



# 2014 North Carolina Image & Advertising Accountability Research

January 2015

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# Introduction



- Longwoods International was retained to undertake an evaluation of North Carolina's 2014 tourism advertising campaign.
- This report presents the detailed study findings as they relate to:
  - *North Carolina's image as a travel destination vs. its key competitors*
  - *The impact of the advertising on North Carolina's image as a travel destination*
  - *The bottom-line impacts of the campaign*

# Purpose



- ⊙ The research was designed to provide:
  - ⊙ *Strategic image data*
    - *What are the image factors and attributes that are important in destination selection?*
    - *What is North Carolina's image as a travel destination versus its key competitors: Virginia, Tennessee, West Virginia, South Carolina, Georgia and Florida?*
  - ⊙ *A measure of both short-of-sales and bottom-line impacts of North Carolina's tourism advertising:*
    - *Awareness/recall of the 2014 campaign*
    - *Incremental short-term trips to North Carolina during and immediately following the advertising campaign*
    - *Incremental trips planned for the following year*
    - *Spending in North Carolina by the incremental visitors*
    - *Direct taxes generated by that spending*

# Methodology



- The study surveyed travelers in North Carolina's advertising markets:
  - A **traveler** is defined as a person who has taken a day or overnight pleasure trip within the past 3 years, and intends to take one within the next two years. (66% of those screened met these requirements.)
- The study was conducted via a major online consumer sample in the U.S.:
  - The sample was selected to be representative of the markets being surveyed (North Carolina, South Carolina, Tennessee, Virginia, Georgia, Washington, DC, Maryland, Florida, and Pennsylvania)
  - A total of **1,801** travelers participated in the study
  - Data was weighted prior to analysis based on age, gender, income, household size, and market size.

# Methodology (Cont'd)



- The questionnaire included:
  - *Travel history*
  - *Image of North Carolina and its competitors (Virginia, Tennessee, West Virginia, South Carolina, Georgia, Florida) as a travel destination on a battery of 64 attributes*
  - *Respondents were exposed to actual copies of the North Carolina's tourism ads. We use this aided recognition technique in order to minimize potential confusion of North Carolina's ads with other destinations/advertisers that may be similar.*

# Destination Past Visitation & Interest

# Past and Future Visitation to North Carolina



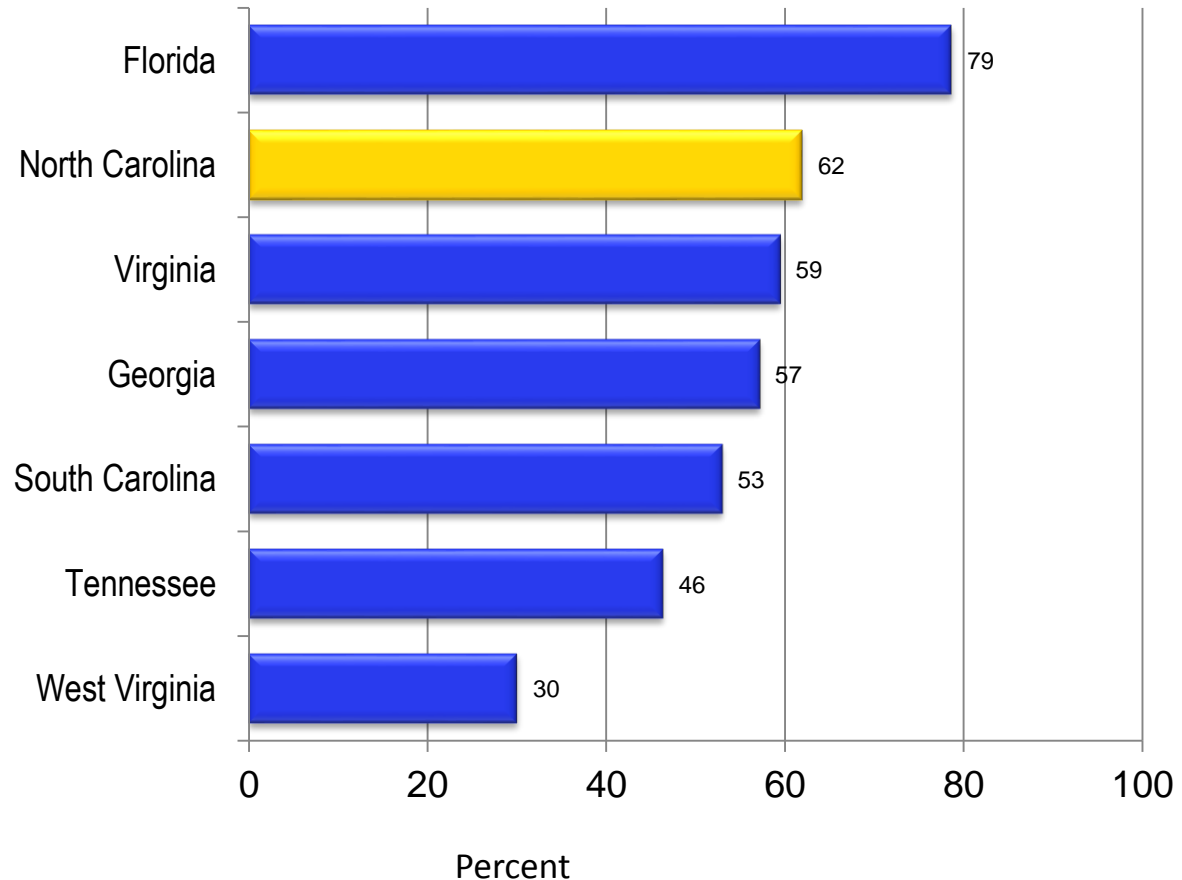
- Over six out ten travelers have experienced North Carolina at least once.
- Half of the travelers plan an overnight or day visit to North Carolina in the next year.
- The intent on visiting North Carolina for an overnight trip is 49% while a day trip is 40%.
- The visitation intent for both day and overnight North Carolina trips is higher among the primary advertised markets than the secondary markets.
- Half of travelers in the Atlanta DMA plan to visit North Carolina for overnight or day trips; while 44% of travelers in the Washington, DC DMA plan to visit.



# Ever Visited — Day/Overnight Trip



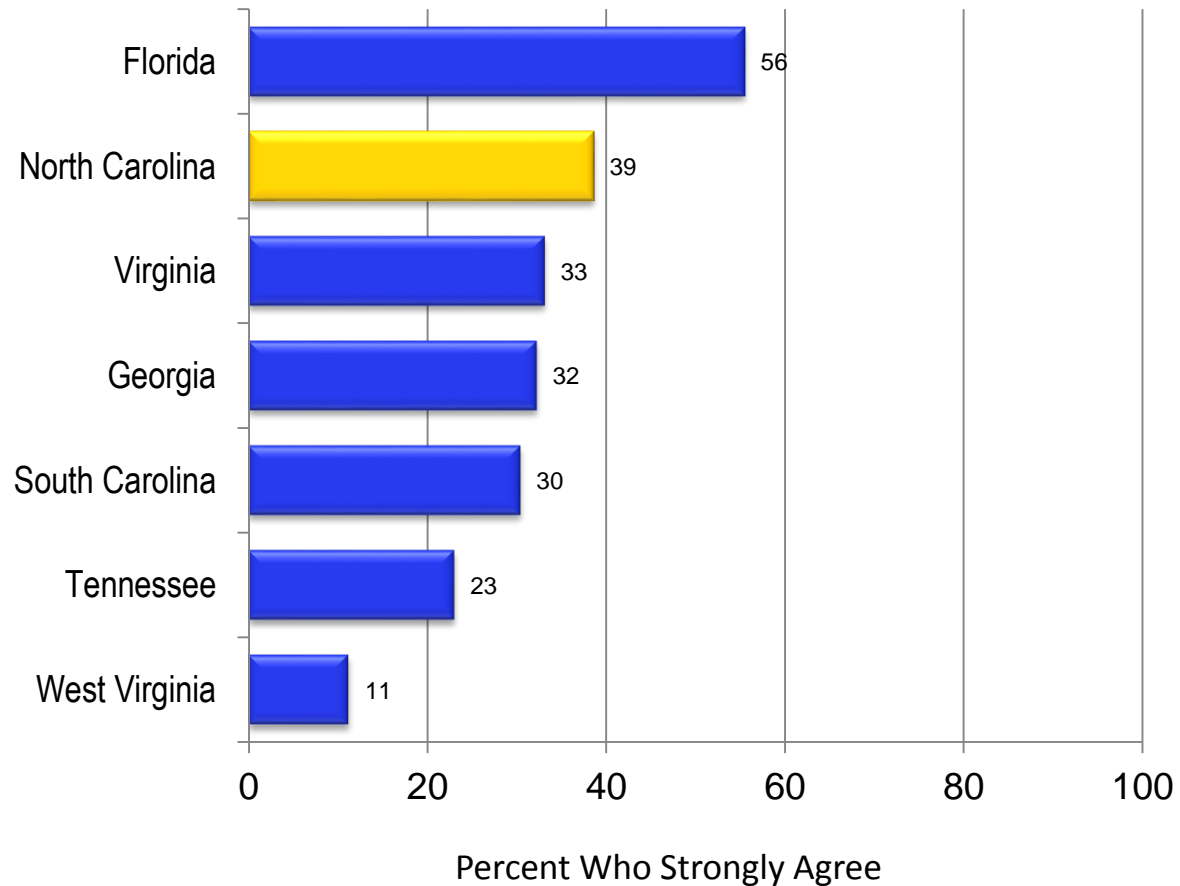
Base: Those who have ever visited on a day or overnight trip



# Past 2 Years— Day/Overnight Trip



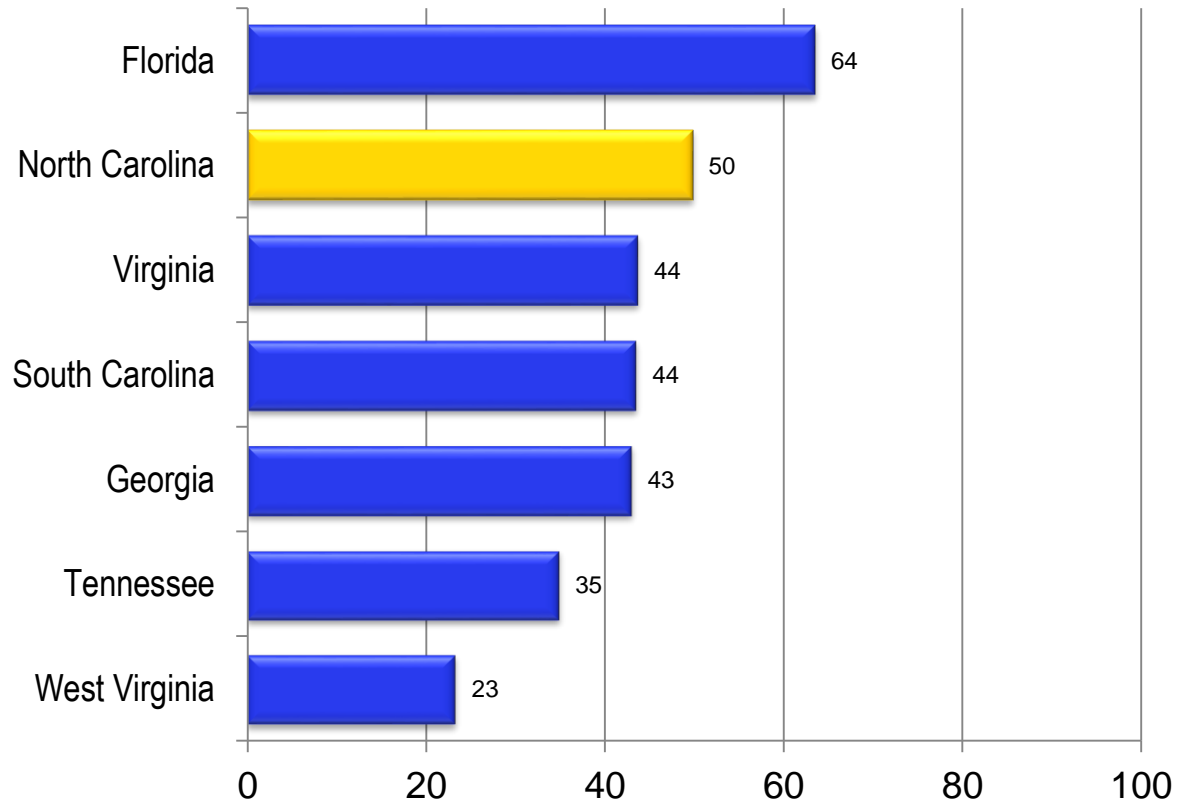
Base: Those who have ever visited on a day or overnight trip for each state



# Intent to Visit in the Next Year



Base: Those who have ever visited on a day or overnight trip

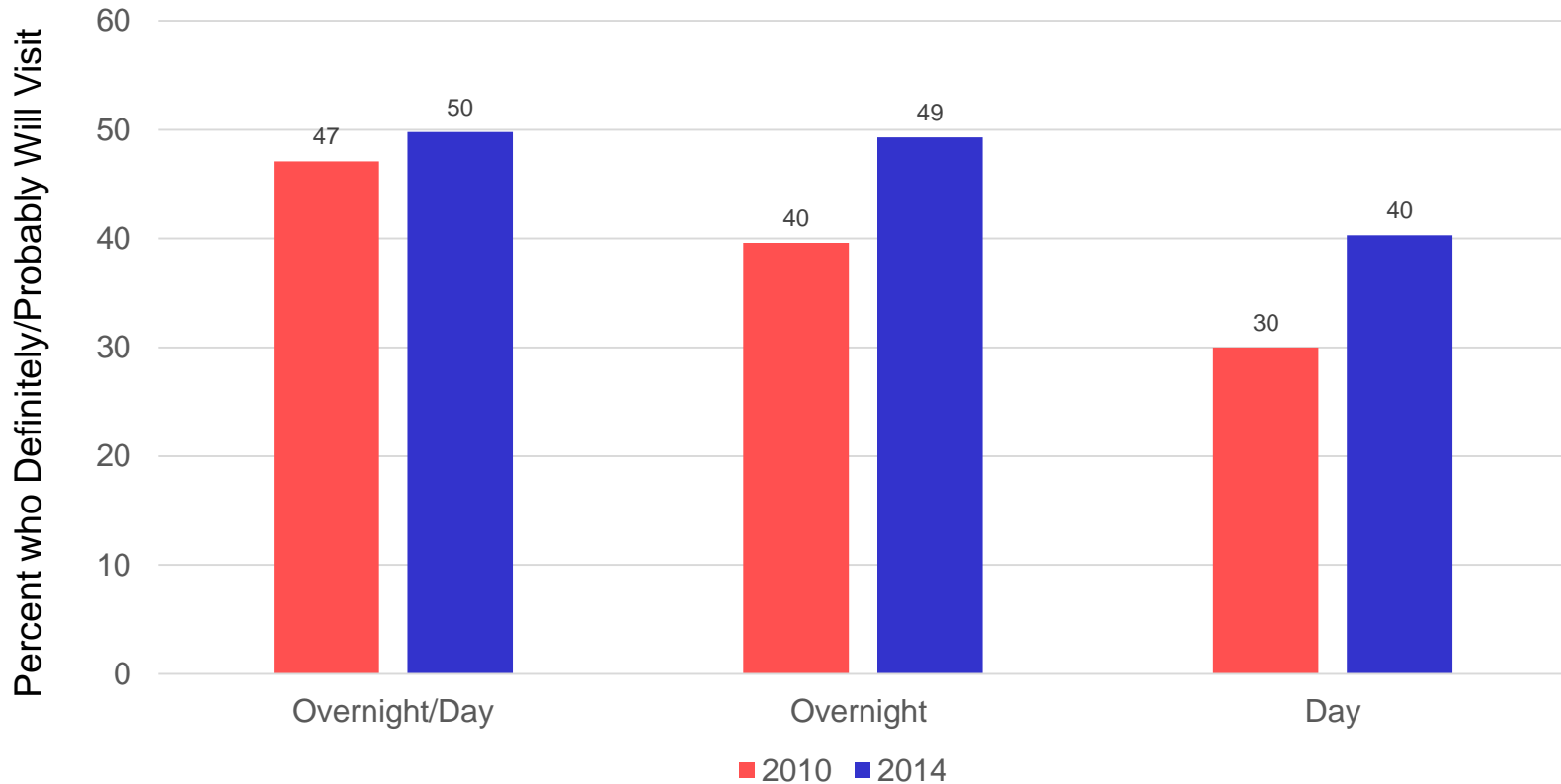


Percent who Definitely/Probably Will Visit

# Intent to Visit North Carolina in the Next Year



Base: Those who have ever visited on a day or overnight trip



# **Travel Motivators and Hot Buttons**

# Travel Motivators



- ⦿ **Longwoods** takes an innovative approach to profiling the factors that motivate travel and destination choice:
  - ⦿ *direct questioning of respondents on this subject can often lead to misleading answers. Respondents' answers tend to favor rational over emotional ideas because they are easier to call to mind and articulate.*
- ⦿ **Longwoods**, therefore, takes an indirect approach to uncovering these motivators:
  - ⦿ *through predictive modeling analytics, we get below the surface and uncover the true factors that drive overall ratings of destination appeal and choice.*

# The Indirect Approach



- Respondents are asked to rate selected states across a robust list of destination **attributes** or characteristics.
- The statistical correlation between each attribute rating and the overall rating for being “*A place I would really enjoy visiting*” is then calculated.
  - *attributes showing strong correlations are strong predictors of destination choice and those with the highest are the ‘Hot Buttons’ that should be included in the communications messaging strategy .*
- Travel Motivator **factors** reflect the aggregated importance across related attributes.

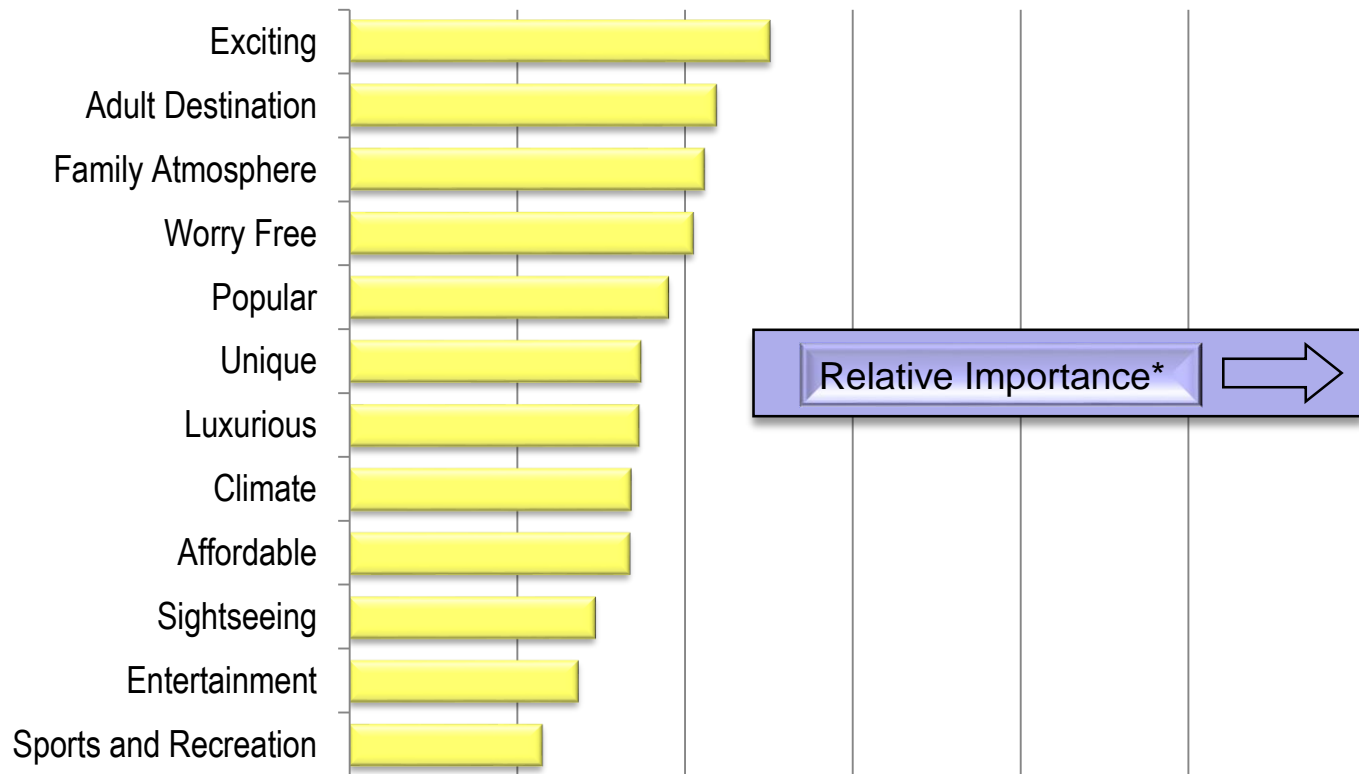
# Travel Motivators and Hot Buttons



- ⦿ The most important **factors** that drive interest in a destination choice in North Carolina's advertised markets are:
  - ⦿ *is **exciting** – an exciting, fun, and must see place that provides some sense of real adventure.*
  - ⦿ *is also a great **destination for adults** but also provides a good **family atmosphere** – a place that is good for families and that children would enjoy.*
  - ⦿ *the destination must be welcoming, comfortable, and a good place to relax.*
- ⦿ It is also important in these markets that the destination communicates the hot buttons of:
  - ⦿ *provides **unique experiences**.*
  - ⦿ *the destination has a lot to see and do.*



# Travel Motivators



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

# Hot Buttons



## Top 10 Hot Buttons

**A fun place**

**Where I would feel comfortable**

**Must see destination**

**I would feel welcome**

**An exciting place**

**Unique vacation experience**

**Lots of things to see and do**

**Good place for families**

**Good for an adult vacation**

**Good place to relax/escape from hectic life**

# North Carolina's Image

# North Carolina's Image



- To obtain travelers' perceptions of North Carolina and its key competitors, respondents were asked to rate each state across a battery of attributes, using a ten-point scale where 10 meant 'Agree completely' and 1 meant 'Do not agree at all'.
  - *a 0' rating was allowed if they had no impression at all.*
  - *image charts report the proportion of respondents who rated a destination at 10, 9, or an 8 on each attribute.*
- Competitive states included: Virginia, West Virginia, Florida, Georgia, South Carolina and Tennessee.

# North Carolina's Image Strengths/Weaknesses

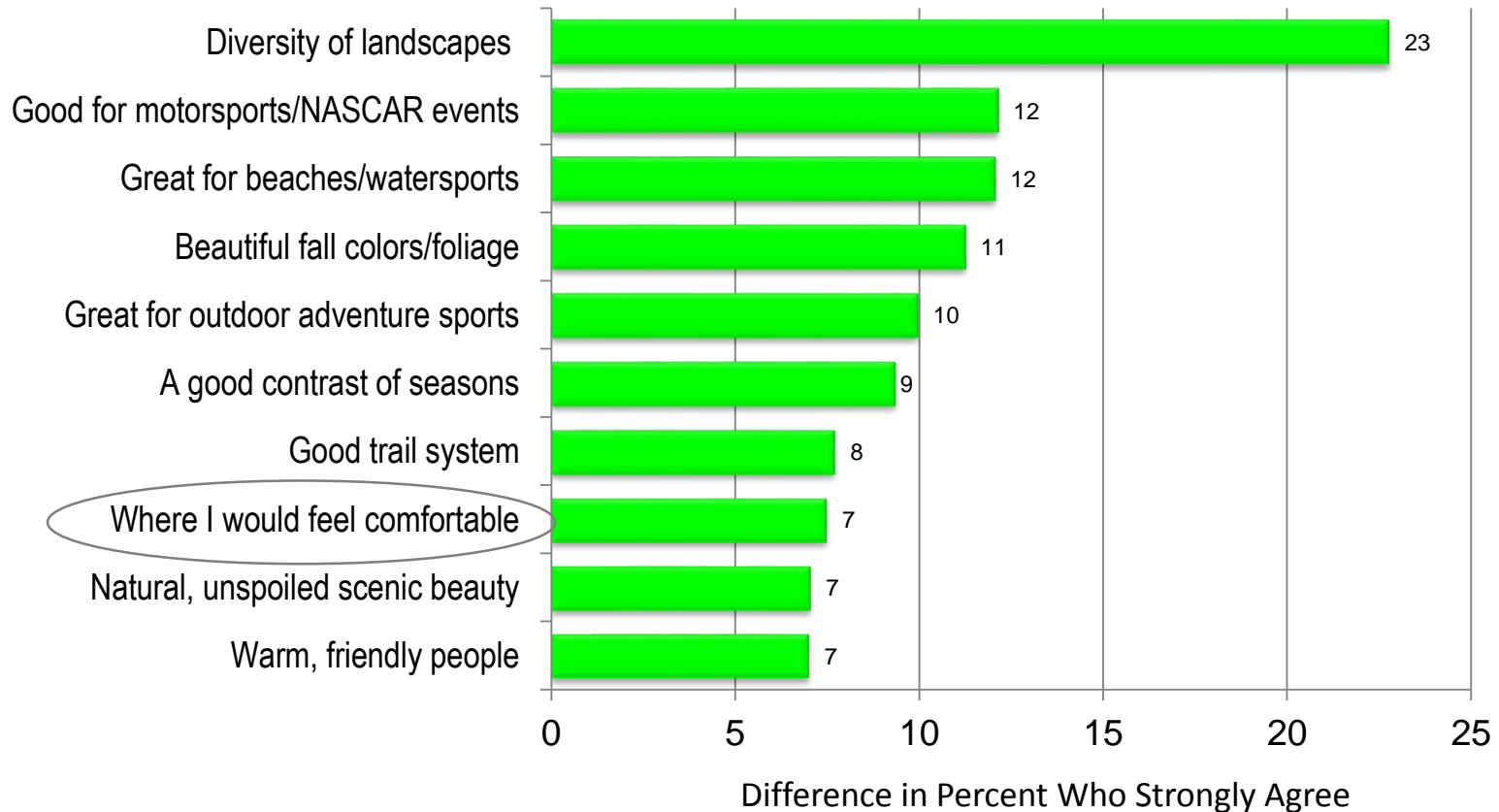


- ◉ North Carolina received its highest image ratings versus the competitors average for its:
  - ◉ *outdoor assets:*
    - ◉ *Diverse of landscapes, fall colors,, good trail system, and natural, unspoiled scenic beauty*
  - ◉ *sports related:*
    - ◉ *motor sports/NASCAR events, beaches/watersports, outdoor adventure sports*
  - ◉ *a good contrast of seasons*
  - ◉ *feeling comfortable*
  - ◉ *warm and friendly people*
- ◉ Only the hot buttons of “feeling comfortable,” “a good place to relax,” and “is a place I would feel welcomed” are rated higher than the competitors average.
- ◉ North Carolina has no major weaknesses versus the competitor average.

# North Carolina Image Strengths vs. Competitors



Base: Total Travelers

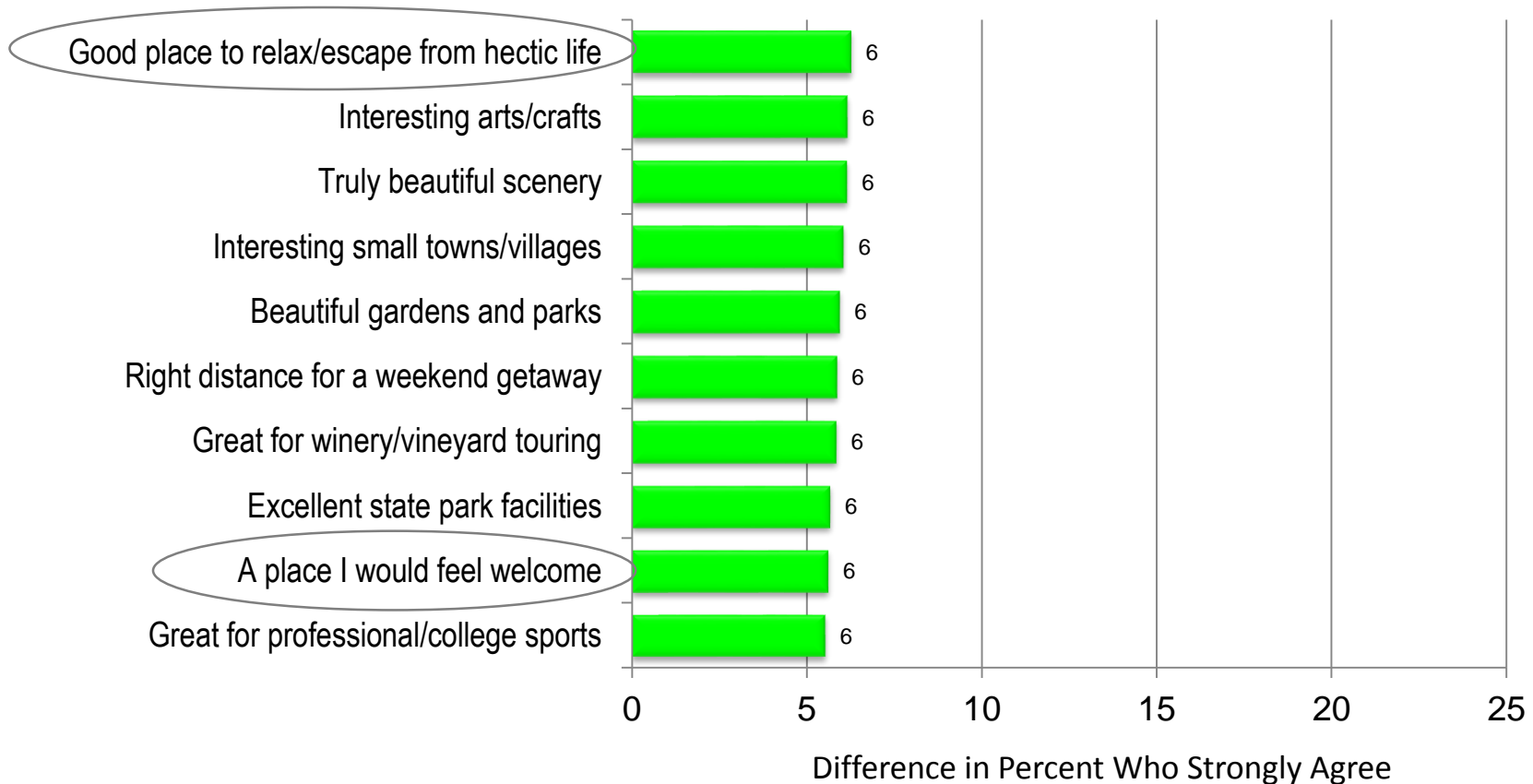


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Strengths vs. Competitors (Cont'd)



Base: Total Travelers

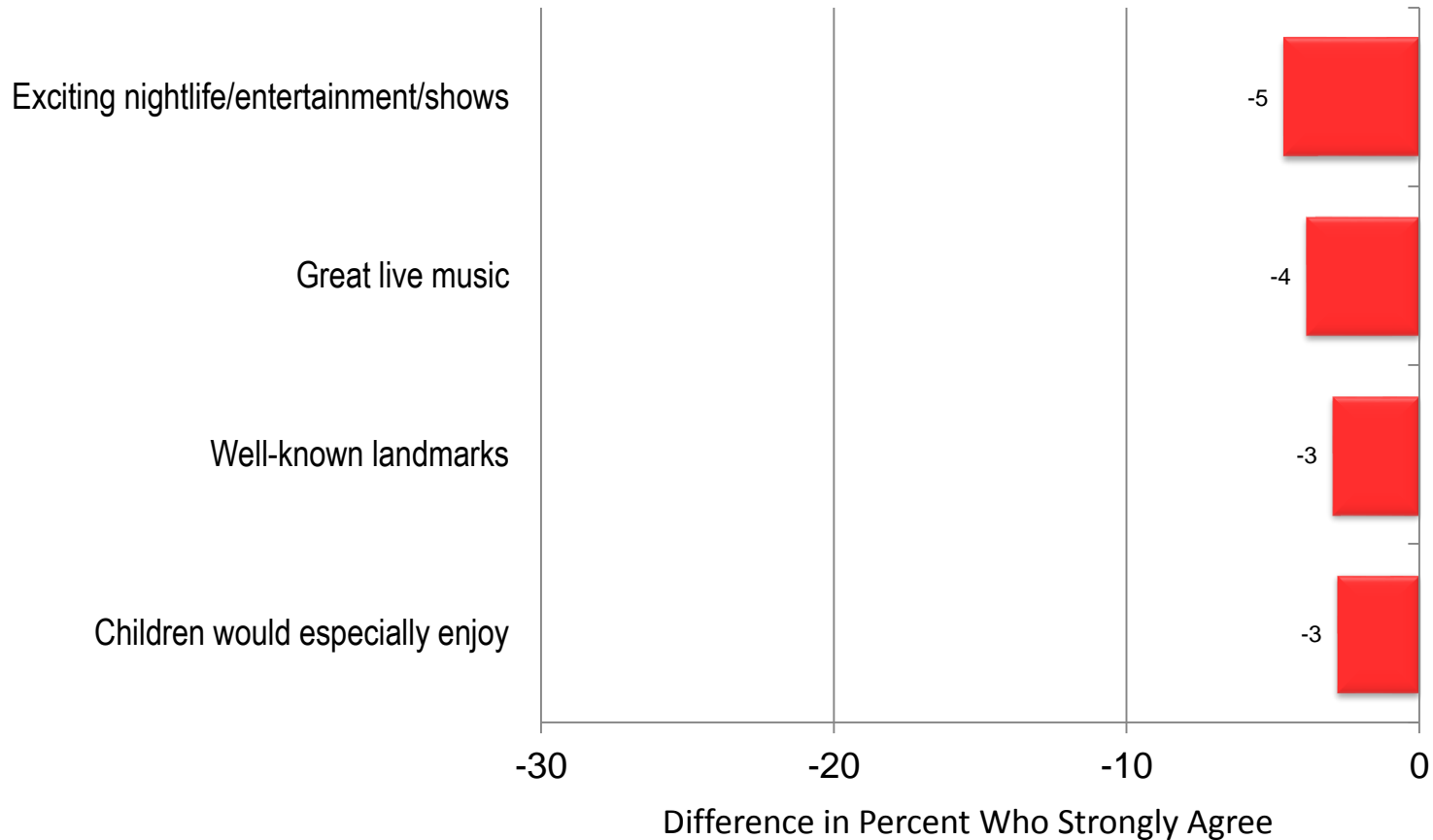


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. Competitors



Base: Total Travelers





# North Carolina's Image vs. the Competition

# North Carolina's Image vs. Competitors



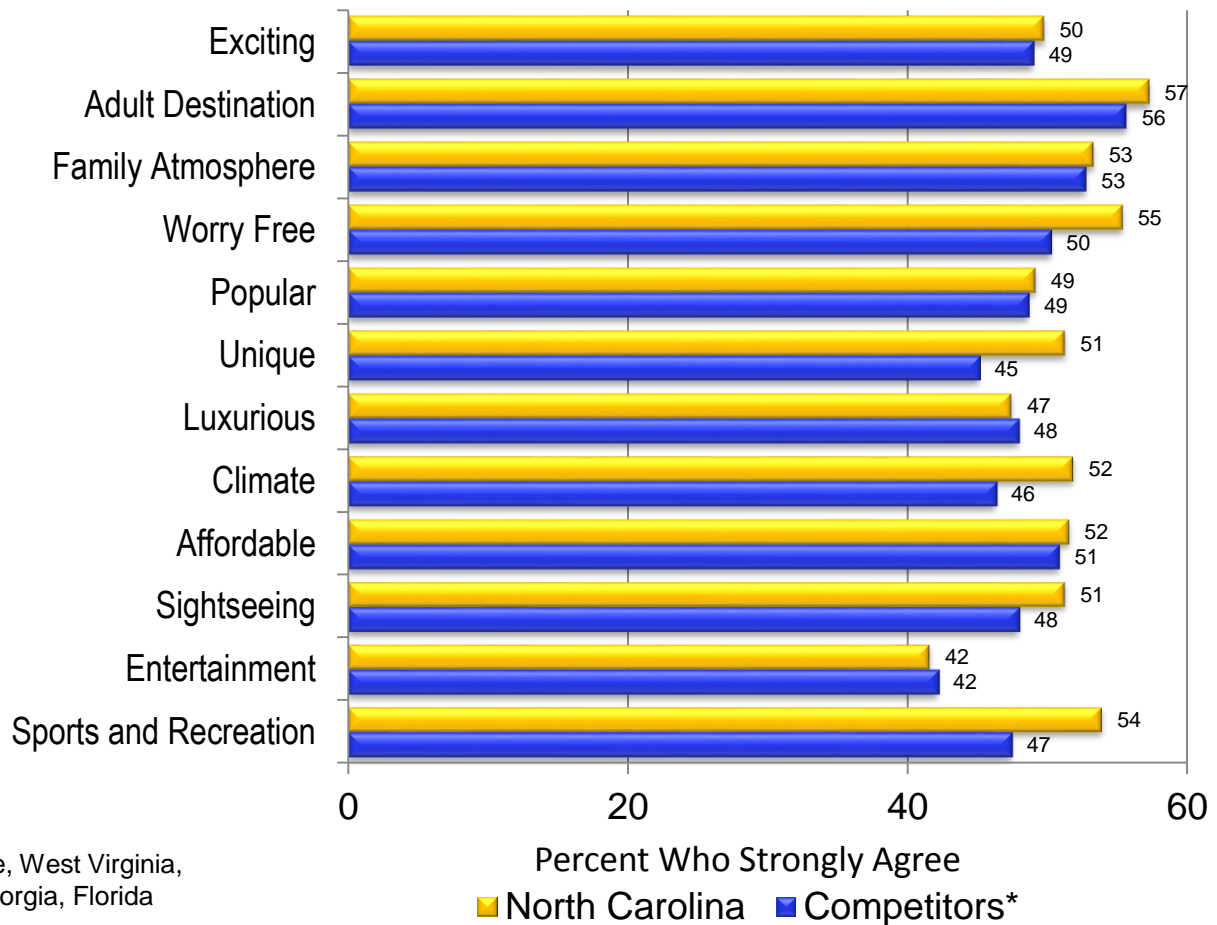
- North Carolina's image is rated higher for Worry Free, Unique, Climate, and Sports and Recreation versus the competitors average.
- The primary markets rate North Carolina's image stronger than the secondary markets.
- The North Carolina image in the Atlanta DMA has stronger ratings than in the Washington, DC DMA.
- North Carolina's image ratings are similar to the other states studied as seen in slides 32 - 74. Florida is higher on few factors.

