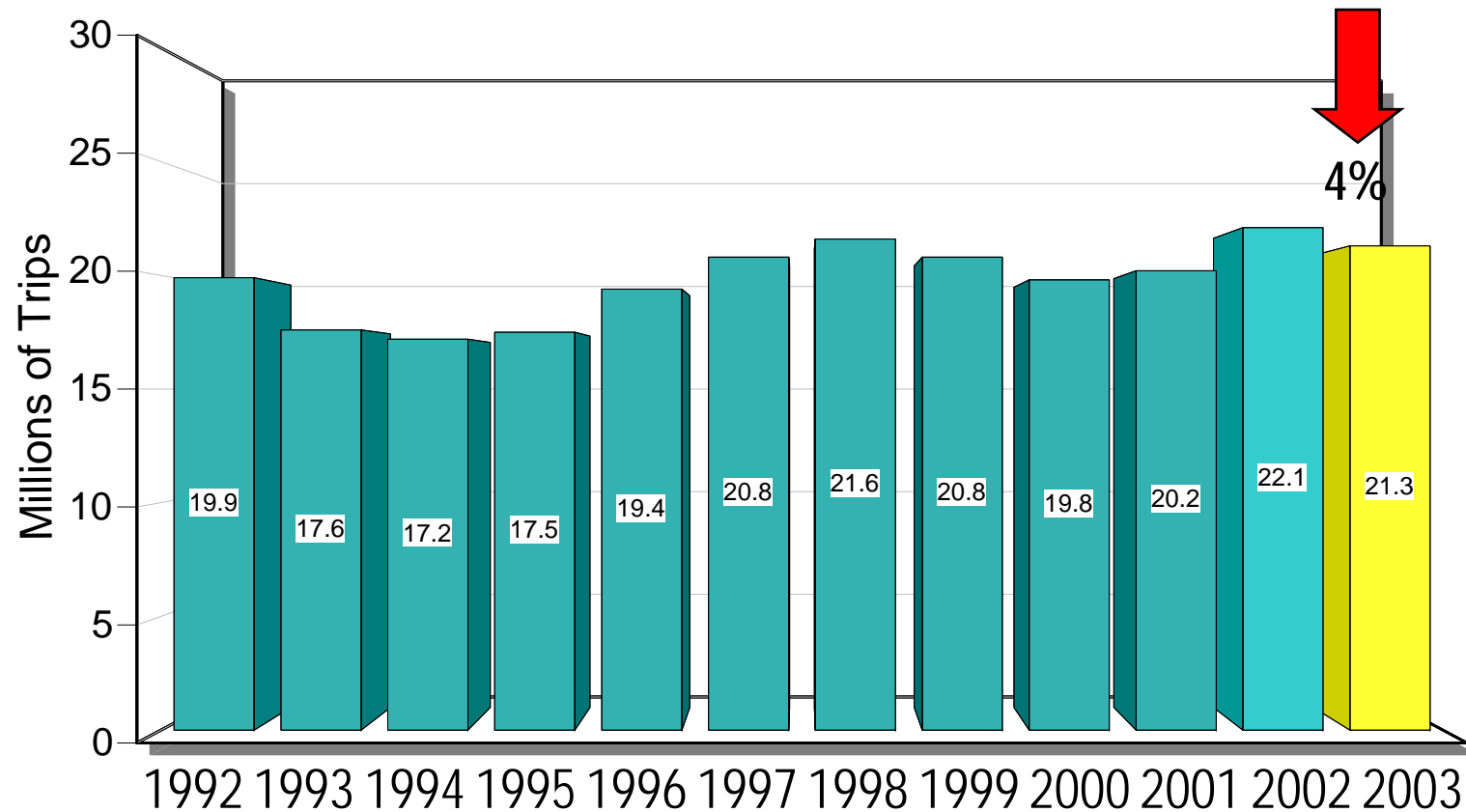
Base: Overnight Business Trips



# Overnight Trips to Colorado — 1994 to 2003

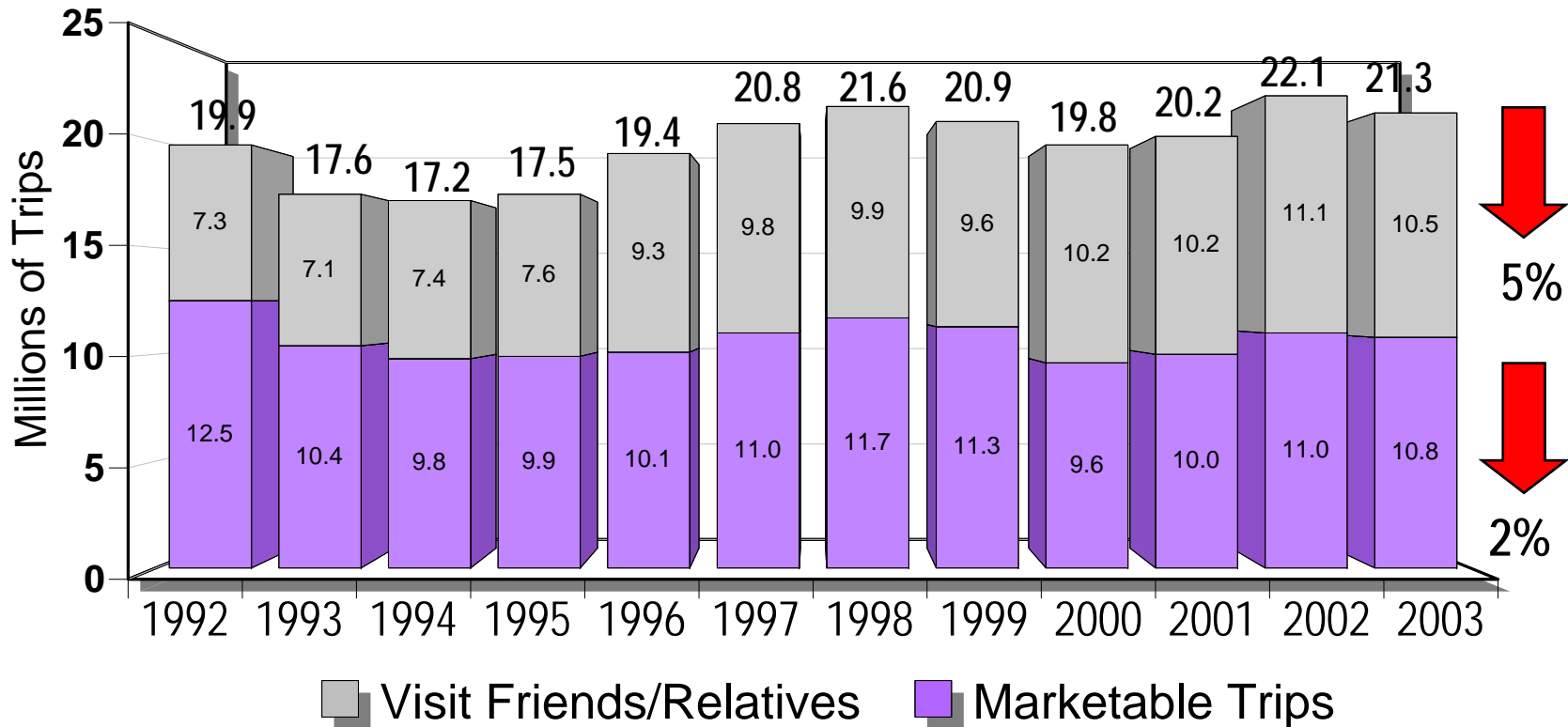


# Overnight Pleasure Trips to Colorado – 1992 to 2003



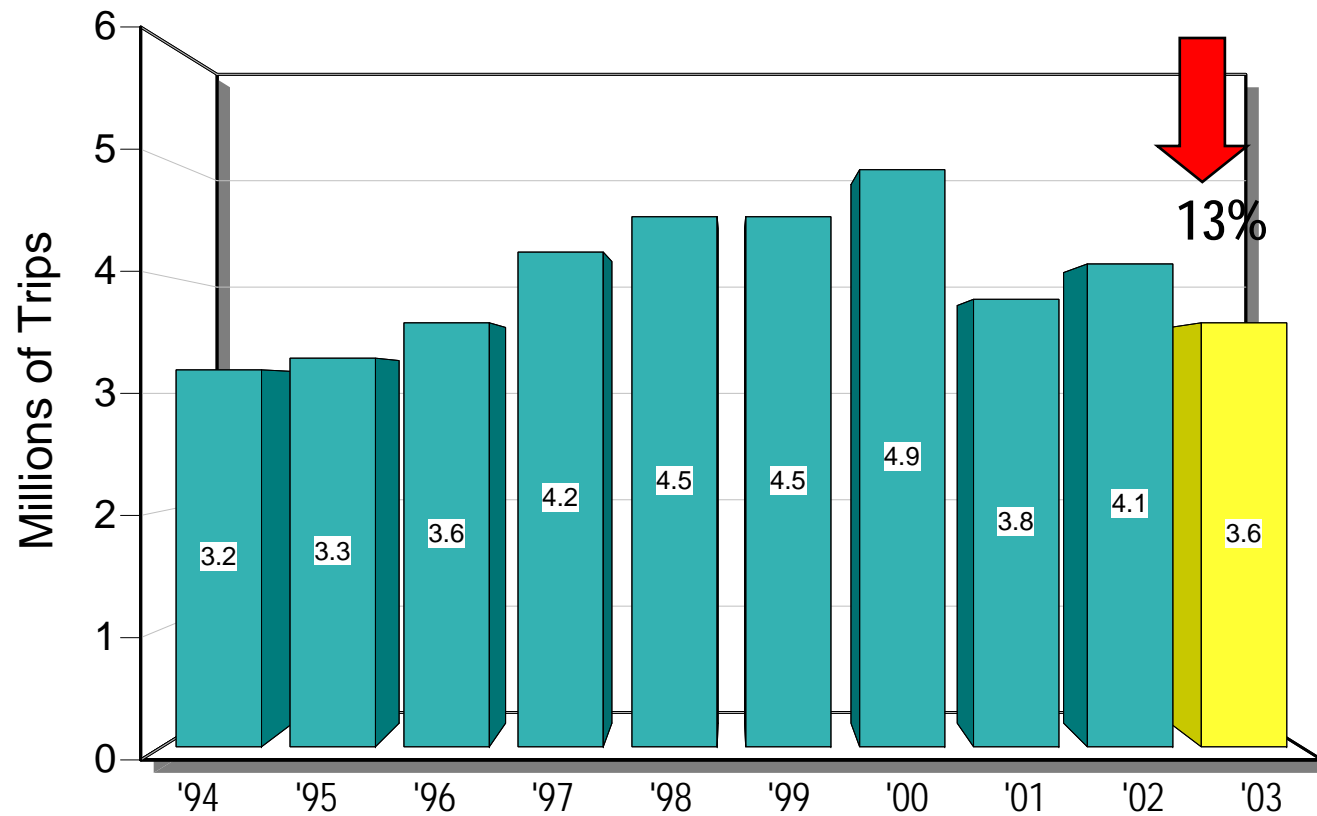


# Structure of Colorado's Overnight Pleasure Travel Market

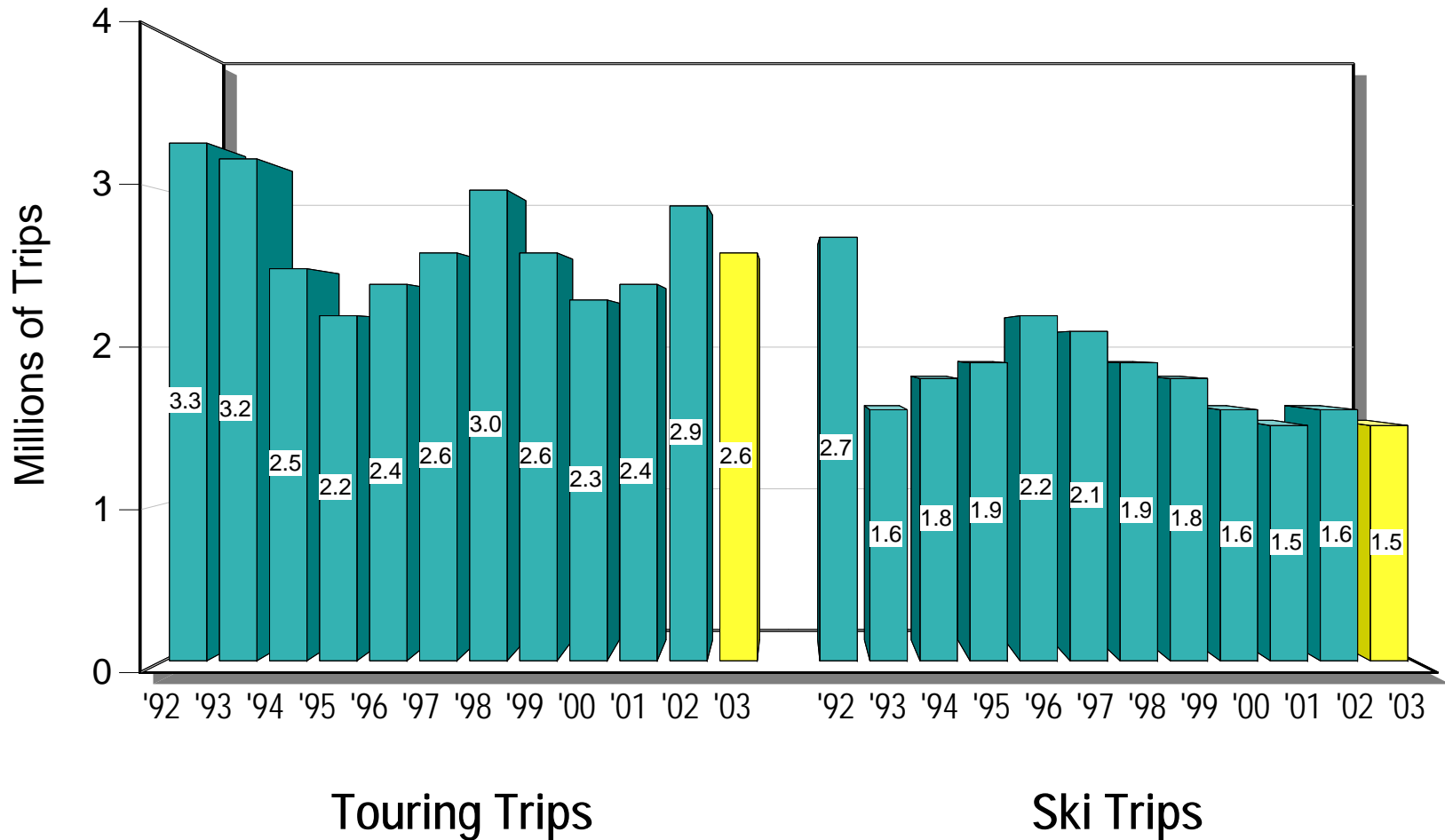


\*Data are rounded.

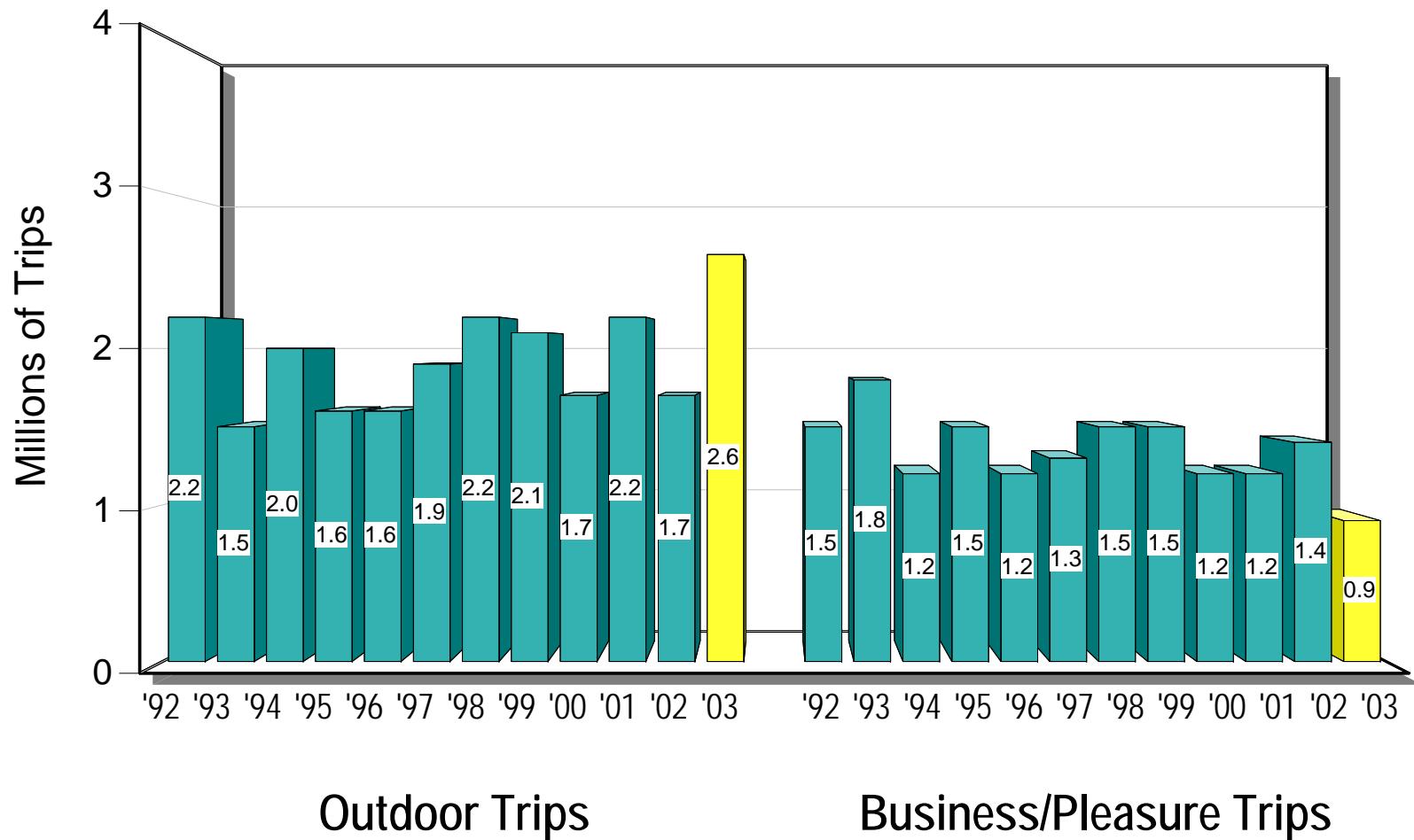
# Overnight Business Trips to Colorado - 1994 to 2003



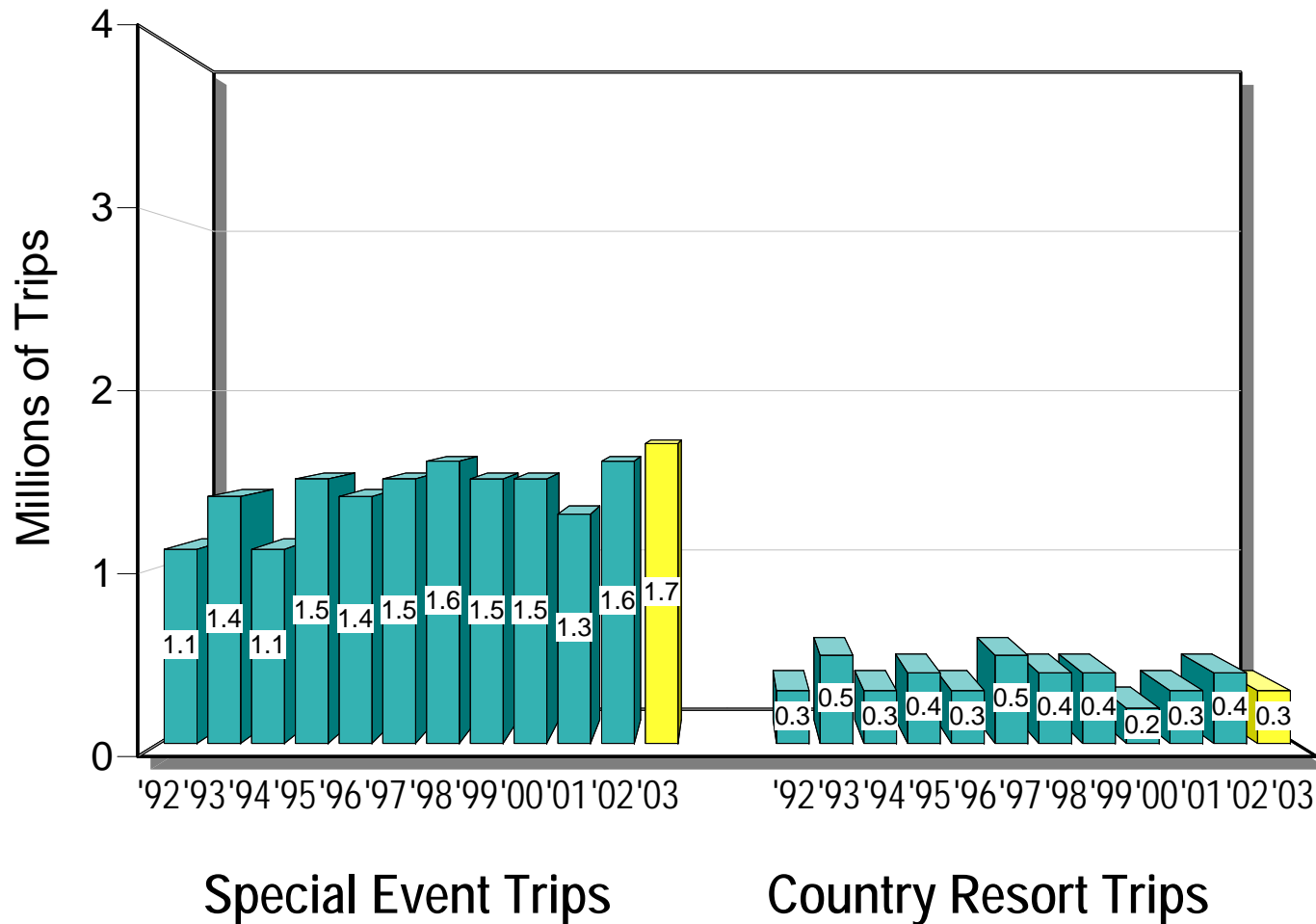
# Touring and Ski Trips to Colorado



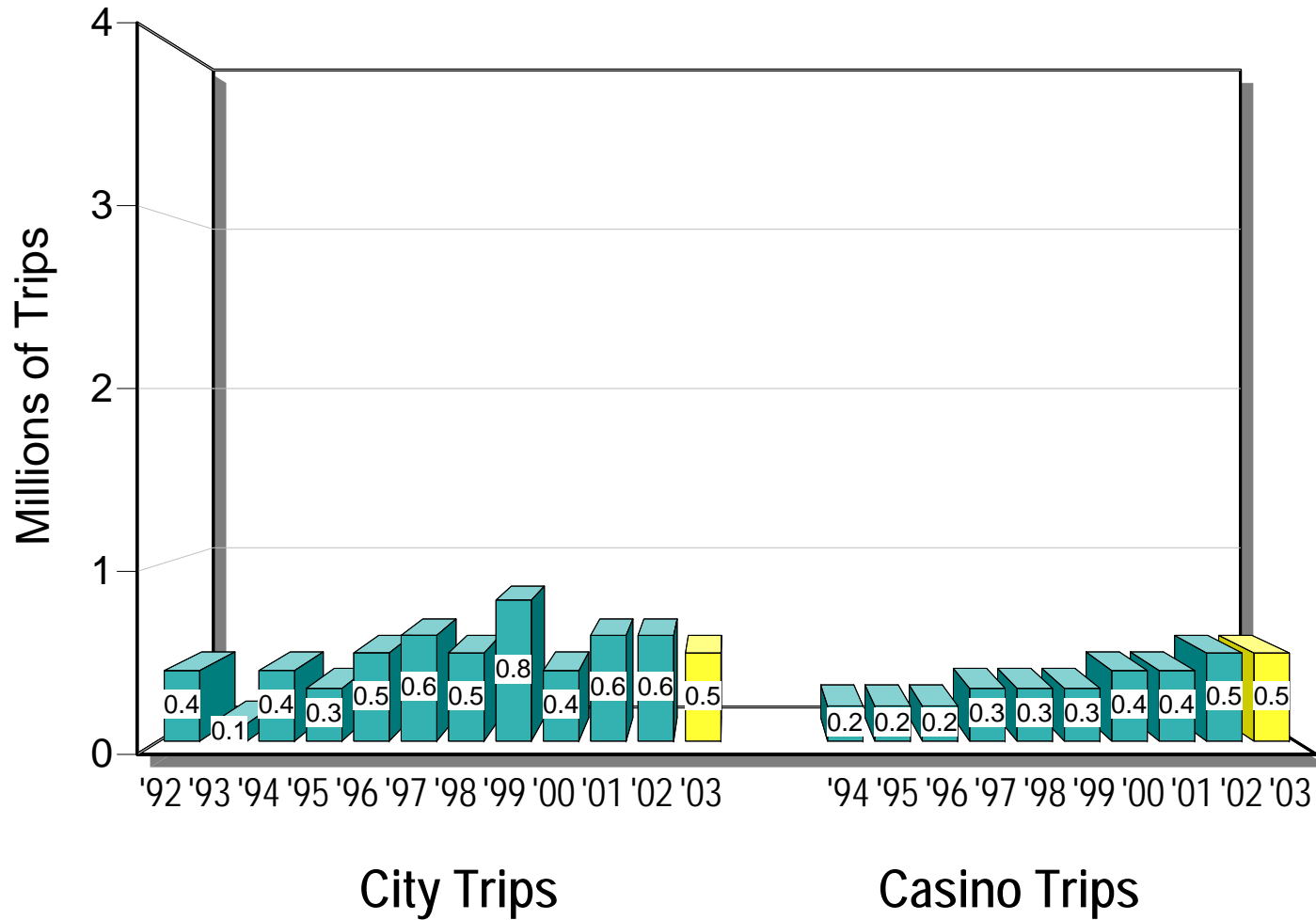
# Outdoors and Business/Pleasure Trips to Colorado



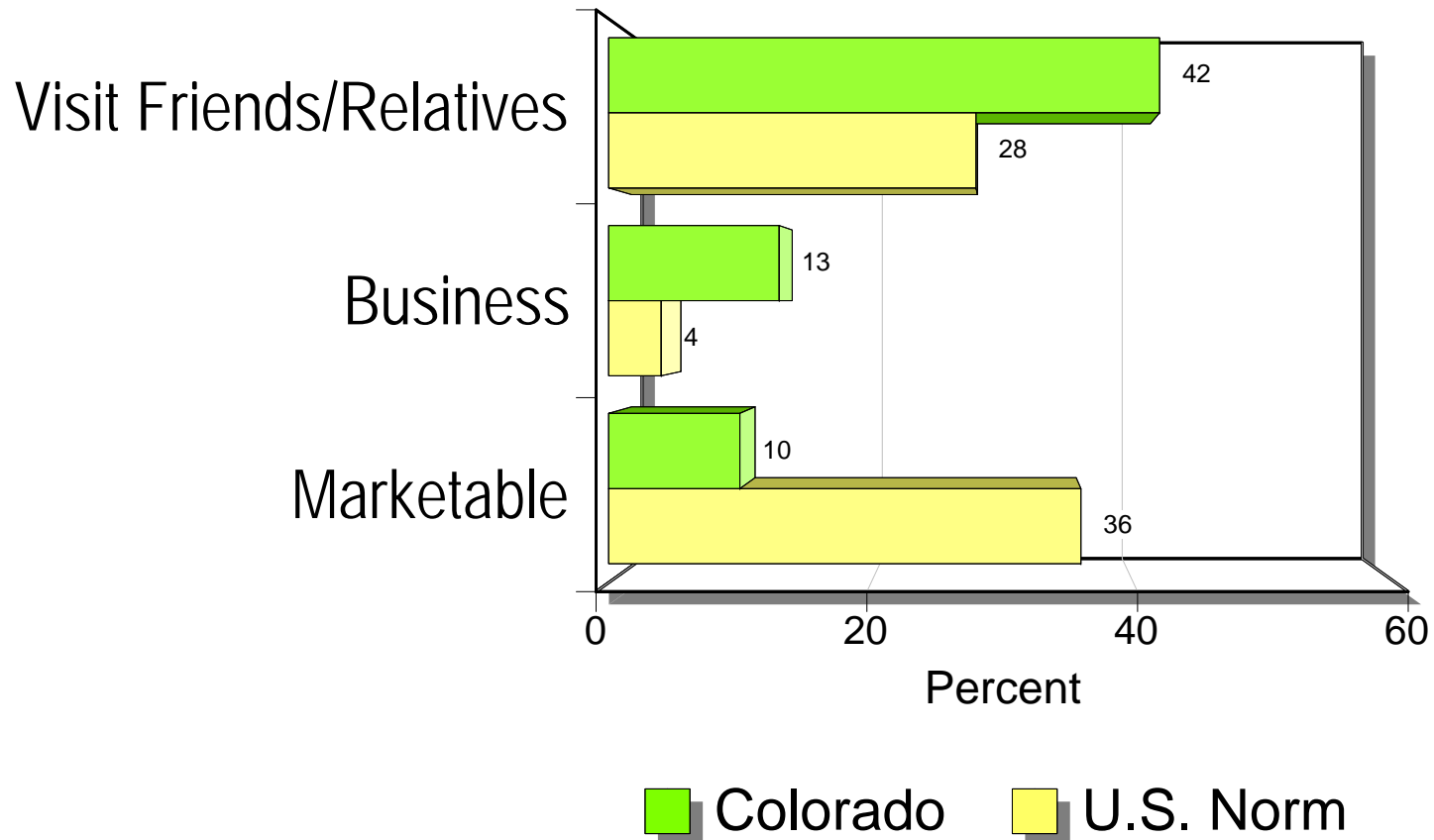
# Special Event and Country Resort Trips to Colorado



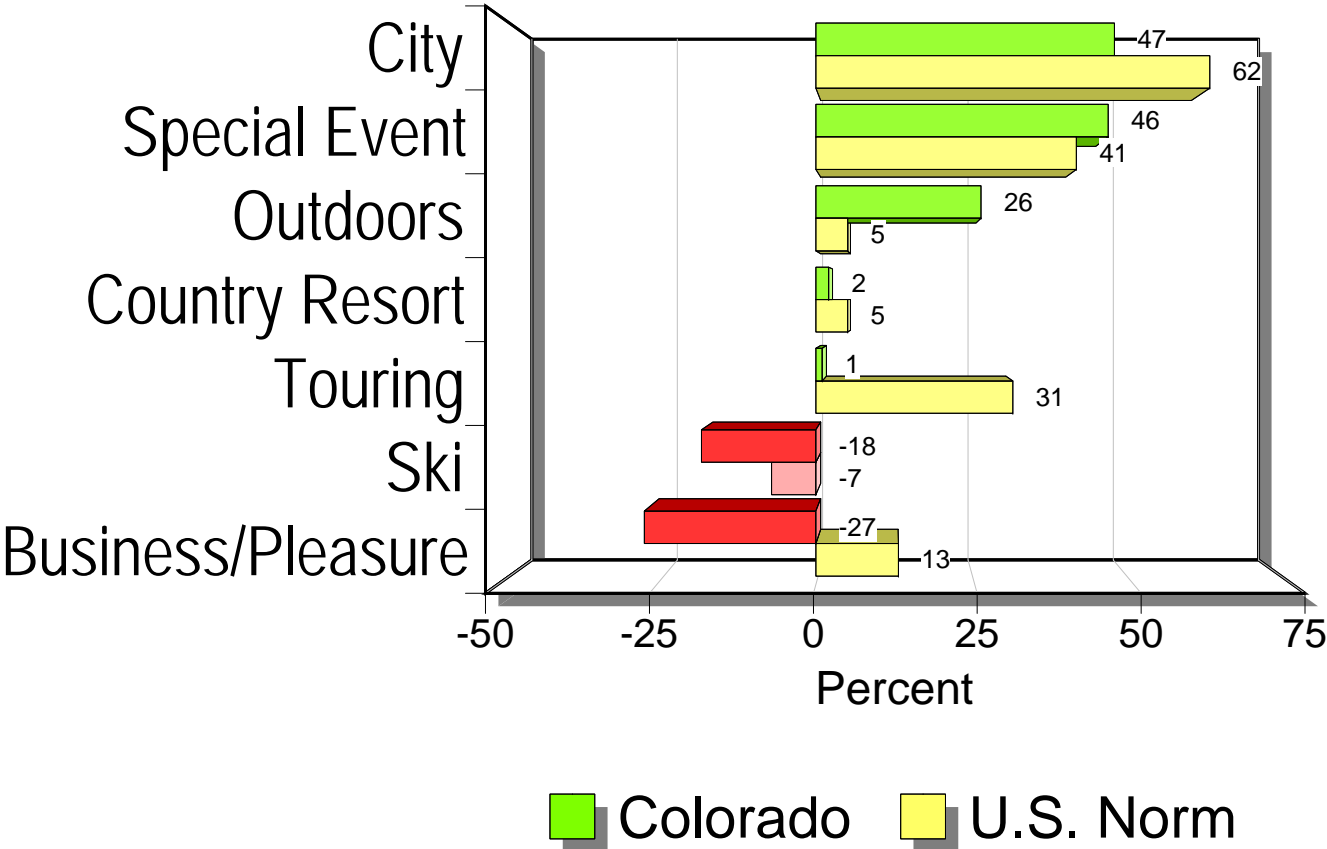
# City and Casino Trips to Colorado



# Colorado Trips – % Change 2003 vs. 1994



# Colorado Marketable Trips — % Change 2003 vs. 1994



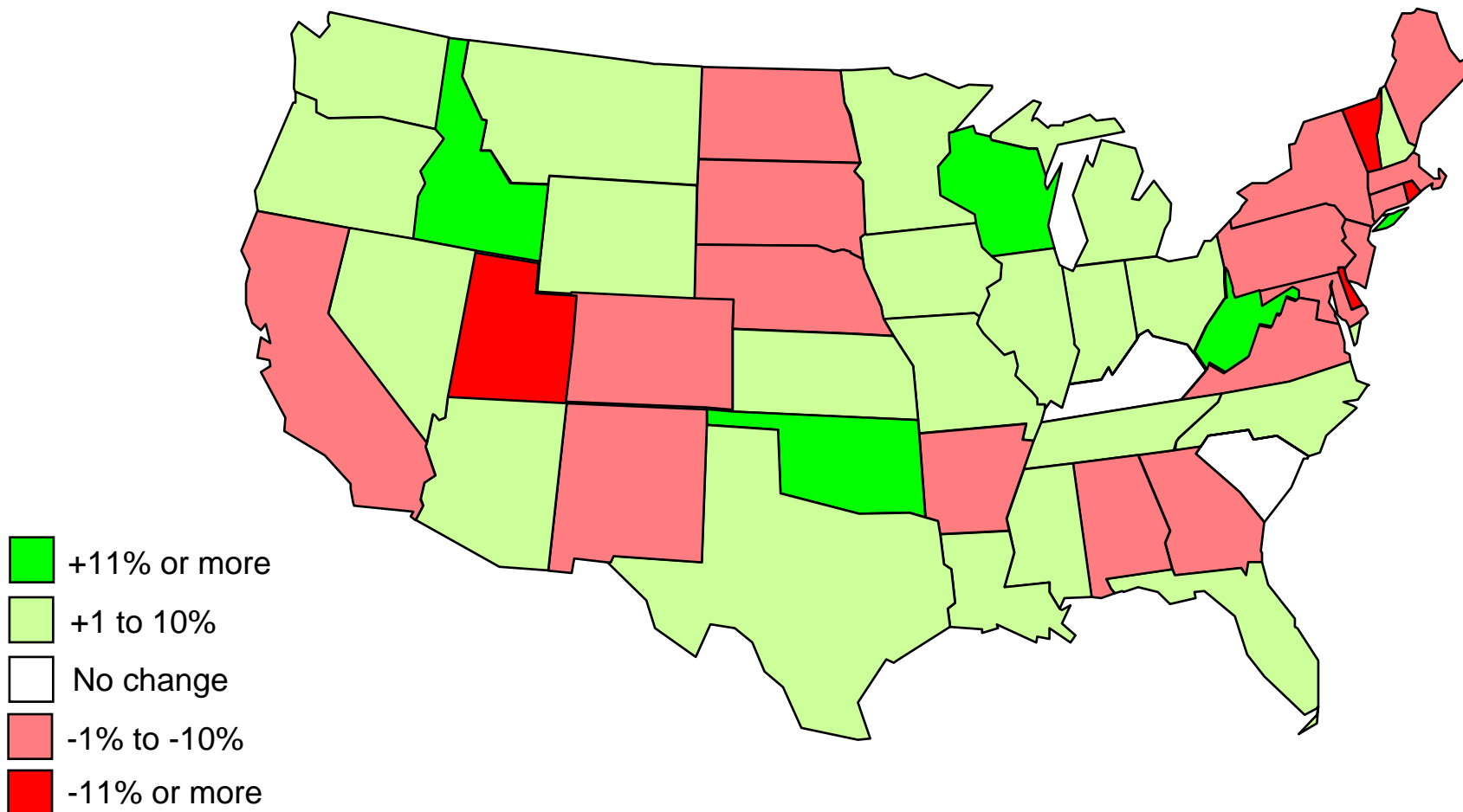


# The Competitive Environment

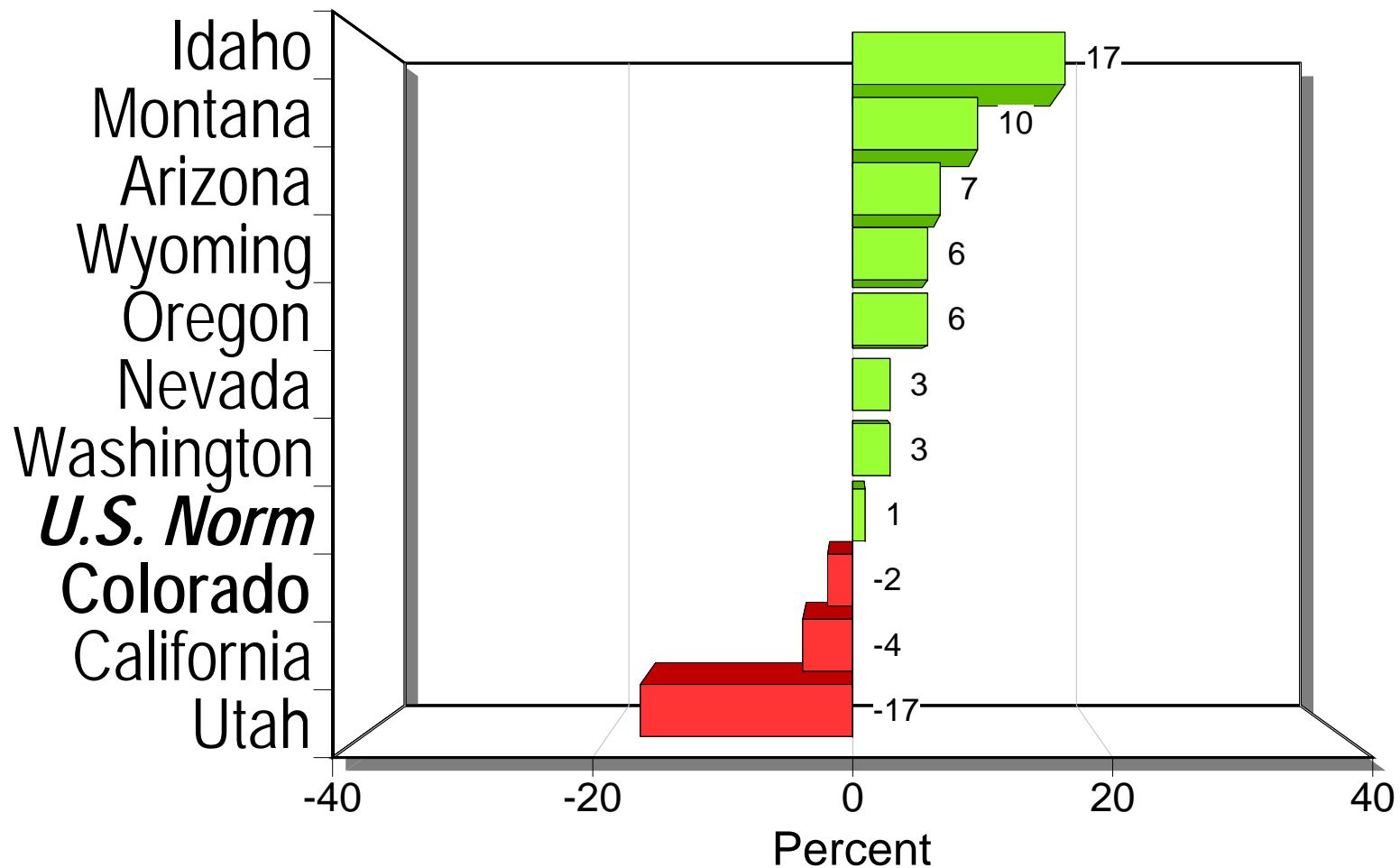
# State Trends in Marketable Trips – 2003 vs. 2002



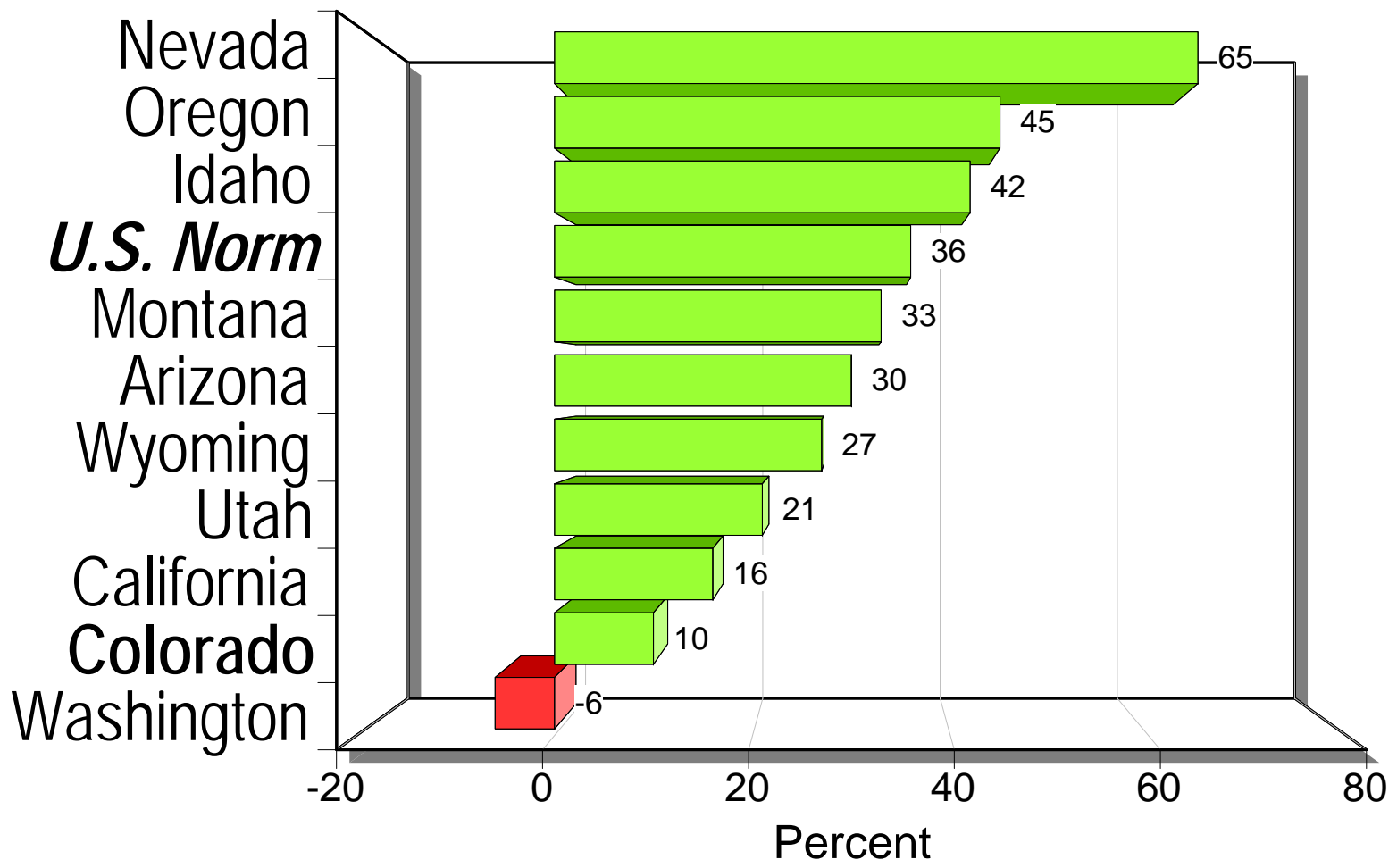
Percent Change



# Total Marketable Trips — % Change 2003 vs. 2002



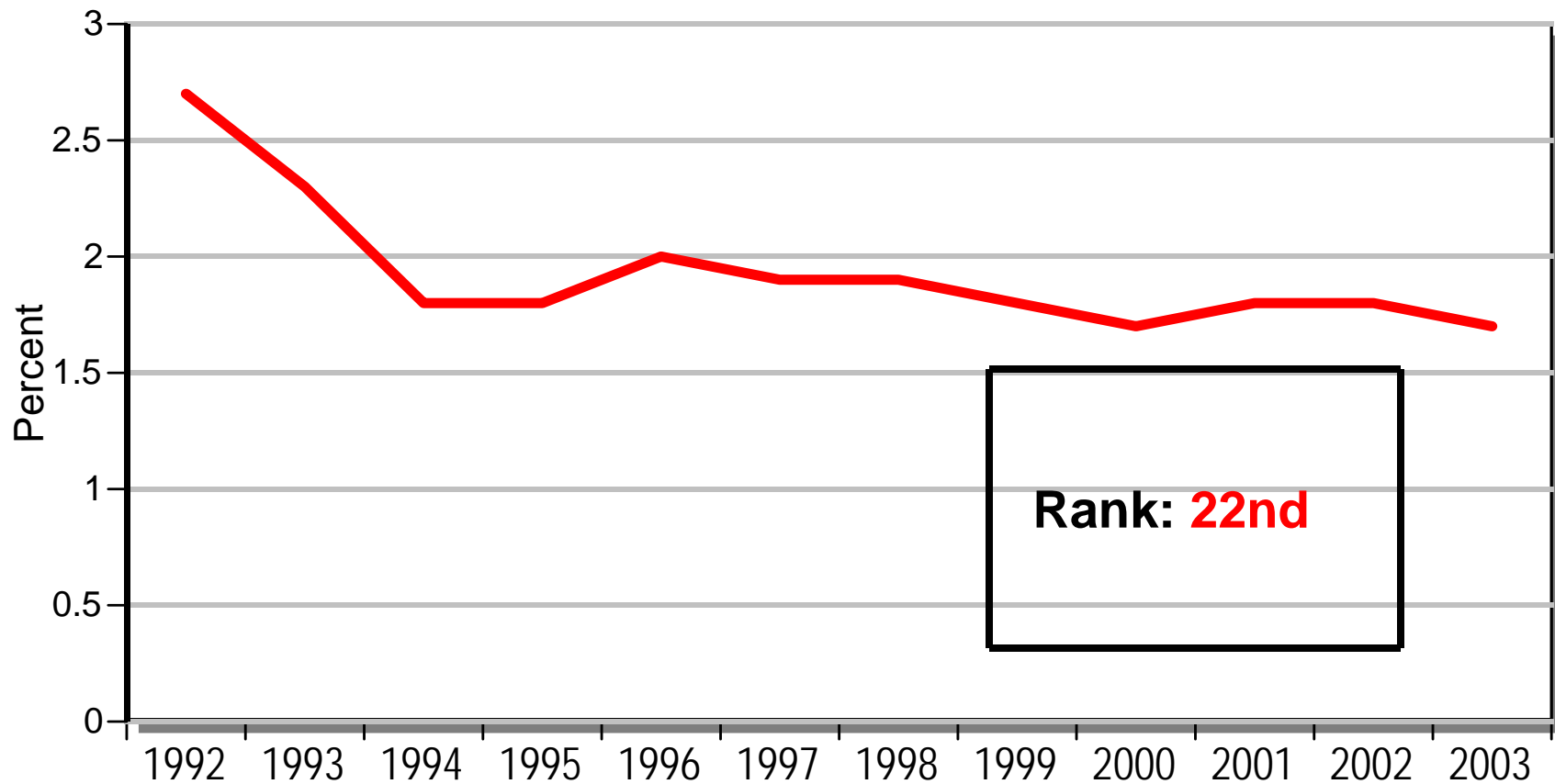
# Total Marketable Trips — % Change 2003 vs. 1994



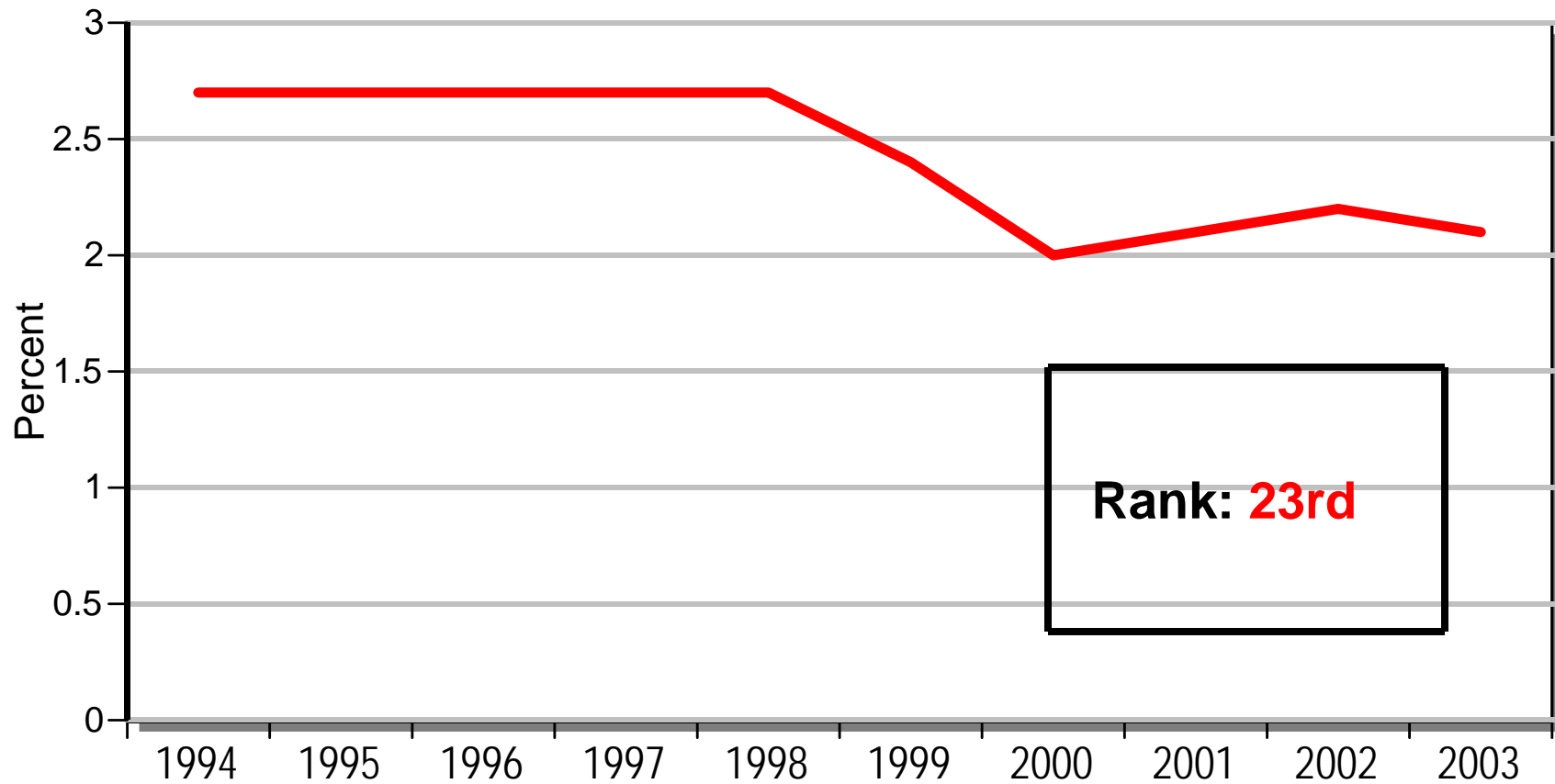
# Colorado's Share of U.S. Overnight Pleasure Trips



Percent Identifying Colorado as Main Destination of Trip



# Colorado's Share of All Overnight Marketable Trips



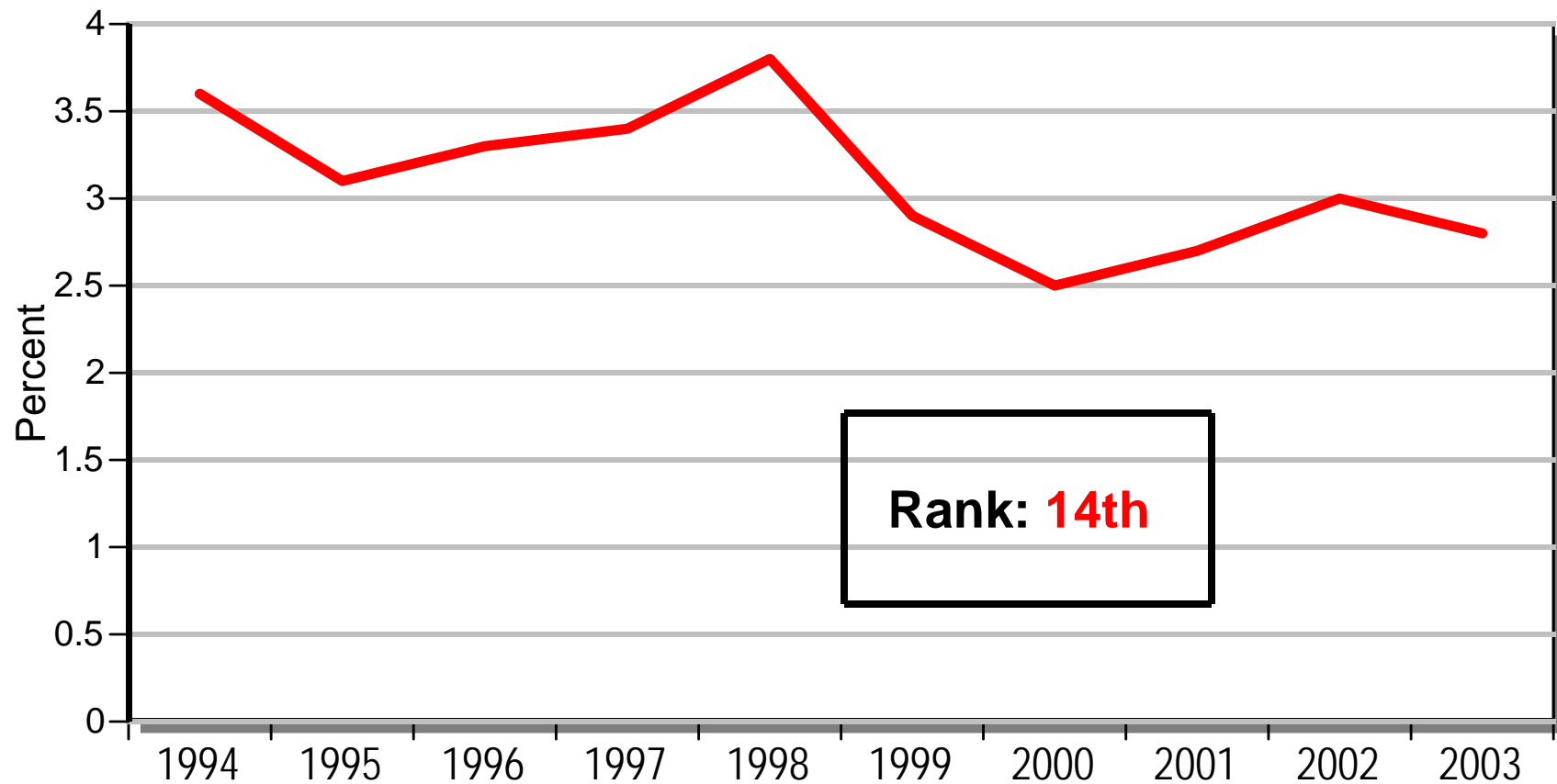
# Colorado's Share of All Overnight Marketable Trips



<i>Destination</i>	<b>2003</b>		<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>ShareRank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
Florida	1	9.0%	2	8.7%	2	9.1%	2	9.2%
California	2	8.9%	1	9.5%	1	9.4%	1	9.6%
Nevada	3	8.7%	3	8.5%	3	8.9%	3	8.4%
New York	4	4.2%	4	4.5%	5	4.3%	5	4.0%
Texas	5	4.2%	5	4.1%	4	4.8%	4	4.1%
New Jersey	6	3.8%	6	4.0%	6	3.9%	7	3.7%
Pennsylvania	7	3.4%	7	3.7%	7	3.4%	6	3.8%
<b>Colorado</b>	<b>23</b>	<b>2.1%</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





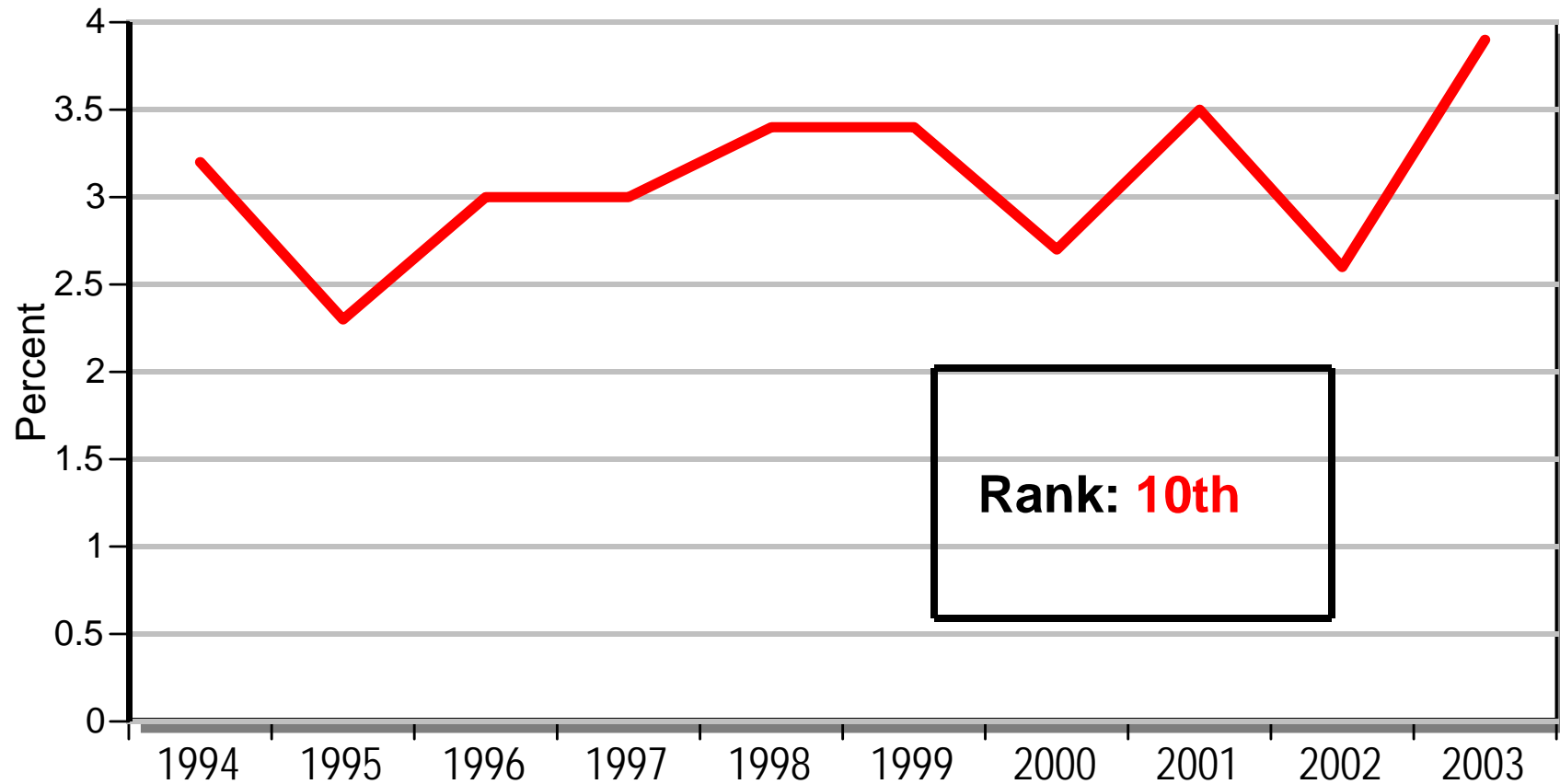
# Colorado's Share of All Overnight Touring Trips



<i>Destination</i>	<b>2003</b>		<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>	<i>Rank</i>	<i>Share</i>
California	1	9.2%	1	9.8%	1	9.1%	1	10.0%
Florida	2	6.4%	2	5.8%	2	6.7%	2	6.6%
New York	3	5.6%	3	5.5%	3	6.4%	3	5.7%
Nevada	4	5.0%	4	5.2%	4	5.0%	4	4.9%
Tennessee	5	4.9%	5	5.1%	5	4.9%	5	4.2%
<b>Colorado</b>	<b>14</b>	<b>2.8%</b>	<b>13</b>	<b>3.0%</b>	<b>17</b>	<b>2.7%</b>	<b>20</b>	<b>2.5%</b>

\*Among 50 U.S. states

# Colorado's Share of All Overnight Outdoors Trips



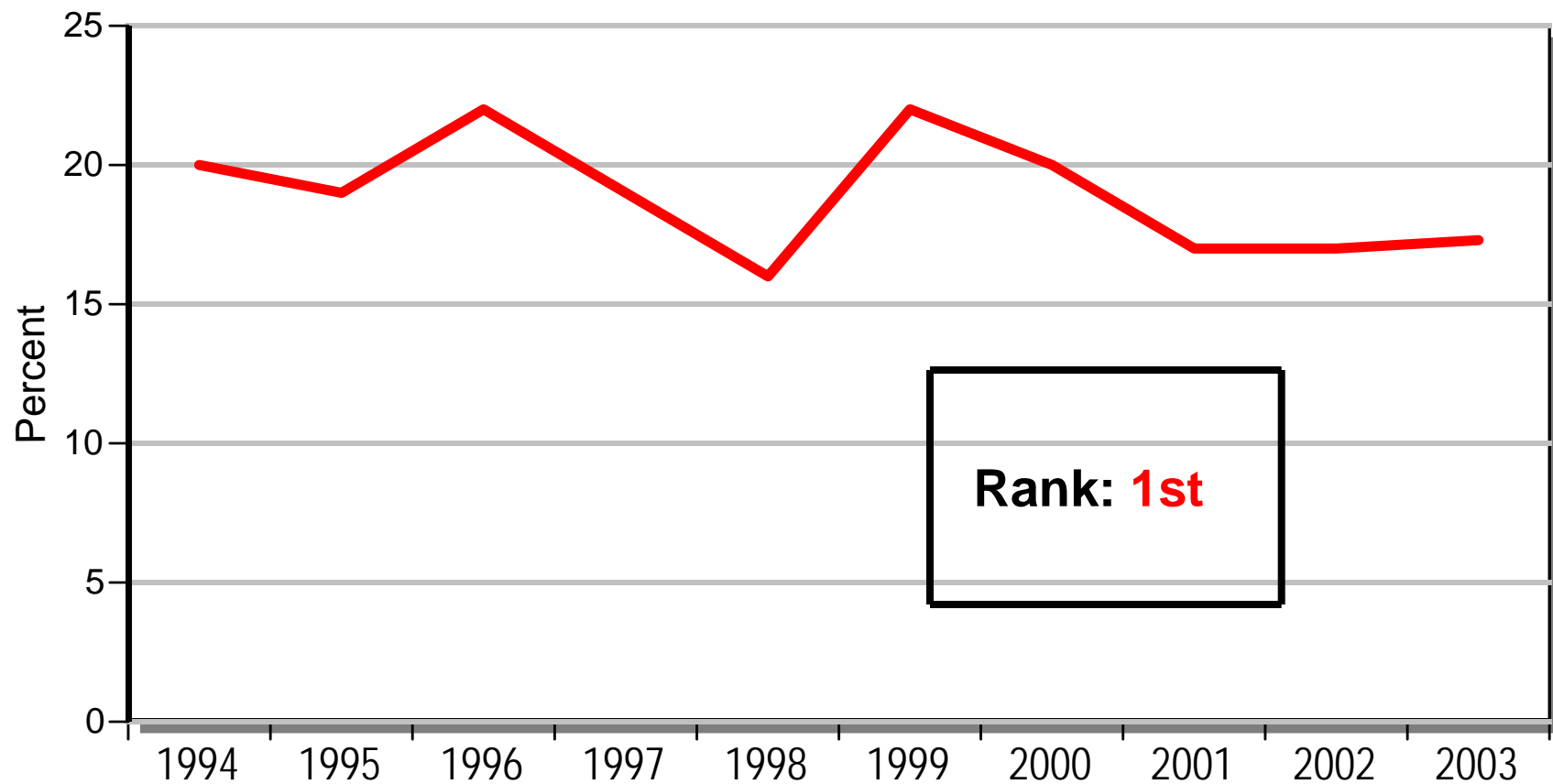
# Colorado's Share of All Overnight Outdoors Trips



<i>Destination</i>	<b>2003</b>		<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>	<i>Rank</i>	<i>Share</i>
California	1	10.0%	1	11.4%	1	11.6%	1	12.3%
Wisconsin	2	6.3%	4	5.1%	2	5.9%	3	5.8%
Texas	3	6.1%	3	5.3%	3	5.4%	4	5.5%
Michigan	4	5.6%	2	5.7%	4	5.1%	2	6.1%
Minnesota	5	5.3%	7	4.2%	7	4.4%	7	4.0%
Oregon	6	4.4%	8	4.1%	6	4.6%	8	3.6%
Pennsylvania	7	4.4%	6	4.4%	5	4.9%	5	5.2%
New York	8	4.0%	5	4.6%	8	4.2%	9	3.2%
Arizona	9	3.6%	11	3.0%	12	3.1%	12	2.5%
<b>Colorado</b>	<b>10</b>	<b>3.9%</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



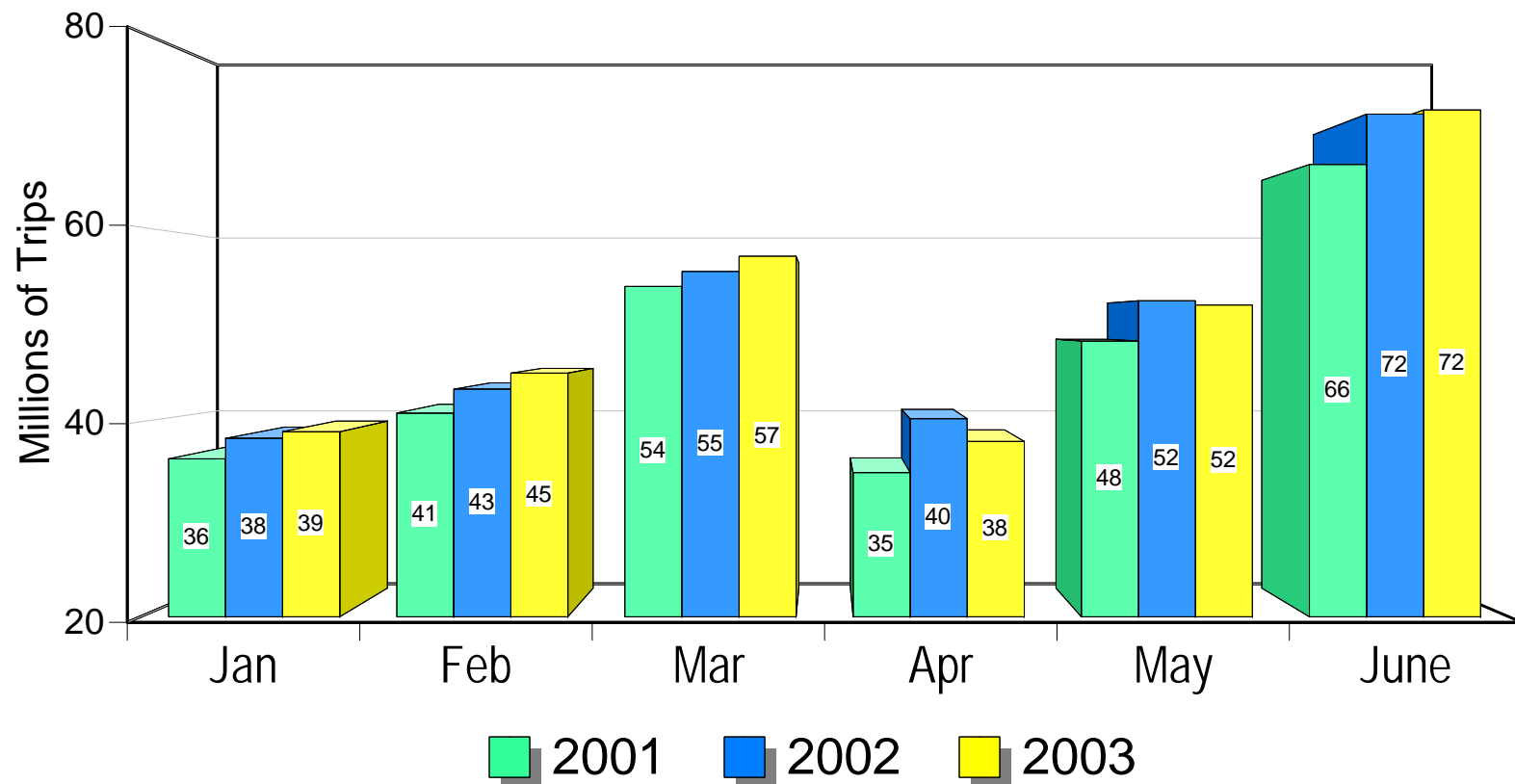
# Colorado's Share of All Overnight Ski Trips



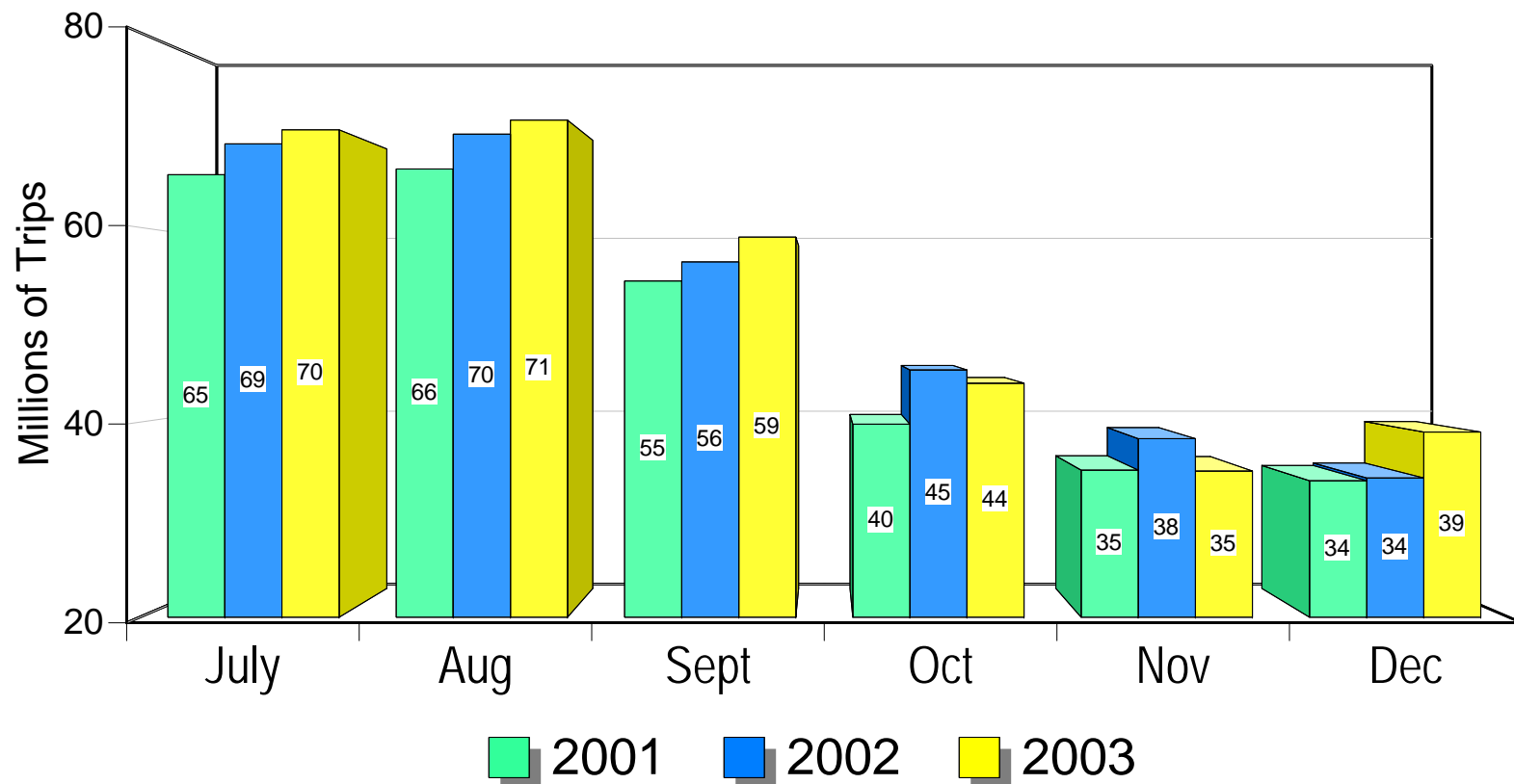
<i>Destination</i>	<b>2003</b>		<b>2002</b>		<b>2001</b>		<b>2000</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
<b>Colorado</b>	<b>1</b>	<b>17.3%</b>	<b>1</b>	<b>17.4%</b>	<b>1</b>	<b>16.9%</b>	<b>1</b>	<b>19.7%</b>
California	2	15.7%	2	15.5%	2	15.7%	2	13.8%
Vermont	3	8.2%	4	7.9%	3	12.2%	3	10.1%
Pennsylvania	4	6.6%	7	4.5%	7	3.8%	6	5.8%
Nevada	5	6.2%	3	8.2%	4	7.6%	5	6.6%
New York	6	5.4%	8	3.4%	10	3.0%	8	4.4%
Utah	7	4.8%	5	7.1%	6	4.0%	4	6.7%

\*Among 50 U.S. states

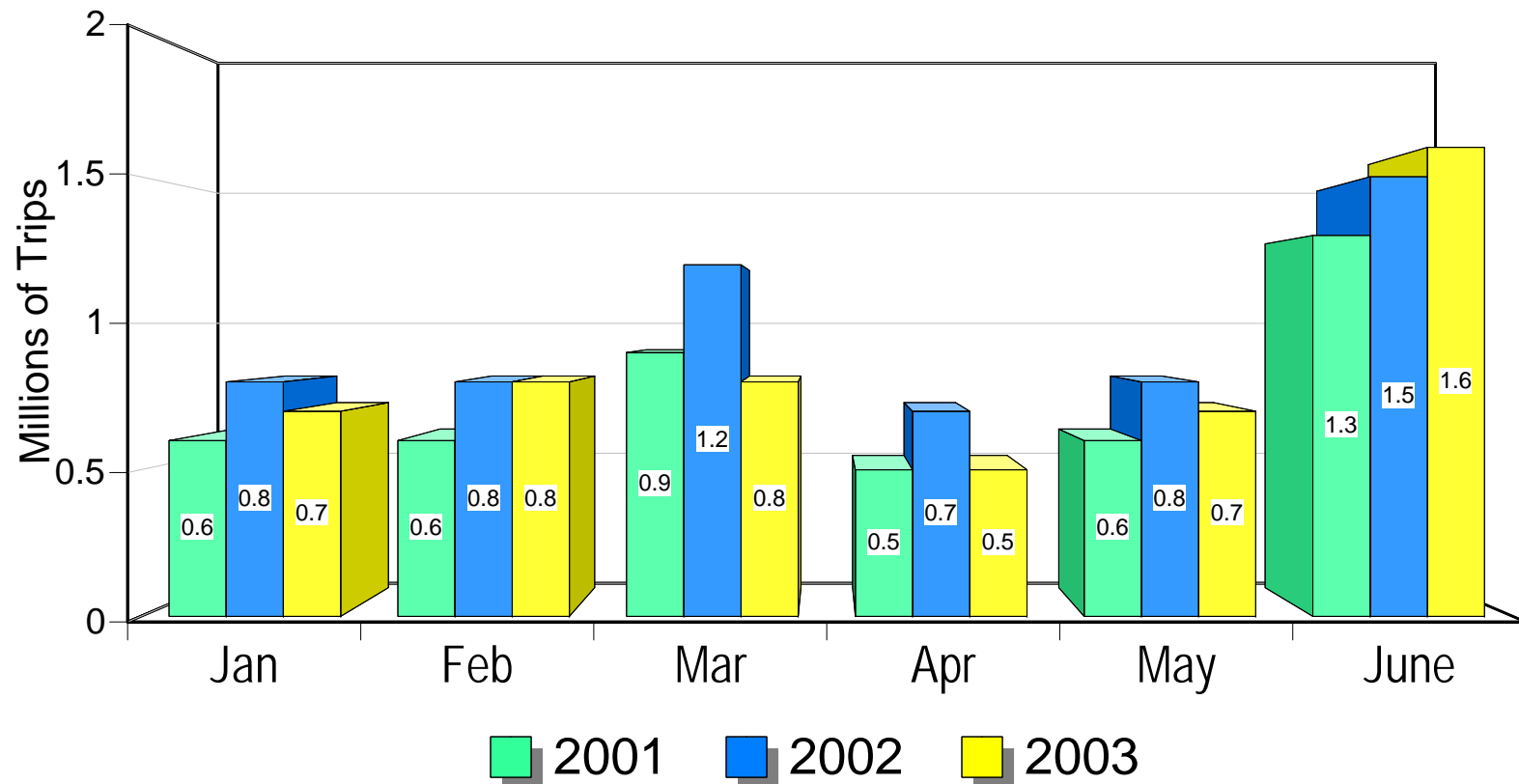
# U.S. Overnight Marketable Trips by Month – 2001 to 2003



# U.S. Overnight Marketable Trips by Month – 2001 to 2003 (Cont'd)

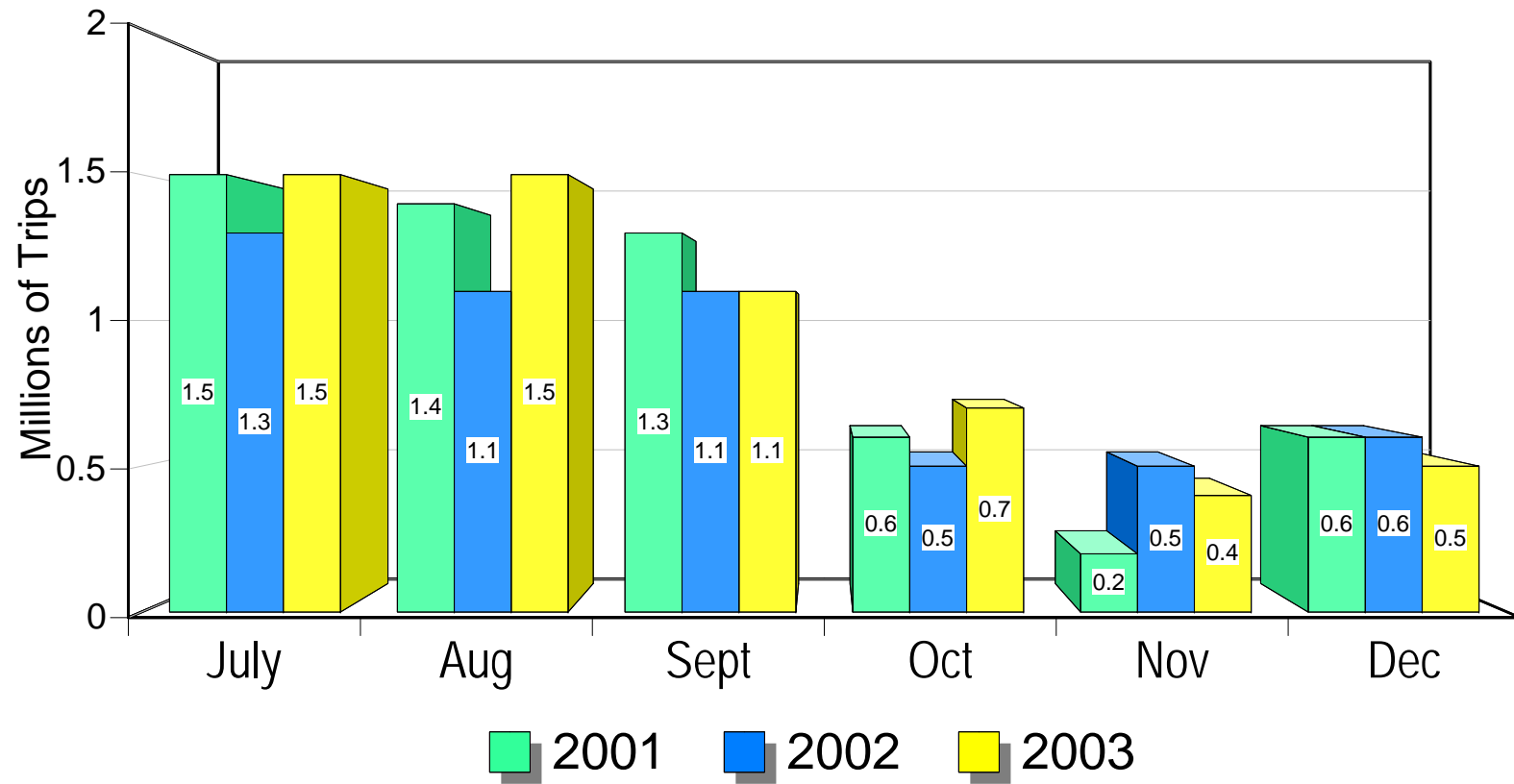


# Overnight Marketable Pleasure Trips to Colorado by Month





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



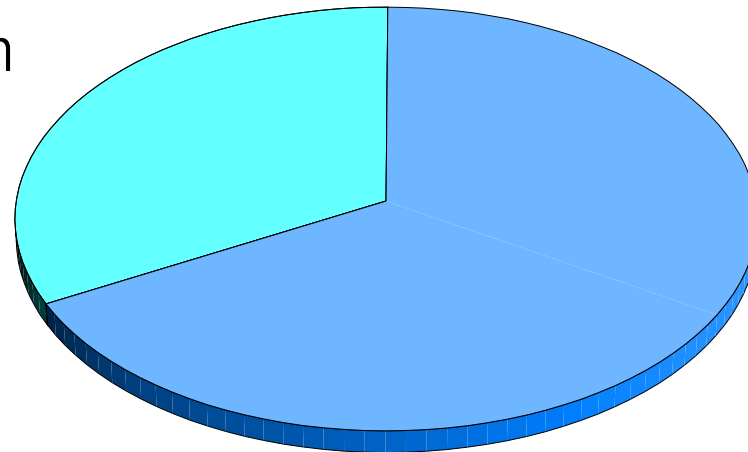
# Travel and Tourism Spending in Colorado

# Total Travel Spending in Colorado



Total = \$7.1 Billion

Denver Metro  
\$2.3 Billion  
(32%)



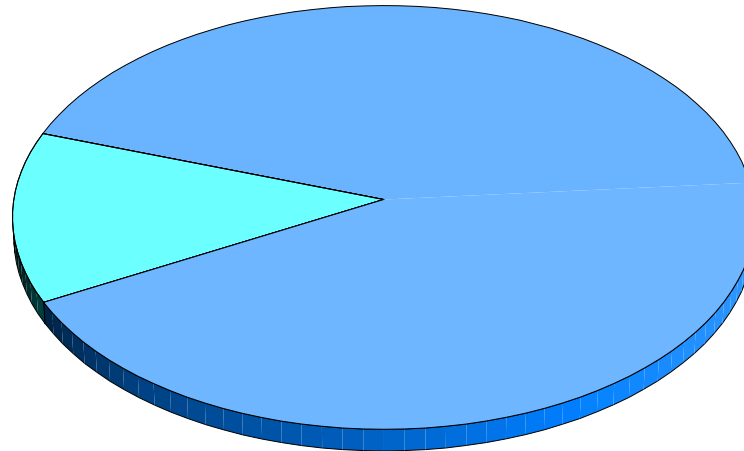
Other Colorado  
\$4.8 Billion  
(68%)

# Total Travel Spending in Colorado



Total = \$7.1 Billion

Colorado Residents  
\$.9 Billion  
(13%)

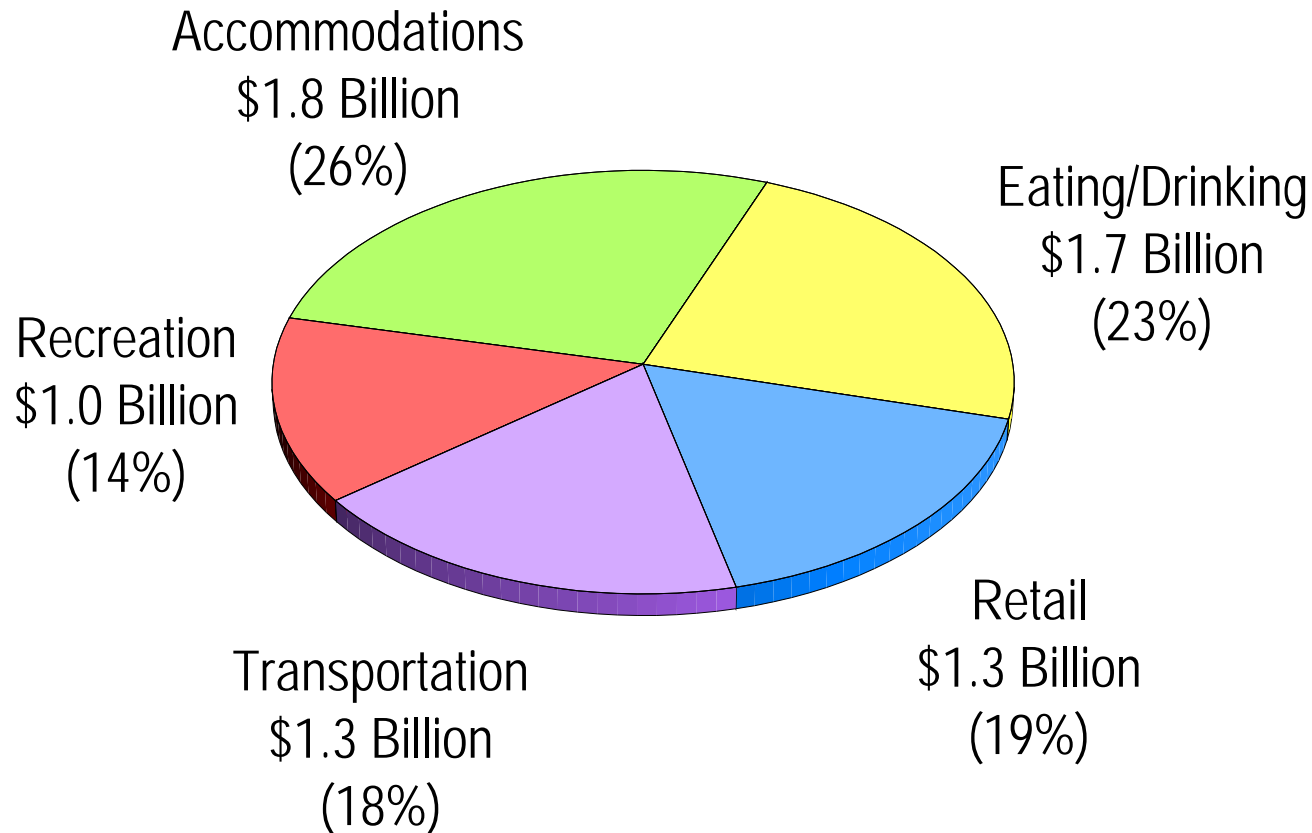


Out-of-State  
Visitors  
\$6.2 Billion  
(87%)

# Travel Spending by Sector

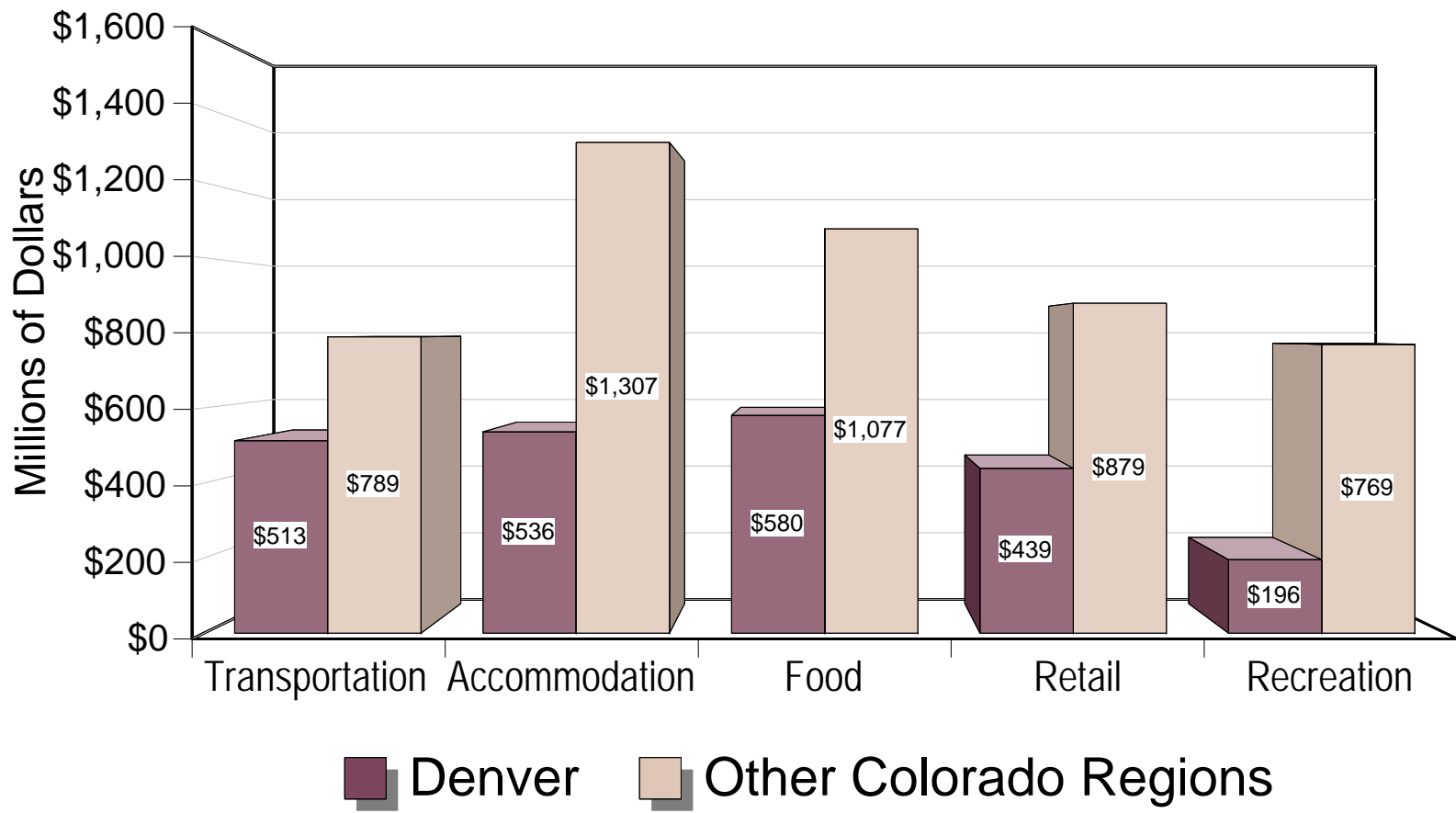


Total = \$7.1 Billion



# Travel Spending By Sector

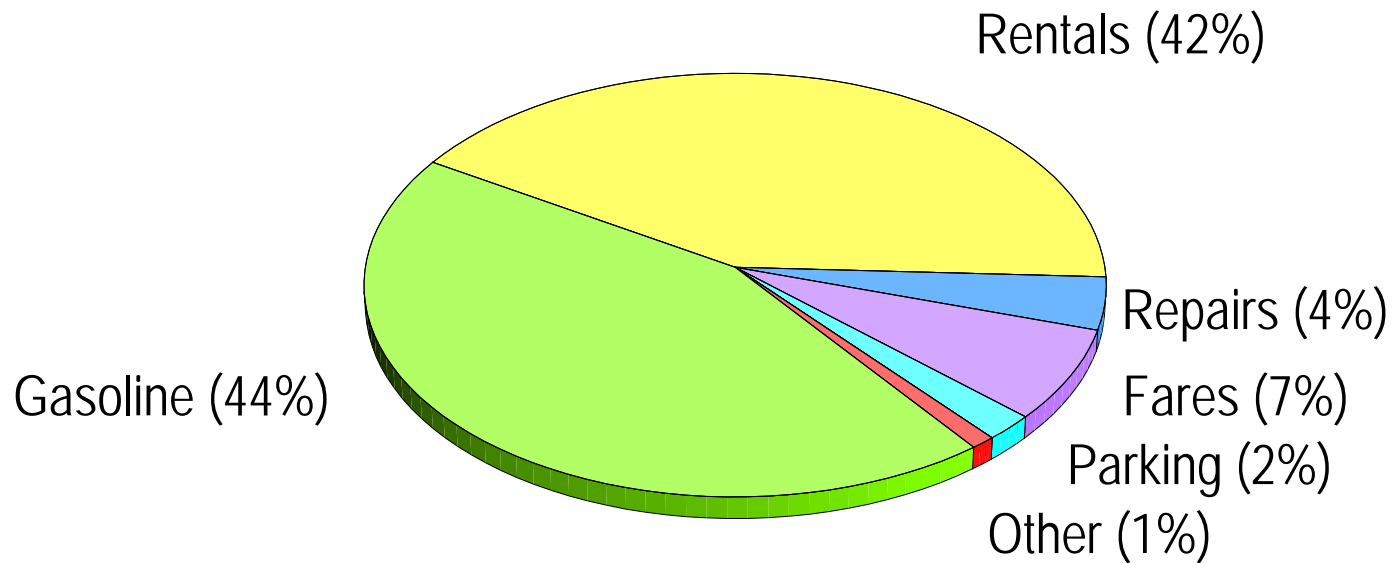
## – Denver vs. Other Colorado Regions



# Ground Transportation Expenditures



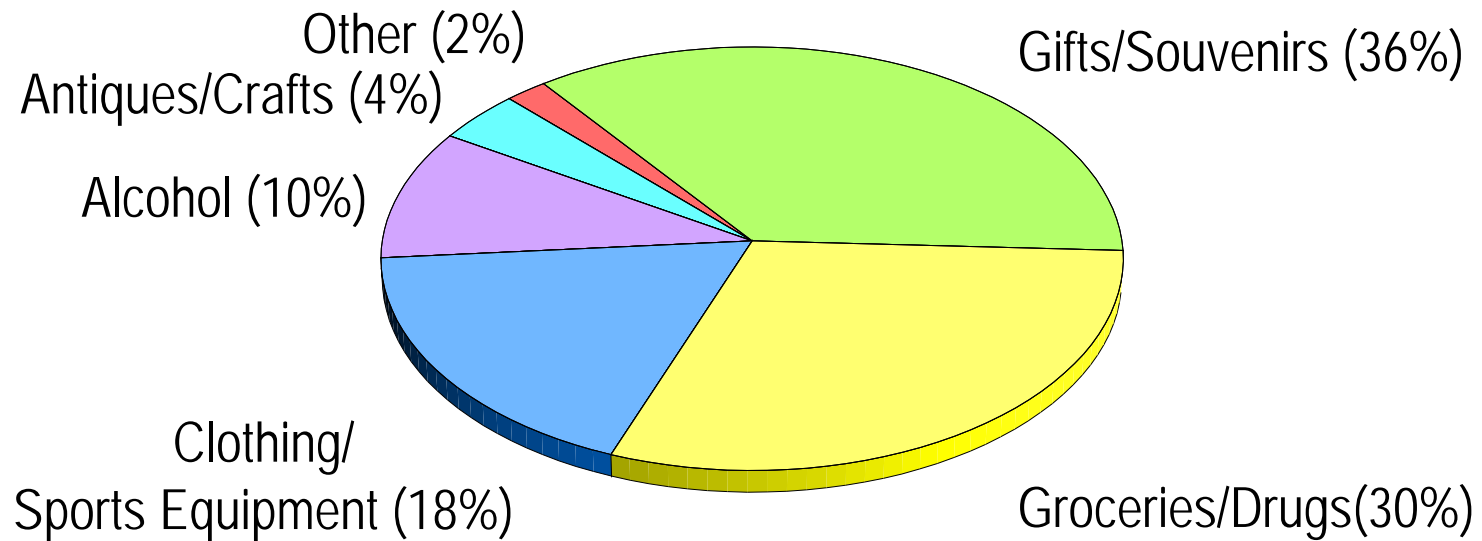
Total = \$1.3 Billion



# Retail Expenditures



Total = \$1.3 Billion



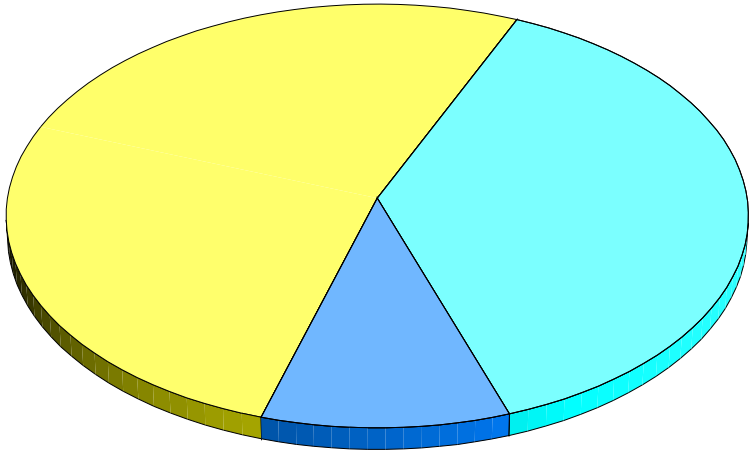


# Recreation Expenditures



Total = \$965 Million

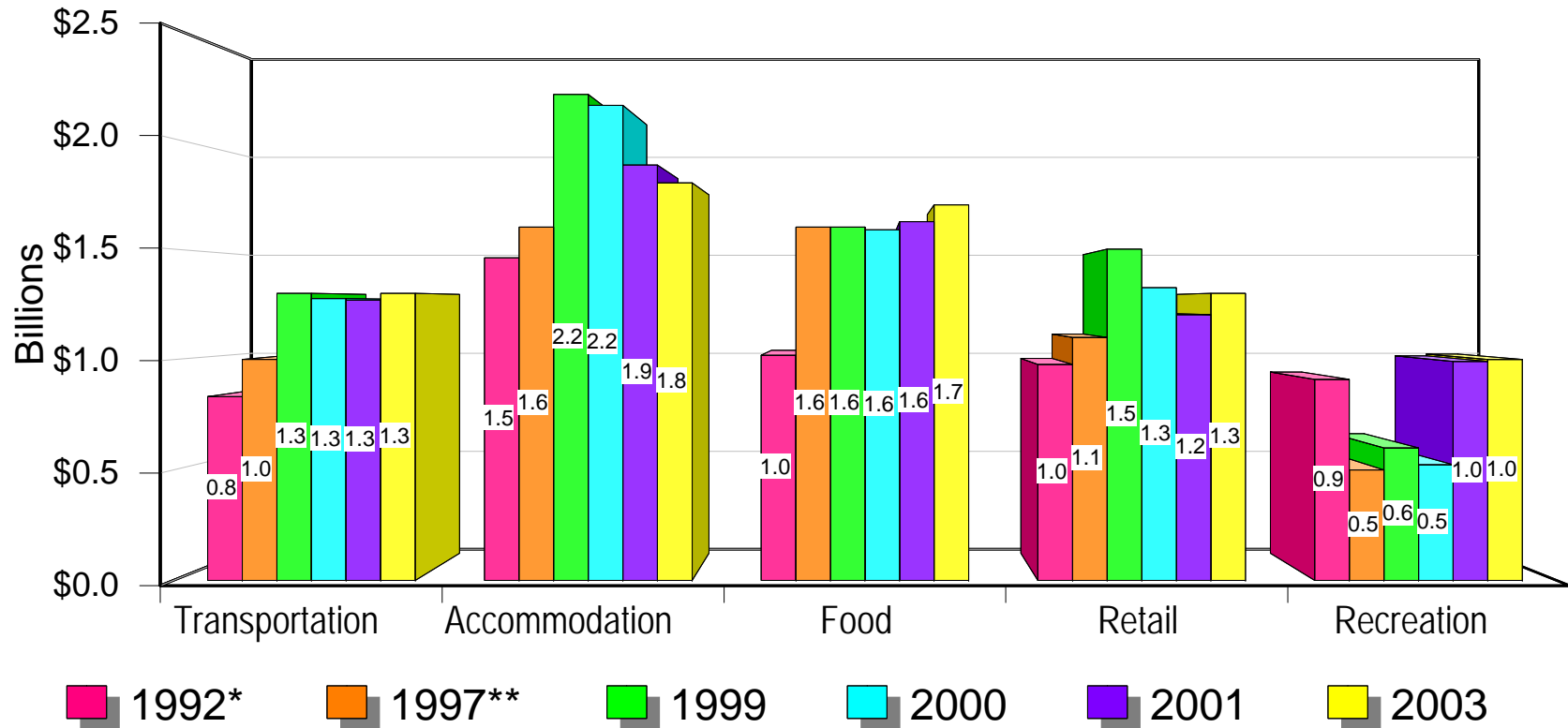
Ski Related  
\$366 Million  
(38%)



