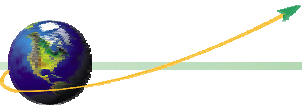


# Colorado Travel Year 2004

Final Report

*May, 2005*

# Table of Contents



	<u>Page</u>
Background and Purpose	3
Method	6
Executive Summary	10
Highlights and Recommendations	11
Key Findings	19
Detailed Findings	46
Size & Structure of the U.S. Travel Market	47
Size & Structure of Colorado's Travel Market	57
The Competitive Environment	72
2004 Pleasure Travel Profile	92
Sources of Pleasure Travel Business	93
Visitor Profile	101
Destination Interest, Image and Motivators	127
Image Hot Buttons	135
Colorado's Image	141
Colorado's Image By Market	190
Colorado's Product Delivery	195
Impacts of Colorado's 2004 Advertising Campaign	202
Short Term Conversion	226
Appendix: Questionnaires	237

# Background and Purpose



- Longwoods International was engaged by the Colorado Tourism Office to conduct a program of research for the 2004 travel year that includes:
  - *Visitor research*
  - *Image and advertising accountability/return on investment research*
- From October 2003, Colorado conducted winter and spring/summer advertising campaigns to build upon its earlier campaigns and strengthen the Colorado brand.
- The campaigns were directed nationally and to several regional target cities.
- The campaign elements included:
  - *Four television commercials, aired on network and cable television*
  - *Radio ads preceding local traffic reports*
  - *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, Skiing, SKI, Texas Monthly*
  - *Print ads promoting Colorado Adventure Festival events*
  - *A travel planner insert in several major newspapers and magazines*
  - *Multi-page inserts placed in the Denver Post and newspapers in the target cities*
  - *Outdoor billboards and transit advertisements*
  - *Web banners on various websites, directing people to the State's tourism website*
  - *"Courage, Colorado", an hour-long TV show on OLN*

# Background and Purpose



- The purposes of the research are to:
  - *provide data on the size of Colorado's travel market*
  - *provide intelligence on:*
    - *the competitive environment*
    - *Colorado's key sources of business*
    - *the Colorado traveler profile*
    - *Colorado's image 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



## Method Overview

- *The Visitor Study and the Advertising Study are independent random samples drawn separately from the Ipsos-NPD consumer panel which comprises 450,000 U.S. households recruited to match population characteristics (parameters include household size/composition, householder age, income, socio-economic status and geographics, within census division). The panel is continuously refreshed to maintain this balance.*
- *For each study, to achieve as close to a representative sample as possible:*
  - *a random sample of households is drawn*
  - *since the panel is skewed towards female head of household, we direct the survey to a randomly selected adult household member, using the “next birthday method”, i.e., the person in the household whose birthday comes next, with the assumption that birthdays fall randomly within the population*
- *Panelists are not paid per se, but provided with the opportunity to participate in draws for prizes such as US Savings bonds, cash, etc. For Longwoods surveys, the draws are for \$500 US Savings Bonds.*
- *Ipsos-NPD has established guidelines to minimize over-participation of respondents in surveys through the course of a year, including prohibition of more than one travel-related survey (or any other category) in a 6-month period. And the panel is refreshed with new respondents on a continual basis, with a general estimate of 100% refreshment over a two year period.*
- *Participants in Longwoods surveys are not pre-notified that they will be asked to complete a travel-related survey.*
- *No people participated in both Visitor and Advertising surveys.*

# 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 the Ipsos-NPD 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.*
- *The study yielded a sample of 2,551 travelers to Colorado in 2004*
  - *For a sample of this size, the error range within the sample at the 95% confidence level is  $+/- 1.9%$ , based on statistical probability. When comparing results on a year-to-year basis, the interval is  $+/- 2.5%$ ,*
- *The response rate for the study was 59%*

# 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, 2005 to 2,800 households in two regions where advertising was placed:*
  - ◉ *Regional market, defined as residents of target city DMA's (Denver, Phoenix, Albuquerque/Santa Fe, Dallas/Ft. Worth, Kansas City, Los Angeles, San Francisco, Houston/Galveston, Chicago, Salt Lake City)*
  - ◉ *National market, i.e., all other states and DMA's*
  - ◉ *The sample was designed to allow for separate analysis by the two regions. To achieve this we sampled disproportionately to population distribution, i.e. we split the sample relatively evenly between national and regional, despite the fact that the true population split is roughly 80/20. At the analytic stage, we corrected this imbalance by weighting the data back to the correct 80/20 ratio.*
- ◉ *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.*
- ◉ *1438 surveys were completed, for a return rate of 51%.*



# Method

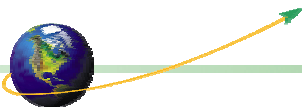


- Advertising ROI and Image Research (Cont'd)
  - *In additional to the regional weighting described above, data were weighted on key demographic variables (age, sex, income, household size and composition, community size, etc.) prior to analysis to ensure that results are representative of and projectable to the population.*
  - *The basic methodology used for Travel Year 2004 was identical to that used in 2003*
- For a sample of this size, the error range within the sample at the 95% confidence level is + / – 2.2%, based on statistical probability. When comparing results on a year-to-year basis, the interval is + / – 3.1%.
- Since the response rates achieved on these surveys are very high, i.e. between 50% and 65%, we have not made any adjustment for potential non-response bias. If response rates were to fall below 20%, we would consider such a process to be more warranted.
- The estimates of the campaign's impacts on visits and intentions to visit Colorado are conservative in that:
  - *trips taken and intended by people not influenced by advertising 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.

# Executive Summary

# Highlights & Recommendations

# Highlights – The Good News



- Colorado's overall visitor numbers rose to a record level in 2004 to 25.8 million overnight visitors, fueled by growth on the leisure side of the industry (up 5%).
- After several years of gradual decline, the average length of vacationers' trips to Colorado rebounded, and averaged over 6 nights in 2004, versus 5 nights for the typical state.

<b>Share of 2004 Overnight Ski Trips</b>		
<b>Destination</b>	<b>Rank</b>	<b>Share</b>
Colorado	1	18.1%
California	2	12.8%
Vermont	3	7.8%
Nevada	4	6.5%
Utah	5	5.7%

<b>2004 vs. 2003 Travel Trends</b>		
<b>Type of Trip</b>	<b>Colorado</b>	<b>U.S.</b>
Total Overnight Travel	+4%	+2%
Total Leisure	+5%	+3%
Visiting Friends/Relatives	+7%	+1%
Discretionary (Marketable)	+2%	+4%
Business	-2%	+1%

- Colorado was the country's top ski destination in 2004 holding an 18% share of overnight ski trips. well ahead of any other state.

# Highlights – The Good News

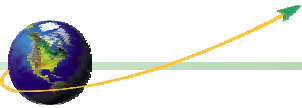


- ⊙ American vacationers continue to rank Colorado as one of their top dream destinations – in 2004 Colorado maintained its 5th place ranking among states people say they would “really enjoy visiting”.

<b><i>States Americans “Would Really Enjoy Visiting”</i></b>		
<b>Destination</b>	<b>Rank</b>	<b>% Agree</b>
Hawaii	1	74%
Florida	2	59%
Alaska	3	56%
California	4	54%
<b>Colorado</b>	<b>5</b>	<b>46%</b>

- ⊙ Colorado’s image improved significantly relative to the competition in 2004 in many areas, but especially value for money and affordability.

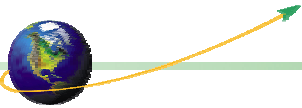
# Highlights – The Good News



- The 2004 winter and summer campaigns made a significant contribution to Colorado tourism, yielding substantial visitation (5.3 million trips) and visitor expenditures (\$1.4 Billion) that otherwise would not have occurred, as well as increasing the taxes which that spending returned to state and local treasuries (\$44 Million and \$45.1 Million, respectively).

<b><i>Short-Term Return on Investment of Colorado's 2004 Advertising Campaign</i></b>		
	<b>2003</b>	<b>2004</b>
Advertising Expenditure	\$5.3 Million	\$4.9 Million
Incremental Visitors	<b>3,848,000</b>	<b>5,264,000</b>
Spending Generated	\$1.1 Billion	\$1.4 Billion
State Taxes Generated	\$32.5 Million	\$44.4 Million
Local Taxes Generated	\$33 Million	\$45.1 Million

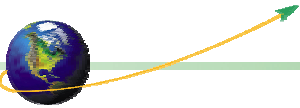
# Highlights – The Good News



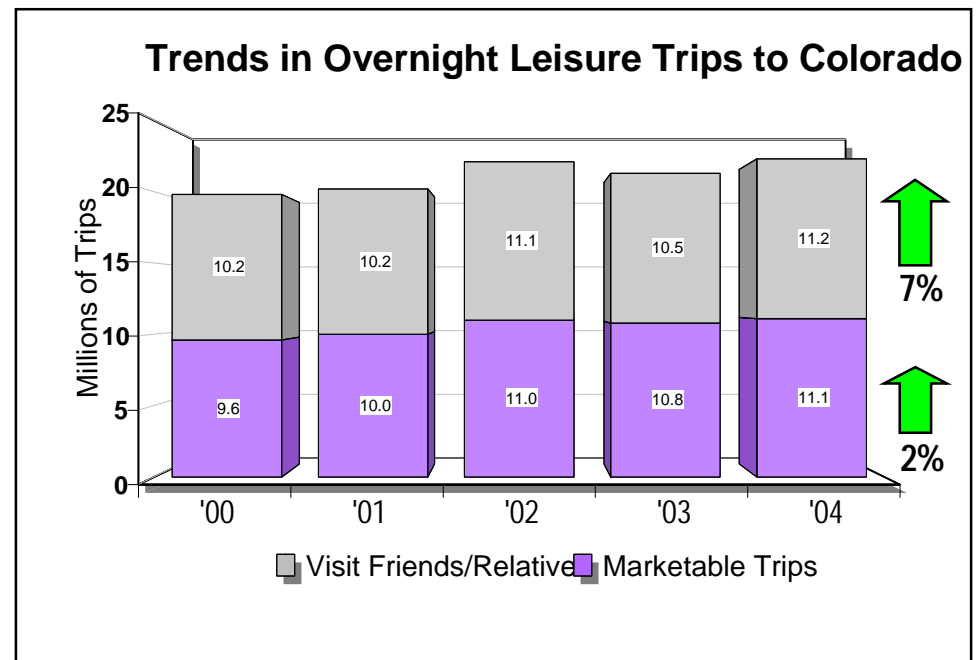
- Expressed another way, for each dollar spent in 2004, the ad campaign yielded \$18.10 in incremental state (\$8.98) and local taxes (\$9.12).
- The campaign also generated an incremental 7,160,000 potential trips to Colorado, trips which people plan to take over the next two years or so.

<b>Short-Term Return on Investment of Colorado's 2004 Advertising Campaign</b>		
	2003	2004
Advertising Expenditure	\$5.3 Million	\$4.9 Million
State/Local Taxes Generated	\$65.5 Million	\$89.5 Million
State Taxes Returned Per Ad Dollar Invested	\$6.27	\$8.98
Local Taxes Returned Per Ad Dollar Invested	\$6.36	\$9.12
<b>Total Taxes Returned Per Ad Dollar Invested</b>	<b>\$12.63</b>	<b>\$18.10</b>

# Highlights – Issues and Concerns

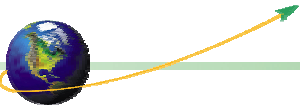


- Although overall leisure travel was up, the majority of the increase came from people visiting friends and relatives, and less from the higher value “marketable” trips on which visitors tend to stay in paid accommodations, spend more money in restaurants and attractions, etc.
- Some types of marketable trips rose in 2004, e.g., business-pleasure, casino, city and country resort; however, there was some drop-off in two of the State’s most important segments – touring and outdoor trips.
- Touring trips to Colorado have been declining for two years, and are now at a low ebb, in contrast to the rest of the country where there has been fairly consistent long term growth (up 33% since 1994).

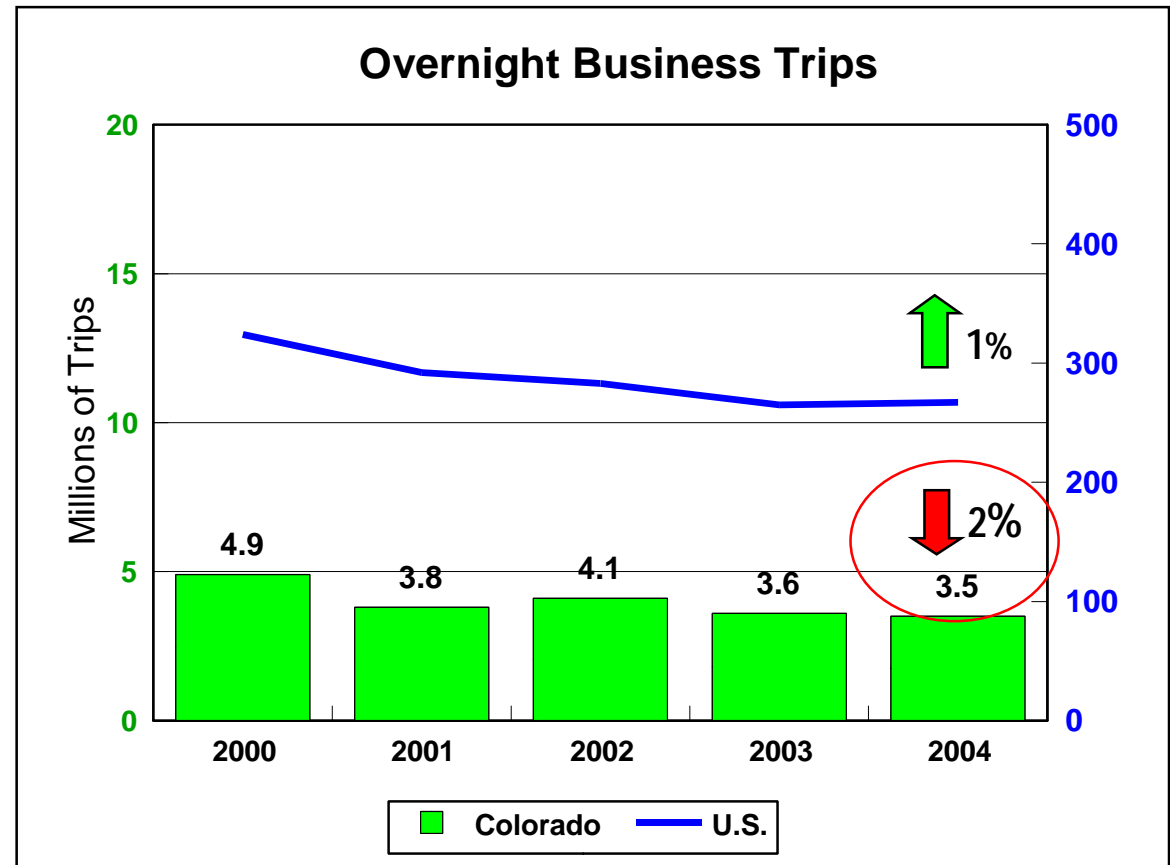




# Highlights – Issues and Concerns



- Business travel to the state continued to contract very slightly (off 2% in 2004). However, there are signs that the bottom may have been reached, with the national trend finally showing a slight turnaround after five straight years of decline (recovering 1% on an 18% drop since 2000).



- Despite improvements in some areas, Colorado's image still has some major weak spots, including perceived lack of excitement or uniqueness, and limited depth/variety of experience.

# Recommendations and Challenges for the Future



- ◉ The 2004 campaign continued to build on the success of the prior two years.
- ◉ This success clearly argues for maintaining the chosen course:
  - ◉ *The advertising strategy that is in place appears to be working well*
  - ◉ *At this point, there is no evidence that the creative has worn out its welcome*
- ◉ We now have strong evidence over three years of evaluation that consistency in the advertising and sustained presence in the marketplace works, and builds considerable equity over time:
  - ◉ *The yield in taxes and overall ROI continues to grow*
  - ◉ *The campaign is beginning to improve travelers' image of Colorado in some areas of weakness, but it will take time to overcome the long-held stereotype that Colorado is "beautiful mountains but not much more".*
  - ◉ *Both of these factors underscore the need for continued funding support for the advertising and marketing program*
- ◉ The State must continue to work on building/reinforcing its appeal among the higher spending tourists -- skiers, business-pleasure and touring vacationers.

# Key Findings

# National Trends in Tourism



- ⊙ Nationally, overnight leisure and business travel were both up in 2004 on a year-over-year basis, the first time this has happened since 1999:
  - ⊙ *Leisure travel as a whole rose 3%, with visits to friends and relatives (VFR) up 1% and discretionary leisure travel (“marketable” trips) rising 4%.*
  - ⊙ *Business travel finally ended its 5-year downward trend, adding 1%, mainly via increased trips for business meetings and conventions/conferences.*
- ⊙ Travel was also up for Colorado in 2004 – the State welcomed 25.8 million domestic U.S. visitors on overnight trips:
  - ⊙ *22.3 million people on leisure trips*
  - ⊙ *3.5 million business travelers*

# Colorado Leisure Visitor Numbers Reach Record Levels



- Colorado posted an increase in leisure travel during 2004 that exceeded the national average:
  - *overall leisure travel to Colorado was up by 5%*
  - *the 22.3 million visitors total is the highest recorded in over 13 years of tracking*
- Looking at the two main types of leisure travel:
  - *much of this increase was fueled by more visits to friends and relatives, which rose 7% to 11.2 million trips*
  - *nonetheless, Colorado marketable trips also increased 2% to 11.1 million trips*
- Business travel to Colorado continued its slump, dropping a further 2% to 3.5 million overnight trips in 2004:
  - *The good news is that the rate of decline was much narrower than in recent years*

# Colorado's Key Segments



- ⊙ Colorado's trends for 2004 for the core marketable leisure travel segments were as follows:
  - ⊙ *more combined business-pleasure, country resort, city and casino trips*
  - ⊙ *fewer touring and outdoor trips*
  - ⊙ *little change for ski and special event trips*
- ⊙ Nationally, business-pleasure trips were also up very substantially, which suggests that some pent-up demand is being met by this dual-purpose trip.
- ⊙ Colorado's rise in city and casino trips is also consistent with the national trend, and the State maintained its ski visitor numbers while the rest of the nation declined.

# Colorado's Key Segments



- ⊙ The continuing growth in Colorado's casino segment now ranks this segment as the seventh most popular marketable trip purpose for overnight travel, well ahead of country resort vacations and challenging city trips.
- ⊙ The two segments where Colorado lost ground relative to the country as a whole were touring and outdoor trips:
  - ⊙ *Colorado outdoor trips remained quite high nonetheless, just off somewhat from a record year in 2003*
  - ⊙ *touring travel, however, continued a 2-year decline, and is close to approaching low levels posted in the mid-'90's*

# Colorado's Key Segments



- ⊙ In 2004, Colorado attracted the following numbers of visitors in these segments:
  - ⊙ *Touring trips* 2,430,000
  - ⊙ *Outdoors trips* 2,210,000
  - ⊙ *Special event trips* 1,650,000
  - ⊙ *Ski trips* 1,500,000
  - ⊙ *Business-pleasure trips* 1,360,000
  - ⊙ *City trips* 660,000
  - ⊙ *Casino trips* 610,000
  - ⊙ *Country resort trips* 370,000



# Market Share



- ◉ Colorado's slight increase in marketable trips and the parallel rise nationally for this type of travel meant that Colorado held on to its overall market share:
  - ◉ *in 2004, Colorado ranked 23<sup>st</sup> among the fifty states as a destination for discretionary leisure travel with a market share of 2.1%*
- ◉ Colorado's share of the touring market slipped for the second straight year to 2.6%, leaving it with a rank of 16<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%*
- ◉ The drop in outdoor trips to Colorado combined with national growth resulted in a lower market share (to 3.1% from 3.9%) for that type of trip;
  - ◉ *Colorado dipped to the 12<sup>th</sup> most popular state for an outdoors vacation*
- ◉ For ski trips, Colorado increased its share to 18%, 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 6.5 million trips by residents of Colorado. They do not include day travel to or within the state.

# Sources of Business



- The primary source of travelers to Colorado continues to be the immediate western regions of the U.S. – consisting of the Mountain, West North Central and West South Central census divisions:
  - *In 2004, 65% of all overnight leisure trips originated in the region, about the same as in recent years*
- Colorado residents themselves accounted for 1 in 4 of the state's overnight vacationers in 2004:
  - *Similar to 2003*
- As has been the case over the past several years, the other key states providing tourists were California, Texas, and Colorado's neighbors:
  - *Arizona*
  - *Kansas*
  - *Nebraska*
  - *Utah*

# Sources of Business



- ◉ The Mid-West and Northeast contributed about 1 in 7 of the tourists coming to Colorado, represented mainly by states such as:
  - ◉ *Minnesota*
  - ◉ *Iowa*
  - ◉ *Illinois*
  - ◉ *New York*
- ◉ The top urban markets delivering tourists to Colorado were led by Denver, followed by:
  - ◉ *Colorado Springs – Pueblo*
  - ◉ *Los Angeles*
  - ◉ *Salt Lake City*
  - ◉ *Dallas – Ft. Worth*
  - ◉ *Phoenix*
  - ◉ *Minneapolis – St. Paul*
  - ◉ *San Diego*
  - ◉ *Albuquerque – Santa Fe*

# Colorado's Pleasure Travel Profile



- Demographically, Colorado's overnight leisure visitors are comparable to the U.S. norm:
  - *A fairly even split of men and women:*
    - *Skewed slightly female*
  - *average age in the mid-40's*
  - *most are married*
  - *3 in 10 have kids/teens at home*
  - *average household income – with a majority earning \$50K+ and working in white collar jobs*
  - *half completed college*
- Skews:
  - *live in smaller centers vs. large cities, which is consistent with population distribution and community sizes of the region*

# Colorado's Pleasure Travel Profile



- Likely because of the long-haul nature of travel to Colorado, Colorado visitors are much more likely than the national norm to use the internet for planning either a leisure or business trip.
- Both for Colorado and other destinations, the length of the average trip has generally declined after a peak in 2000.
- In 2004, however, Colorado reversed this trend:
  - *in 2004, the typical trip to Colorado rose to 6.3 nights, up from 5.8 nights in 2003, and a full day longer than the national norm*
  - *nationally, the typical trip length leveled off at just over 5 nights*

# Trip Profile



- ⊙ In 2004, 6 in 10 Colorado vacations occurred during the spring and summer months, well ahead of the national average:
  - ⊙ *Year-over-year gains in the spring and fall seasons balanced a drop-off in travel during the summer months*
  - ⊙ *the fall/early winter season continues to be the only time of year when Colorado draws fewer vacationers than the typical destination*

# The Competitive Set



- Colorado is consistently one of the top “dream destinations” that Americans say they would love to visit on a vacation:
  - *tied with Alaska and Arizona, behind Florida, California, Hawaii, New York and Nevada, as a place vacationers mention spontaneously that they’d like to visit*
  - *as in the past two years, Colorado ranks 5th on an aided basis after Hawaii, Florida, Alaska, and California as a destination people would “really enjoy visiting”*
    - *edging out Nevada, New York and Washington, DC*
    - *considerably ahead of other regional competitors, such as Arizona and Washington State*
- When we focus just on people planning a trip to Colorado in the next couple of years, it is clear that their “consideration list” is these “national” destinations, to a much greater extent than other regional mountain states:
  - *led by Florida and California*

# The Competitive Set



- ⦿ Getting on and staying on the list as a possible destination during the trip planning stage is less of a problem for Colorado than closing the sale:
  - ⦿ *Colorado remains among the leaders when people are planning destinations for their intended trips in the next two years*
  - ⦿ *And it stays in contention when the time frame is narrowed to a year, doing much better than really long haul destinations like Hawaii and Alaska*
  - ⦿ *However, the reality check is actual travel behavior, and by that measure Colorado ranks only 23<sup>rd</sup> among states for leisure trips taken in each of the last several years*



# Travel Motivators



- Since 2002, the top two image factors that motivated vacationers to consider one destination over another have been 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:
  - ***uniqueness**, including the scenery, local people and culture*
  - *destination **popularity***
  - *a safe, **worry-free** atmosphere*
  - ***sightseeing** opportunities, especially variety, and individual characteristics such as beautiful scenery, historic sites, and interesting towns and cities*
  - ***climate***

# Travel Motivators



- ⊙ A few factors were relatively low priorities at the wish list stage:
  - ⊙ *the availability of **luxury** accommodations and dining*
  - ⊙ *options for **entertainment** and nightlife*
  - ⊙ *opportunities for **sports and recreational activities**, including **skiing***
- ⊙ **Affordability** is not very important at the wish list stage, but it becomes increasingly a priority, the closer people come to finalizing their destination choice.
- ⊙ The top hot buttons and the relative importance of other factors have not changed to any great extent since 2003.
- ⊙ And the priority list looks very similar in regional and national markets.

# Colorado's Image



- On an absolute level, Colorado's image as a vacation destination has remained fairly constant over the past year.
- Compared to 2003, Colorado is now viewed slightly more favorably for:
  - *Uncrowded ski slopes*
  - *Being a popular destination*
  - *Value for money*
  - *Having interesting festivals and fairs*
  - *Having good summer weather*
- On the other hand, people regard Colorado less positively for:
  - *A few recreational activities (various water based sports and off-road biking)*
  - *Variety of things to see and do*
  - *Theater and arts options*

# Colorado's Image



- ◉ But the shifts in Colorado's image must be viewed in the context of the competitive set and how the image of those destinations changed since 2003, i.e. did their image improve or decline in relation to Colorado.
- ◉ The good news is that Colorado made substantial image gains versus the competition in 2004 on almost half of the dimensions evaluated, most notably in the areas of:
  - ◉ *Value for money and affordability, including packages*
  - ◉ *Ski amenities*
  - ◉ *Perceived popularity (yet not too crowded), and advertising presence*
  - ◉ *Great dining*
  - ◉ *Good climate year-round*
  - ◉ *Aspects of sightseeing such as gardens/parks, small towns, festivals, etc.*
- ◉ It should be noted that Colorado's popularity, climate and dining are still felt to be below par, even with these improvements.
- ◉ Colorado lost a bit of ground to the competition in only two areas:
  - ◉ *Boating/water sports*
  - ◉ *Having lots to see and do*
- ◉ Colorado's image generally improved against all of the states evaluated, with the sole exception of Nevada, where the reverse was true.

# Colorado's Image



- In 2004, vacationers think Colorado has an edge on the competition in terms of:
  - *certain aspects of sightseeing, including beautiful and unique scenery, interesting towns and villages, beautiful gardens/parks, interesting scenic/historic railroads*
  - *skiing and mountain climbing*
  - *other outdoor activities (canoeing, hunting, camping, hiking)*
  - *safe, family-oriented and uncrowded*
  - *good summer weather*
- People believe Colorado is similar to the competition with respect to:
  - *suitability for adults and couples*
  - *availability of good resorts*
  - *affordability*
  - *appeal for a winter vacation*

# Colorado Perceptions



- Despite the year-to-year improvements noted earlier in a few of the following perceptual areas (**bolded**), the main weaknesses that people continue to associate with Colorado are:
  - *slightly less exciting than the competition*
  - *less unique and interesting*
  - *less **popular***
  - *less appealing **climate** in spring and fall*
  - *less to do in terms of urban or historic sightseeing*
  - *especially weak in terms of entertainment and nightlife*
  - *short of good hotels and **dining***
- Perceptions of Colorado are not much different in the regional market than in the national market, except for more positive impressions of Colorado's affordability:
  - *Which stands to reason, given regional residents' greater proximity to and knowledge of the state*

# Colorado's Product Delivery



- ⊙ Although people who have never visited before perceive that Colorado is weak in certain areas, those who actually come to Colorado are generally very surprised, in a positive way, by their Colorado experience:
  - ⊙ *In each of past 3 years' studies, 86% of recent visitors have said they would really enjoy visiting Colorado again*
  - ⊙ *Visitors indicate that the state matches or exceeds expectations on every individual image dimension*
- ⊙ Recent Colorado visitors are especially impressed with Colorado's:
  - ⊙ *affordability and value for money in terms of the cost of traveling there, the availability of good packages, and expenses once in the state*
  - ⊙ *popularity*
  - ⊙ *climate*
  - ⊙ *variety and quality of dining*
  - ⊙ *the sense of excitement offered*
  - ⊙ *the interesting and unique experience*
  - ⊙ *suitability for both adults and kids*
  - ⊙ *outdoor activities*
  - ⊙ *sightseeing opportunities, notably the interesting cities, towns and villages*
  - ⊙ *safe and relaxed atmosphere*
  - ⊙ *and even the nightlife*

# The 2004 Campaign



- The 2004 combined campaign was recalled by 4 in 10 travelers across the country:
  - *reaching an estimated 72.1 million travelers, including 19.1 million in the targeted regional markets*
  - *twice as many recalled the summer campaign (37%) as the winter advertising (20%)*
  - *recall of the 2004 summer campaign was only slightly below the level recorded in 2003 for the similar campaign period.*
  - *awareness of each season's campaign was substantially higher in the regional market than nation-wide*
- As in past years, the print component led in terms of generating awareness – 4 in 10 recalled at least one magazine or newspaper ad – which is consistent with the weight of the media buy, and the broad number of print executions:
  - *Recall of the USA Weekend travel planner insert was especially high*
- Awareness of the online component was also substantial – 1 in 4 remembered some internet advertising, led by the Chevy Colorado promotion
- In regional target cities, about 2 in 10 remembered seeing a TV and/or newspaper ad, and half that number recalled the radio or outdoor/transit advertising.



# The 2004 Campaign



- The 2004 campaign significantly improved people's impressions of Colorado – those aware of the campaign were more likely than those who had not seen it to:
  - *name Colorado spontaneously as a potential vacation destination*
  - *rate Colorado positively on an overall basis as a “place I'd really enjoy visiting”*
- The advertising boosted Colorado's appeal in the image areas of high priority for vacationers – excitement, family and adult orientation, worry-free and friendly atmosphere, uniqueness, the range of opportunities for sightseeing, and popularity.
- People who recalled the advertising also rated Colorado better for almost every other individual dimension, including a key issue when they are progressing towards choosing their final destination:
  - *perceived affordability and overall value for money*

# The 2004 Campaign



- The 2004 campaign increased people's intent to visit Colorado:
  - *twice as many people aware of the campaign as those unaware said they planned a trip to Colorado over the next 2 years*
  - *the spread was slightly greater in the regional market than nationally*
  - *these are approximately the same overall levels as in 2003*
- The campaign generated an incremental 7,160,000 potential trips to Colorado, planned for over the next two years or so:
  - *down somewhat from 2003*
  - *two-thirds from national markets*
  - *most of these trips are planned for 2005, which is "closer in" than we saw in last year's study, and therefore expressing stronger interest*

# The 2004 Campaign



- The 2004 campaign was very successful at “converting” people into trip-takers during the campaign period and shortly thereafter:
  - *5,264,000 people visited Colorado during or immediately following the advertising period (October ‘03 to December ‘04) that otherwise would not have visited without the campaign*
  - *63% of the additional trips came from outside the region*
  - *on a proportional basis, the region supplied more “conversions” in the spring to fall period than in the winter*
  - *the summer component of the campaign yielded 3,351,000 trips, which was down somewhat from the year before*

# The 2004 Campaign



- ⊙ When we examine how trip taking was affected 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 one interesting surprise was the high recall of the Chevy Colorado internet promotion*
  - ⊙ *Print worked best at generating actual trips as a stand-alone medium*
  - ⊙ *however, the combination of print with other media, especially print plus TV, created equal or better results*

# Campaign ROI



- Applying the most recent estimates of what tourists spend in Colorado to the advertising-influenced trips, we estimate that the 2004 winter and summer campaigns yielded:
  - *approximately \$1.4 billion in visitor spending that the State wouldn't otherwise have had*
- This spending returned \$44.4 million in state taxes to Colorado's Treasury.
- Taking into account the cost of the campaign, the advertising returned \$292 in spending and \$8.98 in state taxes for every dollar invested – this is a higher yield than in 2002 and 2003, but also reflects a longer period of measurement, i.e., 15 months for 2004 vs. 9 months in earlier years.
- To put the expenditure figure into a competitive context, the Colorado number is not the highest we have measured, but ranks among some of the very successful campaigns we have evaluated, including Maine's \$315 in 2001, Arizona's \$238 in 2003, and Hawaii's \$202 in 1997.
- We feel that the ROI results for the Colorado campaign are conservative and defensible:
  - *With separate samples, we have measured comparable results over 3 years*
  - *Results for each year are internally consistent, showing strong ad awareness, strategic relevance and communication of desired messages*
  - *Not out-of-line with other states' results, including results for the very similarly structured campaign on behalf of Arizona, your neighbor*

# Detailed Findings

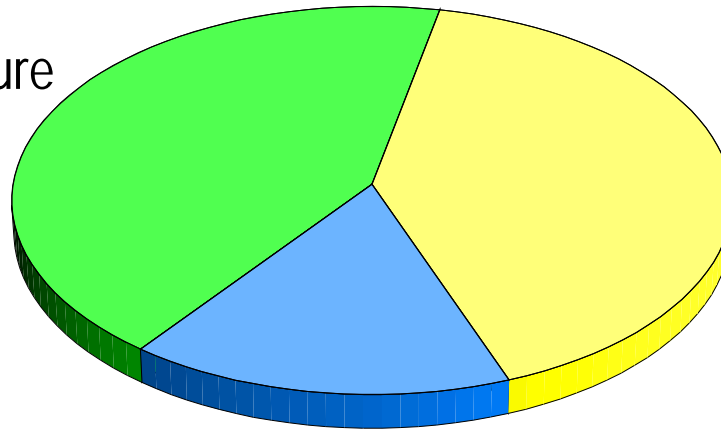
# Size & Structure of the U.S. Travel Market

# Size of the U.S. Travel Market — 2004 Overnight Trips



**Total = 1.530 Billion**

Marketable Pleasure  
647 Million  
(43%)

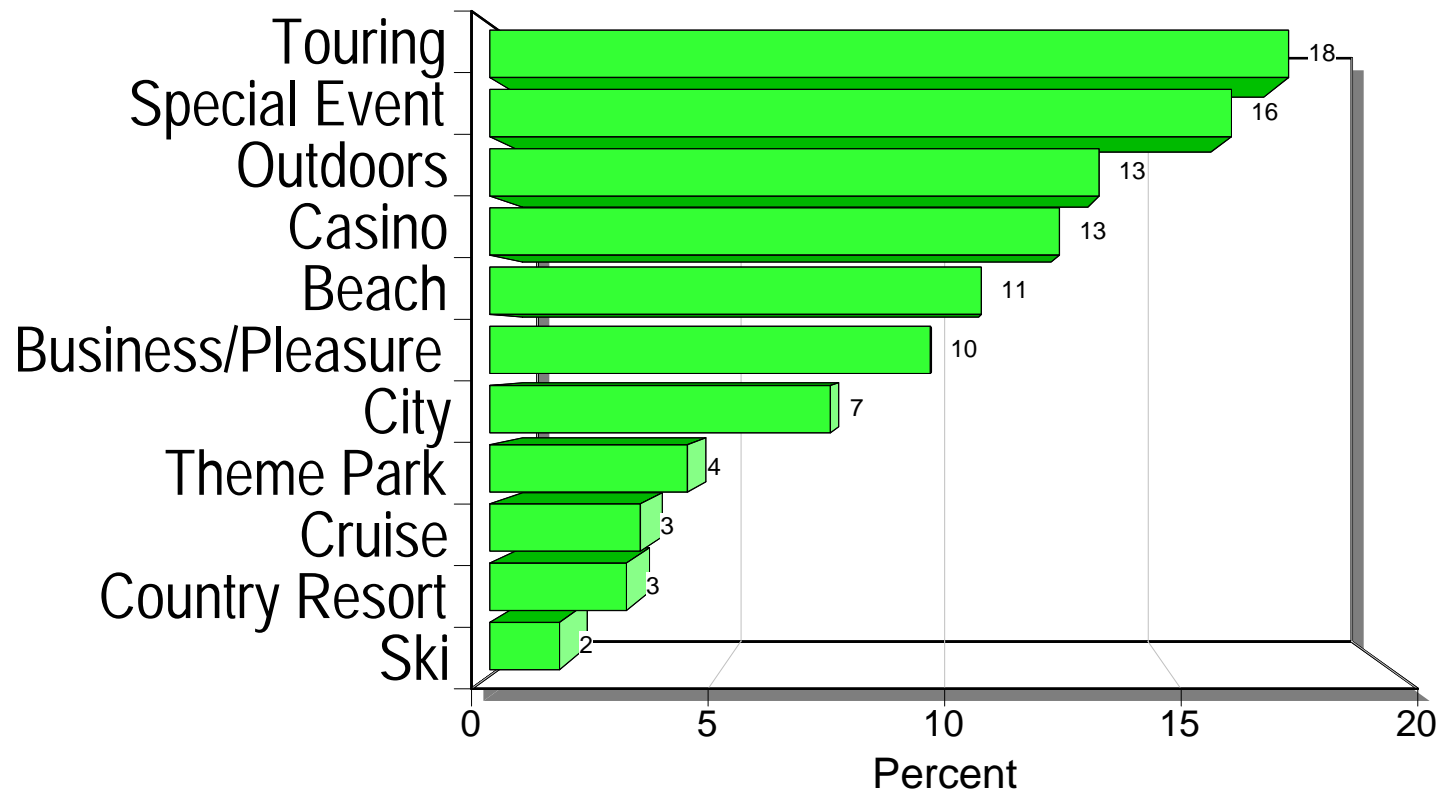
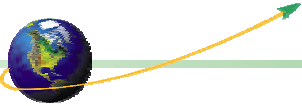


Visit Friends/Relatives  
616 Million  
(41%)

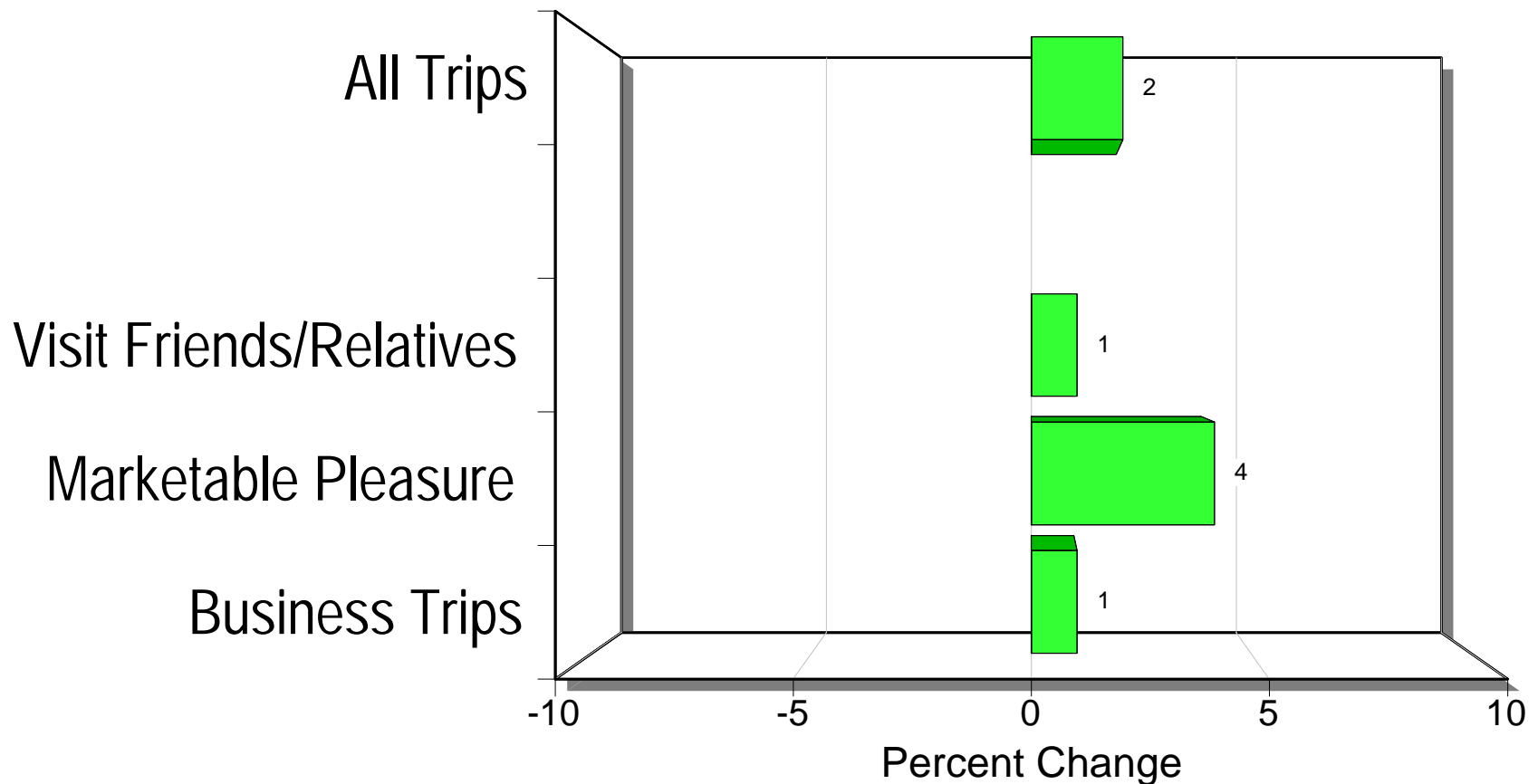
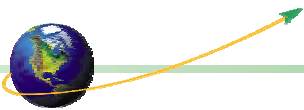
Business  
267 Million  
(16%)



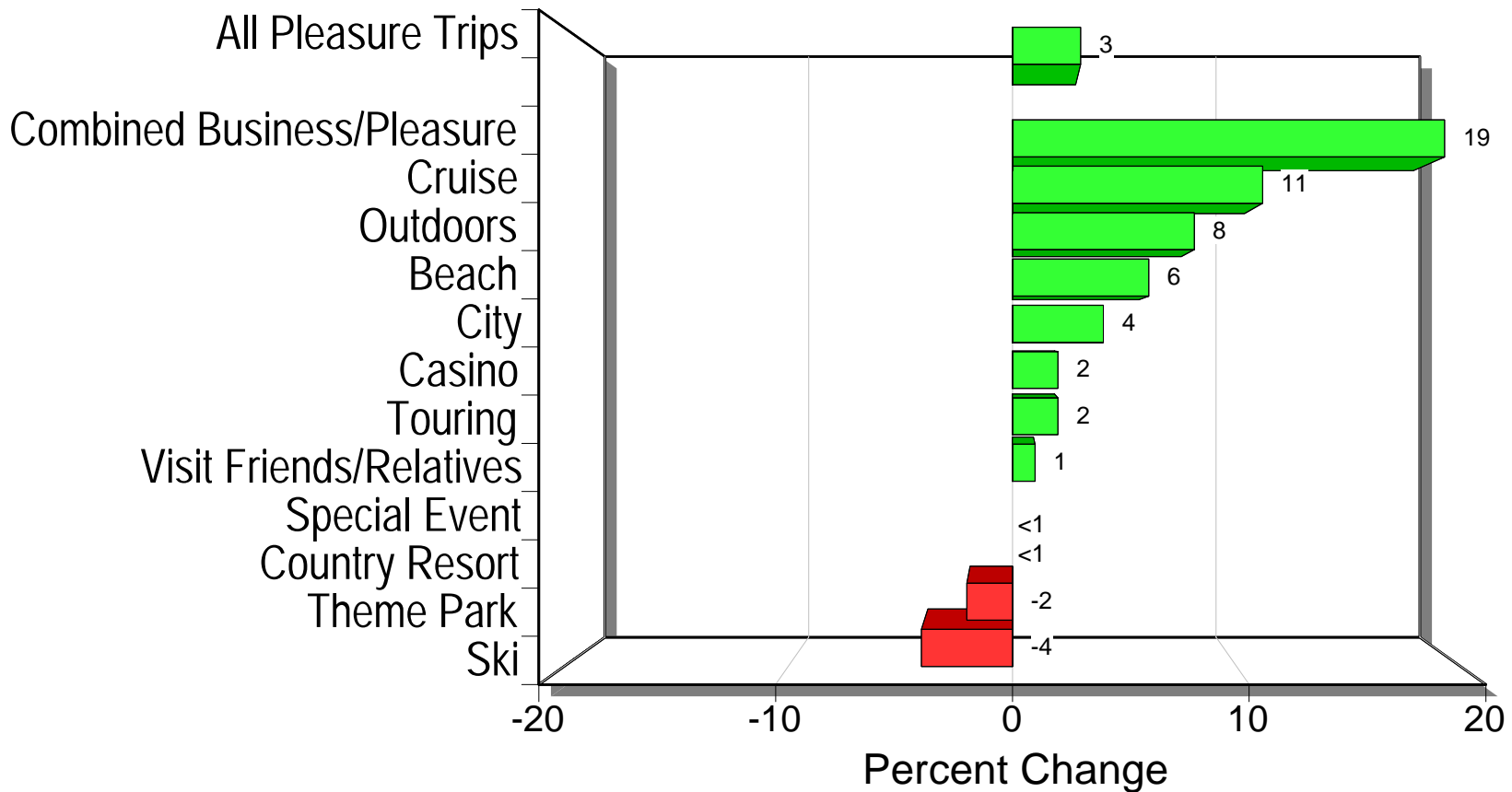
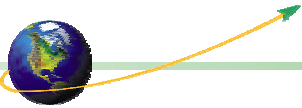
# U.S. Overnight Marketable Trip Mix – 2004 Travel Year



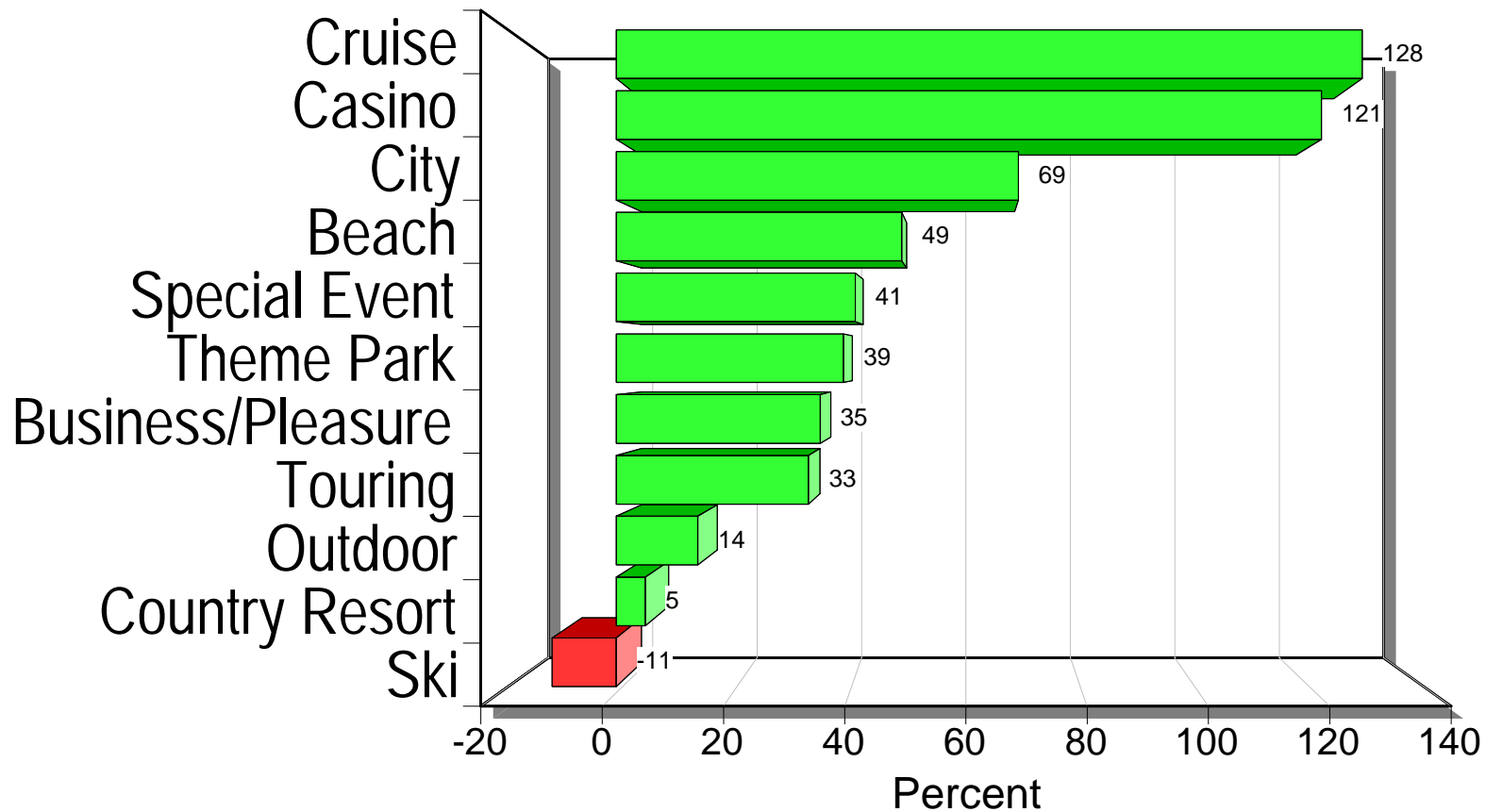
# U.S. Market Trends – 2004 vs. 2003



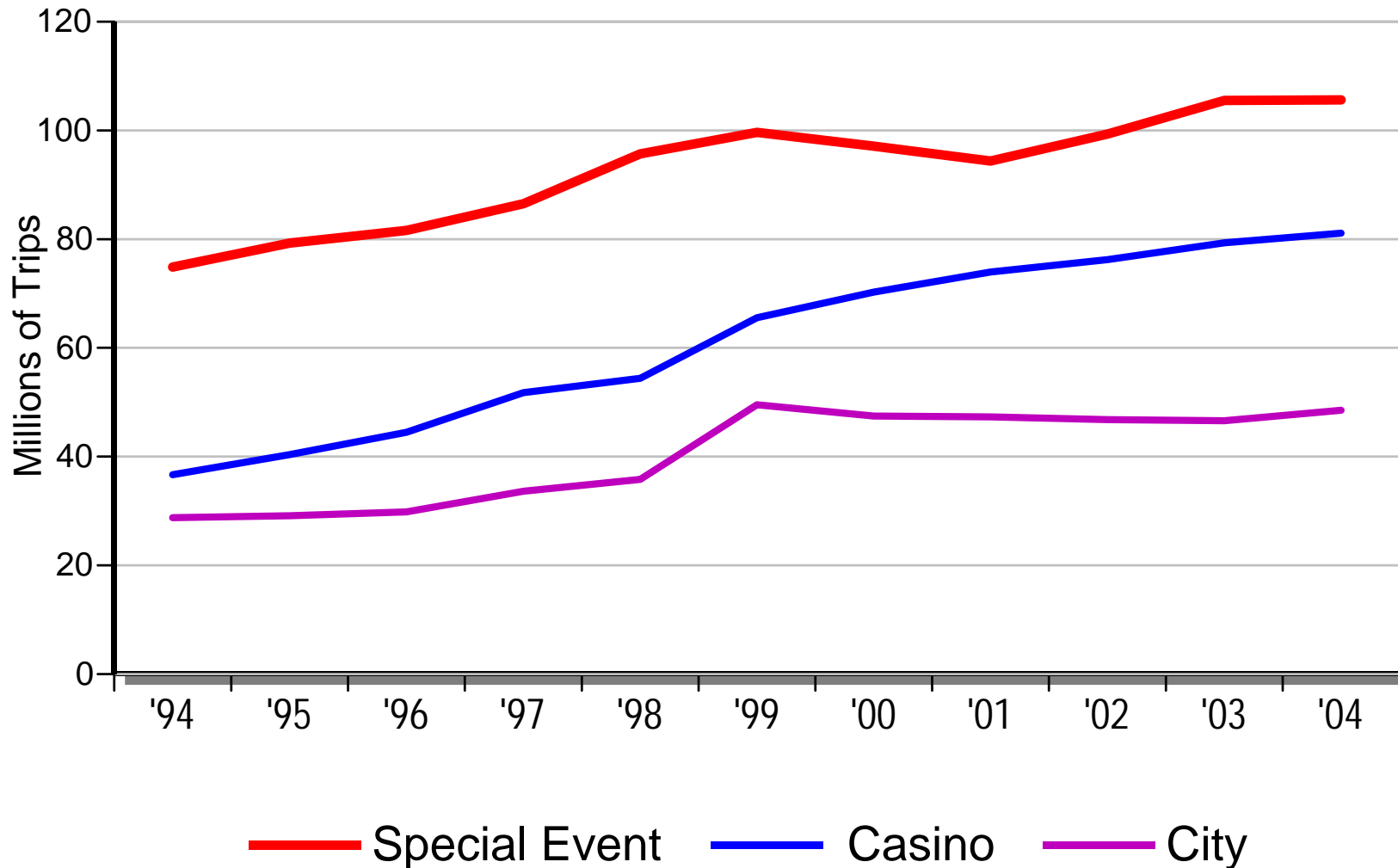
# U.S. Market Trends – 2004 vs. 2003



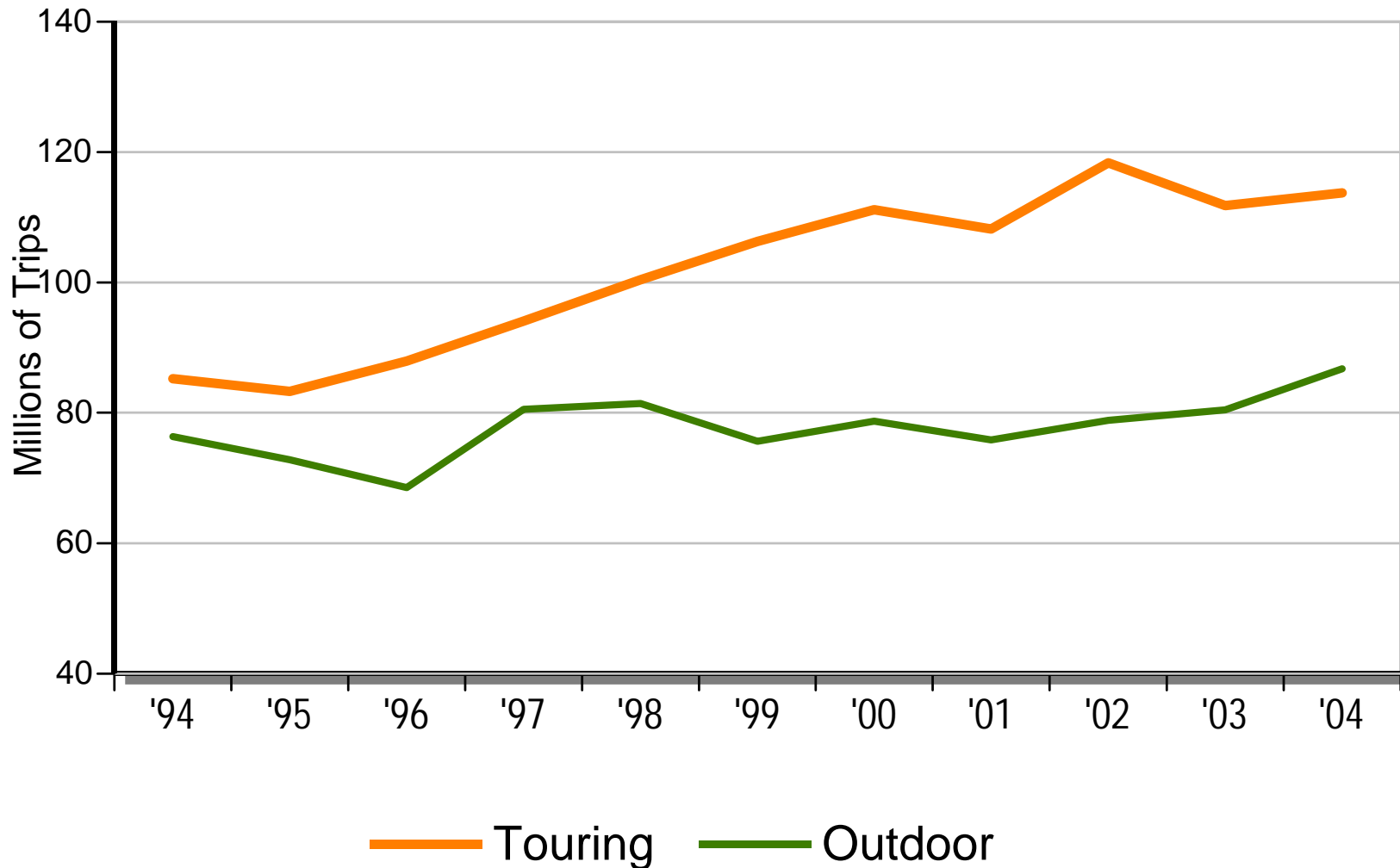
# U.S. Marketable Trips % Change From 1994 to 2004



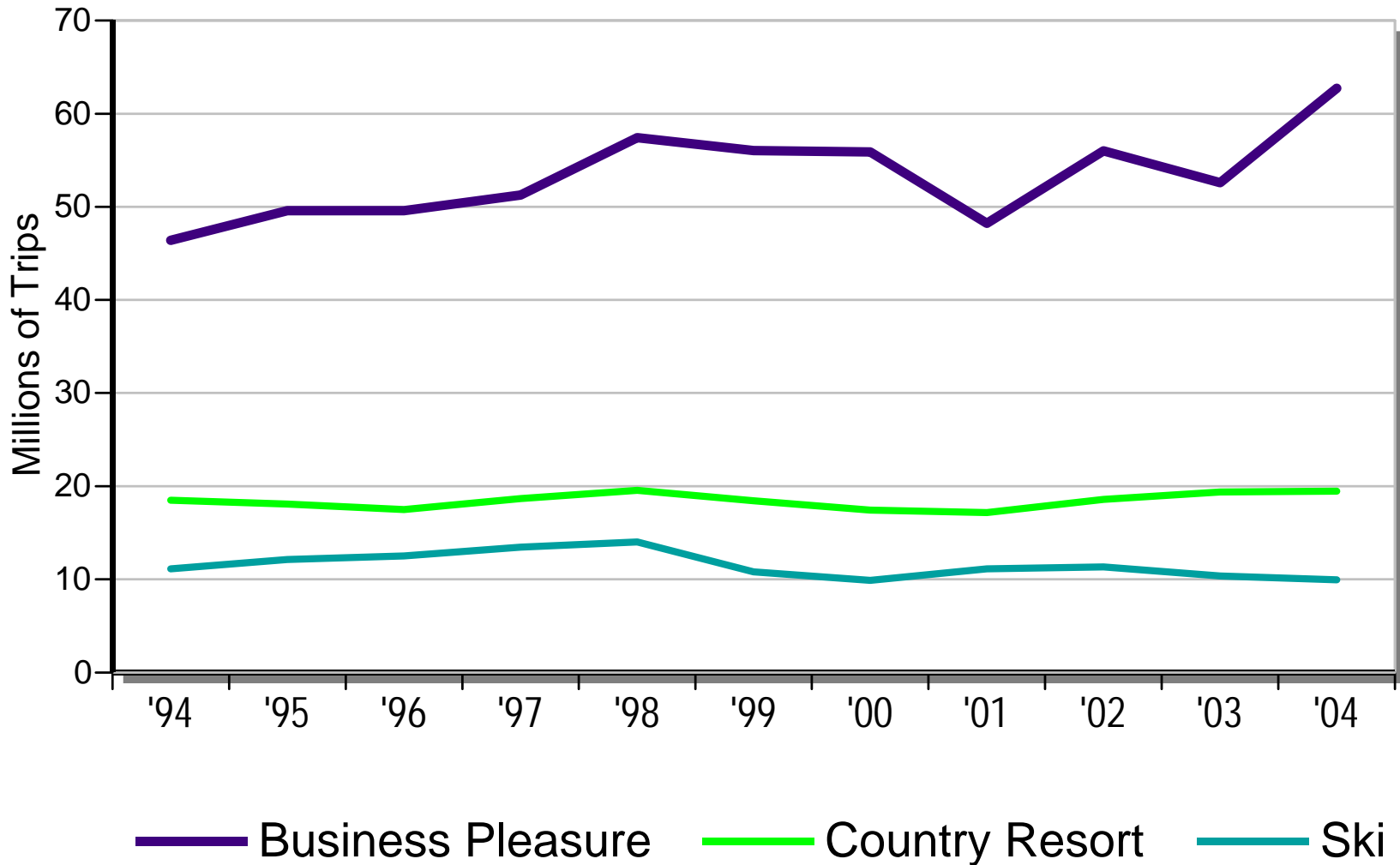
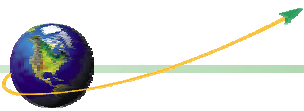
# U.S. Marketable Trips – Special Event, Casino & City Trips



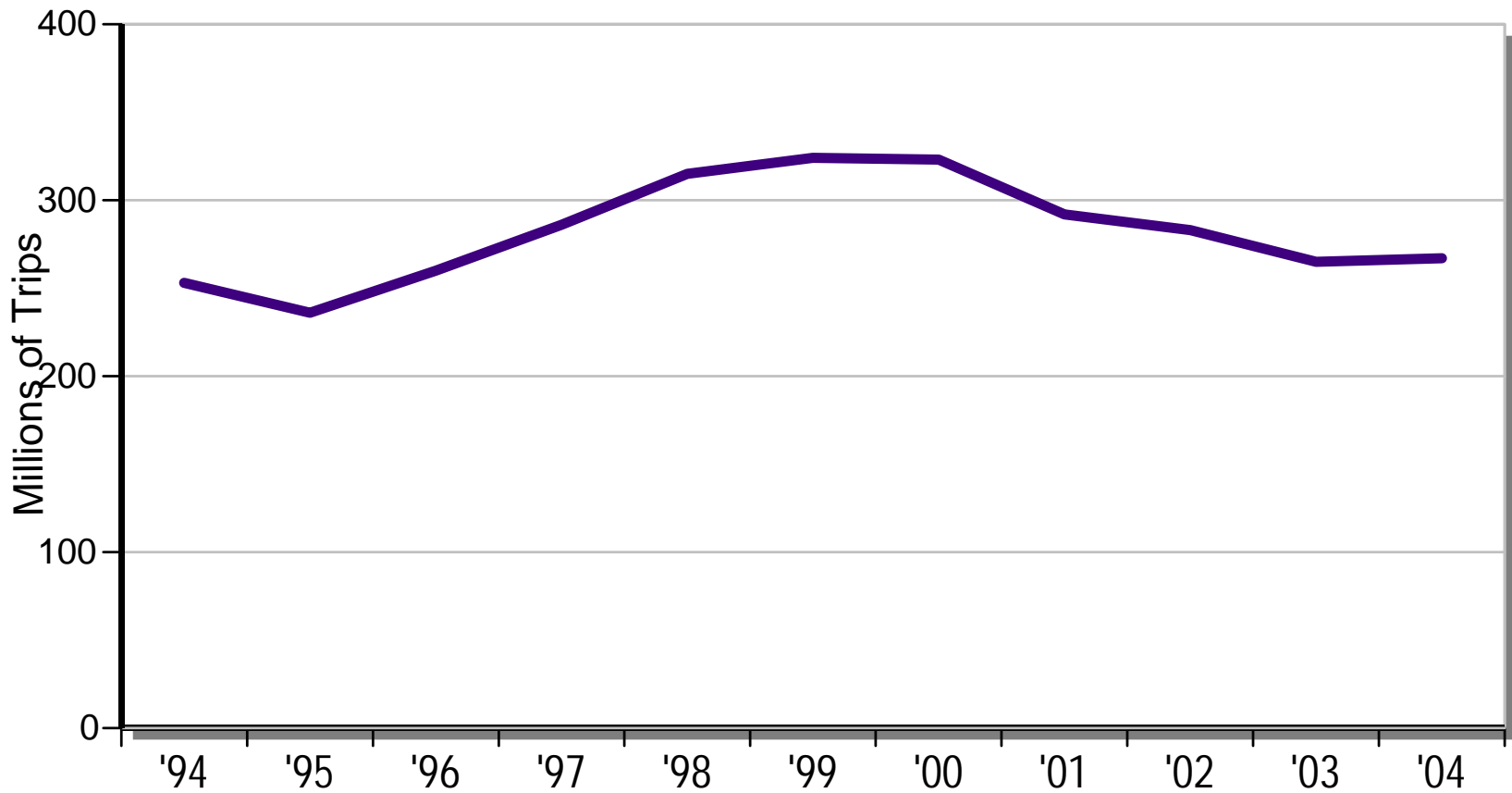
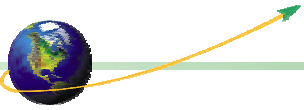
# U.S. Marketable Trips – Touring and Outdoor Trips



# U.S. Marketable Trips – Business Pleasure, Country Resort & Ski Trips



# U.S. Business Trips





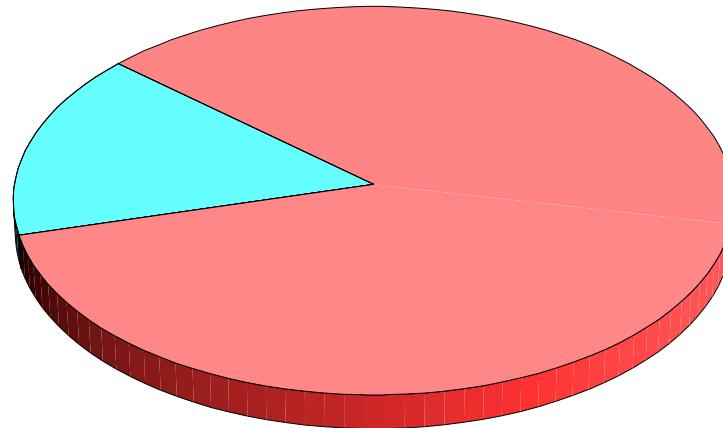
# Size & Structure of Colorado's Travel Market

# Overnight Trips to Colorado in 2004



**Total = 25.8 Million**

Business  
3.5 Million  
(14%)

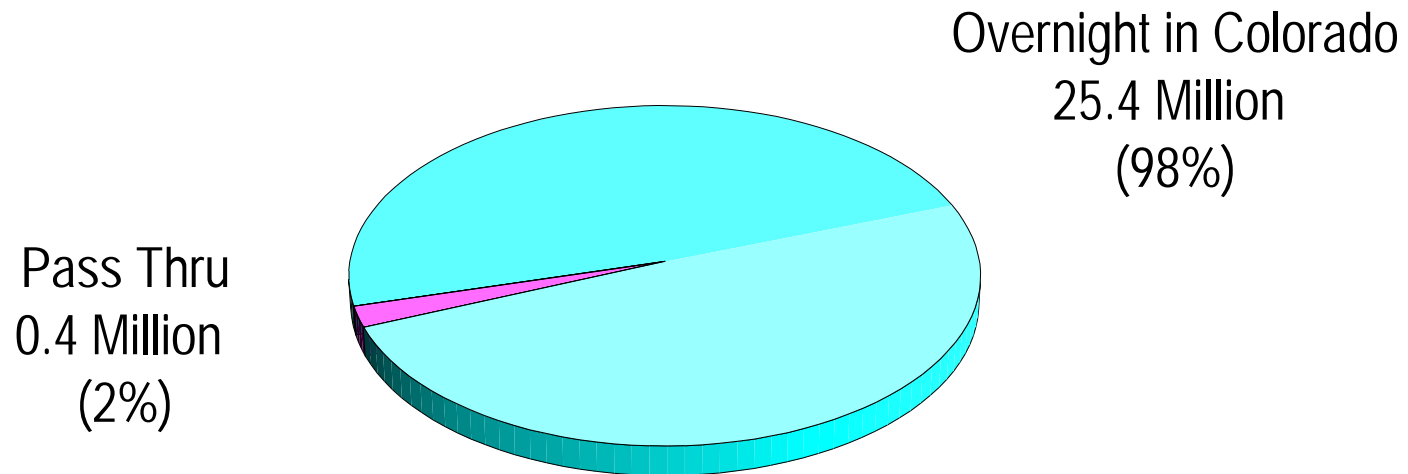


Pleasure  
22.3 Million  
(86%)

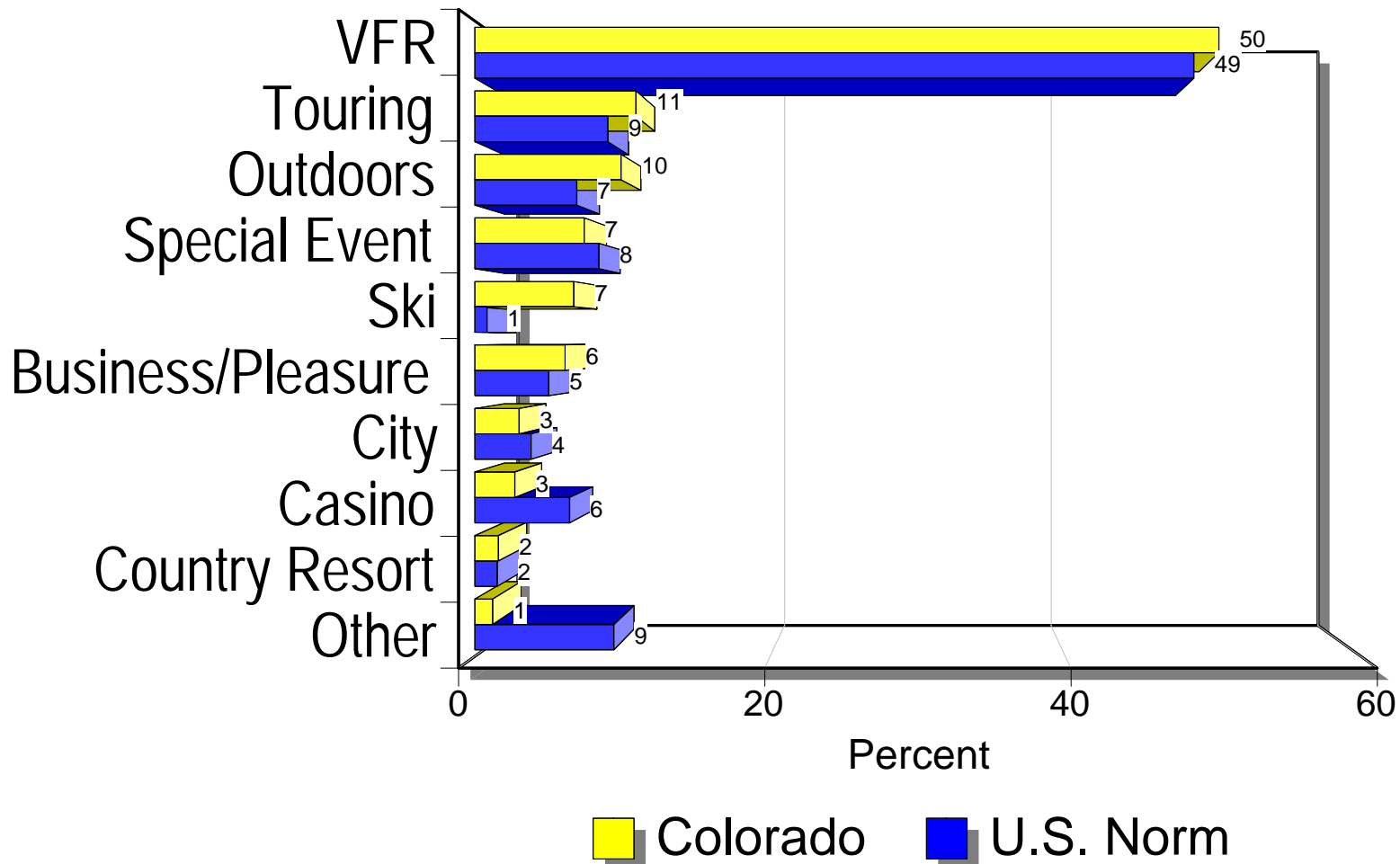
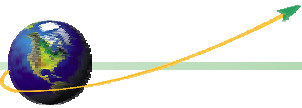
# Stayed Overnight in Colorado vs. Pass Thru



**Total Trips = 25.8 Million**



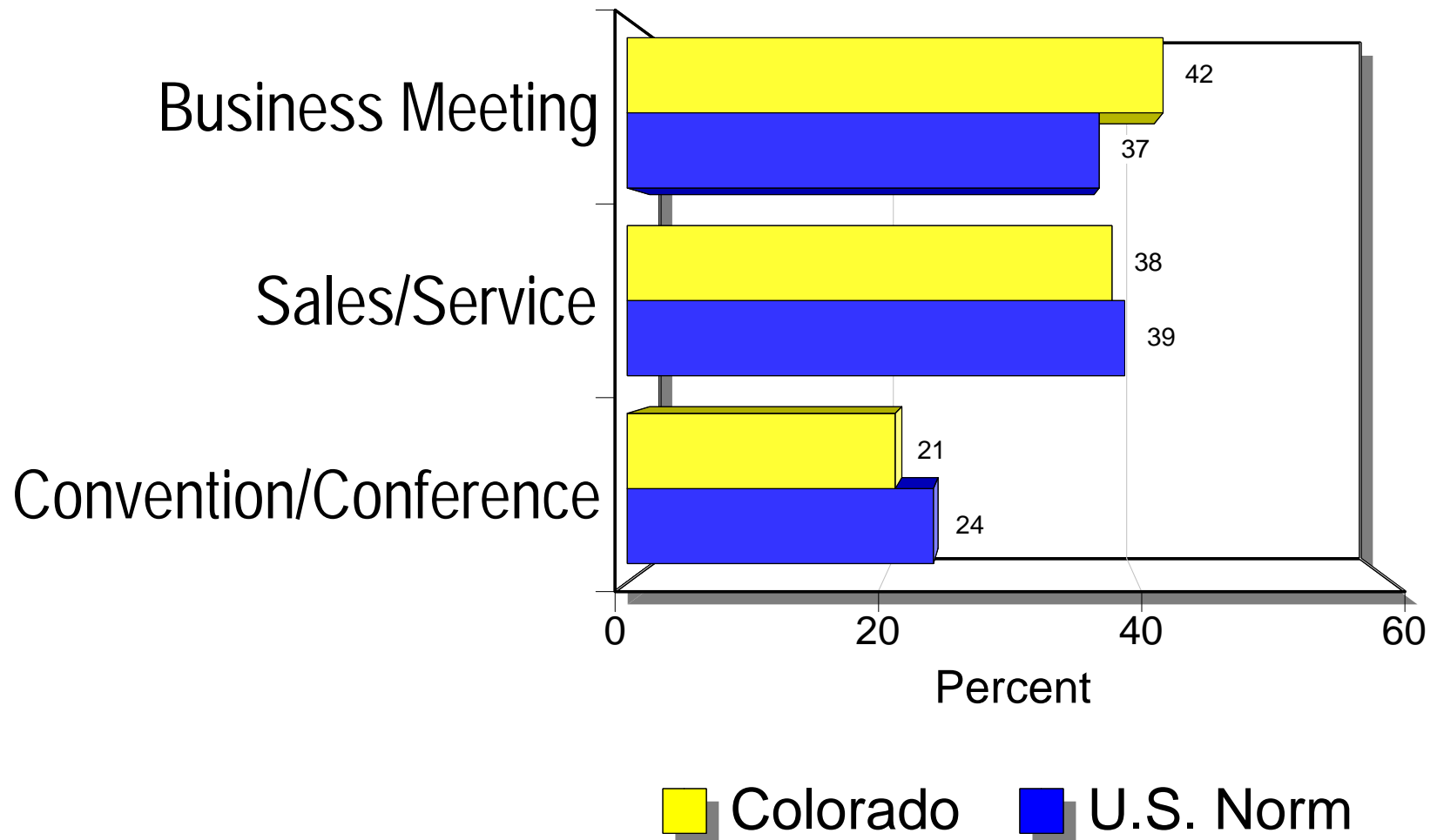
# Main Purpose of Pleasure Trips vs. the U.S. Norm



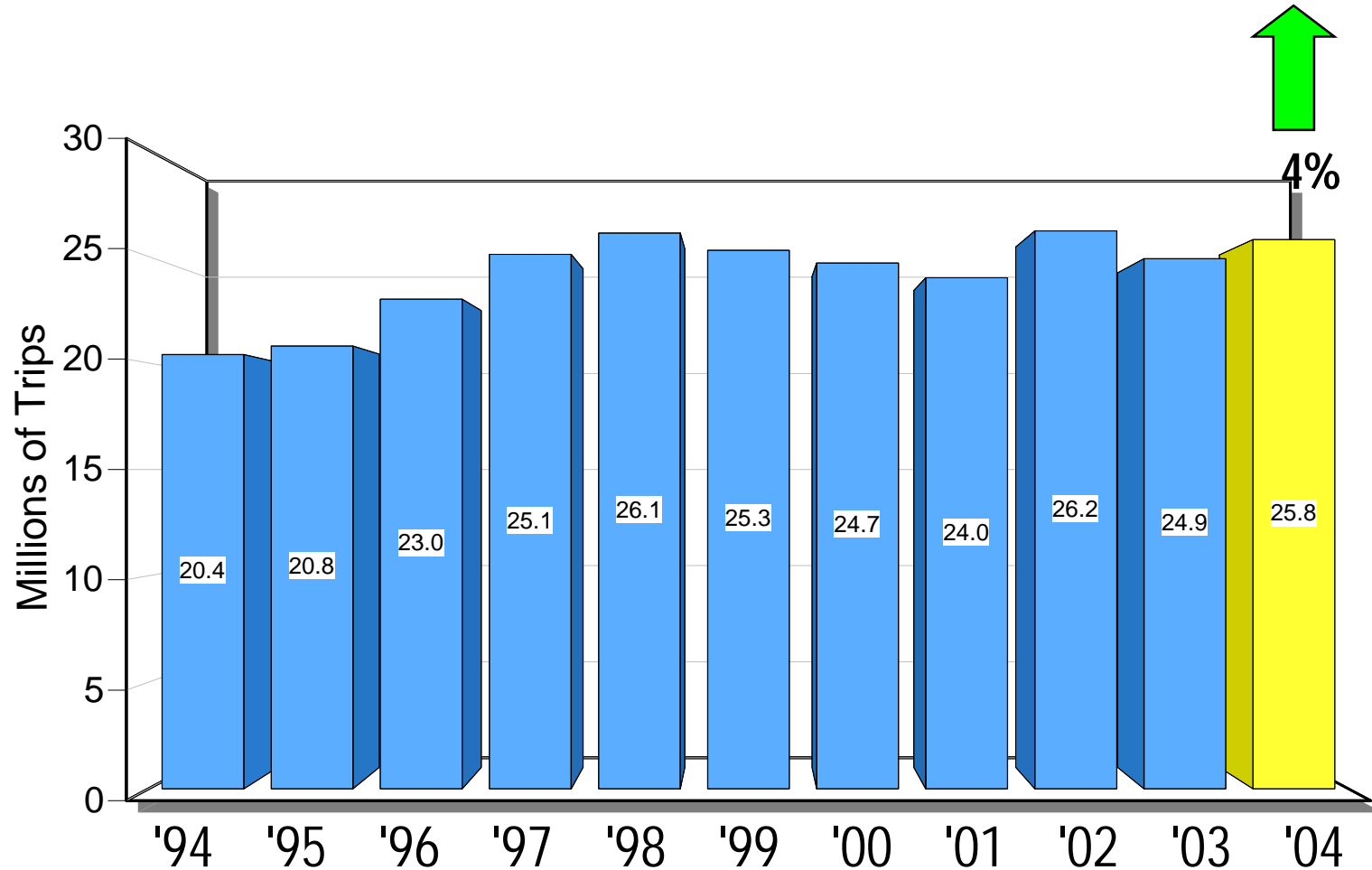
# Main Purpose of Business Trips vs. the U.S. Norm



