



Strategic
Marketing &
Research, Inc.

California Tourism Advertising Effectiveness Research

Phase 1 Report

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BACKGROUND & OBJECTIVES

California has a strong public/private partnership which works to promote and market the state as a preferred travel destination. The California Travel and Tourism Commission (CTTC), a privately funded, non-profit corporation works in concert with the Division of Tourism to implement these marketing efforts. Over the past several years, the funds available to market tourism have fluctuated significantly. In the past year, California adopted legislation to fund the tourism promotion efforts at a much higher rate through rental car assessment fees. In response, CTTC built on past success, expanding the scope and reach of their marketing efforts. The spring 2007 efforts utilized a national television campaign, and CTTC wants to measure the impact of these efforts on generating influenced and incremental travel and revenue for California. At the same time, as there is additional money becoming available for marketing, this research explores specific travel behavior among people in the Primary Domestic markets to help design future marketing programs.

The key research objectives include the following:

- Assess the effectiveness of the campaign in meeting its various communications goals, including consumer awareness, acceptance, preference and actions;
- Determine how well the campaign sparked consumer interest to act and learn more about California as a premier travel destination;
- Compare the level of awareness to key competitors in the markets to determine if California has a sufficient “share of voice;”
- Assess consumers’ reactions to California’s advertising and explore whether the ads communicate the “California attitude” to consumers;
- Gauge the impact of the advertising on attitudes about California as a travel destination and link differences in attitudes to variations in preference and travel;
- Explore travel behavior and motivations among people in California’s Primary Domestic markets to identify ways in which to increase travel in California, and;
- Provide insight and recommendations to help guide and refine future marketing campaigns.

The 2007 campaign is building on past successes and continues to promote the California brand. By promoting the California attitude, the state hopes to attract visitors and their dollars. Every destination marketing organization is challenged to effectively assess the actual impact of its tourism marketing. People are going to visit California with or without the state’s advertising.

The premise of destination advertising is that reaching target audiences with messages and images that boost awareness and interest will result in significantly more trips than would otherwise have been taken. As such, assessing the effectiveness of the ad campaign involves identifying the level of travel and expenditures which *would not have occurred without the advertising*. This is “incremental travel” – travel which can be attributed to the ad campaign – and expenditures associated with incremental travel represent the economic impact of the effort. The overall economic impact of the effort is then compared to campaign expenditures to calculate the return on investment.

In fact, if the only goal of the research were to determine campaign effectiveness, the determination of incremental travel and expenditures would be sufficient. However, this provides only a “report card” of that which has occurred – and not useful information regarding the various strong points and weaknesses of the campaign. Consequently, the research methodology designed for this project explores the various aspects of the campaign and provides insight into which were the most effective and ways in which to improve the campaign for future endeavors.

In addition to generating additional travel, the California campaign was designed to fulfill several objectives, and this research was designed to measure each of these:

- **Awareness**... of California as the ultimate vacation destination;
- **Acceptance**...the ability to inspire leisure travelers to want to vacation in California by addressing their emotional needs and wants; and
- **Preference**...an understanding and belief in the benefits of vacationing in California.

This research will be conducted in two phases; Phase 1 measures how well the campaign met these objectives. As such, this phase was conducted during and immediately following completion of the advertising flights to provide more timely feedback for planning upcoming advertising efforts. The level of incremental travel will be measured during the Phase 2 research, after people have had time to visit the state.

The following report summarizes the key findings from this research. In addition, conclusions and recommendations are forwarded to guide future advertising campaign endeavors.

METHODOLOGY

California Tourism has tracked the effectiveness and ROI of its advertising efforts for many years, using the same methodology since 2004. This research effort follows the same pattern, so that results will be comparable to past years. As in the past, the research will be conducted in two phases. This report reflects the findings of Phase 1, which occurred at the end of the spring/summer ad campaign. It measured: 1) the reach of the campaign; 2) reactions to the creative; 3) the impact of the campaign on changing attitudes toward California and, 4) the ways in which the campaign influenced consumer interest in visiting the state. Phase 2 will occur at the end of the 2007 summer travel season to measure the travel generated by the campaign. It will be conducted after people have had time to be influenced by the advertising and to plan their spring and summer travel to the state. Phase 2 will measure incremental travel associated with California Tourism's marketing efforts and will provide the ROI measure.

On-line surveys allowed the respondents to view the ads. This approach provides a more accurate measure of recall and allows all respondents to evaluate the creative. A copy of the survey, which appears in the Appendix, focused on recall of the California ads and preference for the state as a leisure destination. This year, some questions were added about past travel and motivations for California trips. Data collection began the week of June 28, 2007, and ran through mid-July. In total, 2801 surveys were completed. This national survey qualified people to ensure their status as leisure travelers and travel decision-makers for their households. The table shows a breakdown of the sample.

Primary Domestic Markets	\$50 - \$75K	\$75K & Up	Total
Seattle	181	214	395
Portland	154	177	331
Salt Lake City	152	149	301
Denver	158	160	318
Phoenix	196	175	371
Remaining West	127	182	309
Opportunity Markets		246	246
Grand Total	968	1303	2025
Remaining National	39	491	530

Upon completion of the survey process, the resultant data were compiled, analyzed, and weighted, when appropriate, to represent the sampled populations. This report summarizes the key findings from this research and forwards conclusions and recommendations for consideration.

Before evaluating the success of the 2007 ad campaign, it is helpful to address the scope of the campaign and compare this to past efforts. The 2007 campaign was composed primarily of a network TV buy that ran from March through the end of June, totaling \$8.2 million. In addition to network TV, the campaign was supplemented by spot TV in four markets -- Seattle, Portland, Salt Lake City and Denver, costing \$834,000. The total cost of the 2007 campaign was \$9,034,000. The campaign centered on attracting affluent travelers with incomes of \$75K or more and depicted the California lifestyle. The creative was a refinement of the advertising used in 2006. The media buy this year was significantly higher than in 2006, where the total was \$4.4 million in cable and \$373,000 in a cooperative spot TV campaign.

COMPETITIVE SITUATION

For California tourism to be successful, its advertising must perform well within the competitive landscape. People travel and develop images and opinions about destinations and what they offer visitors, and while advertising can help to alter and improve consumers' attitudes, their behavior is difficult to change. In part this is because issues such as proximity to a destination can significantly influence consumers' preferences. As such, it is important to determine consumers' perceptions of certain destinations before assessing the impact of the advertising. This competitive information will provide the context for evaluating the relative impact of the marketing and identifying ways in which to increase its effectiveness.

To assess how people view California and other competitive states, respondents rated California and ten competitive states on 23 attributes. The ratings were based on a 5-point scale, where higher ratings denote stronger performance. With this type of scale, a rating of "4" or better is considered excellent, while a score of 3.5 to 4.0 is considered good. Ratings below 3.0 indicate negative assessments.

Overall, California was rated very positively on most attributes. All attributes that received excellent ratings are bold, while low rated attributes are in italics. The state received especially high ratings for being *a place with lots to see and do, scenic and beautiful, has large cities with exciting urban experiences, is culturally diverse, has lots of family activities & theme parks, is a place where food & wine are part of the culture/lifestyle, and has a variety of active outdoor hiking/climbing/biking*. As compared to image ratings from 2006, the state's image has remained basically unchanged. A few new ratings were added, and the state's focus on food and wine was recognized by consumers, although the quality of snow sporting in the state was not.

Image Assessments of California

Image Attributes	2006	2007
Is a place with lots to see and do	4.4	4.3
Is scenic and beautiful	4.2	4.2
Has large cities with exciting urban experiences - nightlife/shopping/dining	4.0	4.2
Is culturally diverse	4.2	4.2
Has a lot of family activities & theme parks	N/A	4.1
Is a place where food & wine are part of the culture/lifestyle	N/A	4.1
Has a variety of active outdoor - hiking/climbing/biking	4.0	4.1
Is fun	4.1	4.0
Has picturesque parks	4.1	4.0
Has excellent beaches	4.0	4.0
Is free spirited and individualistic	3.9	3.8
Has lakes for boating & fishing	3.6	3.6
Has interesting historical sites	3.7	3.6

(Continued on next page)

Image Attributes	2006	2007
Is casual and laid back	3.7	3.5
Is wacky and youthful	3.6	3.5
Is unlike anyplace else	3.8	3.5
Has many quaint small towns	3.5	3.4
Offers the best of everything in one place	N/A	3.4
Has a unique and desirable lifestyle	3.5	3.4
Has friendly people	3.4	3.2
Residents have a unique approach toward life & it is something I want to see & experience on my vacation	N/A	3.2
Is a good place for snow sporting	N/A	3.1
Provides a good value for the money	2.8	2.8

To assess the competitive environment, California was compared to ten (10) other destinations, which represent the competitive set – and primary destinations which consumers are likely to choose over California. Again, each state was rated on twenty-three (23) attributes.

Of course, California is a leading travel destination in the country; but the same can be said of its competitors. Therefore, it is important to determine what differentiates California from its competitors. The table on page 8 shows the comparative ratings for each state and uses indices to show the comparative strength of each state as compared to the average of all the states rated. An index rating of “100” indicates an *average* score, while a rating of 105 indicates a score 5% above average. A rating of 95 indicates a 5% below average performance. The highest rating in each category is shown in bold.

California is rated rather highly across the board, and is rated higher than any other state for having *lots of family activities and theme parks, a food & wine culture, a wacky and youth vibe, lots to see and do, being free spirited and individualistic, and offering the best of everything in one place*. Only three attributes received below average ratings: *being unlike any other place, having friendly people, and providing a good value for the money*. Hawaii, Colorado, Washington, Florida and New York were also rated highly in several areas, making these states California’s main competitors. A review of the main competitive states follows:

- **Hawaii** received many of the highest ratings. Generally, Hawaii is seen as a fun, casual and laid back, free spirited and individualistic place that has excellent beaches and is scenic and beautiful. Respondents also consider the Hawaiian lifestyle unique and desirable and that the residents are friendly and have a unique approach toward life. In short, the state is unlike any other place. With this positive imagery, Hawaii is California’s main competitor, from an image perspective.
- **Colorado’s** image was based on its outdoor offerings. The state was rated highest for having good snow sporting, picturesque parks, a variety of outdoor hiking, biking and climbing activities, and many quaint small towns.

- While **Washington** received the highest rating for only one attribute, having lakes for boating and fishing, it was rated above average in many other areas. The state, like Colorado although not quite as strong, was rated highly for its snow sporting, active outdoor hiking, climbing and biking, and many quaint small towns.
- **Florida** received one high rating for having many family activities and theme parks. In addition, the state was rated highly for having excellent beaches, being culturally diverse, and offering exciting urban experiences.
- **New York** was rated the highest for having cultural diversity, exciting urban experiences, and interesting historical sites. New York received high ratings for having a food & wine culture, lots to see and do, and being unlike any other place.
- **Oregon** was rated the highest for being a good value for the money. The state was also rated highly for its snow sporting and beaches.
- **Texas, Nevada, Arizona** and **Utah** did not receive the highest rating in any category, although each state was rated above average in some categories. Texas was seen as a state with interesting historical sites and as a good value for the money. Nevada was seen as a state unlike any place else, that is wacky and youthful. Arizona was also rated highly for being a good value for the money and offering a variety of active outdoor activities like hiking, climbing, and biking. Finally, Utah was rated very highly for having good snow sports.

Competitive Image Assessments

	CA	HI	CO	WA	FL	NY	OR	TX	NV	AZ	UT
Has excellent beaches	145	169	59	100	152	84	111	101	58	58	64
Has a lot of family activities & theme parks	134	100	97	93	134	91	91	103	85	85	87
Is a place where food & wine are part of the culture/lifestyle	127	105	95	105	97	122	98	92	98	89	71
Is culturally diverse	125	113	87	99	109	128	90	97	90	93	69
Is wacky and youthful	122	111	102	102	99	105	99	91	106	85	77
Has large cities with exciting urban experiences - nightlife/shopping/dining	119	96	93	100	107	127	86	101	105	91	75
Is a place with lots to see and do	116	113	100	96	104	114	94	92	95	91	85
Is free spirited and individualistic	116	116	105	100	94	102	103	91	105	93	75
Offers the best of everything in one place	114	113	104	101	103	111	99	92	93	87	82
Is fun	112	120	103	95	105	105	95	90	104	90	81
Is a good place for snow sporting	110	58	159	128	57	100	118	62	94	75	138
Has picturesque parks	109	113	115	107	92	94	102	87	81	101	100
Is scenic and beautiful	108	120	113	106	95	90	105	81	85	99	99
Has a variety of active outdoor - hiking/climbing/biking	107	110	117	109	86	82	105	87	91	104	103
Is casual and laid back	107	126	106	103	106	70	108	96	92	103	84
Has a unique and desirable lifestyle	106	124	104	105	98	99	104	93	88	96	83
Has interesting historical sites	106	109	100	94	96	118	96	108	82	98	93
Has lakes for boating & fishing	105	85	109	114	108	94	107	95	95	90	97
Residents have a unique approach toward life & it is something I want to see & experience on my vacation	103	126	105	102	96	101	104	96	89	95	84
Has many quaint small towns	102	101	113	109	92	95	109	99	84	99	96
Is unlike anyplace else	99	122	97	94	96	115	89	92	112	95	90
Has friendly people	96	118	106	102	101	84	102	100	94	100	97
Provides a good value for the money	89	88	105	105	103	83	111	107	103	104	102

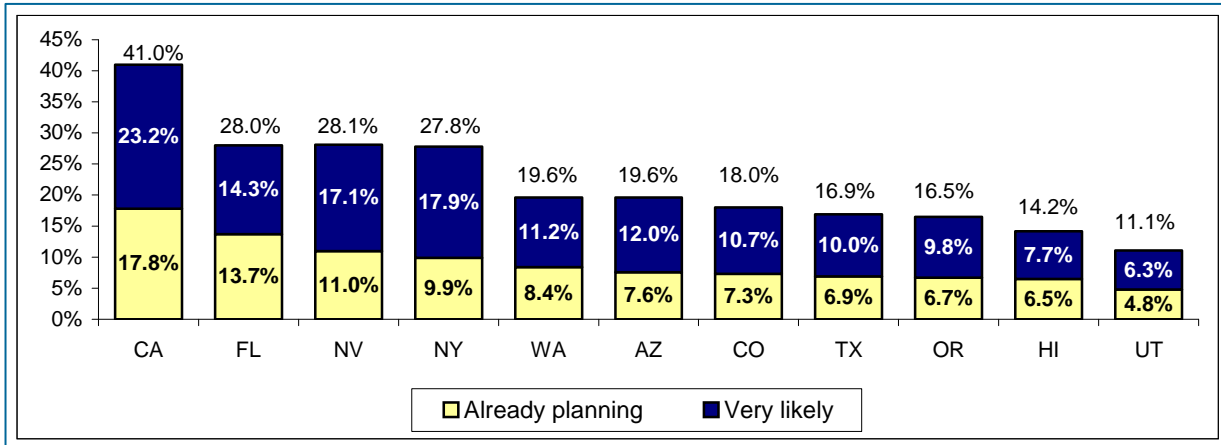
We can also consider California’s image ratings by market. California has identified several DMA’s as their Primary Domestic Markets (Seattle, Denver, Portland, Salt Lake City and Phoenix), and a group of key Opportunity markets (NYC, Chicago and markets in Texas). Finally, other markets west of the Mississippi are separated from the remaining national market, while ads ran in the Remaining Western markets and nationally. The table on the following page shows the image ratings by market indexed to the average for the competitive set of states. When compared to the competitive set, California is rated above average in nearly every area, although three attributes are rated lower than average: *has friendly people*, *is unlike anyplace else*, and *provides a good value for the money*. Respondents from the Remaining West and Opportunity markets were the most positive, although as compared to the competitive states tested, every market rated California above average overall.

