Colorado
Travel Year 2010

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Background and Purpose

- Longwoods International was engaged by the Colorado Tourism Office to conduct a program of visitor research for the 2009 travel year.
- The purposes of the visitor research were to:
  - *provide data on the size of Colorado's travel market and the volume of expenditures it generates*
  - *provide intelligence on:*
    - *the competitive environment*
    - *Colorado's key sources of business*
    - *the Colorado traveler profile*
    - *trip characteristics*
      - *trip planning, transportation, accommodations, dining, sports, recreation, sightseeing, entertainment, etc.*
    - *Colorado's product delivery in terms of over 70 destination attributes*

Background and Purpose

- Throughout this report we emphasize leisure travel to the state, especially the ski trips, touring trips and outdoors trips that are Colorado's largest vacation travel segments.
- Since 2007, day trips have been included in the reporting on a limited basis. Information on day trip visitor volume, expenditures and demographics is provided. Nonetheless, the primary focus of the study remains on overnight travel.
- 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.

Method

- Overview
  - *The Visitor Study consists of quarterly random samples drawn from the MarketTools online consumer panel which comprises 5,000,000 U.S. households recruited to match population characteristics (parameters include sex, age, income, household size/composition, and geographics, within census division). The panel is continuously refreshed to maintain this balance.*
    - *For this study, to achieve as close to a representative sample as possible, a random sample of respondents is drawn each quarter*
  - *Panelists are not paid per se, but provided with points which they can redeem for a selection of goods and services.*
  - *MarketTools 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 12-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.*

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 2 million U.S. households annually.*
  - *The respondents are members of the MarketTools consumer online panel which is balanced statistically to be representative of the U.S. online population in terms of key demographic characteristics:*
    - *because the online population differs in some respects from the general population, we draw samples based on general population characteristics and weight final data to Census data on various demographics, including age, gender, income, household composition and population density*
  - *Travel USA® is conducted quarterly and the travel patterns of a randomly selected sample of adult (18+) panel members are identified.*
  - *From these quarterly studies we identified 2,623 Colorado overnight visitors In 2010, who completed a survey about their trip.*
    - *For a sample of this size, the error range within the sample at the 95% confidence level is + / – 2.0 , based on statistical probability. When comparing results on a year-to-year basis, the interval is + / – 2.8%,*
  - *Travel USA® also identified and surveyed 1,169 Colorado day visitors in 2010.*
  - *Colorado's overnight visitor numbers are tracked to a baseline established in 1992 using the annual rate of change in market share data (i.e., Colorado's share of all U.S. trips, projected to the U.S. population)*

Highlights, Conclusions & Recommendations

Highlights

- Travel and tourism in the United States appears to have started on the road to recovery in 2010.
- Following declines that began in 2008, leisure travel finally seems to have turned the tide with a 6% rise in visits to friends and relatives and a 3% improvement in discretionary “marketable” trips.
- Business travel also had an upward tick of 7%, a welcome sign after losing 30% of volume over the prior three years.
- The skew towards more VFR travel, and only modest growth in marketable trips suggests that this is not yet a full-scale turnaround:
  - *With substantial discounting in effect among cruise lines and lower costs for gas/fuel, we saw significant increases in cruises and touring trips*
  - *And some of the lower expenditure vacations like casino and outdoor trips added some volume*
  - *But we continued to see flat to down patterns for the trips that cost the most or have the highest per capita spending – ski, resort, business-leisure, city trips and even special event travel*

Highlights

- Colorado continued to surprise, attracting 5% more overnight visitors in 2010, and reaching a new record of 28.9 million trips.
- Leisure travel to Colorado led the way in 2010, with visits to friends and relatives increasing by 8% and marketable trips up 4%, along the way setting new records for each type of visitor.
- Even business travel to Colorado rose by 3%, following a sharp drop in 2009, improving to 3.6 million visits.
- Consistent with national trends, Colorado welcomed more people on touring, outdoors, mountain resort and casino trips. Volumes of special event, ski, city and combined business-pleasure trips declined.
- As Colorado travel rose at about the same rate as travel nationwide, its overall share of leisure travel remained constant at 2.6%.
- Colorado continued to lead all states in the competitive overnight ski travel market, garnering 20% of all trips in 2010.

Highlights

- Spending by overnight visitors rose by 3% in 2010 to $8.8 billion, again led by tourists who spent 5% more than in 2009:
  - *The big surprise was a19% increase in spending by people visiting friends and relatives – even though VFR travelers don't spend a lot , an increase of any size is welcome*
  - *On the other hand, people on marketable trips were more economical, spending 2% less than in the previous year*
- There was also a 7% drop in spending by business visitors.
- The rise in spending benefited four of the five main business sectors affected by travel and tourism.
- Expenditures on lodging and on recreation, sightseeing and attractions grew by 5-6% in 2010, while expenditures on food/beverage and retail purchases by travelers increased by 2% and 3%, respectively.
- Spending by visitors on local transportation remained the same from year to year.

Highlights

- Again in 2010, the proportion of overnight Colorado visitors who live instate continued to increase – now up to 42%. One of the continuing issues Colorado faces with a relatively high instate base of travelers is the fact that residents tend to spend significantly less than out-of-state visitors ($186 compared to $386 per person in 2010).
- The number of day trips to and within the state rose by 9% in 2010 to 26.3 million trips.
- And there was a 14% improvement in overall spending on those trips – daytrippers spent a total of $1.3 billion in the state, up from $1.2 billion a year earlier, which more than erased 11% decline we measured between '08 and '09.
- Another small piece of good news:
    - *Following several years of increasingly shorter leisure trips, we see a respite, both for the Colorado vacation and the national norm – in both cases, we saw no more contraction in 2010*
    - *The average trip to Colorado stayed at 4.8 nights.*

Highlights

- The main issues, challenges and opportunities for 2010 will be:
  - *Maintaining/increasing visitor volumes*
  - *Encouraging greater visitor spending*
  - *Encouraging people to do more and stay longer in Colorado*

Implications, Conclusions and Recommendations

- The strong funding support for marketing Colorado tourism appears to be working:
  - *Although marketing is only one factor among many that impact how many tourists come to a destination, there is a consistency we see in these very positive 2010 results with the fact that marketing was able to continue for Colorado while many states and DMO's had huge cutbacks.*
  - *For this reason we continue to urge support for marketing with a significant budget, in order to maintain this success*
- A few observations about the state of the market:
  - *A lot of the bounce-back in 2010 was fueled by VFR travel, which is very economical, low expenditure*
  - *The big gain in one of Colorado's chief segments, touring trips, was driven mainly by lower cost for gas and pent-up demand*
  - *But much of the rest of discretionary, "marketable" travel was flat or down, and spending contracted.*
  - *Recent hikes in the price of gasoline and airfares, plus poor economic indicators and rising prices for other non-fuel items may not be good omens for tourism and travel in the remainder of 2010.*

Implications, Conclusions and Recommendations

- For these reasons, we feel that our previously recommended approach for the media buy should be continued for at least another year for the spring/summer/fall campaigns:
  - *Focus on regional out-of-state markets, with some "maintenance" in high potential longer haul centers (e.g., Los Angeles, Bay area, Chicago, NYC, etc.)*
  - *If instate or closer-to-home marketing is considered, focus on segments/products with a high rate of return, e.g., ski, resort, city trips*
- In order to get visitors to stay longer, we feel that the creative under the new ad agency needs to convey more about the breadth of experiences available in Colorado, beyond just the mountains, outdoors and skiing/snowboarding:
  - *People coming on touring trips, for example, want variety, including both urban and rural experiences*
  - *A surprising 3 in 10 visitors in 2010 said they came to the state specifically seeking out history and historic sites, and 2 in 10 were looking for cultural experiences and attractions*
  - *An increasing number of visitors come to Colorado on city trips*
  - *Yet in each of the foregoing instances, the recent marketing materials paid limited attention to these opportunities*

Implications, Conclusions and Recommendations

- For the winter campaign, we recommend continuing with the national and spot market approach. Despite the sudden shift in 2010 to more instate ski trips, the majority of marketable travel in winter will likely continue to be longer haul. And skiers are an increasingly niche market, spread rather thinly across the nation:
  - *We also recommend broadening the winter campaign's content to encompass more than just ski and outdoor pursuits*
- Because cost of travel will likely be a continuing barrier to travel and travel distance is a highly visible component of that cost via fuel expenses, the CTO should consider how to develop and promote packages with suppliers that help vacationers look beyond/surmount the "cost of getting there" barrier to focus on the destination itself and the great things to see/do once you get to Colorado.

Key Findings

National Trends in Tourism

- After two years of declines in leisure travel, tourism across the national started to recover in 2010:
  - *nationally, visits to friends and relatives rose by 6% versus 2009*
  - *There was a 3% increase in overnight "marketable" leisure trips, i.e., the discretionary leisure trips most subject to influence by marketing and promotional activity*
- Business travel, which had been hit very hard by the recession, also grew by 7%.
- Looking at the marketable leisure trip segments of interest to Colorado, we observed the following trends:
  - *Ski trips across the country continued to slump, falling another 5% in 2010 (likely the result of warm winter weather in the Northeast), while special event and resort trips declined by similar amounts. There were also 8% fewer combined business-leisure trips. These trip segments are among the highest spending, so in hard economic times, we would expect some contraction.*
  - *City trips were basically flat over the period.*
  - *With a softening of gas prices in 2010, we saw a sharp increase in touring trips.*
  - *Casino trips and outdoor trips were up slightly.*

Colorado Travel in 2010

- After a couple of years of stagnation in visitor numbers, and in tandem with the national growth trend, Colorado experienced a 5% increase in overnight visitors in 2010:
    - *Reaching a new record of 28.9 million trips*
- Much of that increase was due to higher leisure visitor numbers -- a total of 25.4 million domestic U.S. vacationers came to Colorado on overnight trips in 2010, 5% more than the year before.
- Marketable trips grew by 4% to 13.8 million visits, setting a new record.
- And there was an even greater increase in the number of trips to visit friends and relatives in Colorado, accounting for 11.6 million visits over the year, also a new milestone.
- Business travel to Colorado rose by 3% to 3.5 million trips, not quite as strong an increase as the national trend, but a welcome improvement after the sharp decline of the previous year.
- Day travel to and within Colorado rose by 9% to 26.2 million trips in 2010 from 24.2 million trips in 2009.

Colorado's Key Segments

- Colorado welcomed the following number of visitors in each of the state's core "marketable" overnight travel segments:

	2009	2010
Touring trips	2,990,000	3,060,000
Outdoor trips	2,410,000	2,680,000
Special event trips	2,070,000	2,000,000
Ski trips	1,580,000	1,470,000
Combined business-pleasure trips	1,490,000	1,440,000
City trips	1.250.000	1,190,000
Casino	730,000	910,000
Country resort trips	600,000	630,000

- On a year-to-year basis, Colorado recorded the following changes in the various segments shown above:
  - *Consistent with national trends, Colorado recorded growth in the touring, outdoors, country resort and casino segments in 2010*
  - *There were declines in the numbers of special event, ski, combined business-leisure, and city trips*

Colorado's Key Segments

- Longer term trends in these segments are as follows:
  - *The last peak in the national ski market was in the 2006-2008 period, and it has shown some decline since then. The year-over-year declines in overnight ski visitor volumes for Colorado are consistent with this trend.*
  - *Reflecting lower gasoline/fuel prices during 2010 and pent-up demand, the national interest in touring trips rose sharply., and Colorado took advantage of this trend attracting 6% more visitors from this segment.*
  - *After falling sharply from '08 to '09, city trips nationwide flattened out in '10. The good news for Colorado is that the state never lost ground in city trip volume; however there has also been no growth in this segment since '08.*
  - *Over the past couple of years, outdoor trips across the country increased as people sought to save money on travel. Likely because of distance to market and fuel costs, Colorado experienced the opposite trend, shedding outdoor vacationers steadily until 2010 when a sharp increase erased most of the prior years' losses.*

Colorado's Key Segments

- Longer term segment trends (cont'd):
  - *Although, on a national basis, the resort segment has been relatively flat over the past three years, Colorado continues to add visitors in this segment.*
  - *Since 2007, the national trend for special event trips has been fairly flat. We see an identical trend for Colorado.*
  - *An upward tick in casino trips nationwide in 2010 was mirrored by similar growth in Colorado. However, the longer term picture for this type of travel nationally has generally been flat since '04*
  - *The trends in combined business-leisure trips for both the nation and Colorado are quite flat over the long term.*

Market Share

- Colorado's overnight marketable trips rose 4% year over year, while this type of travel increased 3% on a national basis. As a consequence Colorado maintained its overall share of the national market for this discretionary type of travel at 2.6%:
  - *In 2010, Colorado ranked 17`th among the 50 states as a destination for marketable leisure trips*
- Colorado's share of overnight touring trips rose to 3.4% from 3.3%, recovering almost to the last peak of 3.5% in 2007. Colorado ranked 12th among the states as a touring destination in 2010 .
- Colorado's share of outdoor trips rose back to 3.7%, near record territory, which garnered a ranking of 8th among the states for this type of travel.
- In 2010, Colorado continued to retain its number one ranking for ski trips across the country, with a 20% share, which was slightly better than in 2009 (19.7%).
- These pleasure and business travel volume estimates are based on trips taken by individuals 18 years of age or older, and include 11.7 million trips by residents of Colorado.
- Colorado had a 2.0% share of day trips nationwide in 2010.

Expenditures

- Total spending by domestic visitors to Colorado amounted to $10.15 billion in 2010, 4% more than the $9.73 billion spent in 2009.
- Overnight visitors' expenditures rose with their numbers, up 3% to $8.8 million; however, there were differences in direction by trip purpose:
  - *The improvement was fueled mainly by higher expenditures among people visiting friends/relatives, which were up 19% . This is typical of travel behavior in economic hard times, where people try to have a "marketable trip" with the non-lodging expenditures those trips usually entails, while staying inexpensively with friends or relatives*
  - *People who came to Colorado on overnight marketable trips actually spent less than their counterparts in 2009 (down 2%).*
  - *And business travelers' expenditures continued to decline, falling 7% to $1.1 billion*
- Day visitors' spending rose by 14% to $1.33 billion over the year.
  - *Most of this spending (78%) was by Colorado residents, who comprised the majority of day visitors*

Expenditures

- The increase in spending by overnight visitors was felt across four of the five main business sectors affected by travel and tourism.
- Expenditures on lodging rose 5% to $2.47 billion in 2010, and spending on recreation, sightseeing and attractions grew by a similar amount (6%) to $1.43 billion.
- Expenditures on food and beverage improved by 2% to $1.8 billion
- And retail purchases by travelers increased 3% to $1.24 billion in 2010.
- Spending by visitors on local transportation, including rental cars, gas purchases, parking, taxis, etc., was flat on a year-over-year basis at about $1.9 billion

Expenditures

- People who stay in commercial accommodations when traveling tend to spend more on things besides lodging than those staying with friends/relatives or in other types of accommodations, and Colorado visitors in 2010 were no exception to this rule:
  - *in 2010, those staying in commercial lodging accounted for 72% of all travel spending in the state*
  - *people staying in private homes and vacation properties contributed 16% of all travel expenditures*
  - *7% was spent by people staying in private or public campgrounds*
  - *The remaining 5% was contributed by people staying in other types of accommodations*
- People visiting Colorado in 2010 on marketable leisure trips spent, on average, $360 per person in the state over the course of their trip. In comparison, the typical business visitor spent $307, and a person on a VFR trip spent an average of only $239.
  - *The most valuable among the marketable trip segments were people on ski trips spending $931 per capita, followed by special event attendees ($400), touring vacationers ($335), and people on city trips ($314)*

Expenditures

- *Colorado visitors on resort or outdoor trips spent $300 and $287 per person, respectively, while people on casino trips ($213) and business-leisure trips ($163) were the most economical in their spending*

- In 2010, the per capita expenditures of Colorado vacationers in both marketable and VFR segments were higher than their respective national averages:
  - *For VFR travelers to Colorado, this can be explained by a considerably longer trip length*
- Business travelers to Colorado in 2010 spent somewhat less than the norm for destinations ($307 in Colorado vs. $322 on a national basis).
- Colorado day visitors in 2010 spent about the same as the national average ($52 vs. $53).
- The slight increase in leisure visitor spending in 2010 helped bring the inflation-adjusted total almost back to parity with the 1992 benchmark.
- Business traveler spending continues to lose ground against this benchmark, as much due to inflation as to a decline in visitation and consequently fewer real dollars spent.

Sources of Business

- In 2010 Colorado continued to draw most overnight vacationers from the West, consisting of the Mountain, West North Central and West South Central census regions:
  - *This broad region was the source of 71% of all overnight leisure trips*
- Colorado itself continued to increase as the top provider of vacationers:
  - *In 2010, Colorado residents constituted 42% of overnight travelers, up from 40% in 2010 and twice the level we originally measured in 1992*
- California and Texas remained the top out-of-state markets for overnight Colorado vacations, followed by:
  - *Arizona*
  - *Illinois*
  - *New Mexico*
  - *Florida*
  - *Kansas*
  - *Nebraska*
  - *Wyoming*
  - *New York*

Sources of Business

- The Pacific region accounted for about 1 in 10 Colorado overnight tourists in 2010, with somewhat fewer coming from the South and Midwest.
- Only 1 in 20 vacationers visited Colorado from the Northeast.
- In 2010, the top urban areas generating overnight tourists were:
    - *Denver*
    - *Colorado Springs – Pueblo*
    - *Los Angeles*
    - *Albuquerque – Santa Fe*
    - *Phoenix*
    - *New York City*
    - *Dallas – Ft. Worth*
    - *Chicago*
    - *Grand Junction - Montrose*
    - *Salt Lake City*

Sources of Business

- The majority (83%) of Colorado day trips in 2010 originated within the state itself, about the same as in 2009 (84%).
- Neighboring states such as Wyoming, New Mexico, Utah, and Kansas provided most of the remaining day trippers.
- A few visited Colorado for a day or passed through while on trips to other states, and those people make their home in more distant states, such as California and Texas.
- The top urban sources of Colorado day trips in 2010 were in-state – Denver, Colorado Springs/Pueblo and Grand Junction/Montrose – with the main regional out-of-state markets being Albuquerque/Santa Fe, Phoenix, and Salt Lake City:
  - *Other long haul markets made the "top ten" list (e.g., LA, Dallas, Chicago, etc.), simply because of their size, but they should not be regarded as primary targets for marketing of day travel*

Colorado's Overnight Leisure Travel Profile

- Colorado's overnight leisure visitors in 2010 were demographically very similar to vacationers nationwide in some respects:
  - *average age of 46*
  - *two-thirds are married*
  - *similar household size*
  - *4 in 10 have kids/teens living at home*
  - *two-thirds have household income of $50K+*
- There were just a few slight skews – Colorado overnight vacationers in 2010 were:
  - *a fairly even split by gender vs. a slight female skew nationally*
  - *somewhat better educated*
  - *slightly more likely to be employed*

Colorado's Day Trip Profile

- In 2010, people taking day trips to or within Colorado matched the national norm in terms of:
  - *age – average of 46 years old*
  - *marital status – a majority are married*
  - *household composition*
  - *employment*
- People on Colorado day trips had the following differences compared to the norm:
  - *an even gender split, vs. a female skew for the typical destination*
  - *slightly below average household income*

Overnight Leisure Trip Characteristics

- Even though Colorado is primarily a regional destination in the sense of drawing tourists mainly from Western markets, our long-form surveys in other years have shown that the travel distances from major markets are fairly sizeable, with over half of visitors traveling 500 or more miles from home to get to Colorado.
- As a consequence of this distance to market and likely less familiarity with the state, Colorado leisure visitors tend to seek out more information in general than people visiting the typical destination, especially information on the internet.:
  - *Half of Colorado visitors indicated they used the internet to help plan their trip 2010 trip, and to actually make a booking, compared to only 4 in 10 of their counterparts going to the average destination*
- In the Longwoods Travel USA™ survey, we added a series of questions in 2010 about usage of "social media" to help plan and converse about travel. The questions were not trip-specific, but rather about usage "in the past 3 months":
  - *Our on-going research for other destinations has shown that use of social media for/on specific trips is still very low, i.e., less than 5% using social media sites, phone apps, etc, so in order to make incidence numbers more meaningful, we made the time frame for the questions broader than just a single trip*

Overnight Leisure Trip Characteristics

- The most common uses for social media “in the past 3 months” in this general context in 2010 for both Colorado vacationers and those visiting the average destination include:
  - *Posting travel photos and videos on social media websites*
  - *Reading travel reviews*
  - *Using a smartphone while traveling (no specific purpose was specified)*
  - *Looking at other people’s travel photos*
- Relatively few people get more involved or seek out specific information, such as:
  - *Reading/writing a travel blog or contributing travel reviews*
  - *Learning about travel deals/promotions*
  - *Seeking out or giving travel advice via social networking*
  - *Subscribing to a travel newsletter*
  - *Connecting with others interested in travel*
  - *Following a destination on Facebook/Twitter*
  - *Tweeting about a trip*

Overnight Leisure Trip Characteristics

- The length of vacation trips to Colorado remained stable in 2010:
  - *the average Colorado leisure trip was just under 5 nights away from home, about the same as in 2009, but well below the 7 nights average in 2000*
  - *the typical U.S. leisure trip stayed constant as well, remaining at 3.6 nights away from home for the past 3 years*
- Over half of leisure visitors who came to Colorado from out-of-state drove their own car or truck, while 4 in 10 arrived by plane:
  - *About one-quarter of non-Colorado residents rented a vehicle while visiting*
- The Travel USA™ survey asks about accommodation used on the trip, while the long-form visitor survey we have used in prior years asks about accommodations used within Colorado itself. From the Travel USA™ study in 2010, we find that just over half of Colorado visitors used some form of commercial accommodation (hotel, motel, inn, B & B) on their trip, while a third stayed with friends/relatives.
- About 1 in 10 rented a home, condo or cottage/cabin, or stayed in a campground, while half that number stayed at a second home.

Overnight Leisure Trip Characteristics

- There were 3 people in the typical Colorado leisure travel party in 2010, which is about the same as the national norm:
  - *The party size has increased slightly from 2.8 individuals since 2009*
  - *The ratio of adults to children in the average Colorado and national travel party is about 3 to 1*
- In 2010, the spring and summer seasons produced the most visitors, although substantial numbers did come to Colorado during the first and fourth quarters:
  - *A pattern we have observed for many years*
  - *Comparing 2010 to 2009, there was a very slight increase in summer visitation and a corresponding drop in spring traffic*

Overnight Leisure Trip Characteristics

- In the Travel USA™ survey, respondents were asked about their participation in 38 different sightseeing, recreation, sports, and entertainment activities.
- On their trip in 2010, Colorado leisure visitors were most likely to have take part in the following activities:
  - *Shopping (33%)*
  - *Visiting a national or state park (24%)*
  - *Fine dining (22%)*
  - *Visiting a famous landmark or historic site (19%)*
  - *Hiking/backpacking (18%)*
- Vacationers also frequently took part in or visited:
  - *outdoor recreational activities such as swimming, camping, fishing, skiing and bicycling*
  - *Local cultural venues including museums , art galleries and theater*
  - *Breweries*
  - *Places for entertainment and nightlife, e.g., bars/nightclubs, casinos, festivals/fairs*
  - *Attractions such as zoos and theme parks*

Overnight Leisure Trip Characteristics

- Relative to the national norm, and given that visiting the mountains is very common, it is not surprising that Colorado visitors are much more likely than people visiting the average destination to have visited a national/state park or engaged in outdoor pastimes, such as hiking/backpacking, camping, skiing, biking, mountain climbing, etc.:
  - *Conversely beaches are less likely to figure in a Colorado vacation*
- Colorado vacationers are also more likely to experience a landmark or historic site, museum, brewery, art gallery or zoo than other travelers.
- Compared to 2009, visitors in 2010 were slightly less likely to have shopped on their trip; however, there was not a great deal of difference in participation in other types of activities.

Overnight Leisure Trip Characteristics

- In addition to enumerating the activities they engaged in, travelers were asked to identify which of several specific interests they had on their trip.
- Interestingly, almost a third of Colorado vacationers indicated that they were specifically interested in historic places on their trip, followed closely by an interest in cultural activities and attractions.
- Relatively few said they were seeking out culinary or wine experiences, eco-tourism or traveling with grand-children.
- The levels of interest in each of these areas remained constant over the year.
- Versus the national norm, Colorado vacationers seem more interested in three of these types of travel – historic, cultural and eco-tourism.

Segment Profiles – Outdoor Trips

- Outdoor trips to Colorado mainly originate instate (66%)
- The travelers tend to be:
  - *Younger than average for both the state and the national norm*
  - *An even gender split*
  - *Somewhat above average in terms of income – and higher than in 2009*
  - *Average education level among Colorado visitors but above average for this type of travel nationally*
- Their trip characteristics:
  - *The segment least likely to use the internet for Colorado trip planning/booking, though above average relative to the US norm*
  - *A fairly short trip (only 4 nights), and shorter than in 2009*
  - *A larger than average travel party size (almost 4½ people)*
  - *Almost entirely a drive vacation with little fly-in, and even less than in 2009*
  - *Often used campgrounds (54%), but also frequently stayed in commercial accommodations*

Segment Profiles – Outdoor Trips

- The top activities and interests in 2010 were:
  - *Hiking/backpacking (47%)*
  - *Camping (44%)*
  - *Fishing (39%)*
  - *Visiting a national/state park (31%)*
- Colorado's outdoor vacationers occasionally took part in:
  - *Visiting historic places*
  - *Shopping*
  - *Water activities like rafting, boating, swimming*
  - *Biking*
  - *Cultural tourism*
  - *Eco-tourism*

Segment Profiles – Touring Trips

- Of the three main leisure segments, Colorado touring vacationers are the group most like to visit from out-of-state:
  - *In 2010 , two-thirds of this segment lived outside Colorado, about the same as the previous year*
- Like touring vacationers nationally, these Colorado visitors are skewed older, averaging 50 years of age
- There are slight skews towards:
  - *Female*
  - *Lower income and education than the norm:*
    - *But average for Colorado visitors*
- This segment makes the greatest use of the internet for both trip planning and pre-booking of trip elements:
  - *They are also the group most apt to use a travel agent, though that is not common with only 5% indicating this*

Segment Profiles – Touring Trips

- The touring trip to Colorado averages about 6½ nights away from home, which is a full day longer than the average touring trip and almost 2 days longer than the typical Colorado trip (4.8 nights):
  - *Nonetheless it is important to remember that the actual stay in the state (not measured in 2010) is typically only half of the trip length for this segment*
- The party size is average for the state, totaling about 3 people which is about the same as touring parties nationwide.
- For most touring vacationers, the Colorado trip is a driving vacation:
  - *7 in 10 arrive in their own vehicle*
  - *About 2 in 10 fly in, then rent a car for their touring*
- Touring vacationers to Colorado were the leisure segment making the greatest use of commercial accommodations.
- As we have seen before for both Colorado and the nation as a whole, the touring vacation is about variety – touring vacationers tend to do a lot more and see more things than other segments

Segment Profiles – Touring Trips

- On their trip in 2010, very high numbers of touring vacationers:
  - *Visited a national or state park (60%)*
  - *Visited a landmark or historic site (53%)*
  - *Went shopping (48%)*
  - *Were interested in historic places (72%)*
- Among Colorado's key leisure segments, they were the group most likely to seek out/visit:
  - *Cultural activities and attractions*
  - *Fine dining, exceptional culinary experiences , wine tours/tasting*
  - *Museums or art galleries*
  - *Casinos*
  - *Breweries*
  - *Festivals/fairs*
  - *Zoos or theme parks*
- They were also physically active, frequently participating in hiking/backpacking, swimming, camping, etc.

Segment Profiles – Ski Trips

- Historically, the vast majority of Colorado's overnight ski trips have originated outside of the state – in 2009 and 2008, for example, this amounted to 8 in 10 of the people in this segment.
- However, in 2010, we observe a shift to more instate travel, with 4 in 10 trips originating in Colorado.
- People on overnight ski trips to Colorado are relatively young (42 years old, on average) relative to other Colorado visitors, though not as young as the national norm (40 years old).
- As with the broader group of Colorado overnight visitors, skiers are evenly divided male-female, while the norm/population is skewed slightly female.
    - *Colorado have in the past been skewed quite strongly male*
- People on Colorado ski trips are skewed even more upscale in income and education than the norm, which itself is above average relative to travelers in general:
    - *This difference became even more pronounced in 2010 than in earlier years*

Segment Profiles – Ski Trips

- Colorado skiers in 2010 were average in their use of the internet compared to Colorado visitors generally.
- Given the economic hard times, it's not surprising that overnight ski trips to Colorado shortened substantially in 2010 to 4.6 nights on average, from 5.9 nights the previous year.
- Colorado ski parties tended to be larger than the typical Colorado visitor party, at just over 4 individuals.
- Skiers were slightly more likely to drive into the state (54%) than fly in (44%):
  - *about 2 in 10 made use of rental cars, while slightly fewer traveled by bus*
- The segment reflects use of a mix of different accommodations, most commonly rentals of condos or homes (35%), commercial accommodations (i.e., hotels, motels, ins, and B& B's approximately 3 in 10); homes of friends/relatives (23%); and second homes/timeshares (14%);.

Segment Profiles – Ski Trips

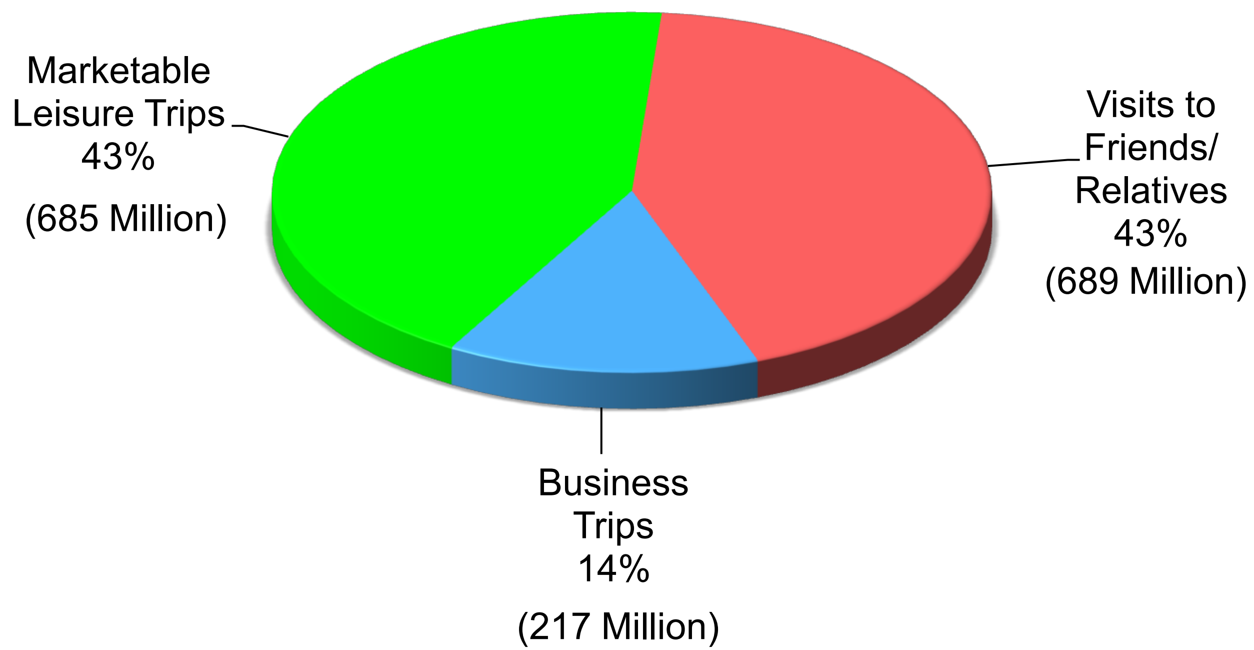
- Apart from almost universal participation in skiing itself, the top activities for ski vacationers in 2010 were:
  - *Shopping (22%)*
  - *Fine dining (21%)*
  - *Nightlife including a bar, disco or nightclub (21%)*
- About 1 in 10 also took in a brewery or winery, went swimming, or went camping.
- These visitors had below average interest in the specific types of experiences we asked about on the survey, e.g., historic, cultural or eco-tourism, wine/culinary experiences, etc.

Detailed Findings

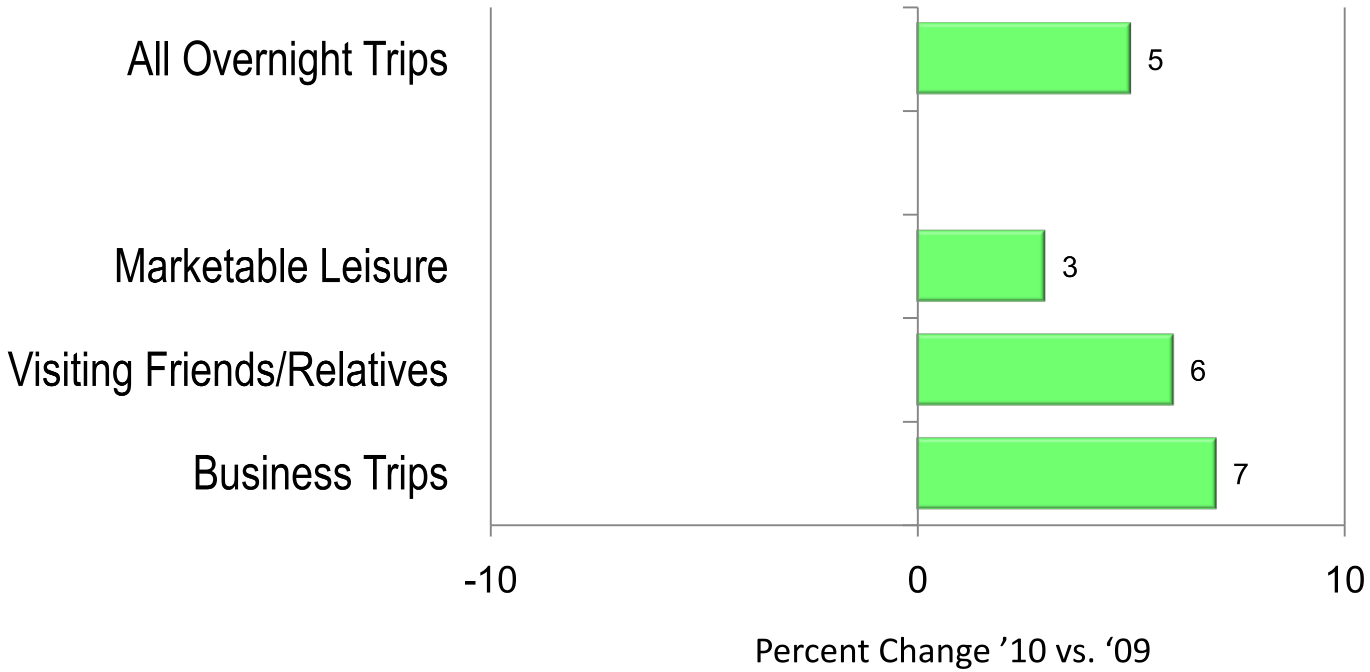
Size & Structure of the U.S. Travel Market

Size of the U.S. Travel Market – 2010 Overnight Trips

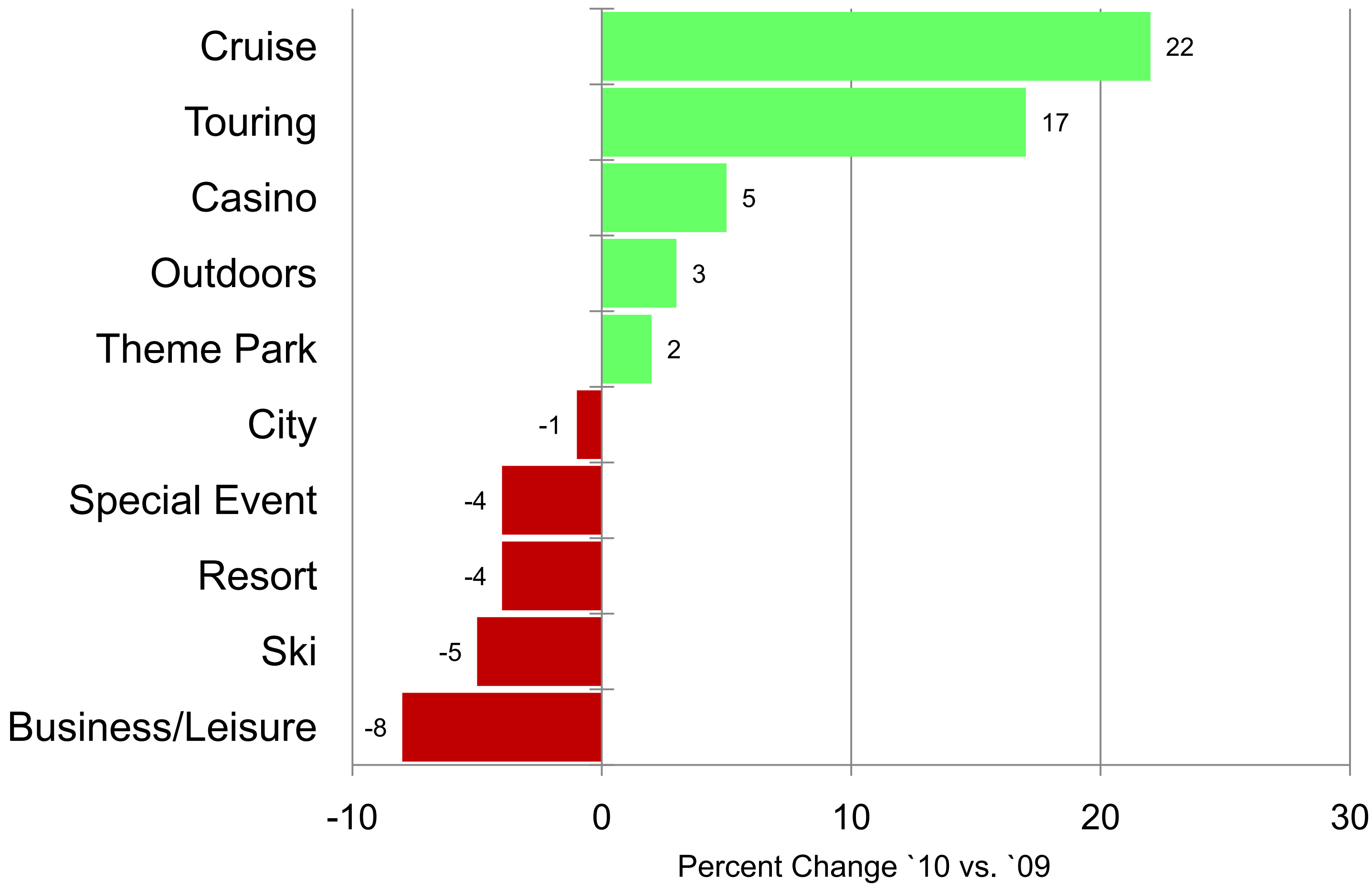
Total Trips = 1.592 Billion



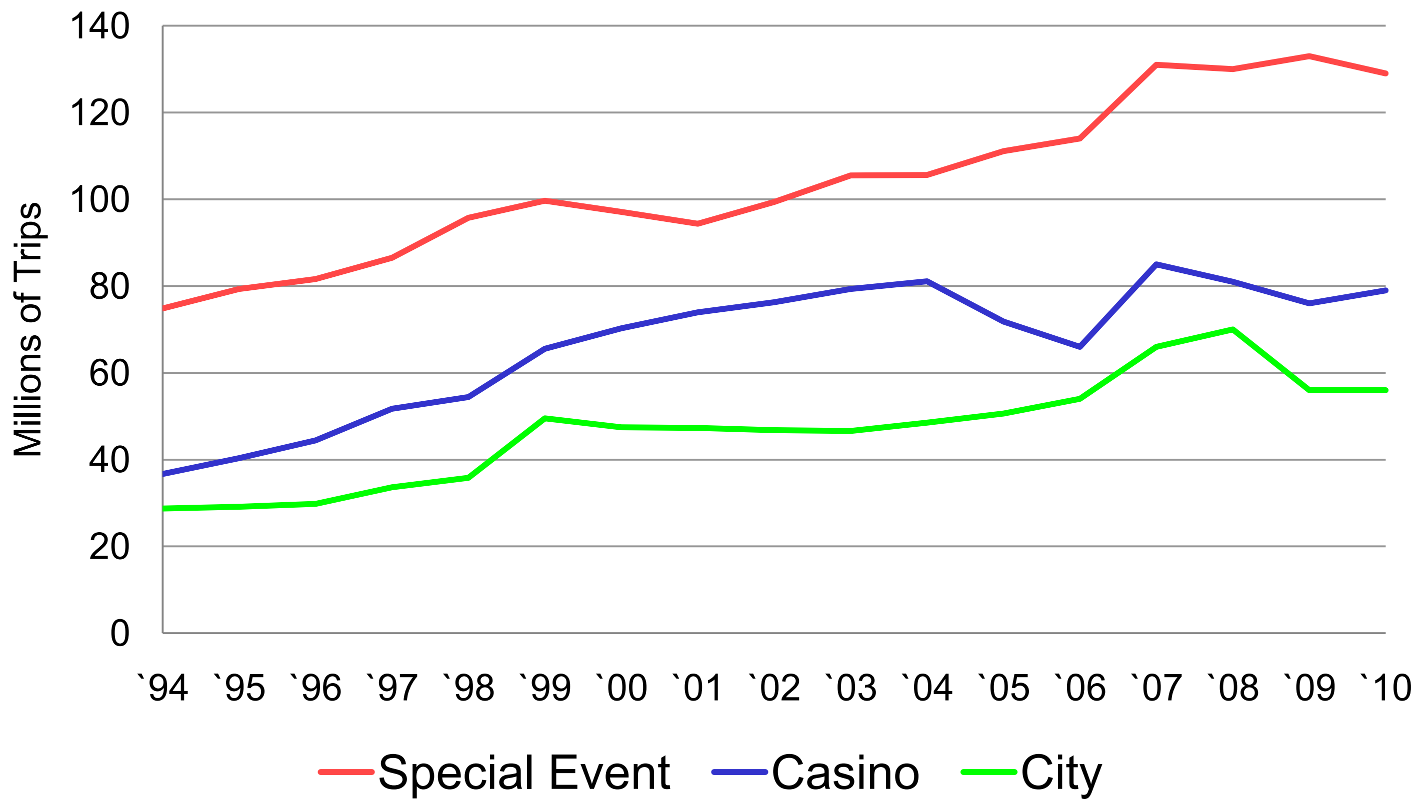
U.S. Market Trends for Overnight Trips – 2010 vs. 2009



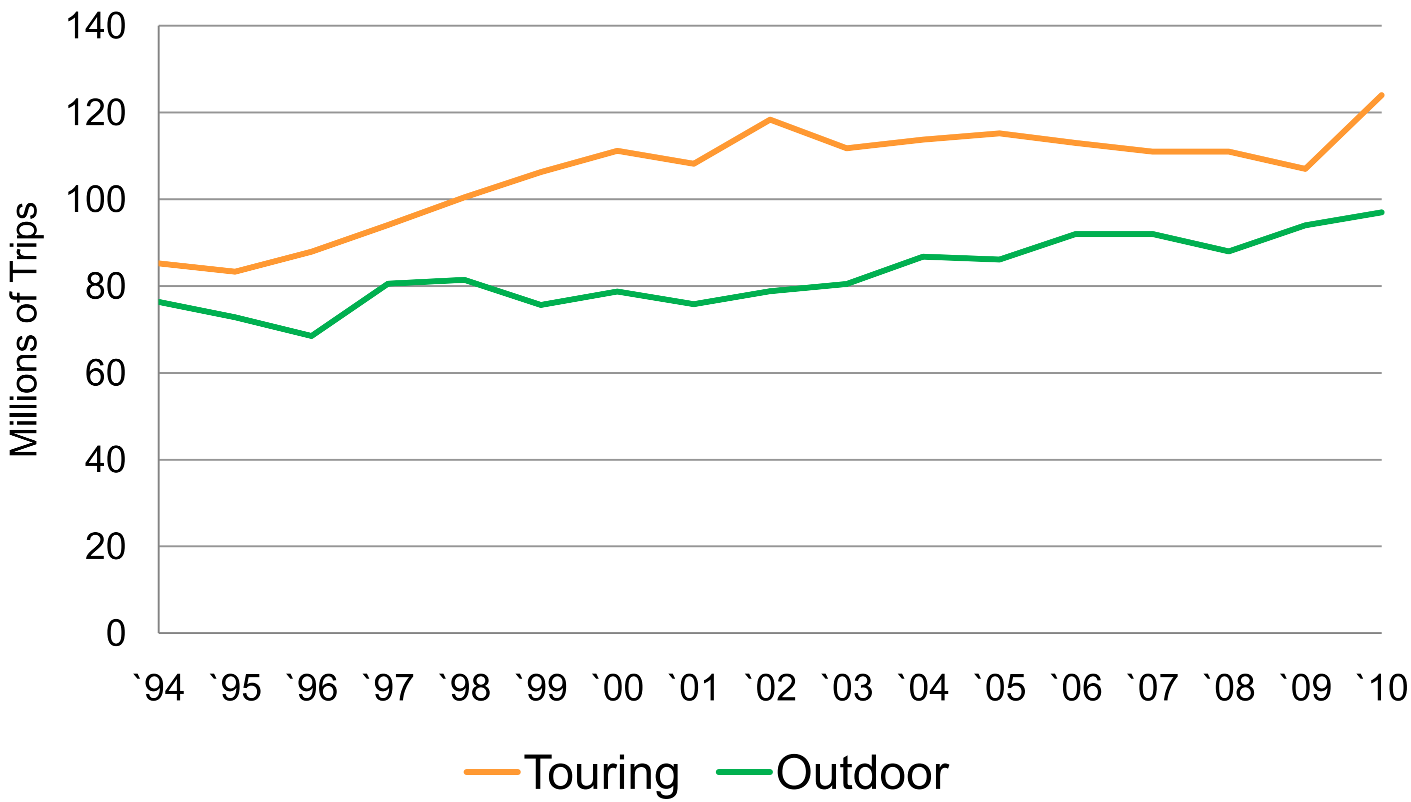
U.S. Overnight Marketable Trip Trends – 2010 Travel Year



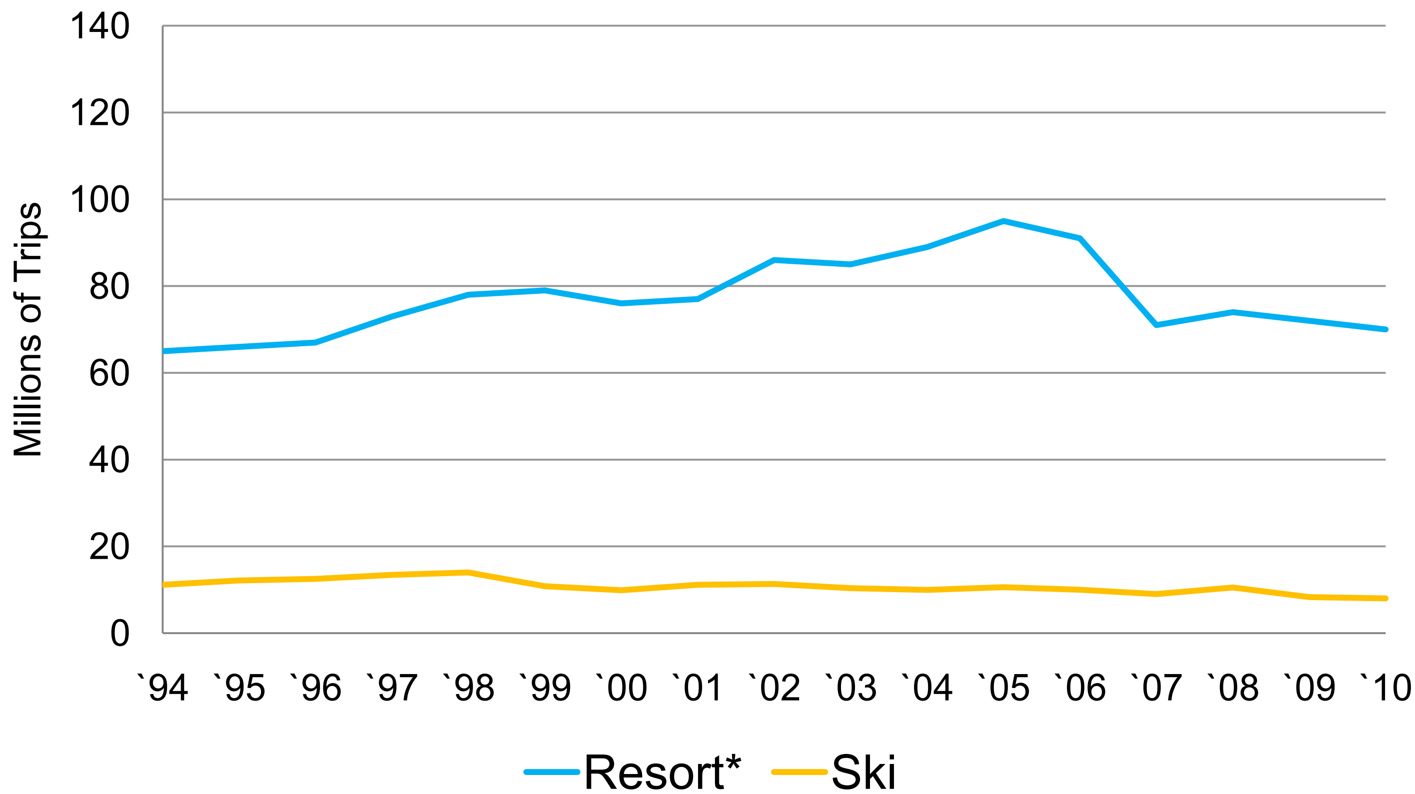
U.S. Marketable Trips
– Special Event, Casino & City Trips



U.S. Marketable Trips – Touring & Outdoor Trips

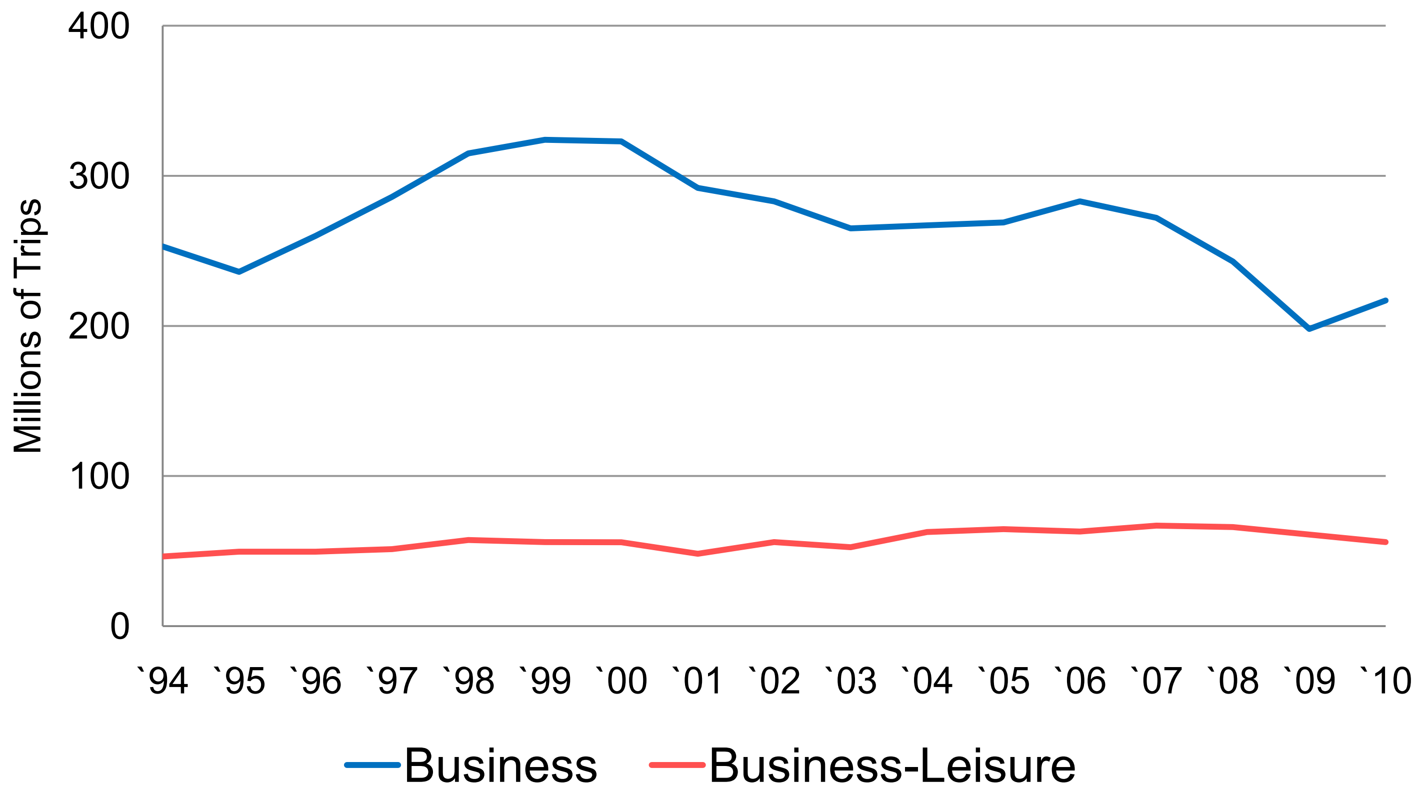


U.S. Marketable Trips – Resort* & Ski Trips



* Combines Country and Beach starting in 2007

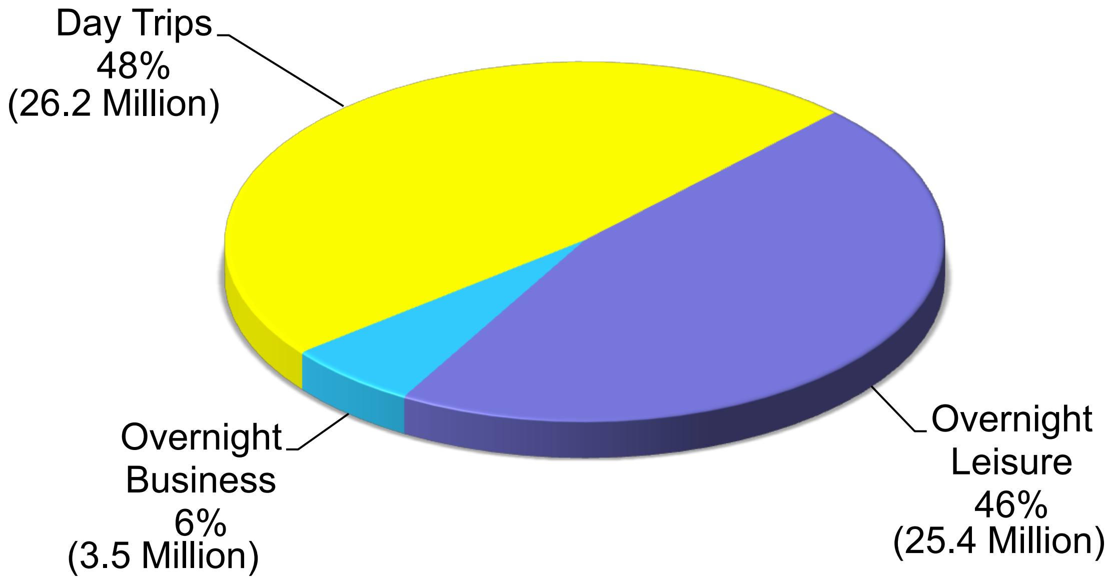
U.S. Business and Combined Business-Leisure Trips



Size & Structure of Colorado's Travel Market

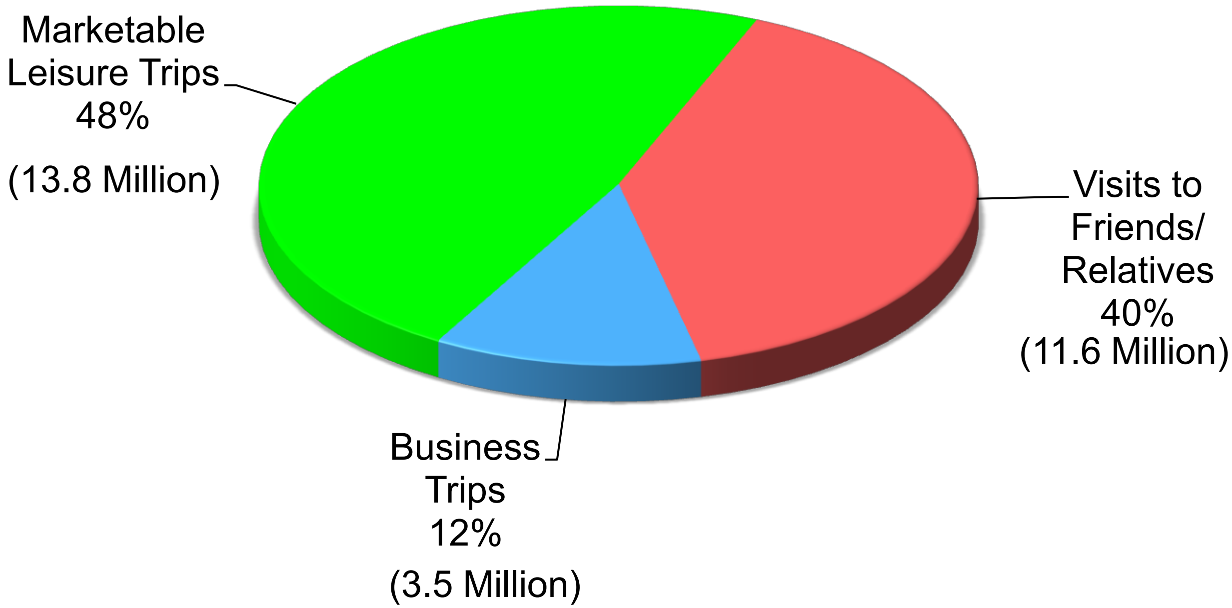
Day & Overnight Trips to Colorado in 2010

Total Trips = 55.1 Million



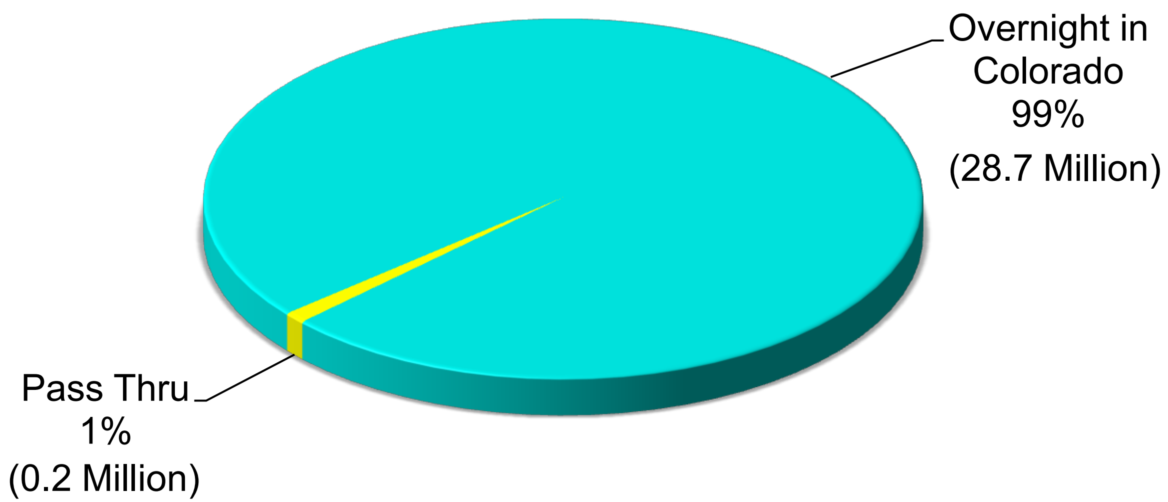
Size of Colorado's Travel Market – 2010 Overnight Trips