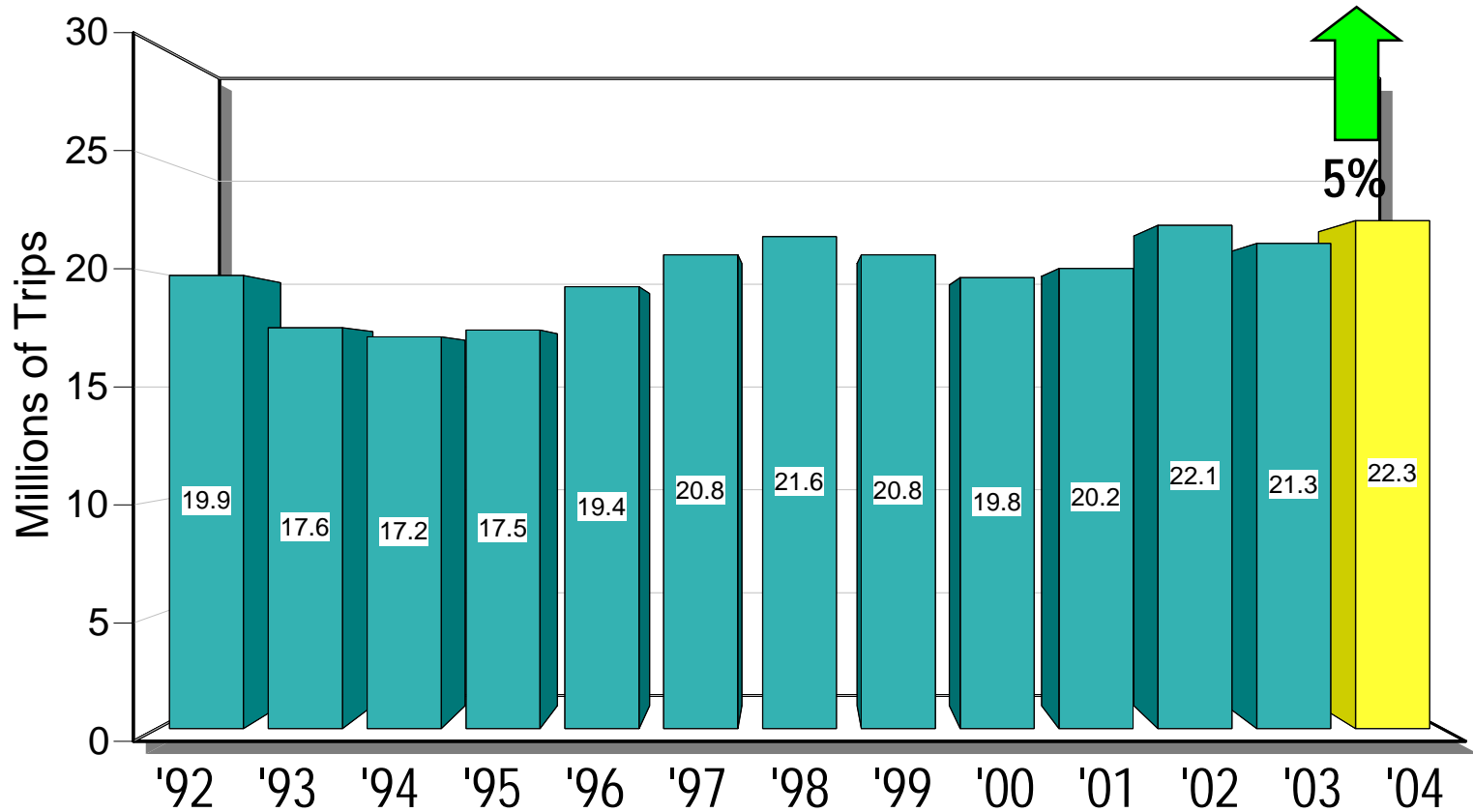
Base: Overnight Business Trips



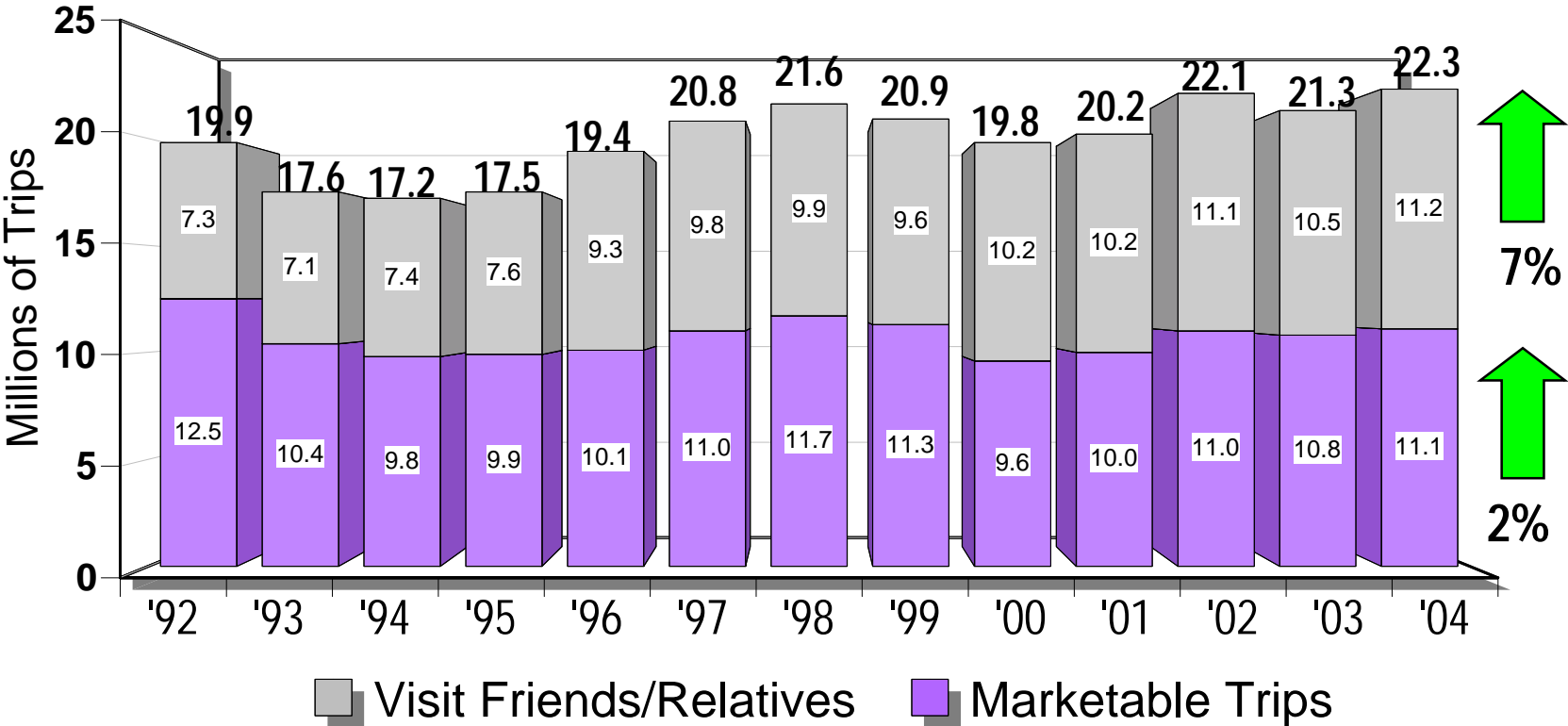
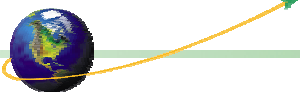
# Overnight Trips to Colorado – 1994 to 2004



# Overnight Pleasure Trips to Colorado – 1992 to 2004



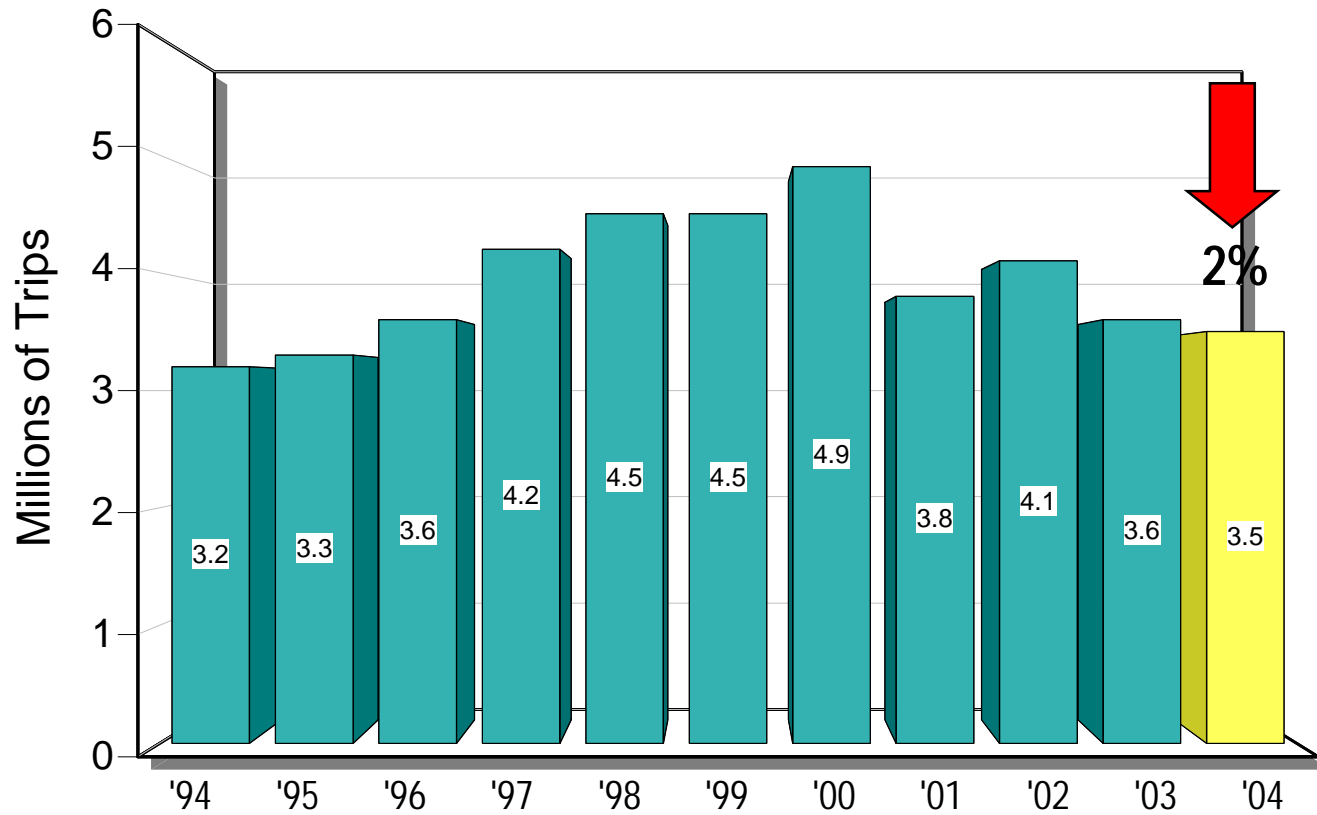
# Structure of Colorado's Overnight Pleasure Travel Market



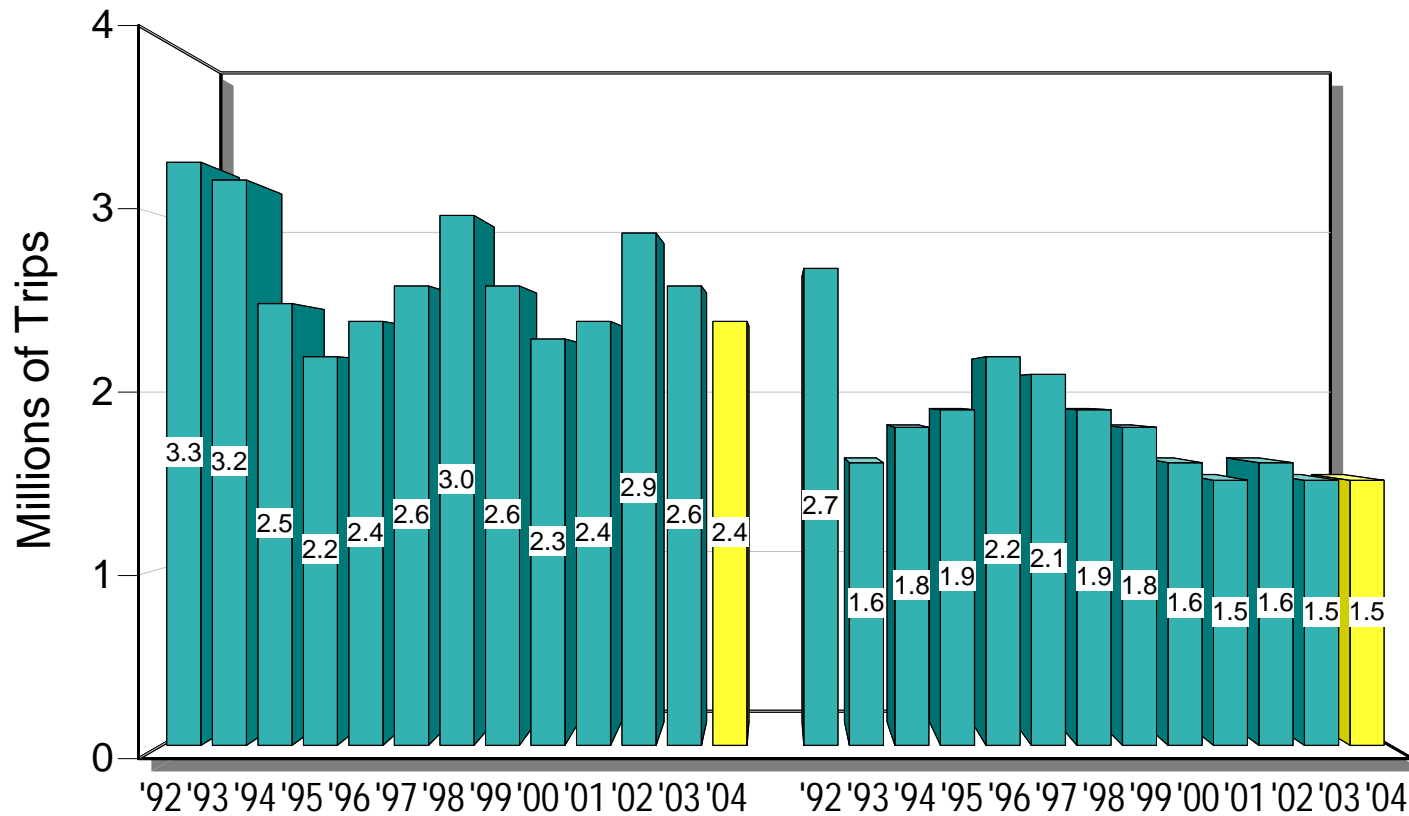
\*Data are rounded.



# Overnight Business Trips to Colorado – 1994 to 2004



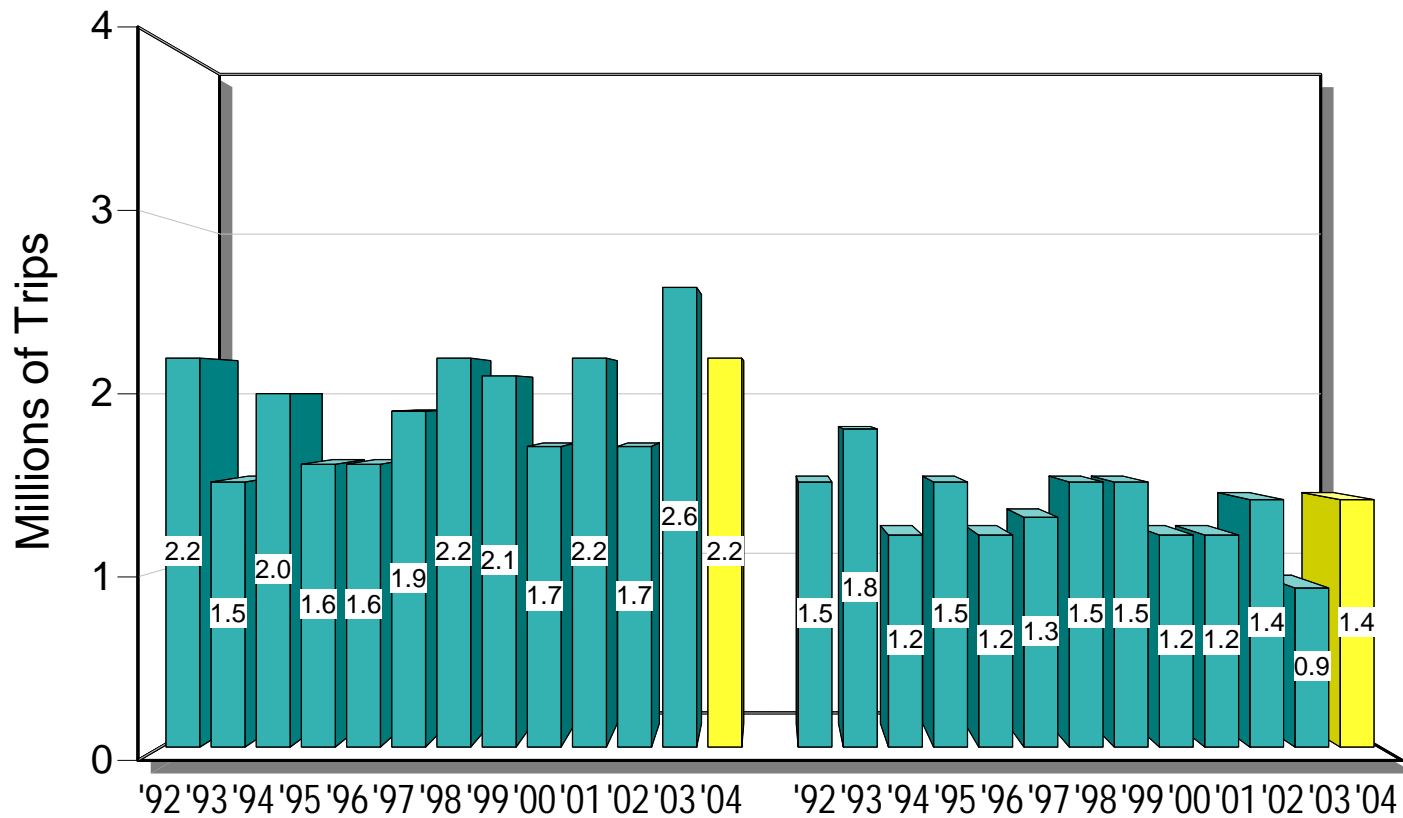
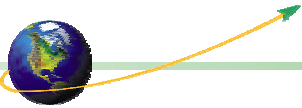
# Touring and Ski Trips to Colorado



Touring Trips

Ski Trips

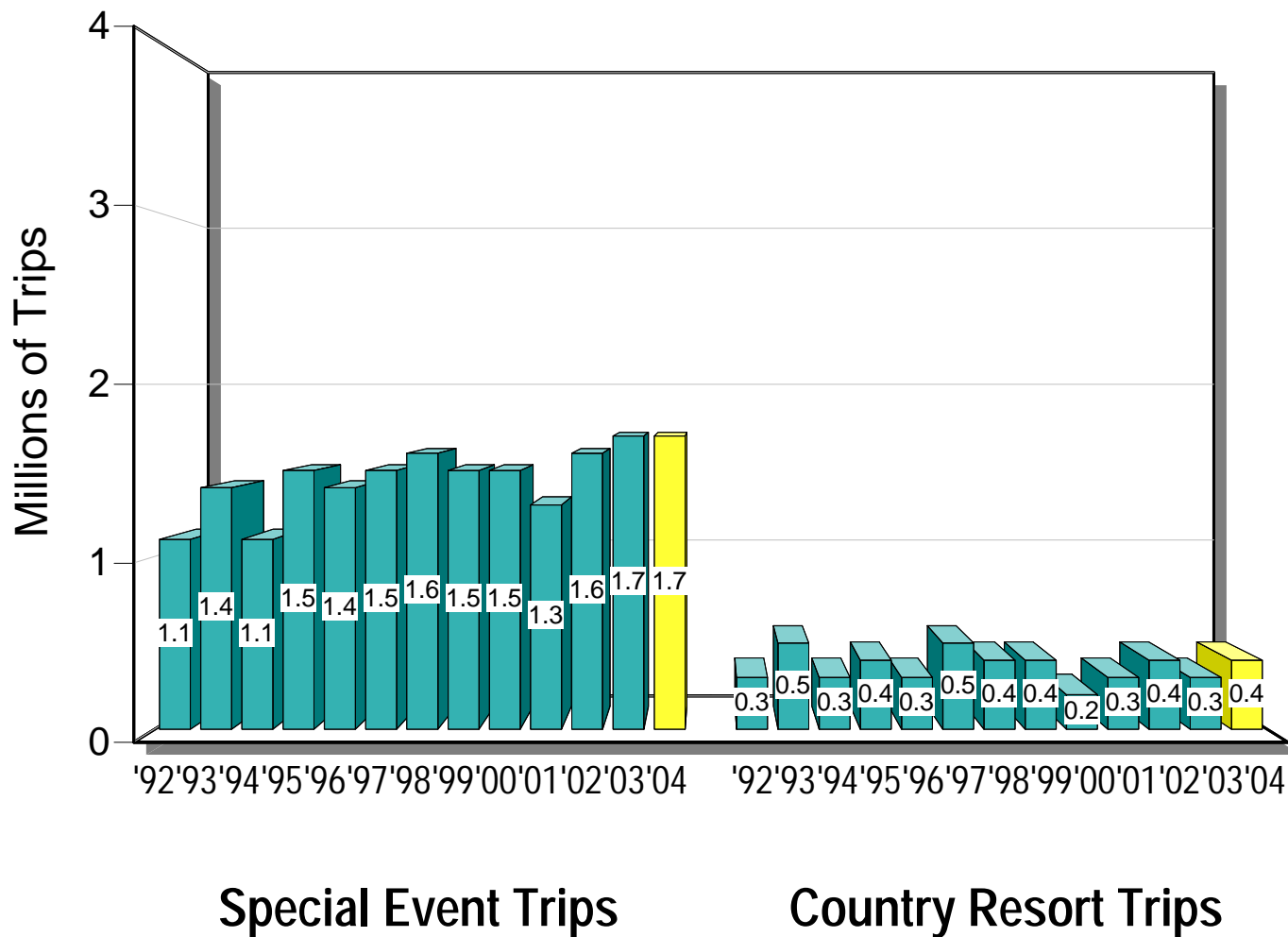
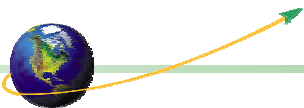
# Outdoor and Business/Pleasure Trips to Colorado



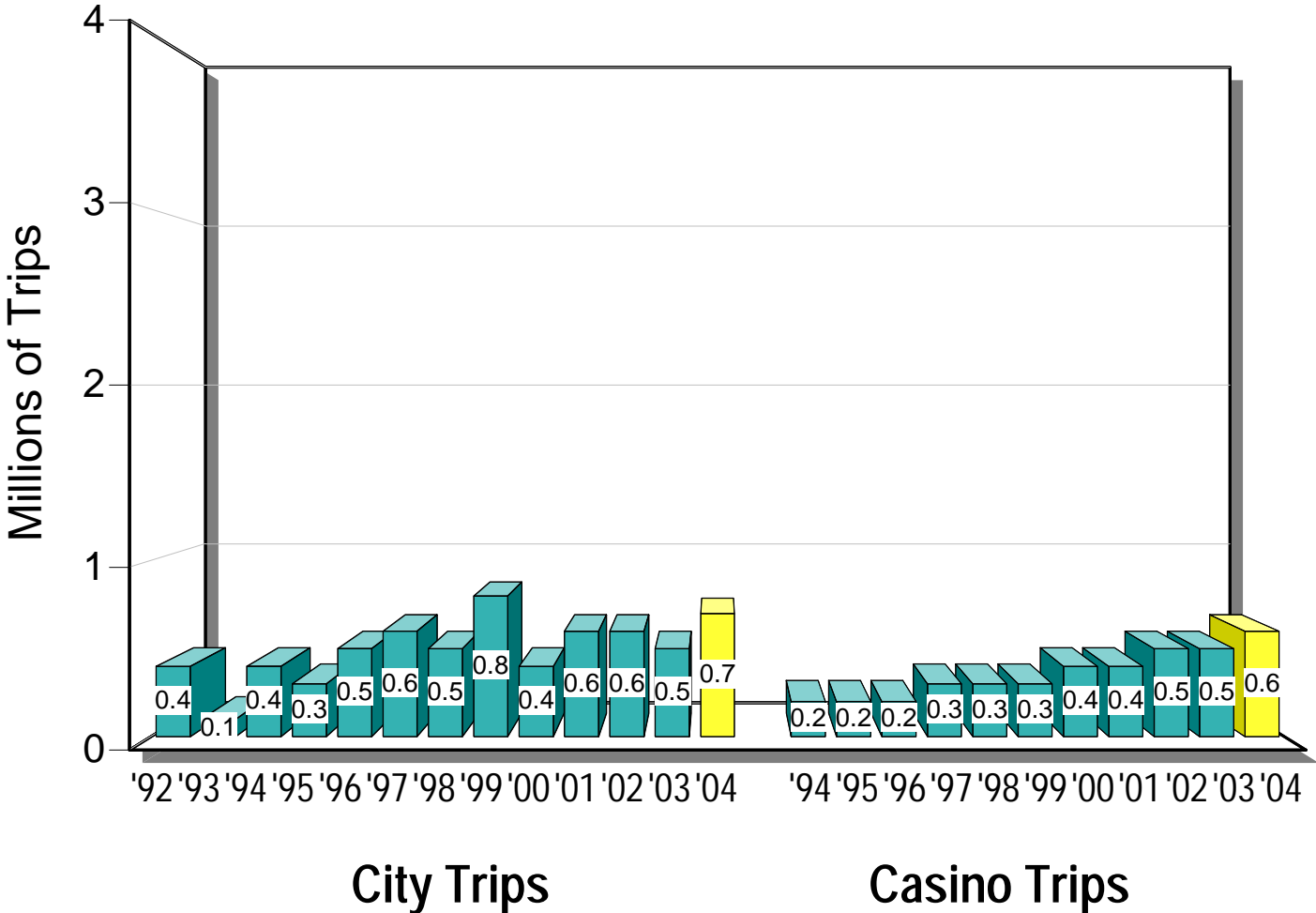
Outdoor Trips

Business/Pleasure Trips

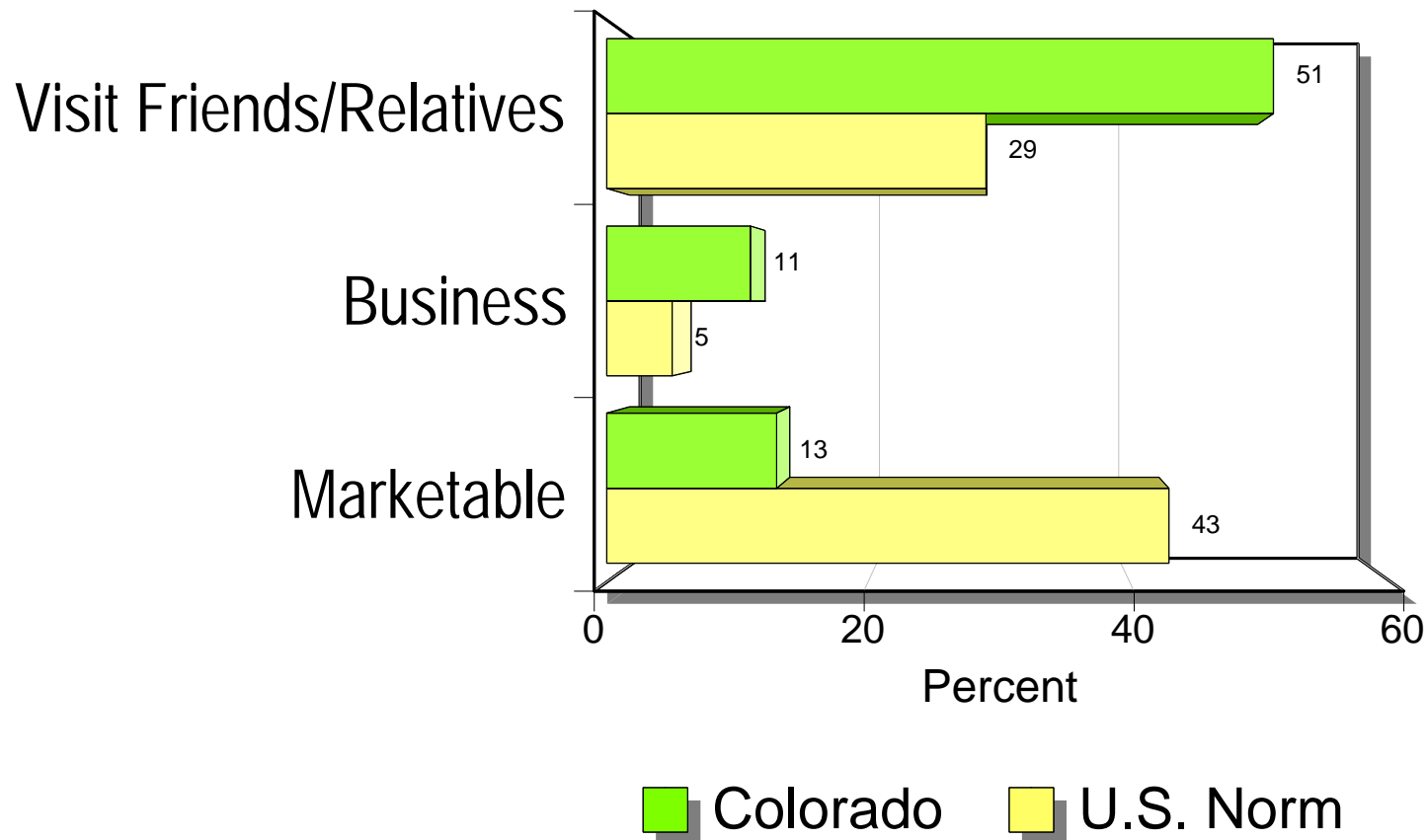
# Special Event and Country Resort Trips to Colorado



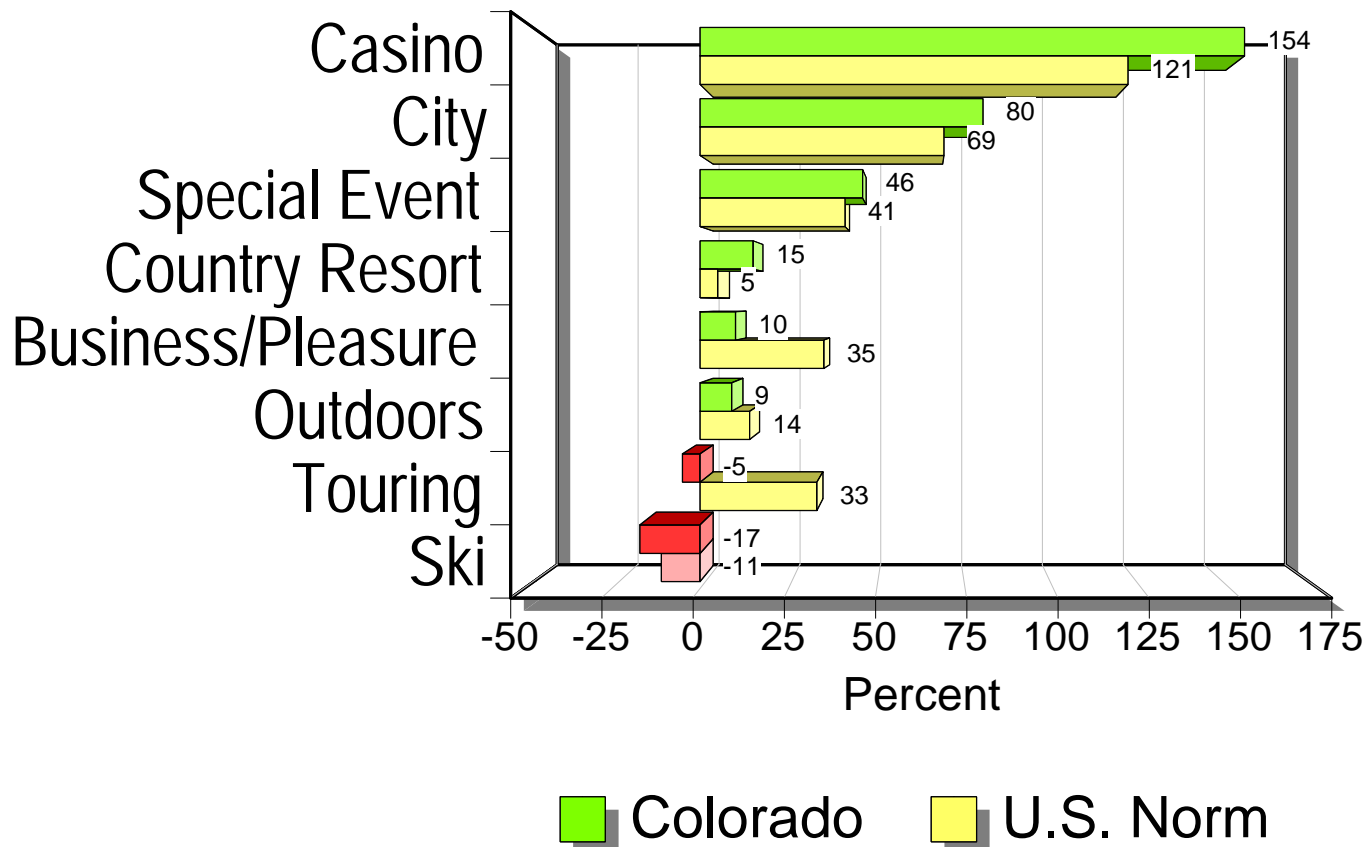
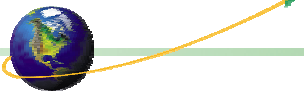
# City and Casino Trips to Colorado



# Colorado Trips – % Change 2004 vs. 1994



# Colorado Marketable Trips – % Change 2004 vs. 1994



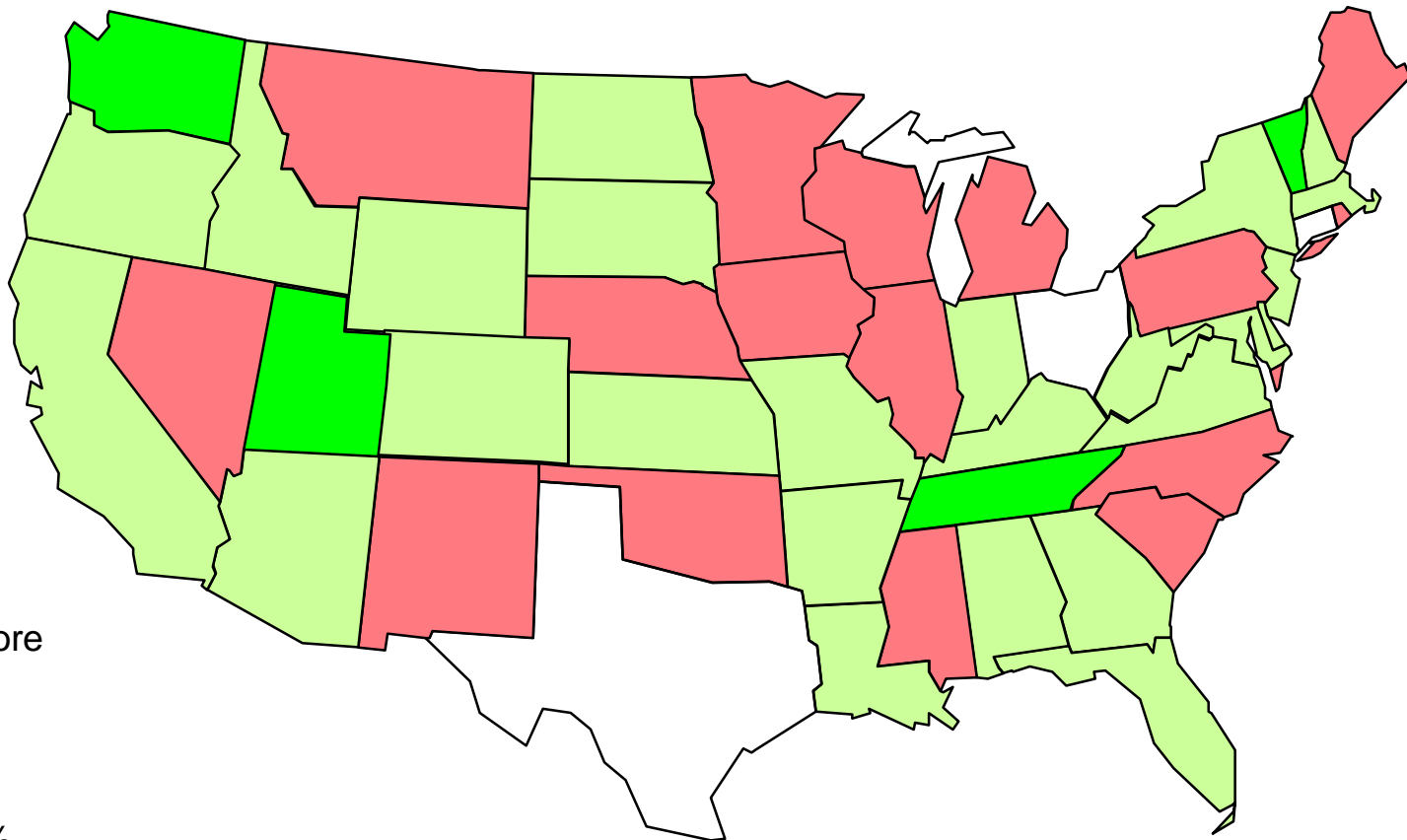
# The Competitive Environment



# State Trends in All Trips – 2004 vs. 2003



Percent Change

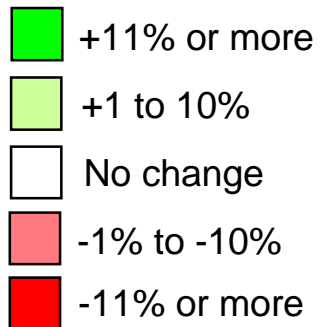
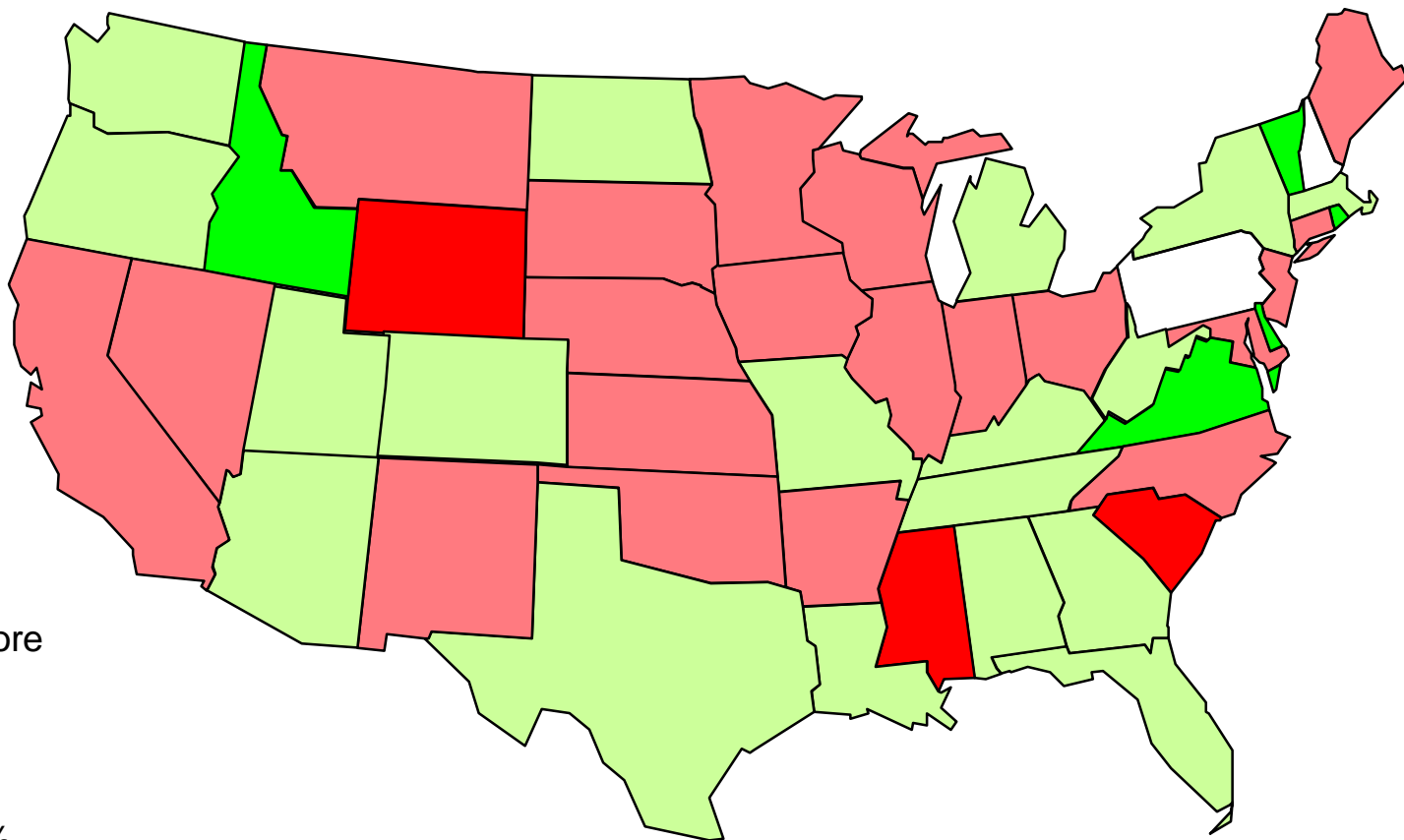


- +11% or more
- +1 to 10%
- No change
- 1% to -10%
- 11% or more

# State Trends in VFR Trips – 2004 vs. 2003



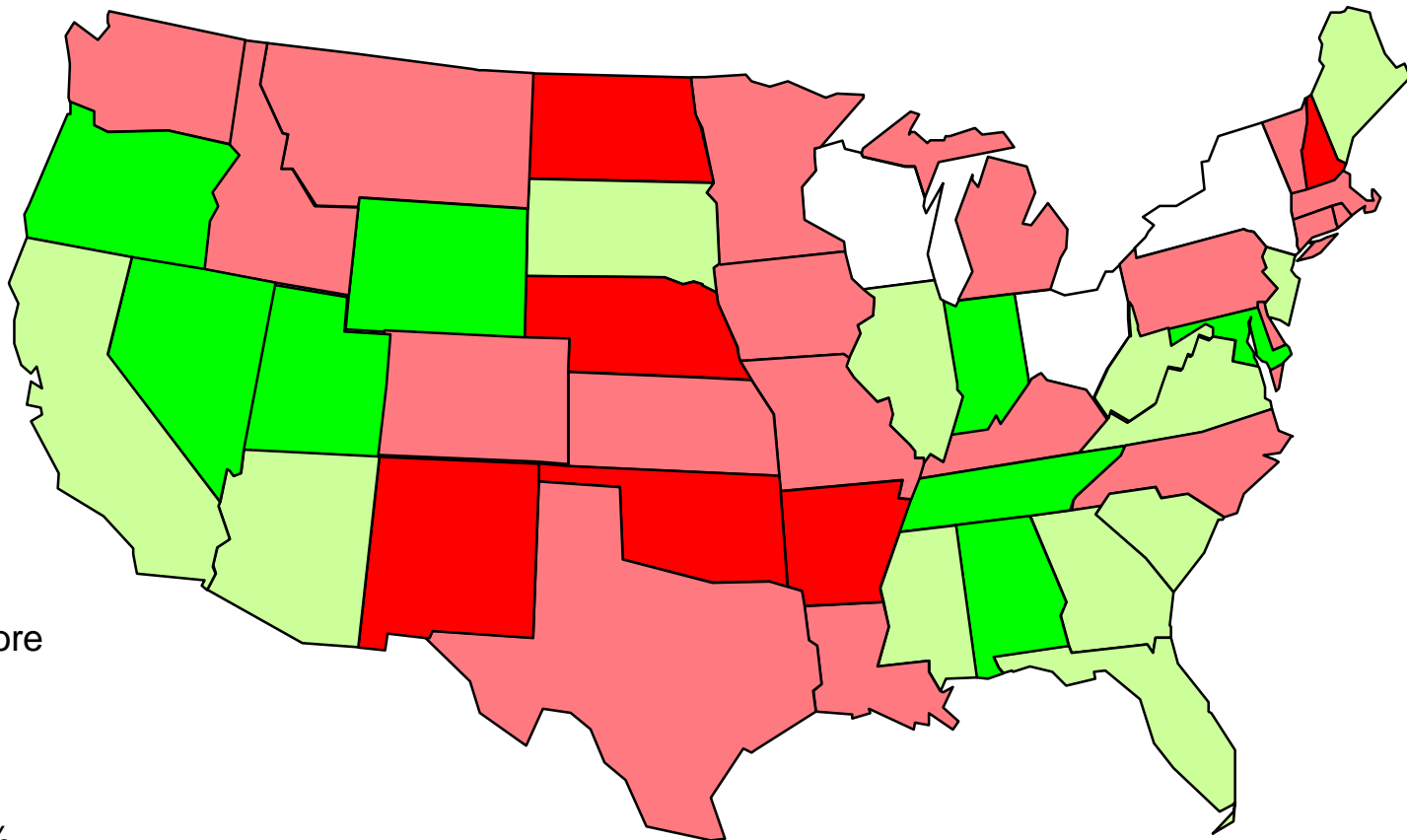
Percent Change



# State Trends in Business Trips – 2004 vs. 2003



Percent Change

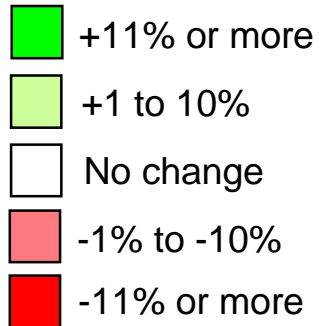
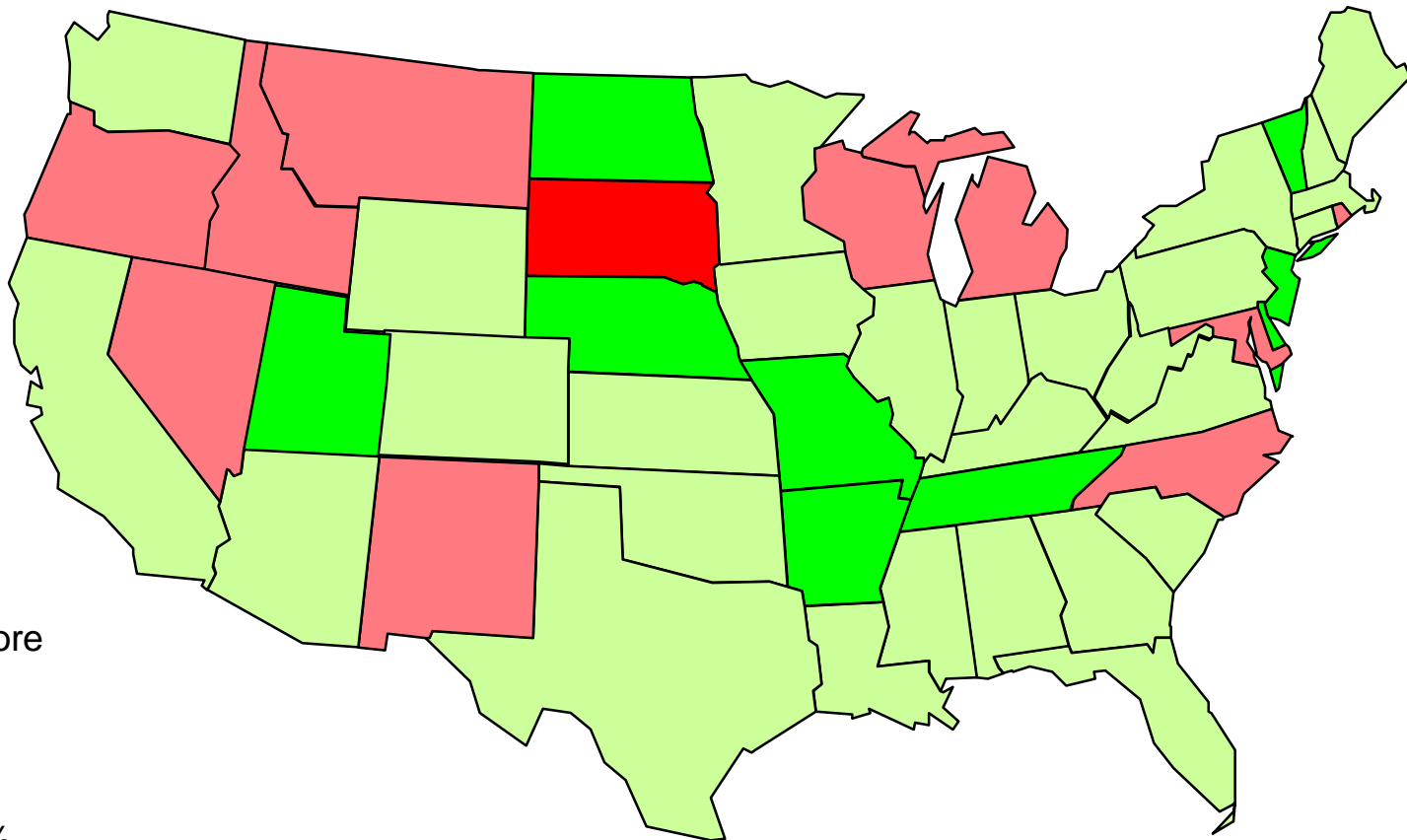


- +11% or more
- +1 to 10%
- No change
- 1% to -10%
- 11% or more

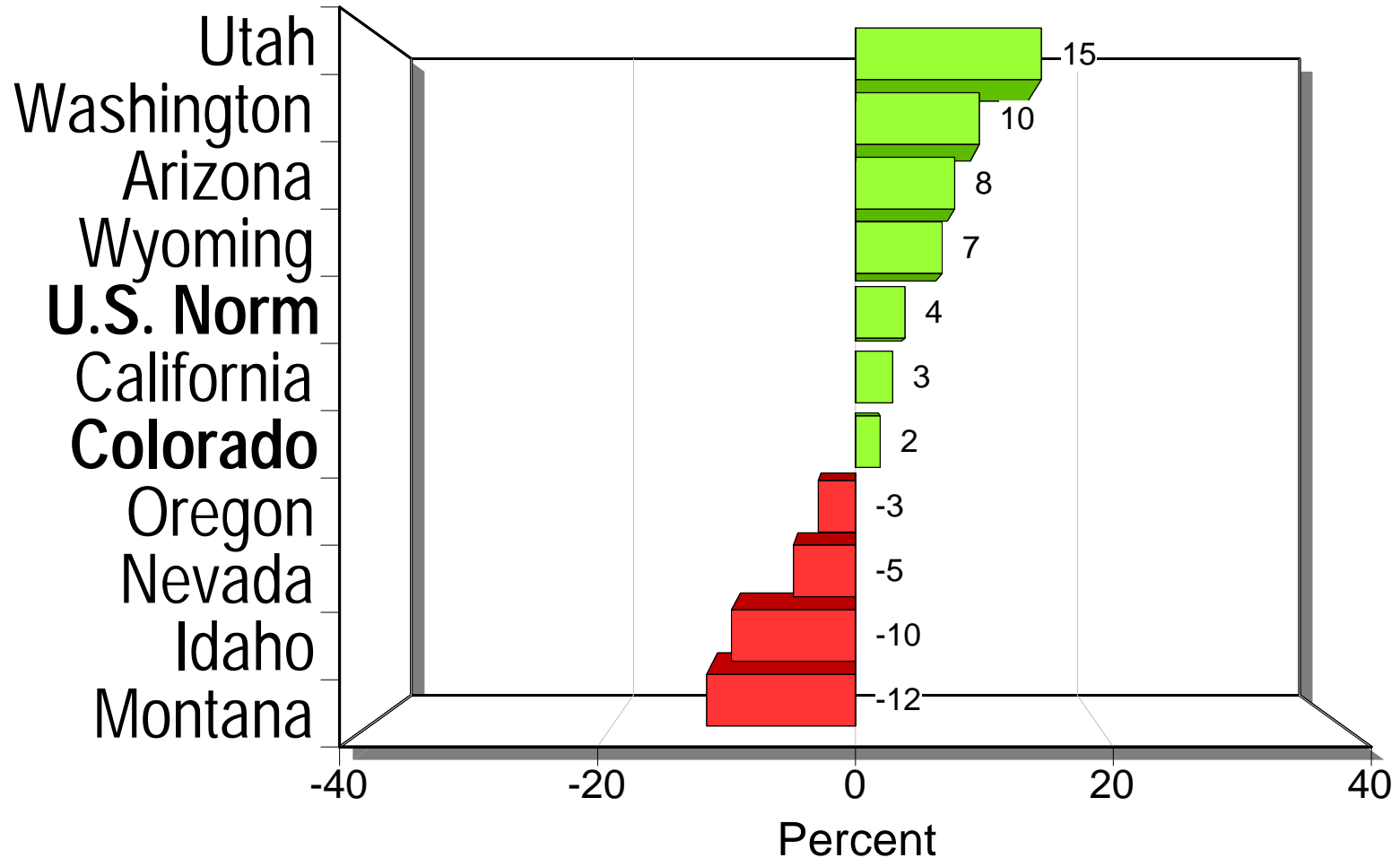
# State Trends in Marketable Trips – 2004 vs. 2003



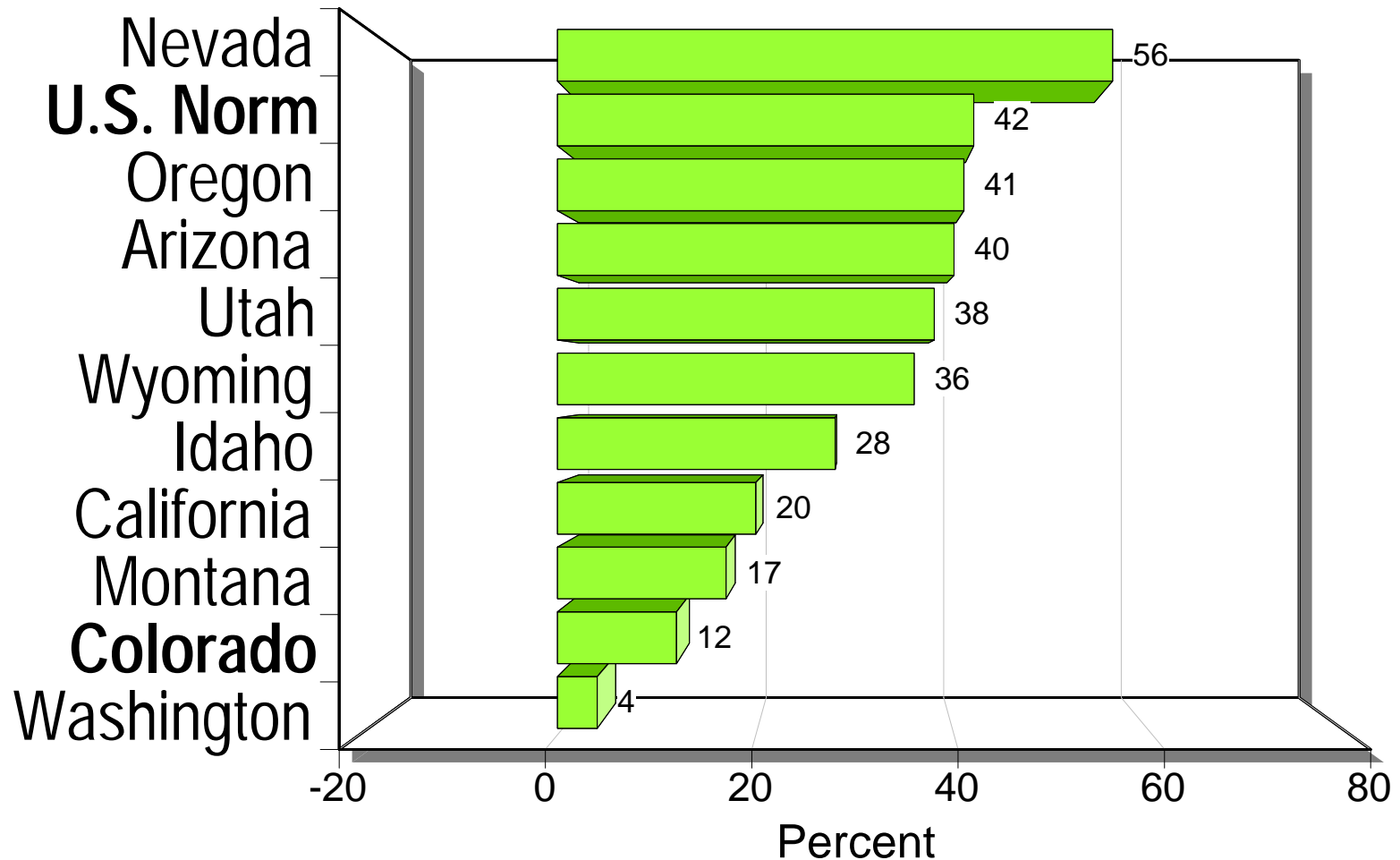
Percent Change



# Total Marketable Trips – % Change 2004 vs. 2003



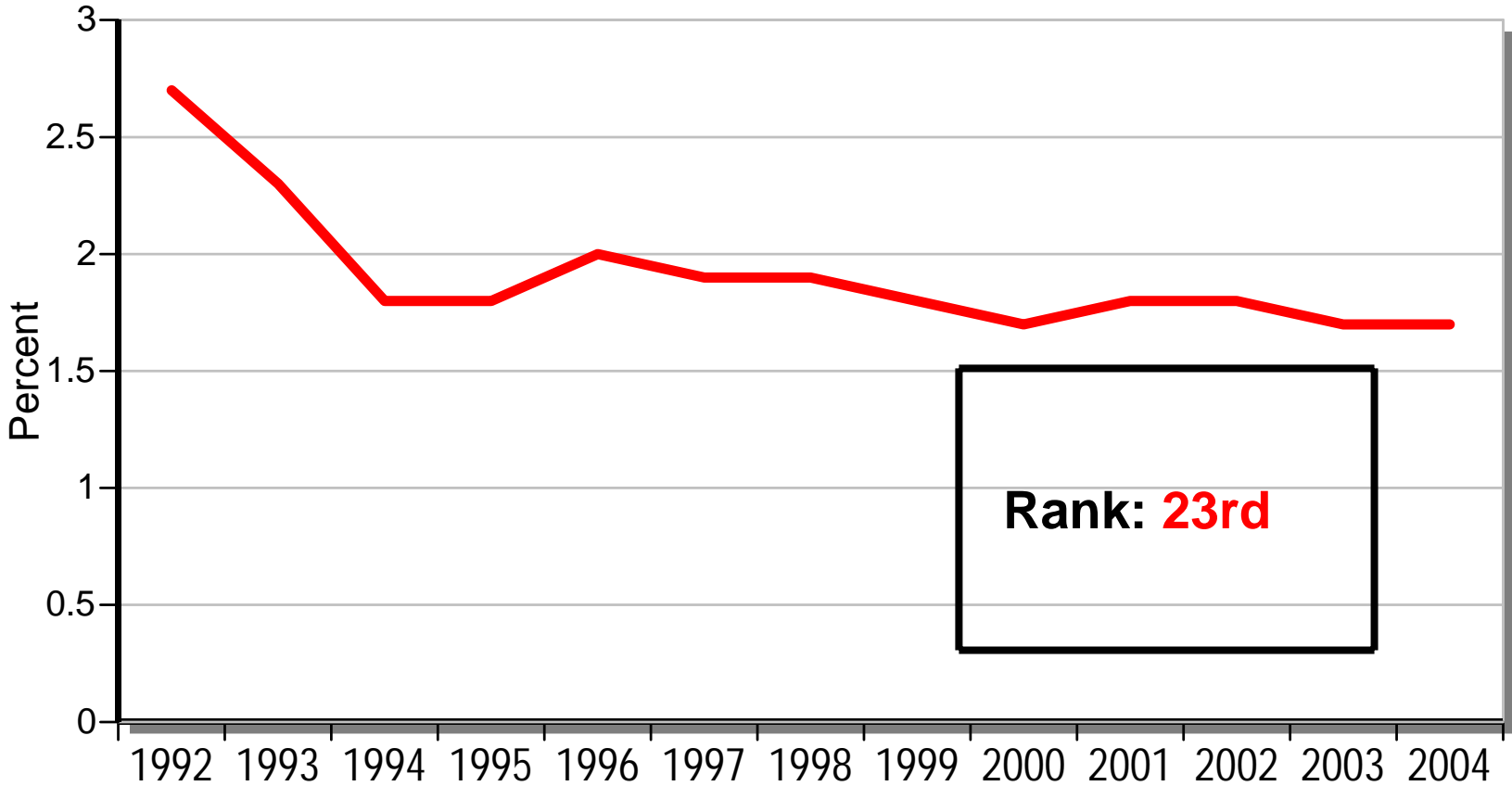
# Total Marketable Trips – % Change 2004 vs. 1994



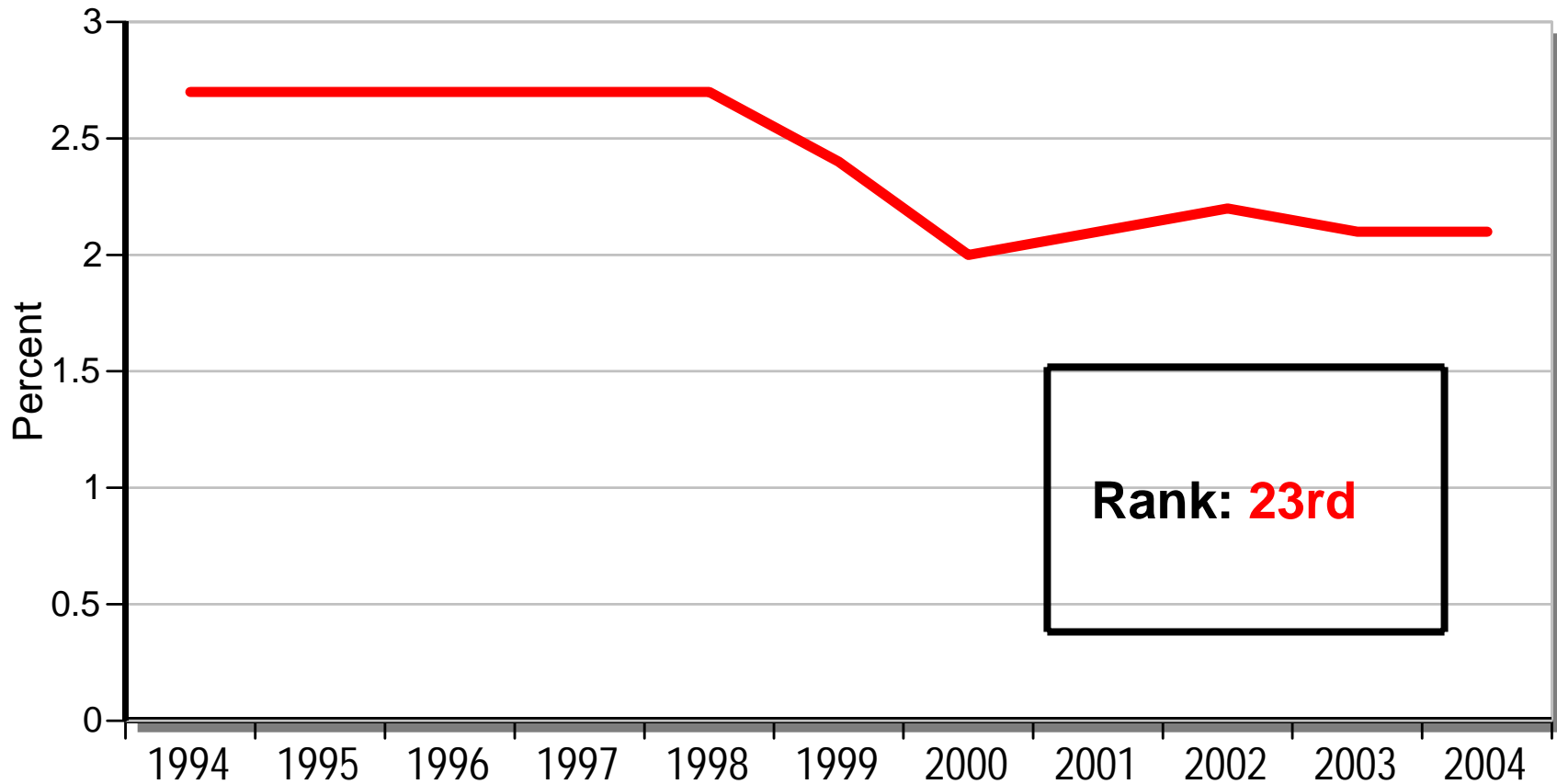
# Colorado's Share of U.S. Overnight Pleasure Trips



Percent Identifying Colorado as Main Destination of Trip

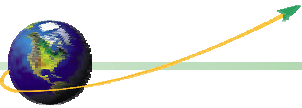


# Colorado's Share of All Overnight Marketable Trips



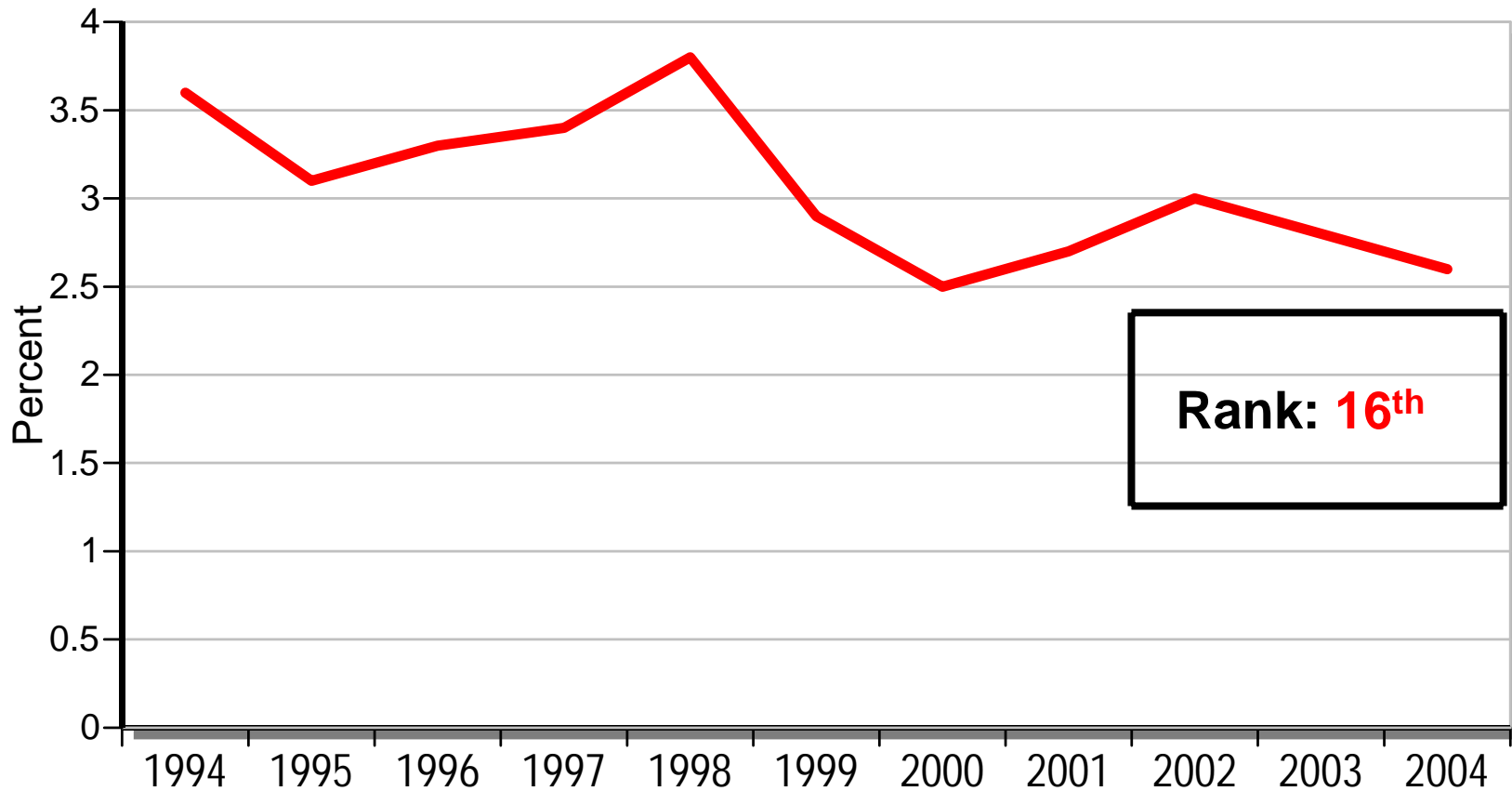


# Colorado's Share of All Overnight Marketable Trips

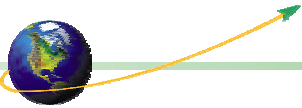


<i>Destination</i>	<b>2004</b>		<b>2003</b>		<b>2002</b>		<b>2001</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
Florida	1	9.4%	1	9.0%	2	8.7%	2	9.1%
California	2	8.8%	2	8.9%	1	9.5%	1	9.4%
Nevada	3	7.8%	3	8.7%	3	8.5%	3	8.9%
New York	4	4.4%	4	4.2%	4	4.5%	5	4.3%
Texas	5	4.1%	5	4.2%	5	4.1%	4	4.8%
New Jersey	6	4.1%	6	3.8%	6	4.0%	6	3.9%
Pennsylvania	7	3.5%	7	3.4%	7	3.7%	7	3.4%
<b>Colorado</b>	<b>23</b>	<b>2.1%</b>	<b>23</b>	<b>2.1%</b>	<b>21</b>	<b>2.2%</b>	<b>23</b>	<b>2.1%</b>

# Colorado's Share of All Overnight Touring Trips

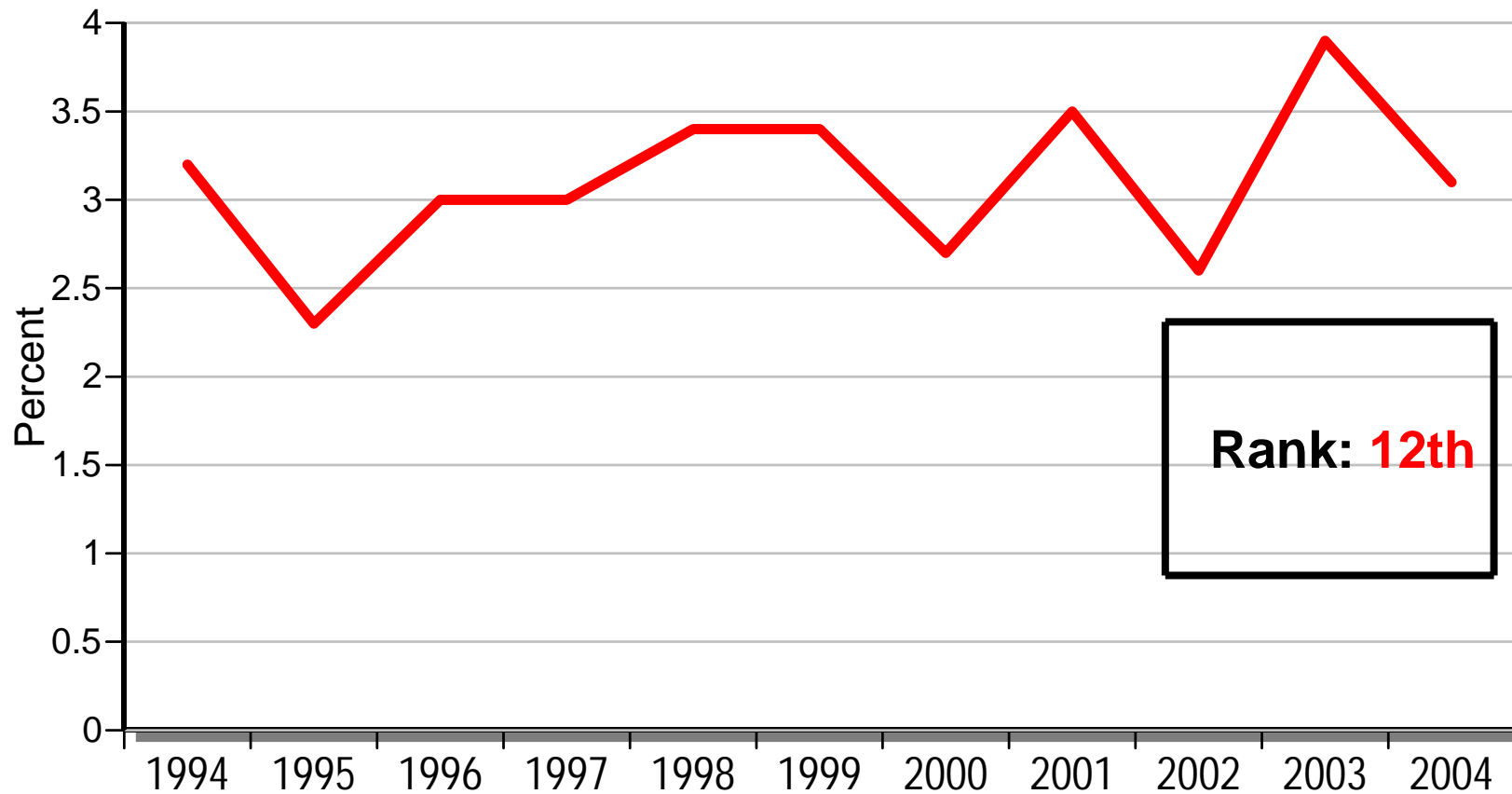


# Colorado's Share of All Overnight Touring Trips

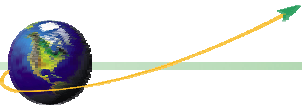


<i>Destination</i>	<b>2004</b>		<b>2003</b>		<b>2002</b>		<b>2001</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
California	1	8.9%	1	9.2%	1	9.8%	1	9.1%
Florida	2	6.9%	2	6.4%	2	5.8%	2	6.7%
New York	3	6.6%	3	5.6%	3	5.5%	3	6.4%
Tennessee	4	5.7%	5	4.9%	5	5.1%	5	4.9%
Nevada	5	4.6%	4	5.0%	4	5.2%	4	5.0%
<b>Colorado</b>	<b>16</b>	<b>2.6%</b>	<b>14</b>	<b>2.8%</b>	<b>13</b>	<b>3.0%</b>	<b>13</b>	<b>2.7%</b>

# Colorado's Share of All Overnight Outdoor Trips



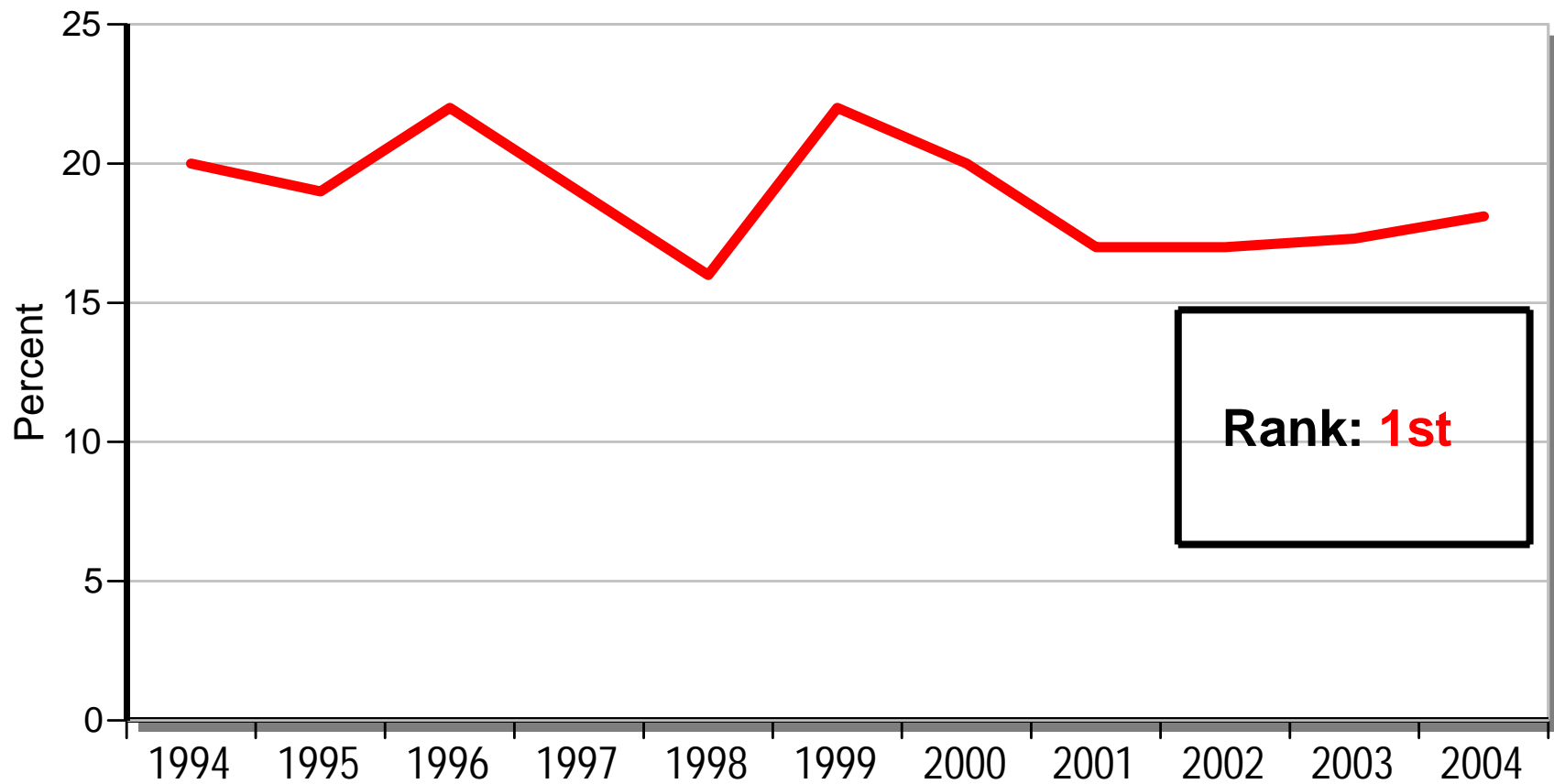
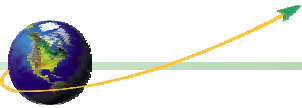
# Colorado's Share of All Overnight Outdoor Trips



