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# 2009 Montana Tourism Outlook

## Results by Tourism Region and Business Type

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## Executive Summary

A web-based survey was administered November 5-11, 2008 to all tourism business owners and managers represented in the Montana Vacation Planner. The purpose of the survey was to assess the change in visitation from 2007 to 2008 and to project visitation for 2009. There were 314 respondents representing accommodations, attractions, tour and guide operations, tourism and event planners, and tourism promoters.

Overall quantitative results indicate that 45 percent of business owners had an increase in visitation in 2008, 37 percent had a decrease and 18 percent stayed the same as 2007. Tourism businesses that experienced an increase cited repeat visitors (65%), affordability of what was offered (45%), and better marketing (40%) as reasons for their increase. Gas prices were suggested to be the number one reason for visitation decreases (86%) followed by the state of the U.S. economy (71%), and fewer leisure travelers (32%). The majority (71%) of tourism businesses do not intend to expand, change, or sell their business in 2009. Many simply indicated they would “hang in there!”

For 2009 more tourism businesses are expecting to remain the same as 2008 (39%) while 33 percent believe their visitation will increase. Twenty-eight percent think their visitation will decrease. The top reasons cited for positive numbers in 2009 include gradual increases experienced year-to-year by businesses, repeat business, and affordability. The U.S. economy was expressed by 95 percent of businesses believing a decrease was in order for 2009. This is verified by 51 percent of businesses who say their bookings are down for 2009.

Differences emerged on visitation trends for 2008 and expected trends for 2009 by business.

<b>Business type</b>	<b>% with visitation increase in 2008</b>	<b>% who expect 2009 increase</b>
Attractions	47%	41%
B&B, ranches, resorts, lodges, hostels, hot springs	50%	39%
Campgrounds	38%	56%
Hotel and motel	54%	31%
Outfitters, guides, cattle drives/wagon train, tours	34%	21%
Planners (travel & events), tourism promoters	46%	29%
Vacation homes, condos, rental cabins	49%	34%
Vehicle rentals	30%	30%

Responses to open-ended questions indicate that in 2008 guests were bargain shopping or not spending at all. Many guests were partaking in “free” activities or doing the activity on their own. Others indicated more local and regional travelers or that more international travelers were visiting. However, with the current global economy, international visitors, especially Canadians, will not be as prevalent in 2009. Other responses to open ended questions revealed that businesses plan to cut costs where possible, especially in energy consumption. Many indicated keeping rates the same as in 2008. With gas prices touted as the number one reason for a reduction in visitation, most businesses are saying “status quo” and “praying” for a good year.

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## Introduction

Each November the Institute for Tourism and Recreation Research at the University of Montana conducts a web survey of tourism businesses around the state of Montana. The businesses surveyed represent accommodations, attractions, tour operations, and tourism planners or promoters.

Accommodations include hotels and motels, bed and breakfasts, ranches who accommodate visitors, resorts, lodges, hostels, hot springs with overnight accommodations, vacation homes, condominiums, rental cabins, and public and private campgrounds.

Attractions include ski areas, museums, historic sites, and any other type of private or public attraction from caves to water parks.

Tour operations include outfitters and guides, wagon train or cattle drives, and half-day to multi-day driving tours such as safari type experiences.

Tourism planners and promoters include travel planners, event planners, and organizations that promote Montana or provide advertising services to Montana promoters.

**Purpose:** The purpose of the outlook survey was to assess the change in visitation from 2007 to 2008 and to project visitation for 2009. Additionally, respondents were asked to identify the causes of the change in visitation and the reason for the projected change in visitation.

## Methods

Data for this report were generated from a web-based survey of Montana tourism business owners. All businesses represented in the 2008-2009 Montana Vacation Planner, a publication of Travel Montana, were included in the sampling frame.

On Wednesday October 29, 2008, an introductory email was sent to the 1,900 Vacation Planner businesses. This initial email was to inform the respondent of the upcoming survey which would arrive in their email box within one week (Appendix A – survey letters). On Wednesday November 5, 2008, an explanatory email letter with a link to the survey was sent to the recipients (Appendix B – survey). Recipients were asked to complete the survey within seven days. One day before the due date, a reminder/thank you email was sent to the sample.

Completed surveys were received from 314 respondents. There were 124 undeliverable emails resulting in 1,867 surveys mailed. In web-based surveys the sender is rarely notified if the survey ended up in the recipients ‘junk’ mailbox, therefore a true response rate based on surveys received is impossible to calculate. However, based on the known delivered surveys of 1,867, the 314 completed surveys represent a minimum response rate of 18 percent.

**Analysis:** This report is divided into three analytic sections. First, all respondents were analyzed together for a full synopsis of tourism businesses in the state.

Second, travel regions were highlighted by analyzing only the businesses within that travel region. Because of the small sample size from Custer Country and Missouri River Country, these two regions were combined as one.

Finally, each category of tourism business, as described in the introduction, was analyzed separately if sample size allowed. For this study the individual business categories were: 1) attractions, ski areas, museums; 2) B&B, ranches, resorts, lodges, hostels, hot springs; 3) campgrounds; 4) hotel/motel; 5) outfitters, guides, cattle drives, wagon trains, tours; 6) travel & event planners, tourism promotion & advertising; 7) vacation homes, condos, cabins; and 8) vehicle rentals.

After each analysis a section titled “Summary and Implications” provides a very short synopsis of the highlights and recommendations seen by the researchers. At no time are these recommendations meant to be the only direction in which an entity in this study should conduct their business operations. These recommendations are a broad sweep of what was seen. Every individual business will need to evaluate the recommendations to see how these fit into their individual business plan.

After the frequencies and percentages are displayed and discussed for the business section, four open-ended questions are displayed verbatim for each business category. *The words and display of political emotion are not the words of the Institute for Tourism and Recreation Research (ITRR). The views of the respondents are not the views of ITRR and are simply reported here for the purposes of displaying all comments. While spelling errors have been corrected where possible, grammatical and style errors have not been adjusted.*

\*Note – the survey was administered the day following the presidential election of Barak Obama in order to relieve any uncertainty in who would be the next president of the United States when completing the survey.



# All Tourism Businesses

Mean years of operation: 12.1

Range in years of operation: 1-112 (ranches usually indicated longer years of operation)

Sample size: 314

Travel Region Location	#	%*
Glacier Country	95	30%
Yellowstone Country	114	37%
Gold West Country	39	13%
Custer Country	18	6%
Russell Country	35	11%
Missouri River Country	11	4%

\*percent may not add to 100 (rounding)

Type of Business	#	%
<b>Motel/hotel</b>	<b>56</b>	<b>18%</b>
Bed & Breakfast	18	6%
<b>Ranches, resorts, lodges, hostels, hot springs</b>	<b>36</b>	<b>12%</b>
<b>Vacation homes, condos, cabins</b>	<b>83</b>	<b>27%</b>
Public campgrounds	5	2%
Private campgrounds	11	4%
Outfitter/Guide	31	10%
Wagon train, cattle drive	1	<1%
Tours	12	4%
Travel planners	5	2%
Event planners	3	1%
Vehicle rentals	10	3%
Ski area	4	1%
Museum, historic site	4	1%
Attraction	9	3%
Tourism promotion/advertising	16	5%
Other	9	3%

Change in visitors/guests	#	%*
Increase	139	45%
Decrease	114	37%
Remained the same	54	18%

Reason for Increase in 2008 **	#	%*
<b>Better marketing</b>	<b>54</b>	<b>40%</b>
Improved website	47	35%
Expanded operations/services	26	19%
<b>Returning guests</b>	<b>89</b>	<b>65%</b>
Little competition in my area	18	13%
<b>Affordability of what we offer</b>	<b>61</b>	<b>45%</b>
U.S. economy	13	10%
Canadian exchange rate	34	25%
Other exchange rates	16	12%
More local travelers	20	15%
More regional travelers	28	21%
Special event(s) held in our area	19	14%
Weather	12	9%
Fire activity	1	<1%
Lack of fires	40	29%
Other	27	20%

\*respondents could check multiple answers

\*\*n=136

Reason for Decrease in 2008**	#	%*
Less advertising on our part	7	6%
Reduced offerings/services	1	1%
Fewer returning guests	27	24%
Increased competition in my area	22	20%
Our pricing may be too high	4	4%
<b>U.S. economy</b>	<b>80</b>	<b>71%</b>
<b>Gas prices</b>	<b>97</b>	<b>86%</b>
Exchange rates	5	4%
Fewer local travelers	16	14%
Fewer regional travelers	25	22%
Fewer business travelers	15	13%
<b>Fewer leisure travelers</b>	<b>36</b>	<b>32%</b>
Changes in hunting/fishing licenses	9	8%
Construction in area	14	12%
Weather	12	11%
Fire activity	16	14%
Lack of fires	3	3%
Other	11	10%

\*respondents could check multiple answers

\*\*n=113

Outlook for 2009	#	%*
Increase	101	33%
Decrease	86	28%
Remain the same	121	39%

Reason for Expected Increase in 2009 **	#	%*
Bookings/inquires are up	30	30%
Better marketing pursued	37	37%
Improved website	34	34%
<b>Experienced a gradual increase</b>	<b>51</b>	<b>51%</b>
Expanded or improved our offerings	29	29%
<b>Affordability of what we offer</b>	<b>47</b>	<b>47%</b>
Little competition in my area	20	20%
More local travelers	12	12%
More regional travelers	17	17%
<b>We get many repeat customers</b>	<b>57</b>	<b>57%</b>
Canadian exchange rate	16	16%
Other exchange rates	5	5%
U.S. economy	11	11%
Special events in our area	16	16%
We are new, so we are increasing	23	23%
Other	12	12%

\*respondents could check multiple answers

\*\*n=100

Reason for Expected Decrease in 2009**	#	%*
<b>Bookings/inquires are down</b>	<b>44</b>	<b>51%</b>
We've done less marketing	1	1%
Experiencing a gradual decrease	8	9%
Reduced our offerings/services	1	1%
Our pricing may be too high	3	4%
Increased competition in my area	14	16%
<b>Expect fewer leisure travelers</b>	<b>56</b>	<b>65%</b>
Expect fewer business travelers	12	14%
Expect fewer local travelers	17	20%
Expect fewer regional travelers	25	29%
Changes in hunting/fishing licenses	8	9%
Gas prices	30	35%
<b>U.S. economy</b>	<b>82</b>	<b>95%</b>
Global economy	38	44%
Other	8	9%

\*respondents could check multiple answers

\*\*n=86

Plans for 2009**	#	%*
Expand current business or site	44	14%
Renovate current site	41	13%
Add more sites/business elsewhere	13	4%
Downsize current business or site	12	4%
Close down/sell business or site	12	4%
<b>Remain the same</b>	<b>220</b>	<b>71%</b>

\*respondents could check multiple answers

\*\*n=310

### Summary and Implications: All Respondents\*

2008 was a year where more than half of the tourism businesses either experienced a decrease in visitation or at best remained the same. The three top reasons expressed for a decrease in 2008 were gas prices (86%), U.S. economy (71%), and fewer leisure travelers (32%). Respondents who saw an increase credited returning guests (65%), affordability (45%), and better marketing (40%).

Tourism businesses expect 2009 to be the same or slightly worse than 2008 with 67% indicating either a level year or a down year. The U.S economy is cited as the number one reason for an expected decrease followed by fewer leisure travelers. This is augmented by 51 percent of the respondents saying their bookings are down for 2009.

Implications for 2009 are the following:

- Cut costs where appropriate.
- Continue strong marketing so as to sway people to Montana rather than elsewhere.
- Collaborate more with marketing.
- Do not expand international marketing for 2009.

\*These are researcher observations. Individuals should respond according to their own business needs.

## Travel Region: Glacier Country

Mean years of operation: 11.40

Range in years of operation: <1-88

Sample size: 95

Glacier Country respondents represent 30% of all respondents to the outlook survey.

The accommodation sector represented the highest group of respondents in Glacier Country at 71% of all types of tourism businesses.

Type of Business	#	%
<b>Motel/hotel</b>	<b>20</b>	<b>21%</b>
Bed & Breakfast	8	8%
Ranches, resorts, lodges, hostels, hot springs	8	8%
<b>Vacation homes, condos, cabins</b>	<b>31</b>	<b>33%</b>
Public campgrounds	-	-
Private campgrounds	7	7%
Outfitter/Guide	8	8%
Wagon train, cattle drive	-	-
Tours	5	5%
Travel planners	2	2%
Event planners	-	-
Vehicle rentals	1	1%
Ski area	-	-
Museum, historic site	1	1%
Attraction	-	-
Tourism promotion/advertising	3	3%
Other	1	1%

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	44	48%
Decrease	28	30%
Remained the same	21	22%

Reason for Increase in 2008**	#	%*
Better marketing	18	40%
Improved website	15	33%
Expanded operations/services	11	24%
<b>Returning guests</b>	<b>33</b>	<b>73%</b>
Little competition in my area	8	18%
<b>Affordability of what we offer</b>	<b>24</b>	<b>53%</b>
U.S. economy	4	9%
Canadian exchange rate	14	31%
Other exchange rates	4	9%
More local travelers	5	11%
More regional travelers	13	29%
Special event(s) held in our area	4	9%
Weather	7	16%
Fire activity	1	2%
<b>Lack of fires</b>	<b>20</b>	<b>44%</b>
Other	8	18%

\*respondents could check multiple answers

\*\*n=45

Reason for Decrease in 2008**	#	%*
Less advertising on our part	1	4%
Reduced offerings/services	1	4%
Fewer returning guests	5	18%
Increased competition in my area	7	25%
Our pricing may be too high	1	4%
<b>U.S. economy</b>	<b>19</b>	<b>68%</b>
<b>Gas prices</b>	<b>27</b>	<b>96%</b>
Exchange rates	2	7%
Fewer local travelers	3	11%
Fewer regional travelers	4	14%
Fewer business travelers	3	11%
<b>Fewer leisure travelers</b>	<b>9</b>	<b>32%</b>
Changes in hunting/fishing licenses	1	4%
Construction in area	3	11%
Weather	5	18%
Fire activity	1	4%
Lack of fires	1	4%
Other	-	-

\*respondents could check multiple answers

\*\*n=28

Outlook for 2009	#	%*
Increase	31	33%
Decrease	28	30%
Remain the same	35	37%

Reason for Expected Increase in 2009 **	#	%*
Bookings/inquires are up	10	32%
Better marketing pursued	15	48%
Improved website	13	42%
<b>Experience a gradual increase</b>	<b>19</b>	<b>61%</b>
Expanded or improved our offerings	12	39%
<b>Affordability of what we offer</b>	<b>19</b>	<b>61%</b>
Little competition in my area	10	32%
More local travelers	2	7%
More regional travelers	5	16%
<b>We get many repeat customers</b>	<b>19</b>	<b>61%</b>
Canadian exchange rate	5	16%
Other exchange rates	2	7%
U.S. economy	3	10%
Special events in our area	8	26%
We are new, so we are increasing	7	23%
Other	1	3%

\*respondents could check multiple answers

\*\*n=31

Reason for Expected Decrease in 2009 **	#	%*
<b>Bookings/inquires are down</b>	<b>15</b>	<b>54%</b>
We've done less marketing	-	-
Experiencing a gradual decrease	2	7%
Reduced our offerings/services	1	4%
Our pricing may be too high	1	4%
Increased competition in my area	4	14%
<b>Expect fewer leisure travelers</b>	<b>18</b>	<b>64%</b>
Expect fewer business travelers	5	18%
Expect fewer local travelers	8	29%
Expect fewer regional travelers	11	39%
Changes in hunting/fishing licenses	1	4%
Gas prices	9	32%
<b>U.S. economy</b>	<b>26</b>	<b>93%</b>
Global economy	13	46%
Other	2	7%

\*respondents could check multiple answers

\*\*n=28

Plans for 2009**	#	%*
Expand current business or site	14	15%
Renovate current site	14	15%
Add more sites/business elsewhere	2	2%
Downsize current business or site	3	3%
Close down/sell business or site	5	5%
<b>Remain the same</b>	<b>64</b>	<b>68%</b>

\*respondents could check multiple answers

\*\*n=94

### Summary and Implications: Glacier Country \*

Thirty percent of Glacier Country respondents experienced a decrease in visitation in 2008 and 22 percent remained the same. Gas prices (96%) topped the list of reasons for a decrease followed by the U.S. economy (68%), and fewer leisure travelers (32%). Respondents who saw an increase credited returning guests (73%), affordability (53%), and lack of fires in the area (44%).

Interestingly tourism businesses in Glacier Country are almost evenly split in their expectations for 2009. Nearly 1/3 expect a decrease, 1/3 expect an increase and 1/3 expect to remain the same as the previous year. The U.S economy is cited as the number one reason for an expected decrease (93%). Affordability, repeat customers, and gradual increases are the top reasons for an expected increase.

Implications for 2009:

- Market regionally to overcome travel cost concerns of tourists.
- Cut direct costs to consumers where possible.
- Collaborate more with marketing.
- Highlight “not so common” or “different” attractions and activities to encourage repeat visitors.

\*These are researcher observations. Individuals should respond according to their own business needs.



## Travel Region: Gold West Country

Mean years of operation: 11.5

Range in years of operation: 2-56

Sample size: 39

Gold West Country respondents represent 13% of all respondents to the outlook survey.

The accommodation sector represented the highest group of respondents in Gold West Country at 74% of all types of tourism businesses.

Type of Business	#	%
<b>Motel/hotel</b>	<b>8</b>	<b>21%</b>
Bed & Breakfast	1	3%
Ranches, resorts, lodges, hostels, hot springs	7	18%
<b>Vacation homes, condos, cabins</b>	<b>12</b>	<b>31%</b>
Public campgrounds	1	3%
Private campgrounds	-	-
Outfitter/Guide	3	8%
Wagon train, cattle drive	-	-
Tours	2	5%
Travel planners	-	-
Event planners	-	-
Vehicle rentals	1	3%
Ski area	-	-
Museum, historic site	-	-
Attraction	3	8%
Tourism promotion/advertising	1	3%
Other	-	-

Change in visitors/guests	#	%*
Increase	17	45%
Decrease	13	34%
Remained the same	8	21%

Reason for Increase in 2008**	#	%*
Better marketing	4	25%
Improved website	4	25%
Expanded operations/services	2	13%
<b>Returning guests</b>	<b>11</b>	<b>69%</b>
Little competition in my area	3	19%
<b>Affordability of what we offer</b>	<b>7</b>	<b>44%</b>
U.S. economy	2	13%
Canadian exchange rate	3	19%
Other exchange rates	3	19%
<b>More local travelers</b>	<b>7</b>	<b>44%</b>
More regional travelers	4	25%
Special event(s) held in our area	3	19%
Weather	1	6%
Fire activity	-	-
Lack of fires	4	25%
Other	5	31%

\*respondents could check multiple answers

\*\*n=16

Reason for Decrease in 2008**	#	%*
Less advertising on our part	3	23%
Reduced offerings/services	-	-
Fewer returning guests	2	15%
Increased competition in my area	-	-
Our pricing may be too high	1	8%
<b>U.S. economy</b>	<b>6</b>	<b>46%</b>
<b>Gas prices</b>	<b>9</b>	<b>69%</b>
Exchange rates	1	8%
Fewer local travelers	2	15%
Fewer regional travelers	4	31%
Fewer business travelers	2	15%
Fewer leisure travelers	2	15%
Changes in hunting/fishing licenses	2	15%
Construction in area	1	8%
Weather	-	-
Fire activity	1	8%
Lack of fires	1	8%
Other	1	8%

\*respondents could check multiple answers

\*\*n=13

Outlook for 2009	#	%*
Increase	11	29%
Decrease	11	29%
Remain the same	16	42%

Reason for Expected Increase in 2009 **	#	%*
Bookings/inquires are up	5	46%
Better marketing pursued	5	46%
Improved website	3	27%
<b>Experience a gradual increase</b>	<b>6</b>	<b>55%</b>
Expanded or improved our offerings	3	27%
<b>Affordability of what we offer</b>	<b>7</b>	<b>64%</b>
Little competition in my area	3	27%
More local travelers	3	27%
More regional travelers	3	27%
<b>We get many repeat customers</b>	<b>6</b>	<b>55%</b>
Canadian exchange rate	-	-
Other exchange rates	1	9%
U.S. economy	-	-
Special events in our area	1	9%
We are new, so we are increasing	3	27%
Other	4	36%

\*respondents could check multiple answers

\*\*n=11

Reason for Expected Decrease in 2009 **	#	%*
<b>Bookings/inquires are down</b>	<b>7</b>	<b>64%</b>
We've done less marketing	1	9%
Experiencing a gradual decrease	1	9%
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	-	-
<b>Expect fewer leisure travelers</b>	<b>6</b>	<b>55%</b>
Expect fewer business travelers	2	18%
Expect fewer local travelers	3	27%
Expect fewer regional travelers	3	27%
Changes in hunting/fishing licenses	1	9%
Gas prices	4	36%
<b>U.S. economy</b>	<b>11</b>	<b>100%</b>
Global economy	4	36%
Other	-	-

\*respondents could check multiple answers

\*\*n=11

Plans for 2009**	#	%*
Expand current business or site	6	15%
Renovate current site	5	13%
Add more sites/business elsewhere	1	3%
Downsize current business or site	1	3%
Close down/sell business or site	-	-
<b>Remain the same</b>	<b>28</b>	<b>72%</b>

\*respondents could check multiple answers

\*\*n=39

### Summary and Implications: Gold West Country\*

With only 39 respondents in Gold West Country, it is difficult to make generalizations. However, it is still possible to get a feel for the trends businesses experienced in 2008 and what they expect for 2009. Returning guests was the number one reason for increases in 2008 while gas prices (69%) topped the list for reasons of a decrease followed by the U.S. economy (46%).

