Strategic Marketing & Research, Inc.

California Tourism

2007 Canadian Advertising

Advertising Effectiveness & ROI Research

January 2008

Table of Contents

BACKGROUND & OBJECTIVES **2**

METHODOLOGY **3**

THE ADVERTISING CAMPAIGN **4**

ADVERTISING AWARENESS & INITIAL IMPACT 4

CALIFORNIA TRAVEL **6**

TRIP EXPENDITURES **9**

INFLUENCED & INCREMENTAL TRAVEL **10**

ECONOMIC IMPACT & ROI **11**

MARKET ANALYSIS **12**

VANCOUVER 12

CALGARY 15

EDMONTON 18

CONCLUSIONS & RECOMMENDATIONS **21**

APPENDIX **22**

ADVERTISING EFFECTIVENESS SURVEY - CANADA 23

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. Funding for CTTC has varied significantly based on the level of state contribution, but a car rental assessment fee was recently implemented, which provided a major increase in budget and facilitated the chance to advertise both nationally and internationally. During 2007, California expanded its advertising into three Canadian markets - Vancouver, Calgary and Edmonton - as part of the move toward more aggressive international advertising. In addition to extending the advertising, CTTC also extended its research program to evaluate the effectiveness and impact of the Canadian effort.

This research was conducted in two Phases because travel decision making is a multi-step process and advertising can influence consumers in myriad ways. The text below outlines each step of the process (on the left) and the "measure" used to evaluate the effectiveness of the state's marketing efforts.

Influence Process		Measure
Exposure	→	**Advertising Awareness**
Messaging	→	**Creative Evaluation**
Shift in Attitudes	→	**Comparative Image Assessments**
Build Interest	→	**Comparative Interest in Visitation**
Generate Travel	→	**Incremental Travel**

Phase 1 of the research was conducted in June and July of 2007, just after the spring/summer campaign concluded. The first four measures outlined above were reviewed in the Phase 1 report. This Phase 2 report is designed to gauge the effectiveness of California's marketing by its ability to generate incremental travel and, in the end, economic impact and return on investment. The specific objectives of this research included the following:

- **Measure travel to California and determine the incremental travel** attributable to the ad campaign;
- **Determine the economic impact** of this incremental travel and **calculate the return on investment** (ROI) from the campaign;
- **Gauge the impact on each Canadian market** and measure its economic impact;
- **Compare performance between the domestic and Canadian markets to** identify the best strategies for increasing travel from these markets; and
- **Forward conclusions and recommendations** for refining the advertising based on the research findings.

METHODOLOGY

This Advertising Effectiveness & ROI research is based on a methodology which has been used to evaluate California's domestic marketing and advertising efforts since 2003. The surveying uses an on-line methodology to measure awareness within the three target markets, and then to measure travel to California. The questionnaire, a copy of which appears in the Appendix, focused on travel and trip specifics, and also evaluated recall of the California advertising. Since the travel planning timeframe for the Canadian market may be longer than that for the domestic markets, there was discussion regarding whether to conduct the research in December or to wait. However, since new advertising was starting, it was decided to measure the impact thus far and to consider potential additional travel generated by the advertising. As such, this research calculates the economic impact based on both past travel and trips that have already been planned. This will be explained further in the following report.

Data collection was conducted during December 2007 in the markets of Vancouver, Calgary and Edmonton In this survey, the respondents were screened to ensure that they had either visited the US in the past two years or indicated that they were likely to visit in the next two years. They were also qualified to confirm their status as leisure travelers and as travel decision-makers for their households. In total, 1248 surveys were completed: 429 in Calgary; 400 in Edmonton; and 419 in Vancouver. Upon conclusion of the surveying, the data were weighted to be representative of the overall markets.

Upon completion of the survey process, the resultant data were compiled, analyzed and weighted to be representative of the sampled populations. The following report summarizes the key findings from this research and forwards conclusions and recommendations for consideration.

THE ADVERTISING CAMPAIGN

Before 2007, California Tourism had not implemented an ad campaign in Canada; this was a new effort. The campaign used the television ad which was developed for use in the US and advertising was targeted to three markets: Vancouver, Calgary and Edmonton.

The advertising ran during spring 2007. The total cost of the campaign was $789,000. These expenditures were split -- $379,000 went to the Vancouver market and $205,000 went to both Calgary and Edmonton. The campaign promoted the California brand and marketed the state on consumers' desire to enjoy the coveted California lifestyle.

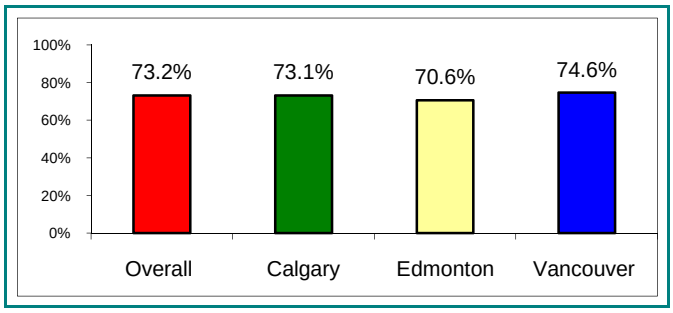
Advertising Awareness & initial impact

The effectiveness and ROI from this campaign depended on its ability to reach a broad audience with a meaningful message. Therefore, before reviewing the impact of the campaign on travel, it is important to assess the reach of the advertising and its initial impact on consumers' attitudes and interest in visiting the state.

