



HWY 34 Meeting: 9/07/17 at Town Hall Admin. Office

To ensure a successful campaign, VEP should *not* be focusing on the challenge of the closure.

Sharing information too soon that Hwy 34 is due to close Oct. 2 would only hurt the destination - especially when visitation is trending positive as evidenced by data metrics.

The campaign is based on inspiration, *not* on the closure. We have to focus on all the wonderful reasons consumers should consider visiting the area.

Depending on the region of the state we are speaking to, we will emphasize the “Take the Scenic Route” when appropriate.

We will continue to deploy our summer transitioning to fall campaign which is converting extremely well and that will lead into our highly successful, award-winning winter campaign.

1. Visit Estes Park’s (VEP) Long-Term Tourism Marketing Investment is Working

- VEP continues to focus on proactively enticing visitors to experience Estes and we will continue the “Take the Scenic Route” successful campaign for strategic geographic areas (Northern Colorado and Southern Wyoming).
- VEP develops and executes integrated annual plans with key messages and tactics tailored per season.
 - Multi platform campaign – Print and Radio are awareness strategies (can’t be tracked). Digital and Social are trackable.
 - VEP will deploy millions of impressions.
 - Last year’s search campaign yielded a click-through rate (CTR) over 2.5 percent (standard CTR is between .10 and .50 percent)
 - Last year’s campaign served over 2.4 million impressions.
 - VisitEstesPark.com generated over 18,752 page views on just the niche HWY 34 pages along by March 2017.
- We carefully track the impact of each initiative and campaign.
 - 2016/17 HWY 34 Campaign click thru rate performed above industry standard
- VEP will continue to work with Front Range partners making sure their HWY 34 pages on their websites stay up to date. Welcome and Visitor Centers will be provided talking points that remain consistent and easily understood.

- VEP will avoid introducing potentially negative angles on how the closure may affect tourism when that is not currently part of the conversation.
- Due to massive road infrastructure projects state-wide, guests and residents are familiar and comfortable with detours.
- As a result of our creative, data-driven marketing campaign, Estes Park has continued to experience positive growth in overall tourism impact, as measured by an increase in town sales tax receipts.
- It is critical that we review year over year facts and media coverage, rather than relying on anecdotal conversations to drive messaging and marketing strategies.
- Visit Estes Park's focus will continue to be on potential visitor concerns, not alarming media headlines nor anecdotal conversations.
- The Winter campaign will target Northern Colorado and Southern Wyoming, but VEP will also increase the scale of the campaign in the central and southern part of the state where the closure doesn't have an impact.

2. Highway closures did not significantly impact overall tourism last winter.

- During the months affected by the road closure (October 2016 – May 2017), representing the entirety of the Highway 34 reconstruction last year, lodging tax receipts were up 20.29% compared to the same period a year earlier.
- Overall town sales tax receipts were up 7.63% during the same time period.
- Retail segment was down 2 percent Oct. 2016 – May 2017. Although concerning, this does reflect:
 - Consumers buying less non-essential goods, spending online instead of brick & mortar stores
 - Americans are shifting from materialism to dining out with friends.
 - Established retail brands nationwide are going out of business due to the cultural shift away from purchasing non-essential goods.
 - Calculate this with a large percentage of Estes Park visitors are repeat guests who likely have bought their fair share of gifts and souvenirs over the years.
 - Lodging and even activities have the ability to take advantage of compression in the destination. For example, lodging yields their rates on the weekends and during holidays, so as available inventory in Estes reduces, lodging raises their nightly rate. This rate management affords the lodging sector much more flexibility with their business and revenue potential. In 2016, average daily lodging rates increased 8.75% as reported by the Rocky Mountain Lodging Report (RMLR). Jan – Feb. 2017 average daily lodging rates increased 7.43% as reported by RMLR.
 - **2016 Analysis:**
 - In 2016, all sectors including retail were up at a rate at least double that of inflation.
 - Inflation increased 2.1% in 2016 as measured by the Consumer Price Index reported by the U.S. Labor Department.
 - In 2016, dining increased at a rate of 13.04% compared to 6.13% for lodging and 7.50% for the Town of Estes Park as a whole (all sectors combined).
 - Retail lagged the other sectors but not by much at 4.37% - more than double the rate of inflation in 2016.

