

Study Objective:

The objectives of this study included:

- Conduct a 2006 comprehensive tourism research update for the Finger Lakes region of New York
- Compare 2006 findings to the previous 2003 and 2001 research study, both conducted by Randall Travel Marketing, Inc.
- Assess the FLTA programs and results measures
- Identify market changes

The Finger Lakes Tourism Alliance (FLTA) retained Randall Travel Marketing, Inc. (RTM) of Mooresville, North Carolina to conduct this update study.

Study Methodology:

Research was conducted in and around the Finger Lakes region during the six-month period of October 2006 through March 2007. Research methodology included:

1. Initial Conferences and Materials Gathering:

Initial conference call meetings were conducted October 25, 2006 and October 27, 2006 between FLTA and RTM professionals to review study objectives, methodology and questionnaires, gather input and collect marketing materials and other pertinent information.

2. Performance Audit:

RTM conducted an in-depth performance audit and analysis of the FLTA. This included documentation and analysis of the organization's governance, mission statement, funding, staffing, budget allocation, results measures and program performance. These findings were compared to the findings in the 2001 and 2003 research studies and also to similar destinations. In addition, the findings were compared to state and national averages. This data is compiled and is part of this report.

3. Lodging Report:

A comprehensive lodging evaluation/study was completed as part of this overall study including:

- Analysis of the Finger Lakes lodging by inventory, type and geographic location
- A survey of all lodging properties overall market mix
- An analysis of the Smith Travel Research Finger Lakes Region data

An analysis of the lodging inventory, type and location was conducted to evaluate the overall product inventory. A survey was sent to every hotel, motel, and bed and breakfast inns as well as short term rentals, RV parks and campgrounds in the Finger Lakes Region. The lodging property survey response rate was 42.32% and is an improvement over the 37% overall response rate in 2001. This information has been tabulated and is part of this report along with the 2001 study comparative information. Also, figures reported from the lodging properties were compared to a regional and state lodging analysis provided by Smith Travel Research.

4. Visitor Profile and Conversion Survey – Random Sample of Inquiries:

2,000 4-page questionnaires were mailed out to a stratified random sample of people who had requested visitor information from the FLTA over the course of a one-year period. In the 2006 study, 355 surveys were returned for a 17.75% response rate, which is a similar response to the 342 surveys returned out of 2,000 for a 17.10% response rate in the 2001 research study. It should be noted that the typical response rate for this kind of study is between 10% and 20%. Thus, this response rate is better than average when compared to similar tourism surveys. Additionally, our team noted a homogenous nature to the responses. The data collected from these surveys have been tabulated and comparisons to the 2001 study findings are shown in this report along with analysis and observations.

5. Attractions Survey

A survey was sent to every attraction, venue and winery in the Finger Lakes region during the month of March 2007. A total of fifty-one attractions and nine wineries participated in the survey. The survey instrument contained ten questions relating to attraction open date, annual attendance, visitor market mix, busiest and slowest months and seasons, increase/decrease in visitation trends and feeder market information. The data has been tabulated and are a part of this report.

6. Visitor Intercept Interviews:

Intercept interviews were conducted as part of this study. A total of two hundred and one intercept interviews were completed throughout the Finger Lakes region during the months of November and December 2006 and January, February and March 2007. Intercept interview participants were chosen to match the lodging customer mix as reported by lodging properties throughout the Finger Lakes region. Additionally, specific sites were chosen to include small, medium and large size visitor destinations. Interviews were conducted in each of the fourteen counties that make up the Finger Lakes region.

7. State, Regional and National Data:

Research data from the State of New York was obtained and analyzed as part of the study. Additionally, regional and national travel databases were studied.

8. Marketing Materials Evaluation:

Marketing materials including brochures, fulfillment pieces, press kits and coverage, print advertising and placement schedules, etc., were obtained from the FLTA. Those materials were evaluated based on research findings and the marketing experience of the RTM team. Our analysis and recommendations are a part of this report.

9. Report and Recommendations:

Based on research findings, a comprehensive report was written and presented to the Finger Lakes Tourism Alliance.