Forty-two percent of the respondents in Gold West Country expect 2009 to remain the same as 2008 with the remaining 48 percent expecting an increase or a decrease (split evenly). Affordability and repeat customers provide reasons for an expected increase while the U.S. economy is cited as the number one reason for an expected decrease (100% of respondents said this).

Implications for 2009:

- It is more important now than ever before to actively pursue repeat customers through direct mailings, targeted ads, and an emphasis on affordability.
- Gold West businesses should pursue in-state and regional visitors since the region is within an easy drive by others in the state and most neighboring states

\*These are researcher observations. Individuals should respond according to their own business needs.

## Travel Region: Russell Country

Mean years of operation: 16.6

Range in years of operation: 1-115

Sample size: 35

Russell Country respondents represent 11% of all respondents to the outlook survey.

The accommodation sector (all types) represented the highest group of respondents in Russell Country at 41% of all types of tourism businesses.

Type of Business	#	%
<b>Motel/hotel</b>	<b>7</b>	<b>20%</b>
Bed & Breakfast	2	6%
Ranches, resorts, lodges, hostels, hot springs	3	9%
Vacation homes, condos, cabins	2	6%
Public campgrounds	3	9%
Private campgrounds	1	3%
<b>Outfitter/Guide</b>	<b>5</b>	<b>14%</b>
Wagon train, cattle drive	1	3%
Tours	2	6%
Travel planners	-	-
Event planners	-	-
Vehicle rentals	1	3%
Ski area	-	-
Museum, historic site	1	3%
Attraction	2	6%
<b>Tourism promotion/advertising</b>	<b>5</b>	<b>14%</b>
Other	-	-

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	15	44%
Decrease	14	41%
Remained the same	5	15%

Reason for Increase in 2008**	#	%*
Better marketing	5	36%
<b>Improved website</b>	<b>6</b>	<b>43%</b>
Expanded operations/services	-	-
<b>Returning guests</b>	<b>9</b>	<b>64%</b>
Little competition in my area	2	14%
Affordability of what we offer	5	36%
U.S. economy	1	7%
<b>Canadian exchange rate</b>	<b>10</b>	<b>71%</b>
Other exchange rates	1	7%
More local travelers	1	7%
More regional travelers	1	7%
<b>Special event(s) held in our area</b>	<b>6</b>	<b>43%</b>
Weather	2	14%
Fire activity	-	-
Lack of fires	2	14%
Other	2	14%

\*respondents could check multiple answers

\*\*n=14

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	3	21%
Increased competition in my area	-	-
Our pricing may be too high	-	-
<b>U.S. economy</b>	<b>10</b>	<b>71%</b>
<b>Gas prices</b>	<b>10</b>	<b>71%</b>
Exchange rates	1	7%
Fewer local travelers	1	7%
Fewer regional travelers	1	7%
Fewer business travelers	2	14%
Fewer leisure travelers	3	21%
Changes in hunting/fishing licenses	2	14%
Construction in area	2	14%
Weather	3	21%
Fire activity	2	14%
Lack of fires	-	-
Other	2	14%

\*respondents could check multiple answers

\*\*n=14

Outlook for 2009	#	%*
Increase	17	49%
Decrease	7	20%
Remain the same	11	31%

Reason for Expected Increase in 2009 **	#	%*
Bookings/inquires are up	1	6%
Better marketing pursued	2	13%
Improved website	2	13%
<b>Experience a gradual increase</b>	<b>7</b>	<b>44%</b>
Expanded or improved our offerings	2	13%
<b>Affordability of what we offer</b>	<b>7</b>	<b>44%</b>
Little competition in my area	2	13%
More local travelers	3	19%
More regional travelers	2	13%
<b>We get many repeat customers</b>	<b>8</b>	<b>50%</b>
<b>Canadian exchange rate</b>	<b>7</b>	<b>44%</b>
Other exchange rates	-	-
U.S. economy	3	19%
Special events in our area	4	25%
We are new, so we are increasing	2	13%
Other	3	19%

\*respondents could check multiple answers

\*\*n=16

Reason for Expected Decrease in 2009 **	#	%*
Bookings/inquires are down	2	29%
We've done less marketing	-	-
Experiencing a gradual decrease	-	-
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	1	14%
Expect fewer leisure travelers	3	43%
Expect fewer business travelers	1	14%
Expect fewer local travelers	1	14%
Expect fewer regional travelers	1	14%
Changes in hunting/fishing licenses	2	29%
Gas prices	1	14%
<b>U.S. economy</b>	<b>6</b>	<b>86%</b>
Global economy	2	29%
Other	1	14%

\*respondents could check multiple answers

\*\*n=7

Plans for 2009**	#	%*
Expand current business or site	5	14%
Renovate current site	9	26%
Add more sites/business elsewhere	2	6%
Downsize current business or site	2	6%
Close down/sell business or site	2	6%
<b>Remain the same</b>	<b>26</b>	<b>74%</b>

\*respondents could check multiple answers

\*\*n=35

### Summary and Implications: Russell Country\*

With only 35 respondents from Russell Country, it is not feasible to make generalizations to all tourism businesses in the region. However, some trends from 2008 and expected trends for 2009 emerge. Not surprisingly the Canadian exchange rate (71%) topped the list of reasons for the respondents who saw an increase in 2008. Gas prices (71%) topped the list of reasons for a decrease followed by the U.S. economy (71%).

Russell Country respondents were the most optimistic of all tourism regions when projecting for 2009 with 49 percent expecting an increase. Many of those expecting an increase cited the Canadian exchange rate as one reason. With the falling of the Canadian dollar, this optimism might wane. Those who expected a decrease overwhelmingly cited the U.S. economy as the reason.

Implications for 2009:

- Russell Country businesses should revert to marketing tactics used prior to the Canadian boom as the exchange rate is no longer favorable for visits from the north.
- Collaborate on marketing with an emphasis on return guests.
- Special events are useful tools for increasing business and should be continued and expanded.

\*These are researcher observations. Individuals should respond according to their own business needs.



## Travel Region: Yellowstone Country

Mean years of operation: 11.6

Range in years of operation: <1-84

Sample size: 114

Yellowstone Country respondents represent 37% of all respondents to the outlook survey.

The accommodation sector represented the highest group of respondents in Yellowstone Country at 62% of all types of tourism businesses.

Type of Business	#	%
<b>Motel/hotel</b>	<b>14</b>	<b>12%</b>
Bed & Breakfast	6	5%
<b>Ranches, resorts, lodges, hostels, hot springs</b>	<b>14</b>	<b>12%</b>
<b>Vacation homes, condos, cabins</b>	<b>36</b>	<b>32%</b>
Public campgrounds	1	1%
Private campgrounds	-	-
Outfitter/Guide	9	8%
Wagon train, cattle drive	-	-
Tours	3	3%
Travel planners	1	1%
Event planners	3	3%
Vehicle rentals	7	6%
Ski area	4	4%
Museum, historic site	1	1%
Attraction	3	3%
Tourism promotion/advertising	4	4%
Other	8	7%

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	48	43%
Decrease	46	41%
Remained the same	18	16%

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	<b>20</b>	<b>43%</b>
Improved website	16	34%
Expanded operations/services	9	19%
<b>Returning guests</b>	<b>25</b>	<b>53%</b>
Little competition in my area	4	9%
<b>Affordability of what we offer</b>	<b>20</b>	<b>43%</b>
U.S. economy	2	4%
Canadian exchange rate	5	11%
Other exchange rates	8	17%
More local travelers	6	13%
More regional travelers	8	17%
Special event(s) held in our area	3	6%
Weather	2	4%
Fire activity	-	-
Lack of fires	11	23%
Other	9	19%

\*respondents could check multiple answers

\*\*n=47

Reason for Decrease in 2008**	#	%*
Less advertising on our part	3	7%
Reduced offerings/services	-	-
Fewer returning guests	13	29%
Increased competition in my area	13	29%
Our pricing may be too high	1	2%
<b>U.S. economy</b>	<b>35</b>	<b>78%</b>
<b>Gas prices</b>	<b>41</b>	<b>91%</b>
Exchange rates	1	2%
Fewer local travelers	8	18%
Fewer regional travelers	14	31%
Fewer business travelers	7	16%
<b>Fewer leisure travelers</b>	<b>19</b>	<b>42%</b>
Changes in hunting/fishing licenses	2	4%
Construction in area	8	18%
Weather	4	9%
Fire activity	12	27%
Lack of fires	1	2%
Other	6	13%

\*respondents could check multiple answers

\*\*n=45

Outlook for 2009	#	%*
Increase	31	28%
Decrease	33	30%
Remain the same	48	43%

\*percent may not add to 100 (rounding)

Reason for Expected Increase in 2009 **	#	%*
<b>Bookings/inquires are up</b>	<b>11</b>	<b>36%</b>
Better marketing pursued	10	32%
Improved website	10	32%
<b>Experience a gradual increase</b>	<b>12</b>	<b>39%</b>
Expanded or improved our offerings	8	26%
Affordability of what we offer	10	32%
Little competition in my area	3	10%
More local travelers	3	10%
More regional travelers	5	16%
<b>We get many repeat customers</b>	<b>19</b>	<b>61%</b>
Canadian exchange rate	4	13%
Other exchange rates	2	7%
U.S. economy	3	10%
Special events in our area	2	7%
We are new, so we are increasing	8	26%
Other	3	10%

\*respondents could check multiple answers

\*\*n=31

Reason for Expected Decrease in 2009 **	#	%*
<b>Bookings/inquires are down</b>	<b>16</b>	<b>49%</b>
We've done less marketing	-	-
Experiencing a gradual decrease	4	12%
Reduced our offerings/services	-	-
Our pricing may be too high	1	3%
Increased competition in my area	8	24%
<b>Expect fewer leisure travelers</b>	<b>24</b>	<b>73%</b>
Expect fewer business travelers	4	12%
Expect fewer local travelers	4	12%
Expect fewer regional travelers	7	21%
Changes in hunting/fishing licenses	1	3%
Gas prices	11	33%
<b>U.S. economy</b>	<b>32</b>	<b>97%</b>
<b>Global economy</b>	<b>16</b>	<b>49%</b>
Other	4	12%

\*respondents could check multiple answers

\*\*n=33

Plans for 2009**	#	%*
Expand current business or site	14	12%
Renovate current site	11	10%
Add more sites/business elsewhere	7	6%
Downsize current business or site	5	4%
Close down/sell business or site	4	4%
<b>Remain the same</b>	<b>81</b>	<b>72%</b>

\*respondents could check multiple answers

\*\*n=113

### Summary and Implications: Yellowstone Country\*

Interestingly the number of business who saw a decrease in 2008 was nearly the same as the number who saw an increase. If they saw an increase, returning guests, better marketing, and affordability topped the reasons. If it was a decrease in 2008, gas prices (91%), the U.S. economy (78%), and fewer leisure travelers (42%) were highlighted as the causes.

Almost half of Yellowstone Country respondents expect 2009 to be the same as 2008 while 30 percent expect a decrease and only 28% expect an increase. The U.S. economy is cited as the number one reason for an expected decrease (97%) followed by fewer leisure travelers. Repeat business tops the reason for an expected increase in 2009.

Implications for 2009:

- It will be important to actively pursue repeat customers especially since bookings are down.
- To encourage repeat leisure visitors highlight "unique" or "different" attractions and activities in the region.
- Collaborate more with marketing.
- With concerns about the US economy, cut costs and share savings with your customer.

\*These are researcher observations. Individuals should respond according to their own business needs.

## Travel Region: Custer Country & Missouri River Country

Mean years of operation: 12.3

Range in years of operation: 1-40

Sample size: 29

Custer Country respondents (n=18) represent 6% of all respondents to the outlook survey. Missouri River respondents (n=11) represent 4% of all respondents. Together they represent slightly over 9% of all respondents.

Type of Business	#	%
<b>Motel/hotel</b>	7	24%
Bed & Breakfast	1	3%
<b>Ranches, resorts, lodges, hostels, hot springs</b>	4	14%
Vacation homes, condos, cabins	1	3%
Public campgrounds	-	-
Private campgrounds	3	10%
<b>Outfitter/Guide</b>	6	21%
Wagon train, cattle drive	-	-
Tours	-	-
Travel planners	2	7%
Event planners	-	-
Vehicle rentals	-	-
Ski area	-	-
Museum, historic site	1	3%
Attraction	1	3%
Tourism promotion/advertising	3	10%
Other	-	-

Change in visitors/guests	#	%*
Increase	13	46%
Decrease	13	46%
Remained the same	2	7%

\*percent may not add to 100 (rounding)

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	6	46%
Improved website	5	39%
Expanded operations/services	4	31%
<b>Returning guests</b>	11	85%
Little competition in my area	1	8%
Affordability of what we offer	5	39%
U.S. economy	4	31%
Canadian exchange rate	2	15%
Other exchange rates	-	-
More local travelers	1	8%
More regional travelers	2	15%
Special event(s) held in our area	3	23%
Weather	-	-
Fire activity	-	-
Lack of fires	3	23%
Other	3	23%

\*respondents could check multiple answers

\*\*n=13

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	4	31%
Increased competition in my area	2	15%
Our pricing may be too high	1	8%
<b>U.S. economy</b>	10	77%
<b>Gas prices</b>	10	77%
Exchange rates	-	-
Fewer local travelers	2	15%
Fewer regional travelers	2	15%
Fewer business travelers	1	8%
Fewer leisure travelers	3	23%
Changes in hunting/fishing licenses	2	15%
Construction in area	-	-
Weather	-	-
Fire activity	-	-
Lack of fires	-	-
Other	2	15%

\*respondents could check multiple answers

\*\*n=13

Outlook for 2009	#	%*
Increase	10	36%
Decrease	7	25%
Remain the same	11	39%

\*percent may not add to 100 (rounding)

Reason for Expected Increase in 2009 **	#	%*
Bookings/inquires are up	3	30%
Better marketing pursued	4	40%
<b>Improved website</b>	<b>5</b>	<b>50%</b>
<b>Experience a gradual increase</b>	<b>7</b>	<b>70%</b>
Expanded or improved our offerings	4	40%
Affordability of what we offer	4	40%
Little competition in my area	2	20%
More local travelers	1	10%
More regional travelers	2	20%
<b>We get many repeat customers</b>	<b>5</b>	<b>50%</b>
Canadian exchange rate	-	-
Other exchange rates	-	-
U.S. economy	2	20%
Special events in our area	1	10%
We are new, so we are increasing	3	30%
Other	1	10%

\*respondents could check multiple answers

\*\*n=10

Reason for Expected Decrease in 2009 **	#	%*
Bookings/inquires are down	4	57%
We've done less marketing	-	-
Experiencing a gradual decrease	1	14%
Reduced our offerings/services	-	-
Our pricing may be too high	1	14%
Increased competition in my area	1	14%
<b>Expect fewer leisure travelers</b>	<b>5</b>	<b>71%</b>
Expect fewer business travelers	-	-
Expect fewer local travelers	1	14%
Expect fewer regional travelers	3	43%
Changes in hunting/fishing licenses	3	43%
<b>Gas prices</b>	<b>5</b>	<b>71%</b>
<b>U.S. economy</b>	<b>7</b>	<b>100%</b>
Global economy	3	43%
Other	1	14%

\*respondents could check multiple answers

\*\*n=7

Plans for 2009**	#	%*
Expand current business or site	5	18%
Renovate current site	2	7%
Add more sites/business elsewhere	1	4%
Downsize current business or site	1	4%
Close down/sell business or site	1	4%
<b>Remain the same</b>	<b>20</b>	<b>71%</b>

\*respondents could check multiple answers

\*\*n=29

### Summary and Implications: Custer & Missouri River Country\*

With only 29 respondents between Custer and Missouri River Country, it is impossible to make generalizations. However, the data can provide a feel for the trends businesses experienced in 2008 and what they expect for 2009. Returning guests was the number one reason for increases in 2008 while gas prices (69%) topped the list for reasons of a decrease followed by the U.S. economy (46%).

Thirty-nine percent of the respondents in Custer and Missouri River Countries expect 2009 to remain the same as 2008. Only 25 percent expect a decrease which is the smallest expected decrease of all travel regions. The US economy is cited as the number one reason for an expected decrease (100% of respondents said this).

Implications for 2009:

- With the economy cited as the reason for 2008 decreases and expected 2009 decreases, businesses in these regions need to focus on cutting costs, sharing the savings with their customers, and focusing on repeat travelers.

\*These are researcher observations. Individuals should respond according to their own business needs.

## Type of Tourism Operation: Attractions, Ski areas, Museums

Mean years of operation: 24.1

Range in years of operation: 3-115

Sample size: 17

Due to the small number of responses of these three business types, three “attraction” type businesses were combined into this analysis. This section represents four (4) ski areas, four (4) museums or historic sites, and nine (9) attractions. “Attractions” represent 5 percent of all outlook survey respondents.