Total Trips = 28.9 Million

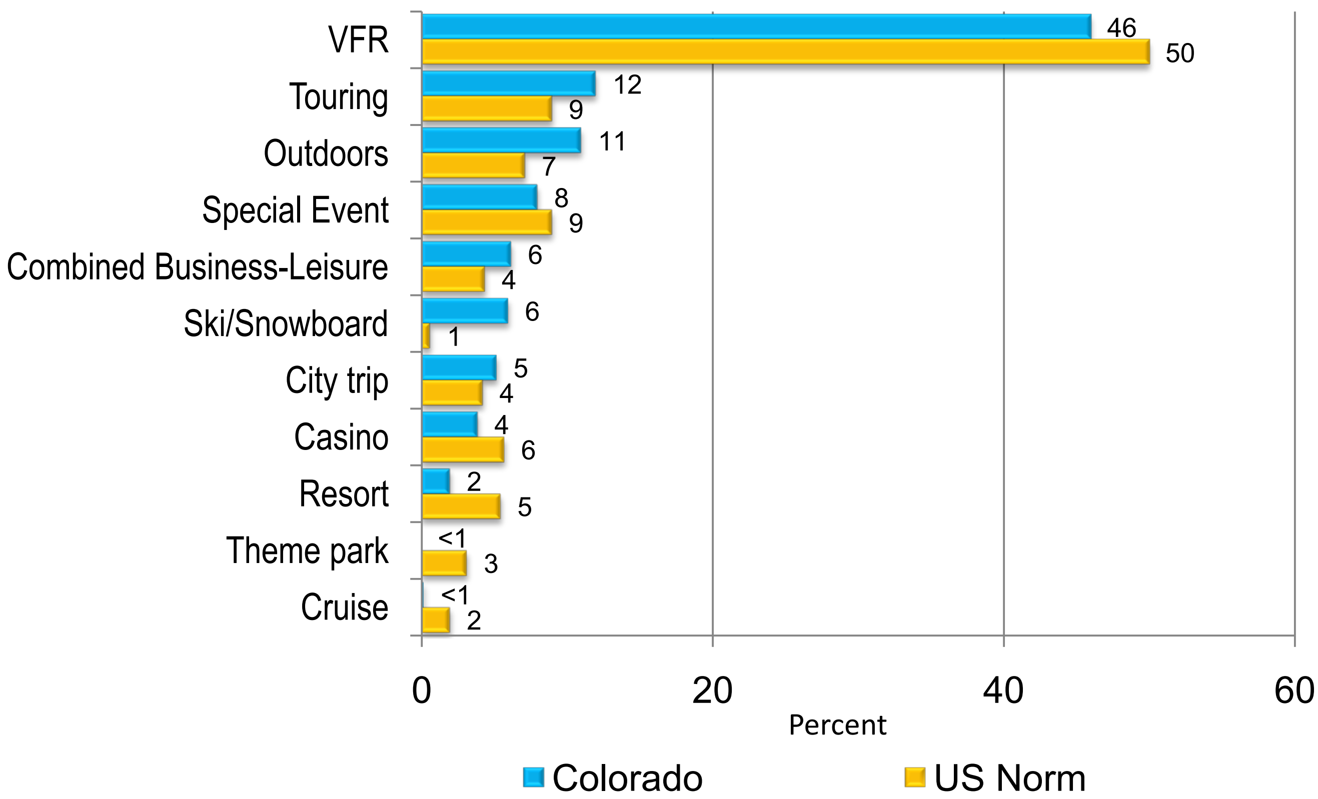


Overnight Trips Including Colorado in 2010

Total Trips = 28.9 Million

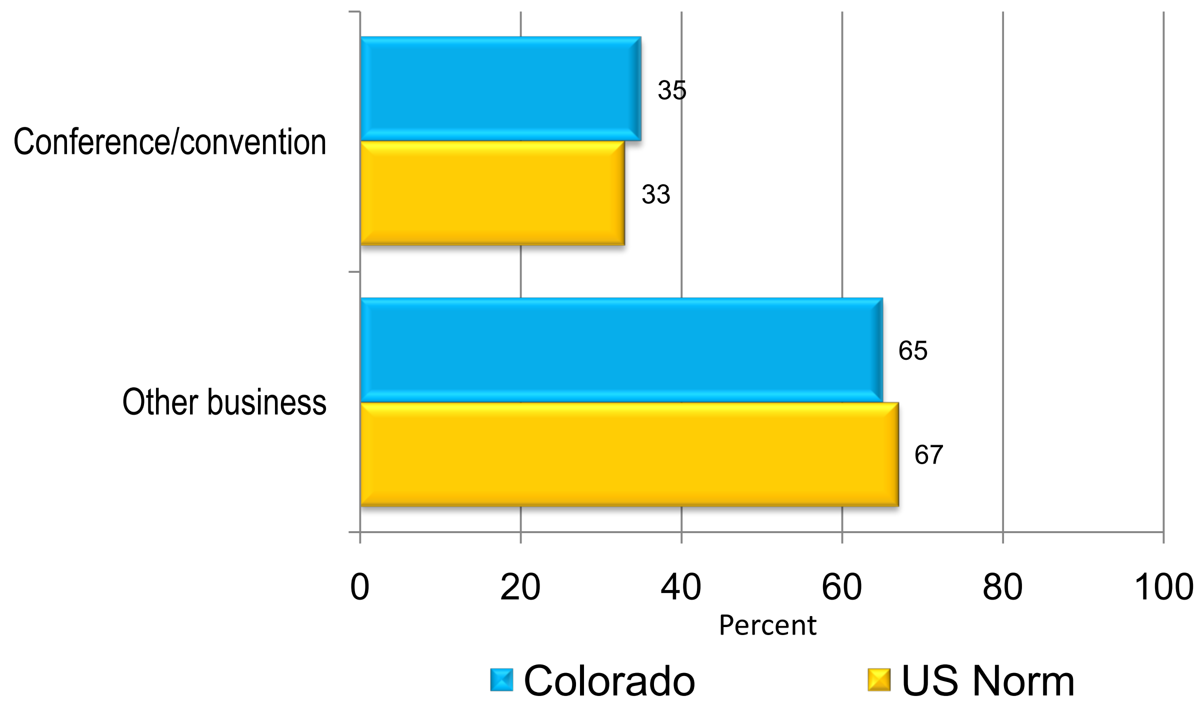


Main Purpose of 2010 Overnight Leisure Trips vs. the U.S. Norm

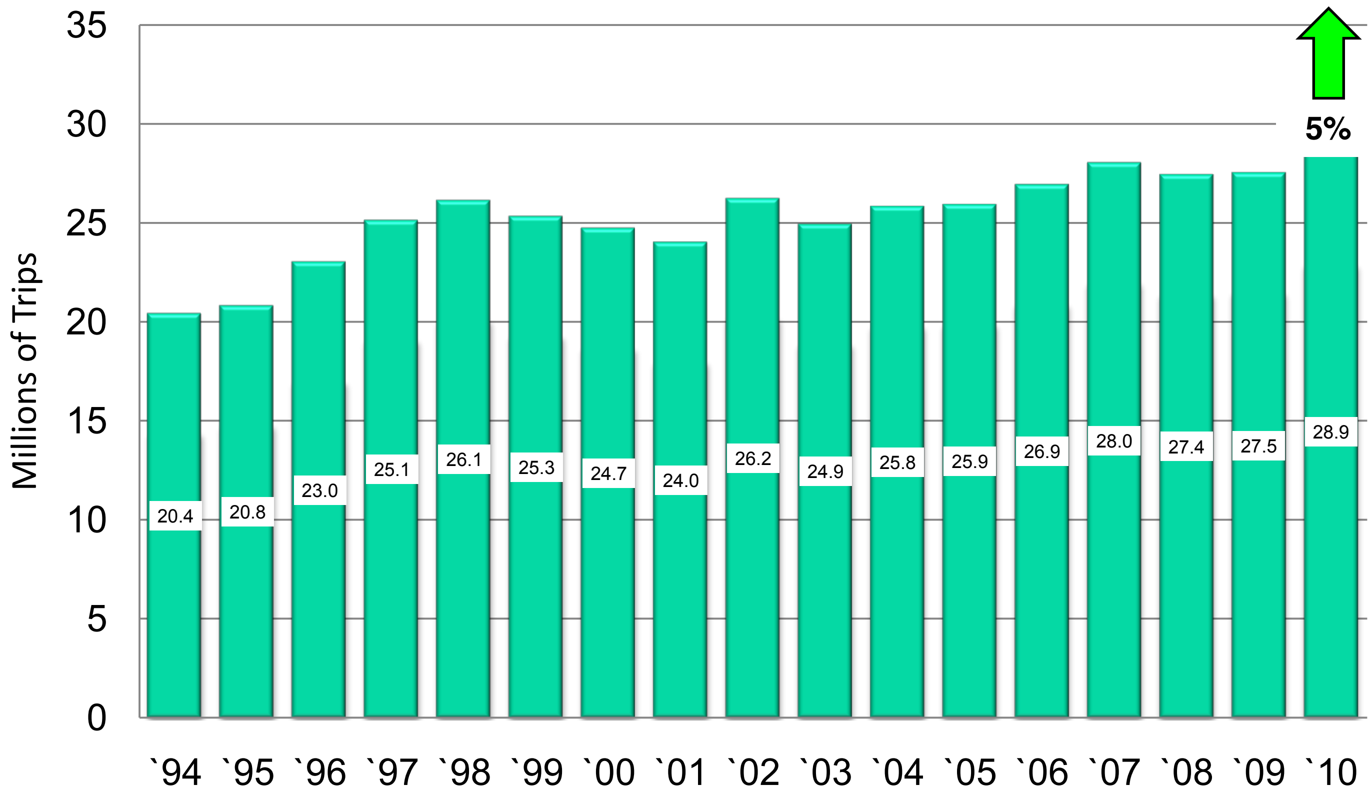


Main Purpose of 2010 Overnight Business Trips vs. the U.S. Norm

Base: Overnight Business Trips

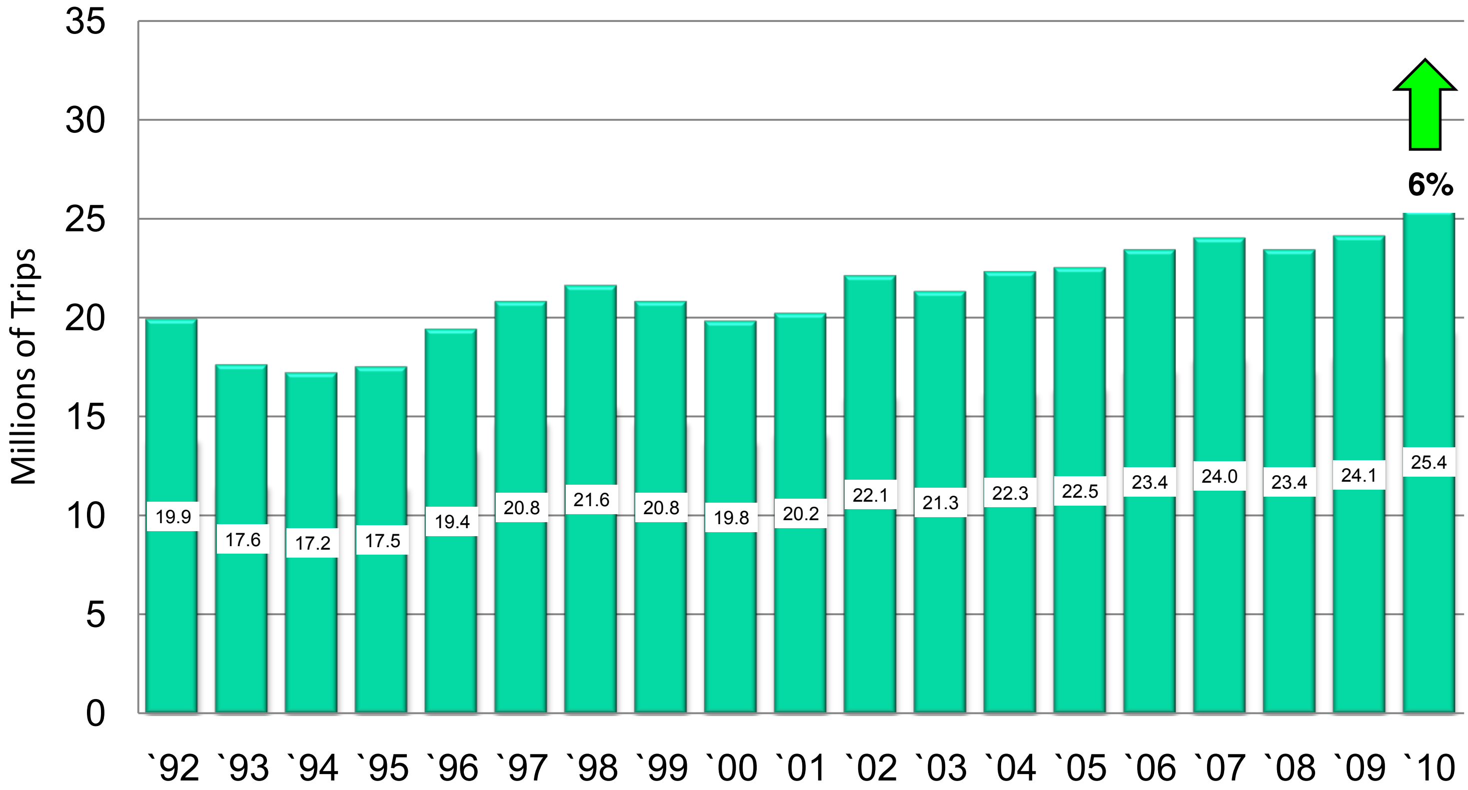


Overnight Trips to Colorado – 1994 to 2010

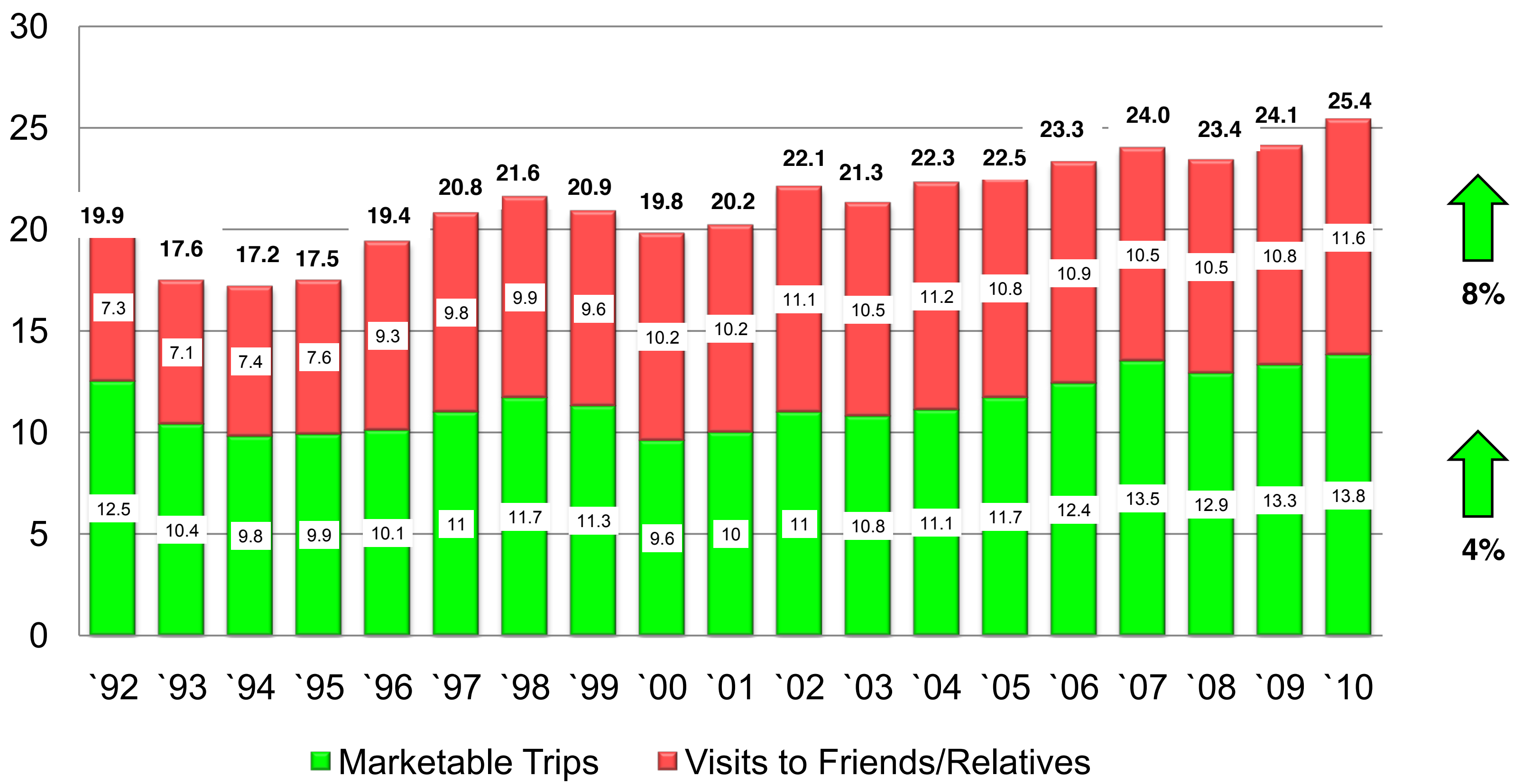


Note: Referencing this and subsequent charts showing annual trends, the Travel USA® survey was standardized for Leisure travel starting in 1992, so all charts about Leisure travel begin with that year. Questions about business trips were added in 1994; so charts about business travel or that show a total of Leisure and business start with 1994 data.

Overnight Leisure Trips to Colorado – 1992 to 2010

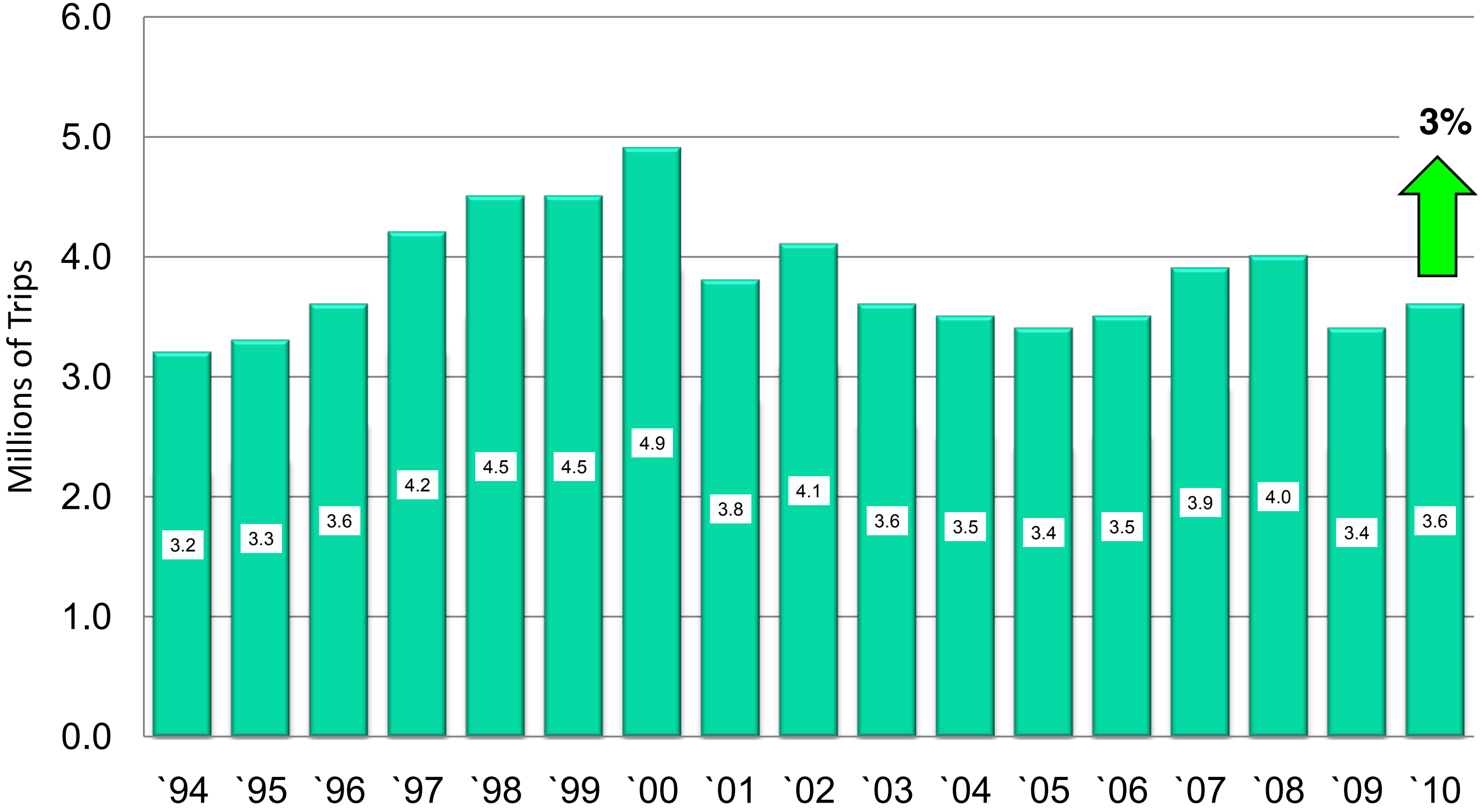


Structure of Colorado's Overnight Leisure Travel Market

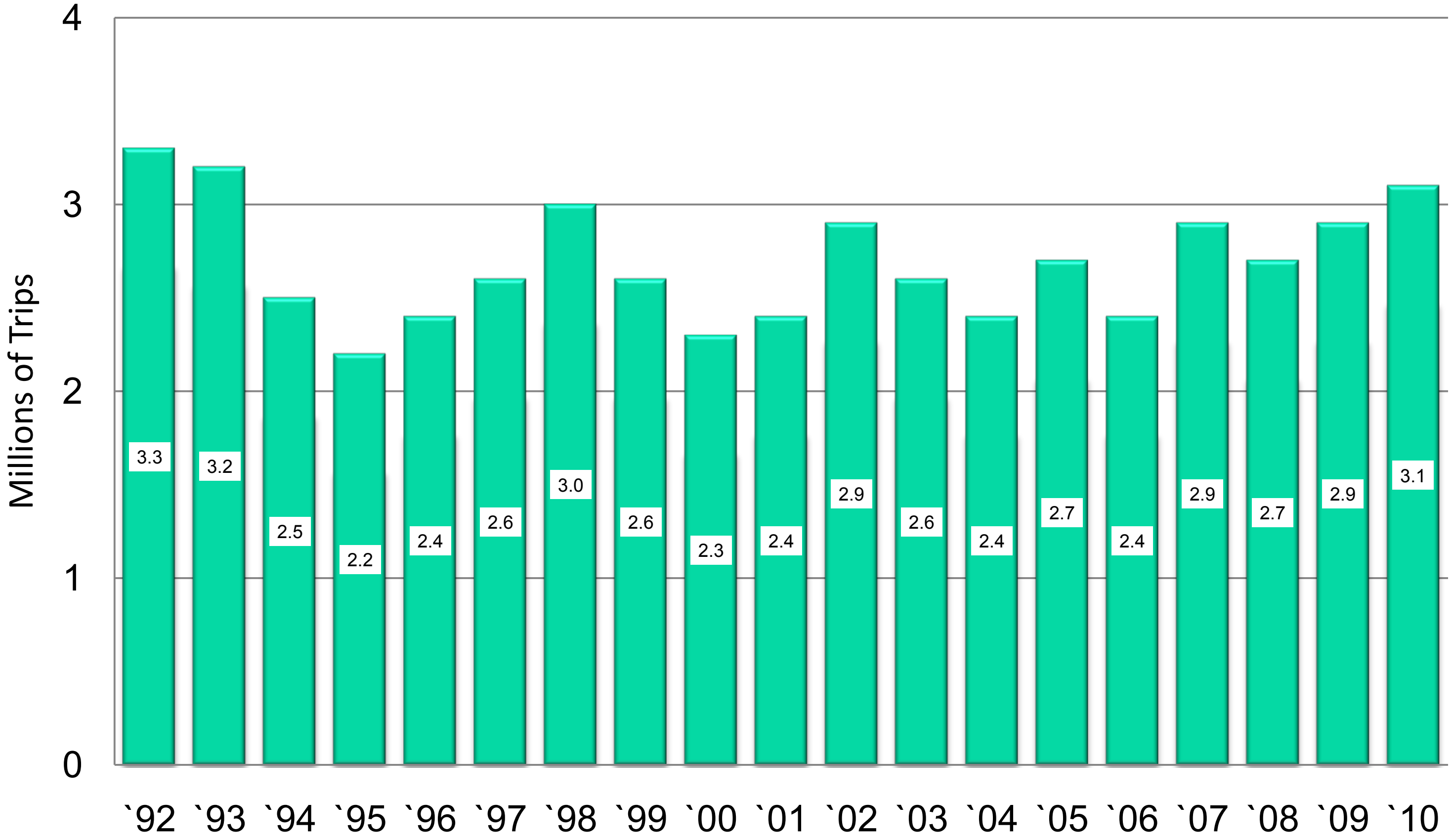


*Data are rounded.

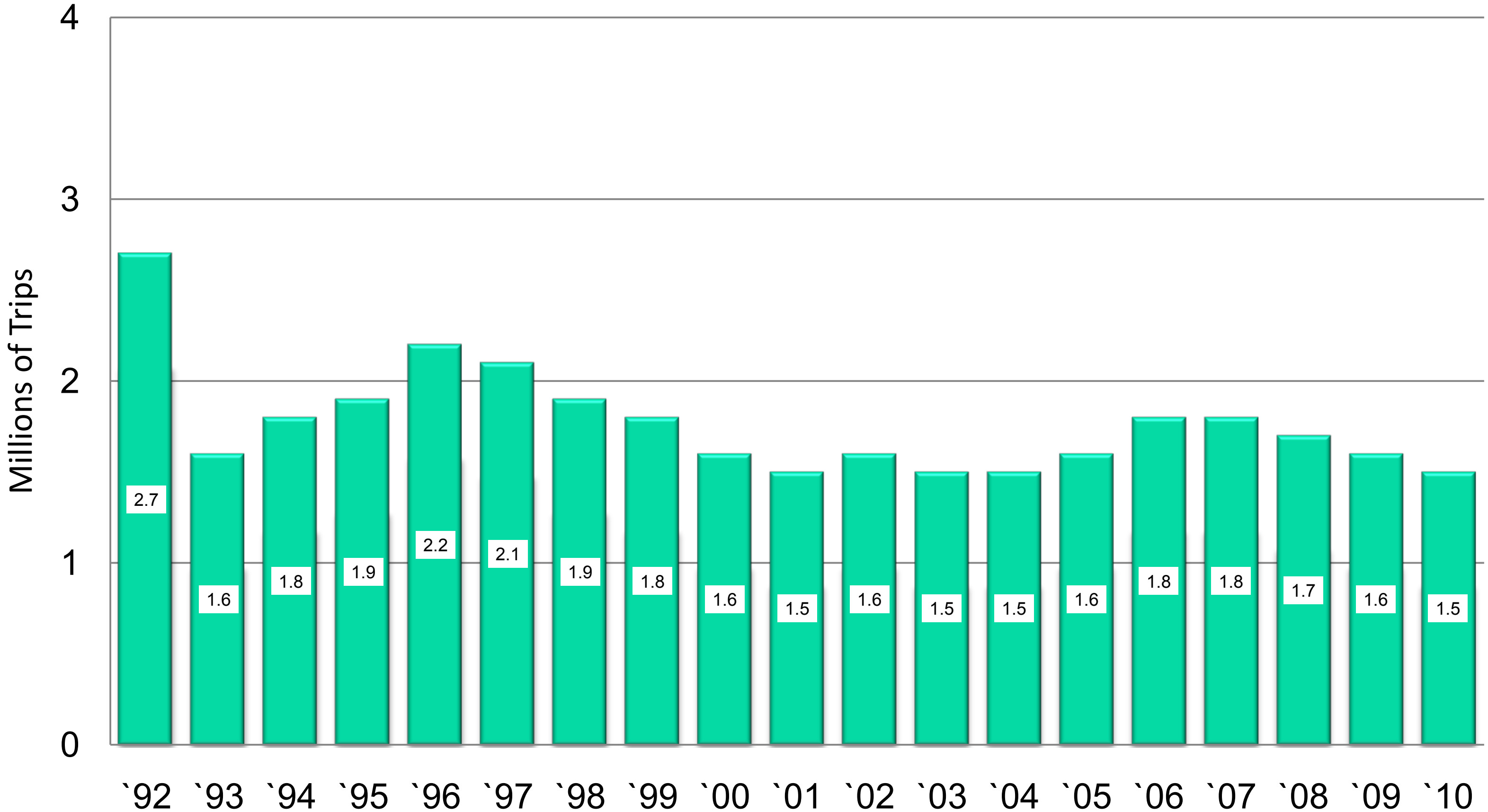
Overnight Business Trips to Colorado – 1994 to 2010



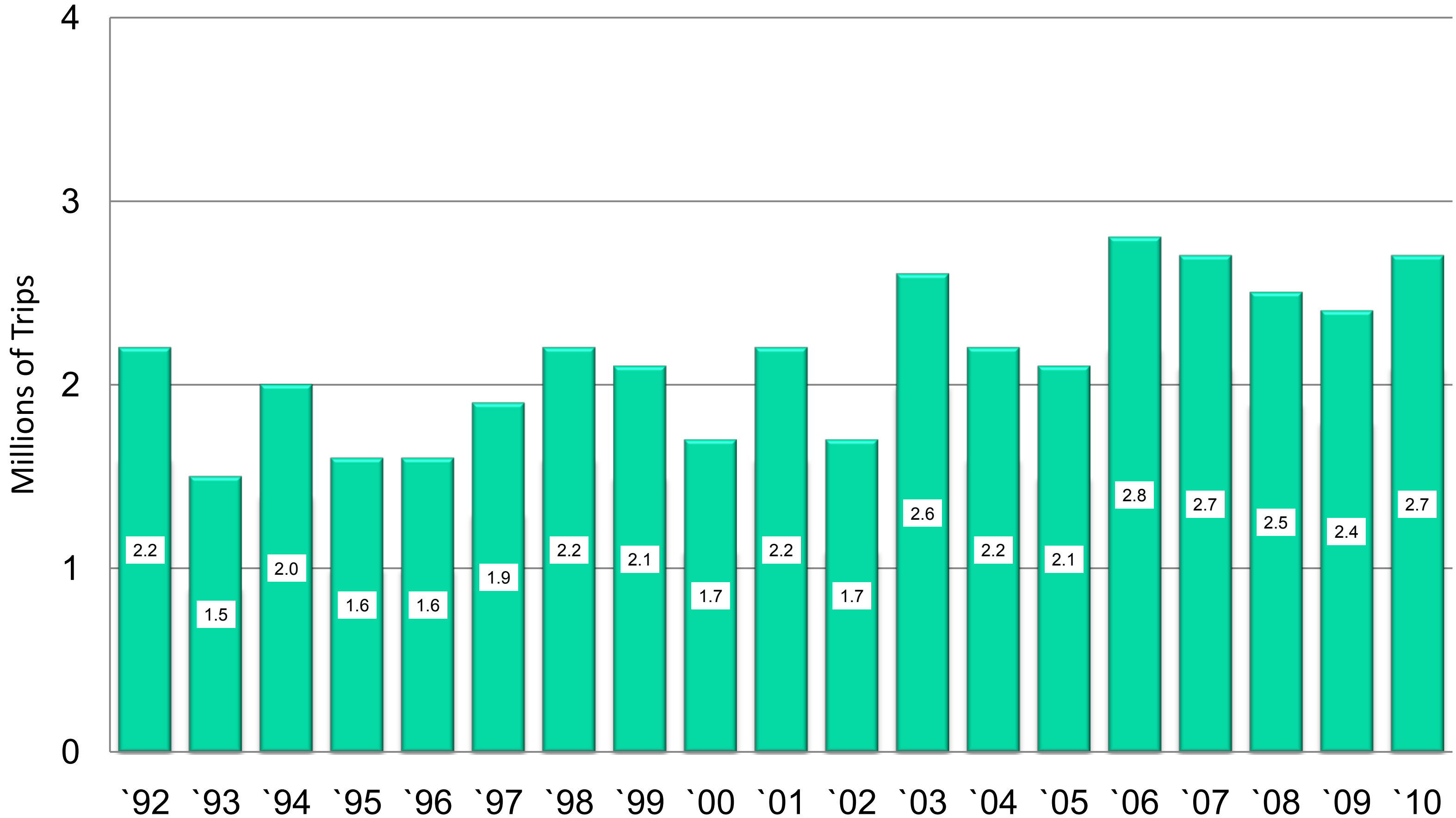
Overnight Touring Trips to Colorado



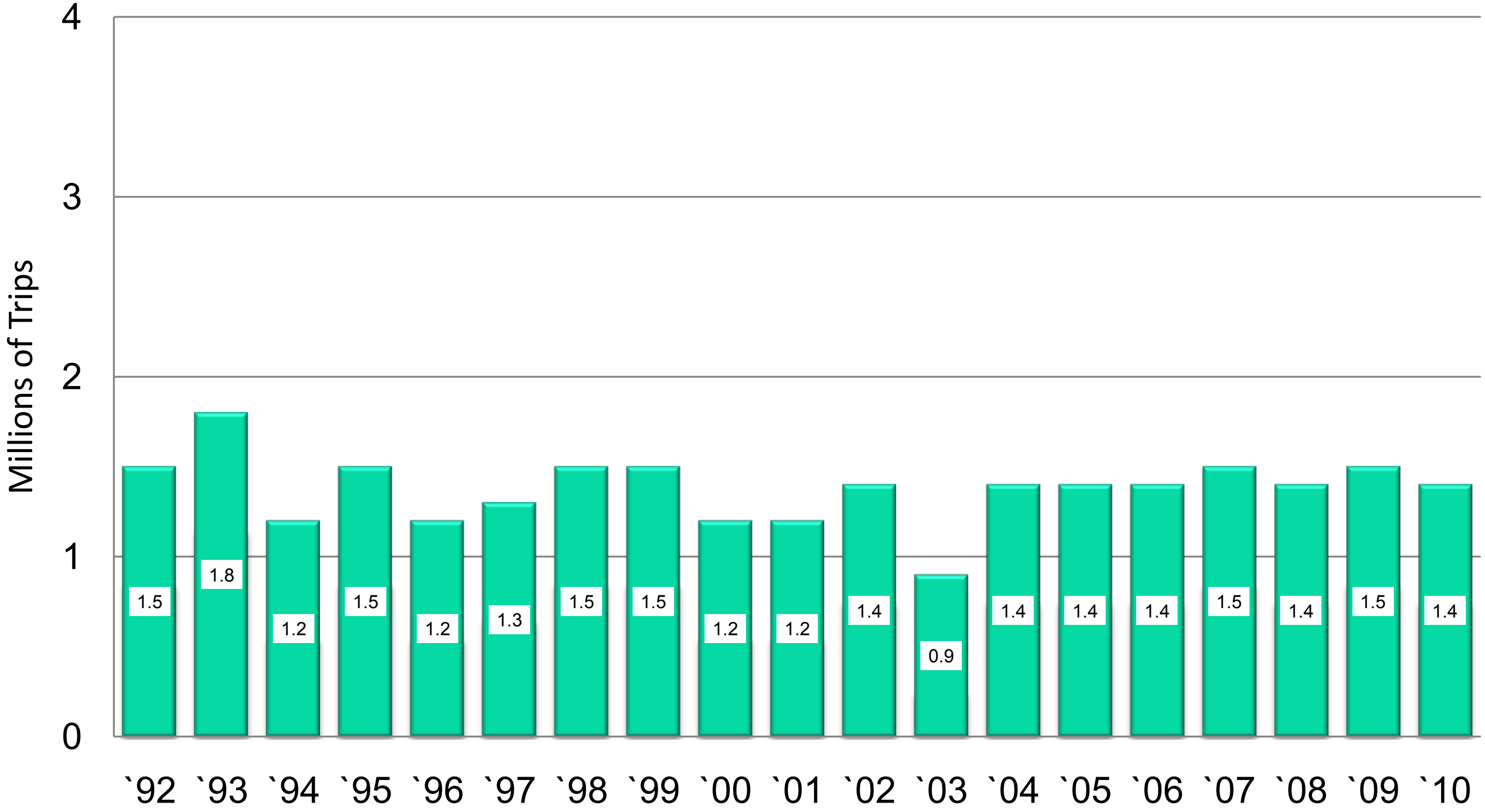
Overnight Ski Trips to Colorado



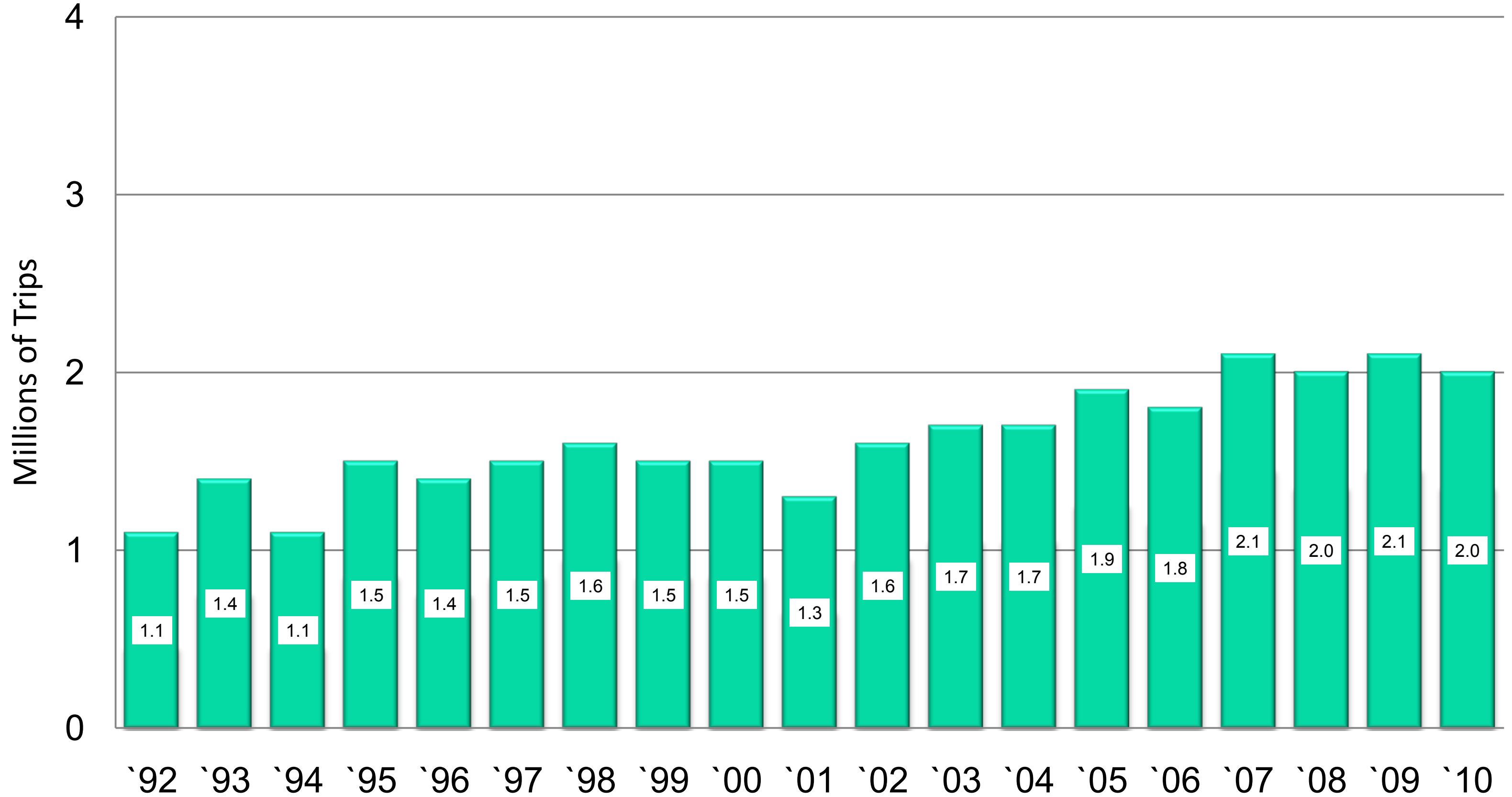
Overnight Outdoor Trips to Colorado



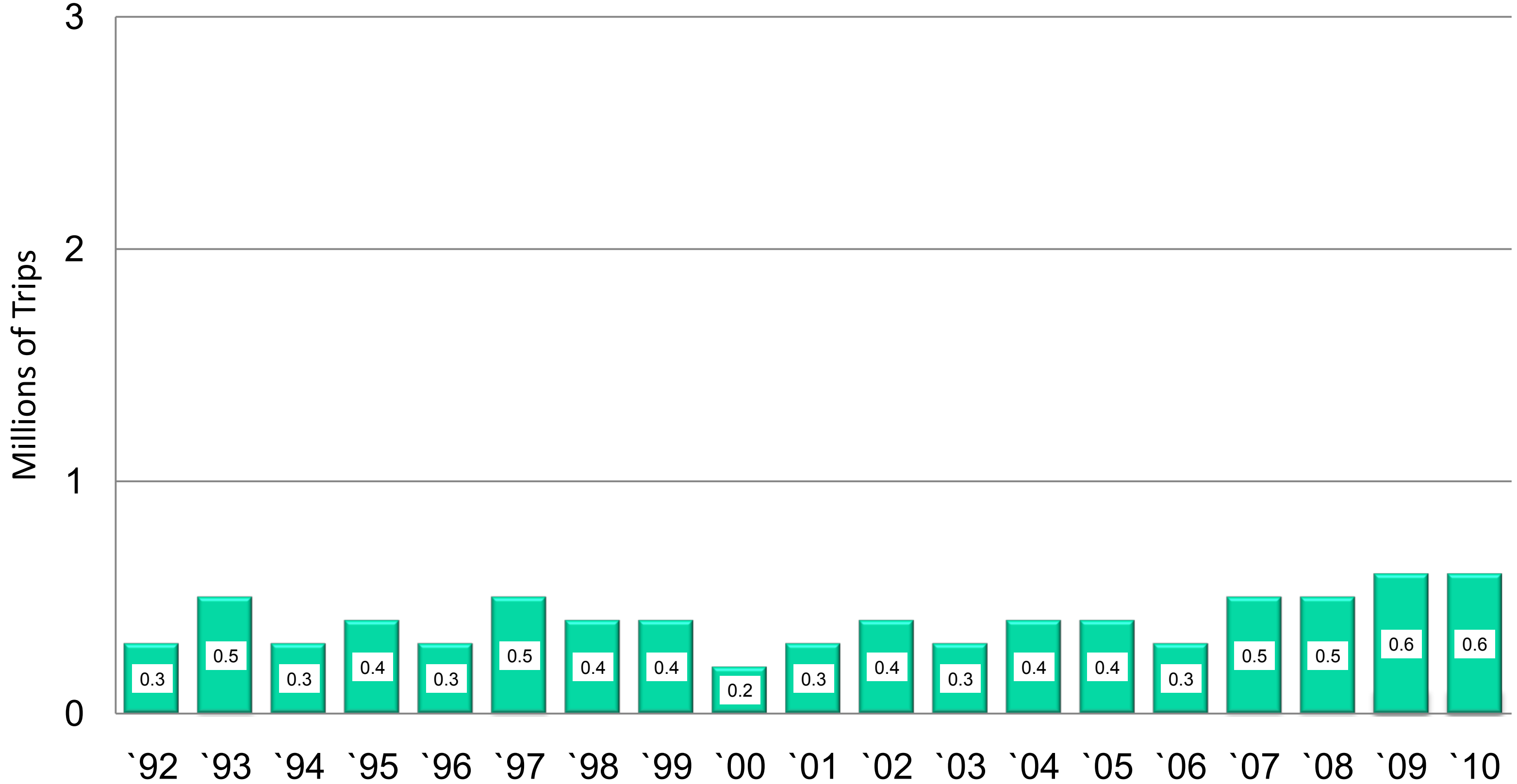
Overnight Business-Leisure Trips to Colorado



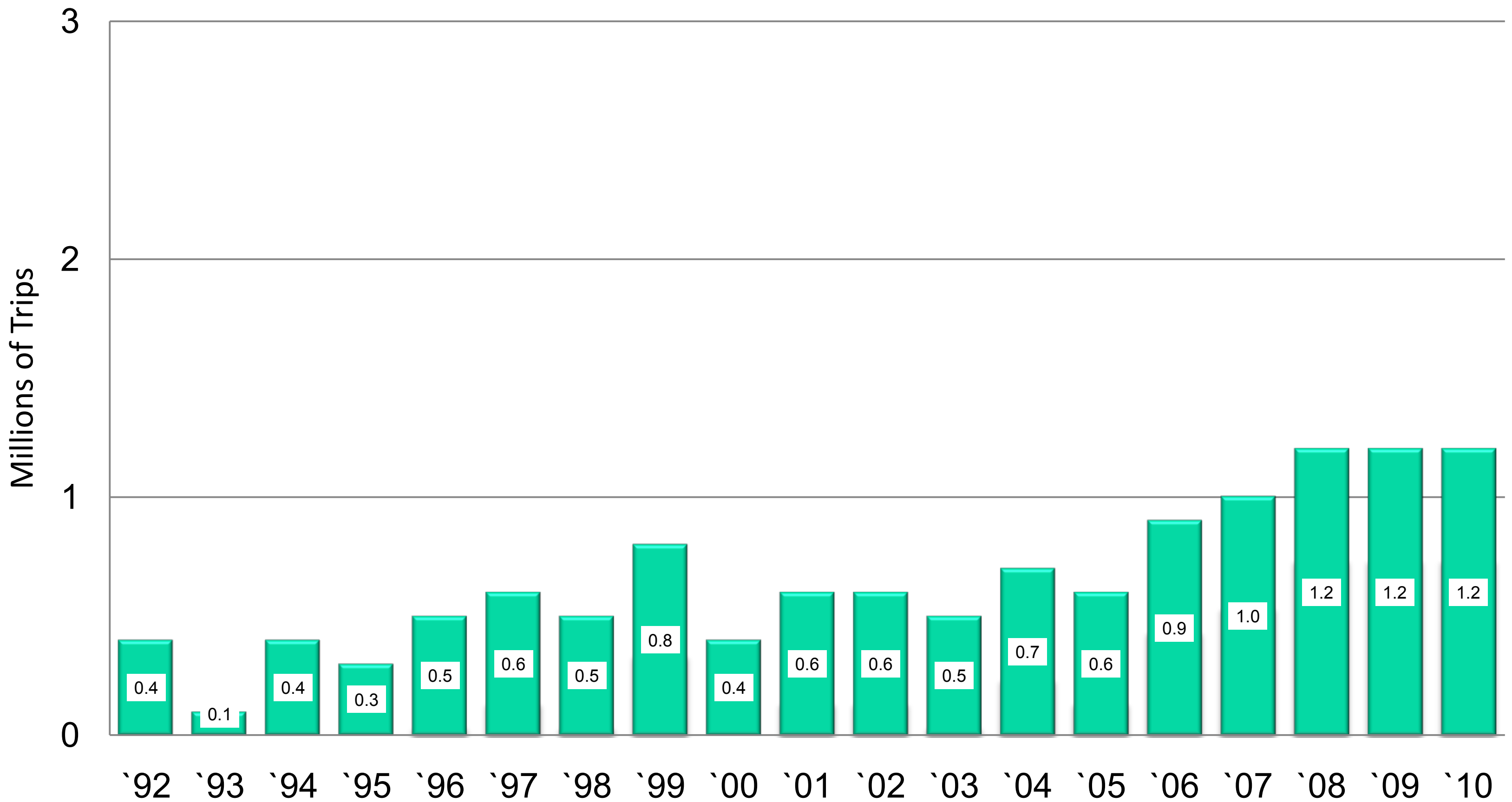
Overnight Special Event Trips to Colorado



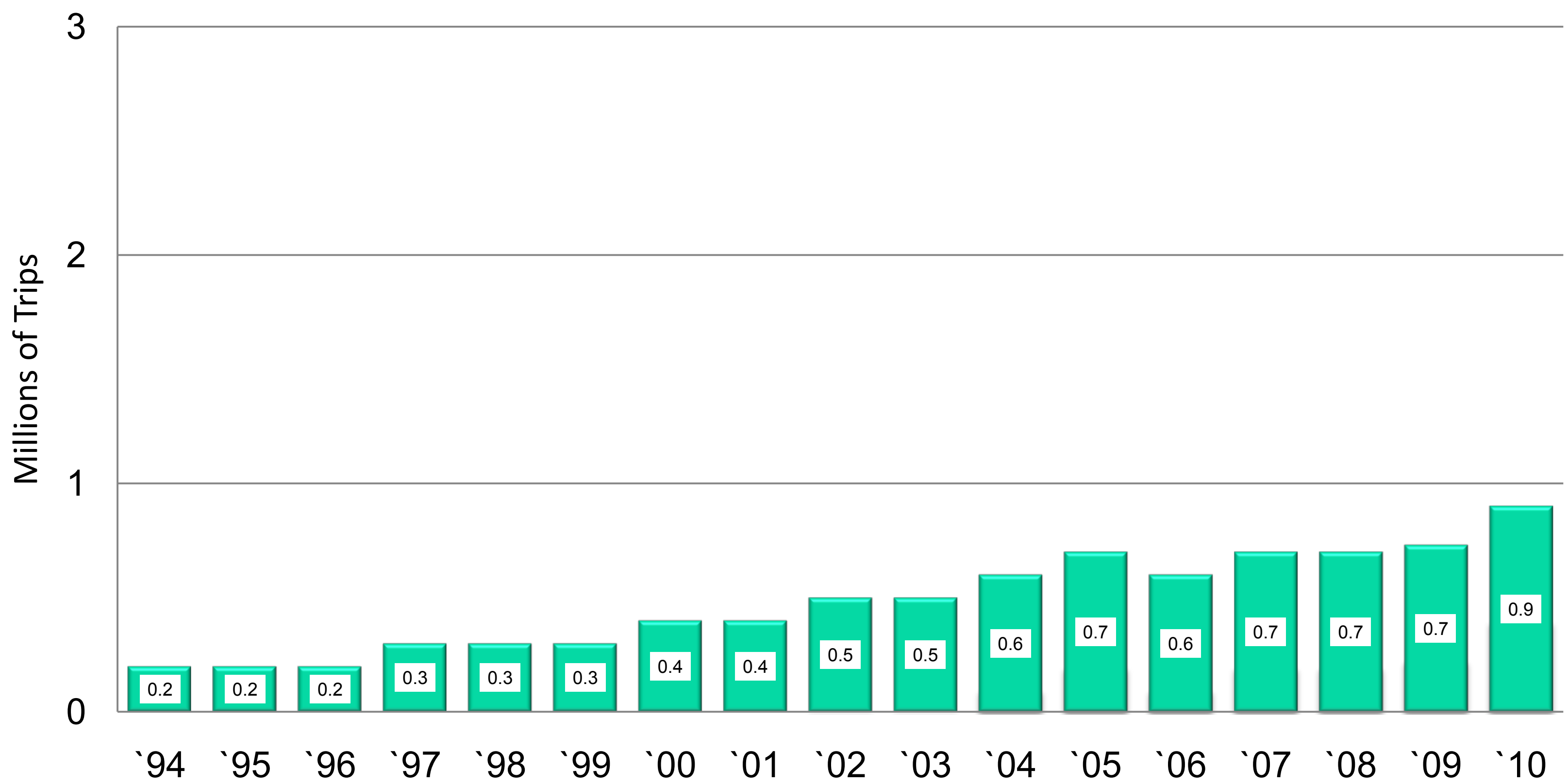
Overnight Country Resort Trips to Colorado