# North Carolina's Image vs. Competitors



Base: Total Travelers

Relative Importance\*

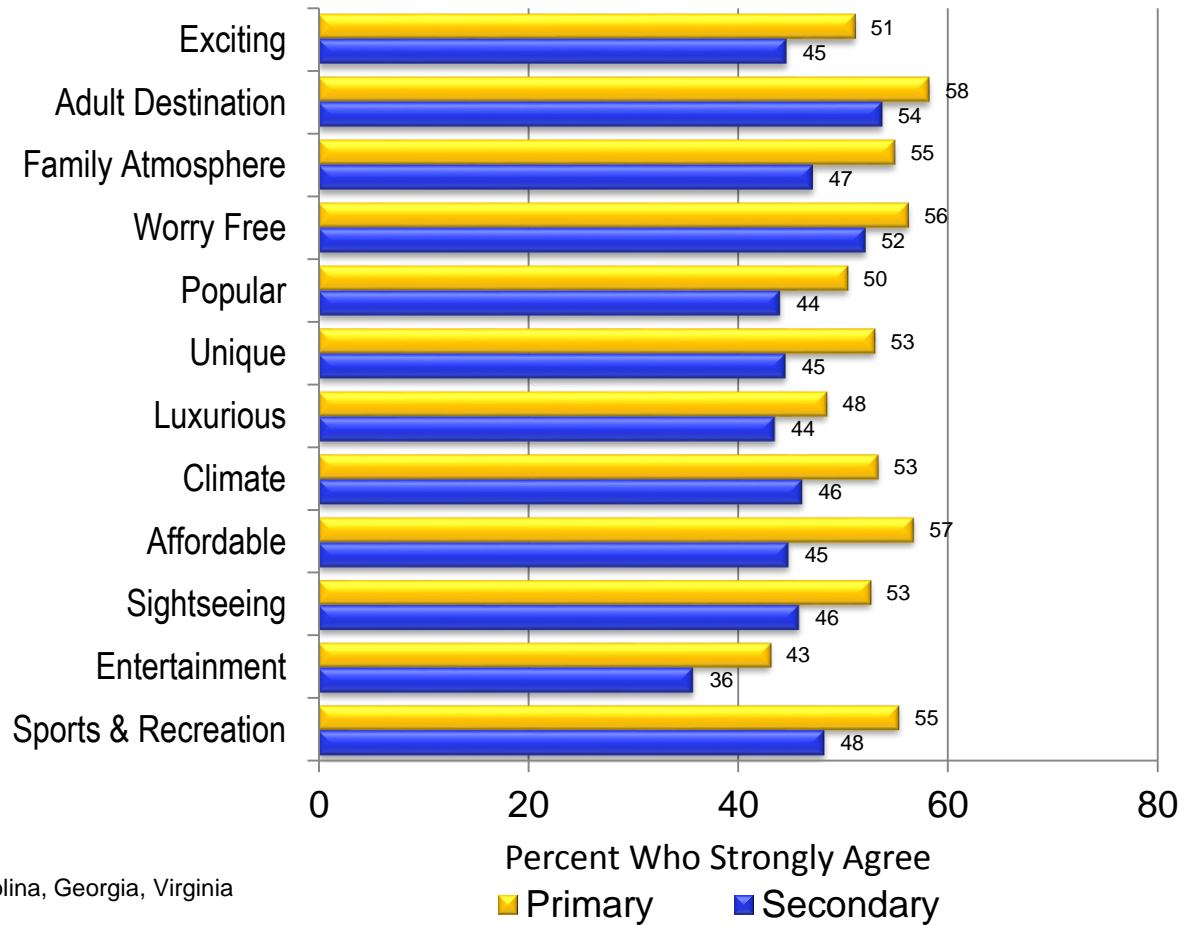


- Competitors: Virginia, Tennessee, West Virginia, South Carolina, Georgia, Florida

# North Carolina's Image – Primary vs. Secondary Markets



Base: Total Travelers

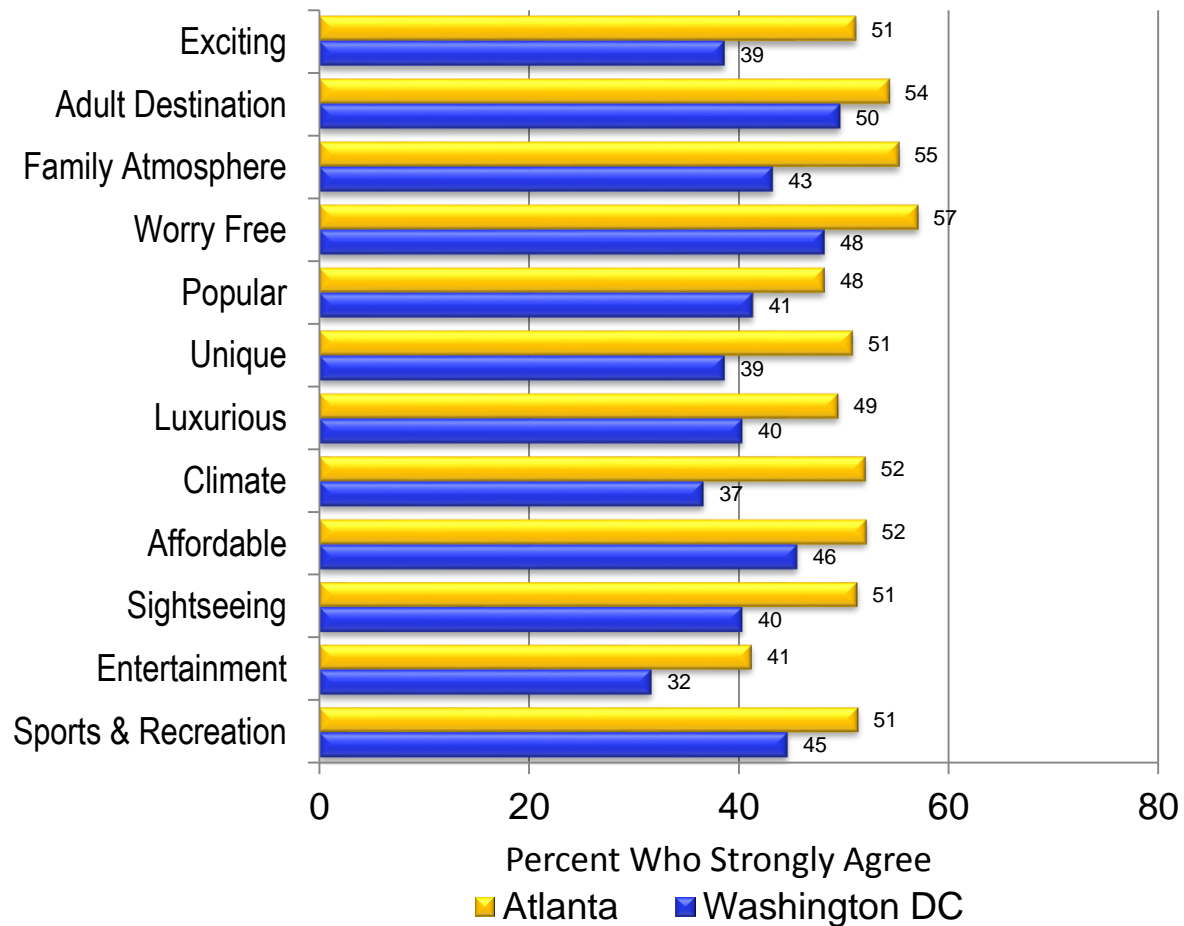


Primary markets include North and South Carolina, Georgia, Virginia  
 Pennsylvania and Florida.  
 Secondary market include Maryland, Tennessee, and Washington DC

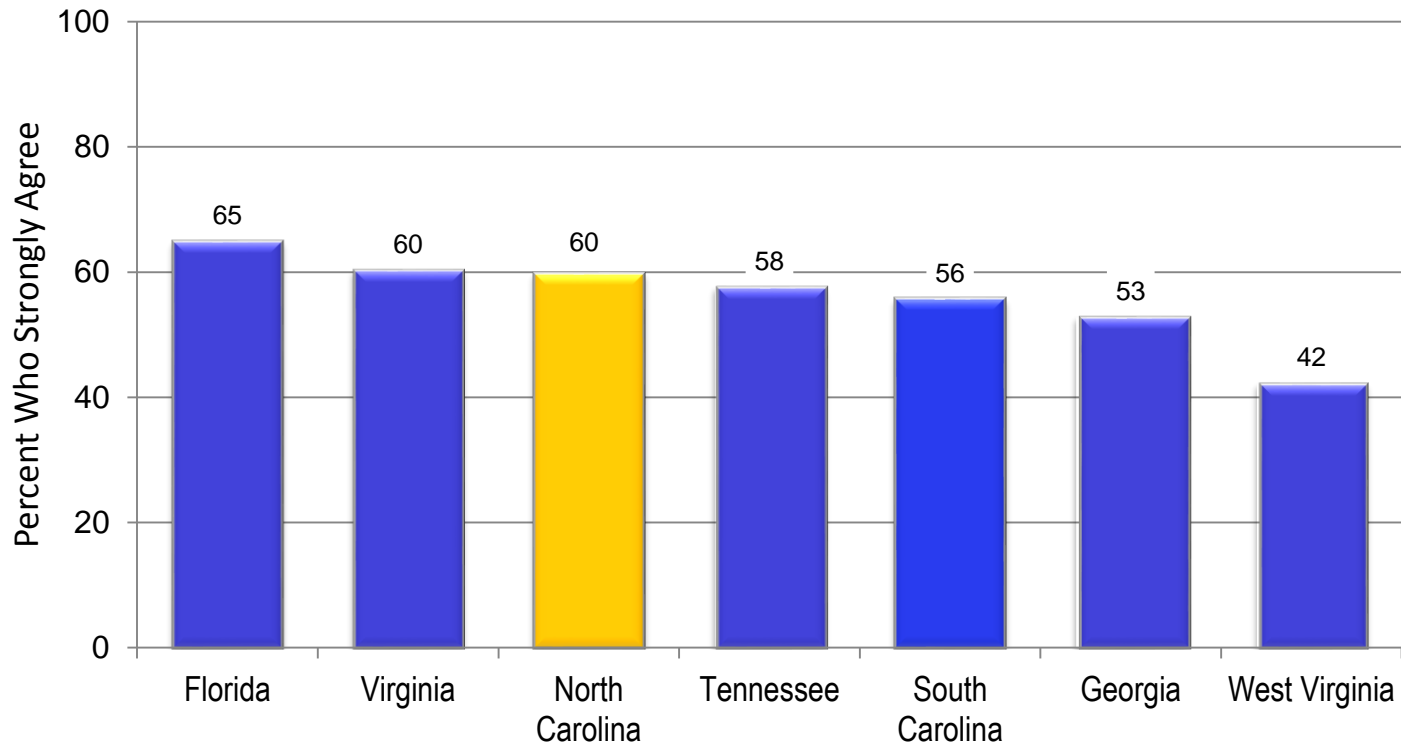
# North Carolina's Image – Atlanta and Washington, DC Markets



Base: Total Travelers



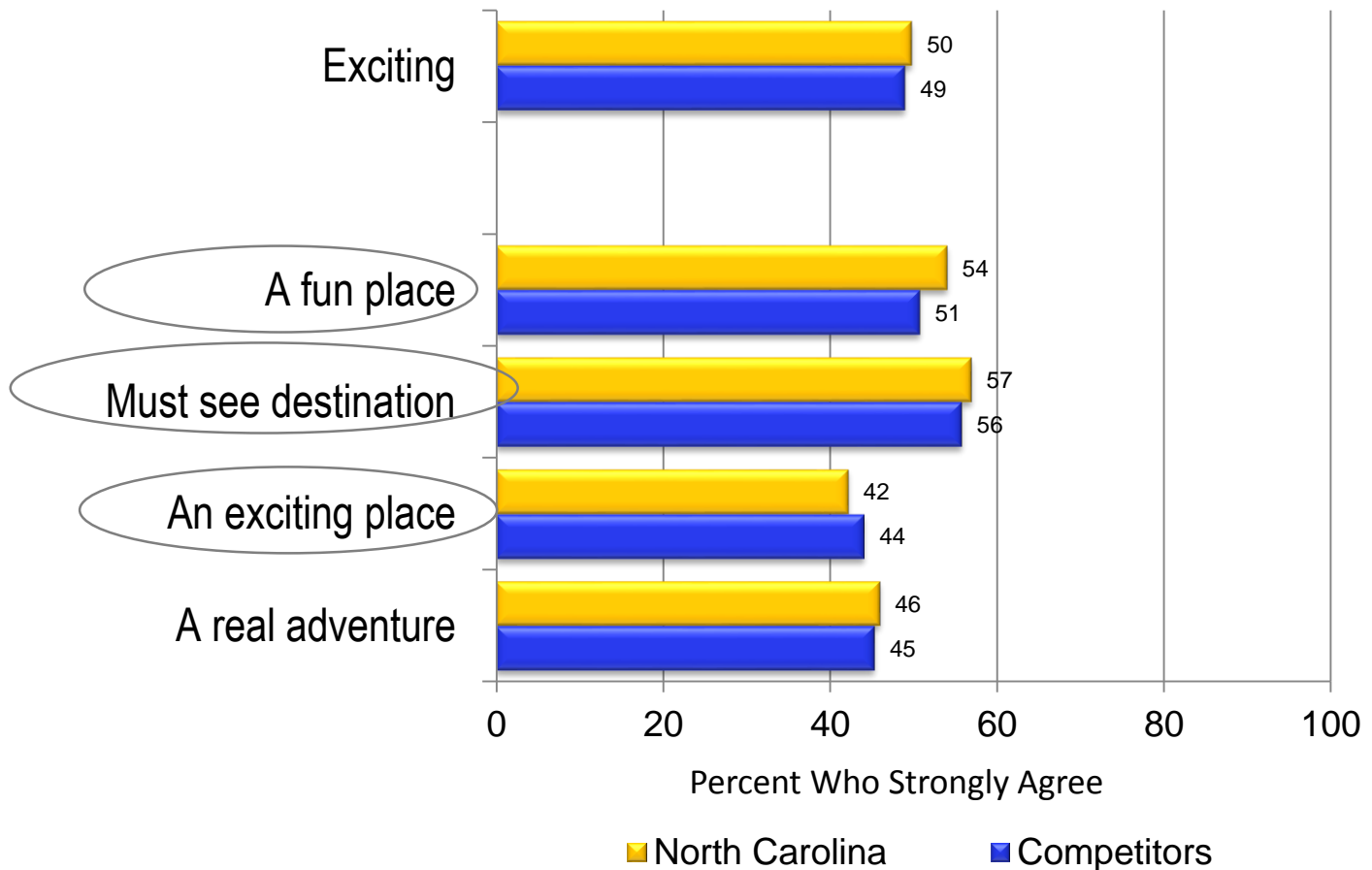
# Overall Image: “Would Really Enjoy Visiting”



# North Carolina Image vs. Competitors — Exciting



Base: Total Travelers

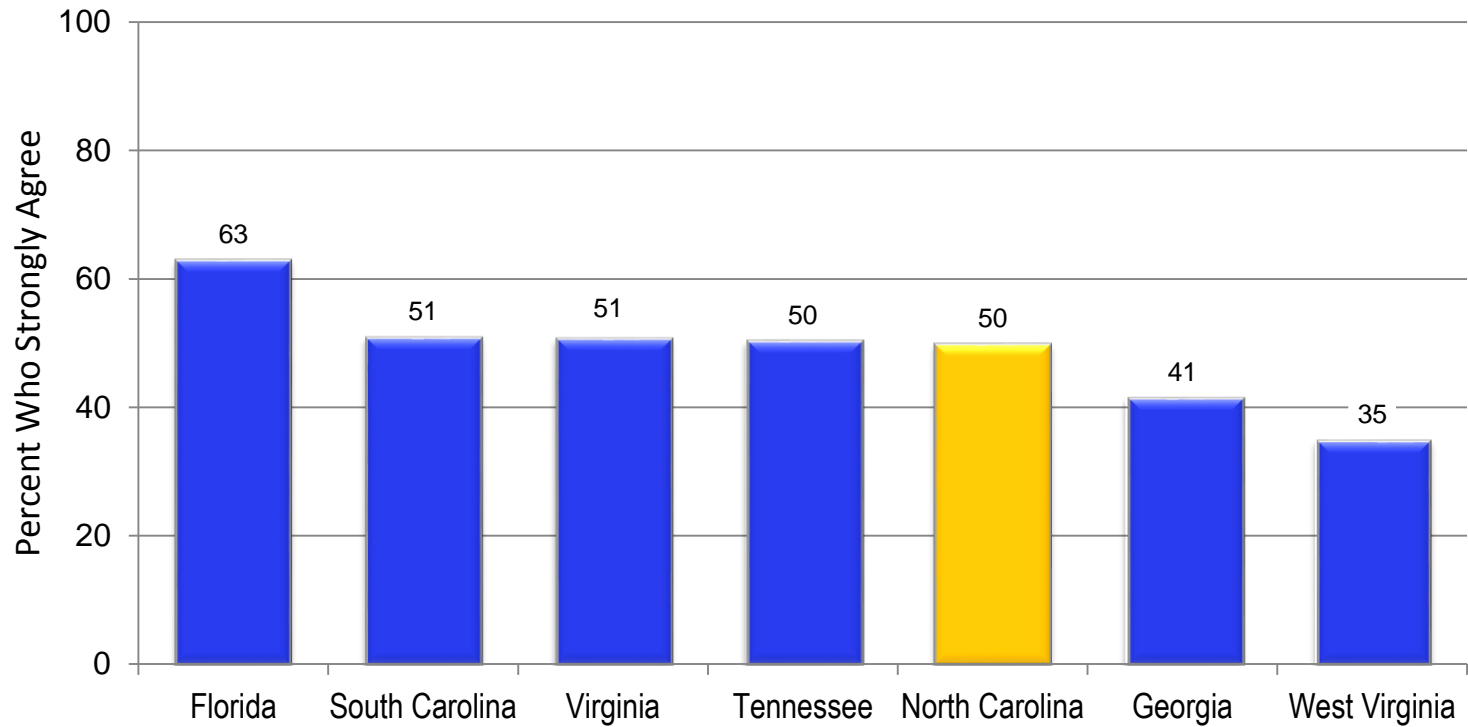


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image vs. Competitors — Exciting



Base: Total Travelers

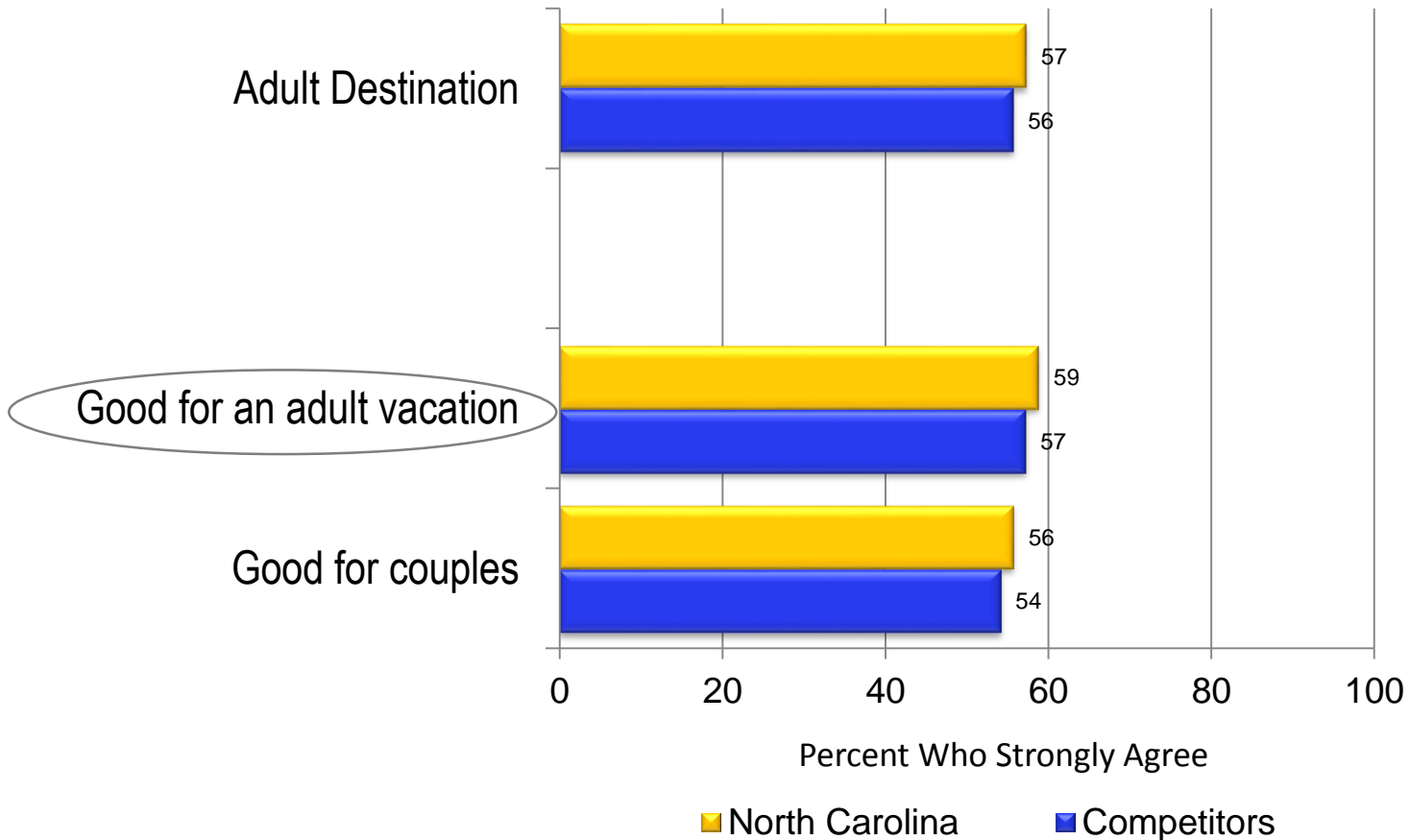




# North Carolina Image vs. Competitors — Adult Destination



Base: Total Travelers

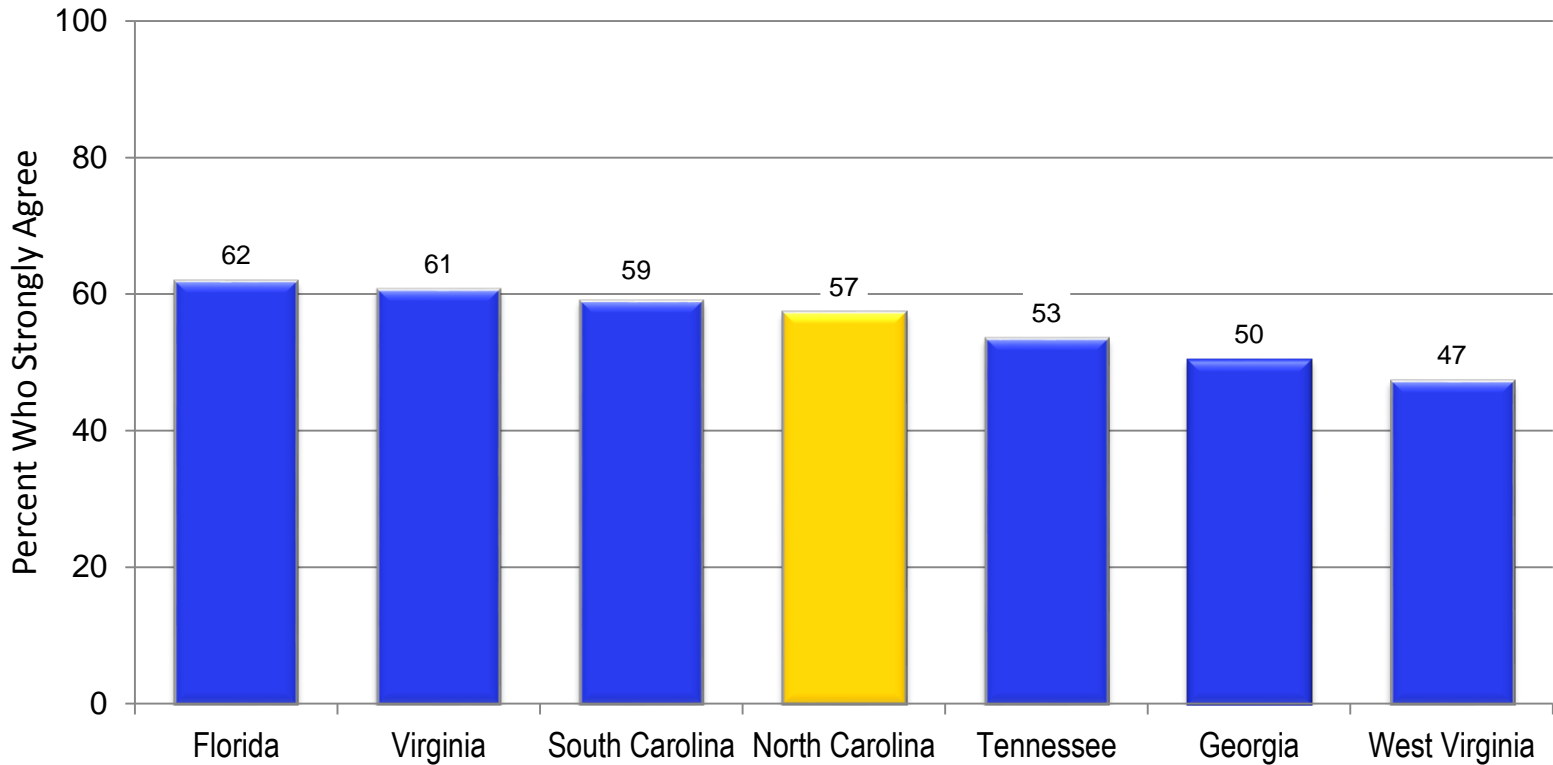


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image vs. Competitors — Adult Destination



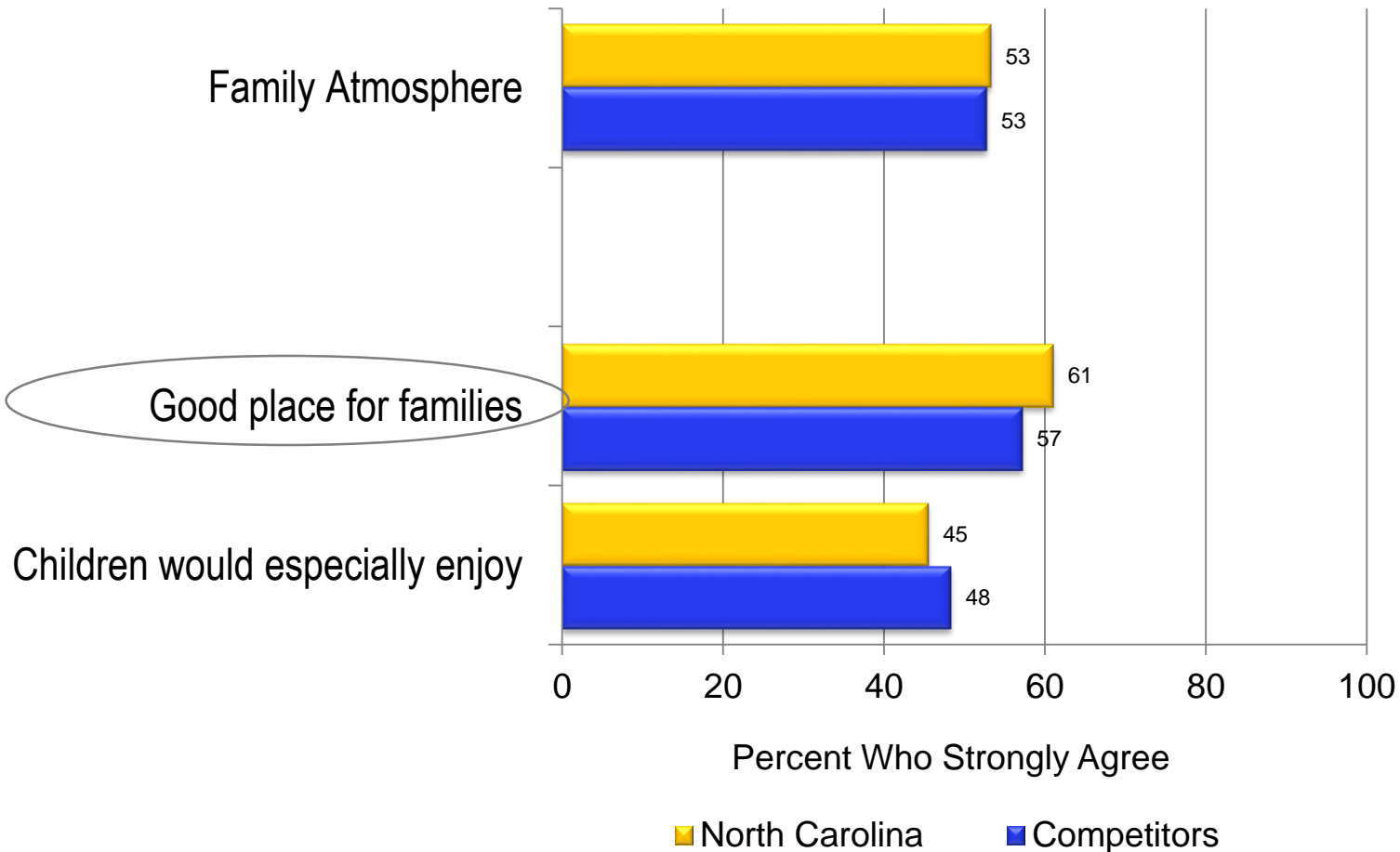
Base: Total Travelers



# North Carolina Image vs. Competitors — Family Atmosphere



Base: Total Travelers

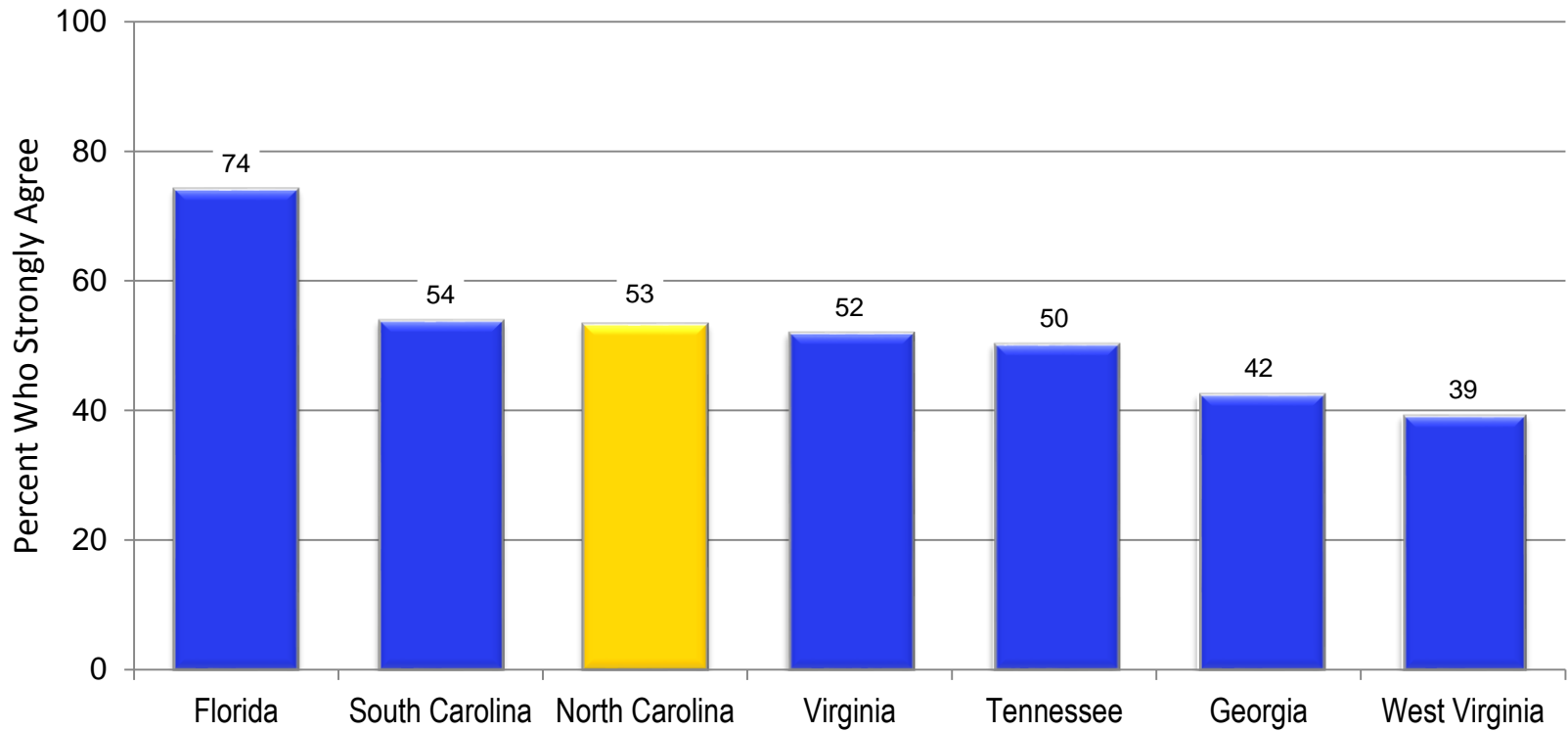


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image vs. Competitors — Family Atmosphere



Base: Total Travelers



# North Carolina Image vs. Competitors — Worry Free



Base: Total Travelers

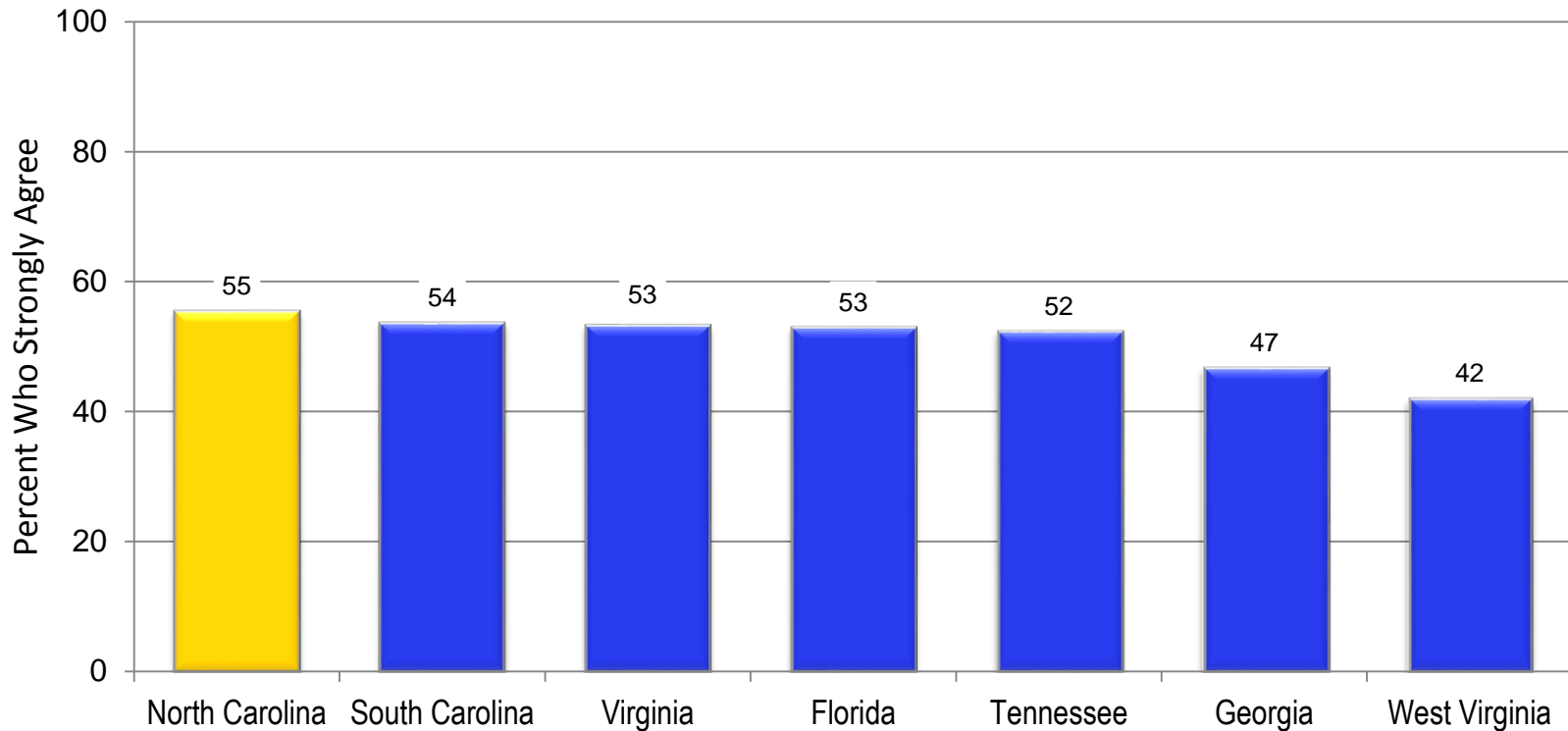


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image vs. Competitors — Worry Free