Reason for Increase in 2008**	#	%*
Better marketing	3	38%
Improved website	4	50%
Expanded operations/services	3	38%
Returning guests	4	50%
Little competition in my area	3	38%
<b>Affordability of what we offer</b>	<b>5</b>	<b>63%</b>
U.S. economy	-	-
Canadian exchange rate	3	38%
Other exchange rates	-	-
More local travelers	1	13%
More regional travelers	2	25%
Special event(s) held in our area	2	25%
Weather	1	13%
Fire activity	-	-
Lack of fires	1	13%
Other	1	13%

\*respondents could check multiple answers

\*\*n= 8

Travel Region	#	%*
Glacier Country	1	6%
Yellowstone Country	8	47%
Gold West Country	3	18%
Custer Country	-	-
Russell Country	3	18%
Missouri River Country	2	12%

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	8	47%
Decrease	7	41%
Remained the same	2	12%

Reason for Decrease in 2008**	#	%*
Less advertising on our part	1	14%
Reduced offerings/services	-	-
Fewer returning guests	2	29%
Increased competition in my area	2	29%
Our pricing may be too high	-	-
<b>U.S. economy</b>	<b>4</b>	<b>57%</b>
Gas prices	-	-
Exchange rates	1	14%
Fewer local travelers	2	29%
Fewer regional travelers	2	29%
Fewer business travelers	-	-
Fewer leisure travelers	2	29%
Changes in hunting/fishing licenses	-	-
Construction in area	1	14%
Weather	1	14%
Fire activity	2	29%
Lack of fires	-	-
Other	1	14%

\*respondents could check multiple answers

\*\*n= 7



Outlook for 2009	#	%*
Increase	7	41%
Decrease	3	18%
Remain the same	7	41%

Reason for Expected Increase in 2009 (n=7)	#	%*
Bookings/inquires are up	3	43%
<b>Better marketing pursued</b>	<b>5</b>	<b>71%</b>
Improved website	4	57%
Experienced a gradual increase	2	29%
Expanded or improved our offerings	4	57%
<b>Affordability of what we offer</b>	<b>6</b>	<b>86%</b>
Little competition in my area	1	14%
<b>More local travelers</b>	<b>5</b>	<b>71%</b>
More regional travelers	3	43%
We get many repeat customers	5	71%
Canadian exchange rate	2	29%
Other exchange rates	-	-
U.S. economy	1	14%
Special events in our area	-	-
We are new, so we are increasing	-	-
Other	3	43%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=3)	#	%*
Bookings/inquires are down	1	33%
We've done less marketing	-	-
Experiencing a gradual decrease	-	-
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	-	-
<b>Expect fewer leisure travelers</b>	<b>2</b>	<b>67%</b>
Expect fewer business travelers	-	-
Expect fewer local travelers	1	33%
Expect fewer regional travelers	1	33%
Changes in hunting/fishing licenses	-	-
Gas prices	-	-
U.S. economy	-	-
<b>Global economy</b>	<b>2</b>	<b>67%</b>
Other	-	-

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	5	29%
Renovate current site	4	24%
Add more sites/business elsewhere	1	6%
Downsize current business or site	-	-
Close down/sell business or site	-	-
<b>Remain the same</b>	<b>12</b>	<b>71%</b>

\*respondents could check multiple answers

\*\*n= 17

### Summary and Implications: Attractions, Ski Areas, Museums, and Historic Sites\*

With only 17 respondents in this attraction section, it is impossible to make generalizations. However, the data can provide a feel for the trends businesses experienced in 2008 and what they expect for 2009. In 2008, 47 percent of this group had an increase over 2007. It was an excellent snow year, therefore the four ski areas experienced an increase. Others cited affordability to explain an increase. Those with a decrease in 2008 indicated the U.S. economy as the reason but interestingly, none of them cited gas prices as a cause.

For 2009, 41 percent of attractions expect an increase and another 41 percent expect to remain the same. Only 18 percent believe they will have a decrease.

Implications for 2009:

- Attractions can easily tap into a local/regional market when the economy has slowed therefore marketing locally would be a wise choice.
- It will be important to provide something new to see or experience at attractions to convince locals and repeat customers to return.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **Attractions, Ski areas, Museums: Responses to open ended questions**

### ***Changes in Type of Visitor: Ski areas, Attractions, Museums, Historic sites***

- 38: Not traveling as far from home.
- 52: None
- 135: more in-state, less out-of-state
- 169: Because we offer low cost but good lodging and good food at reasonable prices we had an upswing in guests and referrals. Website and chat rooms recommending our food and location helped. We had a number of Canadian bikers from Calgary and other bikers because of the reasonable cost of gas for bikes versus RVs.
- 194: More foreign travelers, less local/regional, especially families
- 205: It has been similar, just less of them.
- 207: more local season pass holders, reservations to date for upcoming season are up comparatively
- 216: I didn't particularly see any change.
- 243: More local; more Canadians when exchange is favorable; easing into the "boomers".
- 248: About the same
- 250: More tourists from out of US
- 267: fewer young families
- 278: we have seen more Canadian tourists
- 280: More Canadians. More horticultural minded people hearing about the only real Botanic Gardens & Arboretum in MT. People looking for something different, not normally found in MT

### ***Changes in interests and activities of visitors: Ski areas, Attractions, Museums, Historic sites***

- 38: None
- 52: None
- 64: We geared our Fair towards "the Family", and we received a lot of positive feedback and had lots of families attend
- 135: People were more seriously interested in what we had to offer. Less spur-of-the-moment, drop-in visitors.
- 169: Tent campers saw us as a comfortable alternative. RV camping was down considerably at local National Forest Campgrounds and there were more tent campers which discovered our location.
- 194: n/a
- 205: I think they remain much the same i.e. activity based, Park visitors, wildlife viewing, etc.
- 207: Good snow will generally demonstrate what our current business potential is. Last year's record snow helped us achieve record skier visits. This season we have the first major lift-served terrain expansion in 30

years which is generating a lot of interest both locally and out of state. Season pass sales have been very strong and reservations to date are as well.

216: The interests and activities of the visitors remained about the same.

248: The same

250: More & more people want to come and enjoy our public lands with their motorized vehicles, on & off road - I see a lot of people concerned about the outdoor recreation use - public lands being shut down and the negative marketing/press that goes with that -

267: interests about the same, engaging in fewer activities due to economics

280: People love our family events, Fairy Festival, Birding opportunities, Scarecrow Festival. Our place is also an educational opportunity. People do not realize that we can grow thousands of varieties of plants that may not be native in MT. For Montanan's to see anything similar to what we have they would have to travel to the west coast, Denver or another large city 300 to 600 miles away.

***Steps taking to address downturn in economy: Ski areas, Attractions, Museums, Historic sites***

38: None

52: None

64: We are offering ticket purchasing on the computer for our events, and hopefully other events that will be held here. We plan on trying to hold our ticket sales at the same price as this year-\$25.00 for our concert, and we also let kids 12 and under in for free.

135: We are soliciting more donations this year than in the past, we are applying for funding in other areas, and we are offering more off-site programs. We expect the economy to stabilize, and since we don't have much debt and we don't have unsafe investments, we expect to survive as we have in the past.

151: Lower rates, self management so I can offer lower rates.

169: I am able to do cooking, cleaning. I am going to be very cautious about hiring additional help. I am trying to find culinary interns. In 2006, 2007, 2008, I made renovations to upgrade the property. Last year a new deck to repair the one that was falling apart, new electric hot water heaters to replace propane ones. 2009 should not require capital investment.

194: cut back in summer employees, less inventory, some changes in marketing

205: We are marketing and advertising more on a local basis (within 250 miles) in hopes we can bolster our numbers.

207: We are a high value ski resort. Our lift ticket prices are comparative to mid-western ski areas but we offer a big, rocky mountain ski area experience with our terrain and snow. As well, Bozeman is over built for accommodations based on summer traffic, consequently winter availability is much higher and rates very low. This gives us the ability to offer some of the most competitive ski package prices in the industry. Anticipating the economic slow down but interest still intact, we feel that we are positioned very well for good business this winter ... so far, so good.

216: We are working on better marketing as well as offering a larger variety of things to see and buy.

243: Pay off debt and refinance mortgage; adjust season & hours of operation; fine tune our operation - which we have already done. Hire less help - do more ourselves (but we can only do so much).

248: Just keep open during the road construction

250: marketing more regionally and nationally



267: lowering fees

278: nothing at this time

280: We simply will not participate in any potential "Downturn". That word is not in our vocabulary.

***Additional Comments: Ski areas, Attractions, Museums, Historic sites***

38: Tourism is generally low paying jobs. I sure would like to see more logging on federal lands, that is new wealth.

135: If the new administration wanted to do something beneficial for all Americans, they would either move charitable donations back above the line or they would create a new category where the tax break for charitable contributions was better than 10% on average. The current "tax deduction" really doesn't help the average citizen very much.

151: I just started managing my own rentals recently. By doing so, I can lower my rates and this has led to an increase in business. Advertising on sites like Craigslist and VRBO (*vacation rentals by owner*) have increased inquiries and bookings.

169: We are a destination and do not have a large local population. I hope that Canadians will continue to see our area as a great place to visit. The predators in our area have been playing havoc with our elk, moose and whitetail so I expect hunting revenues will continue to drop. For this reason and because of the high gas prices, I closed for the season early. With lower gas prices, before the end of hunting season, the area should get some hunters, but I expect the hunters to continue to decline in the future.

194: until the economy/gas prices level out, I don't see regional traffic to increase. I believe the foreign market will grow as the exchange offers them a better deal

205: We feel visitors still want to ski and or have a ski vacation. We think we may see more local activity because it will be more reasonable. It's possible we'll see a downturn in our retail offerings, food and beverage, etc. because the skiing experience is their main goal. We'll probably see more bag lunches. Loyal destination guests may come less days or less times.

207: We are happy that we are debt free and that we have kept our marketing focus on drive market. Hopefully Canadian dollar will remain strong compared to ours. If so, we should continue to see good recovery from Canada. If not, it will be potentially a double whammy ... losing Canadians (Sask and Manitoba for us) coming to the US to ski as well as more US skiers along the high line from Chicago to Seattle going up to Canada taking advantage of strong exchange rates.

216: The economy is a great concern.

243: Looking to find the "next generation" to take over this business. 2-5 year plan.

248: We need advertizing to stop the tourists as they try to get through the road construction. Parking will be a problem this summer.

250: Red Lodge has been portraying itself as NOT friendly - they want the increase in tourism money but do not want the people that come with it

267: I would like to see tour buses coming into the Red lodge area with proposed itinerary's, to include visiting activities in the area during their stay

280: We receive a lot of support from other Gold West Region businesses. We also receive a lot of support from Donnie Sexton in the Travel Montana Office. Maybe due to the unique nature of our business (meaning a "Botanic Garden" is not what fist comes to mind when someone thinks about Montana), we believe that Travel Montana in general does not yet realize the level of interest and the number of potential visitors our business

can attract. We have seen visitors from virtually every state and Canadian Province and more than a dozen foreign countries.

# Type of Tourism Operation: B&B, Ranches, Resorts, Lodges, Hostels, Hot Springs

Mean years of operation: 13.41

Range in years of operation: 1-84

Sample size: 54

The respondents for the businesses in this section include 18 bed & breakfast type accommodations and 36 of the other (ranches, resorts, lodges, hostels, and hot springs). This group represents 17 percent of all respondents to the outlook survey.

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	<b>13</b>	<b>50%</b>
<b>Improved website</b>	<b>10</b>	<b>39%</b>
Expanded operations/services	4	15%
<b>Returning guests</b>	<b>15</b>	<b>58%</b>
Little competition in my area	2	8%
Affordability of what we offer	9	35%
U.S. economy	5	19%
Canadian exchange rate	3	12%
<b>Other exchange rates</b>	<b>10</b>	<b>39%</b>
More local travelers	2	8%
More regional travelers	3	12%
Special event(s) held in our area	1	4%
Weather	2	8%
Fire activity	-	-
Lack of fires	5	19%
Other	7	27%

\*respondents could check multiple answers

\*\*n=26

Travel Region	#	%*
Glacier Country	16	30%
Yellowstone Country	20	37%
Gold West Country	8	15%
Custer Country	5	9%
Russell Country	5	9%
Missouri River Country	-	-

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	26	50%
Decrease	13	25%
Remained the same	13	25%

Reason for Decrease in 2008**	#	%*
Less advertising on our part	1	8%
Reduced offerings/services	-	-
Fewer returning guests	4	31%
Increased competition in my area	-	-
Our pricing may be too high	-	-
<b>U.S. economy</b>	<b>11</b>	<b>85%</b>
<b>Gas prices</b>	<b>12</b>	<b>92%</b>
Exchange rates	1	8%
Fewer local travelers	1	8%
Fewer regional travelers	2	15%
Fewer business travelers	1	2%
Fewer leisure travelers	6	46%
Changes in hunting/fishing licenses	2	15%
Construction in area	3	23%
Weather	3	23%
Fire activity	2	15%
Lack of fires	-	-
Other	1	8%

\*respondents could check multiple answers

\*\*n=13

Outlook for 2009	#	%
Increase	21	39%
Decrease	14	26%
Remain the same	19	35%

Reason for Expected Increase in 2009 (n=21)	#	%*
<b>Bookings/inquires are up</b>	<b>5</b>	<b>76%</b>
Better marketing pursued	9	43%
Improved website	9	43%
<b>Experienced a gradual increase</b>	<b>12</b>	<b>57%</b>
Expanded or improved our offerings	6	29%
Affordability of what we offer	9	43%
Little competition in my area	6	29%
More local travelers	-	-
More regional travelers	1	5%
<b>We get many repeat customers</b>	<b>12</b>	<b>57%</b>
Canadian exchange rate	1	5%
Other exchange rates	3	14%
U.S. economy	2	10%
Special events in our area	1	5%
We are new, so we are increasing	9	43%
Other	-	-

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=14)	#	%*
<b>Bookings/inquires are down</b>	<b>9</b>	<b>64%</b>
We've done less marketing	1	7%
Experiencing a gradual decrease	1	7%
Reduced our offerings/services	-	-
Our pricing may be too high	1	7%
Increased competition in my area	-	-
<b>Expect fewer leisure travelers</b>	<b>10</b>	<b>71%</b>
Expect fewer business travelers	1	7%
Expect fewer local travelers	3	21%
Expect fewer regional travelers	4	7%
Changes in hunting/fishing licenses	2	14%
Gas prices	3	21%
<b>U.S. economy</b>	<b>14</b>	<b>100%</b>
Global economy	5	36%
Other	1	7%

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	7	13%
Renovate current site	3	6%
Add more sites/business elsewhere	2	4%
Downsize current business or site	2	4%
Close down/sell business or site	2	4%
<b>Remain the same</b>	<b>39</b>	<b>72%</b>

\*respondents could check multiple answers

\*\*n=54

### Summary and Implications: B&B, Ranches, Resorts, Lodges, Hostels and Hot Springs\*

This is a diverse group of businesses brought together because they represent a unique set of accommodations. They offer more than hotels and vacation homes in terms of the travel experience.

These 'unique' accommodations stand out in their reasons for increased business in 2008 by citing "other exchange rates" as one of their top reasons. Like many tourism businesses, however, returning guests was the highest reason for a good year. In 2009 many of these 'unique' accommodations are expecting an increase (39% indicated an increase). Again, repeat visitation is cited as the reason. Only 14 percent of these 'unique' accommodations believe they will decrease in 2009 because of the economy and fewer leisure travelers.

Implications for 2009:

- With the global economy in hard times the international visitor may decline in 2009, therefore marketing to the U.S. east and west coasts may be necessary to cover the potential losses of the oversea visitor.
- It will be important to actively pursue repeat visitors, perhaps by holding prices at 2008 or 2007 levels.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **B&B, Ranches, Resorts, Lodges, Hostels, Hot Springs: Responses to open ended questions**

### ***Changes in Type of Visitor: B&B, Ranch, Resorts, Lodges, Hostels, Hot Springs***

- 1: more Europeans and Canadians
- 17: None
- 21: More foreign travelers due to exchange rates.
- 32: no changes
- 45: none
- 49: The Canadians and Europeans filled up the beds that American travelers would normally have slept in.
- 55: More Montana resident visitors versus out of state
- 57: More Canadian visitors from Calgary/Lethbridge area. More foreign tourists especially Great Britain, Australia, Switzerland, Germany.
- 61: More French and Germans
- 70: more guests from the eastern states
- 76: lots of motorcycles
- 82: We get people from California, Washington and the Northeast part of the US. Not much of a change can be seen.
- 83: Watching every dollar spent.
- 86: people are looking for more "bang" for the buck. Multiple things to do or see in the same geographic area.
- 91: More conservative
- 97: I didn't really notice a change in the type of visitor.
- 103: We had mostly older couples, in former years we had a lot of families.
- 105: More overseas and Canadian visitors
- 106: increase in European guests
- 111: We noticed that there were just clients passing through the area. We had several short-stay guests.
- 123: People want the best services available for their budget. They would rather spend a little more and guarantee their MT experience than save a few \$ and risk a less quality experience.
- 141: No significant changes
- 147: More Europeans
- 149: More international guests
- 167: No patterns stand out as changes
- 177: A few more foreign guests--Norway, Germany, England

- 190: Visitors do not take advantage of all our services to keep their costs down. We do not see them eating at our resort or staying as long in the area.
- 191: Slightly more affluent. Fewer people on a shoe-string budget. We assume those people were either making more budget-conscious lodging decisions, or not travelling.
- 198: none, we are already well diversified
- 209: More group functions such as weddings, family reunions, church and business retreat. I believe the increase is because we are getting better known.
- 210: more families
- 226: more bicycle tourists
- 227: There seem to be more people wanting a stay of three days.
- 229: Possibly a bit more cautious. I believe singles and couples in the upper middle income class remain fairly confident, whereas singles, couples, and families in the middle to upper middle income class are becoming more cautious.
- 249: We have seen more local travelers - people who want to get away but can't afford to go too far. We also saw an increase in international travelers.
- 255: more discerning, sophisticated travelers from major metro areas, have stayed longer and spent more per night.
- 295: Fewer motorcycle tourists
- 299: More foreign travel
- 310: Less traffic, but larger groups of people in on car

***Changes in interests and activities of visitors: B&B, Ranch, Resorts, Lodges, Hostels, Hot Springs***

- 1: more visitors traveling to Glacier and on to Yellowstone
- 17: None
- 21: I think we will see more people driving to the state if gas prices stay lower than summer of '08.
- 32: no changes
- 45: hunting and fishing more
- 49: none
- 55: Since they were local, they needed less information and there visits were shorter
- 57: No much. Once people commit to a vacation the ancillary activities follow along.
- 61: My guests come for horseback riding and western experience. It stays the same.
- 70: not too many wanted to take trail rides
- 76: more for outdoor recreation
- 82: the same reasons and activities
- 83: none

- 91: Cutting back on time and expense
- 97: Less motorcycle guests this year. Billings did not host any group.
- 103: Most were traveling through our state to visit relatives in other states.
- 105: more interest in Montana in general, not just a one week dude ranch stay as they came from overseas
- 106: the interest is there, but fewer families can afford to travel
- 111: In years past, guests used our place as a base to travel to nearby attractions, parks, rivers etc. This year we didn't have that. It was more like people who simply needed a place to stay to attend a wedding or visit with friends in area.
- 123: Visitors coming to MT are looking for the fly fishing experience but are also hoping to learn more about their sport and become better anglers. We are hopefully seeing the next generation in fly fishermen and women.
- 141: In the short term none. Long term visitors want more amenities and fewer opt for hiking versus horseback riding or other high maintenance activities
- 149: Everyone enjoys Yellowstone
- 167: No patterns stand out as changes
- 190: More visitors are doing things on their own rather than be guided by professionals, to keep their costs down.
- 191: More opted to bring a light meal back to the B&B more often, as opposed to eating out every night.
- 198: none
- 209: More groups are wanting food service.
- 210: none
- 226: folks like to spend more time in one place
- 227: Our guests don't change in their interests and activities.
- 229: One on one and self-directed activities seemed to outrank guided activities.
- 249: Not much change, most people came for the same local activities as before.
- 255: More geotouristic in their interests. Fewer drive-type one night in each place (Californian style) visitors.
- 295: more tourist were shopping rates
- 299: Shorter stays at dude ranch
- 310: none

***Steps taking to address downturn in economy: B&B, Ranch, Resorts, Lodges, Hostels, Hot Springs***

- 1: none
- 8: We will probably lower prices, keeping service at a high level.
- 17: Cutting expenses, cutting advertising, cutting payroll, cutting utilities etc
- 18: trying to reduce costs

