



Utah Office of Tourism

2010-2011 Winter Advertising Effectiveness Wave 2 ROI

June 2011



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Background & Objectives

The Utah Office of Tourism (UOT) creates and implements advertising campaigns that promote Utah's great ski product. The ultimate goal of this winter advertising is to influence winter/ski trips that otherwise would not have occurred. These influenced trips bring revenue to the state, and that revenue is used to calculate a return on the marketing investment.

Winter travelers have many options, and influencing their travel decisions is a difficult job considering the always-competitive travel environment. Last year the 2009/10 winter ads had the added challenge of influencing travel during an economic recession and a lack of early-season snow. However, the ads resonated with the target audience and ultimately influenced travel. They were especially effective at bringing skiers from nearer markets and influencing repeat visitation.

The ski travel situation was much more positive for the 2010/11 season. The improving U.S. economy and record snowfalls led to a near record-setting ski travel season. The National Ski Areas Association (NSAA) announced that U.S. ski areas tallied 60.1 million skier and snowboarder visits during the 2010/11 season. This marks the second time that the ski industry has broken the 60 million visit threshold. It represents a 0.6 percent increase from last season's 59.8 million visits, and is just shy of the 60.5 million visit record set in 2007/08. Nationally, snowfall at resorts was up 27 percent this season, and was the highest recorded in 20 years. As a result, the average season operating length increased, and some resorts opened early and/or remained open beyond normal closing dates.

The continued improvement in the U.S. economy and record snowfalls led to an increase in national ski visits compared to last season

But actual travel behavior does not always correlate to incremental travel. When travel is down, advertising can often have a stronger impact while positive conditions can bring people who were not influenced by ads. Thus the key in this research effort is linking the ads to travel that would not have occurred otherwise.

UOT partnered with Strategic Marketing and Research, Inc., (SMARI) to conduct research to quantify the impact of its winter marketing efforts and identify ways to enhance future efforts. This research is conducted in two waves – the previous awareness wave and this return on investment wave. The wave 1 effort focused on the reach of the campaign, its effectiveness in communicating intended messages, and ad impact on perceptions and interest/planning. This wave 2 research quantifies the level of incremental travel generated in response to the state's marketing efforts. The specific informational objectives of Wave 2 are:

- Reviewing the wave 1 research findings to provide context for evaluating actual influenced travel;
- Evaluating the impact the advertising had on Utah winter/ski travel;
- Reviewing Utah trip specifics;
- Gauging the economic impact of the advertising campaign;
- Calculating the return on investment achieved from the advertising campaign;
- Examining tactical issues such as ad timing, media overlap impact, visitor demographics, and use of social networking; and
- Providing conclusions and recommendations relative to the marketing efforts of the Utah Office of Tourism.

Methodology

SMARI has developed an advertising effectiveness research methodology based on how consumers make travel decisions. The table below outlines each step of the process and the measure used to evaluate the effectiveness of a destination’s marketing efforts. The wave 1 research detailed the first four steps of the process through measures of advertising awareness, creative evaluation, campaign impact on perceptions, and campaign impact on interest in visitation. This wave 2 research focuses on the final step: measuring the level of travel that would not have occurred without the advertising campaign.

Influence Process		Measure
Exposure	➡	Advertising Awareness
Messaging	➡	Creative Evaluation
Shift in Attitudes	➡	Campaign Impact on Perceptions
Build Interest	➡	Campaign Impact on Interest in Visitation
Generate Travel	➡	Incremental Travel

The wave 2 data was collected between April 26th and May 3rd, 2011 – shortly after ski season ended. UOT aired the winter television campaign on national cable during January 2011 and did not invest any additional Los Angeles spot dollars as in the past. However, UOT was still interested in gauging the national campaign’s awareness and impact in Los Angeles. Thus, survey quotas were set for these two markets. In total, 1,344 wave 2 interviews were completed.

Market	Completed Surveys
Los Angeles	265
National	1,079
Total	1,344

The basis of this research is the assumption that the impact of the advertising can be assessed by comparing the attitudes and behavior of those who have not seen the advertising to those who have. For this to work, it is necessary to accurately assess advertising recall. Thus, SMARI utilizes an online survey that allows the respondents to view the ads used in the campaign. Respondents were pre-screened for interest in skiing/snowboarding and also screened to be responsible for travel decision-making in their household, have an interest in snow vacations, and to have taken at least one overnight leisure trip in the past year at least 50 miles from their home.

Upon completion of the data-collection process, an SPSS dataset was compiled for analysis. The overall survey results were weighted to be representative of the target market qualified household populations. The following report details the key findings from wave 2. A copy of the questionnaire and the ads appear in the Appendix.