Other  
\$502 Million  
(52%)

Gaming  
\$97 Million  
(10%)

# Colorado Expenditure Tracking



\* Pleasure Only

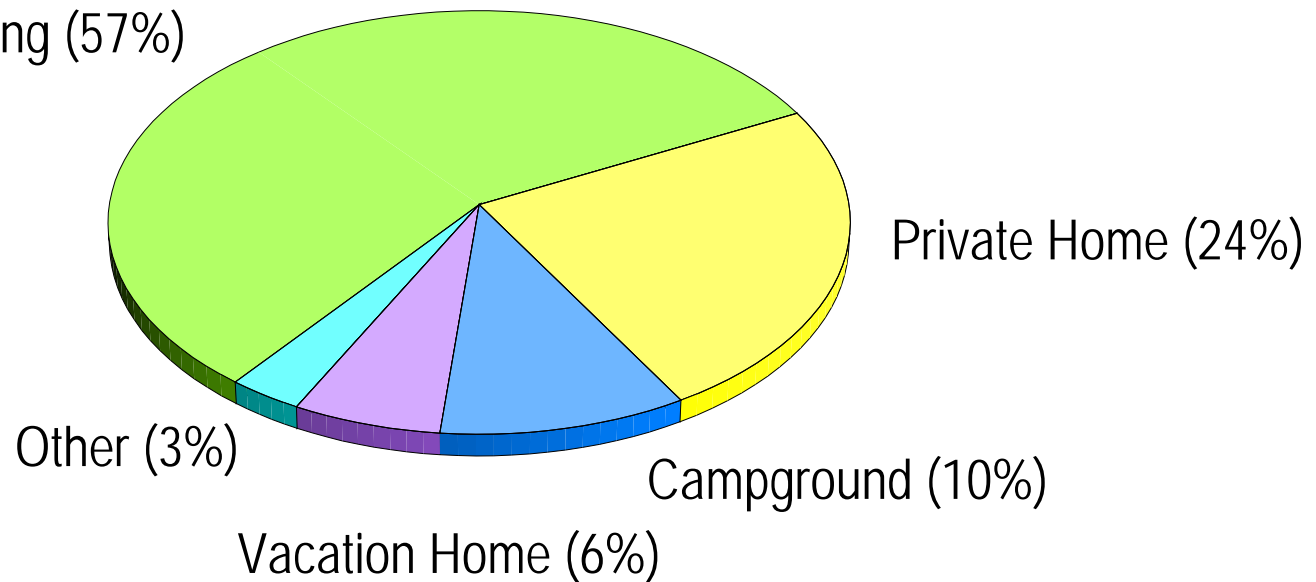
\*\* Source: Dean Runyan & Associates

# Travel Spending by Type of Accommodation



Total = \$7.1 Billion

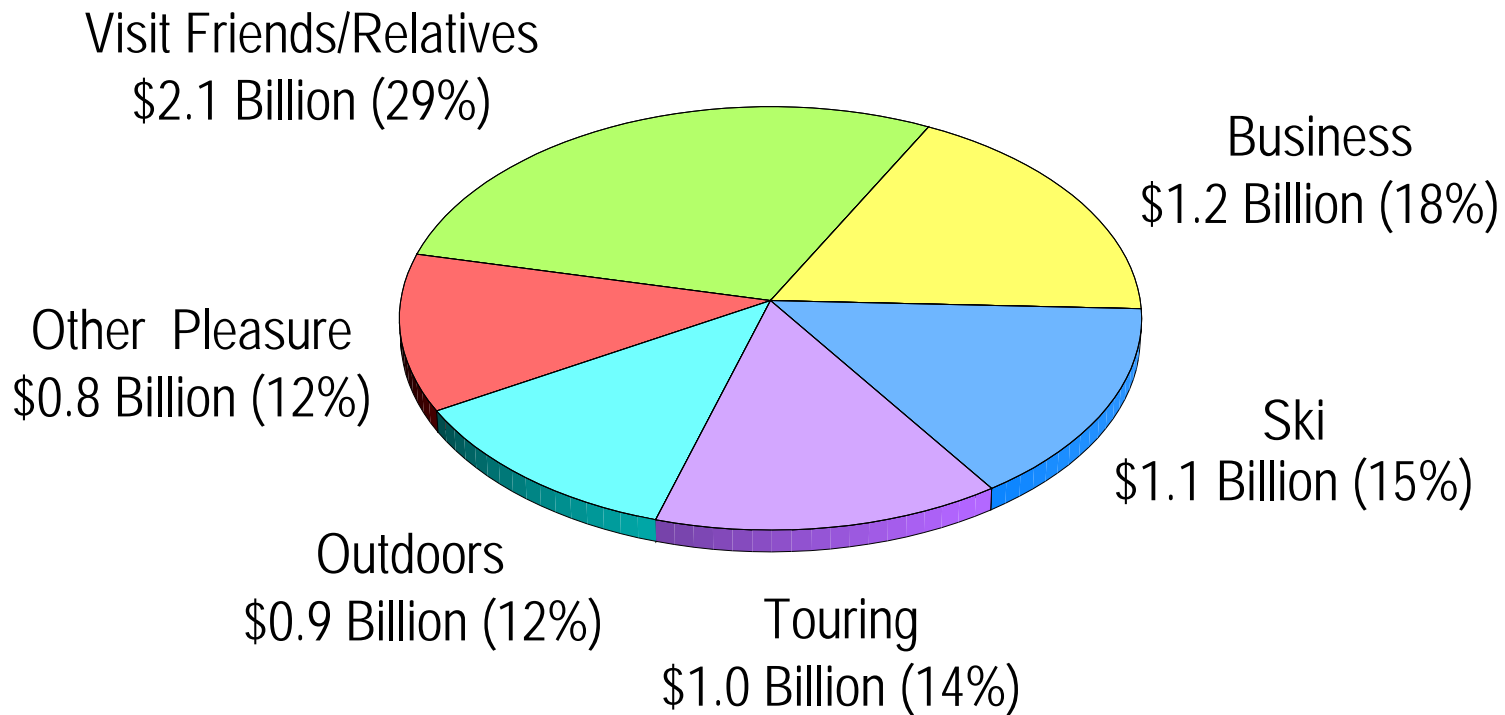
Commercial Lodging (57%)



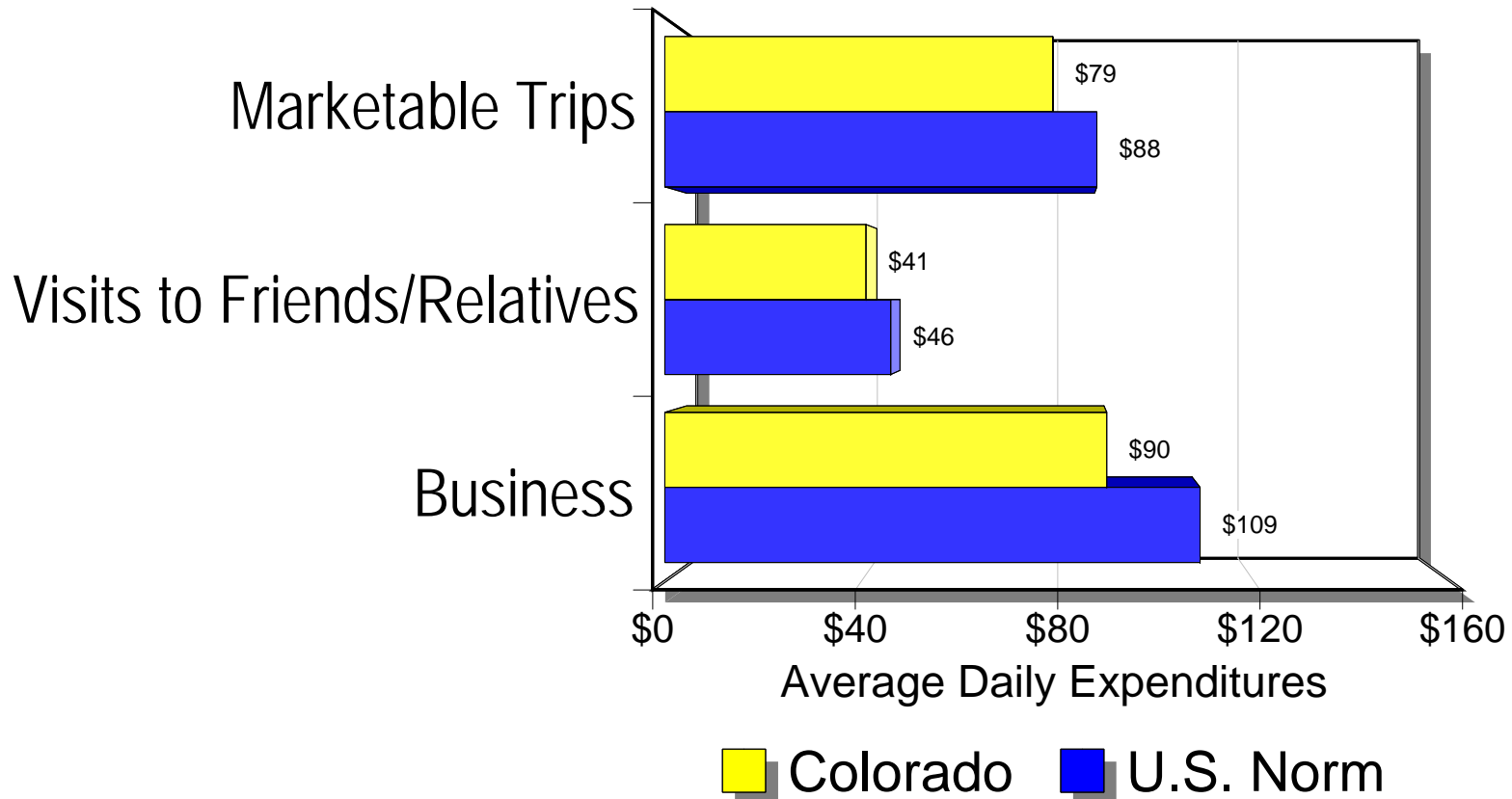
# Travel Spending By Purpose of Trip



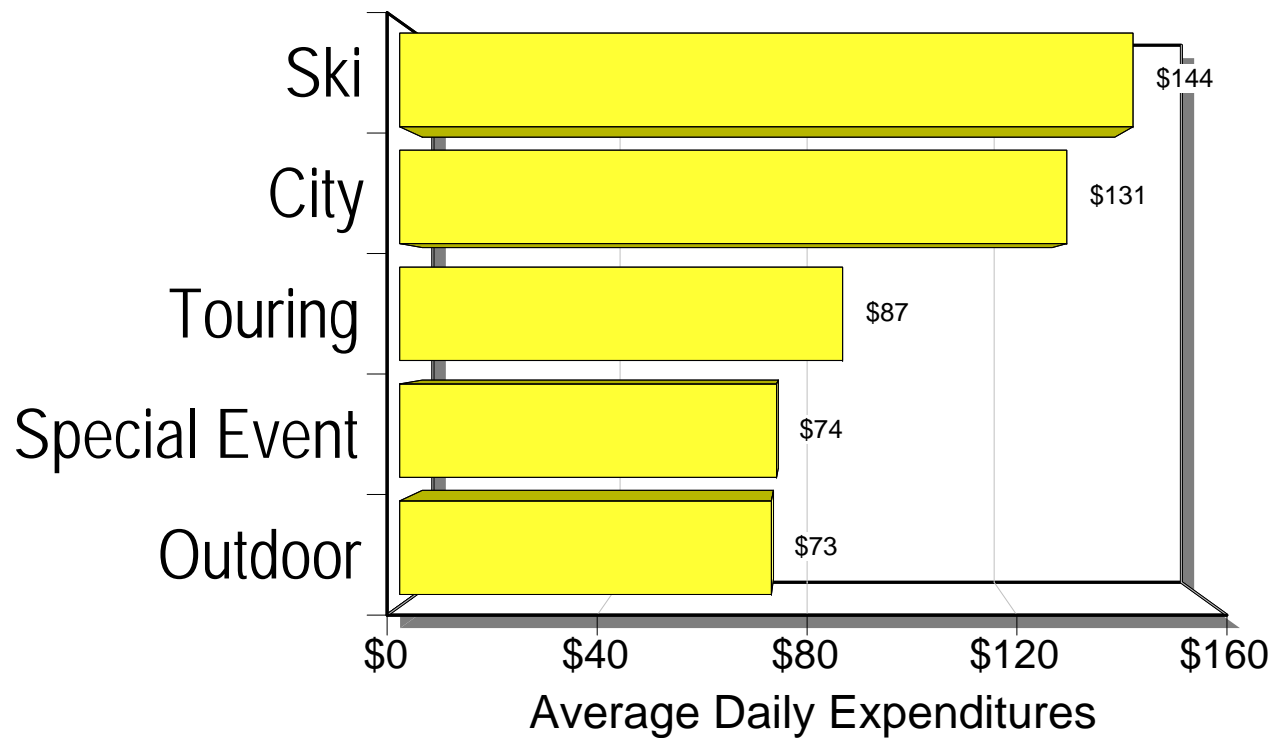
Total = \$7.1 Billion



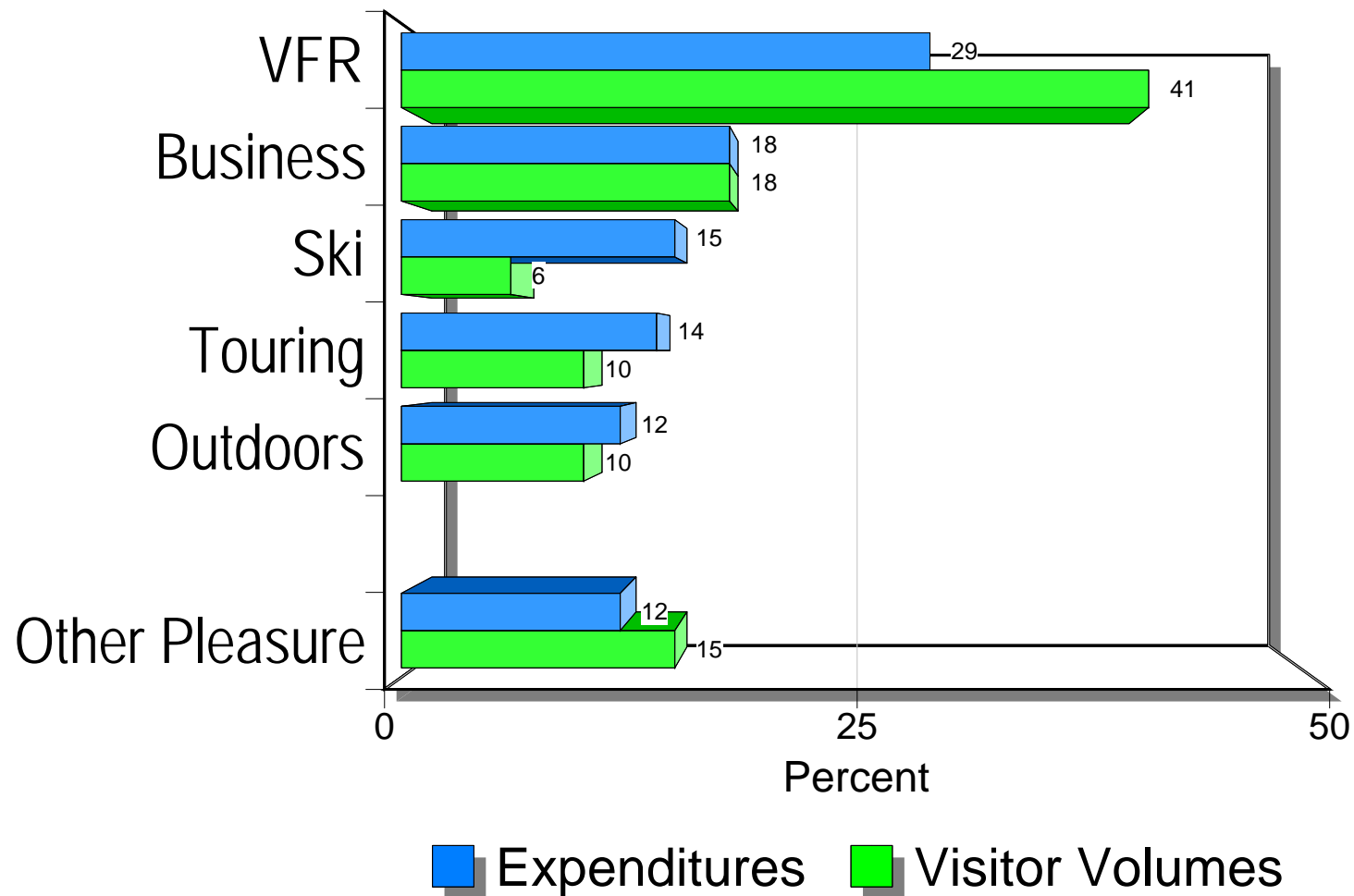
# Per Person Per Day Expenditures



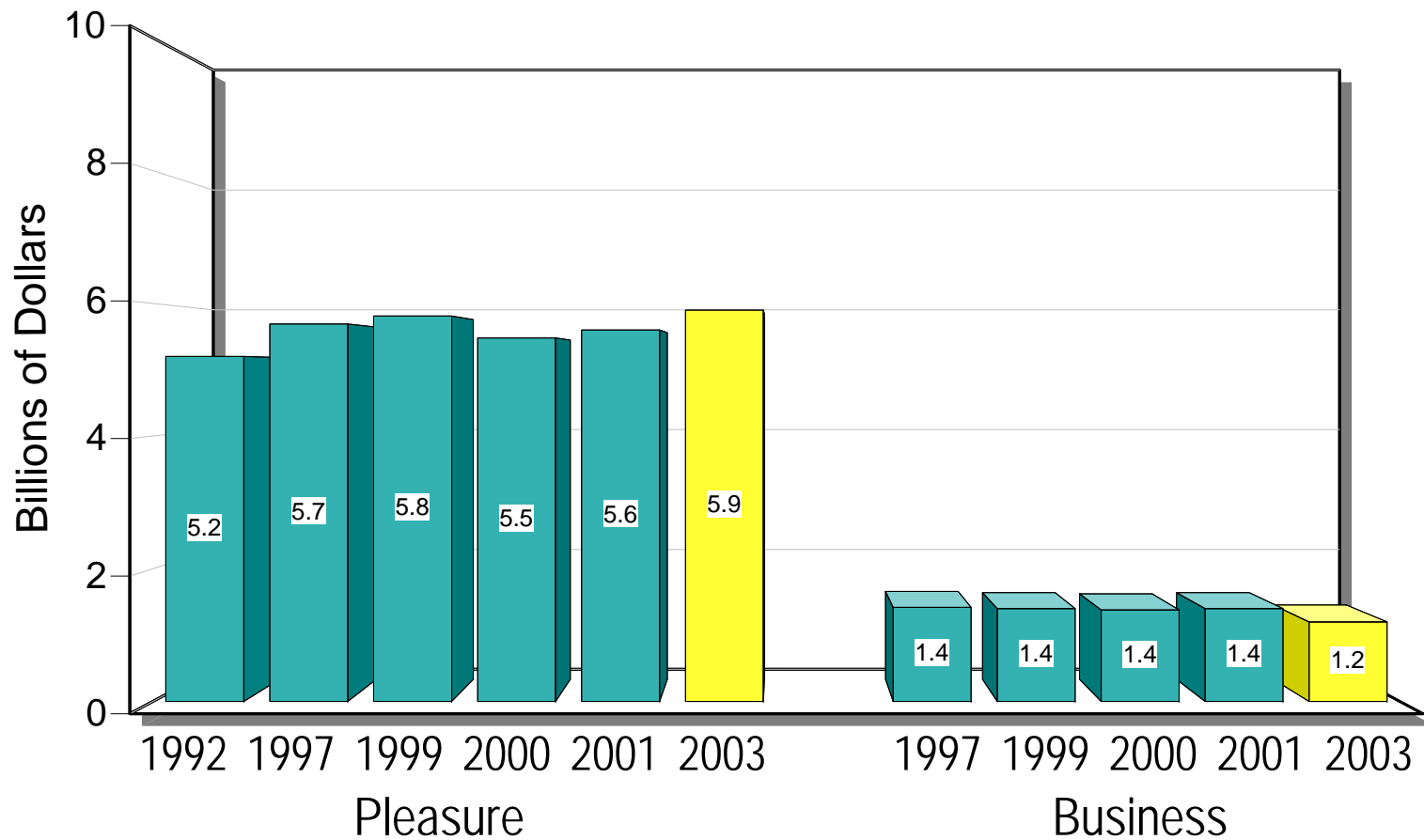
# Colorado Marketable Trips — Per Person Per Day Expenditures



# Spending Versus Visitor Volumes

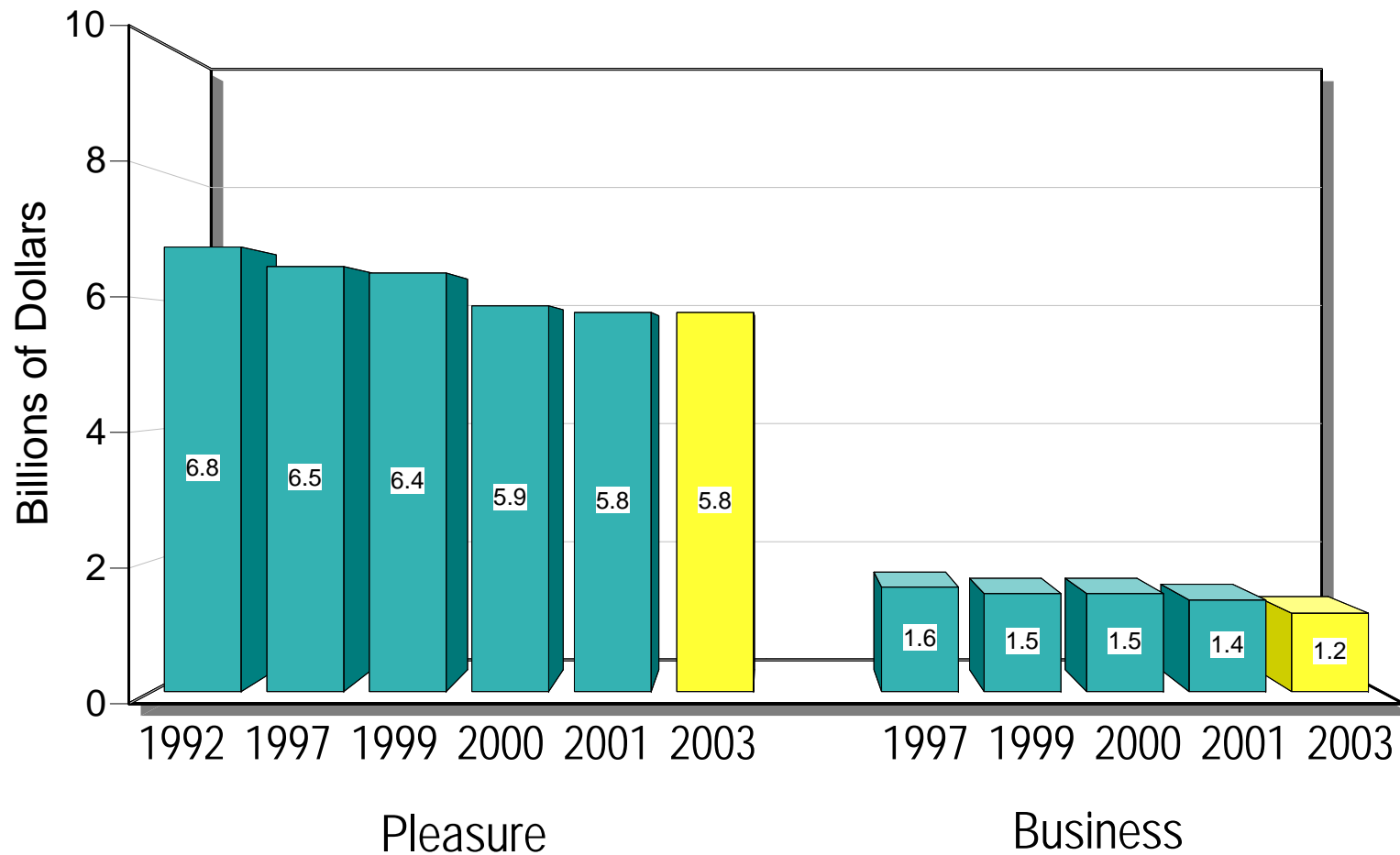


# Actual Travel Expenditures — 1992 to 2003





# Inflation Adjusted Travel Expenditures — 1992 to 2003





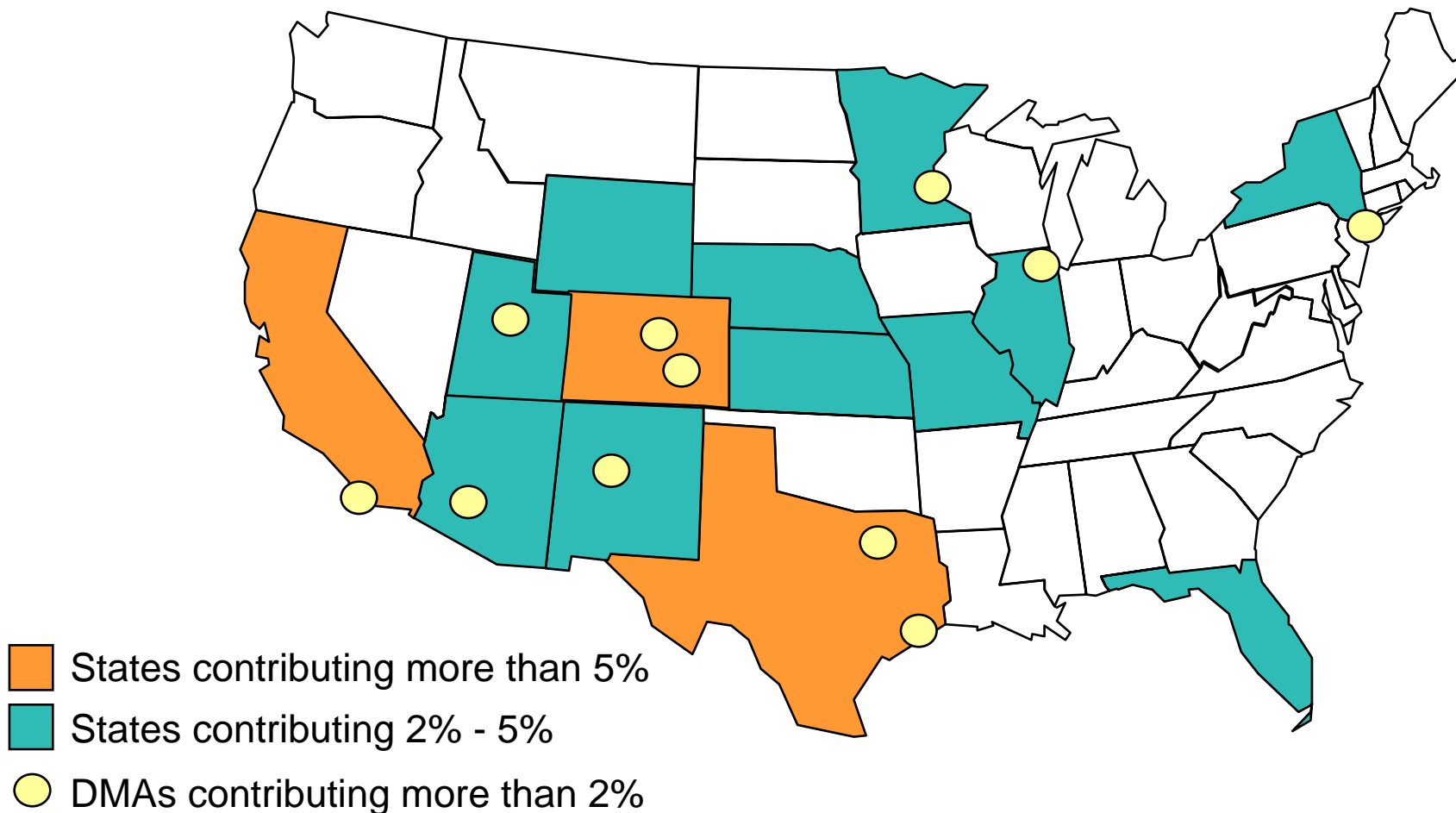
# 2003 Pleasure Travel Profile

# Sources of Pleasure Travel Business

# Sources of Business



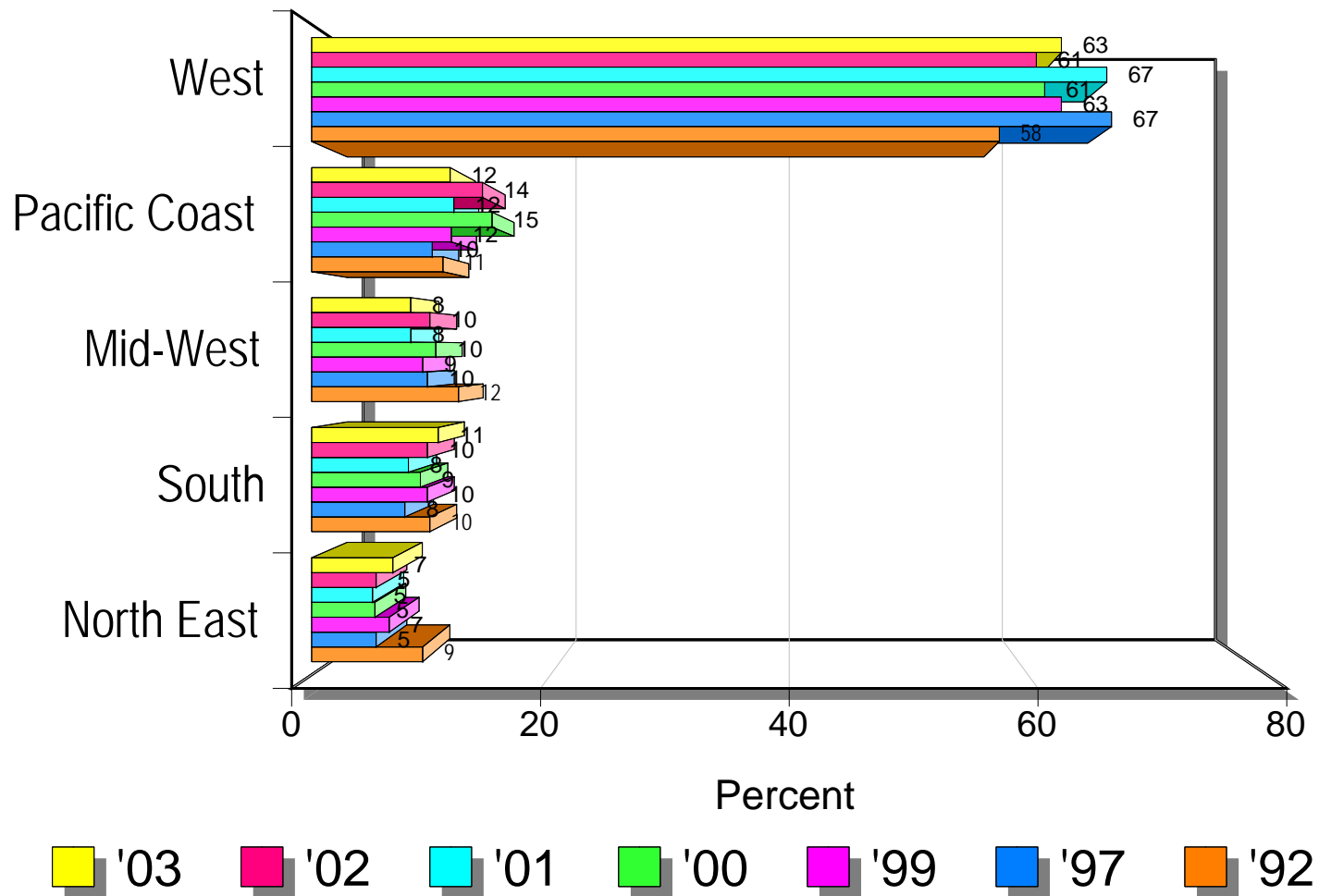
Base: Overnight Pleasure Trips



# Regional Sources of Business



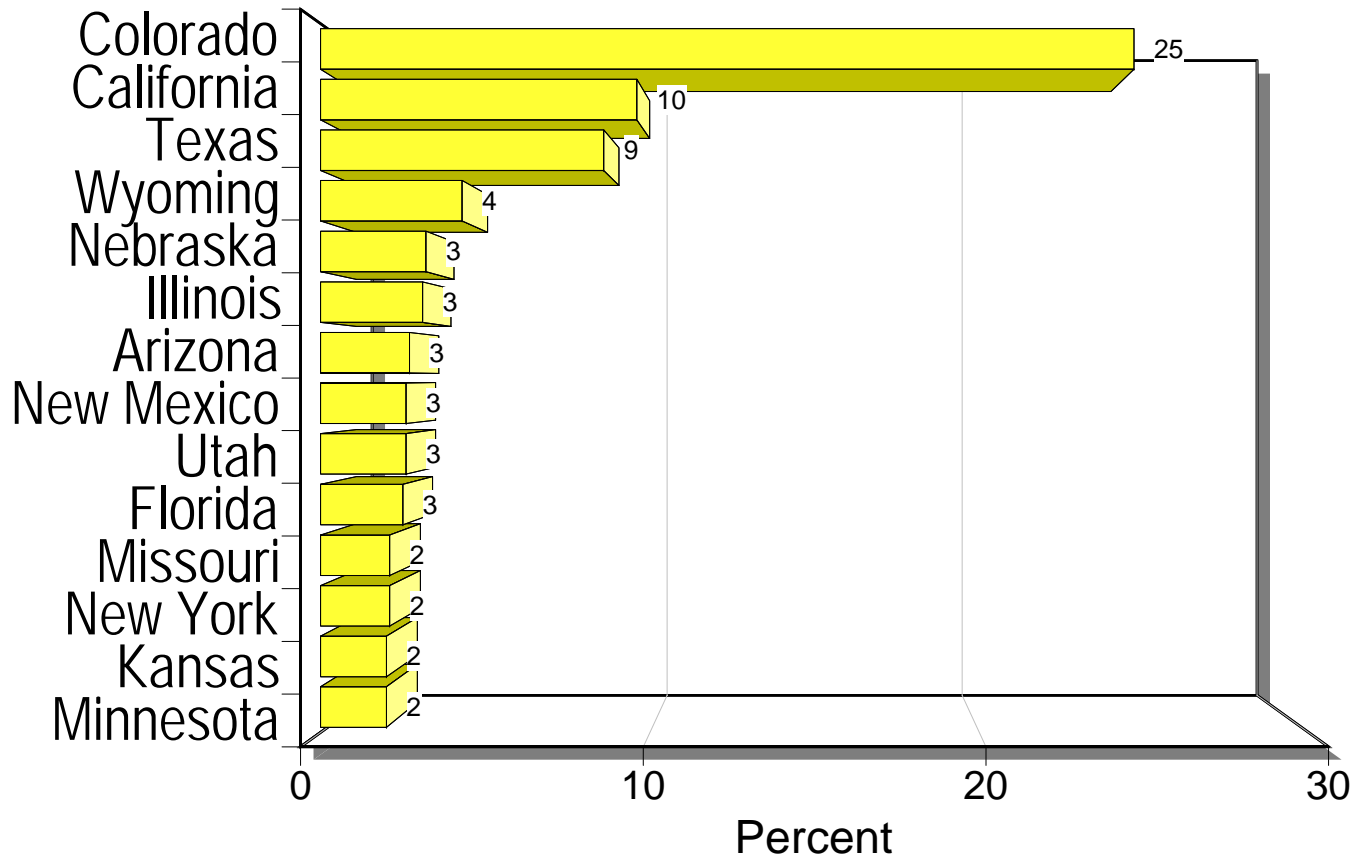
Base: Overnight Pleasure Trips



# State Sources of Business



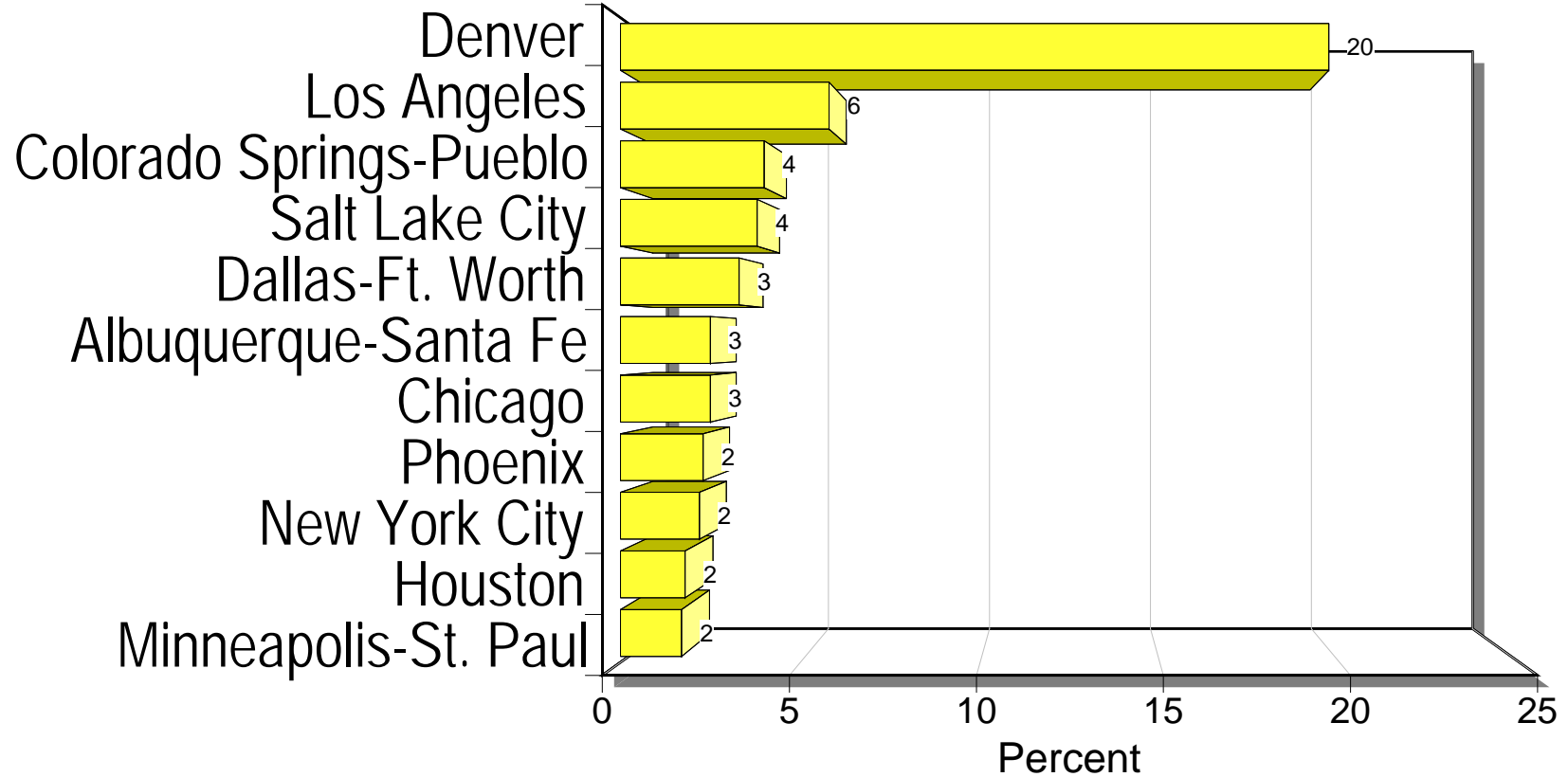
Base: Overnight Pleasure Trips



# Urban Sources of Business



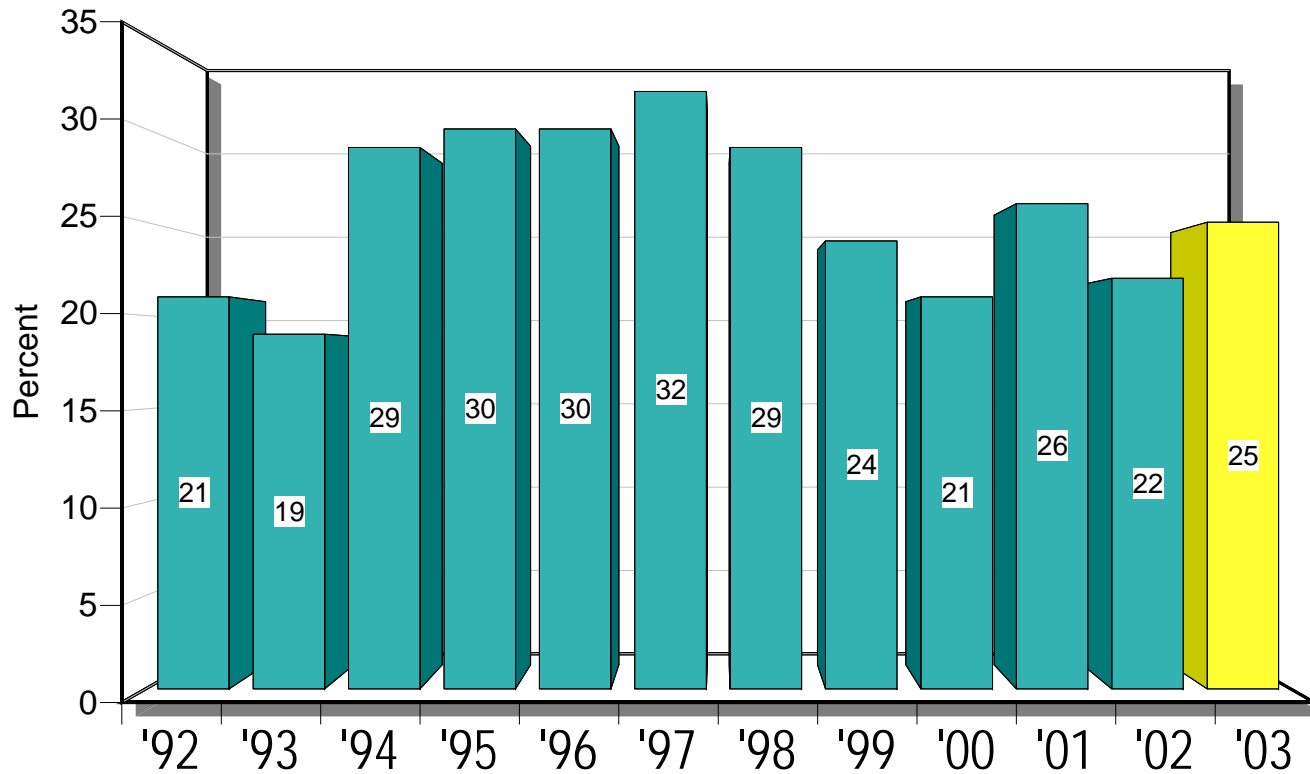
Base: Overnight Pleasure Trips



# In-state Pleasure Trips



Percent of Pleasure Trips Originating in Colorado

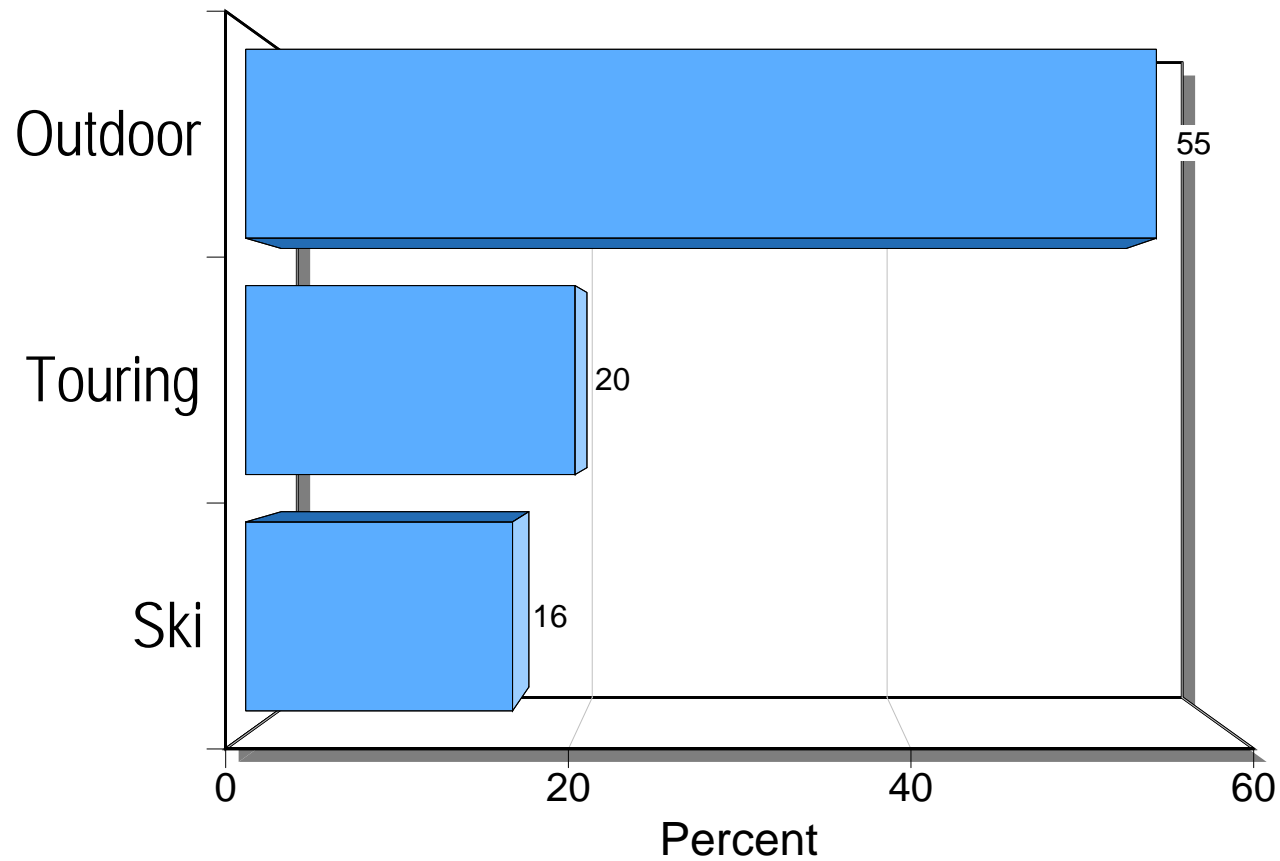




# Instate Trips – By Segment



Percent of Pleasure Trips Originating in Colorado

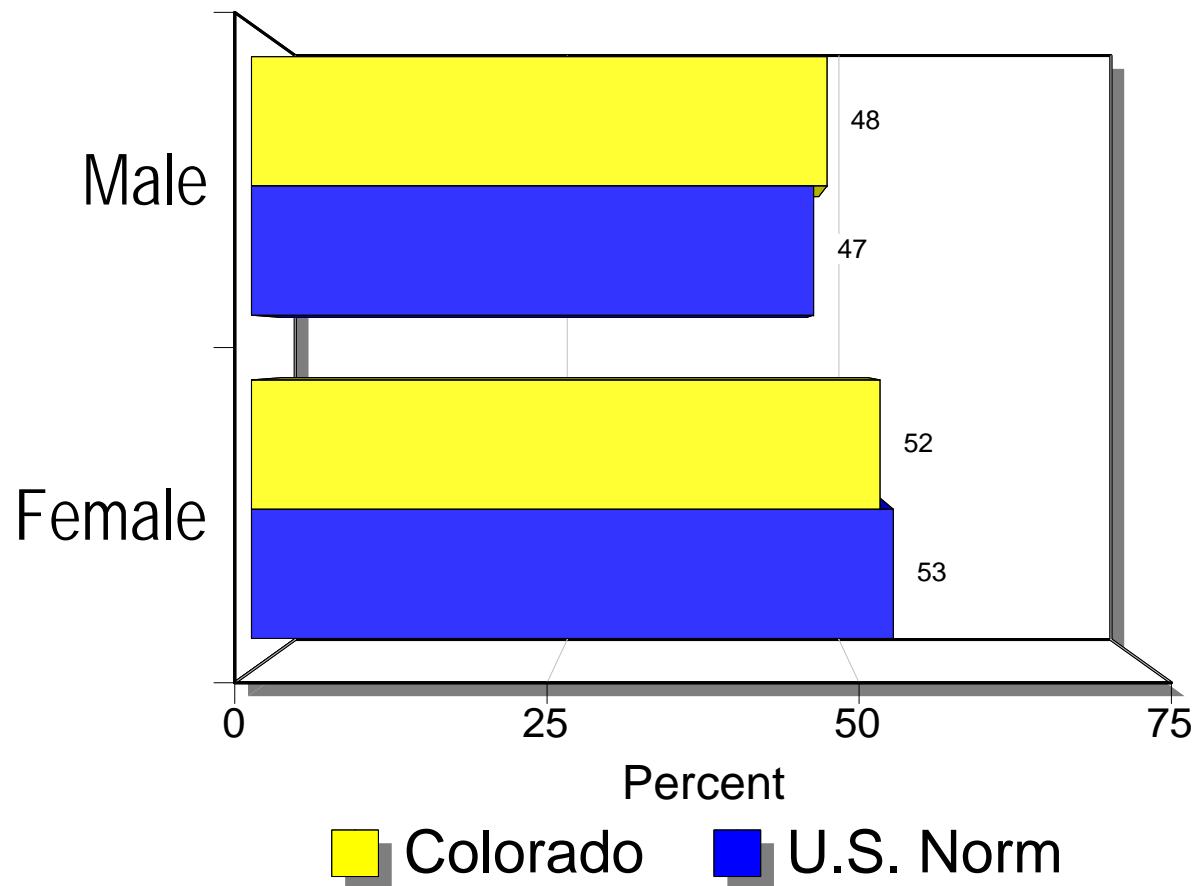


# Visitor Profile

# Gender



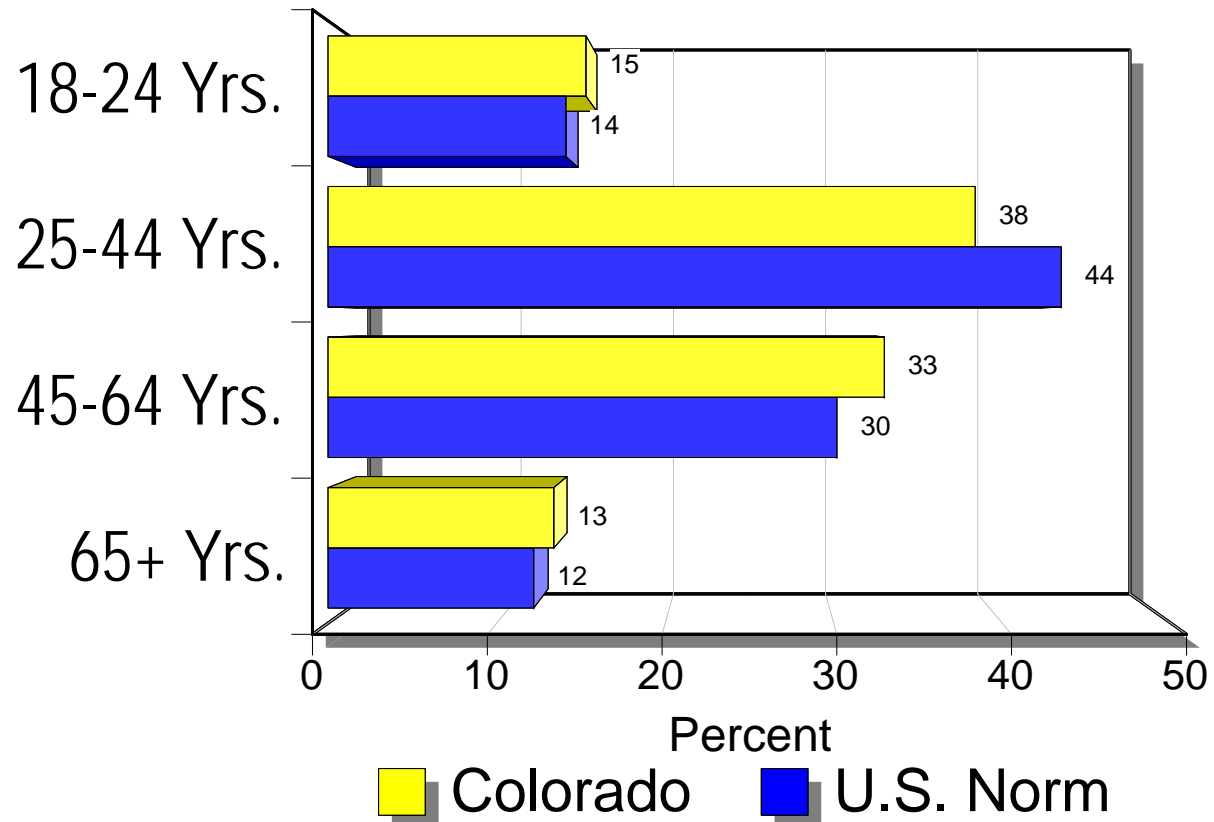
Base: Overnight Pleasure Trips



# Age



Base: Overnight Pleasure Trips

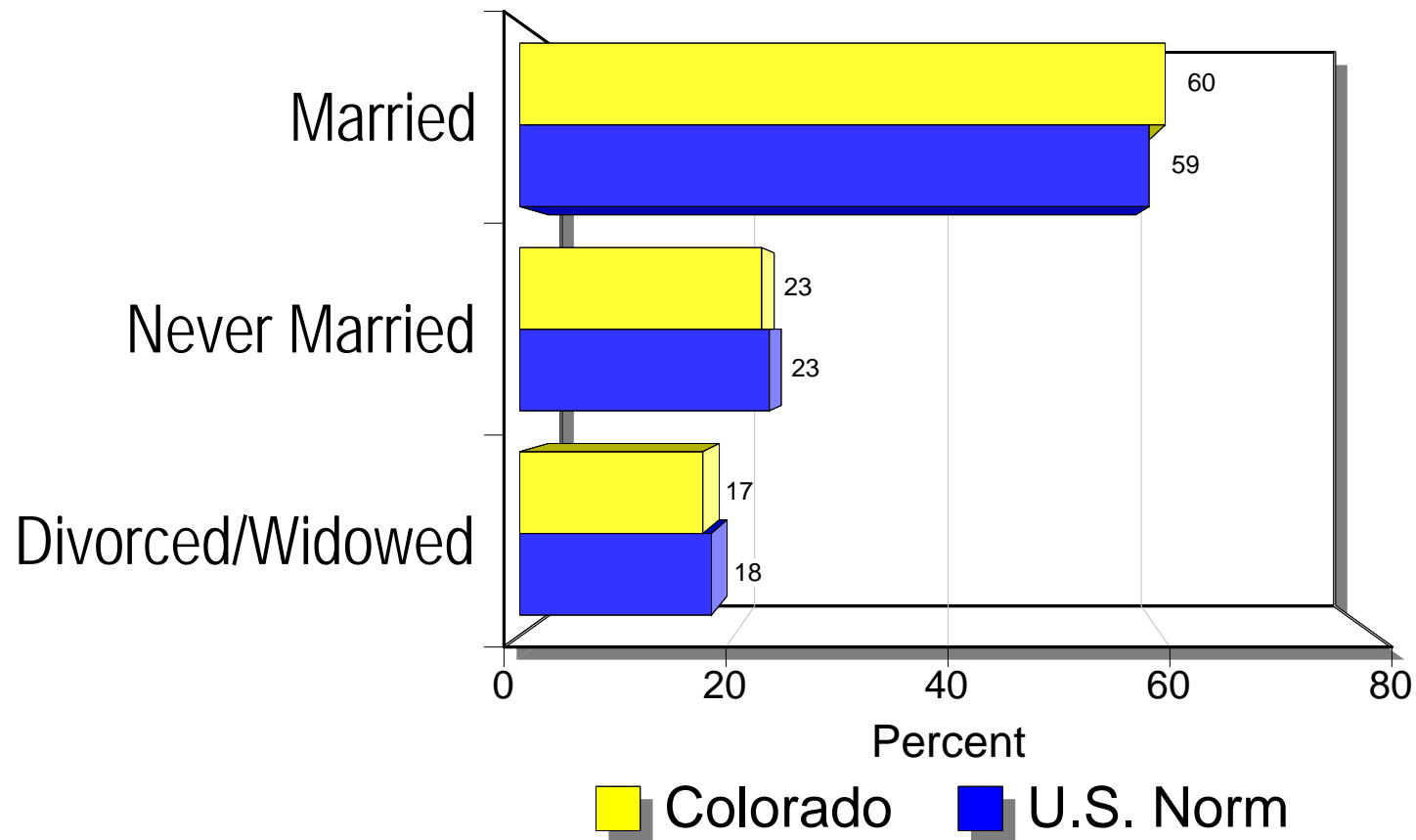


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Age	44.0	43.1

# Marital Status



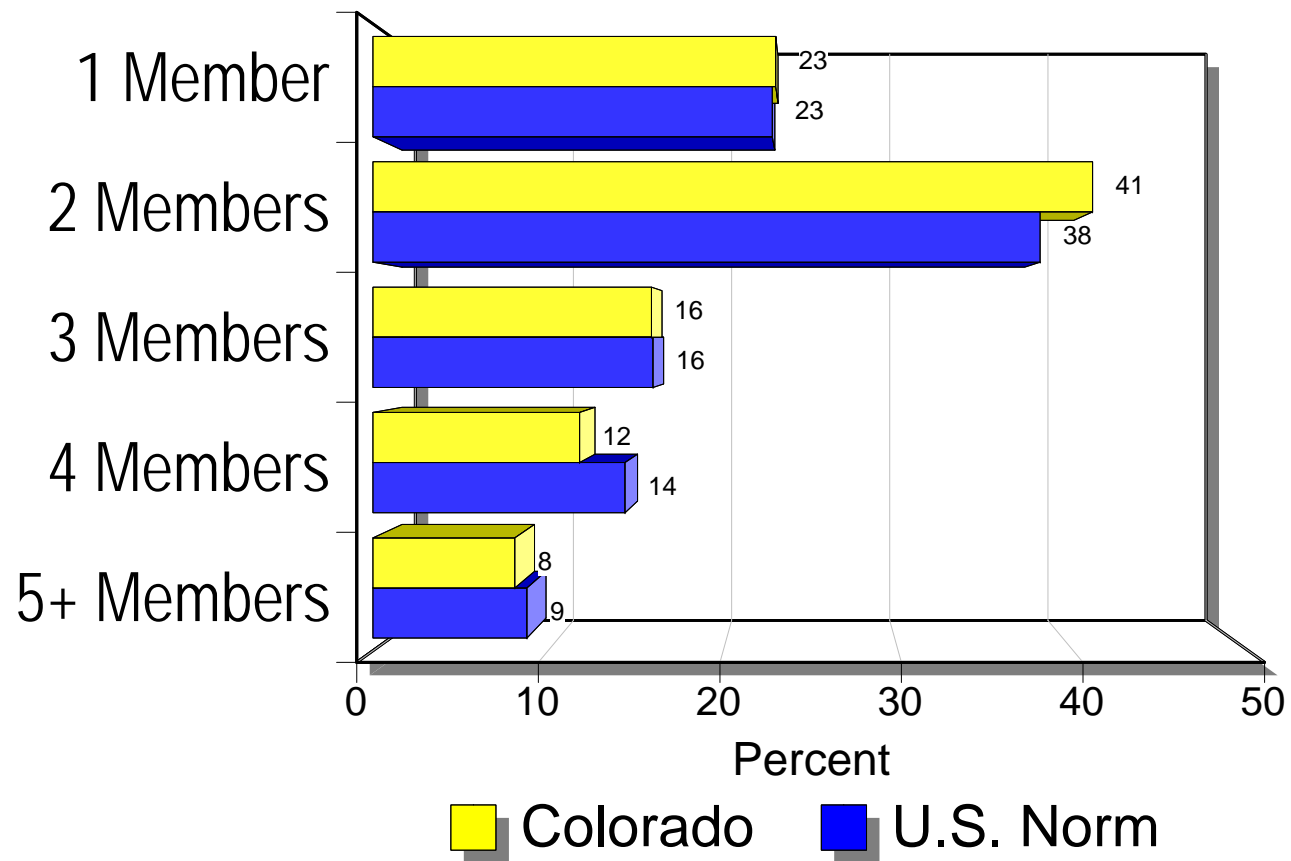
Base: Overnight Pleasure Trips



# Household Size



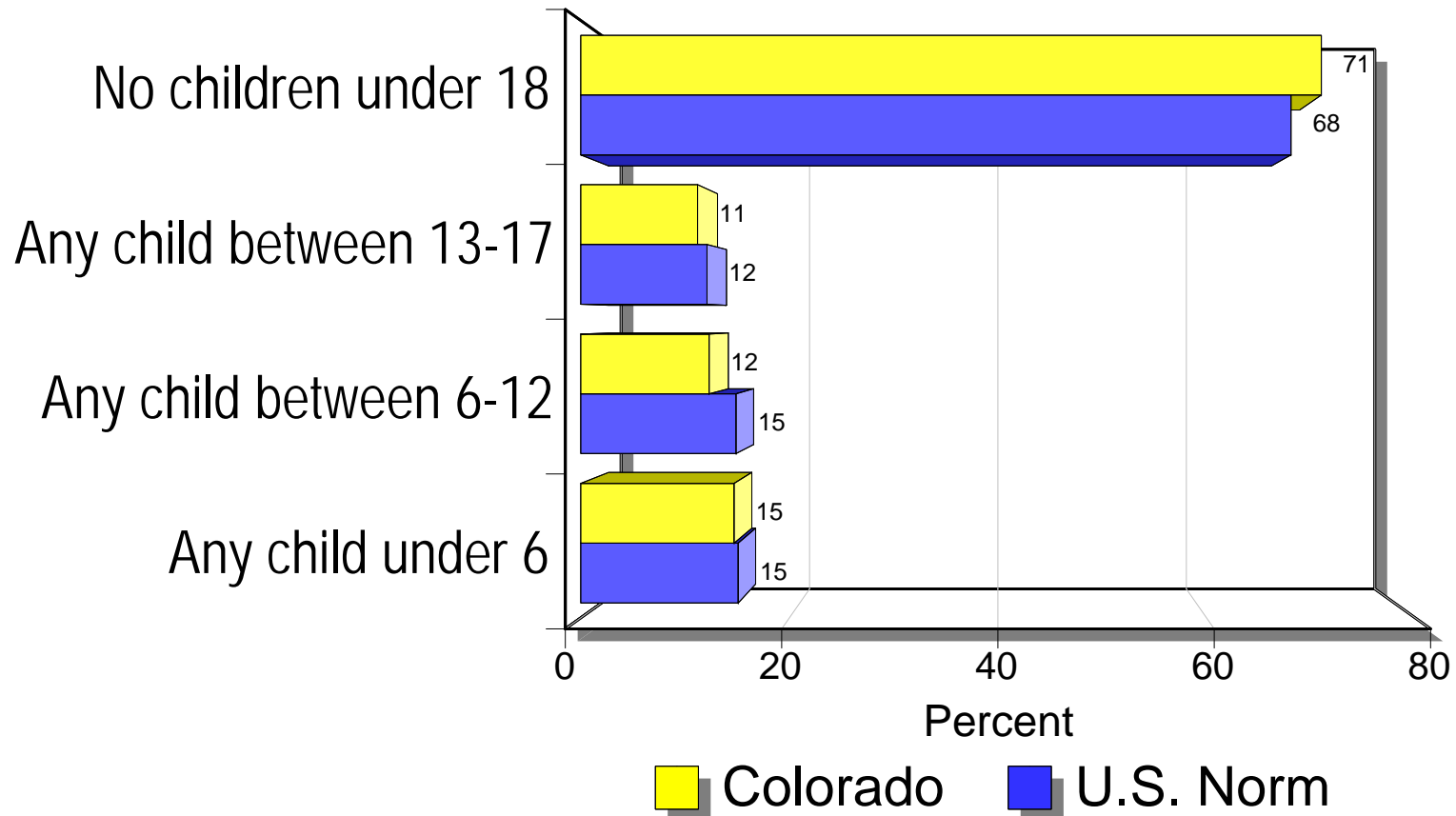
Base: Overnight Pleasure Trips



# Children in Household



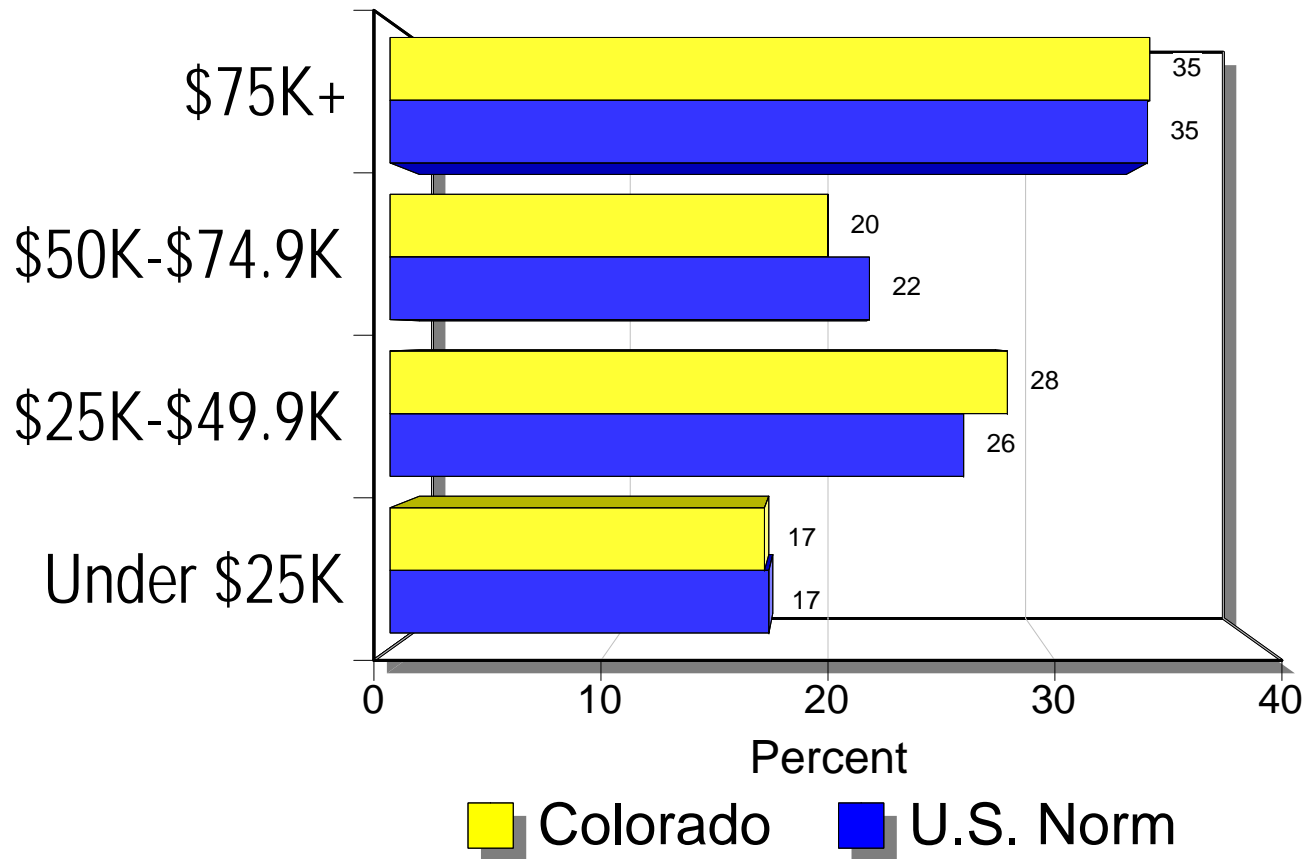
Base: Overnight Pleasure Trips



# Income



Base: Overnight Pleasure Trips

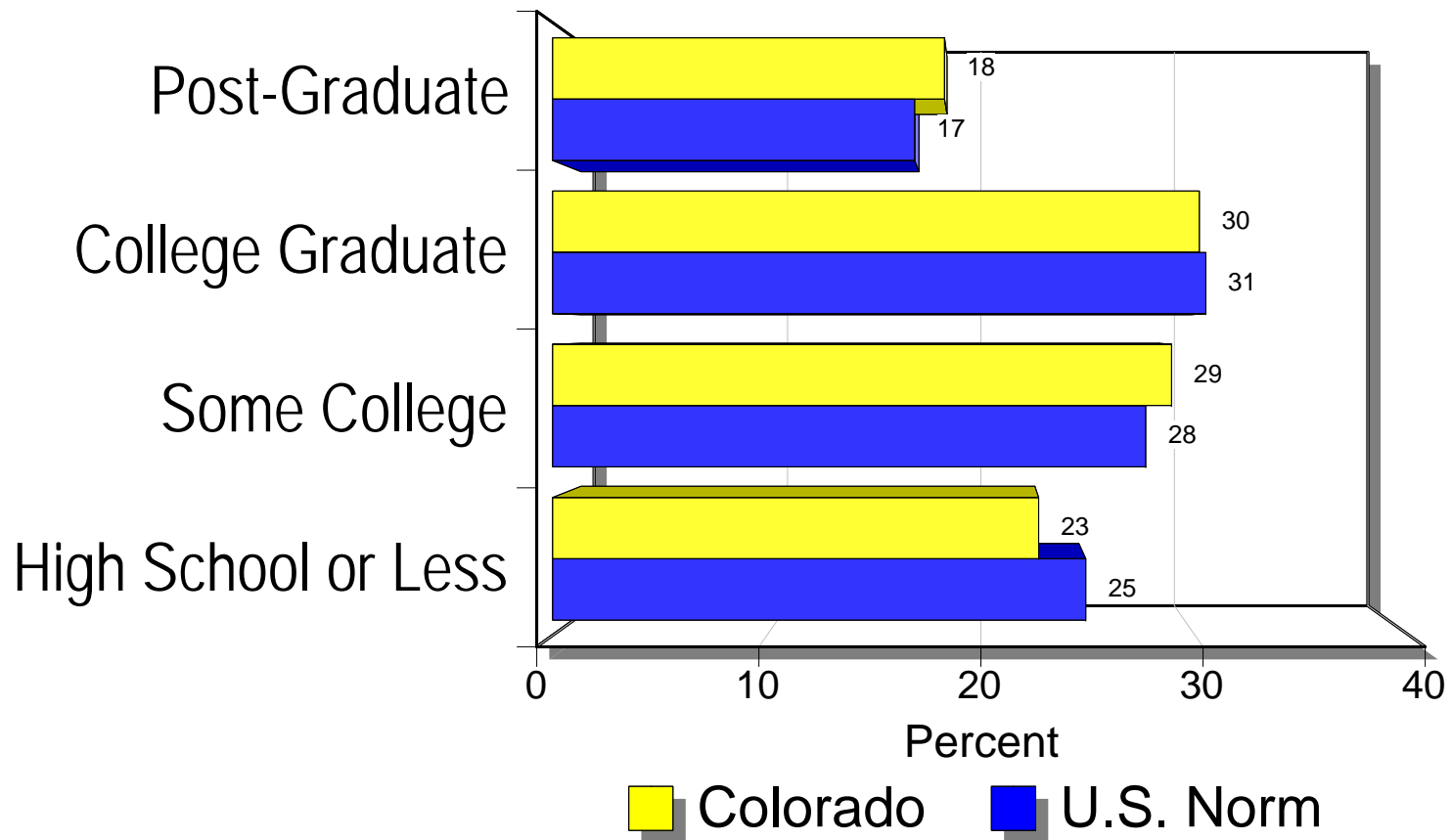




# Education



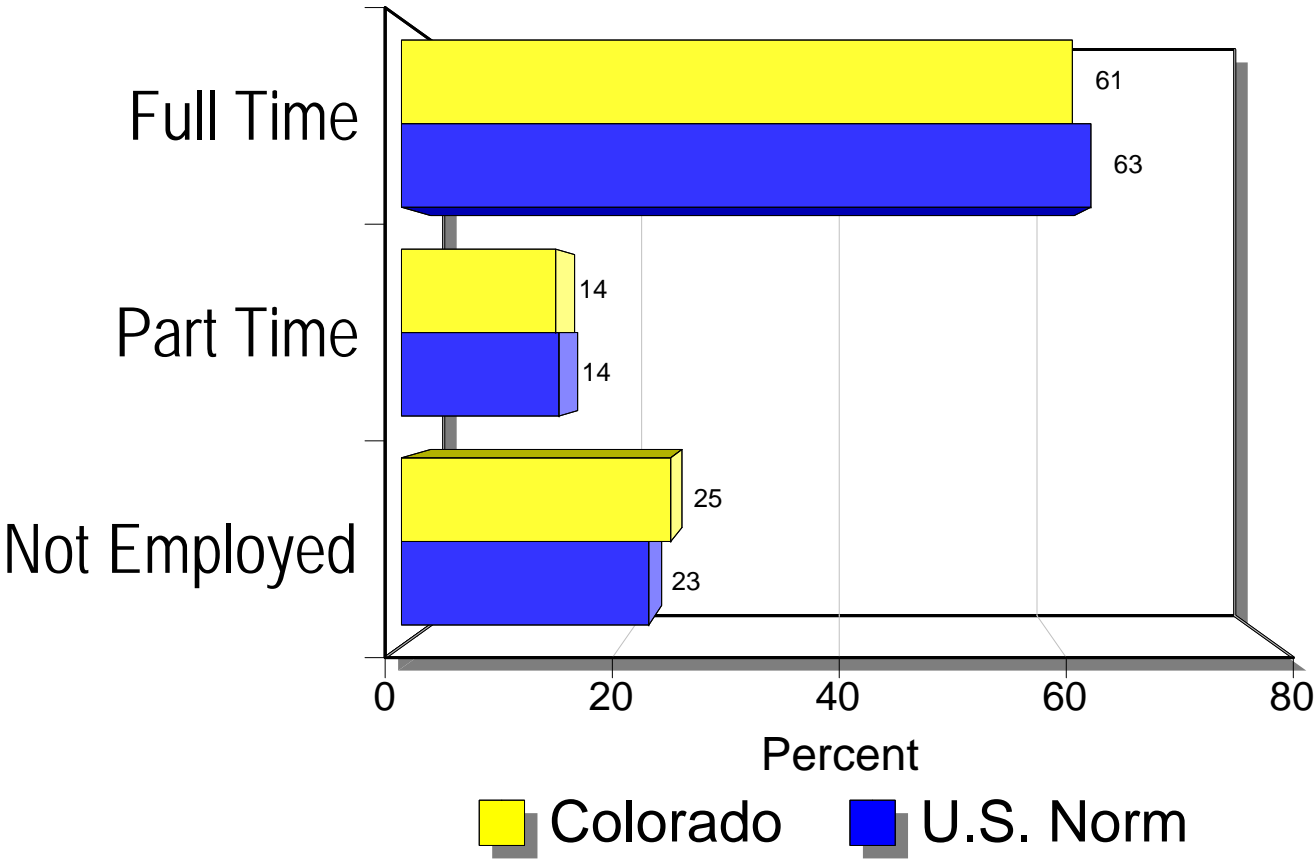
Base: Overnight Pleasure Trips



# Employment



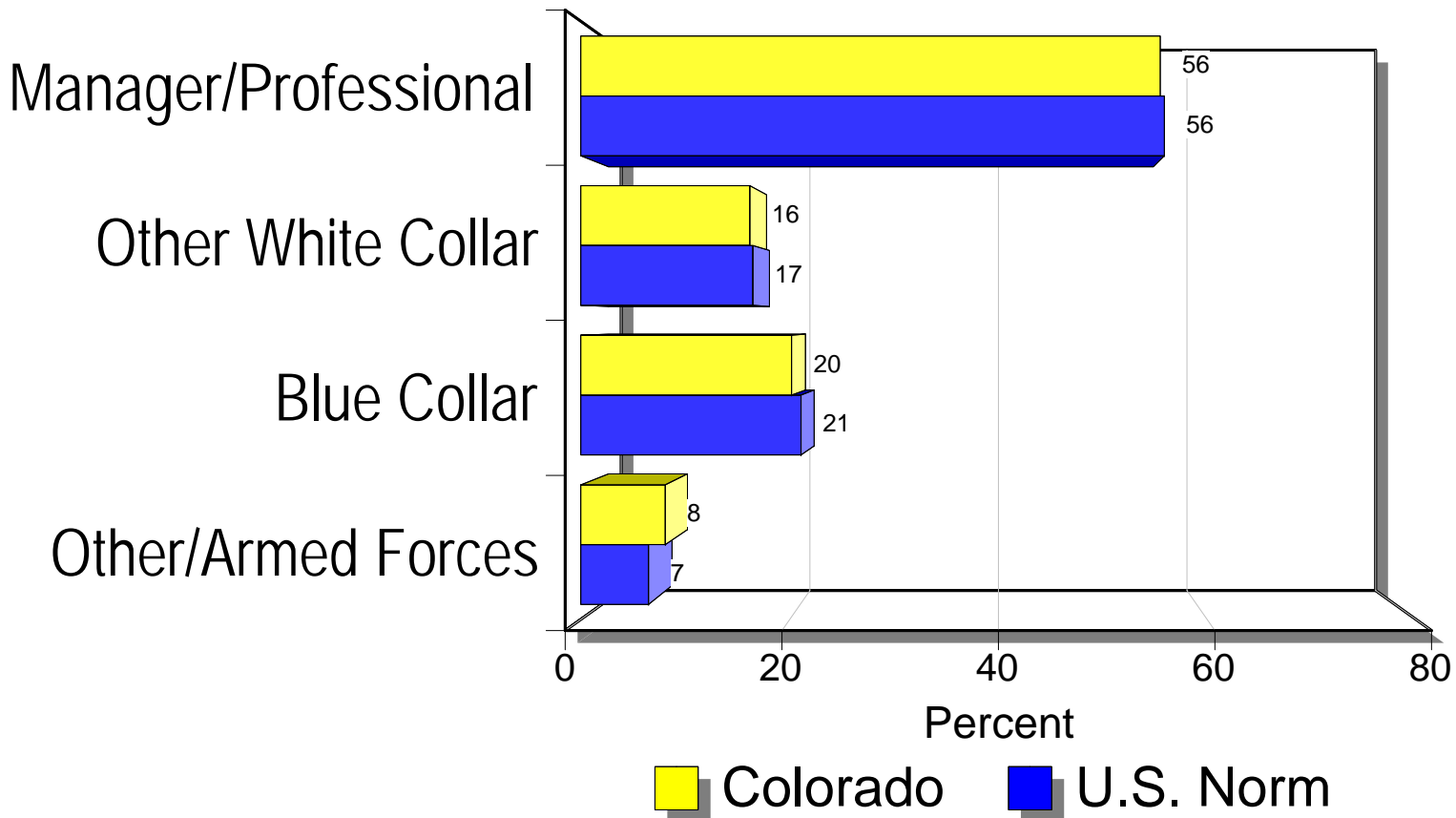
Base: Overnight Pleasure Trips



# Occupation



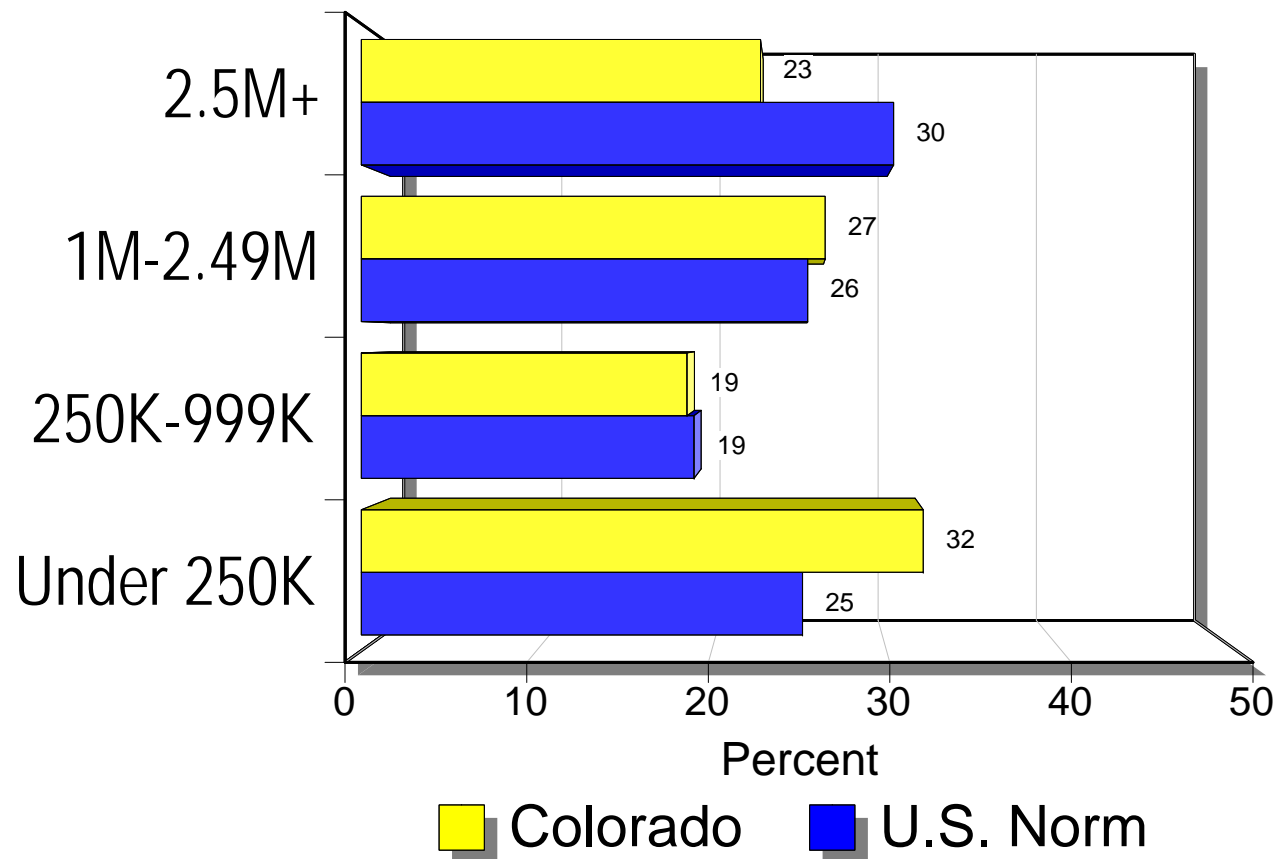
Base: Overnight Pleasure Trips by Those Who Are Employed



