

New Mexico

2012 Tourism Advertising Evaluation Study

Final Report
December 2012

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Research Objective



- The purpose of this research was to provide *an evaluation of New Mexico's Spring/Summer 2012 tourism advertising campaign in the drive market DMA's* in terms of:*
 - *Awareness of the advertising*
 - *The bottom line return on New Mexico's investment in the campaign in terms of :*
 - *Incremental travel to New Mexico.*
 - *Incremental visitor spending in New Mexico.*
 - *Incremental state and local taxes.*

* The drive market DMA's evaluated are Lubbock, TX; Amarillo, TX; Midland/Odessa, TX; El Paso, TX; Tucson, AZ; Colorado Springs/Pueblo, CO.

Research Method



- The study was conducted among a representative sample of adult travelers residing in New Mexico's advertising drive markets.
 - *'Travelers' are respondents who have taken a day and/or overnight pleasure trip anywhere in the past 3 years and intend to take another in the next 2 years.*
- The survey was conducted via a major American online consumer panel which is demographically balanced to represent the national population.
 - *1,384 individuals responded to the research.*

Research Method (Cont'd)



- Questionnaire content included:
 - **Travel to New Mexico**
 - *Respondents reported the number of day and overnight trips they took to New Mexico during and shortly after the advertising campaign.*
 - **Advertising Awareness**
 - *Actual creative from the Spring/Summer 2012 campaign was exposed and respondents reported recall of each.*
 - *We use this forced exposure approach to ensure that we are measuring the State sponsored advertising only – not that of New Mexico attractions and accommodation facilities.*

Research Method (Cont'd)



- ROI calculation:

- *The **Longwoods R.O.EYE™** method quantifies the relationship between awareness of campaign elements and trip taking.*
- *A baseline measure is generated to estimate the level of visitation that would have occurred in the absence of advertising activity.*
- *Using the principles and techniques of experimental design, we control for the effects of internal and external factors that could otherwise influence the result, such as economic conditions, catastrophic weather events, prior visitation, etc.*

The Campaign

Longwoods INTERNATIONAL

Native Dancer



NEW MEXICO True

Chaco Canyon

We are all travelers.
We seek what is true and we push past what we know to be false.
The question is: where do we go?
What place is true and good and real?
Where is the place that will speak to us in a voice that is familiar and kind?
Where is true food, and false forgotten?
Where?

NEW MEXICO True
Adventure that feeds the soul begins here. newmexico.org

Sopapilla

This is a handful of freshly made awesomeness served with a drizzle of awesome on top.

TRUE FALSE



NEW MEXICO True

There are only two things you have to agree on; which way to go and where to stop.

TRUE FALSE



NEW MEXICO True

Abiquiu Lake

You can't beat summer.

TRUE FALSE



NEW MEXICO True

Ruidoso

The very moment you follow your spirit, it wakes up.

TRUE FALSE



NEW MEXICO True
Adventure that feeds the soul begins here. newmexico.org

A state can be a beautiful, beautiful air conditioner.

TRUE FALSE



NEW MEXICO True
newmexico.org

Chaco Canyon



NEW MEXICO True

- ⦿ The New Mexico TRUE Campaign ran during the Spring and Summer of 2012.
- ⦿ The media employed in the evaluated drive markets included television, internet, print and out-of-home advertising.
- ⦿ The creative assets were developed to support four brand values: authenticity, discovery, connection and adventure.
- ⦿ The majority of the ads directed people to visit www.newmexico.org

