Minnesota
2013 Tourism Advertising Evaluation and Image Study

Final Report

Table of Contents

- Research Objectives……...4
- Research Method……....5
- Executive Summary…..……8
- Travel Motivators & Hot Buttons…… 20
- Minnesota's Image vs. the competition……..24
- Minnesota's Product Delivery…… 40
- Creative……57
- Impact of Advertising on Image……59
- Information Sources for Trip Planning……62
- Bottom Line Advertising Impacts……..73
- Minnesota Media Diagnostics……..……....80

Background

- Longwoods International was engaged by Explore Minnesota Tourism to undertake an evaluation of their spring/summer 2013 tourism advertising campaign.
- The campaign appeared on TV, radio, online and in print
- The ads were designed to:
  - *Promote leisure travel to Minnesota*
  - *Encourage traffic to www.exploreminnesota.com, the state's tourism website*
- Minnesota's advertising markets included:
  - *Minnesota, North Dakota, South Dakota, Illinois, Wisconsin, Iowa and Winnipeg, Manitoba, Canada*
- Campaign spending totaled $2.3 million.

Research Objectives

- The purpose of this research is to provide:
  - *fundamental strategic insights about the image of Minnesota and its key competitors with respect to key destination choice factors;*
  - *an evaluation of the spring/summer 2013 tourism advertising campaign in terms of:*
    - *top line measures:*
      - *awareness of the advertising*
      - *impact on Minnesota's image as a travel destination*
    - *the bottom line return on Minnesota's investment in the campaign in terms of:*
      - *incremental travel to Minnesota*
      - *incremental traveler spending in Minnesota*
      - *incremental state and local taxes*

Research Method

- The study was conducted among a representative sample of adult travelers (18+) residing in Minnesota's advertising markets.
  - *'Travelers' means respondents had taken a day and/or overnight pleasure trip anywhere in the past 3 years and intend to take another in the next 2 years.*
- The survey was conducted via a major online consumer panel which is demographically balanced to represent the population in the markets surveyed.
  - 1,400 individuals responded to the research

Research Method (Cont'd)

- The questionnaire addressed three key areas:
  - ***Minnesota's Image as a Travel Destination***
    - *respondents rated Minnesota and selected competitive destinations across an extensive list of characteristics or destination attributes.*
  - ***Travel to Minnesota***
    - *respondents reported the number of day and overnight trips they took to Minnesota during and shortly after the advertising campaign.*
  - ***Advertising awareness***
    - *actual creative from the 2013 campaign was exposed and respondents reported recall of each.*
      - *we use this forced exposure approach to ensure that we are measuring the state-sponsored advertising only – not that of Minnesota's attractions and accommodation facilities.*

Research Method (Cont'd)

- **ROI** calculation:
  - *the **Longwoods R.O.EYE™** method quantifies the relationship between awareness of campaign elements and trip taking.*
  - *a baseline measure is generated to estimate the level of visitation that would have occurred in the absence of advertising activity.*
  - *using the principles and techniques of experimental design, we control for the effects of internal and external factors that could otherwise influence the result.*

Executive Summary

Travel Motivators

- In the survey, respondents were asked to evaluate several destinations overall and on a series of detailed image attributes.
- Through statistical analysis, we have derived the relative importance of each attribute in determining people's overall interest in the destinations.
- Then, in order to better communicate the results, the data have been grouped into 11 broader categories, or travel motivators, and ranked from more important to less important.

Travel Motivators

- The more important a travel motivator is, the more important it should be for a destination to communicate that message about itself, taking into consideration its ability to deliver on the promise with its product.
- Within each travel motivator category, the image attributes that make up that category are also presented in their order of importance.
- When evaluating Minnesota's image and product delivery, and those of the competitive set, it is critical to keep the relative importance of each attribute in mind.

Travel Motivators

- For travelers, the top motivators for getting on the destination wish list are **exciting**, followed by **unique** and **adult vacation:**
  - *the notion of **excitement** comes from being seen as fun, with a sense of adventure and a must-see destination*
  - ***uniqueness**, including the local people, culture and traditions*
  - ***adult vacation**, the perceived suitability for adults and couples, is important because they are paying for the trip*

Travel Motivators

- Several factors are of moderate importance individually; but they include some of the key rational features that bring to life the emotional excitement that attracts people to a destination:
  - ***popularity*** *as a tourist destination in general*
  - ***family atmosphere*** *refers to a destination's perceived appeal for kids and families*
  - *a* ***worry-free*** *environment, because being perceived as relaxed and friendly is important*
  - *the availability of* ***luxurious*** *accommodations and dining*
  - *good* ***sightseeing****, particularly the overall variety of things to see and do, and beautiful scenery*
  - *the opportunities for* ***entertainment****, including festivals, nightlife, shopping, museums and theater*

Travel Motivators

- Relatively low on the priority list are:
  - *opportunities for* ***sports and recreation***
  - ***affordability*** *refers to the costs associated with getting to and staying at a destination:*
    - *although relatively unimportant at the wish list stage, cost usually rises in importance the closer one gets to closing the sale*

Minnesota's Image

- Minnesota's image strengths versus these competitors as a group are:
  - *Most aspects of water-related outdoor adventure – excellent boating/water sports, fishing, canoeing/kayaking, as well as snowmobiling*
  - *Urban experiences such as excellent shopping and great theater & performing arts*
  - *Beautiful fall color scenery*
  - *Spectator sporting events and interesting festivals/fairs/events (the latter is a hot button)*
  - *Excellent resorts/cabins/cottages (a hot button)*

Minnesota's Image

- Nonetheless, travelers perceive some significant disadvantages to visiting Minnesota relative to the competition, the most important of which are:
  - *not considered a must-see destination*
  - *not as exciting as other destinations*
  - *not necessarily a unique place to visit*
  - *less of an adventure is visit*
  - *less popular with vacationers overall*
- Other major perceptual weaknesses are in the less important areas of:
  - *Authentic historical sites*
  - *Excellent state/national parks*
  - *Activities such as hiking and bicycling/mountain biking*

Minnesota's Product Delivery

- The image ratings we just discussed looked at perceptions of Minnesota and the competition among the broad population of potential travelers in Minnesota's target markets. Within that broad population are some people who have visited Minnesota in the recent past, i.e. who have experienced Minnesota's product, and some who haven't.
- The analysis that follows examines recent visitors' image of Minnesota based on recent experience ("product delivery") compared to the image ratings of those who have never actually visited, i.e., whose perceptions are based on "pure image".

Minnesota's Product Delivery

- This is essentially the difference between the expectations of those who have not been to Minnesota vs. the experiences of those who have. When the experience falls short of expectations, there may be a problem with the product. When experience exceeds expectations, there is a great opportunity to educate those who don't know how wonderful Minnesota is.

Minnesota's Product Delivery

- In this survey people who have visited Minnesota in the past two years gave Minnesota substantially higher ratings for every one of the many attributes on which they evaluated the state than people who had never visited.

- In other words, the first time visitor is very pleasantly surprised by what they experience in Minnesota.

- The difference is in many cases so large that the conclusion one could draw is that with such a good product, Minnesota has more of an awareness problem than a product problem.

Minnesota's Product Delivery

- The greatest differences in "perception vs. reality" are:
  - *Minnesota's urban offerings: theater & performing arts, excellent museums & art galleries, excellent shopping, exciting nightlife*
  - *The outdoor and water-related activities such as boating & water sports, canoeing/kayaking, fishing, camping, golf*
  - *The all-important attributes relating to being a fun place for a vacation, offering lots to see and do on a vacation, being a good place for adults to vacation and hosting interesting festivals/fairs/events.*

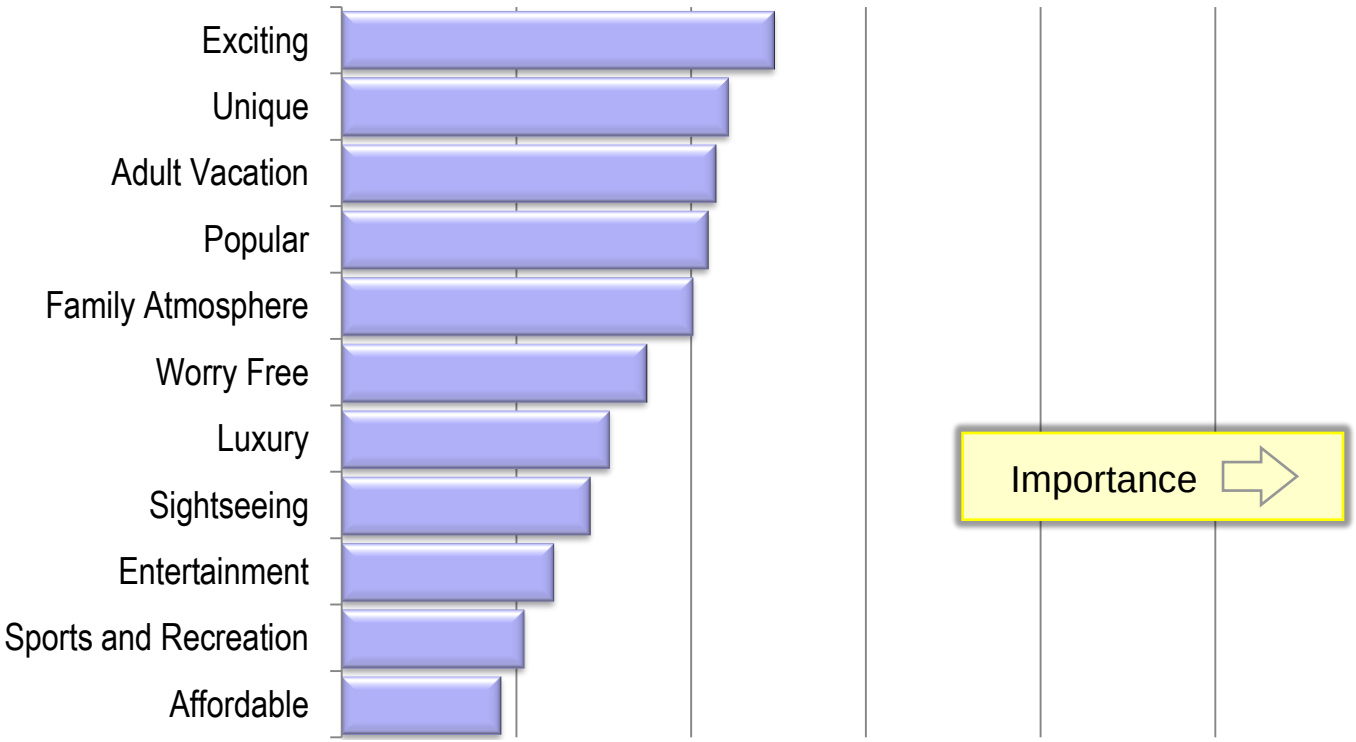
Travel Motivators & Hot Buttons

Travel Motivators

- In order to determine the key factors that motivate travel and destination of choice, respondents are asked to rate selected states across a robust list of ***attributes*** or characteristics.
- Statistical correlations are then used to establish the degree of association between each attribute and the overall rating, “A place I would really enjoy visiting.”
  - *A high correlation reveals an attribute to be an important motivator. The attributes with the highest correlations are referred to as ‘Hot Buttons’.*
  - *A lower correlation reveals an attribute to be of lesser importance.*
- The Travel Motivating ***factors*** are calculations that reflect the aggregated importance across attributes related by subject.

Travel Motivators

Base: Residents of Minnesota's Regional Advertising Markets



Relative Importance*

*A measure of the degree of association between each factor and whether Minnesota is a place "I would really enjoy visiting."

Minnesota's Hot Buttons

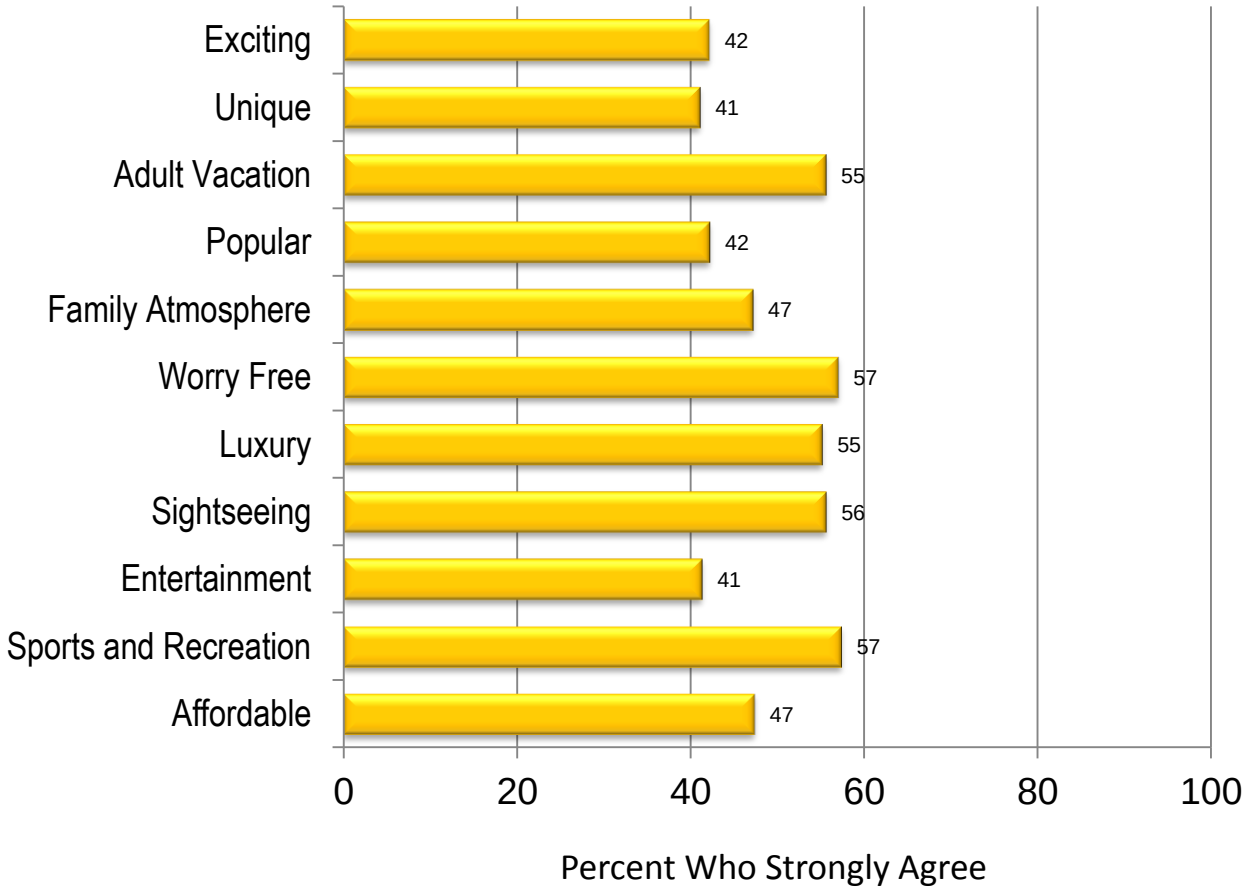
Base: Residents of Minnesota's Regional Advertising Markets

Top 15 Hot Buttons
A fun place for a vacation
Lots of things to see and do
Must-see destination
An exciting place
Unique vacation experience
A vacation there is a real adventure
Great for an adult vacation
Popular with vacationers
Children would enjoy
Good place to relax
Interesting small towns/cities
Interesting festivals/fairs/events
Truly beautiful scenery
Excellent resorts/cabins/cottages
First class hotels

Minnesota's Image vs. the Competition

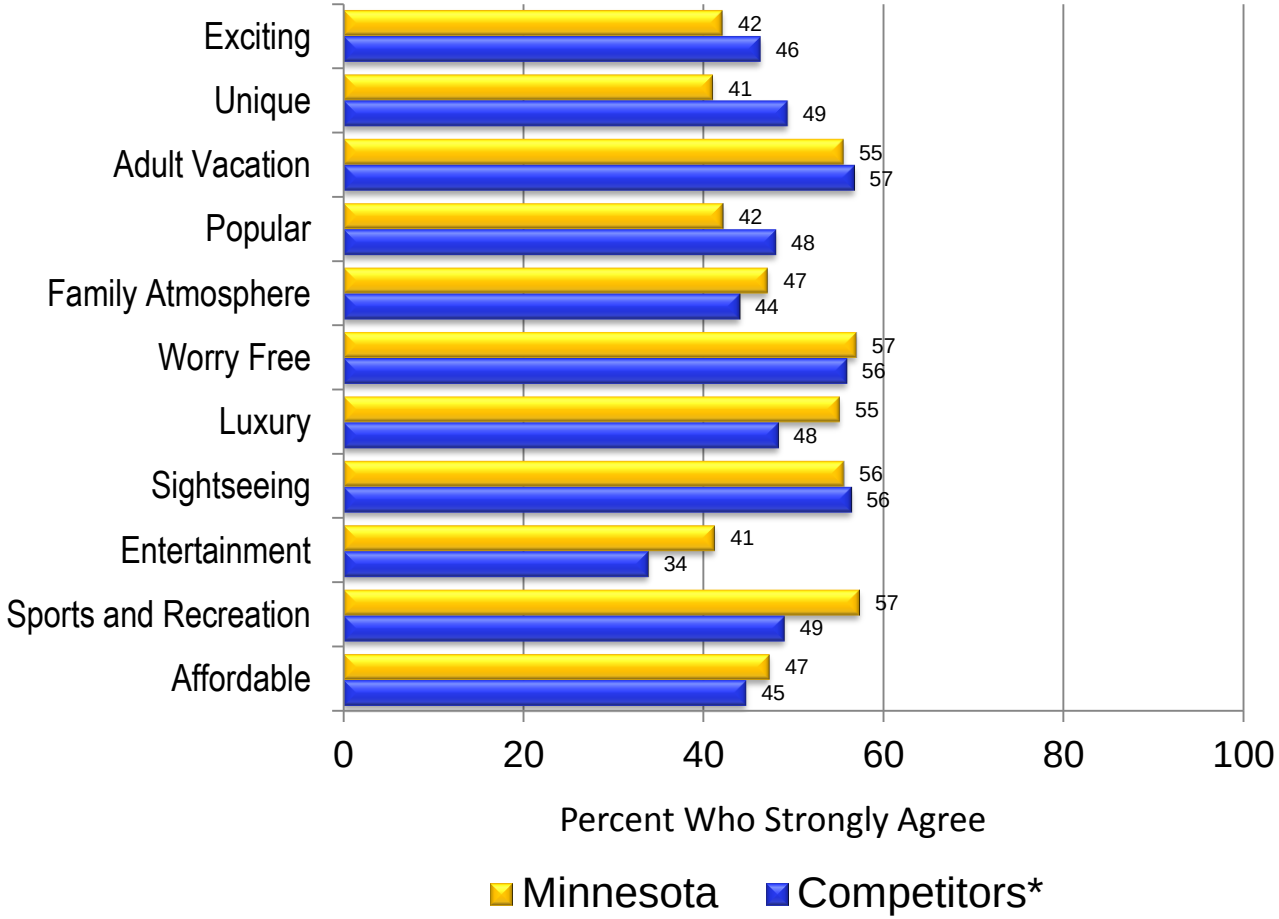
Minnesota's Overall Image

Base: Residents of Minnesota's Regional Advertising Markets



Minnesota's Overall Image vs. The Competition

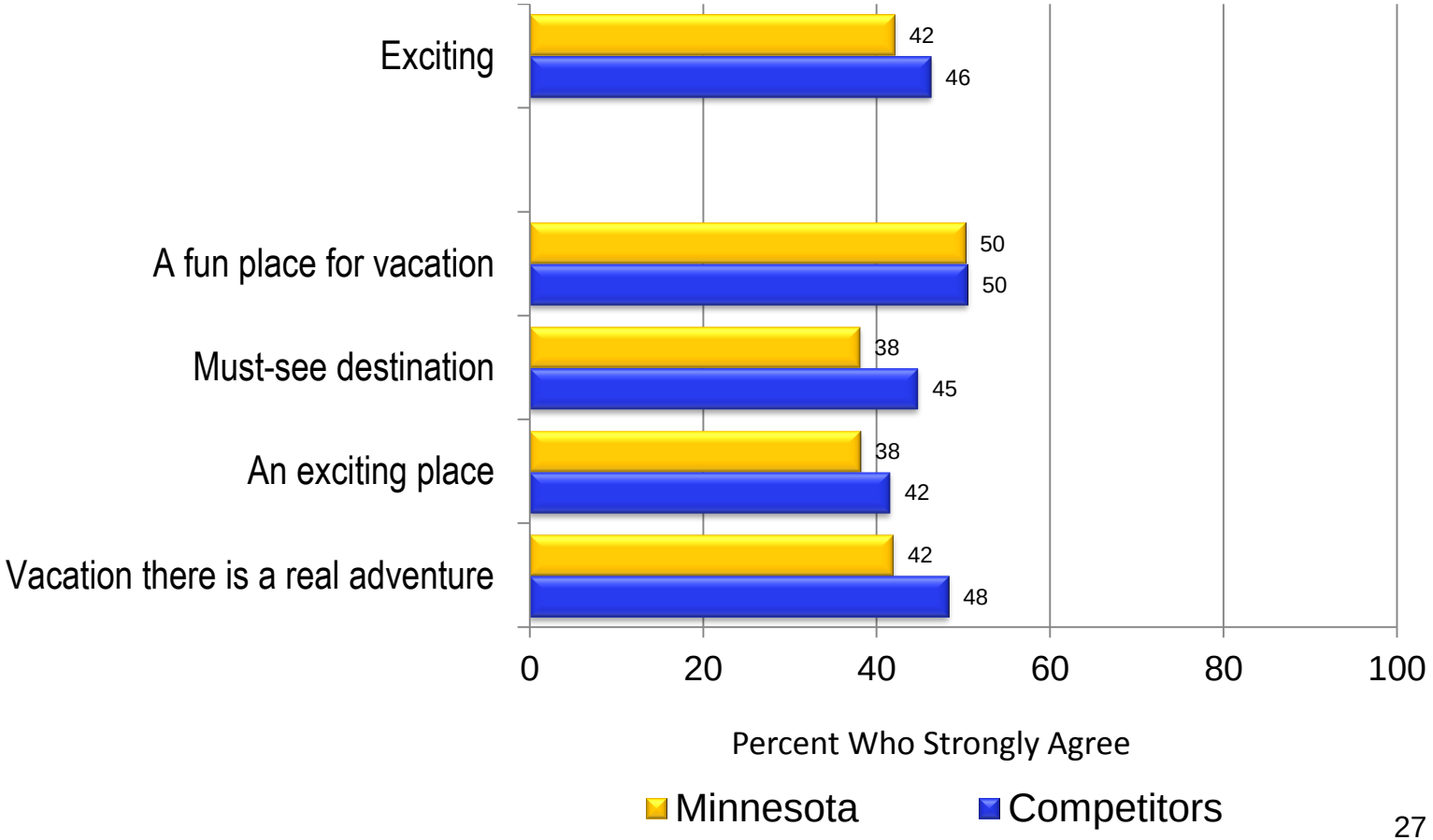
Base: Residents of Minnesota's Regional Advertising Markets



