

LEISURE TRAVEL INFORMATION STUDY

2009 RETURN ON INVESTMENT - CONVERSION RATE ANALYSIS - VISITOR PROFILE

REGIONAL OFFICE OF SUSTAINABLE TOURISM (SUSTAINABLE
TOURISM OFFICE) ESSEX COUNTY, NEW YORK



TECHNICAL ASSISTANCE CENTER

SUNY PLATTSBURGH

May 21st, 2010

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EXECUTIVE SUMMARY

This study by the Technical Assistance Center (TAC) at State University of New York at Plattsburgh was commissioned to ascertain key marketing program statistics and visitor information for the Regional Office of Sustainable Tourism / Lake Placid CVB (Sustainable Tourism Office). The research was targeted exclusively toward the leisure travel market and does not reflect impacts produced by the meeting/convention market segments.

This is the sixth consecutive year that this research has been conducted for Essex County tourism by TAC. The Sustainable Tourism Office is responsible for marketing Essex County's tourism assets. The primary focus of the research is to determine the return on investment ratio for Essex County public marketing dollars expended during 2009 and the conversion factor that estimates the number of visitors to the region, as a result of the marketing dollars spent. A presentation of trends for the five year period now studied is also included within this research. This compilation of five years of data (2005-2009) establishes a benchmark to which key statistics may be compared.

Results from the 2009 visitor survey affirm many of the findings from previous years.

In 2009 the Sustainable Tourism Office generated 83,753 leads, which is within one percent of that of the past five years. The leads generated in 2008 represented a high at 84,993. A total of 17,264 survey requests were sent, with 1,526 surveys returned, representing a response rate of nearly eight percent. This is considered a sound response rate from a research perspective.

Highlights from the report include:

- Household income reported by respondents increased this year to a mean of \$93,211, and average age decreased slightly to 49.9 years old.
- A greater number of visitors surveyed are from outside of New York State. Those from other Northeastern states grew by 40%, those from the South grew by 60%, those from the Midwest grew by 130% and those from the Western U.S. grew by 100%.
- A strong number of visitors state that they are repeat visitors to the region, and a majority (90%) state that they plan to visit in the future. Prior visitation continues to be the highest reported influencing factor to visitors. Visitors surveyed do report a longer timeframe (with more responding they will visit in "two or more years") for planned visits however.
- Relaxing, dining and shopping are the largest reported draws to the area, followed by outdoor activities, sightseeing and visiting Olympic sites. The reported draw of Olympic sites has increased substantially over the past two years.

- For those travelers who reported viewing advertisements about the area, “scenic beauty” and the “outdoors” were the most commonly selected concepts of influencing their travel.
- The average reported stay for 2009 is 3.8 nights (or 4.8 days), which is slightly lower than previous years. The average reported total visitor party size is 3.8 persons (2.98 adults and 0.85 children). This is a slightly smaller group than the previous year and from the five year average.
- Hotels remain the most common lodging choice of respondents and rose in popularity this year. The numbers of those that said they stayed with family and friends remains consistent with last year’s lower levels.
- The most commonly reported destination for travel other than to Lake Placid/ Essex County continues to be other U.S. destinations. Although trips to other destinations indicated greater durations (8 nights on average), expenditures at these alternative destinations per day fell from last year and are substantially below the daily expenditures reported by travelers to Essex County in 2009 likely due to economic recession.
- Expenditures by these travelers to Lake Placid/ Essex County in 2009 rose 15% from 2008, to \$519 per visitor party per day. Increases per day were noted in every category tracked. Visitor trip duration (as noted previously) is down however.
- Conversion measurement or the percent of visitors who stated that the information or advertisements viewed either reinforced plans or helped them decide to take an unplanned trip, was 79% . This is very near to the five-year average of 82% (from 2005-2009).
- The estimated number of leisure travel visitors to the region in 2009 based on contacts through the Sustainable Tourism Office was 251,427. This represents a decrease of 34,319 from 2008. The decrease is largely a result of the smaller average size of visitor parties in 2009 and shorter stays this year.
- Using the average reported visitor stay of 3.8 nights, the estimated number of visitor nights for those likely influenced by the Sustainable Tourism Office marketing is 955,423.
- For each occupancy tax dollar Essex County spent on marketing, visitors to the County spent \$89. This is slightly higher than the return found for 2008 visitors (\$86), due primarily to the higher estimated visitor expenditures per day.

This report again found positive results for Essex County’s marketing campaign, as well as the economic benefits to Essex County for the tourism

marketing dollars expended. The significant challenges posed by the economy in 2009 have affected tourism measures industry-wide and regionally in areas such as estimated visitation and duration of stay. However, the Sustainable Tourism Office is continuing to experience overall positive impacts and successes such as higher daily expenditures by visitors and steadily strong returns on investment from marketing expenditures.

The research can be used to enhance and evaluate future marketing efforts, techniques, and marketing channels. The data generated by this study remains consistent over the past five years in most areas, strengthening the credibility of findings and highlighting areas where emerging trends are apparent.

METHODOLOGY

Background

The Sustainable Tourism Office engaged TAC, the economic development outreach service at SUNY Plattsburgh for the sixth consecutive year, to conduct research based upon a leisure visitor survey. The purpose of this study is to analyze survey data in order to determine the effectiveness of the Sustainable Tourism Office's efforts to maximize tourism related revenues. The survey instrument was designed to measure the return on investment and the conversion rate of the 2009 Essex County marketing expenditures. Substantial visitor data and other marketing statistics were also gathered. The survey instrument was developed jointly by TAC and the Sustainable Tourism Office.

The survey was distributed electronically by the Sustainable Tourism Office to their database of e-mail addresses of visitors or parties inquiring about visitation to Essex County in 2009. These names are traceable direct inquiries generated from the marketing efforts of the Sustainable Tourism Office, which resulted in individuals providing contact information. The inquiry categories included respondents who requested information through the Internet, toll-free numbers, magazine reader service cards and other manners. This study does not take into consideration the potentially large group of individuals that view travel materials and are then influenced to travel to the area, but do not provide traceable information.

A total of 17,264 invitations to participate in the survey were sent out. The Sustainable Tourism Office determined the pool of survey invitees and raw data. Fifteen hundred and twenty six (1,526) responses were received, providing a rate of return of 8.8% . The nearly 9% response rate is deemed valid by the researchers, and it is slightly higher than the previous year's return.

The survey instrument was predicated on research for surveys with a similar purpose, and was further refined based on the experience of professionals in the tourism industry. The on-line survey was attractively designed and provided unique Adirondack- related incentives for completion. The first prize was a weekend for two at the luxury property, the Mirror Lake Inn in Lake Placid. Five Adirondack chairs were also awarded as prizes. The opinion of the researchers is that the incentives contribute to a relatively high return rate of the survey without skewing data.

TAC engages experts from the SUNY Plattsburgh faculty for research projects as appropriate. John Parmelee, faculty member in the Department of Hotel, Restaurant, and Tourism Management, Victoria Zinser Duley, TAC assistant

director, and Ashley Ryan Walker, TAC project support specialist are the co-researchers and authors of this report.

Survey data was tabulated by Technical Assistance Center staff, with data analysis performed using the SPSS software program by Lisa Cyphers, statistician. Report assistance and editing was carried out by Howard Lowe, director of economic development at SUNY Plattsburgh.

Conversion Rate Explanation

The conversion rate is measured by comparing the number of traceable inquiries about the region in a given time period against the number of individuals that visited the region after receiving travel information. Direct traceable inquiries are defined and generated by the marketing efforts of the Sustainable Tourism Office, resulting in individuals who provide contact information. It is important to recognize that there were conceivably many more visits to the websites, or potential visitors who viewed travel information, than those who provided their contact information, and consequently many more visitors than what is tracked through the number of direct inquiries.

The following is an explanation of conversion analysis from Michigan State University²:

"Conversion studies estimate gross and net proportion of inquirers. Gross conversion rate involves the inquirers that took a trip to the destination after requesting travel information, while the net conversion rate involves the inquirers who traveled to the destination as a direct result of the travel information they received. Researchers and marketers use conversion studies to compare the effectiveness of advertising placements.

These studies base their estimates on gross, net and length of stay conversion rates. These rates provide information about the effectiveness of promotional material. The gross estimate refers to the amount of people inquiring for information and traveling to [Essex County] after receiving the information, while the net estimate is about the direct influence of the [Sustainable Tourism Office's] information on the decision to travel to [Essex County].

What is interesting in these studies is that a significant percentage of the sample had already decided to travel before receiving the information. These people are part of the gross estimate. A more telling figure is the net estimate because it indicates the actual influence of advertising and travel information on a traveler's decision to take the trip."

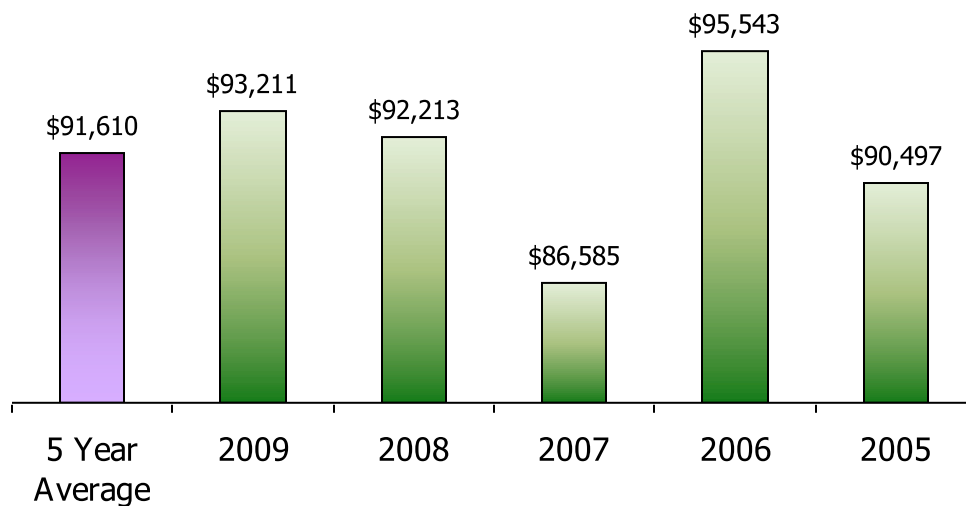
Return on Investment is determined by measuring visitor expenditures divided by the marketing dollars spent. This analysis is carried out in the concluding sections of the report.