- 21: Continuously striving to offer exceptional quality facilities and service desired by highly affluent travelers.
- 32: more aggressive marketing...targeting additional markets
- 34: More personal touches; began accepting reservations earlier as to not turn away any business
- 45: none
- 49: I offered discounts when people asked. I also offered more specials..."Stay three nights and receive a 10% discount"
- 55: Holding back on expenses. Trying to consider what advertising, if any, we should do.
- 57: Aggressively pursuing our repeat customer base and focusing on our major markets.
- 61: Fix the interest rate on our major loan. Explore local interest in special events, long weekends.
- 62: We offer pick up and return to airport at reduced cost. We also are including day trips using our vehicles
- 70: none so far
- 76: watch expenses closely
- 82: We are going to market to the locals for weddings and receptions
- 83: We are having to scale back due to the lack of revenue generated.
- 91: None
- 97: None at this time.
- 103: Praying for lower gas prices and better economy.
- 105: catering more to the international market
- 106: diversify, collaborate, streamline, sell experience (not destination)
- 111: Our goal is to improve our advertising and attend more events such as Chamber get-togethers to promote our guest ranch.
- 123: Tighten up in-house spending, concentrate on fixing up what we have instead of expansion.
- 141: We will continue to monitor bookings and may experiment with sale prices.
- 167: Keeping marketing focused and as powerful as possible...keeping prices steady or discounted for previous/current customers...managing expenses even tighter, putting off improvements that don't have to do for next season
- 177: We've added a vacation cabin (open year round), in a different but nearby location. Increasing advertising in locations of the country from where we generally experience greater interest. Local advertising for our cabin for those participating from neighboring towns e.g., Bozeman, in winter sports. Considering being open for business during winter season (bed & breakfast facility).
- 190: Nothing we can do at this time. We are closing for the winter months.
- 191: May run more promotional discounts, but only if bookings lag.
- 198: we don't expect any effect on our business from the economy
- 209: More focused marketing and reduction in overhead.
- 210: more advertising
- 227: Downsizing in staff and a rate reduction



- 229: Remaining cautious in outgoing expenses and cautious in our price increases while continuing to try and improve our product.
- 249: Not much, we have added a few things that we hope will draw people in to us.
- 251: no small and specialized
- 255: Increasing marketing, upgrading, cutting back on staffing.
- 286: We have improved our web site to allow for online registration. We are doing a better job of articulating our amenities and marketing to particular segments.
- 295: Lowered rates
- 299: Watch employee expenses, other expenses. Go slow
- 310: reduce prices and more advertising

***Additional Comments: B&B, Ranch, Resorts, Lodges, Hostels, Hot Springs***

- 13: wish train service would come to Helena.
- 17: You can't help.
- 34: We have had a much higher cancellation rate with our return guests than we have experienced in previous years. Group travel and corporate retreats business does not seem to be declining.
- 49: I am concerned about 09, but the past has shown us that no matter what happens, people still go on vacation, so I am not too worried.
- 57: What we saw for the 2008 season was travelers waiting until the last minute to book reservations. Often only 2-3 weeks out to make summer reservations. The gas prices dampered people's vacation planning.
- 61: Scary times. We're terrified of the Obama Presidency with tax rates, interest, fuel, and food all increasing dramatically worse than this summer. We are hoping for locals and Europeans to still want to get away.
- 76: with the price of gas going back to prices paid in mid 2007, it could actually increase tourism over 2008
- 82: We depend on hunters and the state of Montana keeps raising the fees for hunting. It is so much cheaper to hunt in Idaho and Wyoming. The blue color hunter is a thing of the past. They have also made Cat hunts a draw and we are down to zero hunters for the last two years.
- 83: I sure hope something breaks soon.
- 97: There are now several new hotel/motels in the Billings area.
- 106: going to be a tough economy for the next few months/years
- 111: We are still concerned about the economy and fuel prices in the coming year. Most of our past clients have been from out of state and it's become so expensive to fly in and out of Montana.
- 123: We will be increasing rates, in order to adjust to inflation and concentrate on lodge maintenance, at the risk of losing a few clients, in the hopes that increased services and hospitality will encourage those looking for the best experience to stay with us instead of looking for the cheapest lodging around.
- 177: Our primary business is geared to the fly fishing industry. This is BIG in our area. Fishing is good on many streams and private waters in early spring and late fall and needs to be better promoted by the MT travel

industry. The Livingston Area Chamber of Commerce should provide a category specifically for fishing on their visitor info sites and literature. Also, their focus on tourism in general seems to be weak. Another problem is that their membership fees should be on a sliding scale based on size and earnings of businesses. I have four rooms compared to Best Western who has many rooms and we both pay the same membership fee. I'd like to be able to spread my advertising budget a little better. Additionally, we are frequently overlooked in chamber special advertising promotions because our budget is small and advertising rates are high. The other problem is the airlines. Limited schedules and extra stops and high ticket prices. Many of my guests use frequent flier miles to come

191: Very surprised that we did not get more international visitors, especially Canadian last year, given the weakness of the dollar (then).

198: we have nothing but a positive outlook with the services and quality product we provide to our customers, therefore we don't expect the economy to effect us one bit

209: I think one of the biggest challenges for us is the cost of fuel and the cost of utilities.

210: Obama's revelation to the economy. Will he do all that he said he will do.

227: It is difficult to second guess the economy at this point.

229: While I believe Montana is probably the strongest state I've seen on marketing to the global economy, I also believe they are weaker on the 'at home' marketing strategies. Thus, as more people seem to be vacationing closer to home, I believe the Montana tourism department should focus a bit more of their advertising dollar on our surrounding states - and on helping individual businesses find creative ways to reach out to this market segment.

249: We love Montana and we love to share our place with others so we have received many return guests.

299: Visit MT needs to work on improving their web site for dude ranch business. Not dude ranch friendly.

## Type of Tourism Operation: Campgrounds

Mean years of operation: 18.9

Range in years of operation: 1-88

Sample size: 16

Campgrounds represent five percent of all survey respondents. Eleven private campground owners and five public campground managers contributed to this section. Forty-four percent of the respondents reside in Glacier Country followed by 25 percent in Russell Country.

Reason for Increase in 2008**	#	%*
Better marketing	2	40%
Improved website	3	60%
Expanded operations/services	2	40%
<b>Returning guests</b>	<b>4</b>	<b>80%</b>
Little competition in my area	2	40%
Affordability of what we offer	-	-
U.S. economy	-	-
<b>Canadian exchange rate</b>	<b>4</b>	<b>80%</b>
Other exchange rates	-	-
More local travelers	1	20%
More regional travelers	-	-
Special event(s) held in our area	1	20%
Weather	-	-
Fire activity	-	-
Lack of fires	2	40%
Other	2	40%

\*respondents could check multiple answers

\*\*n= 5

Travel Region	#	%*
Glacier Country	7	44%
Yellowstone Country	1	6%
Gold West Country	1	6%
Custer Country	3	19%
Russell Country	4	25%
Missouri River Country	-	-

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	6	38%
Decrease	9	56%
Remained the same	1	6%

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	-	-
Increased competition in my area	-	-
Our pricing may be too high	-	-
U.S. economy	4	44%
<b>Gas prices</b>	<b>8</b>	<b>89%</b>
Exchange rates	-	-
Fewer local travelers	2	22%
Fewer regional travelers	2	22%
Fewer business travelers	1	11%
Fewer leisure travelers	2	22%
Changes in hunting/fishing licenses	-	-
Construction in area	1	11%
Weather	3	33%
Fire activity	-	-
Lack of fires	-	-
Other	1	11%

\*respondents could check multiple answers

\*\*n= 9

Outlook for 2009	#	%*
Increase	9	56%
Decrease	3	19%
Remain the same	4	25%

Reason for Expected Increase in 2009 (n=8)	#	%*
Bookings/inquires are up	2	25%
Better marketing pursued	-	-
Improved website	-	-
Experienced a gradual increase	3	38%
<b>Expanded or improved our offerings</b>	<b>5</b>	<b>63%</b>
<b>Affordability of what we offer</b>	<b>5</b>	<b>63%</b>
Little competition in my area	2	25%
More local travelers	1	13%
More regional travelers	1	13%
<b>We get many repeat customers</b>	<b>5</b>	<b>63%</b>
Canadian exchange rate	4	50%
Other exchange rates	-	-
U.S. economy	-	-
Special events in our area	1	13%
We are new, so we are increasing	1	13%
Other	1	13%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=3)	#	%*
Bookings/inquires are down	1	33%
We've done less marketing	-	-
Experiencing a gradual decrease	-	-
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	-	-
Expect fewer leisure travelers	2	67%
Expect fewer business travelers	1	33%
Expect fewer local travelers	1	33%
Expect fewer regional travelers	2	67%
Changes in hunting/fishing licenses	-	-
Gas prices	2	67%
U.S. economy	-	-
Global economy	2	67%
Other	-	-

\*respondents could check multiple answers

Plans for 2009 (n=16)	#	%*
Expand current business or site	2	13%
Renovate current site	4	25%
Add more sites/business elsewhere	-	-
Downsize current business or site	2	13%
Close down/sell business or site	-	-
<b>Remain the same</b>	<b>9</b>	<b>56%</b>

\*respondents could check multiple answers

### Summary and Implications: Campgrounds\*

With only 16 campground respondents, the sample size is too small to make generalizations to the entire campground population of Montana. However, it is still possible to see campground trends based on these respondents.

More campgrounds experienced a decrease (56%) in 2008 compared to those who experienced an increase (38%). This is in contrast to the general view that in harder economic times, more people camp. Campground owners did mention that while fewer overall campers came, they generally stayed longer. Gas prices were cited as the number one reason why fewer campers came in 2008.

Campground owners are optimistic for 2009 with 56 percent expecting an increase based on affordability, expansions and improvements.

Implications for 2009:

- Canadian exchange rates will no longer help U.S. campgrounds, therefore, it is more important now to market towards returning guests.
- The U.S. economy was not stated as a reason for an expected decrease, however spontaneous trips usually decline in economic hard times which may affect camper numbers. It will be important for campgrounds to continue affordability with more services to campers.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **Campgrounds: Responses to open ended questions**

### ***Change in type of visitor: Campgrounds***

- 4: Less US travelers and more Canadian visitors
- 35: Lots of Canadians, and average amount they spend is lower
- 92: We have noticed they are staying longer and not driving to town for supplies. They are bringing less toys and just a boat and spending a lot of time on the water. Very money conscious for the Americans, the Canadians say we are too cheap and come here because there are no places like ours in Canada left that are not over crowded.
- 112: Our guests that did stay with us stayed for longer periods of time.
- 117: Like always, almost all are wonderful and a few are a pain in the ass.
- 132: More local (ie Washington, Idaho & Montana) guests versus guests from Arizona and the south.
- 137: More Canadian travel
- 139: More visitors that stayed in cabins and yurts, rather than RV'ers. Longer-term stays for RV'ers.
- 171: They expect private business to operate like government, and Wal-Mart Parking, along with free parking in the city parks and fair grounds. Campgrounds pay taxes—does Wal-Mart pay in the tax fund like we have to do?
- 178: More people camping and traveling in RV's
- 276: Longer stays, more day trips from our central location
- 288: More visitors from close-in states, Oregon, Washington, Idaho, South Dakota
- 314: People are not stopping as early and staying on Interstates.

### ***Changes in interests and activities of visitors: Campgrounds***

- 4: Canadians like to shop and play, not so much sightseeing.
- 35: willing to spend more time
- 92: More into the history of the area and places to go see. Less in the long travels and more into the short around here and town to be tourists.
- 112: Our guests were interested in Agate hunting, being near family, and big game hunting this year.
- 117: It seems our guests continue to improve in appreciating the place and keeping it nice. One of these years before I'm dead I won't have to pick up a single cigarette butt. Always the optimist.
- 137: More History enthusiasts
- 139: none
- 171: What can we see close by and not have to drive to? Are their busses that come here?
- 178: less Missouri River travelers

- 276: about the same  
288: More horseback riding and white water rafting referrals  
314: More people that are into nature.

***Steps taking to address downturn in economy: Campgrounds***

- 4: none  
92: We are not concerned with the downturn, we are booked for July and June for the RV sites and just put in more seasonal sites that have a waiting list for. Our cabins are just as booked for next year as the RV sites.  
112: Hang on and pray. :)  
117: Wait it out. No debt. Offer recharge service for the folks on the edge.  
137: n/a  
139: Cutting back on unnecessary expenses. Updating the sites that we have.  
171: None, trying to hang in there. Get more cooperation from the Federal Government. Getting the US Forest Service to address the five tense of a dusty road and do something about it to make a clean environment for the tourist to stay in. We have to meet regulation but they do not. It is hurting our business. When the dust is so bad they call out the fire department, it is time to address it. A Faulty Planning Board did not address this issue. Not too smart.  
178: Increasing the number of sites with electricity to attract the RV campers  
276: still offering our discounts for longer stays, same good customer service, excellent infrastructure, and cleanliness  
288: No increase in rates, torte internet exposure  
314: We are going to lower prices.

***Additional Comments: Campgrounds***

- 92: As a business owner here in Northern Montana for the last 7 years, I have seen the attitude of the business owners and operators as the biggest problem to be addressed. I get many repeat customers here, because we treat them as family and they feel very comfortable here with elderly or children. If a percentage of the bed tax dollars we collect was given back among counties that collect them and not just the large groups like Glacier Country, then there could be a lot more done for tourism for all of Montana and not just the big tourist areas. We collect the taxes also so why are we left out when the state returns a percentage back?????? It should be a percentage of what each county brings in goes back to them to help increase tourism, instead of that you have to collect so much to get anything in return. Then Glacier Country gets all the \$. Some of these counties are too small to even compete.  
112: One of our concerns is that we pay for a license every year and then drive into the big box store parking lots and see dozens of campers parked there, yet these stores do not have to have a license to allow them to park. We are a very small RV Park so it takes a long time to earn that \$40 back that it costs us.  
117: Help Barack and rejoice in dipwad going away.  
139: none

171: Glacier Park opening earlier would help and there is not enough on the West Side of GP to keep them here. We need decent roads going up the North Fork and graded roads to Bowman and Kintla Lakes would help. Open up the inside road on the West side of GP. Forest Service could encourage people to travel around the Hungry Horse Dam. People do not know that they can drive around it.

276: People enjoy the pristine nature of our area, lack of commercialism, and good values

288: With the economic situation as it is, we will be fortunate to maintain occupancy of the past few years

314: The price of fuel is the main thing and then getting people to see the real Montana that isn't on the Interstate.

## Type of Tourism Operation: Hotel and Motel

Mean years of operation: 13.9

Range in years of operation: 1-61

Sample size: 56

Hotels and motels represent 18 percent of all survey respondents and 27 percent of all respondents representing the accommodation sector. Glacier Country and Yellowstone Country together represent 61 percent of all hotel and motel respondents in the state.

Reason for Increase in 2008**	#	%*
Better marketing	6	21%
Improved website	11	38%
Expanded operations/services	5	17%
<b>Returning guests</b>	<b>25</b>	<b>86%</b>
Little competition in my area	3	10%
<b>Affordability of what we offer</b>	<b>12</b>	<b>41%</b>
U.S. economy	2	7%
<b>Canadian exchange rate</b>	<b>16</b>	<b>55%</b>
Other exchange rates	4	14%
More local travelers	9	31%
More regional travelers	5	17%
Special event(s) held in our area	7	24%
Weather	3	10%
Fire activity	-	-
Lack of fires	11	38%
Other	5	17%

\*respondents could check multiple answers

\*\*n=29

Travel Region	#	%*
Glacier Country	20	36%
Yellowstone Country	14	25%
Gold West Country	8	14%
Custer Country	4	7%
Russell Country	7	13%
Missouri River Country	3	5%

\*percent may not add to 100 (rounding)

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	7	33%
Increased competition in my area	7	33%
Our pricing may be too high	1	5%
<b>U.S. economy</b>	<b>16</b>	<b>76%</b>
<b>Gas prices</b>	<b>20</b>	<b>95%</b>
Exchange rates	-	-
Fewer local travelers	3	14%
Fewer regional travelers	5	24%
Fewer business travelers	6	29%
Fewer leisure travelers	7	33%
Changes in hunting/fishing licenses	2	10%
Construction in area	3	14%
Weather	-	-
Fire activity	2	10%
Lack of fires	3	14%
Other	-	-

\*respondents could check multiple answers

\*\*n=21

Change in visitors/guests	#	%*
Increase	29	54%
Decrease	21	39%
Remained the same	4	7%



Outlook for 2009	#	%*
Increase	17	31%
Decrease	16	29%
Remain the same	22	40%

Reason for Expected Increase in 2009 (n=17)	#	%*
Bookings/inquires are up	4	24%
Better marketing pursued	4	24%
Improved website	6	35%
<b>Experienced a gradual increase</b>	<b>11</b>	<b>65%</b>
Expanded or improved our offerings	6	35%
<b>Affordability of what we offer</b>	<b>8</b>	<b>47%</b>
Little competition in my area	3	18%
More local travelers	-	-
More regional travelers	3	18%
<b>We get many repeat customers</b>	<b>11</b>	<b>65%</b>
Canadian exchange rate	5	29%
Other exchange rates	1	6%
U.S. economy	3	18%
Special events in our area	6	35%
We are new, so we are increasing	2	12%
Other	1	6%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=16)	#	%*
Bookings/inquires are down	7	44%
We've done less marketing	-	-
Experiencing a gradual decrease	1	6%
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	6	38%
<b>Expect fewer leisure travelers</b>	<b>10</b>	<b>63%</b>
Expect fewer business travelers	5	31%
Expect fewer local travelers	4	25%
Expect fewer regional travelers	5	31%
Changes in hunting/fishing licenses	1	6%
Gas prices	5	31%
<b>U.S. economy</b>	<b>16</b>	<b>100%</b>
<b>Global economy</b>	<b>10</b>	<b>63%</b>
Other	1	6%

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	4	7%
Renovate current site	15	28%
Add more sites/business elsewhere	1	2%
Downsize current business or site	2	4%
Close down/sell business or site	3	6%
<b>Remain the same</b>	<b>36</b>	<b>67%</b>

\*respondents could check multiple answers

\*\*n=54

### Summary and Implications: Hotels and Motels\*

Over half (54%) of the respondents of hotels and motels indicated an increase in visitors in 2008 while 39% indicated a decrease. The top two reasons expressed for a visitation decrease were overwhelmingly gas prices and the U.S. economy. Returning guests (86%) was cited as the number one reason for an increase followed by the Canadian exchange rate (55%) and affordability (41%).

Only 1/3 of the hotels and motels expect an increase in 2009 while 40 percent expect to stay the same and 29 percent expect to experience a visitation decrease. Hotels expecting an increase cite repeat customers, traditional increases, and affordability. Decreases are expected because of the U.S. and global economies causing fewer leisure travelers in 2009.

Implications for 2009:

- Aggressively seek the return visitor
- Use specials and coupons to combat the economic concerns
- Promote regionally

\*These are researcher observations. Individuals should respond according to their own business needs.

