



Executive Summary

Oregon's 1997 Tourism Advertising - Executive Summary

- ◆ The OTC's 1997 tourism advertising was extremely effective.
- ◆ An estimated 3.4 million travelers with household incomes of \$45K + saw at least one of the ads, which were targeted to up-scale households within Oregon's advertising markets and included both spring/summer and fall campaigns.
- ◆ Those who had seen the ads had a much more positive image of the state, especially in secondary markets where people are less familiar with Oregon.
- ◆ Even more important is that the campaign generated a total of 402,000 **incremental** or new trips to Oregon that would not have occurred without the campaigns.
- ◆ This estimate of campaign impact is extremely conservative since it:
 - ◆ *backs out trips that would have occurred anyway in the absence of a campaign*
 - ◆ *includes only one trip per traveler.*
- ◆ These impacts were accomplished with a media budget of under \$500,000.
- ◆ As a result, each trip cost just \$1.22 -- making this campaign one of the most efficient tourism marketing campaigns that Longwoods International has measured.

Oregon's Tourism Image

- ◆ Residents of the state's advertising markets already have a positive image of Oregon.
- ◆ Over half **strongly agreed** that: Oregon would be an **exciting** place to visit; it's a place that is welcoming to **families**, and that it offers excellent **sight-seeing**.
 - * *Excitement, family atmosphere and sightseeing are the three most important criteria that potential visitors consider when thinking about the places they would really enjoy visiting.*
- ◆ The marketing challenge is that Oregon's key competitors, including California, Washington and British Columbia, have an image that is even better.
- ◆ California, a state with major destination "engines" such as Disney and Universal, has a truly outstanding image which is far superior to Oregon's.
 - * *California's only serious image weakness is as a **worry free** destination, reflecting traveler concerns about personal safety.*

Oregon's Tourism Image

- ◆ Oregon competes more effectively against Washington and British Columbia:
 - * *just slightly behind in terms of excitement and sightseeing*
 - * *but tying for family atmosphere.*
- ◆ Versus Washington and British Columbia, Oregon's key image strengths are in terms of
 - * *affordability*
 - * *climate*
 - * *beaches*
 - * *outdoors recreation -- especially river rafting, camping, and mountain biking.*

Oregon's 1997 Travel Profile

- ◆ 43.5 million trips were taken to Oregon in 1997:
 - * 17.2 million overnight trips, including 0.8 million pass through trips
 - * 26.3 million day trips.
- ◆ Pleasure trips accounted for 86% of overnight trips and 91% of day trips.
- ◆ 53% of overnight pleasure travelers were in Oregon to visit friends and relatives
 - * *This is slightly higher than the regional average.*
- ◆ Higher value marketable trips accounted for the remaining 47%, including trips to:
 - * *experience Oregon's **outdoors***
 - * *to **tour** the countryside*
 - * *to go to the **beach***
 - * *to attend a **special event**.*

Oregon Overnight Travel Profile

- ◆ In 1997, overnight pleasure trips to Oregon grew by 8% over 1996 and by nearly 20% since 1994.
- ◆ The increase, however, was due to trips to visit friends and relatives and to beach trips.
- ◆ In the higher value marketable trip segments -touring, special event and outdoors - Oregon has experienced a decline.
- ◆ At the same time these segments are growing regionally, clearly indicating that Oregon is losing market share.
- ◆ Almost half of Oregon's overnight visitors were from within the state, with an additional 20% from nearby Washington.

Overnight Travel Profile - Continued

- ◆ The performance of Oregon's regional destinations, in terms of total nights spent were as follows:
 - * *The Coast (26%)*
 - *Central Coast (10%)*
 - *North Coast (9%)*
 - *South Coast (7%)*
 - * *Portland Metro (21%)*
 - * *Willamette Valley (20%)*
 - * *Southern Oregon (14%)*
 - * *Central Oregon (9%)*
 - * *Eastern Oregon (7%)*
 - * *Mt. Hood - Columbia River Gorge (4%)*

