GCBTA Winter 2015-2016 Report & Summer Forecast

Winter 2015-2016 Season Results

Destimetrics Winter Results:

The winter of 2014/15 the valley had good occupancy growth relative to the ski valley market. In 2015/16 we fell back. DestiMetrics reports are based on 18 mountain valleys.

OCCUPANCY

	% OCCUPANCY	RANK	% CHANGE	RANK
NOVEMBER	13	16	8	10
DECEMBER	33	17	5	10
JANUARY	34	17	(5)	17
FEBRUARY	51	17	10	4
MARCH	51	17	(3)	16
APRIL*	9	18	17	8
5 MONTHS AVG. EXCLUDING APRIL	**36**	**17**	**3**	**11**

**=on the books as of close of March*

REVENUE PER AVAILABLE ROOM (RevPAR)

	$	RANK	% CHANGE	RANK
NOVEMBER	11	18	(9)	16
DECEMBER	67	17	3	15
JANUARY	51	18	(11)	18
FEBRUARY	85	17	3	15
MARCH	88	17	3	15
5 MONTHS AVG.	**60**	**17**	**2**	**14**

Winter 2016-2016 Season Focus

Gunnison-Crested Butte Reservations (GCBR)

We beat our season gross revenue goal by $32,771.35/10%. Unfortunately, the mix was unfavorable (commissionable sales vs. non-commissionable sales). We subsidized the program by $16,132.17 to date and will continue to provide subsidy through the spring off-season.

GCBR served the majority of lodging properties and represented businesses throughout the valley. The room nights and revenues were distributed among the Valley as follows:

	ROOM NIGHTS	REVENUES
SOUTH VALLEY	66%	34%
NORTH VALLEY	34%	72%

Out of the total air passengers we brought into the valley via GCBR, 31% booked lodging in the south and 69% booked in the north.

We also added 762 qualified names and email addresses to our Gunnison-Crested Butte database. This will allow us to market to past guests in the future, a new opportunity for the TA.

MRG Flights

Our winter strategy was to let the ski area largely set the branding message and handle early season sales. We focused on a sales message built around an aggressive buydown offer.

With GCBR, we sold a total of 336 tickets equating to over $130,000 in airline ticket sales and over $80,000 in lodging revenues. Through an Expedia.com promotion we ran in December, we sold 21 reservations total for an air and lodging package deal (57% in the south valley, 43% in the north valley). We also partnered with Ski.com to do a buydown package that mirrored the one we pushed through our marketing and GCBR. Ski.com sold 27 air tickets. **We were far more successful with our in-house marketing and promotions than either Expedia.com or Ski.com underscoring the importance of having an in-house reservation agency.**

We invested in brand building in the Los Angeles Market through a campaign developed by the Buttery Agency. A big part of that was our 4-part Never-Never Land Video Series:

The series was hugely successful on Facebook, garnering 85,500 views between the four videos in the series in addition to the nearly 7,000 views so far on youtube.

Gunnison Getaway

We sold 848 tickets, down 46% compared to the 2014-2015 season. On revenue side, we were down 27%. In 2016/2017 we'll add Monarch Mountain ticket packages for the Gunnison Getaway as well.

Special Events

We partnered with a number of special events this past winter and look forward to continuing to partner with these events in the future. Highlights include:

Fat Bike World Championships

This first-year event saw 250+ participants. Warren Miller Entertainment attended to film and we'll have a 7-minute segment in next year's Warren Miller Feature. Lez Zeppelin played. Press coverage of the event totaled over $230,000 in ad equivalency value.