To determine whether people were exposed to the advertising, this research process allowed people to view the ads and indicate whether they recalled seeing them. The advertising in these markets focused on television and utilized the same ad that was launched in the US. As noted, this research focuses on Canadian residents who had taken a trip to the US in the past two years, or were likely to take such a trip in the next two years. This number ended up being 49% of the population in the three cities evaluated.

Within this target audience, the level of ad recall was extremely high, reaching 72.3% overall. There were only slight variations by market, with Vancouver reporting the highest level of recall and Edmonton the lowest.

Recall Advertising



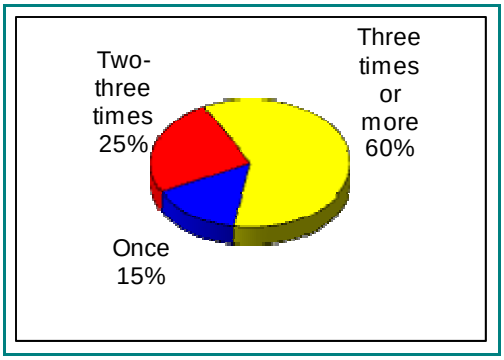
These percentages are interesting, but because the various markets vary significantly by size, the best option is to translate these numbers into actual aware households. Overall, approximately 2 million households (in the three markets) are previous or likely visitors to the US. Among these, the California advertising reached 1.5 million households. Due

to the size of the market and slightly higher advertising awareness, over half of the aware households were in the Vancouver market.

Markets	International Travelers	Recall	Aware HHs
Calgary	528,862	73.1%	386,598
Edmonton	507,123	70.6%	357,826
Vancouver	1,037,125	74.6%	773,384
Total	2,073,110	73.2%	1,517,516

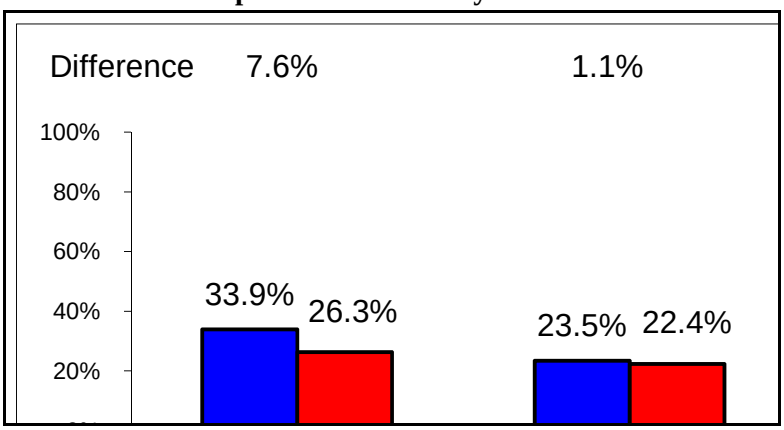
The campaign also performed quite well in terms of frequency of recall. Not only did over 70% of the respondents recall the campaign – they indicated seeing the advertising more than three times. The advertising had both broad reach and the depth to influence attitudes and, potentially, behavior.

Frequency of Recall
(# of times people saw California ad)



Phase 1 indicated that the creative message was effective and was rated highly by consumers. As a result, the advertising increased both top-of-mind awareness and preference for California as a place to visit. Most importantly, the advertising increased interest in visitation, having the greatest impact on Vancouver and the weakest on Calgary.

Impact on Interest - by Market



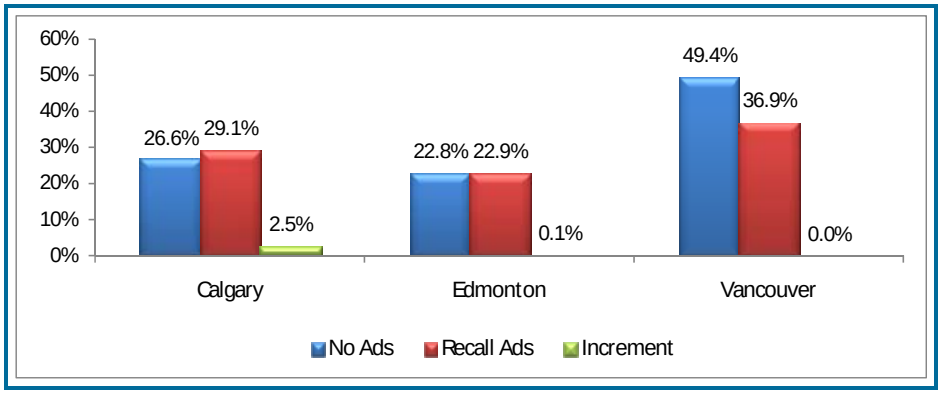
CALIFORNIA TRAVEL

Phase 2 focuses on measuring the level of travel to California from the three Canadian markets and determining how much of that travel can be attributed to the campaign. Phase 1 explored the level of past travel to California. Overall, 53% of the respondents indicated having visited California in the past five years, with 39.6% reporting a trip in the past two years. Respondents from Vancouver reported the highest level of visitation, with Edmonton reporting the lowest. Still, Washington was a more popular destination among Vancouver residents, while those from Edmonton chose Nevada. Among Calgary residents, California was the most popular destination, while Nevada came in second. Obviously, California is a popular destination in these three markets.

