

Tourist Conversion Study
For Pueblo Chamber of Commerce, 1996

Prepared for Dr. Duncan

Economics 420

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In order to help the pueblo chamber of commerce better use it's available resources, they asked a marketing research group from the University of Southern Colorado to conduct a survey of individuals who had inquired about Pueblo as a destination, and vacation area. This was done by sending out a mail survey to 2000 potential visitors to the city. Out of the 2000 surveys sent, three weeks later, 326 had been received, and secondary data from this survey was obtained through the analysis of these returned questionnaires. (Survey Attached)

The chamber requested a conversion study in order to better know the effectiveness of it's advertising champaign, by identifying the percentage of visitors inquires that became true converts. A true conversion rate is defined as one which includes only those inquirers that decide to visit Pueblo after being exposed to advertising, or after receiving and reviewing area literature.

For the year of 1996, the chamber had 3358 inquires into Pueblo as a travel destination. The survey was done by breaking down the total number of inquires by state, then taking 60% of each states inquires and taking a random sample of 60 % of these inquires. This was done in order to eliminate any biases that would have been inherent in the over all sample. In order to try to improve the response rate, the survey was kept to a maximum of 20 questions, and it was stated that this was being done by a group of U.S.C. students.

The primary object of this portion of the study was to determine the conversion ratio for Pueblo Colorado. In order to determine a conversion ratio, one must have in their possession number of visitors that decided to visit after receiving information from the chamber, and the total number of people the chamber sent information to. This was done through the survey by the total number of surveys returned, and of these surveys, the people who decided to visit Pueblo.

Visitors == Conversion rate
Inquires

202 (true converts) == 61.96%
326 (total surveys returned)

(See Attached Table)

Using the conversion rate of 61.96% gained from the survey, of the 3358 inquiries into pueblo as a destination spot, a total of 2080.6168 people decided to visit or vacation in Pueblo because of information they had received.

Total # of converts:
3358 X .6196 == 2080.6168

The next piece of information that was gained from the survey, was the average amount of money spent by each person who returned the survey. This figure turned out to be \$404.25, all of which would have been locally spent and infused into the economy. By using the total number of converts, and the money spent by each person, the local economy would have received an additional \$841,089.34 in local income.

Total 1996 Revenue from Inquiries:
2080.6168 X \$404.25 == \$841,089.34

In order to determine the effectiveness of the chambers advertising campaign, the revenue per inquiry is the next figure that must be calculated. This is done by dividing the total revenue by the total number of inquiries into Pueblo.

\$841,089.34 == \$250.47
3358

For every inquiry into Pueblo, an average of \$250.47 is gained by the local economy.

For every inquiry into Pueblo as a destination or vacation stop, there is also the associated cost of exposing information about local attractions to the potential visitor. According to figures gain through the Pueblo Chamber of Commerce, the yearly expense of advertising in 1996 totaled \$80,000 . Using this figure and the total number of inquires, the cost associated with each inquiry can be calculated.

$$\frac{\text{Cost of Advertising}}{\text{Total Inquiries}} = \frac{\$80,000}{3358} = \$23.82$$

For every inquiry into Pueblo as a destination, \$23.82 was spent by the local chamber of commerce.

Now that the total revenue, and the total cost associated with each inquiry has been obtained, the Net Revenue can now be determined

