

California
dream
big

**2016 Canada
Awareness Wave**
July 2016



Media buy

- Visit California has had a fairly steady investment in Canada over the past few years, at about \$1.1 million. The budget this year showed a slight increase (5%).
- The digital spend was reduced in the foundational Come True digital and allocated to Dream365TV/Dreamers and Dream Eater.

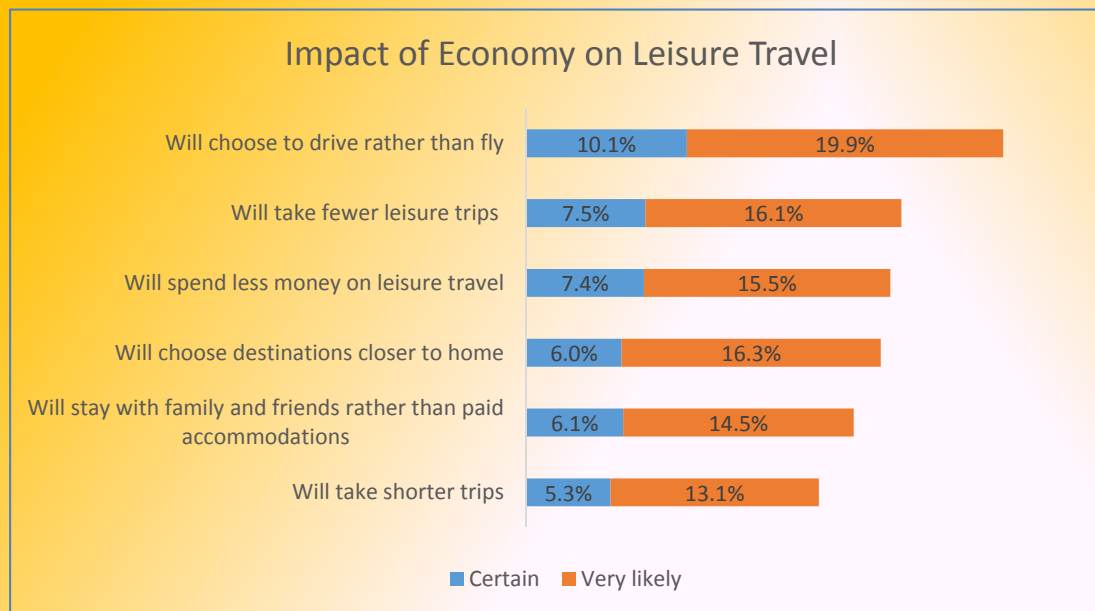
Year	Media Spend
Spring 2011	\$1,421,819
Spring 2012	\$700,969
Spring 2013	\$803,522
Spring 2014	\$1,175,336
Spring 2015	\$1,106,229
Spring 2016	\$1,158,158

Media	2015	2016	Change
Television	\$670,808	\$653,961	-3%
Spring OTV	\$73,698	\$117,346	59%
Come True Digital	\$287,217	\$117,877	-59%
Dream365 TV Digital	\$74,506	\$97,728	31%
Dream Eater		\$171,246	
Total	\$1,106,229	\$1,158,158	5%

Campaign	Impressions
Average Joes TV	63,763,824
Average Joes OTV	3,803,308
Kids Unplugged TV	27,327,353
Kids Unplugged OTV	1,629,989
Come True Banners	21,828,996
Dream365TV/Dreamers	9,179,804
California Dream Eater	2,509,764

Impact of Economy

- One challenge facing VCA in this market is the weakness of the Canadian dollar. As a result, visitation to the U.S. from Canada has decreased 10%.
- While the percentage of consumers predicting that they are certain they will travel less or spend less next year is fairly small, a significant number of people indicate that their travel plans could be negatively impacted. There was an increase in the percentage that said they would take fewer leisure trips (19% last year, up to 24% this year) and those who say they will spend less on travel in the coming year (18% last year, up to 23% this year).



At the same time, about the same number report taking a leisure trip to the US in the past 2 years (59% this year, 58% last year) and in both years 80% indicate that they are likely to travel to the US in the next 2 years.

Image, Position & Planning

Top-of-Mind Awareness

Top-of-Mind Awareness (TOMA):
Unaided recall of destinations



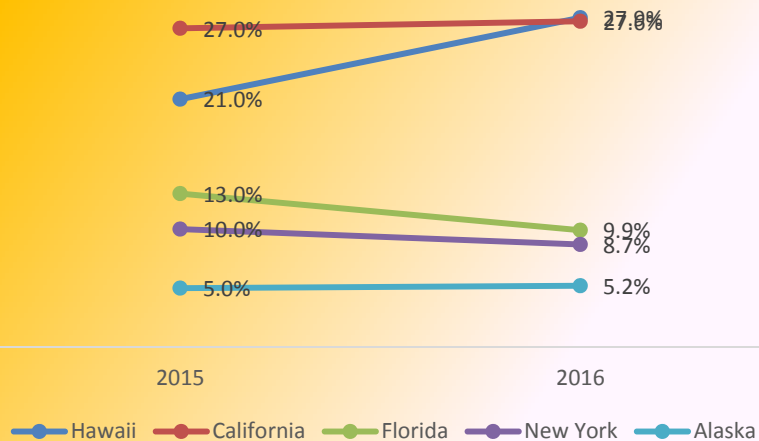
TOMA – Overall
New York (57%)
California Total (57%)
Florida Total (55%)
Florida (41%)
California Destination Total (35%)
California (35%)
Florida Destination (16%)
Hawaii (14%)
Los Angeles (14%)
Las Vegas (22%)
Texas (10%)
Arizona (10%)
San Francisco (9%)
Other (57%)

Target Top-of-Mind Awareness	Super Affluent	Family	Other
California Total	63%	67%	56%
Florida Total	58%	65%	54%
New York	55%	59%	58%
Florida (state mention)	39%	50%	41%
California (state mention)	34%	45%	35%
Las Vegas	25%	22%	22%
Florida Destination	21%	19%	16%
Los Angeles	18%	16%	14%
Hawaii	17%	15%	14%
Texas	14%	12%	10%
San Francisco	12%	9%	9%
California Other	6%	3%	4%
San Diego	5%	3%	3%
Other	49%	54%	57%

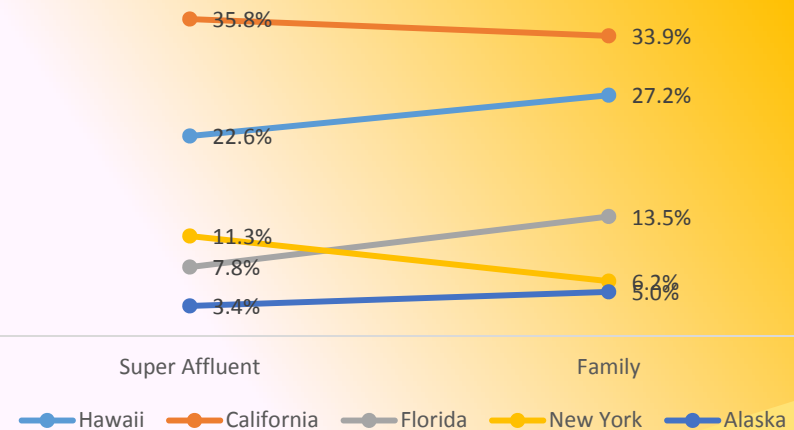
Destination Preference

- California continues to be the preferred destination overall. Hawaii increased in preference, while Florida decreased.
- California's position as the preferred destination is even stronger among the Super Affluent.

Preferred Destination – Overall



Preferred Destination – By Target



Brand Index

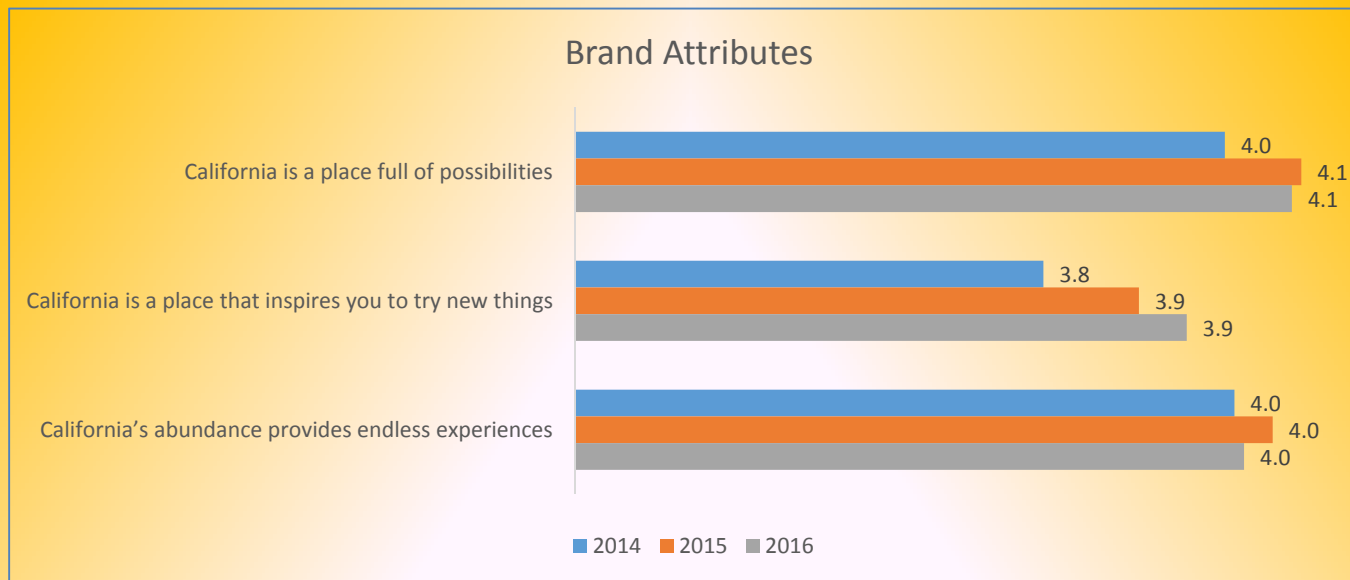
- Overall, Disney leads the Brand Index for a brand that “embodies a sense of creativity, an anything-is-possible attitude and inspires people to try new things,” but California is a close second and leads among destinations.
- Las Vegas and New York are close competitors to California in terms of these perceptions.

Overall	Super Affluent	Families	Other
Disney 100	Disney 100	Disney 100	Disney 100
California 99	California 99	California 96	California 100
Las Vegas 98	Google 98	Las Vegas 95	Las Vegas 99
New York 97	Apple 97	New York 95	New York 99
Google 97	Las Vegas 96	Google 97	Google 97
Australia 94	New York 96	California 96	Australia 96
Italy 92	Australia 94	Las Vegas 95	Italy 92
Florida 91	Italy 92	New York 95	Florida 92
Apple 91	Tesla 92	Apple 91	Apple 89
WestJet 89	Florida 89	Florida 91	WestJet 89
IMAX 86	WestJet 89	Australia 90	IMAX 86
Trip Advisor 86	IMAX 85	IMAX 87	Trip Advisor 86
Facebook 83	Trip Advisor 83	WestJet 87	Facebook 83
Tesla 83	Facebook 81	Trip Advisor 86	Tesla 83
Tim Hortons 80	Marriott 80	Facebook 83	Tim Hortons 80
Marriott 78	Virgin Airways 78	Tesla 83	Tesla 82
Virgin Airways 77	Tim Hortons 75	Tim Hortons 82	Virgin Airways 77
		Marriott 79	Marriott 78
		Virgin Airways 77	Virgin Airways 77