Finger Lakes Tourism Alliance Performance Audit Summary

RTM conducted a complete review of the FLTA organization revealing the following:

- **Background:** Formed in 1919, the Finger Lakes Tourism Alliance (FLTA) is the oldest regional tourism promotion association in the country. Partnership in this cooperation is open to any businesses, associations, etc. within 14 counties in the Finger Lakes region. Requirements to join the corporation include payment of appropriate partnership dues and a commitment to support and participate in the corporation activities and purposes. As of March 27, 2007, there are 970 partners.
- **Mission:** The FLTA has a well defined mission and goals.
- **Governance:** The FLTA is governed by the corporation By-Laws which dictate all policy-making responsibilities to the Board of Directors. The By-Laws also mandate an Executive Committee of five officers consisting of a Chair or President, Chair Elect, Secretary, Treasurer and Past Chair.
- **Board of Directors:** The Board of Directors consists of the following categories of directorships:
 - One director for each county, appointed by the governing body from county represented.
 - Appointed directors are eligible to serve 2 consecutive three-year terms.
 - At the second term end, director must take one year absence before serving the third term.
 - Appointed directors must be an owner/operator of tourism related business in county represented.
- Five (5) representatives of the Tourism Promotion Agencies (TPA's) elected from their members for a term of three years.
 - TPA directors are eligible for 2 consecutive three-year terms
 - At the second term end, director must take one year absence before serving the third term.

The current board of directors is shown in the table on the following page:
- **Current Staffing:** The FLTA has 7 full time employees. The FLTA has maintained a lean and streamlined staffing level considering the size of the region to be promoted. The major external issue that will drive future changes in staffing is the shift from traditional print media to a greater emphasis on technology and Internet marketing.
- **Current positioning:** "New York's Finger Lakes, Relax, enjoy, stay... we are splendid from any direction!"

FLTA funding: The FLTA is funded through various sources which include the following:

- o Partnership and matching funds from the 14 Finger Lakes County TPA's
- o Industry partnership dues
- o Partnership co-op advertising and services
- o Periodic New York State matching funds for advertising outreach

FLTA Income and Revenue Sources as a Percentage of Total Revenues:

| Revenue Source | 2003 | % | 2004 | % | 2005 | % | 2006 | % |
|------------------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| Partnerships | \$280,029 | 49.9% | \$283,575 | 45.0% | \$284,921 | 55.7% | \$282,508 | 44.1% |
| Advertising | \$157,149 | 28.0% | \$196,093 | 31.1% | \$146,805 | 28.7% | \$172,885 | 27.0% |
| Administration Fees | \$11,978 | 2.1% | \$11,596 | 1.8% | \$12,878 | 2.5% | \$43,943 | 6.9% |
| Marketing | \$55,803 | 9.9% | \$74,766 | 11.8% | \$52,669 | 10.3% | \$84,727 | 13.2% |
| Transfer from Reserves | | | | | | | \$50,000 | 7.8% |
| Total Income | \$504,959 | | \$566,030 | | \$497,273 | | \$634,062 | |
| Government Grants (NY) | \$56,779 | 10.1% | \$64,481 | 10.2% | \$13,895 | 2.7% | \$6,700 | 1.0% |
| TOTAL REVENUES | \$561,738 | 100% | \$630,511 | 100% | \$511,168 | 100% | \$640,762 | 100% |

Finger Lakes Tourism Alliance Budget Analysis: The following tables reveal the three major areas of the FLTA expenditures as a percentage of the FLTA total budget.

| Budget Category | 2003 | % | 2004 | % | 2005 | % | 2006 | % |
|-----------------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| Salaries and Benefits | \$228,139 | 50.1% | \$296,905 | 51.6% | \$288,526 | 49.9% | \$354,617 | 52.4% |
| Office Expenses | \$102,659 | 22.5% | \$ 79,353 | 13.8% | \$ 72,942 | 12.6% | \$ 76,755 | 11.3% |
| Outreach | \$124,915 | 27.4% | \$198,866 | 34.6% | \$217,400 | 37.6% | \$245,154 | 36.2% |
| TOTAL BUDGET | \$455,713 | 100% | \$575,124 | 100% | \$578,868 | 100% | \$676,526 | 100% |

FLTA funding is tied to partnership participation rather than lodging tax revenue. RTM finds the allocation of program funds to be appropriate based on our experience with similar organizations.

Inquiry Statistics: 2006 cost per inquiry is \$.61. FLTA is focused on a process of continual improvement as regards to the effective tracking of return-on-investment of each advertising related expenditure. The table below shows the cost to generate traditional inquiries is increasing while the cost to generate website traffic is decreasing due to the large volume increase in website visitor sessions.

| Finger Lakes Tourism Alliance | 2004 | 2005 | 2006 |
|---|-----------------|-----------------|------------------|
| Traditional Inquiries (phone, E-mail, website, bingo cards, etc.) | 33,611 | 20,449 | 24,905 |
| Website – Unique Visitors | 107,983 | 236,615 | 290,089 |
| Total Inquires | 141,594 | 257,064 | 314,994 |
| Advertising Expenditure | \$85,902 | \$88,895 | \$104,810 |
| Traditional Cost-Per-Inquiry (no web) | \$2.56 | \$4.35 | \$4.21 |
| Cost Per Inquiry/Website User Session | \$0.61 | \$0.35 | \$0.33 |

