



Canada Fall 2015 Awareness

January 2016

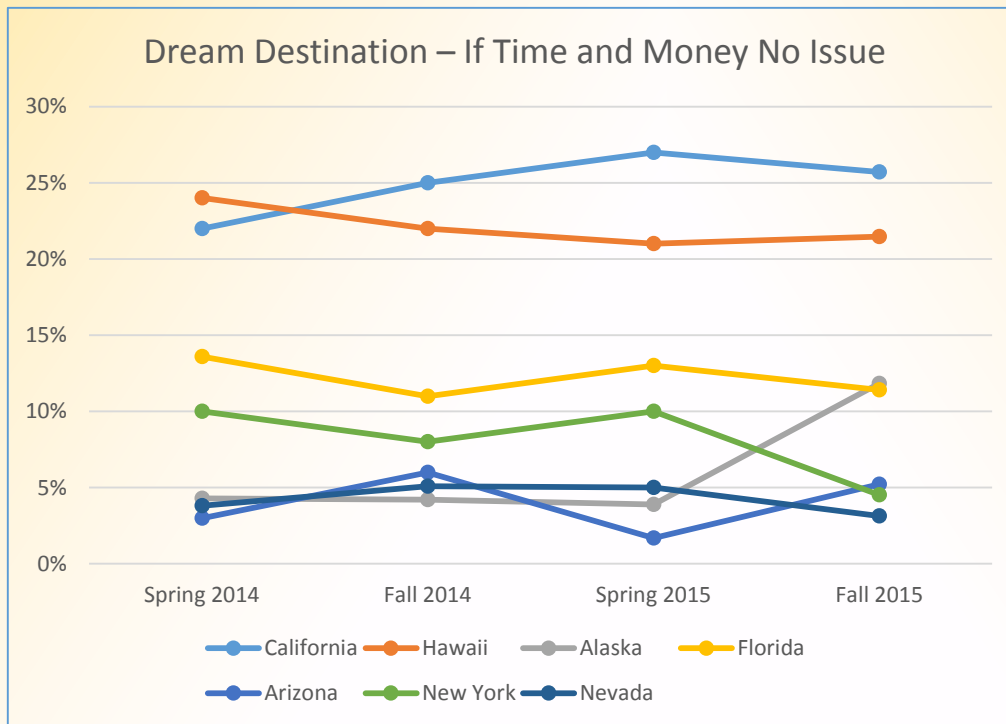


Insights

- Visit California (VCA) invested considerably more in fall media placements in 2015 than in previous years as it moved to an “always on” strategy. With this, there was an increase in fall awareness in the Canadian market. Awareness is not as high as it was in spring 2015, but there is likely some residual recall from the earlier placements, especially for digital components of the campaign.
- TV continues to dominate the budget and therefore drives awareness. But given the saturation level of TV – with both the level of recall and the number of times consumers recall a spot – resources could likely be shifted to focus on digital placements. While overlap of TV and digital is important, consumers have immediate access to online sources for additional information. Because of this, those aware of digital components of the campaign are far more likely to research California than those aware of TV.
- But most importantly, those aware of only TV are no more likely to consider visiting than those with no recall. Digital elements of the Come True banners and Dream365 videos offer specific product that can be placed to reach an audience with that particular interest.
- Visit California has been tremendously successful with its brand campaign, generating significant awareness and positioning the state as the preferred U.S. destination for Canadians. With California being the top-of-mind travel option for Canadians, VCA now can move to push specific product through increased placements of digital advertising.
- For destination marketers, TV has always been the medium through which the brand is developed. Visit California has successfully done this through years of investment with quality creative. The next layer is to increase knowledge of the product, which can be effectively done through digital components.

California continues to be the top dream destination for Canadians, exceeding Hawaii.

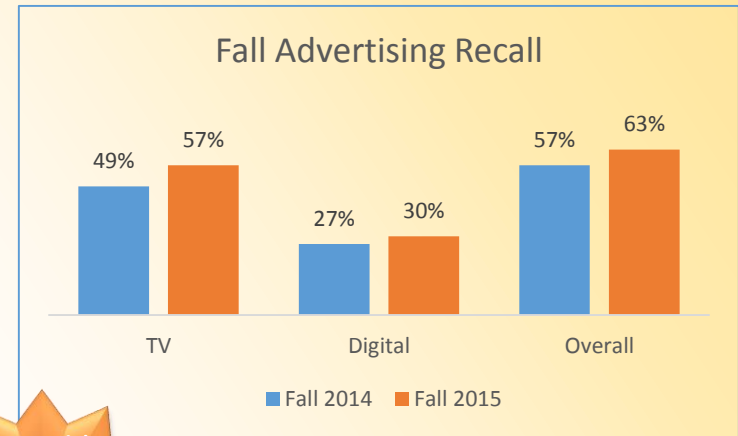
- Hawaii continually occupies the top spot as a dream destination for U.S. domestic consumers. And that used to be for Canadians as well. But after years of promotion to the Canadian market, California claimed the top spot last fall and continues to be the most preferred U.S. destination.
- As a brand, California is positioned just behind Disney as a place that embodies a “sense of creativity, an anything-is-possible attitude and inspires people to try new things.”