Image Assessments of California - by Market

	Primary Domestic	Opportunity	Remaining West	Remaining National
Has excellent beaches	145	142	147	139
Has a lot of family activities & theme parks	139	130	137	123
Is a place where food & wine are part of culture/lifestyle	126	129	128	125
Is wacky and youthful	120	123	123	122
Is culturally diverse	124	122	126	124
Has large cities with exciting urban experiences - nightlife, shopping & dining	120	119	119	118
Is free spirited and individualistic	113	117	117	115
Is a place with lots to see and do	116	114	118	112
Is casual and laid back	105	112	107	104
Offers the best of everything in one place	112	111	119	104
Is fun	112	111	114	108
Has picturesque parks	106	110	111	104
Has a unique and desirable lifestyle	103	110	109	101
Is scenic and beautiful	107	109	109	108
Has a variety of active outdoor - hiking/climbing/biking	105	108	109	104
Residents have a unique approach to life & it is something I want to see & experience on my vacation	97	107	105	100
Has many quaint small towns	100	105	104	98
Is a good place for snow sporting	100	103	119	99
Has interesting historical sites	106	102	108	101
Has friendly people	95	101	96	95
Has lakes for boating & fishing	104	100	109	96
Is unlike anyplace else	97	96	102	95
Provides a good value for the money	89	92	92	82
<i>Average</i>	<i>111</i>	<i>112</i>	<i>114</i>	<i>108</i>

While the image assessments provide valuable information into the competitive situation, image is not the only factor that influences travel. To address behavior, respondents were asked to indicate how likely they were to visit each state during the next year on a scale from *not at all likely* to *already planning a trip*. The next chart shows that as compared to the competitive states a higher percentage of respondents expressed interest in visiting California. **This represents a shift from 2006, when California was second to Florida in trips already being planned and likelihood to visit.** It also highlights the fact that while Hawaii has a strong image, factors such as distance and cost offset its overall appeal.

Likelihood to Visit within the Next Year



To take the analysis one step further, all respondents were asked to choose their preferred destination. One goal of California’s tourism promotion is to position California as the “preferred destination.” Although only 14.2% of respondents were already planning or very likely to visit Hawaii, the state was named the preferred destination by more respondents than any other state, over 30% in total. California followed Hawaii, with nearly 14% naming the state. Florida was also competitive, as nearly 12% of respondents named this state their preferred destination.

Since geography strongly influences travel patterns, it is important to review this information by market group. Among the Primary Domestic markets (Seattle, Portland, Salt Lake City, Denver and Phoenix) and the Opportunity markets preference is similar with Hawaii the first choice of many travelers followed by California and Florida. Preference for Florida is much lower in the Primary Domestic markets, which may reflect the large distance between these markets and the state.

Preference

State	Overall
HI	30.6%
CA	13.9%
FL	11.6%
NV	7.5%
NY	7.5%
CO	5.5%
WA	4.4%
OR	3.2%
AZ	3.0%
TX	2.6%
UT	1.8%
Other destination	8.2%

Preference by Market

State	Primary Domestic	Opportunity
HI	32.8%	24.4%
CA	16.7%	17.5%
FL	7.8%	16.8%

Within the Remaining West market, Hawaii maintained its top position, while California fell third to New York.

Finally, in the remaining national markets, Hawaii and Florida were more popular than California. Still, as seen in the Opportunity markets, preference for California and Florida are nearly equal. This suggests that in markets further from California, Florida is a stronger competitor.

Preference by Market

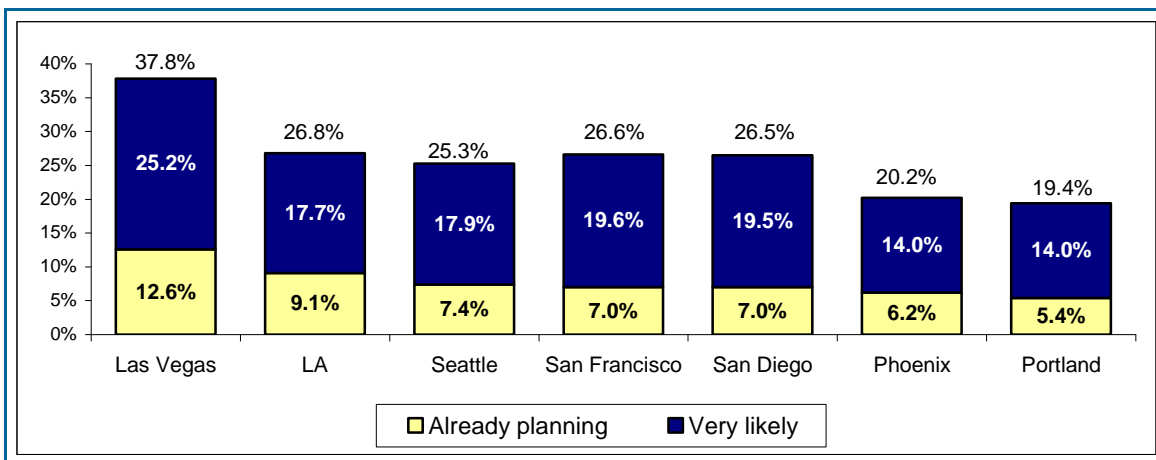
State	Remaining West
HI	34.6%
NY	11.2%
CA	8.9%
FL	8.6%

Another measure that helps provide a context for considering the relationship between image and actual travel relates to consumers' likelihood to visit specific cities. While consumers express a much more negative image of Nevada, and it is not a state with a high level of preference, the highest percentage of respondents reported already planning or being very likely to take a trip to Las Vegas. Respondents also reported a high level of interest in visiting cities within California: Los Angeles, San Francisco and San Diego.

Preference by Market

State	National
HI	30.6%
FL	13.0%
CA	12.5%
NV	8.7%

Likelihood to Visit Cities within Next Two Years

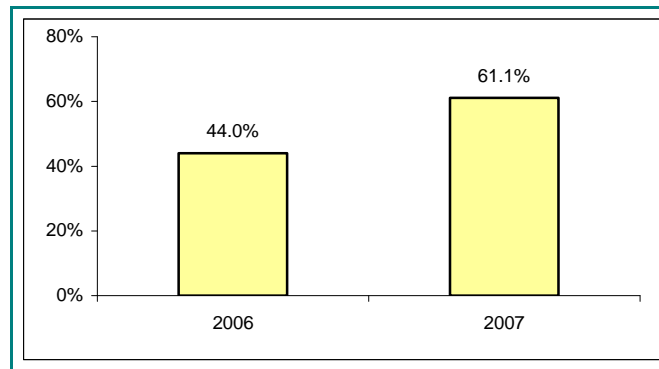


In summary, California clearly holds a top position among the travel destinations. It has a strong image and is viewed as a scenic destination with lots to see and do, with lots of family activities and theme parks, food and wine, and fun outdoor activities and beaches. While Hawaii has a stronger image, issues such as cost and distance offset the strength of the image. Perhaps more challenging is the competition from Florida, especially in markets further from California. The state should attempt to send a compelling advertising message in the National and Opportunity markets, showing the benefits of a California vacation. Within the Primary Domestic markets, the challenge relates less to image and more to finding ways in which to reinforce and expand existing patterns of visitation.

ADVERTISING AWARENESS

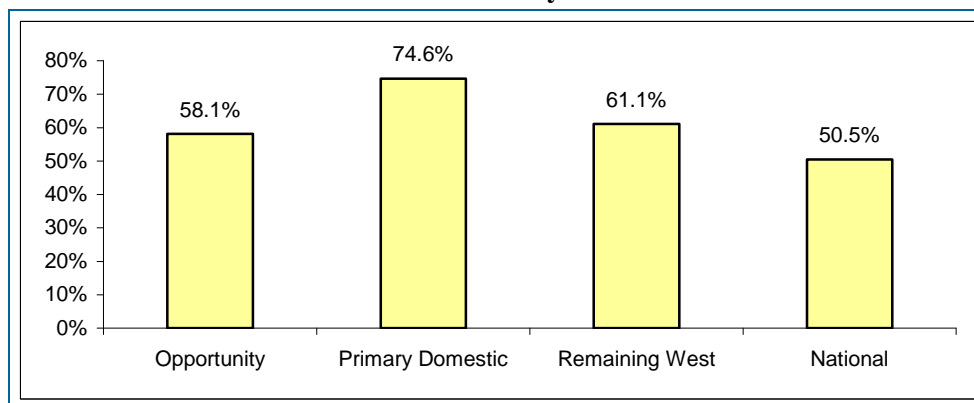
Having established the competitive situation and existing travel patterns, the next step is to consider the effectiveness of the advertising and marketing efforts. The first measure of effective advertising is recall, since travelers must first be exposed before they can be influenced to travel. The 2007 campaign included one TV advertisement. The overall reach of the ad was 61.1%, a significant increase over the 44.0% reported last year.

Overall Reach of CA Ad



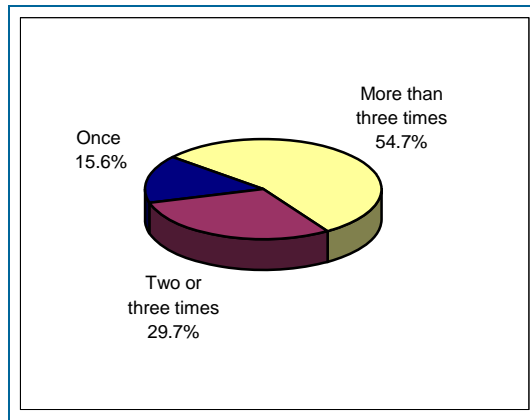
While overall reach is interesting, differences are noted by market group. Predictably, the Primary Domestic markets reported the highest recall, while the National market reported the lowest. Within the Primary Domestic markets, three-quarters of the target audience recalled the advertising, suggesting that it will be difficult to increase recall in these areas.

CA Ad Reach - by Market



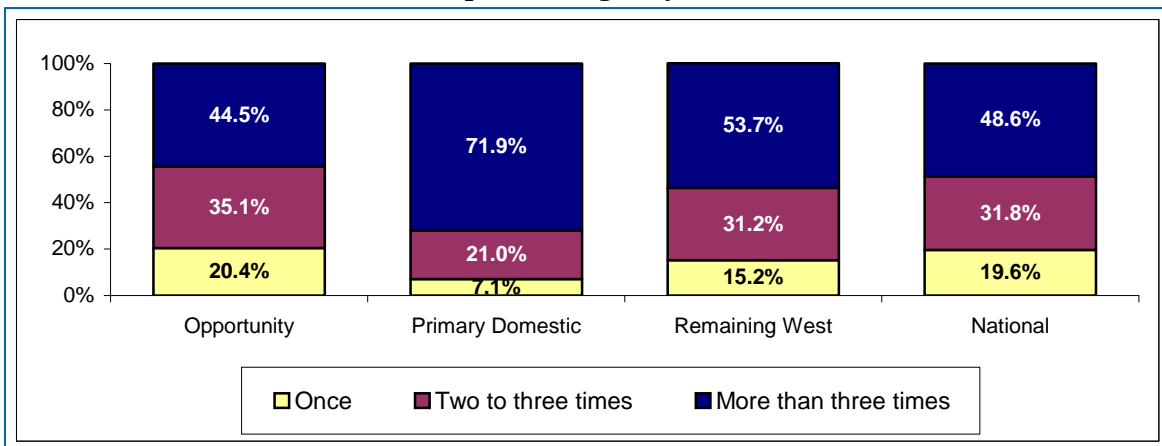
Another major measure of media effectiveness is the frequency of recall, as ads often have more impact when they are viewed more than once. Positively, therefore, the majority of respondents that saw the advertising reported viewing the ads two or more times. Approximately 16% saw the ad just one time.

Multiple Viewings



Similar to the pattern seen in reach, the Primary Domestic market was the most likely to report viewing the ad multiple times while the Opportunity and National markets were the least likely to report multiple viewings.