FLTA Lodging Room Inventory: The Finger Lakes region encompasses fourteen (14) counties and has a large number of lodging properties with an ever-changing supply of rooms. According to the data provided by the TPAs for each county, the region currently has approximately 22,414 lodging rooms:

Finger Lakes Region Lodging Room Inventory

| County | % of Inventory | 2006 |
|--------------|----------------|---------------|
| Cayuga | 2.78% | 623 |
| Chemung | 2.94% | 660 |
| Cortland | 3.00% | 673 |
| Livingston | 1.60% | 358 |
| Monroe | 28.98% | 6,498 |
| Onondaga | 28.16% | 6,313 |
| Ontario | 7.97% | 1,787 |
| Schuyler | 3.93% | 882 |
| Seneca | 1.48% | 331 |
| Steuben | 7.14% | 1,601 |
| Tioga | 1.66% | 372 |
| Tompkins | 7.45% | 1,670 |
| Wayne | 1.39% | 306 |
| Yates | 1.52% | 340 |
| Total | 100.00% | 22,414 |

Source: Tourism Promotion Agencies

Lodging Market Mix: A total of 650 lodging properties representing 5,851 of the 22,414 lodging rooms available in 2006 in the Finger Lakes region responded to the survey (26.10% response rate)

| Market Segmentation | 2001 Region | 2006 Region |
|---|---------------|---------------|
| Overall Response Rate | 37% | 42% |
| Corporate/Individual business | 36.00% | 24.07% |
| Large conventions/meetings* | 14.00% | 3.71% |
| Small conventions/meetings** | N/A | 3.50% |
| Convention/Meeting Segments Combined | 14.00% | 7.21% |
| Leisure | 19.00% | 24.44% |
| Group tour/motorcoach | 6.00% | 4.00% |
| Weddings/reunions | N/A | 11.07% |
| Visiting/friends/relatives | 9.00% | 7.21% |
| Leisure Segments Combined | 34.00% | 46.72% |
| Sports | N/A | 6.36% |
| College/university activities | 6.00% | 6.71% |
| Overnight as part longer trip | 5.00% | 6.50% |
| Other | 5.00% | 2.43% |
| Other Segments | 16.00% | 22.00% |

Walk-in lodging - (no reservation) represents approximately 8.36% of total rooms sold.

Top leisure feeder markets – are New York, Pennsylvania, New Jersey, Canada and Ohio

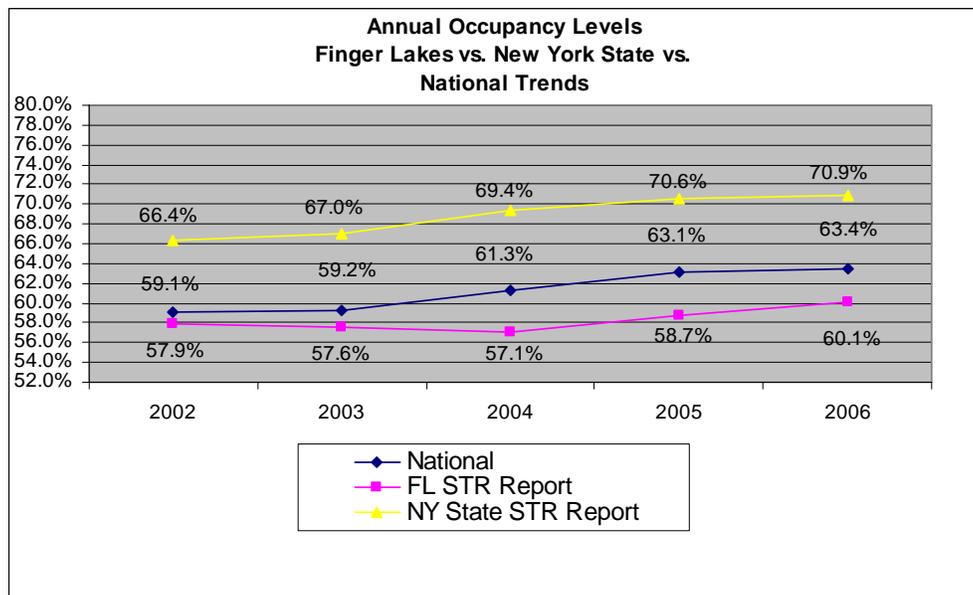
Finger Lakes Region 5 Year Occupancy vs. New York State Occupancy vs. National Occupancy:

| Year | Finger Lakes Region Occupancy % | % of Change | New York State Occupancy % | % of Change | National Occupancy % | % of Change |
|------|---------------------------------|-------------|----------------------------|-------------|----------------------|-------------|
| 2002 | 57.9% | | 66.4% | | 59.1% | |
| 2003 | 57.6% | -0.5% | 67.0% | 0.9% | 59.2% | 0.2% |
| 2004 | 57.1% | -0.9% | 69.4% | 3.6% | 61.3% | 3.5% |
| 2005 | 58.7% | 2.8% | 70.6% | 1.7% | 63.1% | 2.9% |
| 2006 | 60.1% | 2.4% | 70.9% | 0.4% | 63.4% | 0.5% |

Finger Lakes region monthly occupancy:

| Month | 2002 | 2003 | 2004 | 2005 | 2006 |
|-----------|------|------|------|------|------|
| January | 40.7 | 39.4 | 39.2 | 41.2 | 42.1 |
| February | 48.5 | 47.2 | 46.9 | 49.5 | 49.6 |
| March | 51.1 | 50.2 | 50.0 | 52.2 | 53.9 |
| April | 57.4 | 59.8 | 55.6 | 57.9 | 56.8 |
| May | 63.1 | 61.5 | 59.2 | 61.0 | 62.3 |
| June | 67.1 | 65.4 | 65.5 | 68.1 | 68.8 |
| July | 71.9 | 72.0 | 71.4 | 73.5 | 73.8 |
| August | 76.2 | 78.1 | 72.6 | 74.6 | 77.8 |
| September | 61.2 | 59.3 | 63.6 | 65.2 | 68.4 |
| October | 65.9 | 65.9 | 67.1 | 64.7 | 70.4 |
| November | 52.0 | 52.8 | 53.3 | 54.9 | 55.9 |
| December | 38.9 | 39.0 | 40.2 | 40.4 | 41.0 |

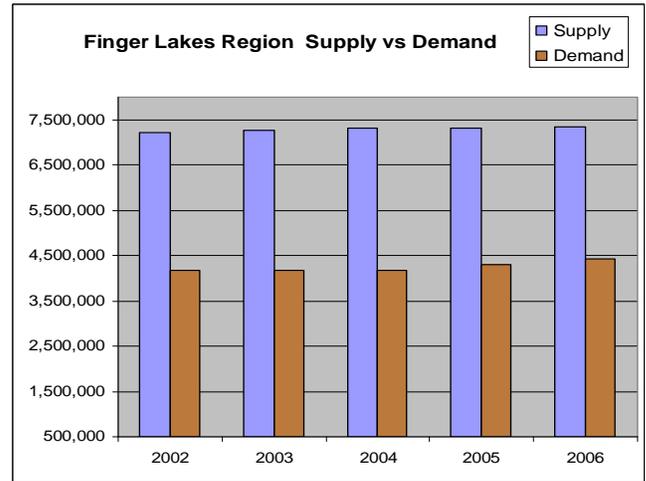
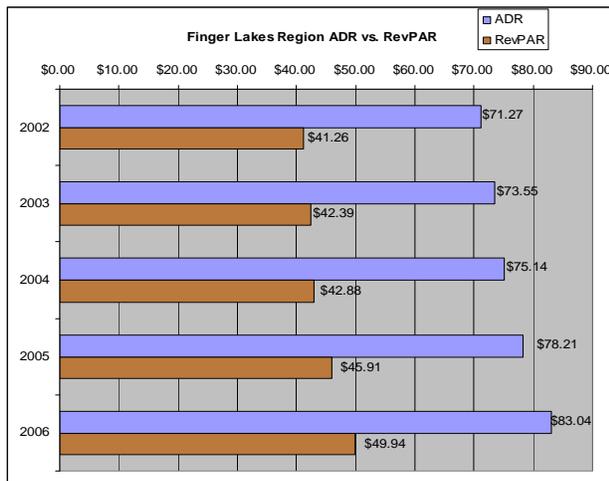
Source: Smith Travel Research – Finger Lakes STR Report