3. Local Estes Park headlines do not often get picked up outside of Estes Park.

As residents, we're seeing and hearing about local infrastructure projects on a daily basis. However, careful monitoring of media and social channels show that coverage outside of Estes Park has been minimal.

Traffic headlines in the Front Range and nationally are largely focused on issues related to I-70 and I-25, both of which have major challenges with capacity.

See story: *Curse You, I-70, Over the years, I've lost count of how many times this road has tried to kill me. And the worst part about it is that there's nothing I can do but rant in resignation.*

<https://www.outsideonline.com/2237176/interstate-70>



VEP has made directional information easy to find for those looking, but has *intentionally not done a mass-market campaign to bring attention to the closure, as it could proactively deter visitation and harm the destination.*

- There is not data-driven evidence Front Range travelers are being negatively influenced on planning by the closure of Highway 34.
- There is also evidence that Coloradan's are choosing destinations outside of I-70 with greater frequency.

Highway 34 Tracking

We are using Trendkite for real-time digital monitoring of anything posted editorially (including blogs) online. We aren't seeing anything related to the highway closure at this time. Close monitoring will continue.

Turner PR manually checks the key local outlets like the Denver Post. The Post generally shares what CDOT puts out, and real humans are not commenting/sharing on those articles (see below).

Oct. 17, 2016: US 34 Closes between Loveland and Estes Park through May 2017

(no reader comments):

<http://www.denverpost.com/2016/10/17/u-s-34-closure-loveland-estes-park-may-2017/>

Oct. 19, 2016: US 34 repair work could be delayed by up to 11 years

(no reader comments)

<http://www.denverpost.com/2016/10/19/us-34-repair-work-delay/>

March 22, 2017: US 34 nearing goal to reopen by Memorial Day

(no reader comments)

<http://www.denverpost.com/2017/03/22/us-34-goal-reopen-memorial-day/>

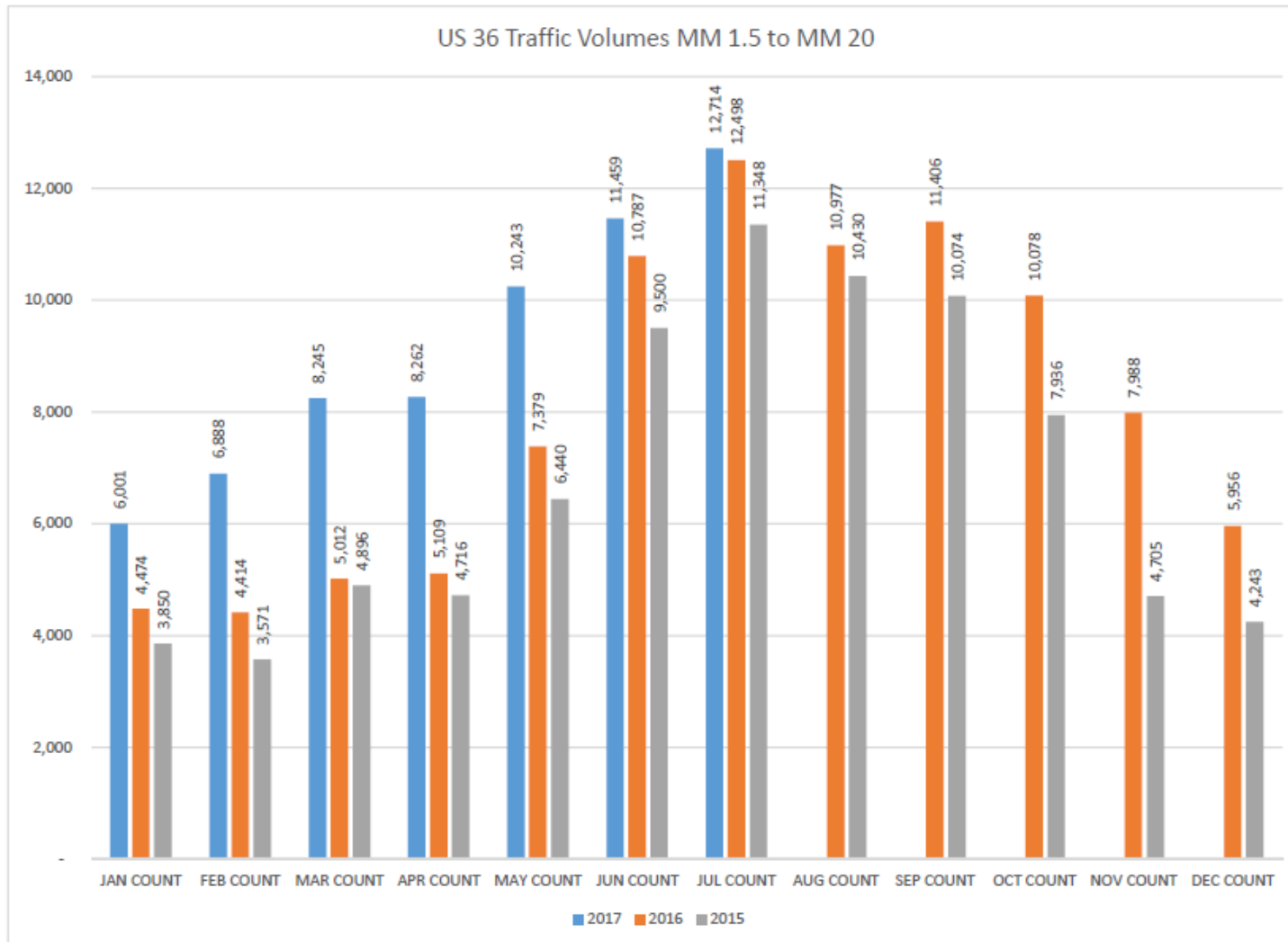
A broadcast search on Critical Mention has been set up (media monitoring within one minute) for the HWY 34 closure specifically.

