

## **TOURISTS' INTEREST IN DENVER SLIPS ; SPEAKER: DATA ARE 'COMPELLING REASON' FOR TOURISM TAX PLAN; [FINAL Edition]**

Joanne Kelley, *Rocky Mountain News*. **Rocky Mountain News**. Denver, Colo.: Oct 12, 2005. pg. 5.B

People: Yesawich, Peter

Author(s): Joanne Kelley, Rocky Mountain News

Section: *Business*

Publication title: Rocky Mountain News. Denver, Colo.: Oct 12, 2005. pg. 5.B

Source type: Newspaper

ProQuest document ID: 909975101

Text Word Count 618

Document URL: <http://proquest.umi.com/pqdweb?did=909975101&Fmt=3&clientId=27822&RQT=309&VName=PQD>

### **Full Text** (618 words)

*Copyright Denver Publishing Company, Rocky Mountain News Oct 12, 2005*

[kellej@RockyMountainNews.com](mailto:kellej@RockyMountainNews.com) or 303-892-5068

The number of vacationers interested in visiting Denver is on the decline, **even though leisure travel remains the industry's strongest segment**, a leading consultant told a tourism gathering here Tuesday.

The percentage of leisure travelers who said they were interested in coming to Denver in the next two years dropped to 36 percent in 2005 from 44 percent in 2004, according to Peter Yesawich, whose firm, Yesawich, Peppardine, Brown & Russell, conducts frequent surveys.

In remarks at the Denver Metro Convention & Visitors Bureau's annual meeting, Yesawich called the statistic "a compelling reason" for Denver voters to pass a Nov. 1 ballot measure that would boost the lodging tax to raise funds for marketing Denver as a destination.

"Business travel has yet to recover," Yesawich said. "The real action . . . is in the area of leisure travel."

An ad campaign promoting a 1 percent tax hike on Denver hotel rooms contends that the increase would be small enough to allow the city to remain competitive with other destinations.

It touts tourism as vital to Denver's economy and noted that Denver ranks 38th out of the top 40 cities in tourism marketing. If the measure passes, the city's convention bureau would get an additional \$4 million a year to spend on marketing the city to tourists.

The measure has widespread support from the business community, including hotels, restaurants and various groups.

The Independence Institute, which has actively fought other ballot measures, has not voiced any formal opposition to the tourism tax proposal. But Jon Caldara, the group's president, questioned the logic of asking tourists to pay more.

"It seems like a good idea to tax people who can't vote here - it's just so easy," Caldara said. "Personally, I think it's better for Denver's economy if we lure more people here with more competitive lodging rates. Why don't we make Denver a place that is more tourism-friendly?"

In a recent ad, the campaign for a tax increase maintained that Denver ranks as the 54th least expensive city in the nation for average hotel costs. If the measure passes, it would move to 53rd place.

And tourism officials contend that the city's marketing budget has not kept pace with the opening of new attractions and facilities. The city recently expanded its convention center at a cost of more than \$310 million, and a new convention center hotel will open soon.

In his address to the convention bureau meeting, **Yesawich said meetings and conventions represent the only part of the U.S.**

business travel market that has shown growth.

About 52 percent of business travel has been driven by trade association events. About 40 percent of business travelers extended business trips for pleasure.

The aging population has contributed to the trend of leisure travel outpacing business travel.

"Every nine seconds, someone turns 50," Yesawich said. "You tend to travel more and have more discretionary income."

Americans are looking for value in their vacations like never before, he said. The status symbol of today's traveler: getting a better deal than the person sitting next to you. In a recent survey, nine out of 10 people agreed they don't need to pay full price for travel.

Other trends:

- \* Leisure travelers are three times as likely to want to visit a spa as to play golf.

- \* Competitive prices carry more weight than brand names. "Brand loyalty is a moribund idea in a price-transparent world," Yesawich said.

- \* Travelers' usage of the Internet to plan travel or make reservations has leveled off. But the introduction of "meta" search engines such as Qixo.com could entice travelers to turn to the Internet in greater numbers in a quest for cheaper airfares.