Source: Smith Travel Research – Finger Lakes STR Report, New York State STR Report

| 2002 – 2006 Finger Lakes Region Lodging Data Comparative Chart | | | | | | | | | | |
|---|-----------|----------|-----------|----------|---------|----------|-------------|----------|-------------|----------|
| Year | Occupancy | | Room Rate | | RevPar | | Room Supply | | Room Demand | |
| | | % Change | | % Change | | % Change | | % Change | | % Change |
| 2002 | 57.9% | | \$71.27 | | \$41.26 | | 7,206,753 | | 4,172,576 | |
| 2003 | 57.6% | -0.5% | \$73.55 | 3.2% | \$42.39 | 2.7% | 7,262,883 | 0.8% | 4,186,081 | 0.3% |
| 2004 | 57.1% | -0.9% | \$75.14 | 2.2% | \$42.88 | 1.1% | 7,322,180 | 0.8% | 4,178,480 | -0.2% |
| 2005 | 58.7% | 2.8% | \$78.21 | 4.1% | \$45.91 | 7.1% | 7,321,712 | -0.1% | 4,297,853 | 2.9% |
| 2006 | 60.1% | 2.4% | \$83.04 | 6.2% | \$49.94 | 8.8% | 7,344,658 | 0.3% | 4,417,271 | 2.8% |

Source: Smith Travel Research – STR Finger Lakes region



Visitor Research: Mail Survey and Intercept Survey

| Satisfaction Ratings | 2006 Mail Survey Average Rating | 2006 Intercept Survey Average Rating |
|---|---------------------------------|--------------------------------------|
| Amenities | | |
| Overall Visit Rating | 4.53 | 4.17 |
| Overall appeal of the wineries in the area* | 4.40 | 4.47 |
| The overall appeal of the attractions in the area | 4.22 | 3.98 |
| Ease of finding visitor information | 3.99 | 4.12 |
| The quality of the lodging rooms | 3.96 | 4.30 |
| Signage and wayfinding | 3.93 | 3.89 |
| Level of service/employee training | 3.92 | 4.28 |
| The lodging value you received for the price paid | 3.82 | 4.28 |
| Overall appeal of shopping in the area** | 3.77 | 3.97 |
| The range of choices for dining | 3.69 | 3.67 |

Summary MAIL vs. INTERCEPT Survey Responses

| Respondent Responses | 2006 MAIL Survey | 2006 INTERCEPT Survey |
|---|--|--|
| Demographics: | | |
| Average age | 48 | 44.25 |
| Gender | 30% = male 70% = female | 61% = male 39% = female |
| Average income | \$80,000 | N/A |
| Respondent point of origin | NY, PA, NJ, OH, MI | NY, PA, International, OH, MI, VA, NJ, WI |
| Generations: | | |
| War Generation (80+) | 00.00% | 00.54% |
| Silent Generation (62-79) | 14.16% | 9.14% |
| Baby Boomer (44-61) | 51.16% | 43.01% |
| Gen X (23-43) | 34.10% | 43.01% |
| Gen Y (4-22) | 00.58% | 4.30% |
| Travel party size: | 78% = adults only (2.55 = average # adults) 22% = families (1.86 = average # kids) | 91% = adults only (2.26 = average # adults) 9% = families (2.71 = average # kids) |
| Planned trip 30 days or less | 36.5% = yes | 77.78% = yes |
| Occupation | Retired, professional, mid level professional | Retired, professional, mid level professional, military, medical, educator, semi-skilled |
| Education | 83.5% = college to graduate school | 87.2% = college to graduate school |
| Stop at visitor center for info? | 51% = fairly often /25% = frequently | N/A |
| Characteristics: | | |
| Finger Lakes information source | Internet, Finger Lakes Travel Guide, AAA Tour Book, New York State Travel Guide | Internet, company, previous visitor, meeting planner, friends/family |
| Receive enough information? | 96% = yes | N/A |
| Main trip purpose: | 97% = leisure | 38% = leisure 41% = business 10% = meeting/convention 5% = part of longer trip 5% = college/university |
| Trip category: | 10% = day trip 39% = weekend getaway 16% = weekday getaway 35% = vacation (4+ nights) | 81% = overnighting 19% = daytripping |
| Visited Finger Lakes before: | 46% = yes | 66% = yes |
| Conversion – first time visit/repeat visit: | 61% = repeat 55% = first time | N/A |
| Use Finger Lakes websites: | 65% = yes | 42% = yes |
| Average stay length: | 3.24 = average # of nights | 2.47 = average # of nights |
| Stay over a weekend? | 39% = yes | N/A |
| Lodging type: | 58% = hotel/motel 19% = bed/breakfast 11% = campground/RV 7% = short-term rental 2% = friends/family | 89% = hotel/motel 5% = bed/breakfast 5% = friends/family 1% = second home |
| Mode of transportation: | 88% = auto, 4% = fly/drive, 4% = RV/camper | N/A |
| Most popular activities: | 78% = shopping, 73% = visited a winery 65% = driving/sightseeing | 47% = shopping, 32% = business 22% = walking downtown 21% = visit a winery |