Disney	100
California	98
Las Vegas	98
Google	98
New York	96
Australia	96
Apple	94
Italy	93
Florida	92
WestJet	91
IMAX	89
Tim Horton's	87
Trip Advisor	86
Facebook	84
Tesla	82
Marriott	80
Virgin	79

With increased spending in the market, awareness for both TV and digital grew.

- Visit California allocates more resources to spring media placements. But as the organization moved to an “always on” strategy, more dollars were spent in the Canadian market in the second half of 2015 than in previous years.
- With this increase in spending, fall recall grew for both TV and digital components of the campaign. With 63% recall, the cost to reach an aware household was \$0.14.
- While this is higher than previous fall efforts, it is well below the SMARInsights benchmark. Through the measurement of hundreds of campaigns, SMARInsights has found that the average cost of a DMO campaign targeting a national audience is \$0.22.



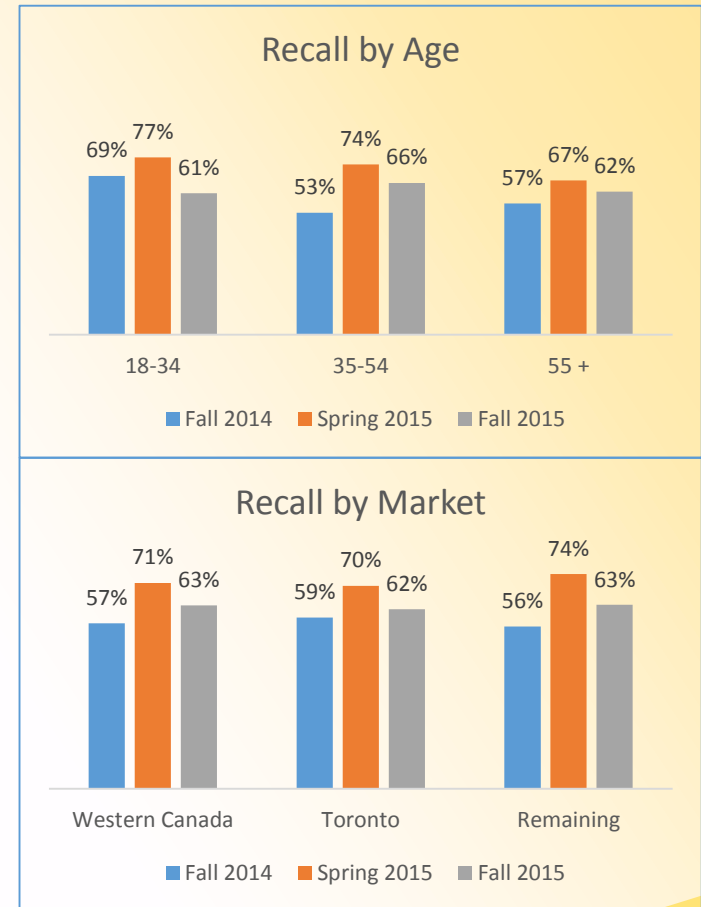
SMARInsights national benchmark: \$0.22 per aware household

2015 Fall CPH	Aware HHs	Media Spending	Cost per Aware
TV	5,144,486	\$688,564	\$0.13
Digital	2,707,624	\$109,000	\$0.04
Overall	5,686,011	\$797,564	\$0.14

Fall Efficiency	Recall	Aware HHs	Media Spending	Cost per Aware
2013	52%	4,593,448	\$359,322	\$0.08
2014	57%	5,070,461	\$430,913	\$0.08
2015	63%	5,686,011	\$797,564	\$0.14

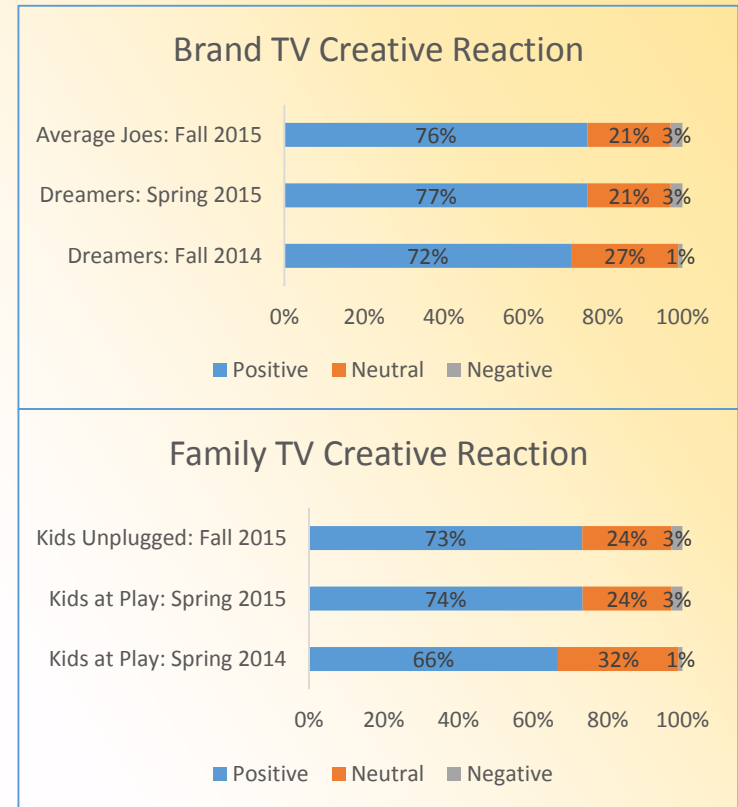
The gains in recall are attributable to older audiences as 18- to 34-year-olds are less aware.

