



OUR HIGHEST VALUE TRAVELER: THE SKIIER

COLORADO ASSOCIATION OF SKI TOWNS

OCTOBER 27, 2016

WHY PROMOTE SKI?

- 500K Colorado skiers + 7 million visitors
- \$4.8 billion industry
- 46,000 year-round jobs, \$1.9 billion payroll

AMERICA'S BEST SKIING

- With the highest resorts in the US, CO has the highest terrain, incredible snow, awe-inspiring views and long trails.
- Most years, Colorado resorts open earlier and stay open longer than anywhere else; A Basin and Loveland usually battle for first day of ski bragging rights.
- CO flat-out dominates as the top US state for skiing, with a nearly 20% share of the ski market. Next closest contender is CA with 11%.



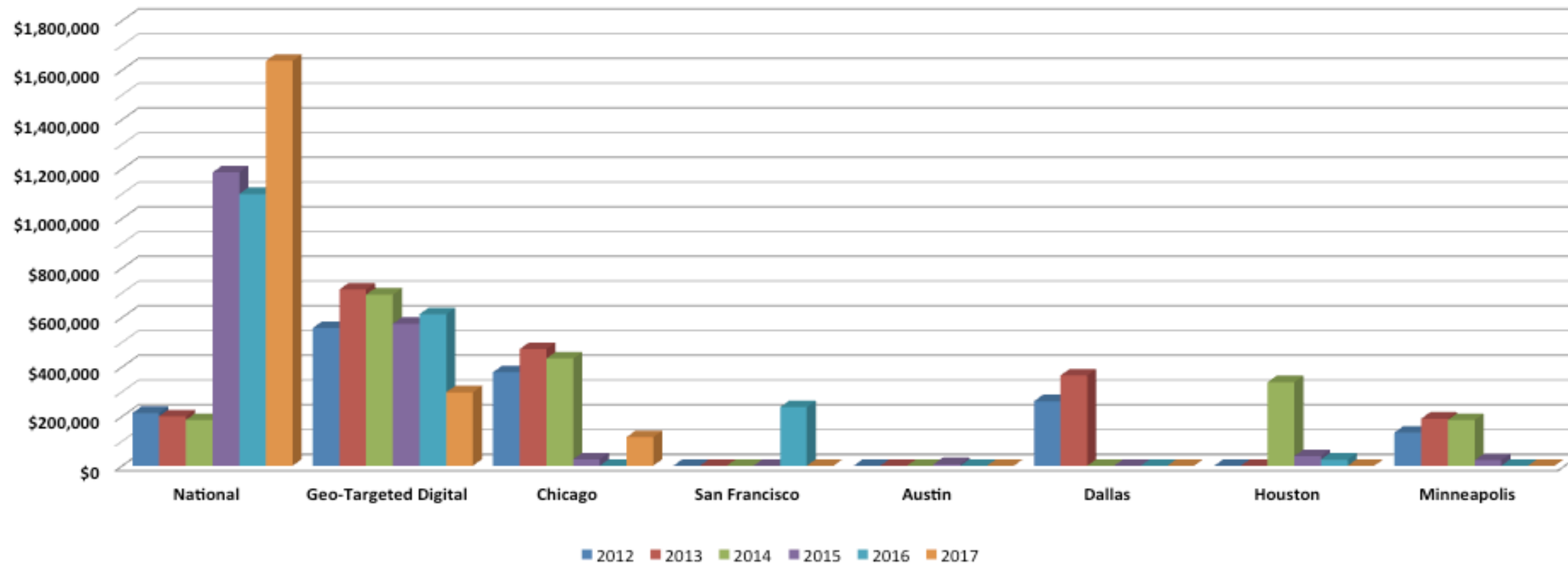


NEW WINTER CAMPAIGN

FY17 WINTER – SPENDING BY MARKET

Winter	2012	2013	2014	2015	2016	2017
National	\$213,564	\$200,000	\$184,500	\$1,186,000	\$1,098,718	\$1,637,277
Geo-Targeted Digital	\$557,078	\$712,748	\$691,892	\$574,000	\$613,052	\$297,000
Chicago	\$378,407	\$471,860	\$433,470	\$26,000	\$0	\$115,723
San Francisco	\$0	\$0	\$0	\$0	\$236,625	\$0
Austin	\$0	\$0	\$0	\$6,762	\$0	\$0
Dallas	\$260,990	\$365,498	\$0	\$0	\$0	\$0
Houston	\$0	\$0	\$338,080	\$38,920	\$25,000	\$0
Minneapolis	\$134,269	\$190,508	\$184,767	\$21,880	\$0	\$0
Total:	\$1,544,308	\$1,940,614	\$1,832,709	\$1,853,562	\$1,973,395	\$2,050,000

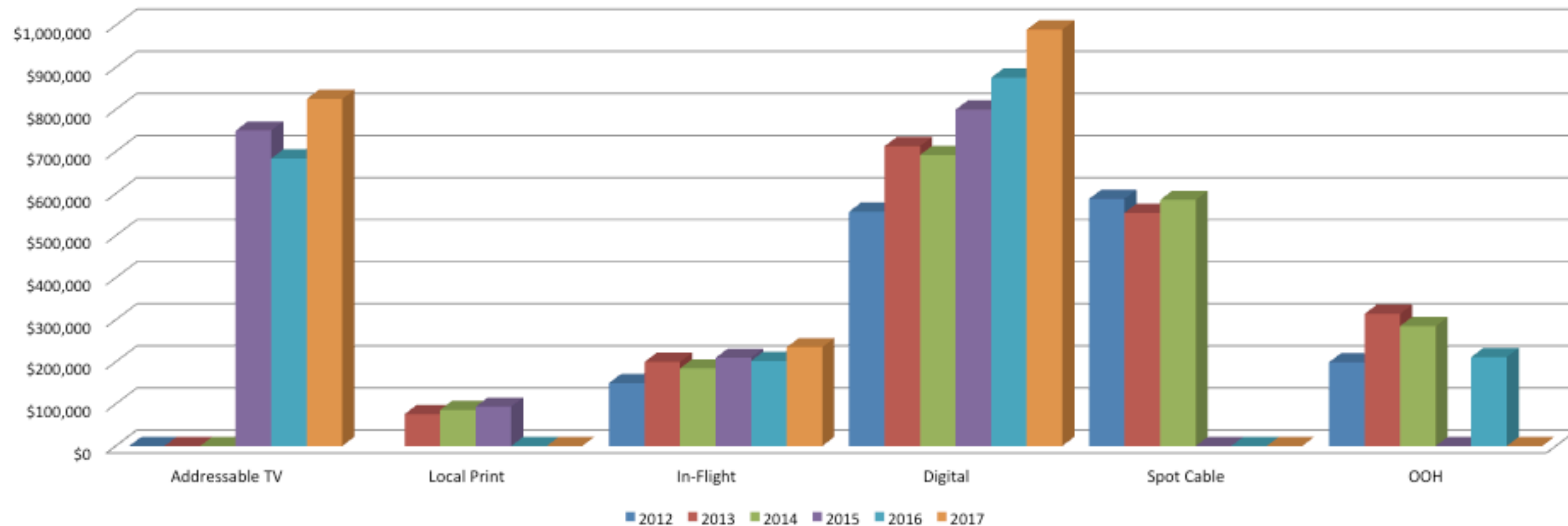
Note: spot market spending is non-digital



FY17 WINTER – SPENDING BY MEDIUM

Winter	2012	2013	2014	2015	2016	2017
Addressable TV	\$0	\$0	\$0	\$750,000	\$683,382	\$825,000
Local Print		\$76,078	\$85,980	\$93,562	\$0	\$0
In-Flight	\$150,000	\$200,000	\$184,500	\$210,000	\$202,600	\$235,000
Digital	\$557,078	\$712,748	\$691,892	\$800,000	\$875,788	\$990,000
Spot Cable	\$587,486	\$554,460	\$585,246	\$0	\$0	\$0
OOH	\$199,274	\$314,222	\$285,090	\$0	\$211,625	\$0
Total:	\$1,493,838	\$1,857,508	\$1,832,708	\$1,853,562	\$1,973,395	\$2,050,000