Alley Loop

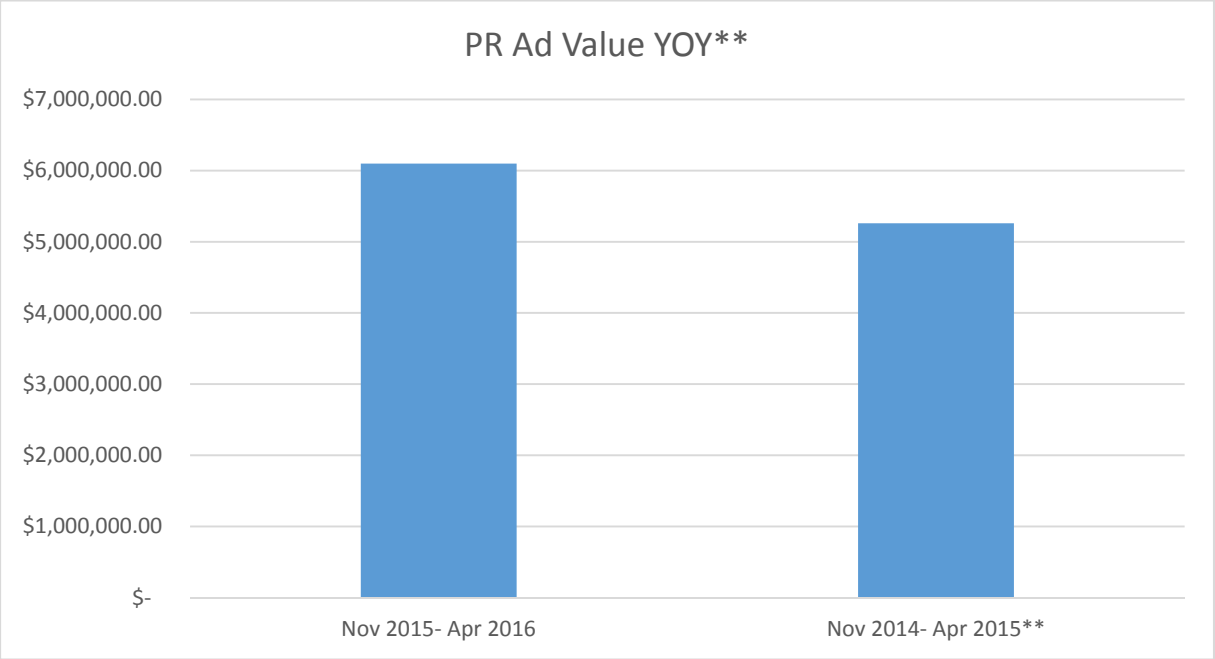
This year's Alley Loop grew 200 participants behind our $5,000 prize purse and our marketing support. That was almost entirely out-of-town participants. A preliminary report from the Nordic Center estimated a total of over $500,000 in local revenue and over $70,000 in local lodging and sales taxes.

Gay Springfest

We partnered with The Inn at Tomichi Village to promote Gay SpringFest to the Colorado Drive Market and DFW. By all accounts the event was successful.

Public Relations

We saw great return on investment through our PR program this winter season in line with our focus on the Fat Bike World Championships and the Nordic offerings in the valley along with our partnership with CBMR for alpine skiing efforts.



*** The Nov 2014- Apr 2015 numbers have been adjusted down due to a single TV feature that brought in over $1.2 Million in PR AD value that year. The TA was not a participant in that feature and so that extraordinary number was removed from the comparison.*

New Website Launch

We launched the new gunnisoncrestedbutte.com in April of 2016. It was built by a local developer and will be maintained locally. Features include:

- Inntopia widget integration and styling to allow for easier online bookings through GCBR.

- Increased Flexibility: We now have the option to create individual landing pages without hiring a developer, allowing for better tracking of programs and huge cost savings.
- Four geo-targeted, seasonal homepage designs to align with the 2003 Branding Study's finding that factors that motivate our in-state audience and out-of-state audience are very different.
- More prominent integration with MTBHome.com. So far, we've seen a 2000% increase in referral traffic from gunnisoncrestedbutte.com to mtbhome.com

Looking Forward to Winter 2016-2017:

We will have less reliance on price and buydowns in our marketing. We will take a more active role in communicating the brand message. We will focus on millennials and Los Angeles as untapped markets. We will look to build partnerships with additional events.

Summer 2016 Focus

DestiMetrics On-the-Books Summary

On-the-books reservation activity is available for the summer through September. If numbers hold, we will again be in the top half of mountain valleys in terms of growth. Our relatively poor absolute occupancy ranking should grow as our booking patterns are closer to arrival date than competitive mountain valleys.

OCCUPANCY

	% OCCUPANCY	RANK	% CHANGE	RANK
MAY	8	8	116	3
JUNE	14	14	12	10
JULY	22	13	18	6
AUGUST	9	15	18	9
SEPTEMBER	6	14	8	8
5 MONTH AVG.	**12**	**13**	**34**	**8**

Summer Marketing

General Touring Visitor

We will continue to shrink the investment we are making in "touring tourist" marketing. We aim to hold our market share in this segment, not increase it.