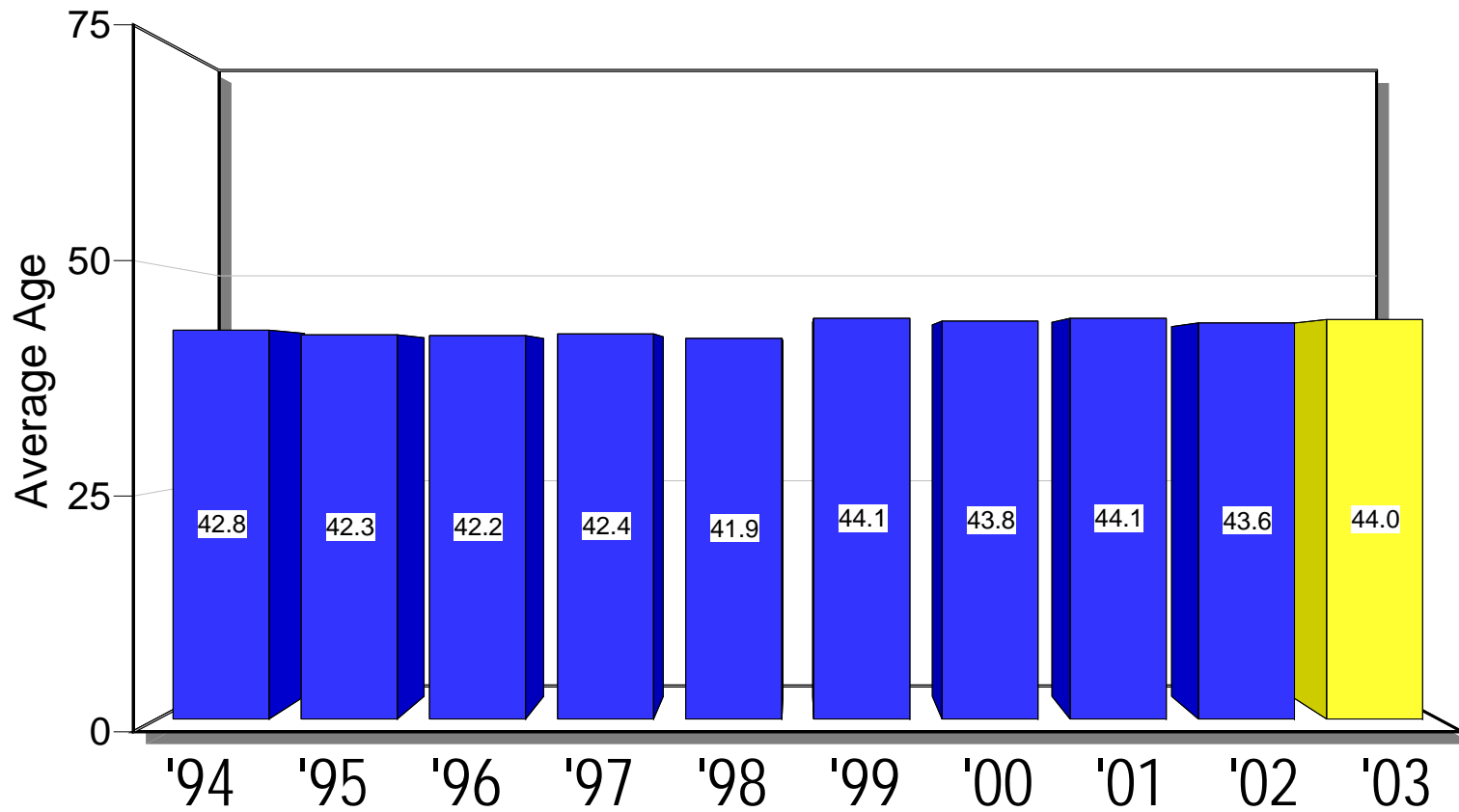
# Community Size



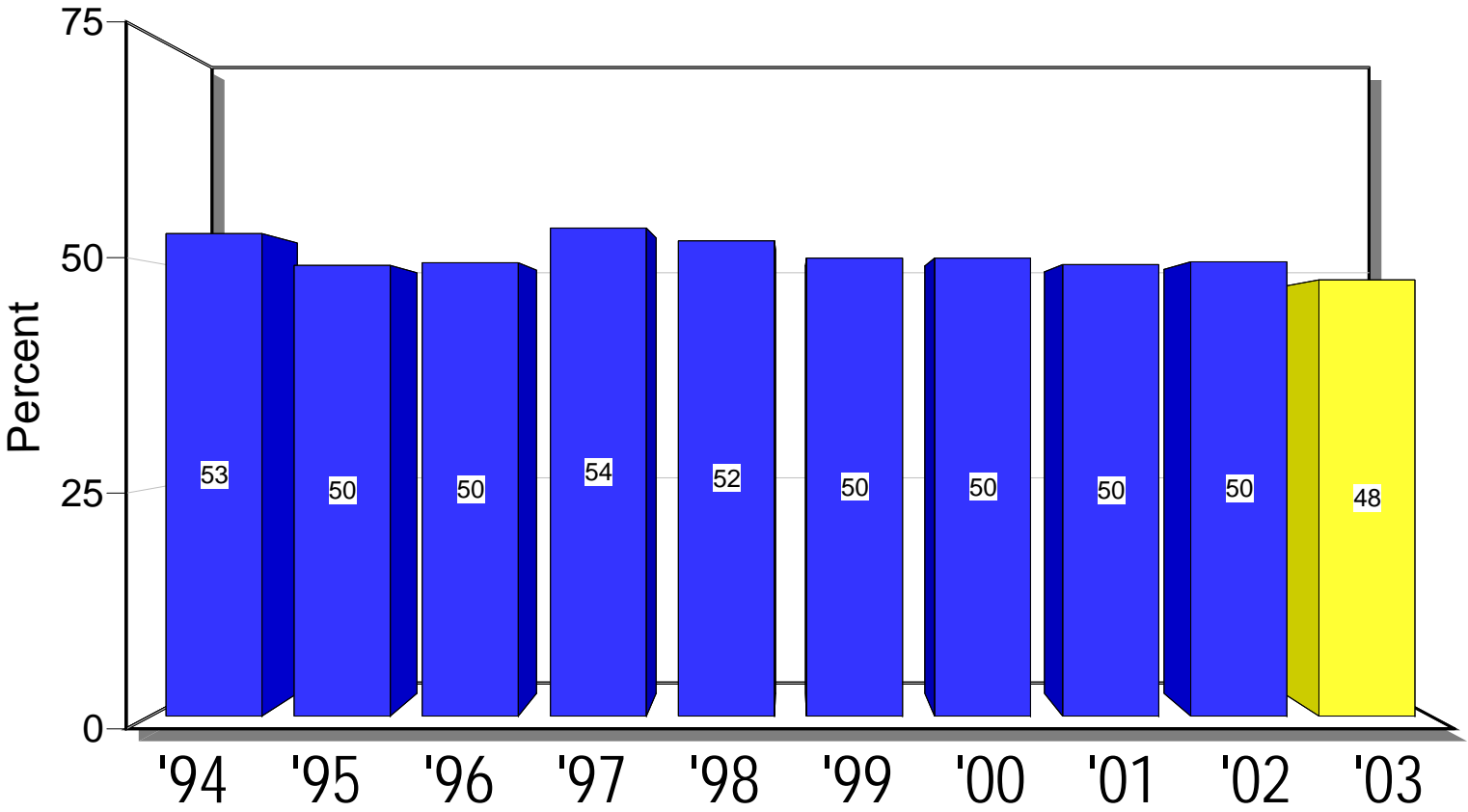
Base: Overnight Pleasure Trips



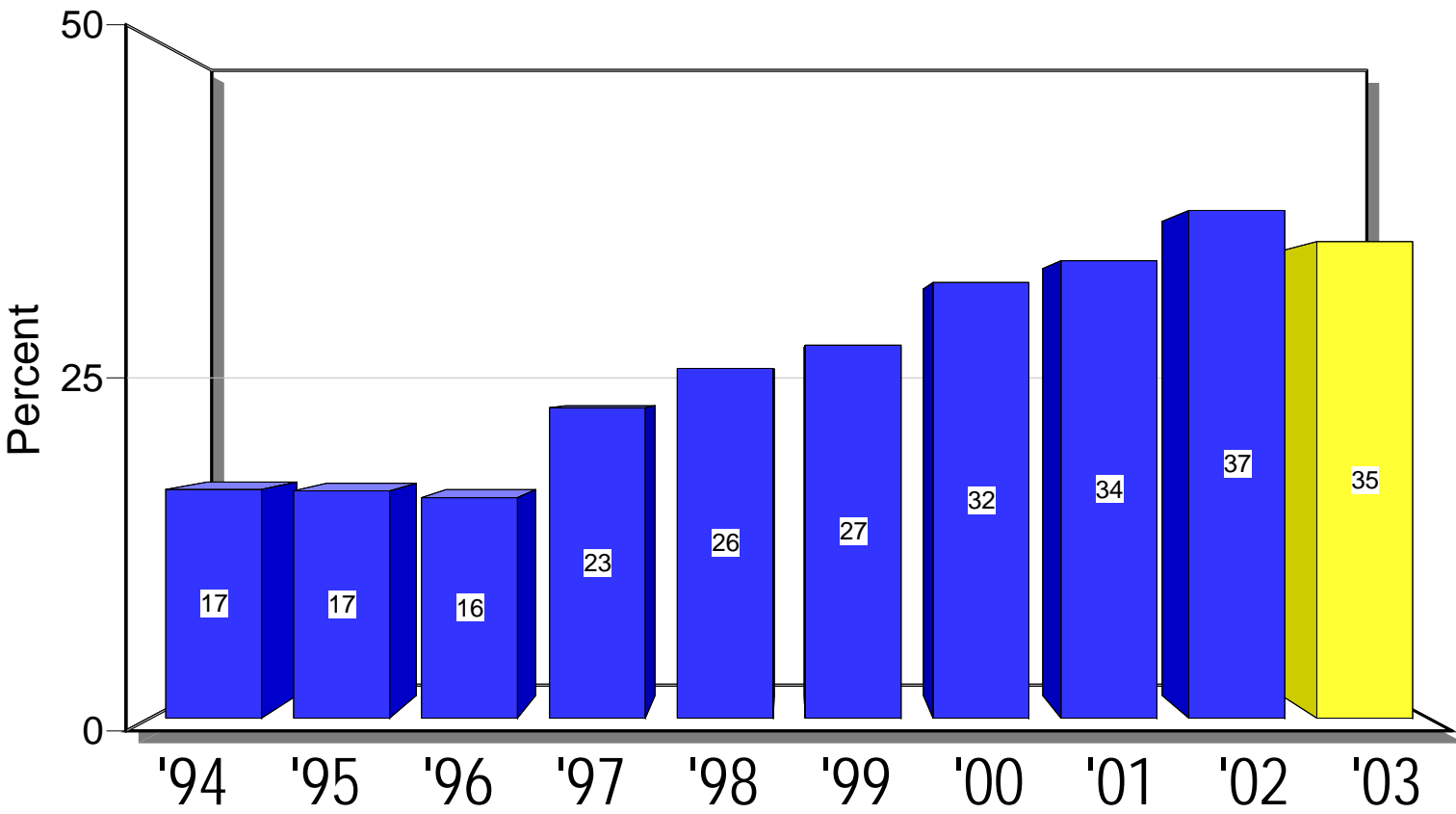
# Average Age



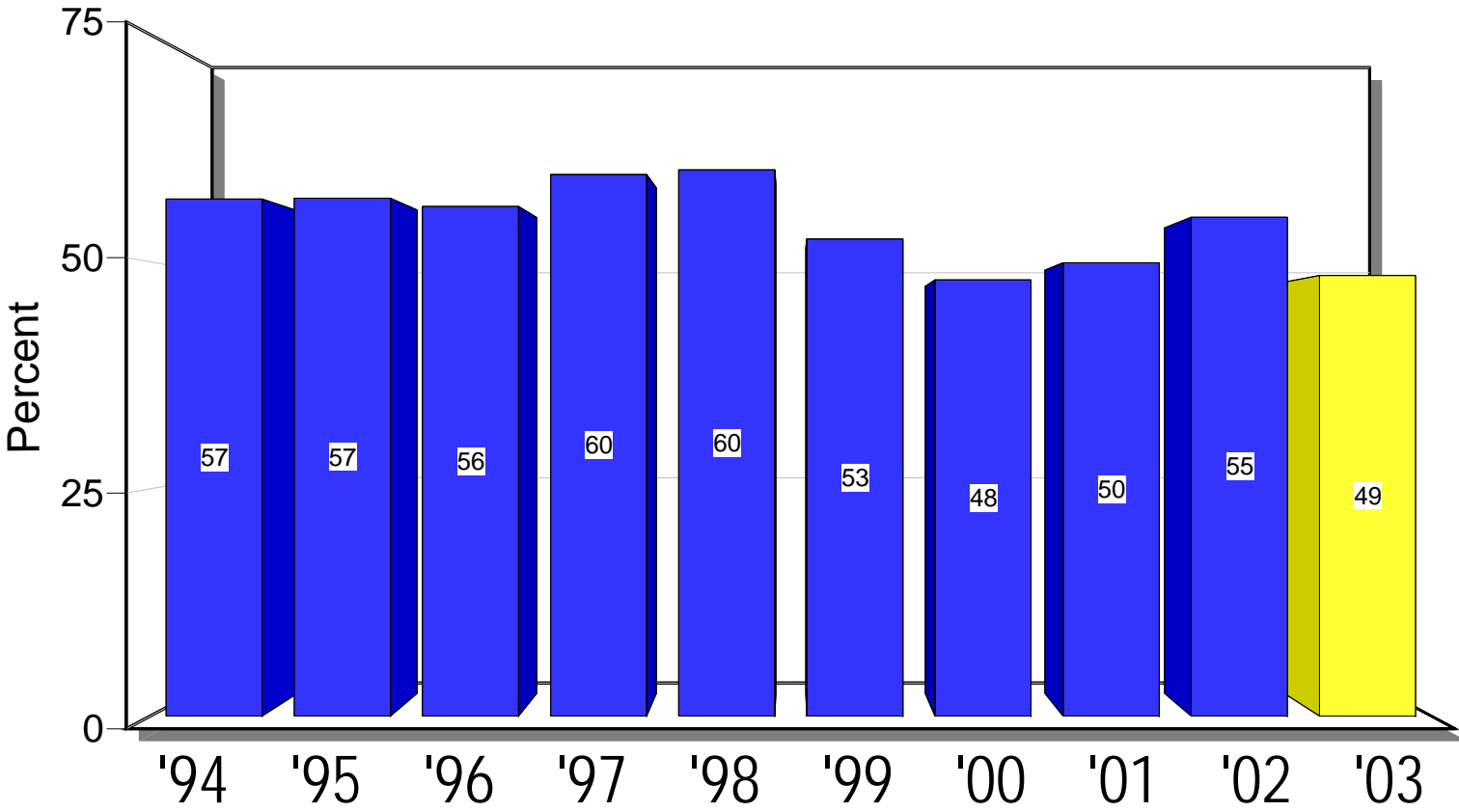
# Percent Who Are Male



# Percent Who Earn Over \$75,000

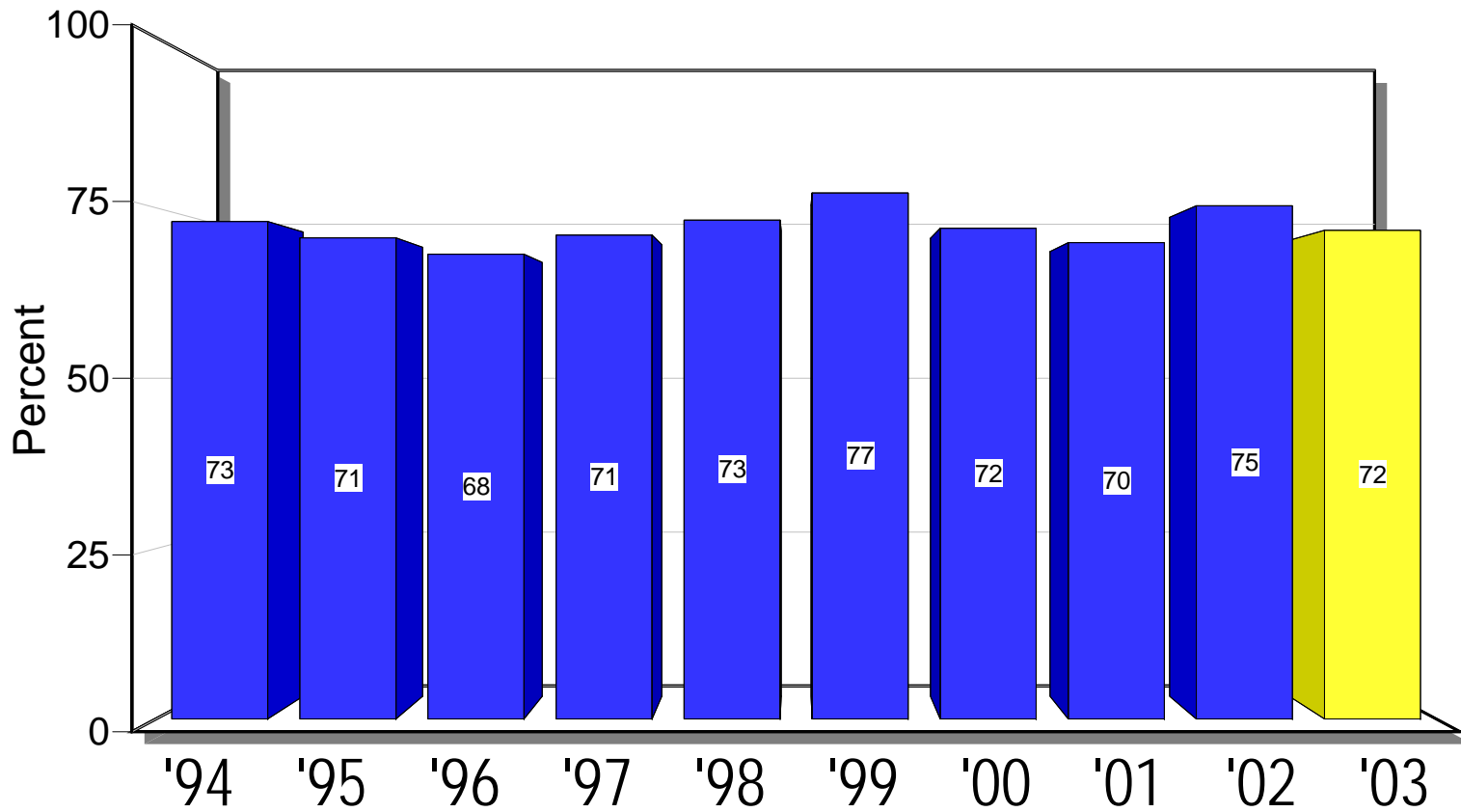


# Percent With College Education





# Percent White Collar Occupation

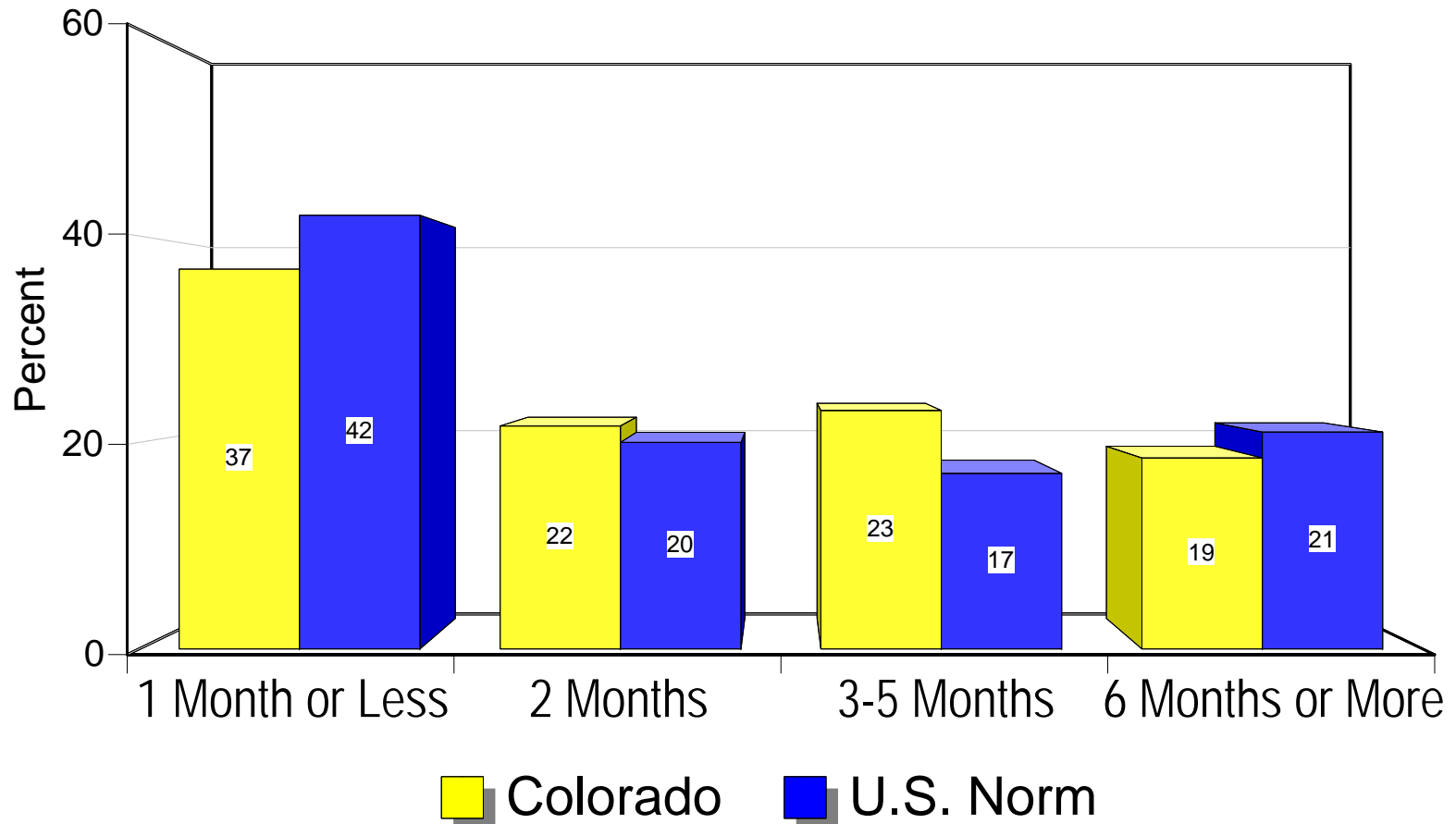


# Planning and Booking of Overnight Pleasure Trips

# Planning Cycle



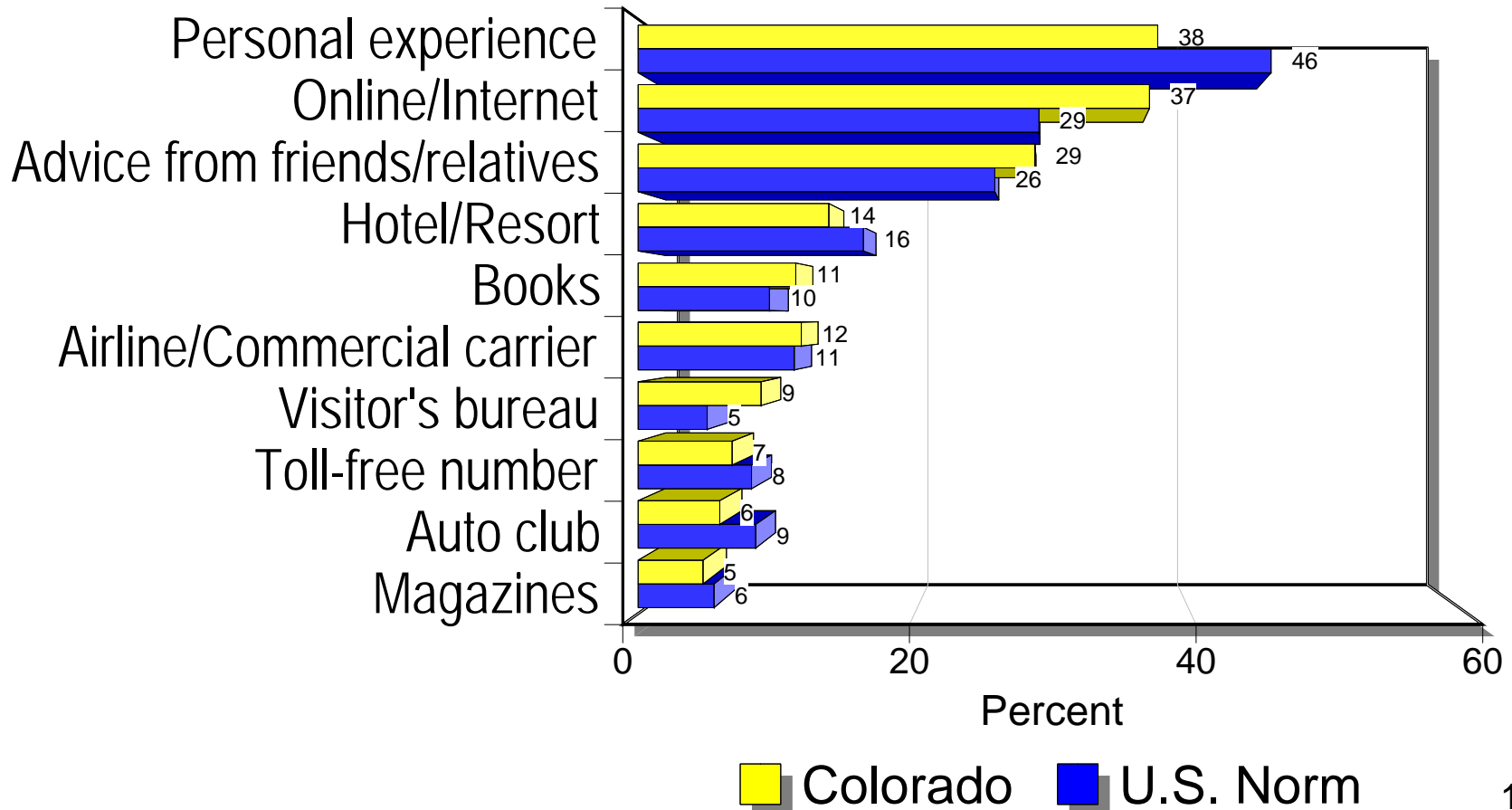
Base: Overnight Pleasure Trips



# Information Sources Used for Planning



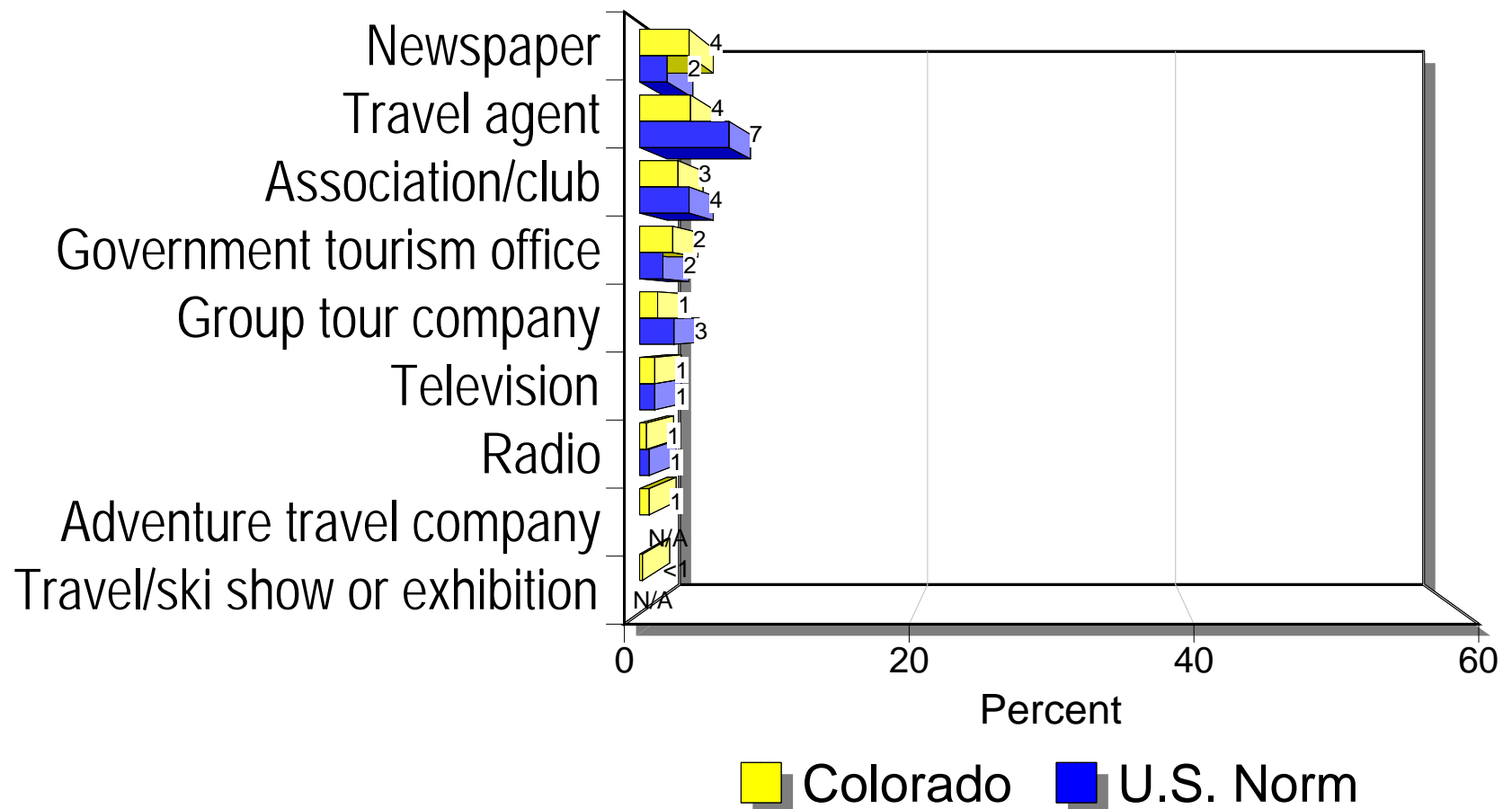
Base: Overnight Pleasure Trips



# Information Sources Used for Planning (Cont'd)



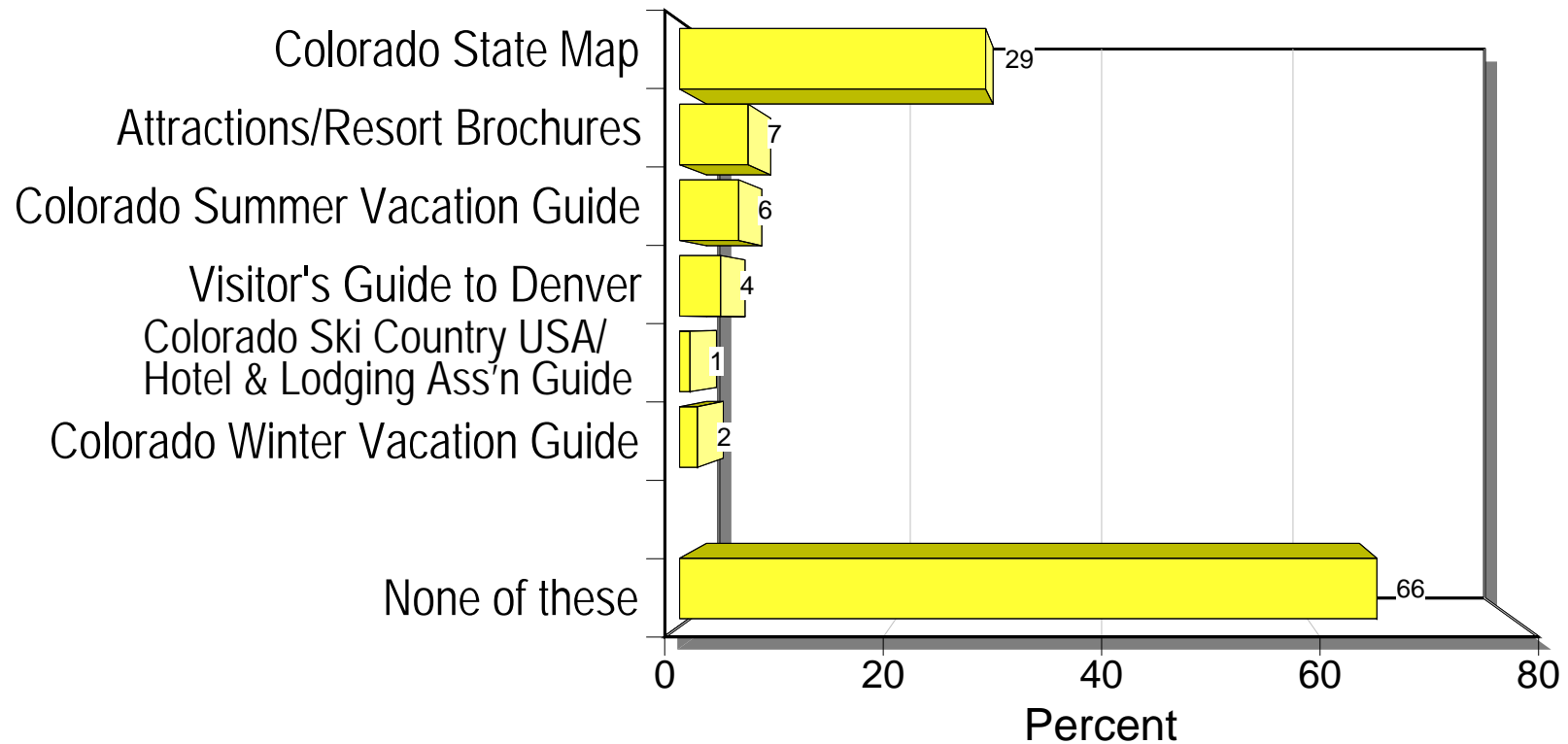
Base: Overnight Pleasure Trips



# Publications Used for Trip Planning



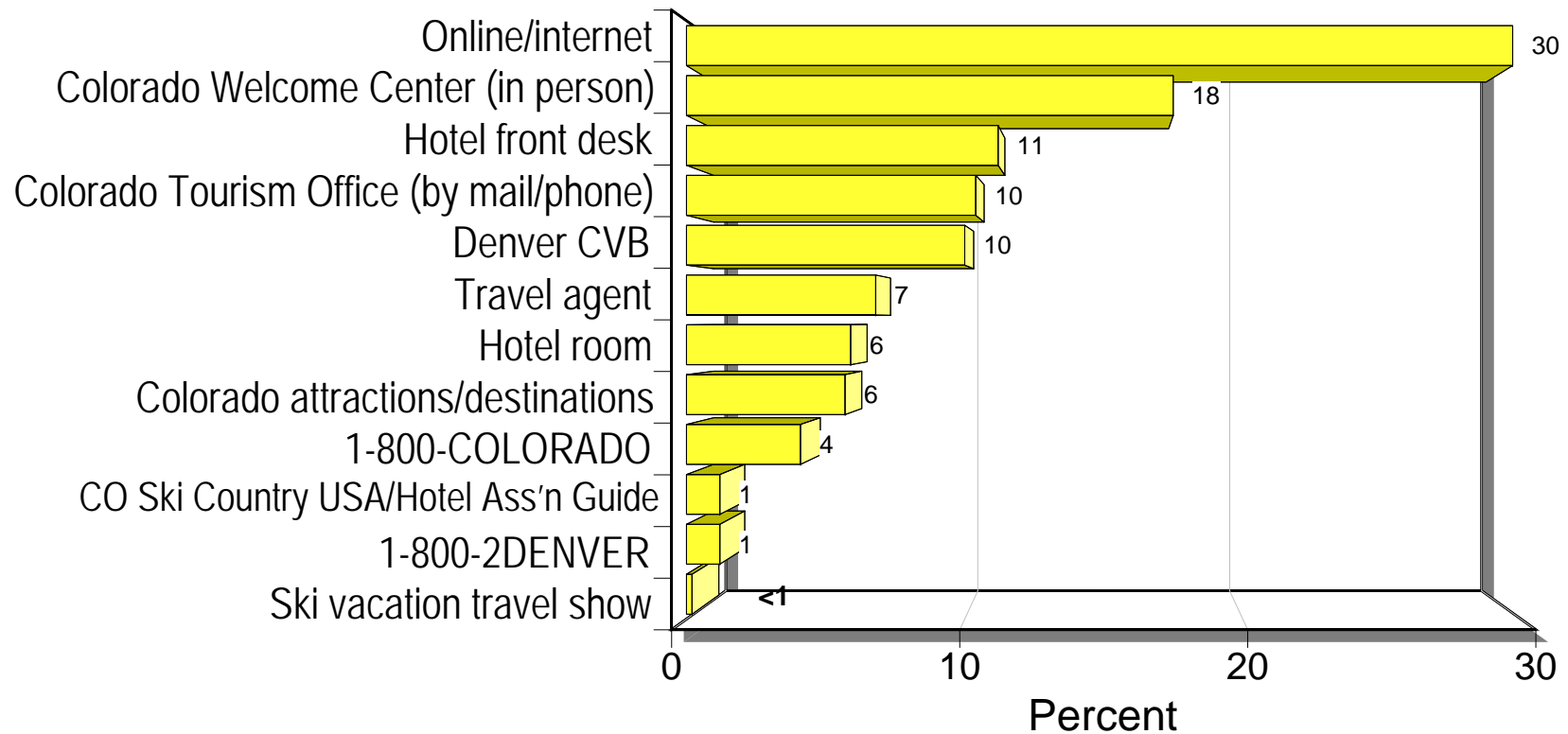
Base: Overnight Pleasure Trips



# Place Where Publications Were Obtained



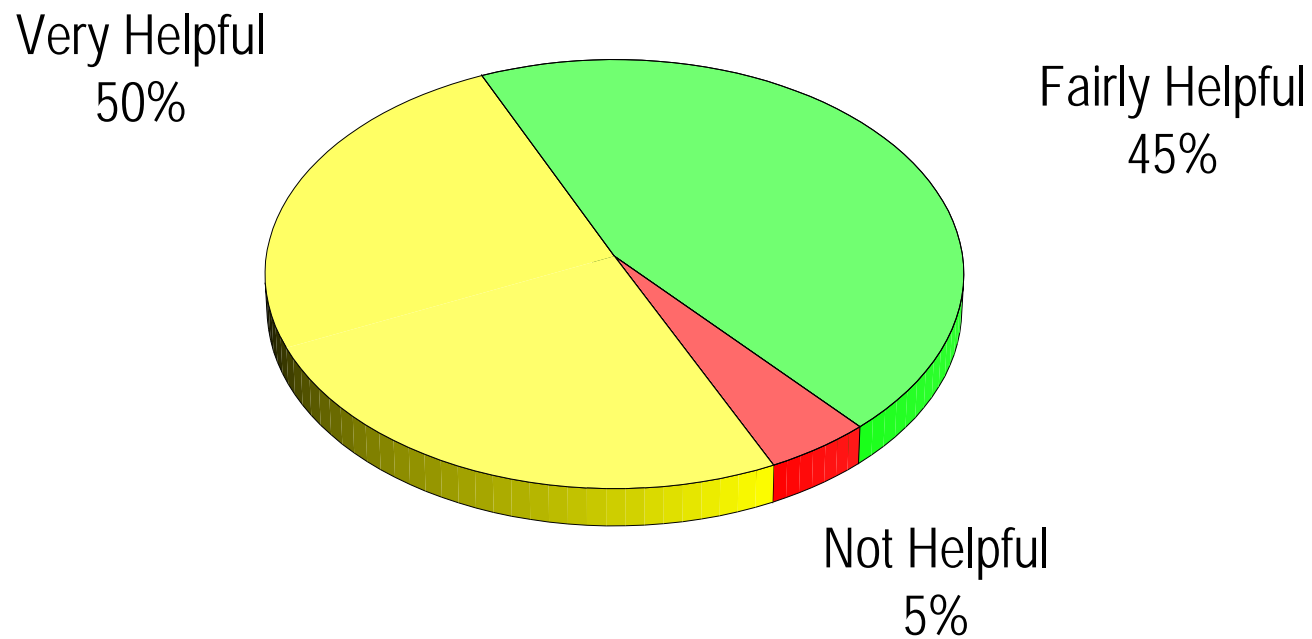
Base: Used At Least One Publication



# Perceived Helpfulness of Publications – Pleasure



Base: Those Who Used Publications to Plan Trip

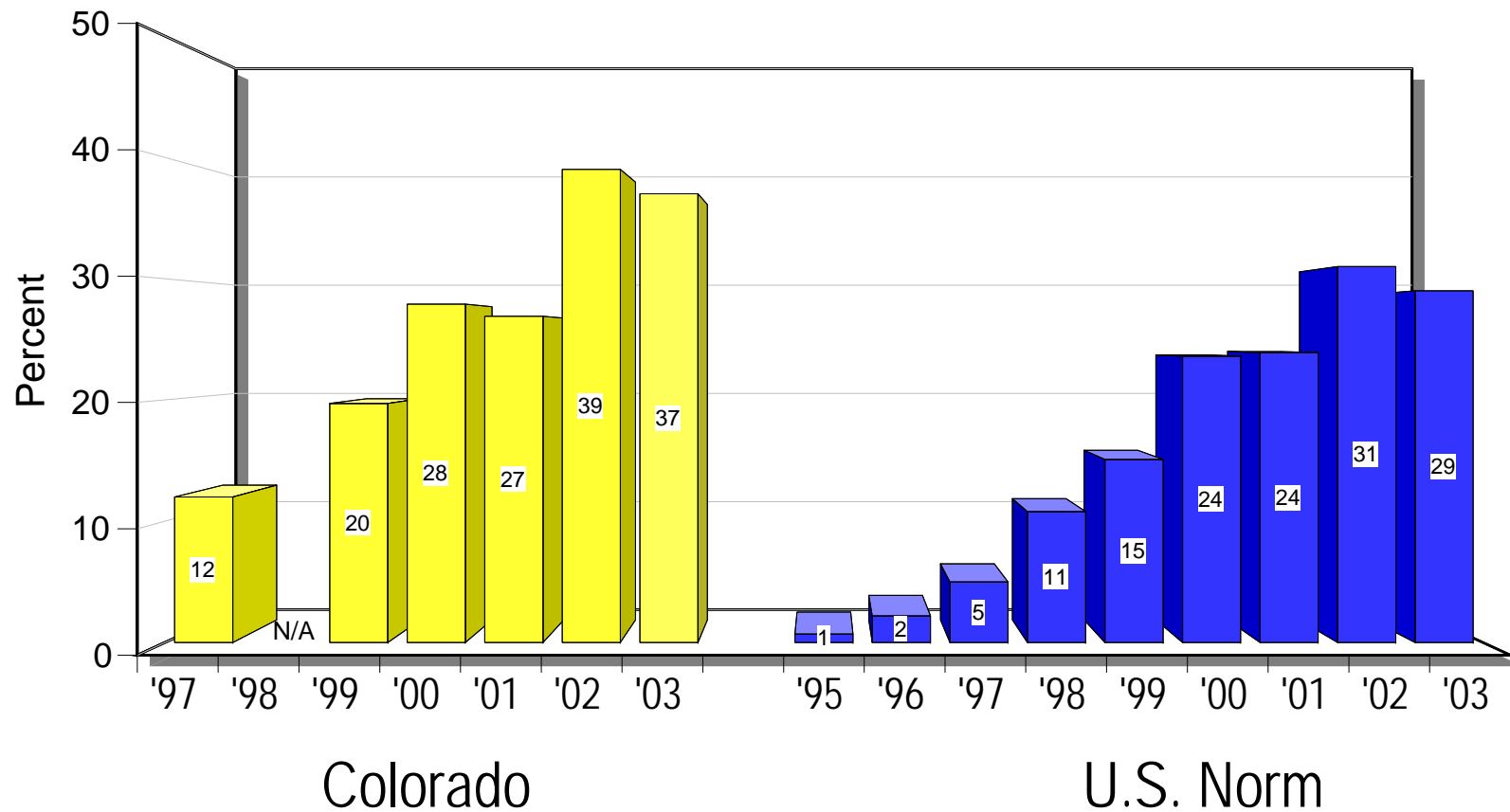




# Use of Internet for Trip Planning



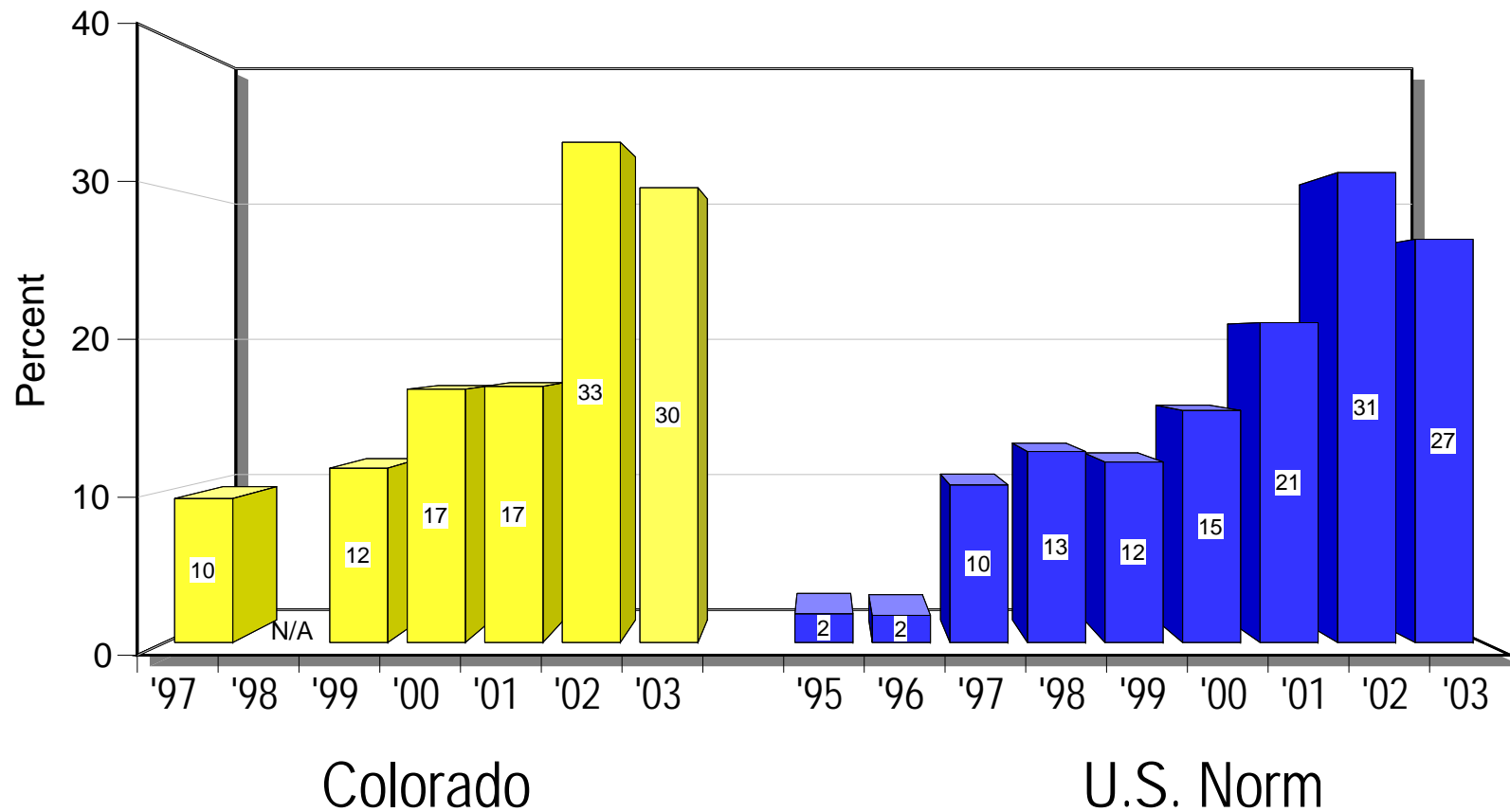
Base: Overnight Pleasure Trips



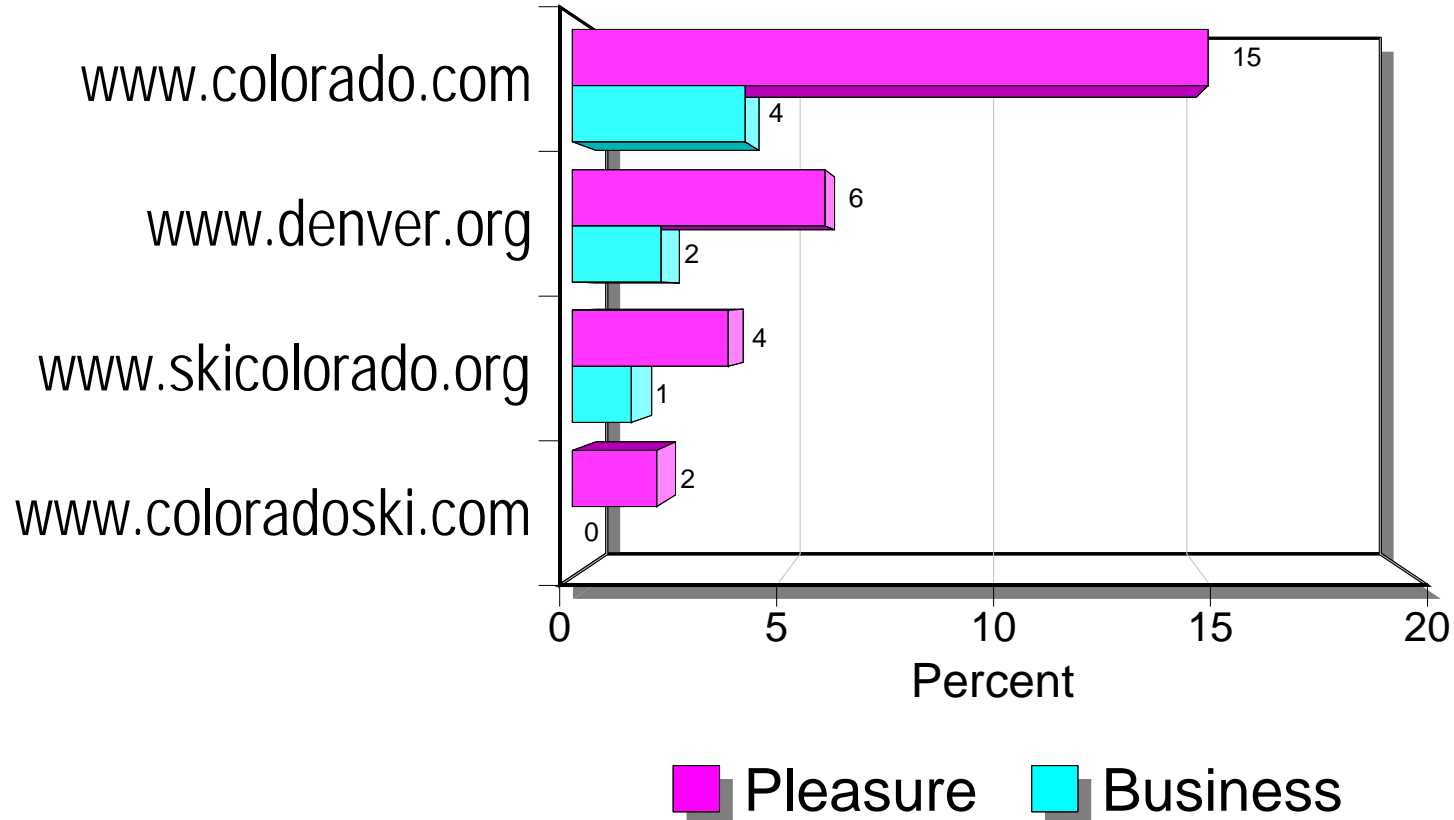
# Use of Internet for Trip Planning



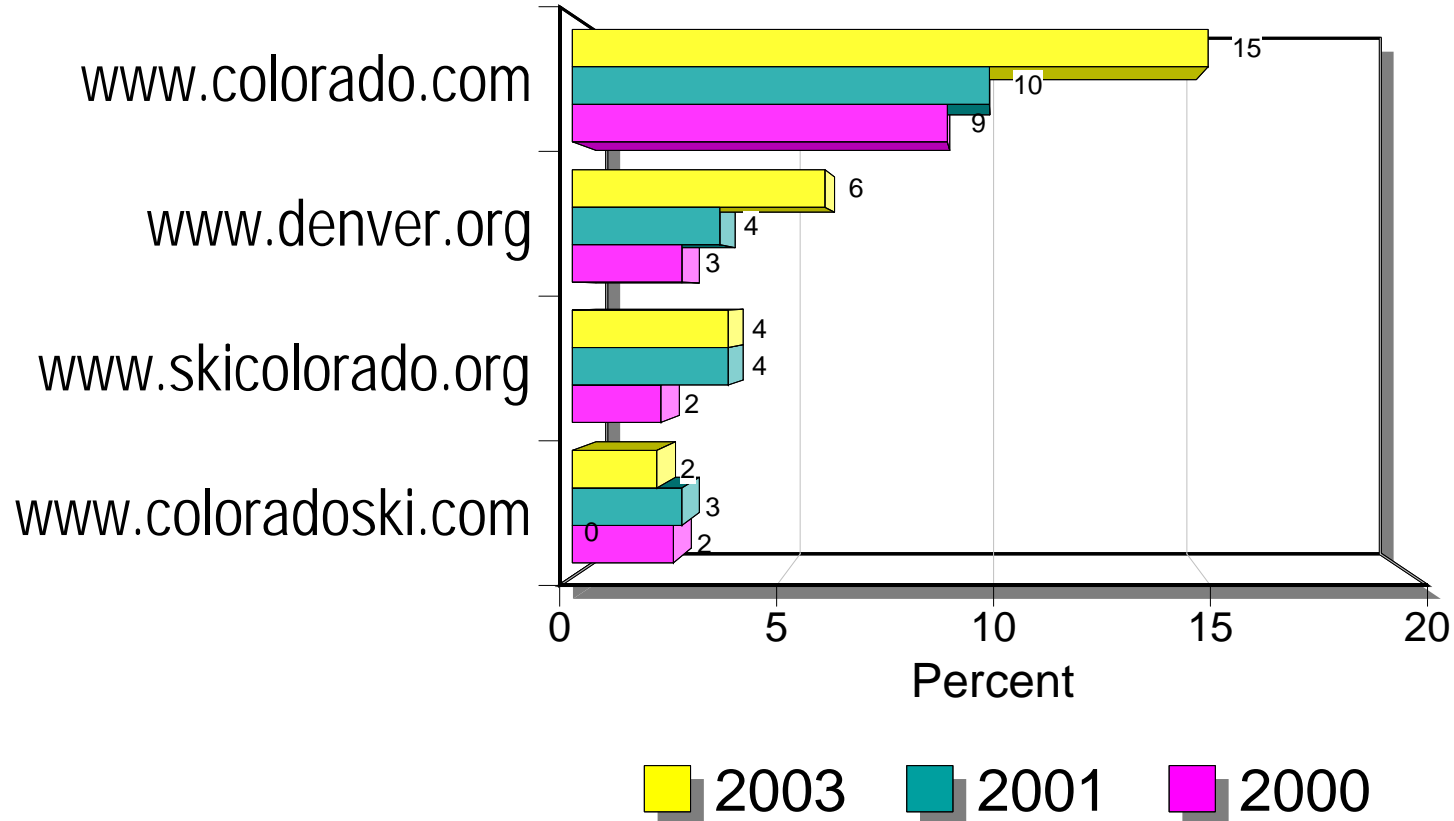
Base: Overnight Business Trips



# Internet Sites Used When Planning Colorado Trip



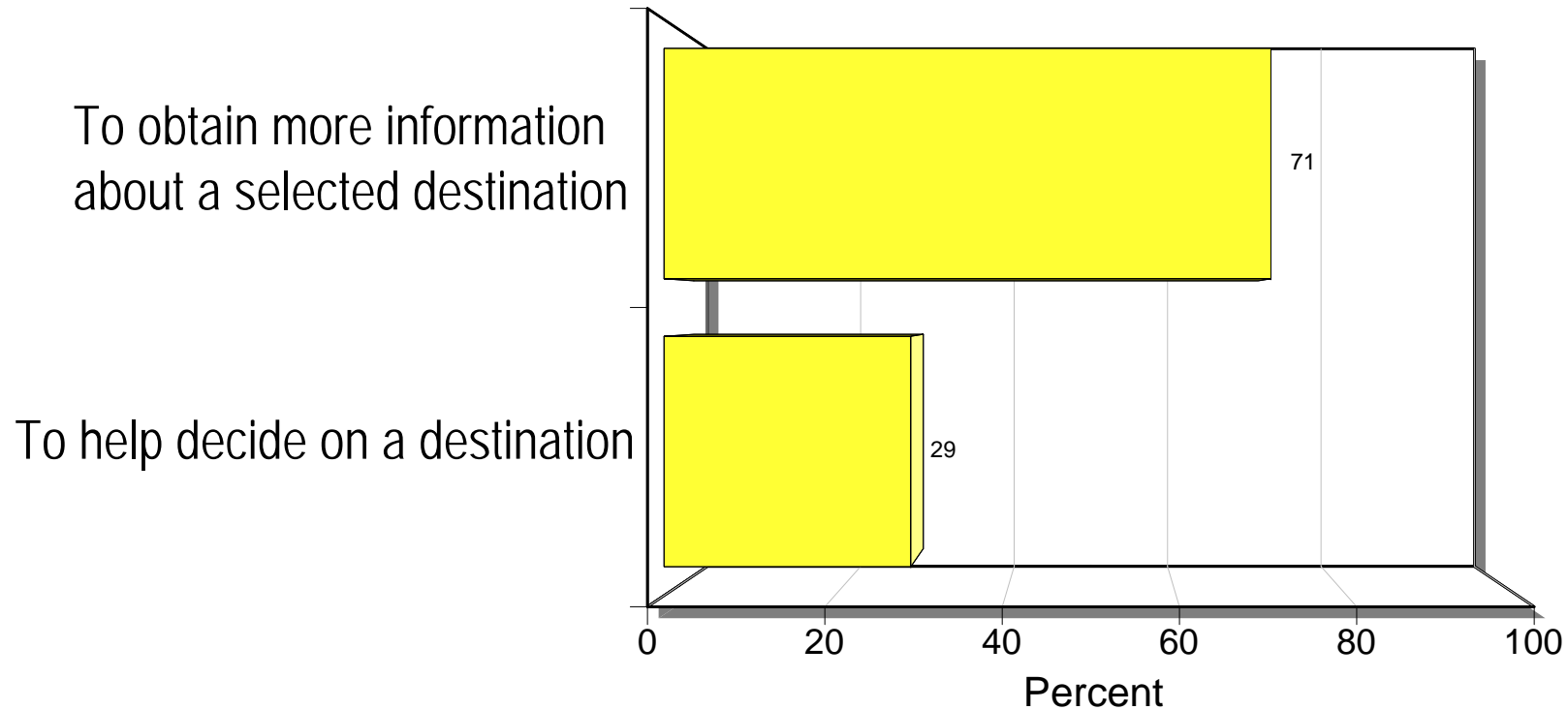
# Internet Sites Used When Planning Colorado Pleasure Trip



# Reasons for Visiting Websites



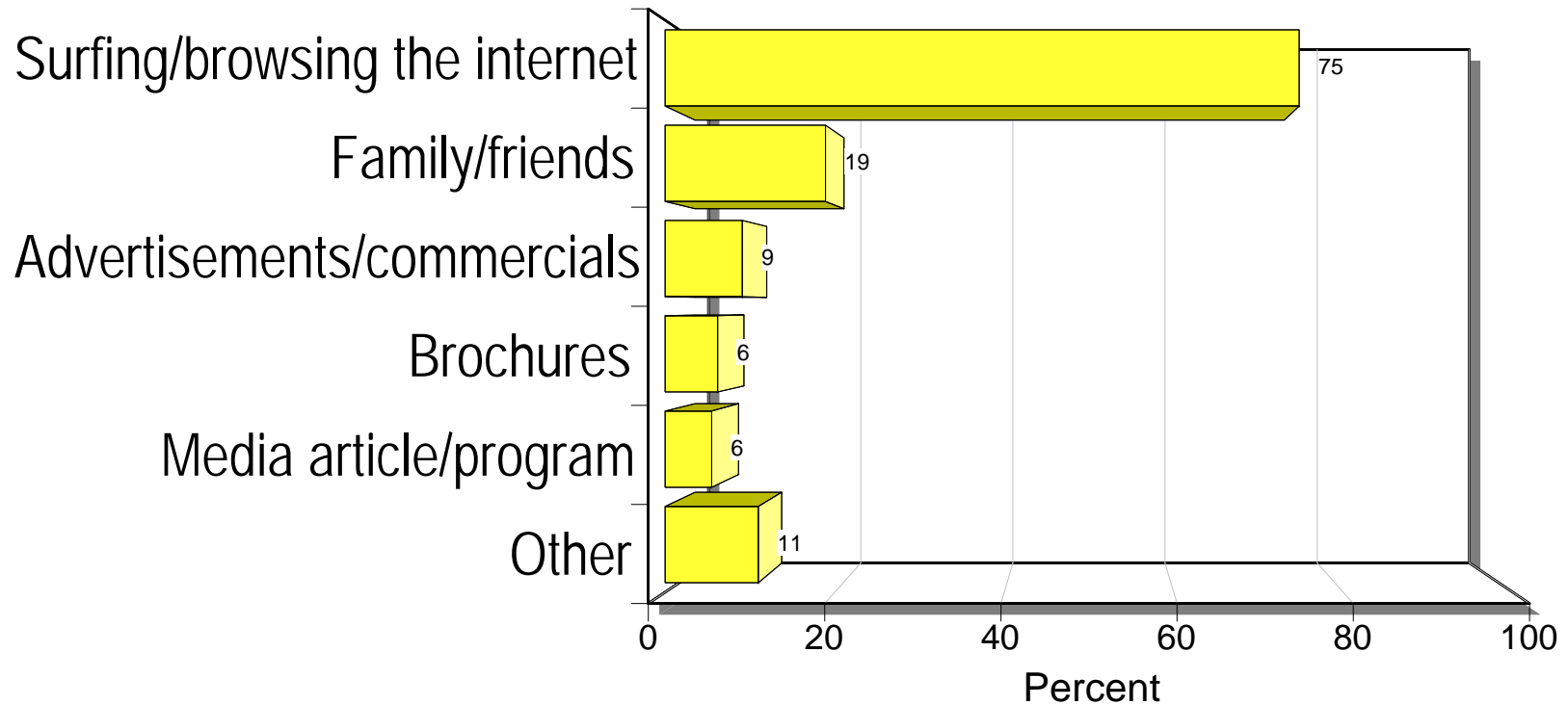
Base: Those Who Used Specific Websites to Plan Trip



# How Websites Were Discovered



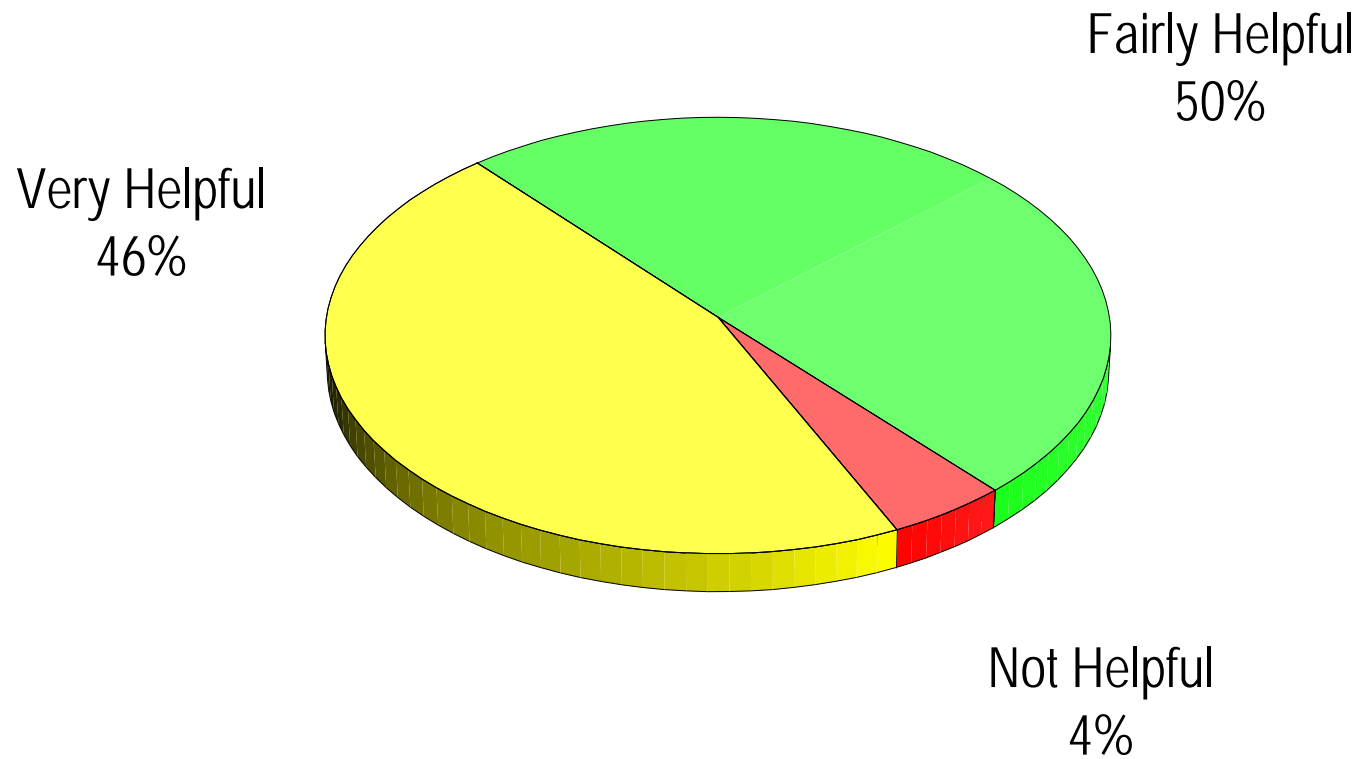
Base: Those Who Used Specific Websites to Plan Trip



# Perceived Helpfulness of Websites



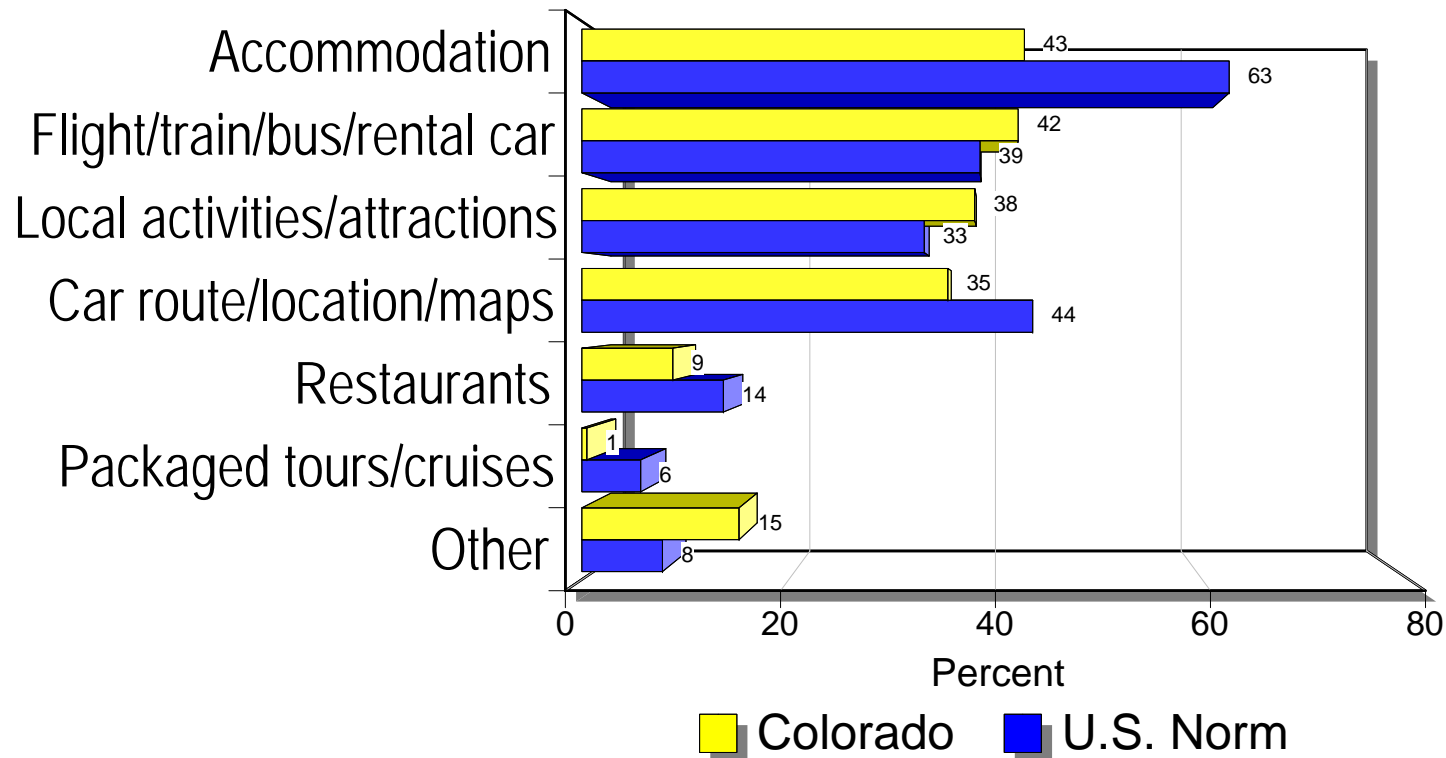
Base: Those Who Used Internet to Plan Trip



# Elements of Trip Planned Online – Pleasure



Base: Used Internet to Plan Trip

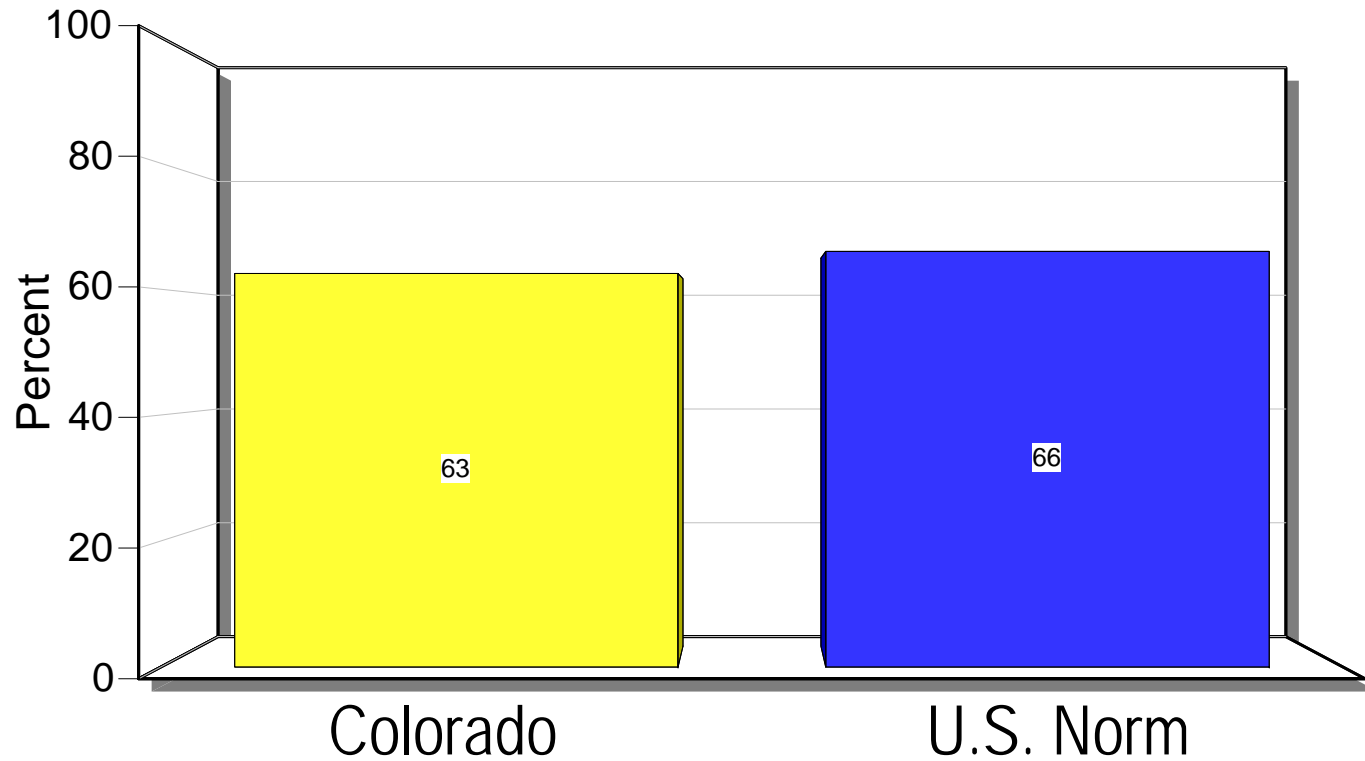




# Percent Who Booked In Advance



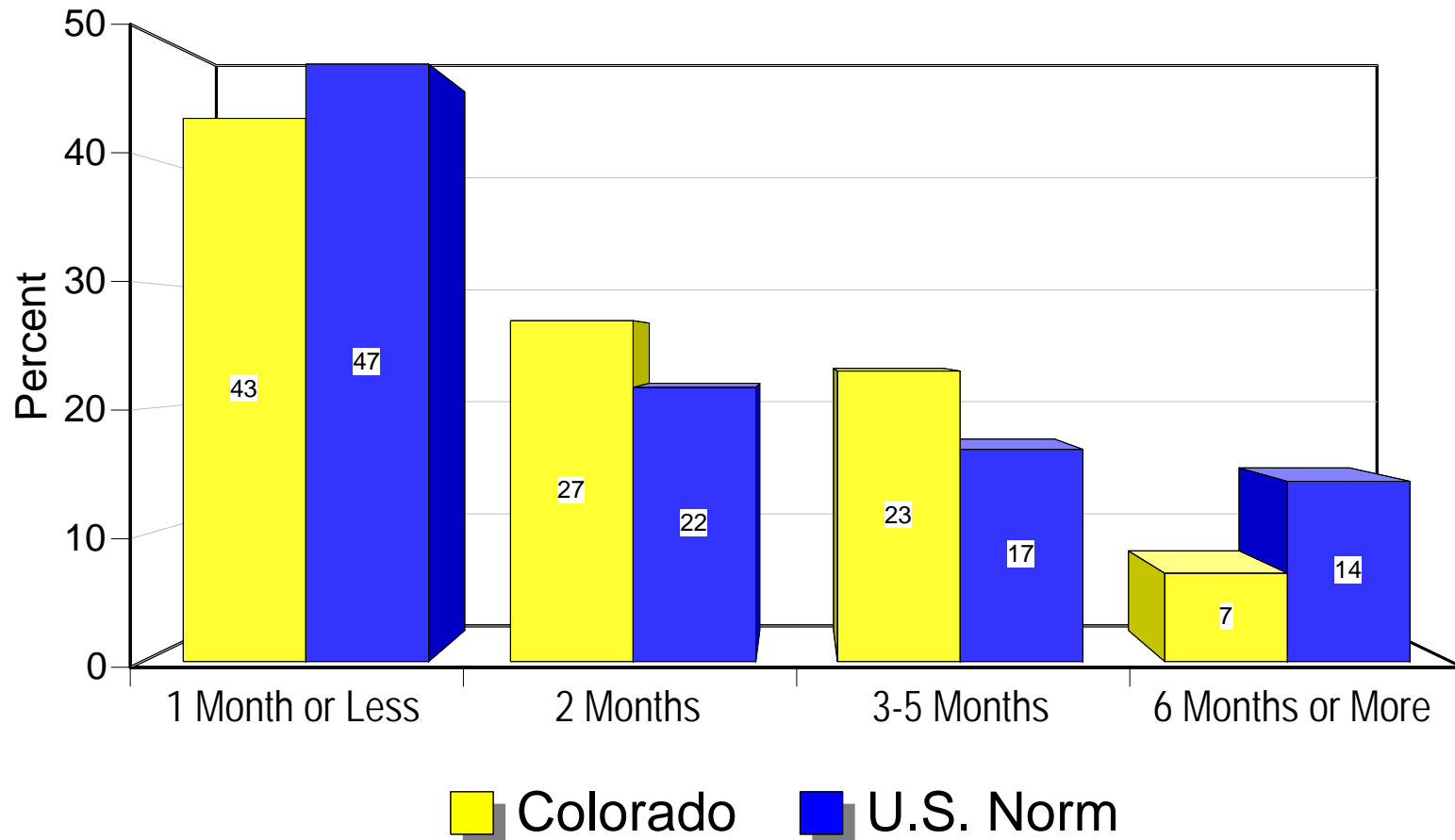
Base: Overnight Pleasure Trips



# Booking Cycle



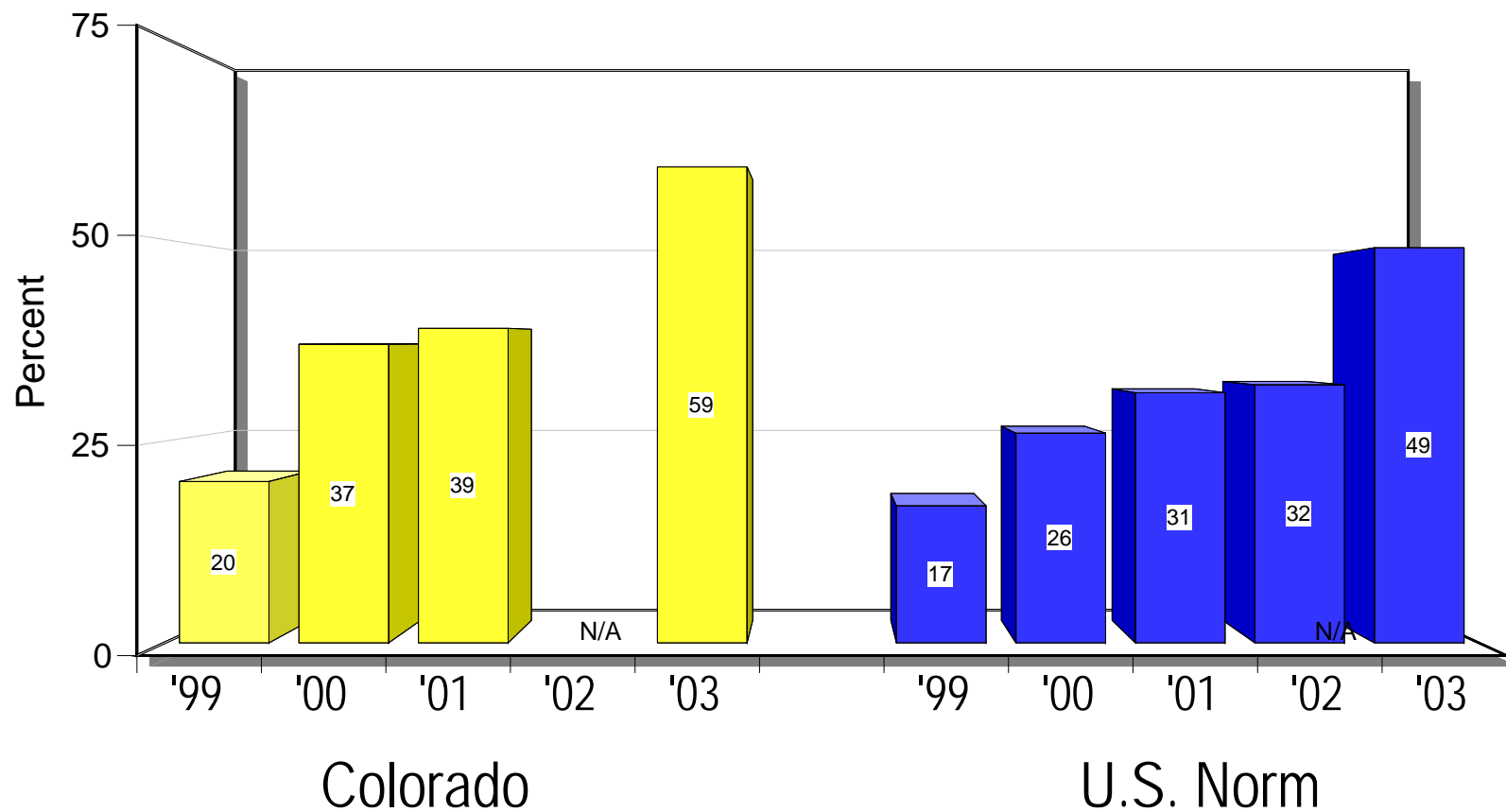
Base: Overnight Pleasure Trips Booked in Advance



# Use of Internet for Trip Booking



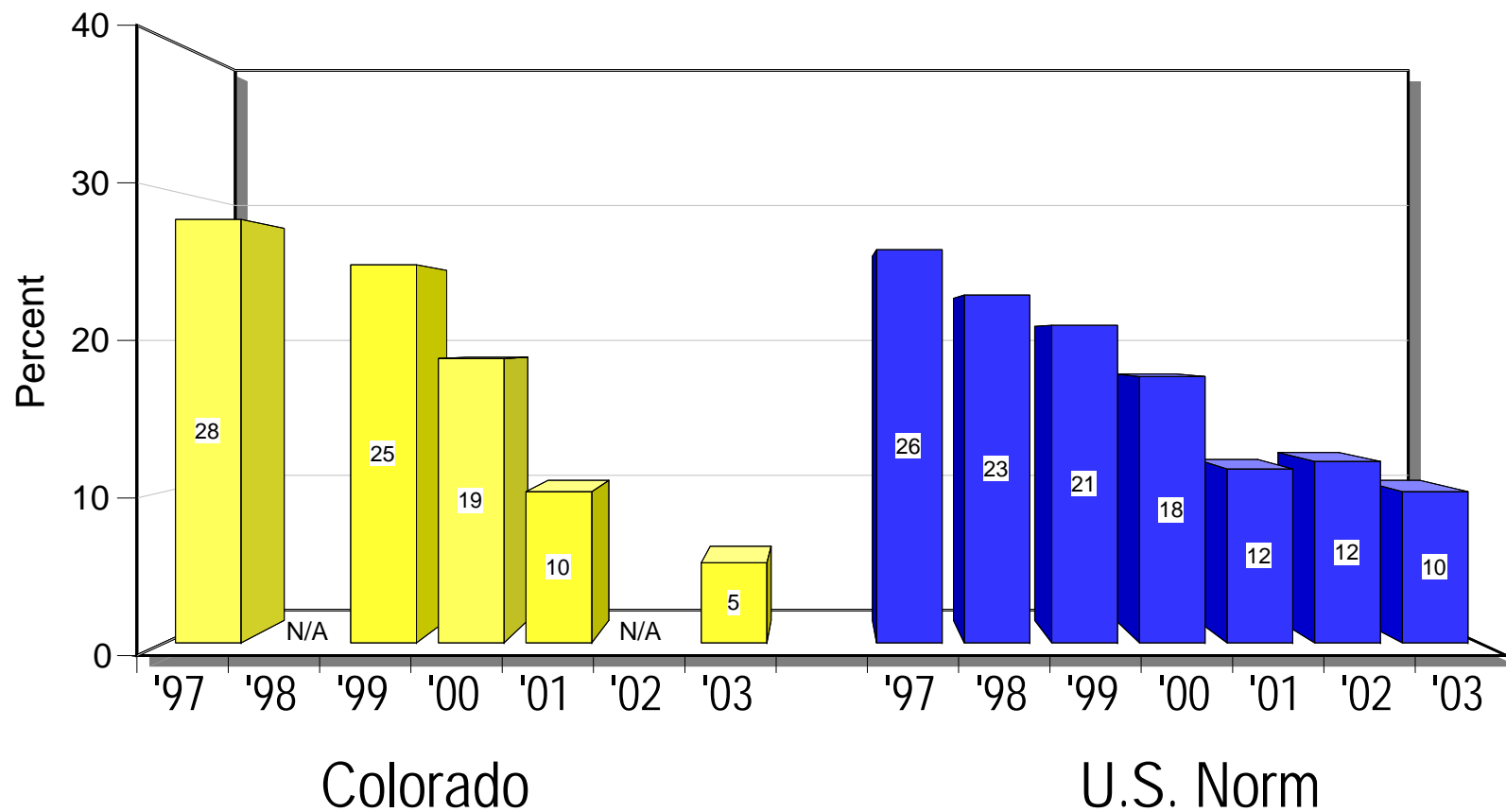
Base: Overnight Pleasure Trips Booked in Advance



# Use of Travel Agent for Trip Booking



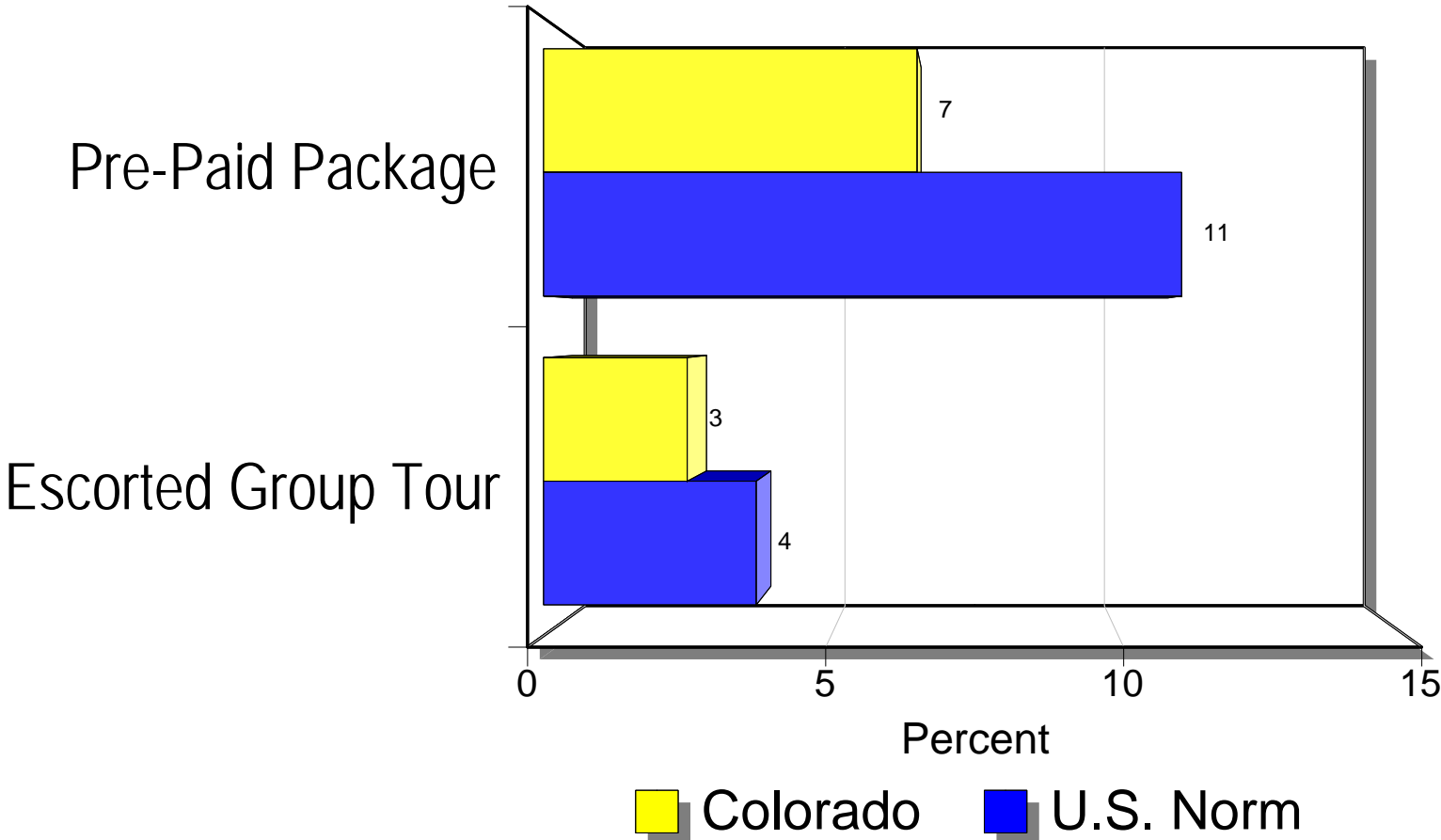
Base: Overnight Pleasure Trips Booked in Advance



# Use of Vacation Packages and Group Travel



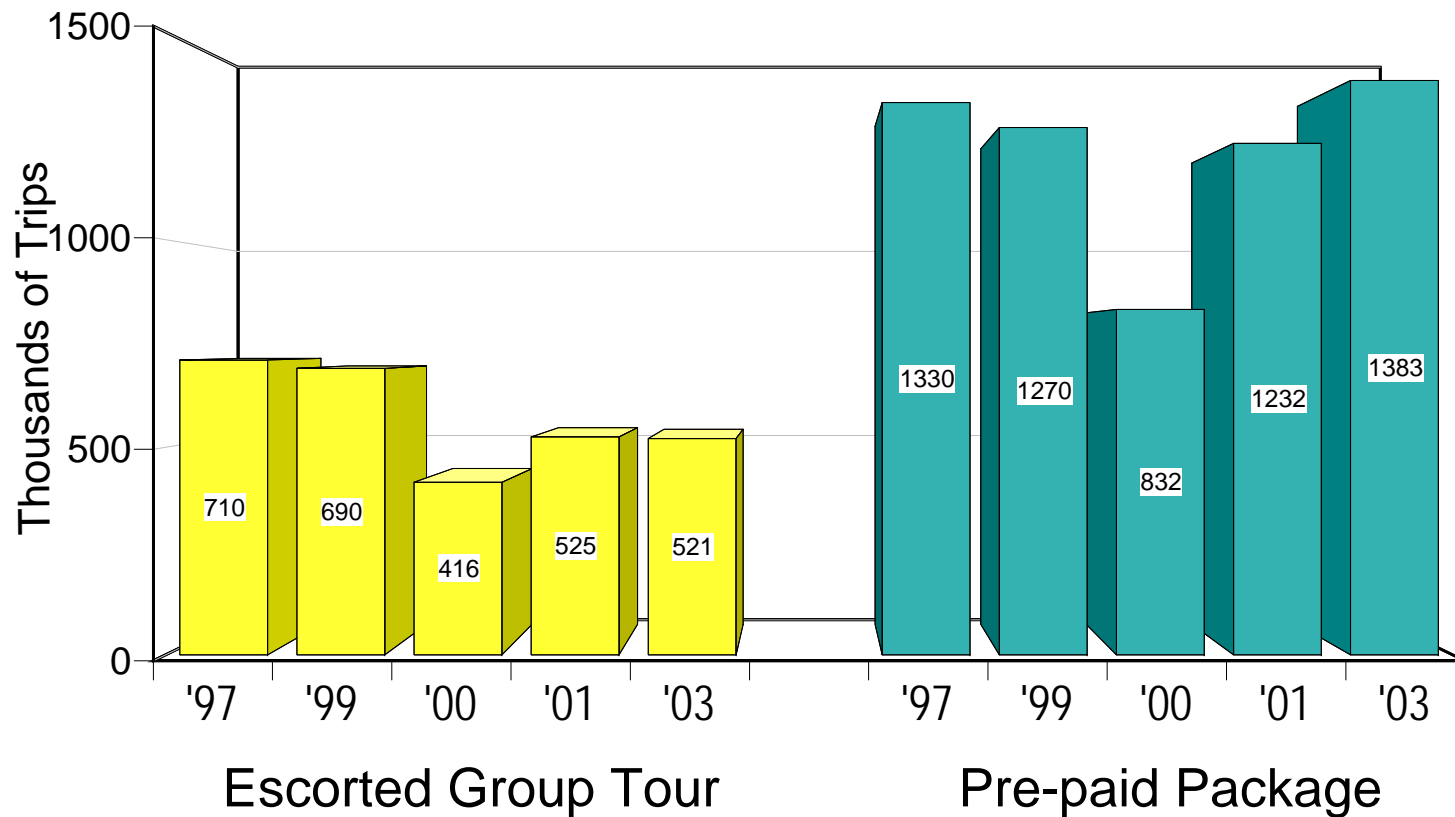
Base: Overnight Pleasure Trips



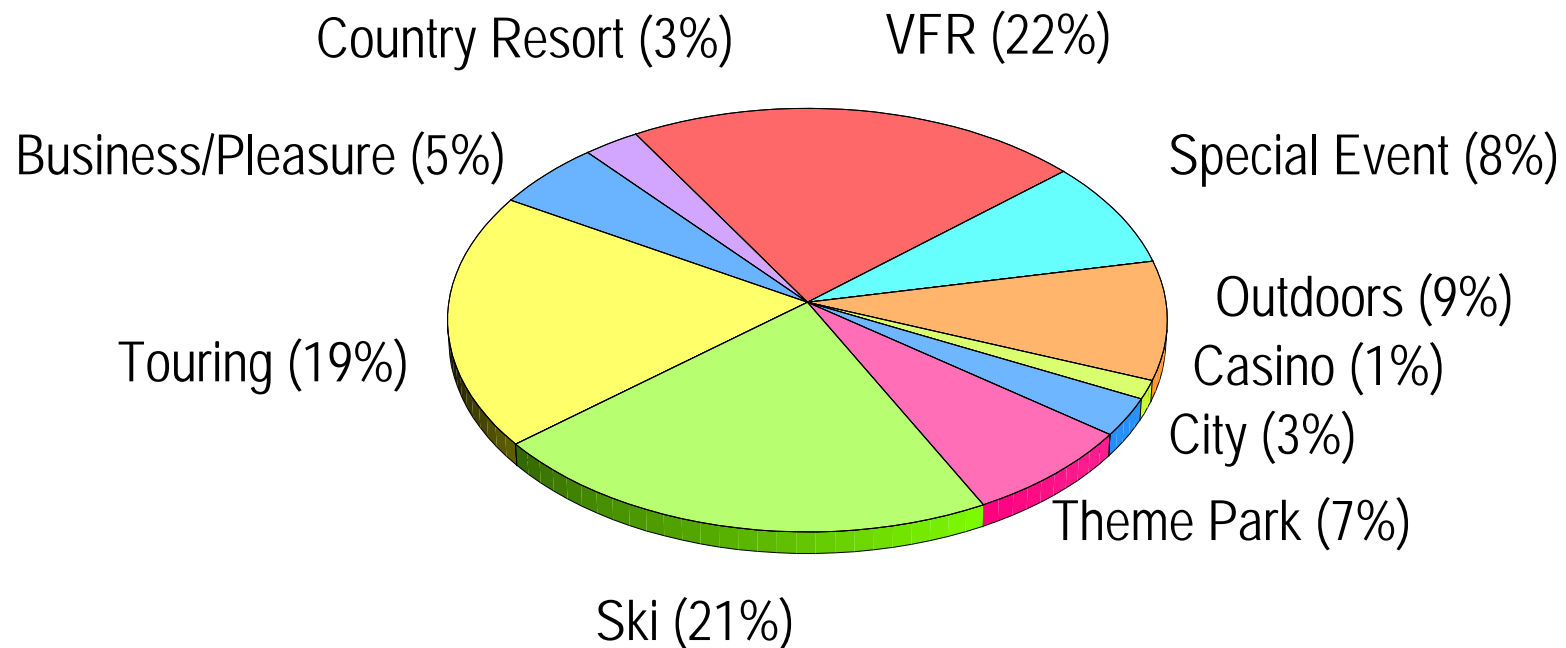
# Vacation Packages and Group Travel to Colorado



Base: Overnight Pleasure Trips



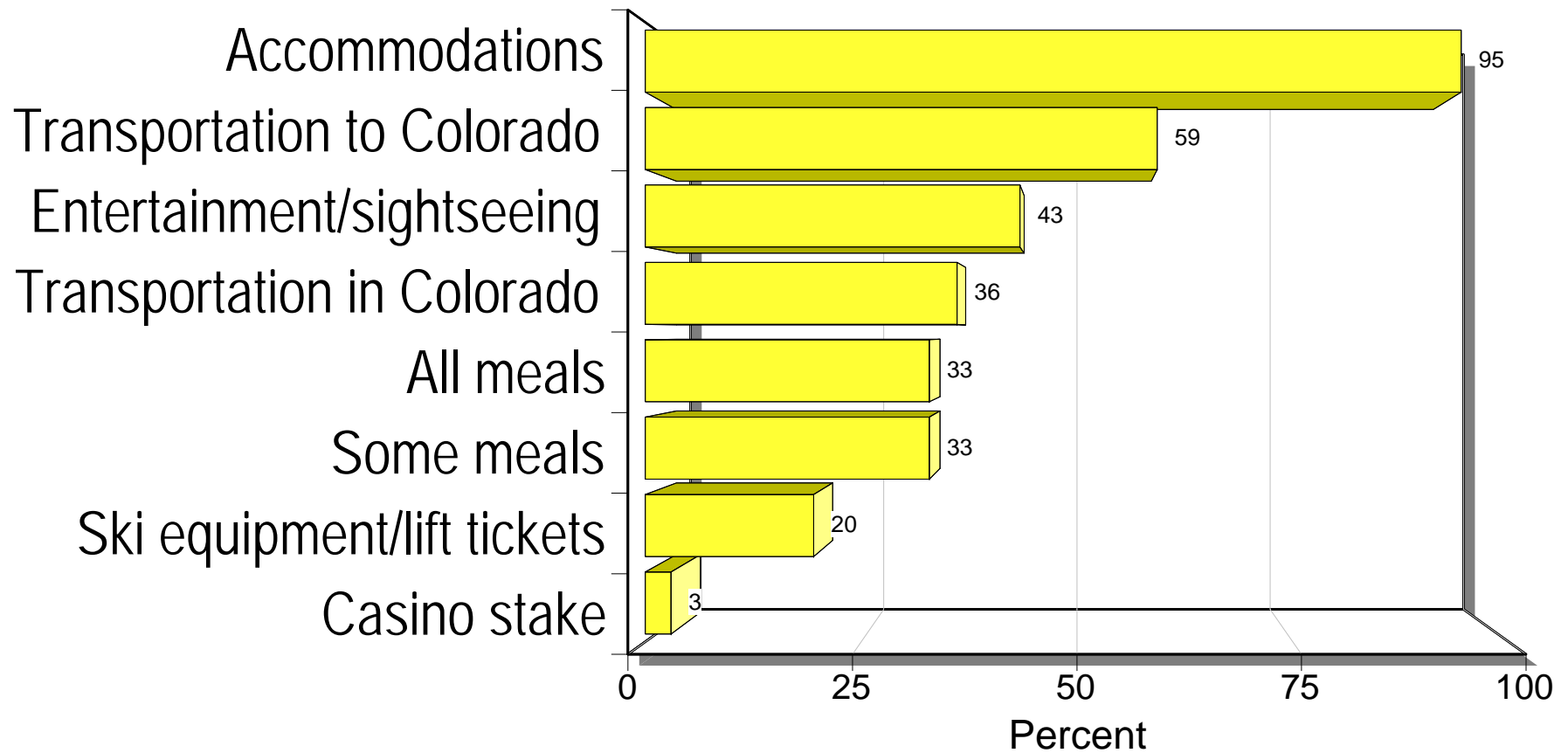
# Distribution of Packages – By Purpose of Pleasure Trip



# Colorado Package Included . . .



Base: Overnight Pleasure Trips



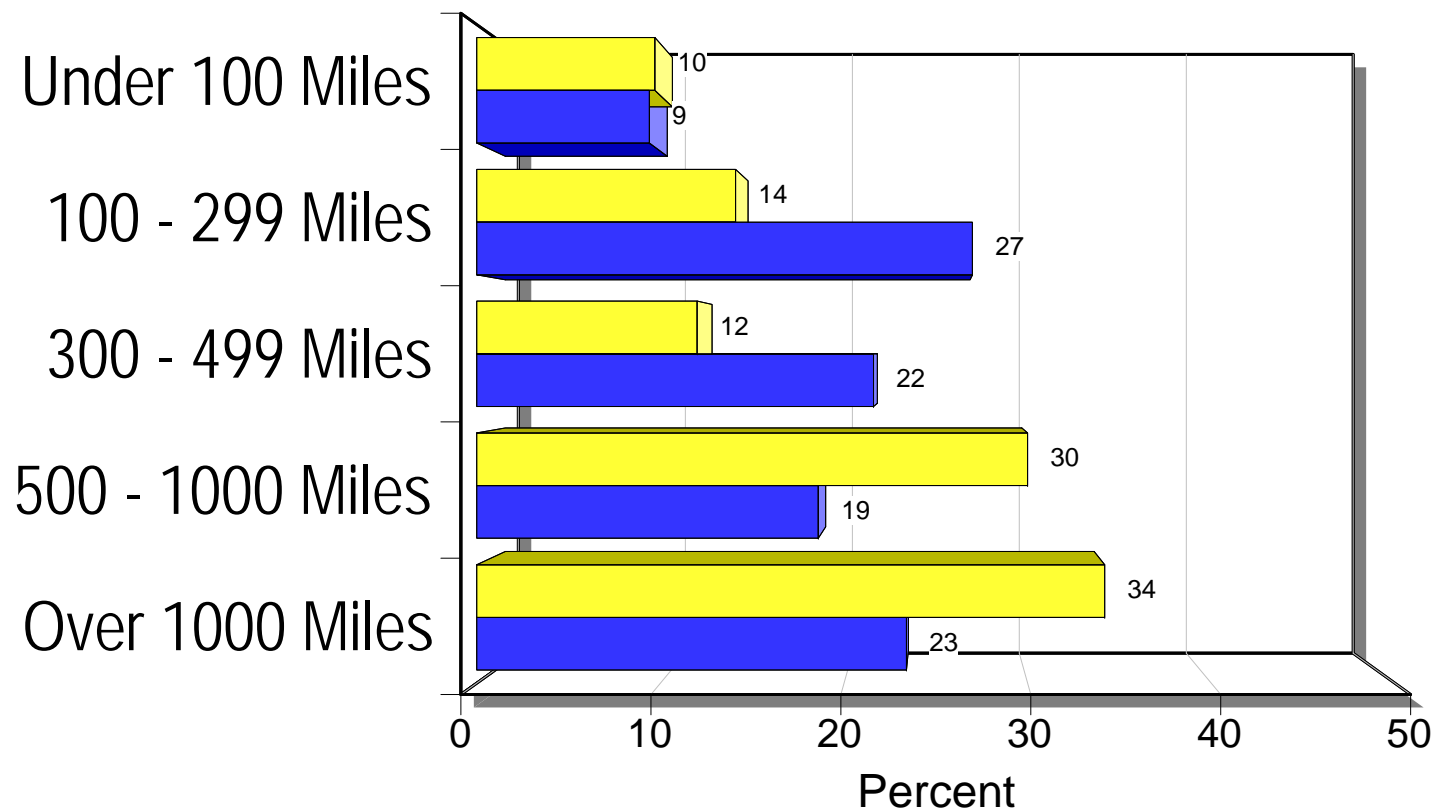


# Pleasure Trip Characteristics

# Distance Traveled



Base: Overnight Pleasure Trips

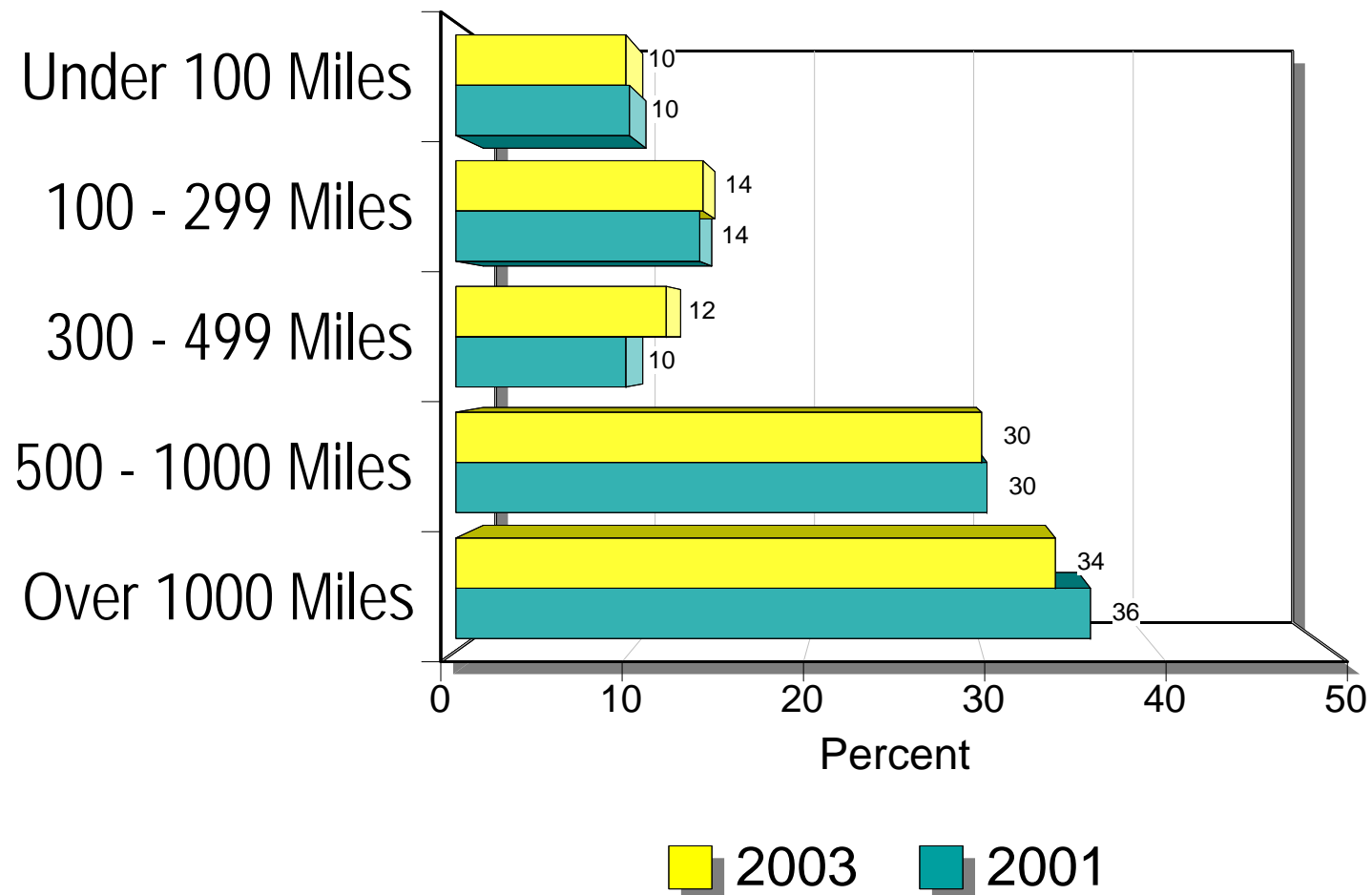


Colorado U.S. Norm

# Distance Traveled — 2003 vs. 2001



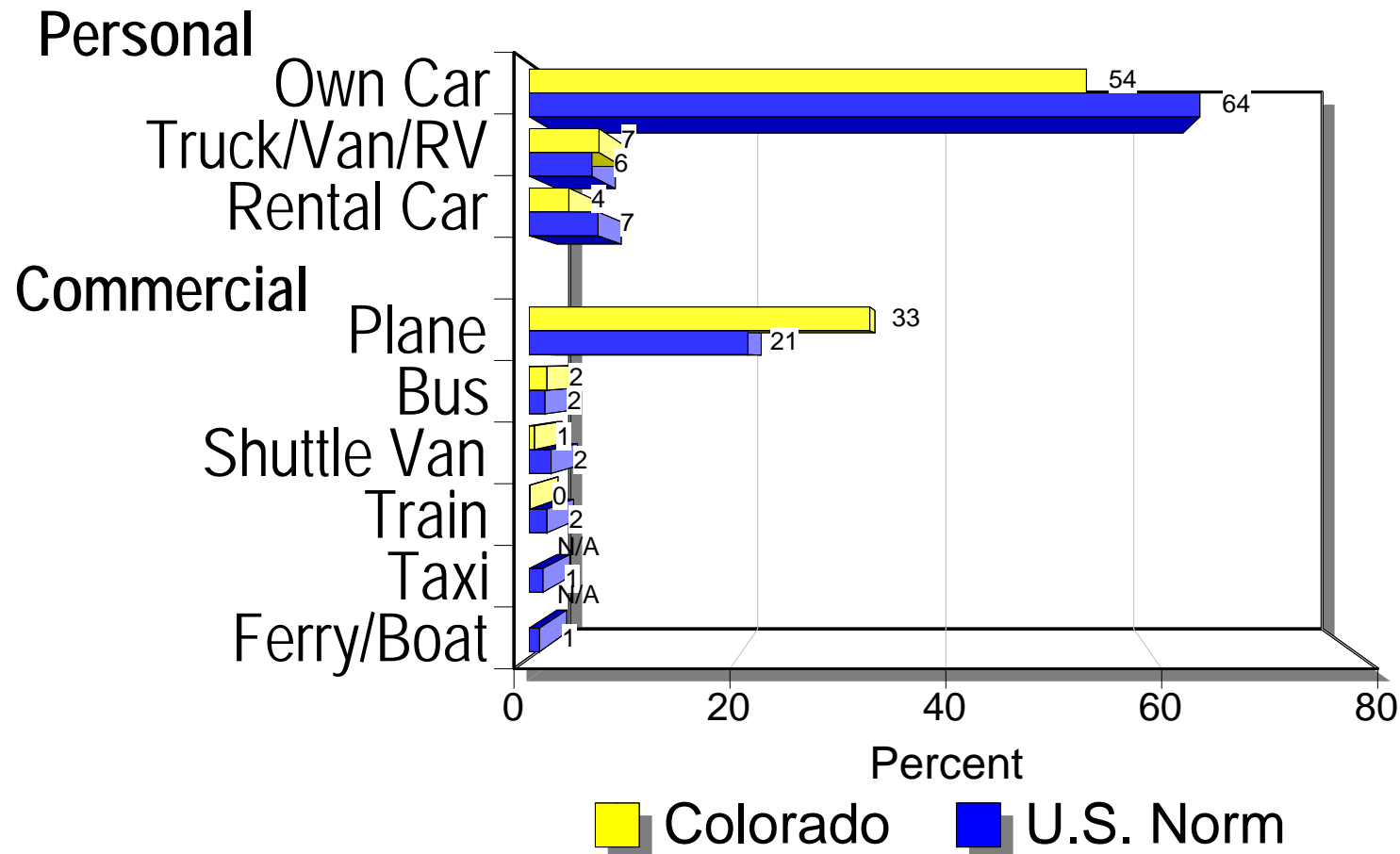
Base: Overnight Pleasure Trips



# Transportation Used to Enter Colorado



Base: Overnight Pleasure Trips

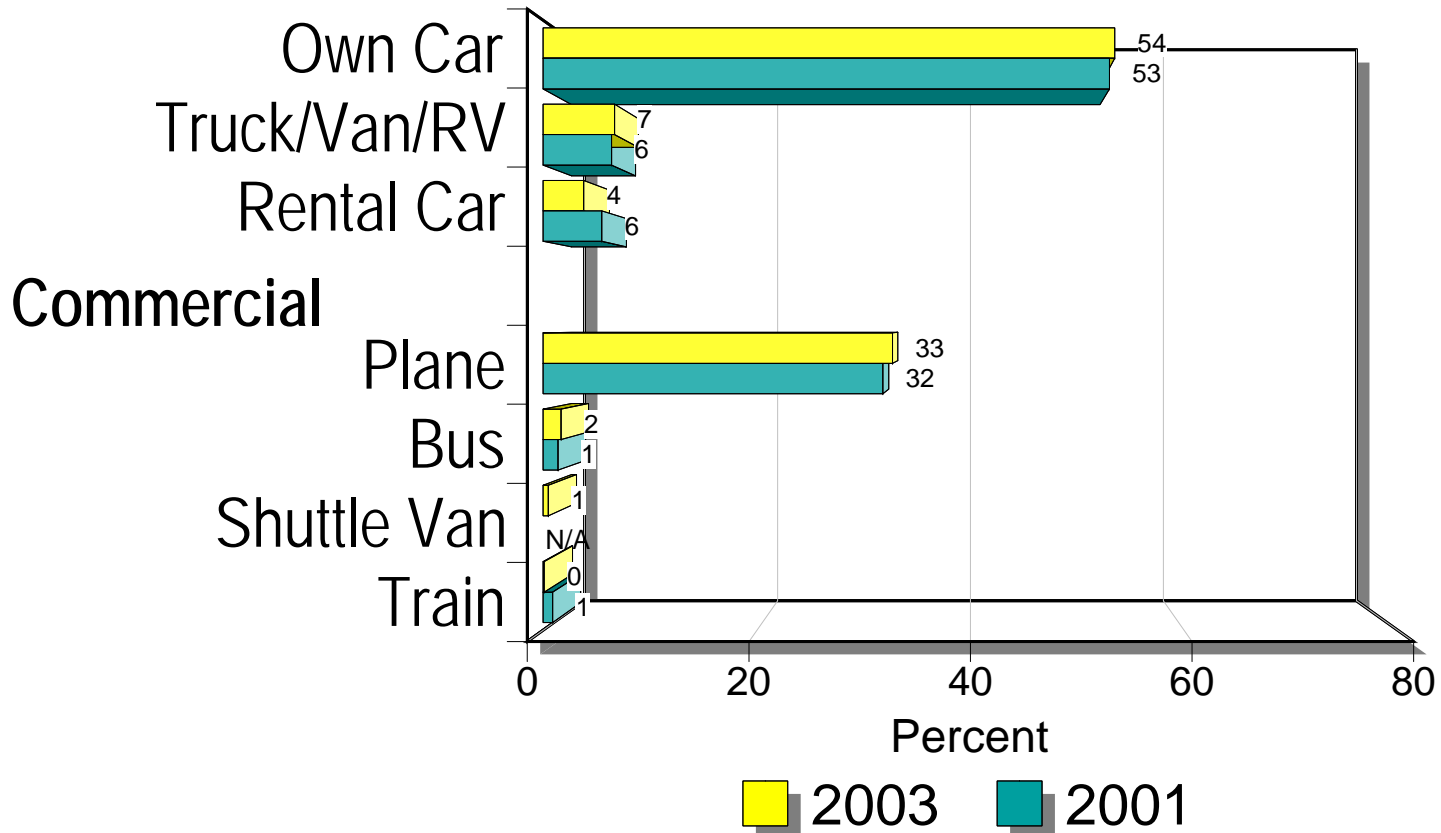


# Transportation Used to Enter Colorado – 2003 vs. 2001



Base: Overnight Pleasure Trips

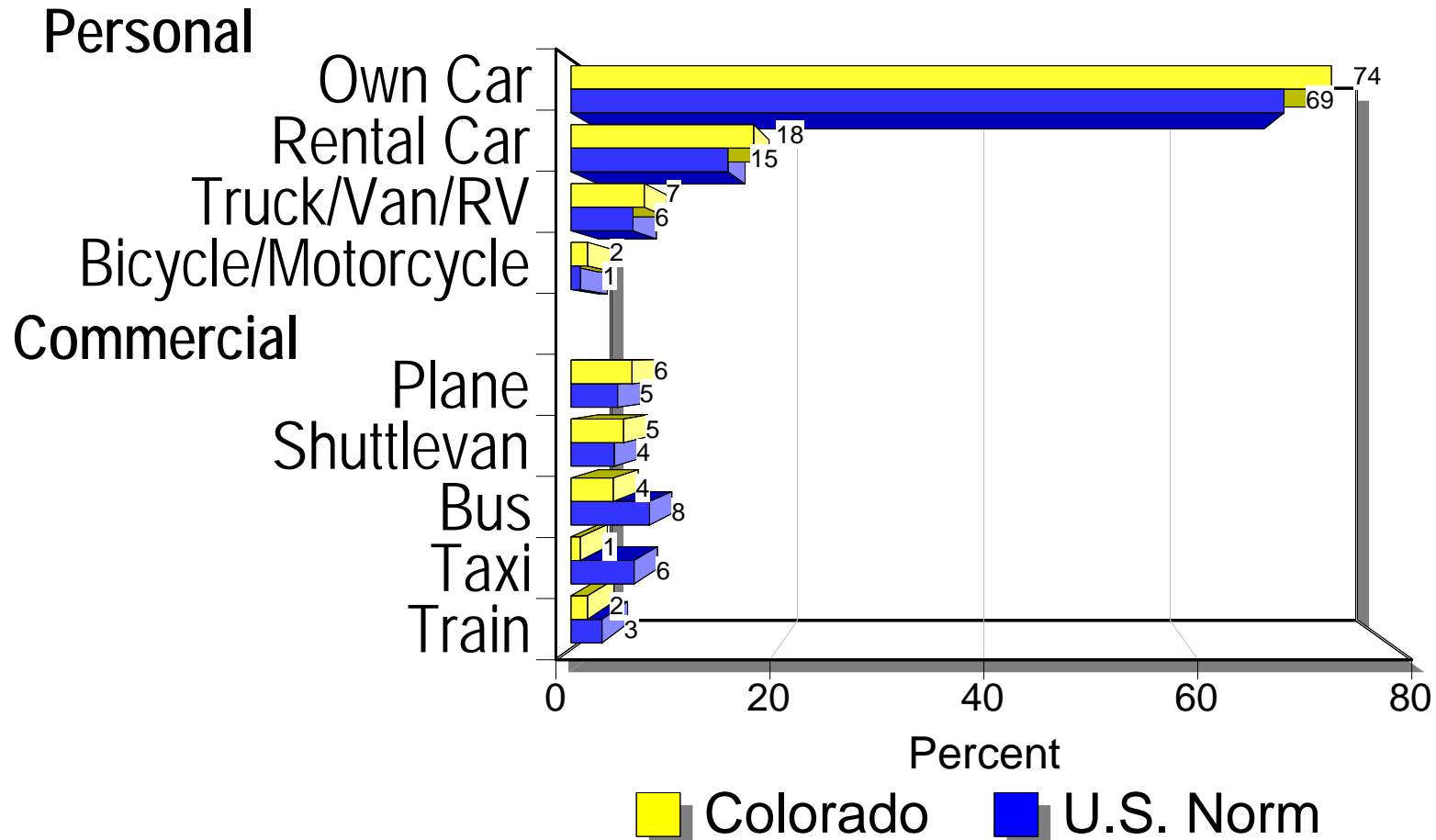
## Personal



# Transportation Used In Colorado



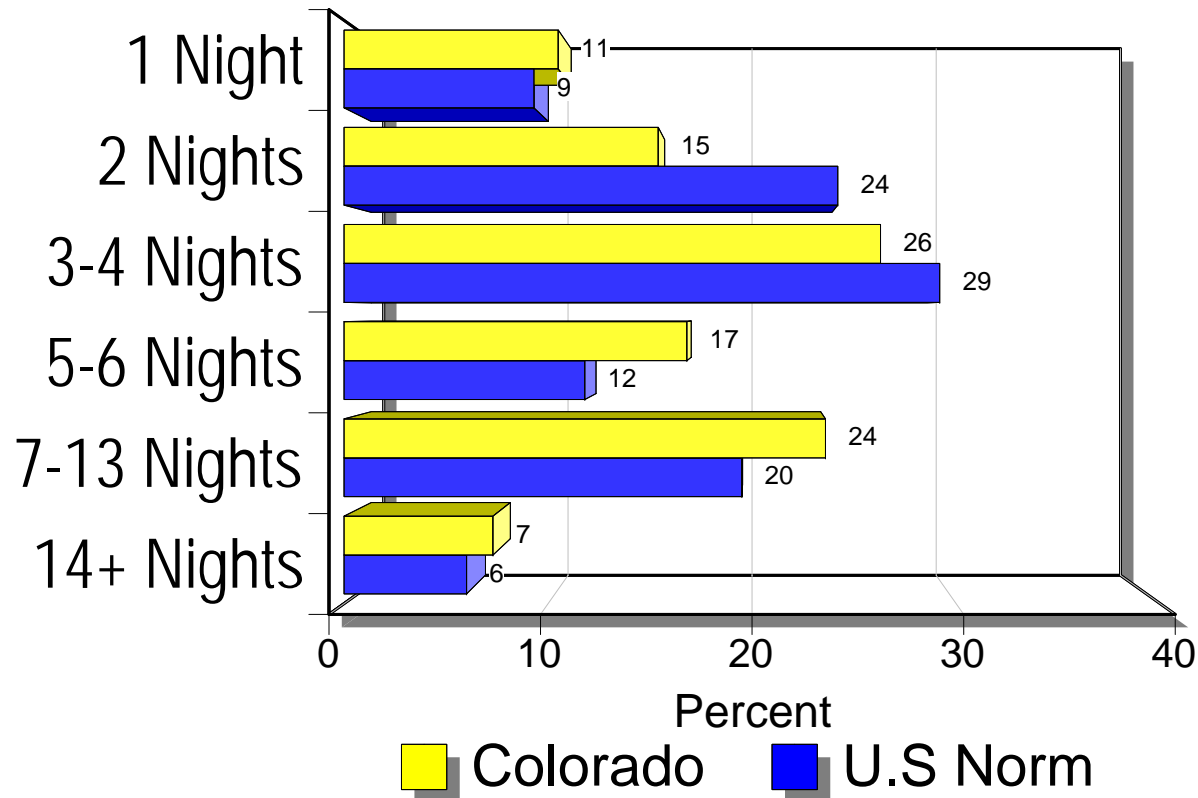
Base: Overnight Pleasure Trips



# Total Nights Away



Base: Overnight Pleasure Trips

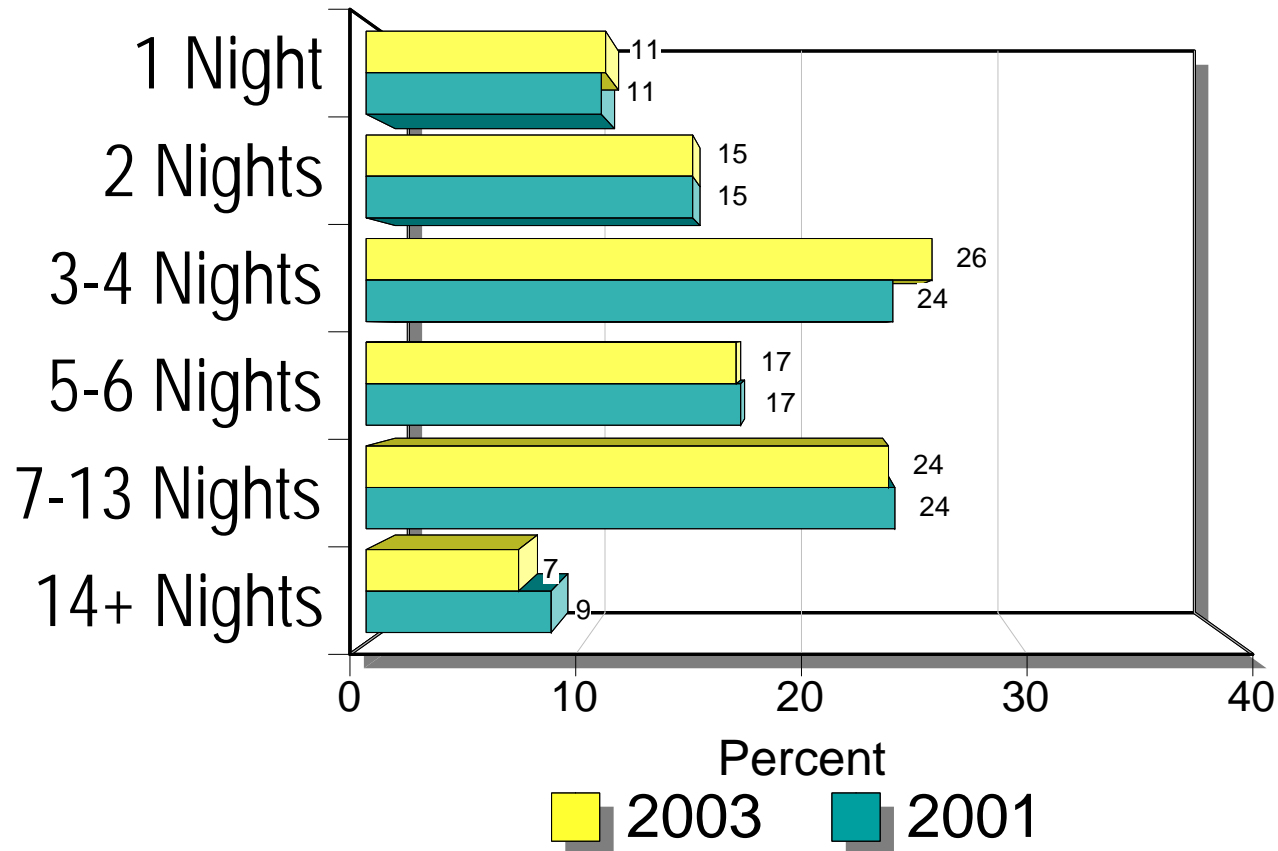


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Number of Nights Away	5.8	5.1