The Advertising Campaign

Overall campaign performance depends on the media used, the message delivered, and the dollars invested. As such, a review of the media, the creative execution, and campaign spending with comparisons to previous efforts provides the necessary context for interpreting the results of this research.

The 2010/11 winter television campaign featured updated creative but continued to use the humorous snowflake people and to convey the message that Utah has “the greatest snow on earth” that is “less than an hour from Salt Lake International Airport.” The new ads did not communicate the “best ski vacation value” that was used last year.

The 2010/11 Ski Utah print ads were also updated. They continue to use the snowflake people and invite viewers to check out Utah’s “white sale” at skiutah.com, but the pictures and layout were updated. A pull-out cover ad, a two page spread ad, and winter vacation guide polybag with Ski Magazine were also employed.

The 2010/11 online campaign is the most different from last year. UOT did not produce any online ads this year; rather Ski Utah provided the online ads, which have a similar look and feel to the print creative. These ads also promote Utah’s “white sale” and “ski trip deals.”

The table shows campaign expenditures for the past three winter campaigns as well as the percentage change from 2009/10 to 2010/11. UOT spent slightly more on the cable TV effort and slightly more overall when accounting for its contribution to the Ski Magazine efforts. Ski Utah’s investment increased significantly due to the addition of the online ads and the Ski Magazine efforts. The total combined UOT and Ski Utah investment increased slightly.



	2008-2009	2009-2010	2010-2011	% Change
TV - National Cable	\$1,311,980	\$1,004,751	\$1,080,388	8%
TV - L.A. Spot	\$272,200	\$52,000	\$0	
Total TV	\$1,584,180	\$1,056,751	\$1,080,388	2%
UOT Online	\$107,538	\$121,407	\$0	
Pull-Out Cover & Spread Ski Mag			\$87,000	
Vacation Guide Polybag w/ Ski Mag			\$50,000	
Total UOT Investment	\$1,691,718	\$1,178,158	\$1,217,388	3%
Ski Utah Online	\$0	\$0	\$182,955	
Ski Utah Print	\$413,400	\$259,000	\$180,000	-31%
Pull-Out Cover & Spread Ski Mag			\$113,000	
Total Ski Utah Print	\$413,400	\$259,000	\$293,000	13%
Total Ski Utah Investment	\$413,400	\$259,000	\$475,955	84%
Total Combined Investment	\$2,105,118	\$1,437,158	\$1,693,343	18%

Creative Evaluation & Awareness

Creative Evaluation

If the advertising does not resonate with the target audience, then it is not likely to have the desired impact – and incremental travel might not occur. Thus, gauging the target audience’s reaction to the creative is important for guiding future development as well as providing context for interpreting the results of this current research. In January 2011, SMARI conducted qualitative and quantitative advertising testing on UOT’s past four winter and non-winter television campaigns. The 2009/10 winter television campaign featuring the snowflake people received the highest ratings of any campaign tested in terms of capturing attention and generating interest in visiting Utah. Somewhat surprisingly given the strength of that snowflake campaign, the 2010/11 snowflake campaign received significantly lower ratings.

The individual ad ratings showed that the 2010/11 “Skier” ad performed well, while the “Hot Tub” ad did not resonate with the target audience. The key findings were that the product is the most crucial element of the ad and the use of inviting pictures is critical to a successful campaign. But visuals alone cannot differentiate Utah from its competitors. The snowflakes are a good way to differentiate Utah and they do capture attention, but they should be used sparingly. In other words, using the snowflakes to convey information is not effective. Instead, they should be used to capture attention and provide a humorous aspect to the ads.

The first wave of this advertising effectiveness research also evaluated the strength of the 2010/11 winter campaign in terms of the ads’ ability to communicate the intended messages and generate interest in visiting the state.

After viewing Utah’s ads and competitive ads, respondents rated the campaigns on a 5-point scale in terms of effectiveness at communicating a set of intended messages. Two groups of attributes were used in the process:

- 1) Communication Attributes**, which focus on key messages. Through testing hundreds of destination ads, SMARI finds that a rating of 4.0 or higher on communication attributes indicates excellence. The goal is 3.75 or better, though 3.5 or better is good. A score below 3.0 indicates notable weakness.
- 2) Impact Attributes**, which focus on the ability of the message to generate greater interest in visiting the destination. SMARI has found that it is

harder to influence behavior than it is to influence perceptions, so the goal for impact attributes is 3.5.