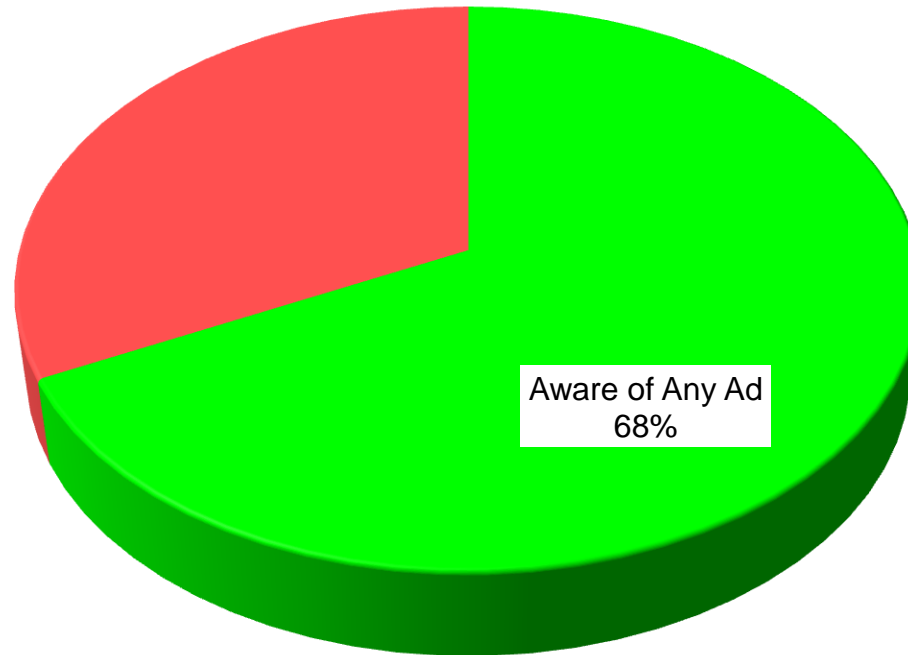
Main Findings

Advertising Impacts

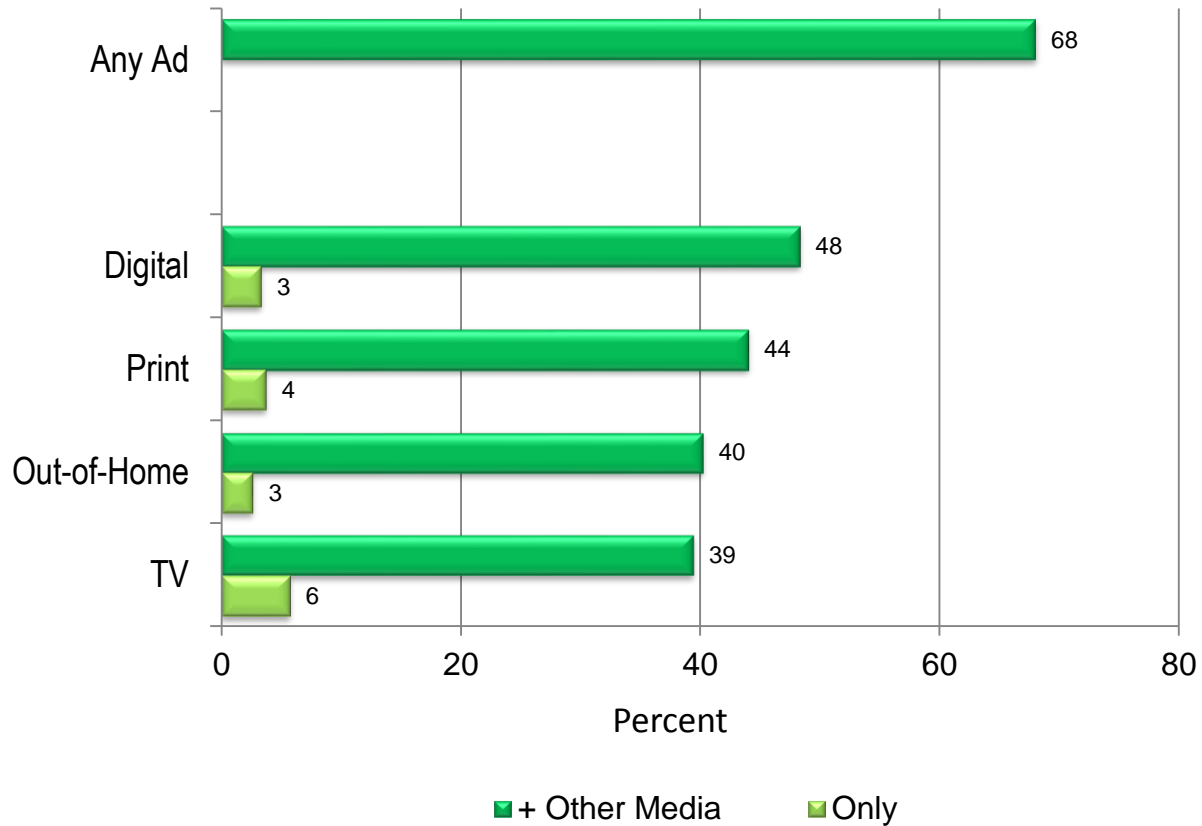


- ⦿ 68% of all respondents were aware of at least one of New Mexico Tourism's ads.
- ⦿ Among those who saw New Mexico ads in several types of media, ad recall was highest for digital ads (48%), followed by print ads (44%). Among those who only saw ads in one medium, TV ads had the highest recall (6%).
- ⦿ The campaign generated 264,000 incremental trips that would not otherwise have taken place, which brought \$35.1 million in incremental visitor spending and \$3.6 million in state and local taxes.
- ⦿ It cost \$4.46 in advertising to generate each incremental trip.
- ⦿ Every \$1 invested in the New Mexico True ad campaign in the drive markets generated \$30 in visitor spending and \$3 in tax revenue for the benefit of New Mexico residents.
- ⦿ In addition to the short-term impacts, we estimate that the advertising has influenced the planning of a further 260,000 trips to New Mexico in 2013. Although not all of these trips will happen, we expect that a sizeable proportion will convert, adding significantly to the return on New Mexico's investment in tourism marketing.

Awareness of New Mexico's Advertising



Awareness by Media



Incremental Trips, Spending and Taxes Due to Advertising



	Total
Ad Investment	\$1.2M
Incremental Trips	0.3M
Incremental Visitor Spending	\$35.1M
Incremental Taxes	\$3.6M

- Ad Investment excludes Production/Other Costs
- Visitor spending based on Avg. Per-Person Expenditures = \$184.39 for overnight visitors; \$61.56 for day visitors
- Effective Direct Tax rates developed from 2012 NM Ad Spend Impact Report by Tourism Economics = 5.1% Local and 5.1% State

Campaign Efficiency



	2012 Ad Campaign
Ad \$'s per Trip	\$4.46
Trips per Ad \$	0.2

The Bottom Line in 2012



	Total
Spending ROI	\$30
Tax ROI	\$3

Longer-term Impact of Advertising – Intent to Visit New Mexico



Intend to Visit New Mexico in Next 12 Months*	
Overnight Trip Intenders	0.14M
Day Trip Intenders	0.12M
Total Intenders	0.26M

* Among those who did not visit New Mexico in 2012