
PAGOSA SPRINGS CONVERSION STUDY 2008

*Final Results
January 2009*

*Prepared for:
Pagosa Springs Town Tourism Committee*

*Prepared by:
RRC Associates
4940 Pearl East Circle, Suite 103
Boulder, Colorado 80301
303/449-6558*

TABLE OF CONTENTS

METHODOLOGY.....	1
EXECUTIVE SUMMARY	2
TAX REVENUE PATTERNS.....	4
IMPORTANT MARKET SEGMENTS.....	7
VISITOR PROFILE AND DEMOGRAPHICS.....	9
VACATION DECISION-MAKING PROCESS	13
Information Packets.....	14
Website Ratings.....	19
Information Sources / Advertising.....	20
Motivation for Visiting Pagosa Springs.....	22
Motivation by Marital Status	23
Reason For Visiting Compared by First Time/Repeat Visitor	25
Conversion and Non-Visitors to Pagosa Springs	26
Reasons for NOT visiting Pagosa Springs.....	27
VISITORS' TRIP TO PAGOSA SPRINGS.....	29
Transportation Patterns	29
Party Characteristics.....	30
Trip Length.....	32
Other Places Visited on Trip	33
Number of Previous Visits to Pagosa Springs.....	33
Accommodations Type	34
Lodging Ratings.....	36
Visitor Expenditures.....	37

Activities	38
PERCEPTIONS OF PAGOSA SPRINGS.....	40
Image of Pagosa	40
Visitor Center Visitation and Ratings	42
Ratings of Vacation Experience in Pagosa Springs	43
The Shopping Experience.....	44
The Dining Experience.....	45
Overall Trip Experience	46
Net Promoter	49
What Makes Pagosa Springs Different as a Vacation Destination From Other Areas You Considered?.....	51
Most Important Things You Got Out of Your Visit to Pagosa Springs	52

METHODOLOGY

The primary objective of any market research program is to measure and evaluate the effectiveness of the Town's advertising and marketing efforts. The market research efforts must complement the other components of the marketing plan (advertising and public relations). The Town of Pagosa Springs has conducted various market research efforts over the past years, most recently a visitor intercept and mailback study in the summer of 2007.

A conversion study complements the historical research by profiling those individual travelers who requested information guide or brochure from the Visitor Center. Email addresses of those potential visitors were captured, and an email invitation was sent to them with a link to a web survey form. RRC contacted these people and asked them a series of questions, most importantly, asking whether or not they visited Pagosa Springs. The results of the study were used to determine the effectiveness of the advertising campaign in attracting inquirers to actually visit (the "conversion rate"), as well as profile visitors in terms of a number of attributes and patterns.

For those who did visit, we have profiled trip characteristics, such as party size, number of nights stayed, motivations for visiting, accommodations type, previous visit/first visit, information sourced used to plan trip, other locations visited on same trip, spending patterns, activities on the trip, satisfaction with attributes of the visit, intent to return, demographics, and geographic origin, among others. For those who did not visit, the study outlines the reasons for not visiting, other areas visited instead, and likelihood of visiting in the future.

An initial test of 407 emails was sent out on October 17, 2008 to email address dating back to 2007. The remainder of the emails were streamed out between October 21 and 23. A total of 7,983 were sent out (roughly 650 addresses were invalid and bounced back) and 857 valid responses were received for a total response rate of 12 percent. A comparison of the profile of the conversion and intercept study respondents shows that demographic characteristics between the two studies are similar (income and household status), with the exception being a stronger out-of-state orientation in the conversion study, while the intercept study reflected stronger in-state penetration.

Purpose of the Study

The purpose of this study is multi-fold: to measure "conversion rate" (percentage of those requesting information who convert to visitors); to profile visitors, non-visitors, and target markets; gauge perceptions and "brand" of Pagosa; and to measure visitors' quality of experience. This study will also be measuring "conversion" over time on a monthly basis: surveys will be sent to visitors who requested packets three months prior, with a follow-up sent to those at the six-month point as well. The study shows that conversion rates increase over time, therefore true conversion should ideally be measured over an extended length of time. It is an objective of the TTC to improve conversion and deliver a vacation experience that meets, or ideally exceeds, the expectations of visitors.

EXECUTIVE SUMMARY

This executive summary offers observations and recommendations regarding the findings from the conversion study.

- First-time visitors are a critically important market to Pagosa Springs. The 2007 intercept survey showed that 37 percent of visitors are experiencing Pagosa as a tourism destination for the first time, which is a relatively healthy percentage of “new blood.” Industry research shows that acquiring a new customer can cost 6 to 7 times more than retaining an existing customer, and increasing customer retention rates by 5% can increase profits by 25% to 95%. Those satisfied customers who “promote” their experience in a positive way provide 80% of your referrals. Those who are dissatisfied – known as detractors – provide 80% of your bad word of mouth. The goal for a tourism destination is to boost retention/visitor satisfaction: increase promoters, decrease detractors and convert first-time to repeat visitors.
- For Pagosa Springs, repeat visitors stay nearly two nights longer than first-timers (5.4 nights vs. 7.0 nights, or 30 percent longer). Converting to a repeat visitor translates into dollars: higher sales and lodging tax revenues for the community. The data show that the experience of first-timers in Pagosa is less positive than that of repeat visitors. First-timers’ “net promoter score” – or the willingness of these visitors to promote Pagosa to others – is significantly less than repeat visitors. The research also shows first-timers’ ratings of their experience to be lower (particularly in the areas of lodging and activities) than repeat visitors. And finally, first-timers show a weaker intent to return to Pagosa in the future.
- These findings are cause for concern, given the importance of bringing new visitors to Pagosa and the challenge in converting them to loyal repeat visitors. Some first-timers expressed a sense of disappointment or unfulfilled expectations regarding their trip to Pagosa – everything from the confusing layout of the town, lack of things to do, variety of shopping, and issue with quality of lodging – likely contributed to this feeling. Focusing on and committing to long-term investments in the downtown – cleanliness and aesthetic appeal, streetscape furnishings, flowers, accurate and attractive signage – all would help enhance the appeal of the town experience for first-timers.
- While other concerns – lodging, restaurants, entertainment and shopping – are outside the control of the Town, strategies for supporting and educating downtown business owners regarding the importance of customer service and being aware of the importance of first-timers could be employed, although these types of efforts are typically initiated by the private sector (or in partnership with the local government/agencies). Having said that, the warmth and friendliness of most shopkeepers were repeatedly cited as key strengths of the community, and there were only isolated instances of negative experiences. Nonetheless, a secret shopper program or something similar might be a welcome program for those business owners who may be interested in formal feedback.
- Pagosa’s primary market continues to lie in the older, empty nester segment. Families are also a significant market, while younger singles and couples without children are weak in terms of visitation. The degree to which Pagosa Springs desires to diversify its tourist base is a strategic, long-range decision that requires a commitment on the part of not only marketing efforts, but also investment in capital infrastructure, special events, programs and activities, and business development that would hold appeal for these segments. This issue of there not being “much to do” in town is of particularly importance to these segments, while Pagosa’s “bread and butter” market tends to place more value on the historical, natural, and wellness orientation of Pagosa Springs. Making a strategic decision on what the community wants to “be” vis-à-vis tourism – focusing on more narrowly-defined market segments requires one set of strategies and prioritization, while diversification of market base requires another. Pagosa Springs has limited resources in terms of marketing and municipal budgets, and focusing on a strategic plan that is pragmatic and yet would yield results in the near-term will enable the community to grow its base and perhaps diversify over the long term.

- The trend toward wellness/spa vacations will likely intensify as baby boomers mature into their 60s, 70s, 80s over the next 20 years. Pagosa Springs clearly has a strong niche in this arena, and together with the pristine and relatively remote wilderness nearby, holds appeal for those who are seeking an experience of rejuvenation, renewal – “a spiritual vacation,” as defined by the tourism industry. This type of vacation is one the fastest growing segments of the tourism industry, and Pagosa can capitalize on this trend if this is the vision for the TTC and the Town. Again, commitment to a focused strategy would be required: encouraging partnerships between the hot springs-related businesses and compatible services (yoga, retreats, conferences, culinary/healthy restaurants, etc.) could be particularly appealing to a market amenable to packages and convenience.
- On the positive side, visitors to Pagosa Springs (especially repeat visitors) are enthusiastic about the difference of Pagosa from other tourist destinations – the fact that locals are, for the most part, friendly and warm; the uniqueness of the hot springs; the slower pace and charm of the small town; and the service provided at key points of contact such as the Visitor’s Center. Ratings are high for the website and the information provided in the fulfillment packets. The only comment on the website was that perhaps the photography could be improved or be more representative of the spectacular nature of the beauty surrounding the community. For some visitors, the fact that Pagosa does *not* have a lot of activities, shopping malls and big box stores, problems with parking, and overall congestion is a plus and is a big part of what draws them to Pagosa in the first place. This concept of “escape” was a dominant theme in why visitors chose Pagosa Springs, and the challenge for the Town is to balance the need for economic growth and vibrancy, especially in the downtown, with the slower pace and friendly ambience that is at the core of Pagosa’s charm for visitors.
- Continuing to invest in the website and communicate with guests through email blasts is a wise use of limited funds given the propensity for visitors to use websites for planning purposes (this information is taken from this study, the 2007 intercept, and industry trends). Ensuring that the information, including photography, listings, maps, etc., are representative, current, and attractively designed will hopefully address first-timers’ sense of disappointment. Working with the lodging community about providing consistent standards, providing occupancy data to the TTC, and participating in a ‘secret shopper’ program will perhaps address the mixed reviews of the lodging experience.
- Increased saturation of the existing drive-in markets is, we believe, the best use of Pagosa’s resources and can capitalize on proximity as well as positive word of mouth generated in these markets. Databases that can identify and map potential customers (combined with existing survey data) can help identify and pinpoint those customers who match the profile of a visitor who would be a “fit” with the Pagosa experience. For example, for a small investment, Pagosa could query databases that track information such as lifestyles (i.e., prefers spa vacations); demographics (older, affluent, empty nester households); and geographics to target markets that would be receptive to Pagosa’s amenities and charm. Physical and email addresses could be procured for those matches. Mining these databases is a relatively inexpensive approach to further refine Pagosa’s target marketing and efficiently focus its resources.

It is our hope that this survey data will be used for not only research purposes, but also active marketing. These are a few observations and recommendations offered to help the community better understand the role that tourism plays in the overall economy. By its nature, tourism tends to be volatile, cyclical, and particularly susceptible to events outside the town’s control. Nimble marketing and promotions, such as cooperatively publicized discounts in lodging prices, package deals, frequent and appealing communications with past guests, and maximizing the usage of the data at your fingertips are all ways in which Pagosa can hopefully weather the current economic slump. We are happy to help you creatively use this data in ways that will not only provide important information, but also reach the markets that are appropriate for you.

TAX REVENUE PATTERNS

This section analyzes lodging and sales tax revenues patterns over time, and compares Pagosa to other communities in the region. This analysis provides a context for Pagosa’s tourism barometers as measured by lodging taxes as well as gives benchmarks for future performance.

- For Pagosa Springs, lodging tax revenues were down 3.5 percent through November as compared to the same period for 2007.

TABLE 1
PAGOSA SPRINGS LODGING TAX REVENUES

	2006	2007	2008 Collected	2008 Est*	% Mo. Change (2008 Est. vs. 2007)	2008 Cumulative	2007 Cumulative	% Cumulative Change YTD
Jan	\$14,059	\$22,904	\$23,544	\$23,544	2.8%	\$23,544	\$22,904	2.8%
Feb	\$13,668	\$20,543	\$17,002	\$17,002	-17.2%	\$40,546	\$43,448	-6.7%
Mar	\$26,847	\$33,516	\$31,216	\$31,216	-6.9%	\$71,762	\$76,964	-6.8%
April	\$12,700	\$15,879	\$12,500	\$12,500	-21.3%	\$84,262	\$92,843	-9.2%
May	\$19,278	\$20,590	\$19,276	\$19,276	-6.4%	\$103,538	\$113,433	-8.7%
June	\$34,441	\$31,804	\$29,041	\$29,041	-8.7%	\$132,579	\$145,236	-8.7%
July	\$40,571	\$43,728	\$44,693	\$44,693	2.2%	\$177,272	\$188,964	-6.2%
Aug	\$34,204	\$36,391	\$42,823	\$42,823	17.7%	\$220,095	\$225,355	-2.3%
Sept	\$36,758	\$36,500	\$32,200	\$32,394	-11.3%	\$252,488	\$261,855	-3.6%
Oct	\$24,487	\$25,776	\$22,101	\$22,221	-13.8%	\$274,709	\$287,631	-4.5%
Nov	\$23,836	\$14,866	\$17,157	\$17,200	15.7%	\$291,909	\$302,497	-3.5%
Dec	\$35,091	\$31,652					\$334,149	
TOT.	\$315,941	\$334,149	\$291,552	\$291,909				

* "Estimated revenues " include missing individual property payments based on last year's receipts from those properties.

- Monthly variation in lodging tax revenues shows a similar pattern over the course of the last two years. Top performing months are July, August, September, and March, with April and November the weakest lodging tax revenue producing months. Note that these monthly variations (strong summers, weaker winter and shoulder season months) are fairly consistent with other communities in the region, as shown below (Cortez and Durango). Durango’s strength in the summer months as compared to winter and shoulder seasons is clear, while Cortez and Pagosa show less seasonal variation. Pagosa’s relative strength in March also differentiates it from the other two communities, reflecting the importance of spring break vacations and typically good spring snow conditions to the local tourism economy.
- This year’s data through November also show lodging tax revenues for Durango and Cortez to be up in both lodging and sales tax revenues for 2008 as compared to 2007: lodging tax up 7.2% for Durango; 6.4% for Cortez. Sales tax revenues are up 1.8% for Durango; up 2.4% for Cortez; and down -1.4% for Pagosa.

FIGURE 1.
PAGOSA SPRINGS LODGING TAX REVENUES
2008 vs 2007

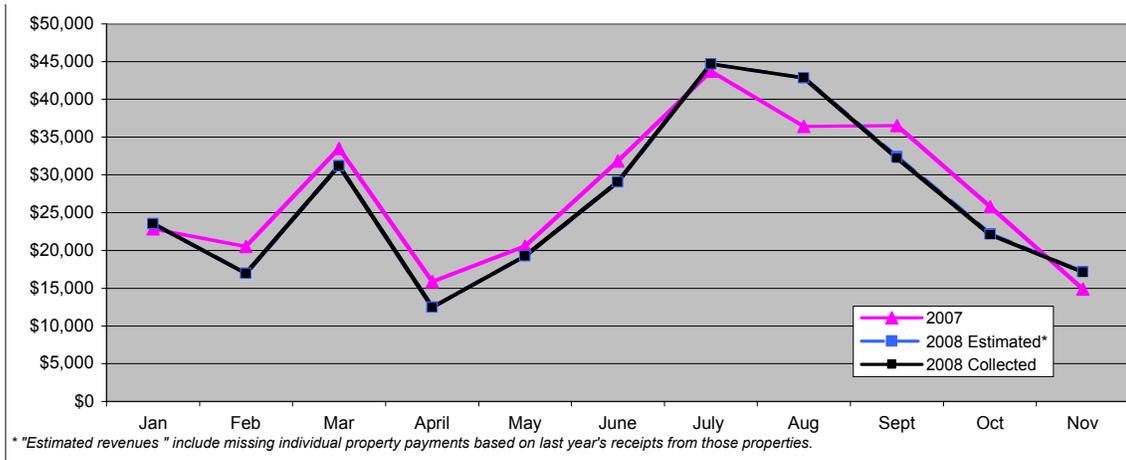
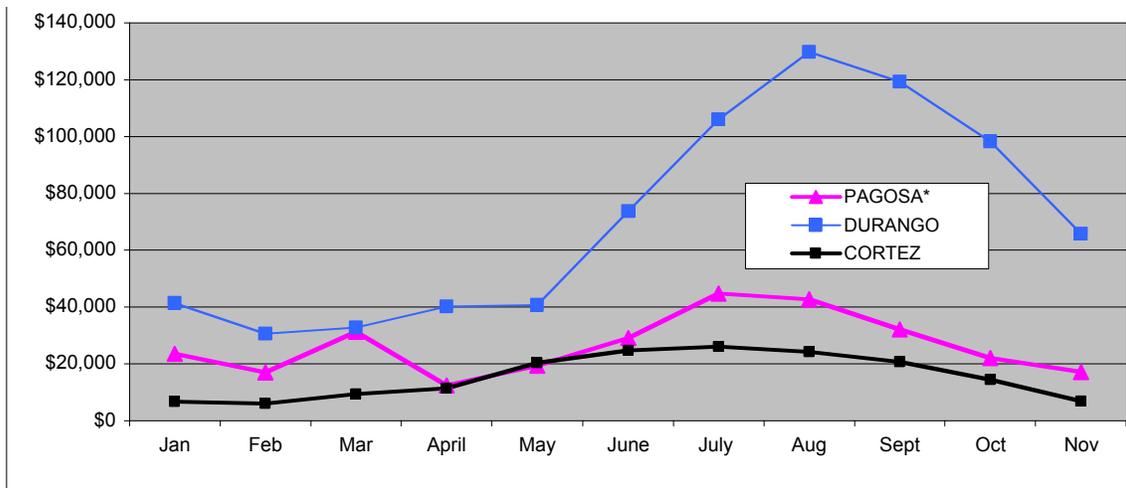
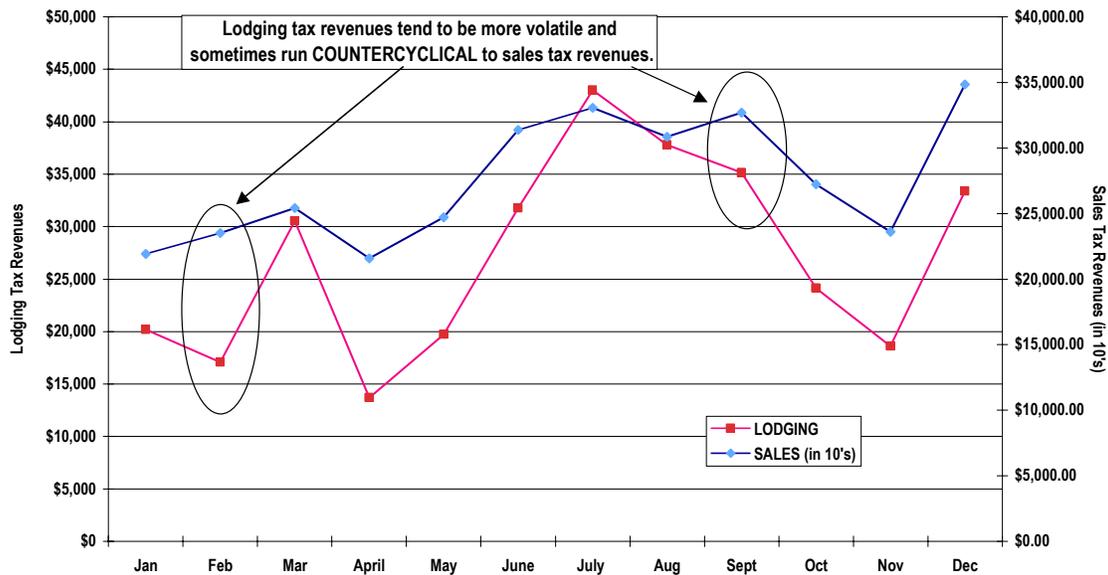


FIGURE 2.
2008 LODGING TAX REVENUES
PAGOSA SPRINGS, CORTEZ, DURANGO



- While sales and lodging tax revenues generally track similarly over the course of the year, this past year showed interesting patterns. First, lodging tax revenues show considerably more volatility from month to month as compared to sales tax revenues, reflecting the inherent variability in tourist-based economies. The other interesting pattern is the divergence in month-to-month collections: for example, sales tax collections were higher in February as compared to surrounding months, while lodging tax collections plummeted in February of this year (largely due to avalanche-related road closures). We also saw an increase in September *sales tax* revenues compared to surrounding months while *lodging tax* revenues in September dropped off steeply from August revenues. For other months, sales and lodging tax revenues generally track fairly closely.

