Background & Objectives

- After a successful entry into the Los Angeles DMA in 2021, the New Mexico Tourism Department (NMTD) extended its marketing to the San Francisco DMA – including Oakland and San Jose – beginning in October 2023.

- There is interest in understanding the effectiveness of the advertising effort among travelers in this market. Specific goals of the research:

  —Measure reach of the winter 2023-24 advertising among San Francisco travelers. Look at characteristics of those who recall the ads to see if the findings are actionable.

  —Gauge ad-influenced visitation and ad impact on future New Mexico visit plans and visit intent.

  —Measure New Mexico winter trip spending from San Francisco visitors, as well as trip motivations, activities, travel party, lodging type and location.

  —Calculate the return on investment for the San Francisco winter ad investment.
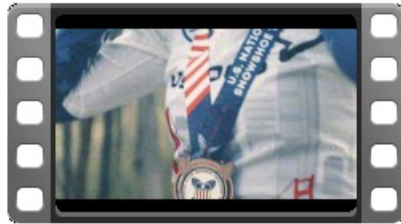
Methodology

- SMARInsights conducted 400 surveys in March 2024.

- Respondents were screened to ensure that they were:

  —at least 18 years old,

  —residents of the San Francisco DMA,

  —leisure travelers, and

  —travel decision-makers for their households.

- Within the sample were 143 travelers who met NMTD's "venturesome traveler" target parameters. Venturesome travelers choose destinations for leisure trips based on interesting local cuisine, interesting culture, and interesting history and historical sites. This target tends to be more interested in travel and travel destinations than other consumers.

- The competitive set used in this research was identified in a 2019 brand study. It includes states that consumers view as having similar product to New Mexico, as well as several that are geographically more removed but conceptually similar in the minds of consumers.

- At the conclusion of data collection, the results were cleaned and coded for analysis.

Campaign

- Ads launched in October 2023 and ran through February. Six YouTube videos (a 15-second and a 30-second version for each of the themes) and three TikTok videos/Meta Reels were tested. Content ran online, as OOH and in the airport, and on social media. It is worth noting that the airport advertising accounts for the bulk of the advertising (75%). Additionally, NMTD had a presence on Hopper, but due to access challenges and that this was a small piece of the ad buy, Hopper content was not tested.

- The winter investment in the San Francisco market supporting these creative executions was $655,242; roughly half of the $1.9 million NMTD spent in LA in 2021.

230912_NMTD_SAZON_15_YOUTUBE   230912_NMTD_SNOWSHOE_30_YOUT   230912_NMTD_ZUNI_15_YOUTUBE

Channels	Media Investment
Social	$8,205
Video	$151,901
OOH & Airport	$495,136
Total	**$655,242**

Insights

- NMTD's debut in the San Francisco market generated just under 20,000 ad-influenced trips to the state. With average trip spending over $1,700, this brought $34.3 million in influenced visitor spending to New Mexico. The campaign generated an ROI of $52.

- The creative is strong at communicating key messaging, particularly among the main target of venturesome travelers. But even among general population San Francisco travelers, the ads are strong at generating interest in visiting New Mexico.

- The ads positively impact New Mexico's image, making it more competitive. Some of the largest ad impacts are on image attributes that move together with likelihood to visit. Ad-aware San Franciscans are more likely to recommend New Mexico as a place for a leisure trip, and more likely to be planning a visit to the state.

- The weak point in the campaign is its reach. The ads get strong ratings, so appeal does not explain the average level of awareness. NMTD spent $1.08 to reach each ad aware household – which is more efficient than the $1.20 for the LA campaign in 2021. Social, online, and out-of-home videos reached younger, less affluent, less well-educated travelers. However, the bulk of investment was spent on OOH in airports, reaching only flyers, already on trips. While this does indeed reach people who travel, it limits the awareness impact overall.

- Consider adding some less fragmented, traditional media to the mix here would likely help build the base of other travelers.

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Advertising Awareness & Efficiency

Awareness

- Overall, 30% of San Francisco travelers recall the winter campaign.