* Competitors include: North Dakota, South Dakota, Colorado, Illinois, Montana, Wisconsin

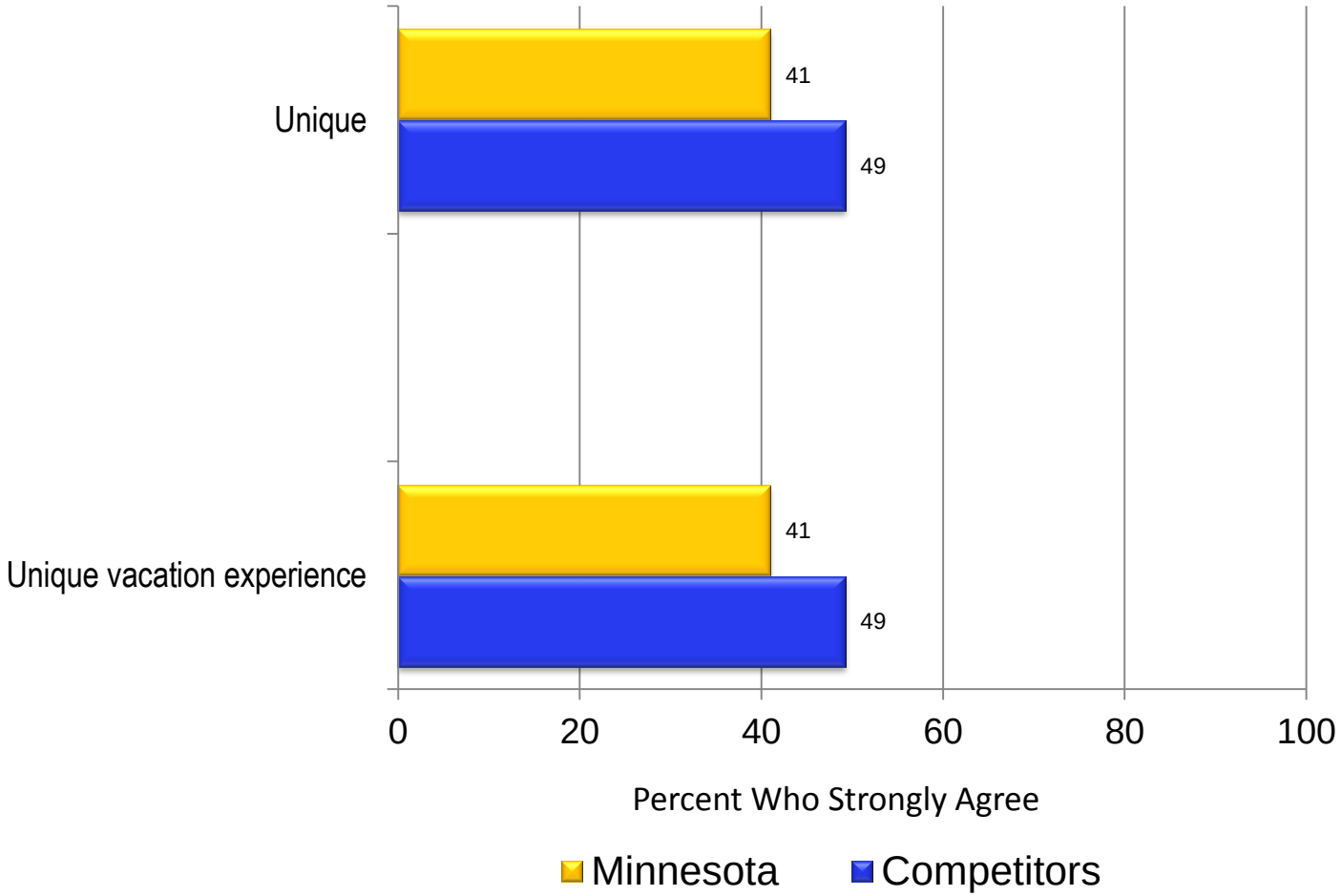
Minnesota's Image vs. The Competition — Exciting

Base: Residents of Minnesota's Regional Advertising Markets



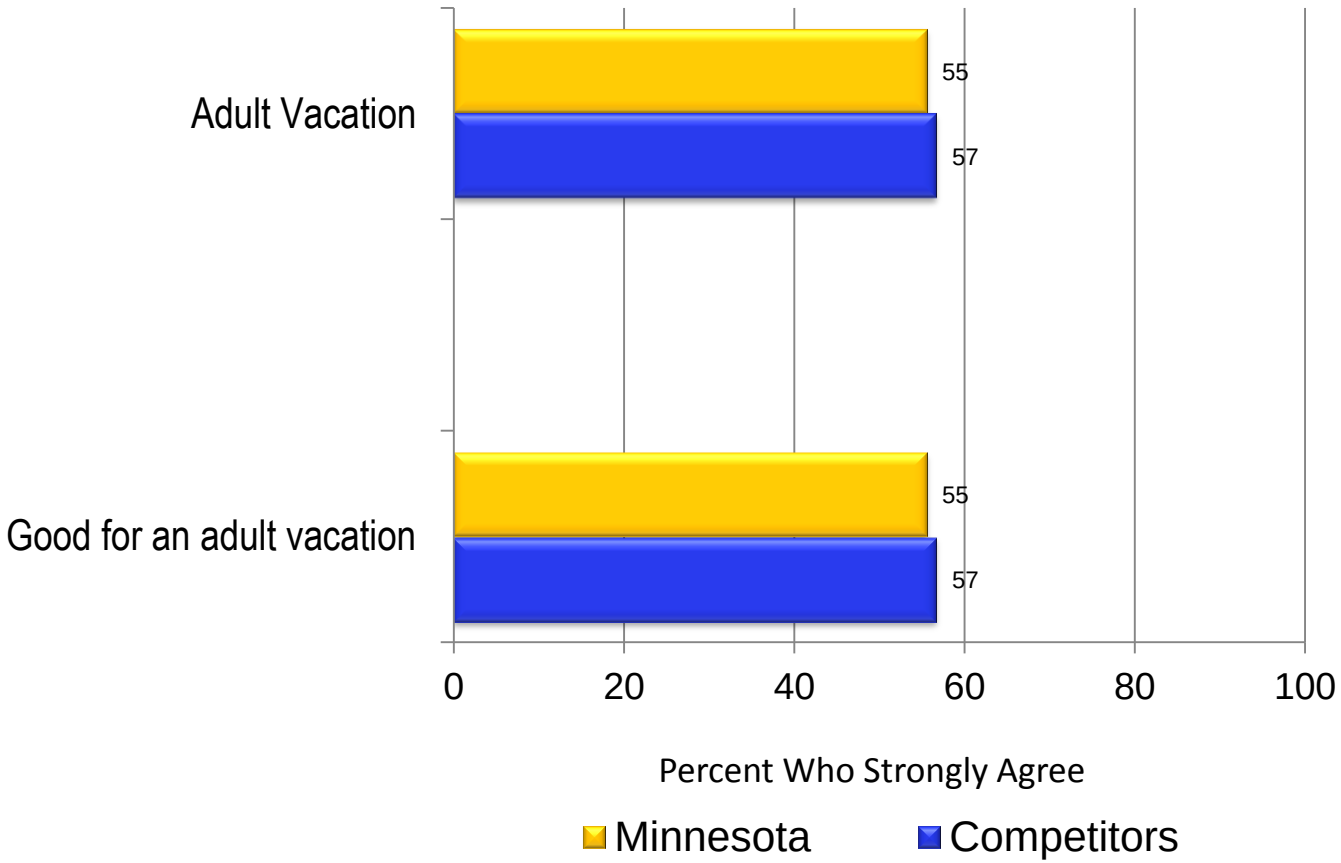
Minnesota's Image vs. The Competition — Unique

Base: Residents of Minnesota's Regional Advertising Markets



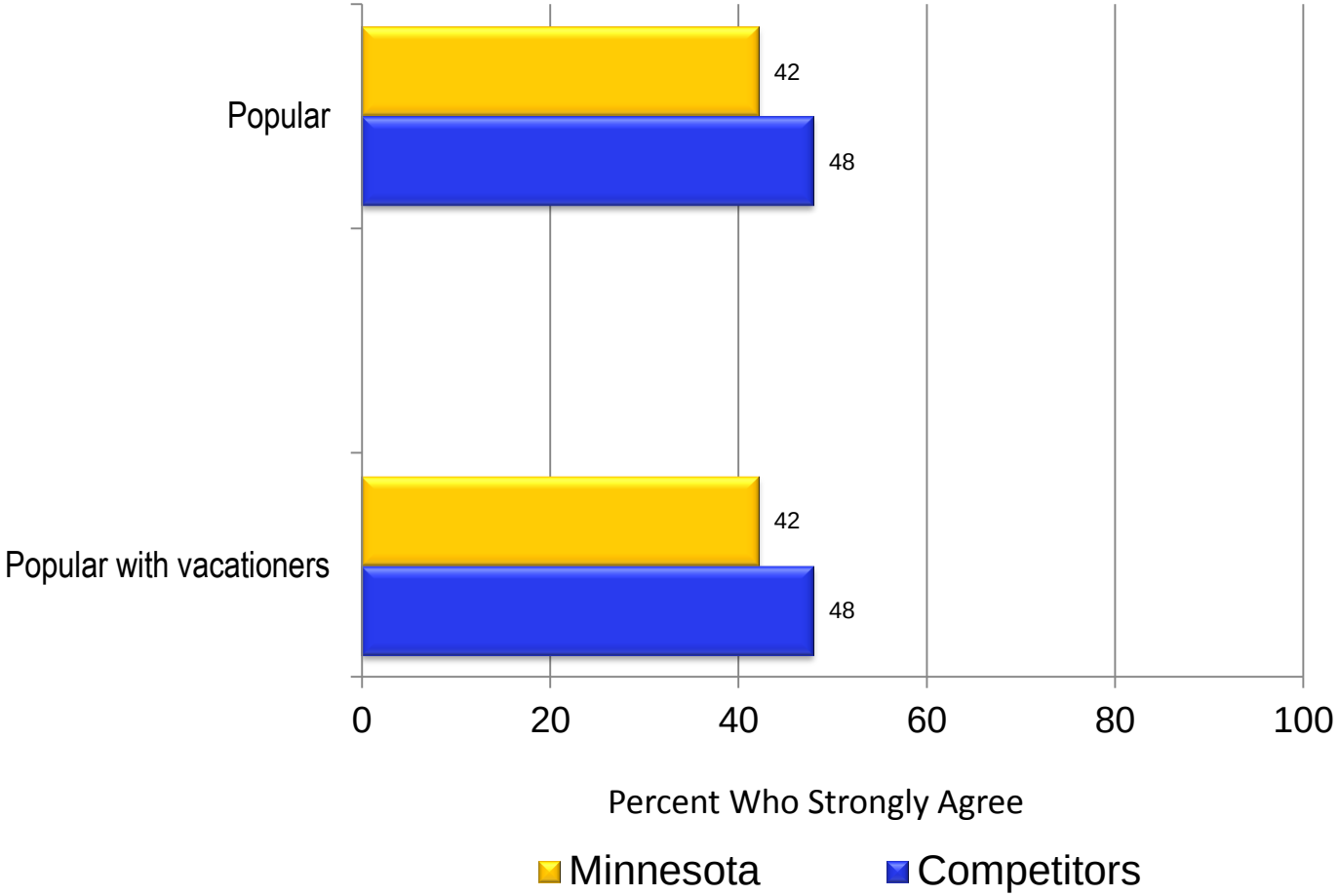
Minnesota's Image vs. The Competition — Adult Vacation

Base: Residents of Minnesota's Regional Advertising Markets



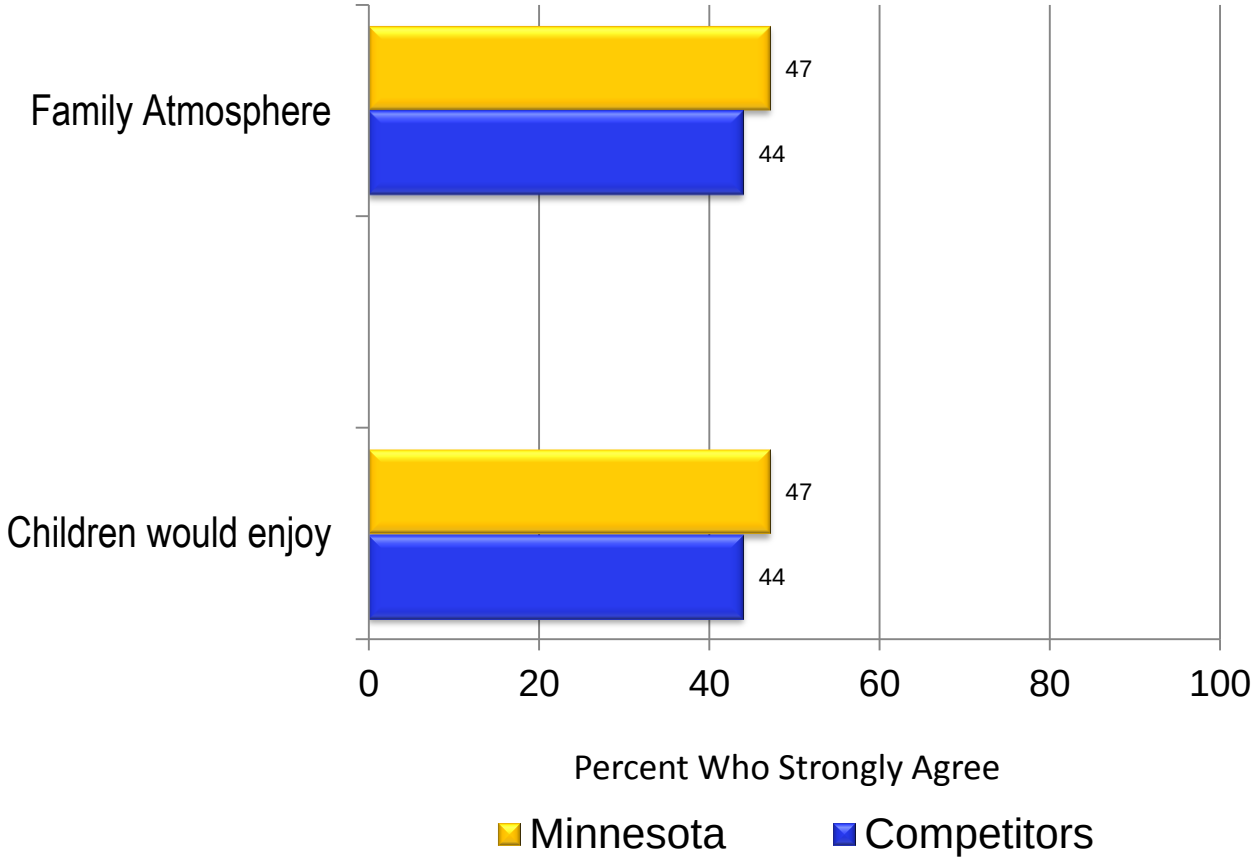
Minnesota's Image vs. The Competition — Popular

Base: Residents of Minnesota's Regional Advertising Markets



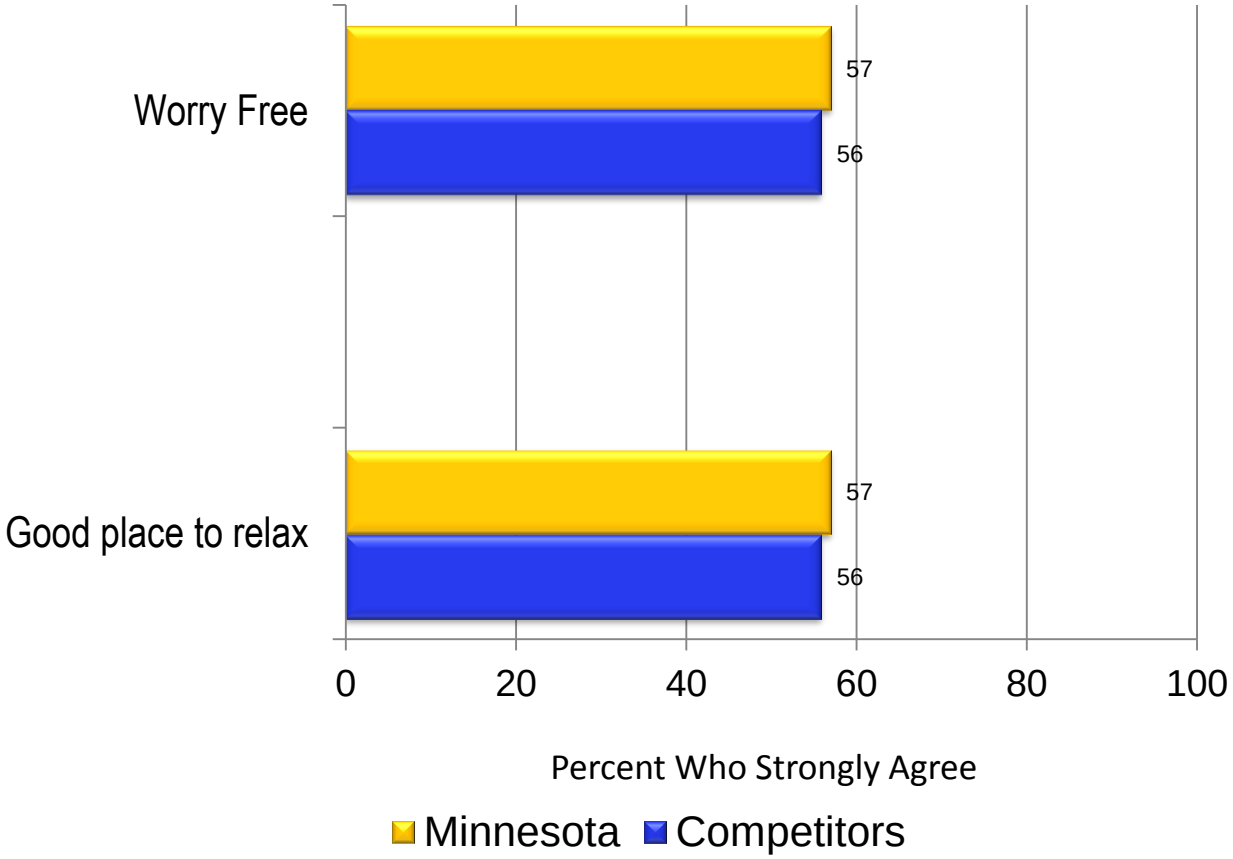
Minnesota's Image vs. The Competition — Family Atmosphere