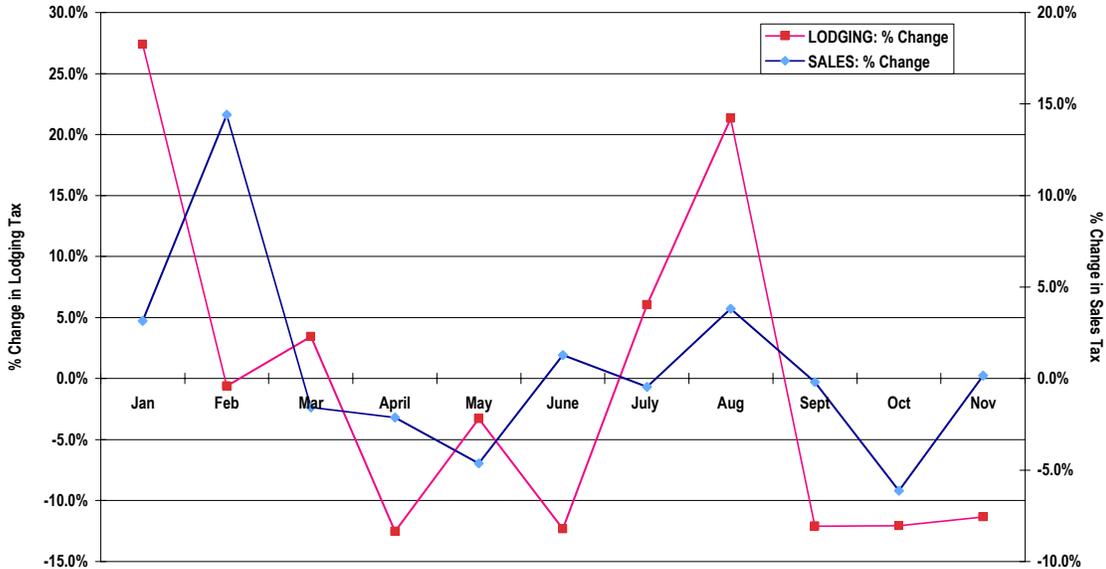
FIGURE 3.
PAGOSA SPRINGS LODGING AND SALES TAX REVENUES (3 YEAR AVERAGE)



- Another interesting finding is the contrast between sales and lodging tax revenue patterns when compared by performance over previous years. In the figure below, 2008 revenues were compared to the average of 2006/2007 revenues in term of percentage change (2006 and 2007 were averaged to minimize the impact of anomalous events i.e., avalanche closures yet remain current).
- A couple of observations become clear: 1) the volatility in lodging tax revenues is significantly greater than sales tax (although the smaller base for lodging tax plays a role in the difference); 2) sales and lodging tax patterns actually run countercyclical in some months of the year. For example, sales tax revenues *increased* in the months of February and June, while lodging taxes decreased in those same months; conversely, sales tax revenues *decreased* in the months of March and July while lodging tax revenues increased; 3) month to month variations in terms of degree of change also differentiate the two economic measures of Pagosa’s economy: from March to April, lodging tax revenues plummeted this year, going from 3% growth in March to -13% drop in April, while sales tax remained the same (-2% for March/April compared to previous two years). Conversely, lodging tax revenue growth rates have remained about the same for the past 3 months (-11 to -12% for September, October, and November), while sale tax revenue growth rates varied from 0% to -6% during that same timeframe.
- Assuming that reporting of sales and lodging taxes are accurate, the data suggest that only rough and, at times, inconsistent correlation exists between these two revenue streams and caution should be used

in predicting or extrapolating patterns between these two data sources.

FIGURE 4.
 PERCENTAGE CHANGE 2008 vs. 2006/07 (AVERAGED)
 PAGOSA SPRINGS SALES VS. LODGING TAX REVENUES



IMPORTANT MARKET SEGMENTS

Several market segments were identified as being important to Pagosa, its marketing efforts, and diversification of its markets. These markets are profiled and summarized below. The subsequent sections of this report will also call out differences in these market segments by topic area.

The specific segments of interest are: non-visitors (those who did not visit Pagosa Springs after requesting information); younger visitors (<44 years); and first-timers.

Non-Visitor Profile

The profile of the person who opted NOT to visit Pagosa Springs is summarized in the following bullet points. Non-visitors to Pagosa are more likely to:

- Be vacation “shoppers” – over half were “considering several destinations, including Pagosa Springs.”
- The other destinations that they considered were Telluride, Taos, Estes Park, Steamboat, and Breckenridge;
- Not have received or don’t remember receiving information from the Visitor Center despite requesting it;
- Without children in the household (singles or couples without kids);
- Under the age of 44 years old;
- Less affluent;
- Not own a timeshare

There was no difference between visitors and non-visitors regarding information packet and website ratings as compared to those who ultimately did visit Pagosa Springs. There was also no difference in origin: non-visitors were as likely as visitors to originate from Colorado vs. be from out-of-state.

First Time Visitor Profile

The profile of the person who is visiting Pagosa Springs for the first time is summarized in the following bullet points. First-timers to Pagosa are more likely to:

- Be vacation “shoppers” – more like to be “considering several destinations, including Pagosa Springs.”
- While the visitor information did not heavily influence their decision to visit Pagosa, they nonetheless were more likely to bring it along with them;
- Rate the Pagosa website lower;
- Rely on websites, brochures, and the CTB guide for information
- Have lower Pagosa advertising awareness; if they did recall a Pagosa ad, they were magazine and newspapers ads and articles;
- Were motivated to try Pagosa Springs because they wanted to experience a new place and/or positive word of mouth;
- Fly to Colorado and then rent a car to go to Pagosa;
- Consider a planned stop on a longer tour of the area, not as a primary destination;
- Consistent with the above, they were more likely to take longer overall vacations but shorter stays in Pagosa;
- Rate their lodging experience lower, particularly price and quality;
- Spend less per day in Pagosa;
- Be drawn to Chimney Rock as a primary attraction as well as historical sites/museums;
- Rate their experience lower in the areas of shopping variety, dining value, nightlife, and kids’ activities;
- Visit the Visitor Center and gave it higher ratings than previous visitors;
- Have low intent to return to Pagosa Springs in the future, either in the summer or the winter;
- Have low “net promoter score”;
- Be empty nesters; older; and more affluent.

Younger Visitor Profile

Those visitors under the age of 44 were more likely to be:

- Rate the website lower;
- Lower visitation (conversion) to Pagosa Springs;
- Propensity for using website for information gathering;
- Lower advertising awareness;
- Motivated to visit because of hot springs and recreational opportunities, weather, and word of mouth;
- Take shorter trips;
- First-time summer visitor;
- Spend more money in Pagosa Springs per capita;
- Engage in multiple active activities: hot springs, fishing, rafting/kayaking, skiing;
- Visiting Pagosa in order to escape from stress, re-energize, and seek a new adventure.

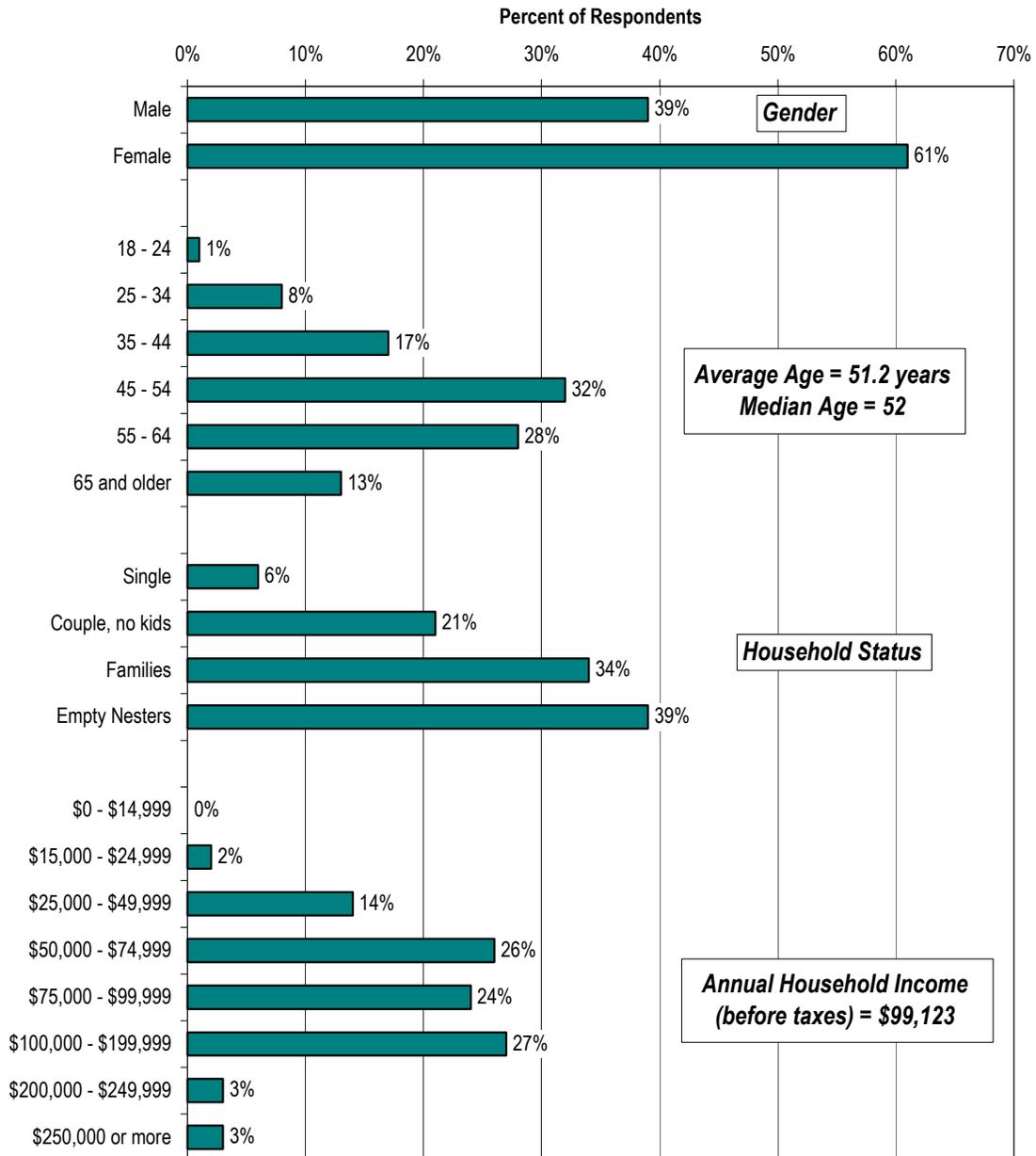
VISITOR PROFILE AND DEMOGRAPHICS

- The profile of the conversion study respondent is similar to that of the 2007 intercept study respondent. The visitor to Pagosa Springs is older (51.2 years), family/empty nesters (34 and 39 percent, respectively), and of moderate affluence. Based on our studies and compared to other Colorado vacation destination communities, Pagosa tends to attract an older, less singles oriented, and less affluent visitor.

TABLE 2
VISITOR PROFILE
2008 CONVERSION STUDY VS. 2007 INTERCEPT/MAILBACK STUDY

	Conversion (Web) Survey	Intercept Survey (2007)
AGE		
18-24	1%	4%
25-34	8%	7%
35-44	17%	14%
45-54	32%	24%
55-64	28%	26%
65-74	13%	25%
<i>Average</i>	51.2	53.3
MARITAL STATUS		
Single, no children	6%	6%
Couple, no children	21%	10%
Families	34%	29%
Empty Nester	39%	55%
HOUSEHOLD INCOME		
\$0 - \$24,999	2%	4%
\$25,000 - \$49,999	14%	14%
\$50,000 - \$74,999	26%	23%
\$75,000 - \$99,999	24%	22%
\$100,000 or more	33%	37%

FIGURE 5.
VISITOR PROFILE



- In terms of visitor origin, 89 percent are from out-of-state with 11 percent originating from Colorado. The dominant out-of-state market is Texas (23 percent), followed by Arizona (7 percent), California (6 percent), Oklahoma (6 percent), and New Mexico (5 percent). Note the weaker representation from New Mexico in the web survey, likely attributable to New Mexico’s proximity to Colorado and higher likelihood of having visited Pagosa Springs previously, thus resulting in lower propensity of using the Internet to request visitor packets.

TABLE 3
STATE OF ORIGIN

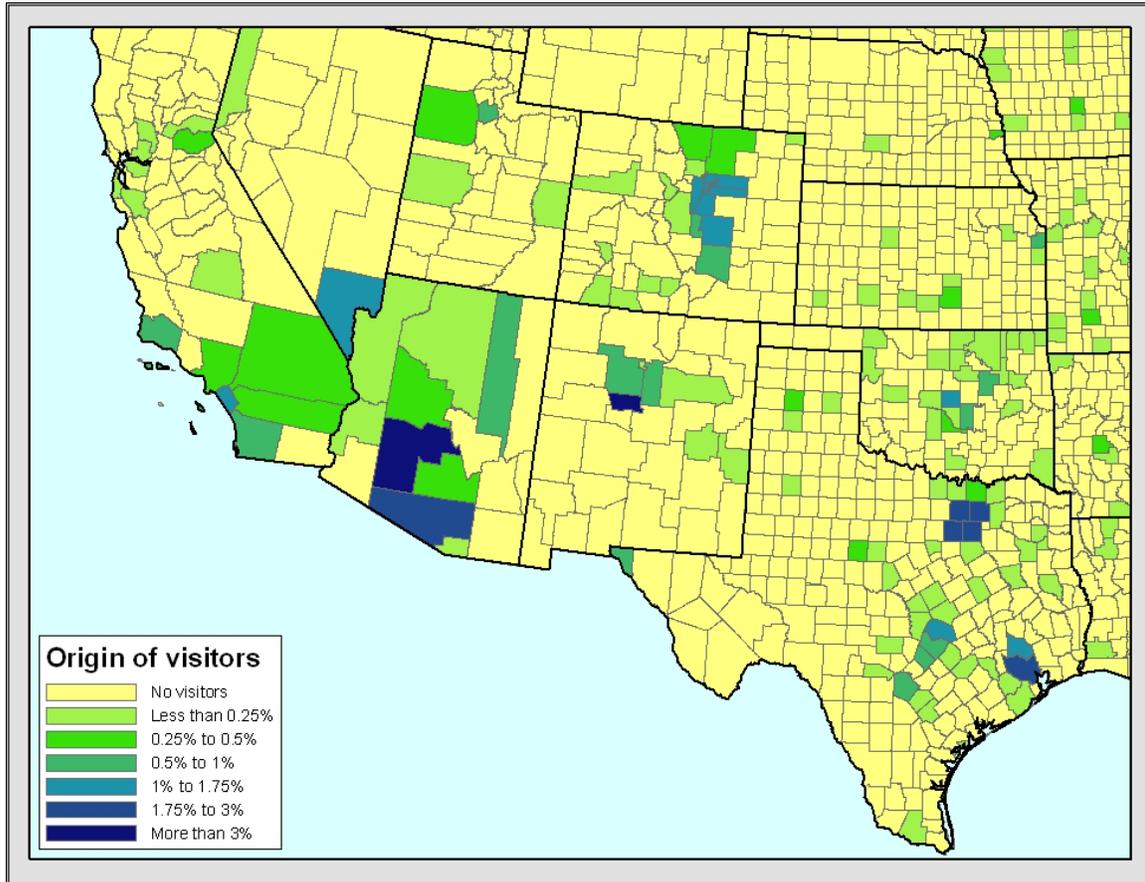
STATE OF ORIGIN		
Texas	23%	21%
Colorado	11%	15%
Arizona	7%	8%
California	6%	6%
Oklahoma	6%	4%
New Mexico	5%	17%
Missouri	4%	2%
Florida	3%	2%
Kansas	2%	3%
Louisiana	2%	2%
Ohio	1%	2%
Utah	1%	2%

- More specifically, in terms of counties, the data reflect strength in the Phoenix and Albuquerque areas, followed by Dallas and Houston areas in Texas. We also see some strength in the Front Range, specifically El Paso and the Denver area counties (Jefferson, Arapahoe, Douglas, Adams, Denver).

TABLE 4
TOP COUNTIES

Maricopa AZ	3.9%
Bernalillo NM	2.7%
Dallas TX	2.1%
Tarrant TX	2.0%
Harris TX	2.0%
Collin TX	1.9%
Arapahoe CO	1.6%
El Paso CO	1.6%
Denton TX	1.2%
Pima AZ	1.2%
Jefferson CO	1.2%
Montgomery TX	1.2%
Douglas CO	1.1%
Adams CO	1.0%
Denver CO	1.0%
Sandoval NM	1.0%
Travis TX	1.0%
TOTAL	27.7%

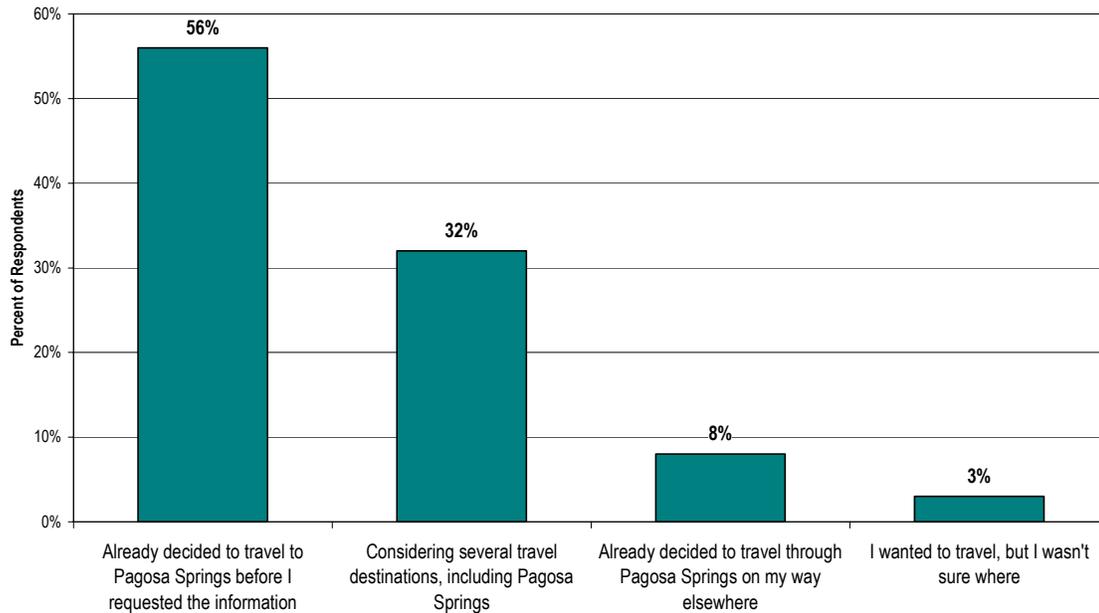
FIGURE 6.
TOP VISITOR COUNTIES



VACATION DECISION-MAKING PROCESS

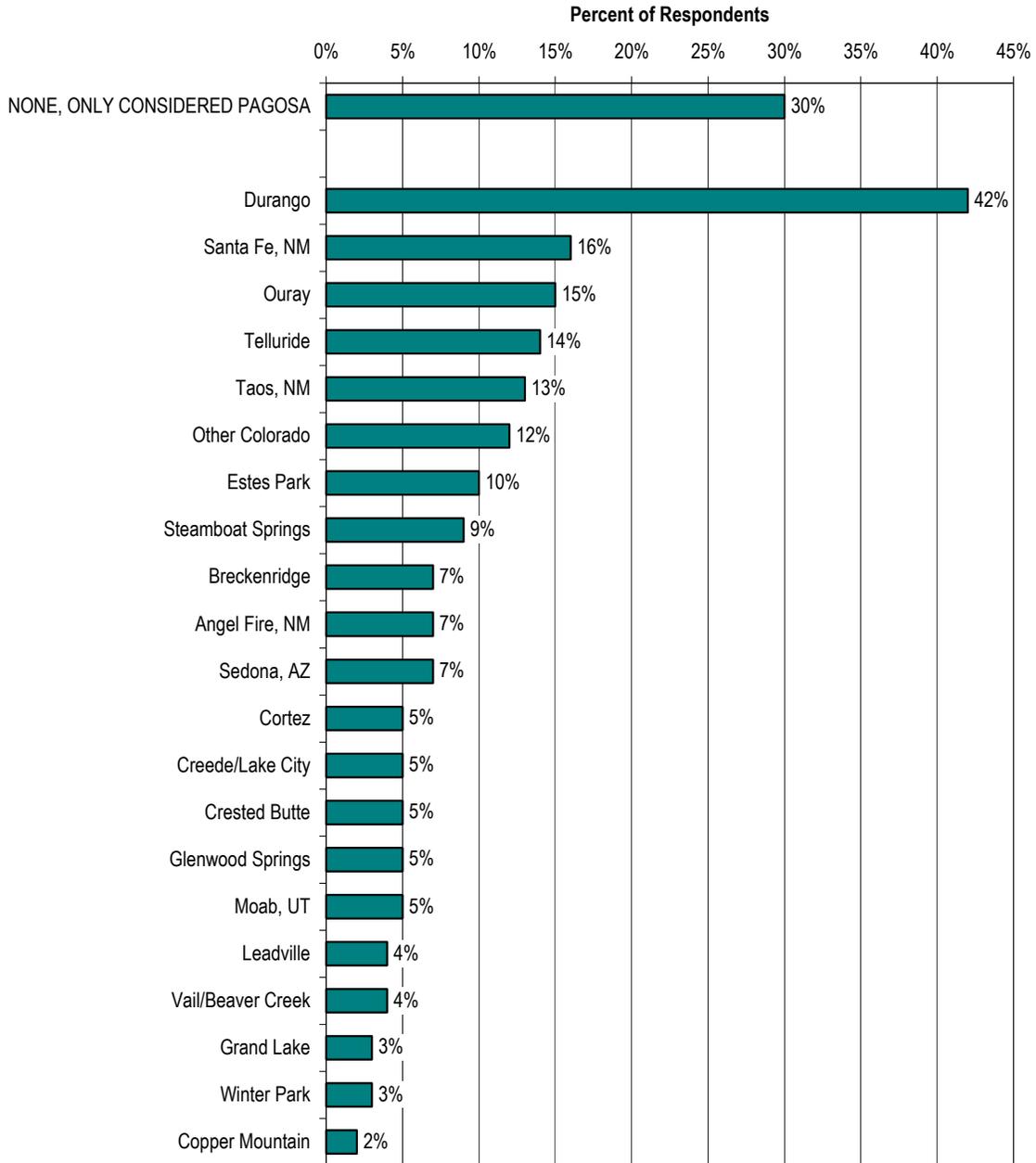
- The first step in planning a vacation is gathering information on the potential destinations. Visitors were asked why they decided to request information about Pagosa Springs from the website. Most (56 percent) had already decided to travel to Pagosa Springs before they had requested information. Another third (32 percent) were weighing different vacation options, and the remainder knew that they would be traveling through Pagosa to another vacation destination (8 percent) or were undecided on the ultimate destination but not sure where (3 percent).

FIGURE 7.
WHAT IS THE MAIN REASON YOU REQUESTED INFORMATION ON PAGOSA SPRINGS



- In a positive finding, 30 percent of visitors indicated that they “only considered Pagosa” when looking at various vacation destinations. Of the remaining 70 percent who looked at other options, Durango is the leading competitor (42 percent), followed by Santa Fe (16 percent), Ouray (15 percent), Telluride (14 percent), Taos (13 percent), and Estes Park (10 percent). Interestingly, Glenwood Springs, perhaps Pagosa’s closest competitor in terms of size and recreational amenities only attracted 5 percent of vacation ‘window shoppers’.

