

Big Sky Resort Area District

05.25.2010

Big Sky Resort Tax Market Research

Who Is Flying Horse Communication?

- Brand Communication Agency in Bozeman, MT
 - Marketing Strategy: Market Research, Strategic Planning
 - Strategy Execution: Advertising, Public Relations and More
- Who is M+M Research?
 - Subsidiary market research company
 - Qualitative research: focus groups, in-depth interviews
 - Quantitative research: telephone surveys, online surveys, mail-in surveys



Survey Methodology

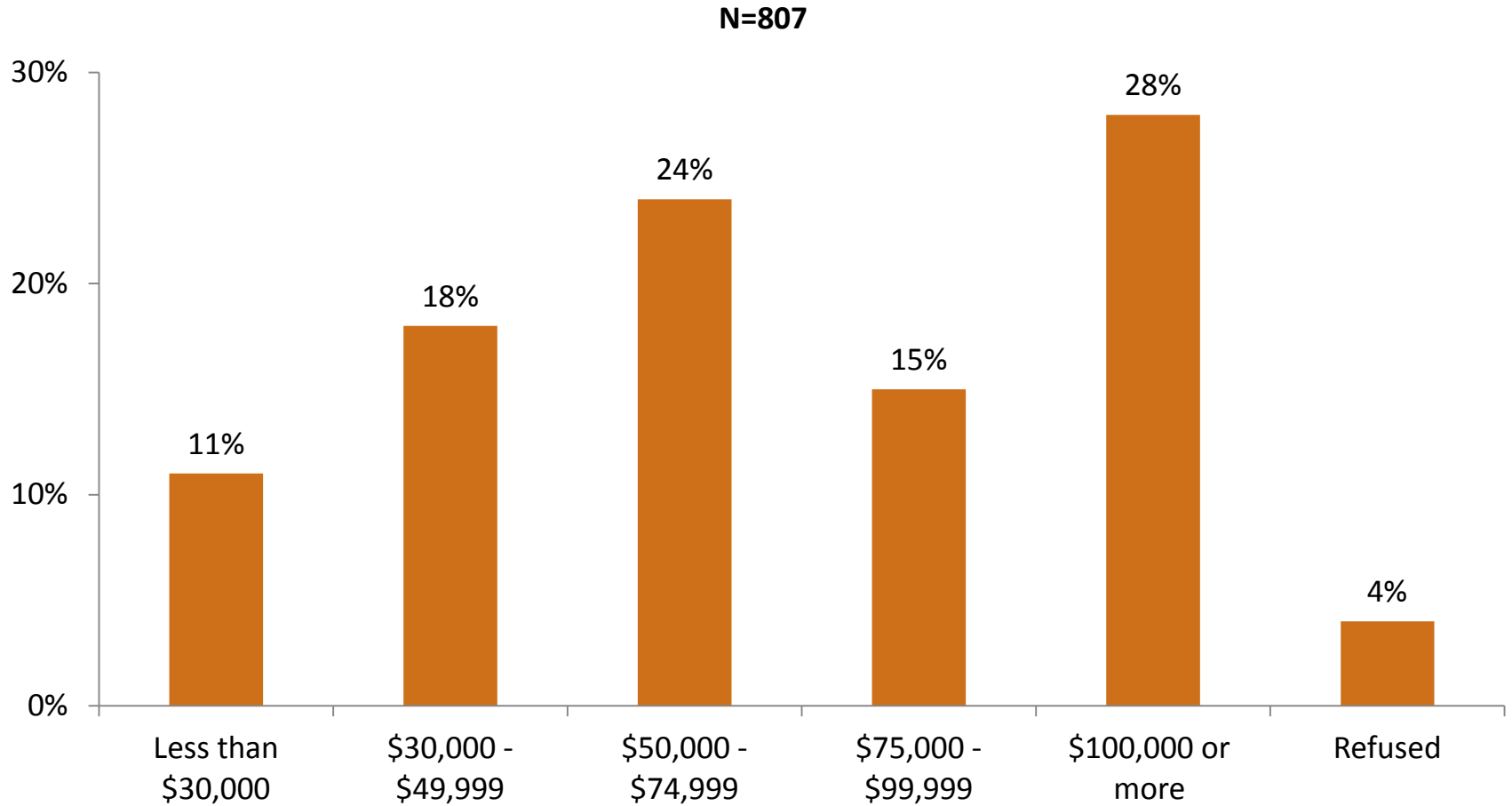
- Invitational letter sent to 1249 registered voters in Big Sky
 - Option to mail in the hardcopy survey or take the survey online
- An incentive of a \$1,000 raffle (spendable in Big Sky) was used to encourage strong response rates
- Survey was available between 3/22 and 5/10
- Total number of responses = 807
 - Online = 271
 - Hardcopy = 536
 - 65% response rate – very good!