Market	Calgary	Edmonton	Vancouver	Total
Washington	14%	17%	62%	40%
California	**29%**	**23%**	**40%**	33%
Nevada	27%	33%	22%	26%
None of these	23%	26%	10%	17%
Florida	20%	13%	12%	14%
Oregon	6%	4%	18%	12%
Arizona	17%	16%	8%	12%
Hawaii	10%	8%	11%	10%
New York	10%	6%	11%	10%
Texas	15%	8%	6%	9%
Utah	8%	9%	2%	5%
Colorado	6%	3%	2%	3%

The results of the survey indicate that in two markets - Calgary and Edmonton - visitation by the ad aware was higher than by the non-aware, indicating the effectiveness of the campaign. In Vancouver, however, where visitation was the strongest, the advertising created no impact.

Incremental Travel to California



Vancouver seems most similar to California's primary domestic markets. In these markets, the level of travel is high and often California is already the preferred destination. Consequently, it is difficult to convince even more people to travel. That is why California Tourism is implementing a strategy to convince current visitors from these markets to increase the number of trips they take to the state. These findings indicate that within the two markets in which incremental travel was generated, the marketing accounted for an additional 10,023 trips to California.

Economic Impact by Market

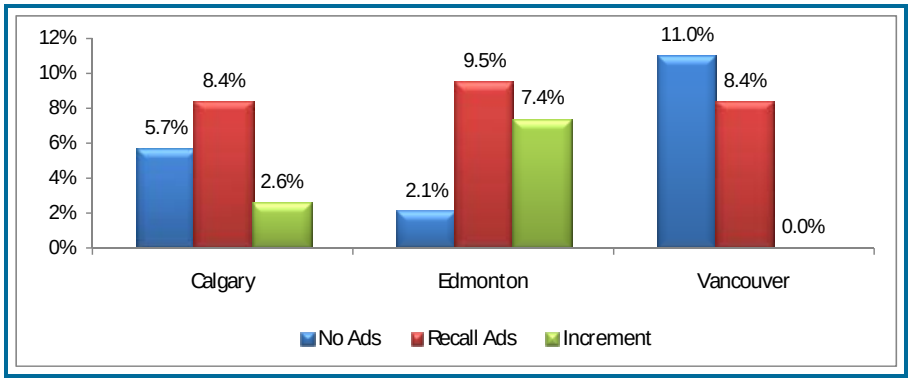
	Calgary	Edmonton	Vancouver	TOTAL
Targeted Households	528,862	507,123	1,037,125	2.073,110
Awareness	73.1%	70.6%	74.6%	73.2%
Targeted Aware HHs	386,598	357,826	773,384	1,517,516
Incremental Travel	2.5%	0.1%	0	0.7%
Incremental Households	9,665	358	0	10,023

Yet, Phase 1 indicated that over half the trips to California took place during the winter and spring. This means that many more trips may yet be influenced by the advertising because this research, conducted before consumers had time to take a spring trip, could be under-reporting on a significant level the impact of the marketing.

Season	%
Winter	23.0%
Spring	36.5%
Summer	21.4%
Fall	19.2%

In this context, it seemed critical to assess potential travel, especially since additional marketing is beginning to run in these markets. As such, the respondents were asked about trips they were already planning to California. In a manner similar to the calculation for incremental travel, where those who had seen the advertising were planning more trips than those who had not, the difference was also considered in the economic impact. Again, there was a positive impact in both Calgary and Edmonton, but no impact in the Vancouver market.

Already Planning a Trip



At the same time, in considering these numbers and including them in projections, it is important to recall that not everyone who claims to be planning a trip to California will actually do so. Previously conducted research indicates that approximately 80% of those with plans will actually visit California. As such, the planned trips are discounted by 20%. When these calculations are added to the trips that have occurred, the campaign will be responsible for over 39,000 trips to California.

Economic Impact by Market

	Calgary	Edmonton	Vancouver	TOTAL
Targeted Households	528,862	507,123	1,037,125	2.073,110
Awareness	73.1%	70.6%	74.6%	73.2%
Targeted Aware HHs	386,598	357,826	773,384	1,517,516
Incremental Travel	2.5%	0.1%	0	0.7%
Incremental Households	9,665	358	0	10,023
Projected Additional Trips by Aware HHs*	2.1%	5.9%	0	1.9%
Total Additional Trips	8,041	21,183	0	29,225
Total Incremental Trips (with projections)	17,706	21,541	0	39,247

TRIP EXPENDITURES

In order to calculate the direct spending and economic impact from this campaign, one must determine how much visitors spent while in the state. One reason to pursue international visitors is that they generally stay longer and spend more money.