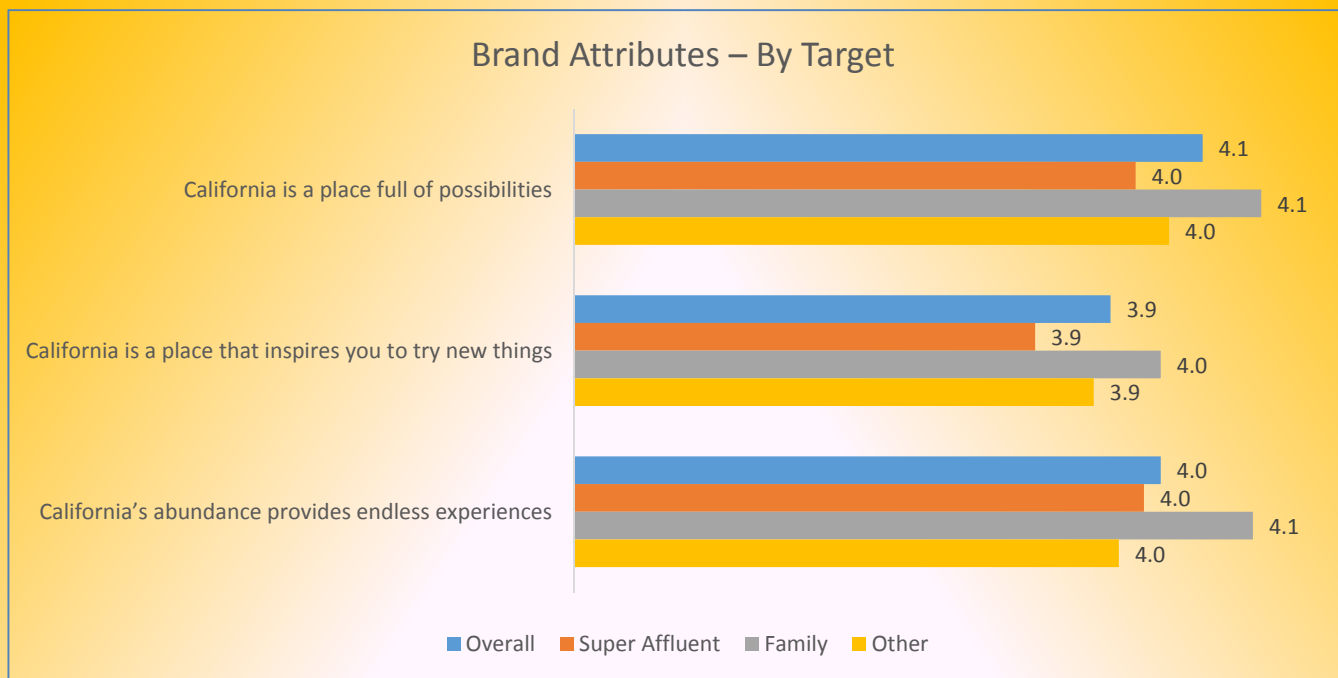
Brand Statement Trend

- Perceptions of the California brand have remained strong and steady over the past few years, and are characterized by abundance and a place full of possibilities. The state made some minor gains in terms of being a place that inspires you to try new things.



Brand Statements

- Both the Super Affluent and Family audiences rate the state well on the brand attributes, with the Family audience being the most positive.



Product Statements

- Similarly, the Family target has a better overall opinion of California's product, rating the state higher for most attributes than other audiences.

Top 2 box; California...	Overall	Super Affluent	Family	Other
Has large cities with exciting urban experiences - nightlife, shopping & dining	85%	81%	86%	84%
Is scenic and beautiful	85%	80%	86%	85%
Has excellent beaches	83%	75%	84%	83%
Is a place with lots to see and do	83%	78%	82%	85%
Is a place where food & wine are part of the culture/lifestyle	78%	75%	80%	77%
Has a variety of active outdoor activities - hiking/climbing/biking	78%	79%	79%	78%
Has many unique vacation experiences in one	78%	77%	80%	76%
Has a lot of family activities & theme parks	77%	75%	80%	76%
Has picturesque national and state parks	73%	70%	73%	74%
Youthful	71%	63%	74%	70%
Free spirited and accepting	70%	69%	72%	69%
Offers laid-back luxury	67%	63%	69%	66%
Is culturally diverse	66%	65%	68%	65%
Has great professional sporting events	58%	65%	64%	55%
Is the ultimate family playground	58%	54%	66%	54%
Has lakes for boating & fishing	56%	48%	62%	54%
Has interesting historical sites	56%	50%	53%	58%
Has many quaint small towns	49%	50%	47%	51%
Provides a good value for the money	41%	37%	48%	38%
Is a good place for snow sports	27%	28%	30%	25%

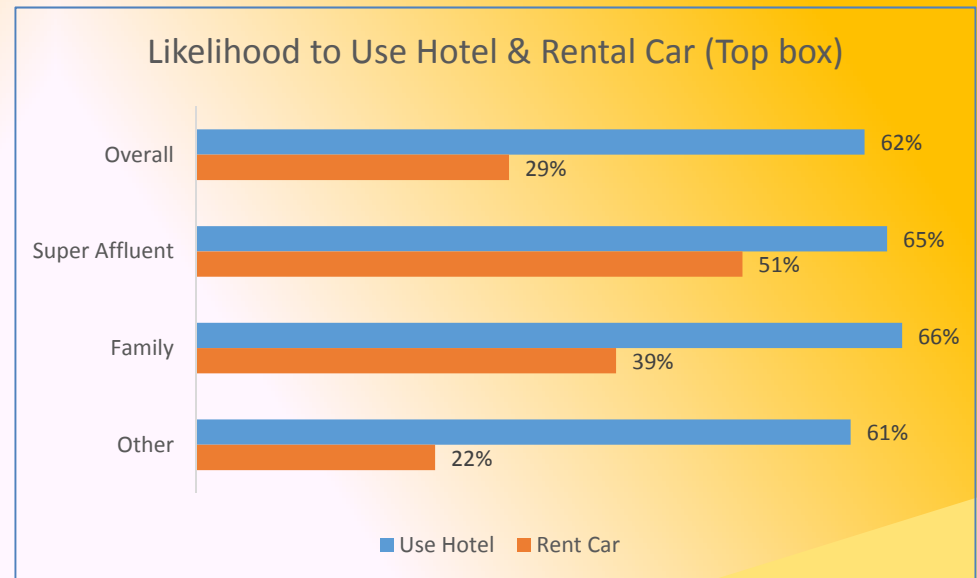
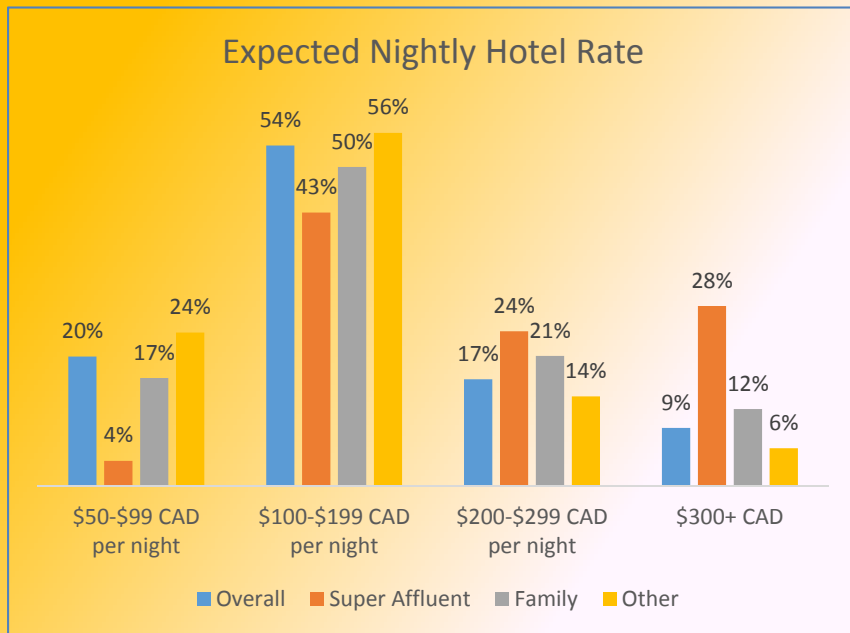
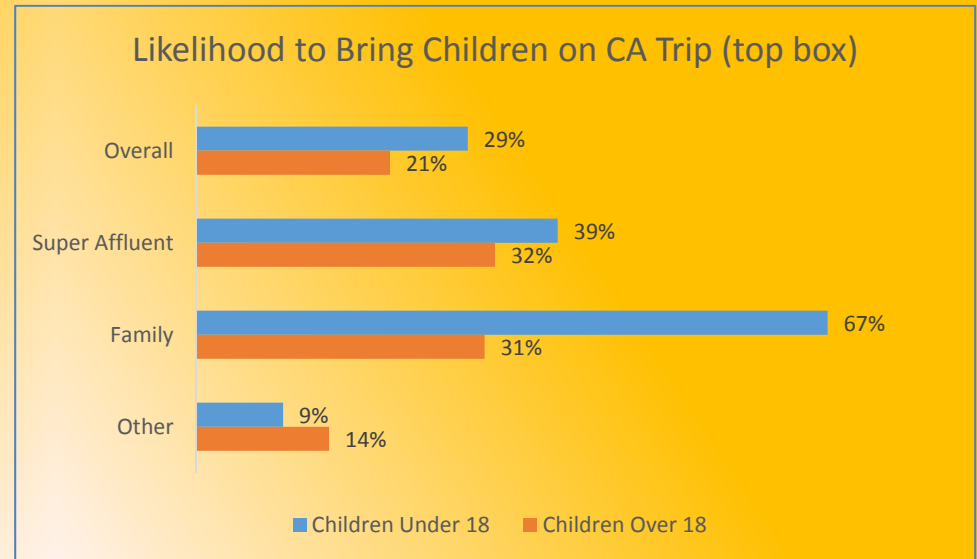
Attitude/Emotional Statements

- The Family target is also especially favorable to the state's culture, although ratings generally are very positive and clearly California is viewed as fun, inspiring and where people live life to the fullest.

Top 2 box; Represents California's feeling, vibe or culture...	Overall	Super Affluent	Family	Other
Fun and lively	80%	71%	83%	79%
A place to indulge myself	72%	61%	74%	71%
A place that inspires innovation and new trends	70%	65%	72%	70%
A place that inspires you to do new things	70%	62%	74%	69%
A place where people live life to the fullest	69%	61%	73%	67%
A place where music is a part of the lifestyle	67%	65%	70%	66%
Has a unique and desirable lifestyle	67%	65%	72%	65%
Casual and laid-back	65%	57%	66%	65%
Offers the best of everything in one place	63%	58%	66%	62%
Welcoming and friendly	63%	57%	65%	62%
A place where I can be myself	63%	56%	64%	63%
A place that doesn't take itself too seriously	57%	53%	58%	57%
A place I feel safe and secure	44%	41%	48%	42%

Potential Visits

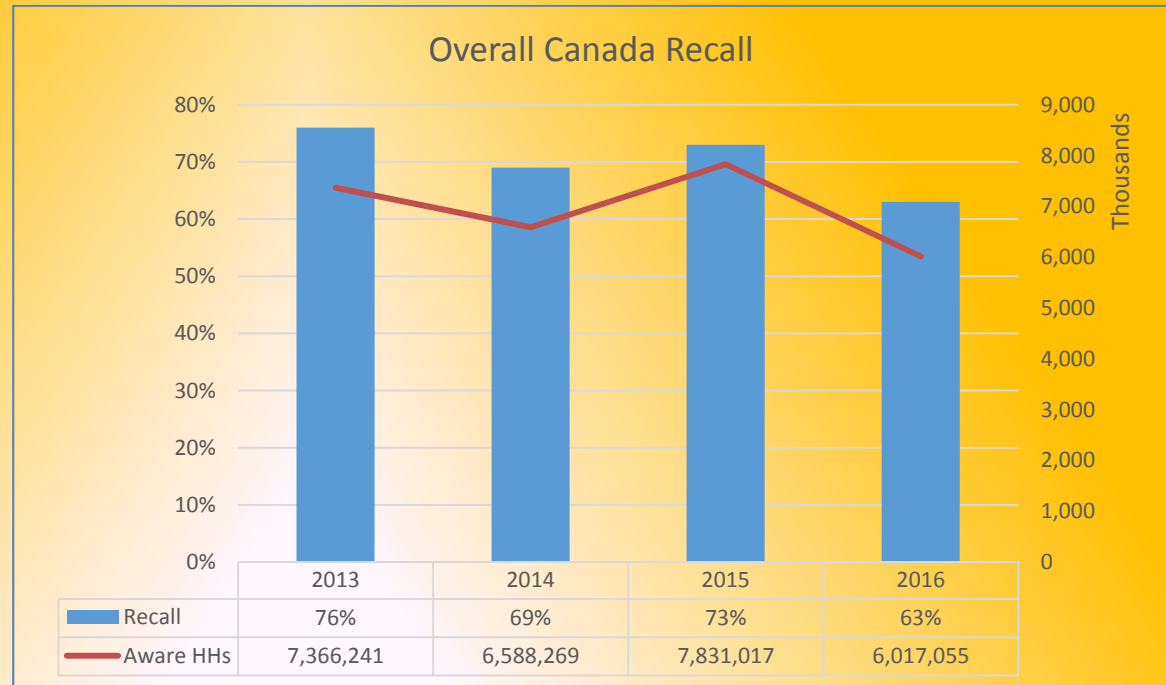
- About a quarter of the people indicate that they will bring children under 18 on a trip. When older children are included, this rises to a third (given overlap). In the 2015 ROI study, 27% reported bringing kids under 18 to California.
- About two-thirds project hotel usage, and 29% will use rental cars, which are more prevalent among the Super Affluent and Family.
- Not surprisingly, the higher-end audience expects to pay more for hotels.