Respondent Demographics

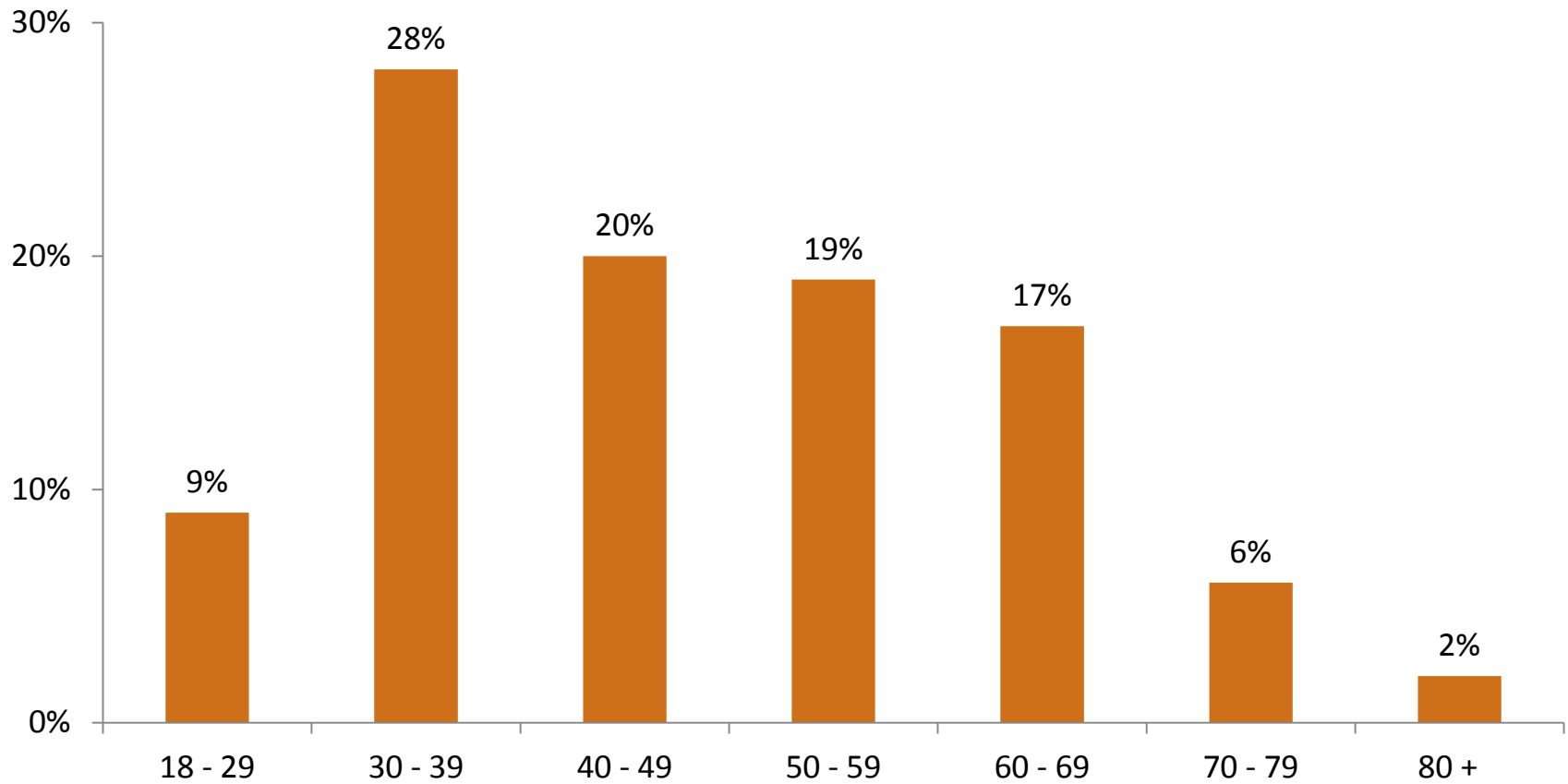


Demographics: Income

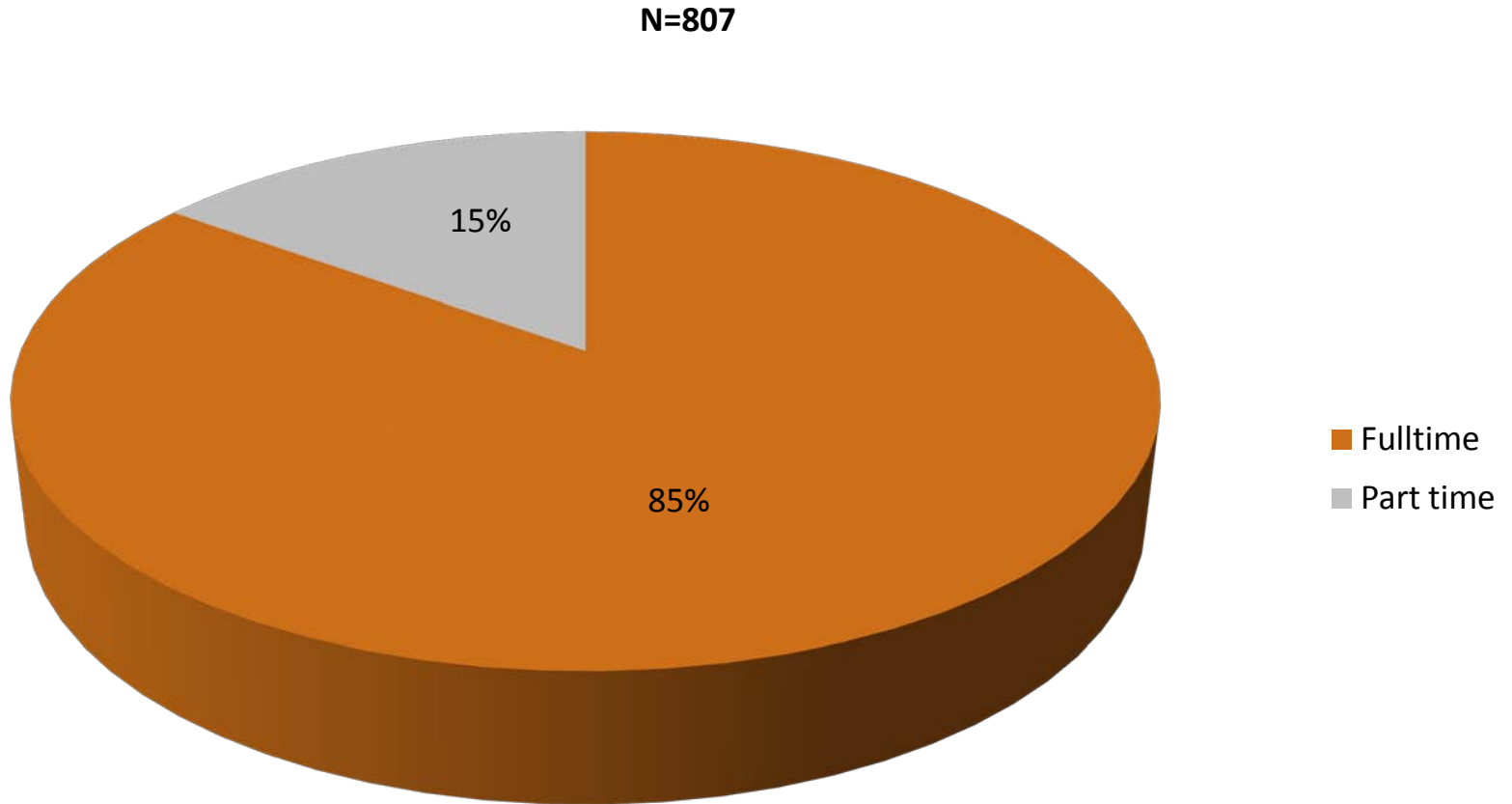


Demographics: Age

N=807