Oregon Travel Profile Versus the Norm

- ◆ Other distinguishing features of the Oregon travel profile include:
 - ◆ *somewhat down scale demographics*
 - ◆ *lower than average use of travel agents, vacation packages and group travel*
 - ◆ *a family-oriented trip*
 - *more travel parties than average include spouses or partners and children.*
- ◆ The Oregon travel experience is exceptional.
- ◆ People come to Oregon to indulge their interests in outdoor recreation, nature experiences and historic sites and attractions, and the state delivers to these priorities.
- ◆ Versus U.S. norms, more Oregon travelers:
 - ◆ *see beaches and oceans*
 - ◆ *experience mountains, lakes and rivers, wilderness areas, wildlife and birds*
 - ◆ *visit historic sites and museums.*

Oregon's Tourism Product

- ◆ The post-trip impressions that Oregon travelers have of the state are outstanding versus U.S. norms, exceeding them by a substantial margin on almost 80% of the comparisons evaluated.
- ◆ Predictably, Oregon's most important strengths are in sports and recreation, including rafting, hiking and mountain climbing, camping and canoeing, viewing wildlife, hunting, fishing, etc. as well as beaches and water sports.
- ◆ But Oregon also delivers an exceptional product versus the norm in terms of:
 - * *unique and beautiful scenery*
 - * *a must-see place that offers real adventure*
 - * *an experience that is great for the whole family, including both children and adults*
 - * *outstanding sight-seeing, including lots to see and do, interesting cities, as well as small towns, excellent museums and galleries, theatre, live music and elegant restaurants, historic areas, interesting customs and traditions.*
 - * *all this in a place that is safe, affordable, relaxing, not too crowded and with warm and friendly people.*

Oregon's Tourism Product Versus Its Image

- ✦ With this outstanding performance, it should come as no surprise that Oregon's product ratings are also much better than the image of consumers who have never visited the state.
 - ✦ *Oregon delivers an outstanding tourism experience, while, as we have seen, its image is merely good.*
- ✦ There is a continuing need for communications aimed at improving Oregon's image so that it measures up to the actual experience of travelers.

In Conclusion

- ◆ Oregon suffers from a syndrome that is typical for destinations that are not devoting major resources into tourism advertising:
 - * *an image that is somewhat weak when compared to key competitors*
 - * *heavy-reliance on in-state and VFR (visits to friends and relatives)*
 - * *a declining market share of the more lucrative marketable trip types.*
- ◆ The 1997 OTC advertising campaigns have had significant impacts:
 - * *they have already begun to bring Oregon's image closer to the outstanding experience enjoyed by visitors*
 - * *they generated 402,000 trips to Oregon in 1997 at a cost of \$1.22 per trip - one of the lowest costs that Longwoods has measured.*
- ◆ On the other hand the 1997 campaign was a relatively modest one:
 - * *in a highly competitive marketplace the media budget was under \$500,000*
 - * *the campaign generated only 1% of total trips to Oregon in 1997.*

In Conclusion

- ◆ There is a major opportunity to build on the success of the 1997 campaigns in order to:
 - ◆ *stimulate more pleasure trips to Oregon - people coming to the state to tour, to take advantage of the spectacular outdoor recreation opportunities and to attend special events*
 - ◆ *reverse the downward trend in the higher value trip types*
 - ◆ *continue to upscale the Oregon visitor*
- ◆ The opportunity is substantial in that Oregon is not currently attracting its fair share of these important regional growth markets:
 - ◆ *in fact Oregon is currently losing regional market share for touring, outdoor and special event trips*

Strategic Recommendations

- ◆ Continue a strong image campaign in regional markets in order to close the gap between Oregon's image and its product:
 - * *seek to improve the image of the state with a communications program which builds on existing image and product strengths while focussing on those characteristics that are the most important generators of travel interest - a worry free, family destination that is exciting and popular, has great sightseeing and sports and recreation opportunities and is affordable.*
- ◆ Continue to target an upscale market.
- ◆ When and if budget allows, begin to focus on key market segments (touring, beach, special event and outdoor) to reverse the downward trend:
 - * *by tailoring the key marketing messages and the media buy to appeal to these segments*
- ◆ And finally, continue to track and measure, modifying the message as changes occur.