- Although investment for fall increased over the same period the prior year, \$1.1 million was spent in Canada in spring 2015. With this, it would be expected that recall would be lower. However, recall was lower for the youngest audience even compared to fall 2014.
- Because of this, the increase in awareness from fall 2014 is attributable to older audiences, especially those ages 35-54.
- There is little difference in recall among markets. Though VCA has targeted Western Canada the longest, other areas of Canada have been a part of the media buy for a number of years. When these other areas were introduced, recall in Western Canada was higher. But awareness has grown to a point there is little difference among markets.



Revised brand and family TV spots received positive reactions in their first placements.

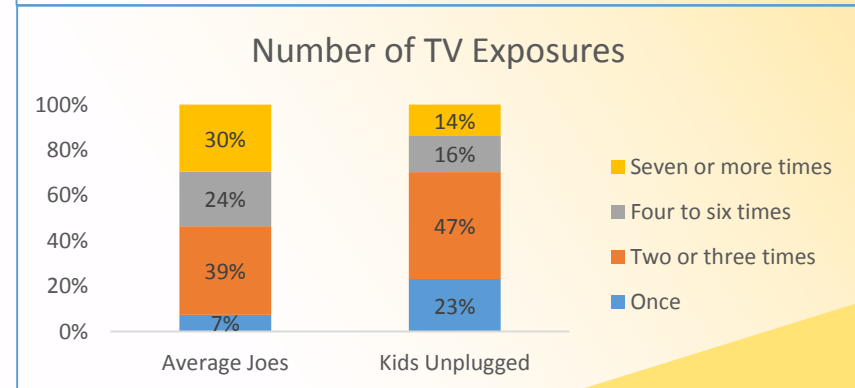
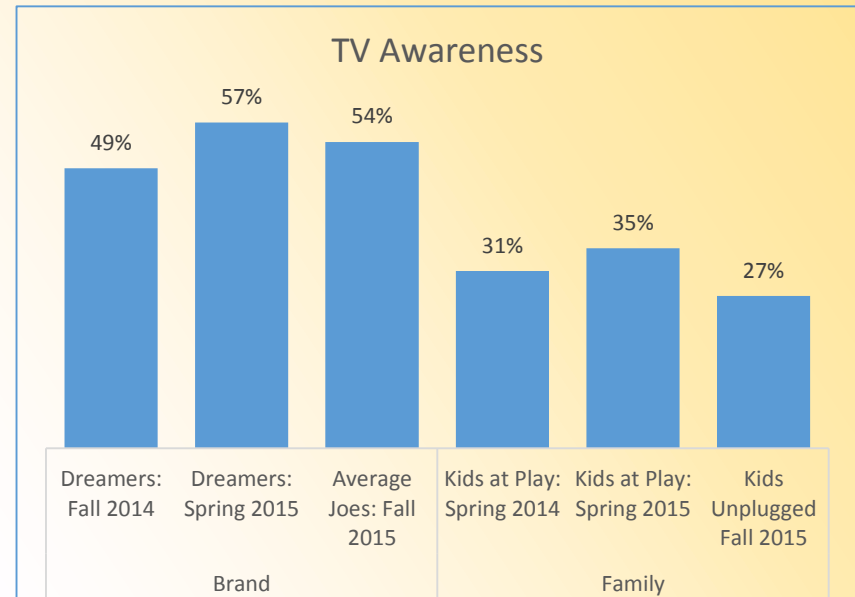
- Both of the VCA TV spots were refreshed for the fall. Average Joes is a revamp of Dreamers, and Kids Unplugged is the updated version of Kids at Play. Both spots received similar reactions to the spring creative and slightly more favorable reactions than last fall.
- Given the product in the family spots is more niche than the brand creative, these ads consistently receive slightly lower ratings.



Average Joes receives 70% of TV spending, leading to double the recall of Kids Unplugged.