We are tracking social media conversations daily to properly track any activity.

VEP is also partnering with Turner PR to use a proprietary program to further scrape any conversations on all digital channels, including social, regarding HWY 34.

Traffic volume on HWY 36 increased dramatically during the Hwy 34 closure:

The month of January saw a 36% increase in traffic volume on Highway 36 versus 2016 (and a 45% increase over 2015). This is a strong indicator that our visitors are utilizing other routes to get to Estes Park rather than forgoing the trip.



Source: Colorado Department of Transportation, Daniel Thomas, Region 4 Traffic

We will continue to leverage similar platforms as Winter 2016/2017 given that they were very successful in terms of increasing awareness and conversion. Visit Estes Park will sustain collaboration with area and state officials to best position this information and to inform local, regional and state-wide stakeholder groups. This will be done through in-person education, the dissemination of talking points, and publishing up-to-date information for them and their guests in VEP communications.

2016-17 Local EP Sales Tax Impact of Route 34 Closure	October	November	December	January	February	March	April	May
Town of Estes Park Sales Tax 2016-2017	\$1,063,723.94	\$701,688.00	\$743,402.61	\$499,572.96	\$584,165.00	\$765,314.52	\$609,869.00	\$973,583.00
2016-17 % Change vs. Prior Year: Month-to-Month	4.75%	18.01%	5.91%	-1.39%	7.81%	26.36%	-7.00%	8.38%
Cumulative/Six Months 2016-2017	\$1,063,723.94	\$1,765,411.94	\$2,508,814.55	\$3,008,387.51	\$3,592,552.51	\$4,357,867.03	\$4,967,736.03	\$5,941,319.03
Town of Estes Park Sales Tax 2015-2016 (prior year)	\$1,015,479.88	\$594,593.42	\$701,907.03	\$506,627.75	\$541,824.67	\$605,664.47	\$655,771.13	\$898,328.87
Cumulative/Six Months 2015-2016	\$1,015,479.88	\$1,610,073.30	\$2,311,980.33	\$2,818,608.08	\$3,360,432.75	\$3,966,097.22	\$4,621,868.35	\$5,520,197.22
Total Sales Tax - % Change Cumulative 2016-17 vs. 2015-16 Hwy 34 Closure	4.75%	9.65%	8.51%	6.73%	6.91%	9.88%	7.48%	7.63%
Visit Estes Park Lodging Tax 2016-2017	\$140,785.21	\$71,561.64	\$155,759.86	\$72,146.89	\$48,606.41	\$81,960.02	\$74,731.90	\$139,641.23
2016-17 % Change vs. Prior Year: Month-to-Month	-8.09%	17.71%	160.52%	29.29%	-29.97%	66.76%	-7.88%	13.04%
2016-17 % Change vs. Prior Year: Month-to-Month - adjusted for late and missing payments	0.15%	16.16%	20.19%	11.50%	10.93%	11.98%	8.02%	6.95%
Cumulative/Six Months 2016-2017	\$140,785.21	\$212,346.85	\$368,106.71	\$440,253.60	\$488,860.01	\$570,820.03	\$645,551.93	\$785,193.16
Visit Estes Park Lodging Tax 2015-2016 (prior year)	\$153,171.55	\$60,796.66	\$59,789.13	\$55,802.15	\$69,404.90	\$49,147.26	\$81,123.72	\$123,536.44