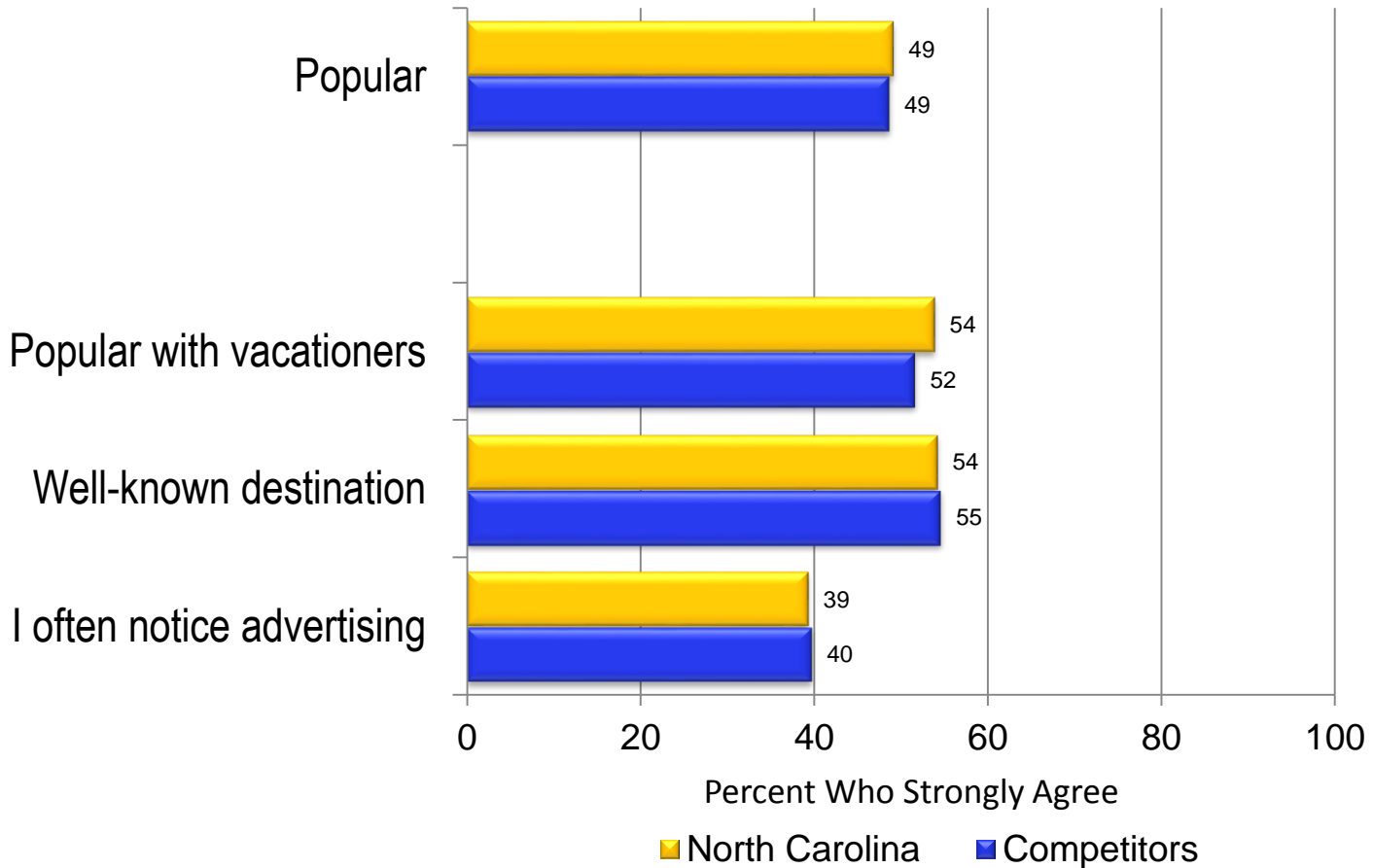
Base: Total Travelers



# North Carolina Image vs. Competitors — Popular



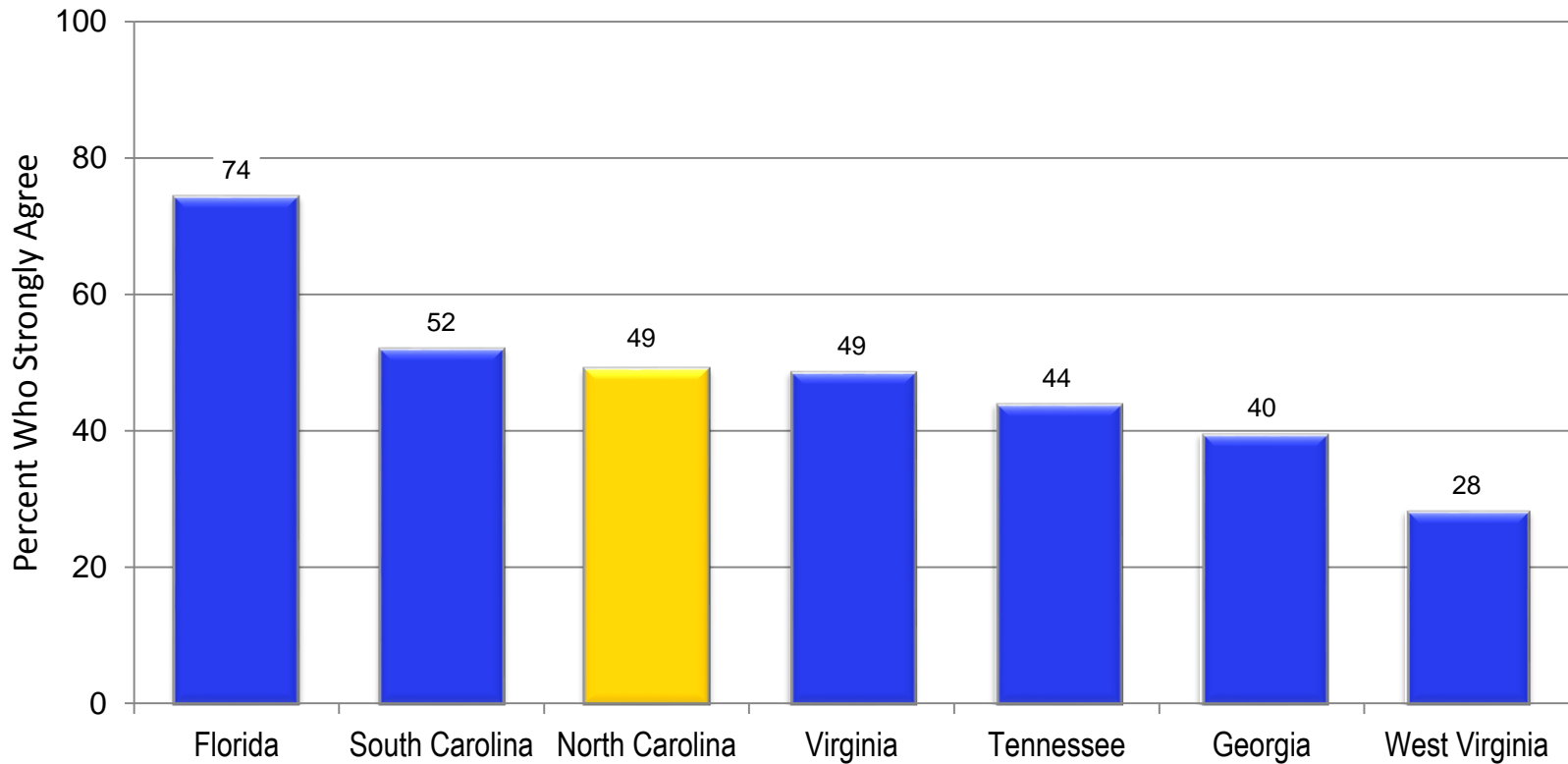
Base: Total Travelers



# North Carolina Image vs. Competitors — Popular



Base: Total Travelers

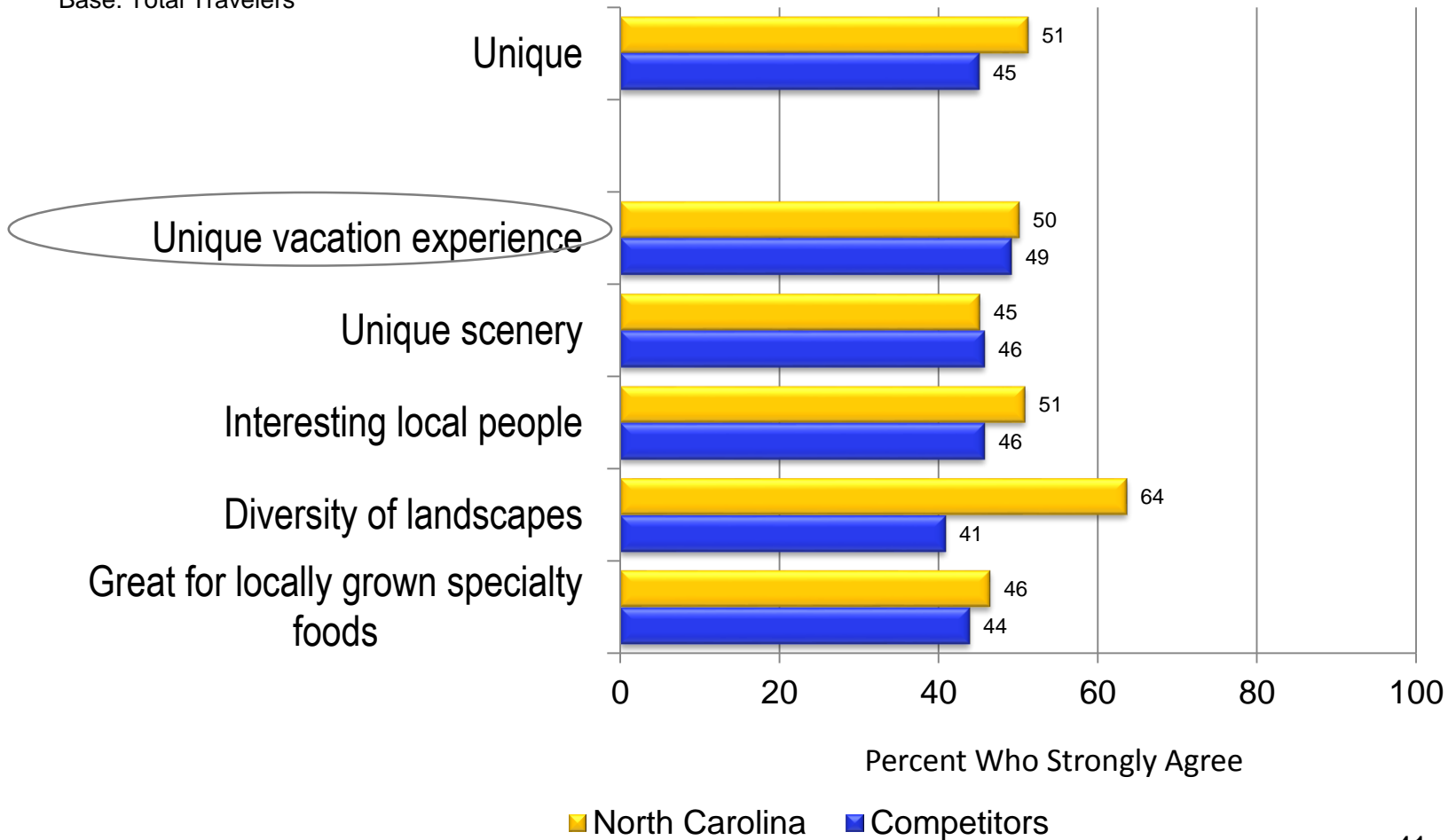




# North Carolina Image vs. Competitors — Unique



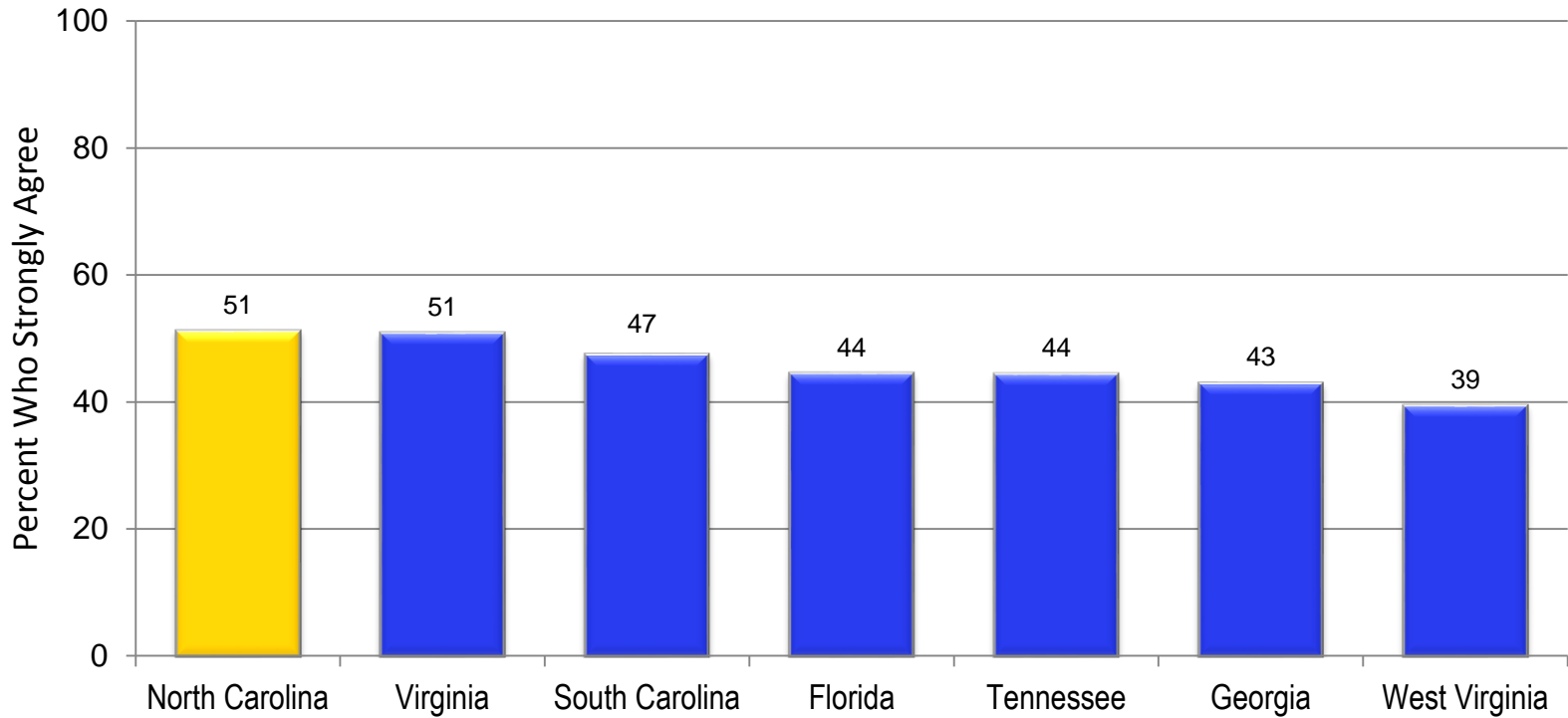
Base: Total Travelers



# North Carolina Image vs. Competitors — Unique



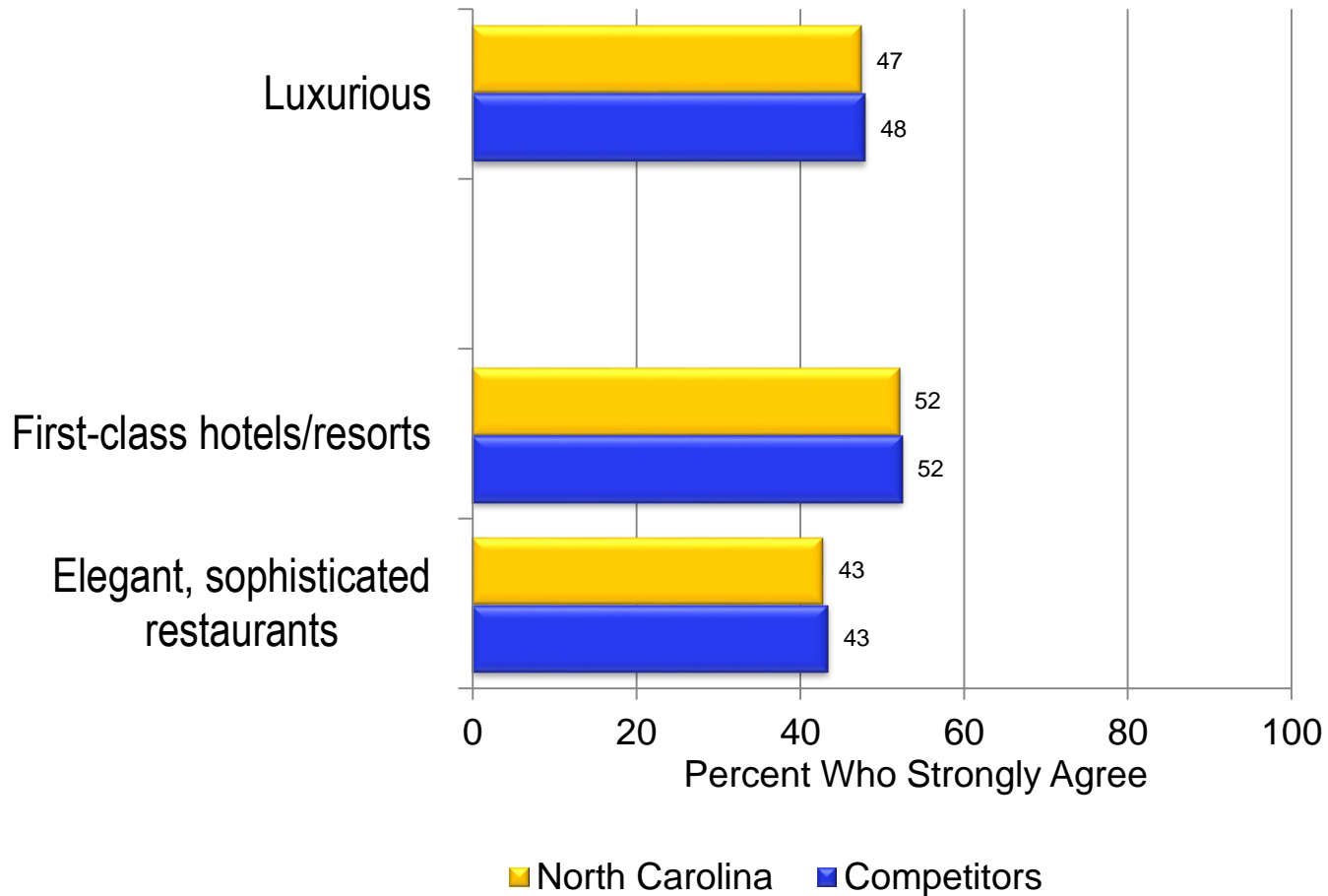
Base: Total Travelers



# North Carolina Image vs. Competitors — Luxurious



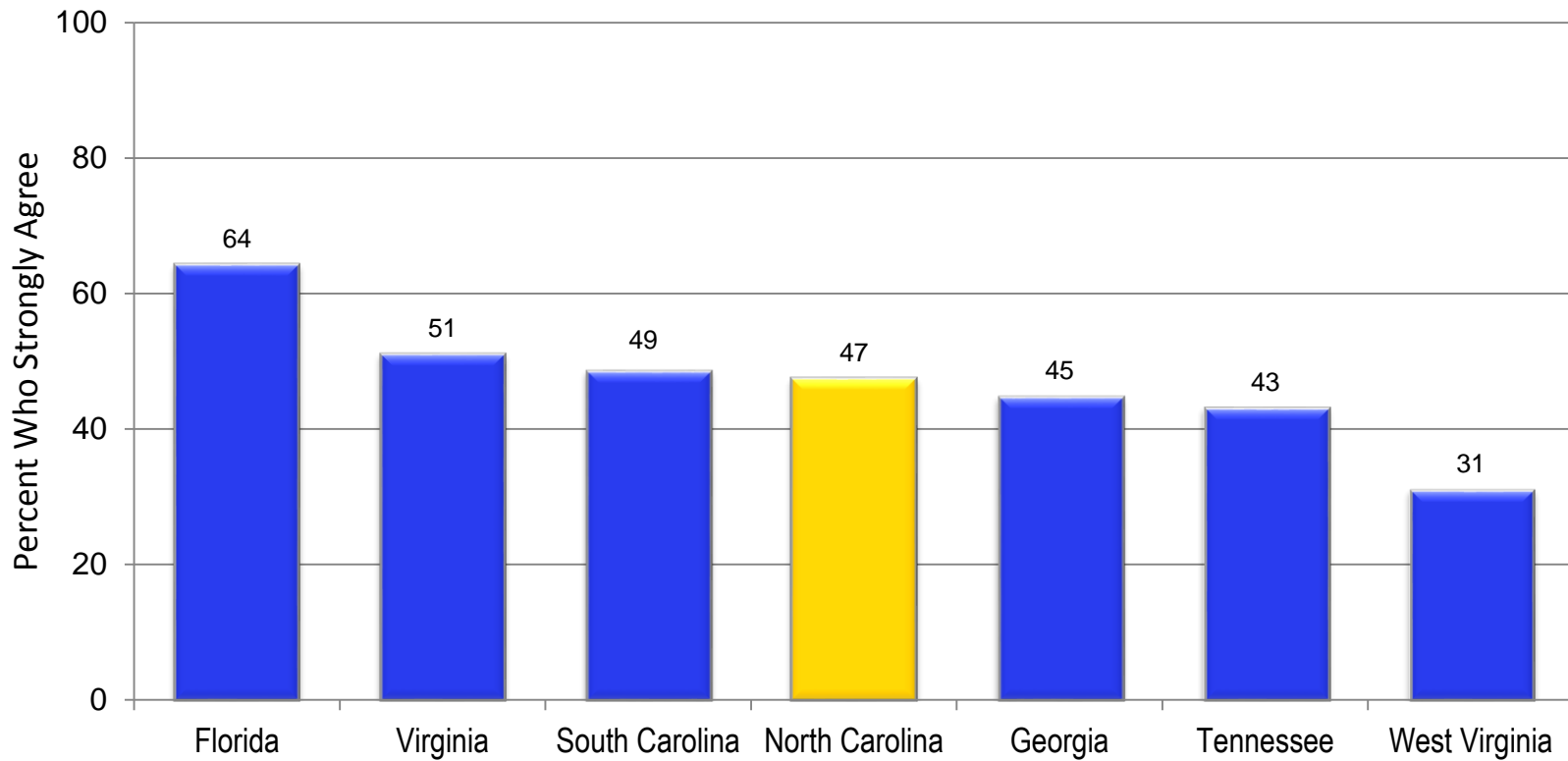
Base: Total Travelers



# North Carolina Image vs. Competitors — Luxurious



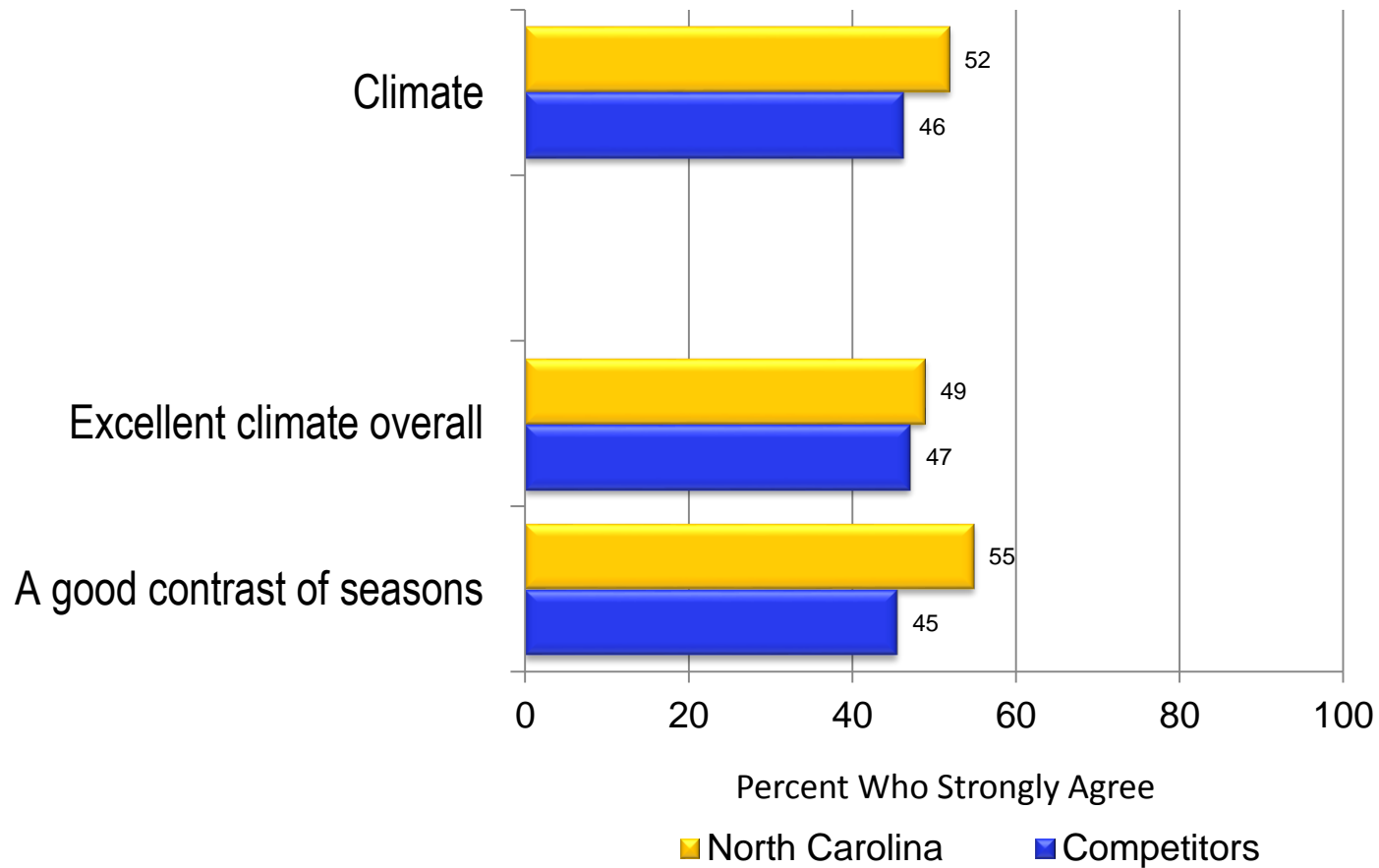
Base: Total Travelers



# North Carolina Image vs. Competitors — Climate



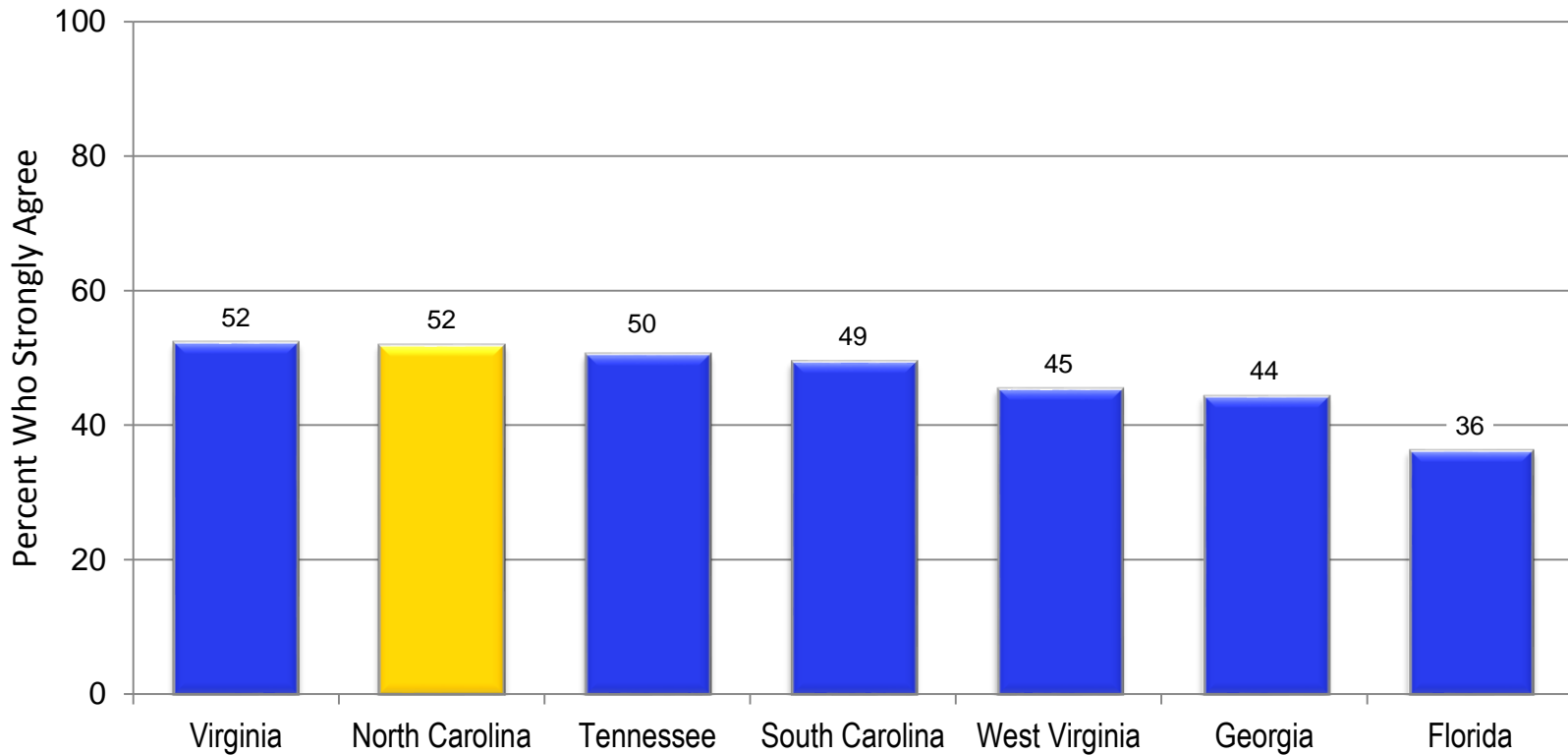
Base: Total Travelers



# North Carolina Image vs. Competitors — Climate



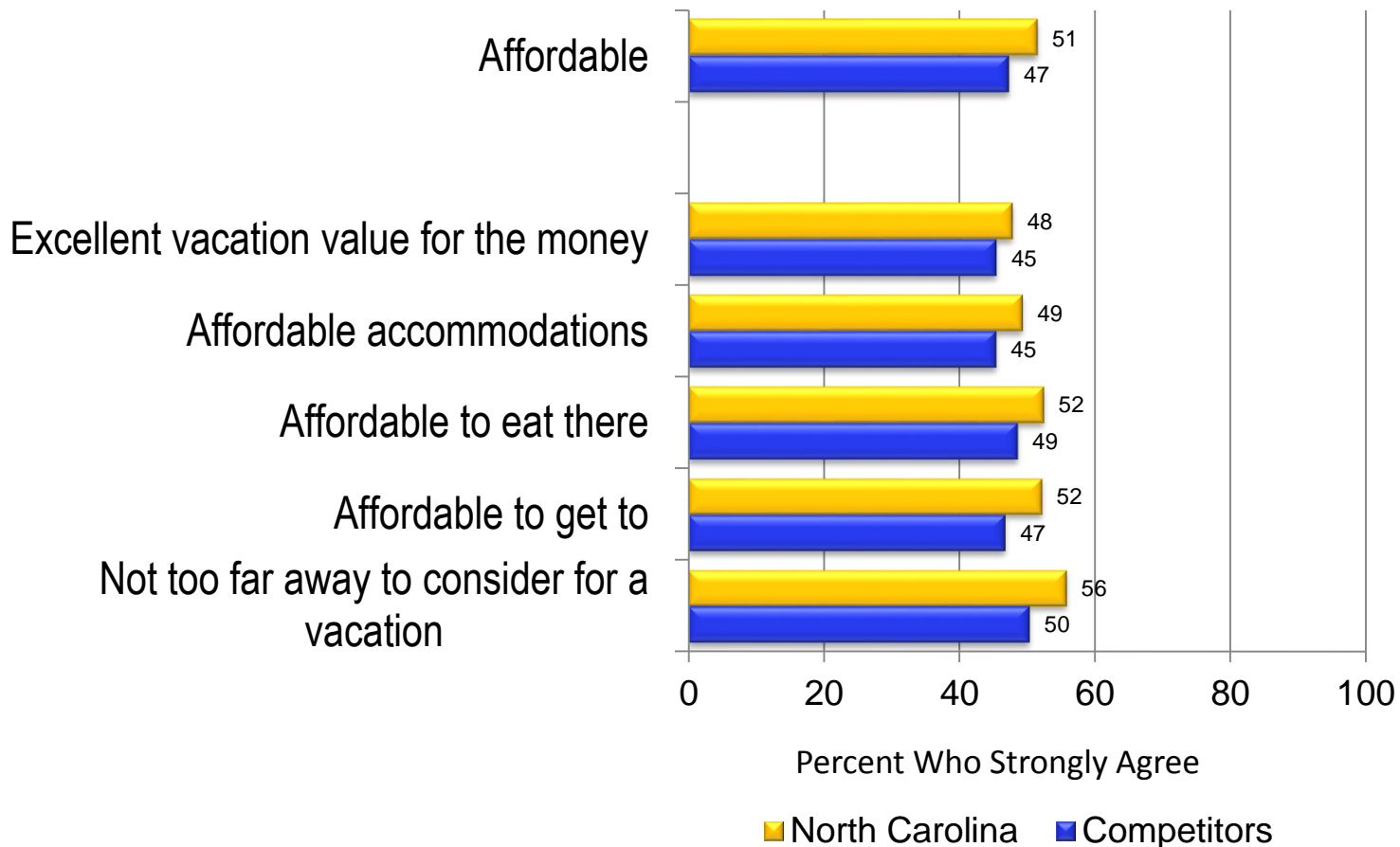
Base: Total Travelers



# North Carolina Image vs. Competitors — Affordable



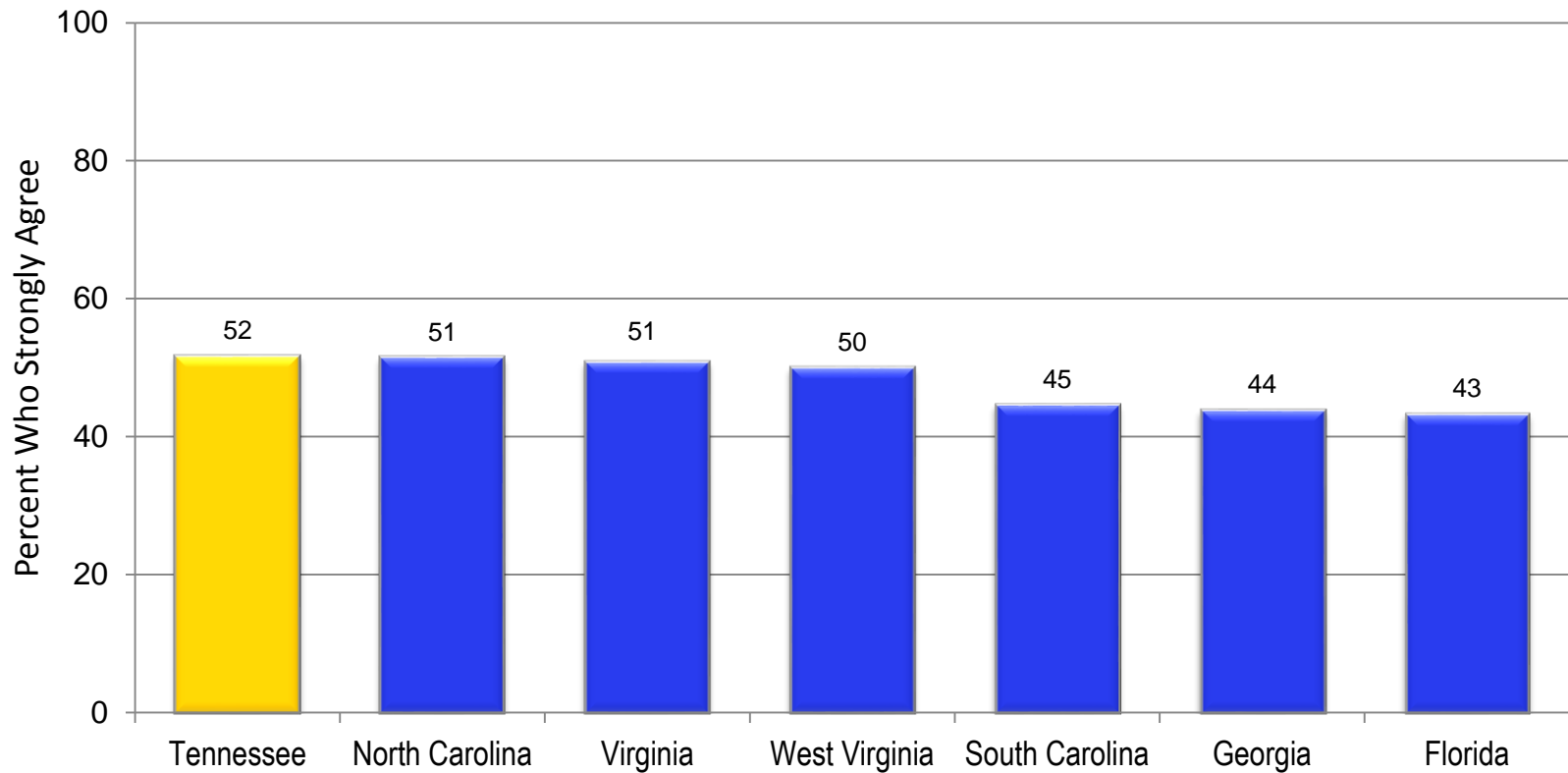
Base: Total Travelers



# North Carolina Image vs. Competitors — Affordable



Base: Total Travelers

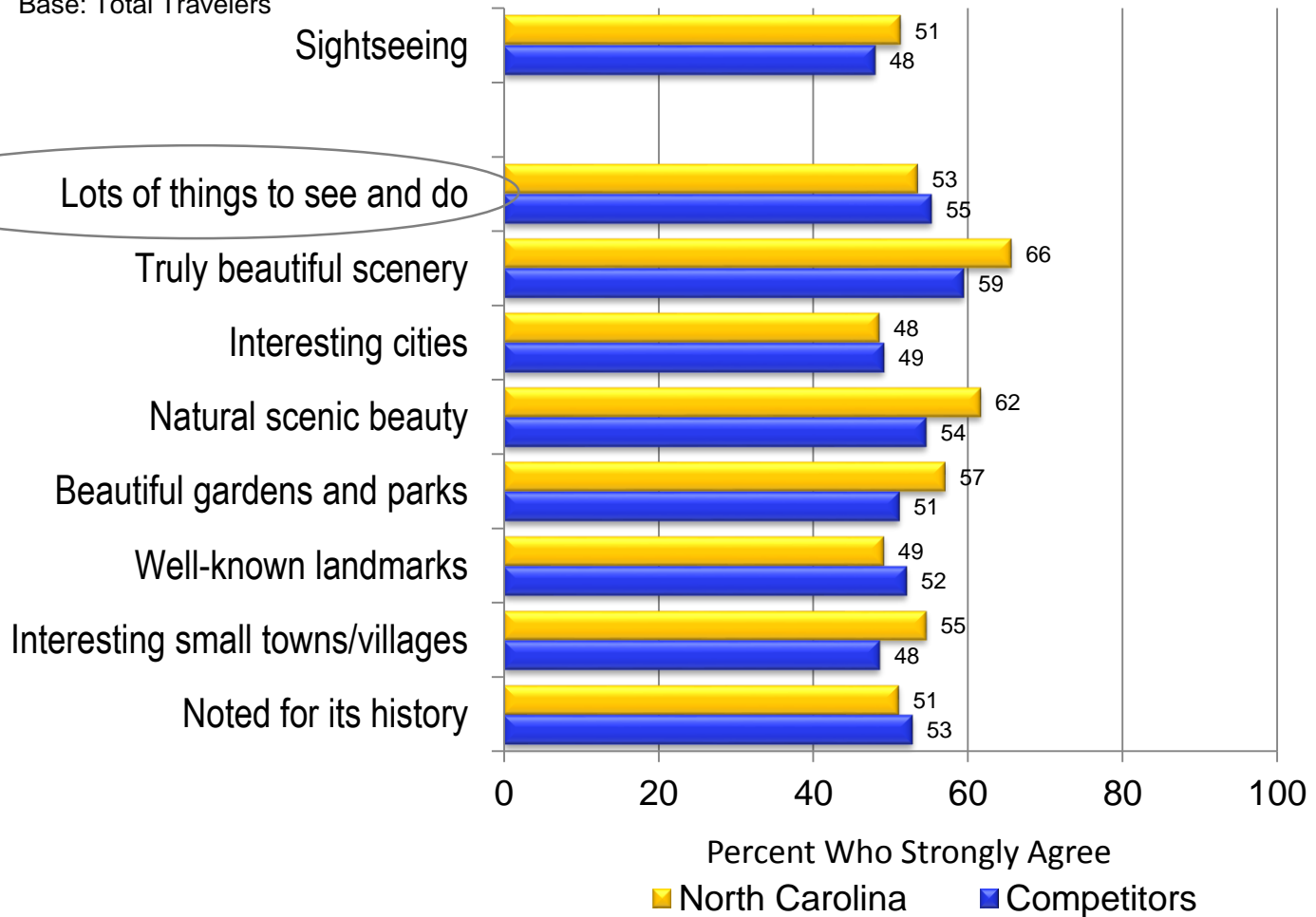




# North Carolina Image vs. Competitors — Sightseeing



Base: Total Travelers

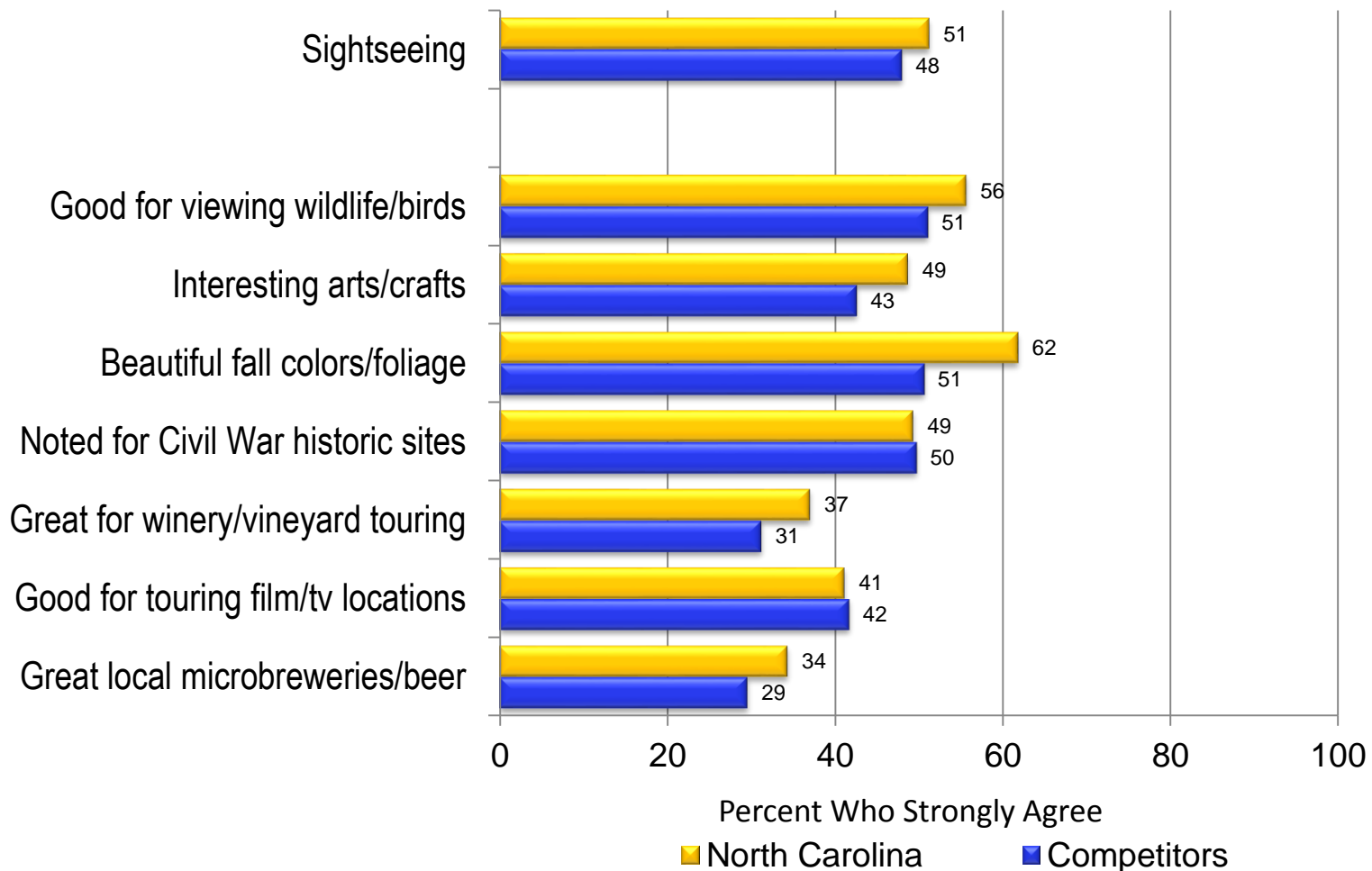


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image vs. Competitors — Sightseeing (Cont'd)