FIGURE 8.
WHAT OTHER TRAVEL DESTINATIONS DID YOU CONSIDER WHEN YOU REQUESTED INFORMATION ABOUT PAGOSA SPRINGS?



INFORMATION PACKETS

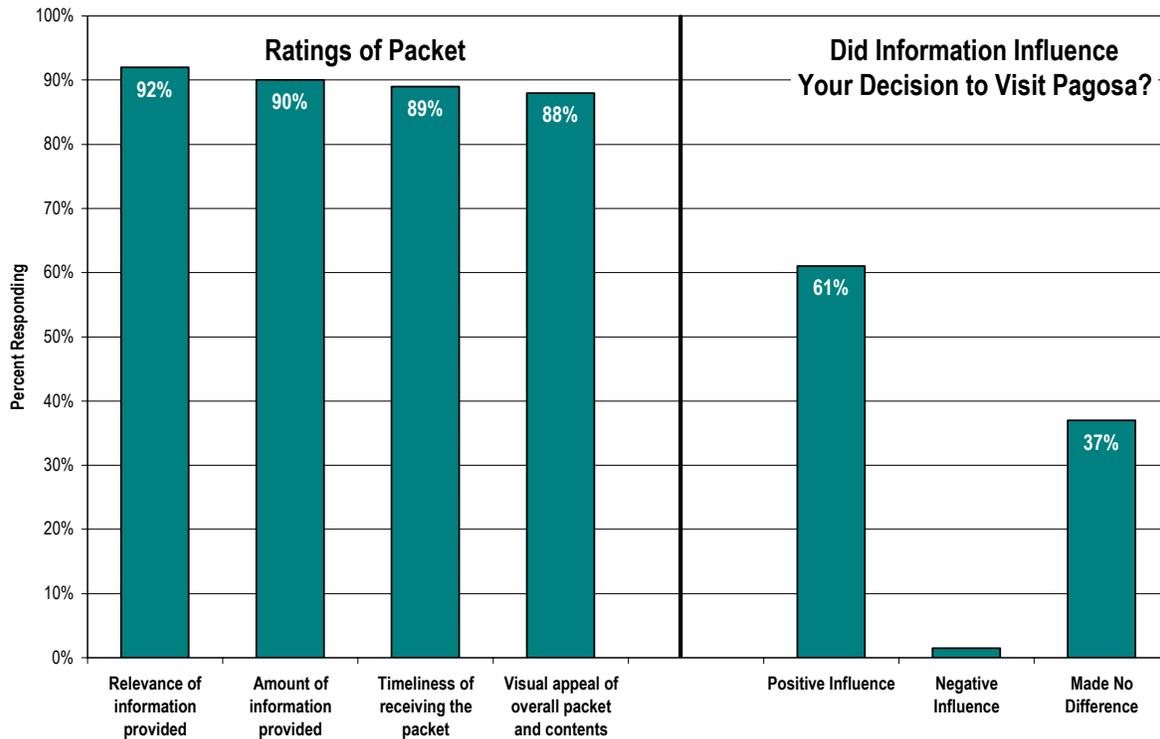
- Ninety-one percent of respondents received the information that they requested (5 percent didn't, and 4 percent "don't remember"). Of those who received packets over the past two years, 61 percent visited Pagosa Springs. More in-depth analysis of this visitation rate - or "conversion rate" - is presented later in the report.

TABLE 5
DID YOU RECEIVE INFORMATION ON PAGOSA SPRINGS?

	OVERALL
Yes	91%
No	5%
Don't Remember	4%

- Ratings of the visitor information packets were strong and consistent (88-92 percent). Slightly higher ratings were given to the “relevance” and “amount” of information provided, with timeliness of receiving the packet and the visual appeal somewhat lower.
- In another measure of impact of the packets, respondents (visitors and non-visitors) were asked how the packet influenced their decision whether to visit Pagosa Springs: 61 percent indicated that it had a positive influence, less than 1 percent said it had a negative influence, and 37 percent said it “made no difference.”

FIGURE 9.
INFORMATION PACKETS



- About three-quarters of those who visited Pagosa after requesting information brought their packet along (71 percent). First-time visitors were much more likely to bring their packets (72 percent) as compared to those who have visited before (56 percent).
- When visitors were asked to comment on the contents of the packet, the majority of comments were positive: the information was plentiful, sufficient to help make trip decisions, and was generally helpful. Constructive comments centered around the desire for more timely delivery of information (i.e., visitors had already left on their trip by the time the information had arrived) and unnecessary/unwanted information in the packet (i.e., lodging information when the visitor had

already made their reservation, real estate information, etc.). A few commented on the professionalism of the pamphlets (they looked like they were made on a copier) and the condition of the packet when it arrived (envelope was torn). For the most part, visitors were complimentary and felt the information supplied was accurate and comprehensive.

Comments on Information Packets

I asked about golf courses and only got generic info about all the activities available. I wanted specific info on golfing in the area. Got none.

I couldn't tell how nice the motels were and was disappointed when I saw them

I especially enjoyed the maps. These helped me get a picture for the town layout and helped me decide where to stay.

I had to call or e-mail two to three times before getting the information mailed to me

I received basic information, but the tourism info center in Pagosa Springs supplied much better information on trails and sights

I used most of the information sent to help me decide where we wanted to visit. Sometimes visiting a town with many things to do can be overwhelming. So I stuck to the packet and chose where we wanted to visit. We stayed in Southfork and came up to Pagosa several times.

I used the Drivin' and Hikin' fliers the most; looked at the other information but didn't use. Stayin' flier was nice but we had already decided on accommodations.

It gave me a general idea about the area. Prompted me to give more specific info at the visitors center when I arrived.

It helped prepare me for what to expect once i arrived at PS. I picked up more information once I was there.

It was great for visitors but I was actually looking for information that would also be pertinent to future permanent residents like myself.

Loved and used all the "Hikin," "Drivin" "Fishin" type brochures when we got there and loved them

LOVED the "where ya' hiking/driving/eating" brochures. They were all good and we used them all.; ; The envelope was too small for the material - it was pretty beat up when it got here.

Some was very useful, some was not.

The city map was very helpful as well as the restaurant list. The hiking trails guide was useful. The events list was interesting.

The packet arrived after we had left for Colorado.

The variety of the package is extremely helpful. I was pleasantly surprised on how fast I received it and the amount of information.

There is plenty of information regarding Pagosa Springs. However, if there is more information in particular to winter recreation it would be helpful. The map and places to go were excellent.

Truthfully though it was informative, it had very little appeal. For me I like to be wowed by color pictures showing of the beauty not solid color/word information.

We really enjoyed the information that was sent to us...; Specifically the whole serious of "Whatchya Doin" pamphlets that were sent. ; We used the hiking one to find a nice, easy hike as we were celebrating our Honeymoon!

We used the information for day mountain hikes. Some of the information in the packet was not as easy to find the particular trails we were looking for. Directions could have been a little better.

Calendar of events. I like to know what will be going on while I am visiting.

Deer/elk hunted the area five times before. Unable to make it this year. Trying to get new guys in the group some info. Info on outfitters, lodging, map of town, etc. was very helpful to the guys. Believe they said there was no info on hot showers, since they decided to camp out in the San Juans. Thanks for your help.

Didn't really answer the questions that I had; didn't get replies from several of the businesses that I tried to contact via the website.

Excellent job-- one of the best packages and email campaigns I have seen from anywhere-US or abroad. It was one of the reasons we decided to vacation in PS

Great ideas, I would like more on the natural surroundings and less touristy places to spend money.

I am interested in buying property around Pagosa Spgs but your packet of information was geared more to tourists than to folks interested in moving to you area.

I did online research which resulted in better materials than what was received from you

I have been to Pagosa many times and was requesting the info for myself to determine if anything new was available. Also I talk so much about Pagosa to friends and family that I requested the packet be sent to them. Their packet did get to them and we are trying to find a convenient time to all come together. The packet was very helpful.

I was given information of some areas I did not consider.

I was looking for information for my AAA magazine column, got what I needed, and used it (it till appear in the Jan-Feb issue). Photos were OK, but the town needs to get a professional photographer to shoot annual events so you have a good catalog of images for editorial use.

It arrived after my trip. I guess I requested it too close to my travel dates.

It finally arrived two days after we returned from our trip. I believe we made the request about 3-4 weeks in advance, if I remember correctly.

It was just an envelope full of pamphlets

Needed more specific information i.e. places to stay, activities in surrounding area

Packet was torn open and some of the inserts may have been missing

When I sent for Pagosa Springs info, we were planning an RV trip to western states. I literally opened the road atlas shut my eyes and put my finger on the map. My finger was on Pagosa Springs. I Googled PS and looked at your web site. Liked what I saw and sent for info. We made our trip. Spent several days in PS area. Camped at Williams Creek. WOW! What a beautiful place. We now have lots of fond memories. Your info is what hooked us!! And boy are we glad!!!! We enjoyed the natural beauty, shopping, eating at Rose's. Your info made the difference and now we have another favorite place, Pagosa Springs!!!!

You were not clear where in Colorado you are located. Also, where is the closest airport, and how to get to Pagosa from the nearest airport.

I know pamphlets are expensive but your town, biking areas and country are so much more beautiful then your pamphlets show.

I was not looking for real estate info and there was quite a bit included in the packet.

I would have liked to know more about the town, not just the hot springs.

I would of liked more information on the community. Living and retiring in the area. Everything I received was for recreational purposes. I would like to know more about living in the community and what it has for a retiree.

It was useful, but I wish it was in a book format

Most of the information looked very nice,(professional) but some looked like it had been copied on a copier.

Useful, but arrived well after the fact. I actually requested information on two different occasions. The first contact attempt apparently never got through/answered

We requested info based on interests. We specified what we wanted info on but received many other brochures that really weren't useful. Ex: lodging brochures, but we already had a time share booked so we didn't need those.

A larger brochure containing many of the leaflets might have been easier to use. But good overall.

A lot of individual brochures made it difficult to review and compare

- Respondents were asked if there was anything not included in the packet that would have helped make the vacation decision. The most common comment was lack of a map and driving distances. Some commented on the desire for coupons, lodging prices, hunting information, and more information on the community itself (churches, real estate data, etc.).

ATV friendly trails and/or 4x4 road maps

Better biking info and direction to trails. Very very poor directions to people that do not live in the area.

Better directions.

Bike paths

Birding information; flier on restaurants

Coupons would have been nice for dinner or entertainment

I would have liked a more detailed map and description of surrounding areas to visit although what was provided was helpful. Restaurant menus would be helpful.

I would have liked more fly fishing information

I would like more information on local stores and the housing market

Looking for things for senior to do

More about places to eat, times they were open, etc.

More hunting information

Needed more information. Did not get a good "feel" one way or the other regarding the area

Pagosa Springs is known for their healing waters, and any information requested, should primarily consist of this information.

Pictures

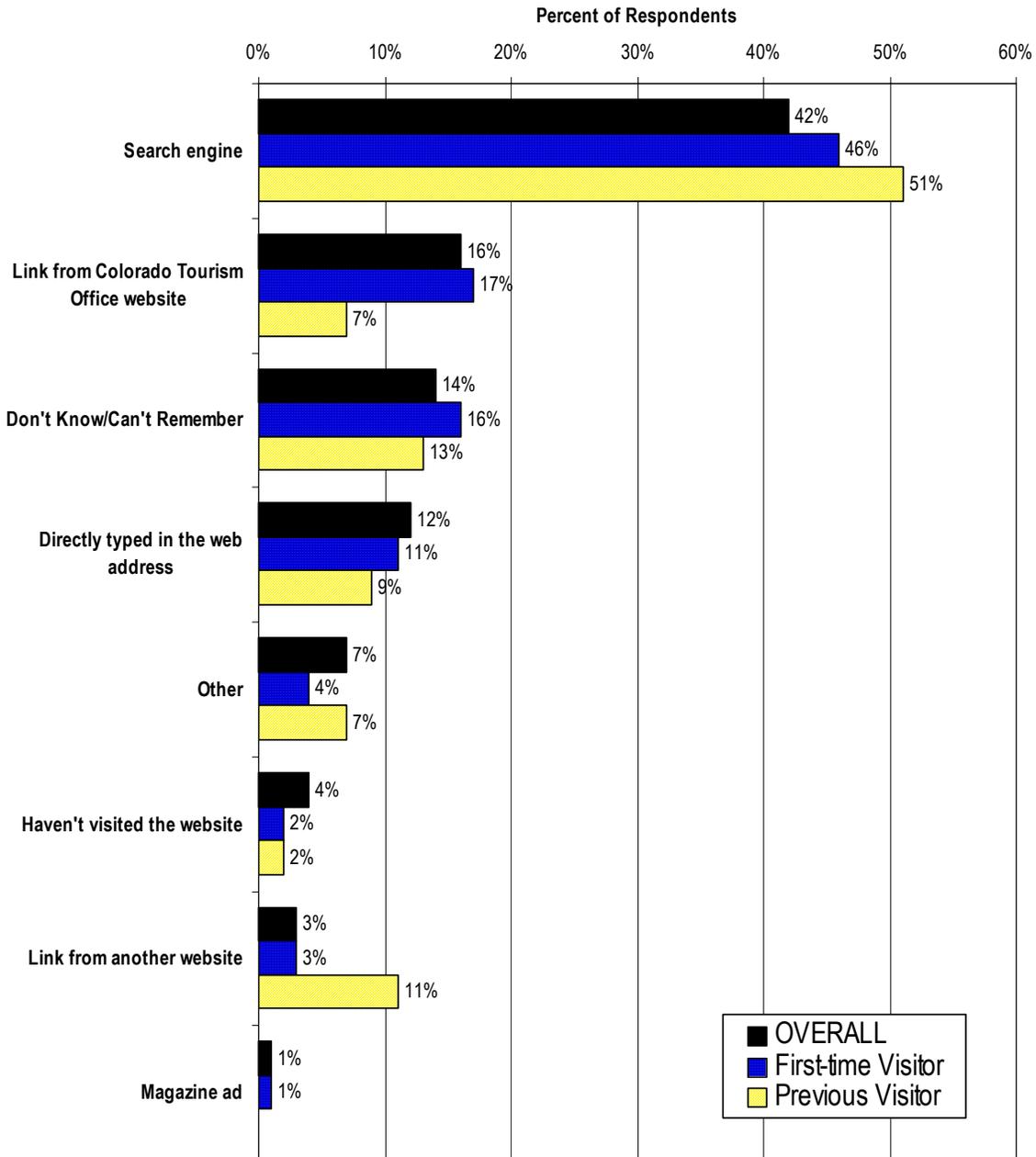
Prices for lodging and proximity of lodging to town

Transportation/via Greyhound bus possible?

Would have liked more info on natural areas, bird-watching, types of wildflowers, etc.

- To find the tourism website (www.visitpagosasprings.com), search engines were the most common conduit (42 percent), followed by a "link from the Colorado Tourism website" (16 percent) and "typing in the website directly" (12 percent). Fourteen percent don't know or don't remember.
- Worth noting is the difference between those who have visited Pagosa Springs previously and first-timers. As shown, first-time visitors were more likely to have been linked to Pagosa's site from the CTO website (17 percent vs. 7 percent), an important site for attracting first-timers to gather more information about Pagosa Springs.

FIGURE 10.
HOW WERE YOU REFERRED TO THE PAGOSA SPRINGS WEBSITE?

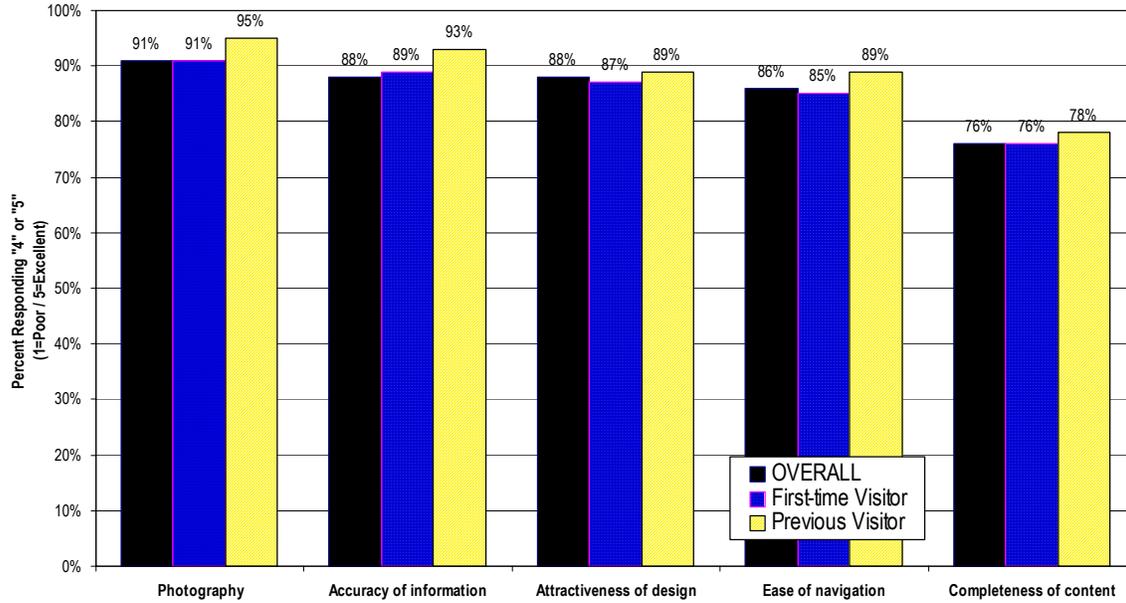


WEBSITE RATINGS

- Most ratings of the visitor website were high. On a scale of 1 to 5, with 1 being “poor” and 5 being “excellent,” all but one ratings category exceeded 85 percent responding either a 4 or 5. The most highly rated categories are photography (91 percent), accuracy of information (88 percent), attractiveness of design (88 percent), and ease of navigation (86 percent). The lowest rated category was “completeness of content,” for which 76 percent rated it positively.
- Websites are an important source of information gathering, particularly for those who are unfamiliar

with an area and “first impressions.” As shown in the figure below, first-timers are somewhat more critical of the website than previous visitors, particularly in the areas of photography and accuracy of information. This finding points out the importance of ensuring that information on the site is timely, relevant, and accurate.

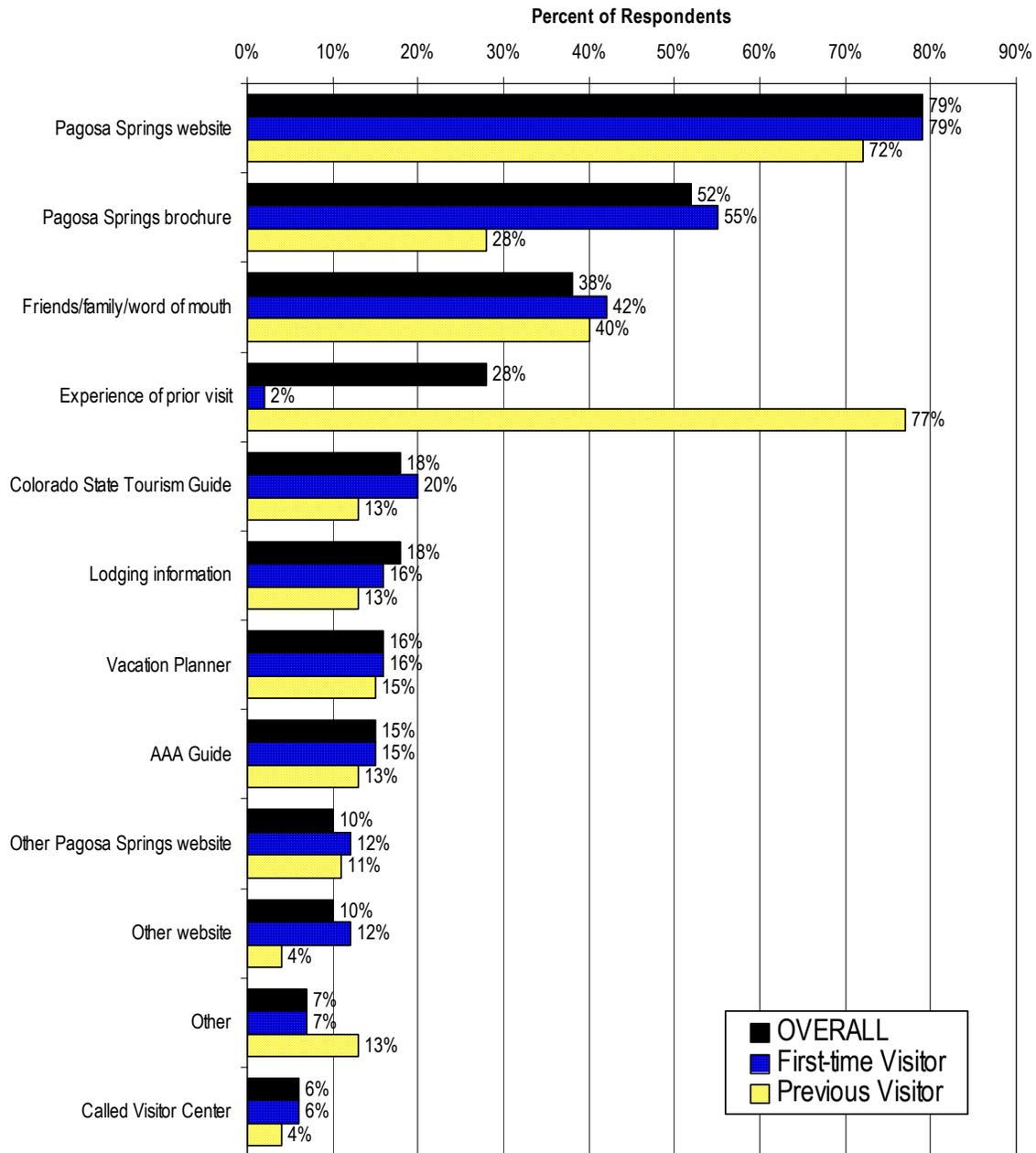
FIGURE 11.
WEBSITE RATINGS
FIRST-TIME VS. PREVIOUS VISITOR



INFORMATION SOURCES/ ADVERTISING

- Underscoring the importance of the website, fully 79 percent of visitors used the website as a tool in trip planning. Other more traditional information sources follow the website, including brochures (52 percent), word of mouth (38 percent), and Colorado Tourism Guide (18 percent). Less utilized sources include lodging sources, Vacation Planner, and the AAA Guide (18 percent or less).
- First-time visitors to Pagosa tend to rely on slightly different information sources, as might be expected. First-timers are more likely to use the Pagosa Springs website, PS brochures, and the Colorado State Tourism Guide as compared to repeat visitors.