**Placed by MMG, not KH recommended*



:30 TV/VIDEO SPOTS







DIGITAL BANNERS



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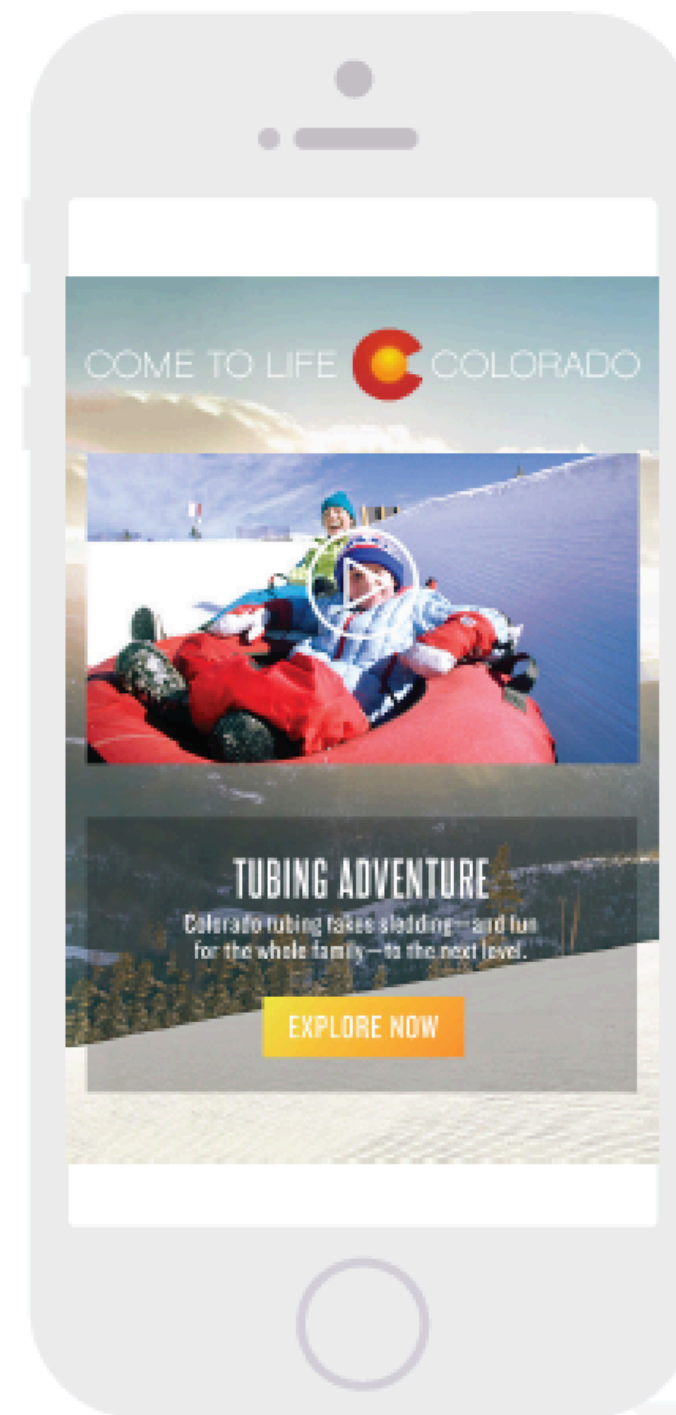
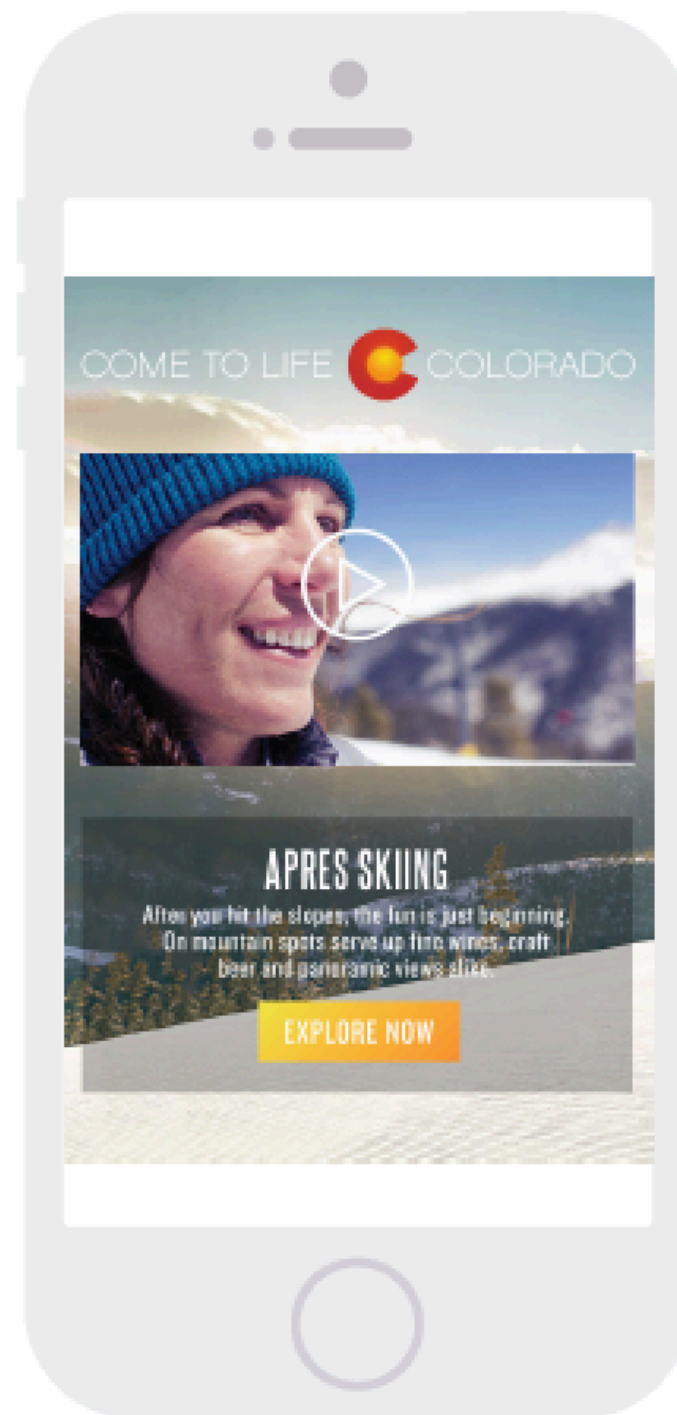
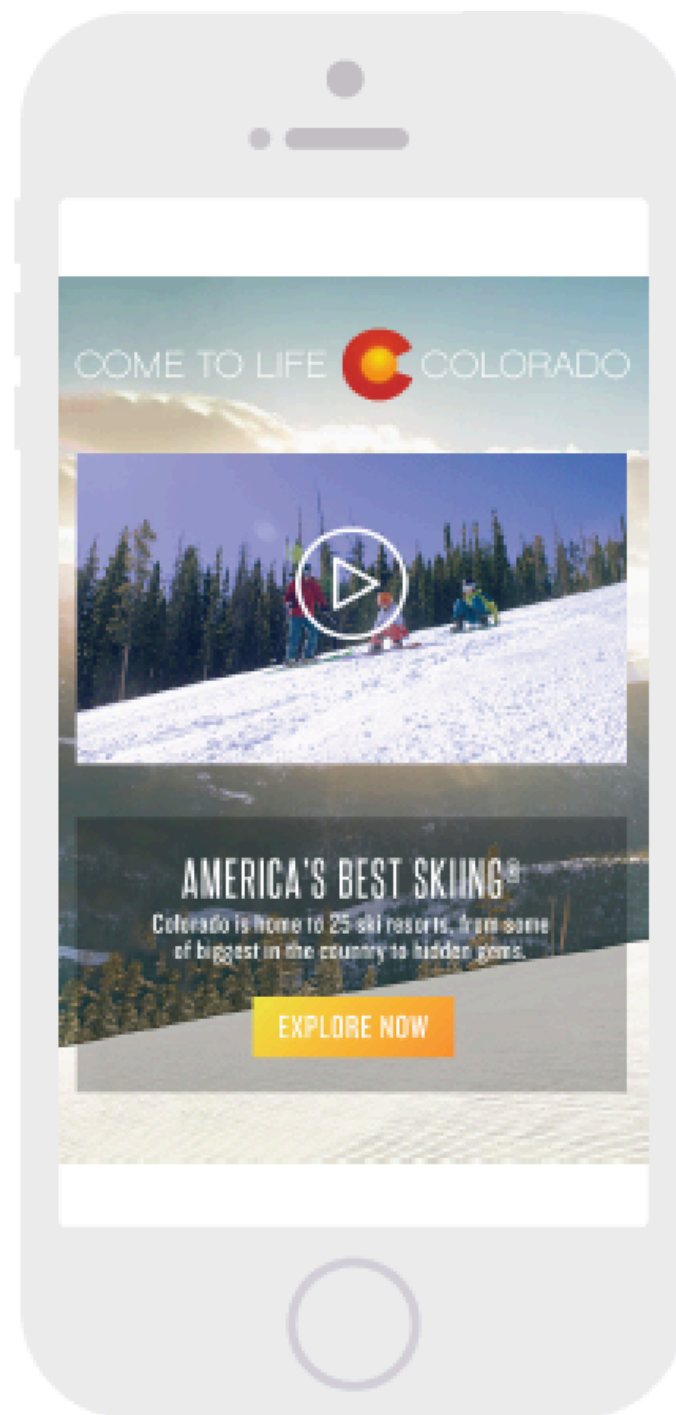
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DIGITAL RICH MEDIA UNITS