## Hotel and Motel: Responses to open ended questions

### *Changes in Type of Visitor: Hotel and Motel*

- 10: tighter wallets– especially to food and retail
- 27: Fewer people from outside the United States. Fewer workers coming to town as projects were delayed due to the economy.
- 37: Almost no families traveling
- 39: Due to the dollar - more foreign visitors - FIT - especially Europeans
- 58: Many guests choosing our hotel with lower rates instead of higher end hotels, more guests are following a budget.
- 59: Foreign travel up with more Canadians frequenting the area
- 63: We are certainly experiencing an increase in Canadian travel and our overseas travel has increased as well, specifically-Europe; Germany, Asia areas—many of these tourists are 48-55 and are looking to experience MT great outdoors, however want the safety and security of knowing we have proficient healthcare and transportation resources. I truly believe that the tourists we see are not thrill-seekers and inactive, they want to experience and get out to view MT.
- 65: We are still seeing the Canadian visitors. Even with an increase in the Canadian exchange to 30% in the past weeks, they are still coming down to shop over Thanksgiving.
- 67: more families
- 78: tourists declined
- 81: Overseas visitors article writers from other countries
- 84: We are seeing a lot of repeat customers
- 89: We bought our motel in August 2007 - and the majority of our guests are workers - not tourists. We have had many international vacationers who comment on the dollar being down as a reason they've come to the US and they come to MT because it's the real wild west.
- 95: More regional travelers
- 99: Looking for the more affordable room.
- 114: We saw more people coming from within the state- Bozeman, Missoula, and Kalispell- and quite a few guests came from Spokane and Seattle area
- 115: We are too new to tell
- 124: We have seen more Canadians this year than in previous years.
- 128: A majority of our guests are corporate and government workers. On the weekends, especially holidays, our neighbors from the north visit. Families tend to travel more in the summer.
- 134: Short, quick visits for business or pleasure
- 140: not much change here
- 146: fewer families; more couples or friends traveling from Canada

- 156: MORE EUROPEANS, ADVANCE BOOKINGS DECREASED, FEWER CANADIANS TRAVELING TO ARIZONA FOR THE WINTER.
- 162: NOT MUCH—VERY SIMILAR TO IN PREVIOUS YEARS
- 165: We had more international visitors
- 170: Fewer of everyone. No traffic from Yellowstone National Park.
- 172: Less families
- 174: corporate travel is up, leisure travel is flat
- 183: The visitors were the same but seemed to be more cost conscious and spent less on souvenirs or spontaneous spending.
- 192: Lots of families carrying more food products to eat in the motel.
- 195: There has not been a change in the type of visitors.
- 213: Tourists are traveling from closer areas, and not staying as long.
- 215: We had mostly Canadian travelers due to the exchange being so close.
- 232: More workers, less travelers
- 236: Canadian tourists up substantially until the exchange rate changed to 80% in September
- 264: Not as many children and I'd say 80% of the children we had were with their grandparents.
- 270: n/a
- 271: more business traveler during summer not very many families traveled this year.
- 294: More European travelers this year
- 300: We haven't seen a change, as we purchased the business in July, but we have noted that the majority of our customers come from ID, MT, OR, WA.
- 313: More construction, Border Patrol and oilfield people. Continued very active hunting consumers, our waiting list is at our average of 40 for 2009.

***Changes in interests and activities of visitors: Motel and Hotel***

- 10: Looking for more local flavor at each stop they have along the way.
- 27: More people coming to see the Missouri Breaks, Crystal Lake, etc. More people looking for fossils or just rock hounding. More University profs. and students coming to visit this area for their classes.
- 39: None
- 58: A lot more going to the park and wanting to see museums.
- 59: none
- 65: We saw more in state visitors who were exploring their state for vacation purposes, instead of spending the dollars to go out of state.
- 67: reunions
- 78: none noticeable
- 81: More gem hunters than fishermen, weddings

- 84: I think we saw more hunters this year
- 89: Do not have much information to compare.
- 95: less luxury (such as massage business)
- 99: same
- 114: We had more people just relaxing outdoors and grilling on our BBQ's or fishing off the dock. We had less sales in our gift shop but an increase in motel/cabin rentals.
- 115: Not really many changes
- 124: People are interested in Lewis & Clark but it is fading. History of the area and fun things to do are what is popular.
- 128: I did not see a change in interest or of activities.
- 134: An intent interest in saving money
- 140: no change
- 146: unknown
- 156: MORE STATIONARY (STAYING 2 OR MORE NITES)
- 162: ALSO SIMILAR TO PREVIOUS YEARS
- 165: more interest in outdoor activities
- 170: Interests remain the same, just fewer people.
- 174: they spent less money on activities, more interest in free activities - hiking, walking trails etc
- 183: We saw more outdoors activities being sought out possibly due to less expensive to hike, fish, bicycle etc.
- 192: None really
- 195: As far as I could tell, the interests of our visitors were the same as it has been.
- 215: We still had a lot of people coming in to see Glacier after the Going-to-the-sun road closed at the top. A lot of these travelers were from the States. Probably due to lower lodging costs.
- 264: none
- 270: interested in many recreational activities other than downhill skiing
- 271: most people we talked to were just going straight from point A to Point B without taking their time like they had planned due to the gas prices.
- 293: Less people eating out. More interest in kitchen units.
- 294: More interest in the Flathead Valley and Glacier Park
- 300: We haven't seen a change, but the visitors include: four-wheelers, hikers, bicyclists, motorcyclists, fishers, hunters, nature lovers and site seers. The site seeing includes: Lake Como, Painted Rocks Lake, and 3.5 million acres of untouched wilderness, Lewis and Clark Trail, Big Hole Valley, Continental Divide Hiking Trail, and much more.
- 313: Continuation of hunting and birding groups, thanks to local farmers enhancing habitat.

***Steps taking to address downturn in economy: Motel and Hotel***

- 10: Improve product to remain stable, continue to deliver quality service and cleanliness.
- 27: Trying to keep prices low.
- 37: more aggressive on rates
- 39: Anticipating flat revenue with increased costs we're looking at holding/freezing wages and eliminating all extra costs
- 59: aggressive marketing/advertising campaigns-- spending more
- 63: We are looking at changing our traditional target market to have an optimal business mix that is focused on sectors that are unwaivered in an economic downturn.
- 65: Tightening staff a bit. Cutting the nonessential advertising dollars. Praying for the best.
- 67: none
- 77: Reduce pricing
- 78: looking to use renewable energy sources on site if possible and have installed high efficiency light bulbs.
- 81: Energy awareness, less expensive food
- 84: None
- 89: Tightening our budget on items like office supplies. We are doing more research on companies that offer better prices, even if it means we have more suppliers to deal with. We are increasing the quality and quantity of our marketing and doing so with affordable tactics.
- 95: conserve costs for more energy efficiency
- 99: Try to cater to the bargain hunters.
- 114: We have put off additional expansion projects and remodeling until we see how next year goes.
- 115: Improved Website and aggressive advertising
- 124: Conserving energy. Watching our costs of items and labor. We have a package during the slow time that is popular with our regular guests.
- 128: We, at this point, have not taken any action.
- 134: Cutting rates & renting to locals by the week and month
- 140: We will not hire any extra employees. Administration will have to take up the slack. We will be more diligent when making any purchases.
- 146: Continuing to offer a consistent product that has value. Continuing to maintain the property. Additional advertising. Watching for waste in the expenses.
- 156: MORE SALES, LOWER RATES
- 162: NONE
- 165: improving website info, marketing into larger local markets, trying different ad styles, downsizing yellow pages ads

- 170: Trying to target market the people that are coming and offer more incentives.
- 172: Watching our expenses.
- 174: reducing costs, reducing labor
- 183: We will continue to offer the best services in town & advertise for our return guests, especially the regional guests
- 192: Upgrading the outside looks of our motel.
- 195: Operate conservatively and hopefully make it through the tough times we have coming, especially with the election of Barack Obama.
- 213: Lowering rate a bit, and getting more coupons out.
- 215: Offering more packages
- 236: cut both of our restaurants hours substantially layoff of staff (8 employees) conservative advertising - targeting only key Montana travelers from our guest history -less magazine advertising (Flathead Living, Big Sky Journal) -cut yellow pages advertising \$500 per month -increase effectiveness of website - website-redesign July 08 -more direct mailing of postcards during off season of our specials -reduction of utility consumption (closing off the gallery area/reduction of restaurant hours/energy efficient lighting) -reduction of 3 telephone lines
- 270: promoting off season activities
- 271: We lowered our rates during summer season last year due to the higher price of gas. We have our prices lower though out the winter months. They will increase a bit for the summer season but will still be about the rate they were last summer. If price on gas goes up which every customer has expressed concerns about then we can only lower the rates again and hope for the best.
- 293: Slight decrease in rates.
- 294: Using earth friendly, low energy bulbs (CFG), and closing one section of our Motel for the winter.
- 300: The motel had a poor reputation prior to our purchase of it on July 11, 2008, in terms of cleanliness. We are now offering clean, comfortable, affordable guest rooms. We focus on providing outstanding customer service. We have installed new beds, we have new linens, new towels, new furniture, new artwork. We will continue to improve the comfort, style and cleanliness.
- 313: So far it does not appear to affect us, we are still short of needed employees.

### ***Additional Comments: Hotels and Motels***

- 27: Many of my guests are workers from other parts of Montana, here to work jobs for a week or two. They have to keep a residence somewhere else in Montana, as well as pay for their rooms here; few get per diem. It doesn't seem right that they should pay 7% bed tax. They are not tourists and are here out of necessity, rather than vacation. Also, in trying to keep rooms very clean and affordable, I find that I no longer can afford to hire help more than once a week due to rising costs of power, water, and taxes.
- 39: I believe 2009 is going to be a year which we separate the strong from the weak. In a weaker economy I believe innovation coupled with solid management makes for an okay year.
- 58: I think this area is being overrun by hotels, there is no way for smaller facilities to compete with the larger chains. They need to stop building hotels, and start bringing in more attractions for guests to come for.

63: I truly believe that as a city, we need to look at increasing our business sector for stability and positive growth. Attracting new companies and larger corporations to work, live and play and finding resources or solutions to the limited air service. It is crucial for our success to have the infrastructures in place to truly consider ourselves as a state whose #1 source of Revenue is Tourism!

78: I'm worried generally and am grateful I haven't borrowed money to upgrade my facility. There is supposedly a new motel coming into town and that is of extreme concern in this environment. We have too many motels now except for July when we're all full. If we were all full 6 months a year it would make sense, but it usually isn't possible to do pay-as-you-go upgrades. I never know if I'm going to be able to hang on the next year.

89: I wish our community would embrace tourism better - most people we talk to are convinced that tourism is not a viable market for the area, though we are in western Montana with 4.3 million acres of public lands for tourists to enjoy. Plus the Clark Fork River runs through...

99: None

134: 1. Get the business inventory tax eliminated 2. Reduce or eliminate bed tax for motels/hotels charging less than \$50.00 per night (Why do we tax the low income travelers at the same rate as corporate and tourist travelers. The poor are traveling to find work 3. Use ALL the money from the bed tax to market Montana.

156: HELENA NEEDS BETTER RESTAURANTS (RED LOBSTER & OLIVE GARDEN). BUSINESSES NEED TO STAY OPEN LONGER DURING THE SUMMER (LABOR DAY SHOULD NOT MEAN THE END OF TOURIST SEASON SINCE THIS LEAVES THE RETIRED GUESTS WITH LITTLE ACTIVITY SUCH AS GATES OF THE MOUNTAINS, SAPPHIRES, ETC)

162: UNLESS THERE IS A BIG CHANGE IN THE ECONOMY, I THINK BUSINESS SHOULD REMAIN SIMILAR IN COMING YEARS.

165: It would be nice to feature the small town/ out of the way sites. "Discover the undiscovered" try and reach the adventure/ eco/ older travelers that want to see something different, without all the tourist traps

170: We have experienced one of the worst highway construction jobs I have ever seen. The MDOT did not do the businesses in the Gallatin Canyon (Big Sky Area ) any favors the summer of 2008 and it appears we have to deal with the same ineptness for the summer of 2009 i.e. no Yellowstone Park Traffic, no thru traffic and doing it all during our dinner hour.

174: I'm concerned because Travel Montana seems to be reducing trade shows etc that attract group business

192: Really didn't see any slow down due to gas prices.

195: I believe that the economy is not going to get better anytime soon. I also think that with the election of Barack Obama and his plans to raise taxes on small businesses (redistribute wealth), that the worst is yet to come. Also, a big draw to our area (the only draw in the winter) is snowmobiling and ATVing is the summer and the Democrats are always closing down our already small recreation area, so we have that to look forward to also. All in all, we are very worried and will cut back and not hire anymore employees so we can make it through these times.

236: Travel Montana needs to be VERY aggressive in marketing Montana

270: Montana is an expensive place to visit and to get to. Nothing can be done about that I suppose.

293: Need more exposure from the state to promote tourism.

294: The change to the "AMERO" dollar might help our economy with the Canadian and Mexican trade but we will lose our own sovereignty for the good ol USA. I'm sure with the economy down like it is more people will be moving into our area from the big cities for a better "life". Right now the out of staters are the only ones that can afford the housing as it is.

300: Montana needs to keep their Web sites up-to-date. Include as many photographs (low res for fast uploading) as possible. The 7% tax on lodging needs to produce tourists and visitors. We all need to work together to make Montana a year-round destination.

313: Our business is in a unique area as we do best if oil prices are high and we are usually understaffed. Hunting and birding are our chief tourism, but oil and construction keeps us going.



## Type of Tourism Operation: Outfitters, Guides, Cattle drives, Wagon trains, Tours

Mean years of operation: 15.6

Range in years of operation: <1-71

Sample size: 44

The respondents for the businesses in this section include 31 outfitters/guides, 1 cattle drive/wagon train, and 12 tour operations. This group represents 14 percent of all respondents to the outlook survey.

Travel Region	#	%*
Glacier Country	13	30%
Yellowstone Country	12	27%
Gold West Country	5	11%
Custer Country	3	7%
Russell Country	8	18%
Missouri River Country	3	7%

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	15	34%
Decrease	21	48%
Remained the same	8	18%

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	<b>7</b>	<b>47%</b>
Improved website	6	40%
Expanded operations/services	6	40%
<b>Returning guests</b>	<b>12</b>	<b>80%</b>
Little competition in my area	1	7%
Affordability of what we offer	4	27%
U.S. economy	-	-
Canadian exchange rate	-	-
Other exchange rates	1	7%
More local travelers	2	13%
More regional travelers	4	27%
Special event(s) held in our area	-	-
Weather	2	13%
Fire activity	-	-
Lack of fires	5	33%
Other	4	27%

\*respondents could check multiple answers

\*\*n= 15

Reason for Decrease in 2008**	#	%*
Less advertising on our part	2	10%
Reduced offerings/services	-	-
Fewer returning guests	7	35%
Increased competition in my area	5	25%
Our pricing may be too high	2	10%
<b>U.S. economy</b>	<b>12</b>	<b>60%</b>
<b>Gas prices</b>	<b>13</b>	<b>65%</b>
Exchange rates	-	-
Fewer local travelers	2	10%
Fewer regional travelers	3	15%
Fewer business travelers	1	5%
Fewer leisure travelers	6	30%
Changes in hunting/fishing licenses	4	20%
Construction in area	-	-
Weather	3	15%
Fire activity	1	5%
Lack of fires	-	-
Other	1	5%

\*respondents could check multiple answers

\*\*n= 20

Outlook for 2009	#	%*
Increase	9	21%
Decrease	16	37%
Remain the same	18	42%

Reason for Expected Increase in 2009 (n=9)	#	%*
Bookings/inquires are up	3	33%
Better marketing pursued	3	33%
Improved website	5	56%
<b>Experienced a gradual increase</b>	<b>6</b>	<b>67%</b>
Expanded or improved our offerings	4	44%
Affordability of what we offer	3	33%
Little competition in my area	2	22%
More local travelers	1	11%
More regional travelers	3	33%
<b>We get many repeat customers</b>	<b>6</b>	<b>67%</b>
Canadian exchange rate	-	-
Other exchange rates	1	11%
U.S. economy	1	11%
Special events in our area	2	22%
We are new, so we are increasing	1	11%
Other	-	-

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=16)	#	%*
<b>Bookings/inquires are down</b>	<b>11</b>	<b>69%</b>
We've done less marketing	-	-
Experiencing a gradual decrease	2	13%
Reduced our offerings/services	-	-
Our pricing may be too high	2	13%
Increased competition in my area	2	13%
<b>Expect fewer leisure travelers</b>	<b>10</b>	<b>63%</b>
Expect fewer business travelers	2	13%
Expect fewer local travelers	3	19%
Expect fewer regional travelers	3	19%
Changes in hunting/fishing licenses	5	31%
Gas prices	6	38%
<b>U.S. economy</b>	<b>14</b>	<b>88%</b>
Global economy	6	38%
Other	1	6%

\*respondents could check multiple answers

Plans for 2009**	#	%*
<b>Expand current business or site</b>	<b>9</b>	<b>21%</b>
Renovate current site	4	9%
Add more sites/business elsewhere	4	9%
Downsize current business or site	3	7%
Close down/sell business or site	2	5%
<b>Remain the same</b>	<b>31</b>	<b>71%</b>

\*respondents could check multiple answers

\*\*n= 44

### Summary and Implications: Outfitters/guides, Cattle drive/Wagon train, and Tours\*

This “tour” section represents businesses who take their visitor out for an outdoor experience in Montana. Thirty-four percent had an increase due to returning guests, but 48 percent had a decrease of business in 2008 with gas prices and the U.S. economy cited as the reasons.

Most respondents in this “tour” category believe things will remain the same in 2009 as compared to 2008 (42%) but over one third (37%) believe they will decrease partly because bookings are down, but also due to a concern about the U.S. economy which influences the number of leisure travelers.

Implications for 2009:

- As with most tourism business in MT, return guests tend to be the key to business stability. Extra focus on previous visitors may keep these types of businesses successful in 2009.
- Collaborative marketing between businesses in this category may increase interest for visitors.
- It is recommended that packages between “tour” businesses be pursued. Perhaps the visitor could receive a discount when using the services of more than one company.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **Outfitters, Guides, Cattle drives, Wagon trains, Tours: Responses to open ended questions**

### ***Changes in Type of Visitor: Outfitters, Guides, Cattle drives, Wagon trains, Tours***

- 3: More international tourists of all ages. More regional tourists.
- 7: instead of multi-day bookings many were only one day
- 15: Less blue-collar recreationists; shorter trips for those who do come.
- 22: They did not book ahead, they wanted to book for the next day or just 1 week out, very few early bookings. It seemed like they wanted to get here then decide what to do or spend money and time on. More local business.
- 24: More resistance to cost of hunting licenses and willingness to look at hunting in other states instead.
- 25: We had more large groups and less smaller groups and local customers.
- 46: I believe that there were more regional travelers vs. families that flew here from somewhere else.
- 69: We always see a number of foreign people, but can't really say the numbers were up or down compared to the last couple of years.
- 71: more novices, which is good
- 119: Fewer numbers
- 125: local people getting friends to do things coming from other states
- 136: Not much change from 2007 to 2008....we have had a mixture of US tourists, foreigners, and Montana residents. I believe in 2009 we will get more Montana residents with family and friends visiting and more tourists from bordering states.
- 148: The visitors to our business have been about the same kind of people. More guests are driving to Montana this fall, instead of flying.
- 152: Fewer American visitors. Thankful for Canadian traffic that came to shop and sightsee or decrease in visitations would have been considerably decreased.
- 153: more international travelers— it seems
- 155: More interest in traveling locally, regionally, etc. instead of internationally
- 173: More people with more money
- 179: More do it yourself-ers trying to keep costs down.
- 181: None
- 186: none, I work with senior groups, primarily, that have always wanted to come to Montana and are finally getting around to it.
- 187: No real change in the type of visitors but a decrease in the visitors we had.
- 196: They are spending less
- 217: More local, close-in market

219: Visitors know that they go to other states if Montana does not appreciate their dollars, THEY WILL GO SOMEWHERE ELSE, AND IN 2009 THEY WILL.

230: None

252: No change in type of visitor...just fewer in number

253: Limited numbers

257: We saw more from the southern states than in the past and more interested in day trips.

281: None

290: We have seen more national and international visitors. We used to have mostly local business.

***Changes in interests and activities of visitors: Outfitters, Guides, Cattle drives, Wagon trains, Tours***

3: International tourists driving more, Regional tourists driving less

7: more do-it-yourself type folks

15: None.

22: Just the same, waited to book the trips until they got in the area.

24: none

25: can't think of any off the top of my head.

46: They seemed to pare down on the "luxury spending" such as gift shops, eating out, etc.

69: Tourists were definitely here, or at least seemed to be. They were curious to look around, but not able to or interested in buying goods or services.

71: more interested in scenic

125: just want to slow down not have such a fast pace on vacation

136: I did not see any real changes in interest. The hunting, fishing, pack trip, and day ride interest was pretty much the same as last year. However, we did add a backcountry photography workshop that gathered some interest.