Cumulative/Six Months 2015-2016	\$153,171.55	\$213,968.21	\$273,757.34	\$329,559.49	\$398,964.39	\$448,111.65	\$529,235.37	\$652,771.81
Total Lodging - % Change Cumulative 2016-17 vs. 2015-16 Hwy 34 Closure	-8.09%	-0.76%	34.46%	33.59%	22.53%	27.38%	21.98%	20.29%
Town of Estes Park Retail Sales Tax	\$249,613.62	\$124,523.32	\$113,016.21	\$60,403.47	\$73,567.73	\$108,280.90	\$86,812.68	\$171,765.00
2016-17 % Change vs. Prior Year: Month-to-Month	18.36%	10.36%	-19.98%	-17.77%	-16.28%	12.08%	-11.55%	-8.44%
Cumulative/Six Months 2016-2017	\$249,613.62	\$374,136.94	\$487,153.15	\$547,556.62	\$621,124.35	\$729,405.25	\$816,217.93	\$987,982.93
Town of Estes Park Retail Sales Tax 2015-2016 (prior year)	\$210,898.36	\$112,828.99	\$141,235.15	\$73,453.24	\$87,874.46	\$96,613.72	\$98,148.70	\$187,589.59
Cumulative/Six Months 2015-2016	\$210,898.36	\$323,727.35	\$464,962.50	\$538,415.74	\$626,290.20	\$722,903.92	\$821,052.62	\$1,008,642.21
Total Retail - % Change Cumulative 2016-17 vs. 2015-16 Hwy 34 Closure	18.36%	15.57%	4.77%	1.70%	-0.82%	0.90%	-0.59%	-2.05%
Town of Estes Park Dining Sales Tax	\$232,343.77	\$133,016.52	\$124,835.73	\$74,726.51	\$89,652.37	\$142,751.09	\$121,715.00	\$201,305.00
2016-17 % Change vs. Prior Year: Month-to-Month	18.50%	37.55%	18.55%	-8.12%	-9.18%	46.45%	-9.64%	9.90%
Cumulative/Six Months 2016-2017	\$232,343.77	\$365,360.29	\$490,196.02	\$564,922.53	\$654,574.90	\$797,325.99	\$919,040.99	\$1,120,345.99
Town of Estes Park Dining Sales Tax 2015-2016 (prior year)	\$196,077.55	\$96,703.17	\$105,298.96	\$81,328.41	\$98,718.45	\$97,472.61	\$134,699.64	\$183,176.95
Cumulative/Six Months 2015-2016	\$196,077.55	\$292,780.72	\$398,079.68	\$479,408.09	\$578,126.54	\$675,599.15	\$810,298.79	\$993,475.74
Total Dining - % Change Cumulative 2016-17 vs. 2015-16 Hwy 34 Closure	18.50%	24.79%	23.14%	17.84%	13.22%	18.02%	13.42%	12.77%

- During the months affected by the road closure (October 2016 – May 2017), representing the entirety of the highway 34 reconstruction last year, lodging tax receipts were up 20.29% compared to the same period a year earlier.
- Overall town sales tax receipts were up 7.63% during the same time period.
- Dining/restaurants were up 12.77%.
- Retail down 2.05%. We are seeing similar national trends with the retail industry, including major retailers going bankrupt or seeking bankruptcy protection (Toys “R” Us, The Limited, Eastern Outfitters, BCBG, Vanity, Radio Shack, Gymboree, Payless ShoeSource, rue21...)

- Fall (September – November) 2016 lodging tax receipts were up 6.93% compared to the previous fall, after adjusting for late and missing payments.
- Winter (December – February) 2016-2017 lodging tax receipts were up 15.18% compared to the previous winter, after adjusting for late and missing payments.