Executive Summary

| | | |
|---|--|----------------------------|
| | 57% = downtown areas 53% = visited a state park | 20% = driving/sightseeing |
| Activity Participation | | |
| Did you visit any wineries? | 74% = yes | 19% = yes |
| Average number wineries visited: | 6.45 = average # of visits | 2.39 = average # of visits |
| Activities at wineries: | 93% = wine tasting, 92% = Buying wine 41% = Winery tour, 39% = Dining | N/A |
| Participate in outdoor recreation? | 57% = yes (hiking, water activities) | N/A |
| Did you participate in hunting/fishing? | 8% = yes (fishing is majority) | N/A |

| Respondent Responses | Mail Survey | Intercept Survey |
|-------------------------------|---|--|
| Likes: | Scenic beauty, wineries, friendly people, peaceful, restaurants, accommodations, attractions, shopping, waterfalls, state parks, historic sites | Scenery/beautiful area, friendly people, wineries, small town feel, shopping, lakes, |
| Dislikes: | Limited lodging, weather, traffic, signage, limited restaurants, crowds, time poverty | Weather, nothing, restaurant selection, |
| Top Rated Attractions: | | |
| | Watkins Glen State Park | Farmington Casino |
| | Corning Museum of Glass | Geneva |
| | Wine Trails and Tours | Corning Museum of Glass |
| | Buttermilk Falls State Park | White Springs Winery |
| | Taughannock Falls State Park | Bully Hill |
| | Watkins Glen downtown | Heron Hill |

| Spending | Business | Group Tour | Leisure | Meeting | Part of Trip | College | VFR | Visit Winery | Day Trip |
|---|-------------------|----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| Most typical # in party | 1 | 6+ | 2 | 1.5 | 2 | 1.5 | 2 | 2 | |
| Lodging | \$96.15 | NR | \$102.45 | \$119.57 | \$100.71 | \$95.17 | \$101.38 | \$100.00 | \$0 |
| Food/meals | \$44.70 | \$30.00 | \$49.43 | \$39.62 | \$38.57 | \$57.14 | \$50.00 | \$55.67 | \$31.93 |
| Transportation | \$62.22 | NR | \$31.77 | \$30.88 | \$45.00 | \$114.67 | \$64.25 | \$75.00 | \$25.58 |
| Attractions/amusements | \$25.53 | NR | \$27.20 | \$20.00 | NR | \$10.00 | \$15.00 | \$9.00 | \$30.00 |
| Winery shopping | \$33.83 | N/A | \$73.33 | NR | N/A | NR | \$40.00 | \$130.33 | \$45.00 |
| Shopping | \$35.88 | NR | \$60.27 | \$50.00 | \$53.33 | \$23.00 | \$82.29 | NR | \$115.00 |
| Average Daily Expenses Per Party | \$298.31 | \$30.00 | \$344.45 | \$260.07 | \$237.61 | \$299.98 | \$352.92 | \$370.00 | \$247.51 |
| Average nights | 4.49 | 1.00 | 1.68 | 1.40 | 1.00 | 3.00 | 3.06 | 2.00 | 0 |
| TOTAL VISIT EXPENDITURES | \$1,339.41 | \$30.00 | \$578.68 | \$364.10 | \$237.61 | \$899.94 | \$1,079.93 | \$740.00 | \$247.51 |

| Category | 2006 Overall Mail Survey | % Of Whole | 2006 Overall Intercept Survey | % of whole |
|--|--------------------------|-------------|-------------------------------|----------------|
| 1. Lodging | \$136.84 | 28.22% | \$98.97 | 29.02% |
| 2. Food/meals | \$88.94 | 18.34% | \$45.87 | 13.45% |
| 3. Transportation/fuel, airfare, etc. | \$44.20 | 9.11% | \$55.98 | 16.41% |
| 4. Attractions/amusements | \$38.34 | 7.91% | \$23.06 | 6.76% |
| 5. Shopping at wineries | \$95.33 | 19.66% | \$65.69 | 19.26% |
| 6. Other shopping | \$81.27 | 16.76% | \$51.50 | 15.10% |
| Average Daily Expense | \$484.92 | 100% | \$341.07 | 100.00% |