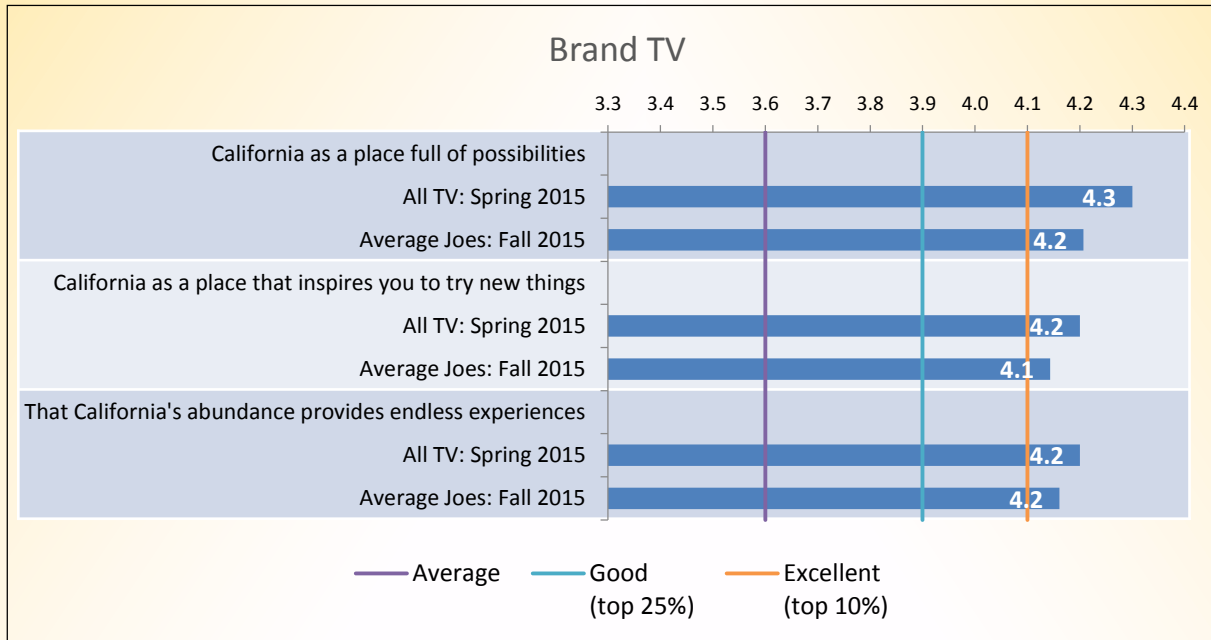
- Not only does Average Joes have a strong level of recall, but consumers also are seeing it multiple times. More than half of those aware of the spot have seen it more than four times.
- Kids Unplugged receives far less investment, so not only is recall lower, but aware consumers also have fewer exposures than the Average Joes spot.
- More households do indicate seeing the Kids Unplugged spot online, although Average Joes receives more than twice the OTV investment as the family spot.

TV Exposure	Average Joes	Kids Unplugged
TV	87%	75%
Online	10%	17%
Mobile	0%	1%
Multiple platforms	1%	3%
Do not recall	1%	4%



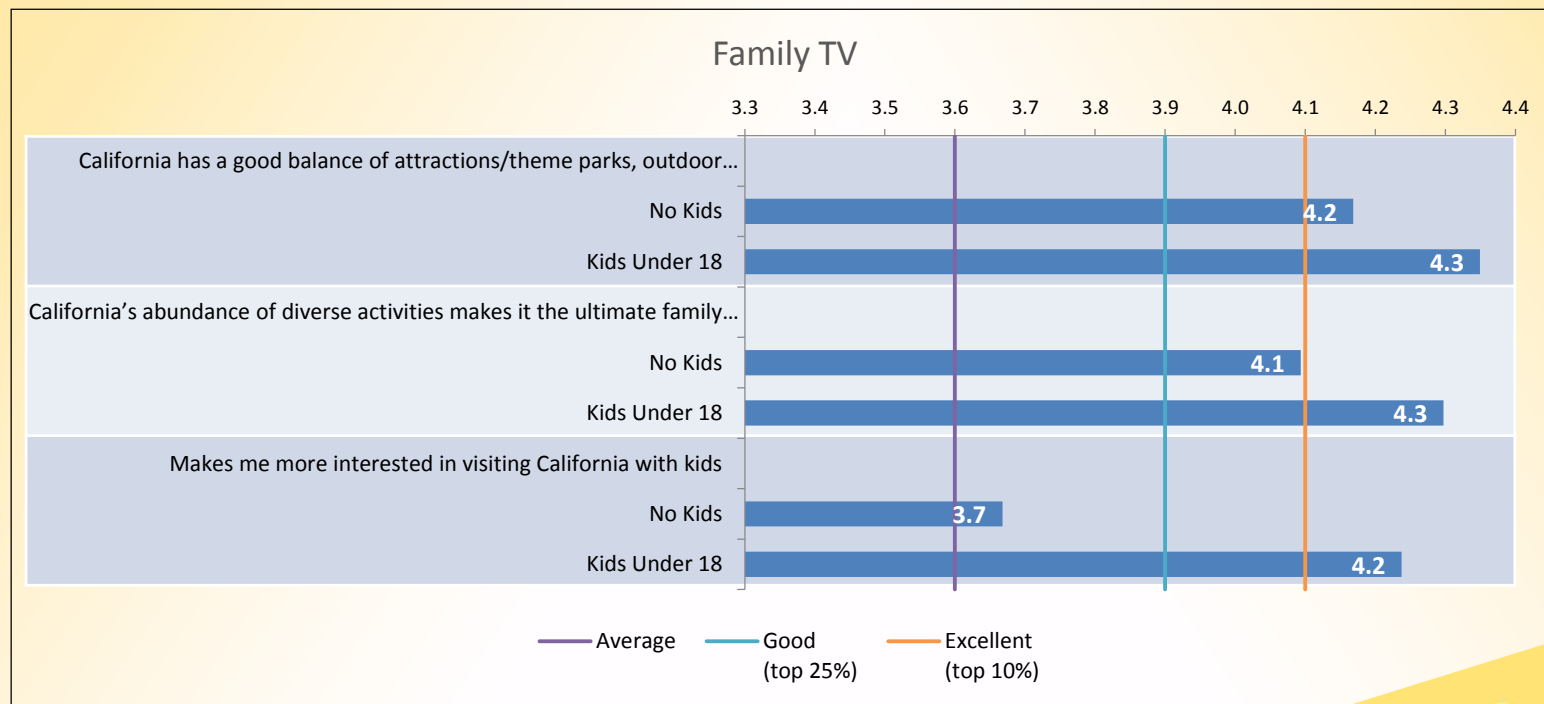
Visit California TV continues to be among the highest rated creative of all DMOs.

