A REVIEW OF THE GUNNISON-CRESTED BUTTE TOURISM ASSOCIATION'S EVALUATION OF MARKETING EFFORTS

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Provided by Dara Shifrer at the request of Phil Chamberland, Gunnison County Commissioner

1. IMPROVE EVALUATION OF MARKETING EFFORTS

1.1 State of current evaluation: Metrics generally align with industry standards but, because of methodological choices, the report provides no information on the impact of marketing efforts

The metrics used in the GCBTA's Tourism Report Card generally align with industry standards (see Section 3) but provide no information on value added by the GCBTA, that is, provide no information on whether Gunnison-Crested Butte (GCB) marketing efforts are effective. The outcomes reported in the Tourism Report Card are not clearly linked to marketing efforts and do not provide a useful base of comparison. Moreover, the Tourism Report Card could expand its focus beyond 18 measures for a more holistic portrait of tourism performance in GCB.

1.2 Similar destination comparisons: The Report Card would be most easily improved through the inclusion of comparisons of GCB to other similar destinations

Within-Valley comparisons across time may be the product of a wide range of factors other than marketing efforts, such as changes over time in the economy or in average annual snowfall. Reports from the Colorado Association of Ski Towns (CAST) show how rates of skier/snowboarder tourism shifts over time in the US and Canada. Comparing changes over time within GCB to changes over time within similar destination communities better accounts for factors that influence tourism performance but are not attributable to GCBTA efforts. See reports from DestiMetrics for examples of this methodology.

1.3 Weight differences: Cross-destination comparisons could be improved through weighting

Just as changes over time in tourist performance may reflect changes over time in factors unrelated to marketing, differences in tourist performance across destinations may reflect differences in destinations unrelated to marketing efforts. Many estimates could be improved through a simple process of weighting. For instance, differences in community size could be accounted for by dividing sales tax by the number of hotel rooms, making sales tax estimates from the same year more comparable. CAST reports may have information that would be useful for estimates like these.

1.4 Multivariate analyses: Ideally, multivariate analyses would be used in place of bivariate analyses

The problem of a lack of a truly comparable base of comparison is an issue in virtually every industry and domain. Researchers address this by using multivariate rather than bivariate analyses. Bivariate analyses consider two qualities at a time, such as location and

occupancy rate. In contrast, multivariate analyses, such as regression modeling, simultaneously consider many qualities in order to isolate a more accurate difference or effect. If, for instance, the autumn hotel occupancy rate in GCB relative to Aspen is impacted by differences in marketing, trail conditions, and the influx of students and their parents, a regression model would adjust for the contributions of the last two factors in order to develop a more accurate estimation of the contribution of marketing. These models could account for any differences that can be quantified, such as the degree to which water activities are available, community size, number of restaurants, whether the destination has a university, number of trails, etc. Whereas bivariate analyses are descriptive, the ability to draw causal inferences, or to describe marketing efforts as *causing* heightened tourism performance, would best be facilitated by multivariate analyses. Estimates like these would require the purchase of a statistical software (such as SPSS) or a subcontractor. Although Dean Runyan Associates (contracted by the Colorado Tourism Office) describe their results as the product of a "proprietary computer model," their reports appeared to rely on bivariate analyses similar to those found in other reports.

1.5 Targeted data collection: Collect data directly linked to marketing efforts

In another example, the Tourism Report Card reports on the relative cost of GCBTA's ads but does not evaluate whether the ads increase tourism. As an alternative or complement to the above recommendations, the GCBTA could collect data directly focused on marketing efforts. For instance, comment cards asking "How did you discover the Gunnison Valley?" could be available at all points of entry to GCB, Visitors' Centers, hotels, and restaurants. The GCBTA could also use something affordable, such as SurveyMonkey, to send likely visitors an online survey regarding their perceived destination options and choices. Contact information for likely visitors may be available from CAST, and a drawing for a free vacation to GCB might increase response rates to this survey.

2. IMPROVE MARKETING EFFORTS

2.1 Develop a brand that is embodied throughout GCB

Developing a brand, cited as necessary with increasing competition, is already a priority for the GCBTA. Although I did not locate a phrase encapsulating the brand (such as 'Bundaberg, Coral Coast and Country'), GCBTA reports a value proposition ("Through life-enriching adventures and inspirational, authentic experiences, Gunnison County delivers lasting memories unlike any other vacation destination.") and mission statement ("Enhance economic vitality by marketing our county as a year-round destination and foster relationships with community partners."). The effectiveness of branding depends on delivering what was promised to customers, which is founded in community buy-in to the

brand and customer service consistent with the brand. It is less clear that a consistent brand is espoused throughout the community, potentially as evident in relations between the GCBTA and chambers.