Media Recall

Overall Recall

- While the media spend increased slightly, refreshed television was utilized, and the digital allocation was changed. As a result, recall was lower – only 63% this year compared to 73% last year. Plus, with the economy impacting travel, the base of potential travelers was smaller. So the aware audience was much smaller.
- The CPH of \$0.19 is still well below the SMARInsights benchmark for international campaigns of \$0.48 and suggests that the buy in Canada is very efficient.



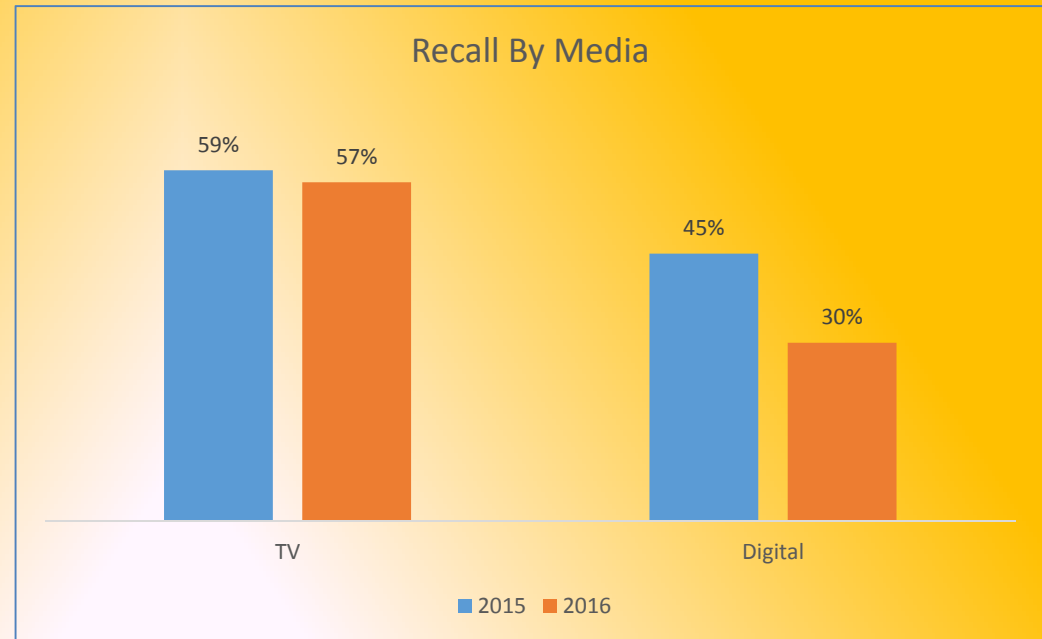
	2013	2014	2015	2016
Awareness	76%	69%	73%	63%
Aware Households	7,366,241	6,588,269	7,831,017	6,017,055
Spending	\$803,522	\$1,175,336	\$1,106,229	\$1,158,158
Cost per HH	\$0.11	\$0.18	\$0.14	\$0.19

**SMARInsights
benchmark:
\$0.48
per aware
household**



Recall by Media

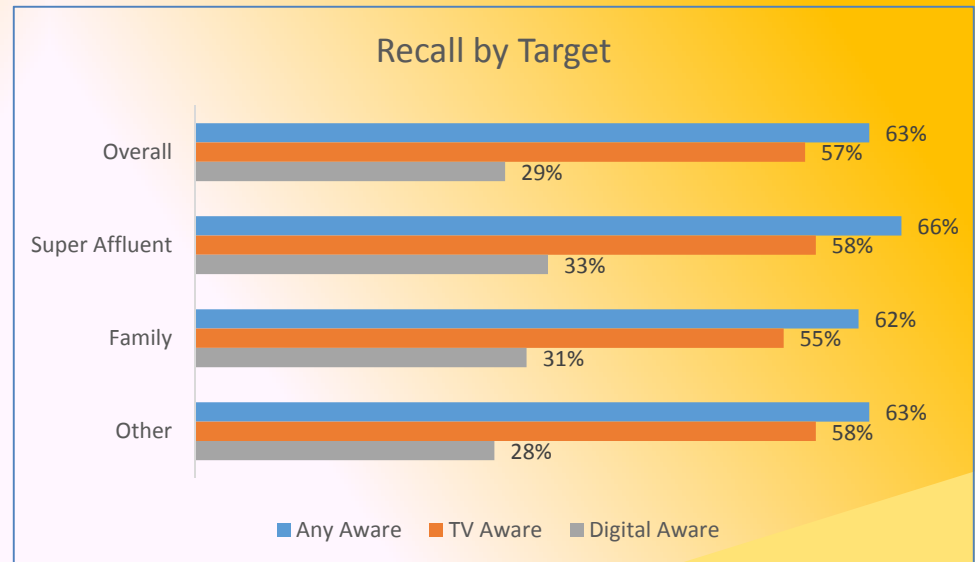
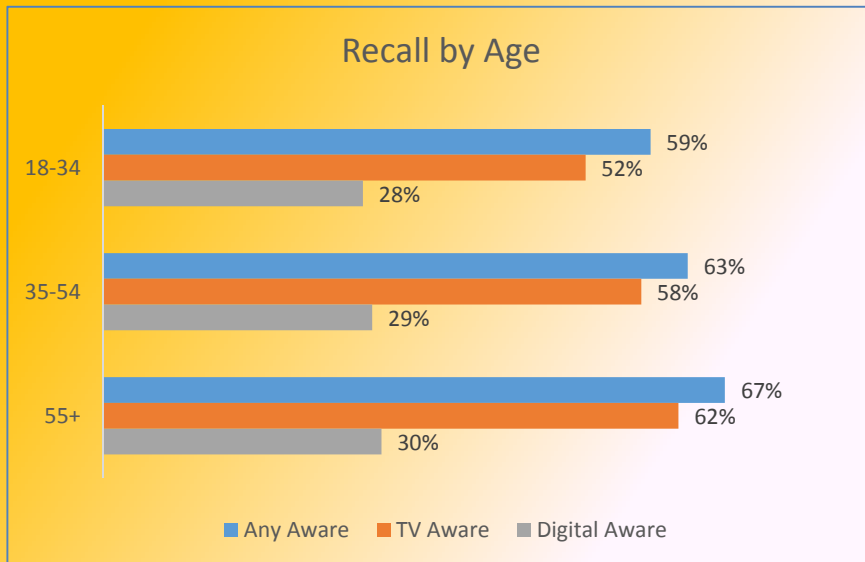
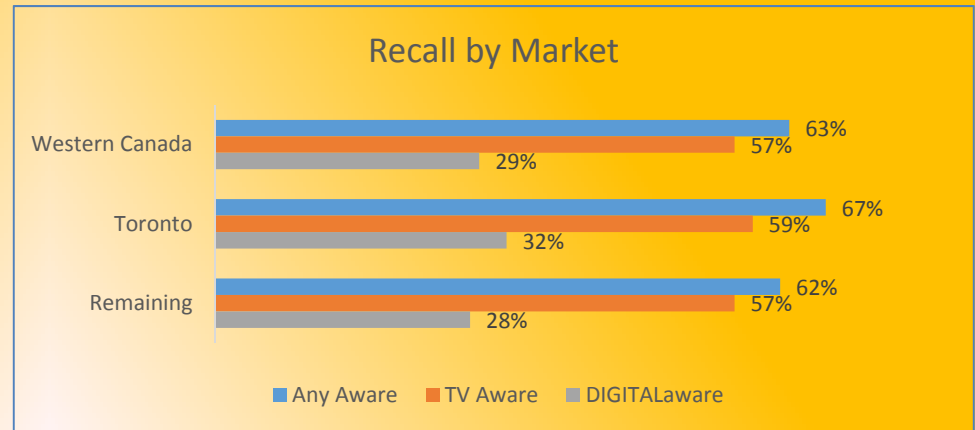
- With refreshed TV spots, there was a slight decline in recall. But the major reason for lower overall recall was significantly less recall of the digital.
- As noted, money was moved from supporting the foundational Come True campaign to support Dream365TV/Dreamers and California Dream Eater. These content-focused initiatives tend to have lower reach than traditional digital banners.



	TV	Digital
Recall	57%	30%
HHs with Recall	5,444,002	2,865,264
Media Costs	\$653,961	\$504,197
Cost per Aware Household	\$0.12	\$0.18

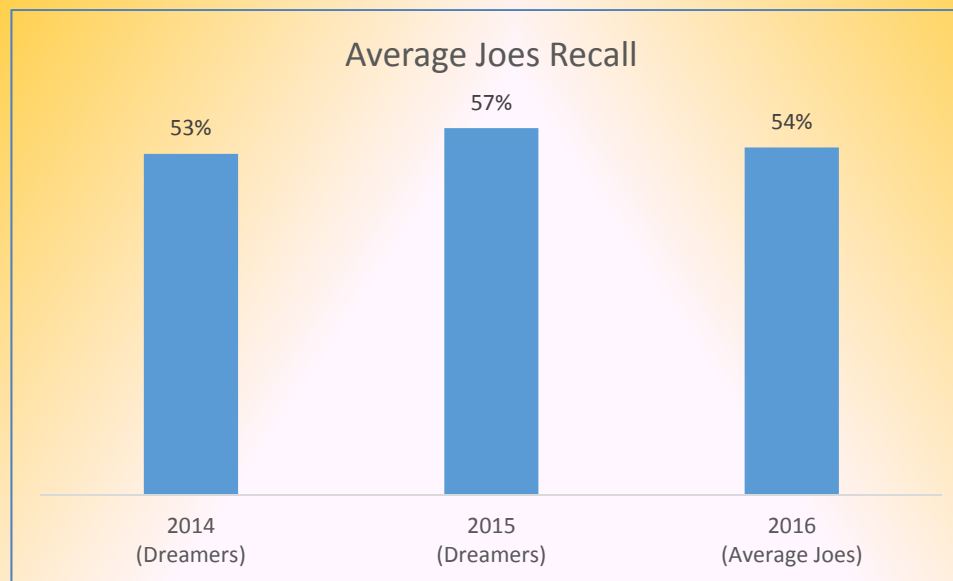
Recall by Segment

- Recall was higher in Toronto.
- The campaign was more successful at reaching an older audience and reaching the Super Affluent.