Multiple Viewings - by Market



To make these awareness numbers more concrete, they are translated into the actual number of aware households reached by the campaign. The base population of qualified travelers is multiplied by the percentage that claimed advertising awareness. Whereas the 2006 campaign produced 44% awareness and reached 36.2 million households, the 2007 campaign produced 61.1% awareness and reached 50.2 million households. Still, the 2007 budget was considerably larger, at \$9.0 million this year as compared to \$4.4 million last year. Hence, even with the large increase in aware households, the 2007 campaign was somewhat less efficient than the 2006 campaign. Specifically, it cost \$0.12 to reach an aware household, in 2006, and \$0.18, in 2007, a \$0.06 increase.

A more specific measure of advertising awareness is the number of aware households among the target market of travelers who earn \$75K or more. Awareness in the group was also up this year, reaching 11.2 million travelers as compared to 7.5, in 2006. Again, while there was a gain in reach, it was a result of the increase in expenditures, rather than greater efficiency. Reaching a high earning household in 2007 cost \$0.81, whereas it cost \$0.58, in 2006. Despite the increases in cost to reach an aware household, the national average is \$0.92, making California's performance quite good.

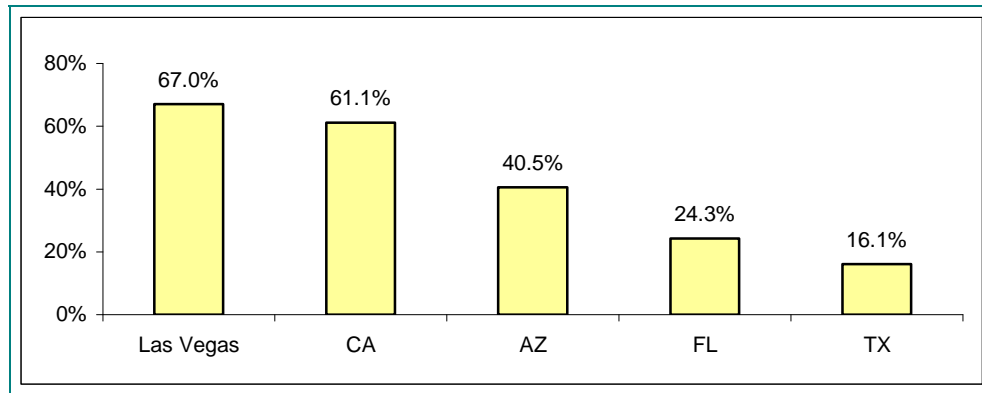
**Number of Aware Households
in the Target Markets**

	2006 Overall	2006 75K+	2007 Overall	2007 75K+
# HHs	82,274,479	18,511,758	82,274,479	18,511,758
Awareness %	44.0%	40.7%	61.1%	60.4%
Aware HHs	36,200,771	7,534,286	50,269,707	11,184,551
TV Costs	\$4,400,000	\$4,400,000	\$ 9,034,000	\$9,034,000
Cost per HH	\$0.12	\$0.58	\$0.18	\$0.81

COMPETITIVE ADVERTISING AWARENESS

The measures reviewed thus far indicate that 2007 was quite a successful year for the California ad campaign in terms of reach, despite increases in cost to reach an aware household. Awareness must also be measured in a competitive context to determine whether the California ads earned a significant share of voice. Therefore, this research also tested ads from three competitive states including Arizona, Florida and Texas, and also the competitive city of Las Vegas. The results reveal that reach of the California ads within the state's Primary markets was only second to Las Vegas. This is, of course, not surprising, given what Las Vegas spends on advertising. The Arizona, Florida and Texas ads reached far fewer travelers; this is to be expected as the ads were tested in California's Primary advertising markets.

Awareness of Competitors



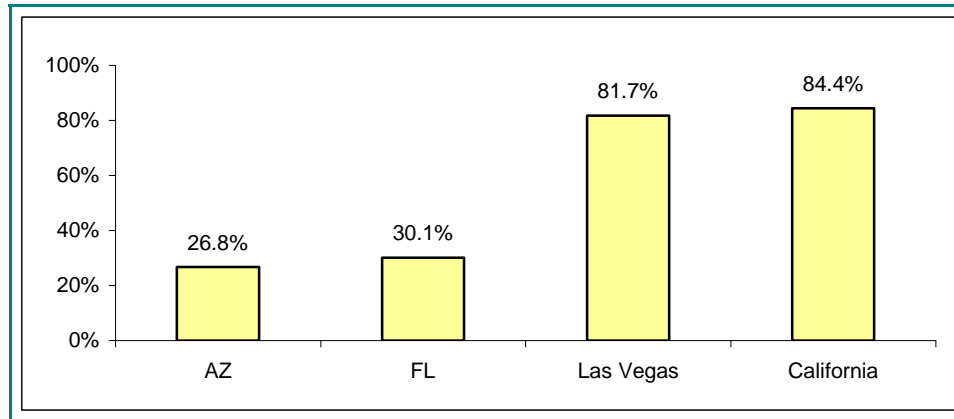
While California's campaign included just one TV ad, the competitors launched multiple ads. Specifically, Arizona's campaign included one TV and five print ads; Florida's included one TV and four print ads; Las Vegas' included two TV and four print ads, and the Texas campaign included two print ads. Awareness of the campaigns by media is seen below. A review of the reach of the TV campaigns shows how the California ad competed with similar competitor ads. When reviewed by media, the California ad achieved the widest reach, followed by Las Vegas. Florida and Arizona were hardly competitive in California's markets.

**Awareness of
TV Campaigns**

CA	61.1%
Las Vegas	57.7%
FL	14.8%
AZ	14.3%

Like the California ad, the majority of respondents recalled viewing the Las Vegas ad more than once, while a smaller percentage viewed the Arizona or Florida TV ads multiple times. Again, this suggests that California's main competitor in terms of advertising is Las Vegas.

Multiple Viewing of TV Ads



Print ads were used in all the competitors' campaigns. Arizona's print campaign was viewed by the most respondents and also accounted for more than three-quarters of its reach. The Las Vegas print ads were also successful, playing a part in the wide reach of the city's campaign. In fact, the addition of print to the Las Vegas campaign extended its reach, thus surpassing the reach of the California ad. This highlights the potential for print advertising to support a broadcast campaign, if the print is implemented well.

Awareness of Print Campaigns

AZ	32.6%
Las Vegas	27.8%
TX	16.1%
FL	14.1%

These findings indicate that the reach of the California campaign is strong and generally competitive. While the large budget Las Vegas campaign achieved wider reach, California bested its other competitors. Since these states also have large advertising budgets, this reinforces the fact that California is spending its budget wisely.

CREATIVE EVALUATION

An effective campaign includes two key elements – the media plan must ensure that a sufficient number of people are exposed to the message. The ads must deliver a meaningful and compelling message, and they have to differentiate the state and communicate its benefits as a destination. Of benefit, the respondents were asked to view the actual California ads. Regardless of whether they had been exposed to the campaign, they were asked to evaluate its message.

The respondents viewed the ads and rated their effectiveness at communicating the intended messages. A 5-point scale was used and, by testing hundreds of destination ads, we find that on this scale a rating of 4.0 or higher indicates excellence. The goal is 3.75 or better, though 3.5 or better is good. A score below 3 indicates notable weakness.

The California ad was rated highly across the board, especially for portraying a place that offers vacationers *the best of everything there is in one place*, an attribute that reached the “excellent” threshold. The lowest rated attribute was for *generating more interest in visiting the state*. As discussed, there is already a high level of interest in visiting California, making improvements on the level of interest more difficult to achieve. Notably the attributes *shows experiences and places that you are interested in* and *shows a place with a unique attitude toward life* also reached the 3.75 goal range. As compared to the ratings for the competitive states, the California ad was rated higher for all attributes, especially for *portraying a place that offers vacationers the best of everything there is* and *showing a place respondents were interested in visiting*. Some attributes for Arizona, Florida and Las Vegas were rated at or above the “good” threshold, while the Texas ads earned low ratings across the board. The ads for Arizona and Las Vegas were rated fairly strong for *showing a place with a unique attitude toward life*; the Florida advertising was rated highly for *showing experiences and places respondents were interested in*.

Advertising Message	CA	AZ	FL	Las Vegas	TX
After seeing this ad I am more interested in visiting this state	3.7	3.4	3.2	2.6	2.8
This ad shows experience & places that you are interested in	3.9	3.5	3.5	2.7	3.0
This ad shows a place with a unique attitude toward life	3.8	3.6	3.3	3.6	2.8
This ad portrays a place that offers vacationers the best of everything there is - in one place	4.0	3.1	3.5	2.5	2.8

Predictably, the ratings varied somewhat by market. The table below lists an index which compares the rating for each market to the average rating for all markets. An index score of 100 indicates an average rating; 105 indicates 5% above average; and 95 indicates 5% below average. As compared to the average creative scores for all markets, respondents from the Remaining West rated the ads the highest, especially for the attributes *shows a place with a unique attitude toward life* and *portrays a place that offers vacationers the best of everything there is in one place*. While the Primary Domestic respondents rated the attributes at or above average, the ratings from the Opportunity and National markets were lower, although just under average. These findings indicate that the message from the advertising resonates across all markets.

Ratings – by Market

Advertising Message	Opportunity	Primary Domestic	Remaining West	National
After seeing this ad I am more interested in visiting this state	99	100	102	99
This ad shows experience and places that you are interested in	99	101	102	98
This ad shows a place with a unique attitude toward life	98	101	104	97
This ad portrays a place that offers vacationers the best of everything there is - in one place	97	101	104	98
<i>Average</i>	<i>98</i>	<i>101</i>	<i>103</i>	<i>98</i>

After viewing the California ad, respondents were asked to report what they thought the ad communicated. More than half said that they thought the ad showed that the state had a variety of activities, lots to do, or something for everyone. Two other popular responses were that the state is fun and exciting and also that many celebrities live in California. As seen below, a number of other descriptions were offered. With the 2006 campaign, there was a negative perception that the ads indicated that the state was only for a younger audience. This issue was addressed with a revision of the creative, which managed to squelch this perception.

What is Communicate by this Ad?

Variety of activities/Lots to do/Something for everyone	51.8%
Fun/Exciting	26.8%
Celebrities/Lots of celebrities live there/Hollywood	14.6%
Free-spirited/Easy going/Care free lifestyle/Relaxing	6.5%
Good/Nice/Great place to visit/The place to be	6.1%
Sun/Sunny/Good weather	5.3%
Ocean/Water/Beaches	5.0%
Diverse/Diversity/Variety (non-specific)	4.8%
Beautiful/Beautiful scenery	4.5%
Interesting/Unique	3.3%
Don't Know/None/NA	3.2%
Lucky/Do I feel lucky	3.1%
Outdoors/Outdoorsy/Outdoors activities	2.8%
Happy/Friendly/Friendly people	2.4%
Promoting tourism/They want me to visit CA/ Made me want to visit	2.2%
Wine Country/Wineries/Food /Good food	2.2%
Disney/Amusement parks	1.6%
Misc. negative comments	1.4%
Governor Arnold Schwarzenegger	1.3%
Misc.	1.3%
Expensive/Wealthy people	0.6%

The success of advertising can be measured over time by comparing the creative assessments from previous campaigns. While the creative ratings are not identical to those that were used for the 2006 campaign, it is still possible to compare the ratings on two attributes. The table below depicts that both attributes were rated notably higher in 2007, especially for *showing experiences and places* in which respondents were interested.

Attributes	2006	2007	Diff.
After seeing this ad I am more interested in visiting this state	3.4	3.7	0.3
This ad shows experiences & places that I am interested in	3.5	3.9	0.4

Since California also wants to attract more affluent travelers with incomes of \$75K or more, it is also important to review the creative ratings by income. In 2006, the results showed that higher earning respondents were more receptive to the ads. This year's findings are slightly different - respondents earning less than \$75K annually rated the ads slightly higher on two attributes: *after seeing this ad I am more interested in visiting* and *this ad shows experiences and places that I am interested in*. On average, however, the lower earning group rated the ads only 1% higher than those earning \$75K or more. Apparently, the ads are appealing to both income groups at a nearly equal rate.

Attributes	\$50-75K	\$75K+
After seeing this ad I am more interested in visiting this state	102	100
This ad shows experiences & places that I am interested in	102	100
This ad shows a place with a unique attitude toward life	100	100
This ad portrays a place that offers vacationers the best of everything there is - in one place	101	101
<i>Average</i>	101	100

INFLUENCE ON ATTITUDES

The actual impact of the advertising can be measured in several ways. While the ultimate objective is to generate additional travel, the campaign must reach the audience with a positive message. A key measure of effectiveness is whether the advertising helps to change consumers' perceptions of the area. If the advertising creates a more positive image, it is likely to increase interest in visitation and, ultimately, generate incremental trips. Respondents rated the state before they viewed the ads in the survey. Consequently, their attitudes were based on experience, including whether they had seen the ads during the campaign.

The ads had notable impact on two ratings *has a unique and desirable lifestyle* and *is casual and laid back*. Other attributes also showed improvements, except for *having interesting and historical sites*, which was rated the same by ad aware and unaware respondents. Also, the ads did little to boost the rating for *value for the money*, although this might not be a primary concern for the state, as the target market is represented by households with high incomes (\$75k+) Of course, the continuing challenge for California is its already strong image, which makes it difficult to achieve even higher ratings. Nonetheless, the advertising has reinforced the state's positive imagery.

Image Ratings - by Ad Awareness

Attributes	No Ads	Ads	Diff.
Has a unique & desirable lifestyle	3.2	3.5	0.3*
Is casual & laid back	3.4	3.7	0.3*
Is scenic & beautiful	4.0	4.3	0.2*
Is unlike anyplace else	3.3	3.6	0.2*
Residents have a unique approach toward life & it is something I want to see & experience on my vacation	3.0	3.3	0.2*
Is culturally diverse	4.0	4.3	0.2*
Is fun	3.9	4.1	0.2*
Offers the best of everything in one place	3.3	3.5	0.2*
Is free spirited & individualistic	3.7	3.9	0.2*
Is a place with lots to see & do	4.2	4.4	0.2*
Is a good place for snow sporting	3.0	3.2	0.2*
Has a variety of active outdoor - hiking/climbing/biking	4.0	4.1	0.2*
Has a lot of family activities & theme parks	4.0	4.2	0.2*
Is wacky & youthful	3.4	3.6	0.2*
Has picturesque parks	3.9	4.1	0.2*
Has large cities with exciting urban experiences - nightlife, shopping & dining	4.1	4.3	0.1*
Has friendly people	3.2	3.3	0.1*

(Continued on next page)

Attributes	No Ads	Ads	Diff.
Is a place where food & wine are part of culture/lifestyle	4.1	4.2	0.1*
Has excellent beaches	3.9	4.0	0.1*
Has many quaint small towns	3.4	3.5	0.1*
Has lakes for boating & fishing	3.6	3.7	0.1*
Provides a good value for the money	2.7	2.8	0.1
Has interesting historical sites	3.5	3.6	0.0

* Indicates a statistically significant change.