Base: Residents of Minnesota's Regional Advertising Markets



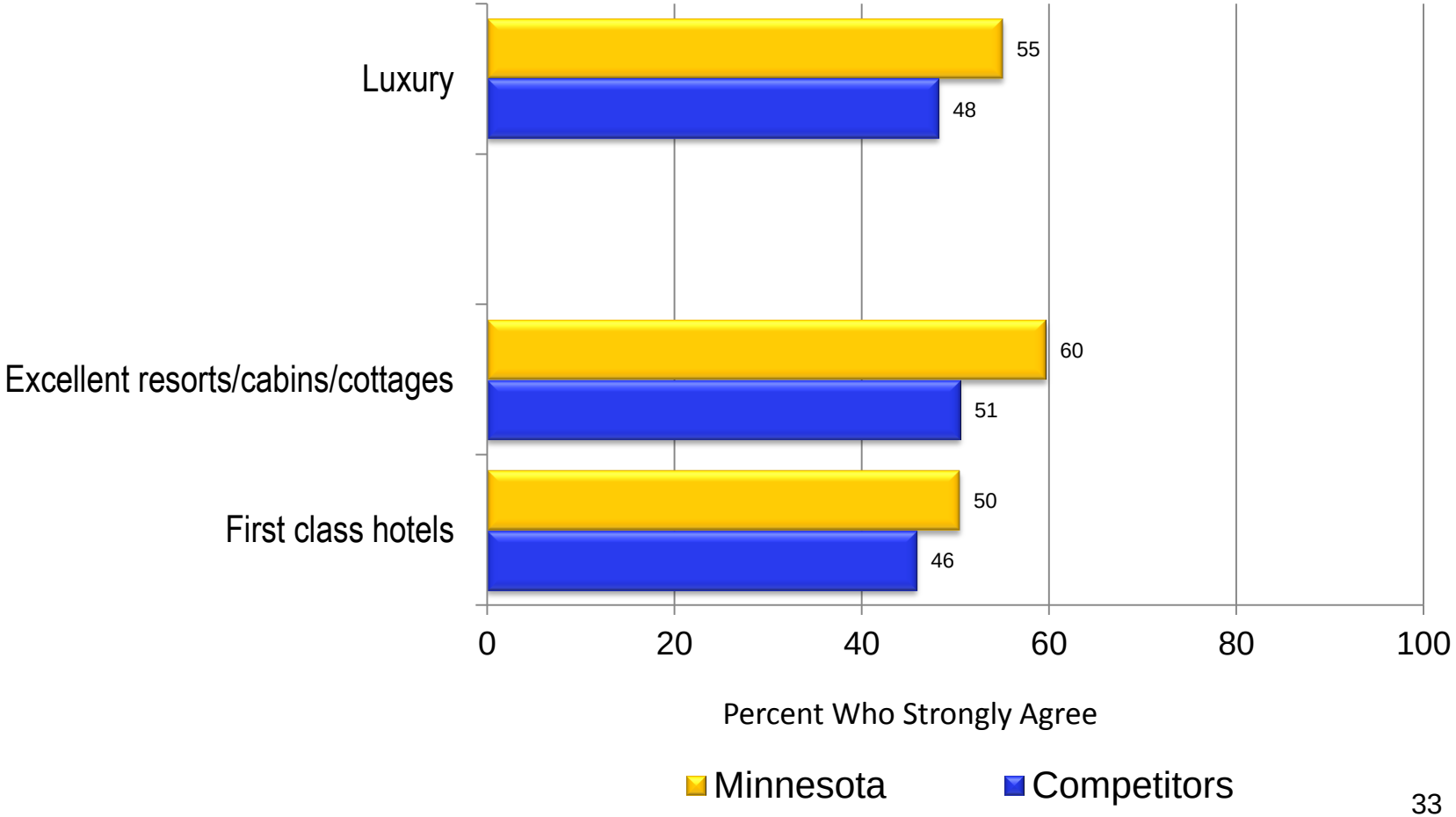
Minnesota's Image vs. The Competition — Worry Free

Base: Residents of Minnesota's Regional Advertising Markets



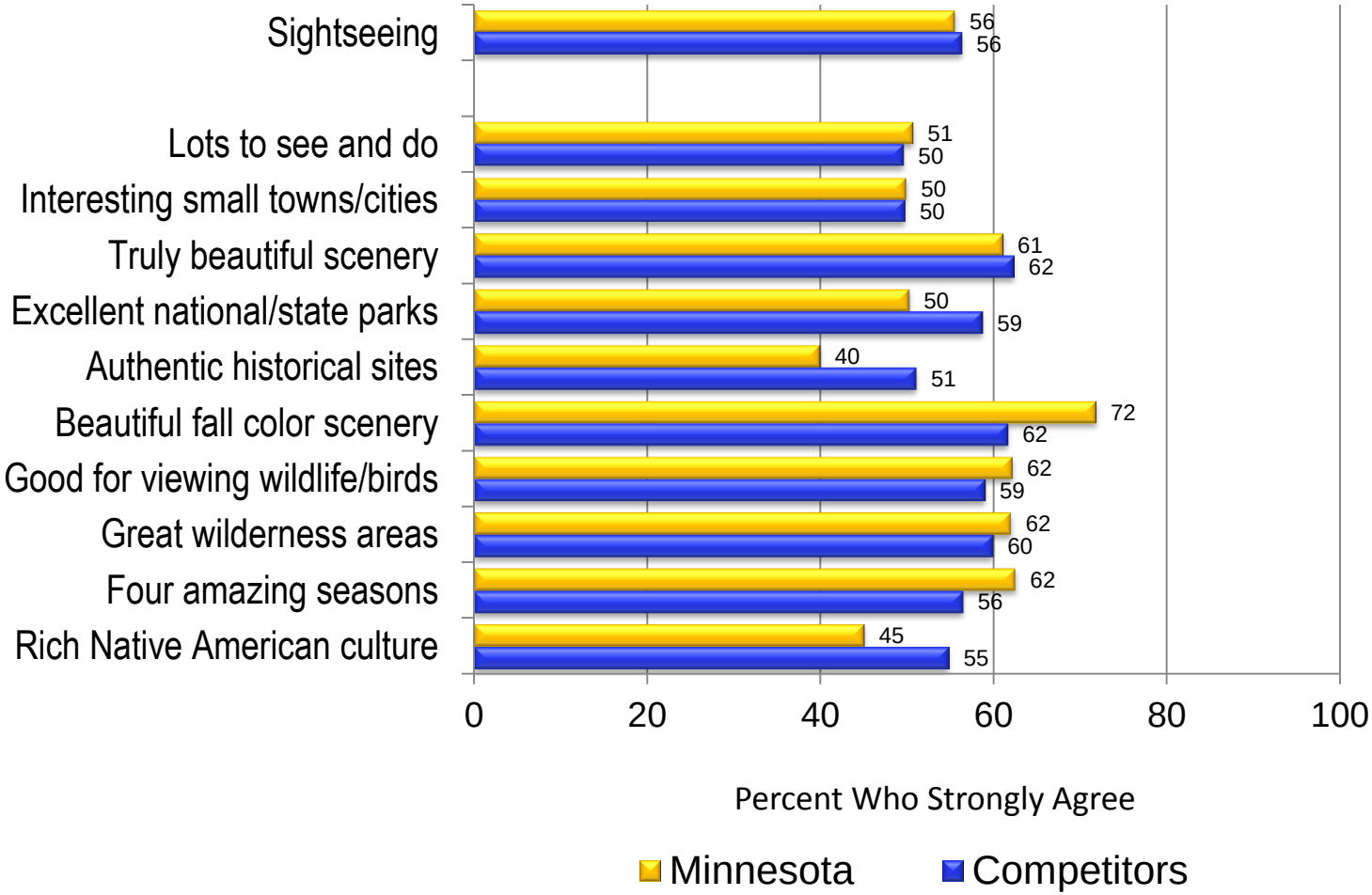
Minnesota's Image vs. The Competition — Luxury

Base: Residents of Minnesota's Regional Advertising Markets



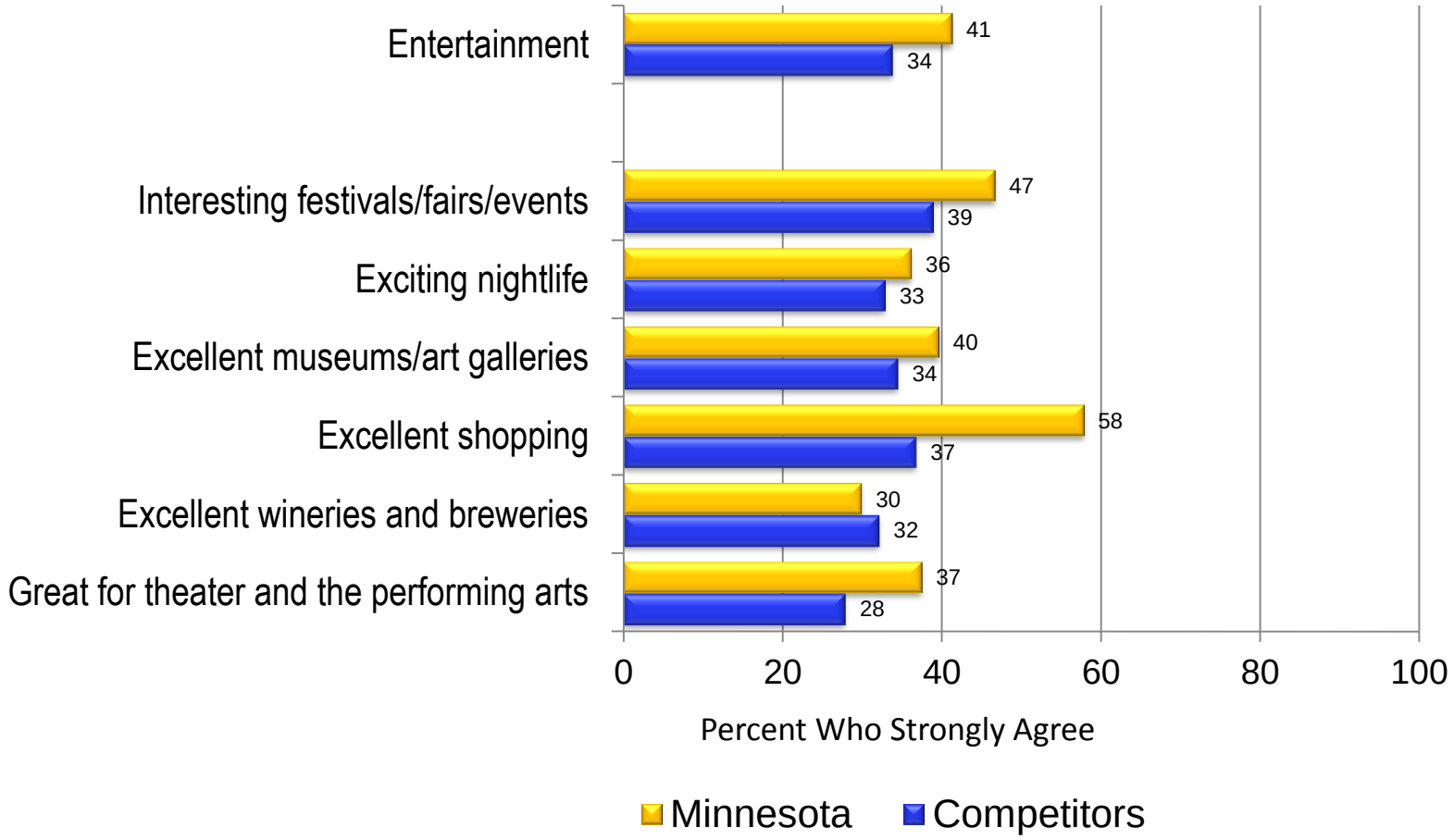
Minnesota's Image vs. The Competition — Sightseeing

Base: Residents of Minnesota's Regional Advertising Markets



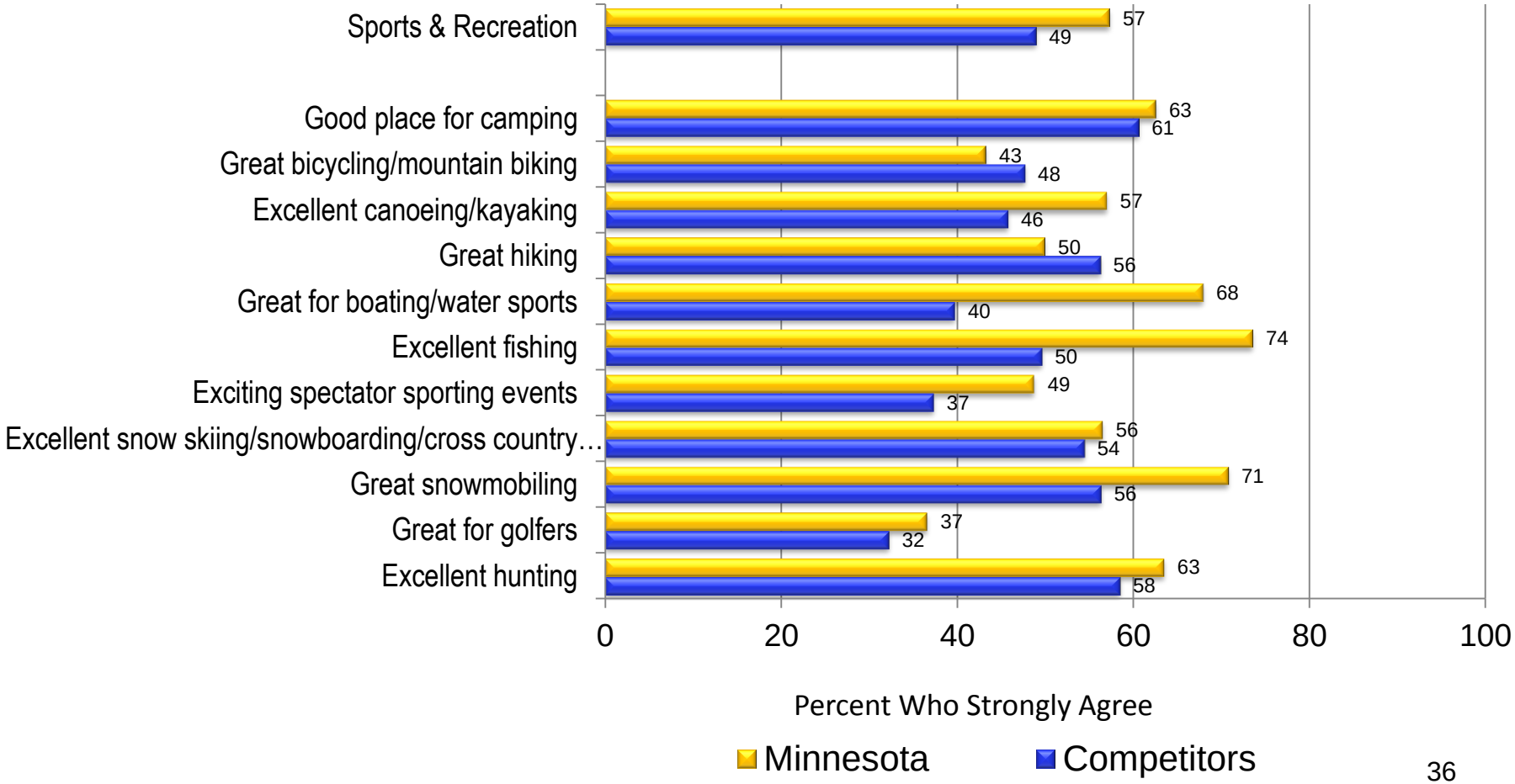
Minnesota's Image vs. The Competition — Entertainment

Base: Residents of Minnesota's Regional Advertising Markets



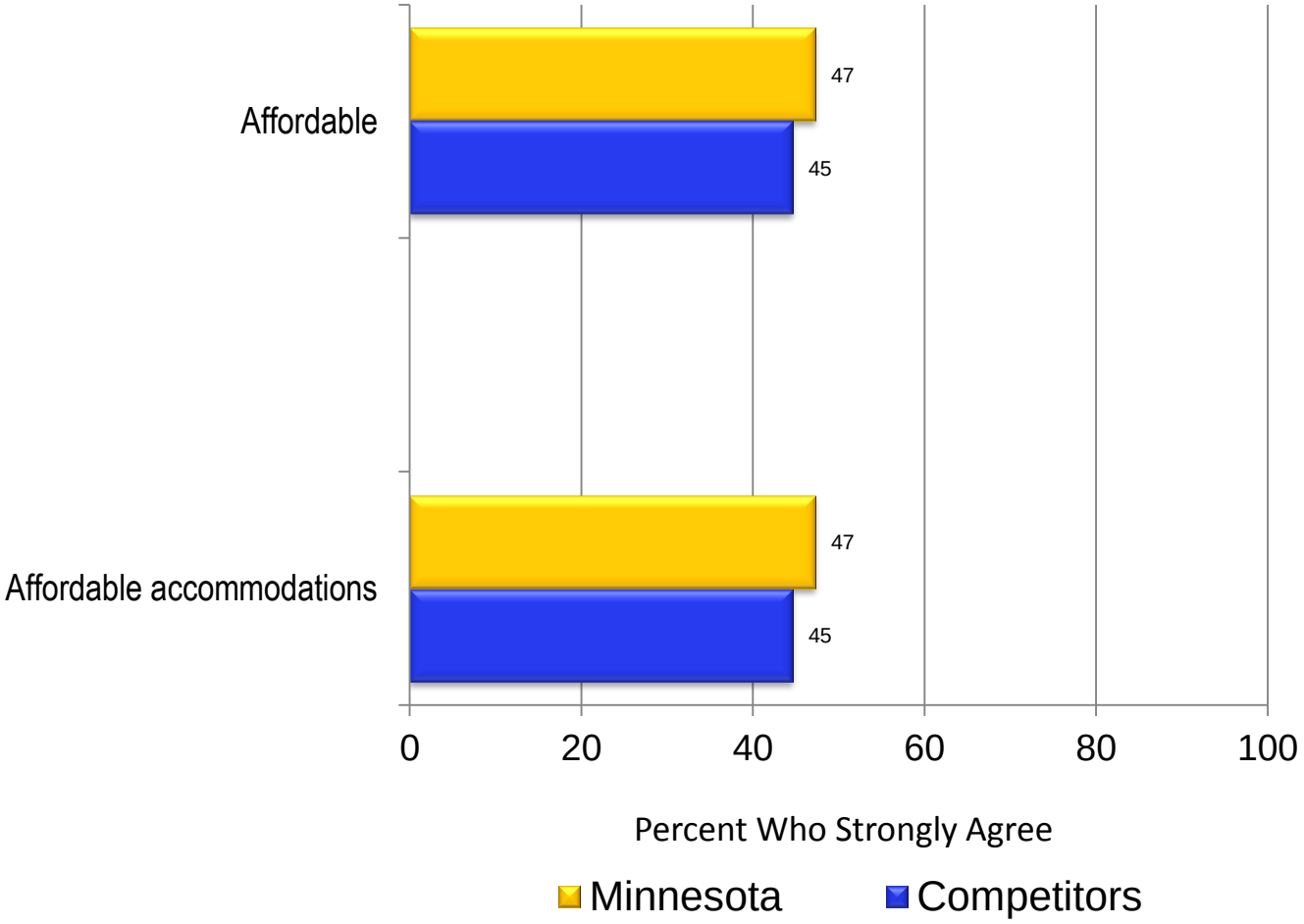
Minnesota's Image vs. The Competition — Sports & Recreation

Base: Residents of Minnesota's Regional Advertising Markets



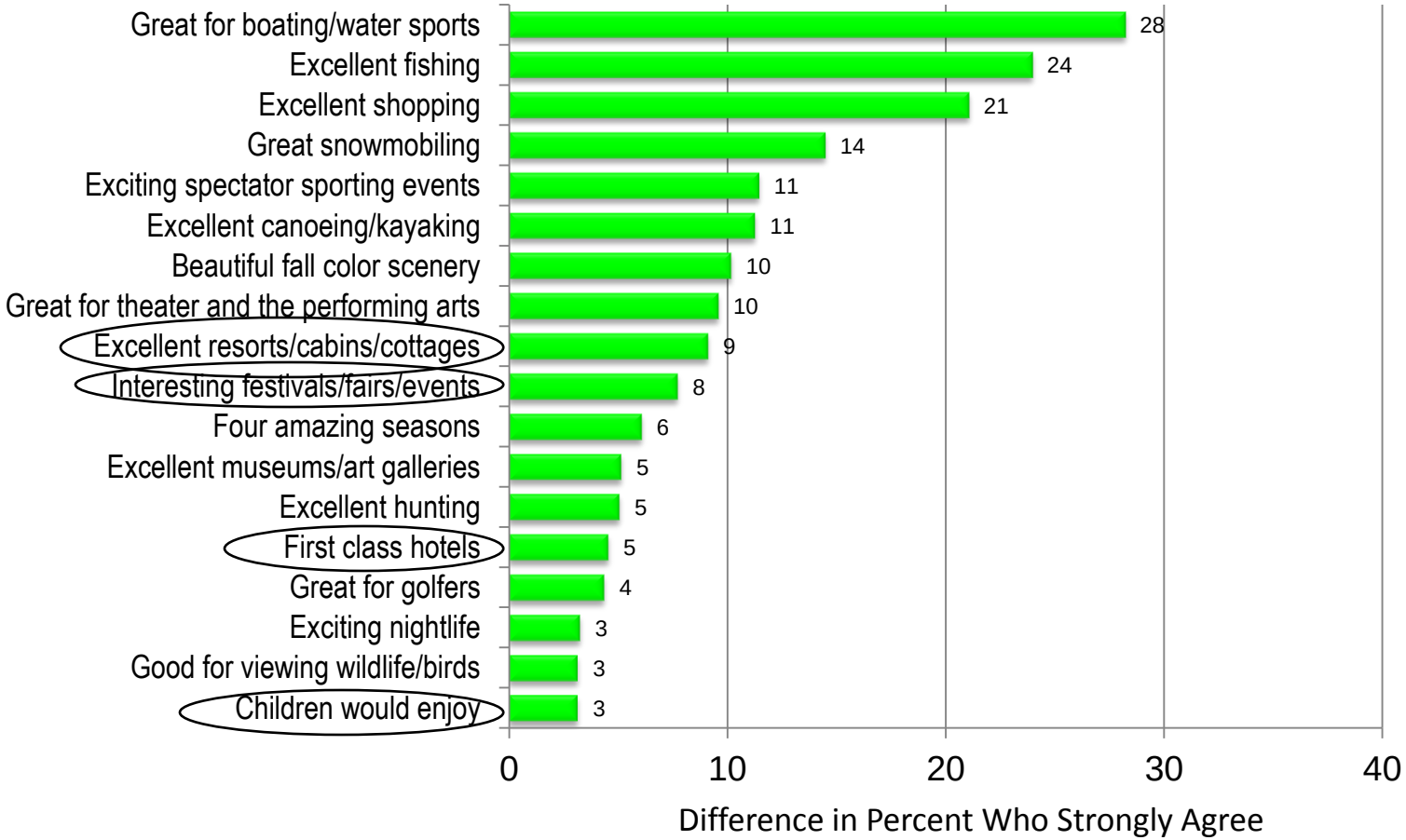
Minnesota's Image vs. The Competition — Affordable