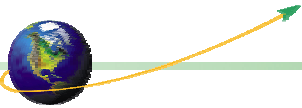
<i>Destination</i>	<b>2004</b>		<b>2003</b>		<b>2002</b>		<b>2001</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
California	1	10.2%	1	10.0%	1	11.4%	1	11.6%
Wisconsin	2	5.6%	2	6.3%	4	5.1%	2	5.9%
Texas	3	5.5%	3	6.1%	3	5.3%	3	5.4%
Michigan	4	5.3%	4	5.6%	2	5.7%	4	5.1%
Pennsylvania	5	4.6%	7	4.4%	6	4.4%	5	4.9%
Minnesota	6	4.6%	5	5.3%	7	4.2%	7	4.4%
Washington	7	4.2%	11	3.5%	9	3.5%	9	4.0%
New York	8	3.8%	8	4.0%	5	4.6%	8	4.2%
Missouri	9	3.7%	13	2.5%	13	2.7%	15	2.3%
<b>Colorado</b>	<b>12</b>	<b>3.1%</b>	<b>10</b>	<b>3.9%</b>	<b>14</b>	<b>2.6%</b>	<b>10</b>	<b>3.5%</b>

\*Among 50 U.S. states

# Colorado's Share of All Overnight Ski Trips

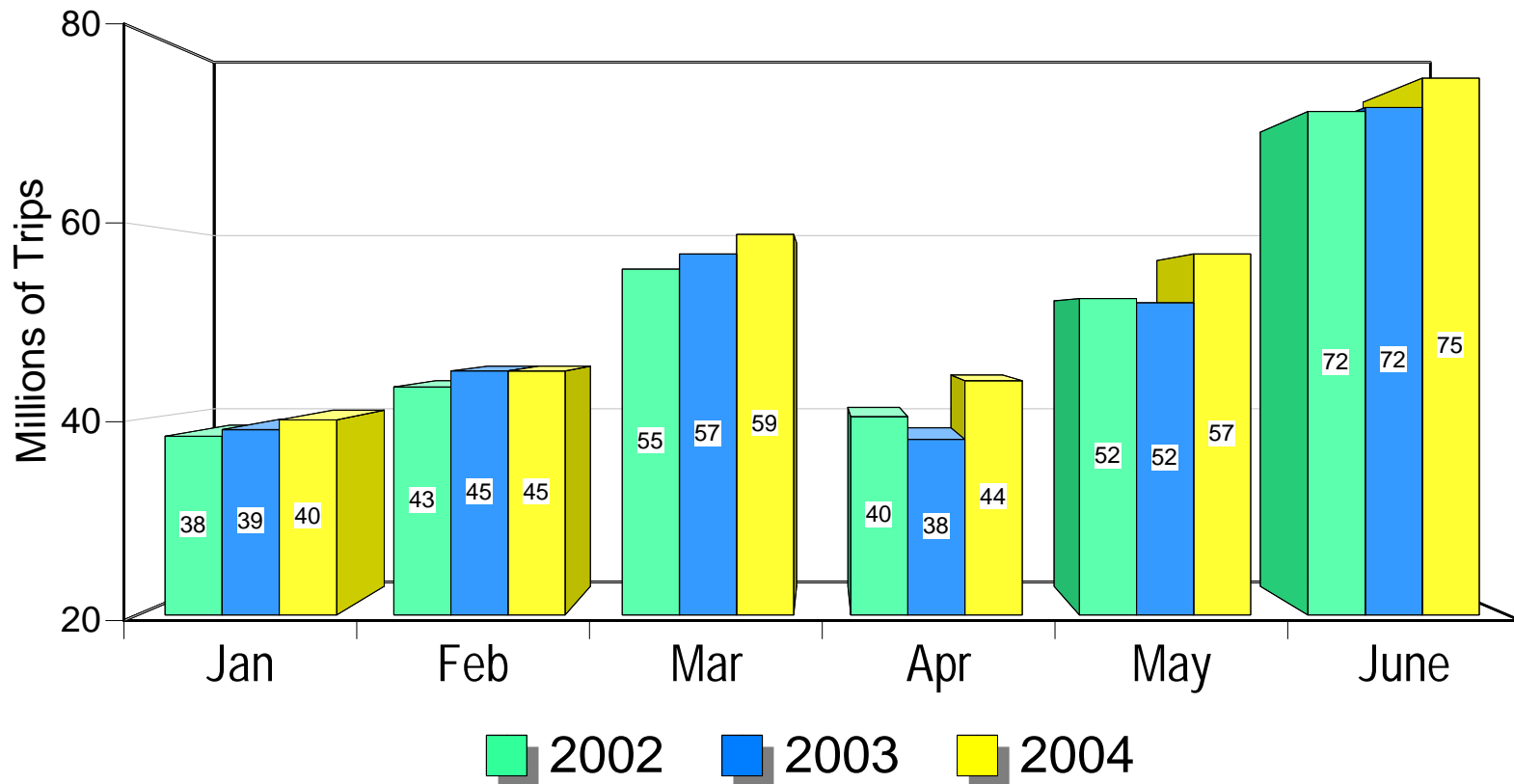


# Colorado's Share of All Overnight Ski Trips



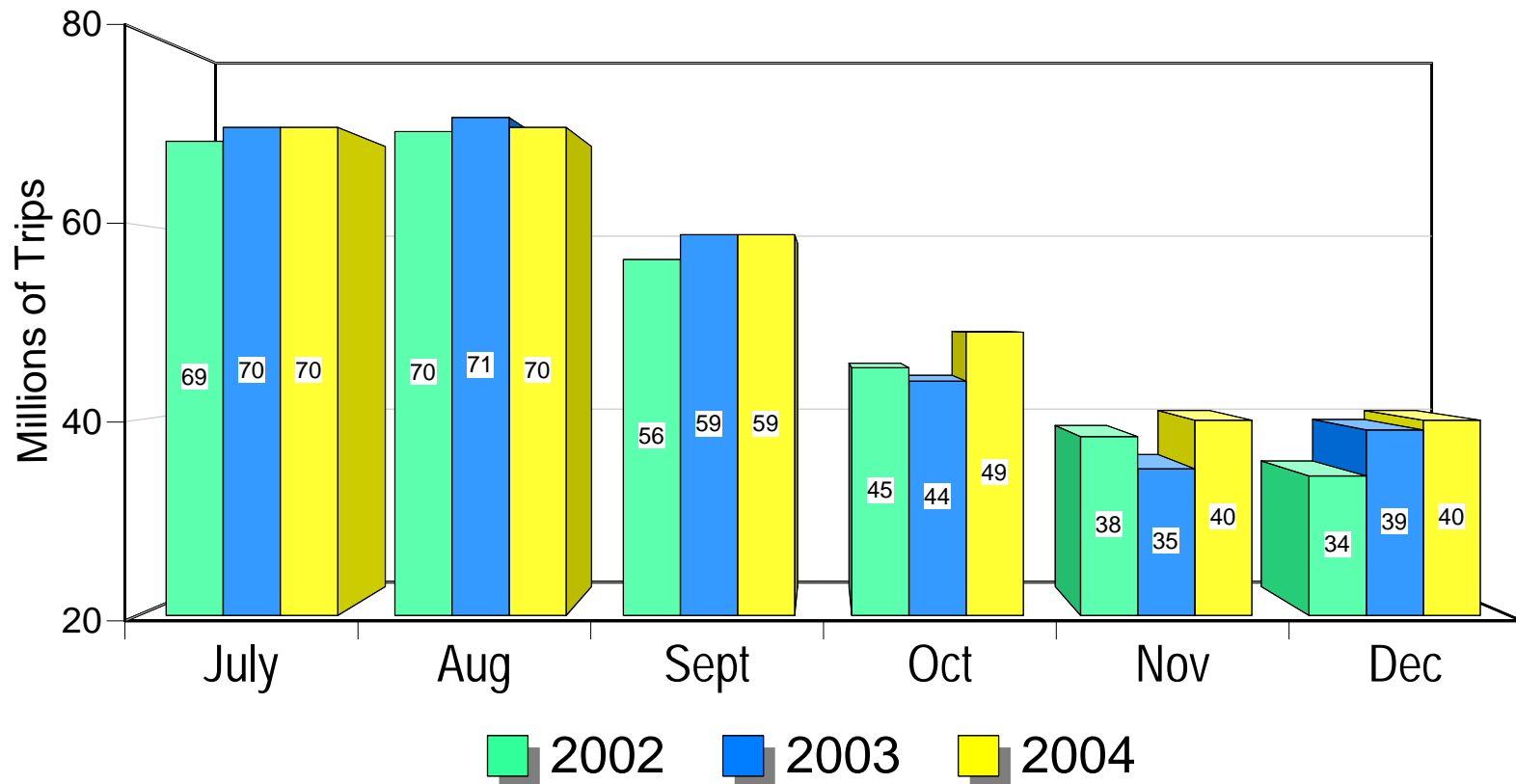
<i>Destination</i>	<b>2004</b>		<b>2003</b>		<b>2002</b>		<b>2001</b>	
	<i>Rank*</i>	<i>Share</i>	<i>Rank*</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>	<i>Rank</i>	<i>Share</i>
<b>Colorado</b>	<b>1</b>	<b>18.1%</b>	<b>1</b>	<b>17.3%</b>	<b>1</b>	<b>17.4%</b>	<b>1</b>	<b>16.9%</b>
California	2	12.8%	2	15.7%	2	15.5%	2	15.7%
Vermont	3	7.8%	3	8.2%	4	7.9%	3	12.2%
Nevada	4	6.5%	5	6.2%	3	8.2%	4	7.6%
Utah	5	5.7%	7	4.8%	5	7.1%	6	4.0%
New York	6	5.0%	6	5.4%	8	3.6%	10	3.0%
Pennsylvania	7	4.9%	4	6.6%	7	4.5%	7	3.8%

# U.S. Overnight Marketable Trips by Month – 2002 to 2004

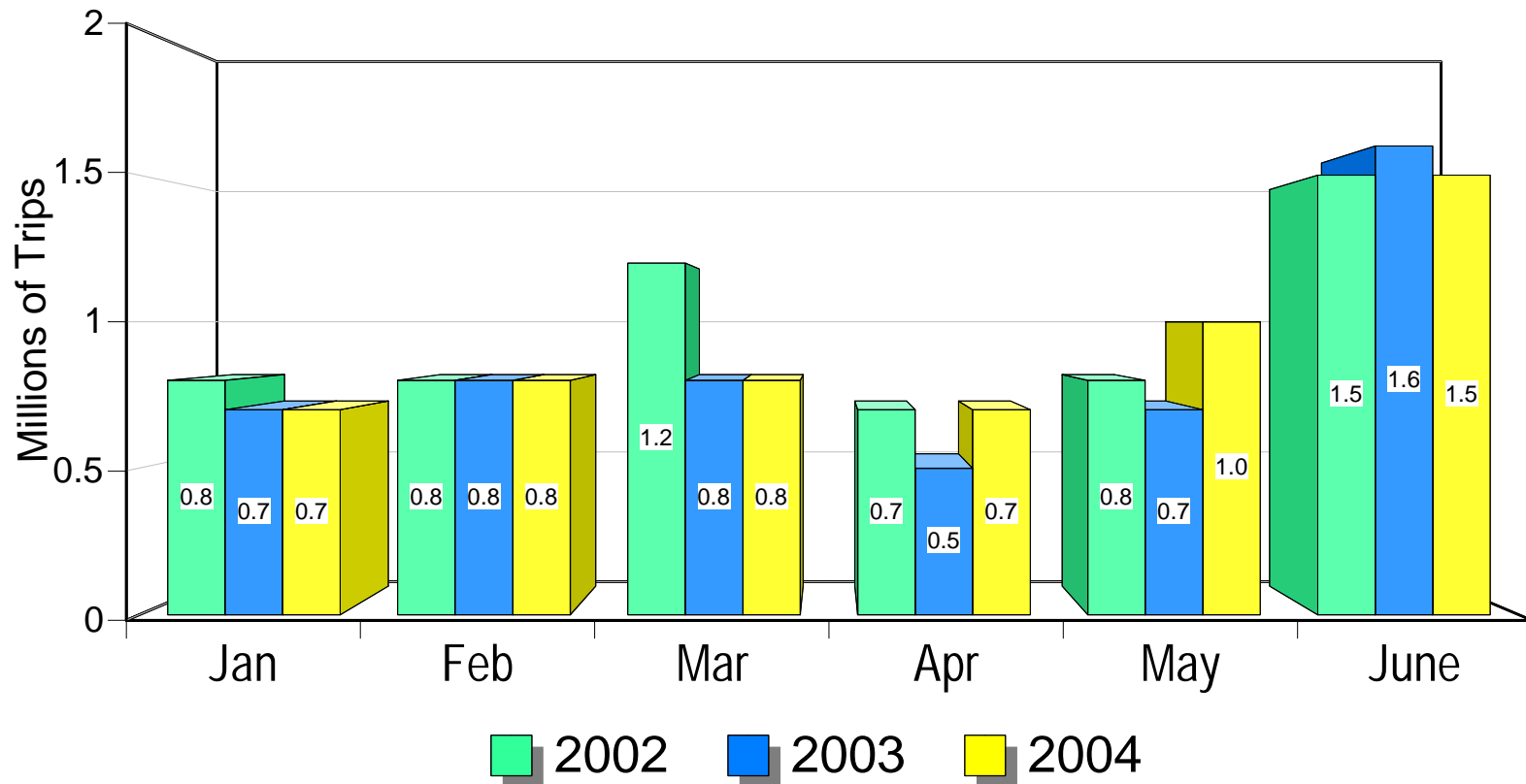




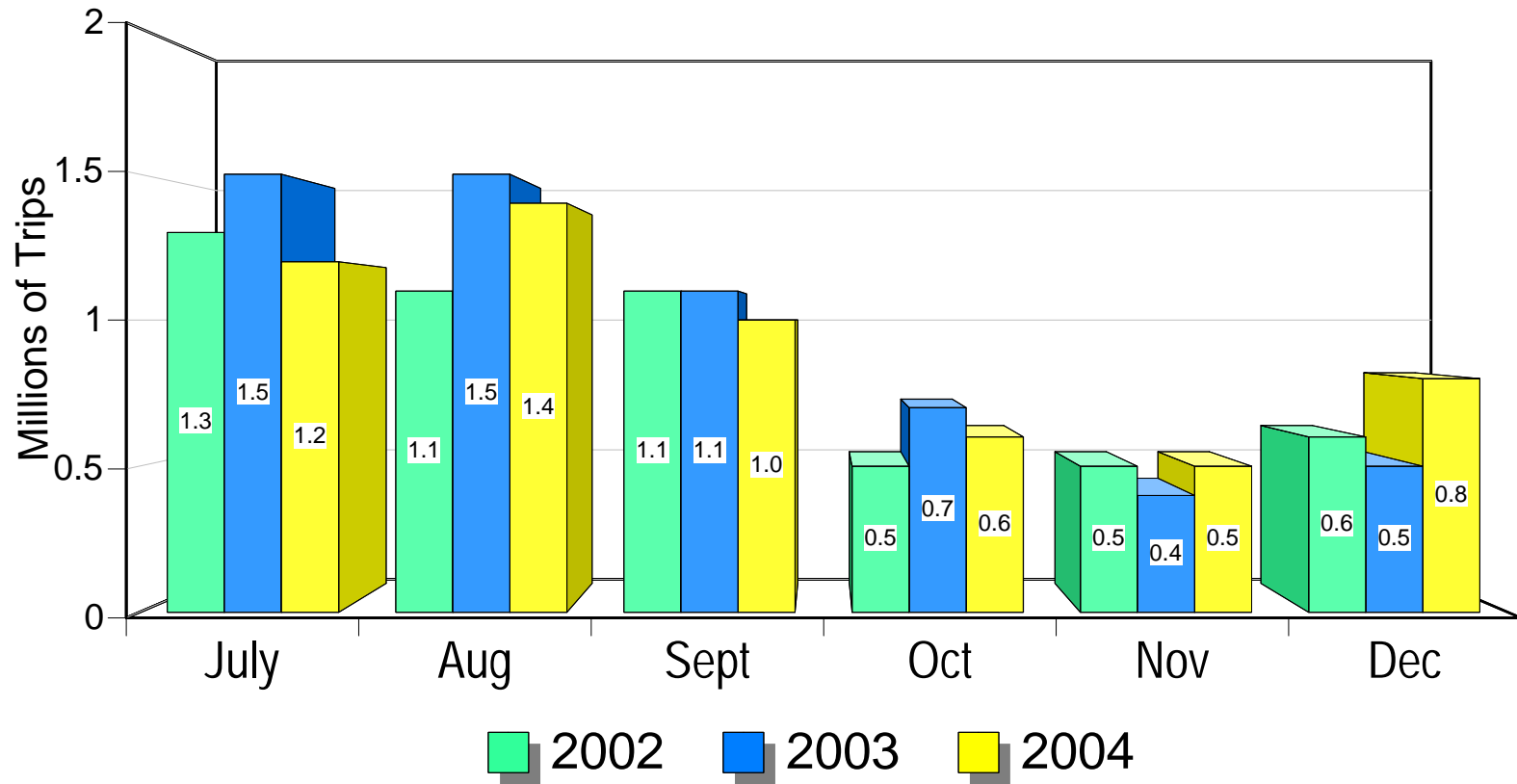
# U.S. Overnight Marketable Trips by Month – 2002 to 2004 (Cont'd)



# Overnight Marketable Pleasure Trips to Colorado by Month



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



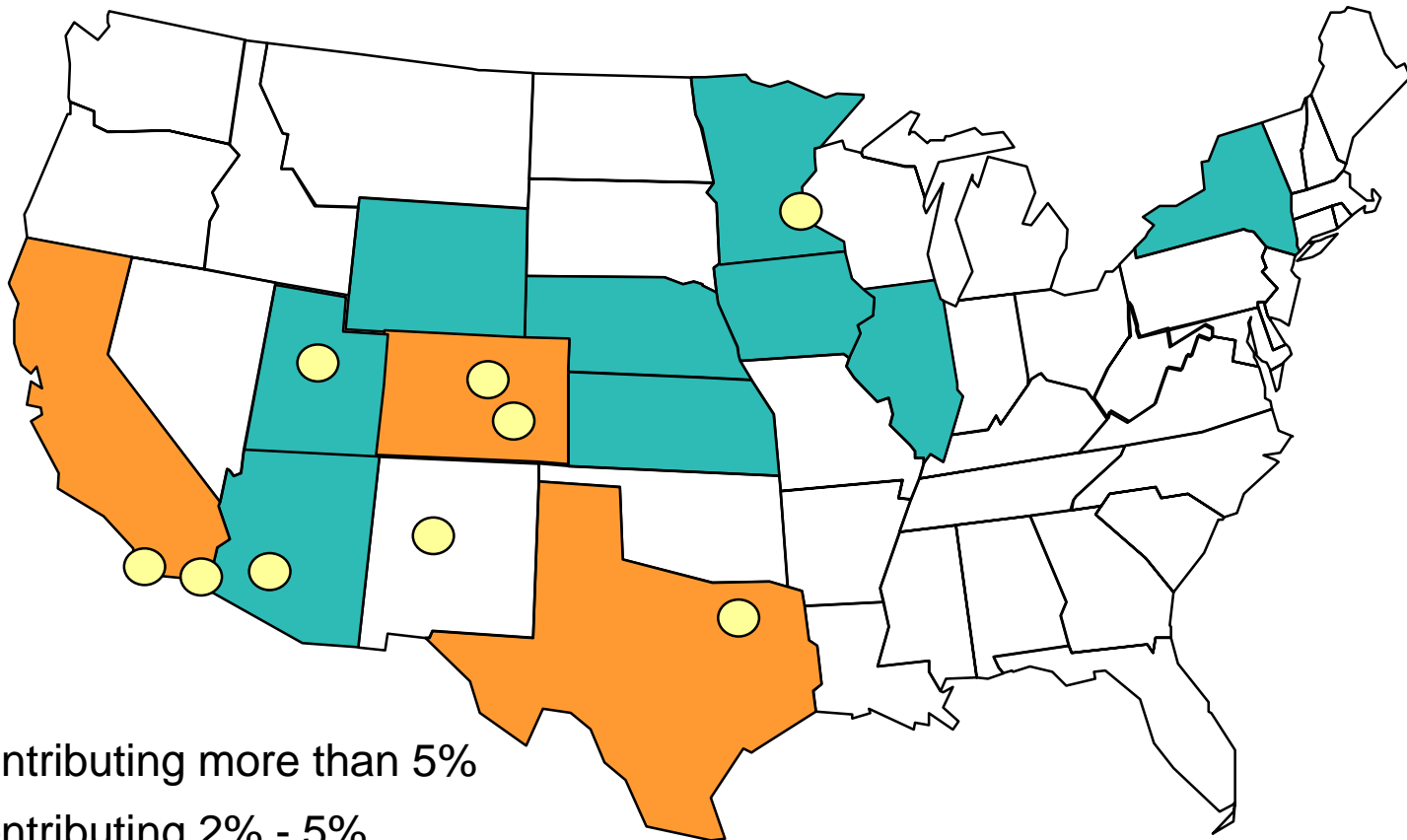
# 2004 Pleasure Travel Profile

# Sources of Pleasure Travel Business

# Sources of Business



Base: Overnight Pleasure Trips

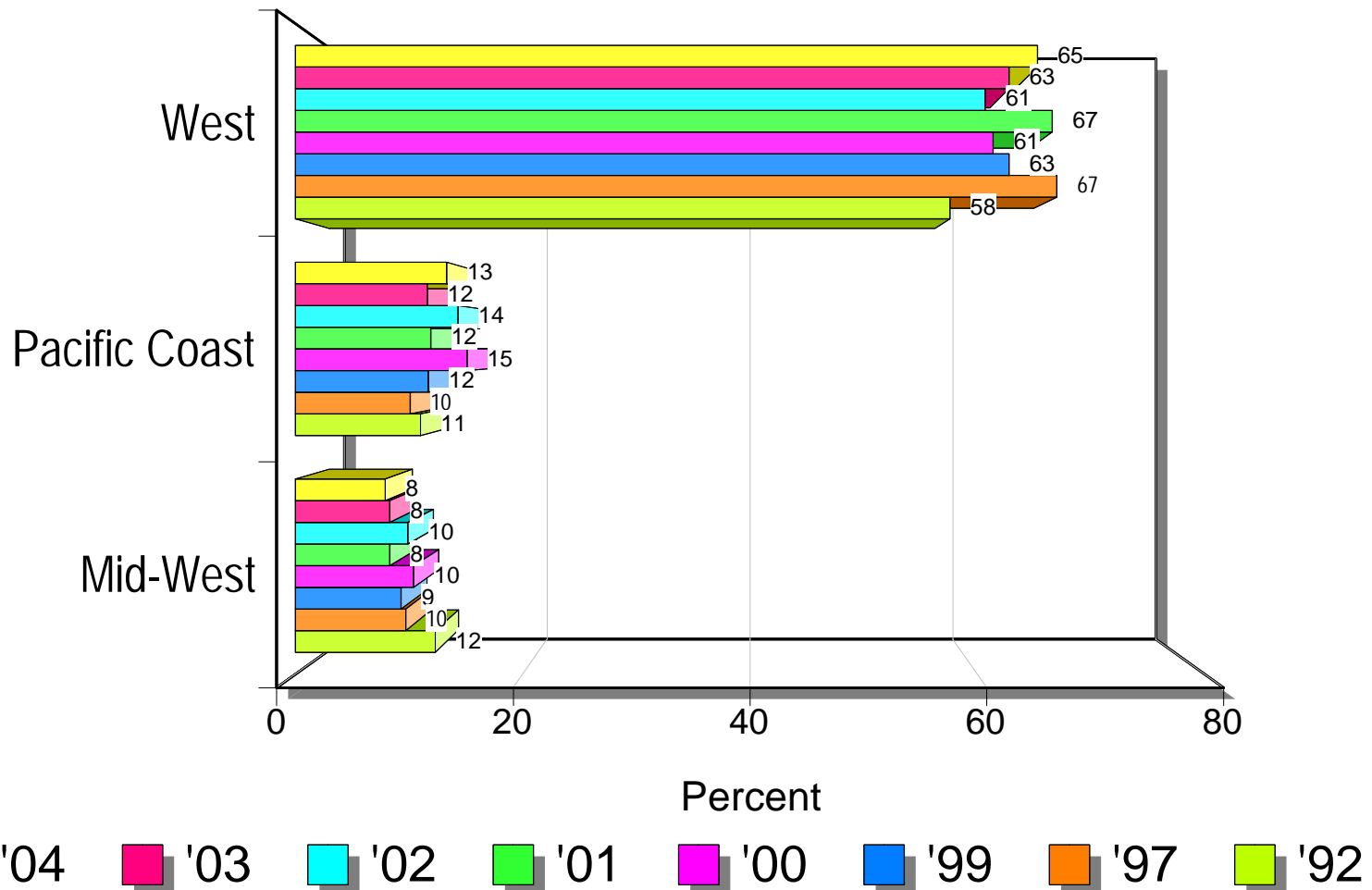


- States contributing more than 5%
- States contributing 2% - 5%
- DMA's contributing more than 2%

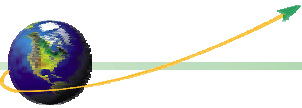
# Regional Sources of Business



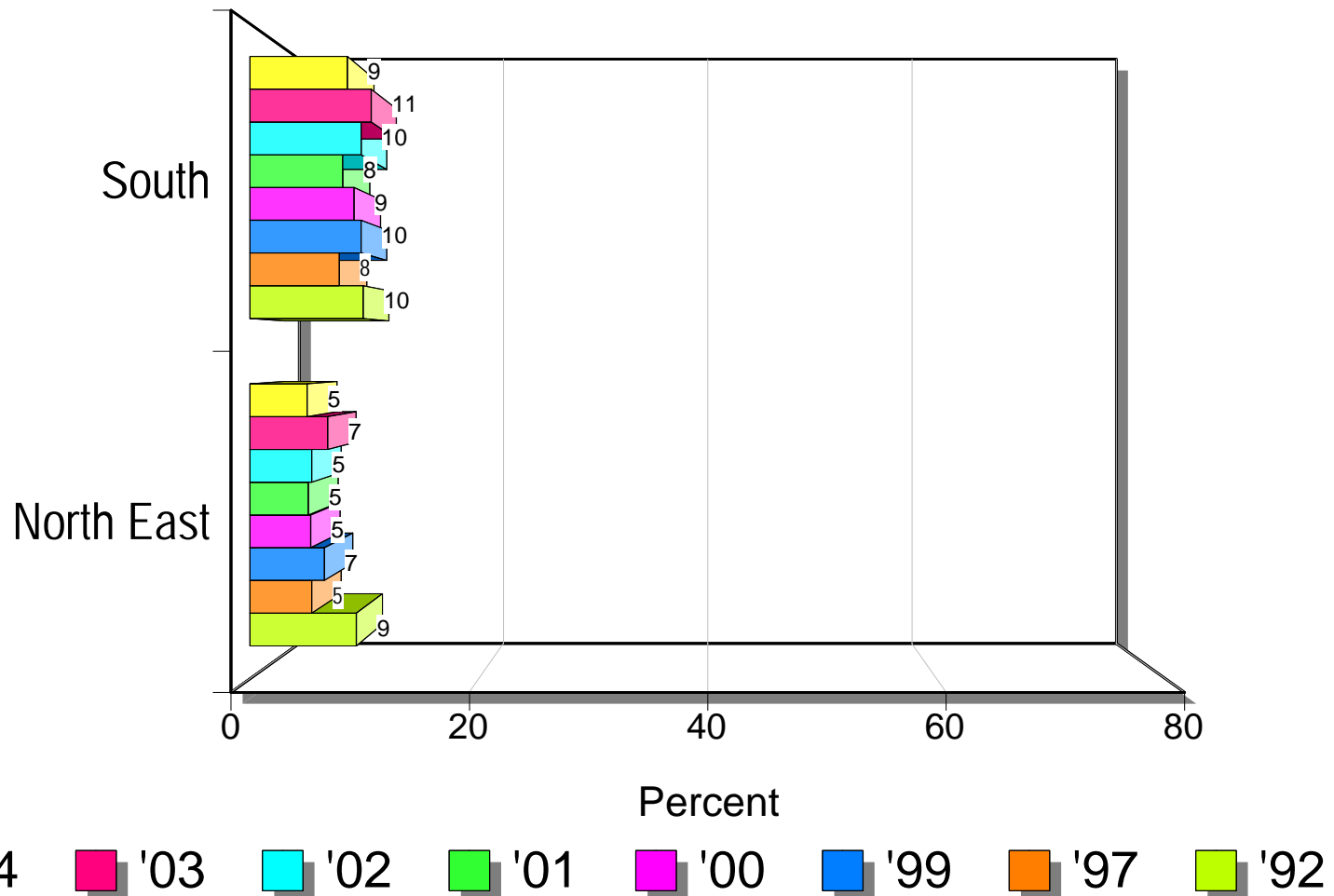
Base: Overnight Pleasure Trips



# Regional Sources of Business (Cont'd)



Base: Overnight Pleasure Trips

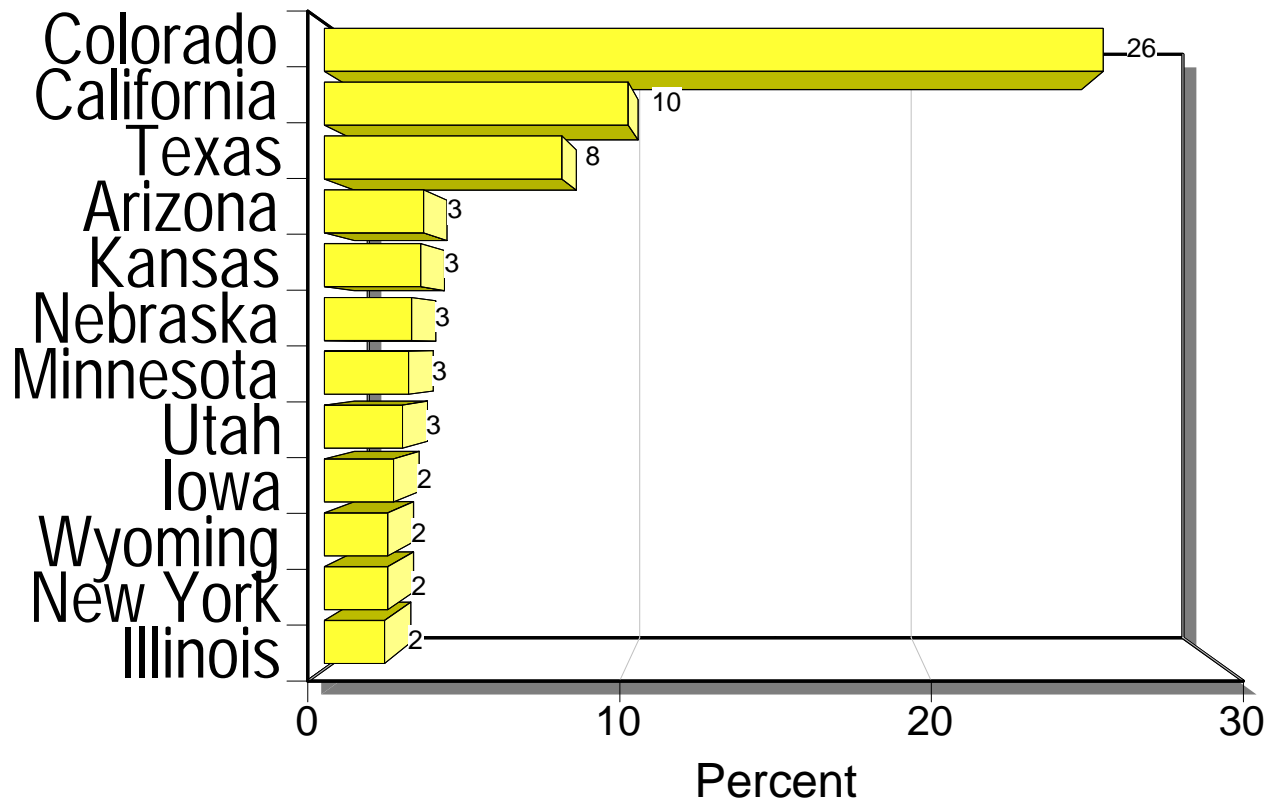




# State Sources of Business



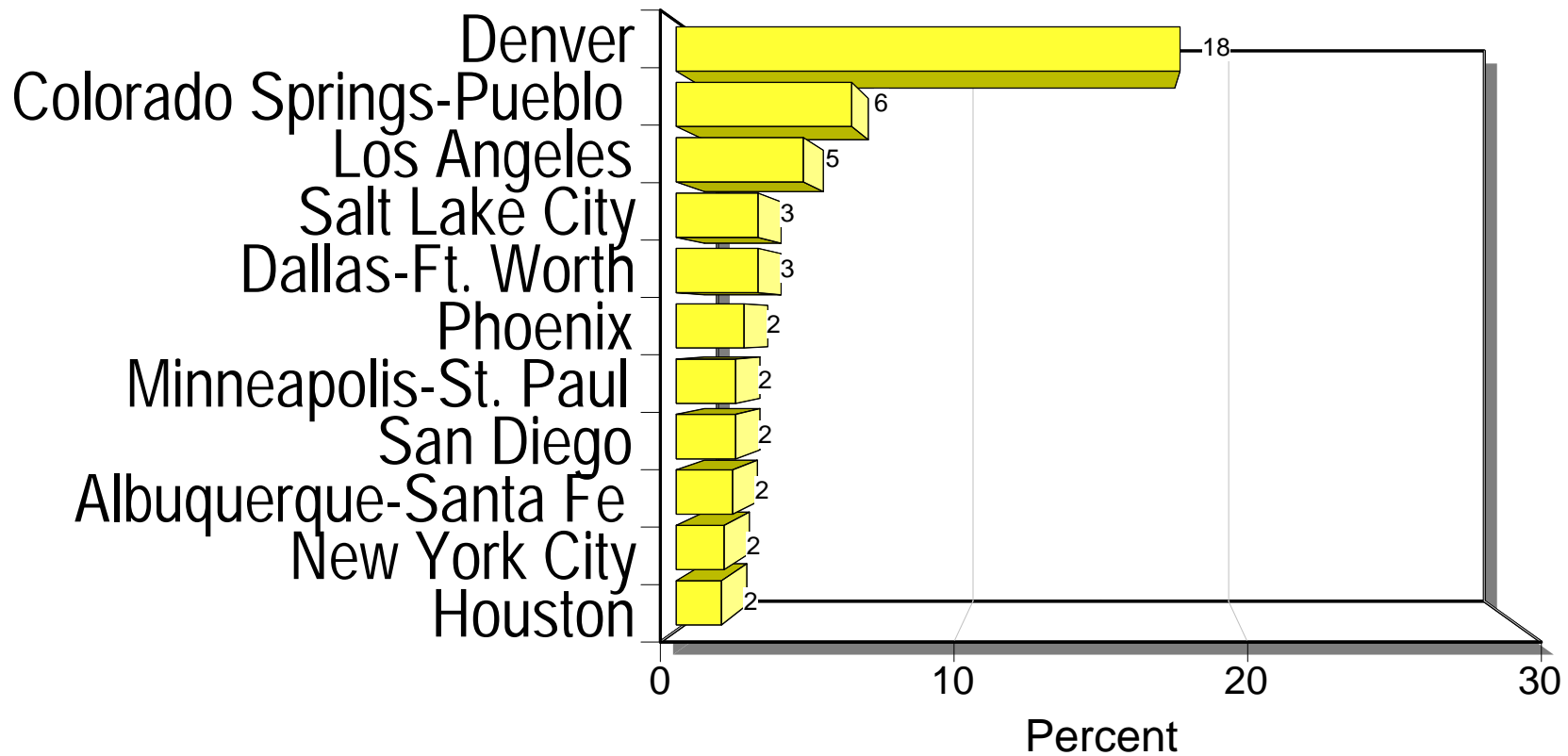
Base: Overnight Pleasure Trips



# Urban Sources of Business



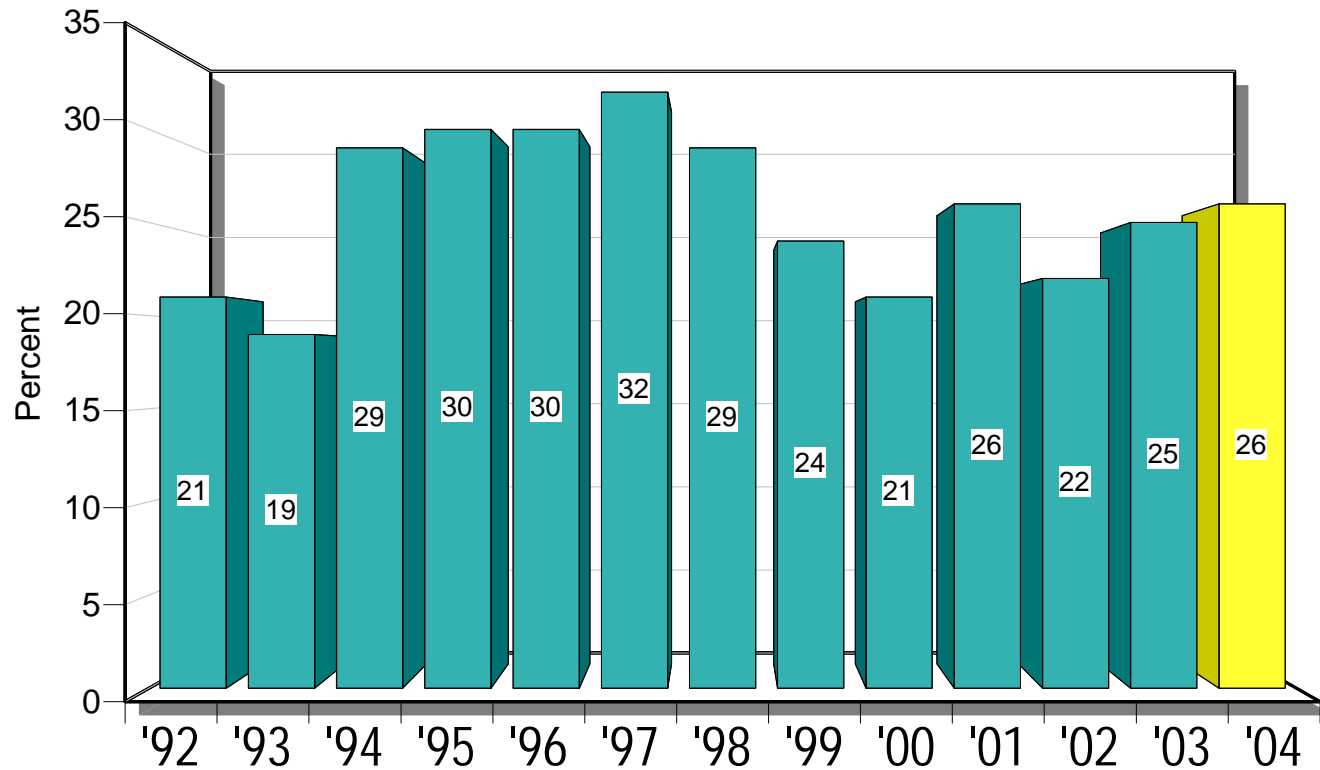
Base: Overnight Pleasure Trips



# In-state Pleasure Trips



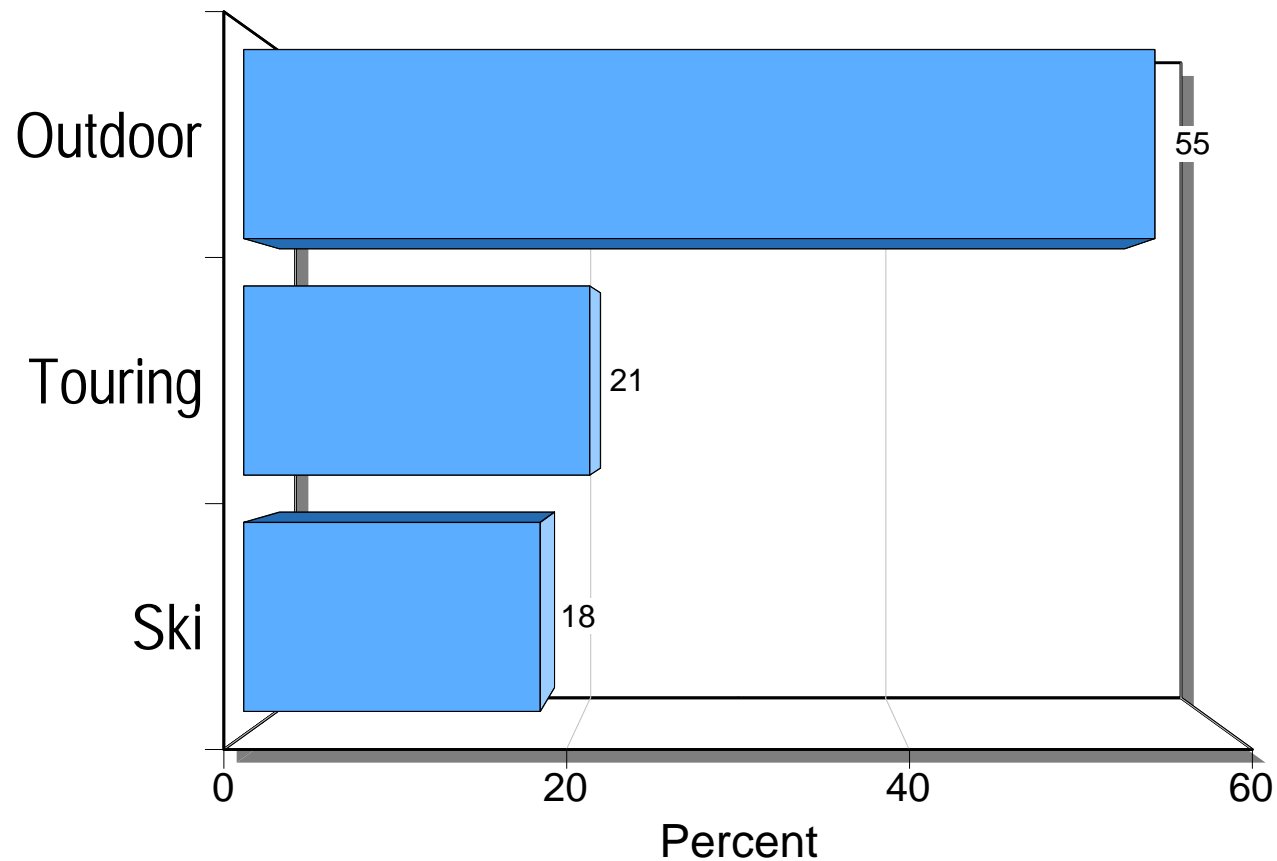
Percent of Pleasure Trips Originating in Colorado



# Instate Trips – By Segment



Percent of Pleasure Trips Originating in Colorado

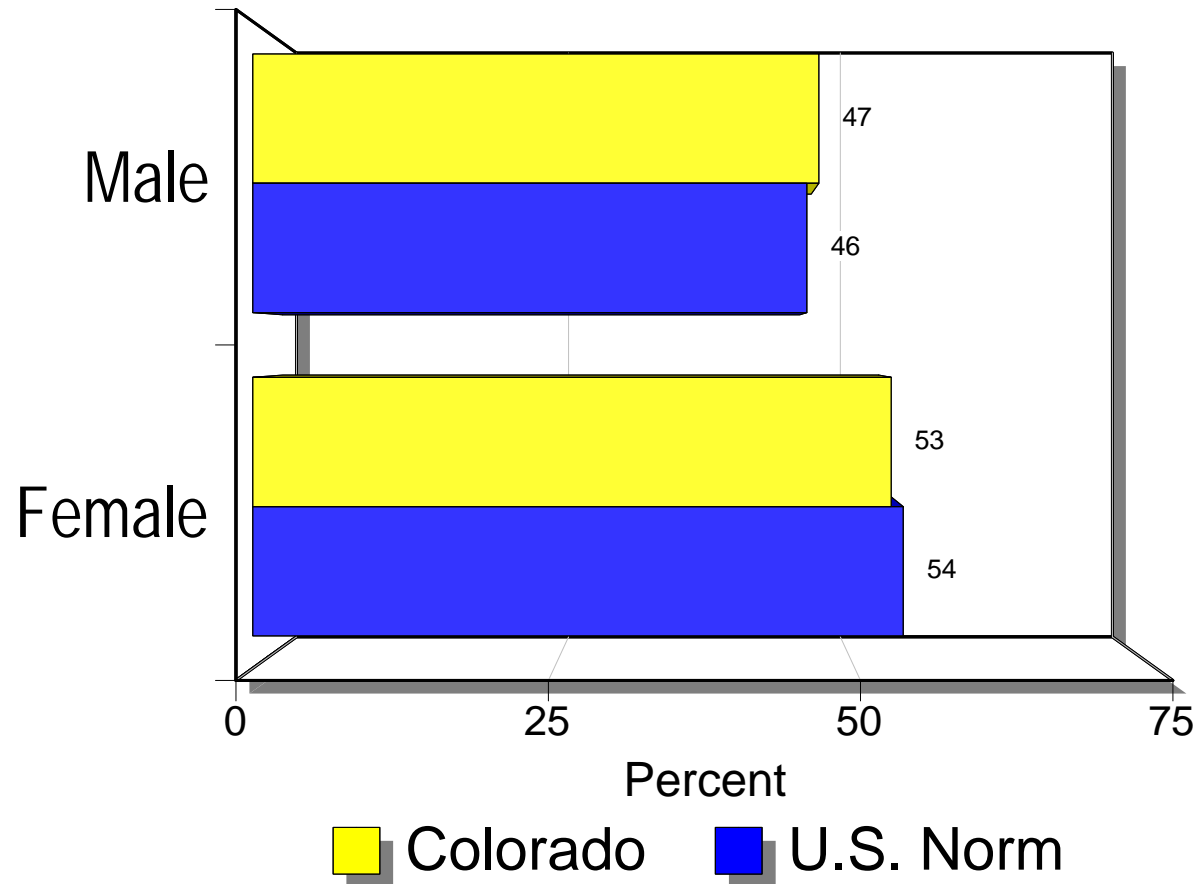


# Visitor Profile

# Gender



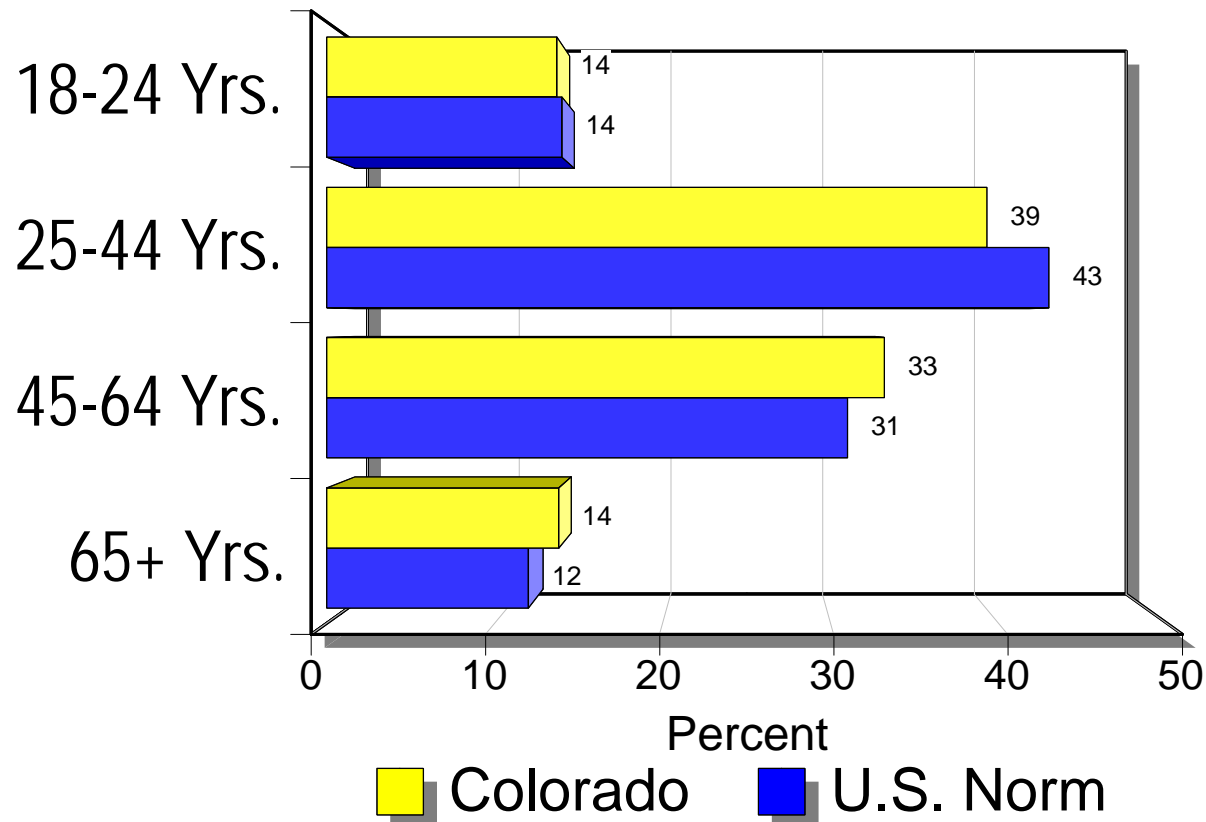
Base: Overnight Pleasure Trips



# Age

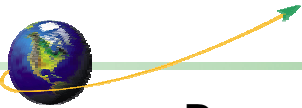


Base: Overnight Pleasure Trips

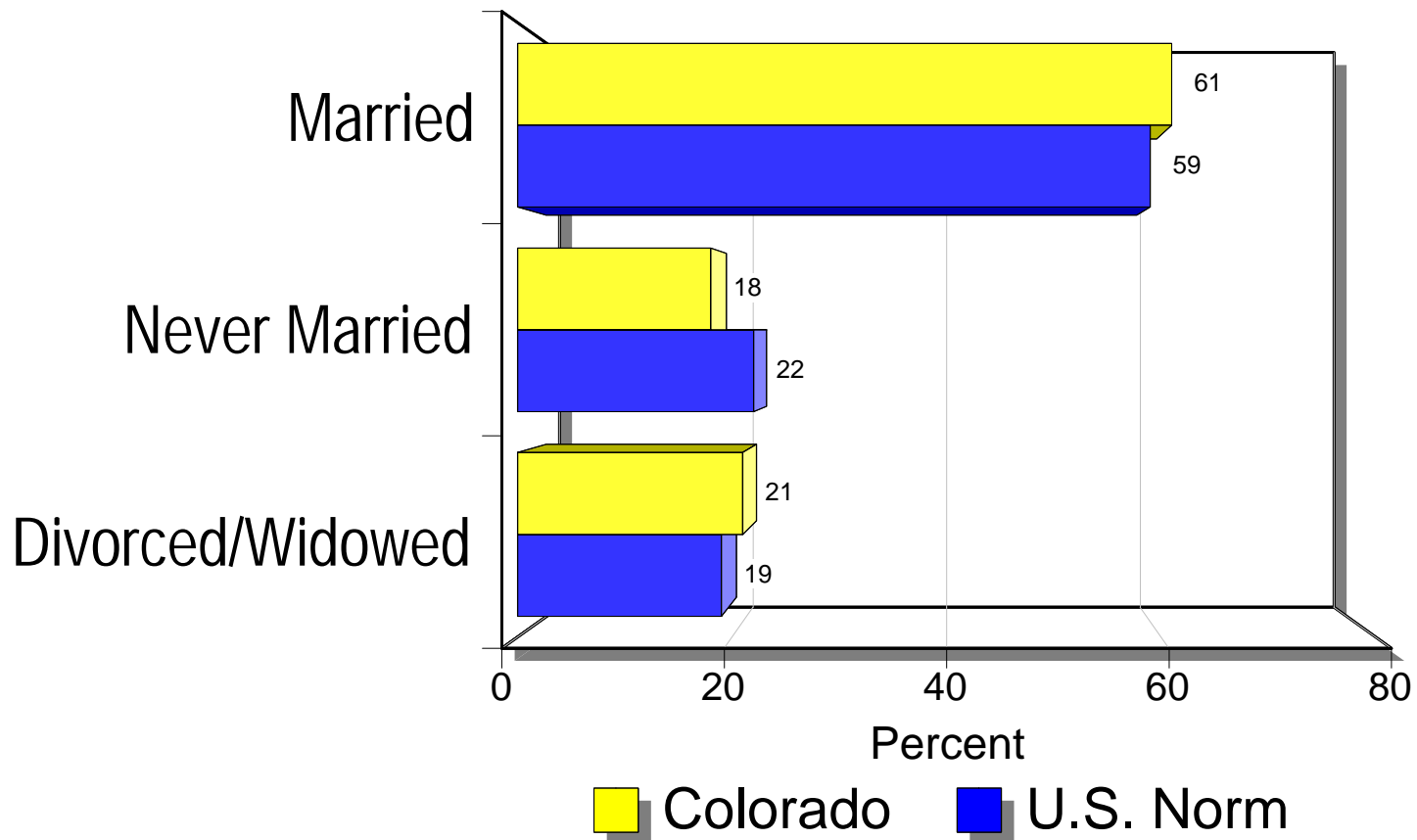


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Age	44.7	43.5

# Marital Status

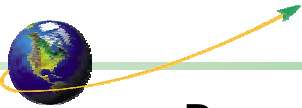


Base: Overnight Pleasure Trips

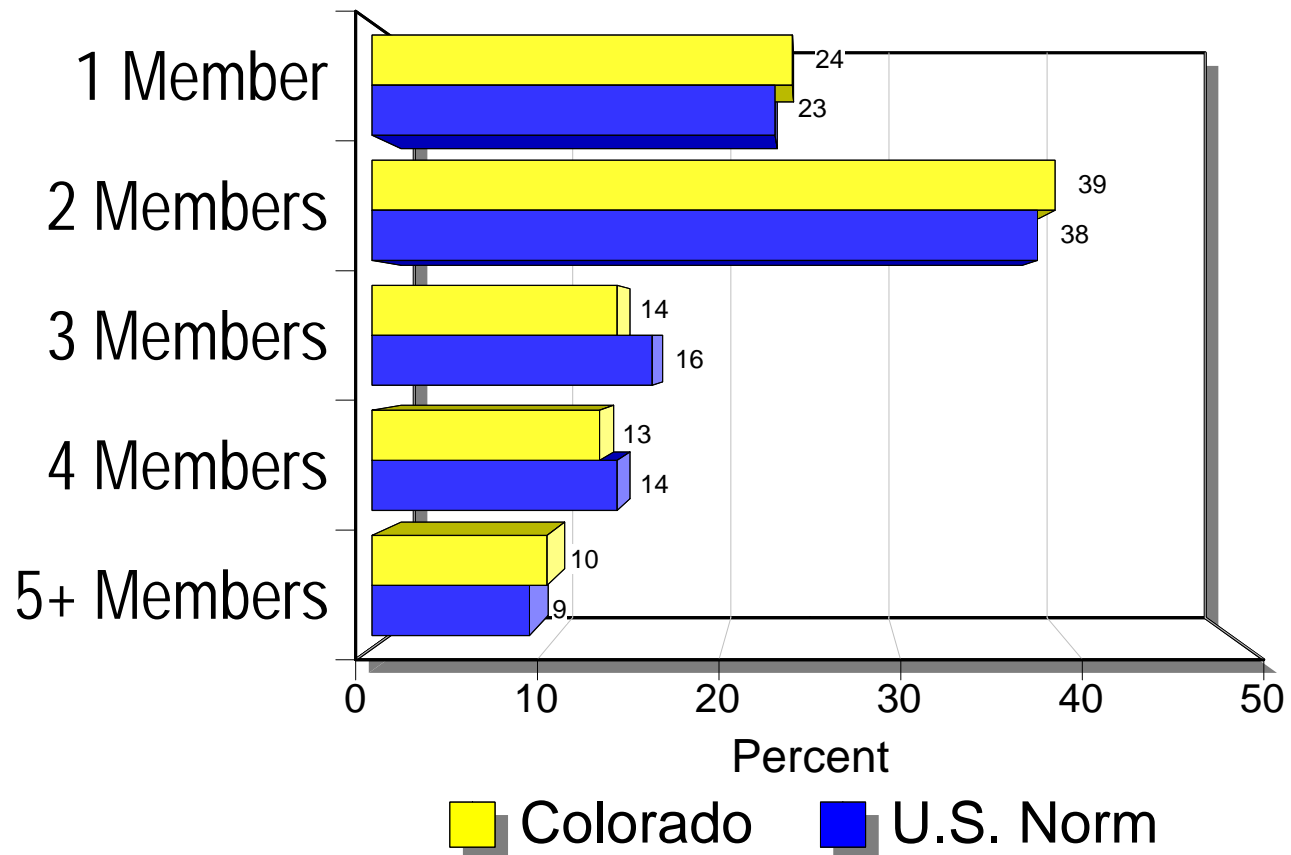




# Household Size



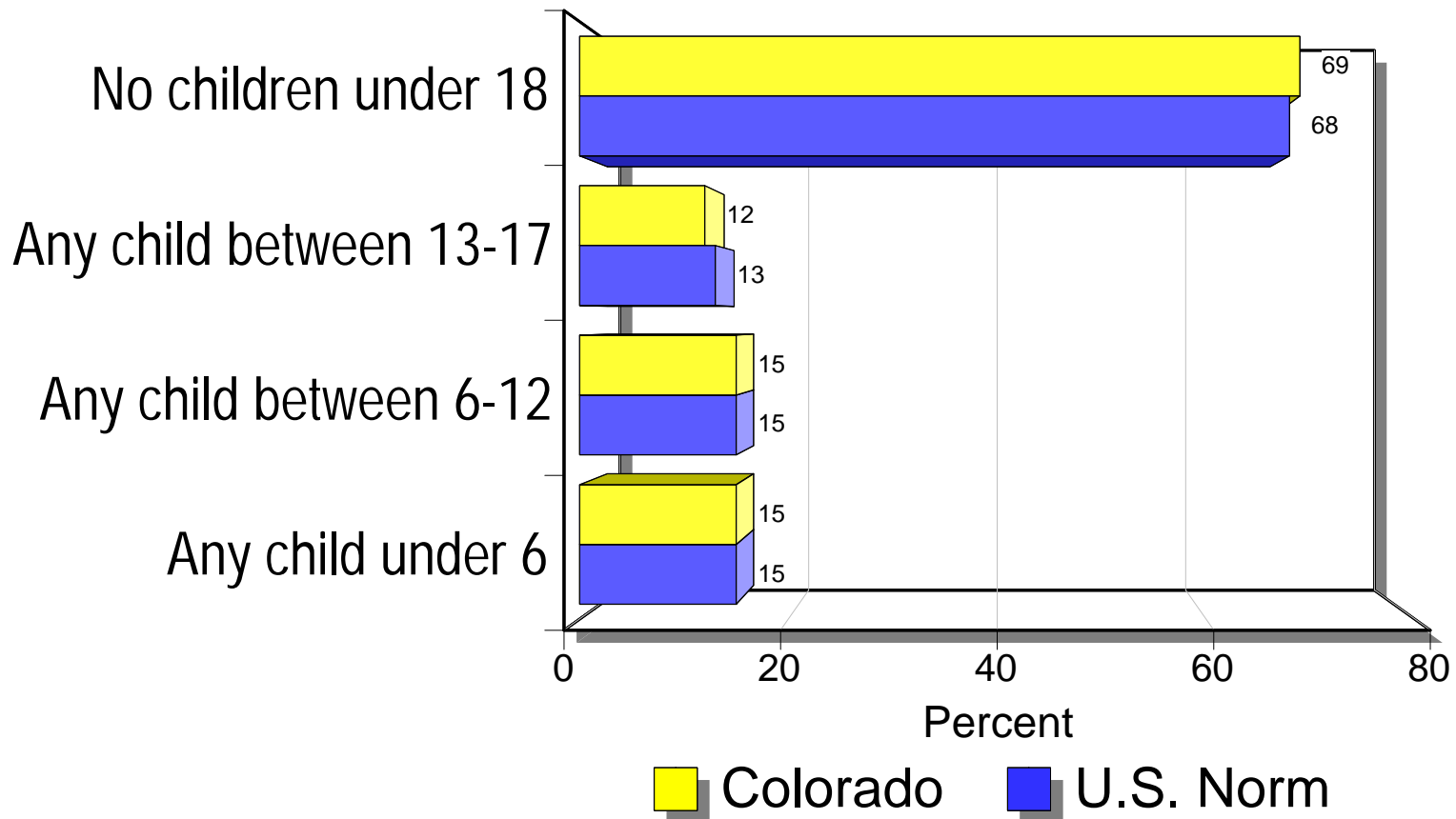
Base: Overnight Pleasure Trips



# Children in Household



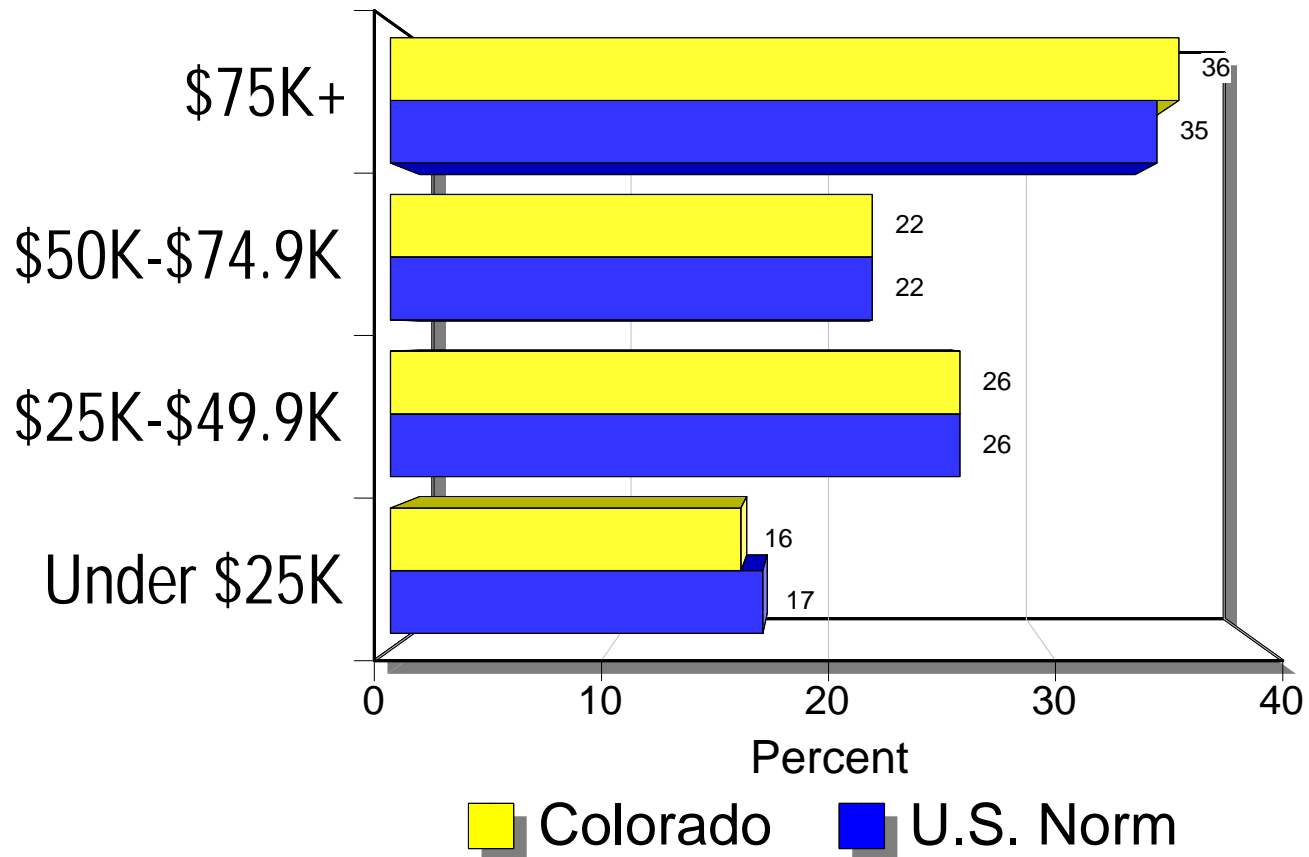
Base: Overnight Pleasure Trips



# Income



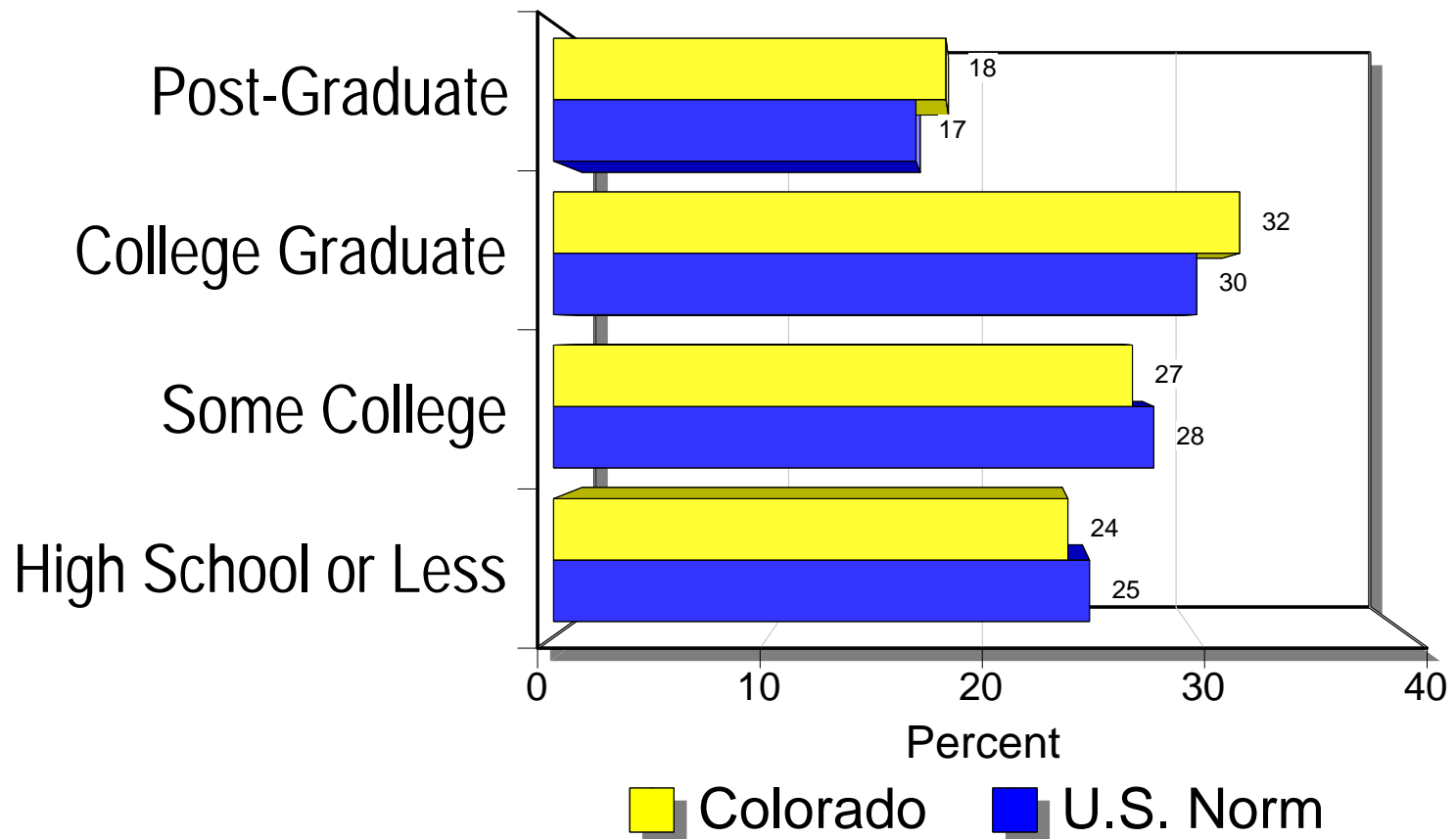
Base: Overnight Pleasure Trips



# Education



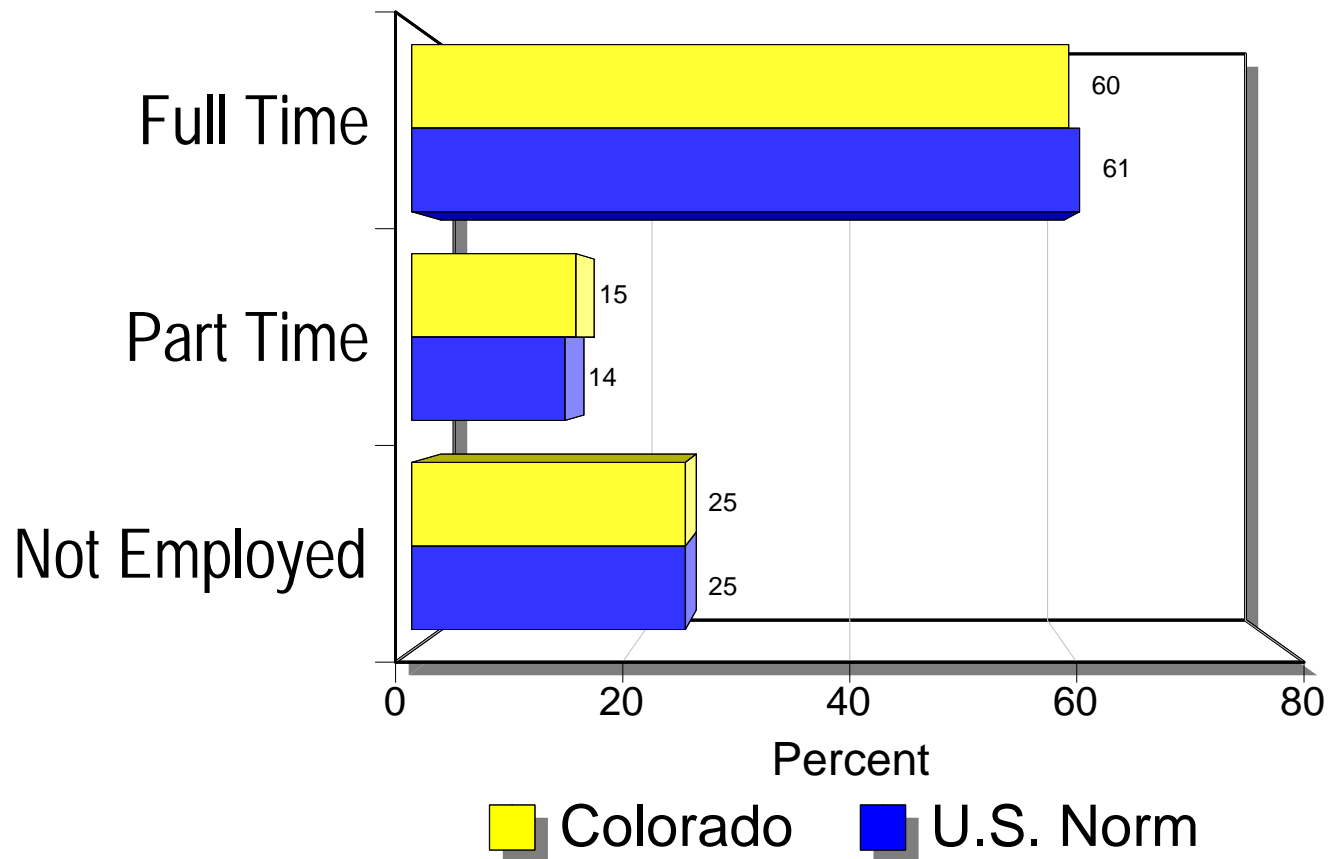
Base: Overnight Pleasure Trips



# Employment



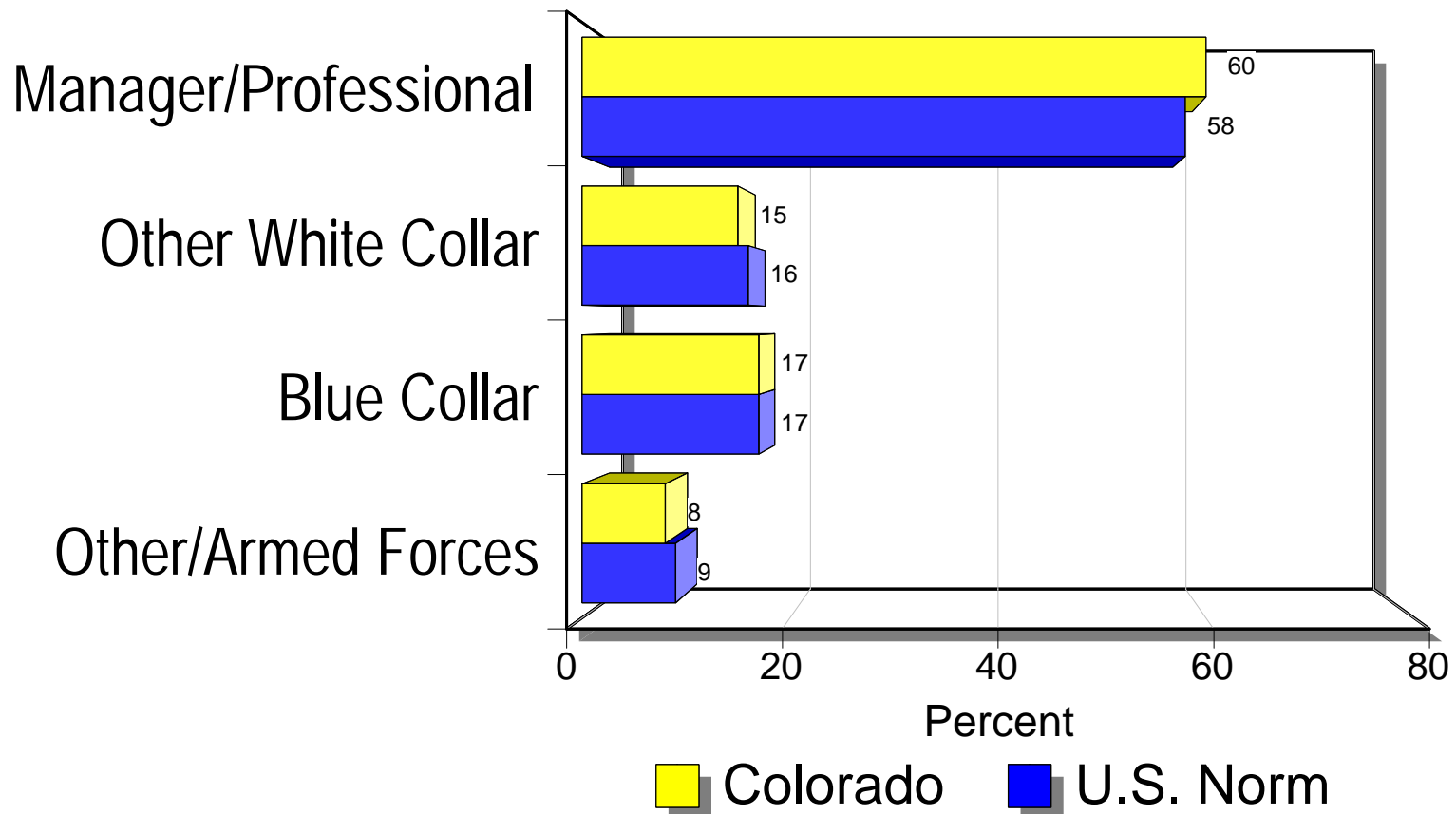
Base: Overnight Pleasure Trips



# Occupation



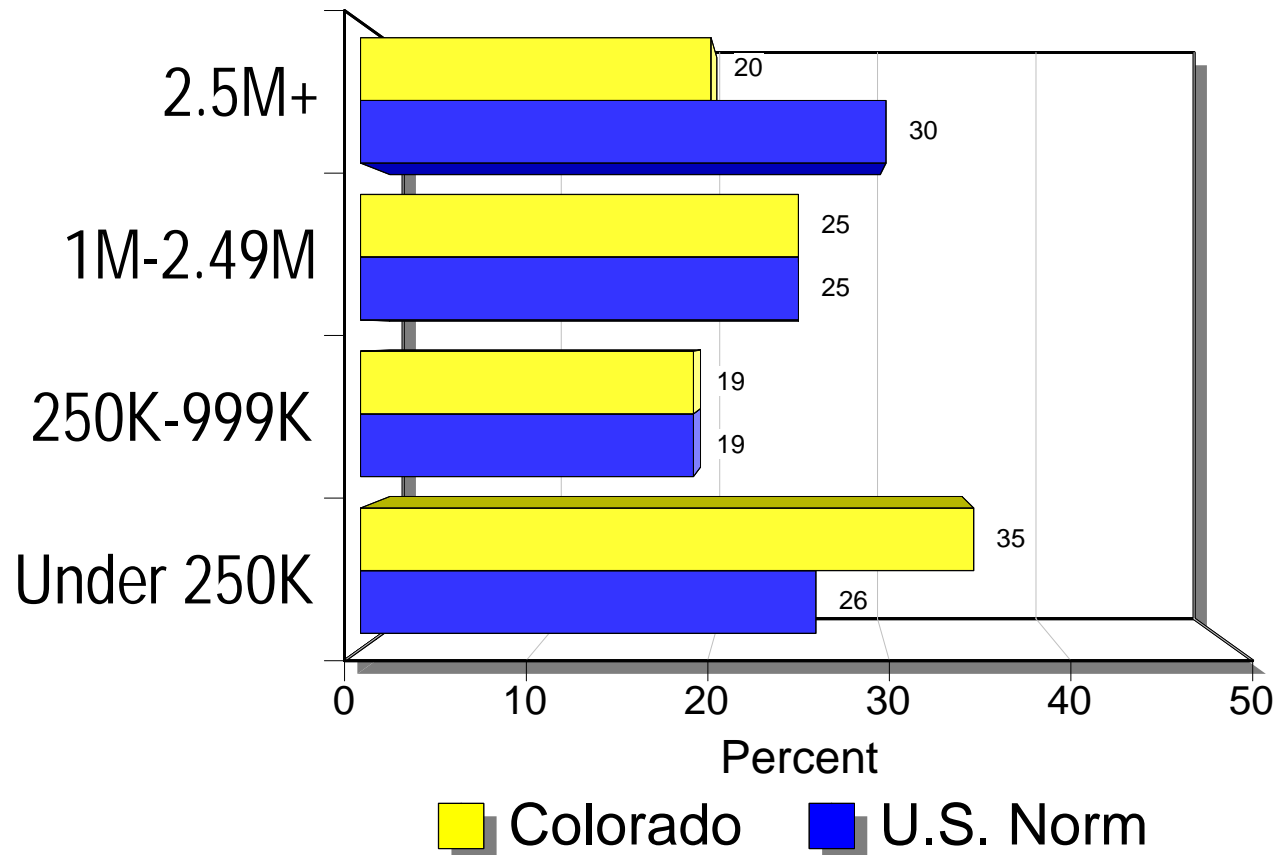
Base: Overnight Pleasure Trips by Those Who Are Employed