RESPONDENTS' DEMOGRAPHIC PROFILE AND RESIDENCE

Income

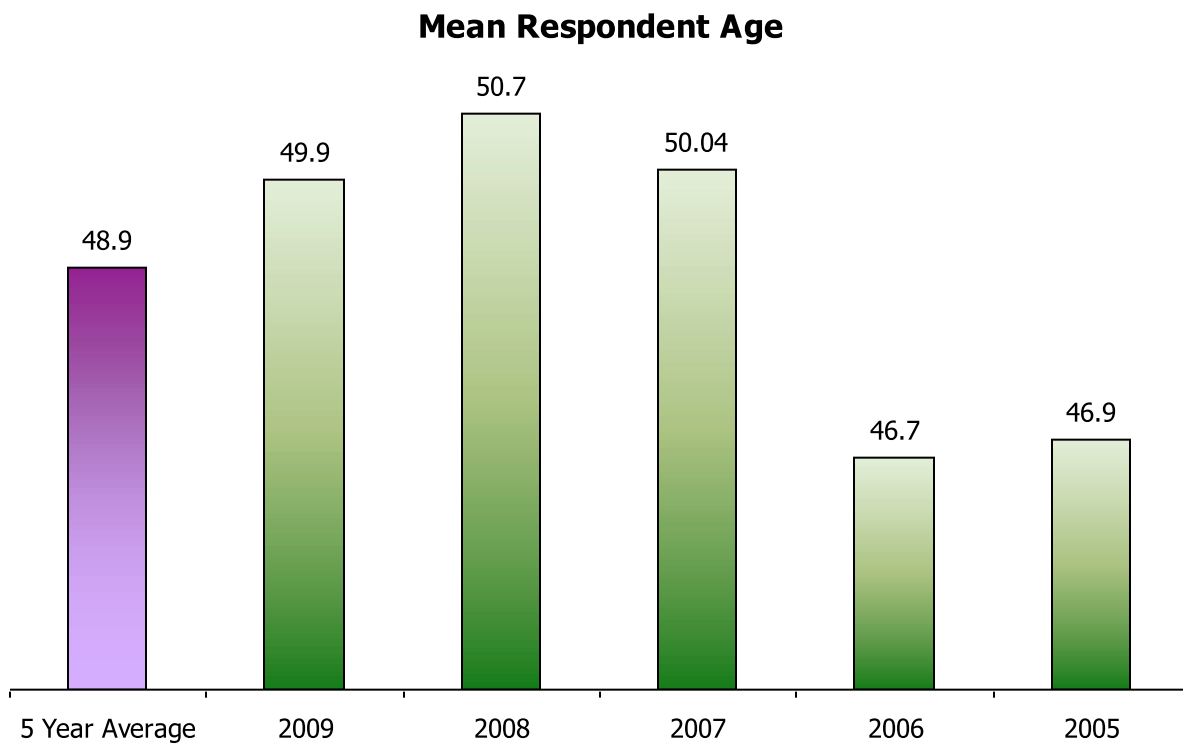
The median income for survey respondents is in the \$80,000 to \$124,999 range. This provides a mean of \$93,211 for household income (when tabulated using midpoints of this range). This indicates a small increase from the income level reported in the prior year. The median income also comprises of the most frequent income category response (the mode). The five year average of these midpoints is \$91,610. The chart below provides the distribution of the income ranges of travelers surveyed in 2009.

Mean Respondent Income



Age

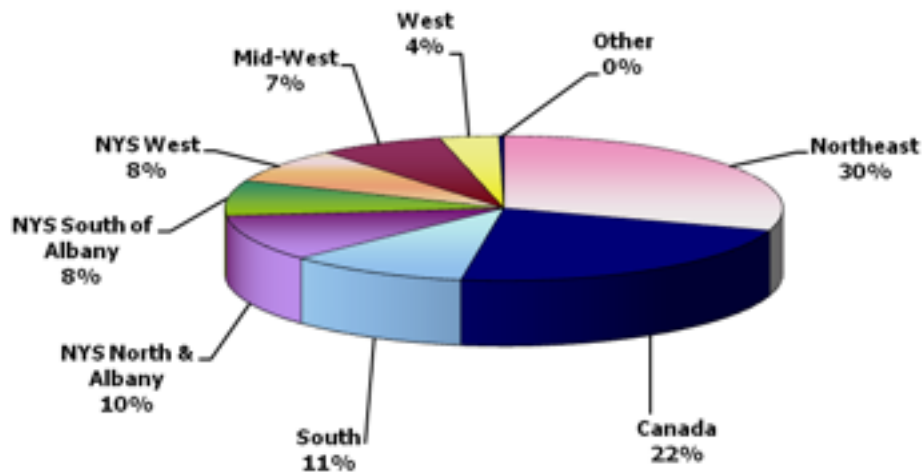
The mean age of traveler respondents is 49.9. This is slightly younger than found in the prior two years. The five-year average of these mean ages is 48.9, and the results of the visitor survey ages are depicted in the chart below.



Area of Residence

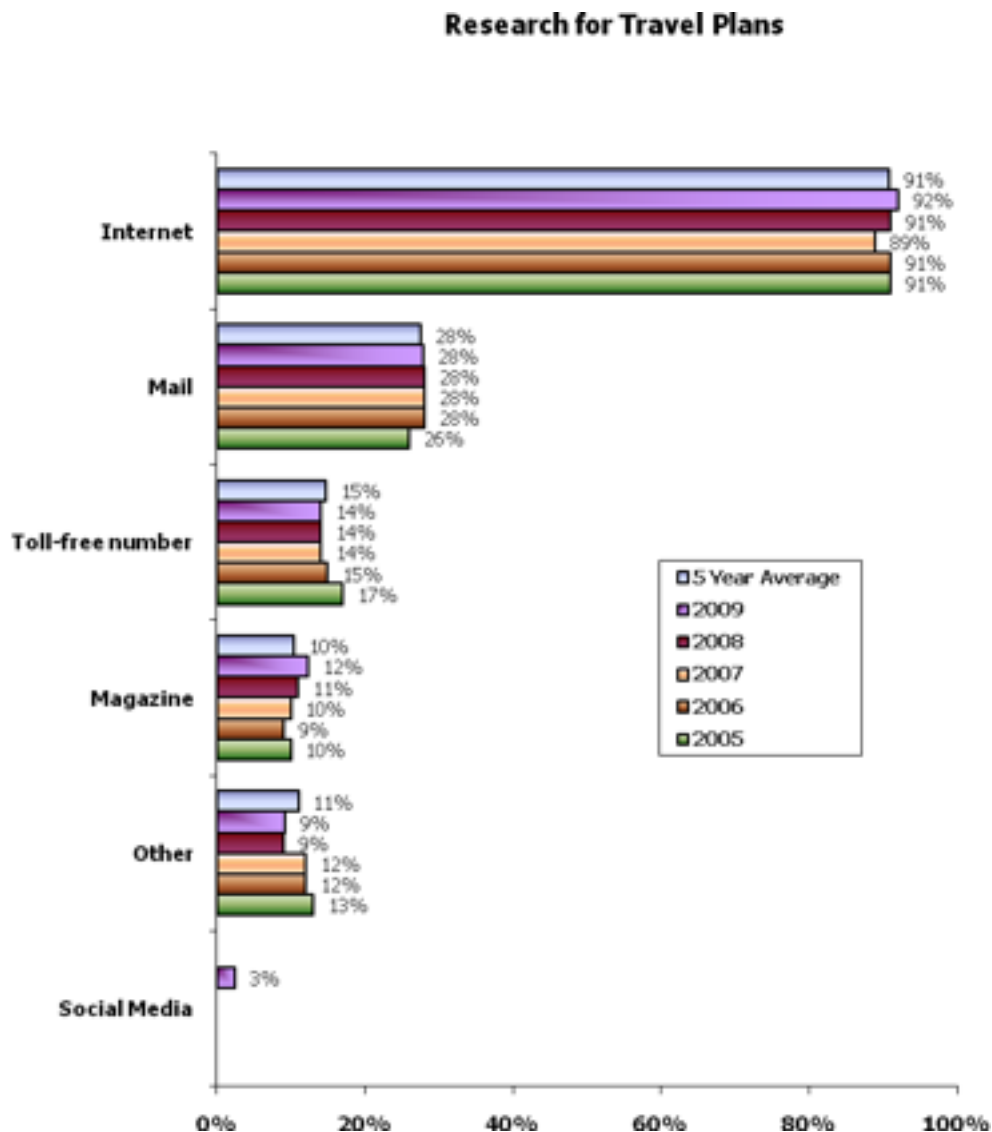
The chart below (based on zip or postal codes), indicates that a majority of visitor respondents are traveling to the region from outside of New York State. It should be noted that the "Northeast" category excludes New York State residents, which are specified by region. Visitors hailing from the mid-west, northeast, and south show greater proportions than the previous year's visitor pool. Proportions of NY State and Canadian travelers are lower.

General Area of Visitors' Residence



TRAVEL RESEARCH INFORMATION

Data regarding how 2009 leisure travelers researched their plans are consistent with previous years. Once again, the Internet is by far the dominant and growing source for vacation research. Postal materials continue to be a strong secondary source. A consistent number of respondents research travel plans through a toll-free telephone number and using magazine material. Social media as a source of travel information was added to this year's research, with a small (3%) number reporting use of that method. This may be tied to the median age demographic.



The percentages above add to more than 100% per year because respondents were allowed to report multiple information sources.

