



2004/05 US Ski Advertising Tracking and Conversion Study

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Background & Objectives

Given the significant investment in the US ski campaign by the CTC and its partners, there is a recognized need to track the effectiveness of this activity to ensure that it is achieving its strategic objectives.

The immediate requirement was for a study to assess the impact and effectiveness of the 2004/05 US ski campaign:

- to determine the extent to which people who saw the advertising were converted and more specifically, its return on investment (i.e., trips and revenues generated for each advertising dollar spent); and
- to assess key performance indicators such as destination awareness and intentions to take a ski vacation in Canada.

In essence, the research will help the CTC to enhance future ski campaigns in the US, refine its marketing messages and strategies and better target this niche segment, ultimately increasing the likelihood that American skiers will vacation in Canada.

The three study components have a slightly different focus:

The *Ski/Skiing magazine subscriber survey* and *OntheSnow survey* are more appropriate for measuring Key Performance Indicators (KPIs) such as awareness of Canada as a ski destination, advertising awareness and interest in taking a ski vacation to Canada, as they represent a more general population of ski enthusiasts who may or may not have a specific interest in Canada.

The *sweepstakes entrants* (ComeSkiCanada.com and LANG), on the other hand, afford an opportunity to take a closer look at those who have demonstrated some interest in Canada (having made the effort to go to the CTC microsite or mail in a contest entry form).

CTC US Ski Campaigns

Ski/Skiing Magazines:

- A key component of the 2004/05 strategy was a sixteen-page section in the October edition of Ski Magazine and the November edition of Skiing magazine.
- Back to back full-page CTC/Partner ads were also included in the November and December 2004 editions of Ski magazine.
- The circulation of these two magazines is approximately 850,000, although there is overlap between the two magazines.
- The total CTC and partner investment was approximately \$476,300.

ComeSkiCanada.com Sweepstakes:

- The ComeSkiCanada.com was the microsite for the call to action and central hub for all consumer communications related to the CTC's ski promotions in 2004/05. The website was operational from August 2004 to April 2005.
- As part of this microsite, consumers could enter a sweepstakes, which ran from mid-September to mid-December, 2004.

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- Consumers were directed to the sweepstakes via ads that appeared in the Ski/Skiing magazines, OntheSnow.com, and various other online and e-mail activities.
 - The cost of the sweepstakes was \$24,300.

Onthesnow.com E-newsletter & E-mail blasts:

- OntheSnow.com is a weekly e-newsletter that is sent to approximately 135,000 subscribers located primarily in the US.
- The CTC purchased seven front-page insertions from September 2004 to April 2005.
- As part of this campaign component there were also four e-mail advertisements from Ski Canada containing colour photos of skiing in Canada and featured special offers from Canadian ski resort partners. These were sent to the subscriber base in September, November, January and March.
- The overall campaign investment was \$94,500.

LANG Sweepstakes:

- The Los Angeles newspaper group (LANG) includes the LA Daily News, Pasadena Star News, San Bernardino Sun, Press Telegram (Southern LA), Inland Valley Daily Bulletin and Redland Daily Facts.
- This campaign component included six half-page full colour insertions in the Sunday Great Escapes sections from November 2004 to February 2005. Included in these advertisements was reference to a LANG sweepstakes that could be entered online or by mail.
- This sweepstakes ran independently from the ComeSkiCanada.com sweepstakes.
- The circulation of LANG is approximately 582,000.
- The cost of the sweepstakes investment was \$64,800.

Methodology

The research consisted of the following components:

- A 15 minute telephone survey of **600 magazine subscribers** of *Ski* or *Skiing* magazine to gauge the impact and effectiveness of the CTC **magazine insert**;
- A 10 minute online survey of **1,112 sweepstakes entrants** (ComeSkiCanada.com and LANG) to evaluate the impact and effectiveness of the CTC **ski microsite**; and
- A 10 minute online survey of **1,000 OntheSnow subscribers** to gauge the impact and effectiveness of the CTC **e-newsletter and e-mail blasts**.
- Everyone who responded to one of the survey components was entered into a draw to win an airline ticket to Canada and a Salomon ski package (skis, bindings, ski bag and jacket). As such, survey respondents had to be 21 years of age or older.

Sample Design

Ski/Skiing Magazine Subscribers:

- The population consisted of US-only subscribers to Ski (261,124) or Skiing (151,090) magazines.
- Duplicates between the two databases were removed from the study population.
- The survey resulted in 600 total completes – 300 respondents were subscribers to Ski magazine and 300 respondents were subscribers to Skiing magazine.
- The data was weighted to reflect the true proportion of Ski vs. Skiing subscribers.