The average trip was about 6 nights long and expenditures were fairly high, with a total of over $2,500. The most was spent on transportation, followed by lodging and then shopping.

Expenses for…	Canada
Lodging/Accommodations	$579
Meals/Food/Groceries	$388
Entertainment/Attractions	$246
Shopping	$477
Entertainment	$66
Transportation	$664
Other	$114
Total	$2535

A comparison of trip expenditures by geographic area shows that spending by Canadian visitors is high – although not necessarily higher than that by some other market groups, though the numbers are quite high. Much of the difference seems to relate to distance and the fact that the Canadian markets targeted are fairly close to California. Hence, the Canadian visitors are big spenders – and it is likely that during the coming year, when Canadians living further away are targeted, the spending numbers may increase.

Markets	Trip Spending
Primary Domestic	$1,491
Remaining West	$1,356
Opportunity	$2,564
Remaining National	$2,573
In-state	$971
Canada	**$2,535**

INFLUENCED & INCREMENTAL TRAVEL

As reviewed, *incremental* travel, not overall travel, is used to evaluate the economic impact of the campaign. However, the calculation for incremental travel considers only travel by aware consumers *above* the rate of travel by unaware consumers. While certainly some of those who were aware of the campaign would have traveled anyway, it helps to know how many *total* trips the advertising *influenced*. This provides a measure of the overall market size and the impact on visitation to the state.

Overall, over 670,000 influenced trips were generated by these three markets, with most originating in Vancouver. As explored throughout this effort, Vancouver is quite similar to a Primary Domestic market. This is also evident in the overall level of travel, with almost 37% reporting a visit. The other two markets are smaller, and the level of travel was lower, which resulted in a smaller number of influenced trips. Edmonton generated the lowest level of travel and the fewest trips.

Influenced Trips by Market

	Calgary	Edmonton	Vancouver	Total
Targeted Households	528,862	507,123	1,037,125	2,073,110
Awareness	73.1%	70.6%	74.6%	73.2%
Target Aware	386,598	357,826	773,384	1,517,516
Travel among Aware	29.10%	22.90%	36.90%	31.6%
Influenced HHs	112,500	81,942	285,379	479,821
Average # of Trips by Aware	1.3	1.2	1.5	1.4
Influenced Trips	146,250	98,331	428,068	672,649

When incremental trips are considered, the story is quite different. In terms of the additional impact of the advertising, the strongest impact is seen in Edmonton. This market generated over half the incremental trips, with Calgary generating the rest. On the other hand, no incremental travel was generated by Vancouver.

Incremental Travel

	Calgary	Edmonton	Vancouver	TOTAL
Targeted Households	528,862	507,123	1,037,125	2.073,110
Awareness	73.1%	70.6%	74.6%	73.2%
Targeted Aware HHs	386,598	357,826	773,384	1,517,516
Incremental Travel	2.5%	0.1%	0	0.7%
Incremental Households	9,665	358	0	10,023
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ECONOMIC IMPACT & ROI

The final evaluation of advertising effectiveness is the economic impact (direct spending) generated by the campaign and the tax receipts returned to the state's coffers. To measure the economic impact, the average trip expenditures are multiplied by the number of incremental trips. Relative to these Canadian markets, this includes projections regarding trips that are already planned. The result is a total of $99.5 million in direct spending. This impact was generated by Calgary and Edmonton only. Again, as noted, given the timing of this measure, it is likely that additional visitation will occur via these markets.

	Calgary	Edmonton	Vancouver	TOTAL
Targeted Households	528,862	507,123	1,037,125	2.073,110
Awareness	73.1%	70.6%	74.6%	73.2%
Targeted Aware HHs	386,598	357,826	773,384	1,517,516
Incremental Travel	2.5%	0.1%	0	0.7%
Incremental Households	9,665	358	0	10,023
Projected Additional Trips by Aware HHs*	2.1%	5.9%	0	1.9%
Total Additional Trips	8,041	21,183	0	29,225
Total Incremental Trips (with projections)	17,706	21,541	0	39,247
Spending by Aware HHs	$2,535	$2,535	$2,535	$2,535
Economic Impact	$44.9 million	$54.6 million	$0	$99.5 million

The economic impact from these three Canadian markets is much lower than the impact from the US markets – but the media expenditures are also much lower. While California Tourism spent $9.03 million in the US, the investment was just $789,000 in Canada. The ROI is $126, and the tax ROI is $8.20. Even though these figures are lower than those recorded for the domestic markets, they are reasonable returns given a more limited campaign in a relatively small geographic area.

ROI 2007 – US vs. Canada

	2007 US	2007 Canada
Trips	2,595,547	39,247
Average Expenditures	$1,126	$2,535
Economic Impact	$2.92 billion	$99.5 million
Tax Revenue	$189,077,364	$6,467,227
Campaign Expenditures	$9.03 million	$789,000
ROI	$323	$126
General Fund ROI	$21	$8.20

MARKET ANALYSIS

Relative to refining the marketing for Canada, it is helpful to evaluate the performance of each market and the details of visitation.