# Total Nights Away



Base: Overnight Pleasure Trips



	<u>2003</u>	<u>2001</u>
Average Number of Nights Away	5.8	6.2

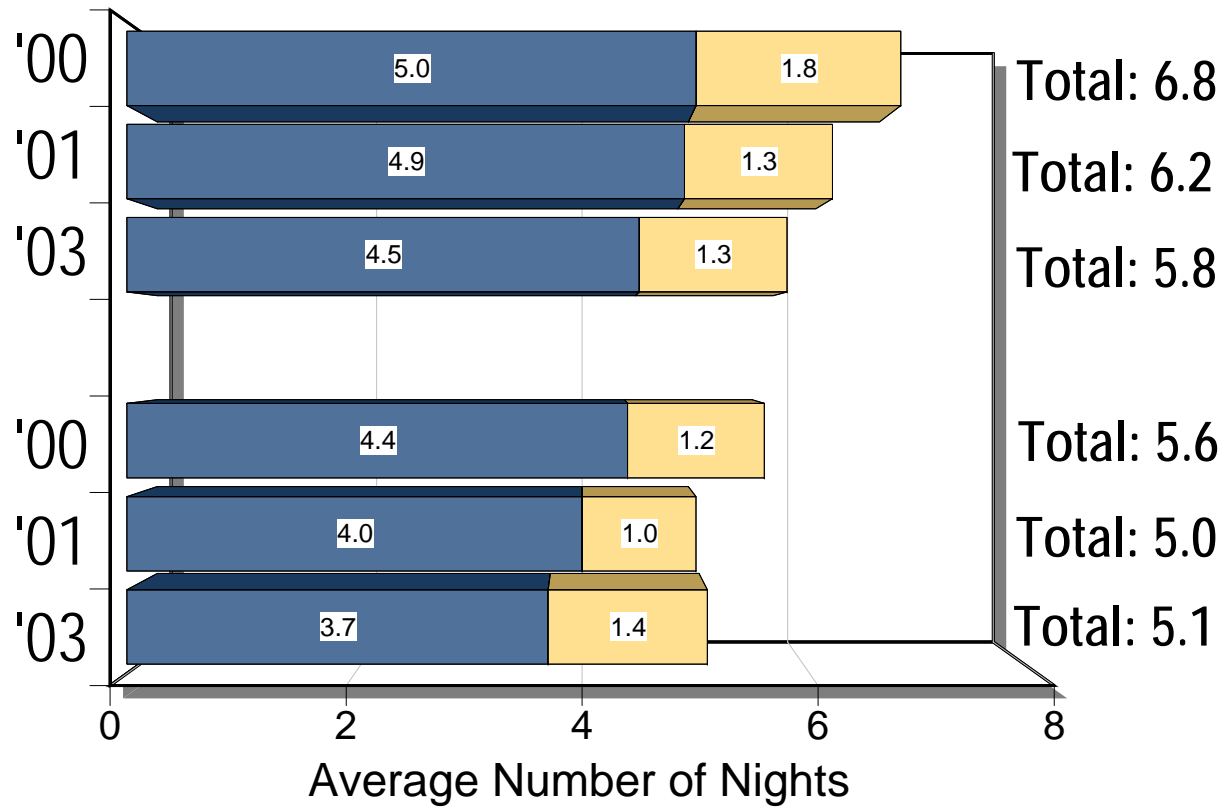


# Length of Stay



Base: Overnight Pleasure Trips

Colorado



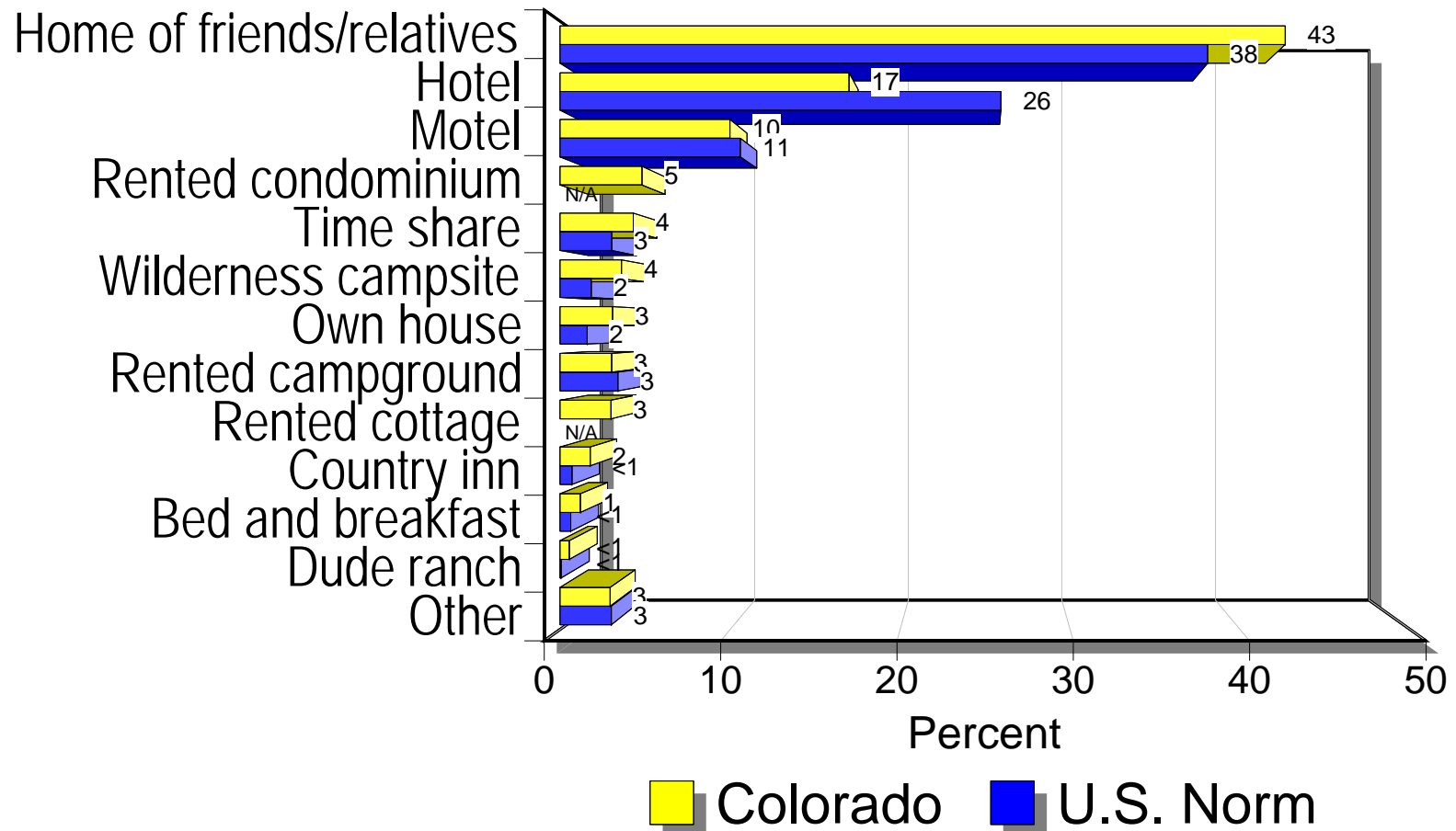
U.S. Norm

■ This Place   ■ Other Places

# Accommodations\*



Base: Overnight Pleasure Trips



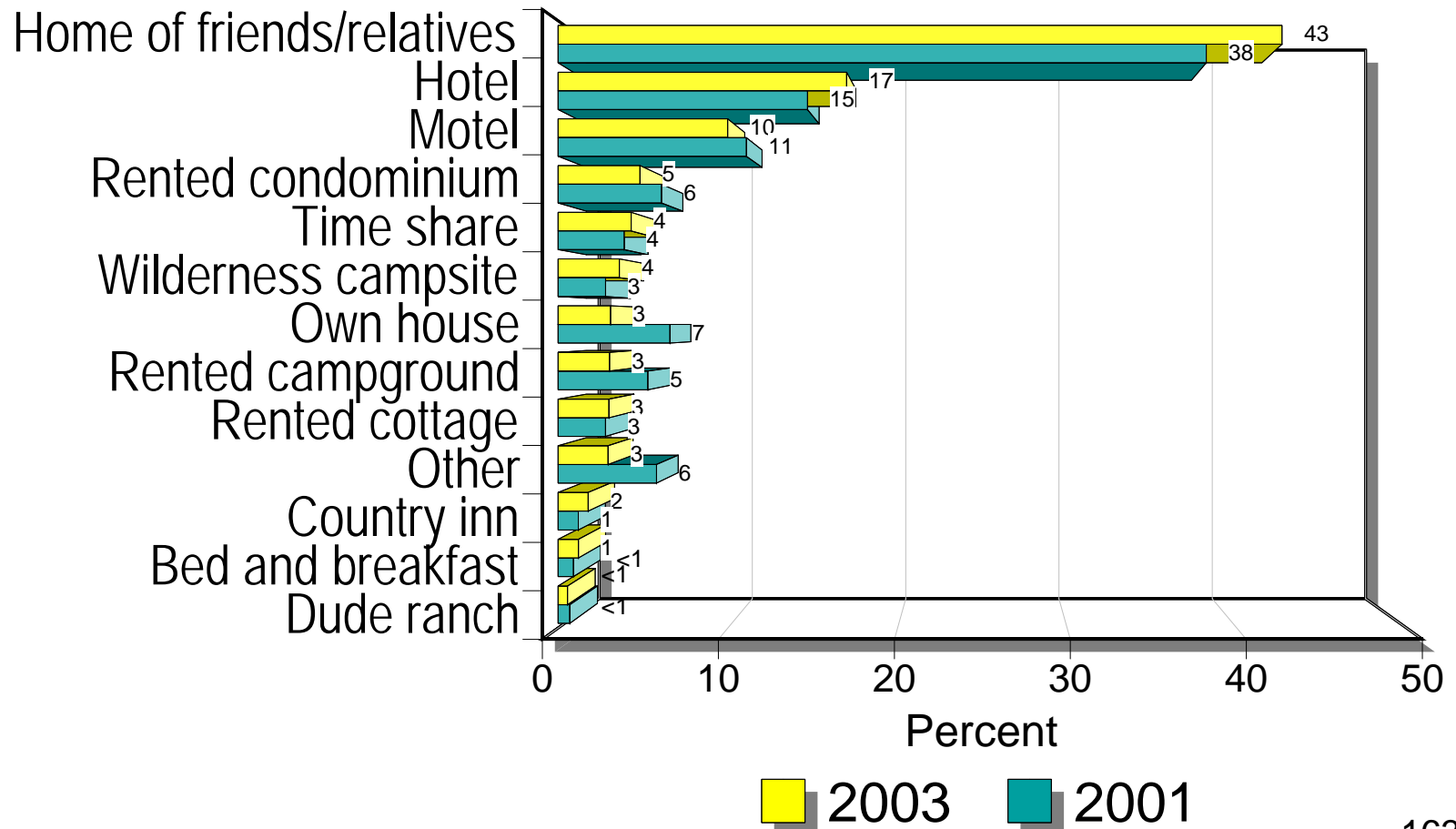
\* Percent of trip nights spent in each type of accommodation