ComeSkiCanada.com Sweepstakes Entrants:

- The population is those who entered the contest on the CTC microsite from mid-September to mid-December, 2004 (7,144).
- Individual duplicates and household duplicates (i.e., one person entering twice, two people entering from same household) were removed from the study population.
- Survey invites were e-mailed to 6,486 entrants, responses were taken on a first-response basis, and the survey was cut-off when we reached the required number of completes (n=1,075).

OntheSnow Subscribers:

- The population consisted of US-only subscribers to the CTC e-newsletter or e-mail blasts.
- Duplicates between the two databases were removed from the study population.
- Survey invites were e-mailed to 35,000 subscribers, responses were taken on a first-response basis, and the survey was cut-off when we reached the required number of completes (n=1,000).

LANG Sweepstakes Entrants:

- The population is those who entered the LANG sweepstakes from November to December 2004 (755).
- Individual duplicates and household duplicates (i.e., one person entering twice, two people entering from same household) were removed from the study population.
- Survey invites were e-mailed to 352 entrants and 37 responded within the one-week survey time-frame.

Ski/Skiing Magazine Subscribers

Skier Profile / Behaviour:

- The Internet is clearly a key tool in planning a ski vacation, with ski magazines and recommendations of friends and family members also being top information sources.
- Planning horizons are quite long for ski vacations – over half book more than a month in advance.
- The average ski vacation lasts 4.3 nights and includes 3.5 people in the travel party.
- The unusual warm weather has caused a decline in the frequency of skiers and snowboarders hitting the slopes this year – skiers averaged 12.1 days on the slopes while snowboarders averaged only 7.3 days out.
- Along with quality of skiing and great snow conditions, magazine subscribers are highly motivated by good value for money in selecting a ski vacation destination.

Awareness, Visitation and Perceptions of Canada:

- Awareness of Canada as a ski vacation destination was 32%, placing it third behind Colorado and Utah. Awareness of Canada as a ski vacation destination has dropped off compared to last year among magazine subscribers.
- Within Canada, awareness was highest for British Columbia (16%); Alberta (3%), Quebec (2%) and other ski provinces (2%) received far fewer mentions.
- Eight percent (8%) of magazine subscribers indicated that they were definitely likely to visit Canada for a ski vacation in the next two years, representing a potential of 25,842 skiers to Canada in that timeframe.

Awareness, Visitation and Perceptions of Canada (cont'd):

- The major travel barriers to travelling to Canada for a ski vacation were the appeal of other destinations, the desire to see new places and the perceived cost of travelling to Canada. Canadian ski marketers must also look to overcome the current mindset of many Americans who prefer to travel in the US / ski in US destinations by convincing these skiers that Canada is a safe, friendly and welcoming destination in which to ski.
- On average, magazine subscribers took 0.47 ski trips to Canada in the past three years, which accounts for 7% of all ski trips taken and 11% of all out-of-state ski trips taken.

Campaign Impact:

- Awareness of the CTC insert in the October Ski or November Skiing magazine was respectable at 49%, although it had declined in comparison to the 2003/04 study.
- The CTC insert did have a strong positive influence among those who saw it, with 62% indicating that it improved their perceptions of Canadian skiing and 68% indicating that it made them much more likely to take a ski vacation to Canada in the next two years.
- Fully two-thirds (66%) were able to recall one of the resorts / advertisers featured in the CTC insert without any prompting when looking at aided mentions that number jumps to 89%.
- Only 1% of magazine subscribers had taken or booked a ski trip since September, translating into approximately 1,700 trips taken / booked (or almost 6,100 skiers).

Campaign Conversion:

- Although several respondents had taken / booked a ski trip to Canada since September, none indicated that they were “much” more likely to visit Canada for a ski vacation after seeing the CTC insert, which excludes them from the Advertising Critical and Positive Influence conversion rate calculations.
- The potential market conversion rate was 8.9% (two-year time horizon). This indicates that Canada could see as many as 91,277 potential skiers and US\$113.7 in potential revenues in the next two years as a direct result of this campaign.

ComeSkiCanada.com Sweepstakes Entrants

Skier Profile / Behaviour:

- The Internet is by far the top information source used by sweepstakes entrants, who go online to gather information on ski resorts and packages.
- Sweepstakes entrants typically decide on and book their ski vacation more than a month in advance.
- Ski vacations are usually taken with an average of 3.2 people in the travel party and last 4.2 nights.
- Despite the unusually warm weather – sweepstakes entrants have hit the slopes an average of 11.8 times this past year for skiers and 4.9 times for snowboarders.
- Good value for money is the top motivator in selecting a ski vacation destination – value must be a key focus in marketing aimed at this group.