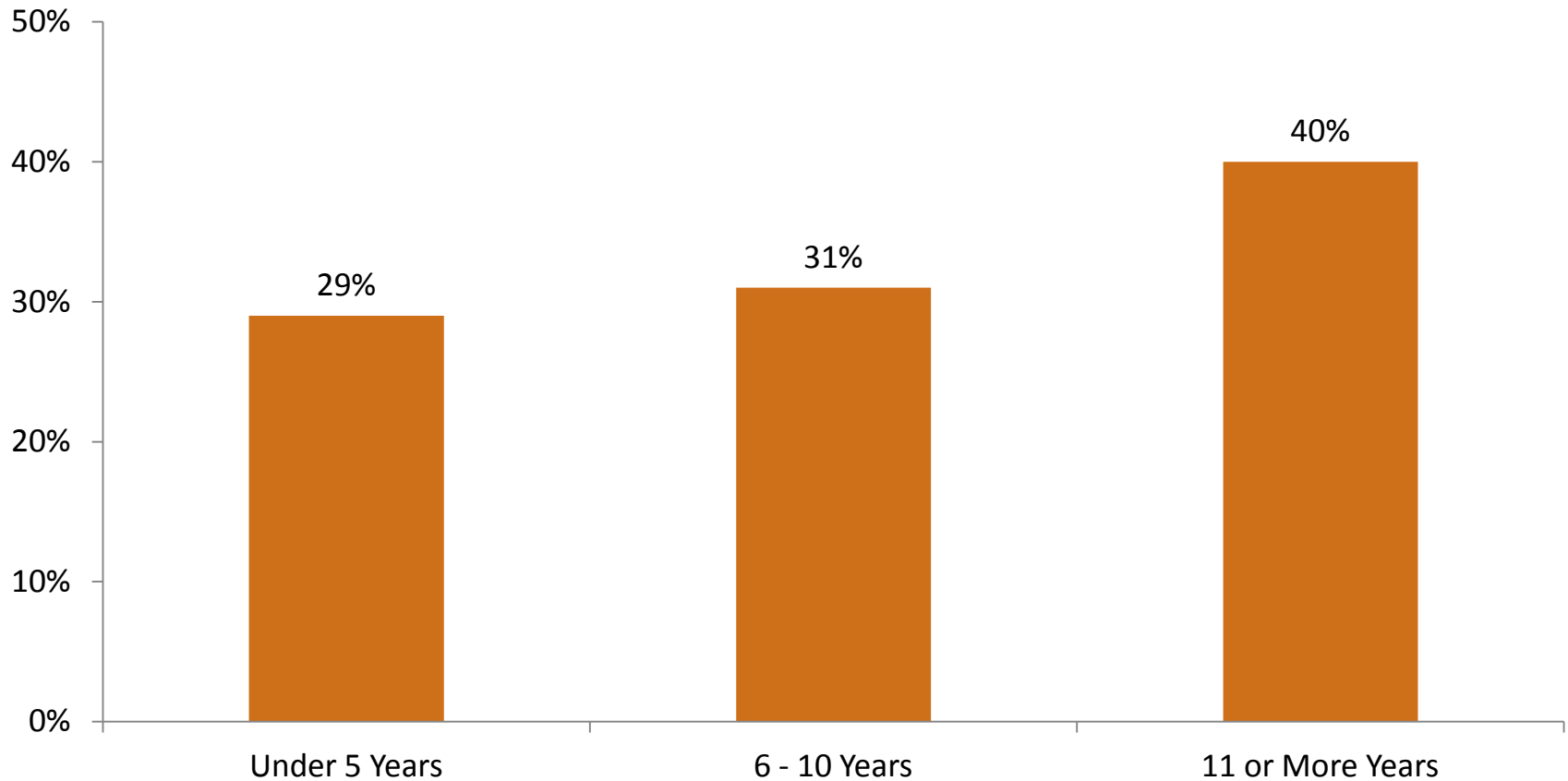


Demographics: Residency



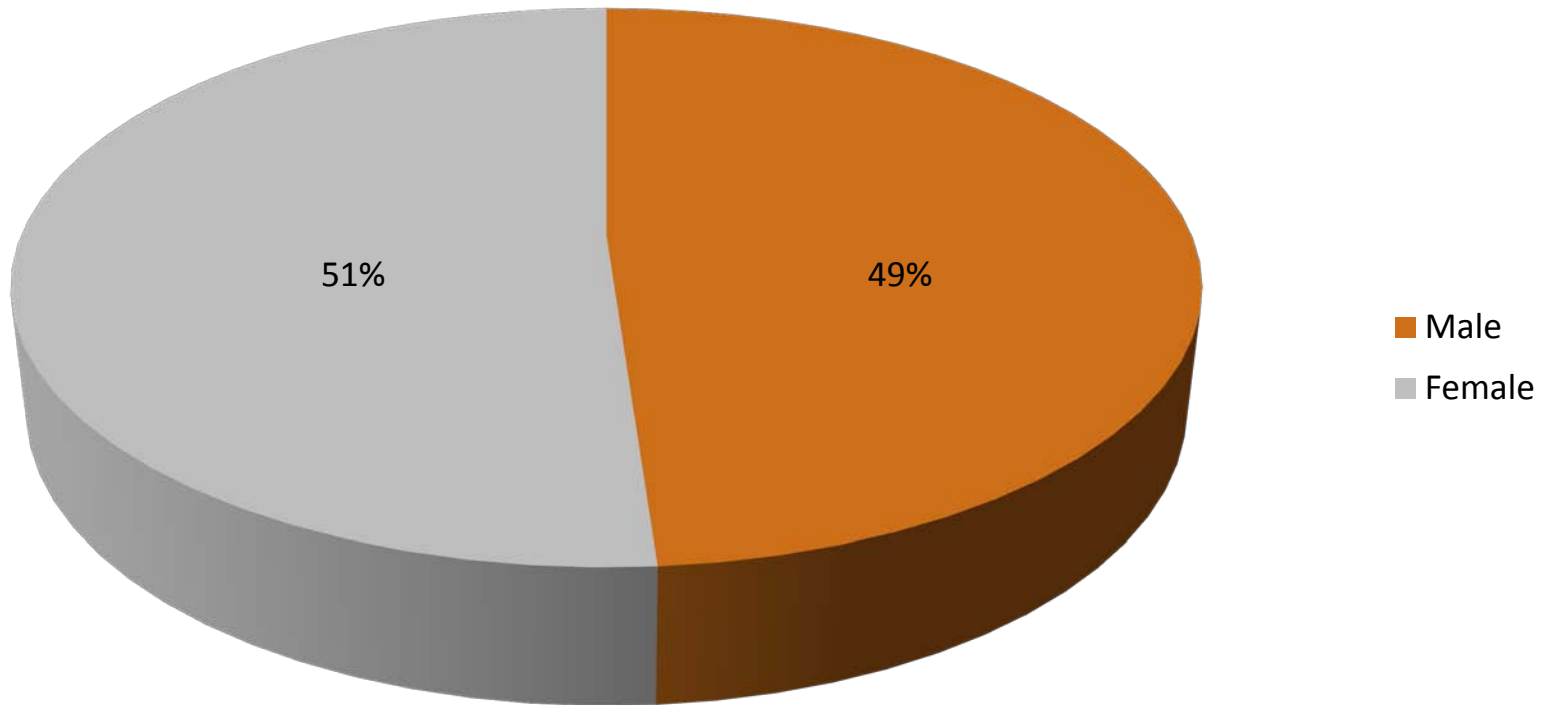
Demographics: Length of Residence

N=681 (Those who are residents of Big Sky)

