Tourism Economics Study

A look at why this study is important and what can be done with the findings.

How Much is Enough?

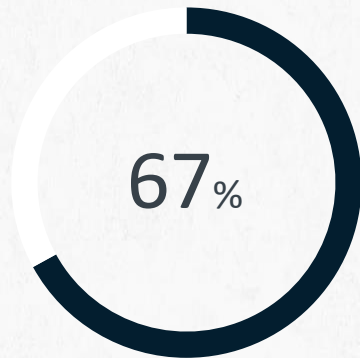> Tourism promotion is an investment in our future, providing a strong and consistent ROI.
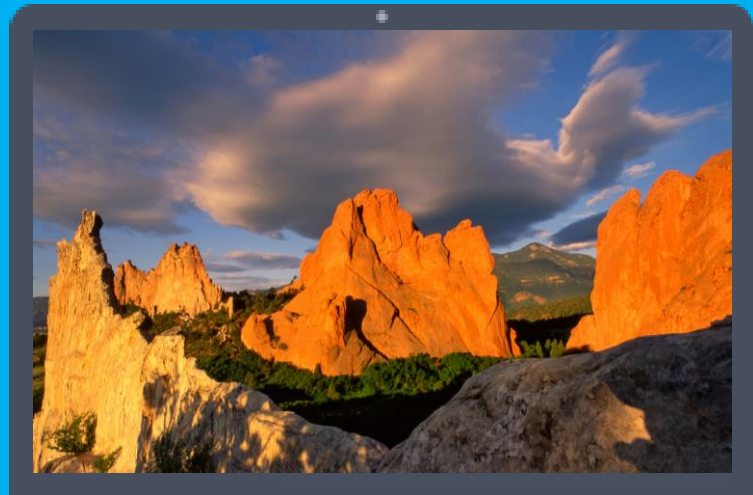
The Objective of the Funding Analysis

Determine the appropriate marketing budget to support the success of Colorado Springs tourism.

Colorado Springs Tourism Funding

The City of Colorado Springs collects a 2% tax on hotel rooms and a 1% tax on automobile rentals

67%

% of LART to CVB

- City collects $4,000,000 in LART (2014 projection)
- 67% allocated to the CVB ($2,680,000)
- Total CVB Budget - $3,200,000
  - LART
  - Membership Dues
  - Advertising & Enhancement Sales
  - County Funding
  - Grants

A Wealth of

Regional Assets

A long list of recently completed and new projects are actively planned and/or under development which will significantly increase the opportunity for Colorado Springs to attract visitors. These projects will require additional marketing funding to drive the demand requirements of this new supply.

NEW & UPGRADED	IN PROCESS	PLANNED
o Terror-Dactyl	o Pikes Peak South Slope	o National Museum of WWII
o CMSP – Archery Range	o Royal Gorge Bridge & Park	Aviation expansion
o Broadmoor West	o Manitou Incline	o Broadmoor Fishing Camp
o Fly-Fishing School	o Garden of the Gods Visitor	o Over the River
o Ranch @ Emerald Valley	& Nature Center	o Mountain Post Museum
o Cloud Camp	o Seven Falls	o Children's Museum
o Penrose Heritage Museum	o Glen Eyrie	o New Summit House
o Broadmoor World Arena	o Flying W Ranch	o City for Champions Projects

ADDITIONAL CO-OP MARKETING WITH COLORADO SPRINGS AIRPORT

Approach

Tourism Economics recommends a multi-staged approach to evaluating the current and optimal funding for destination marketing in Colorado Springs.

Define the vital role that destination promotion plays in Colorado Springs

Assess the current budget relative to market size in comparison to other markets

Evaluate current funding structure and competitiveness of bed tax rates in comparison to other markets

Determine any incremental marketing funding that should be raised to support additional tourism product development

Develop optional models/methods by which this additional marketing funding can be raised

Analyze selected models to determine feasibility, potential impacts on various stakeholders and steps required to implement

Quantify a range of potential benefits (ROI) that could be expected from this incremental increase in well-targeted marketing

Cost & Source of Funds

Study

The cost of the Tourism Economics Funding Analysis is $40,000

Funding

The study will be paid with funds raised by the CVB through private sources

Presentation

The cost of the in-person presentation is $3,500 + travel expenses

Funding

The presentation costs will be covered with funds raised by regional organizations that are in support of the project and donated hotel stay by a CVB Partner Hotel

No funds from the CVB 2014 or 2015 budgets are being used to fund this study & presentation.

Study
Supporters

This study has support from 22 organizations and donors across the region

1. Mayor Bach, Colorado Springs
2. Mayor Dominguez, Monument
3. Mayor Snyder, Manitou Springs
4. Mayor Worthey, Green Mountain Falls
5. Best Western Executive Inn & Suites
6. Best Western Plus Peak Vista Inn & Suites
7. Broadmoor
8. Colorado Restaurant Association
9. Colorado Springs Fine Arts Center
10. Cultural Office of the Pikes Peak Region
11. Downtown Partnership
12. El Paso County
13. Fremont County Commissioners
14. Glen Eyrie/The Navigators
15. LART Committee
16. Manitou Springs Chamber
17. Old Colorado City Associates
18. Pikes Peak Country Attractions
19. Pikes Peak Lodging Association
20. Regional Business Alliance
21. Regional Leadership Forum
22. Tri-Lakes Chamber of Commerce

Timeline

Q4 2014

Research Concludes

Q1 2015

**Community
Discussions**

Project Start

12/31/14

**Report &
Presentation**

2015