



PROTECT AND PRESERVE OUR STATEWIDE TOURISM FUNDING

Colorado ranks near the top of aspirational destinations for visitors (just after California, Florida, New York and Hawaii). But being an aspirational destination isn't enough. We need funding to market "Colorado" because visitors don't come unless they are invited.

Tourism Promotion at the State Level Makes Sense.

- Colorado tourism generates more than \$18.6 billion in direct spending.
- Every \$1 invested by the state tourism budget returned \$361 in visitor spending.
- Visitor spending generates high tax revenues for Colorado, with a total of \$1.1 billion in state and local taxes in 2014.
- The tourism industry is a leading employer in Colorado, with more than 155,300 jobs and earnings of \$5.1 billion generated by visitor spending in 2014. (Dean Runyon)

The Colorado Tourism Office's National Campaigns Work for Colorado.

- Strategic Marketing & Research Insights (SMARI) is a national research firm contracted to analyze the financial impact of travel in Colorado.
- The Colorado Tourism Office's award-winning "Come to Life" campaign has significantly increased statewide tourism visitation since its inception, generating 1.7 million incremental trips and \$2.6 billion in visitor spending in 2014 alone.
- SMARI found that our state's tourism office's decision to move campaign resources from spot markets to national outlets in the most recent 2015 spring/summer campaign generated nearly 2.1 million additional trips by travelers who experienced the campaign, compared with 1.3 million influenced trips in 2014.
- SMARI also reported that every dollar spent on paid media during the 2015 spring/summer campaign generated \$490 in traveler spending, a 42 percent increase over the previous year.

The Colorado Tourism Office's Statewide Campaigns Benefit the Entire State, especially Small Business and Rural Colorado.

- The Colorado Tourism Office (CTO) awarded almost \$400,000 in Marketing Matching Grants for the 2015 fiscal year, offering financial assistance to Colorado's tourism industry to enhance marketing efforts to visitors. For every \$1 the organization allocates to the program, the Colorado Tourism Office provides \$1 in matching funds, up to \$25,000.
- 20 organizations from across the state received grants in FY2015. Organizations receiving grants were located in the following counties: Adams, Arapahoe, Boulder, Denver, El Paso, Fremont, Jefferson, La Plata, Larimer, Logan, Mesa, Montezuma, Ouray, Park, and Summit.
- The Colorado Tourism Office is #1 in the U.S. for dollars dedicated to agritourism promotion and marketing in rural Colorado.

- The CTO conducted nearly \$200,000 in co-operative marketing programs allowing tourism partners statewide to leverage CTO funds to market themselves internationally at significantly reduced costs. In addition, the CTO invested close to \$350,000 in Brand USA marketing programs, providing Colorado tourism partners an opportunity to leverage CTO's investment and to buy into Brand USA programs at discounts of 50% or more.

Colorado's Tourism Budget Falls Short when Compared to Other Aspirational Destinations.

- Despite all of statewide tourism funding's great successes, Colorado's tourism promotion only reaches 37 percent of domestic households, causing the second largest opportunity gap of any aspirational destination.
- Colorado's opportunity gap results from Colorado ranking 31st among 47 U.S. states for the proportion of visitor taxes reinvested in state tourism marketing.
- The Colorado Tourism Office budget makes up just 0.5 percent of Colorado's State and Local Tourism Tax receipts, while on average, states commit 1.2 percent of visitor tax revenue back into state tourism marketing...more than double that of Colorado.

What Happens When You Don't Invest in Statewide Tourism Marketing?

- In 1993, Colorado became the only state to eliminate its tourism marketing, cutting its \$12 million promotion budget to zero. As a result, Colorado's domestic market share plunged 30% within two years, representing a loss of over \$1.4 billion in tourism revenue annually.
- Over time, the revenue loss increased to well over \$2 billion yearly. In the important summer resort segment, Colorado dropped from first place among states to 17th.

Public vs. Private Investment in Colorado Tourism.

- Each player in Colorado's widespread tourism industry has its own marketing job to do, whether it's a ski resort like Aspen, Vail, Breckenridge, or Steamboat Springs; a city like Denver or Colorado Springs; an attraction, airline, hotel, or rental car firm.
- But tourists can stay at a Sheraton or rent a car from Hertz virtually anywhere. For them, the hook is **Colorado**.
- Private funding models for national Colorado tourism campaigns have failed in the past, i.e. the Colorado Travel & Tourism Authority attempted in the early nineties. Despite representing a state with one of the strongest private tourism sectors in the U.S., the new Colorado Travel & Tourism Authority was unable to raise sustainable funding or to coordinate its private sector partners under a marketing umbrella.
- Without the glue of competitive public funds for tourism promotion, the industry cannot coordinate and deliver a clear Colorado message to the traveling public.

Tourism is big business, and businesses require investment in order to succeed. The ROI on tourism spending is there — we just need the capital and support from our elected officials in Denver. An investment in state tourism promotion is an investment in Colorado and pays big dividends for the state and our residents.