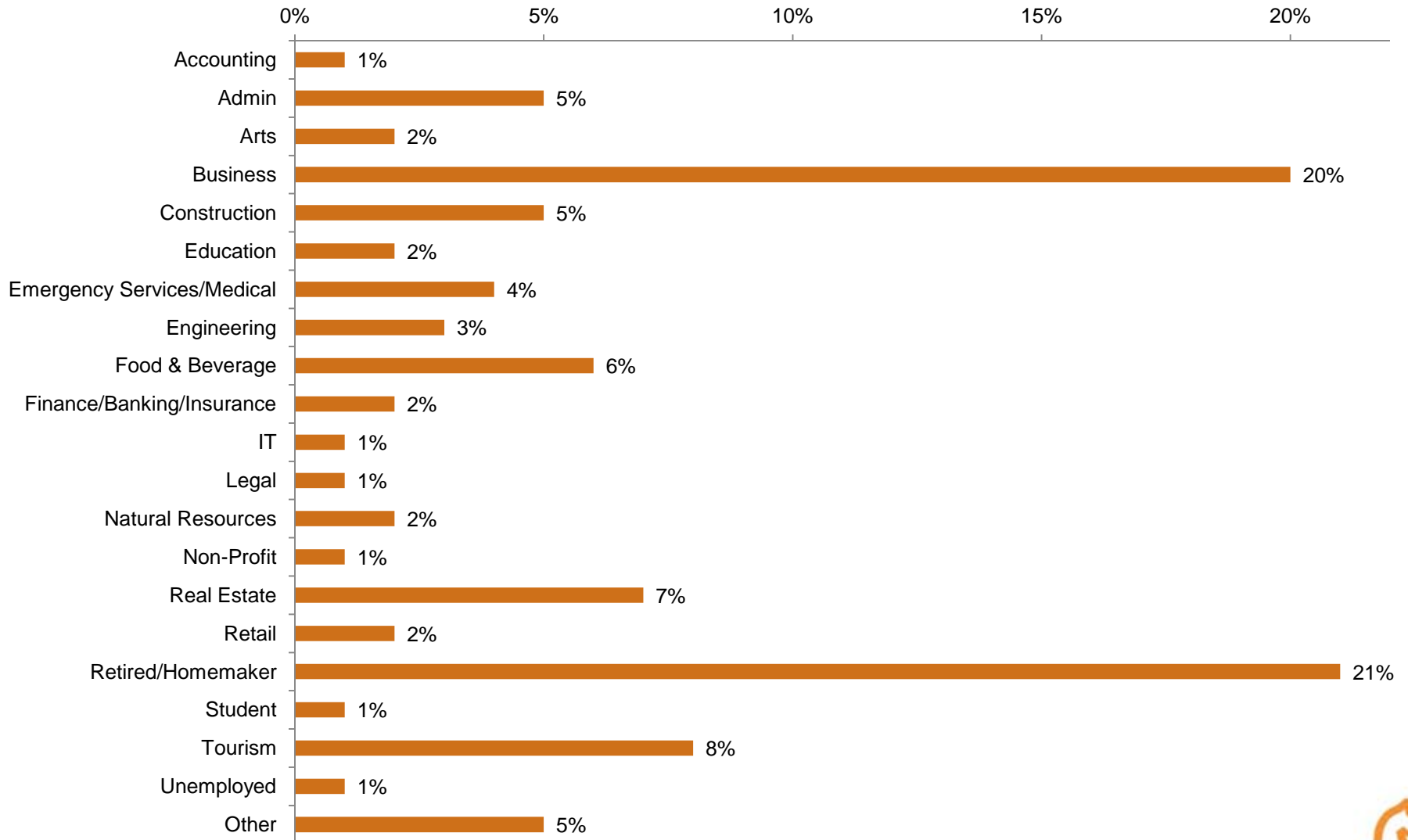


Demographics: Gender

N=807



Demographics: Occupation

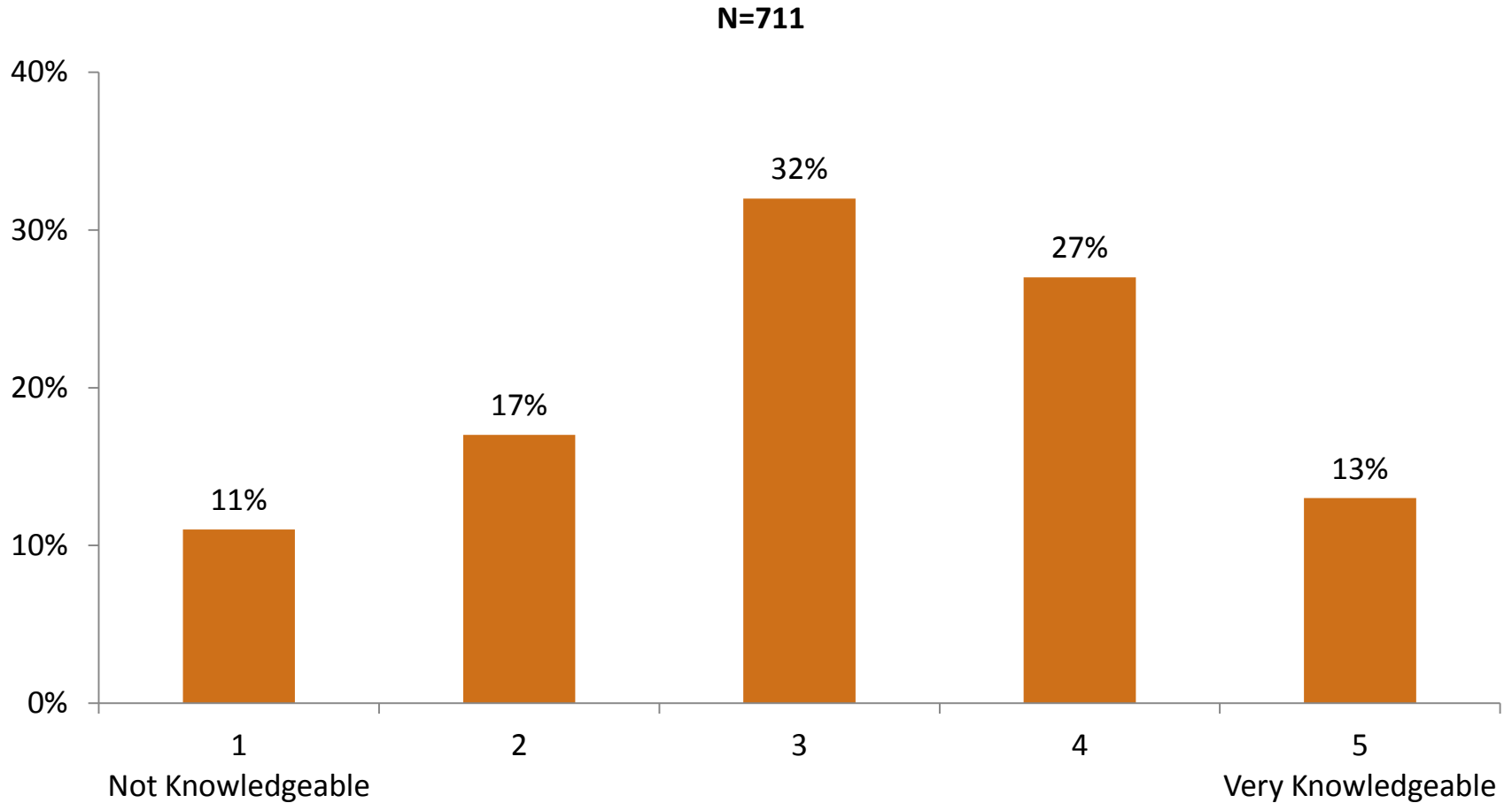


Key Findings: Understanding of Revenue Allocation

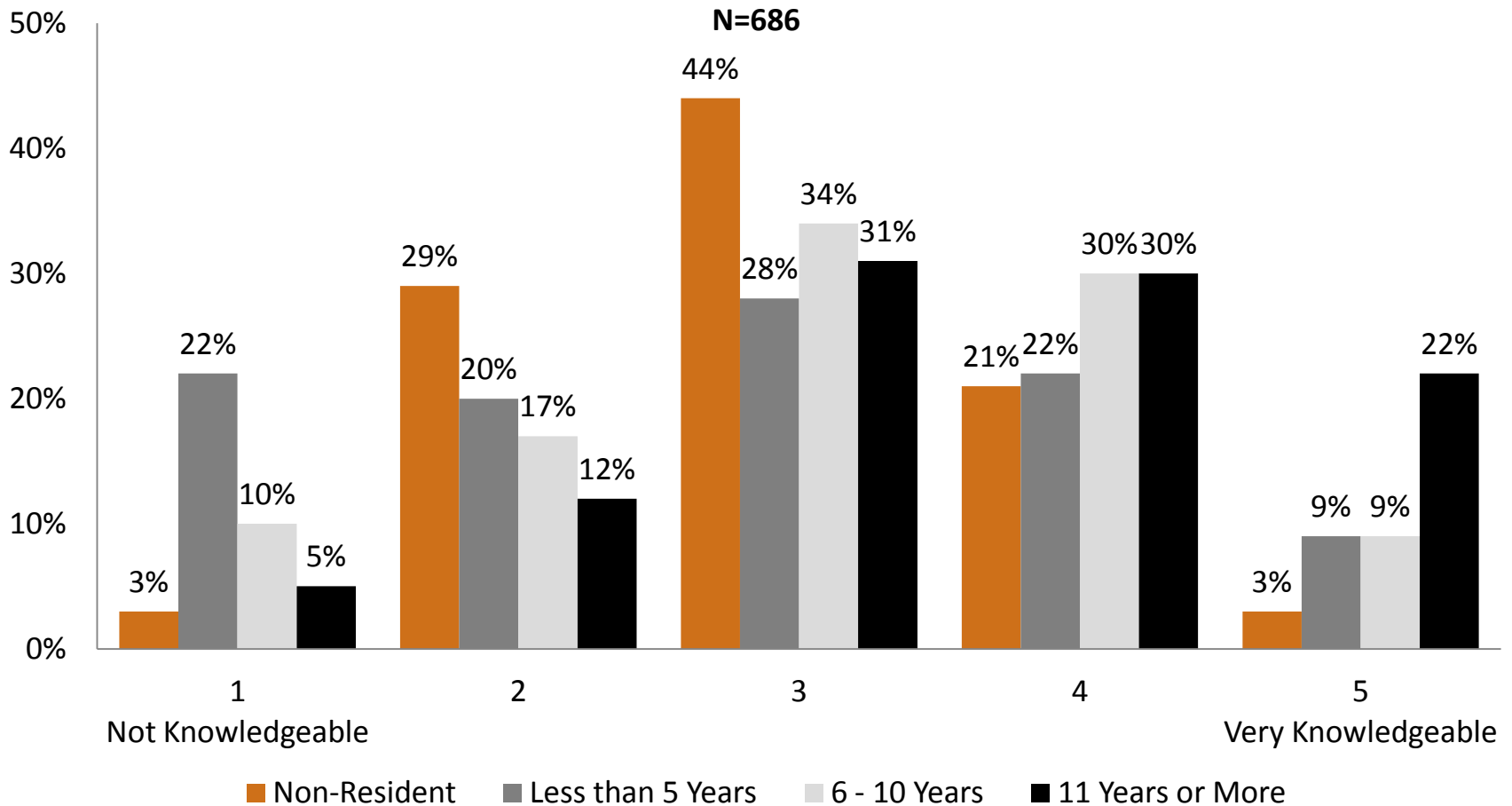
- Respondents report having a moderately good understanding of how Resort Tax revenue is allocated
 - 40% report a strong understanding
 - 32% report a moderate understanding
 - 28% report a poor understanding
- Understanding of revenue allocation is tied to length of residency
 - Longer term residents (11 or more years) have a stronger understanding than short term (5 or less years) residents and non-residents



Q1. How would you rank your knowledge of how the Big Sky Resort Tax revenue is allocated?