- SMARInsights continually evaluates destination advertising, establishing creative benchmarks based on the ratings of hundreds of campaigns. In recent years the quality of the creative has increased, causing the benchmarks to shift higher. The Visit California creative is some of the highest rated that SMARInsights has evaluated. Even with the shift to higher benchmarks (in order to be considered top 10%, ads now must receive 4.1 rather than 4.0), the brand creative of Average Joes bests these marks.



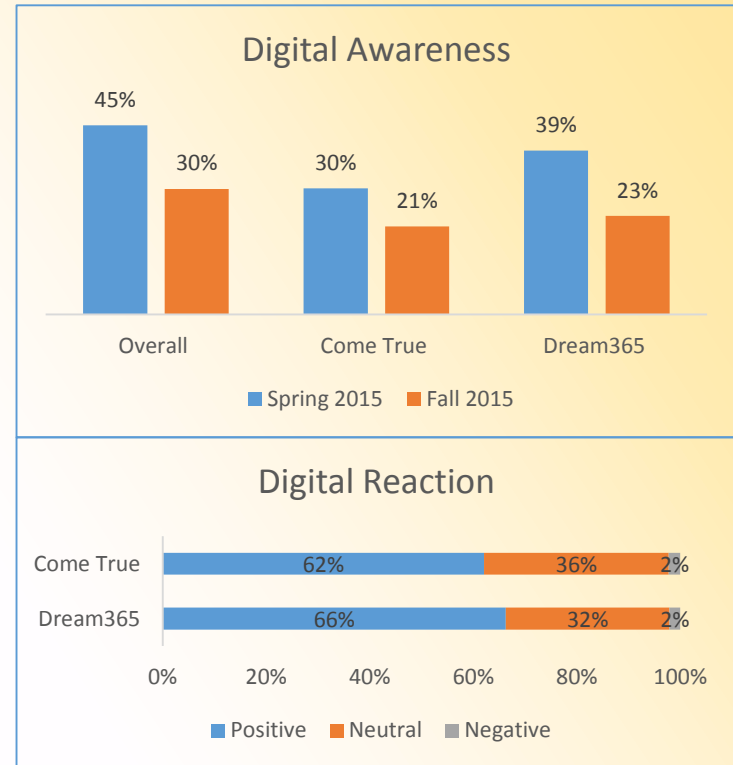
Kids Unplugged resonates with the target audience, especially for generating interest.

- Only a quarter of traveling households in Canada have children under 18, but the spot targeting this audience does a good job at communicating messages important to them.
- It is more difficult for creative to impact consumers than it is to communicate messages. Therefore, for the audience without kids, the spot receives lower ratings for making them interested in visiting California. Among the target audience, however, the spot continues to garner ratings in the top 10% of all tested.



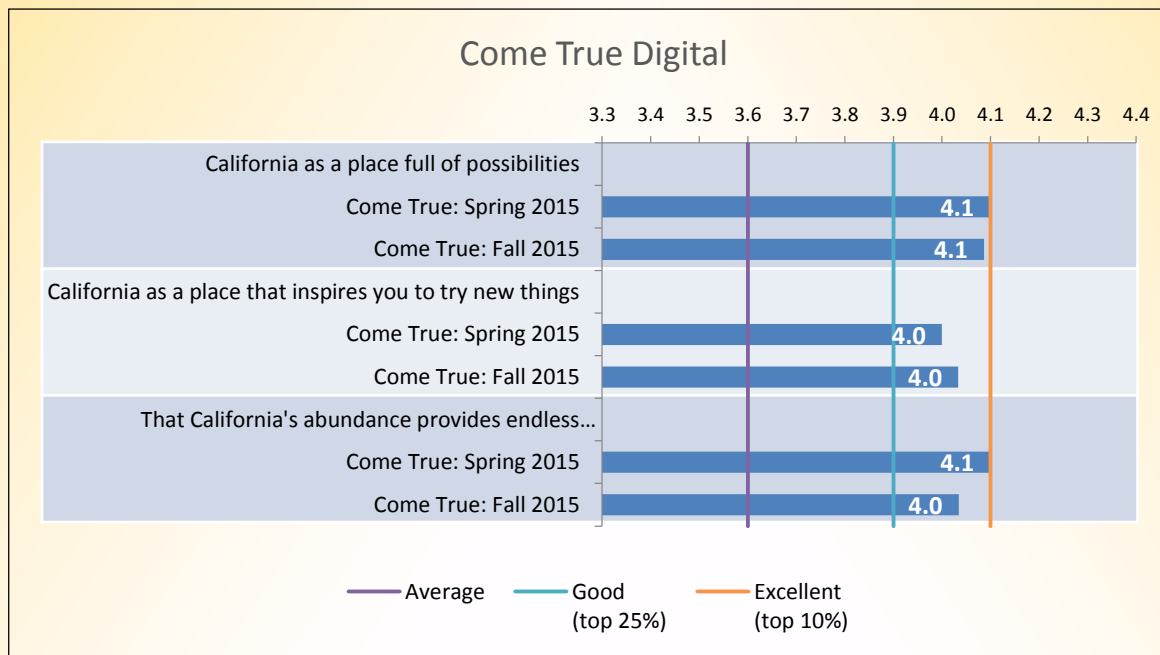
Although recall grew from last fall, there was a drop in digital recall from earlier in the year.

