



2022 ADVERTISING ROI RESEARCH EXECUTIVE SUMMARY

*Conducted by Longwoods International, May 2023
In partnership with the city of Scottsdale and Experience Scottsdale*

Background & Methodology

The city of Scottsdale and Experience Scottsdale worked with Longwoods International to determine the return on investment from Experience Scottsdale's advertising in generating tourism business to the area and in encouraging economic development activity.

A benchmark study was conducted to measure awareness of specific ads, estimate the impact of advertising awareness on intent to visit and the image of the city, and measure short-term conversion that occurred during and shortly after the campaign period.

The research evaluated Experience Scottsdale's 2022 advertising campaigns in three key markets: New York City, Chicago and Los Angeles. The campaigns consisted of print, social, video (broadcast TV and streaming services) and audio.

According to Longwoods, the sample was drawn to be proportionate to population by specific DMAs (demographic market areas), age and sex. The data was weighted on key demographic variables prior to analysis to ensure results are representative of and projectable to the traveler popular in specific markets. The confidence level is +/- 3. The estimates of the campaign's impact on visits and intent to visit are conservative in that trips taken/intended by people in the absence of advertising are backed out, and conservative control procedures ensure only advertising-influenced trips are included.

Key Conclusions

- Nearly 6 in 10 travelers in Scottsdale's primary advertising markets recalled seeing at least one Experience Scottsdale ad.
- The overall recall per dollar spent is exceptionally low at \$5. According to Longwoods, "This is a strong indicator of an incredibly efficient campaign."
 - The average cost per 1,000 exposures (recall per dollar spent) of destinations similar in size and budget is typically \$20.
- The three campaigns evaluated in this study produced an additional 821,000 trips to Scottsdale that otherwise would not have happened. These visitors spent \$217.2 million in Scottsdale, which yielded \$7.6 million in incremental local taxes.
- Experience Scottsdale's return on investment is \$116 in visitor spending and \$4 in taxes for every \$1 spent on advertising.

- The average visitor spending return on investment of destinations similar in size and budget is typically \$46.
- The campaign had a positive impact on travelers’ perceptions of Scottsdale, improving perceptions for almost every image dimension evaluated, including all 10 hot buttons (those attributes most closely tied to destination selection).
- Experience Scottsdale’s advertising significantly improved the image of Scottsdale for a wide range of economic development objectives.

Additional Study Details

Advertising Impacts & Recall

- Nearly 6 in 10 travelers in Scottsdale’s primary advertising markets recalled seeing at least one Experience Scottsdale ad.
- More travelers remembered at least one social ad (47%), followed by video (43%), print (33%) and audio (32%) ads. Travelers are seeing multiple messages cross-media, which has a higher likelihood of conversion.
- The overall recall per dollar spent is exceptionally low at \$5. According to Longwoods, “This is a strong indicator of an incredibly efficient campaign.”
 - The average cost per 1,000 exposures (recall per dollar spent) of destinations similar in size and budget is typically \$20.
- Print and social constitute the most efficient media in terms of generating recall per dollar spent at around \$1 per thousand of exposures recalled.
- Audio ads also were efficient at around \$4 per thousand of exposures recalled.
- Video ads were the least efficient, which is normal for this media, at \$27 per thousand of exposures recalled.

Advertising to Trip Conversion

- The three campaigns evaluated in this study produced an additional 821,000 trips to Scottsdale that otherwise would not have happened. These visitors spent \$217.2 million in Scottsdale, which yielded \$7.6 million in incremental local taxes.
- Experience Scottsdale’s return on investment is \$116 in visitor spending and \$4 in taxes for every \$1 spent on advertising.
 - Longwoods stated this was the best return on investment they have seen since COVID.
 - The average visitor spending return on investment of destinations similar in size and budget is typically \$46.
- The campaign’s efficiency also can be viewed based on how much was spent to generate a trip. Experience Scottsdale spent \$2.28 on advertising in order to generate one trip.