- The bulk of recall came from the video ads, with 24% awareness. While the TikTok ads reached 18% awareness, there was little overlap across these executions, which is in part a function of the social medium's highly fragmented reach.

- The video and TikTok ads are very similar. When the primary difference between ads is the placement with only slight design differences, it is likely that consumers conflated which ad they recall, affecting the true attribution of awareness by medium.

Awareness of Individual Ads

	Videos				TikTok				Aware any
Sazon	Snowshoe	Zuni	Any video	Sazon	Snowshoe	Zuni	Any TikTok	
15%	12%	16%	24%	7%	5%	8%	18%	30%
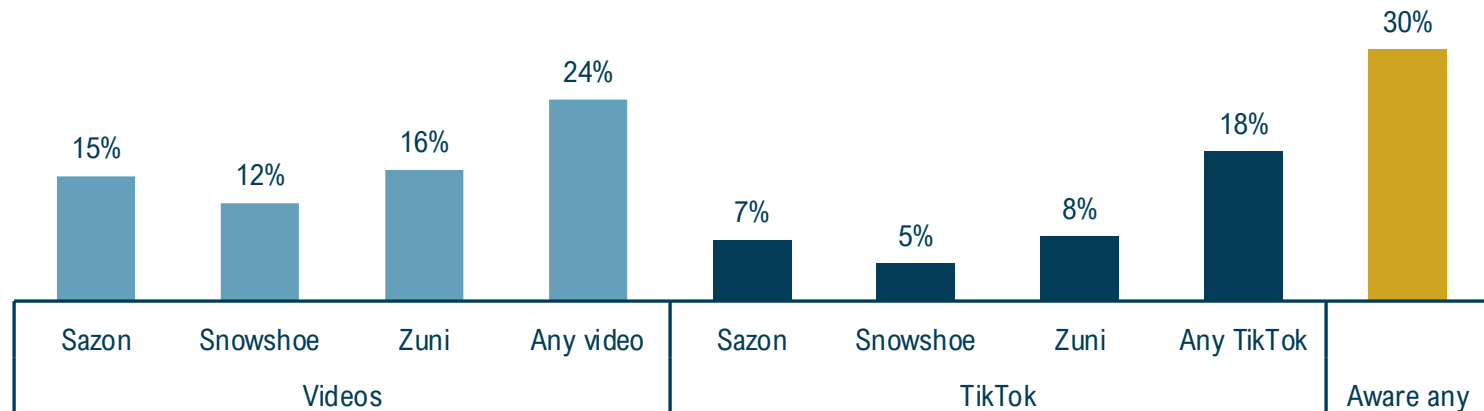
Ad-Aware Demographics

- Compared to respondents overall, those who recall New Mexico's ads tend to be younger, less educated, with lower incomes, and more have kids at home.

- Reaching this particular audience is likely a function of the media buy. There may be value in layering in more traditional media in this market in order to broaden the reach.

- We will look next at campaign efficiency.

| Winter 2023-24		Ad Aware	Overall
Age	18-34	43%	30%
	35-54	33%	35%
	55+	25%	35%
Household	Married/Domestic partnership/Civil union	48%	52%
	Single/Never married	36%	34%
	LGBTQ+	10%	8%
	Kids in HH	37%	27%
Education	High school or less	19%	12%
	Some college/technical school	30%	25%
	College graduate	35%	44%
	Post-graduate degree	16%	19%
Income	< $75K	48%	37%
	$75K+	52%	63%
Ethnicity	Hispanic	16%	13%
	Caucasian/White	60%	58%
	African-American/Black	8%	7%
	Asian	26%	31%
	American Indian or Alaska Native	2%	3%
	Native Hawaiian or Other Pacific Islander	2%	1%
	Other	6%	4%
Do you have a disability or travel regularly with someone who does?		15%	11%

Campaign Efficiency

- The campaign generated recall among 605,000 San Francisco households.