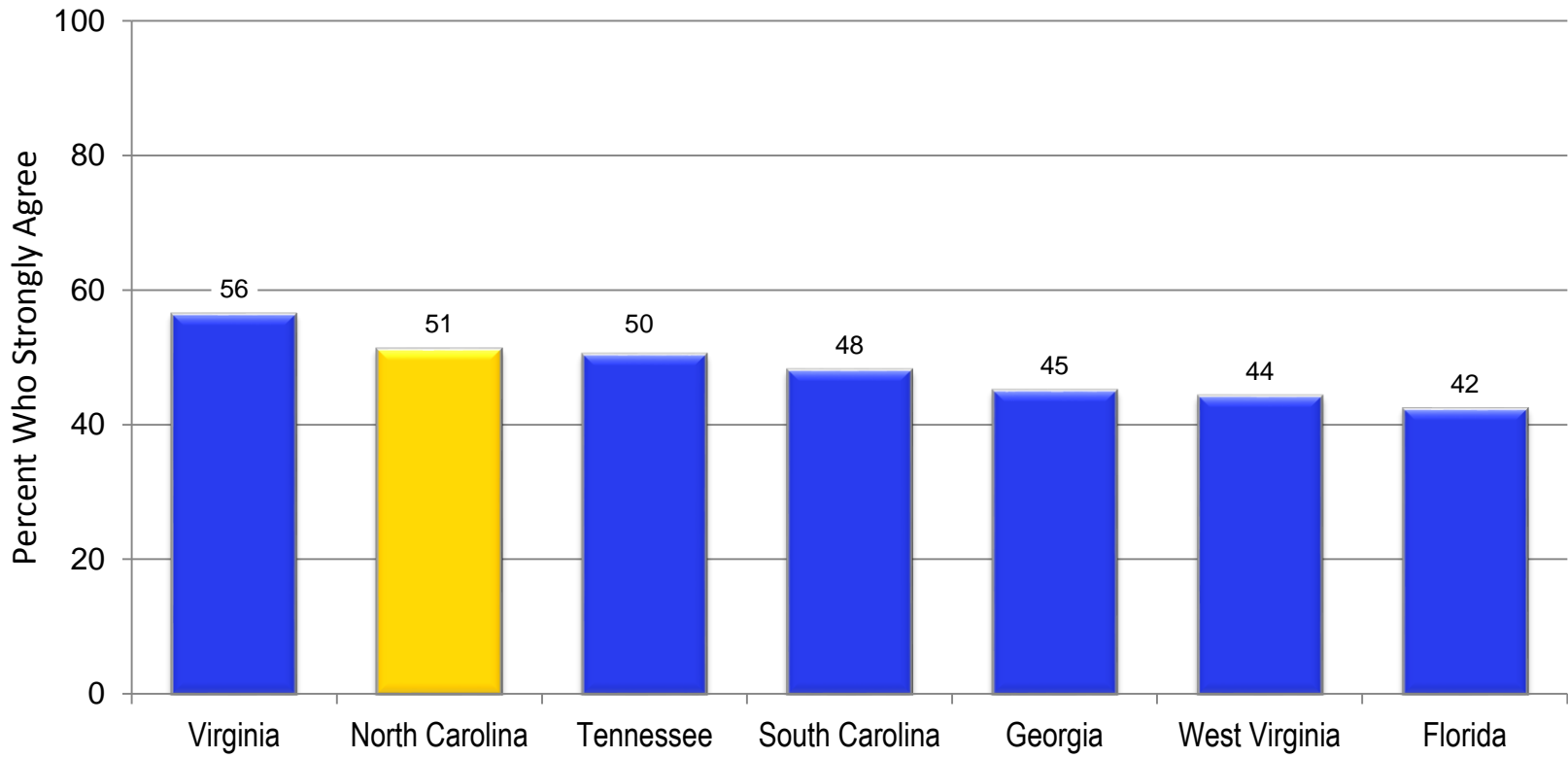
Base: Total Travelers



# North Carolina Image vs. Competitors — Sightseeing



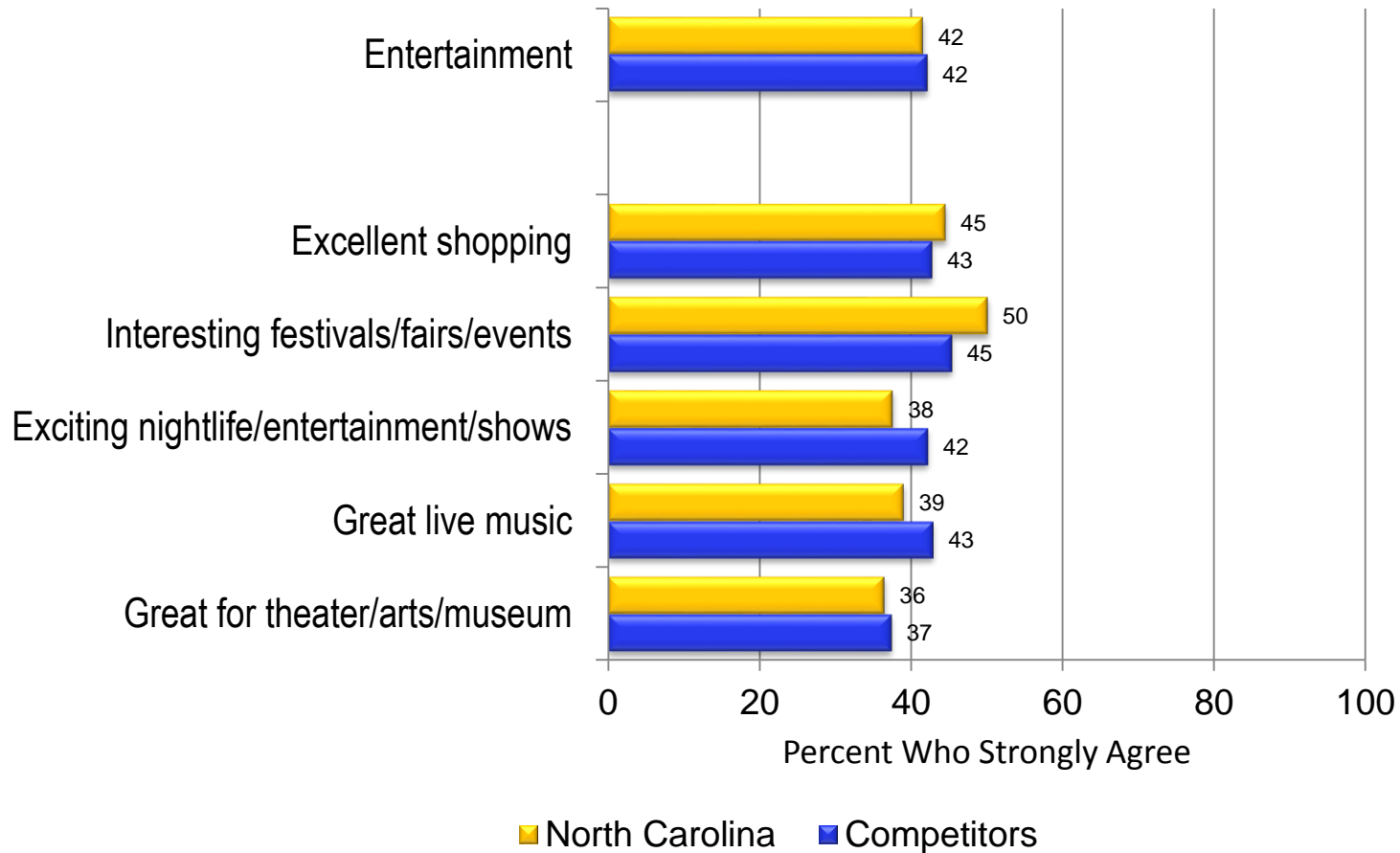
Base: Total Travelers



# North Carolina Image vs. Competitors — Entertainment



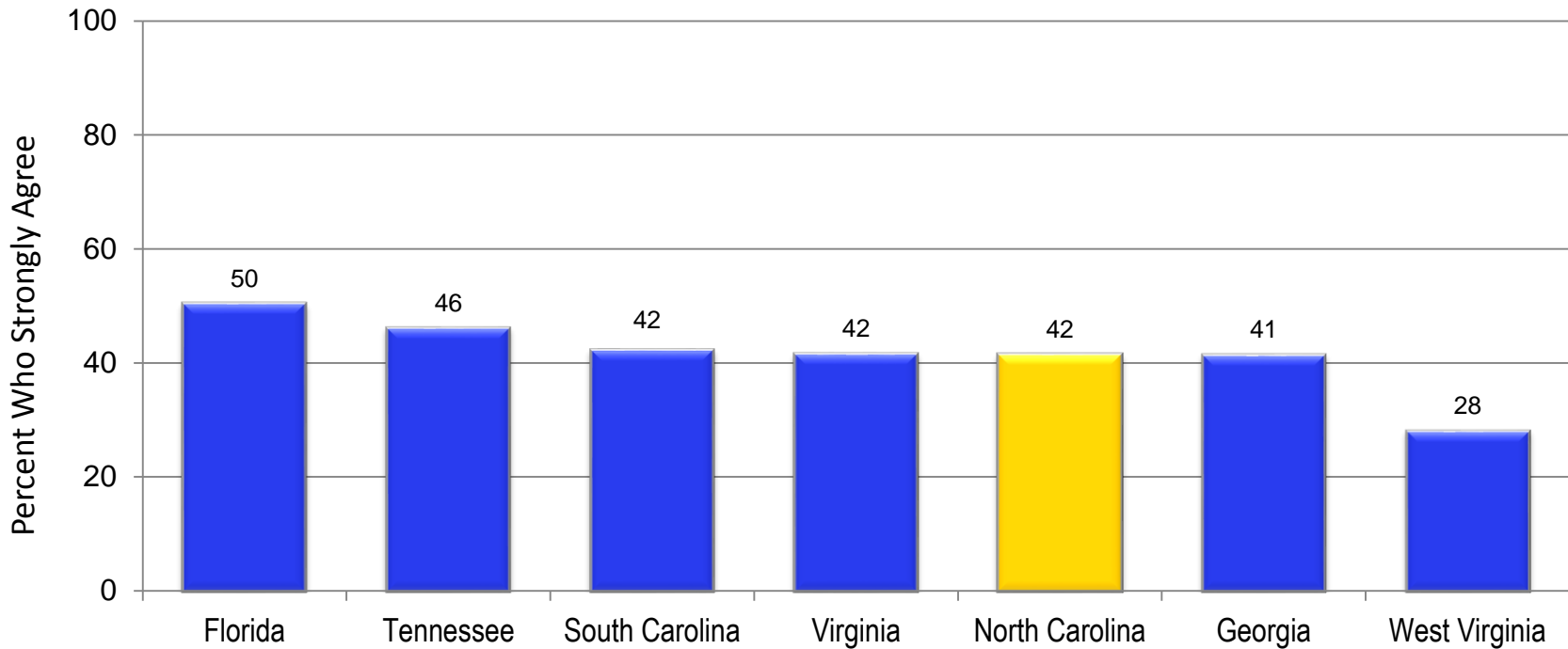
Base: Total Travelers



# North Carolina Image vs. Competitors — Entertainment



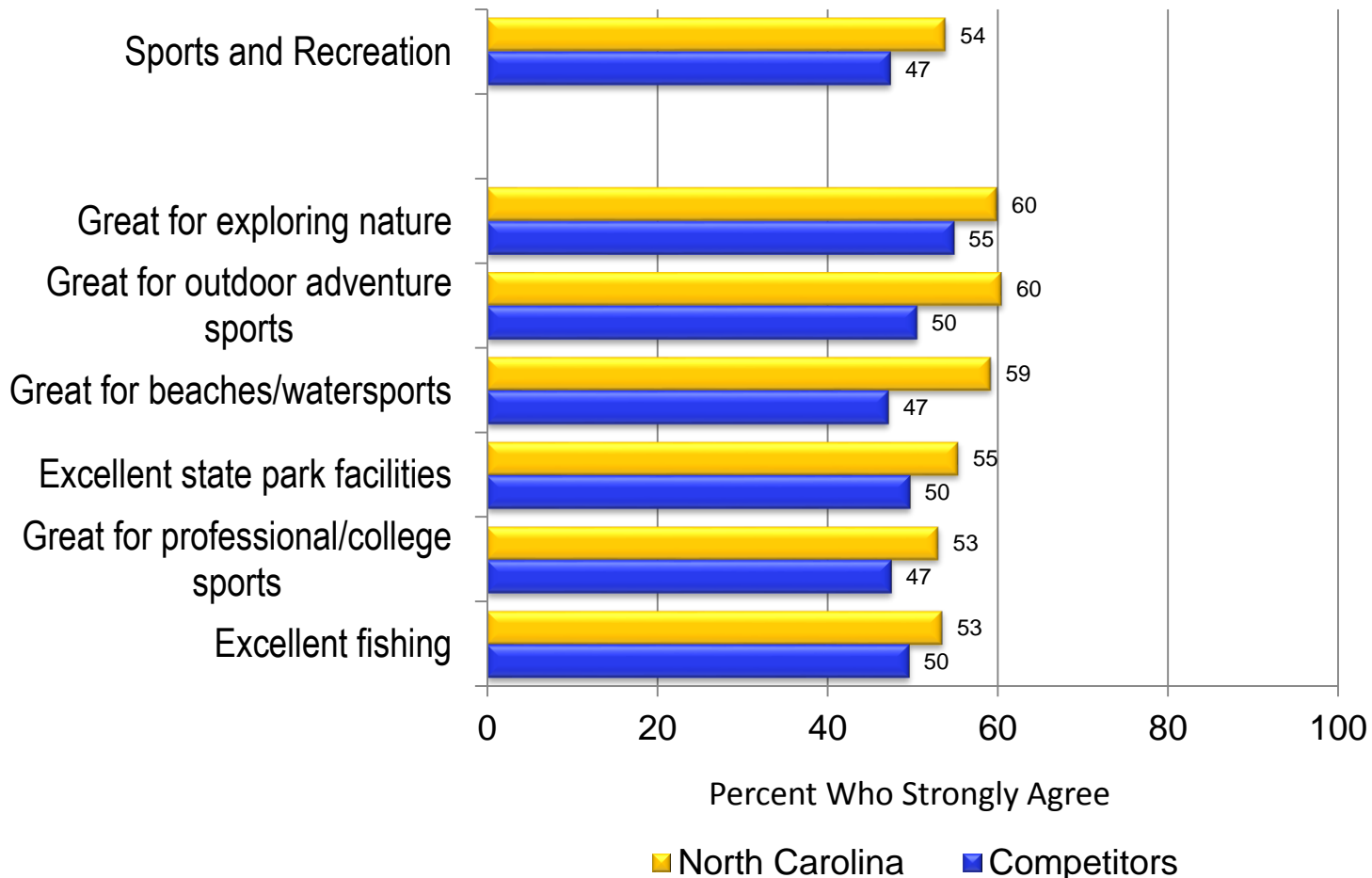
Base: Total Travelers



# North Carolina Image vs. Competitors — Sports and Recreation



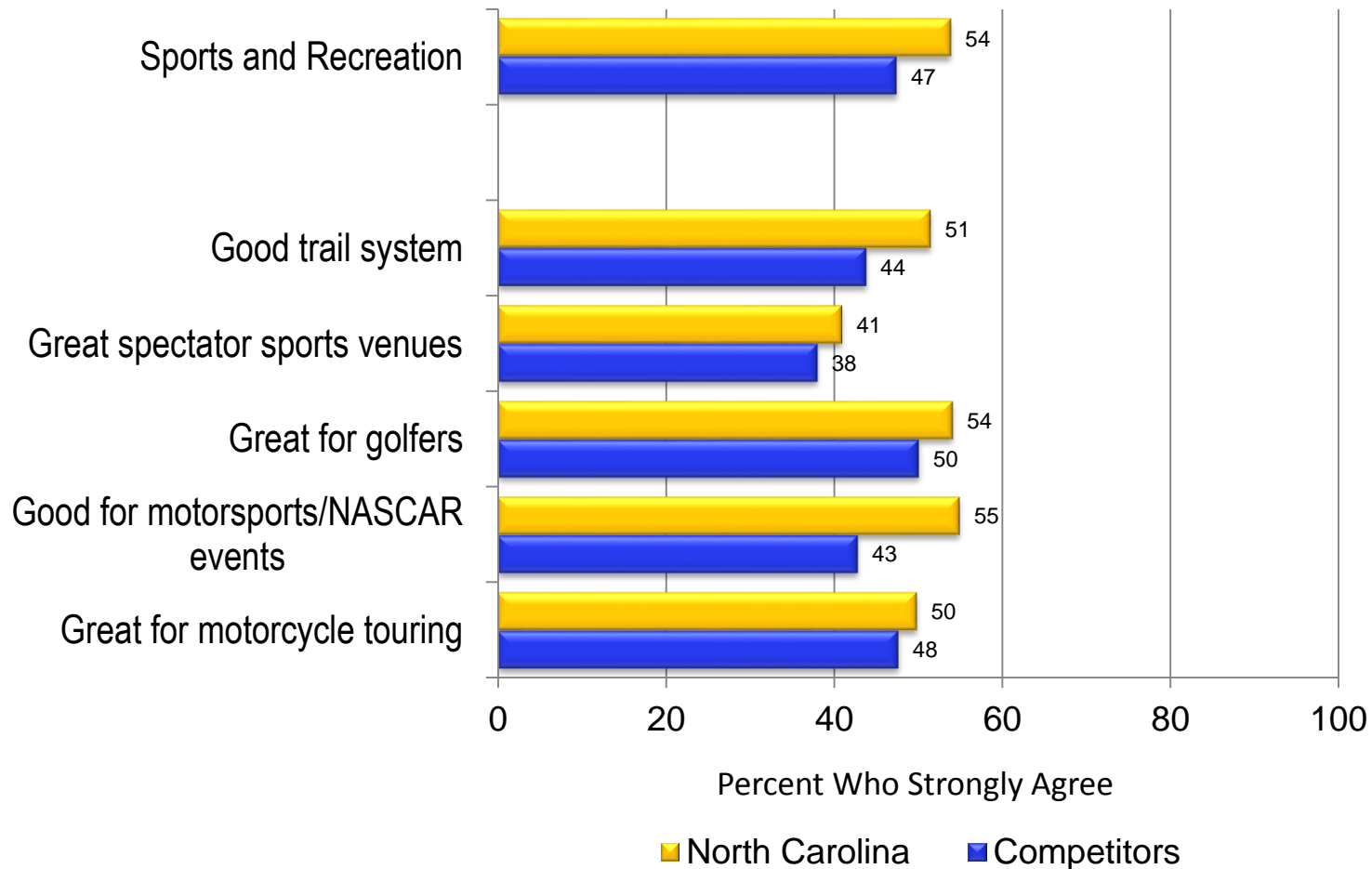
Base: Total Travelers



# North Carolina Image vs. Competitors — Sports and Recreation (Cont'd)



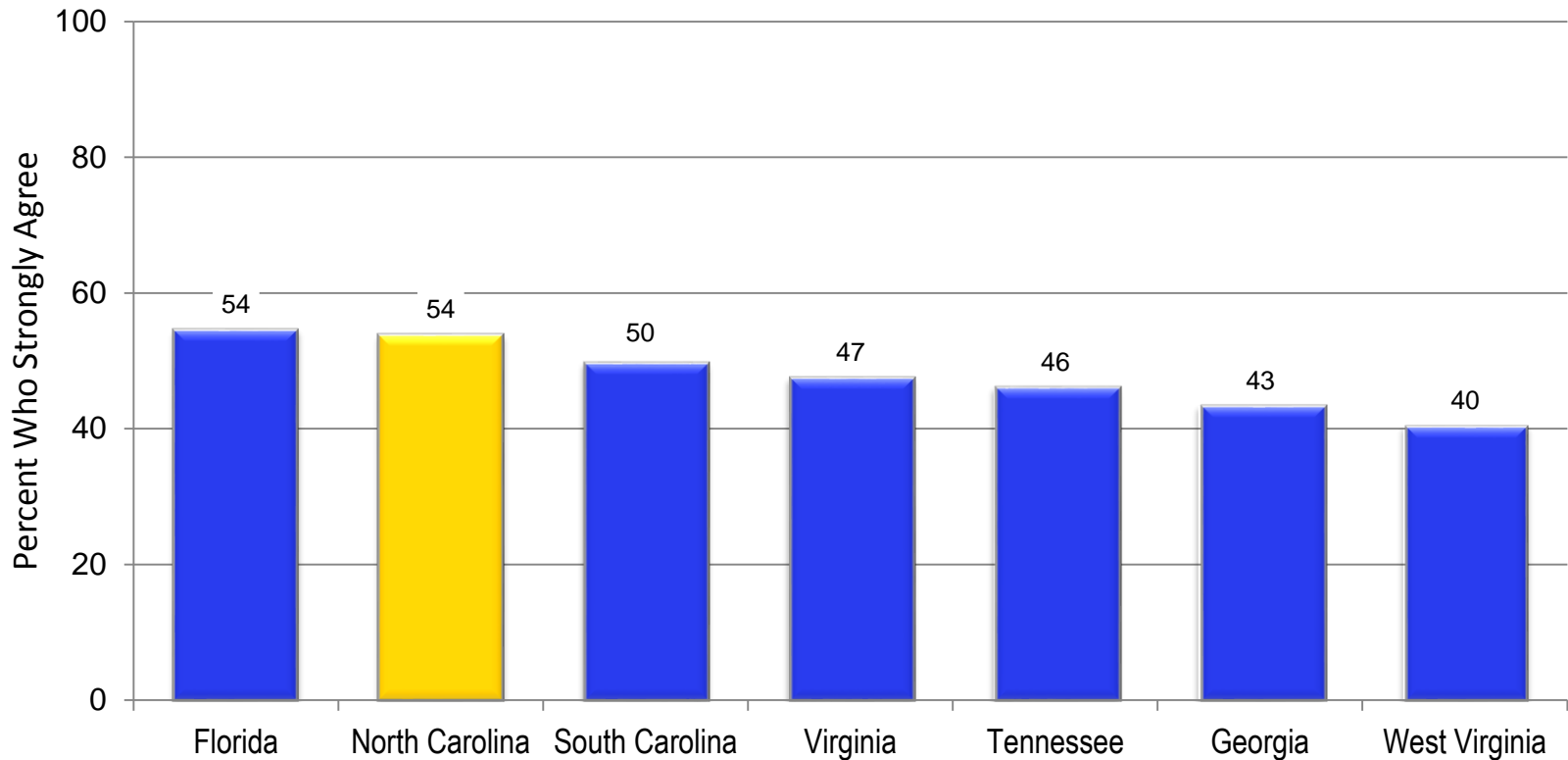
Base: Total Travelers



# North Carolina Image vs. Competitors — Sports and Recreation



Base: Total Travelers

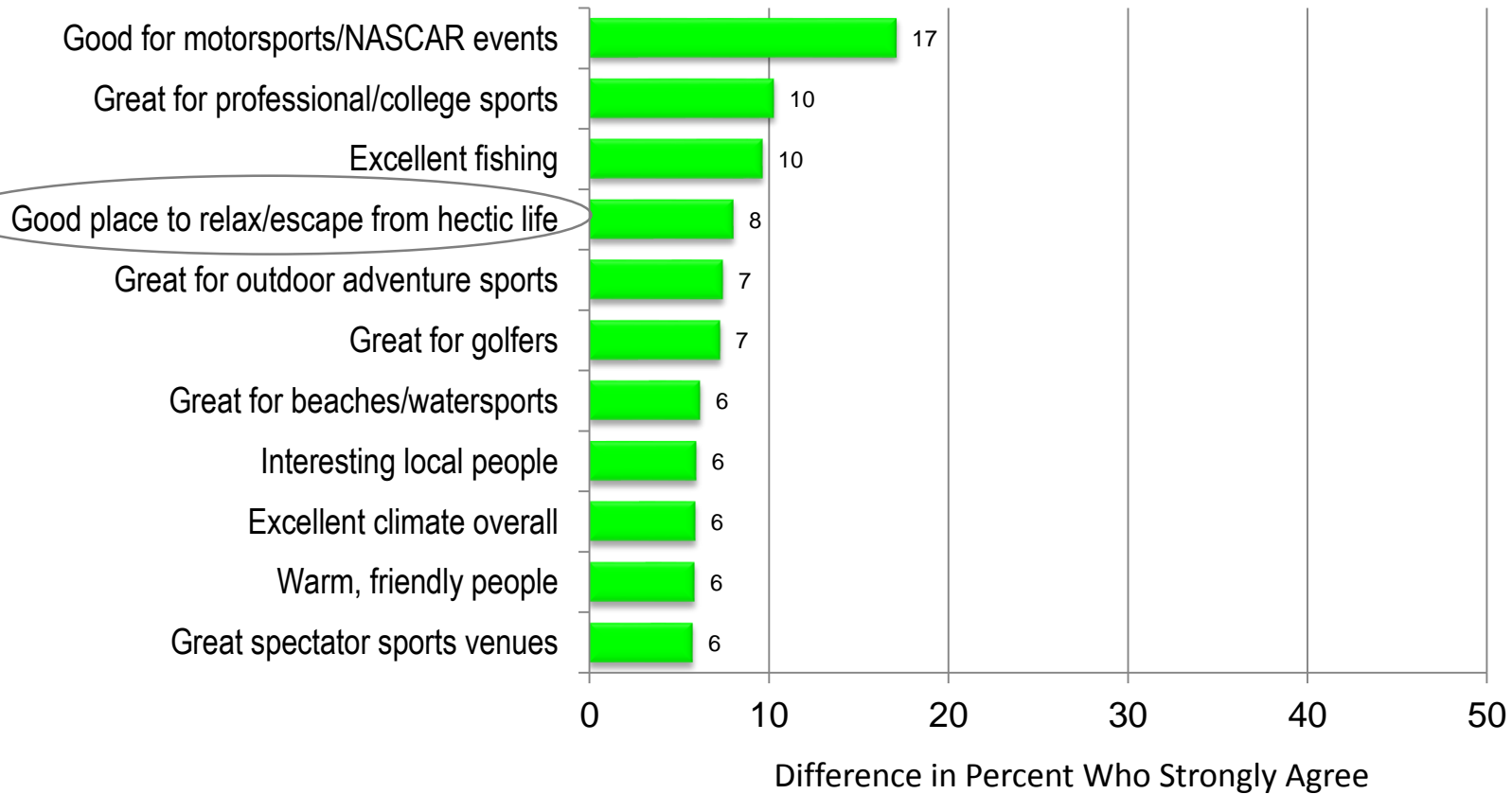




# North Carolina Image Strengths vs. Virginia



Base: Total Travelers



Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. Virginia



Base: Total Travelers

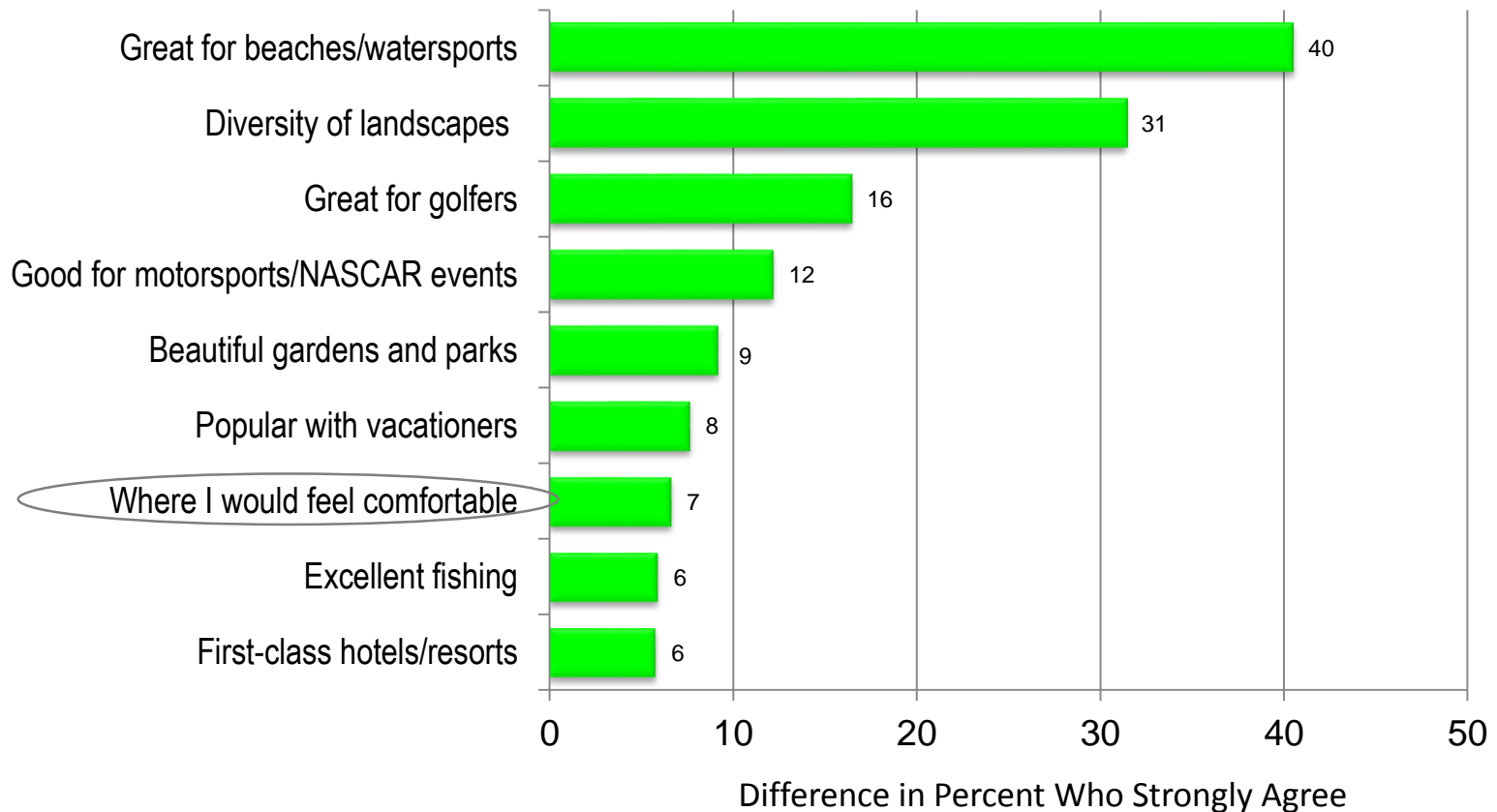


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Strengths vs. Tennessee



Base: Total Travelers

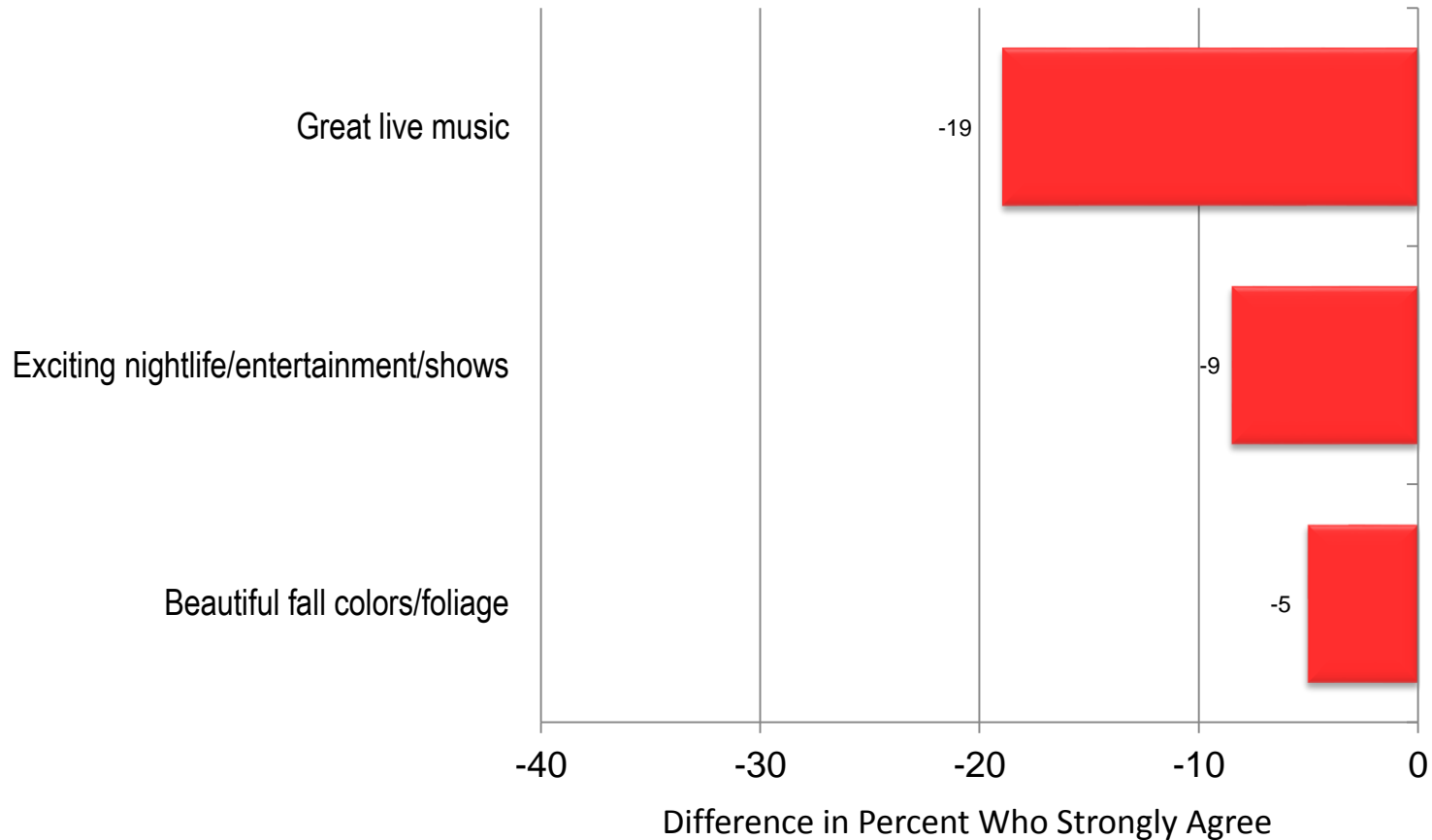


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. Tennessee



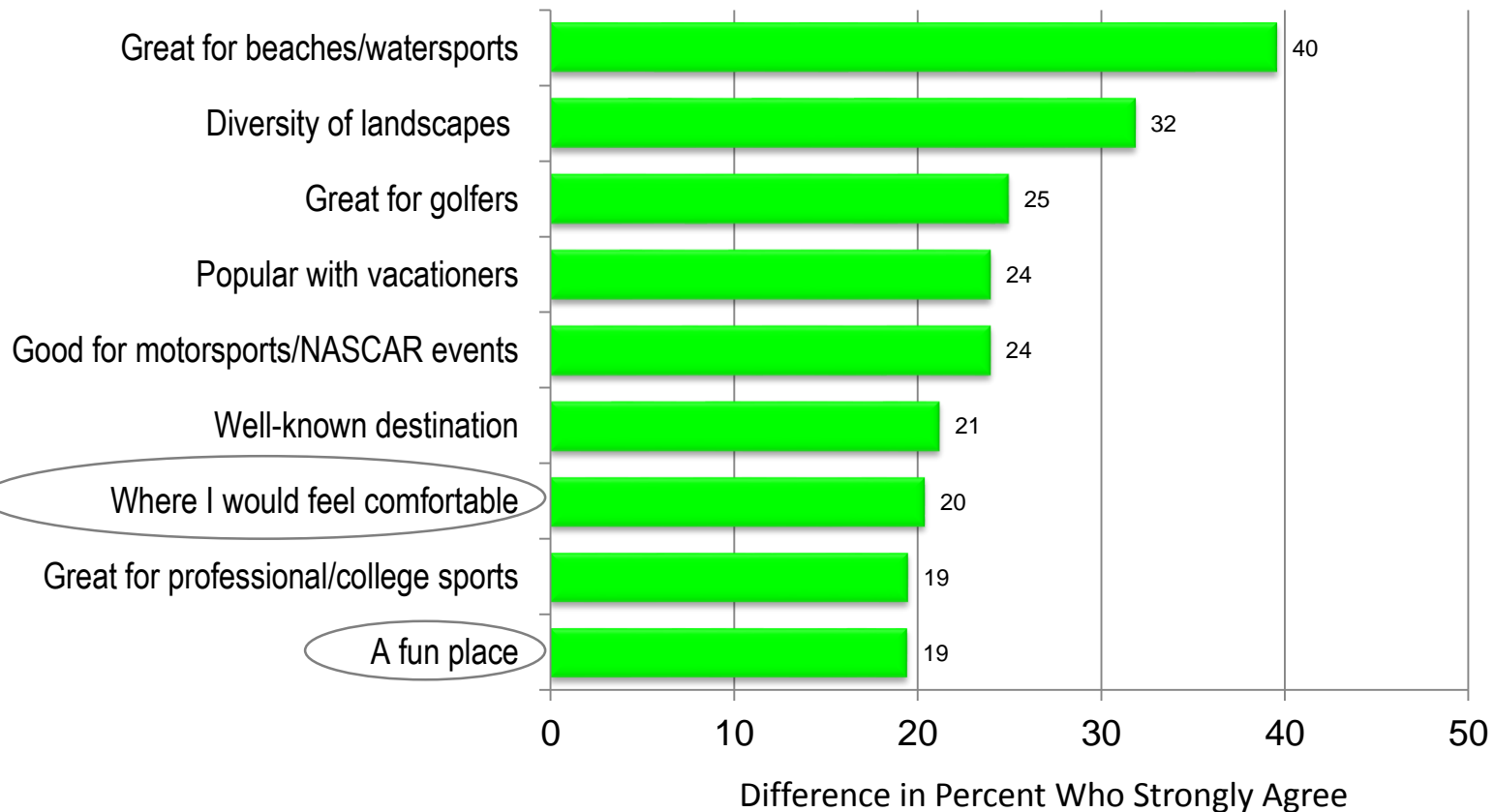
Base: Total Travelers



# North Carolina Image Strengths vs. West Virginia



Base: Total Travelers

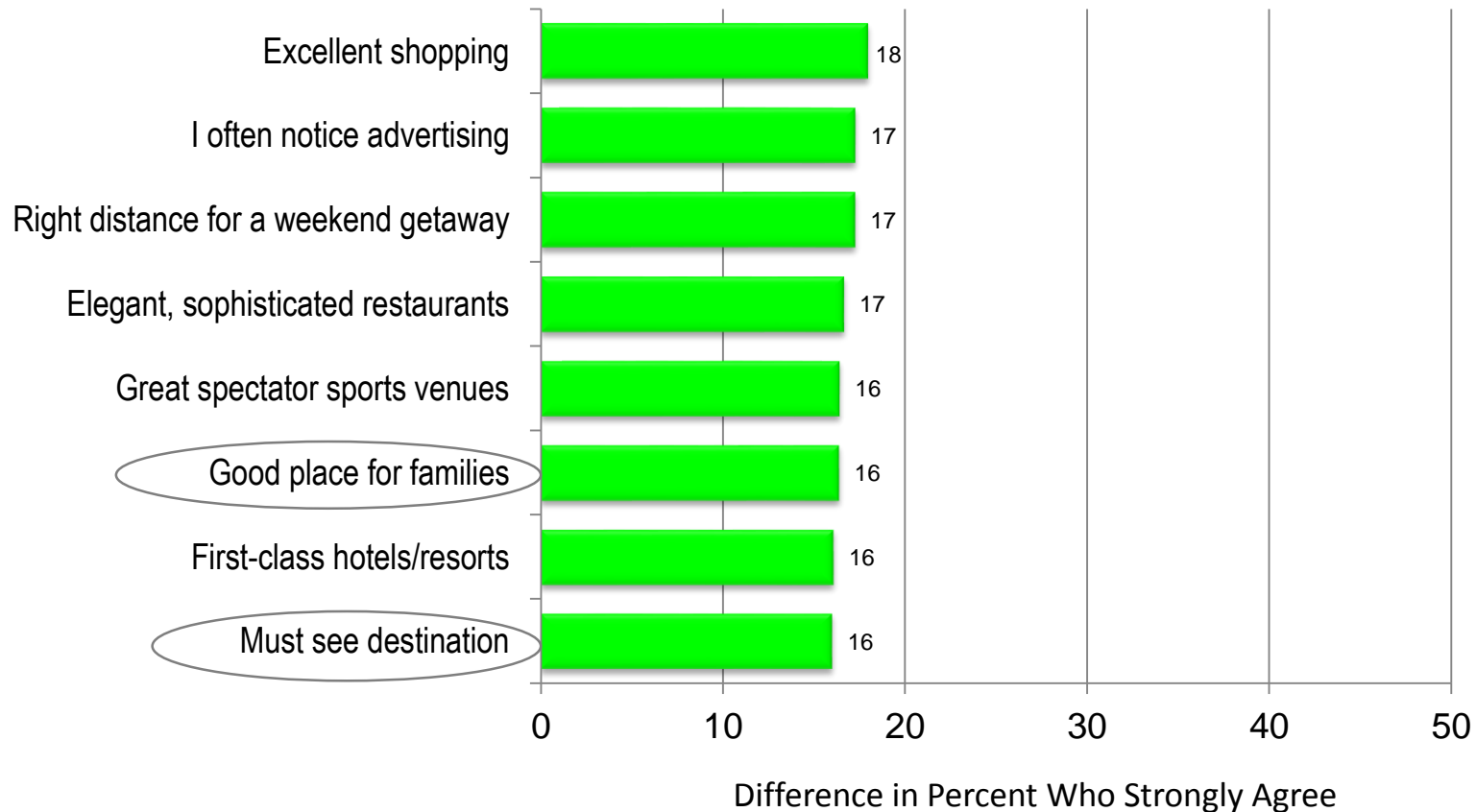