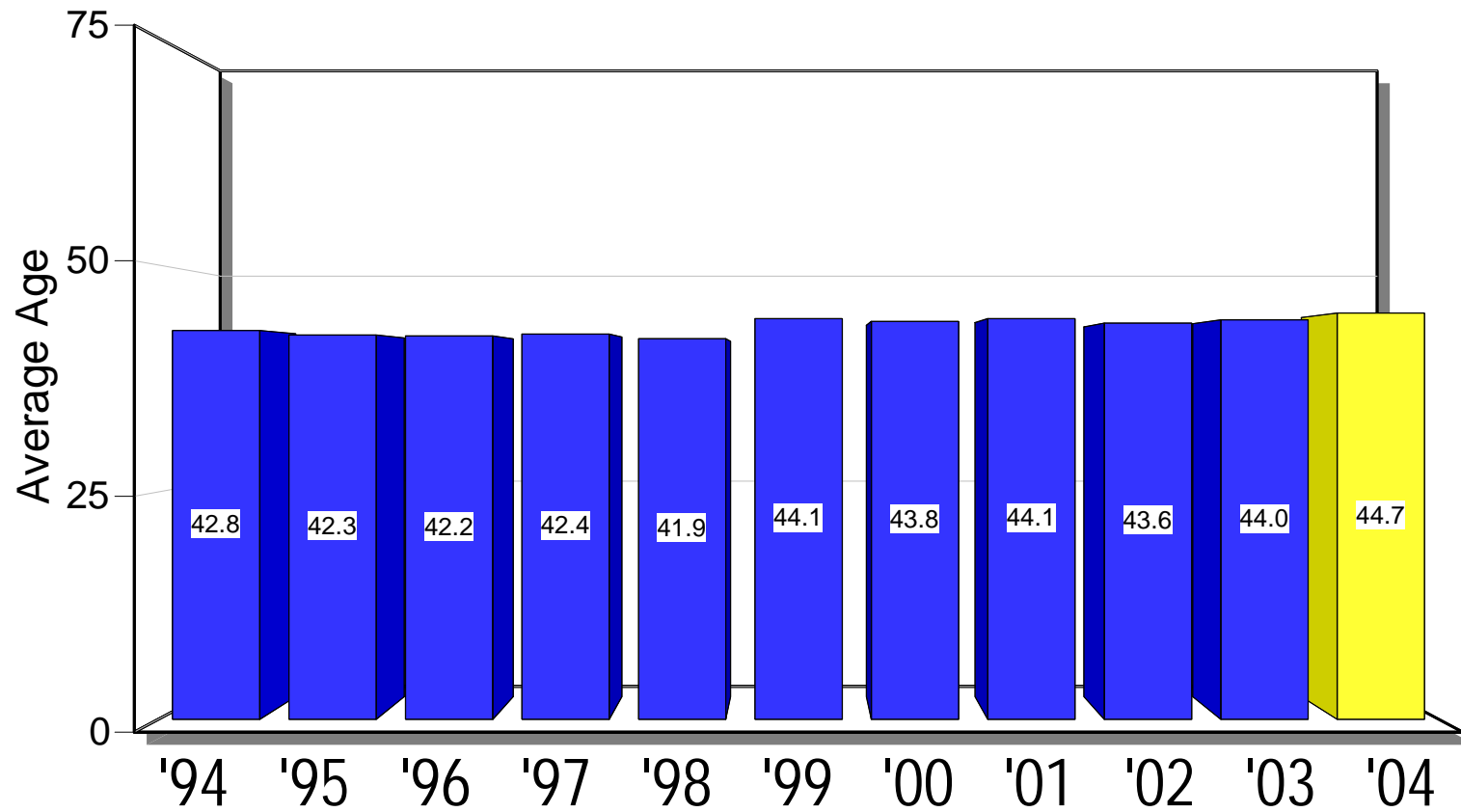
# Community Size



Base: Overnight Pleasure Trips

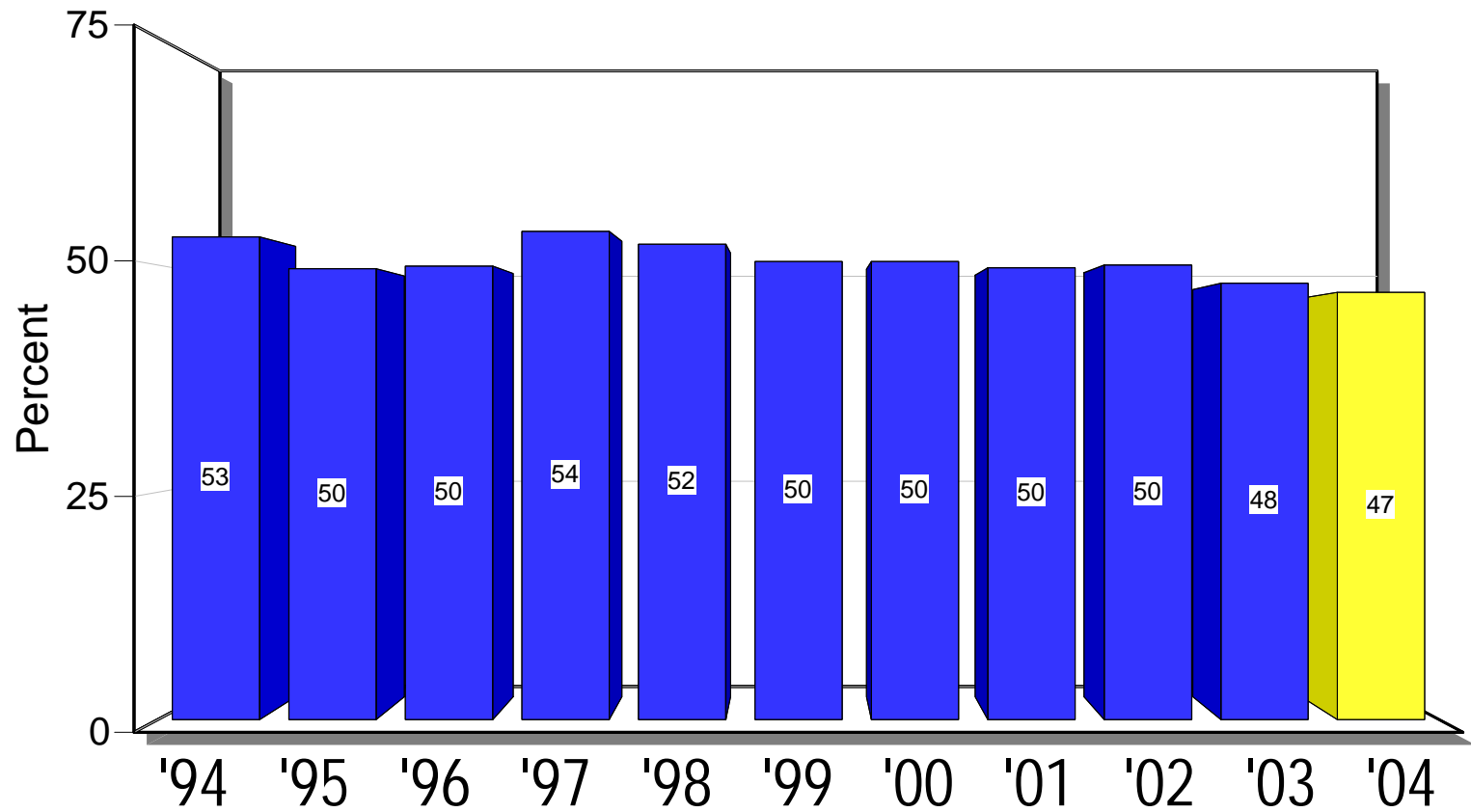
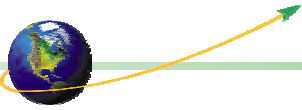


# Average Age

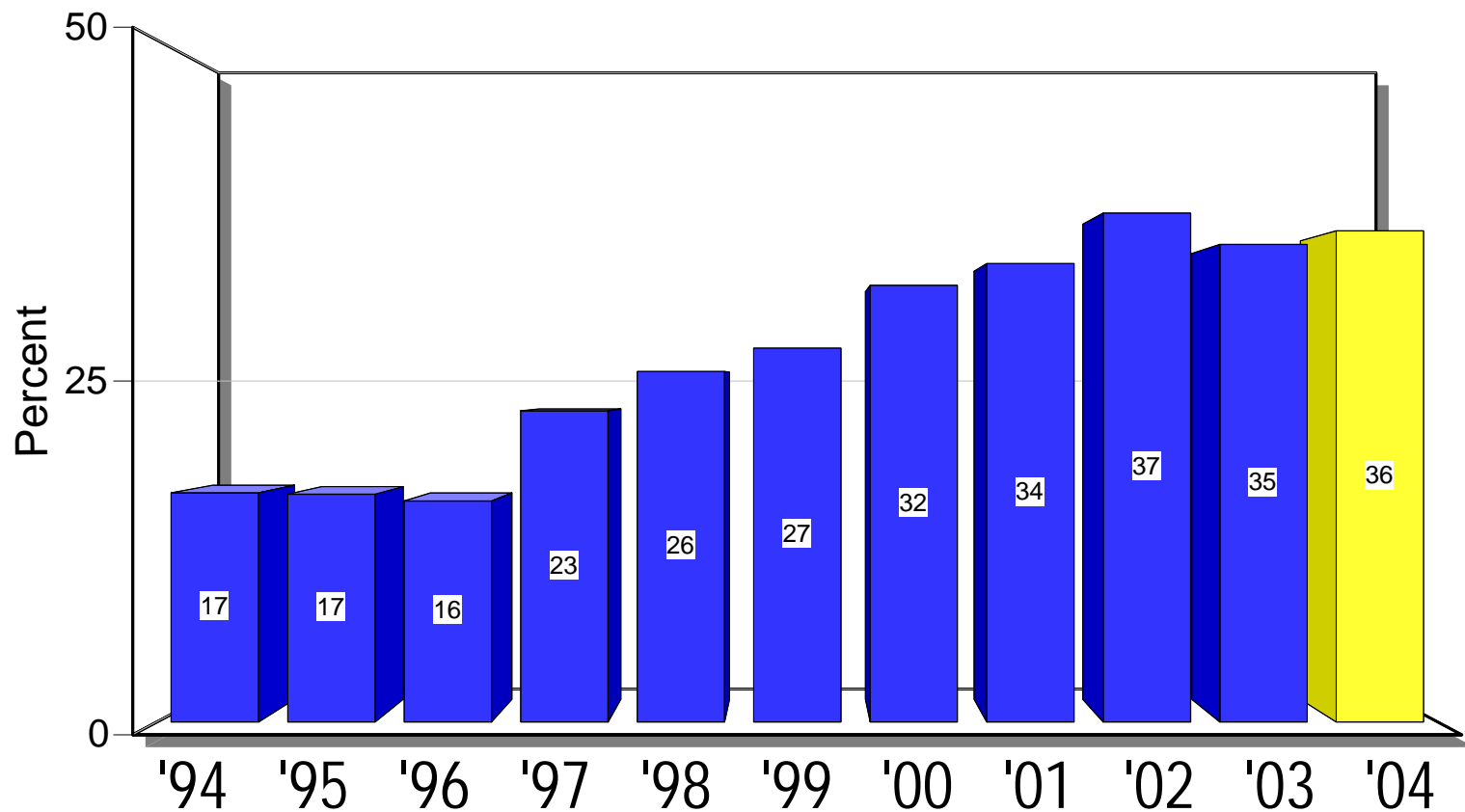




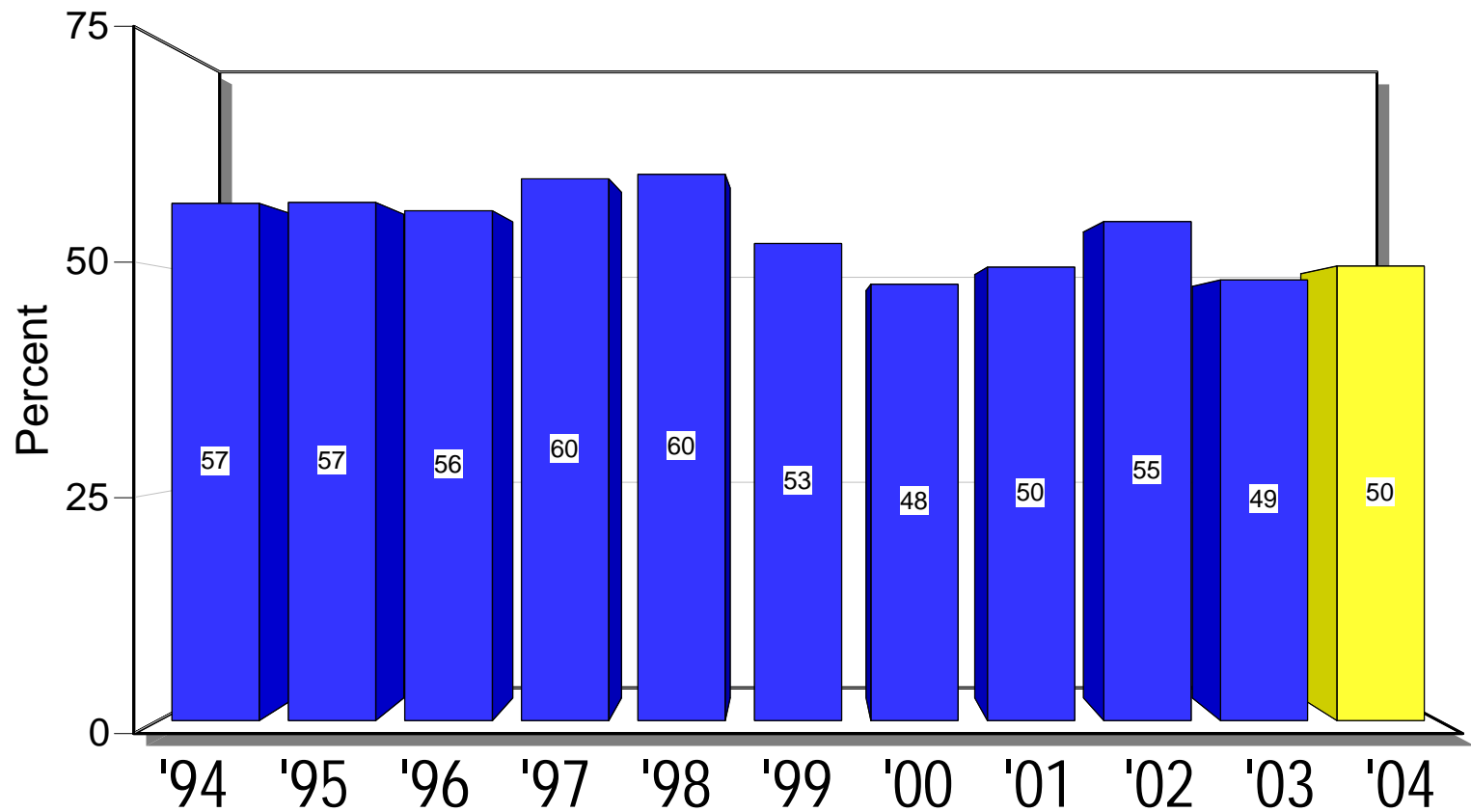
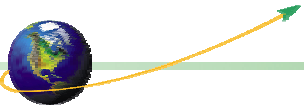
# Percent Who Are Male



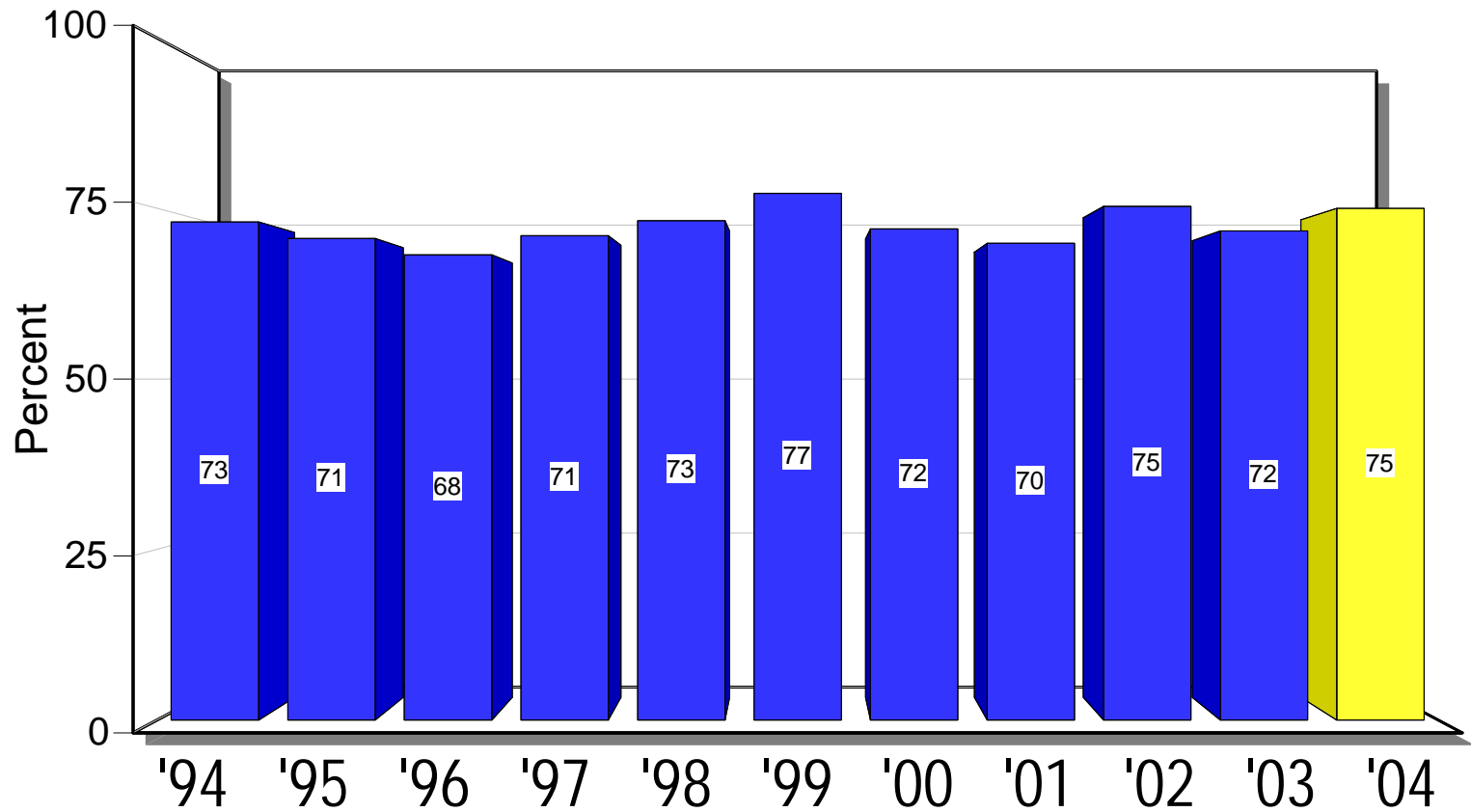
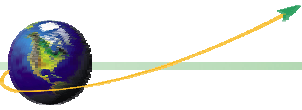
# Percent Who Earn Over \$75,000



# Percent With College Education



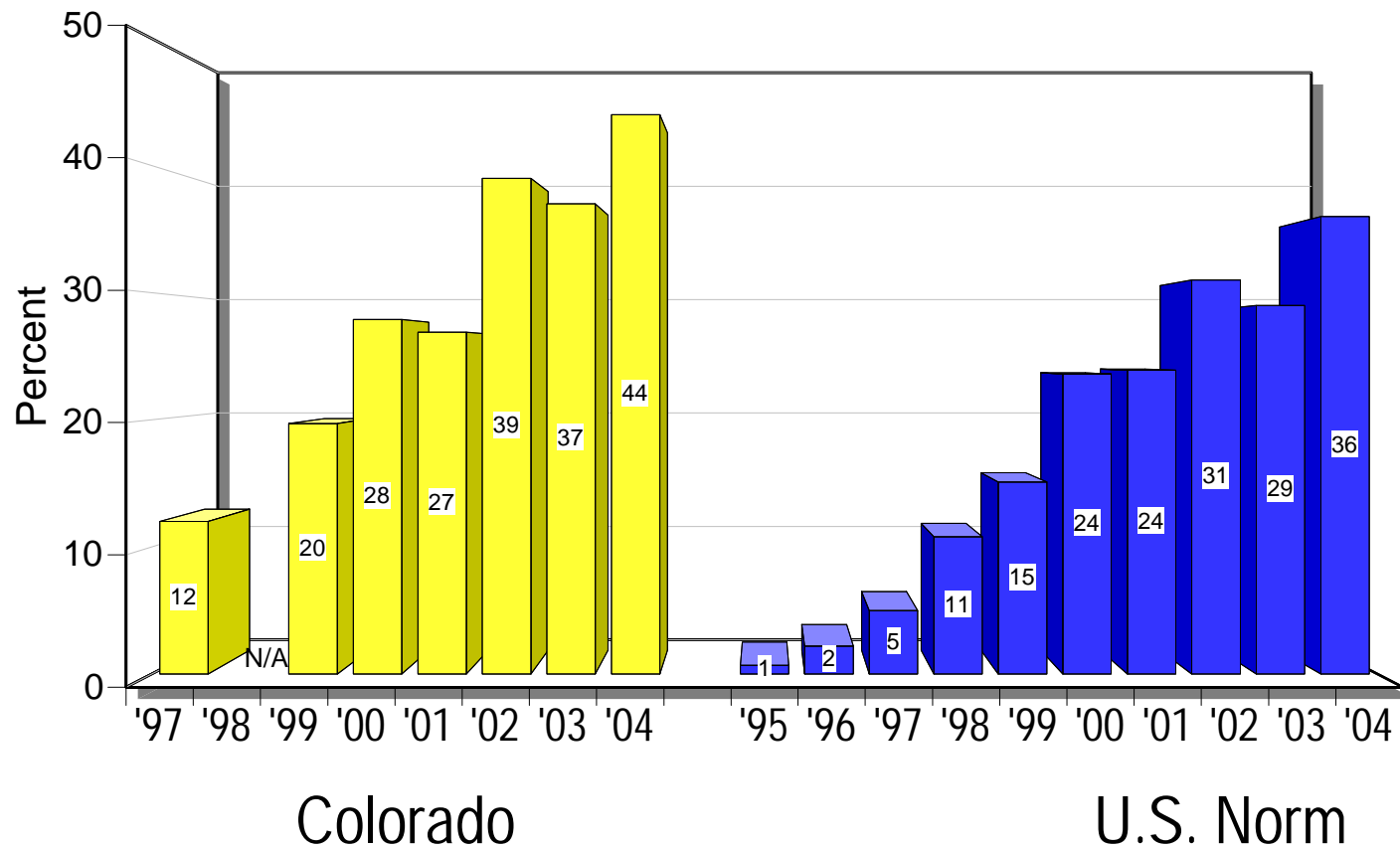
# Percent White Collar Occupation



# Use of Internet for Trip Planning



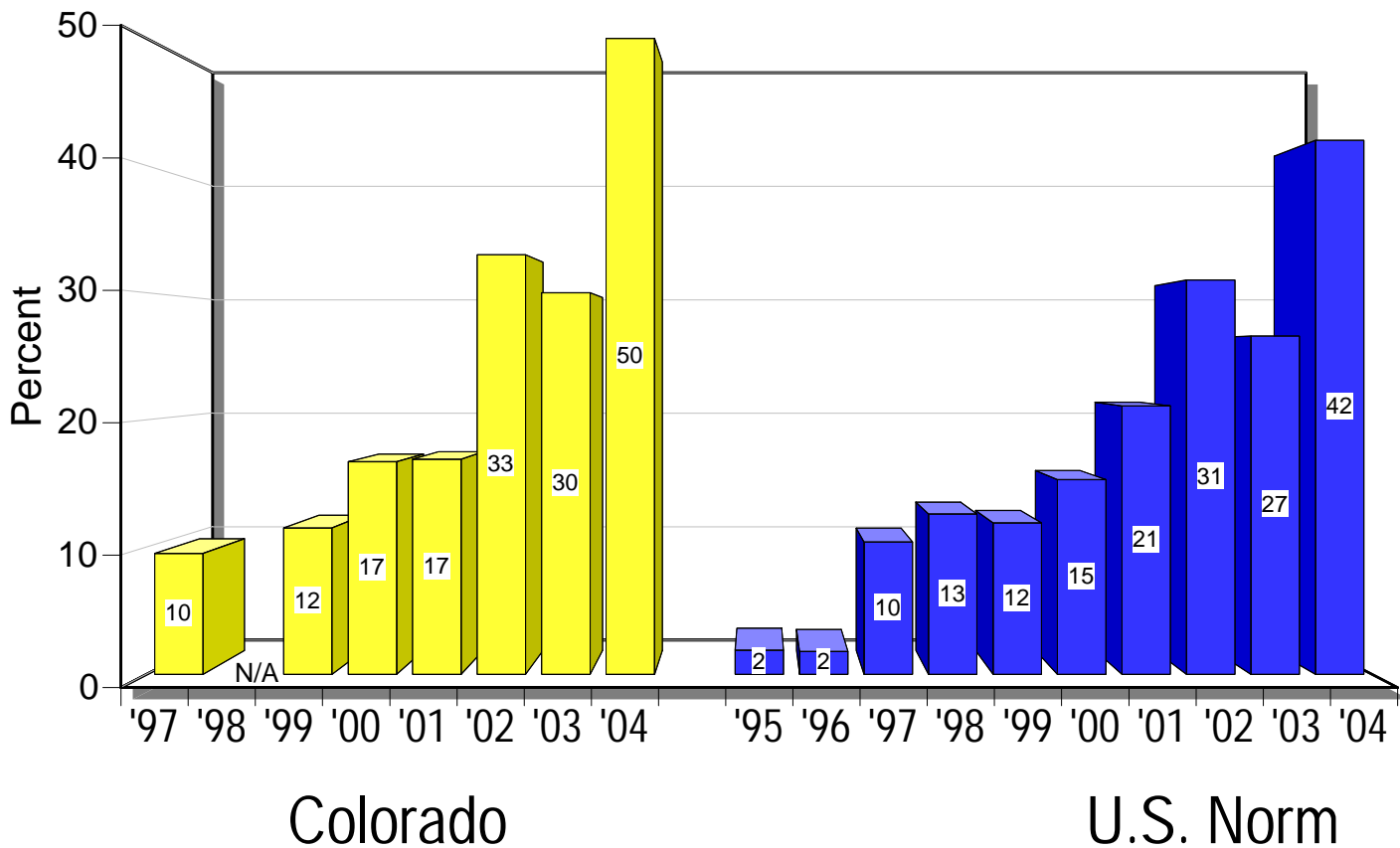
Base: Overnight Pleasure Trips



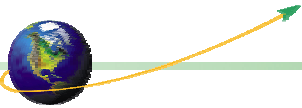
# Use of Internet for Trip Planning



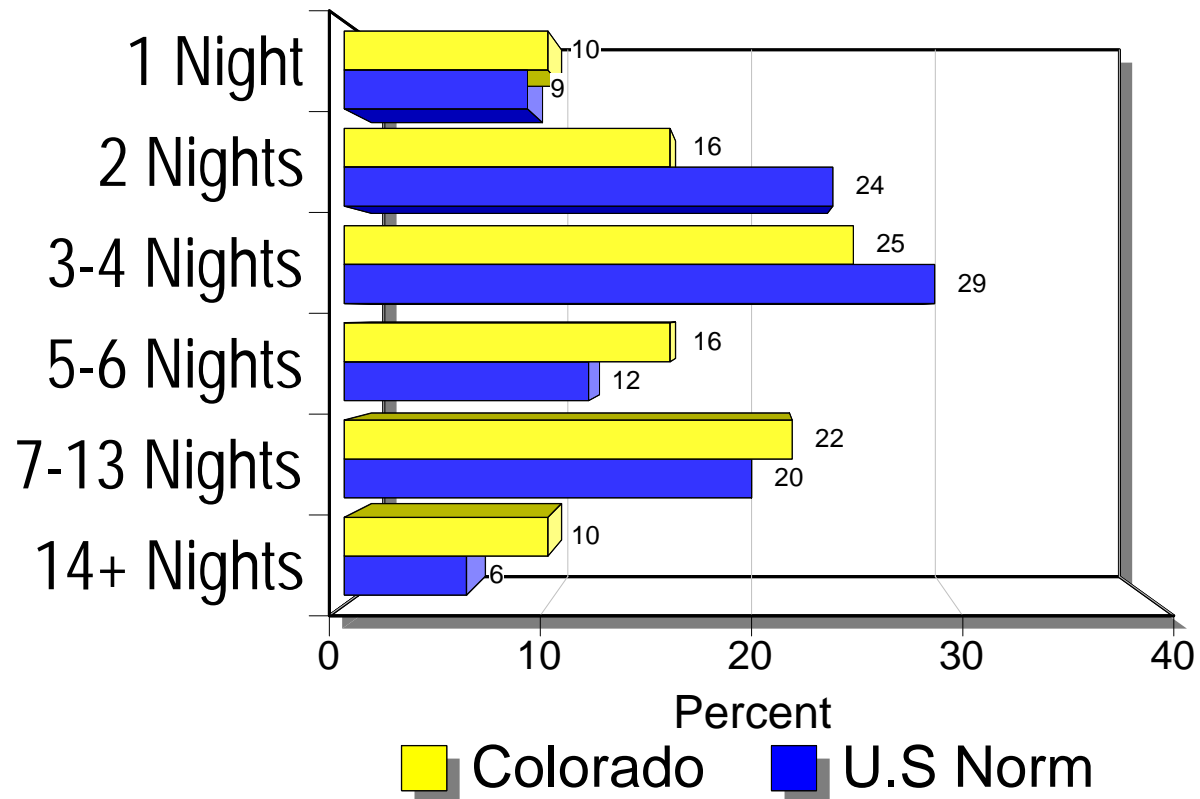
Base: Overnight Business Trips



# Length of Trip

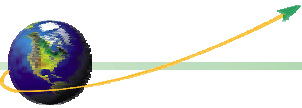


Base: Overnight Pleasure Trips

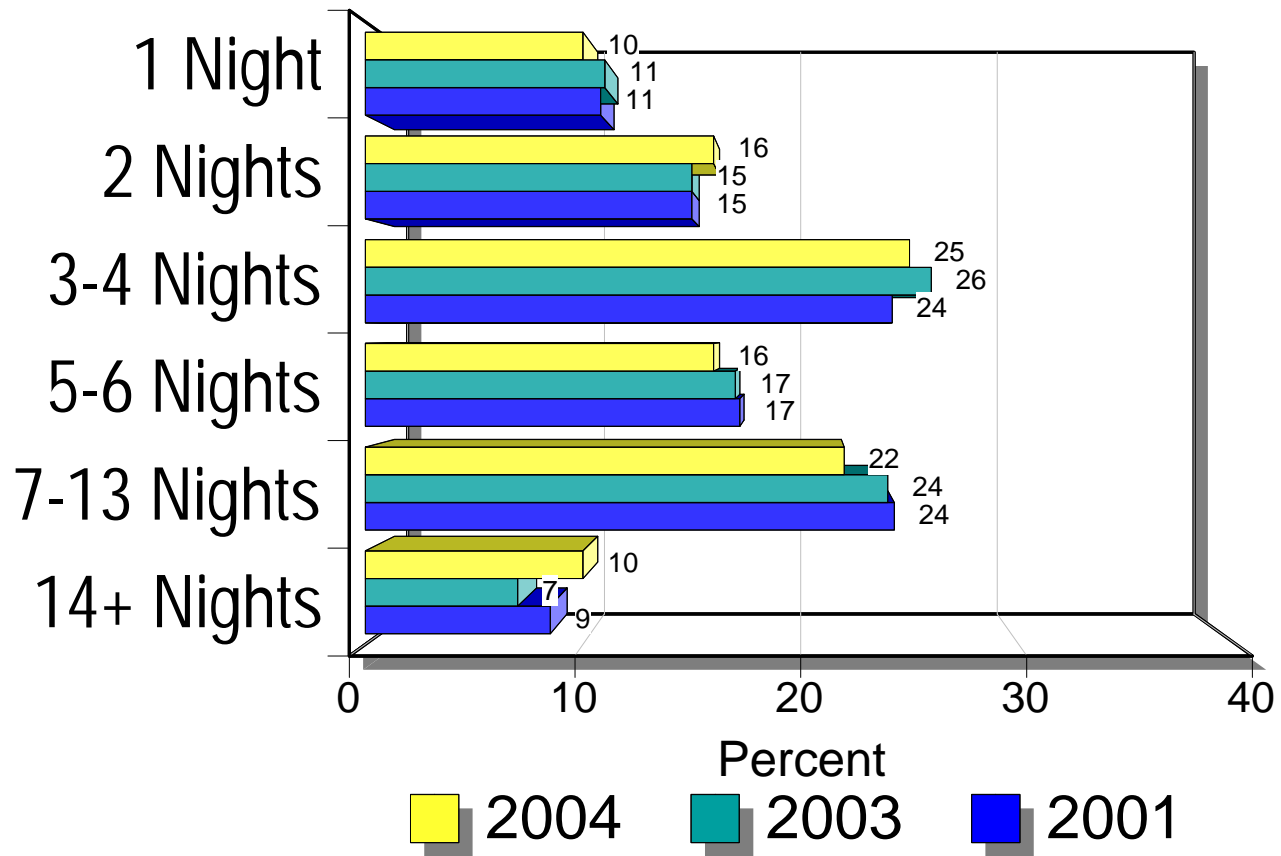


	<u>Colorado</u>	<u>U.S. Norm</u>
Average Number of Nights Away	6.3	5.2

# Length of Trip



Base: Overnight Pleasure Trips



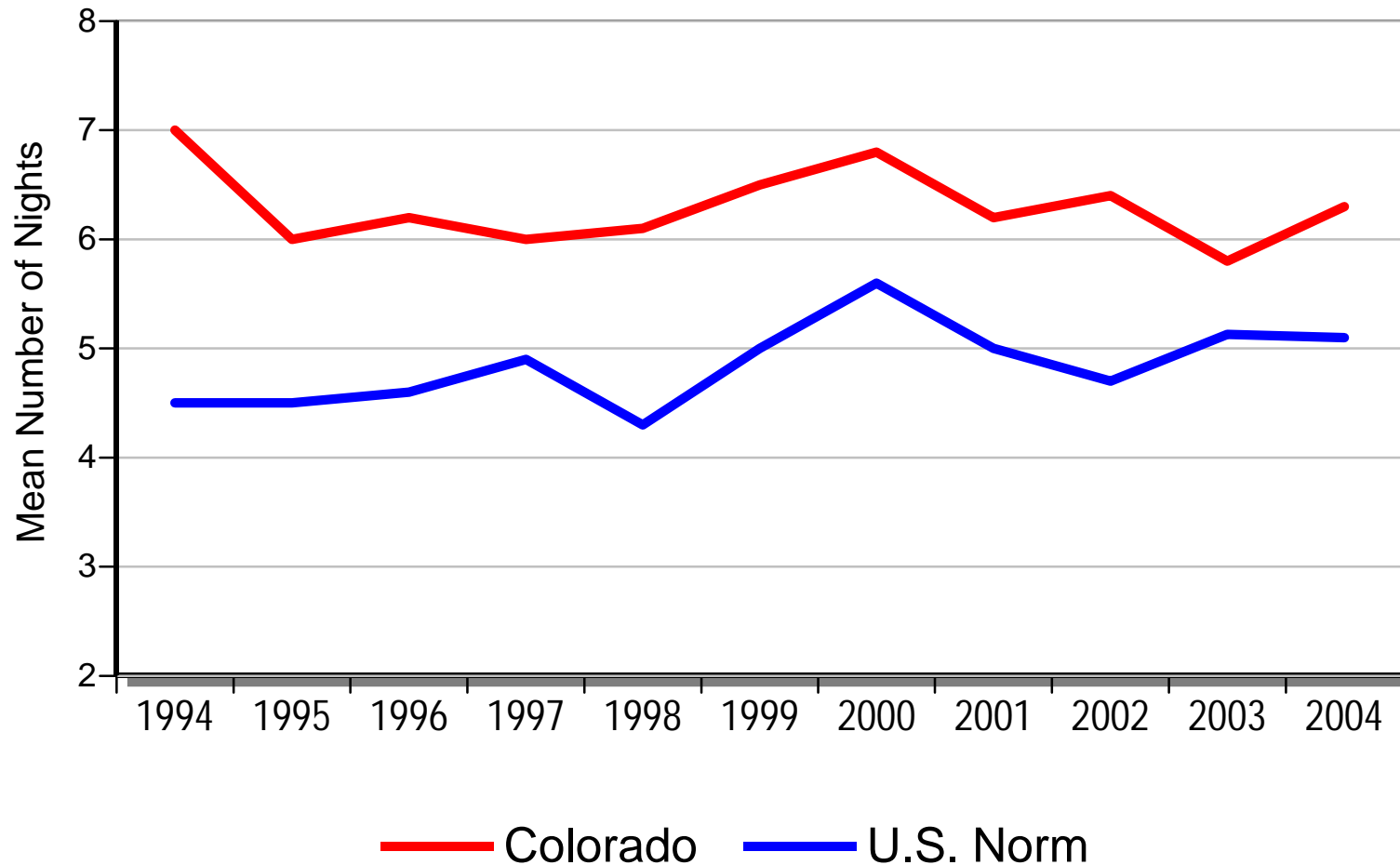
	<u>2004</u>	<u>2003</u>	<u>2001</u>
Average Number of Nights Away	6.3	5.8	6.2



# Length of Trip



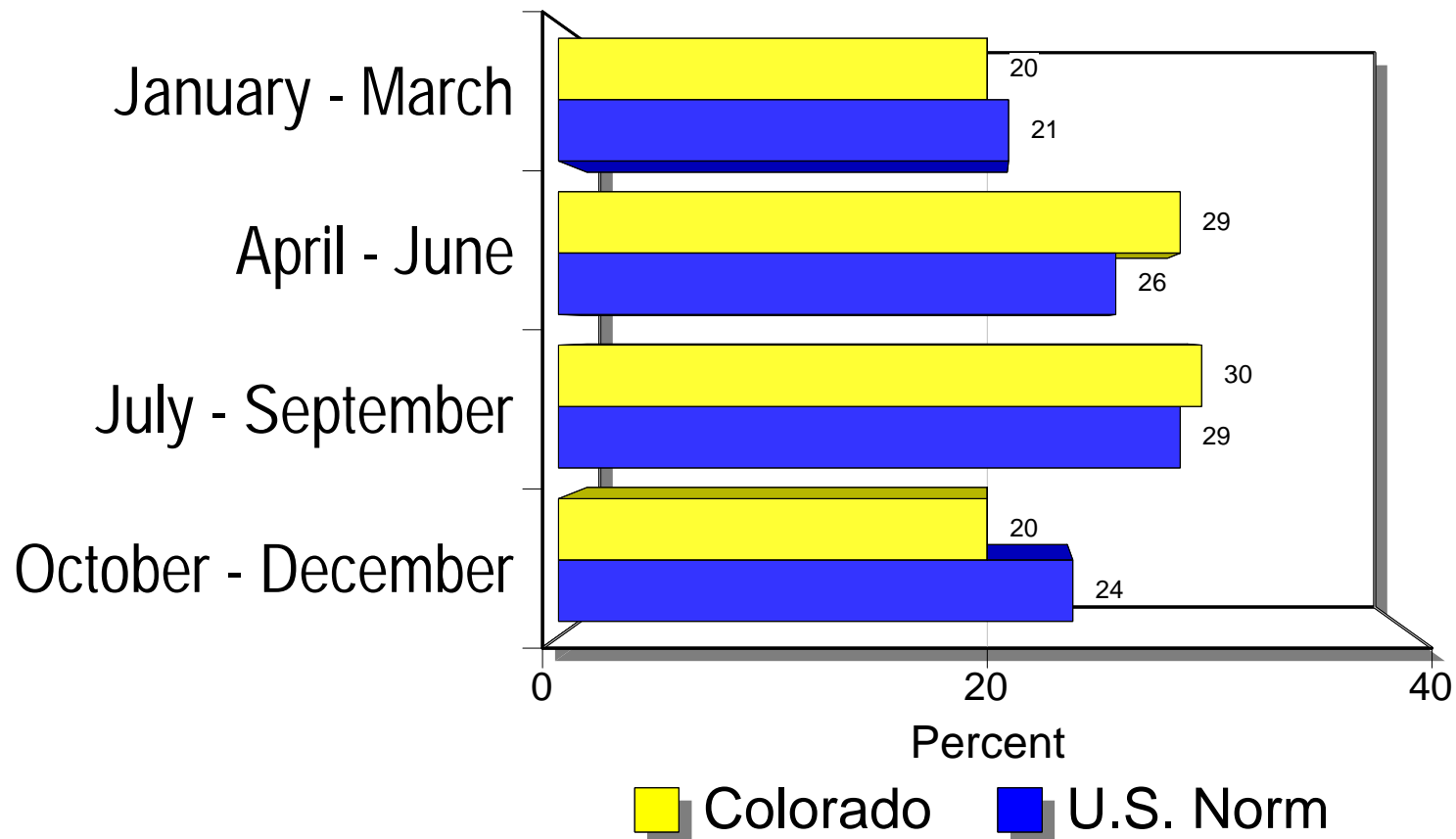
Base: Overnight Pleasure Trips



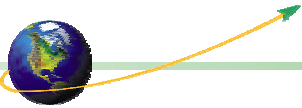
# Distribution of Trips By Quarter



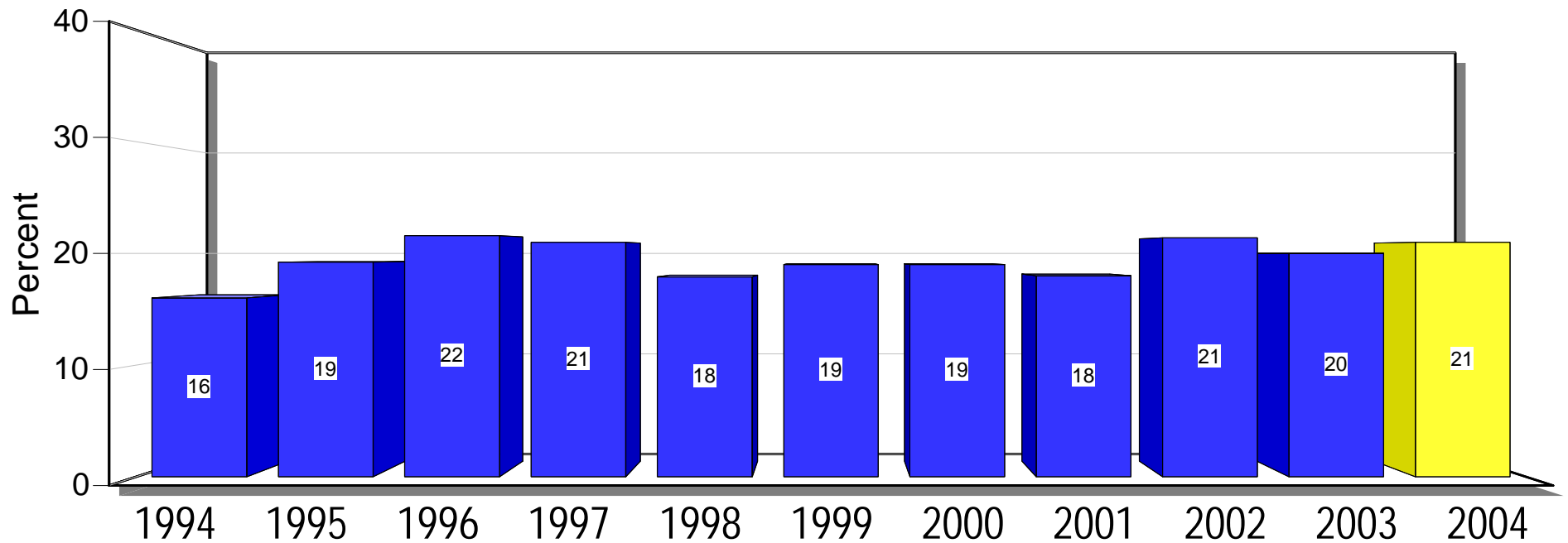
Base: Overnight Pleasure Trips



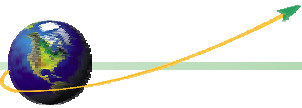
# Distribution of Trips By Quarter



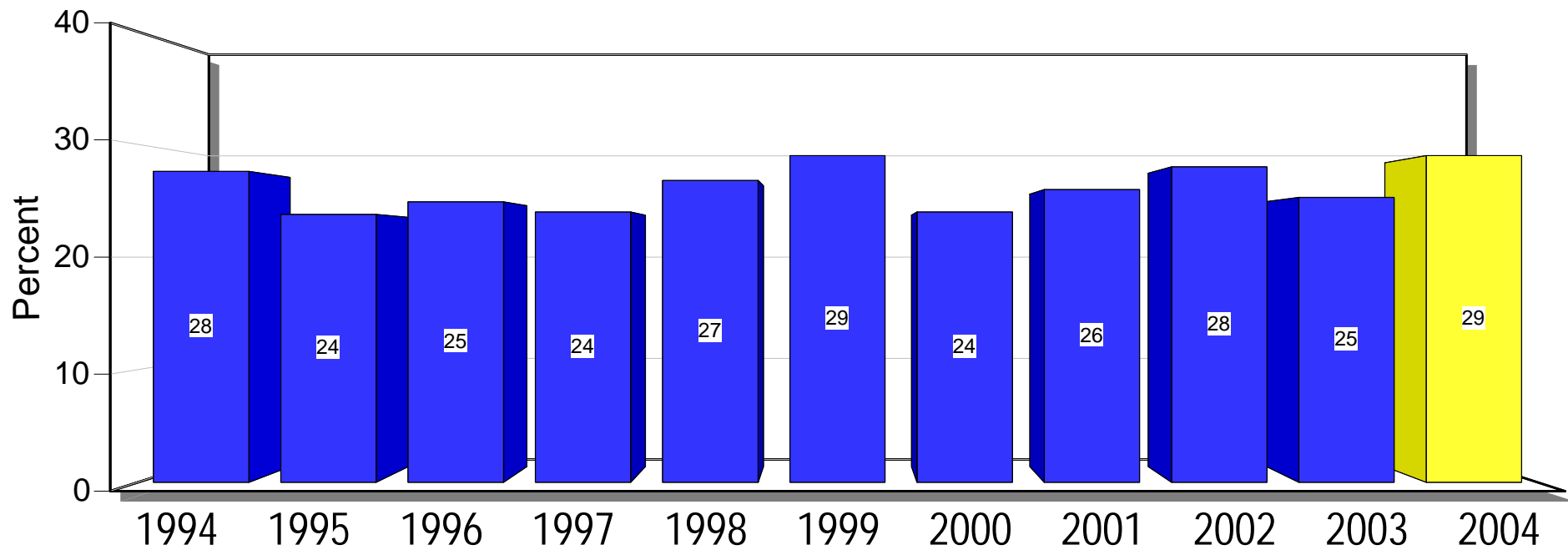
## January - March



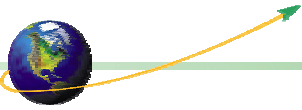
# Distribution of Trips By Quarter



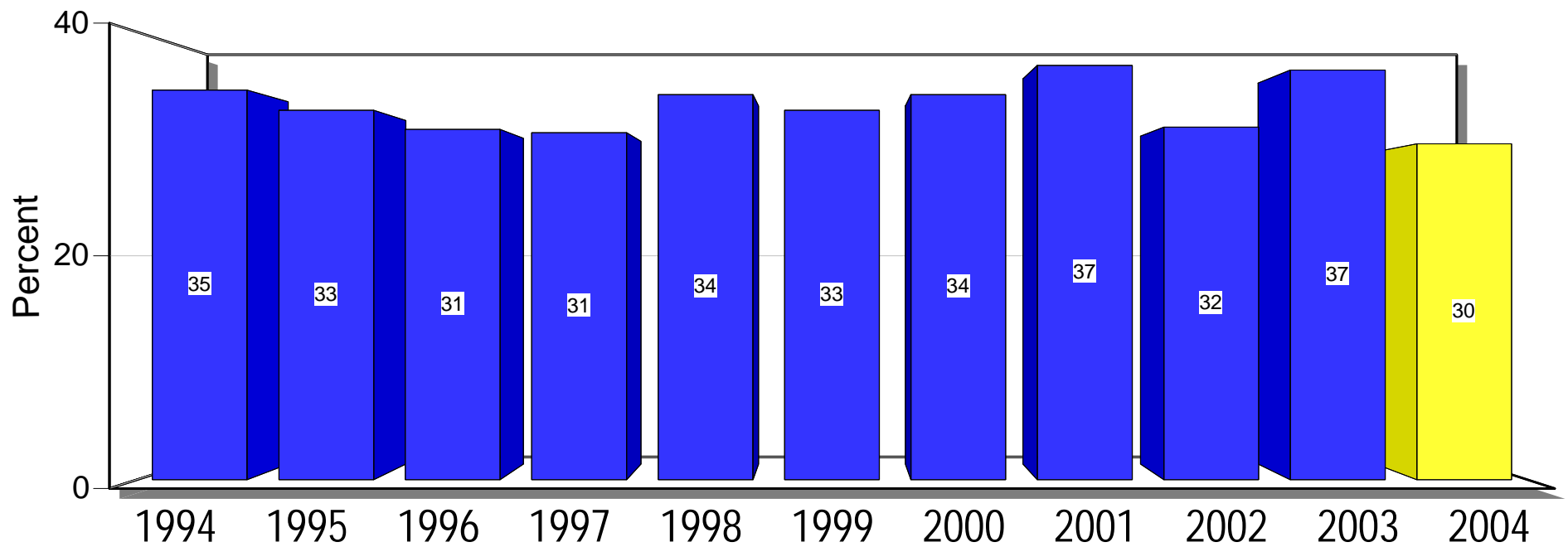
April - June



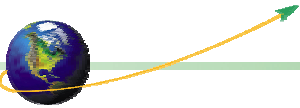
# Distribution of Trips By Quarter



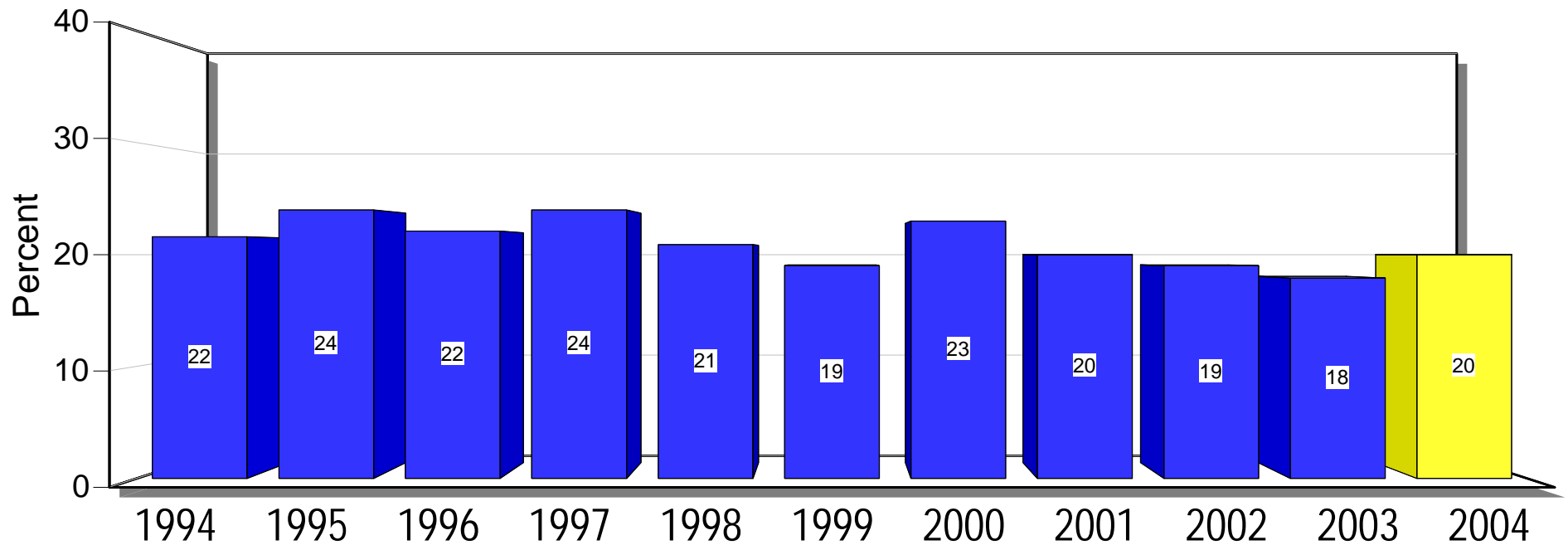
**July - September**



# Distribution of Trips By Quarter

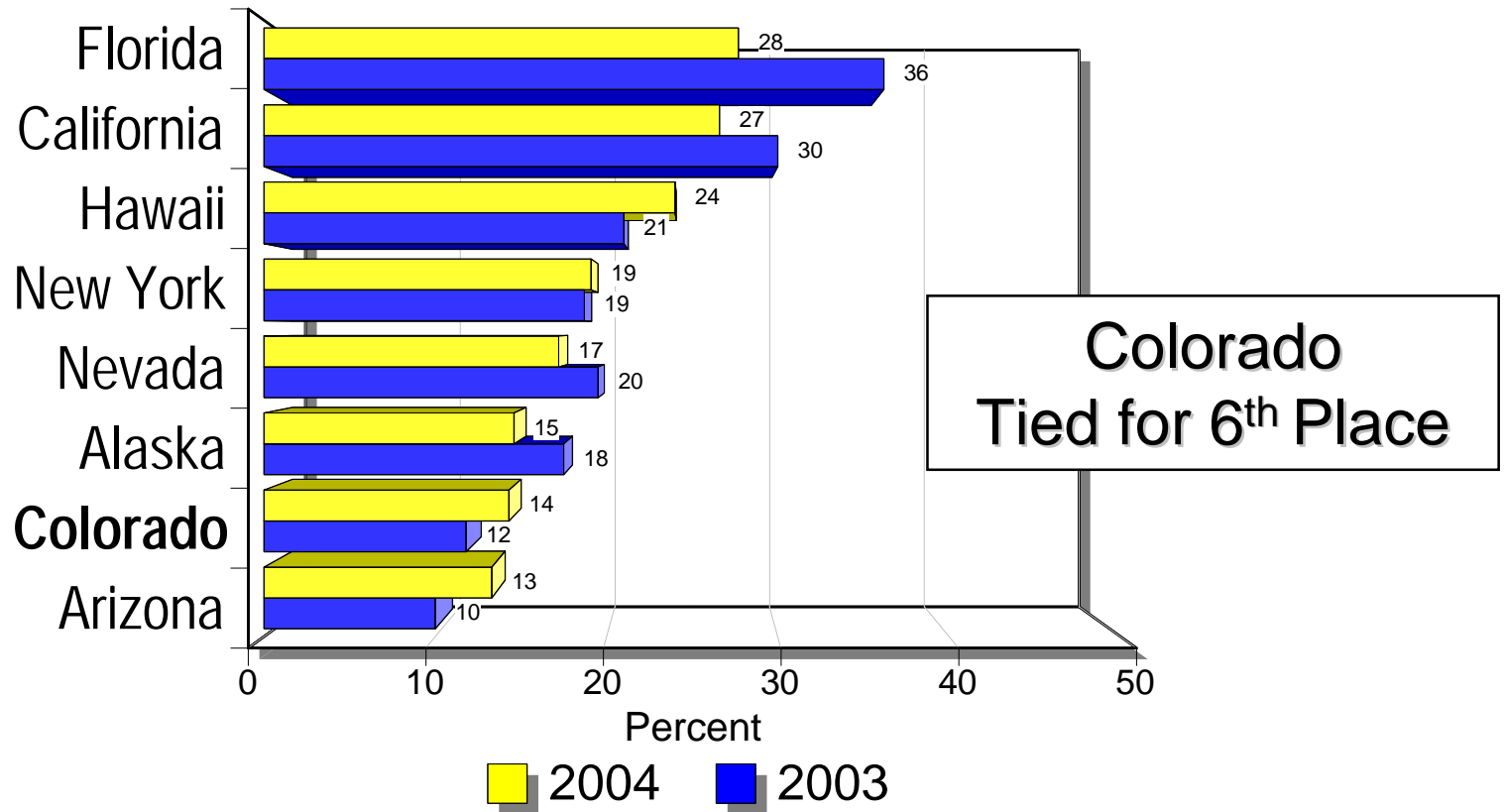
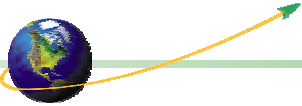


## October - December



# Destination Interest, Image & Motivators

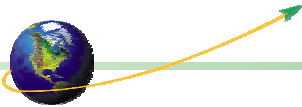
# Share of Mind Awareness (Unaided\*)



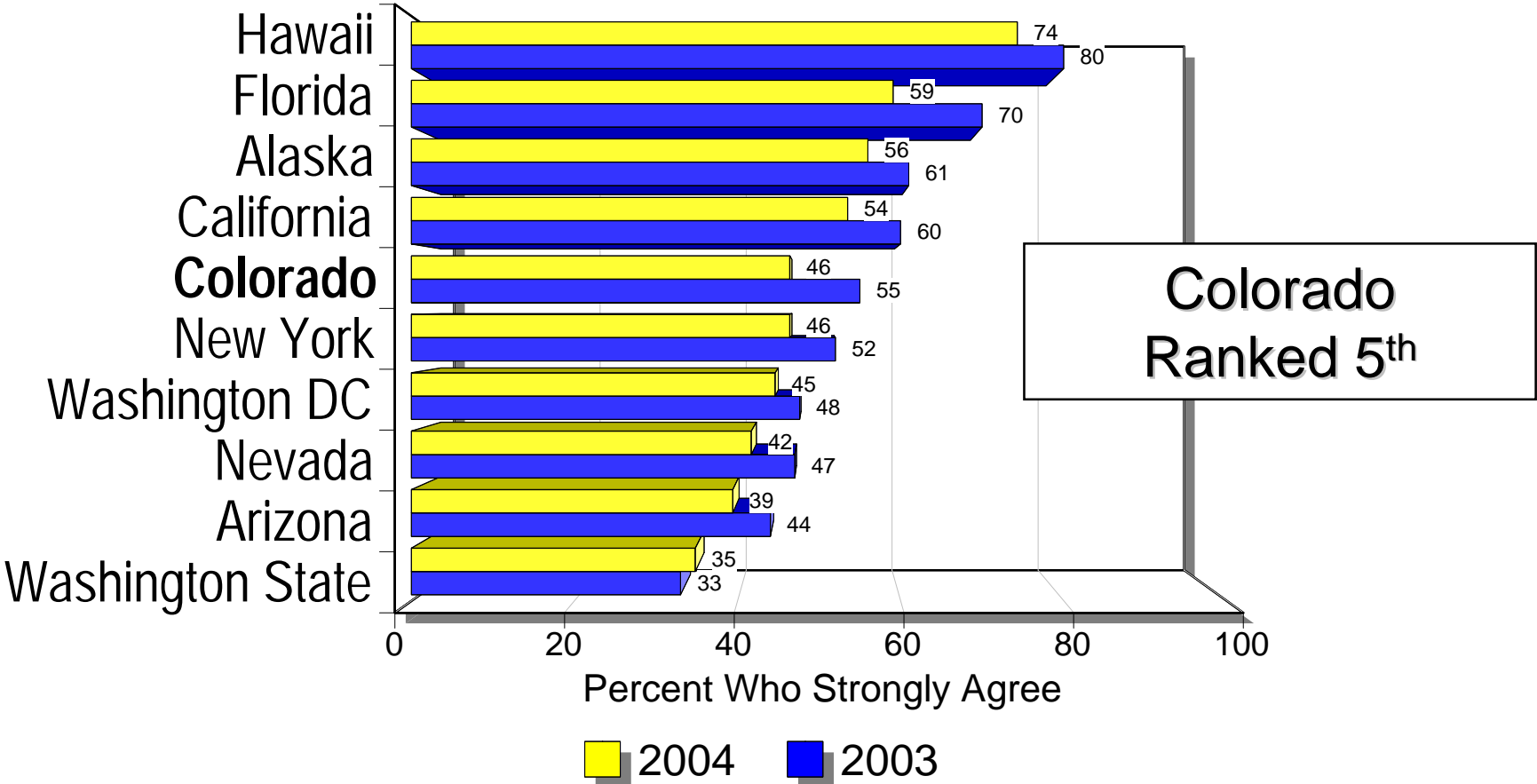
\*Spontaneous mentions of destinations "would really enjoy visiting"



# Aided Dream Destinations



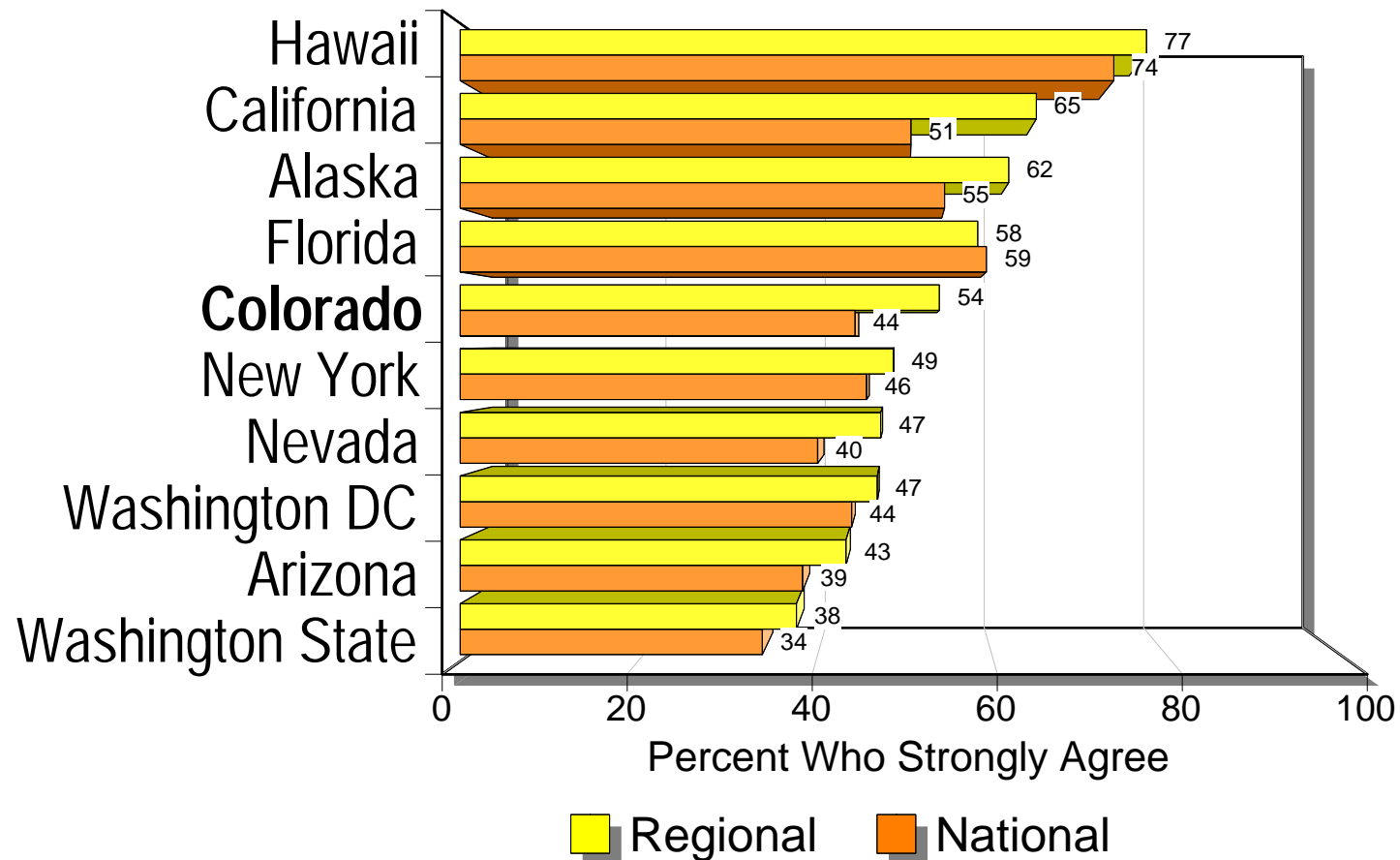
## “Would Enjoy Visiting”



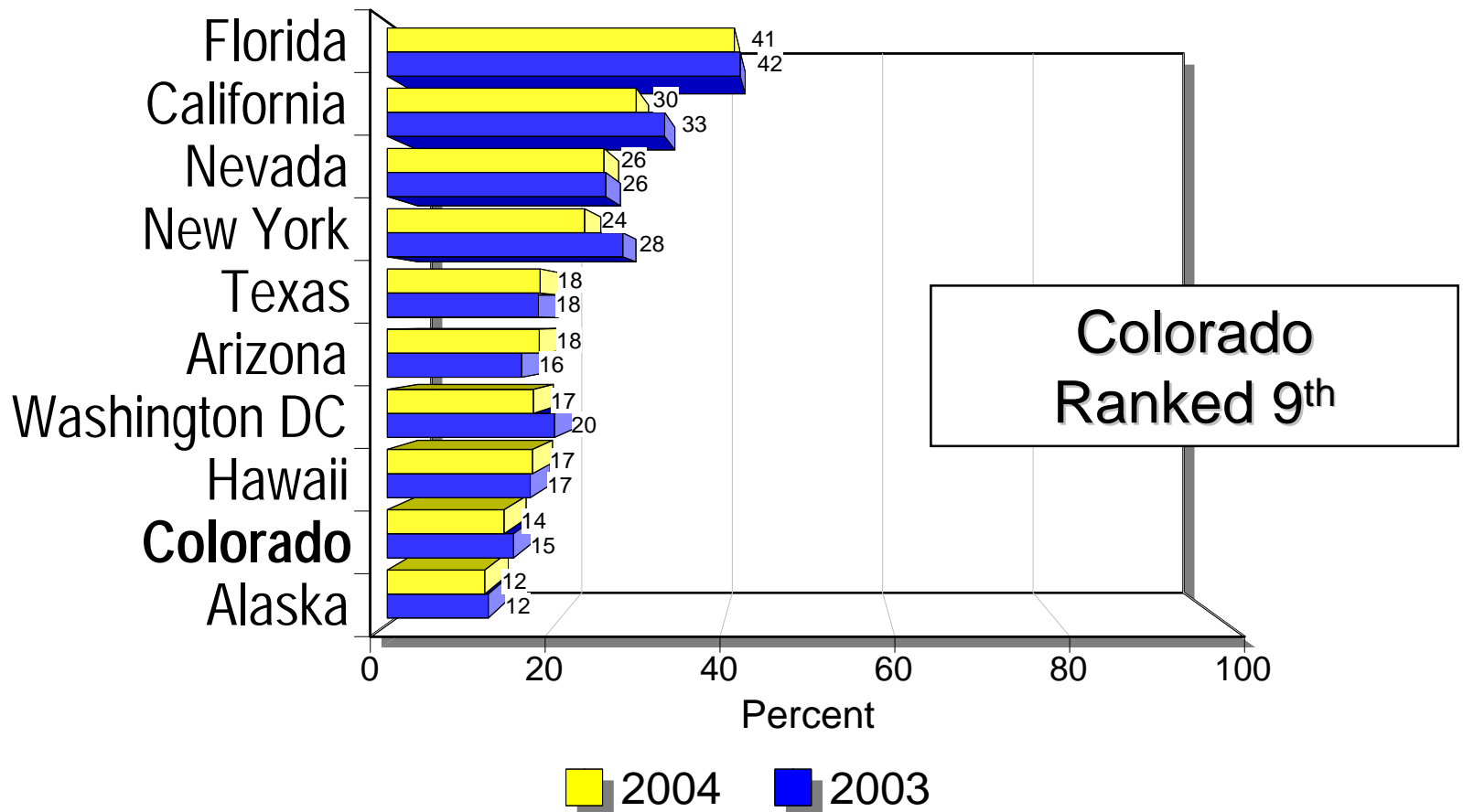
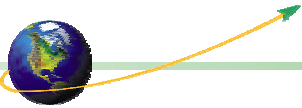
# Aided Dream Destinations – Regional vs. National



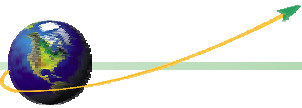
## “Would Enjoy Visiting”



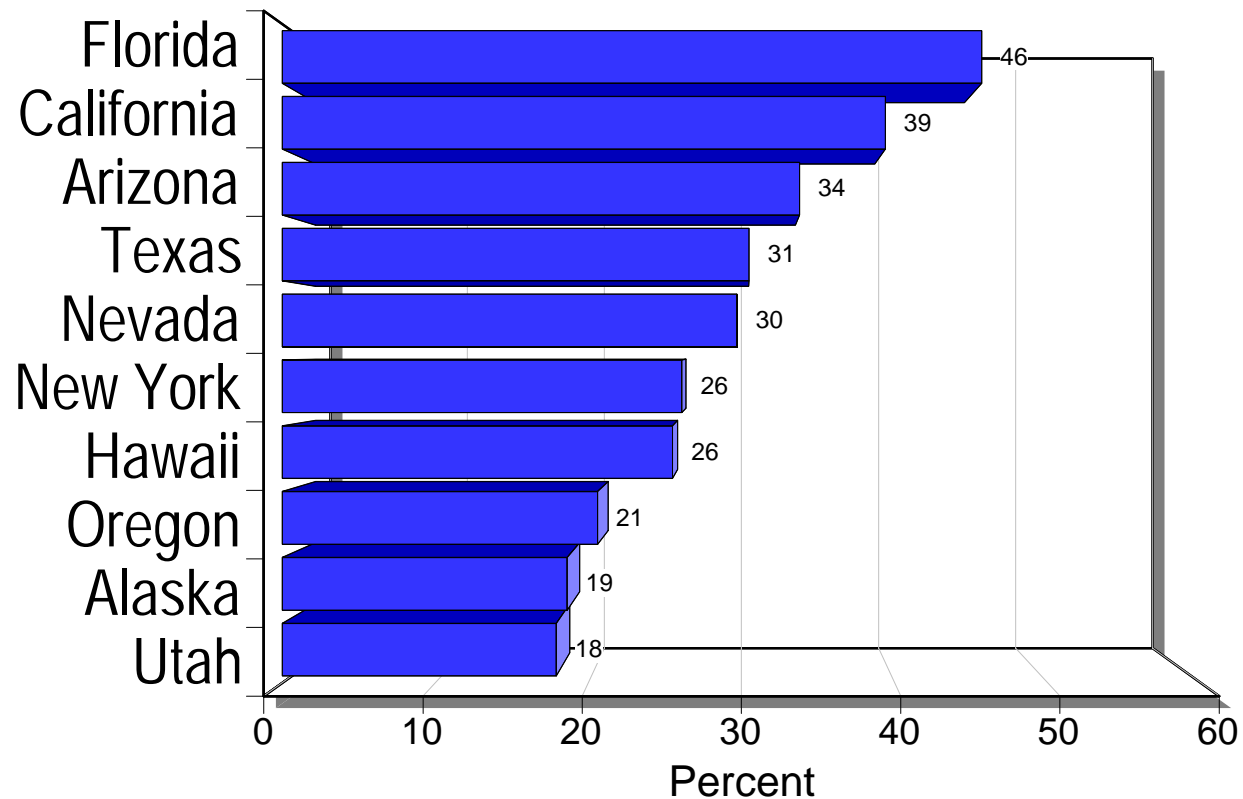
# Intended Trips in Next 2 Years



# Colorado's Most Important Competition



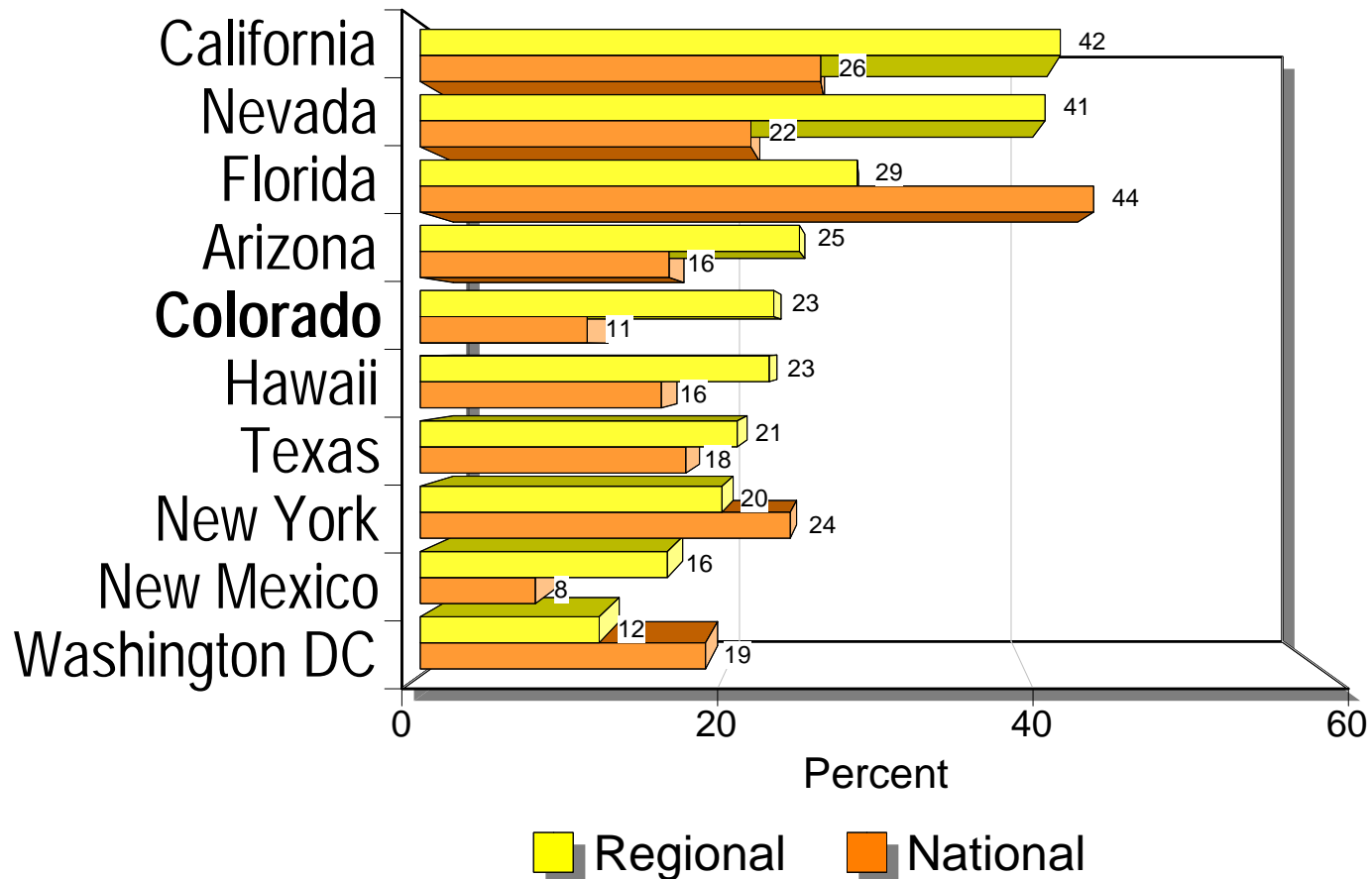
## Other Destinations Favored\* by Potential Colorado Visitors