2.1.1 Increase understanding of the GCB market of visitors

Creating a relevant and consistent brand depends on an increased understanding of the qualities of current and likely visitors to GCB. State level data on Colorado visitors is available from CAST and the Colorado Tourism Office, but GCB visitors are likely distinct. Comparisons between GCB and other ski destinations would also be improved by an understanding of how visitors between the various areas differ. Focus groups can also help determine peoples' perceived barriers to visiting a destination (e.g., inaccessible, lack of nightlife). Data collection on visitors and potential visitors would greatly expand the capacity of the GCBTA's marketing efforts, both in terms of who to target with marketing and in creating the experience GCB visitors seek.

2.1.2 Foster collectivism throughout GCB

An evaluation by Managing Results LLC described the current structure of the GCBTA as a Coordination Model, concluding that "The most fundamental challenge that will prospectively limit the County from maximizing the full potential of its visitor industry is fragmentation among industry and governmental leaders." Incentivizing performance may be one effective means of building community support for tourism goals. For instance, restaurants or hotels that epitomize the brand might be recognized with extra marketing dollars. Collectivism might also be fostered by decoupling chamber membership from marketing opportunities, a practice determined to be hurting marketing efforts and community unity. Because of their shared goals and the need for collectivism, combining the chambers and the GCBTA into a single entity was suggested as a possibility (described as the Consolidation Model by Managing Results LLC). Nonetheless, Managing Results LLC advocates for the Integration Model, in which the entities remain distinct while improving collaboration efforts. Similarly, CAST's Chamber Survey shows that only 3 out of 10 surveyed chambers also act as the tourism association. CAST's various surveys on how other ski destinations fund and structure their tourism efforts may be helpful for the restructuring of the GCBTA and the redesign of marketing efforts (i.e., do other ski destinations spread funding equally across seasons regardless of need?). A thoughtful restructuring of the funding and operation of the Visitors' Center is also suggested by several previous reports.

2.2 Develop clear goals

Effective marketing and the evaluation of marketing efforts depend on the establishment of clear goals and expectations. Whereas the GCBTA's current goals are vague and

unmeasurable (e.g., "Increase in visitation that results in significant economic contribution"), Managing Results LLC provided some more concrete examples of potential goals. The development of clear goals may also be facilitated by the use of research-backed theoretical frameworks. Interviews with 305 small tourism venture owners indicated that performance measures should be both short- and long-term, and should include objective and subjective measures. Nonfinancial measures, more predictive of long-term financial performance, should also be included as goals. The Integrated Tourism Yield framework emphasizes a systems perspective ("the inter-relatedness of tourism activity and its surroundings"), sustainability, and multi-criteria analyses (i.e., measures that describe tourist, financial, economic, environmental, social, and cultural yields). The Tourism Value Chain Performance Measurement Framework attends to every aspect of the tourist experience, from booking the travel to returning home. Finally, in the Importance Performance Grid, both the importance of and performance toward each goal are considered simultaneously.

2.3 GCBTA accountability

GCBTA should provide itemized reports detailing all expenditures to the LMD. Current marketing efforts are stated (at least in reports available to me) vaguely and generally (e.g., "public relations, advertising, travel trade shows, familiarization trips and other items related to marketing for both travel and trade").

2.4 Update marketing approaches

It appears GCBTA emphasizes outdated modes of marketing (e.g., pamphlets, an 800#) at the seeming cost of developing a sophisticated integrated webpage for GCB. CAST shows the average skier/snowboarder tourist is in their 20s or early 40s, cohorts who are internet proficient and reliant. The Tourism Report Card itself shows that requests for vacation planners have dropped over time, and that the numbers visiting the GCBTA webpage are much higher than the number of people calling or requesting a planner. Waiting for a customer to request a vacation planner is reactive rather than proactive marketing. GCBTA states the "response has been positive" to their 8-page insert in the Colorado Vacation Guide but it is unclear whose response has been positive and how this response was evaluated. The goal stated in the Managing Results evaluation of developing a valleywide webpage by 2017 is a modest goal, when webpage building technology is available online (see SquareSpace or WordPress), and webpages can be maintained for a cost of less than $10 per month. Websites can be promoted by including Web address in organization's print materials, registering with search engines/directories, magazine ads, keywords for search engines, including the Web address in email signature, newspaper ads, tags for search engines, page listings in search engines/directories, radio commercials,

direct marketing through email list, TV commercials, billboards, banner ads exchange, and participation in newsgroups.