148: No special changes noted.

152: Canadian shopping and sightseeing traffic increased.

153: many want to visit Yellowstone Country to view wolves and bears. This is true normally, but it seems it is increasingly so

155: Staying closer to home, but trying different things.

173: More an interest in our services, as historic and cultural interest.

181: None

186: no changes from senior groups of the past few years.

187: There is a decrease in archery antelope hunters because there is no longer an unlimited season. We get many archery antelope hunters from Arizona where they can not draw a tag so they really like the unlimited archery license. Now we no longer have it and now people are shying away from Montana in that section.

- 196: None
- 201: people staying closer to home
- 217: more hikers
- 219: LIKE I SAID, THE WORD IS OUT, MONTANA IS ANTI BUSINESS, AND NONRESIDENTS ARE TIRED OF SPENDING MONEY IN MONTANA THEN BEING TREATED LIKE DIRT. AS A RESIDENT OUTFITTER I AM ALSO TIRED OF THE ANTI BUSINESS ATTITUDE, MONTANA NEEDS NONRESIDENT MONEY, OUR STATE DEPENDS ON IT, WE LOST HUGE WITH THE ELK ARCHERY REGULATION AND IT WILL BE FELT IN SEPT OCT 2009
- 230: Shorter length of overall vacation days spent in area
- 252: They looked for finding ways of doing things as cheaply as possible
- 253: Not willing to pay for as many adventures
- 257: Simple request for customized day trips/more so than before and more comparison shopping.
- 281: None

***Steps taking to address downturn in economy: Outfitters, Guides, Cattle drives, Wagon trains, Tours***

- 3: more marketing, attempting to take advantage of National Folk Festival
- 7: making sure advertising dollars are spent wisely
- 15: Offering more services for last year's pricing.
- 22: I am doing 3 trade shows that I have not done in the past. In the area one in Spokane, one in Great Falls, one in Kalispell.
- 24: cutting expenses, not implementing planned increases in prices.
- 25: We are anticipating less business next year, so we are reducing large expenses that may not be needed.
- 33: Competitive pricing, improve internet advertising.
- 46: We're putting a couple of capital projects and investments on hold and watching our other discretionary spending.
- 69: We will be doing some downsizing, perhaps a cost increase is in order, though easy to get too high when no one has any money.
- 71: increase rates
- 93: updating the web site.
- 125: no expansion, stay the same and do better at it
- 136: We are streamlining our advertising and looking for ways to trim our operating expenses without short changing our clients.
- 148: We are trying to create shorter, less expensive packages. Also trying to increase the types of hunting activities that may be more appealing to Montana folks.
- 152: Co-op advertising with other entities in promoting area/events.

153: try to diversify and offer some different products and services with lower prices and easy accessibility. Otherwise, just tough it out with (hopefully) just one slow year

155: Keeping it smaller on the retail side of things

173: Holding our prices near the same as the last few years.

179: Paying off debt and preparing for a tight season next year. Can always expand quickly if bookings warrant.

181: Set-up more economical evening trips to attract locals. The reason is our locals stayed home this year and seemed to purchase recreation gear to support stay at home activities. We had less trips, but sold more complete raft set-ups for family floating.

186: none at this time

187: I have quadrupled my advertizing in anticipation for this downturn and also started offering hunts in other states due to license prices in Montana and the reduction of archery licenses. Other states are much cheaper than Montana and I have to be competitive and make a living at the same time.

196: Reevaluating our pricing structure and adding a value, scaled down service option.

217: Status Quo

219: I AM APOLOGIZING TO MY CLIENTS FOR THE WAY MONTANA IS TREATING THEM AND I AM ASSURING MY CLIENTS THAT I DO APPRECIATE THEIR BUSINESS EVEN THOUGH OUR STATE IS NOT IN TOUCH WITH TOURISM.

230: Not making as big preseason orders for retail goods. Focusing on more "core" type items rather than "fringe" market ideas on hopes of hitting home runs on perhaps marginal items

252: I'm already as small as I can get and do things as cheaply as possible.

253: advertise more

257: Actually we are optimistic as we are niche marketing for families and small groups.

281: Take a wait and see attitude.

290: We are a very small business and will not need to take steps. We have a high-priced product that shouldn't be too affected....either people can afford it now, or they can't afford it at all.

***Additional Comments: Outfitters, Guides, Cattle drives, Wagon trains, Tours***

7: We are in a luxury business; people do not need to go fishing for \$400 a day. Many of my clients lost 20-40% of their retirement portfolios. Hopefully things should turn around.

22: I think the price of the gas was the down turn. My business is different in that it is an upper middle class activity. I felt that holding the same numbers as last year was an increase in business comparing to my competition. My competition expressed a sharp decline in their clients, as I held the same so I felt I got some of their clients.

24: Clients and potential clients are expressing feeling unwelcome in our state due to the recent changes to non-resident hunting licenses and permits.

25: Montana needs more funds to advertise this state as a destination vacation state, this is the last best place.

- 46: I believe that our National Parks will continue to draw people, even in a down turn. I think that they'll continue to spend less on discretionary items and services; but will continue to come for the "experience".
- 69: 2008 seemed fair, comparable to 2007 until the first of August. Not sure if families are heading back to school earlier, or maybe gas prices finally caught up with the travelers. They were here, but just not able to buy anything?
- 71: We need a statewide moratorium on new fishing outfitters.
- 93: I do believe that our FWP Department has the out of state licenses way too high. I deal with "normal" hard-working hunters that just cannot afford the higher travel costs and the increasing license charges.
- 125: need to get the word out on business, the best bang for your dollar. need people to write more stories about what we do
- 148: With Obama's election, we have also thought that maybe some people will rush to go on a major hunting trip in the next couple of years, before (many fear) their guns are confiscated.
- 152: Concerns: Potential reduction in number of airline flights to city/state; increased cost of transportation/fuel, utilities, medical, groceries; and general uncertainty of economy. Necessities will come first for people. MT will need to increase strategically placed promotional campaigns to lure visitors here in 2009.
- 153: I am concerned negative views and management action in the state and region concerning wolf management is negatively affecting the potential for even more tourism derived from these wildlife resources. I would like to see the state and region recognize and promote the solid economic opportunities that exist with watchable wildlife like wolves and other carnivores, please!
- 173: I think it's important to make the traveler aware that our state and its opportunities are still a great value.
- 181: This year we had less USA tourists and more Canadian tourists.
- 186: I have always seen a great interest in senior/leisure groups visiting Montana, and I work with a few tour companies from out of state that do a great job of marketing Montana for us.
- 187: Reduce license prices and I don't see any reason for reducing archery antelope licenses (at least in my area).
- 217: Exchange Rate-Crossing border complications
- 219: EASTERN MONTANAS ECONOMY IS IN TROUBLE. WITH THE NEW ARCHERY REGULATION OUR BUSINESS IS GOING TO BE DOWN OVER 50% IN SEPT OCT 2009. ALL SMALL BUSINESS IN MONTANA IS GOING TO BE AFFECTED BY THIS. I DO NOT FEEL THAT ANYONE KNOWS THE HUGE BLOW THAT WE AS OUTFITTERS AND LANDOWNERS ARE TAKING FROM THIS.
- 230: Here's to hoping we have a great winter, the economy takes a perceived turn for the better and the media quits making it sound as though the sky is falling!
- 252: We need to get this economy turned around and make sure ALL of the businesses get the necessary opportunity for help, not just the multi-billion dollar industries that have gotten themselves into trouble by their own purposeful incompetence.
- 253: attitudes need to change but before that can happen wall street needs to rebound.
- 257: People are accustomed to faster internet speed and quicker access many are not prepared to plan ahead and make reservations so we turned some business down, unable to react in their time frame. They fail to understand operating in a mountain setting with fires trail closures, and travel time.
- 281: We are about 60% booked for next year and expect to be fully booked again next fall.
- 284: economy and not much any one can do about that right now

## Type of Tourism Operation: Travel & Event Planners, Tourism Promotion & Advertising

Mean years of operation: 10.5

Range in years of operation: 1-62

Sample size: 24

Respondents for businesses in this section are a combination of planning and promotion businesses. These include five travel planners, three event planners, and 16 tourism promotion and advertising companies. This group represents 8 percent of all respondents to the outlook survey.

Reason for Increase in 2008**	#	%*
Better marketing	4	40%
<b>Improved website</b>	<b>5</b>	<b>50%</b>
Expanded operations/services	3	30%
<b>Returning guests</b>	<b>6</b>	<b>60%</b>
Little competition in my area	1	10%
Affordability of what we offer	2	20%
U.S. economy	4	40%
Canadian exchange rate	3	30%
Other exchange rates	-	-
More local travelers	2	20%
More regional travelers	3	30%
Special event(s) held in our area	3	30%
Weather	1	10%
Fire activity	-	-
Lack of fires	3	30%
Other	1	10%

\*respondents could check multiple answers

\*\*n=10

Travel Region	#	%*
Glacier Country	5	21%
Yellowstone Country	8	33%
Gold West Country	1	4%
Custer Country	2	8%
Russell Country	5	21%
Missouri River Country	3	13%

\*percent may not add to 100 (rounding)

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	1	10%
Increased competition in my area	2	20%
Our pricing may be too high	-	-
<b>U.S. economy</b>	<b>7</b>	<b>70%</b>
<b>Gas prices</b>	<b>9</b>	<b>90%</b>
Exchange rates	1	4%
Fewer local travelers	2	20%
Fewer regional travelers	1	10%
Fewer business travelers	2	20%
Fewer leisure travelers	3	30%
Changes in hunting/fishing licenses	1	10%
Construction in area	3	30%
Weather	2	20%
Fire activity	2	20%
Lack of fires	-	-
Other	1	10%

\*respondents could check multiple answers

\*\*n=10

Change in visitors/guests	#	%*
Increase	11	46%
Decrease	10	42%
Remained the same	3	13%

\*percent may not add to 100 (rounding)



Outlook for 2009	#	%*
Increase	7	29%
Decrease	7	29%
Remain the same	10	42%

Reason for Expected Increase in 2009 (n=7)	#	%*
Bookings/inquires are up	2	29%
<b>Better marketing pursued</b>	<b>6</b>	<b>85%</b>
Improved website	3	43%
Experienced a gradual increase	3	43%
Expanded or improved our offerings	1	14%
Affordability of what we offer	3	43%
Little competition in my area	-	-
More local travelers	2	29%
More regional travelers	3	43%
We get many repeat customers	2	29%
Canadian exchange rate	2	29%
Other exchange rates	-	-
U.S. economy	2	29%
Special events in our area	3	43%
We are new, so we are increasing	-	-
Other	1	14%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=7)	#	%*
Bookings/inquires are down	2	29%
We've done less marketing	-	-
Experiencing a gradual decrease	-	-
Reduced our offerings/services	1	14%
Our pricing may be too high	-	-
Increased competition in my area	2	29%
Expect fewer leisure travelers	4	57%
Expect fewer business travelers	2	29%
Expect fewer local travelers	1	14%
Expect fewer regional travelers	2	29%
Changes in hunting/fishing licenses	-	-
Gas prices	2	29%
<b>U.S. economy</b>	<b>6</b>	<b>86%</b>
Global economy	4	57%
Other	2	29%

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	6	25%
Renovate current site	4	17%
Add more sites/business elsewhere	-	-
Downsize current business or site	-	-
Close down/sell business or site	1	4%
<b>Remain the same</b>	<b>16</b>	<b>67%</b>

\*respondents could check multiple answers

\*\*n=24

### Summary and Implications: Travel Planners, Event Planners, Tourism Promotion/Advertising\*

With only 24 respondents in this category, it is not possible to make generalizations but trends for these respondents are provided. Planners and promoters were almost evenly split between those who saw an increase and those who saw a decrease in 2008 (46% and 42% respectively). Improved websites and returning guests were cited for increases while gas prices (90%) topped the list for reasons of a decrease followed by the U.S. economy (70%).

Forty-two percent of the planner and promoter respondents expect 2009 to remain the same as 2008 with the remaining 48 percent expecting an increase or a decrease (split evenly). Better marketing was cited for an expected increase while the U.S. economy is cited as the number one reason for an expected decrease (86%).

Implications for 2009:

- Planners and promoters will need to pursue every available marketing technique available so potential visitors are aware of the Montana product. This may be the time to target smaller niche markets who are interested in specific activities. These types of people will usually find the time and money to continue their favorite activities.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **Travel and Event planners, Tourism promotion, Advertising: Responses to open ended questions**

### ***Changes in Type of Visitor: Travel and Event planners, Tourism promotion, Advertising***

- 23: not many locals even traveling to destinations in our one state
- 31: More Europeans than normal
- 40: More local traffic and staying longer once they are here.
- 41: More Senior citizens and families wanting to visit our reservation plus others in Montana.
- 66: Our clients are averaging 3-4 days stays.
- 80: Less families and more couples or single travelers.
- 116: Many, many more Canadian visitors as well as destination weddings.
- 130: More than usual, regional visitors as well as more foreigners.
- 159: People eating out less, buying own food. Conservative with gas driving.
- 164: Our business clients are expecting higher end services that are more comparable with similar destinations.
- 204: I think we are seeing fewer leisure travelers and I believe we will be seeing fewer business travelers this upcoming year. Visitors are spending less money when they are here on extras. Many are coming in RVs or camping.
- 208: More Canadians, more travelers from around the area
- 223: Many more visitors from abroad. Many people returned for the All Class Reunion and Centennial
- 242: More tourists visited the Chamber that were doing things that were more family oriented or looking for things that were slower-paced. Or the local people were looking for things to do that were closer to home; camping etc. The Parks were still their main target of destination for the most part.
- 273: It appears from my interviewing our lodging partners that the local MT travelers backed off the most. It affected the smaller lodging partners much more than the larger ones. We saw an increase in international visitors and our out of state visitors dropped off a bit but not nearly as much as was feared. The lower income travelers seem to be the ones who dropped out. Our advertisers struggled as those who came cut back on their expenditures somewhat.
- 277: Travelers are doing gobs of research on the web. They seek all sorts of information via the web.
- 296: Continued increase of Canadians, with time to see attractions & attend events, currently still a lot of out of state hunters, more state anglers and families visiting Fort Peck lake, increase in meetings and convention, sporting, cultural events and activities.
- 312: This summer we experienced more international travelers, however, we believe this is due to marketing. Overall, many Montana travelers.

***Changes in interests and activities of visitors:*** *Travel and Event planners, Tourism promotion, Advertising*

- 23: want the best deals and could not find any
- 31: no changes
- 40: Because of gas prices the guided summer van tours were a more economical choice versus driving on your own.
- 41: More of the Indian visitors have RV's.
- 80: More visitors interested in outdoor activities.
- 116: More concern about being "green" but interest remains high in all recreational activities.
- 130: More people are traveling cross country, i.e. Florida to Alaska and crossing the boarder into Canada near our Visitor Information Center.
- 159: Less money spent on luxuries. Outfitting down.
- 200: Fewer people due to high gas prices.
- 204: Not a lot in our area. People are looking for deals, coupons, etc.
- 208: All of our sites had good years-- thus tourists are still interested in our local attractions
- 223: Not a lot of change.
- 242: About same interests, especially fishing of all kinds for the summer months; that seemed to pick up as the summer went on. We also saw lots of visitors from overseas and Canada this summer AND they had spent a long time (up to 3 - 5 weeks) in the park areas: Yellowstone, Jackson Hole, Cody etc. As hunting season approached we saw several guided hunters using airlines to get to their destination.
- 273: The travelers, if international, felt as though everything was a bargain and enjoyed buying, recreating and entertaining themselves. Out of state travelers cut back their expenditures and came in fewer numbers with the lower income traveler cutting back the most in numbers of travelers and their expenditures. Our restaurants cut back on their menu offerings with the fine dining sector suffering the most. All this being said, businesses are cutting way back on their expenditures. This is making things worse as fear is creating a contracting economy.
- 277: People are looking for "experiences" not just a trip.
- 296: Varied interests and a wide range of demographics.
- 312: Most tourists that stay with us are visiting Glacier National Park. Therefore, we did not notice any changes in activities.

***Steps taking to address downturn in economy:*** *Travel and Event planners, Tourism promotion, Advertising*

- 23: hope the new president will help
- 31: none
- 40: Trying to give the clients more for their money, offering more opportunities and activities for longer stays once the guest arrives.
- 41: Provide more RV hookups so visitors will have a place to stop and visit the area.

- 47: We are trying to promote what we have to offer that is unique and focusing on some of our natural resources we have been taking for granted. We are trying to boost our community to assist them with tourism.
- 66: Marketing towards a family experience for a life time.
- 116: Keeping on keeping on! Getting the most affordable rates for the best services they request.
- 130: Hope to see increase as gas prices go down, and economy strengthens in future
- 159: Keep our marketing up for our area.
- 164: As a team we are searching for any creative ideas to keep our client's meetings well attended. We are hopeful to at least maintain our current level of staffing but may move a few positions to part time. We will be forced to lay off if the numbers continue to decline.
- 200: Cutting back on expenses.
- 204: We are working closely with our regional and state promotions offices to spread our marketing dollars and to be very targeted with our marketing. We are also working with our local attractions, non-profit organizations, and private sector businesses to help them target market, to help promote their events, etc. to our drive and direct flight markets, and to help them see the value of partnership and partnership marketing.
- 208: Going to focus on regional travel markets, looking at partnerships in our marketing plan
- 223: Additional advertising via Visitors Guide Brochure which will be located in more high traffic areas.
- 242: Just keep status quo; hoping to support the regular businesses in our community. Some businesses are down about 50 per cent so we may see some layoffs before Christmas; that will mean people will be tightening their budgets and probably won't be travelling as much. We have seen few layoffs by our Chamber members
- 273: We are adjusting our ad sizes making some less costly offerings. We are also packaging ads in theme pages that offer communities a less expensive way of advertising while creating a more unified way of promoting their community.
- 277: We will downsize and reduce expenses related to operations.
- 296: More shop locally campaigns. We are trying to institute the Tourism Business Industry District, we are participating in Montana Main Street. We are pursuing grants and new creative funding sources. Pursuing a Community College and workforce development.
- 312: We are a small family run motel/campground. We have cut back for winter season. However; we need a busy summer, to survive the winter. We hope that our size and locations will protect us from the economic downturn. With over a million plus visitors a year there is not many lodging options close the GNP, this gives us an advantage over the large hotels in Kalispell with a much larger overhead.

***Additional Comments: Travel and Event planners, Tourism promotion, Advertising***

- 41: The Seven Lodges Visitors Guide being published will be a great asset to our reservations.
- 208: That we try to remain optimistic and not let any down turn the economy affect the plans we have
- 242: While we have seen some small "fly by night" businesses go under we still see the regular well-established businesses holding on and doing fair. They all report about business and tourists "slowing down". However, they remain steadfast on the services they offer and have offered over the years.
- 273: My largest concern is the fears being faced by the industry are creating a business environment which though not in terrible shape is acting as though things are much worse than they actually are. If they continue acting on fear they may create an environment that matches their fears.

277: Travel Montana advertising needs to emphasize the "economic value" of visiting Montana.

296: To obtain grants, market regionally and statewide we need data on Resident travel trends and expenditures, which is currently not available. Our community can attract statewide recreation, cultural and sports events—we need the data and research to back up our proposals.

## Type of Tourism Operation: Vacation homes, Condos, Cabins

Mean years of operation: 4.9

Range in years of operation: 1-18

Sample size: 82

This section is devised of an accommodation type where the visitor is most likely to spend multiple days in one location. This group represents 26 percent of all respondents to the outlook survey and 40 percent of all respondents of accommodations.