Communications Ratings	Impact Ratings
4.0 Considered Excellent. Rating is in the top 10% of all communication ratings.	3.7 Considered Excellent. Rating is in the top 10% of all impact ratings.
3.75 Goal Rating. Resides in the top 25% of all communication ratings	3.5 Goal Rating. Resides in the top 25% of all impact ratings
3.5 Considered Good. Rating is average compared to historic norms.	3.3 Considered Good. Rating is average compared to historic norms.
3.0 Notable Weakness. Rating is in the bottom 15% of all communication ratings.	3.0 Notable Weakness. Rating is in the bottom 15% of all impact ratings.

The ratings suggested that the 2010/11 Utah winter campaign was effective at communicating intended messages, as most attributes were rated above the “good” threshold. *Beautiful scenery, appealing skiing, appealing destination, and dramatic landscapes* were rated in the “excellent” range. The ads also seemed to generate interest in visiting Utah or at least interest in learning more about the state as a travel destination.

Communication Attributes	Avg. Rating
With beautiful scenery	4.3
That offers appealing skiing/snowboarding opportunities	4.2
That is an appealing destination for a winter vacation	4.2
With dramatic landscapes	4.1
That is challenging	3.8
That has outdoor adventure for all levels	3.8
That is elevating	3.7
That offers high end amenities and services	3.6
That has something surprising or unexpected	3.6
That is luxurious	3.5
With lots of national parks	3.4
That has lots of activities for kids	3.2
That has diverse cultural and historic opportunities	2.9

← Excellent Ratings

← Goal Ratings

← Good Ratings

Impact Attributes	Avg. Rating
Want to visit the state	3.6
Want to learn more about things to see and do in the state	3.6
Want to go to the state website or request a brochure from the state	3.4

← Goal Ratings

← Good Rating

From this evaluative perspective the 2010-2011 Utah winter campaign was effective at communicating intended messages and generating interest in visiting

However, as noted, previous research has shown that the 2010/11 television ads were not as strong as the 2009/10 ads. The results of the first wave of this research agree with the previous ad test. The table shows that while most ratings declines were not significant individually, the overall trend of slight drops across the board suggested this year's ads did not resonate as strongly with the target audience.

The 2010/11 ads rated slightly lower than the 2009/10 campaign across the board

Communication Attributes	2009-2010	2010-2011	Change
With lots of national parks	3.4	3.4	0.1
That is an appealing destination for a winter vacation	4.2	4.2	0.0
That has something surprising or unexpected	3.6	3.6	0.0
That offers appealing skiing/snowboarding opportunities	4.3	4.2	0.0
That is elevating	3.8	3.7	-0.1
That has diverse cultural and historic opportunities	2.9	2.9	-0.1
With beautiful scenery	4.3	4.3	-0.1
That is challenging	3.9	3.8	-0.1
With dramatic landscapes	4.2	4.1	-0.1
That is luxurious	3.6	3.5	-0.1
That has lots of activities for kids	3.4	3.2	-0.2
That offers high end amenities and services	3.7	3.6	-0.2
That has outdoor adventure for all levels	4.0	3.8	-0.2

The ratings and change numbers are rounded

Impact Attributes	2009-2010	2010-2011	Change
Want to learn more about things to see and do in the state	3.6	3.6	0.0
Want to go to the state website or request a brochure from the state	3.4	3.4	-0.1
Want to visit the state	3.7	3.6	-0.1

The ultimate measure of effective advertising is its ability to generate incremental travel, which will be quantified later in this report. A requisite travel step is gathering information about the destination. Exposure to the 2010/11 Utah winter campaign did have a positive impact on all information-gathering behaviors, especially website visits. While website analytics show that site visits declined this winter season, we must remember that overall ad awareness declined. Thus, the ads could have had a positive impact on website visits while total visits still declined. Overall, those who saw any of the Utah ads were nearly three times as likely to gather any information about Utah travel. Also encouraging, the increments were on par with those measured last year, despite lower-rated ads.

The 2010-2011 ads were effective at influencing information gathering

Information Gathering Behavior	Unaware	Aware	Increment	Increment Last Year
Visited state website	8%	23%	14%	16%
Called state 800 number	0%	2%	1%	2%
Requested information using other method	6%	15%	9%	7%
Gathered any Utah information	13%	35%	21%	20%