Base: Residents of Minnesota's Regional Advertising Markets



Minnesota's Image Strengths vs. the Competition

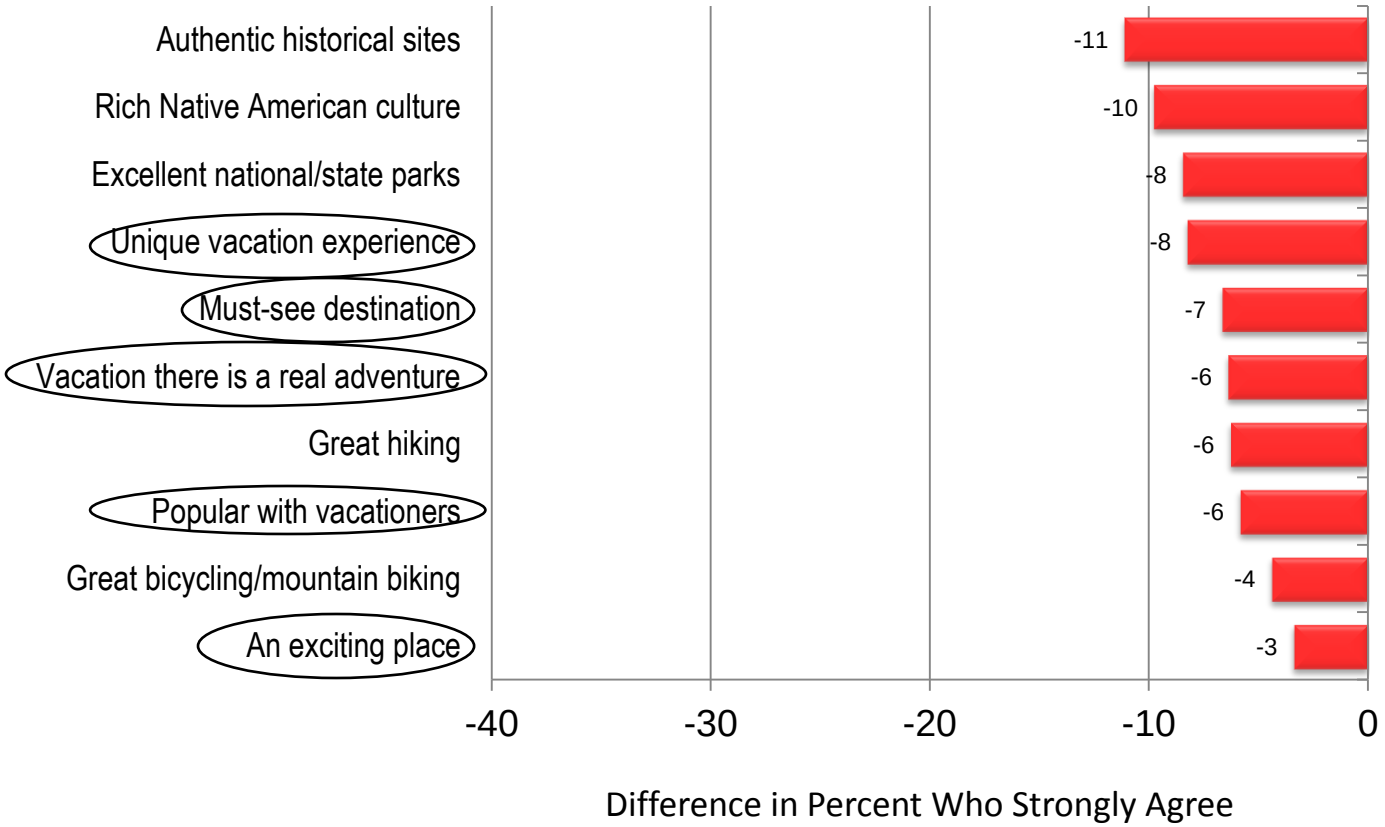
Base: Residents of Minnesota's Regional Advertising Markets



Circled attributes are image hot buttons

Minnesota's Image Weaknesses vs. the Competition

Base: Residents of Minnesota's Regional Advertising Markets

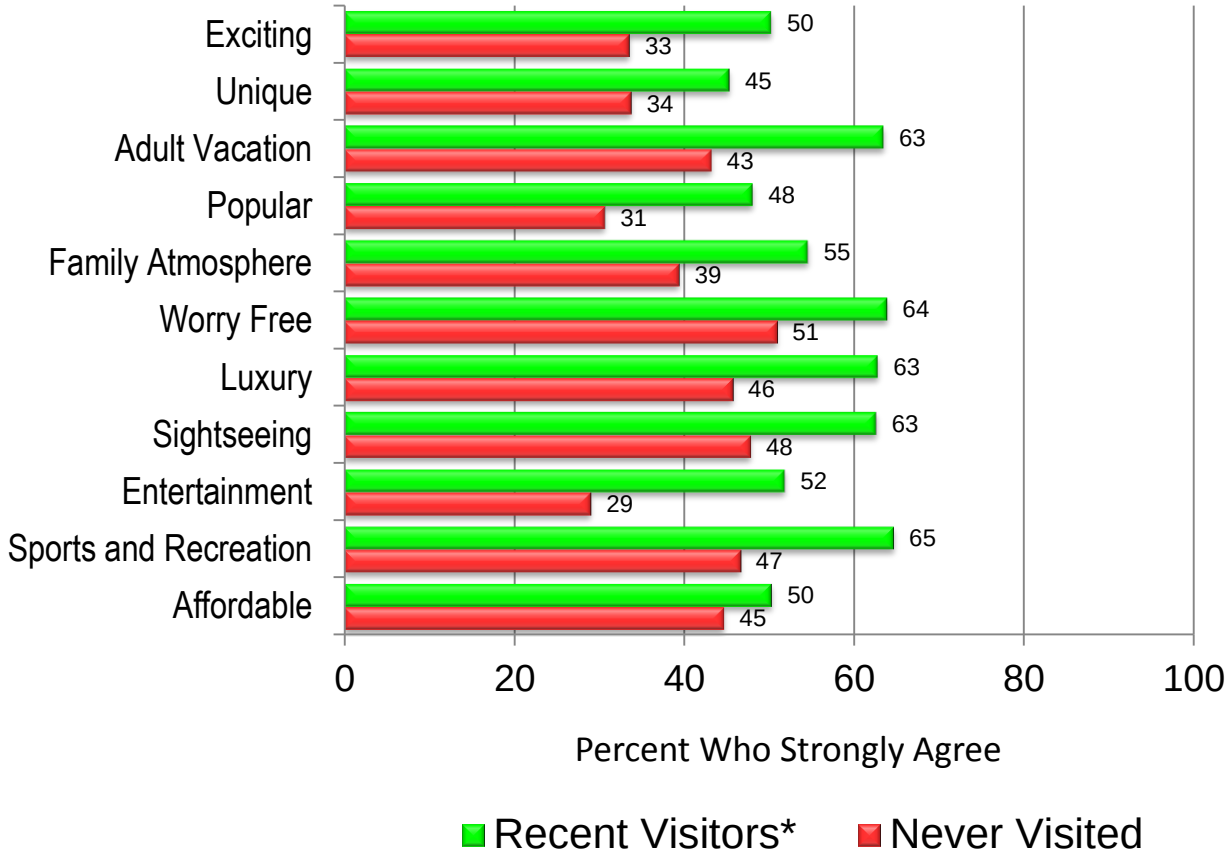


Circled attributes are image hot buttons

Minnesota’s Product Delivery

Minnesota's Product vs. Image

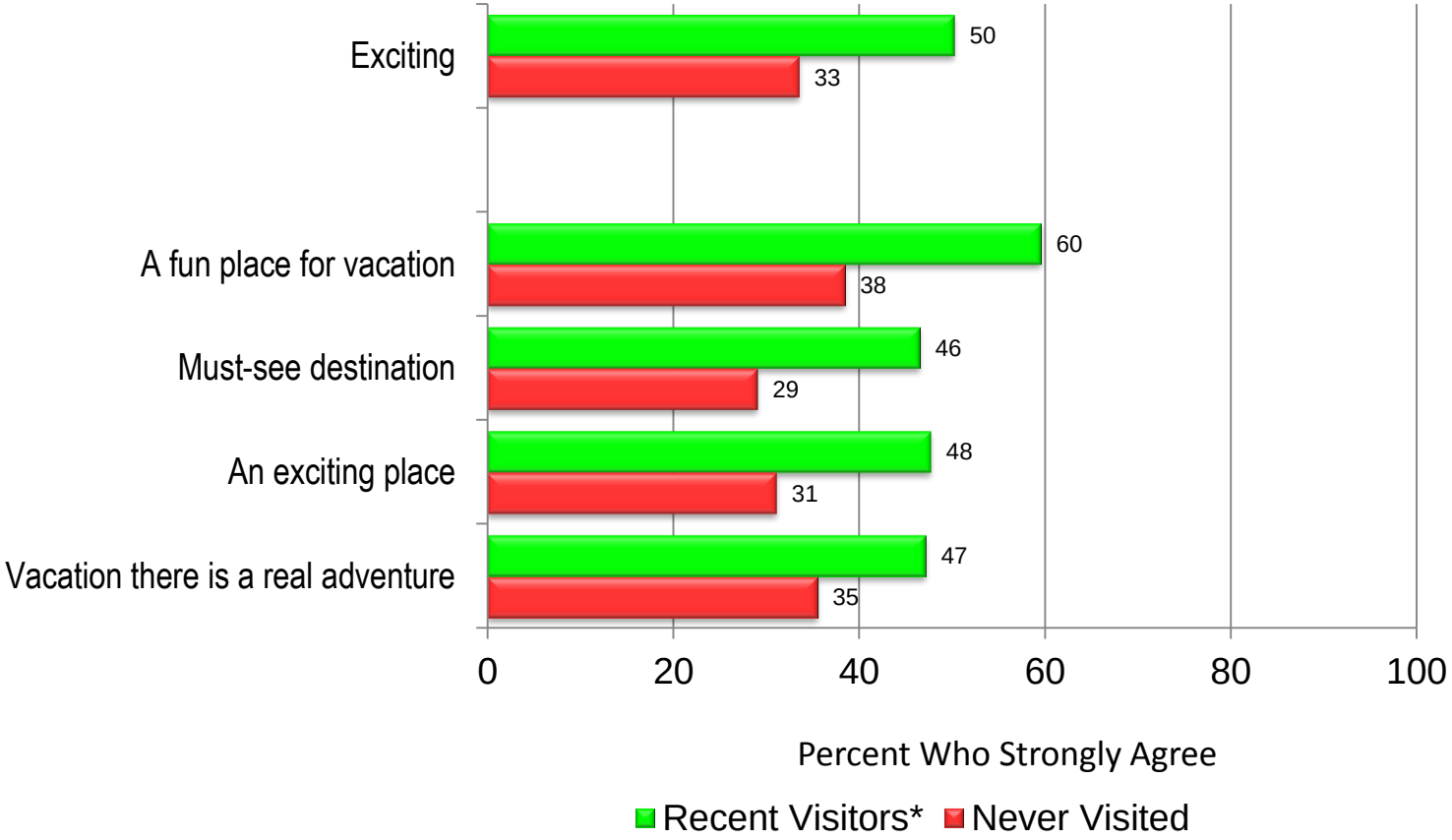
Base: Residents of Minnesota's Regional Advertising Markets



* Visited in past two years

Minnesota's Product Delivery vs. Image — Exciting

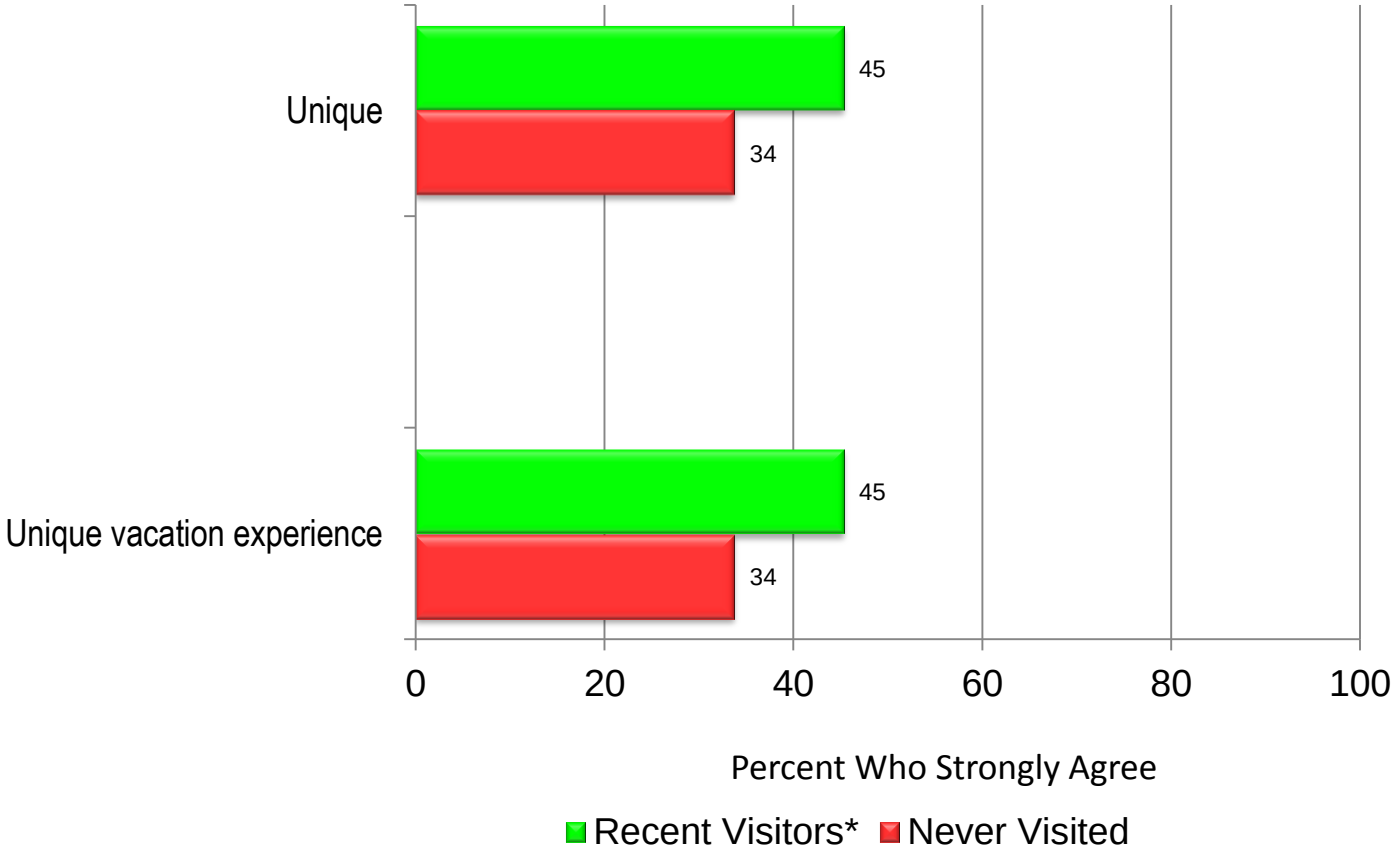
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Unique

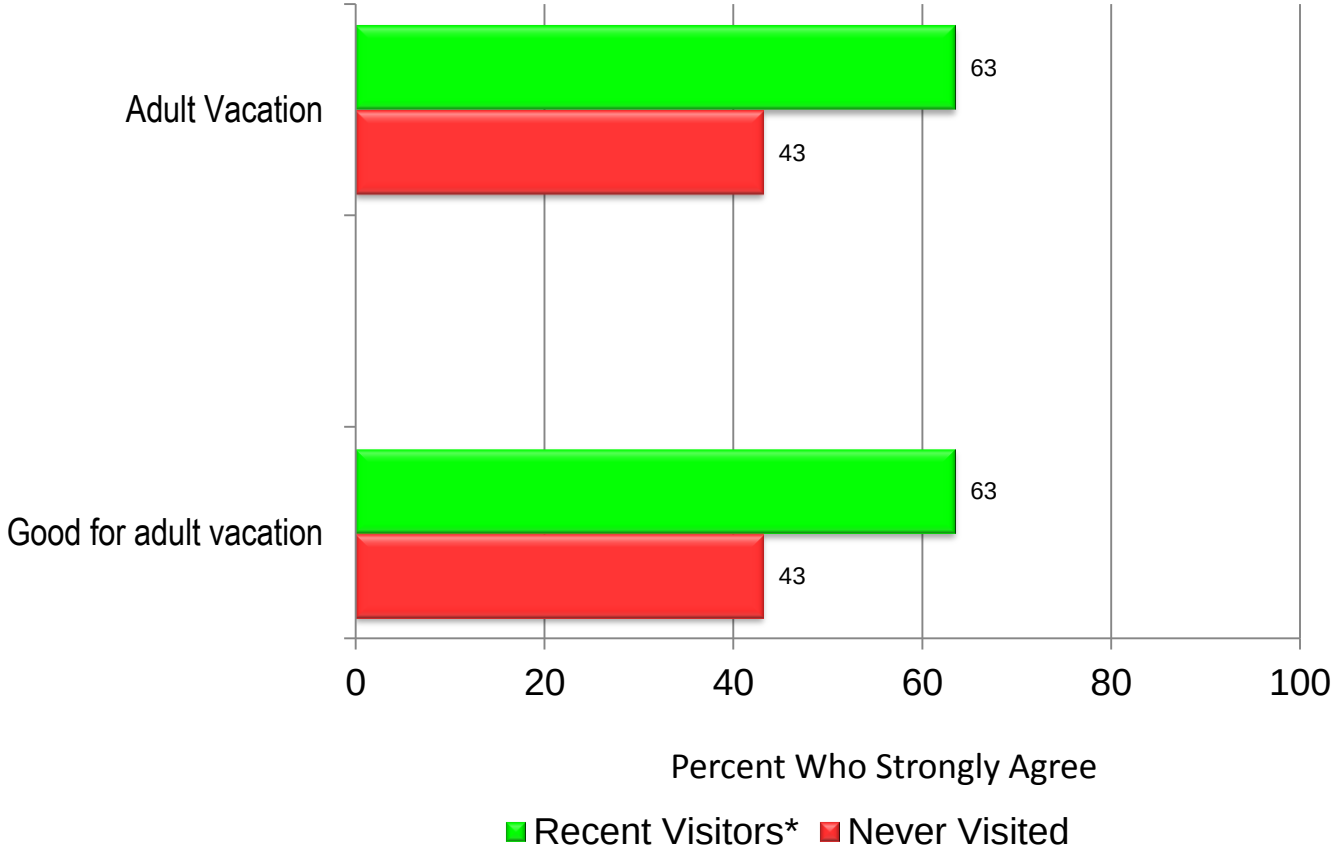
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Adult Vacation

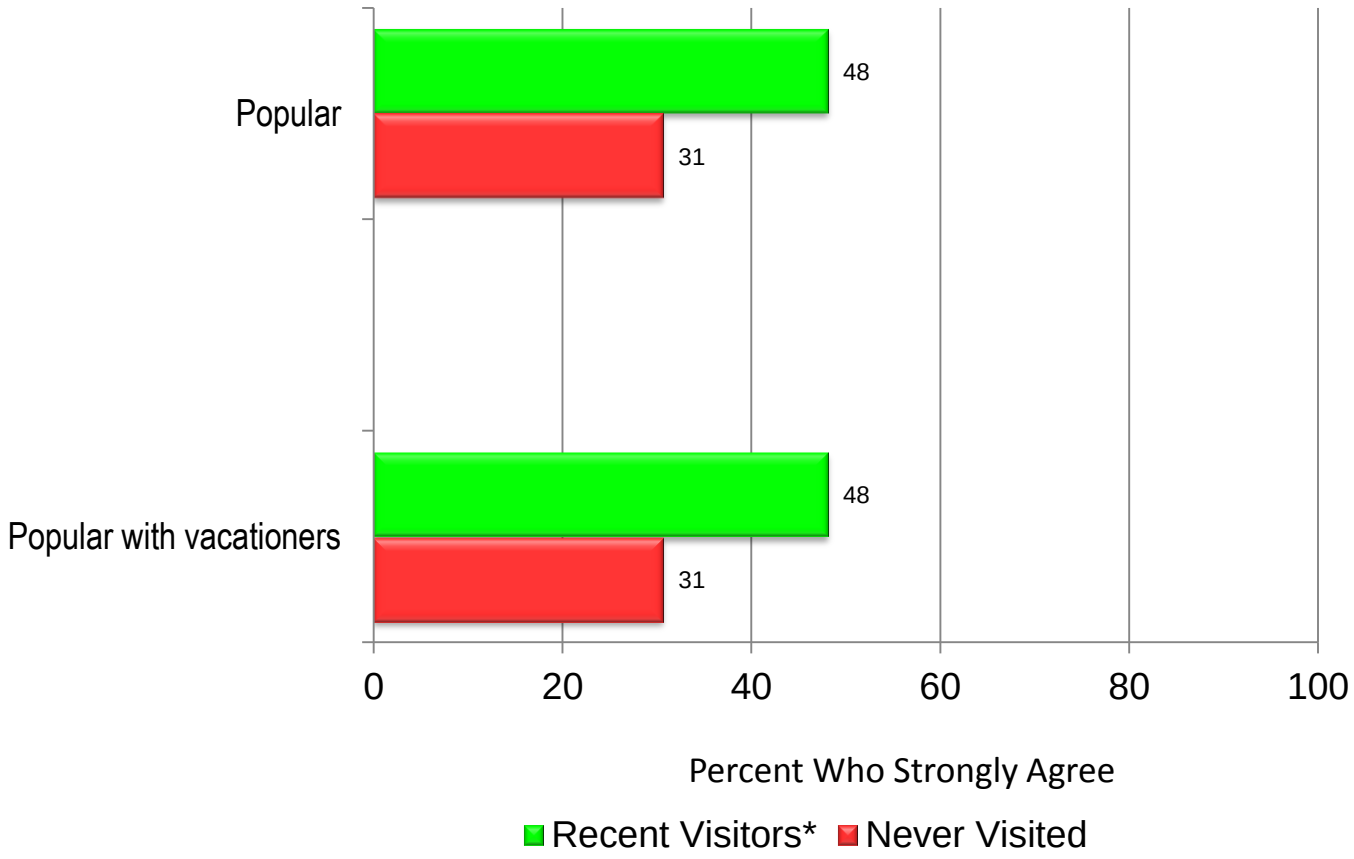
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Popular