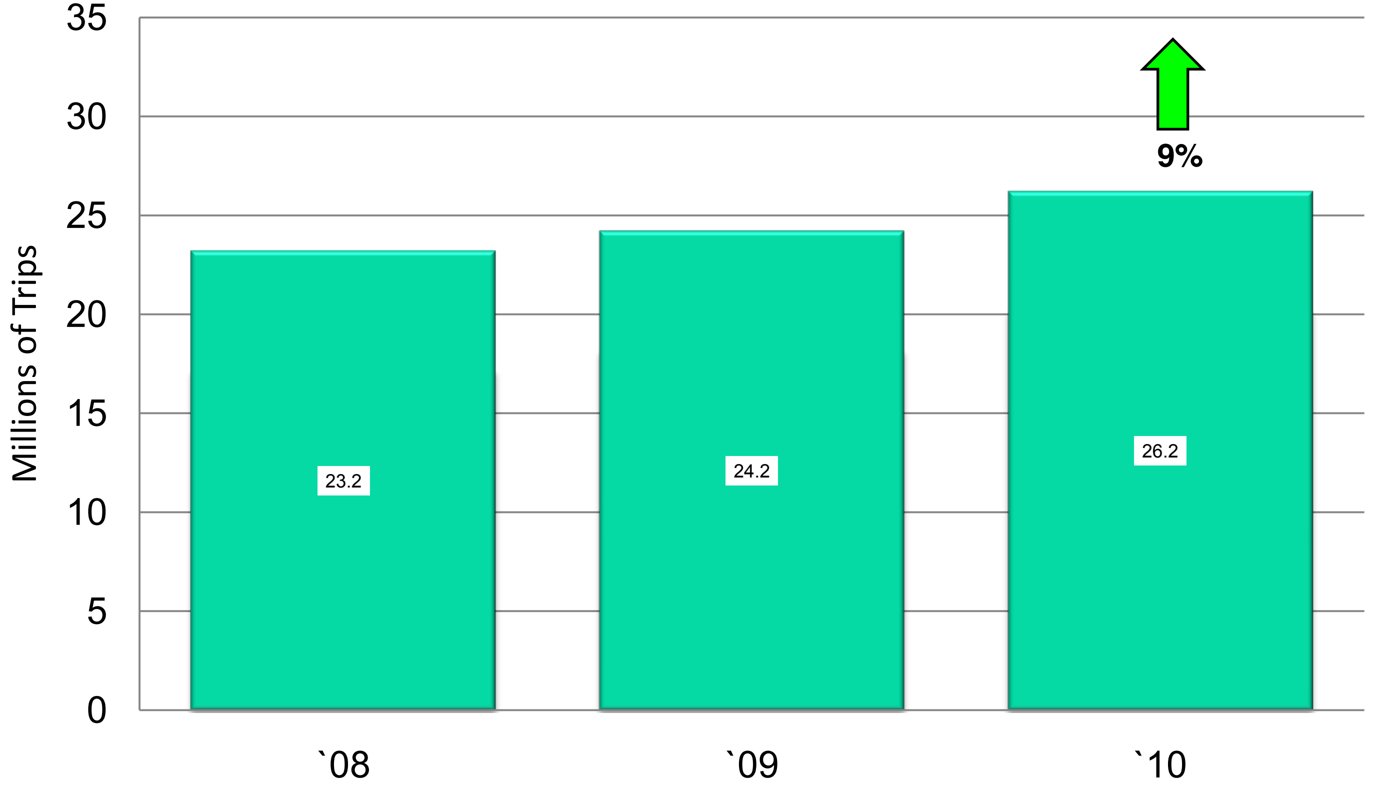
Overnight City Trips to Colorado



Overnight Casino Trips to Colorado



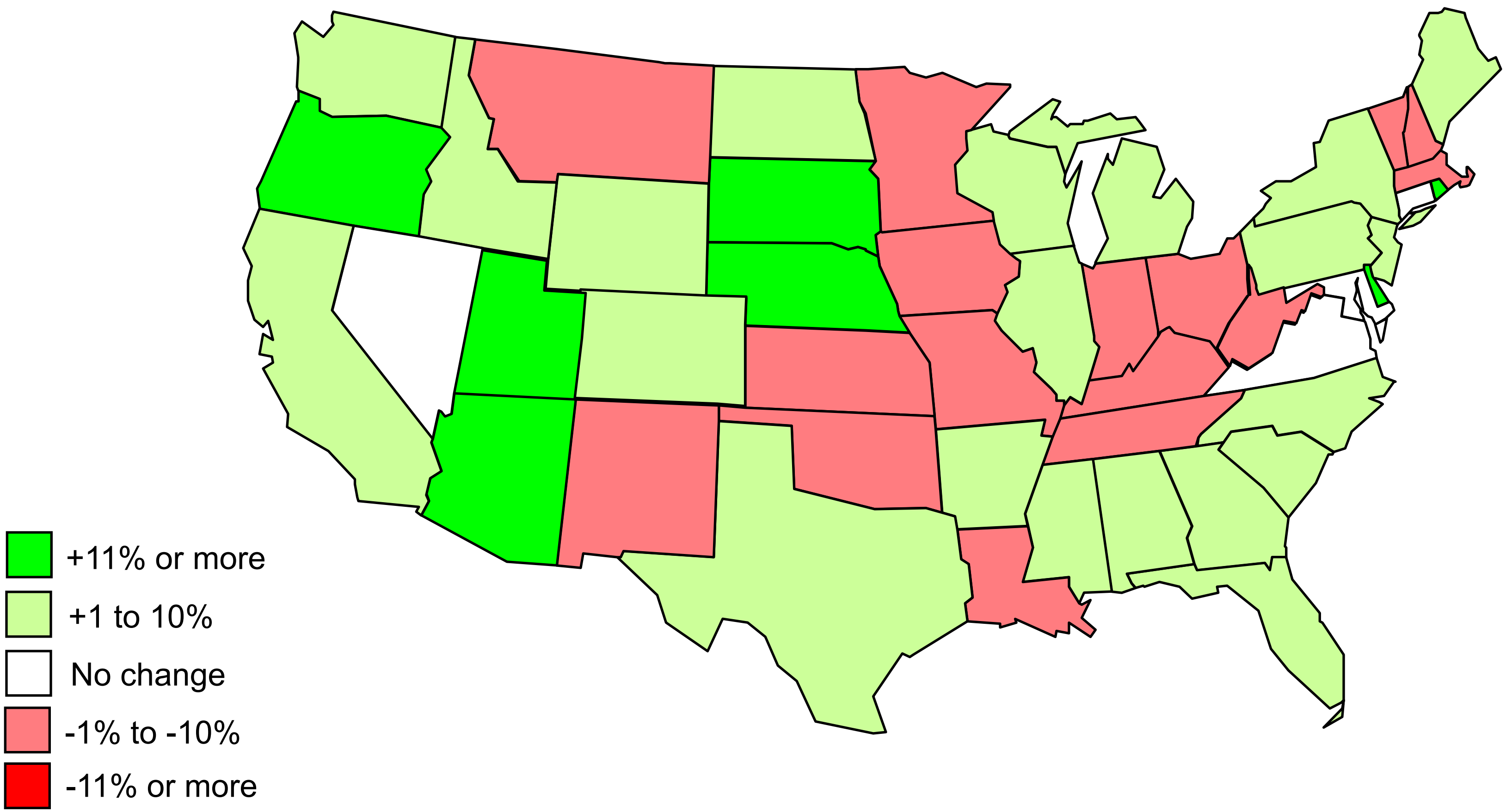
Day Trips To/Within Colorado



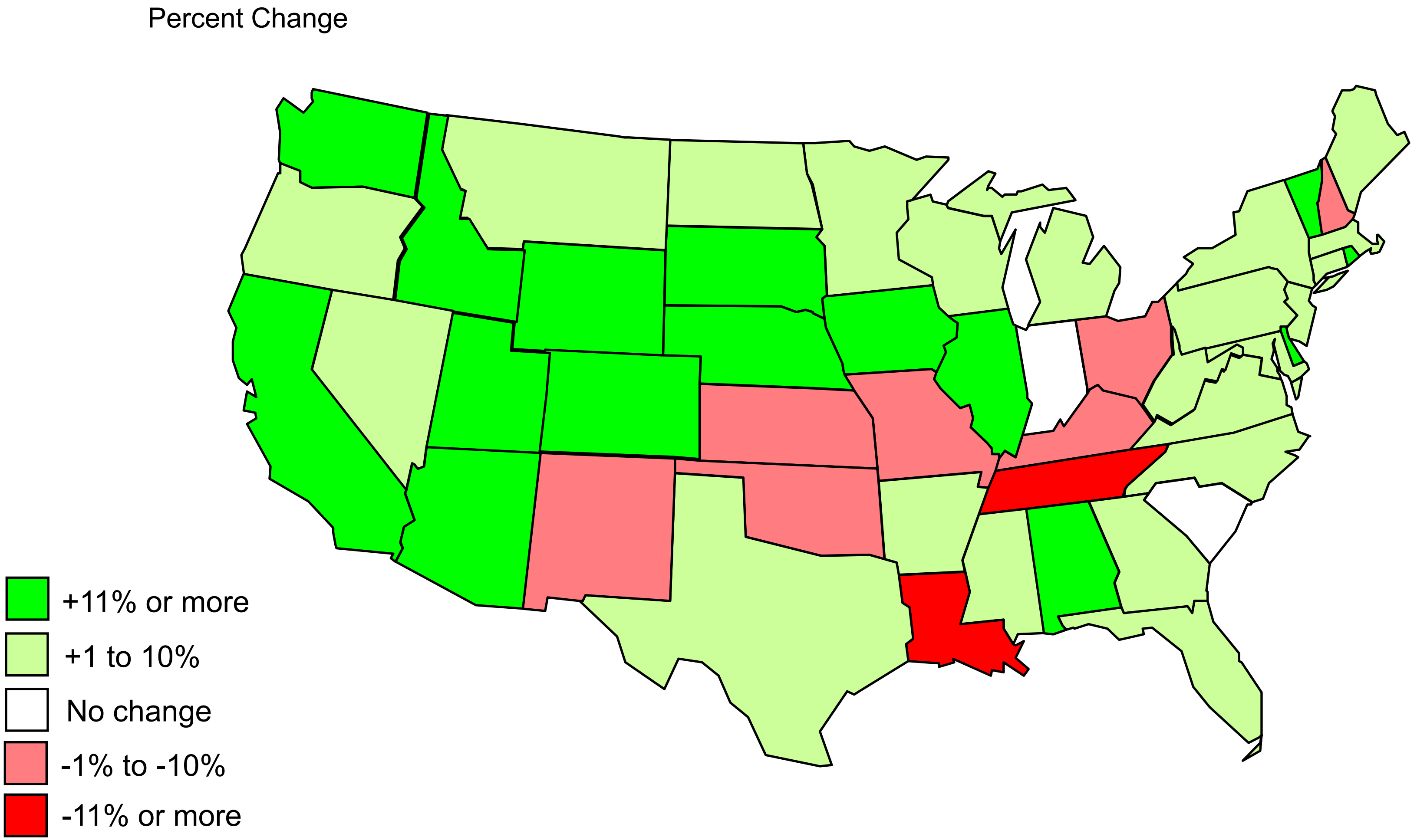
The Competitive Environment

State Trends in All Trips – 2010 vs. 2009

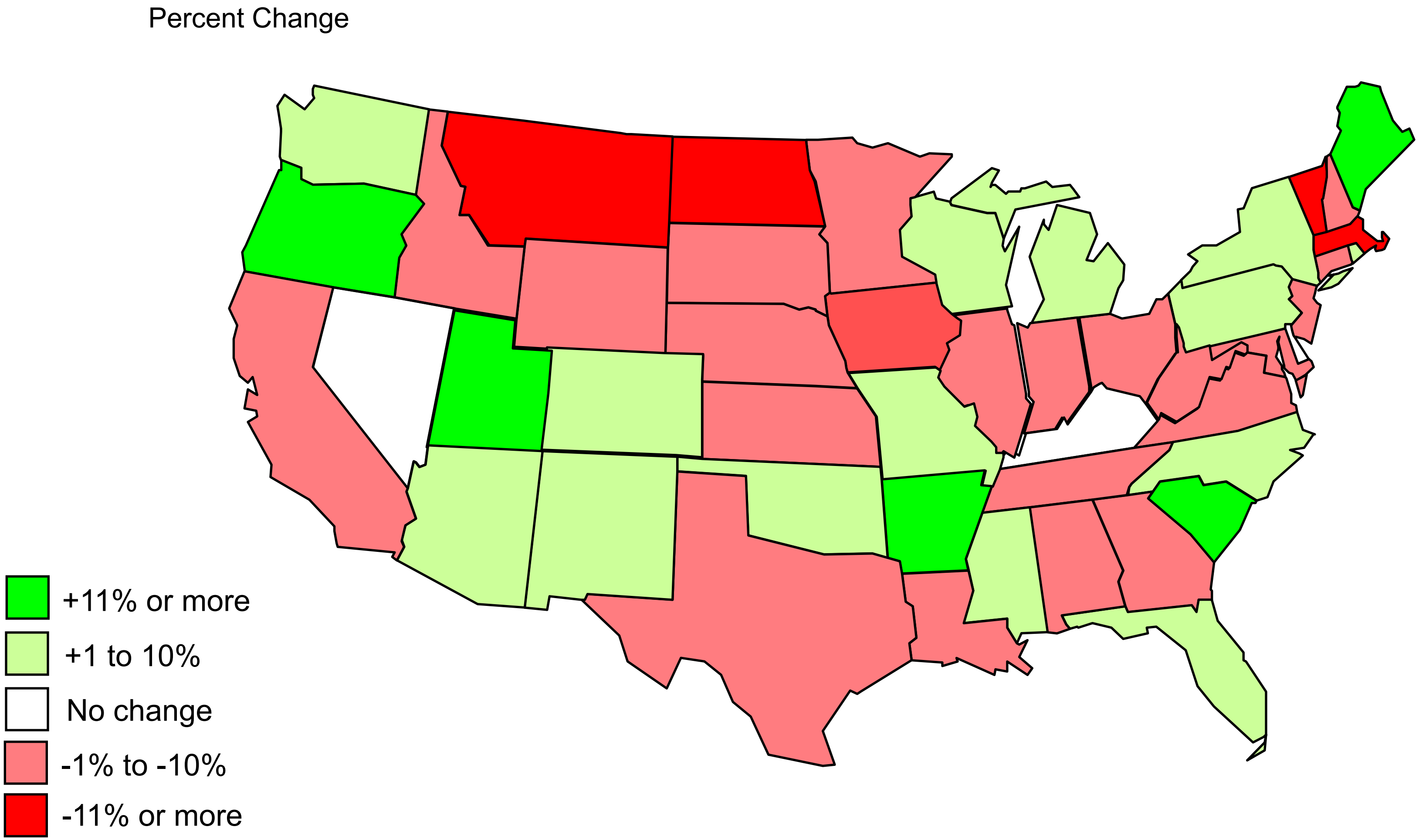
Percent Change



State Trends in VFR Trips– 2010 vs. 2009

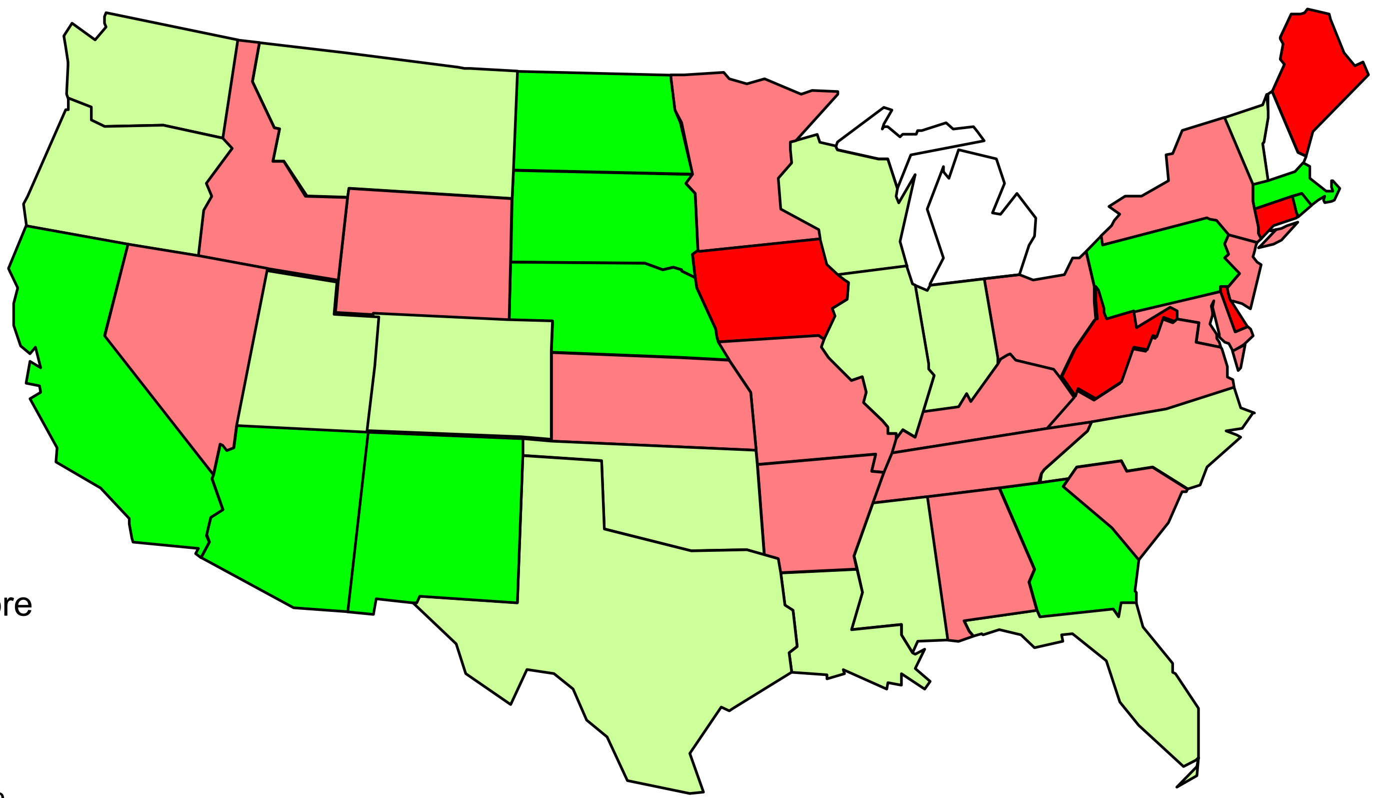


State Trends in Marketable Trips – 2010 vs. 2009



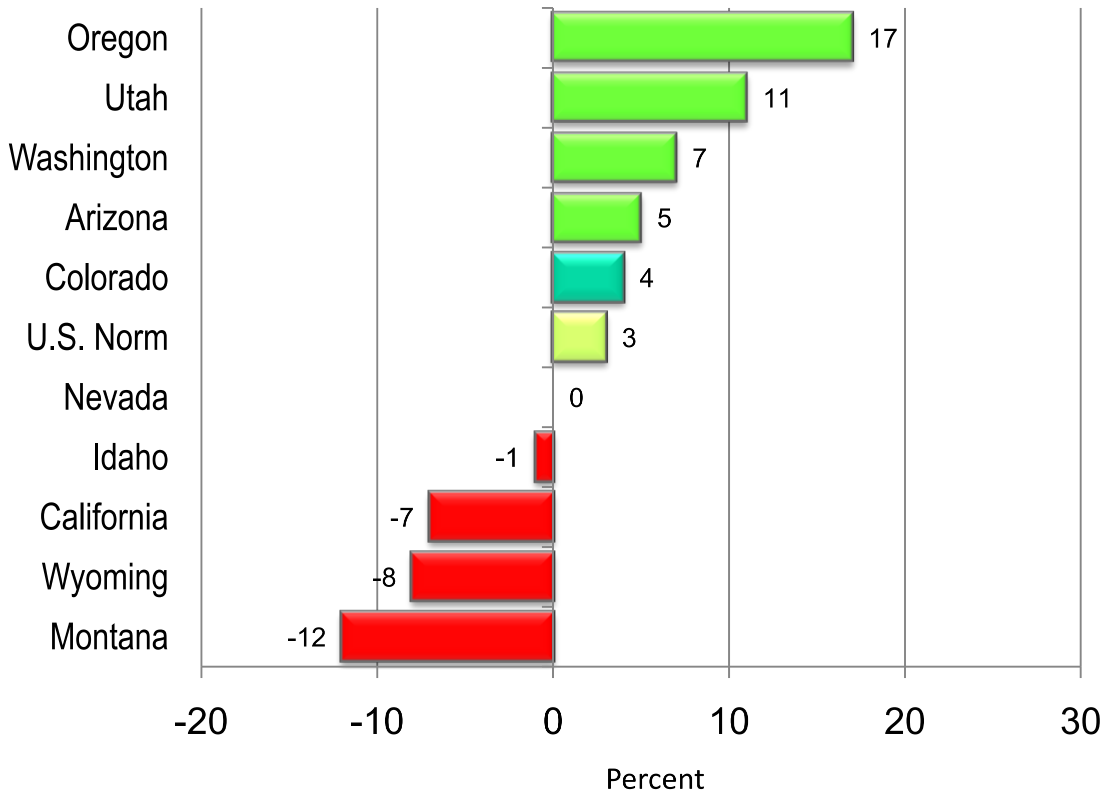
State Trends in Business Trips — 2010 vs. 2009

Percent Change

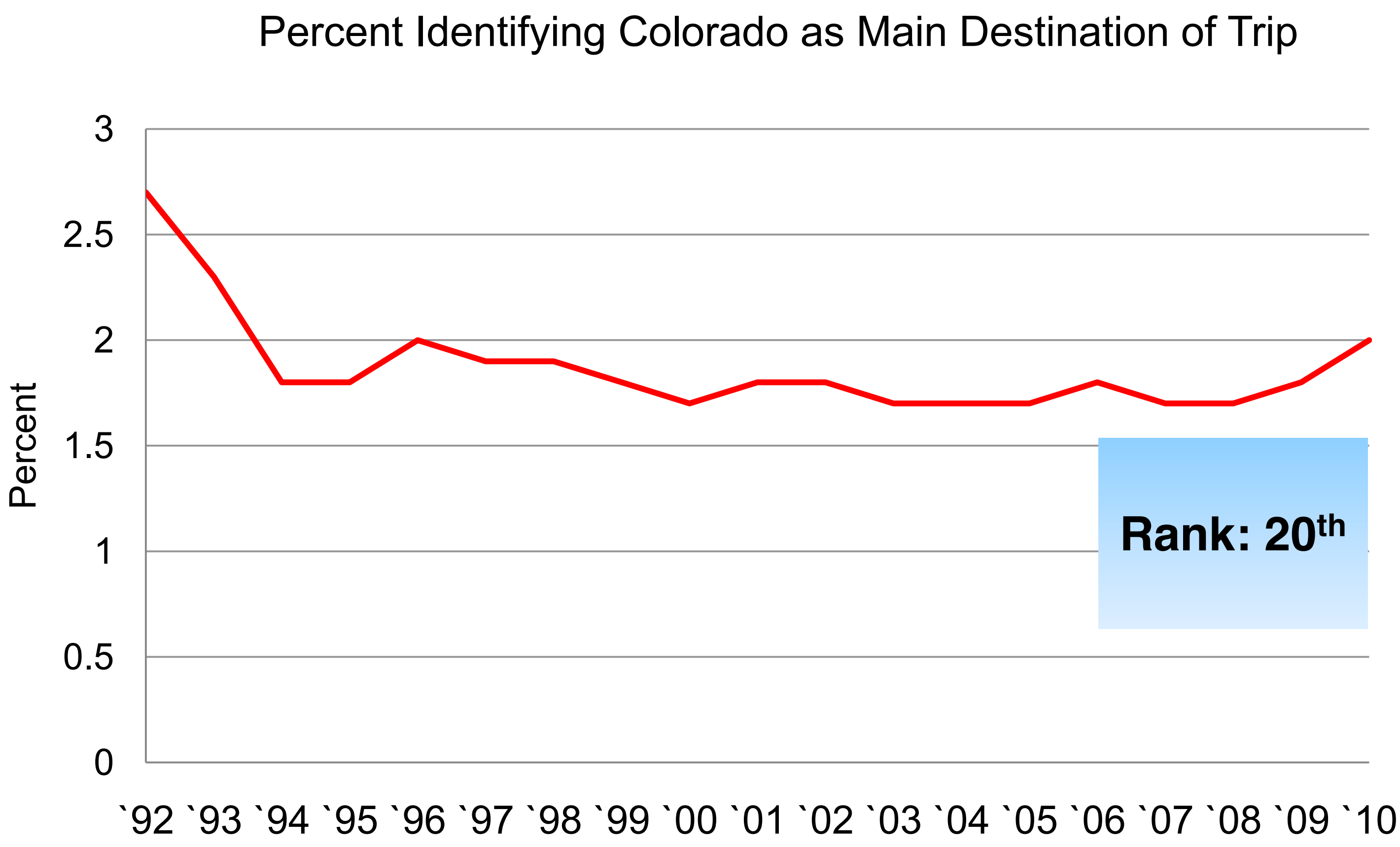


- +11% or more
- +1 to 10%
- No change
- -1% to -10%
- -11% or more

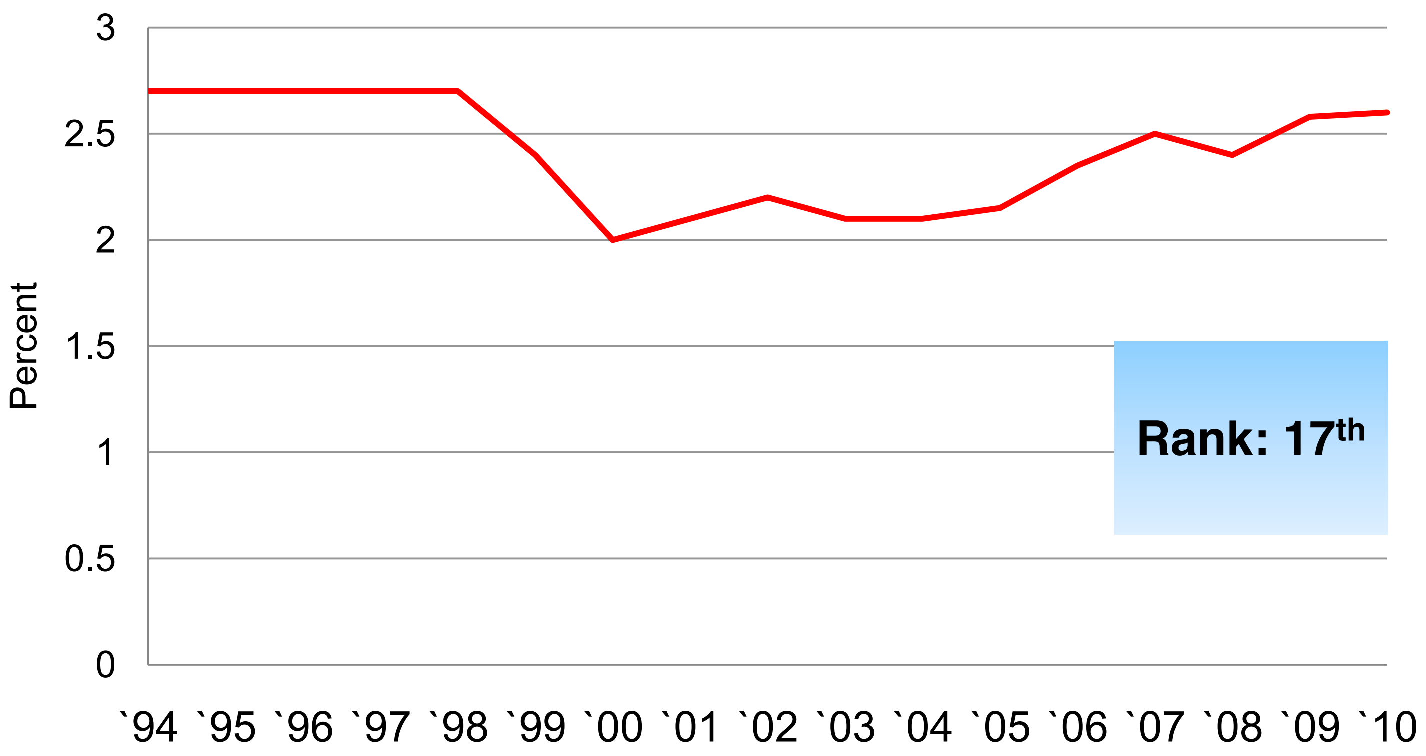
Total Marketable Trips – % Change 2010 vs. 2009



Colorado's Share of U.S. Overnight Leisure Trips



Colorado's Share of All Overnight Marketable Trips

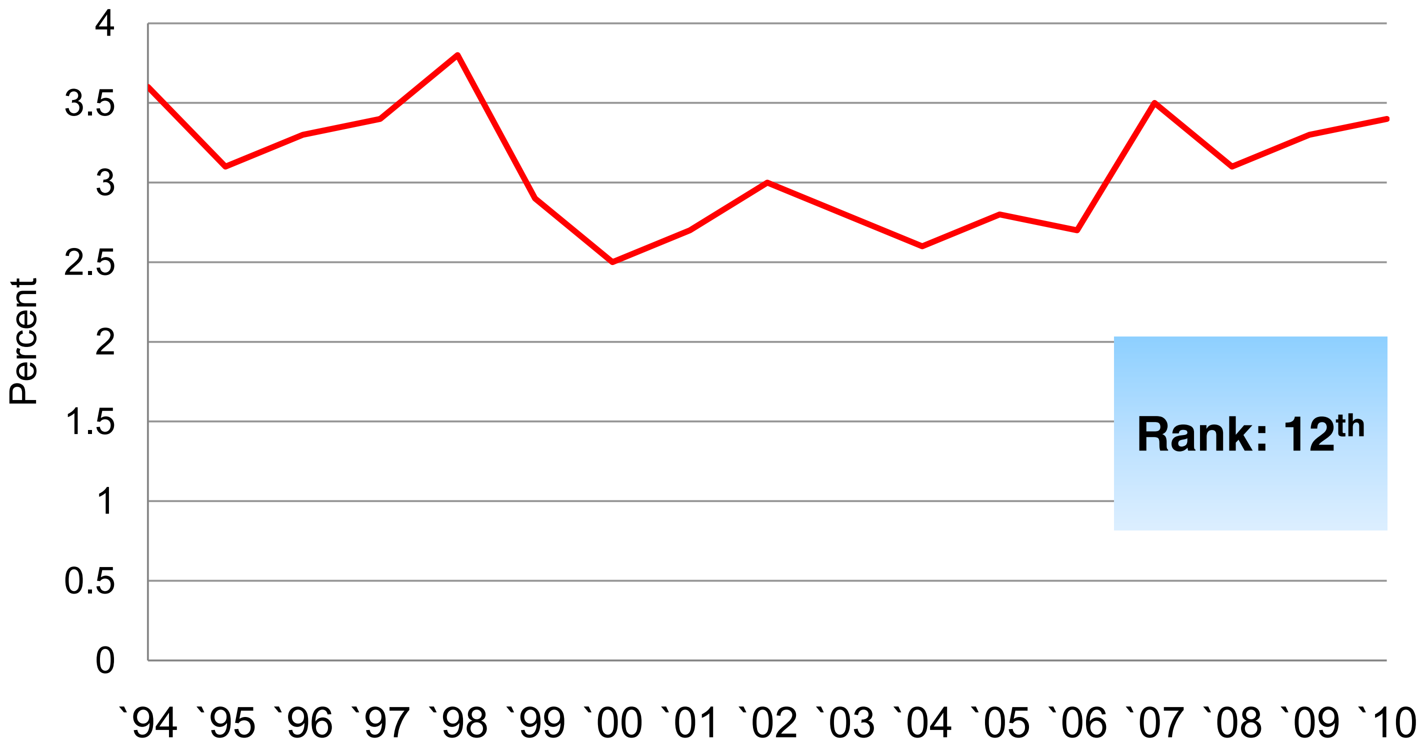


Colorado's Share of All Overnight Marketable Trips

	2010		2009		2008		2007	
Destination	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*
Florida	1	10.5%	2	10.3%	2	10.2%	2	9.9%
California	2	10.1%	1	10.8%	1	12.2%	1	10.9%
Nevada	3	6.2%	3	6.2%	3	6.4%	3	6.4%
Texas	4	4.7%	4	4.9%	6	4.4%	5	4.5%
New York	5	4.4%	5	4.4%	4	4.8%	4	4.9%
Colorado	17	2.6%	18	2.6%	19	2.4%	17	2.5%

*Among 50 U.S. states

Colorado's Share of All Overnight Touring Trips

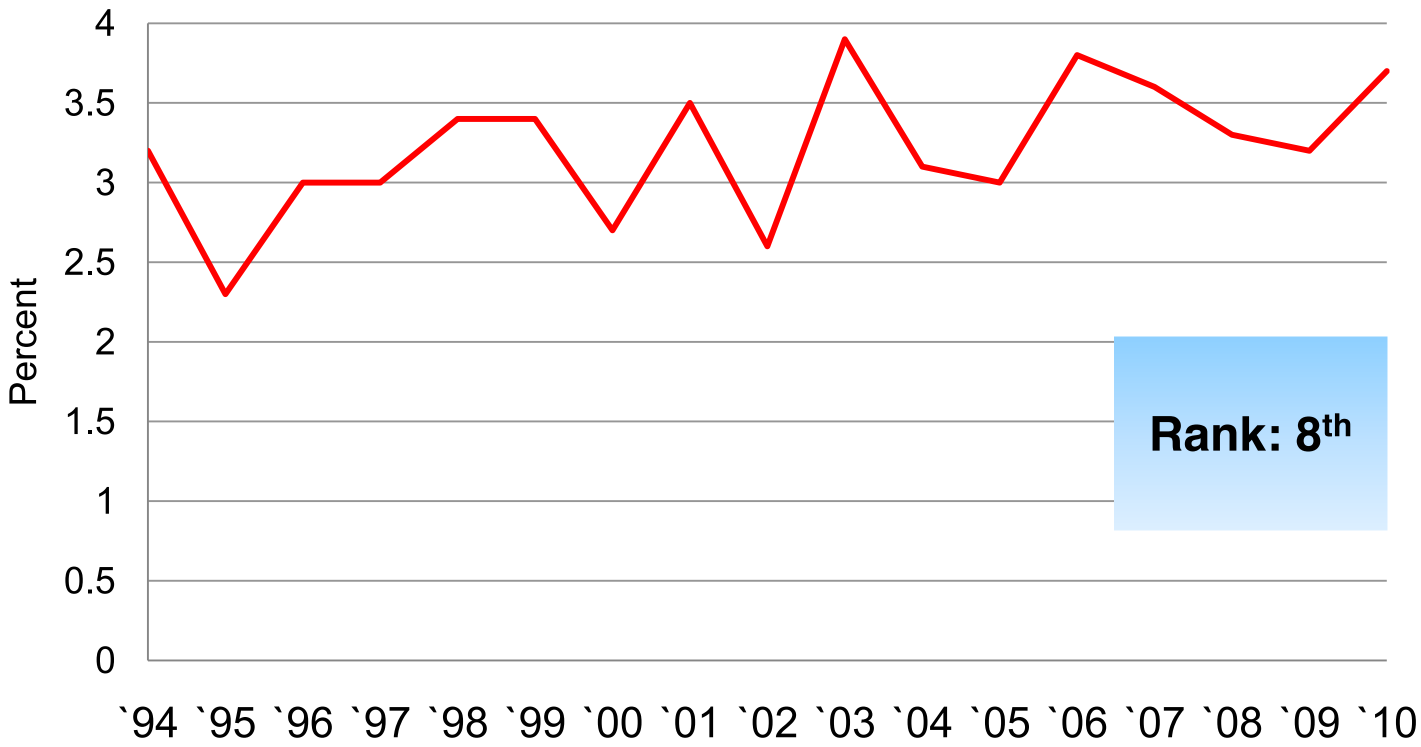


Colorado's Share of All Overnight Touring Trips

	2010		2009		2008		2007	
Destination	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*
California	1	11.4%	1	12.2%	1	13.3%	1	12.3%
Florida	2	6.7%	2	6.3%	2	6.8%	3	5.8%
Tennessee	3	6.5%	3	6.7%	3	6.3%	2	7.1%
Arizona	4	5.5%	4	5.6%	5	5.4%	4	5.7%
New York	5	5.2%	5	5.5%	4	5.6%	6	5.4%
Colorado	12	3.4%	11	3.3%	13	3.1%	11	3.5%

*Among 50 U.S. states

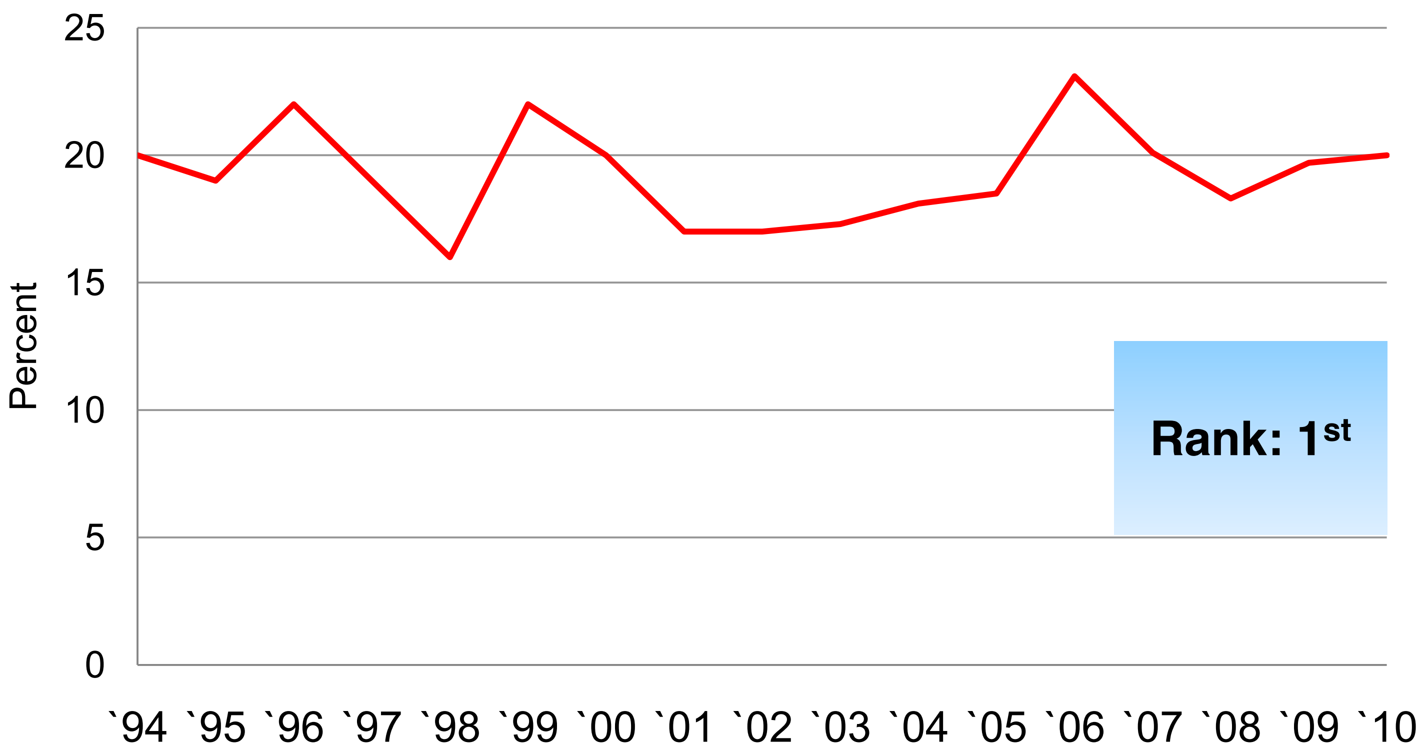
Colorado's Share of All Overnight Outdoor Trips



Colorado's Share of All Overnight Outdoor Trips

	2010		2009		2008		2007	
Destination	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*
California	1	9.7%	1	11.8%	1	12.5%	1	10.5%
Texas	2	6.3%	2	5.5%	4	5.5%	2	5.7%
Florida	3	5.6%	3	5.4%	2	5.7%	5	5.1%
Wisconsin	4	5.4%	5	5.3%	6	4.6%	4	5.1%
Michigan	5	4.9%	4	5.3%	3	5.5%	3	5.5%
Pennsylvania	6	4.7%	6	4.7%	5	4.7%	6	4.9%
Arizona	7	4.0%	8	3.6%	8	4.0%	10	3.5%
Colorado	8	3.7%	11	3.2%	12	3.3%	9	3.6%
North Carolina	9	3.7%	10	3.4%	13	2.8%	13	2.9%
New York	10	3.6%	7	3.9%	9	3.6%	7	4.2%

Colorado's Share of All Overnight Ski Trips

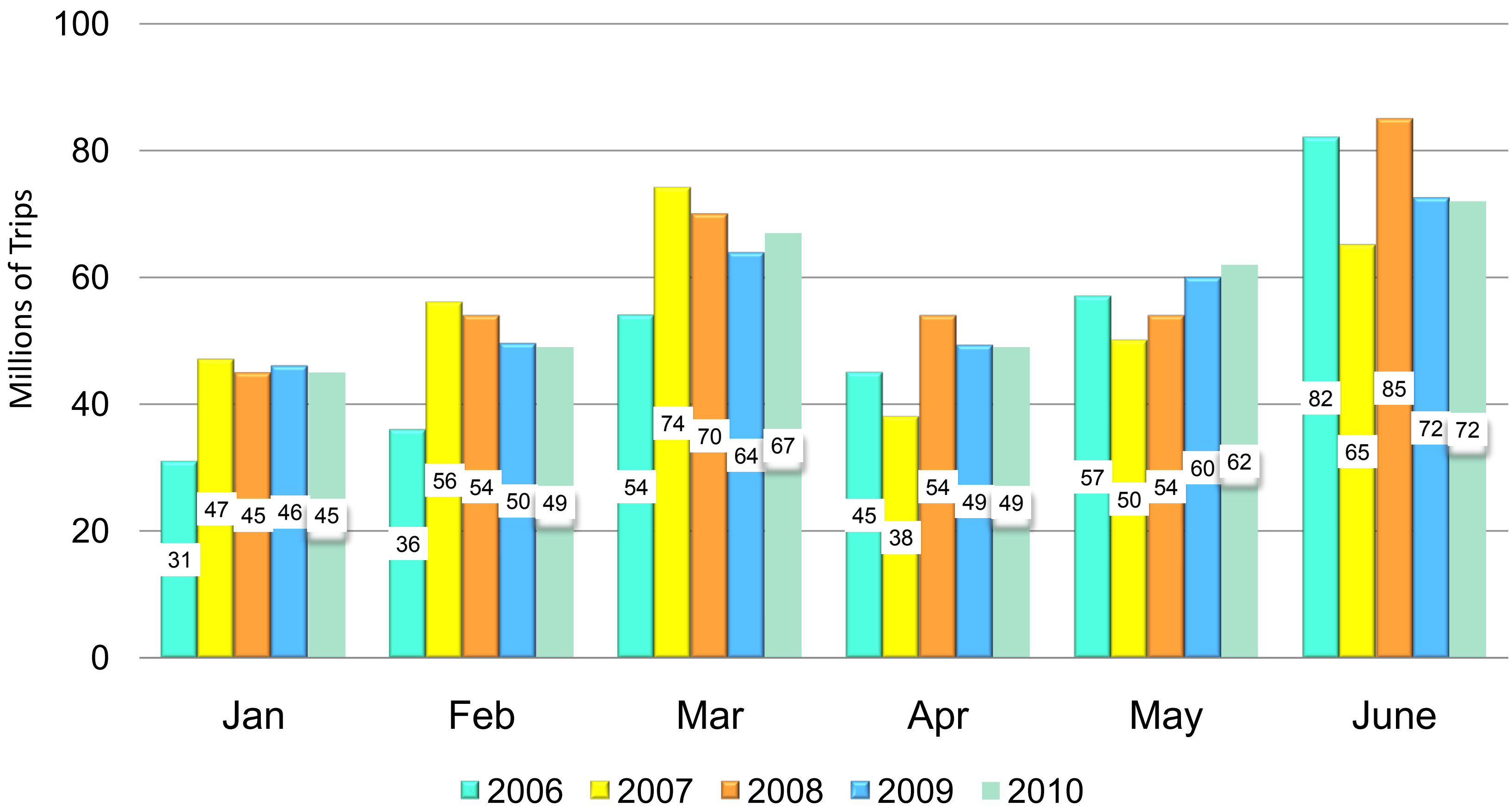


Colorado's Share of All Overnight Ski Trips

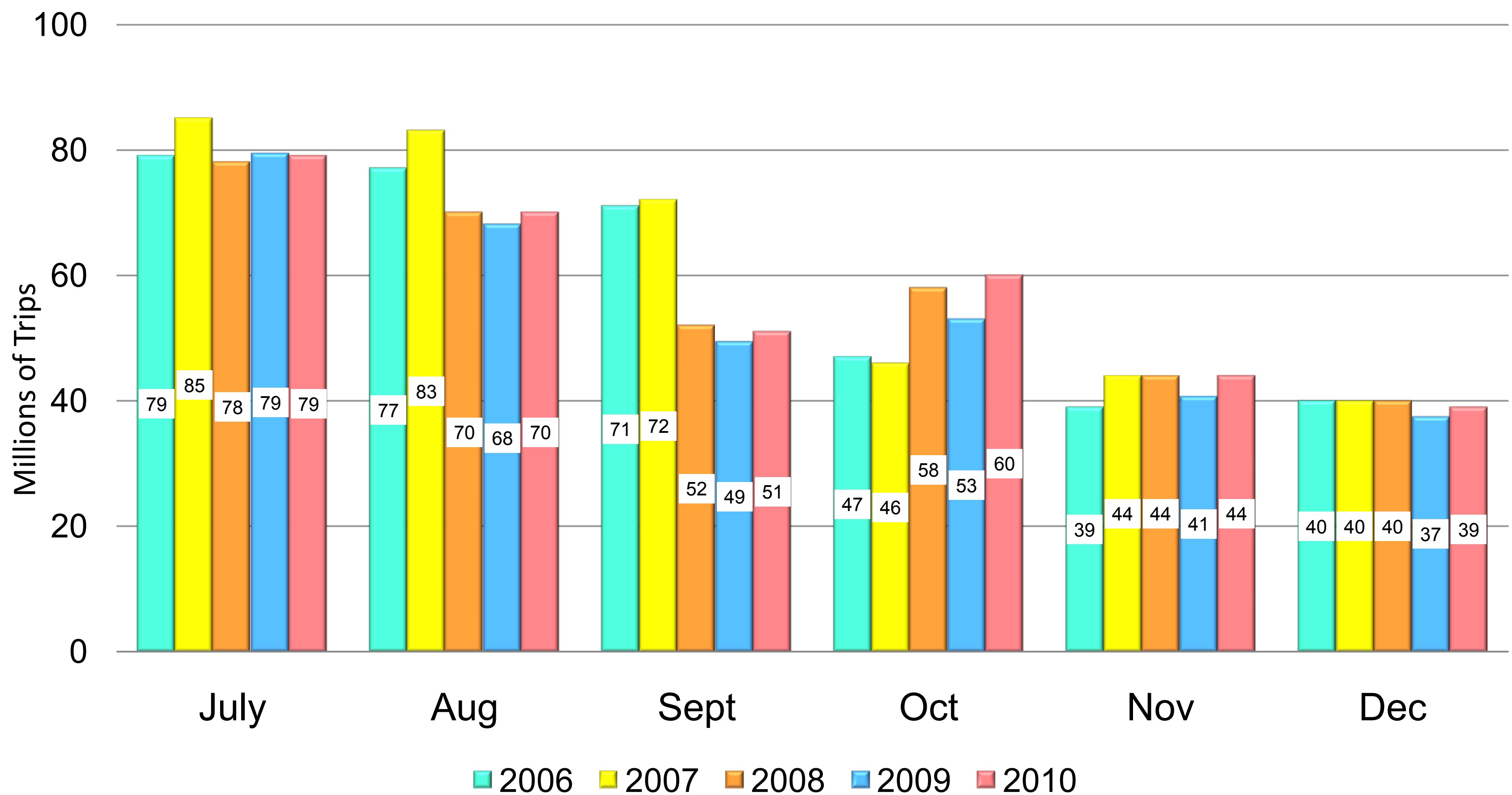
	2010		2009		2008		2007	
Destination	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*	*Rank**	*Share*
Colorado	1	20.0	1	19.7%	1	18.3%	1	20.1%
California	2	17.8%	2	19.3%	2	17.7%	2	14.5%
Vermont	3	7.3%	3	7.1%	3	8.0%	3	8.3%
Pennsylvania	4	5.5%	6	4.8%	7	4.9%	6	4.6%
New York	5	4.9%	9	3.3%	4	6.7%	4	4.8%

*Among 50 U.S. states

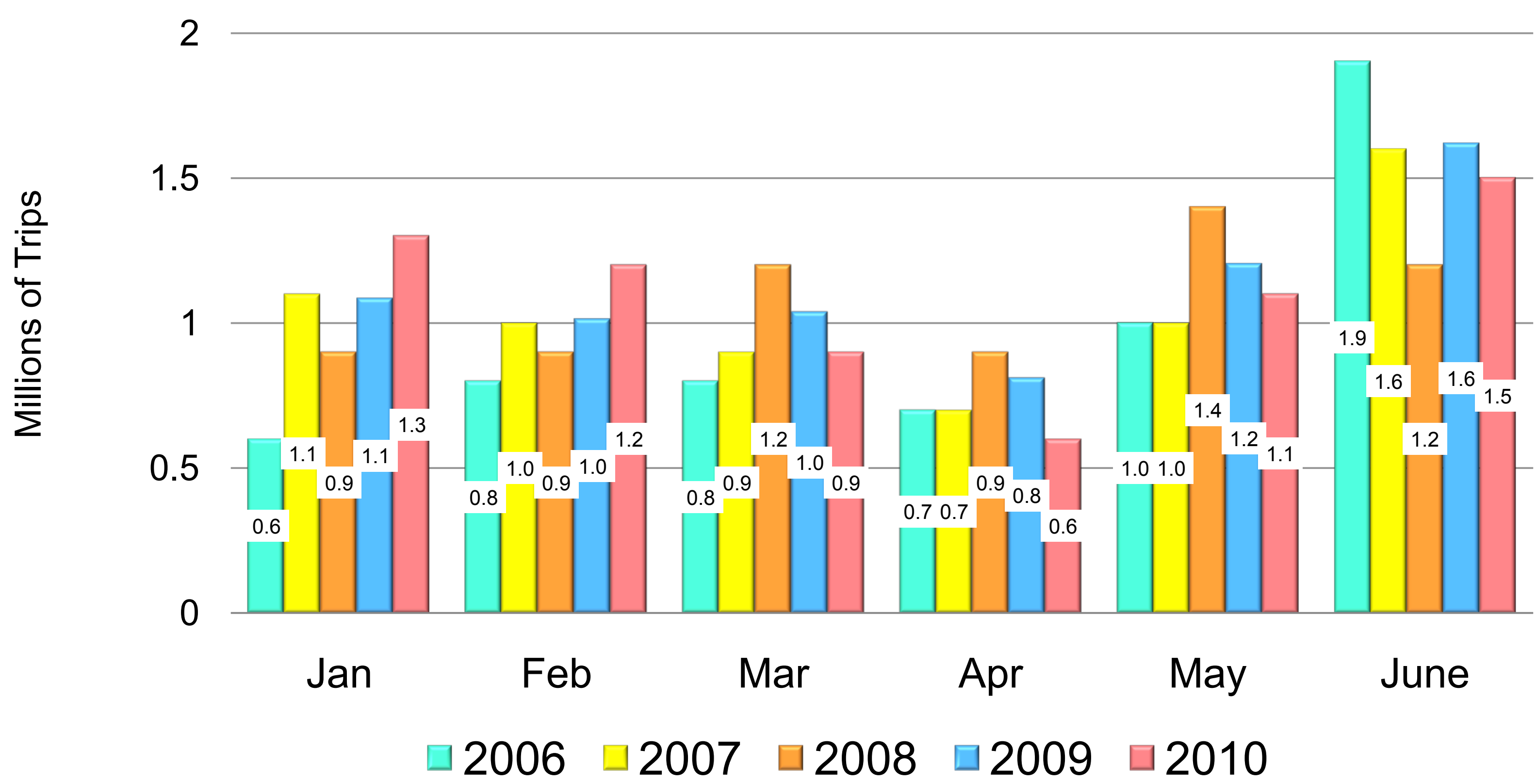
U.S. Overnight Marketable Leisure Trips by Month



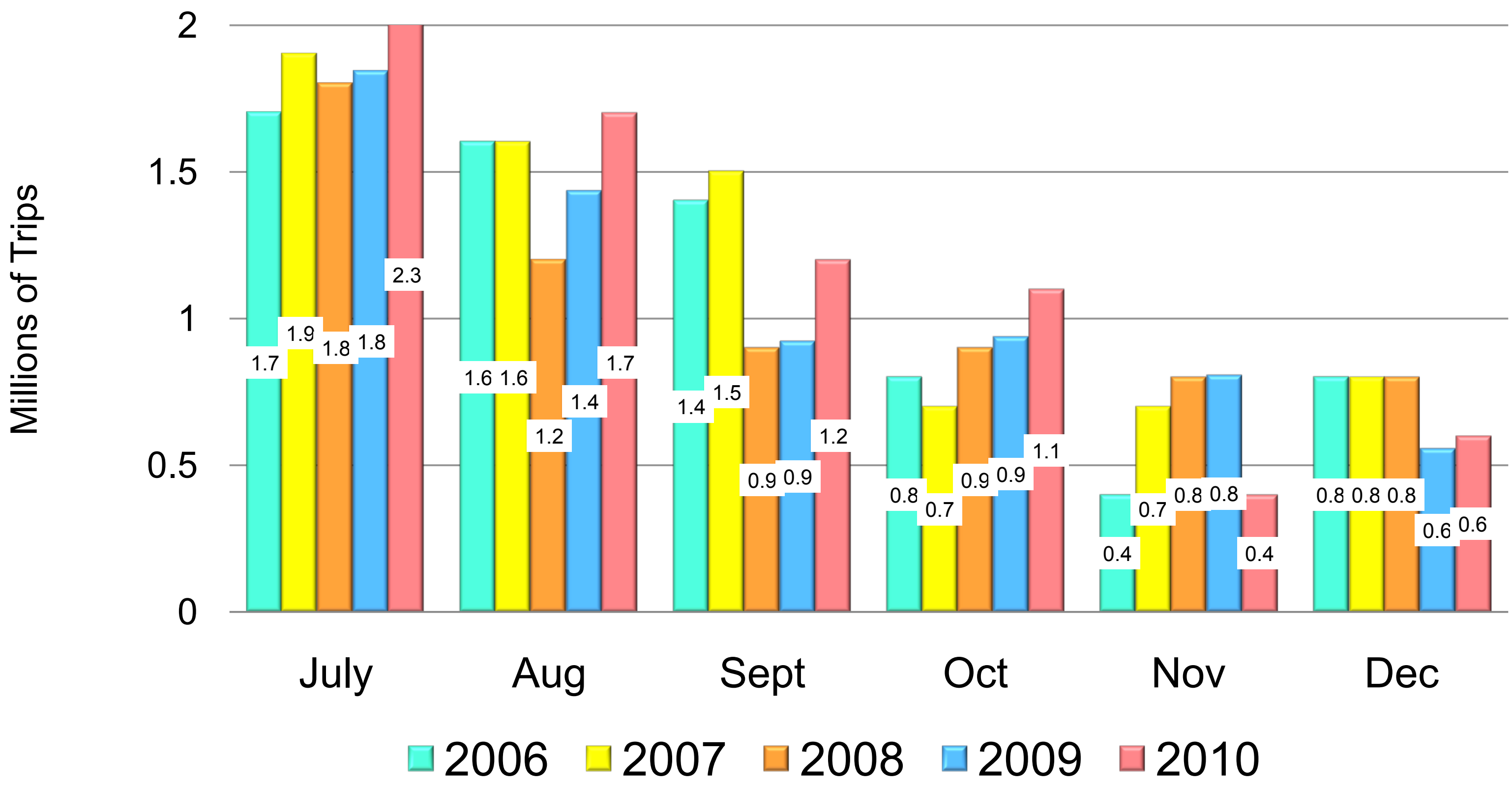
U.S. Overnight Marketable Leisure Trips by Month (Cont'd)



Overnight Marketable Leisure Trips to Colorado by Month



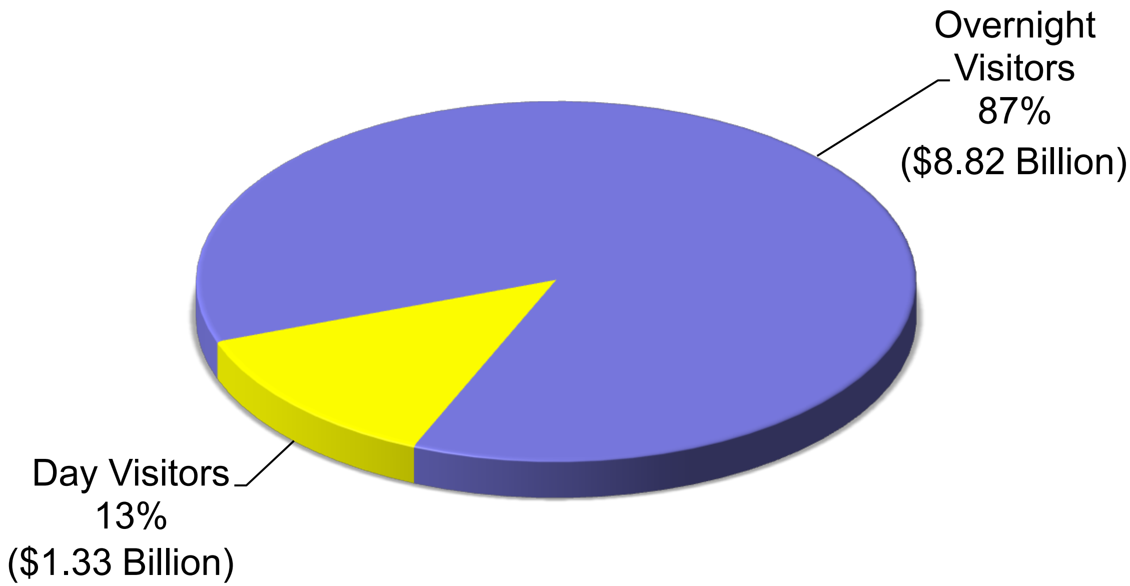
Overnight Marketable Leisure Trips to Colorado by Month (Cont'd)



Travel and Tourism Spending in Colorado

Total Travel Spending in Colorado in 2010

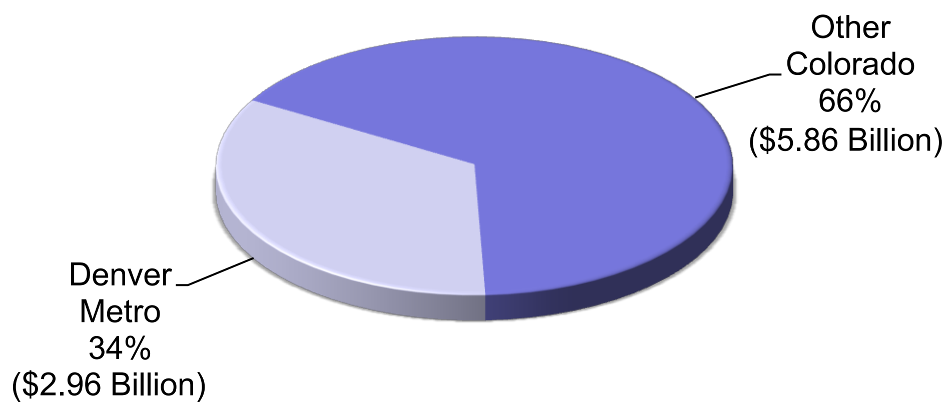
Total = $10.15 Billion



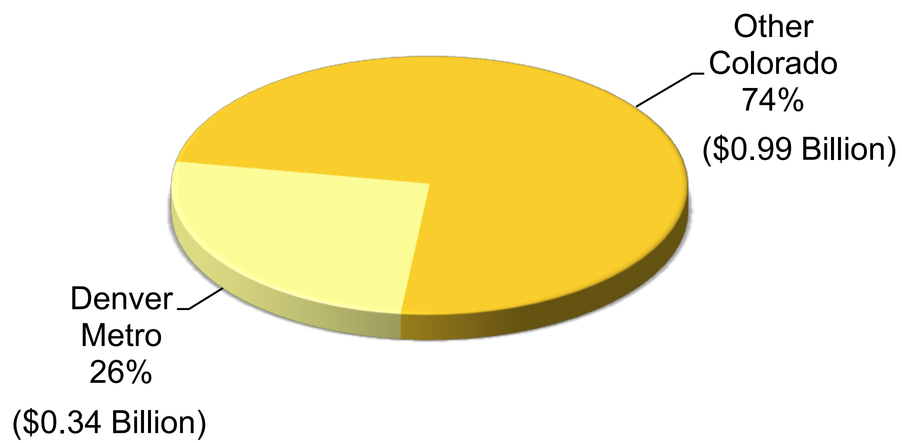
Total Travel Spending in Colorado in 2010