Mountain Biking and Trails

We were just declared the mountain biking capital of Colorado by singletracks.com. A year or two ago that may have gone to Fruita, Durango, Breckenridge, or any number of other locations. Thirty years ago it would have absolutely been us. We are gaining back ground that we gave up.

We are partnering with the ski resort to attend two mountain biking expos this spring. We have a large media buy targeting the drive market mountain bike audience. We are supplementing that with some destination mountain biking advertisement with an emphasis on Houston. We will use mountain bikers to fill the extra Houston service this summer. We debuted our first ever commercial (on Hulu) on April 21. It will run for five months.

Buttery Agency will handle all of our creative production and video work for the summer season. They will help us elevate the quality of the content we are putting out, especially video. Video is the number 1 medium for sharing the Gunnison Valley with people who have not yet experienced it.

We will partner with local event organizers and trails groups including Gunnison Trails, Crested Butte Mountain Bike Association, the CB/Mt. CB Chamber, and the Crested Butte Nordic Council.

We received $50,000 in grant funding through the State Trails Grant Program of Colorado Parks and Wildlife to add to the $60,000 in local funding we already secured for additional trail signage this summer. We will soon have the best-signed trail network in the world.

Houston Flights

We will partner with the RTA and Mt. Crested Butte to put a concerted effort behind marketing this summer's additional Houston Flights. With our budget and matching funds from the RTA grant, we have a significant war chest.

Laurel and our media buyer, Jill Coyle, visited Houston in April to seek out two groups: millennials and mountain bikers. We want this Houston summer service to be a success long-term. Millennials will get hooked early and keep returning Gunnison-Crested Butte over the years. Mountain bikers offer an even better opportunity. Once a biker rides in the Gunnison Valley, they feel an unmistakable pull to return often. Right now, Moab and Whistler are the top destinations for Houston mountain bikers according to the local bike shops and bike organizations we met with in Houston. We'd like to grab more than our share of that business.

Blue Mesa Promotion

We sent representatives to a large boat show in Denver in January to hand out coupons offering a free seasonal registration for the Blue Mesa. We will track redemptions and determine whether this is an effective program worth continuing in the future.

Mountain Manners

We have partnered with Russ Forrest and OVPP to fund and oversee production of a "Mountain Manners" buck slip that aligns with our trailhead signage (features the same characters and similar messaging). These buck slips will be distributed at intercept points throughout the valley.