The following table indicates the five-year averages of these sources for travel research:

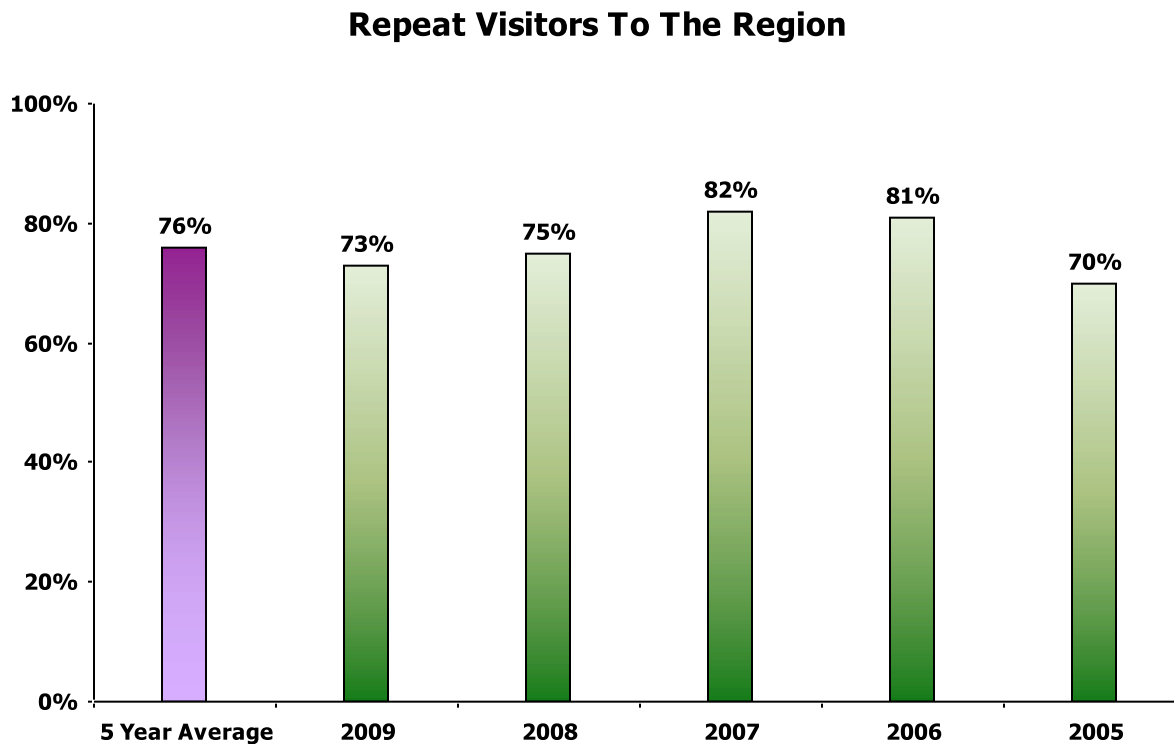
	Internet	Mail	Toll-free Phone Number	Other	Magazine	Social Media
5 Year Averages of Sources for Travel Research	91%	28%	15%	12%	10%	3%

VISITS TO THE REGION

Twenty-seven percent of the survey respondents reported that they did not visit the region in 2009. Of the majority (73%) who did travel to the region, the most common percentage (41%), took one trip. Eighteen percent took two trips, and 15% took at least three trips to the region in 2009.

Repeat Visitors

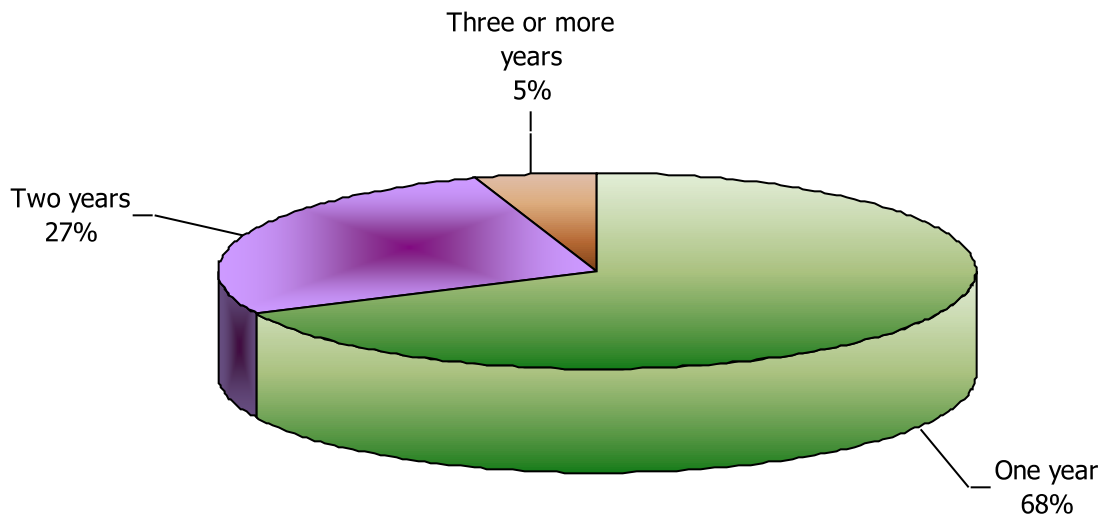
As found consistently within this research, a high number are repeat visitors to the region. This year, 73% of respondents reported having visited Lake Placid/Essex County before. The following chart provides the percentages of repeat visitation over the last five years.



Future Visitors

A strong majority of respondents said that they plan to visit the region in the future (90%). The reported timing for anticipated visits among this group is illustrated below. The timing of future visits appears to have moved into a longer timeframe than found in other years however, with a substantial minority of travelers planning to visit in two or more years out.

Anticipated Timing of Visits

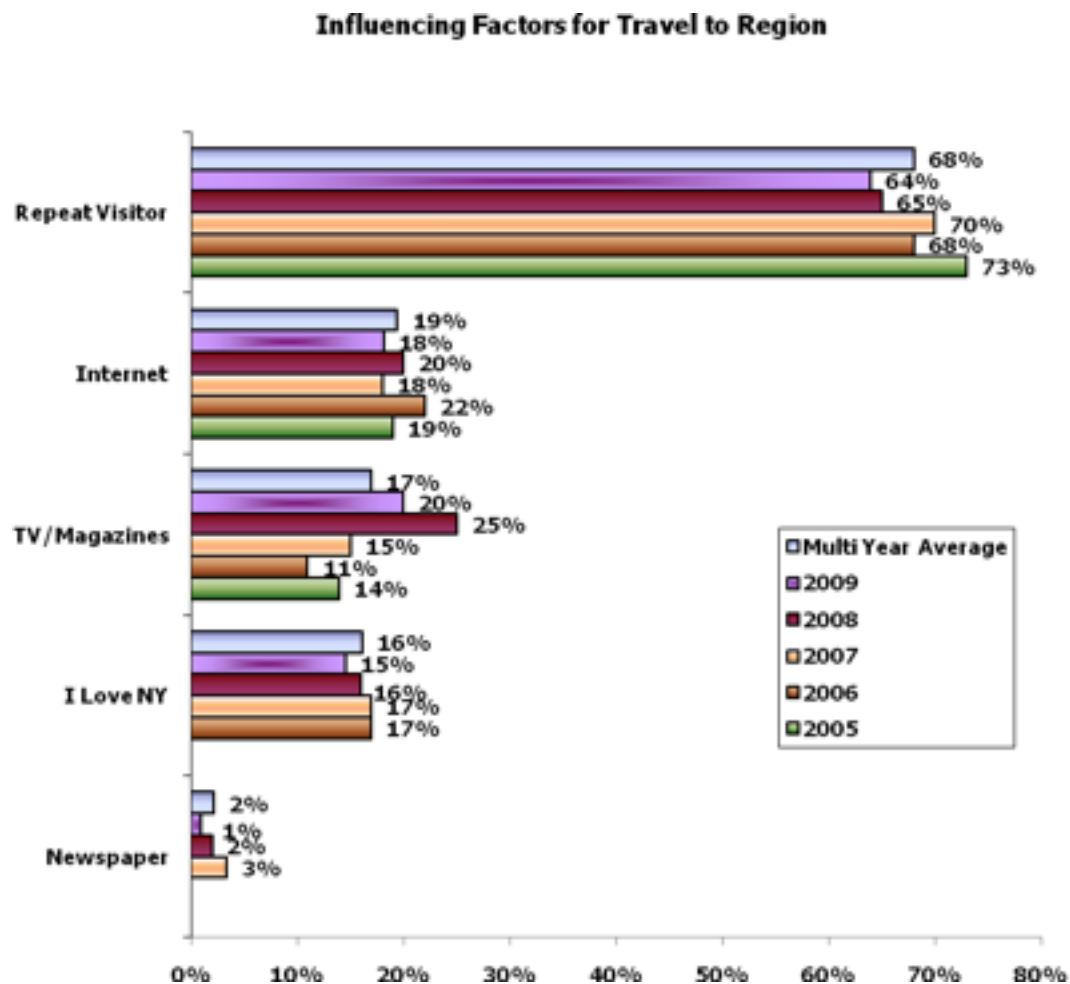


The table below depicts travelers' past and future plans to visit the region.

	Five-year Average	2009	2008	2007	2006	2005
% visitors who took one trip to the region in last 12 months	38%	41%	39%	35%	40%	35%
% visitors who took two trips to the region in last 12 months	19%	18%	16%	22%	19%	19%
% visitors who took three or more trips to region in last 12 months	20%	15%	12%	25%	20%	26%
% visitors who plan to visit the region in future	93%	90%	89%	94%	96%	96%
% future visitors who plan to visit the region in the next year	76%	68%	83%	70%	79%	78%
% future visitors who plan to visit the region in the next two years	20%	27%	16%	24%	15%	18%
% future visitors who plan to visit the region in the next three or more years	5%	5%	1%	6%	6%	5%

INFLUENCE TO VISIT THE REGION

Survey respondents were asked to select what inspired their visits to the Lake Placid/ Essex County region. Results for newspaper articles/ advertisements and the I Love NY travel guide influences are only available for the last three years, when this data was first collected. The chart below illustrates the influencing factors for visitation during the past five years. Respondents were allowed multiple responses to this question.



Prior visitation continues to be the strongest influencing factor. The Sustainable Tourism Office has developed a customer list (database) that serves as the foundation for its marketing and communications efforts. The database is used to facilitate the Bureau's customer relationship management (CRM) strategy, which revolves around an annual schedule of targeted promotional e-mail. Clearly the repeat visitors to the region are satisfied with their experiences.

Television/magazine and Internet materials were one of the second strongest factors in influencing these travelers. I Love NY materials have remained consistent in measured influence, as have newspaper materials.