Q1. Knowledge of Revenue Allocation * Length of Residency

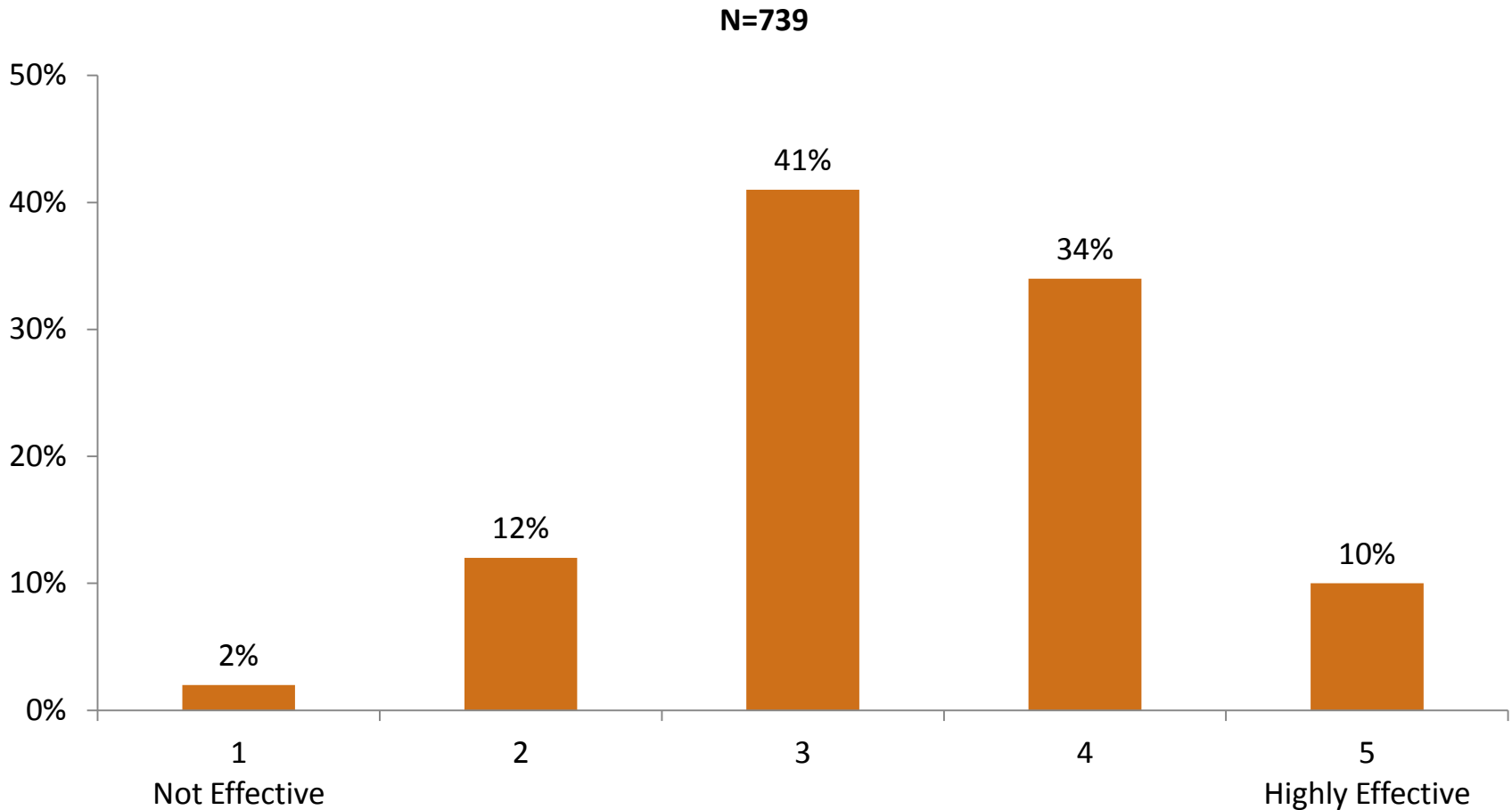


Key Findings: Effectiveness in Funding the Future

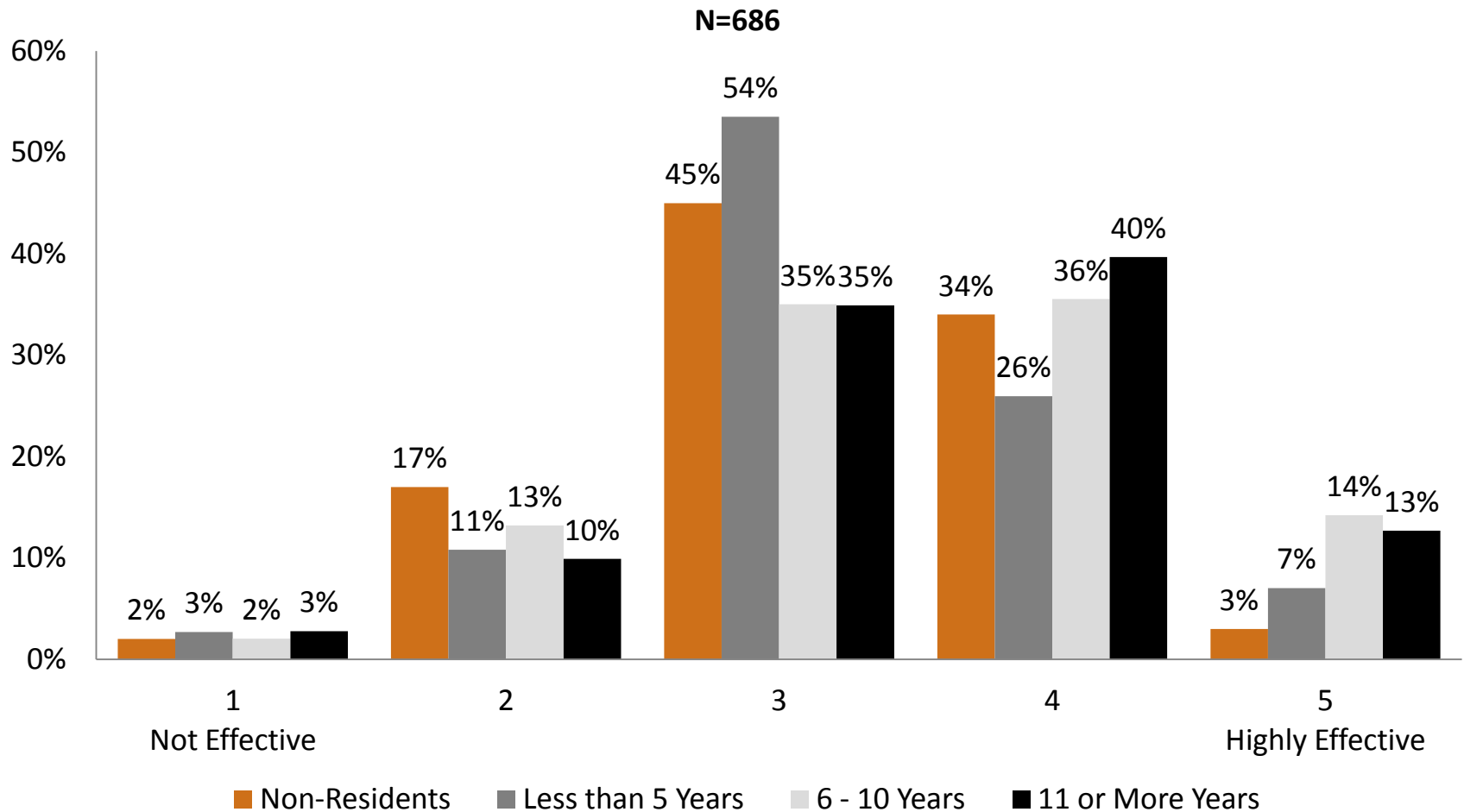
- Respondents feel that the Resort Tax is effective to moderately effective in funding the growth and future of Big Sky
 - 44% feel it is effective
 - 41% feel it is only moderately effective
 - 14% feel it is not effective
- Long term residents feel the Resort Tax is more effective than do shorter term residents and non-residents



Q2. How effective would you say the Big Sky Resort Tax is in funding the growth and future of Big Sky?