Overall Total = $9.73 Billion

Total Overnight = $8.82 Billion

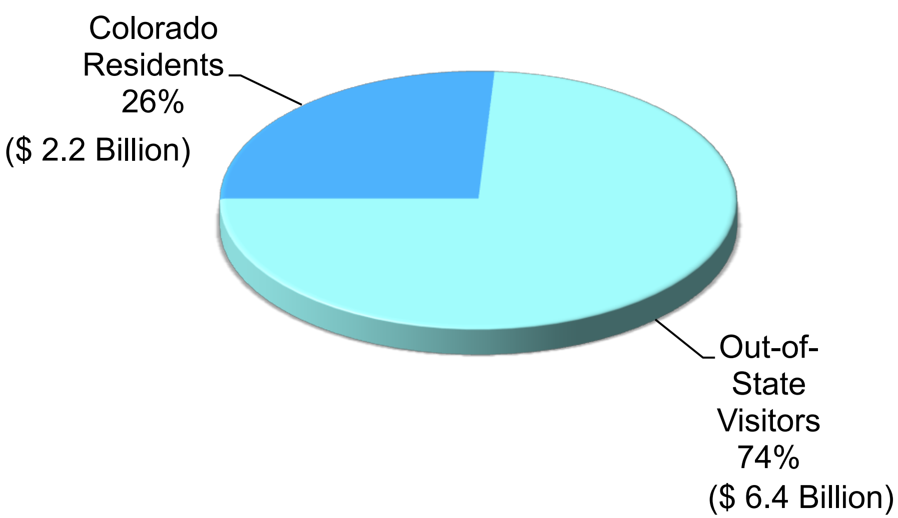


Total Day = $1.33 Billion

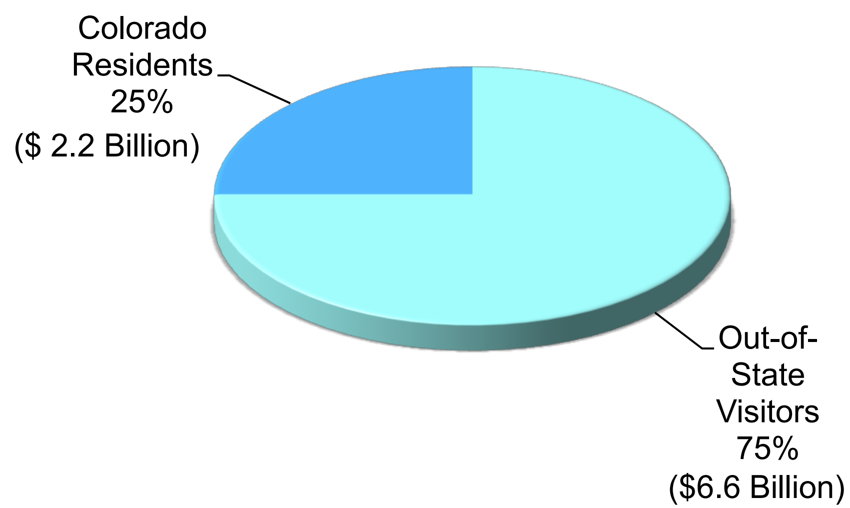


Total Travel Spending in Colorado – Overnight Visitors

2009 Total= $8.6 Billion

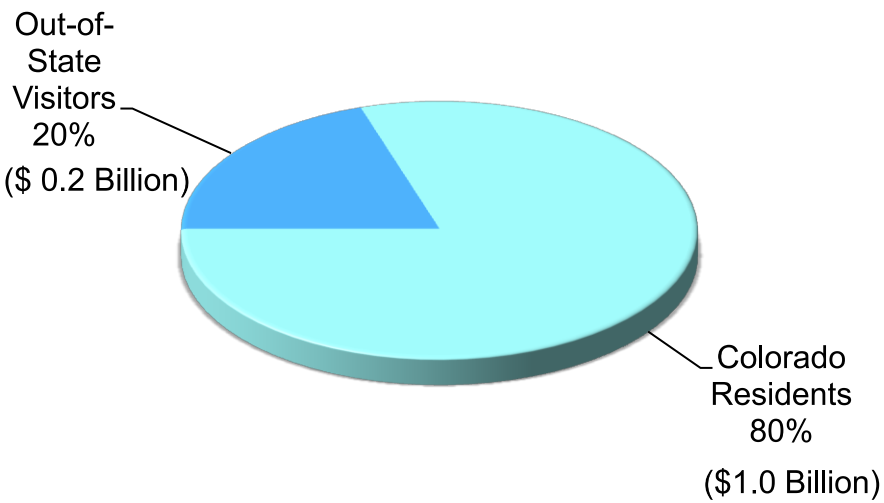


2010 Total= $8.8 Billion

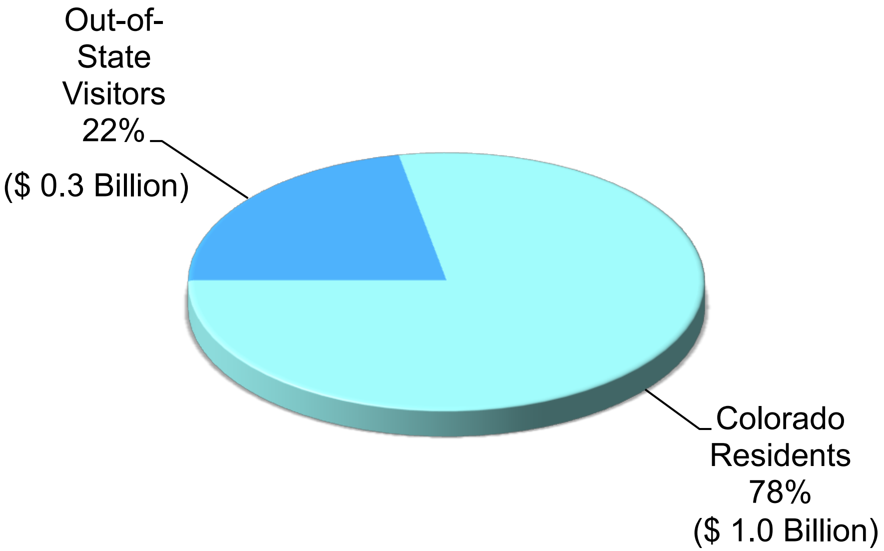


Total Travel Spending in Colorado – Day Visitors

2009 Total= $1.2 Billion

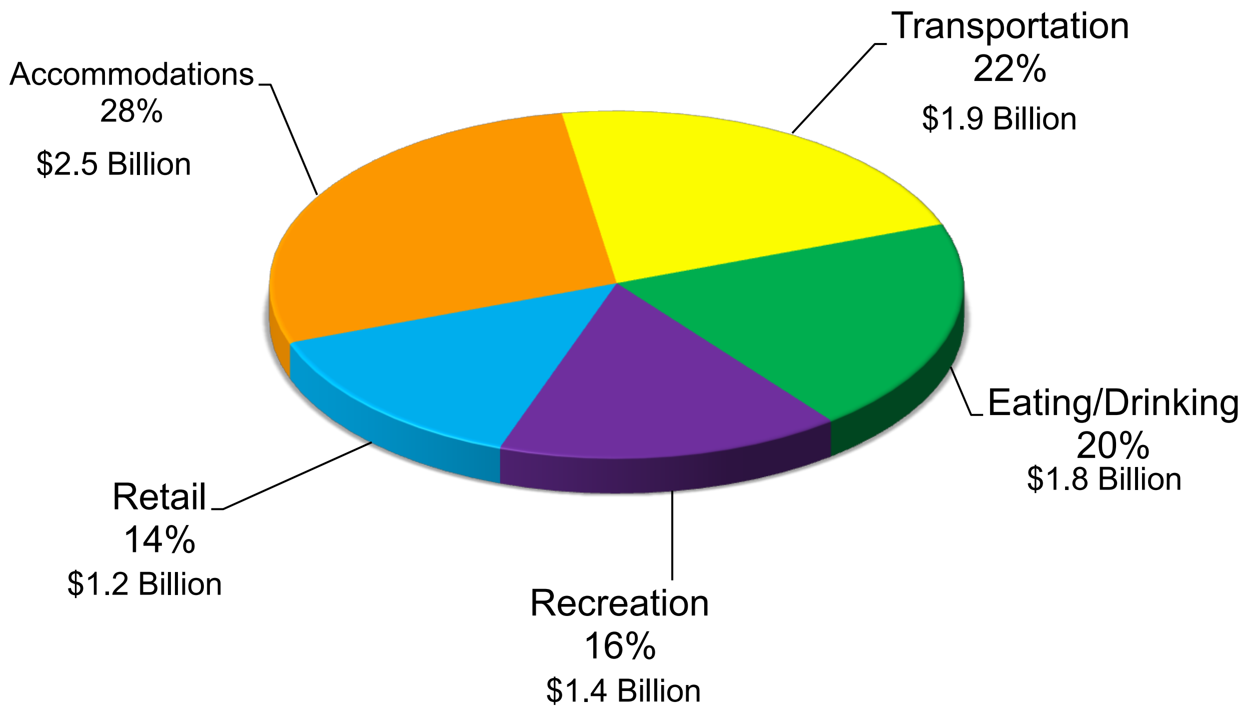


2010 Total= $1.3 Billion



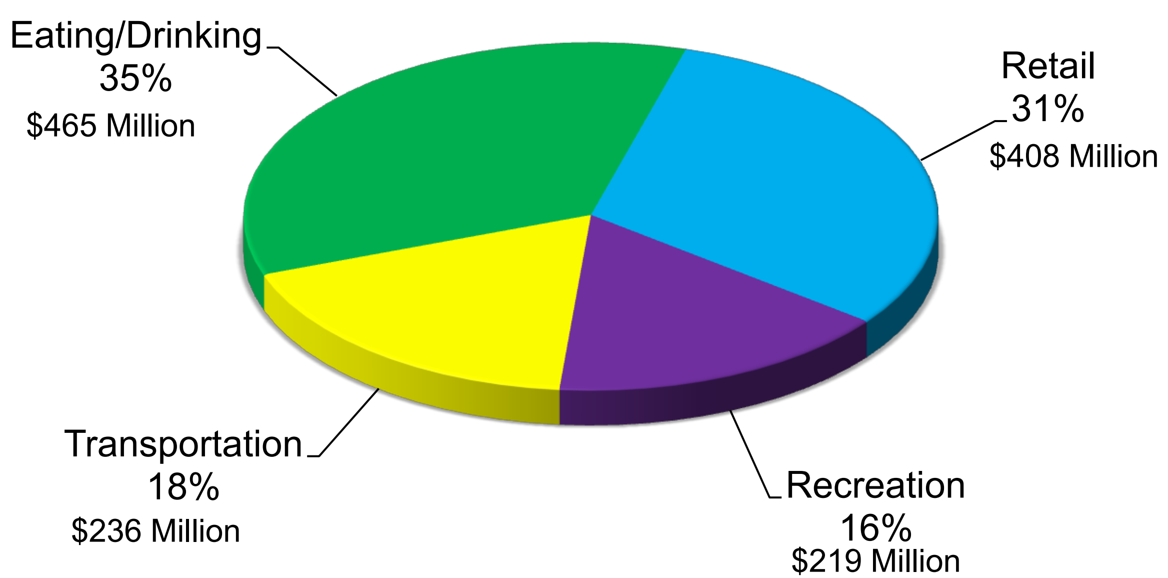
Total Spending in 2010 by Sector – Overnight Visitors

Total Spending = $8.8 Billion



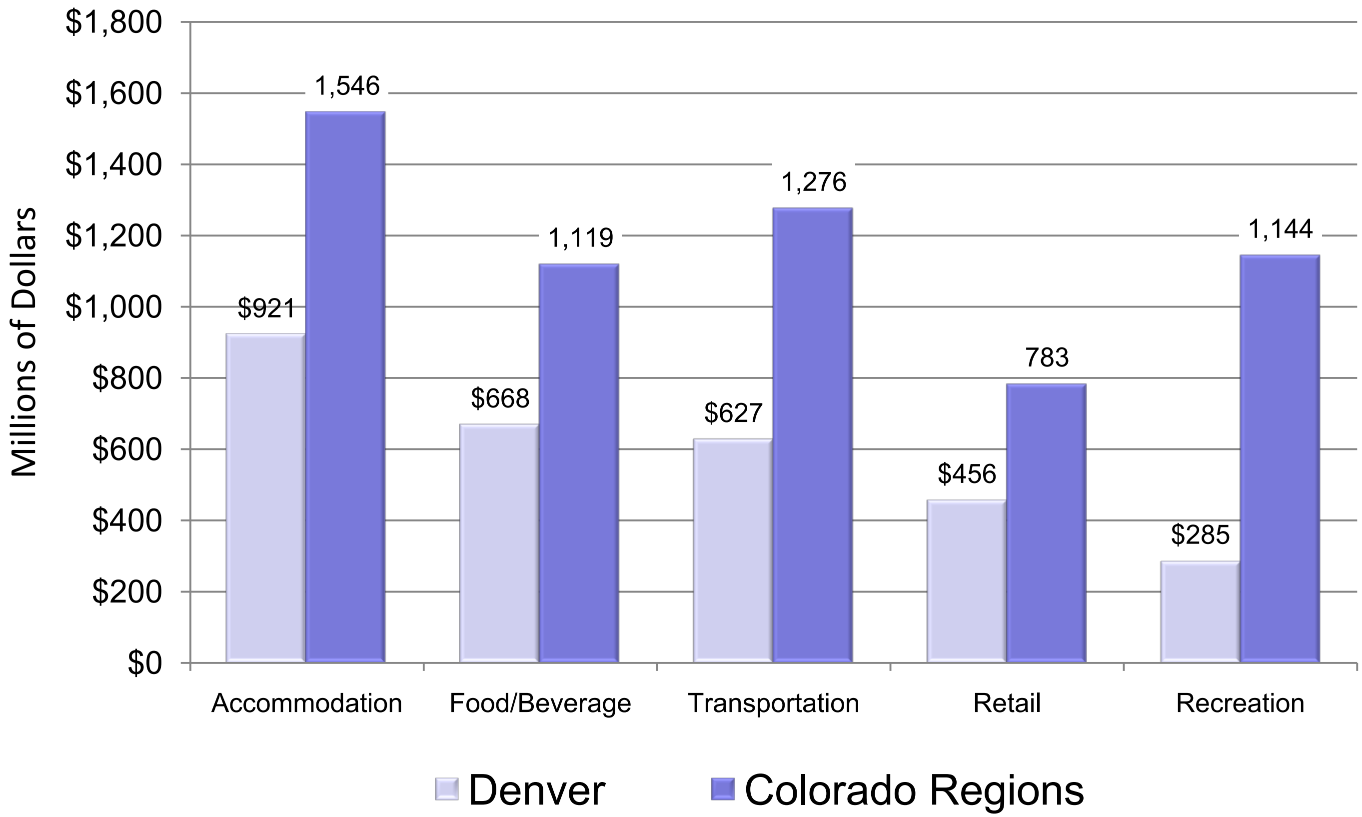
Total Spending in 2010 by Sector – Day Visitors

Total Spending = $1.3 Billion



Overnight Travel Spending in 2010 By Sector – Denver vs. Other Colorado Regions

Base: Overnight Visitors

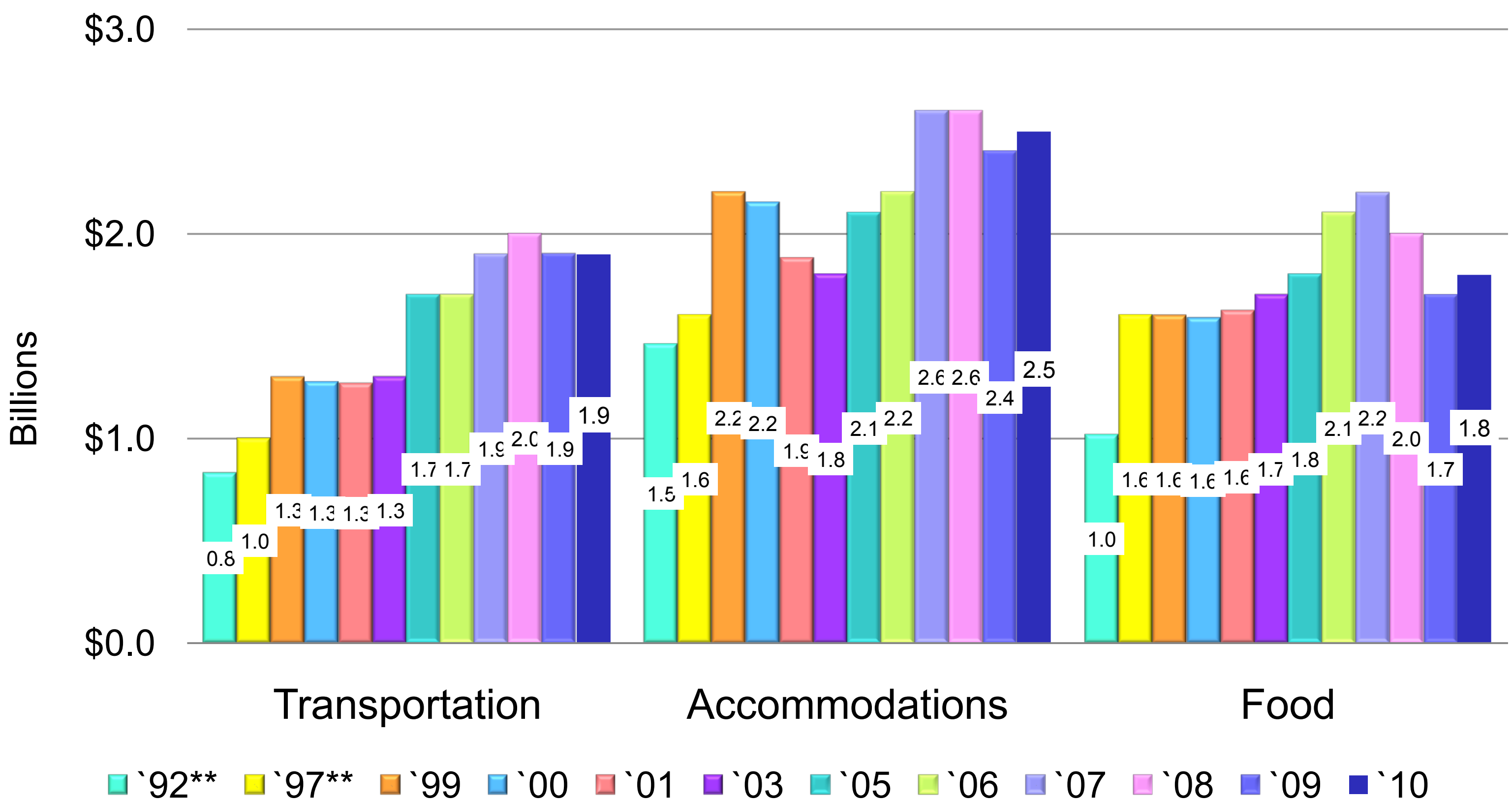


Recreation Expenditures in 2010 — Overnight Visitors

Total = $1.4 Billion

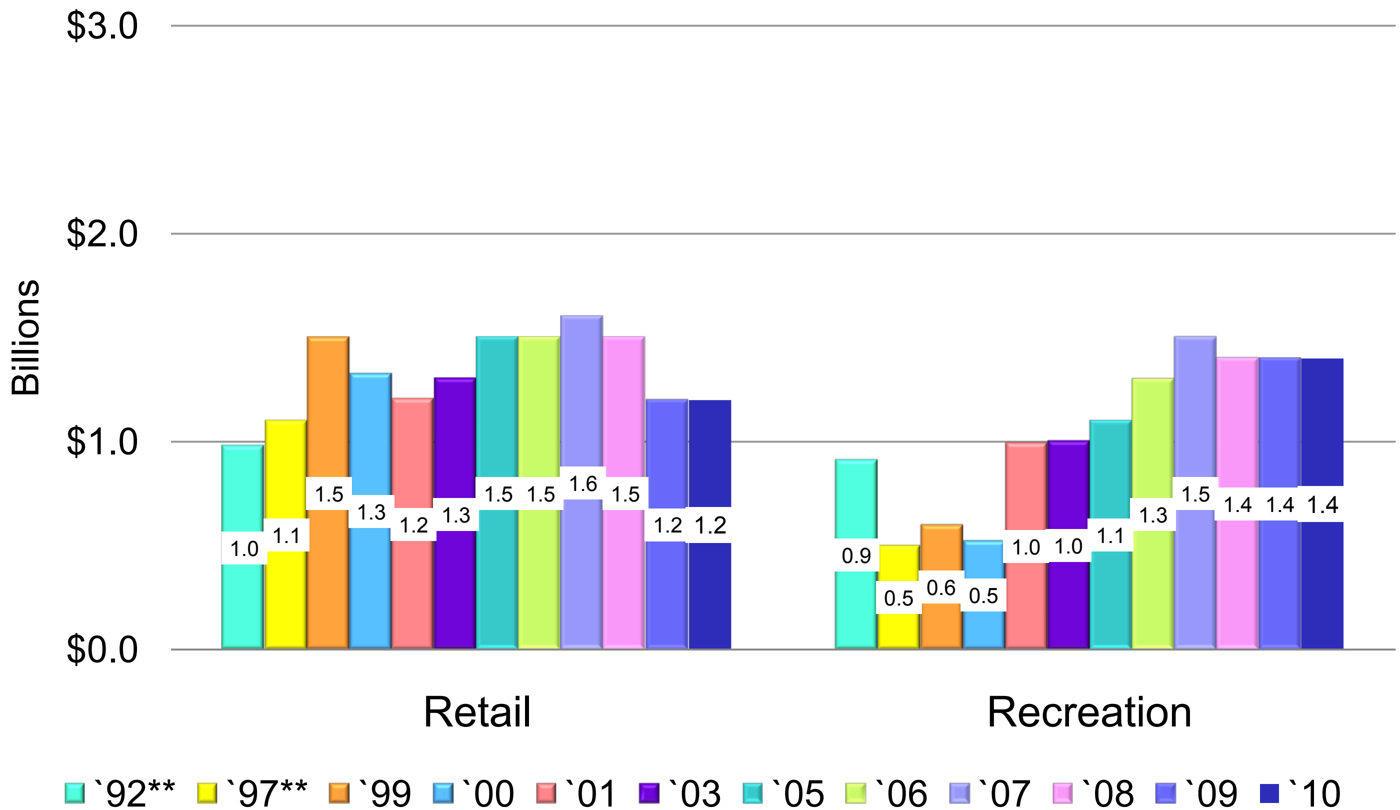
*Gaming expenditures are routinely included in the “Recreation” category, one of the five standard groupings used by economists to analyze travel and tourism expenditures.

Colorado Expenditure Tracking – Overnight Visitors



** Source: Dean Runyan & Associates

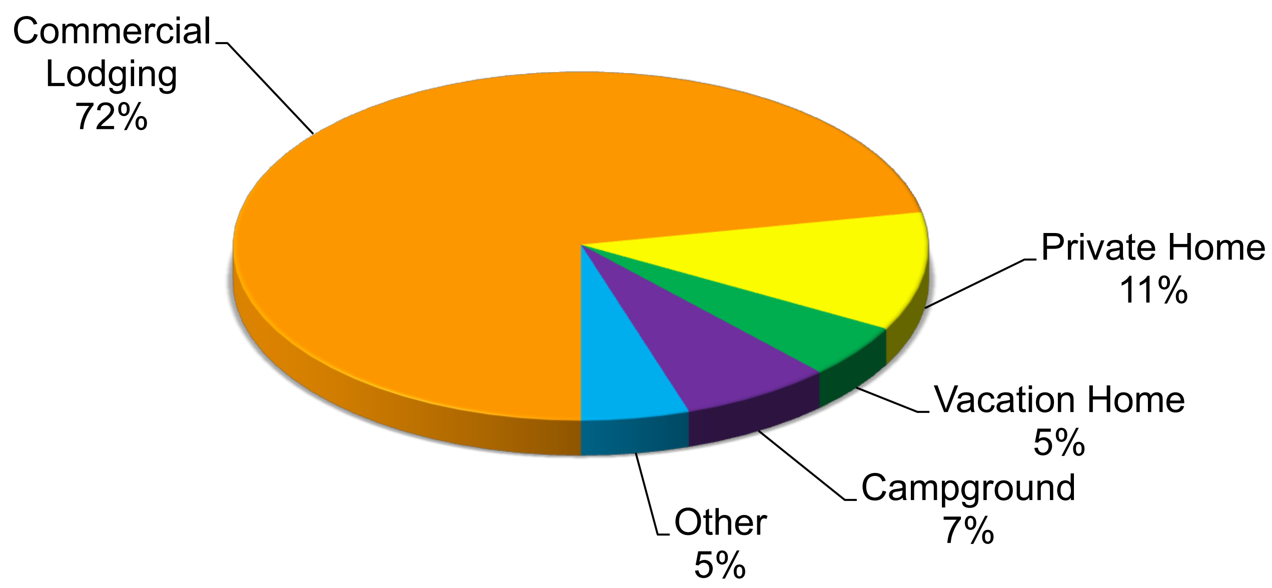
Colorado Expenditure Tracking – Overnight Visitors



** Source: Dean Runyan & Associates

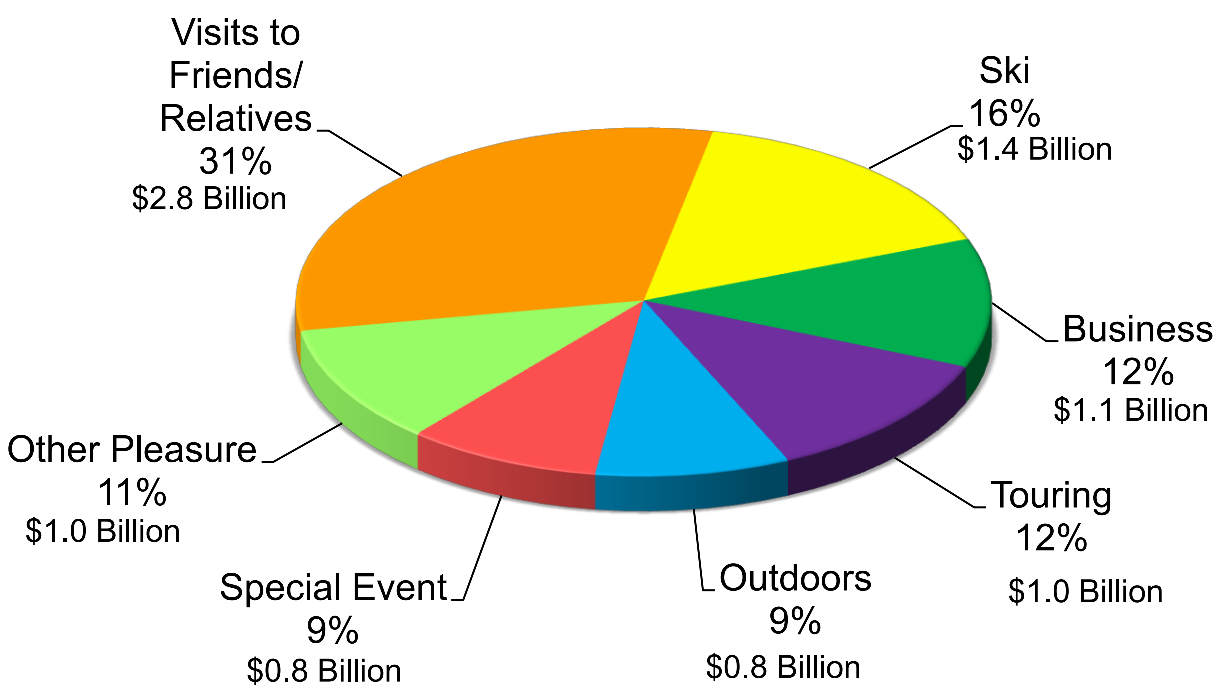
Total Spending in 2010 by Type of Accommodations – Overnight Trips