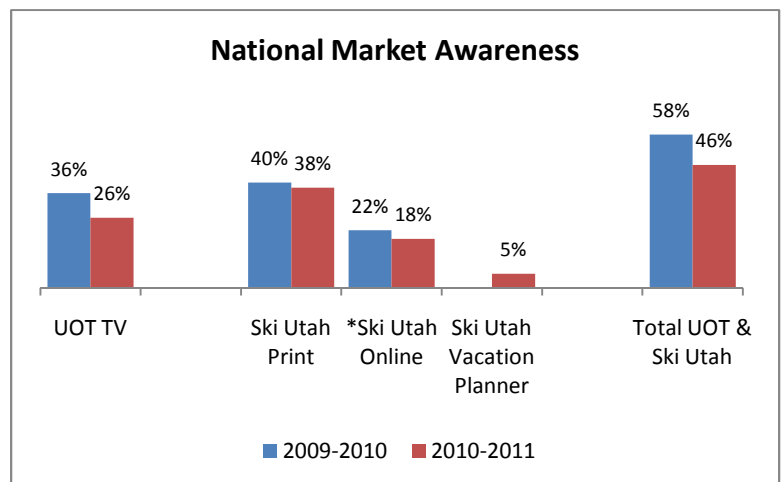
Awareness

A key measure of effective advertising is its ability to reach the target audience, given that potential visitors must obviously be exposed to the message before it can influence them to travel. In addition, only those who recall the ads “count” in the final measure of incremental travel, making this measure critical to a campaign’s success.

Similar spending on new and potentially less impactful creative led to an overall awareness decline

First, consider the awareness achieved in the National market.

Television awareness declined significantly, while print and online awareness dipped slightly. Overall, when accounting for the UOT and Ski Utah ads, awareness declined from 58% to 46% in the national market. While the combined investment was slightly higher than last year, the awareness declines could be due to several factors including competition, the appeal of the ads, or media placement decisions.



The previous ad test and the first wave of this research suggested that the 2010/11

winter ads were less appealing. Reviewing the demographic profiles of Utah winter/ski visitors and those reached with the advertising is a way to assess the potential impact of media placement. UOT targets an upscale audience – going after adults ages 35 to 54 with household income of \$75K or above and children at home.

The 2010/11 Utah winter advertising was more effective at reaching the target demographic, which could actually help to explain the awareness declines

Research has suggested that past Utah winter advertising has reached an audience that is less affluent and educated than those who visited the state for a winter trip. This year there is still some “gap” in terms of average income and education levels of those reached with advertising versus winter visitors, but the gap is less severe than what was observed last year. This change may help to explain the lower awareness level. Changes in the media plan may have resulted

in more effectively reaching the more affluent target audience, but in doing so less of the “general” audience was reached. There is clearly a trade-off between reaching the target demographic and obtaining a broad reach. The ultimate measures of incremental travel and ROI are assessed later in this report and will reveal if this trade-off worked in UOT’s favor.

Demographics	Utah Winter Visitor 2010/11	Non-Visitor	Reached with Advertising 2010/11	Utah Winter Visitor 2009/10	Reached with Advertising 2009/10
Avg. Income	\$110,672	\$96,706	\$98,101	\$112,664	\$90,108
College or more	80%	80%	78%	88%	78%
Avg. Age	39	43	44	40	40
Married/Domestic Partnership	82%	67%	70%	66%	66%
Any kids at home	38%	33%	34%	35%	36%

The measure of reach efficiency, or cost per aware household, is a fair year-to-year performance comparison measure, as it normalizes the data relating to both the media expenditures and the size of the target audience. The 2010/11 UOT television campaign cost \$0.14 to reach a target household, an increase from the \$0.10 cost last year, suggesting this year’s effort was slightly less reach-efficient. However, the 2010/11 television campaign was more efficient than the 2008/09 effort. SMARI has collected a wealth of tourism advertising awareness data and estimates that the average cost to reach an aware household with a national cable effort is \$0.25, implying the 2010/11 UOT television campaign reached the target audience more efficiently than expected.

UOT TV Cost Per Aware HH	2008-2009	2009-2010	2010-2011
Qualified HHs	21,066,397	27,792,030	27,806,265
Awareness of UOT ads	39%	37%	27%
Aware HHs	8,312,601	10,201,823	7,562,560
UOT TV Expenditures	\$1,584,180	\$1,056,751	\$1,080,388
Cost per UOT aware HH	\$0.19	\$0.10	\$0.14

The advertising efforts were slightly less cost-efficient than last year, but more efficient than SMARI’s benchmarks

When accounting for all UOT and Ski Utah advertising, the cost to reach a target household with the 2010/11 campaign was \$0.13, which again is slightly higher than last year but more efficient compared to the 2008/09 campaign and historical benchmarks.