Summary of Visitor Mail Survey

| Respondent Responses | 2006 | 2003 | 2001 |
|---|---|---|---|
| Demographics: | | | |
| Average age | 48 | 50 | 50 |
| Gender: male/female | 30% = Male 70% = Female | 27% = Male 73% = Female | 31% = Male 69% = Female |
| Average income | \$80,000 | \$64,000 | \$68,000 |
| Respondent point of origin | NY, PA, NJ, OH, MI | NY, PA, NJ, OH, | NY, PA, NJ, OH, MD |
| Travel party size: Percentage of adults only Average # of adults and children | 78% = Adults only (2.55 Average # adults) 22% = Children (1.86 Average # children) | 77% = Adults only (3.57 Average # adults) 23% = Children (1.88 Average # children) | 75% = Adults only (2.40 Average # adults) 25% = Children (2.20 Average # children) |
| Planned trip 30 days or less | 36.5% = Yes | N/A | N/A |
| Occupation | Retired, professional, mid level professional | Retired, educator, homemaker, mid level professional, medical | Retired, homemaker, medical, educator |
| Education | 83.5% = college to graduate | 72% = college to graduate | 74.5% college to graduate |
| How often do you stop at a visitor center for information? | 51% = Fairly often 25% = Frequently | N/A | N/A |
| Characteristics: | | | |
| Finger Lakes information source | Internet, Finger Lakes Travel Guide, AAA Tour Book, New York State Travel Guide | Internet, Finger Lakes Travel Guide, New York State Travel Guide, AAA Tour Book | Newspaper and magazines, AAA Tour Book, New York State Travel Guide, Finger Lakes Travel Guide |
| Did you receive enough information? | 96% = Yes | 96% = Yes | 94% = Yes |
| Main trip purpose: | 97% = Leisure | 98% = Leisure | 96.5% = Leisure |
| Trip category: | 10% = Day trip 39% = Weekend getaway 16% = Weekday getaway 35% = Vacation (4+ nights) | 14% = Day trip 35% = Weekend getaway 17% = Weekday getaway 34% = Vacation (4+ nights) | 25% = Day trip 32% = Weekday getaway 15% = Weekday getaway 28% = Vacation (4+ nights) |
| Had visited the Finger Lakes before: | 46% = Yes | 52% = Yes | 62% = Yes |
| Conversion – first time visit/repeat visit: | 61% = repeat 55% = first time | 49% = repeat 27% = first time | 51% = repeat 23% = first time |
| Use Finger Lakes websites: | 65% = Yes | N/A | N/A |
| Average stay length: | 3.24 nights | 3.24 nights | 2.98 nights |
| Stay over a weekend? | 39% = Yes | 34% = Yes | 32% = Yes |
| Lodging type: | 58% = Hotel/Motel 19% = Bed/Breakfast 11% = Campground/RV 7% = Short-term rental 2% = Friends/family | 50% = Hotel/Motel 18% = Bed/Breakfast 14% = Campground/RV 11% = Short-term rental 5% = Friends/family | 60% = Hotel/Motel 13% = Bed/Breakfast 8% = Campground/RV 5% = Short-term rental 13% = Friends/family |
| Mode of transportation: | 88% = Auto 4% = Fly/Drive RV/Camper = 4% | 87% = Auto 3% = Fly/Drive RV/Camper = 3% | 91% = Auto 3% = Fly/Drive RV/Camper = 1% |
| Most popular activities: | 78% = Shopping 73% = Visited a winery 65% = Driving/sightseeing 57% = Downtown areas 53% = Visited a state park | 85% = Shopping 71% = Visited a winery 64% = Driving/sightseeing 51% = Downtown areas 53% = Visited a state park | 69% = Shopping 56% = Visited a winery 63% = Driving/sightseeing 53% = Downtown areas 47% = Visited a state park |
| Did you visit any wineries? | 74% = Yes | 70% = Yes | 60% = Yes |
| Average number winery visits | 6.45 visits | 6.06 visits | 3.24 visits |
| Activity participation at winery | 93% = Wine tasting 92% = Buying wine | 96% = Wine tasting 96% = Buying wine | 91% = Wine tasting 82% = Buying wine |

Executive Summary

| | | | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | 41% = Winery tour 39% = Dining | 61% = Winery tour 29% = Dining | 55% = Winery tour 29% = Dining |
|--|-----------------------------------|-----------------------------------|-----------------------------------|