SWIPE TO REVEAL





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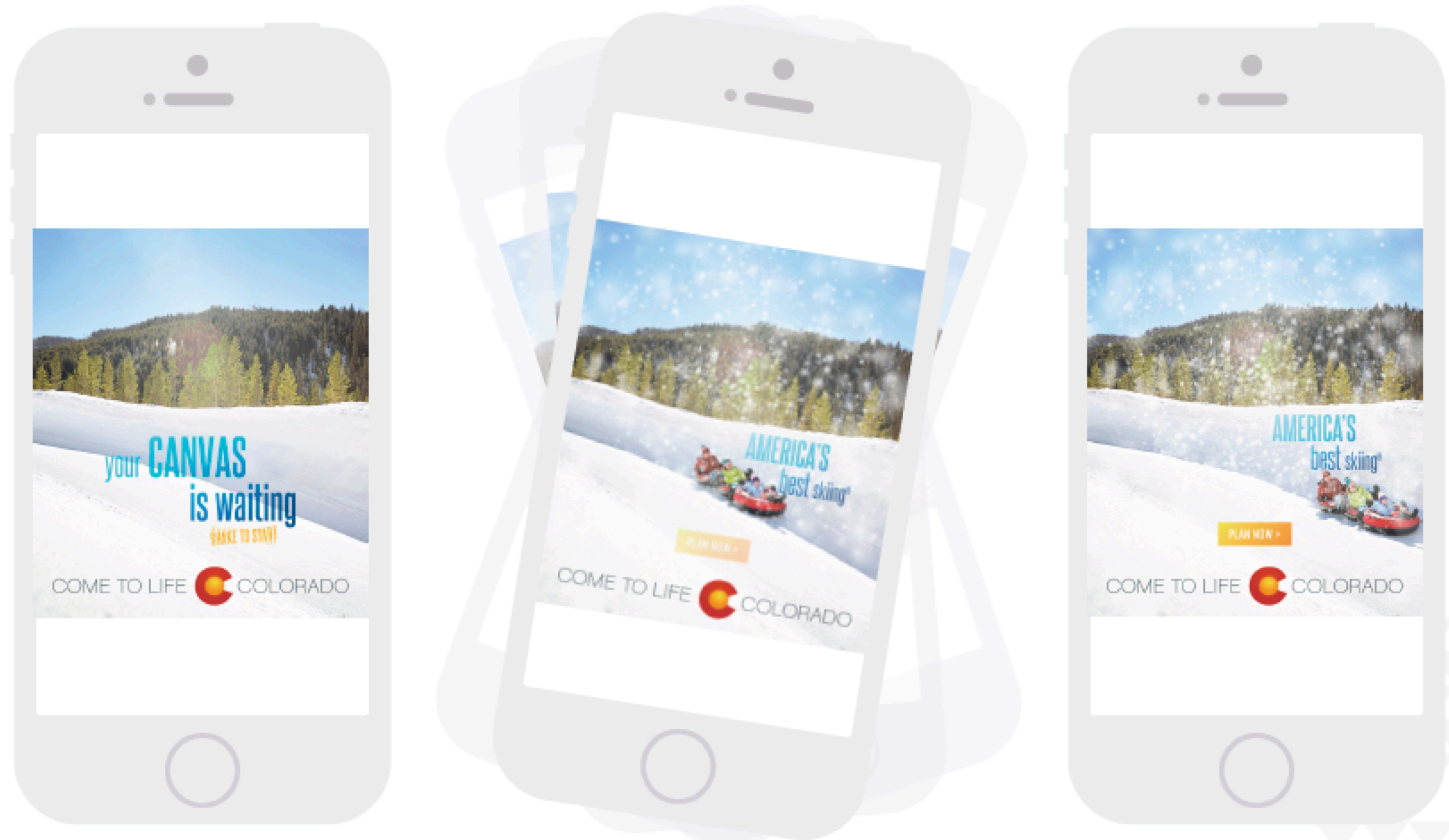


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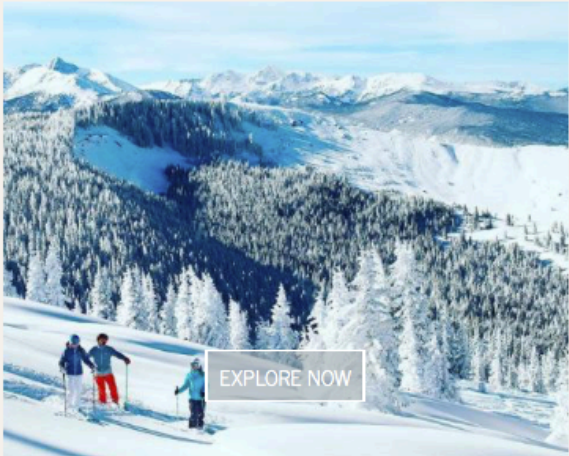


NEW WINTER LANDING PAGE



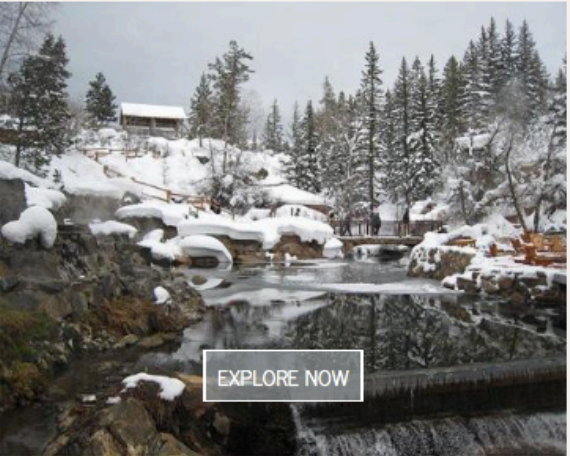


ORDER THE GUIDE TO WINTER



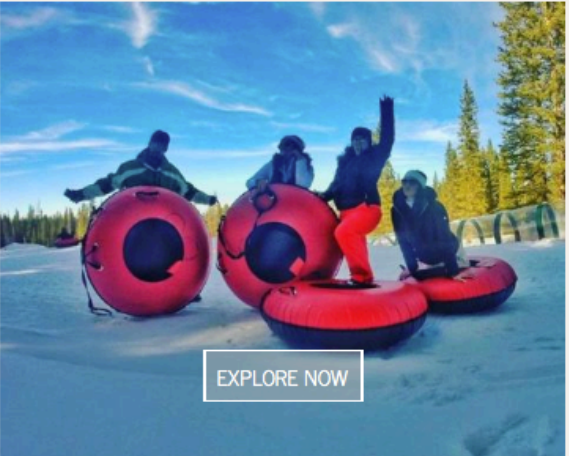
@cu_ski

#Enjoying #enjoy #winter in #Vail #Colorado #USA #skiing #fun #snow #mountains #friends #amazing #ski #travel #awesome #nature #landscape #beautiful #picoftheday. Skifahren in Vail. #Traum #Natur #Skurlaub #Freunde #Reise #Urlaub. Photo by Vail Resorts.