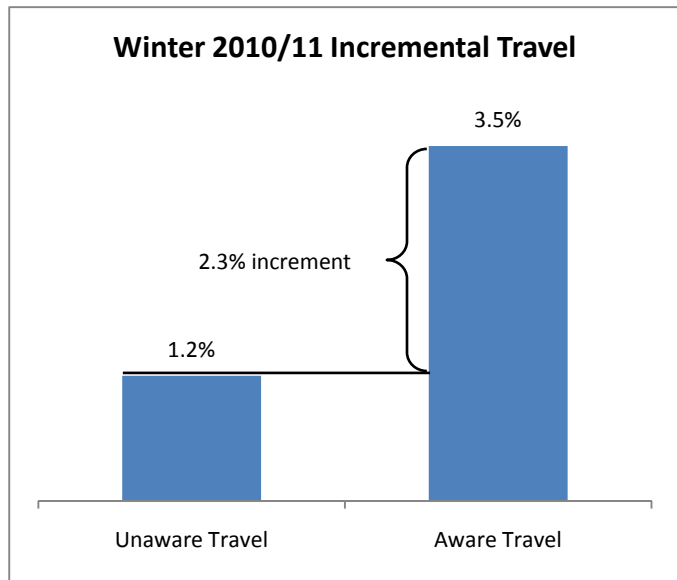
Total Cost per Aware HH	2008-2009	2009-2010	2010-2011
*Qualified HHs	21,066,397	27,792,030	27,806,265
Total UOT and Ski Utah Awareness	47%	58%	47%
Total Aware HHs	9,883,465	16,235,842	13,189,880
Total Media Expenditures	\$2,105,118	\$1,437,158	\$1,693,343
Total Cost per aware HH	\$0.21	\$0.09	\$0.13

*The number of qualified households used in wave 1 differs from the number of "snow traveling households" used to calculate incremental trips and ROI because the NSAA estimate of national ski visits is not released at the time of the wave 1 research.

Incremental Travel

The fundamental objective of this research effort is to quantify the impact that Utah winter advertising had in terms of generating incremental travel, visitor expenditures and return on investment. Incremental travel is the level of travel that would not have occurred without the advertising and is determined by comparing the ad-aware and unaware populations. The unaware group acts as a baseline or control. It is assumed that the level of travel among this unaware group would have occurred without any advertising. The aware group is the test case. Any additional travel above the baseline among those aware of the advertising is considered incremental. Consistent with previous measurements, only trips for which the main purpose was to go snow skiing, snowboarding or snowmobiling are considered when measuring the advertising impact.

The 2010/11 Utah winter advertising generated 2.3% incremental travel, which is higher than the 1.8% increment generated last year despite ads that received lower evaluative ratings and generated lower recall. The improving economy and record snowfalls likely played a role in this result, but the impact of the advertising should not be discounted. The bottom line is that the 2010/11 winter ads did generate travel. Next we will use this incremental travel percentage to quantify the number of trips generated as well as the economic impact and return on investment.



	Winter 2009/10	Winter 2010/11
Incremental Travel %	1.8%	2.3%

The 2010/11 Utah winter advertising generated 2.3% incremental travel – an increase over the 1.8% realized last year

Economic Impact & ROI

The survey gathered Utah winter visitor expenditures, which are applied to the number of influenced visits to estimate the economic impact of the advertising. As shown in the table, total visitor expenditures increased from last year. Visitors spent more on average on lodging, food, entertainment and shopping, which is somewhat expected given the improving U.S. economy. Also helping to explain higher visitor spending are larger travel parties and longer stays. The average travel party this winter consisted of 3.8 people compared to just 2.9 people last year. The average trip length increased from 4.2 nights to 4.4 nights.

The improving economy, larger travel parties, and longer stays led to higher average trip expenditures

Snow Trip Expenditures	2009/10	2010/11
Lodging/accommodations	\$359	\$440
Meals/food/groceries	\$211	\$312
Snow skiing/snowboarding	\$260	\$258
Other entertainment/attractions or recreation	\$75	\$121
Shopping	\$110	\$134
Entertainment such as shows, theater or concerts	\$65	\$37
Other	\$20	\$25
Total Visitor Expenditures	\$1,100	\$1,327

	2008/09	2009/10	2010/11
Avg. # people in travel party	3.0	2.9	3.8
% of parties with kids	24%	39%	30%
Avg. # nights spent in Utah	4.4	4.2	4.4

Ski trip activities can also help to explain some changes in visitor spending. For instance, the higher incidence of fine dining helps to explain higher visitor expenditures on food. Another interesting finding from reviewing trip activities is that this year's visitors seem to be less "avid" skiers. Last year in the tough economic climate there was evidence those who did visit were more avid skiers who came from nearby markets. This year, as the economy improves, we see evidence of less avid ski visitors, including less skiing overall and more ski lessons.