- The two digital components of the fall campaign, Come True digital banners and Dream365 videos, had minimal investment – less than \$110,000 for the evaluation period. Given that more than \$360,000 was invested in their placements in the spring, there is likely some residual recall from earlier in the year.
- While consumers are not negative about these components, they are less positive than when evaluating TV, which is not unexpected and is something SMARInsights often sees.



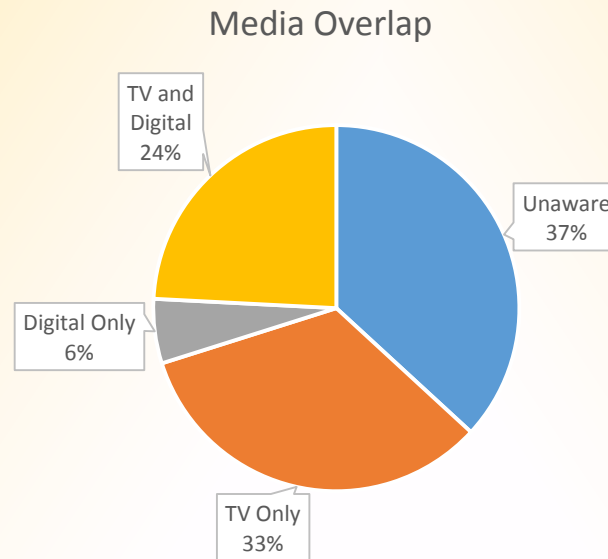
Though still well above average, the digital components are a bit weaker than TV.

- SMARInsights has found that creative ratings are often driven by TV. So when media are broken out separately, non-TV elements see a dip in scores. And while this is the case for the Come True digital, it is only a small decline, with all the ratings still in the top 25% of all destination ads rated.



A quarter of households recall both TV and digital components of the fall campaign.

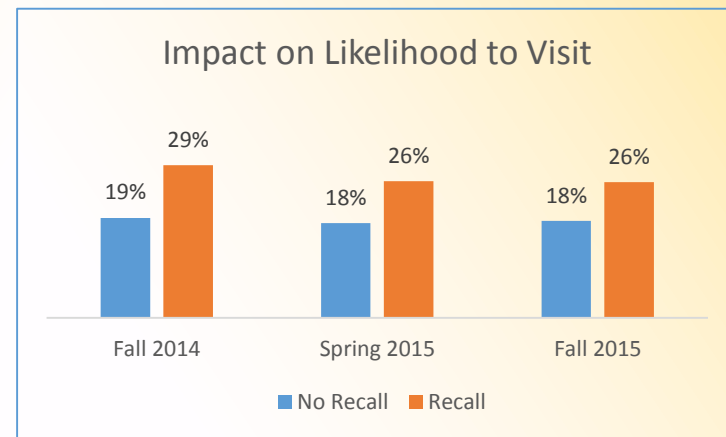
- Media overlap is an important element in spurring interest in a destination and driving visitation. TV often lays the foundation, with digital offering specific product to generate action.
- Of those who recall Come True or Dream365 digital, 88% were also aware of TV.



Consumers with recall are more likely to visit, although the potential increment is lower than the prior year.

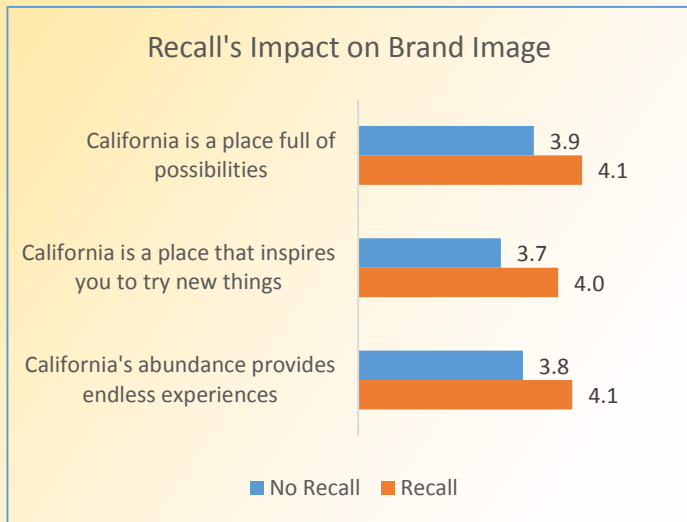
- The success of the marketing is dependent on incremental travel. While the potential increment continues to be strong, it is slightly lower than fall 2014.
- The first step in turning a consumer into a customer is getting them to take action by gathering information about the destination. Those households with recall are more likely to do so, especially by accessing the state's travel website.

