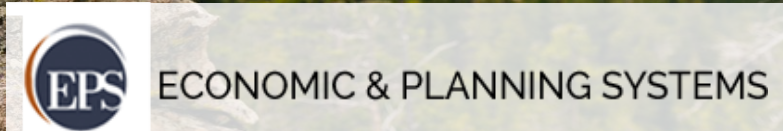




KEEP COLORADO WILD PASS PRICING STUDY

COLORADO PARKS & WILDLIFE COMMISSION MEETING | JAN. 12-13, 2022



OUTLINE

Challenge
Research questions

Methods
Sample, survey, and analysis

Uptake
Wild Pass purchase probabilities

Implications
Revenue, visitation, opportunities

CHALLENGE

The **Keep Colorado Wild Pass** (“Wild Pass”) is intended to:

- ✓ Provide a simple and affordable State Parks and public lands access pass.
- ✓ Ensure sufficient staffing and resources to manage Colorado’s existing 43 State Parks.
- ✓ Protect and educate outdoor recreationists.
- ✓ Invest in the future of wildlife conservation and outdoor recreation.



Beginning in 2023, Coloradans will have the opportunity to purchase Wild Passes at the time of vehicle registration. The Pass will:

- Cost no more than \$40
- Have a clear “opt-out” option upon registration
- Be available at a reduced price for income-eligible households.



RESEARCH QUESTIONS



Q1: How much demand is there for the Keep Colorado Wild Pass?

- How does willingness to purchase (WTP) vary by price?
- How likely are Colorado residents to purchase the Wild Pass for one car? For two cars?



Q2: How does WTP vary across demographic and behavioral factors?

- What pricing should be considered for an income-eligible Wild Pass?
- What types of people are the most likely to purchase the Wild Pass?



Q3: What are the visitation and revenue implications of the Wild Pass?

- What is the projected uptake and associated revenue from the Wild Pass?
- What is the projected parks visitation with the Wild Pass?
- What are opportunities to enhance Pass sales?

OPINION SAMPLE

Two surveys of Coloradans:

1. Online panel of CO vehicle owners
 - N = 2,217, +/-2.1% conf. interval
 - Primary data source for analysis
2. Mailed random sample survey
 - N = 460, +/-4.6% confidence interval
 - Used to validate/cross-check panel

Colorado Resident Survey

About this Survey

The state agency Colorado Parks and Wildlife wants to understand your perspectives about outdoor recreation, conservation, and accessing state parks in Colorado. We are interested in everyone's opinions, not just outdoor recreation enthusiasts or individuals from a certain area of the state. Even if you do not regularly recreate outdoors, we still need to hear from you.

Thank you for your time and feedback!

(Note: the survey may be completed on a computer or a mobile device, but a computer is recommended, as it provides the best experience. You may save your responses and return to finish at a later time by clicking the Save and Continue Later link at the top of a page.)

Para ver la encuesta en español, haga clic en la palabra "English" ubicada en la esquina superior derecha de esta página para acceder al menú de idiomas, y cambie la opción a "Spanish".

To begin, please enter the password from your letter.

Password

Next

COLORADO PARKS & WILDLIFE

Colorado Parks and Wildlife Survey

We Want to Hear From You!

Colorado Parks and Wildlife wants to understand your perspectives about outdoor recreation and conservation in Colorado.

You have been selected at random to participate. We are interested in everyone's opinions. Even if you do not regularly recreate outdoors, we still need to hear from you. Your responses will help us make important decisions that affect Colorado residents.

CPWSurvey.org

La encuesta puede completarse en español por internet en CPWSurvey.org/es

Password/contraseña: XXXXX

COLORADO PARKS & WILDLIFE SURVEY

Please have an adult age 18 or older complete this survey. Your responses are completely confidential. Thank you for your feedback!

1. How familiar are you with Colorado's State Parks?
 Not at all familiar Not too familiar Somewhat familiar Very familiar

2. Approximately how many trips, if any, have you and/or other members of your household taken to Colorado State Parks in the past 12 months?
(One trip = one outing to a state park by one or more household members. For example, an outing by three household members should be counted as one trip.)
Please enter number of trips: OR None → (SKIP TO Q4) OR Don't know / not sure → (SKIP TO Q4)

3. What type(s) of pass(es) did you and/or other household members use to enter Colorado State Parks in the past 12 months? (Check all that apply)
 Annual pass (affixed/windshield) Daily pass Not sure
 Annual pass (transferable/hangtag) Free entrance / no charge

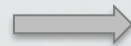
SURVEY

Willingness to pay for a Wild Pass was probed at six potential Wild Pass prices: \$14, \$19, \$24, \$29, \$34, and \$39.