Utah Winter/Ski Trip Activities	2009/10	2010/11
Snow skiing/snowboarding	82%	76%
Shopping	39%	67%
Fine dining	23%	53%
Snow ski/snowboarding lessons	11%	31%
Après ski entertainment and nightlife	8%	11%

Critical to the assessment of economic impact and return on investment is establishing a base of traveling households. SMARI uses the National Ski Area Association’s estimate of national ski visits as a starting point. This year the NSAA estimated 60.1M total national ski visits. This is translated into 15.9M unique household visits by dividing by 2.7 people per household and then by 1.4 ski trips on average.

Despite this larger household base, lower campaign awareness resulted in fewer aware households compared to last year. However the higher incremental travel percentage ultimately yielded more incremental traveling households. Applying the average visitor expenditures to these incremental trips reveals that the 2010/11 winter advertising efforts generated about \$230M in travel revenue for the state. The return on the media buy is \$136 in travel revenue for each dollar spent on advertising – an increase over the \$126 ROI realized from the 2009/10 winter campaign.

The advertising also resulted in \$10.8M in state tax revenue and \$7.5M in local tax revenue. This yields a return of \$6 in state tax revenue for every dollar spent on advertising and \$4 in local tax revenue for every dollar spent – equivalent to that realized last year.

The 2010/11 Utah winter advertising efforts generated \$230M in travel revenue for the state, which is a return of \$136 for every dollar spent on advertising. The state tax ROI and local tax ROI are \$6 and \$4, respectively

	2009/10 Winter Campaign	2010/11 Winter Campaign
Snow traveling HHs	15,600,000	*15,900,000
Awareness (Incl. Ski Utah)	58.4%	47.4%
Aware snow traveling HHs	9,113,266	7,536,600
Incremental Travel %	1.8%	2.3%
Incremental traveling HHs	164,067	173,342
Average trip expenditures	\$1,100	\$1,327
Economic Impact	\$180,544,041	\$230,024,834
Total media spending (Incl. Ski Utah)	\$1,437,158	\$1,693,343
ROI	\$126	\$136
State taxes generated	\$8,485,570	\$10,811,167
State tax ROI	\$6	\$6
Local taxes generated	\$5,867,681	\$7,475,807
Local tax ROI	\$4	\$4

* This number is derived from the NSAA estimate of 60.1M national ski visits during the 2009-2010 season

(60.1MM visits/2.7 people per HH/1.4 avg. ski visits per year)

Those who visited Utah for a snow trip during winter 2010/11 took an average of 1.5 trips. When these repeat trips are considered the ROI, state tax ROI and local tax ROI are \$197, \$9 and \$6, respectively.

	2009/10 Winter Campaign w/repeat trips	2010/11 Winter Campaign w/repeat trips
Incremental traveling HHs	164,067	173,342
Avg. number of trips	1.4	1.45
Total incremental trips	226,000	251,346
Average trip expenditures	\$1,100	\$1,327
Economic Impact	\$248,696,797	\$333,536,142
Total media spending (Incl. Ski Utah)	\$1,437,158	\$1,693,343
ROI	\$173	\$197
State taxes generated	\$11,688,749	\$15,676,199
State tax ROI	\$8	\$9
Local taxes generated	\$8,082,646	\$10,839,924
Local tax ROI	\$6	\$6

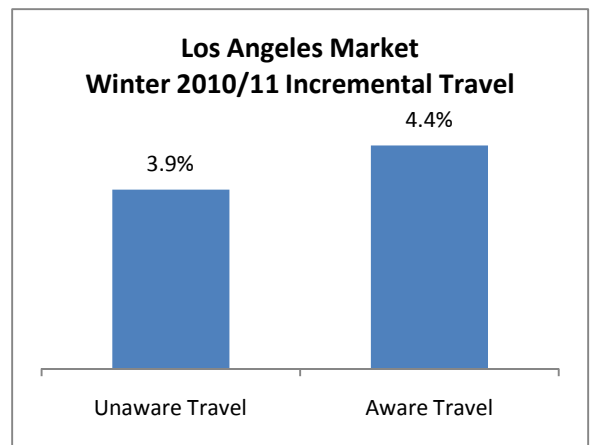
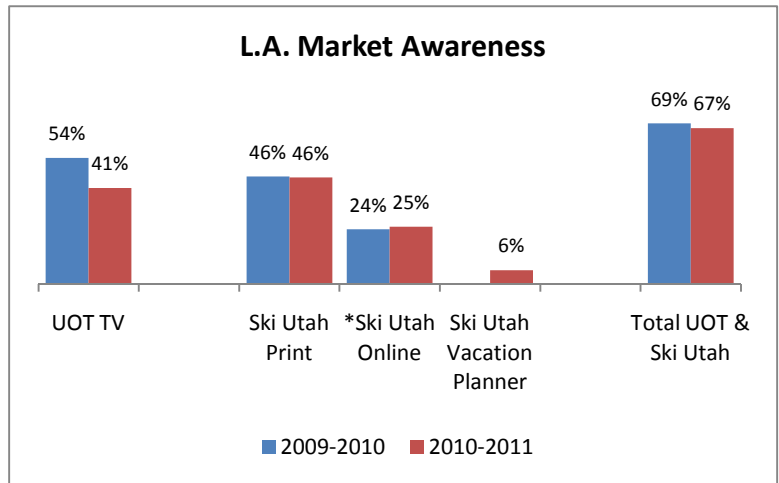
Accounting for repeat visits yields an ROI, state tax ROI, and local tax ROI of \$197, \$9, and \$6 respectively