When the various market groups are considered, the ads were especially good at boosting the ratings for *has exciting urban experiences*, *is a place where food & wine are part of the lifestyle* and *has excellent beaches* among Remaining West respondents. Gains in other markets were less notable, but still positive in most cases.

Impact on Image - by Market

	Opportunity	Primary	Remaining	National
Is scenic & beautiful	0.3	0.1	0.3	0.2
Has many quaint small towns	0.3	0.1	0.2	0.1
Is culturally diverse	0.2	0.1	0.1	0.2
Has a unique & desirable lifestyle	0.2	0.2	0.2	0.1
Is a place where food & wine are part of the	0.2	0.0	0.4	0.0
Is fun	0.2	0.2	0.1	0.1
Provides a good value for the money	0.2	0.0	0.3	0.1
Is unlike anyplace else	0.2	0.2	0.2	0.2
Has a lot of family activities & theme parks	0.2	0.2	0.1	0.1
Has excellent beaches	0.2	0.1	0.4	0.2
Residents have a unique approach toward life & it is something I want to see & experience on my	0.2	0.1	0.2	0.2
Is casual & laid back	0.2	0.2	0.3	0.2
Has a variety of active outdoor -	0.1	0.2	0.1	0.1
Is a good place for snow sporting	0.1	0.2	-0.1	0.2
Has friendly people	0.1	0.1	0.2	0.1
Offers the best of everything in one place	0.1	0.2	0.0	0.2
Is wacky & youthful	0.1	0.1	0.1	0.0
Is a place with lots to see & do	0.1	0.1	0.3	0.2
Is free spirited & individualistic	0.1	0.1	0.2	0.2
Has large cities with exciting urban experiences - nightlife, shopping & dining	0.1	0.1	0.5	0.2
Has picturesque parks	0.0	0.1	0.2	0.2
Has interesting historical sites	-0.1	0.1	0.4	0.2
Has lakes for boating & fishing	-0.1	0.0	0.1	0.1

Given that consumers' attitudes can be difficult to change, these image gains among the ad aware are quite positive. Next, we consider how the advertising impacted interest in visitation and preference for California.

BUILD INTEREST & PREFERENCE

In the process of generating travel, the next step is to inspire interest in visiting California. Interest can be measured in terms of expressed intention to visit and actions taken to learn more about the state. This study considered the level of interest between those who were exposed to the advertising and those who were not. However, in addition, another surrogate for interest is consumers gathering information about the state.

The respondents were asked whether they gathered information about California and the other competitive states by researching the destination, visiting the state Website, calling the state 800 number or requesting information via other methods. The table below presents the indexed results, where a score of 100 is average, 105 indicates that 5% more respondents gathered information using the respective method, and a 95 indicates that 5% less did so.

More respondents gathered information/researched California, visited the state Website, and requested information using a method different from any other state tested. Other states that were rated above average for the interim actions included Florida, Nevada, Hawaii and New York. This correlates to the overall level of interest in visitation. All these competitor states averaged much higher for the number of travelers that called the state 800 number. California indexed much lower than average on this measure. The remaining states tested were less competitive.

	CA	FL	NV	HI	NY	AZ	CO	TX	OR	WA	UT
Gathered info, researched destination	174	145	120	138	106	82	84	65	67	75	45
Visited State Website	146	124	115	133	103	92	90	74	77	84	62
Called state 800 number	61	134	176	119	100	88	78	97	89	55	104
Requested info via other method	165	143	127	138	98	89	75	69	68	73	55
Gathered info	158	135	123	128	106	89	84	73	72	79	53
Average	141	136	132	131	103	88	82	76	75	73	64

On a positive note, respondents who viewed the ads were more likely to gather information, except for calling the state 800 number. While the differences were slight, it is still a positive indicator that the ads influenced more travelers to seek information about the state.

	No Ads	Ads	Diff.
Gathered info, researched destination	29.7%	32.6%	2.9%
Visited state Website	16.6%	19.1%	2.5%
Called state 800 Number	0.6%	0.4%	-0.1%
Requested info via other method	7.3%	11.1%	3.7%
Gathered info	43.6%	45.8%	2.2%

To better understand the impact of the advertising, we can translate this information into the actual number of ad aware households that took action. Of course, these numbers are self reported, but these findings suggest that, in total, over 23 million ad aware travelers gathered information about the state.

	Gathered info, researched destination	Visited State Website	Called State 800 Number	Requested info using other method	Gathered info
Aware HHs	50,269,707	50,269,707	50,269,707	50,269,707	50,269,707
% Aware Taking Action	32.6%	19.1%	0.4%	11.1%	45.8%
Aware HHs Taking Action	16,386,823	9,621,575	211,848	5,565,282	23,027,390

When reviewing interim actions by market and ad awareness, we see that those who saw the ads were notably more likely to request information using a different method in the Opportunity and Remaining West markets, and much more likely in general to gather information in the National market. The ads only slightly boosted interim action in the Primary Domestic market, although this is predictable as this market is already more likely to seek information about the state.

Opportunity	No Ads	Ads	Diff.
Gathered information, researched destination	30.1%	30.5%	0.4%
Visited State Website	17.6%	20.8%	3.2%
Called State 800 Number	0.9%	0.0%	-0.9%
Requested information using other method	6.5%	14.4%	7.9%
Gathered information	45.4%	45.2%	-0.2%

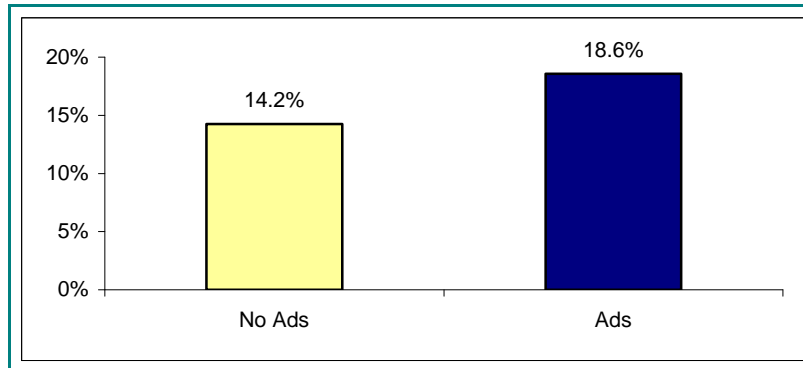
Primary Domestic	No Ads	Ads	Diff.
Gathered information, researched destination	33.2%	34.5%	1.3%
Visited State Website	17.2%	18.9%	1.7%
Called State 800 Number	1.4%	1.3%	-0.1%
Requested information using other method	10.4%	11.5%	1.0%
Gathered information	47.9%	49.5%	1.6%

Remaining West	No Ads	Ads	Diff.
Gathered information, researched destination	34.1%	38.8%	4.7%
Visited State Website	17.9%	20.6%	2.6%
Called State 800 Number	0.0%	0.0%	0.0%
Requested information using other method	5.1%	10.1%	5.0%
Gathered information	48.2%	47.6%	-0.6%

National	No Ads	Ads	Diff.
Gathered info, researched destination	21.5%	26.6%	5.1%
Visited State Website	13.8%	16.3%	2.5%
Called State 800 Number	0.0%	0.4%	0.4%
Requested info using other method	7.3%	8.3%	1.0%
Gathered information	32.8%	40.9%	8.1%

The ads also boosted top of mind awareness of the state. Just over 18% of those that saw the ads named California a state that comes to mind as a place to visit.

Top of Mind Awareness of CA - by Advertising Awareness



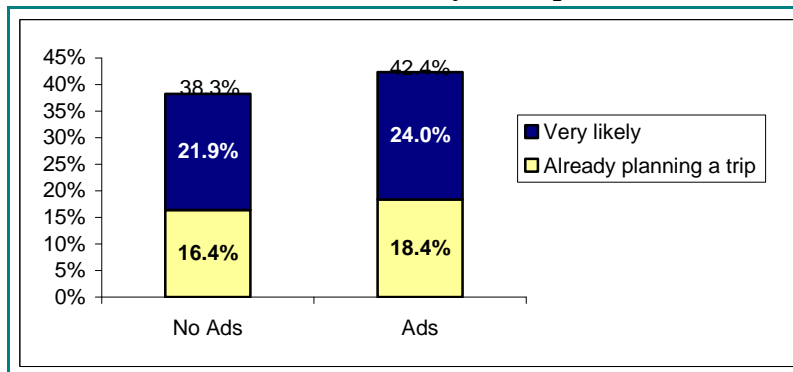
On a less positive note, the ads did not boost the preference for visiting California. As explored, there is a less direct link between preference and actual visitation. From this standpoint, this is not the most important measure. In fact, California Tourism should continue to evaluate the importance of attempting to drive preference.

Preference - by Awareness of CA Campaign

	No Ads	Ads
CA	15.1%	13.3%

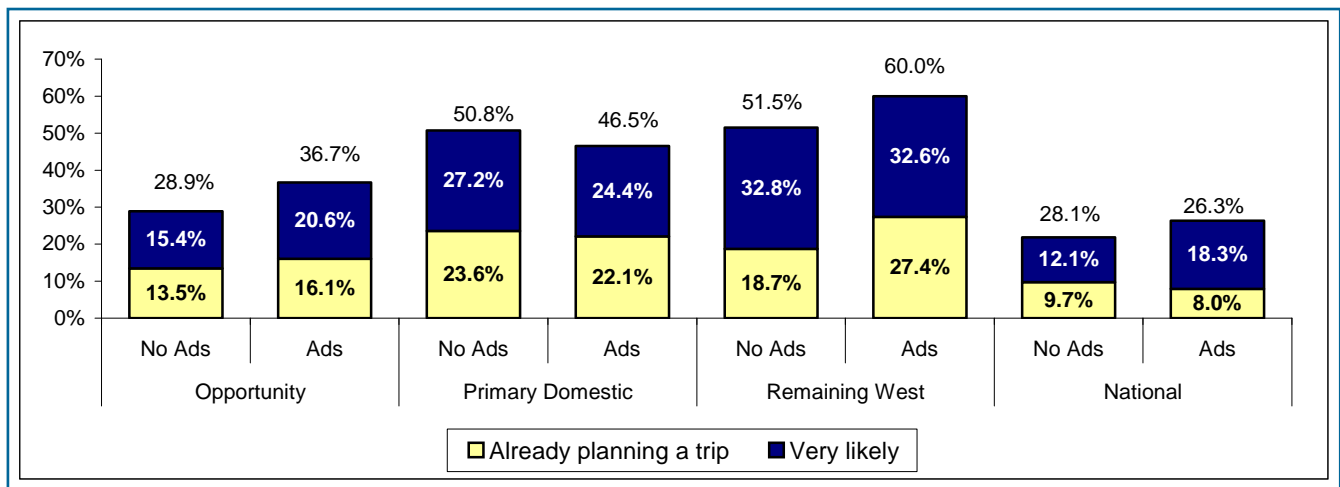
Finally, we consider the impact of the ads on likelihood to visit. Overall, the ads positively affected interest in visitation. Those who saw the campaign indicated being more likely to visit.

Likelihood to Visit - by Ad Exposure



Reviewing ad impact by market, the strongest impact was in the Opportunity and the Remaining West markets. In the National market, the ads also increased the percentage that claimed to be very likely to visit. Since the level of interest in visitation was already high in the Primary Domestic market, it is understandable that the ad was not especially influential. In addition, this reinforces the fact that brand advertising may not be the key to driving visitation in the established Primary Domestic markets. The impact in terms of actual trips generated will be measured in Phase 2.

Likelihood to Visit - by Ad Exposure & Market



VISITOR DETAILS - PRIMARY DOMESTIC MARKETS

California is interested in knowing how to attract more visitors from the Primary Domestic Markets (Seattle, Portland, Salt Lake City, Denver and Phoenix). As such, this research reviews trips taken to the state within the past two years, comparing the seasonality, transportation used, and trip motivators of those who live in the Primary Domestic markets.

SEATTLE

Past Travel & Interest in California

We get a sense of where respondents visited by reviewing their travel over the past two years. As seen below, more Seattle travelers visited Oregon than any other state, followed by Washington and then California. In fact, nearly two-thirds of travelers visited each of these states. While more respondents visited Oregon, those who visited Washington reported taking more trips on average. The average number of trips taken to Washington in the past two years was 4.5. From this information - visitors and average number of trips - we can calculate the share of trips for each state, which accounts for the percentage of respondents that visited a state and the average number of trips taken to all states. From this share-of-trips measure, we see that Washington leads the pack, followed by Oregon and California. Still, these findings suggest that Seattle is a strong market for California. We can also consider the total number of trips that people from Seattle took within the region. (Here, the region was defined as California, Washington, Oregon, Nevada, Colorado, Arizona and Utah). Among these states, Seattle residents reported taking an average of 7.5 trips in a two-year period. Since the average for California was just 2.4, there seems to be opportunity to change behavior and generate additional trips to California.