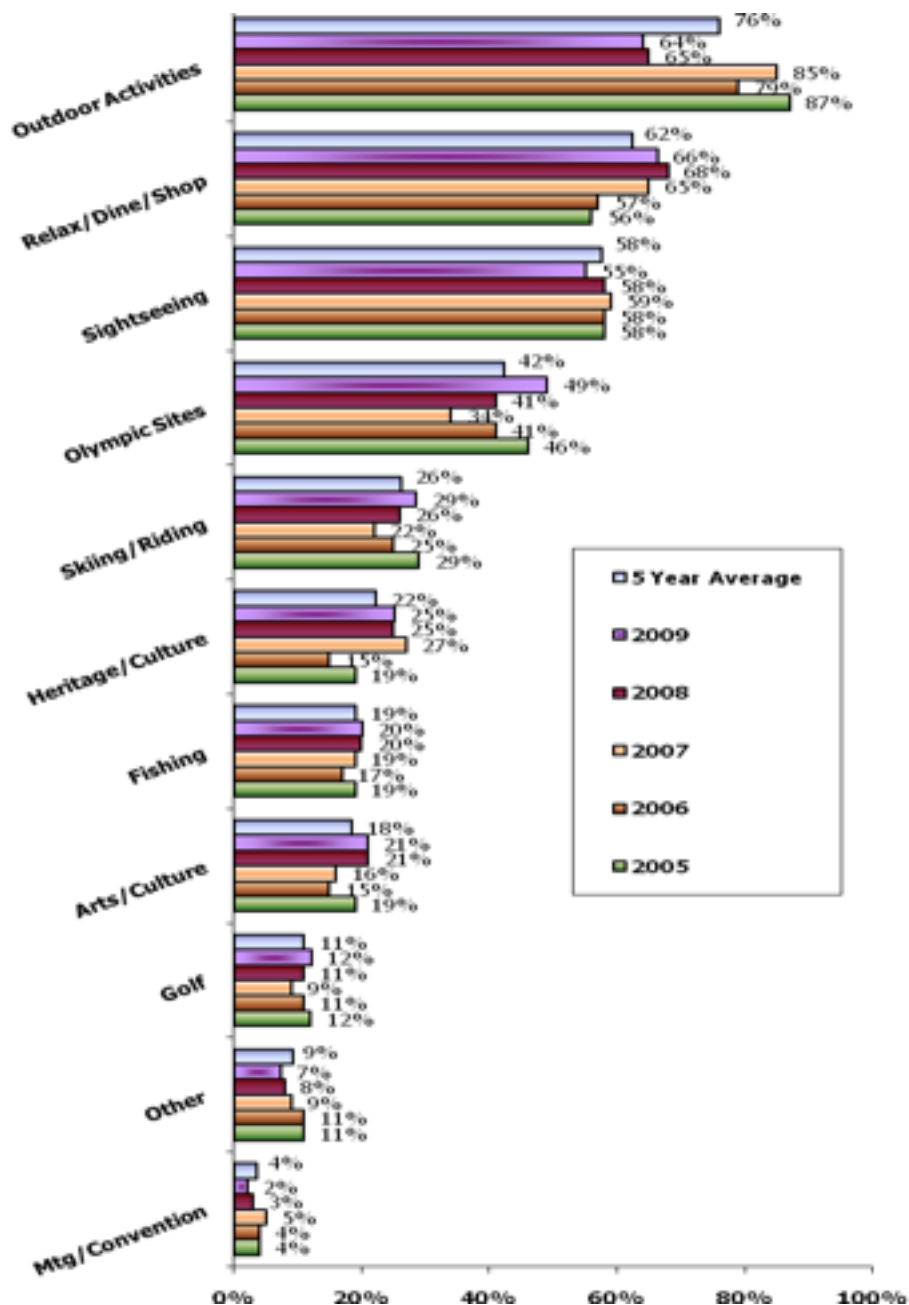
The table below provides the five-year averages of these reported factors:

	Repeat Visitor	Internet	TV/Magazines	I Love NY	Newspaper
Five-Year Average of Influencing Factors for Visits	68%	19%	17%	16%	2%

This demonstrates the continued strength of a prior visit as the primary influence on a future visit.

REGIONAL ATTRACTIONS

Respondents were asked to select the activities which attracted them to the Lake Placid/Essex County region from a provided list. They were also given the opportunity to list "other" draws not included. Multiple responses were permitted. The chart below demonstrates the draw of various attractions for this year's respondents, as well as prior years.



It should be noted that the data for "outdoor attractions", as in the 2008 report, combine the formerly separate categories of canoeing/kayaking, and hiking/backpacking into "outdoor activities".

These data show relaxing, dining and shopping activities again as the largest draw (66% of respondents), followed by outdoor activities (64% of respondents) and sightseeing (55% of respondents). Since the outdoor activities category was phrased differently in the past two years, the researchers caution against concluding that this draw has diminished. A future year or two of data in this area will likely be more conclusive.

Skiing and riding, and Olympic sites showed marked increases as attractions in this year. The number of respondents who listed Olympic sites as a prime attractor grew by 20% from last year. This is not a big surprise given that 2009 was near the season of the Winter Olympics held in Vancouver. Most other draws stayed consistent with prior years.

The following table provides five year averages of these attractions by percentages of responses.

	5-year Average of Attraction Frequency
Outdoor activities	76%
Relax/dine/shop	62%
Sightseeing	58%
Olympic sites	42%
Skiing/riding	26%
Heritage/culture	22%
Fishing	19%
Arts/culture	18%
Golf	11%
Other	9%
Meetings/conventions	4%

Within the 2009 data, frequent “other” attraction responses include: camping, horse shows, ice skating or ice hockey, the Ironman event, motorcycle riding, and visiting friends (see Appendix C: Open Ended Responses). These responses are fairly consistent.

SATISFACTION WITH LEISURE TRAVEL – RELATED INFORMATION PROVIDED

The prospective visitor can access a full complement of travel information through various means such as websites, magazines and toll-free numbers. Ninety-five percent of respondents indicated that they found all of the information they were seeking from the Sustainable Tourism Office, with only 6% indicating dissatisfaction in this area.

This represents consistent satisfaction levels in the quality, form and availability of tourism-related materials. The table below demonstrates the satisfaction with travel information provided over the past five years.

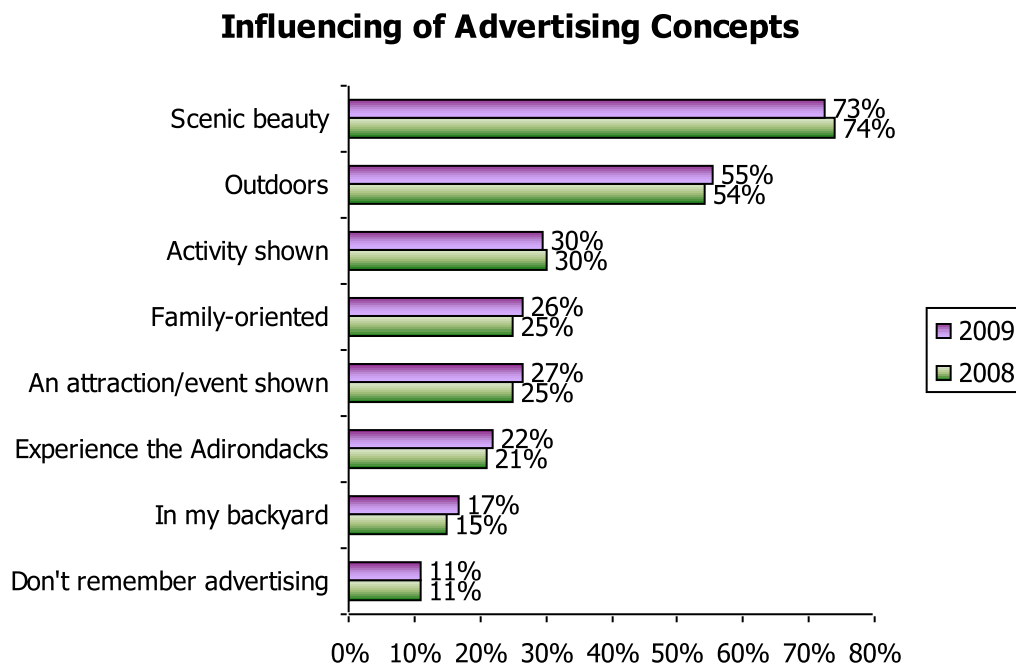
	5 Year Average	2009	2008	2007	2006	2005
Satisfied with travel information provided	94%	95%	96%	95%	93%	93%

INFLUENCE OF ADVERTISING MATERIALS

Influence of Advertising Materials

For the second consecutive year, the survey asked travelers if they had encountered advertising for the region, and if they had, to categorize what was attractive about the material viewed. Respondents were provided with a number of conceptual categories which this advertising may have highlighted, and were instructed to select all applicable responses.

The following chart shows the response rates by category.

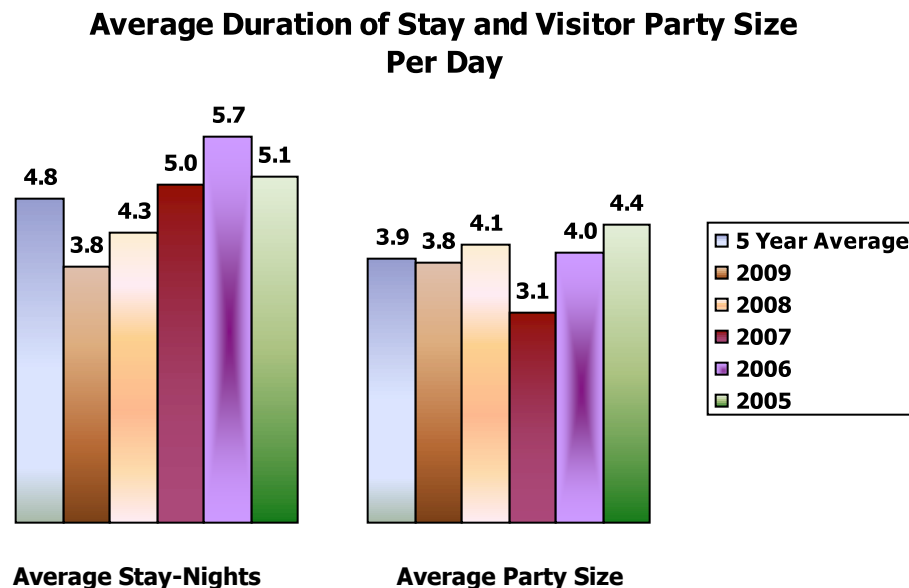


Scenic beauty remained the leading advertising concept which attracted travelers. The “outdoors” continued to be the second very strong concept identified by these respondents. The categories of the “activity shown”, an “attraction or event shown”, a “family-oriented scene”, and “experiencing the Adirondacks” all reported a stronger influence. “In my backyard” was not a strong influencing concept, but slightly higher than the prior year. These are consistent in the last two years.