- Accept = “Definitely would purchase” or “Probably would purchase”
- Reject = “Definitely would not purchase” or “Probably would not purchase”

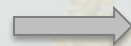
WTP for one car:

Accept initial price



Offered +\$10 follow-up price

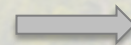
Reject initial price



Offered -\$10 follow-up price

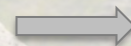
WTP for two cars (*initial price equal to highest accepted price for first car*):

Accept initial price



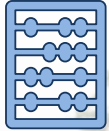
No follow-up given

Reject initial price



Offered -\$10 follow-up price

ANALYSIS



Step 1: Regression models

- Price Acceptance (Outcome); Price and Demographic/Behavioral Controls (Predictors)
- Two levels of confidence:
 - “Definitely” would purchase: conservative estimate that is the least prone to bias
 - “Probably or definitely” would purchase: optimistic estimate



Step 2: Probabilities of purchase

- Model results converted to predicted probabilities of Wild Pass purchasing



Step 3: Projected Pass uptake

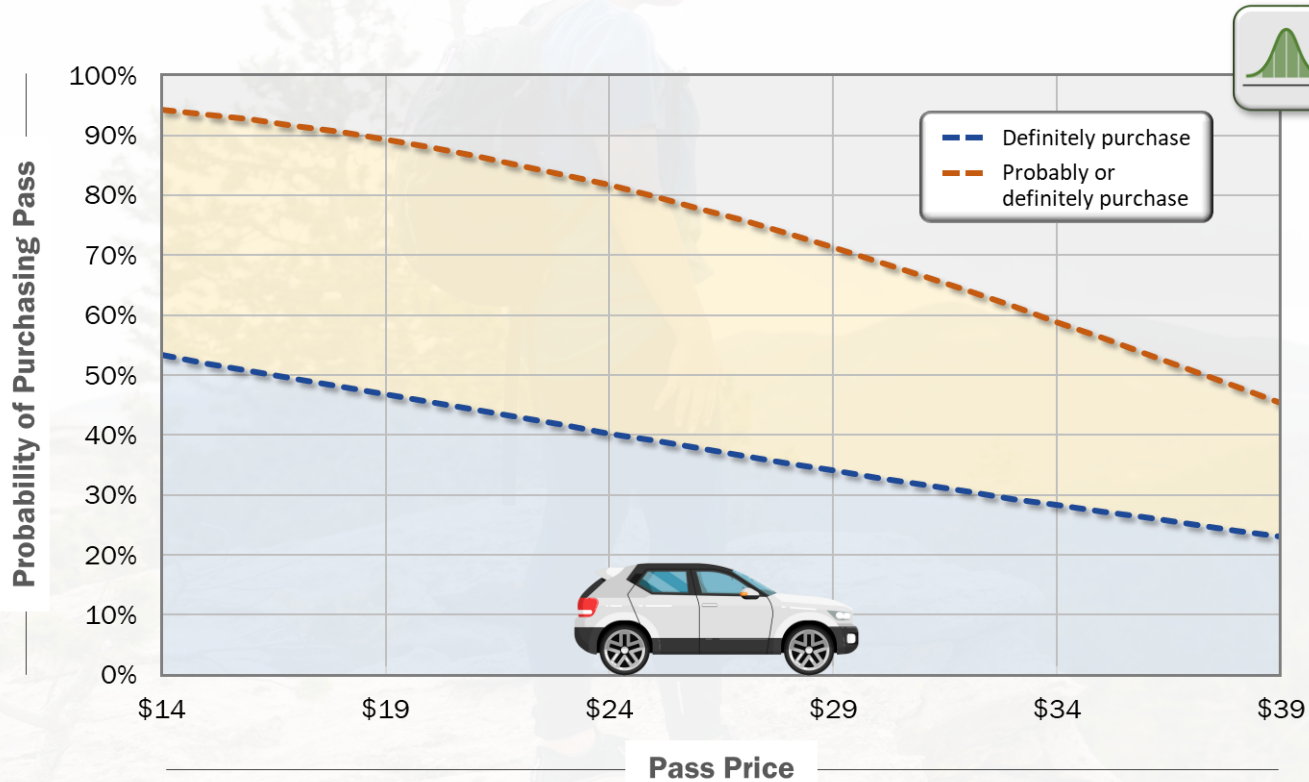
- Probabilities weighted by number of Colorado households with registered vehicles



Step 4: Projected revenue from Wild Pass

- Uptake x Pass price (minus county clerk fee, estimated to be \$1.00 per Pass)