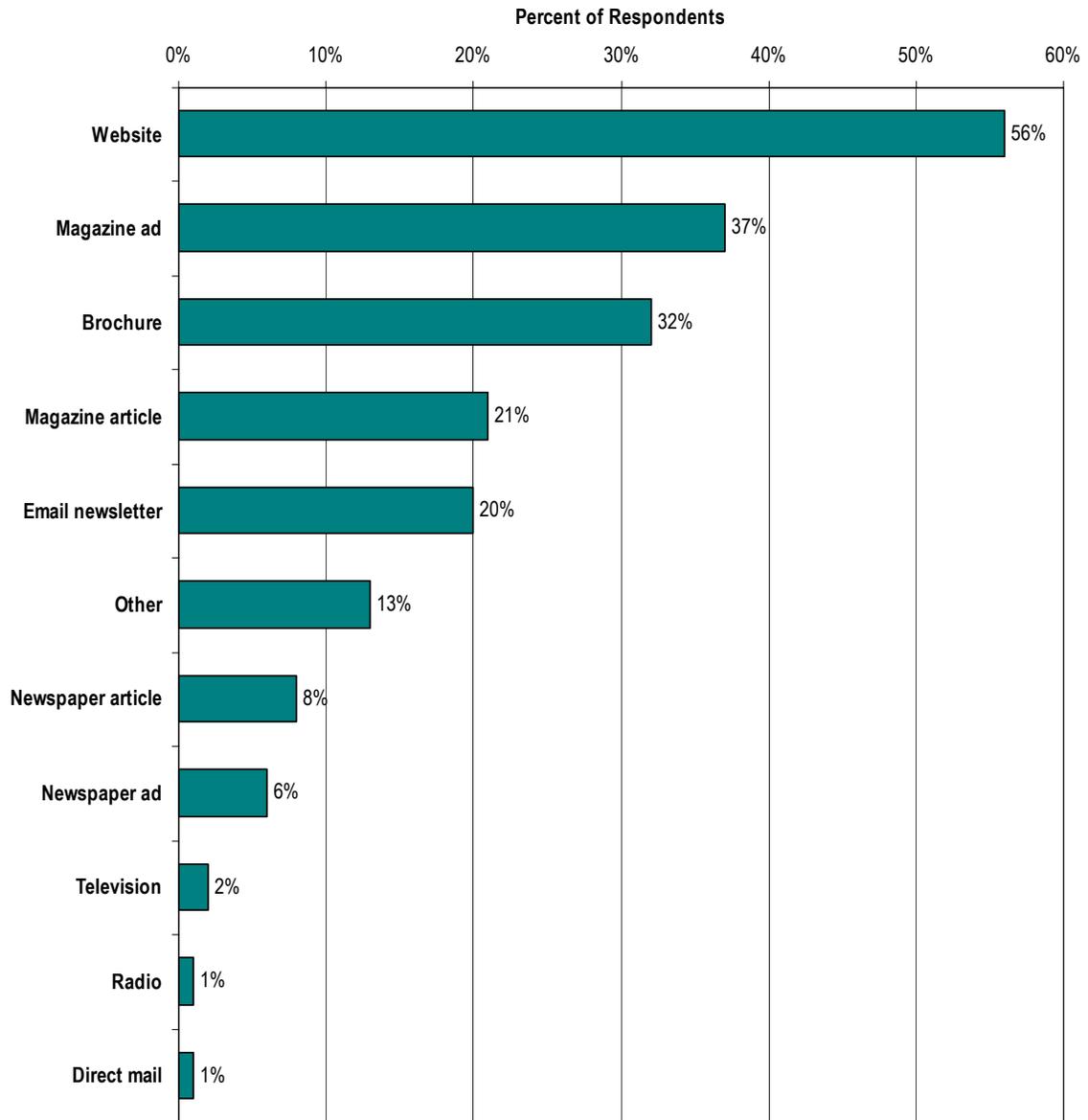
FIGURE 12.
TRIP PLANNING INFORMATION SOURCES
FIRST-TIME VS. PREVIOUS VISITOR



- Visitors were asked about their awareness of advertisements for Pagosa Springs prior to their trip and which methods of advertisement they recalled. Overall, 19 percent of respondents remembered hearing an advertisement (compared to 49 percent from the 2007 visitor study and 27 percent in 2004).
- Awareness and ad recall was higher among couples without children (25 percent) and empty-nesters (20 percent), and as expected, previous visitors (36 percent). The data show that just 13 percent of first-time visitors recalled seeing or hearing ads prior to their visit.

- Of the respondents who indicated they had seen or heard an ad for Pagosa Springs before their visit, the website was the most mentioned method (by 56 percent of overall respondents), followed by magazine ads (37 percent), brochures (32 percent), magazine articles (21 percent), and email newsletter (20 percent).
- Sources cited less frequently were newspaper articles and ads, television, radio, and direct mail.

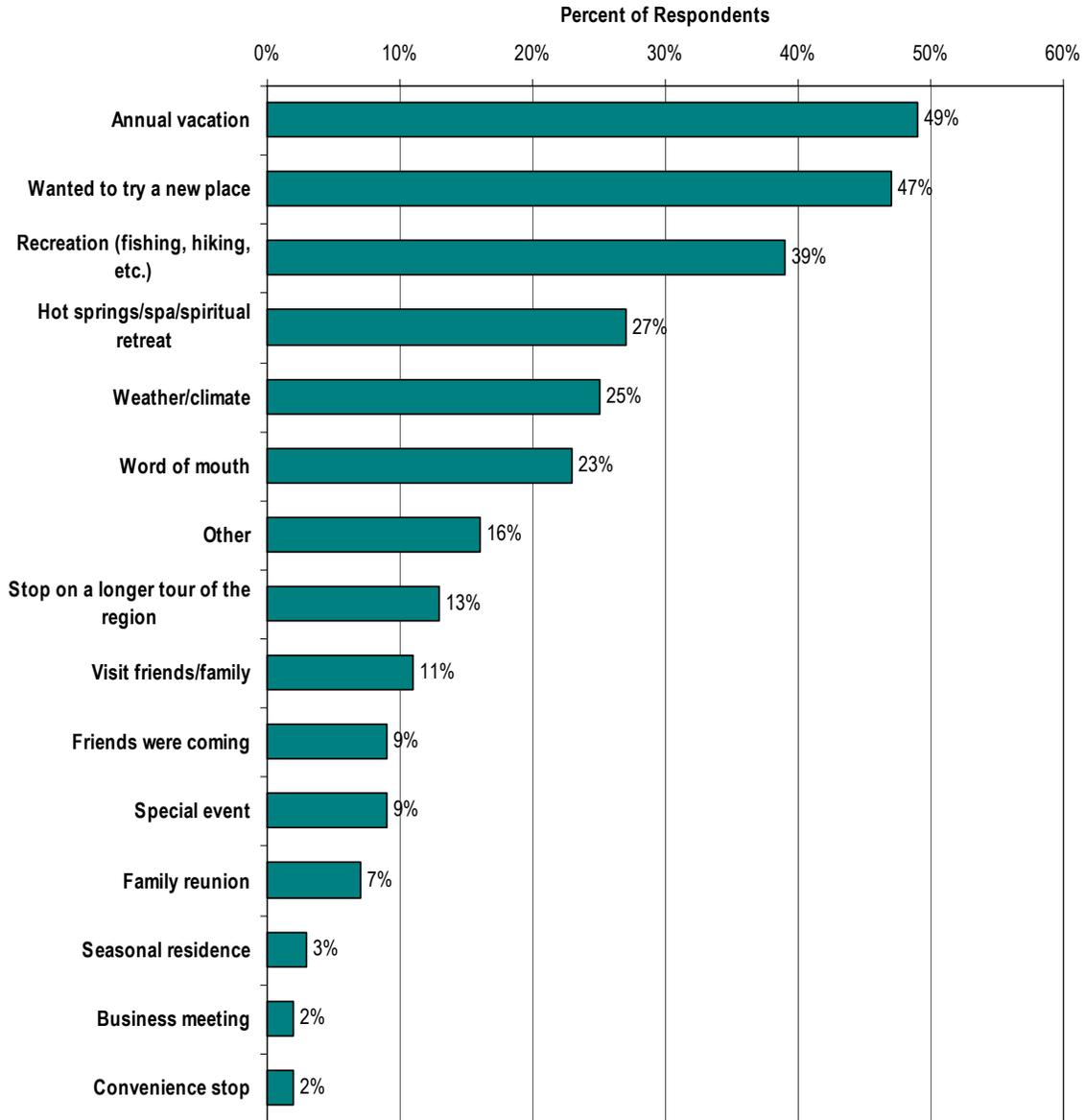
FIGURE 13.
SOURCE OF ADVERTISEMENT



MOTIVATION FOR VISITING PAGOSA SPRINGS

- The primary reasons for visiting Pagosa Springs are “annual vacation” (49 percent), “wanted to try a new place” (47 percent), recreation (39 percent), and hot springs/spa (27 percent). Weather was also important to 25 percent of visitors.

FIGURE 14.
WHAT WERE YOUR MAIN REASONS FOR VACATIONING IN PAGOSA?
(TOP THREE REASONS)



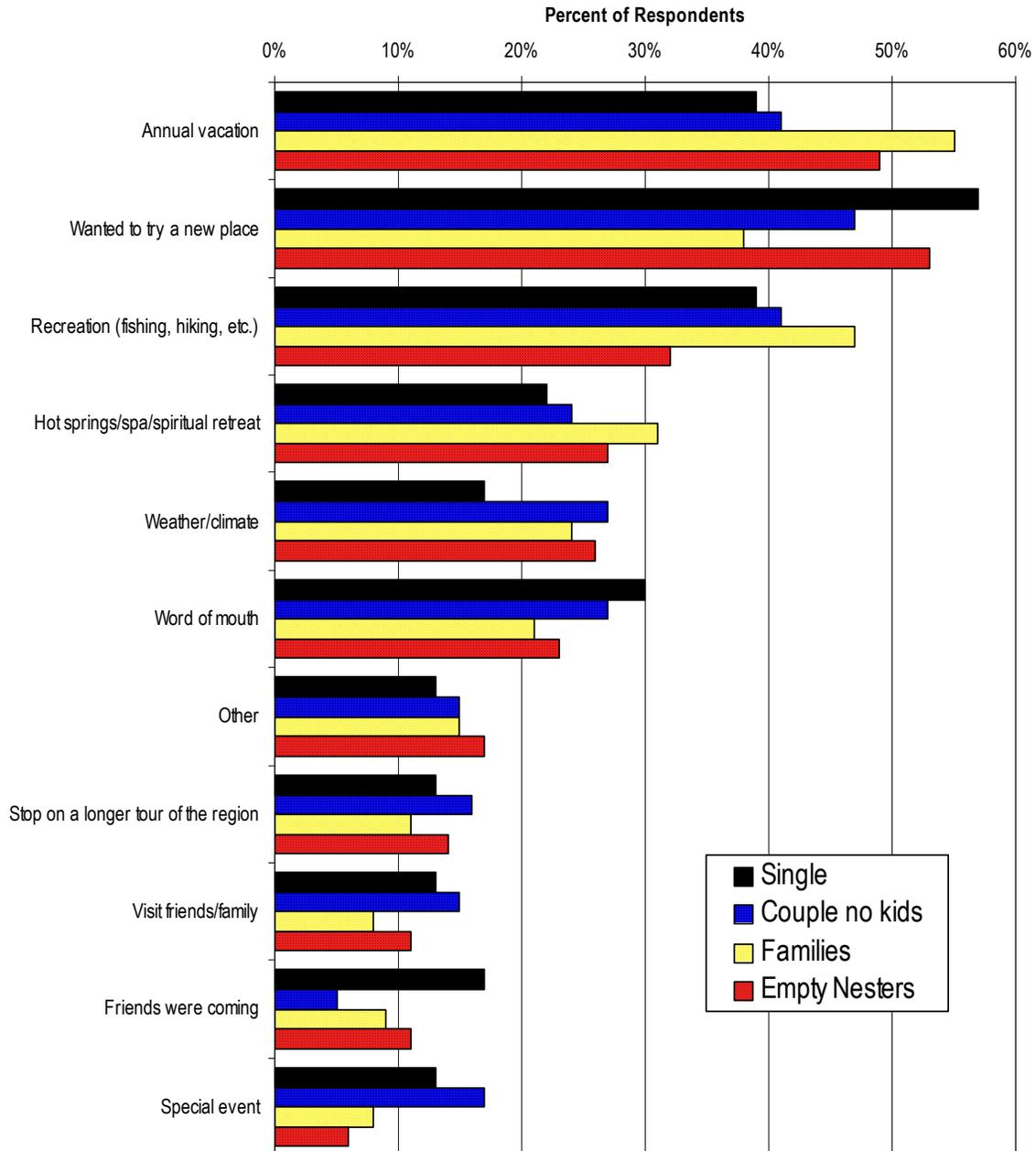
MOTIVATION BY MARITAL STATUS

In comparing reasons for visiting by marital status, we see the following distinctions between market segments:

- **Singles** were more likely to “want to try a new place,” were influenced by family/friends’ word of mouth, and visited because “friends were coming.”
- **Couples without children** were more influenced by weather/climate, a special event, vacation was a stop on a longer tour of region, and visiting family/friends.

- **Families** were particularly motivated by the trip being an “annual vacation,” the recreational amenities, and the hot springs.
- **Empty nesters** wanted to try a new place, were influenced by the weather, and visited because “friends were coming.”

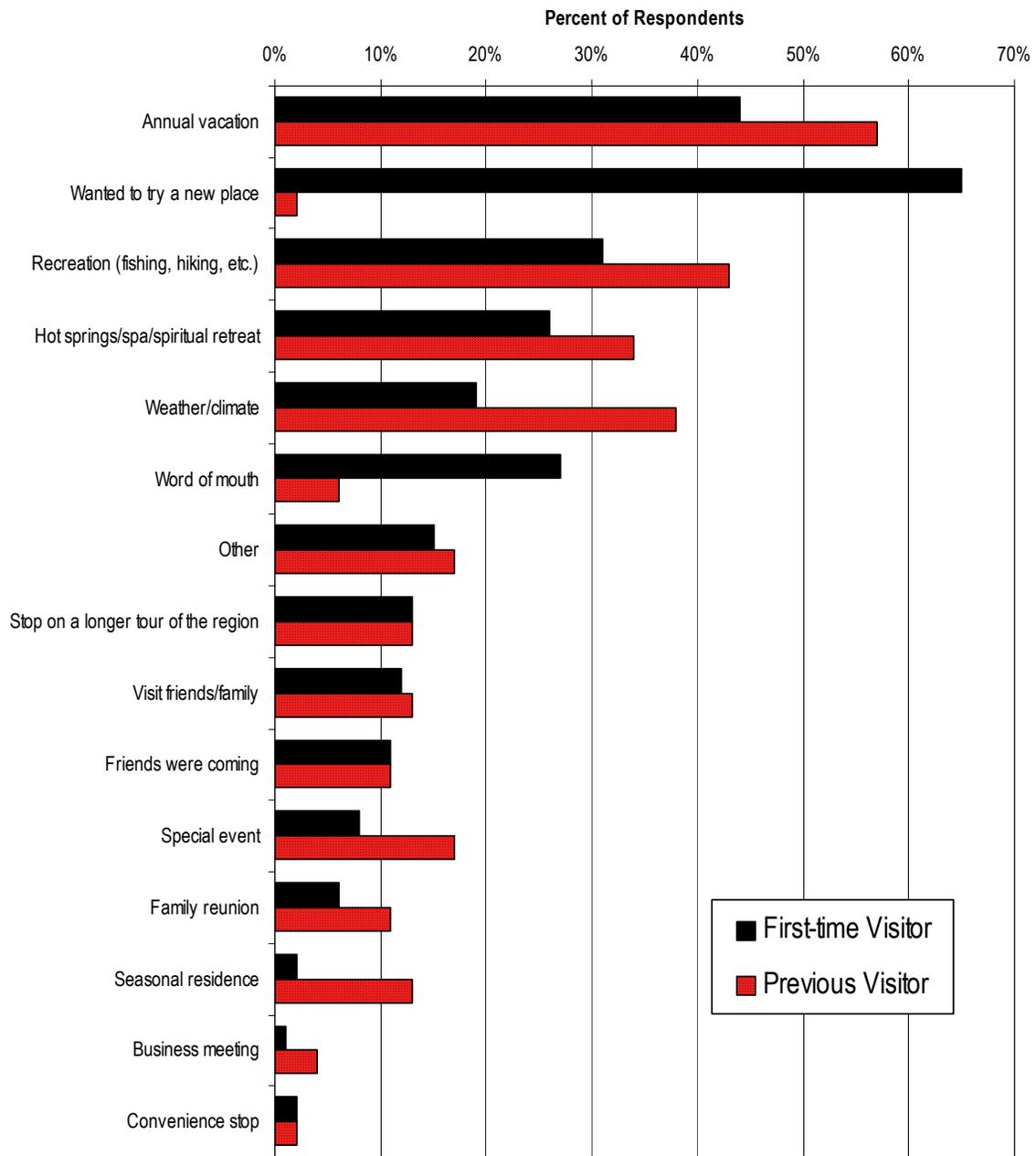
FIGURE 15.
WHAT WERE YOUR MAIN REASONS FOR VACATIONING IN PAGOSA?
BY MARITAL STATUS



REASON FOR VISITING COMPARED BY FIRST TIME/REPEAT VISITOR

- As shown in the figure below, first-timers to Pagosa are more heavily influenced by experimentation (“wanting to try a new place”) and word of mouth. Previous visitors are basing their vacation decision more heavily on Pagosa being an “annual vacation,” recreation, weather/climate, and special events.

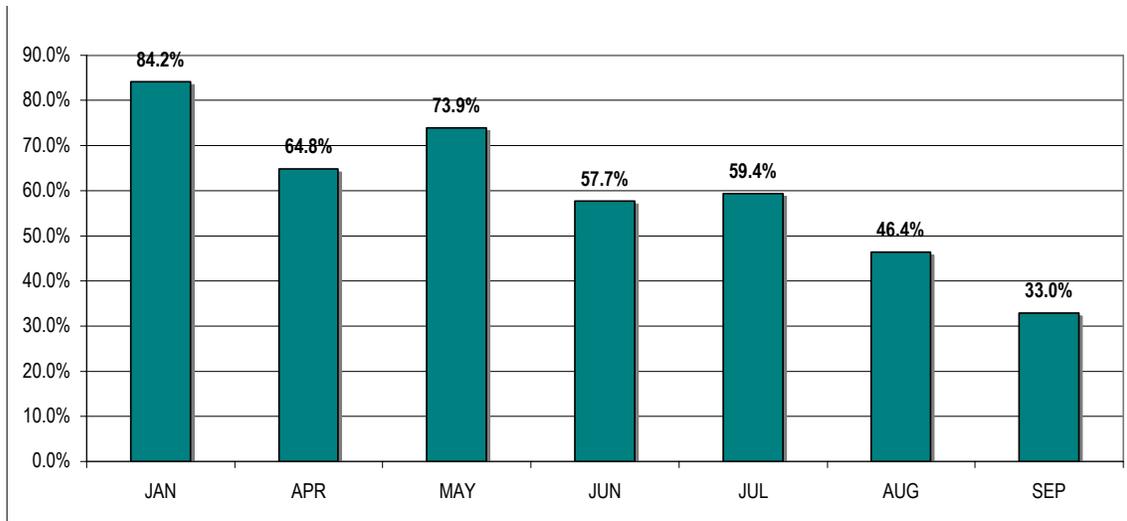
FIGURE 16.
WHAT WERE YOUR MAIN REASONS FOR VACATIONING IN PAGOSA?
BY FIRST-TIME/REPEAT VISITOR



CONVERSION AND NON-VISITORS TO PAGOSA SPRINGS

- “Conversion rate” is defined as the percentage of people who request information and who actually “convert” to being a visitor to Pagosa Springs. The timeframe for “conversion” is not defined by industry standards – conversion obviously will increase over time. As shown in the figure below, conversion rates gradually decline over time, ranging from 84 percent among those who requested information in January to 33 percent in September (recall that the survey was conducted in late October). In other words, by late fall, 84 percent of those who had requested information in January had “converted to visitor” compared to 33 percent of those who had requested information one month earlier. The conversion rate for 2007 was 68 percent and the combined rate for two years (2007 and 2008) was 61 percent.

FIGURE 17.
 HAVE YOU VISITED PAGOSA SPRINGS SINCE YOU REQUESTED VISITOR INFORMATION?
 (PERCENTAGE WHO VISITED BY MONTH OF REQUEST)



- Conversion by market segments yields interesting information. As shown in the table below, conversion rates for older visitors, empty nesters and families, and out-of-state visitors tend to be higher than other segments.