Past Visitation

Seattle	Visitors	Trips	Share of Trips
WA	64.0%	4.5	31.6%
OR	66.8%	3.0	22.2%
CA	61.8%	2.4	16.2%
NV	36.2%	2.0	8.1%
HI	29.2%	1.6	5.1%
FL	25.5%	1.4	4.0%
AZ	20.0%	1.8	3.9%
TX	10.4%	2.6	3.0%
NY	16.0%	1.5	2.7%
CO	10.4%	1.6	1.8%
UT	8.6%	1.4	1.4%
NONE	3.0%		

Often, trips are motivated by visiting friends and relatives. While these types of trips are good for state tourism, they often do not have the same spending characteristics as trips which are made solely for leisure. For example, travelers visiting friends / relatives are less likely to spend money on lodging, food and other expenses, which lowers the ROI for these types of trips. As such, it is interesting to note that more travelers from Seattle took more trips primarily motivated by VFR as compared to the Primary Domestic markets overall. This was especially true in the winter months.

VFR Travel

Season	Seattle	Primary Domestic
Winter	63.5%	46.7%
Spring	55.7%	48.7%
Summer	56.0%	50.6%
Fall	55.6%	53.6%

Respondents also listed the states they were likely to visit within the next year. The table shows the percentage of respondents that claimed to be very likely to visit or were already planning a trip to one of the tested states. The table also shows an index score for each state as compared to the Primary Domestic markets overall. A score of 100 is average; 105 is 5% above average; and 95 is 5% below average. Predictably, Seattle travelers were most likely to say they would visit Washington in the next year, followed by Oregon which also indexed highly. While California did not index above average in this market, 46% were still interested in future visitation.

Likelihood to Visit States

Seattle	Visitors	Index
WA	78.4%	193
OR	54.3%	155
CA	46.0%	97
NV	21.6%	69
HI	20.1%	113
FL	14.8%	81
NY	11.9%	85
AZ	11.2%	40
CO	9.7%	34
TX	7.6%	76
UT	4.9%	29

In addition to indicating which states they were likely to visit within the next year, respondents reported which cities they were very likely to visit or already planning to visit. This likelihood and the index as compared to all Primary Domestic markets are seen below.

Seattle travelers were most likely to visit Seattle, Portland and Las Vegas. Positively, they were also much more likely than average to be interested in San Diego or Los Angeles. San Francisco, while a travel option for nearly 30% of respondents, did not index higher than average.

Likelihood to Visit Cities

Seattle	Likelihood	Index
Seattle	89.6%	46
Portland	54.7%	49
Las Vegas	34.1%	127
San Francisco	29.9%	96
Los Angeles	24.3%	115
San Diego	20.5%	116
Phoenix	12.4%	67

These results suggest that while Seattle is a strong market for California, with the state holding over 16% of trips among these travelers, many of these trips are primarily motivated by VFR, lessening their economic impact. Additionally, more respondents reported visitation to and interest in Washington and Oregon. While Seattle is a strong market for California, there is room for improvement.

Visitor Trip Specifics

Reviewing actual travel patterns to the state will identify travel patterns and trends that California Tourism can use to perfect its marketing campaigns within each of the Primary Domestic markets. Therefore, this research reviews the seasonality of trips made to California, transportation used, motivating trip activities and visitor demographics.

Visitors from Seattle displayed similar travel patterns as those from the overall sample. Spring and summer were the most popular travel seasons, followed by fall and winter.

Season Visited California

Season	Seattle	Overall
Winter	20.8%	19.0%
Spring	31.3%	29.9%
Summer	26.4%	28.0%
Fall	21.5%	23.1%

The analysis revealed differences within the Primary Domestic markets in terms of transportation used to travel to California. The table below shows the percentage in Seattle and the Primary Domestic markets overall that flew to the state in each season. Most of those who did not fly drove to the state, with only about 1-2% of the Primary Domestic market sample using a different mode of transport. For all seasons, Seattle travelers were most likely to fly to California, especially as compared to the Primary Domestic markets overall.

Traveled by Air to California

Season	Seattle	Primary Domestic
Winter	78.7%	62.5%
Spring	75.0%	60.7%
Summer	70.2%	53.3%
Fall	76.8%	63.8%

Identifying the activities that visitors chose during their trips and which ones influenced their travel planning can assist in creating effective marketing. The following table presents the activities in which visitors participated and the impact of those activities. By impact, we mean activities that actually motivated travel. Finally, an index score compares the impact of the activities by market to the overall score of the Primary Domestic markets. A score of 100 means a score is average, while 105 means the score is 5% above average, and 95 means the score is 5% below average.

Among Seattle travelers, the most popular activities were shopping, fine dining, viewing natural scenery and visiting a theme/amusement park. Visiting a theme/amusement park, however, had the greatest impact -- motivating the most trips. Other key activities were shopping, scenery, the unique character of the area and visiting wineries. For this market, efforts to promote the culinary experience might work well, although promoting theme parks would be a good strategy as well.

Activities

Seattle	Participate	Impact	Index
Visiting a theme or amusement park	36.4%	23.8%	97
Viewing and enjoying natural scenery, e.g., mountains, oceans, etc.	39.2%	16.2%	95
Driving on scenic byways or roads	25.8%	12.7%	140
Shopping	49.5%	11.7%	156
Fine dining or eating at a unique local restaurant	48.3%	10.8%	83
Entertainment and nightlife	22.5%	10.8%	85
Experiencing the unique feeling & attitude of area	25.3%	10.4%	122
Visiting a winery	19.0%	9.0%	107
Going to the beach	19.4%	8.6%	38
Golf	8.1%	5.9%	176
Go sightseeing or take tours	15.8%	4.9%	103
Visiting a national or state park	17.1%	4.9%	93
Arts activities, e.g., museums, theater performances	11.7%	4.5%	76
Hiking or camping	9.4%	4.5%	150
Watching sporting events	6.7%	4.0%	107
Visiting small towns and rural areas	18.9%	3.2%	138
Visit historical sites	13.4%	2.2%	84
Gambling	4.1%	1.4%	156
Visiting a spa	8.6%	1.4%	105
Boating or other water activities	1.8%	1.4%	84
Visiting activities that are fun for small children	6.7%	1.3%	32
Adventure activities, e.g., whitewater rafting, rock climbing, or skiing	2.2%	0.4%	97
None	7.2%		

Finally, to gain insight into the demographic differences between visitors and non-visitors in the Primary Domestic markets, we can compare the demographic profiles. This information can help California successfully market its tourism product.

In the Seattle market, visitors were more likely to be married or single, and less likely to be divorced or separated. Visitors were more likely to have completed some college or technical school or to be a college graduate; however, fewer visitors earned post-graduate degrees. Visitors were more ethnically diverse, representing more African Americans, Asians, Hispanics and those of other ethnic backgrounds than the non-visitor group. Visitors were more likely to be in managerial or professional positions and to earn \$100K or more annually.

Apparently, Seattle offers a great deal of potential to California. While the brand campaign does not seem to generate greater interest in the Primary Domestic markets, a more focused and specific approach would give residents reason to visit California. In Seattle, it would make sense to consider pairing promotions with flight offers - or perhaps tracking flight prices and launching efforts when air fares are low. Specifically, there seems to be strong interest in trips to San Diego and Los Angeles. For these trips, promoting theme parks, or the culinary experience are both good options, although pairing this with promotion of the scenery and scenic drives would strengthen the offer. While interest in visiting San Francisco is a bit below average – this city generated the strongest interest from this market. Therefore, promotions relating to San Francisco should also be successful.

Demographics

Seattle	Non-Visitors	Visitors
Marital Status		
Married	63.6%	64.1%
Divorced/Separated	15.8%	10.2%
Widowed	0.7%	0.8%
Single/Never married	19.9%	24.9%
People living in household	2.5	2.5
Children under 18	0.6	0.6
Education		
High school or less	3.3%	1.7%
Some college/technical school	25.8%	28.6%
College graduate	41.1%	47.6%
Post-graduate degree	29.8%	22.2%
Ethnicity		
African American	0.0%	1.7%
Asian-American	4.7%	7.4%
Caucasian	90.6%	81.9%
Hispanic/Latin American	1.3%	1.6%
Mixed ethnicity	2.7%	3.3%
Native American	0.0%	0.0%
Other	0.7%	4.1%
Occupation		
Managerial/professional	54.8%	58.0%
Service	4.7%	4.9%
Sales/technical/admin. support	13.3%	12.7%
Student	0.7%	0.4%
Unemployed	0.0%	0.4%
Retired	8.6%	9.4%
Blue Collar	5.3%	4.1%
Other	12.7%	10.2%
Age	43.1	43.5
Income		
\$50K but less than \$75K	47.7%	43.6%
\$75K but less than \$100K	29.5%	22.0%
\$100K or more	22.8%	34.4%

PORTLAND

Past Travel & Interest in California

Predictably, respondents from Portland reported making the most trips to Oregon over the past two years. In fact, nearly 78% reported doing so, with the average number of trips being 5.5. With the high level of repeat visitation, the share of trips for Oregon was also the highest. Washington was also a popular state, followed by California. Nearly 63% of travelers from this market visited California, taking 2.1 trips on average. While this is promising, California holds only 12.1% of the share of trips from this market, about 4% lower than the share in Seattle. When considering total travel to the region, Portland residents reported the highest levels, with an average of 8.3 trips in two years. The challenge for California is to garner a larger share of existing trips.

Past Visitation

Portland	Visitors	Trips	Share of Trips
OR	77.9%	5.5	39.2%
WA	74.9%	3.9	26.9%
CA	62.8%	2.1	12.1%
NV	30.3%	1.9	5.2%
FL	21.9%	1.6	3.3%
HI	22.1%	1.3	2.7%
CO	14.5%	1.9	2.5%
AZ	17.4%	1.5	2.4%
NY	17.7%	1.4	2.2%
TX	11.9%	1.7	1.9%
UT	13.6%	1.2	1.6%
NONE	0.6%		

Portland travelers reported more VFR travel than overall in the winter months, but the level of VFR travel was closer to average in the spring and summer. Fall VFR travel was notably lower than average. This suggests that although the share of trips within the Portland market was lower than that in Seattle, fewer trips were for the primary purpose of VFR, giving the trips in this market more economic impact.

VFR Travel

Season	Portland	Primary Domestic
Winter	65.9%	46.7%
Spring	46.7%	48.7%
Summer	50.8%	50.6%
Fall	48.8%	53.6%

As seen with the past travel patterns, Portland respondents were the most likely to report interest in visiting their home state, a measure that indexed more than 200% percent above average. Washington also received a great deal of interest and indexed highly, while interest in visiting California was lower but similar to the level seen in the Seattle market.

Likelihood to Visit States

Portland	Visitors	Index
OR	88.2%	251
WA	72.3%	178
CA	46.7%	99
NV	22.5%	72
HI	17.6%	99
NY	14.1%	100
FL	13.9%	77
AZ	11.8%	42
CO	8.7%	30
TX	7.1%	70
UT	5.5%	33

Again, respondents from this market cited their home town as the city they were most likely to visit during the next year. Seattle was also popular, followed by Las Vegas and San Francisco. LA and San Diego, however, did not garner much interest in this market, indexing lower than average.

Likelihood to Visit Cities

Portland	Likelihood	Index
Portland	93.0%	244
Seattle	67.1%	157
Las Vegas	33.6%	76
San Francisco	30.3%	107
Los Angeles	23.9%	85
San Diego	21.2%	67
Phoenix	13.7%	48

As compared to the Seattle market, the share of trips in the Portland market was lower, although fewer trips in this market were for VFR, thus increasing the economic impact of the trips that did occur. Consequently, Portland is also a strong market for California. Increasing repeat visitation is one route California Tourism can take to increase its share of trips in the Portland market.

Visitor Trip Specifics

Seasonal travel patterns by Portland visitors were nearly identical to those of the Primary Domestic market overall. The transportation used by Portland visitors varied by season and overall. In all seasons excluding summer, visitors were more likely to fly to the state. However, in the summer months, more than half of the visitors drove.

Like Seattle visitors, many Portlanders shopped, enjoyed fine dining, viewed natural scenery and visited theme parks. As with Seattle, visiting an amusement park was the first motivator of trips, followed by scenery. As compared to the Primary Domestic markets overall, these visitors were more likely to travel for adventure, activities for children and historic sites. The impact of fine dining was fairly strong compared to some of the other Primary Domestic markets.

Season of Visit to California

Season	Portland	Overall
Winter	18.7%	19.0%
Spring	29.3%	29.9%
Summer	28.6%	28.0%
Fall	23.4%	23.1%

Traveled by Air to CA

Season	Portland	Primary Domestic
Winter	65.9%	62.5%
Spring	63.2%	60.7%
Summer	42.0%	53.3%
Fall	70.1%	63.8%

Activities

Portland	Participate	Impact	Index
Visiting a theme or amusement park	40.8%	28.6%	116
Viewing and enjoying natural scenery - mountains oceans	43.1%	21.8%	127
Fine dining or eating at a unique local restaurant	44.1%	12.5%	96
Entertainment and nightlife	22.4%	11.9%	94
Going to the beach	27.1%	11.2%	50
Experiencing the unique feeling & attitude of area	24.2%	8.1%	95
Visiting a winery	13.8%	7.3%	87
Driving on scenic byways or roads	24.4%	6.9%	77
Visiting activities that are fun for small children	14.3%	6.9%	163
Arts activities, e.g., museums, theater performances	17.0%	6.6%	112
Visiting a national or state park	18.3%	6.4%	120
Shopping	44.2%	6.2%	83
Watching sporting events	8.9%	5.6%	149
Go sightseeing or take tours	18.1%	4.9%	102
Hiking or camping	11.3%	4.2%	141
Visit historic sites	16.5%	4.1%	154
Visiting small towns & rural areas	15.9%	2.9%	128
Adventure activities - whitewater rafting/rock climbing/skiing	5.6%	1.9%	421
Boating or other water activities	3.7%	1.9%	116
Golf	5.3%	1.4%	41
Visiting a spa	9.1%	0.9%	68
Gambling	3.7%	0.9%	100
None	4.1%		

Portlanders were more likely to be divorced or separated and less likely to be single. They were also much more likely to have post-graduate degrees as compared to non-visitors, be in managerial or professional positions and earn \$75K or more annually.