PROBABILITY OF PURCHASING A WILD PASS FOR ONE VEHICLE

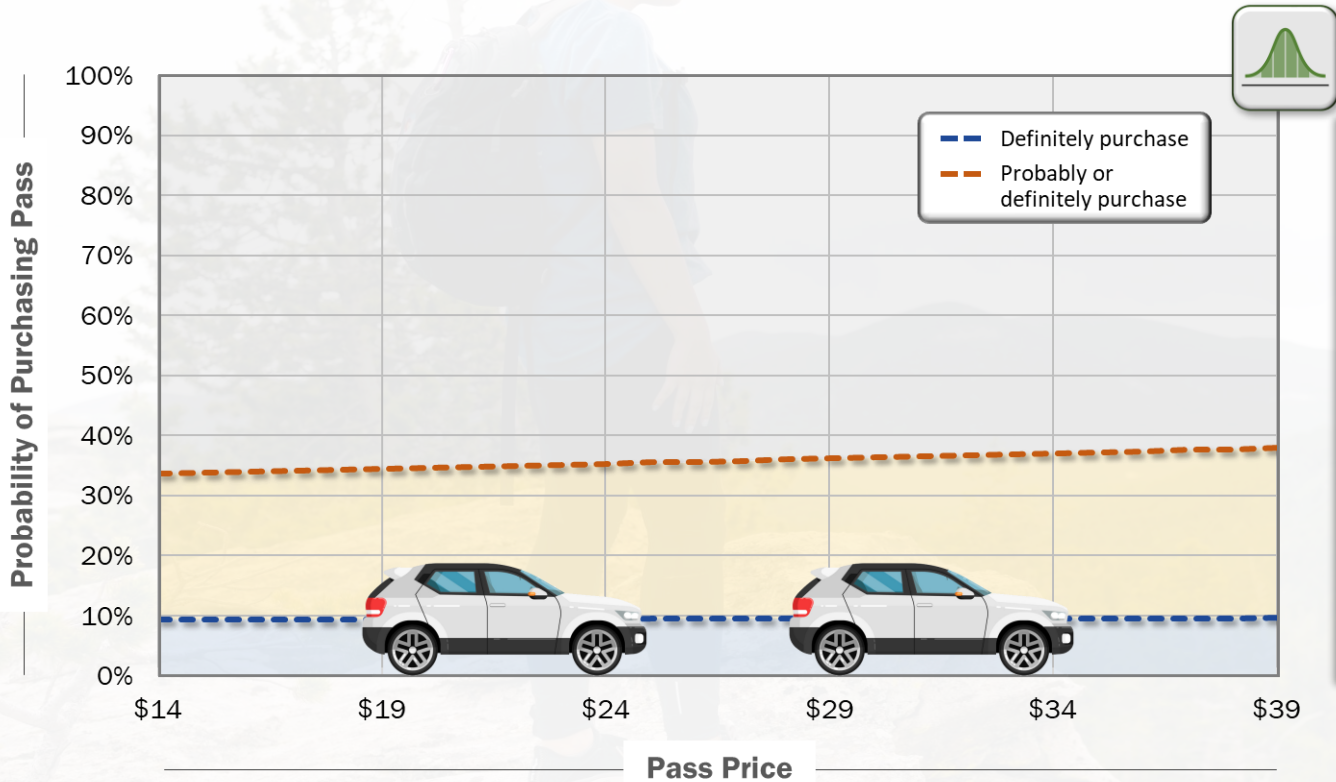


For an average respondent

- Probability of purchase **decreases as price increases.**
- **Conservative estimates of Pass uptake** (“definitely purchase”) are about **half the level of optimistic estimates** of uptake (“definitely / probably purchase”).

PROBABILITY OF PURCHASING A WILD PASS

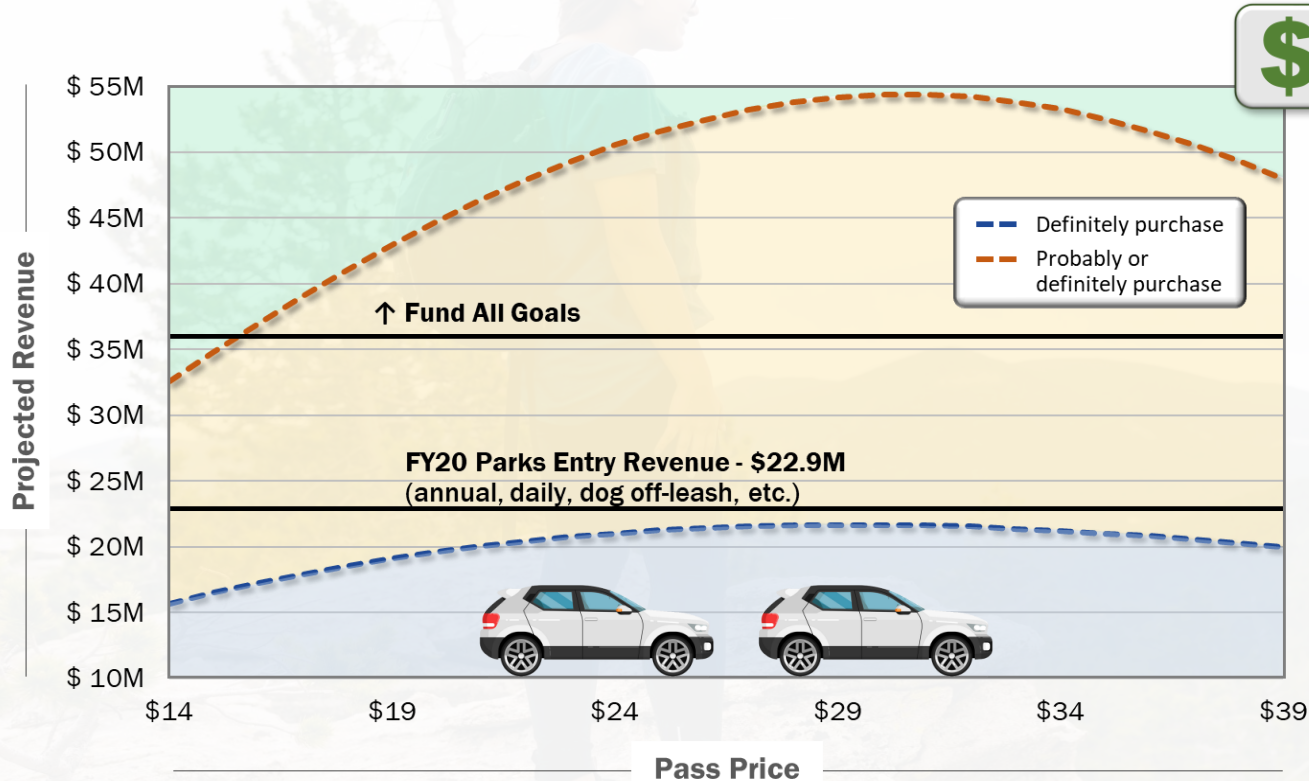
FOR A SECOND VEHICLE (IF WOULD PURCHASE PASS FOR 1 VEHICLE AND HAVE 2+ CARS)