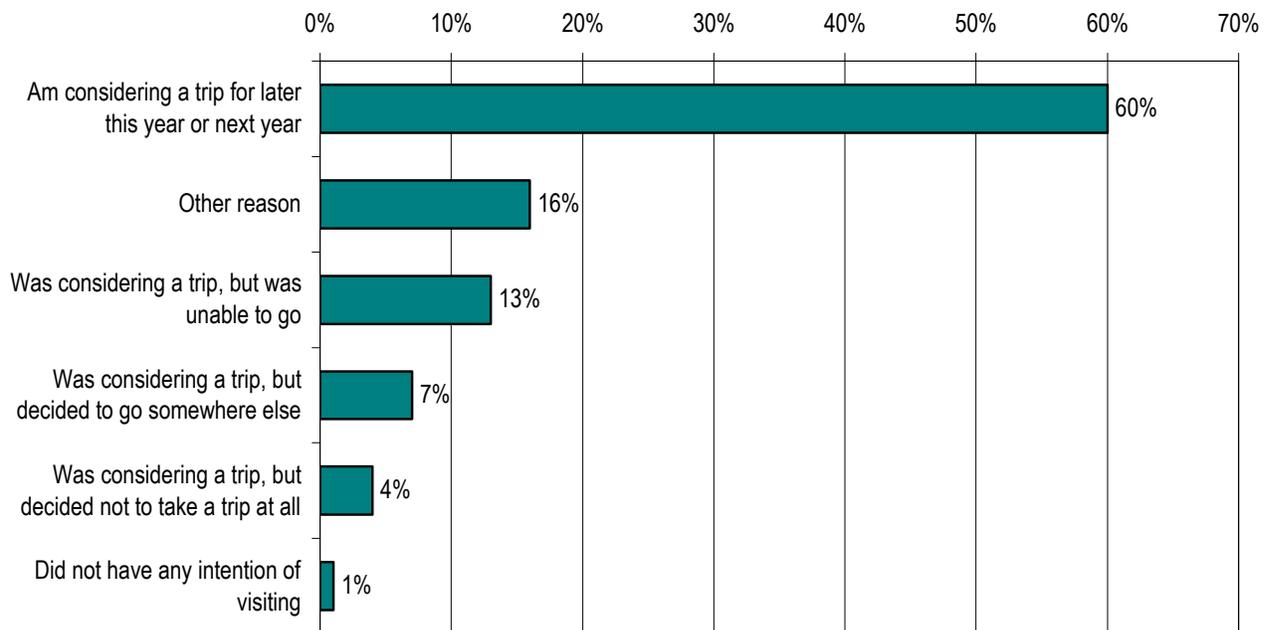
TABLE 6
 CONVERSION RATE BY MARKET SEGMENT

	CONVERSION RATE
Single	47%
Couple no kids	59%
Families	62%
Empty Nesters	64%
In-state	65%
Out-of-state	61%
Under 44 years	56%
45 to 54 years	64%
Over 55 years	61%

REASONS FOR NOT VISITING PAGOSA SPRINGS

- Among those who did not visit Pagosa Springs, most visitors were optimistic that they would still take a trip later this year or next (60 percent). The remainder were either unable to make the trip (13 percent), decided to go somewhere else (7 percent), opted not to take the trip at all (4 percent), or had “other reasons” (16 percent). When asked why they couldn’t make the trip, common responses were “finances” and gas prices, health issues, or they simply decided to go elsewhere. The destinations that non-visitors opted to go were wide-ranging – there was no dominant theme or pattern that emerged from the responses (see below for excerpted responses, with the full listing of comments included in the Appendix).

FIGURE 18.
WHY DID YOU NOT TAKE A TRIP TO PAGOSA SPRINGS?



Where Did You Go Instead?

Yosemite, Sequoia and Kings Canyon
 Wisconsin
 Went to Florida.
 We went to CO through Aztec NM and stayed in Durango and did the loop back around to Cortez to see Mesa Verde. PS was just a little to far out of the way on our tight schedule this trip.
 We went to Branson.
 We went to Big Bend NP and camped.
 We go to Ouray every year and visit at least one day in Durango with friends, but we love coming your way!
 Tucson, Arizona

This year we went to Orlando in June. While there, our family decided where we would go in 2009, and we decided to go to Colorado. That is when we checked into Pagosa Springs.
 Taos, NM, Crested Butte, Ouray
 Taos, Red River Nm
 Steamboat Springs, CO
 South Fork
 Santa Fe
 San Jose
 Nowhere (multiple responses)
 Mexico
 Malaysia

*Grand Lake
Glenwood Springs
Flagstaff AZ
Europe ; Palm Spring, CA
Estes Park
Durango, Co
Disney World
Denver, Valley View Hot Springs (Orient*

*Land Trust), Mesa Verde, Taos, Dodge
City, Lexington, Ohio
Crested Butte
Costa Rica; New England to attend our
daughter's wedding
Buena Vista, Gunnison, Creede, Cripple Creek
Boulder, CO*

The profile of the person who opted NOT to visit Pagosa Springs is summarized in the following bullet points. Non-visitors to Pagosa are more likely to:

- Be vacation “shoppers” – over half were “considering several destinations, including Pagosa Springs.”
- The other destinations that they considered were Telluride, Taos, Estes Park, Steamboat, and Breckenridge;
- Not have received or don’t remember receiving information from the Visitor Center despite requesting it;
- Without children in the household (singles or couples without kids);
- Under the age of 44 years old;
- Less affluent;
- Not own a timeshare

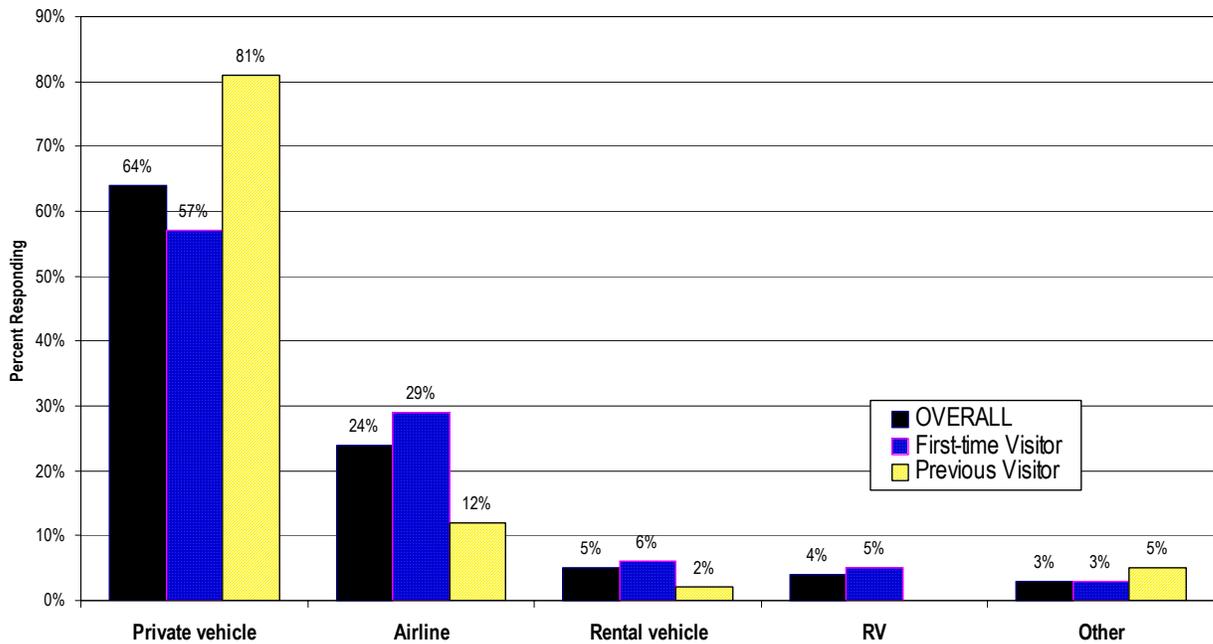
There was no difference between visitors and non-visitors regarding information packet and website ratings as compared to those who ultimately did visit Pagosa Springs. There was also no difference in origin: non-visitors were as likely as visitors to originate from Colorado vs. be from out-of-state.

VISITORS' TRIP TO PAGOSA SPRINGS

TRANSPORTATION PATTERNS

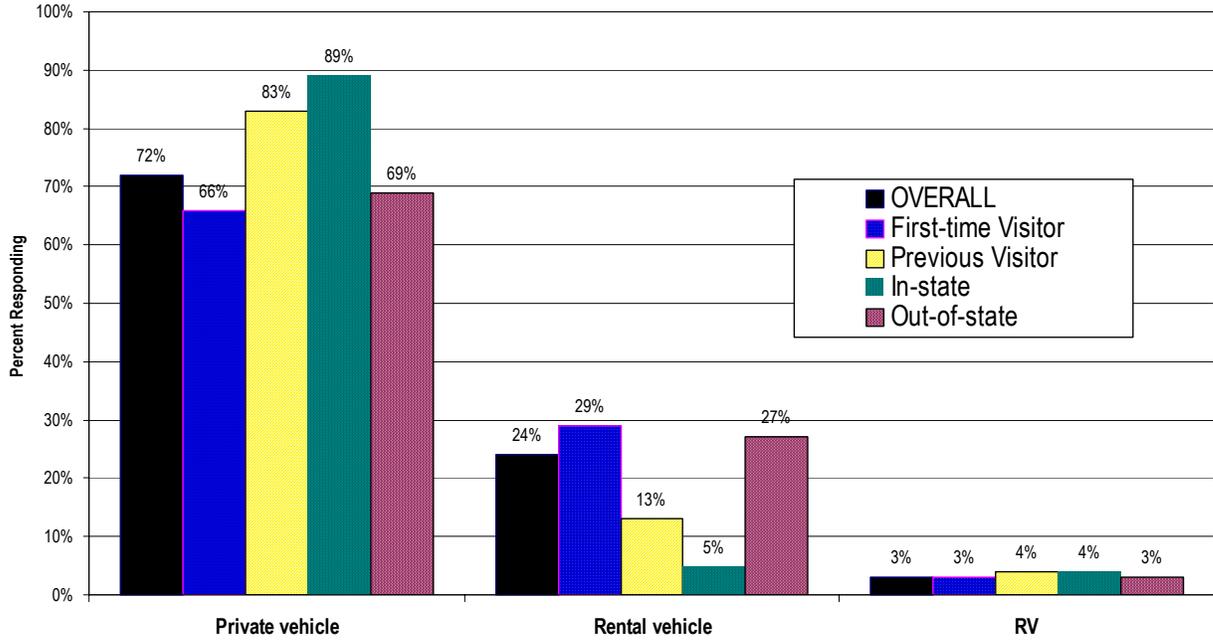
- Among those visitors from out of state, nearly two-thirds drove their own car to Colorado, with previous visitors to Pagosa Springs more likely to drive as compared to first-timers. While flying to Colorado was a distant second to driving (24 percent overall), there is a notable difference between first-timers and repeat visitors, as 29 percent of first-timers flew as compared to just 12 percent of previous visitors.

FIGURE 19.
HOW DID YOU TRAVEL TO COLORADO?
(OUT-OF-STATE VISITORS ONLY)



- Private vehicles were also the most popular method of traveling to Pagosa Springs (72 percent overall), followed by rental cars (24 percent) and RV's (3 percent). Out-of-state and first-time visitors were more likely to travel by rental cars, while in-state and repeat visitors were more likely to use their own car.

FIGURE 20.
HOW DID YOU TRAVEL TO PAGOSA SPRINGS?

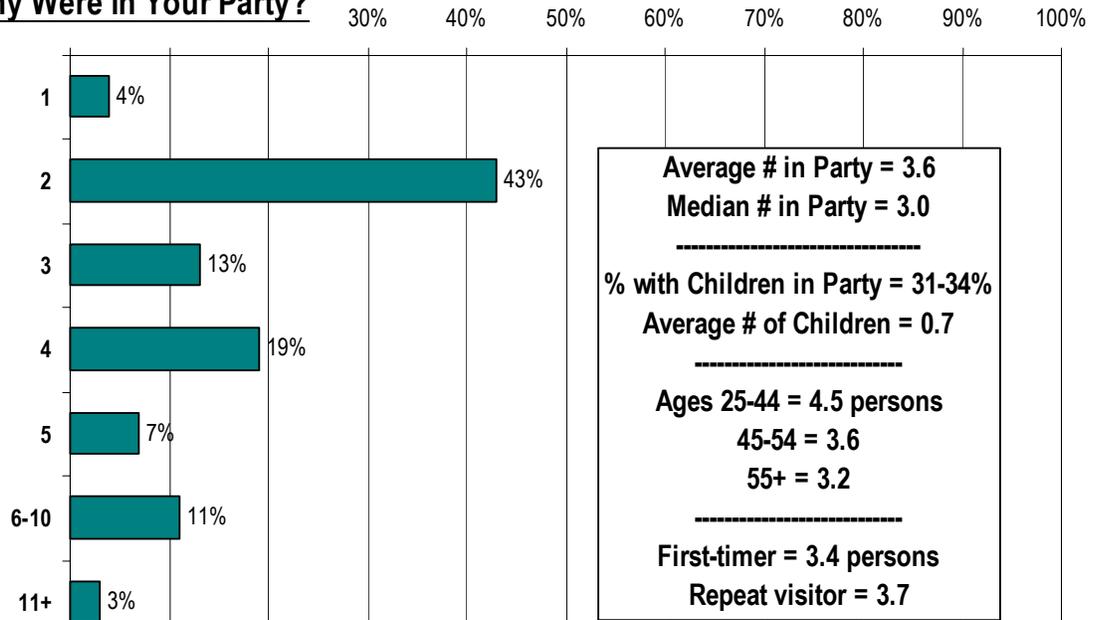


PARTY CHARACTERISTICS

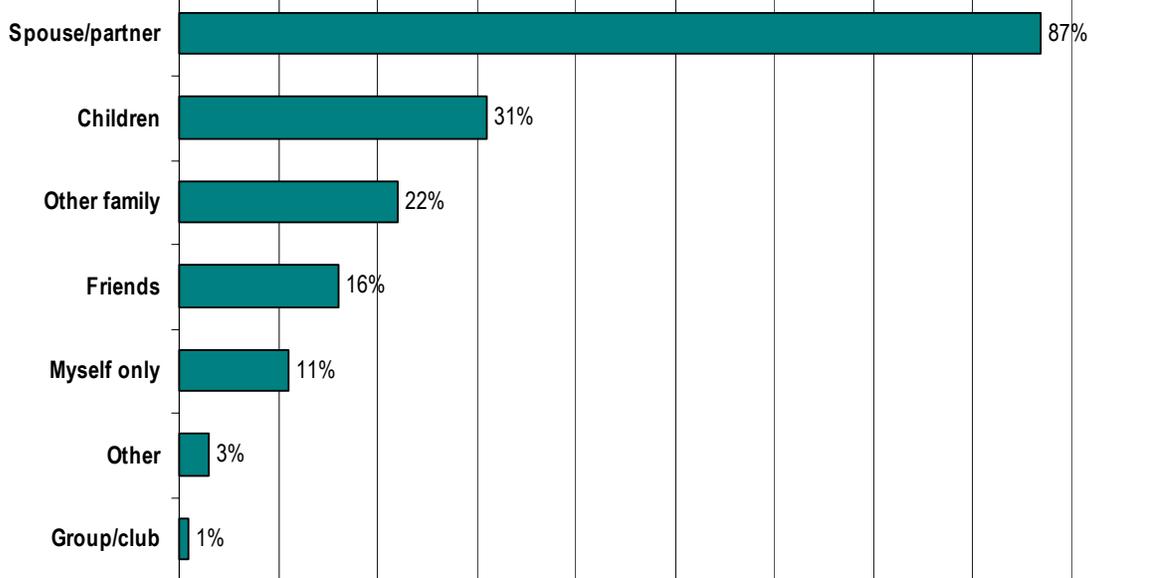
- The average party was 3.6 persons, with the most common party composition being two-person groups (43 percent). Larger parties (5 or more) comprised 21 percent of visitors, with younger and repeat visitors tending to bring larger parties along on their trip.
- Spouses/partners accompanied 87 percent of visitors and roughly one-third percent had children in their party (or 0.7 children on a per capita basis).

FIGURE 21.
TRIP PARTY CHARACTERISTICS

How Many Were in Your Party?

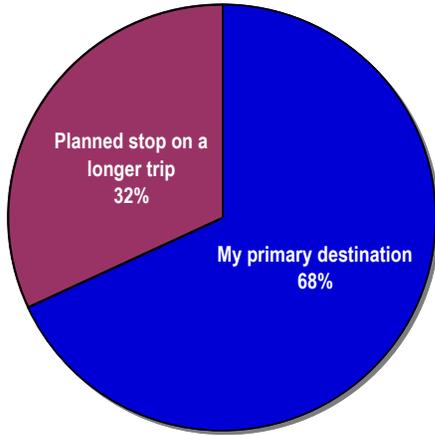


Who Was With You On the Trip to Pagosa?



- For over two-thirds of visitors, Pagosa Springs was their primary destination. For the remaining 32 percent, Pagosa was a “planned stop on a longer trip.” For *no* respondents was Pagosa an “unplanned” stop (recall that our dataset are visitors who had requested vacation information prior to their trip).
- The table shows that those visitors who called Pagosa their “destination” tended to be from Colorado, a repeat visitor to Pagosa Springs, and under the age of 55 years.

FIGURE 22.
 WAS PAGOSA YOUR DESTINATION OR A STOP ON A LONGER TRIP?

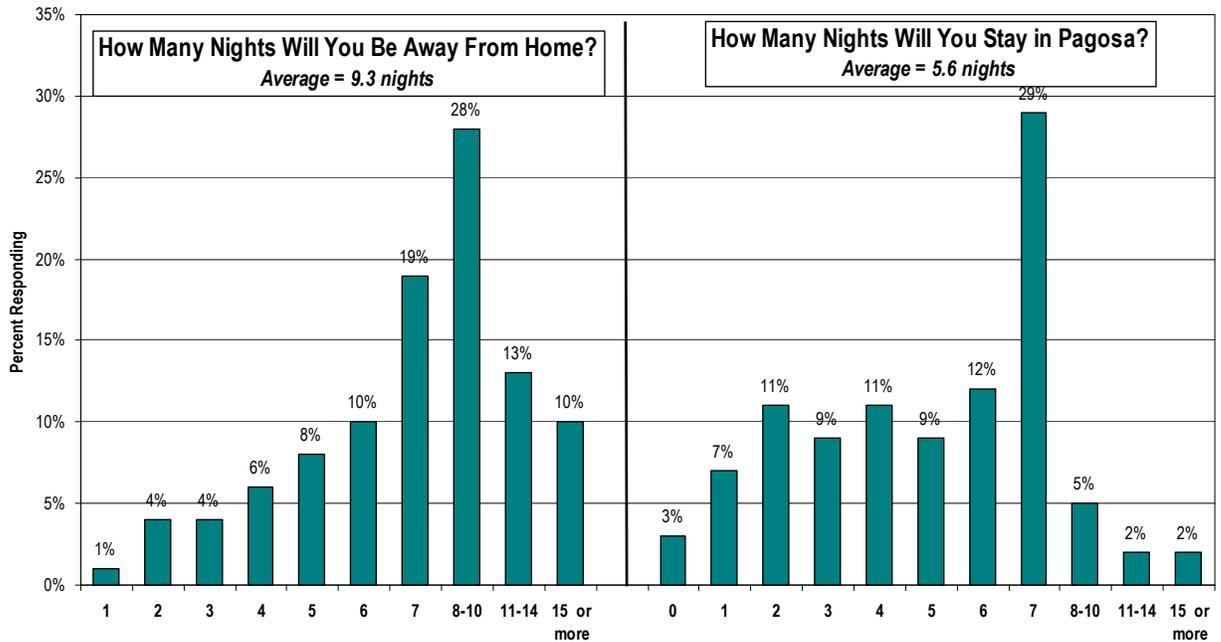


	Primary Destination	Stop on a Longer Trip	TOTAL
In-State	78%	22%	100%
Out-of-State	67%	32%	100%
First-timer	65%	35%	100%
Repeat Visitor	74%	26%	100%
Less than 55 Years	76%	24%	100%
55+ Years	59%	41%	100%

TRIP LENGTH

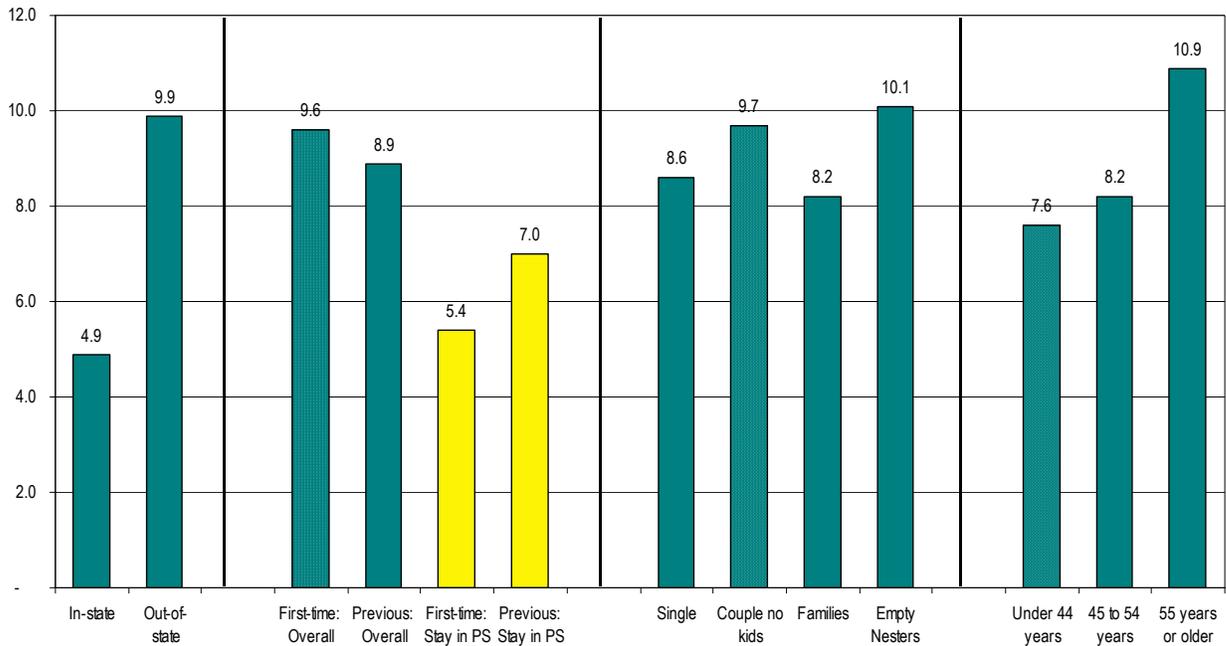
- The average length of vacation for visitors to Pagosa is 9.3 nights. The most common vacation length is 8 to 10 nights (28 percent), followed by '7 night' stays (19 percent).
- By far, the most typical length of stay in Pagosa is 7 nights, likely impacted by the standard timeshare vacation length.