# Accommodations\*

## — 2003 vs. 2001



Base: Overnight Pleasure Trips

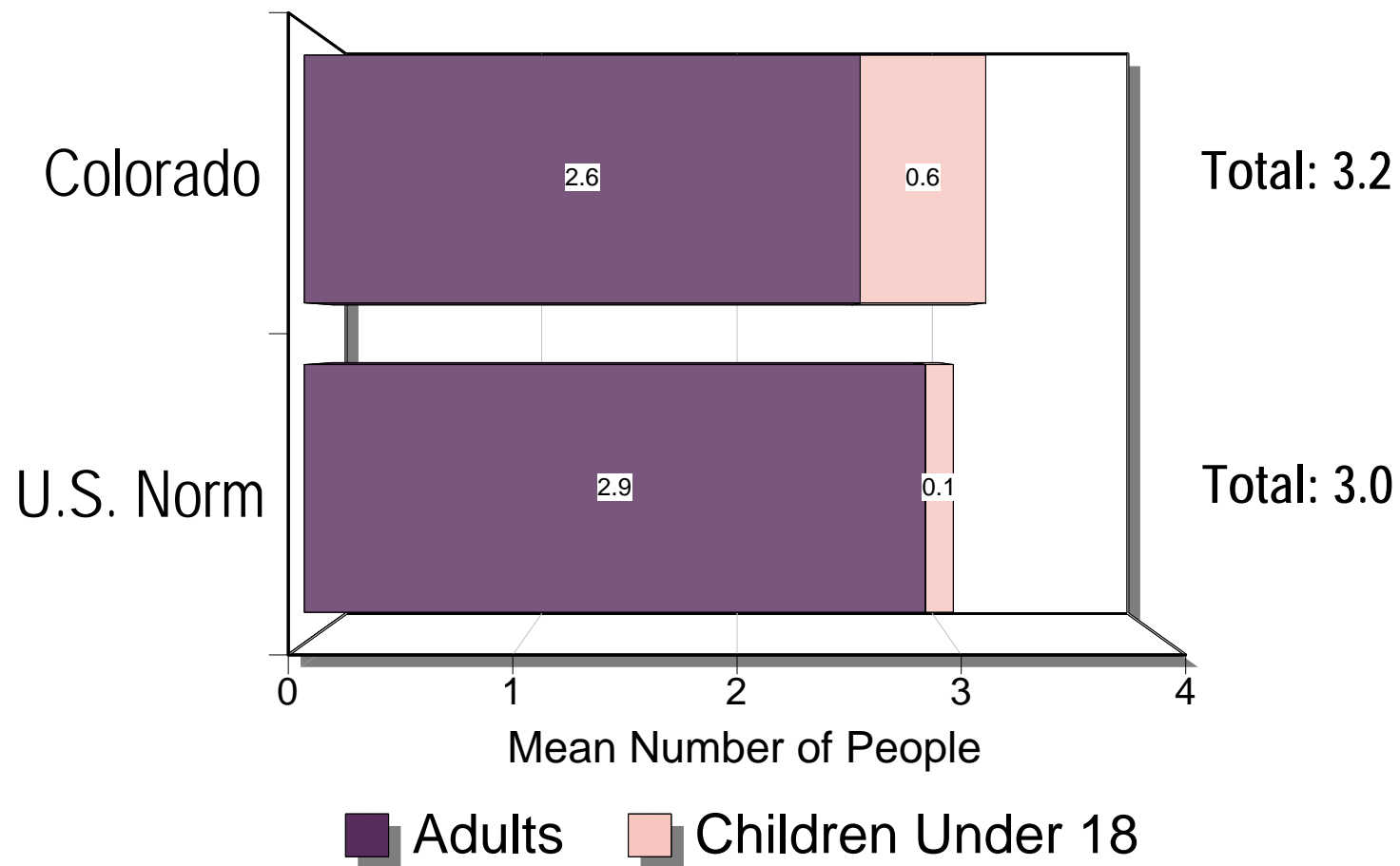


\* Percent of trip nights spent in each type of accommodation

# Size of Travel Party



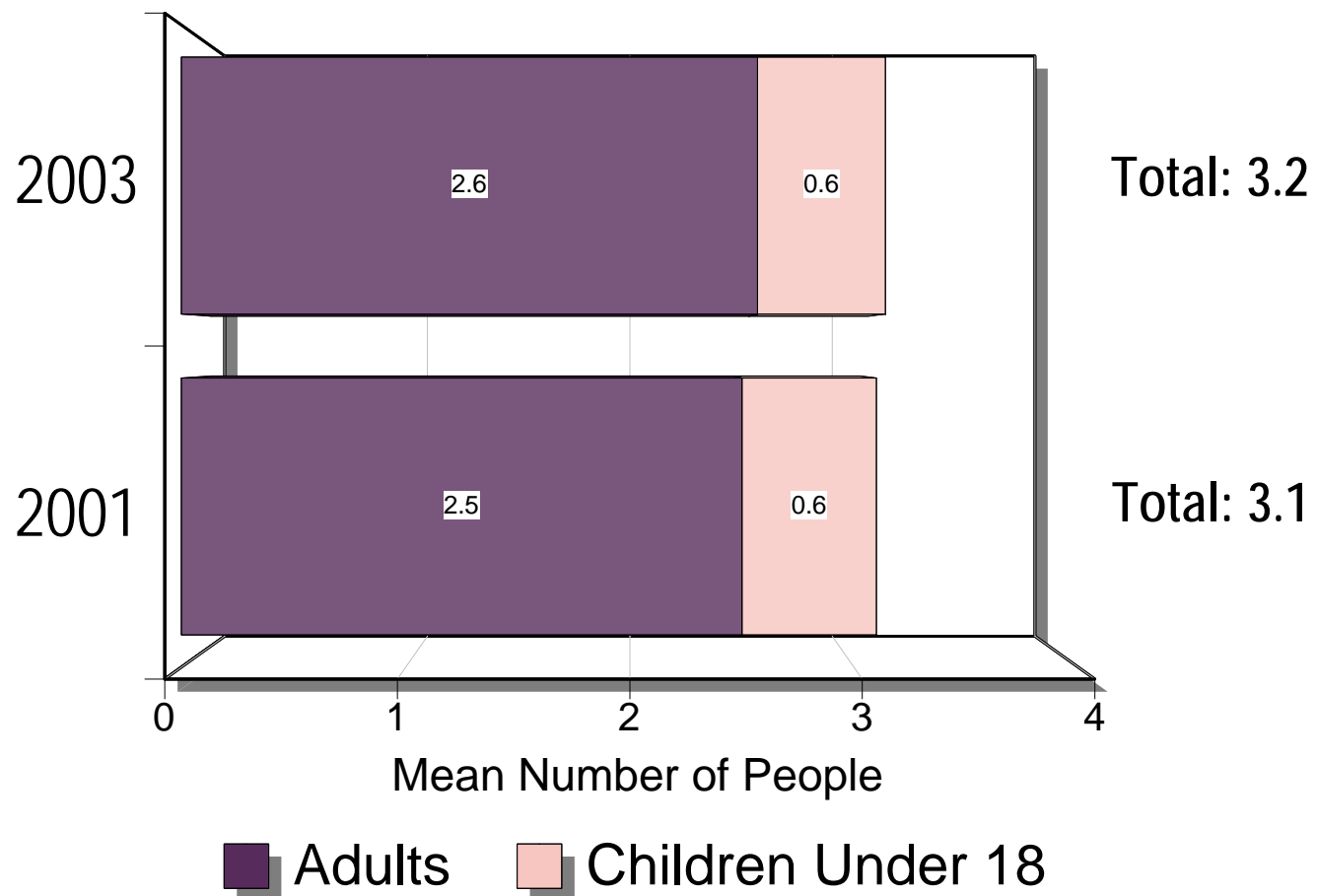
Base: Overnight Pleasure Trips



# Size of Travel Party — 2003 vs. 2001



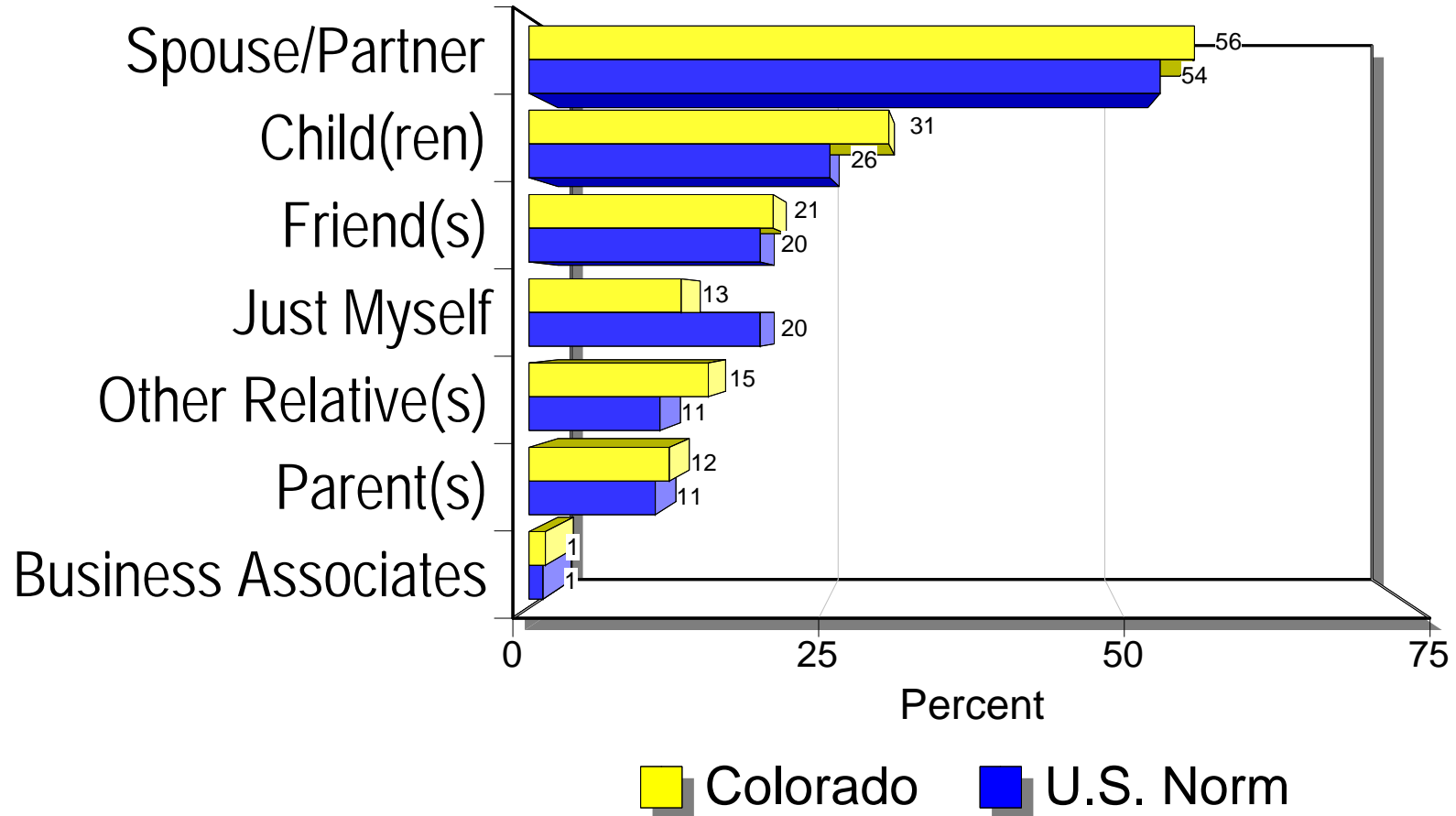
Base: Overnight Pleasure Trips



# Composition of Travel Party



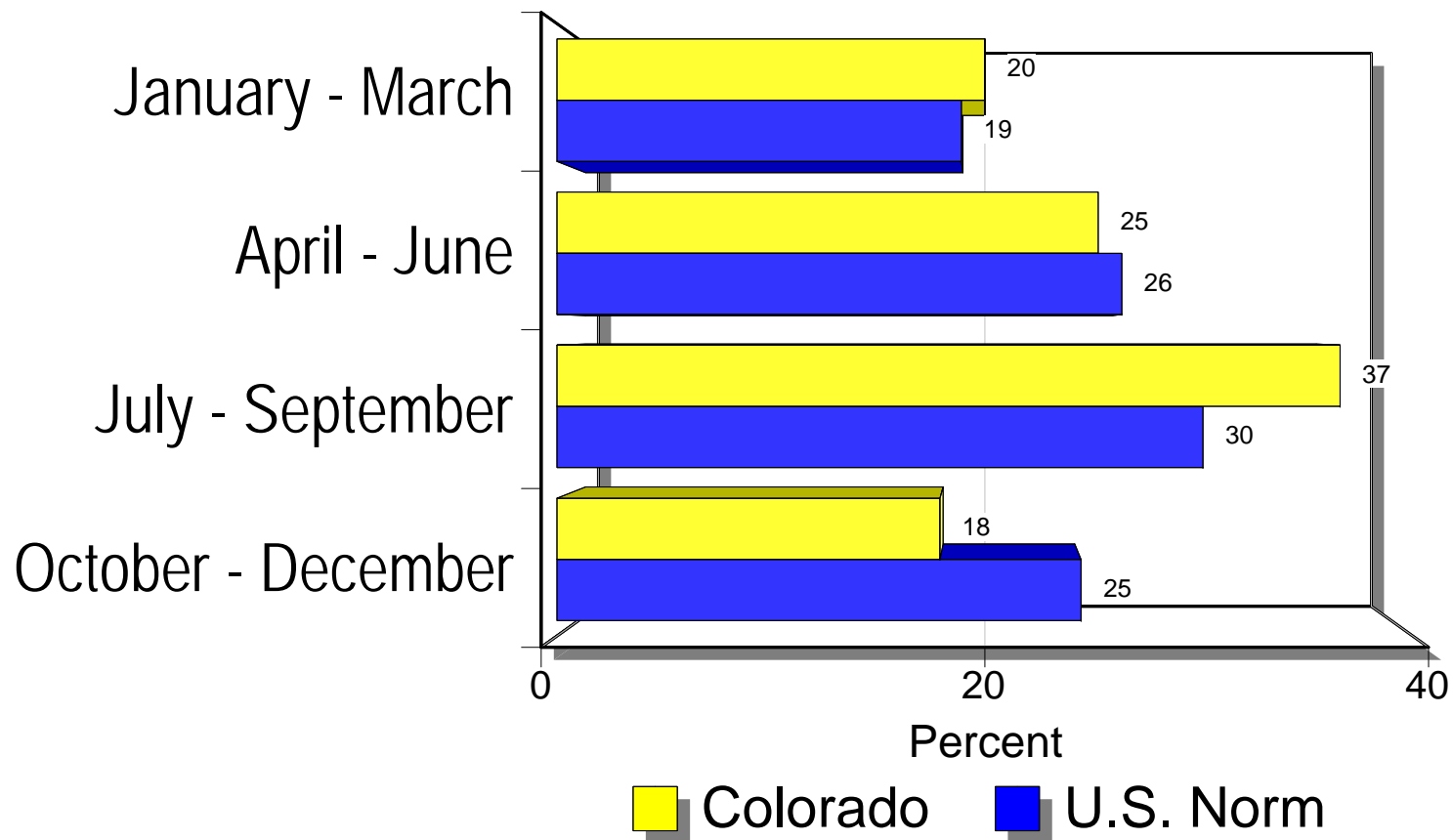
Base: Overnight Pleasure Trips



# Distribution of Trips By Quarter



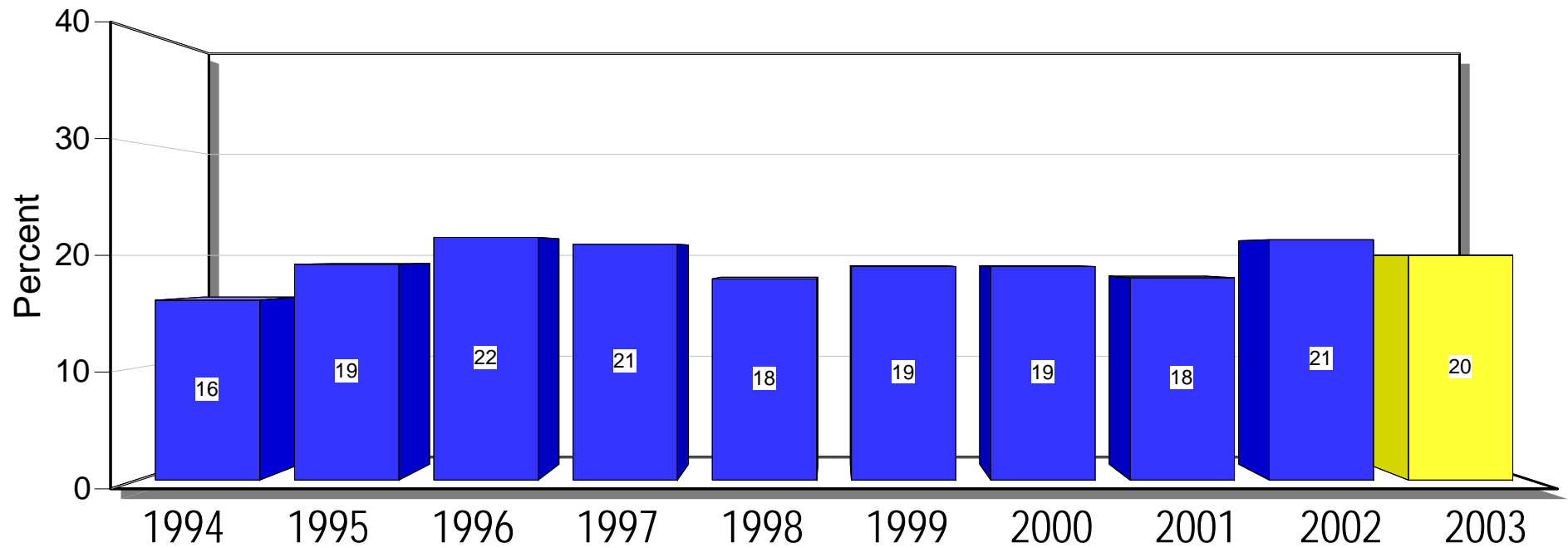
Base: Overnight Pleasure Trips



# Distribution of Trips By Quarter



## January - March

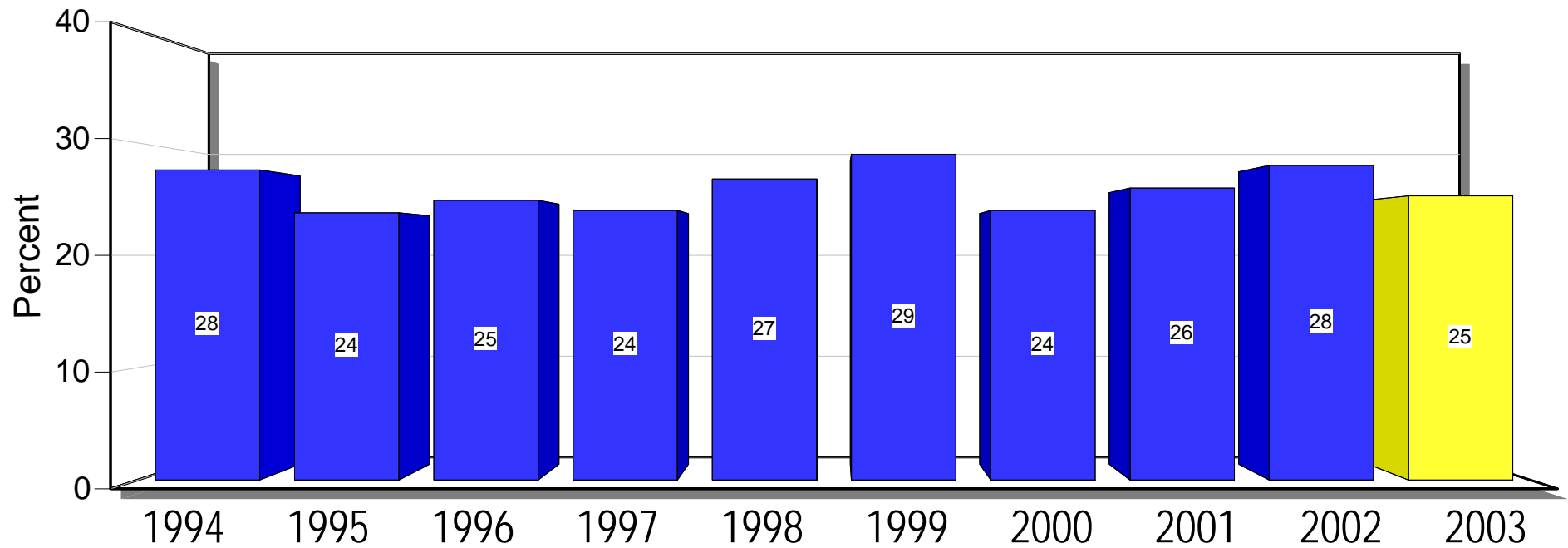




# Distribution of Trips By Quarter



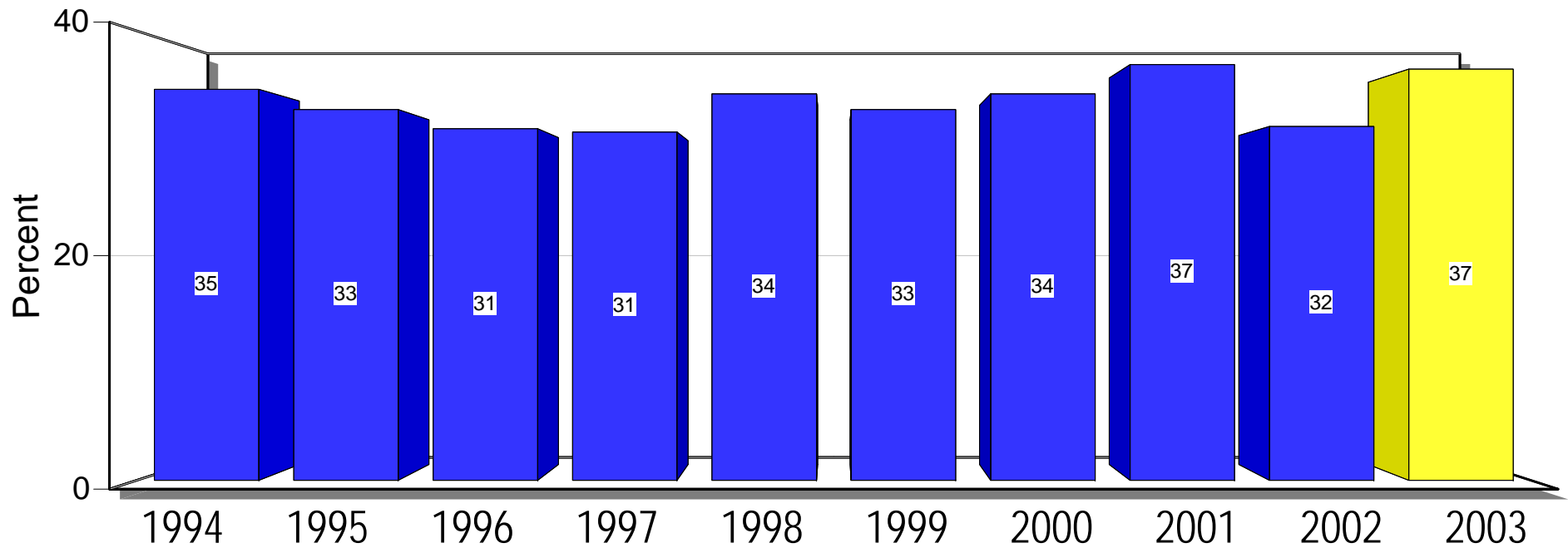
**April - June**



# Distribution of Trips By Quarter



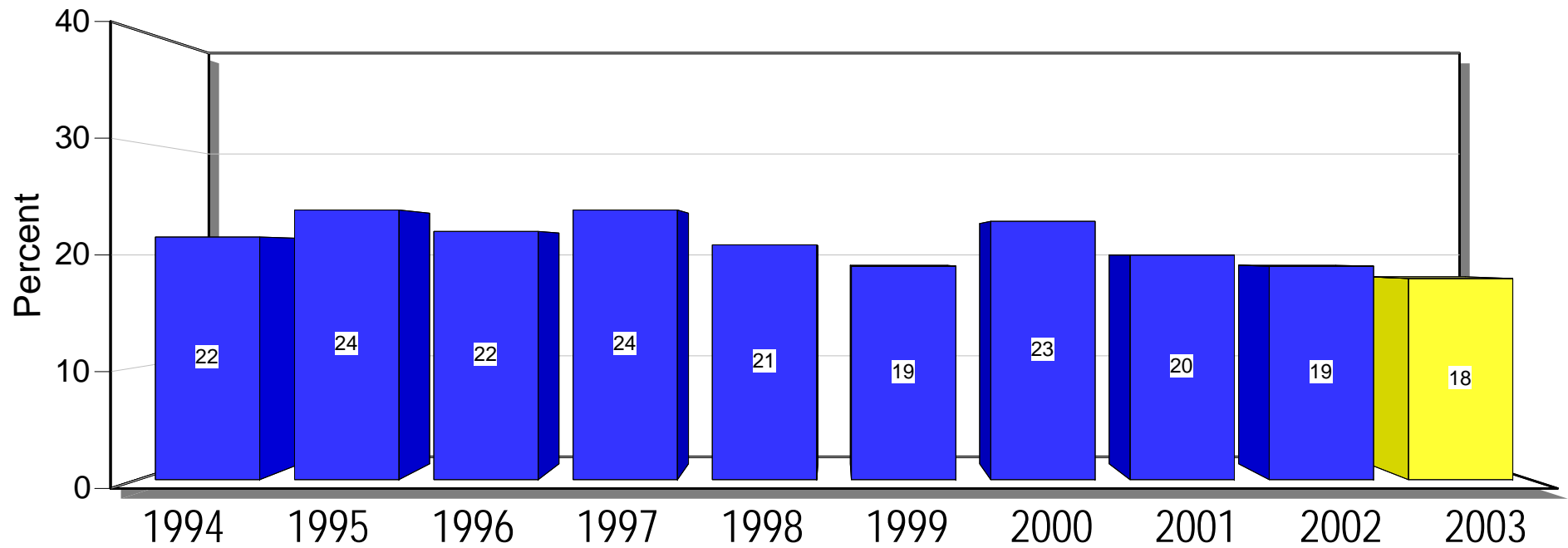
July - September



# Distribution of Trips By Quarter



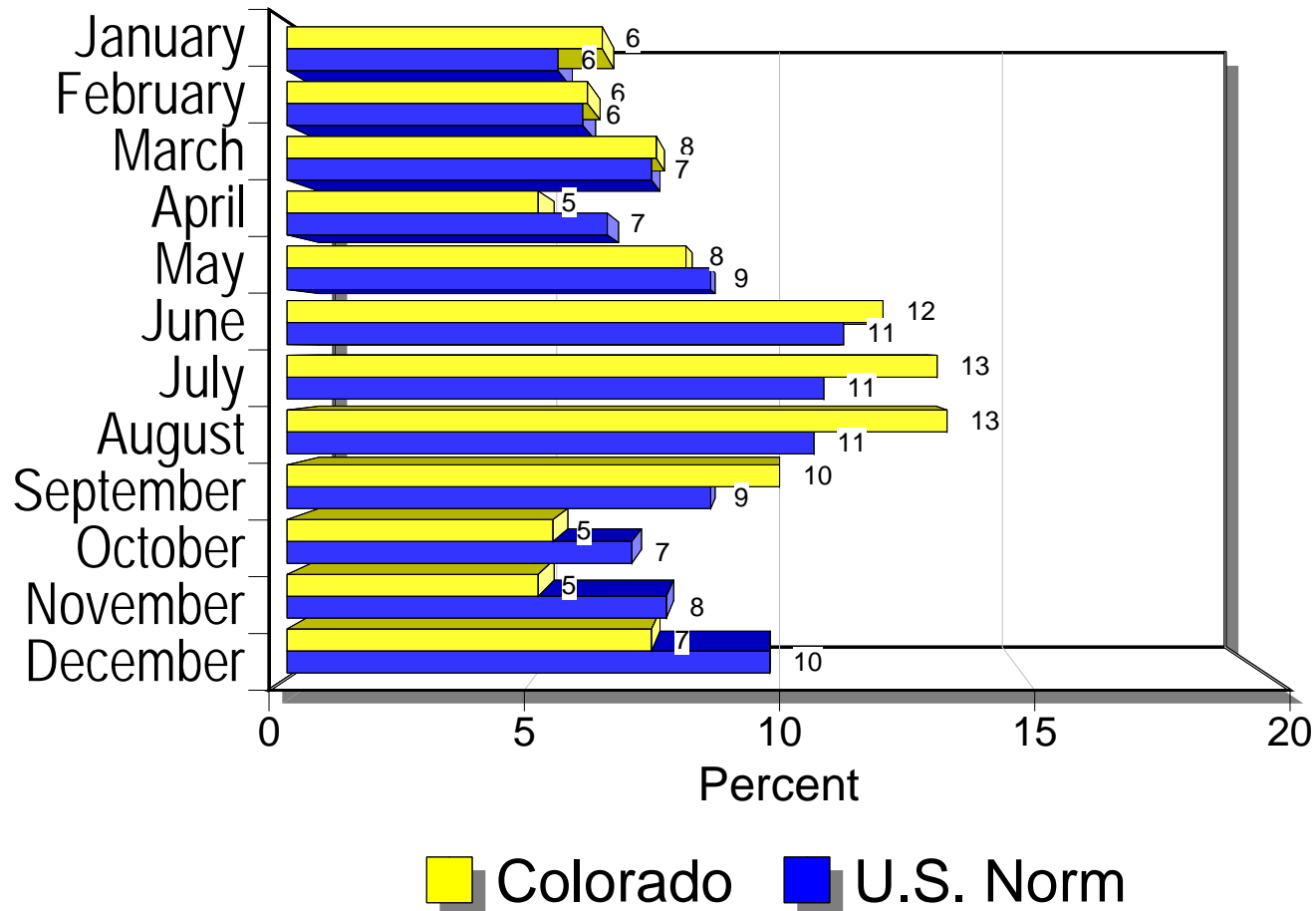
## October - December



# Distribution of Trips by Month



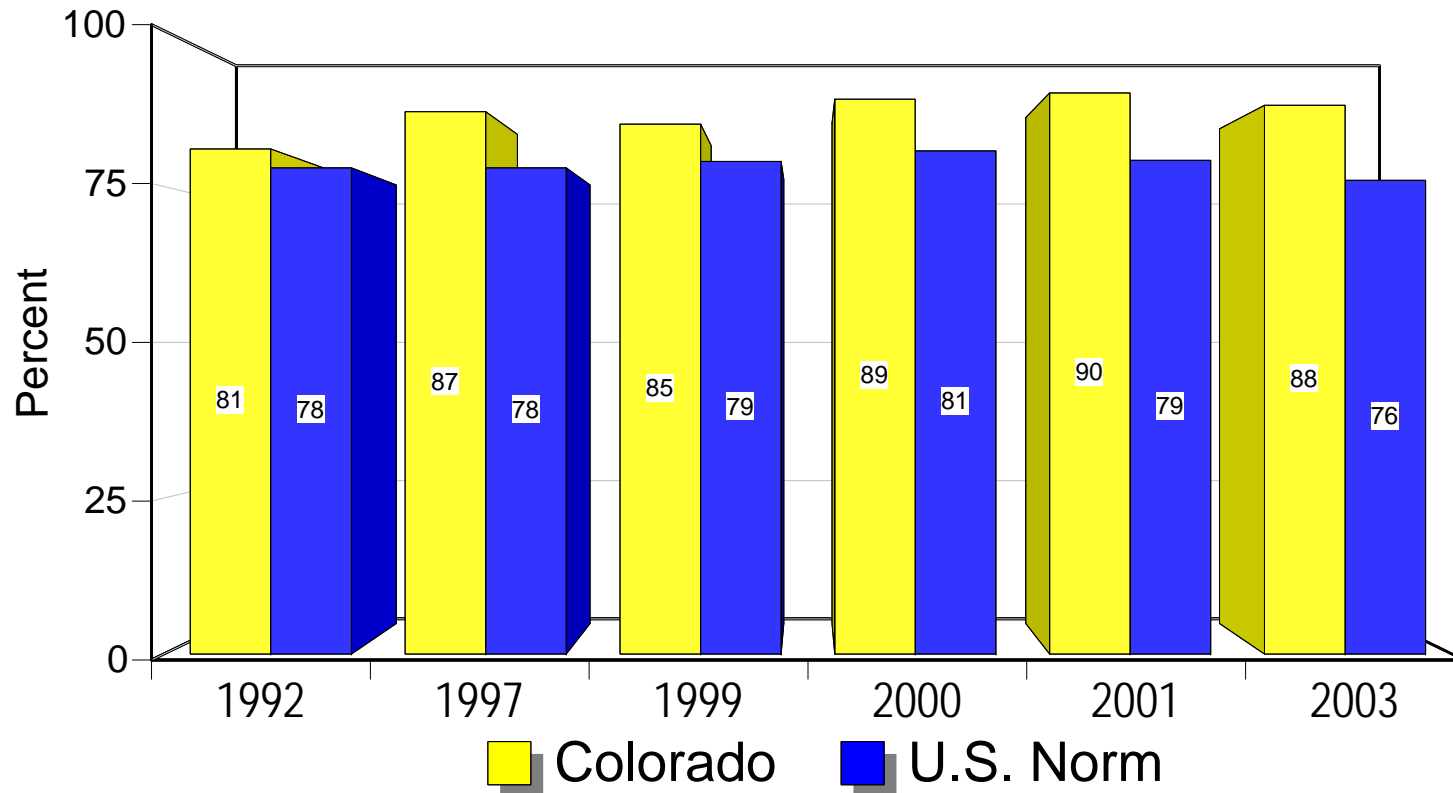
Base: Overnight Pleasure Trips



# Incidence of Prior Visitation



Base: Overnight Pleasure Trips



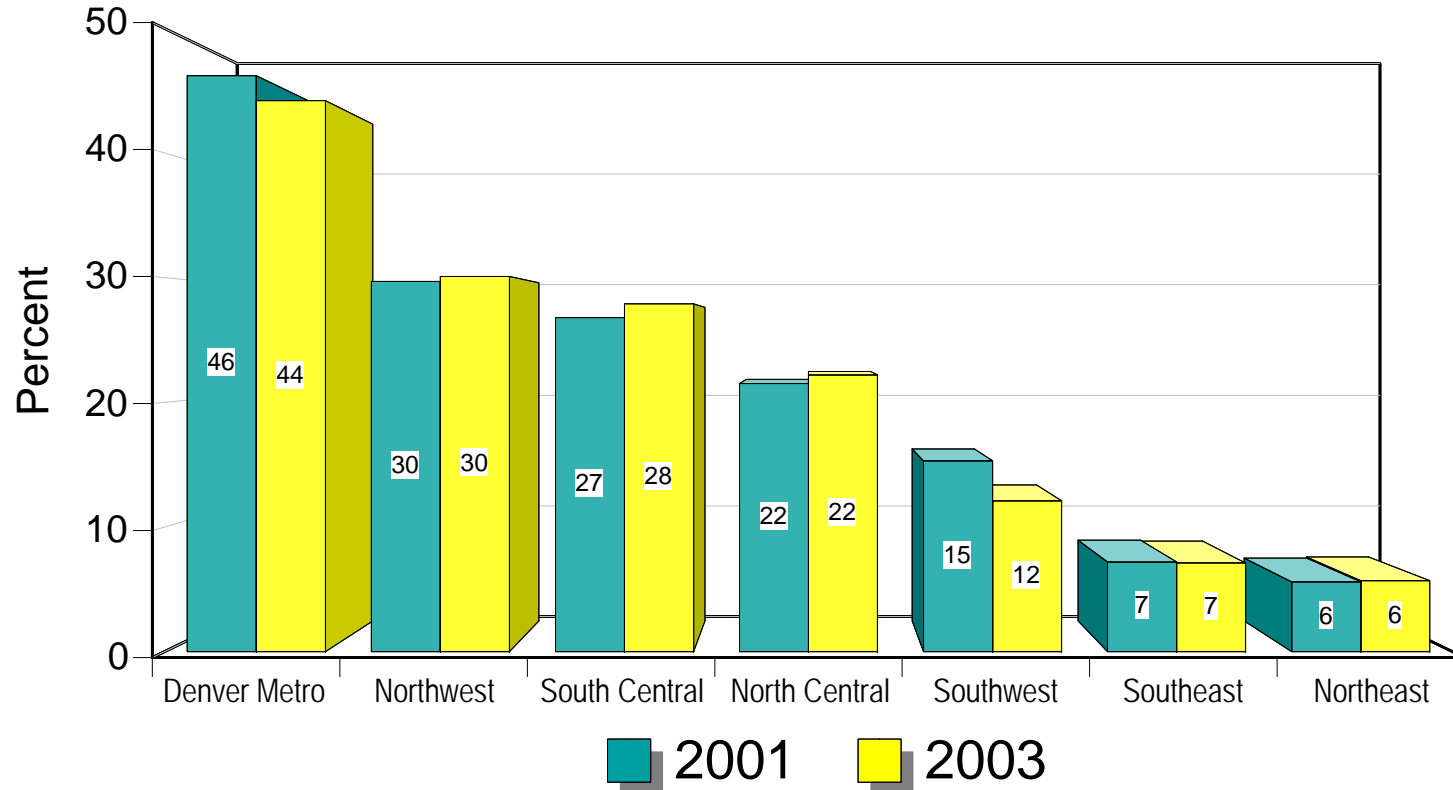


# Pleasure Trip Experiences

# Spent Time in Each Region



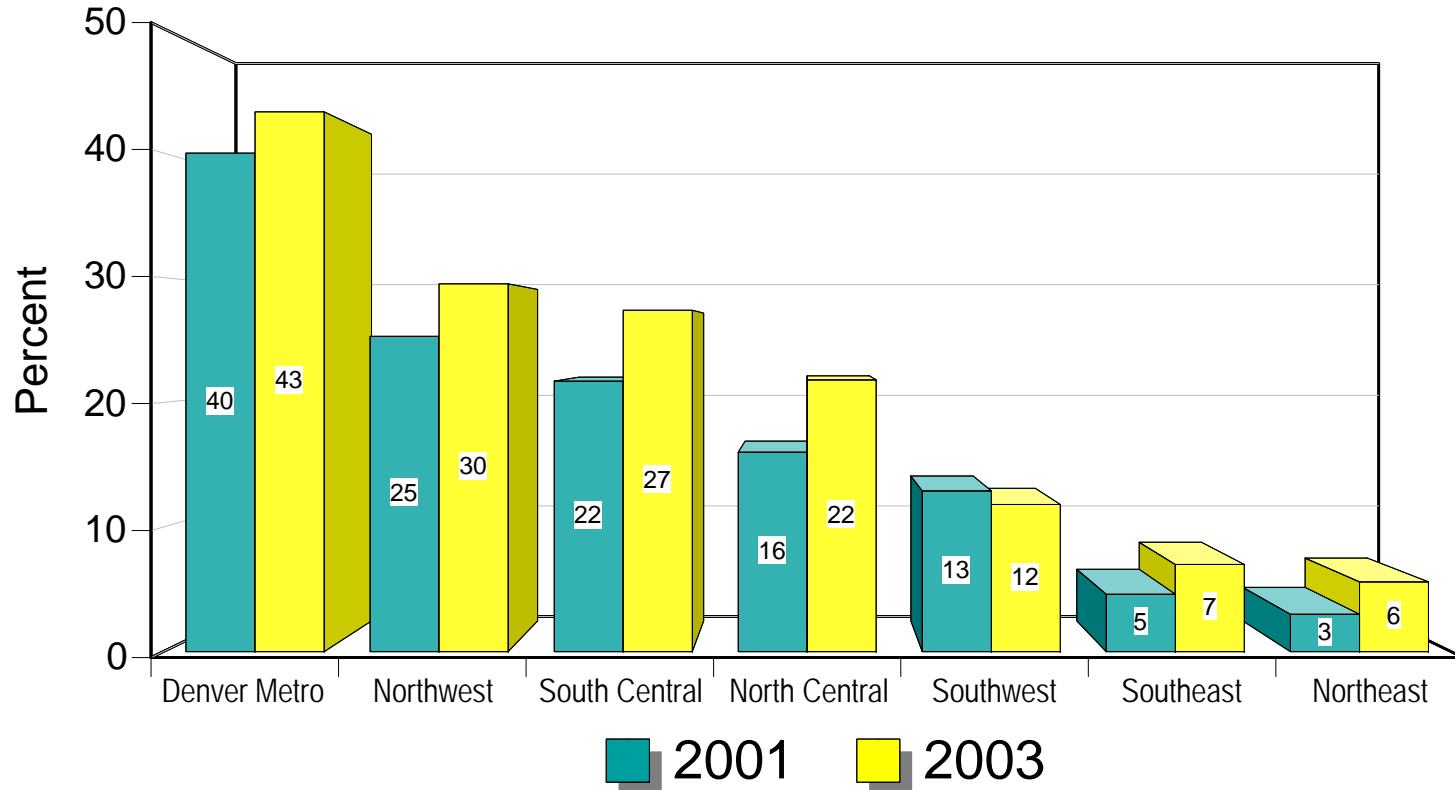
Base: Overnight Pleasure Trips



# Stayed Overnight in Each Region



Base: Overnight Pleasure Trips

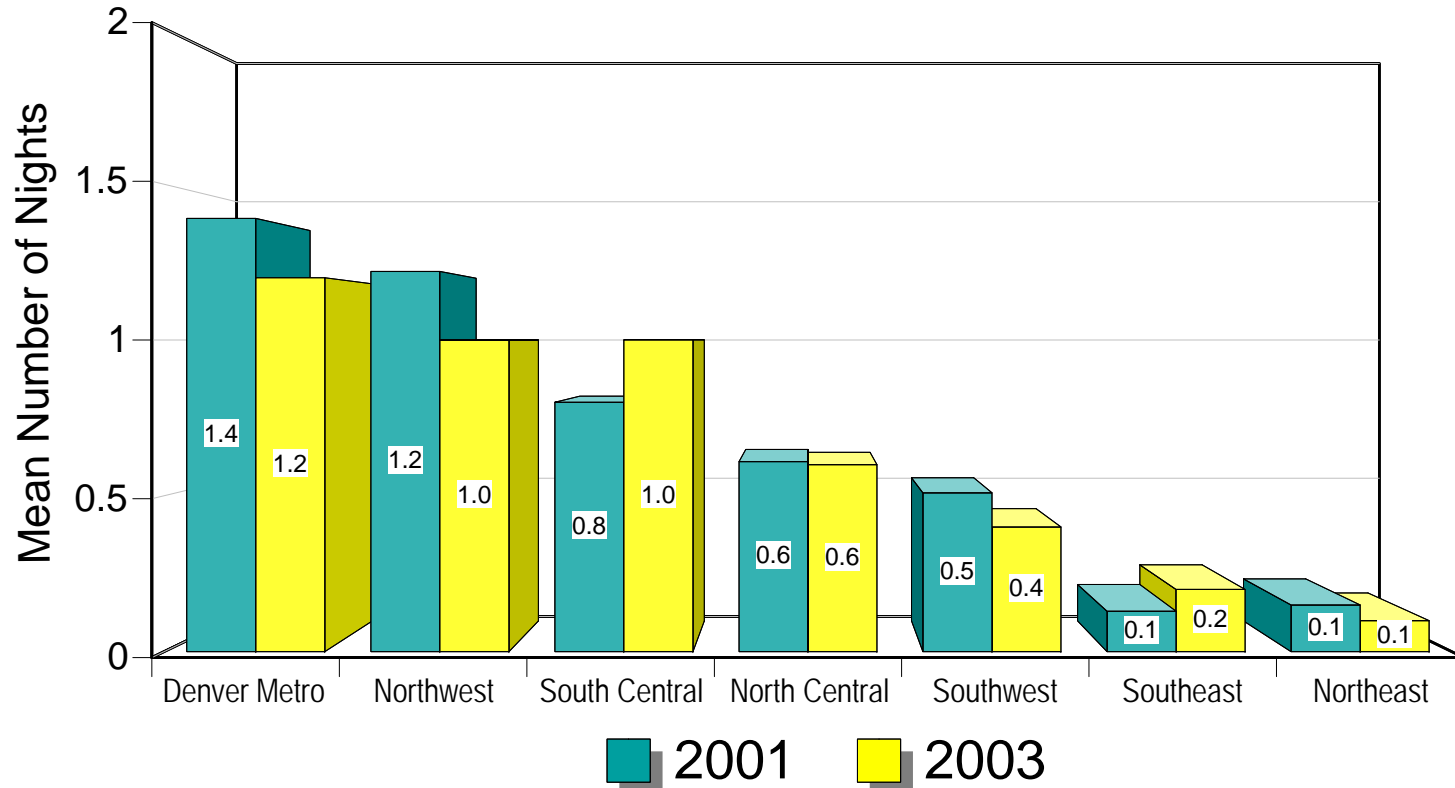




# Number of Nights Spent in Each Region of Colorado



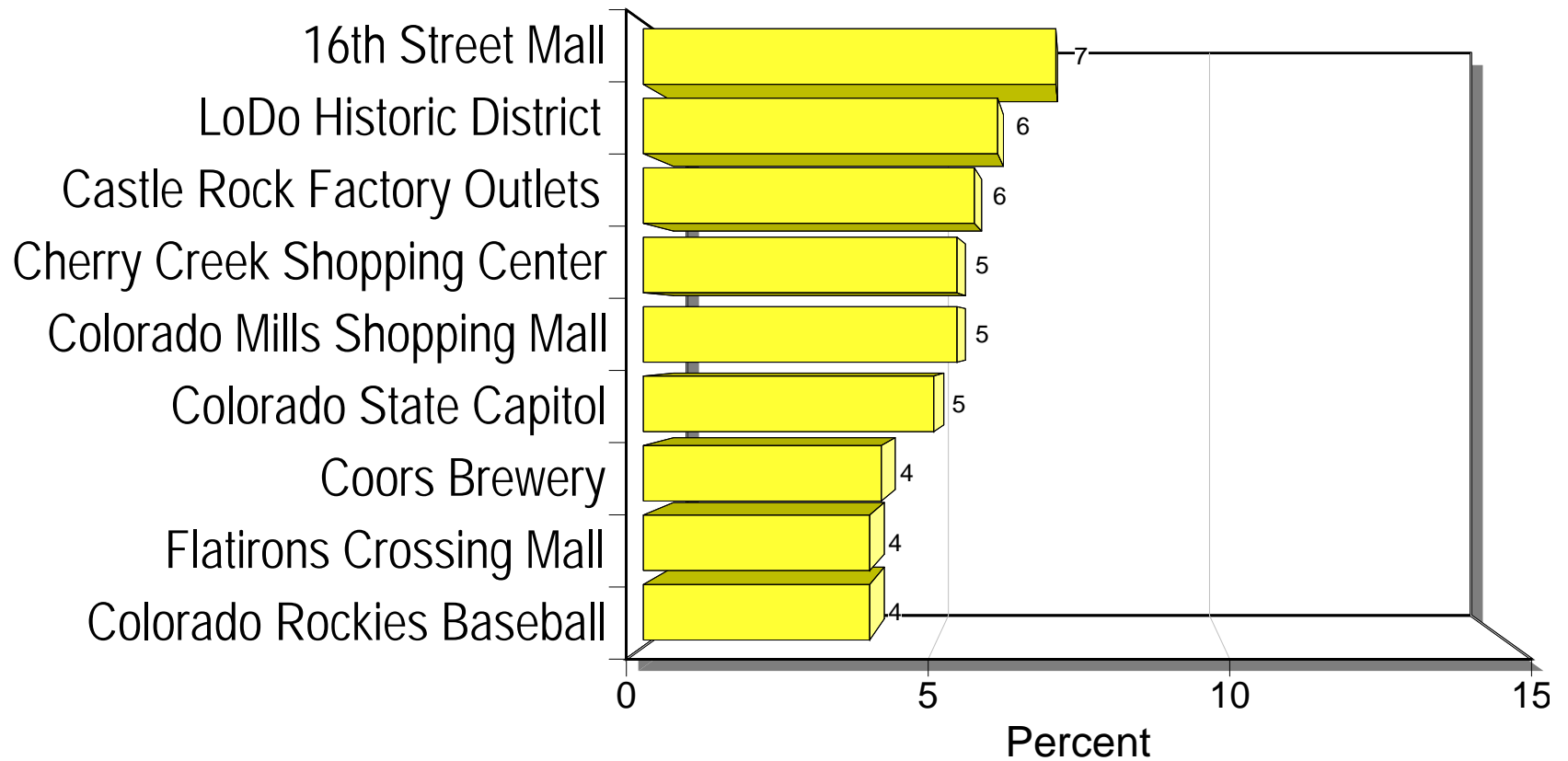
Base: Overnight Pleasure Trips



# Most Popular Denver Metro Attractions



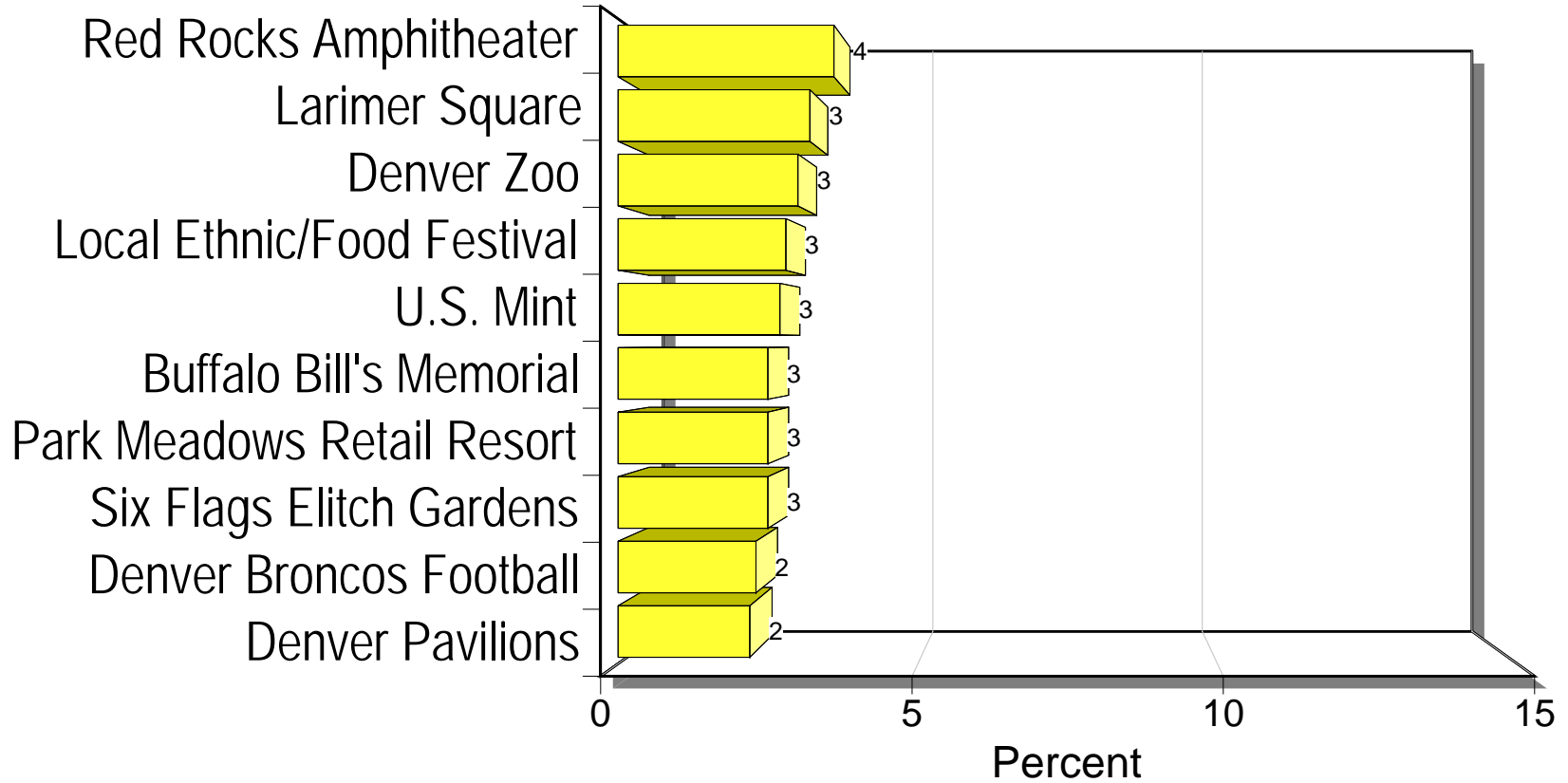
Base: Overnight Pleasure Trips



# Most Popular Denver Metro Attractions (Cont'd)



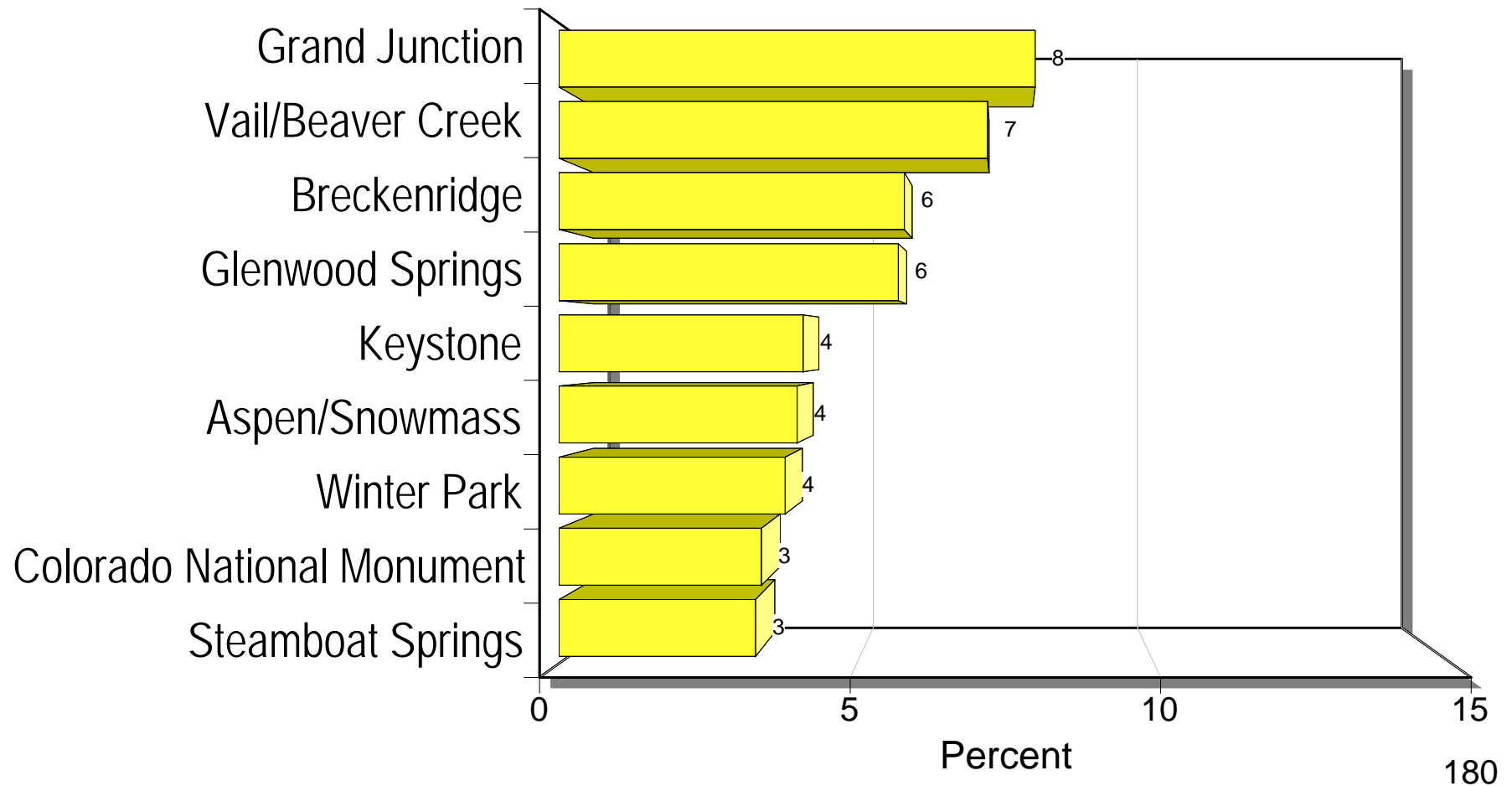
Base: Overnight Pleasure Trips



# Most Popular Northwest Colorado Attractions



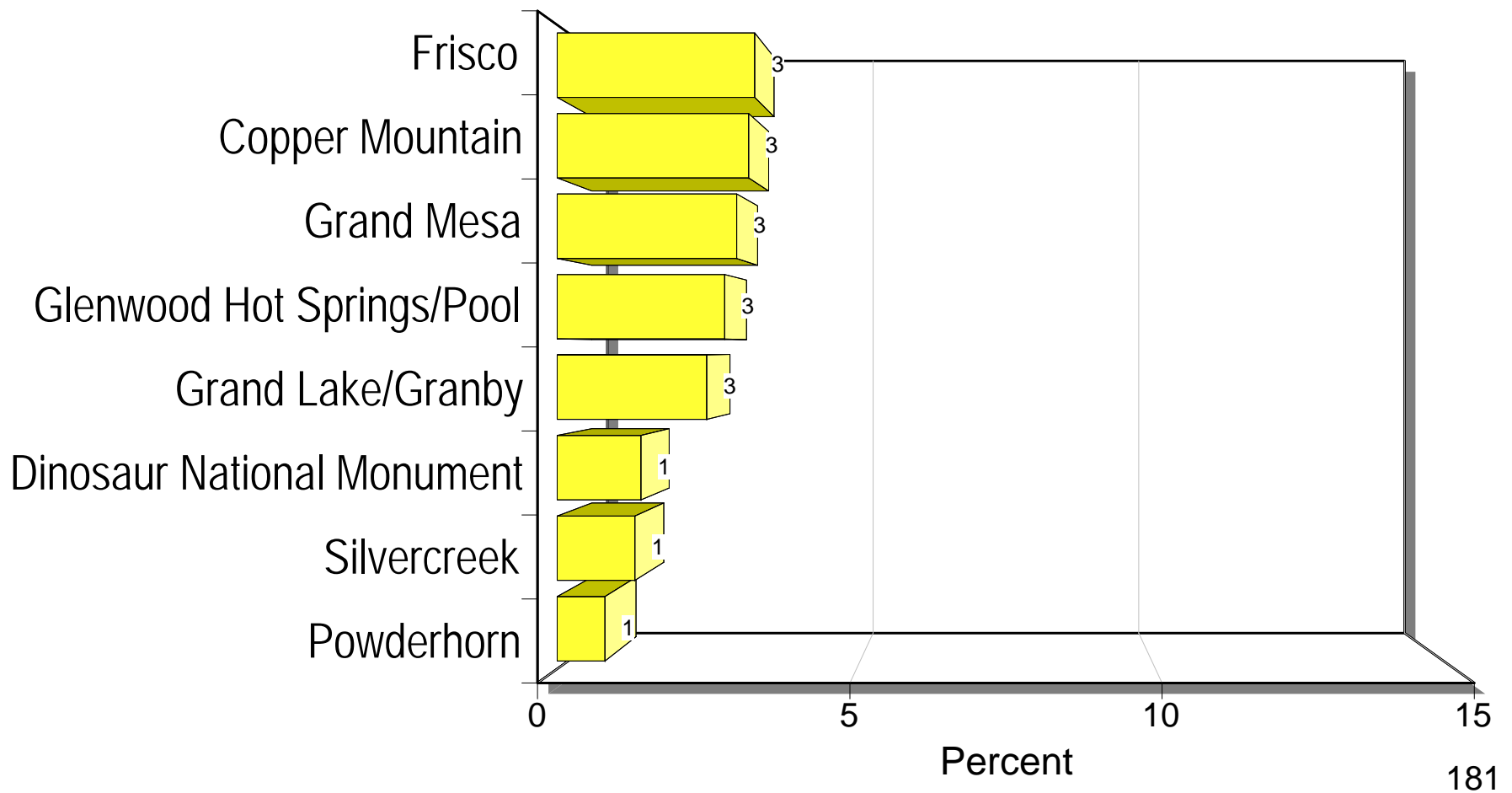
Base: Overnight Pleasure Trips



# Most Popular Northwest Colorado Attractions (Cont'd)



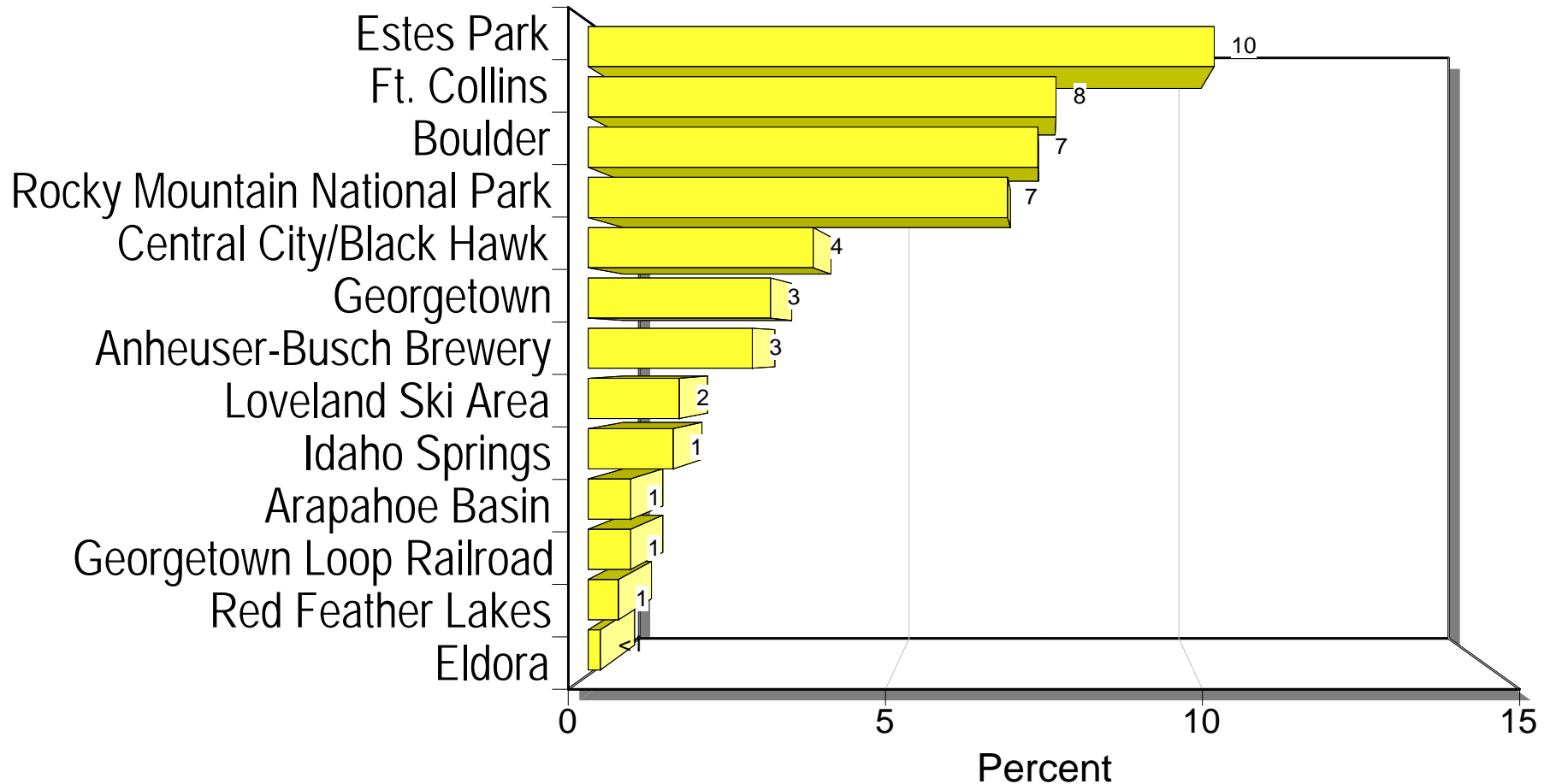
Base: Overnight Pleasure Trips



# Most Popular North Central Colorado Attractions



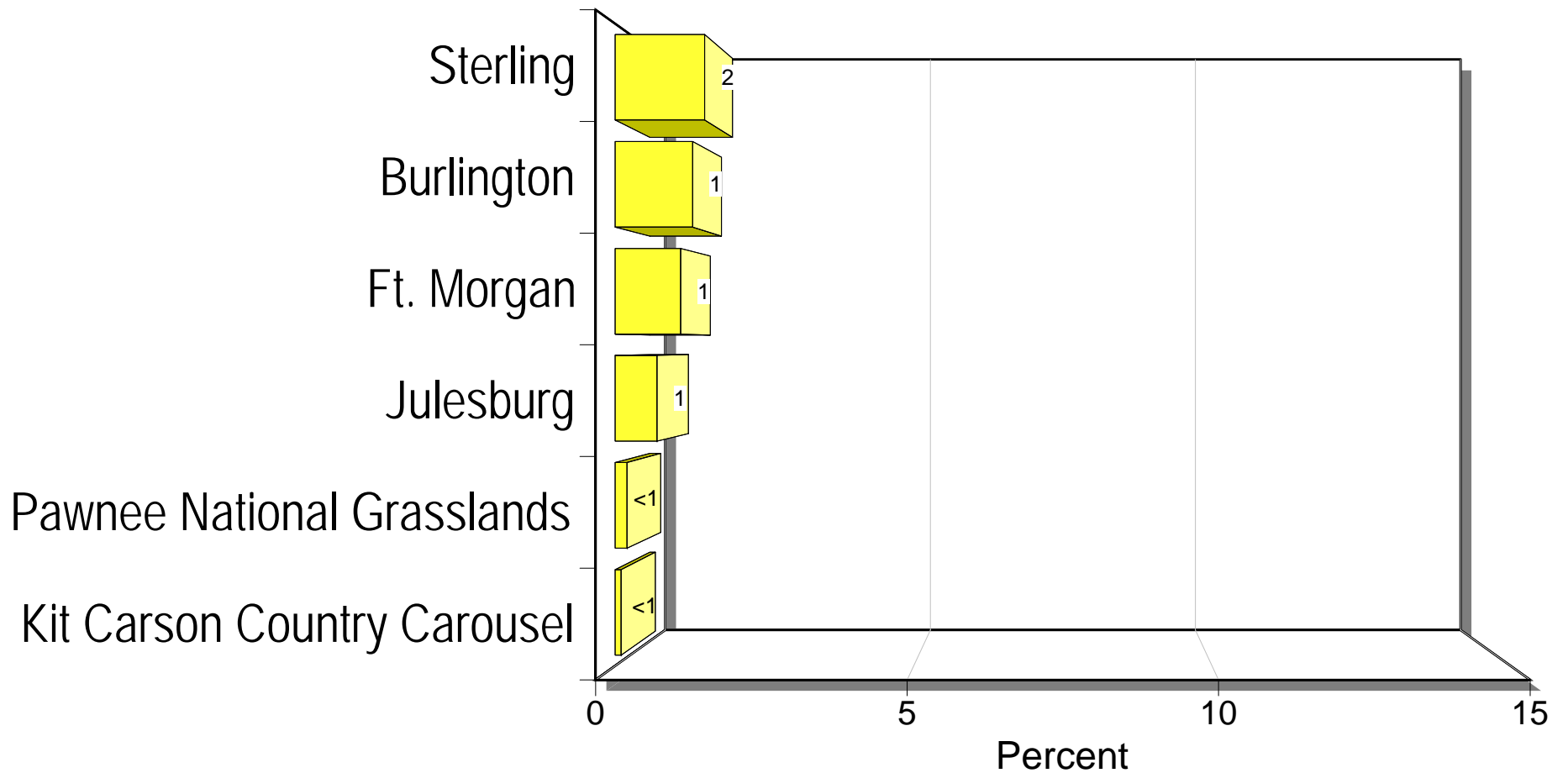
Base: Overnight Pleasure Trips



# Most Popular Northeast Colorado Attractions



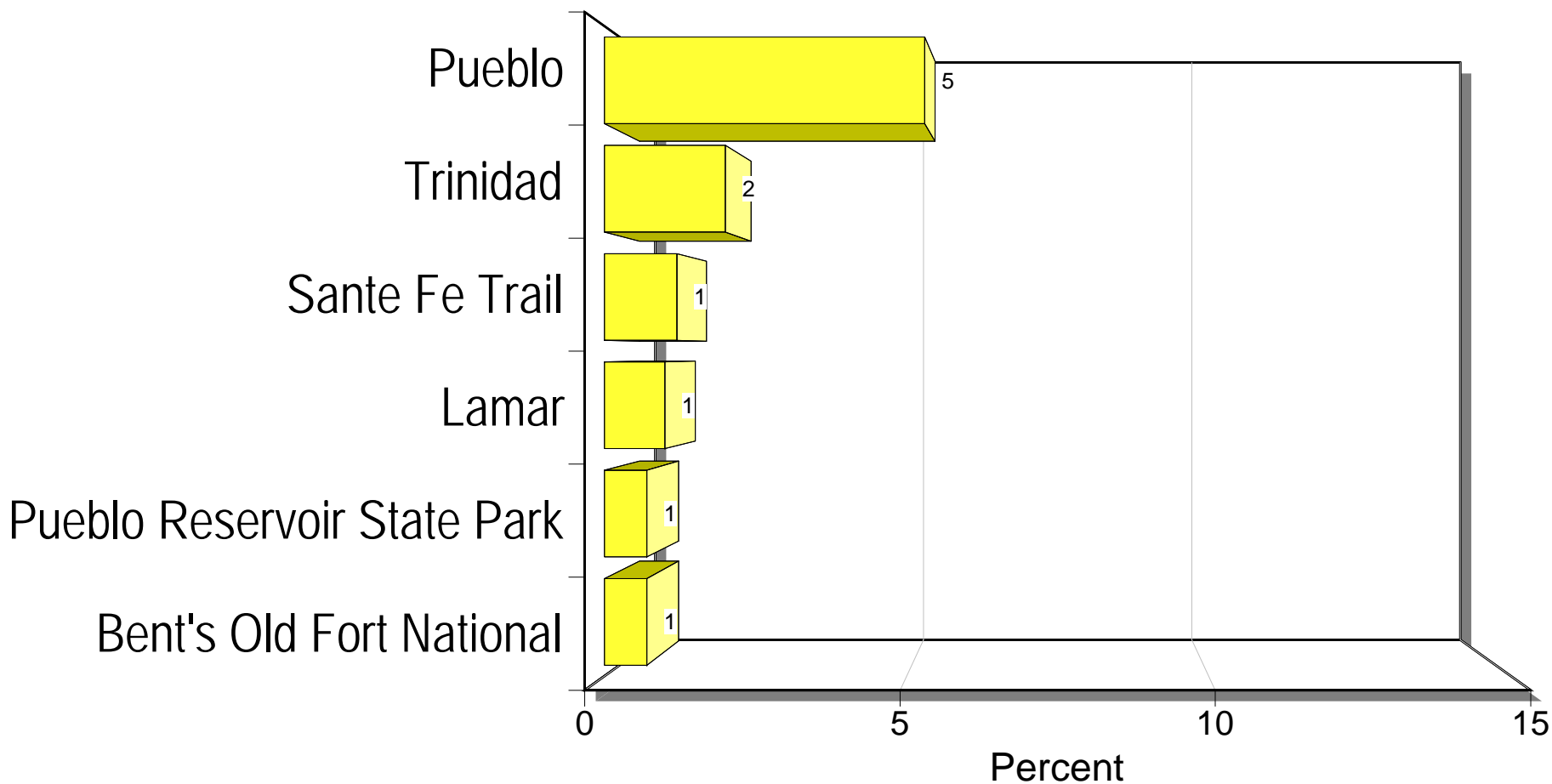
Base: Overnight Pleasure Trips



# Most Popular Southeast Colorado Attractions



Base: Overnight Pleasure Trips

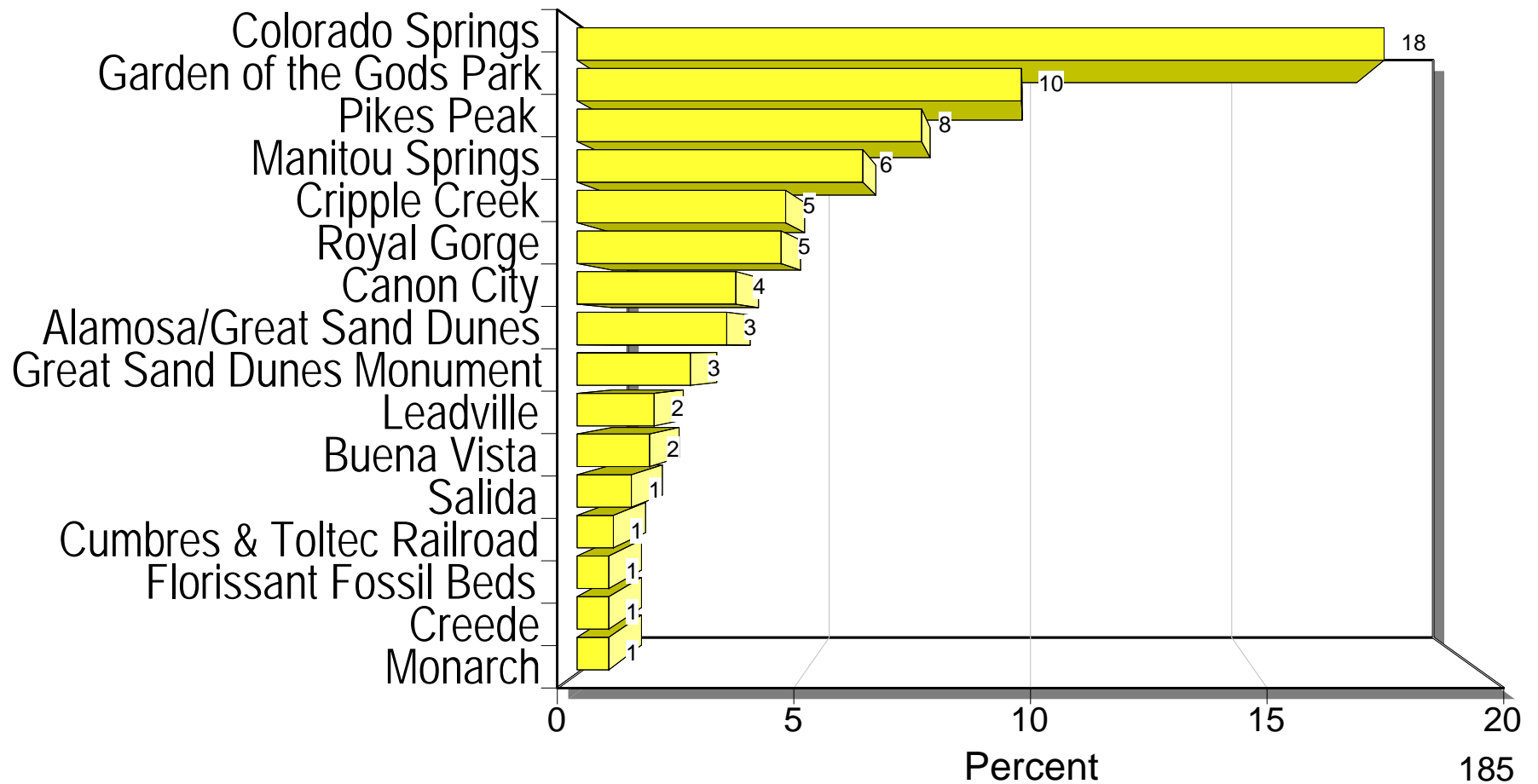




# Most Popular South Central Colorado Attractions



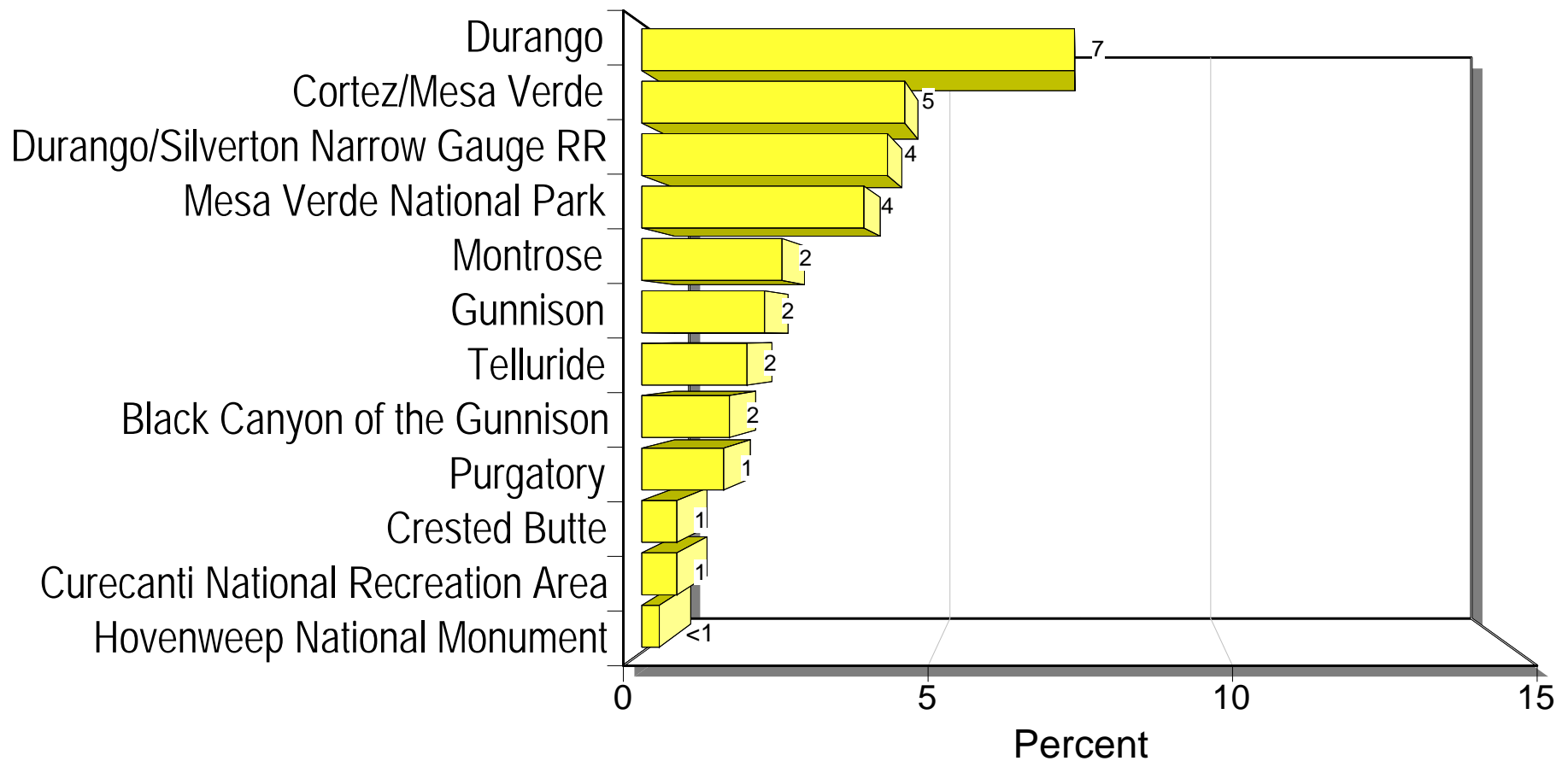
Base: Overnight Pleasure Trips



# Most Popular Southwest Colorado Attractions



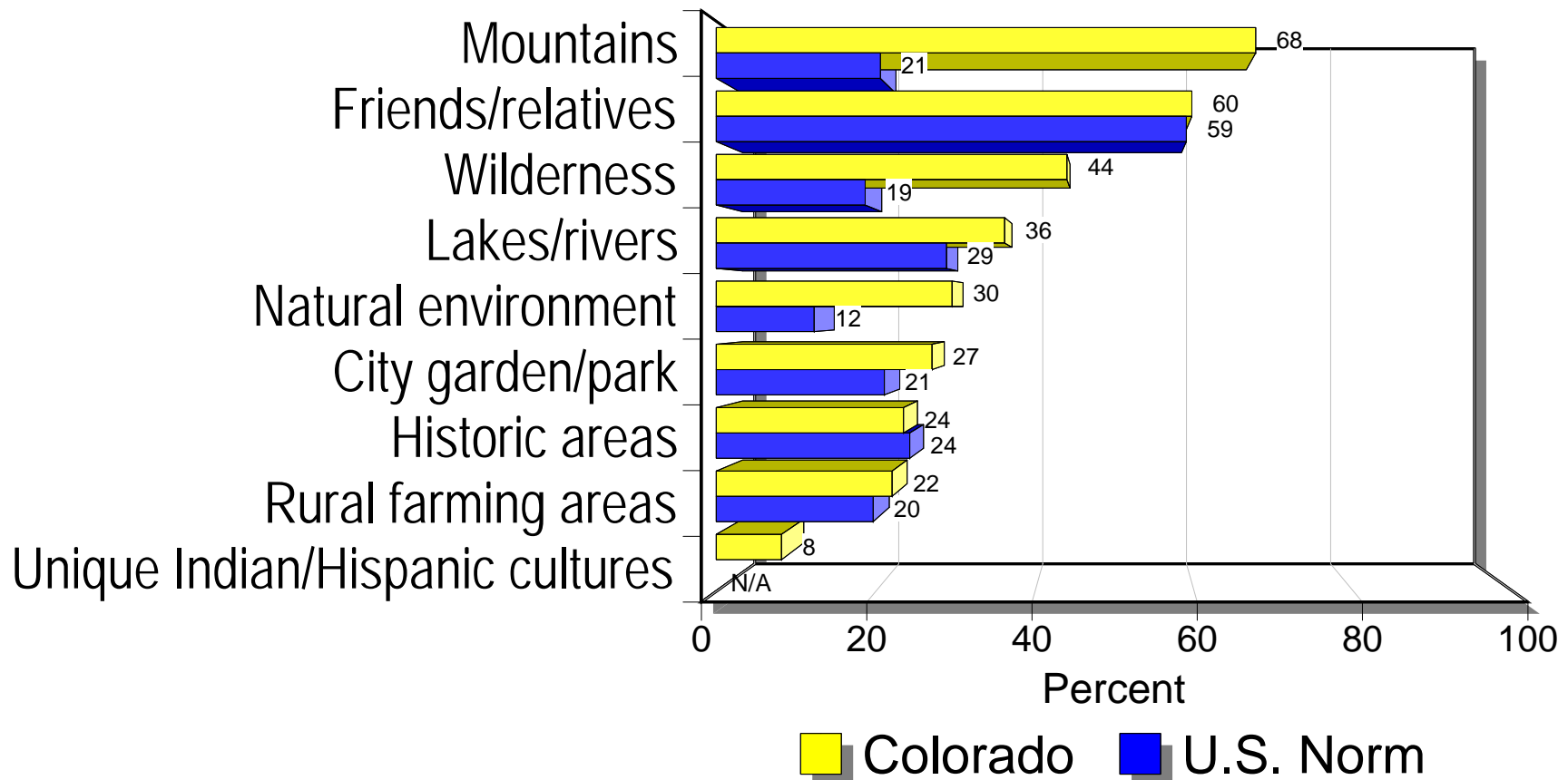
Base: Overnight Pleasure Trips



# Things Experienced on Trip



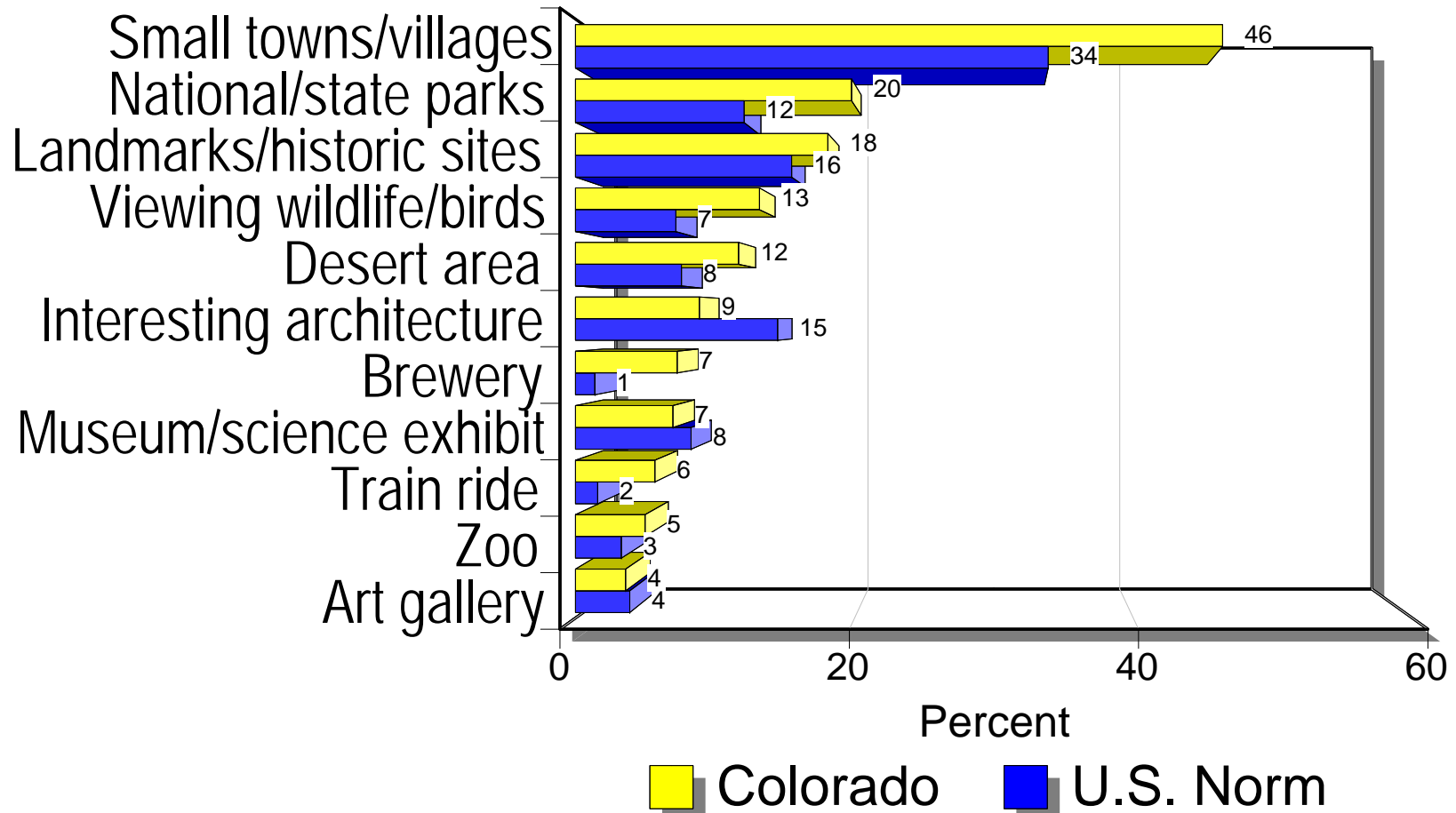
Base: Overnight Pleasure Trips



# Sightseeing



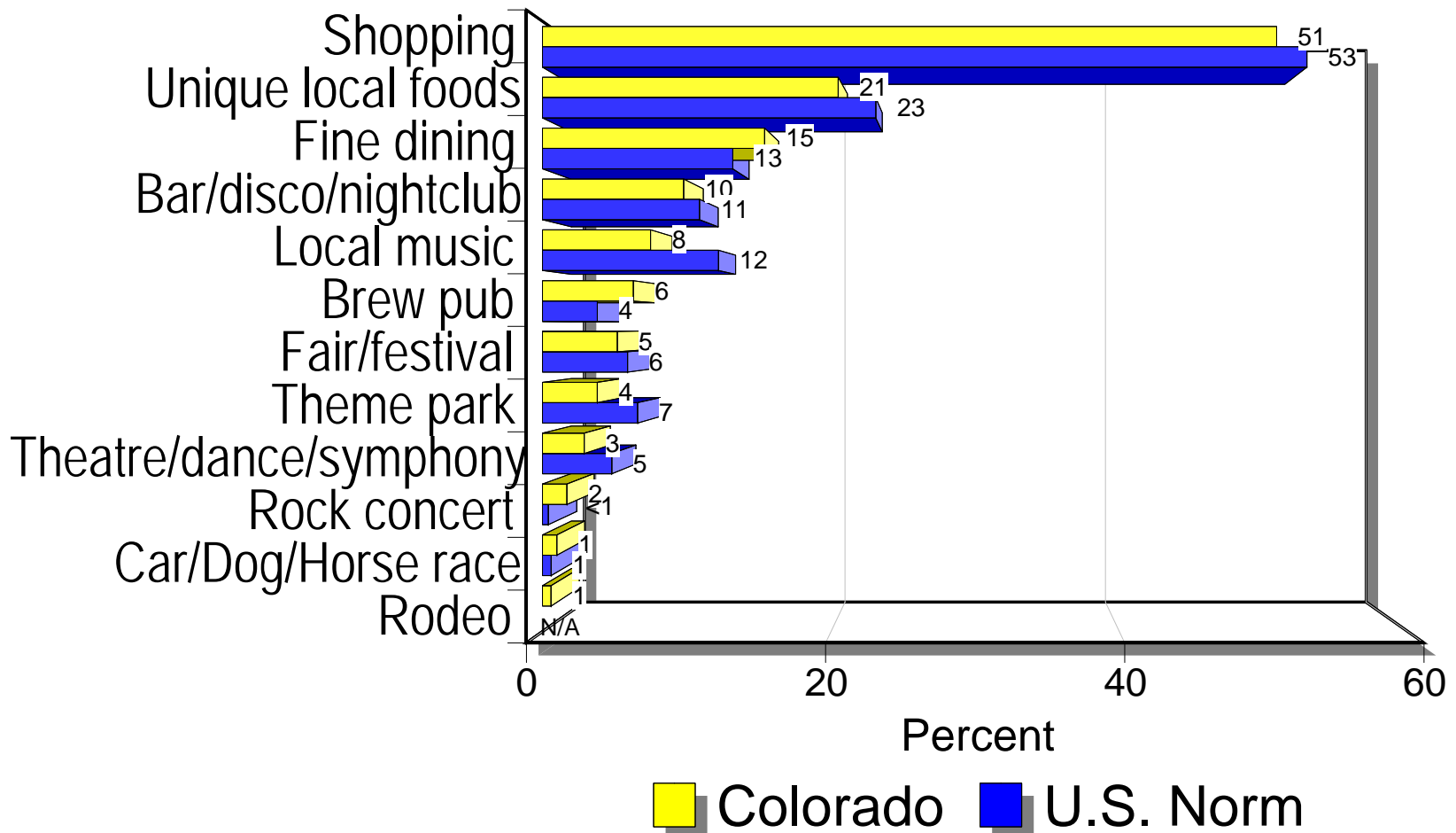
Base: Overnight Pleasure Trips



# Entertainment



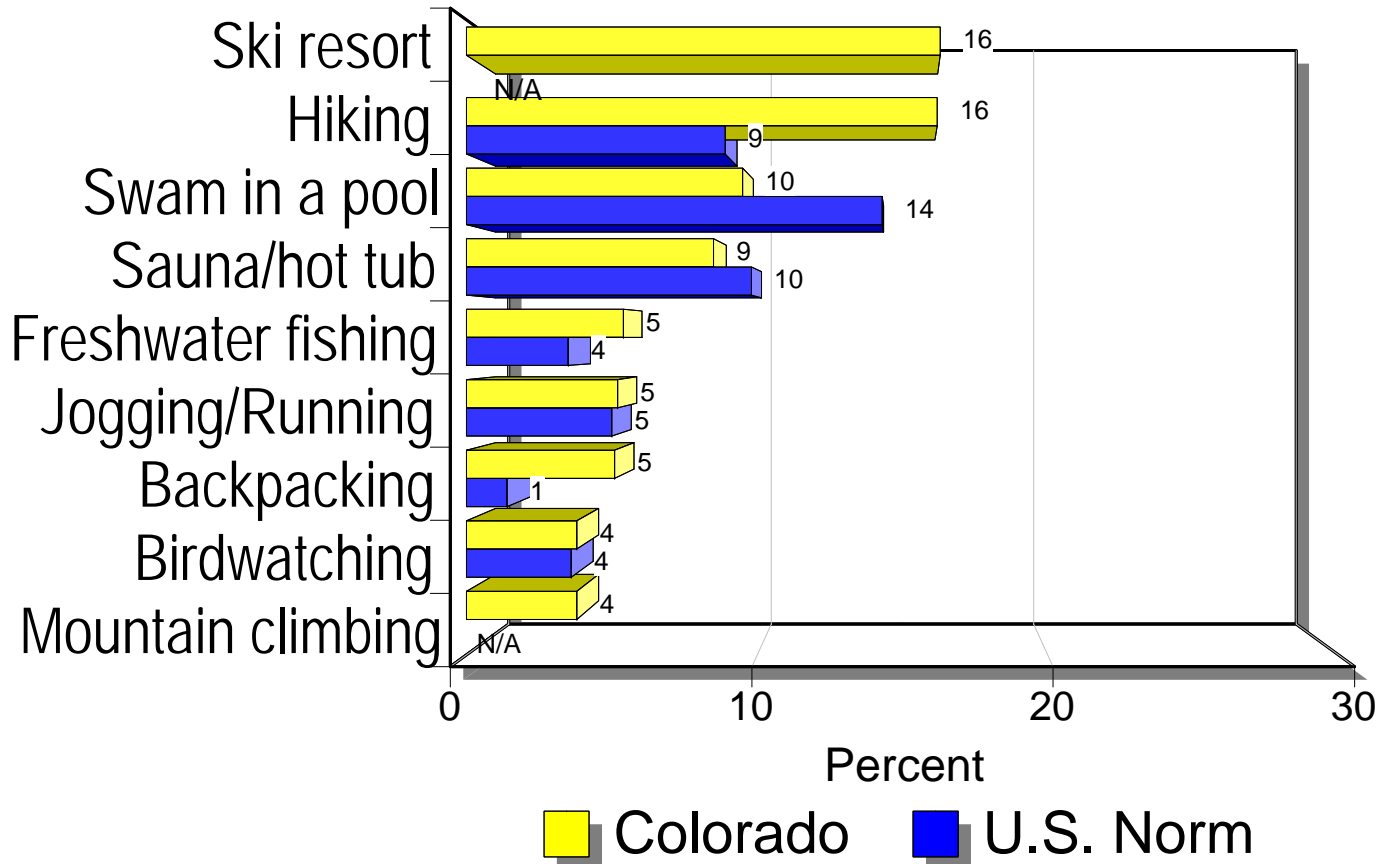
Base: Overnight Pleasure Trips



# Sports and Recreation



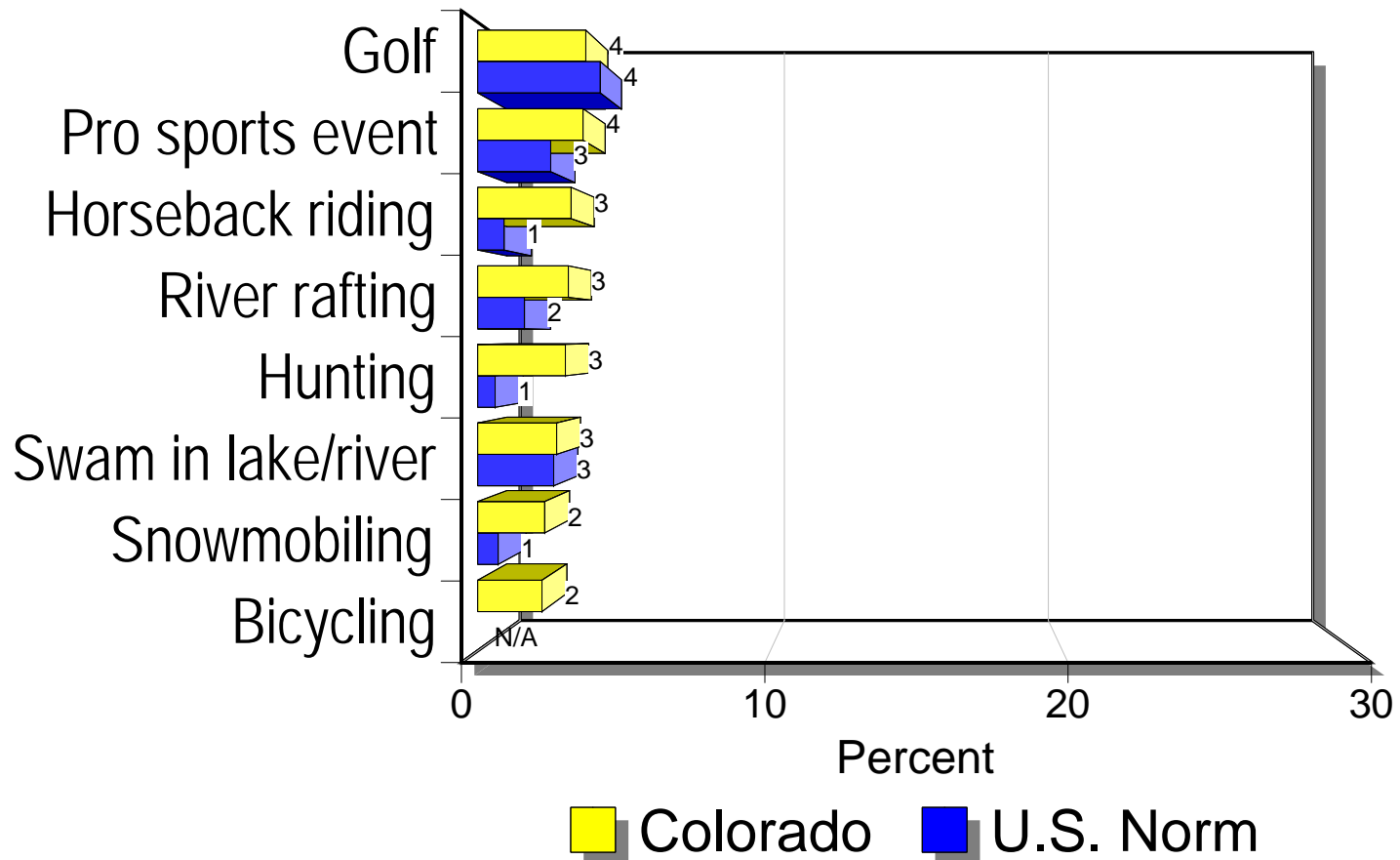
Base: Overnight Pleasure Trips



# Sports and Recreation (Cont'd)



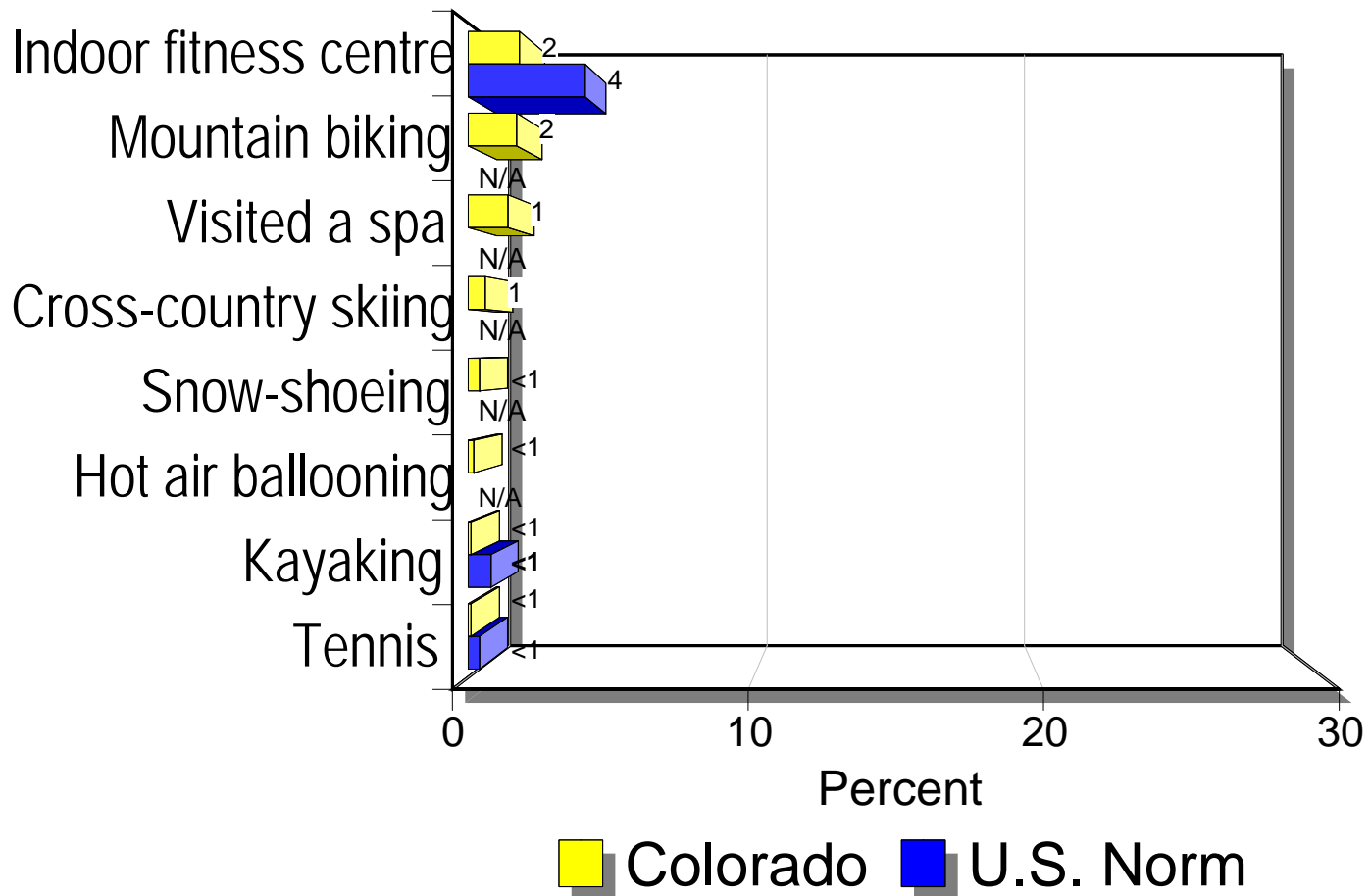
Base: Overnight Pleasure Trips



# Sports and Recreation (Cont'd)

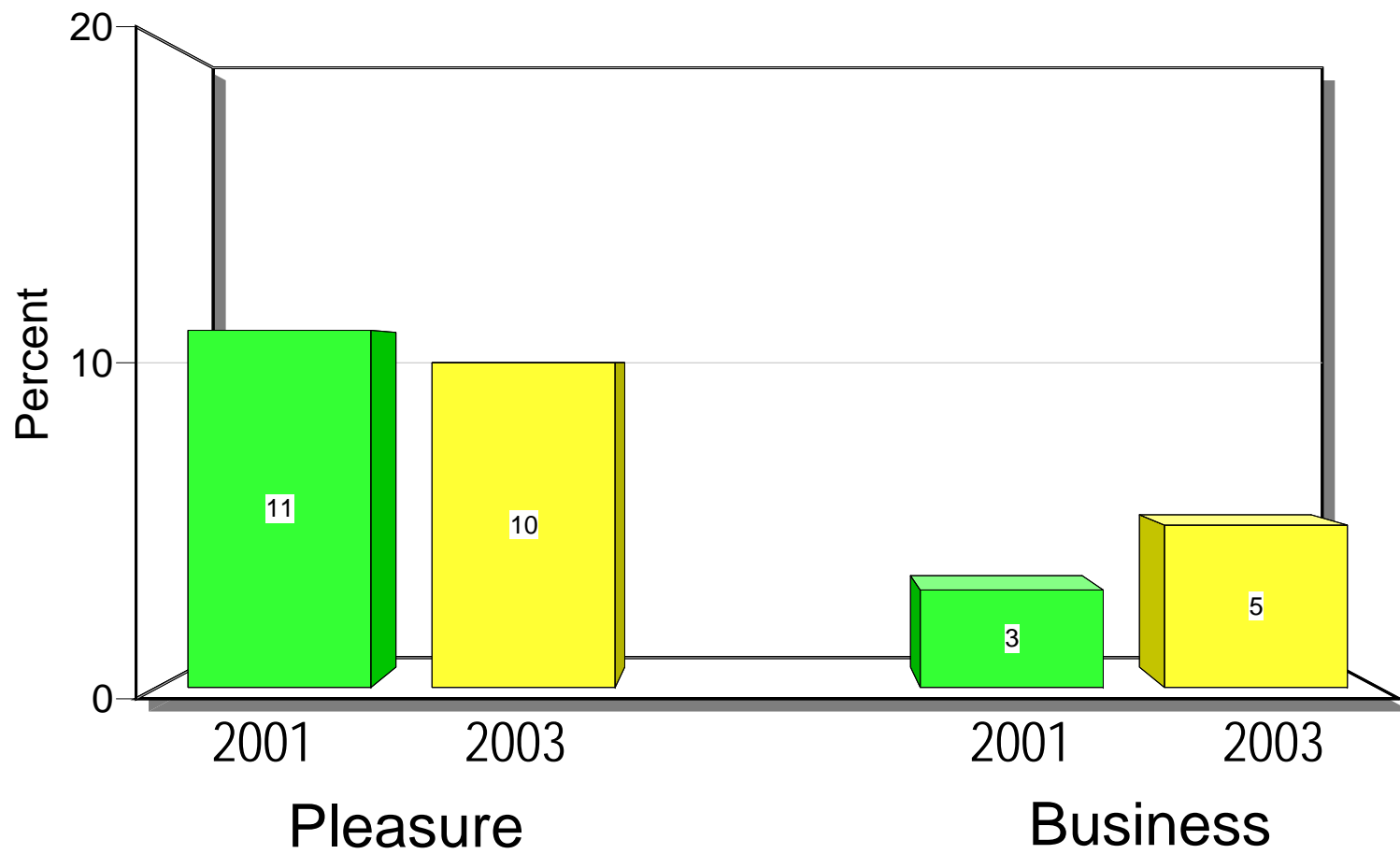


Base: Overnight Pleasure Trips





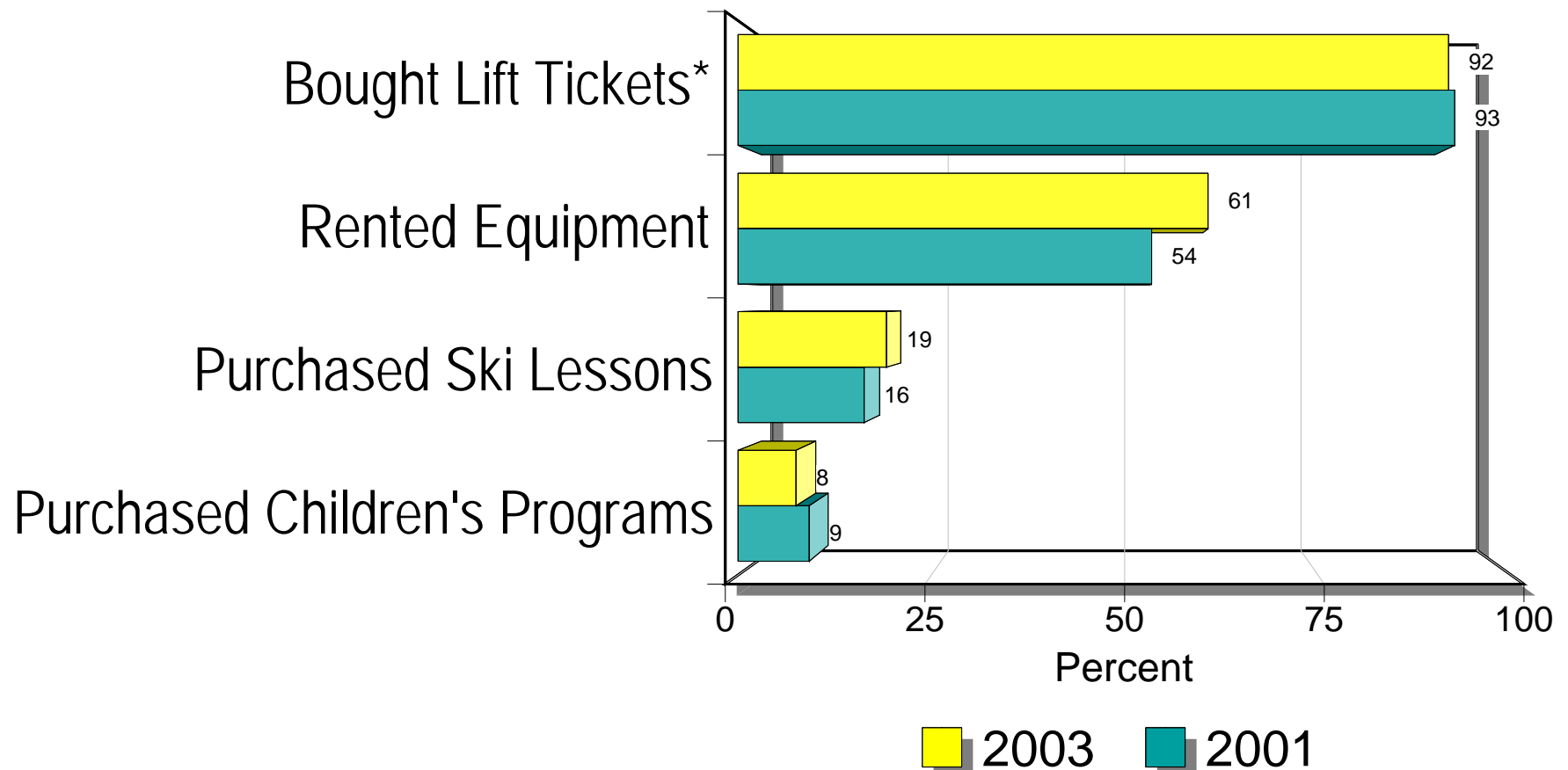
# Skiing on Trip



# Percent of Skiing/Snowboarding Travel Parties Who ...



Base: Overnight Pleasure Trips



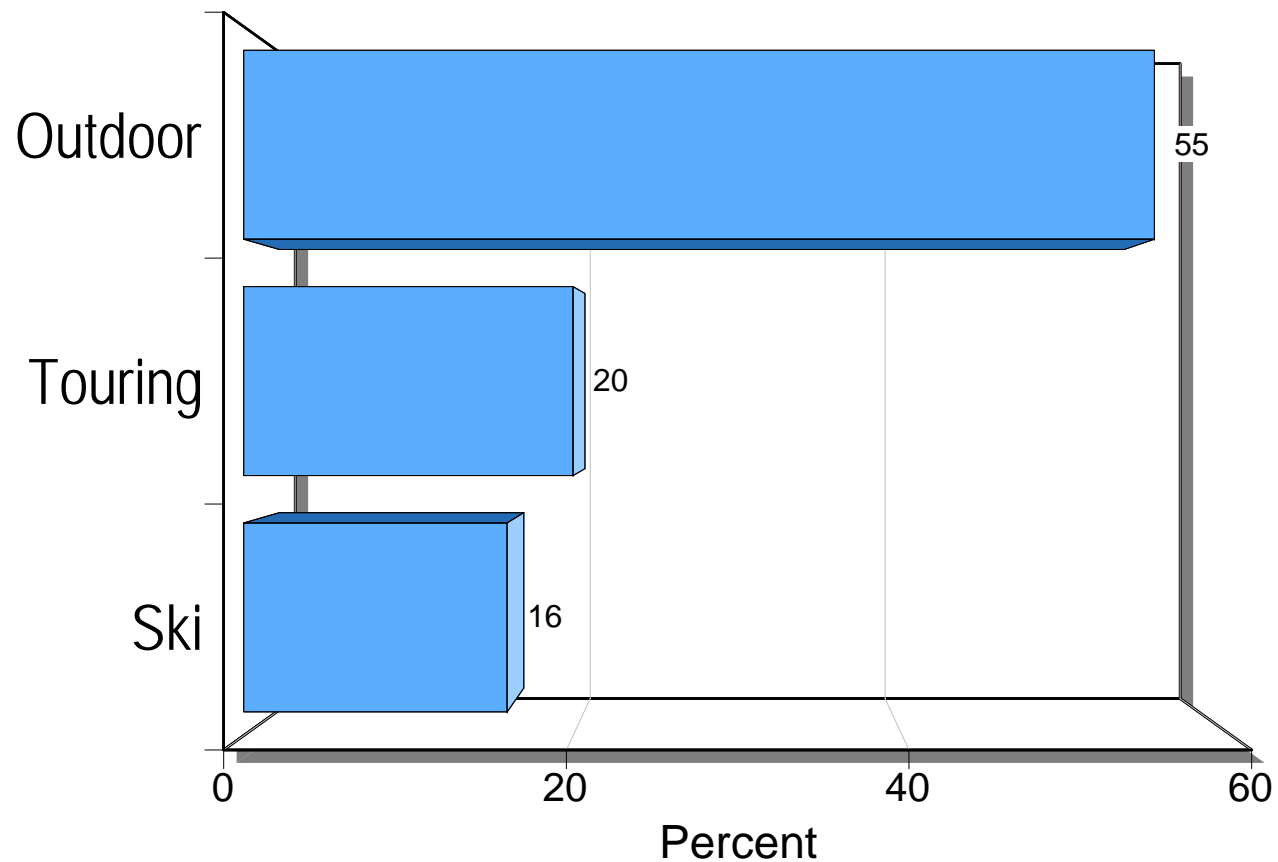
\*Does not include those who purchased lift tickets as part of a pre-paid package

# Colorado's Key Travel Segments — Profile By Segment

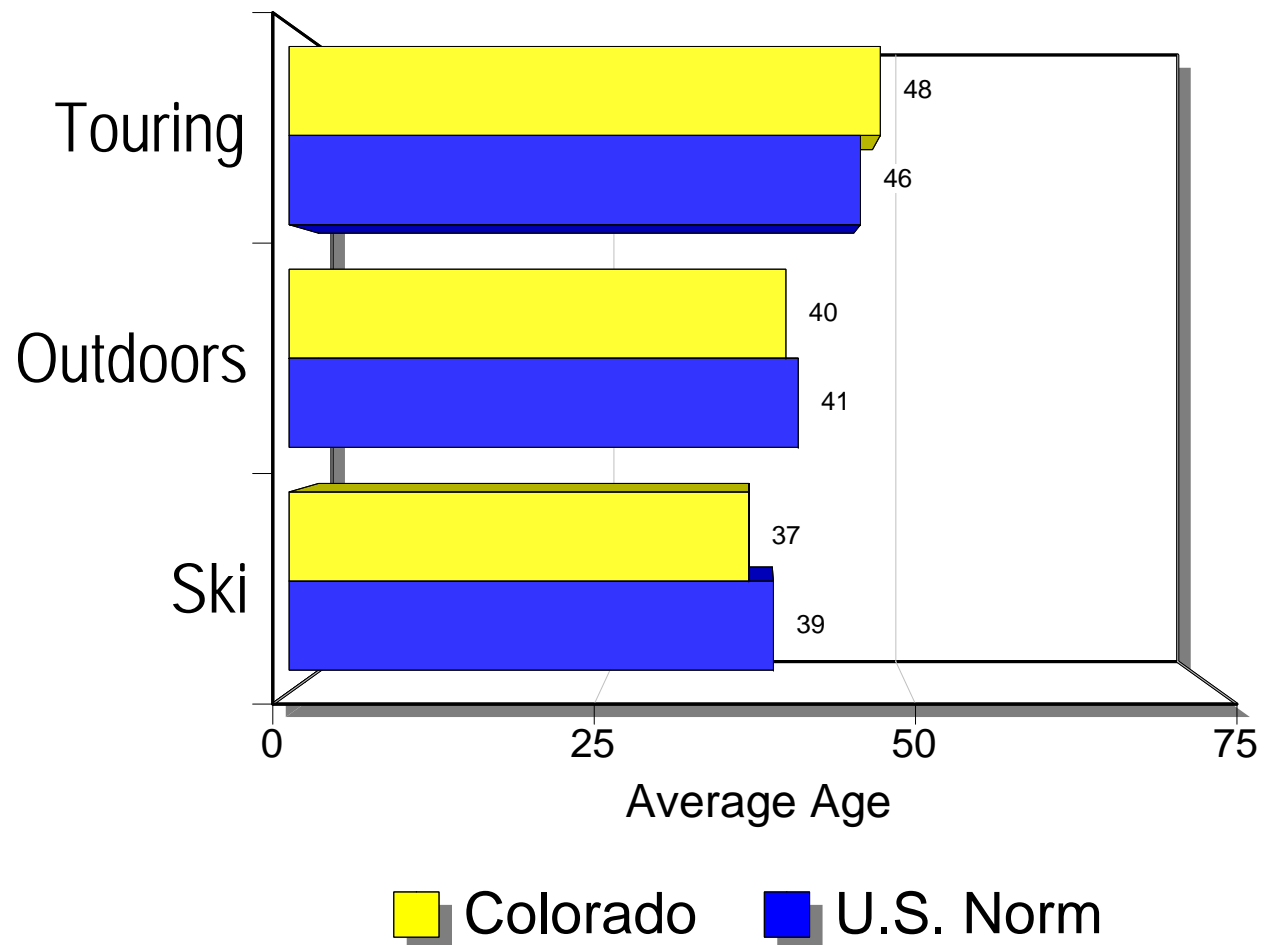
# Instate Trips – By Segment



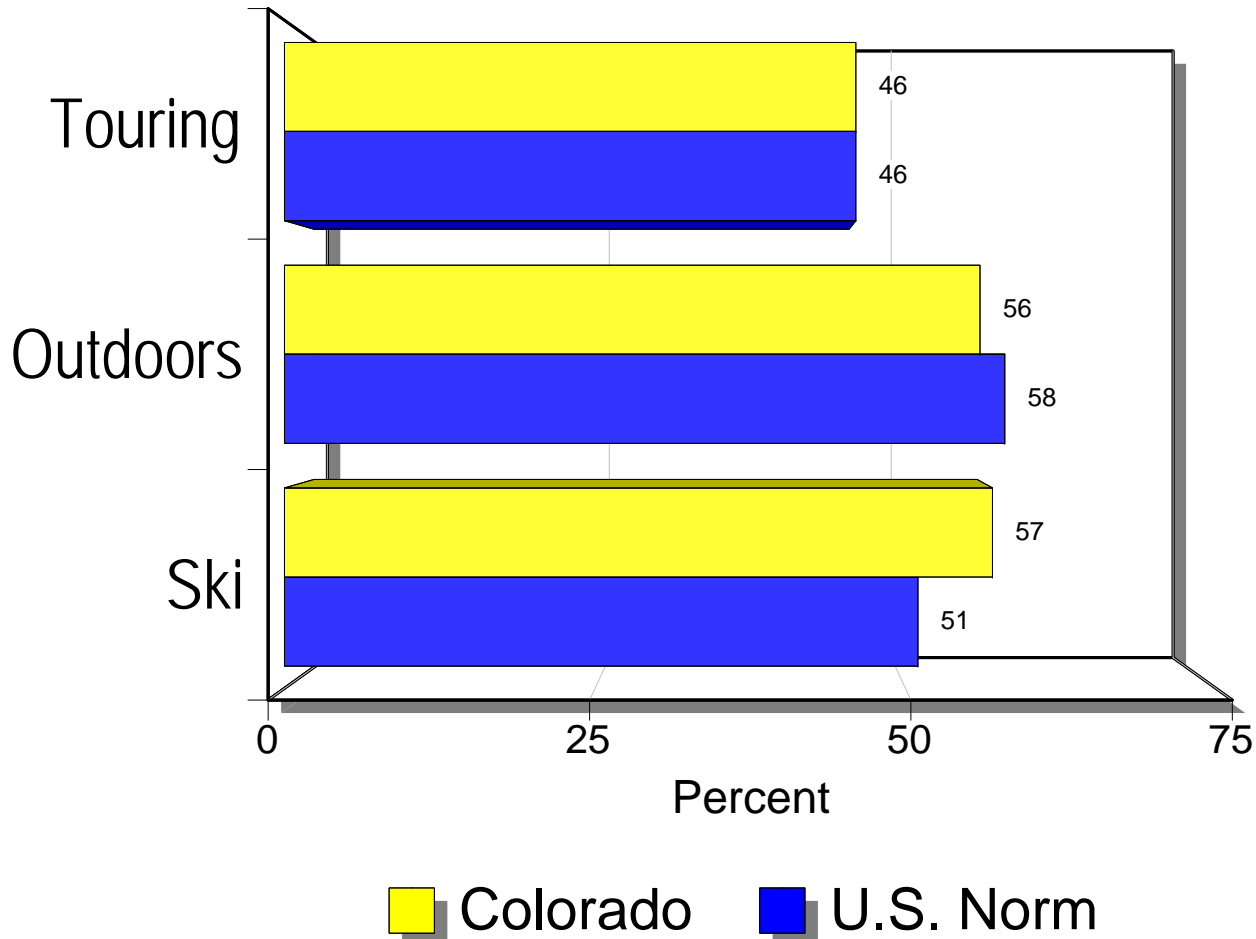
Percent of Pleasure Trips Originating in Colorado



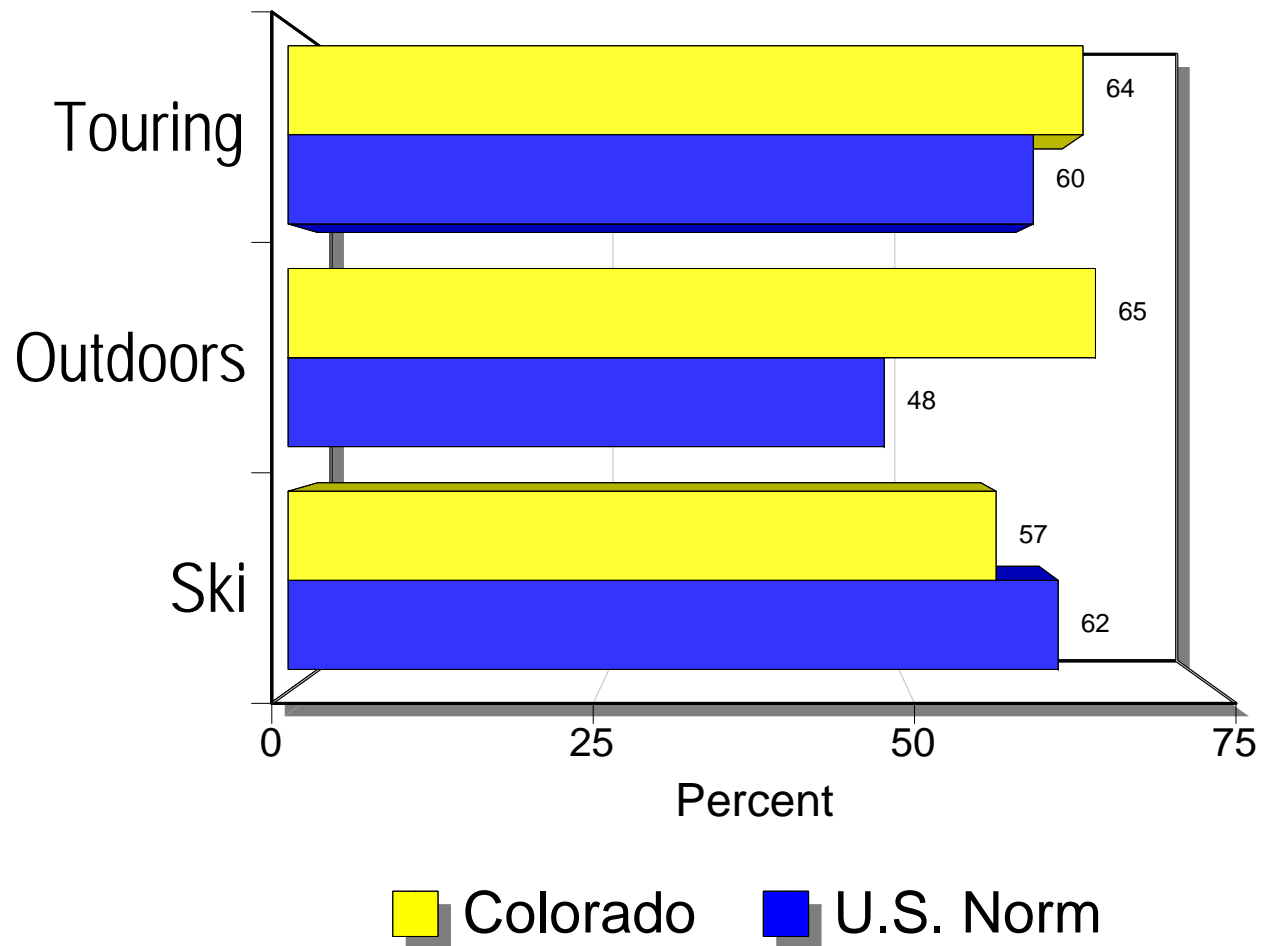
# Average Age



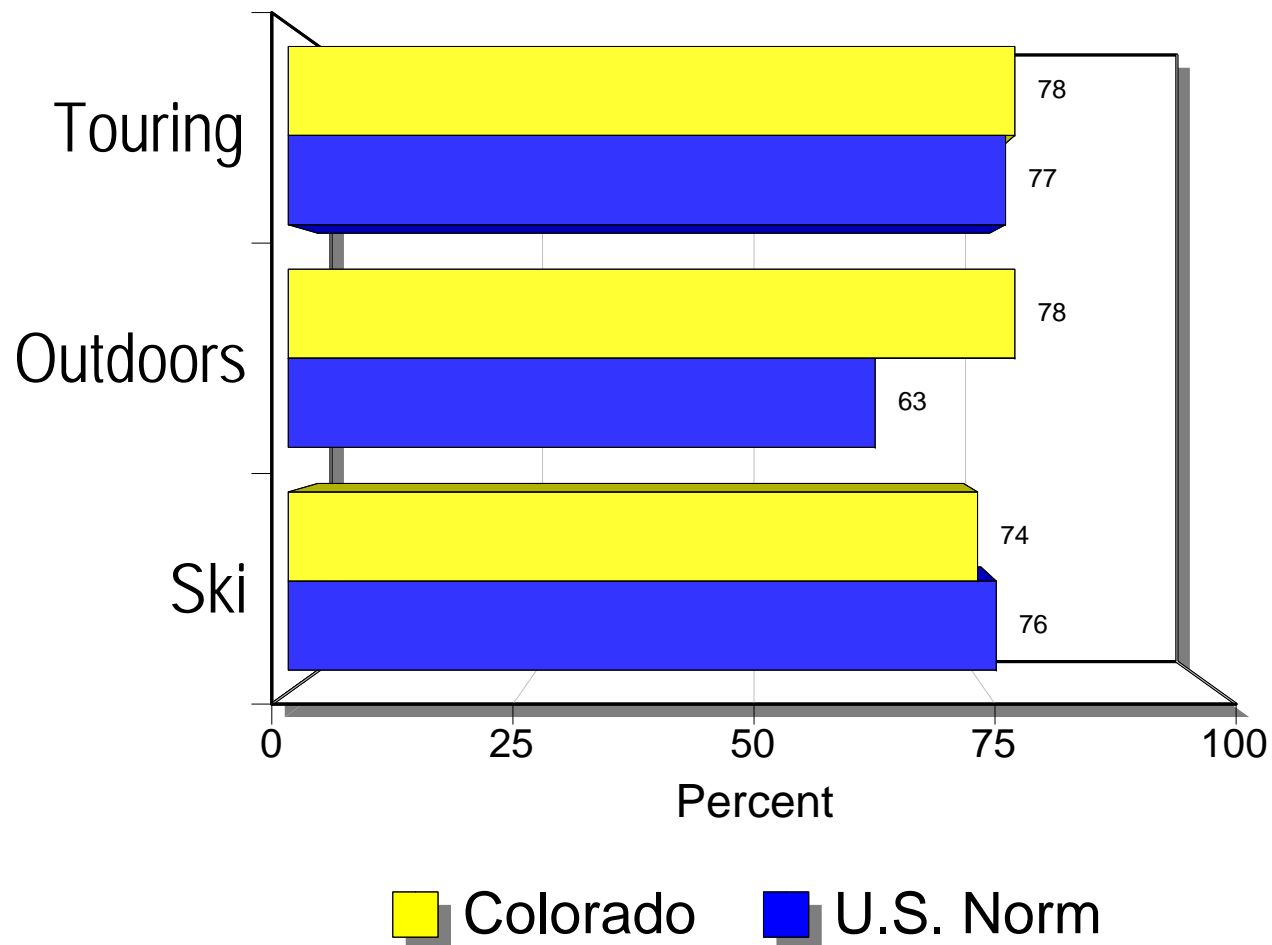
# Percent Who Are Male



# Percent Who Are Managers/Professionals

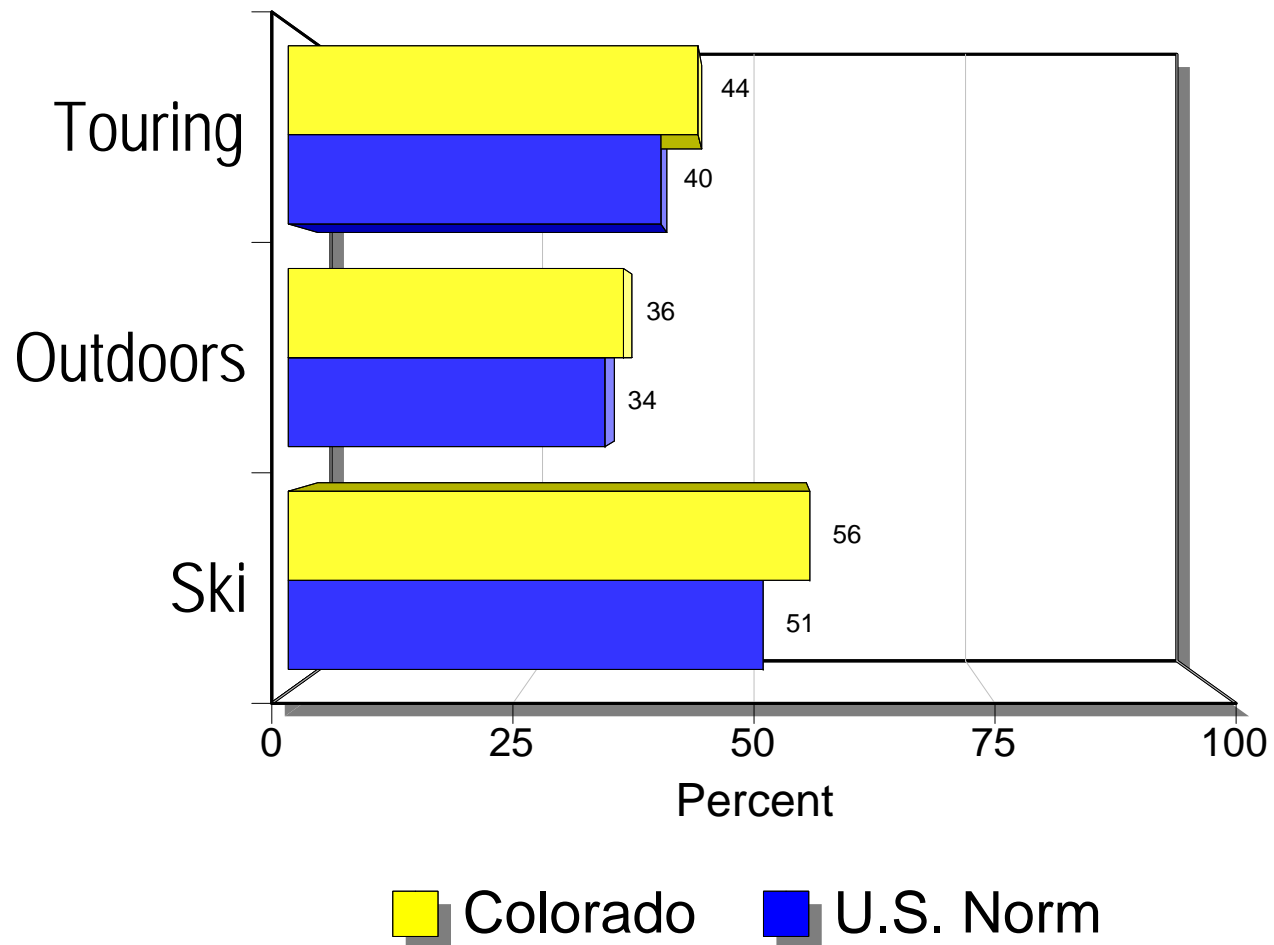


# Percent In White Collar Occupation

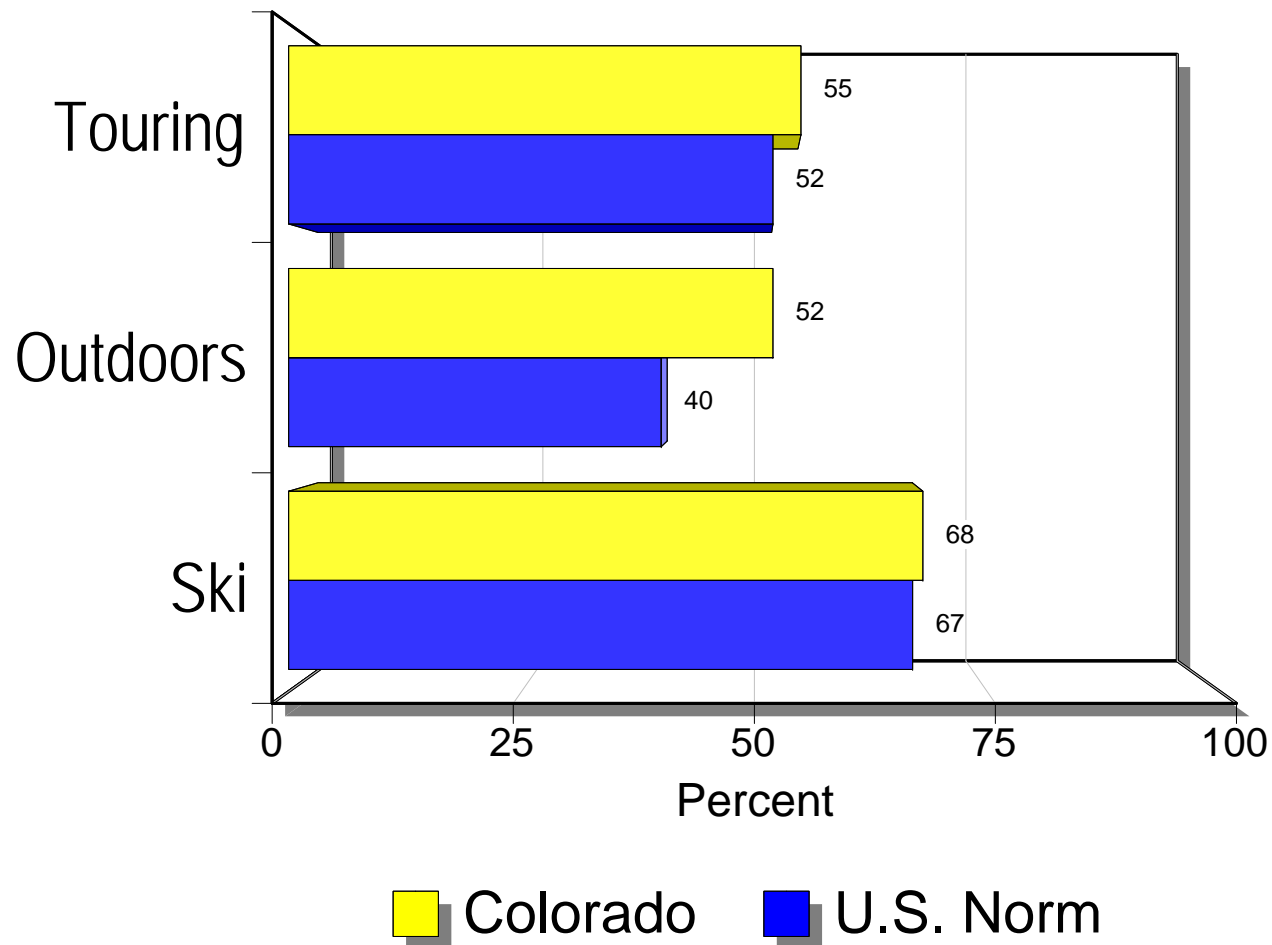




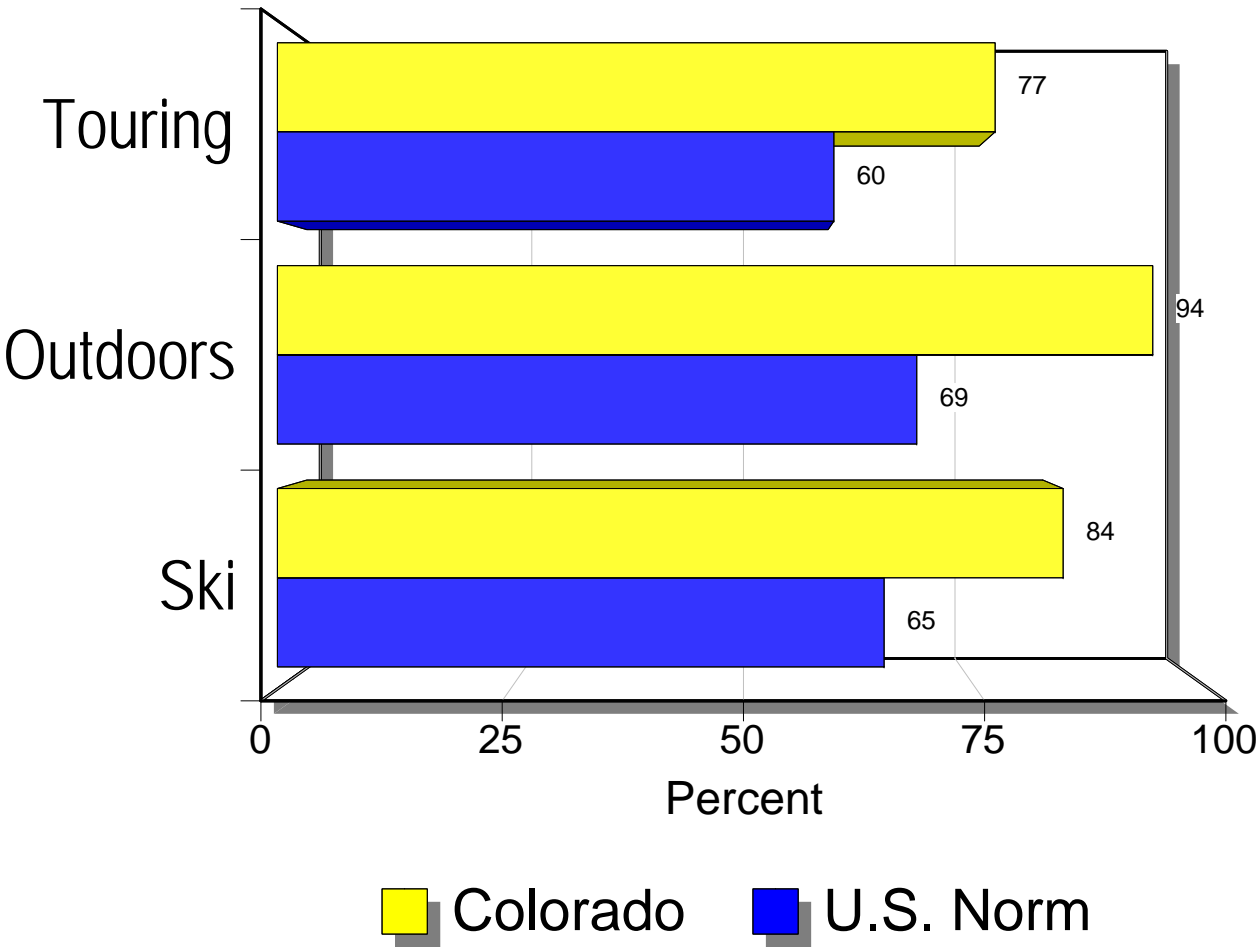
# Percent With Income \$75K+



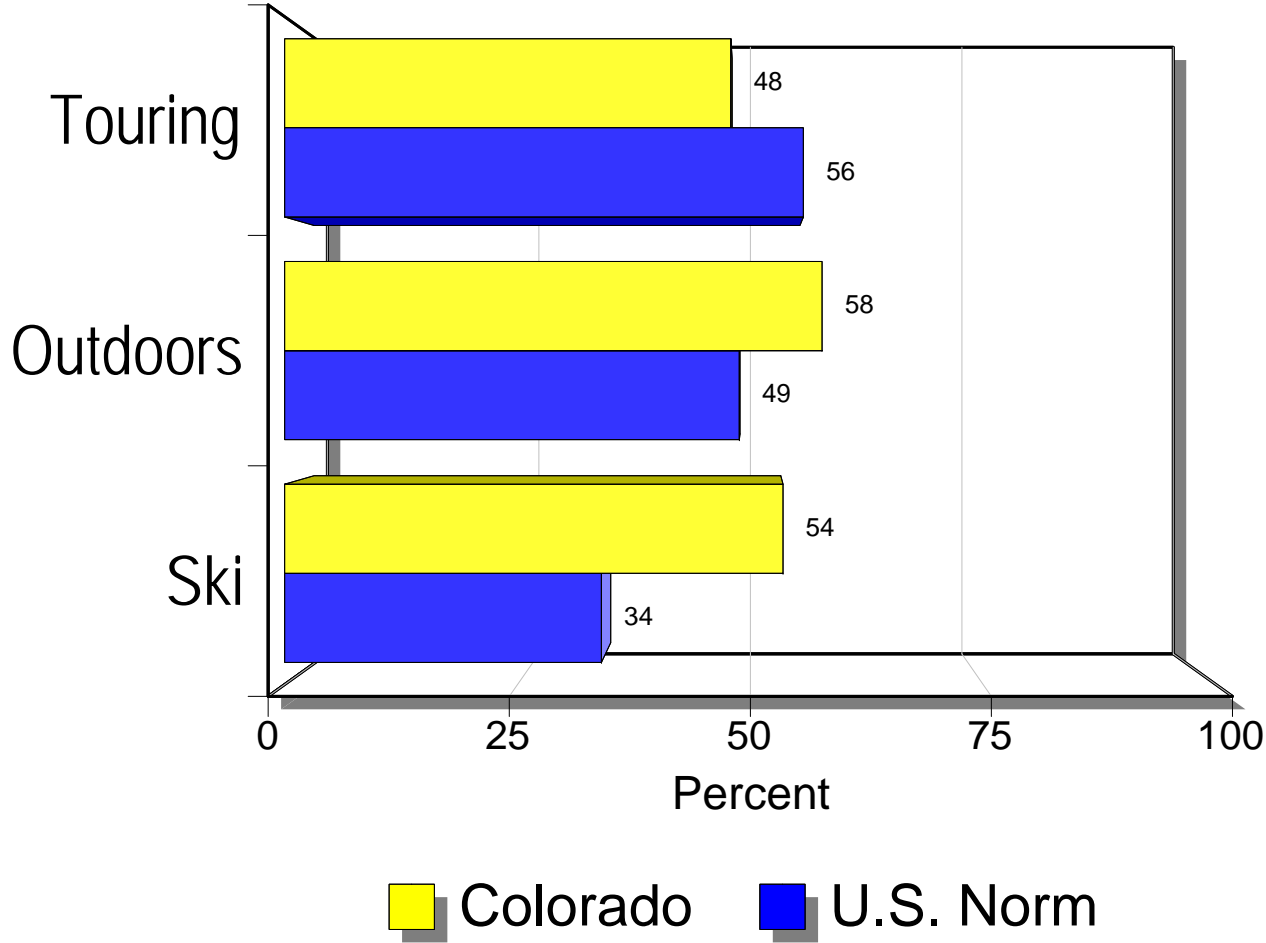
# Percent Who Are College Graduates



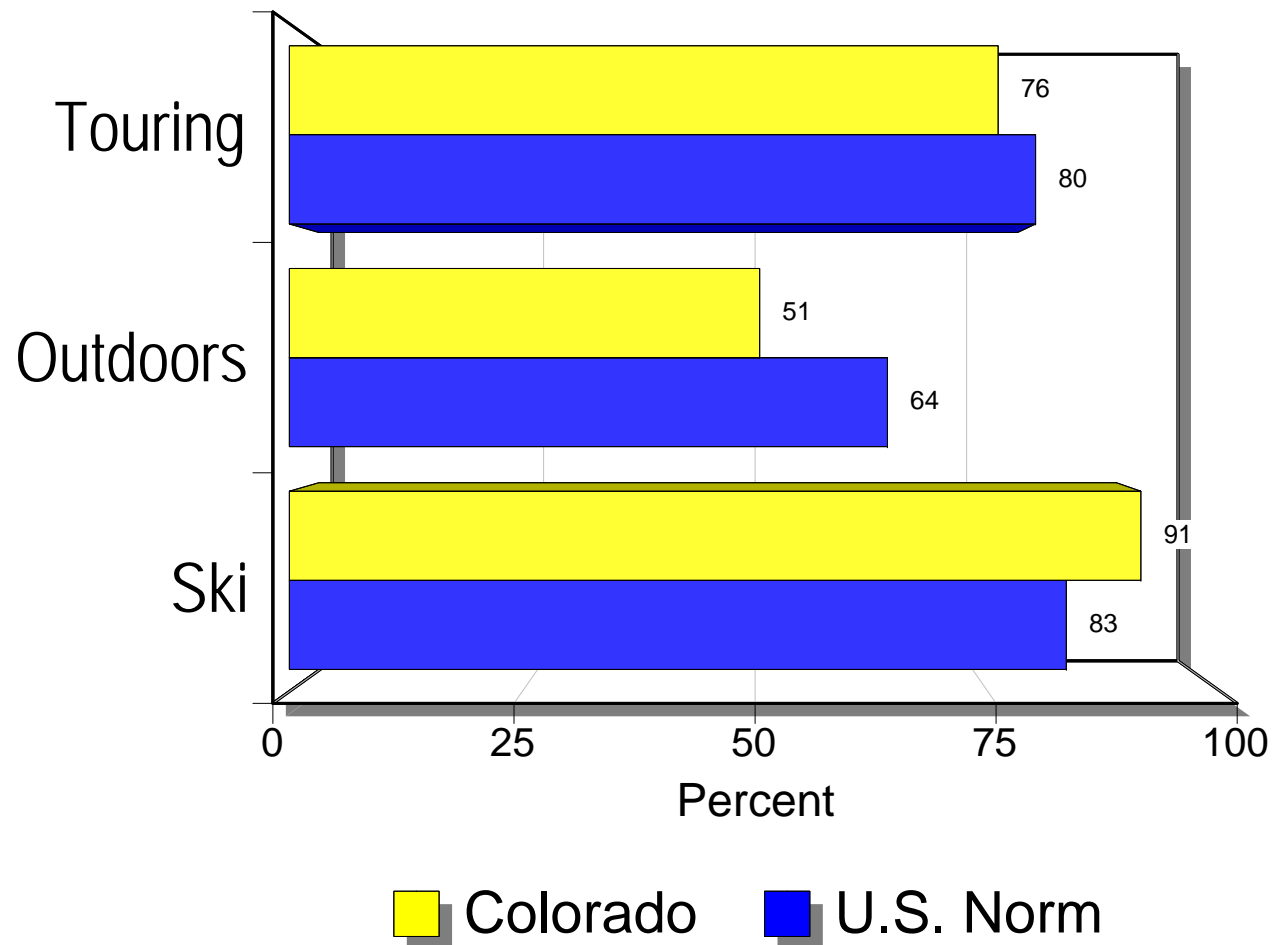
# Percent Who Are Repeat Visitors



# Percent Who Planned Their Trip 3 Months or More in Advance



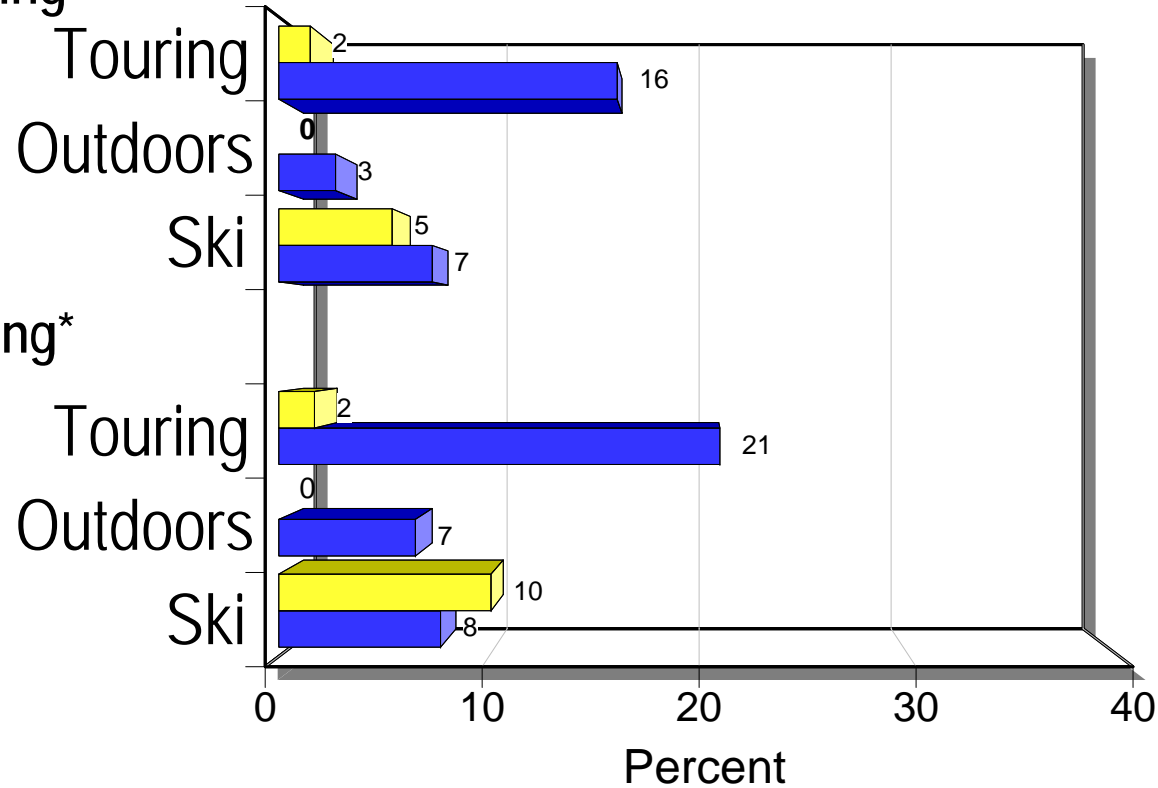
# Percent Who Booked All or Part of Their Trip in Advance



# Use of Travel Agents



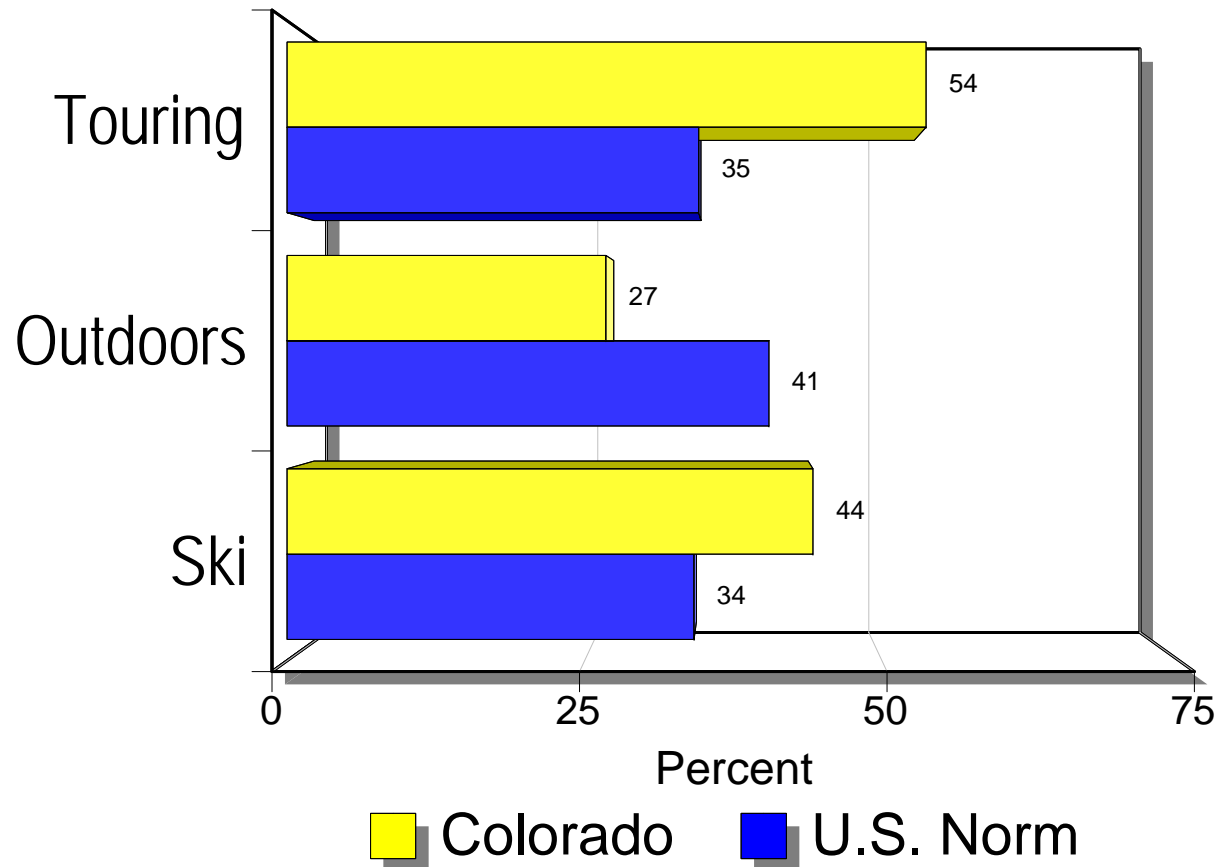
## For Trip Planning



Colorado U.S. Norm

\*Base: Those who booked in advance

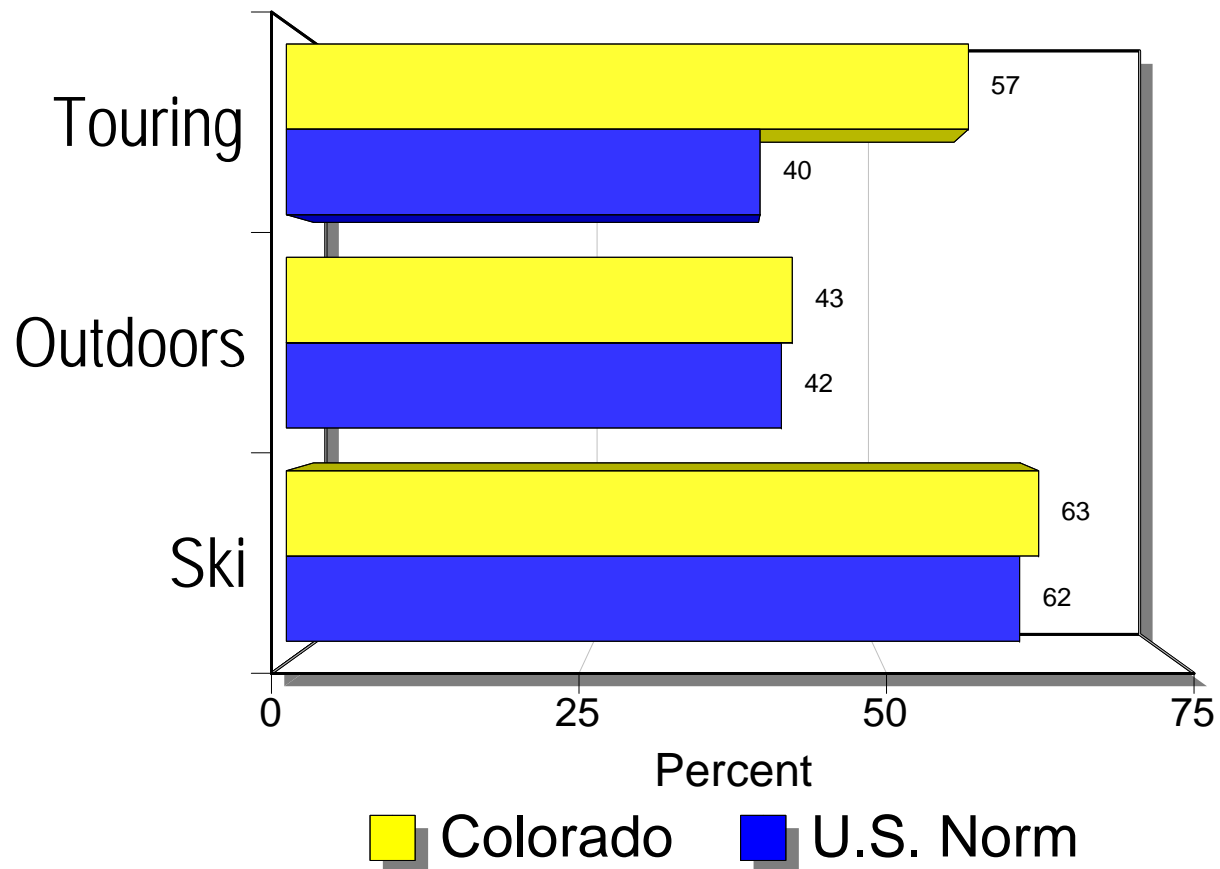
# Use of Internet For Trip Planning



# Use of Internet For Trip Booking

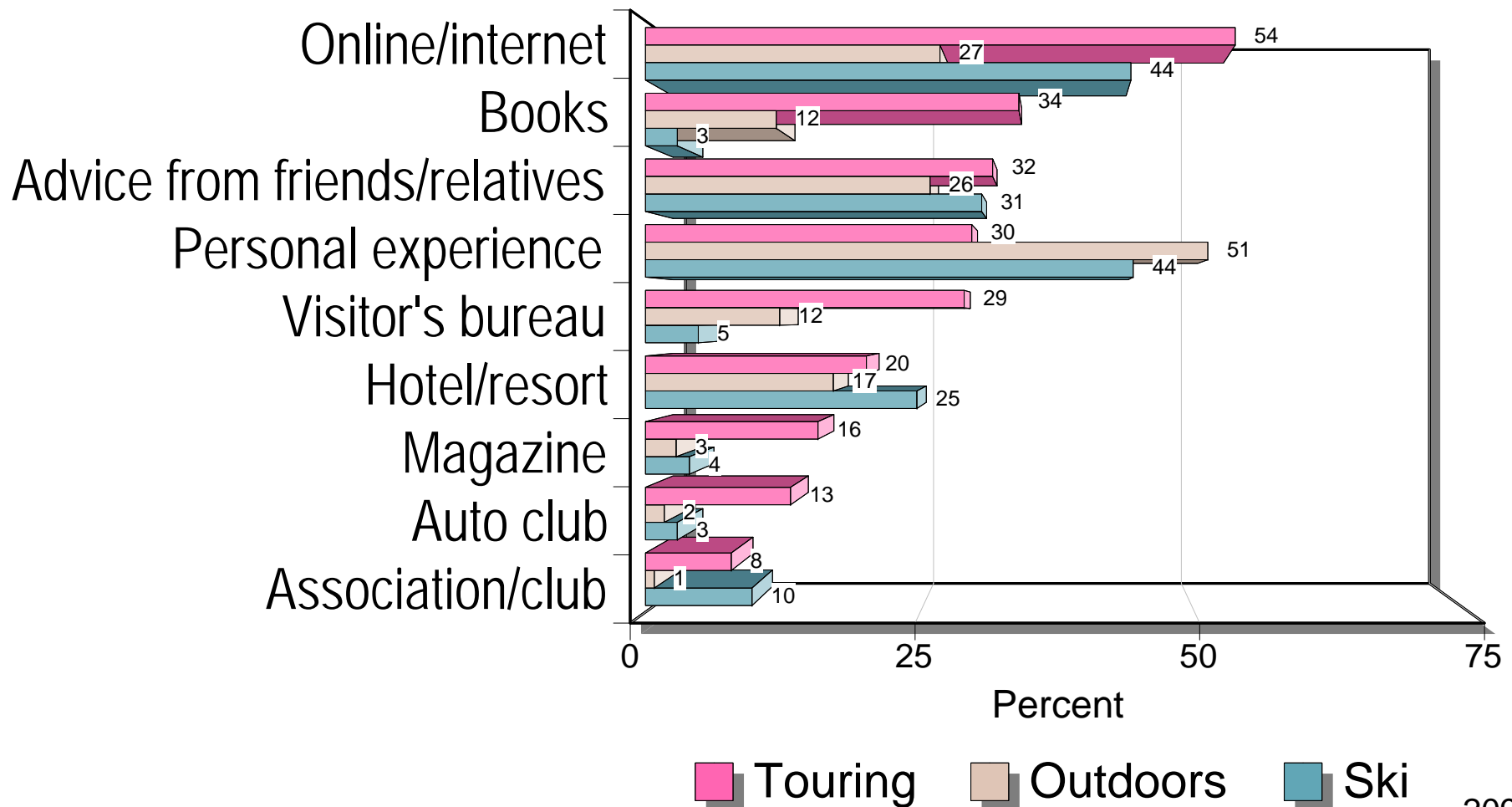


Base: Those Who Booked in Advance

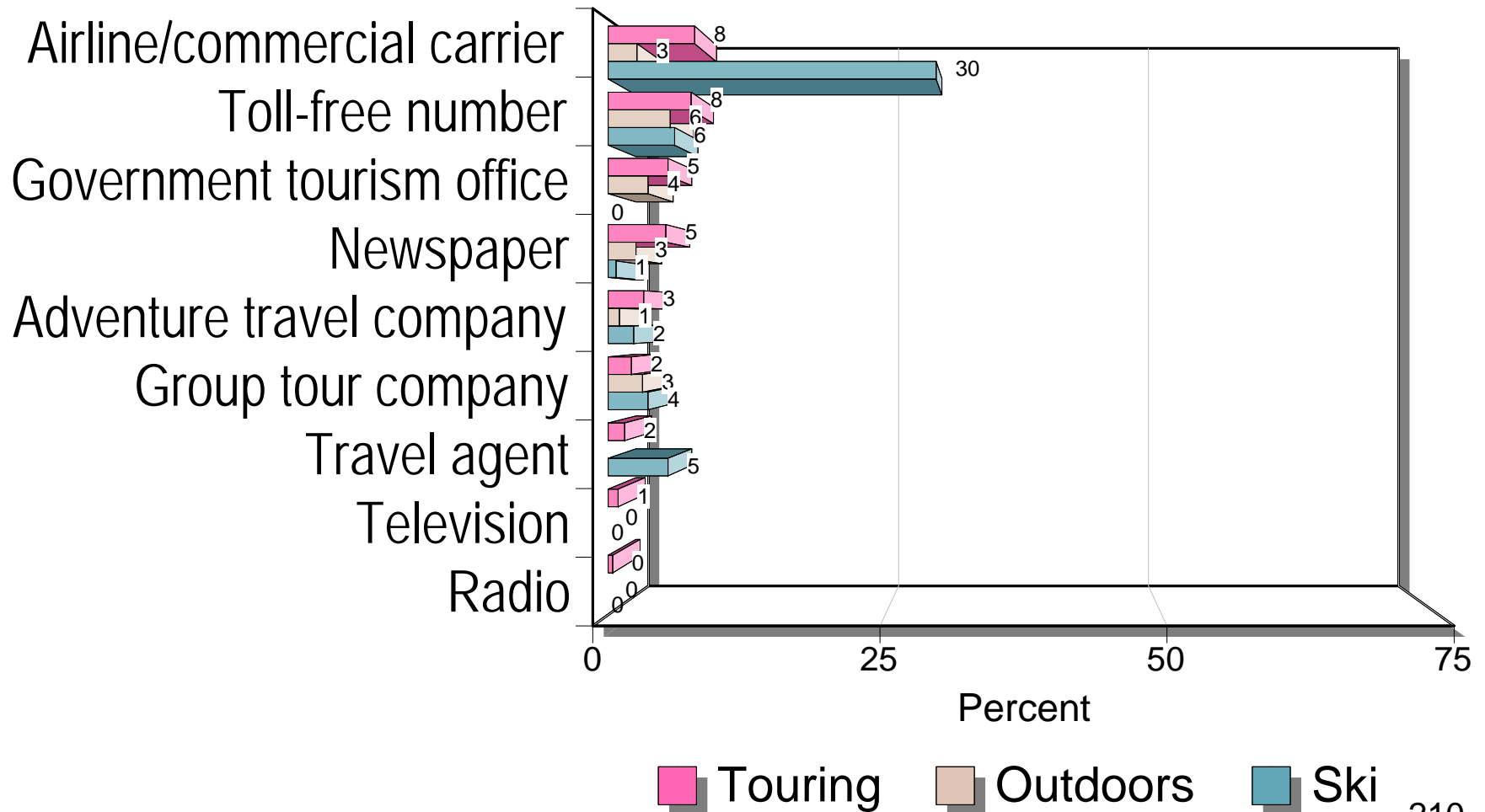




# Information Sources for Travel Planning



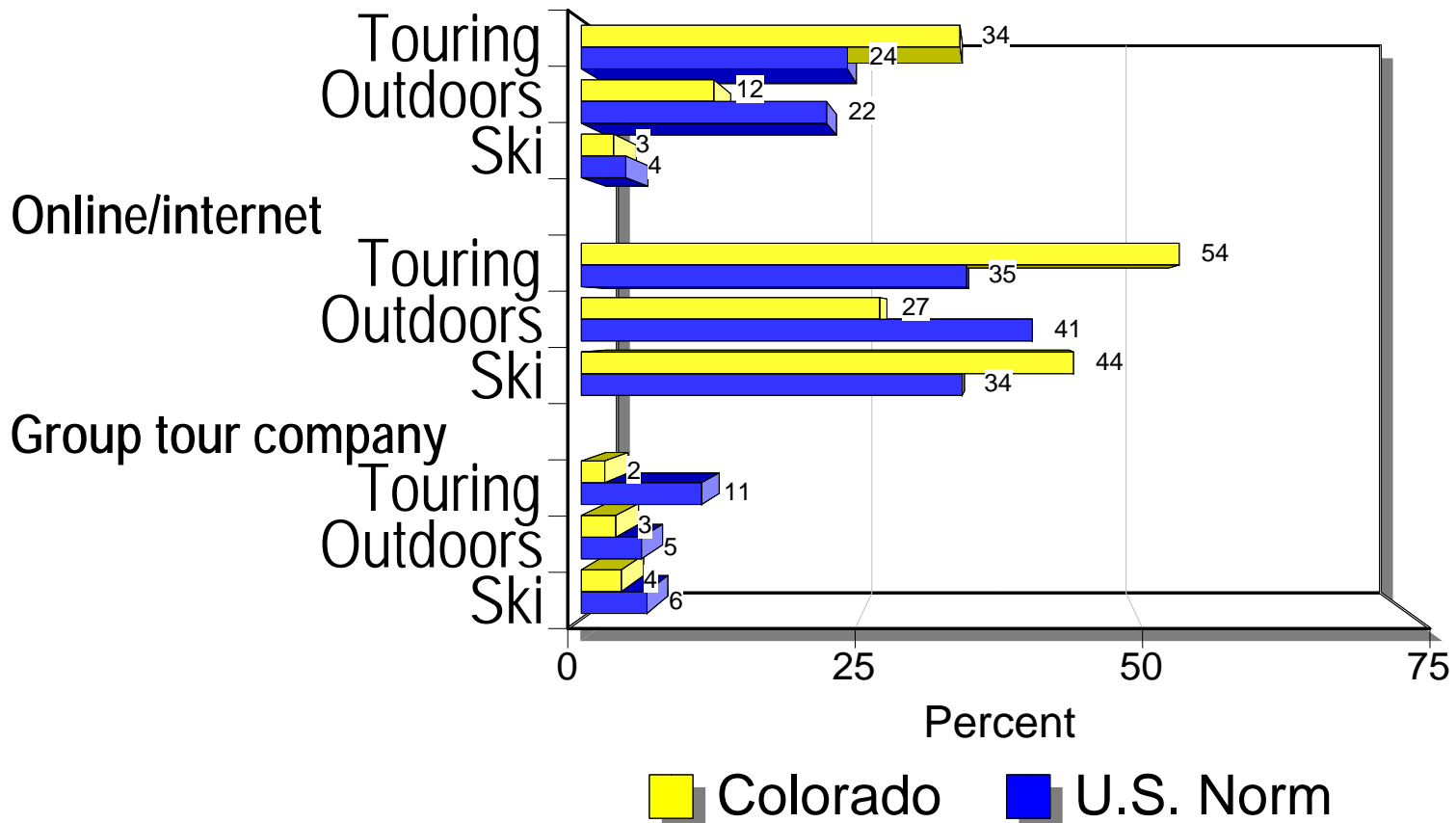
# Information Sources for Travel Planning (Cont'd)



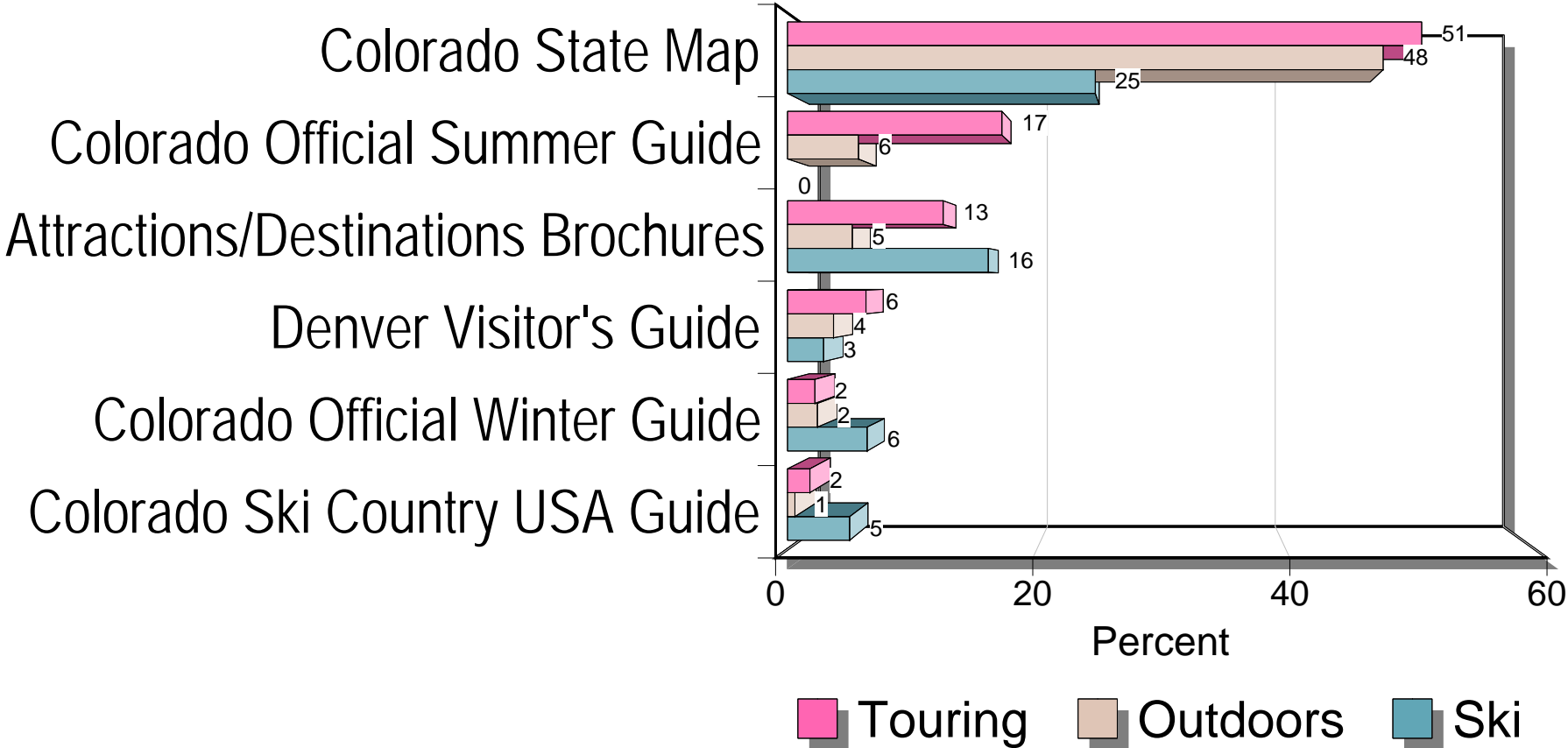
# Information Sources for Planning vs. U.S. Norm