3. COMMON INDUSTRY MEASURES

3.1 Measures of tourism performance

3.1.1 Planning trip

- Cycle time for purchasing a trip
- Number of complaints on responsiveness of contact persons
- Amount of misinformation given to customers
- Mode of booking trip

3.1.2 Arrivals

- Number of arrivals
- Characteristics of arrivals
- Road traffic
- Airport ramp figures
- Number of trips
- Miles traveled

3.1.3 Resources

- New job creation
- Number of employees
- Development of infrastructure
- Diversification of economy
- Environmental levels
- Cultural yield (heritage value, iconic value, lifestyle value)

3.1.4 Resource usage

- Number of nights sold
- Annualized and seasonalized hotel occupancy rates
- Occupation daily average ratio
- Attendance at attractions and events
- Average length of stay
- Mode of stay (contributes to sustainability?)
- Seasonality (the ratio of tourist numbers in the peak season to those in the off-season)
- Average density (number of tourists per square mile)
- Tourist diversity

- Crowding

3.1.5 Revenues

- Revenues per employee
- Growth in revenues/profitability
- Market share
- Ratio of total productivity (quotient of all outputs to all inputs)
- Gross financial returns minus costs of providing services
- Operating profit per available room (revenues from rooms, food, beverage, and other activities)

3.1.6 Service quality

- Number of repeat visitors
- Host and visitor satisfaction with activities
- Host and visitor satisfaction with community integration
- Visitor satisfaction with customer service
- Employee satisfaction with living conditions
- Visitor satisfaction with lodging and dining options
- Visitor satisfaction with accessibility and convenience
- Number of visitor complaints
- Visitor report on how likely to return

3.2 Measures of marketing effectiveness

3.2.1 General

- Post-marketing-effort tourism performance relative to pre-marketing-effort
- Conversion rate: number of people who book a trip after receiving marketing
- Increasing rate of visitors
- Increasing rate of direct sales
- Improved customer satisfaction
- Improved reputation
- Potential visitors' impression of the marketing effort per a survey
- Cost effectiveness: median cost per visitor, median cost per converted visitor
- Return on investment (ROI): total expenditure generated / campaign cost
- Compare results of different campaigns
- Brand salience: the 2 to 6 destinations travelers are most likely to consider for their trip
- Brand associations: the qualities or things visitors link to your destination in their memory
- Brand resonance: visitors' willingness to engage with the destination (visitation or intent to visit)
- Brand loyalty: repeat visitation and word of mouth recommendations

3.2.2 Website design and reach

- Number of hits
- Number of page views
- Reach: capturing the attention of the target audience = number of unique users / total number of unique users
- Conversion: percentage of visitors who accomplish a specific goal of the site (vs abandonment)
- Retention: the maintenance of existing customers
- Loyalty: need industry or site specific benchmarks
- Churn: ratio of attritted customers to all customers over a period of time
- Recency: duration between visits
- Frequency: how often customers visit site = number of visits in time T / number of unique visits in time T
- Monetary value: money spent by customer
- Duration: how long customer stays on site
- Stickiness: frequency x duration x total site reach
- Focus = average number pages visited in a given section / total number of pages in the section
- Cost per acquisition = advertising & promotional costs / number of click-throughs
- Cost per conversion = advertising & promotional costs / number of sales
- Net yield = total promotional cost / total promotional results
- Connect rate = promotional page views / promotional click-throughs
- Personalization index = total number of profile elements used in customer interaction / total number of pages in the section
- Freshness factor = average content area refresh rate / average section visit frequency
- Cost per contact = eMarketing spending in a period / visitors in a period
- Cost per purchase = eMarketing spending in a period / number of sales in a period
- Sessions per user
- Most visited pages
- Average number of pages per visitor
- Common path through the site
- Number of spiders attempting to index the site
- User log files
- Conversion rate/ROI
- Top entry pages
- Top exit pages
- Users by time and day of visit
- Top referencing URLs
- Usability and design as determined through responses from a test group
- Online customer life cycle (CLC)
- Visitor duration on website

- Information level (activities/attraction info, accommodation info, events calendar, restaurant info, shopping info, links to regional/city/area pages, maps/driving directions, travel guides/brochures, tour operator info, trip/vacation planner, industry news, education materials, publications/reports, travel-related statistics)
- Communication level (brochure request capabilities, search functions, email newsletters, highlight special offers/best buys, interactive tools, frequently asked questions)
- Transaction level (online reservation, themed products, cross-selling opportunities, secure transactions, events tickets, attraction tickets, shopping carts & payment systems, classified ads)
- Relationship level (direct email campaign, personalization/customization, privacy policy, incentive programmes, customer loyalty programmes, web seal certification)

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