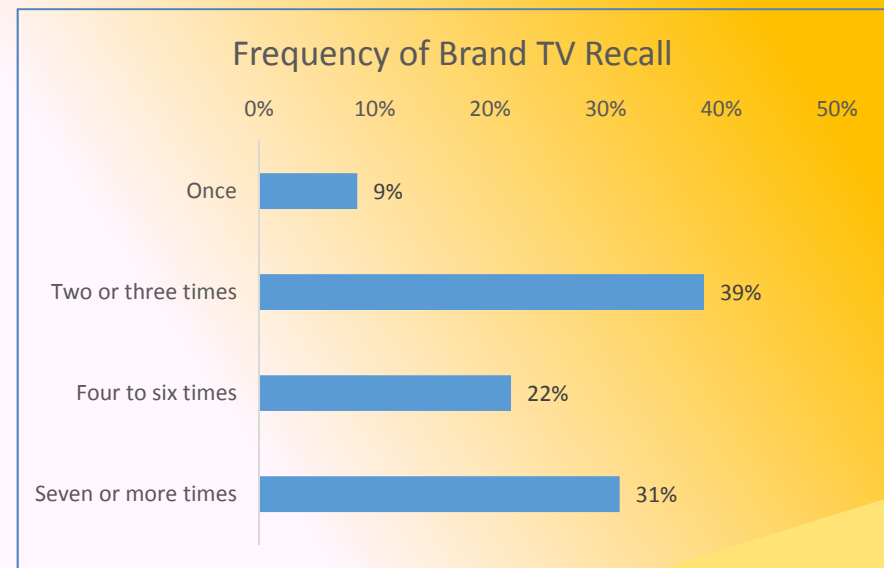
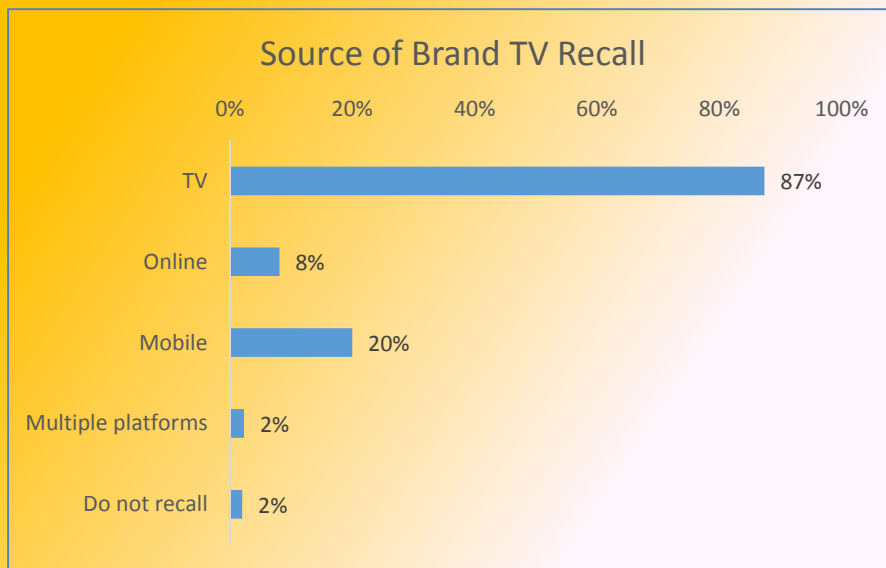
Average Joes Recall

- The brand spot Dreamers was refreshed (Average Joes) and this led to a slight decline in recall – although just slightly higher than the debut of Dreamers.
- With about the same expenditure on TV this year, this should be expected.



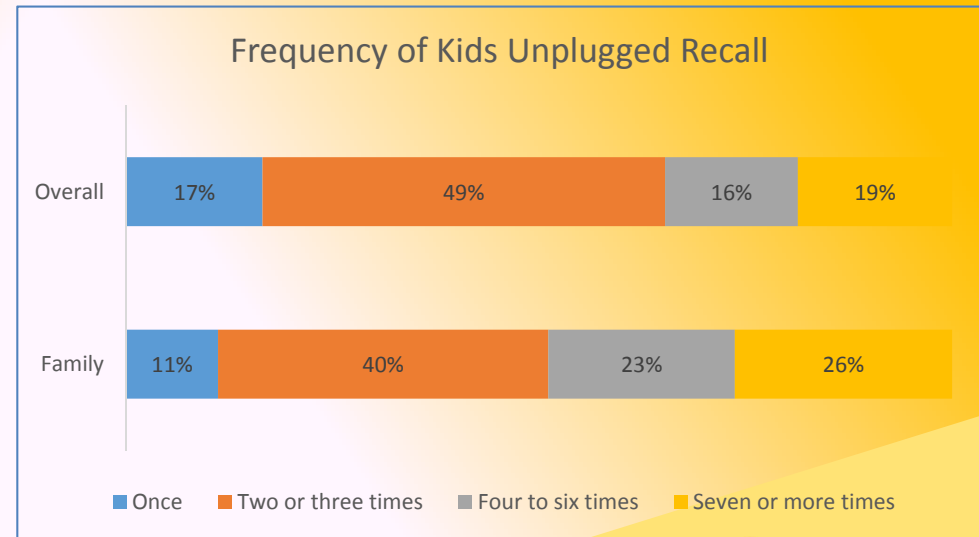
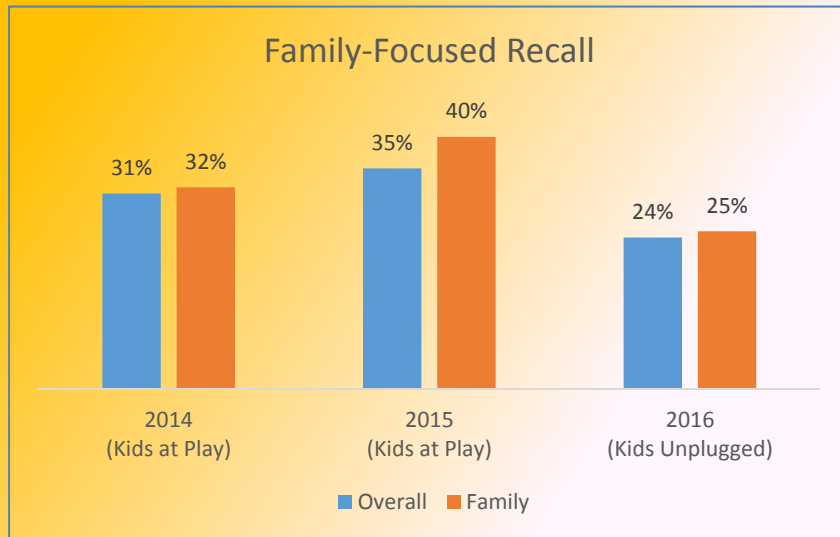
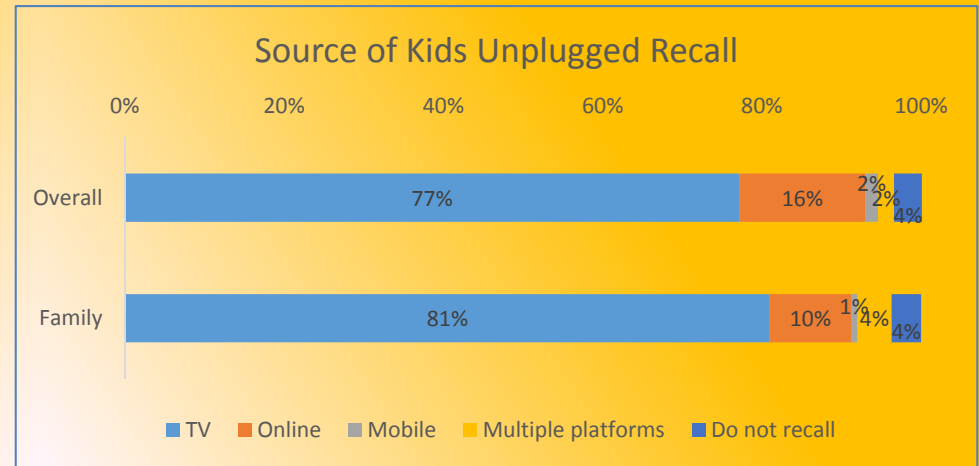
Average Joes Recall

- While the expenditures allocated to online TV were increased, most Canadians report seeing the spot on standard TV. The percentage reporting seeing it online is identical to last year.
- More than half of the consumers who recall the spot report seeing it at least 4 times.



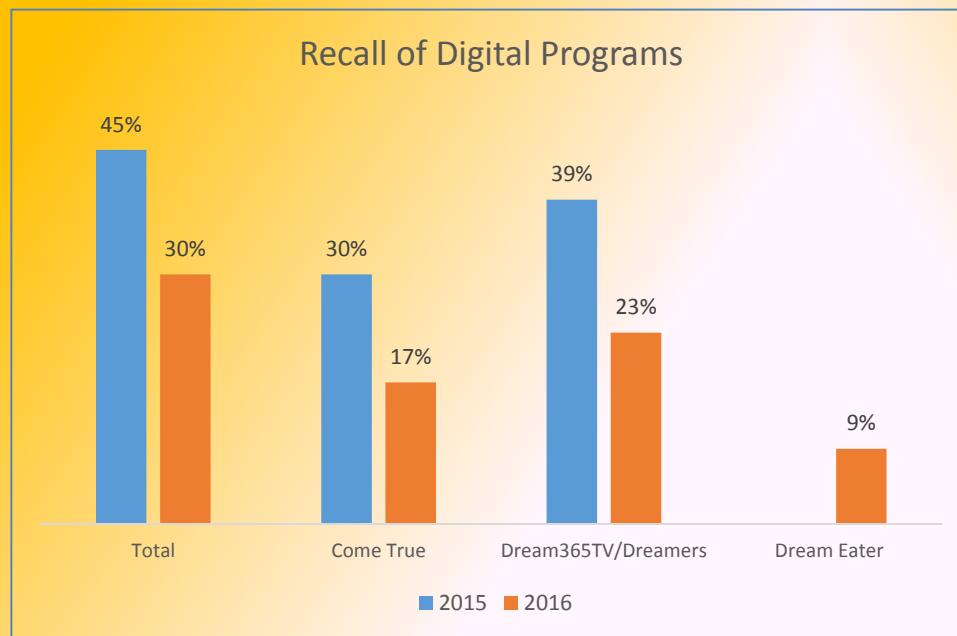
Kids Unplugged Recall

- Recall of Kids Unplugged was significantly lower than last year, and the refresh of the spot doesn't explain this level of decline. It is also doesn't explain why the spot did not do a better job of reaching the Family audience.
- Those who saw it recalled it from traditional TV. Among the Family audience, about half had seen it at least 4 times.



Digital Recall

- Total digital recall this year was significantly lower than last year. Recall was lower for each of the programs used in 2015. Allocation of spend for digital was changed, with 40% going toward California Dream Eater, which has niche appeal and low recall.
- While changes in the allocation led to lower recall, all of the digital efforts were very efficient with low costs to reach an aware household.



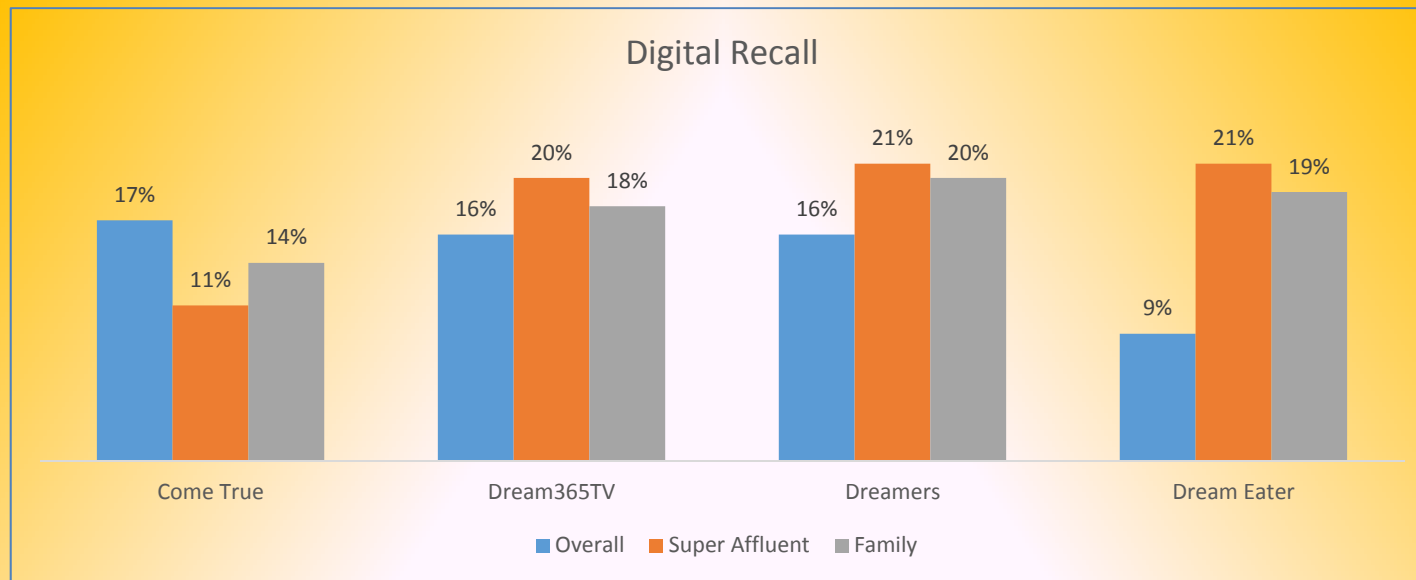
**Come True
Banners
CPH:
\$0.07**

**Dream365/
Dreamers
CPH:
\$0.05**

**Dream Eater
CPH:
\$0.20**

Digital Recall

- A review of the recall by campaign shows interesting differences:
 - » Come True, the more traditional campaign, is effective overall but less able to reach the targeted audiences.
 - » The targeted digital efforts – Dream365TV, Dreamers and Dream Eater all are better at reaching both the Super Affluent and Family audiences.