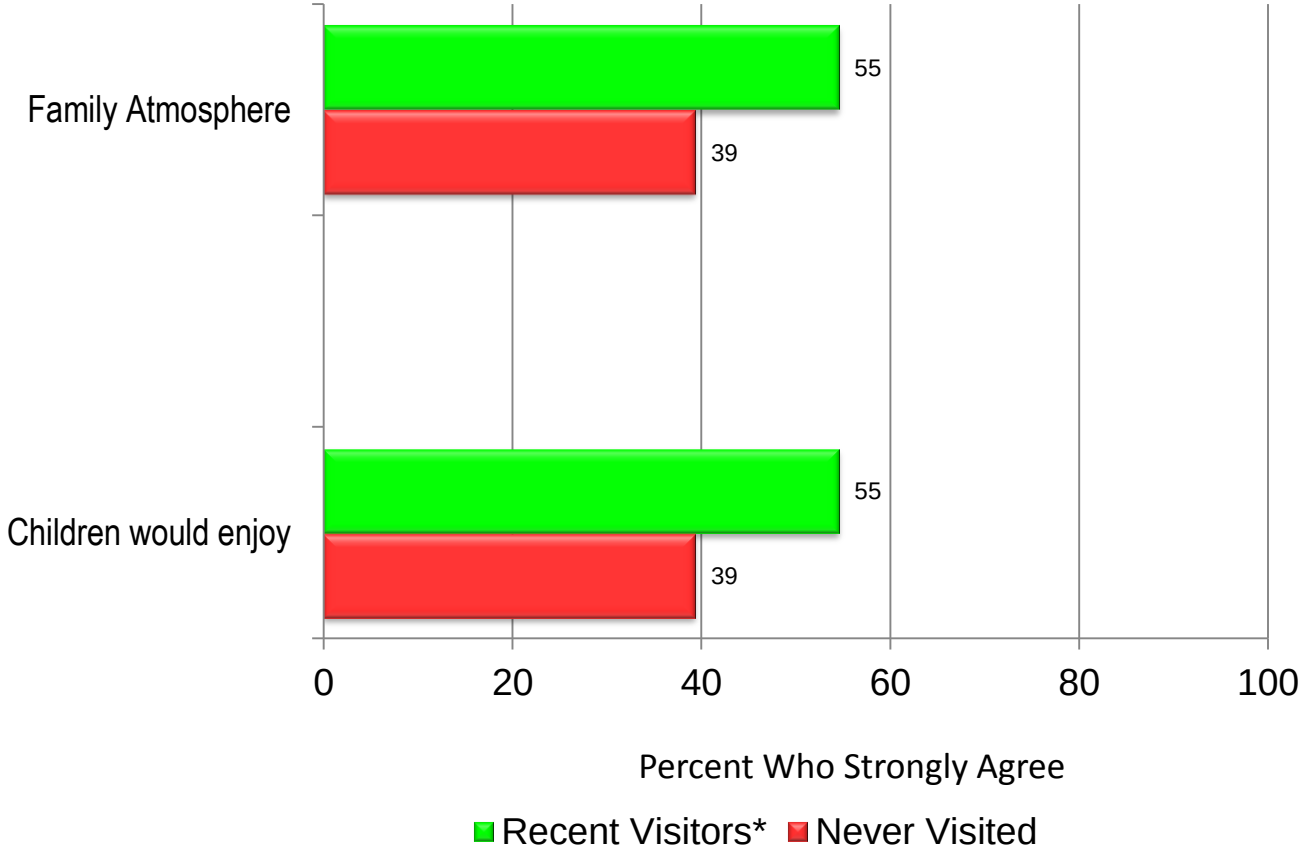
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Family Atmosphere

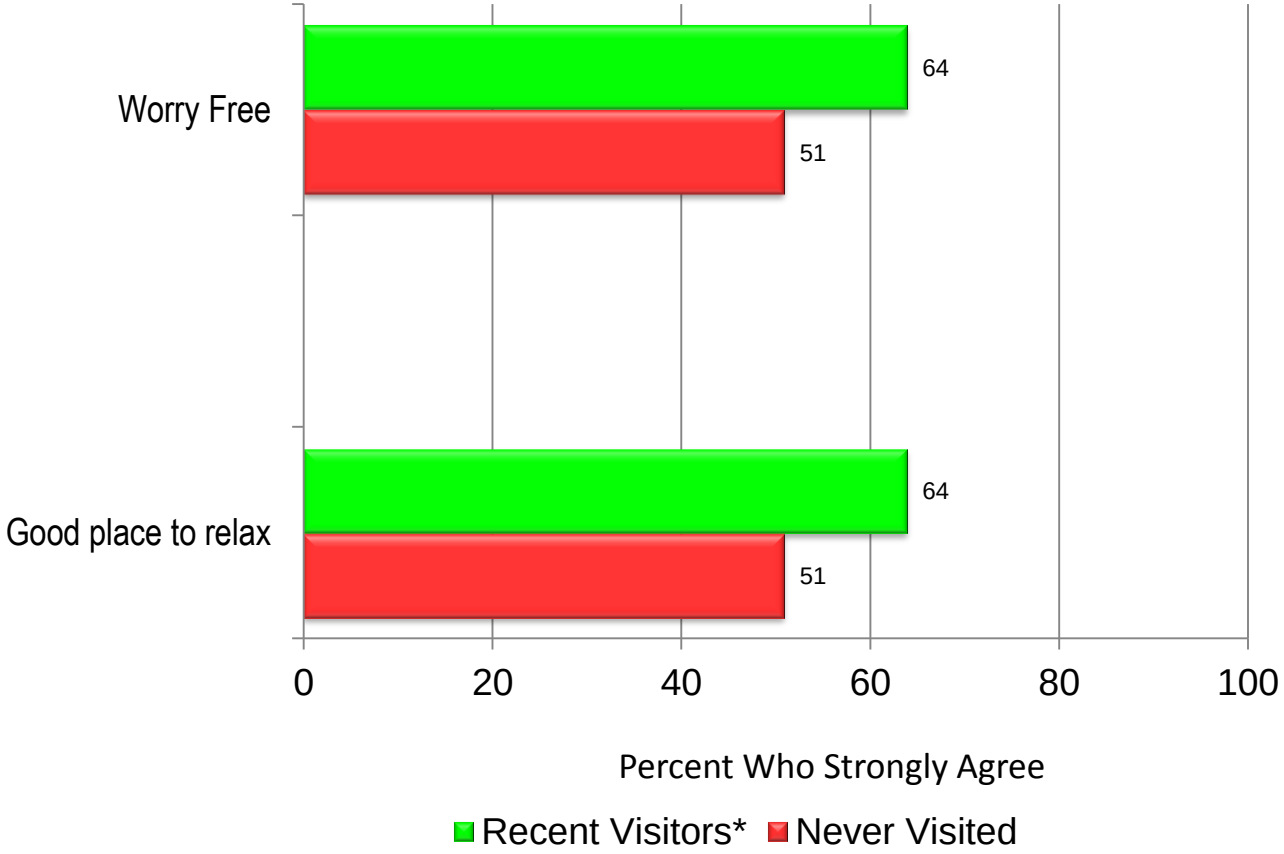
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Worry Free

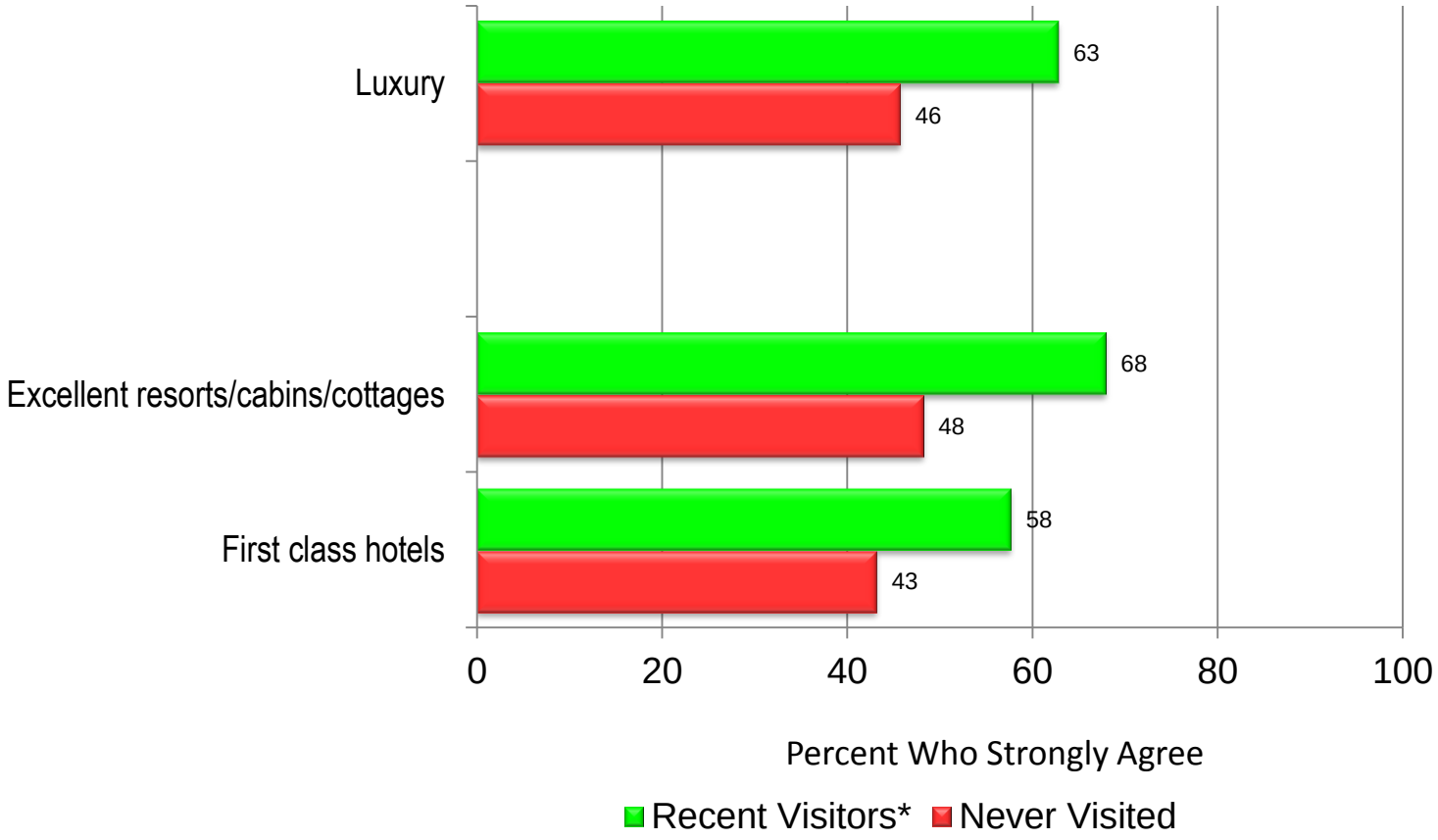
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Luxury

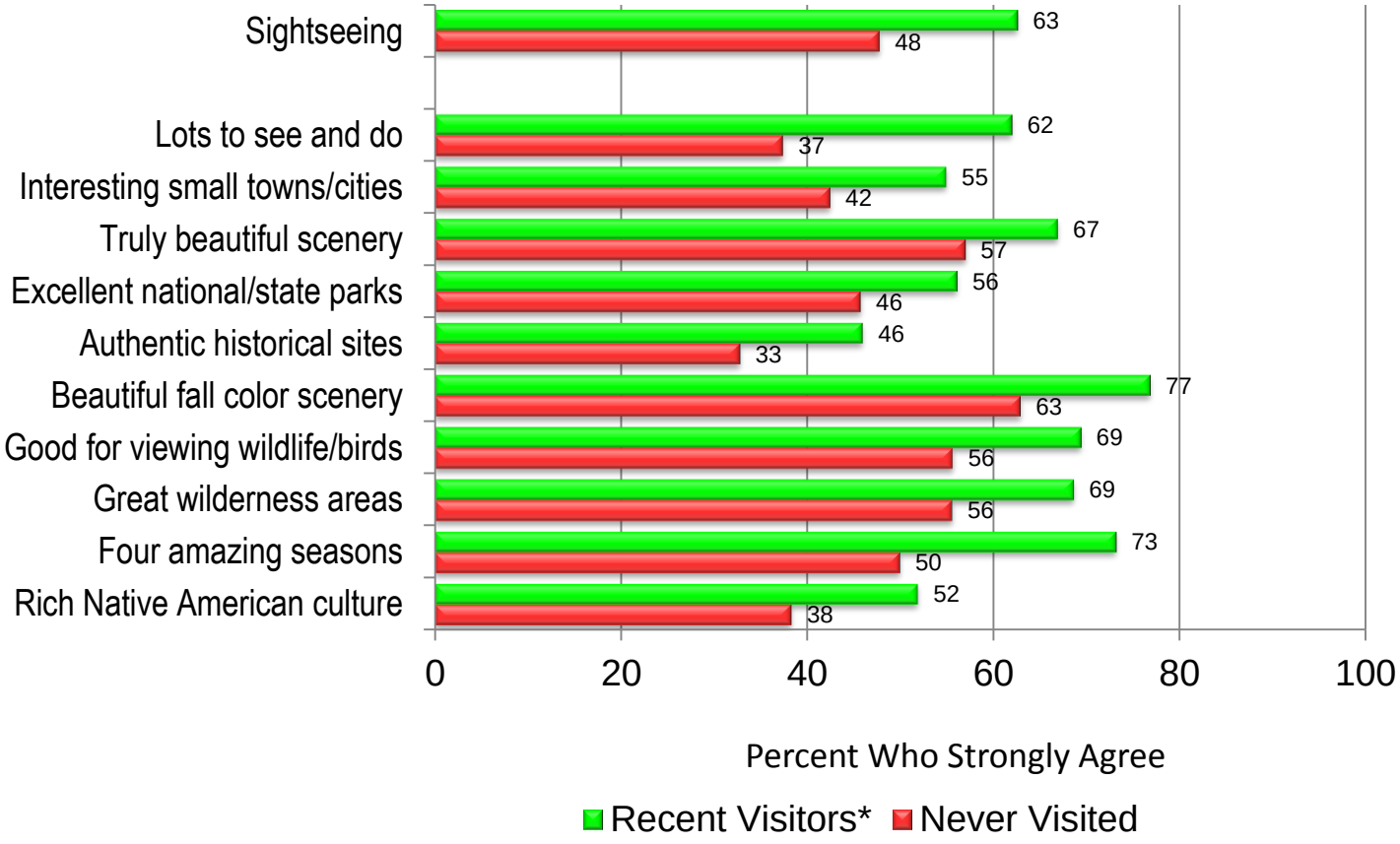
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Sightseeing

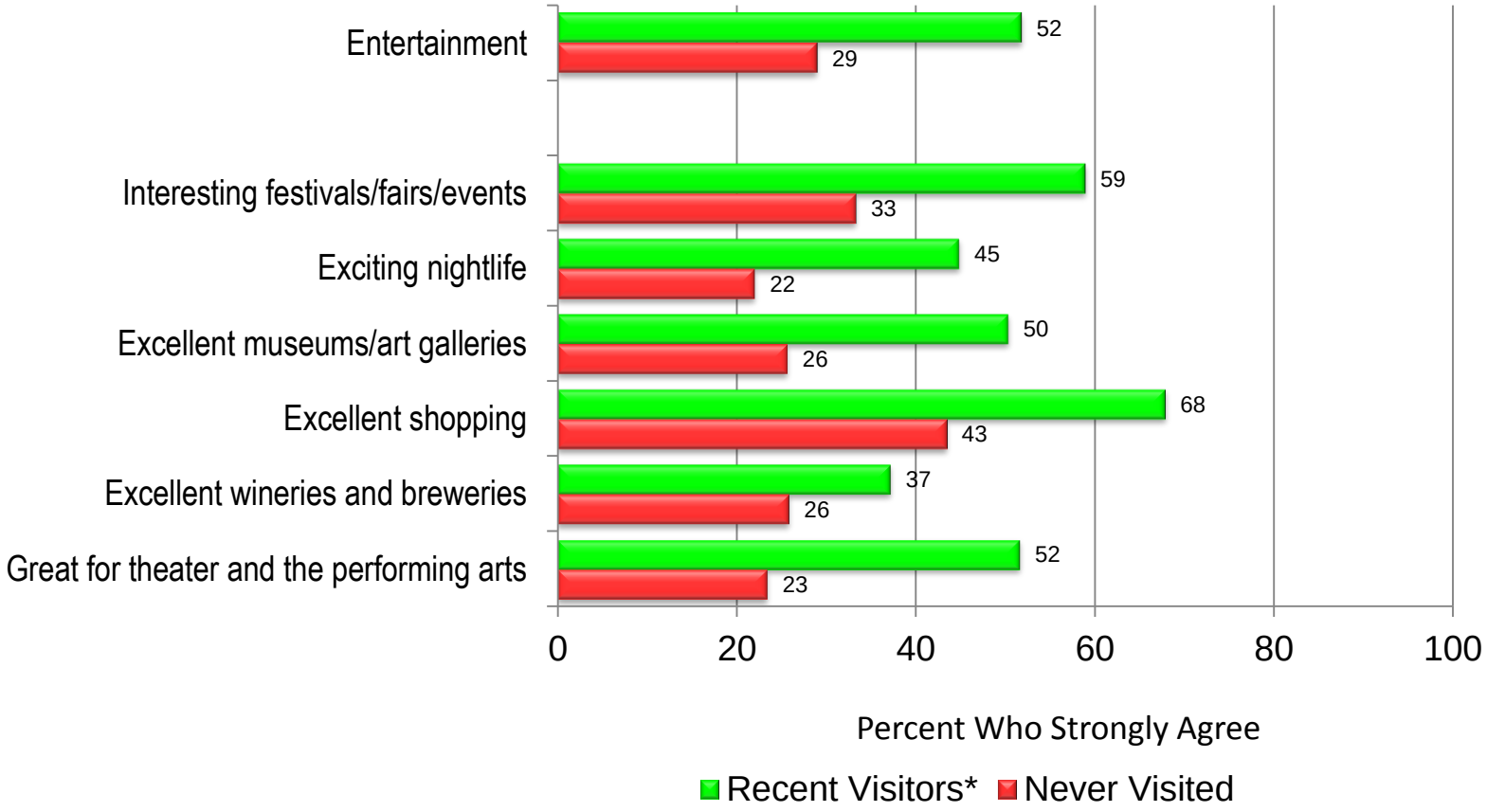
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Entertainment