Travel Region	#	%*
Glacier Country	31	38%
Yellowstone Country	36	44%
Gold West Country	12	15%
Custer Country	1	1%
Russell Country	2	2%
Missouri River Country	-	-

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	40	49%
Decrease	21	26%
Remained the same	20	24%

\*percent may not add to 100 (rounding)

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	<b>17</b>	<b>44%</b>
Improved website	8	21%
Expanded operations/services	3	8%
<b>Returning guests</b>	<b>22</b>	<b>56%</b>
Little competition in my area	5	13%
<b>Affordability of what we offer</b>	<b>24</b>	<b>62%</b>
U.S. economy	2	5%
Canadian exchange rate	5	13%
Other exchange rates	1	3%
More local travelers	3	8%
More regional travelers	9	23%
Special event(s) held in our area	3	8%
Weather	3	8%
Fire activity	1	3%
Lack of fires	13	33%
Other	5	13%

\*respondents could check multiple answers

\*\*n=39

Reason for Decrease in 2008**	#	%*
Less advertising on our part	3	14%
Reduced offerings/services	1	5%
Fewer returning guests	4	19%
Increased competition in my area	4	19%
Our pricing may be too high	1	5%
<b>U.S. economy</b>	<b>16</b>	<b>76%</b>
<b>Gas prices</b>	<b>18</b>	<b>86%</b>
Exchange rates	1	5%
Fewer local travelers	2	10%
Fewer regional travelers	5	24%
Fewer business travelers	2	10%
Fewer leisure travelers	5	24%
Changes in hunting/fishing licenses	-	-
Construction in area	2	10%
Weather	-	-
Fire activity	3	14%
Lack of fires	-	-
Other	3	14%

\*respondents could check multiple answers

\*\*n=21

Outlook for 2009	#	%*
Increase	27	34%
Decrease	20	25%
Remain the same	33	41%

Reason for Expected Increase in 2009 (n=27)	#	%*
Bookings/inquires are up	11	41%
Better marketing pursued	9	33%
Improved website	6	22%
<b>Experienced a gradual increase</b>	<b>13</b>	<b>48%</b>
Expanded or improved our offerings	2	7%
<b>Affordability of what we offer</b>	<b>12</b>	<b>44%</b>
Little competition in my area	3	11%
More local travelers	3	11%
More regional travelers	3	11%
<b>We get many repeat customers</b>	<b>14</b>	<b>52%</b>
Canadian exchange rate	1	4%
Other exchange rates	-	-
U.S. economy	2	7%
Special events in our area	2	7%
We are new, so we are increasing	9	33%
Other	4	15%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=20)	#	%*
<b>Bookings/inquires are down</b>	<b>11</b>	<b>55%</b>
We've done less marketing	-	-
Experiencing a gradual decrease	3	15%
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	3	15%
<b>Expect fewer leisure travelers</b>	<b>14</b>	<b>70%</b>
Expect fewer business travelers	1	5%
Expect fewer local travelers	3	15%
Expect fewer regional travelers	6	30%
Changes in hunting/fishing licenses	-	-
Gas prices	9	45%
<b>U.S. economy</b>	<b>19</b>	<b>95%</b>
Global economy	5	25%
Other	2	10%

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	10	12%
Renovate current site	6	7%
Add more sites/business elsewhere	5	6%
Downsize current business or site	-	-
Close down/sell business or site	3	4%
<b>Remain the same</b>	<b>64</b>	<b>78%</b>

\*respondents could check multiple answers

\*\*n=82

### Summary and Implications: Vacation Homes, Condos, and Cabins\*

Forty-nine percent of vacation home, condo, and cabin owners experienced an increase while only 26 percent had a decrease in 2008. Affordability, returning guests and better marketing were cited as the reasons for the increase. As with most businesses in the study, if a decrease was felt, gas prices and the U.S. economy were faulted.

These longer stay accommodations believe return guests, their gradual increase each year, and affordability are why 34 percent expect an increase in 2009. While 41 percent expect 2009 to be the same as 2008, one quarter of the owners believe they will experience a decrease because of the U.S. economy which results in fewer leisure travelers.

Implications for 2009:

- Affordability will be the key for a good 2009 for longer stay accommodations. The consumer will be price shopping in the current economy therefore owners should be aware of the competitive prices in their area and adjust accordingly.
- Active marketing to previous guests may enhance the bookings for 2009.

\*These are researcher observations. Individuals should respond according to their own business needs.

## Vacation homes, Condos, Cabins: Responses to open ended questions

### *Changes in Visitor Type: Vacation homes, Condos, Cabins*

- 11: more Canadians
- 12: This was the first year for this property – cannot compare
- 14: Huge increase in Canadian visitors...saved the industry in my market.
- 19: more regional visitors
- 20: same
- 26: None
- 29: I have an historic homestead and so I had more history minded customers than before.
- 36: Seeing few inquiries. Seeing renters looking for bottom basement pricing.
- 42: fewer families
- 44: no change, maybe less foreigners
- 48: n/a
- 50: More recreational visitors, fewer business visitors.
- 56: they appreciate the personal contact
- 60: none
- 73: more international
- 88: Families traveling, instead of just groups of fishermen
- 90: No difference—all were here to fish
- 94: Fewer inquiries from out of state visitors.
- 96: This is our first year.
- 98: We did not have any international visitors. We've had people from England in the past.
- 102: The type of visitor staying at our cabins did not seem to change this year. Mostly folks from around the U.S. with a few from overseas. I spent a couple of days in Yellowstone this summer and did notice a lot of Europeans and Japanese.
- 108: No change.
- 110: ???
- 113: None
- 120: More event oriented visitors
- 122: No significant changes in the type of visitor
- 133: increase in local tourism
- 138: had more hunters and more off the road guests then before
- 143: Canadians and local in Montana
- 144: none



- 145: I have noticed many large groups traveling together such wedding parties and guests, family reunions or family/friend groups instead of individual or couple travelers. Most guests are from out of state and a good portion are from out of the country.
- 150: More Canadians & Europeans
- 154: no change.
- 161: Mostly return visitors and guests related to the University
- 163: more hunters, more oilfield service people
- 166: family destination vacations
- 175: more out of state visitors
- 184: After gasoline prices took the unprecedented move upward in April and May our business dried up. We saw a lot less business from our surrounding states...those people who would normally book later and drive to Montana.
- 188: Mostly from out of the area-mine came from the East Coast as well as the West Coast. We had no international visitors this first year!
- 197: NONE
- 206: More affluent guests More Canadian guests
- 212: More families
- 214: more international travelers
- 218: more necessity travel-- less recreational
- 221: ??? We always have quite a variety of visitors including of course lots of fishermen.
- 228: Returning customers from outside the region who are thinking about relocating here.
- 231: more foreign
- 234: As the word-of-mouth and marketing has expanded, 2008 saw more demand (especially for the peak season). I did have more vacation rental requests both foreign and national.
- 239: I did not see a change in the type of visitor. Most were interested in fishing, some were here for family reunions and weddings.
- 240: More extended families-three generations on a family vacation and less adventurous sportsmen.
- 256: More visitors from the southeastern part of U.S.
- 258: more local travelers within 2 or 3 state area.
- 259: We have mainly fly fisherman or woman. Also family vacations near Yellowstone
- 260: none
- 261: none
- 262: We are new to the tourism industry, and therefore probably don't have a realistic view of changes - it's all new to us!
- 265: No real changes. Mostly family's on ski vacations
- 268: No change.

- 272: They wanted to stay in a facility that was unique.
- 275: Fuel prices kept them from traveling as much
- 279: More in state travelers
- 283: Had a lot more in state travelers. Not as many out of state as in the past.
- 289: More foreign clients, especially Canadians
- 298: I have not see changes in the type of visitor
- 303: More foreign visitors
- 304: many visitors from other states
- 307: no change
- 311: Visitors staying a shorter amount of time

***Changes in interests and activities of visitors: Vacation homes, Condos, Cabins***

- 11: little change
- 12: This was the first year for this property - cannot compare
- 14: No change.
- 19: none
- 20: same
- 26: None
- 29: More appreciation for history.
- 44: Yellowstone Park needs to set their vehicle rules, stick with their decision and let us all move forward. Every year they threaten to close the park for winter and it discourages out guests from making reservations. It's hard to staff and make ends meet with the low numbers due to the parks wishy washy ideas.
- 48: n/a
- 56: guests are looking for something very unique. They like to have privacy
- 60: none
- 73: same
- 88: None - everyone wants to fish, go horseback riding, and go to Yellowstone.
- 90: None
- 96: n/a
- 98: None
- 102: No apparent change. We're 25-30 miles from Yellowstone and a few miles from Chico Hot Springs and the Yellowstone River, all of which seem to be pretty constant attractions. There may have been a few more active hikers, especially in the 55+ age range.

- 108: None
- 110: none
- 113: None
- 120: Not a lot of changes due to the fact we are in the mountains and they are here to enjoy the lakes and streams.
- 122: There was a change in activity patterns. Although people still traveled, they tended to spend less on extra activities. In other words, they continued to travel but chose where they spent their money a little more wisely.
- 138: last minute choosing for their activities
- 143: not sure what to expect with the economy, but as of now bookings are up from last year and people are booking sooner
- 144: none
- 145: Not much change, people usually come to our area to see the Glacier National Park or to be near Whitefish Mountain Ski Resort. Though I have noticed a lot of guests are just passing through to visit Canada.
- 150: More concern for bang for their buck. Cost of fuel played a part on other activities guests did.
- 160: Centralized location (less driving) seems to be very important to travelers
- 161: None really
- 166: none
- 175: looking for homes/land in the area vacation
- 184: We did not see changes in interests, just less people.
- 188: Most people were interested in the local activities like horseback riding, rafting, Chico Hot Springs, and of course, Yellowstone Park.
- 197: NONE
- 206: None
- 212: More interest in the National Parks
- 214: place to relax, low-key outside activities that don't cost much
- 218: fewer people travelling with horses
- 221: Attendance at YNP was very high which I think always helps us. We had a number of people visiting locals and graduates.
- 231: none
- 234: We saw an increase in rental requests in 2008 (we expected the increase) as this was only our third year of providing vacation rentals.
- 240: Less interest in fly fishing. More interest in hiking and especially in Yellowstone Park
- 256: None
- 258: travelers doing more research on-line & more careful, well thought out choices of where to stay & what they want.
- 259: Not sure

- 260: none
- 261: lots of people visiting Yellowstone
- 262: The interest that most of our visitors have is in hiking Glacier Park. The guests are geared for outdoor recreation, and seem to come prepared to explore the great outdoors.
- 265: No real changes. Mostly family's on ski vacations
- 268: No change.
- 272: More activity around the lake.
- 275: wanted more local things to do
- 279: More weddings in the area, less recreation. Real Estate buyers.
- 283: Our guests made more use of the cooking facilities rather than eating out. They bought groceries locally and fed their families like they would at their own homes. A lot of our guests kept their traveling distance shorter. Did more things that didn't include much use of an automobile.
- 289: "Stayvacations" Rent a vacation home/cabin for a week and take mini trips to go fly fishing, whitewater, horseback, hiking, visit Missoula farmers market, restaurants etc
- 298: Not seen changes
- 303: None
- 307: no change
- 311: Most everyone was looking for a deal

***Steps taking to address downturn in economy: Vacation homes, Condos, Cabins***

- 11: we lowered our rates last season
- 12: This was the first year for this property - cannot compare
- 14: Always market to the maximum on the Internet.
- 19: I can't afford more advertising
- 20: none
- 26: We will expand our on line presence. Scrutinize all current expenditures, make only the improvements which will increase income or save money, and be as competitive in pricing as possible.
- 29: None
- 36: Reducing our rental rates
- 44: People will still visit the first national park. I already offer a great deal on affordable lodging. I will make personal adjustments to deal with a slow winter season.
- 48: n/a
- 50: None right now.
- 56: adjusting the rates a little bit. But at first: offer more!
- 60: none
- 73: less print ads

- 88: Offering special deals, offering package deals by teaming up with local businesses.
- 90: None
- 94: Budgeting for lower usage of vacation rental.
- 96: I'm expecting that we will be pretty much unaffected.
- 98: Nothing. It is what it is. We'll continue to have our website which is how people find us.
- 102: Inquiries for this time of year are probably a little better than normal, though people are not necessarily committing, so we're not making any major changes. Maybe some updating of the website, and probably keeping rates the same as 2008. Also, doing affordable weatherizing projects.
- 108: Cross our fingers
- 109: sell sell sell
- 110: none
- 113: None
- 120: Not order as much gift items, or inventory
- 122: we will not raise rates
- 138: working on cutting expenses back without sacrificing service
- 143: This winter we have lowered prices to people who ask if we are willing to decrease the nightly or weekly rate
- 144: none
- 145: I am not aware of any steps our business has taken to address this issue.
- 150: Increase in marketing, watchful of spending costs, making sure each visit is a GREAT for the customer - so they want to return.
- 154: keep 2007 rates      stop expansion plans      hire less help      close when going to the sun road closes....
- 160: Lower prices
- 161: None
- 166: none
- 175: may do more local advertising
- 184: We have gained approval from our home owners to move our rates up or down with the shifts in the market. We will add more Vacation Home websites to our search capabilities and we are adding a page to our website to promote Winter stays at our Lakeside area homes for Blacktail Ski Area.
- 188: We will be evaluating our 2009 vacation rental prices once we see what the economy is doing around April/May and will adjust our prices accordingly. Right now, we have only had two inquiries for the 2009 vacation & tourist season.
- 197: NONE
- 206: Diversifying our offering. Making changes in our inventory of vacation homes to only include good performers
- 212: Nothing yet
- 214: more exposure on Craig's List and a brochure distributed to local real estate companies

- 218: spending less on the business-- trying to keep overhead as low as possible
- 221: We left our prices the same as 2008. We provide breakfast materials which is becoming more and more valuable.
- 228: Concentrate on more local marketing
- 231: our family cabin is very desirable for location and amenities compared to price. I expect we will still be able to fill it for the big (summer) season.
- 234: I held off building two more vacation rental units because of the potential downturn in the economy. I went so far as excavating the foundation, then held off. I will re-evaluate after the 2009 peak season rentals.
- 239: May consider using the house as a regular rental or perhaps selling.
- 256: Rented the guesthouse furnished for six month term and will only operate as two-day/week/month business in summers
- 258: investing in the building of another cabin instead of investing the market
- 260: none
- 261: none
- 262: We are counting on families still traveling to National Parks, and so are not planning on downsizing or limiting our marketing plans.
- 265: My father and I will just have to make more of the mortgage payments on our condo. We are also looking into long term rental for local employees
- 268: No change.
- 272: Price of gasoline Loss of jobs
- 275: not sure yet???
- 279: Possibly more ad's
- 289: No increase in rates. Expand the web presence.
- 298: More advertising, local advertising
- 303: None
- 304: more personal approach to visitors who have stayed with us. We hope to maintain repeat business.
- 307: Expand business information to more on-line outlets and to more local representatives
- 311: Lowering our prices and considering lowering our minimum stay requirements

***Additional Comments: Vacation homes, Condos, Cabins***

- 12: This was the first year for this property-- cannot compare
- 14: I market heavily on the Internet..much more than any competitor in my market area..Flathead Lake.(Vacation Rental Property) I can say without hesitation, the Canadian business was a huge factor in keeping the norms the same as in the past. If something were to happen in their economy (Calgary) it would be reflected in at least a 25% decline in Flathead business.

- 26: As a small business owner my main concern is increases in fixed operating cost such as taxes, insurance and utilities. Hopefully we can experience some stability in these areas of which we have little control.
- 44: Montana needs to stop killing Bison. My guests, snowmobilers and skiers are appalled to see dead bison on the trails, hunters with guns near my cabins, and hazing / capturing operations by dept. of livestock in the spring. It needs to stop. People come here to see BISON. It's our tourist attraction. Please get involved in this problem.
- 48: n/a
- 56: Our experiences: guests like to be treated as something very special. They love to see friendly faces (independent if the economy is bad or not)
- 60: The goals of our vacation rental property probably reflect those of many in Montana. We'd like to make a little profit but not at the expense of depreciating the ambiance of the remote region in which we operate. Profitability is in check to those concerns.
- 88: There is an influx of vacation rentals in Park County, yet few have actually been inspected and approved for business by the sanitation department.
- 96: Keep up the vacation MT efforts!
- 98: We are concerned about unreasonable Health Department requirements for our area.
- 102: For years, we've had no trouble booking mid-June to Labor Day, with only a few gaps. The last couple of years, we've gotten a few more May and September bookings. We are a little too far from ski areas, and would like to increase off season bookings.
- 120: I hope the trend for our area is we have as much traffic but maybe more local and not so much from far away.
- 121: I am very optimistic about the Big Sky Resort Area and see great potential for those of us investing in the area. My big concern is the taxes we may have to pay on capital gains with the new administration.
- 138: People will need all the more time to get away with the stresses and conditions. We believe that we will get more in state guests verses out of state.
- 154: BED TAX LIMITS RATE INCREASES.....FED,STATE,COUNTY TAXES ARE TOO HIGH..PROPANE WENT FROM .65 CENTS TO \$2.50 P/GAL IN 5YRS. AND ELECTRIC IS HIGH...SMALL BIZ RATES FROM BANKS IS TOO HIGH .... I DON'T THINK OUR STATE GOV UNDERSTANDS HOW THEIR TAXES AND REGULATIONS HAVE MADE SMALL BIZ IN MONTANA A LOSING PROPOSITION OR AT BEST A PUSH...TRYING TO UPGRADE OR EXPAND LEADS TO MORE STATE AND COUNTY HURDLES AND THEN HAVING TO HIRE EXPENSIVE PROS TO HELP YOU THROUGH PAPER WORK..... AND FINALLY GLACIER PARK CLOSING THE ROAD IN SEPT. MEANS YOU HAVE TO CLOSE AS THE TOURISTS FROM OUT OF STATE AND IN STATE STOP COMING .....
- 184: The Governor of the state of Montana needs to take tourism more seriously and not stand in the way of the advertising and promotion of what we have to offer. The state of Montana will completely choke off the Vacation Home Industry with the short sighted treatment of Vacation Homes with the same Health Rules for Vacation Homes kitchens that are the standard for Restuarants and the same Laundry standards that are kept in place for Hotels. If homes are rented by the month the state has no health standards, but try to rent them by the week and the standards listed above are written into state law. Over night Hunting facilities which are rented in the much the same manner and are rented for a similar short season are exempt from the standards to which Vacation homes are held. It appears the portion of the Restuarant & Lodging Health Code is written to

eliminate Vacation Home Rental to tourists. That portion of the law addresses a health problem that does not exist.

188: Thank you for your website exposure you give us as Montana businesses.

206: Airfare and gas costs have been hurting destination travel to our region. Very expensive to fly into Missoula. Gas was a killer.

214: cost to fly to Missoula is very expensive and I am afraid that the number of flights will decrease

221: We look forward to a fine new president and hope that we will all benefit eventually.

228: We would like to be able to implement more energy efficient, green, renewable systems as soon as we can afford to do so, but it will probably take us longer to do anything with the present state of the economy.

231: I wish that the Park would do more advertising for Winter activities and fun. The traffic is too low to fill bookings in Winter. There needs to be much more promotion of the skiing and snow mobiles.

234: I did have one cancellation for Christmas based on the economic slowdown. However, I do plan to expand my marketing to inform people that we are open all winter with automobile access to Cooke City. I will share the wonders of winter in Yellowstone. The spectacular animal viewing , photography, Mammoth restaurant special events, snow coach travels, snowshoeing, and cross-country skiing makes the winter in Yellowstone awesome.

239: The lodging tax is an unwelcome addition to the cost of vacations, particularly young families who have limited vacation funds.

256: Travel Montana's visitmt.com site designer should look at VRBO.com, which has a less complicated, more effective way to research destinations.

261: more advertising in different states to visit montana?

262: With the slow down, I believe families will travel to places where they can recreate without a lot of additional expence - hence National Parks- hiking, fishing, rafting. WE need to keep reminding people that the great outdoors is gives you a better bang for your buck!

268: CONCERNED ABOUT THE PROJECTED ECONOMY. BAD TO WORSE.