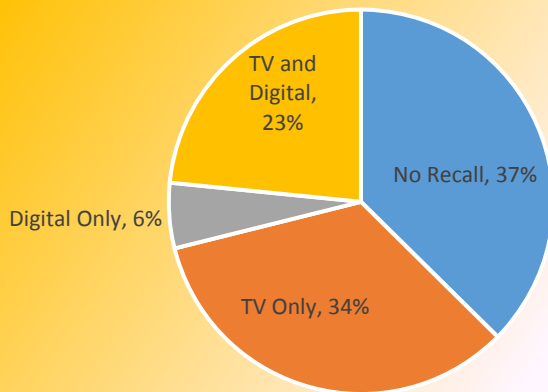
Profile by Media Type

- As VCA has expanded and changed its marketing program to incorporate a significant digital element, there have been changes in the profile of the audience that it reaches with each medium:
 - » The audience that sees only TV is older, less likely to have visited the U.S. in the past 2 years, the least affluent, least likely to have children and more likely to be female.
 - » The audience that has seen only digital is younger, most likely to have children and be in the Family target. This group also is more likely to have strong motivators such as culinary.
- In part the changes are related to the specific digital programs – and the targeting. Niche digital programs are successful because they can be placed where they are more likely to reach the specific audience. Since many require some effort to learn more, they also tend to influence people who are already more familiar with the destination. They highlight more specifics. Television has a broad reach and therefore creates awareness and familiarity and leads to interest.

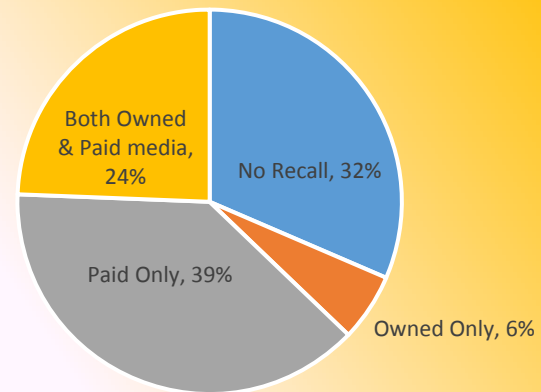
Media Overlap

- In Canada, television is the broad reach element, with digital supplementing. As a result, only 6% recall only digital, with 23% reporting recall of both.
- There is also strong overlap between the paid and owned media, with about a quarter of the consumers recalling elements of both.

Media Overlap



Overlap of Owned and Paid Media

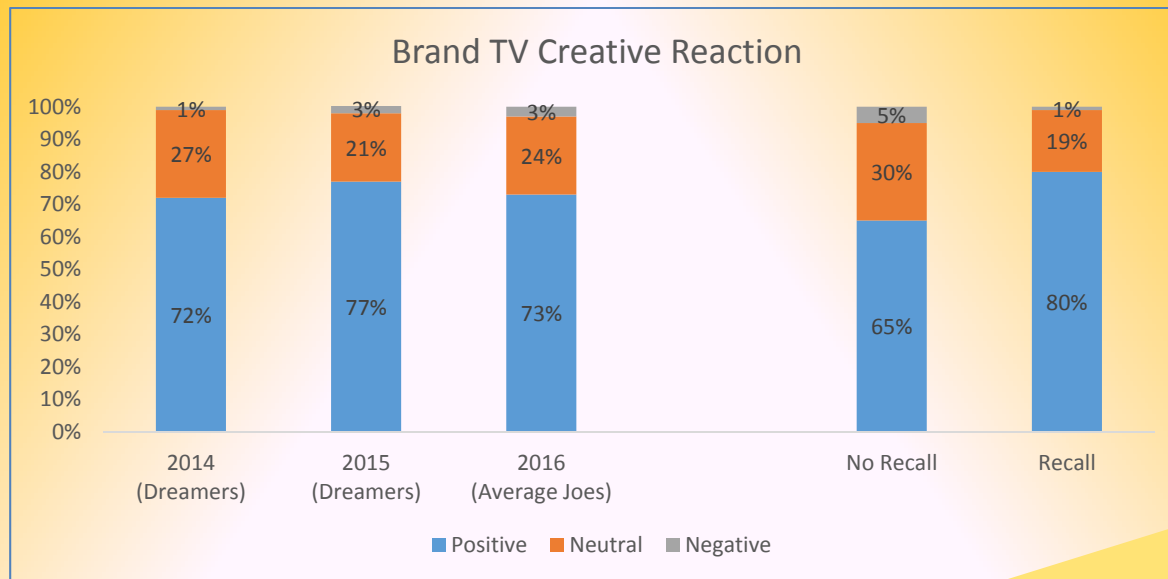


Creative Ratings

Brand TV Reaction

- The Average Joes spot receives good positive ratings, similar to the launch of Dreamers. The spot has good impact on the brand ratings as well as for generating a positive overall response.

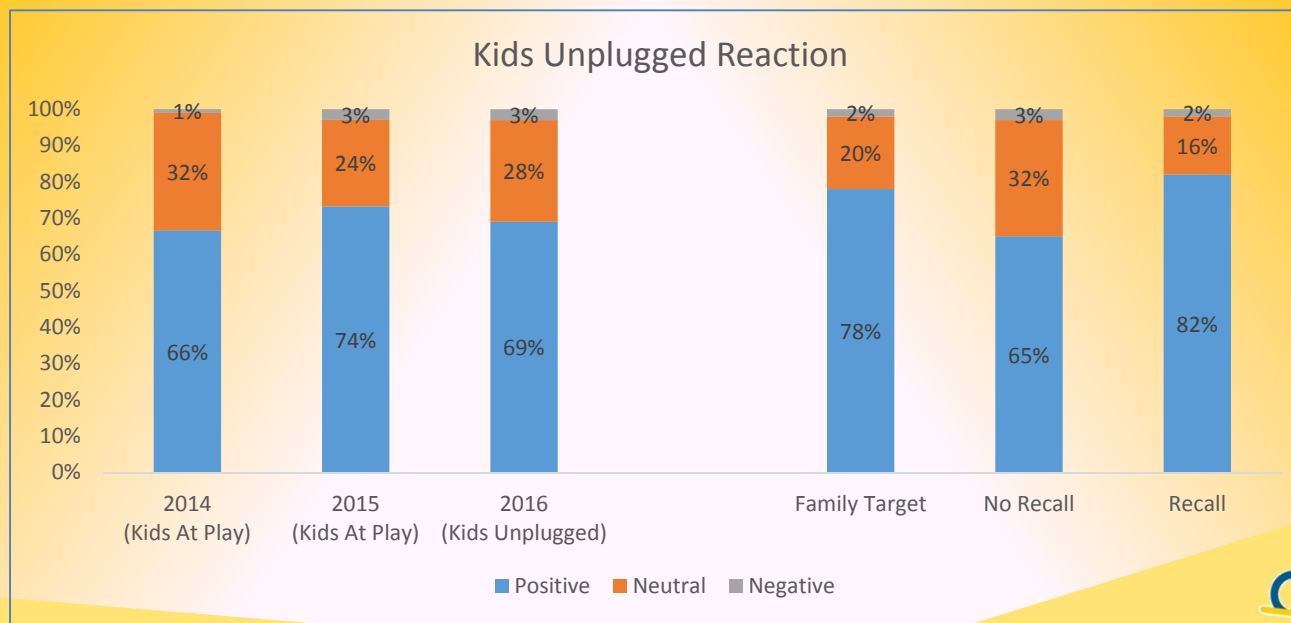
Change in Brand	Super Affluent	Family	No Recall Average Joes	Recall Average Joes
California is a place full of possibilities	4.1	4.1	3.9	4.1
California is a place that inspires you to try new things	4.0	4.2	3.8	4.1
California's abundance provides endless experiences	4.1	4.1	3.9	4.1



Family TV Reaction

- Kids Unplugged receives a positive reaction, again similar to the introduction of Kids at Play. Reaction should improve as the creative wears in. The ad strongly positions California as a family destination – especially with the Family target.

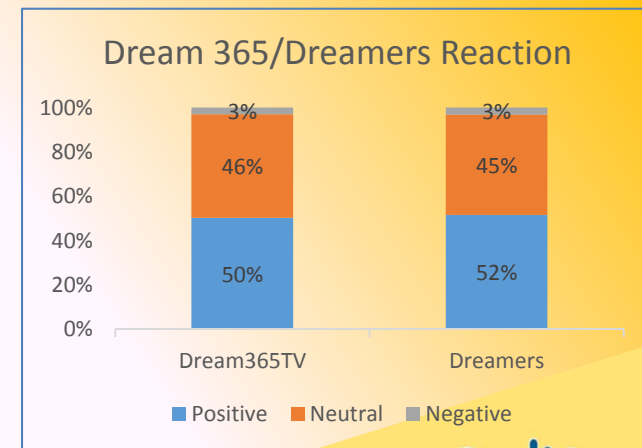
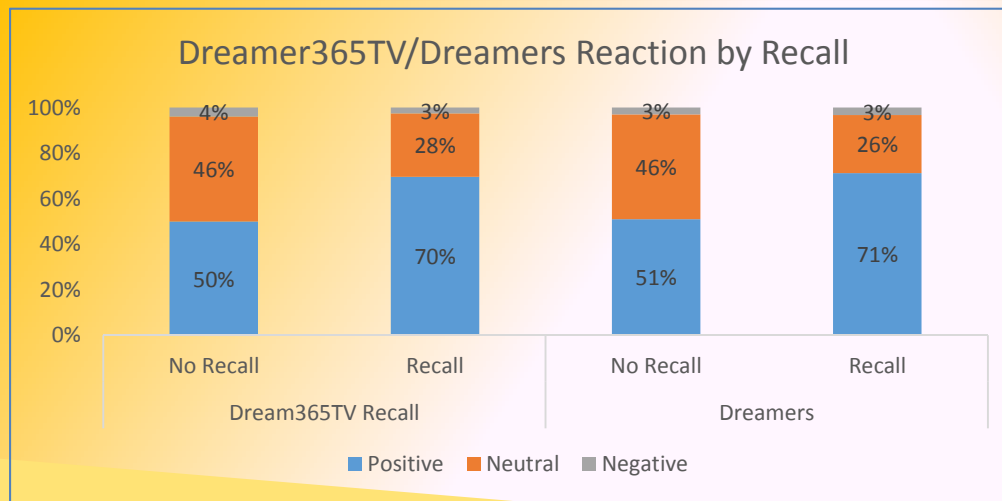
Kids Unplugged	Overall	Family Target	No Kids TV Recall	Kids TV Recall
Shows California has a good balance of attractions/theme parks, outdoor activities and cultural experiences for families	4.2	4.3	4.1	4.4
Shows California's abundance of diverse activities makes it the ultimate family playground	4.1	4.2	4.1	4.3
Positively influences my perception of California as a family destination	4.1	4.2	4.0	4.3



Dream365/Dreamers Reaction

- Both Dream365TV and Dreamers generate positive reactions among about half of the consumers – but much more positive reactions among those who recall the content. These programs clearly showcase California’s unique attitude and influence perceptions of California.
- Even among those who do not seek the content, there is no negative reaction – just less interest.

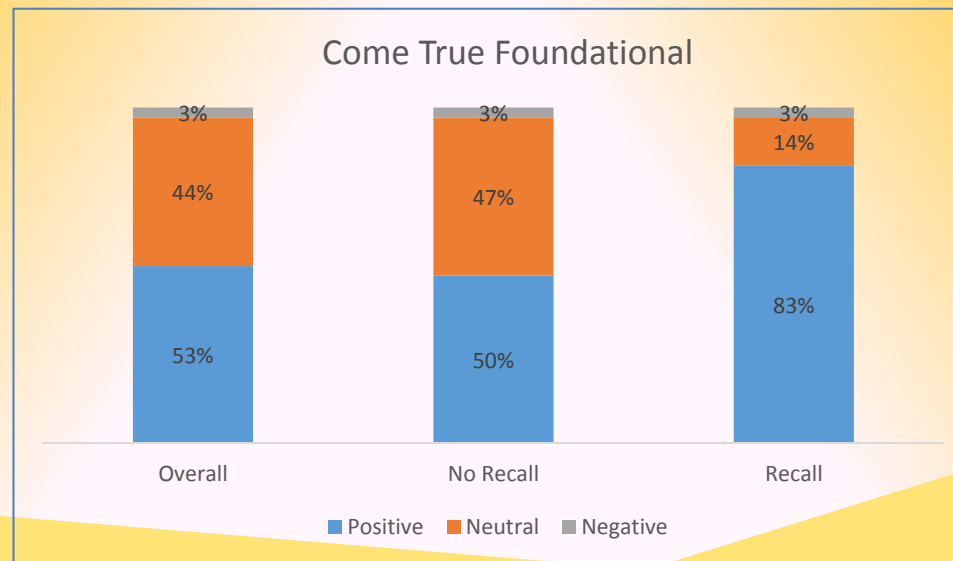
Dream 365/Dreamers	Dream365TV Recall		Dreamers Recall		
	Overall	No Recall	Recall	No Recall	Recall
The California Dreamers series is a good way to showcase California's unique attitude and vibe	4.0	3.9	4.3	3.9	4.4
Californians who dream big and do things differently make the California experience unlike anyplace else	3.8	3.7	4.1	3.7	4.4
The California Dreamers series positively influences my perception of California	3.8	3.7	4.2	3.7	4.3



Come True Reaction

- As with the other digital programs, Come True generates a slightly positive reaction overall, with lots of people being neutral. But those with recall are significantly positive, and there is no negative reaction.
- This campaign does have a good impact on the brand, highlighting California as a place full of possibilities that inspires you to try new things.