FIGURE 23.
 VACATION LENGTH OF STAY



- In terms of overall vacation length, those who tend to take longer vacations are: out-of-state visitors; couples without kids and empty nesters; first-time visitors; and older tourists. The same patterns are true in terms of length of stay in Pagosa Springs with the exception that repeat visitors tend to stay nearly two days longer than first-timers, testimony to the importance of converting first-timers to repeat visitors (5.4 nights for first-timers; 7.0 nights for repeat stay in Pagosa). Also note the more concentrated stays in Pagosa among previous visitors (the ratio of nights stayed in Pagosa/length of overall vacation). This ratio is considerably higher among previous visitors as compared to first-timers, who tend to take more “touring” vacations.

FIGURE 24.
VACATION LENGTH OF STAY BY MARKET SEGMENT



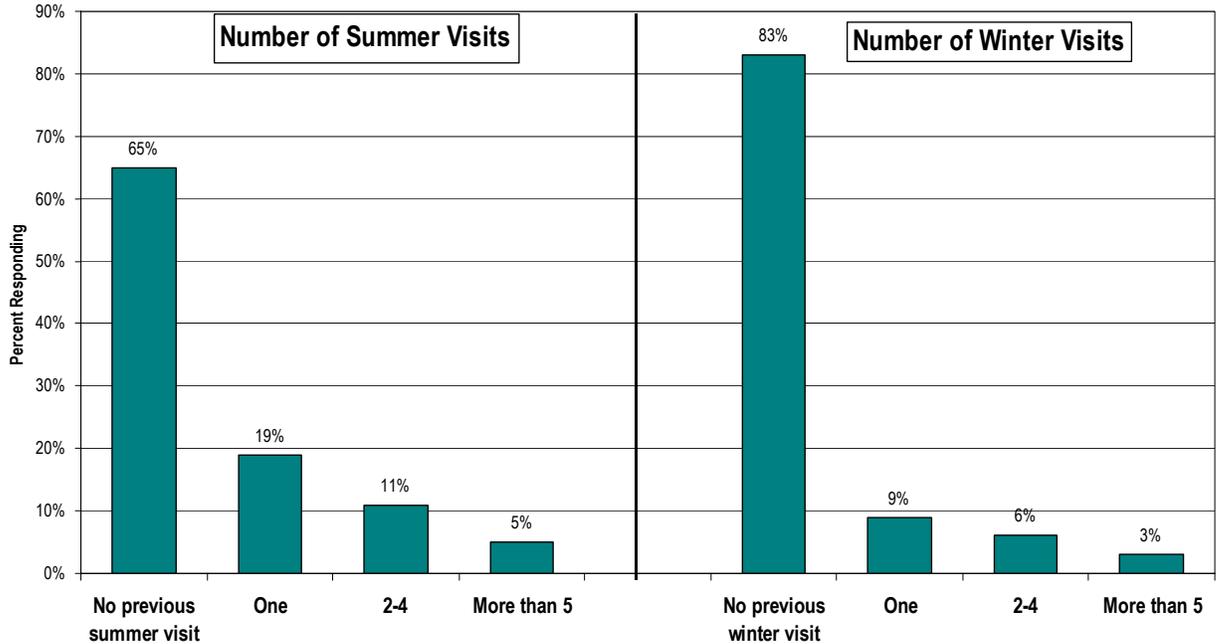
OTHER PLACES VISITED ON TRIP

- In an open-ended questioning format, visitors were asked what other places they visited while on their trip to Pagosa Springs. By far, the most common response was Durango (and Durango/Silverton), not surprisingly. A tour of the Four Corners and the Southwest Region were also popular responses, as were Cortez/Mesa Verde and Creede. Perhaps somewhat more surprising were the number of visitors who included Santa Fe and Taos in their itinerary along with Pagosa Springs. Over half of those who included Santa Fe/Taos were empty nesters (51 percent), with other segments represented roughly evenly (couples without kids 16%; families 22%; singles 11%).

NUMBER OF PREVIOUS VISITS TO PAGOSA SPRINGS

- Sixty-five percent of visitors were on their first summer visit to Pagosa Springs (compared to 37 percent from the 2007 intercept survey – recall that the conversion study dataset is comprised of those who requested information therefore will obviously contain a higher rate of first-time visitors to Pagosa Springs). An even higher percentage has never visited Pagosa Springs in the winter (83 percent), as shown in the figure below.

FIGURE 25.
NUMBER OF PREVIOUS VISITS TO PAGOSA SPRINGS



- The contrast in profiles of first-time vs. previous visitors to Pagosa Spring is clarified in the table below, with first-timers tend to be older, empty nesters, and more affluent, which underscores the importance of making a positive impression on those who are experiencing Pagosa for the first time.

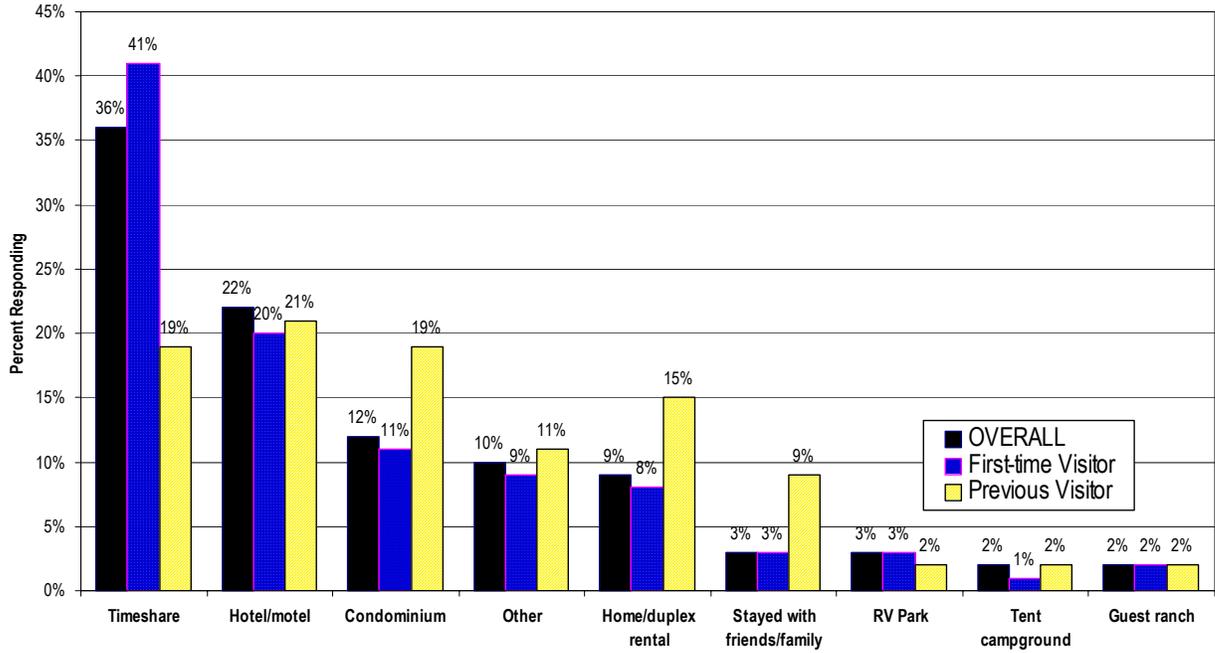
TABLE 7
NUMBER OF PREVIOUS VISITS TO PAGOSA

	OVERALL	First Timer	Repeat Visitor
Average Age	51.2	51.1	48.3
Single	6%	5%	2%
Couple, no kids	21%	21%	26%
Families	34%	34%	43%
Empty Nesters	39%	40%	28%
Average Income	\$99,123	\$105,929	\$88,224

ACCOMMODATIONS TYPE

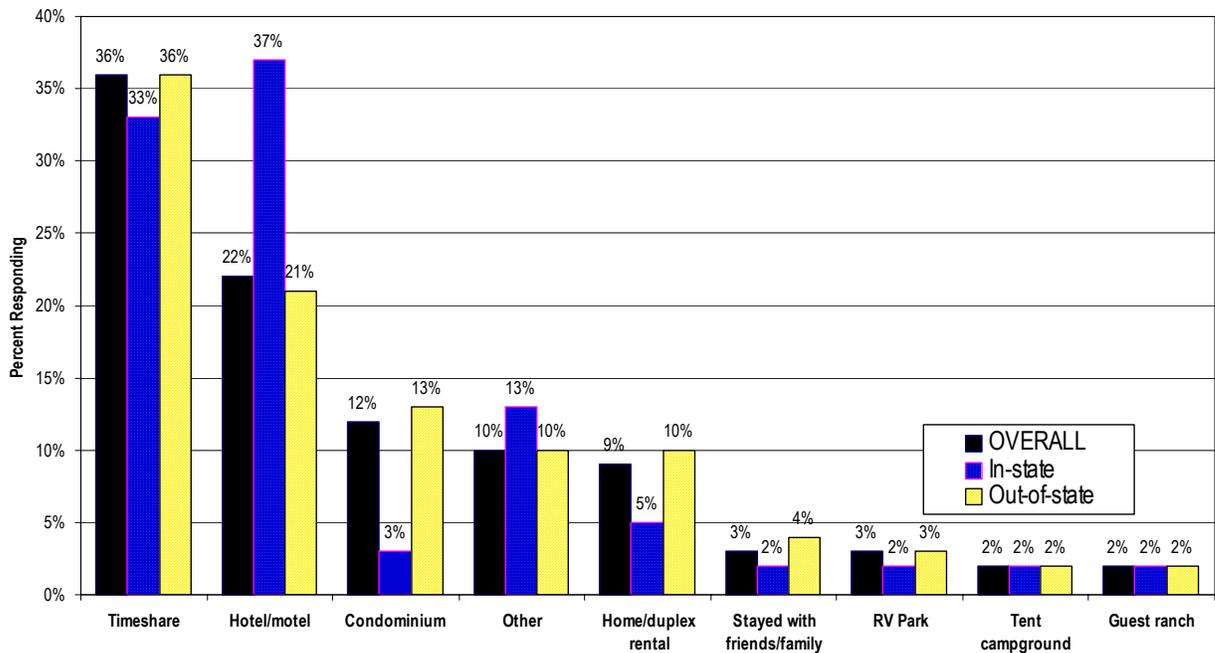
- Over one-third of visitors were staying in timeshares (36 percent), followed by hotel/motel (22 percent), condos (12 percent), and home/duplex rental (9 percent). Timeshares are clearly the most commonly used accommodations by first-time visitors, while repeat visitors are more likely to stay in condos, short-term rentals of homes, and to stay with family/friends.

FIGURE 26.
IN WHAT TYPE OF ACCOMMODATIONS ARE YOU STAYING?



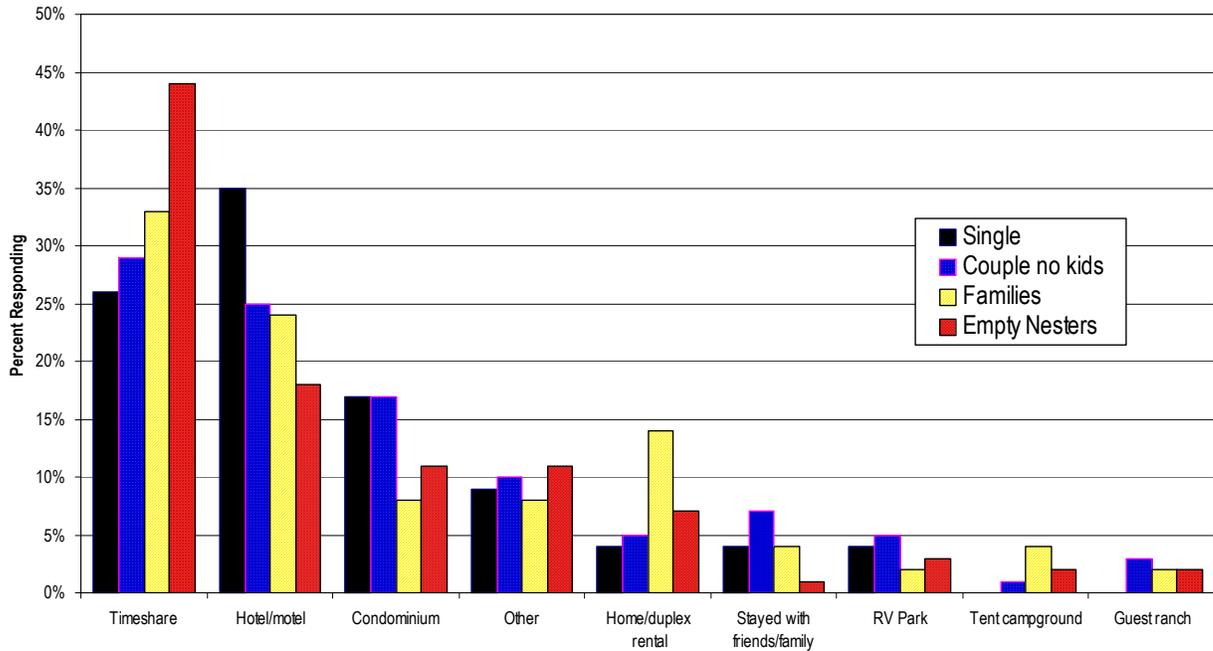
- In comparing Colorado to out-of-state visitors, we see that Coloradans tend to prefer hotel/motels, while out-of-state visitors are more likely to stay in condos and short-term rentals. Timeshares were equally patronized by in- and out-of-state visitors.

FIGURE 27.
IN WHAT TYPE OF ACCOMMODATIONS ARE YOU STAYING?



- Timeshares are clearly preferred by empty nesters and, to a lesser extent, families, while hotels/motels are more heavily patronized by singles. The data also show short-term house rentals are disproportionately preferred by families.

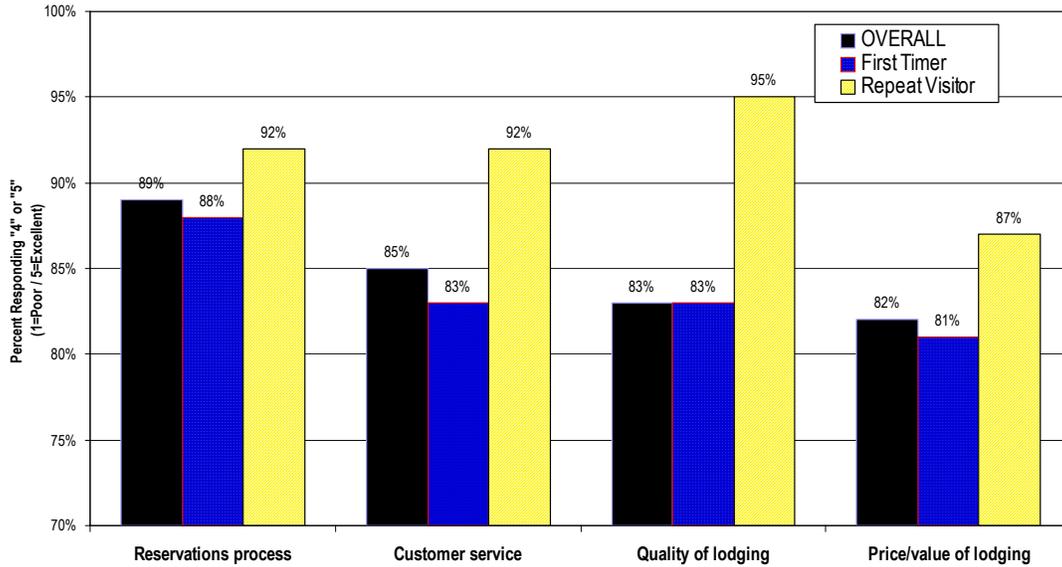
FIGURE 28.
IN WHAT TYPE OF ACCOMMODATIONS ARE YOU STAYING?



LODGING RATINGS

- Ratings of the lodging experience were fairly high. Of importance to note are the uniformly lower ratings given to the lodging experience among first-timers as compared to previous visitors, with the largest disparity in the areas of customer service and overall quality of the lodging. Recall that first-timers are more likely to stay in the timeshares.

FIGURE 29.
PAGOSA LODGING RATINGS



- In looking at average ratings by time of accommodations, the data show that timeshares, condominiums, and short-term home rentals perform considerably better than hotel/motel ratings.

	MEAN RATING
Timeshare	4.6
Condominium	4.4
Home/duplex rental	4.5
Hotel/motel	3.8

VISITOR EXPENDITURES

- Visitors were asked to estimate their party’s total expenditures per day during their stay in Pagosa Springs. For purposes of this report, these figures have been divided through by party size, so the results can be reported in terms of average per capita daily spending.
- Visitors were asked about their specific spending on lodging, rental vehicles, dining, shopping, recreation/entertainment, and local transportation. Taking into account expenditures in all categories, visitors on average spent approximately \$147 per person per day while in Pagosa Springs.

TABLE 8
AVERAGE EXPENDITURES

Accommodations (nightly room rate)	\$95
Dining (per person per day)	\$28
Shopping (per person per day)	\$24
Recreation/entertainment (per person per day)	\$27
TOTAL (per person per day)*	\$147

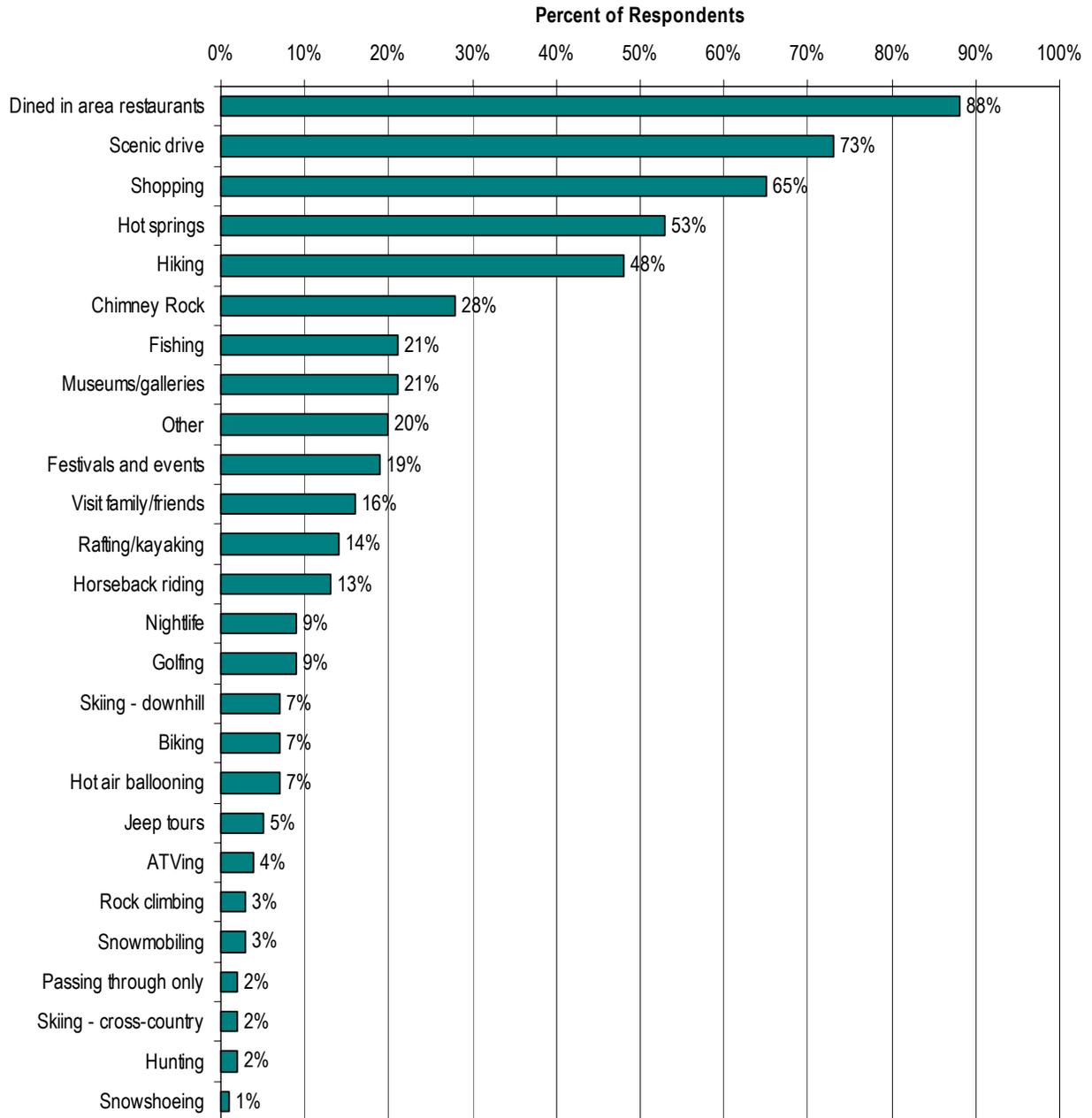
*Categories do not sum to total because accommodations was based on a nightly rate and divided through by party size. Per capita averages include “zeros” or those who did not spend anything in that particular category

- Comparing daily expenditures by market segment, the data show that families spend more on average on a per capita basis (\$167 per person per day), followed by couples without children and empty nesters (\$139-\$140). Singles spend the least, at \$114/day.
- Underscoring the importance of converting first-timers to previous visitors, repeat tourists spend about \$30 more per day than first-timers. We also see that out-of-state visitors spend slightly more (\$150) than Coloradans (\$140).