Q2. Effectiveness * Length of Residency

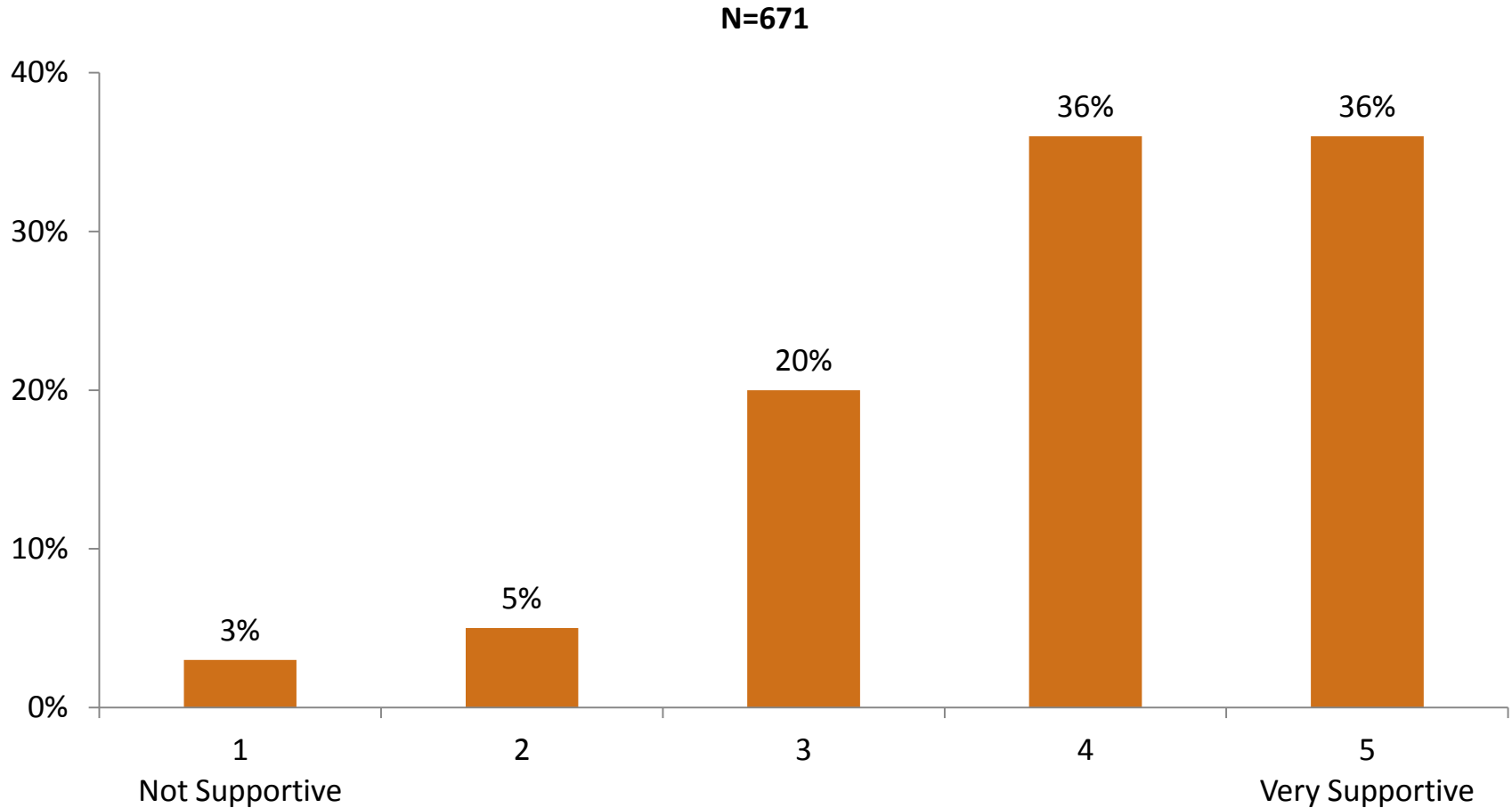


Key Findings: Supportiveness of the Resort Tax

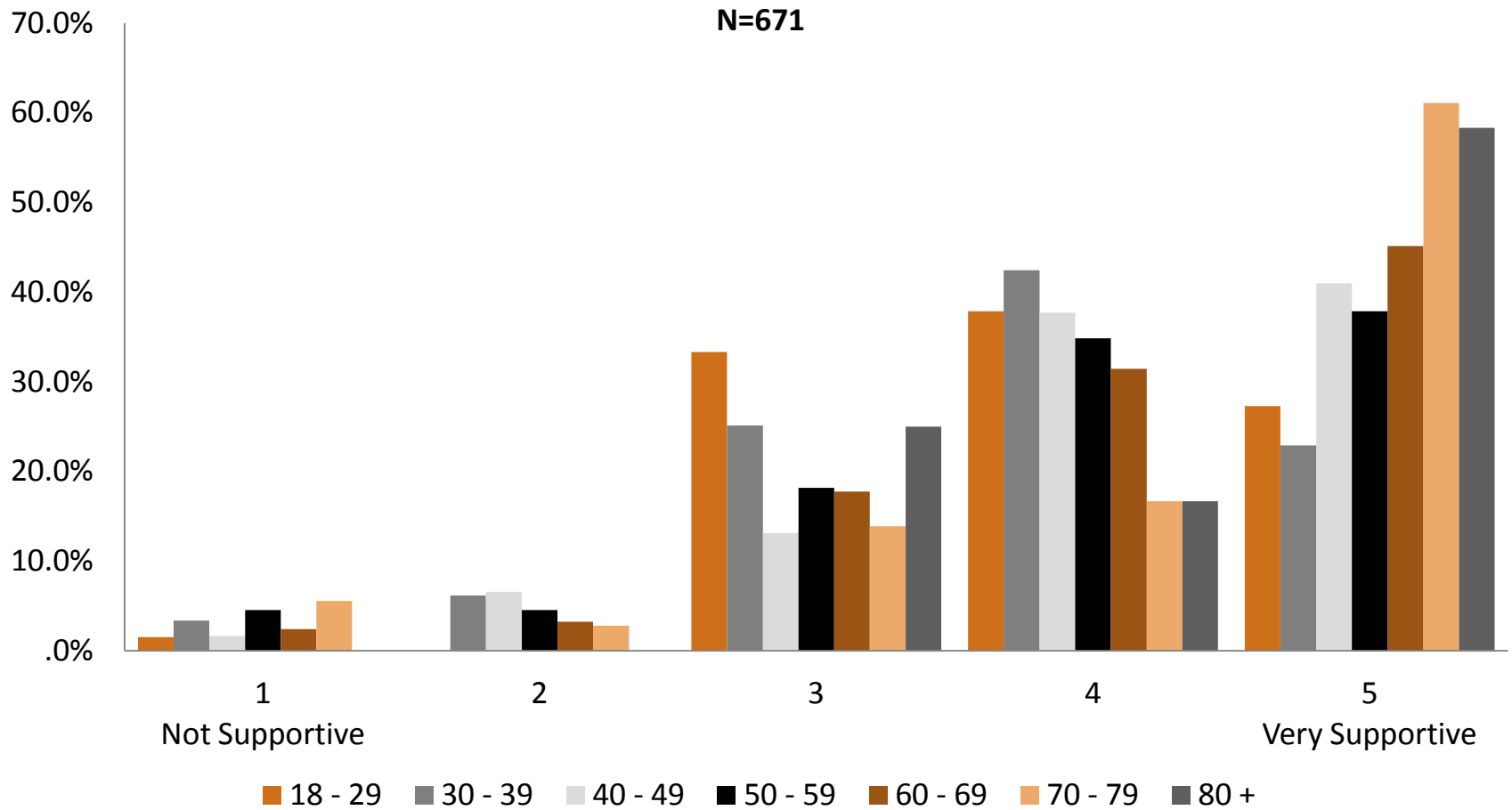
- Support for the Resort Tax is strong
 - 72% of respondents support the Resort Tax
 - 20% of respondents feel neutrally (neither for or against)
 - Only 8% of respondents do not support the Resort Tax
- Older respondents (aged 70+) are most supportive of the resort tax in comparison to younger respondents
- Longer-term residents are the most supportive of the Resort Tax in comparison to shorter-term residents and non-residents



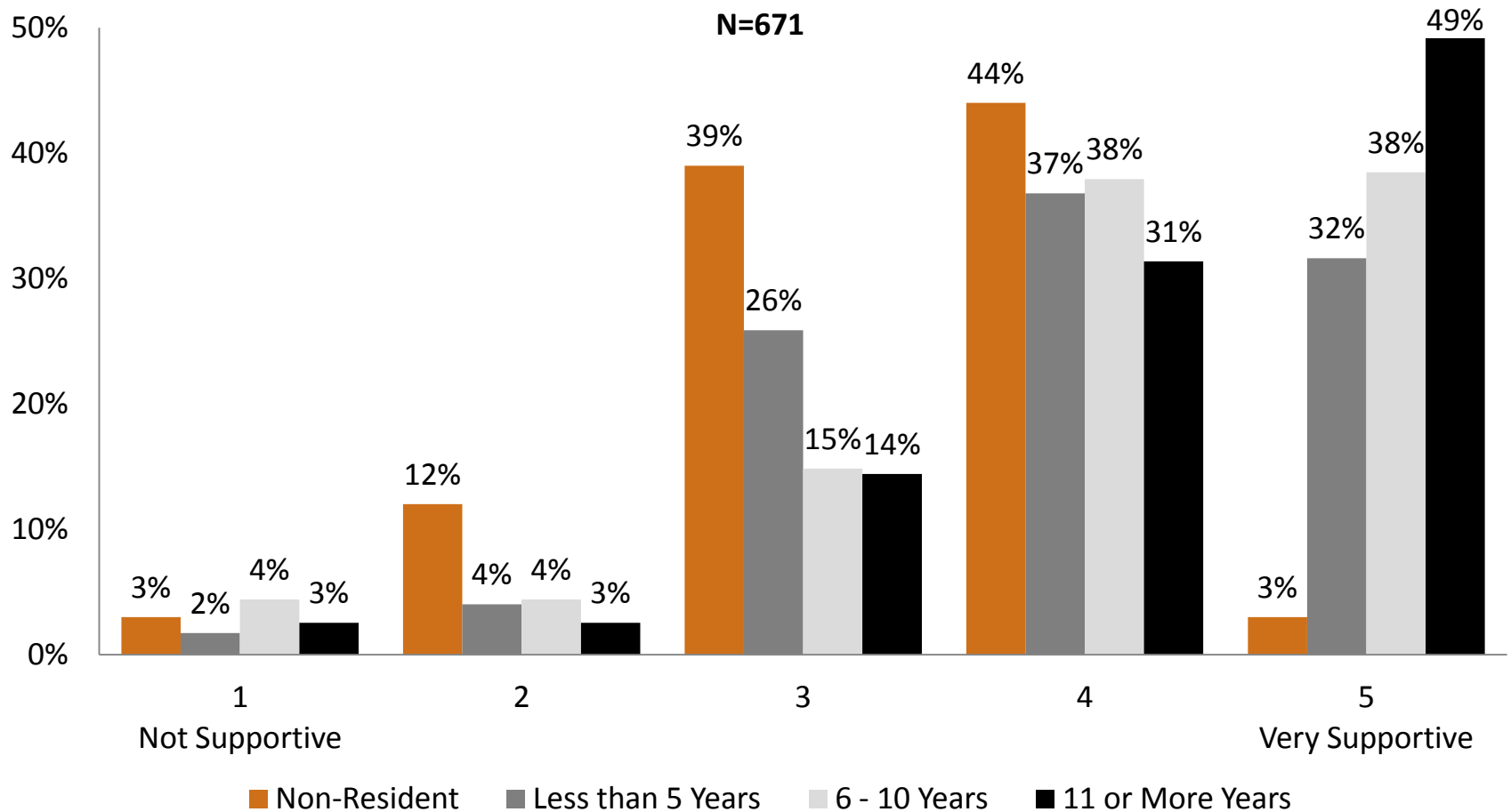
Q3. How supportive of the Big Sky Resort Tax are you?