Los Angeles Impact & Media Overlap

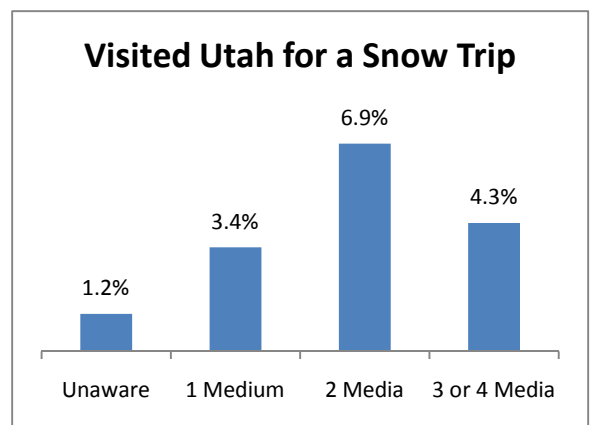
While no spot advertising dollars were dedicated to the Los Angeles market, UOT was interested in gauging the advertising impact here. The campaign reached about two-thirds of the Los Angeles target audience. TV awareness declined from last year, which is not surprising given no spot spending. Print and online awareness remained stable, as did overall awareness – which would seem to support the decision to eliminate spot spending.

However the incremental travel generated from in Los Angeles declined significantly to 0.5% from 5.0% last year when UOT specifically targeted Los Angeles with spot advertising. While the level of awareness was essentially unchanged, the level of media overlap did decline. This year 49% the Los Angeles audience who were aware of any ads saw multiple media. Last year 56% saw multiple media. Exposure to multiple media historically has a significant positive impact on travel.

This seems to be the case with the 2010/11 Utah winter advertising. Those aware of multiple media had a higher rate of Utah travel than those aware of just one medium. While there is a decline from two media to three or four media, the rate of travel among this group is still higher than the group that saw just one medium. The bottom line is that synergies are achieved when the target audience is exposed to multiple media, and thus UOT should continue to utilize multi-media advertising campaigns.



	Winter 2009/10	Winter 2010/11
Los Angeles Incremental Travel %	5.0%	0.5%



UOT should continue to employ multi-media campaigns in order to achieve overlap synergies

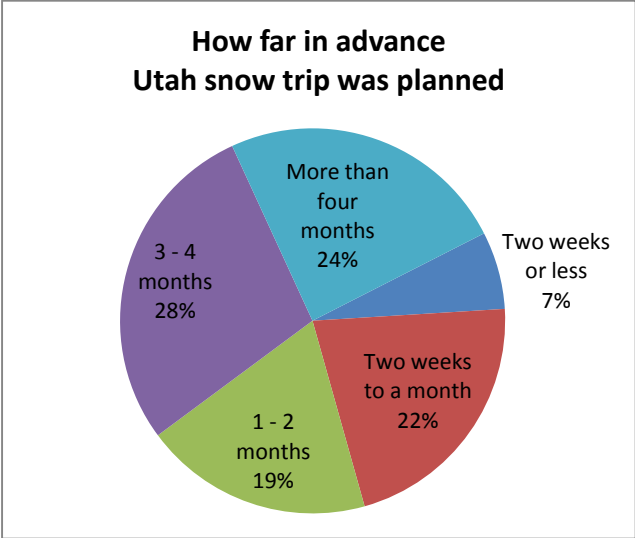
Because no spot advertising dollars were invested in Los Angeles, we will not calculate a return on the investment. We can, however, estimate the economic impact generated. There were about a half a million aware ski traveling households in Los Angeles. Applying the 0.5% increment and average trip spending results in nearly \$2.5 million in travel revenue from Los Angeles that is attributable to the advertising.