ACTIVITIES

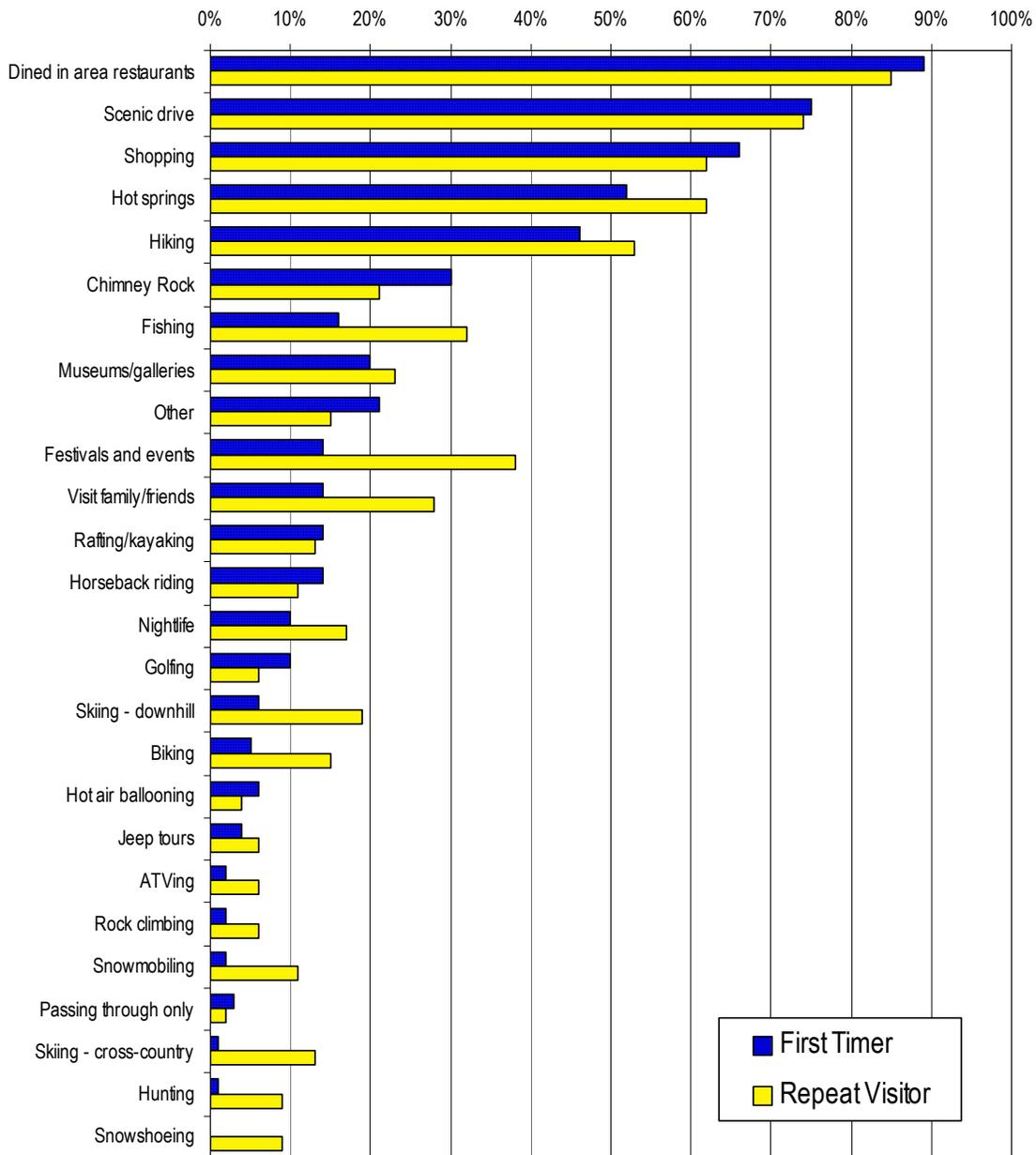
- Visitors were active while on their stay in Pagosa Springs. The most popular activity was dining in area restaurants (88 percent), followed by a scenic drive (73 percent), shopping (65 percent), the hot springs (53 percent), and hiking (48 percent).
- Chimney Rock, fishing, and visiting museums/galleries, and festivals/events comprised the next tier of responses (19-28 percent). Other activities and their participation rates are shown in the figure below.

FIGURE 30.
IN WHICH ACTIVITIES DID YOU OR MEMBERS OF YOUR PARTY PARTICIPATE WHILE IN PAGOSA?



- First-timers are more likely to visit Chimney Rock and engage in more passive activities (dining, shopping), while repeat visitors are more likely to enjoy the hot springs, hiking, fishing, special events, skiing, biking, snowmobiling, hunting, and snowshoeing. In fact, repeat visitors participate in a higher number of activities (6.4) in general as compared to first-timers (5.2).

FIGURE 31.
ACTIVITIES BY REPEAT VISITATION



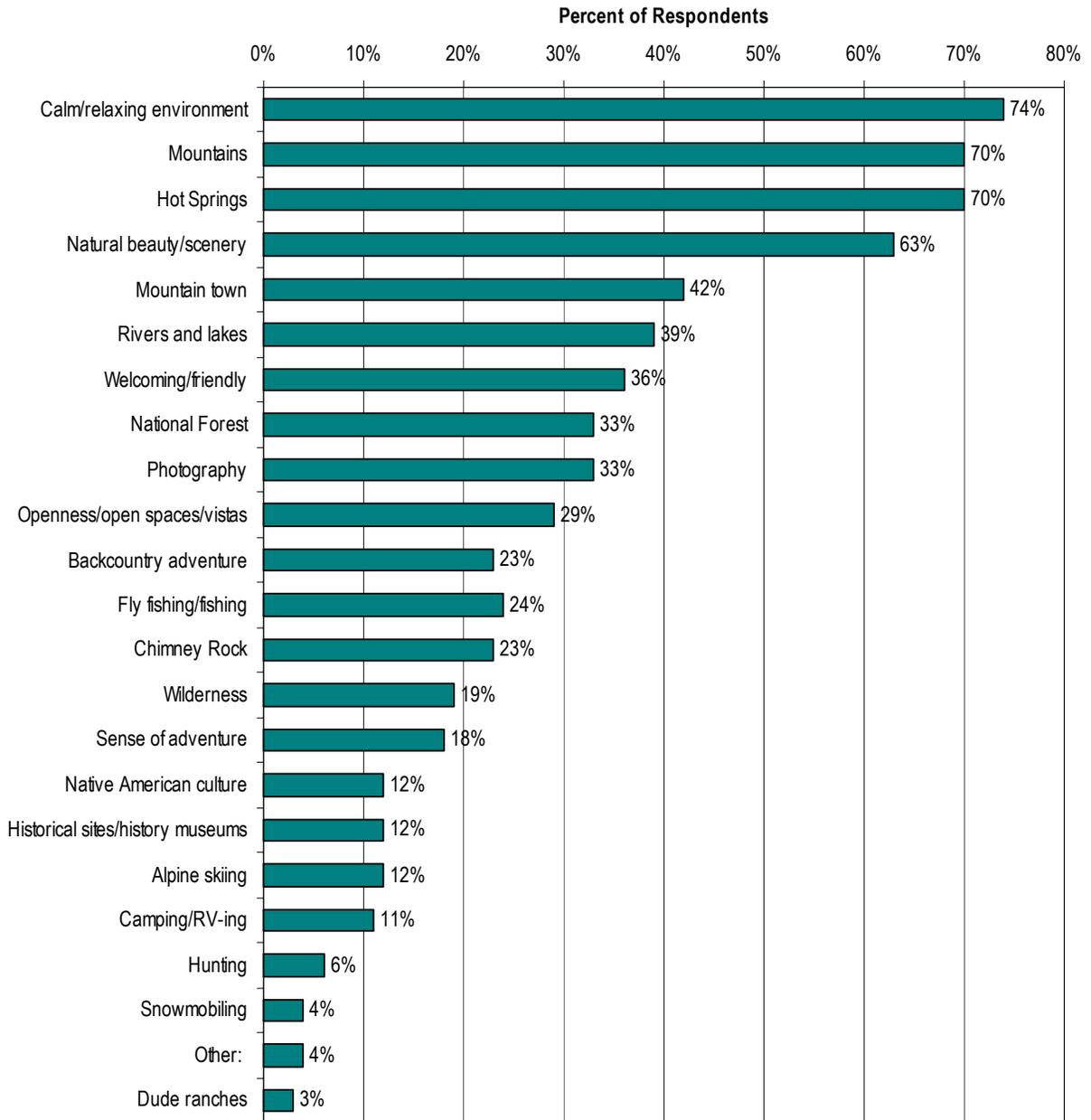
PERCEPTIONS OF PAGOSA SPRINGS

IMAGE OF PAGOSA

- When visitors were asked what image comes to mind when they think of Pagosa Springs, the ambience and “feel” of the community and natural environment/amenities emerged at the top of the list: “calm/relaxing environment” dominated responses at 74 percent, followed by the hot springs (70 percent) and “mountains” (70 percent). Pagosa’s “natural beauty/scenery” was also frequently mentioned, as was it being a “mountain town,” “rivers

and lakes,” and the community being “welcoming/friendly.” Interestingly, specific recreational activities and attractions (aside from the hot springs) were not as frequently mentioned, implying that Pagosa delivers emotional value to visitors in the form of relaxation, connection to nature, and connection to the community.

FIGURE 32.
WHAT IMAGE COMES TO MIND WHEN YOU THINK OF PAGOSA SPRINGS?



- In comparing the image of Pagosa by age, we see that older visitors are more likely to respond to Pagosa’s natural beauty and National Forest, as well as “cultural tourism” aspects such as Chimney Rock, historical sites and museums, and Native American culture. Younger visitors (under 44) were more drawn to the area’s hot springs, rivers/lake, friendly atmosphere, and skiing.

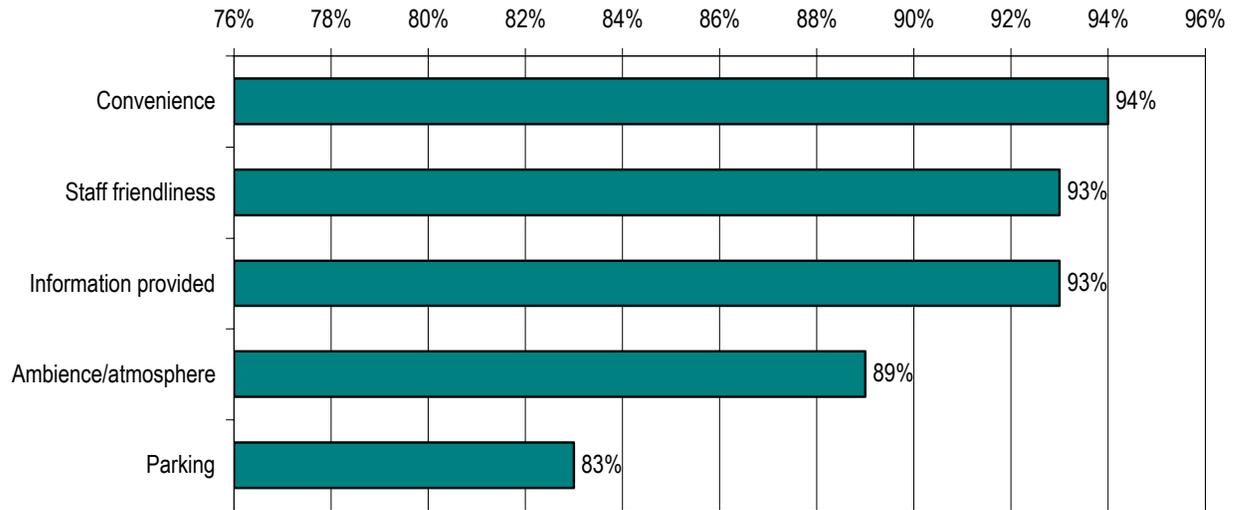
TABLE 9
WHAT IMAGE COMES TO MIND WHEN YOU THINK OF PAGOSA SPRINGS?
BY AGE OF RESPONDENT

	Under 44	45 to 54	55+ years
Calm/relaxing environment	79%	71%	74%
Mountains	71%	78%	68%
Hot Springs	82%	71%	62%
Natural beauty/scenery	60%	58%	69%
Mountain town	43%	37%	45%
Rivers and lakes	45%	39%	35%
Welcoming/friendly	43%	34%	38%
National Forest	29%	32%	37%
Photography	36%	30%	35%
Openness/open spaces/vistas	25%	28%	31%
Backcountry adventure	25%	27%	23%
Fly fishing/fishing	25%	24%	21%
Chimney Rock	20%	16%	30%
Wilderness	25%	24%	13%
Sense of adventure	21%	19%	13%
Native American culture	5%	13%	17%
Historical sites/history museums	10%	9%	17%
Alpine skiing	16%	14%	6%
Camping/RV-ing	11%	11%	13%
Hunting	5%	5%	7%
Snowmobiling	10%	6%	1%
Other	1%	4%	6%
Dude ranches	4%	3%	2%

VISITOR CENTER VISITATION AND RATINGS

- About half of visitors stopped into the Visitor Center while on their vacation to Pagosa Springs (46 percent). As might be expected, first-time visitors were more likely to frequent the Visitor Center as compared to previous visitors.
- Visitor Center ratings were quite high, with convenience, staff friendliness, and “information provided” receiving the highest ratings. Ratings lower were “ambience/atmosphere” and “parking.”

FIGURE 33.
VISITOR CENTER RATINGS

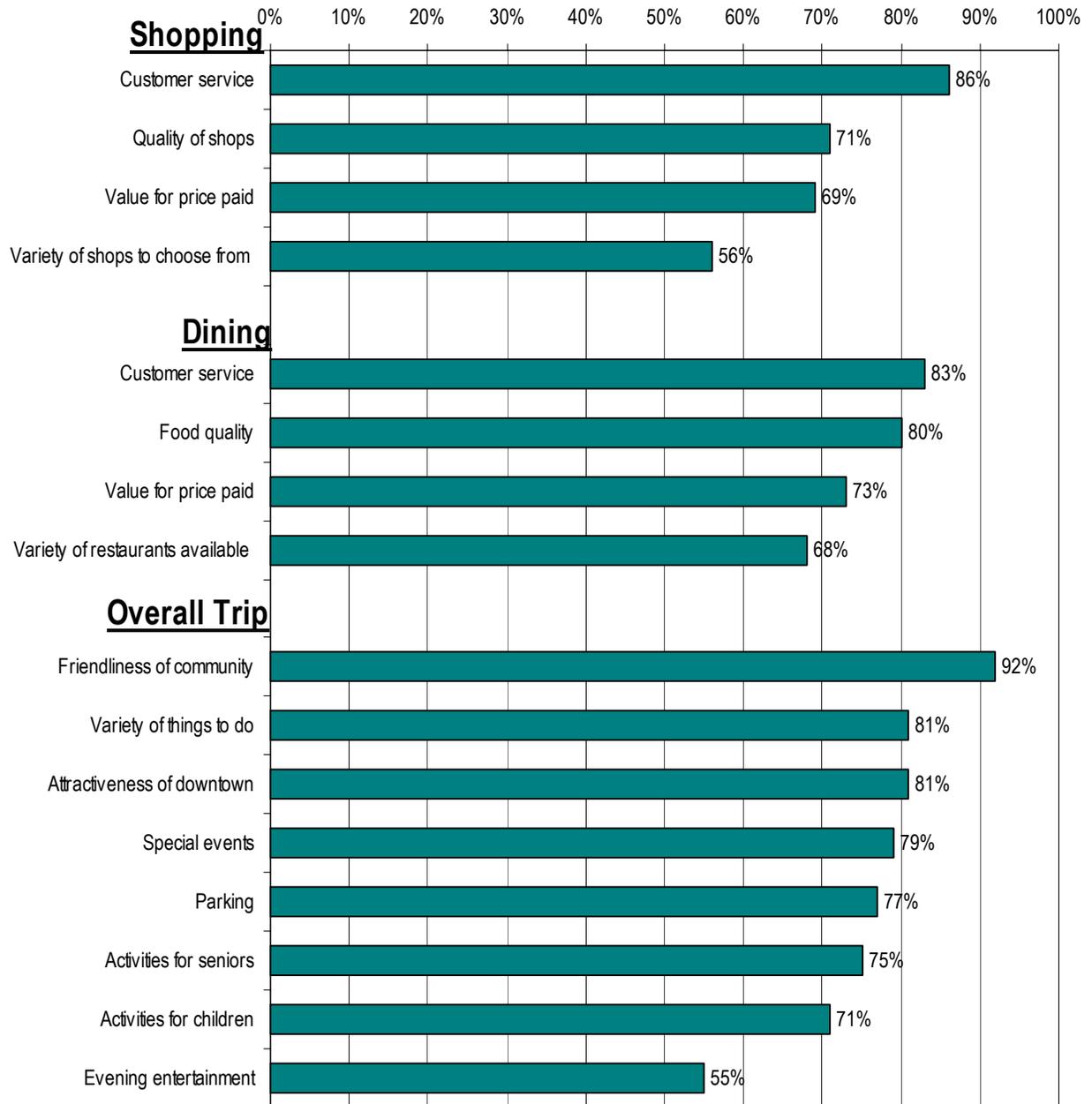


- When asked whether they had picked up information about Pagosa while they were in town, one-third of visitors had *not* gathered any information while in town. Of the remaining two-thirds who gathered information, 39 percent did so at the Visitor Center, 29 percent in the hotel lobby, and 16 percent at “other locations” such as Wyndham, real estate offices, and the hot springs.

RATINGS OF VACATION EXPERIENCE IN PAGOSA SPRINGS

- Visitors were asked to rate their experience while in Pagosa Springs using a 5-point scale, with 1 being “poor” and 5 being “excellent.” Categories were shopping, dining, the overall trip, and the Visitor Center. Comments were also provided with gives us the tools to qualitatively diagnose the ratings of experience.

FIGURE 34.
RATINGS OF VACATION EXPERIENCE



THE SHOPPING EXPERIENCE

- Positive ratings of the shopping experience varied. When good/very good ratings are evaluated, they range from 56 percent (“variety of shops”) to 86 percent (“customer service”), a larger variance than the ratings of dining or the overall trip. Rated most highly was customer service, followed by the quality of shops and price/value. Note that two important segments to Pagosa – families and first-time visitors – tended to rate this aspect lower than other market segments.

- Comments related to the shopping experience reveal that the opportunity for contact with locals can make an indelible impact on many visitors. The warmth, friendliness, and slower pace that many visitors experience are in marked contrast to many more tourist-oriented destinations, and the shopping experience and associated interaction with locals can be an important, memorable “connection” point for visitors and the local community. This opportunity to connect with visitors is significant in that it can color the overall experience, positively or negatively. There were several comments about the lack of customer service or rudeness of shop clerks, and that some visitors didn’t feel “welcome.” Other visitors commended the community for its laid-back friendliness, with comments like: *“It is friendly, friendly, even the younger people love living in their town. They aren't in a hurry to leave! That says a lot.”* Comments were also made about the desire for more shops and the common complaint of shops closing early.

Shopping Comments

Pagosa is very nice. It needs to add some quality restaurants, shops and allow new business to come in.

Great little town and say hello to Mr. Goodman at Goodman's Dept Store. When we were there in 1986, we met his father.

We were there over Labor Day weekend and all of the stores were closed. It rained hard the entire time we were there and there was nothing to do.

Really don't feel welcome by most of the locals. Customer service seems to be a low priority for most businesses, even though it tourism seems to be towns primary industry.

Businesses should EMPHASIZE customer service and the need to go above and beyond. Not treat people like they have nowhere else to go in town. Because we may not pick your town next year.

Locals did not seem very friendly or accommodating - at library or laundromat come to mind. Plenty of shops. Didn't realize town was split before came.

THE DINING EXPERIENCE

The dining experience for visitors did not hold as much variation as shopping, with ratings ranging from 68 to 83 percent. Similar to shopping, customer service and food quality were rated the highest, followed by value and – rated the lowest – variety of restaurants. Ratings were consistent across market segments.

Comments on dining centered on the perceived lack of variety, value, and for one restaurant in particular, repeated complaints from a number of visitors about the rude, abusive service. It is unfortunate that isolated incidents from a single establishment can be magnified so that the entire trip is tainted by that experience, and yet that can be the case, as evidenced by the tone and detail in the comments. Developing feedback programs (such as a secret shopper program) endorsed and funded by the TTC, Chamber, and other entities could be effective in detecting these problem areas and reporting back to business owners and participating agencies about the experience in detail.

Dining Comments

We were there for the Parelli Savvy Conference so we didn't get much time to go shopping, eating out or evening activities. Ate out three times, value for price paid varied. Great shops, fun downtown area. Wish we could have spent more time there. People were very friendly and helpful. Would like to

come back sometime to spend more time in the area. When I requested info about Pagosa Springs I specifically requested a map of the city but didn't get one in the packet. We picked one up when we got there but it would have been helpful to have ahead of time. Thank you for what was sent. Thank you for a great city to visit.

We LOVED the Pagosa Bakery and people==a real asset to the community. Visitor Center vols/ees were awesome. Loved the river area, little park etc. Used both springs resorts and had a great time at each-unique.