Q3. Supportiveness * Age



Q3. Supportiveness * Length of Residency

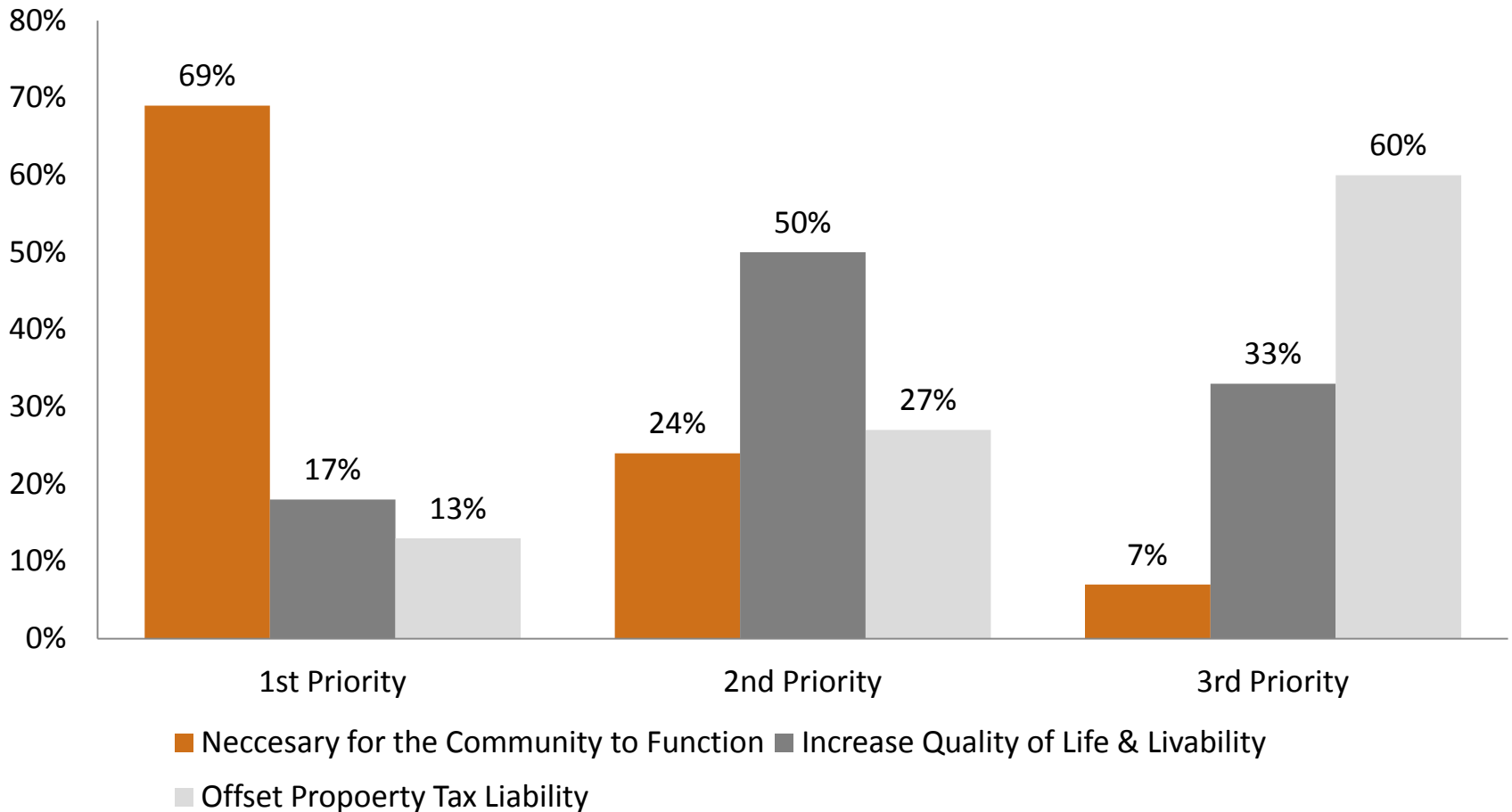


Key Findings: How Revenue Should Be Allocated

- Programs that are **necessary for the community to function** are clearly the **primary choice** of respondents
 - Examples include emergency services, transportation, tourism and post office
- Programs that **increase quality of life** are clearly the **secondary choice** of respondents
 - Examples include entertainment, recreation and environmental protection
- Programs that **offset property tax liability** are clearly the **third choice** of respondents



Q4. How would you prioritize the following categories that Resort Tax revenue can be applied to?

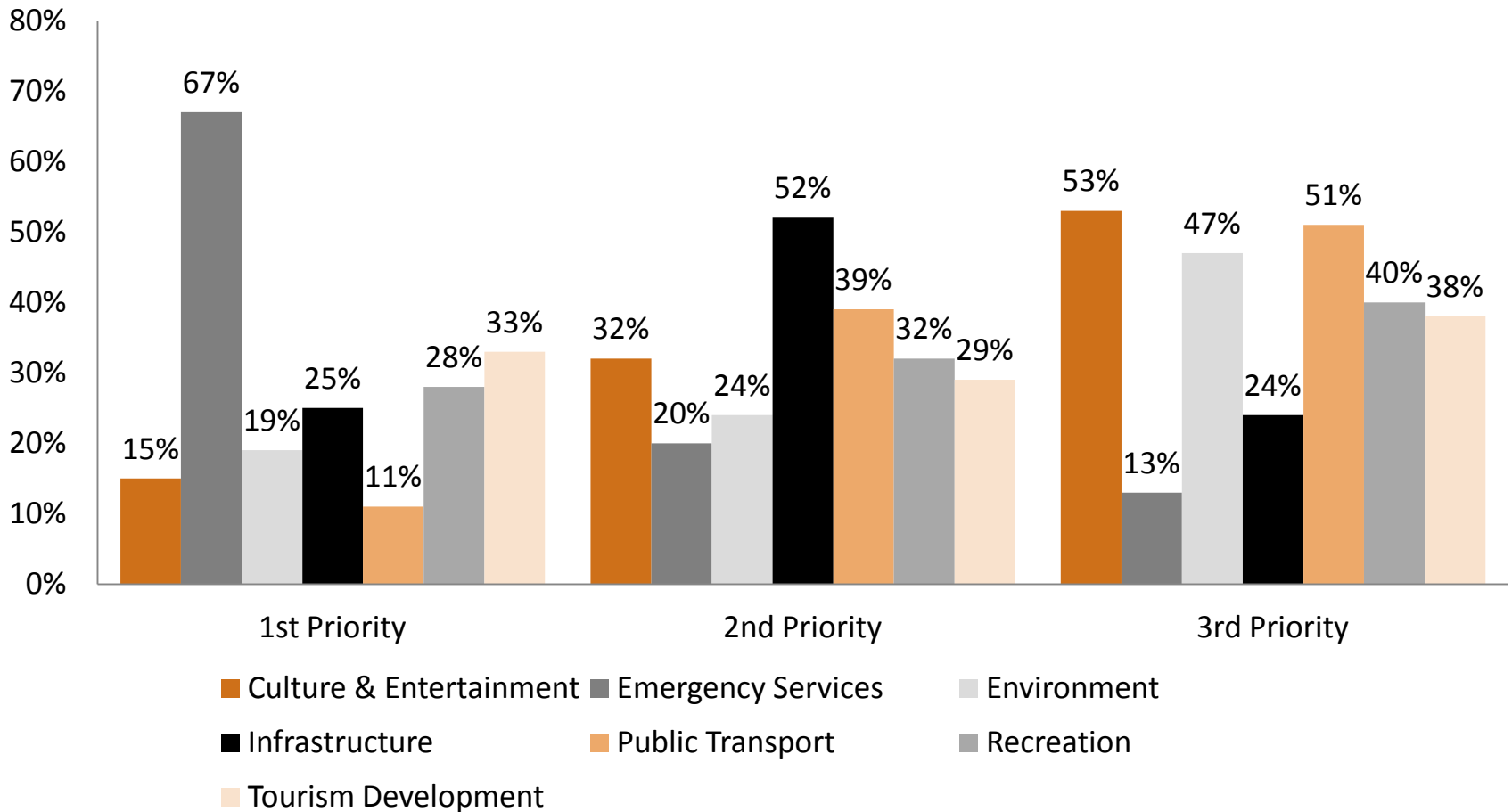


Key Findings: Revenue Allocation to Program Types

- Respondents feel that **emergency services** are of **primary importance** to fund
 - i.e. police and sheriff, fire and rescue, ambulance and emergency medical services
- Respondents feel that **infrastructure** is of **secondary importance** to fund
 - i.e. water and sewer, post office, roads and bridges and snow plowing
- Respondents were split between **culture & entertainment programs, environmental protection programs** and **public transport** as their **third priority** for funding



Q5. From the following program types, please choose the top 3 that you feel are the most important to fund.