- Let's compare the results to NMTD's Los Angeles campaign. The campaign targeted 4.3 million households with just $1.9 million in media spending, and reached 37% of the market, costing just $1.20 per ad-aware household. The San Francisco campaign generated only 30% awareness but was slightly more efficient with a CpAH of $1.08.

- The campaign invested a heavy proportion of the media investment in airports. While this is a worthwhile endeavor to meet actual travelers in the act, it also targets consumers originating from outside the San Francisco market. These non-San Francisco consumers are excluded from the study for obvious reasons, but could explain the lower awareness.

San Francisco Winter Campaign Efficiency	
Traveling Households	2.0M
Advertising Awareness	30%
Aware Households	605,000
Media Investment	$655,242
Cost per aware HH (CpAH)	**$1.08**

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Venturesome Target Awareness

- Venturesome travelers are a key target audience for New Mexico Tourism. This target audience is defined behaviorally based upon how they pick their leisure destinations. Specifically, local cuisine, culture, and history are critically important when selecting places to visit.

- Venturesome travelers represent a third of travelers in San Francisco. They recalled the advertising only slightly more than the average consumer.

Venturesome Travelers in San Francisco

Venturesome Travelers, 36%

Other Travelers, 64%
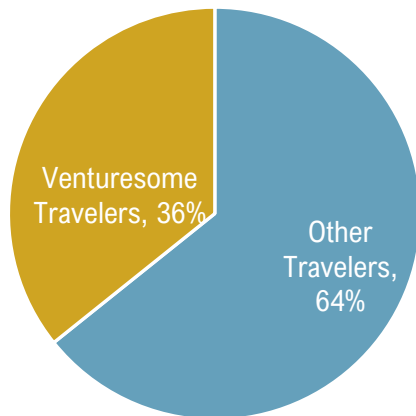
Awareness by Venturesome Consumers

35% — Venturesome Target
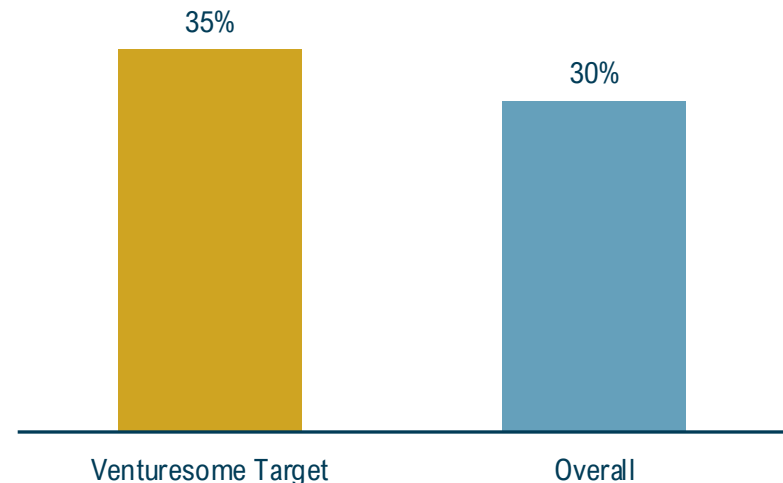
30% — Overall

Pre-Test
Review

Review of Creative Reaction

- The San Francisco market is overwhelmingly positive about NMTD's winter ads. Overall, 86% of San Francisco travelers react favorably. This is in line with the 92% of LA travelers favorable toward the 2021 ads, and the 84% of national travelers who reacted favorably to NMTD's 2019 ads.

- Among the Venturesome target, 58% are very favorable and 38% are favorable. There is almost no neutrality or unfavorability among this audience.

- Among the non-target audience, favorability leans more toward favorable than very favorable, and nearly 14% are neutral. Although they are not as positive as the Venturesome segment, there are scarcely any negative reactions.

- The following slides review the creative evaluation conducted on these ads in the pre-wave.