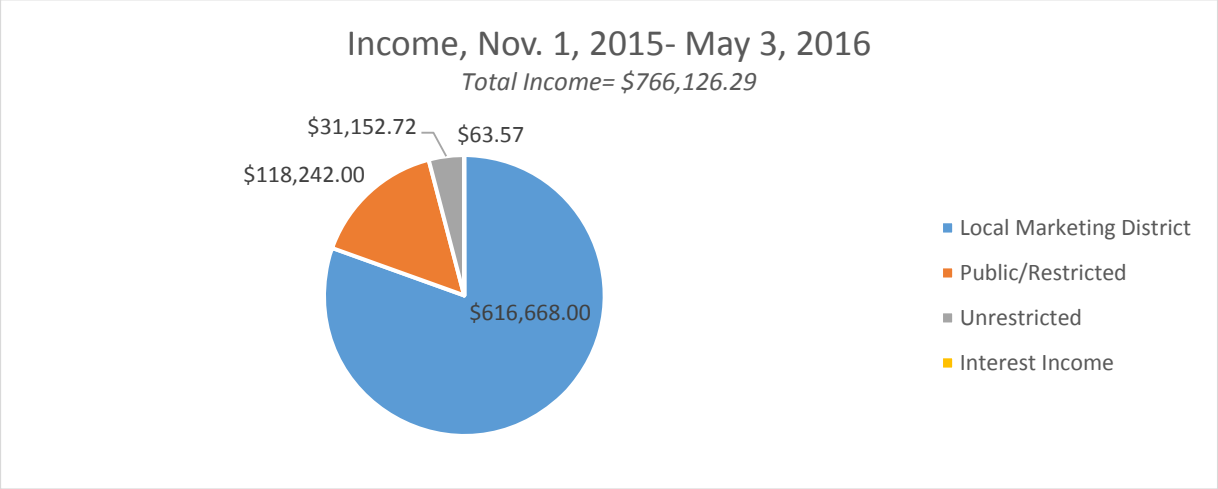
Public Relations

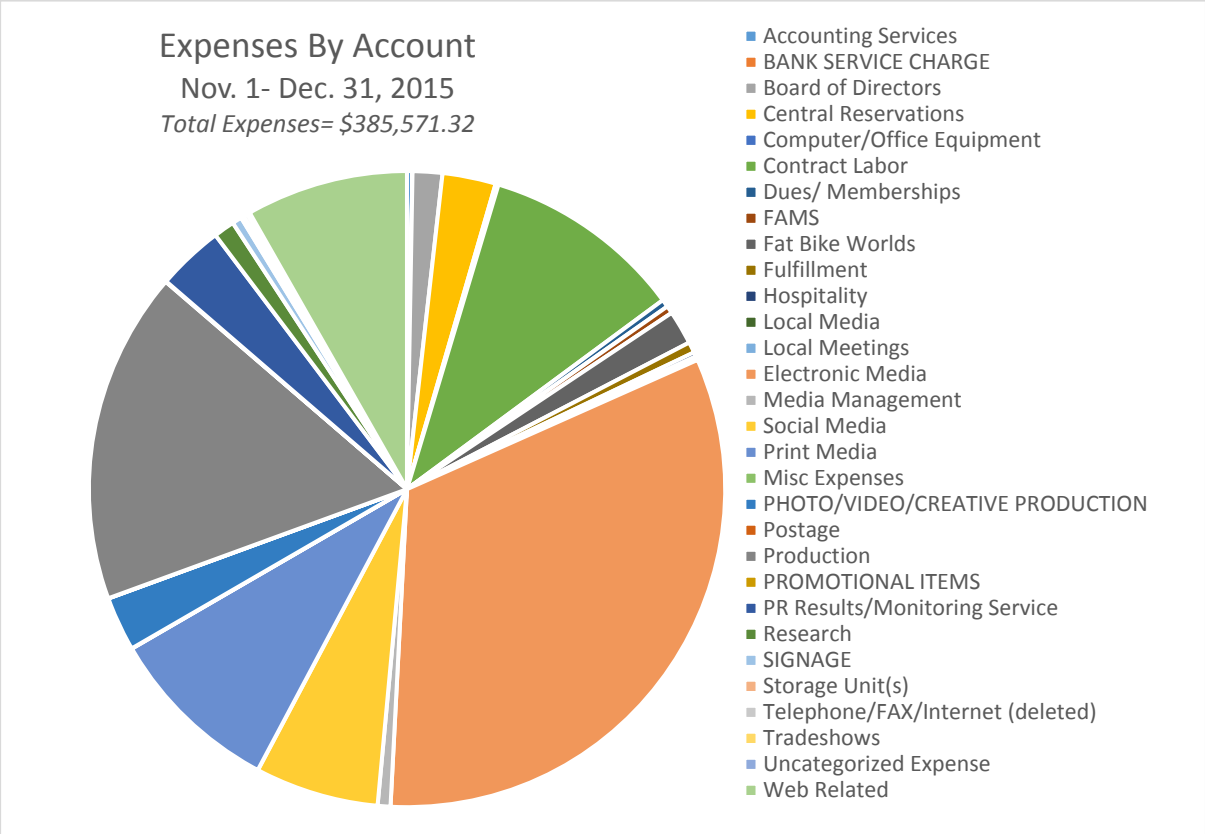
Summer Public Relations efforts are in full swing. Rebecca will focus on mountain biking journalists and individuals who will complement our marketing efforts in Houston. She is setting up FAM trips for journalists who contribute to the following outlets:

- About.com
- Huffington Post
- Examiner.com
- Millennial Money (podcast)
- New York Times
- Forbes
- Outside Magazine