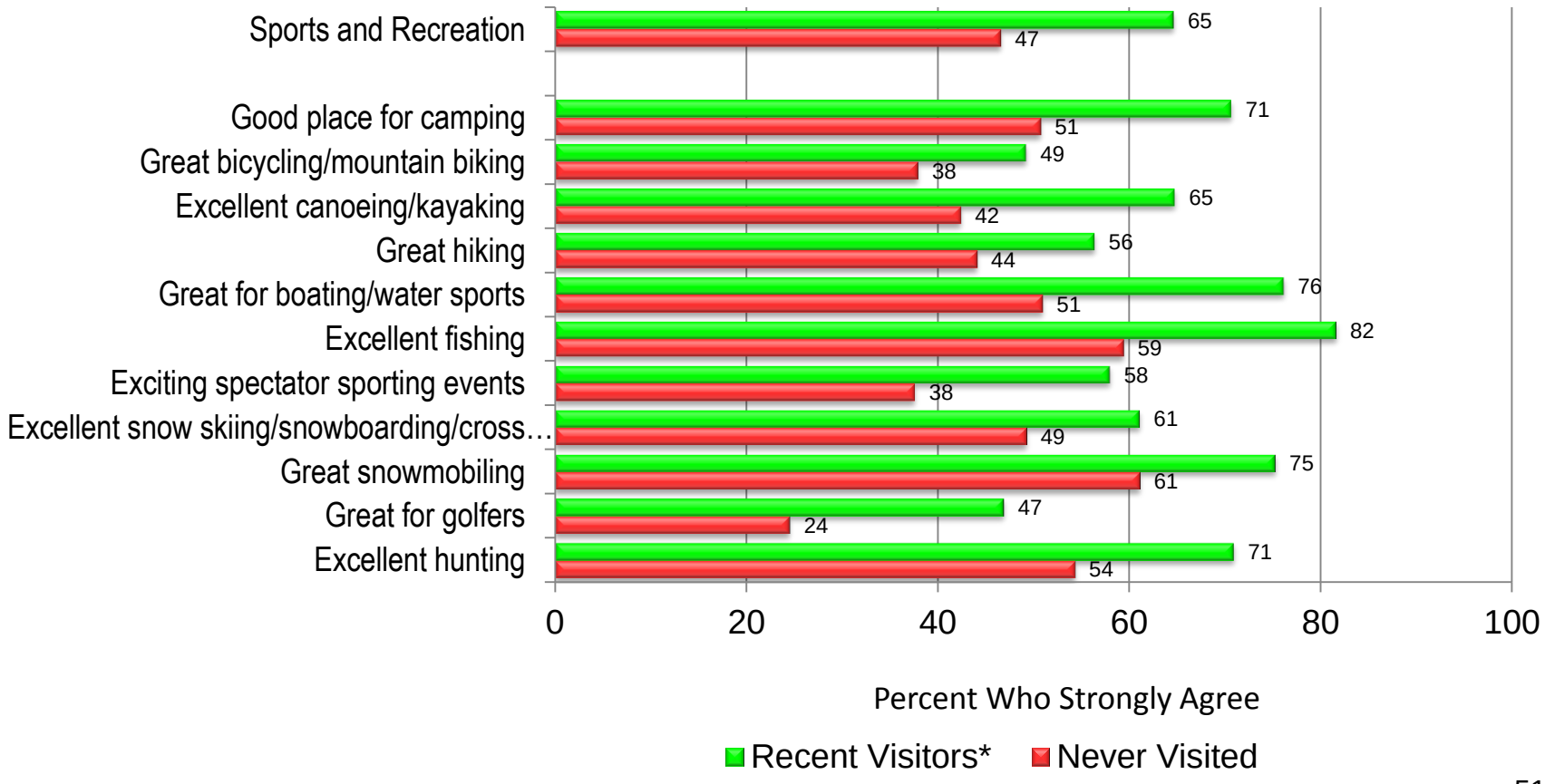
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Sports and Recreation

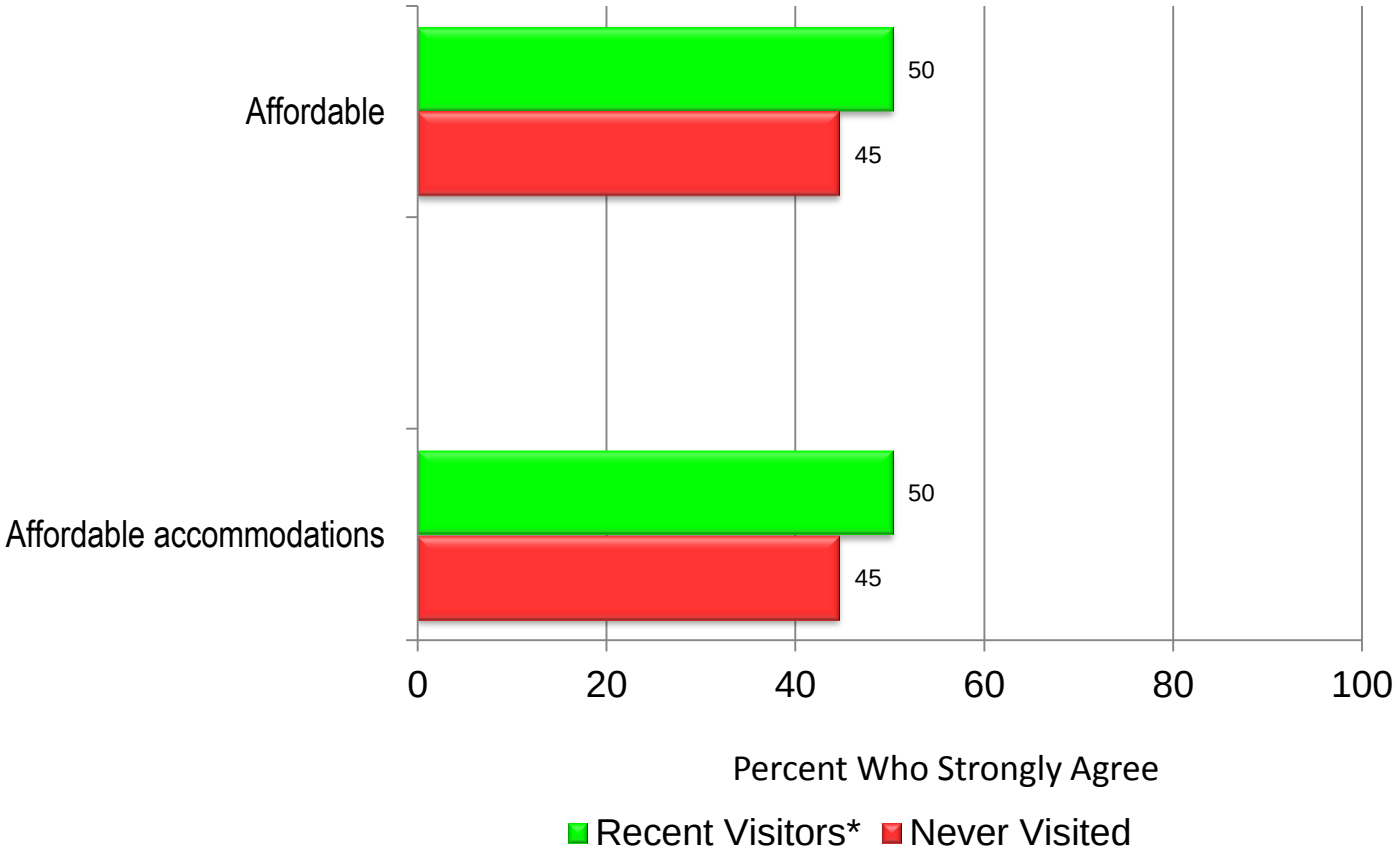
Base: Regional Market



* Visited in past two years

Minnesota's Product Delivery vs. Image — Affordable

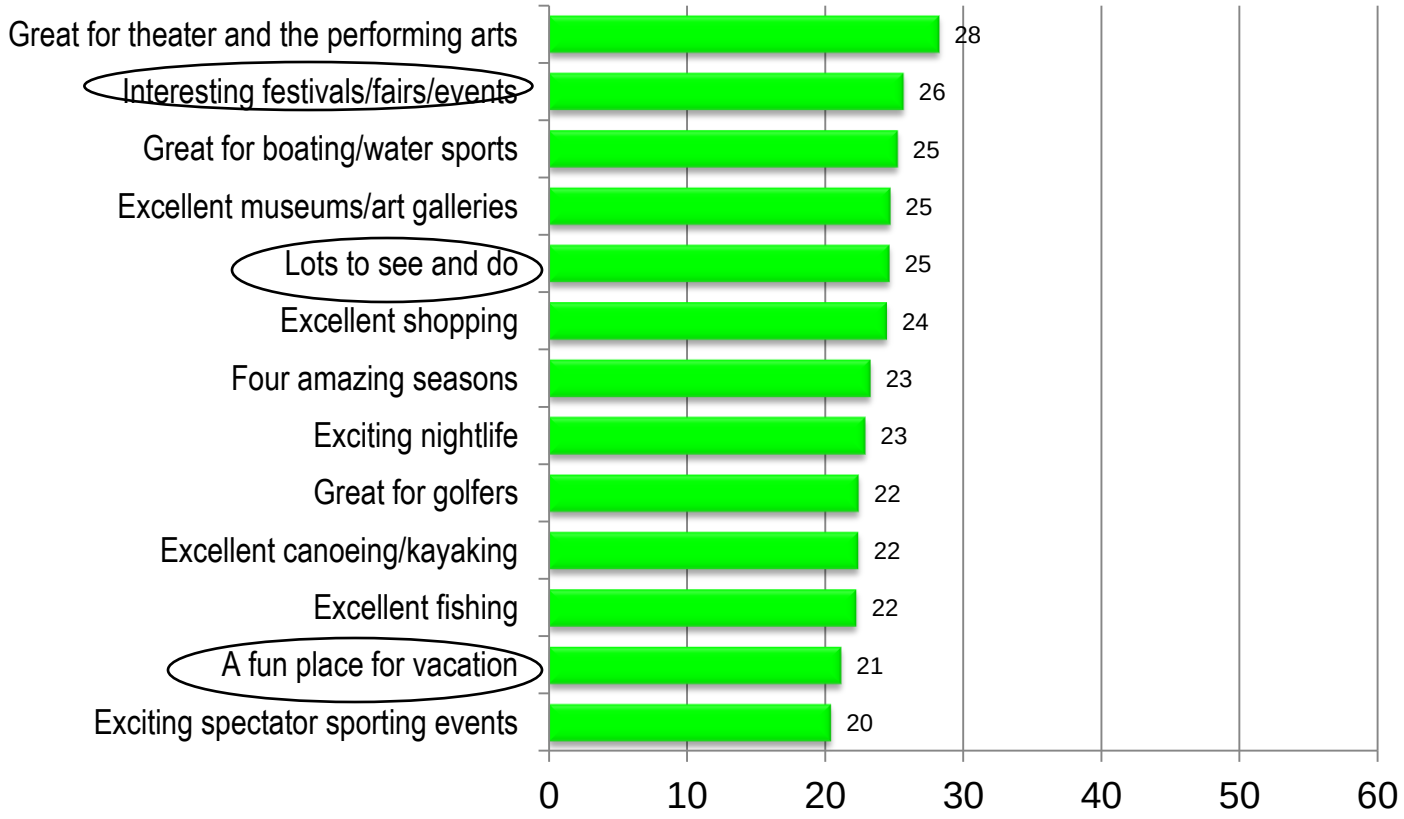
Base: Regional Market



* Visited in past two years

Minnesota's Main Product Strengths vs. Image

Base: Residents of Minnesota's Regional Advertising Markets

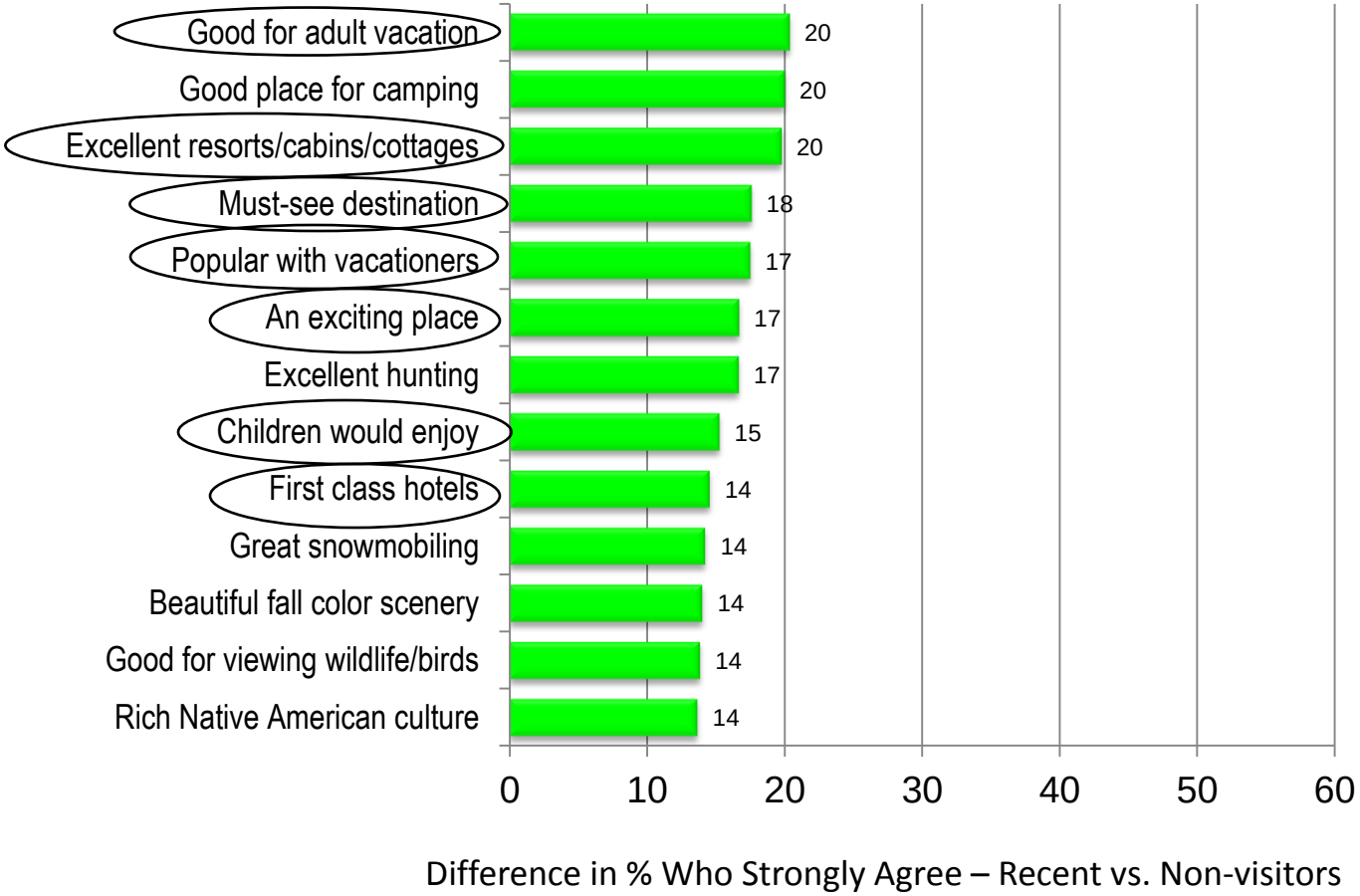


Difference in % Who Strongly Agree – Recent vs. Non-visitors

Circled attributes are image hot buttons

Minnesota's Main Product Strengths vs. Image

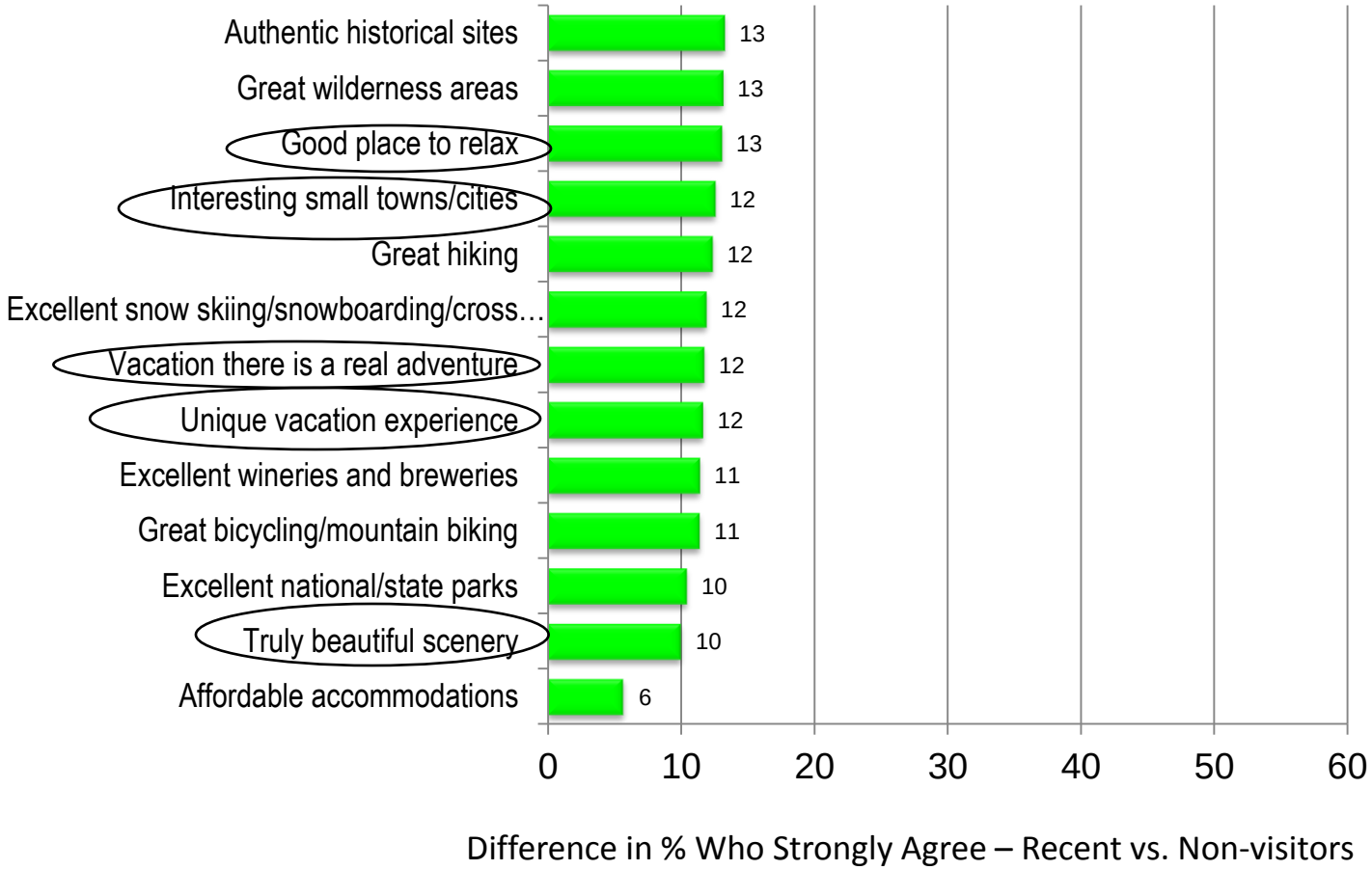
Base: Residents of Minnesota's Regional Advertising Markets