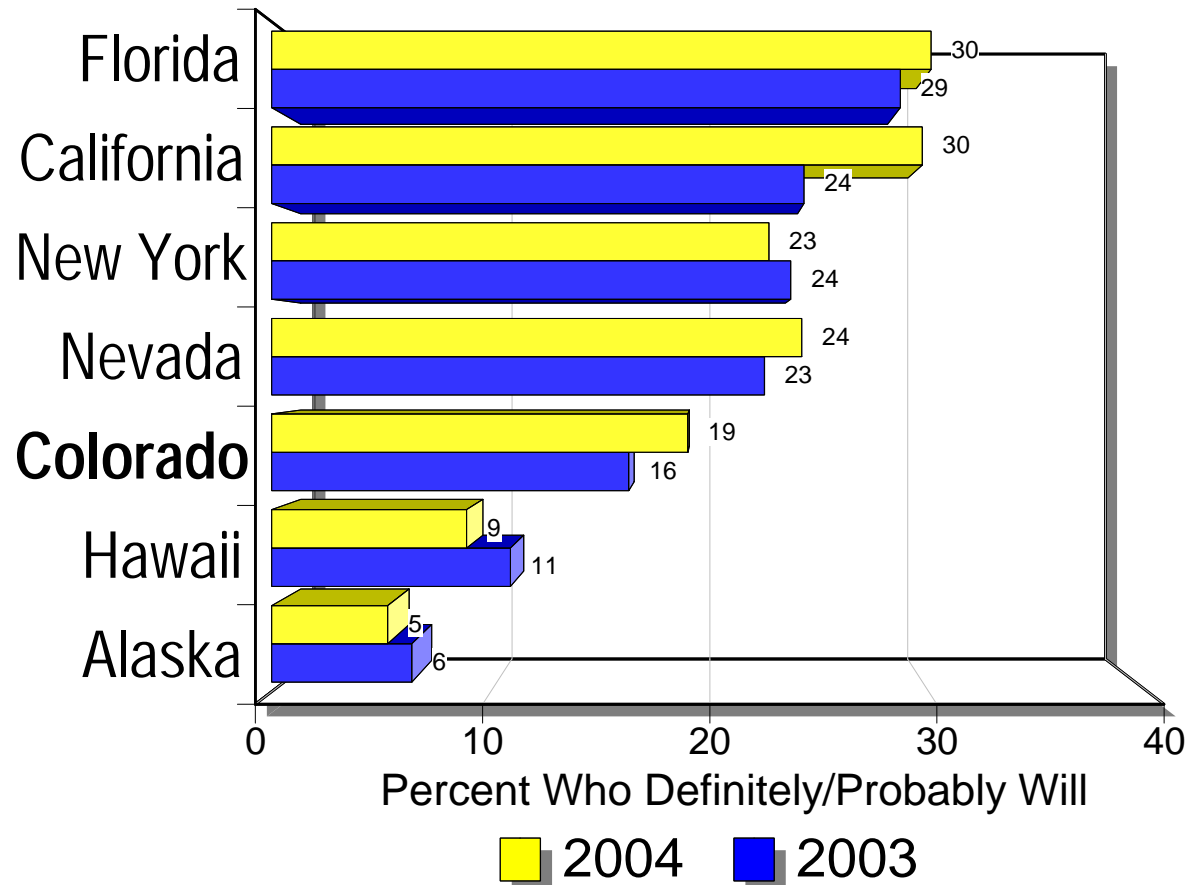
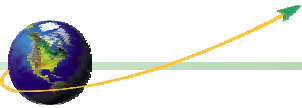
Base: Intend a Trip to Colorado in Next 2 Years

\*Intend to visit in next two years

# Intended Trips in Next 2 Years – Regional vs. National



# Intended Trips To Selected Destinations In The Next 12 Months

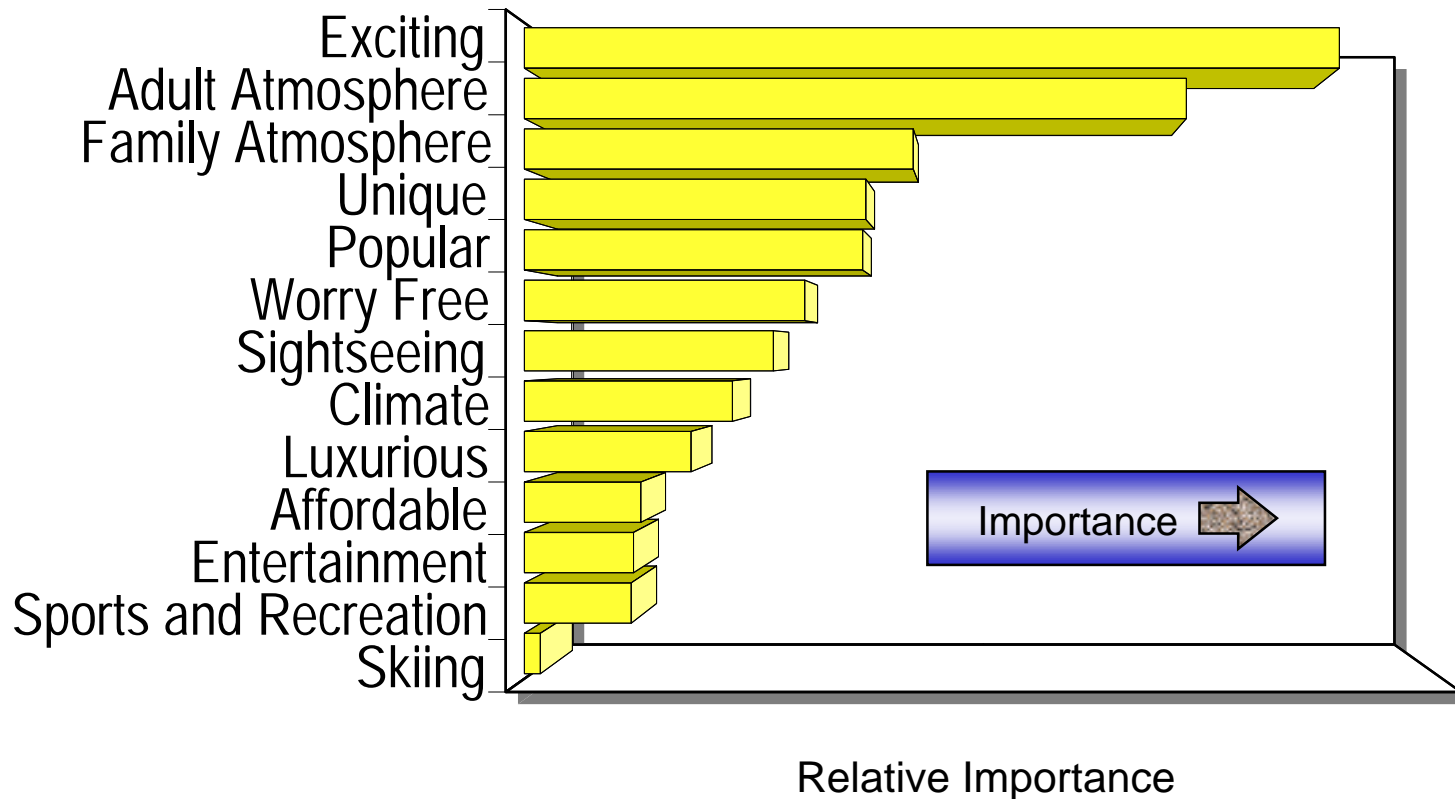


# Image Hot Buttons

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



Base: Total Travelers



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



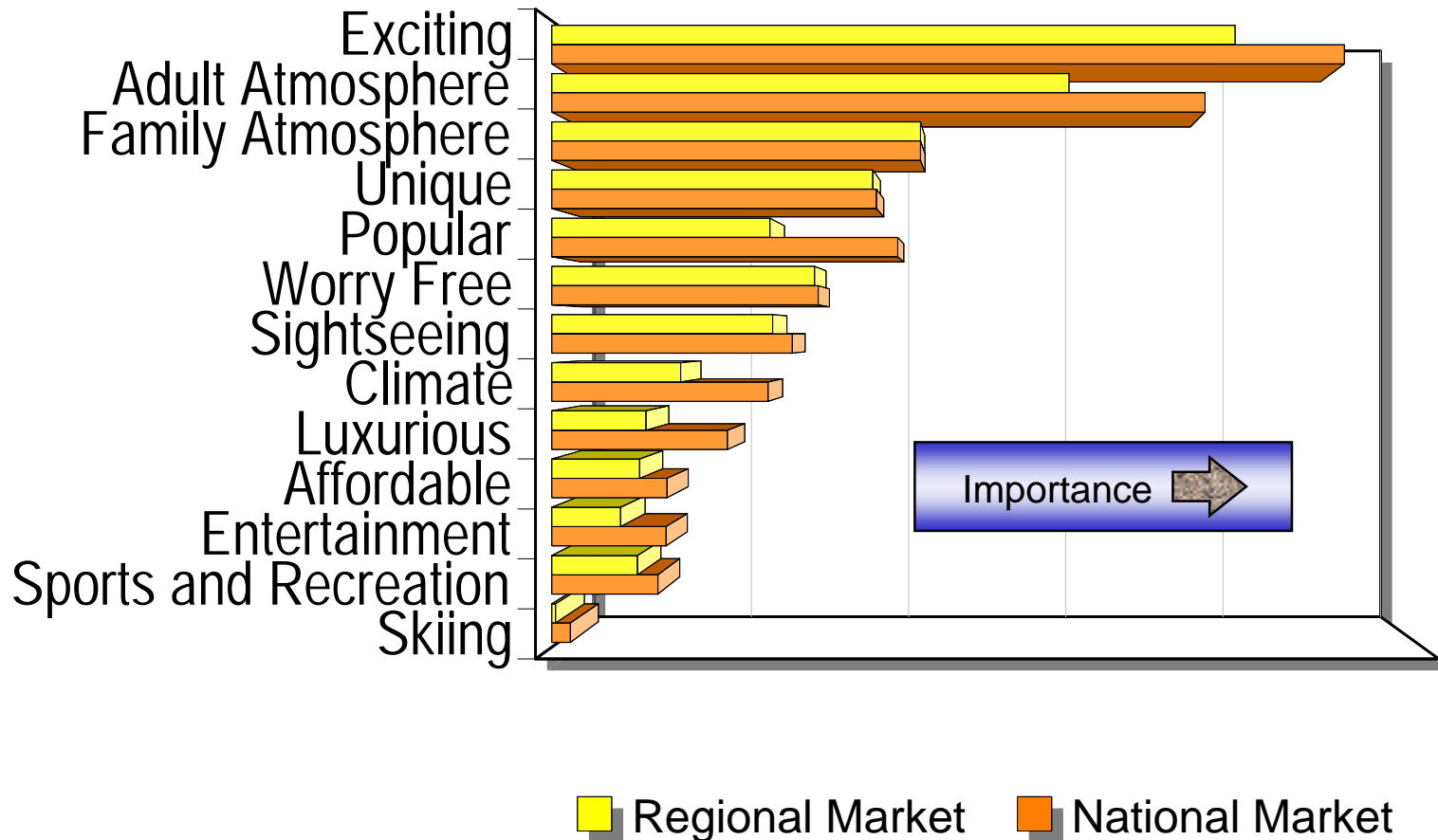
# Most Important Individual Dimensions



Base: Total Travelers

1. Must see destination
2. A fun place for a vacation
3. Good for adult vacation
4. An exciting place
5. Unique vacation experience
6. A real adventure
7. Good for couples
8. Interesting place
9. Good for families
10. Lots to see and do

# Travel Motivators – by Market



# Most Important Individual Dimensions



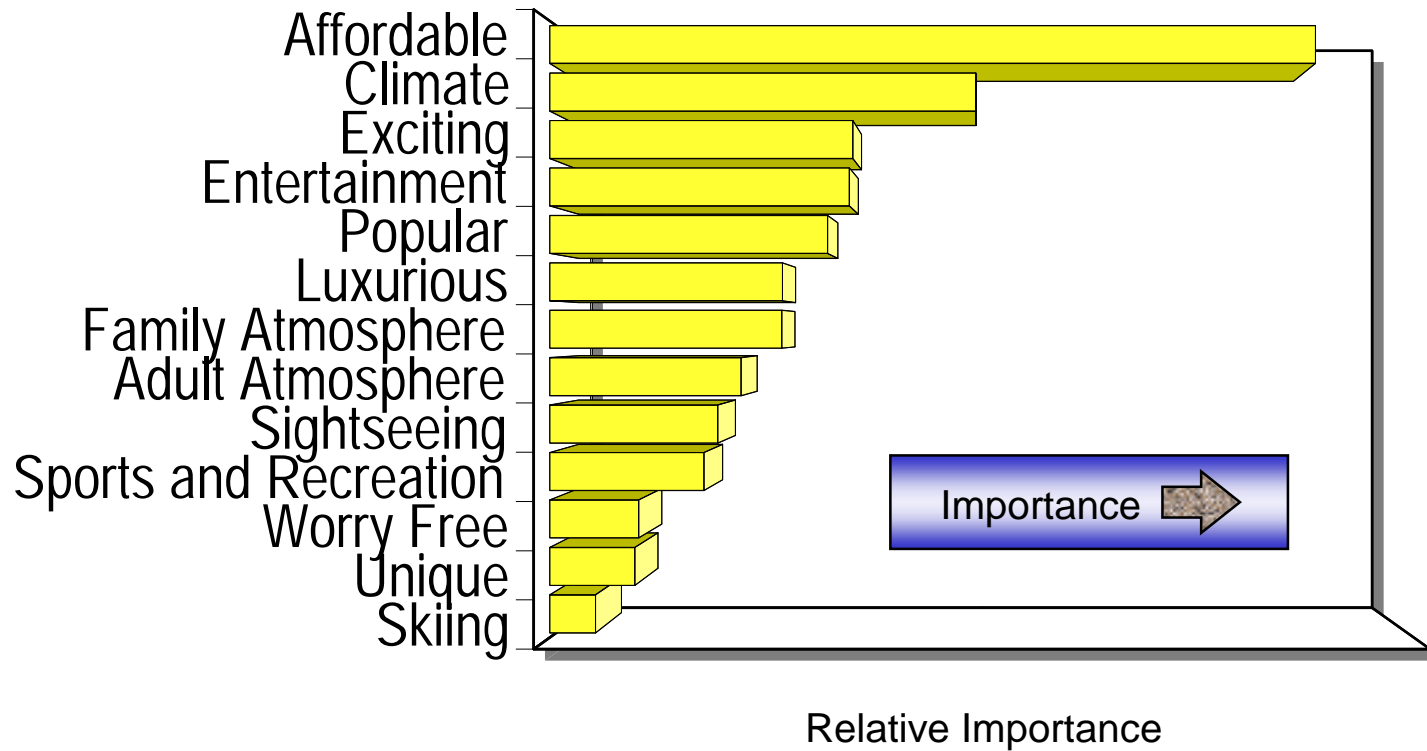
## Regional Market

1. Must see destination
2. A fun place for a vacation
3. A real adventure
4. Good for couples
5. Interesting place
6. An exciting place
7. Unique vacation experience
8. Good for adult vacation
9. Good for families
10. Lots to see and do

## National Market

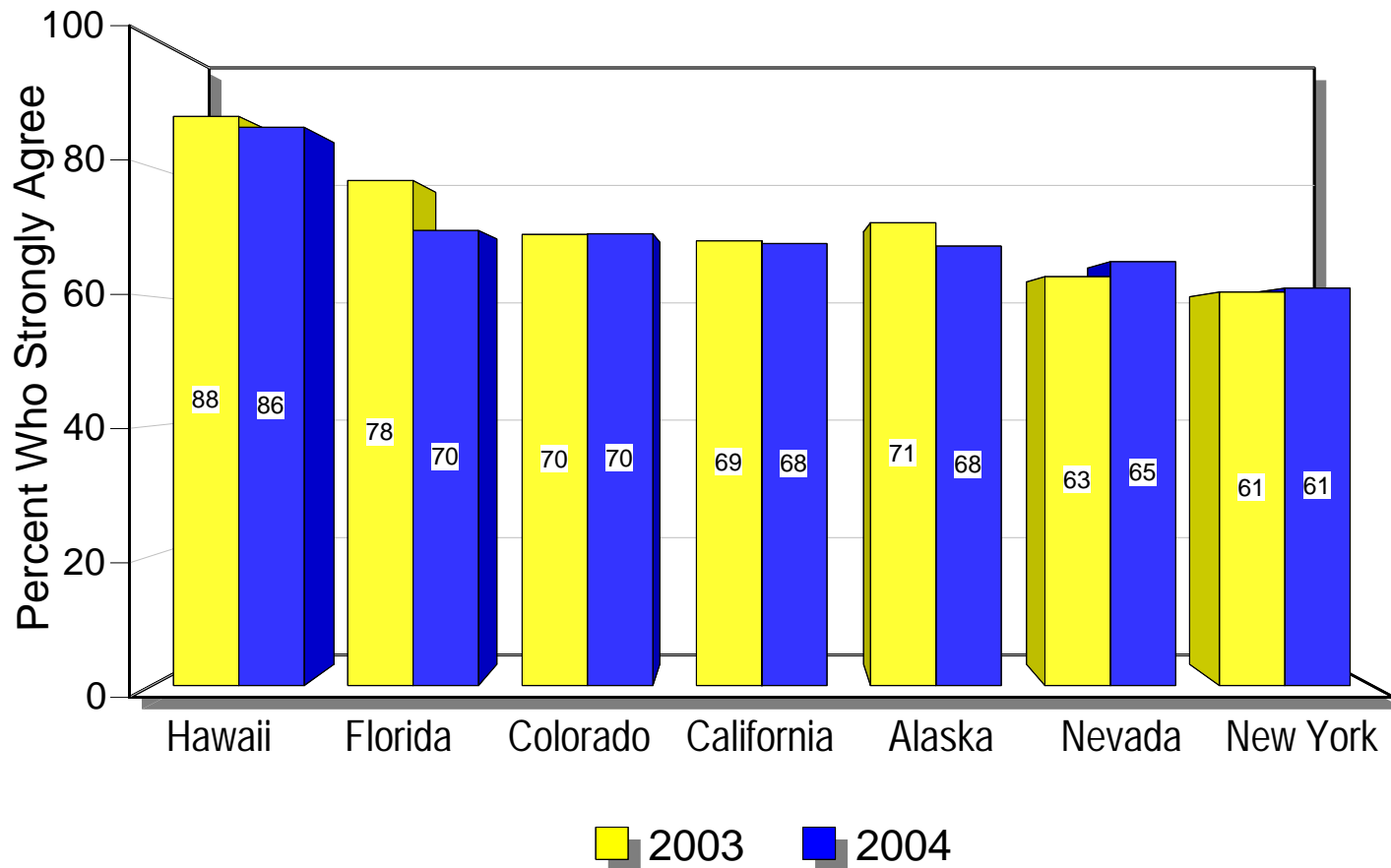
1. Must see destination
2. A fun place for a vacation
3. Good for adult vacation
4. An exciting place
5. Unique vacation experience
6. A real adventure
7. Good for couples
8. Interesting place
9. Lots to see and do
10. Good for families

# Motivators for Closing the Sale

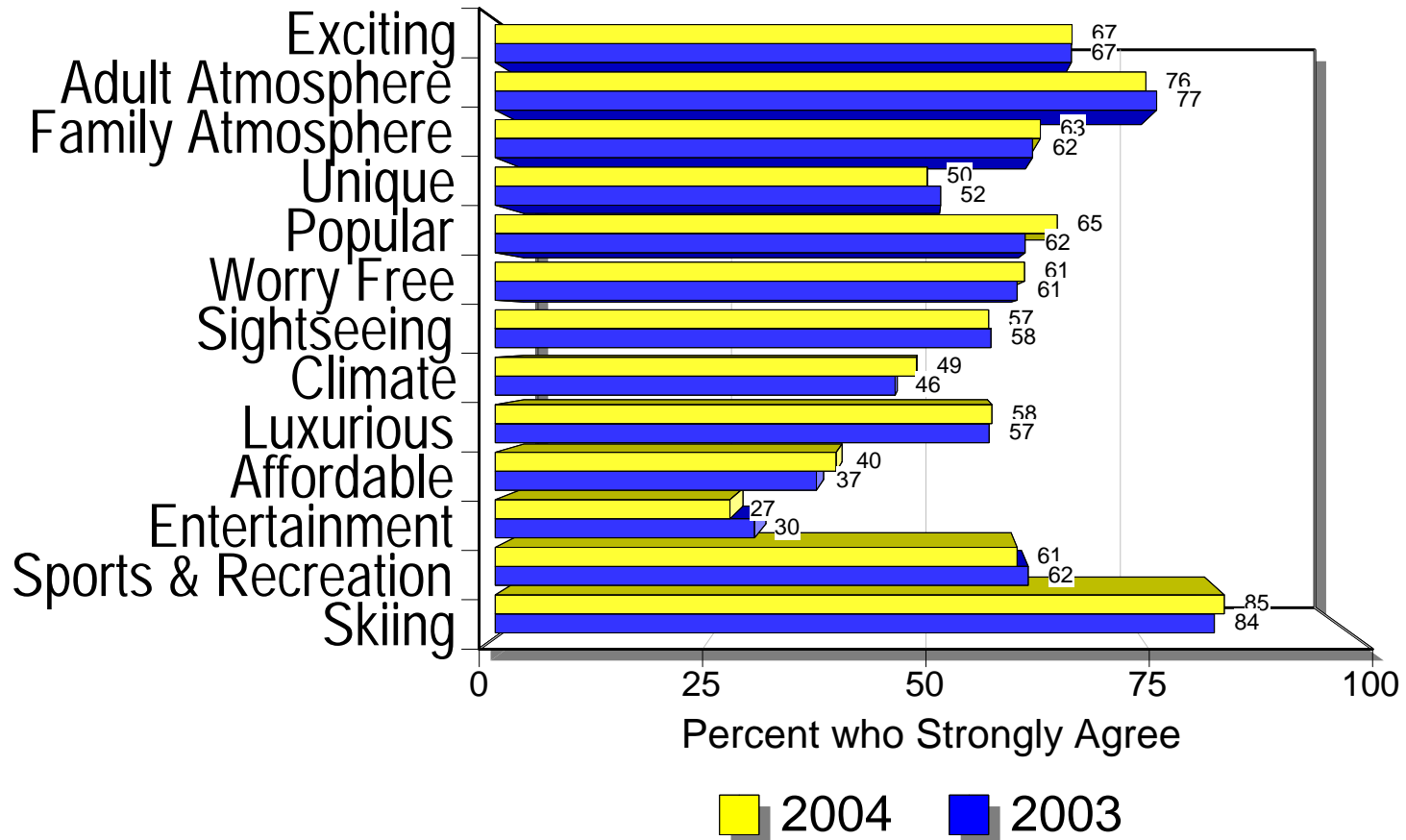
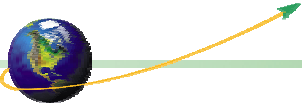


# Colorado's Image

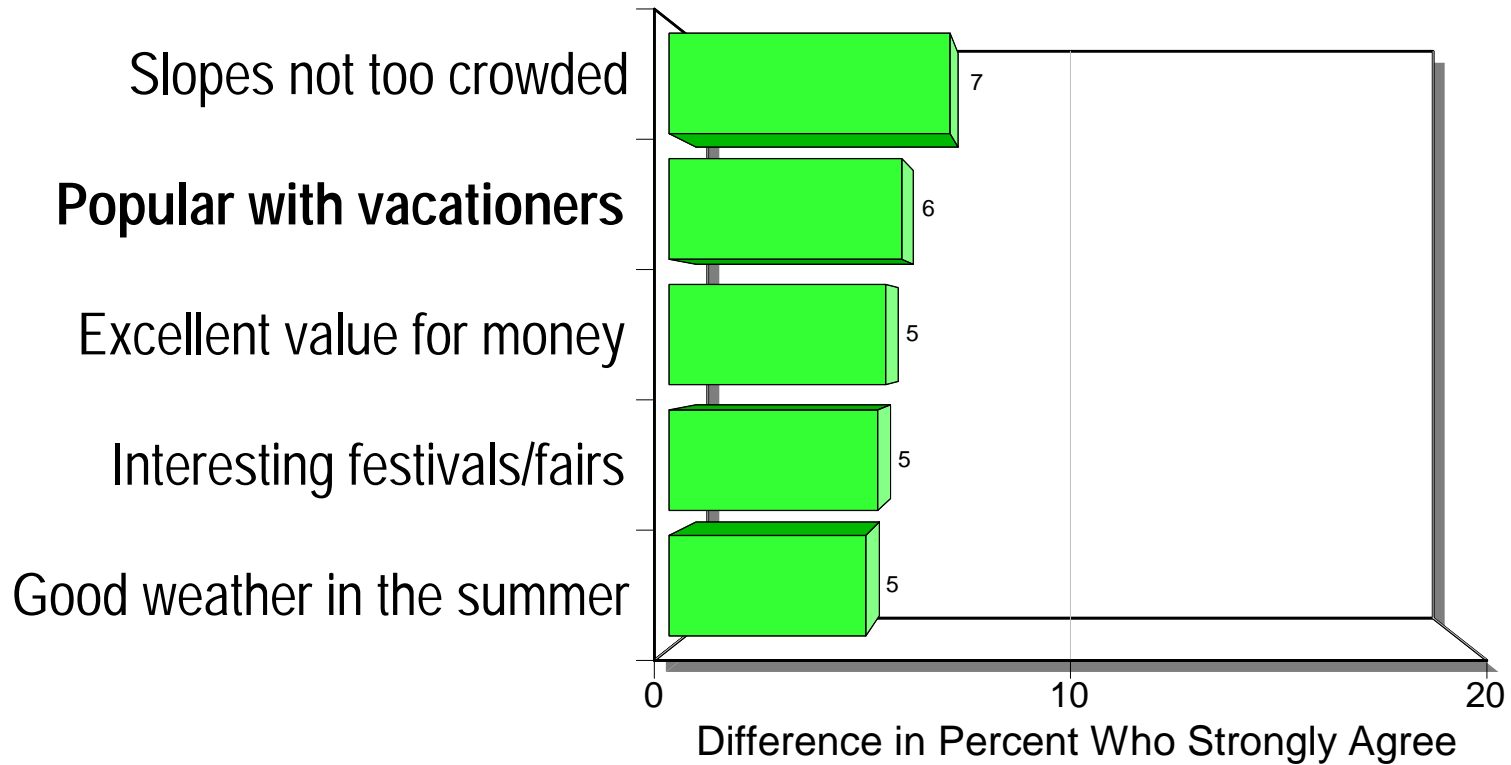
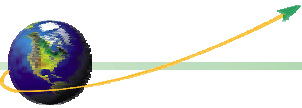
# Overall Image: "Would Really Enjoy Visiting"



# Colorado's Image – 2004 vs. 2003



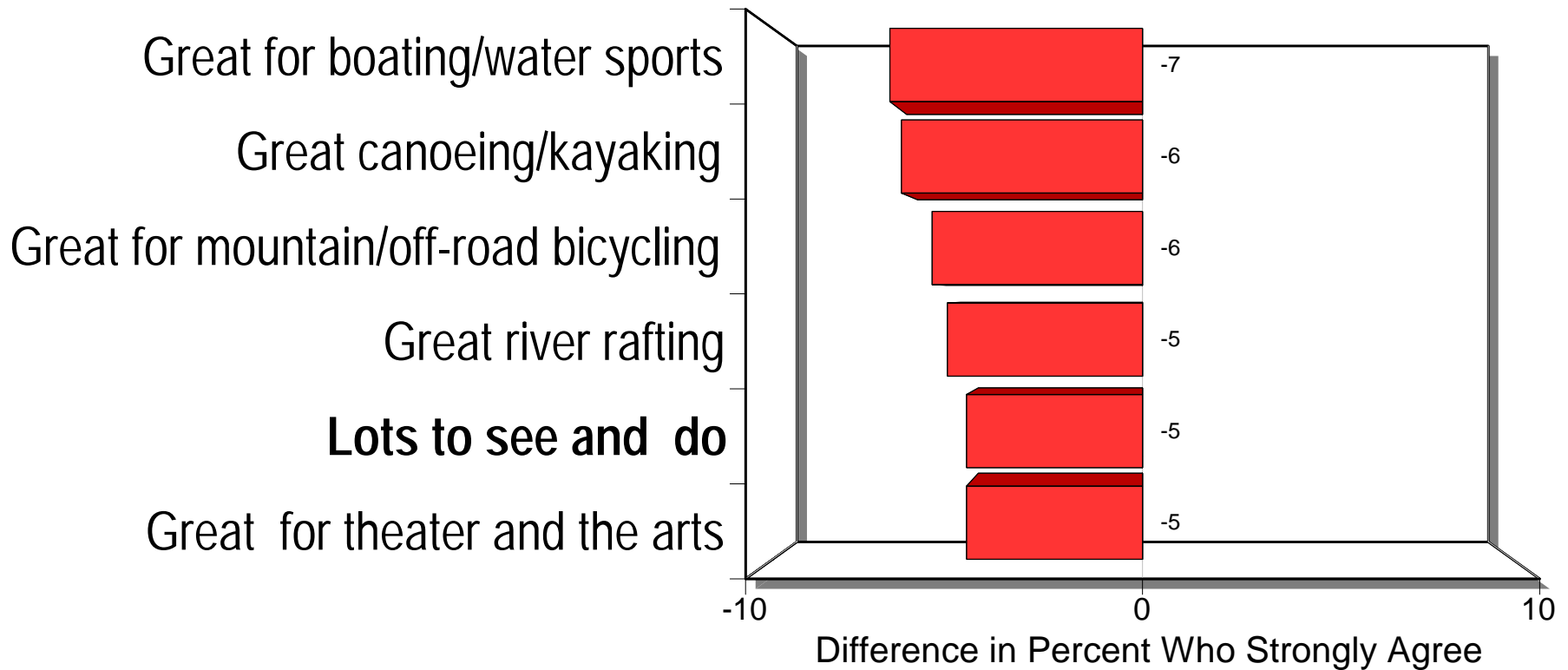
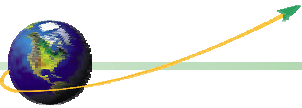
# Colorado's Image Gains vs. 2003



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

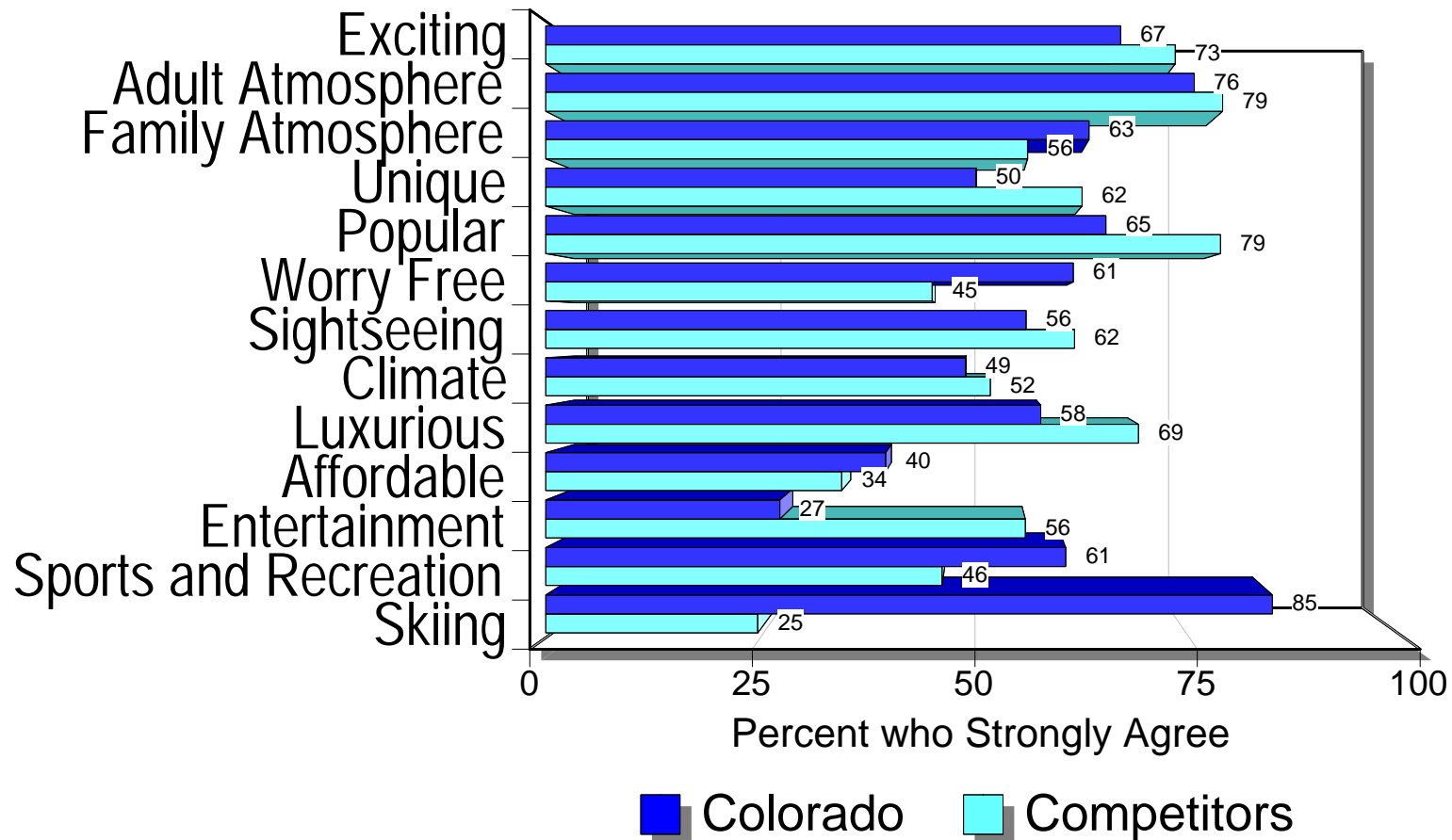
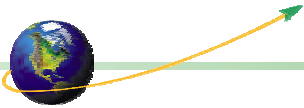


# Colorado's Image Losses vs. 2003



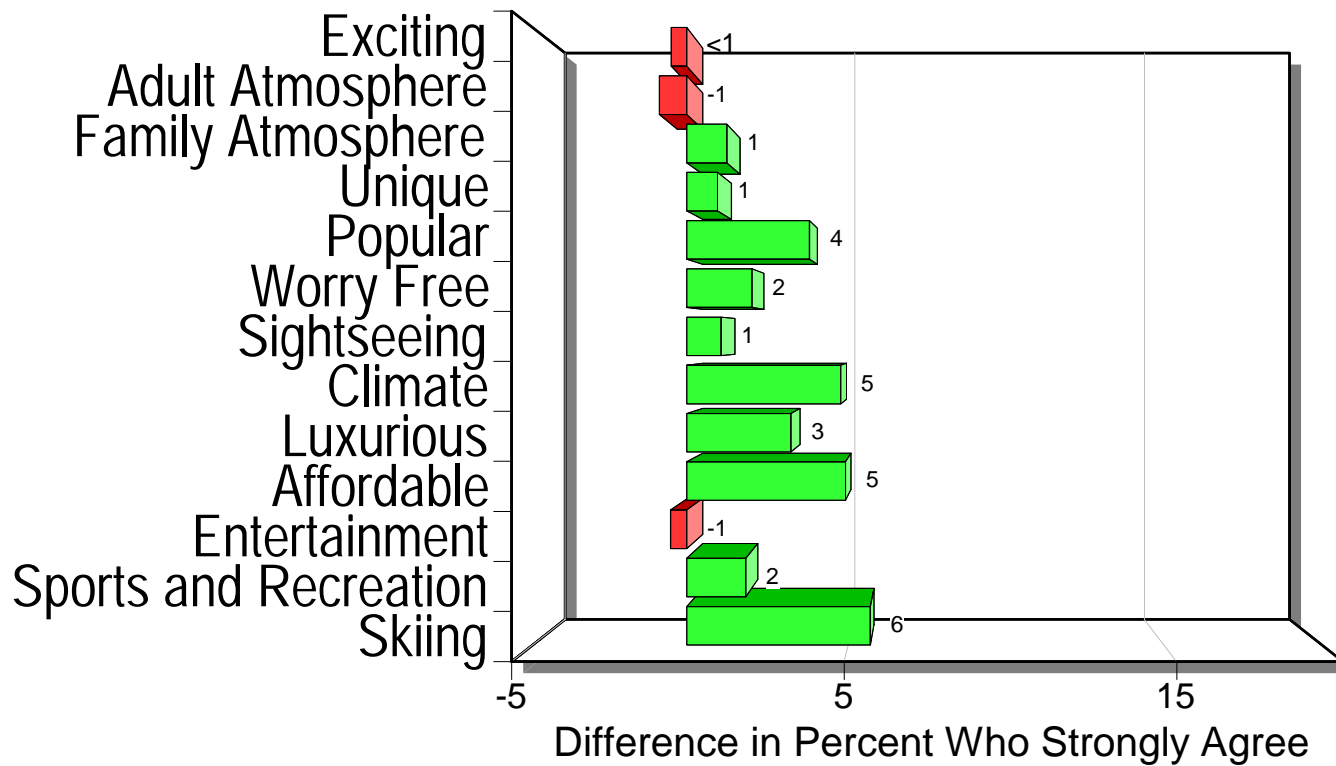
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image vs. The Competition\*

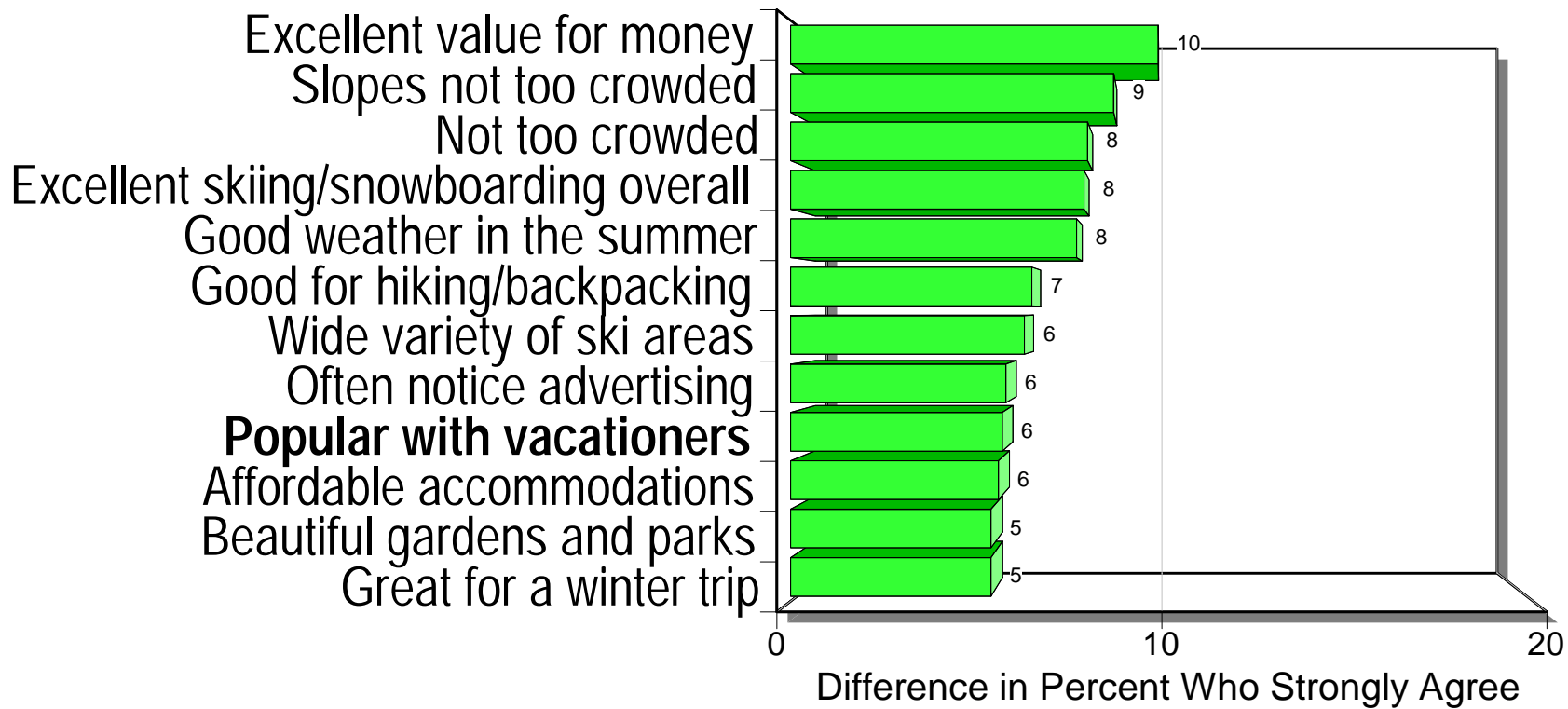


\* California, New York, Florida, Hawaii, Alaska and Nevada

# Colorado's Image Gains/Losses vs. The Competition – 2004 vs. 2003

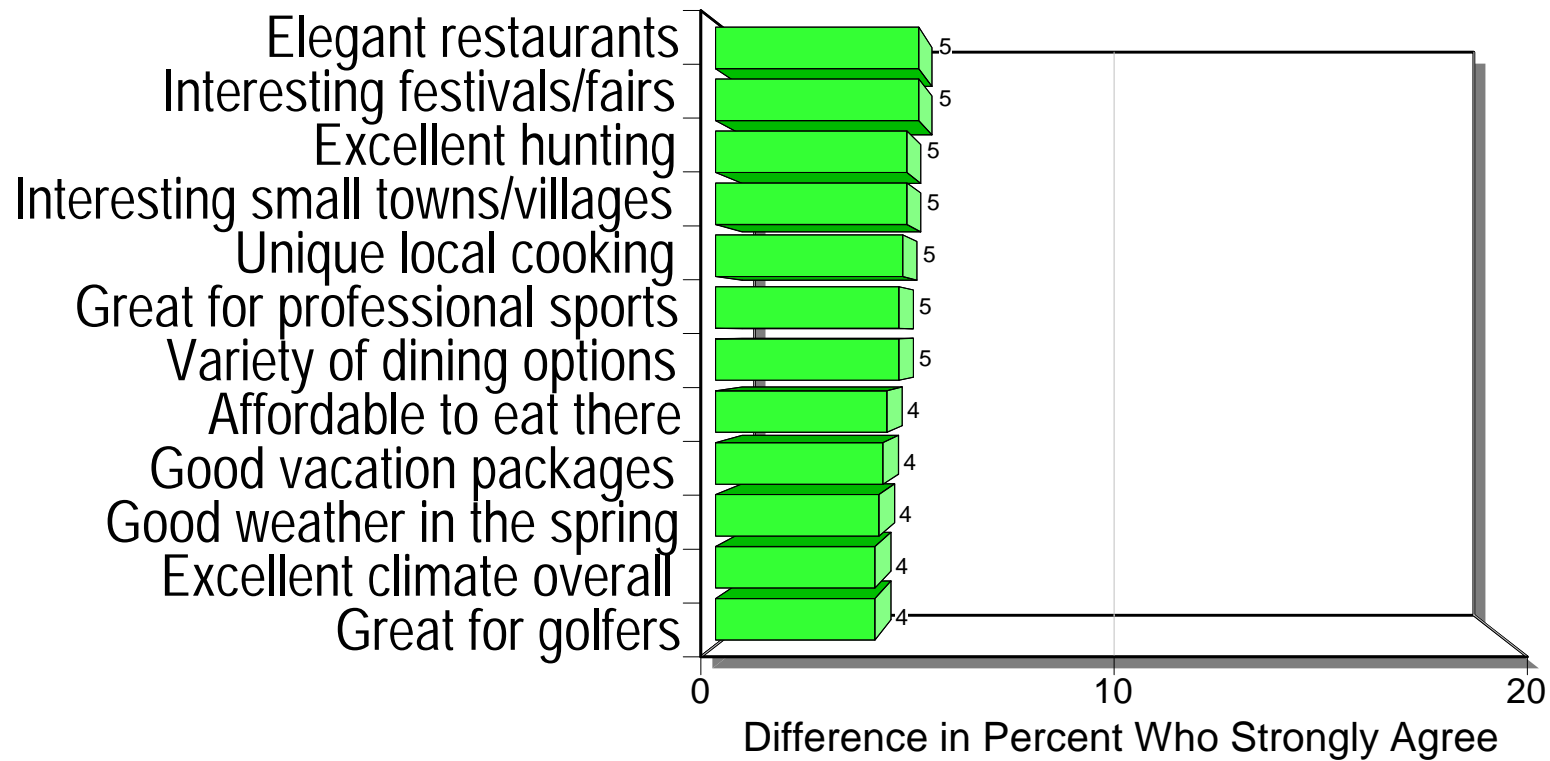
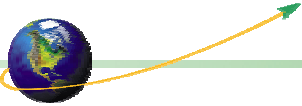


# Colorado's Image Gains vs. The Competition – 2004 vs. 2003

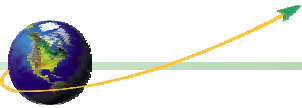


Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image Gains vs. The Competition – 2004 vs. 2003 (Cont'd)

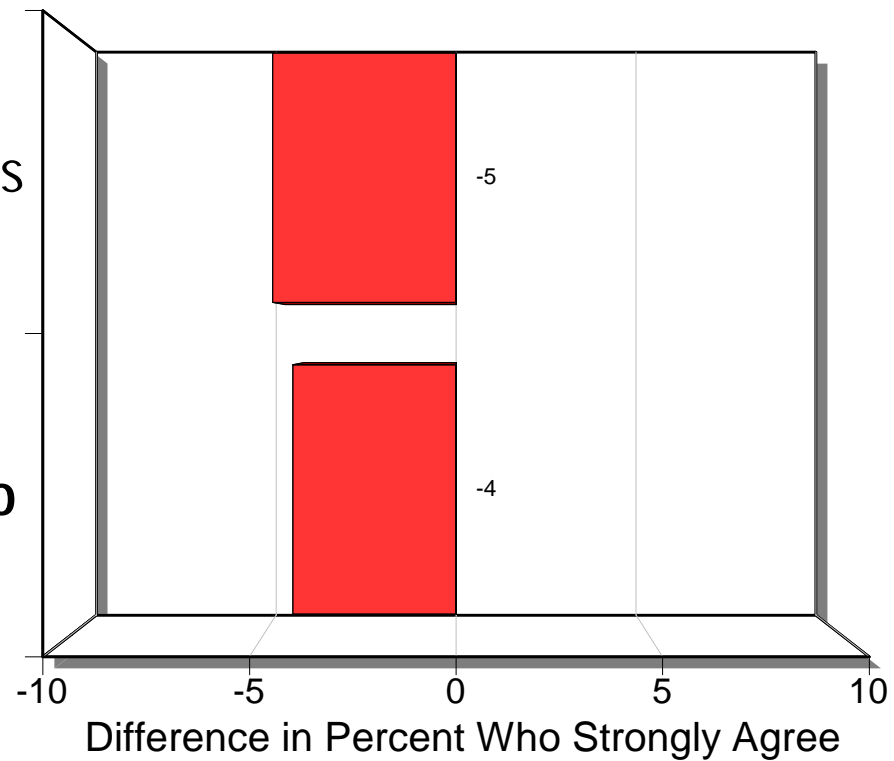


# Colorado's Image Losses vs. The Competition – 2004 vs. 2003

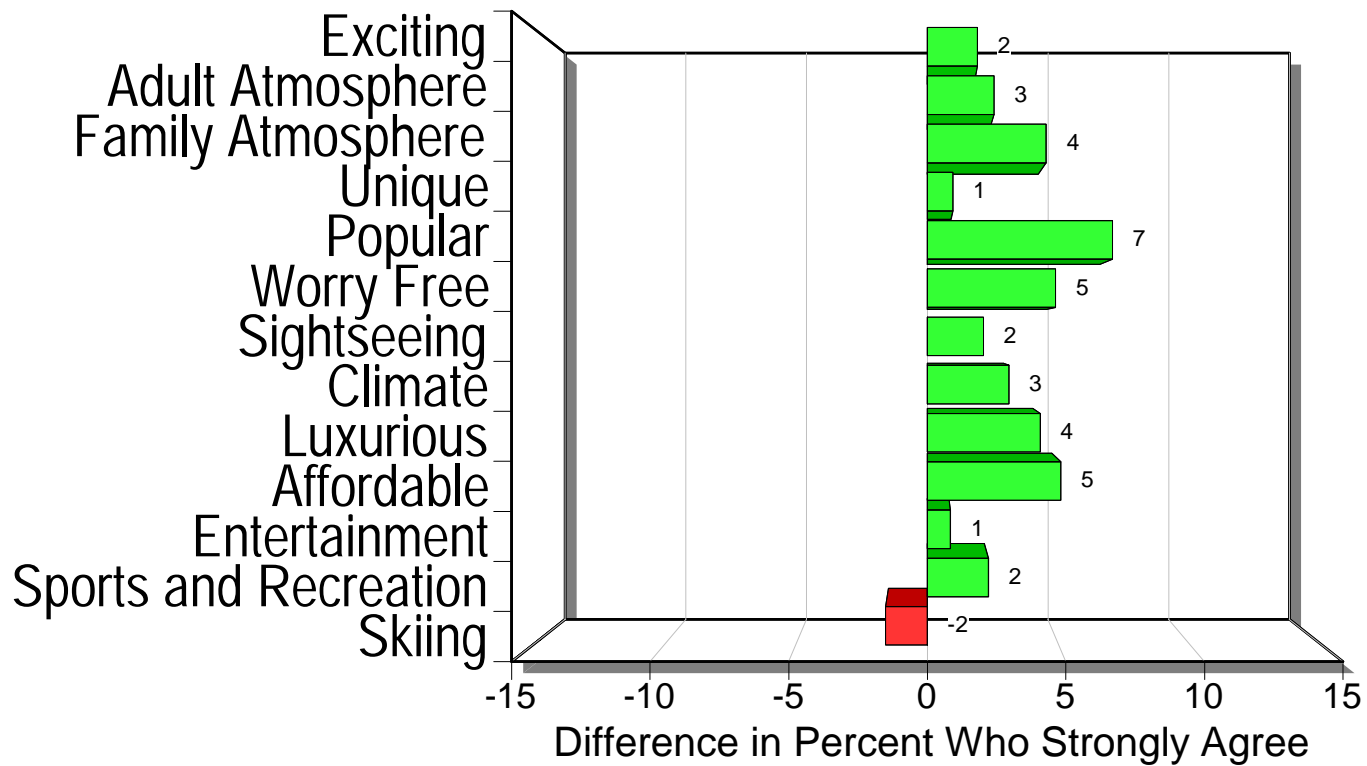


Great for boating/water sports

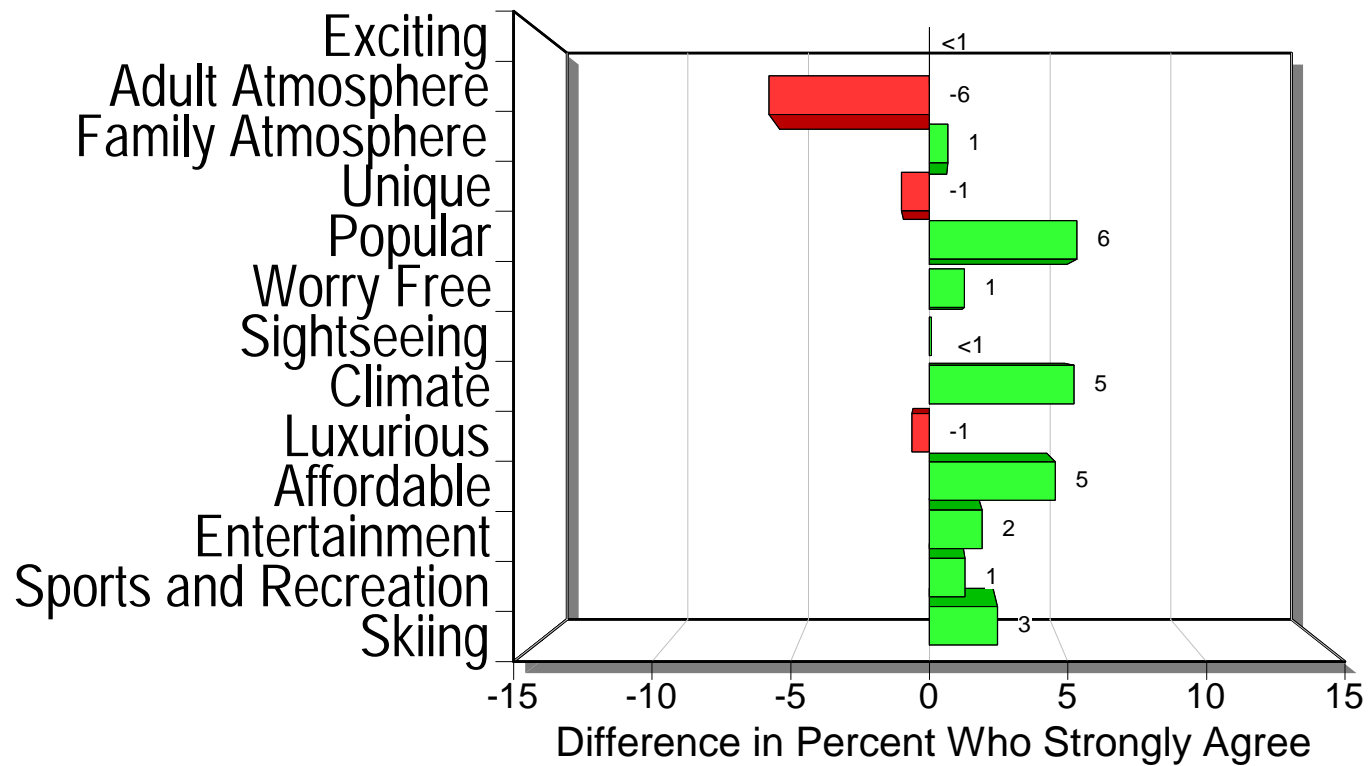
**Lots to see and do**



# Colorado's Image Gains/Losses vs. California – 2004 vs. 2003

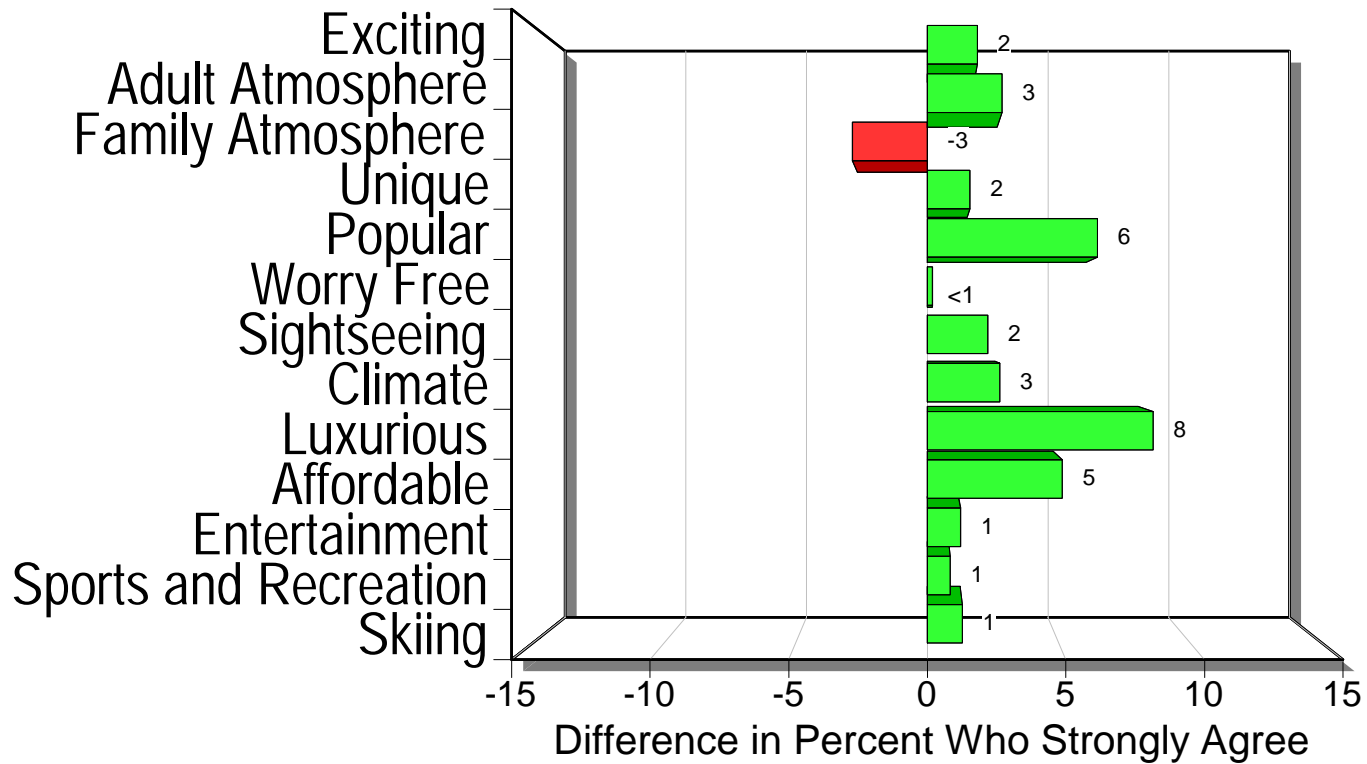


# Colorado's Image Gains/Losses vs. New York – 2004 vs. 2003

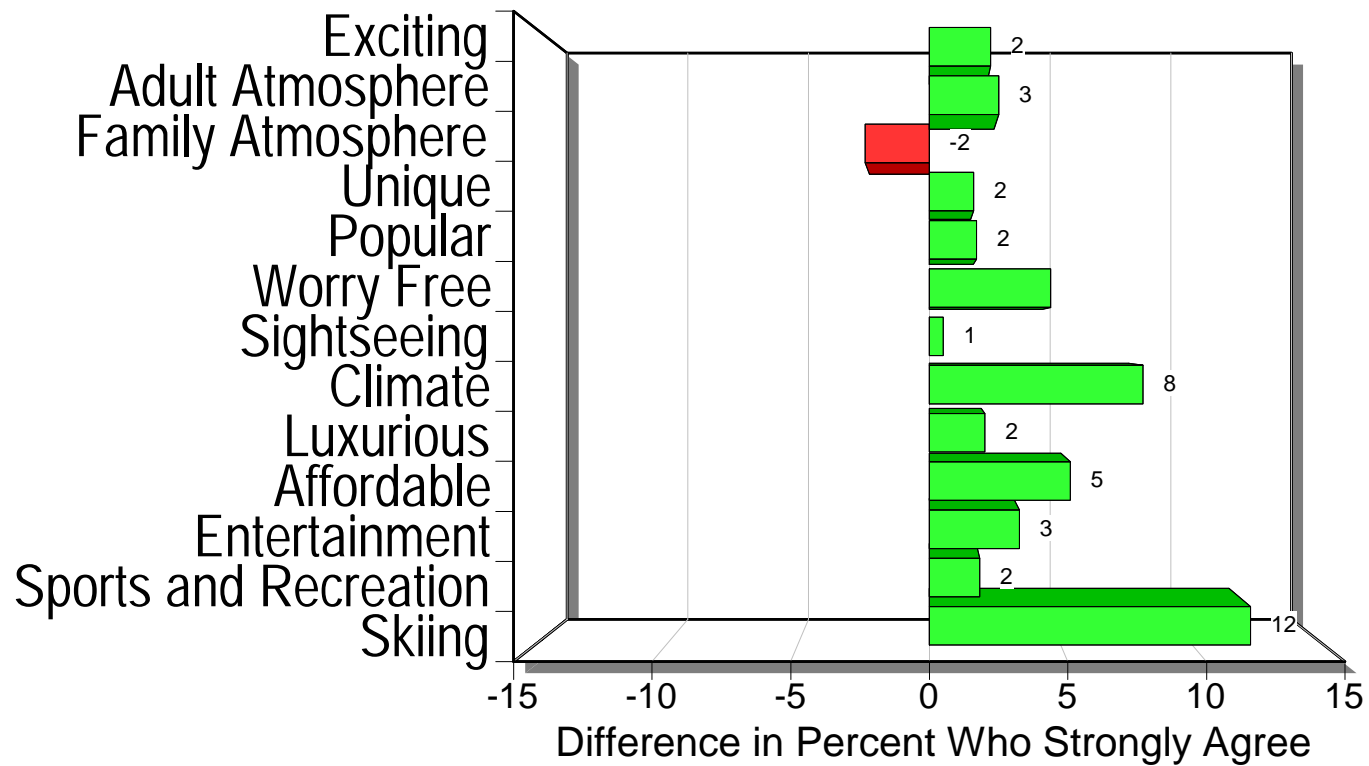




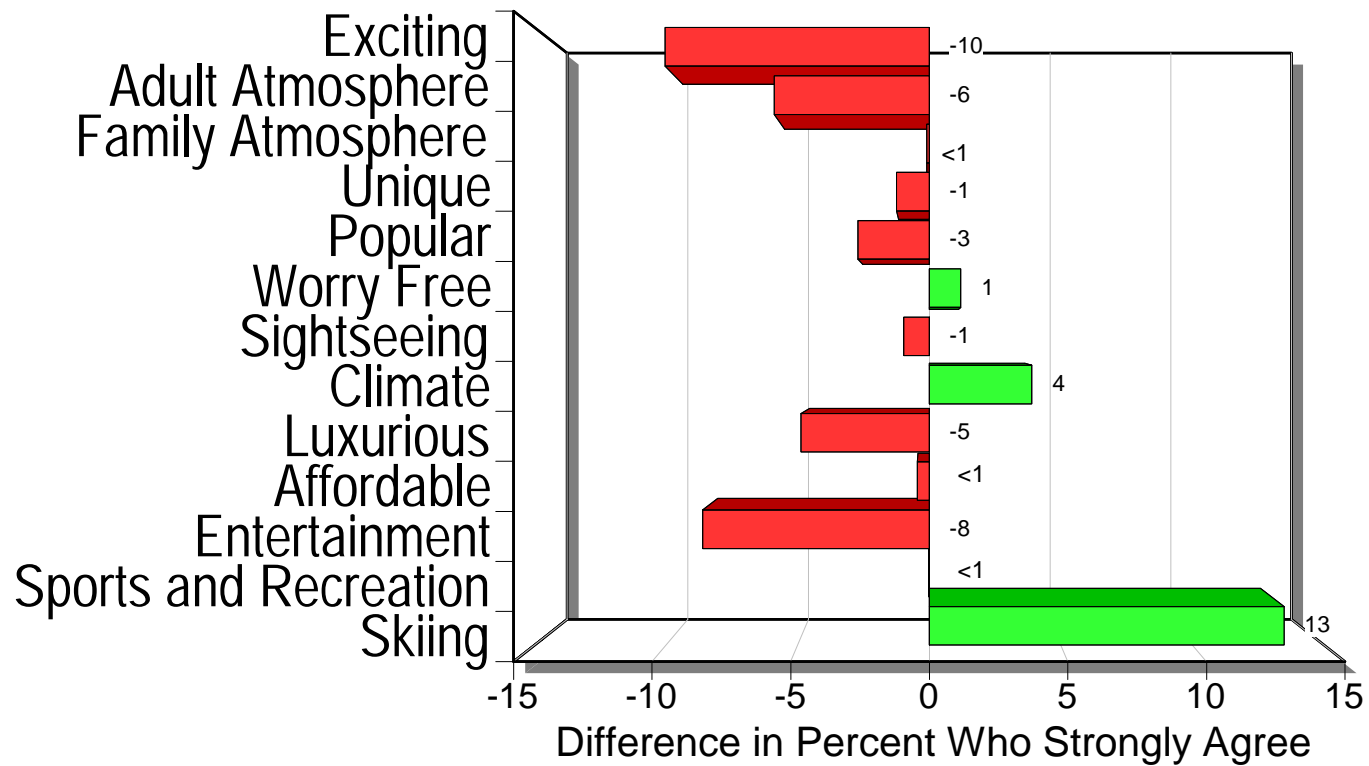
# Colorado's Image Gains/Losses vs. Florida – 2004 vs. 2003



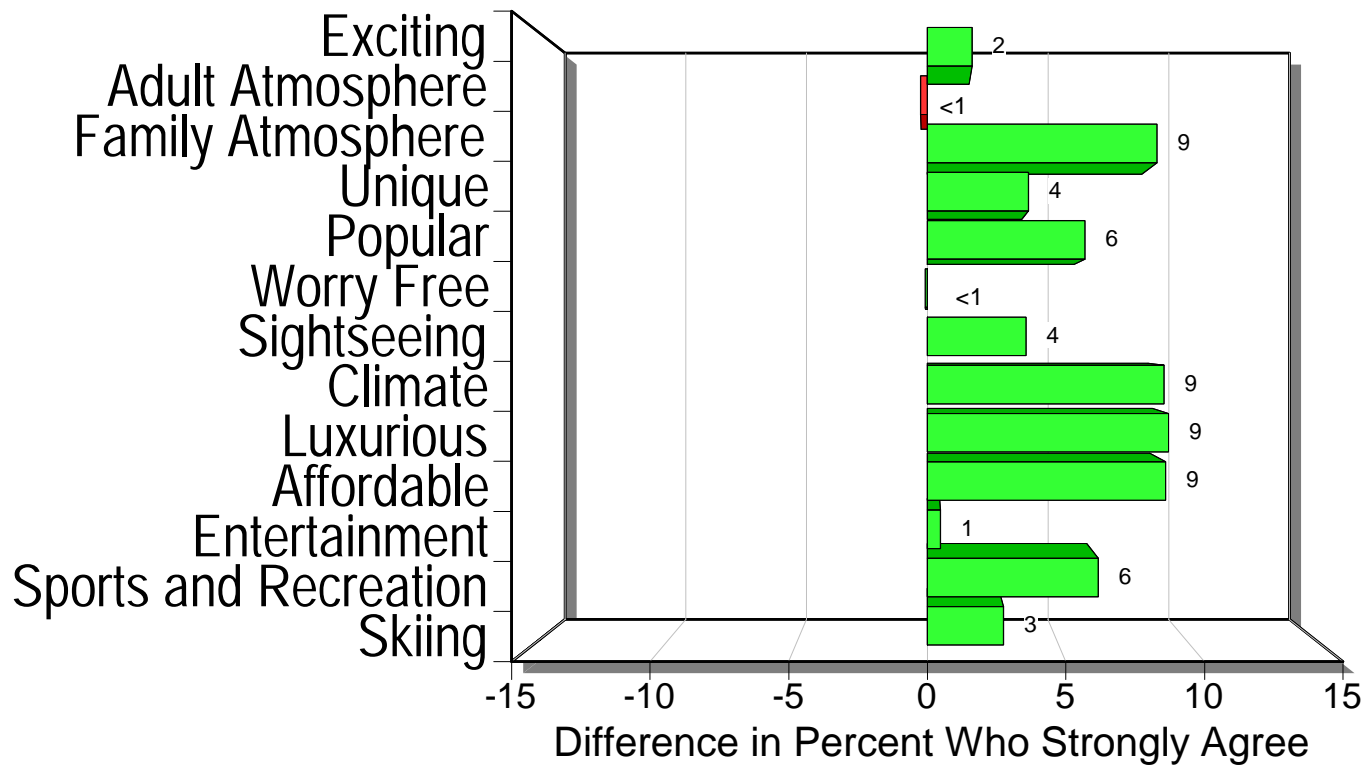
# Colorado's Image Gains/Losses vs. Alaska – 2004 vs. 2003



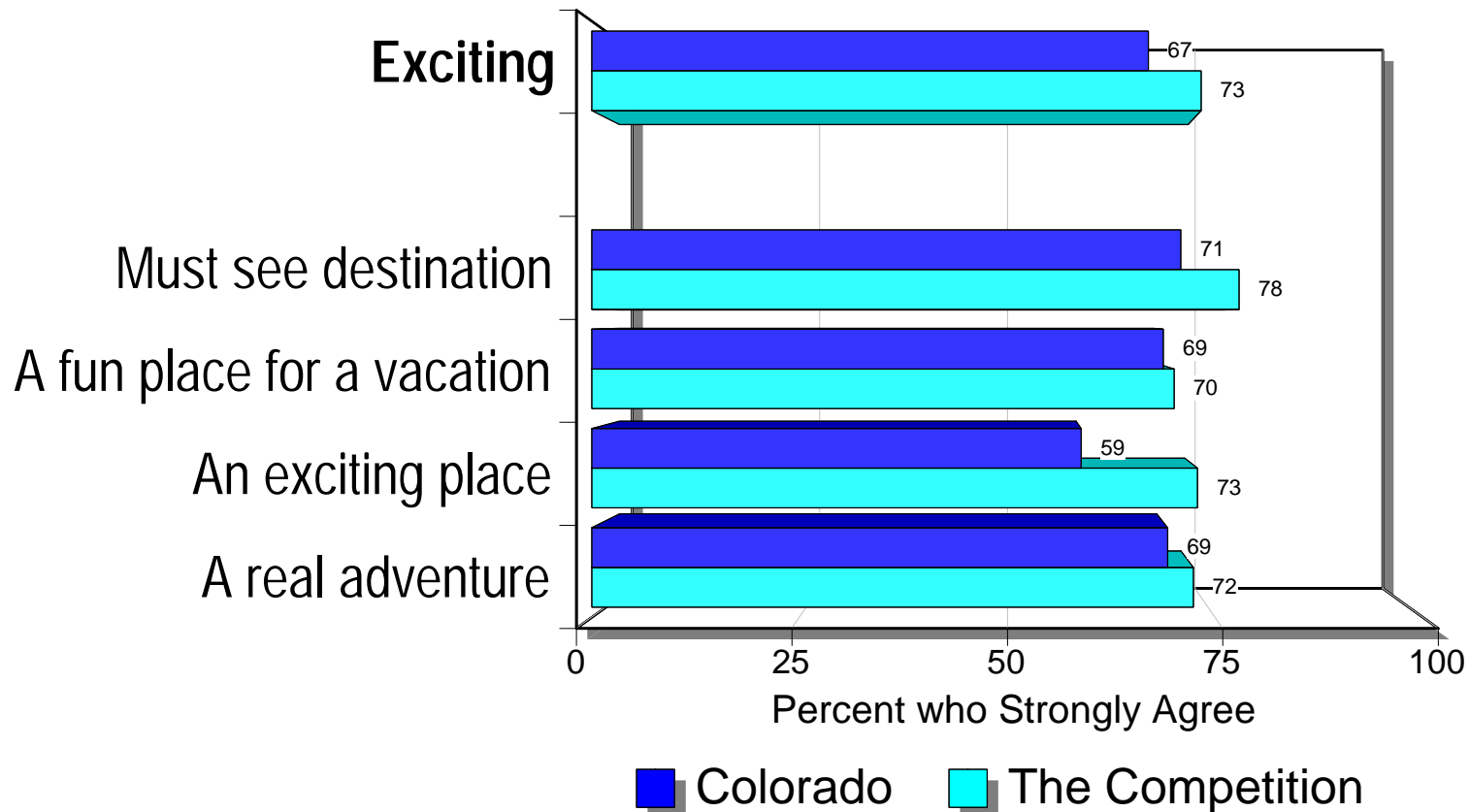
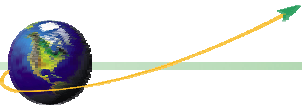
# Colorado's Image Gains/Losses vs. Nevada – 2004 vs. 2003



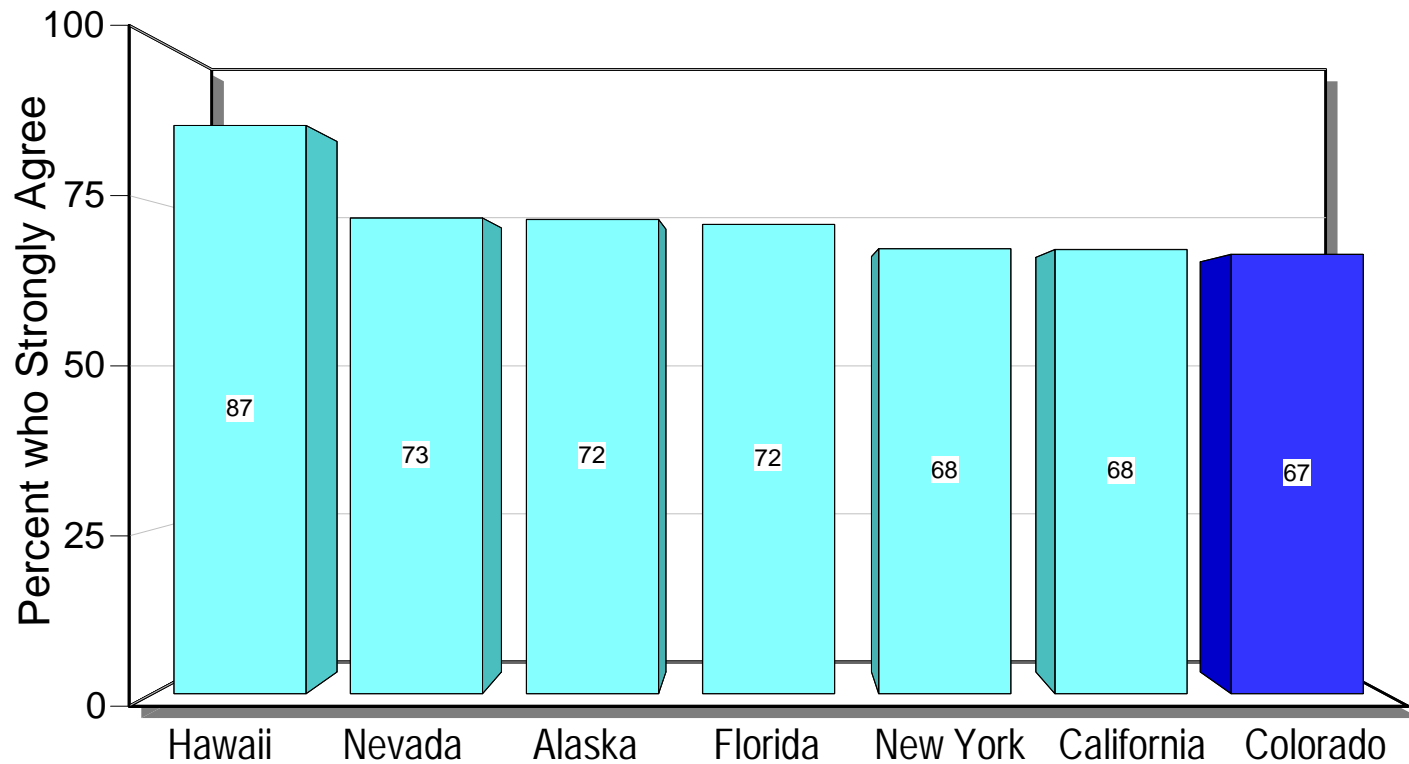
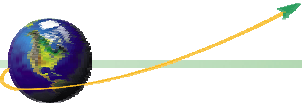
# Colorado's Image Gains/Losses vs. Hawaii – 2004 vs. 2003