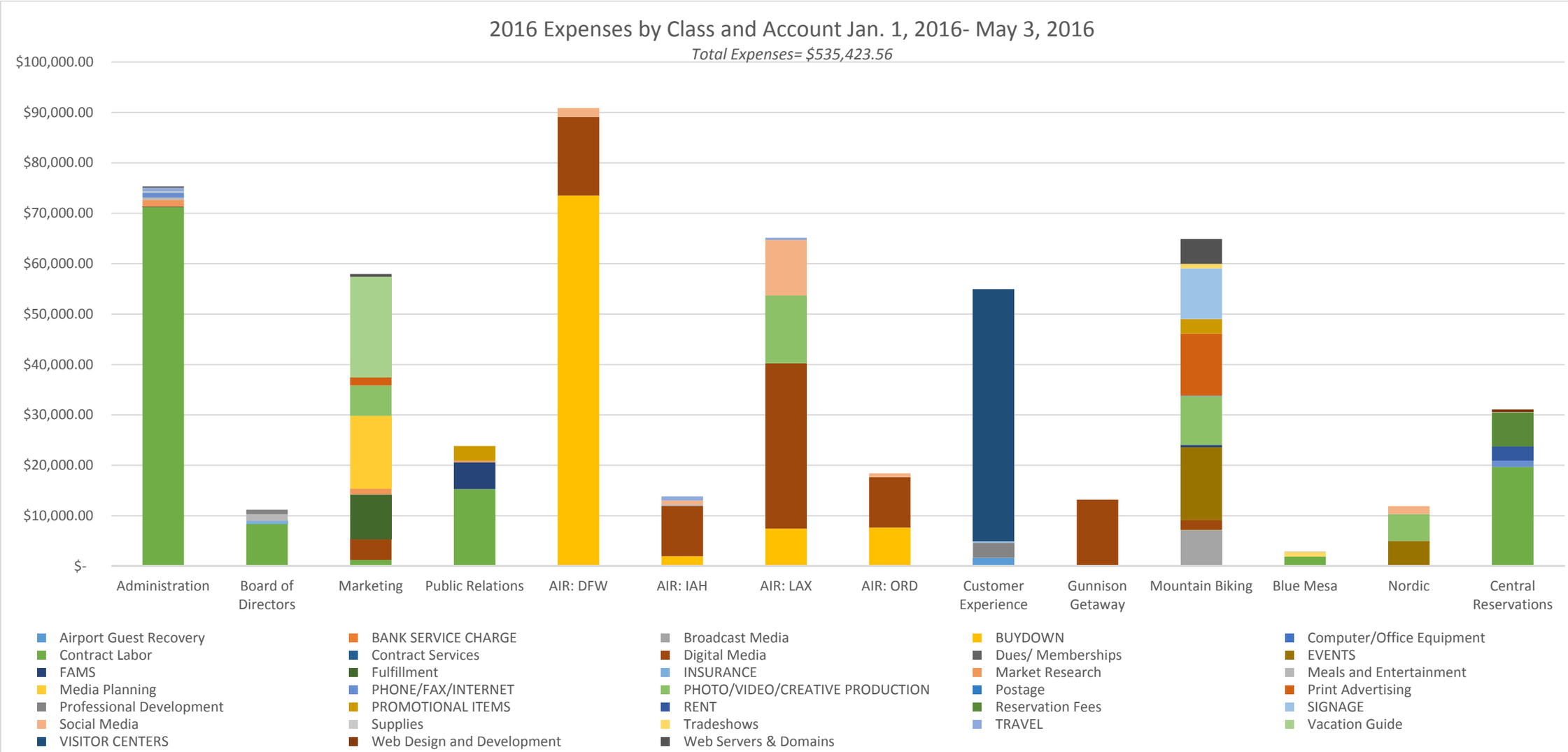
Financial Report

We made the transition to a new accounting structure on January 1, 2016. Given the size of our budget and our new, strategic, project-focused way of operating, the old system was not allowing us to accurately track spending or easily extract data. You will see that in the reporting below when you compare 2015 and 2016 expense reporting. Our new system allows us to assign each transaction an account and class. By linking two pieces of data to each transaction, we can analyze spending more effectively and better report on the ROI of specific marketing efforts.





GCBTA 2015-2016 Financial Report, Jan. 1, 2016- May 3, 2016- Class Detail Breakdown



Important notes: A large chunk of our budgeted marketing dollars were spent in 2015, especially on the Gunnison Getaway marketing, and are not reflected on this chart. We still anticipate some outstanding billing for the Air Programs and Central Reservations to come through this month as well as the April Bank Statement Reconciliation. In addition, we have already started spending on execution of our summer marketing plan. These numbers accurately reflect the cash-based accounting system in our QuickBooks account as of 5/3/2016.