Campaign’s Influence & Impressions

- At the end of the survey, after all respondents were exposed to the Experience Scottsdale campaign, respondents were asked about the campaign’s influence, impression and appeal. Overall, the campaign had a very positive impression on travelers in Scottsdale’s primary markets.
- Among ad aware travelers, over 4 in 10 stated the campaign inspired them to consider visiting Scottsdale, while 3 in 10 were influenced to visit the city or to plan a visit.

- When asked about the campaign’s influence on their impressions of Scottsdale as a leisure travel destination, over 4 in 10 reported the ads improved their impression of Scottsdale, and a quarter agreed the ads reinforced their already positive view of the city.
- Around 4 in 10 travelers found the Experience Scottsdale campaign very appealing or somewhat appealing. Only 3% found the ads very/somewhat unappealing.

Competitive Destinations

- Relative to the other destinations in the competitive set for this study (Austin, Las Vegas, Miami, Palm Springs, San Antonio), Scottsdale could be more competitive around its overall image among travelers, especially against Las Vegas, Miami, and Palm Springs.
- However, across the markets surveyed, over half rated Scottsdale very favorably as a destination they “would really enjoy visiting.” The difference between competitors is not insurmountable, with only 10 points separating Scottsdale and the top-place Las Vegas.
- When comparing Scottsdale’s image versus the image of the combined competition, Scottsdale has six image strengths: great hiking, great for golfers, good biking, good place to relax, beautiful scenery, and beautiful gardens and parks.
- Scottsdale does have 21 weaknesses when compared to the collective competitive set, including the following eight hot buttons: an exciting place, lots to see and do, a great downtown, interesting cities, must-see destination, a fun place for vacation, unique vacation experience, and interesting local people.

Destination Hot Buttons

- This campaign had a positive impact on travelers’ perceptions of Scottsdale. The campaign did a great job of improving people’s perceptions of Scottsdale for almost every image dimension evaluated, including all 10 hot buttons (those attributes most closely tied to destination selection).
- The hot buttons, or 10 individual image attributes most closely tied to destination selection in Scottsdale’s primary markets, are: a must-see destination, a fun place for vacation, great downtown, unique vacation experience, lots to see and do, an exciting place, good for sightseeing, interesting local people, interesting cities, and beautiful scenery.
- The advertising had the greatest impact on perceptions related to: an exciting place, must-see destination, exciting nightlife/shows, children would enjoy this place, and excellent downtown art galleries.
- Comparing the image ratings of people who have never visited Scottsdale versus the ratings of those who have visited in the past two years is a measure of “product delivery”, i.e., the relative satisfaction of the two groups. There were no significant product weaknesses. This means that more travelers visiting Scottsdale rated the city higher across the wide variety of leisure trip attributes included in the study, including all 10 hot buttons.

Halo Effect on Economic Development

- The research compared consumers’ ratings of Scottsdale on economic development image attributes by those who had not seen the campaign or visited Scottsdale with those who did see the tourism ads and/or visited, to determine the “halo effect” of Experience Scottsdale’s campaign. In every case, Experience Scottsdale’s ads significantly improved the image of Scottsdale for a wide range of economic development objectives.

- Consumers who recalled Experience Scottsdale’s advertising were not only more likely to visit, but also more likely to view Scottsdale as a good place to live, work, start a business, attend college, purchase a vacation home and retire.
- Seeing the ads increased the image of Scottsdale by between 6 and 15 points for each economic development objective. The largest lift (by 15 points) was the impression of Scottsdale as a good place to start a business.
- Visitation is tied to Scottsdale’s reputation, and according to Longwoods, the best way to improve that visitation and reputation is through promotion. The impact of seeing the ads and visiting increased the image of Scottsdale by between 16 and 30 points for each economic development objective.

Contact

For additional information on the methodology and results of the study, please contact:

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