VISIT DURATION AND PARTY SIZE

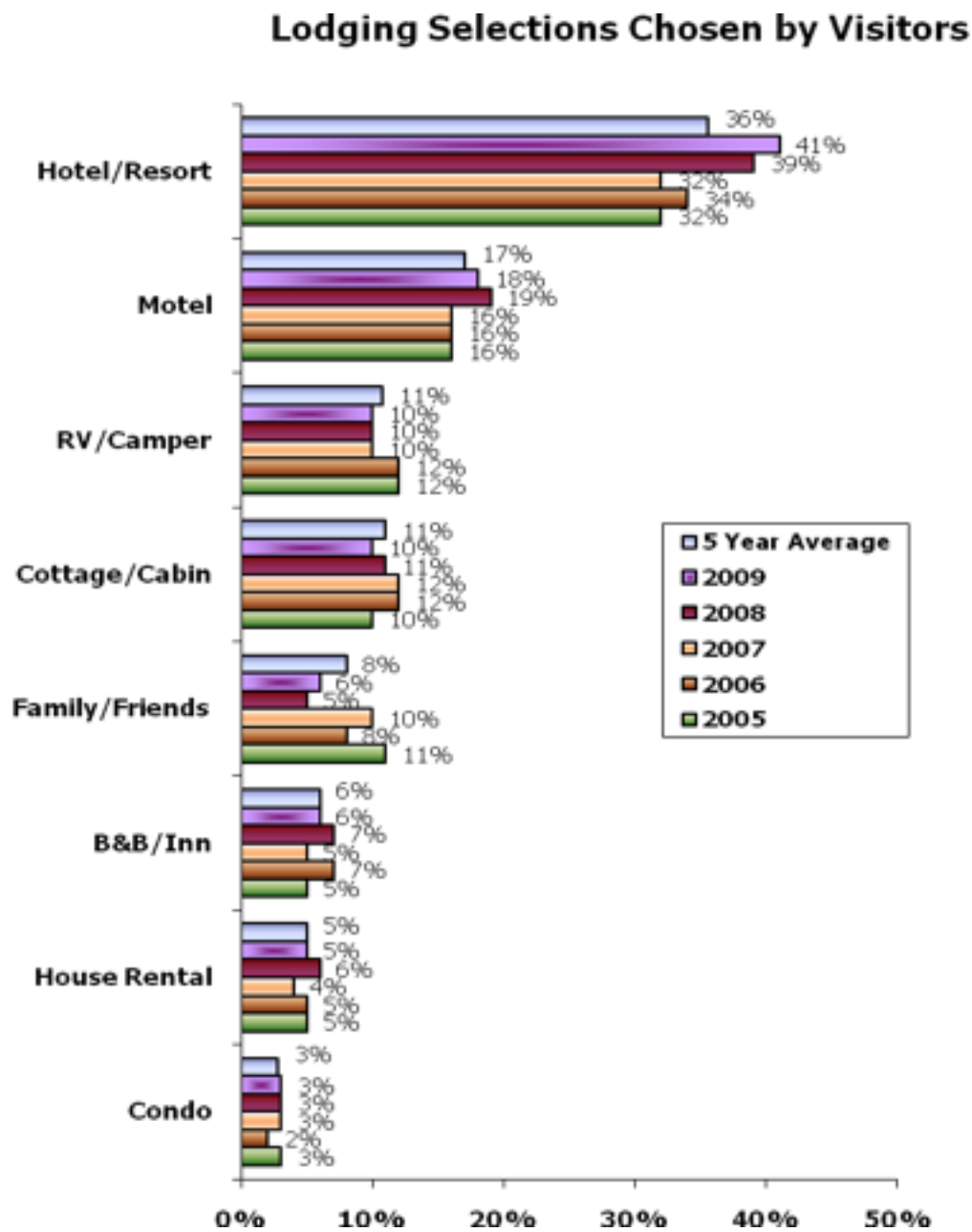
The average stay for 2009 travelers, from the survey, was 3.8 nights (or 4.8 days). A daytrip is considered one day, but zero nights stayed. This number is lower than previous years, confirming the trend of shorter trips for many visitors due to economic uncertainties in the past two years. The five-year average for duration of stay is 4.8 nights (5.8 days).

The average reported visitor party size for 2009 was 3.8 persons, which includes an average of 2.98 adults and 0.85 children. This is a slightly smaller group size than reported in the previous year. It is also just slightly lower than the average of the past five years which is 3.9 persons.



LODGING SELECTIONS

Visitor respondents were asked what type of lodging they used during their stay in Lake Placid/Essex County. Hotels remain the most common choice by far, with 41% selecting this response. Motels are next most commonly reported (18%), while cottages/cabins and RV's/camping were also popular (both at 10% respectively). A lower percentage of respondents indicate in the last two years that they stayed with friends and family or friends. This potential trend provides a positive impact for local expenditures.



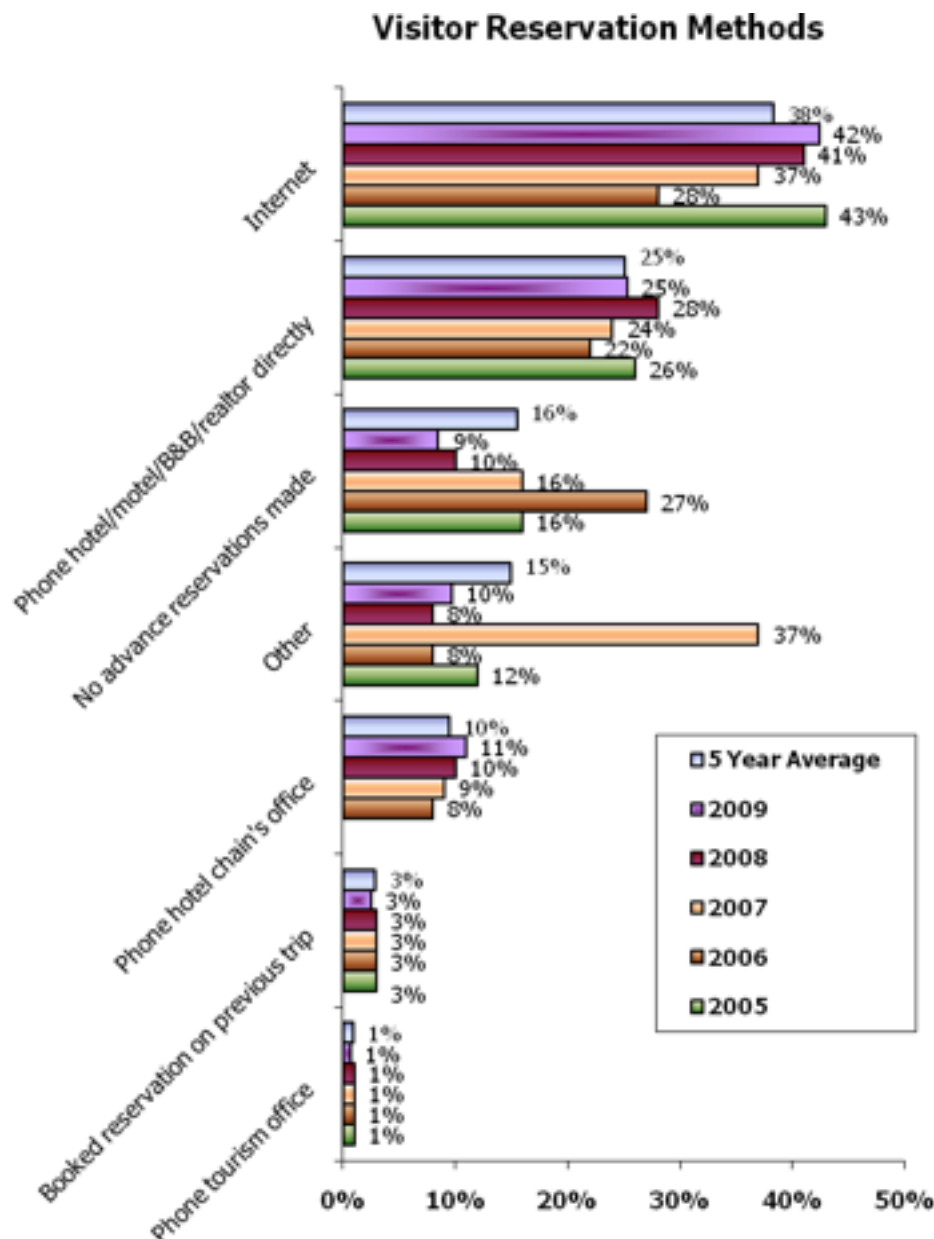
The following table provides the averages of responses for lodging choices from 2005-2009:

	Five-year Average of Lodging Responses
Hotel	36%
Motel	17%
RV/Camper	11%
Cottage/ cabin	11%
Family/ friends	8%
B & B/ inn	6%
Private house rental	5%
Condominium	3%

Overall the trend appears to be the continued dominance of hotels and motels. Most other lodging selections have been fairly consistent during the past five years.

RESERVATION METHODS

Visitor respondents were asked about the different methods used to make their accommodation reservations. Internet reservations remain the most common response, although telephone reservations (particularly directly to the property) remain strong, consistent with industry trends.



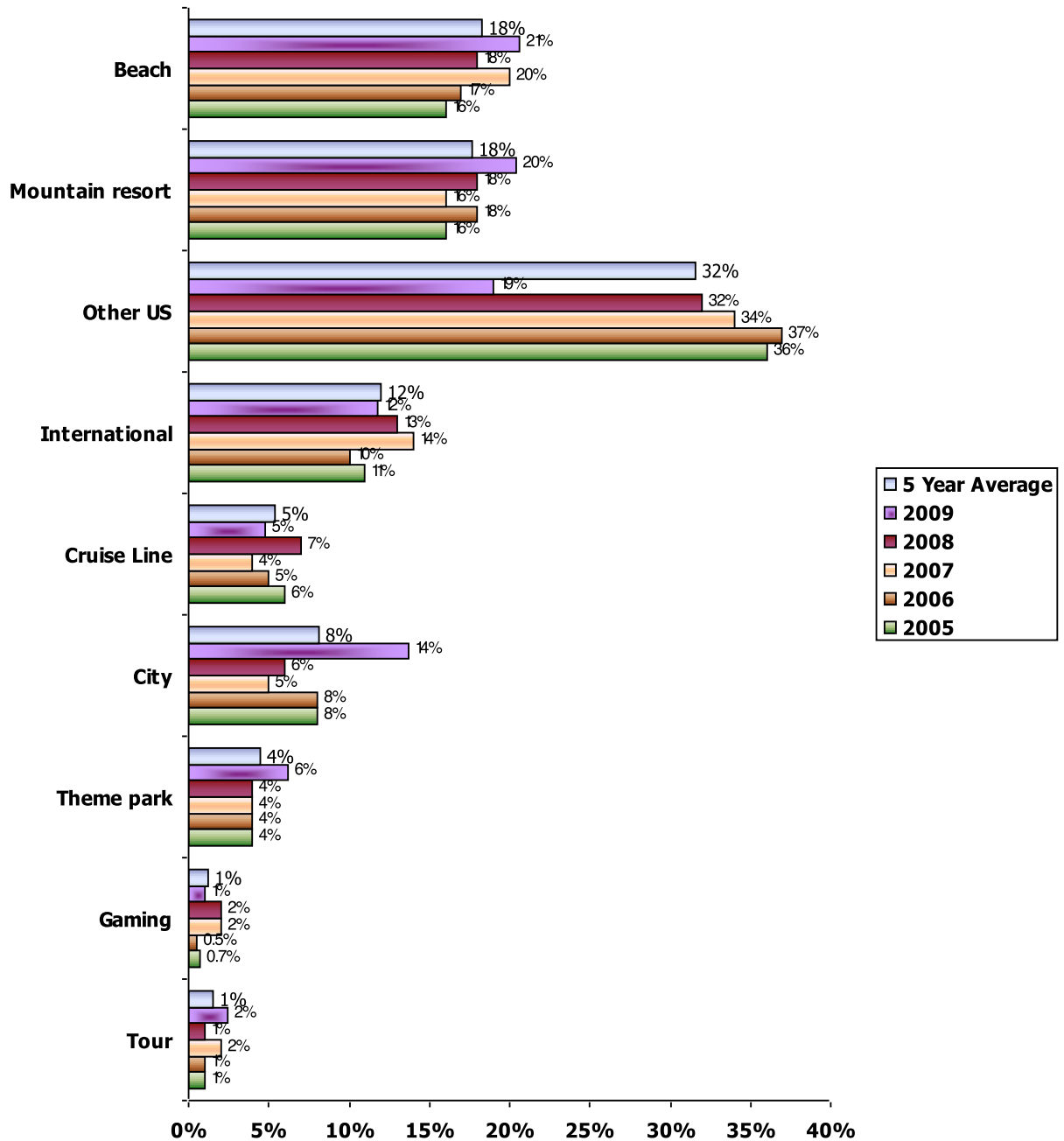
The following table shows the average for this five-year average for the reservation methods.