- The probability of purchasing the Pass is **much lower for a second vehicle** than the first vehicle, at all prices.
- Among those who would buy the Pass for one vehicle, **likelihood of purchase for a second vehicle** holds **largely steady across prices**.

For an average respondent

CUMULATIVE MULTI-VEHICLE WILD PASS REVENUE

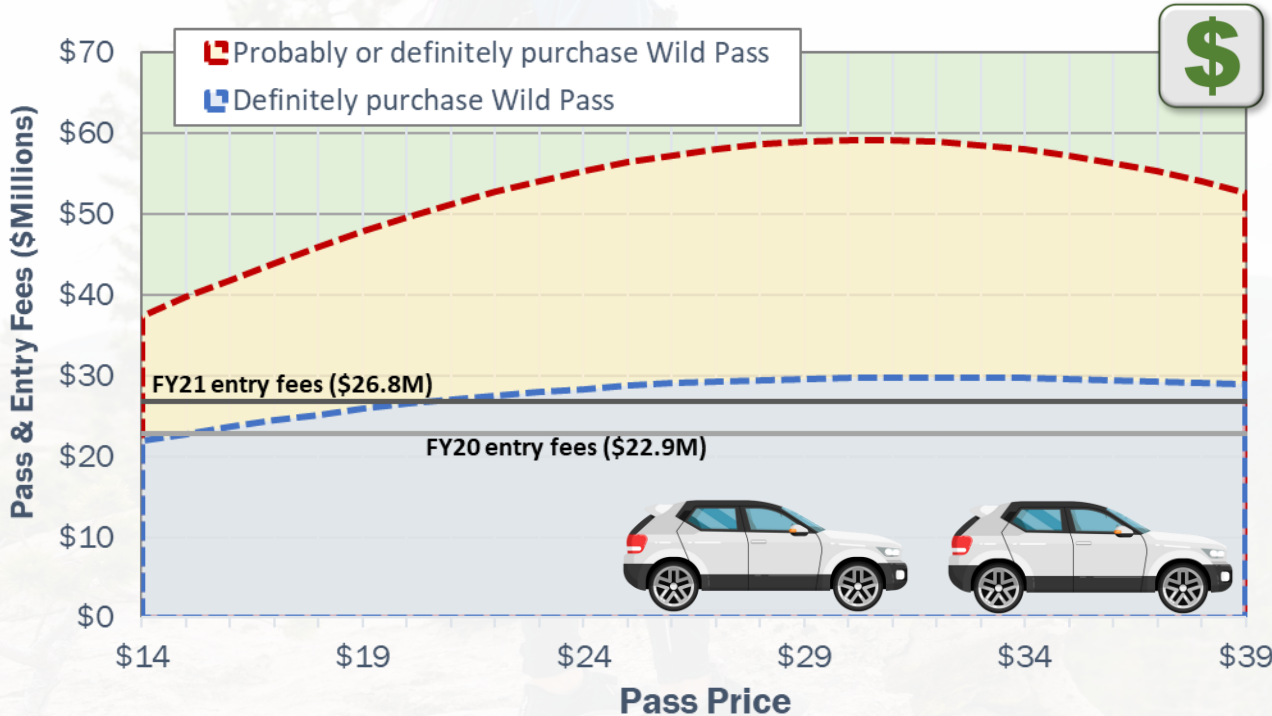


For an average respondent

- Under **conservative** projections, Wild Pass revenue **peaks** at about **\$21.5 million** at prices of **\$27 to \$32**.
- Under **optimistic** projections, Wild Pass revenue **peaks** at about **\$54 million** between prices of **\$29 to \$32**.