Overall Reaction to the Creative by Target/Overall

■ Very favorable ■ Favorable □ Neutral ■ Unfavorable ■ Very unfavorable

	Venturesome	Overall
Very unfavorable/Unfavorable	3.0%	
Neutral		13.8%
Favorable	38.4%	50.7%
Very favorable	57.6%	34.9%

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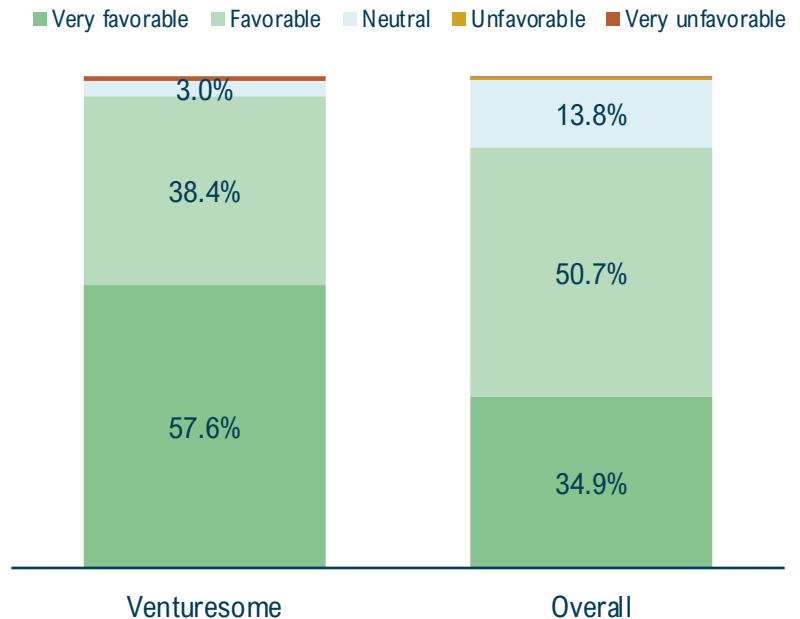
Review of Creative Evaluation – Communication Attributes

- San Francisco travelers give the ads excellent ratings for showing authentic experiences in New Mexico, giving them a positive opinion of the state, and making it seem welcoming.

- The ads are in the "good" range (among the top 25% of ads that SMARInsights has tested) for making people think New Mexico is a great place for an adult vacation and is an exciting place to visit.

- These are very strong results, particularly among the total population of travelers in a new market.

This campaign…

Legend: — Average — Good (top 25%) — Excellent (top 10%)

Attribute	Score
Shows authentic experiences in New Mexico	4.23
Gives me a positive opinion of New Mexico	4.21
Makes New Mexico seem welcoming	4.18
Makes me think New Mexico is a great place for an adult vacation	4.01
Makes New Mexico look like an exciting place to visit	3.99
Shows a place for a family leisure trip	3.83
Surprises me with something I didn't know about New Mexico	3.82
Shows that New Mexico receives a diverse mix of visitors	3.80
Shows activities I am interested in	3.77

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Review of Creative Evaluation – Impact Attributes

- San Francisco travelers rate the ads above average for making them want to learn more about things to do in New Mexico. This is an important first step, as it will help build familiarity, which is a precursor to consideration and visitation.

- Impact ratings tend to trail communication ratings, since perceptions change before behaviors. We would expect as the ads continue to run in this market that these ratings would build. Next, we'll look at the same attributes among venturesome travelers only.

This campaign makes me want to…

Average	──
Good (top 25%)	──
Excellent (top 10%)	──

Attribute	Rating
Learn more about things to do in New Mexico	3.80
Visit New Mexico	3.68
Go to the official New Mexico tourism website	3.42
Follow New Mexico on social media	2.70