Vancouver

Since the California advertising did not generate incremental travel in this market, it is important to explore travel details and identify ways in which to generate stronger influence. Of course, 40% of the Vancouver residents (that took an international trip) reported visiting California. At the same time, when multiple trips are considered, California attracted just 17% of the trips taken to key states. Overall, Washington was the main destination. This finding suggests that while the percentage of visitors may be difficult to influence, there is ample opportunity to generate additional visits to California during the year.

Vancouver Visited	%	Share
Washington	62%	53%
California	**40%**	17%
Nevada	22%	7%
Oregon	18%	7%
New York	11%	4%
Florida	12%	4%
Hawaii	11%	3%
Arizona	8%	3%
Texas	6%	2%
Utah	2%	1%
Colorado	2%	1%
None of these	10%	

These trips overall were similar to those recorded for the other markets, lasting about a week and including two to three people. Most traveled to California by air and the majority used paid accommodations.

Vancouver	
People on trip	2.4
Children under 18 on trip	0.6
Nights spent in California	6.5
Drove car, SUV, truck or RV	20.4%
Airplane	76.6%
Used paid accommodations	76.1%
Stayed with friends & family	32.6%
Average trip expenditures	$2,270

Relative to the key motivators for visiting California, better weather was critical to Vancouver residents, although this was the case in all three markets. The difference in the Vancouver market was the number of people that wanted to return to a familiar place. Because the level of travel was so high, there was a great deal of repeat travel. This is a positive finding, but it makes the challenge of attracting additional travel more difficult.

Motivators	Vancouver
Going somewhere with better weather	59%
Returning somewhere familiar that you enjoy	54%
Visiting specific attraction or event	48%
Seeing something new & different	45%
Visiting friends or relatives	41%

Top two boxes on 5-point scale

Given the desire for better weather, the seasonality of travel was interesting. The largest percentage visited in the spring, though fall and summer were almost as popular. This finding suggests that it might make sense to try to attract more visits during the winter months. Moreover, there may be a perception that the weather is not as good in the winter.

Seasonality	Vancouver
Winter	15.2%
Spring	32.6%
Summer	25.4%
Fall	26.8%

The key destinations were generally in the southern part of the state, although there was a fair amount of travel to San Francisco. The index indicates that visitors from Vancouver claimed a greater propensity to visit Sacramento and Monterey.

Vancouver Visited	%	Index
Los Angeles	50%	103
San Francisco	30%	99
San Diego	28%	101
Anaheim/Orange County	26%	100
Palm Springs	14%	95
Sacramento	11%	113
Other	9%	97
Lake Tahoe	6%	102
Monterey	6%	110

About 30% of the trips included states other than California. Predictably, this was prevalent among those who traveled by vehicle, with 85% including another state. Additionally, 15% of those who traveled by air actually included another state as part of their trip. In terms of other states that were part of a visit to California, Washington and Oregon were the most popular, though Nevada was often included.

Vancouver Visited	%
Washington	61%
Oregon	48%
Nevada	41%
Other	14%
Arizona	14%
Idaho	2%
Colorado	0%
Montana	0%
New Mexico	0%
Wyoming	0%

Visitors enjoy a number of activities in the state including shopping, dining, scenery, amusement parks and entertainment. The main motivating activities are shopping, amusements parks and scenery. At the same time, the more adventurous outdoor activities such as hiking, camping, boating, skiing are not important motivators.

Motivators – Vancouver Visitors	Participate	Motivate
Shopping	80%	33%
Visiting a theme or amusement park	33%	22%
Viewing & enjoying natural scenery, e.g., mountains, oceans	43%	22%
Fine dining or eating at a unique local restaurant	63%	14%
Driving on scenic byways or roads	35%	12%
Visiting activities that are fun for small children	16%	9%
Arts activities, e.g., museums, theater performances	22%	9%
Entertainment & nightlife	31%	7%
Going to the beach	31%	7%
Go sightseeing or take tours	25%	7%
Experiencing the unique culture of the area	20%	6%
Watching sporting events	9%	4%
Visiting a winery	17%	4%
Visiting a national or state park	18%	3%
Visit historical sites	17%	3%
Golf	7%	3%
Gambling	11%	3%
Visiting small towns & rural areas	20%	3%
Visiting a spa	14%	1%
Hiking or camping	4%	1%
Adventure activities, e.g., whitewater rafting/rock climbing/skiing	2%	1%
Boating or other water activities	5%	0%

Calgary

Calgary generated $45 million in incremental travel to California, making it a strong performer. In addition, the trips from this market were longer and average trip expenditures were high. In part, this is because almost all these visitors used paid accommodations. This is definitely a good market for California tourism.

Calgary	
People on trip	3.6
Children under 18 on trip	0.7
Nights spent in California	5.8
Drove car, SUV, truck or RV	9.4%
Airplane	88.5%
Used paid lodging	**92.7%**
Stayed with friends or family	15.6%
Average trip expenditures	$3,150

In fact, California was the most popular destination and it attracted the largest share of visitation. At the same time, Nevada came in a close second and, interestingly, Florida was third. In this market, California has to compete against several states. In the context, the results are quite positive.