	No Recall	Recall
Researched destination	19%	31%
Visited state website	11%	23%
Called state 800 number	1%	2%
Visited state Facebook page	5%	11%
Followed state on Twitter	1%	3%
Requested information using other method	5%	10%
Gathered any information	31%	50%



The ads positively impact California's overall image as well as association with ag product.

- Those with recall of the advertising are more positive about California's brand image.
- In addition, they are generally more positive in most categories when rating the state as a travel destination.
- The California agriculture industry has been an important partner in the growth of the VCA budget and marketing program. Those with recall of the advertising have stronger associations of these ag products with California.



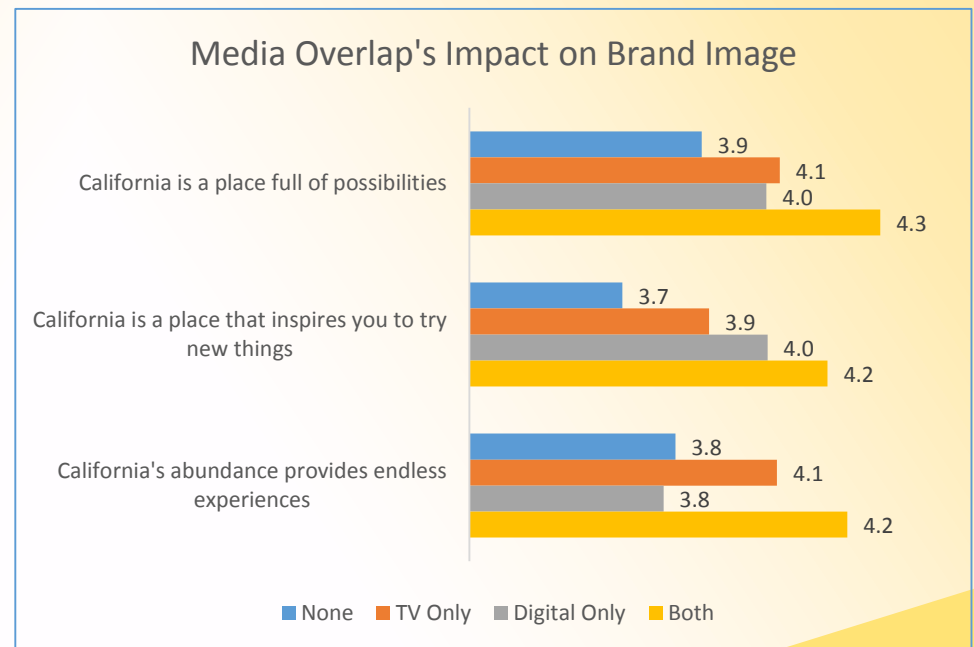
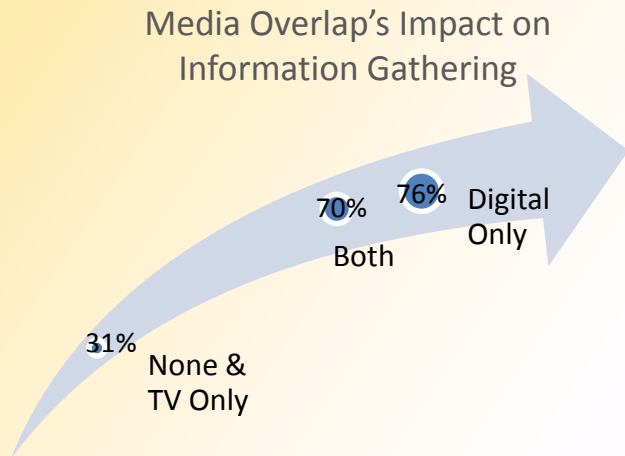
Recall's Impact on Ag Product Association

Ag Product	No Recall	Recall
Wineries	3.9	4.2
Fine dining	3.7	4.0
Local cuisine	3.4	3.7
Farmers markets	3.2	3.4
Breweries	3.0	3.3
Farm tours	2.9	3.0
California-grown crops	3.9	4.1

Attribute	Impact of Ad Recall
Is a place where food & wine are part of the culture/lifestyle	0.3
Offers the best of everything in one place	0.3
Is welcoming and accepting	0.3
Has a unique and desirable lifestyle	0.3
Has great professional sporting events	0.3
Is a place where people have a unique approach to life	0.3
Offers laid-back luxury	0.3
Is a place with lots to see and do	0.3
Is unlike anyplace else	0.3
Is the ultimate family playground	0.3
Is fun	0.2
Is scenic and beautiful	0.2
Is free spirited and individualistic	0.2
Has a variety of active outdoor activities - hiking/climbing/biking	0.2
Provides a good value for the money	0.2
Has large cities with exciting urban experiences - nightlife, shopping & dining	0.2
Is a good place for snow sports	0.2
Has a lot of family activities & theme parks	0.2
Is youthful and fun	0.2
Has excellent beaches	0.2
Has interesting historical sites	0.2
Is culturally diverse	0.2
Has friendly people	0.2
Has lakes for boating & fishing	0.2
Is casual and laid back	0.2
Has picturesque national and state parks	0.2
Has many quaint small towns	0.1