Scale: 2.50 2.75 3.00 3.25 3.50 3.75 4.00 4.25
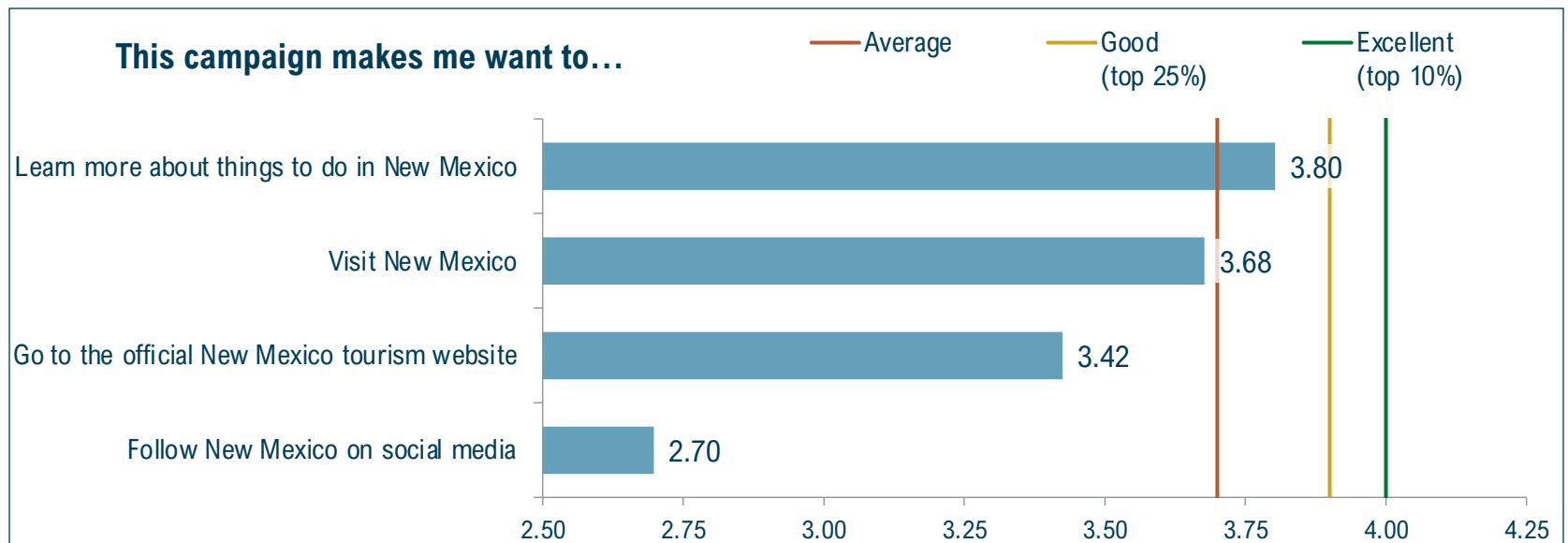
Creative Evaluation Among Venturesome Travelers

- Venturesome travelers rate all but one of these attributes in the top 10% of ads SMARInsights has tested.

- The remaining attribute – that the ads surprise travelers with something they didn't know about New Mexico – is just barely below the "excellent" range. And since this target audience is more familiar with the state, it is to be expected that this would be the lowest rated attribute.

This campaign…

Legend: —— Average | —— Good (top 25%) | —— Excellent (top 10%)

Attribute	Score
Makes New Mexico look like a great place for outdoor adventures	4.52
Shows authentic experiences in New Mexico	4.51
Makes me think New Mexico is a great place for an adult vacation	4.42
Makes New Mexico seem welcoming	4.42
Makes New Mexico look like an exciting place to visit	4.39
Shows activities I am interested in	4.33
Shows that New Mexico receives a diverse mix of visitors	4.30
Shows a place for a family leisure trip	4.23
Surprises me with something I didn't know about New Mexico	4.17

Creative Evaluation Among Venturesome Travelers

- The ads rate well into the top 10% "excellent" range among Venturesome travelers for making them want to learn more about things to do in New Mexico, visit the state, and go to the official state tourism website. This is a very positive finding, and we would expect that the ads would perform well among the Venturesome population.

This campaign makes me want to...