As with Seattle, there seems to be good potential in this market, as these folks travel quite a bit. Given the fact that they are generally likely to fly to California, promotions linked to affordable air fares could be effective. Moreover, since they are less likely to visit California in the spring, this might be a good time to focus on this market. Visiting a theme park was the strongest motivator, and it was more important in this market than the others. Promoting the culinary appeal could also work – although perhaps to a somewhat smaller audience.

Demographics

Portland	Non-visitors	Visitors
Marital Status		
Married	67.7%	67.4%
Divorced/Separated	12.4%	14.7%
Widowed	1.7%	1.4%
Single/Never married	18.1%	16.6%
People living in household	2.7	2.7
Children under 18	0.8	0.7
Education		
High school or less	9.2%	4.6%
Some college/technical school	30.9%	28.1%
College graduate	43.4%	38.7%
Post-graduate degree	16.4%	28.5%
Ethnicity		
African American	0.0%	0.5%
Asian-American	2.6%	5.2%
Caucasian	91.6%	89.1%
Hispanic/Latin American	1.7%	1.4%
Mixed ethnicity	0.8%	1.9%
Native American	0.9%	0.9%
Other	2.4%	1.0%
Occupation		
Managerial/professional	46.7%	59.7%
Service	5.8%	4.4%
Sales/technical/admin. support	19.0%	12.9%
Student	0.0%	0.0%
Unemployed	0.0%	0.0%
Retired	10.2%	10.1%
Blue Collar	7.7%	5.0%
Other	10.7%	7.9%
Age	44.0	45.2
Income		
\$50K but less than \$75K	57.2%	45.2%
\$75K but less than \$100K	24.5%	29.4%
\$100K or more	18.3%	25.4%

SALT LAKE CITY

Past Travel & Interest in California

Just as seen in the Portland market, respondents in the Salt Lake City market were most likely to report traveling their own state, Utah. California was the second most popular state, followed by Nevada. Visitors took fewer trips to California as compared to Utah and Nevada - 2.1 on average, as compared to 3.1 for Nevada and 3.9 for Utah. Still, California's share of trips was about 15%, a positive figure close to the share of trips in Seattle. Overall residents in Salt Lake City reported taking an average of 7.7 trips within the region in a two-year period. A viable strategy might be convincing them to forego a trip to Nevada and visit California instead.

Past Visitation

Salt Lake City	Visitors	Trips	Share of Trips
UT	67.1%	3.9	28.4%
NV	58.8%	3.1	19.6%
CA	64.4%	2.1	14.9%
CO	25.2%	2.4	6.6%
AZ	33.2%	1.8	6.5%
FL	28.2%	1.7	5.1%
WA	23.3%	2.0	4.9%
OR	22.3%	1.6	3.9%
NY	19.6%	1.8	3.9%
HI	24.2%	1.5	3.8%
TX	13.6%	1.7	2.5%
NONE	1.7%		

In the spring, summer and fall months, VFR travel was notably lower than average. Winter was the busiest season for VFR travel in this market. Still, as VFR travel was generally lower than average, the trips taken likely had strong economic impact, making this market a good one for California tourism.

VFR Travel

Season	Salt Lake City	Primary Domestic
Winter	46.8%	46.7%
Spring	29.5%	48.7%
Summer	43.0%	50.6%
Fall	38.2%	53.6%

Travelers in this market indexed much higher than average for visiting Utah, Nevada, Hawaii and New York. Interest in visiting California was average. Still, on a positive note, California received the second highest level of interest - with 47.5% of respondents being very likely to visit or already planning a trip.

Likelihood to Visit States

Salt Lake City	Visitors	Index
UT	77.7%	462
CA	47.5%	100
NV	46.5%	150
CO	21.3%	75
AZ	20.9%	75
HI	18.6%	105
WA	17.3%	42
FL	16.9%	94
OR	15.3%	44
NY	14.3%	101
TX	9.6%	96

Many respondents reported interest in visiting San Diego, Los Angeles and San Francisco. However, Las Vegas received the greatest interest. San Diego and Los Angeles also indexed above average.

Likelihood to Visit Cities

Salt Lake City	Likelihood	Index
Las Vegas	56.1%	127
San Diego	36.9%	116
Los Angeles	32.2%	115
San Francisco	27.2%	96
Seattle	19.6%	46
Phoenix	19.3%	67
Portland	18.6%	49

As compared to Seattle and Portland, slightly more respondents from this market reported taking trips to California within the past two years. However, as the average number of trips was lower than in Seattle - 2.1 as compared to 2.4 - the share of trips in this market was slightly smaller than in Seattle. With the lowest VFR travel of any Primary Domestic markets, the economic impact of this travel was most likely high. In short, Salt Lake City is another strong market for California.

Visitor Trip Specifics

While visitors from the Salt Lake City market were more likely than average to visit the state in the spring, visitation was lower than average in the summer and fall.

As compared to the overall measure of the Primary Domestic markets, travelers from the Primary Domestic markets were more likely to drive to the state in all seasons, especially in the summer.

Visiting a theme park was the top motivator of trips in this market, and more important than in any of the other Primary Domestic markets. Shopping was also popular, followed by fine dining and going to the beach. As compared to the markets overall, boating and water activities and activities for small children motivated more trips in this market. These visitors seem to be quite family-oriented, which might be the right position to take in this market.

Season of Visit to California

Season	Salt Lake City	Overall
Winter	20.0%	19.0%
Spring	34.5%	29.9%
Summer	24.8%	28.0%
Fall	20.7%	23.1%

Flew to CA

Season	Salt Lake City	Primary Domestic
Winter	53.0%	62.5%
Spring	53.0%	60.7%
Summer	45.3%	53.3%
Fall	55.3%	63.8%

Activities

Salt Lake City	Participate	Impact	Index
Visiting a theme or amusement park	48.1%	31.5%	128
Going to the beach	41.1%	29.6%	133
Viewing and enjoying natural scenery - mountains, oceans	38.1%	14.2%	83
Fine dining or eating at a unique local restaurant	41.5%	11.9%	91
Shopping	44.6%	8.1%	107
Driving on scenic byways or roads	23.1%	7.7%	85
Visiting activities that are fun for small children	14.2%	7.3%	172
Experiencing the unique feeling & attitude of area	24.2%	6.9%	81
Visiting a national or state park	19.2%	6.5%	123
Entertainment and nightlife	18.1%	6.5%	51
Go sightseeing or take tours	19.2%	5.8%	120
Visiting a winery	10.8%	5.4%	64
Arts activities, e.g., museums, theater performances	13.5%	5.0%	84
Golf	11.9%	5.0%	150
Watching sporting events	12.3%	4.6%	122
Boating or other water activities	6.9%	3.5%	214
Hiking or camping	10.0%	3.1%	103
Visit historical sites	14.2%	2.3%	87
Visiting small towns & rural areas	14.6%	1.9%	84
Visiting a spa	4.6%	1.2%	89
Gambling	2.7%	0.4%	44
Adventure activities - whitewater rafting/rock climbing/skiing	1.5%	0.0%	0
None	5.4%		

Among those in the Salt Lake City market, visitors were more likely to be married and less likely to be single. Generally, visitors had more people living in their households and slightly more children. Fewer respondents were college graduates; however, more had post-graduate degrees or completed some college or technical school. Visitors were slightly older than non-visitors and were more likely to earn \$75K or more annually.

The best option for attracting additional visitation from this market seems to be to divert trips from Nevada (primarily Las Vegas) and redirect them to California. A family-oriented campaign would probably be most effective in attracting these residents to California theme parks, family attractions and beaches. There was a much more even split between air and motor vehicle travel, so promoting specific driving itineraries might be a good way to spur trips.

Demographics

Salt Lake City	Non-visitors	Visitors
Marital Status		
Married	71.9%	81.9%
Divorced/Separated	10.3%	9.3%
Widowed	0.9%	1.0%
Single/Never married	16.8%	7.7%
People living in household	3.0	3.3
Children under 18	0.9	1.1
Education		
High school or less	4.7%	5.2%
Some college/tech school	26.1%	30.9%
College graduate	48.6%	41.7%
Post graduate degree	20.5%	22.2%
Ethnicity		
African American	0.0%	0.0%
Asian-American	1.9%	3.1%
Caucasian	90.7%	90.7%
Hispanic/Latin American	2.8%	3.1%
Mixed ethnicity	2.8%	1.5%
Native American	0.0%	0.0%
Other	1.9%	1.6%
Occupation		
Managerial/professional	64.5%	64.9%
Service	0.9%	4.1%
Sales/technical/admin. support	15.0%	14.4%
Student	0.0%	0.0%
Unemployed	0.0%	0.0%
Retired	8.4%	5.1%
Blue Collar	4.7%	2.6%
Other	6.5%	8.8%
Age	41.8	42.3
Income		
\$50K but less than \$75K	60.9%	45.0%
\$75K but less than \$100K	24.2%	28.3%
\$100K or more	14.9%	26.7%

DENVER

Past Travel & Interest in California

Again, Denver travelers were most likely to have visited their home state. The next most popular state was California. Still, only about 47% visited California in the past two years and the state held less than 12% share of trips, making Denver a challenge. In addition, Denver residents traveled less within the region, averaging only 6.0 trips in a two-year period.

More Denver travelers than average visited California to visit with family or friends in all seasons. VFR travel was especially high in the summer and fall, suggesting that even among the trips that did occur, the economic impact was weaker.

In the next year, more travelers from Denver are planning trips within their home state than any other states tested. Although California is the state with the next highest interest, only about 34% of respondents reported interest in visiting the state, a figure that also indexes much lower than average. Along with the low share of trips, this is another indicator that Denver is a challenge for California.

Likelihood to Visit States

Denver	Visitors	Index
CO	79.1%	277
CA	33.7%	71
FL	27.0%	149
NV	27.0%	87
AZ	18.9%	68
HI	15.1%	85
UT	14.5%	86
NY	14.0%	99
TX	12.1%	120
WA	11.9%	29
OR	8.9%	25

Past Visitation

Denver	Visitors	Trips	Share of Trips
CO	64.9%	4.6	39.0%
CA	47.1%	1.9	11.9%
NV	34.9%	2.2	10.1%
FL	34.8%	1.8	8.1%
AZ	31.3%	1.7	7.0%
UT	20.1%	2.2	5.7%
TX	21.7%	1.9	5.5%
NY	20.9%	1.8	4.9%
HI	19.7%	1.4	3.5%
WA	14.2%	1.3	2.5%
OR	10.3%	1.2	1.7%
NONE	2.8%		

VFR Travel

Season	Denver	Primary Domestic
Winter	49.4%	46.7%
Spring	63.8%	48.7%
Summer	67.8%	50.6%
Fall	66.4%	53.6%

Among the cities tested, the most popular destination was Las Vegas, then San Diego and LA. As this market was most interested in traveling in-state, all of the tested destinations indexed lower than average.

Likelihood to Visit Cities

Denver	Likelihood	Index
Las Vegas	40.1%	91
San Diego	23.3%	73
Los Angeles	21.8%	78
San Francisco	20.4%	72
Phoenix	19.2%	67
Seattle	17.3%	41
Portland	11.2%	29

As compared to Seattle, Portland and Salt Lake City - all generally strong markets for California - Denver was much weaker. Less than half the respondents visited the state within the past two years, many of the trips that did occur were for VFR, and the share of trips was also below 12%. As the weakest market, it offers the greatest potential for attracting new visitors with advertising.

Visitor Trip Specifics

Most likely to visit in the spring and summer months, these travelers more than the average, traveled by air to California. Focus on promoting affordable air travel.

Flew to CA

Season	Denver	Primary Domestic
Winter	82.8%	62.5%
Spring	80.2%	60.7%
Summer	79.3%	53.3%
Fall	81.6%	63.8%

Season of Visit to California

Season	Denver	Overall
Winter	16.2%	19.0%
Spring	27.7%	29.9%
Summer	29.3%	28.0%
Fall	26.8%	23.1%

Many from Denver enjoyed fine dining, shopping and natural scenery. The beach was the strongest motivator. As compared to overall, more Denver visitors from the market were motivated by visiting a state or national park, hiking or camping, and arts activities.

Activities

Denver	Participate	Impact	Index
Going to the beach	38.2%	22.3%	100
Viewing & enjoying natural scenery, e.g., mountains, oceans, etc.	43.6%	20.7%	121
Visiting a theme or amusement park	26.5%	20.3%	82
Entertainment & nightlife	23.4%	18.5%	146
Visiting a winery	21.3%	12.3%	145
Fine dining or eating at a unique local restaurant	52.9%	12.1%	93
Arts activities, e.g., museums, theater performances	22.9%	11.3%	190
Visiting a national or state park	25.3%	11.1%	208
Driving on scenic byways or roads	29.2%	10.1%	111
Experiencing the unique feeling & attitude of the area	31.8%	9.4%	110
Hiking or camping	13.5%	5.6%	190
Go sightseeing or take tours	21.1%	5.4%	113
Visit historical sites	12.9%	4.4%	167
Visiting small towns & rural areas	9.3%	3.6%	158
Visiting activities that are fun for small children	6.0%	3.4%	80
Shopping	46.6%	2.8%	37
Watching sporting events	4.6%	1.8%	48
Boating or other water activities	5.6%	1.0%	62
Visiting a spa	8.5%	1.0%	78
Adventure activities - whitewater rafting, rock climbing, or skiing	0.0%	0.0%	0
Golf	3.0%	0.0%	0
Gambling	1.8%	0.0%	0
None	5.1%		

Fewer visitors from this market were married, while more were single, divorced or separated. Visitors' households were slightly smaller and included slightly fewer children. Visitors were more likely to have college or post-graduate degrees than non-visitors, to hold managerial or professional occupations and to earn \$100K or more annually. Additionally, fewer visitors were African American, Asian American or Hispanic.

This market is the most challenging of the Primary Domestic markets. It might make sense to put more effort into the other cities. People in Denver have lots of travel options within their state and show a great deal of loyalty. The biggest appeal that California seems to offer is visiting the beach, followed by theme parks. Yet, Florida is a strong competitor and is almost as popular among people from Denver for these activities. There is actually a fair degree of interest in fine dining, which may offer a way to differentiate California and generate additional visitation.