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Strengths vs. West Virginia (Cont'd)



Base: Total Travelers



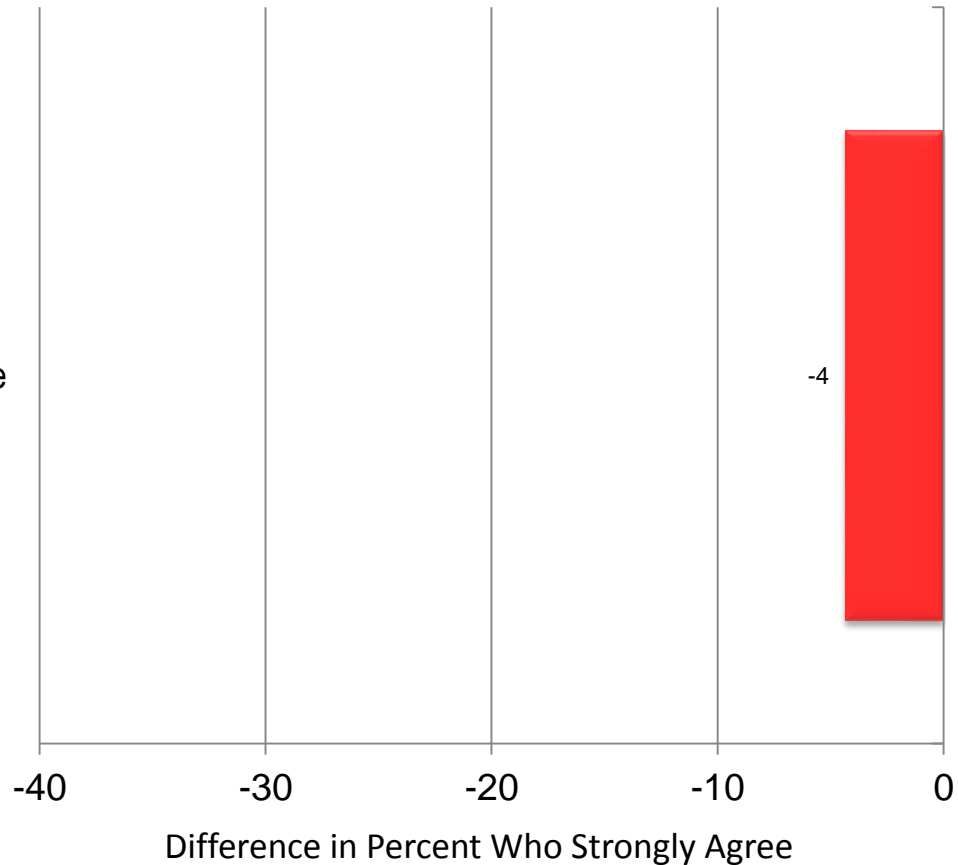
Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. West Virginia



Base: Total Travelers

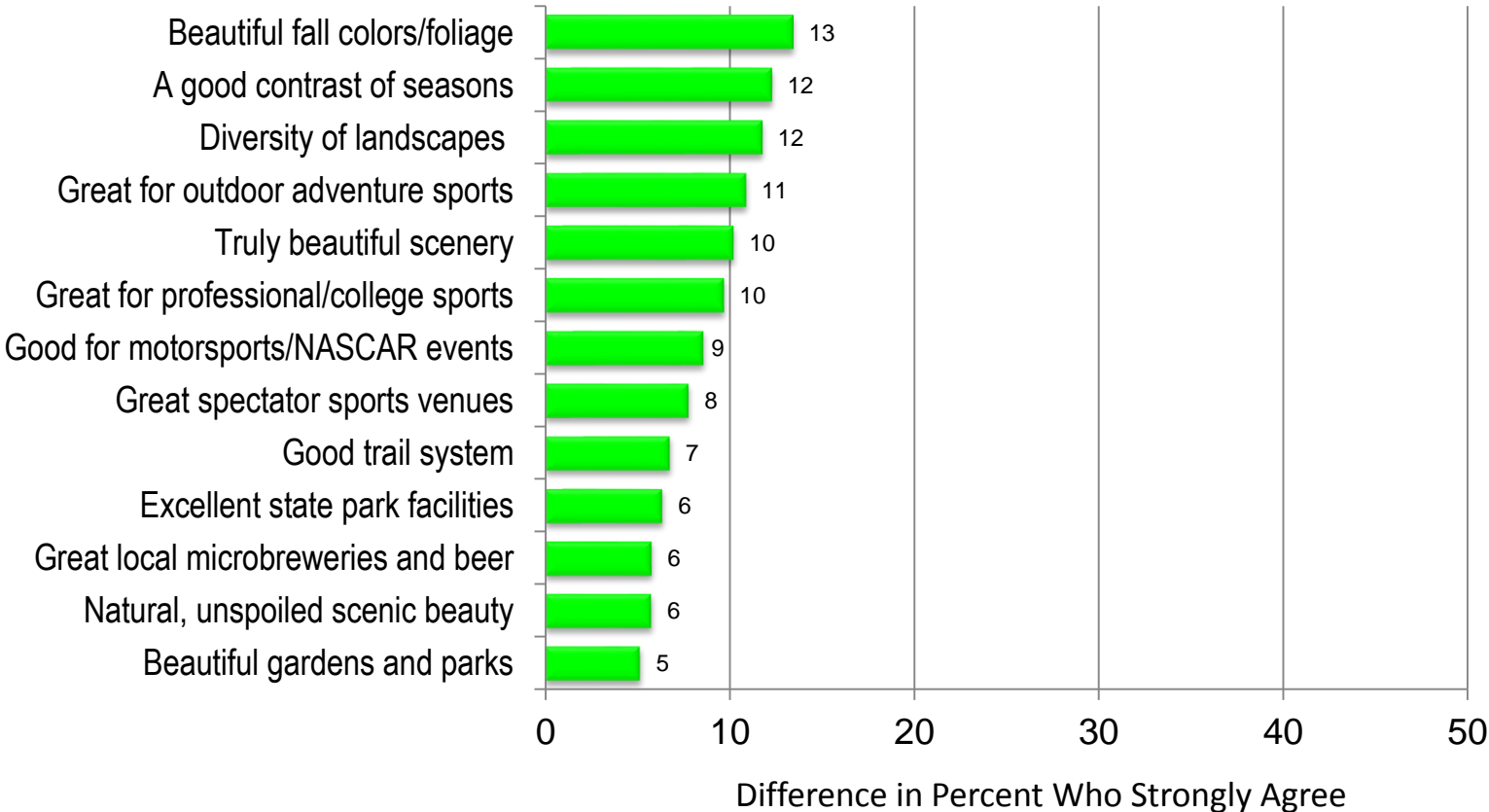
Beautiful fall colors/foliage



# North Carolina Image Strengths vs. South Carolina



Base: Total Travelers

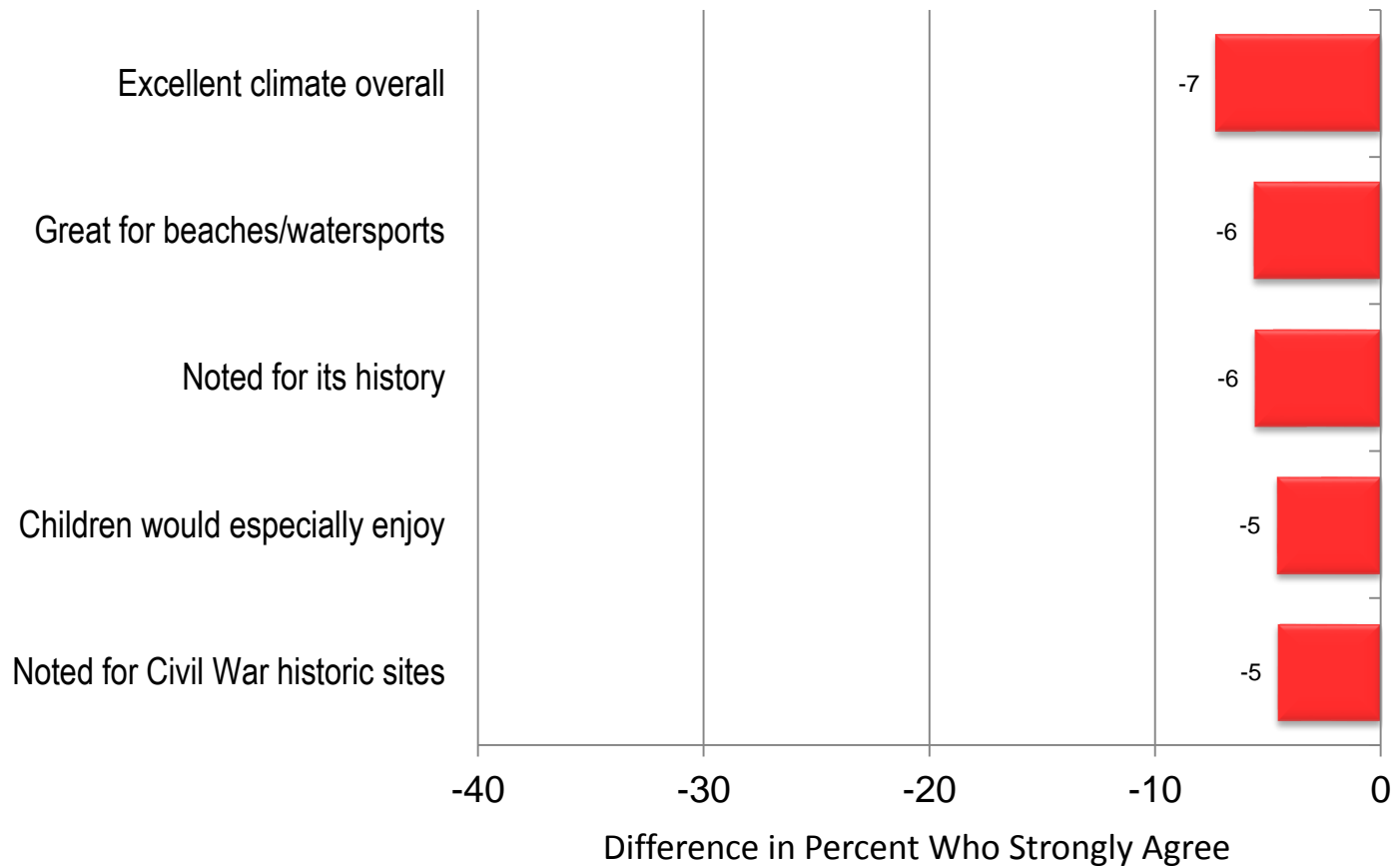




# North Carolina Image Weaknesses vs. South Carolina



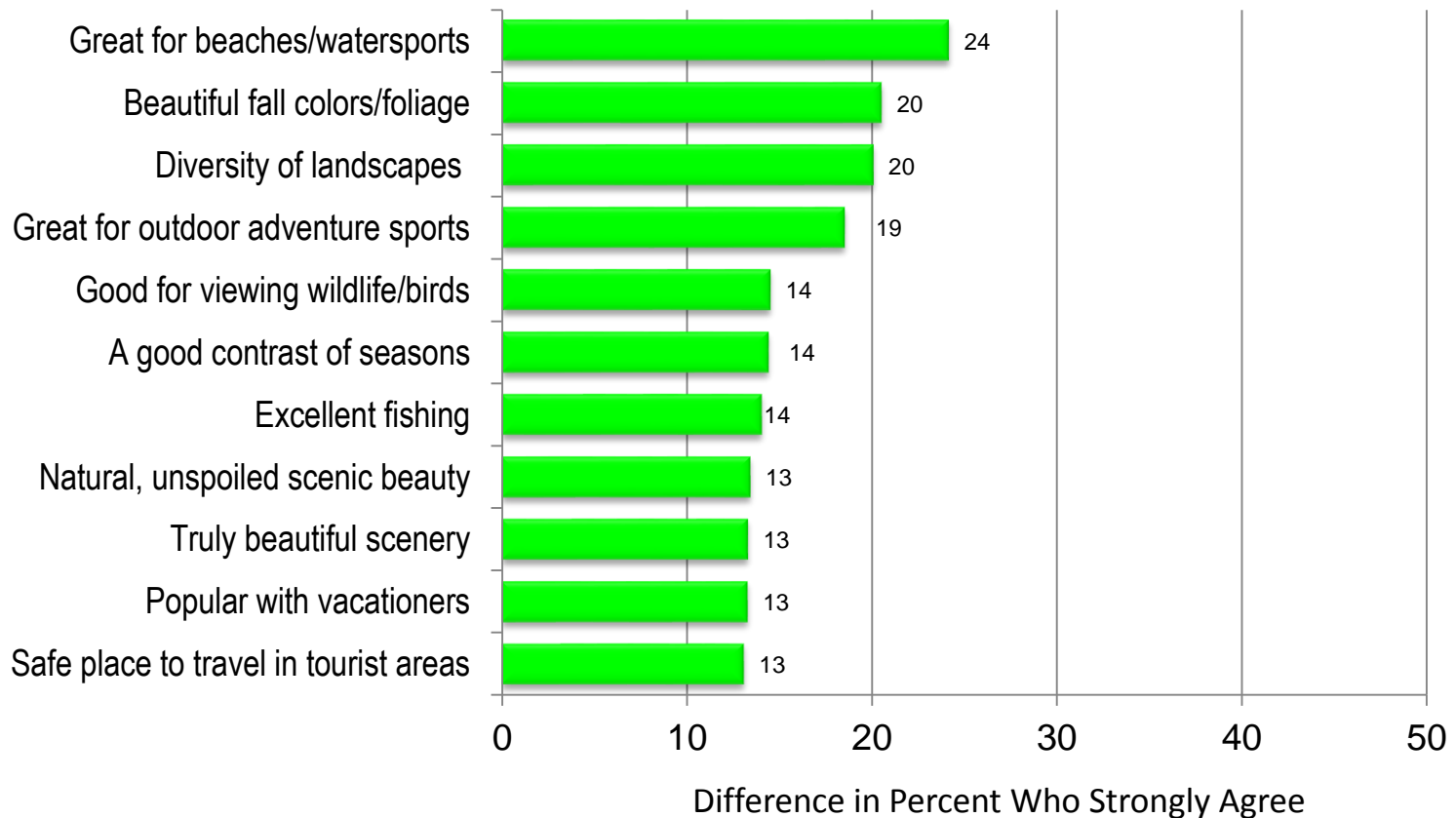
Base: Total Travelers



# North Carolina Image Strengths vs. Georgia



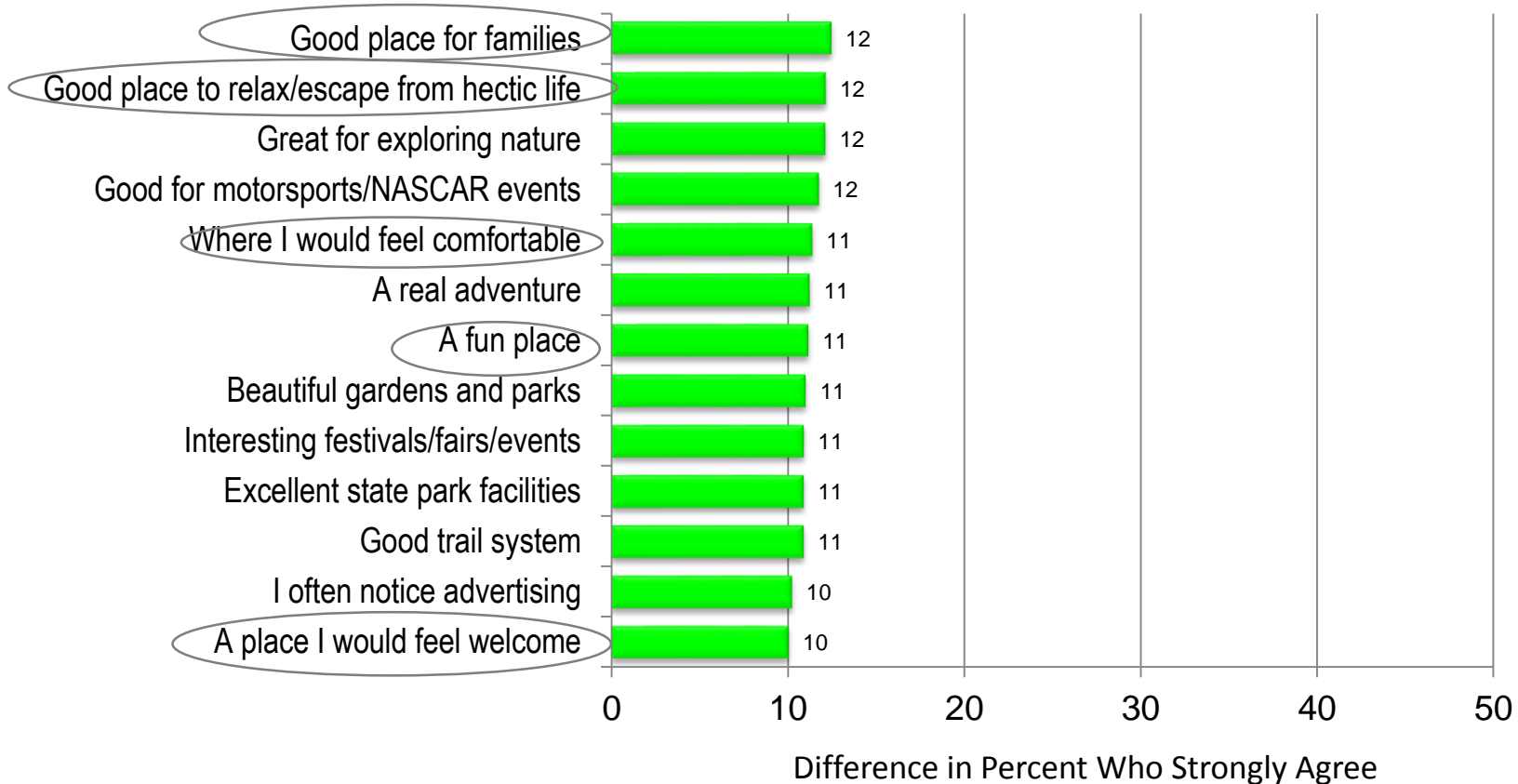
Base: Total Travelers



# North Carolina Image Strengths vs. Georgia (Cont'd)



Base: Total Travelers



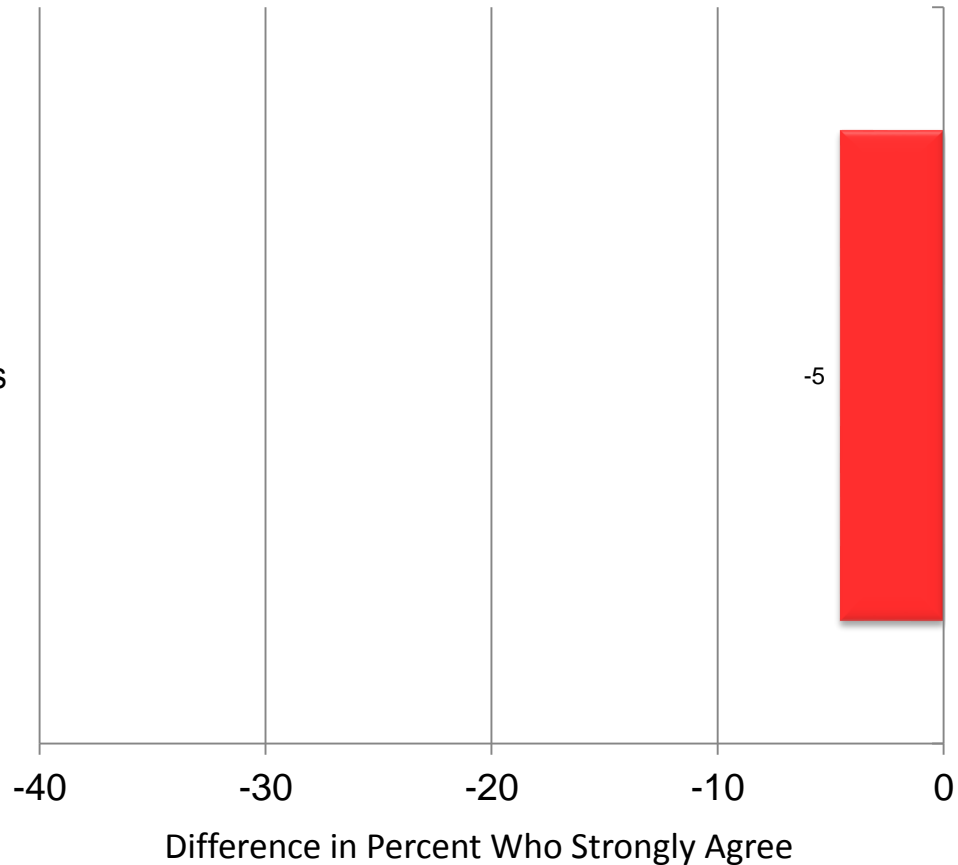
Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. Georgia



Base: Total Travelers

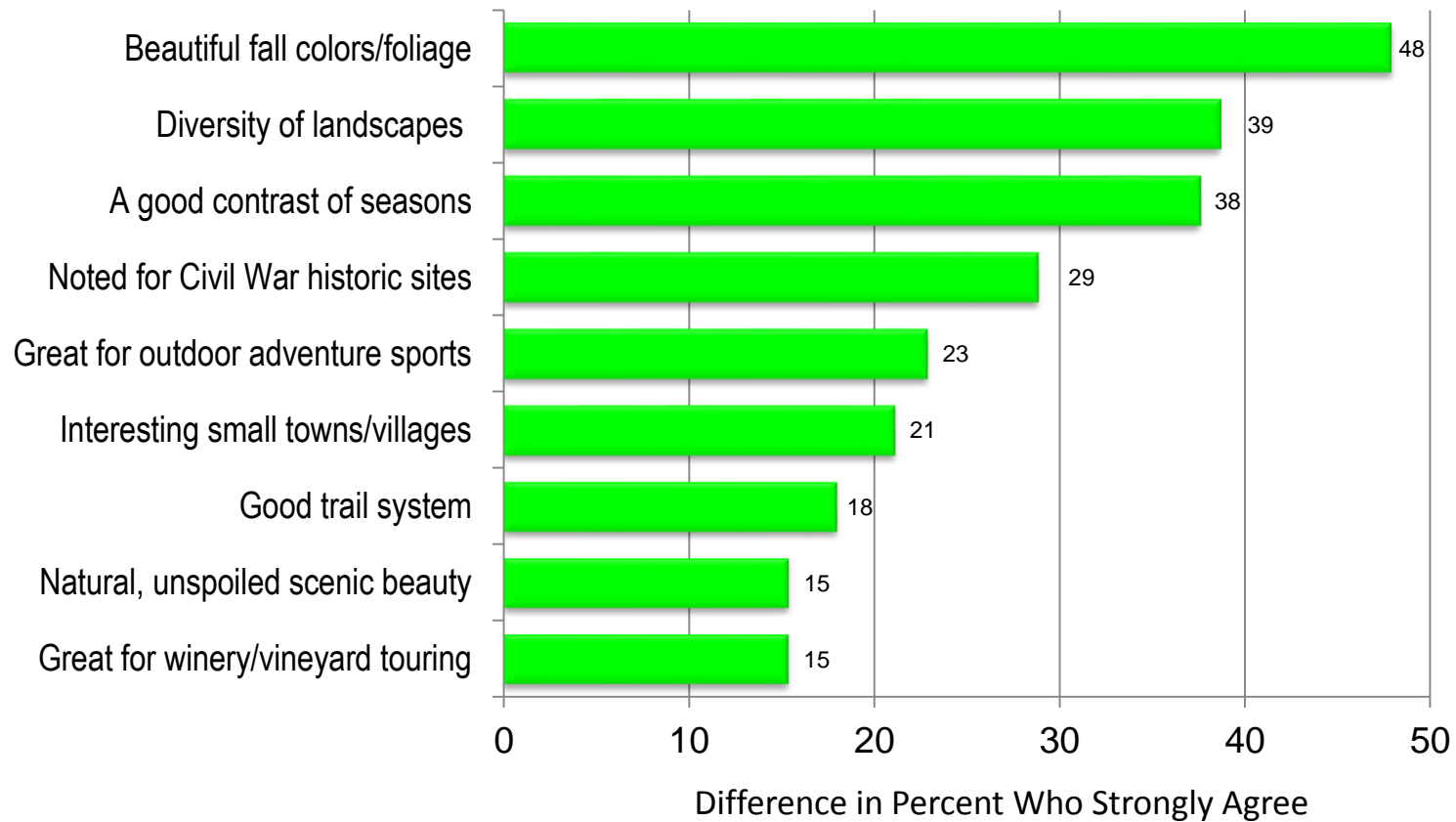
Great for theater/arts/museums



# North Carolina Image Strengths vs. Florida



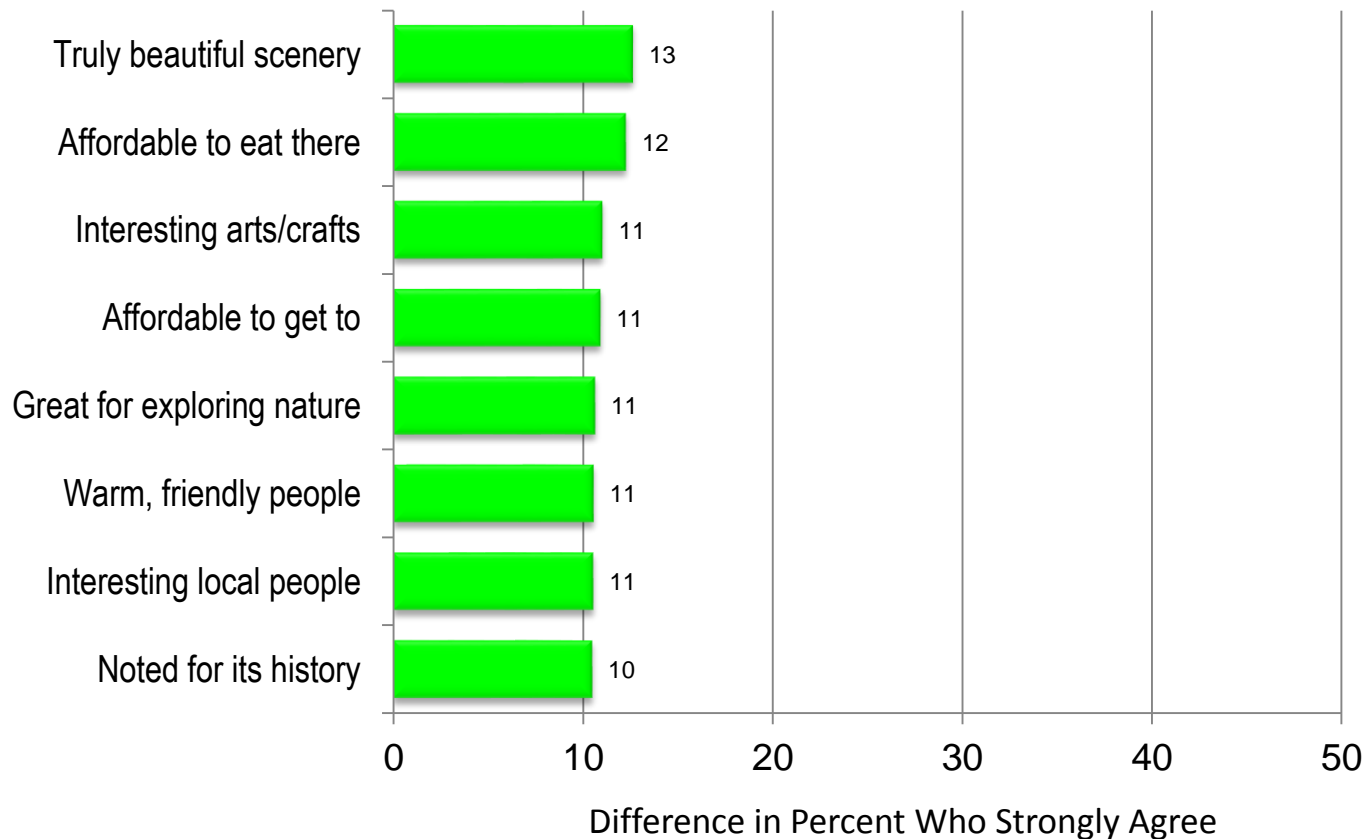
Base: Total Travelers



# North Carolina Image Strengths vs. Florida (Cont'd)



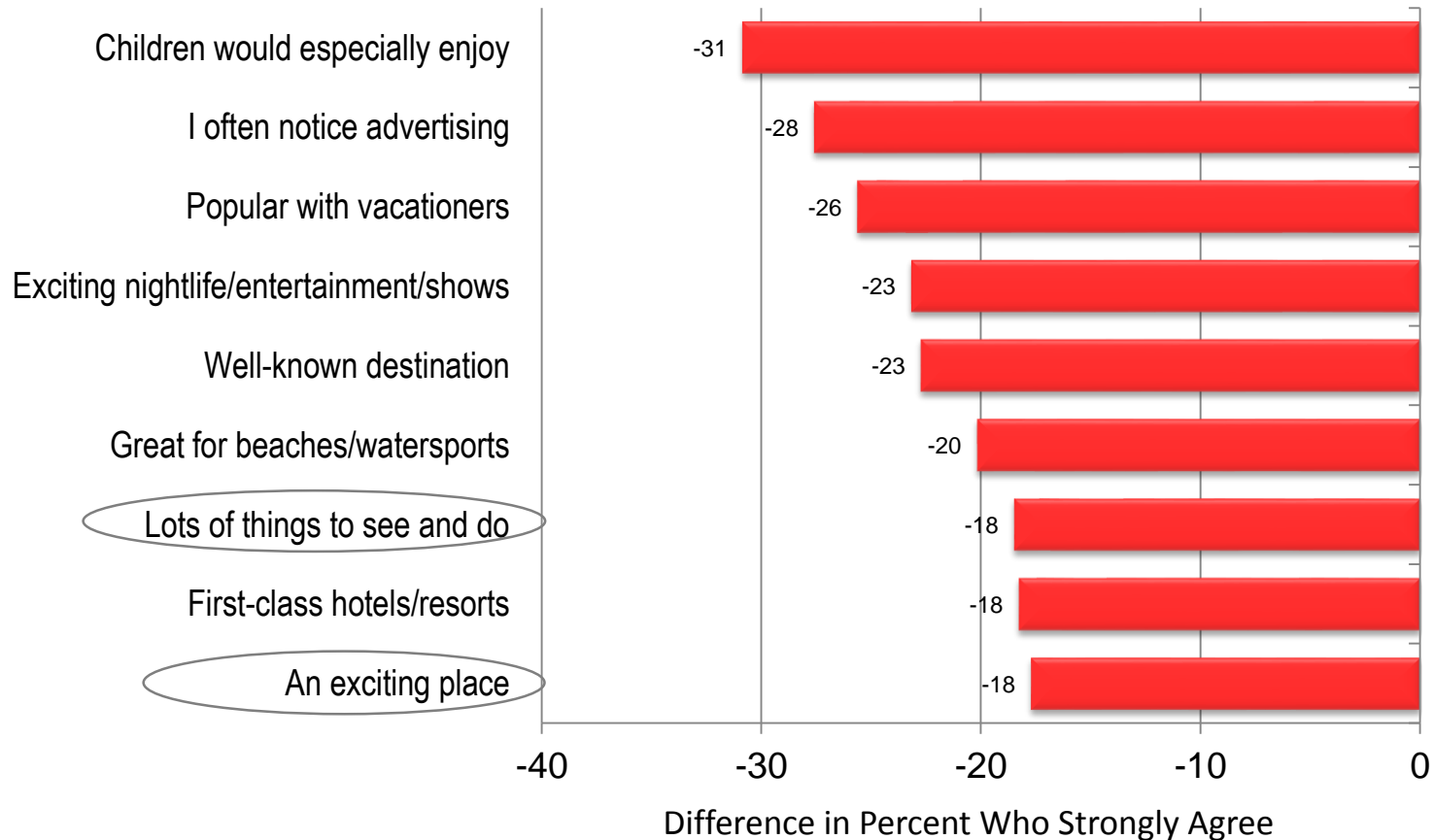
Base: Total Travelers



# North Carolina Image Weaknesses vs. Florida



Base: Total Travelers

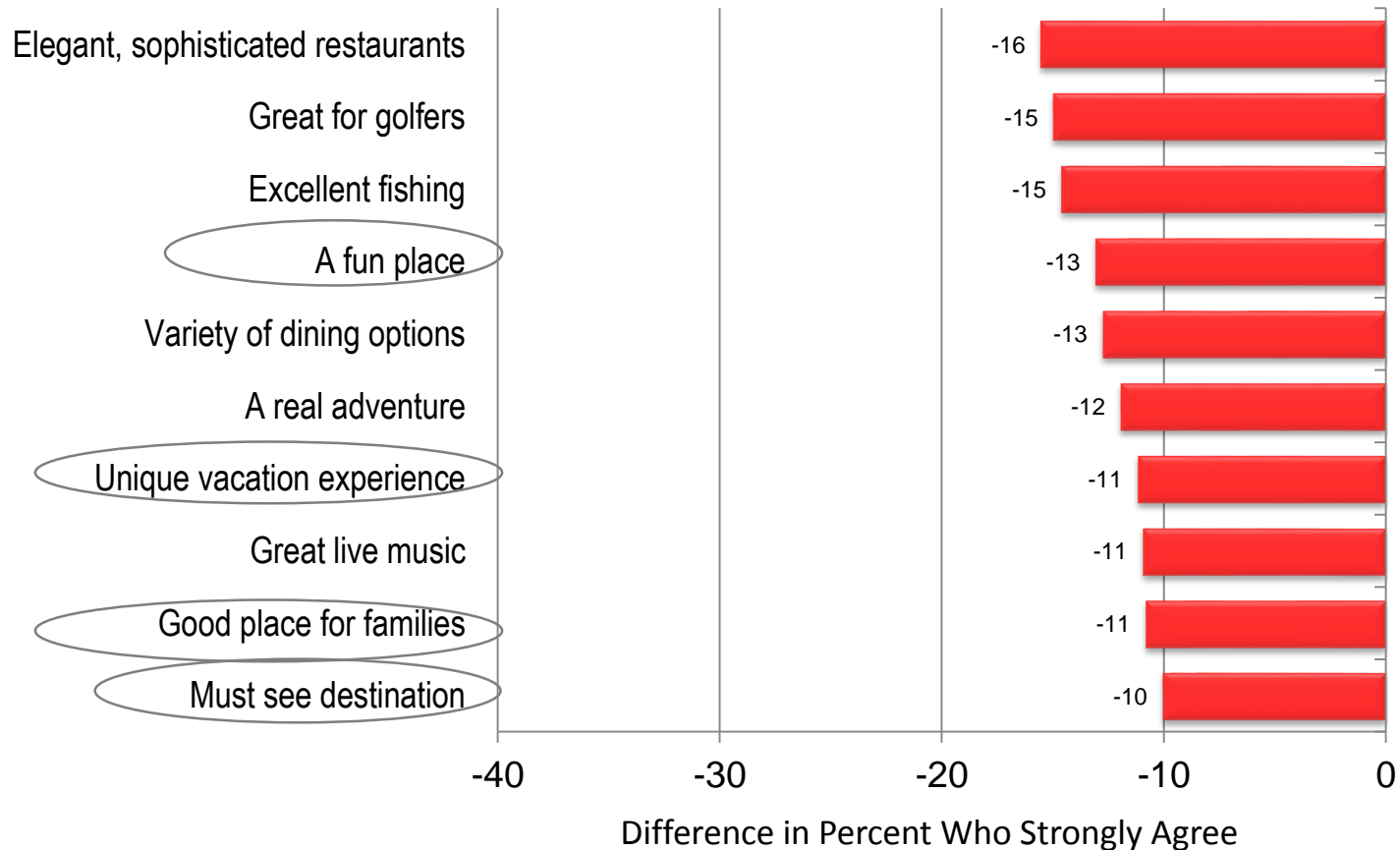


Note: Circled attributes are some of the most important image hot buttons for travelers