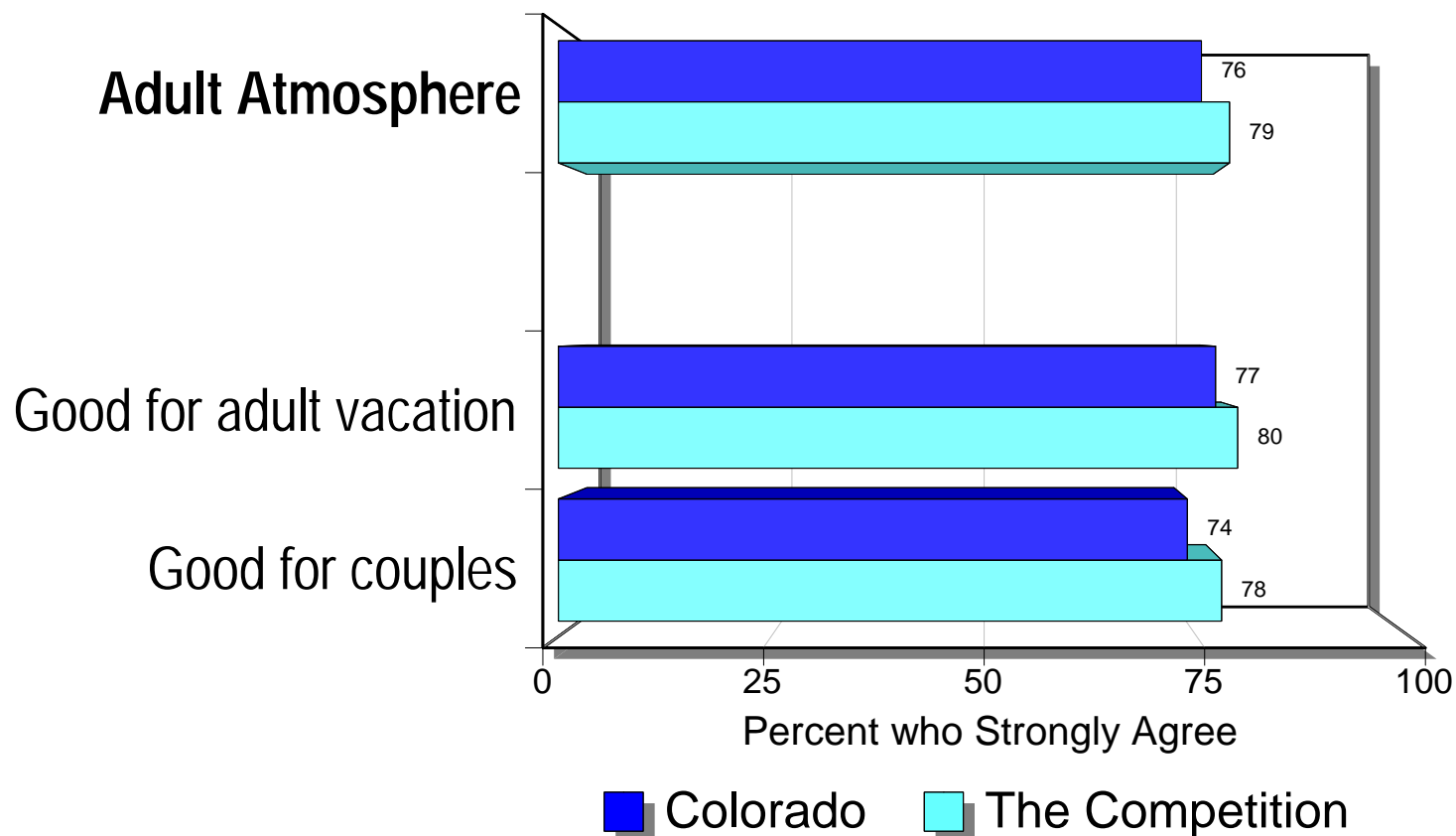
# Colorado's Image – Exciting



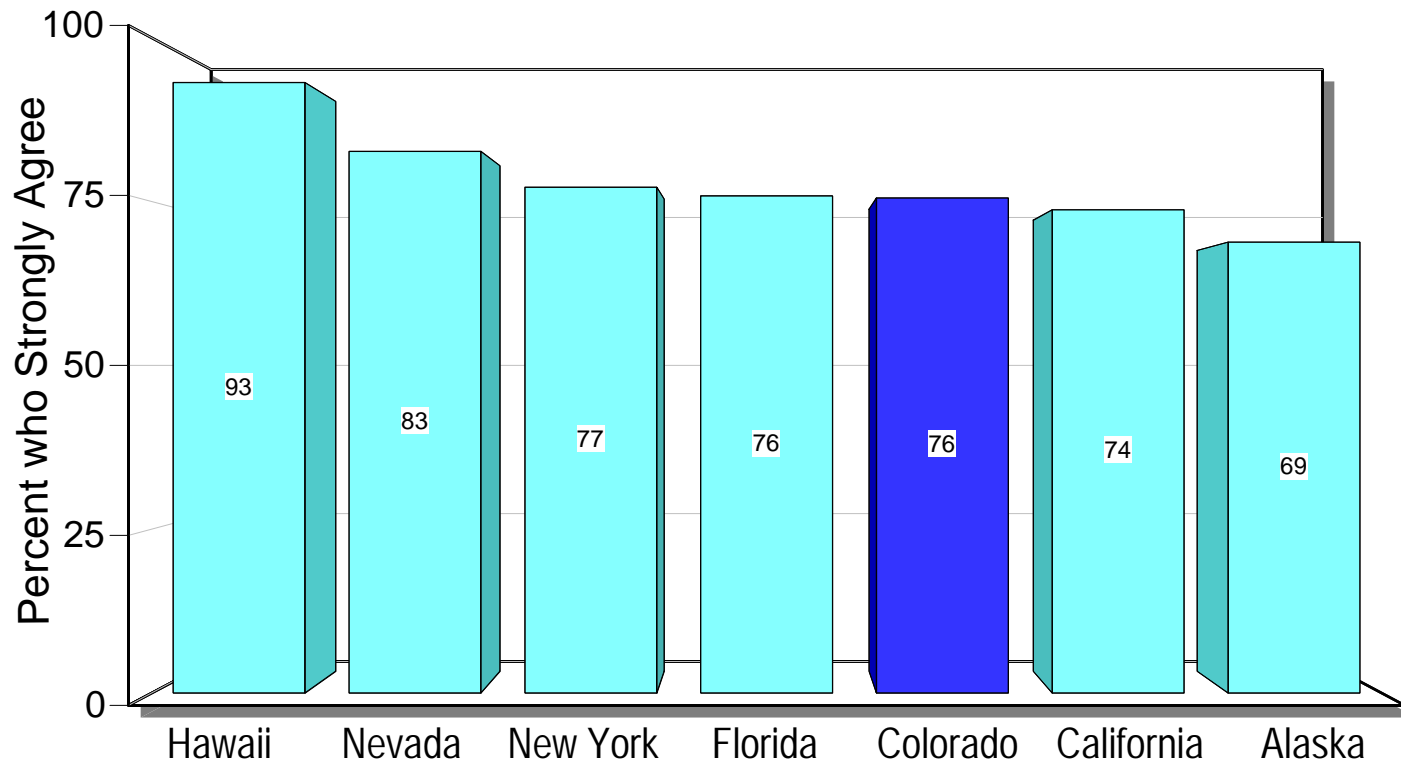
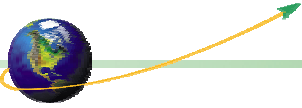
# Colorado's Image vs. The Competition — Exciting



# Colorado's Image – Adult Atmosphere

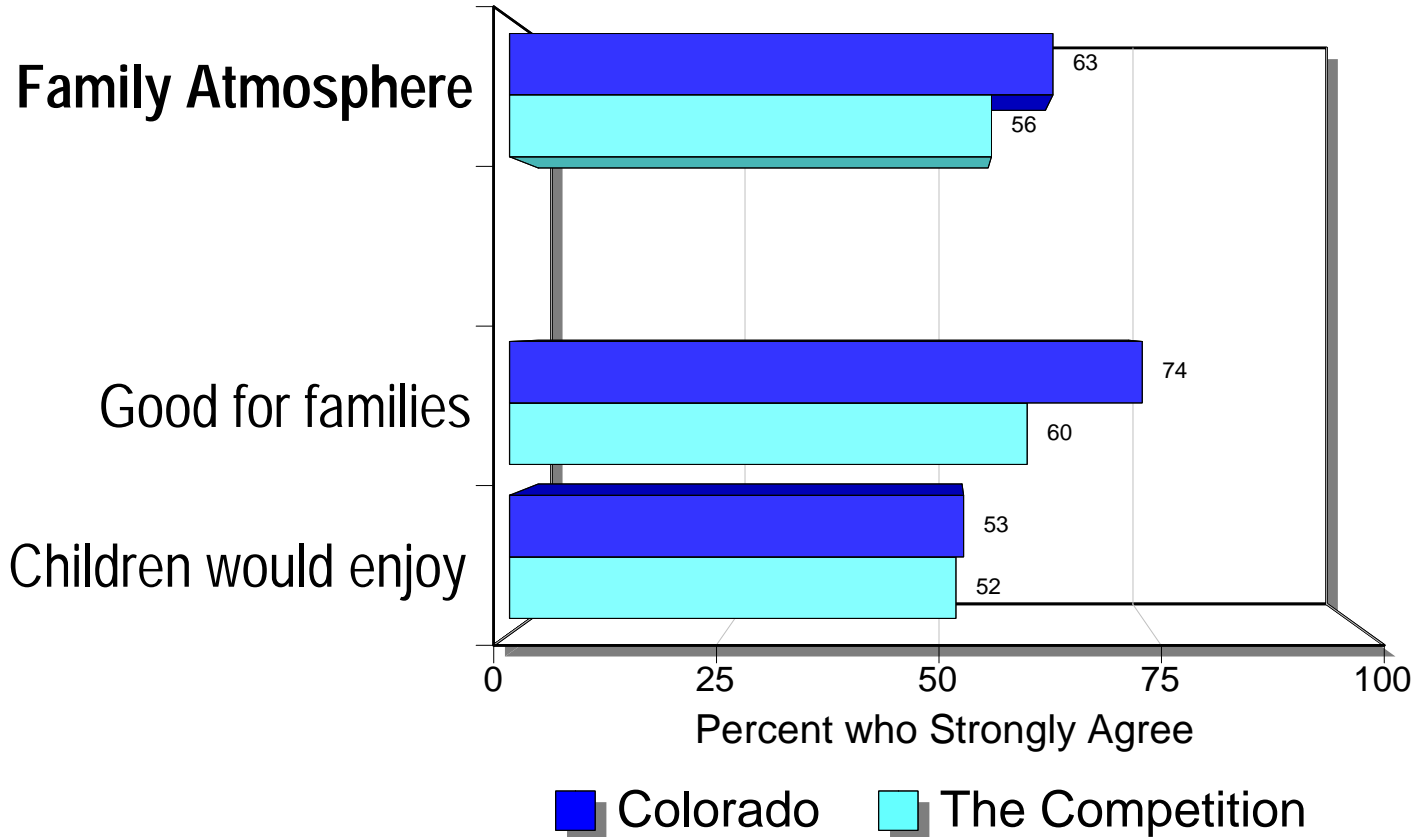


# Colorado's Image vs. The Competition – Adult Atmosphere

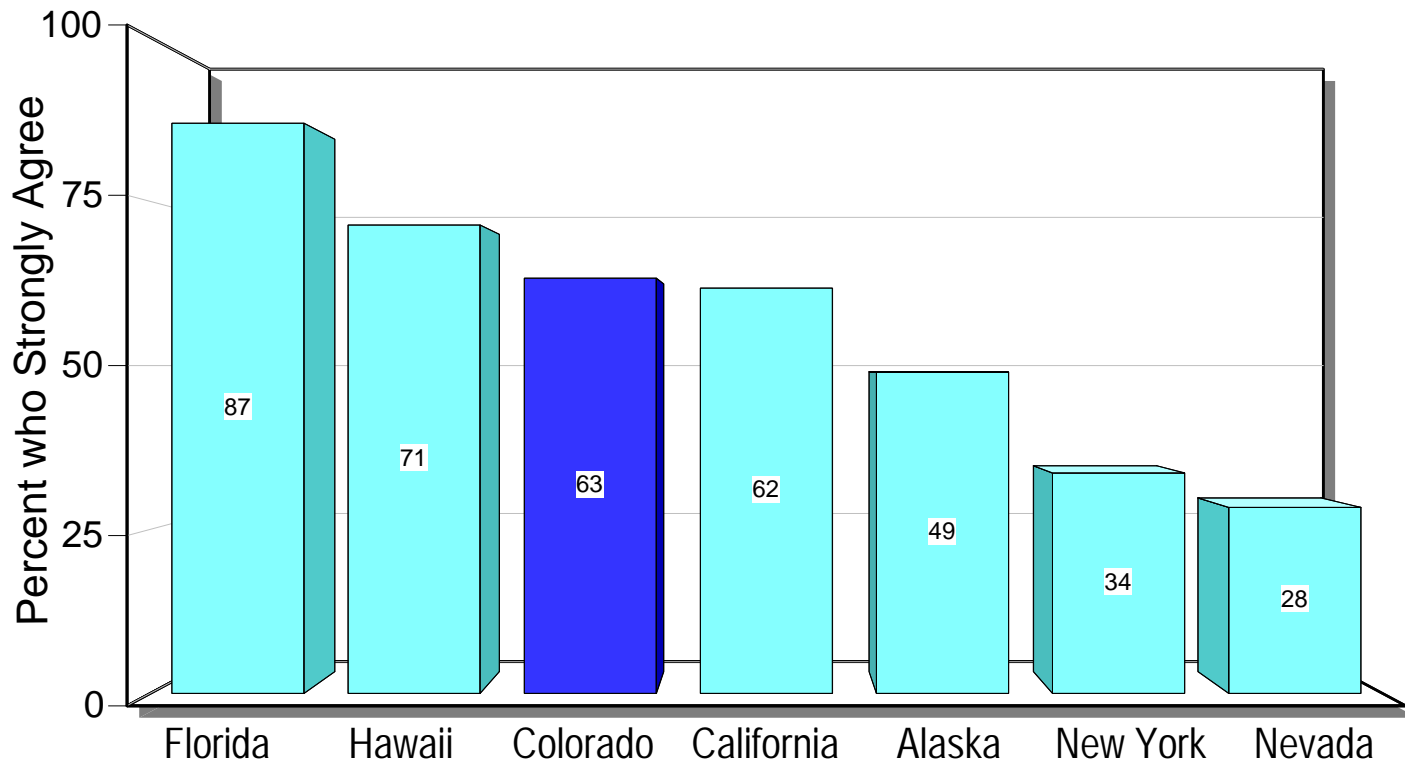
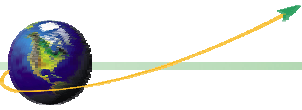




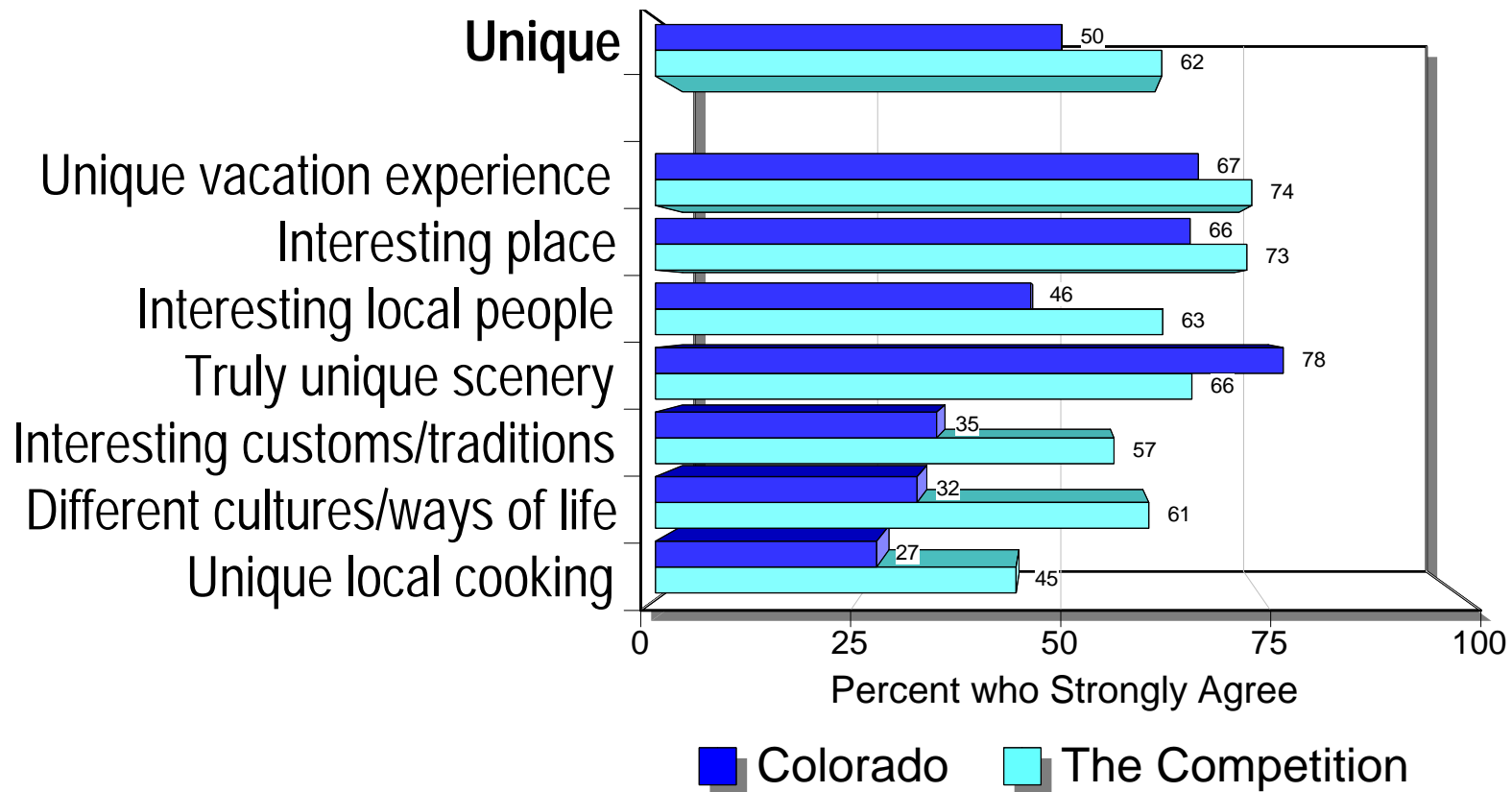
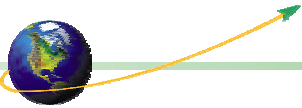
# Colorado's Image — Family Atmosphere



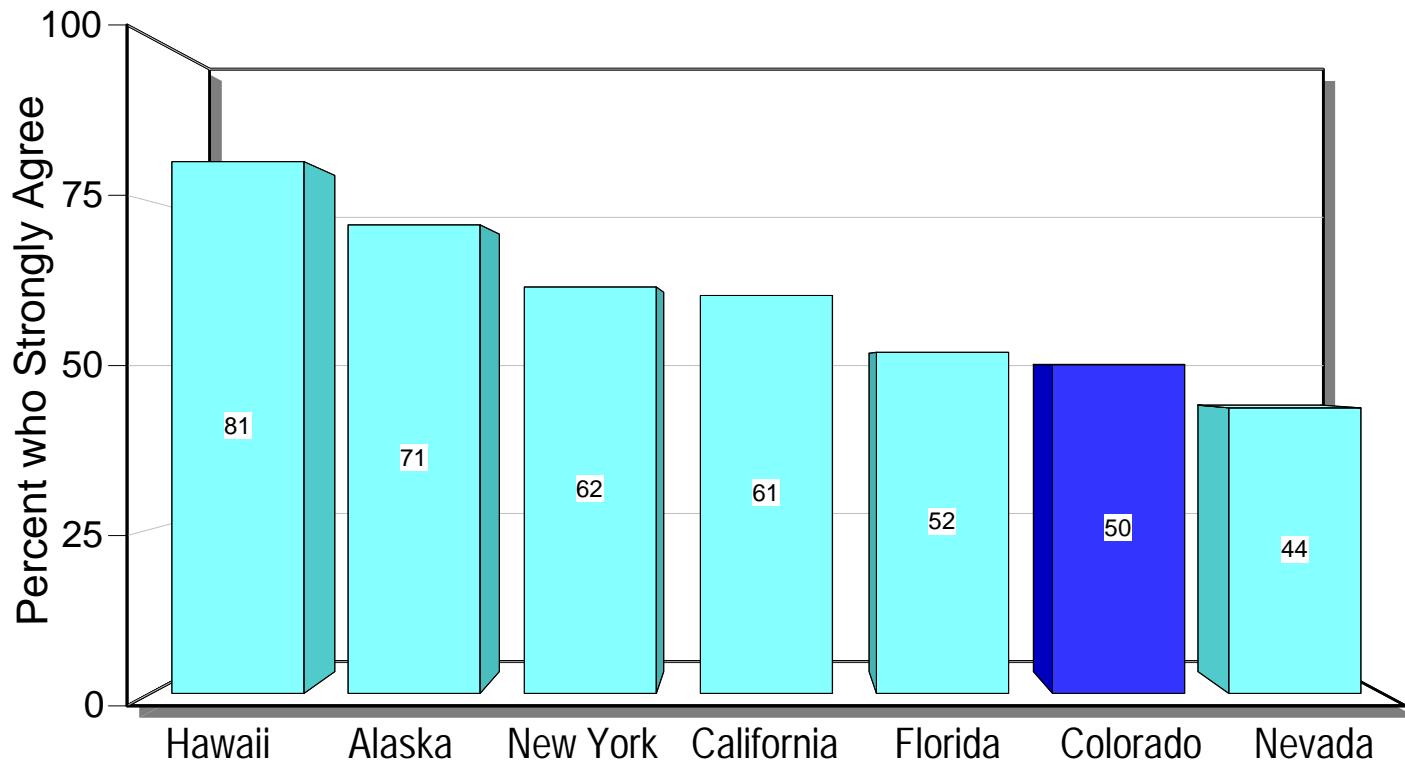
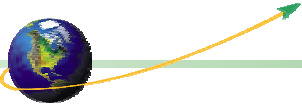
# Colorado's Image vs. The Competition — Family Atmosphere



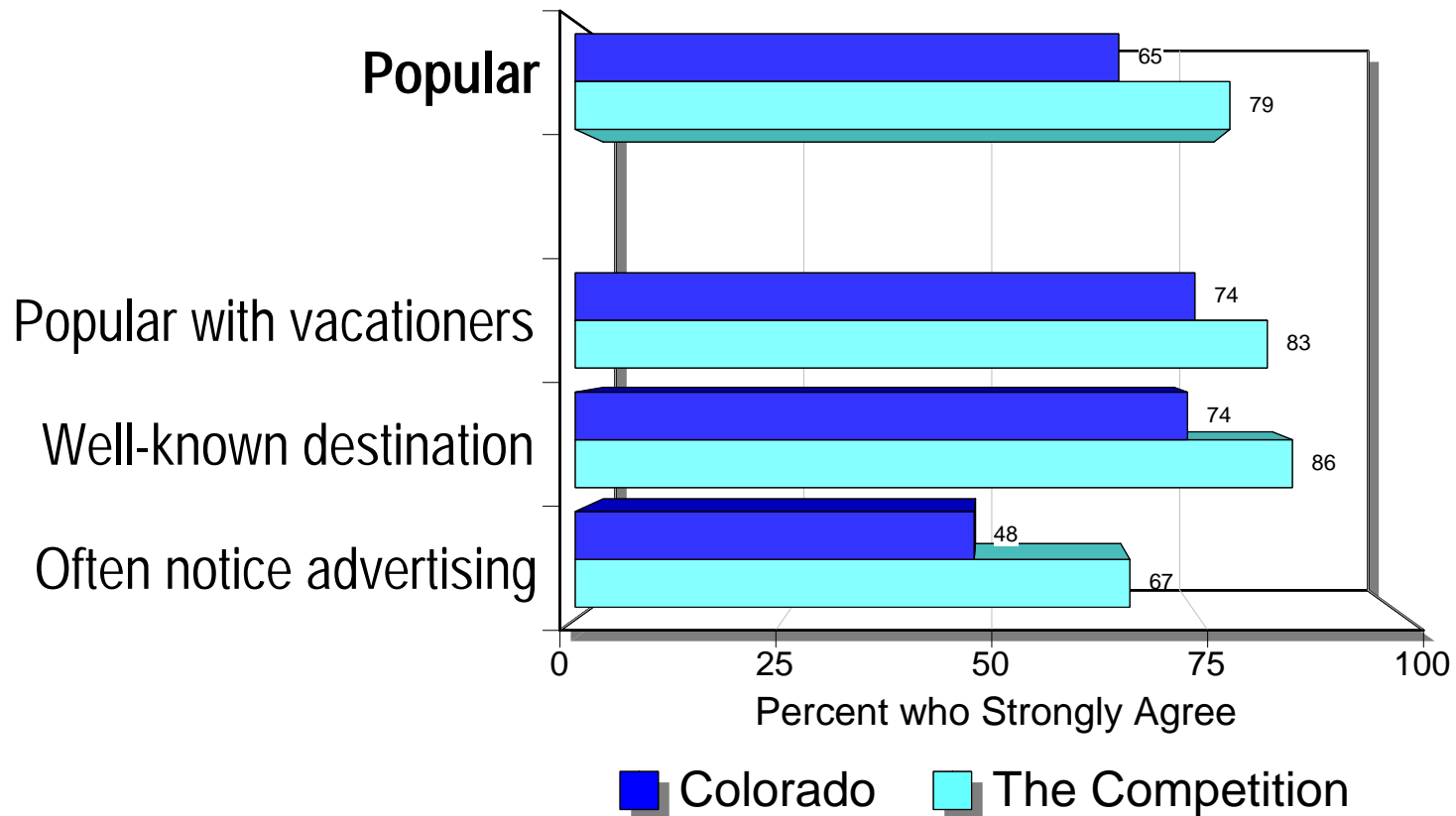
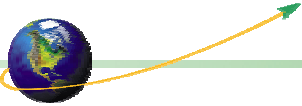
# Colorado's Image – Unique



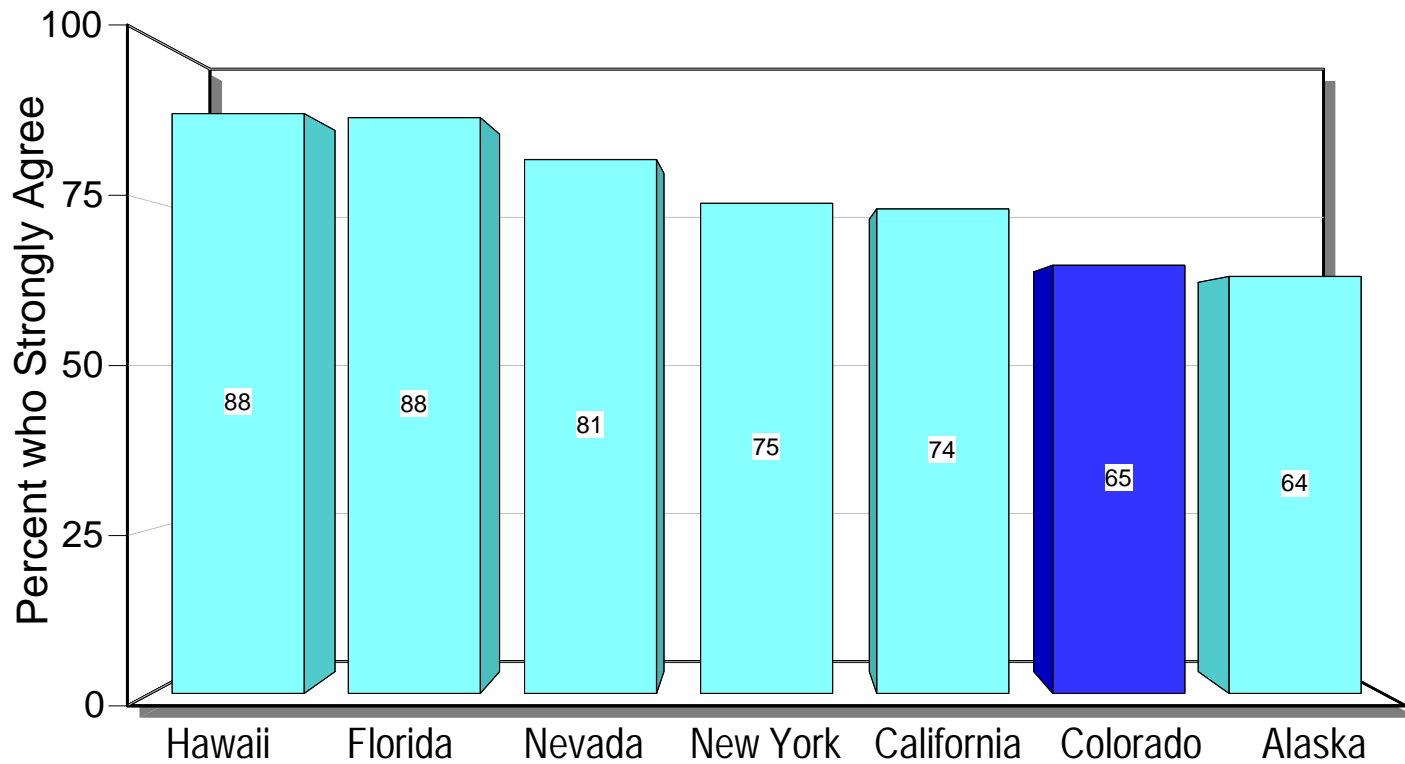
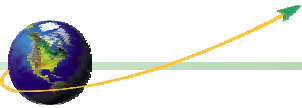
# Colorado's Image vs. The Competition – Unique



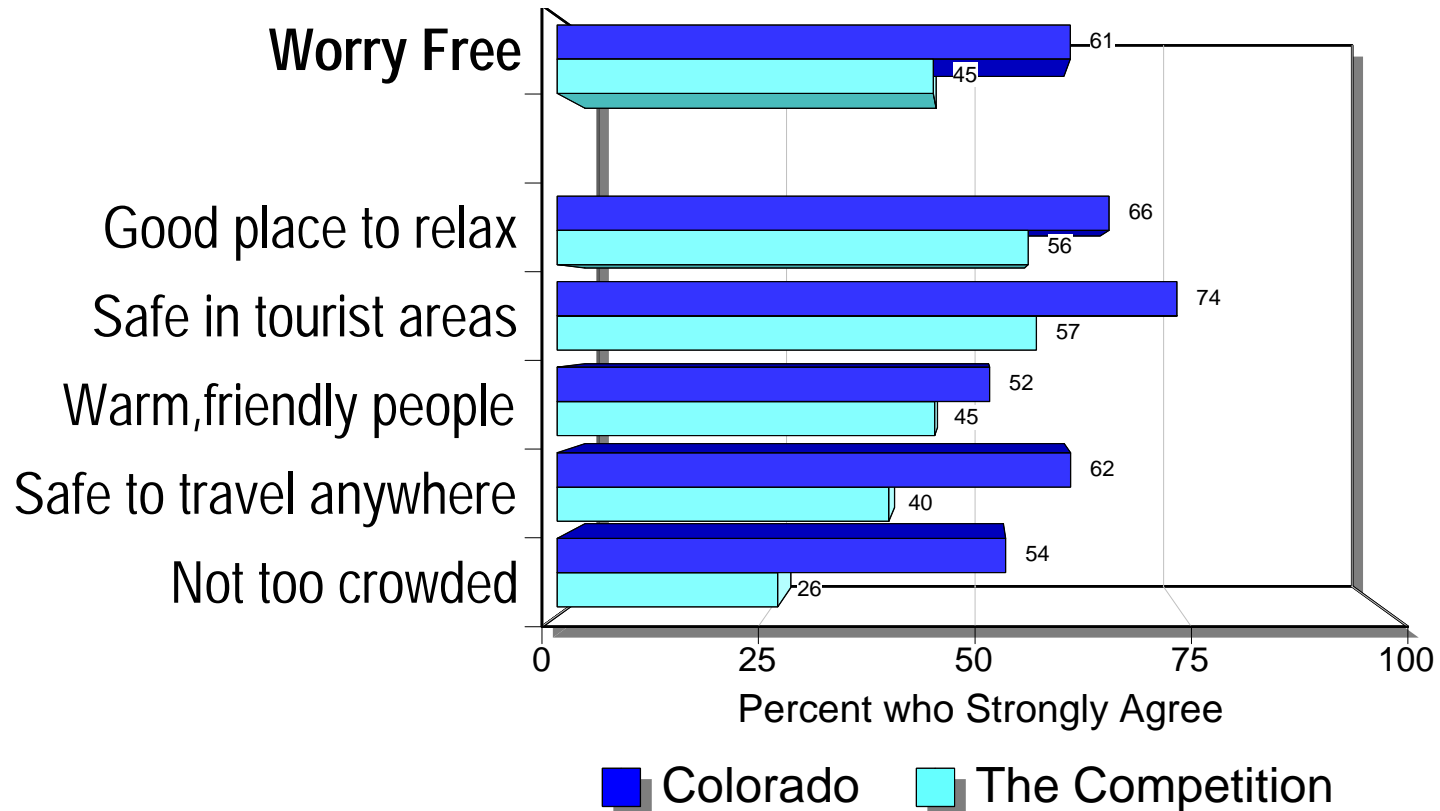
# Colorado's Image – Popular



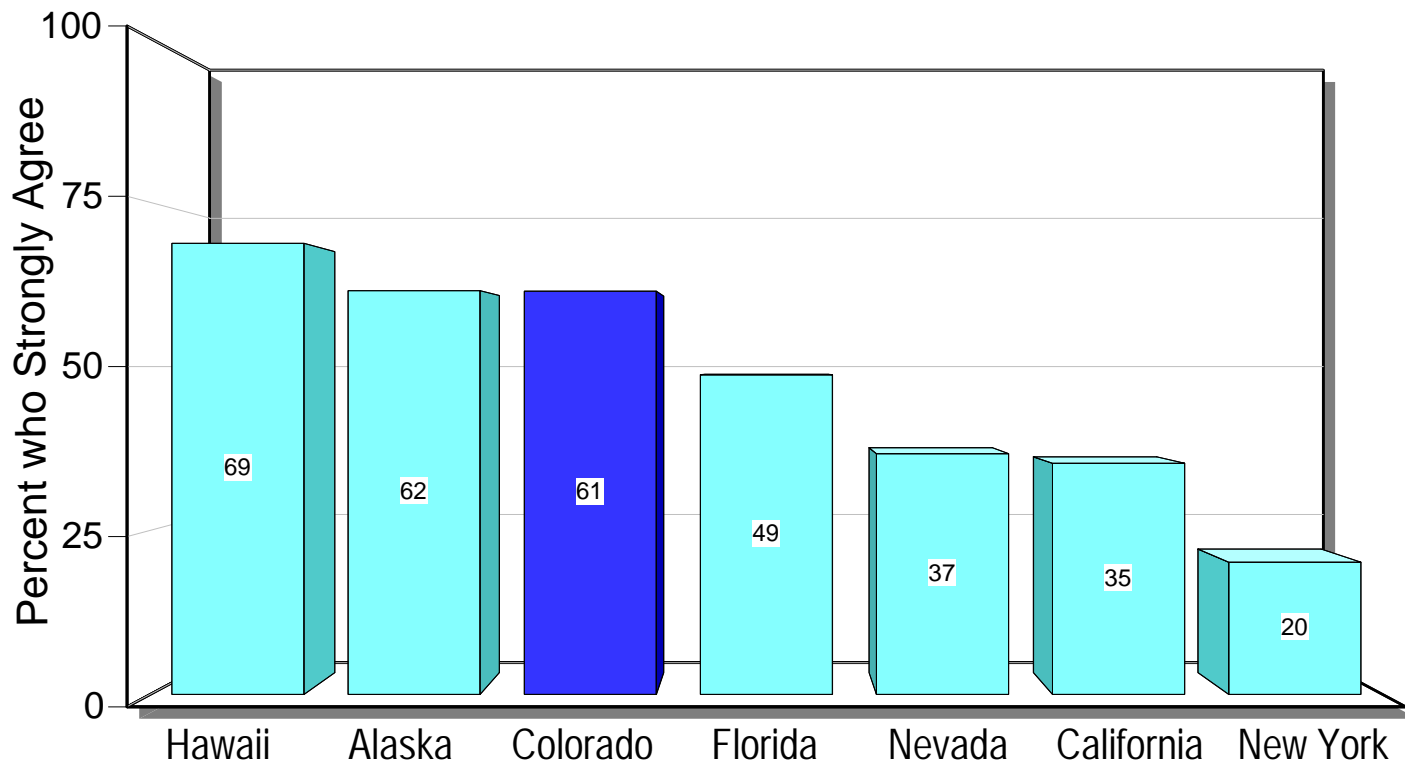
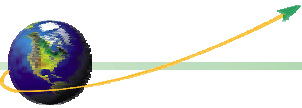
# Colorado's Image vs. The Competition – Popular



# Colorado's Image – Worry Free

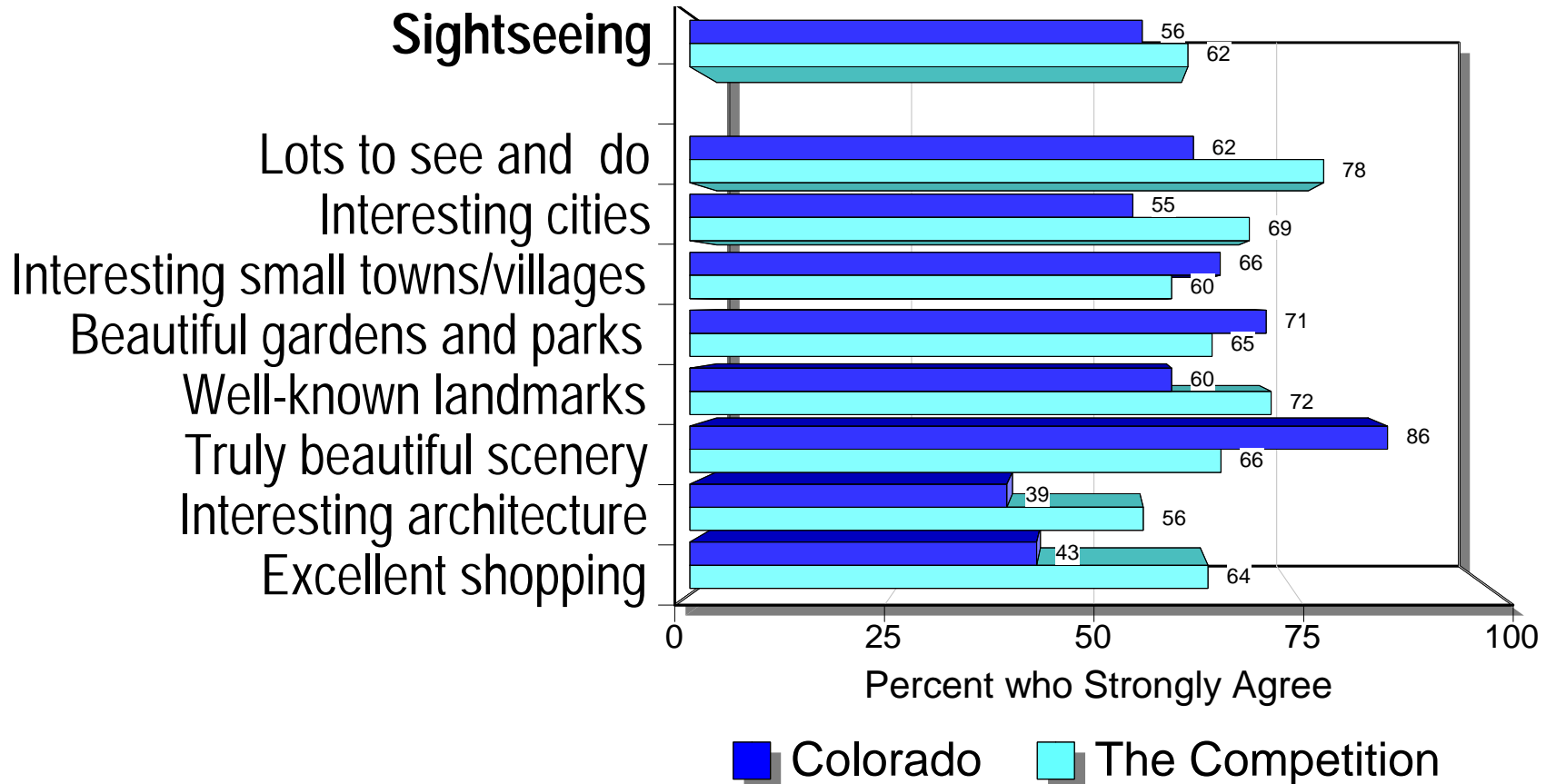
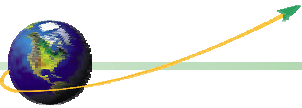


# Colorado's Image vs. The Competition — Worry Free

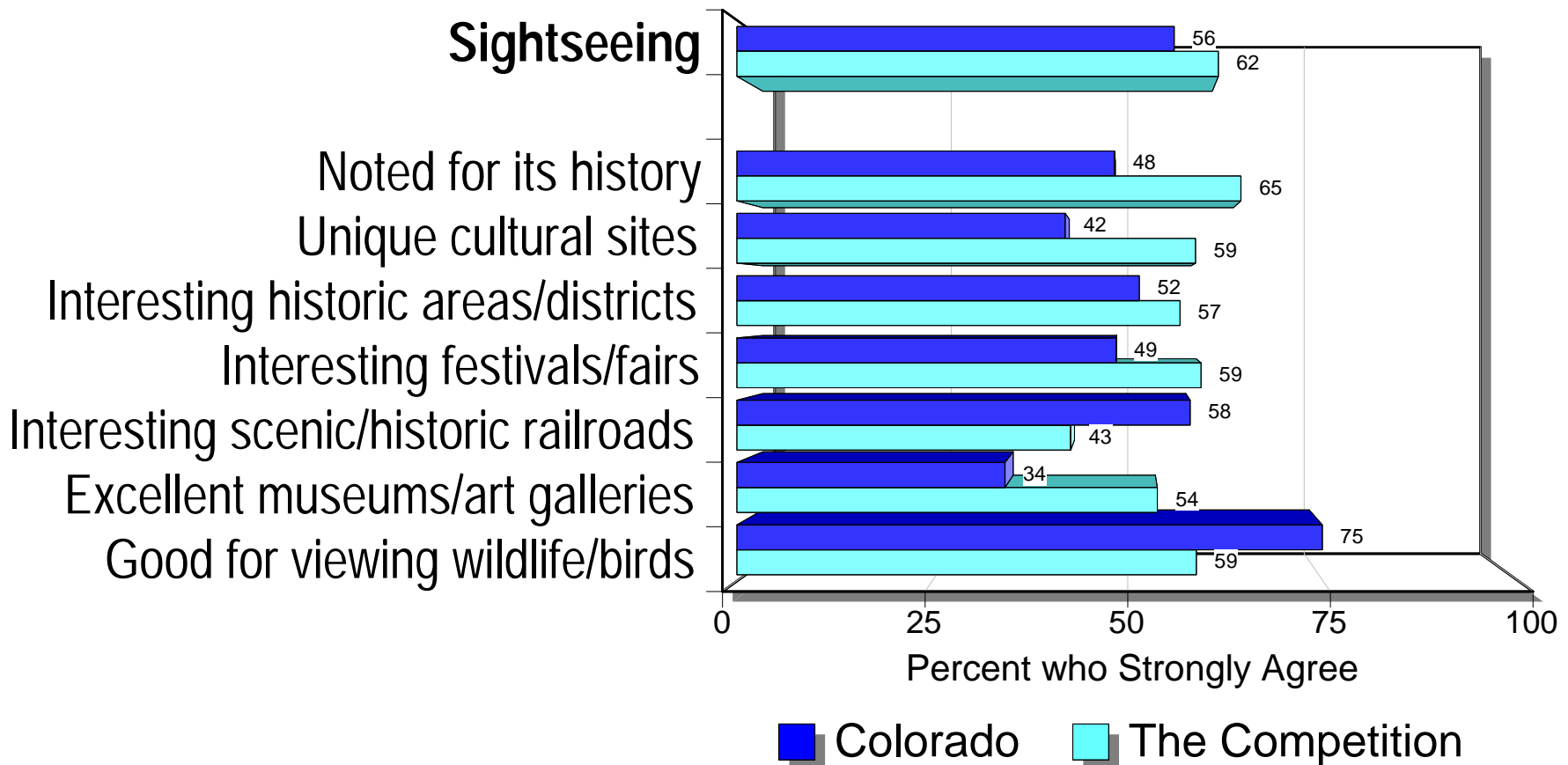
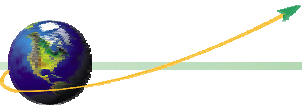




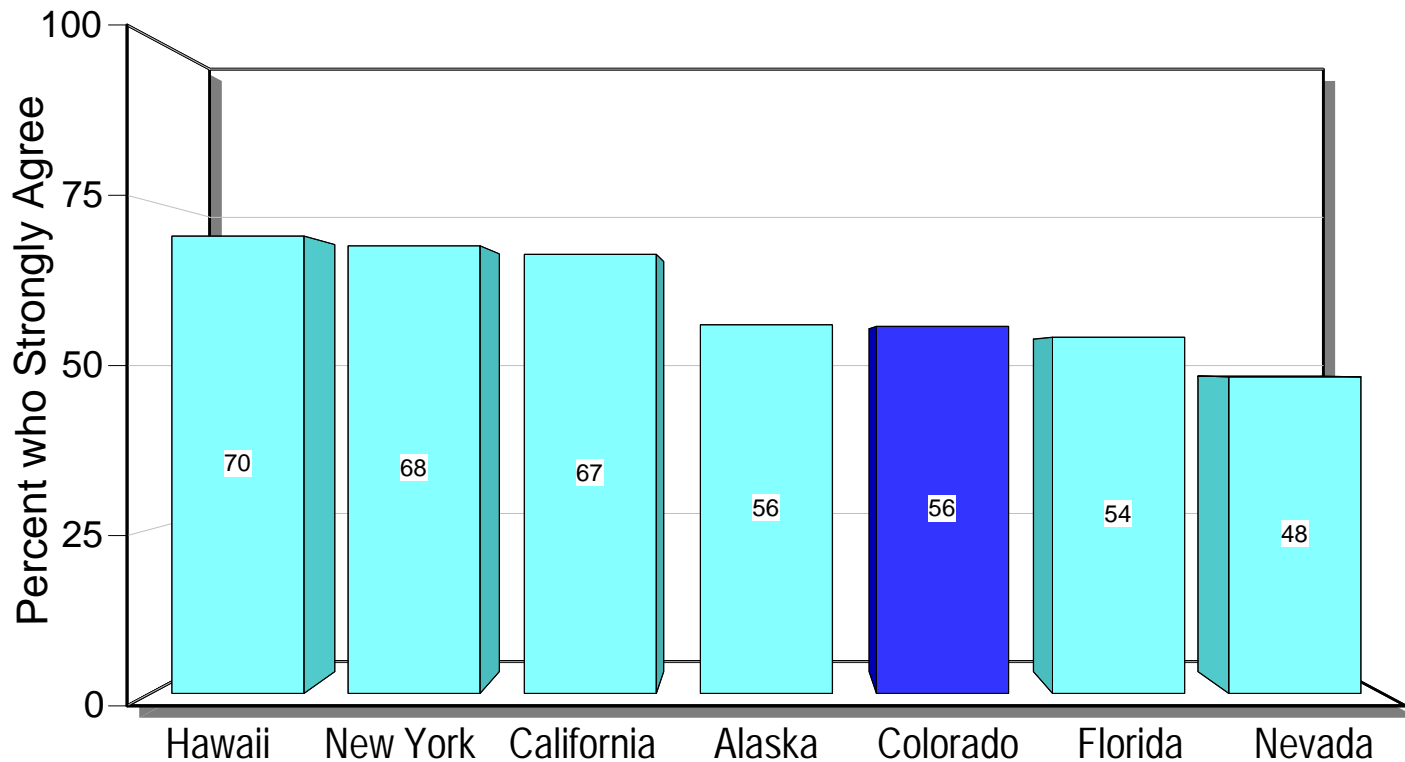
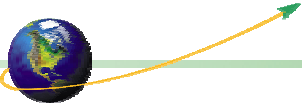
# Colorado's Image – Sightseeing



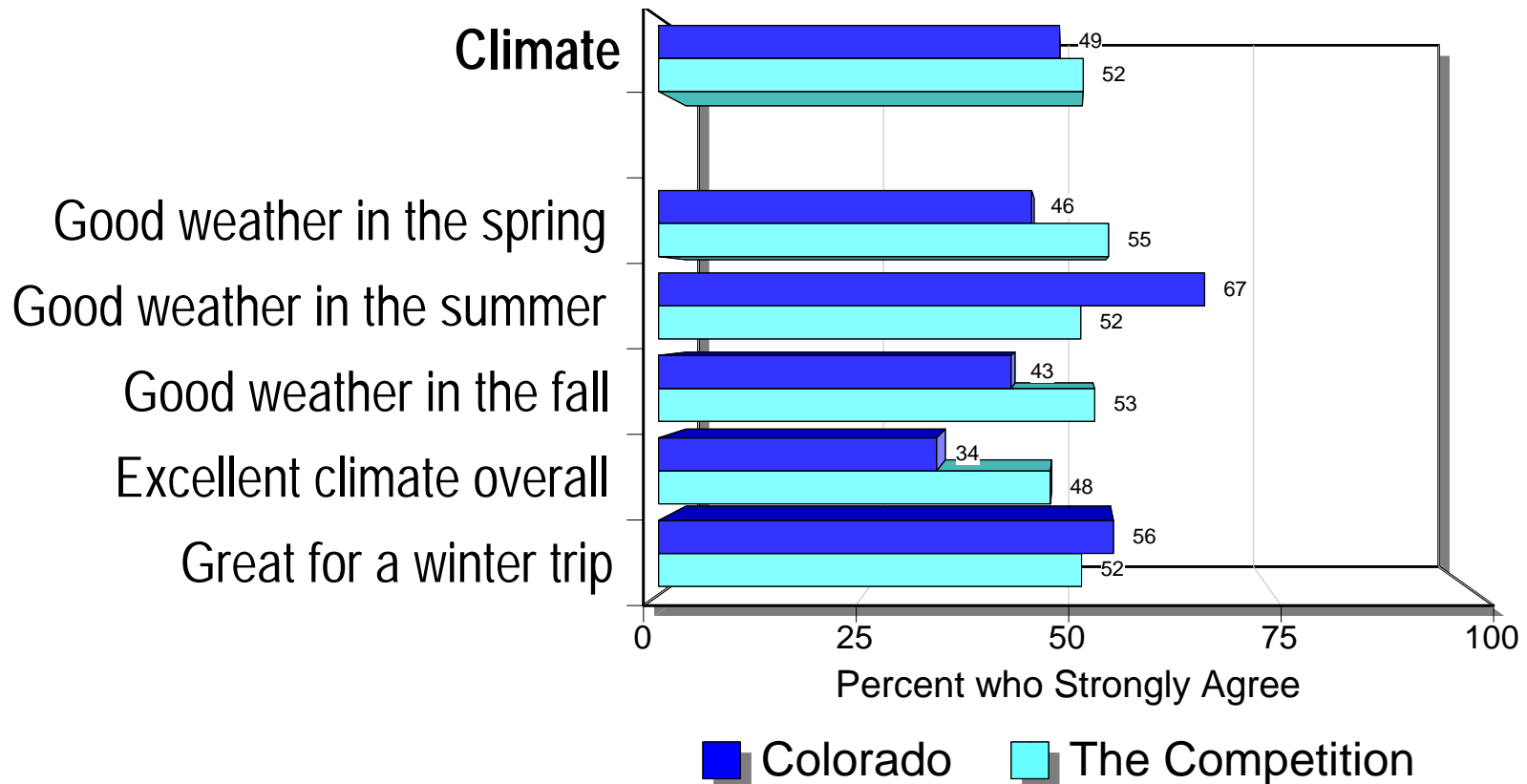
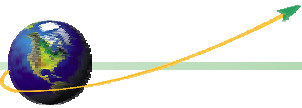
# Colorado's Image – Sightseeing (Cont'd)



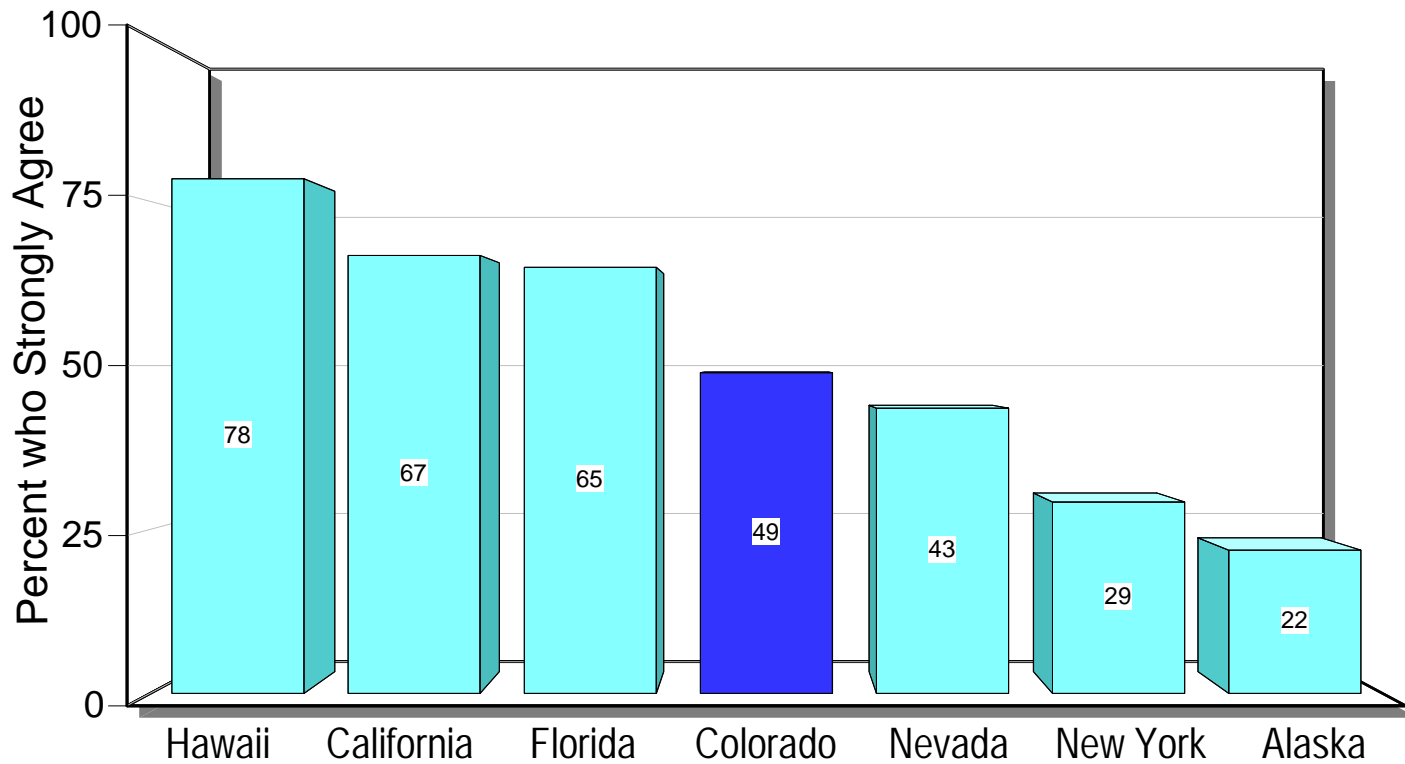
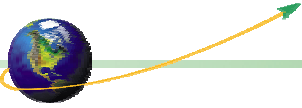
# Colorado's Image vs. The Competition – Sightseeing



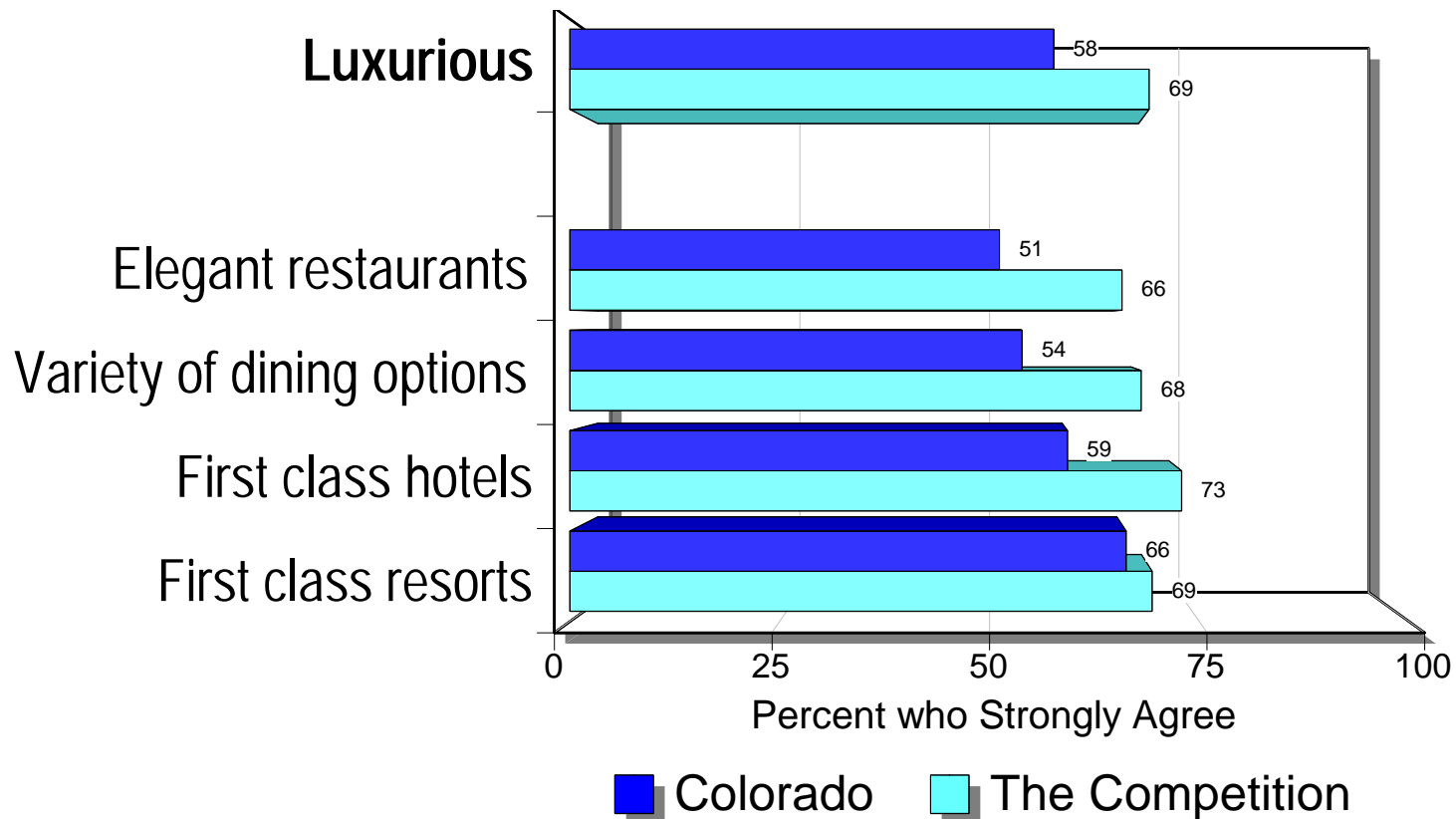
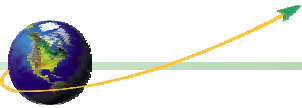
# Colorado's Image – Climate



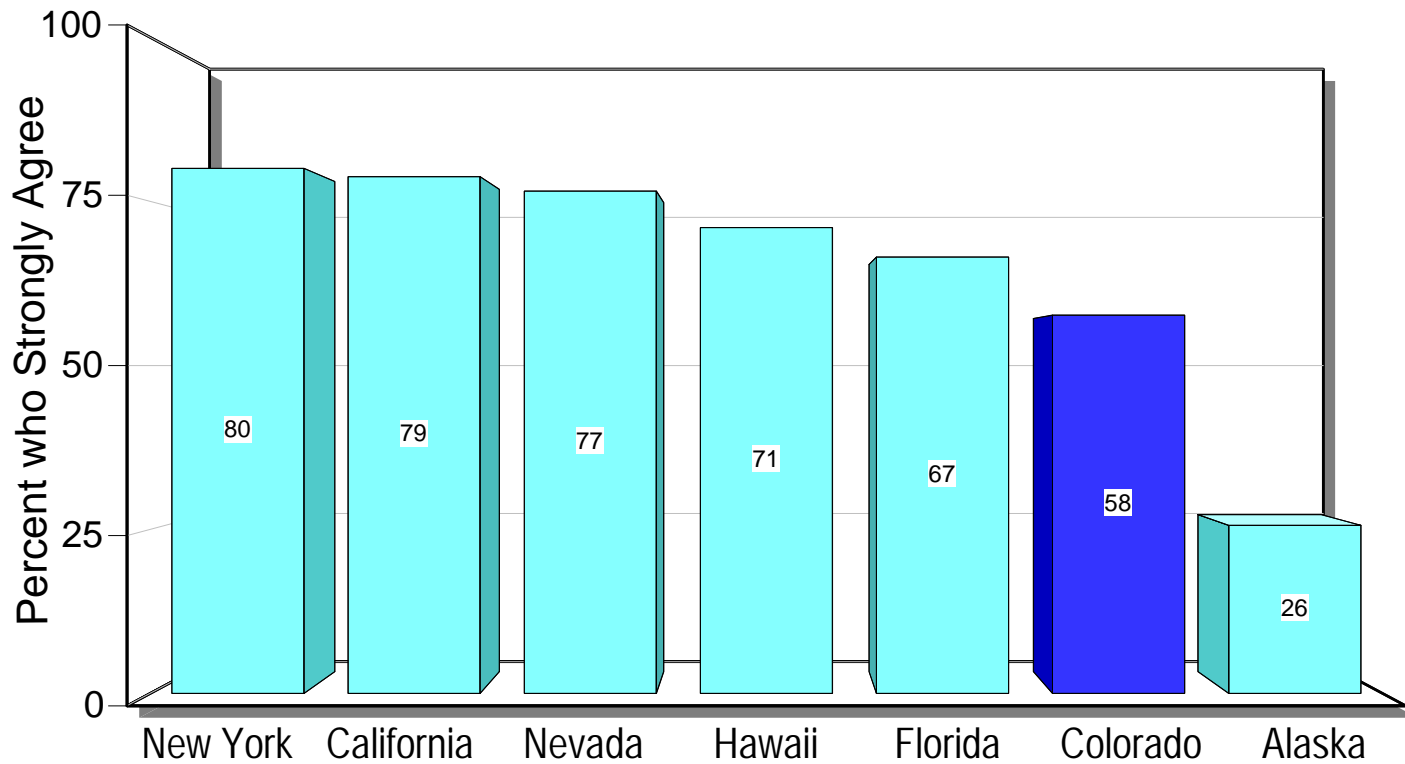
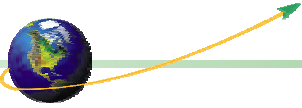
# Colorado's Image vs. The Competition – Climate



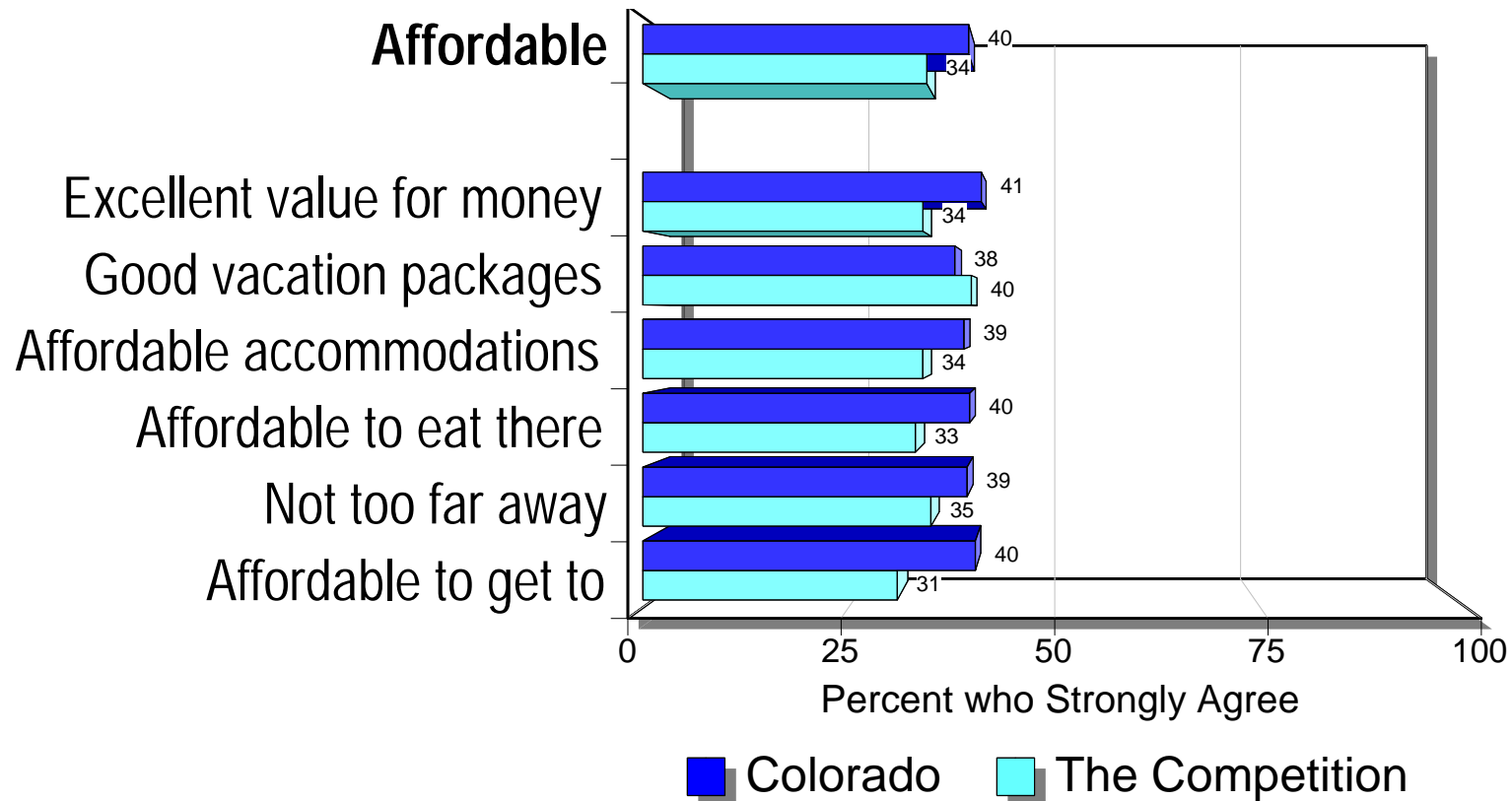
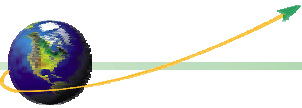
# Colorado's Image – Luxurious



# Colorado's Image vs. The Competition – Luxurious

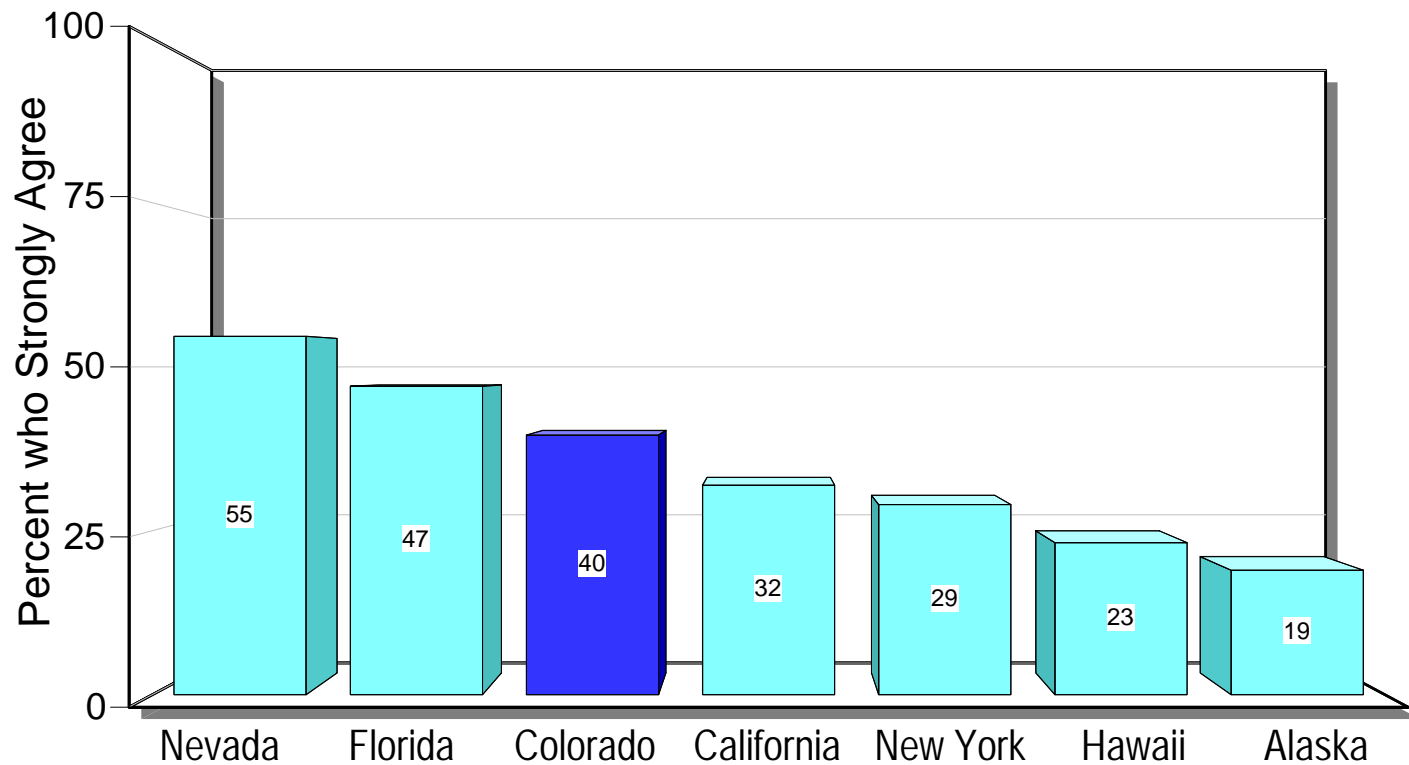
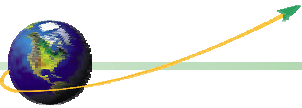


# Colorado's Image – Affordable

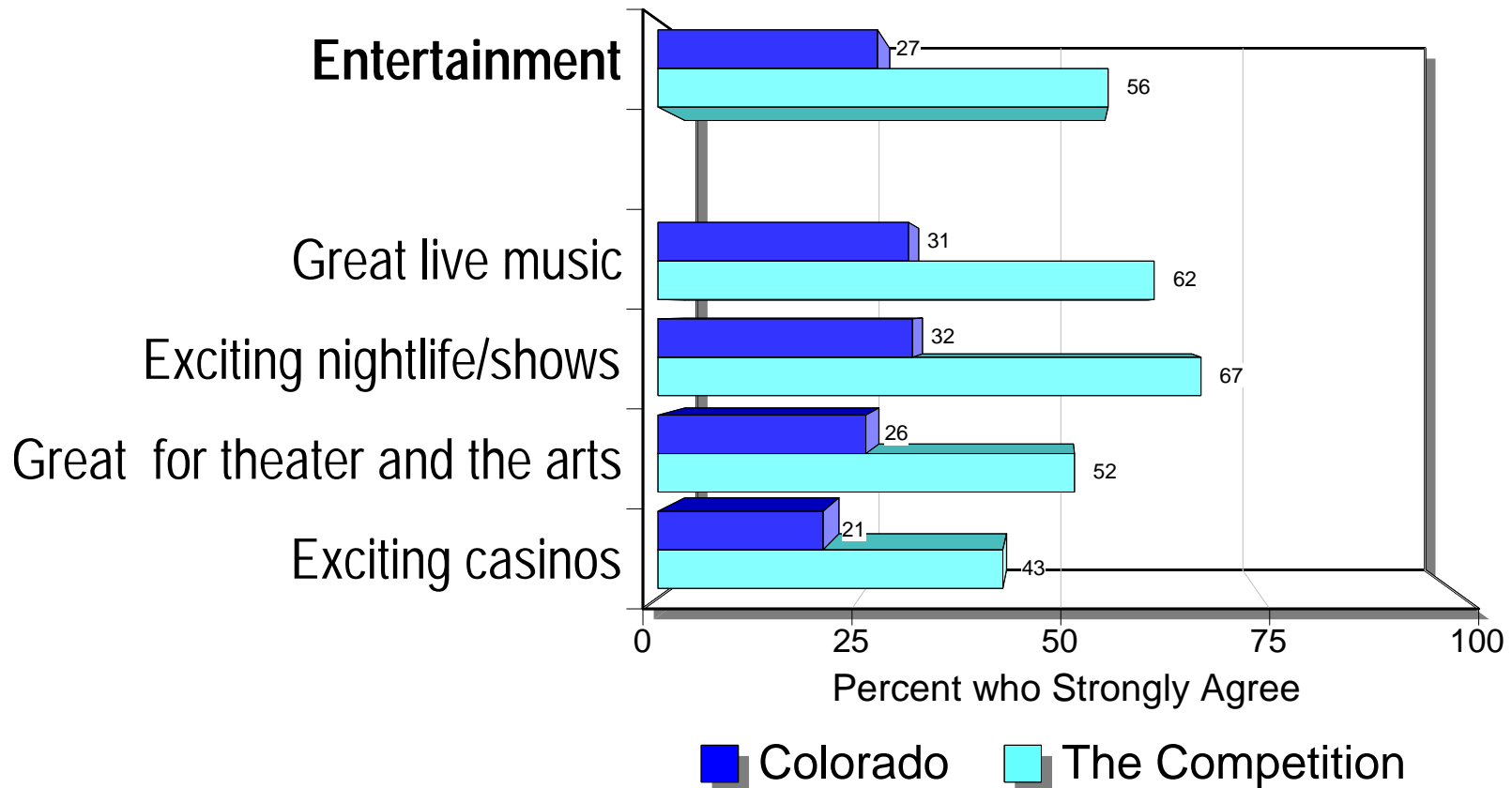
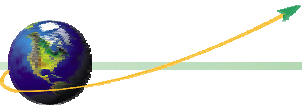




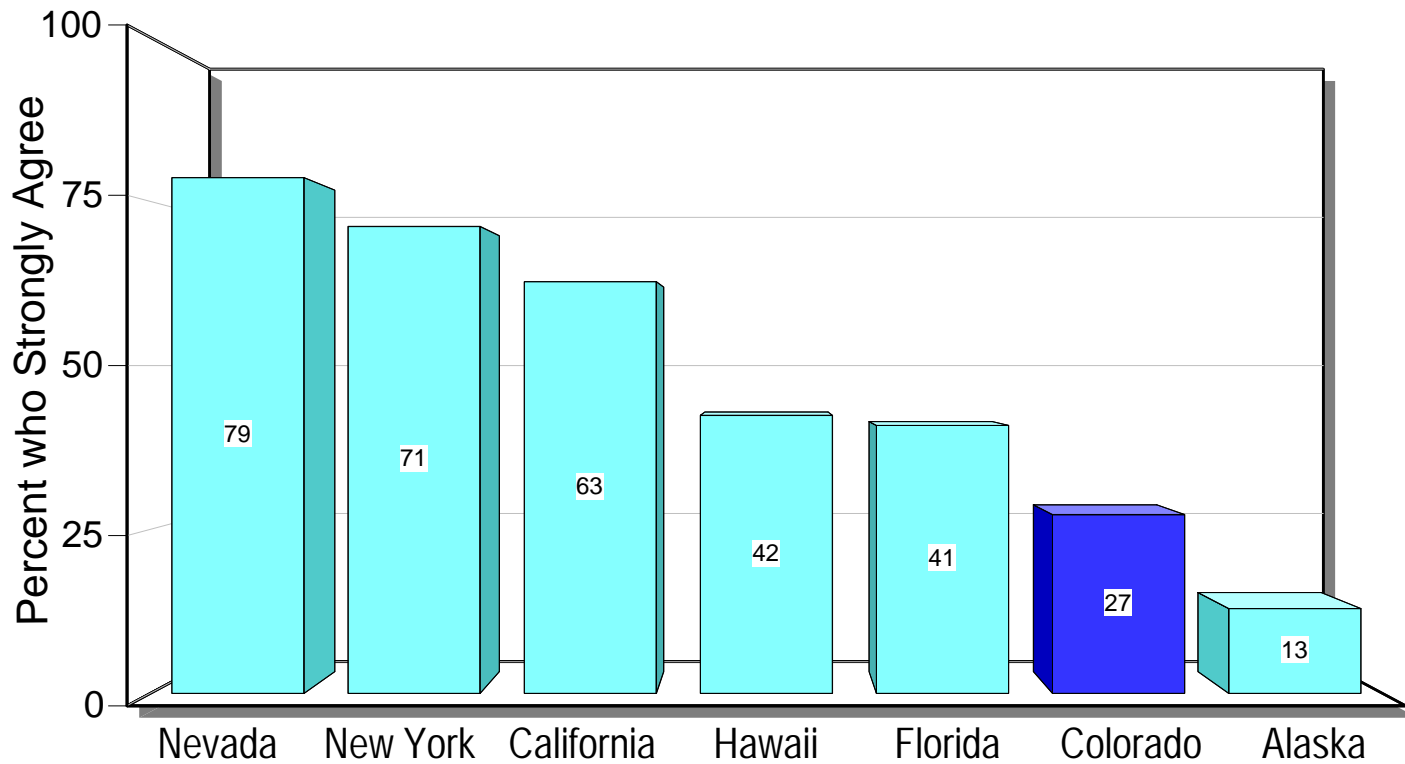
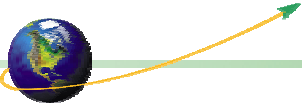
# Colorado's Image vs. The Competition — Affordable



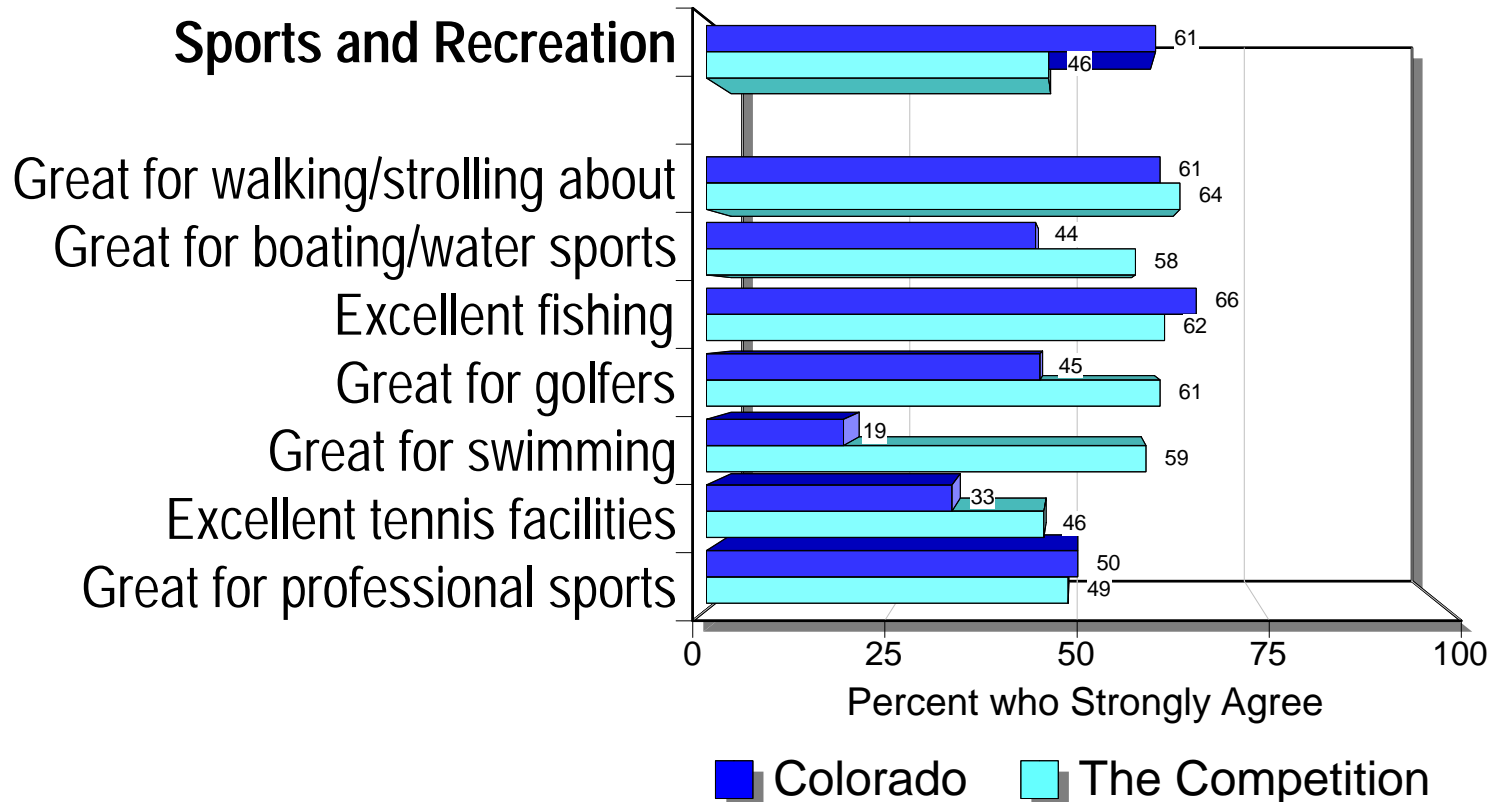
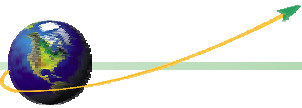
# Colorado's Image – Entertainment