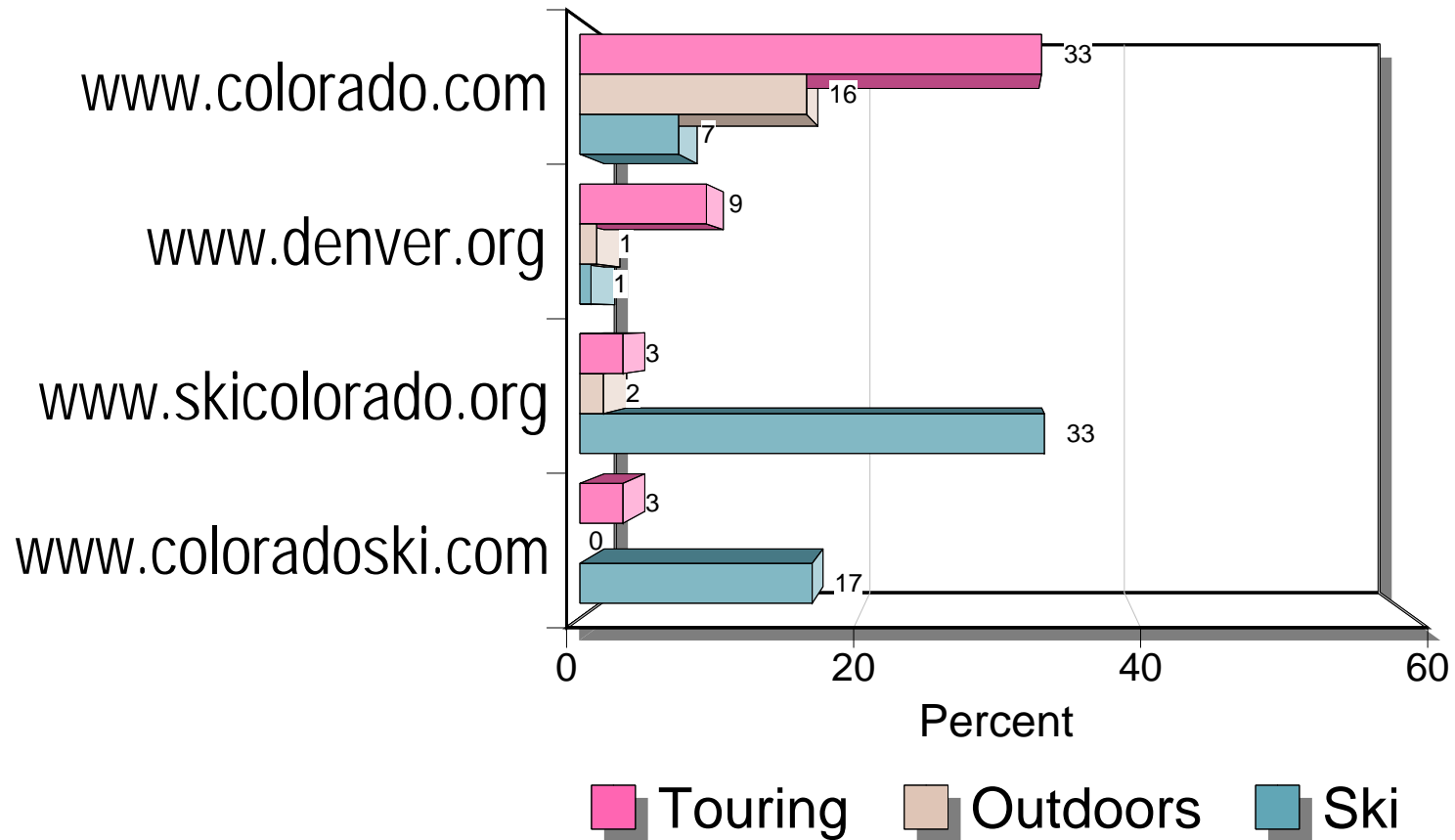
## Books



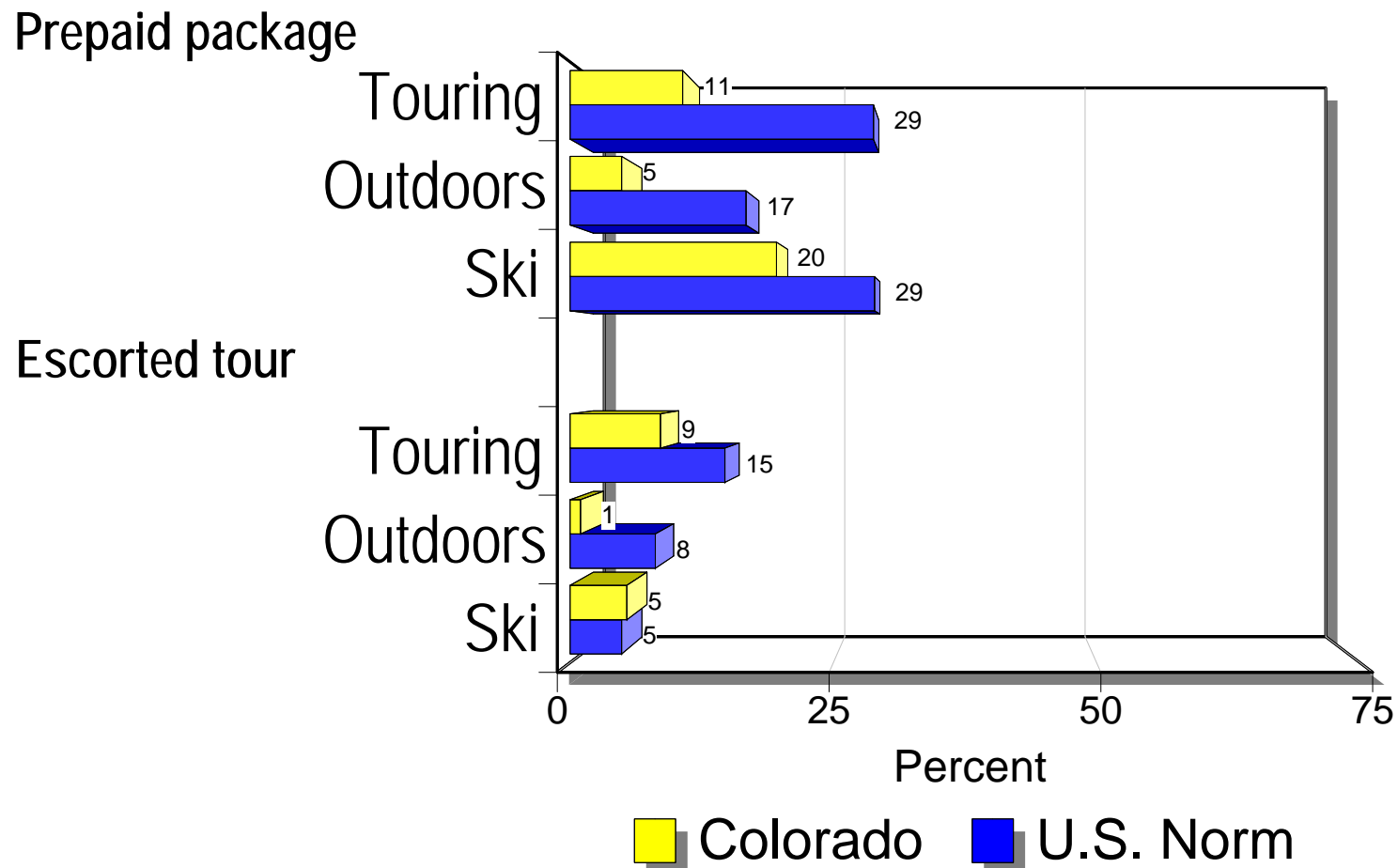
# Use of Official Publications



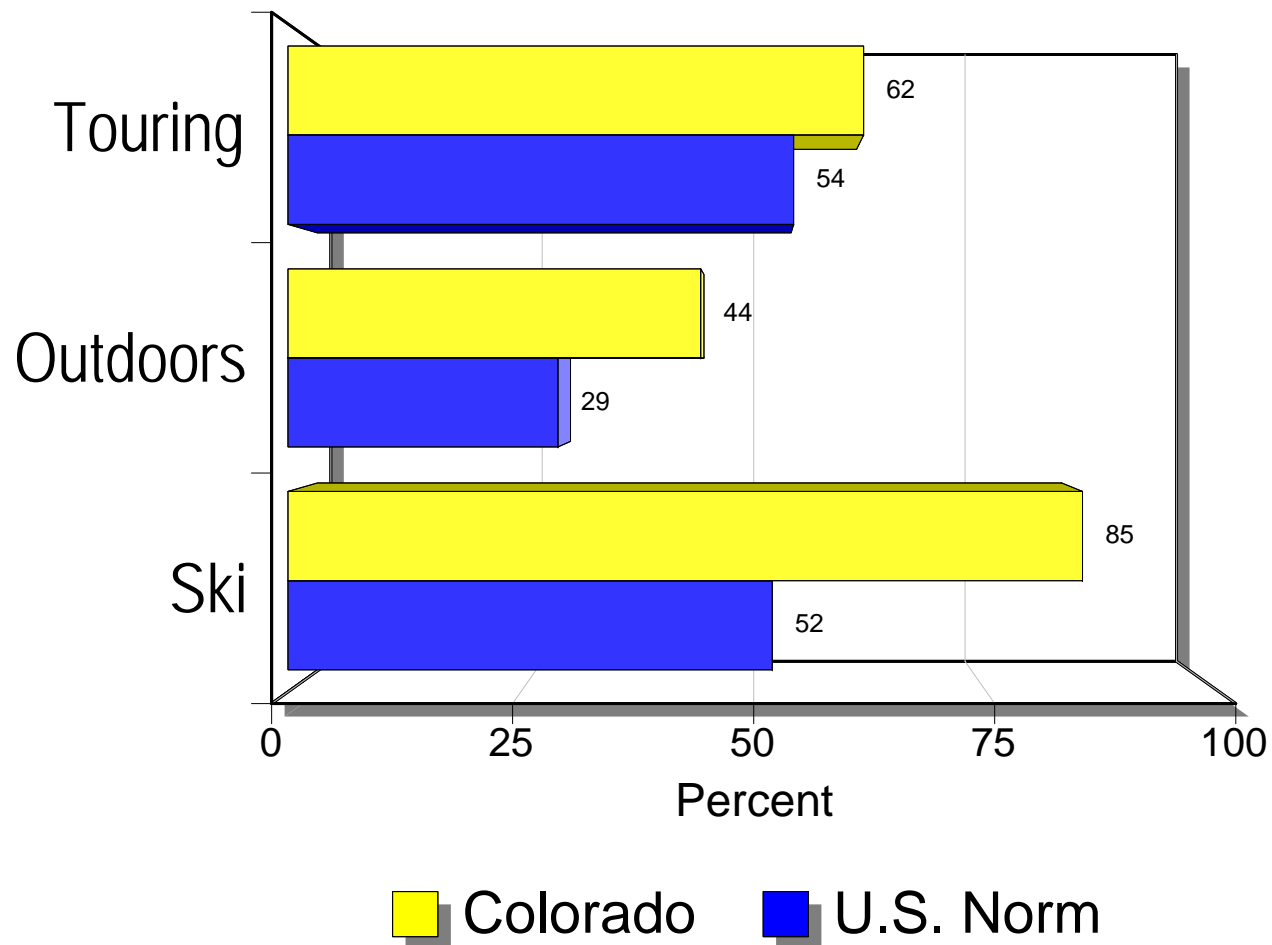
# Use of Websites



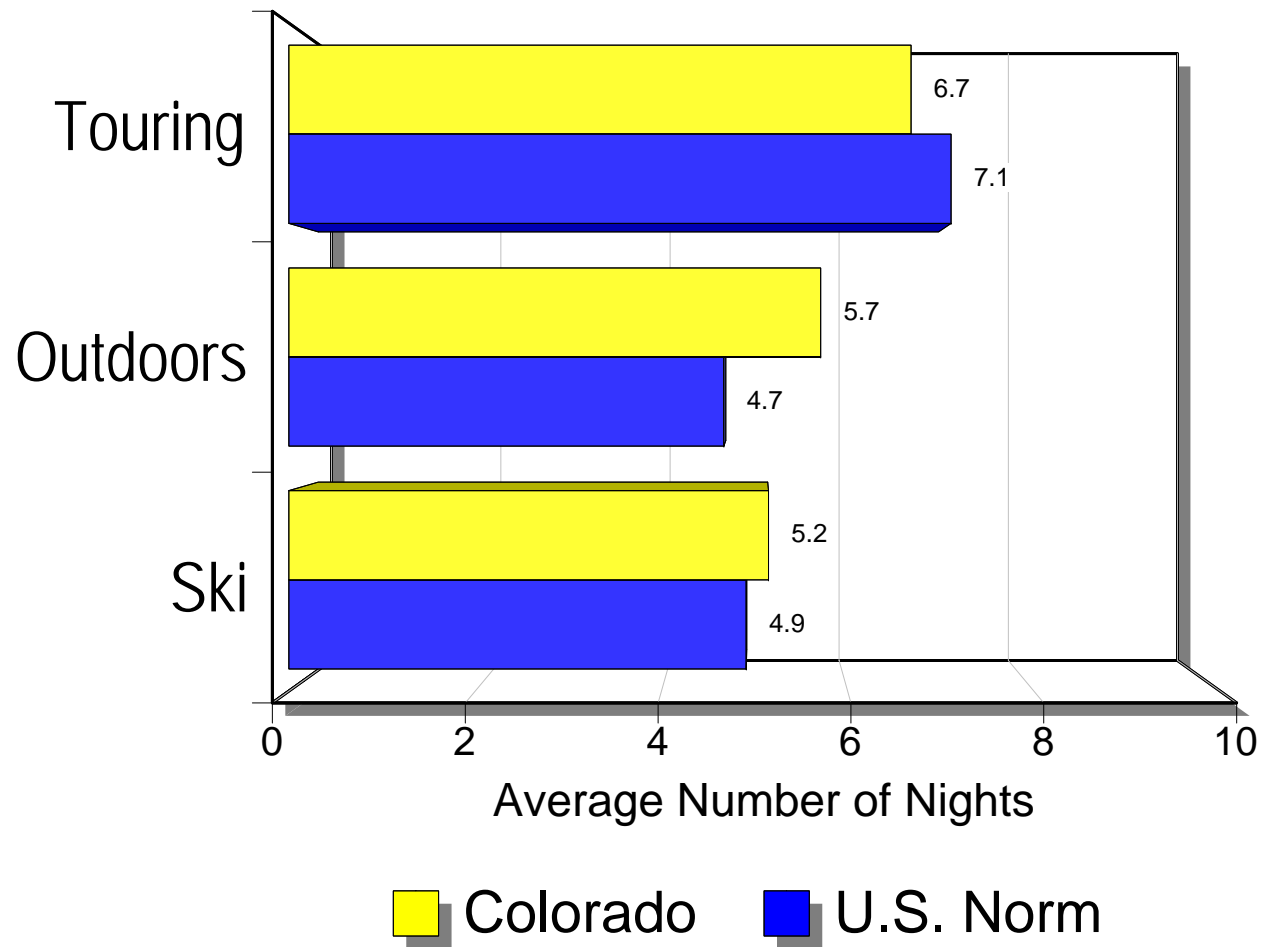
# Use of Packages & Escorted Tours



# Percent Who Traveled 500+ Miles to Destination

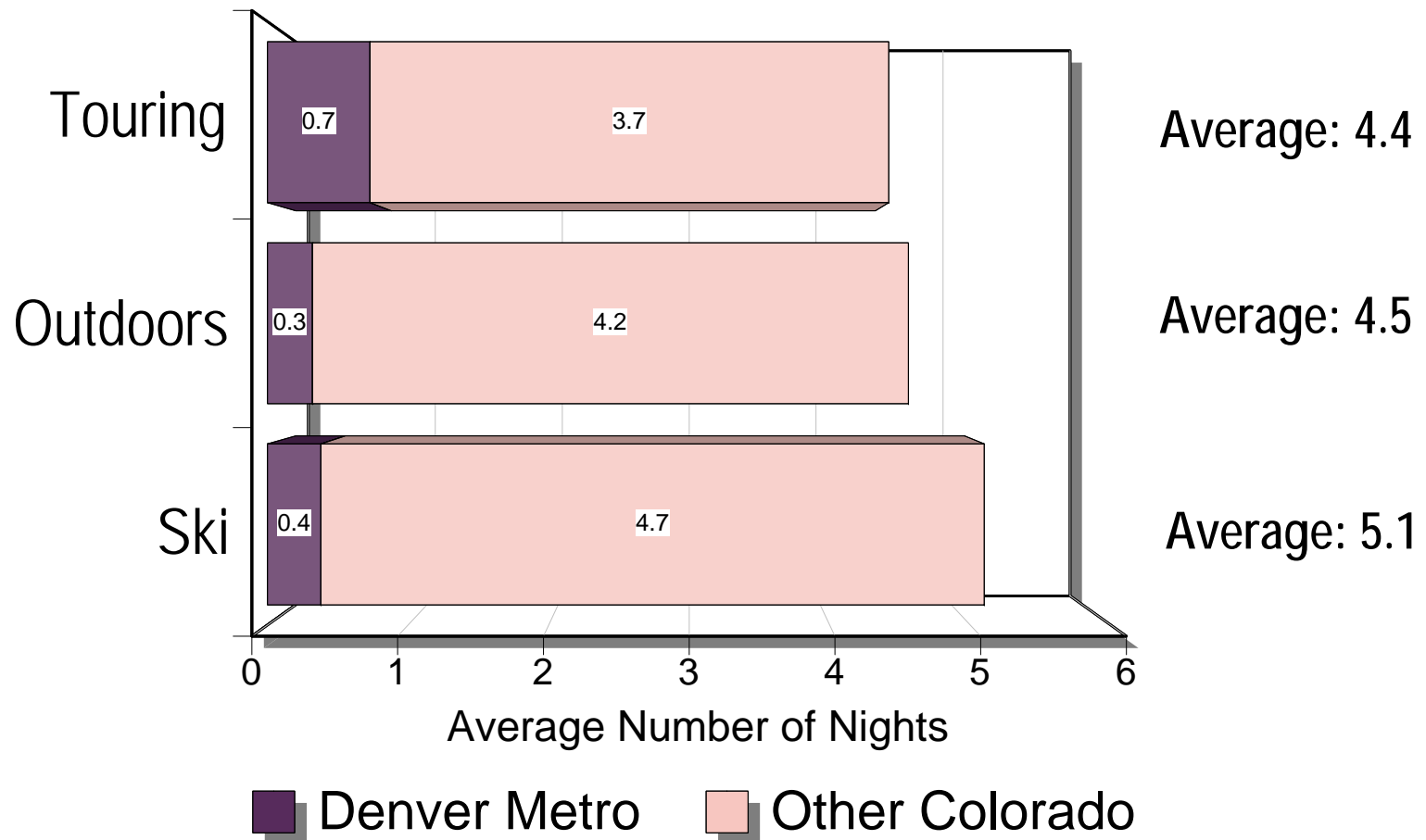


# Length of Trip

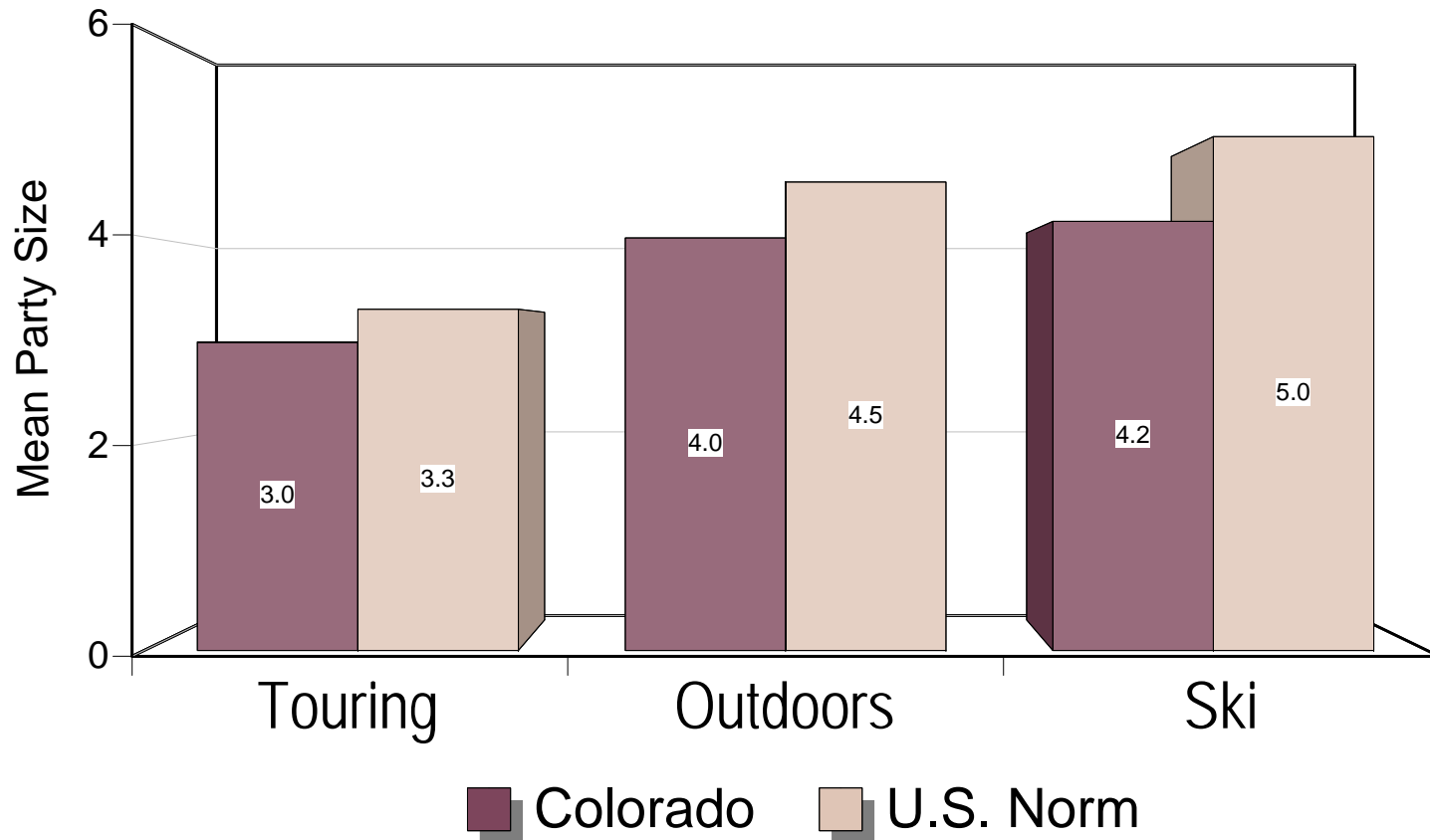




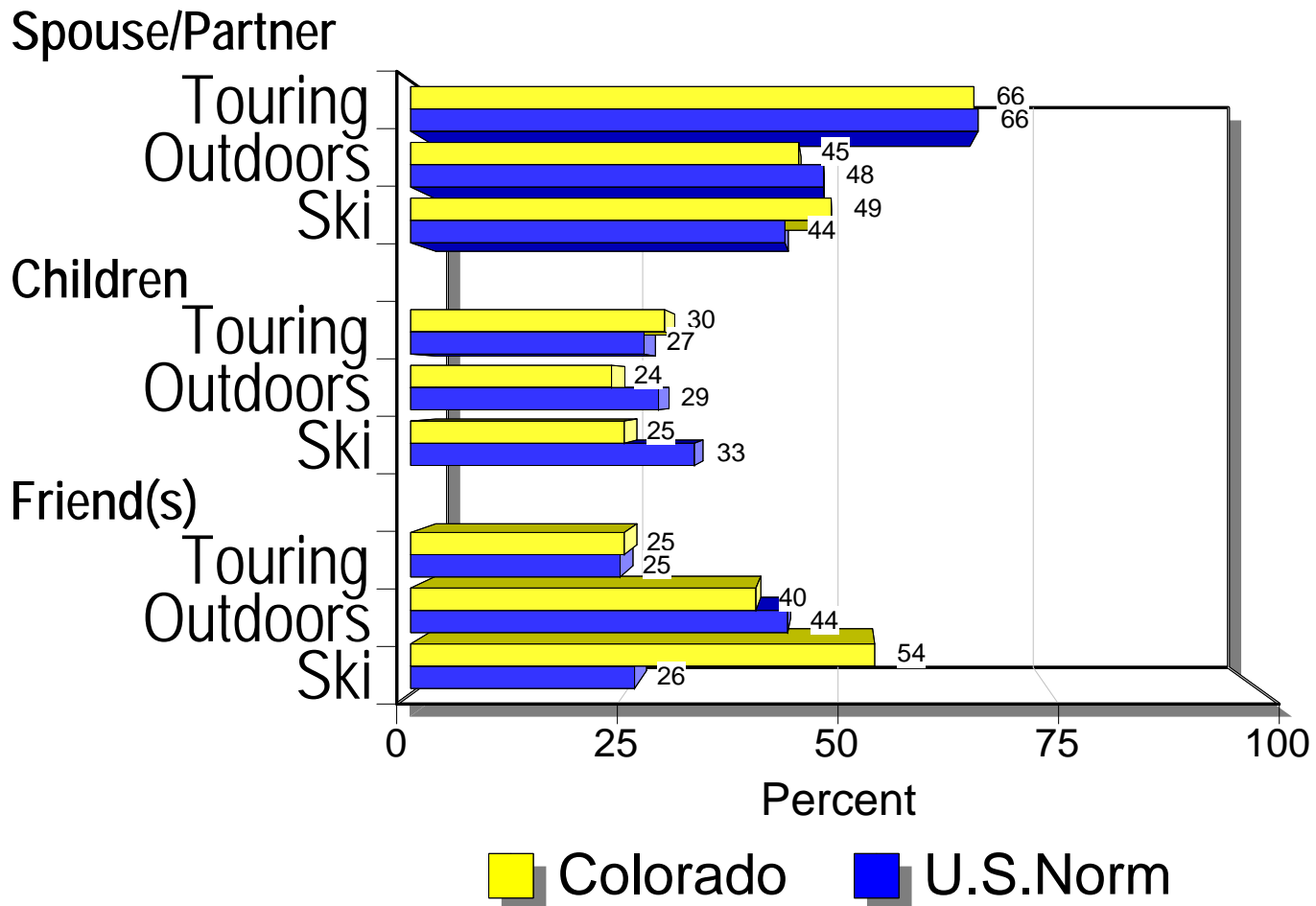
# Number of Nights in Colorado



# Size of the Travel Party



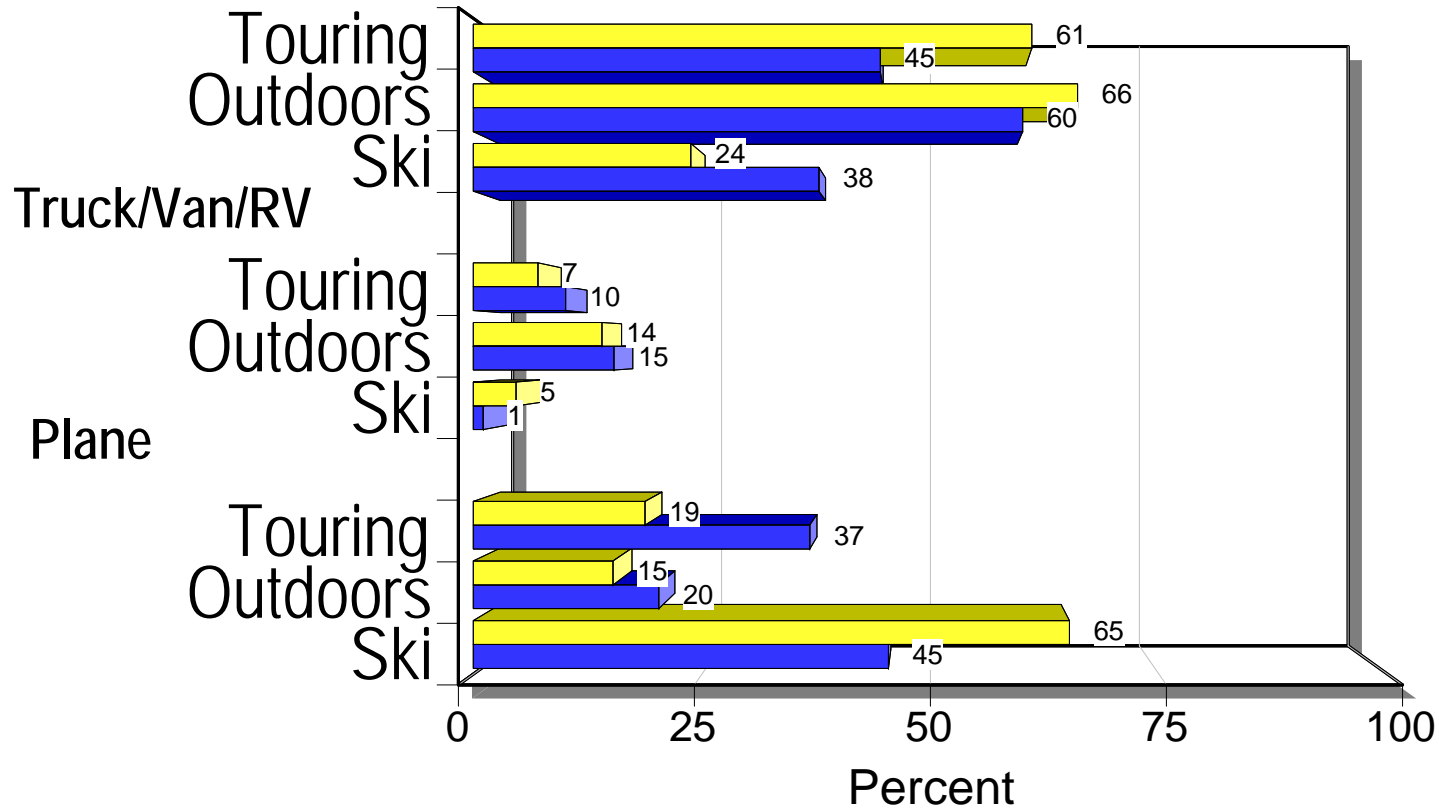
# Party Composition



# Transportation Used to Enter State



## Own/Friend's Car



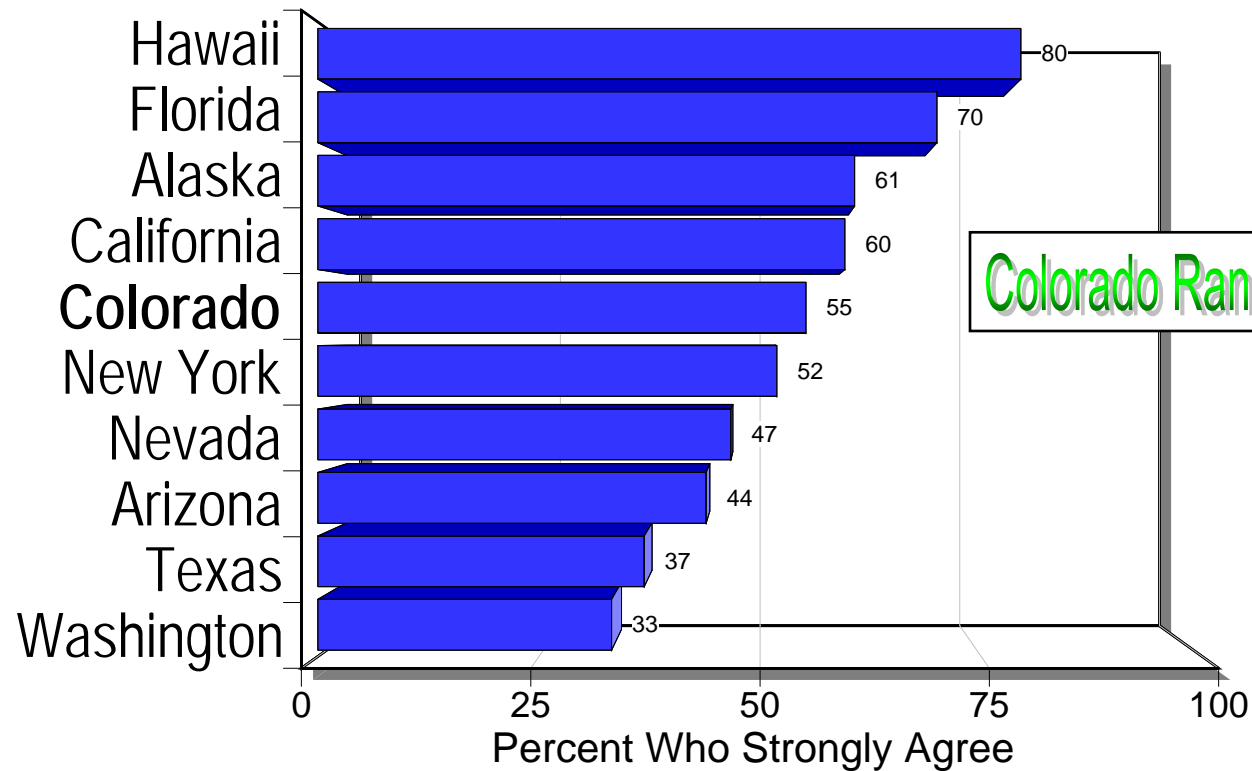
Colorado
  U.S. Norm

# Destination Interest, Image & Motivators

# U.S. Dream Destinations



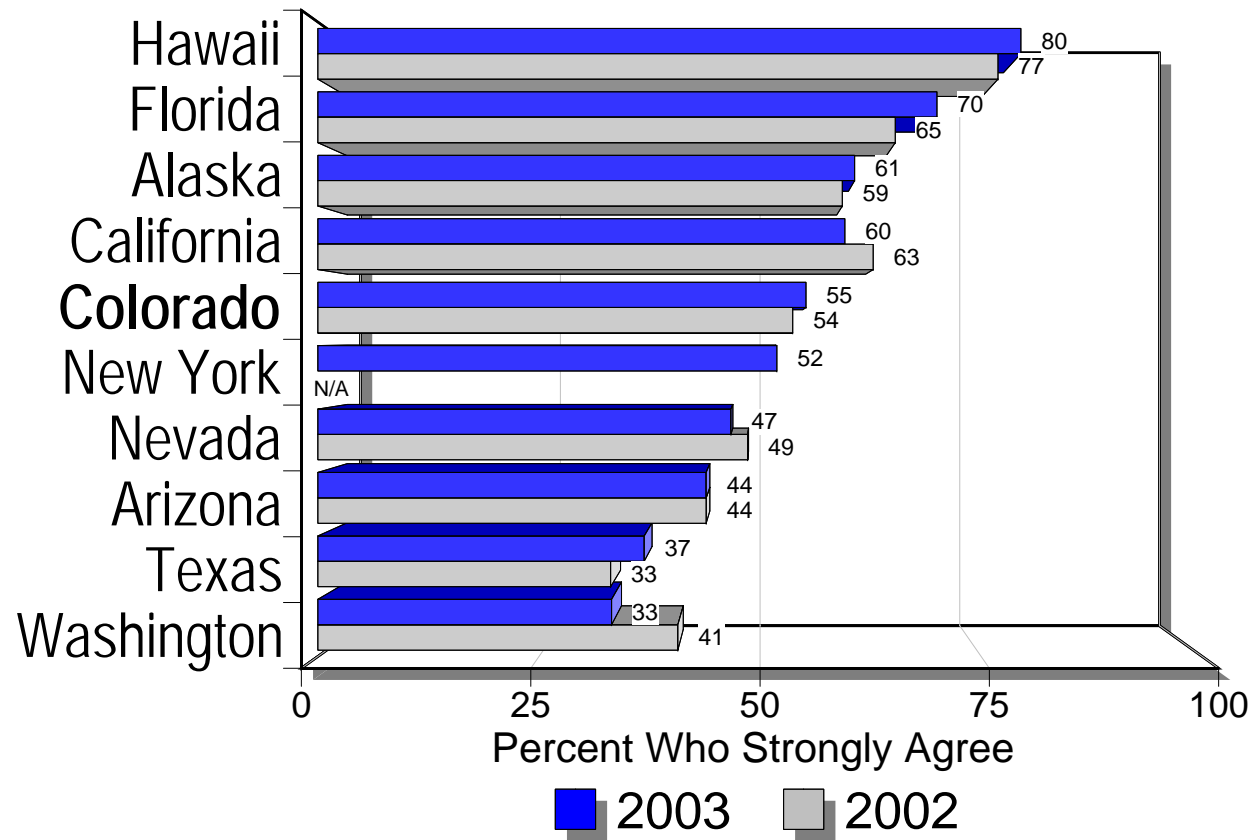
## “Would Enjoy Visiting”



# U.S. Dream Destinations – 2003 vs. 2002



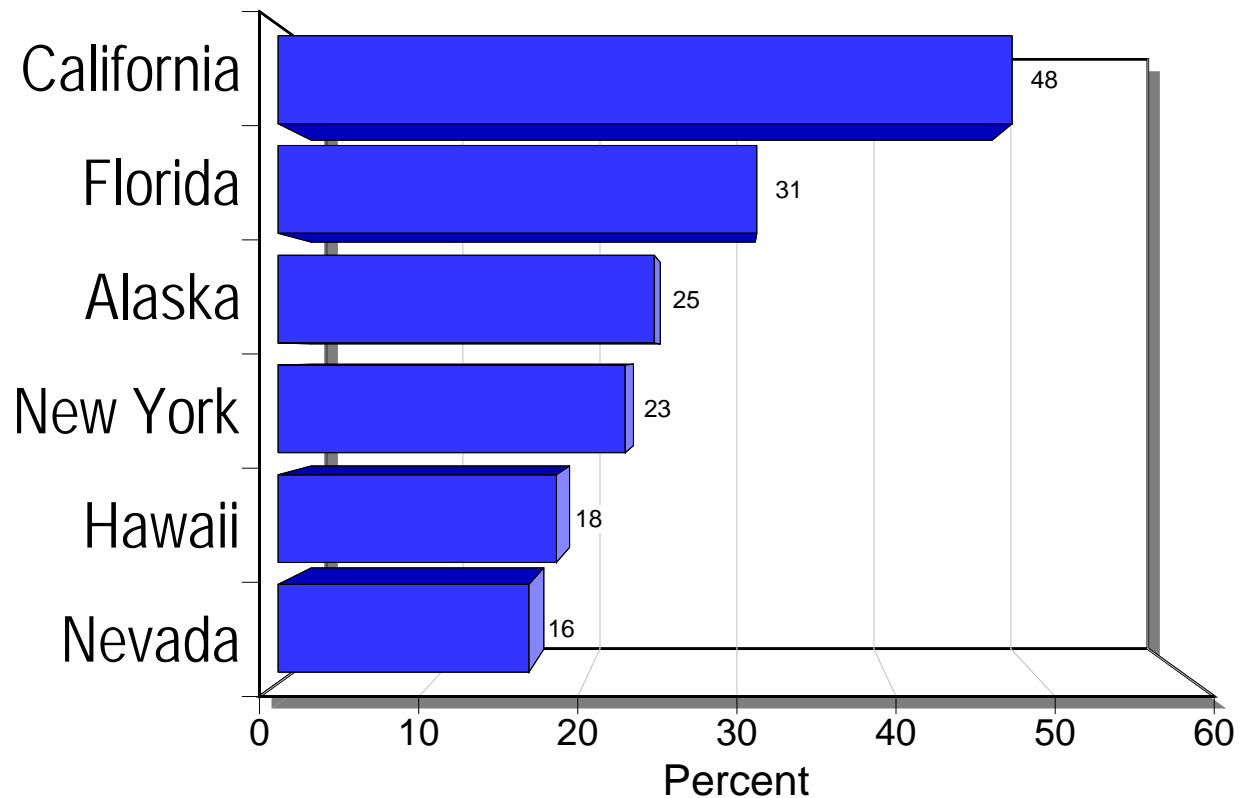
## “Would Enjoy Visiting”



# Colorado's Most Important Competition



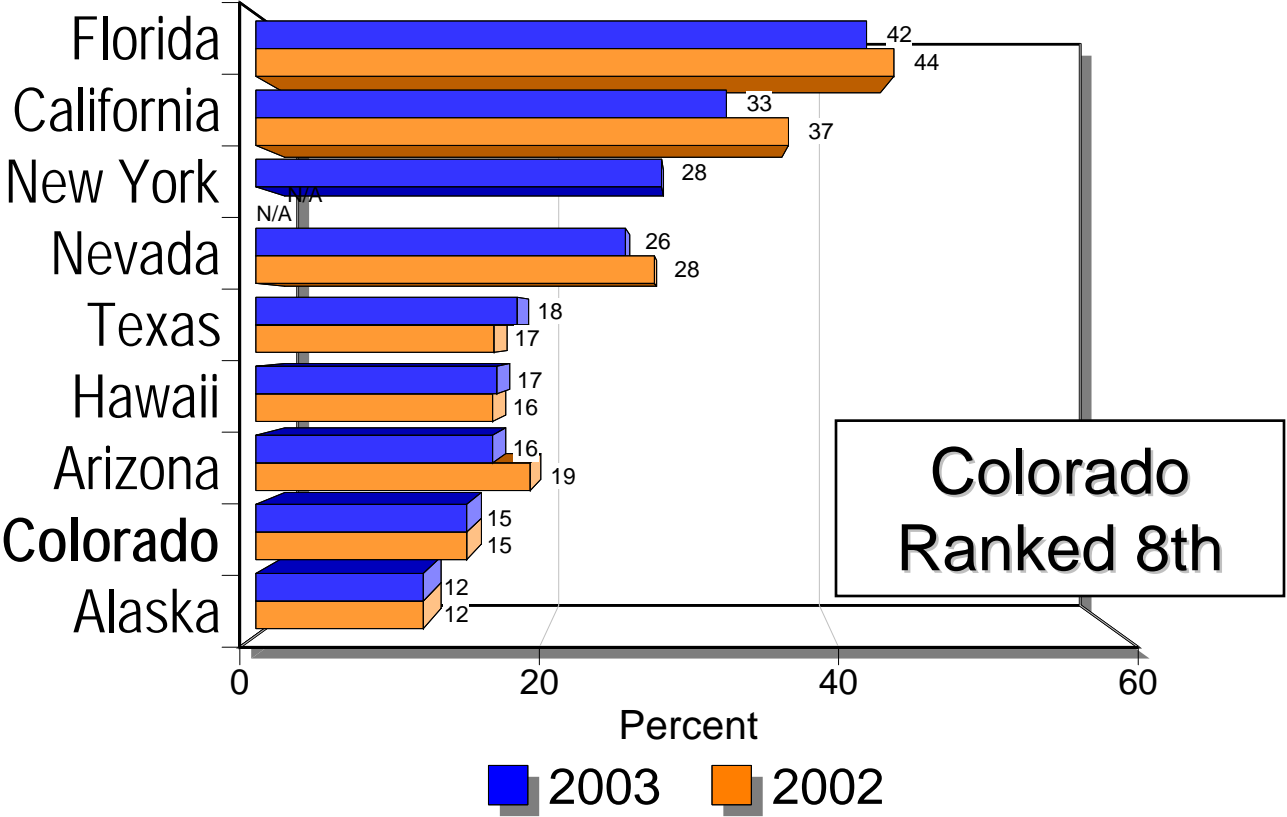
## Other Destinations Favored by Potential Colorado Visitors



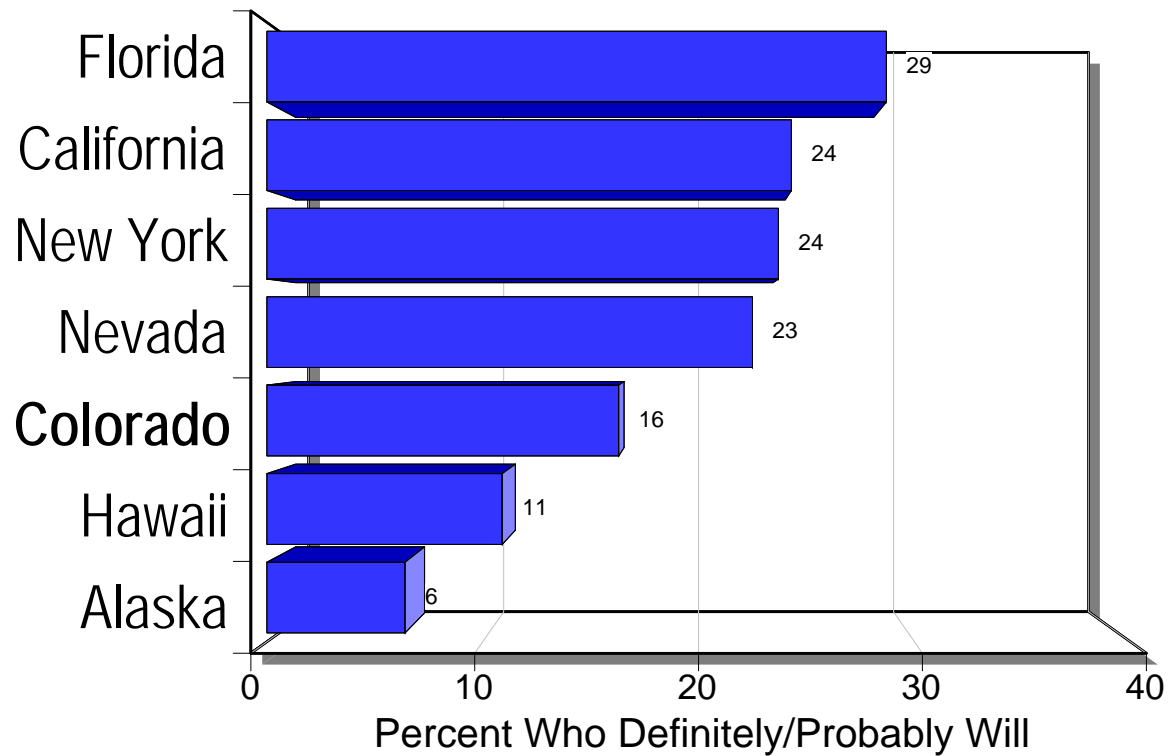
Base: Intend a Trip to Colorado in Next 2 Years



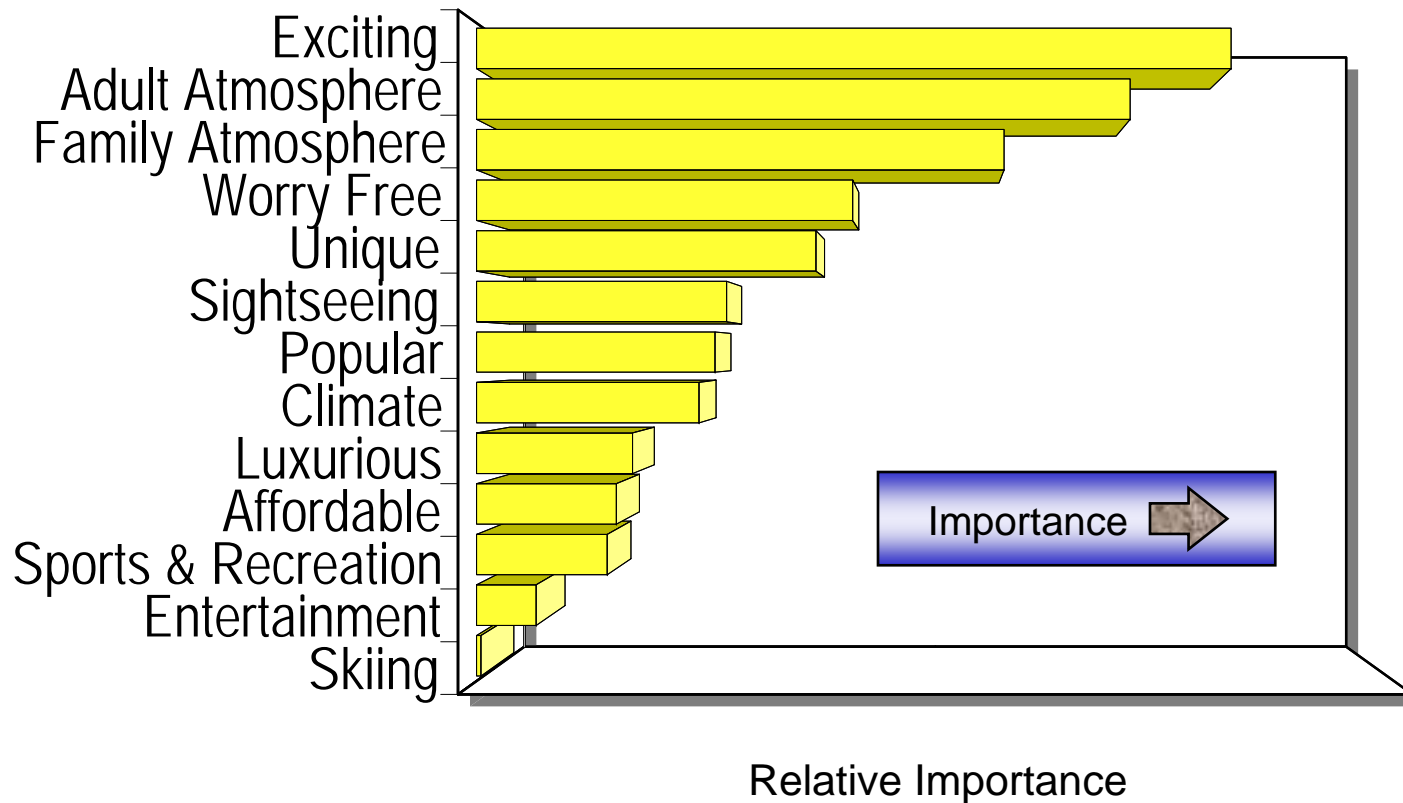
# Intended Trips in Next 2 Years



# Intended Trips To Selected Destinations In The Next 12 Months



# Travel Motivators – What’s Important in Getting on the Destination Wish List



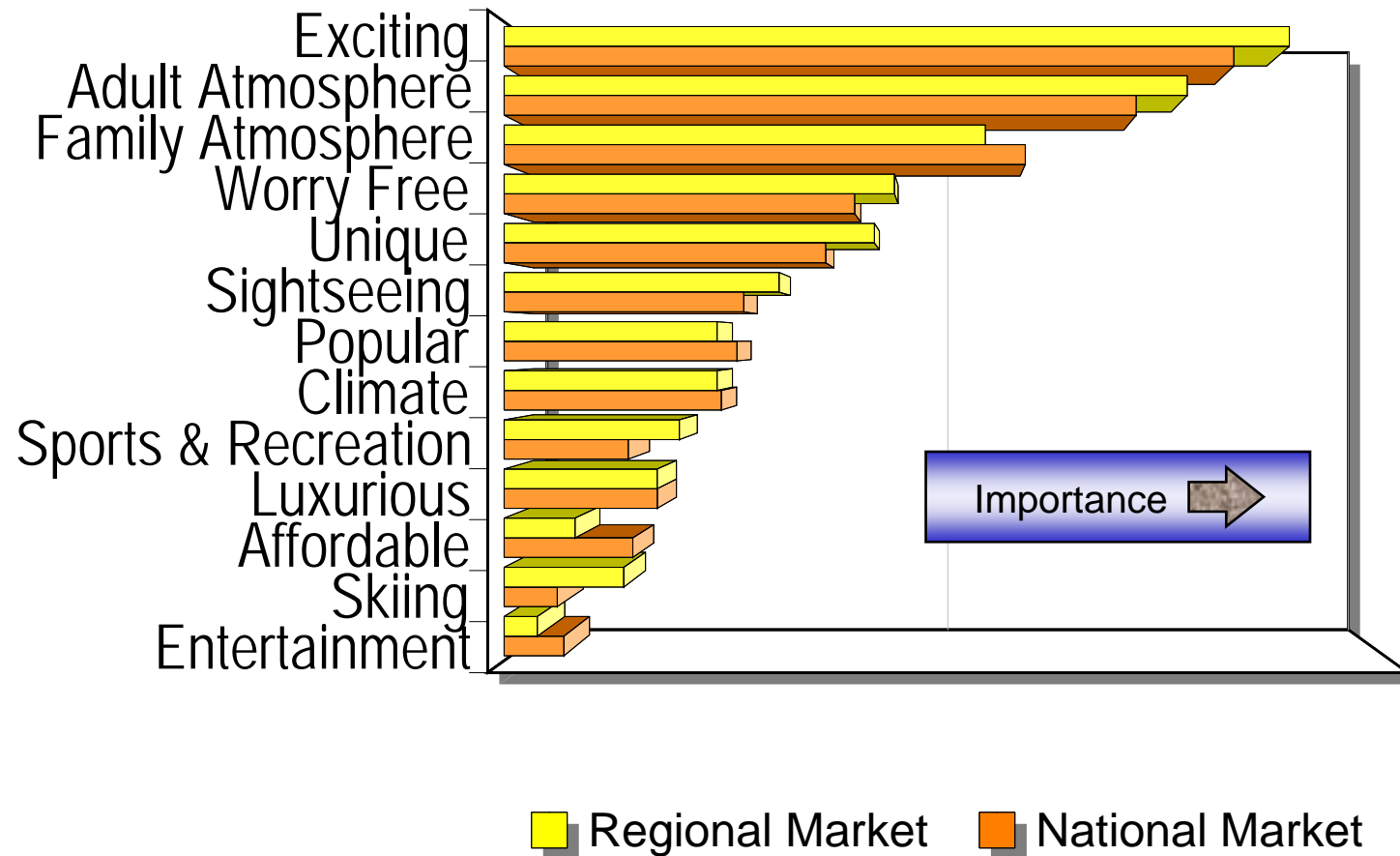
•A measure of the degree of association between each factor and whether a destination is a place “I would really enjoy visiting.”

# Most Important Individual Dimensions

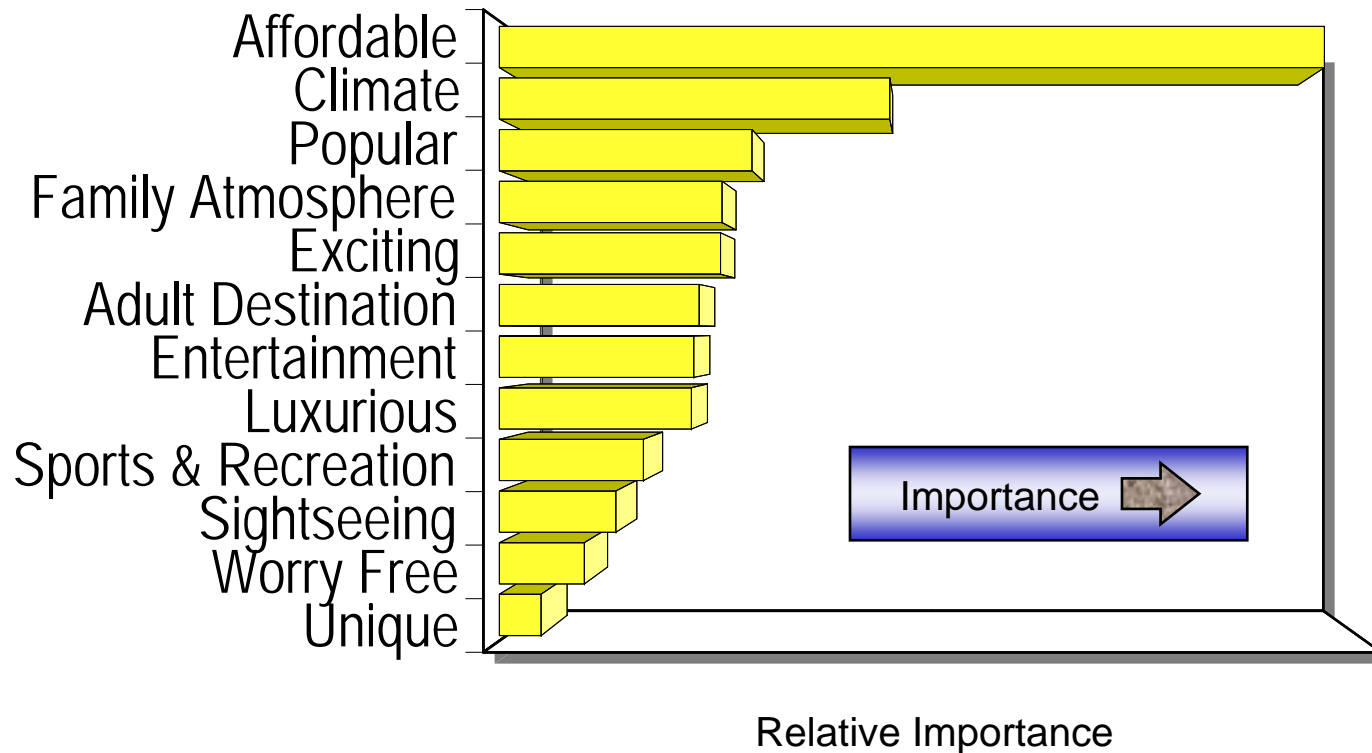


1. A fun place for a vacation
2. Must see destination
3. Good for couples
4. Good for adult vacation
5. Good for families
6. Unique vacation experience
7. An exciting place
8. Interesting place
9. Good place to relax
10. A real adventure
11. Children would enjoy
12. Safe in tourist areas
13. Great for walking/strolling about
14. Lots to see and do
15. Warm, friendly people

# Travel Motivators — by Market

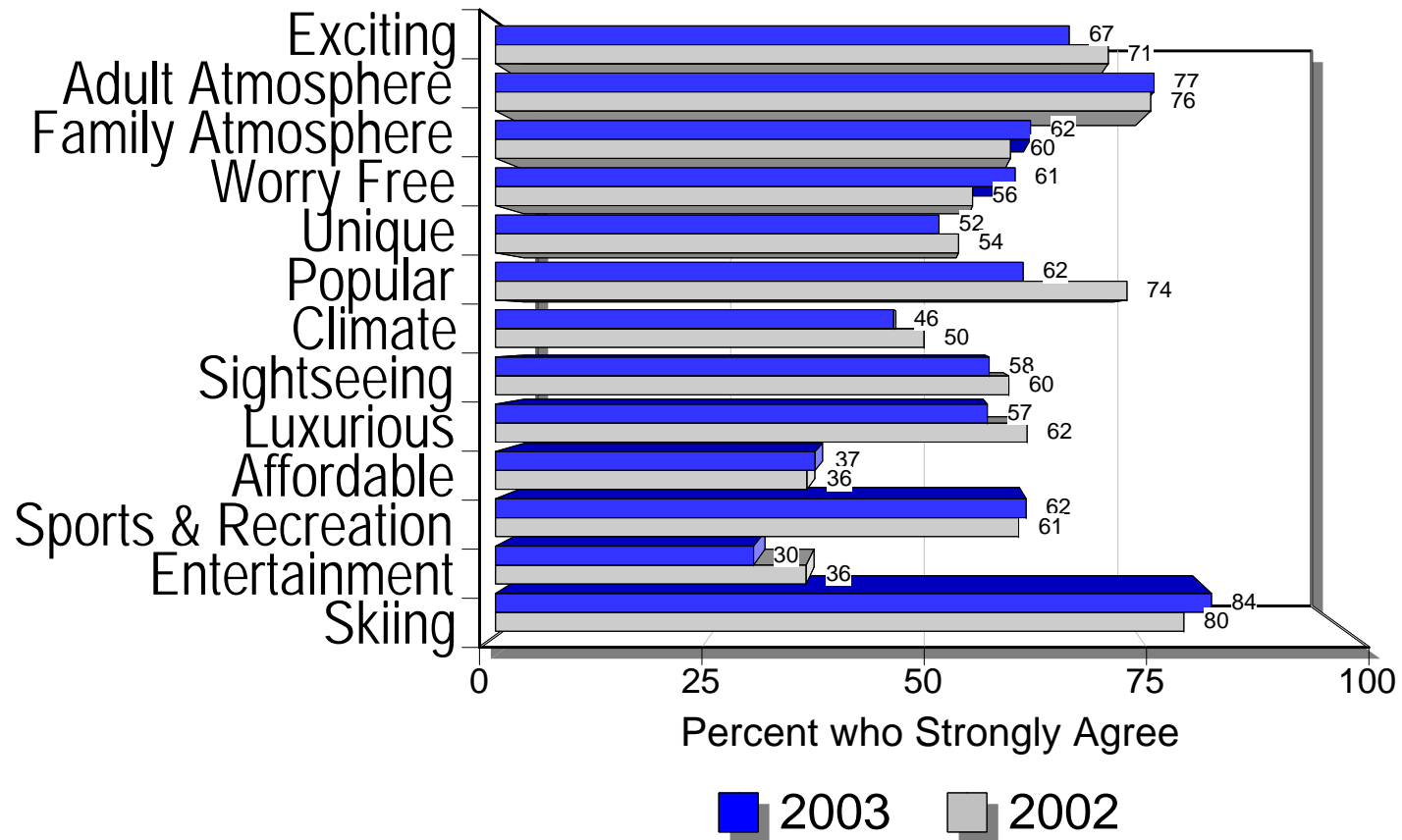


# Motivators for Closing the Sale



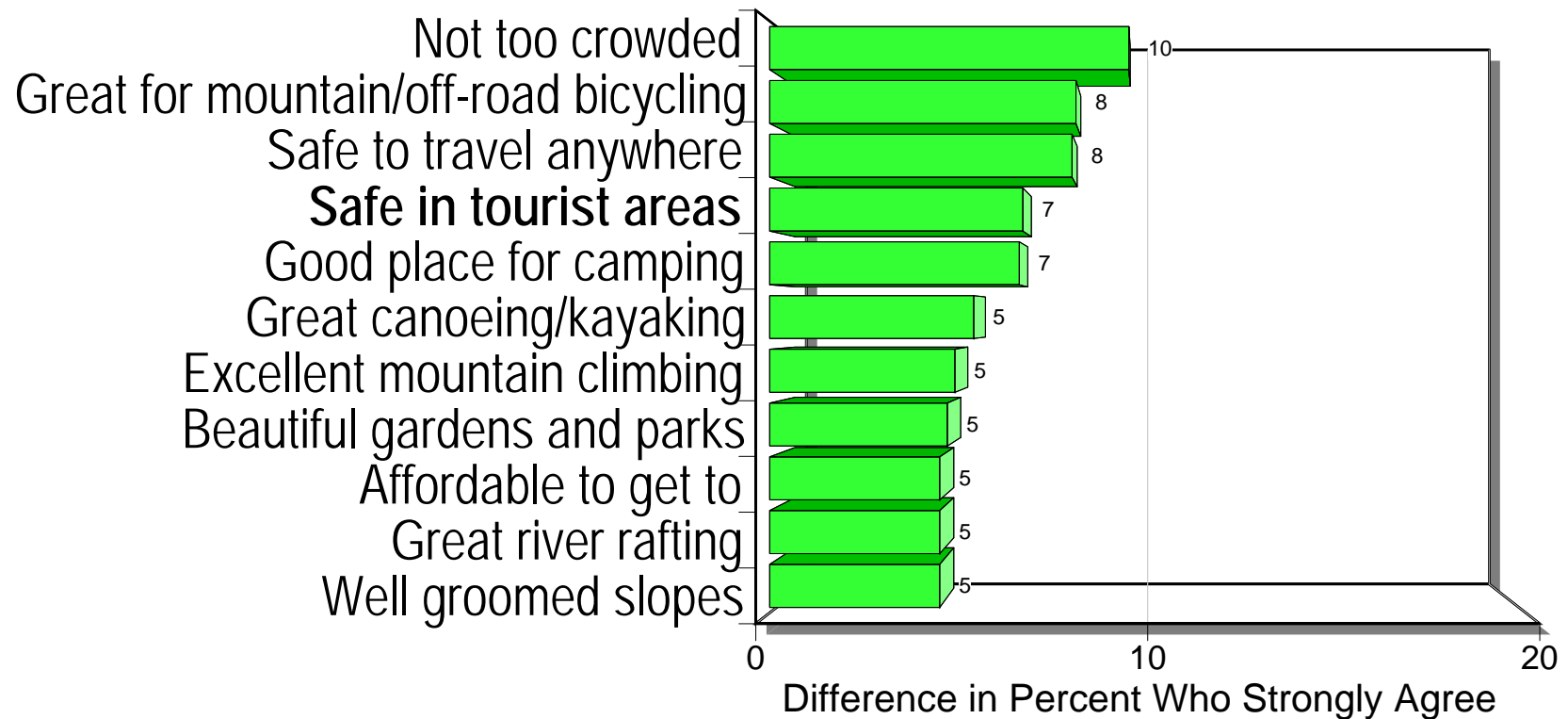
# Colorado's Image

# Colorado's Image — 2003 vs. 2002



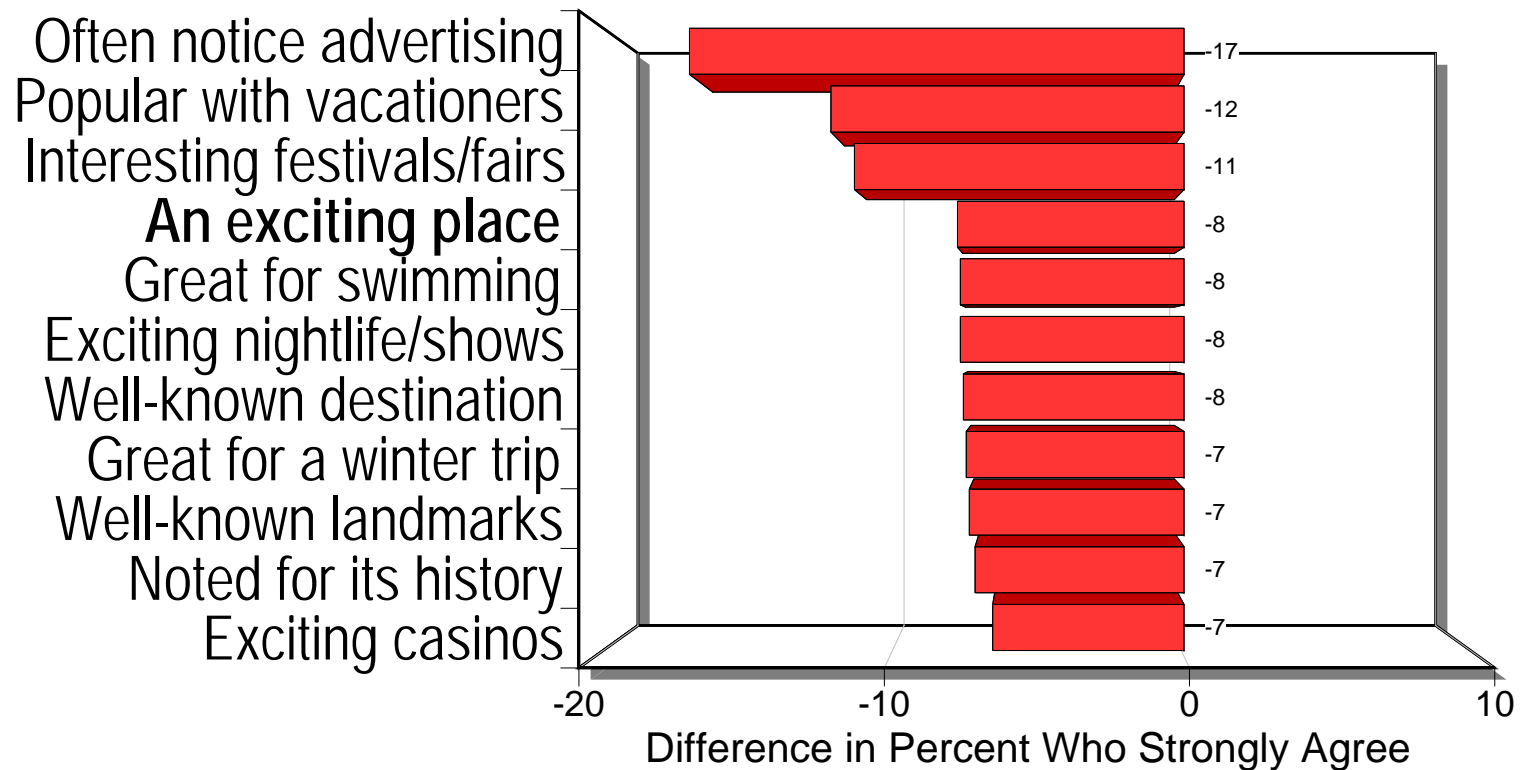


# Colorado's Image Gains vs. 2002



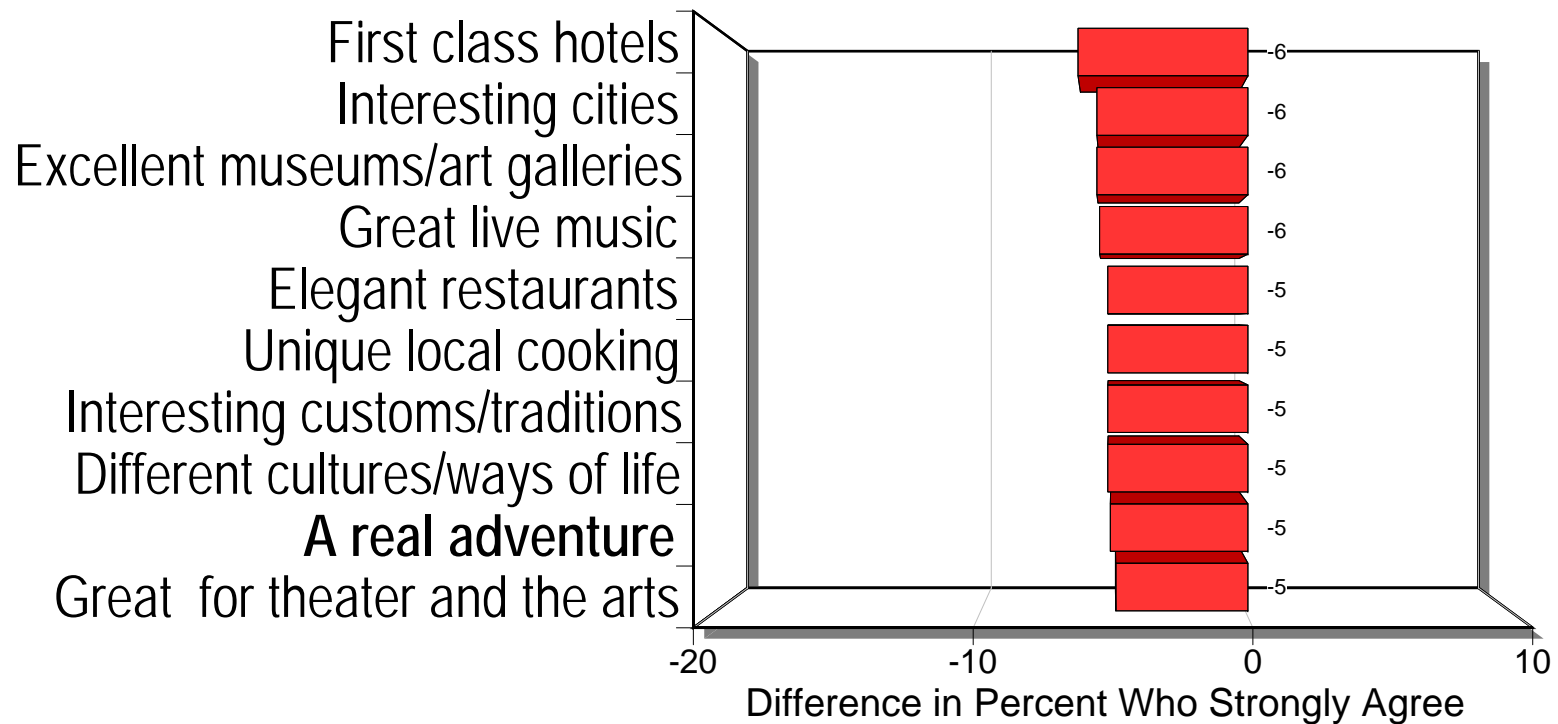
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image Losses vs. 2002



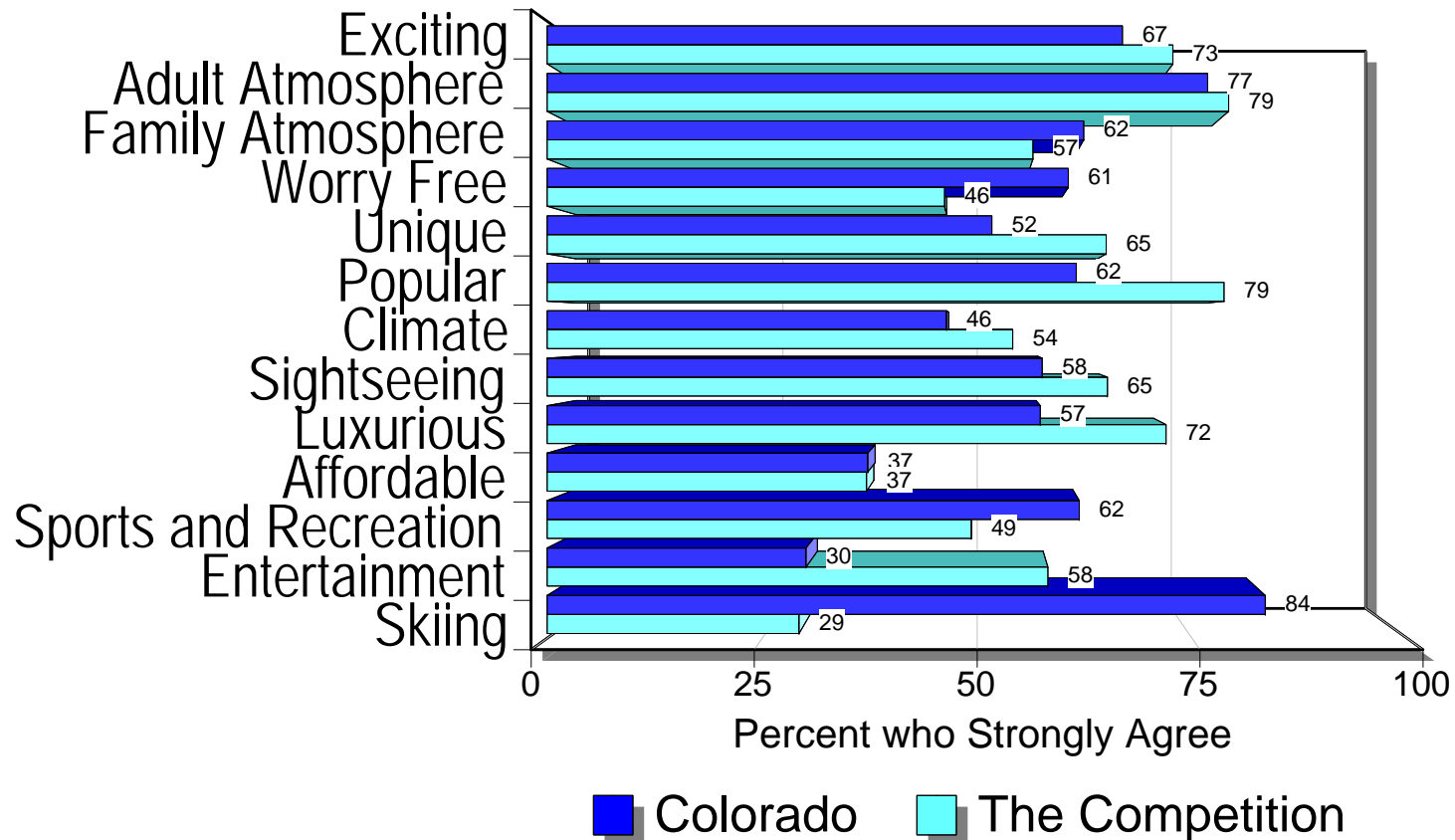
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image Losses vs. 2002 (Cont'd)



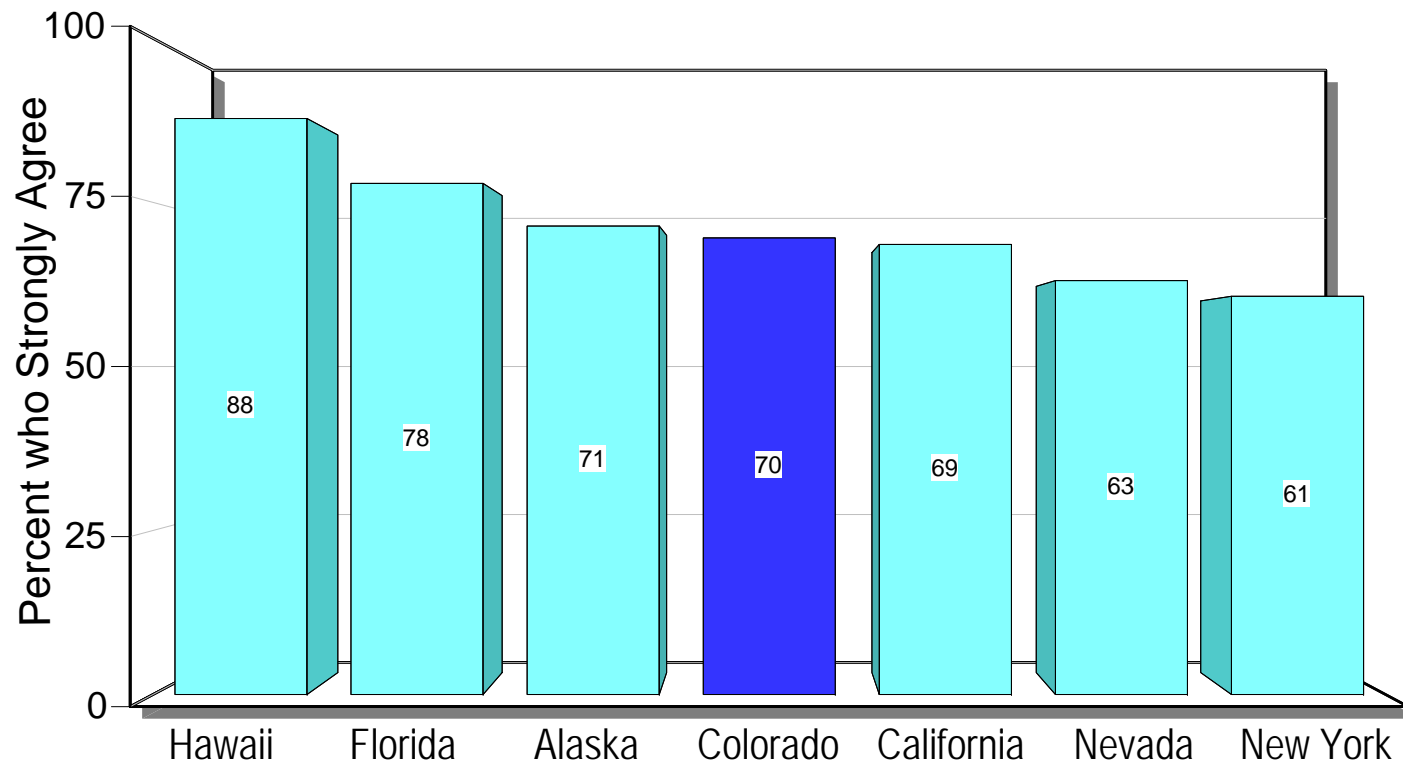
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image vs. The Competition\*

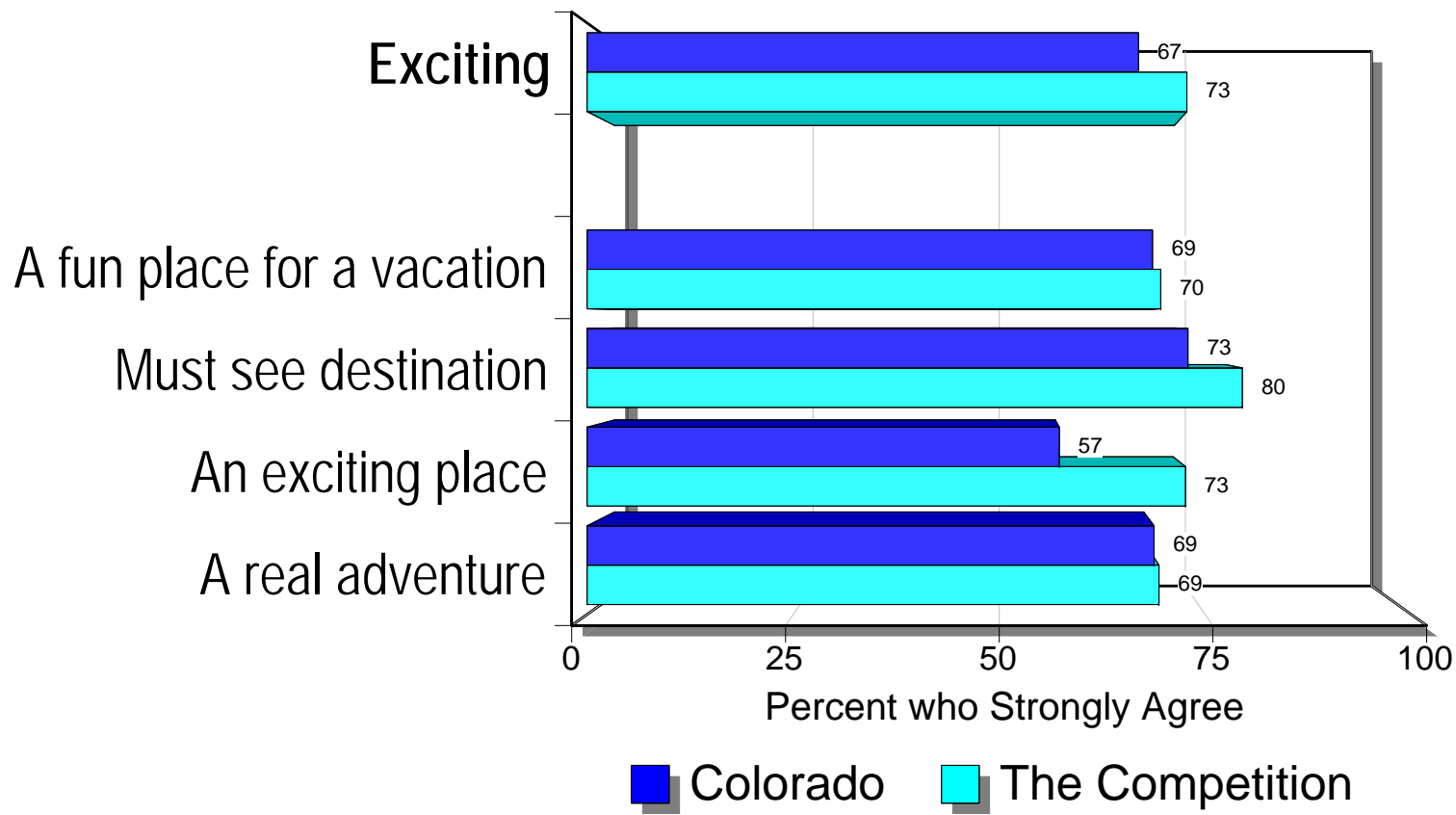


\* California, New York, Florida, Hawaii, Alaska and Nevada

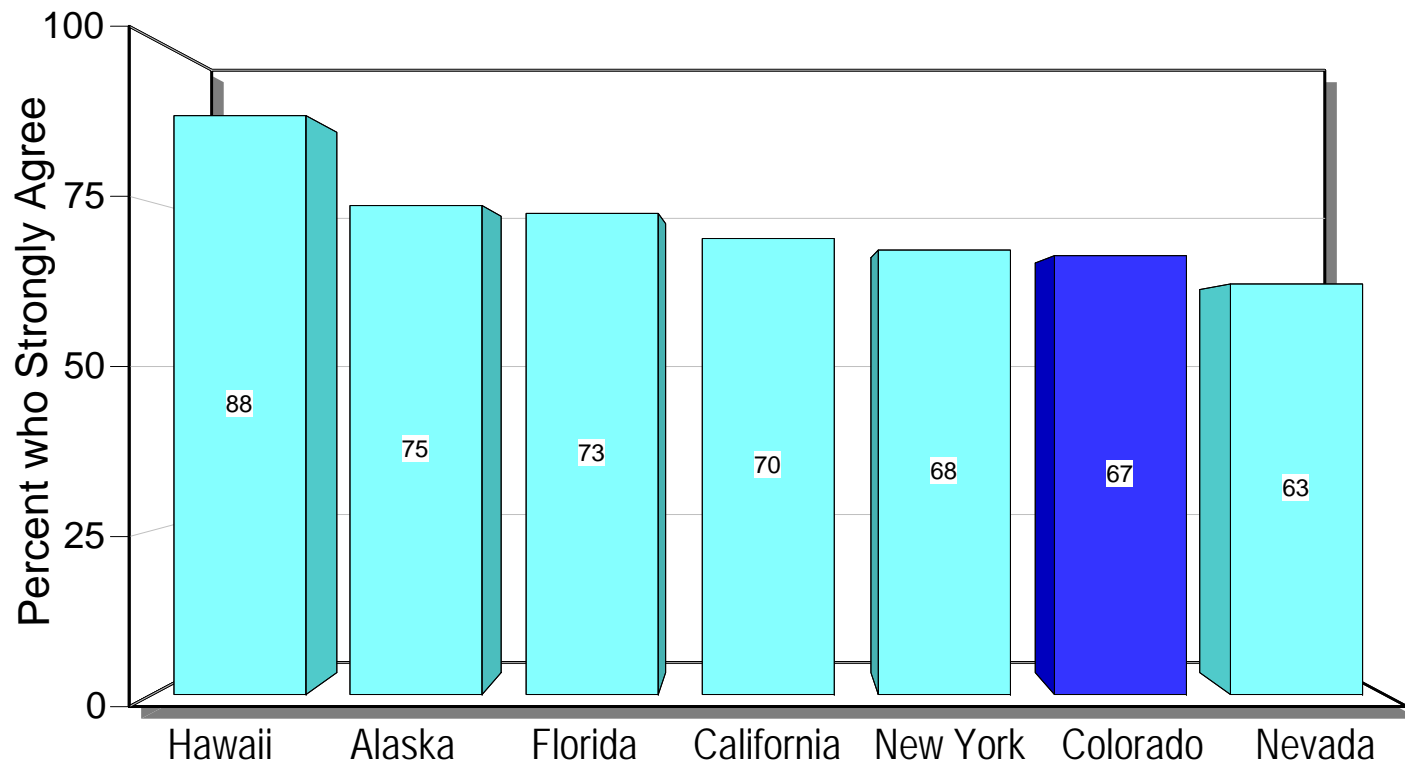
# Colorado's Overall Image — “A Place I Would Really Enjoy Visiting”



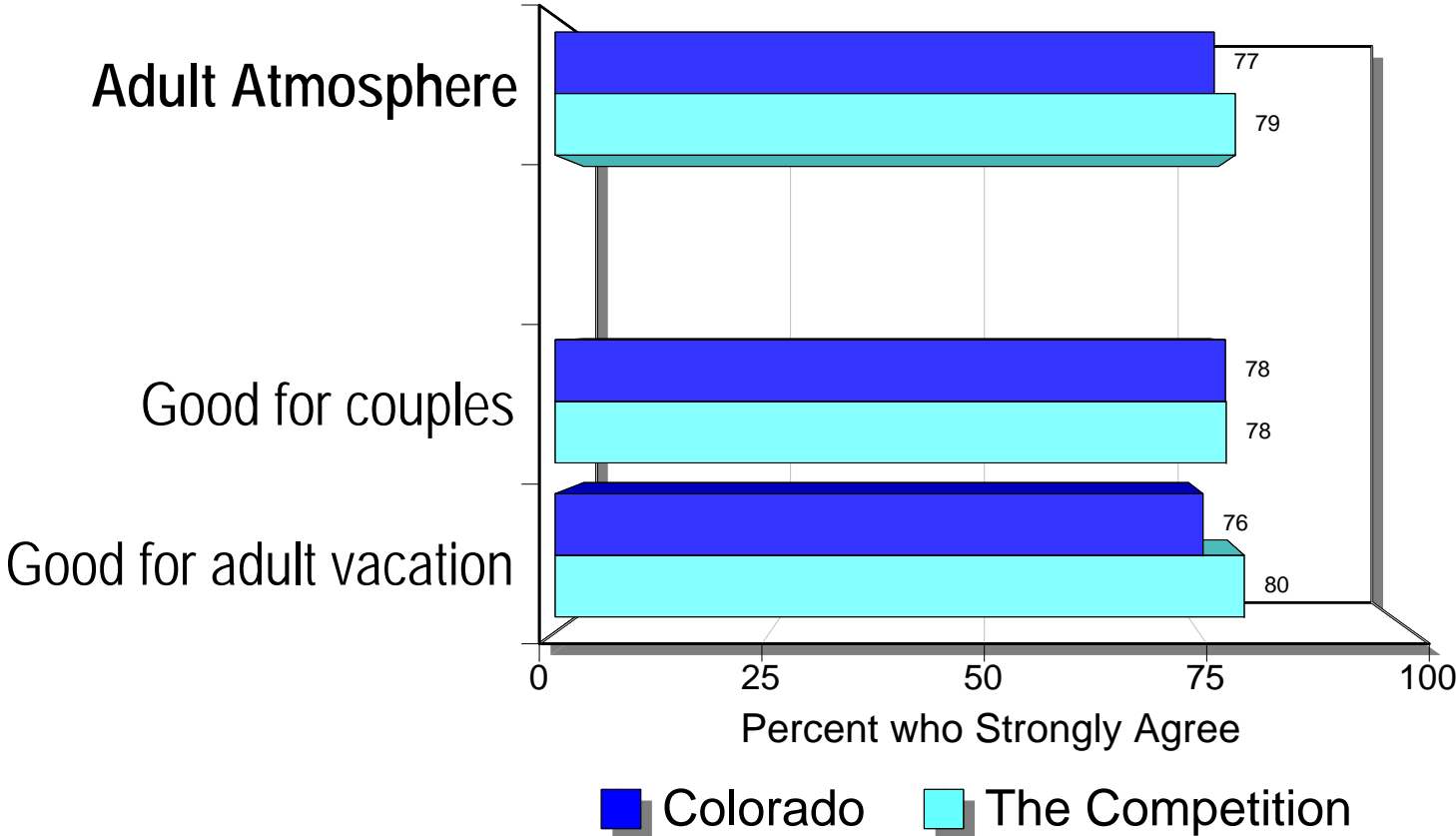
# Colorado's Image — Exciting



# Colorado's Image vs. The Competition — Exciting

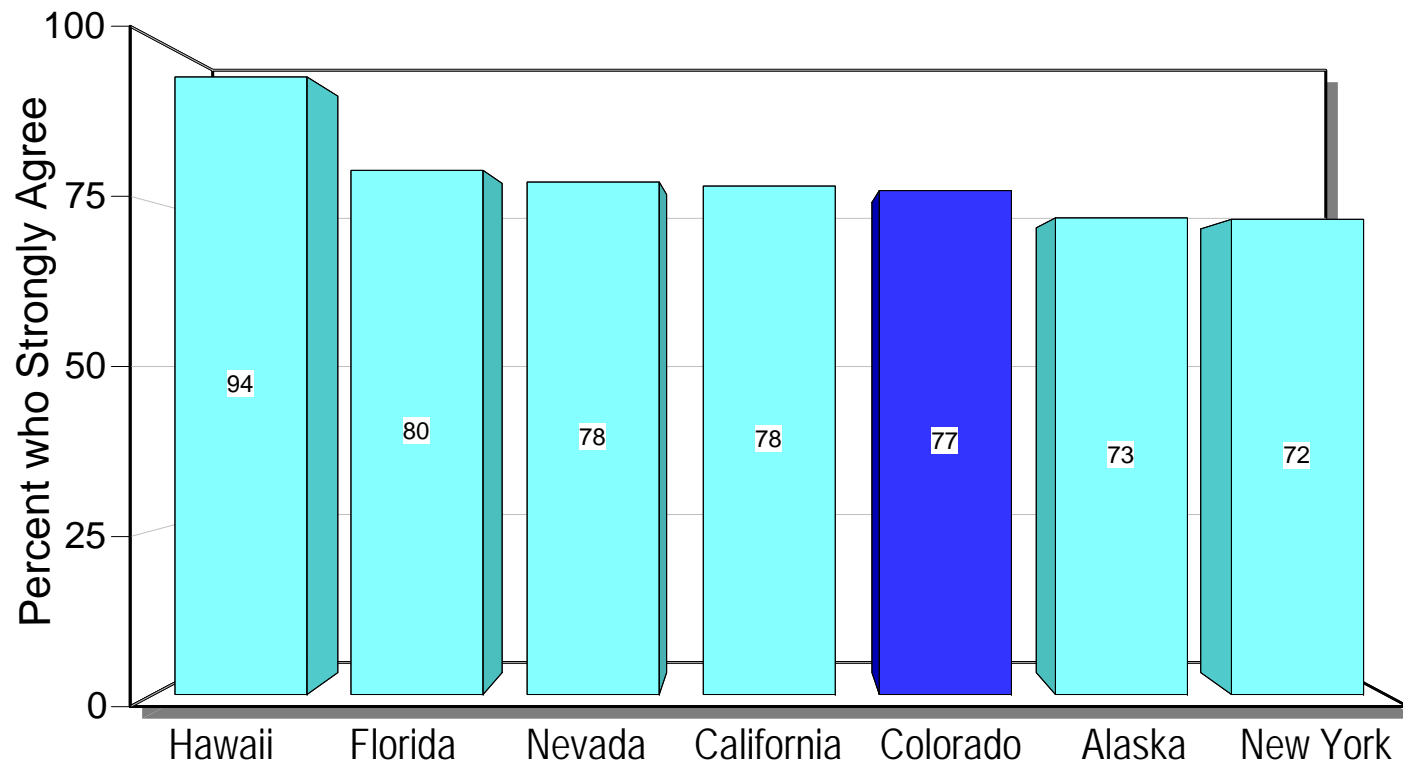


# Colorado's Image — Adult Atmosphere

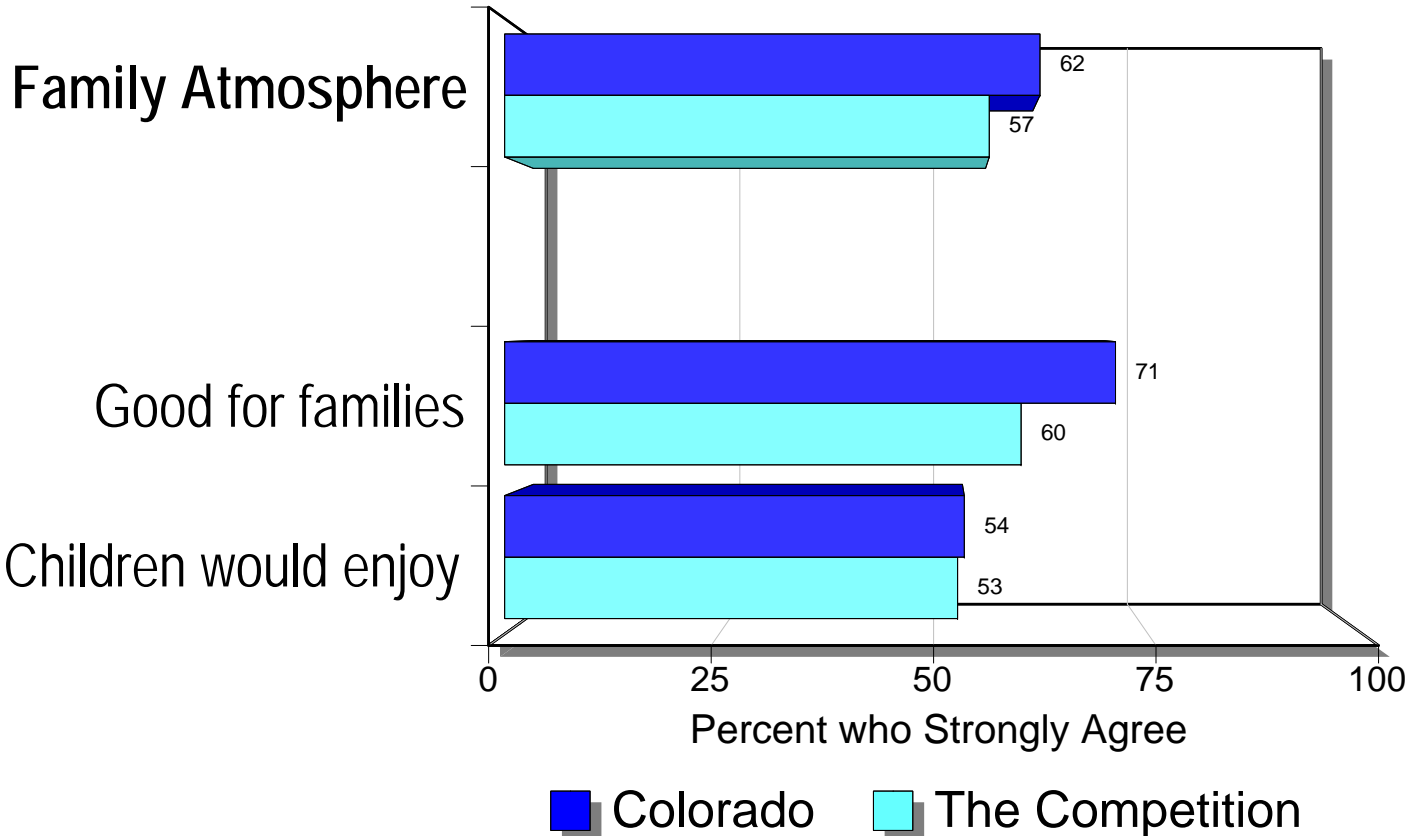




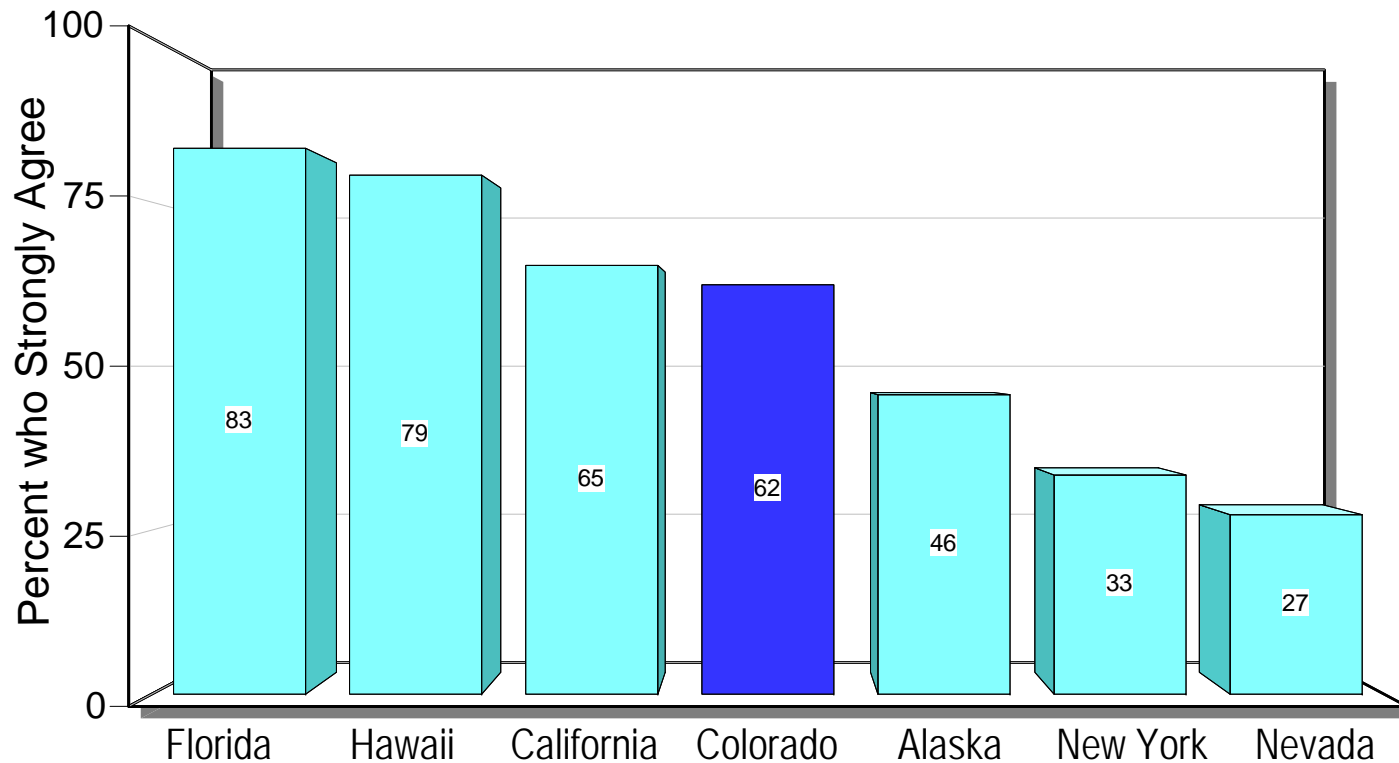
# Colorado's Image vs. The Competition — Adult Atmosphere



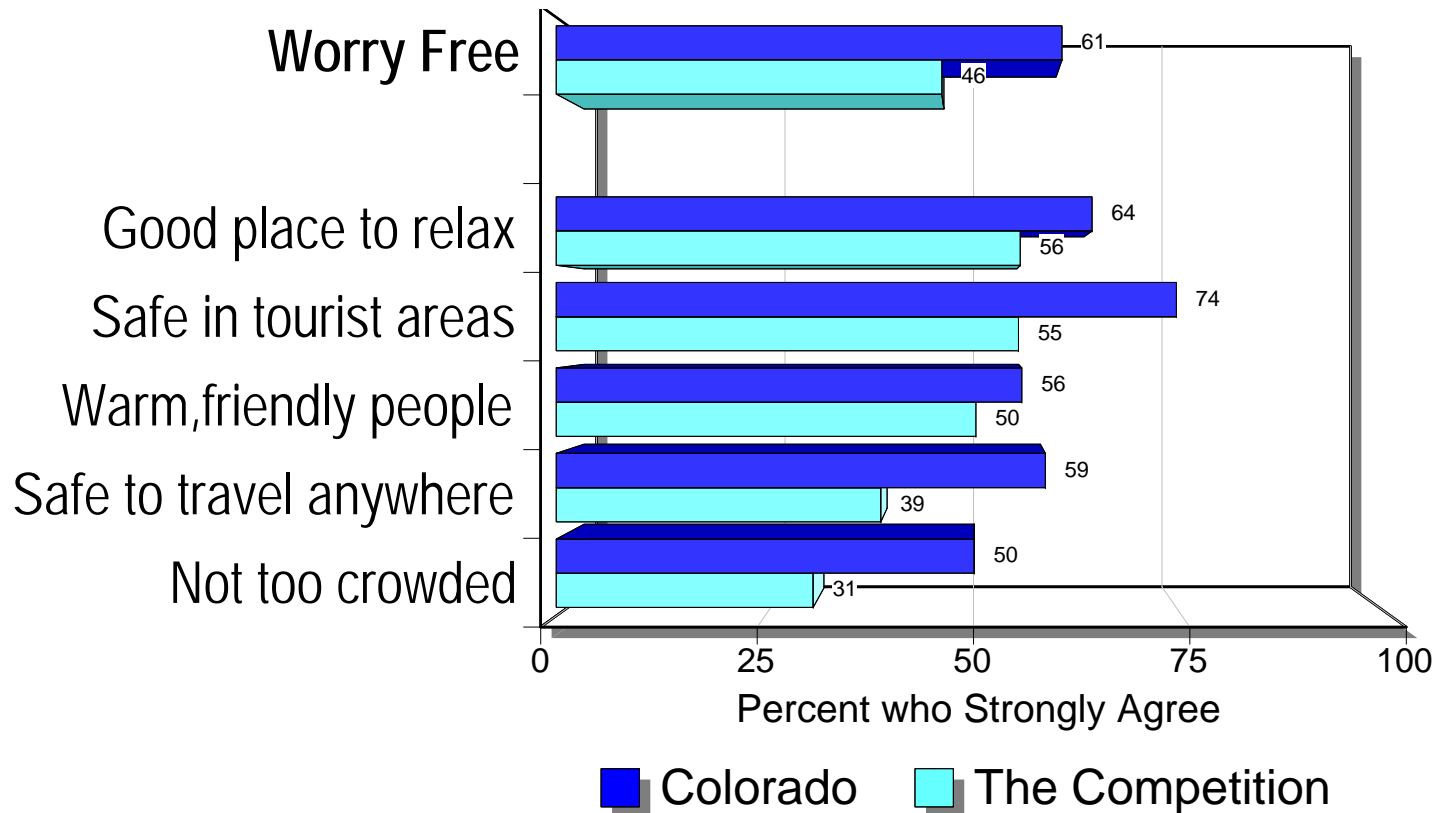
# Colorado's Image — Family Atmosphere



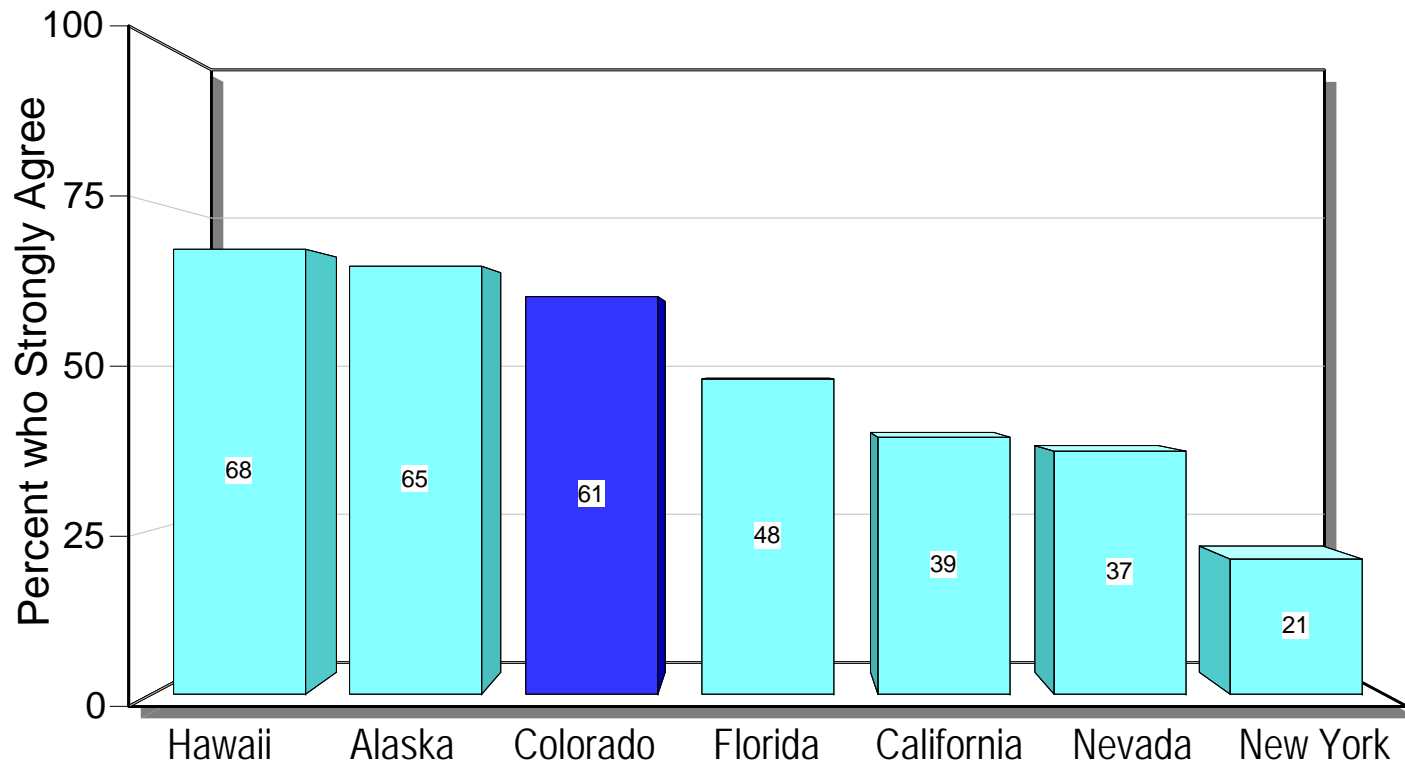
# Colorado's Image vs. The Competition — Family Atmosphere