	Five-year Average of Reservation Methods
Internet	38%
Phone Hotel/Motel/B&B/Realtor Directly	25%
No advanced reservations made	16%
Other	15%
Phone Hotel Chain's Office	10%
Booked reservation on previous trip	3%
Phone Tourism Office	1%

ALTERNATE DESTINATION

Respondents were asked to select what type of locale best described their alternative destination (among those travelers who indicated that they did not visit Lake Placid/ Essex County in the past year).

Alternate Destination Attractions



City destinations more than doubled as the alternate destination for travel this year. Beach and mountain resorts also grew in popularity as alternate locations for travel. United States destinations other than the Essex County fell substantially in this year's data from being the most popular category of the past years of this survey, likely due to travelers staying closer to home during the recession.

The following table shows the average for this five-year period by alternative destination type.

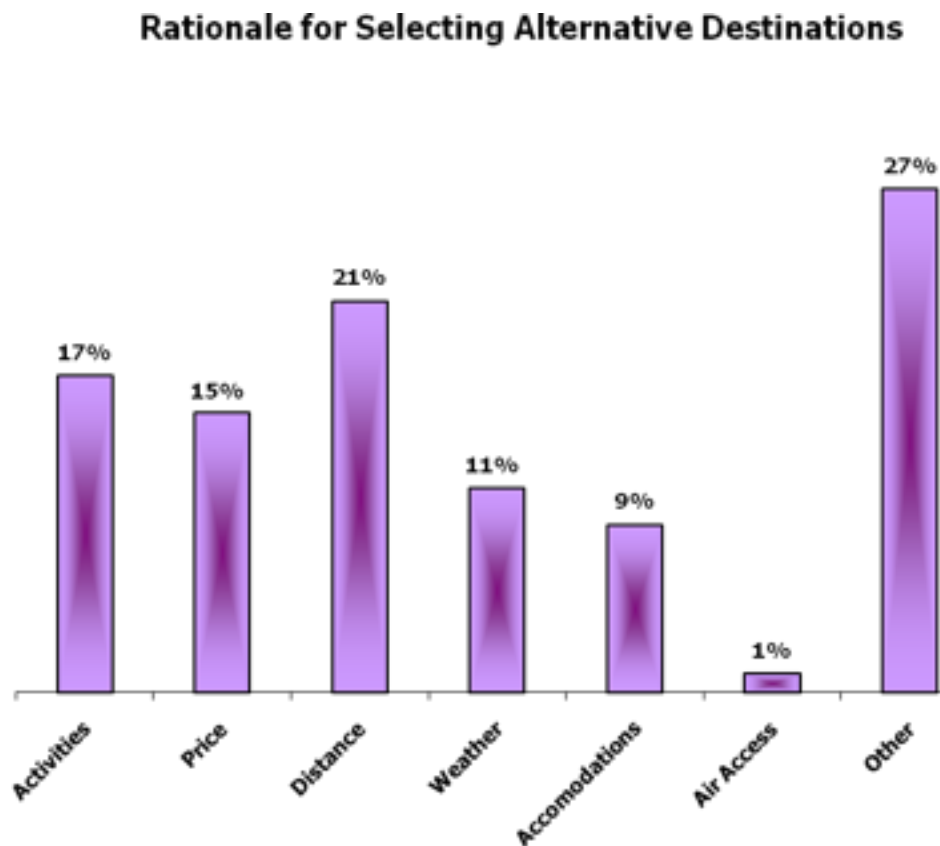
	Five-year Average of Alternate Destination Type
Other U.S.	32%
Beach	18%
Mountain resort	18%
International	12%
City	8%
Cruise line	5%
Theme park	4%
Gaming	1%
Tour	1%

The five-year averages of destinations show some real fluctuation this year after several previous years of relative consistency. It will be telling to look closer at this data in the coming year or two to examine if these are emerging trends.

Alternate Destination Selection Rationale

Distance, activities and price are the specific categories chosen by most respondents as their rationale for choosing a destination other than Essex County.

The “other” category is the most common choice within this question. Some of the more common reasons specified by those who selected “other” include: visiting family and friends, sightseeing, wanted to go to other locations, and took another type of trip (i.e. - cruise). See Appendix C: Open Ended Responses for further detail.



ALTERNATE DESTINATION EXPENDITURES

The study shows slightly lower expenditures for guests who visited alternate destinations from those that visited the region. It is notable that this number is lower in comparison to the total spent by visitor parties per day in the Lake Placid/Essex County region for this year. The following spending profile for reported alternate destinations also represents a substantial decrease from the prior year (which was \$439 per visitor party per day).

The alternate destination expenditures in comparison to Essex County breakdown as follows:

Category	2009 Alternate Destination Mean Expenditure Per Visitor Party per Day	2009 Essex County Mean Expenditure Per Visitor Party per Day
Attractions	\$21.08	\$45.75
Entertainment	\$18.46	\$46.31
Transportation	\$59.07	\$41.19
Lodging	\$136.43	\$170.91
Meals	\$59.67	\$79.72
Shopping	\$26.90	\$53.53
All Other	\$20.81	\$81.50
Average Daily Expenditure	\$342.42	\$518.91

The chart below depicts the range of expenditures per visitor party per day for 2005-2009. The stay at these locations was longer than found in Essex County however, at an average of eight days total. The five year average expenditure per visitor party per day at alternative destinations is \$423.59. The 2009 figures are much lower per day, presumably due to nationwide deep discounts for travel due to economic recession.

LOCATION	AVERAGE EXPENDITURE PER VISITOR PARTY PER DAY
Hawaii	\$793
Washington, Dc	\$575
Saratoga County, NY ⁴	\$552
Essex County, NY *	\$519
Miami Beach	\$370
New York State	\$320
Massachusetts	\$287

The chart below depicts the 2008 visitor expenditure profile reported in the American Automobile Association's Annual Vacation Cost survey³ for major U.S. destinations. Essex County data is inserted to show that it falls in the mid-range of these national expenditure patterns. Expenditure per day is somewhat lower than Saratoga County per day, likely due to Saratoga's high season price structure.

	5 Year Average	2009	2008	2007	2006	2005
Five-year alternate destination expenditures per visitor party per day	\$423.59	\$342.42	\$439.86	\$407.71	\$517.57	\$410.39

* Number taken from this report
3, 4 See source list (P. 37)

LEISURE VISITOR SPENDING

Visitor respondents were asked to provide specific estimates of their daily spending in various categories during their 2009 trip to Lake Placid/Essex County. Estimated leisure traveler expenditures per visitor party per day in 2009 increased most substantially in every category from last year, except lodging which is the largest component. The overall increase from 2008 to 2009 is 13% . Meals and "other" expenditures showed the highest increases.

The following table provides a comparison of estimated expenses tabulated for the past five years, as well as the five year average. This shows a steady growth overall in the trend of daily expenditures, with the exception of 2007 visitor survey data. It should be noted that this year's visitor respondents reported shorter stays for their leisure travel.

Mean Essex County Visitor Expenditures

CATEGORY	Five-Year Average Mean Expenditure Per visitor Party per day	2009 Mean Expenditure per visitor party per day	2008 Mean Expenditure per visitor party per day	2007 Mean Expenditure per visitor party per day	2006 Mean Expenditure per visitor party per day	2005 Mean Expenditure per visitor party per day
ATTRACTIONS	\$34.35	\$45.75	\$40.26	\$31.14	\$26.44	\$28.15
ENTERTAINMENT	\$41.84	\$46.31	\$37.43	\$29.00	\$63.68	\$32.80
TRANSPORTATION	\$34.37	\$41.19	\$35.68	\$31.40	\$31.50	\$32.10
LODGING	\$138.20	\$170.91	\$164.16	\$129.20	\$122.98	\$103.75
MEALS	\$69.81	\$79.72	\$74.16	\$63.20	\$62.80	\$69.18
SOUVENIRS	\$47.17	\$53.53	\$49.60	\$39.20	\$43.00	\$50.50
ALL OTHER	\$46.92	\$81.50	\$51.59	\$33.00	\$53.00	\$15.50
AVERAGE DAILY EXPENDITURE	\$412.66	\$518.91	\$452.87	\$356.14	\$403.40	\$331.98