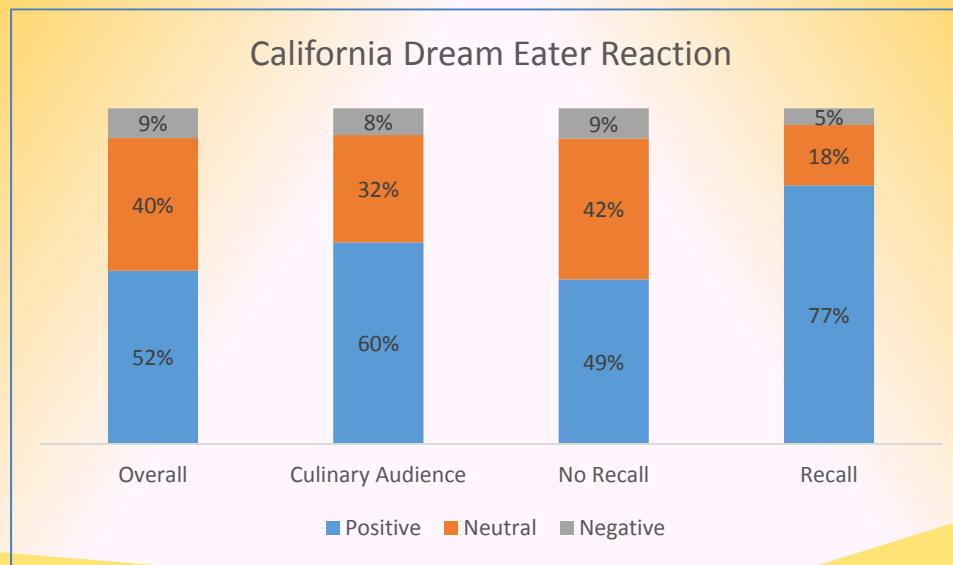
Come True Banners	Overall	No Recall	Recall
California is a place full of possibilities	4.1	4.0	4.4
California is a place that inspires you to try new things	4.0	3.9	4.3
California's abundance provides endless experiences	4.0	4.0	4.3



California Dream Eater Reaction

- Dream Eater receives slightly positive reaction overall, but with the most negative reactions (still under 10%). This content is more appealing to the Culinary audience, but truly resonates among the small audience that seeks it out.
- In terms of the message, it gets strong ratings from the Culinary audience and those who recall the series, indicating that it is a good option for improving perceptions of California's food scene.

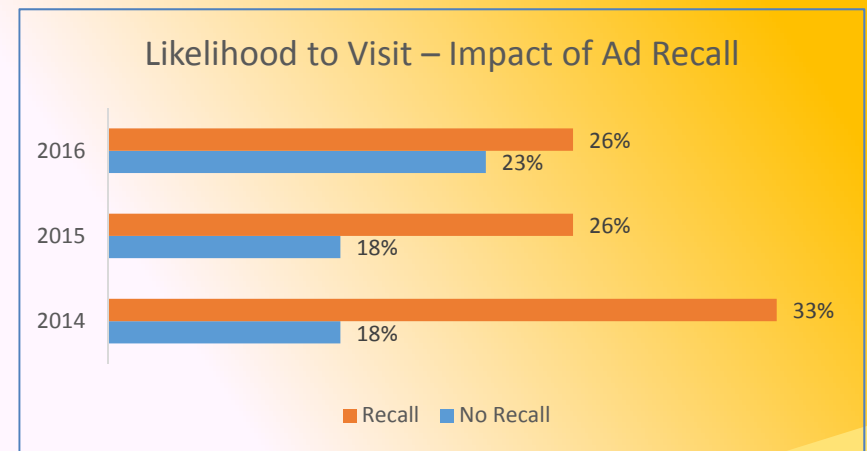
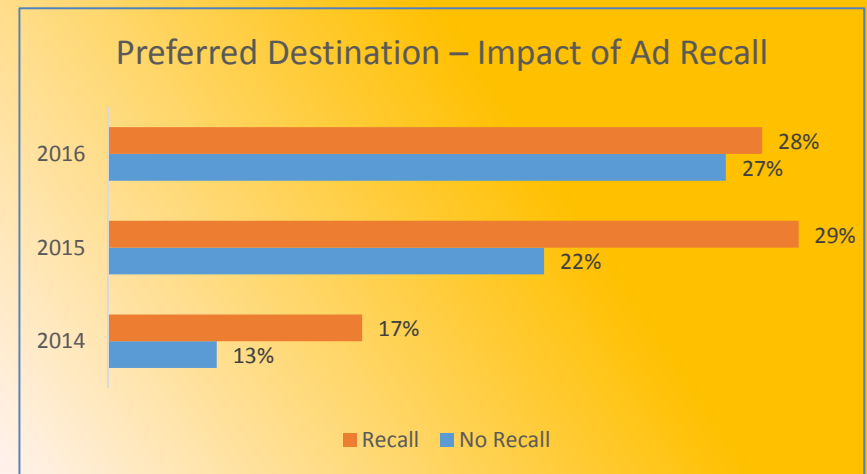
California Dream Eater	Overall	Culinary Audience	No Recall	Recall
The Dream Eater series is a good way to learn about California restaurants and their unique offerings, from the iconic to the lesser known	3.9	4.0	3.9	4.4
The Dream Eater series is a fun way to allow consumers to be part of a conversation about California's food scene	3.8	4.0	3.7	4.3
The Dream Eater series positively influences my perception of California's local culinary experiences	3.7	3.9	3.7	4.2



Impact of the Marketing

Overall Impact

- The marketing did impact both preference and likelihood to visit, but the level of impact this year is smaller than in the past.
- One of the challenges over time, is that if the marketing is working the overall image of the destination improves – and it becomes harder to influence. This is certainly evident in Canada, where those with no recall show a much stronger preference and likelihood to visit.
- As a result, the impact of the advertising this year is less. Of course, with likelihood to visit, external economic factors are also probably impacting results.



Overall Impact

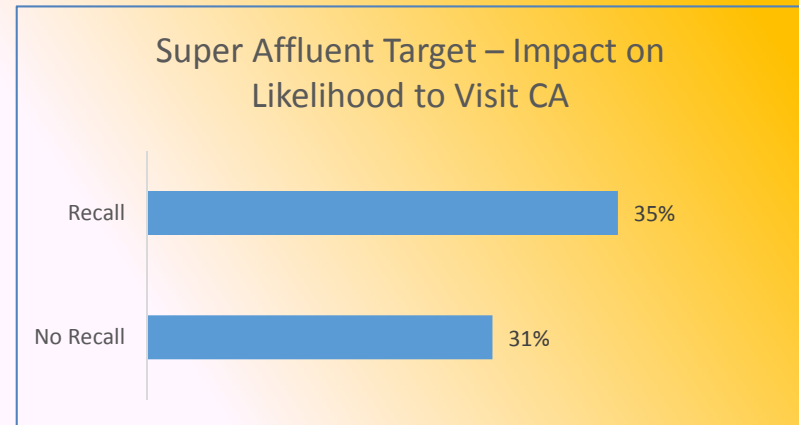
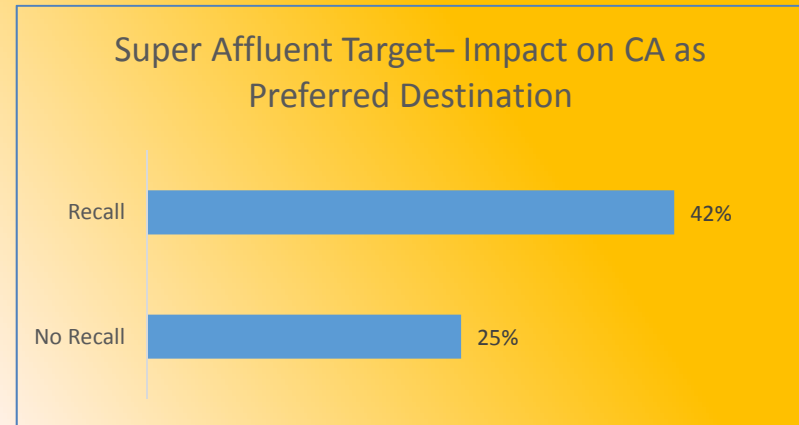
- The marketing did impact brand perceptions, highlighting abundance and inspiration.
- Additionally, the marketing spurred consumers to gather more information about the state, especially to visit the website, the VCA Facebook page, and to order a visitor's guide.

Brand Attributes	No Recall	Recall	Diff.
California is a place full of possibilities	3.9	4.1	0.2
California is a place that inspires you to try new things	3.8	4.1	0.3
California's abundance provides endless experiences	3.8	4.1	0.3

Information Gathering	No Recall	Recall	Diff.
Visited VCA website	8%	19%	11%
Visited VCA on Facebook	3%	10%	7%
Followed state on Instagram	3%	7%	4%
Followed state on Twitter	1%	4%	3%
Ordered a visitor's guide	5%	11%	6%
Called state tourism office by phone	1%	3%	2%
Gathered information using other method, please specify	9%	16%	7%
Gathered any information	21%	42%	21%

Super Affluent Target Impact

- The Super Affluent target reported higher recall of the spring campaign, and also stronger impact – especially in terms of preference.
- The marketing did not have as strong an impact on brand attributes, but did spur this audience to gather more information.

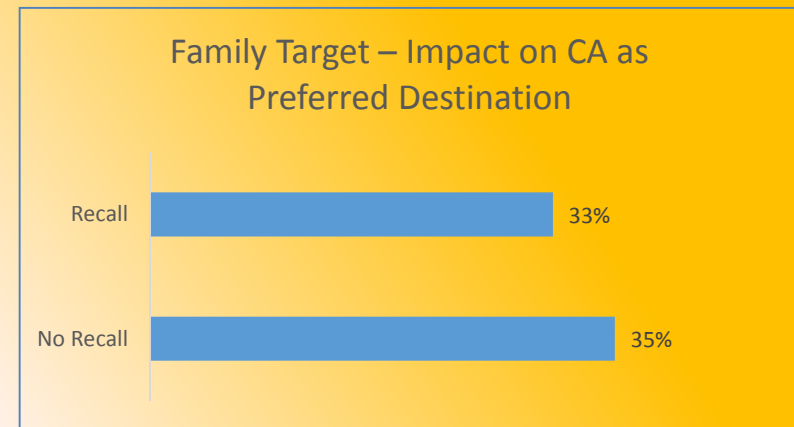


Super Affluent Brand Attribute Impact	No Recall	Recall	Diff.
California is a place full of possibilities	3.9	4.0	0.1
California is a place that inspires you to try new things	3.8	3.9	0.1
California's abundance provides endless experiences	3.9	4.0	0.2

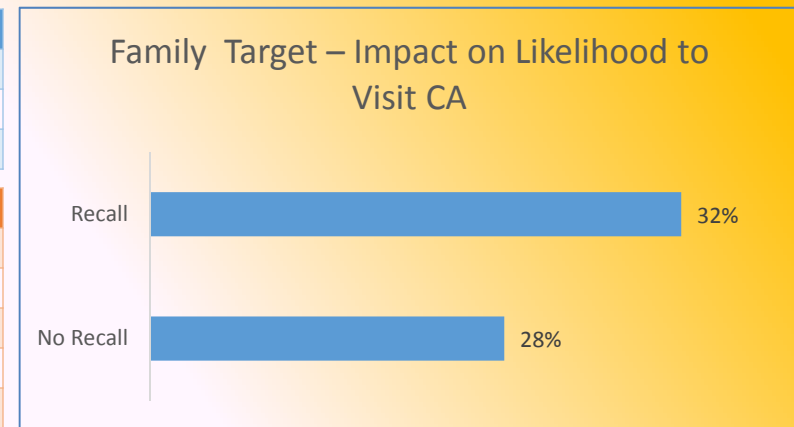
Super Affluent Information Gathering	No Recall	Recall	Diff.
Visited VCA website	10%	24%	14%
Visited VCA on Facebook	3%	15%	12%
Followed state on Instagram	1%	10%	9%
Followed state on Twitter	0%	9%	9%
Ordered a visitor's guide	7%	17%	10%
Called state tourism office by phone	1%	5%	4%
Gathered information using other method	6%	18%	12%
Gathered any information	21%	56%	35%

Family Target Impact

- The Family target's image of California is positive and it is already a preferred destination. While this campaign did not impact that perception, it did increase likelihood to visit and brand attributes.
- The marketing also generated increased information gathering in a wide variety of ways.