Calgary Visited	%	Share
California	**29%**	**19%**
Nevada	27%	16%
Florida	20%	12%
Arizona	17%	10%
Washington	14%	10%
Texas	15%	9%
New York	10%	7%
Utah	8%	5%
Hawaii	10%	5%
Oregon	6%	4%
Colorado	6%	2%
None of these	23%	

As in the other markets, finding better weather was the most important motivation for visiting California, although many visitors were also going to a specific attraction or looking for something new and different.

Motivators	Calgary
Going somewhere with better weather	77%
Visiting specific attraction or event	63%
Seeing something new & different	61%
Returning somewhere familiar that you enjoy	39%
Visiting friends or relatives	28%

At the same time, while people from Calgary were looking for better weather, they were most likely to visit in the fall or summer. Again, this suggests that there is additional opportunity to attract visitors during the winter months.

Seasonality	Calgary
Winter	21.6%
Spring	20.6%
Summer	27.8%
Fall	29.9%

Of the California trips, 29% included other states – and often multiple states. Nevada was part of over half these trips; Arizona was also popular. In addition, when people drove to California, they included other states along the way such as Idaho, Montana, Oregon and Washington.

Calgary Visited	%
Nevada	59%
Arizona	28%
Oregon	24%
Idaho	24%
Montana	24%
Washington	21%
Other	10%
New Mexico	7%
Colorado	3%
Wyoming	0%

Shopping was both the most popular activity and the one that motivated most travel. Among those from Calgary, fine dining was also important as were natural scenery, amusement parks and beaches. Of note, several activities were popular – though they were not motivators. These included visiting national parks, arts activities, and visiting small towns. The planned food and wine campaign should appeal to this group and heighten their interest in visiting the state.

Motivators - Calgary Visitors	Participate	Motivate
Shopping	67%	29%
Fine dining or eating at a unique local restaurant	59%	23%
Viewing & enjoying natural scenery, e.g., mountains, oceans,	52%	20%
Visiting a theme or amusement park	26%	20%
Going to the beach	32%	18%
Experiencing the unique culture of the area	25%	12%
Golf	20%	11%
Go sightseeing or take tours	27%	10%
Driving on scenic byways or roads	33%	9%
Visiting a winery	25%	9%
Entertainment & nightlife	31%	9%
Visit historical sites	22%	7%
Gambling	12%	5%
Visiting activities that are fun for small children	13%	5%
Watching sporting events	13%	4%
Hiking or camping	7%	3%
Visiting a national or state park	20%	3%
Visiting a spa	9%	2%
Visiting small towns & rural areas	22%	2%
Boating or other water activities	4%	1%
Adventure activities, e.g., whitewater rafting/rock climbing/skiing	1%	0%
Arts activities, e.g., museums, theater performances	16%	0%

While these visitors were the most likely to visit Los Angeles and San Francisco, they were *less likely* than other Canadian visitors to visit these cities. Instead, they were more likely to select San Diego, Anaheim, Palm Springs or Lake Tahoe.

Calgary Visitors

Calgary Visited	%	Index
Los Angeles	43%	89
San Francisco	30%	97
San Diego	28%	102
Anaheim/Orange County	27%	103
Palm Springs	18%	114
Other	8%	92
Lake Tahoe	7%	126
Sacramento	6%	64
Monterey	5%	98

Edmonton

Of the three markets, Edmonton generated the highest direct spending, at $54 million, although most of this is relative to projected travel - trips that are already planned. This is because so much travel from this market takes place in the winter and fall. In fact, summer was the least popular season for visiting California among Edmonton visitors.

Seasonality	%
Winter	31.3%
Spring	20.3%
Summer	18.8%
Fall	29.7%

Despite California's success in this market, it was not the most popular destination. In fact, more people from Edmonton reported visiting Nevada, which earned a much larger share of trips. California was second, and there was competition from Washington and Arizona. It may be that success in this market resulted from consumers being less likely to have a history of visiting California and the ad helped to change their attitudes.

Edmonton Visited	%	Share
Nevada	33%	25%
California	**23%**	16%
Washington	17%	12%
Arizona	16%	13%
Florida	13%	8%
Utah	9%	7%
Hawaii	8%	5%
Texas	8%	6%
New York	6%	5%
Oregon	4%	3%
Colorado	3%	2%
None of these	26%	

This pattern is also evident in the 33% of trips that included other states – with Nevada being prevalent. However, a number of other states were often included in these trips, including Arizona, Idaho, Washington and New Mexico.

Edmonton Visited	%
Nevada	**76%**
Montana	57%
Arizona	48%
Idaho	38%
Washington	19%
New Mexico	14%
Oregon	10%
Colorado	10%
Wyoming	5%
Other	5%

The trips made to California were fairly long, lasting almost a week, but the travel parties were relatively small. While the majority traveled by air to California, this market reported the highest level of travel by car (28.1%).