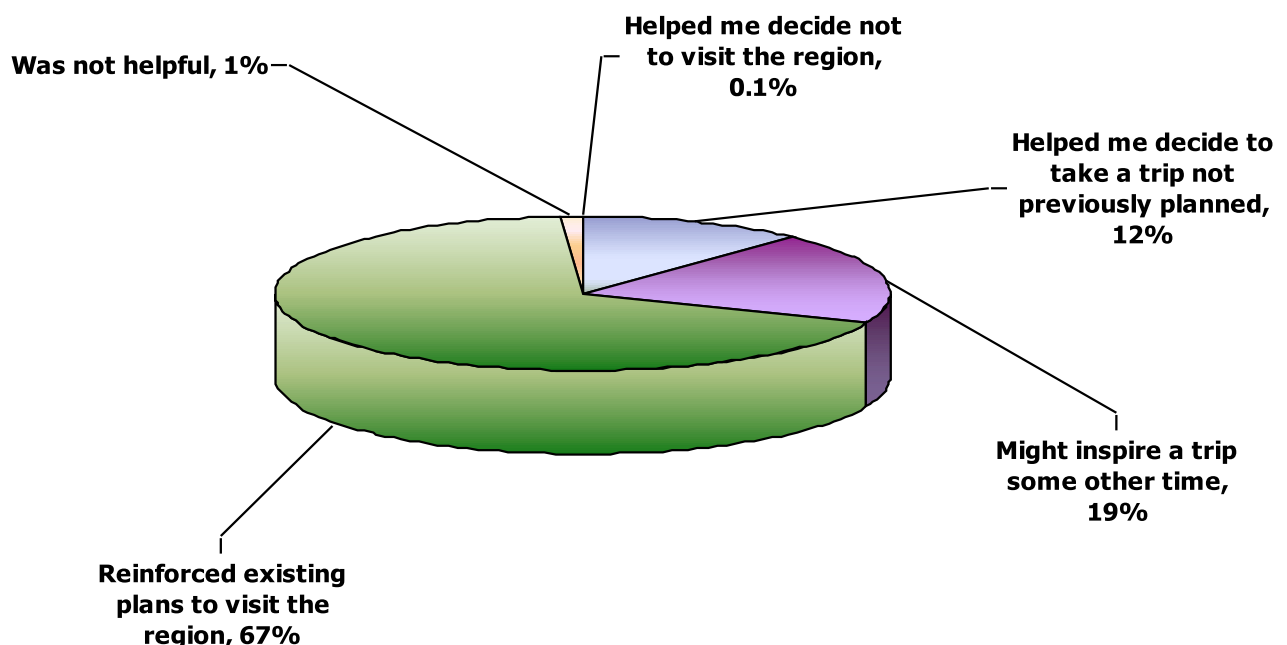
CONVERSION MEASUREMENT

Motivational Influence of Travel Materials

Some travel researchers contend that the traveler conversion rate may be misleading because one cannot ascertain that a “conversion” is a direct result of the tourism-related material viewed by the traveler. In this study, the survey asked respondents to indicate whether the material they viewed either influenced or reinforced their motivation to travel to the area. The highly-regarded Travel Michigan Research Study² uses conversion to recognize inquiry and subsequent fulfillment by the marketing agency as the final measure of motivation to travel. Tourism advertising research distinguishes between two effects when measuring impacts: advertising that leads to inquiry and fulfillment and advertising that leads to inquiry and purchase. Inquiry/ fulfillment involves the customer’s response to acquire information and inquiry/purchase involves the customers who ask for information and purchase the product.

The “Influence of Travel Information” chart below demonstrates information with regard to inquiry/ fulfillment, with most respondents indicating a positive impact of information received. Inquiry/ purchase results are implied by this information, but cannot be completely validated as would be possible through an on-site intercept survey.

Influence of Travel Information

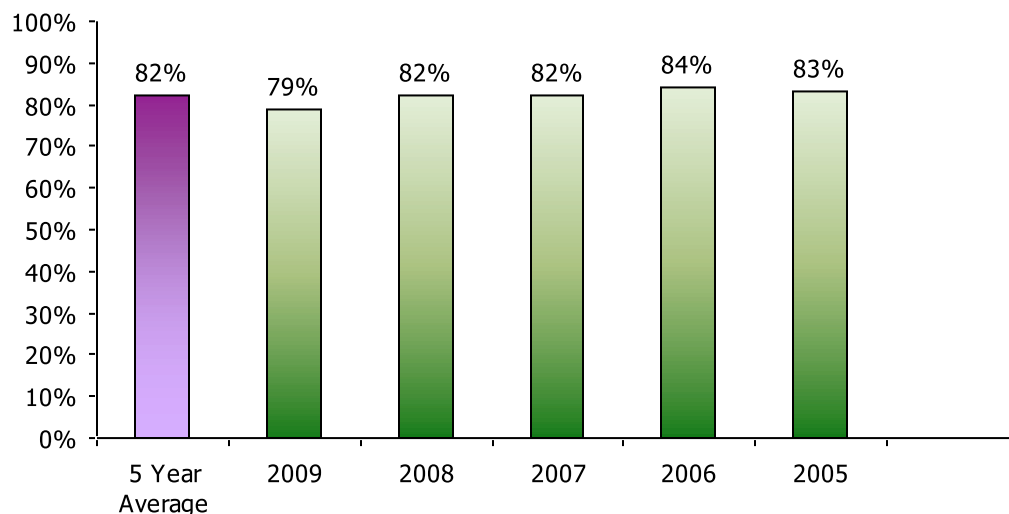


This survey measured the “conversion rate” of potential travelers (using direct, traceable leads provided by the Sustainable Tourism Office) who viewed regional travel information, to those who actually traveled to Lake Placid/Essex County. This was done by asking respondents to characterize the influence of the travel information they received in the following categories: “helped me decide to take a trip not previously planned”, “reinforced existing plans to visit the region”, “was not helpful”, “might inspire a trip some other time”, or “helped me decide not to visit the region”.

Seventy-nine percent of respondents stated that the information or advertisements viewed either reinforced plans for a trip, or helped convince them to take a trip not yet planned. This is consistent with the gross conversion rate of travelers to the area. The net conversion rate includes only those travelers who replied that the information viewed helped them decide to make a trip not yet planned to the region. The gross conversion rate is used for quantitative analysis within the subsequent sections. This net conversion rate is 12% . Net conversion rates have ranged from 11% to 16% in the last five years.

The table below depicts the gross conversion rates for the last five years. This demonstrates the percentage who have been influenced by the Sustainable Tourism Office information or contact, to travel to the area. The 2009 conversion rate is slightly lower than the rate in prior years and the five year average of 82% . Overall this rate has remained consistent.

**Percent Inspired to Visit Region by Travel Information
Gross Conversion**



RETURN ON MARKETING INVESTMENT ANALYSIS

Marketing Expenditures per Visitor

Dividing the marketing costs for the region in the specified period, by the number of visitors to the region, results in a marketing expenditure per visitor.

The 2009 estimated visitor count is tabulated by multiplying the number of leads generated by the Bureau (those who made contact with the Bureau) by the conversion factor and by the average visitor party size.

$$83,753 \text{ (direct leads)} \times 79\% \text{ (gross conversion factor)} \times 3.8 \text{ (average party size)}$$

$$251,427 = \text{estimated visitors in 2009}$$

The estimated count of visitors likely influenced by the Bureau to visit the region was 251,427 in 2009. This represents a decrease in estimated visitation of 34,319 from 2008. The decrease is a result of the slightly lower number of leads, slightly lower conversion rate, and slightly smaller party size.

In 2009, Essex County spent \$1,563,032 for tourism marketing purposes from occupancy tax dollars and state matching funds. This yields a \$6.22 marketing cost per visitor ($\$1,563,032 / 251,427$). The 2008 marketing cost per visitor for these sources was \$5.82 per visitor.

Multiplying the number of visitors by the 3.8 average night party stay, equals an estimated 955,423 total visitor nights stayed in Essex County in 2009.

Return on Investment

Return on investment (ROI) is measured by estimated expenditures generated by visitors divided by the total marketing dollars spent (from occupancy tax dollars).

The first step in this process is to estimate total revenue generated by leisure travel visitors to Lake Placid/ Essex County:

$$\begin{aligned} &83,753 \text{ (number of direct leads)} \times 79\% \text{ (gross conversion factor)} \times \\ &\$519 \text{ (mean expenditure per visitor party per day)} \times 3.8 \text{ (average} \\ &\text{length of stay in nights)} \\ &= \$ 130,490,357 \text{ (total estimated revenue generated by visitors in} \\ &\text{2009)} \end{aligned}$$

The second step in this process is to divide the total revenue generated by visitors by the total marketing dollars spent:

\$ 130,490,357 (total estimated visitor revenue)/ \$ 1,465,665 (total occupancy tax marketing dollars spent)

Return on Investment = 89:1

The above calculations show that the total revenue generated was nearly \$131 million in 2009 and produced an ROI of \$89 in leisure visitor-related revenue for every dollar of tourism marketing expenditure. This is slightly higher than the ROI for 2008 and lower than that of the five year average.

	5 Year Average	2009	2008	2007	2006	2005
Five- Year Essex County Occupancy Tax ROI	99:1	89:1	86:1	98:1	134:1	86:1

At the Sustainable Tourism Office's request, the ROI in the following chart (Key Facts Derived from Survey Data), was calculated based upon various funding sources, since there are multiple budgets involved. The primary reason for these additional calculations is to show the dollars that offset expenses which are not provided by the county occupancy tax.

Note- this study does not incorporate any standard economic multipliers such as those used by the IMPLAN economic modeling software, that would show a substantial additional economic impact on the regional economy generated by visitor expenditures such as job creation and sales tax revenues.