Total = $8.8 Billion

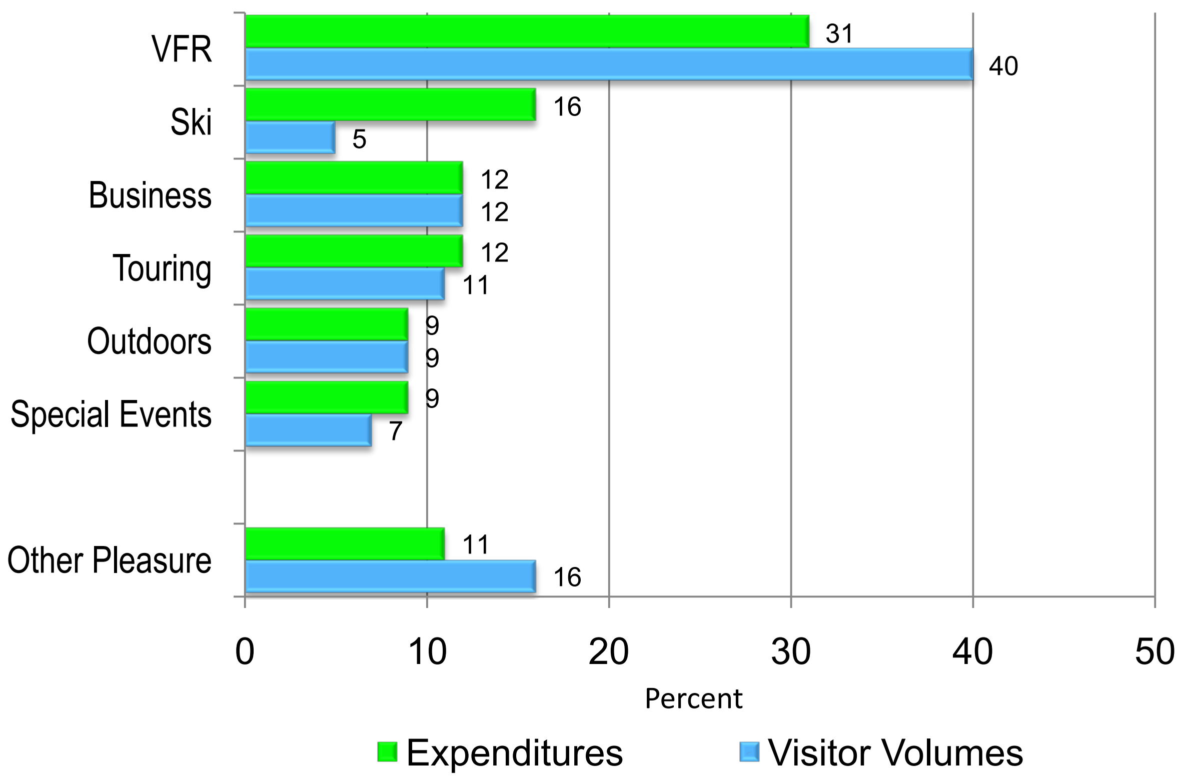


Total Spending in 2010 by Purpose of Trip – Overnight Visitors

Total = $8.8 Billion

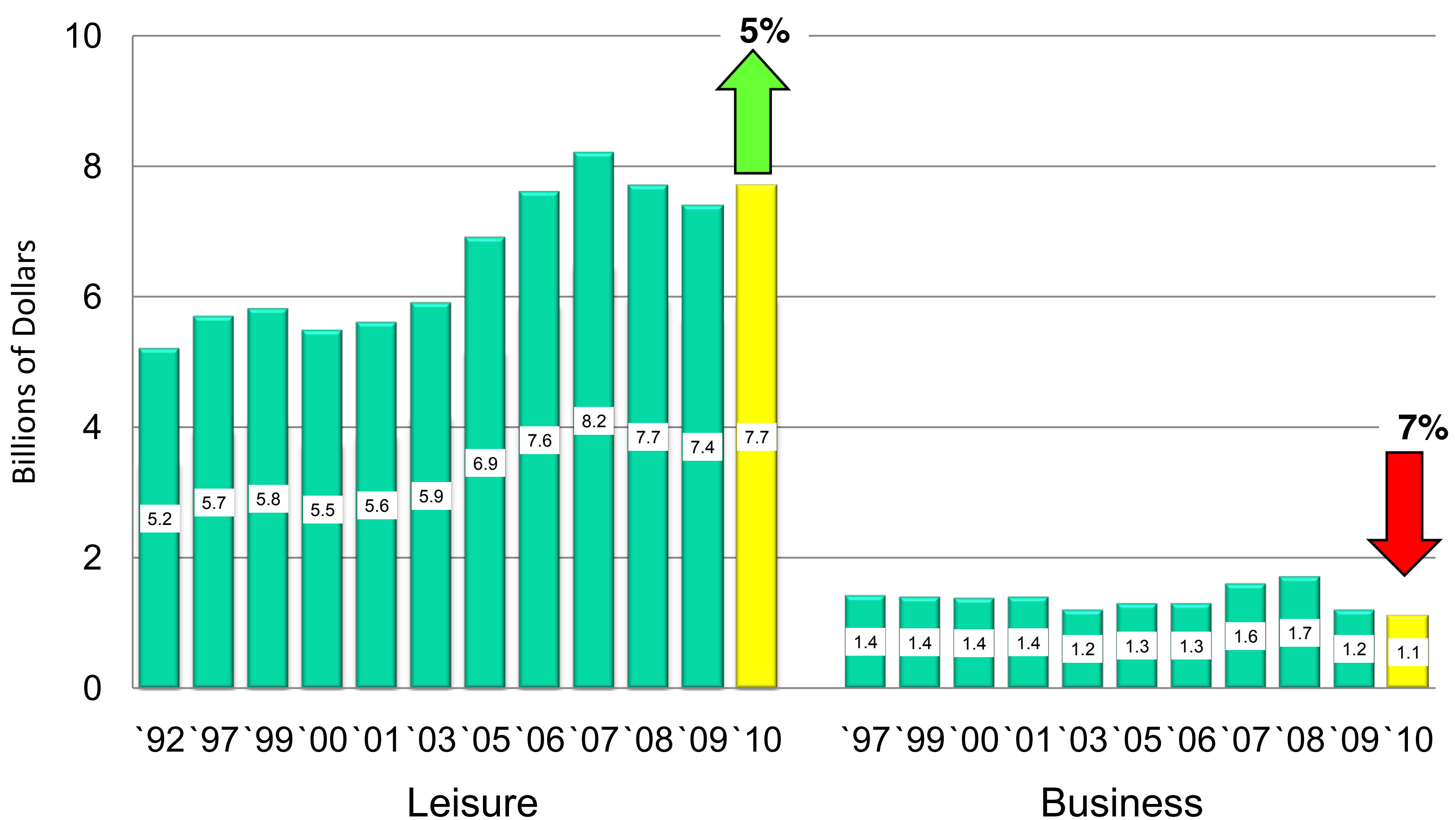


Spending Versus Overnight Visitor Volumes in 2010

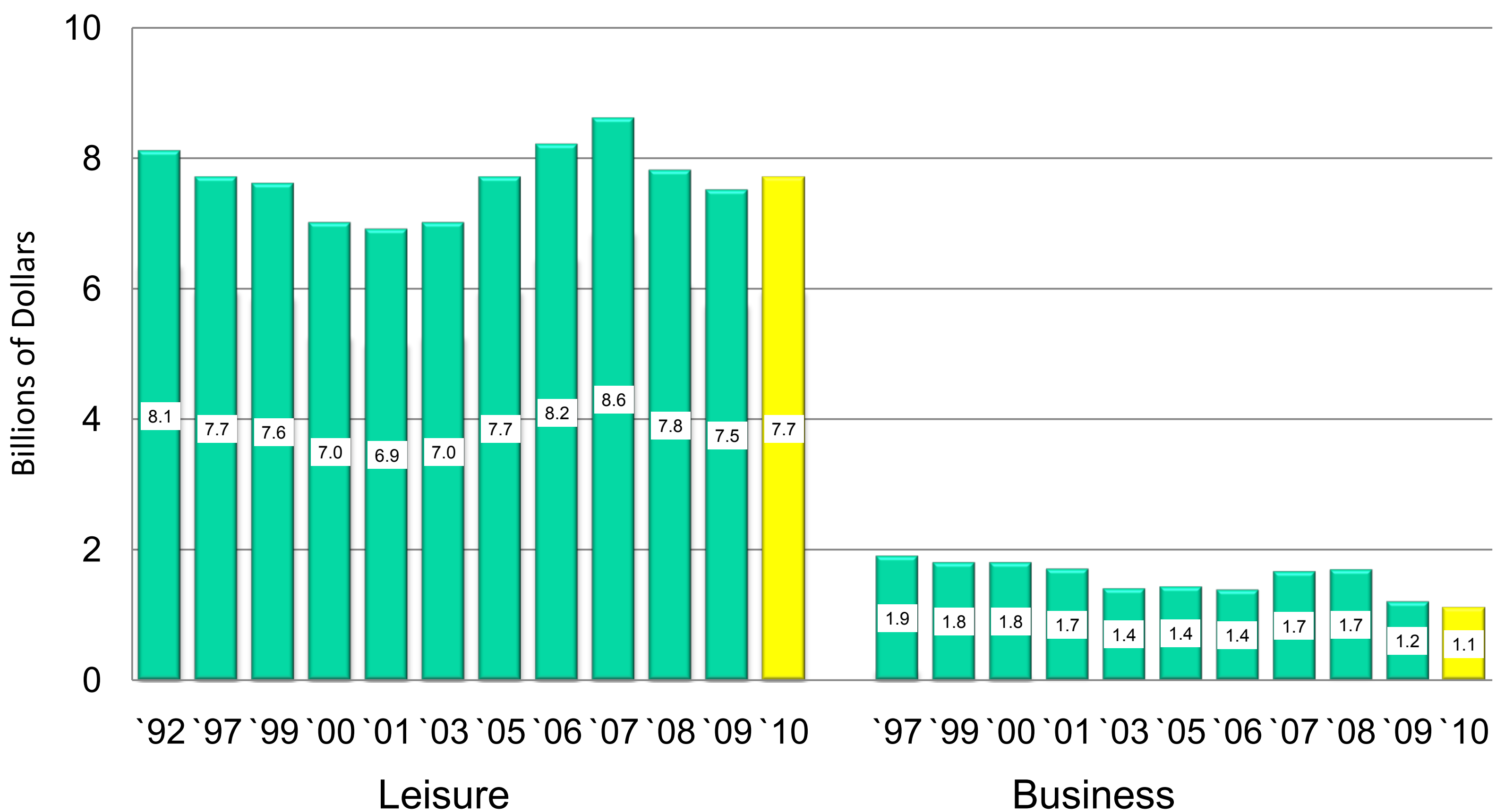


Actual Travel Expenditures on Overnight Trips – 1992 to 2010

Total Spending Up 3%

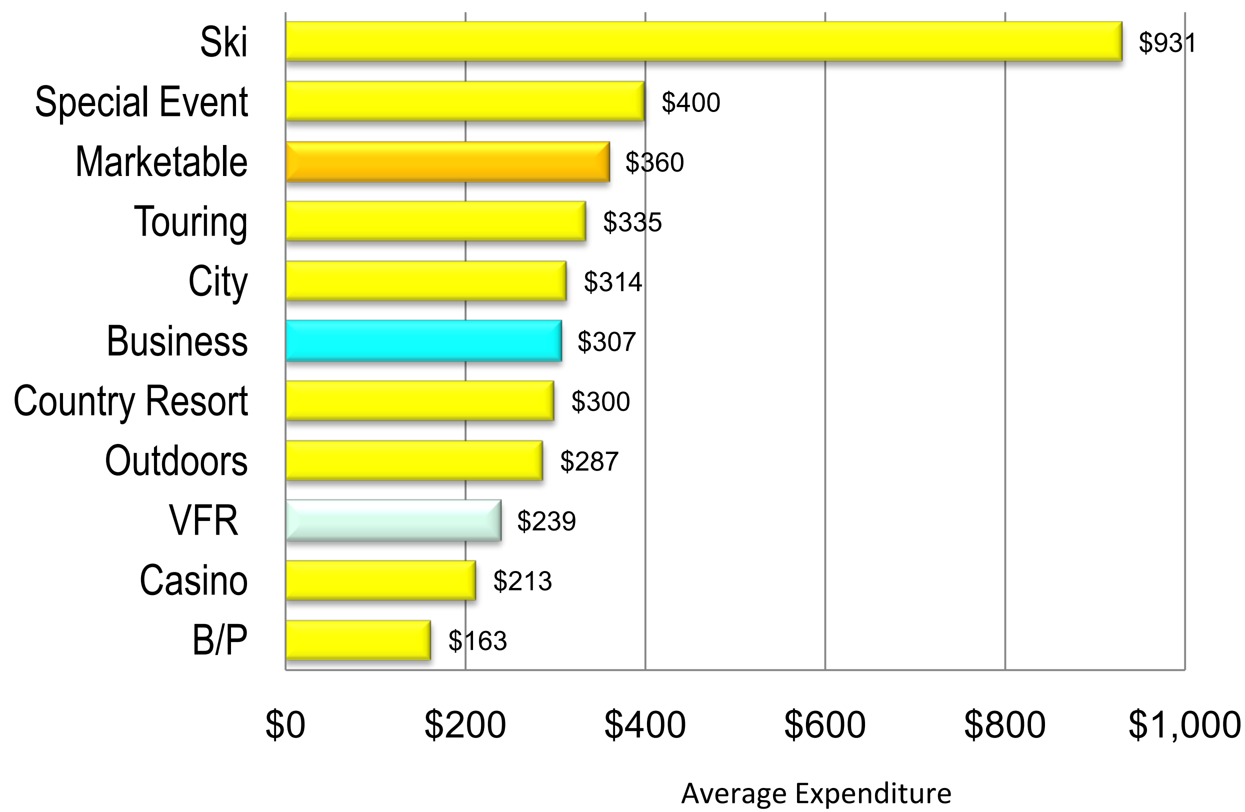


Inflation Adjusted Travel Expenditures – Overnight 1992 to 2010



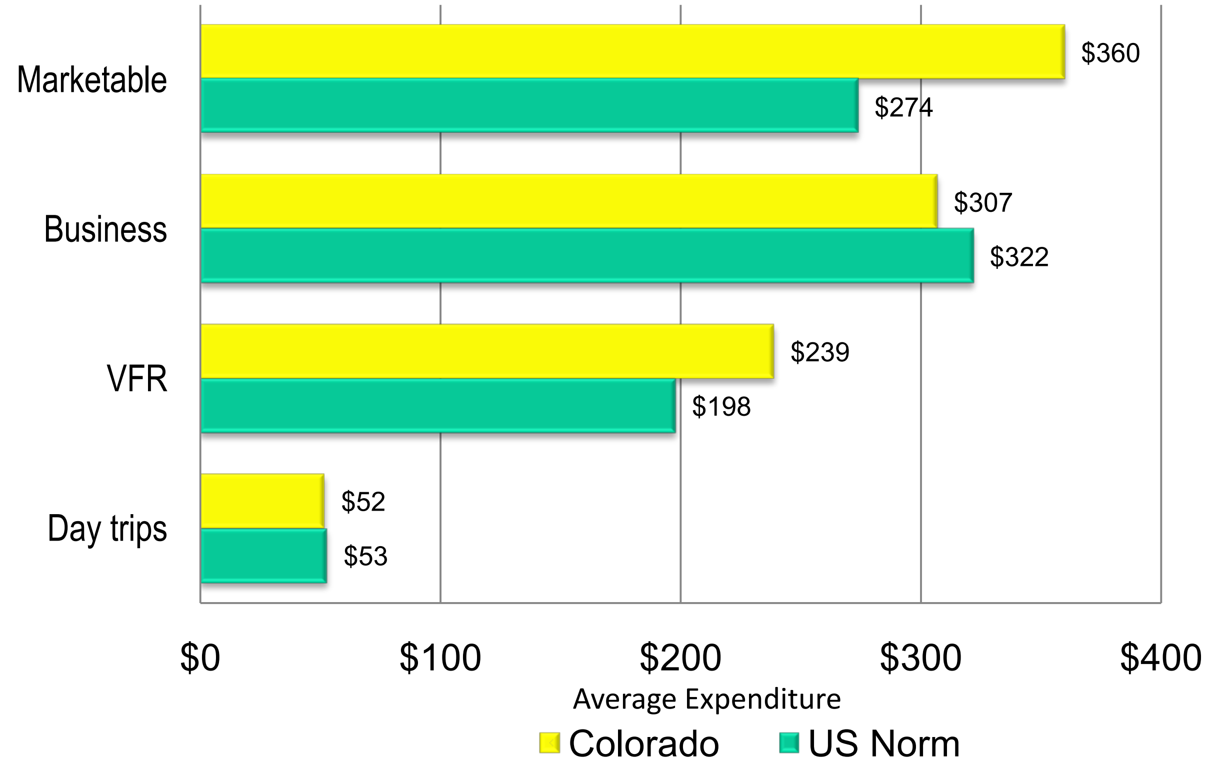
Per Person Expenditures by Trip Purpose

Base: Overnight Trips

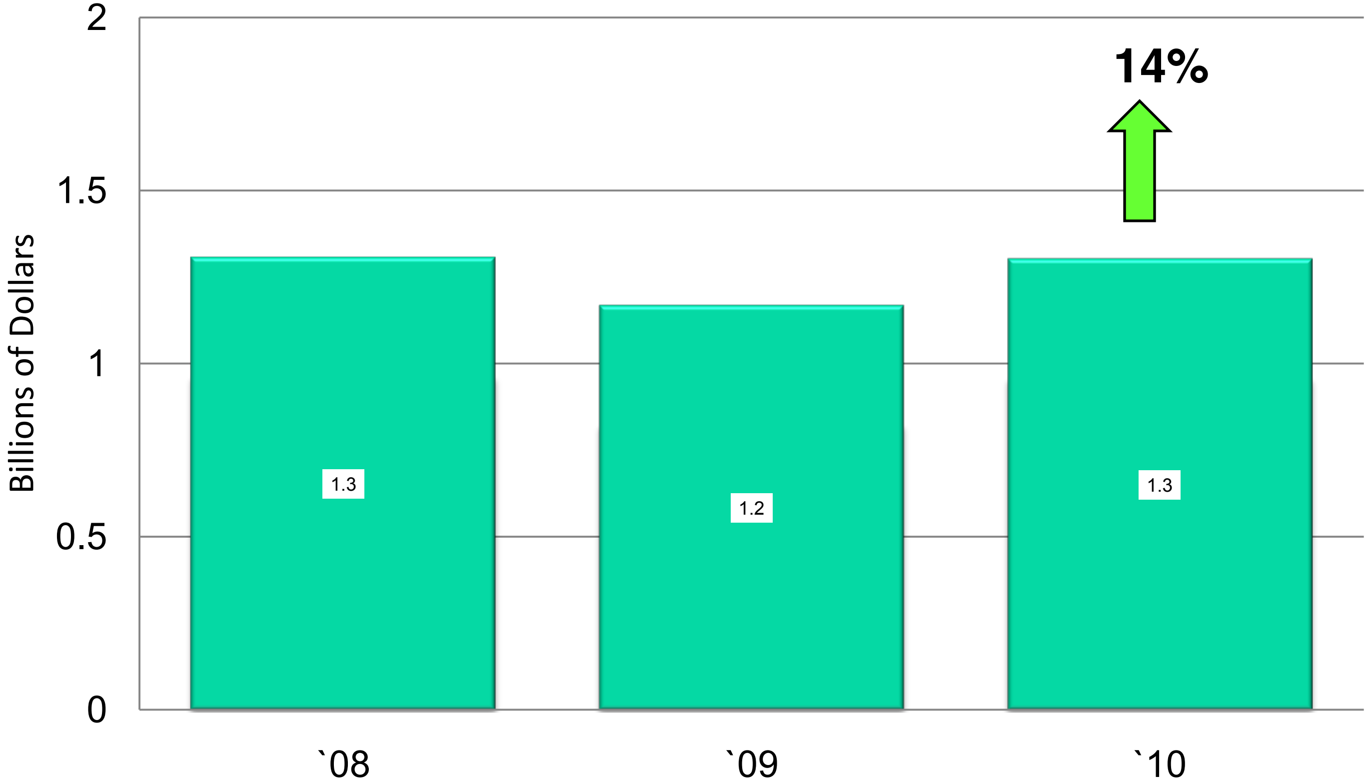


Per Person Expenditures

Base: Overnight Leisure Trips



Expenditures on Day Trips

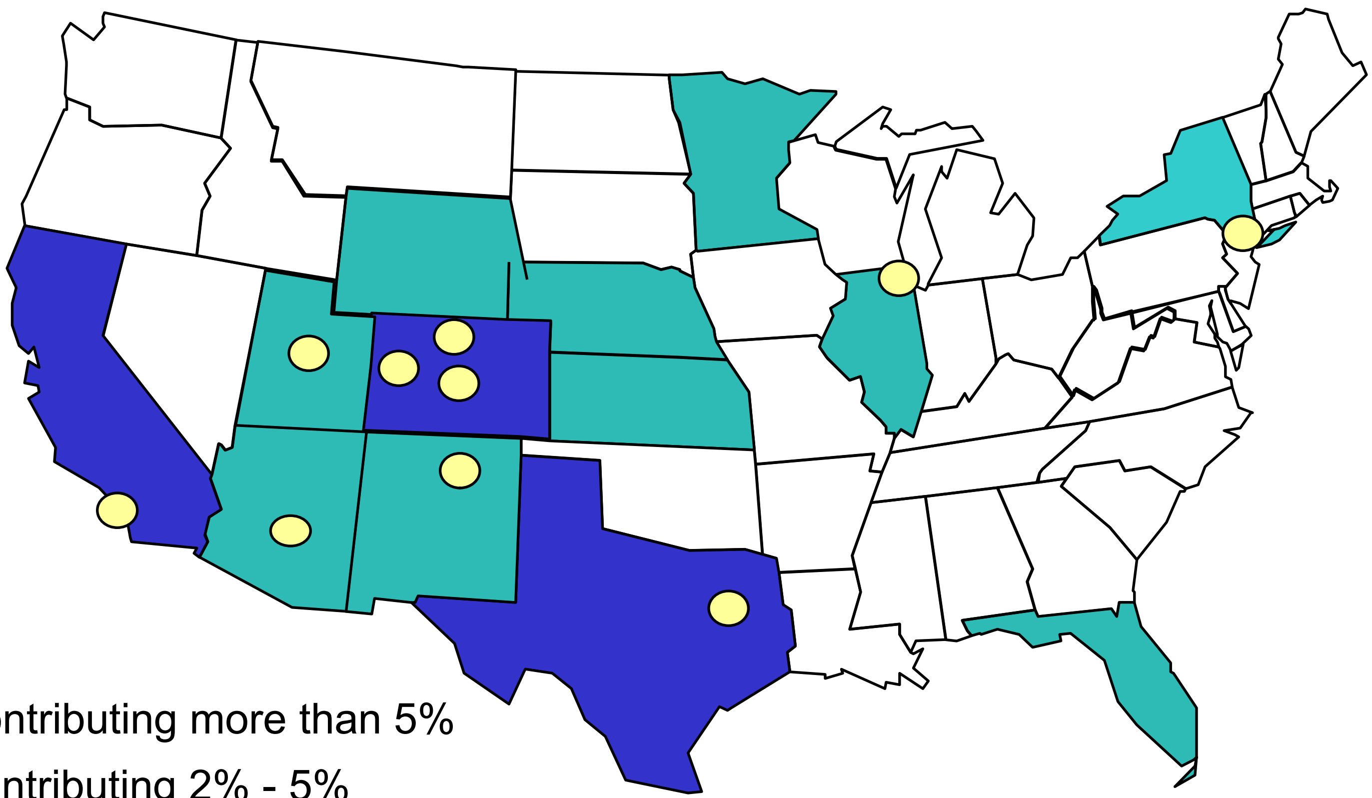


2010 Leisure Travel Profile

Sources of Leisure Travel Business

Sources of Business

Base: Overnight Leisure Trips



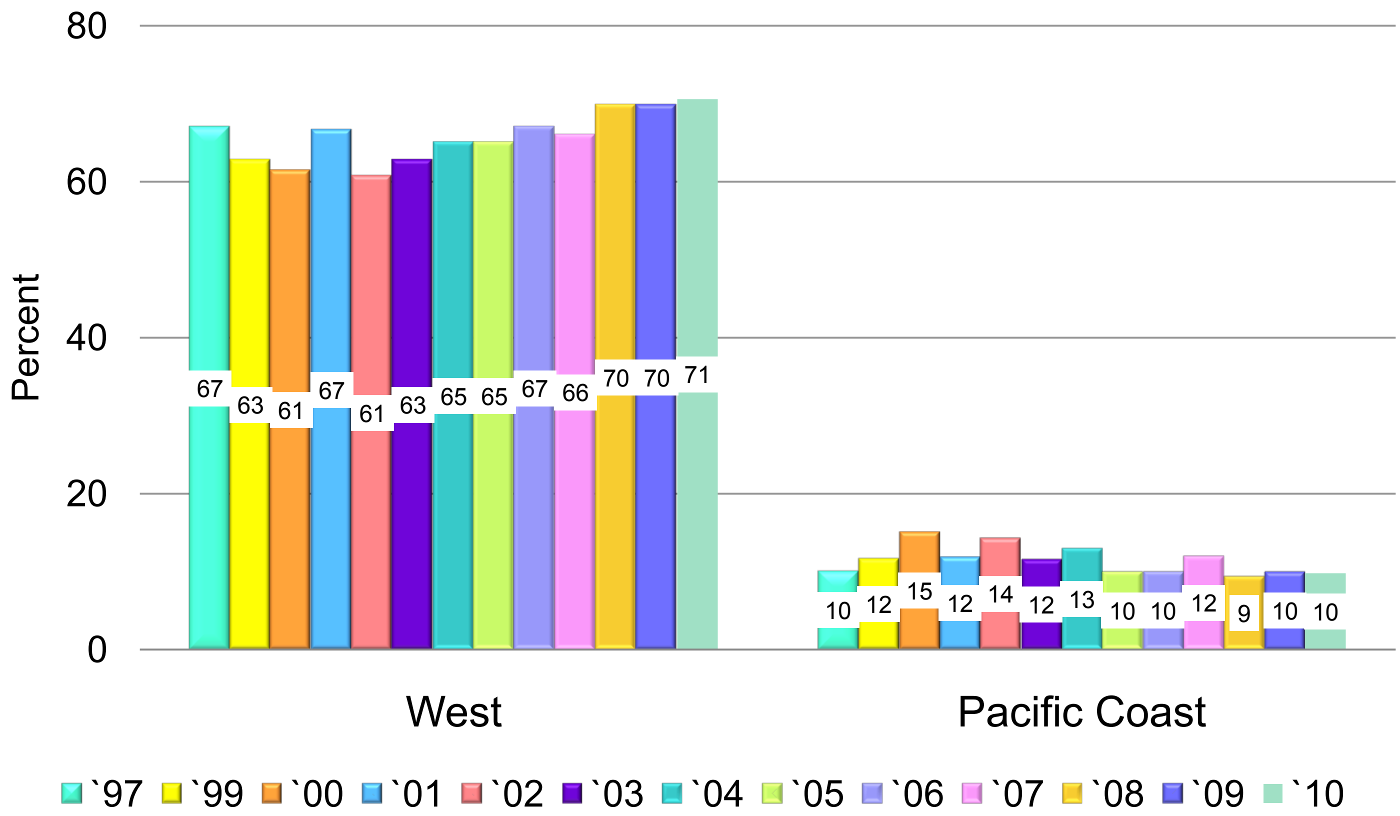
States contributing more than 5%

States contributing 2% - 5%

DMAs contributing more than 2%

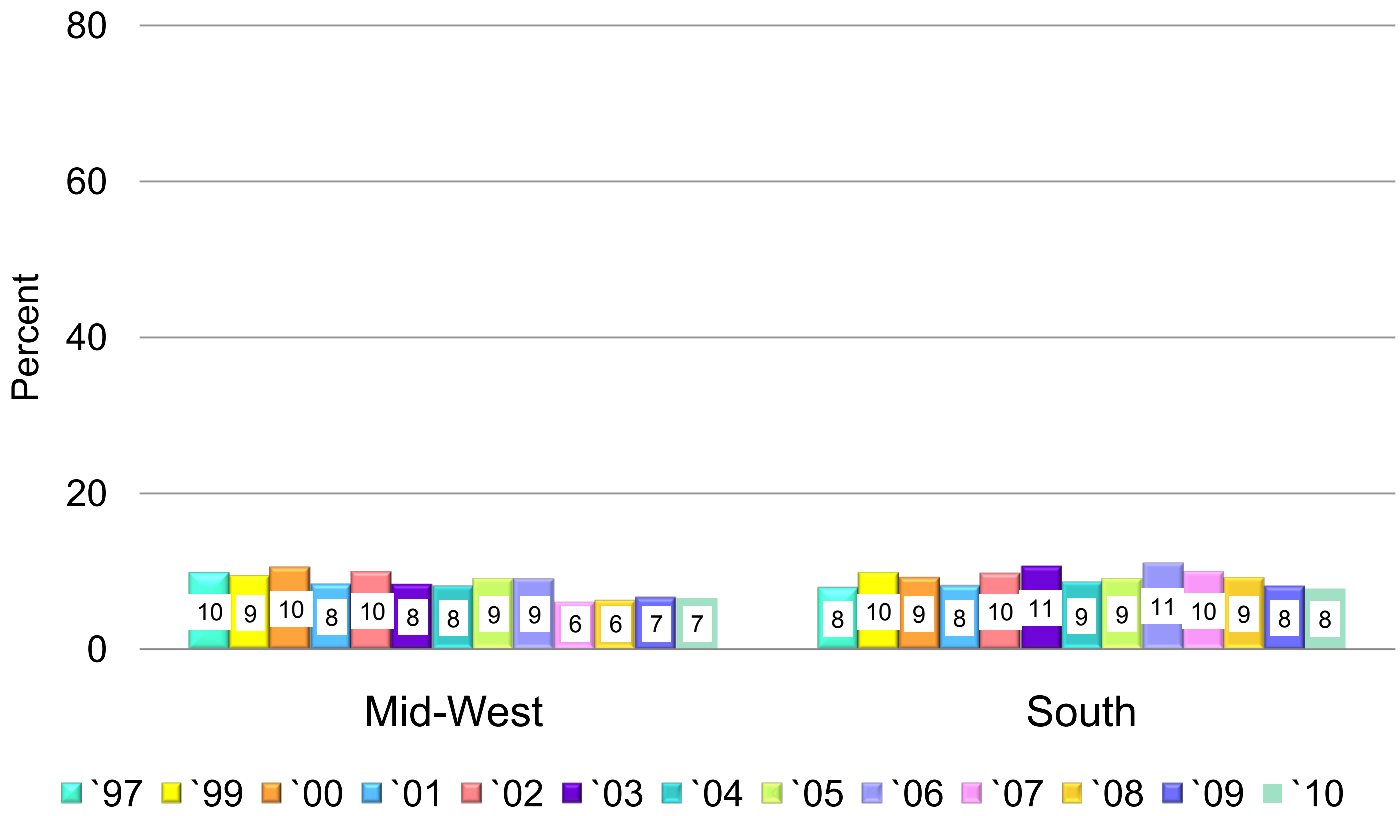
Regional Sources of Business

Base: Overnight Leisure Trips



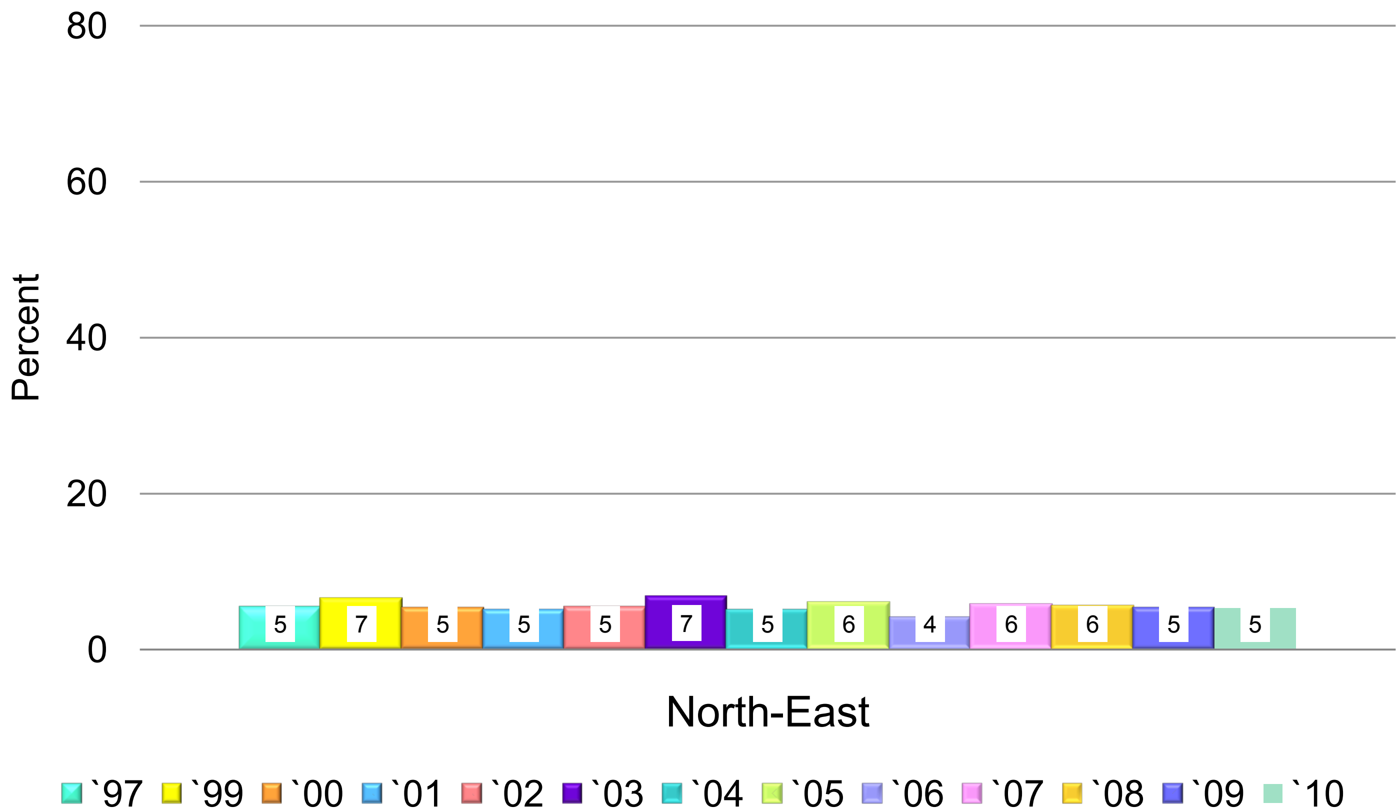
Regional Sources of Business

Base: Overnight Leisure Trips



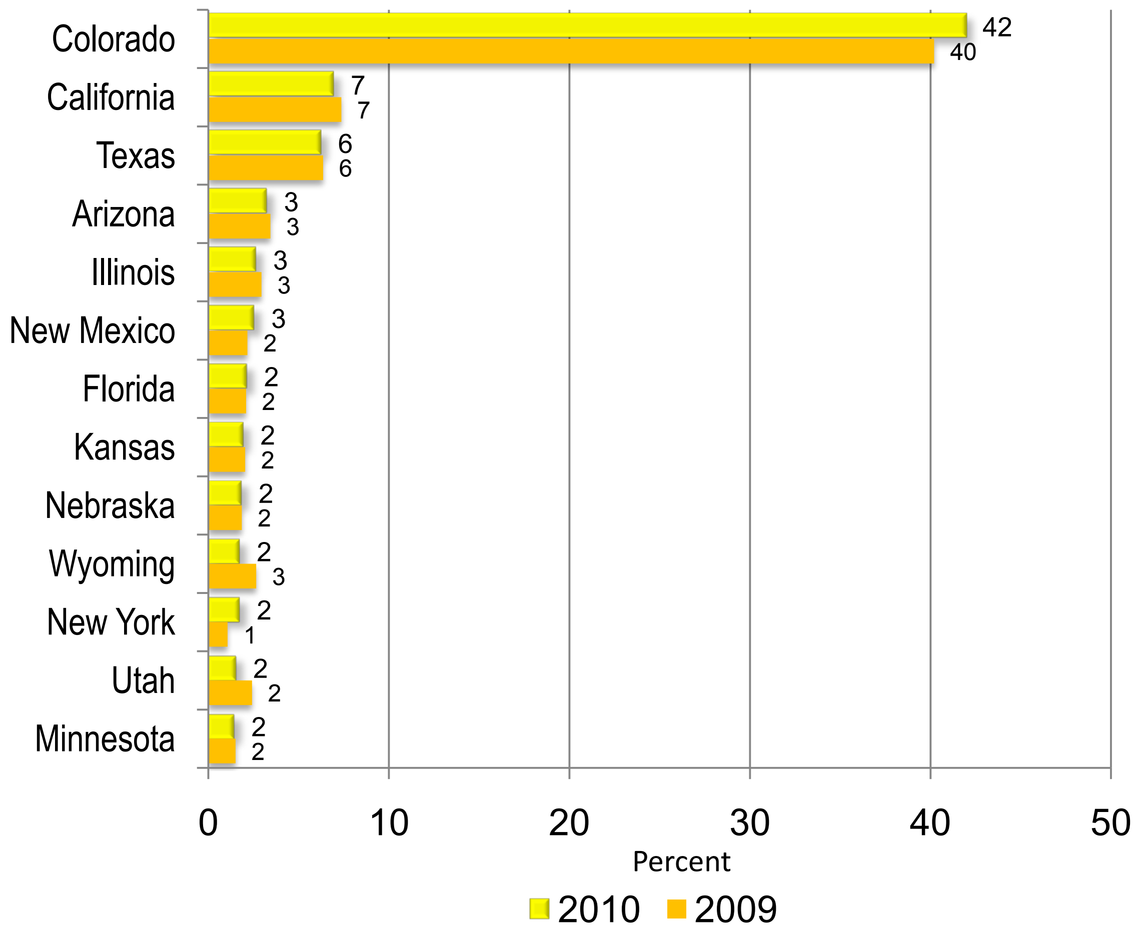
Regional Sources of Business

Base: Overnight Leisure Trips



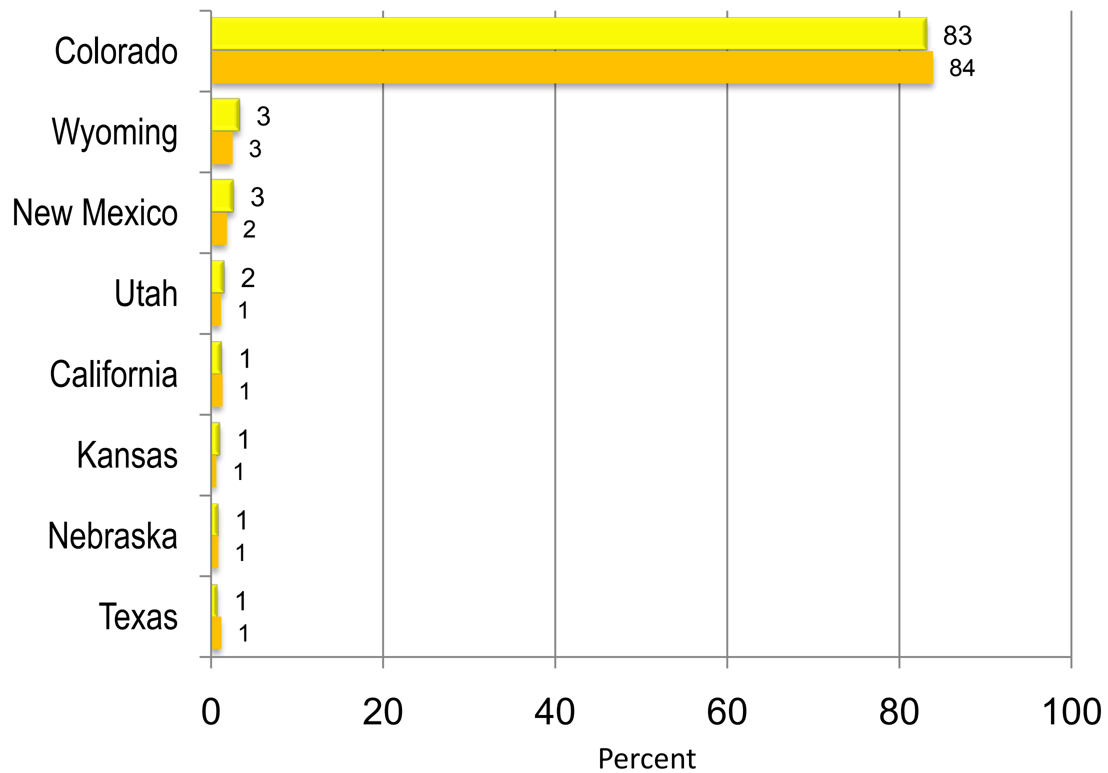
State Sources Of Overnight Trips

Base: Overnight Leisure Trips



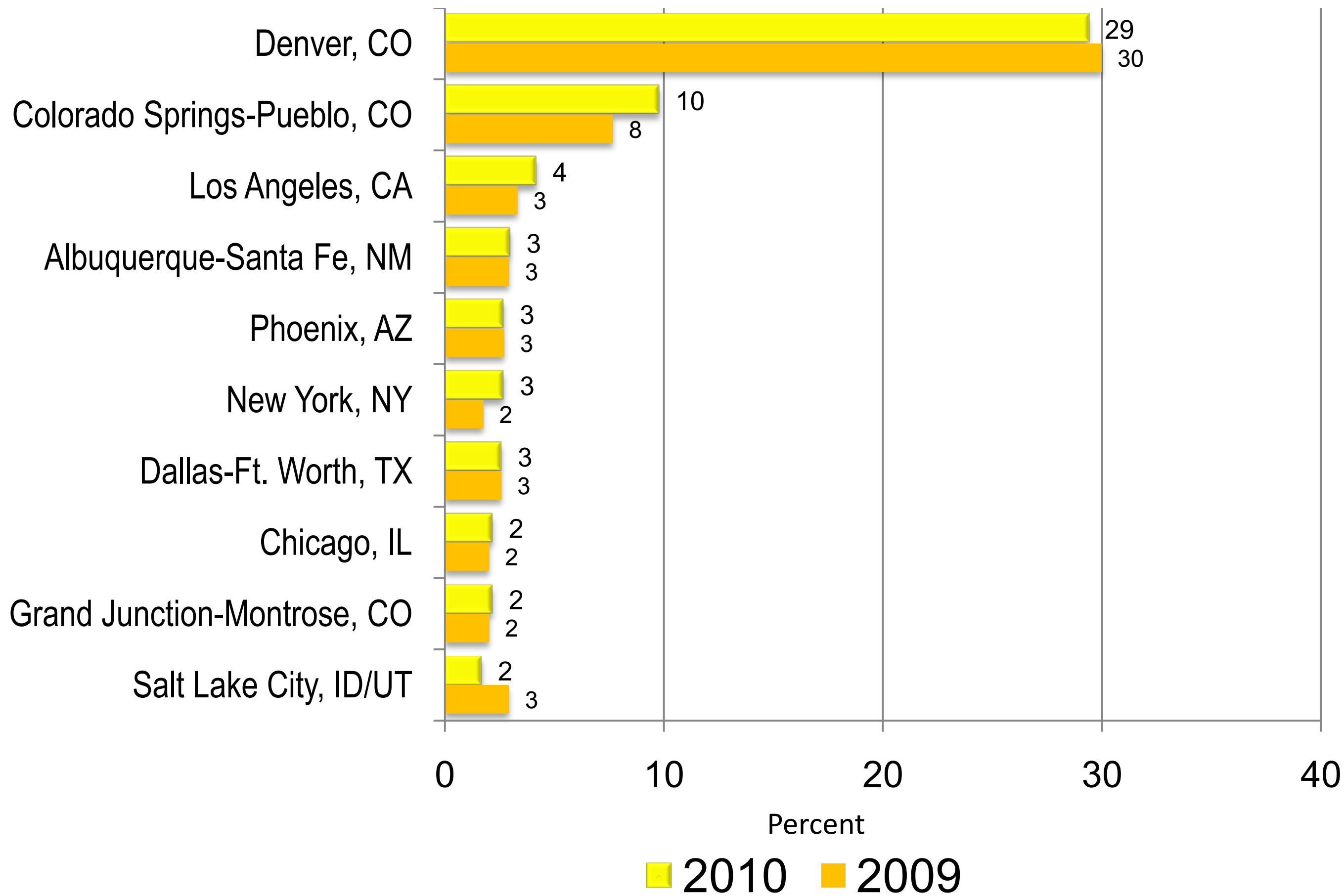
State Sources Of Day Trips

Base: Day Leisure Trips



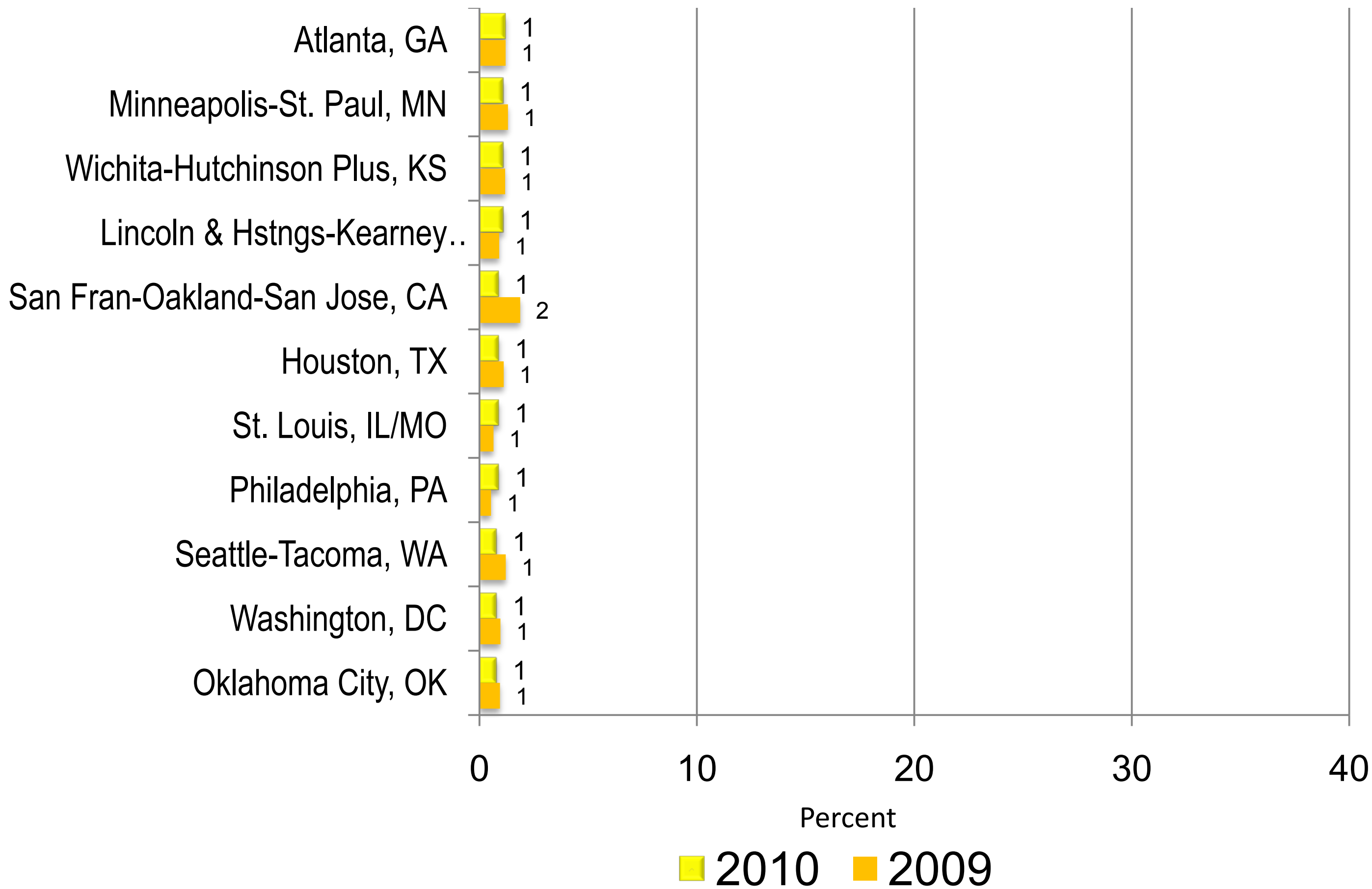
Urban Sources of Overnight Trips

Base: Overnight Leisure Trips



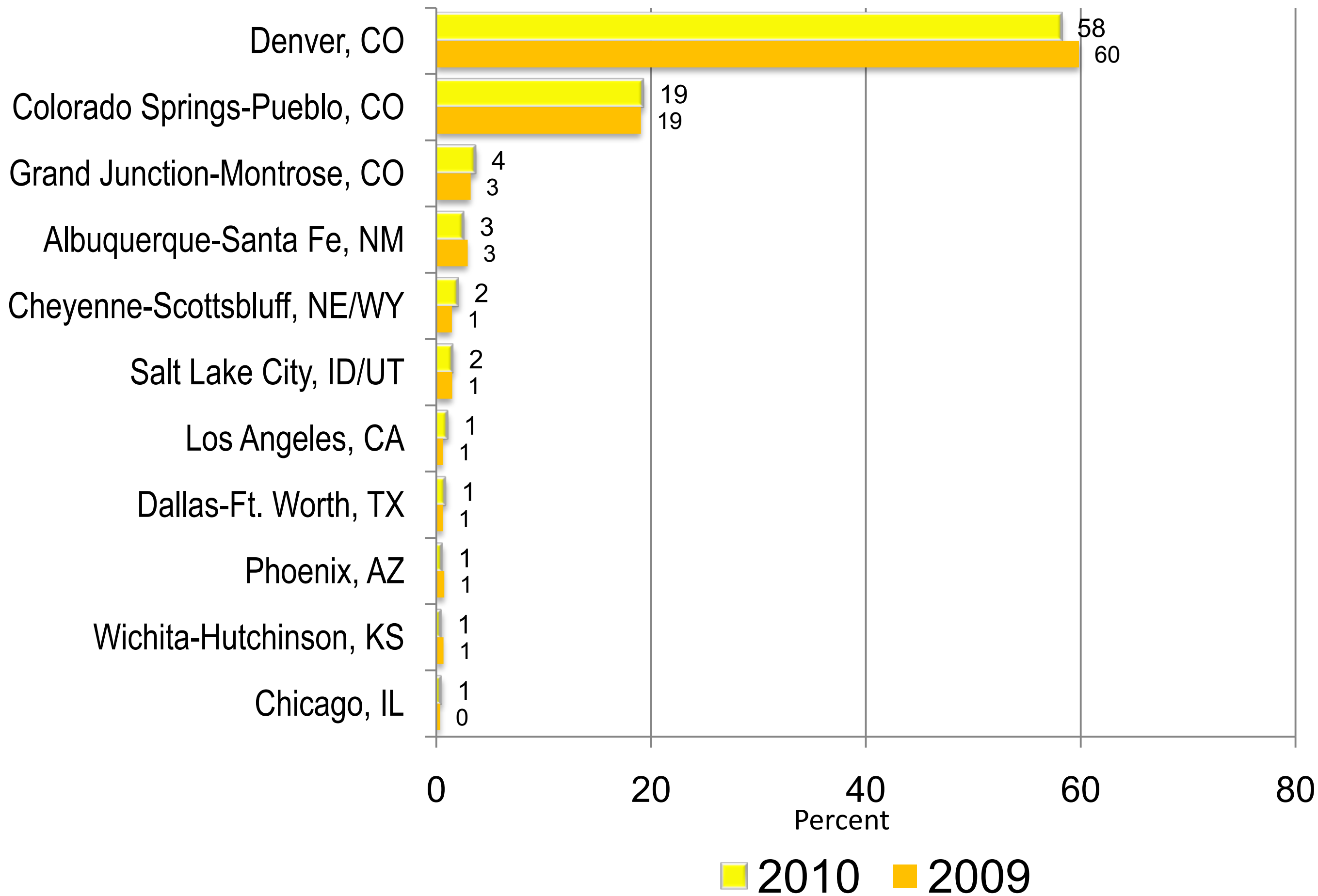
Urban Sources of Overnight Trips (Cont'd)