Los Angeles Market	Winter 2010/11
Snow traveling HHs	766,513
Awareness (Incl. Ski Utah)	67%
Aware snow traveling HHs	514,620
Incremental Travel %	0.5%
Incremental traveling HHs	2,573
Average trip expenditures	\$964
Economic Impact	\$2,480,930

Other Tactical Considerations

Timing of the Advertising

The 2010/11 Utah winter ads ran from January 3rd to January 23rd. This marks the second consecutive year that the advertising did not begin until after the New Year. The 2008/09 winter campaign started in November, coinciding with the start of the winter leisure travel season, which goes from November to March. About 70% of Utah snow trips are planned at least one month in advance, so if UOT desires to influence winter travel throughout the season it would make sense to start airing the ads in November or even before.



Given multi-month planning periods and a winter travel season spanning from November to March it would make sense to begin the campaign earlier than January

Social Networking

Finally, the research explored the use of social networking sites to share information about Utah trips. Last year’s research revealed that a significant portion of visitors used Facebook to post pictures and/or a notice that they were visiting. The result is similar this year, although it seems slightly more visitors posted trip information on Facebook – and these people were more likely to post pictures and less likely to post a notice that they were visiting. The impact of social networking in terms of influence on travel is uncertain, but it is clear that Facebook is a popular site and people use it to share travel experiences and information. Facebook does seem to hold some potential for destinations to create fan pages as a way to interact with past and potential visitors.

Posted information about Utah trip on...	2009/10	2010/11
Facebook	46%	49%
Blogs	9%	5%
Twitter	1%	3%
YouTube	0%	2%
MySpace	2%	1%

Facebook seems to hold potential for destinations to interact with past and potential visitors

Nature of Facebook Post	2009/10	2010/11
I posted a notice that I was visiting the destination	62%	53%
I posted pictures from my trip	83%	94%
I posted video from my trip	9%	8%
I wrote blog entries about my trip	13%	18%

Key Findings and Recommendations

The 2010/11 winter travel climate was much improved compared to the 2009/10 season. The 2009/10 season was plagued by a lack of early season snow and a struggling U.S. economy. This year ski resorts across the country saw record-setting snowfalls – and the U.S. economy is slowly improving. In fact, the NSAA estimated there were 60.1 million ski visitors nationally, which is the second-highest amount ever tallied. But actual travel behavior does not always correlate to incremental travel. When travel is down, advertising can often have a stronger impact while positive conditions can bring people who were not influenced by ads. Thus, generating incremental travel in positive conditions requires a well-targeted advertising campaign.

The first wave of this advertising effectiveness research revealed that the 2010/11 advertising was less effective than the previous campaign at reaching the target audience and communicating key messages. However, the campaign was still strong based on SMARI's normative benchmarks for reach and creative ratings. Ultimately, this wave 2 research revealed that 2010/11 winter campaign did reach the target audience, influence travel, and generate a positive return on investment. What follows are the key findings and related recommendations from both phases of this winter 2010/11 advertising effectiveness research.

- The creative ratings are strong, but they declined compared to last year. ***Utah's great ski product is the most crucial element of the ads. The "snowflake people" are a good way to differentiate Utah and capture attention, but they should be balanced with dramatic visuals of Utah's great ski product.***
- While overall campaign spending was increased slightly, the combination of new print and online ads, less noticeable/memorable television ads, and seemingly more focused demographic targeting led overall awareness to decline from 58% last year to 47% this year.
- Despite lower awareness and creative that received lower evaluative ratings, ***the 2010/11 Utah winter advertising was effective at reaching the target audience and generated 2.3% incremental travel*** – an increase over the 1.8% realized in 2009/10.
- Ultimately ***there were about 173,000 unique Utah winter visits in 2010/11 that are attributable to the advertising.***
- Average visitor spending increased to \$1,327 from \$1,100 last year. Longer stays, larger travel parties, and the improving economy are responsible for the increase.
- ***The total economic impact of the advertising was \$230M in Utah winter travel revenue – which translates to \$10M in state taxes and \$7.5M in local taxes.***

- ***The total return on the advertising investment was \$136 for every dollar spent on advertising.*** This is slightly higher than the \$126 ROI achieved with the 2009/10 campaign. ***The state tax ROI and local tax ROI were \$6 and \$4 respectively*** – equivalent to last year.
- It seems that not targeting Los Angeles with spot advertising resulted in a significant decline in incremental travel from this market – likely due to achieving less media overlap.
- Exposure to multiple media has a positive impact on Utah winter travel. ***UOT should continue to employ multi-media campaigns in order to achieve overlap synergies.***
- ***Given multi-month planning periods and a winter travel season spanning from November to March, it seems it would make sense to begin the campaign earlier than January.***