@steamboatcolorado

We love this photo of the natural hot springs shared with us by visitor Shelby Melendez! Steamboat's Strawberry Park Hot Springs was recently rated one of the top 5 hot springs to visit in Colorado. If you haven't visited us for a soak yet, be sure not to miss the beautiful and relaxing spot during your next visit! Link to the full story in our bio. #steamboat #steamboatsprings #coloradolive #vacation #travel #relax #spa #hotsprings #winter #snow #mountains #skiing #snowboarding

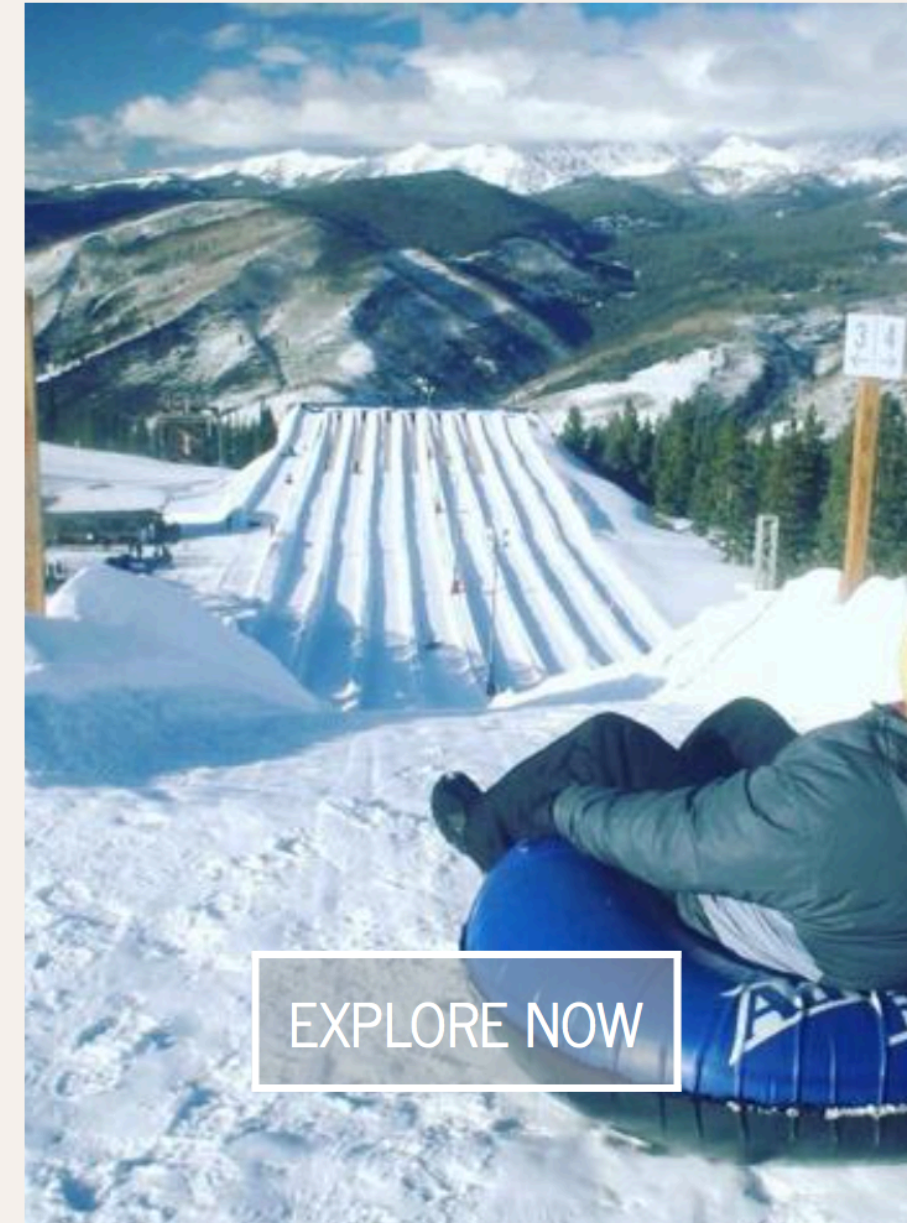
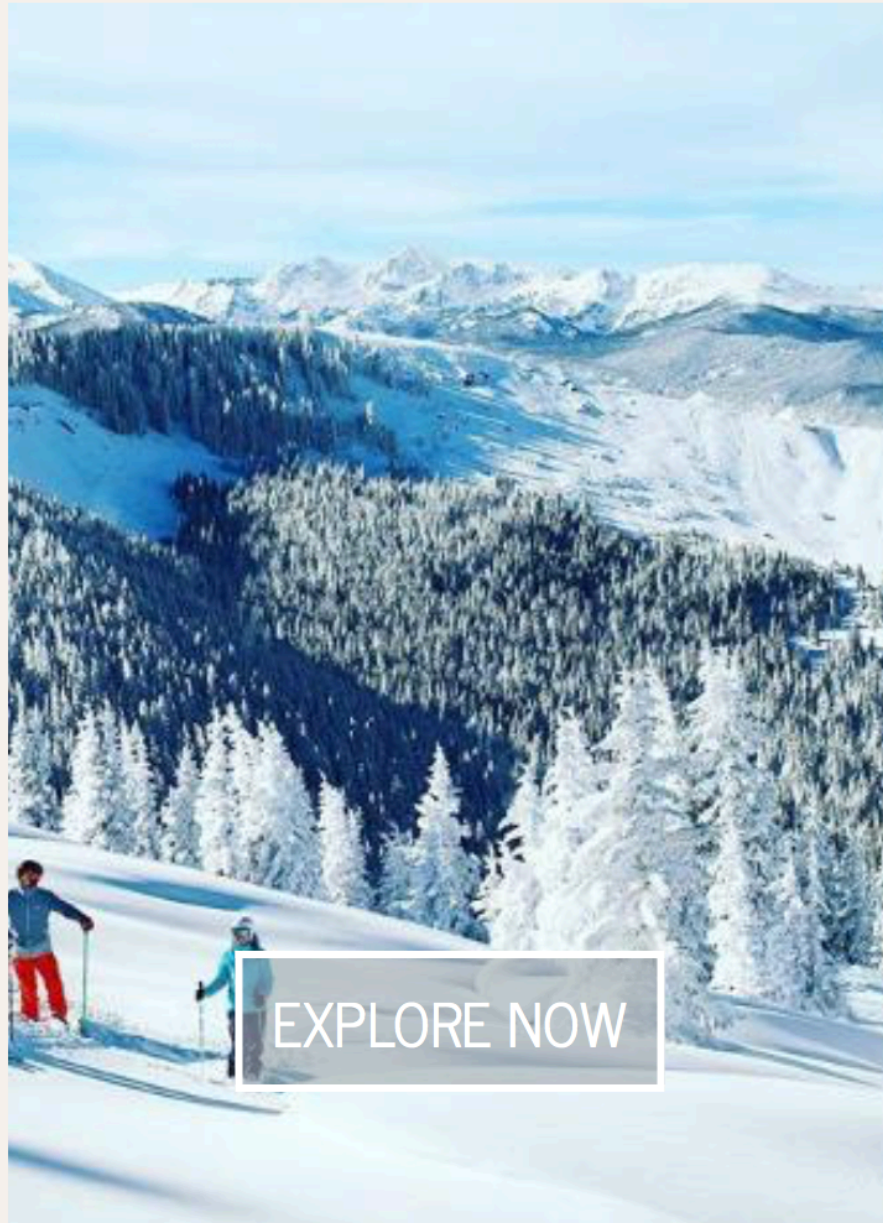


@mabel729

Tubing #colorado #snowmassvillage #SnowBunny #ski #snowmass #tubing #3bestfriendsthatanyonecouldhave #slopestyle