275: dont have any

279: Have you ever camped, hiked, or just gone sightseeing in the Sierra Nevadas? Campsites are abundant and maintained. Roads are many and maintained. Montana can't even fight a fire because of no access.

287: We are brand new in the business, so we cannot help with any of these questions.

289: Hope for good snowpack, adequate spring and early summer rains, little or no smoke from forest fires and no 100+ degree days, just like 2008 and it will go a long ways toward our tourism traffic.

298: Have seen some economy decline, loss of jobs etc but occupancy is up from last year.

303: None

307: Thank you for your efforts and time

311: I remain optimistic in thinking that even in the time of economic downturn, people still need something to look forward to and that is often a vacation. We'll see more of our Montanans visiting Glacier and our lakes and forests.



## Type of Tourism Operation: Vehicle Rentals

Mean years of operation: 11.3

Range in years of operation: 2-25

Sample size: 10

Respondents for vehicle rentals generally referred to car rentals, however, snowmobile, ATV, and RV rentals were also included for this section. Ten vehicle rental owners responded to the survey which represents three percent of all respondents to the outlook survey.

Reason for Increase in 2008**	#	%*
<b>Better marketing</b>	<b>2</b>	<b>67%</b>
Improved website	-	-
Expanded operations/services	-	-
Returning guests	-	-
Little competition in my area	1	33%
Affordability of what we offer	-	-
U.S. economy	-	-
Canadian exchange rate	-	-
Other exchange rates	-	-
More local travelers	-	-
More regional travelers	1	33%
Special event(s) held in our area	1	33%
Weather	-	-
Fire activity	-	-
Lack of fires	-	-
Other	1	33%

\*respondents could check multiple answers

\*\*n= 3

Travel Region	#	%*
Glacier Country	1	10%
Yellowstone Country	7	70%
Gold West Country	1	10%
Custer Country	-	-
Russell Country	1	10%
Missouri River Country	-	-

\*percent may not add to 100 (rounding)

Change in visitors/guests	#	%*
Increase	3	30%
Decrease	6	60%
Remained the same	1	10%

Reason for Decrease in 2008**	#	%*
Less advertising on our part	-	-
Reduced offerings/services	-	-
Fewer returning guests	-	-
Increased competition in my area	-	-
Our pricing may be too high	-	-
<b>U.S. economy</b>	<b>4</b>	<b>67%</b>
<b>Gas prices</b>	<b>4</b>	<b>67%</b>
Exchange rates	-	-
Fewer local travelers	-	-
Fewer regional travelers	2	33%
Fewer business travelers	-	-
Fewer leisure travelers	3	50%
Changes in hunting/fishing licenses	-	-
Construction in area	-	-
Weather	-	-
Fire activity	2	33%
Lack of fires	-	-
Other	2	33%

\*respondents could check multiple answers

\*\*n= 6

Outlook for 2009	#	%*
Increase	3	30%
Decrease	4	40%
Remain the same	3	30%

Reason for Expected Increase in 2009 (n=3)	#	%*
Bookings/inquires are up	-	-
Better marketing pursued	1	33%
Improved website	-	-
Experienced a gradual increase	1	33%
Expanded or improved our offerings	-	-
Affordability of what we offer	1	33%
Little competition in my area	-	-
More local travelers	-	-
More regional travelers	-	-
<b>We get many repeat customers</b>	<b>2</b>	<b>67%</b>
Canadian exchange rate	-	-
Other exchange rates	-	-
U.S. economy	-	-
Special events in our area	-	-
We are new, so we are increasing	1	33%
Other	1	33%

\*respondents could check multiple answers

Reason for Expected Decrease in 2009 (n=4)	#	%*
Bookings/inquires are down	1	25%
We've done less marketing	-	-
Experiencing a gradual decrease	-	-
Reduced our offerings/services	-	-
Our pricing may be too high	-	-
Increased competition in my area	-	-
<b>Expect fewer leisure travelers</b>	<b>2</b>	<b>50%</b>
Expect fewer business travelers	-	-
Expect fewer local travelers	-	-
Expect fewer regional travelers	1	25%
Changes in hunting/fishing licenses	-	-
Gas prices	1	25%
U.S. economy	-	-
<b>Global economy</b>	<b>2</b>	<b>50%</b>
Other	1	25%

\*respondents could check multiple answers

Plans for 2009**	#	%*
Expand current business or site	-	-
Renovate current site	-	-
Add more sites/business elsewhere	-	-
Downsize current business or site	2	20%
Close down/sell business or site	-	-
<b>Remain the same</b>	<b>8</b>	<b>80%</b>

\*respondents could check multiple answers

\*\*n= 10

### Summary and Implications: Vehicle Rentals\*

With only 10 respondents by businesses who rent vehicles, it is difficult to make generalizations. However, it is still possible to understand the trends of the respondents. Six out of ten (60%) had a decrease in 2008 and claimed that gas prices and the U.S. economy were the main cause. The three business with an increase said better marketing on their part was the reason for the increase.

Forty percent (4) of the vehicle rental owners expect a decrease in 2009 with another three expecting to remain the same and three who expect to increase. Fewer leisure travelers and the global economy were cited as the reasons for an expected decline in 2009.

Implications for 2009:

- Gas prices affect the vehicle rental business probably more so than other tourism businesses. If possible, rate decreases may encourage more rentals.
- Actively pursue previous guests as they are the main stay of many tourism businesses.
- Collaborate with other tourism businesses in both marketing and package deals to increase visitor numbers.

\*These are researcher observations. Individuals should respond according to their own business needs.

## **Vehicle rentals: Responses to open ended questions**

### ***Changes in Type of Visitor: Vehicle rentals***

2: CUSTOMERS ARE MORE COST CONCERNED THAN PREVIOUS YEARS.

5: They are renting smaller vehicle types that get better gas mileage and are renting for a fewer amount of days when they do visit. Greater awareness of their gas consumption because of the higher fuel prices.

182: MORE PRICE AWARENESS AND LOOKING FOR THE BEST DEAL

235: WELL WE LOST OUR AIR SERVICE INTO HAVRE, SO WE LOST THAT AREA OF BUSINESS. THERE WAS AN INCREASE IN BUSINESS ORIENTED CUSTOMERS, EXAMPLE, OIL, GAS, AND WE SEEN A LOT OF PEOPLE CHECKING MONTANA OUT AS A PLACE FOR EMPLOYMENT.

247: Same type of visitors

263: This year we have seen fewer international travelers.

274: No changes in type of visitor. We see a lot of out-of-state visitors who try to "see & do it all" in one visit —both Yellowstone & Glacier Parks and everything in between.

301: In summer, Minnesota, Florida, Northeast, Northwest, Ohio, Colorado. Visitors this year, float the Madison and wish to rent ATV's. Do not see as many construction people who have extra money to play when they have time off.

### ***Changes in interests and activities of visitors: Vehicle rentals***

5: They are renting smaller vehicle types that get better gas mileage and are renting for a fewer amount of days when they do visit. Greater awareness of their gas consumption because of the higher fuel prices.

182: ACTIVITIES THAT WERE FREE

247: no change

263: People were sticking closer to home and spending less on luxury items and recreation.

274: Same interests and activities.

301: They were all here to enjoy the outdoors. The Madison River and the trails to picnic and explore on ATV's. Many interested in renting campers and going to Yellowstone. Weddings and reunions still big...

### ***Steps taking to address downturn in economy: Vehicle rentals***

5: We are downsizing our fleet sizes for the entire year, we are not ordering as many vehicles for the upcoming season. So we will be operating with a smaller amount of vehicles and we are also ordering more fuel efficient vehicles as well and smaller cars in the compact through mid-size car classes. We are also not hiring as many people trying to run on a leaner amount of people. So the staff is smaller but doing more work.

182: WE STAYED FLAT IN 2008 ON RENTAL RATES WITH NO INCREASES TO THE CONSUMER, ALTHOUGH OUR COSTS HAVE RISEN. WE HOPE TO MAINTAIN THAT IF POSSIBLE.

235: WE'RE NOT RAISING PRICES

247: none

263: overall tightening of the belt. Control spending and try to increase revenue.

274: We will be spending less on advertising and will not be upgrading equipment.

301: Web site clicks down big time just this month Oct. Hunter Rentals down too for Sept. Oct. No camper rentals. Not buying snowmobiles, I have on order. Was going to expand business in two different places. Was going to rent bigger building. Was going to buy property and build own building. Was going to buy and go into business with another person for vacation home and spa... NONE OF THESE ANYMORE....

### ***Additional Comments: Vehicle rentals***

5: none

235: HAVRE SURE COULD USE AN AIRLINE SERVICE AGAIN.

263: The regulation of motorized recreation in our State and National parks is of great concern. This will decrease tourist visits to such places especially over the "slow" winter months. This will greatly diminish visitation by local and traveling guests.

274: Legislation restricting motorized travel on National Forest Service roads and trails will have an affect on ATV recreational riding. The growth that we have seen in our business over the years has largely been due to individuals looking for a place to rent and ride ATVs, then planning their vacations accordingly. This has brought more business to our local lodging, restaurants, stores and other recreational businesses as well as increasing our business.

301: The environmentalist and the judges are hurting the economy of Montana. This goes hand in hand with the economy...(tourism)They are trying to shut down areas that bring the tourist. Yellowstone in the winter for snowmobiling. Trails for people to get to lakes for fishing on ATV's. Snowmobiling areas and trails have been shut down..We get many Minnesota people who are snowmobile addicts and wish to try Montana... Trails for ice climbers to snowmobile to get their equipment to the falls. Hunting is hard as public lands are being taken away. Rivers are being permitted and charged for use... All of this will have a negative effect on the tourism. Montana is FINALLY on the map. Tourism has brought growth, jobs, and higher salaries... One good thing...Big Sky has gotten behind the airport and brought in more flights for the tourists...however, they have to have something that brings them to Bozeman! Yellowstone Park, Big Sky skiing, fly fishing, hunting.

### **Other: Responses to open ended questions-**

A few businesses could not be placed in the general categories described previously. The open ended responses for these businesses are added here. They represent restaurants, a log home builder, convenience store, grocery store, casino, and custom home builder.

### ***Changes in Type of Visitor: Other***

180: there were less school age children

189: wolf watching tourism is up but they don't contribute a very high % to Cooke City businesses, as compared to 4-wheeler & snowmobile money.

202: There are still families coming but they are not spending money. My feeling is that the expendable income is being put in the gas tanks rather than being spent on retail items or eating out.

203: Many more regional visitors, especially this past summer. Summer is when we get the bulk of our business and the area merchants advertised in just this area. We were visited by many Billings people and other guests on one day outings.

220: Canadians' strong dollar and more came to the states.

291: With gas prices high, less locals. With the economy in a slump, more folks on a budget

302: less travel groups

### ***Changes in interests and activities of visitors: Other***

180: they were the same

189: none

202: No change.

203: Our river floats brought a lot of tourists. We had water in the river much later this season and the floating season lasted longer. They could also spend a 1/2 day horseback riding or ATV riding. Our business sold many lunches and dinners as a result. I'm sure all business benefited from the rafting in Absarokee.

220: Same just spending less

291: more 4 wheeling, less people drinking

302: More tourist families eating in—buying groceries instead of restaurant meals.

### ***Steps taking to address downturn in economy: Other***

180: we will remain the same

189: staying out of debt to begin with

202: More controlled purchasing. Less advertising.

203: We are already small and keep the same number of employees year round. It is a burden sometimes in the winter but if you let your employees off in the winter, you can not find good ones for the summer.

220: Expanding in later years because of the business we are in people want to stay and have a good time. A remote area with no place to stay limits our tourism

282: build smaller, greener vacation homes and help clients see the need to downsize to a more affordable place to live

291: reduce overhead

302: streamlining our operations

***Additional Comments: Other***

203: I think Montana will continue to draw a great number of visitors. Our state is beautiful, friendly and not as costly to visit as other places. I think we are an affordable vacation site that offers many different entertainments for all ages. Probably the biggest drawback is how expensive it is to fly in and out of Montana.

291: Can not find employees when we are busy

## **Appendix A: Survey Letters**

### **Notice E-Mail Letter:**

Subject: 2009 Tourism Outlook

Dear MT tourism business owners,

In approximately one week, you will be receiving a survey from the Institute for Tourism and Recreation Research, University of Montana, regarding the outlook for tourism and recreation in 2009. In these times of economic unknowns, your response and honest appraisal is desperately needed. When it arrives on your computer, please take the 6 minutes right away, to answer the survey. We intend to post the results for your viewing at [www.itrr.umt.edu](http://www.itrr.umt.edu) within 2 weeks.

Thank you, once again, for your attention to this survey. When you receive the survey, you will need to complete it within 6 days. Thank you. We appreciate it.

Norma Nickerson, Ph.D.  
Director, Institute for Tourism and Recreation Research  
The University of Montana

P.S. Please add "itrr" to your safe email list.

### **Survey Letter:**

November 5, 2008

Dear Travel and Recreation Industry Professional,

Each year the Institute for Tourism and Recreation Research (ITRR) conducts a survey of business and land managers about their outlook for tourism and recreation in Montana. The information from the survey is used as one of the predictors for next year's growth, stability, or decline. The survey results are presented at the Bureau of Business and Economic Research's Outlook Seminars and in our January outlook newsletter. We need input from all sectors within the Montana tourism and recreation industry to insure an accurate portrayal of what is happening. A few moments of your time right now will help achieve that goal. It will take no more than 6 minutes to complete the survey. In this time of economic uncertainty your answers

to the questions will provide a snapshot of what happened this past year and what we might expect for the upcoming year.

The turn-around time is very quick this year. You only have 6 days to complete and submit your survey. It is due on Tuesday, November 11<sup>th</sup>. The results will be available on our website on Nov. 25<sup>th</sup>.

If you have any difficulties in completing this survey please email Melissa at [melissa.dubois@cfc.umt.edu](mailto:melissa.dubois@cfc.umt.edu). Thank you for your time.

**Survey link:**

***Your participation in this survey is voluntary. All information is confidential and anonymous. In no way will your name/business/agency be attached to any of the information.***

Norma Nickerson, Ph.D.  
Director, Institute for Tourism and Recreation Research  
The University of Montana  
Missoula, MT 59812

**Reminder Letter:**

Subject: Reminder - 24 hours left to tell us your view on the Outlook for tourism

This is just a reminder that your expertise is needed. If you have not already completed the survey, please take the few minutes right now to provide us with this valuable information.

LINK:

If you have already completed the Montana tourism outlook survey, thank you very much.

In this time of economic uncertainty your answers to the questions will provide a snapshot of what happened this past year and what we might expect for the upcoming year. The information from the survey is used as one of the predictors for next year's growth, stability, or decline.

Thank you! The results will be available within 3 weeks via our web page.

Norma Nickerson, Ph.D.  
Director, Institute for Tourism and Recreation Research  
The University of Montana  
Missoula, MT 59812

***Your participation in this survey is voluntary. All information is confidential and anonymous. In no way will your name/business/agency be attached to any of the information.***



## Appendix B: Survey Instrument

# 2009 Tourism and Recreation Outlook and Trends

All information is confidential and anonymous. in no way will your name, business, or organization be attached to any of the information.

- Q1 Which of the following best describes your business or organization? *Please check only one.*
- |  |  |
|--|--|
| <input type="checkbox"/> Motel/Hotel                                     | <input type="checkbox"/> Travel Planners                 |
| <input type="checkbox"/> Bed and Breakfast                               | <input type="checkbox"/> Event Planners                  |
| <input type="checkbox"/> Ranches, Resorts, Lodges, Hostels & Hot Springs | <input type="checkbox"/> Vehicle Rentals                 |
| <input type="checkbox"/> Vacation Homes/Condos/Cabins                    | <input type="checkbox"/> Ski Area                        |
| <input type="checkbox"/> Public Campground/RV Park                       | <input type="checkbox"/> Museum/Historic Site            |
| <input type="checkbox"/> Private Campground/RV Park                      | <input type="checkbox"/> Attraction                      |
| <input type="checkbox"/> Outfitter/Guide                                 | <input type="checkbox"/> Tourism Promotion/Advertising   |
| <input type="checkbox"/> Wagon Train/Cattle Drive                        | <input type="checkbox"/> Government Land Managing Agency |
| <input type="checkbox"/> Tours   | <input type="checkbox"/> Other                           |
- Please specify: \_\_\_\_\_
- 
- Q2 How many years have you been in this business or organization at your current location? \_\_\_\_\_
- Q3 What Montana travel region are you located in?
- |  |   |
|--|---|
| <input type="checkbox"/> Glacier Country     | <input type="checkbox"/> Custer Country         |
| <input type="checkbox"/> Yellowstone Country | <input type="checkbox"/> Russell Country        |
| <input type="checkbox"/> Gold West Country   | <input type="checkbox"/> Missouri River Country |
- Q4 How did your visitation or number of guests change in 2008 vs. 2007?
- Increase
  - Decrease
  - Remained the same
- Q5 If you saw an increase in 2008 vs. 2007, why do you suppose your number of visitors/guests was up? *Please check all that apply.*
- |  |  |
|--|--|
| <input type="checkbox"/> Better marketing              | <input type="checkbox"/> Other exchange rates              |
| <input type="checkbox"/> Improved website              | <input type="checkbox"/> Affordability of what we offer    |
| <input type="checkbox"/> Expanded operations/services  | <input type="checkbox"/> More local travelers              |
| <input type="checkbox"/> Returning guests              | <input type="checkbox"/> More regional travelers           |
| <input type="checkbox"/> Little competition in my area | <input type="checkbox"/> Special event(s) held in our area |

- Weather
- U.S. economy
- Canadian exchange rates

- Fire activity
- Lack of fires
- Other

Please specify:

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Q6 If you saw a decrease in 2008 vs. 2007, why do you suppose your number of visitors/guests was down? *Please check all that apply.*

- Our pricing may be too high
- Fewer returning visitors
- Fewer business travelers
- Fewer leisure travelers
- Changes of hunting or fishing licenses
- Fewer local travelers
- Fewer regional travelers
- U.S. economy
- Gas prices

- Increased competition in my area
- Less advertising on our part
- Reduced offerings/services
- Weather
- Construction in area
- Exchange rates
- Fire activity
- Lack of fires
- Other

Please specify:

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Q7 Looking ahead to 2009, how do you anticipate visitor/guest numbers will change?

- Increase
- Decrease
- Remain the same

Q8 If you expect an increase, why do you think your visitation will be up? *Please check all that apply.*

- Bookings/inquiries are up
- Affordability of what we offer
- More/better marketing has been pursued
- We've been experiencing a gradual increase
- We've expanded or improved our offerings (services or product)
- U.S. economy
- Little competition in my area
- We get many repeat customers
- Improved website
- We are new, so we are increasing
- Canadian exchange rate
- Other exchange rate
- More local travelers
- More regional travelers
- Special events in area
- 

Other:

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Q9 If you expect a decrease, why do you think your visitation will be down? *Please check all that apply.*

- Bookings/inquiries are down
- We've done less marketing
- We've been experiencing a gradual decrease over the years
- We've reduced our offerings (services or product)
- U.S. economy
- Global economy
- Our pricing may be too high
- Gas prices
- Changes in hunting or fishing licenses
- Increased competition in my area
- Expect fewer leisure travelers
- Expect fewer business travelers
- Expect fewer local travelers
- Expect fewer regional travelers

Other:

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Q10 In the next year, do you plan to.....? *Please check all that apply.*

- Expand current business or site
- Renovate current site
- Add more sites/business elsewhere
- Downsize current business or site
- Close down/sell current business or site
- Remain the same

Q11 What changes in the type of visitor have you seen this year in Montana's recreation and tourism industry?

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Q12 What changes in the interests and activities of visitors did you see this year in Montana's recreation and tourism industry?

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Q13 What step(s) is your business or organization taking to address the potential downturn in the economy, if any?

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Q14 Please provide additional thoughts or concerns.

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