Edmonton	
People on trip	2.6
Children under 18 on trip	0.5
Nights spent in California	6.5
Drove car, SUV, truck or RV	28.1%
Airplane	68.8%
Used paid lodging	84.4%
Stayed with friends or family	20.3%
Average trip expenditures	$2,756

As in the other markets, shopping is both the most prevalent activity and the biggest motivator. Scenery, theme parks and sightseeing are also critical, and again in this market dining is a strong motivator. Again, the more active outdoor options are not popular with this audience of visitors. As in Calgary, there are a number of popular activities that are not motivators including arts, historical sites, national parks and small towns.

Motivators - Edmonton Visitors	Participate	Motivate
Shopping	67%	33%
Viewing & enjoying natural scenery, e.g., mountains, oceans	63%	22%
Visiting a theme or amusement park	38%	20%
Go sightseeing or take tours	41%	19%
Fine dining or eating at a unique local restaurant	63%	16%
Going to the beach	31%	16%
Golf	14%	13%
Visiting activities that are fun for small children	16%	11%
Experiencing the unique culture of the area	25%	9%
Driving on scenic byways or roads	41%	8%
Entertainment & nightlife	23%	5%
Gambling	16%	5%
Visiting a national or state park	23%	3%
Visiting a spa	6%	3%
Visiting small towns & rural areas	36%	3%
Visit historical sites	34%	3%
Visiting a winery	11%	2%
Arts activities, e.g., museums, theater performances	23%	2%
Hiking or camping	11%	0%
Adventure activities, e.g., whitewater rafting/rock climbing/or skiing	3%	0%
Watching sporting events	3%	0%
Boating or other water activities	5%	0%

When visiting the state, these travelers were more likely to go to Los Angeles and San Francisco and less likely to visit San Diego or Anaheim. There was also an interest in visiting some of the smaller or off the beaten path destinations in the state.

Edmonton Visited	%	Index
Los Angeles	52%	106
San Francisco	33%	107
San Diego	25%	92
Anaheim/Orange County	25%	96
Palm Springs	16%	102
Other	11%	122
Lake Tahoe	3%	55
Sacramento	9%	98
Monterey	3%	59

CONCLUSIONS & RECOMMENDATIONS

The 2007 California Tourism campaign in Canada achieved several successes:

- Being the first campaign in the Canadian markets with a fairly small budget, the advertising reached 73% of those households that took an international trip.
- In total, 39,000 incremental trips were generated, with incremental travel coming from both Calgary and Edmonton, but not Vancouver.
- Direct spending from these incremental trips was $99.5 million.

The return on investment from this campaign was $126, with a general fund ROI of $8.20. While these figures are much lower than those recorded for the domestic ad campaign ($323 ROI), given the limited budget and the fact that this was an initial effort, the return is acceptable.

Of note, Vancouver failed to generate any incremental travel. This market indicated strong interest in visiting California and the advertising seemed to have a positive impact. Yet, due to the already high level of visitation from this market overall, there was no positive gain. Since this is the largest market (of the three), greater success in this market could substantially improve performance. This lackluster performance may partially be the result of Vancouver already traveling to California at a high level. In fact, it is reasonable to consider this market similar to the Primary Domestic markets. As this is the case, the branding campaign was less effective – although it did help to maintain top-of-mind awareness and current levels of travel. However, more specific and targeted messages are probably necessary to achieving better results.

Both Calgary and Edmonton performed well, each generating travel and significant direct visitor spending. For these markets, the advertising worked well and helped California compete against key competitors. Continuing the branding campaign in these markets should be effective.

The research suggests that some tactical issues need to be considered:

- Since finding better weather was a key motivator, California should focus on timing its campaign to generate more visits during the winter months. While this is a popular time for Canadians, there seems to be opportunity to heighten visitation during this season.
- Most trips reflected air travel, so air packages and promotions should be effective in increasing visitation. These visits were also less likely to include other states – meaning that the economic impact will be felt in California.
- Given the results from these markets, it makes sense to consider expanding the advertising to other areas of Canada. It is likely that other markets would perform well and generate more visits, and that the branding campaign would also be effective.

APPENDIX

Advertising Effectiveness Survey - Canada

California Tourism
June 12, 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.

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 80 kilometers / 50 miles from your home.

1 ..... Yes
2 ..... No → TERMINATE

1. Have you taken any leisure trips to the USA in the past 2 years?

1 ..... Yes
2 ..... No

2. How likely are you to take a leisure trip to the USA in the next 2 years?

1. ..... Very likely
2 ..... Somewhat likely
3 ..... Not very likely
4 ..... Not at all likely

TERMINATE IF Q1 IS 2 & Q2 IS 4

3.