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OUTBRAIN



OUTBRAIN OVERVIEW

- **What is Outbrain?** A content discovery and promotion platform
- **What does it do?** Allows us to place teaser content (image and headline) in the “We Recommend” section following editorial
- **What is our goal?** To use the platform to amplify the efforts of the CTO PR team by driving incremental traffic to the articles that they have worked so hard to get placed



OUTBRAIN BENEFITS

- Supports our strategy of telling authentic stories about the state (from third party, credible sources)
- The platform will auto-optimize to support the best performing pieces of content, which reduces waste but also allows us to gain an understanding of what topics are getting the most traffic and resonating with our audience
- It's an efficient way to get the most out of PR placements. We pay on a cost per lander, not impressions. Target CPL is \$0.60
- It allows us to show partnership with the media outlets who place Colorado stories by demonstrating to them the incremental traffic we paid to drive to their site





COLORADO TOURISM ROADMAP

STRONG ECONOMIC IMPACT

- Triggered **\$19.1 billion** in spending, up 3%, compared with 0% nationally
- In 2015, a record **77.7 million visitors**, an 8.6% increase36 million overnight
- Generated **\$1.13 billion** in taxes, up 7.8%
- Supported more than **160,000 jobs**, up 3% from 2015, supporting a \$5.5 billion payroll

CO has posted a 31% increase in visitation, nearly twice the 16% growth rate of US travel, since depths of recession in 2009.



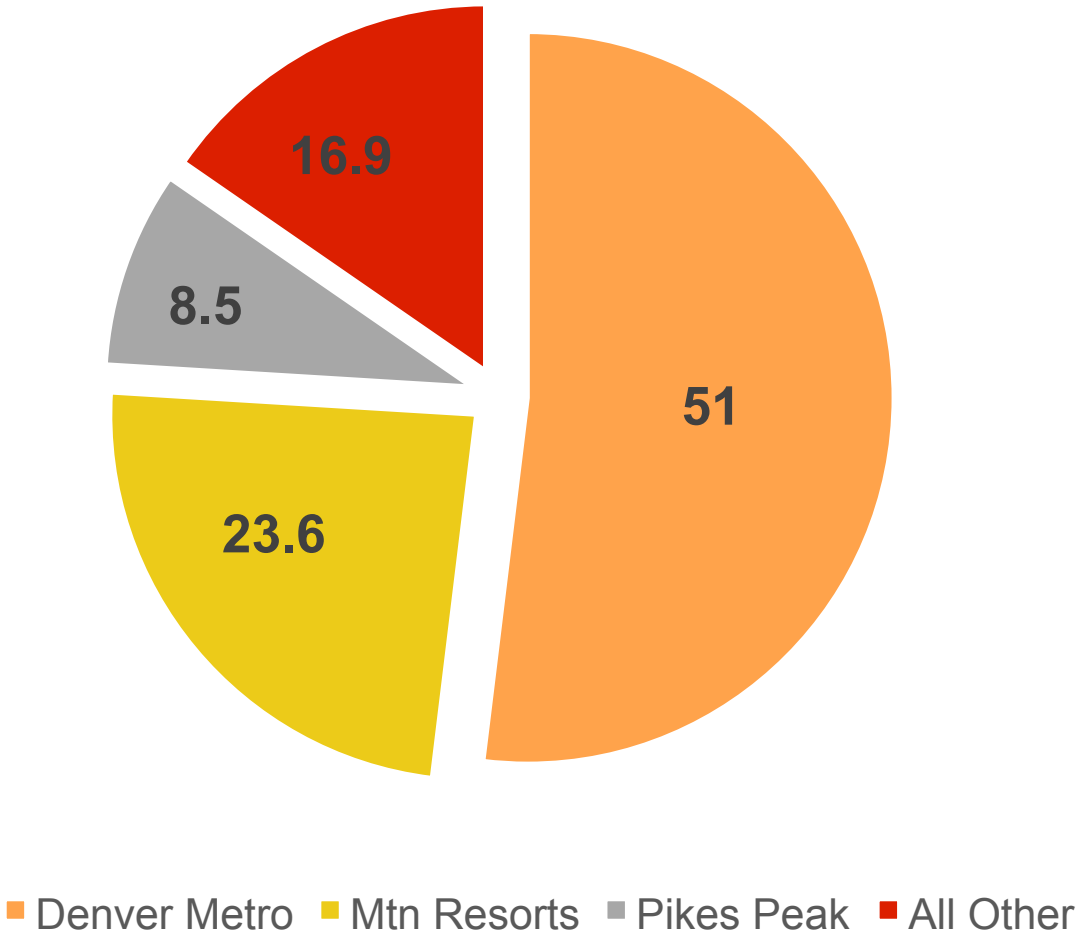
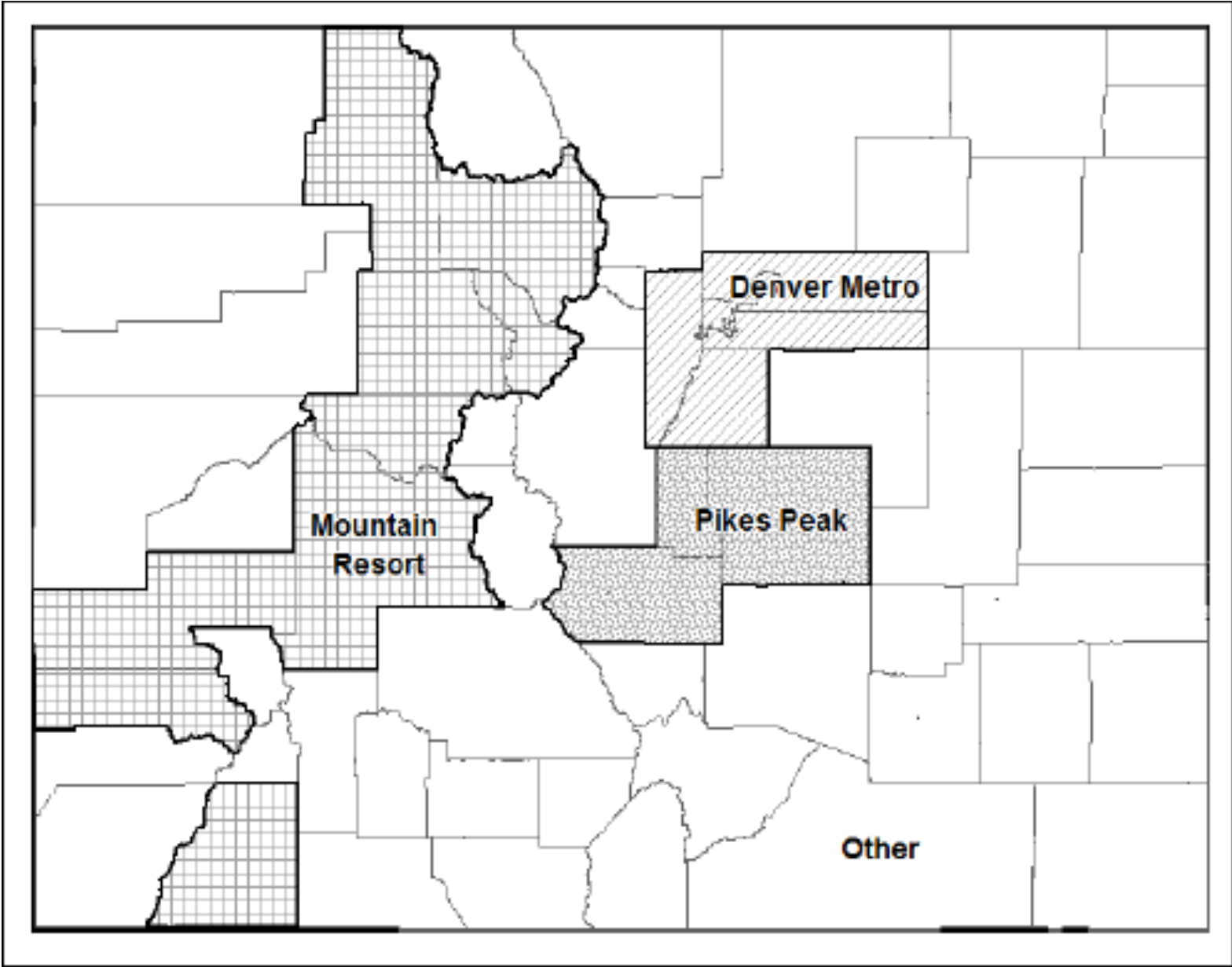
STRONG GROWTH RATES