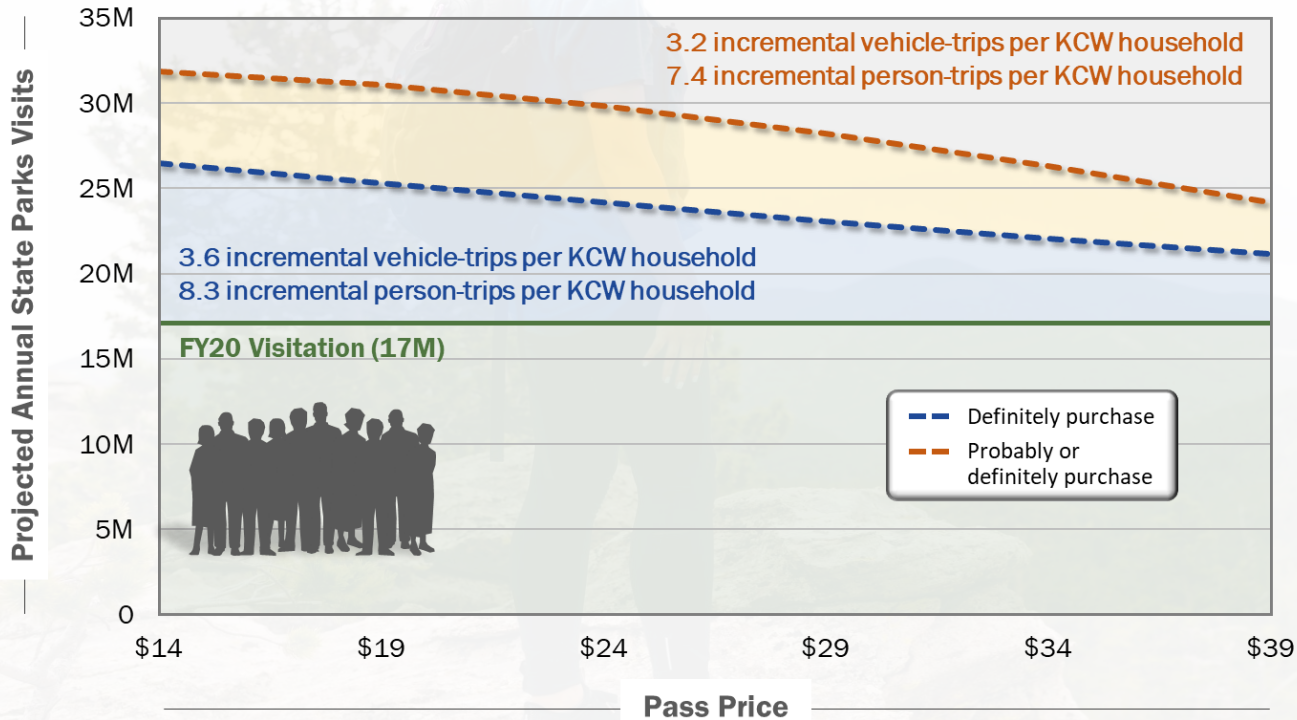
PROJECTED TOTAL STATE PARKS PASS & ENTRY FEES

WILD PASS, DAY PASS, DOG OFF-LEASH PASS, OUT-OF-STATE VISITORS, ETC.




- Under **conservative** estimates, total pass & entry fees **peak** at **\$29.5+ million** at Wild Pass prices of **\$29 to \$35**.
 - Revenues **exceed FY20** at Pass prices of **\$16+**.
 - Revenues **exceed FY21** at Pass prices of **\$21+**.
- Under **optimistic** estimates, total pass & entry fees **peak** at about **\$59 million** at Wild Pass prices of **\$29 to \$32**.