# North Carolina Image Weaknesses vs. Florida (Cont'd)



Base: Total Travelers



Note: Circled attributes are some of the most important image hot buttons for travelers



# North Carolina's Product Delivery

# North Carolina's Product Delivery



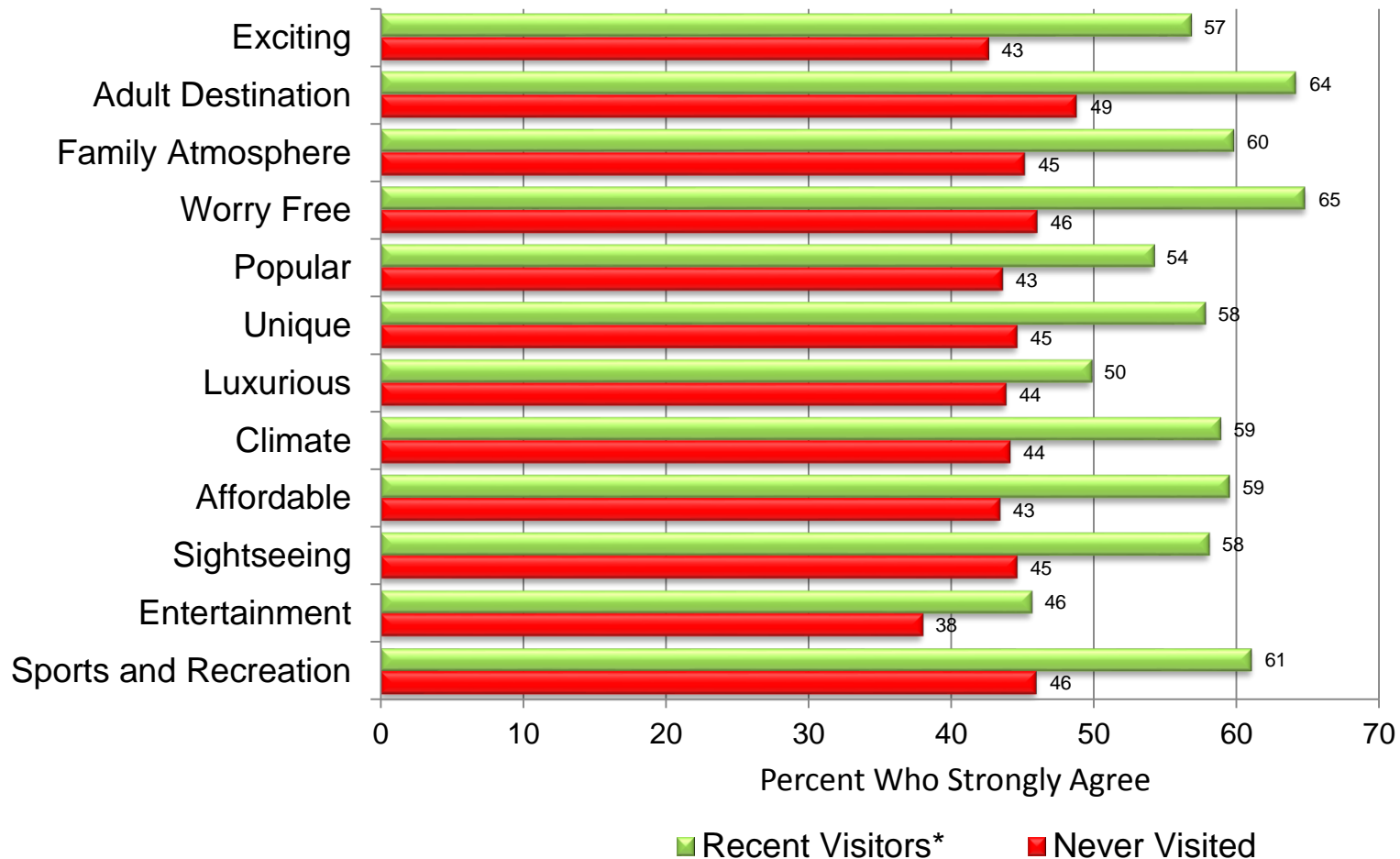
- Another way to look at the image data is to compare the ratings by respondents who have not visited North Carolina to those who have visited recently. In effect then you are looking at expectations of a North Carolina visit (from the non-visitors) vs. product delivery (ratings of recent visitors).
- In a perfect world the ratings are equal indicating all expectations are being met. When the experience falls short of expectations, there may be a problem with the product. When experience exceeds expectations as it does for North Carolina, it indicates that there is a great opportunity to educate those who do not know how wonderful North Carolina is.

# Product Delivery Impacts



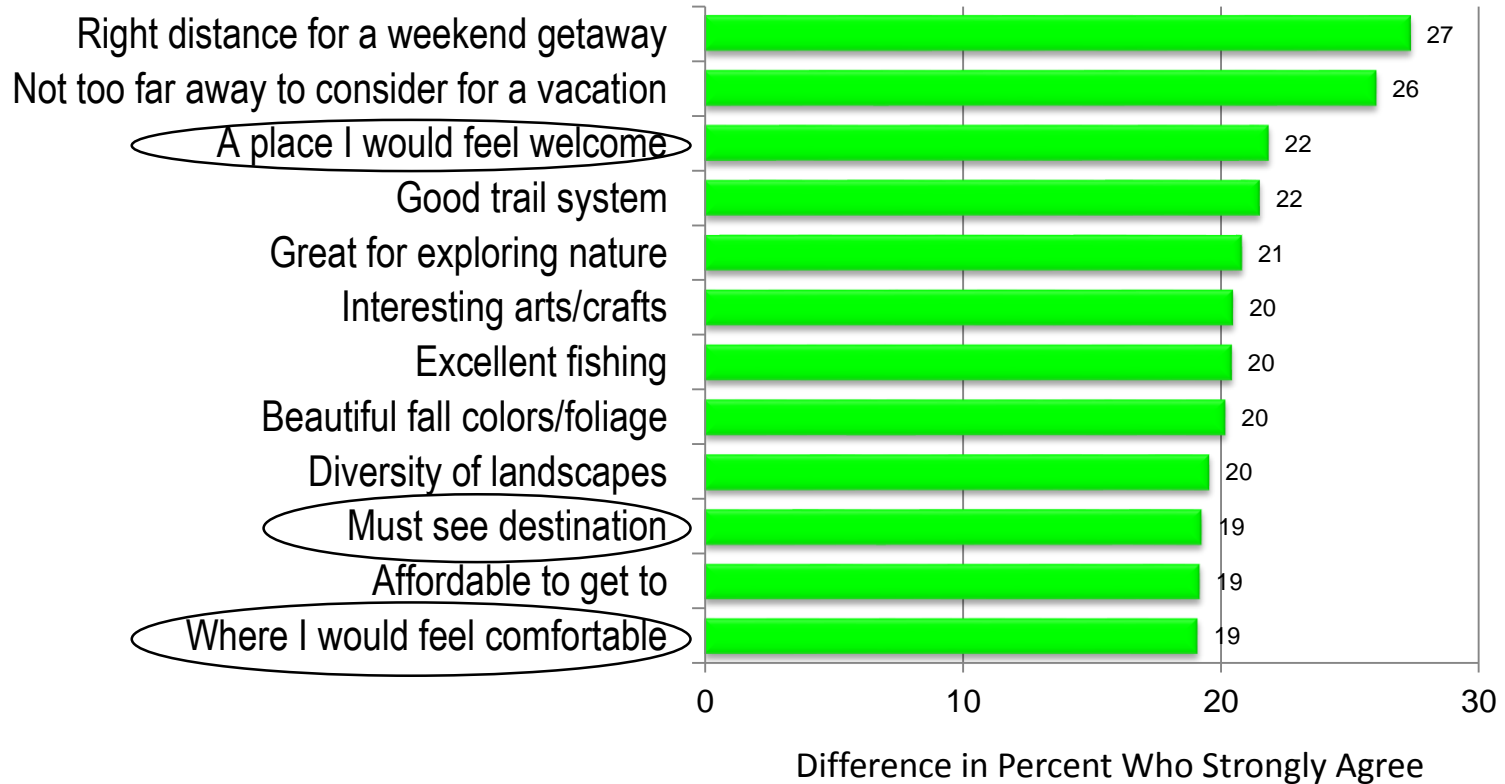
- The image ratings for North Carolina are much higher among North Carolina visitors on all dimensions as compared to those who have not visited.
- All of the Hot Buttons are positively impacted by the North Carolina experience.

# North Carolina's Product vs. Image



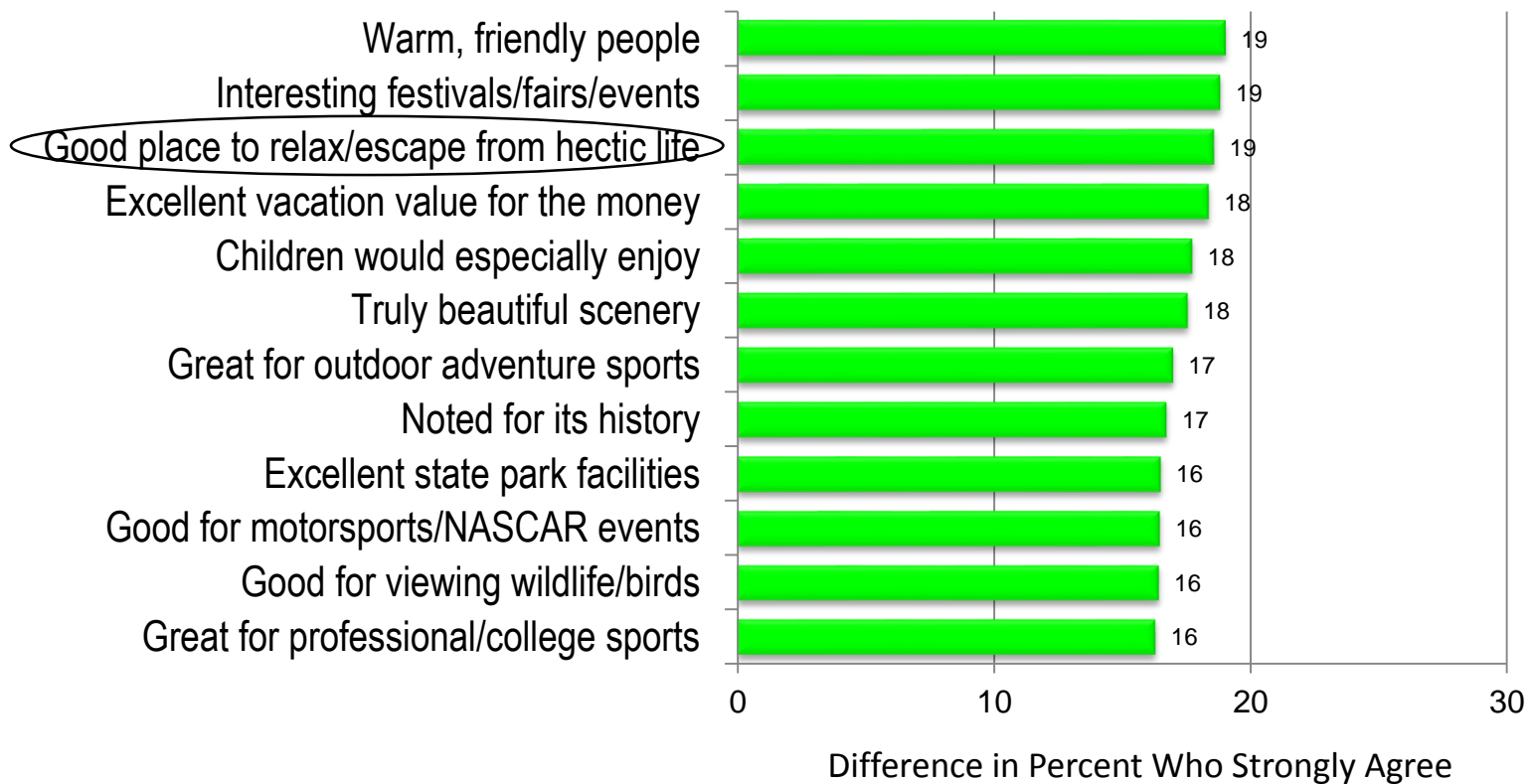
\* Visited in the past 2 years

# Top Product Strengths vs. Image



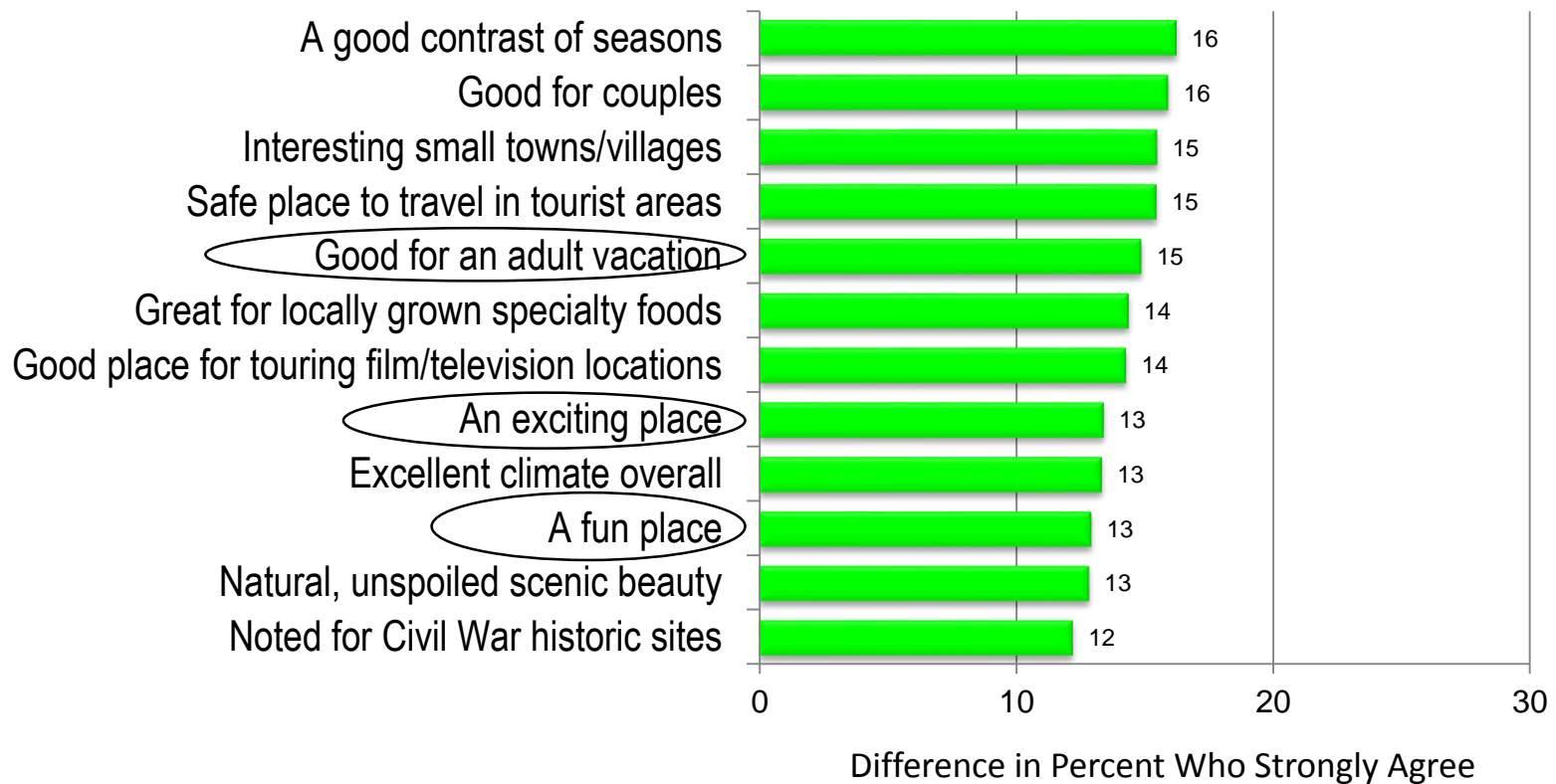
\* Circled attributes are some of the most important image hot buttons for travelers

# Top Product Strengths vs. Image (Cont'd)



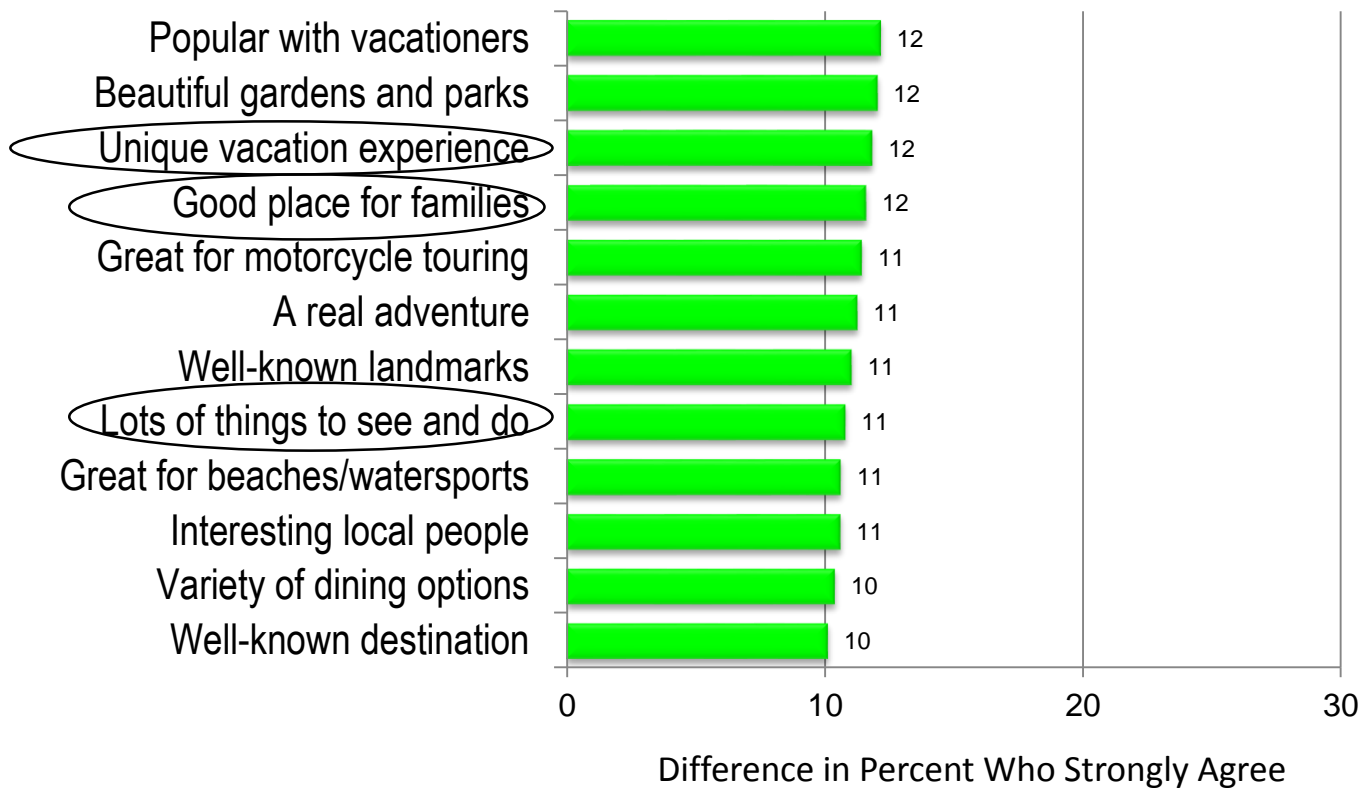
\* Circled attributes are some of the most important image hot buttons for travelers

# Top Product Strengths vs. Image (Cont'd)



\* Circled attributes are some of the most important image hot buttons for travelers

# Top Product Strengths vs. Image (Cont'd)



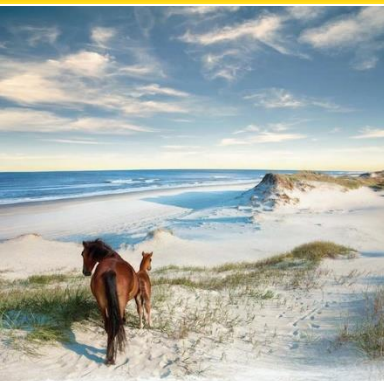
\* Circled attributes are some of the most important image hot buttons for travelers



# **North Carolina's 2014 Advertising Campaign**

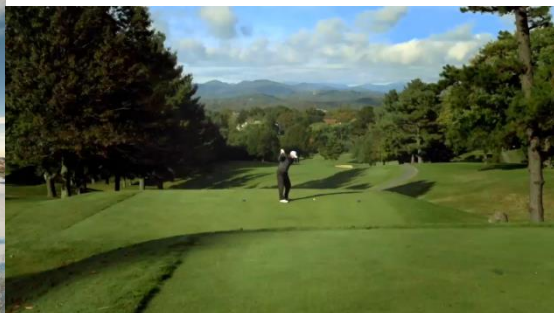
Creative

# Longwoods INTERNATIONAL



even those who race *with wild abandon* couldn't help but settle here.

More than five hundred years ago, those who arrived along our shores found what we now call home. The mountains, the sea, the wide beaches, the quiet destinations of historic towns and cities, the beauty of the sea in every direction, the peace and quiet of the mountains, the beauty of the sea in every direction, the peace and quiet of the mountains.



Catch waves  
**THAT WILL HAVE YOU**  
returning to our shores.

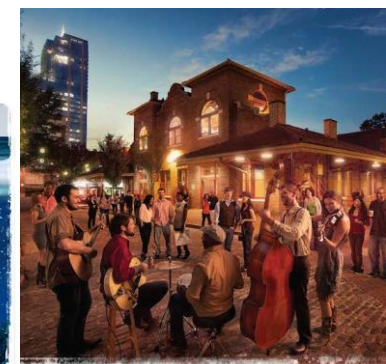
GO TO VISITNC.COM ▶

NORTH CAROLINA

Taste beer  
**WORTHY OF**  
a month-long celebration.

GO TO NCEFFRMONTH.COM ▶

NORTH CAROLINA



some artists travel the world *for a living* others don't need to.

NORTH CAROLINA

Play in the shadows **OF LONGLEAF PINES**  
and champions.

NORTH CAROLINA



# Advertising Awareness

# Advertising Impacts



- 45% of all the respondents recalled seeing at least one of North Carolina's travel ads:
  - *The awareness level is higher than the 2010 campaign which was 36%. In 2014, Tennessee - a new market, was included.*
  - *Awareness was similar in the primary\* markets at 46% and the secondary\* markets at 42%.*
  - *The Atlanta DMA and Washington, DC DMA have similar awareness levels for North Carolina travel ads, at 44% and 45% respectively.*
  - *The awareness is driven by digital advertising. Online creative was seen by 43% of the total respondents, 26% saw print creative, and 23% saw both the digital and the print.*

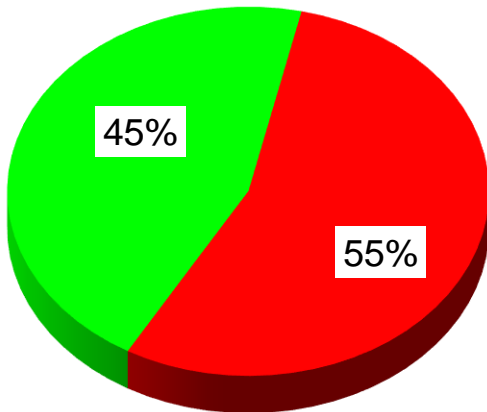
- Primary markets include North and South Carolina, Tennessee Georgia, Virginia and Washington DC.
- Secondary markets include Maryland, Pennsylvania and Florida.

# Awareness of 2014 versus 2010 Advertising



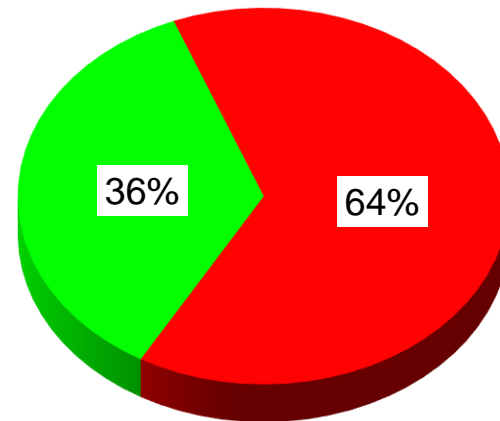
Base: Total Region

## 2014 Advertising



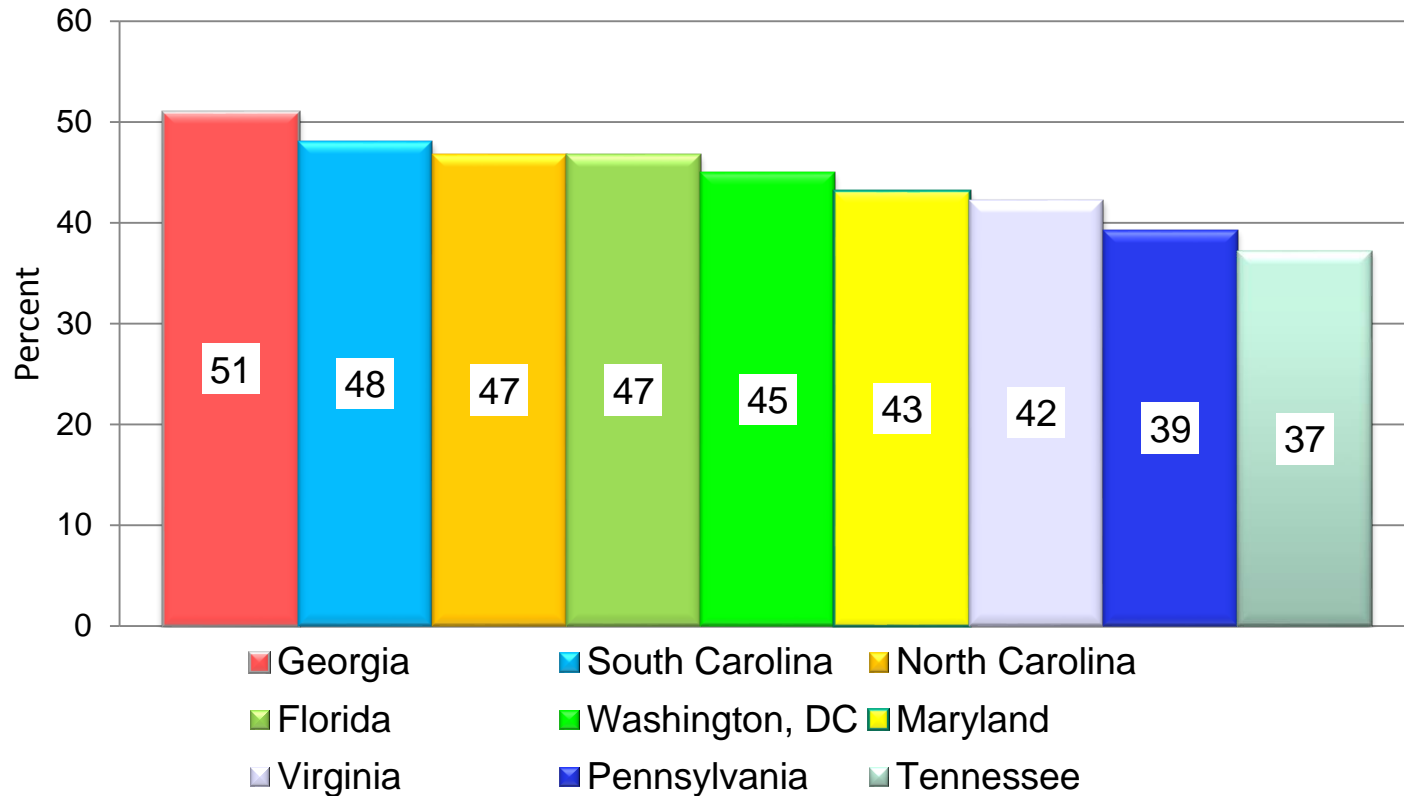
■ Aware ■ Unaware

## 2010 Advertising



■ Aware ■ Unaware

# Awareness\* by Advertising Market



\*Saw at least one ad

# Impact of the 2014 Advertising Campaign on North Carolina's Image



# Advertising Image Impacts

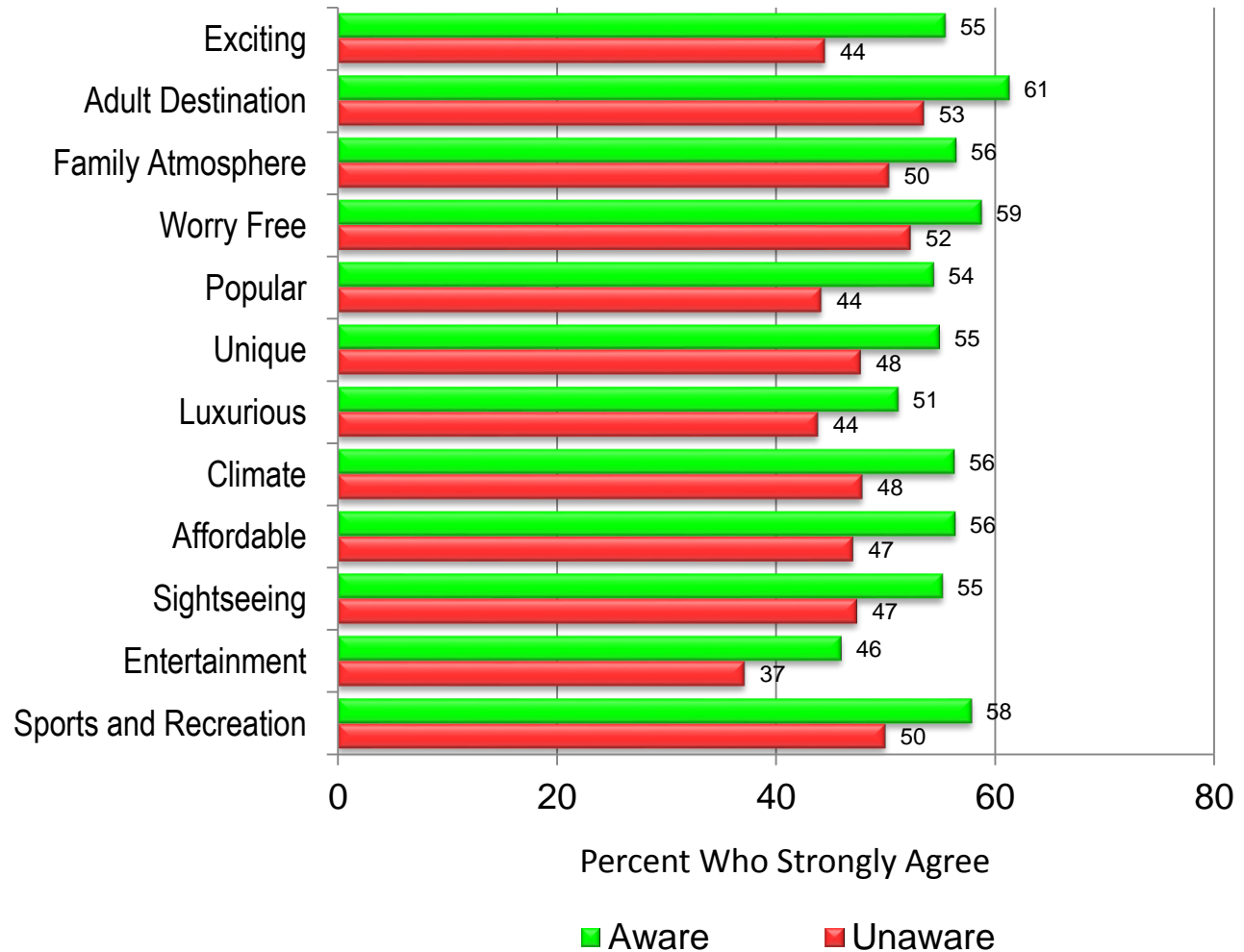


- ⦿ The image factors most highly impacted by the campaign include ***exciting, adult destination*** and ***affordable***.
- ⦿ The Hot Buttons notably improved by the advertising are:
  - ⦿ *An exciting place*
  - ⦿ *Lots of things to see and do*
  - ⦿ *Must see destination*
  - ⦿ *Unique vacation experience*
  - ⦿ *A fun place*
- ⦿ The advertising had a positive impact on North Carolina's image as a travel destination on every image factor.