KEY FACTS DERIVED FROM SURVEY DATA

	5 Year Average	2009	2008	2007	2006	2005
Number of Completed Survey Respondents	2,095	1,526	2,663	2,118	1,823	2,344
Average Income of Respondents	\$91,610	\$93,211	\$92,213	\$86,585	\$95,543	\$90,947
Mean Age of Respondents	49	49.9	51.7	50	46.7	46.7
Direct Inquiries to Essex County via the Bureau	88,270	83,753	84,993	96,197	95,697	80,711
Average Night Stays/ Party	4.8	3.8	4.3	5	5.7	5.2
Overnight Visitor Stays	1,324,656	955,423	1,228,708	1,225,000	1,767,000	1,447,150
Average Party Size	3.9 Persons	3.8 Persons	4.1 Persons	3.1 Persons	4.0 Persons	4.4 Persons
Conversion Factor Rate	82%	79%	82%	82%	84%	83%
Average Daily Expenditure per Party	\$412.63	\$518.91	\$452.87	\$356.00	\$403.40	\$331.98
Total Leisure Visitor Expenditures	\$139,226,277	\$130,490,357	\$135,757,449	\$140,409,141	\$179,141,209	\$110,333,228
Essex County Occupancy Tax and Matching Funds	\$1,491,656	\$1,563,032	\$1,663,976	\$1,552,346	\$1,382,583	\$1,296,345
Occupancy Tax and Matching Funds ROI	94:1	83:1	82:1	90:1	129:1	85:1
Essex County Occupancy Tax	\$1,415,178	\$1,465,665	\$1,571,777	\$1,439,023	\$1,327,990	\$1,271,433
Essex County Occupancy Tax ROI	99:1	89:1	86:1	98:1	134:1	87:1
Total Bureau Budget	\$1,977,334	\$1,915,274	\$2,065,427	\$2,064,900	\$1,884,161	\$1,956,910
Total Bureau Budget ROI	71:1	68:1	66:1	68:1	95:1	56:1
Total Budget & Regional Co-op	Not available	\$2,714,634	\$2,860,642	\$2,742,616	Not available	Not available
Total Budget & Regional Co-op ROI	Not available	48:1	47:1	51:1	Not available	Not available

SOURCES

1. Economic Impact of Expenditures By Tourists On Northern New York State. Northern NY Tourism Travel and Tourism Research Center. 2006. <http://www.nnytourismresearch.org/nytourismresearch/reports.asp>
2. Conversion Studies White Paper, by Kiki Kaplanidou, and Dr. Christine Vogt, Assistant Professor, Department of Park, Recreation and Tourism Resources, Michigan State University, March 2003.
3. American Automobile Association. 2008 Annual Vacation Cost Survey. <http://www.aaanewsroom.net/Assets/Files/200857936230.2008VacationCostsSurvey.xls>
4. Saratoga County Leisure Tourism Visitor Study. Technical Assistance Center at SUNY Plattsburgh, March 2009.

APPENDIX A: SURVEY INSTRUMENT

APPENDIX B: TABLES- FIVE-YEAR AVERAGES

Demographics	5 Year Average
Mean Income	\$91,610
Mean Age of Respondents	49.9

Travel Research Information	5 Year Average
Internet	91%
Mail	28%
Toll-Free Phone Number	15%
Other	12%
Magazine	10%
Social Media	3%

Visits to Region	5 Year Average
Repeat Visitors	76%
One trip in last 12 months	12%
Two trips in last 12 months	18%
Three or more trips in last 12 months	15%
Plan to visit in future	90%
Plan to visit in next year	68%
Plan to visit in next two years	27%
Plan to visit in next three or more years	5%

* Numbers available for last four years only

Influence to Visit Region	5 Year Average
Repeat Visitor	68%
Internet	19%
TV/ Magazines	17%
I Love NY	16%
Newspaper	2%

Regional Attractions	5 Year Average
Outdoor activities	76%
Relax/ dine/ shop	62%
Sightseeing	58%
Olympic sites	42%

Skiing/ riding	26%
Heritage/ culture	22%
Fishing	19%
Arts/ culture	18%
Golf	11%
Other	9%
Meetings/ conventions	4%

Travel Information 5 Year Average

Satisfied with Information	94.8%
Inspired to Visit Region	79%

Visit Information 5 Year Average

Duration	3.8 Nights
Party Size	3.9 Persons

Lodging Selections 5 Year Average

Hotel	36%
Motel	17%
RV/ Camper	11%
Cottage/ Cabin	11%
Family/ Friends	8%
B & B/ Inn	6%
Private House Rental	5%
Condominium	3%

Alternate Destination 5 Year Average	
Other U.S.	32%
Beach	18%
Mountain resort	18%
International	12%
City	8%
Cruise line	5%
Theme park	4%
Gaming	1%
Tour	1%

Category	5 Year Average Alternate destination per Visitor party per day
Attractions	\$21.08
Entertainment	\$18.46
Transportation	\$59.07
Lodging	\$136.43
Meals	\$59.67
Souvenirs	\$26.90
All Other	\$20.81
Average Daily Expenditure	\$342.42

Category	5 Year Average Mean Expenditure Essex County Per Visitor Party per day
Attractions	\$45.75
Entertainment	\$46.31
Transportation	\$41.19
Lodging	\$170.91
Meals	\$79.72
Souvenirs	\$53.52
All Other	\$81.51
Average Daily Expenditure	\$518.91

**APPENDIX C: OPEN-ENDED RESPONSES OPEN ENDED QUESTION
REPLIES:**

6. Why did you choose an alternate destination?

Alaska	I travel a lot and just didn't get there this year
An anniversary trip	International travel
A chance to see Europe	Ireland
Attractions	Lack of information
Beach	Lake George
Business trip then vacation	Lake Placid didn't occur to me
Camping in Maine	Location
Cancun Mexico events	Location, location, location
Change of pace	Love Ireland
Children	Marathon taking place
Close to family	Met son at overseas college
Combined with Reunion	Minimal camping
Convention	Nascar racing
Coordinated with friends	Never been there
Cruise and international	Never been to Europe
Cruise to Alaska	Never thought about it
Curiosity sites	New York City at Christmas, Cancun in Aug
Did not know Lake Placid	Niagara Falls Rochester and Buffalo
Different fishing in ADK	Ocean
Different trip altogether, adventure	On my bucket list
Disney and Cocoa Beach	Other Adirondack Area
ECO/TROPICAL	Own timeshare in TN
Elderly Family/ needed to stay nearby	Plan to visit Lake Placid in 2010
Familiarity	Previous plans
Familiarity	Revisit after 10+ years
Family	Semi-all inclusive
Family	Sight seeing in that area
FAMILY	Sight seeing
Family illness	Snow quantity
Family related	Son's location
Family request	Son attends grad school in SFO
Family Reunion	Summer vacation
Family reunion location	That's where we chose to go.
Family trip	Time constraints
Family visit	Time Constraints
Family wedding	Time share
Favorite place to visit	Timeshare
For a change (France)	Timing
Friend's wedding	To see friends
Friends	To see relatives
Friends/ relatives in the area	Tour did not go there
GRANDCHILDREN	Triathlons
Group trip	Two trips to old forge and one to Lake George.
Had a fire in our home, stayed with friends in FL	Unknown Territory
Had never been to Yellowstone National Park	Unknown region for us
Have home in Leather stocking region	Variety
Hiking	Visit family
Visit my parents	
Visit relatives	
Visit to family in Europe	
Visited friends	

9. What inspired your interest in the Lake Placid/Essex County region?

Location	Empire State
Youth Hockey	Engaged
Online	Event
1980 Winter Games	FAMILY
A desire to visit	Family
Accommodation	Favorite
Adirondack	Figure skating
Adirondack	Figure skating
Adult ski	Figure Skating
Adult ski	Fish the lake
Adventure	Fishing
Always wanted to	Fishing
Always wanted to	Fly fishing
Am from	Former New York resident
Americade	Friends
An interest	Friends
Annual S	General
Area attractions	Geo caching
Athletic	Golf green
Attend h	Grandson
Attend m	Great place
Beautiful	Grew up
Beautiful	Guide boat
Been going	Had a friend from Lake Placid
Bobsled	Had home in Lake Placid
Bobsled	Have been before
Brochure	High Falls Gorge
Business	High Peaks
Camping	Hiking
Can-Am	Hiking
Can Am	Hiking
CAN AM Hockey	Hiking
CAN AM Hockey	Hiking
College	Hiking trails
Conference	History
Contest	Hockey
Convention	Hockey can/am
Curiosity	Hockey Can/am
Daughter	Hockey tournament
Disney on Ice	Hockey Tournament
Dog friend	Hockey
Downhill skiing	Husband
Driving	HUSBAND
East Coast	I LOVE B
I've always love the area	I love Lake Placid
I always loved Lake Placid	I love the area
I grew up in LP	I miss it
I like the area	Ice Dance
I live close by	Ice skating
Information	Prize
Interest	Purchase
Ironman	Ramp Cam
Ironman	Real estate

11. Which of the following activities attracted you to the region?

Activities	Just a day trip
Autumn	Kayaking
Beautiful	Lacrosse
Beauty	Lake Placid
Birding	Letter
Boating	Like Area
Boating	Lodging
Bobsled	Love lake placid
Breathtaking	Love the area
Breweries	Low key
Camping	Motor ride
Camping	Motor biking
CAN/AM	Motorcycling
College	Motorcycling
Cross C	My 104
Dog day	NCAA Meet
Dog friend	North Pole
Equestrian	An Option
ESPN Great Outdoors	Photography
Excursion	Photography
Family	Pirates
Family	Price
Farmers	Relaxing
Figure skating	Saranac
Figure Skating	Scenery
Fly fishing	Shopping
Fresh Air	Skating
Friendly	Sleigh ride
Friends	Snowboarding
Friends	Snowmobiling
Geo caching	Snowshoeing
Geo caching	Spa
Granddad	Spas
Great place	Swimming
High Falls	The Mirror Lake Inn
Hiking	Trains
Historic	Triathlon
Hockey	Trolley
Homesick	Visiting
Horse S	Visiting
Horseback riding	Walking
Hunting	Was not planned
Inexpensive	Wedding
Iron man	Whiteface
Ironman	Wild center
Ironman	X-C skiing

12. Please tell us how you researched your travel plans.

AAA AAA agency AAA for hotel AAA guide books & maps Adirondack explorer Adirondack travel guide All planning was by a committee Ask friends Been there before Been there several times Books Books on birding locations Born in area CAA CAA guide book Call friends who live there Called placed for info Child at college Do it myself E-mail Family Family and friends Family living there Family made all plans Family member planned vacation Friends Friend Friend Friend had timeshare directory Friend in the area FRIEND LIVES NEARBY Friend shared information Friends Friends Friends and family Friends as resource Friends in area Friends and family suggested Golf group outing Granddaughter GROUP TOUR Guide books Had stuff from year before Have been going there for year Have been visiting here 30+ yr Hotel memberships/loyalty program Taking day off rides just to se Talk to friends —	I have been going to Lake Placid I LOVE NY BOOK I LOVE NY guide Info/ booth on I87 Ironman sent link re hotels Just drove/live near here Just took off! Just winged it Know the area Know the area Knowledge from previous visits Knowledge of the area KOA -every year since '04 Library - books Lived in the Adirondack region Local Lake George newspaper Look up places when I'm there Maps Maps, AAA Guide Book Marriott Materials from previous visit Merely drove up My wife does it Newspaper Ads No need to research as I know area No research None None of the above, I lived in NY travel guide ORDA brochure Own internet research Past travel Picked up brochures at rest area Points Based Time Share Owners Prior experience Real estate agency Referred to cabin rental Referral from friends Relative Rental Office Reserve motel/camping on place Return visitor Saved from previous trips Spoke to fishing guide - Rachel Spoke with family who had visited Spontaneous day trip
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