	Rating
Learn more about things to do in New Mexico	4.29
Visit New Mexico	4.09
Go to the official New Mexico tourism website	4.00
Follow New Mexico on social media	3.20

Legend: Average — Good (top 25%) — Excellent (top 10%)

Scale: 2.50, 2.75, 3.00, 3.25, 3.50, 3.75, 4.00, 4.25, 4.50

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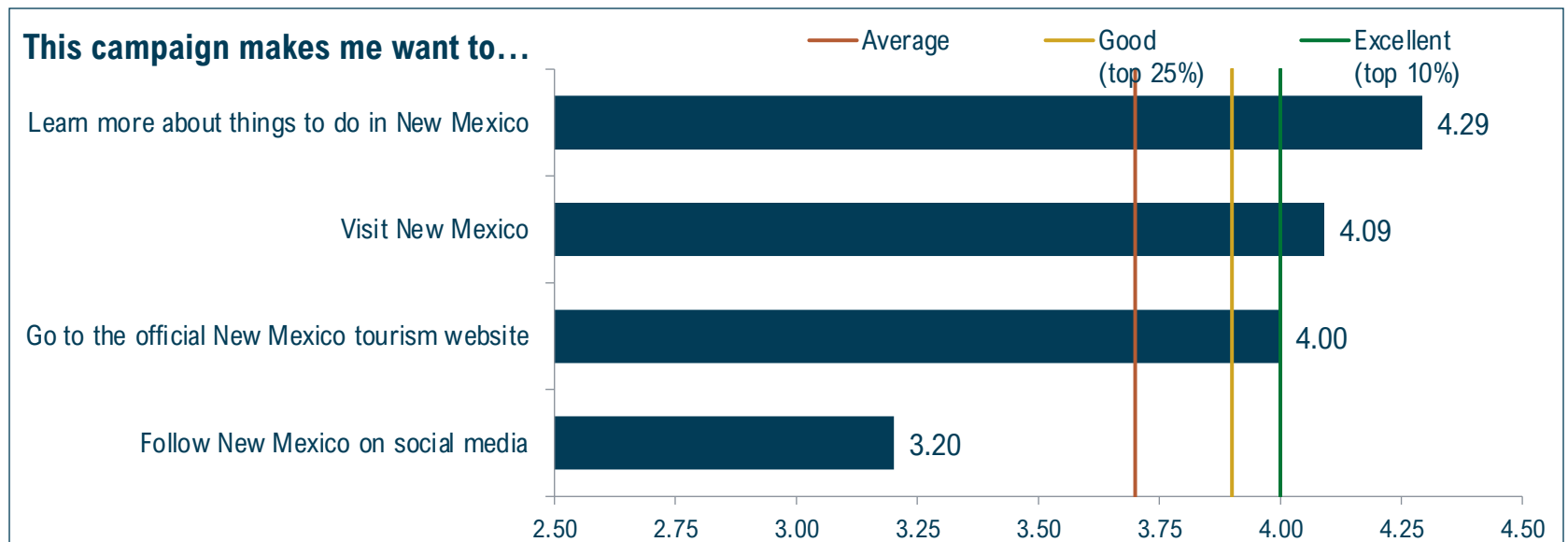
Incremental Travel and ROI

Ad-Impact on Recent Visitation

- New Mexico's 2023 Winter ad campaign increased visitation from San Francisco by 3.2 points.

- The level of New Mexico visitation by those unaware of the advertising represents the baseline – the level of visitation we could expect from the San Francisco market had NMTD not advertised there.

- The difference between the ad-aware and unaware levels of travel – in this case, 3.2 points – is attributable to the influence of the advertising.