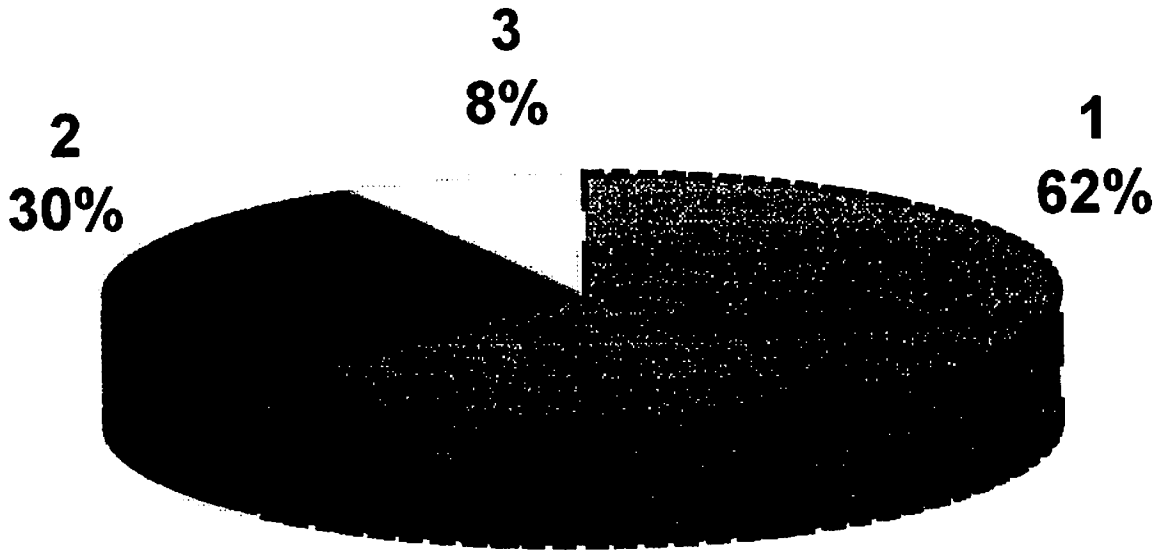
Total Revenue per Inquiry	\$250.47
<u>Cost per Inquiry</u>	<u>-\$ 23.82</u>
Net Income per Inquiry	\$226.65

Thus, for every inquiry into Pueblo as a vacation or destination spot, \$226.65 are brought into the local economy from outside the area.

TABLE 1

$$\text{Conversion} = \frac{\text{Visitors}}{\text{Inquiries}}$$

- 1) 62% True Conversion Rate
- 2) 30% Conversion Rate Before Receiving Information
- 3) 8% Inquiries



1. What is your gender? Male ___ Female ___

2. What is your age range as of your last birthday?

19 & under ___ 20-29 ___ 30-39 ___ 40-49 ___ 50-59 ___ 60-69 ___ 70-79 ___ 80 & up ___

3. Which income range best describes your total family income last year?

Under \$15,000 ___	\$60,001-\$75,000 ___	\$120,001-\$135,000 ___
\$15,001-\$30,000 ___	\$75,001-\$90,000 ___	\$135,000-\$150,000 ___
\$30,001-\$45,000 ___	\$90,001-\$105,000 ___	\$150,001-\$165,000 ___
\$45,001-\$60,000 ___	\$105,001-\$120,000 ___	\$165,001 & Over ___

4. What is your occupation? _____

5. How did you hear about Pueblo? (Check all that apply)

Friends / Relatives ___

Information books / Brochure books ___

AAA ___

Other Agencies _____

Travel magazine ___

6. Have you visited Pueblo Colorado in the last five years before receiving information from the Pueblo Chamber of Commerce? Yes ___ No ___

7. After you received the information, did you visit Pueblo Colorado? Yes ___ No ___

If you answered Yes to visiting Pueblo in question #6 or #7, please continue to question #8.

*If No, please go to question #20 in the survey.

*8. Please indicate how strongly you agree or disagree with the following statement by circling the number under your choice on the following scale:

The information I received about Pueblo convinced me to visit.

Strongly
agree

Agree
2

Neither agree
or disagree
3

Disagree
4

Strongly
Disagree
5

9. What was/were your reason(s) for coming to Pueblo? (Check all that apply)

Convention ___

To visit family / Friends ___

Business ___

Vacation ___

Colorado State Fair ___

Golf ___

Chile and Frijole Festival ___

Other _____

10. How many nights did you spend in Pueblo? _____

11. How many separate trips have you made to Pueblo in the last five years?

1-2 ___ 3-4 ___ 5-6 ___ 7-8 ___ 9 & over ___

18. How much money did you spend in Pueblo?

\$ 0 - \$ 250 _____	\$1,001 - \$1,250 _____	\$2,001 - \$2,250 _____
\$251 - \$ 500 _____	\$1,251 - \$1,500 _____	\$2,251 - \$2,500 _____
\$501 - \$ 750 _____	\$1,501 - \$1,750 _____	\$2,501 & Up _____
\$751 - \$1,000 _____	\$1,751 - \$2,000 _____	

19. Based on your experience, would you recommend Pueblo to a friend as a place to visit?
Yes _____ No _____

*20. Do you have any recommendations about the information material that was sent to you?

Please enclose the survey in the pre-paid envelope and mail it back to us as soon as possible.
Thank you for your time to fill out this survey!