Family Brand Attributes	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.2	0.2
California is a place that inspires you to try new things	3.8	4.2	0.4
California's abundance provides endless experiences	4.0	4.2	0.2



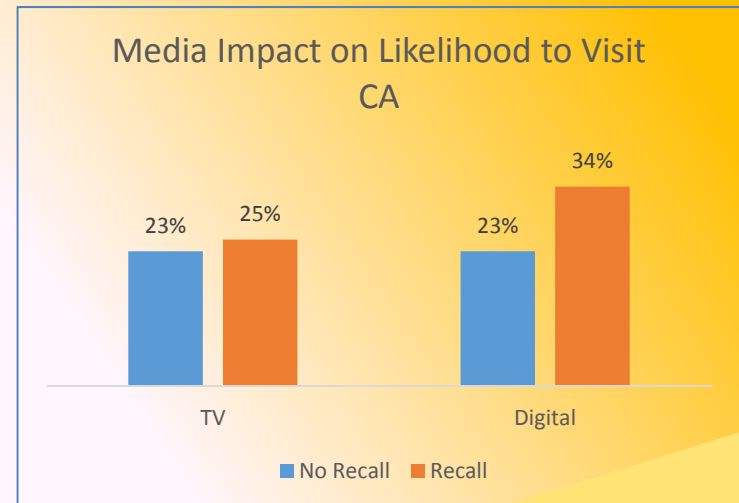
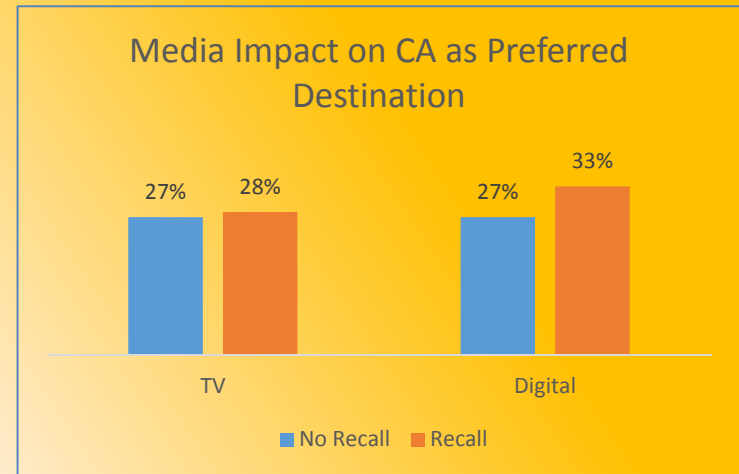
Family Information Gathering	No Recall	Recall	Diff.
Visited VCA website	12%	26%	14%
Visited VCA on Facebook	7%	18%	11%
Followed state on Instagram	4%	10%	6%
Followed state on Twitter	3%	8%	5%
Ordered a visitor's guide	11%	13%	2%
Called state tourism office by phone	2%	4%	2%
Gathered information using other method	8%	16%	8%
Gathered any information	30%	52%	22%

Impact by Media

- VCA has consistently found that while TV is able to reach a wide audience, synergy with other media has the strongest impacts. The impact of TV has been lessened in markets as California becomes more established.
- The impact of TV is slightly stronger on the brand and reaches a wider audience.
- Those with digital recall start out more positive about California –and may be further along in their consideration of the state. As a result the digital advertising has a stronger impact than TV alone.

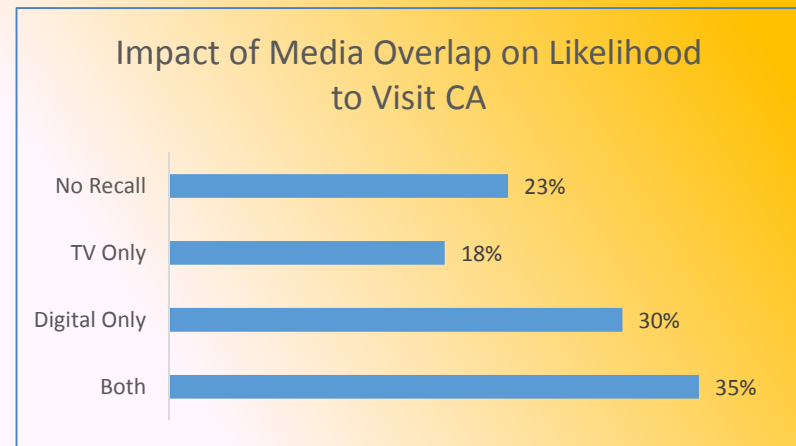
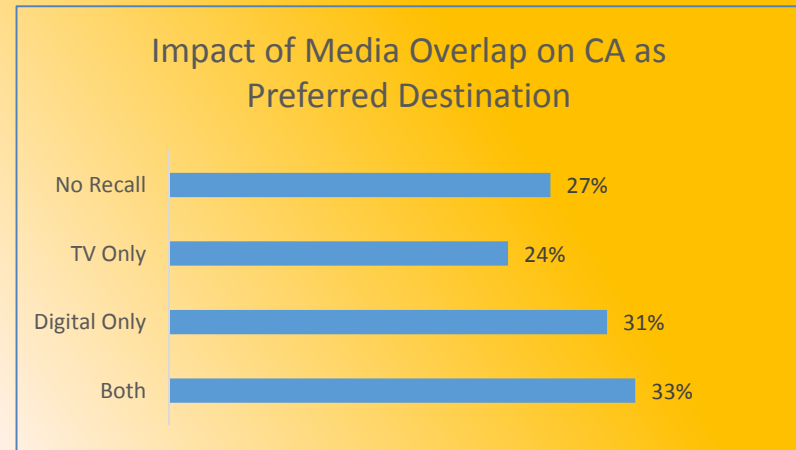
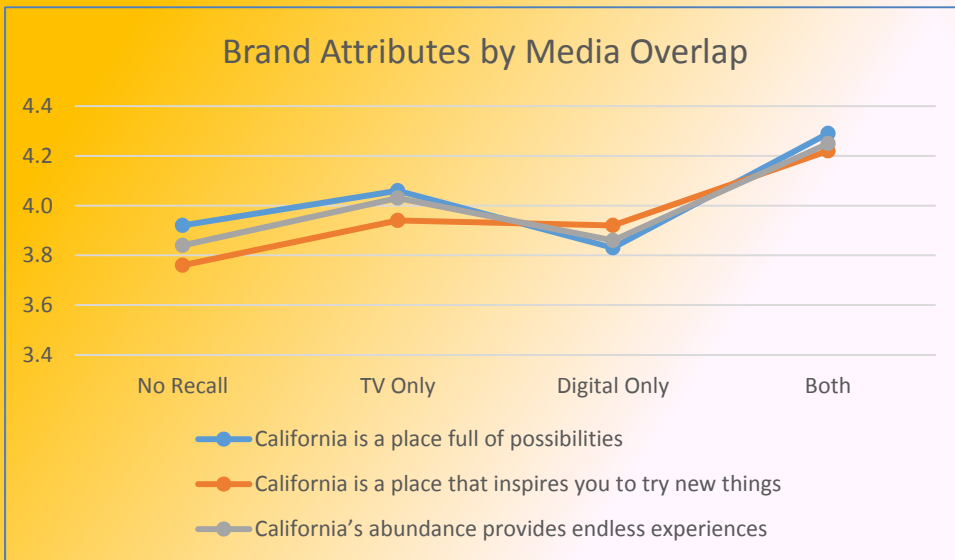
TV Impact on Brand Attributes	No Recall	Recall	Diff.
California is a place full of possibilities	3.9	4.2	0.3
California is a place that inspires you to try new things	3.8	4.1	0.3
California's abundance provides endless experiences	3.9	4.1	0.3

Digital Impact on Brand Attributes	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.2	0.2
California is a place that inspires you to try new things	3.9	4.2	0.3
California's abundance provides endless experiences	3.9	4.2	0.3



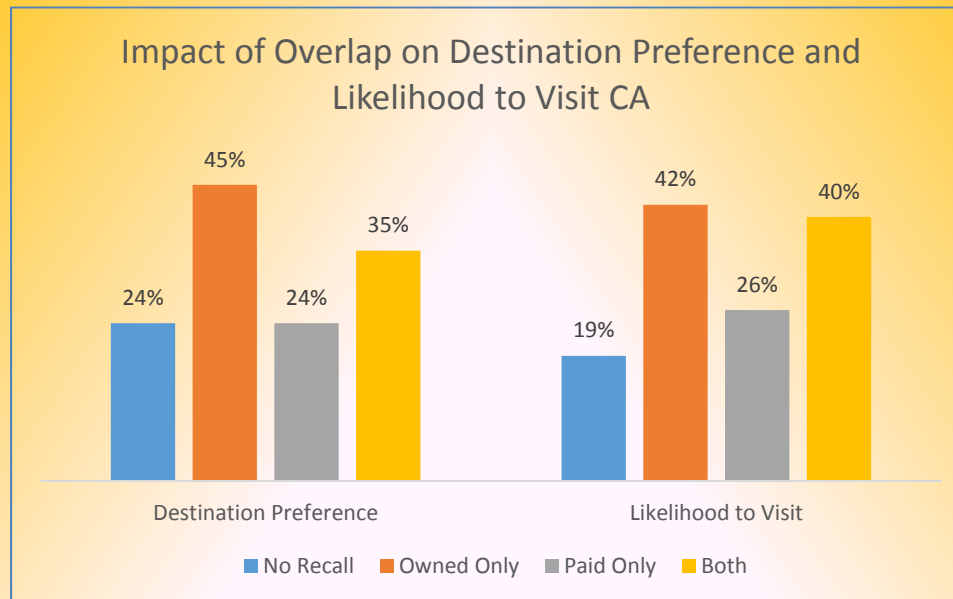
Media Overlap

- The power of synergy is further highlighted when the impact between digital and TV is separated.
- Again, while the impact of digital alone seems to be stronger than TV, it reaches a much smaller audience and one that is already more willing to consider California. The best result is using TV to reach the large audience, augmented with digital to deepen the message.



Paid and Owned Media Impact

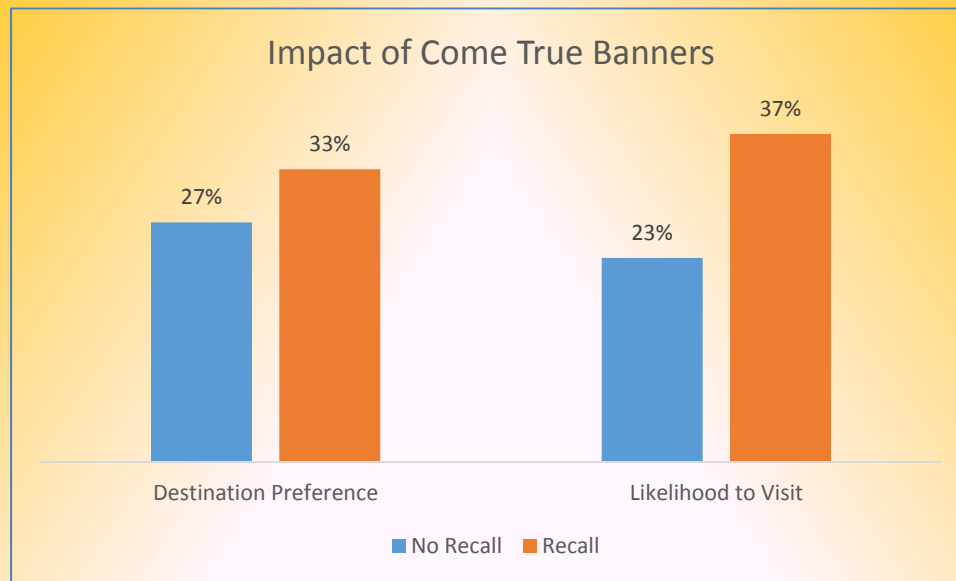
- Another important layer is VCA's owned assets (website, Facebook, Instagram & Twitter). Those sources have more credibility than paid advertising –but as with digital reach a small audience. Those with recall only of owned assets may already be planning a trip, but in conjunction with the paid advertising, these owned assets are powerful.