Travel Increment

8.7%

3.2% Points

5.5%

Aware   Unaware

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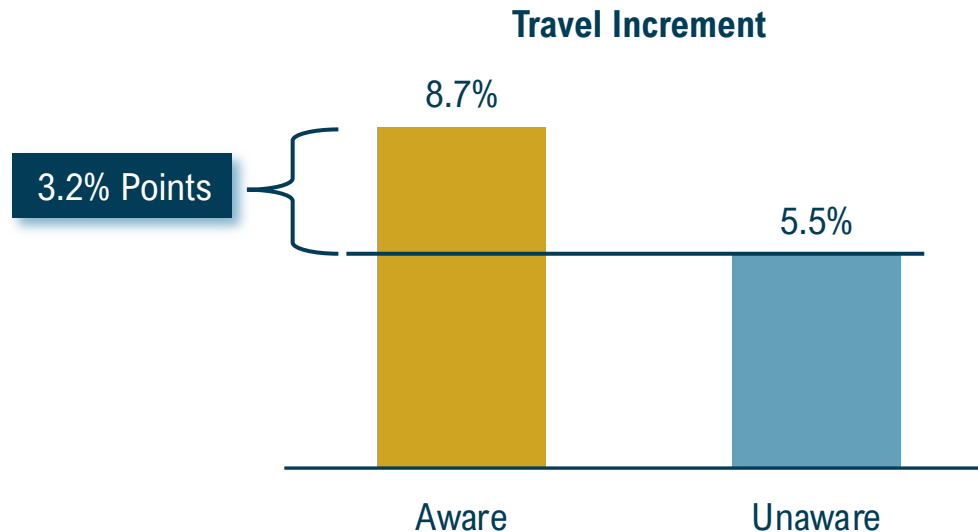
Return on Investment

- **The campaign influenced 19,700 trips to New Mexico from San Francisco.**

- These trip parties spent an average of $1,743 in New Mexico. When applied to the influenced trips, the campaign influenced more than $34.3 million in visitor spending.

- For every dollar spent on the 2023 winter leisure travel advertising campaign, visitors spent $52 in New Mexico.

- Isolating effects of a single market is less effective than a multi-market approach. In the LA market in 2021, NMTD advertised in a larger market and generated more incremental trips and $107 million in influenced trip spending for an ROI of $56.

San Francisco Market ROI	
Traveling Households	2.0M
Advertising Awareness	30%
Aware Households	605,000
Travel Increment	3.20%
Influenced Trips	19,700
Average Trip Spending	$1,743
Influenced Visitor Spending	$34.3M
Media Investment	$655,242
ROI	**$52**

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Ad Impacts

Ad-Impact on Recommendation

- The advertising not only impacts travelers' decisions to visit New Mexico, but also impacts a number of other data points that indicate future travel. One of these indicators of future visitation is the impact in likelihood to recommend New Mexico to either a friend or colleague.

- Ad-aware consumers are much more likely to recommend New Mexico than their unaware counterparts.

- Viewed in the context of the competitor set, the ads boost New Mexico from near the bottom to just below Colorado.

Likelihood to recommend each state

State	Value
Oregon	7.09
Colorado	6.74
New Mexico – aware	6.67
Arizona	6.62
Utah	6.08
Maine	5.81
New Mexico – unaware	5.53
Wisconsin	5.12
Oklahoma	4.44
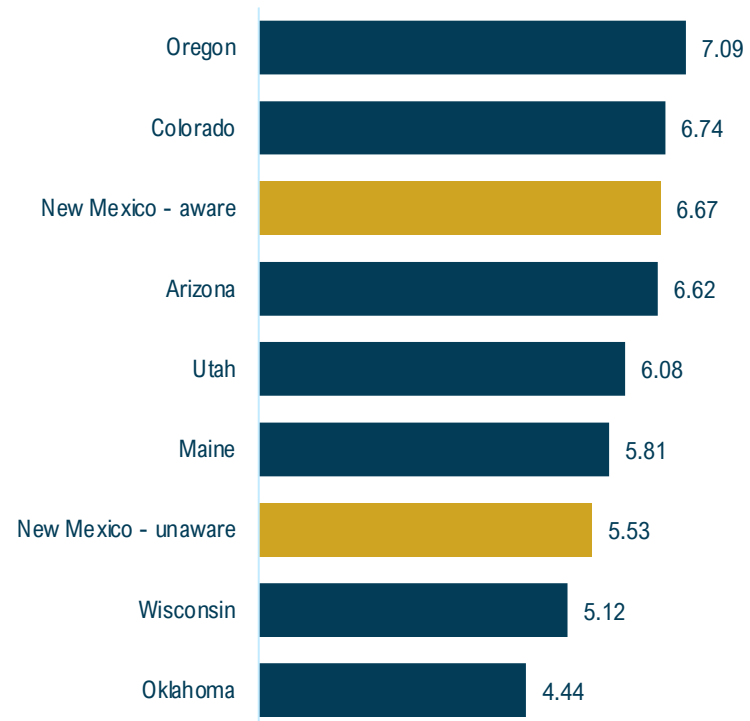
New Mexico Image – Drivers of Likelihood to Visit

- This graphic from the pre-wave organizes image attributes according to their rating (performance) and how strongly they correlate with likelihood to visit. In the upper right are attributes that generate high ratings and have strong correlations (49%-53%) with New Mexico visit intent.