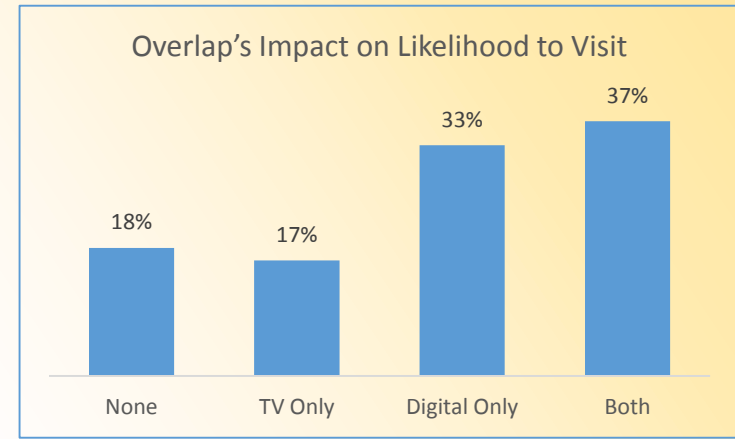
Media overlap is an important to California's brand image but digital drives info gathering

- Those with recall of both TV and digital components of the campaign are far more positive about the state's brand image than those without recall or even with recall of a single component.
- However, those aware of only TV were no more likely to gather information about California than those with no recall. It is the digital components of the campaign that spur this important action. This is likely a reflection of the ease of access. When consumers are exposed to digital creative, they can click the Come True banners or Dream365 videos for additional information.



TV gets six times the resources as digital, but the online components are driving interest.

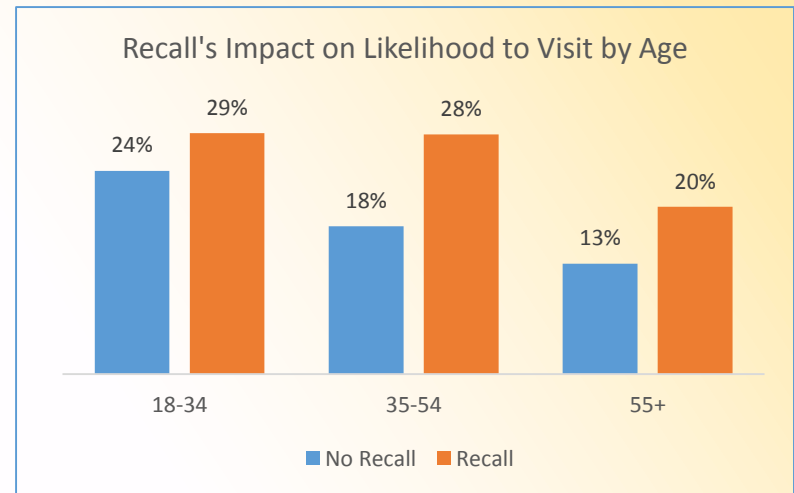
- Surprisingly, those aware of only TV are no more likely to visit the state than those who are unaware. Digital is driving interest, likely because it features specific product that can be targeted to a consumers' interests. Certainly likelihood is even higher when combined with TV, but the importance of digital in driving information and likelihood is evident.
- Visit California sees tremendous levels of awareness, even in the fall when fewer resources are invested. Most of the awareness comes from TV, which is where most of the dollars are spent. But VCA could be hitting a saturation level with the TV elements of the campaign, which offers the opportunity to reallocate resources to digital.



Younger audiences are more interested in visiting the state and gather more information.

- Younger audiences consistently report a higher interest in visiting the state, but past Visit California research has indicated that they rarely follow through. In the 2014 ROI, the youngest audience has the highest potential increment in awareness waves, but there was no increment from this audience when travel was measured.
- It is encouraging that the largest potential impact is on the middle-aged audience as this is the group that followed through with their travel intentions and generated the strongest increment in the 2014 ROI.

	18-34	35-54	55 +
Researched destination	36%	28%	16%
Visited state website	23%	19%	13%
Called state 800 number	3%	2%	0%
Visited state Facebook page	13%	9%	4%
Followed state on Twitter	4%	1%	1%
Requested information using other method	9%	8%	7%
Gathered any information	55%	44%	28%



Methodology

- SMARInsights has developed a research methodology based on how consumers make their travel decisions. The methodology evaluates the effectiveness of a destination's marketing efforts at each point in the decision-making process. The awareness wave of research evaluates the media reach, strength of the creative and the impact on brand perceptions, information gathering and intent to travel. The ROI wave focuses on measuring the level of travel that would not have occurred without the marketing campaign.
- A total of 1,454 interviews were conducted online during December 2015, with surveying in Western Canada, Toronto and the rest of the country. Participants were screened to be the travel decision-maker, have visited the U.S. in the past 12 months or be willing to take a leisure trip to the U.S. in the next months. The sample is weighted to be representative of the population.

Market	Surveys
Western Canada	413
Toronto	418
Remaining	623
Total	1,454