PROJECTED STATE PARKS VISITS INCLUDING VISITS STIMULATED BY WILD PASS

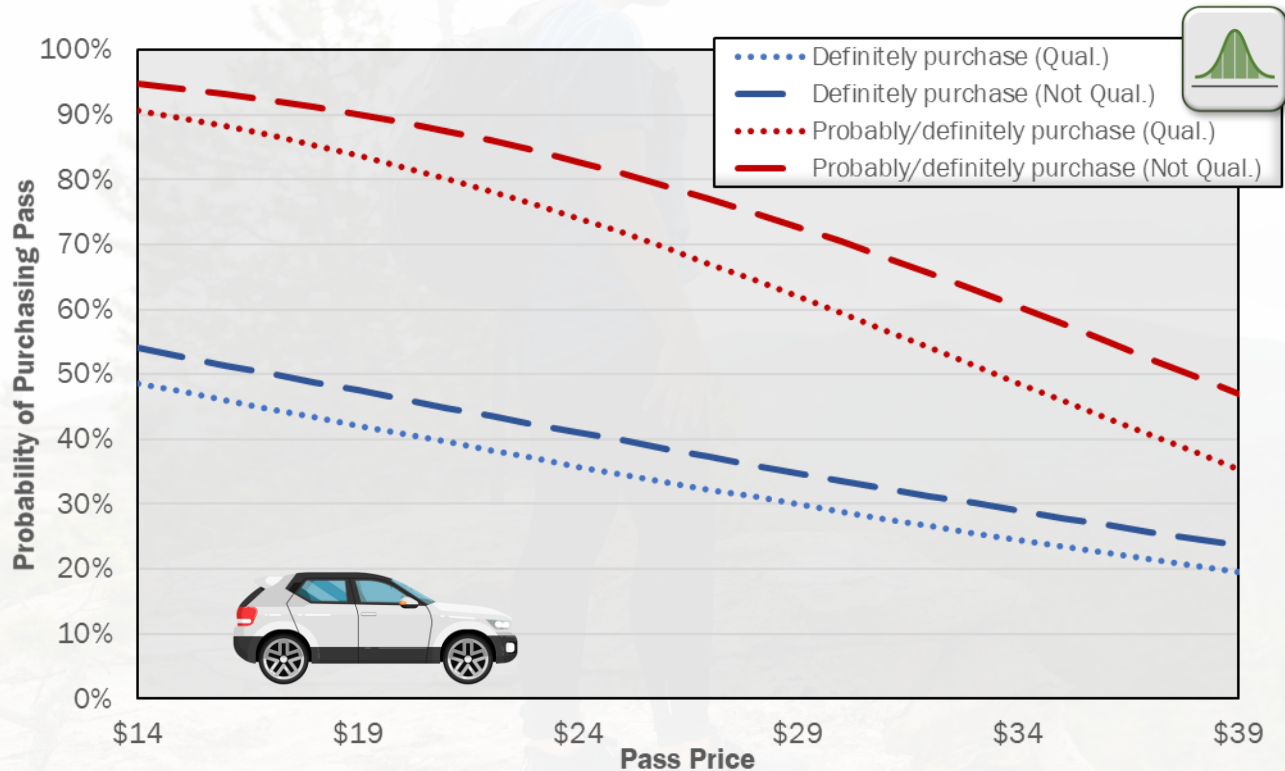


- **Visitation is projected to increase**, as Wild Pass holders anticipate visiting State Parks more frequently than they currently do.
- Under **conservative projections** of Pass sales, visitation increases by **25 – 55%**.
- Under **optimistic projections** of Pass sales, visitation increases by **40 – 90%**.
- **Visitation decreases as Wild Pass price increases** (due to lower pass uptake).

A hiker with a backpack stands on a rocky outcrop, looking out over a vast, forested valley and distant mountains. The hiker is wearing a blue t-shirt, black leggings, and a black backpack. The background shows a dense forest of evergreen trees and rolling hills under a bright sky.

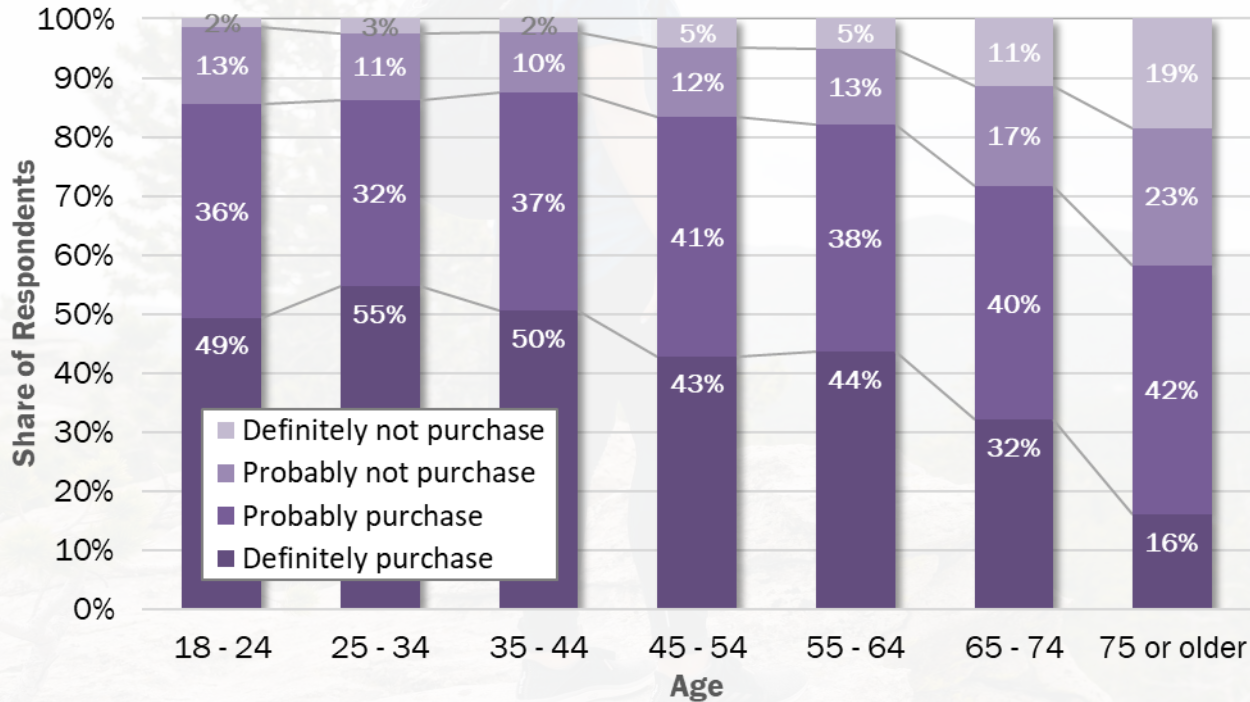
WHO ARE THE LIKELIEST WILD PASS PURCHASERS?

PROBABILITY OF PURCHASING A WILD PASS (FOR ONE VEHICLE) BY INCOME QUALIFICATION FOR A REDUCED-PRICE PASS



- **Income-qualified** respondents have somewhat **lower probabilities of purchase** than non-qualified respondents.
- Income group differences are **statistically significant** for “**probably/definitely**” group.

LIKELIHOOD OF PASS PURCHASE (FOR 1 VEHICLE AT INITIALLY PRESENTED PRICE) BY AGE



- Likelihood of pass purchase tends to **decline with age**, particularly age 65+.