Base: Overnight Leisure Trips

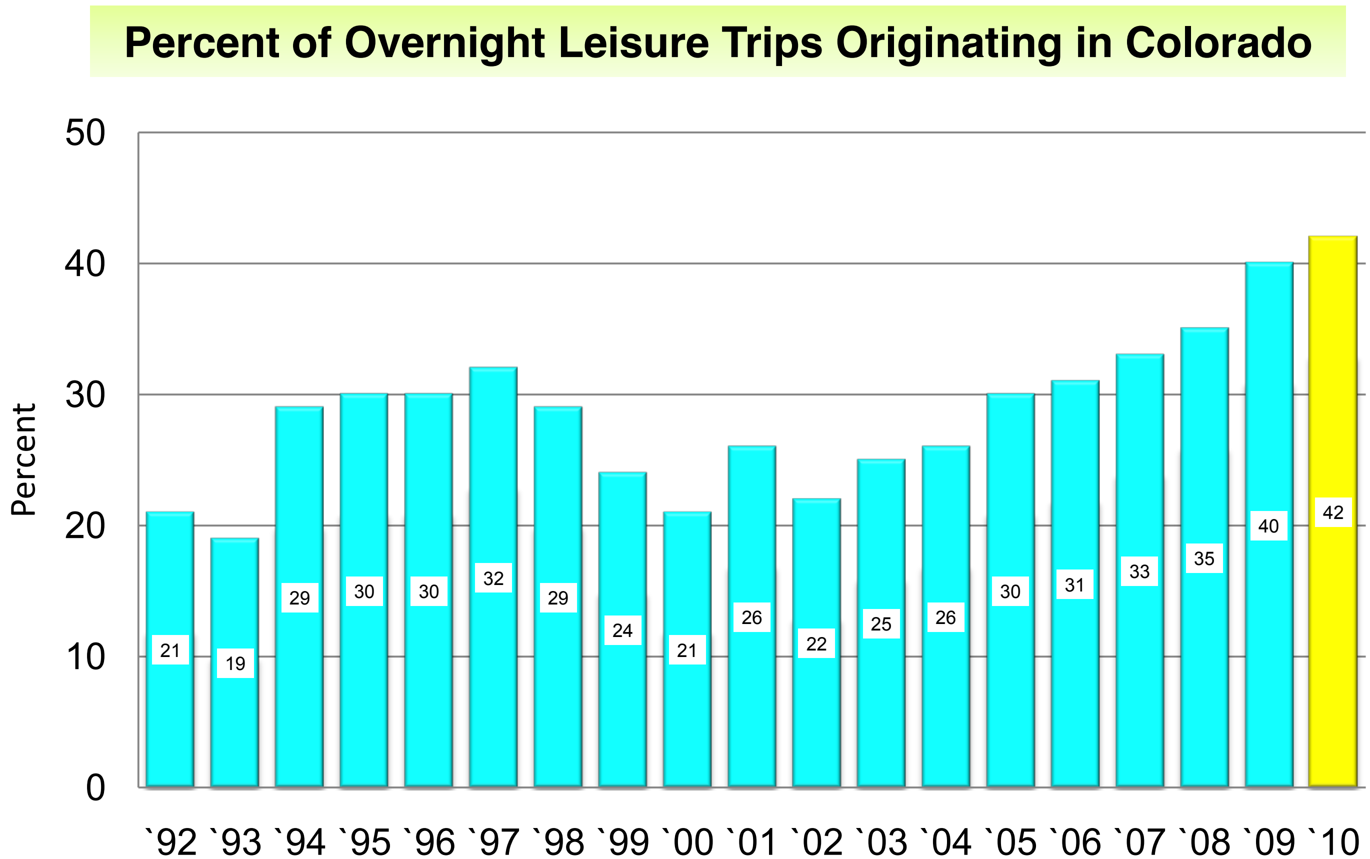


Urban Sources of Day Trips

Base: Day Leisure Trips



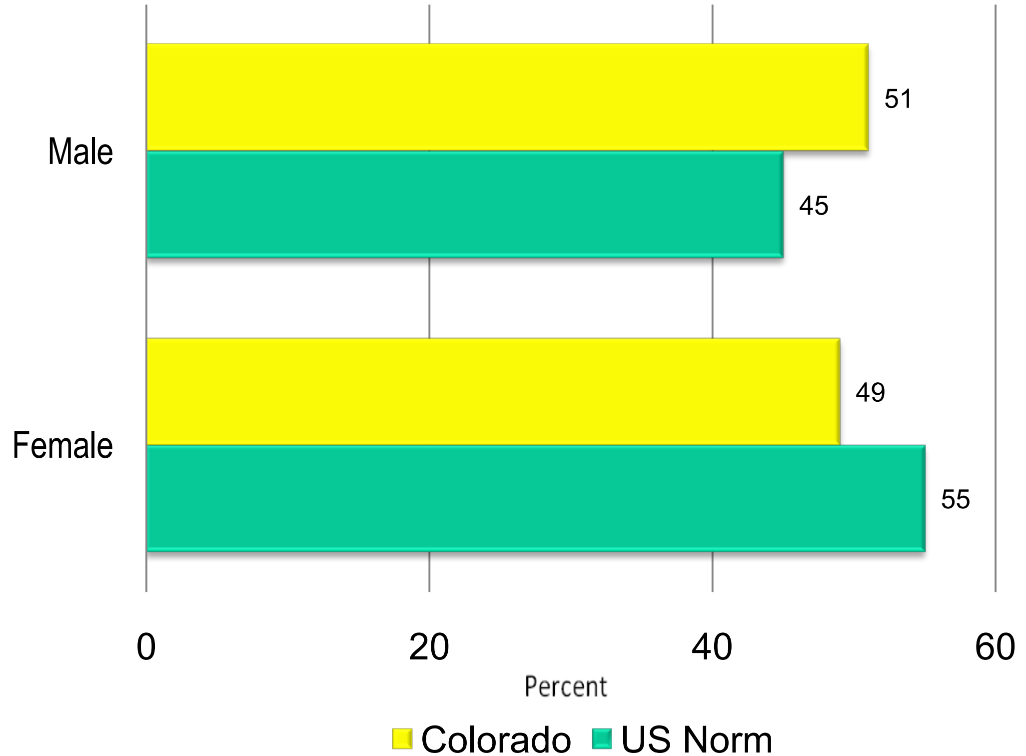
In-State Overnight Leisure Trips



Visitor Profile

Gender

Base: Overnight Leisure Trips

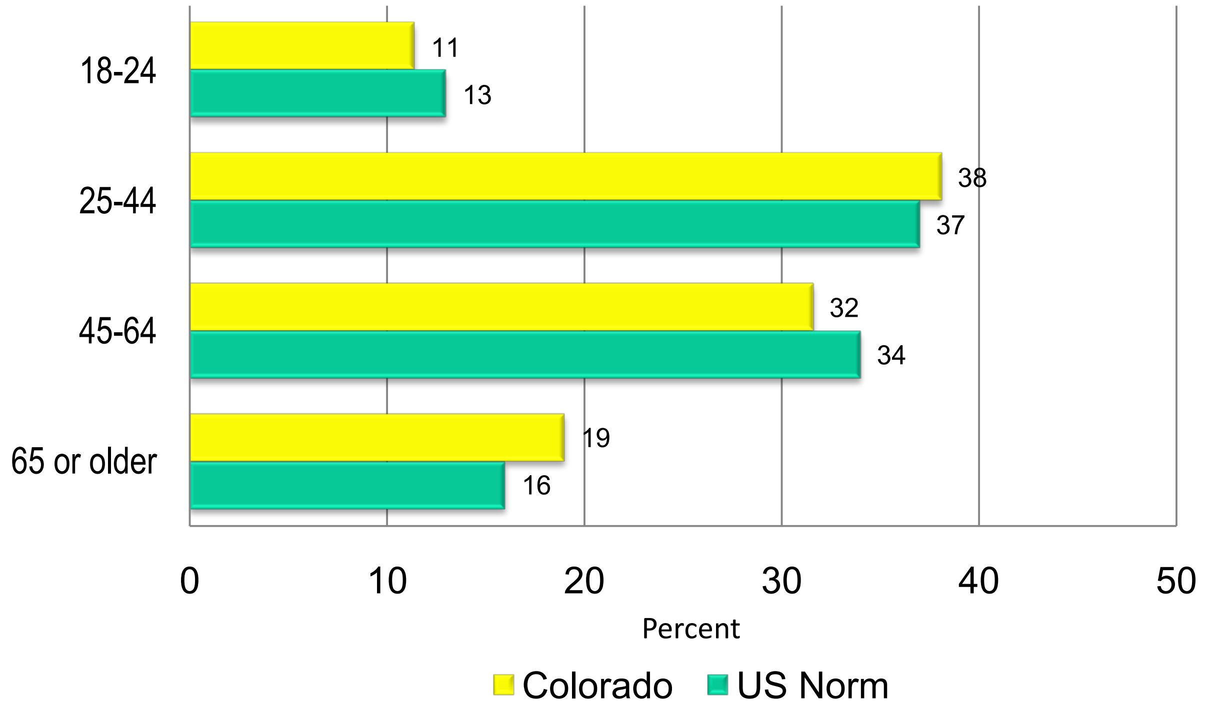


Age

Base: Overnight Leisure Trips

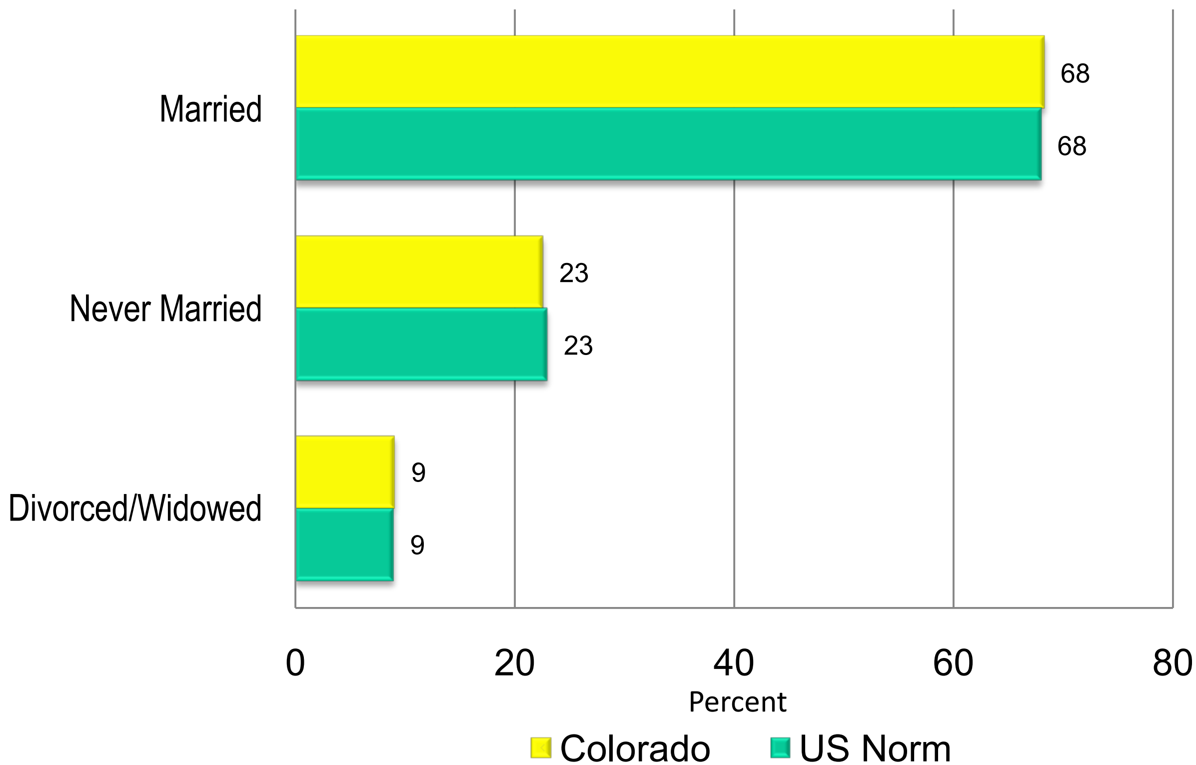
Average Age Colorado = 46.2

Average Age U.S. Norm = 45.7



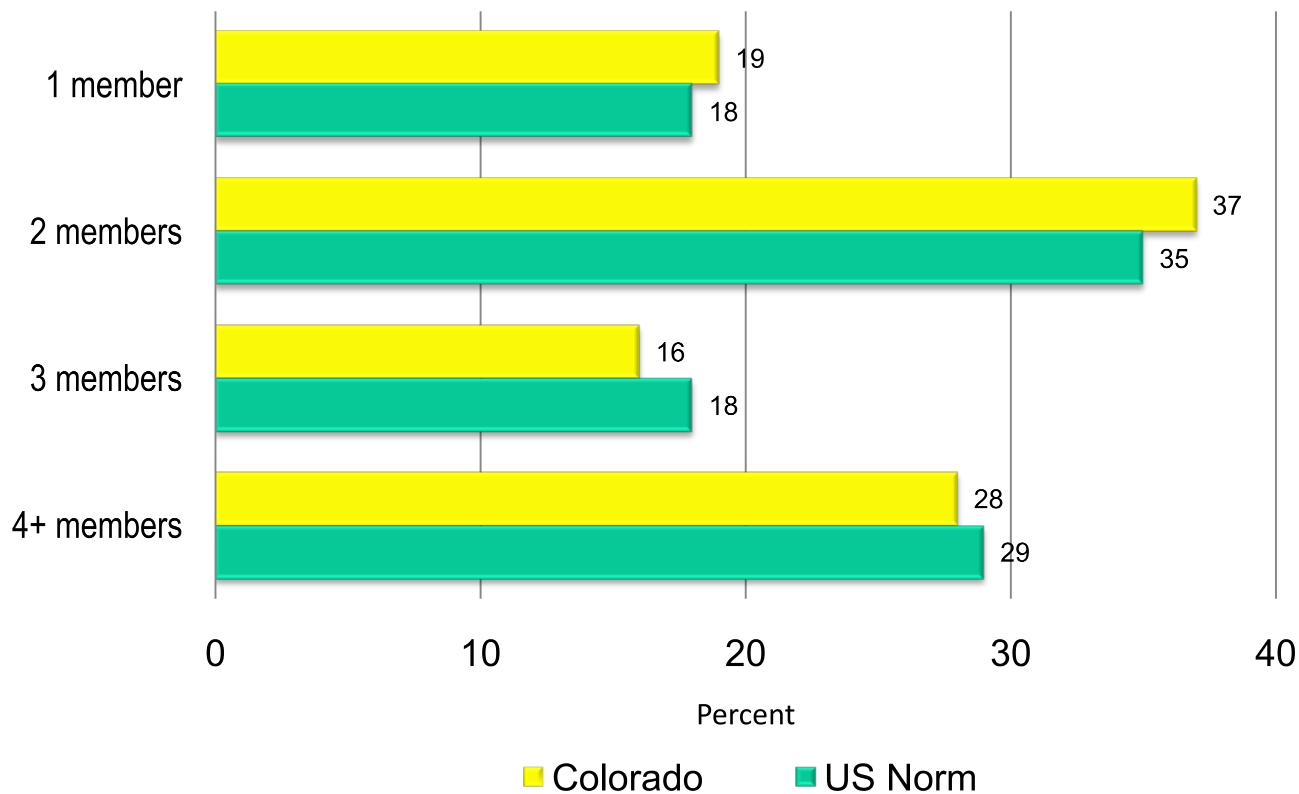
Marital Status

Base: Overnight Leisure Trips



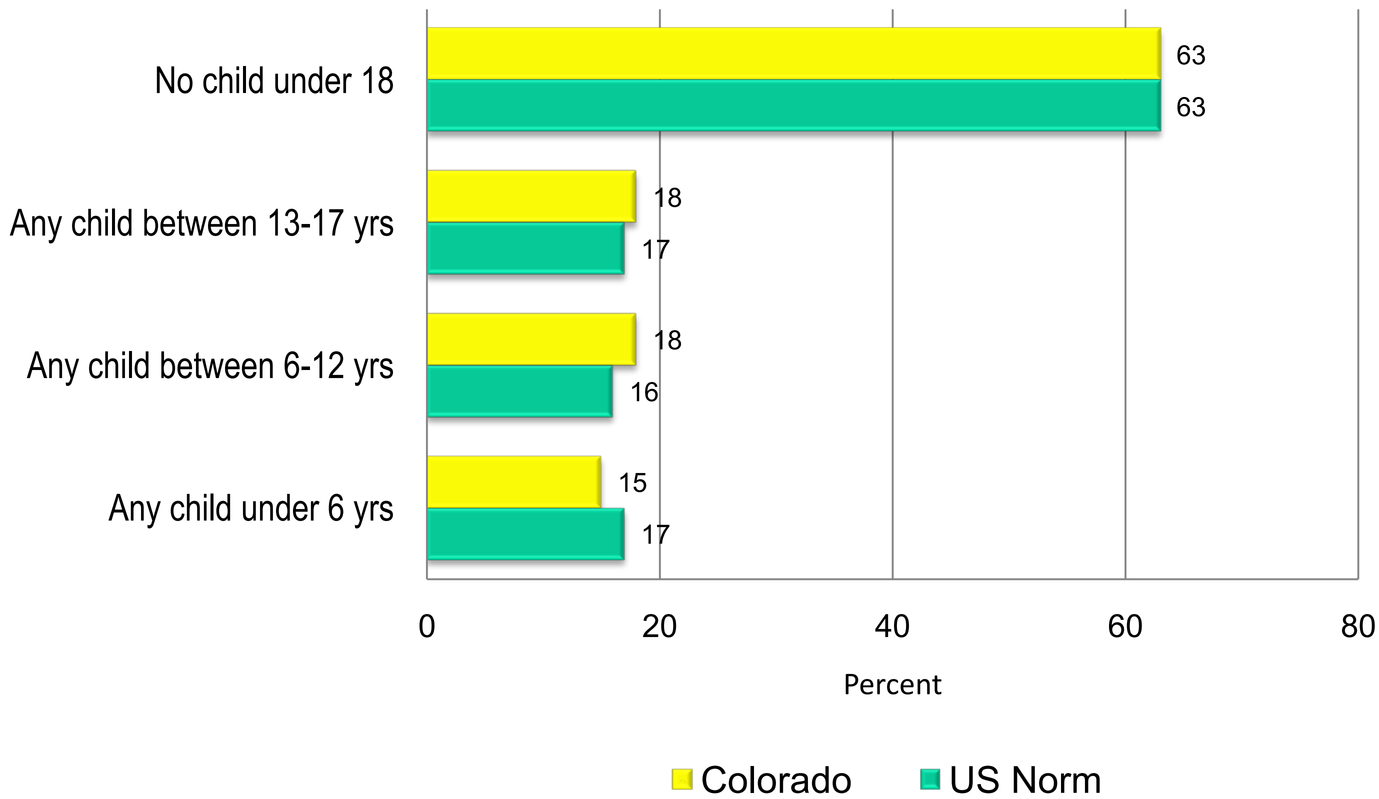
Household Size

Base: Overnight Leisure Trips



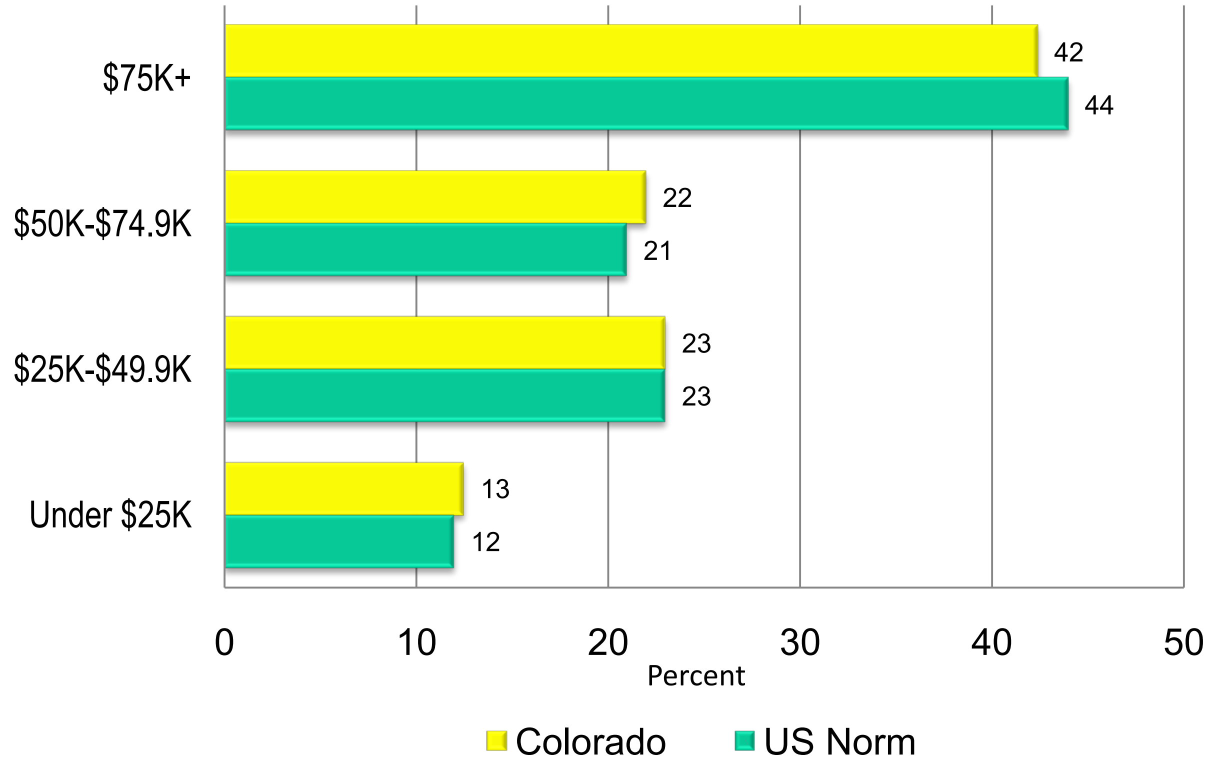
Children in Household

Base: Overnight Leisure Trips



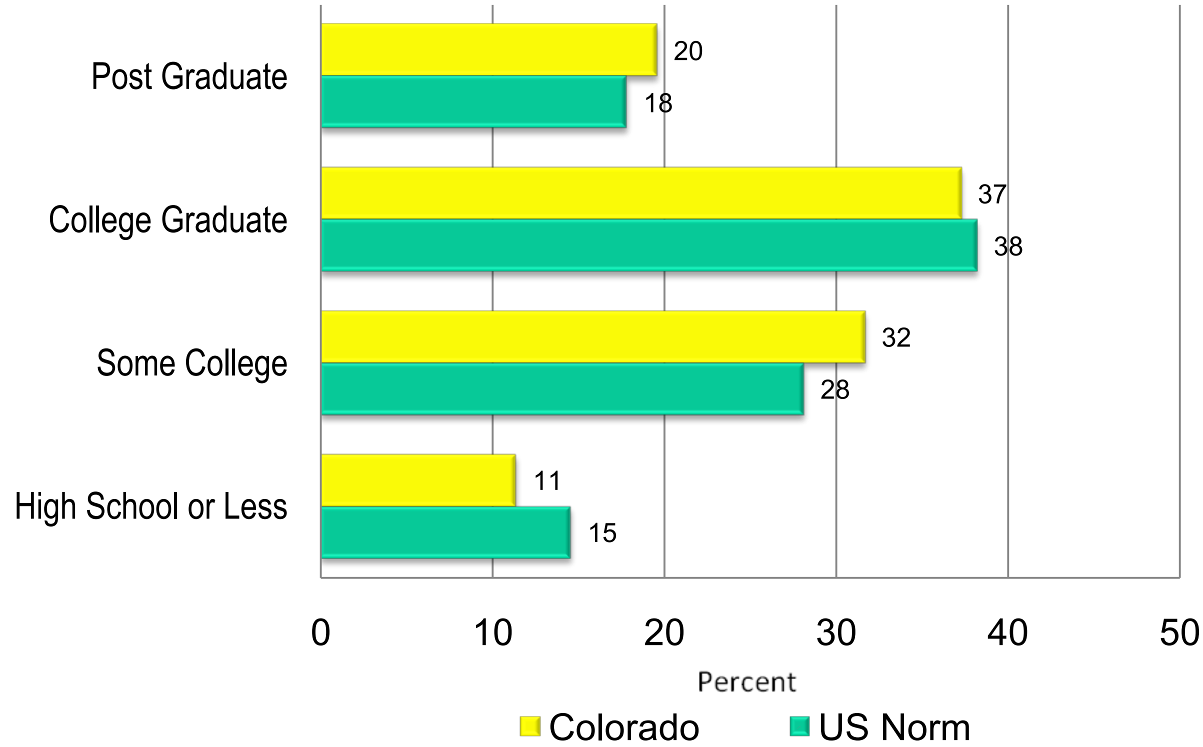
Income

Base: Overnight Leisure Trips



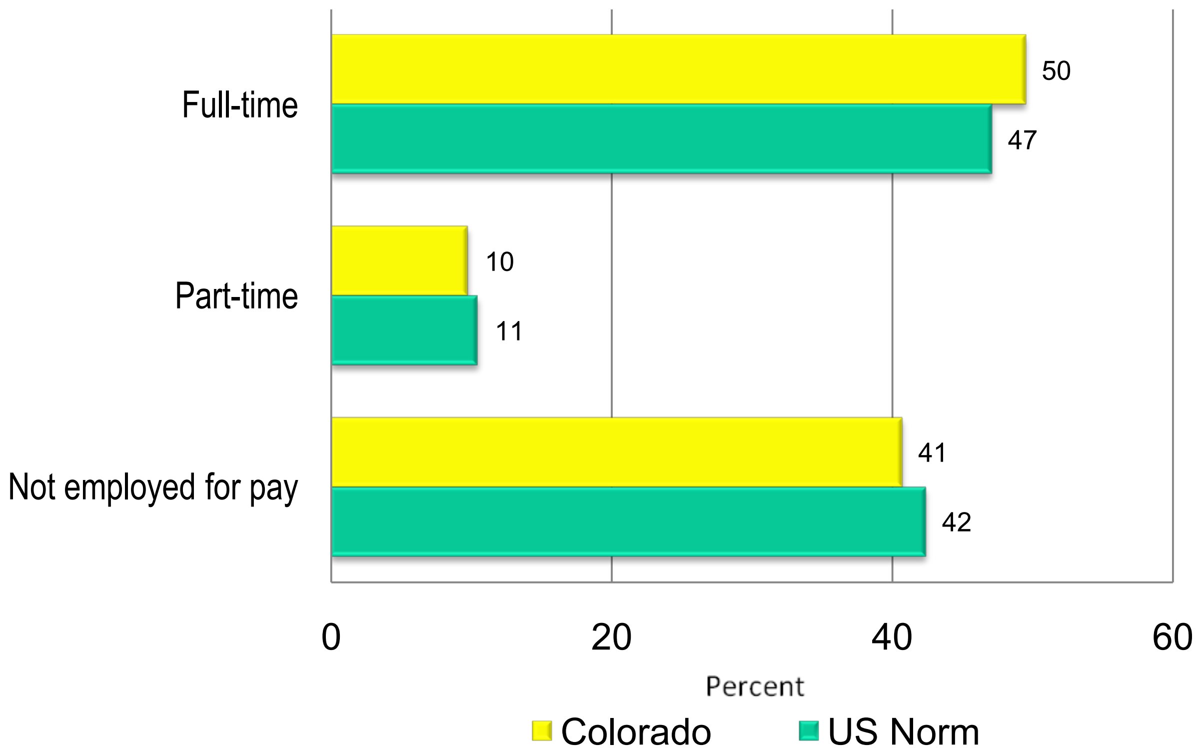
Education

Base: Overnight Leisure Trips



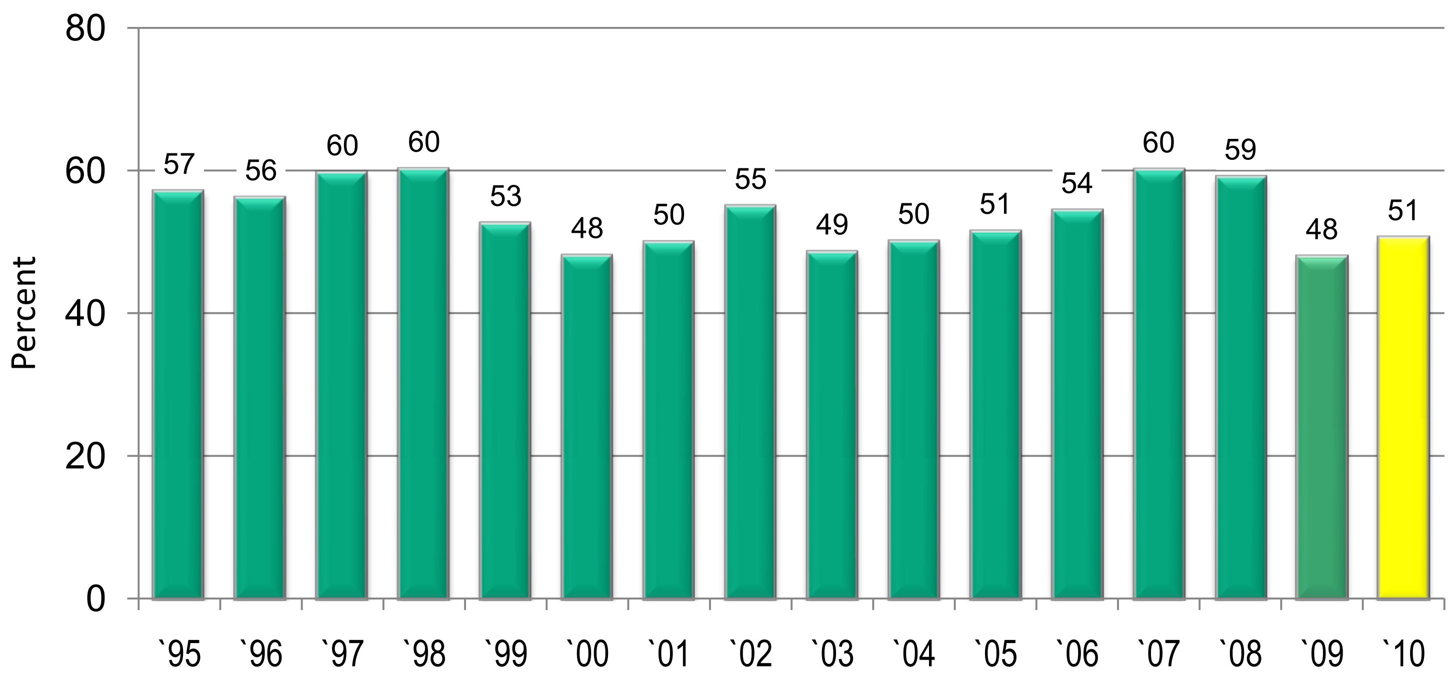
Employment

Base: Overnight Leisure Trips



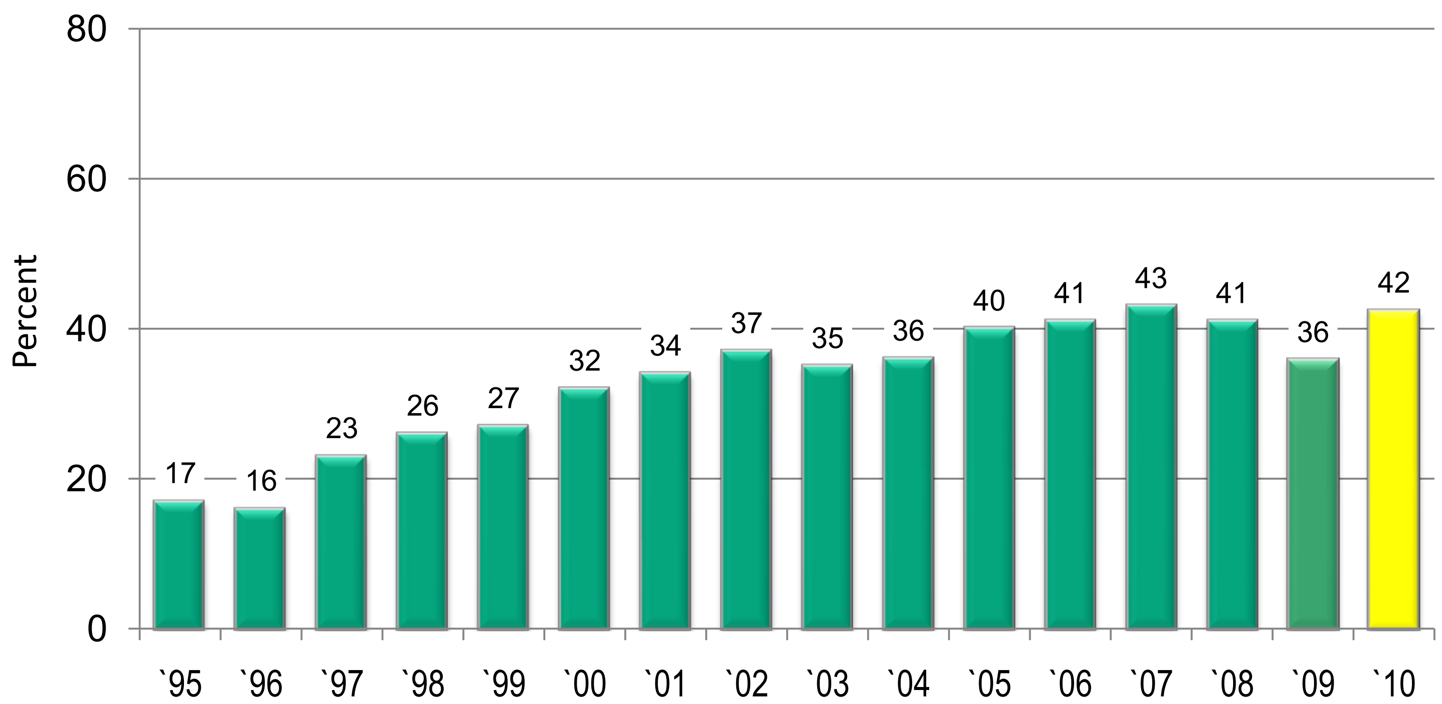
Percent Who Are Male

Base: Overnight Leisure Trips



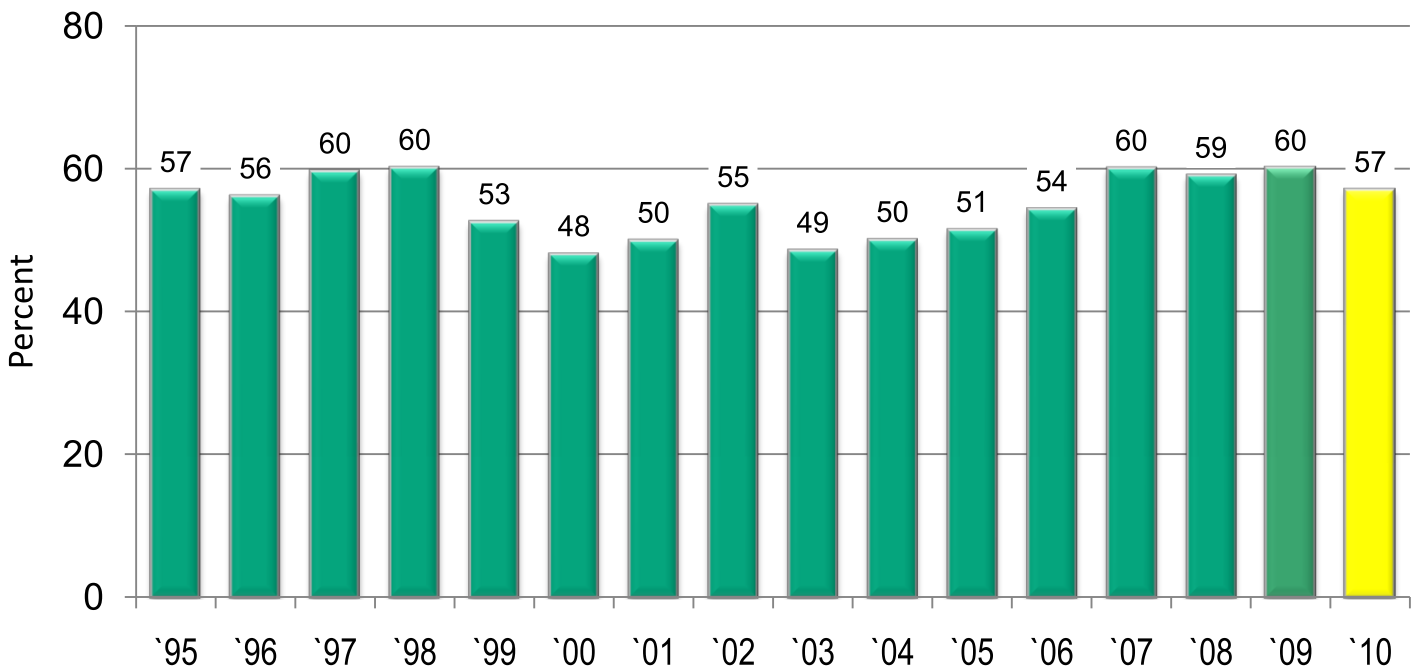
Percent Who Earn Over $75,000

Base: Overnight Leisure Trips



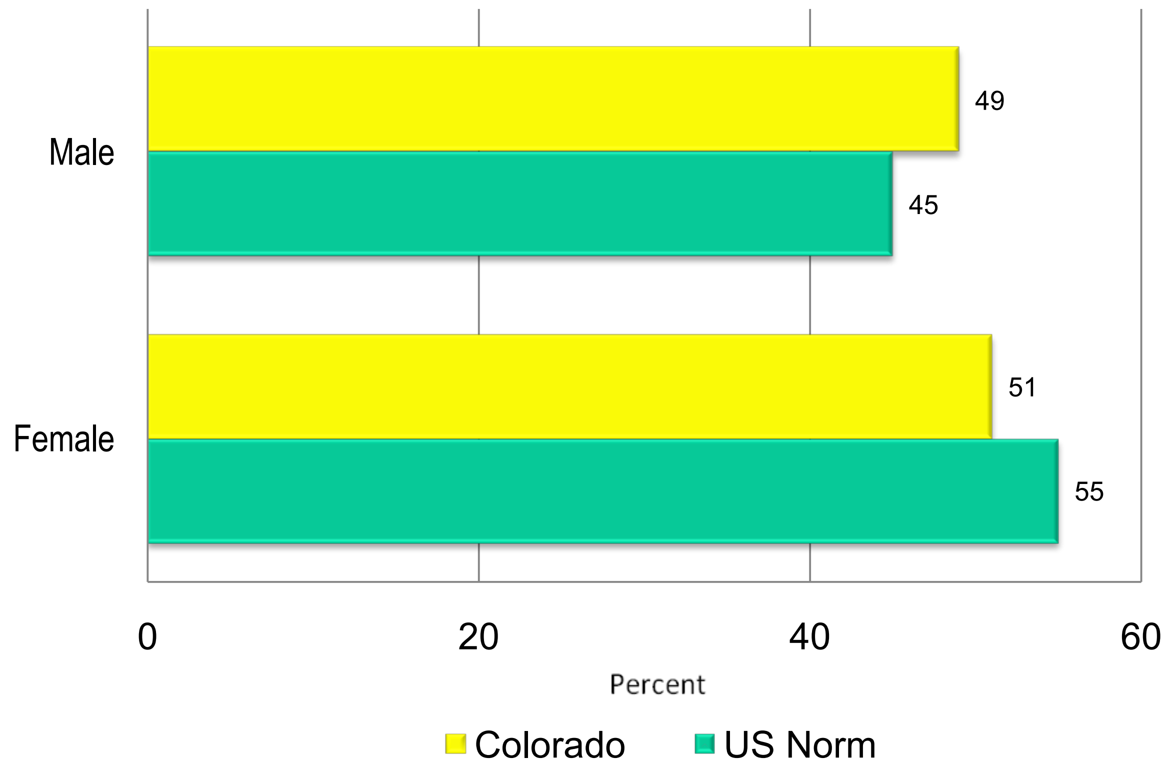
Percent With College Education

Base: Overnight Leisure Trips



Gender

Base: Day Leisure Trips

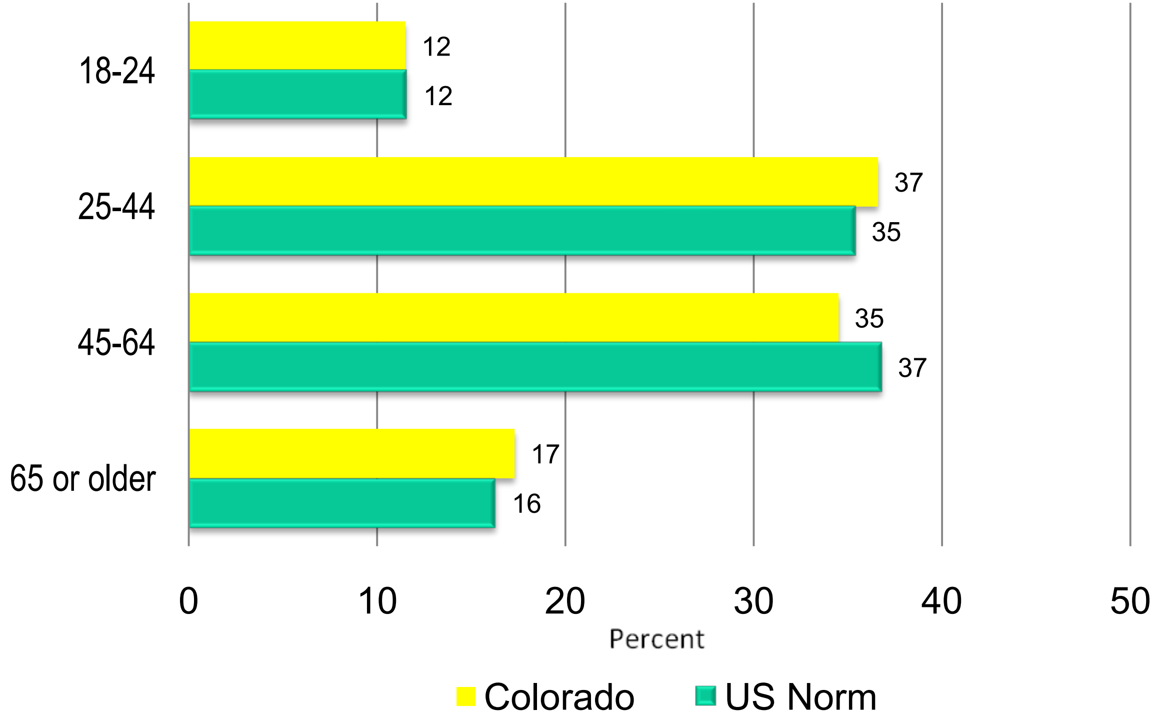


Age

Base: Day Leisure Trips

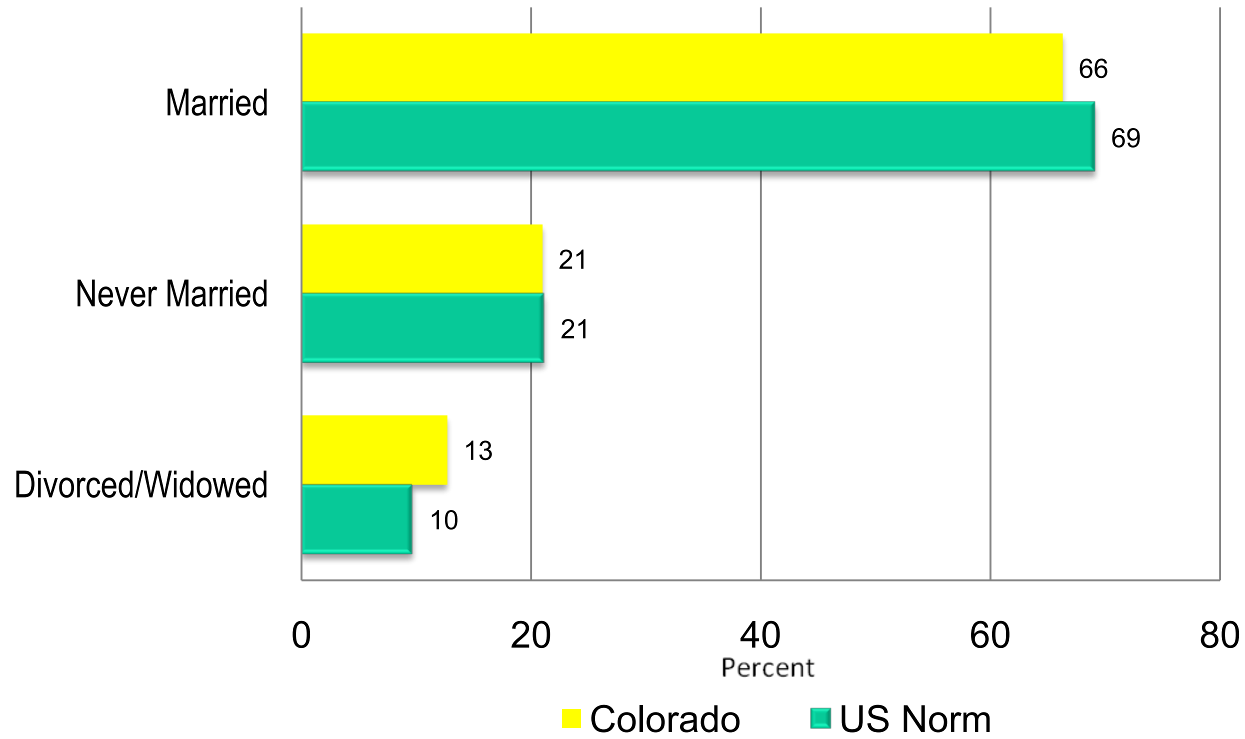
Average Age Colorado = 46.3

Average Age U.S. Norm = 46.3



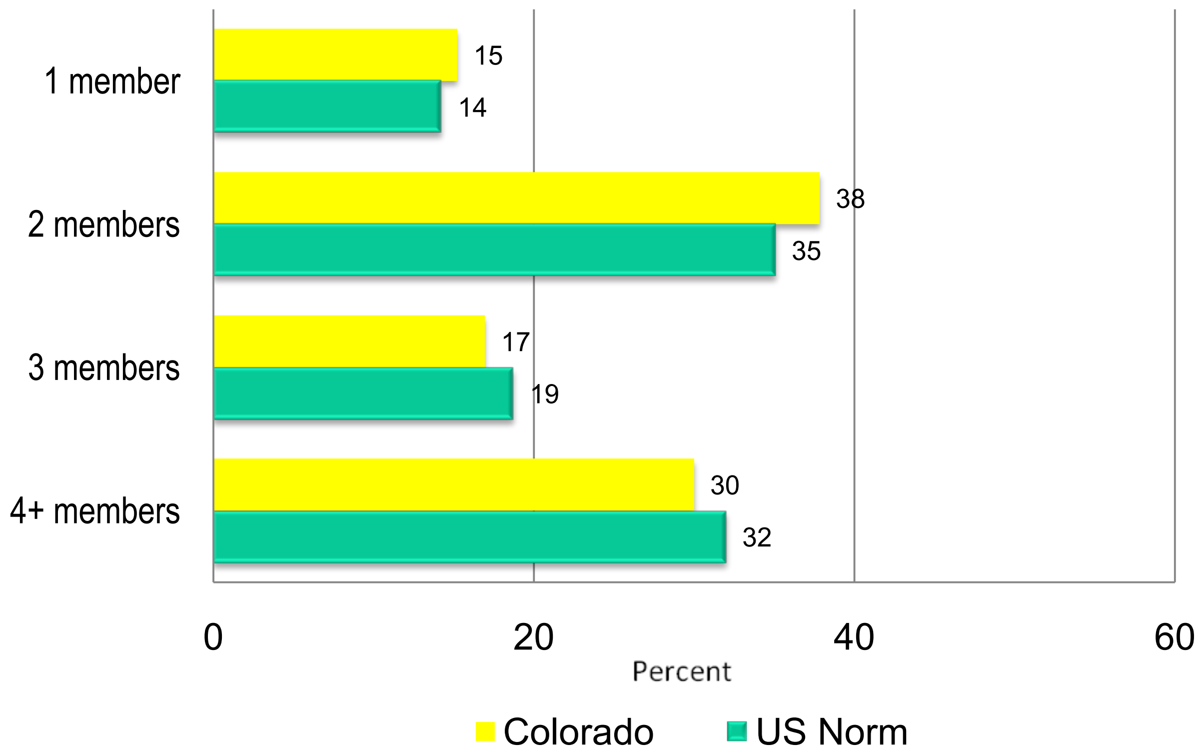
Marital Status

Base: Day Leisure Trips



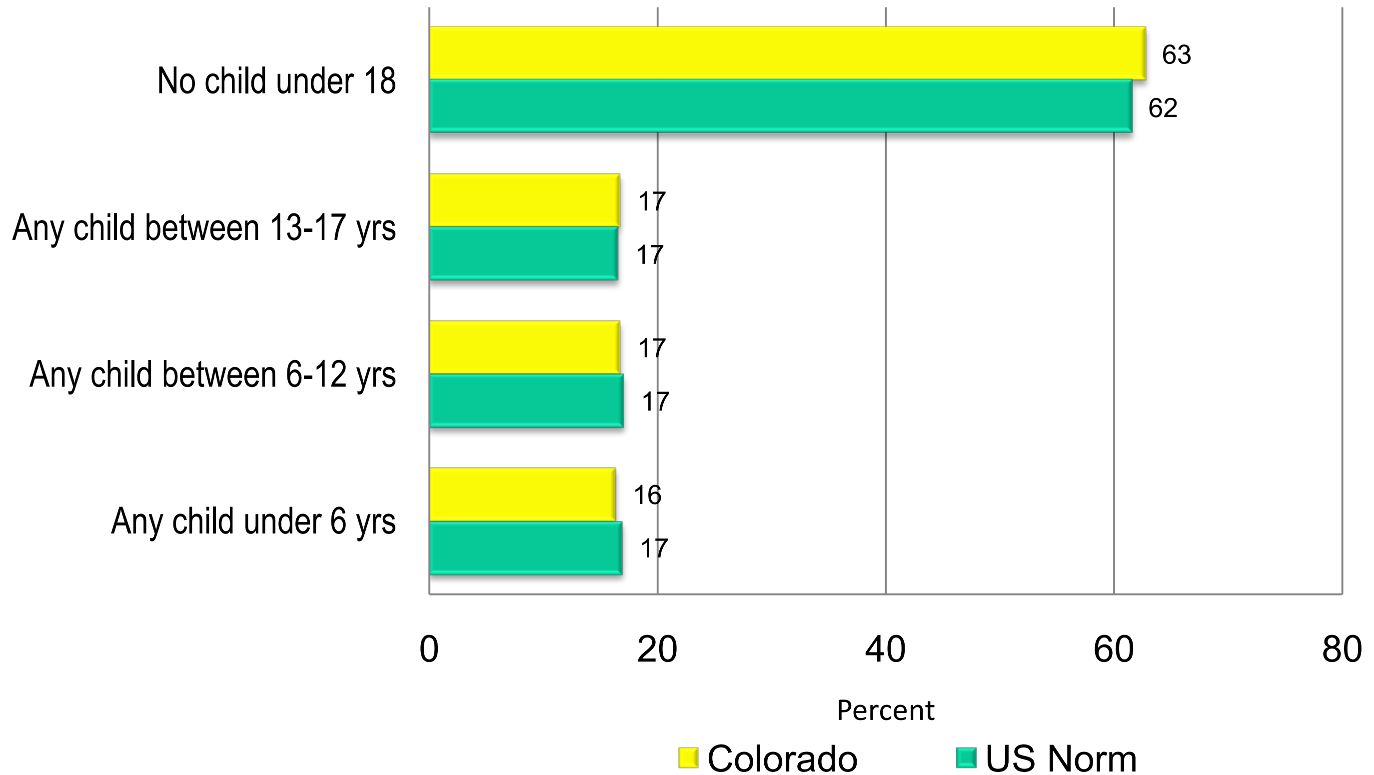
Household Size

Base: Day Leisure Trips



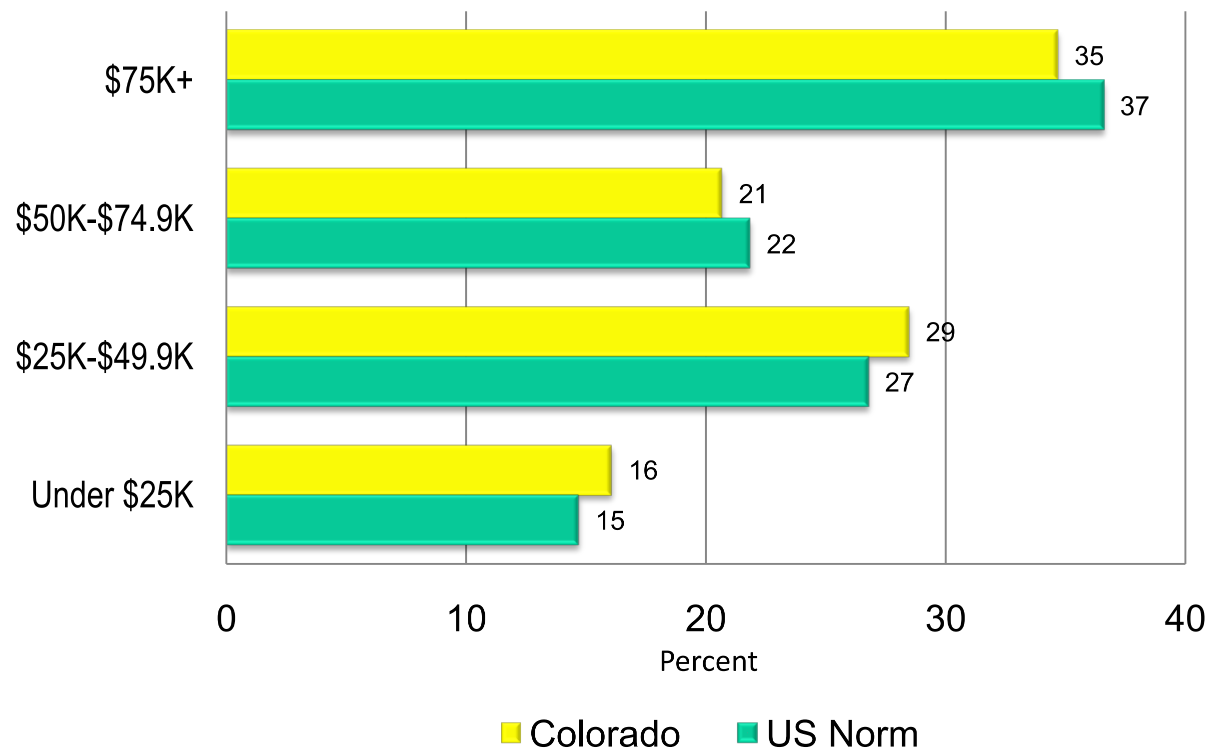
Children in Household

Base: Day Leisure Trips



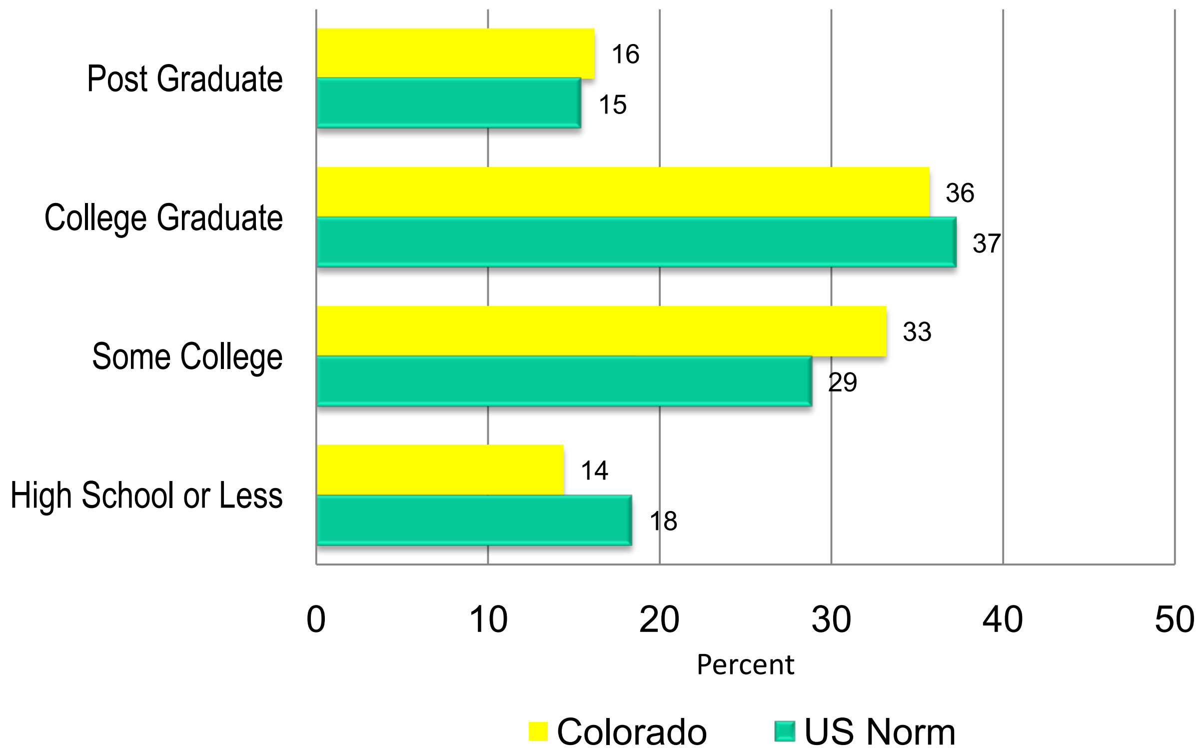
Income

Base: Day Leisure Trips



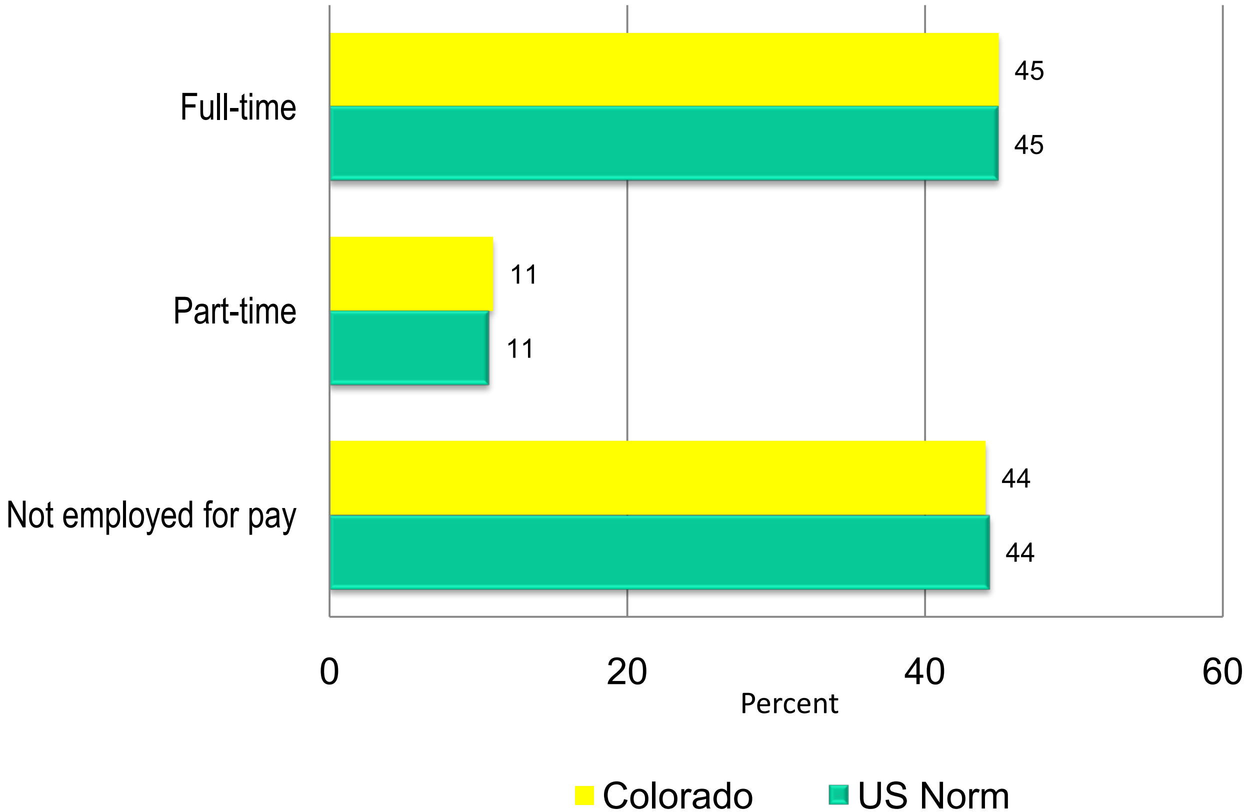
Education

Base: Day Leisure Trips



Employment

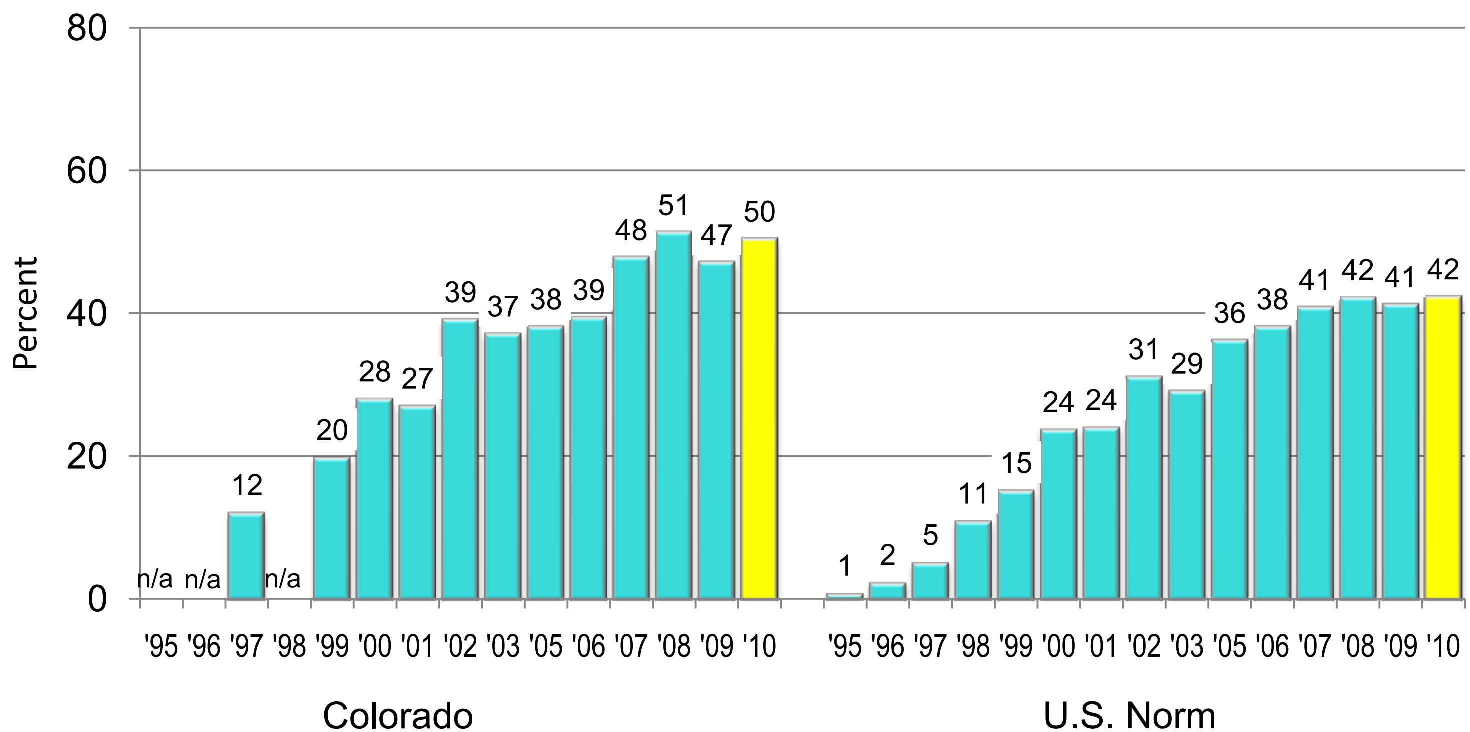
Base: Day Leisure Trips



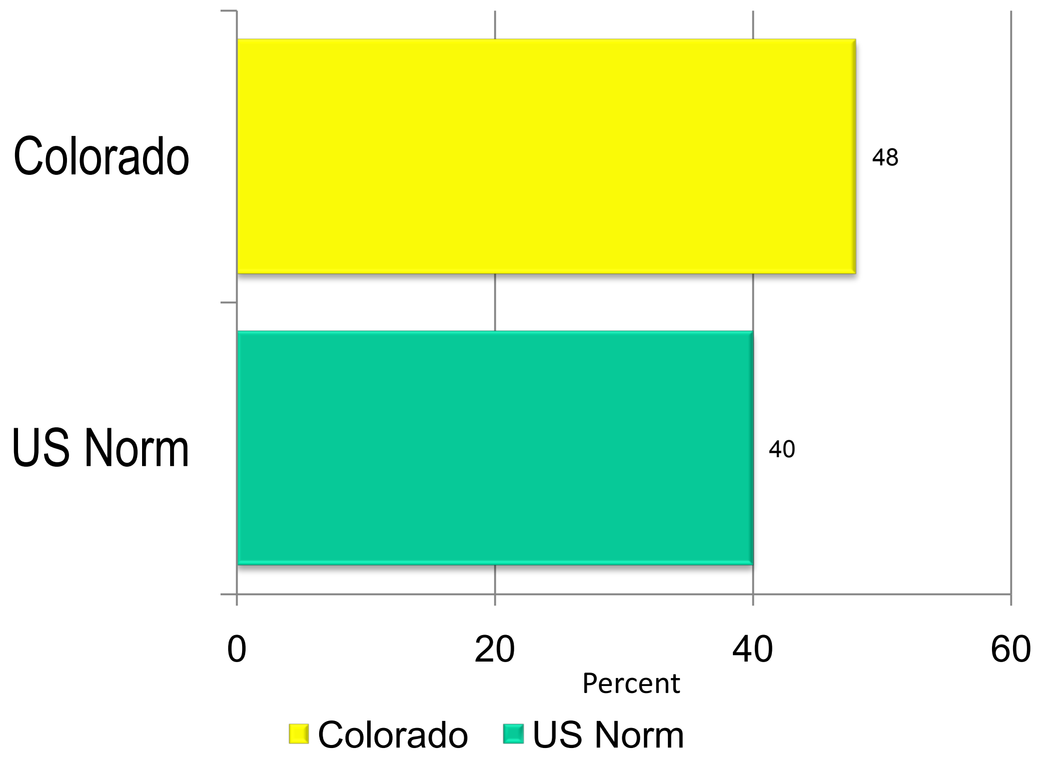
Trip Characteristics

Use of Internet For Trip Planning

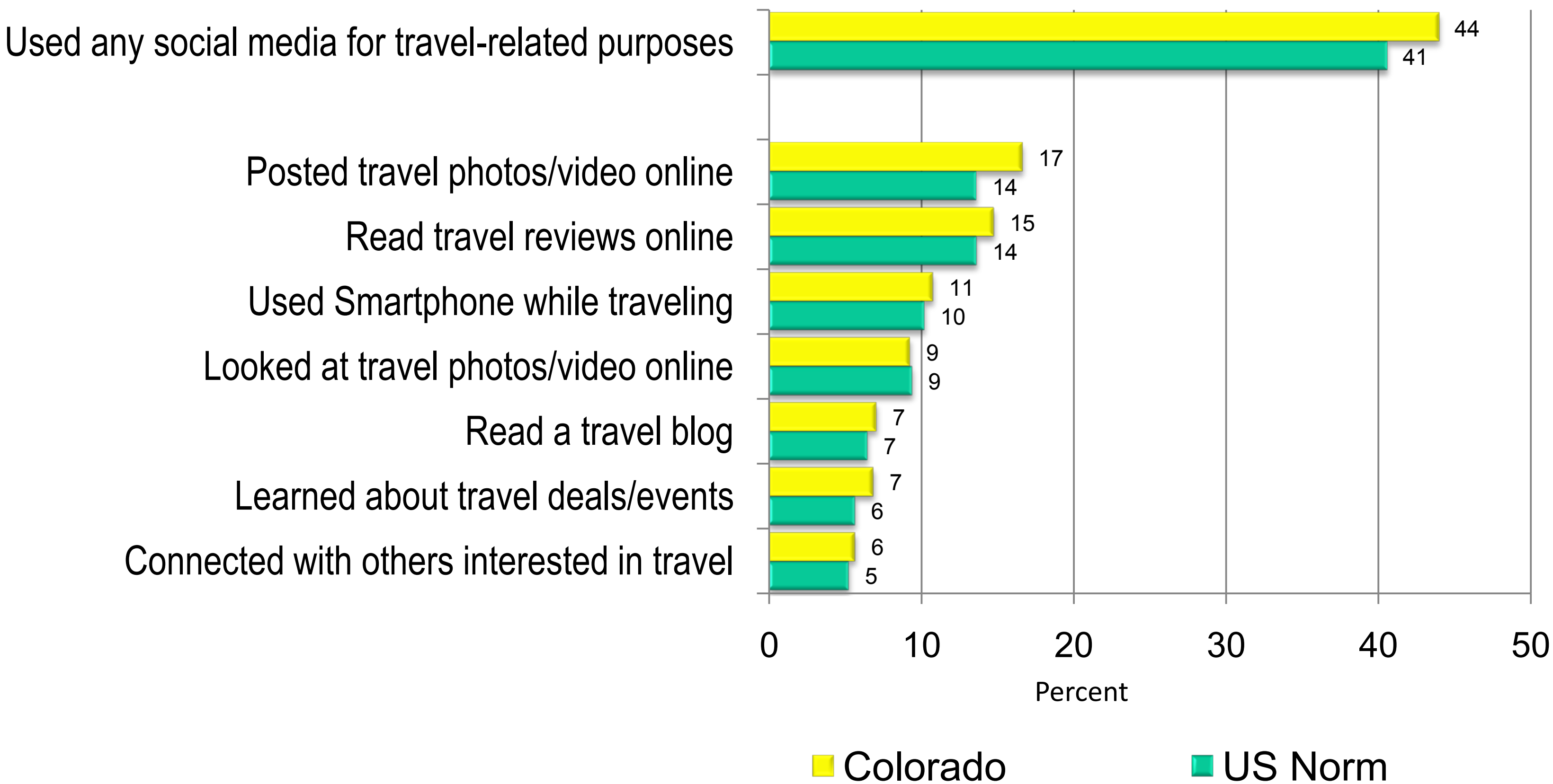
Base: Overnight Leisure Trips



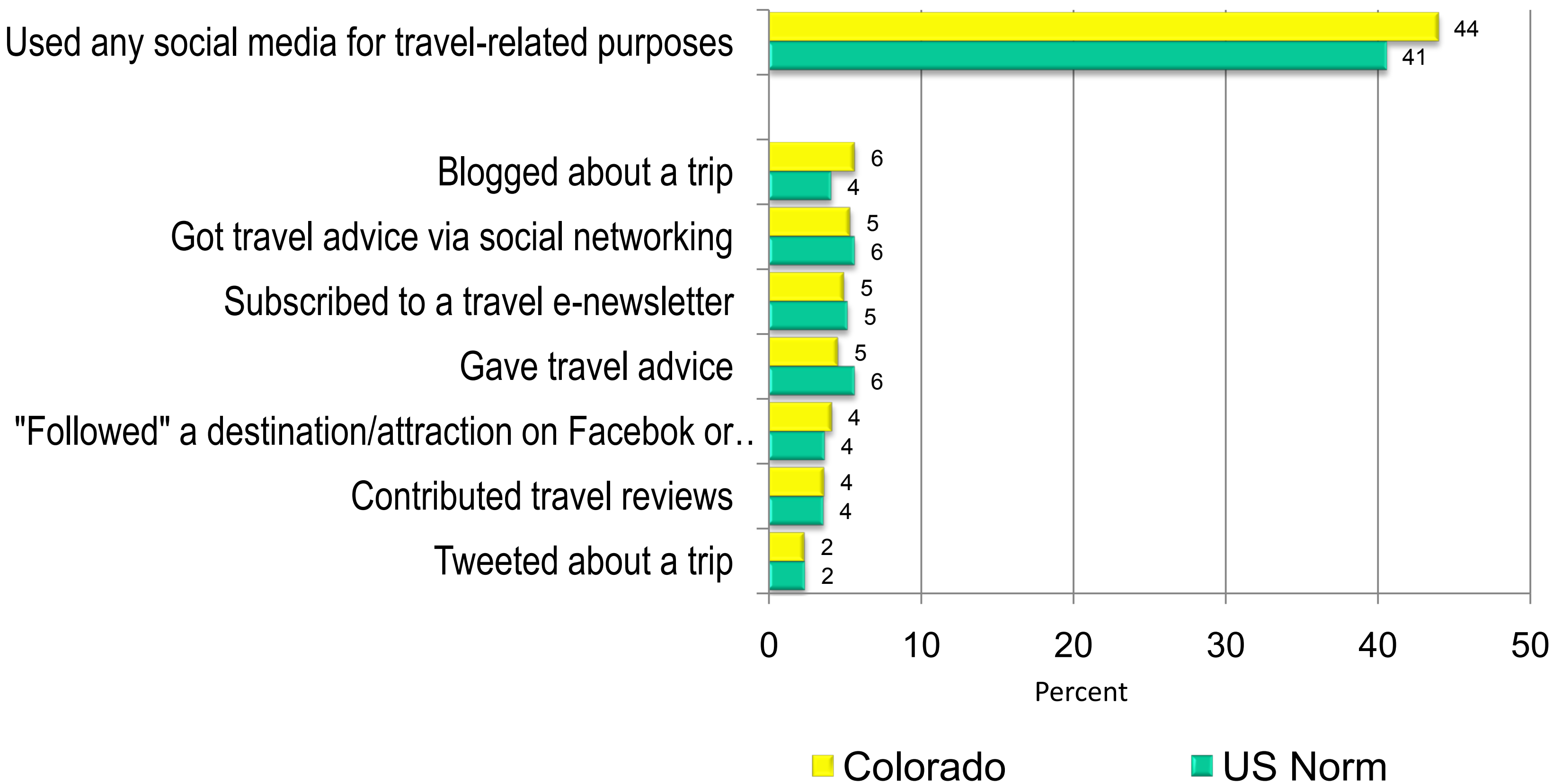
Used Internet to Book All/Part of Trip



Social Media Used in the Past 3 Months



Social Media Used in the Past 3 Months

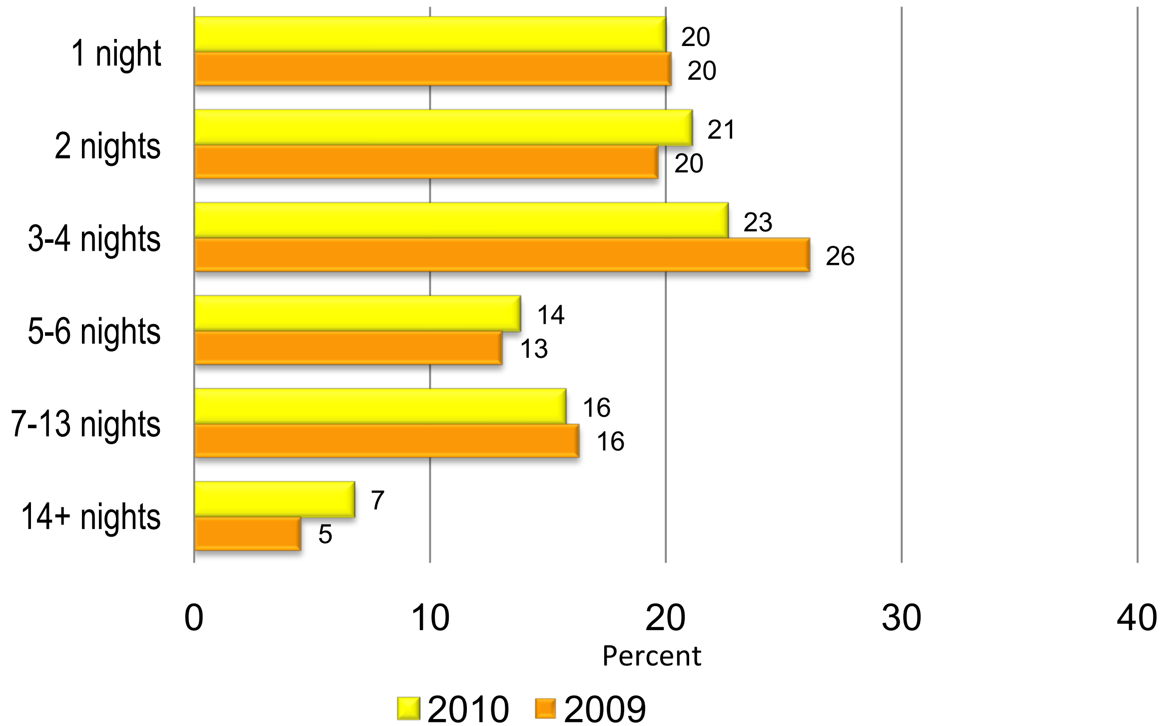


Length of Colorado Trip

Base: Overnight Leisure Trips

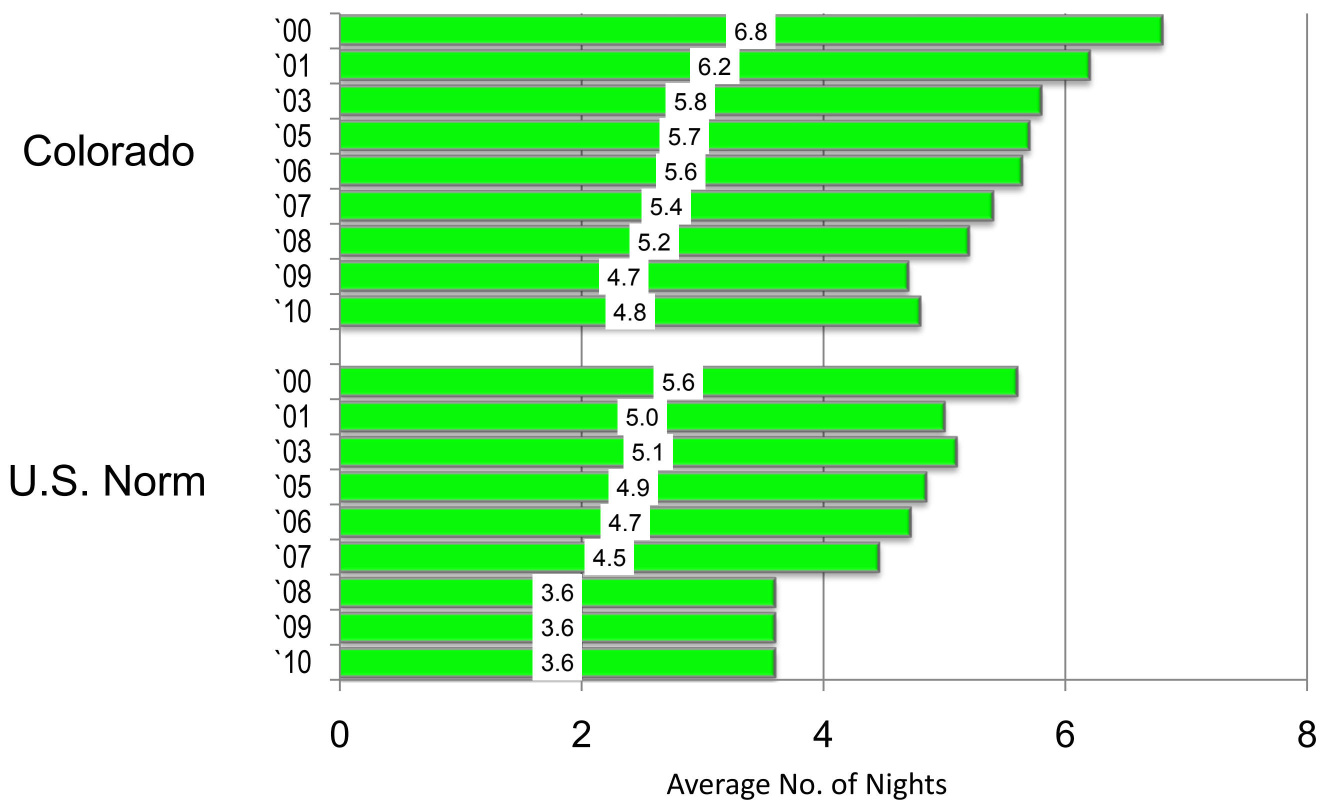
Average 2010 = 4.8 Nights

Average 2009 = 4.7 Nights



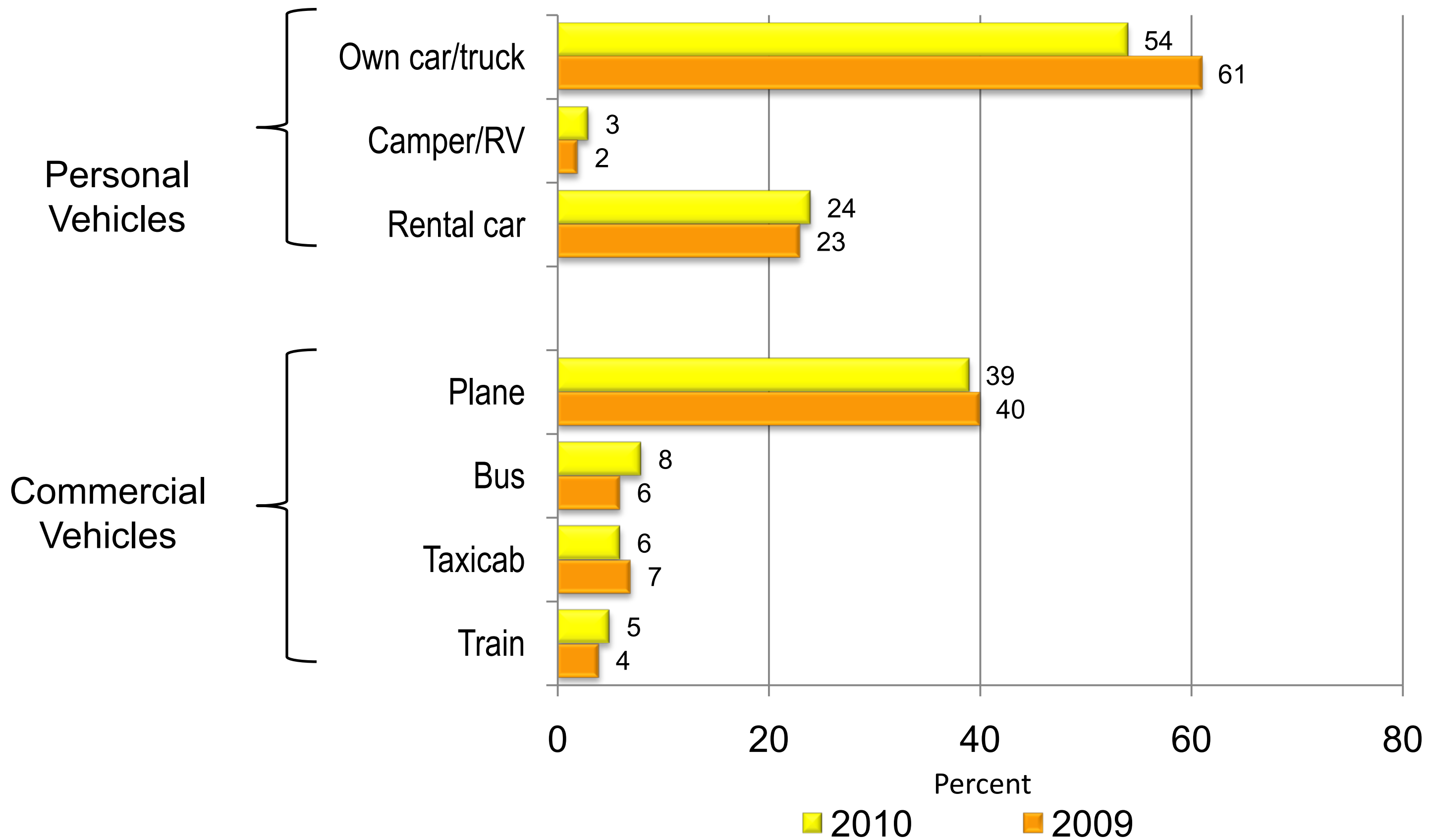
Length of Trip

Base: Overnight Leisure Trips



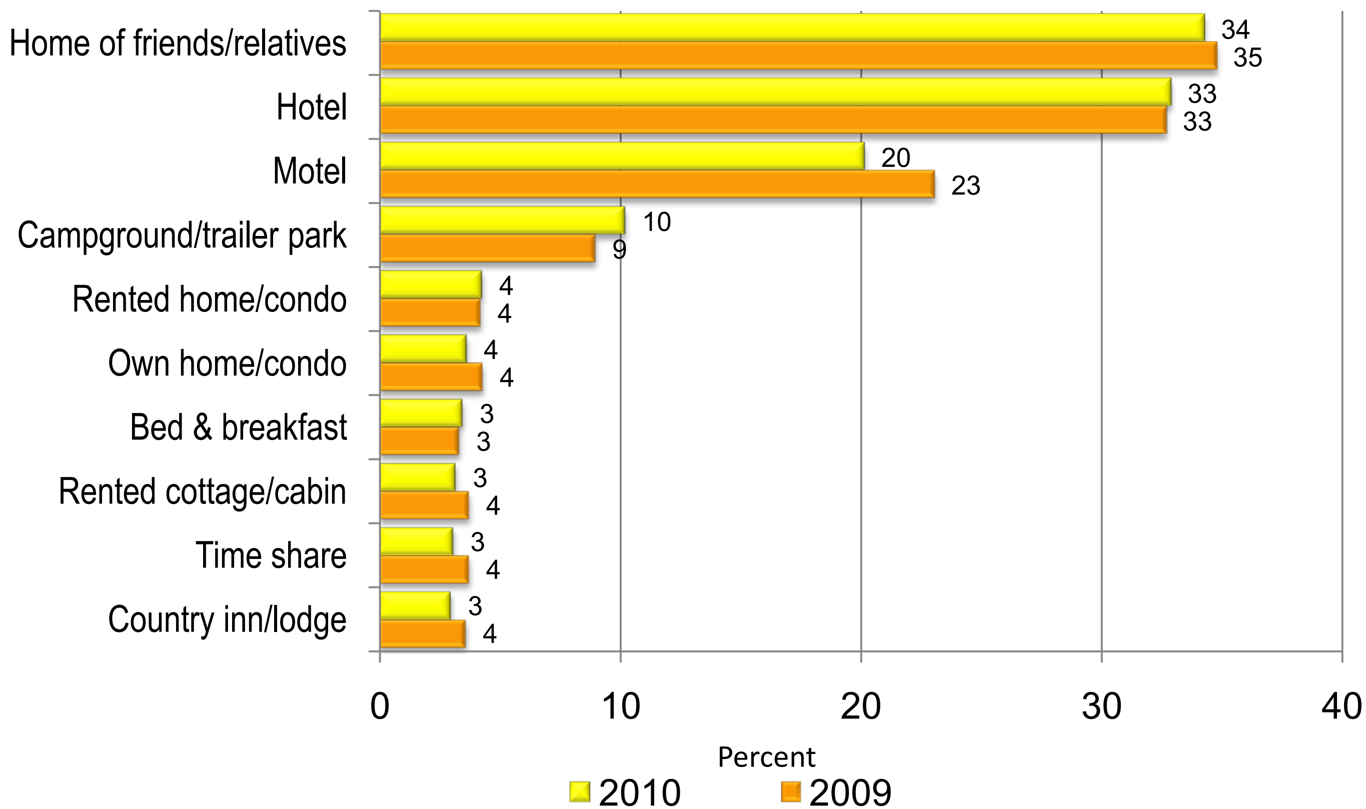
Transportation Used on Colorado Trip

Base: Overnight Leisure Trips Originating Out of State



Accommodations Used on Trip

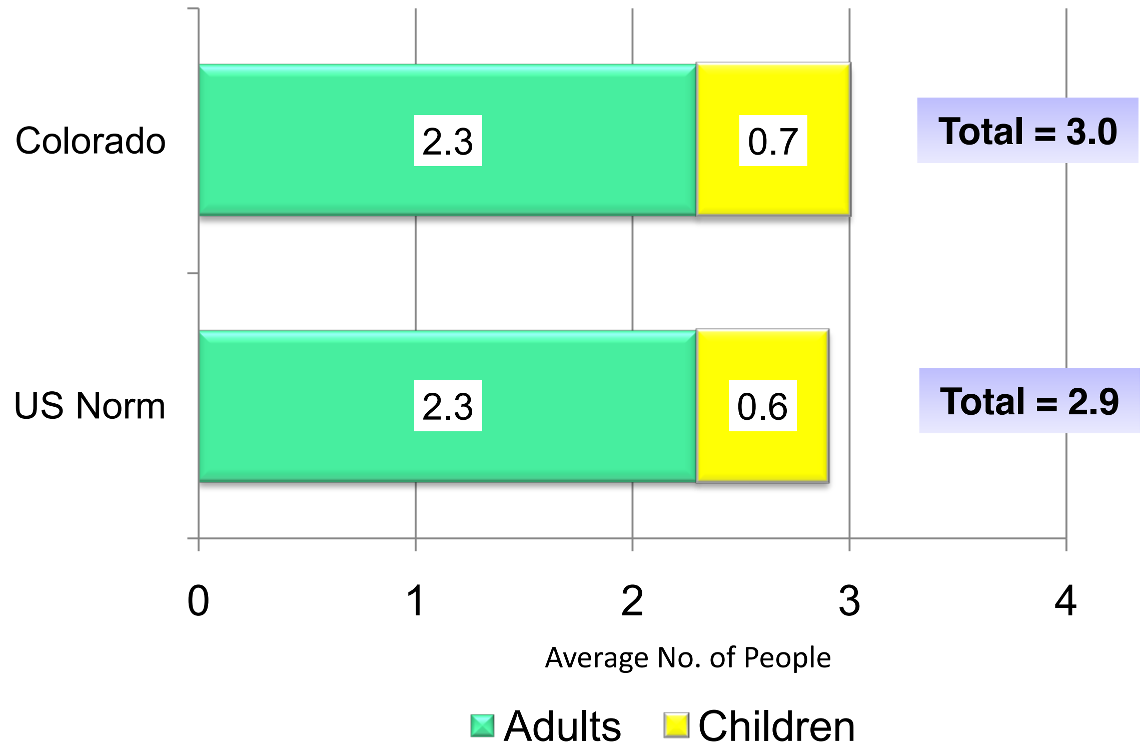
Base: Overnight Leisure Trips



* Values may add to more than 100% because of usage of multiple types of accommodations

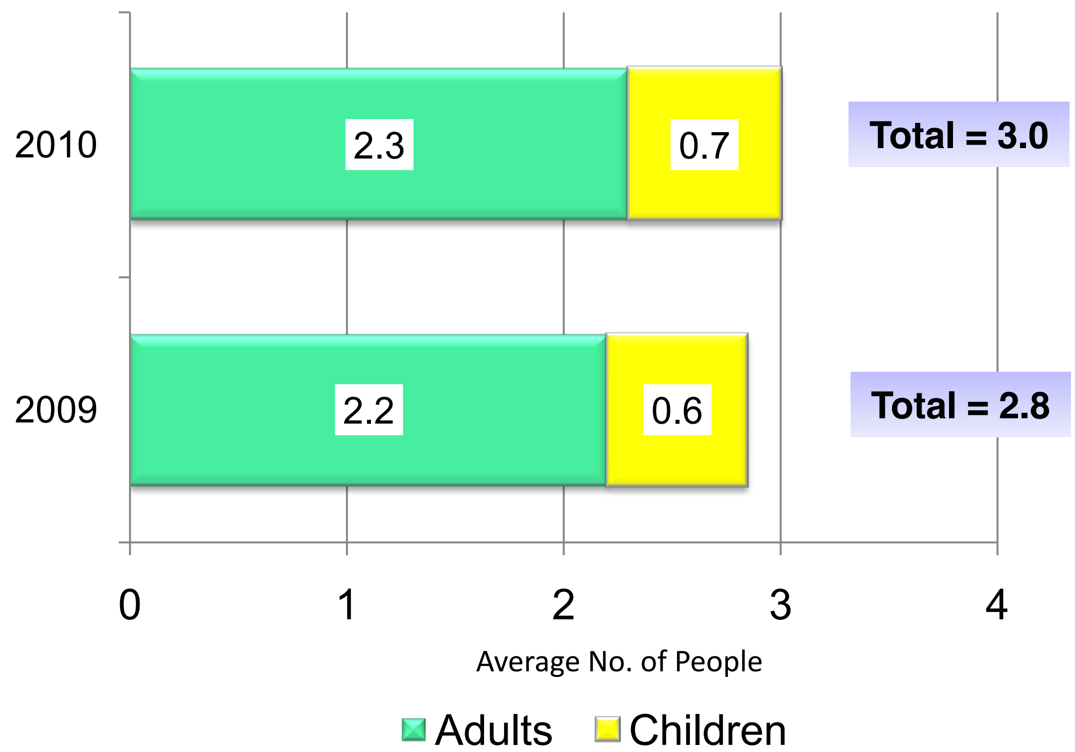
Size of Travel Party

Base: Overnight Leisure Trips



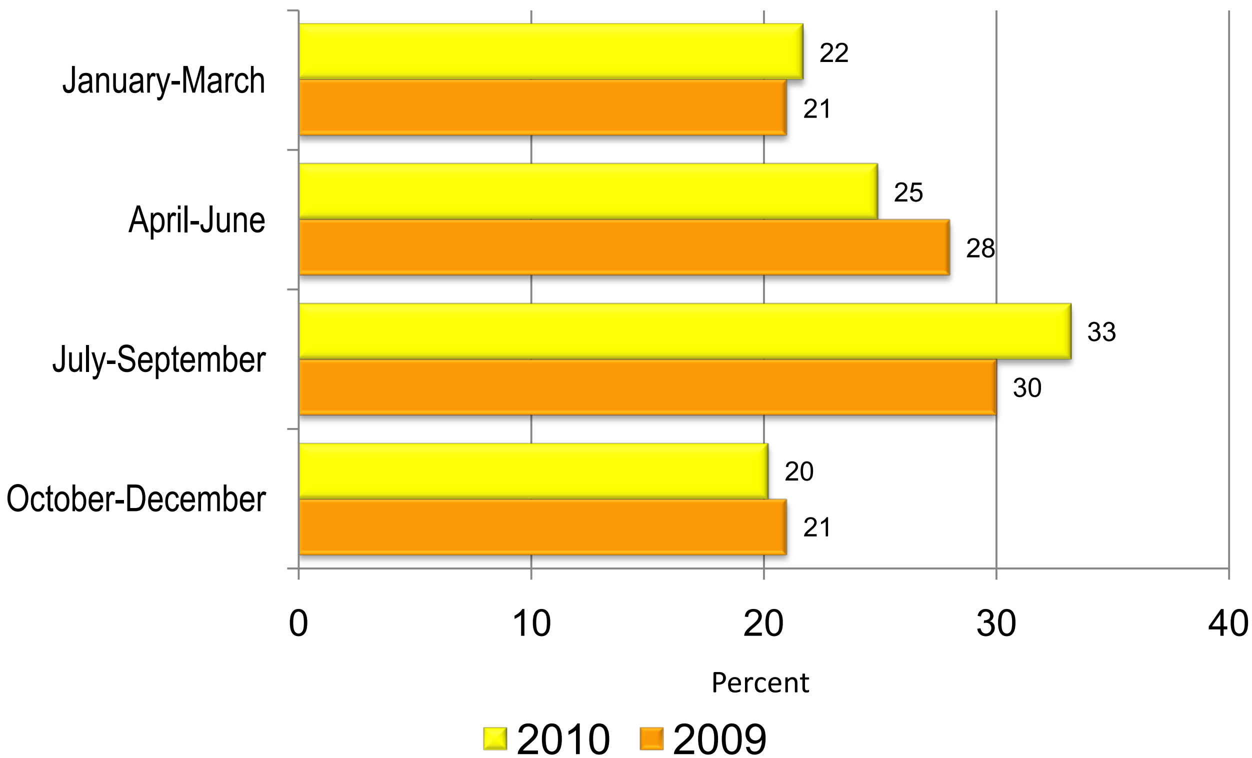
Size of Travel Party

Base: Overnight Leisure Trips



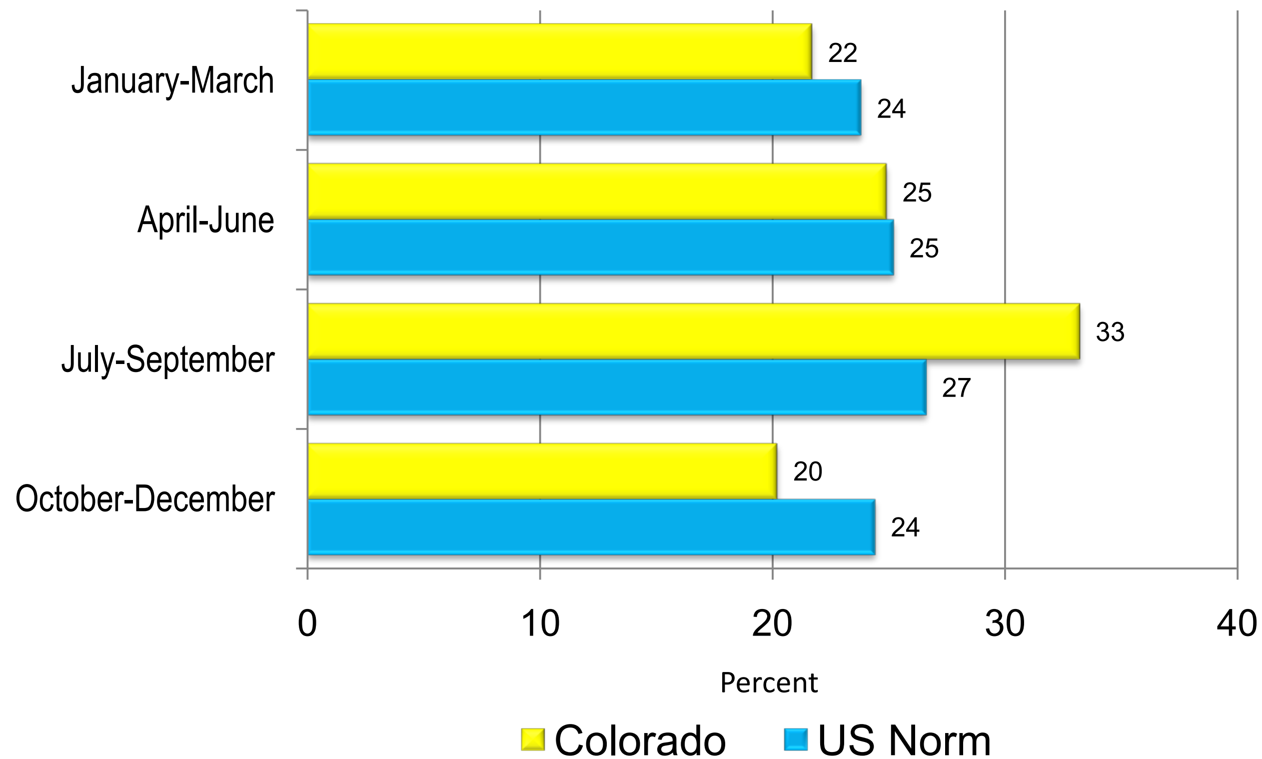
Distribution of Trips by Quarter

Base: Overnight Leisure Trips



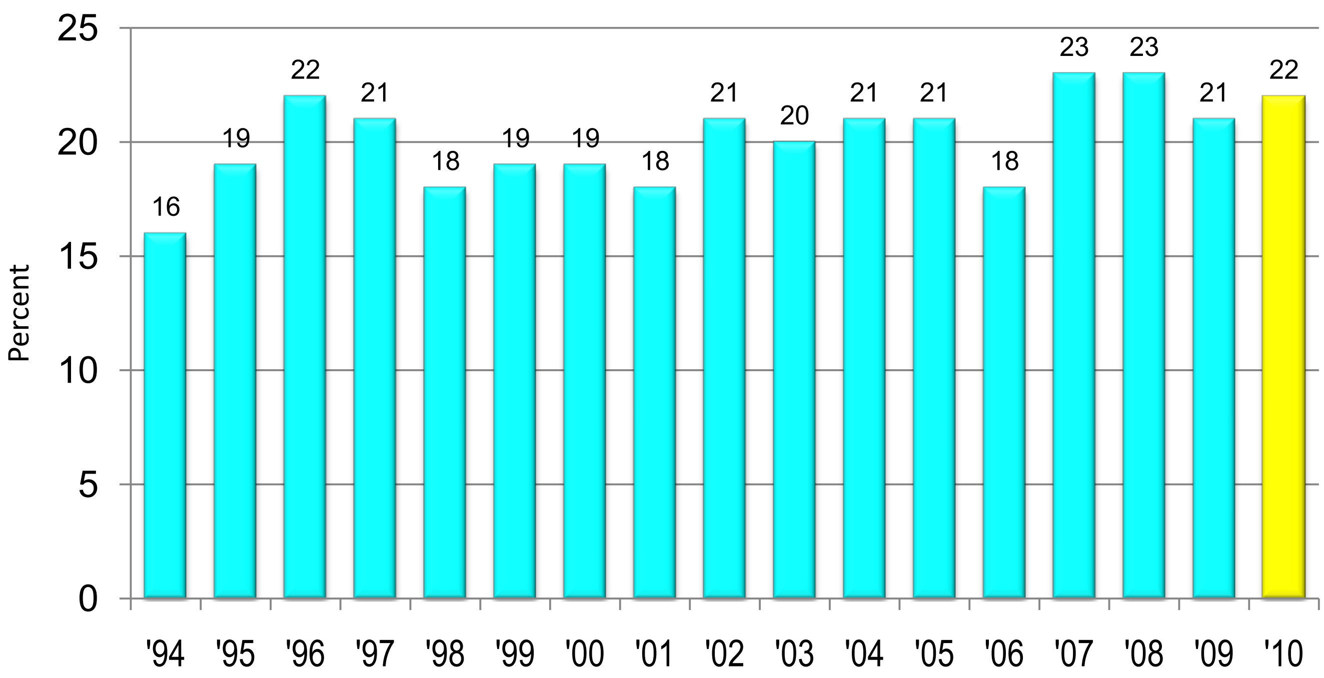
Distribution of Trips by Quarter

Base: Overnight Leisure Trips



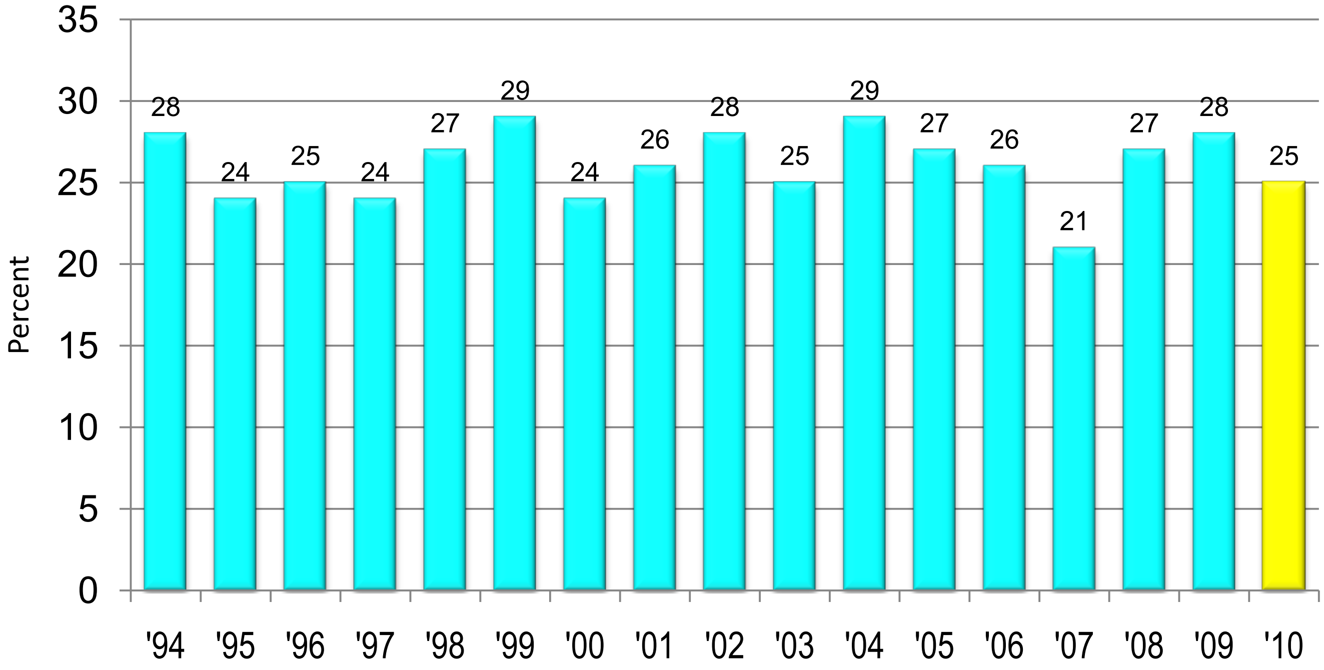
Distribution of Trips by Quarter – January to March