- In the upper left are attributes that move with likelihood to visit but have low ratings. These attributes point to opportunities for marketing.

High

Impact on Likelihood to Visit

Performance

Low — **High**

Low

Opportunity to Improve (High Impact/Low Performance)

A place I would enjoy returning to often
A fun place for a vacation
A place everyone should visit at least once
An exciting place
A place I would feel welcome
Comfortable

Existing Strength to Promote (High Impact/High Performance)

Interesting culture
Authentic
Colorful

Items to Monitor (Low Impact/Low Performance)

Good place to live
Artsy
Good place to raise a family
Interesting cities
Great place for a health and wellness trip
Would be a good place to work
Good for viewing wildlife/birds
Great for skiing/snowboarding

Existing Strength to Maintain (Low Impact/High Performance)

Interesting small towns/villages
Authentic
Interesting culture
Great nature travel/eco touring
Interesting local cuisine
Colorful
Interesting history/historical sites
Great for experiencing native cultures/customs/traditions
Excellent outdoor activities, such as hiking, backpacking, camping, fishing

Ad Impact on Image

- The six attributes that are important to travelers but lower performing (upper left quadrant on the last page and highlighted at right) are among the most impacted by the ads.

- Improving ratings of these attributes is likely to improve likelihood to visit, which we will look at next.

- Due to the effectiveness of the ads at impacting image and visit interest, higher awareness in this market is key to maximizing the return on investment here.

	Unaware	Aware	Lift
A place I would enjoy returning to often	3.2	3.6	0.4
Good for viewing wildlife/birds	3.7	4.0	0.3
Comfortable	3.5	3.8	0.3
Would be a good place to raise a family	3.1	3.4	0.3
Interesting cities	3.6	3.8	0.3
A place everyone should visit at least once	3.6	3.9	0.2
Interesting small towns/villages	3.8	4.1	0.2
A fun place for a vacation	3.6	3.9	0.2
Would be a good place to work	3.0	3.2	0.2
A place I would feel welcome	3.6	3.8	0.2
Would be a good place to live	3.1	3.3	0.2
An exciting place	3.4	3.6	0.2
Interesting culture	3.9	4.1	0.2
Interesting local cuisine	3.7	3.9	0.2
Great for experiencing native cultures/customs/traditions	4.0	4.2	0.2
Authentic	3.8	4.0	0.1
Artsy	3.7	3.9	0.1
Interesting history/historical sites	4.0	4.1	0.1
Great nature travel/eco touring	3.8	3.9	0.1
Excellent outdoor activities, such as hiking, backpacking, camping, fishing	3.9	4.0	0.1
Colorful	3.9	4.0	0.1
Great for a health and wellness trip	3.5	3.6	0.1
Great for skiing/snowboarding	2.8	2.8	0.0

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Ad Impact on Likelihood

- Another indicator of future travel is the lift in likelihood to visit.

- The advertising generated a 17-point lift among those likely to visit (very likely and already planning a trip).

- Continuing to inform consumers of what New Mexico offers as a destination while presenting what truly separates New Mexico from its competitors will aid in making this boost a reality and grow interest over time.

Likelihood to Visit New Mexico in the Next Year

Legend:
- Somewhat likely
- Very likely
- Already planning a trip

Unaware: Somewhat likely 21%, Very likely 7%, Already planning a trip 4% — 11%

Aware: Somewhat likely 26%, Very likely 18%, Already planning a trip 10% — 28%

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