| Spending Category | 2006 | | Increase/ Decrease Over 2003 | 2003 | | Increase/ Decrease Over 2001 | 2001 | |
|--------------------------------|----------------|--------------|------------------------------------|----------------|--------------|------------------------------------|----------------|---------------|
| | 3.24 nights | | | 3.24 nights | | | 2.98 nights | |
| | Amount | % of whole | | Amount | % of whole | | Amount | % of whole |
| Lodging | \$136.84 | 28.22% | 20.71% | \$113.36 | 34.75% | 39.57% | \$81.22 | 31.57% |
| Food/Meals | \$88.94 | 18.34% | 42.72% | \$62.32 | 19.10% | 36.78% | \$45.56 | 17.71% |
| Shopping at Wineries | \$95.33 | 19.66% | 80.72% | \$52.75 | 16.18% | 75.71% | \$30.02 | 11.67% |
| Shopping (other than wineries) | \$81.27 | 16.76% | 105.49% | \$39.55 | 12.12% | -10.59% | \$43.74 | 17.00% |
| Transportation/Fuel | \$44.20 | 9.11% | 34.26% | \$32.92 | 10.10% | 9.33% | \$30.11 | 11.70% |
| Attractions/Amusements | <u>\$38.34</u> | <u>7.91%</u> | 51.54% | <u>\$25.30</u> | <u>7.75%</u> | -5.09% | <u>\$26.59</u> | <u>10.34%</u> |
| Average Daily Expense | \$484.92 | 100% | 48.66% | \$326.20 | 100% | 26.80% | \$257.24 | 100% |

Tax Revenue and Tax Relief

(Based on figures in the Oxford Economics – 2005 report)

An analysis of the 2005 calendar year economic impact of travel and tourism in the Finger Lakes Region shows the financial impact visitors leave in the community. The figures below are based on calendar year 2005. The figures reflect the most recent figures available from the Tourism Economics Study produced by Oxford Economics.

| Economic Impact Data from Tourism Economics Study | 2005 |
|---|-----------------|
| Total tourism expenditures in Finger Lakes Region by visitors | \$2,200,000,000 |
| State Tax receipts paid by visitors in Finger Lakes Region | \$116,904,169 |
| Local Tax receipts paid by visitors in Finger lakes Region | \$193,478,477 |
| Total tax paid by overnight tourists to the state and 14 Finger Lakes Counties * Total of two figures above | \$310,382,646 |
| Total Number of Households in the Finger Lakes Region | 800,717 |
| Total tax relief per Finger Lakes Household | \$387.63 |

Source: Oxford Economics & US Census Bureau

Strategic Direction for Finger Lakes Tourism Alliance

- A. Acknowledge success of overall FLTA program. It has earned outstanding results for the Finger Lakes region and its marketing partners.**
- B. The FLTA needs to choose a course of action for the future:**
- **Option One: An Efficient Marketing Agency**
 - Efficient and effective marketing organization that does highest return-on-investment marketing, primarily Internet website and technology, visitor guide, public relations, and advertising.
 - It's purpose is to drive visitation and higher per-visitor spending.
 - **Option Two: Test Marketing and New Technologies on Behalf of Partners**
 - An agency that develops new and experimental marketing initiatives on behalf of its marketing partners.
 - Purpose is to use aggregated funds for group test marketing to determine which marketing initiatives produce the greatest results.
 - **Option Three: An Efficient Marketing Agency that Spends 10% of its Time and Resources on New Initiatives**
 - 90% of the FLTA's time, resources and funds go strictly for the priority of proven marketing tasks that generate the greatest return on investment:
 - Internet website
 - Website optimization
 - E-marketing database development
 - Regional visitor guide
 - Mini Guide & Map
 - Advertising that earns inquiries and drives potential visitors to the website
 - 10% of the FLTA's time, resources and funds go for development of new marketing initiatives.
- C. FLTA Board to examine options for office upgrade and move as efficiently as possible to allow staff to refocus its energy on its primary purpose of marketing.**
- D. Appoint technology committee with sole task to monitor FLTA website results, track sources that lead to website use, and support FLTA staff in maximizing effectiveness of technology.**
- E. Produce a monthly report that shows inquiries earned by source.**
- All print ads to be coded for tracking.
 - Buy web trends reports and master understanding of those things that lead potential visitors to the FLTA website.
 - Monthly evaluation of website survey.
- F. Building strategic databases needs to be a top priority for the FLTA:**
- In-region, high-end customers. These are the most likely visitors for the region.
 - Baby Boomer inquirers/visitors
 - Gen-X inquirers/visitors
 - Niche customers (wineries, birding, fishing, naturalists, etc.)

Product Development Strategies:

- G. More fine dining
- H. September wine festival
- I. Lakefront resort/spa
- J. Overnight canal/lake barge cruises
- K. Finger Lakes aquarium

On-going Research:

- L. Monthly inquiry and Internet website use evaluation and report.
- M. Conversion study of inquiries every three years.
- N. Lodging survey conducted annually.
- O. Intercept interviews every 2 years to match lodging customer mix.