# Colorado's Image vs. The Competition – Entertainment

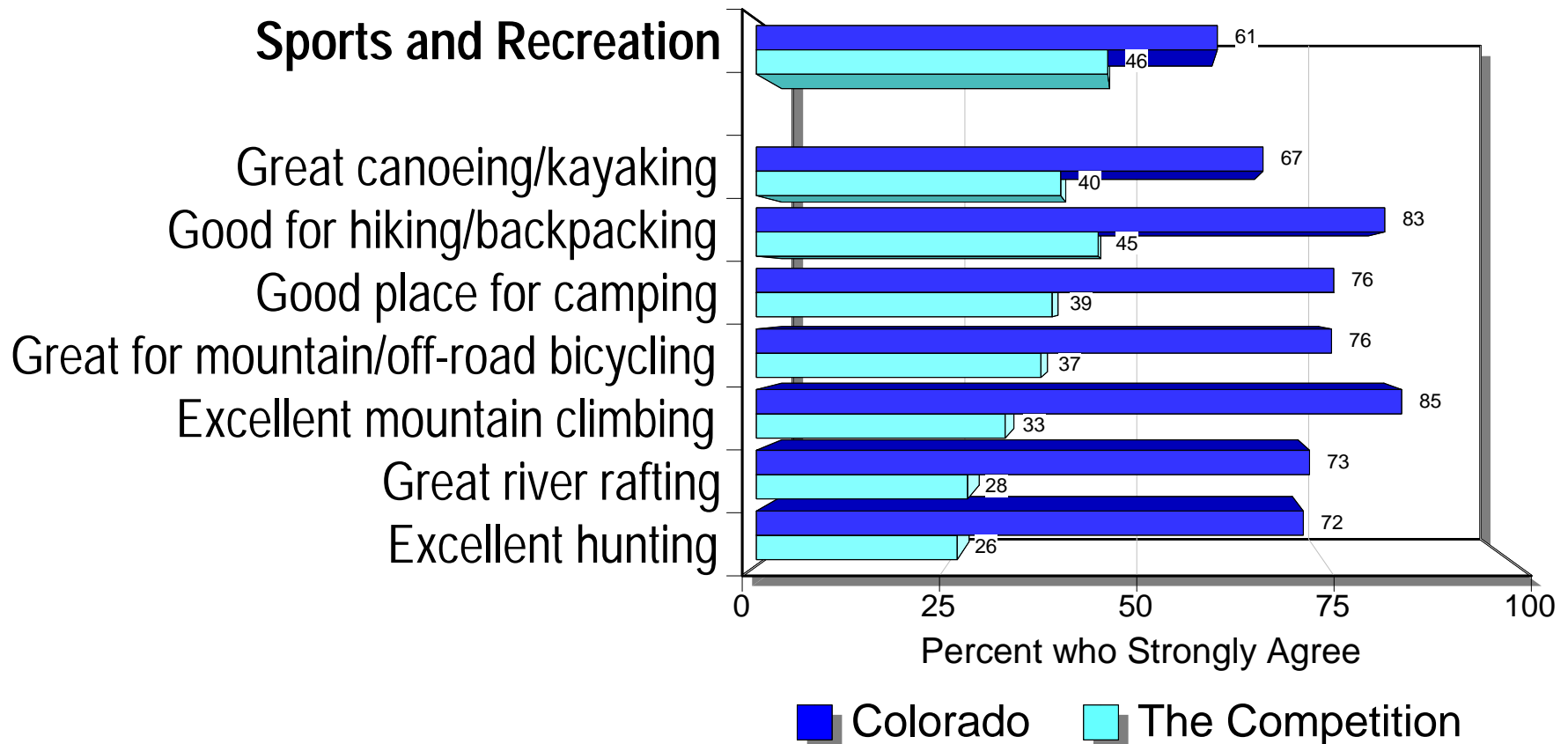


# Colorado's Image – Sports & Recreation

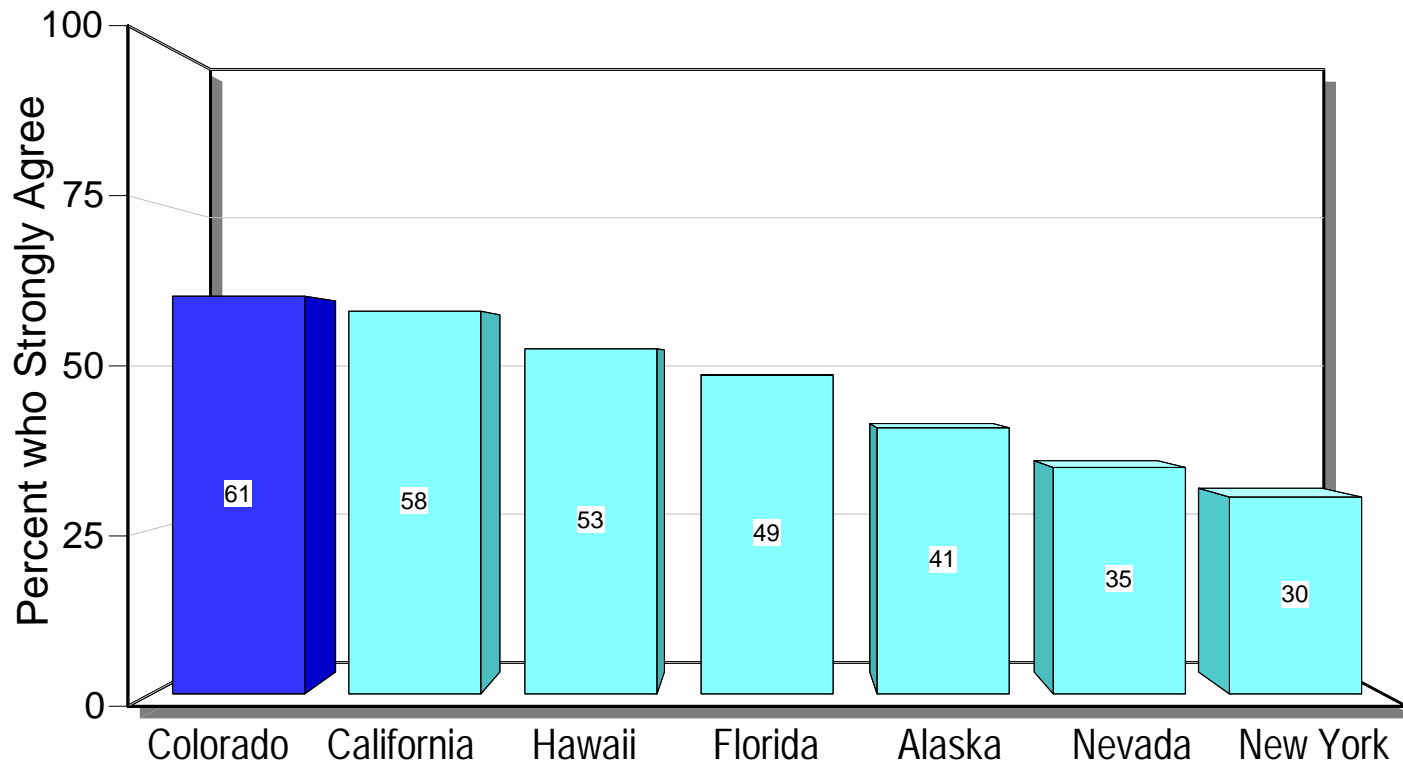
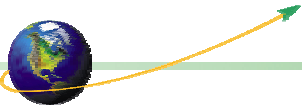


# Colorado's Image

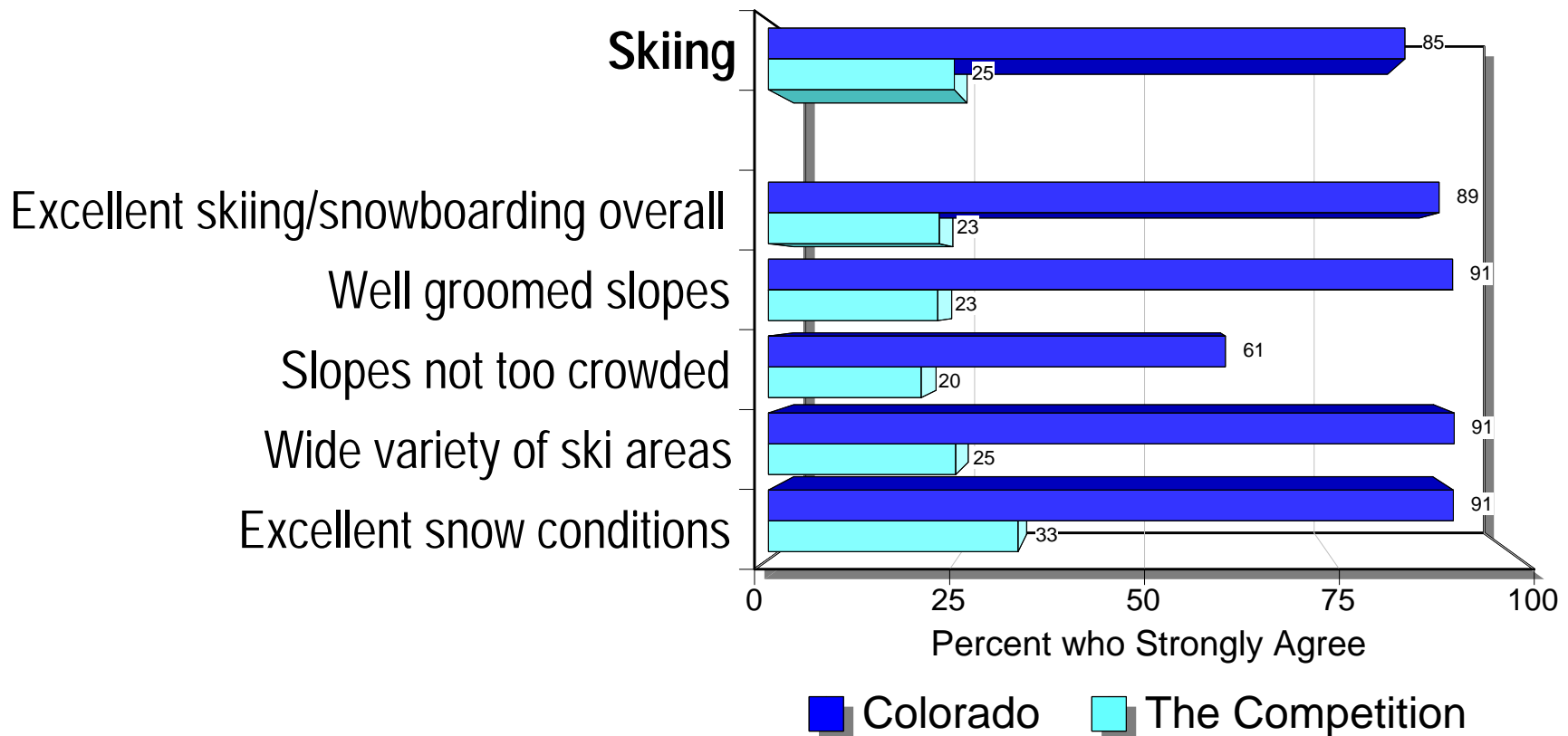
## – Sports & Recreation (Cont'd)



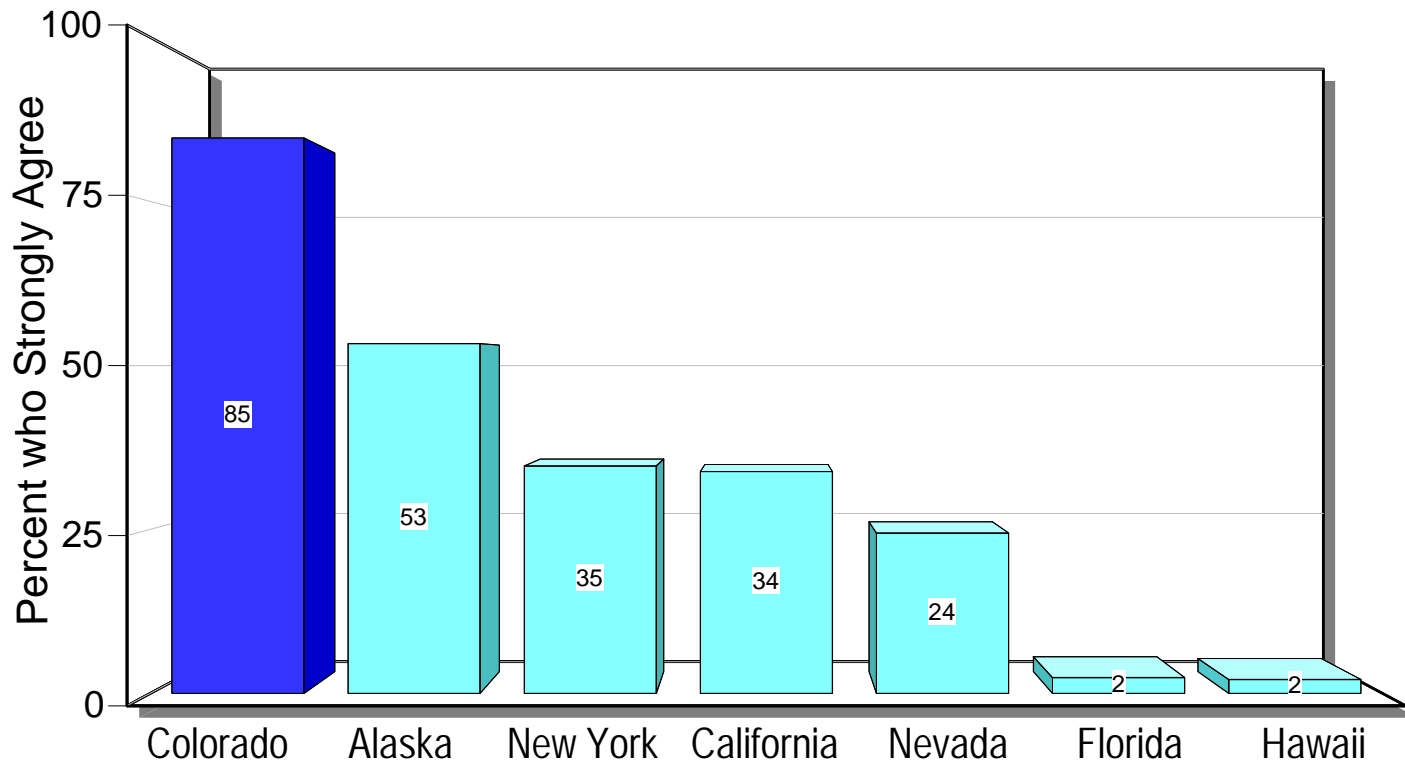
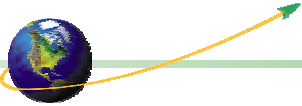
# Colorado's Image vs. The Competition – Sports & Recreation



# Colorado's Image – Skiing

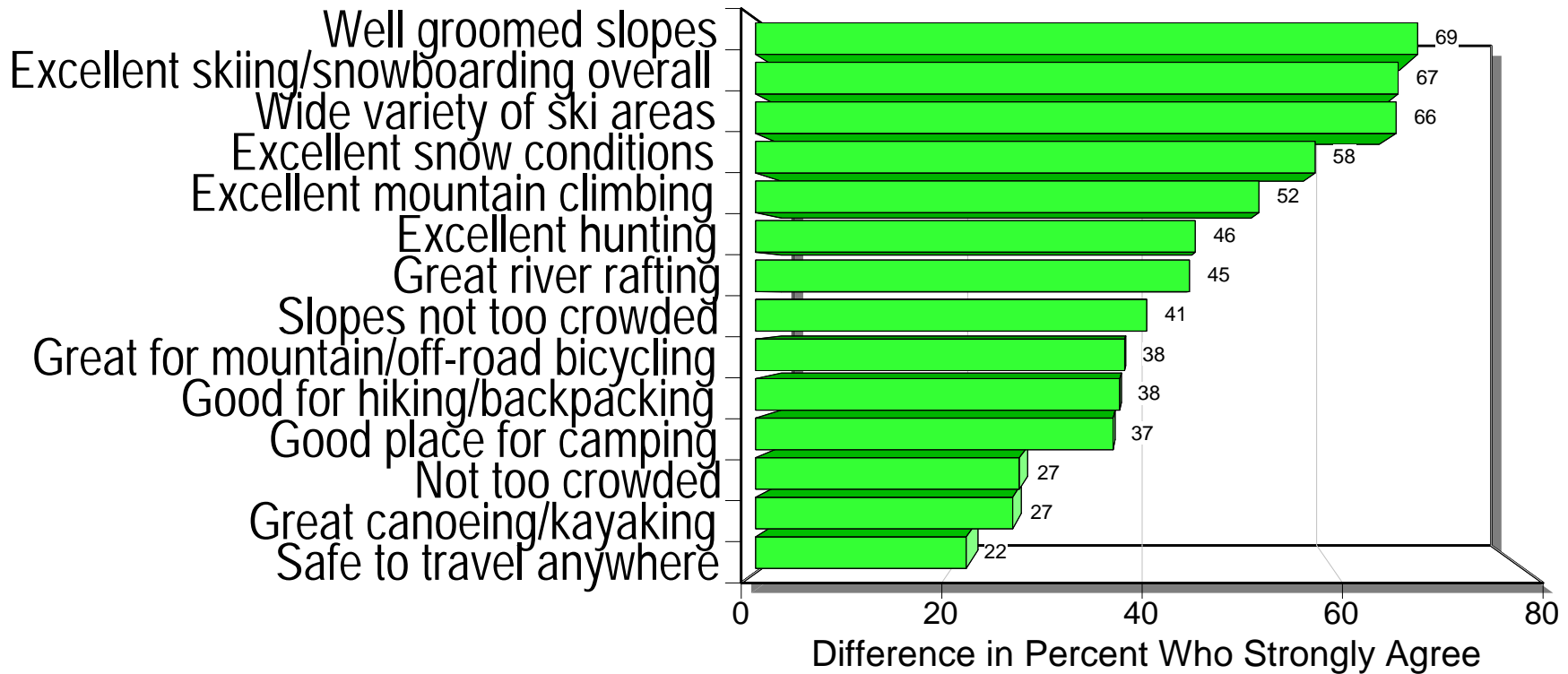


# Colorado's Image vs. The Competition – Skiing

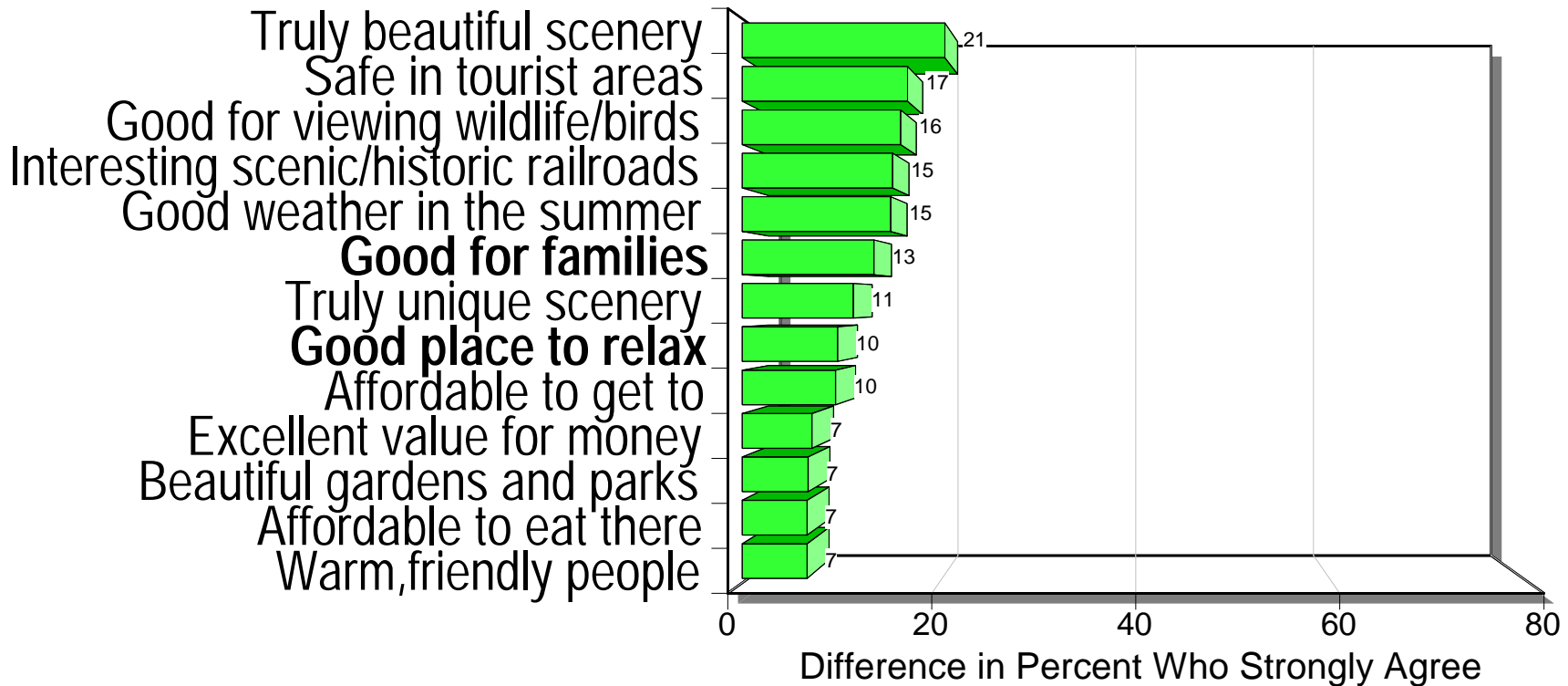
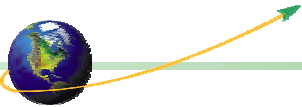




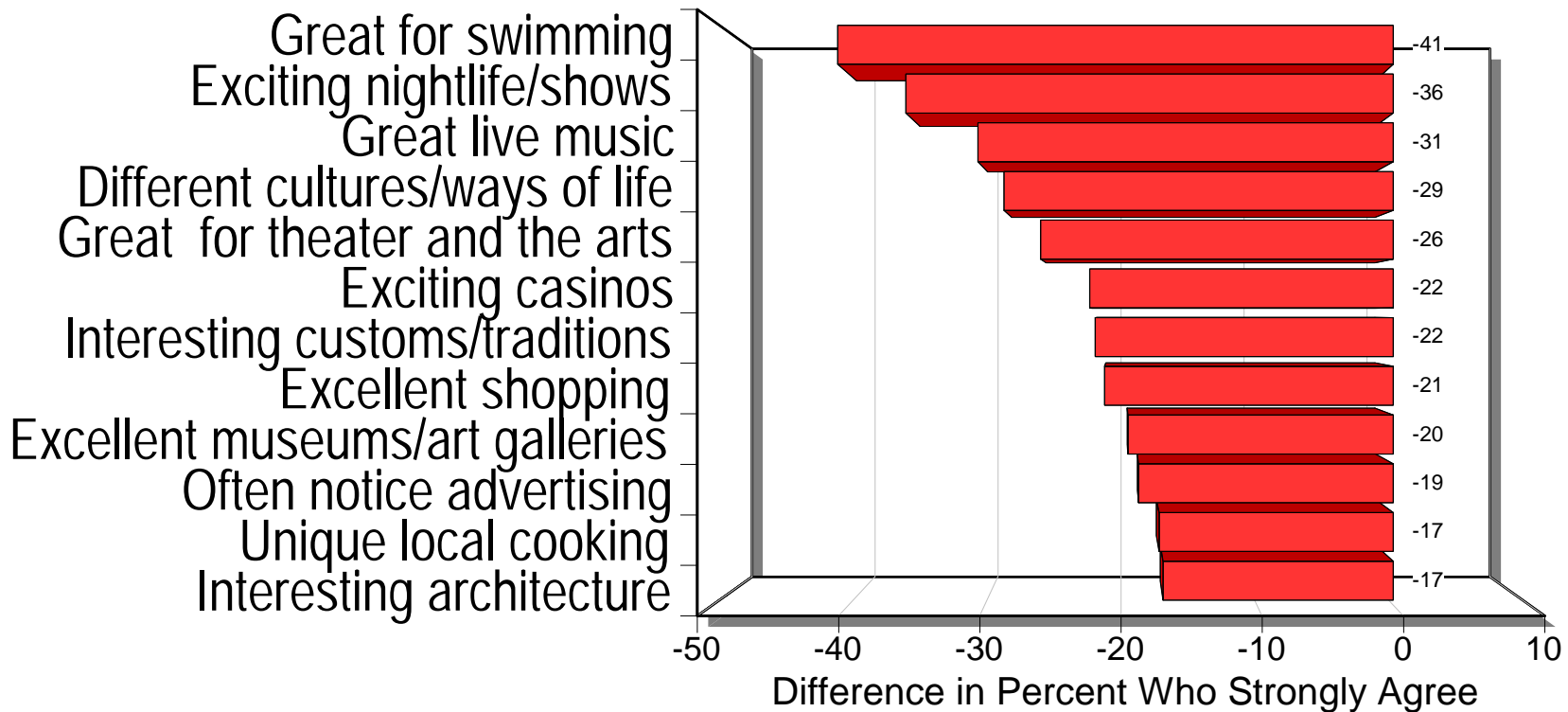
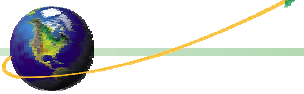
# Colorado's Image Strengths vs. The Competition



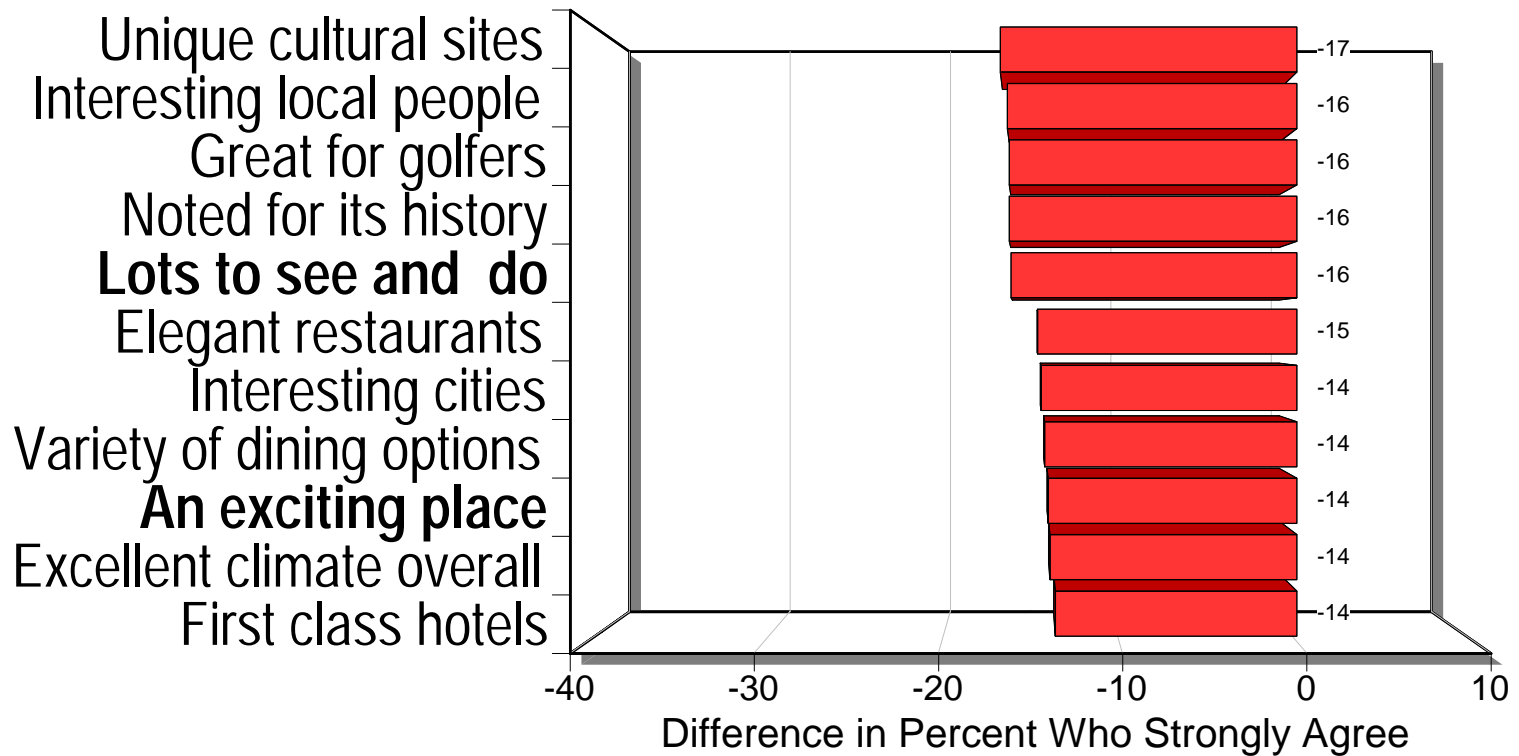
# Colorado's Image Strengths vs. The Competition (Cont'd)



# Colorado's Image Weaknesses vs. The Competition

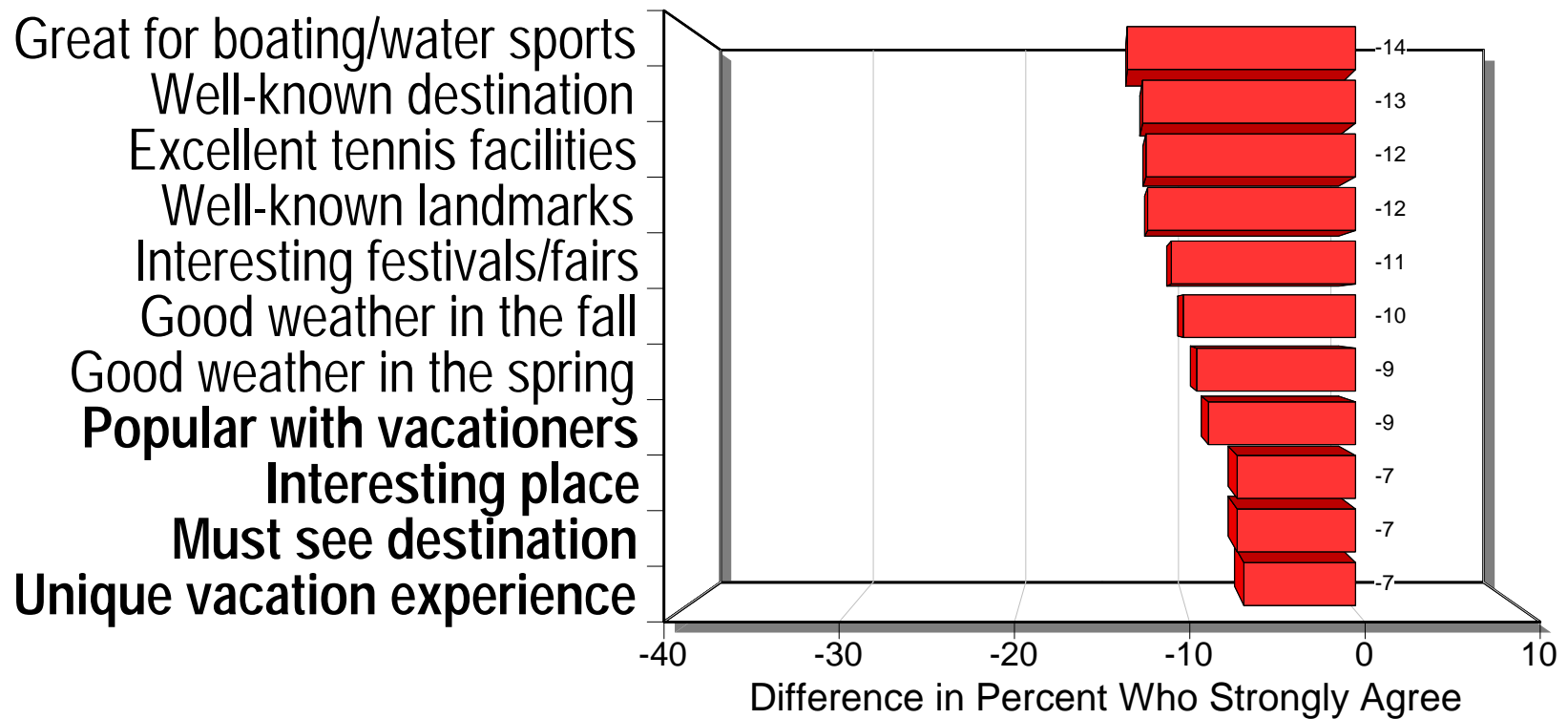


# Colorado's Image Weaknesses vs. The Competition (Cont'd)



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

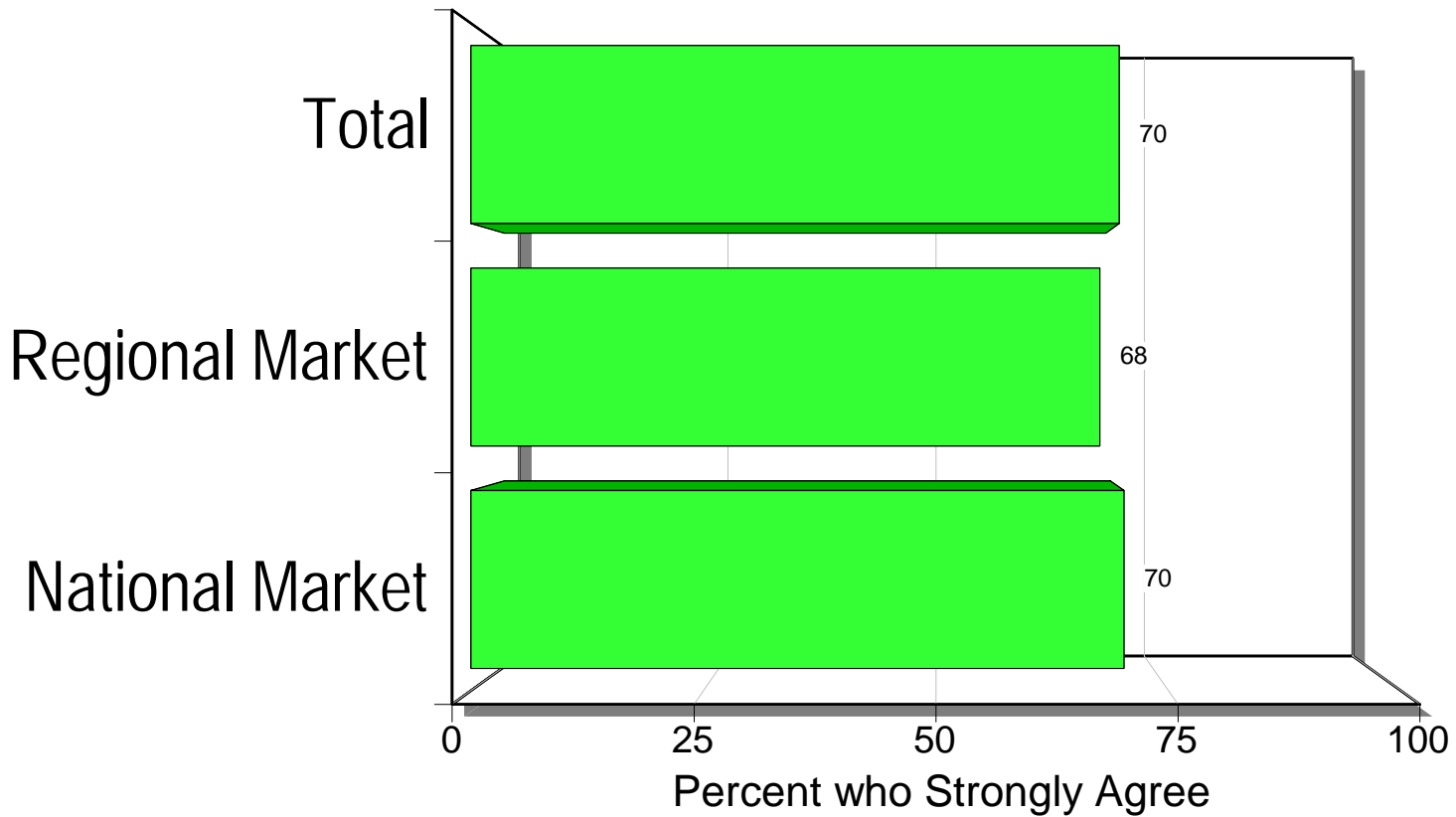
# Colorado's Image Weaknesses vs. The Competition (Cont'd)



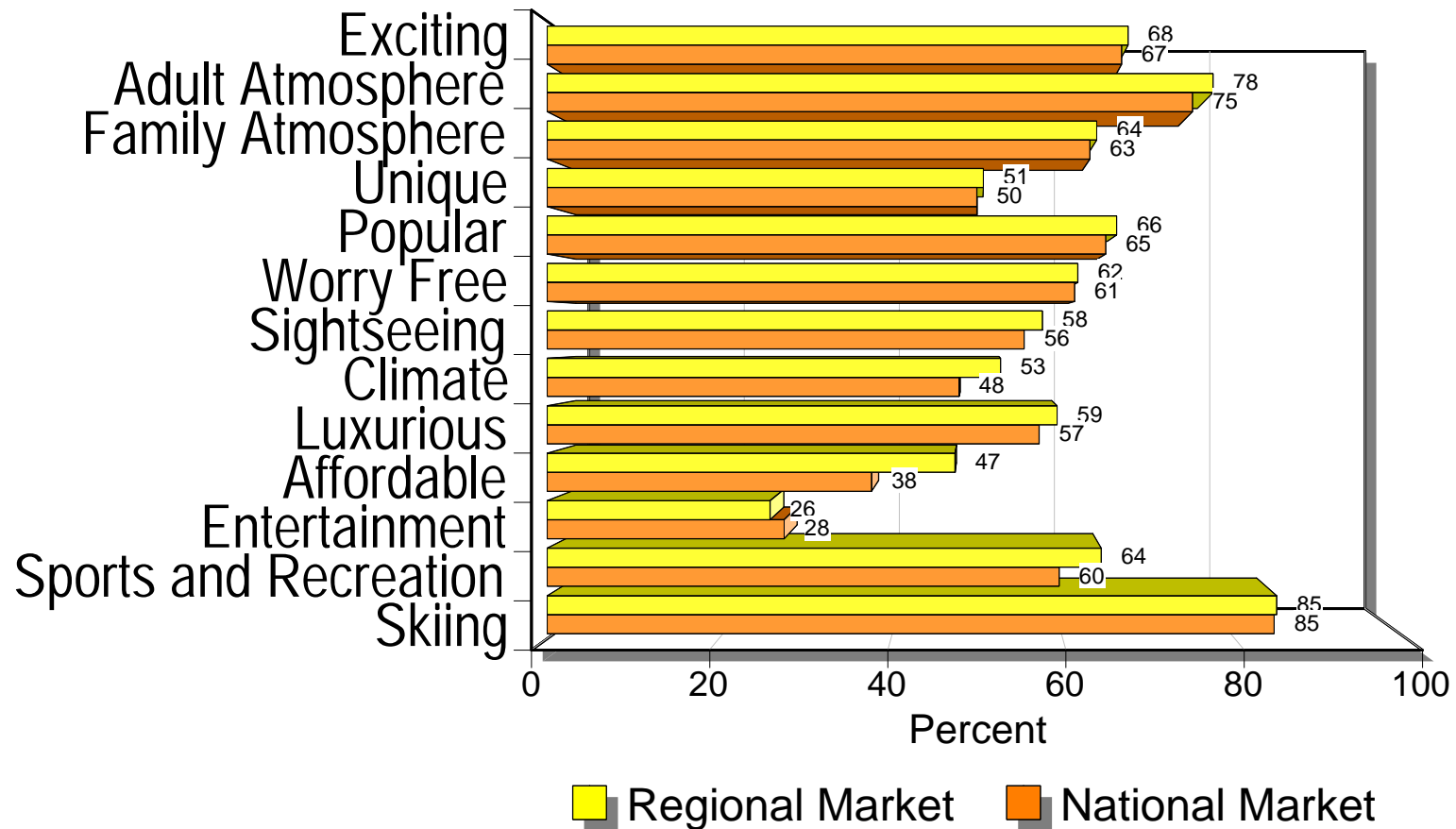
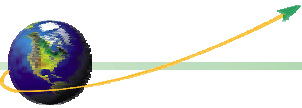
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Colorado's Image by Market

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

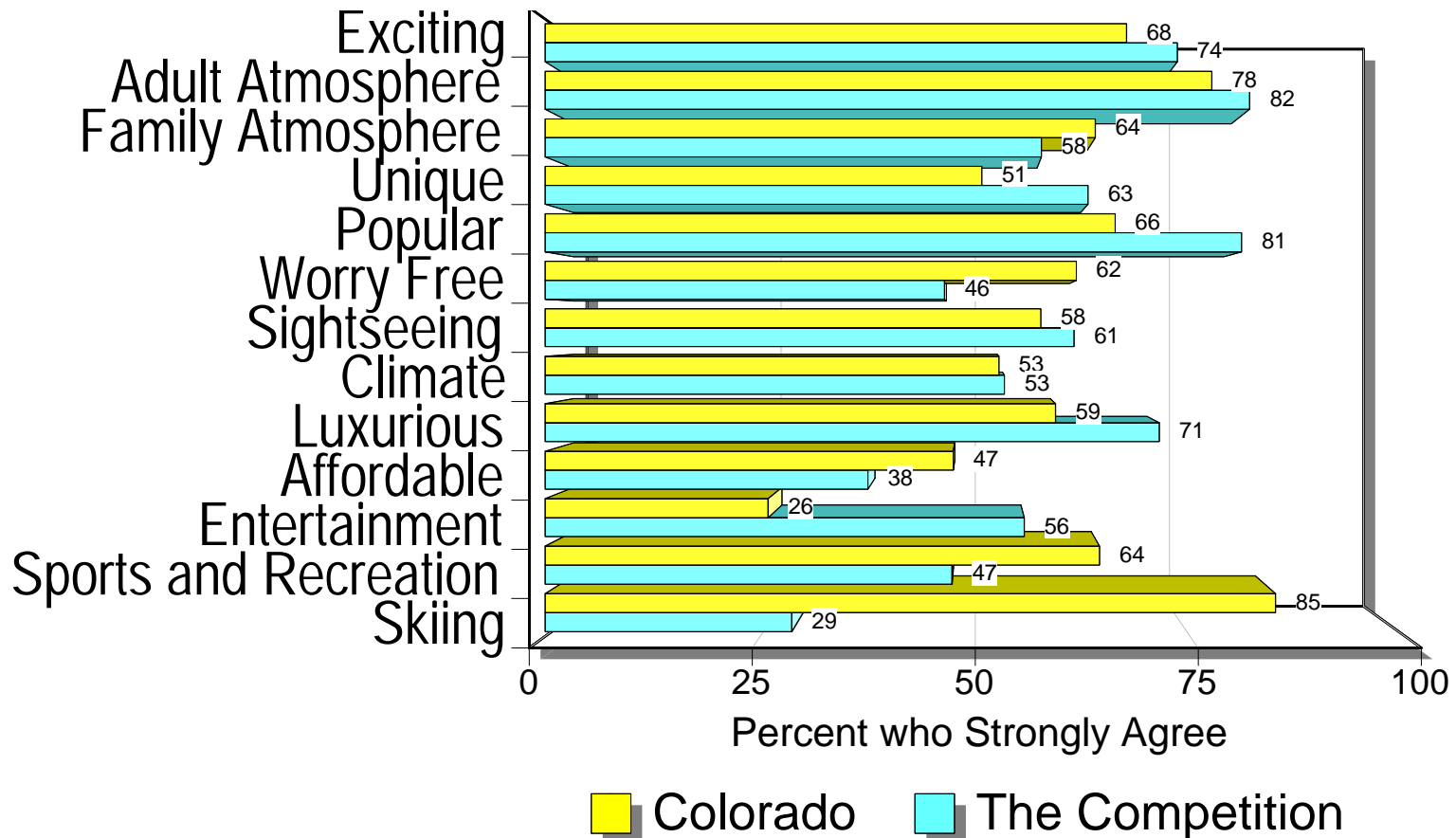
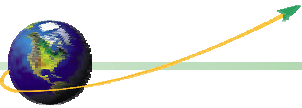


# Colorado's Image – by Market

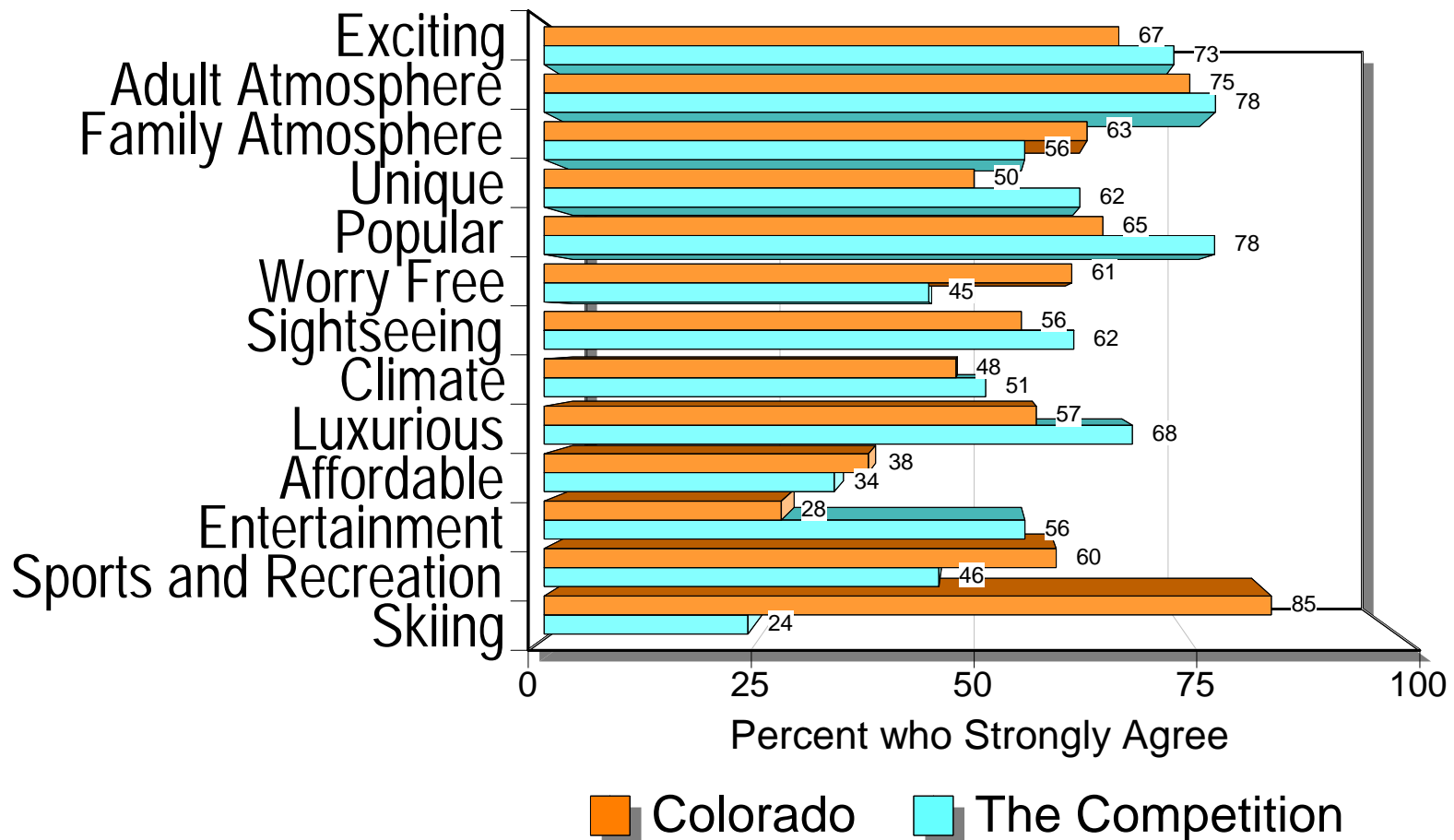
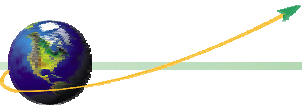




# Colorado's Image vs. The Competition – Regional Market



# Colorado's Image vs. Competitors – National Market

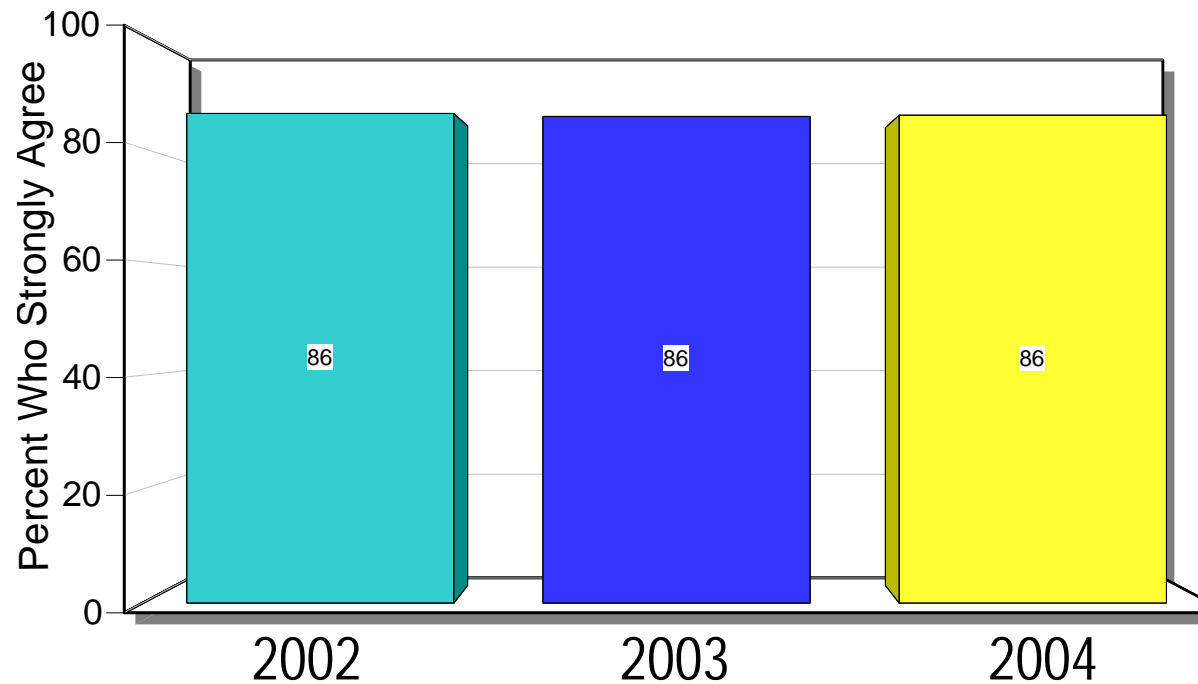


# Colorado's Product Delivery

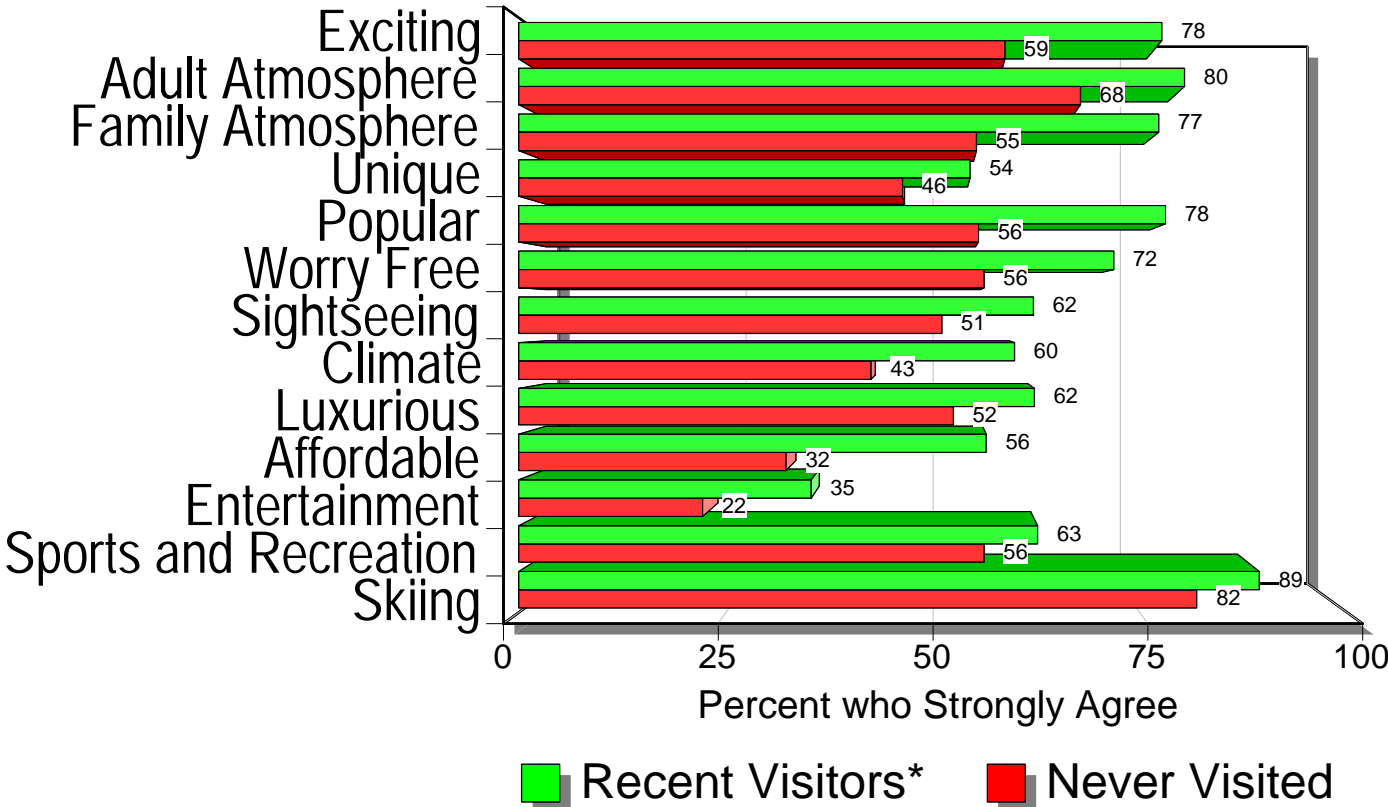
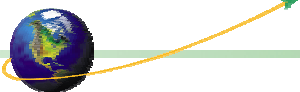
# Colorado's Product Delivery – "Would Really Enjoy Visiting Again"



Base: Visited in Past Two Years



# Colorado's Product vs. Image

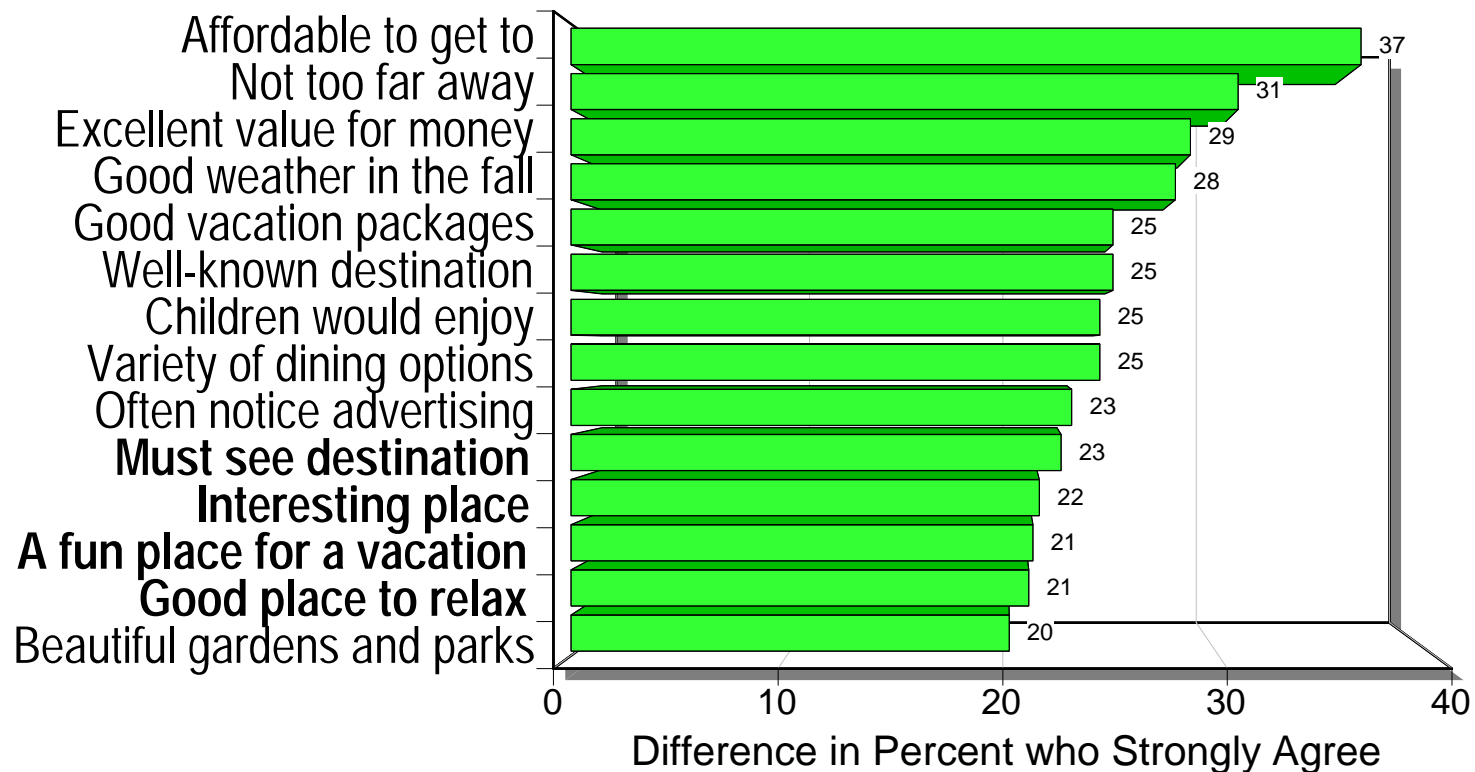


\* Visited past 2 years

# Top Product Strengths vs. Image

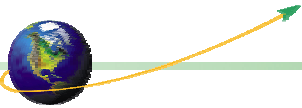


Net Difference in Ratings – Visitors vs. Non-Visitors

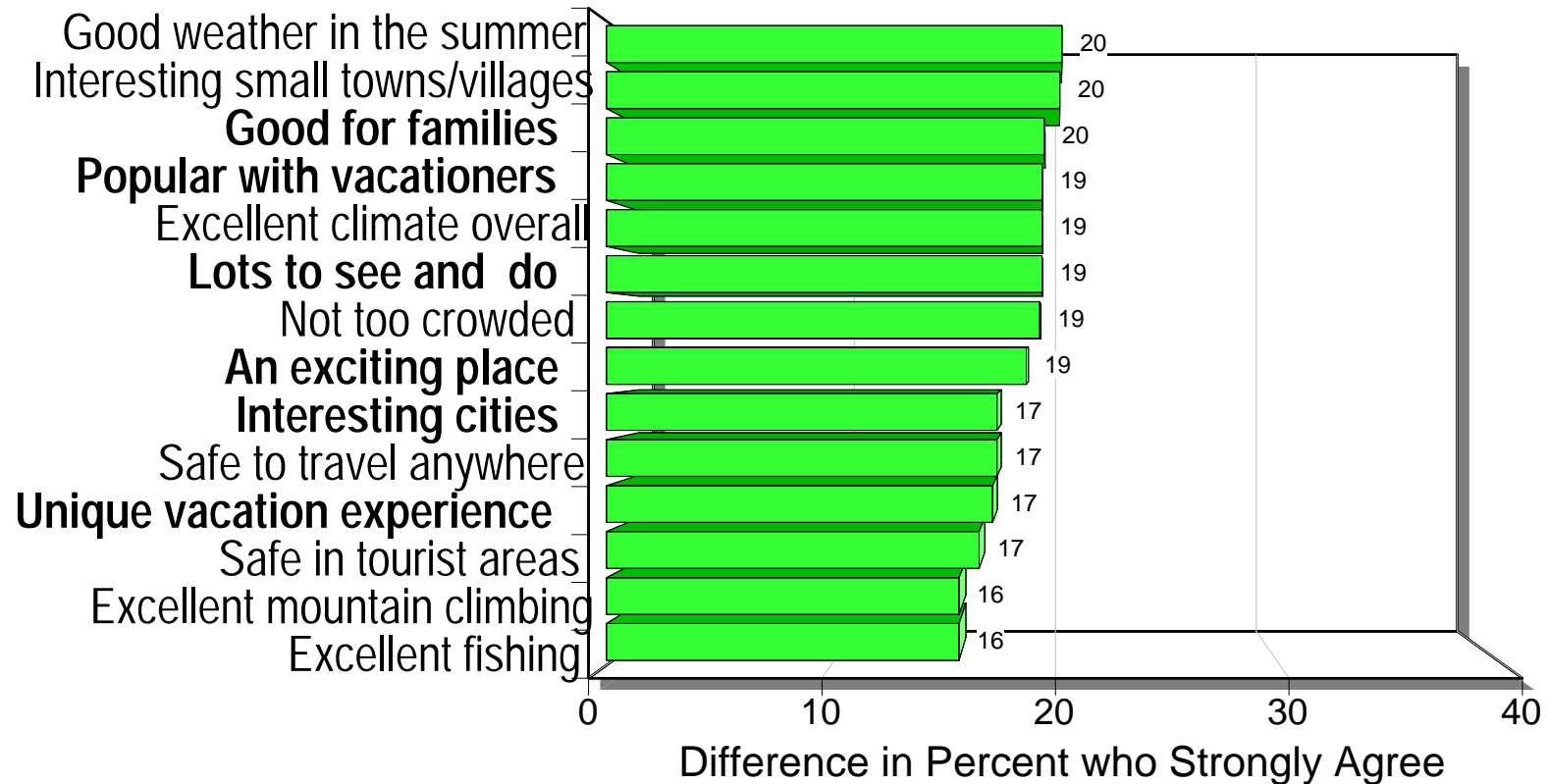


Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

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



Net Difference in Ratings – Visitors vs. Non-Visitors

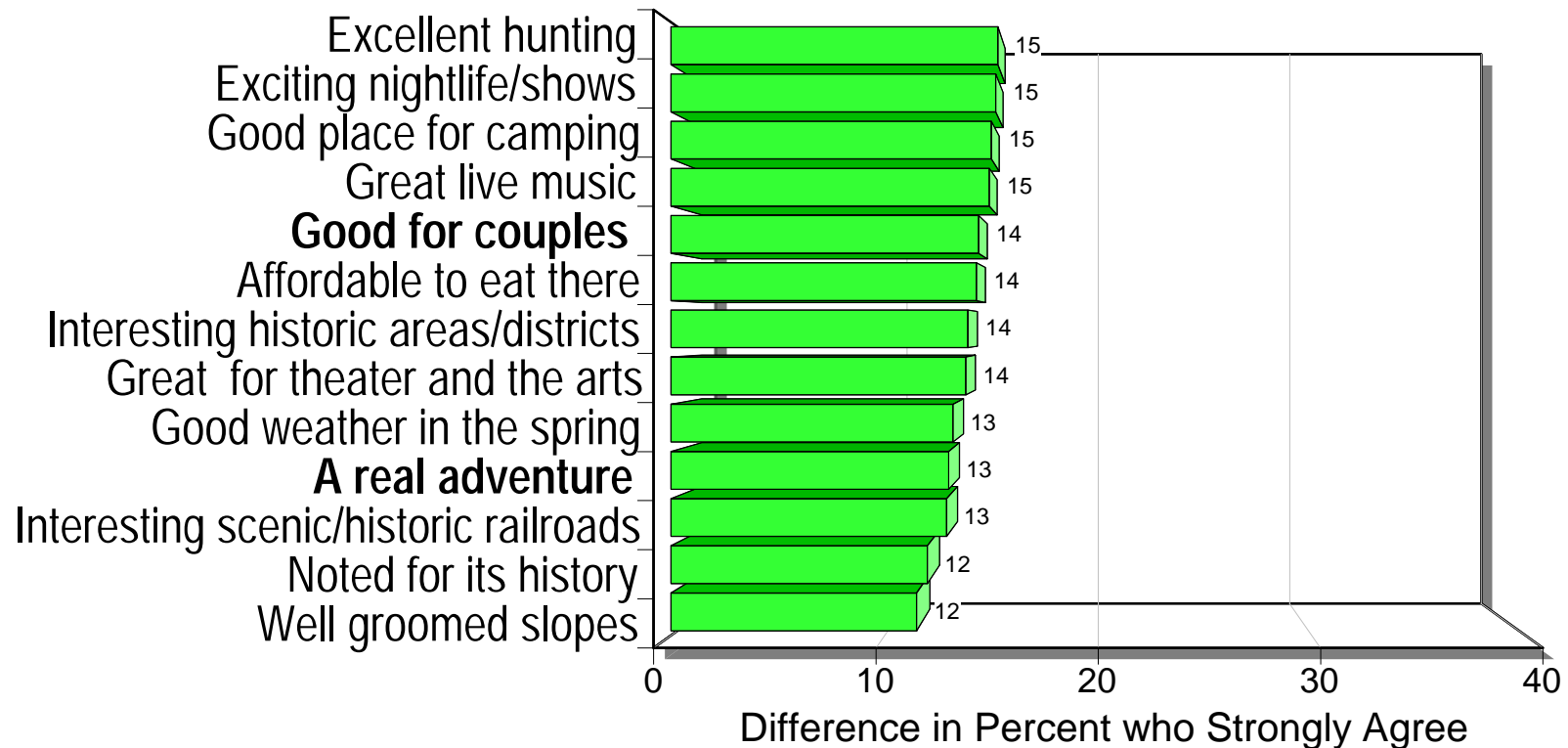


Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# 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



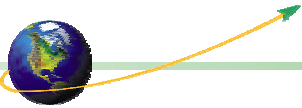
# Product Weaknesses vs. Image



**NO PRODUCT WEAKNESSES**

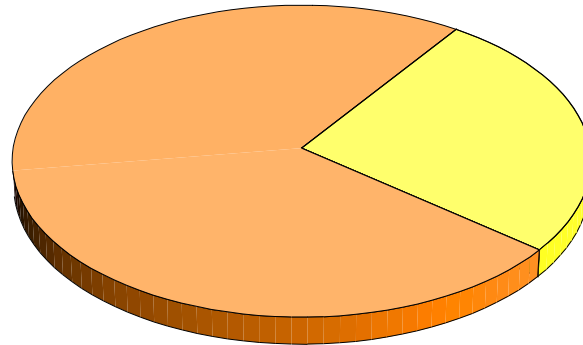
# Impacts of Colorado's 2004 Advertising Campaign

# Awareness of Colorado's Ad Campaign\*



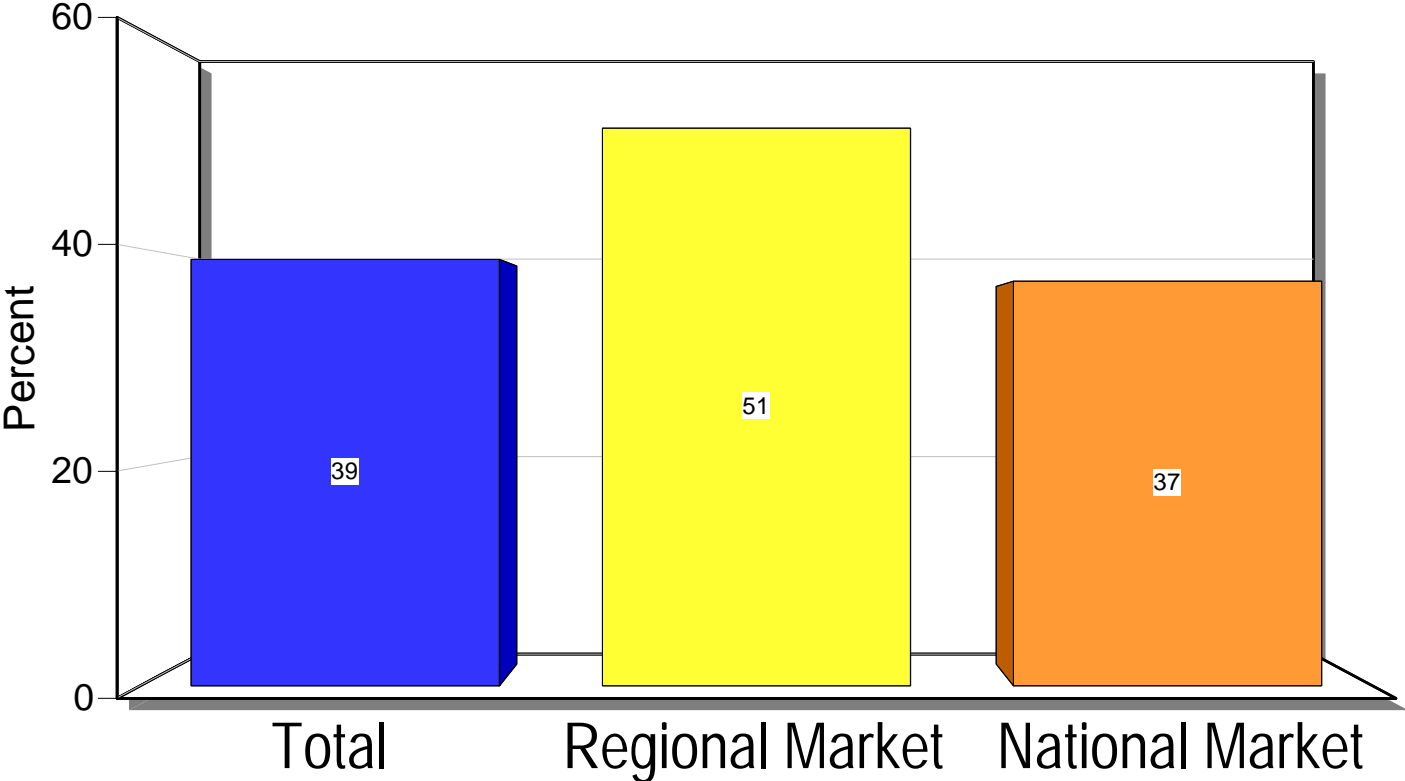
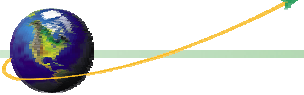
**Total Aware = 72.1 Million**

National Market  
53.0 Million  
(74%)



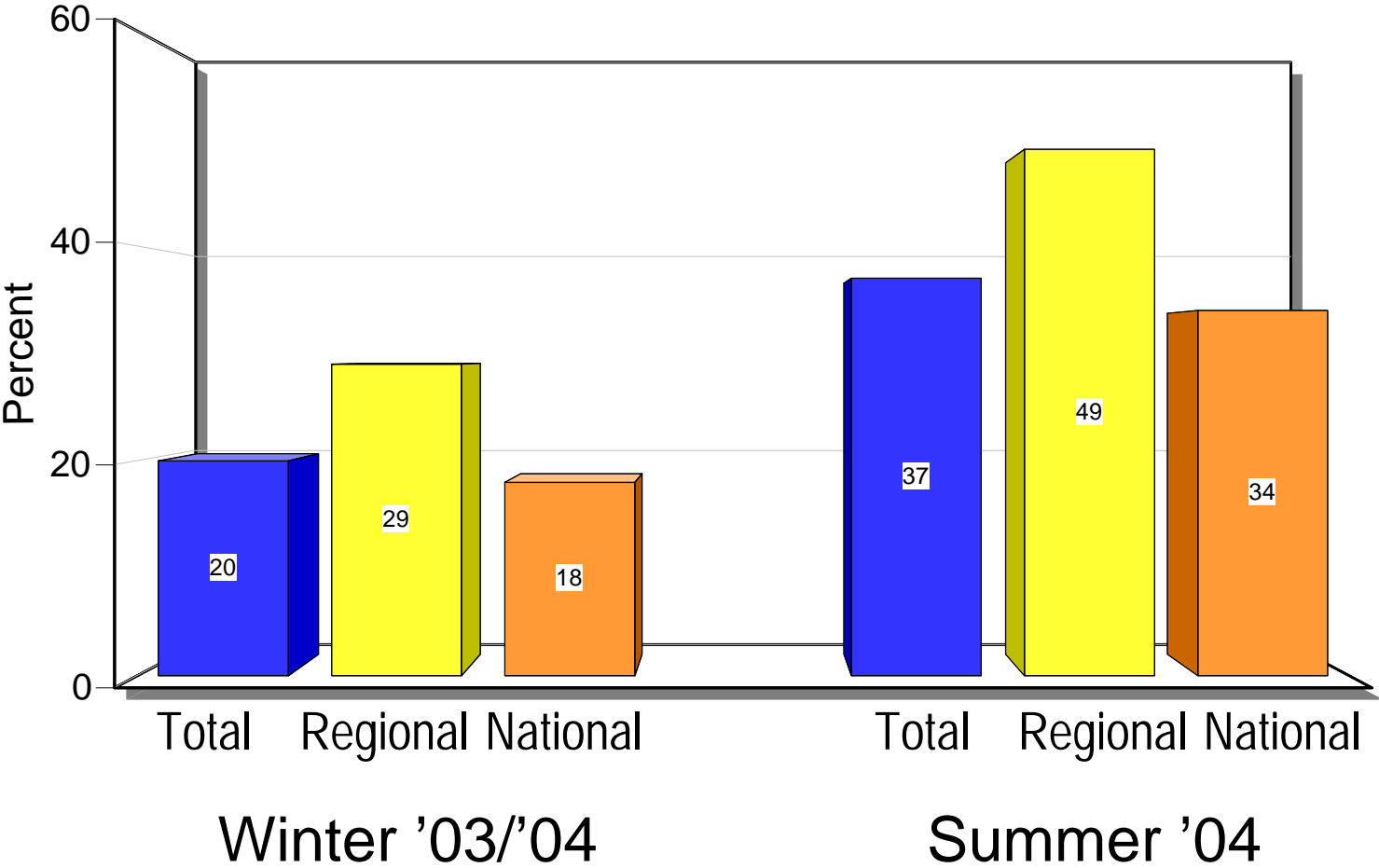
Regional Market  
19.1 Million  
(26%)

# Awareness\* by Advertising Market

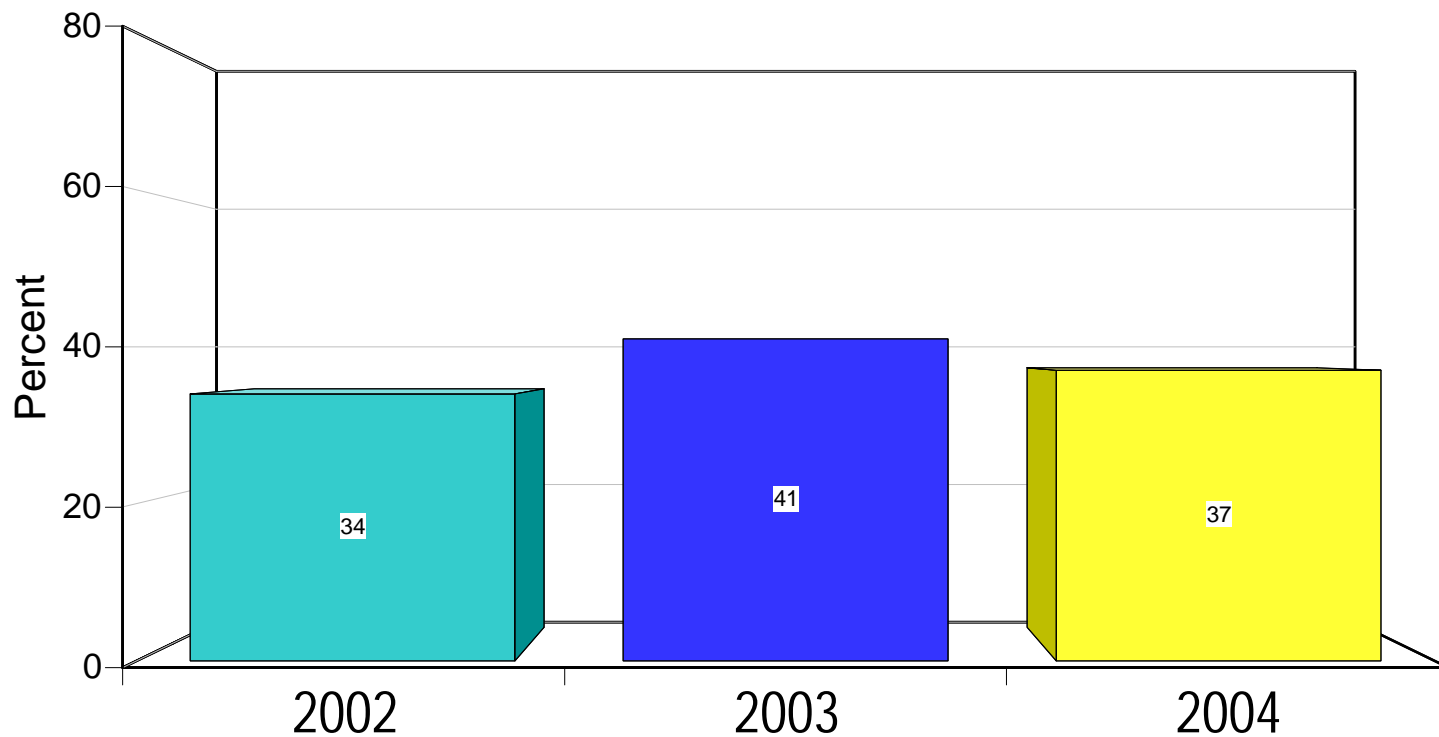
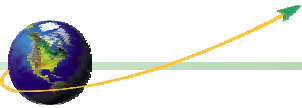


\*Saw at least one ad.