OUTDOOR REC. ENGAGEMENT BY LIKELIHOOD OF PASS PURCHASE


	Definitely purchase	Probably purchase	Probably NOT purchase	Definitely NOT purchase
Familiarity with State Parks				
Very familiar	37%	19%	8%	11%
Somewhat familiar	54%	61%	51%	56%
Not too familiar	7%	18%	35%	22%
Not at all familiar	2%	2%	7%	11%
	100%	100%	101%	100%
Average Visits to State Parks in Past 12 Months				
	4.9	2.8	1.3	0.1
Share Owning Passes				
CO State Parks Annual Pass	37%	17%	6%	2%
US National Parks Pass	29%	25%	15%	23%

○ **Familiarity and visitation of state parks is associated with higher Wild Pass interest**

○ **Owning Colorado or National Parks passes is associated with higher Wild Pass interest**



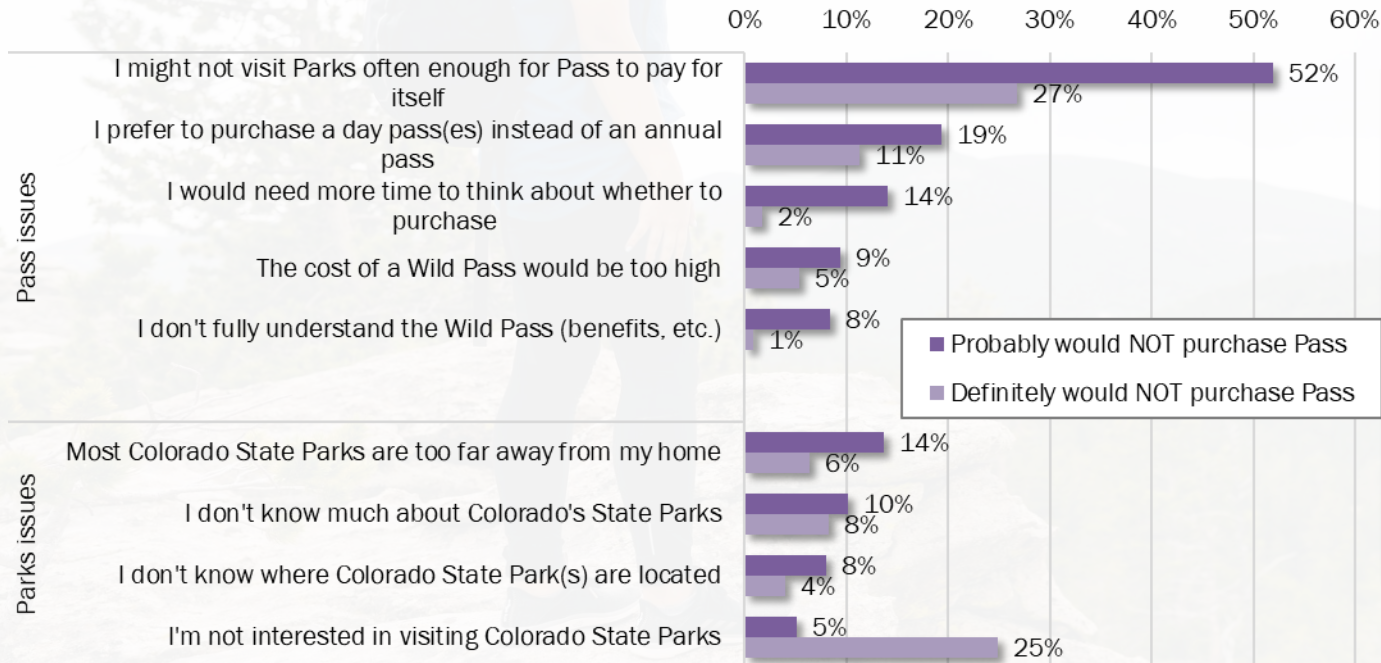
Participation in outdoor recreation activities (e.g. birdwatching, running, power boating, etc.) and **visitation of other public lands** (e.g. USFS, NPS, local parks, etc.) are associated with higher Wild Pass interest.

A woman with a backpack is standing on a rocky mountain peak, looking out over a forested valley. She is wearing a blue t-shirt, black leggings, and black sneakers. The background shows a vast landscape with green trees and distant mountains under a clear sky.

ADDITIONAL PASS PURCHASE CONSIDERATIONS

(If unlikely to buy pass for 1 vehicle at presented prices)