- Growth in overnight trips has increased significantly over the past 5 years
- Overnight currently makes up 46% of total Colorado visitor trips

% Growth in Visitor Trips			
Year	Overnight	Daytrips	Total
2011	0.3%	10.3%	5.1%
2012	1.7%	6.6%	4.1%
2013	5.1%	9.1%	7.1%
2014	8.4%	12.2%	10.4%
2015	7.1%	10.6%	9.0%

Source: Longwoods International 2015

REGIONAL BREAKOUT OF DIRECT SPENDING



Source: Dean Runyan Assoc – Colorado Travel Impacts

CHANGE IN DIRECT SPENDING

- Growth over the past 5 years has been most significant in the Denver Metro and Mountain Resort regions
- The All Other and Pikes Peak regions were 11 and 22.5 points below the 5 year Denver growth rates
- All Other regions grew at rates less than ½ that of state averages in 2015

Direct Spending % Change

Region	1year	5 year
Denver Metro	3.4%	38.7%
Mtn Resorts	7.6%	37.2%
Pikes Peak	4.3%	16.2%
All Other	1.8%	27.7%
Average	4.2%	34.2%

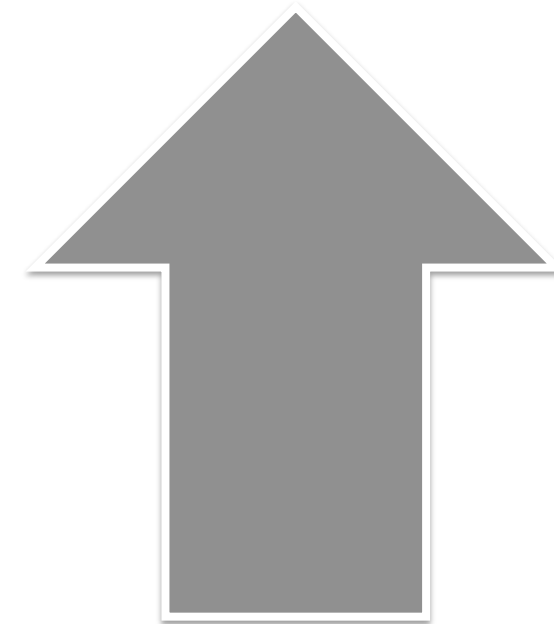
Source: Dean Runyan Assoc – Colorado Travel Impacts



SKI VISITORS SPEND MORE

- Ski trip \$1315
- Combined business/leisure \$454
- Tourism vacationer \$448
- Country resort \$404
- Special event \$384
- Outdoor \$386
- City \$331
- Casino \$258

Ski visitors spend 2.9x more than the next closest segment



Source: Dean Runyan Assoc – Colorado Travel Impacts



SHIFTING SOURCE OF COLORADO OVERNIGHT DEMAND

- Percent coming from Western regions of the county dropped by 11 points
- Pacific and Northeast regions have grown the greatest

	% Overnight Leisure Trips		
Region	2011	2015	Variance
West*	71	60	-11
Pacific	9	14	5
Mid-West	7	8	1
South	8	10	2
Northeast	5	8	3

Source: Longwoods International 2015

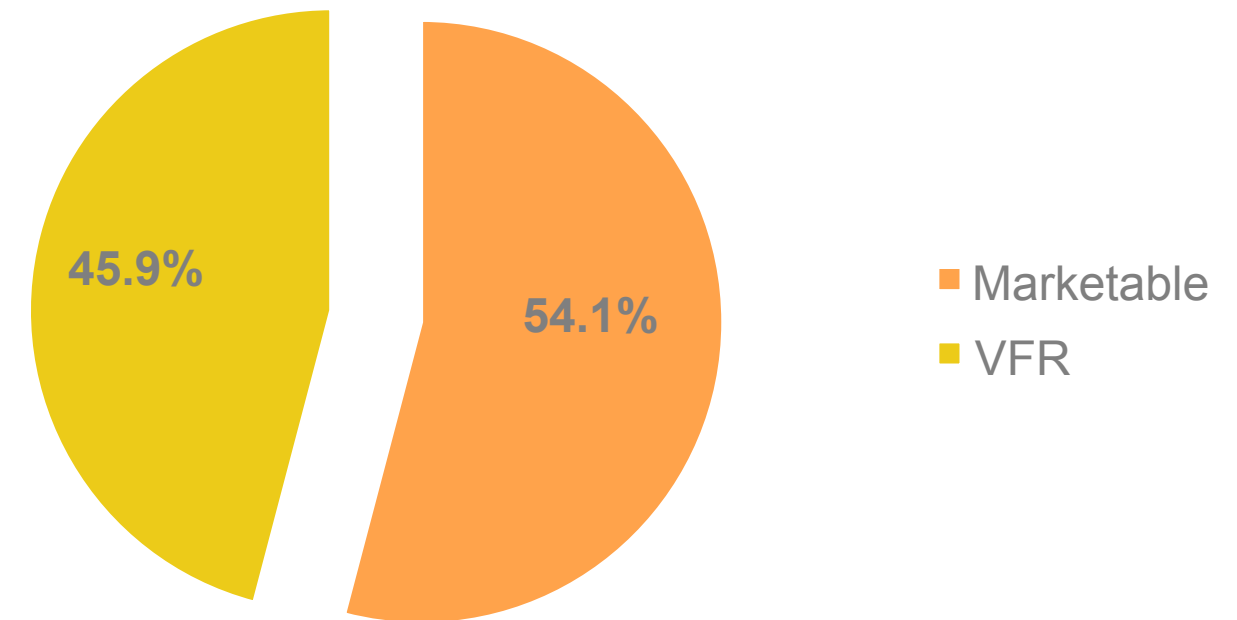
*Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota, Arkansas, Louisiana, Oklahoma and Texas

WHAT ABOUT LEAKAGE?