Demographics

Denver	Non-visitors	Visitors
Marital Status		
Married	73.0%	62.7%
Divorced/Separated	11.2%	14.8%
Widowed	0.0%	0.0%
Single/Never married	15.8%	22.5%
People living in household	2.6	2.5
Children under 18	0.6	0.5
Education		
High school or less	5.8%	1.2%
Some college/tech school	25.5%	24.1%
College graduate	38.8%	40.8%
Post graduate degree	29.8%	34.0%
Ethnicity		
African American	2.9%	0.6%
Asian-American	3.6%	3.4%
Caucasian	87.5%	87.1%
Hispanic/Latin American	3.0%	2.8%
Mixed ethnicity	1.7%	2.7%
Native American	0.0%	0.7%
Other	1.3%	2.7%
Occupation		
Managerial/professional	54.6%	64.8%
Service	4.6%	1.2%
Sales/technical/admin. support	18.7%	12.0%
Student	0.0%	0.0%
Unemployed	0.0%	0.0%
Retired	8.6%	6.5%
Blue Collar	3.4%	2.7%
Other	10.0%	12.9%
Age	44.9	44.5
Income		
\$50K but less than \$75K	48.2%	38.8%
\$75K but less than \$100K	30.5%	29.1%
\$100K or more	21.3%	32.1%

PHOENIX

Past Travel & Interest in California

More travelers from Phoenix reported visiting California than any other state tested. California also earned the highest share of trips in this market and high repeat visitation, with the average trips taken by visitors at 3.1. These numbers indicate that Phoenix is currently the strongest of the Primary Domestic markets, generating the most travelers and trips. At the same time, residents from this area reported an average of only 7.3 trips in the region. Given that they are already taking many trips to California, it may be difficult to capture additional travel.

Past Visitation

Phoenix	Visitors	Trips	Share of Trips
CA	79.1%	3.1	27.0%
AZ	65.5%	3.6	26.0%
NV	55.7%	2.9	18.1%
FL	26.9%	1.7	5.0%
TX	22.4%	1.9	4.7%
CO	24.5%	1.5	4.1%
NY	19.6%	1.8	4.0%
HI	23.7%	1.3	3.4%
WA	17.2%	1.6	3.1%
UT	15.3%	1.7	2.9%
OR	10.9%	1.3	1.6%
NONE	1.7%		

Positively, fewer visits than average were made for VFR travel. The highest season for VFR travel, as seen in other markets, was winter.

V FR Travel

Season	Phoenix	Primary Domestic
Winter	43.5%	46.7%
Spring	36.9%	48.7%
Summer	35.1%	50.6%
Fall	42.8%	53.6%

Although more Phoenix travelers said that they were likely to visit Arizona than any other state tested, California also received a high percentage of interest, and indexed above average. In fact, of all the Primary Domestic markets, more Phoenix respondents reported interest in future visitation, another indicator of the strength of this market.

Likelihood to Visit States

Phoenix	Visitors	Index
AZ	76.4%	273
CA	64.2%	136
NV	46.0%	148
CO	17.5%	61
HI	17.3%	97
NY	17.2%	121
FL	16.7%	92
TX	13.5%	134
WA	11.3%	28
UT	9.6%	57
OR	9.1%	26

Phoenix travelers expressed the greatest interest in visiting their home city, followed by San Diego, Las Vegas, LA and San Francisco, all which indexed higher than average.

Likelihood to Visit Cities

Phoenix	Likelihood	Index
Phoenix	78.7%	275
San Diego	56.7%	179
Las Vegas	56.5%	128
Los Angeles	37.7%	135
San Francisco	33.7%	119
Seattle	20.0%	47
Portland	13.3%	35

The results show that Phoenix is currently the strongest market for California, with the most visitors, trips and low VFR travel. However, given the strength of this market, it may be more difficult to generate additional trips. California should focus on keeping these visitors coming to the state.

Visitor Trip Specifics

Phoenix travelers were more likely to visit California in the summer, followed by the spring and fall. Travel patterns were also very similar to the overall Primary Domestic markets.

These travelers were more likely to drive to California than overall, with fewer respondents flying to the state in all seasons.

Season of California Trip

Season	Phoenix	Overall
Winter	19.3%	19.0%
Spring	26.6%	29.9%
Summer	30.8%	28.0%
Fall	23.4%	23.1%

Traveled by Air to CA

Season	Phoenix	Primary Domestic
Winter	41.3%	62.5%
Spring	39.3%	60.7%
Summer	37.5%	53.3%
Fall	43.6%	63.8%

Fine dining, going to the beach, shopping, and viewing the natural scenery were favorites among Phoenix visitors. The activities with the most influence on travel were going to the beach and visiting a theme or amusement park. As compared to the other Primary Domestic markets, going to the beach had a much stronger impact.

Activities

Phoenix	Participate	Impact	Index
Going to the beach	45.2%	32.4%	145
Visiting a theme or amusement park	35.1%	22.2%	90
Viewing and enjoying natural scenery, e.g., mountains, oceans, etc.	39.5%	15.8%	92
Fine dining or eating at a unique local restaurant	48.9%	15.3%	118
Entertainment and nightlife	24.3%	14.9%	117
Visiting a winery	15.9%	8.6%	102
Driving on scenic byways or roads	22.5%	7.9%	88
Experiencing the unique feeling & attitude of the area	20.5%	7.9%	93
Shopping	42.0%	6.7%	89
Arts activities, e.g., museums, theater performances	14.5%	5.2%	88
Go sightseeing or take tours	14.5%	4.1%	85
Visiting activities that are fun for small children	8.4%	4.0%	94
Watching sporting events	6.2%	3.2%	84

(Continued on next page)

Phoenix	Participate	Impact	Index
Golf	6.6%	3.0%	89
Visiting a national or state park	12.0%	2.9%	54
Visit historical sites	9.9%	1.9%	73
Visiting a spa	7.9%	1.6%	121
Visiting small towns & rural areas	12.4%	1.2%	54
Boating or other water activities	4.6%	1.1%	70
Gambling	3.9%	1.0%	119
Hiking or camping	5.6%	0.7%	23
Adventure activities, e.g., whitewater rafting, rock climbing, or skiing	1.0%	0.2%	43
None	4.5%		

As compared to non-visitors, visitors from Phoenix have slightly more people living in their households, with more children under the age of 18. They were more likely to have some college or technical school completed or a college degree, but less likely to have a post-graduate education. Fewer visitors were African American, Asian American or Hispanic. These visitors were more likely to have managerial or professional degrees, work in sales, and were less likely to be retired. Visitors were younger than non-visitors and were more likely to earn between \$75-100K annually.

People from Phoenix already show a strong pattern of visitation to California. They like to visit Southern California and enjoy the beaches and theme parks. Given their current level of visitation, a key goal should be to focus on maintaining travel to the state. Convincing people to visit San Francisco and more northern cities may be a way to give Phoenix residents another reason to visit. While beaches and theme parks seem to be the key motivators, a segment of visitors were motivated by fine dining and wineries. This could be the focus to support repeat visitation and exploration of other areas of the state.

Demographics

Phoenix	Non-visitors	Visitors
Marital Status		
Married	62.1%	61.1%
Divorced/Separated	16.5%	17.5%
Widowed	5.2%	2.4%
Single/Never married	16.2%	18.9%
People living in household	2.3	2.6
Children under 18	0.3	0.6
Education		
High school or less	1.2%	3.5%
Some college/technical school	26.0%	28.3%
College graduate	45.7%	46.8%
Post graduate degree	27.2%	21.3%
Ethnicity		
African American	1.4%	0.3%
Asian-American	2.9%	1.1%
Caucasian	87.0%	92.5%
Hispanic/Latin American	4.9%	2.7%
Mixed ethnicity	1.2%	0.7%
Native American	1.2%	0.7%
Other	1.4%	2.1%
Occupation		
Managerial/professional	53.7%	55.1%
Service	7.5%	5.8%
Sales/technical/admin.	13.6%	16.4%
Student	1.2%	0.9%
Unemployed	0.0%	0.0%
Retired	19.4%	11.3%
Blue Collar	0.0%	1.7%
Other	4.6%	8.8%
Age	48.4	45.3
Income		
\$50K but less than \$75K	56.8%	44.9%
\$75K but less than \$100K	18.7%	31.2%
\$100K or more	24.5%	23.9%

CONCLUSIONS & RECOMMENDATIONS

The findings from the 2007 Spring/Summer Advertising Campaign research are quite positive. The image of the state remained essentially unchanged from last year, with many attributes being rated above the excellent threshold, like *has lots to see and do* and *is scenic and beautiful*. Further, the reach of the ads was quite extensive this year. With over 60% of travelers recalling the ads, the advertising reached 50.2 million households - 14 million more households than recorded by last year's campaign. Nearly 41% of respondents also said that they were very likely or already planning a trip to the state within the next year. The creative received high scores on all ratings, showing significant improvement. Finally, the ads had significant impact on improving the state's imagery and increasing interest in future travel, in addition to increasing the percentage of travelers that gathered information about the state.

As always, however, there is room for improvement. While the ads reached significantly more people this year, with rising expenditures, the cost to reach an aware household rose. While the overall cost to reach an aware household was still quite low, at \$0.18, the cost to reach high earning households - \$75K or more annually - rose to \$0.81. While high earners are a difficult market to reach, this cost should be monitored. Based on our national benchmarks, SMARI finds that costs should be maintained below \$1 to reach an aware household.

In terms of image, preference and interest in future travel; Hawaii and Florida appear to be California's main competitors. Hawaii's image is even more positive than that of California and, in all markets, Hawaii is the preferred destination. Still likelihood to travel to Hawaii is low overall and in all markets. In short, while many travelers prefer Hawaii and have a very positive image of this state, very little travel is actually in the planning process, which is likely a function of distance and cost. As such, Florida is California's strongest competitor. In terms of actual visitation, especially in markets further from California - in this case in the Opportunity and National markets - preference for Florida is quite competitive. Appealing to travelers who live further away can be challenging, as travel is often motivated by ease of travel and geography. However, compelling advertising can convince travelers to vacation in California.

The reach of the California ad was quite good. Still, as compared to the competitive ads tested, reach of the California ad was second to that of the Las Vegas campaign. Las Vegas, however, has a much larger budget and supplemented its TV campaign with print ads, which extended the reach of the campaign. In fact, in a comparative context, the reach of the California campaign was impressive. At the same time, California may be able to reach more travelers and generate a stronger influence on their behavior by supplementing its campaign with other media, e.g., print or on-line promotion. Some of the state's print efforts have not been as successful and print marketing should move beyond branding. Instead, print that *builds* on the established brand and provides more specific information would be more likely to increase its impact.

This research tested four marketing areas - Primary Domestic markets, Remaining West, Opportunity markets and National. The ads achieved the best reach in the Primary Domestic markets, followed by the Remaining West, Opportunity and National. While all markets rated California above average on the image attributes, the Primary Domestic and Remaining West markets gave the creative higher ratings. In the National markets, the ads had stronger impact on the percentage that gathered information. And in all markets excluding the Primary Domestic, the

ads increased the likelihood to visit in the future. Uniquely tailoring the advertising campaign to each market may assist the state in building more preference and generate future travel.

This research also took into account the differences between the DMA's in the Primary Domestic markets (Seattle, Portland, Salt Lake City, Denver and Phoenix). Seattle, Portland and Salt Lake City are all strong markets for California, although each presents distinct challenges. Still, there is potential in each market to attract new California visitors and repeat visitation. While Denver is a weaker market for the state, it offers potential for advertising to be a more powerful influence. Phoenix is currently the strongest market. As most trips from all Primary Domestic markets took place in the spring and summer, one way to increase visitation would be to give travelers specific reasons to visit the state in the fall and winter months.

More detailed findings follow:

- While **Seattle** is a strong market for California, many trips were motivated by VFR, which tends to reduce their economic impact. Nearly half of the respondents claimed to be very likely to take a trip to the state or are already planning a trip, with San Diego and Los Angeles being the most popular destinations. California should appeal to new visitors and also try to generate repeat visitation. Activities motivating these trips included theme parks and scenery. The culinary message could be effective as well and promotions that highlight affordable air fares would be good options.
- While **Portland** is a strong market, it is not as strong as Phoenix, Seattle or Salt Lake City. Many Portlanders reported visiting California in the past; however, the city generated a lower share of trips and higher VFR travel than Salt Lake City and Phoenix. Still, interest in visiting California within the next year was average and interest in visiting San Francisco was above average. This market was primarily motivated by theme parks and scenery. While Portland is currently a weaker market, advertising may boost visitation - a measure which will be considered in Phase 2.
- **Salt Lake City** is a strong market for California, with a 15% share of trips. Nearly 65% of travelers reported visiting California and nearly half claimed to be considering a trip over the next year. VFR travel was lower on average in this market, which increased the economic impact of these trips. Trips by these visitors centered on kids' activities, like theme parks, and were most likely to occur in the spring. The state can market to this audience by promoting activities for the entire family.
- **Denver** is the weakest market, as less than half of these travelers reported visiting the state over the past two years. VFR travel was strong as well. Generally, Denver travelers are most interested in visiting Colorado destinations. Those that do travel to California were most likely to be motivated by beaches and other outdoor activities. These travelers were most likely to travel by air. While this is currently a weak market, it offers potential as advertising could influence travelers' views of the state.
- **Phoenix** is California's strongest market, with a 27% share of trips and nearly 80% visitation. This audience was motivated by beaches, theme parks and scenery, and they were most likely to drive to the state. As most of these trips were not primarily for VFR, the economic potential for attracting these visitors is strong. Given the already high visitation by this market, it will be difficult to attract even more visitors. The state should focus on maintaining this high level of visitation, while working to attract new visitors from the other Primary Domestic markets.