Paid and Owned Media	No Recall	Owned Only	Paid Only	Both
California is a place full of possibilities	3.9	4.2	4.1	4.3
California is a place that inspires you to try new things	3.7	4.1	4.0	4.2
California's abundance provides endless experiences	3.8	4.1	4.0	4.2

Come True Banners

- While it is synergy that is important, it can be helpful to look at the individual digital efforts in terms of their impact.
- The Come True foundational effort has a strong impact on likelihood to visit and a reasonable impact on preference.

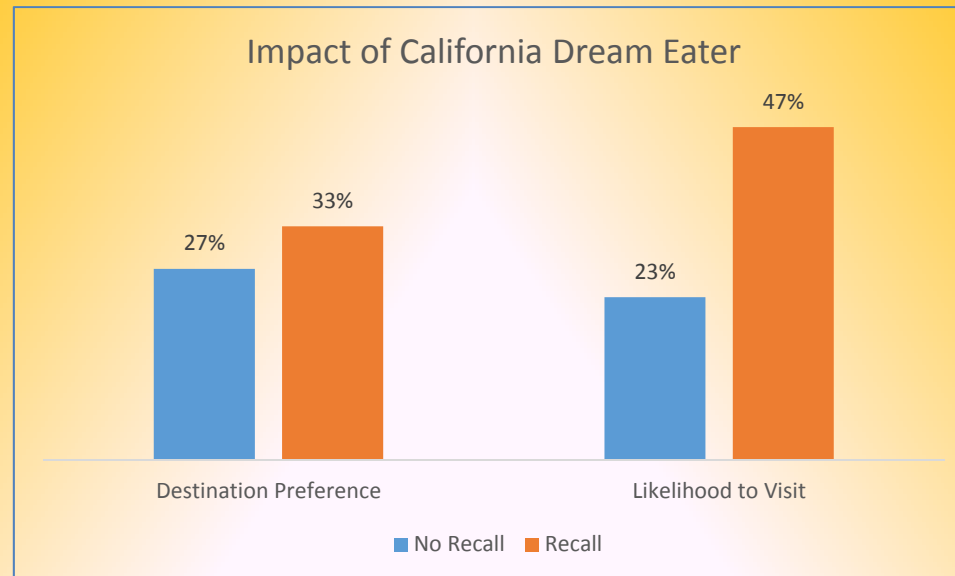


Come True Banners	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.2	0.2
California is a place that inspires you to try new things	3.9	4.2	0.3
California's abundance provides endless experiences	4.0	4.2	0.2



California Dream Eater

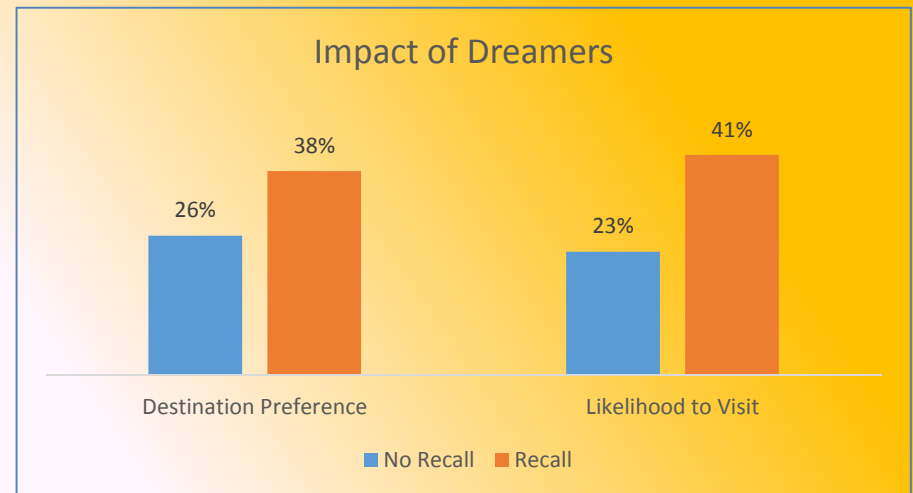
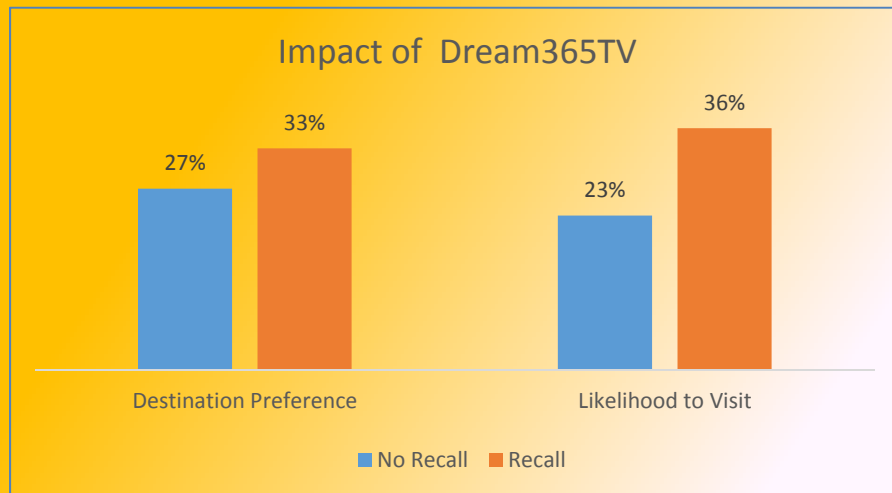
- CDE has a small audience, but those who recall the content report a much higher likelihood to visit. This content is very targeted and highlights specific places – as well as the overall culinary culture. As a result, while it appeals to a small audience, it appeals to them very strongly.



California Dream Eater	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.3	0.3
California is a place that inspires you to try new things	3.9	4.2	0.3
California's abundance provides endless experiences	4.0	4.2	0.2

Dream365TV/Dreamers

- Dream365TV/Dreamers also have a good impact on preference and likelihood to visit. Recall of Dreamers has the strongest impact on preference among the digital campaigns, and a stronger impact on likelihood than Dream365TV or Come True.

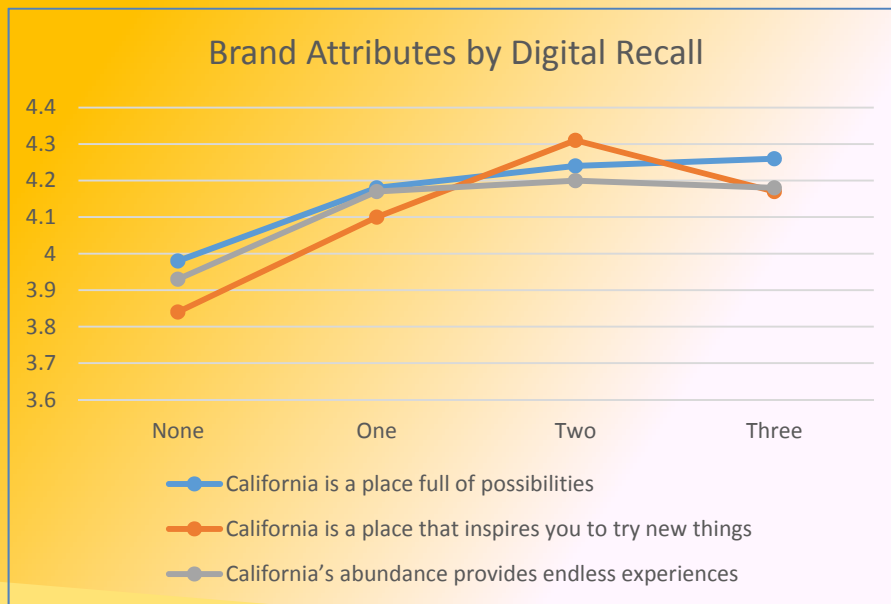
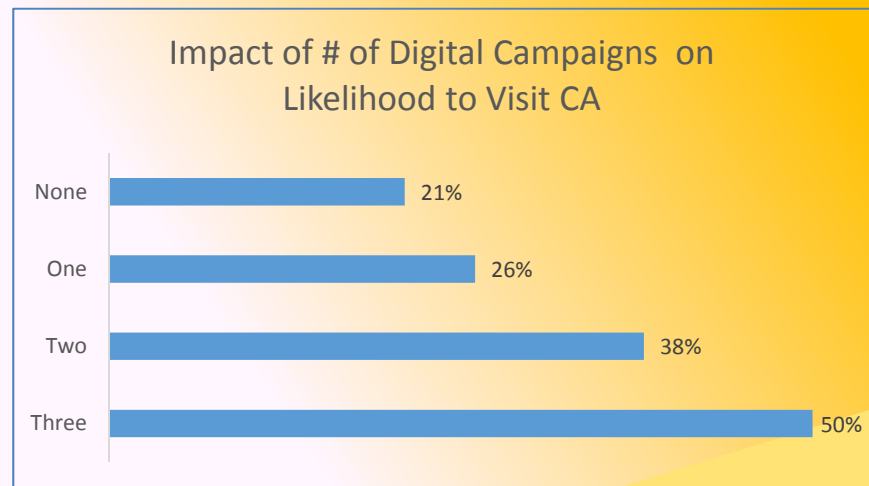
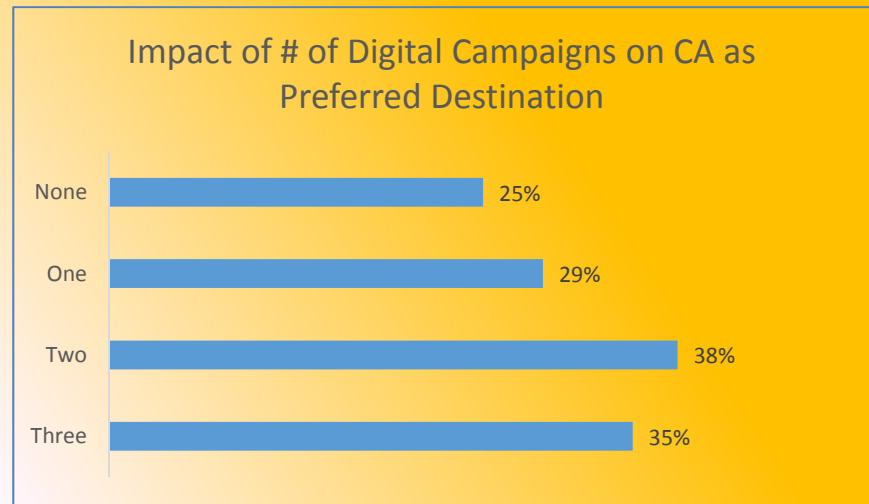


Dream365TV	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.2	0.1
California is a place that inspires you to try new things	3.9	4.2	0.3
California's abundance provides endless experiences	4.0	4.2	0.2

Dreamers	No Recall	Recall	Diff.
California is a place full of possibilities	4.0	4.2	0.2
California is a place that inspires you to try new things	3.9	4.2	0.4
California's abundance provides endless experiences	4.0	4.2	0.2

Digital Overlap

- With multiple digital campaigns it is useful to evaluate how these interact. Recall of multiple campaigns has positive impact on the brand, and generally on preference.
- But the strongest impact is in terms of likelihood to visit. The multiple campaigns highlight different experiences and collectively reach consumers with more personalized messages.



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.
- A total of 1,606 interviews were conducted online during June 2016, with surveying by geographic area.
- Participants were screened to be the travel decision-makers who have traveled outside of Canada or were interested in taking a trip to the United States.
- Quotas were established for Visit California's defined audience of Super Affluent and Family targets. Upon completion of data collection, the data were weighted to be representative of population. A group designated as the Culinary segment was also identified based on their motivations (344).

Market	Completed Interviews
Western CA	441
Toronto	470
Remaining National	695
Total	1,606