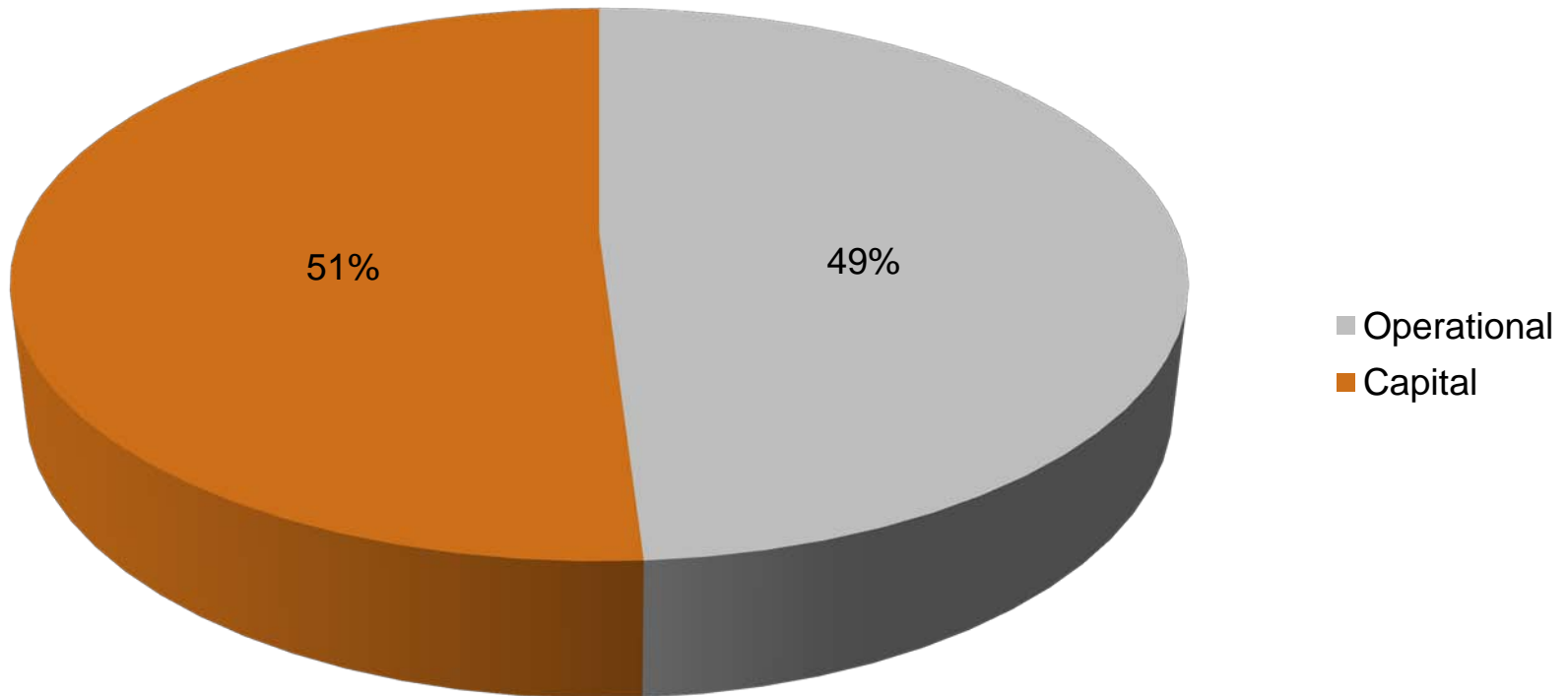
Key Findings: Capital Improvements vs. Operational Expenses

- Respondents as a whole are undecided as to whether Resort Tax revenue should fund capital improvements or operational expenses
 - No statistically significant difference at 49% vs. 51%
- Occupations that favor funding Capital Improvements:
 - Accounting, Administrative, Education, Engineering, Food & Bev, Legal, Retail
- Occupations that favor funding Operational Expenses:
 - Arts, Emergency Services/Medical, Non-profit, Real Estate, Retired/Homemaker, Unemployed

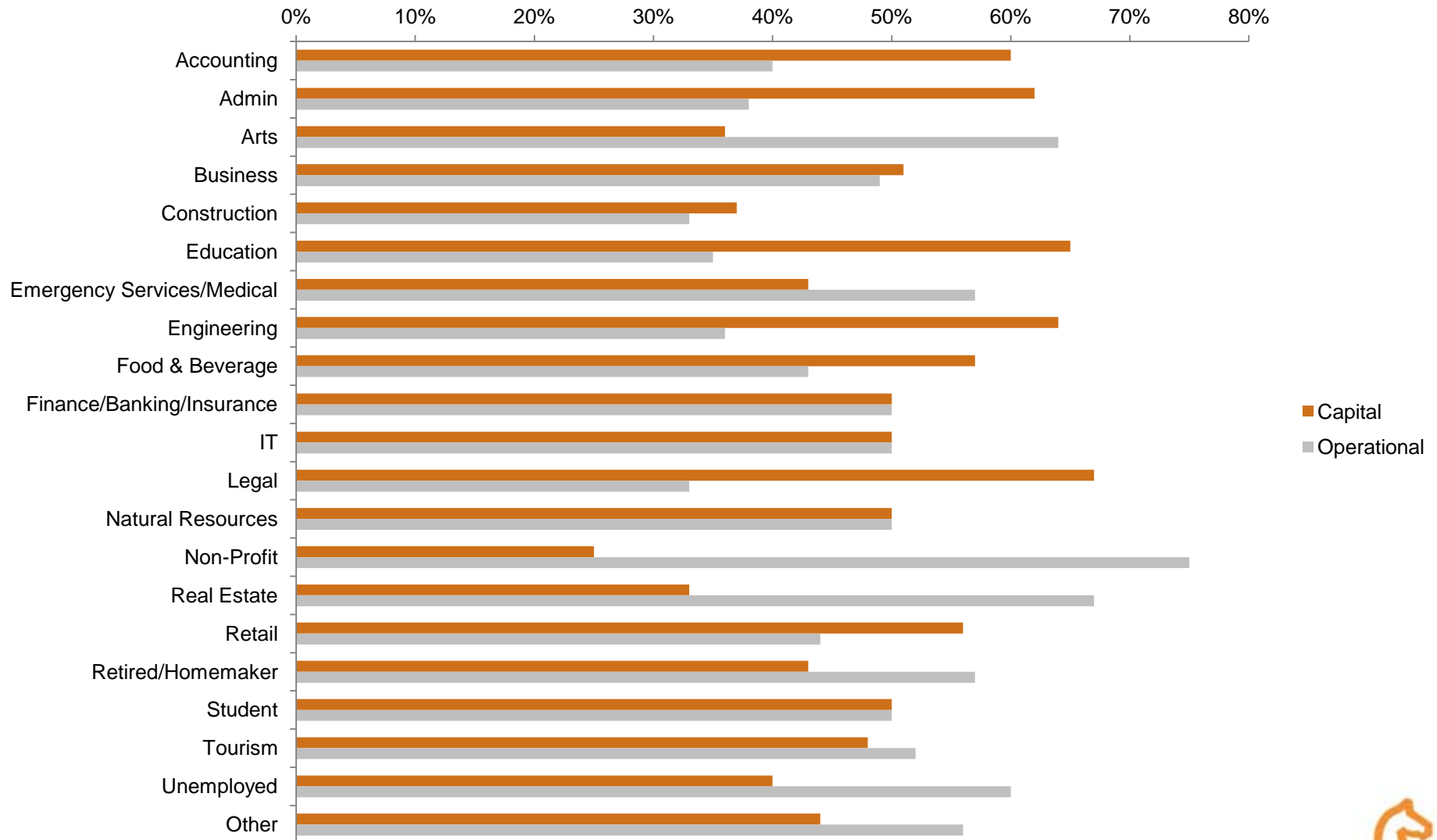


Q7. Should we continue to primarily fund *operational expenses* or begin to focus on *capital improvements*?

N=772



Q7. Operational/Capital * Occupation



Q6. Are there any specific community programs of major importance to you which you would like to see funded by the Big Sky Resort Tax? (Open-ended)

- Big Sky Community Park – 42
- Trails – 41
- Public Transport – 39
- Emergency Services – 34
- Parks – 24
- Environmental Protection – 21
- Biggest Skiing in America – 21
- Arts / Arts Council / Arts & Culture - 20
- Library – 20
- Tourism - 19
- Ice Rink – 13
- Education - 12
- Chamber of Commerce – 8
- Tax Reduction – 8
- Child Care / Daycare – 7
- Community Center – 7
- Concerts – 7
- Infrastructure - 7
- Better Signage (191) – 7
- Tennis Courts – 6
- Morningstar – 6
- Road Maintenance – 5
- Swimming Pool – 4
- Skate Park – 4
- Bluewater Task Force – 4
- Water/Sewer – 4
- Sidewalks – 3
- Affordable Housing - 3
- Frisbee Golf – 3
- Youth Club - 3
- Town Incorporation – 2
- Mental Health – 2
- Movie Theatre – 2
- Snowmobile Trails – 2
- Big Sky Institute - 2
- Post Office – 2
- Women in Action – 1
- Big Sky Youth Empowerment – 1
- Gondola from Meadow to Mountain - 1
- Dump - 1



Recap of Key Findings

- Moderately good understanding of Resort Tax allocation
- Resort Tax is seen as effective in funding the future of Big Sky
- Resort Tax is strongly supported
- Programs that are necessary for the community to function are the primary choice for funding
- Programs that improve the quality of life are the secondary choice for funding
- Programs that reduce property tax liability are the third choice for funding
- Emergency services are the most important to support
- Infrastructure is the second most important to support
- Culture and entertainment, environmental protection and public transport equally are the third most important to support
- Respondents are divided over the matter of funding capital improvements vs. operational expenses