CO residents have declined as share of overnight trips

- 2015 – 30%
- 2014 – 34%
- 2013 – 36%

VFR Critical in Overnight Leisure



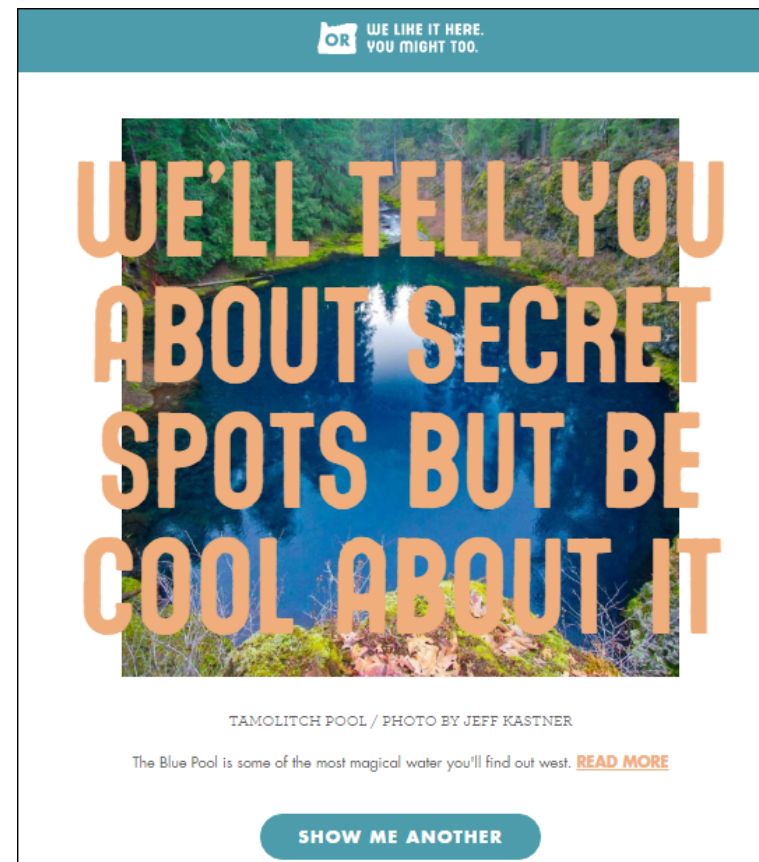
Source: Longwoods International 2015



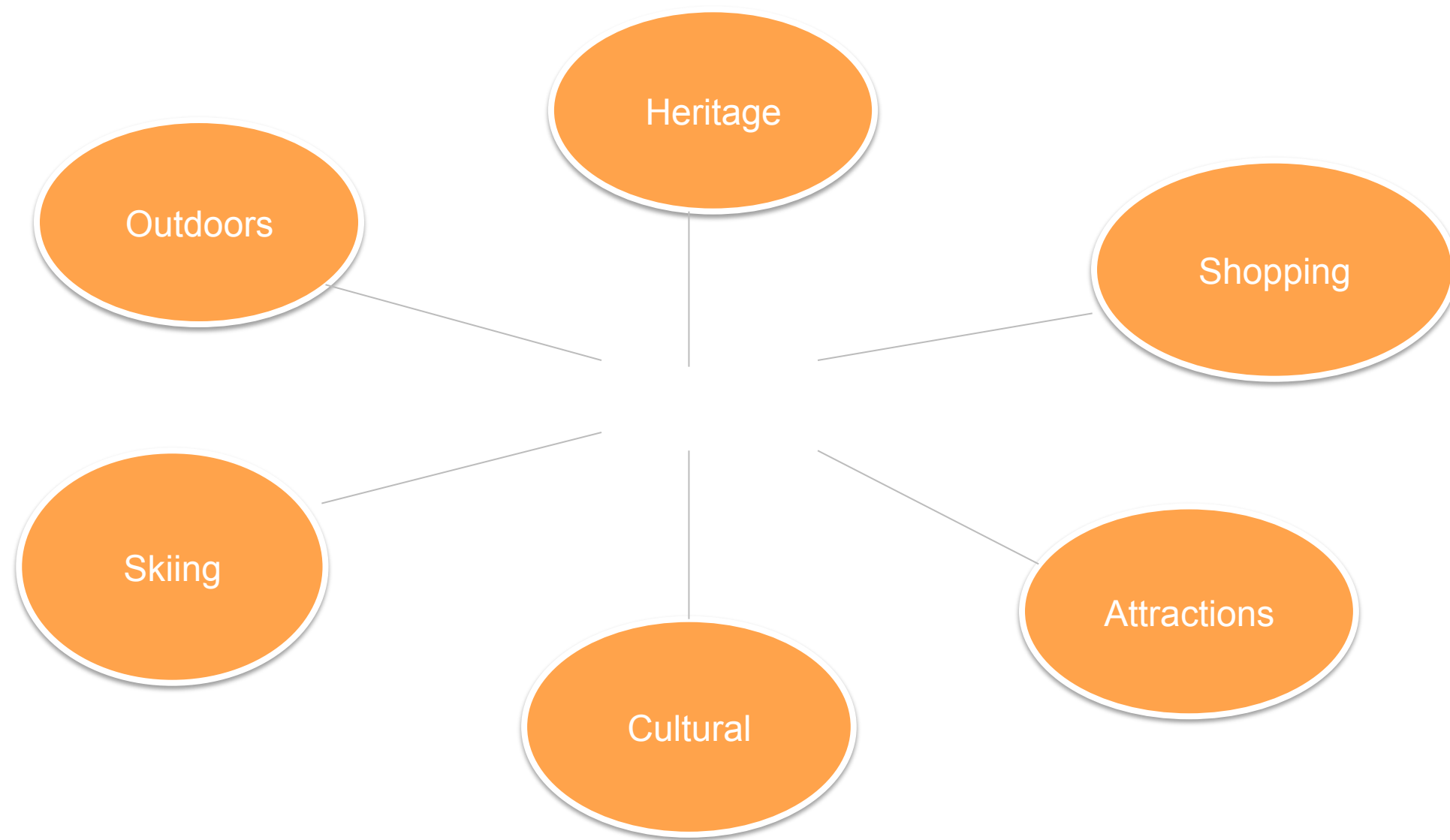
BUILD CONNECTION WITH COLORADO RESIDENTS

Increasingly Connect with Colorado residents – use as part of sales force

- Use Colorado resident voices to present “authenticity”
- Recognize ability to build demand and deepen appreciation of industry.



CONNECTING THE DOTS



Are we making it easy for visitors to speak to all their interests/wants?



DESTINATION ARCHITECT

Use diverse range of tools to understand and suggest connections among Colorado assets

- Use visitors' actual experiences to better understand product connections and make suggestions to Colorado visitors
- New incentive grant programs should be developed that reward regional product linkages and integration



THE FUNDAMENTAL QUESTION

- What are the high-value visitor segments?
Average trip spend in CO is \$479, compared with US average of \$360.

A TYPICAL PERSPECTIVE

- High income, stronger spending, staying longer

OTHER CONSIDERATIONS

- Building demand in off season
- Spurring demand in earlier stage markets
- Targeting segments that reinforce economic development strategies



DEEPEN TECHNICAL CAPABILITIES

Assist DMOs across the state in deepening “Destination Architect” skills

- Provide “how to” approaches to help build capacity and know how re proactive product development
- Build entrepreneurial skillset – help new business development
- Tie demonstrated ability to access prospective grant programs



REINFORCE SUSTAINABILITY

Demonstrate visitor industry and CTO at forefront of applying sustainable thinking

- Help drive Colorado visitors to lesser known sites and experiences.
- Demonstrate and provide recommendations on how to be a “sustainable adventurer”