Base: Overnight Leisure Trips



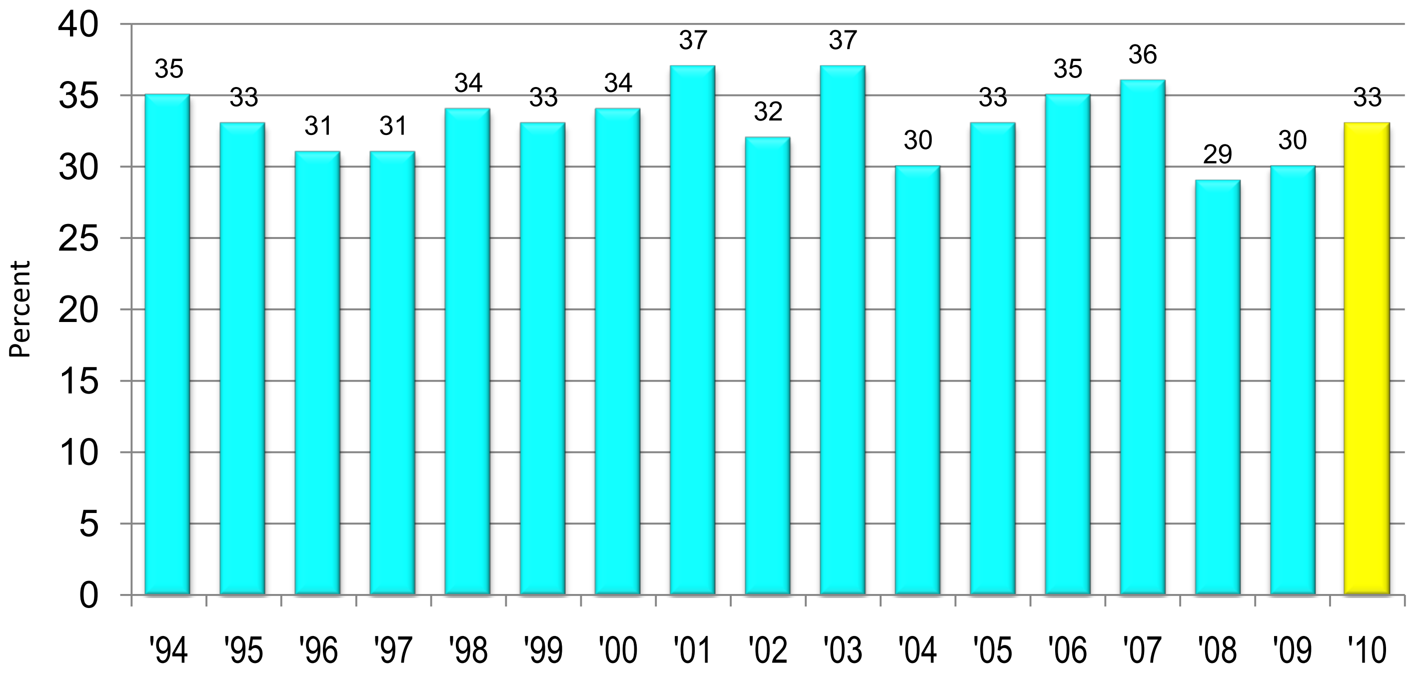
Distribution of Trips by Quarter – April to June

Base: Overnight Leisure Trips



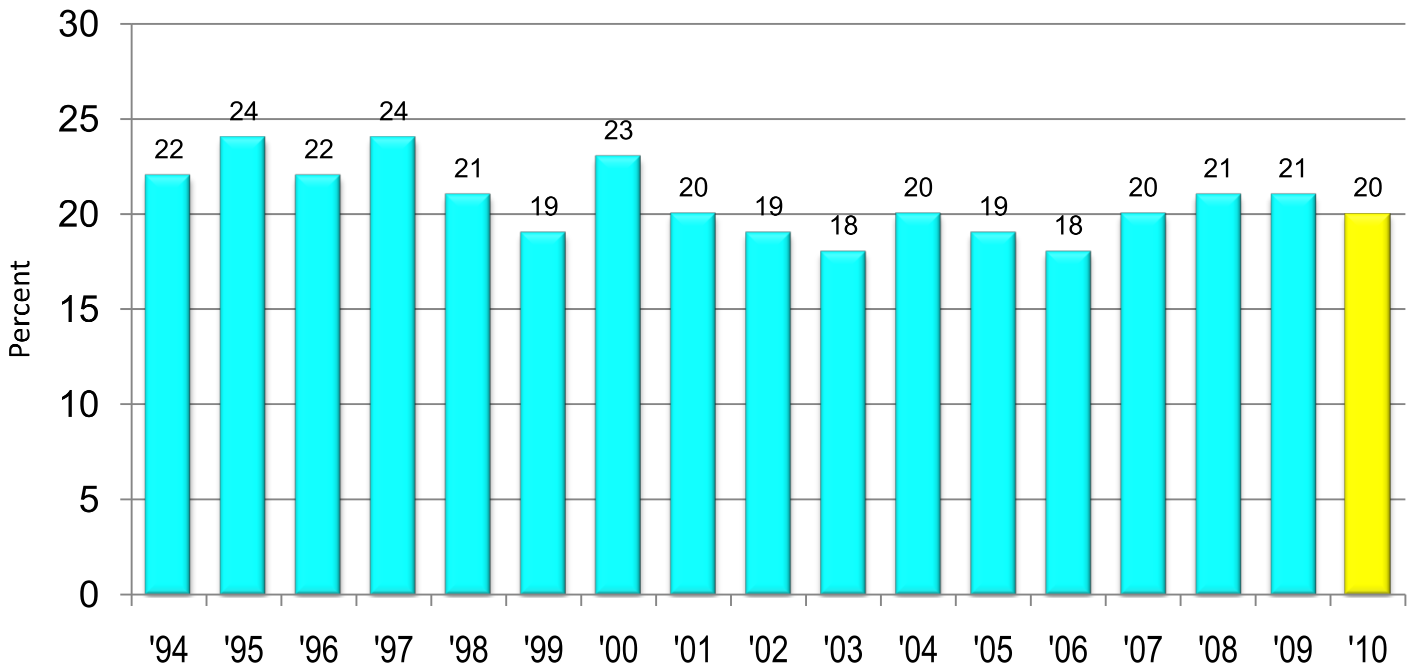
Distribution of Trips by Quarter – July to September

Base: Overnight Leisure Trips



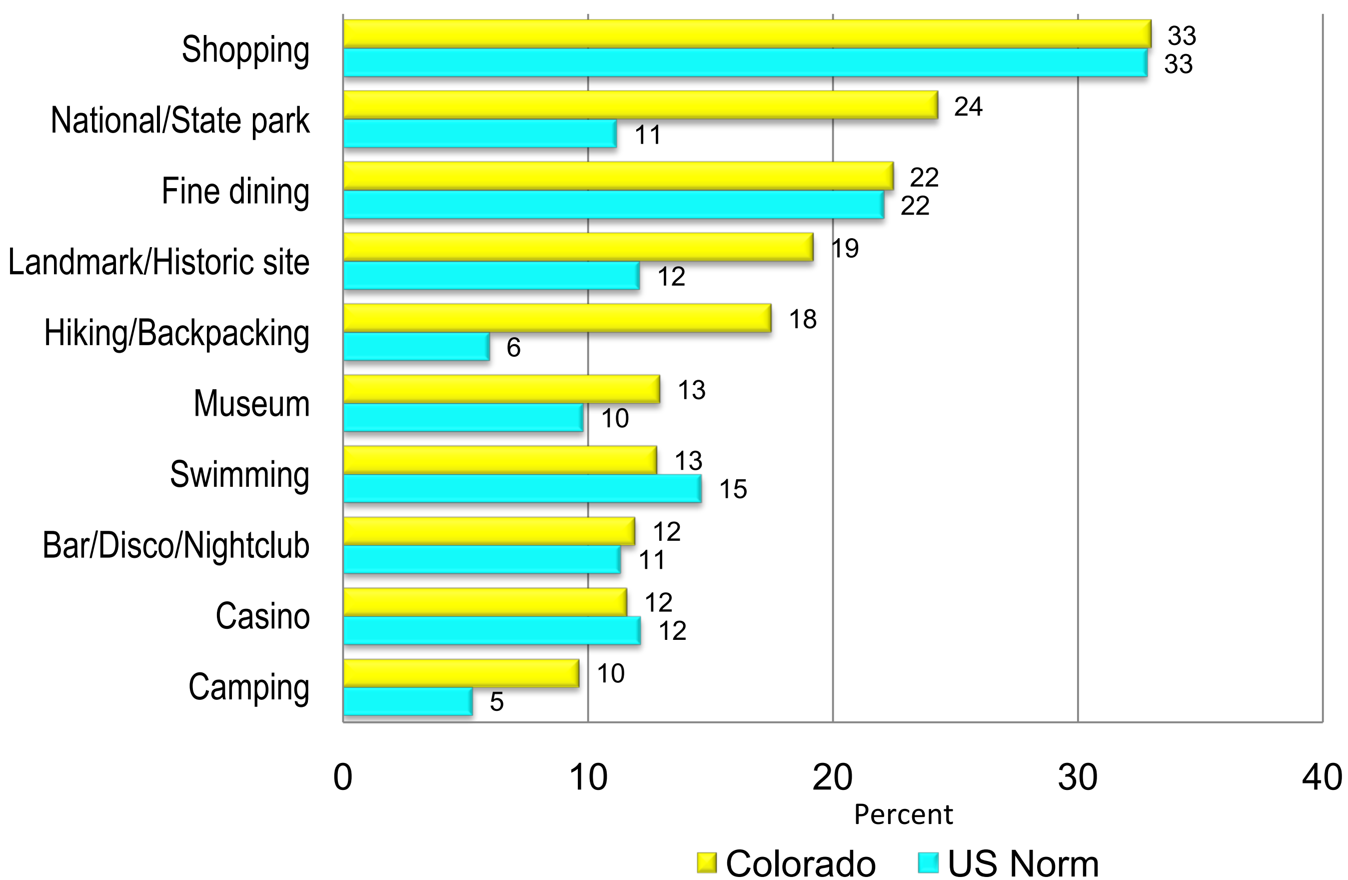
Distribution of Trips by Quarter – October to December

Base: Overnight Leisure Trips



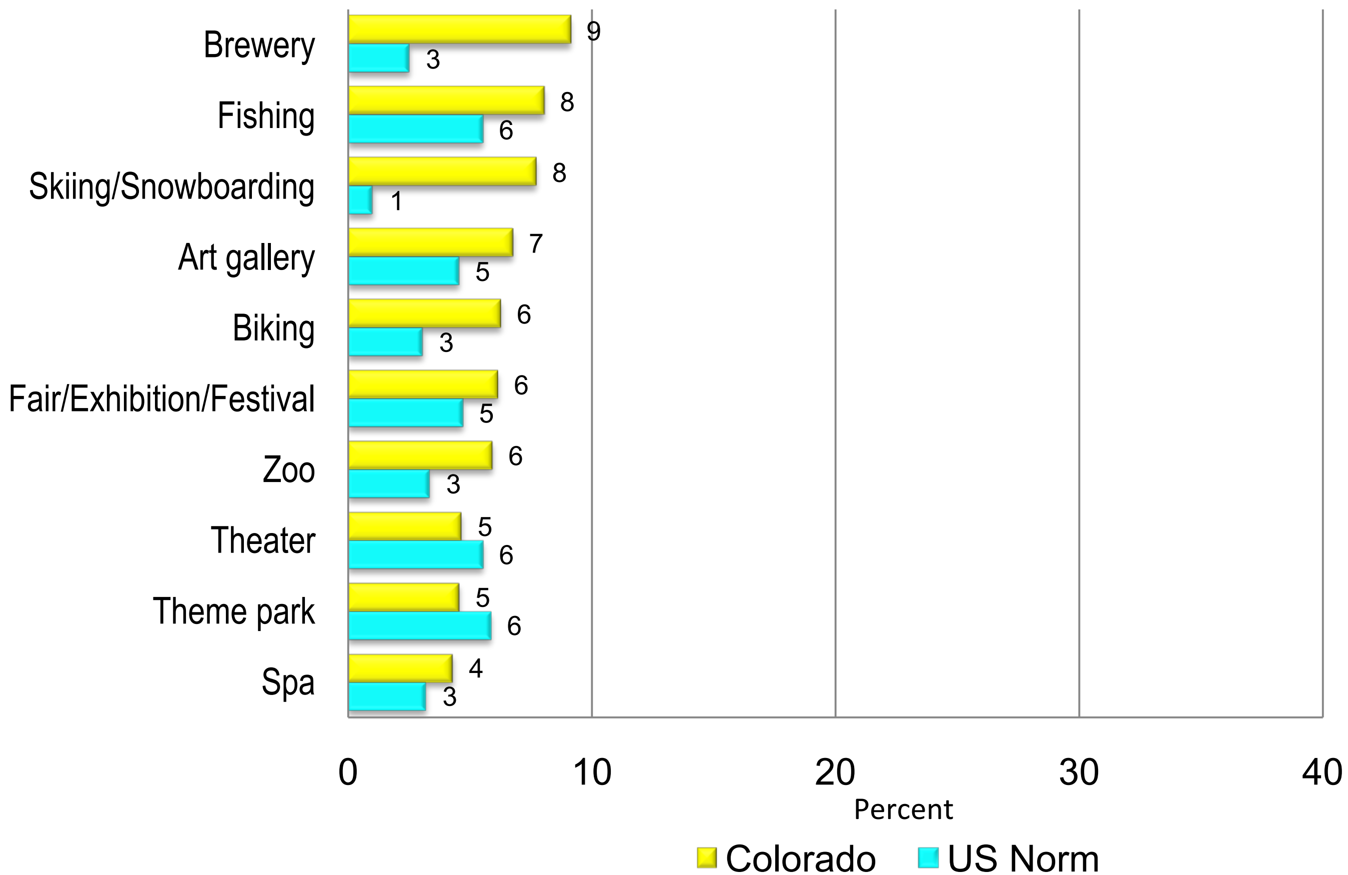
Activities on Trip

Base: Overnight Leisure Trips



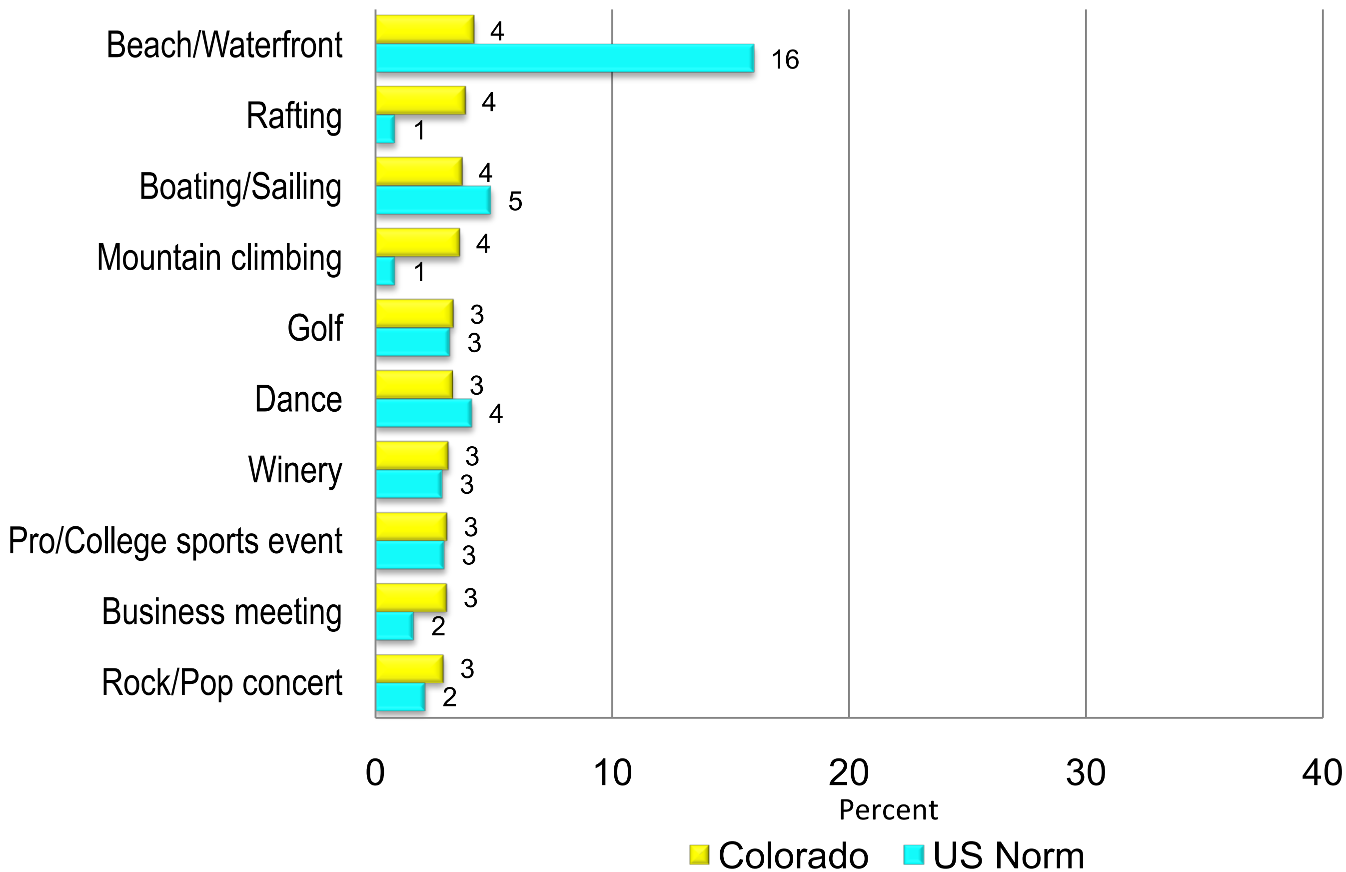
Activities on Trip (Cont'd)

Base: Overnight Leisure Trips



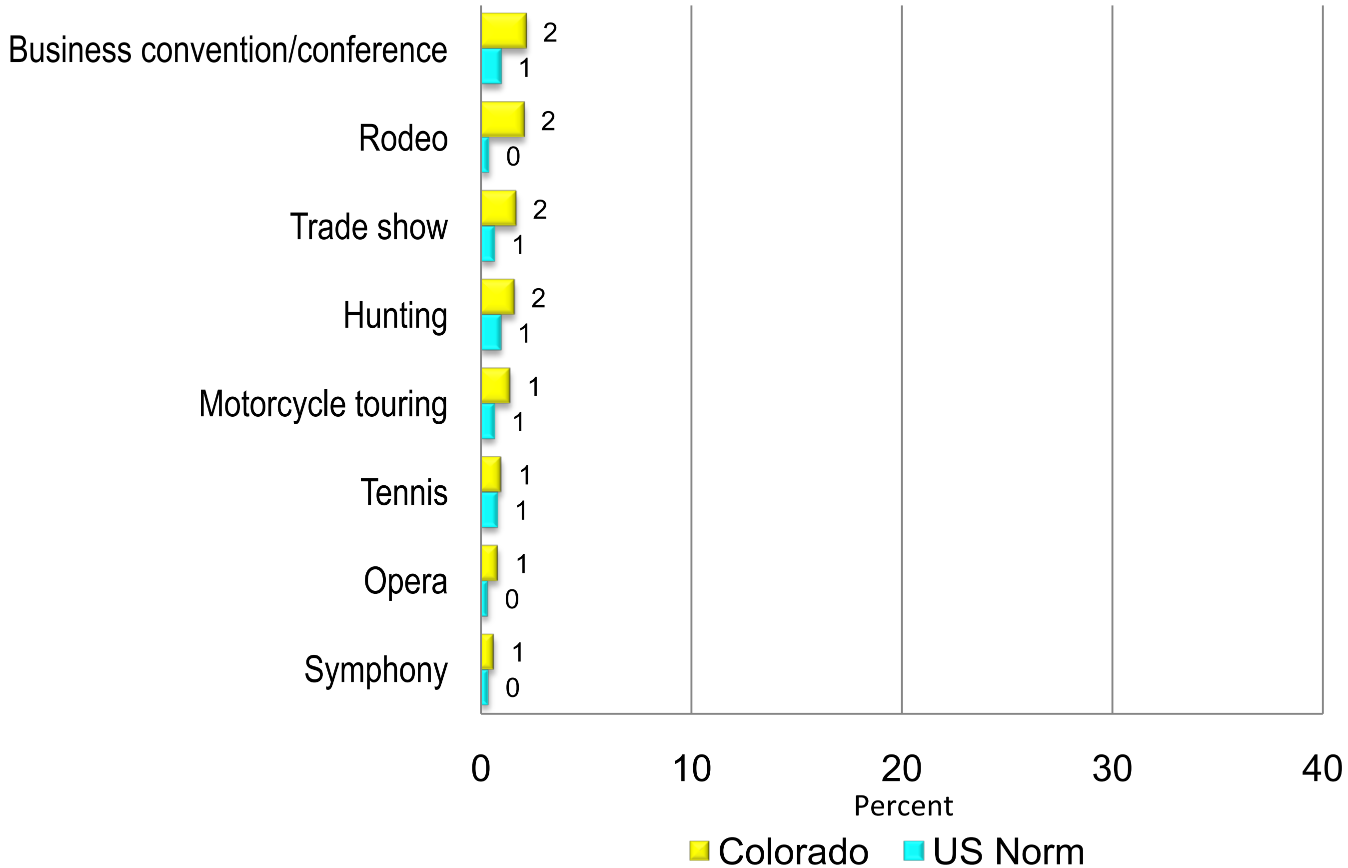
Activities on Trip (Cont'd)

Base: Overnight Leisure Trips



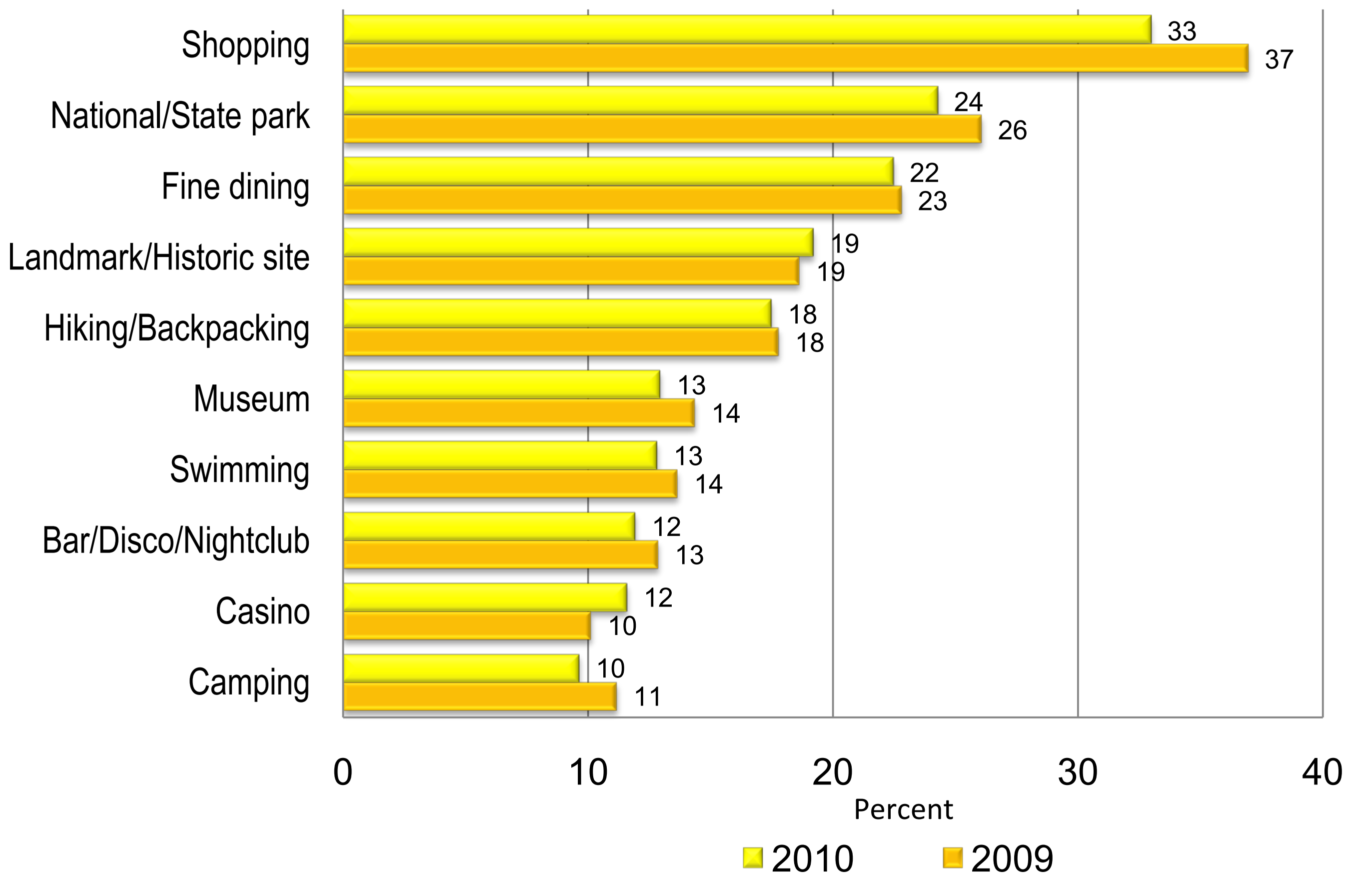
Activities on Trip (Cont'd)