# Impact of 2014 Advertising on North Carolina's Image



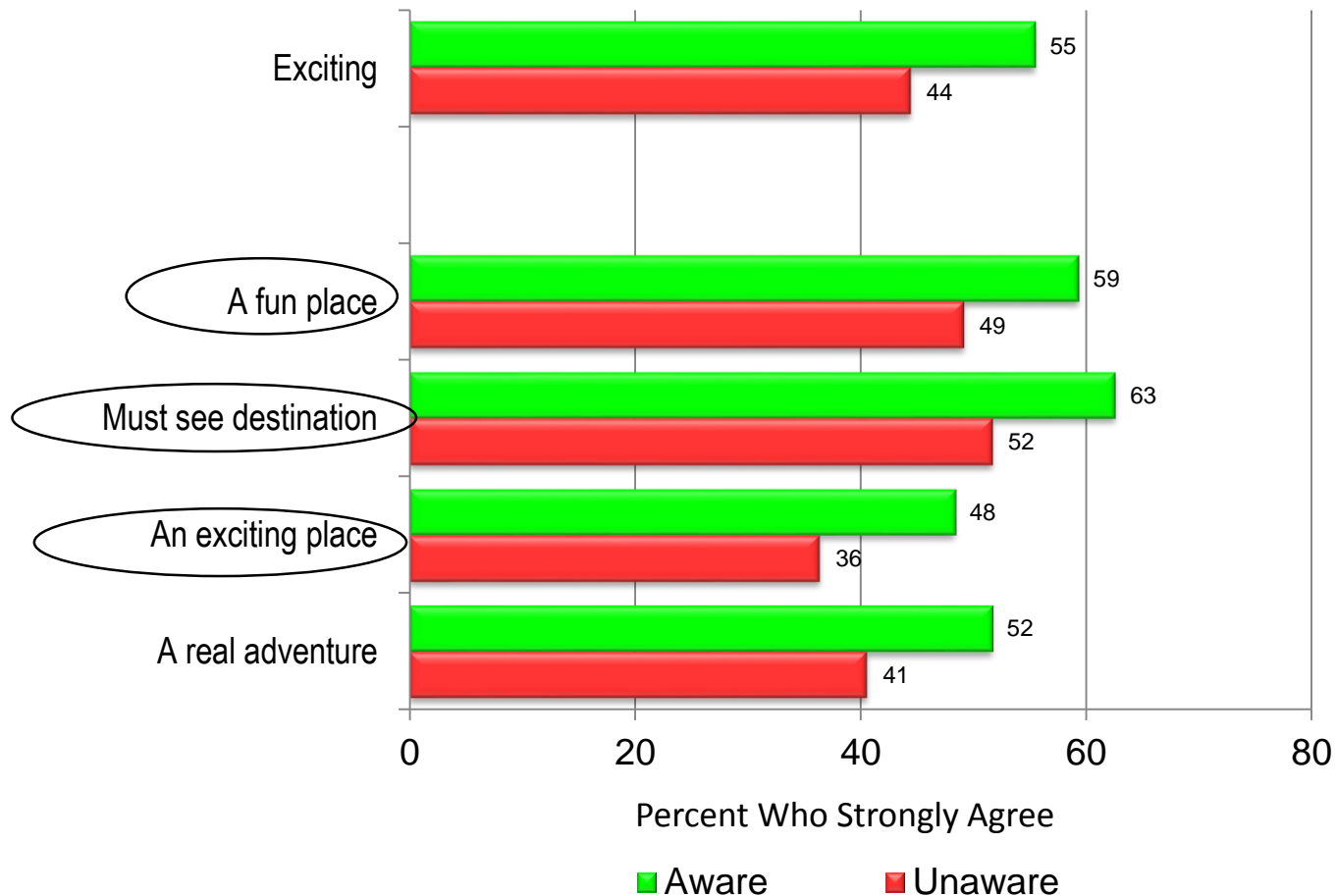
Base: Total Travelers



# North Carolina's Image — Exciting



Base: Total Travelers

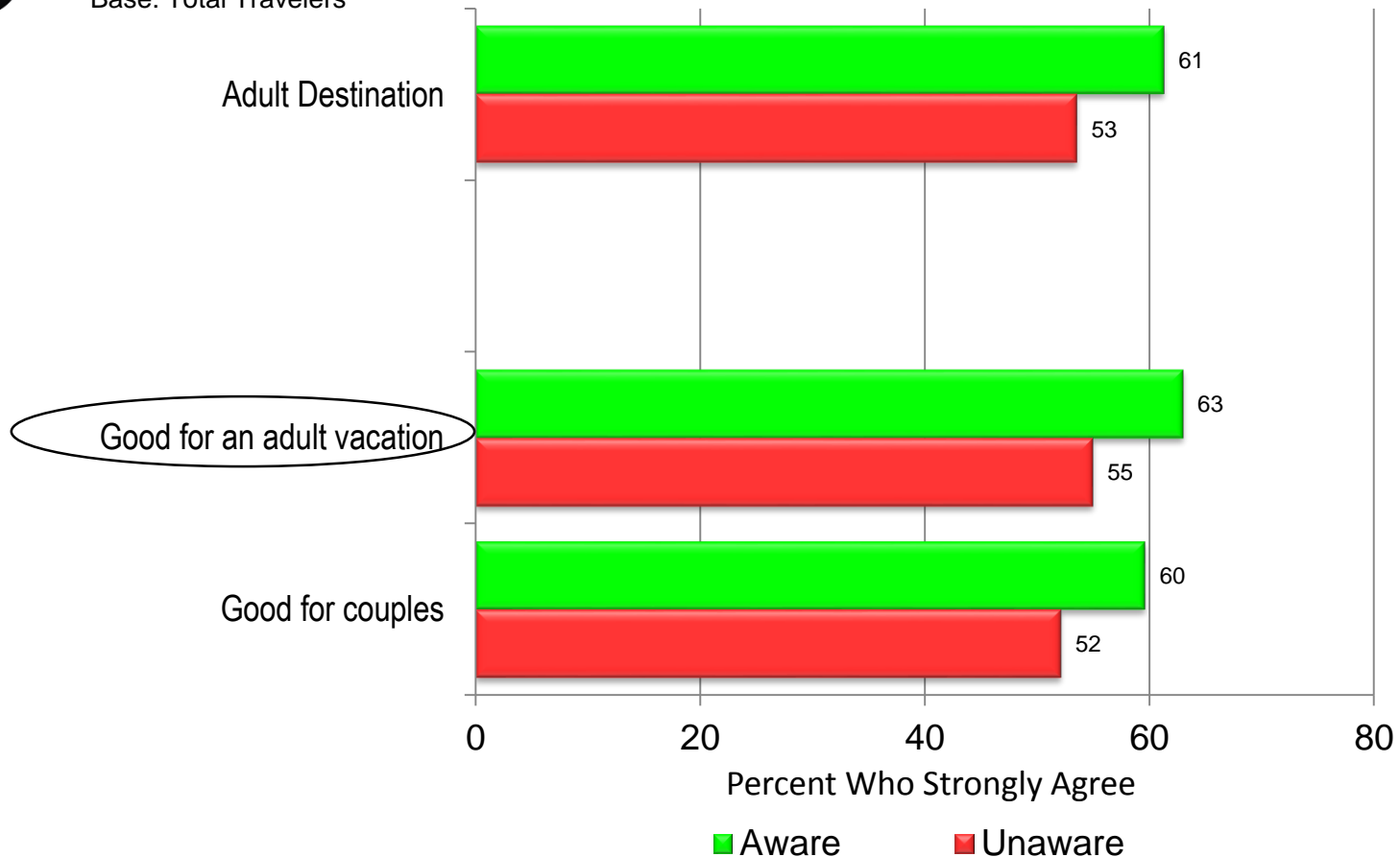


\* Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image — Adult Destination



Base: Total Travelers

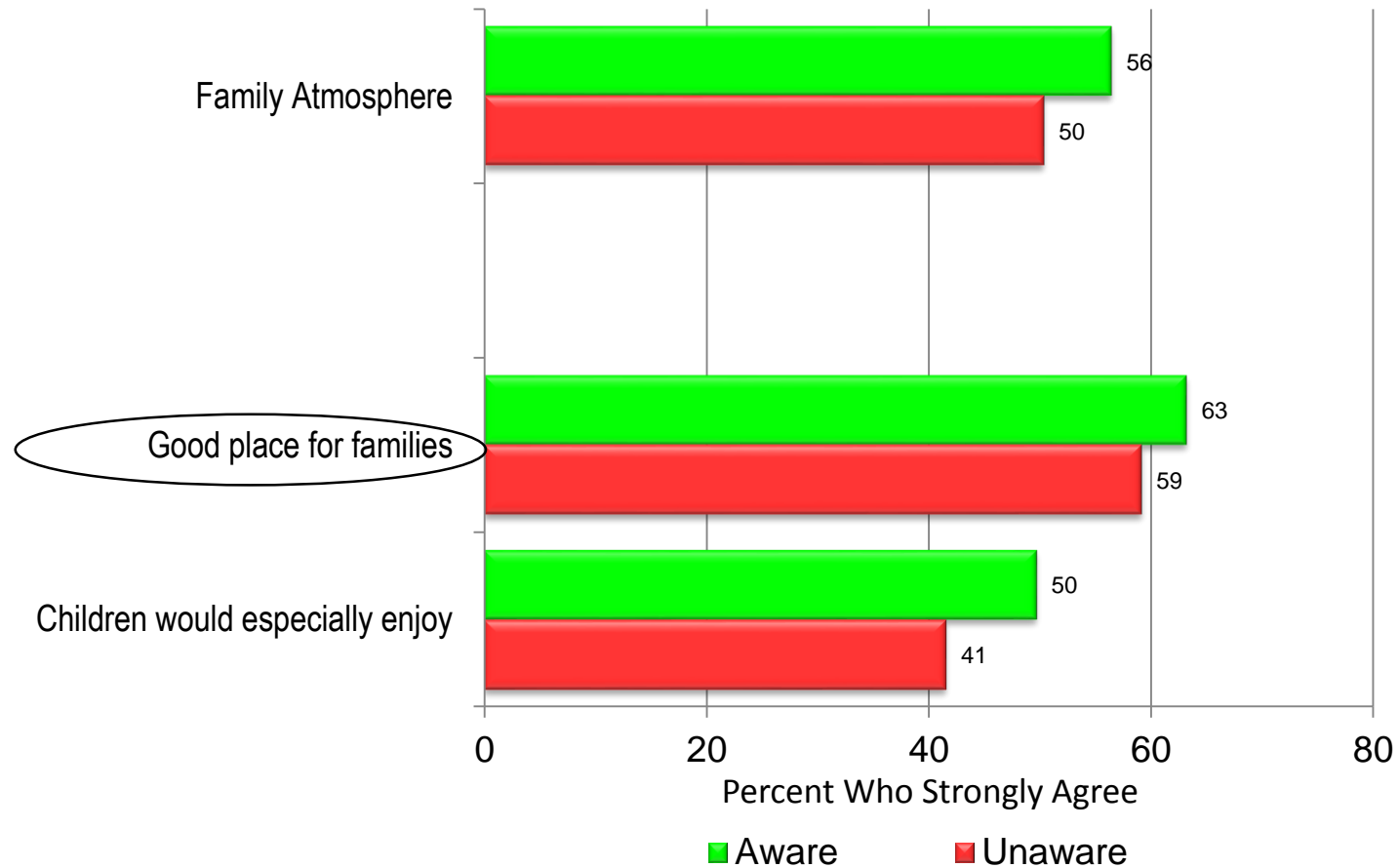


\* Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image — Family Atmosphere



Base: Total Travelers

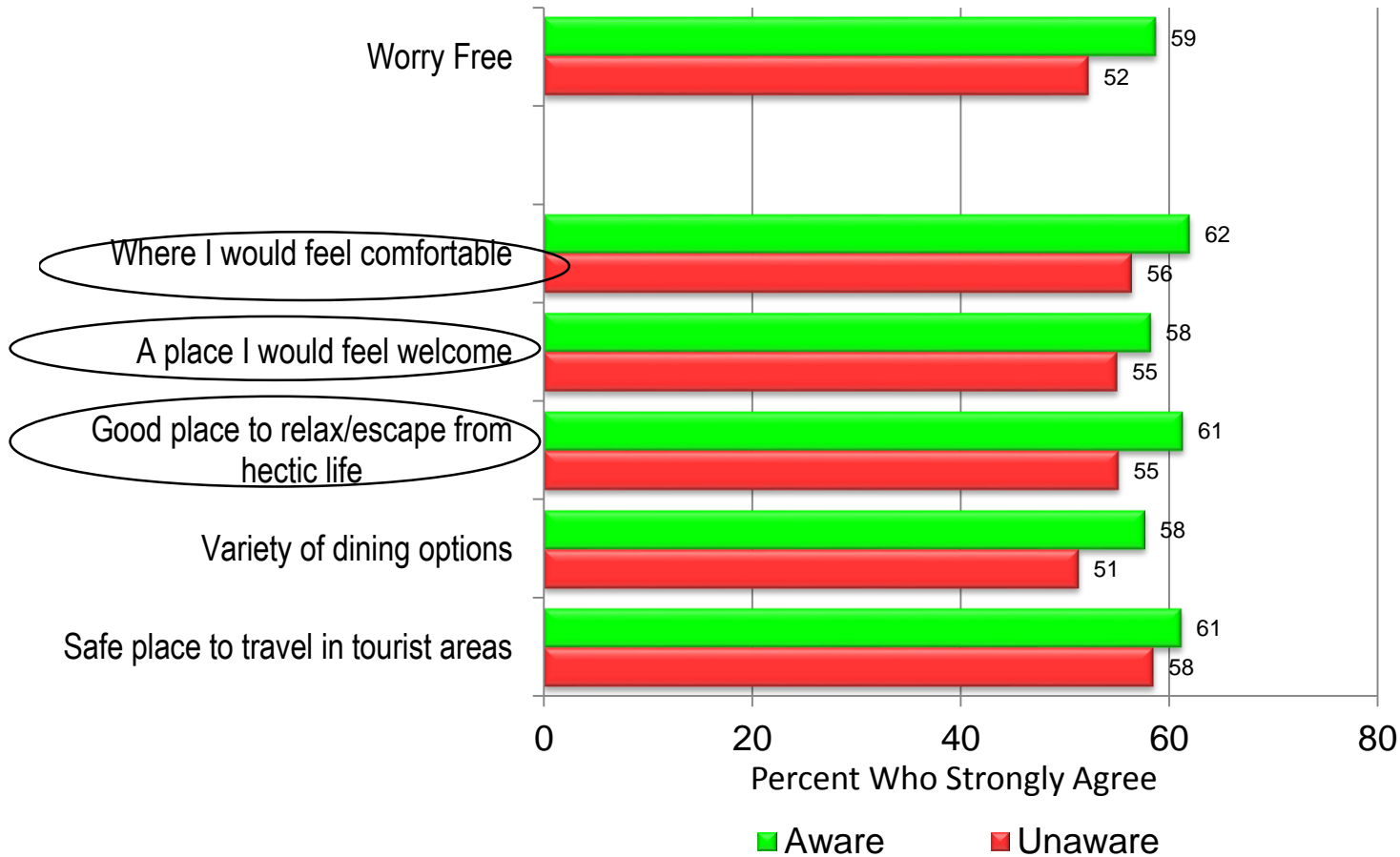


\* Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image — Worry Free



Base: Total Travelers

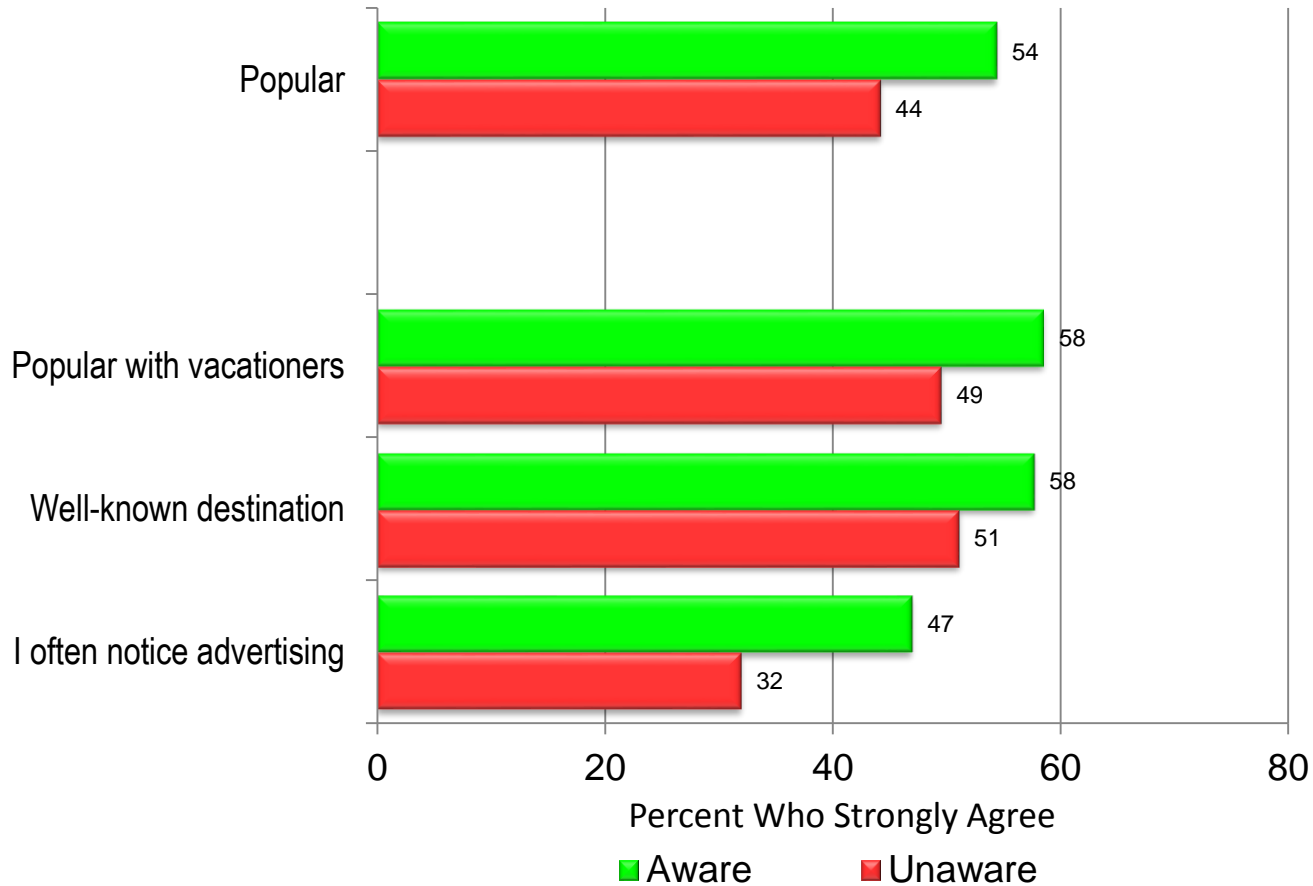


\* Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image — Popular



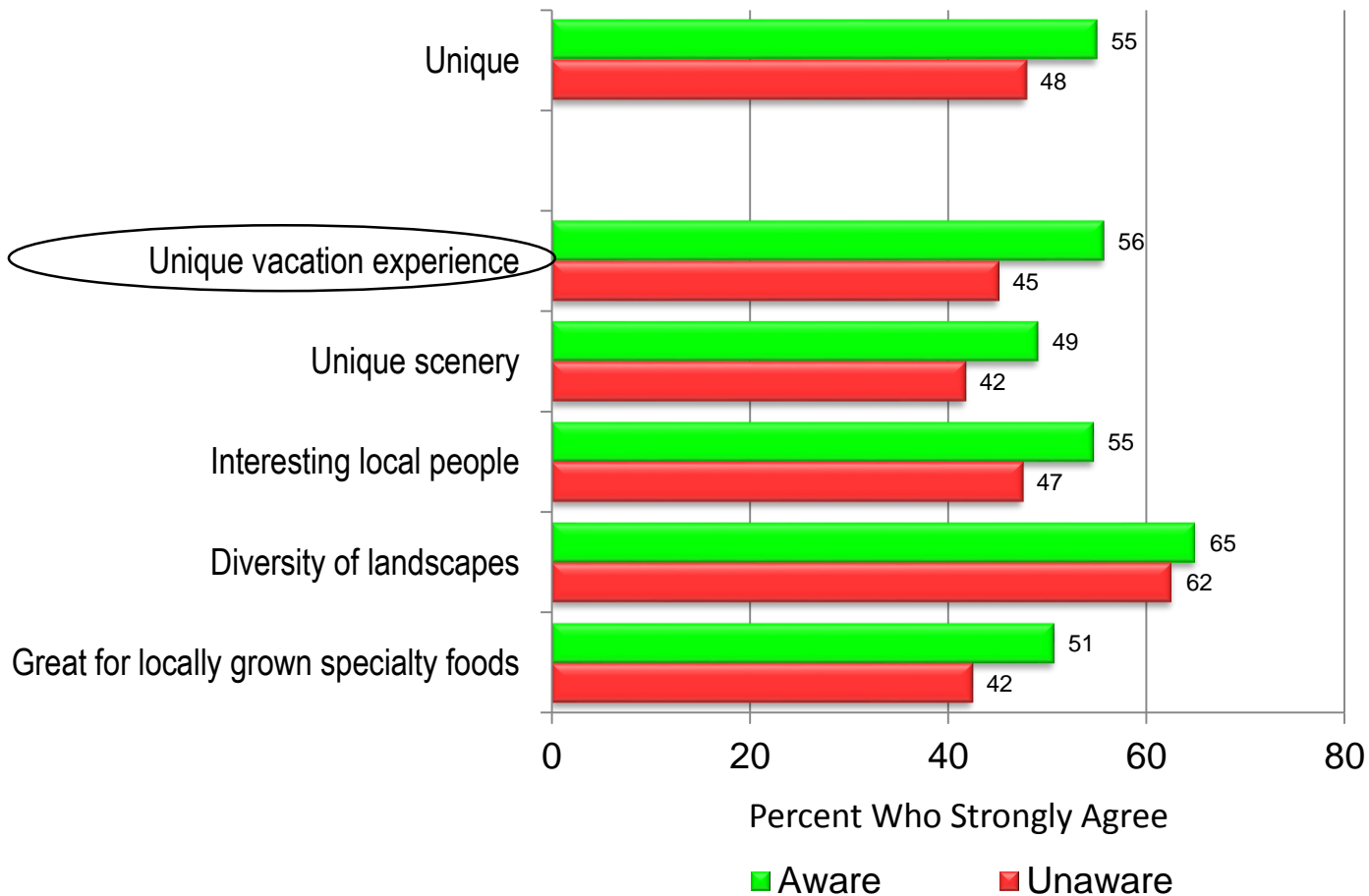
Base: Total Travelers



# North Carolina's Image — Unique



Base: Total Travelers



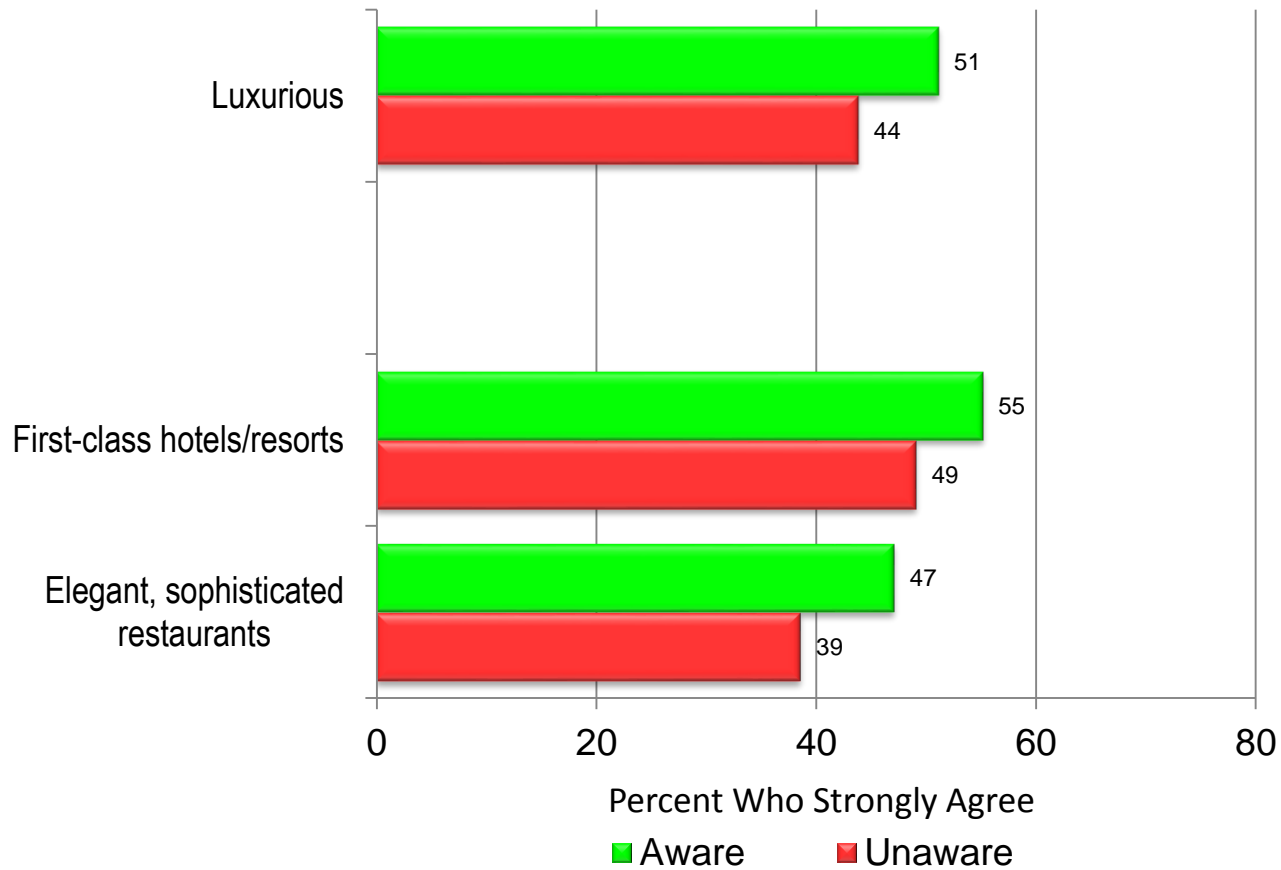
\* Circled attributes are some of the most important image hot buttons for travelers



# North Carolina's Image — Luxurious



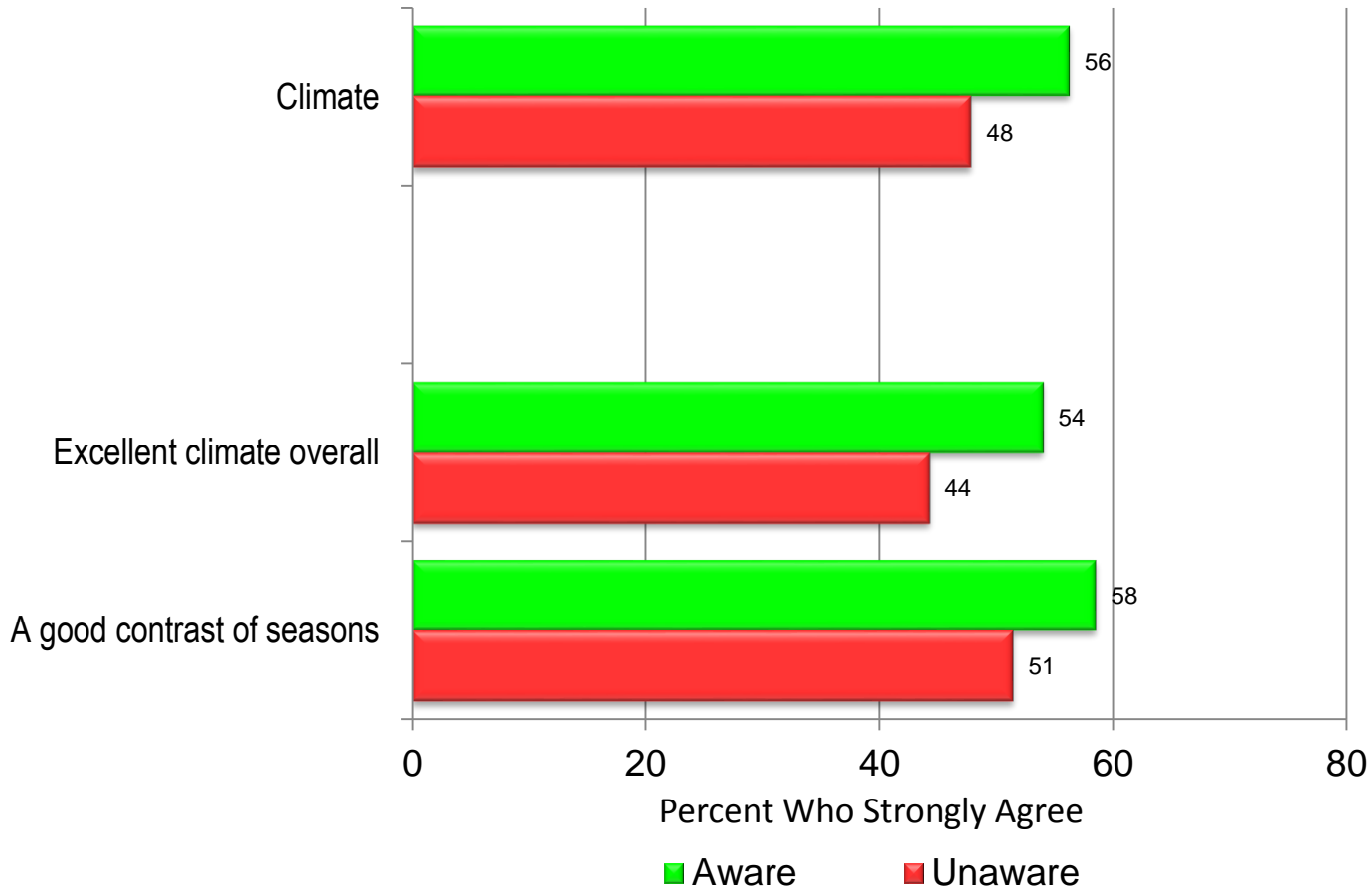
Base: Total Travelers



# North Carolina's Image — Climate



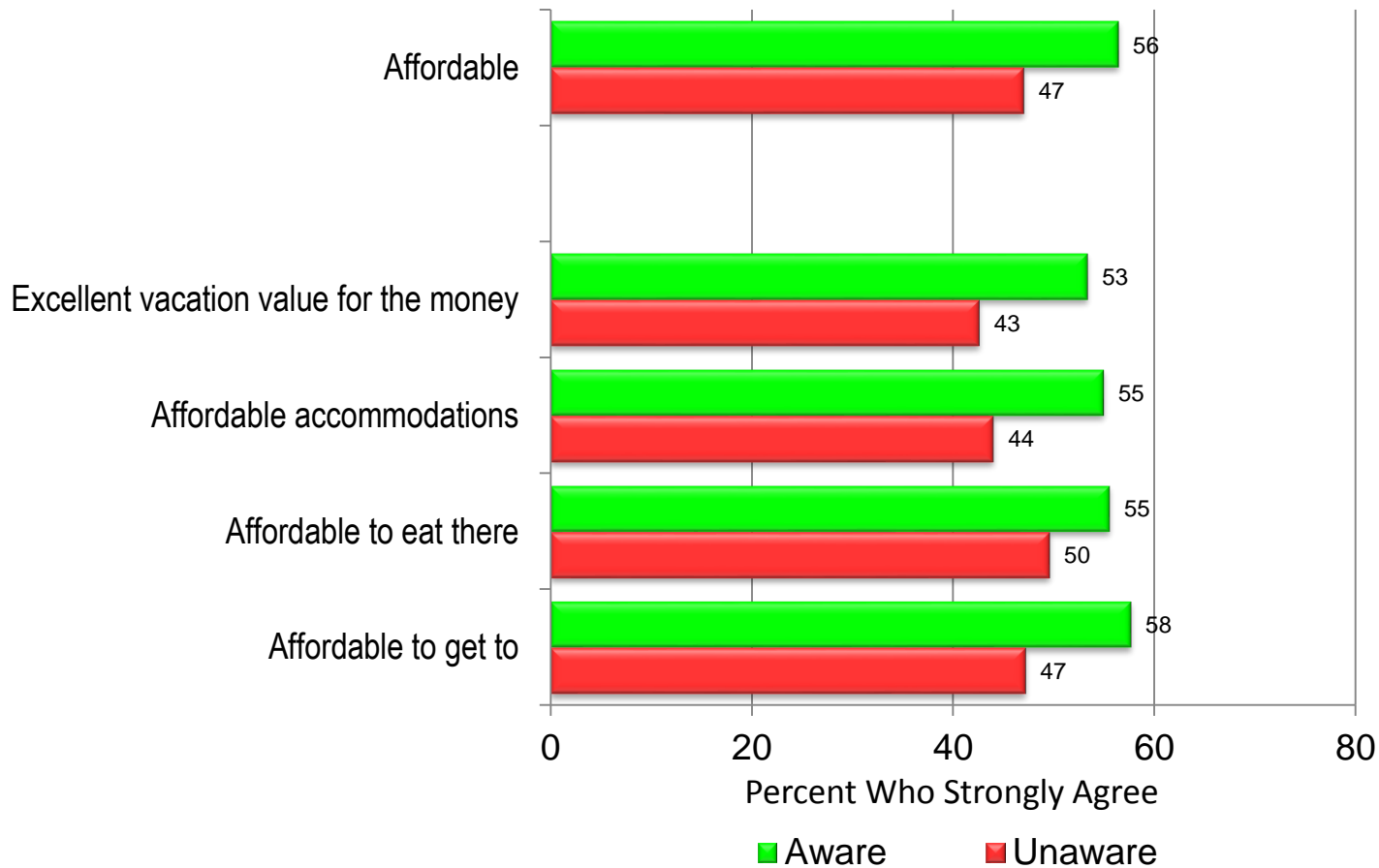
Base: Total Travelers



# North Carolina's Image — Affordable



Base: Total Travelers



# North Carolina's Image — Sightseeing



Base: Total Travelers

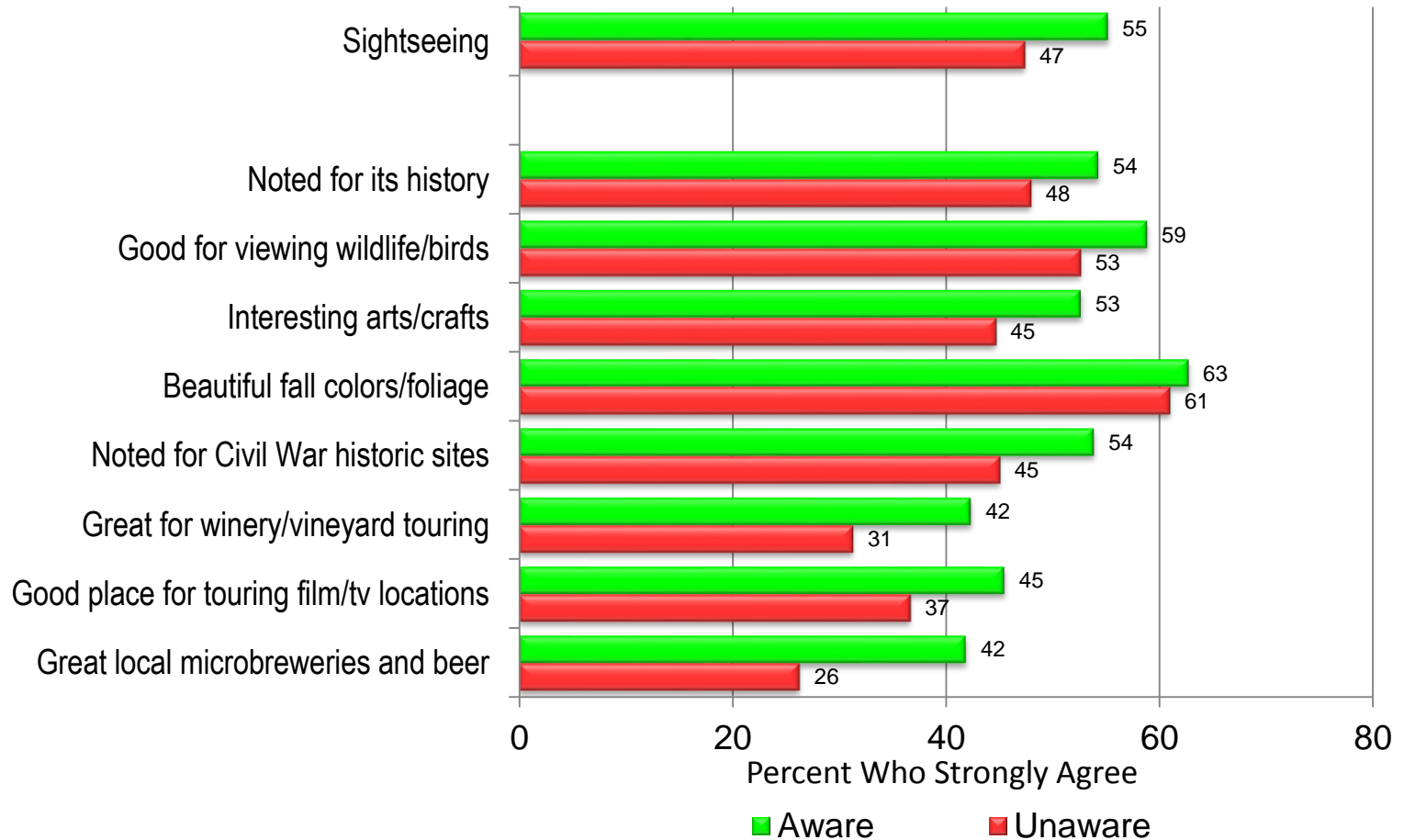


\* Circled attributes are some of the most important image hot buttons for travelers