APPENDIX

LIKELIHOOD TO VISIT DESTINATIONS

Percentage *Very Likely* to visit and *Already Planning a Trip*

City		Overall	Opportunity	Primary Domestic	Remaining West	National
San Francisco	Very likely	19.6%	16.0%	21.1%	27.6%	13.8%
	Already planning	7.0%	8.0%	7.2%	9.5%	3.4%
	Total	26.6%	24.0%	28.3%	37.1%	17.2%
LA	Very likely	17.7%	13.2%	19.0%	27.4%	11.1%
	Already planning	9.1%	7.0%	8.4%	17.5%	3.6%
	Total	26.8%	20.2%	27.5%	44.9%	14.7%
San Diego	Very likely	19.5%	15.3%	22.4%	28.8%	11.5%
	Already planning	7.0%	4.8%	8.4%	10.0%	4.9%
	Total	26.5%	20.1%	30.8%	38.8%	16.4%
Portland	Very likely	14.0%	9.3%	26.0%	15.9%	4.7%
	Already planning	5.4%	2.5%	11.9%	5.7%	1.3%
	Total	19.3%	11.9%	37.8%	21.6%	6.0%
Seattle	Very likely	17.9%	12.8%	29.8%	20.2%	8.7%
	Already planning	7.4%	1.9%	16.6%	8.1%	3.0%
	Total	25.3%	14.7%	46.4%	28.3%	11.7%
Phoenix	Very likely	14.0%	9.7%	19.0%	17.6%	9.6%
	Already planning	6.2%	4.8%	10.0%	6.9%	3.2%
	Total	20.2%	14.5%	29.0%	24.5%	12.8%
Las Vegas	Very likely	25.2%	22.7%	28.1%	30.0%	20.0%
	Already planning	12.6%	10.7%	14.7%	14.4%	10.6%
	Total	37.8%	33.3%	42.7%	44.4%	30.6%

QUESTIONNAIRE

California Tourism 2007 Spring Advertising Effectiveness Survey Final – June 19, 2007

Thank you for visiting our travel survey. Your opinions are valuable to us! This survey is about travel and vacation choices. This is for research purposes only and is an opportunity for you to give feedback to travel destinations so that they can improve. No sales effort will ever result from your participation.

Before you begin, there are a few things to note about the survey:

- For most questions, simply click on the button of your response and then click on the Next button to go on to the next question.
- If you need to go back to the preceding question to change your response, click on the Previous button.
- For some questions, you will need to scroll down to respond to all the questions on a screen.
- To stop at any point, close the browser window the survey will terminate and you will not be able to re-enter.

SAMPLE TYPE:

- 1.....Primary Domestic Markets
- 2.....Remaining West
- 3.....Opportunity Markets
- 4.....Remaining National

S1. First, who in your household is primarily responsible for making decisions concerning travel destinations?

- 1..... SELF
- 2..... SELF & OTHER
- 3..... SPOUSE/OTHER → TERMINATE

S2. Do you normally take at least one vacation or leisure trip a year? A leisure trip would be any non-business trip involving at least one night stay at a location at least 50 miles from your home?

- 1..... Yes
- 2..... No → TERMINATE

S3. Which of the following categories best represents the total annual income for your household before taxes?

- Less than \$35,000 → TERMINATE
- \$35,000 but less than \$50,000 → TERMINATE
- \$50,000 but less than \$75,000
- \$75,000 but less than \$100,000
- \$100,000 or more

1.	Please check the states that you have visited for a leisure trip in the past two years.	How many trips have you taken to the state in the past 2 years?
Texas	<input type="checkbox"/>	<input type="checkbox"/>
Florida	<input type="checkbox"/>	<input type="checkbox"/>
Nevada	<input type="checkbox"/>	<input type="checkbox"/>
California	<input type="checkbox"/>	<input type="checkbox"/>
Utah	<input type="checkbox"/>	<input type="checkbox"/>
New York	<input type="checkbox"/>	<input type="checkbox"/>
Hawaii	<input type="checkbox"/>	<input type="checkbox"/>
Colorado	<input type="checkbox"/>	<input type="checkbox"/>
Arizona	<input type="checkbox"/>	<input type="checkbox"/>
Oregon	<input type="checkbox"/>	<input type="checkbox"/>
Washington	<input type="checkbox"/>	<input type="checkbox"/>

- Thinking about leisure trips you are considering for 2007, what STATES come to mind as places you are thinking about visiting? (USE DROP DOWN LISTS – ALLOW UP TO 4)
- How likely are you to visit each of the following states during 2006?

	Not at all Likely	Not Very Likely	Somewhat Likely	Very Likely	Already planning a trip
Texas	1	2	3	4	5
Florida	1	2	3	4	5
Nevada	1	2	3	4	5
California	1	2	3	4	5
Utah	1	2	3	4	5
New York	1	2	3	4	5
Hawaii	1	2	3	4	5
Colorado	1	2	3	4	5
Arizona	1	2	3	4	5
Oregon	1	2	3	4	5
Washington	1	2	3	4	5

- Which of the following states would you prefer to visit next? (Please select only one.)

	Prefer
Texas	
Florida	
Nevada	
California	
Utah	
New York	
Hawaii	
Colorado	
Arizona	
Oregon	
Washington	
Other destination	

5. How likely are you to visit each of the following cities in the next two years?

	Not at all Likely	Not Very Likely	Somewhat Likely	Very Likely	Already planning a trip
San Francisco	1	2	3	4	5
Los Angeles	1	2	3	4	5
San Diego	1	2	3	4	5
Portland	1	2	3	4	5
Seattle	1	2	3	4	5
Phoenix	1	2	3	4	5
Las Vegas	1	2	3	4	5

6. In the course of planning for any upcoming trips, have you gathered information, gone to the website, or contacted any of the following states regarding information for planning a trip?

Please mark all that apply.

	Gathered information, researched destination	Visited State Website	Called State 800 number	Requested information using other method	None
Texas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Florida	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nevada	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
California	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Utah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New York	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hawaii	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Colorado	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arizona	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Oregon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Washington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CALIFORNIA SHOULD BE ASKED OF ALL; AS WELL, ROTATE TWO OF THE ABOVE COMPETITIVE STATES.

7. Now I'd like you to answer some questions regarding [INSERT STATE]. For each statement, rate how much you agree or disagree that the statement describes [INSERT STATE]. How strongly do you agree or disagree that this statement describes [INSERT STATE]

(SKIP IF SAMPLE TYPE = 1 OR 3)

	Strongly Disagree				Strongly Agree
Is a place with lots to see and do	1	2	3	4	5
Is culturally diverse	1	2	3	4	5
Is scenic and beautiful	1	2	3	4	5
Is fun	1	2	3	4	5
Variety of active outdoor – hiking/climbing/biking	1	2	3	4	5
Has large cities with exciting urban experiences – nightlife, shopping & dining	1	2	3	4	5
Has many quaint small towns	1	2	3	4	5
Has excellent beaches	1	2	3	4	5

Has picturesque parks	1	2	3	4	5
Is free spirited and individualistic	1	2	3	4	5
Has interesting historical sites	1	2	3	4	5
A place where food & wine are part of the culture/lifestyle	1	2	3	4	5
Has a lot of family activities & theme parks	1	2	3	4	5
Has lakes for boating & fishing	1	2	3	4	5
Is wacky and youthful	1	2	3	4	5
Is casual I and laid back	1	2	3	4	5
Offers the best of everything in one place	1	2	3	4	5
Is unlike anyplace else	1	2	3	4	5
Has a unique and desirable lifestyle	1	2	3	4	5
Has friendly people	1	2	3	4	5
Provides a good value for the money	1	2	3	4	5
Is a good place for snowsporting	1	2	3	4	5
Residents have a unique approach toward life & it is something I want to see & experience on my vacation	1	2	3	4	5

Next you will be shown travel advertisements for a few states. Please take a moment to view the ads and answer the questions.

ASK Q7a FOR EACH PRINT AD

Arizona

I:\Team David\Ads - Master\Utah\Summer Ad Eff 2007\Arizona\
AOT_UtahAF_Print_GrandCanyonFamily.jpg
AOT_UtahAF_Print_HavasupaiFalls.jpg
AOT_UtahAF_Print_NativeAmerican.jpg
AOT_UtahAF_Print_ResortPool.jpg
AOT_UtahAF_Print_Trail.jpg

Florida

I:\Team David\Ads - Master\California\2007 Spring Ad Eff 1019109 &1019110\Florida\
Enjoy the ride.jpg
Lovers.jpg
Passion.jpg
Play through.jpg

Las Vegas

I:\Team David\Ads - Master\California\2007 Spring Ad Eff 1019109 &1019110\Vegas\
Airport.jpg
hotel sign in.jpg
Letter.jpg
lint roller.jpg

Texas

I:\Team David\Ads - Master\California\2007 Spring Ad Eff 1019109 &1019110\Texas\
Beach all.jpg
Shopping all.jpg

- 7a. I have seen this print ad before
 I have not seen this print ad before

INTRO TO TV ADS:

Now you will view an ad which will involve streaming video. You must have Microsoft Media Player installed to watch the ad.

If you have broadband Internet access, such as a cable modem, DSL, or a fast connection at work, please click the Broadband buttons to view the ads. If you have a dialup modem or you're not sure, use the Dialup buttons.

Please click Dialup or Broadband to view the ad then answer the questions.

**COMPETITOR ADS ONLY ASKED OF PRIMARY DOMESTIC MARKETS
ASK Q9-12 FOR EACH OF THE FOLLOWING ADS:**

Arizona

mms://sms7.omniproductions.net/UT07S_AZTV1-1.wmv
mms://sms7.omniproductions.net/UT07S_AZTV1-1a.wmv

California

mms://sms7.omniproductions.net/CA07_CATV1-1.wmv
mms://sms7.omniproductions.net/CA07_CATV1-1a.wmv

Florida

mms://sms7.omniproductions.net/CA07_FLTV1-1.wmv
mms://sms7.omniproductions.net/CA07_FLTV1-1a.wmv

Las Vegas

mms://sms7.omniproductions.net/CA07_LVTV1-1.wmv
mms://sms7.omniproductions.net/CA07_LVTV1-1a.wmv

mms://sms7.omniproductions.net/CA07_LVTV2-1.wmv
mms://sms7.omniproductions.net/CA07_LVTV2-1a.wmv

8. ASK ONLY FOR CALIFORNIA

What did this ad communicate to you about [INSERT NAME OF STATE/CITY]?

9. Do you recall seeing the ad?

1. Yes
2. No (THANK AND SKIP TO Q11)
3. Could not view the ad (THANK AND SKIP TO INSTRUCTION BEFORE Q12)

10. How many times have you seen it?

1. Once
2. Two or three times
3. More than three times

11. Now please indicate how much you agree that... [use 'these ads']

	Strongly Disagree				Strongly Agree
After seeing this ad I am more interested in visiting this state	1	2	3	4	5
This ad shows experiences and places that you are interested in	1	2	3	4	5
This ad shows a place with a unique attitude toward life	1	2	3	4	5
This ad portrays a place that offers vacationers the best of everything there is – in one place.	1	2	3	4	5

IF DID NOT VISIT CA AT Q1, SKIP TO Q15

12. During what months did you visit California in the past year? And did you drive or fly to California? PLEASE MARK ALL THAT APPLY

Month	Took Trip to California	Drove to California	Flew to California	Used other transportation
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

SHOW MONTHS OF TRIPS TO CALIFORNIA AND ASK

13. For each of the trips, please indicate if the main purpose of your trip to California was to visit friends and/or relatives?

FOR TRIPS WHERE THE MAIN PURPOSE OF THE TRIP WAS NOT VISITING FRIENDS AND RELATIVES ASK Q14 & 14A FOR UP TO THREE TRIPS

14. Thinking about the trip you took in [INSERT MONTH], which of the following did you do as a part of your trip?

Viewing and enjoying natural scenery such as mountains, oceans, etc.	<input type="checkbox"/>
Hiking or camping	<input type="checkbox"/>
Adventure activities such as whitewater rafting, rock climbing, or skiing	<input type="checkbox"/>
Visiting a theme or amusement park	<input type="checkbox"/>
Visiting a winery	<input type="checkbox"/>
Arts activities such as museums, theater performances	<input type="checkbox"/>
Visiting a national or state park	<input type="checkbox"/>
Golf	<input type="checkbox"/>
Visiting a spa	<input type="checkbox"/>
Fine dining or eating at a unique local restaurant	<input type="checkbox"/>
Shopping	<input type="checkbox"/>
Entertainment and nightlife	<input type="checkbox"/>
Watching sporting events	<input type="checkbox"/>
Experiencing the unique feeling & attitude of the area	<input type="checkbox"/>

Gambling	<input type="checkbox"/>
Visiting small towns and rural areas	<input type="checkbox"/>
Driving on scenic byways or roads	<input type="checkbox"/>
Boating or other water activities	<input type="checkbox"/>
Going to the beach	<input type="checkbox"/>
Visiting activities that are fun for small children	<input type="checkbox"/>
Go sightseeing or take tours	<input type="checkbox"/>
Visit historical sites	<input type="checkbox"/>
None	<input type="checkbox"/>

ONLY SHOW THE ACTIVITIES THEY CHOSE ABOVE PLUS NONE AND ASK:

14a. Of these activities, please indicate if there were any that were a major influence when you selected the destination for this trip. You may choose up to 3.

REPEAT FOR UP TO TWO MORE TRIPS

The following questions are for classification purposes only, and will help us understand different groups of people.

15. What is your marital status? Are you...?

- Married
- Divorced/Separated
- Widowed
- Single/Never married

16. Including yourself, how many people are currently living in your household? _____

17. How many living in your household are children under the age of 18? _____

18. Which of the following categories best represents the last grade of school you completed?

- High school or less
- Some College/Technical school
- College graduate
- Post graduate degree

19. Which of the following best describes your ethnic heritage? Are you...

- African American
- Asian-American
- Caucasian
- Hispanic/Latin American
- Mixed ethnicity
- Native American
- Other

20. What is the occupation of the primary wage earner in your household?

- Managerial/Professional
- Service
- Sales/technical/administration support
- Student
- Unemployed
- Retired
- Blue Collar
- Other

21. What is your age? _____

22. Are you...

Male

Female

THANK YOU FOR PARTICIPATING IN THIS SURVEY.