# Awareness of Campaign Components

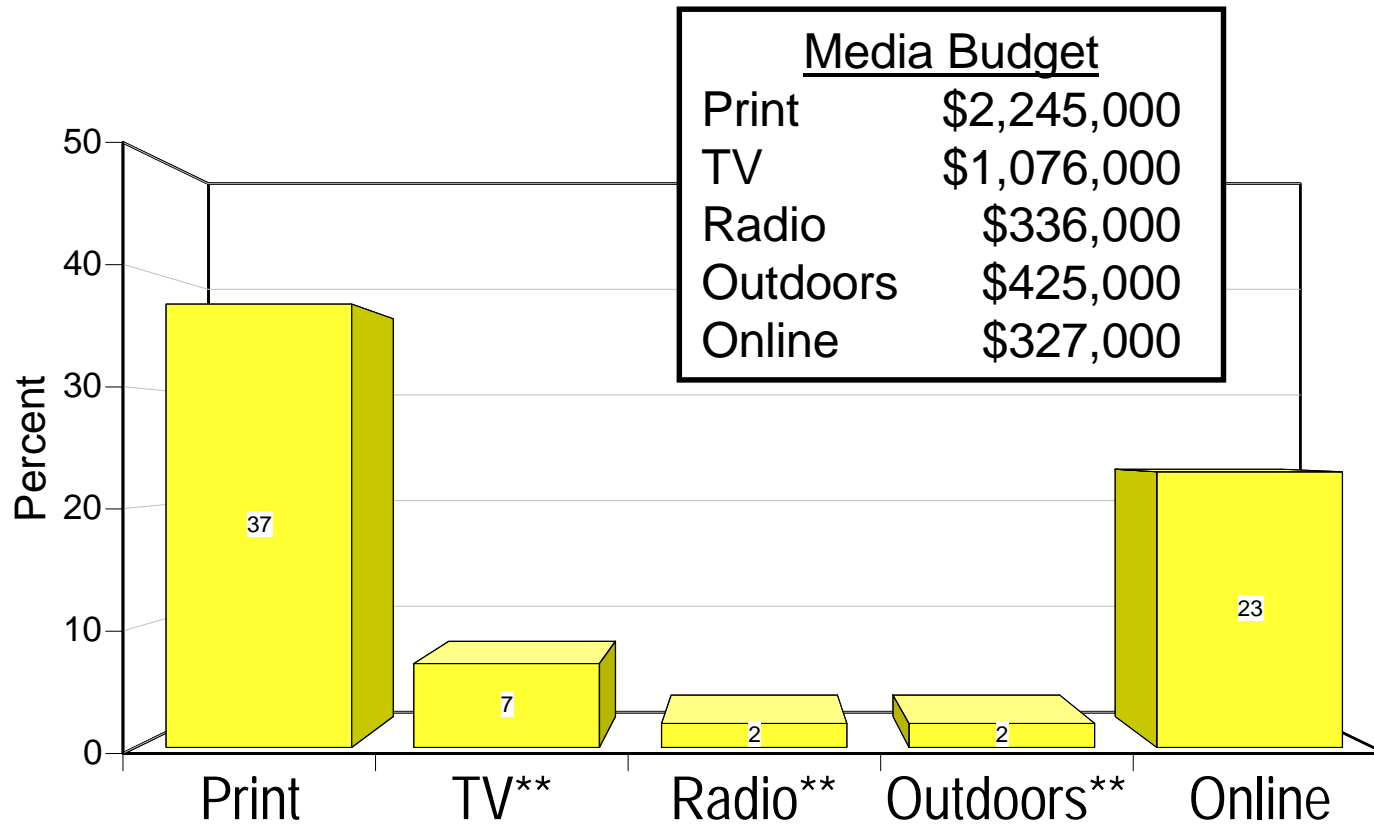
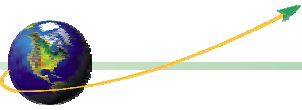


# Awareness\* of Colorado's Summer Ad Campaign



\*Saw at least one ad.

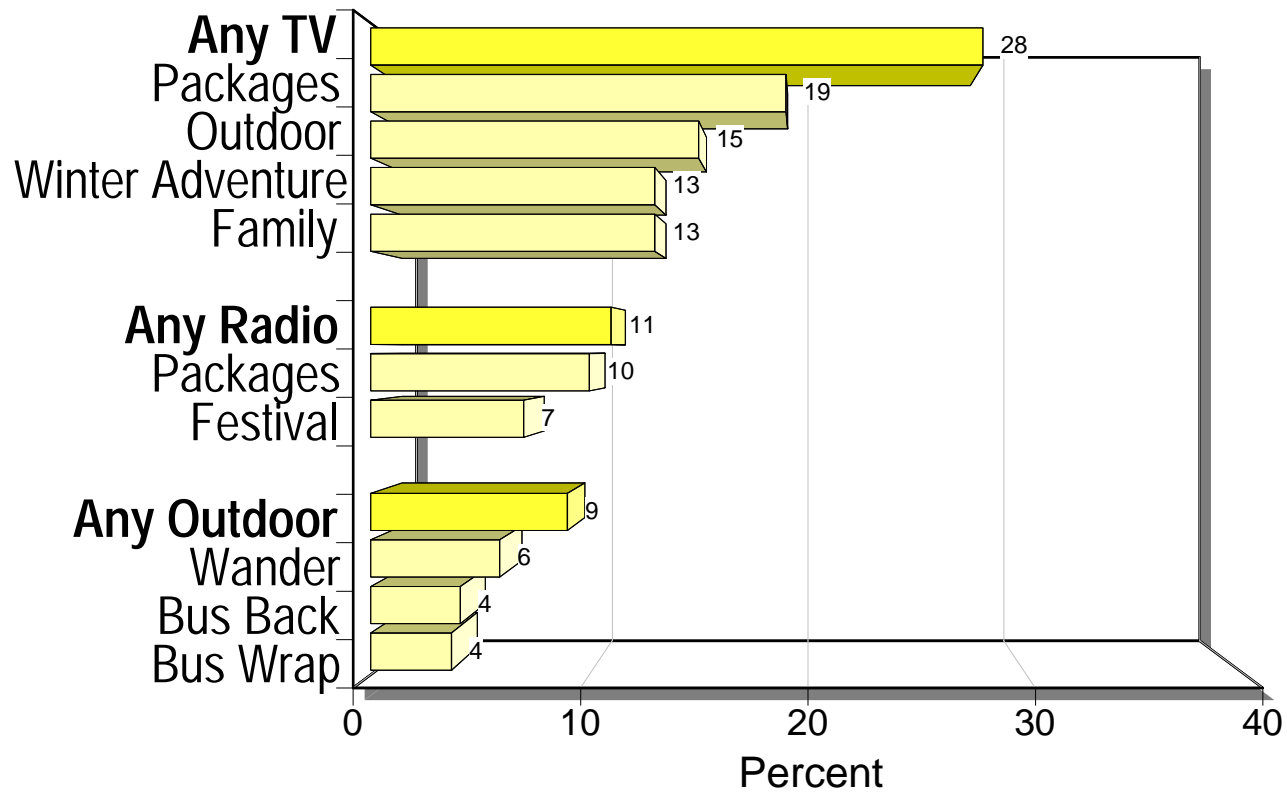
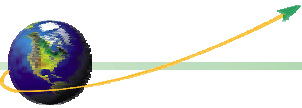
# Awareness\* by Medium



\*Saw at least one ad

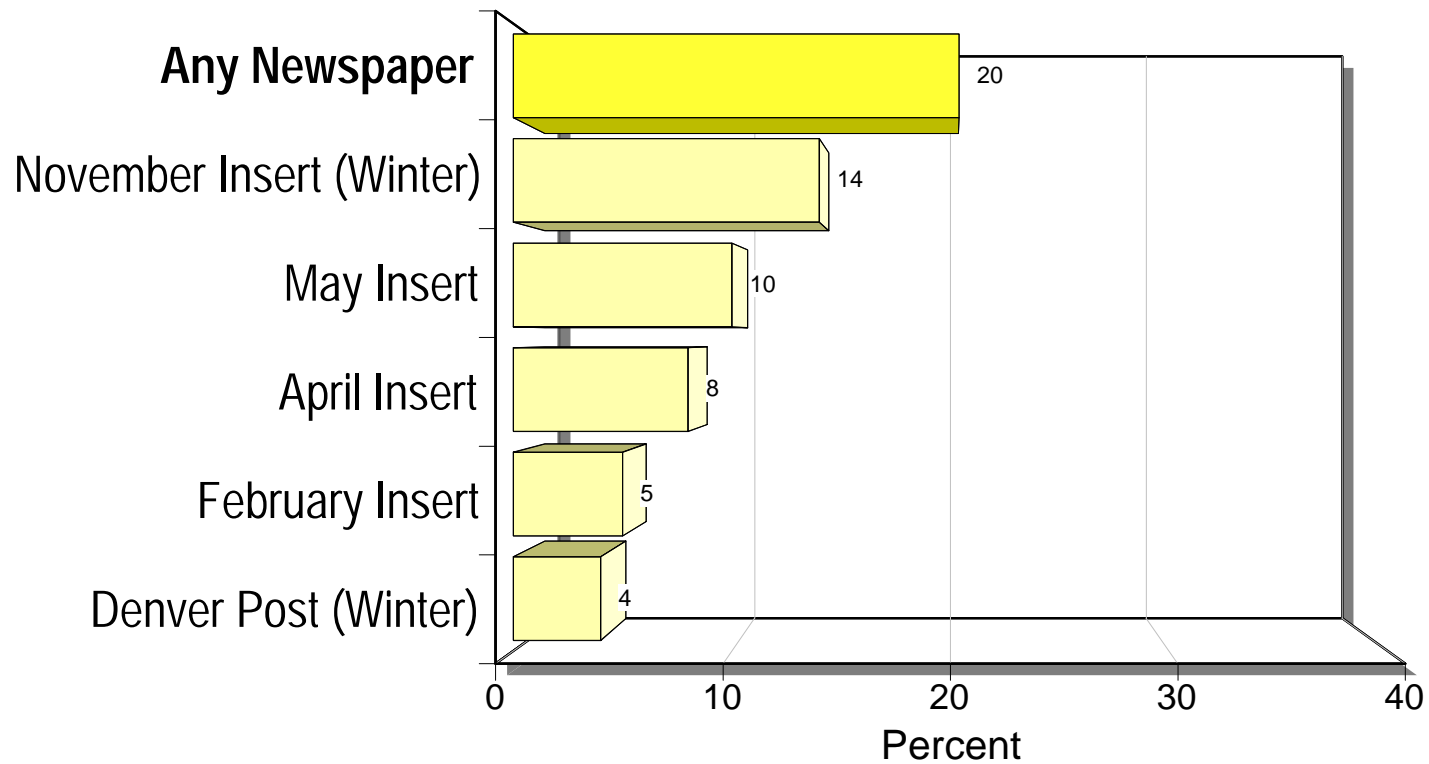
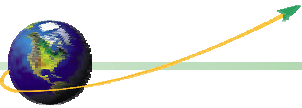
\*\* Mainly regional markets

# Awareness of Ads – Regional Market

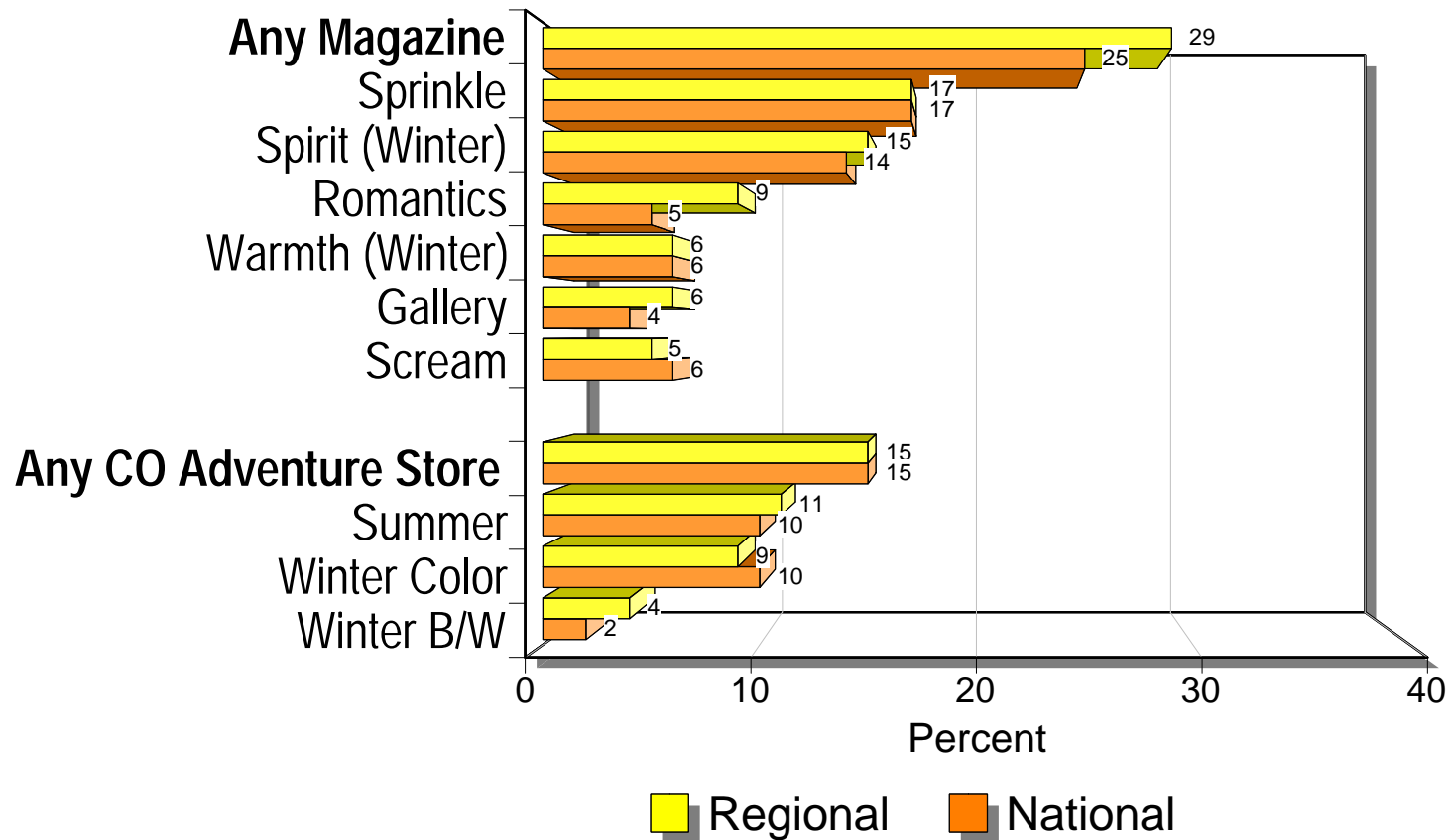
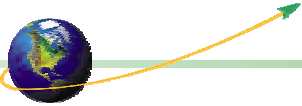




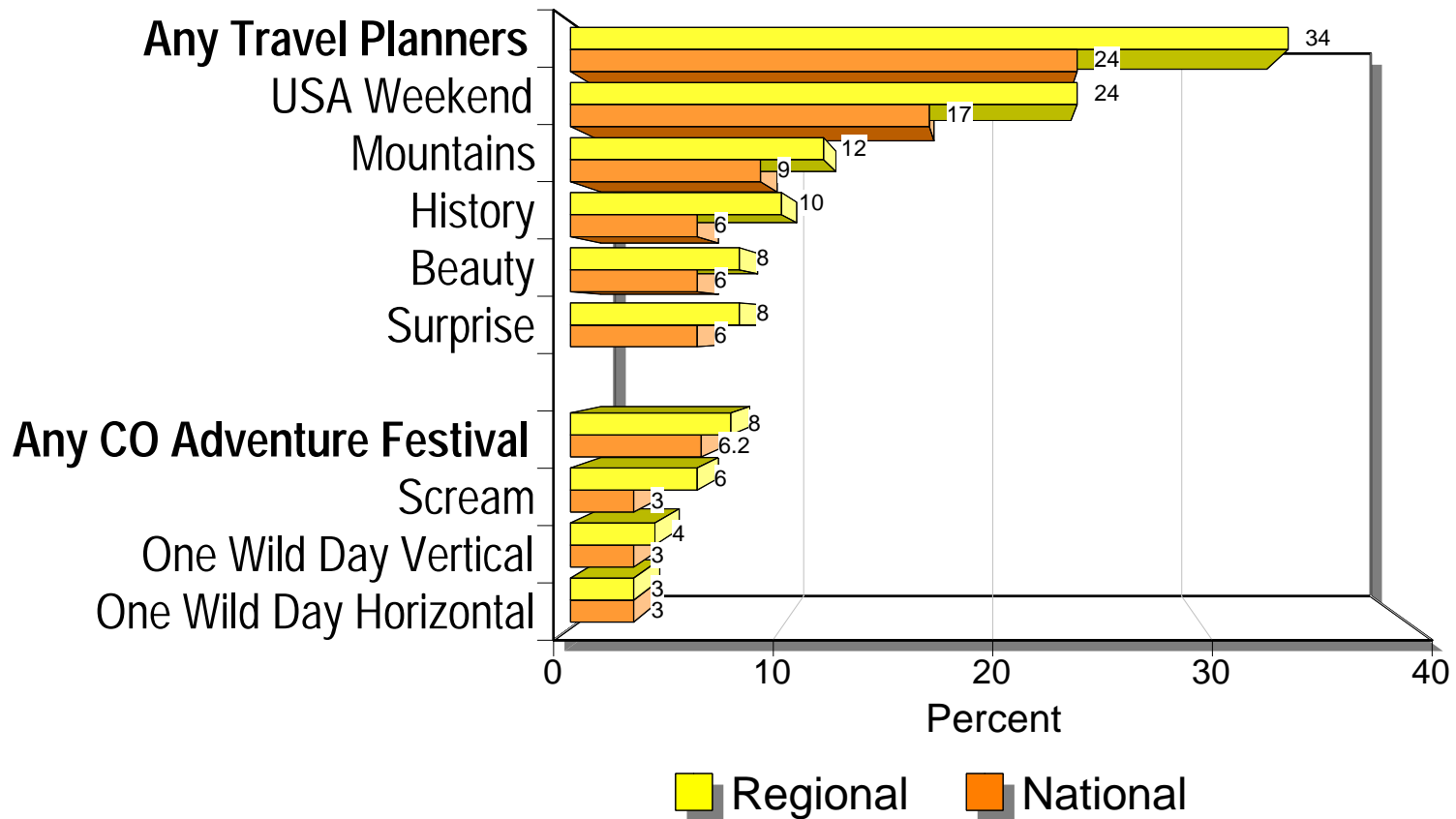
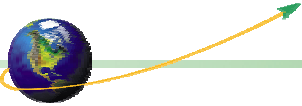
# Awareness of Ads – Regional Market (Cont'd)



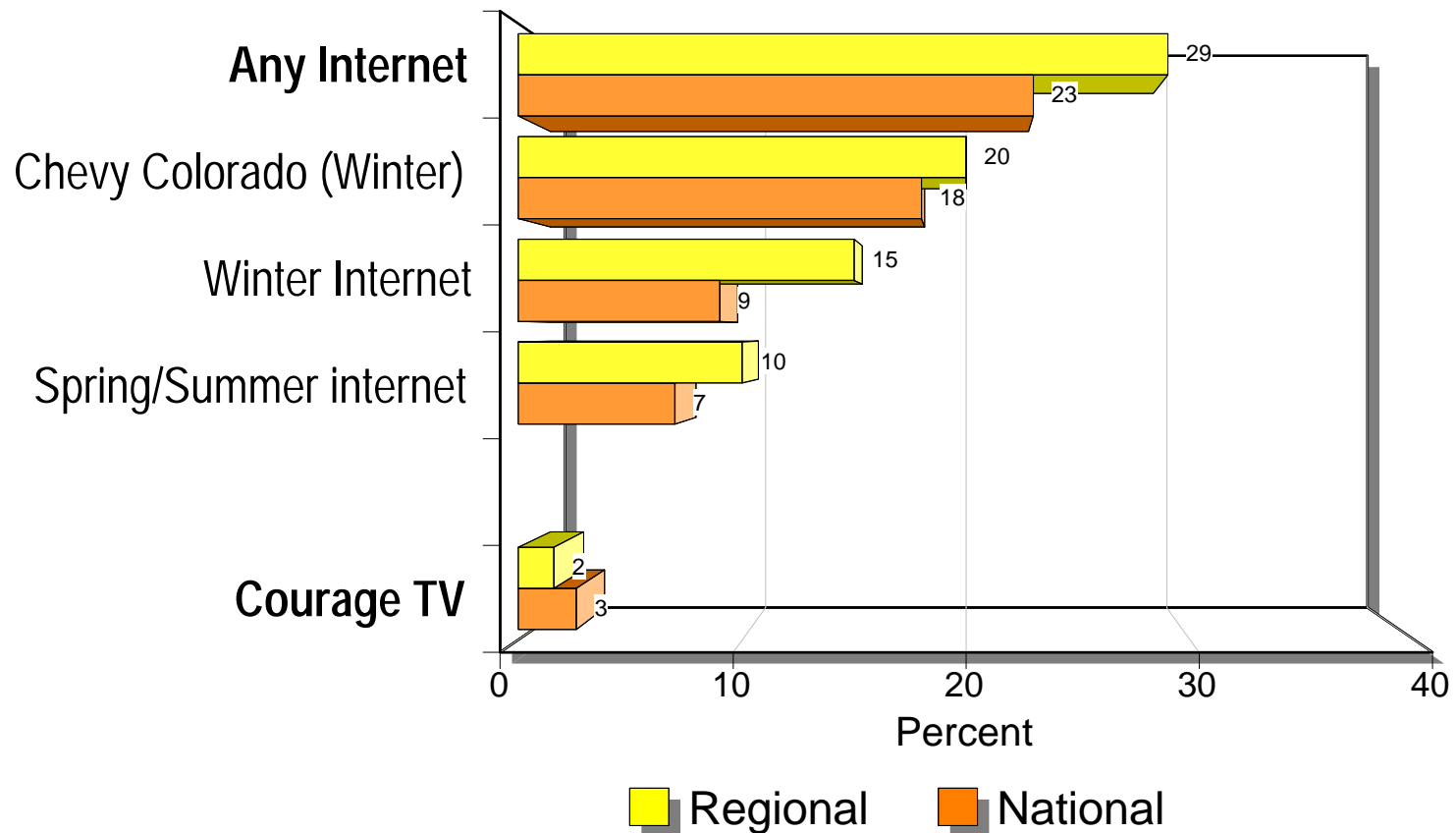
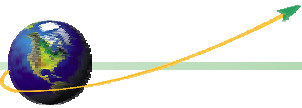
# Awareness of Print Ads



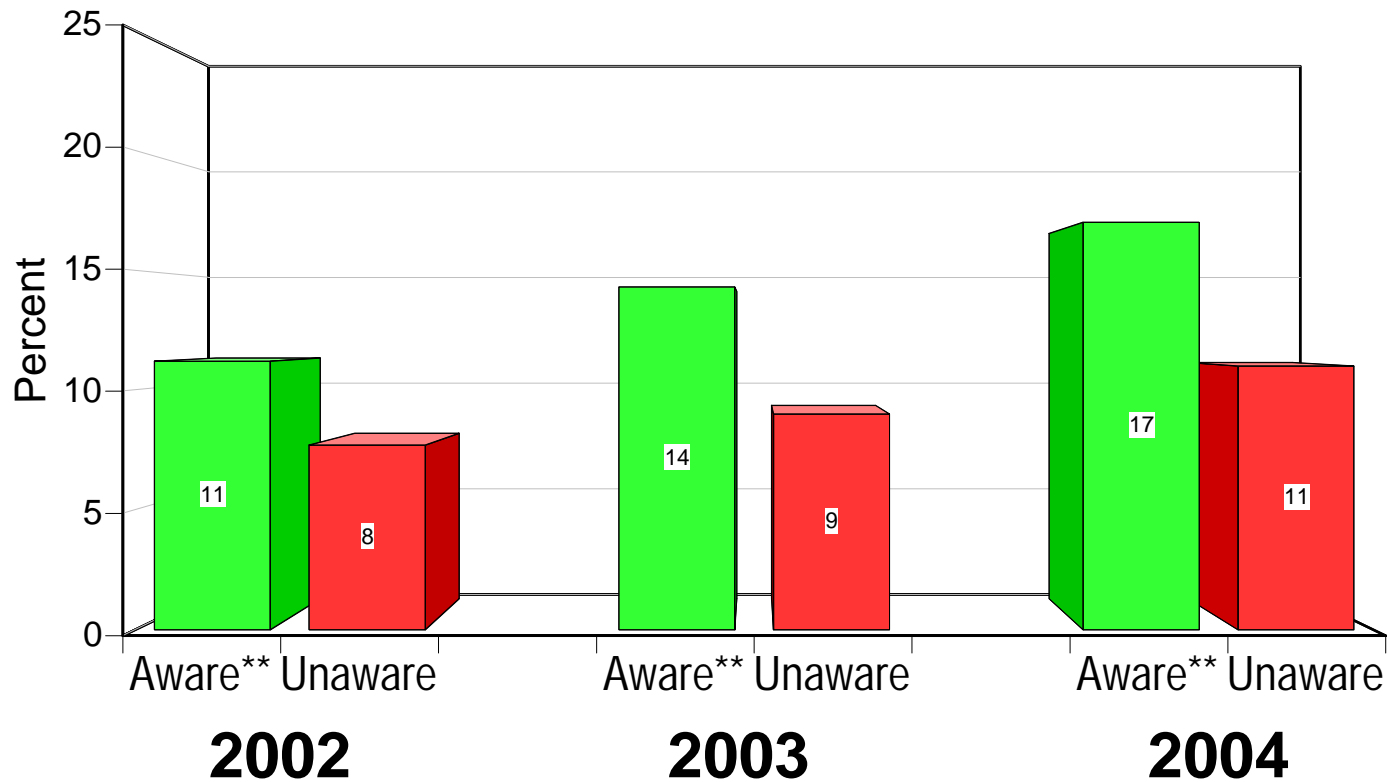
# Awareness of Print Ads (Cont'd)



# Awareness of Internet Ads/Courage TV



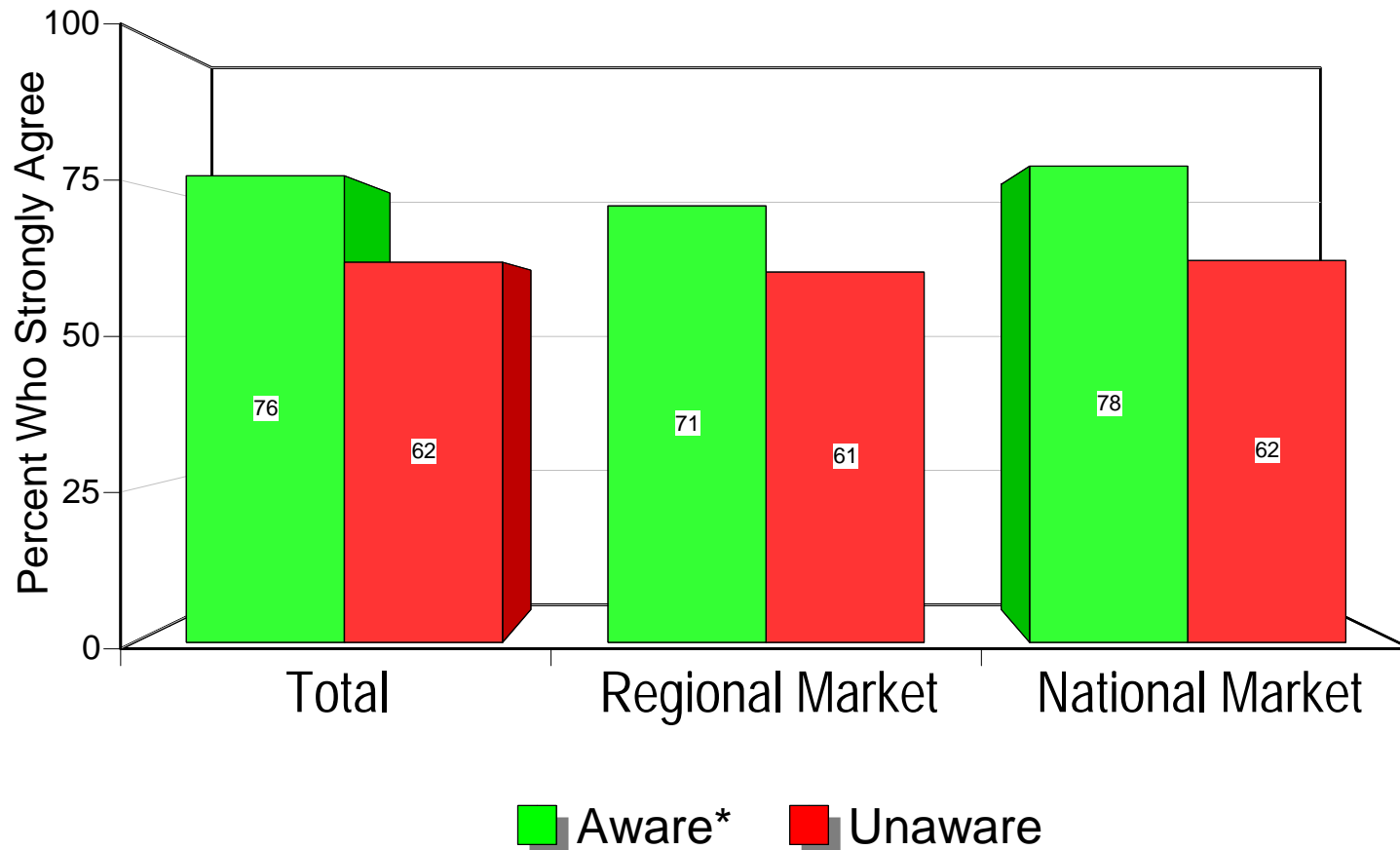
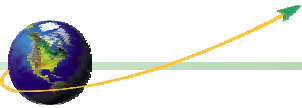
# Impact on Colorado as Dream Destination\*



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

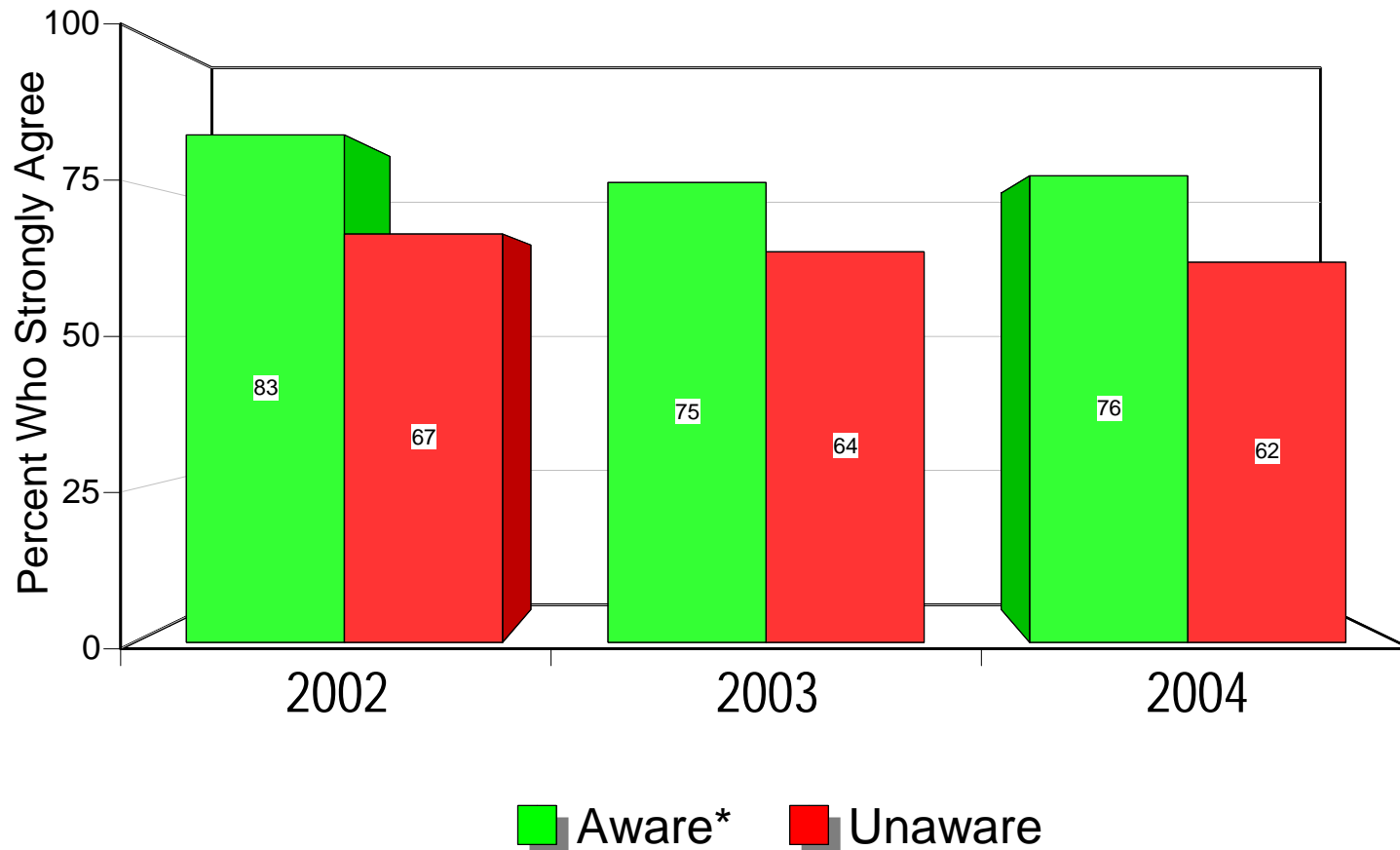
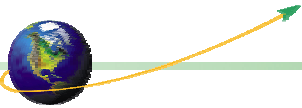
\*\*Saw at least one ad.

# Impact of Advertising Campaign On Overall Image: "Would Really Enjoy Visiting Colorado"



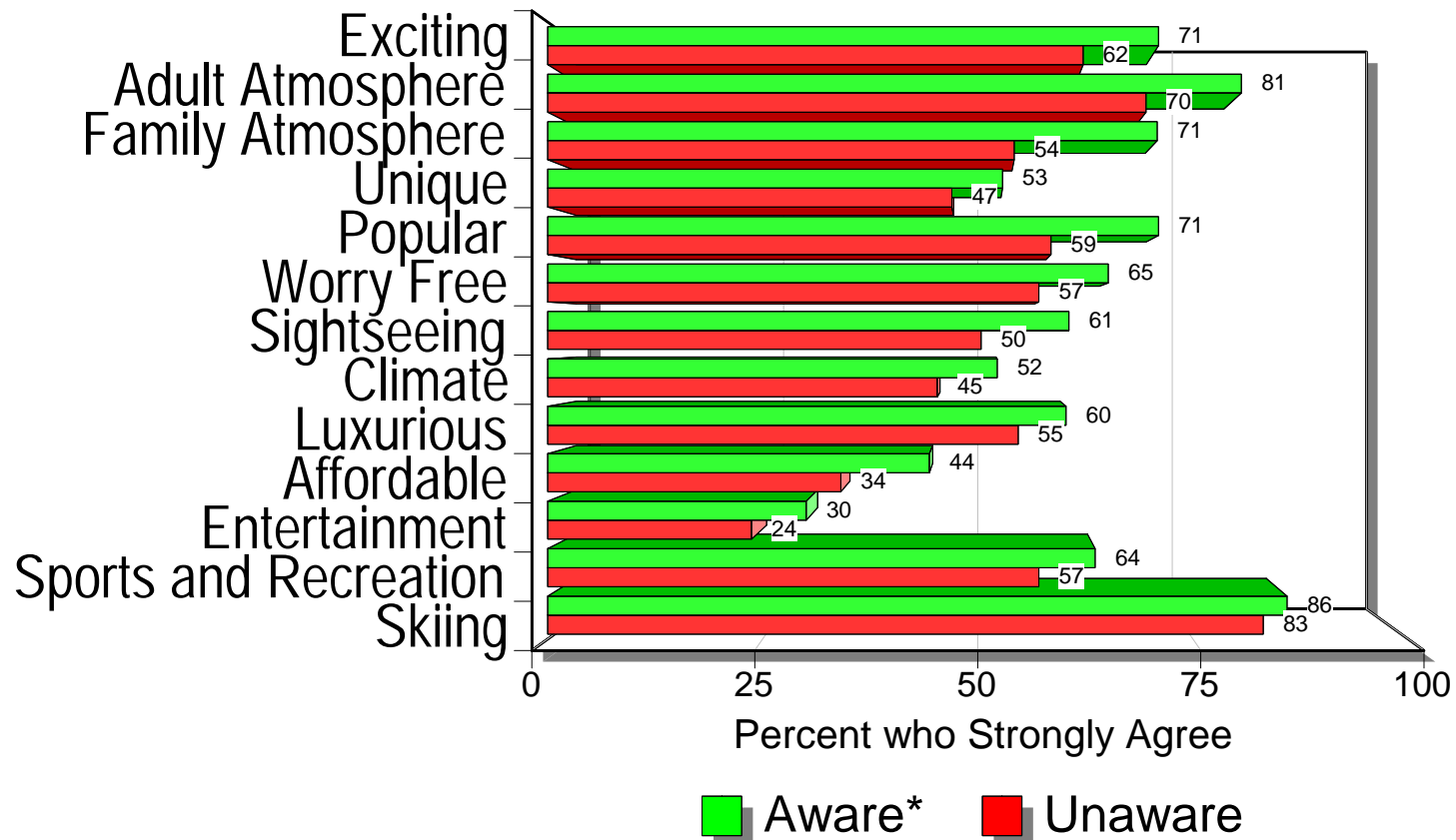
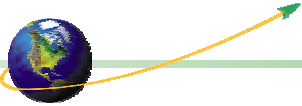
\*Saw at least one ad.

# Impact of Advertising Campaign On Overall Image: "Would Really Enjoy Visiting Colorado"



\*Saw at least one ad.

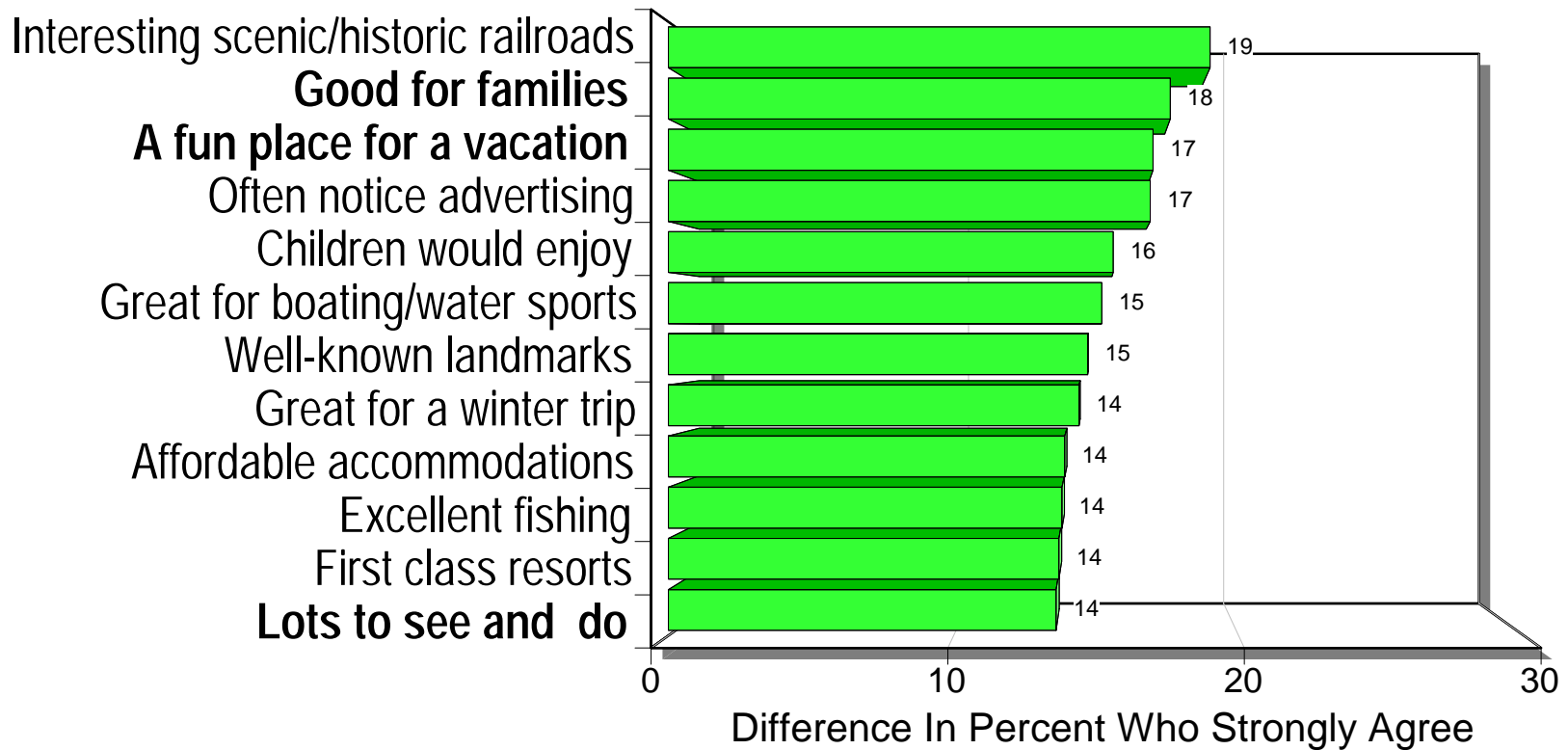
# Impact of Advertising on Colorado's Image



\*Saw at least one ad.



# Attributes on Which the Campaign Had the Greatest Impact



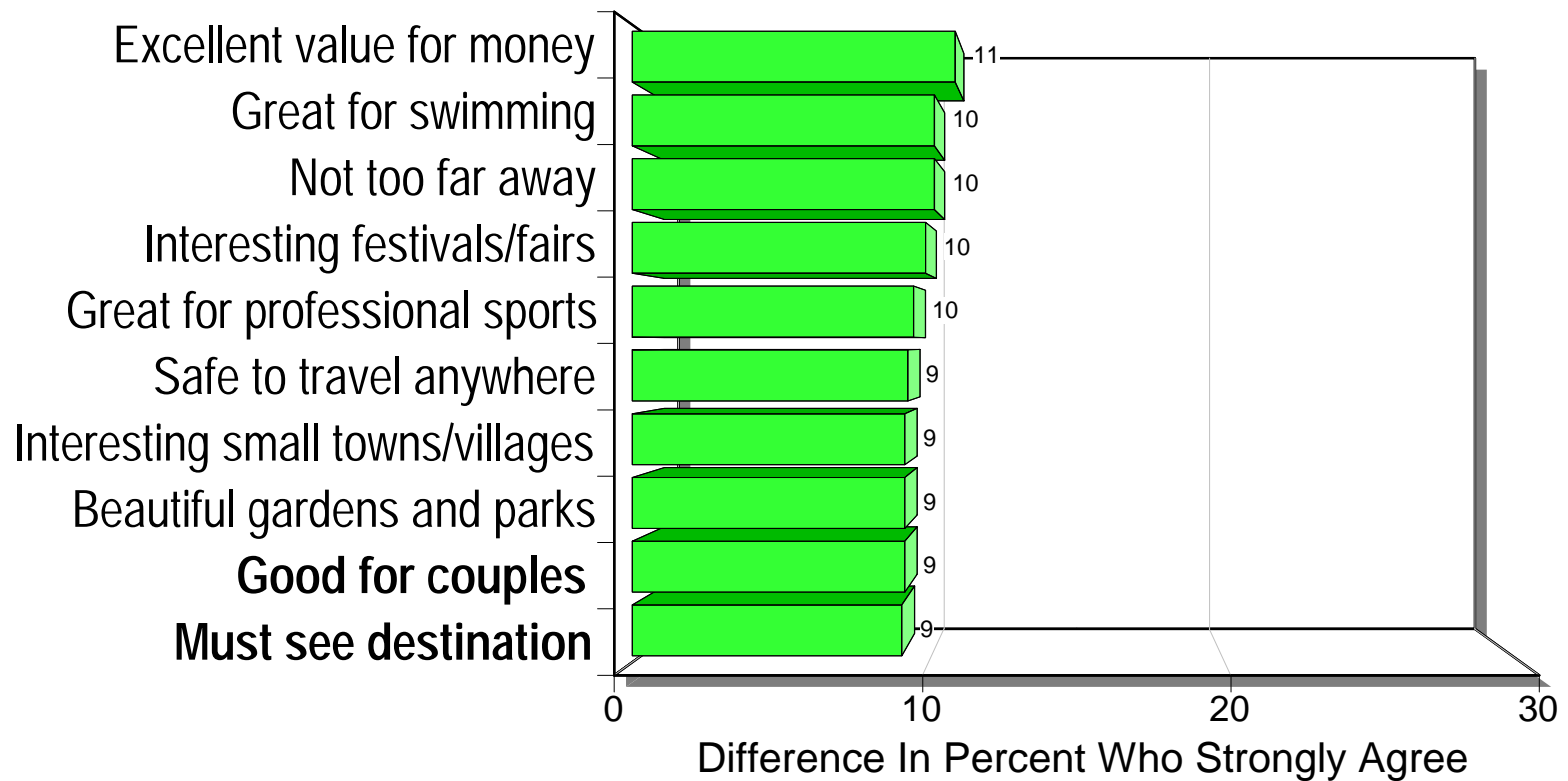
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Attributes on Which the Campaign Had the Greatest Impact (Cont'd)



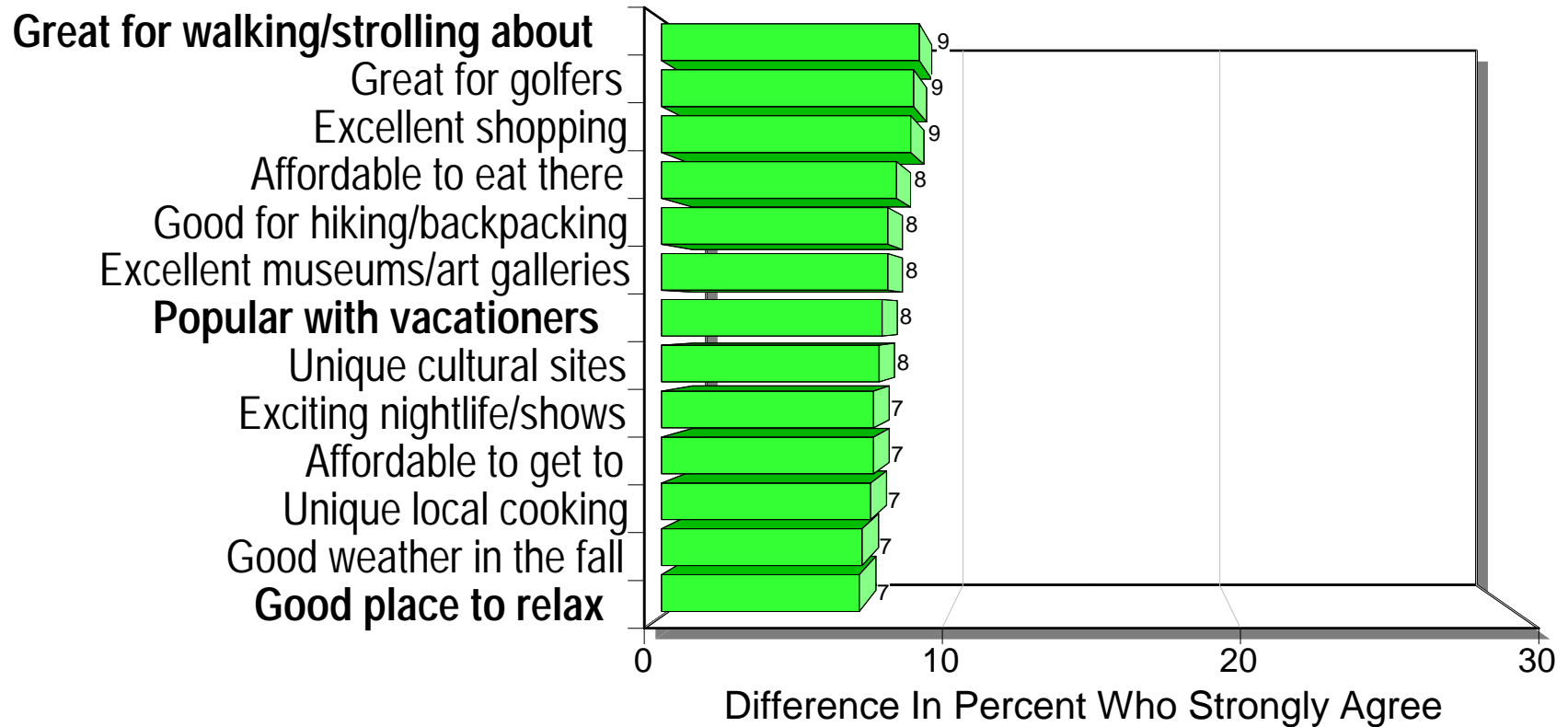
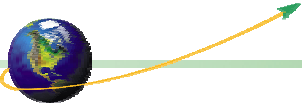
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Attributes on Which the Campaign Had the Greatest Impact (Cont'd)



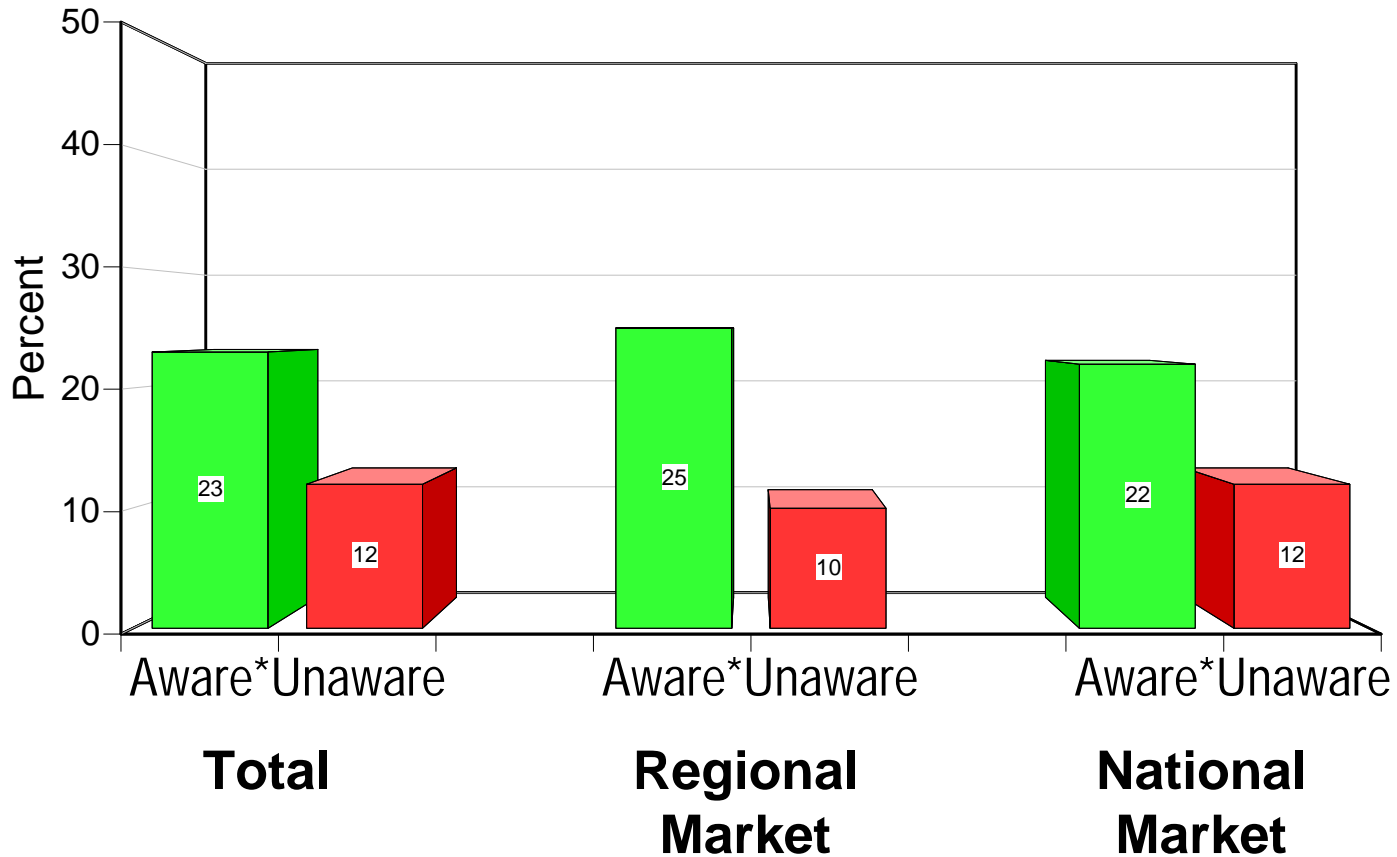
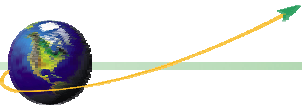
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Attributes on Which the Campaign Had the Greatest Impact (Cont'd)



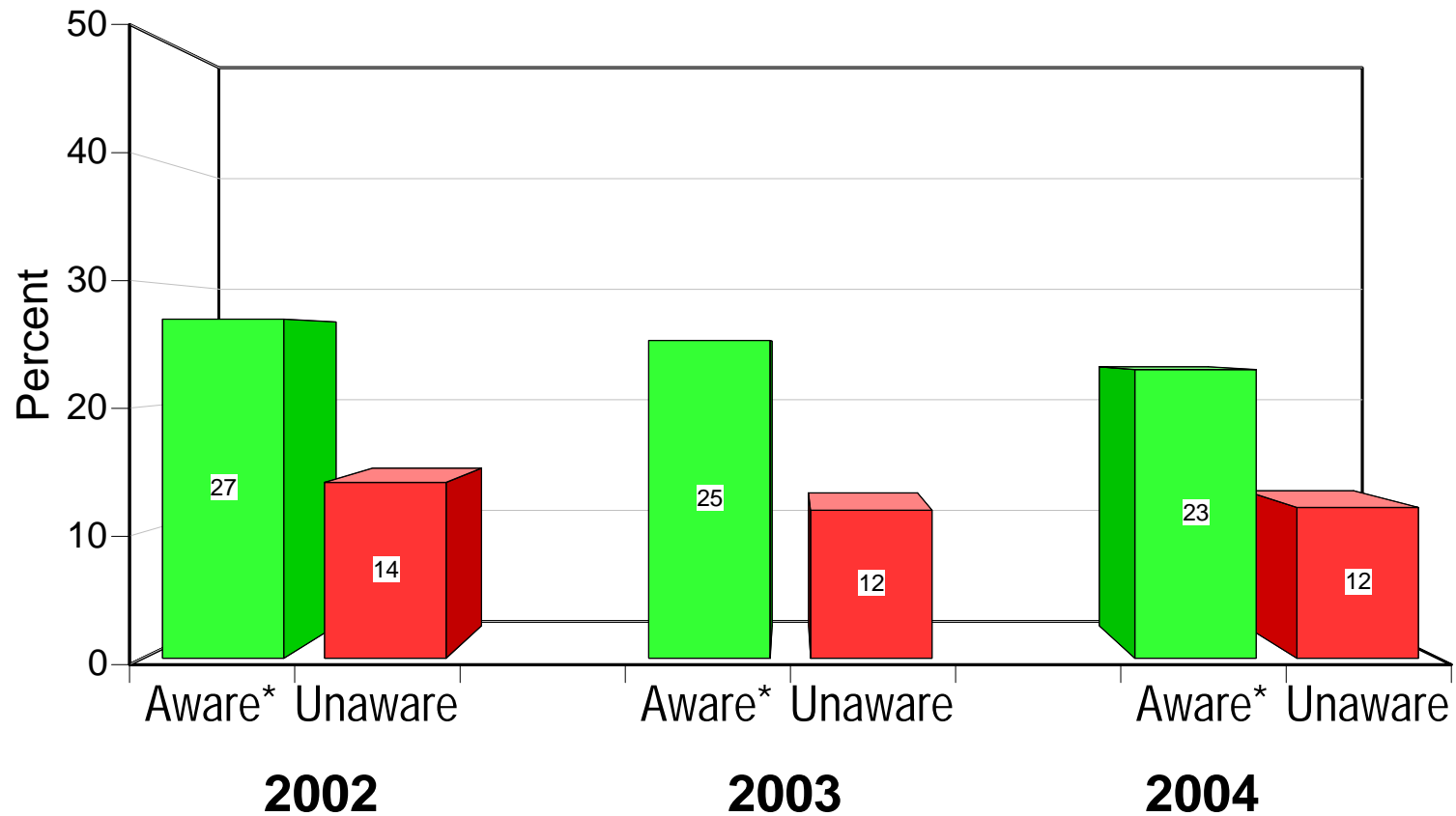
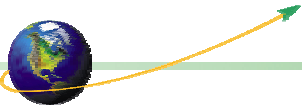
Note: Bolded items are attributes that are some of the most important image hot buttons for travelers

# Intend to Visit Colorado on an Overnight Trip



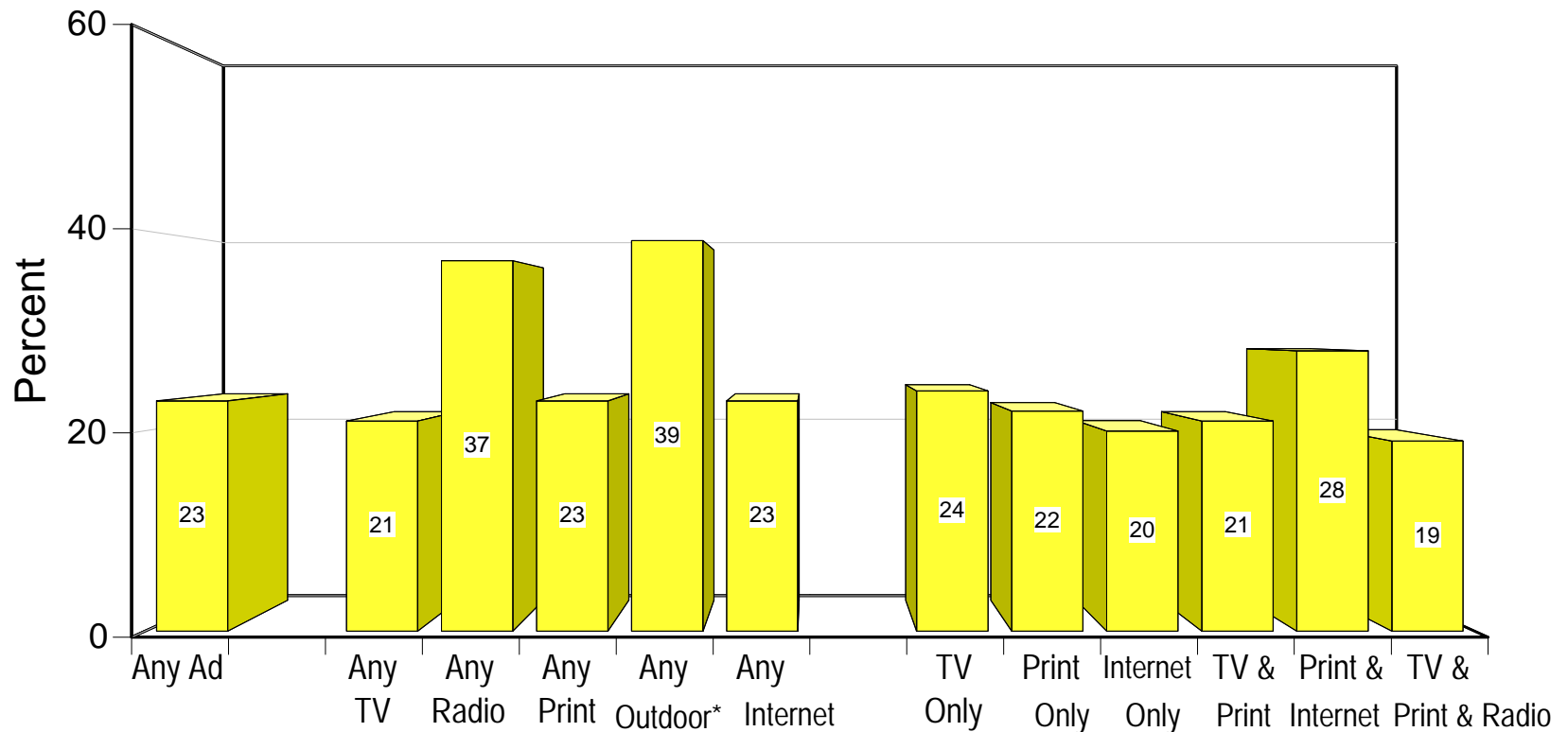
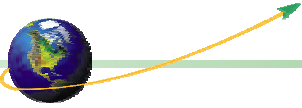
\*Saw at least one ad.

# Intend to Visit Colorado on an Overnight Trip



\*Saw at least one ad.

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



\*Caution: Small base

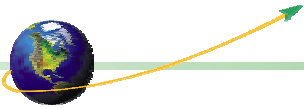
# Intended Person-Trips Due to Advertising – by Market



	<b><u>Intend In 2005</u></b>	<b><u>Intend In 2006</u></b>	<b><u>Total</u></b>
Regional	1,490,000	910,000	2,400,000
National	3,965,000	795,000	4,760,000
<b>Total</b>	<b>5,455,000</b>	<b>1,705,000</b>	<b>7,160,000</b>



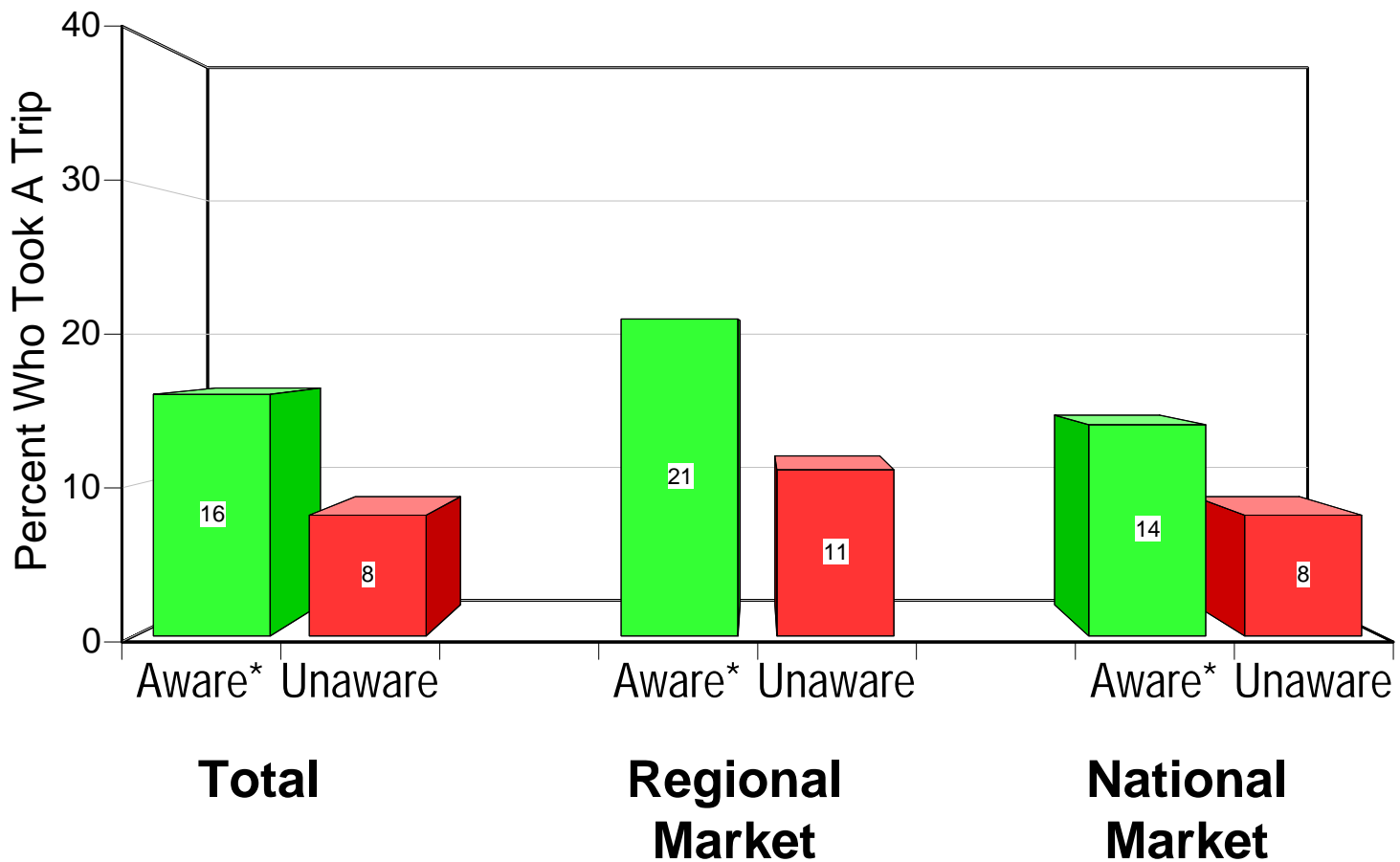
# Intended Person-Trips Due to Advertising



	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Total Planned Trips</b>	<b>4,672,000</b>	<b>9,174,000</b>	<b>7,160,000</b>

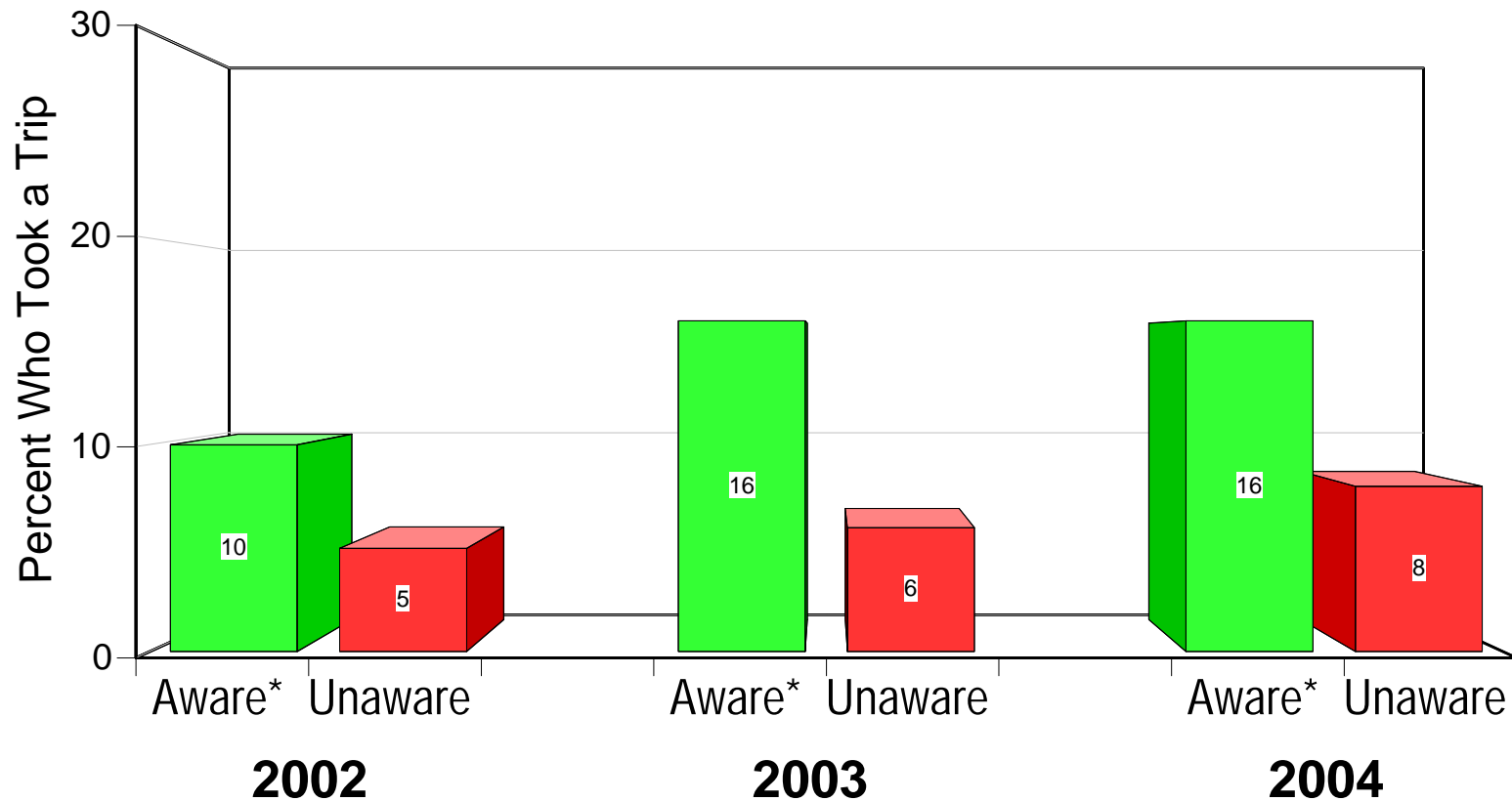
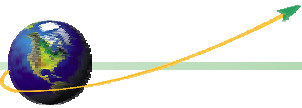
# Short Term Conversion

# Impact of Advertising on Overnight Trips Taken to Colorado



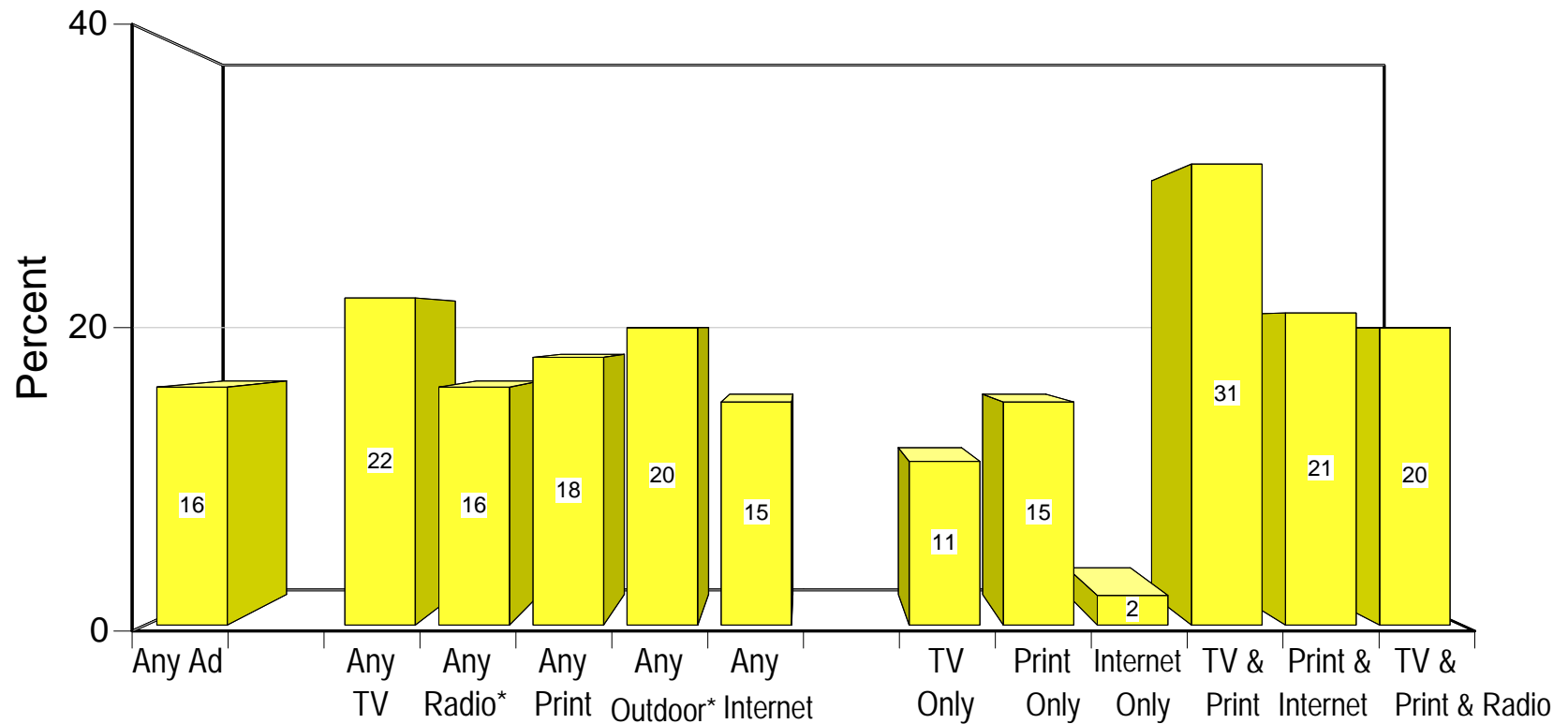
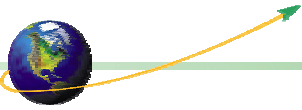
\*Saw at least one ad.

# Impact of Advertising on Overnight Trips Taken to Colorado



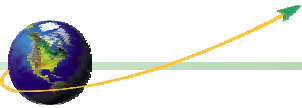
\*Saw at least one ad.

# Visited Colorado on an Overnight Trip – by Medium



\*Caution: Small base

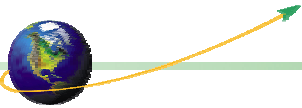
# Overnight Trips to Colorado Due to Advertising\* – by Market



	<b><u>Oct.'03 - Mar.'04</u></b>	<b><u>Apr. - Dec.'04</u></b>	<b><u>Total</u></b>
Regional Market	492,000	1,462,000	1,954,000
National Market	1,421,000	1,889,000	3,310,000
Total	1,913,000	3,351,000	5,264,000

\*Included the Fall/Winter component which commenced in October 2003, and the Spring Summer component that followed in April 2004.

# Overnight Trips to Colorado Due to Advertising



	<b><u>2002*</u></b>	<b><u>2003*</u></b>	<b><u>2004</u></b>
Oct - Mar	N/A	N/A	1,913,000
Apr - Dec	1,861,000	3,848,000	3,351,000
Total	1,861,000	3,848,000	5,264,000

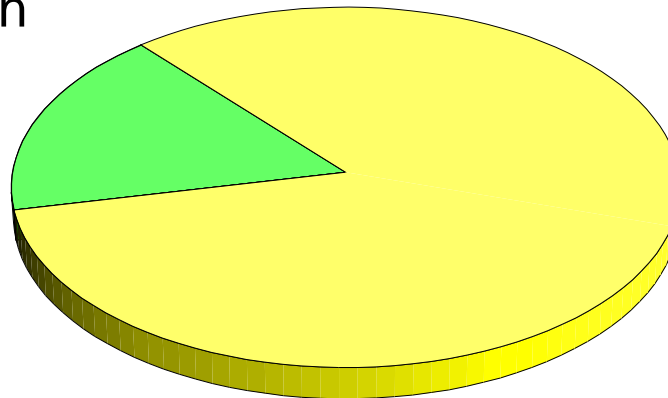
\*Only summer campaign evaluated

# Trips Influenced By Campaign



**Colorado Trips Oct. '03 – Dec. '04 = 30.8 Million**

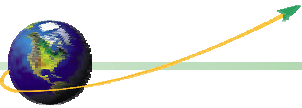
Influenced by Campaign  
5.3 Million  
(17%)



Other Trips  
25.5 Million  
(83%)

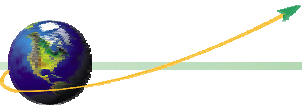


# Campaign Efficiency



	<u>2002</u>	<u>2003</u>	<u>2004</u>
Total overnight trips due to advertising	1,861,000	3,848,000	5,264,000
Marketing expenditures	\$2,546,000	\$5,182,000	\$4,947,000
Advertising cost per trip	\$1.37	\$1.35	\$0.94

# Spending/Taxes Returned Due to Advertising



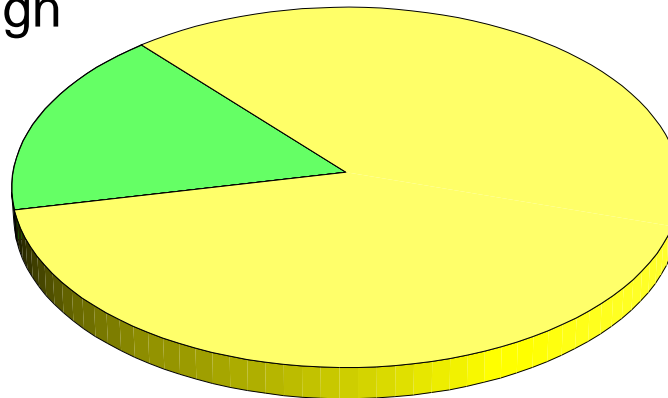
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Total Visitors	1,861,000	3,848,000	5,264,000
Visitor Spending/Trip*	\$281	\$274	\$274
Total Spending Generated	\$522 Million	\$1,054 Million	\$1,442 Million
State Taxes Generated	\$16.1 Million	\$32.5 Million	\$44.4 Million
Local Taxes Generated	\$16.3 Million	\$33.0 Million	\$45.1 Million

# Trip Expenditures Influenced By Campaign



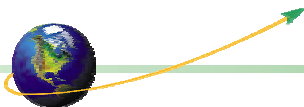
## Colorado Trip Expenditures Oct. '03 – Dec. '04 = \$8.7 Billion

Influenced by Campaign  
\$1.4 Billion  
(17%)



Other Expenditures  
\$7.3 Billion  
(83%)

# The Bottom Line: Short-Term ROI



	<u>2002</u>	<u>2003</u>	<u>2004</u>
Advertising expenditures	\$ 2,546,000	\$ 5,182,000	\$4,947,000
Visitor Spending per Ad Dollar	\$205	\$203	\$292
State Taxes Returned per Ad Dollar Invested	\$6.32	\$6.27	\$8.98
Local Taxes Returned per Ad Dollar Invested	\$6.42	\$6.36	\$9.12
<b>Total Taxes Returned per Ad Dollar Invested</b>	<b>\$12.74</b>	<b>\$12.63</b>	<b>\$18.10</b>

# Appendix: Questionnaires