	Please check the states that you have visited for a leisure trip in the past 2 years.	How many trips have you taken to the state in the past 2 years?
Texas	☐	☐
Florida	☐	☐
Nevada	☐	☐
California	☐	☐
Arizona	☐	☐
New York	☐	☐
Hawaii	☐	☐
Colorado	☐	☐
Oregon	☐	☐
Washington	☐	☐

4. 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)

   STATE #1 _____
   STATE #2_____
   STATE #3_____
   STATE #4_____

5. 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	☐	☐	☐	☐	☐
Florida	☐	☐	☐	☐	☐
Nevada	☐	☐	☐	☐	☐
California	☐	☐	☐	☐	☐
Arizona	☐	☐	☐	☐	☐
New York	☐	☐	☐	☐	☐
Hawaii	☐	☐	☐	☐	☐
Colorado	☐	☐	☐	☐	☐
Oregon	☐	☐	☐	☐	☐
Washington	☐	☐	☐	☐	☐

6. How likely are you to visit each of the following states during 2007?

	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
Arizona	1	2	3	4	5
New York	1	2	3	4	5
Hawaii	1	2	3	4	5
Colorado	1	2	3	4	5
Oregon	1	2	3	4	5
Washington	1	2	3	4	5

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

	Prefer
Texas	1
Florida	1
Nevada	1
California	1
Arizona	1
New York	1
Hawaii	1
Colorado	1
Oregon	1
Washington	1
Other destination	1

8. 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

CALIFORNIA SHOULD BE ASKED OF ALL;
AS WELL, ROTATE ONE ADDITIONAL STATES: ONE OF THE FOLLOWING:

FLORIDA
NEVADA
NEW YORK
ARIZONA

9. Please 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 [INSERT STATE]:

	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
Has a 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
Is 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 l 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

INTRO TO AD: JUST SHOW CALIFORNIA

Next you will be shown a travel advertisement. Please take a moment to view the ad and answer the questions. The ad 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.

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

10. Do you recall seeing the ad?

1. Yes
2. No (THANK AND SKIP TO INSTRUCTION BEFORE 13)
3. Could not view the ad (THANK AND SKIP TO INSTRUCTION BEFORE 13)

11. How many times have you seen it?

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

12. Now please indicate how much you agree that…

	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

12a. Have you taken any leisure trips to California in the past 5 years?

1. Yes
2. No

IF DID NOT VISIT CALIFORNIA AT Q12a, SKIP TO Q22

13. What month did you take your most recent trip to California?

1..... JANUARY
2…… FEBRUARY
3..... MARCH
4..... APRIL
5..... MAY
6..... JUNE
7..... JULY
8..... AUGUST
9……. SEPTEMBER
10…….. OCTOBER
11…….. NOVEMBER
12…….. DECEMBER

14. How many nights did you spend in California during this trip? **RECORD NUMBER___**

14a. Did you visit other states as part of your trip to California? Please indicate states where you stayed **overnight.**

Arizona
Colorado
Idaho
Montana
Nevada
New Mexico
Oregon
Wyoming
Washington
Other _____

15. How did you travel to California?

1……..Drove a car, SUV, truck or RV
2……..Airplane
3……..Bus
4……..Train
5……..Cruise ship
6……..Other, specify _____

16. As part of your trip to California did you use paid accommodations?

1…YES
2…NO

17. As part of your trip to California did you stay with friends and/or relatives?

1…YES
2…NO

18. Where within California, did you go on this trip?

1…SAN DIEGO
2…LOS ANGELES
3…SAN FRANCISCO
4…SACRAMENTO
5…ANAHEIM/ORANGE COUNTY
6…MONTEREY
7…PALM SPRINGS
8…LAKE TAHOE
9…OTHER…specify _____

19. Which of the following did you do as a part of your trip?

Viewing and enjoying natural scenery such as mountains, oceans, etc.	☐
Hiking or camping	☐
Adventure activities such as whitewater rafting, rock climbing, or skiing	☐
Visiting a theme or amusement park	☐
Visiting a winery	☐
Arts activities such as museums, theater performances	☐
Visiting a national or state park	☐
Golf	☐
Visiting a spa	☐
Fine dining or eating at a unique local restaurant	☐
Shopping	☐
Entertainment and nightlife	☐
Watching sporting events	☐
Experiencing the unique culture of the area	☐
Gambling	☐
Visiting small towns and rural areas	☐
Driving on scenic byways or roads	☐
Boating or other water activities	☐
Going to the beach	☐
Visiting activities that are fun for small children	☐
Go sightseeing or take tours	☐
Visit historical sites	☐
None	

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

19a. 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.

20. How important were each of the following in your decision to visit California?

	Not at all important				**Very Important**
Visiting friends and relatives	1	2	3	4	5
Seeing something new and different	1	2	3	4	5
Visiting a specific attraction or event	1	2	3	4	5
Going somewhere with better weather	1	2	3	4	5
Returning to somewhere familiar that you enjoy	1	2	3	4	5

21. Thinking about your overall travel experience in California, would you say it was…

1. Excellent
2. Very Good
3. Good
4. Fair
5. Poor

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

22. What is your marital status? Are you...?
    - ☐ Married
    - ☐ Divorced/Separated
    - ☐ Widowed
    - ☐ Single/Never married

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

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

25. 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

26. Which of the following best describes your ethnic heritage? Are you...
    - ☐ African American/Black
    - ☐ Asian/Asian American
    - ☐ Caucasian/White
    - ☐ Hispanic Origin
    - ☐ Native American, Inuit or Aleut
    - ☐ Native Hawaiian/Pacific Islander
    - ☐ Other
    - ☐ Prefer Not to Answer

27. What is your age? _____
28. Are you...
    - ☐ Male
    - ☐ Female

29. What is your postal code? _____

THANK YOU FOR PARTICIPATING IN THIS SURVEY.