Base: Overnight Leisure Trips



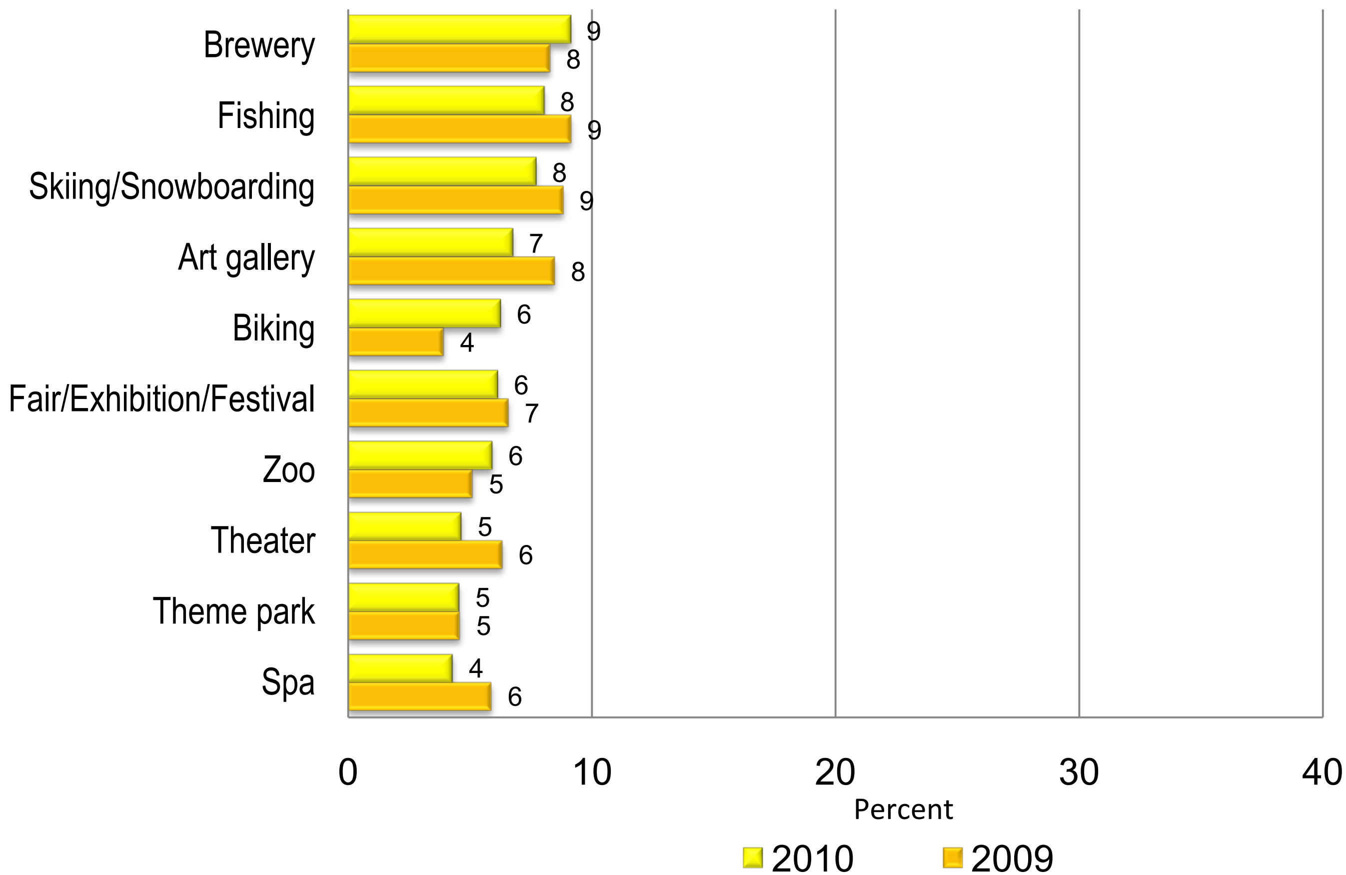
Activities on Trip

Base: Overnight Leisure Trips



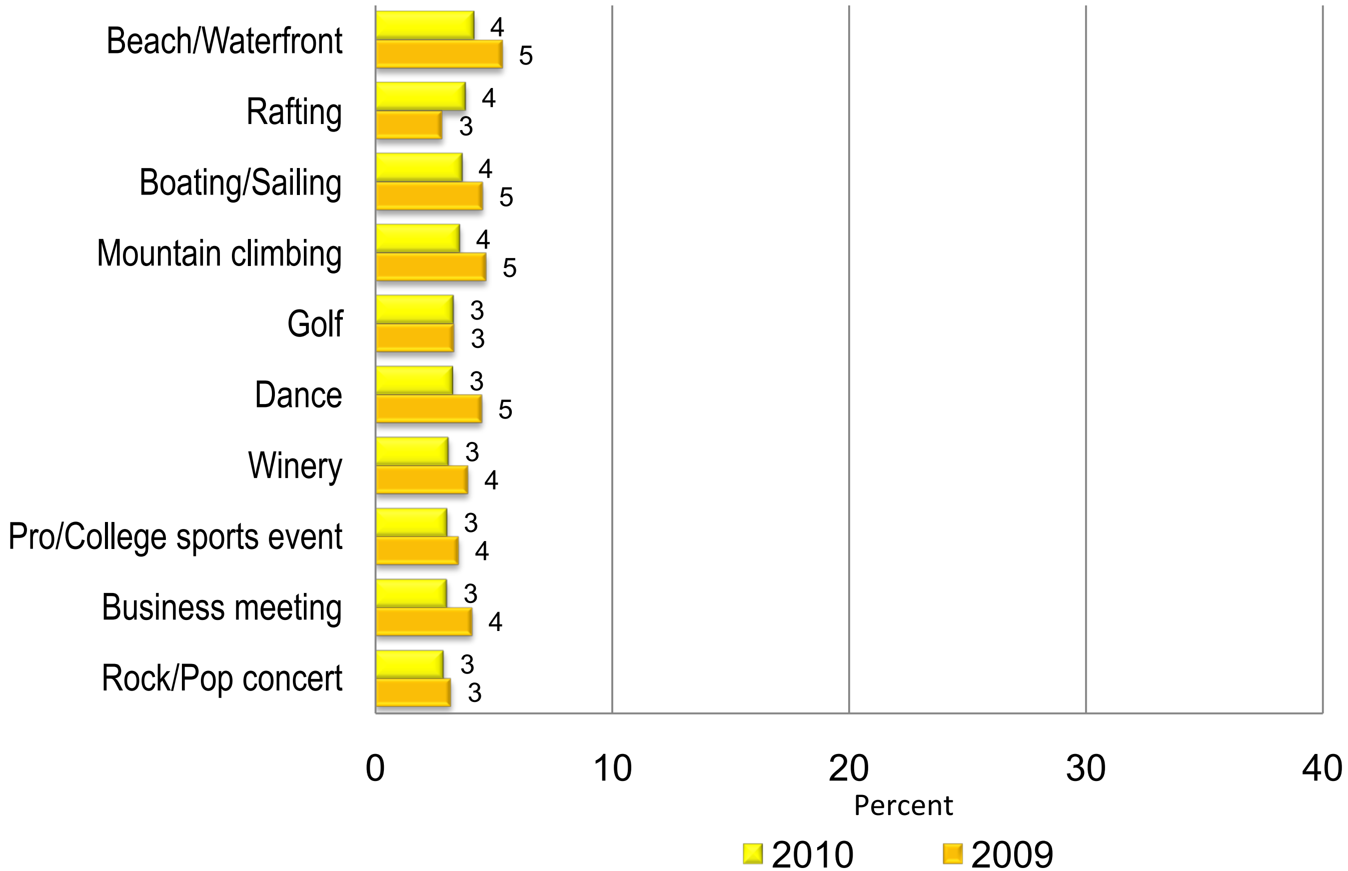
Activities on Trip

Base: Overnight Leisure Trips



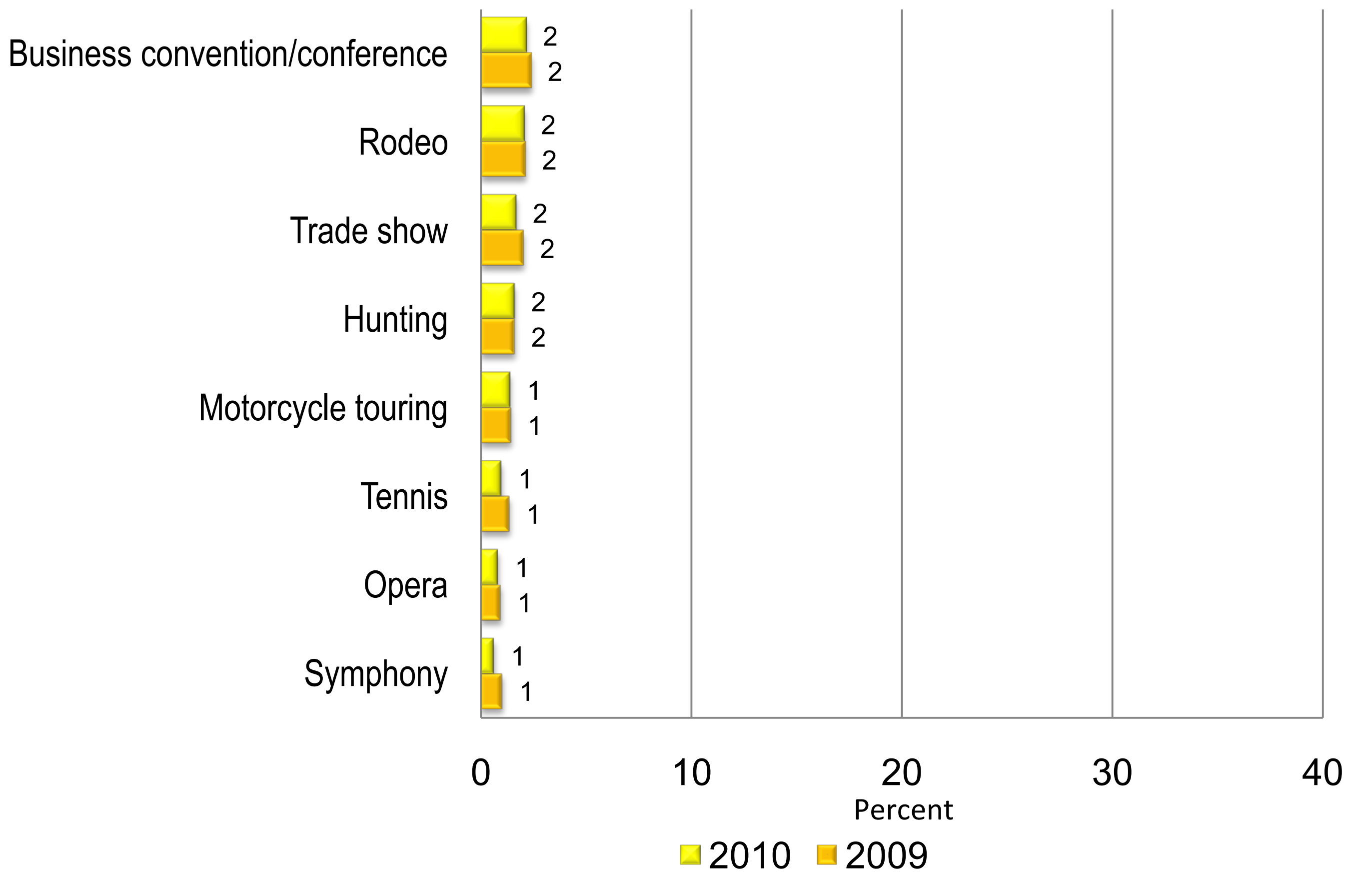
Activities on Trip

Base: Overnight Leisure Trips



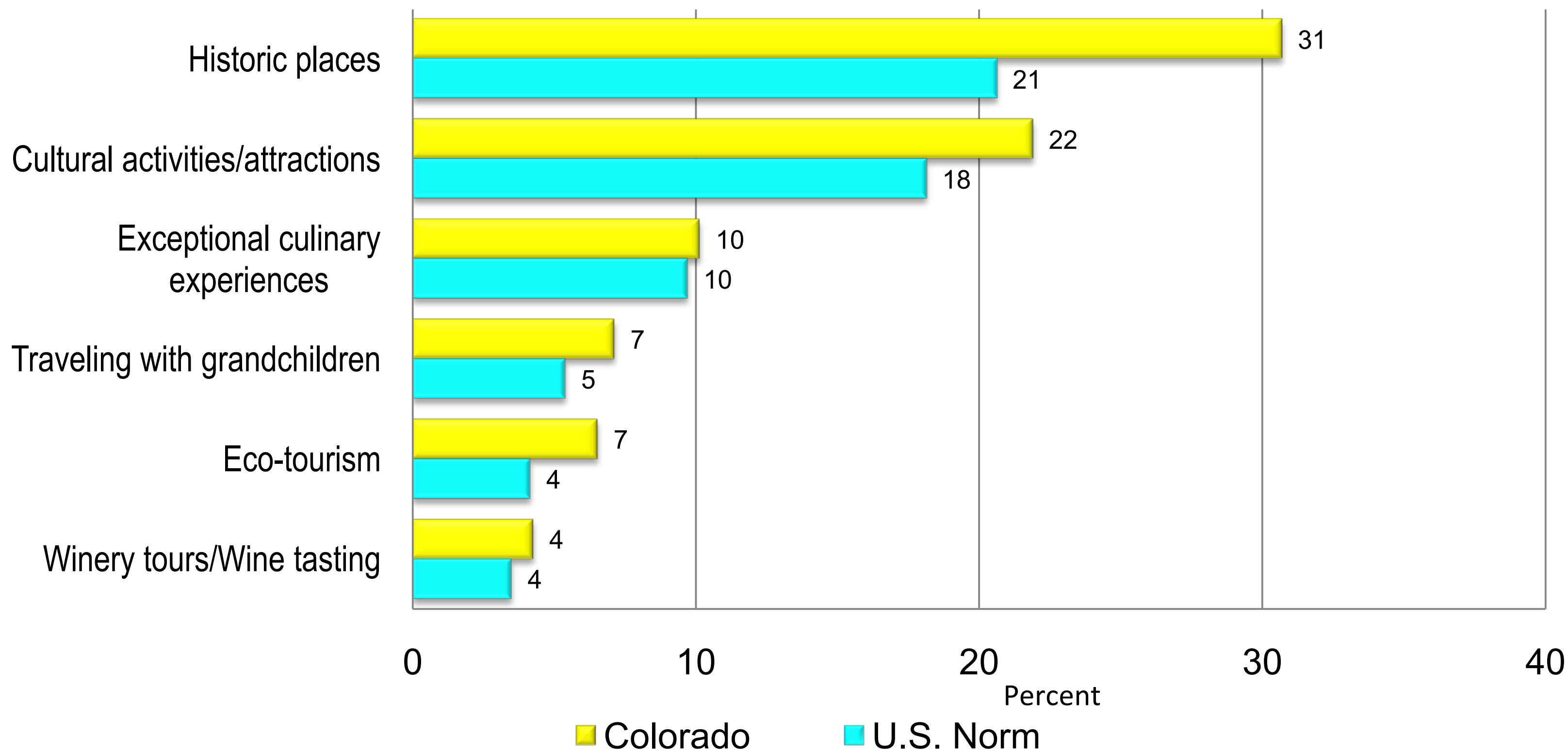
Activities on Trip

Base: Overnight Leisure Trips



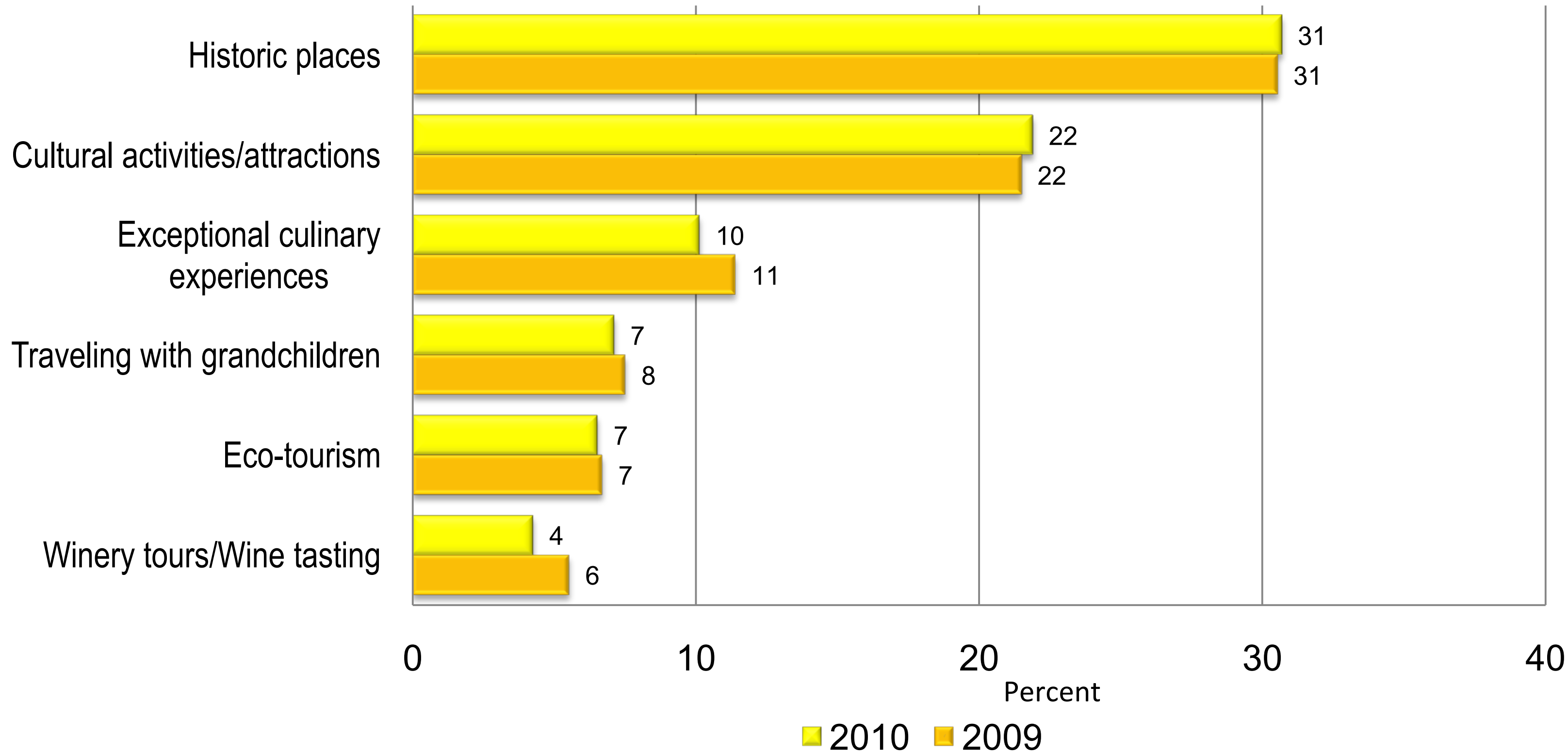
Specific Interests on Trip

Base: Overnight Leisure Trips



Specific Interests on Colorado Trip

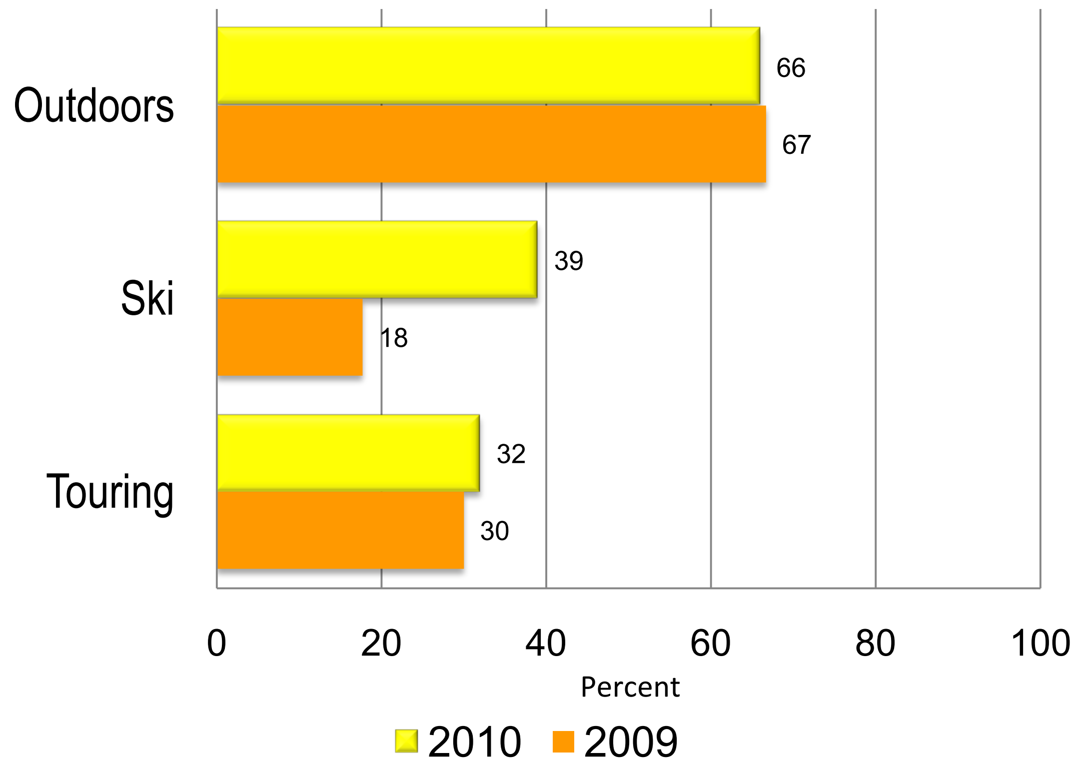
Base: Overnight Leisure Trips



Profiles of Colorado's Key Travel Segments

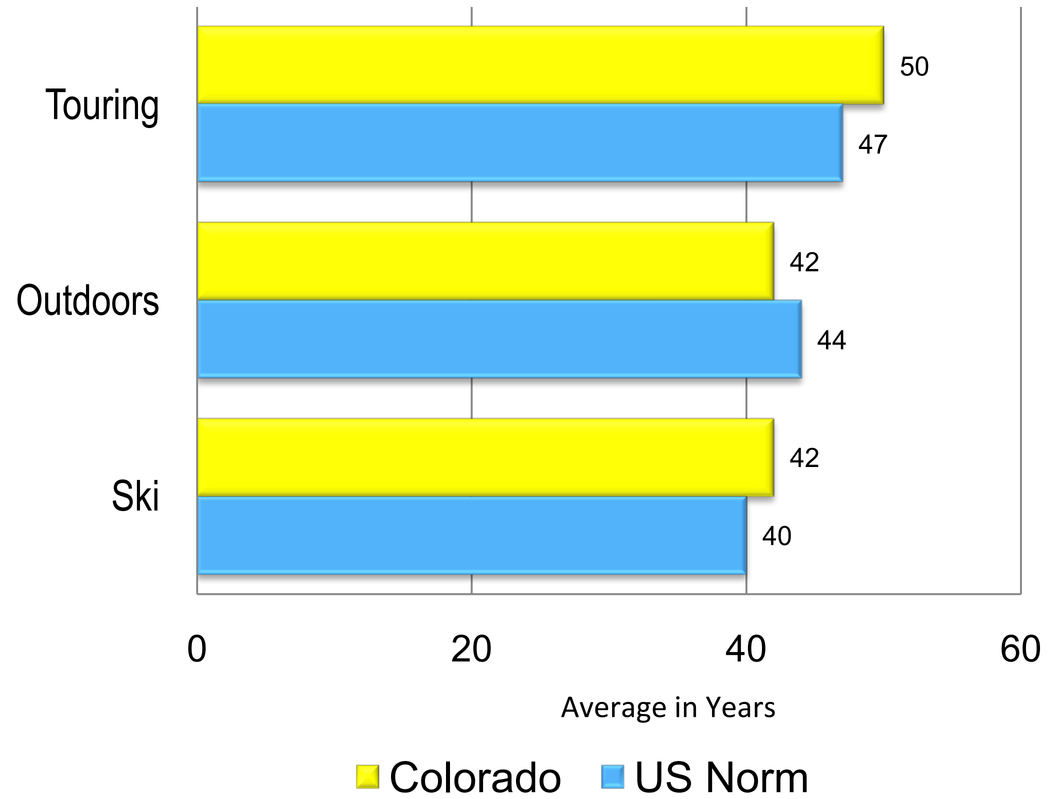
Instate Trips – By Segment

Base: Overnight Leisure Trips



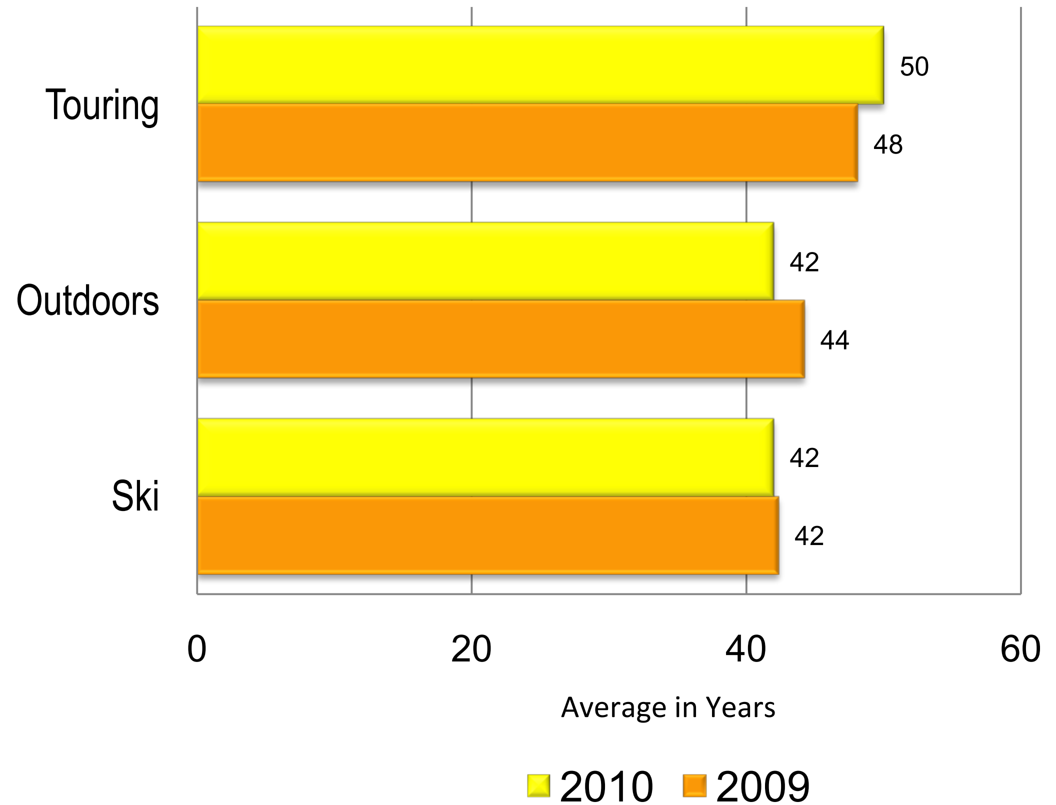
Average Age

Base: Overnight Leisure Trips



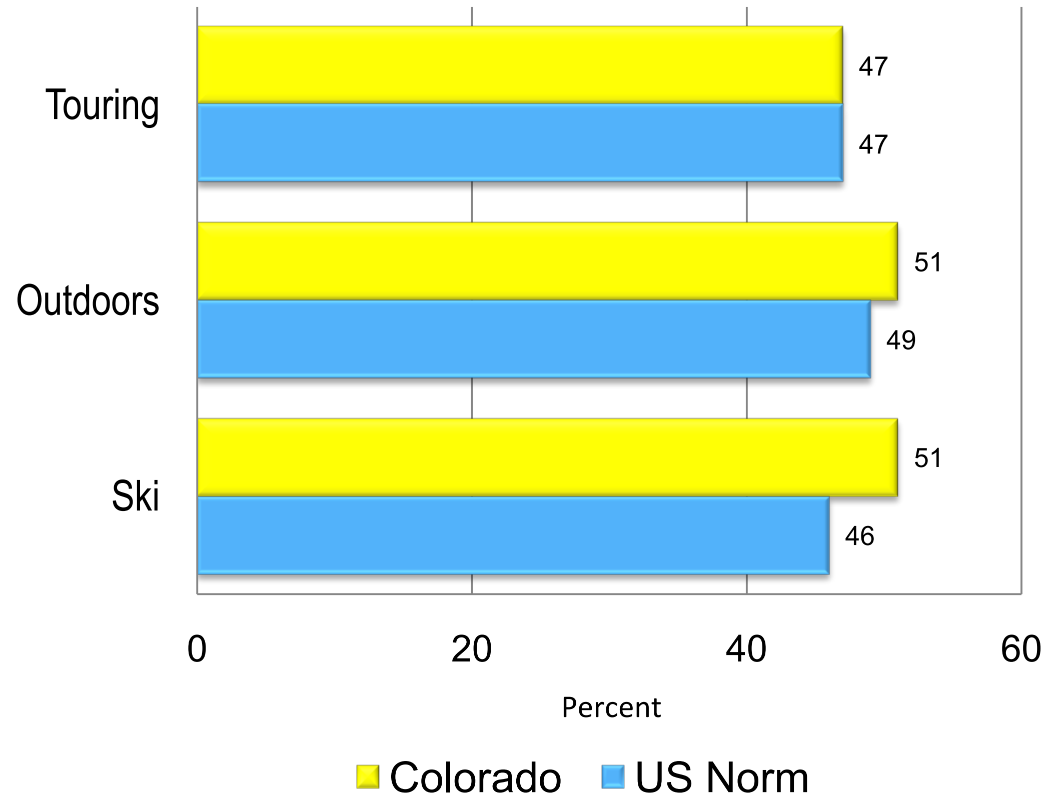
Average Age

Base: Overnight Leisure Trips



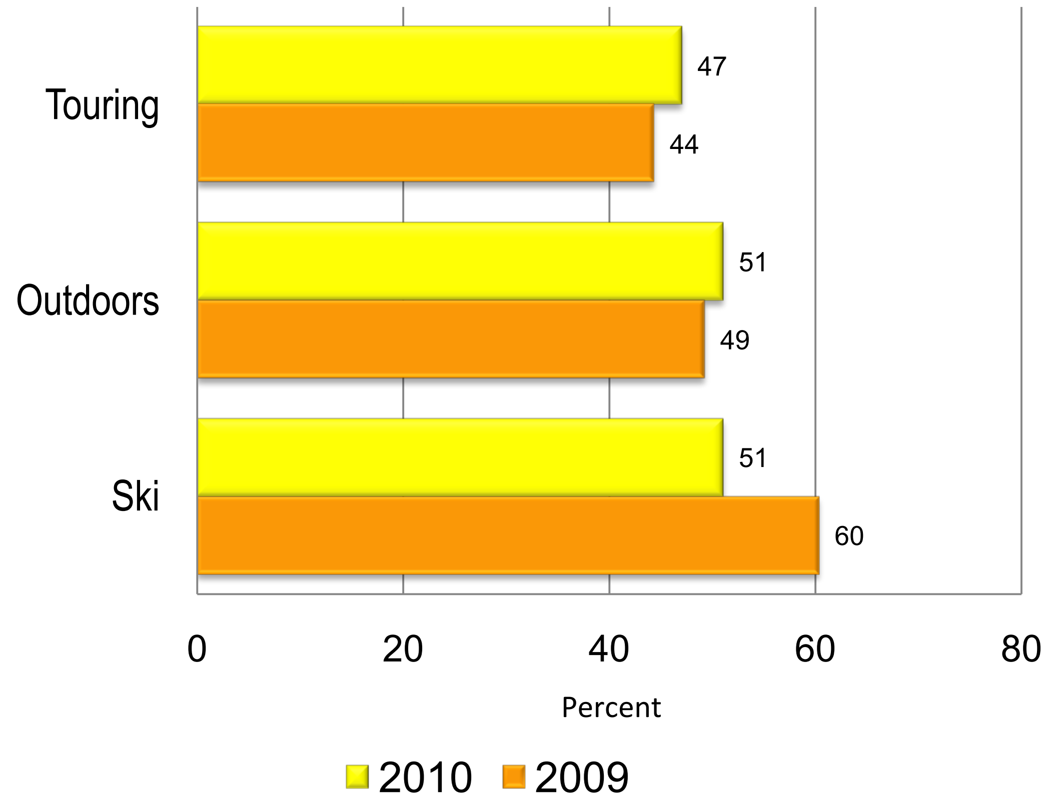
Percent Who Are Male

Base: Overnight Leisure Trips



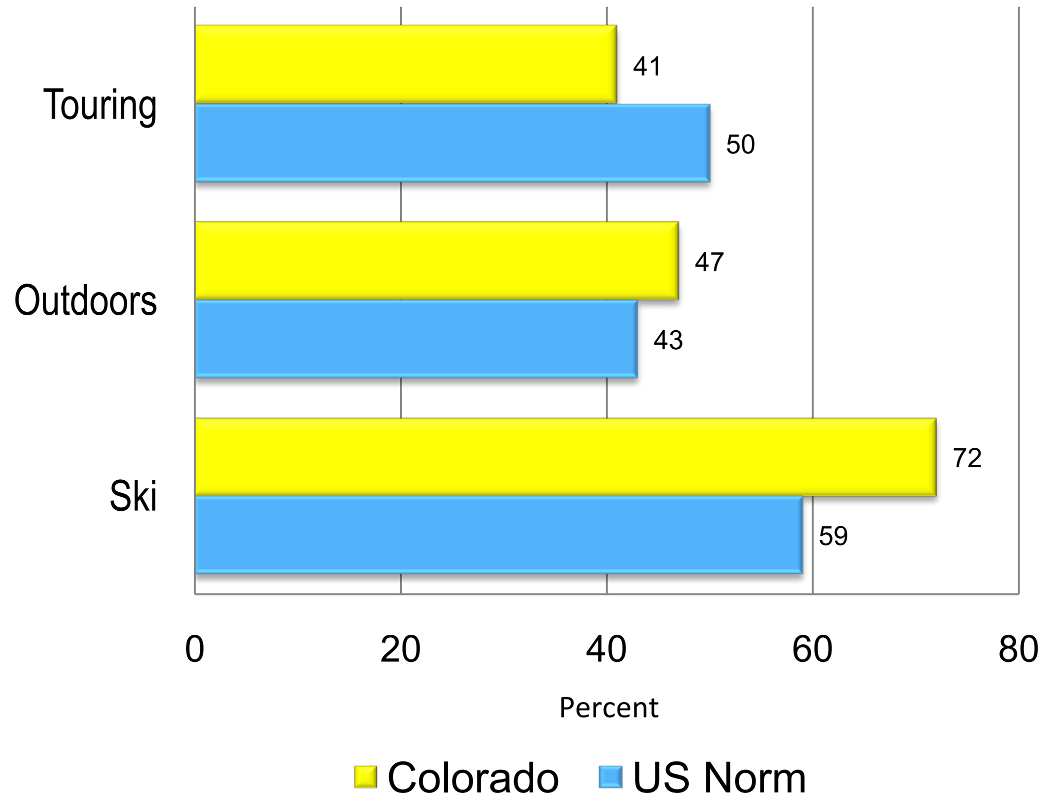
Percent Who Are Male

Base: Overnight Leisure Trips



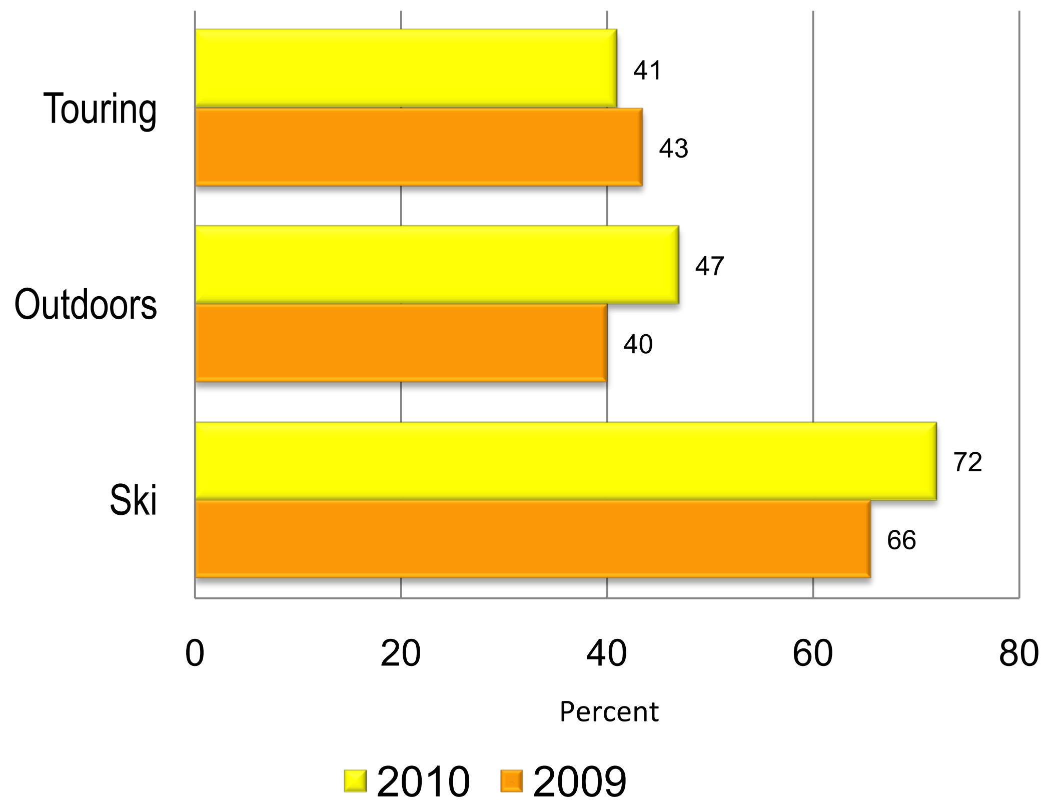
Percent With Income $75K+

Base: Overnight Leisure Trips



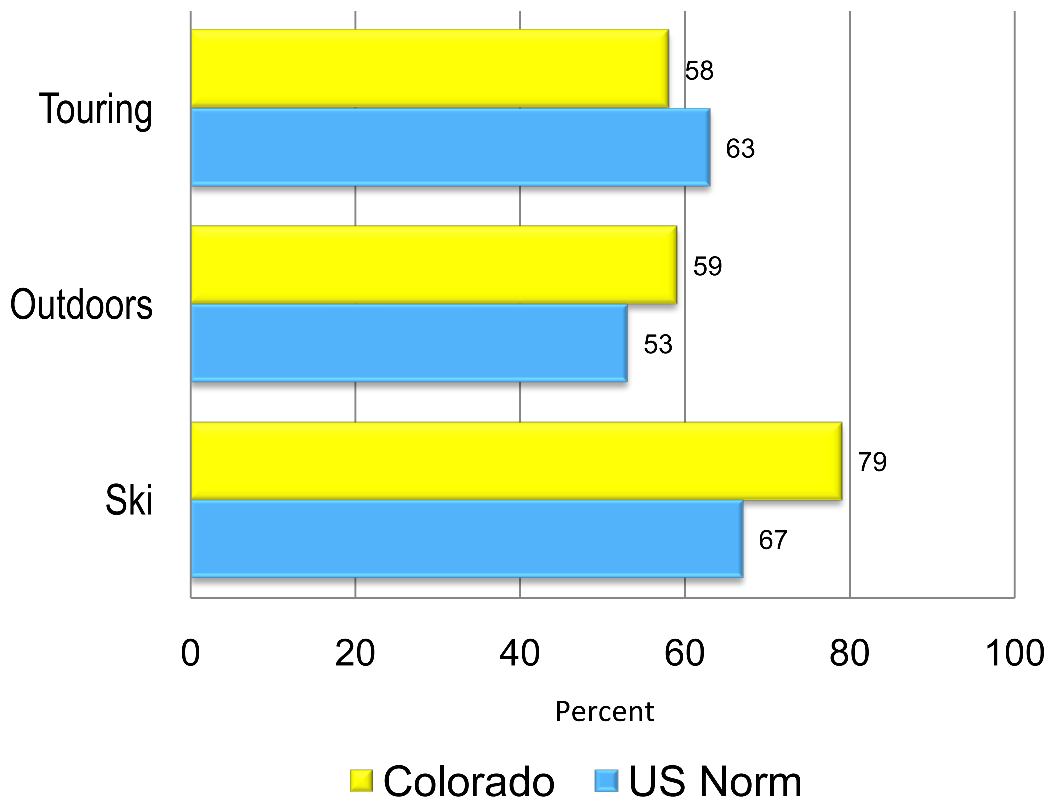
Percent With Income $75K+

Base: Overnight Leisure Trips



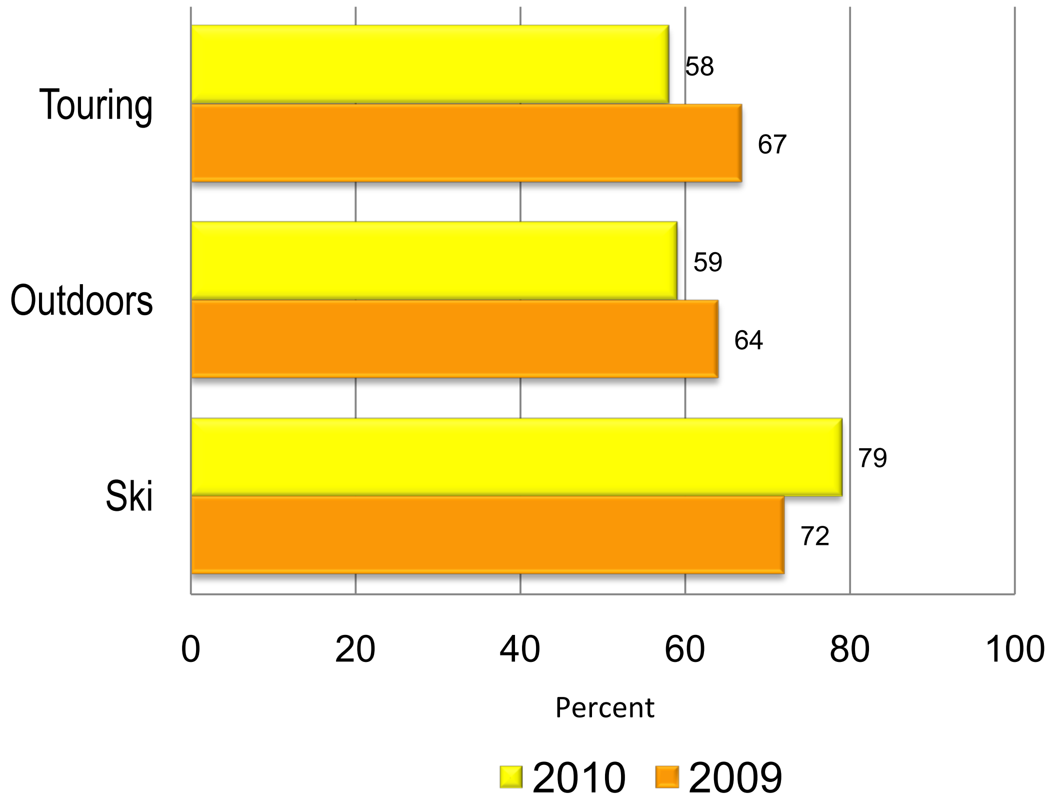
Percent With Who Are College Graduates

Base: Overnight Leisure Trips



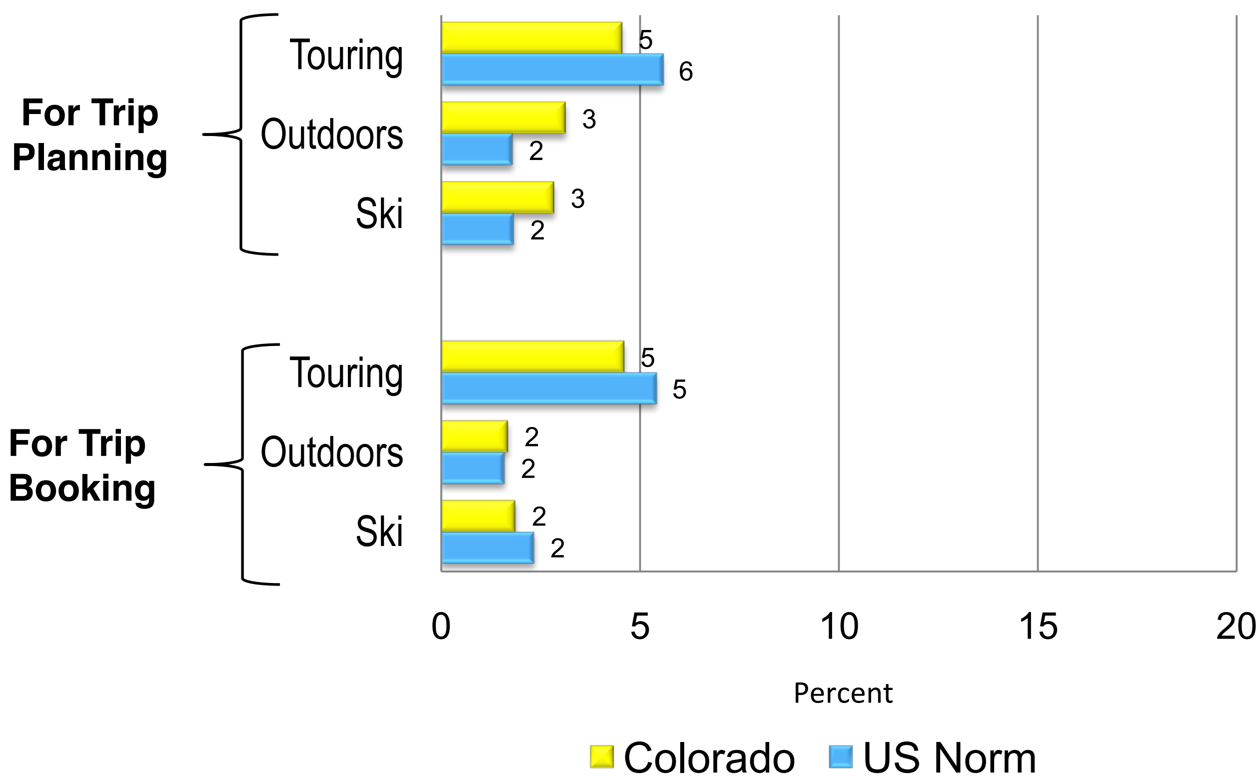
Percent With Who Are College Graduates

Base: Overnight Leisure Trips



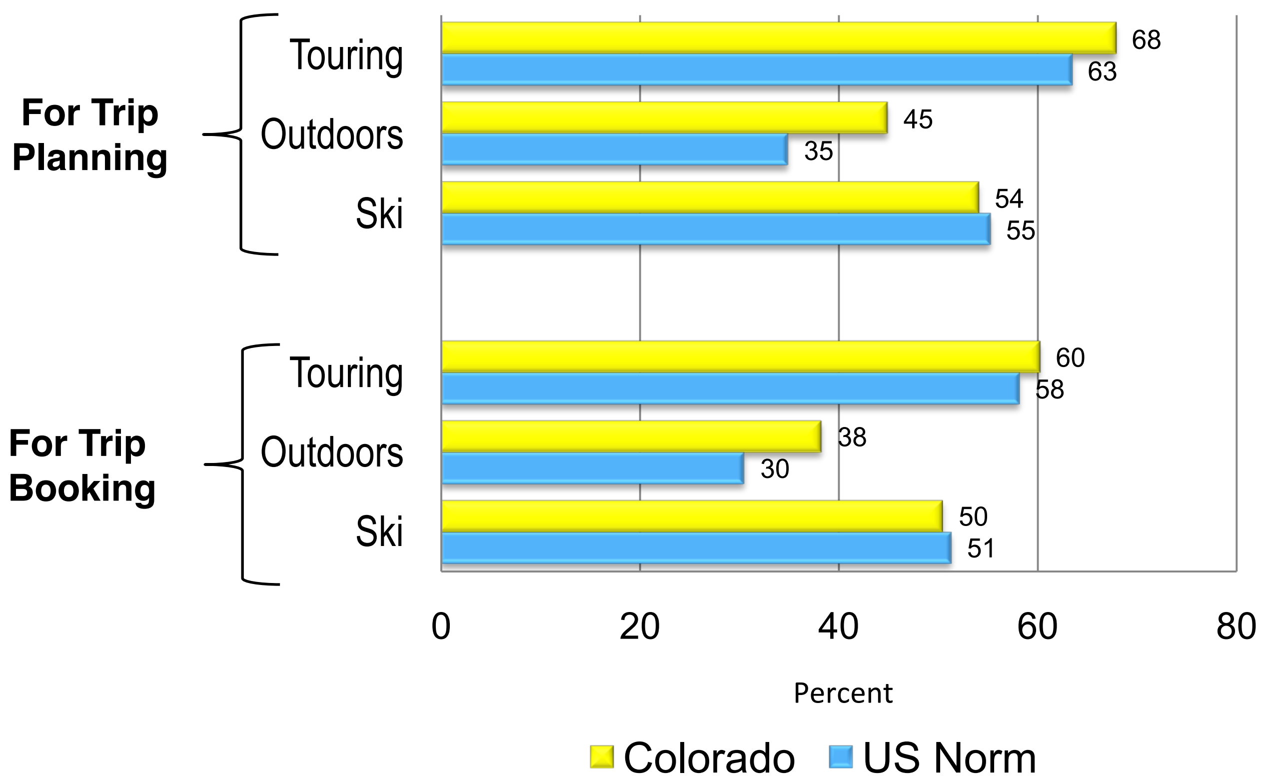
Use of Travel Agents

Base: Overnight Leisure Trips



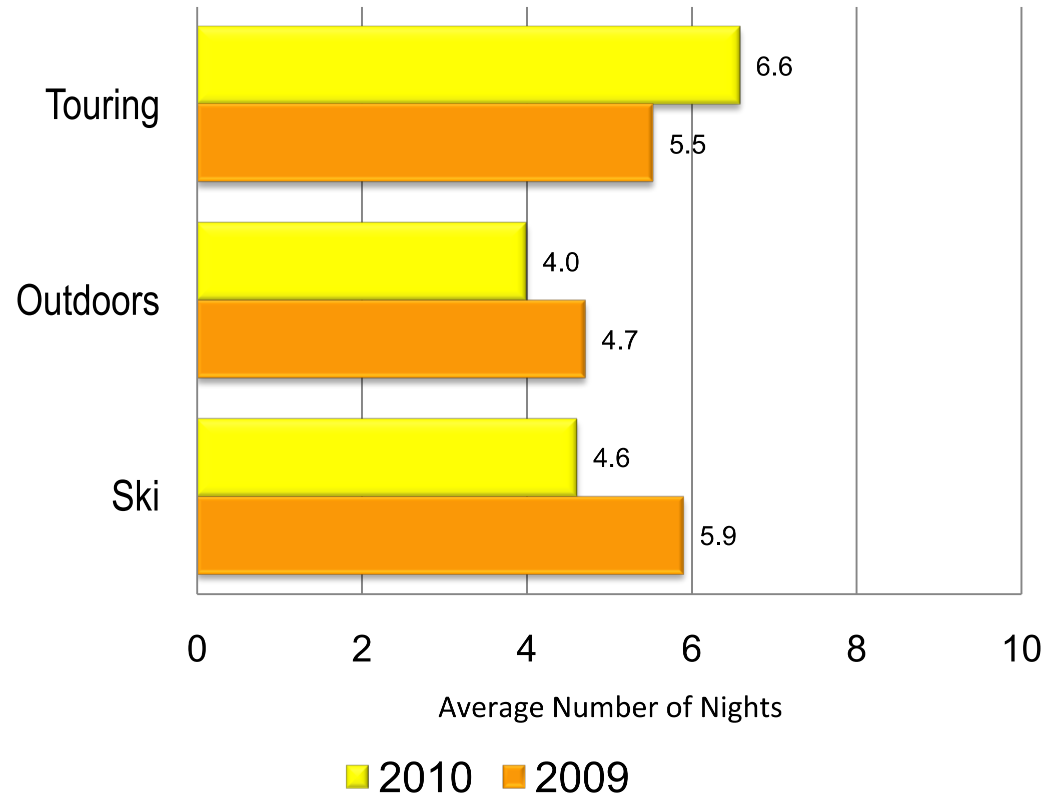
Use of Internet for Trip Planning & Booking

Base: Overnight Leisure Trips



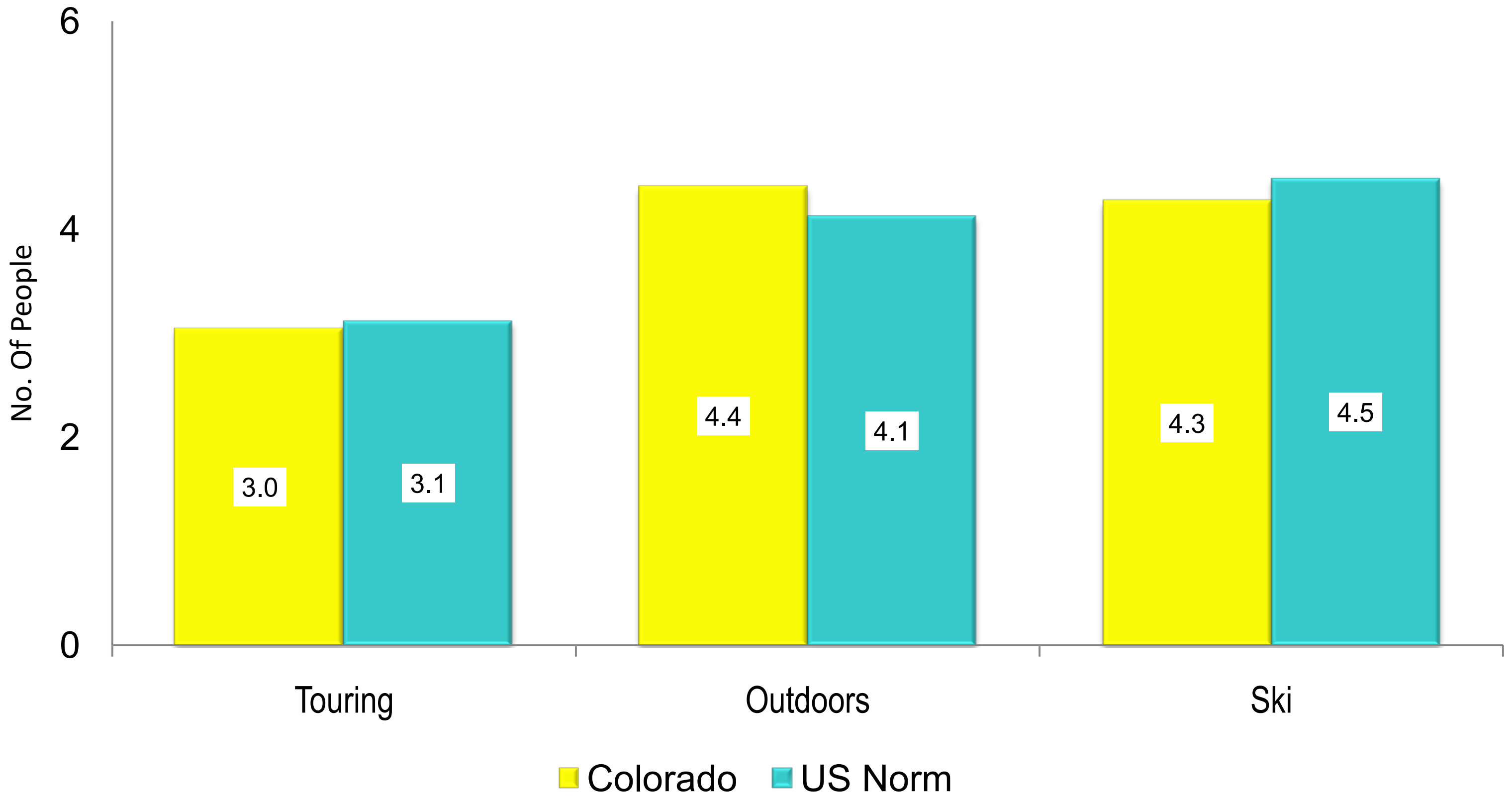
Length of Colorado Trip

Base: Overnight Leisure Trips



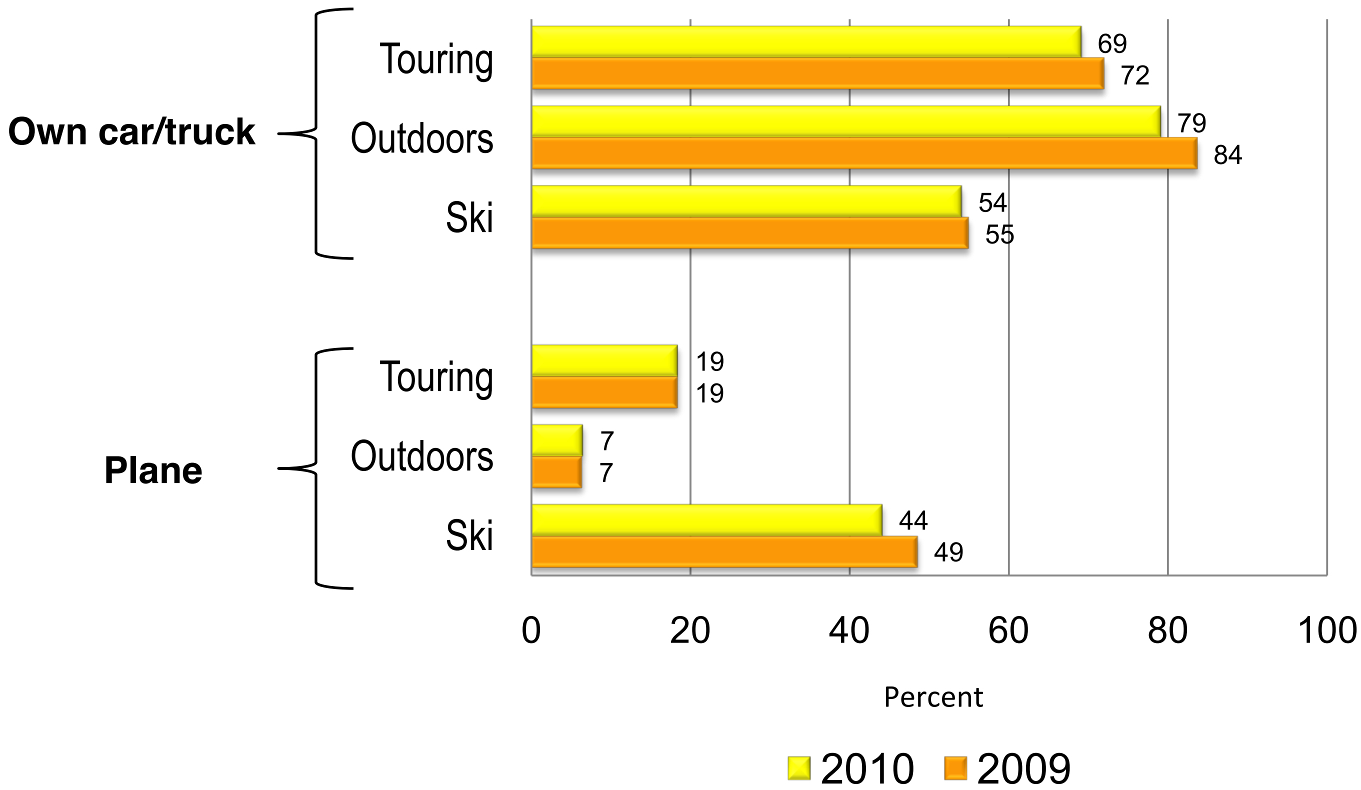
Size of the Travel Party

Base: Overnight Leisure Trips



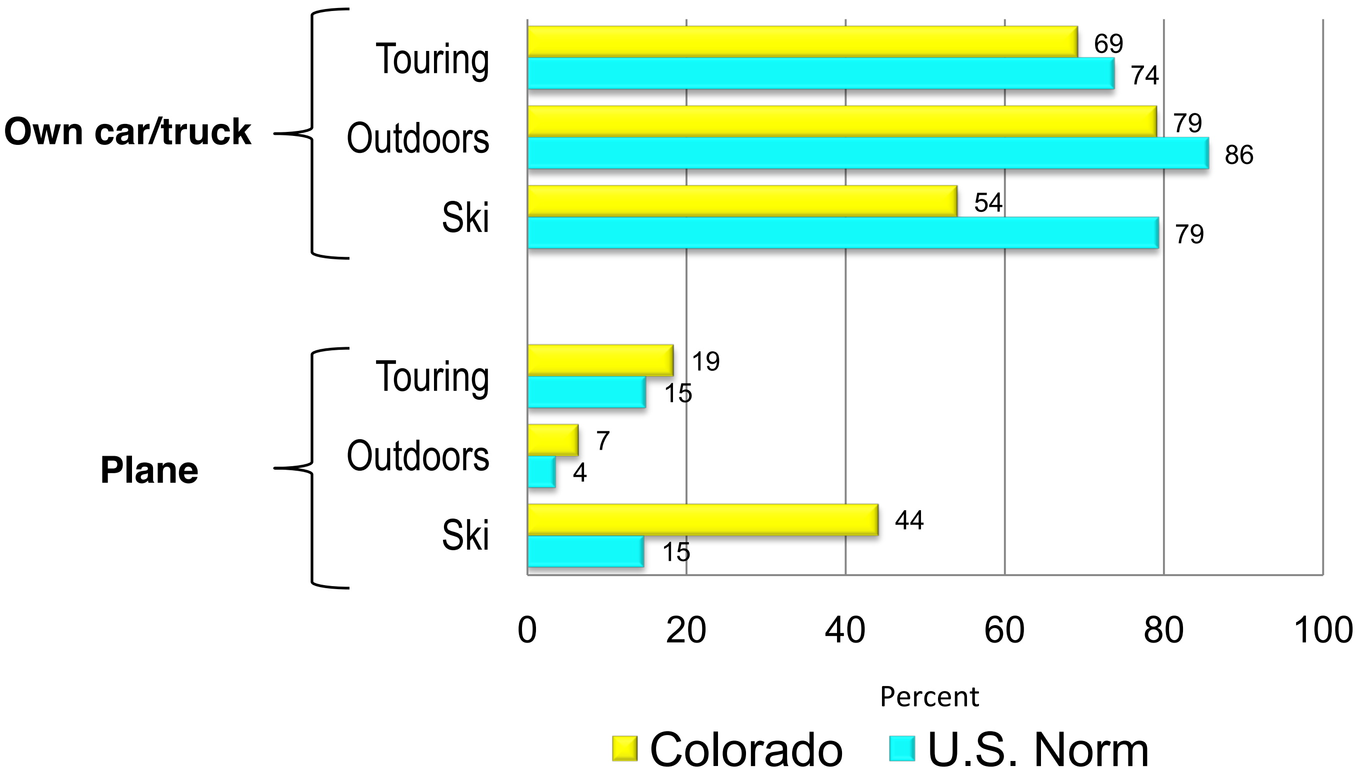
Transportation Used on Colorado Trip

Base: Overnight Leisure Trips



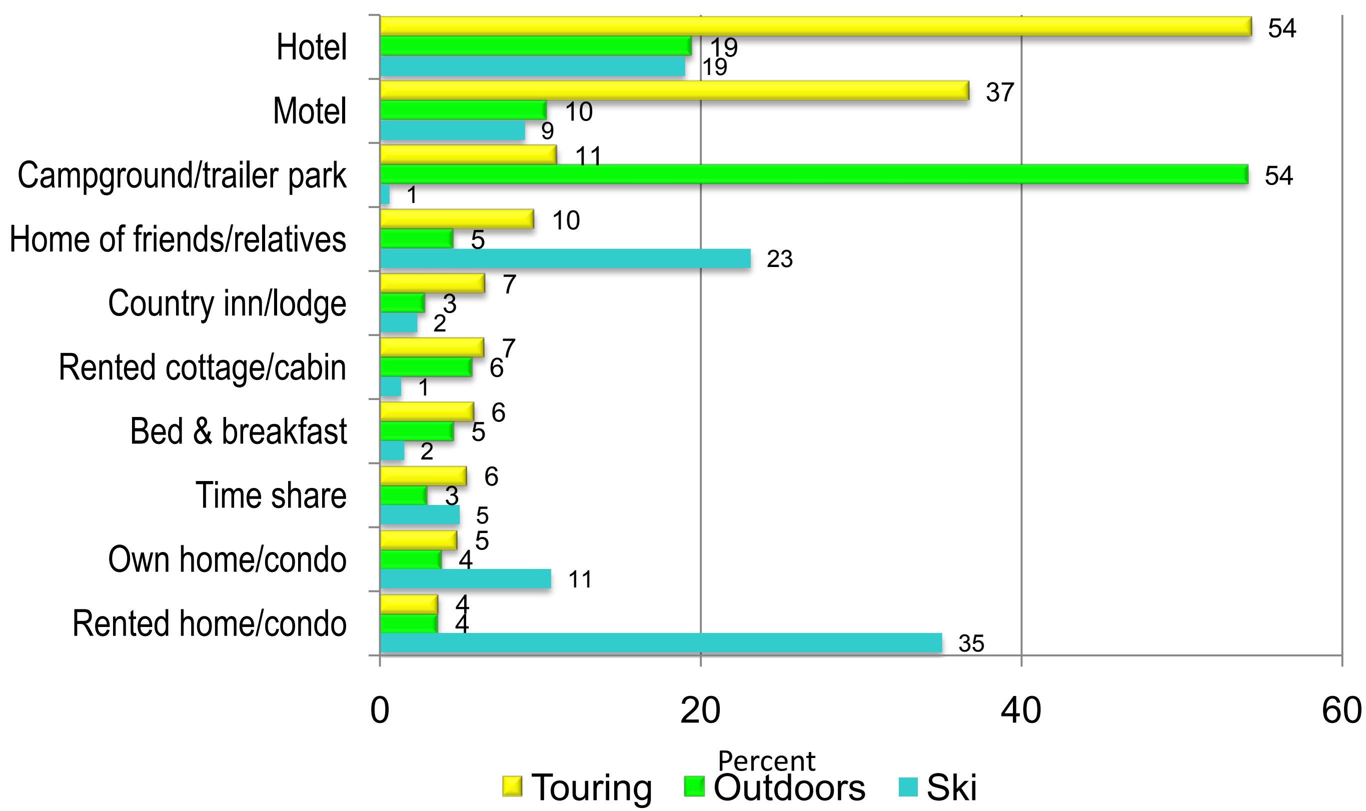
Transportation Used on Trip

Base: Overnight Leisure Trips



Accommodations Used on Trip

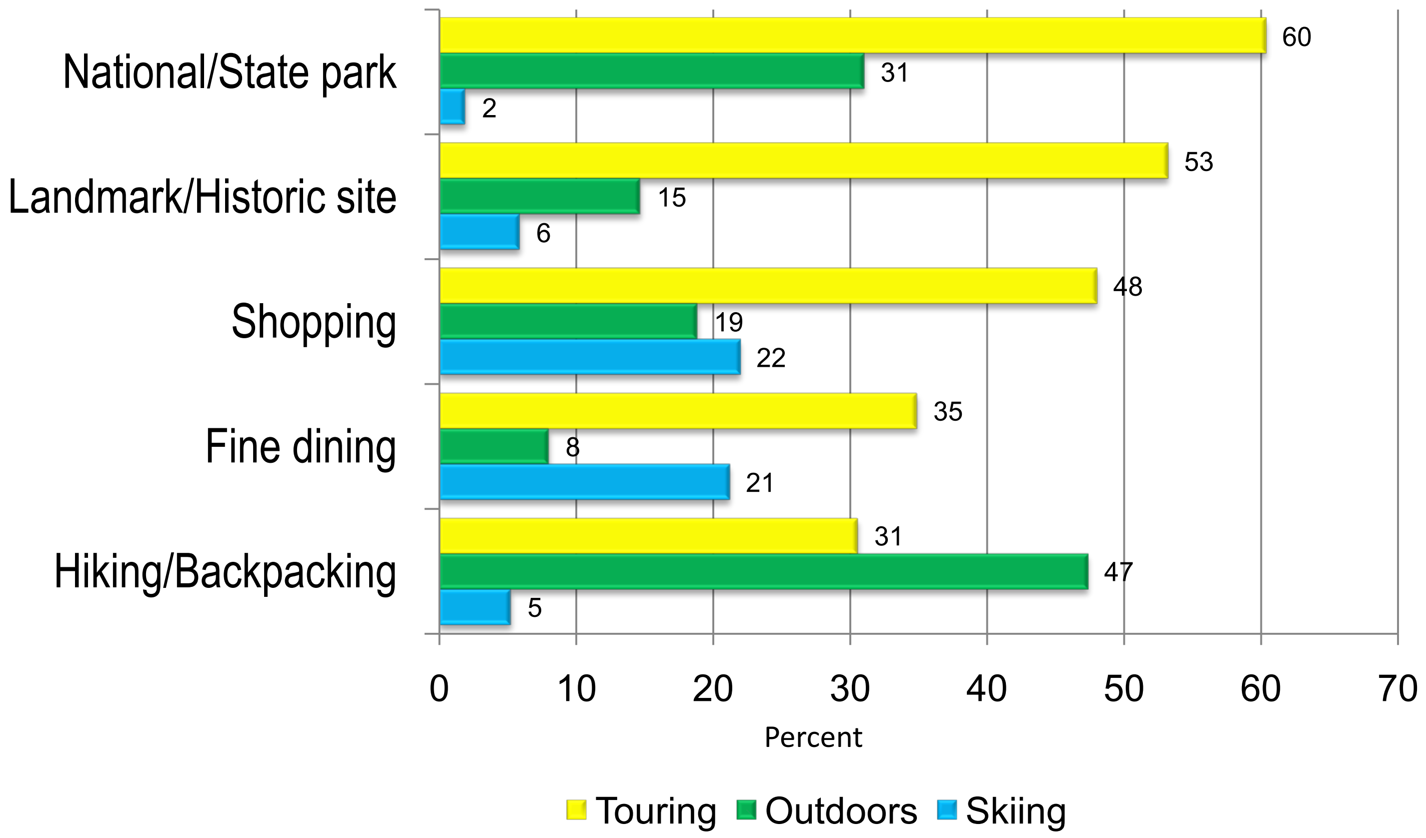
Base: Overnight Leisure Trips



* Values may add to more than 100% because of usage of multiple types of accommodations

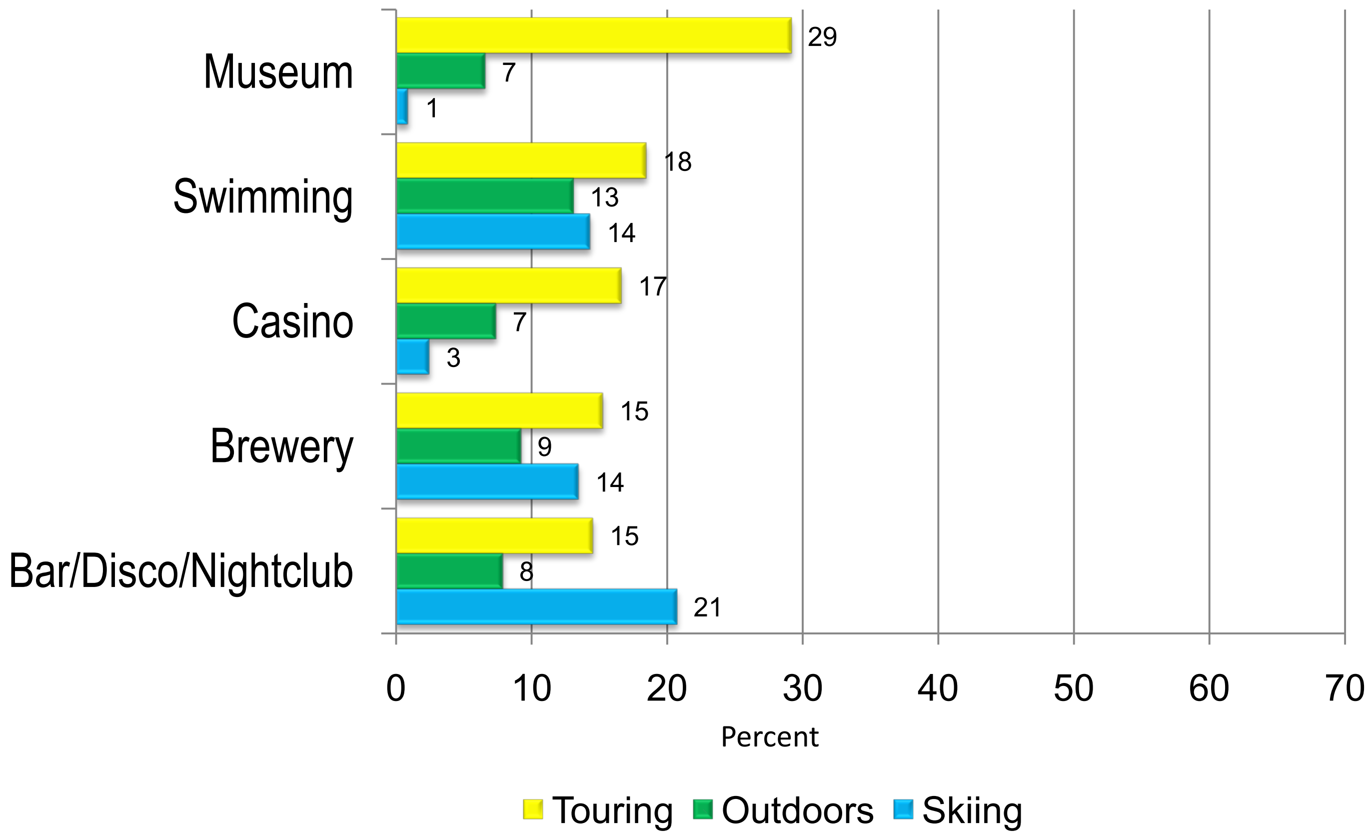
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



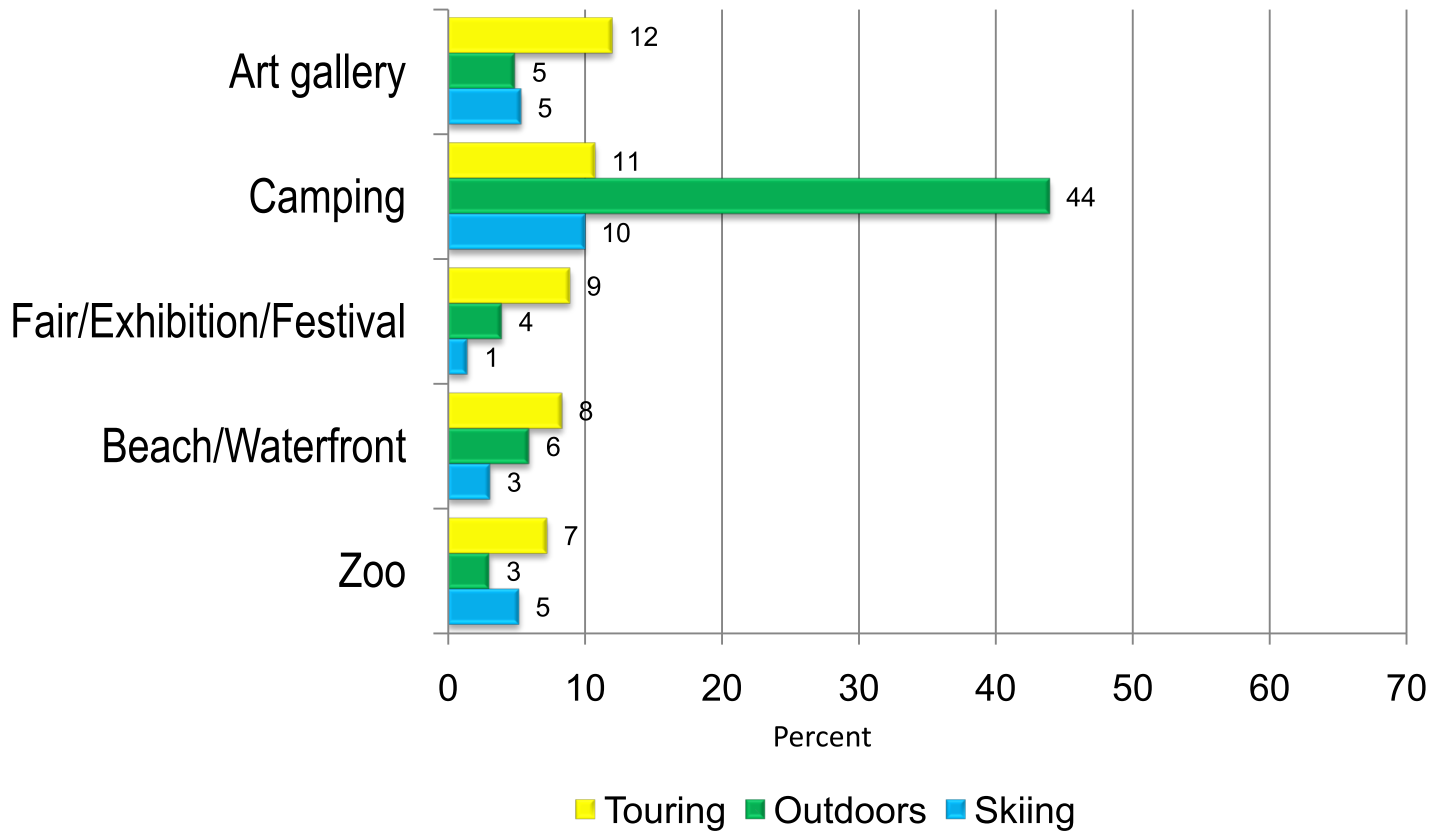
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



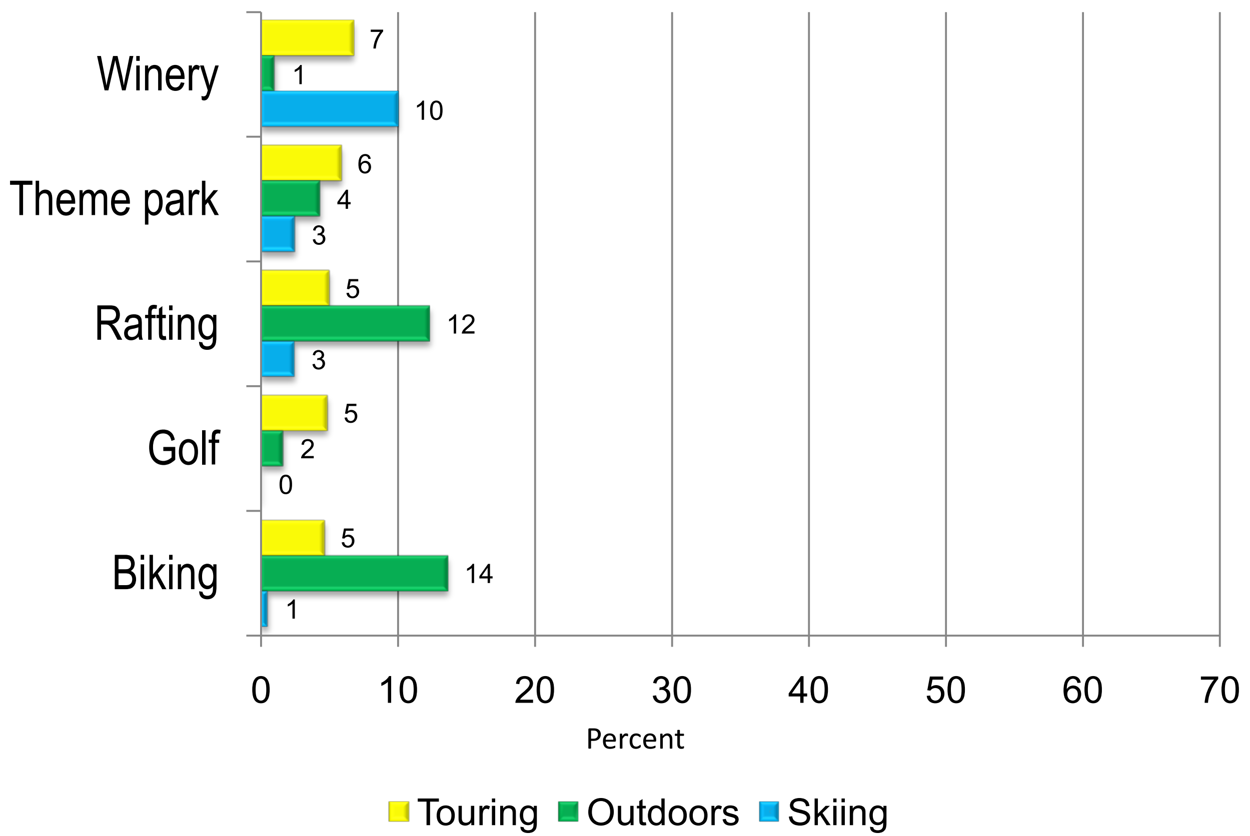
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



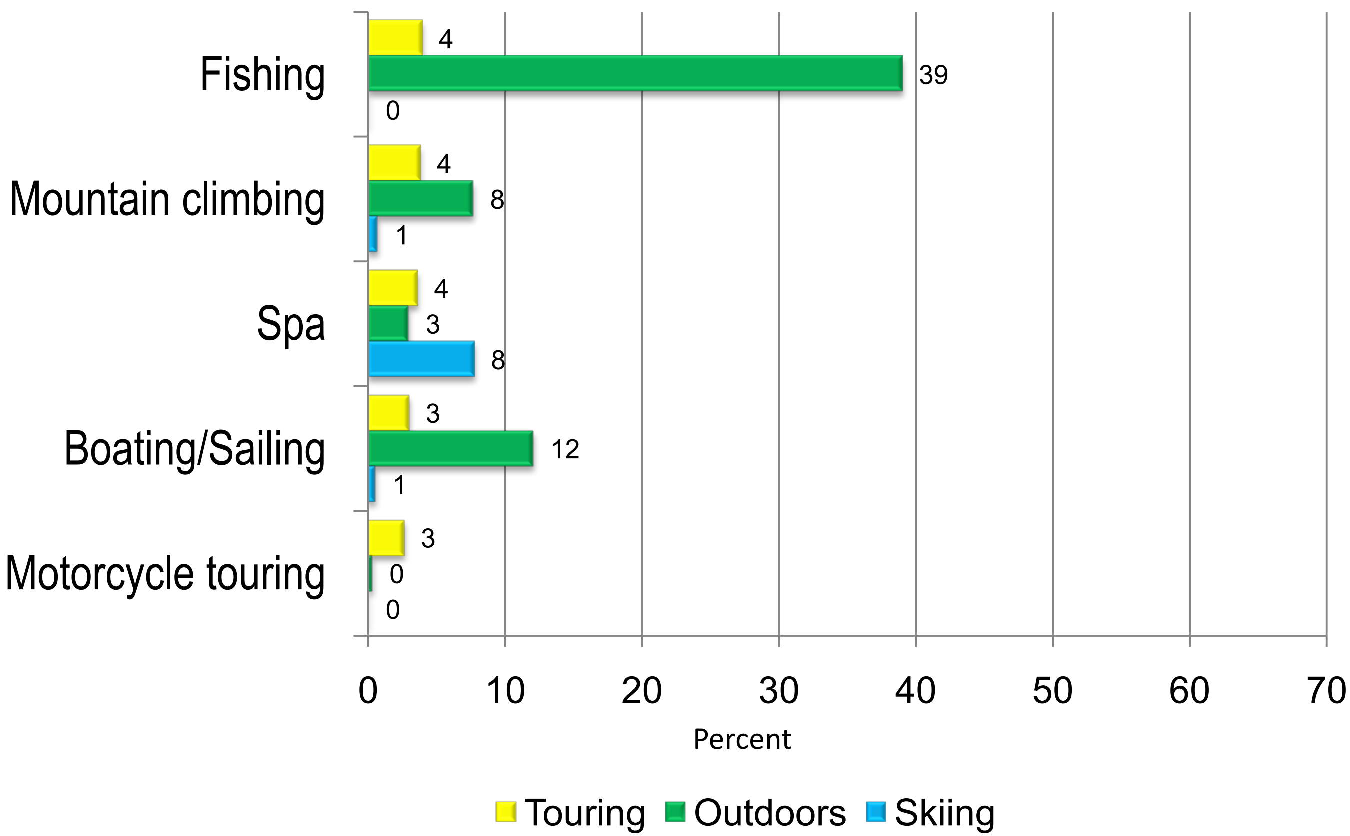
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



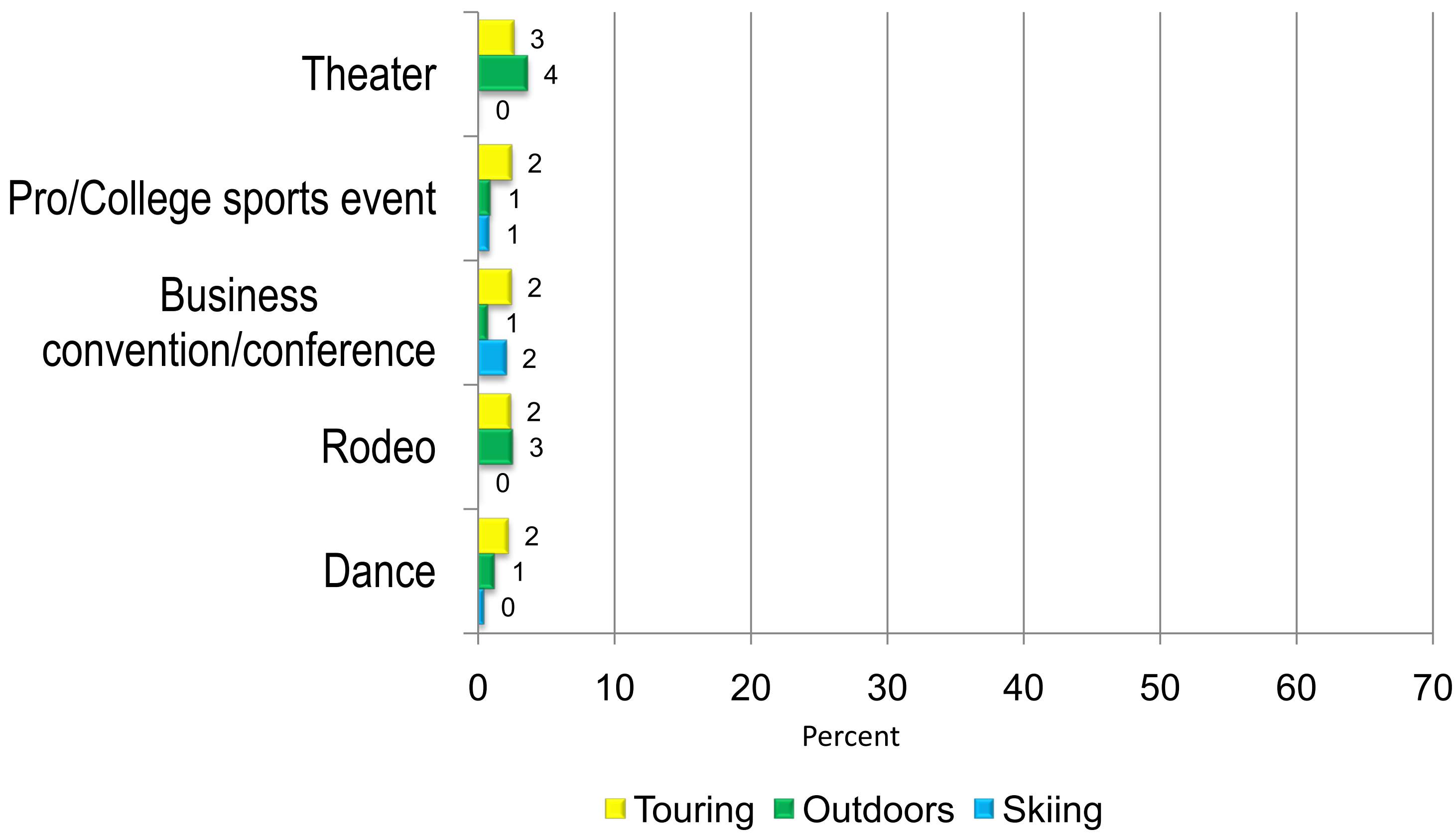
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



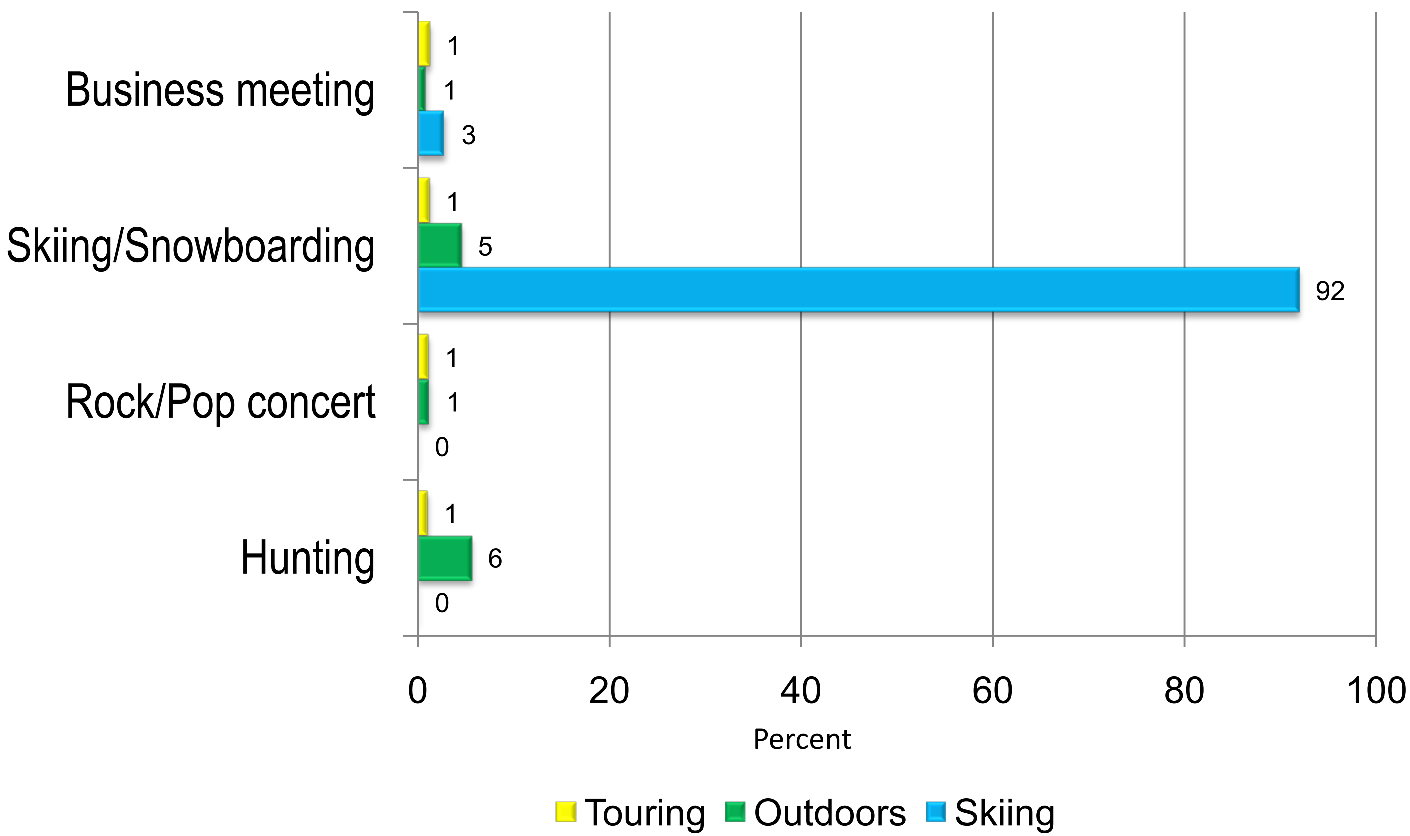
Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



Activities on Colorado Trip in 2010

Base: Overnight Leisure Trips



Specific Interests on Trip in 2010

Base: Overnight Leisure Trips