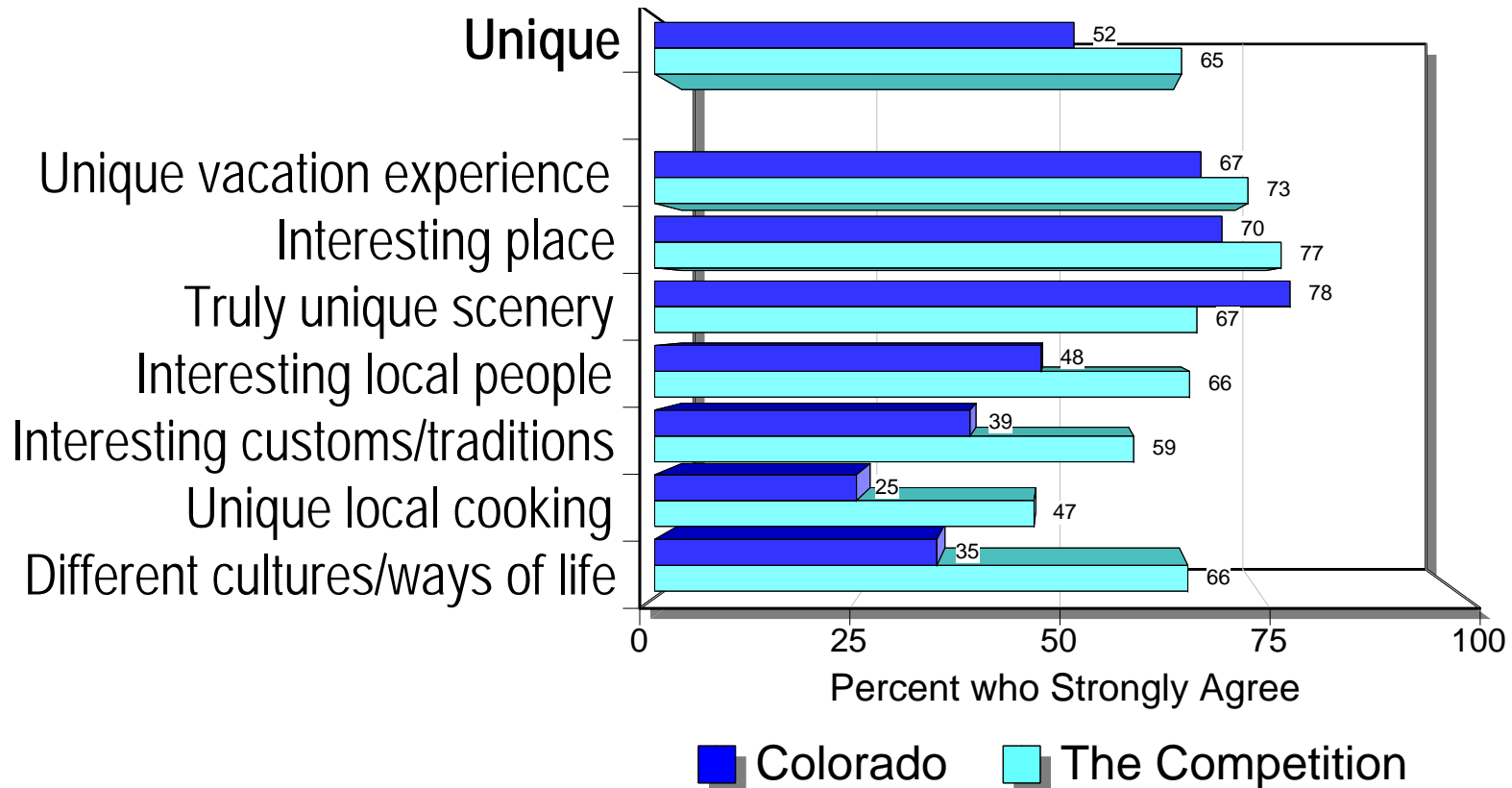
# Colorado's Image — Worry Free



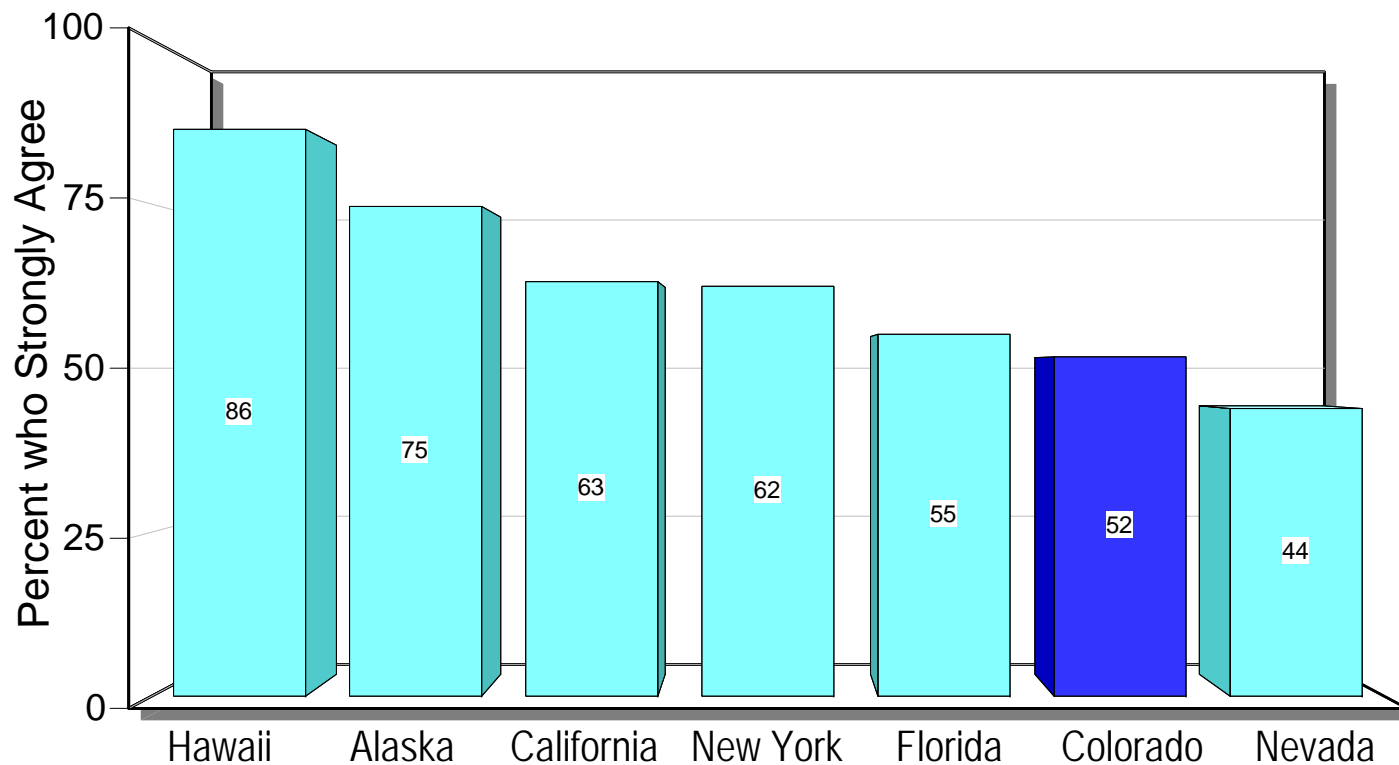
# Colorado's Image vs. The Competition— Worry Free



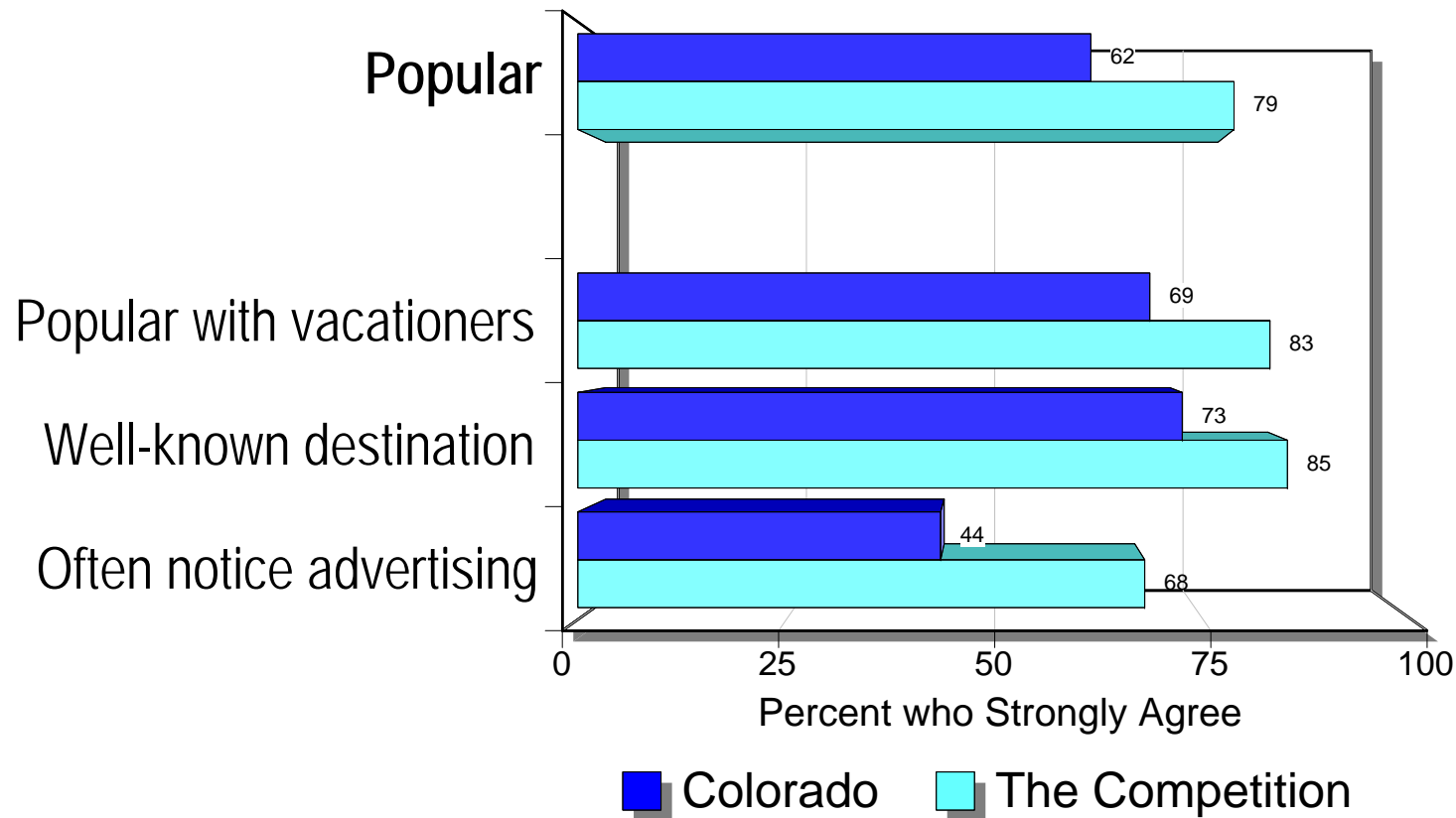
# Colorado's Image – Unique



# Colorado's Image vs. The Competition — Unique

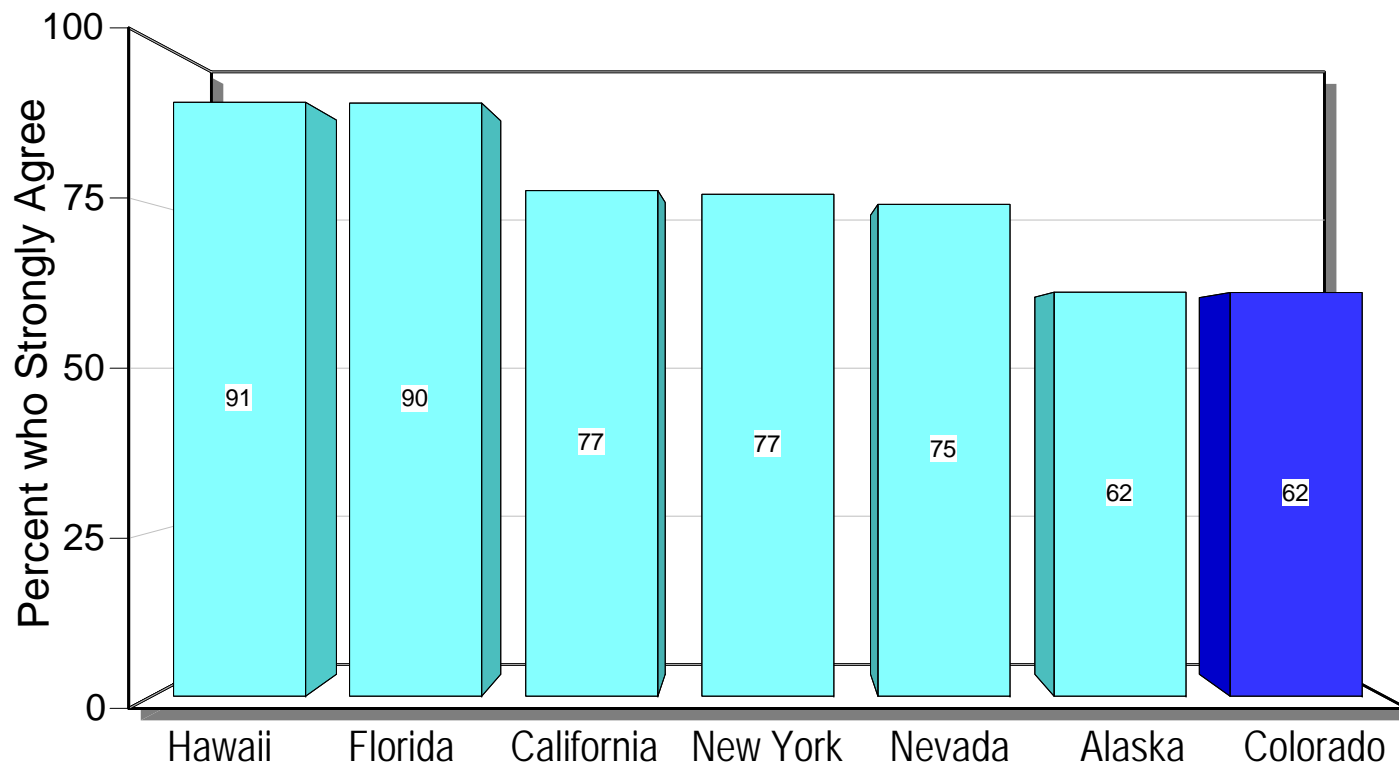


# Colorado's Image — Popular

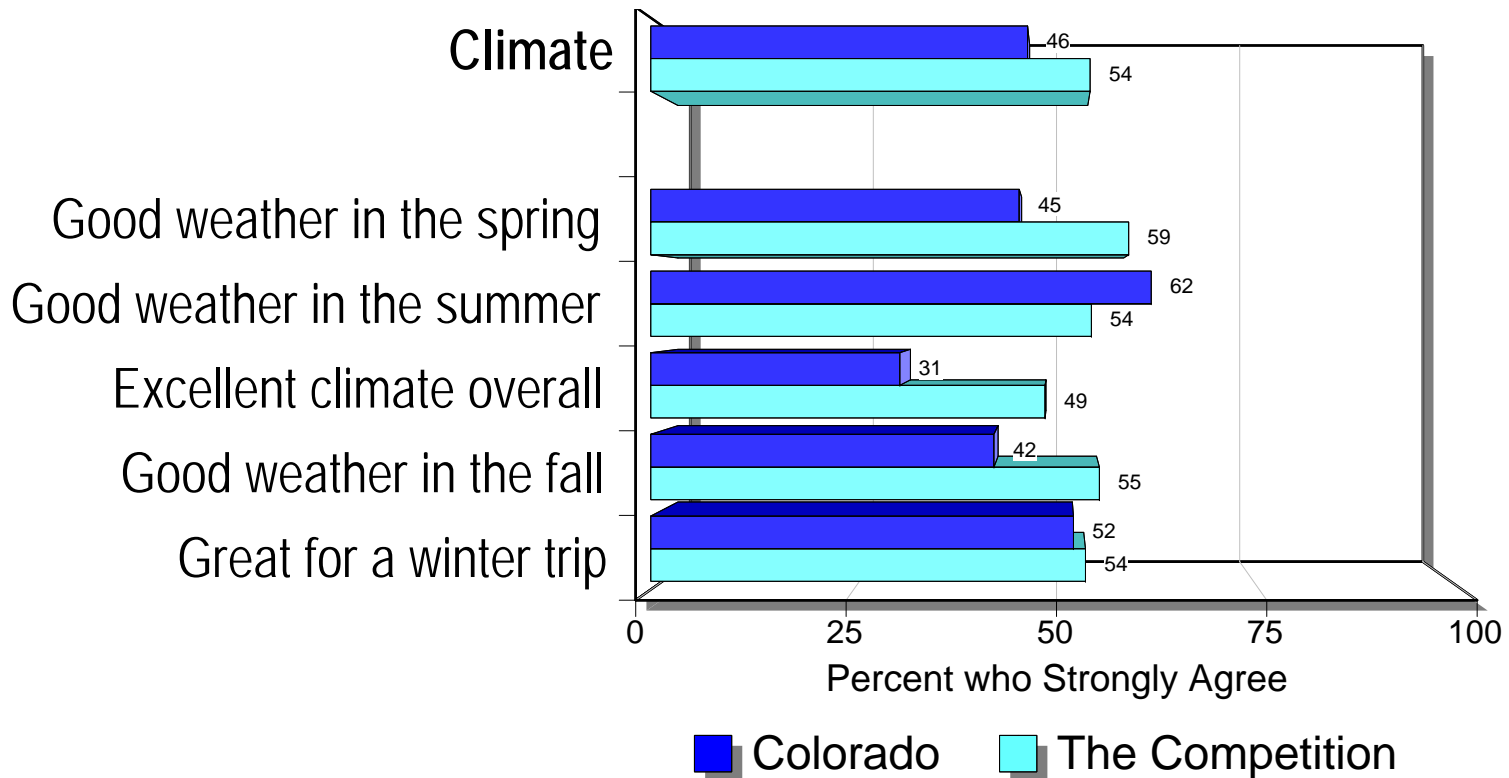




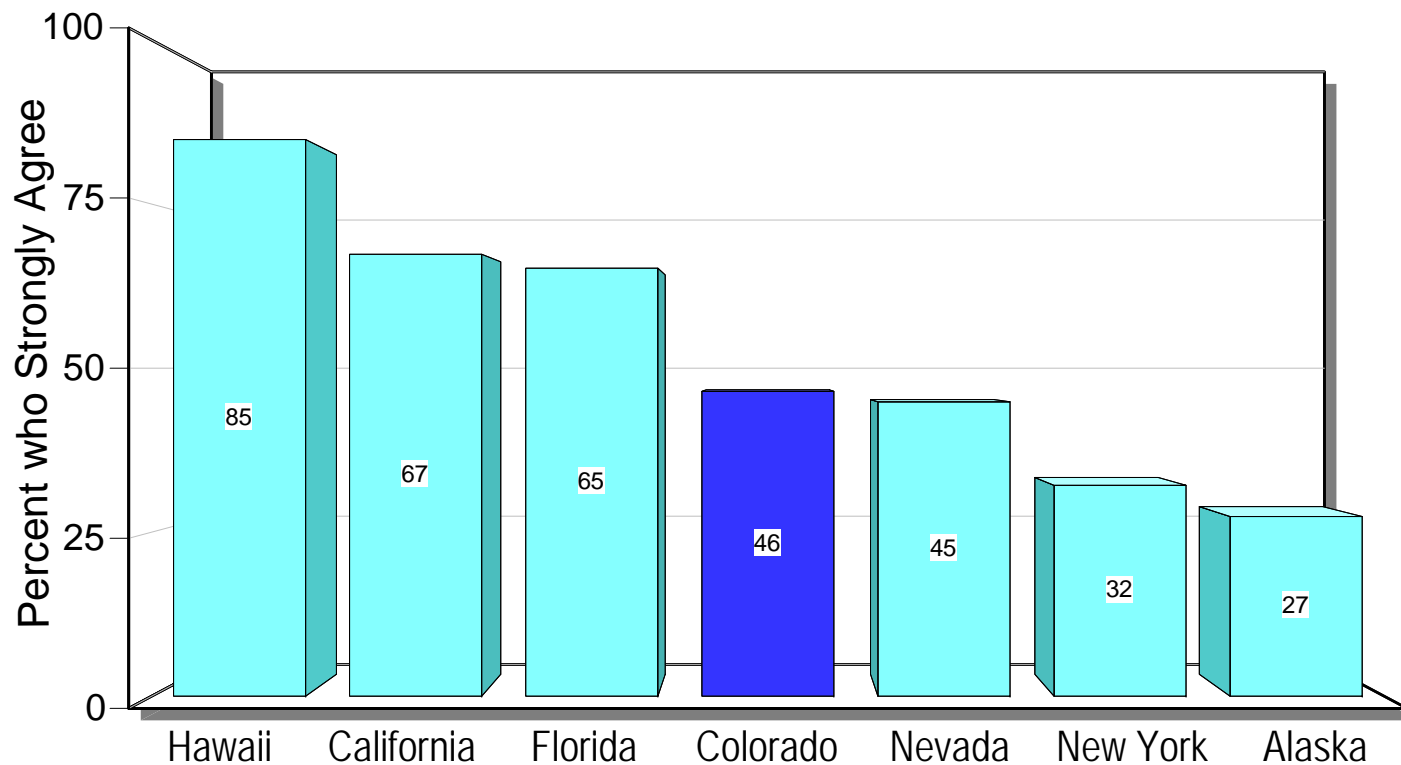
# Colorado's Image vs. The Competition— Popular



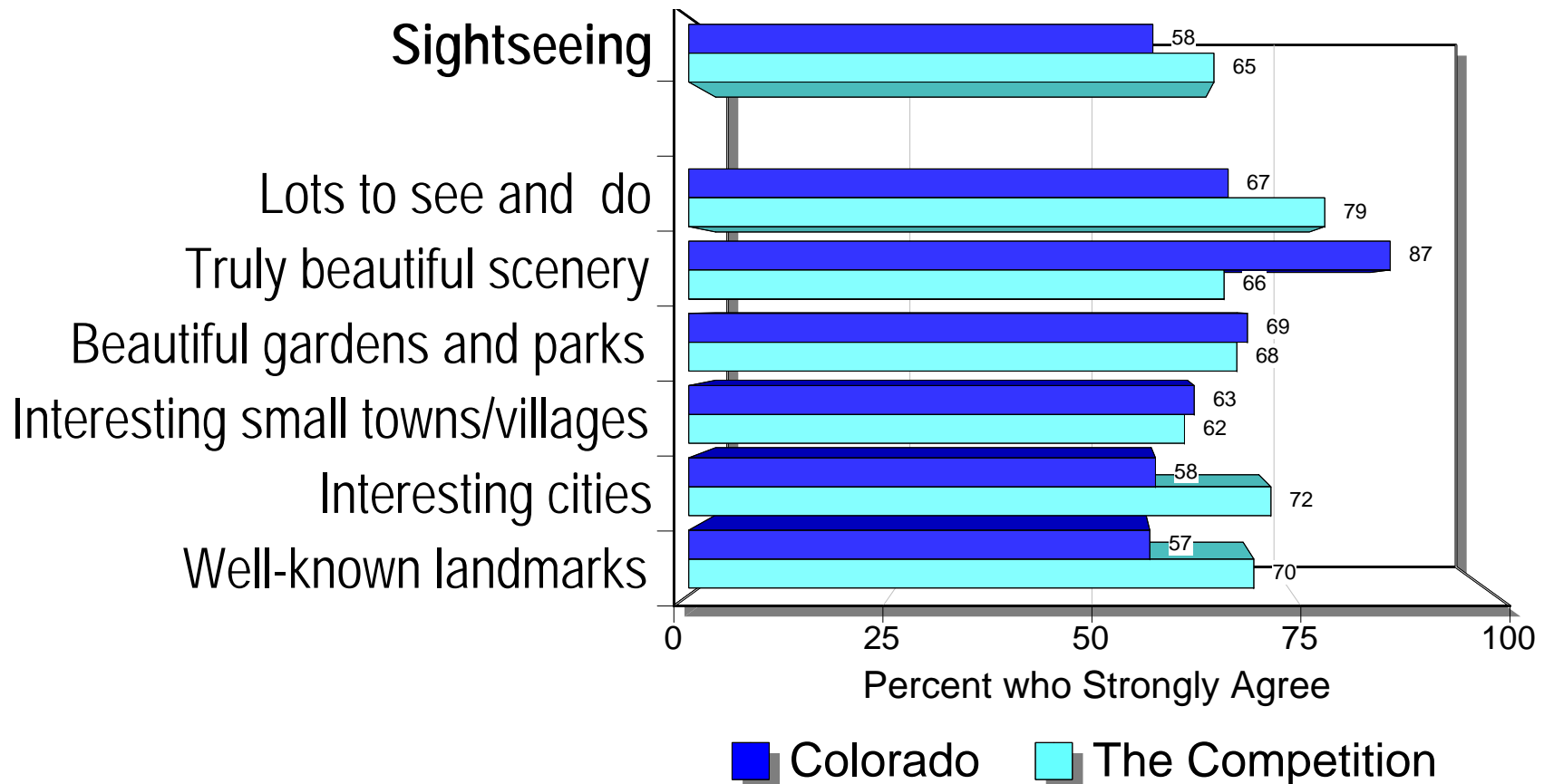
# Colorado's Image — Climate



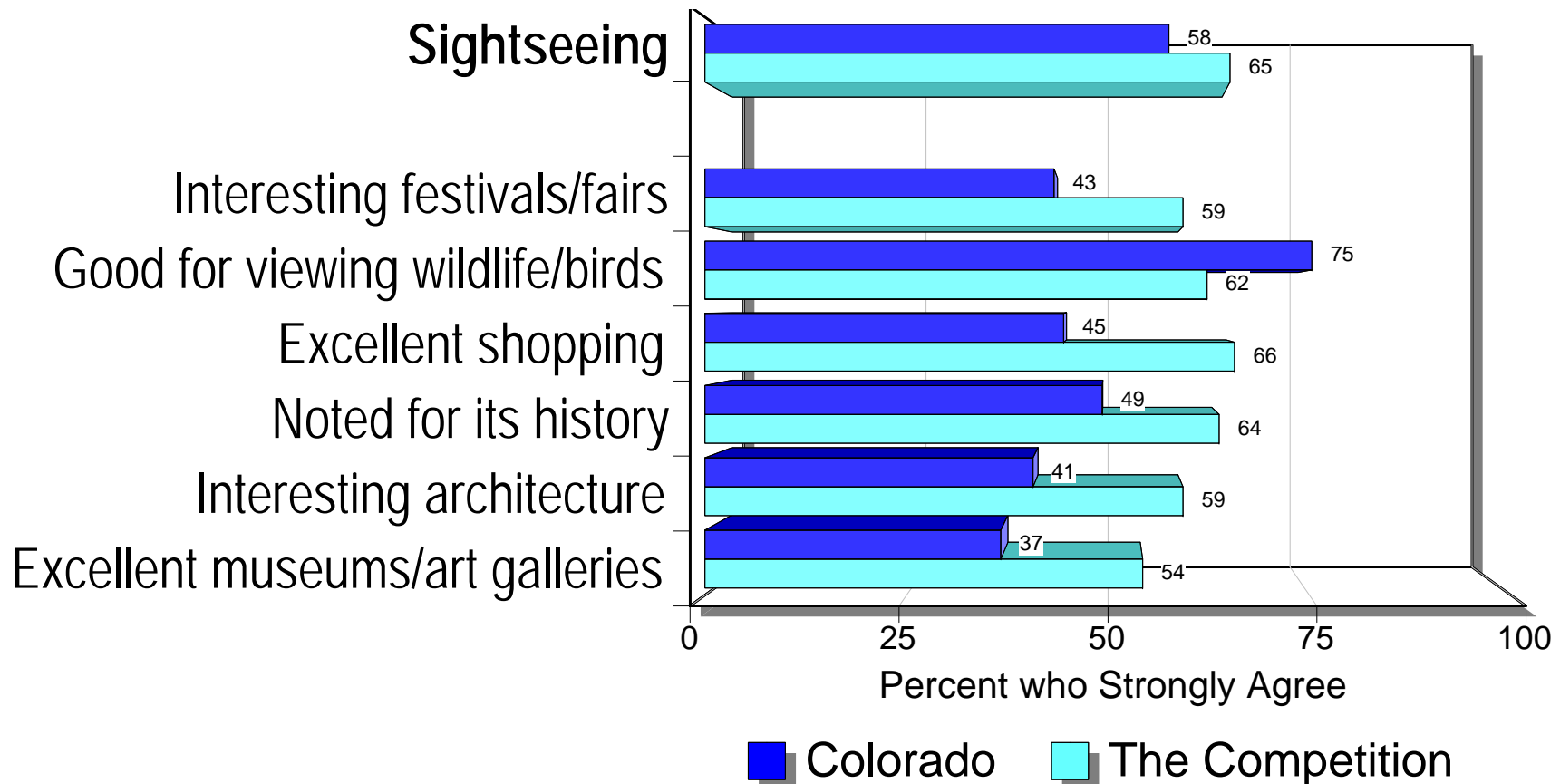
# Colorado's Image vs. The Competition— Climate



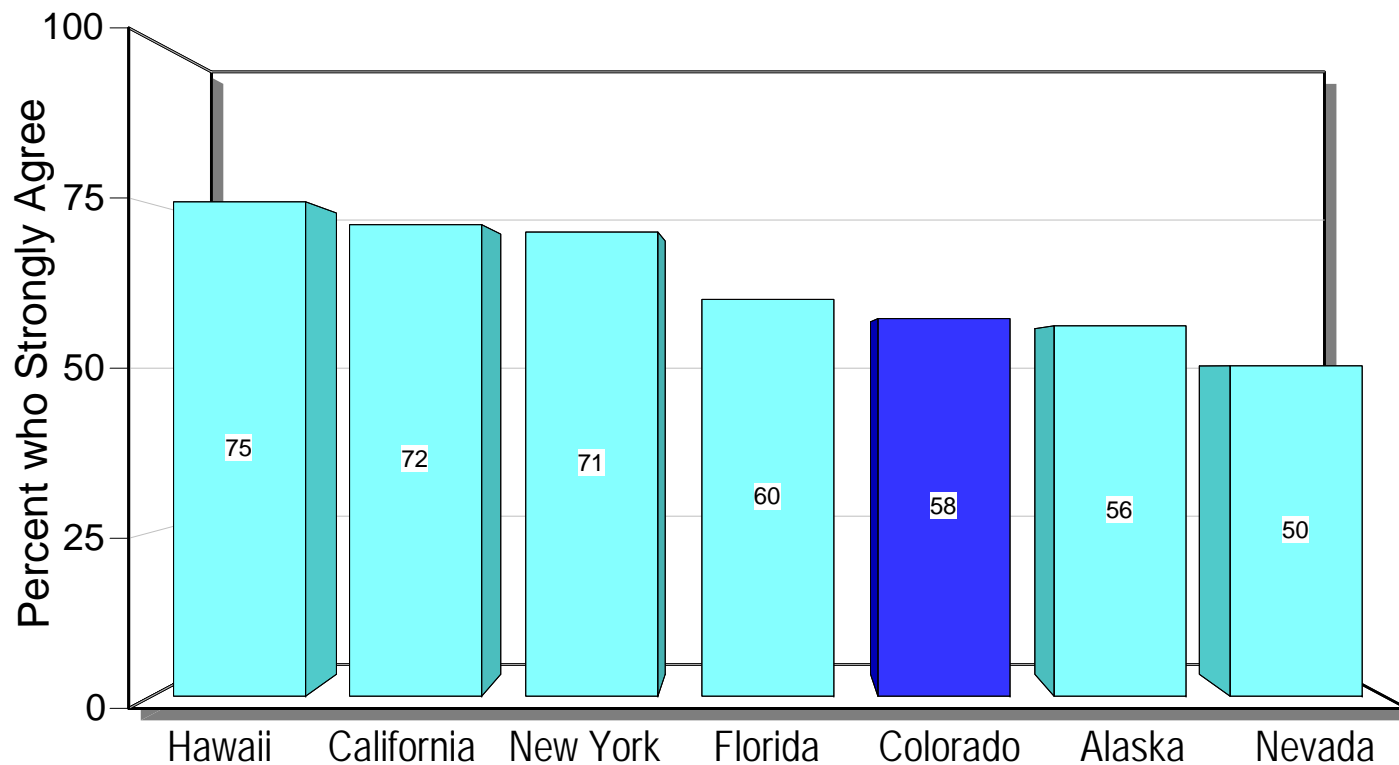
# Colorado's Image — Sightseeing



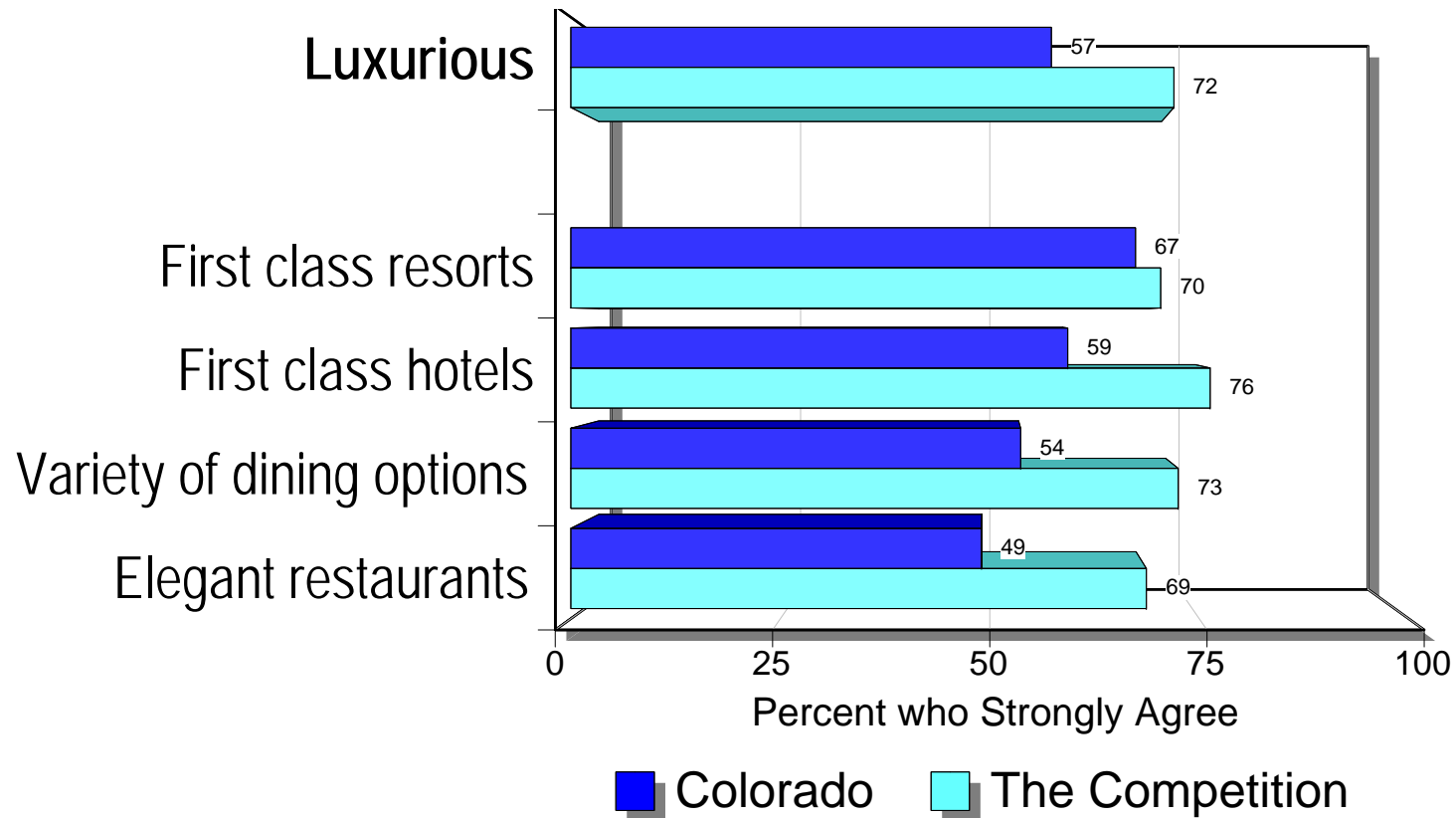
# Colorado's Image — Sightseeing (Cont'd)



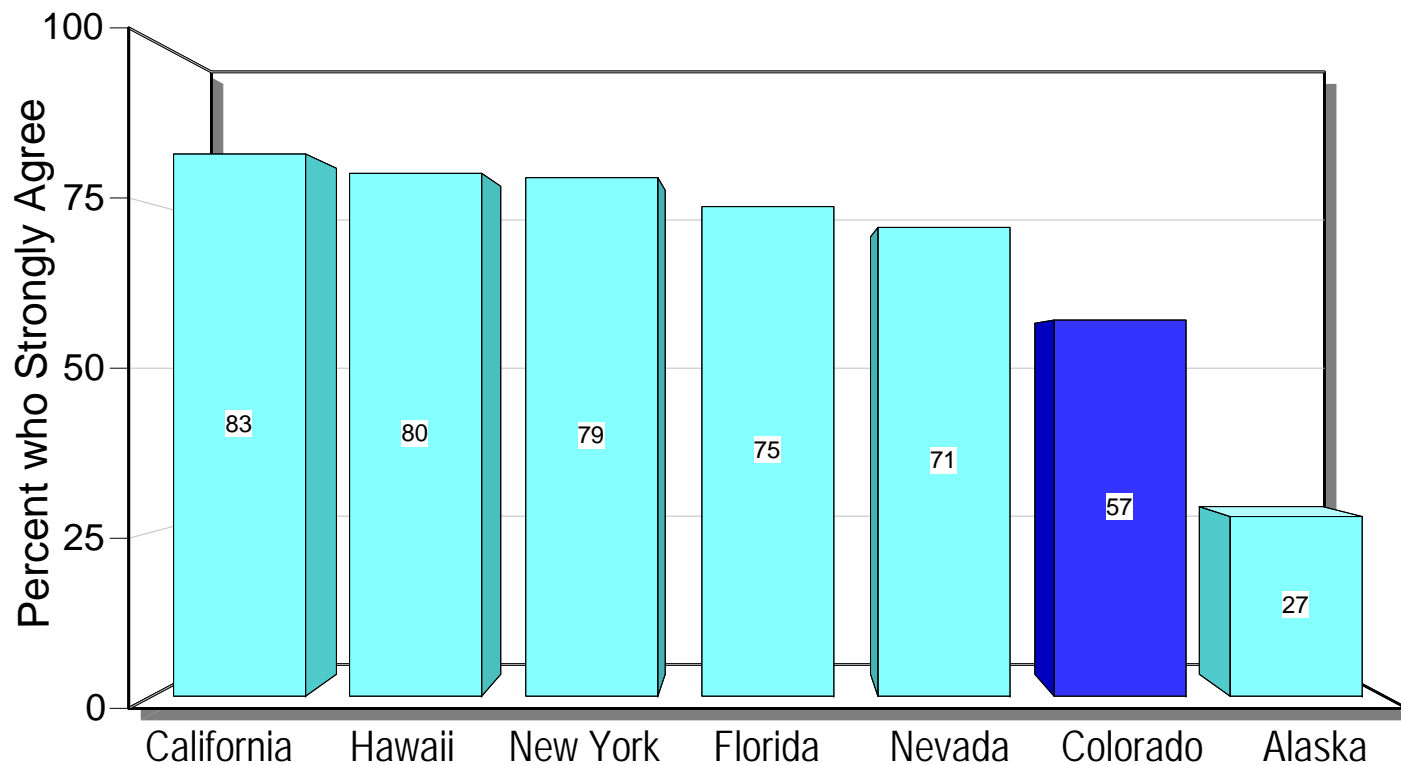
# Colorado's Image vs. The Competition— Sightseeing



# Colorado's Image — Luxurious

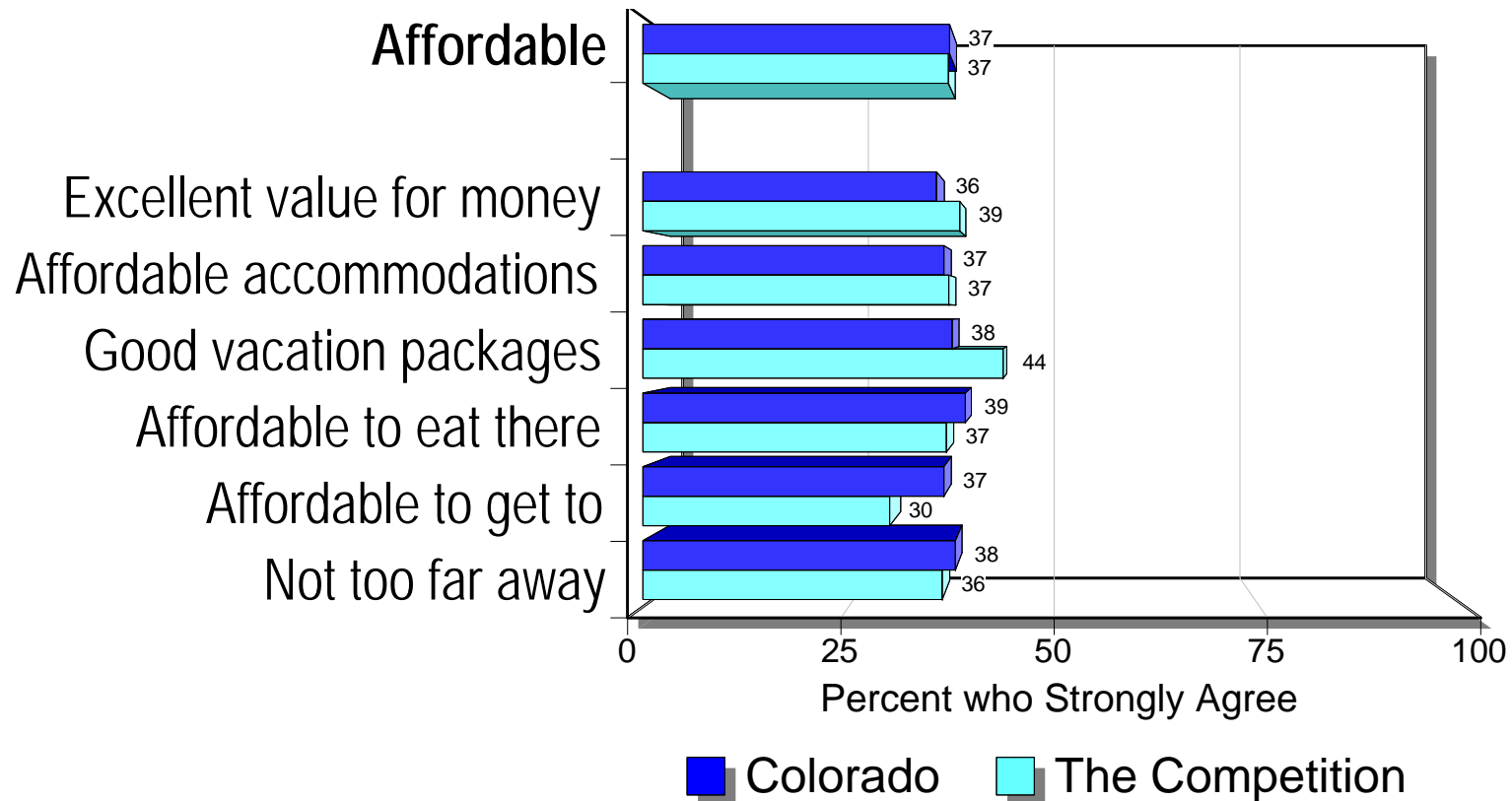


# Colorado's Image vs. The Competition— Luxurious

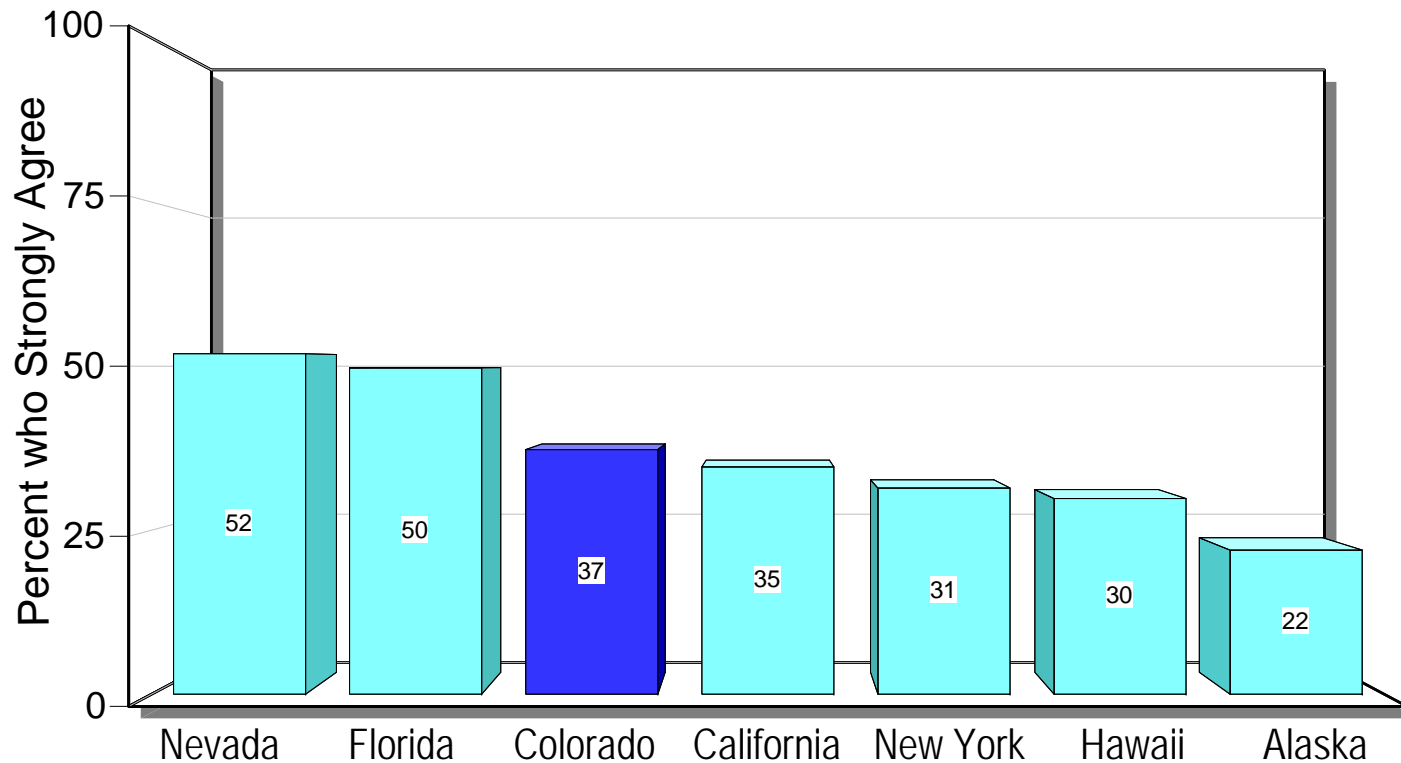




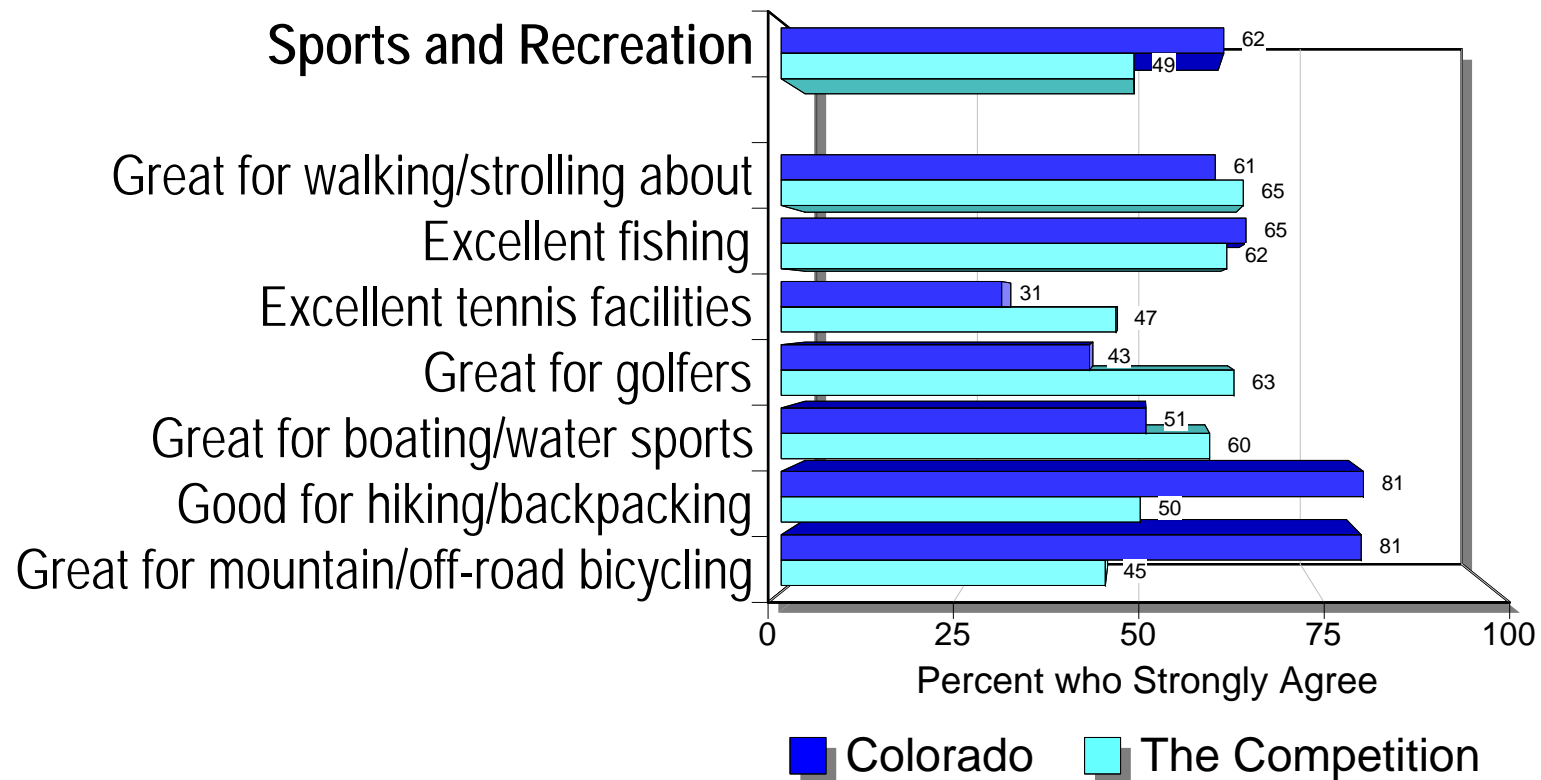
# Colorado's Image — Affordable



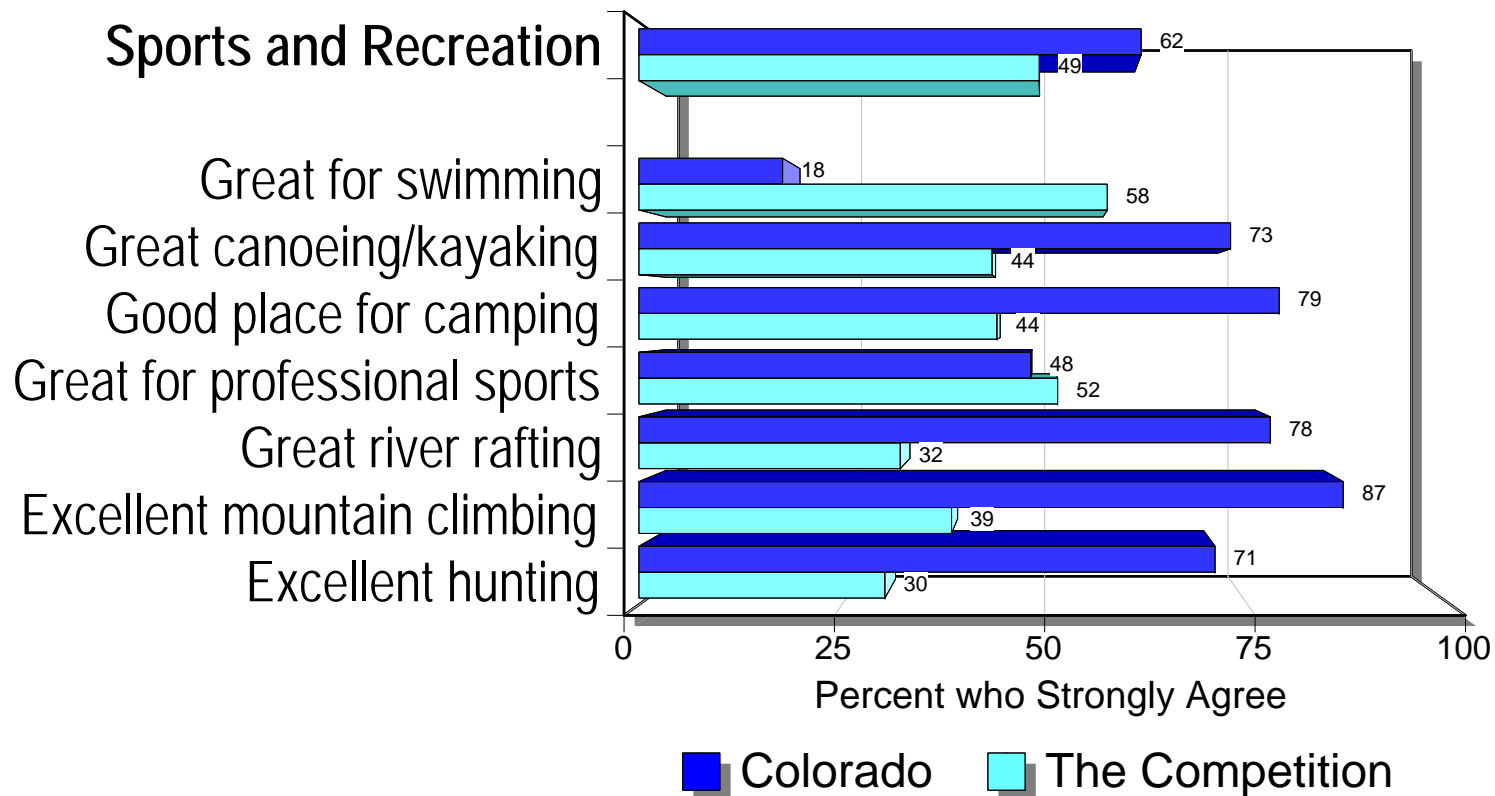
# Colorado's Image vs. The Competition— Affordable



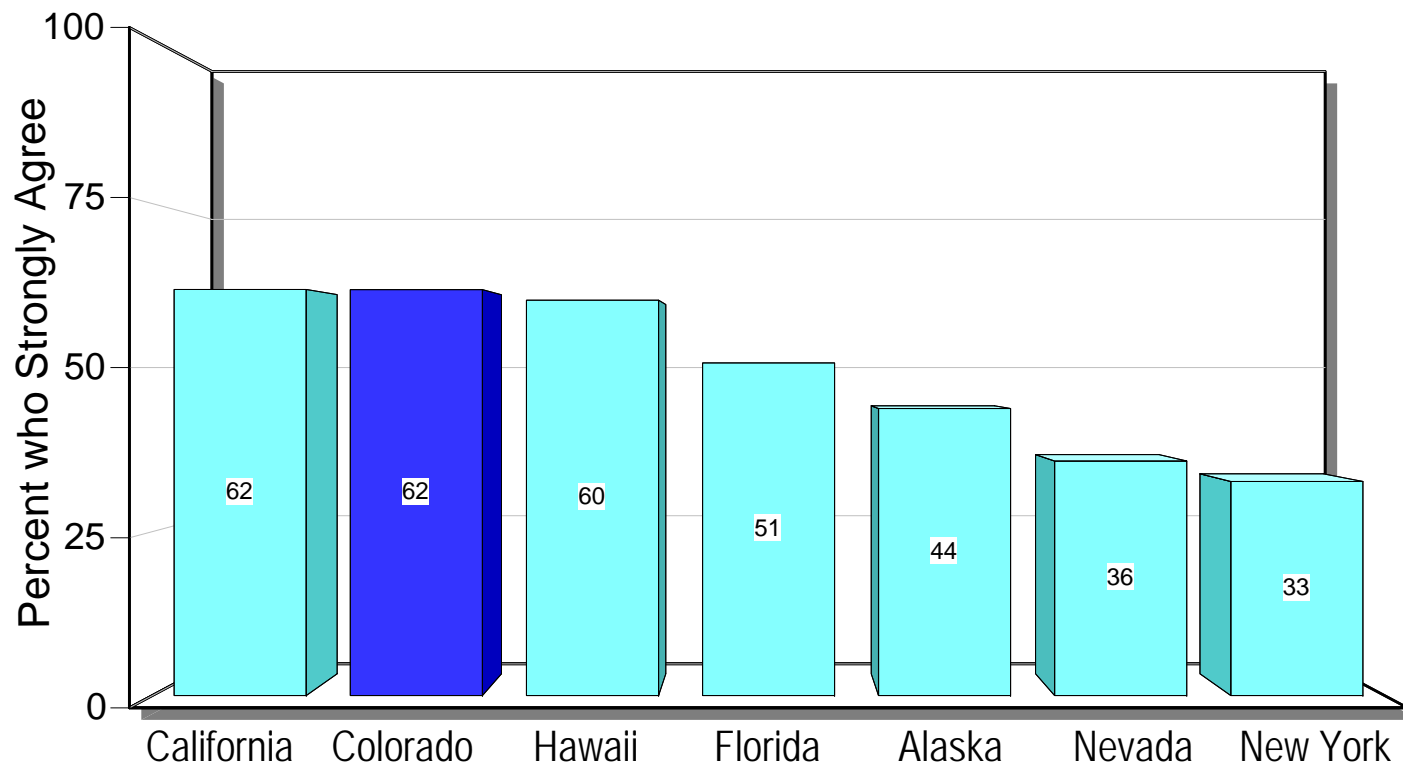
# Colorado's Image — Sports & Recreation



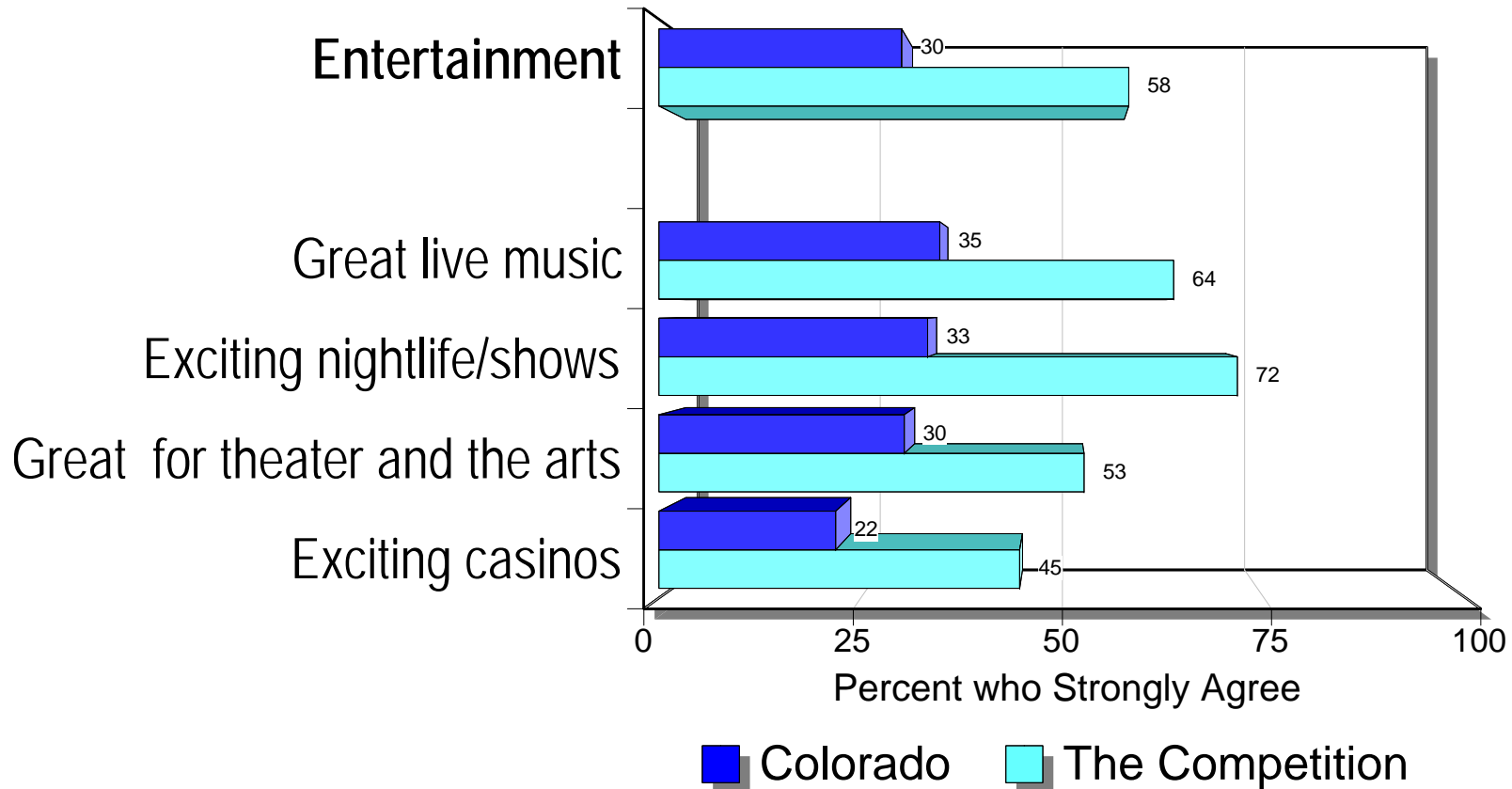
# Colorado's Image — Sports & Recreation (Cont'd)



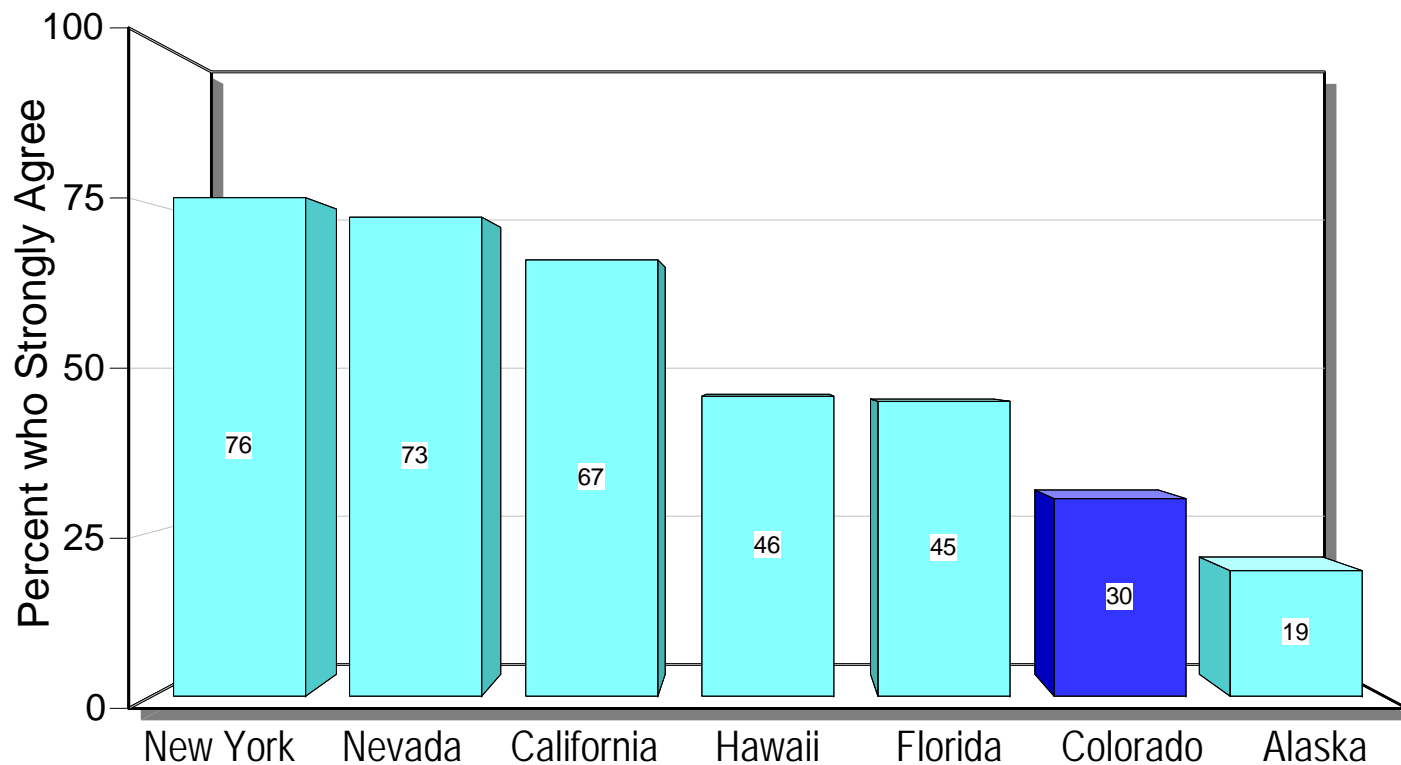
# Colorado's Image vs. The Competition— Sports & Recreation



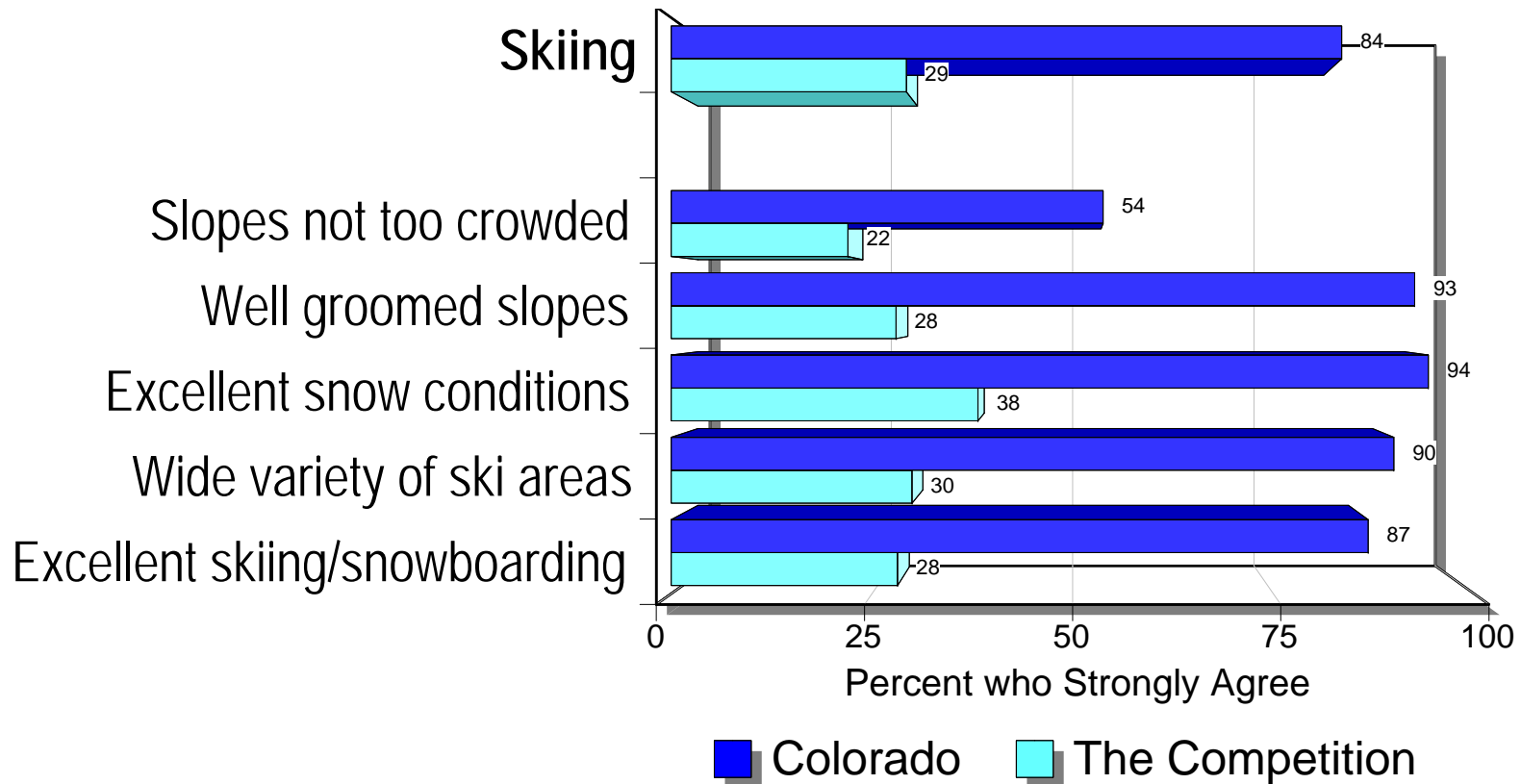
# Colorado's Image — Entertainment



# Colorado's Image vs. The Competition— Entertainment

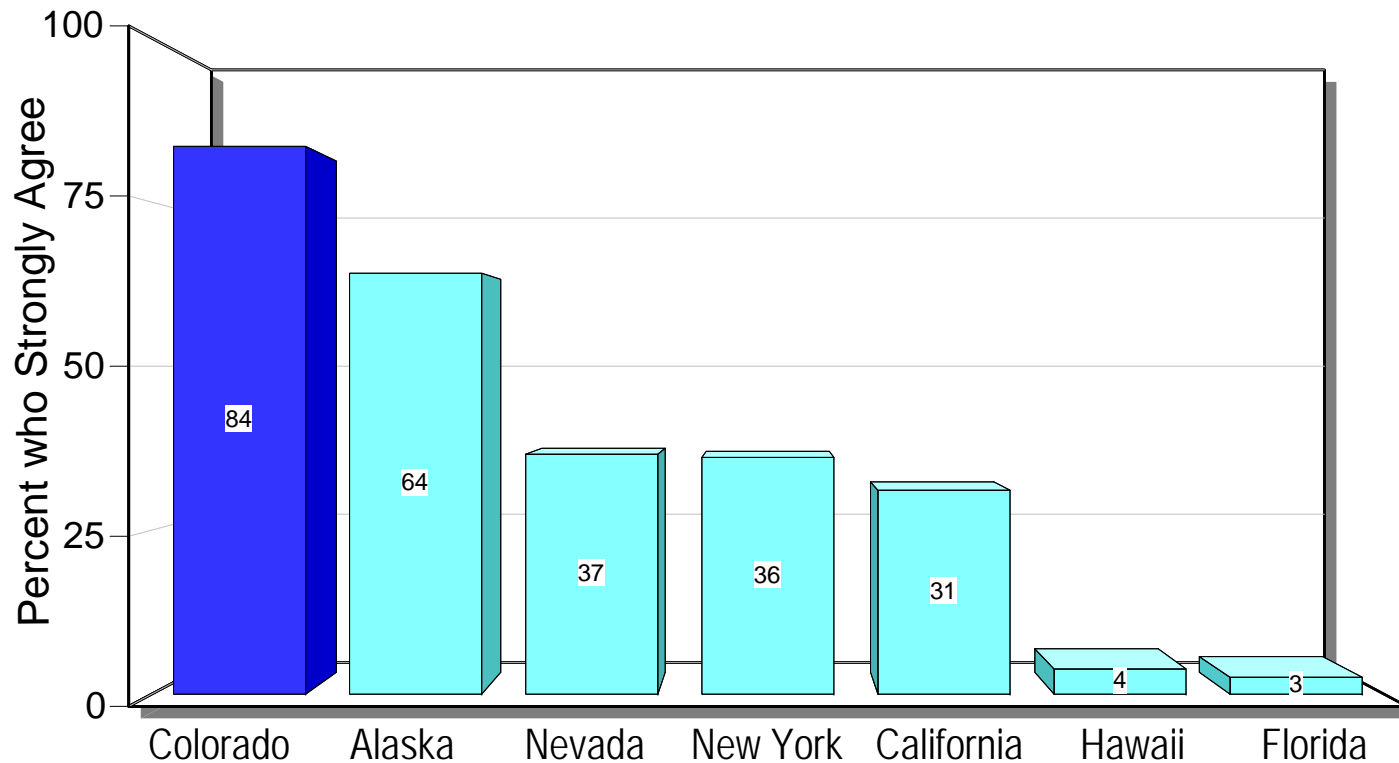


# Colorado's Image – Skiing

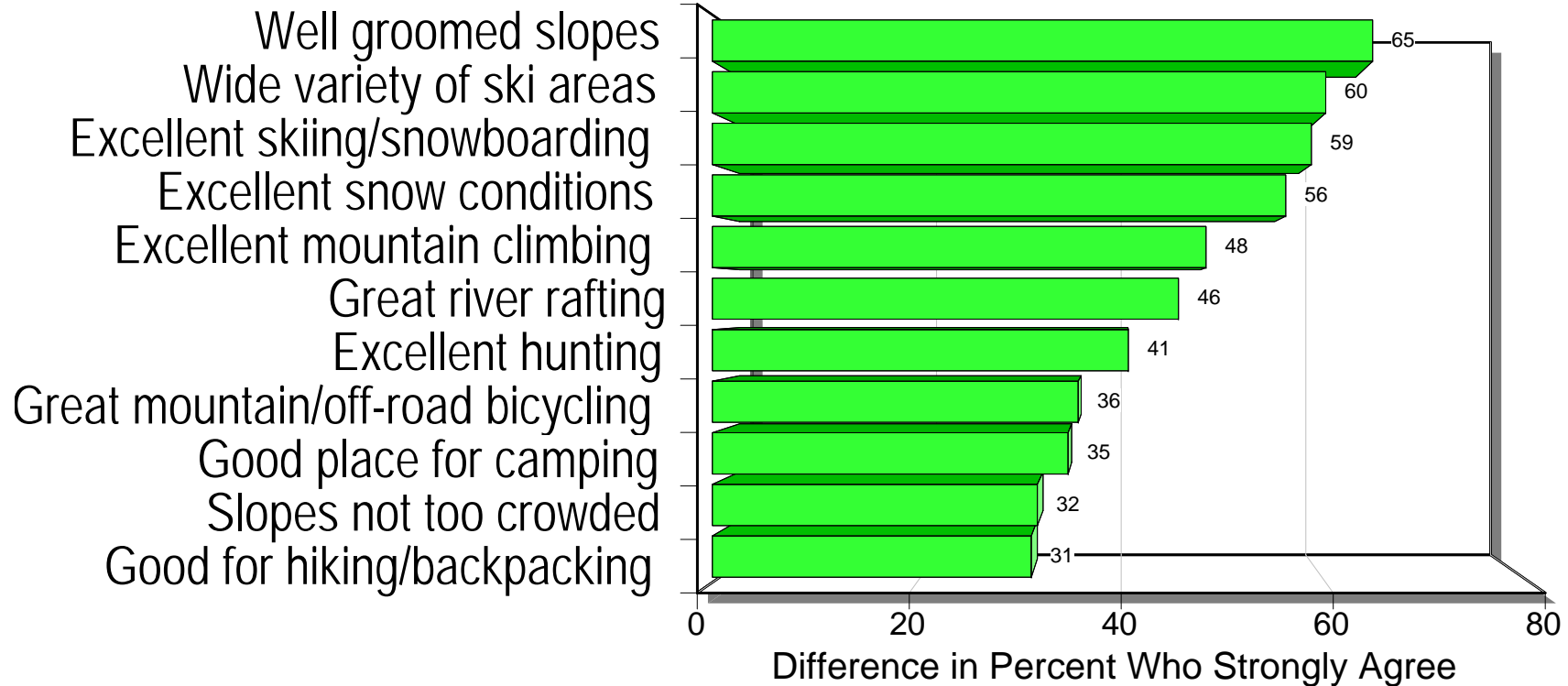




# Colorado's Image vs. The Competition— Skiing

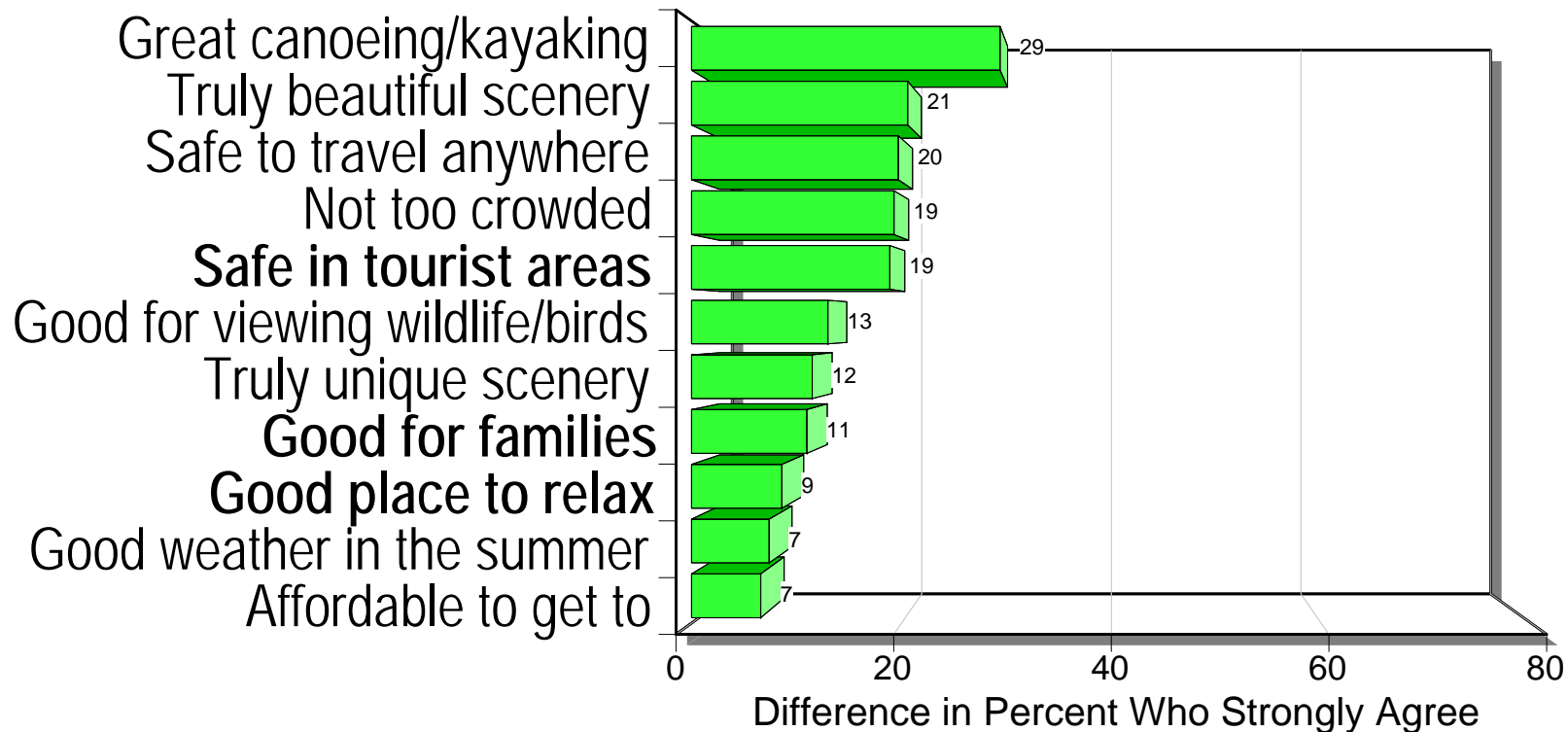


# Colorado's Image Strengths vs. The Competition



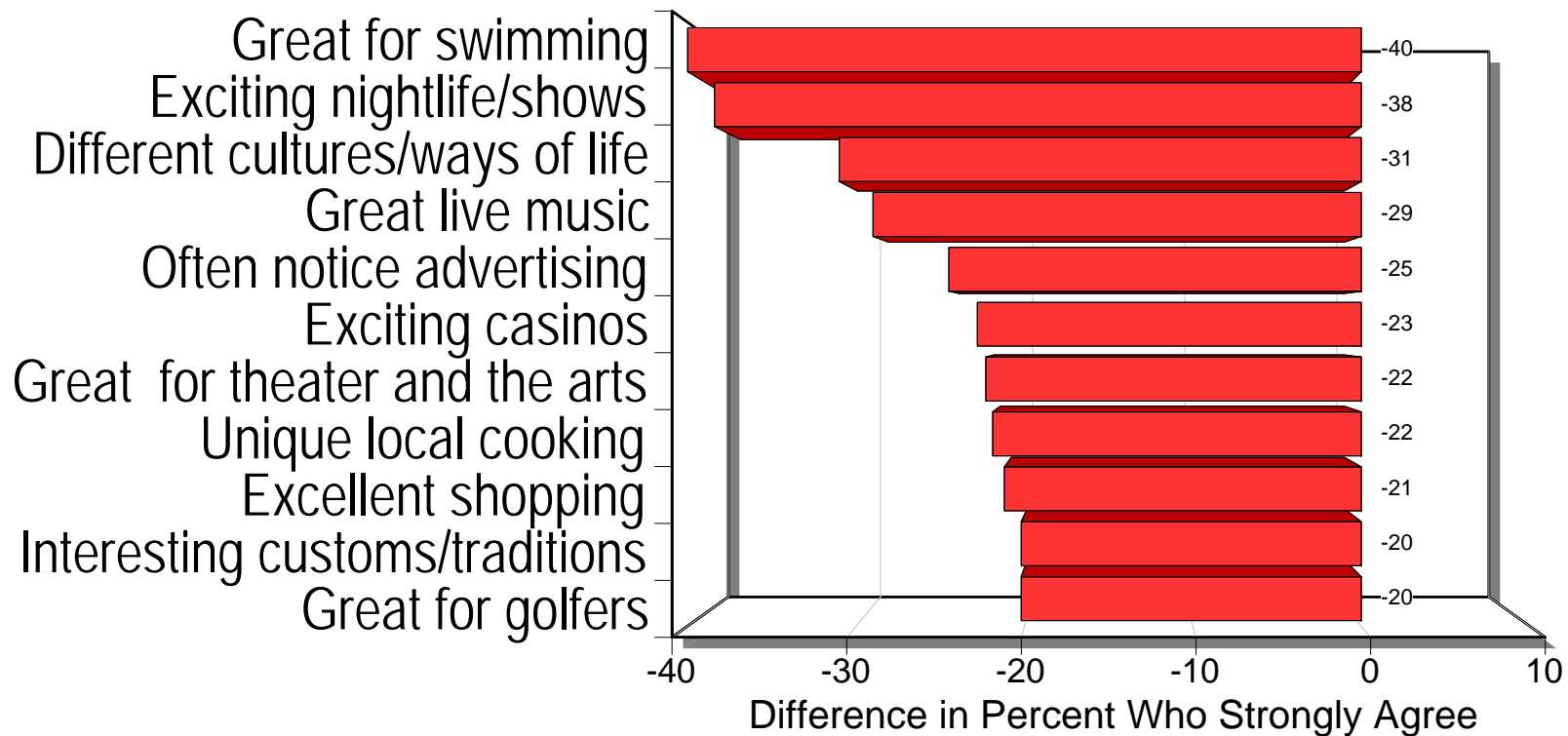
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

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



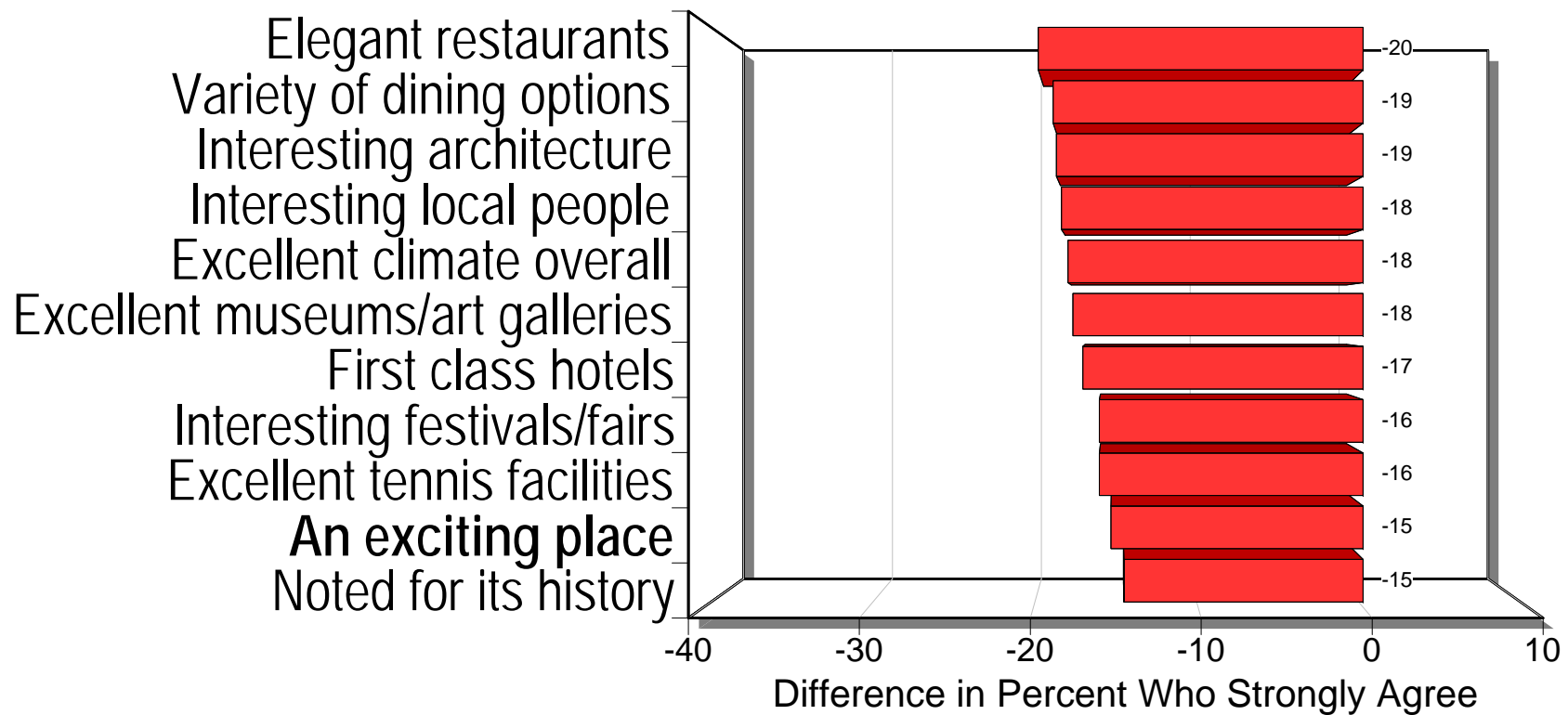
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image Weaknesses vs. The Competition



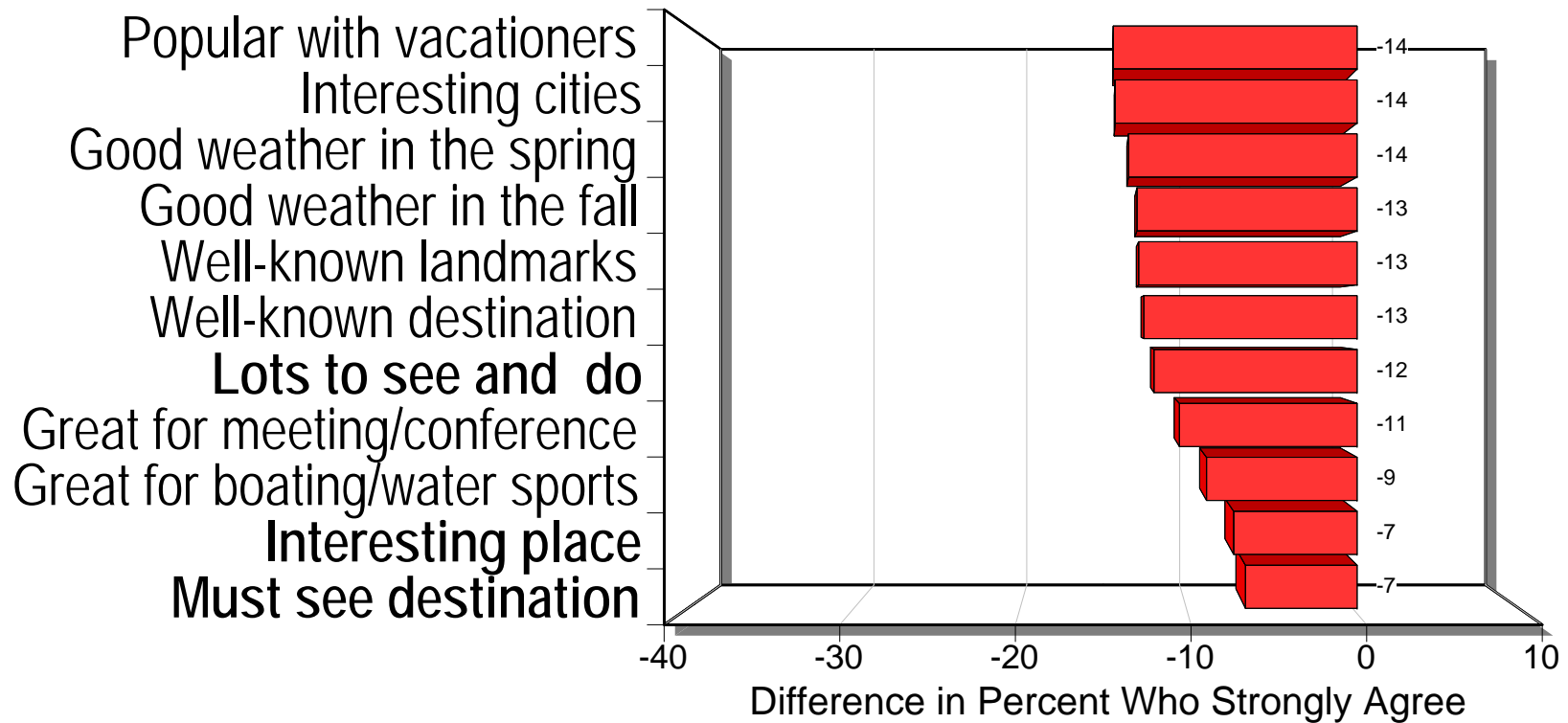
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

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



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

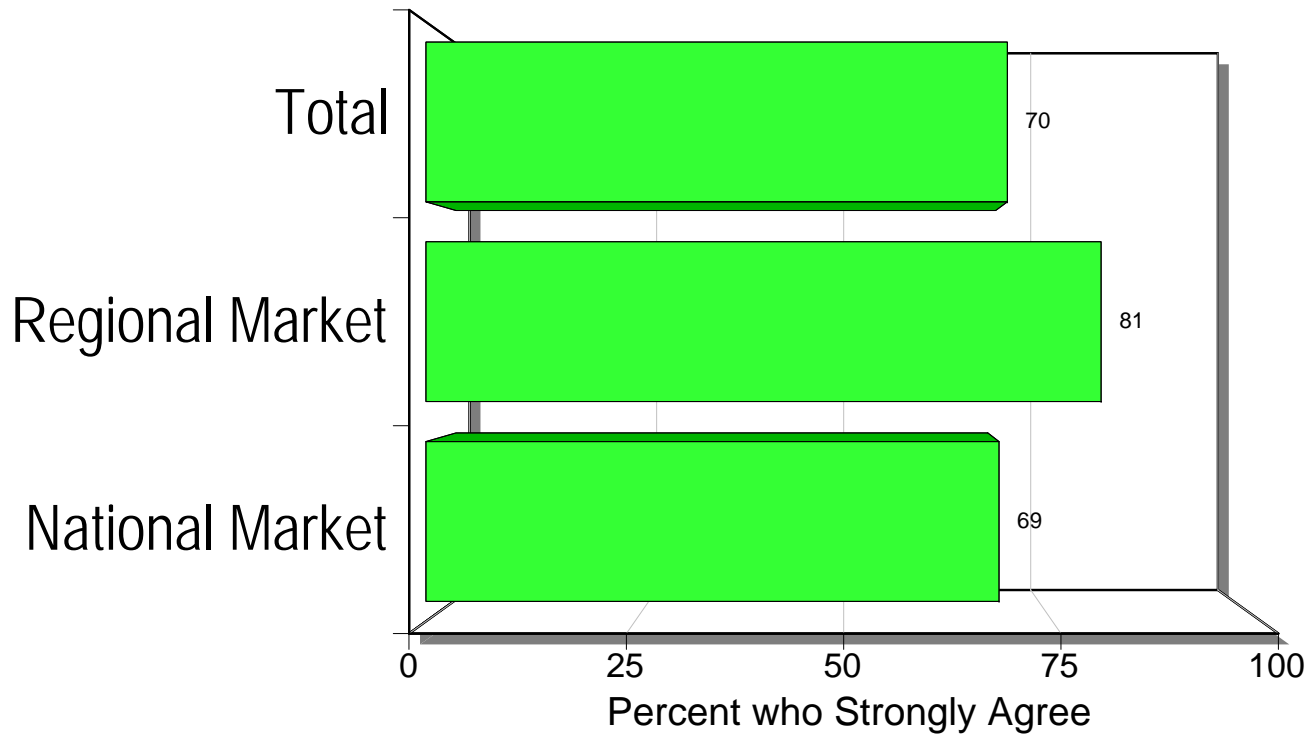
# Colorado's Image Weaknesses vs. The Competition (Cont'd)