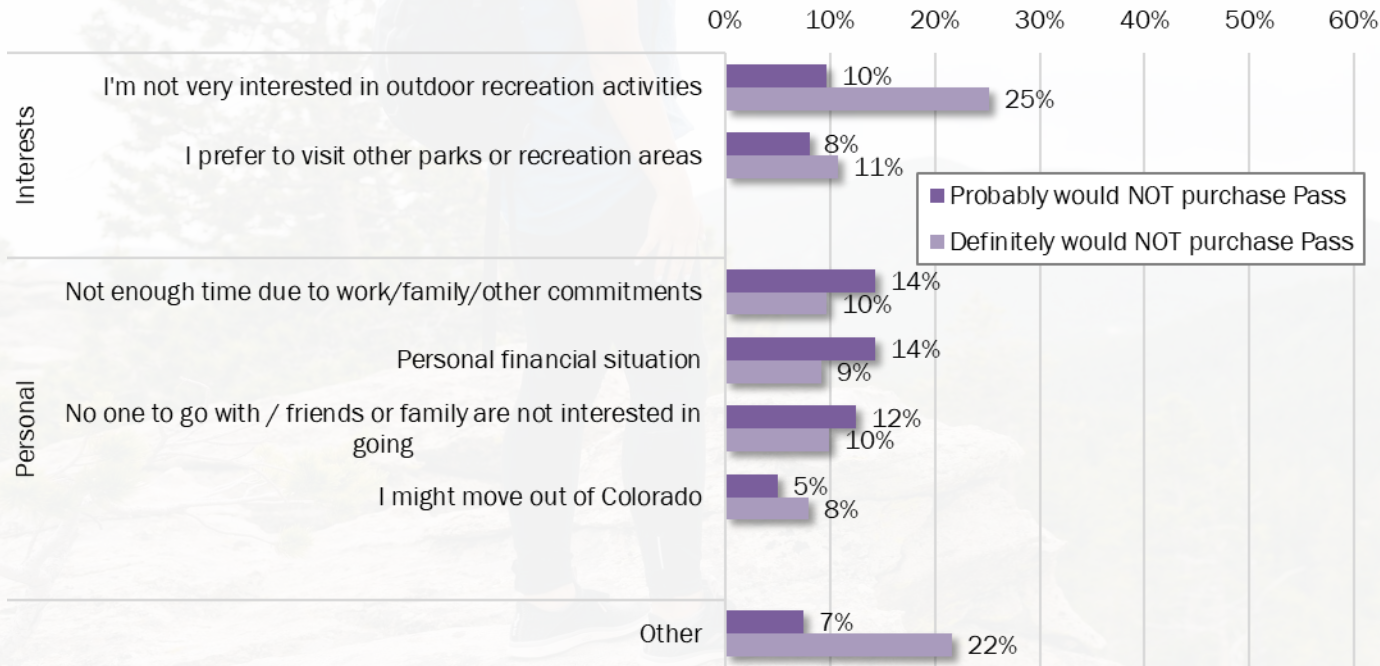
WHAT ARE THE PRIMARY REASON(S) WHY YOU MIGHT NOT PURCHASE OR BE HESITANT ABOUT PURCHASING A WILD PASS? (PASS AND PARKS ISSUES)



- **Top concern** among those unlikely to purchase is **Pass not paying for itself**.
- **Disinterest in visiting State Parks** is comparatively high for those would definitely not purchase.

(If unlikely to buy pass for 1 vehicle at presented prices)

WHAT ARE THE PRIMARY REASON(S) WHY YOU MIGHT NOT PURCHASE OR BE HESITANT ABOUT PURCHASING A WILD PASS? (INTERESTS & PERSONAL)



- **Lack of interest** in outdoor rec or preference for other parks & rec areas deter some.
- **Varied personal reasons** (time, finances, lack of someone to go with, etc.) deter some.

Do you have any comments or suggestions regarding the Wild Pass (e.g., with regards to pricing, benefits, your likelihood of purchasing, etc.)?

LEADING THEMES

- **Pass is a good idea** (esp. cited by persons who would definitely purchase)
- **Affordability will be a key consideration in decision whether to purchase**
- **Price quoted is a good value**
- **2nd/multiple vehicle issues:** make pass transferable; have discount for second car; etc.
- **Need more information about the Pass:** How is it different from existing annual pass? Benefits/restrictions? etc.
- **Have discounts** for seniors, veterans, low income, repeat Pass buyers, CO residents, etc.
- **Add benefits/discounts** to the pass
- **Frequency of use** will be a purchase decision factor
- **Good to support the parks**
- **Like convenience of purchasing** at time of registration
- Pass will encourage me/others **to visit Parks more**
- **Miscellaneous:** suggestions for modifying pass, advertising pass, reasons for buying/not buying pass, etc.

SUMMARY



Controlling for all factors, **purchase likelihood decreases as price increases**



High interest in Pass, but **lower certainty** in definite future purchasing



Purchase rates for a **second car** are likely to be **much lower** than for the first car



Under **conservative** projections, **Wild Pass** revenue peaks at **\$21.5M** at prices of **\$27 - \$32**

- **Total** pass & entry fees peak at about **\$29.5 million** at Wild Pass prices of **\$29 - \$35**

Under **optimistic** projections, **Wild Pass** revenue peaks at **\$54M** at prices of **\$29 - \$32**

- **Total** pass & entry fees peak at about **\$59 million** at prices of **\$29 - \$32**



- State Parks **visitation** is likely to **increase significantly** at any Wild Pass price
 - 25-55% increase under conservative sales projections
 - 40-90% increase under optimistic sales projections

SUMMARY (CONTINUED)



Moderate differences in WTP by **income and age**



Minimal differences in uptake by **gender, race/ethnicity, or region of residence**



Pass interest is very highly correlated with **parks and recreation participation & visitation**




Sentiment about the Wild Pass appears to be **broadly positive**



Pass purchase decisions appear likely to be primarily **economic**: whether pass will be used enough pay for itself, affordability of the pass, perceived value, etc.



Likely to be substantial **communication needs** to inform marketplace: pass benefits, restrictions, relationship to existing pass products, general State Parks awareness, special contingencies, etc.



KEEP COLORADO WILD PASS | PRICING STUDY
THANK YOU
QUESTIONS?



ECONOMIC & PLANNING SYSTEMS