# North Carolina's Image — Sightseeing (Cont'd)



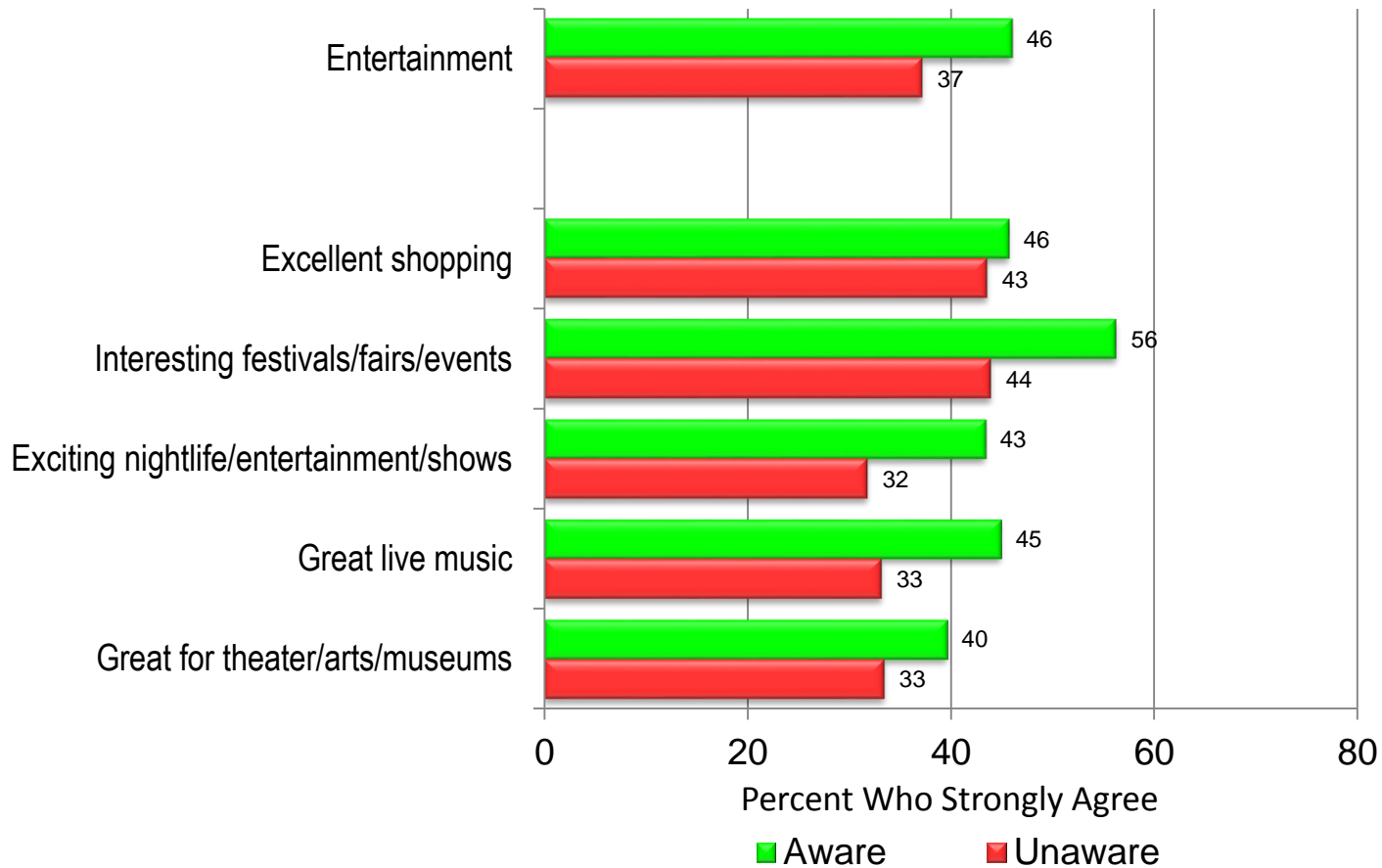
Base: Total Travelers



# North Carolina's Image — Entertainment



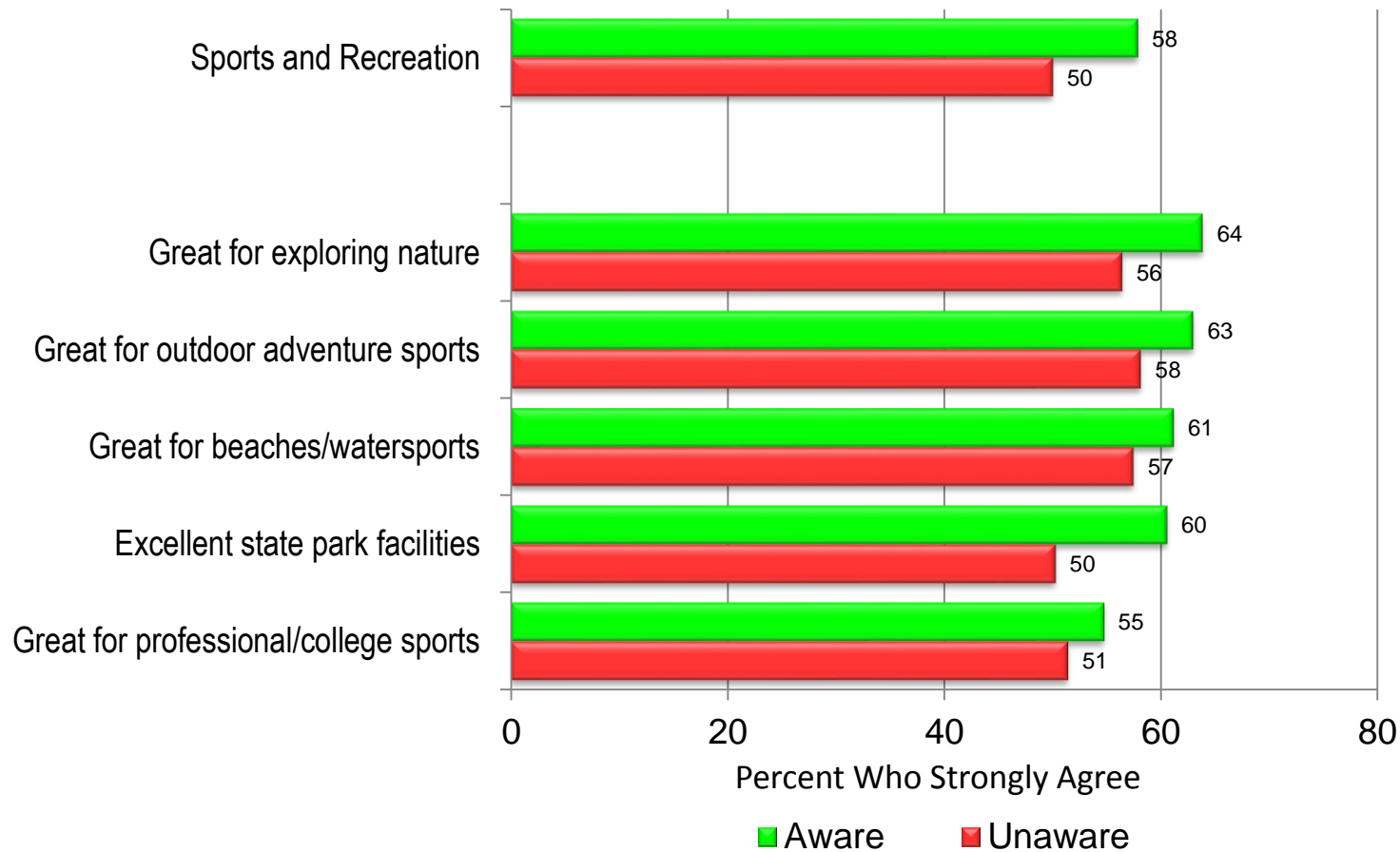
Base: Total Travelers



# North Carolina's Image — Sports & Recreation



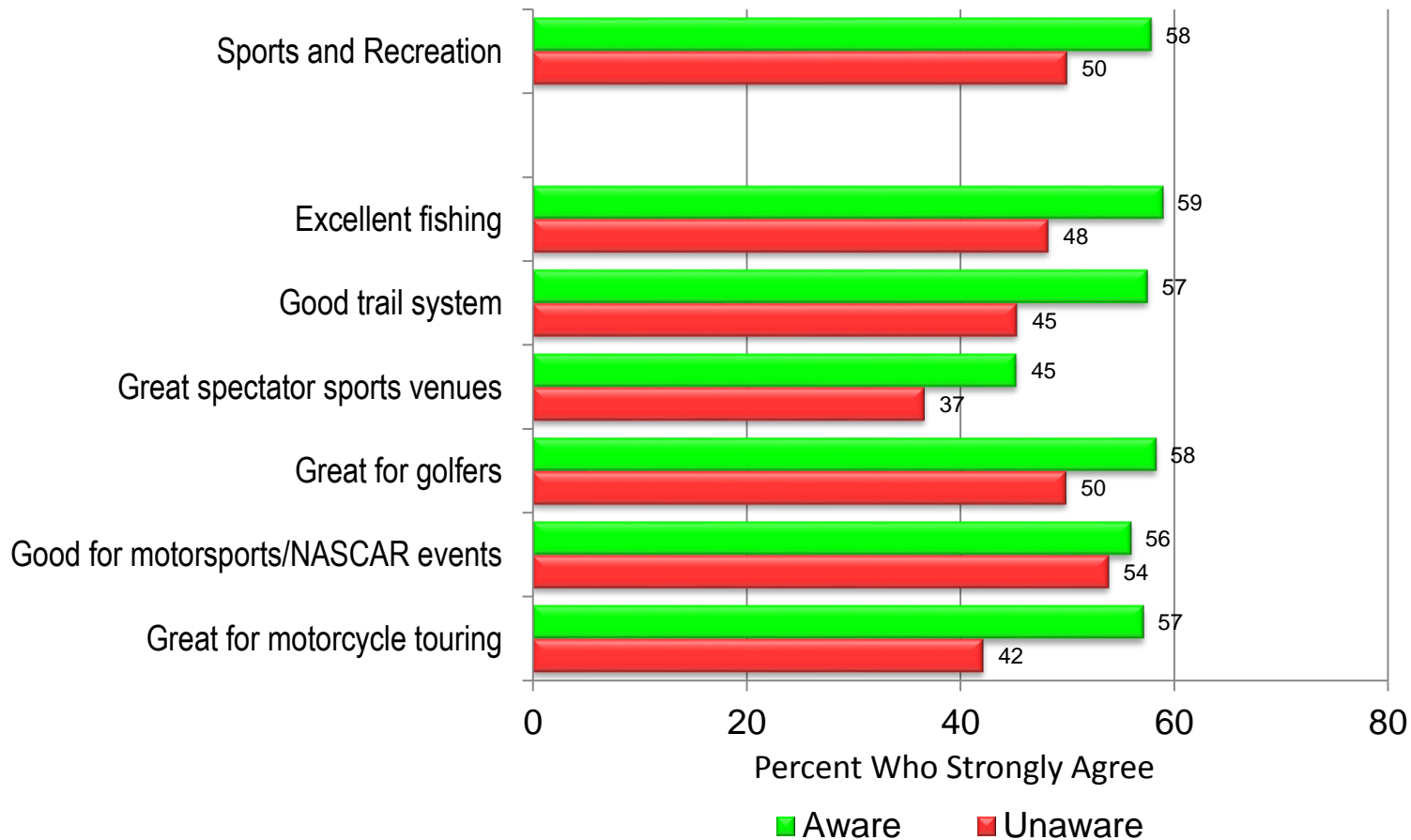
Base: Total Travelers



# North Carolina's Image — Sports & Recreation (Cont'd)



Base: Total Travelers

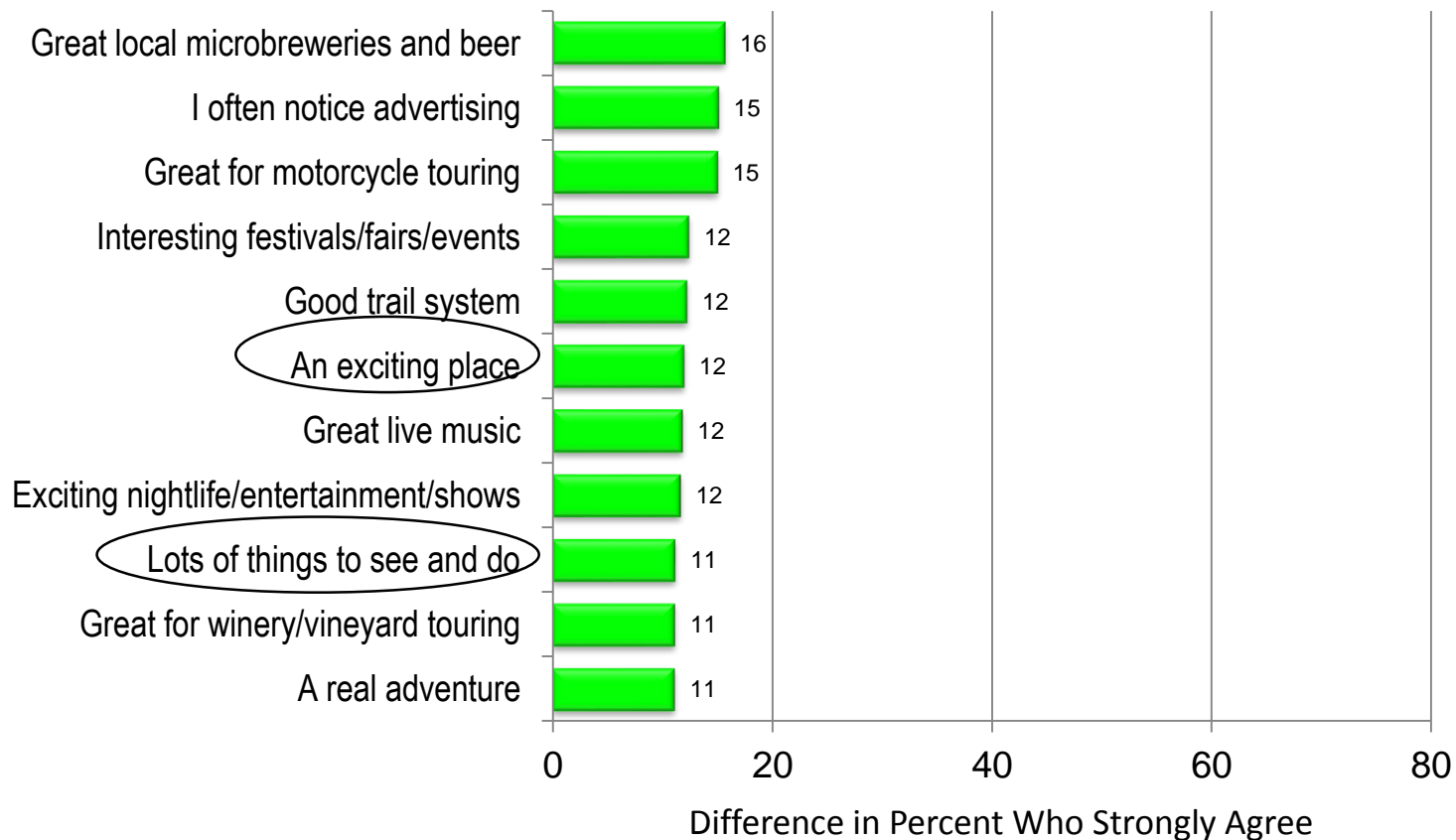




# Attributes for Which the Campaign Had the Greatest Impact



Base: Total Travelers

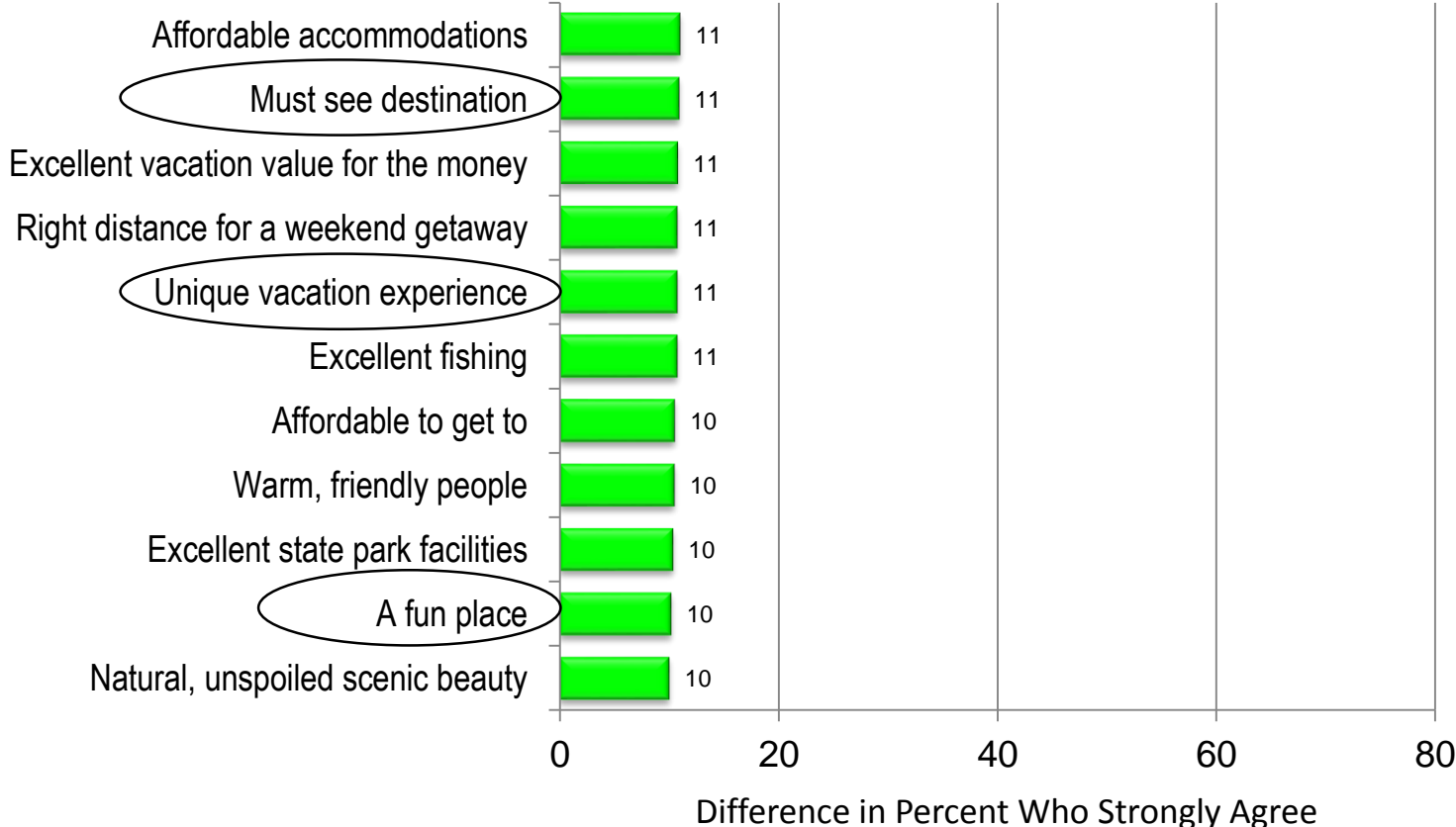


\* Circled attributes are some of the most important image hot buttons for travelers

# Attributes for Which the Campaign Had the Greatest Impact (Cont'd)



Base: Total Travelers



\* Circled attributes are some of the most important image hot buttons for travelers

# Short-Term Impacts of the Advertising

# Advertising Impacts



- ⊙ Based on Longwoods methodology, we estimate that the investment of \$1.16\*\*\* million dollars generated in the short term:
  - ⊙ *1.35 million new visitors to North Carolina who would not otherwise have come*
  - ⊙ *these incremental visitors spent approximately \$213\* million in North Carolina*
  - ⊙ *the incremental spending resulted in \$16.9 million in incremental state and local taxes\*\* or a return on investment of 15:1*
  - ⊙ *The return on investment for the primary markets is 14:1 and secondary markets 20:1.*

\*Based on Avg. Spending estimates from 2013 TNS Travels America

\*\*Based on State + Local tax rates from North Carolina (7.93%)

\*\*\*This spending represents a sample of March through June NC Brand only advertising, excluding co-ops

# Advertising Impacts



- ◉ In addition to the short term impacts, we estimate that the advertising has influenced the planning of a further 4.6 million trips to North Carolina in 2015.
- ◉ While not all of these planned trips will happen, we expect that a significant percentage will convert, adding significantly to the return on North Carolina's investment in Tourism Marketing.

# Short-Term Impacts of The Advertising



	2014
Ad Investment	\$1,156,863
Incremental Visits	1,396,702
Incremental Spending	\$213.0 M
State and Local Taxes	\$16.9M
<b>Spending ROI*</b>	<b>\$184</b>
<b>Total Tax ROI**</b>	<b>\$15</b>

- Incremental visitor spending per ad \$ invested.  
Spending is based on \$203 per person for overnight trips and \$70 per person for day trips
- \*\* Incremental taxes per ad \$ invested.

# Campaign Efficiency



	2014
Incremental Visits	1,396,702
Ad Investment	\$1,156,863
<b>Ad \$'s per Trip</b>	<b>\$1.21</b>
<b>Trips per Ad \$</b>	<b>.83</b>

# Longer-Term Impact of Advertising — Intent to Visit North Carolina



Intend to Visit North Carolina in Next 12 Months	
Overnight	2,514,121
Day	2,096,427
<b>Total Intenders</b>	<b>4,610,548</b>



# Comparison to 2010 Results

# Visitor Spending & Taxes Due To Advertising



	2014	2010
Ad Investment	\$1.2 M	\$1.2 M
Incremental Trips	1.35 M	1.17 M
<u>Generated Incremental:</u>		
Spending	\$213.0 M*	\$234.1M
Taxes	\$16.9 M**	\$20.3 M
Return on Investment (State and Local Taxes Per Ad \$ Spent)	<b>15:1</b>	<b>17:1</b>

\*Based on Avg. Spending estimates from 2013 TNS Travels America

\*\*State+Local tax rate estimate from North Carolina (7.93%)

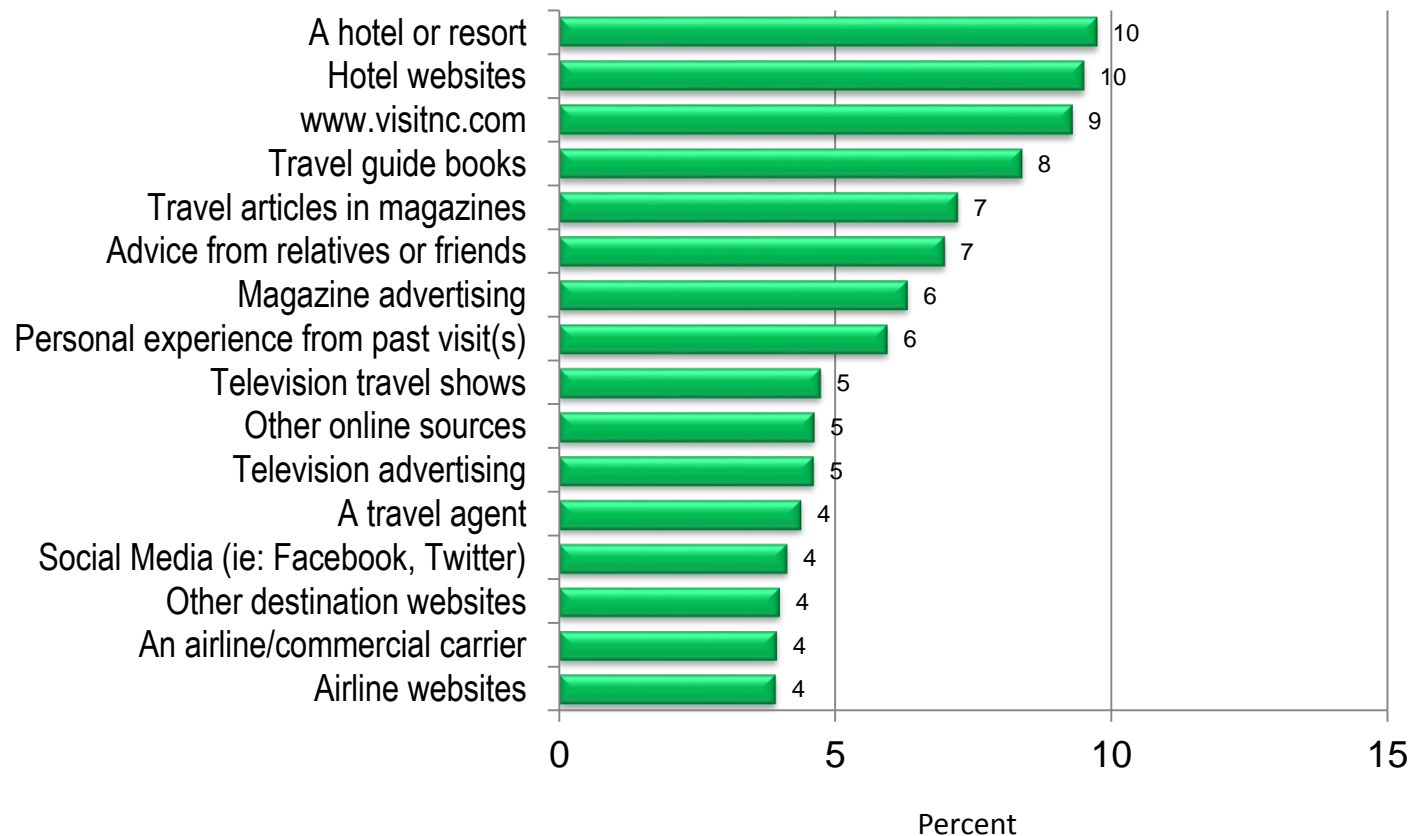
**Appendix:  
Impact of Ads on Trip  
Planning and Visiting  
[www.visitnc.com](http://www.visitnc.com)**

# Impact of Ads on Trip Planning and [www.visitnc.com](http://www.visitnc.com)

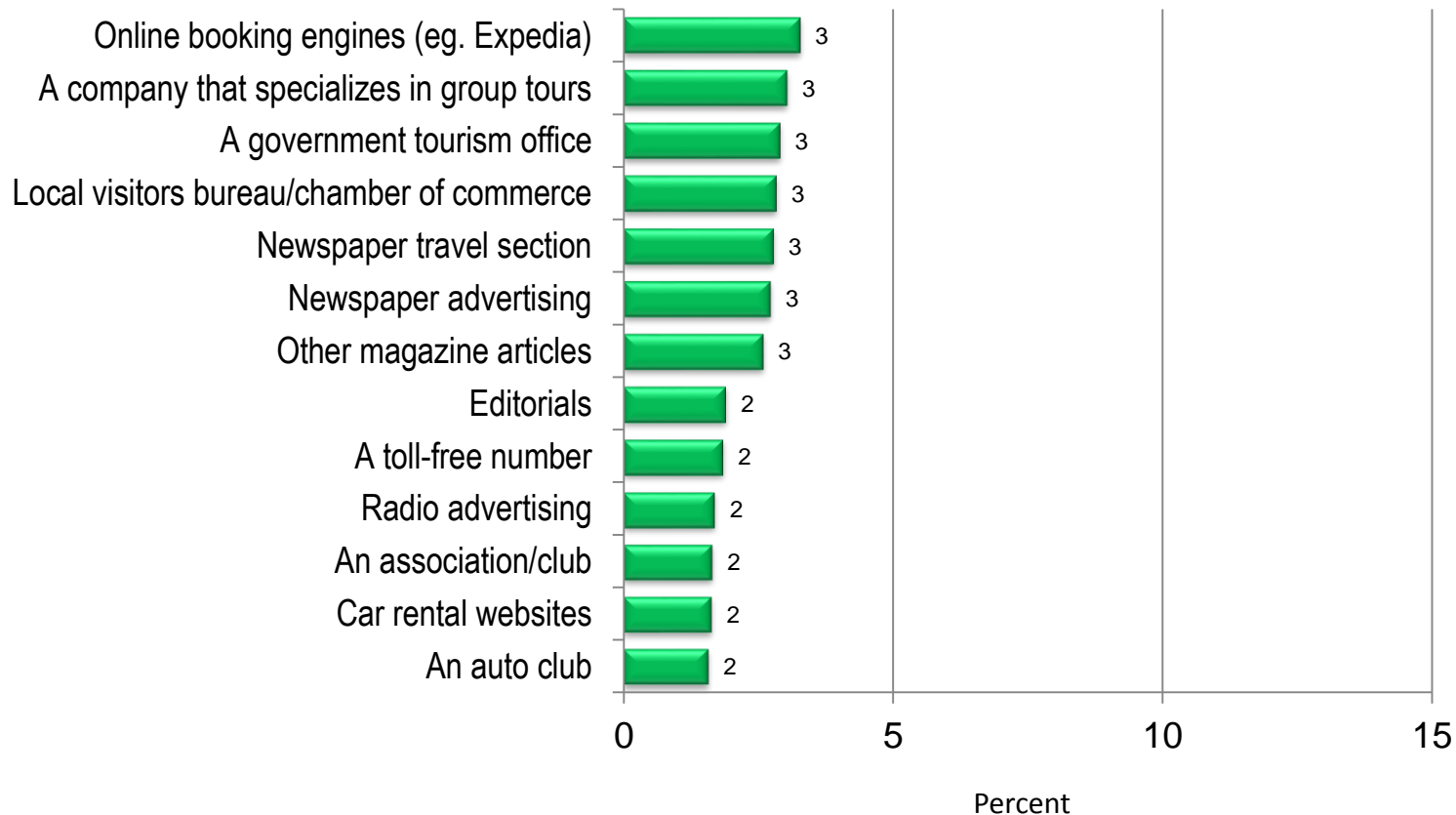


- After seeing the ads, more than six out of ten did not use any other information sources. Use of the internet was the highest information source at 23%
- 16% of the respondents visited the website. Of those who visited, over half visited 2-4 times.
- Internet search was the primary method (69%) to be introduced to the website.
- The main reason (43%) for visit was to find travel information.
- Almost two-thirds of visitors found the information very useful.

# After Seeing the Ads - Information Sources Used for Planning - Detail



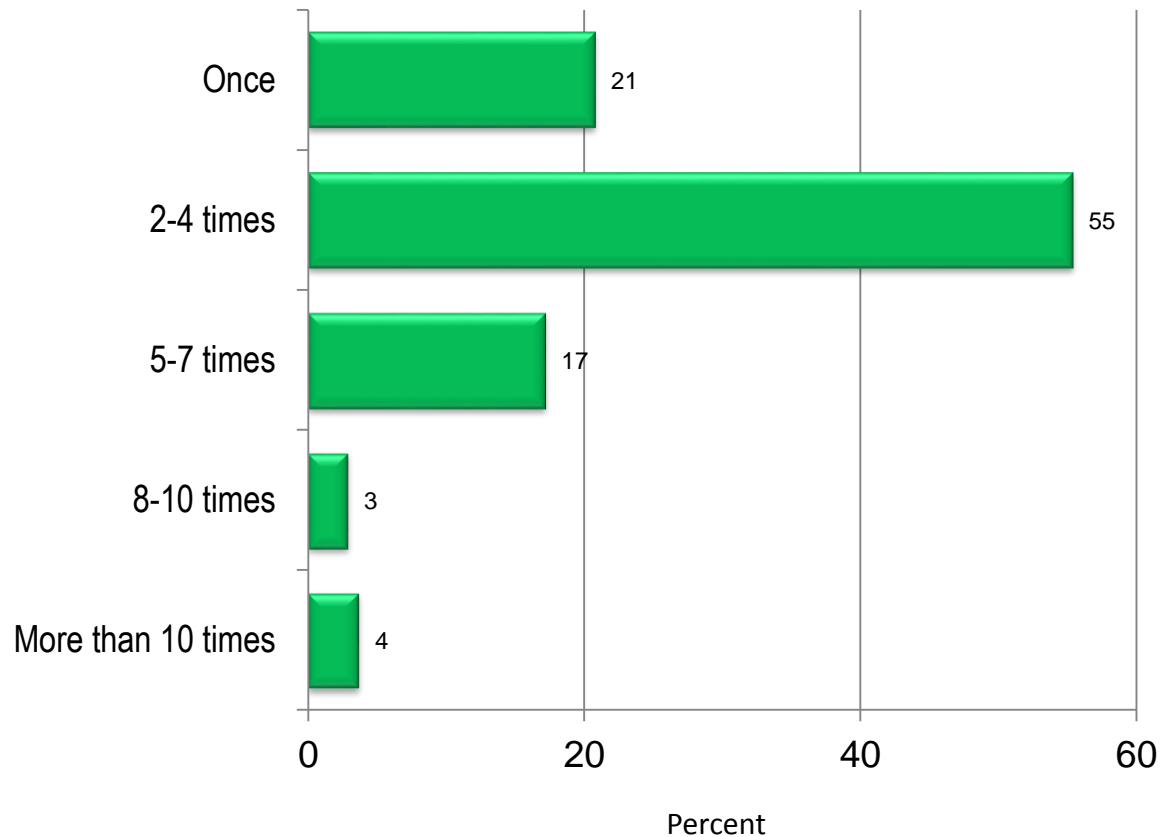
# After Seeing the Ads - Information Sources Used for Planning – Detail (Cont'd)



# Number of Times Visited Travel Website visitnc.com in 2014



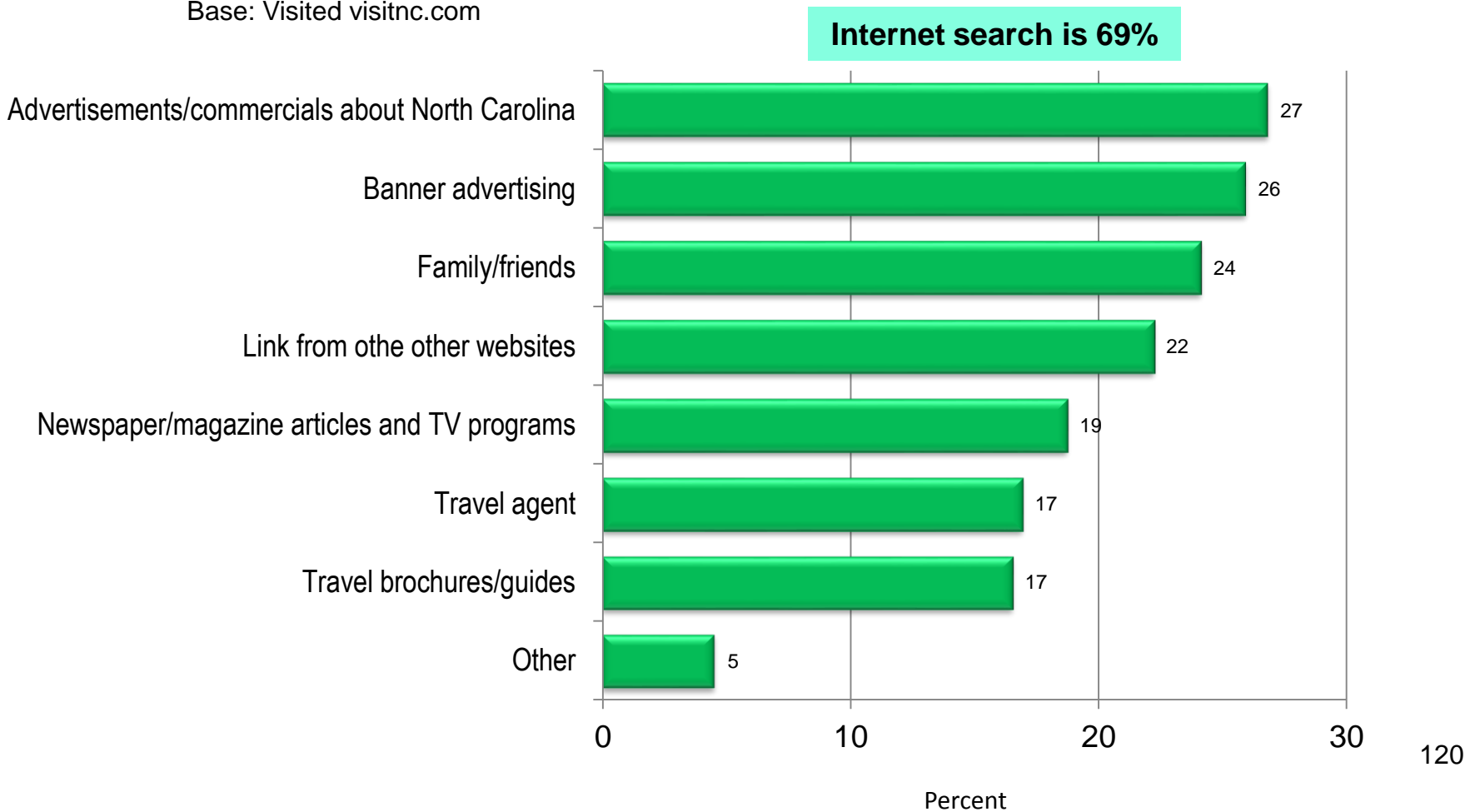
Base: Visited visitnc.com



# How Learn About visitnc.com



Base: Visited visitnc.com

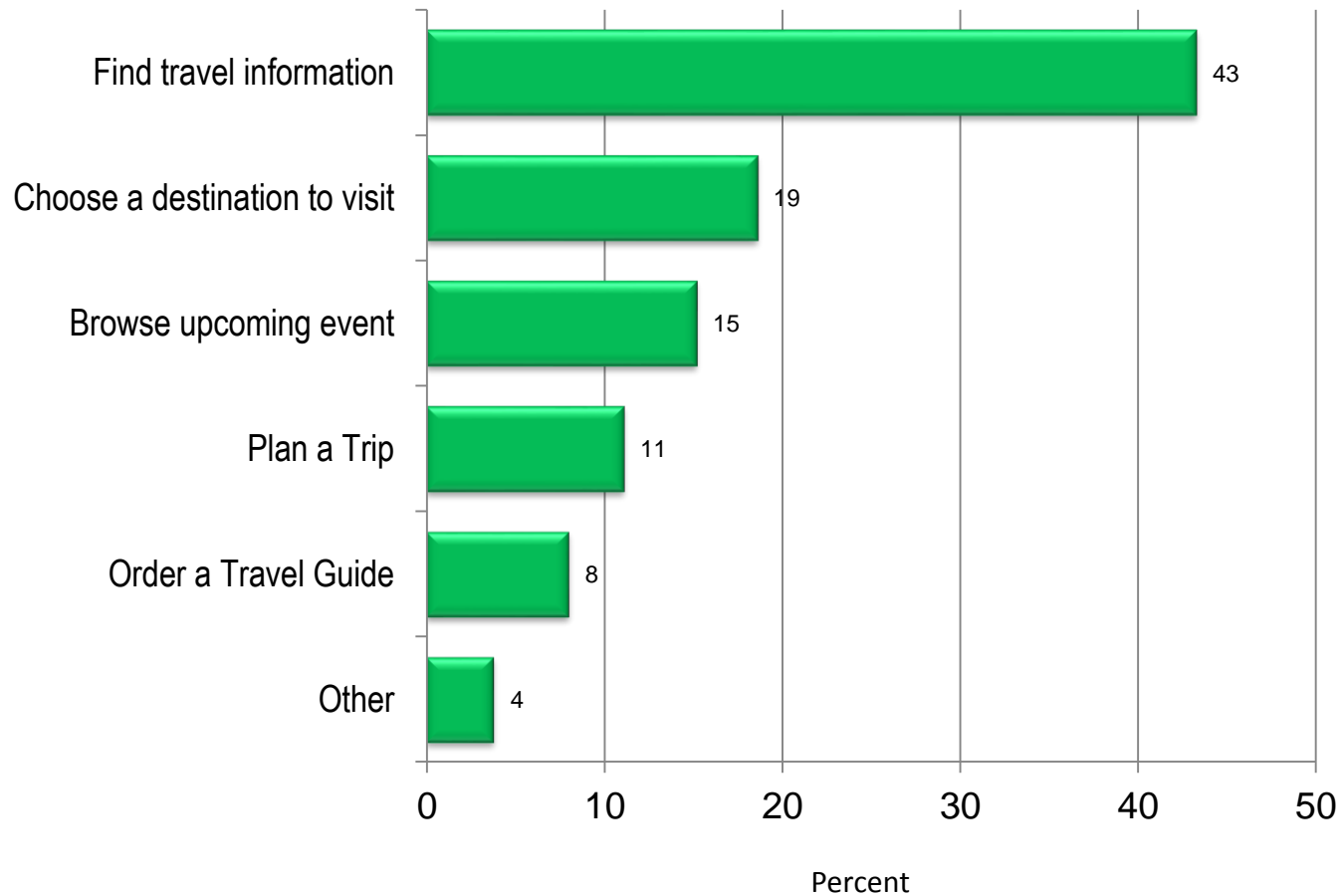




# Main Purpose for visiting visitnc.com



Base: Visited visitnc.com



# How Useful Was visitnc.com Website



Base: Visited visitnc.com