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

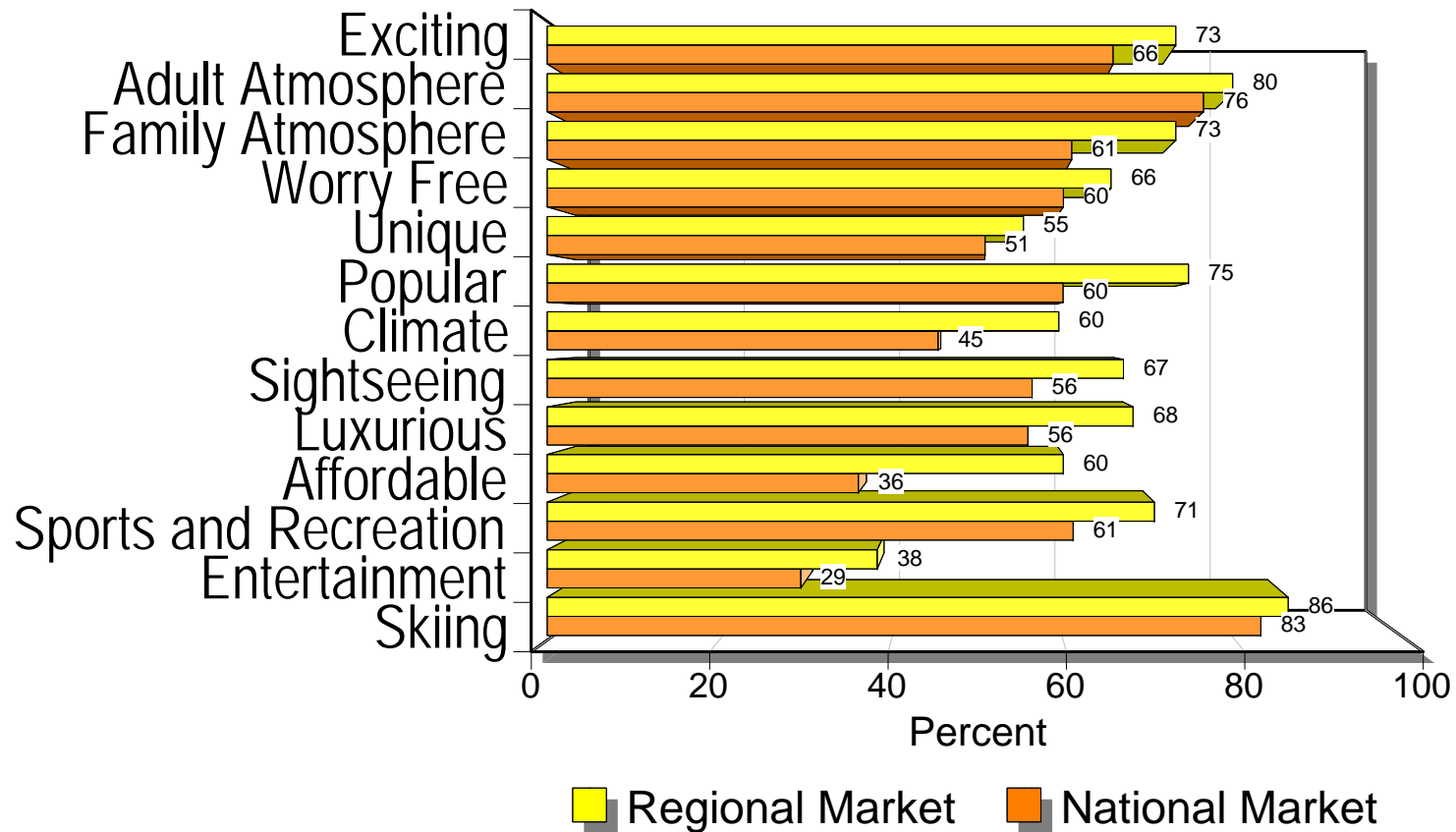
# Colorado's Image by Market

# Overall Image of Colorado – 'Would Really Enjoy Visiting'

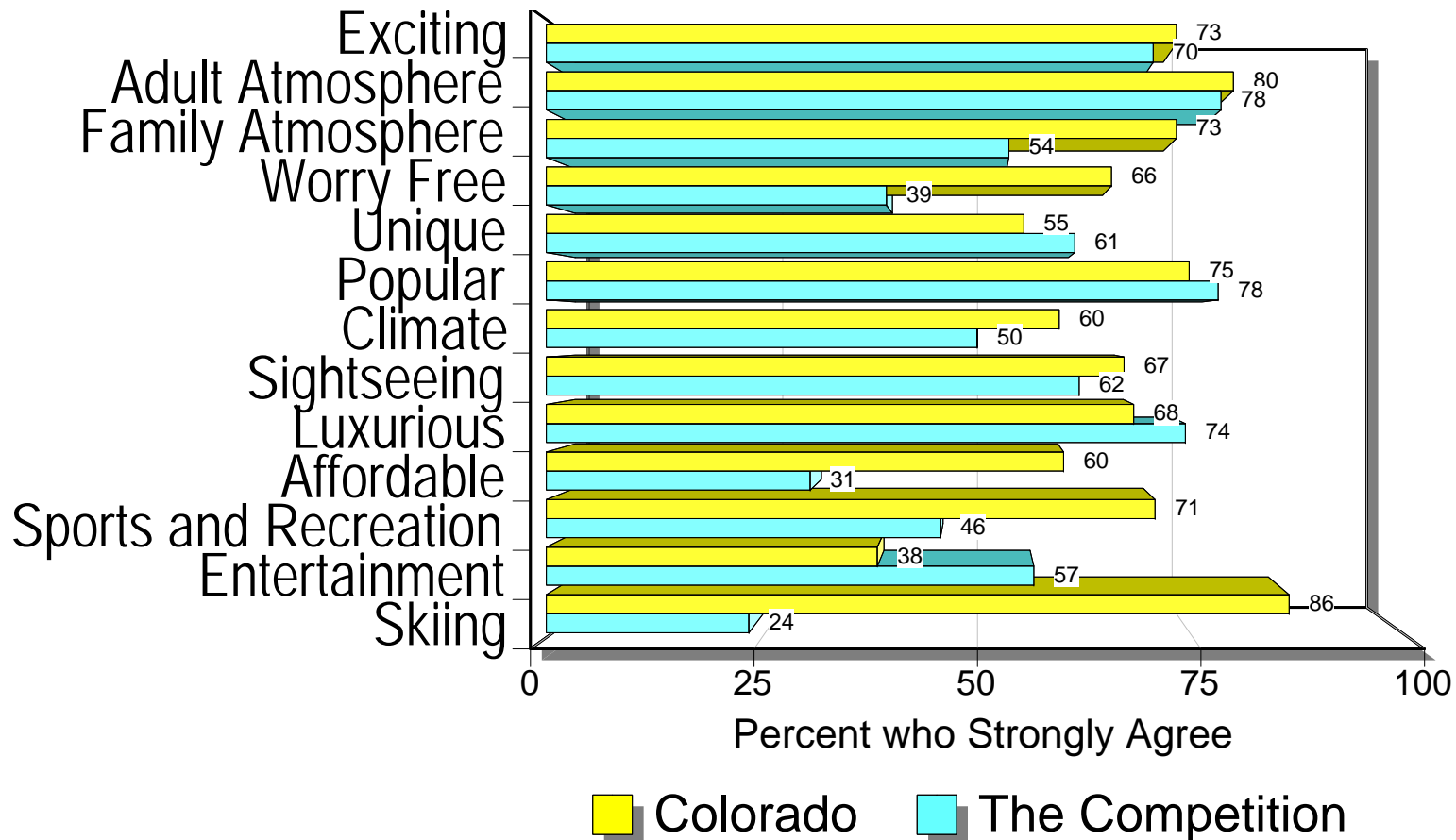




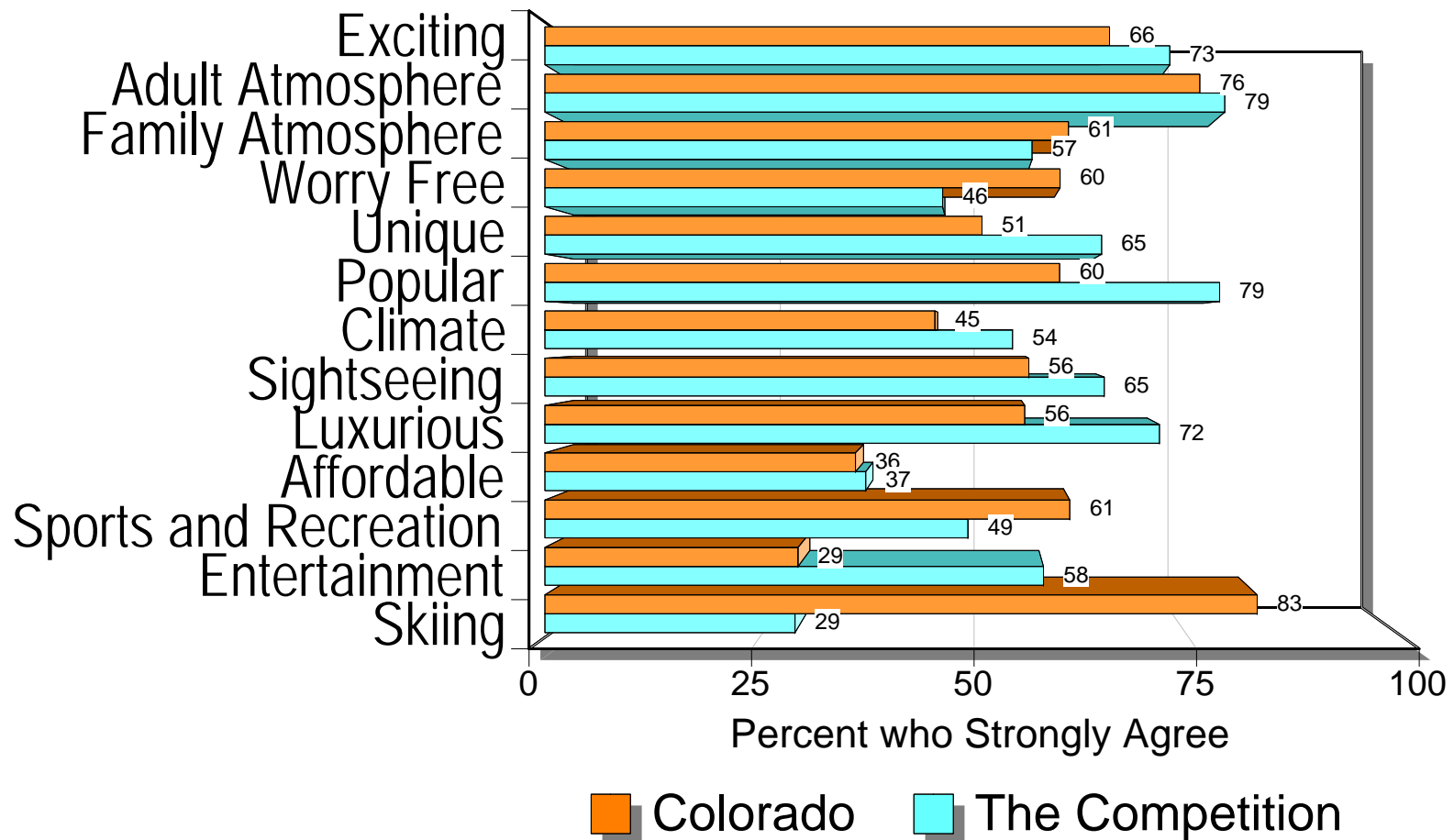
# Colorado's Image – by Market



# Colorado's Image vs. The Competition – Regional Market



# Colorado's Image vs. Competitors — National Market



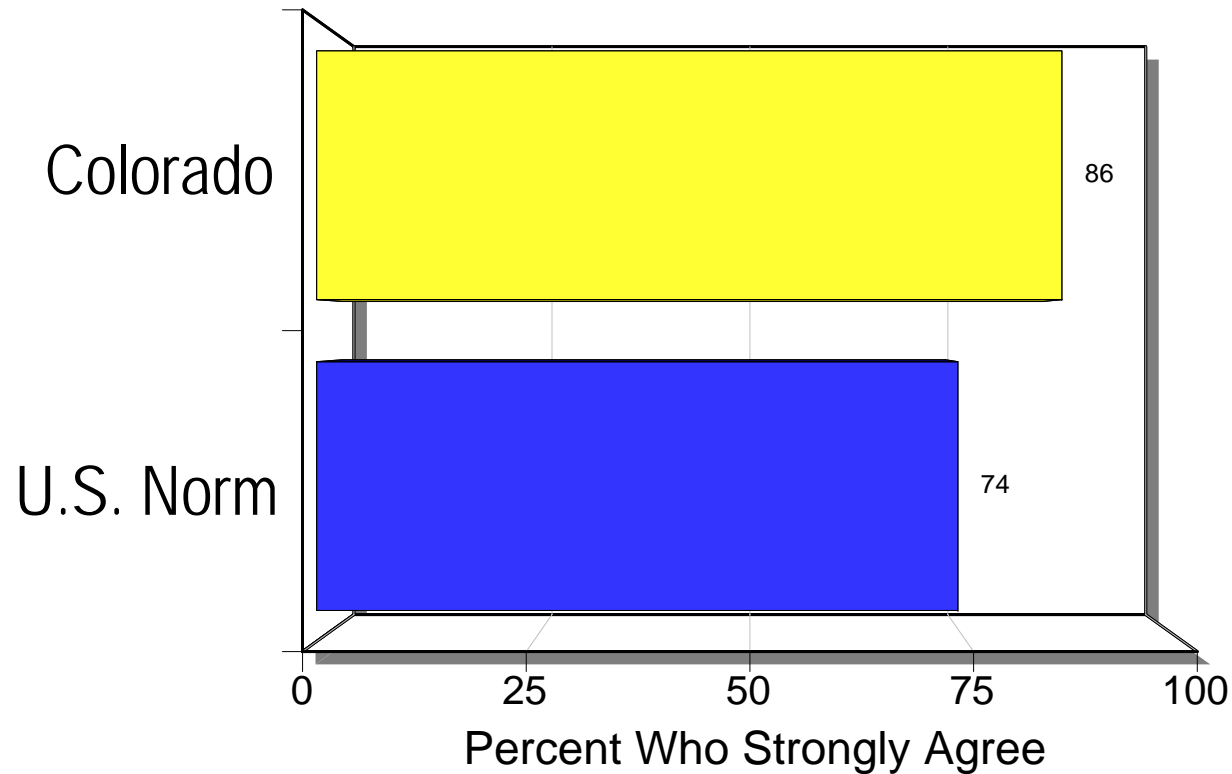


# Colorado's Product Delivery

# Colorado's Product Delivery — “Would Really Enjoy Visiting Again”



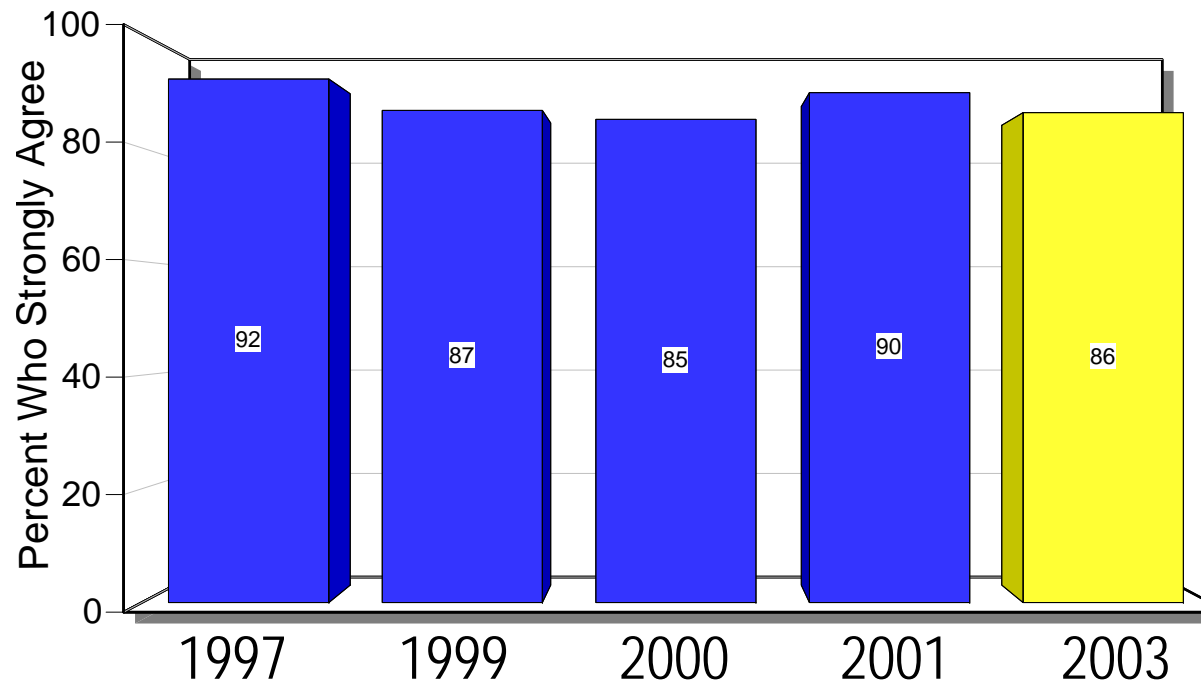
Base: Overnight Marketable Trips



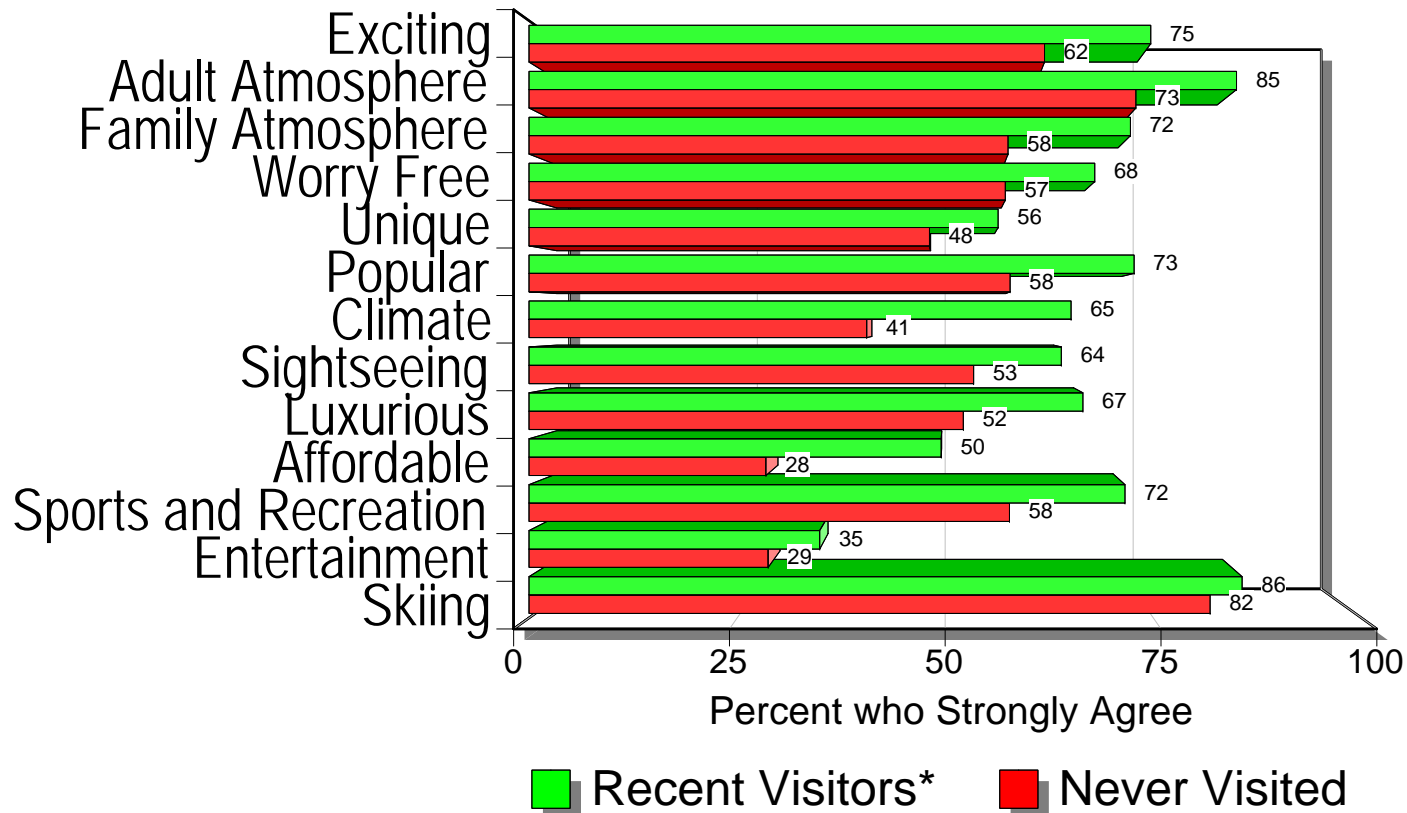
# Colorado's Product Delivery — “Would Really Enjoy Visiting Again”



Base: Overnight Marketable Trips



# Colorado's Product vs. Image

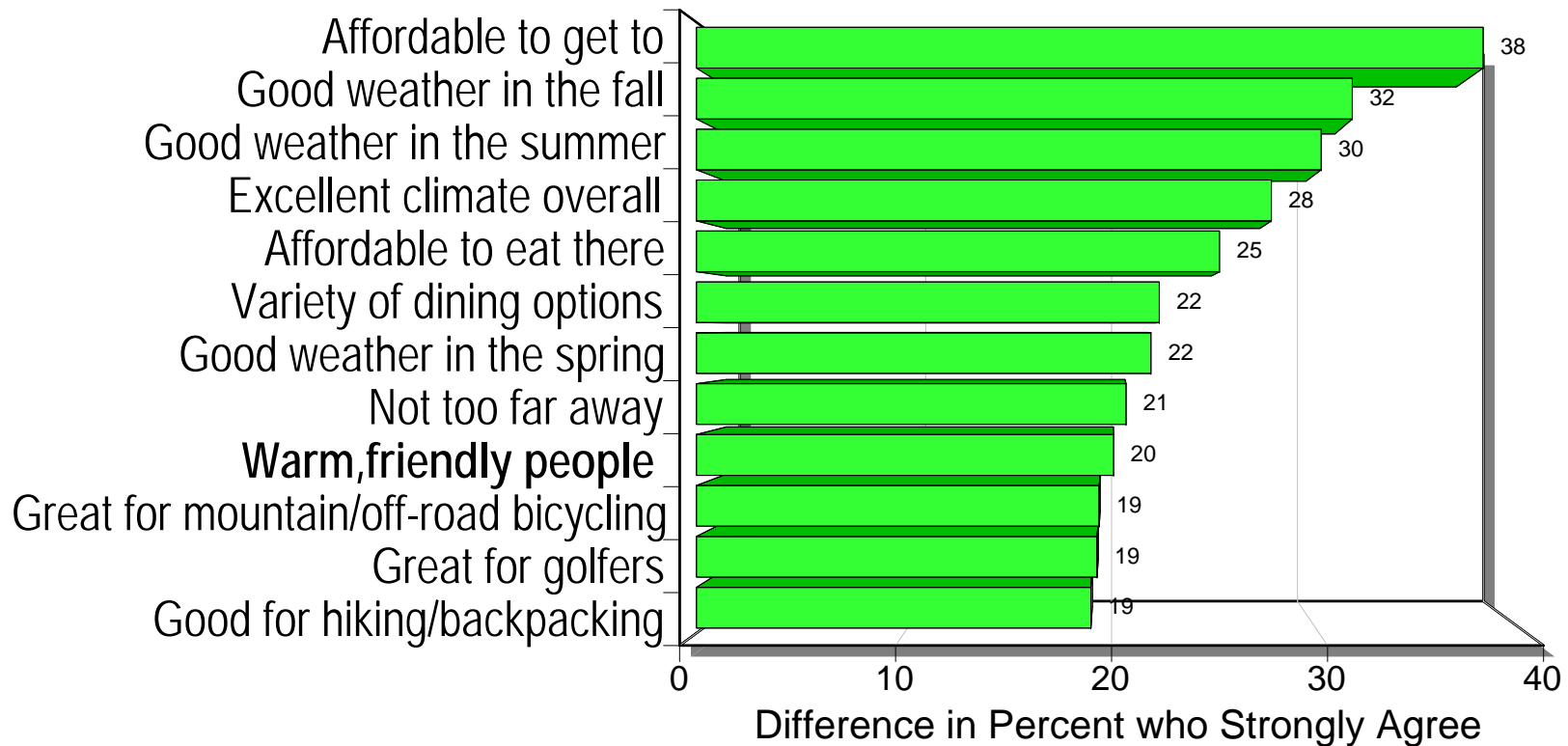


\* Visited past 2 years

# Top Product Strengths vs. Image



Net Difference in Ratings – Visitors vs. Non-Visitors



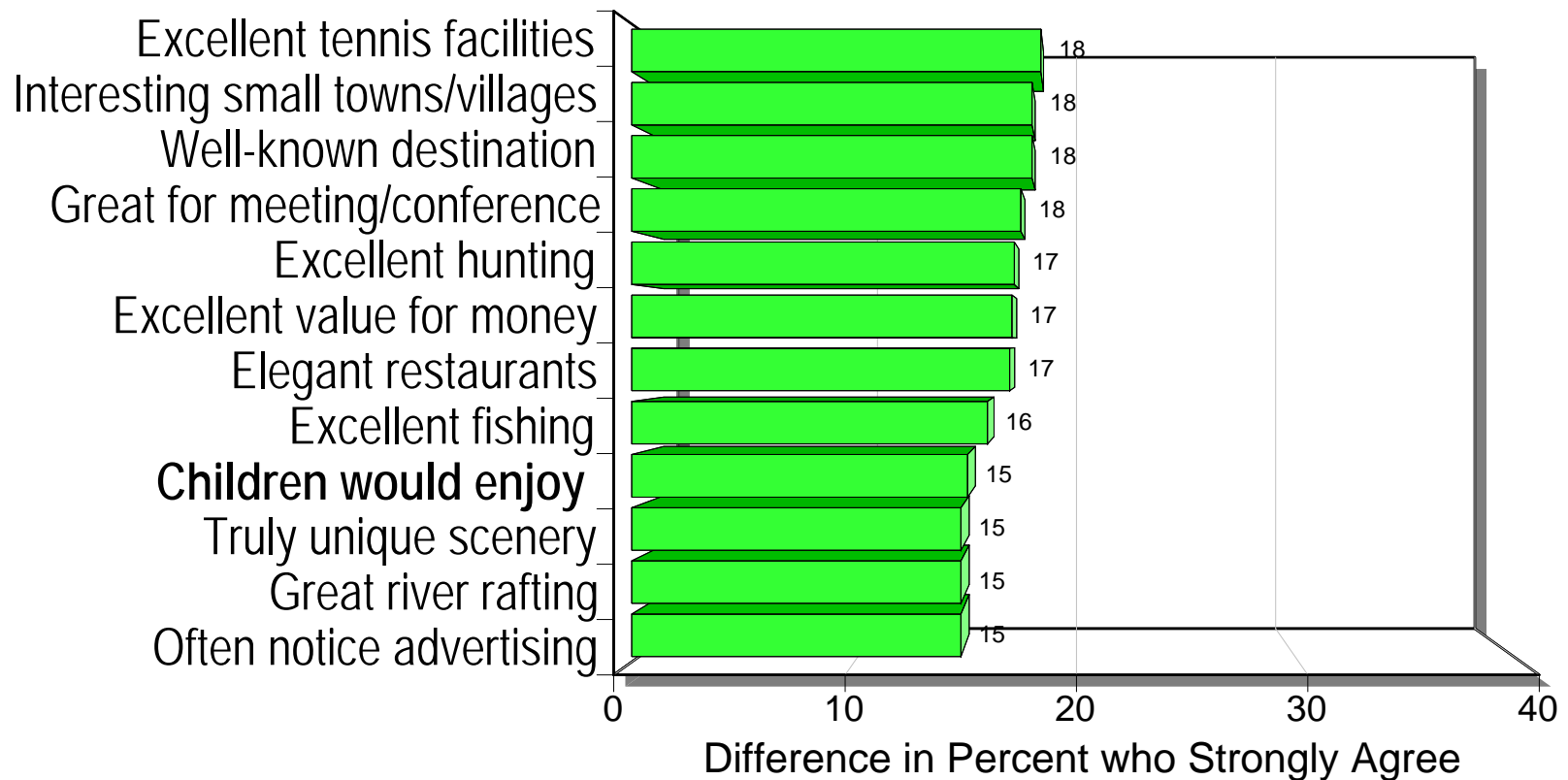
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers



# Top Product Strengths vs. Image (Cont'd)



Net Difference in Ratings – Visitors vs. Non-Visitors

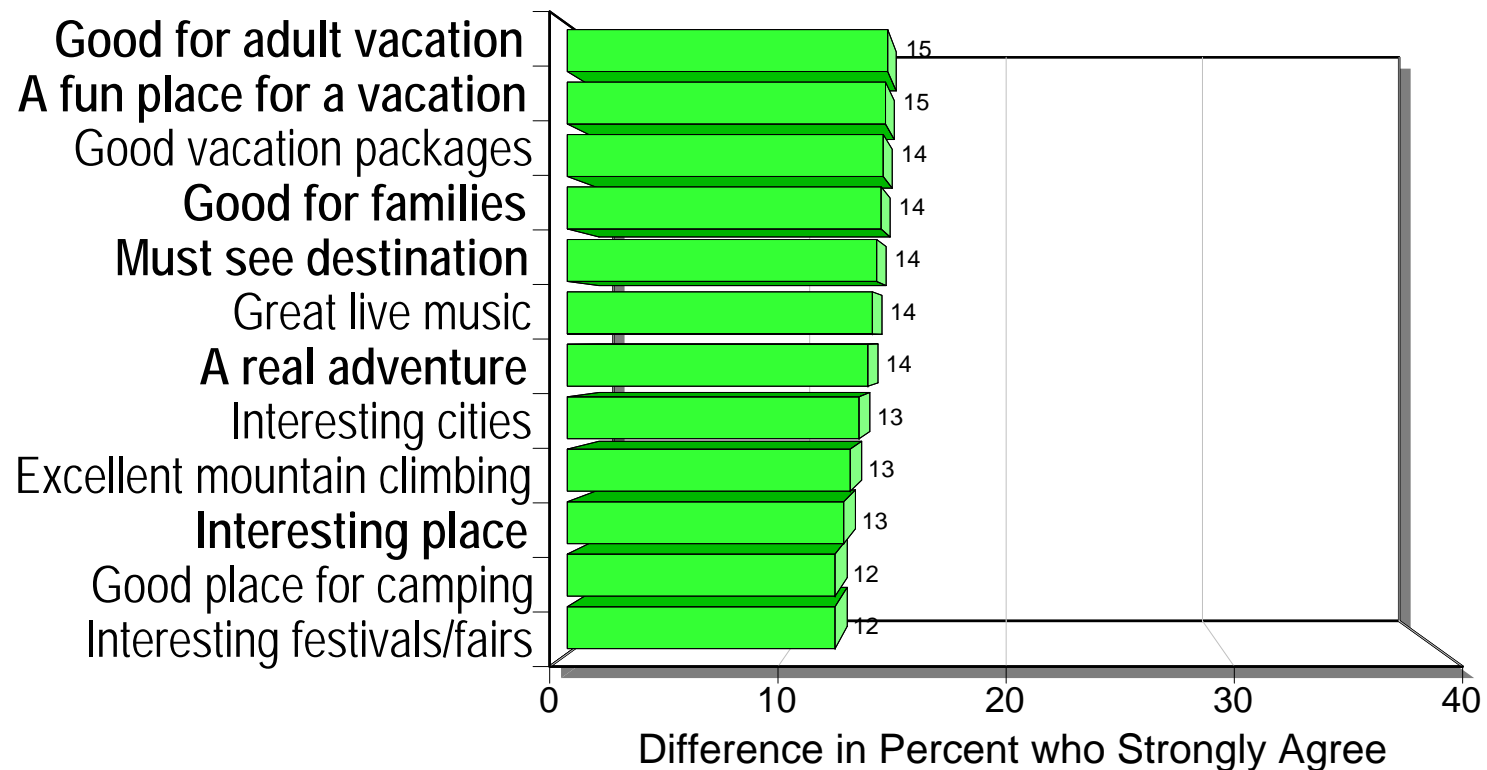


Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Top Product Strengths vs. Image (Cont'd)



Net Difference in Ratings – Visitors vs. Non-Visitors



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

# Product Weaknesses vs. Image



**NO PRODUCT WEAKNESSES**

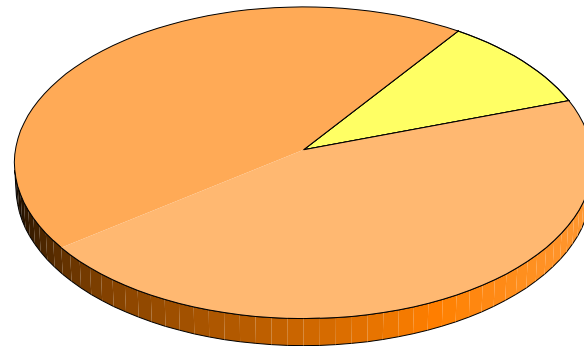
# Impacts of Colorado's 2003 Advertising Campaign

# Awareness of Colorado's Ad Campaign



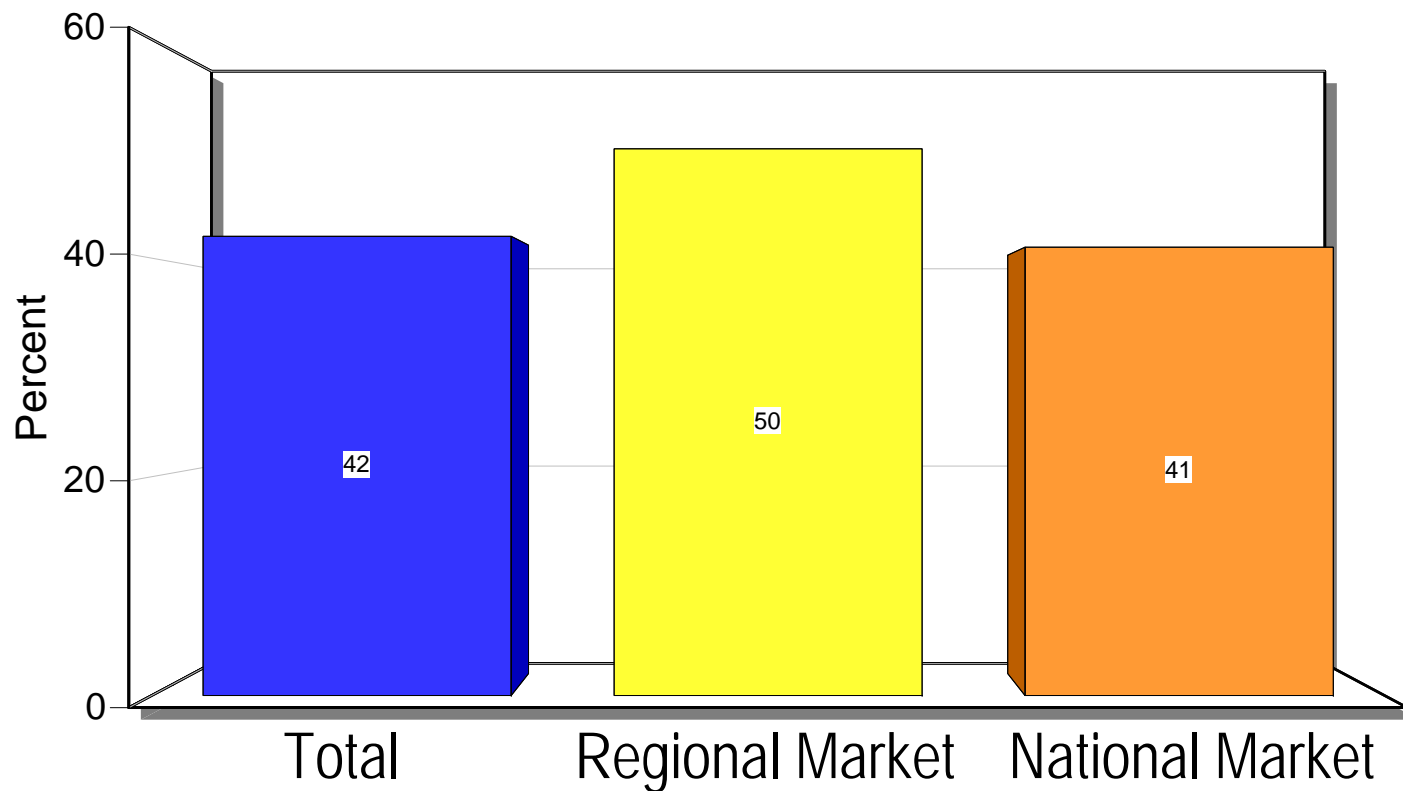
**Total Aware = 76.9 Million**

National Market  
69.4 Million  
(90%)



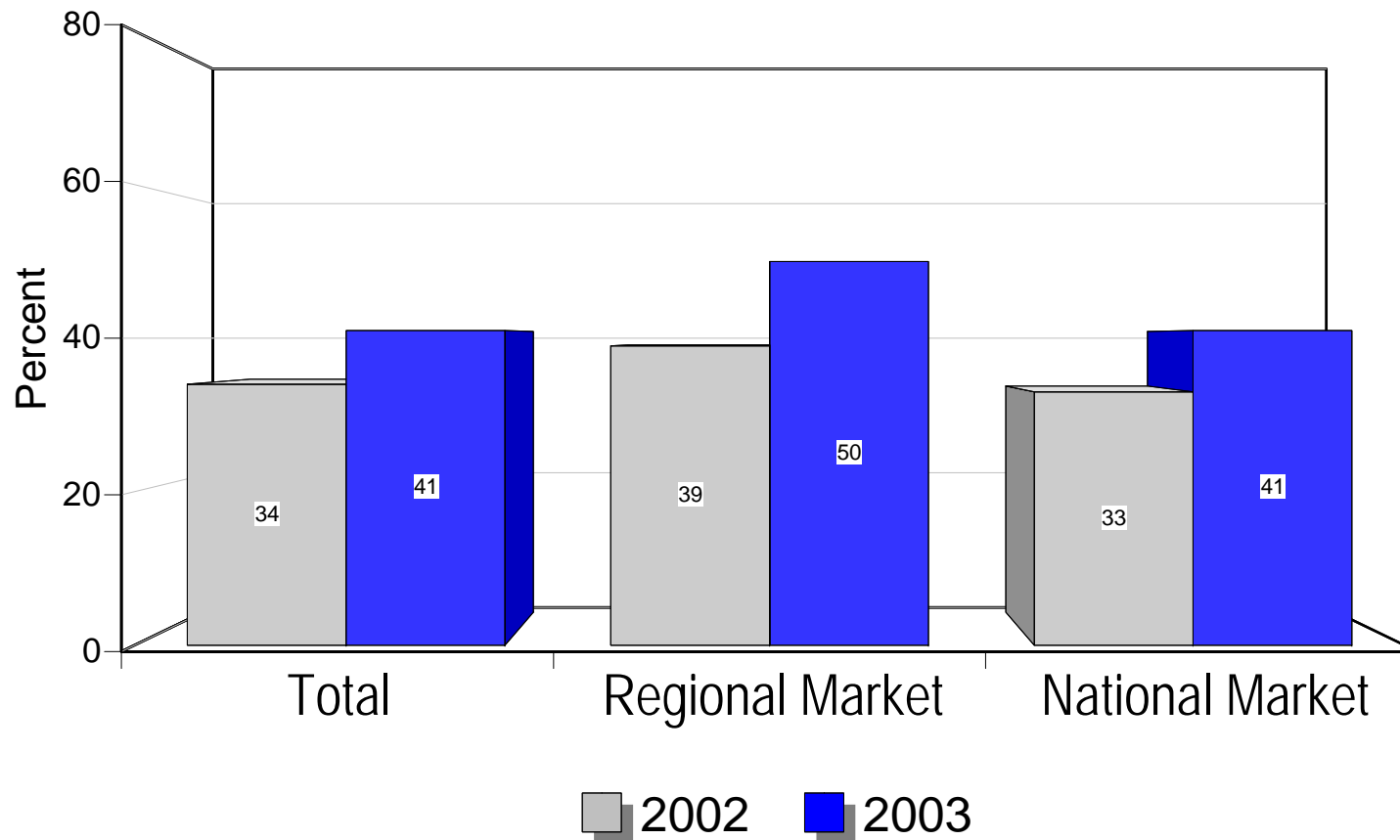
Regional Market  
7.5 Million  
(10%)

# Awareness\* by Advertising Market



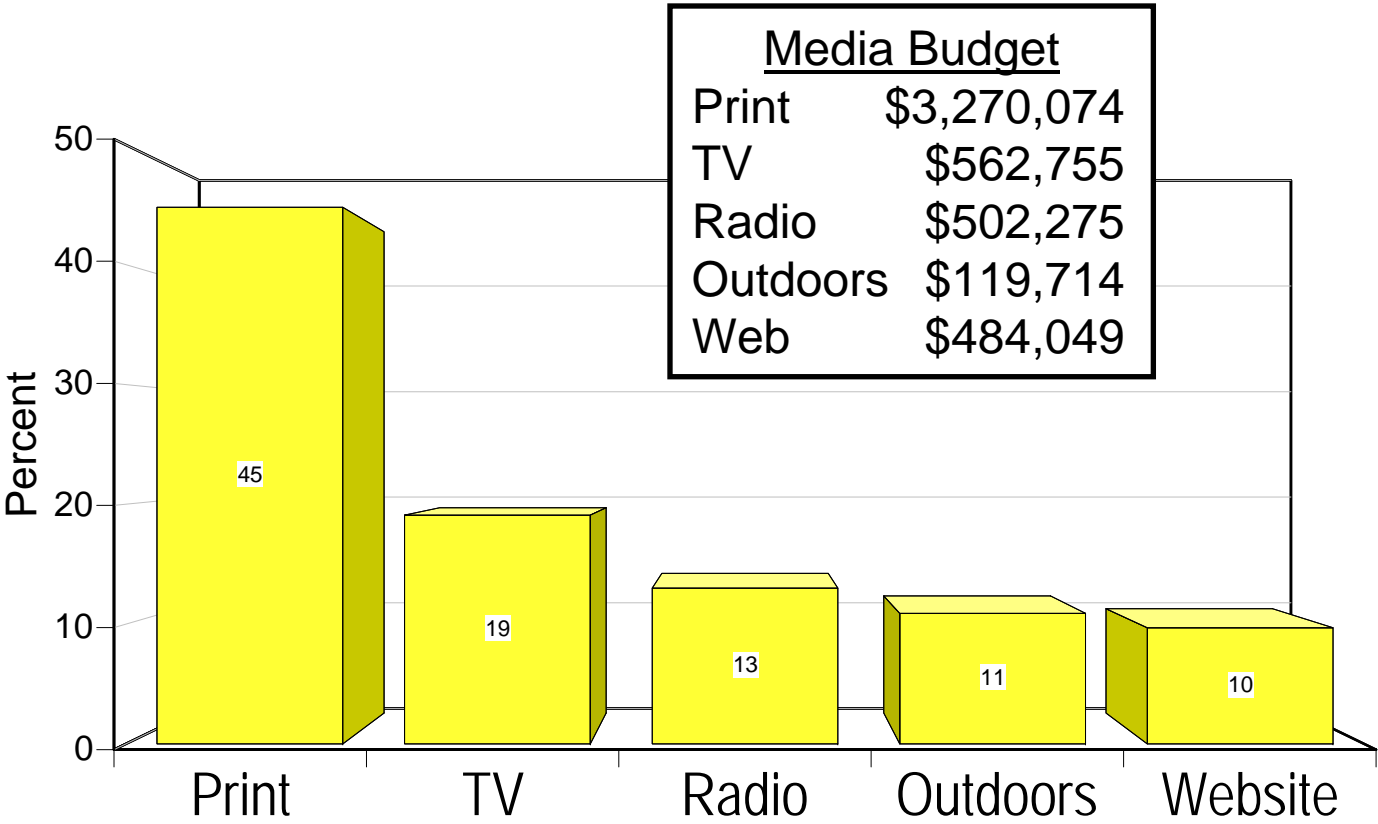
\*Saw at least one ad.

# Awareness\* by Advertising Market



\*Saw at least one ad.

# Awareness\* by Medium



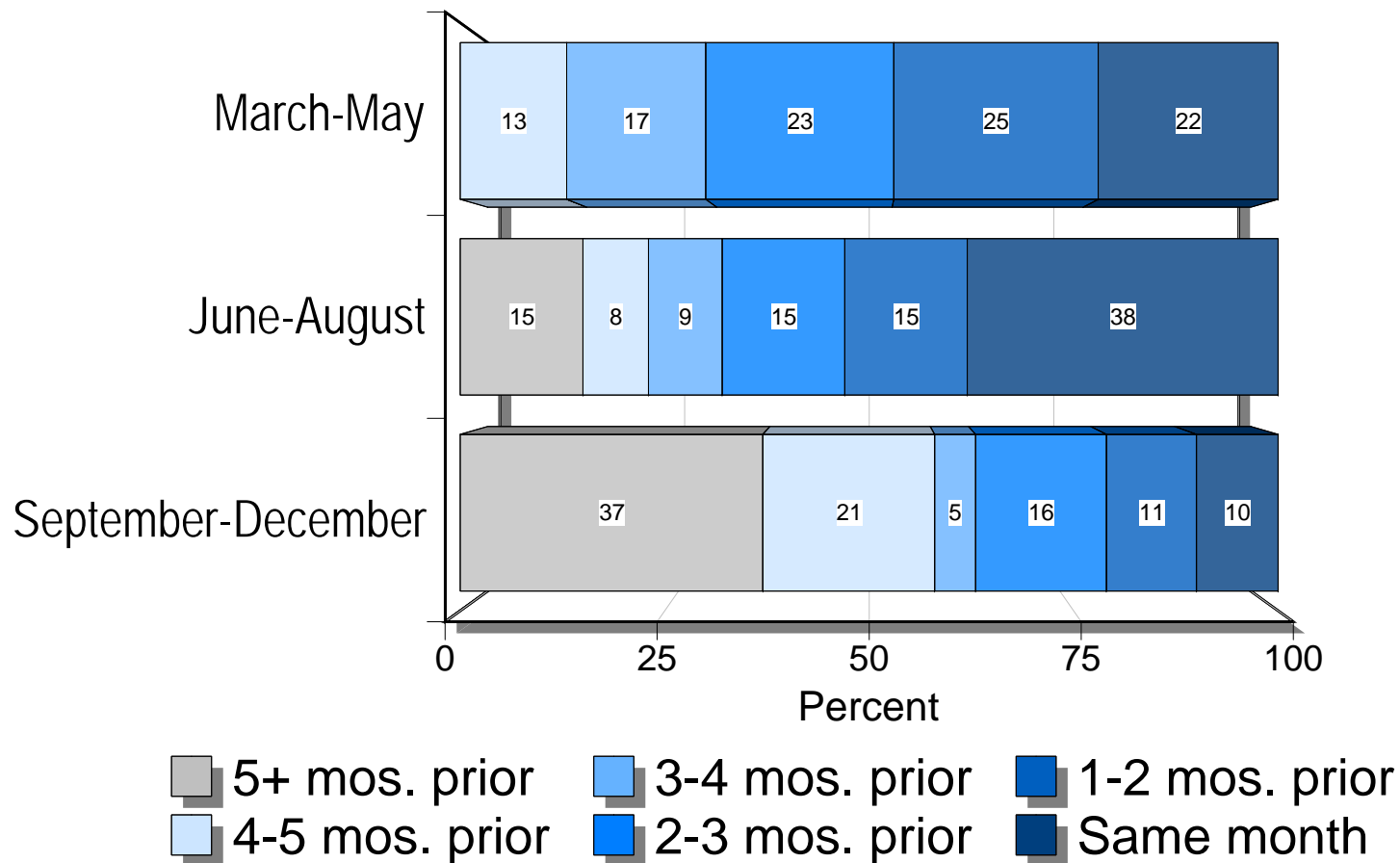
\*Saw at least one ad.



# Timing of First Ad Exposure Before Trip Taking



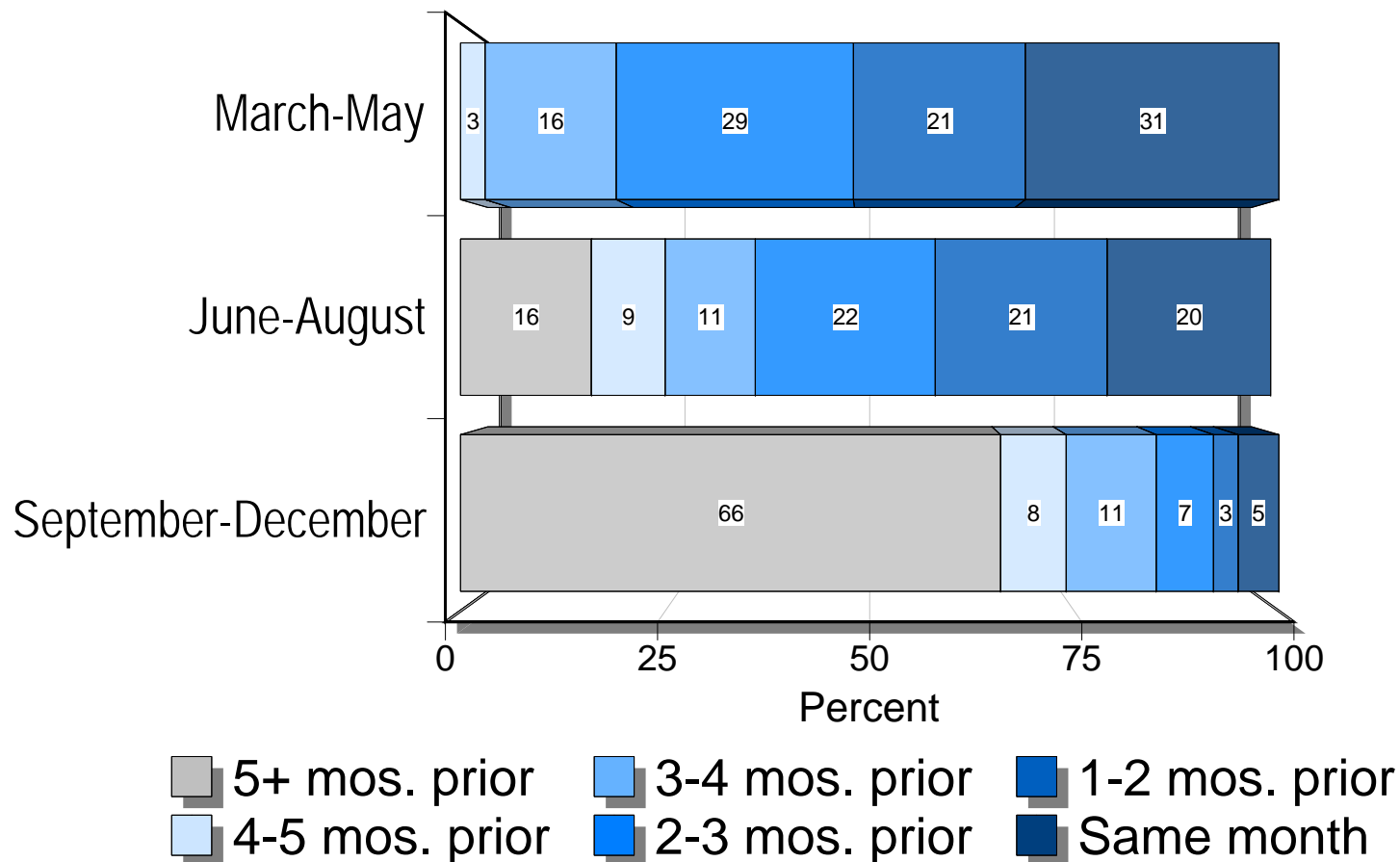
Took Trip in ...



# Timing of First Ad Exposure Before Trip Taking – Regional Market



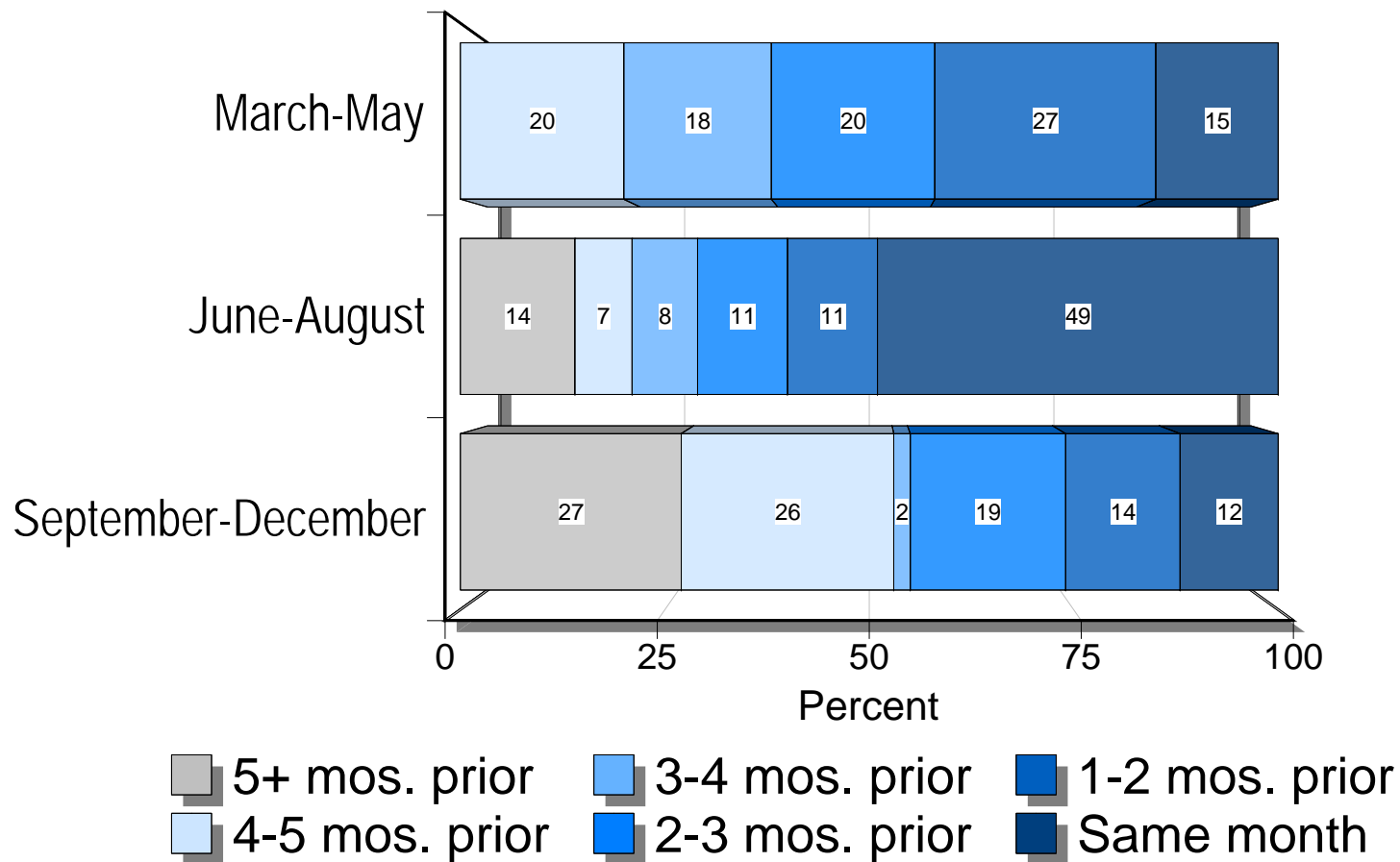
Took Trip in ...



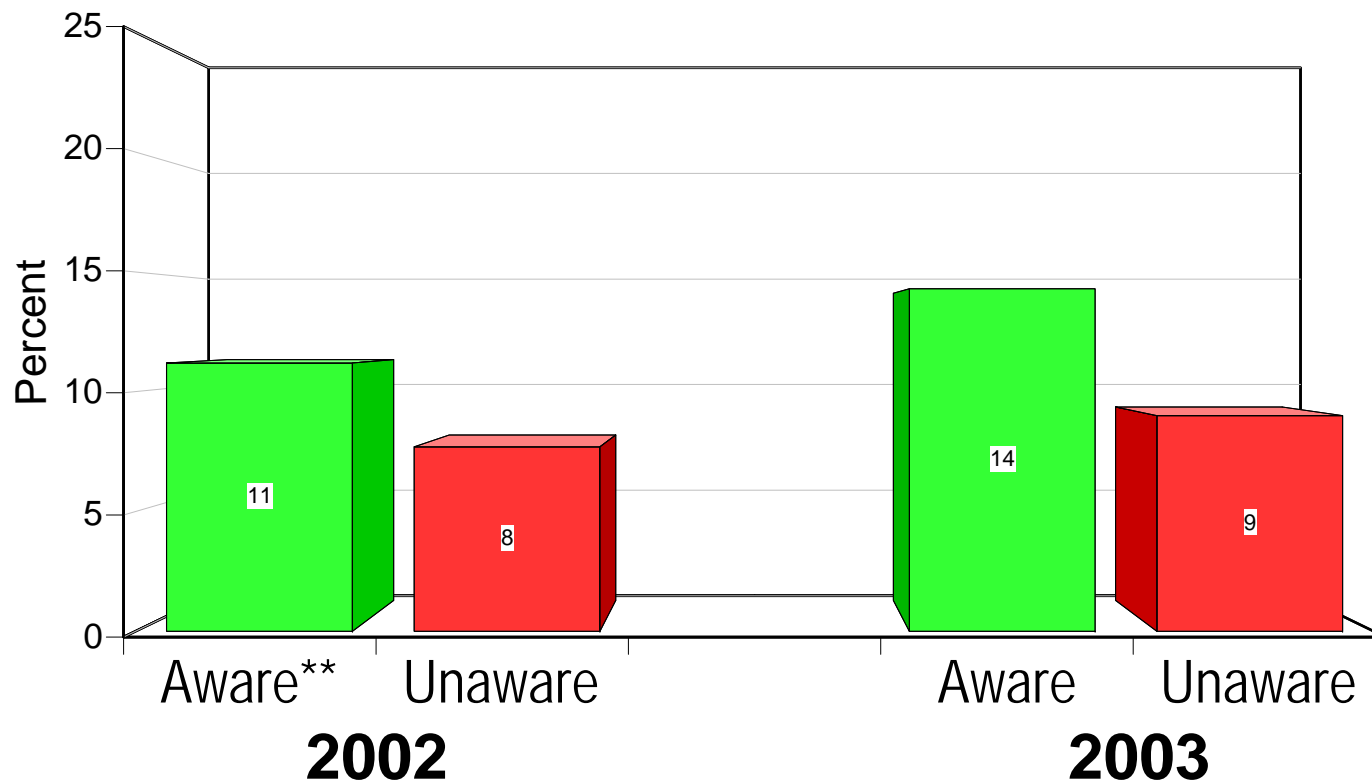
# Timing of First Ad Exposure Before Trip Taking – National Market



Took Trip in ...



# Impact on Dream Destinations\*



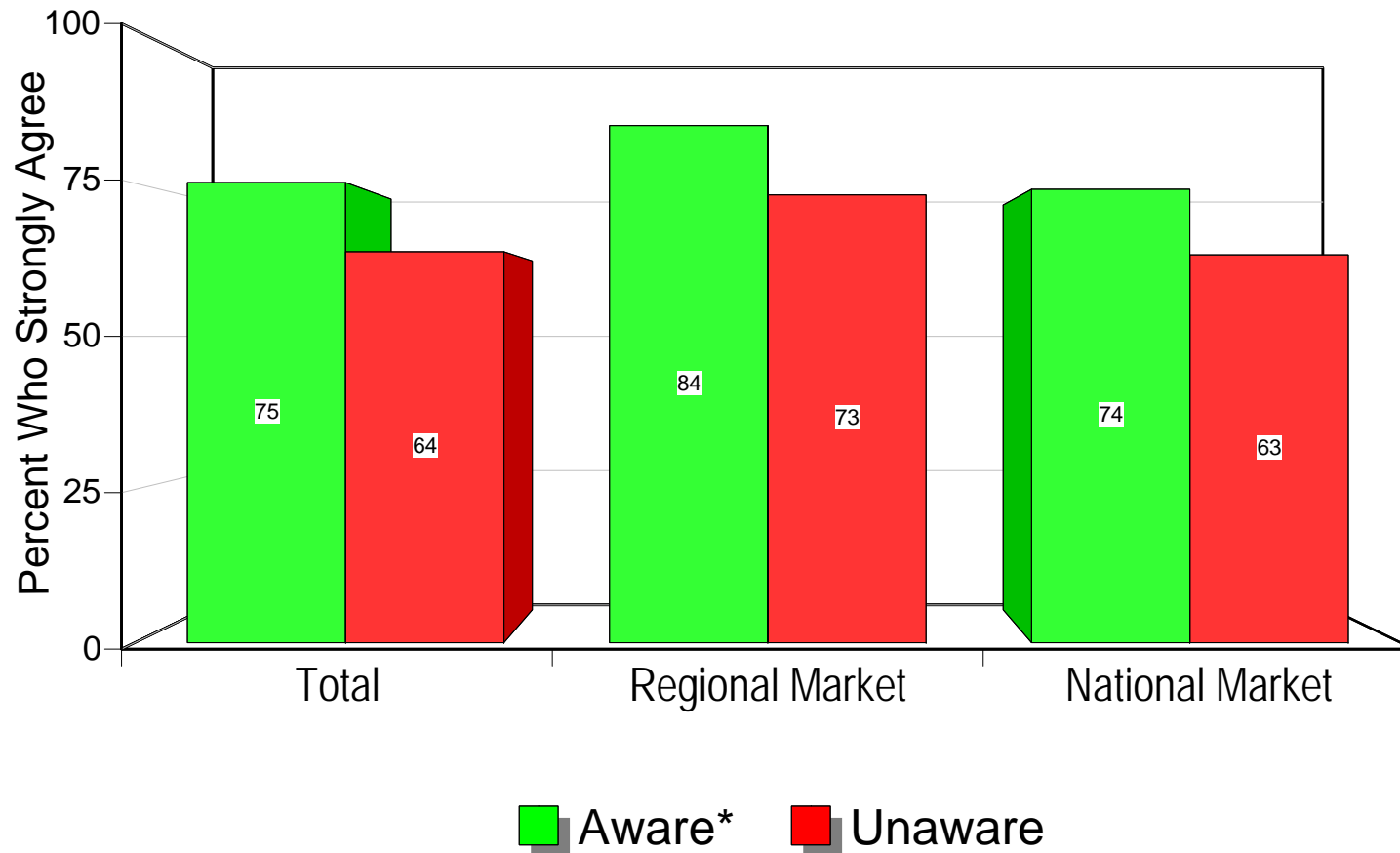
\*Spontaneous mentions of Colorado among North American destinations “would enjoy visiting”.

\*\*Saw at least one ad.

# Impact on Overall Image



“A Place I’d Really Enjoy Visiting”



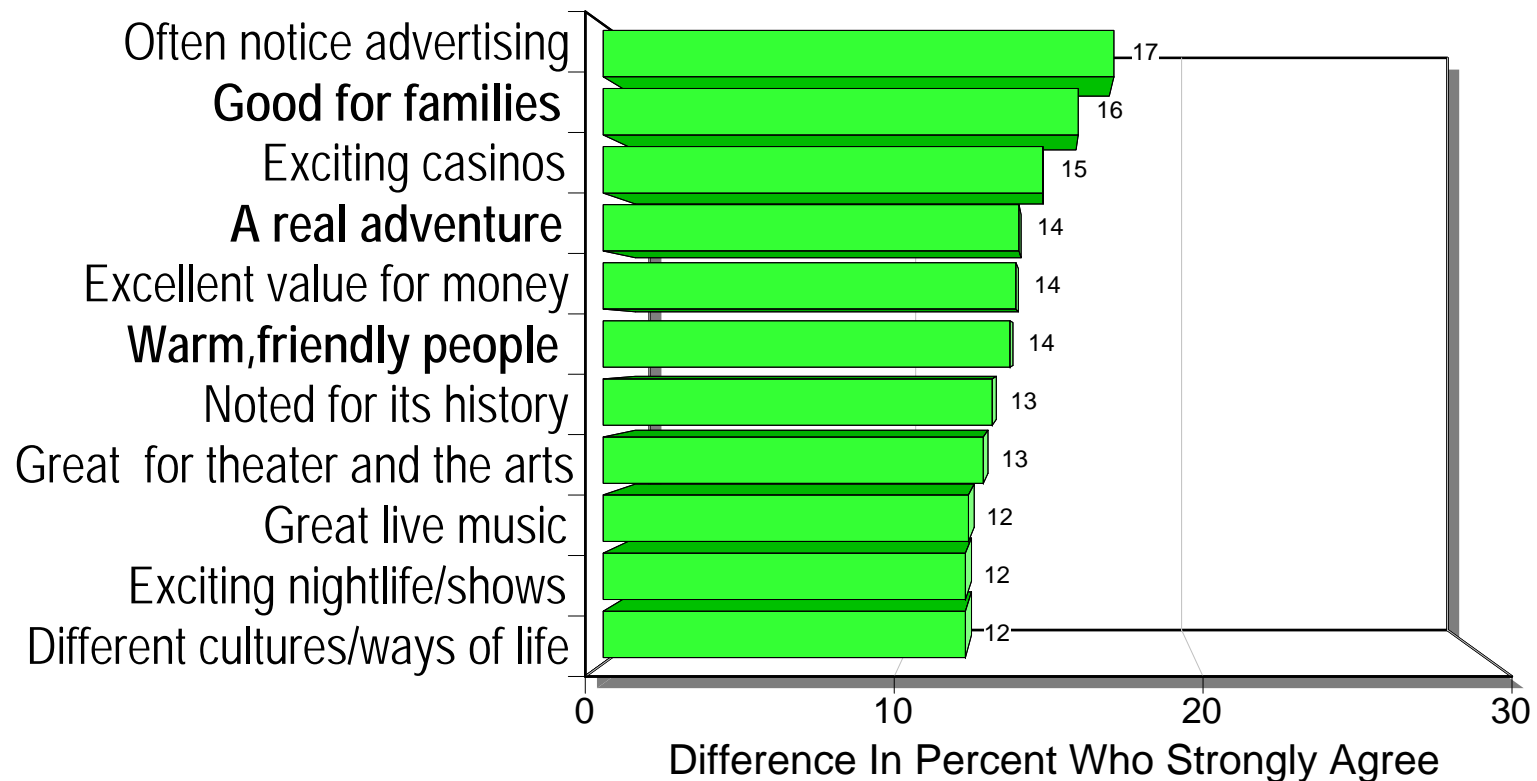
\*Saw at least one ad.

# Impact of Advertising on Colorado's Image



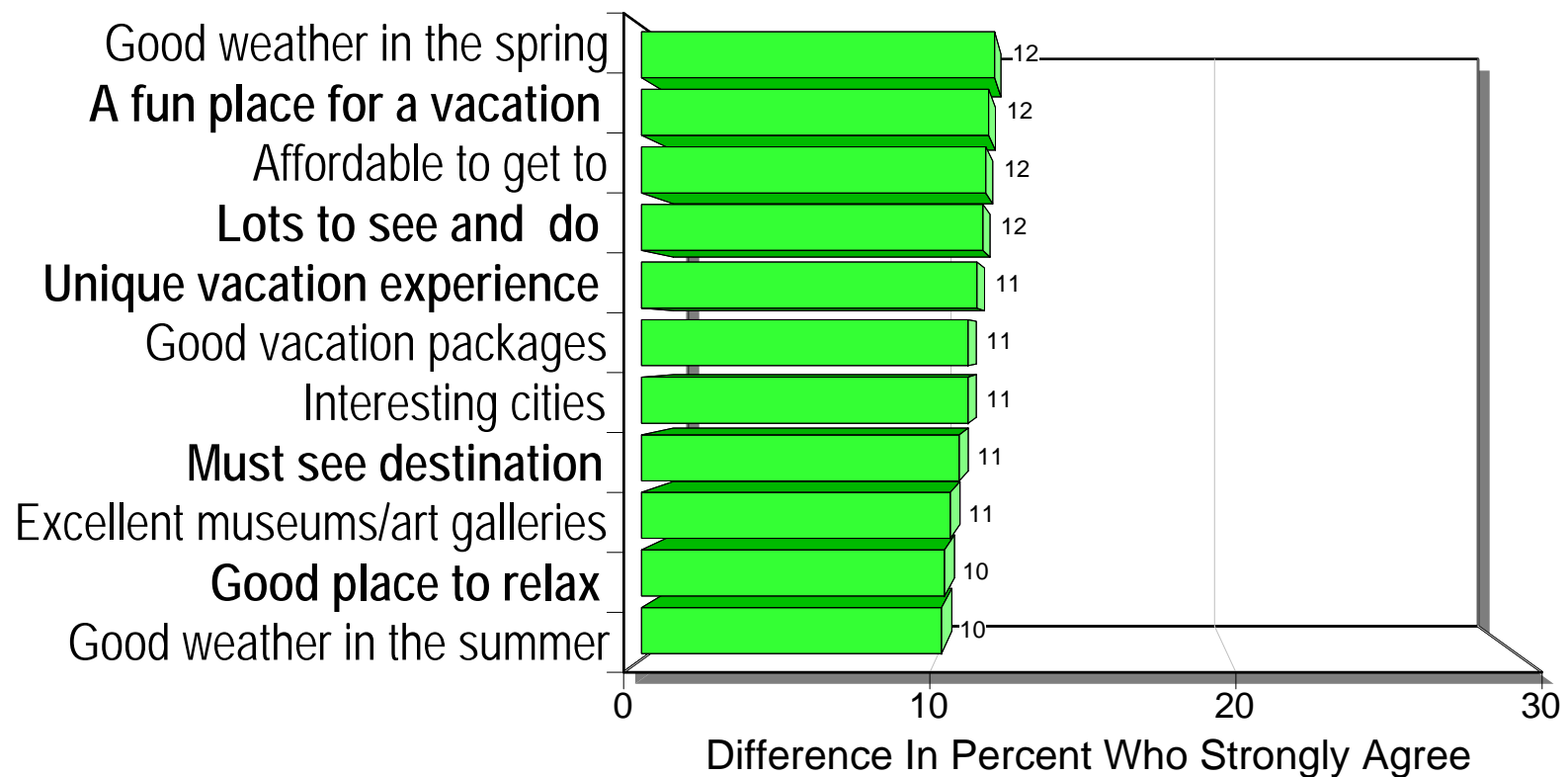
\*Saw at least one ad.

# Attributes on Which the Campaign Had the Greatest Impact



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

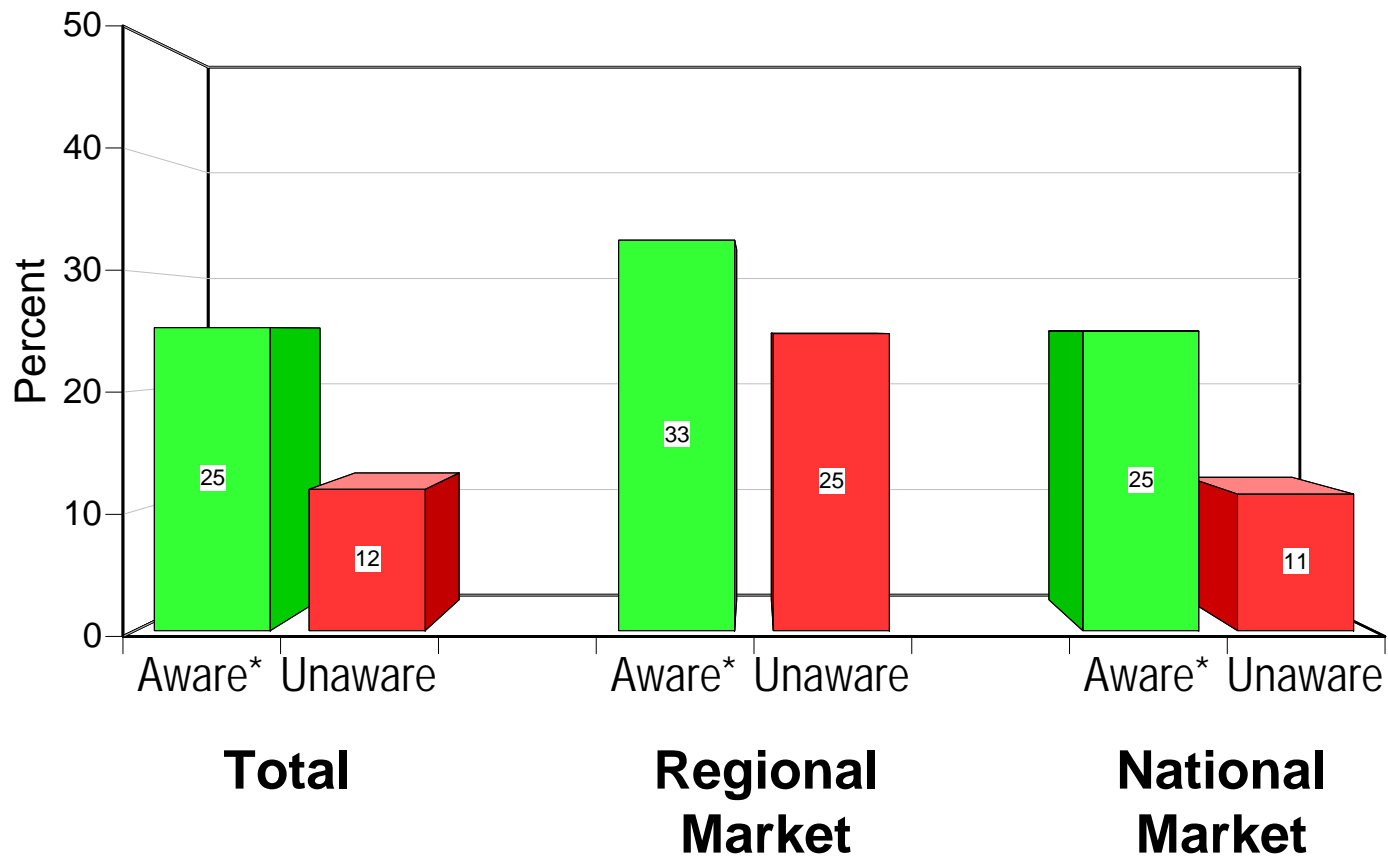
# Attributes on Which the Campaign Had the Greatest Impact



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

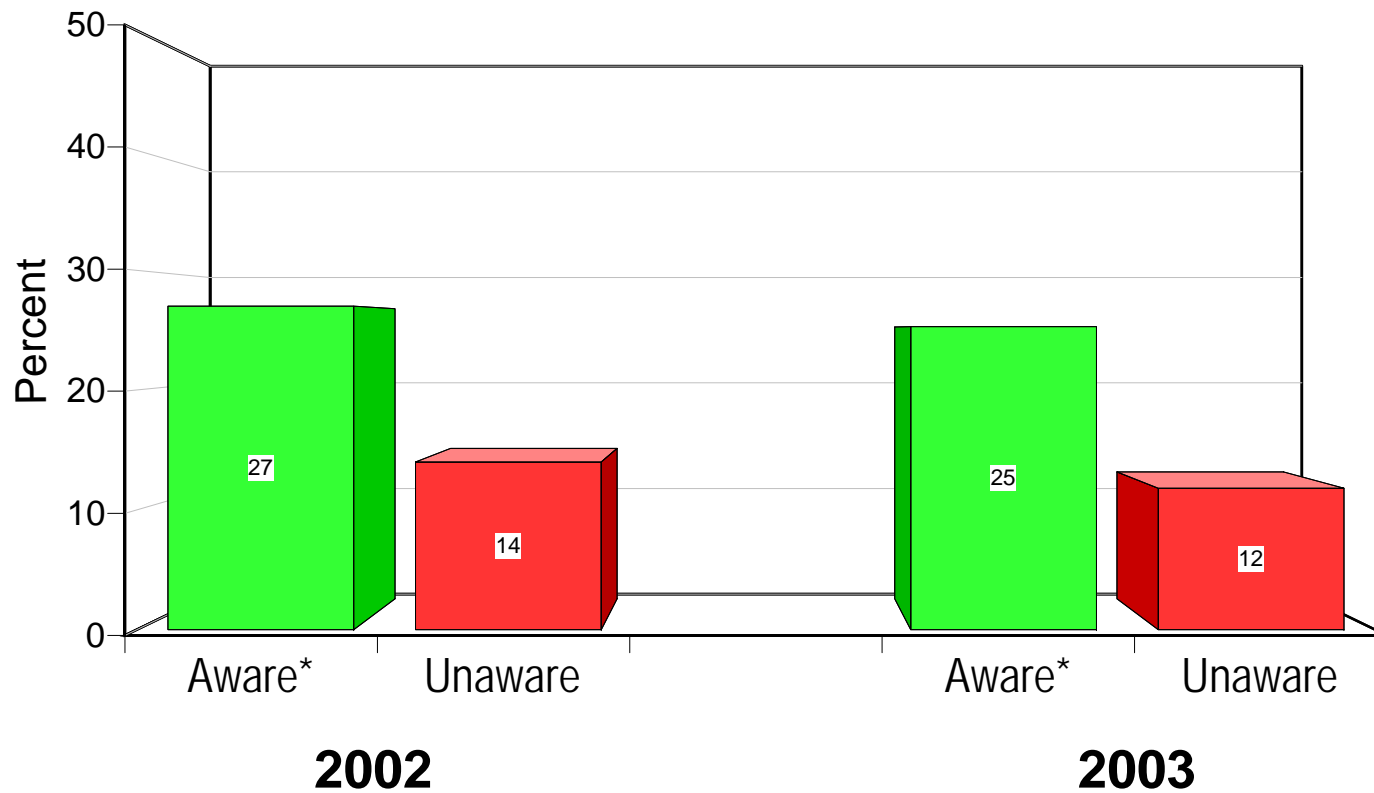


# Intend to Visit Colorado on an Overnight Trip



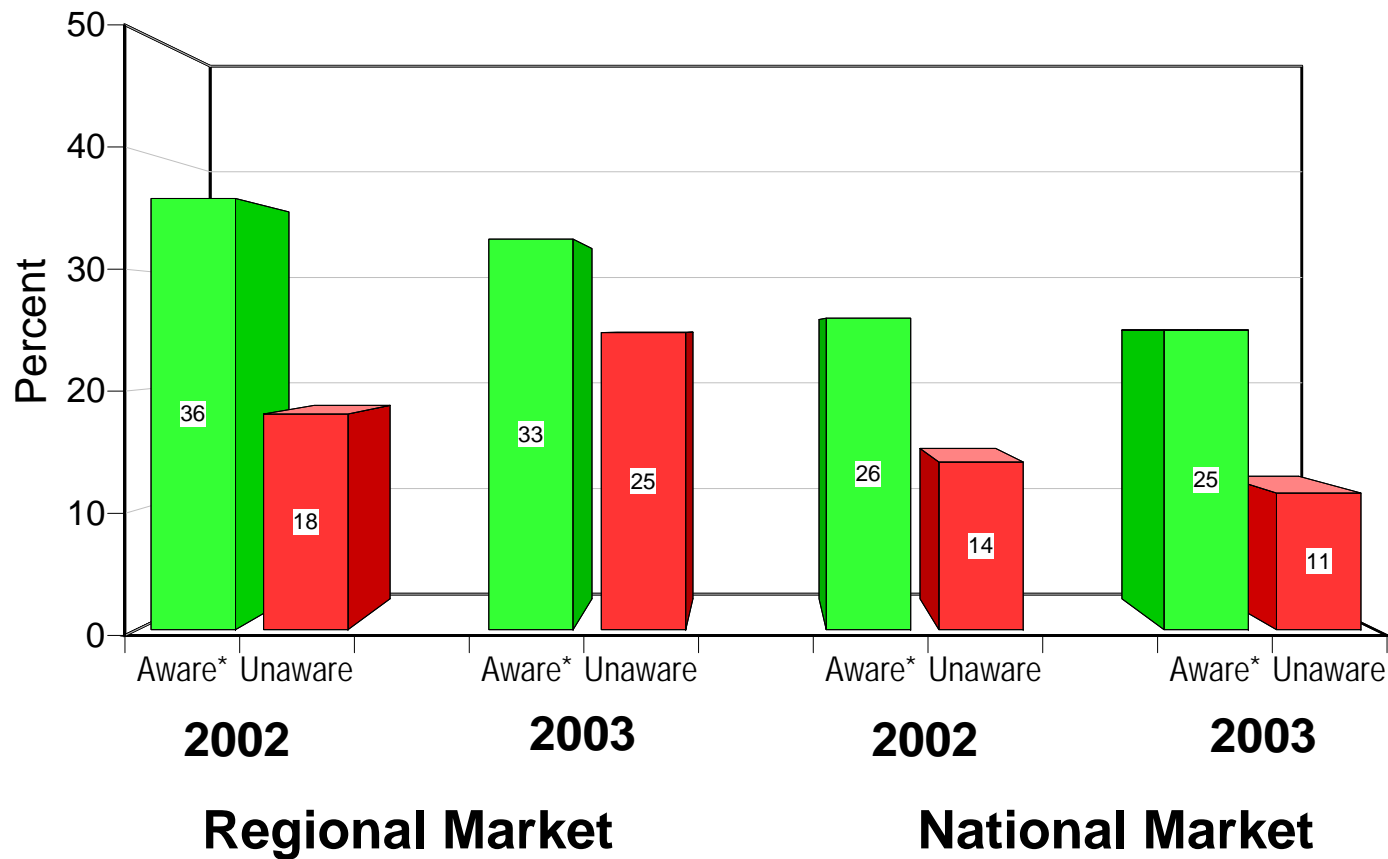
\*Saw at least one ad.

# Intend to Visit Colorado on an Overnight Trip – 2003 vs. 2002



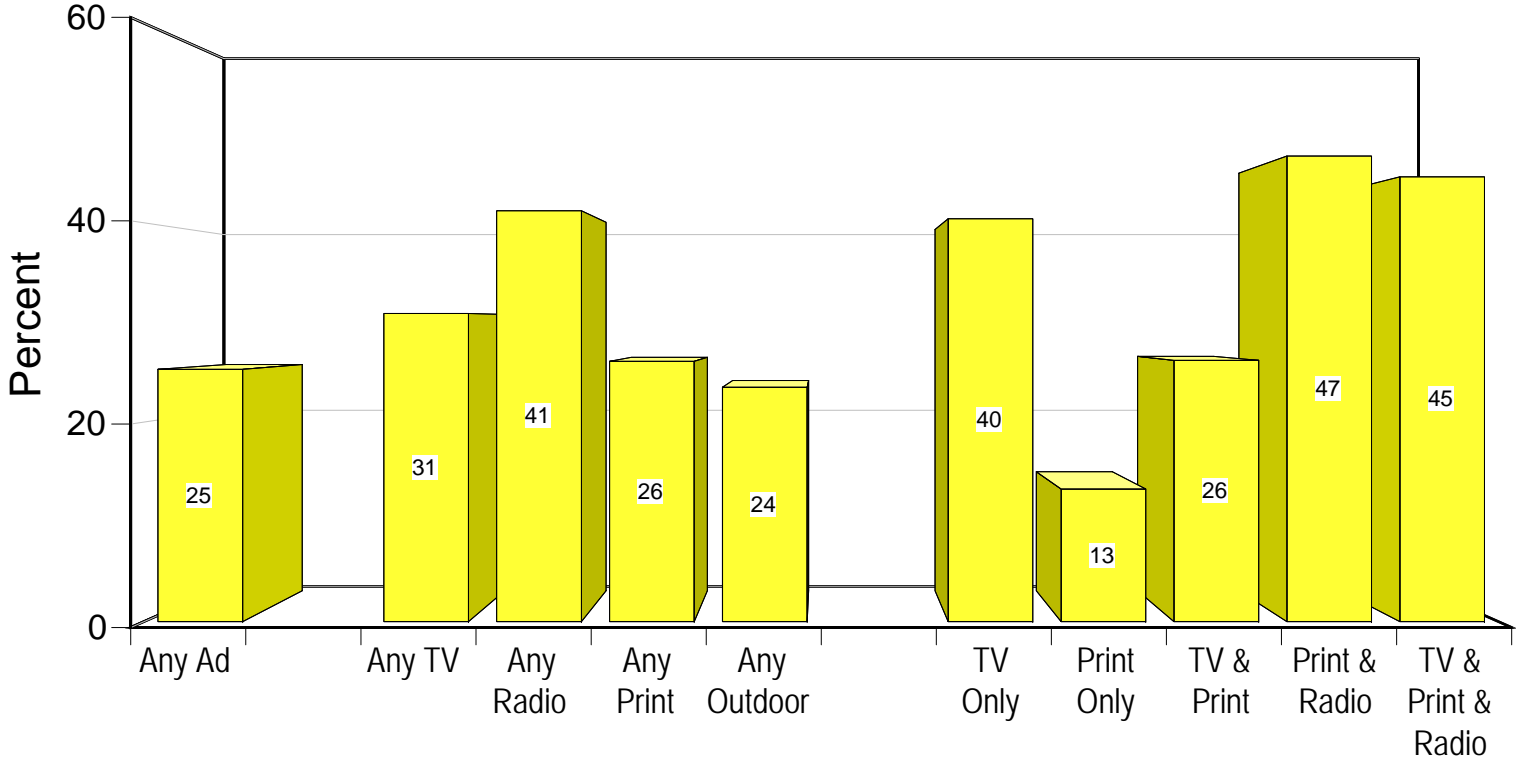
\*Saw at least one ad.

# Intend to Visit Colorado on an Overnight Trip – By Region



\*Saw at least one ad.

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



# Intended Person-Trips Due to Advertising – by Market



	<b><u>Intend In 2004</u></b>	<b><u>Intend In 2005</u></b>	<b><u>Total</u></b>
Regional	-	-	-
National	4,459,000	4,715,000	9,174,000
<b>Total</b>	4,459,000	4,715,000	9,174,000

# Intended Person-Trips Due to Advertising – 2003 vs. 2002

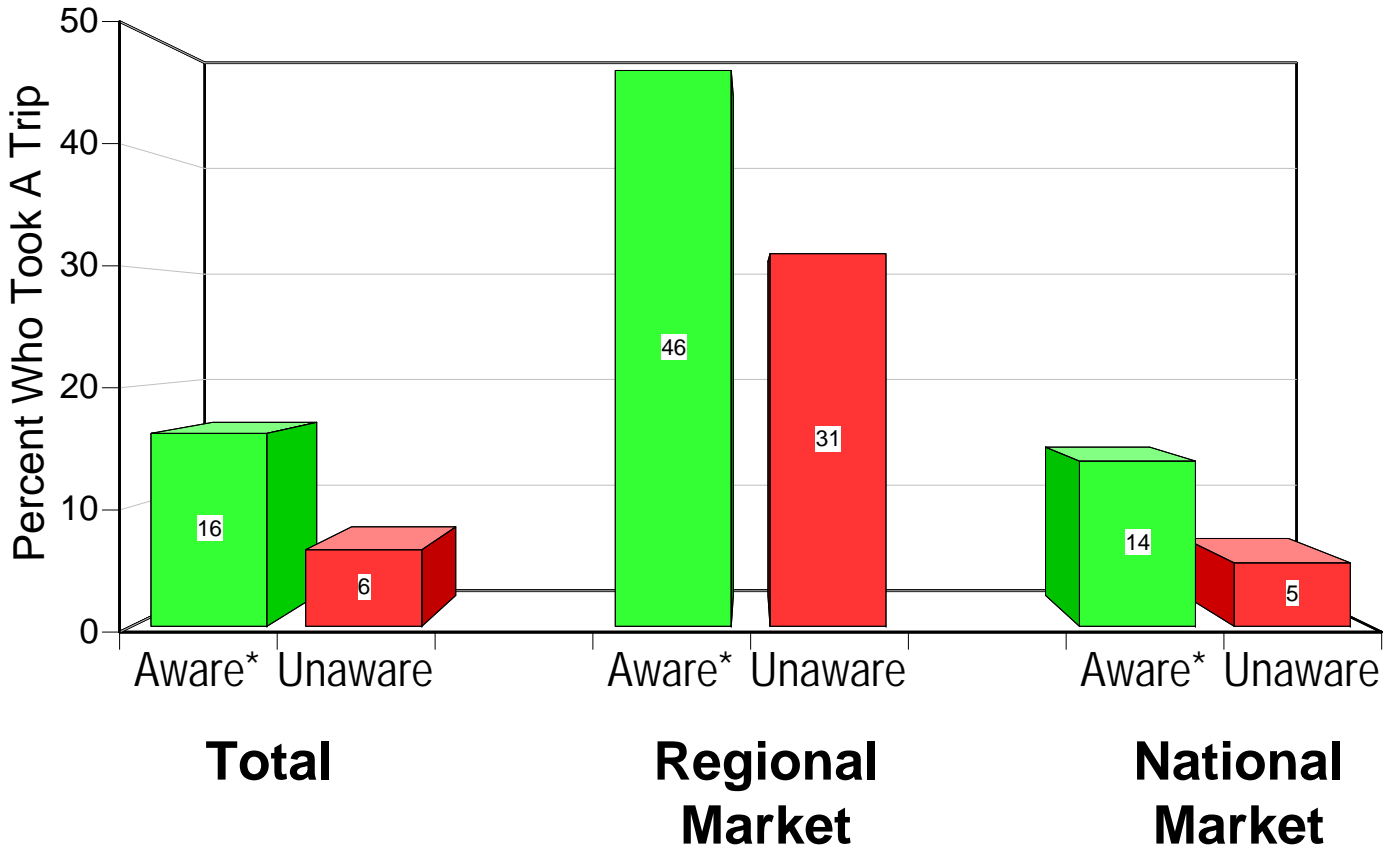


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	<u>2002</u>	<u>2003</u>
Regional	444,000	-
National	4,228,000	9,174,000
<b>Total</b>	<b>4,672,000</b>	<b>9,174,000</b>

## Short Term Conversion

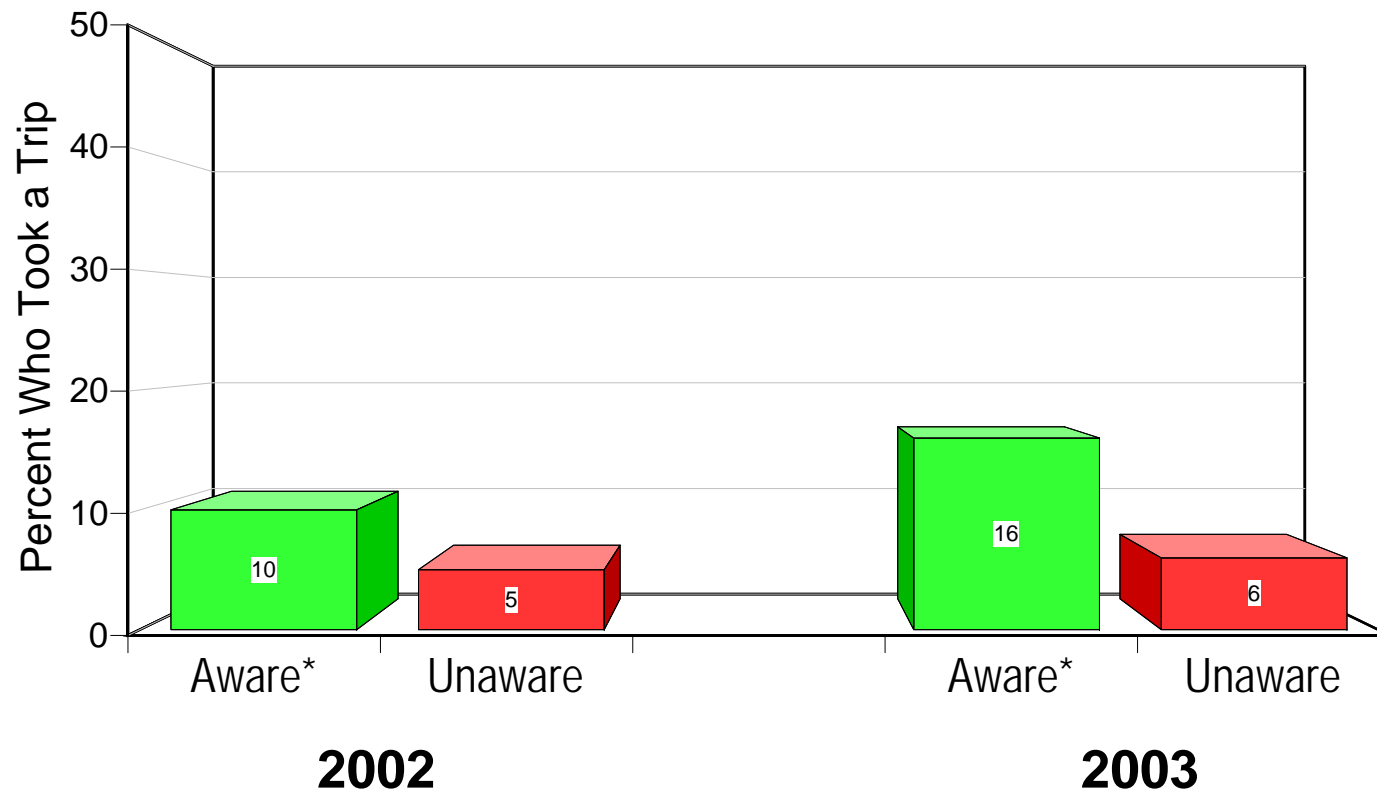
# Impact of Advertising on Overnight Trips Taken to Colorado



\*Saw at least one ad.

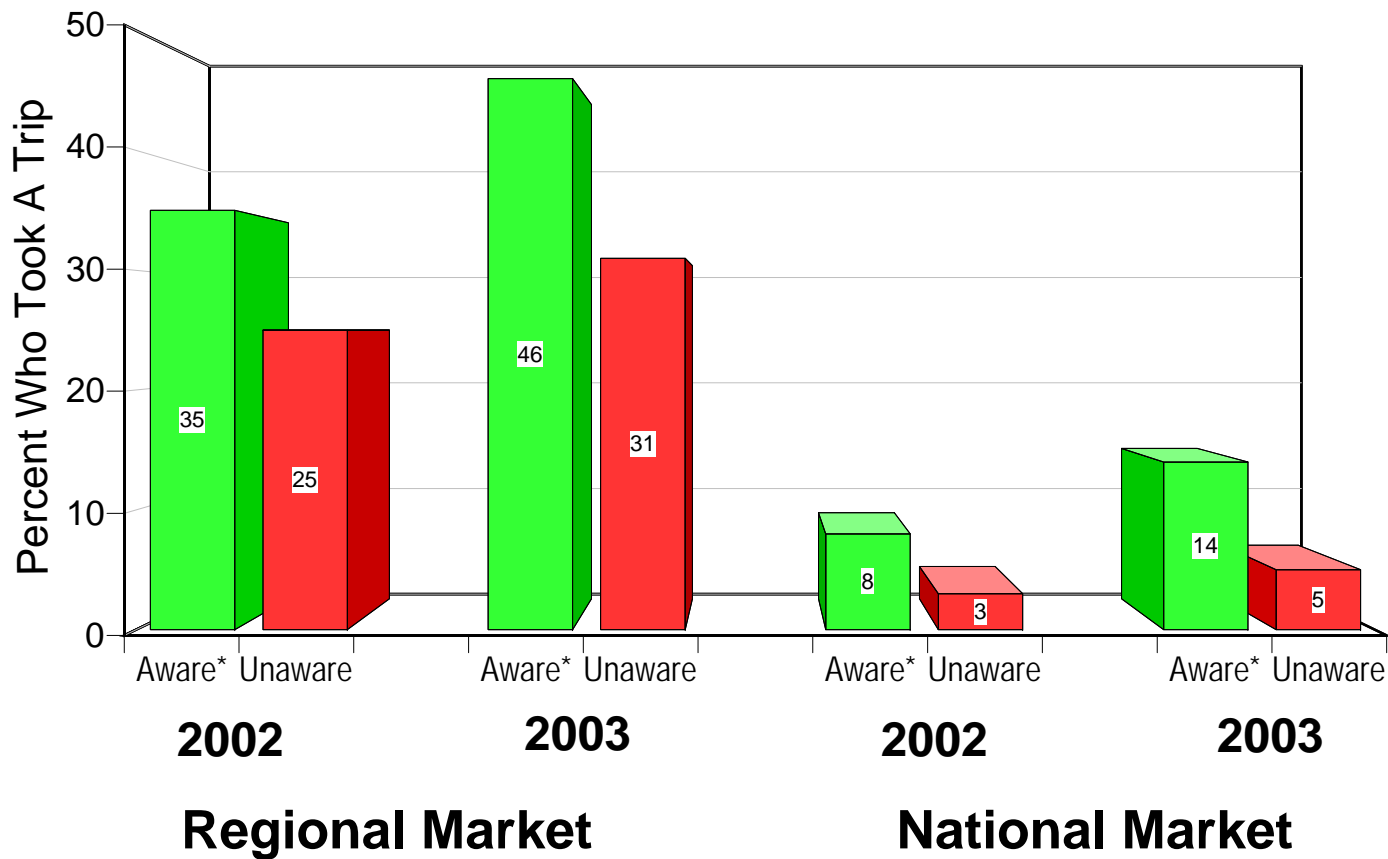


# Impact of Advertising of Overnight Trips Taken to Colorado – 2003 vs. 2002



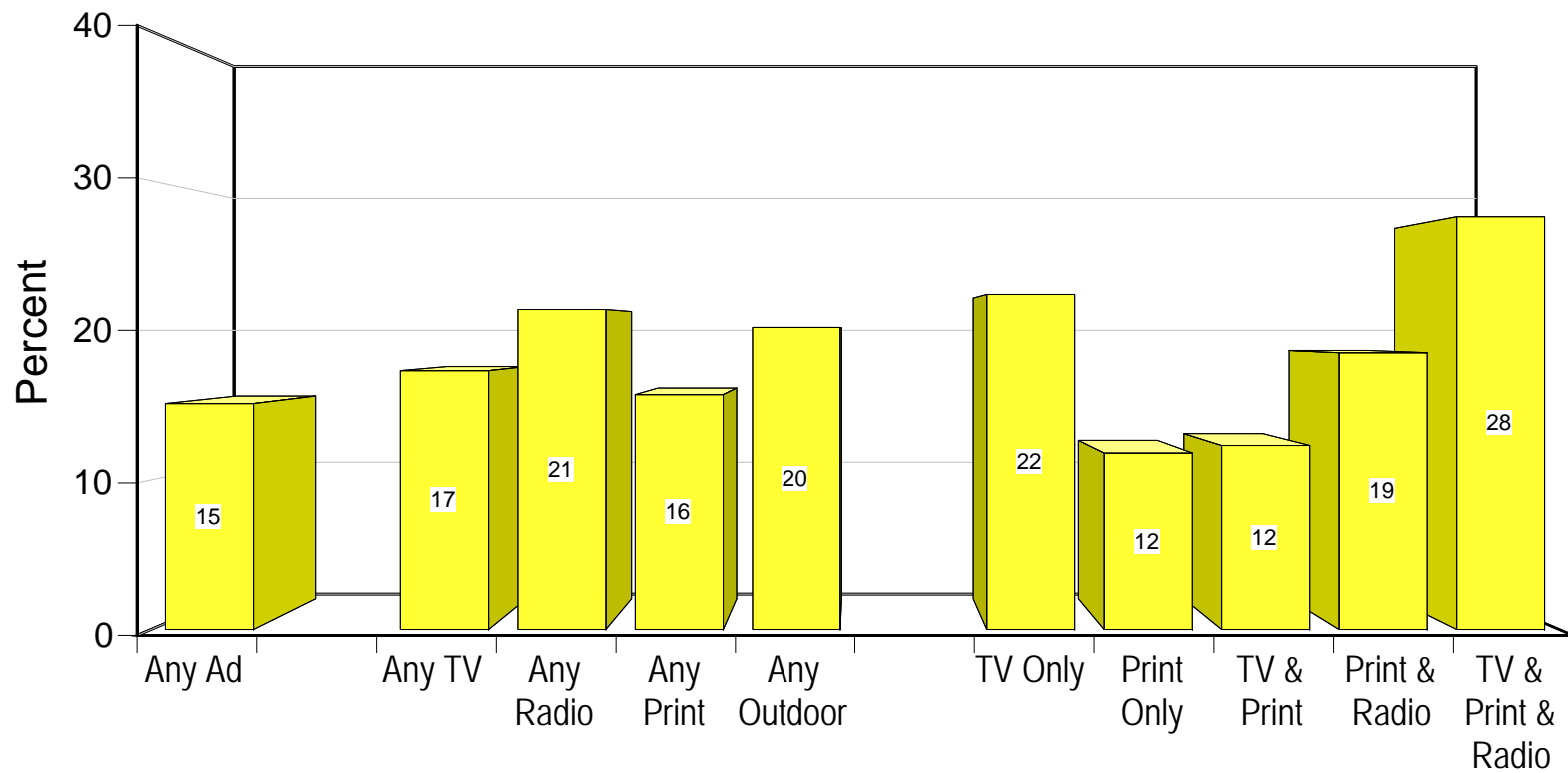
\*Saw at least one ad.

# Impact of Advertising on Overnight Trips Taken to Colorado – By Region



\*Saw at least one ad.

# Visited Colorado on an Overnight Trip — by Medium



# Overnight Trips\* to Colorado Due to Advertising – by Market



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	<u>2002</u>	<u>2003</u>
Regional Market	189,000	396,000
National Market	1,672,000	3,452,000
Total	1,861,000	3,848,000

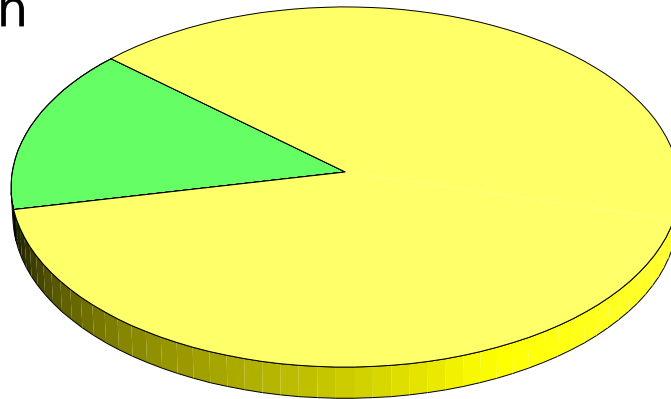
\* Trips taken from March to December in each year

# Trips Influenced By 2003 Campaign



**Colorado Trips in 2003 = 24.9 Million**

Influenced by Campaign  
3.8 Million  
(15%)



Other Trips  
21.1 Million  
(85%)

# Campaign Efficiency



	<b><u>2002</u></b>	<b><u>2003</u></b>
Total overnight trips due to advertising	1,861,000	3,848,000
Marketing expenditures	\$2,546,000	\$5,182,000
Advertising cost per trip	\$1.37	\$1.35

# Spending/Taxes Returned Due to Advertising



	<u>2002</u>	<u>2003</u>
Total Visitors	1,861,000	3,848,000
Visitor Spending/Trip*	\$281	\$274
Total Spending Generated	\$522 Million	\$1,054 Million
State Taxes Generated	\$16.1 Million	\$32.5 Million
Local Taxes Generated	\$16.3 Million	\$33.0 Million

# The Bottom Line: Short-Term ROI



	<u>2002</u>	<u>2003</u>
Advertising expenditures	\$ 2,546,000	\$ 5,182,000
Visitor Spending per Ad Dollar	\$205	\$203
State Taxes Returned per Ad Dollar Invested	\$6.32	\$6.27
Local Taxes Returned per Ad Dollar Invested	\$6.42	\$6.36
<b>Total Taxes Returned per Ad Dollar Invested</b>	<b>\$12.74</b>	<b>\$12.63</b>



# Appendix: Questionnaires