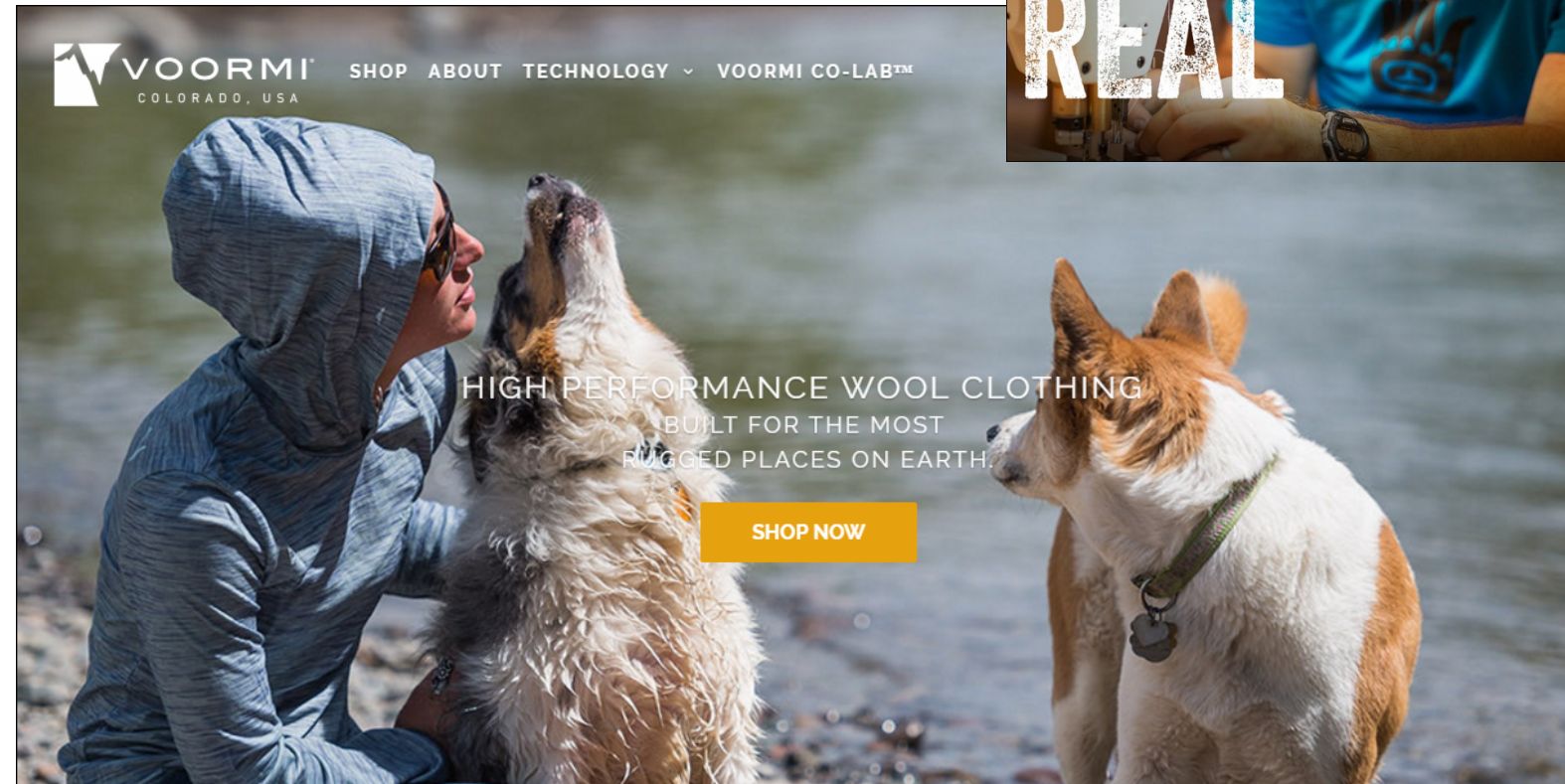


VOORMI COMMITS TO COLORADO AND PAGOSA SPRINGS

Outside

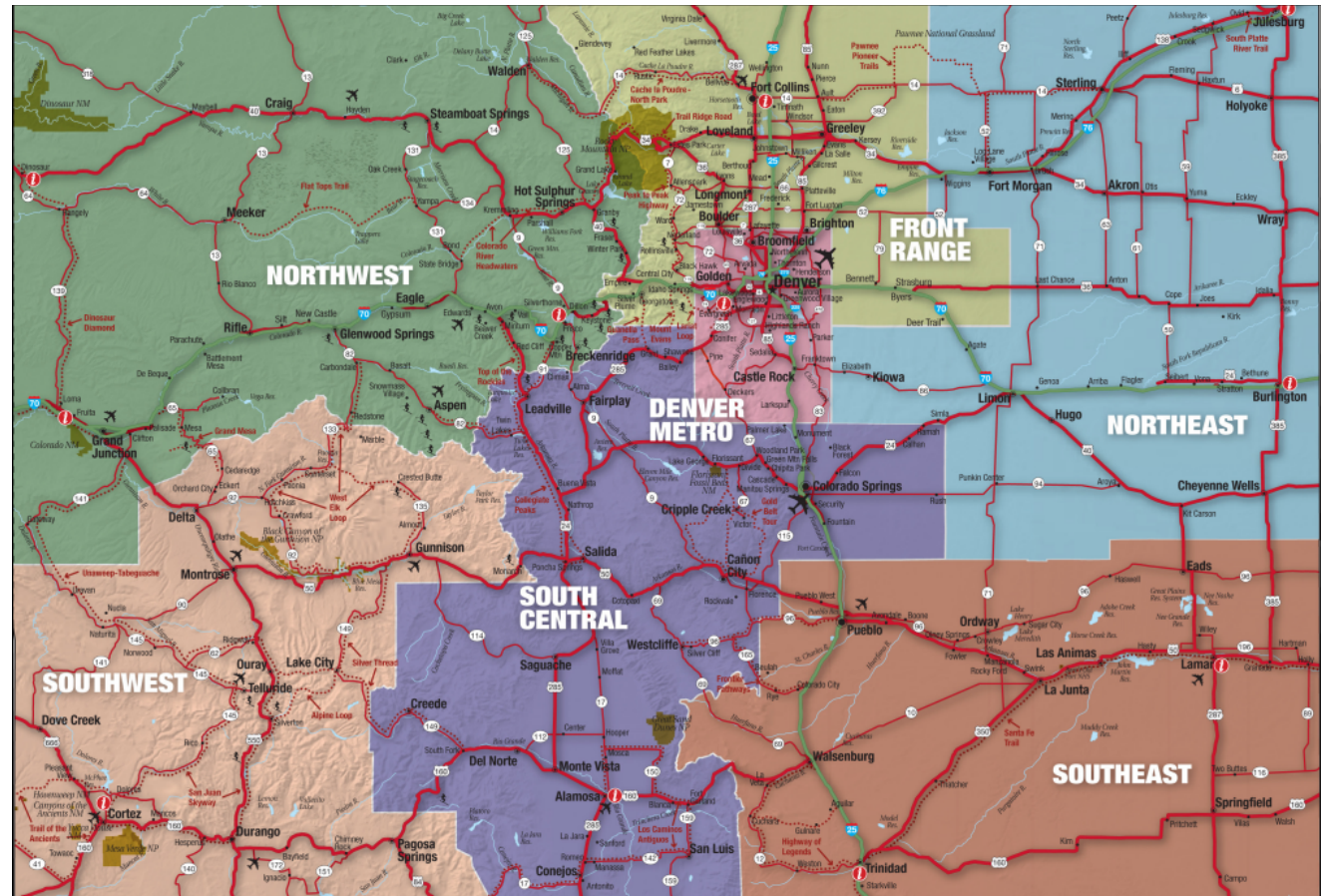
MAGAZINE – TELEVISION – ONLINE

Voormi's Plan to Revolutionize Our Outerwear and the Mountain-Town Economy



REGIONAL COLLABORATION MUST BE REINFORCED

- Current regionalization does not effectively reflect true visitor connections
- CTO must facilitate and stimulate effective regional cooperation and collaboration
- Sustainable practices must be integrated to help direct and manage visitor flows in long term environmentally sensitive ways



KEY POINT

The competitive landscape must be kept 'top of mind' to understand true challenge.



COLORADO'S BUDGET POSITIONING

- Colorado is ranked 13th of top 20 states in terms of budget
- Colorado's flat growth significantly below the 15% + average increase of the top 20 states

	State	Budget FY 2015-2016	% Change
1	California	\$119,881,265	0.00%
2	Hawaii	\$93,255,548	21.20%
3	Florida	\$82,727,272	10.50%
4	New York	\$50,000,000	100.00%
5	Texas	\$46,583,000	-5.80%
6	Michigan	\$33,000,000	13.80%
7	Illinois	\$30,346,576	-44.40%
8	Virginia	\$23,567,934	25.10%
9	Arizona	\$22,170,674	-10.10%
10	Louisiana	\$21,007,513	40.50%
11	Missouri	\$20,804,990	-0.90%
12	Utah	\$19,845,767	16.30%
13	Colorado	\$19,800,000	0.00%
14	Oregon	\$19,352,007	34.10%
15	Montana	\$18,705,590	15.70%
16	Tennessee	\$18,568,731	29.40%
17	Nevada	\$17,887,678	26.70%
	South Carolina		
18	Carolina	\$16,057,718	25.40%
19	Arkansas	\$15,942,739	-3.00%
20	Wisconsin	\$15,845,601	2.70%

Source: US Travel Association



IF COLORADO WAS IN PARITY

FY 15/16 Budget \$19,800,000

Parity* Budget \$29,000,000

*Considering average budget investment ratio to state visitor spending
top 20 states

Source: NTG/TRC based on US Travel Association

GOAL TRACKS

Goal Tracks			
Market Refine marketing initiatives to enhance performance of all regions of the state, while maximizing the collective offerings of the state.	Product Identify and stimulate new product opportunities that reinforce Colorado's brand promise.	Organization Ensure CTO has resources and political support to maximize statewide power of industry	Industry Track competitive realities to ensure Colorado maintains its advantages



NEXT STEPS

- Take industry input into account – refine preliminary conclusions
- Expand range of objectives and tactical initiatives to act on varying goal tracks
- Present plan to Colorado Tourism Board early 2017





THANK YOU