Circled attributes are image hot buttons

Minnesota's Main Product Strengths vs. Image

Base: Residents of Minnesota's Regional Advertising Markets



Circled attributes are image hot buttons

Minnesota's Product Weaknesses vs. Image

No Product Weaknesses vs. Image

Longwoods INTERNATIONAL

Creative

2013 Spring/Summer Ads

MINNESOTA MUSEUMS MONTH

MAY

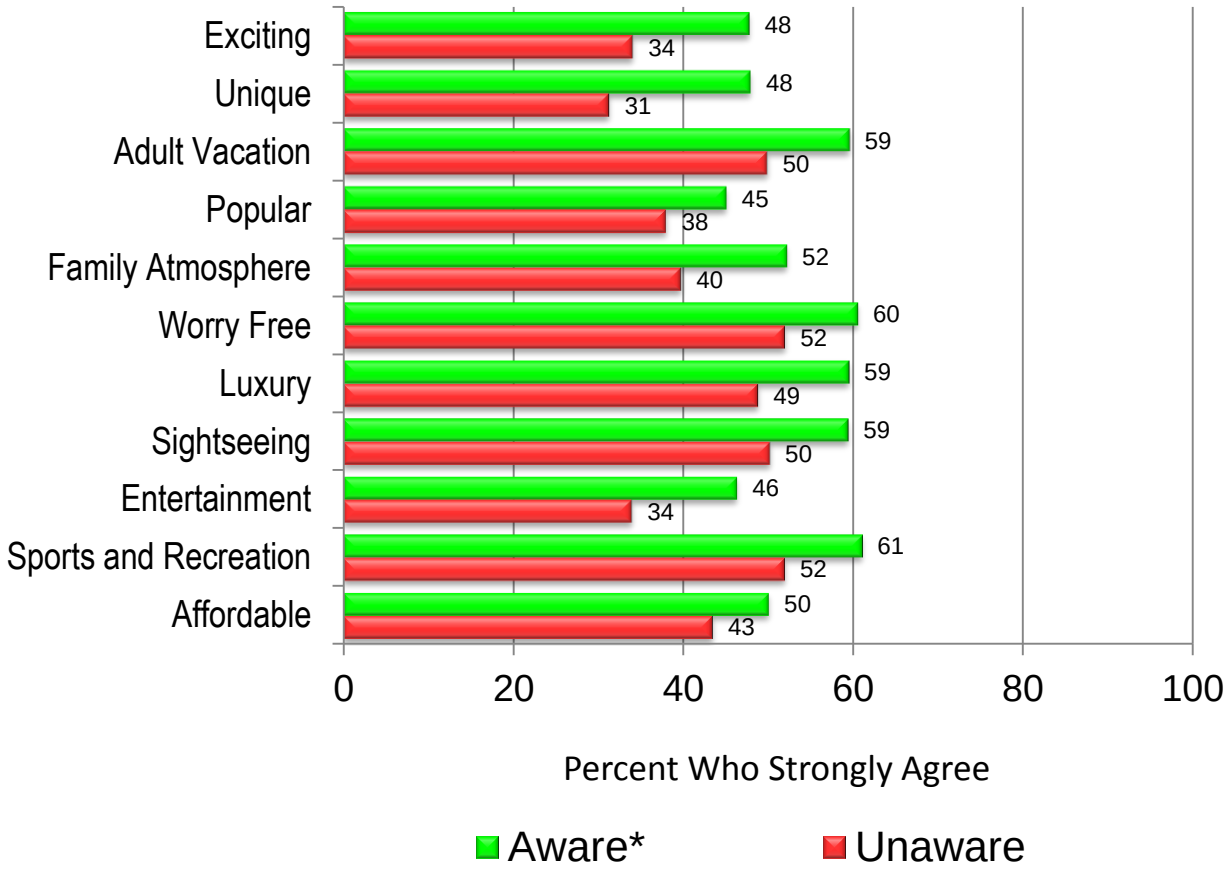
MORE TO EXPLORE™

Begin your getaway at exploreminnesota.com

Impact of Advertising on Image

Impact of Advertising on Image – Total Regional Market

Base: Residents of Minnesota's Regional Advertising Markets



*Saw at least one ad

Impact of Advertising on Minnesota's Hot Buttons

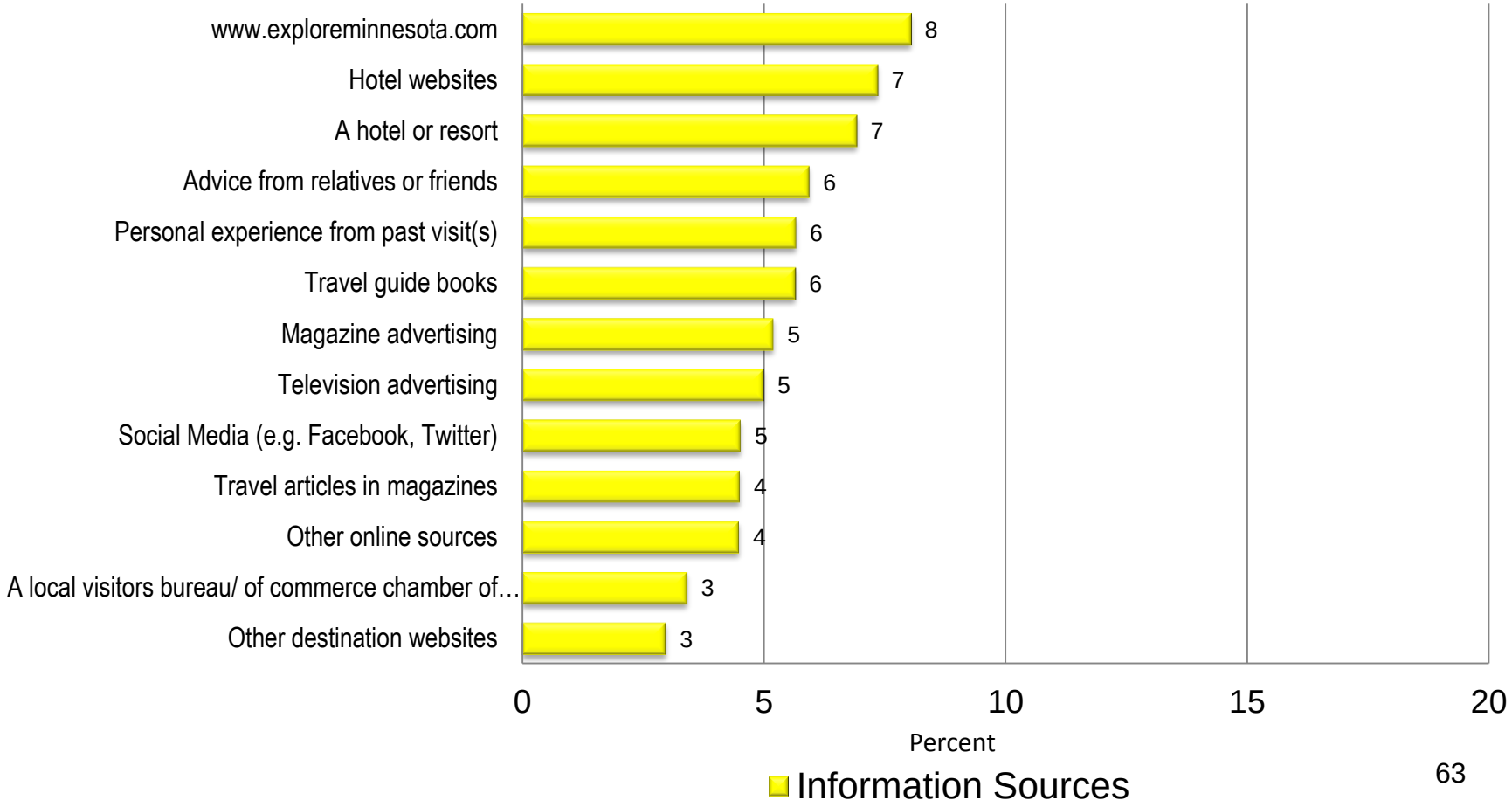
Base: Residents of Minnesota's Regional Advertising Markets

*Saw at least one ad

Information Sources for Trip Planning

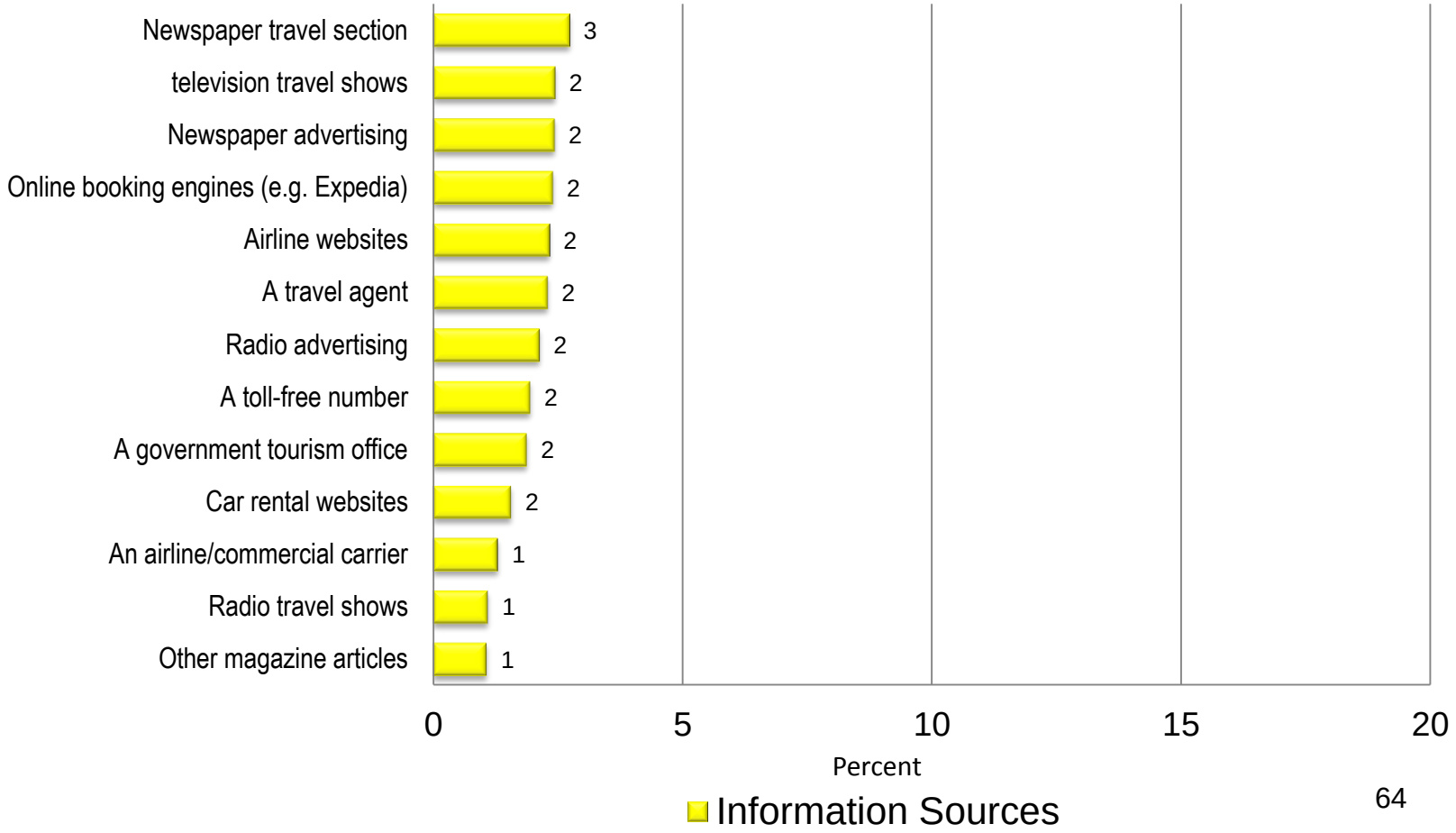
Information Sources Used for Trip Planning After Seeing Ads

Base: Regional Market



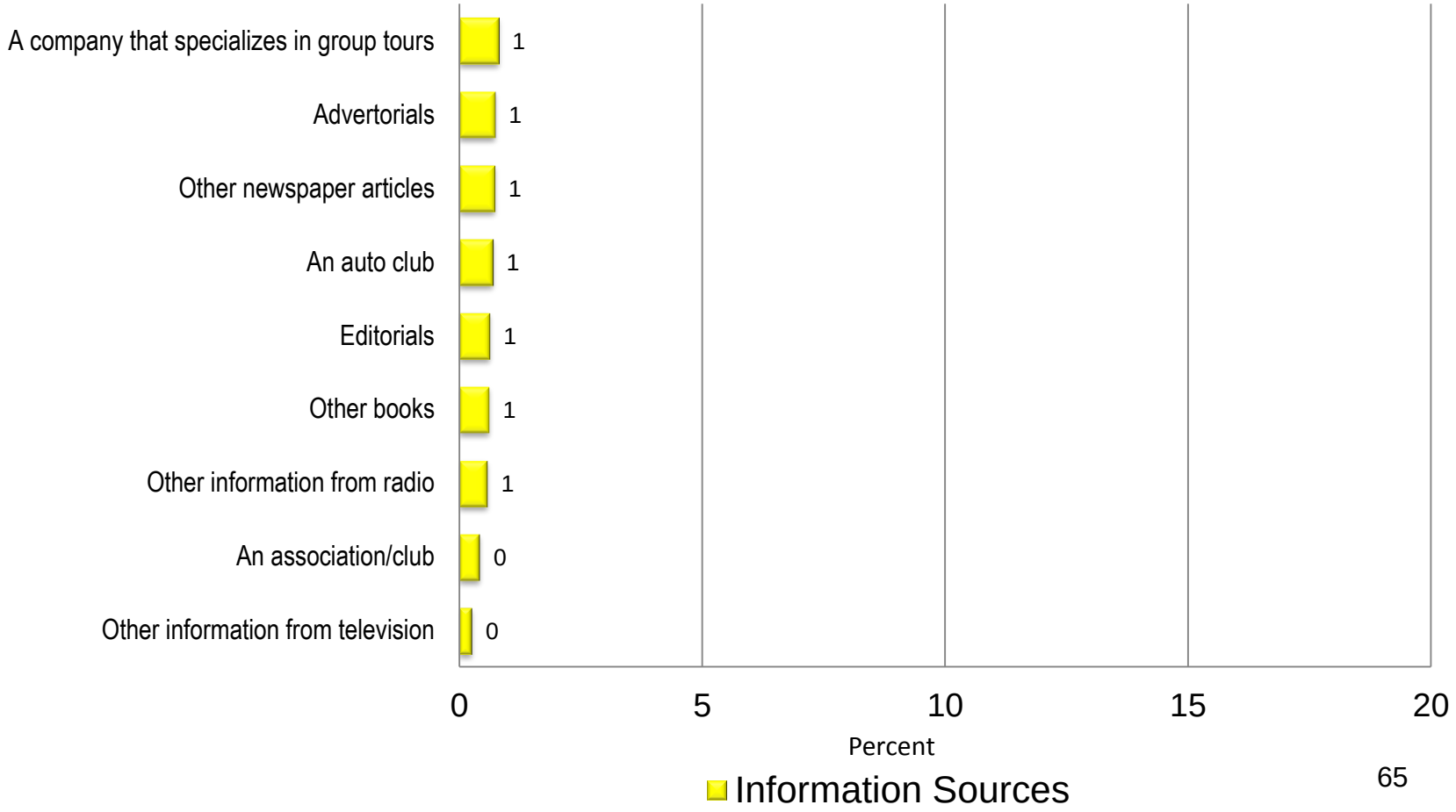
Information Sources Used for Trip Planning After Seeing Ads (Cont'd)

Base: Regional Market



Information Sources Used for Trip Planning After Seeing Ads (Cont'd)

Base: Regional Market

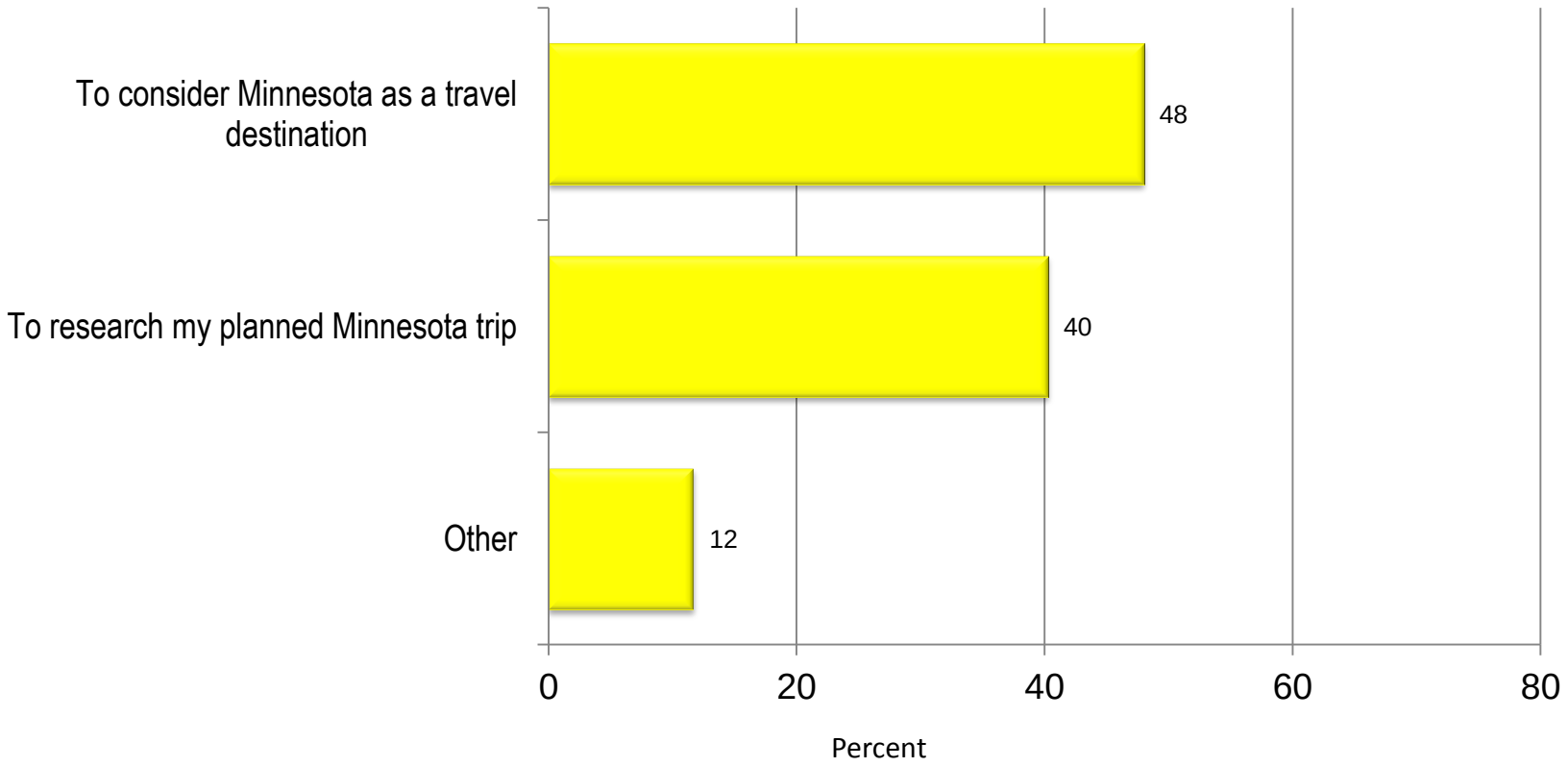


Do you recall visiting the Travel Website www.exploreminnesota.com?

Base: Regional Market

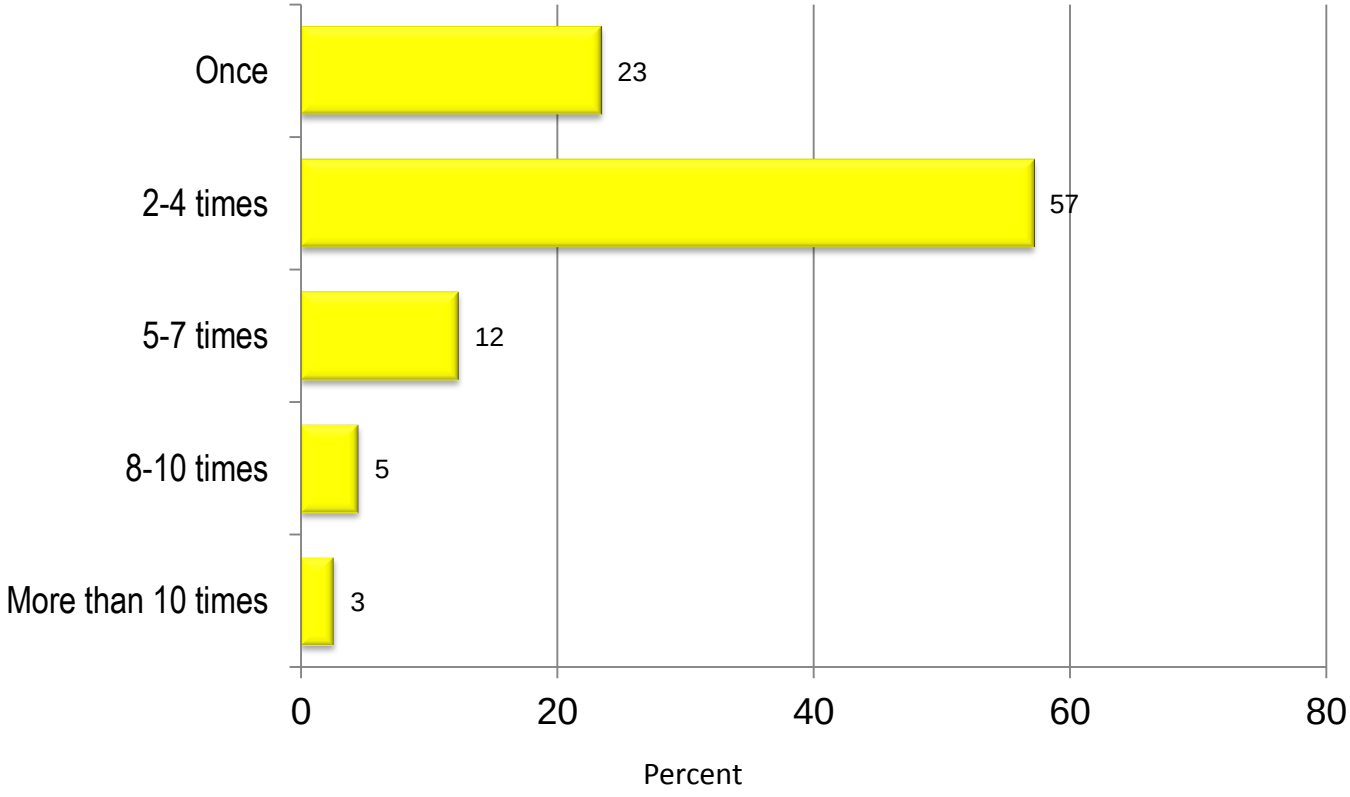
At what point in your trip planning process did you visit www.exploreminnesota.com?

Base: Those who visited www.exploreminnesota.com



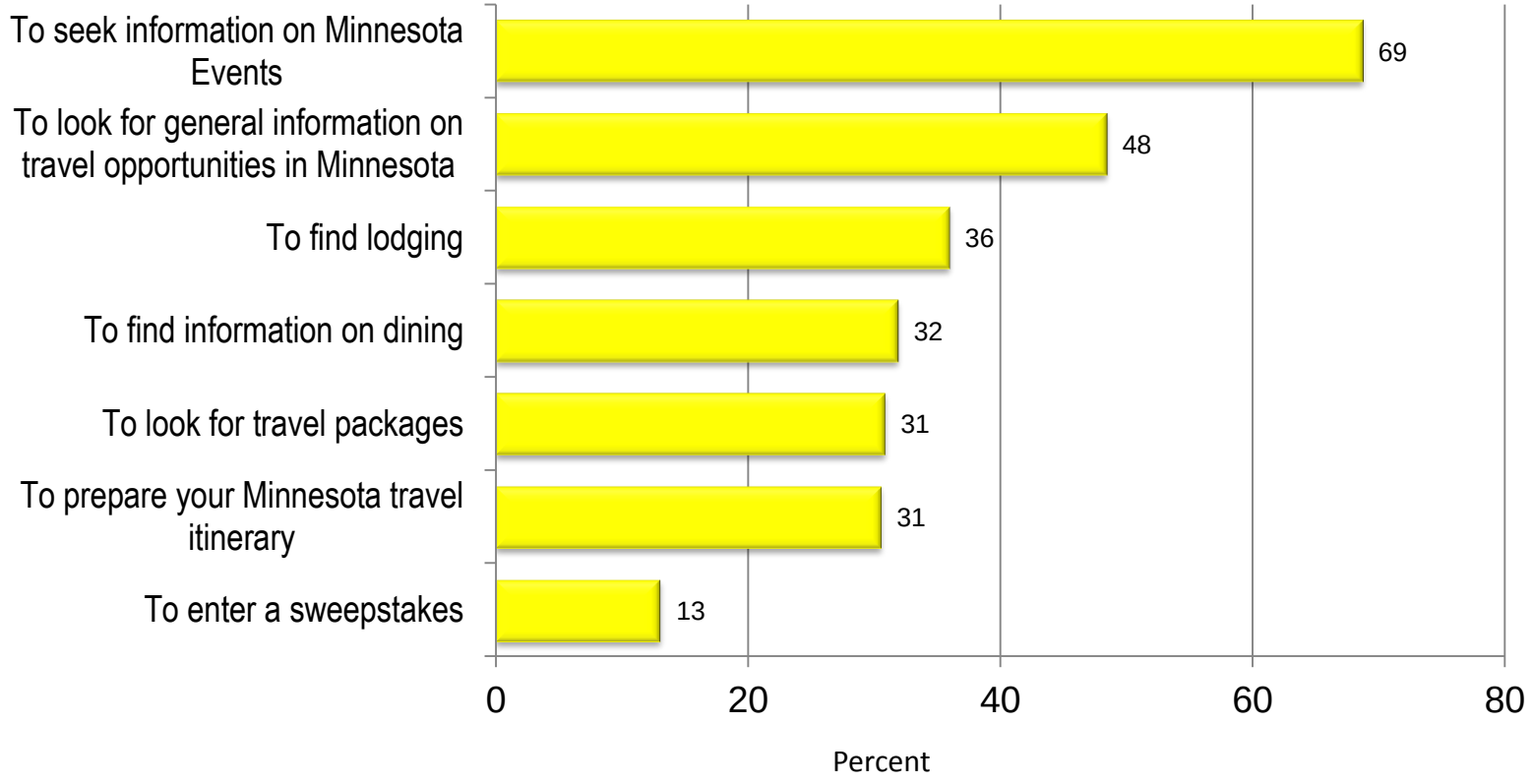
How many times did you visit www.exploreminnesota.com in 2013?