We are limited in restaurants because of food allergy...the 1st restaurant (coffee shop) we went to, after waiting for someone to help us, wasn't serving food as we were in between meals, and he stood 3 inches from my husband's face as he spoke to him...then went to a Mexican restaurant and the waitress was extremely unfriendly. Got a bad first impression. Hot Springs was great, and relaxing--totally enjoyed it. Wanted to walk along main street longer, but everything closed early evening.

Our hotel was very overpriced for what we expected to find when we arrived. We spent a lot of time in the hot springs & decided to go eat dinner after we were done. We could find NO place to eat after 9:00 p.m. & had to settle for going to the local grocery store. What's up??

Our best memories of Pagosa Springs include breakfast and conversation at the Floured Apron, Anna O'Reilly - Energy massage, and the hot springs.

My wife And I are in our 70s. We were refused service at the Tequila restaurant because we were ordering only dessert, although the rest of the party intended to have dinner.

OVERALL TRIP EXPERIENCE

The most highly rated item in the entire list of Pagosa attributes was "friendliness of the community," for which 92 percent responded positively. A middle tier of ratings consisted of variety of things to do, attractiveness of downtown, special events, and parking. Rated the lowest were related to structured activities for seniors, children, and evening entertainment.

First-time visitors to Pagosa tended to be more critical of evening entertainment and special events as compared to repeat visitors, with additional detail provided below in the comments made regarding activities. Recurring throughout a number of comments is a sense of disconnect between what visitors "expect" and what they ultimately experience, both good and bad. Some visitors were disappointed with the seasonality of some activities (e.g., rafting); lack of information on other activities (e.g., tubing); information not being completely accurate or comprehensive enough; and a number of visitors wished there were more to do in the evenings.

Comments: Activities

We sought out information on hiking trails at the Visitor Center. They were helpful – gave us a printed list and marked out the ones that were still closed because of snow. However, one of the ones we chose we were not able to get to because of road construction, which we only discovered after driving for 45 minutes. It was a beautiful drive, but disappointing not to reach our destination.

When we came to Pagosa Springs, there was a lot of street working etc. going on. The town gave us not a very nice impression in contrary to the pictures we saw at the internet-sites. Actually we had planned to do a rafting trip on the river, as your pictures in the internet showed but the river did not have enough water in August, so we - after having had a short quick look at the river - decided to head on to Durango where we stayed overnight and had a rafting tour there.

We came in the "downtime" of October so didn't expect special events or lots of evening activities to be

occurring but did attend the Springs Theater production of Clue which was great fun. The resort, Wyndam also had more to do than we had time! We loved Pagosa and certainly understand why people retire there... we will be back.

Finish the River Restoration! More fishing and kayaking will be a big plus and those boulders will look a lot more attractive in the river.

All the activities that were listed in your brochures covered dates that had already passed. I knew we would be coming in the off-season, but we found lots to do in the Pagosa Springs - Durango area. I would have been interested in where to go in surrounding areas to visit lakes, parks, etc., but the only information I had on this was from the internet. I did not realize how awesome Pagosa Springs was until after I was there, and had already decided on spending the evenings with family. We like to have a nice dinner and some entertainment. I saw nothing about dancing, or other nightly entertainment in your brochures. I didn't visit your Visitor Center because I assumed you had sent me the same items you had sent me. I was rather disappointed, because Pagosa Springs is really an awesome valley, and after going there I would have preferred to stay there, but plans were made just before leaving, and it was too late to change.

Night life is extremely dull. My only complaint.

In March...still not many of the recreation opportunities you would have available a month or two later. I had a blast snowmobiling and skiing...and the visit to Mesa Verde. I was somewhat disappointed with "downtown". Not real engaging...Seems like you saw it all in a short period of time.

I'm a fall person. I like the not too hot weather and the ability to really enjoy the outside. Pictures and brochures did not do the town justice. I would like to see more fall activities during this time of year. I read what you sent and that was that. After committing to vacations plans I didn't have the opportunity to change plans. After visiting Chaco I then knew the significance of Chimney Rock, but even though I had information on it, it didn't describe the historical significance. I spent all of my money on entertainment that included historical places, or the Southwest Indian Culture. I would have loved to know of other museums in the area, if there are in fact some.

Absolutely gorgeous. The San Juan National Forest was amazing and driving through there and then seeing the hot springs was quite an experience and it was something that my young children could enjoy too- swimming.... Wish we would have done some tubing. I tried to look into it online before we ventured out from home without success, though I was looking to do that in Durango. Didn't realize we could even do it in Pagosa. Beautiful town.

Comments: Downtown Infrastructure/Aesthetics

Comments on land use, infrastructure, and downtown aesthetics revealed that, while most visitors are awed by the unparalleled beauty of the natural environment surrounding Pagosa, the physical infrastructure and framework for the town was a disappointment to a number of tourists. Some said that the sprawl was a surprise to them, and that the town "split" was unusual and, to some, an unpleasant surprise. Several commented on frustration with circulation and access on/off the highway, especially on the west end of town. With respect to the downtown, some visitors would have liked to see a stronger pedestrian orientation (benches, landscaping, lighting) and that the downtown lacked "quaintness." Others perceived the downtown as being "dirty," and "could be made more interesting." And finally, a few visitors cautioned Pagosans to be prudent with their land use policies, noting that the community can be "destroyed by over-development, high density, obscuring of views and Nature by construction."

We were also there for the fresh food market across from the hot springs next to a Mexican restaurant

there that we ate at. But there was no parking for the restaurant and the market place people wanted to make sure we were eating at the restaurant b/c otherwise they didn't want us to park there- it was also difficult to get into/out of.

The mountains are an asset, the sprawl of the town was surprising. The downtown could be made more interesting.

Some of the access to businesses was confusing, especially on the west end of town, and not being able to make a left turn at a major intersection to get back on the highway was very frustrating

Road construction made it difficult getting around.

Maybe I had a preconceived idea of what Pagosa Springs would look like. It didn't look anything like I imagined. Kind of disappointed.

Looking to build a seasonal home. Found the restrictions/requirements to build very intimidating and overly expensive. Will look elsewhere as well for comparisons before making a final decision. This doesn't take away from your beautiful city and area.

Downtown streets seemed "dirty", lots of exhaust from busses and big trucks...did not seem "quaint", like Estes Park. Only moderately pedestrian friendly...would have liked to see more decor...flowers, lights, benches, landscaping

Sure would have liked to have seen more benches, a covered seating area overlooking the hot springs nothing spectacular, would be great for just people watching and waiting for all the shoppers in the party to complete their shopping.

Protect your open spaces and limit or control development. We live in Sedona AZ and it has been destroyed by over-development, high density, obscuring of views and Nature by construction

A map showing businesses was not up to scale... it was hard to believe some of the businesses were so far away from the town core, since I was expecting a much smaller place, I was surprised by the sprawl (not in the most favorable way). Maybe the map can reflect the expanse of land better.

Comments: Small Town Ambience/Friendliness

Pagosaurs' warmth, friendliness, and ability to authentically connect with visitors are clear strengths of the community as a tourist destination. Consistent throughout the comments is this sense that Pagosa is a breath of fresh air, especially compared to other destinations where tourists are treated as "commerce," as one person puts it. Many tourists, especially those who are apparently well-traveled, detect the authenticity and sincerity behind the friendliness and note that it is "not your typical touristy town."

We love to visit friendly small towns. Pagosa Springs was great! We especially enjoyed the small historical museum, and Ann, the docent who spent so much time with us there!

We love Pagosa Springs. We have often stopped to eat and watch the crazy people rafting past at JJ's River Walk on our way further (to Lake City). This year we decided to stay in PS for something different, also it's a little bit closer to home (Amarillo).

We have spent two summers in Pagosa staying three months in a rental unit, first a townhome then a home and have enjoyed the Senior activities and community center especially. We have friends and family who also come to visit for a few days. We shop, eat out, enjoy the music festivals and the

friendliness of the locals.

We enjoyed Pagosa Springs very much! We plan to return and spend more time there. Beautiful, country...people friendly and the surrounding rural area reminded us of our childhood days growing up in "country" locale.

In my opinion, this is the perfect mountain town. It is breathtakingly beautiful, laid back and friendly. Not your typical touristy town. Very real.

Locals did not seem very friendly or accommodating - at library or laundromat come to mind. Plenty of shops. Didn't realize town was split before came.

Having visited all over the West, Pagosa Springs stands out as the friendliest place we have been. The locals are great to deal with, and still value out-of-towners as people, rather than commerce to be tolerated until the season ends.

AFTER VISITING FOR 20 YEARS, PAGOSA STILL HAS NOT "SOLD OUT"... WE HOPE IT REMAINS THAT WAY! AFTER ALL, THAT'S PART OF THE CHARM.

NET PROMOTER

- “Net Promoter” is a metric for measuring customer loyalty that is frequently used in companies and industries for improving customer retention and positive word of mouth. Specifically, visitors were asked, “How likely are you to recommend Pagosa Springs to a friend, family member, or colleague?” The results are intended to quantify word of mouth and measure how well Pagosa Springs is regarded among its customer base. These scores are quantified and benchmarked against other companies and industries to help an entity determine how effective it is in satisfying customers to the extent that they “spread the word.”
- Ratings of 9 or 10 are considered to be “promoters,” meaning that they would actively spread positive word of mouth about Pagosa. Ratings of 7 or 8 are considered “passively satisfied,” or that these guests probably won’t say anything bad about Pagosa, but they aren’t raving fans either. Ratings of 6 or less are considered to be “detractors,” or customers who will probably not have good things to say about Pagosa. The percentage of promoters minus the percentage of detractors results in a “net promoter” score (NPS).
- Why is this important? All organizations face limited resources, and maximizing the efficiency of these marketing dollars will result in greater returns and profitability. Industry research shows that:
 - Acquiring a new customer can cost 6 to 7 times more than retaining an existing customer.
 - Increasing customer retention rates by 5% increases profits by 25% to 95%
 - ‘Promoters’ provide 80% of your referrals; detractors provide 80% of your bad word of mouth (or today, ‘word of mouse’)
 - Goal is to boost retention/visitor satisfaction: increase promoters / decrease detractors, convert first-time to repeat visitors
 - For Pagosa, repeat visitors stay nearly two nights longer than first-timers (5.4 nights vs. 7.0 nights, or 30 percent longer). Converting to a repeat visitor translates into dollars: higher sales and lodging tax revenues for the community.

- For Pagosa Springs, the average score is 8.7, with 63 percent promoters, 29 percent passive promoters, and 7 percent detractors; Pagosa’s net promoter score (promoters minus detractors) is 56 percent.
- To put this in context, successful organizations range from 50-85% NPS. By this measure, Pagosa Springs is performing adequately in terms of satisfying the customer although at the lower end of the range. There is considerable room for improvement, with a goal being to increase the promoters and reduce detractors. Improving upon the visitors’ experience in terms of activities, improving the downtown, better lodging, providing accurate information, and concentrating on and promoting the strengths of the community are all areas that should be areas of focus in order to improve retention.
- It is also important to note that first-time visitors report a lower NPS (50) as compared to repeat visitors (73), further testament to the importance of making positive first impressions and converting these first-timers to vocal loyalists.

On a scale of 1 to 10, how likely are you to recommend a trip to Pagosa Springs to a friend or colleague?

(n=521, ag=8.7).

0	1	2	3	4	5	6	7	8	9	10
	1%	-	-	-	3	3	13	16	22	41

- Related to net promoter scores are visitors’ intention to return to the destination in the future, either the summer or the winter. As shown in the table below, intent to return in the future is not strong, as compared to findings from other tourism research that we have conducted. Of particular note is the weak intent to return among first-time visitors: 44 percent are ambivalent or negative about returning in the summer; fully 78 percent of first-timers do not intend to return in the winter.

TABLE 10
WHAT IS YOUR LIKELIHOOD OF RETURN TO PAGOSA SPRINGS IN THE FUTURE?

	OVERALL	First-Time Visitor	Previous Visitor
Likelihood of Return in SUMMER			
Will Not	1%	2%	--
Unlikely	6	8	--
Maybe	28	34	10%
Probably Will	33	35	21
Definitely Will	31	20	69
Likelihood of Return in WINTER			
Will Not	9%	11%	--
Unlikely	27	32	--
Maybe	35	35	20%
Probably Will	14	12	25
Definitely Will	15	10	55

WHAT MAKES PAGOSA SPRINGS DIFFERENT AS A VACATION DESTINATION FROM OTHER AREAS YOU CONSIDERED?

When asked what sets Pagosa Springs apart from other destinations, several themes emerged from the comments. Not surprisingly, the hot springs, river, mountains, variety of recreational amenities, lack of commercialization, and small town charm emerged as leading responses (the full array of comments is included in the Appendix to this report).

For some visitors, there was also a sense of (re)discovering the impact that slowing down, quiet, beauty, and connecting with other people can have on their lives. There was a tone of enthusiasm and delight that permeated many of the comments as well as a sense of discovery and "adventure." As one person put it: Pagosa has "an understanding of what quiet and peaceful environment can do for a person [who has] lived in a city for most of his life."

When I visit Pagosa Springs I feel like I'm visiting a home town, not a "vacation destination." The scenery is breathtaking. The pace seems to have slowed down there so it is easy to relax, but you can also find a new adventure at the next turn. Pagosa Springs is my favorite place in the world.

The town is not overly commercialized, and even though not "fancy" it appeals to us as out of the rat race....

The Springs are wonderful, the air is clean, roads are great and the people are delightfully friendly. (when you're from Los Angeles, all these things add up to a great vacation getaway.)

The slower pace of the town AND the friendliness of its people have it winning the race in the "Which CO mountain town should we visit?" competition! A little off the beaten path (no Interstate nearby), but well worth the drive over Wolf Creek Pass!

The cleanliness of the air, the mountains, the overall "feel good" feeling that came over me as we were driving into Colorado. I had been to Colorado before but never to this area. It was beautiful!

It's not so crowded as many touristic towns in Colorado. People here are amongst the friendliest I have ever met

It is truly a part of what America is about! No large city like environment. We loved the country atmosphere. The rural countryside, the openness and the beautiful land that was not congested. The roads were easily traveled..no HEAVY traffic, quaint shops, bakery's. Enjoyed the one day a Chili Cookout was done in the little park. Seeing the local folks just enjoying themselves!

An understanding of what quiet and peaceful environment can do for a person. That has lived in a city for most of his life. I see now why people will buy a vacation home in Pagosa Springs.

NO WALMART----- only local business, no chain stores. Very few traffic lights, NO STRESS, very laid back, friendly. Love the view, many different wildlife. Will always return if it remains the same.

Pagosa to me is a well kept secret. It has beautiful mountains, many outdoor activities, hot springs and it is not crowded. I love the small town feel to Pagosa.

The Hot Springs of course. It's a shame they are all located at one resort that is very expensive to stay at, and that it costs so much to just go to the Hot Springs.

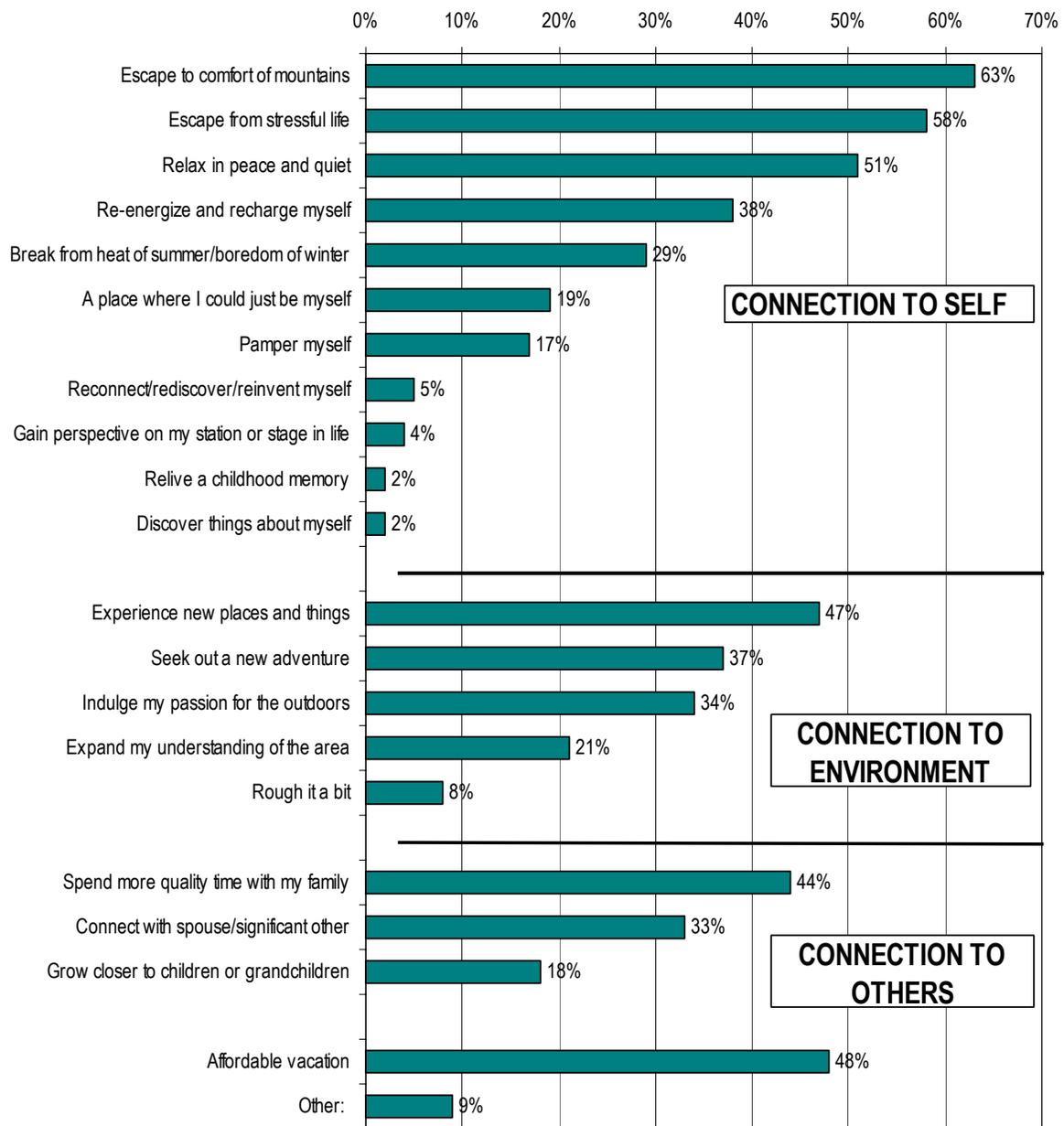
Without question, the hot springs. And of course, not just the springs, but the incredible view as you

soak. It snowed for the first time that season the day after we soaked in the springs...so it was wonderful to relax in the springs at night and see the "halo" around the moon...a sure portender of snow. I delighted in the contrast of hot and cold and the different temperatures from "hole" to "hole"...never experienced such total tranquility.

MOST IMPORTANT THINGS YOU GOT OUT OF YOUR VISIT TO PAGOSA SPRINGS

- Visitors were asked to identify the most important things they got out of their visit to Pagosa Springs. The top ranked "benefit" of the trip to Pagosa was related to "escape" - to the mountains, from a "stressful life," and to "relax in peace and quiet." Other top benefits were "affordable vacation," to "experience new places and things," and to "spend more quality time with my family."

FIGURE 35.
 FOR YOU PERSONALLY, WHAT WERE THE MOST IMPORTANT THINGS
 YOU GOT OUT OF YOUR VISIT TO PAGOSA?



- Another way of looking at these response patterns is in terms of “connection” – to self, the environment, and others. The dominance of responses falling into the “connect to self” category is consistent with tourism industry research, which reflects the rising popularity of spiritual tourism, the “oldest and now one of the fastest-growing segments in the travel industry” according to Dallen Timothy, a leading researcher in cultural and heritage tourism¹.

¹ Dallen Timothy, an associate professor at Arizona State University and a co-editor of “Tourism, Religion & Spiritual Journeys”

- This niche is broad and challenging to quantify, partly because of its changing definition. It now embraces yoga and other retreats, metaphysical quests, astrology and adventure tours, visits to places like Stonehenge in England and weekends at spas and wellness centers. According to Timothy, this rising popularity can be traced to several factors, including a trend toward vacations that help travelers achieve a higher sense of purpose through volunteering, education, culture and art.
- A recent survey by the Travel Industry Association showed that 25 percent of respondents said they were interested in “spiritual vacations,” with the appeal of such journeys spread equally among three age groups, 18 to 34, 35 to 54, and 55 and over; 12 percent said they were more interested now than they were five years ago (Travel Industry Association, 2007).
- Of particular relevance to Pagosa Springs, the study also revealed that more than half (54%) of travelers said they were currently interested in going to a spa or a place where they can relax and rejuvenate themselves. Almost a third (28%) of travelers said they were *more* interested now compared to five years ago in going to a spa or a place where they can relax and rejuvenate themselves. In fact, spa vacations ranked fifth when listing all the things people said they were *more* interested in doing now compared to five years ago. Among those who are interested in spa vacations, the majority (40%) are 35 – 54 years old; however, interest is also strong among 18 – 34 year olds (37%).²
- As the Baby Boomer cohort ages, trends such as the desire for spa/wellness and “connect to self” vacations will intensify and potentially bode well for tourism destinations such as Pagosa Springs. Determining whether to position and diversify Pagosa’s tourism economy to appeal to a broad mix of tourists (younger singles, families, etc.) is a strategic decision that must collectively encompass budget allocations for capital investments, marketing and positioning strategies, and other related resources.

(Routledge, 2006).

² “Easing the Inward Journey, With Modern Amenities,” New York Times, December 24, 2006; Voice of the Traveler survey, Travel Industry Association and Synovate, November 2007.