Base: Those who visited www.exploreminnesota.com



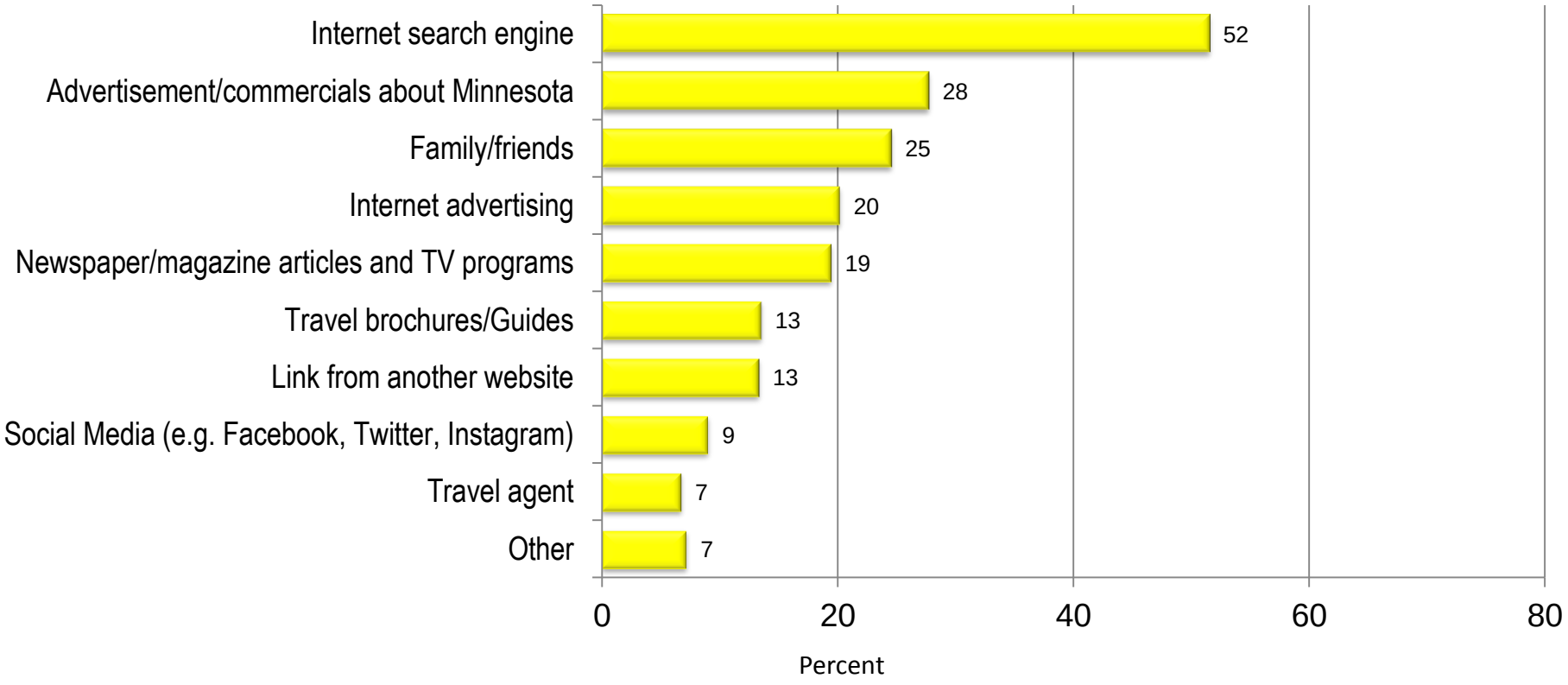
What did you use the website www.exploreminnesota.com for?

Base: Those who visited www.exploreminnesota.com



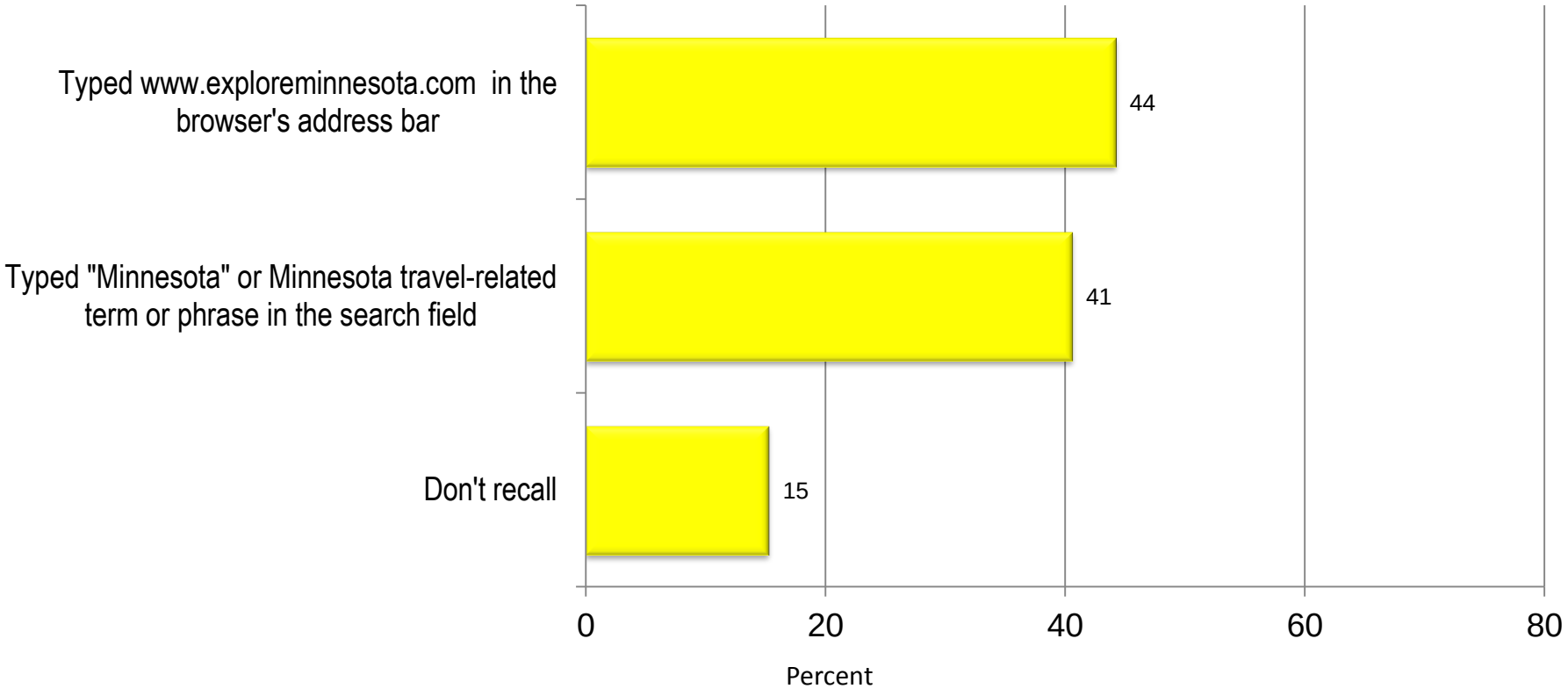
How did you learn about the www.exploreminnesota.com website?

Base: Those who visited www.exploreminnesota.com



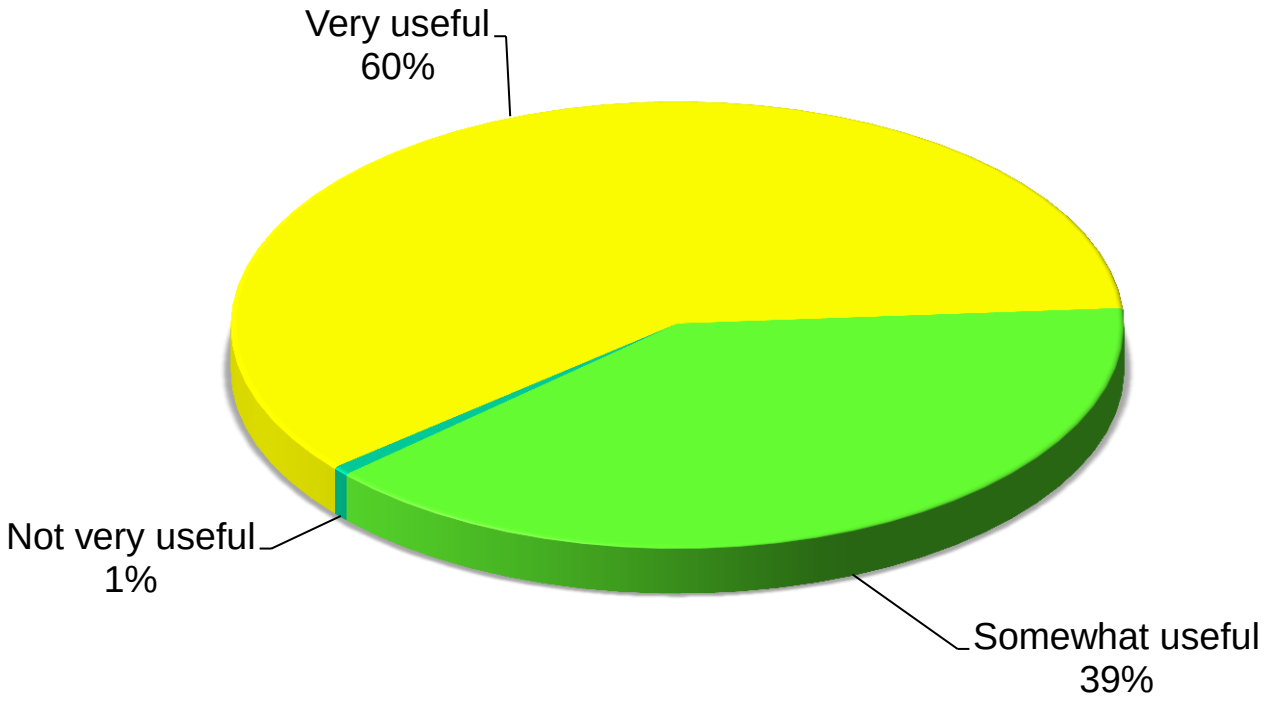
How did you typically reach the www.exploreminnesota.com website?

Base: Those who used internet search to reach www.exploreminnesota.com



How useful was the www.exploreminnesota.com website?

Base: Those who visited www.exploreminnesota.com



Bottom Line Advertising Impacts

Advertising Impacts

- 57% of all respondents were aware of at least one of Explore Minnesota Tourism's ads.
- Among those who saw Minnesota ads in several types of media, ad recall was highest for television ads (47%), followed by digital (43%). Among those who only saw ads in one medium, TV ads had the highest recall (11%), followed by digital (7%).
- The campaign generated 1.9 million incremental trips that would not otherwise have taken place, which brought $196 million in incremental visitor spending and $18.6 million in state and local taxes.
- 1 million incremental trips were overnight trips and 0.9 million were day trips.
- It cost $1.21 in advertising to generate each incremental trip.
- Every $1 invested in the Minnesota ad campaign in the evaluated markets generated $84 in visitor spending and $8 in tax revenue for the benefit of Minnesota residents.

Incremental Trips, Spending and Taxes Due to Advertising

	2013 Ad Campaign
Ad Investment	$2.3M
Incremental Trips	1.9M
Incremental Visitor Spending	$196.1M
Incremental Taxes	$18.6M

- Ad Investment includes Production/Fulfillment/Other Costs
- Effective tax rates developed from 2012 MN Adv. Impact Report = 3.5% Local and 6.0% State

Incremental Trips Due to Advertising

	2013 Ad Campaign
Overnight Trips	1,020,144
Day Trips	899,066
Total	1,919,210

Campaign Efficiency

	2013 Ad Campaign
Ad $'s per Trip	$1.21
Trips per Ad $	0.8

The Bottom Line in 2013

	2013 Ad Campaign
Spending ROI	$84
Tax ROI	$8

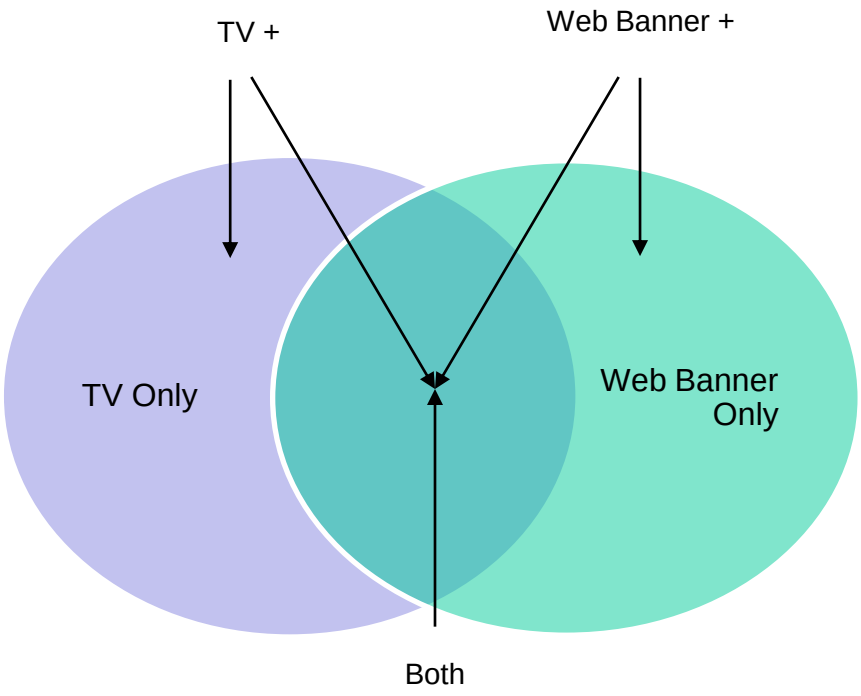
Longer-term Impact of Advertising – Intent to Visit Minnesota

	Intend to Visit Minnesota in next 12 months
Overnight Trip Intenders	588,465
Day Trip Intenders	438,971
Total Intenders	1,027,436

* Among those who did not visit Minnesota in 2013

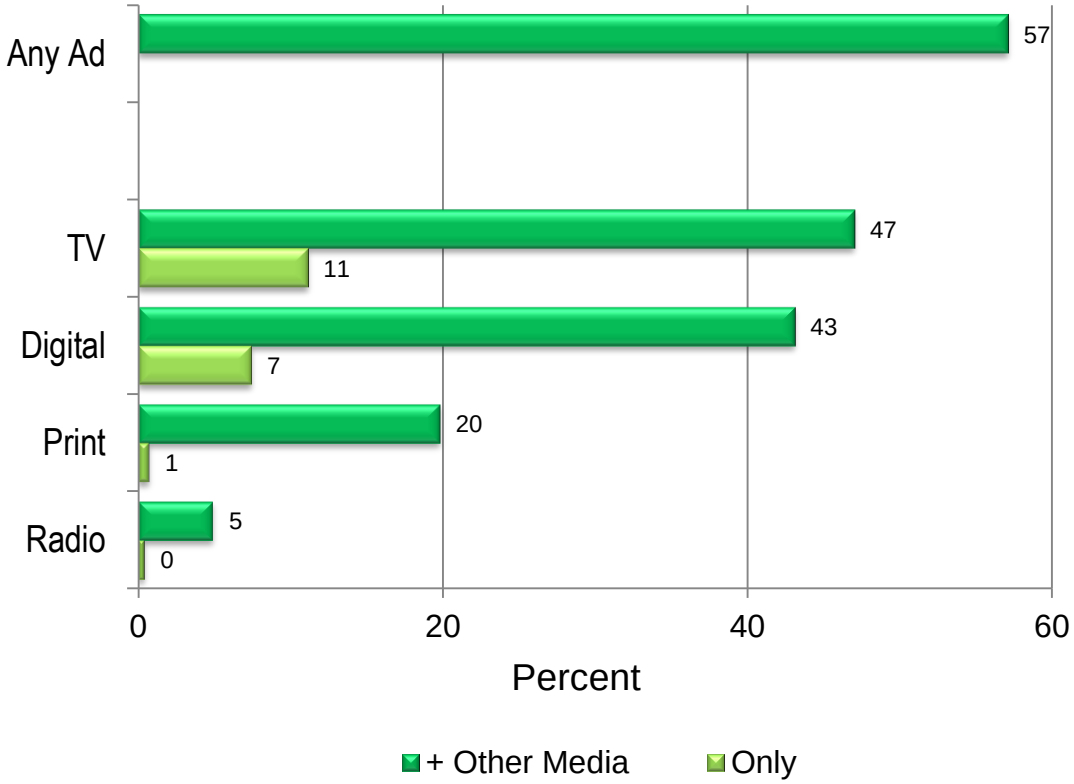
Minnesota Media Diagnostics

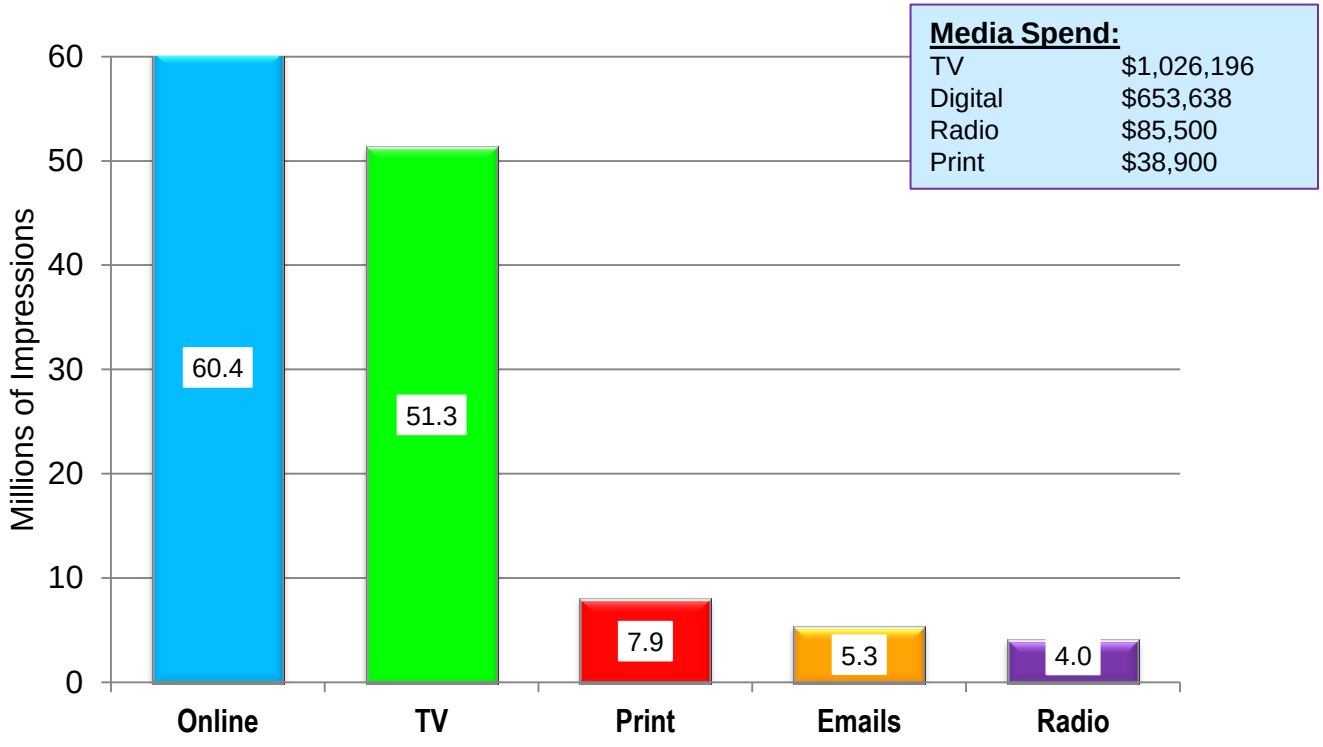
Definition of Awareness



Awareness by Media

Base: Regional Market



Total Impressions by Media

Base: Regional Market