Awareness, Visitation and Perceptions of Canada:

- Sixteen percent (16%) or 1,143 potential skiers are definitely likely to visit Canada for a ski vacation in the next two years.
- Canada’s share of all ski trips taken by sweepstakes entrants was 8%. This number jumps to 14% when looking at Canada’s share of out-of-state ski trips. On average, sweepstakes entrants have taken 0.66 ski trips to Canada in the past three years.
- Canada is well perceived by sweepstakes entrants in terms of its quality of skiing and great snow conditions. Canada is also well perceived on going someplace new and as a place with a world-class reputation, attributes that appeal to a smaller group of skiers.

Campaign Impact:

- Three-quarters (76%) recall visiting the CTC microsite ComeSkiCanada.com. Of those that visited, most (77%) said that the website made them more likely to take a trip to Canada for a ski vacation in the next two years.
- Almost all sweepstakes entrants were able to name a resort / advertiser seen on the website when prompted (90%).
- Thirteen percent (13%) of sweepstakes entrants had taken or booked a ski trip to Canada since September, which represents 700 trips (or over 2,200 skiers).
- Package uptake was good at 41%, with hotel and lift tickets being the top package components chosen.
- Air Canada was the top airline of choice for recent / booked ski trips to Canada.

Campaign Conversion:

- The advertising critical conversion rate was 0.6%. This indicates that Canada could see as many as 106 potential skiers and US\$0.09 in potential revenues this winter as a direct result of this campaign.

OntheSnow Subscribers

Skier Profile / Behaviour:

- The Internet is by far the top information source used by OntheSnow subscribers in gathering information for a ski vacation.
- Planning horizons are quite long – almost half of OntheSnow subscribers book five weeks or more in advance.
- The average ski vacation lasts 4.6 nights and includes 3.6 people in the travel party.
- Skiers have averaged 13.4 ski days on the slopes this past year, while snowboarders have been out 7.9 times.
- Along with quality of skiing and great snow conditions, OntheSnow subscribers are highly motivated by good value for money.

Awareness, Visitation and Perceptions of Canada:

- important to a smaller group of skiers. One fifth (22%) or 19,203 potential skiers indicated that they are definitely likely to visit Canada for a ski vacation in the next two years.
- On average, OntheSnow subscribers have taken 0.85 ski trips to Canada in the past three years, which accounts for 9% of all ski trips taken and 16% of all out-of-state ski trips taken.
- Quality of skiing and great snow conditions are top rated attributes for Canada by OntheSnow subscribers. Going someplace new and a place with a world-class reputation are also top rated attributes, although

Campaign Impact:

- The majority (70%) of OntheSnow subscribers recall seeing the CTC advertising in either the OntheSnow.com e-newsletter or in the e-mail advertising from Ski Canada.
- The advertising had a positive influence on those who saw it, with 51% who indicated that it improved their perceptions of Canadian skiing and 60% who indicated that it made them more likely to take a trip to Canada for a ski vacation in the next two years.
- Almost all (89%) of OntheSnow subscribers were able to name a resort/advertiser from the advertising when prompted.
- Eighteen percent (18%) of OntheSnow subscribers had taken or booked a ski trip to Canada since September, which represents 15,700 trips (or over 56,500 skiers).
- Package uptake was good at 35%, with hotel and lift tickets being the top package components chosen.
- Air Canada was the top airline of choice for recent / booked ski trips to Canada.

Campaign Conversion:

- The advertising critical conversion rate was 1.1%. This indicates that Canada could see as many as 3,456 potential skiers and US\$3.4 in potential revenues this winter as a direct result of this campaign.

LANG Sweepstakes Entrants

Note: Results for LANG sweepstakes entrants should be treated qualitatively due to the small sample size. The overall response to the contest (755) provided a limited sample for the survey (362) and only 37 responses were received from LANG sweepstakes entrants within the one week survey time-frame.

Skier Profile / Behaviour:

- Planning horizons are quite long – over half book five weeks or more in advance.
- Ski vacations typically last 3.3 nights and include 3.0 people in the travel party.
- Skiers hit the slopes an average of 5 times, snowboarders an average of 8 times.

Visitation:

- One-tenth (11%) or 83 potential skiers indicated that they are definitely likely to visit Canada for a ski vacation in the next two years.
- Canada's share of all ski trips taken by sweepstakes entrants was 4%. Canada's share of out-of state ski trips taken was 5%.

Campaign Impact:

- Nearly three-fifths (57%) of LANG sweepstakes entrants recall seeing the CTC advertising.
- The advertising had a positive influence on those who saw it, with 78% who indicated that it made them more likely to take a trip to Canada for a ski vacation in the next two years.
- Almost all (93%) of LANG sweepstakes entrants were able to name a resort/advertiser from the advertising when prompted.

Conclusions & Recommendations

Ski/Skiing Magazine:

The Ski/Skiing magazine campaign is an important medium for increasing awareness of Canada as a ski destination and improving perceptions of Canadian skiing.

Its downfall might be that Canada is but one of many vacation destinations featured in the magazines (e.g., Lake Tahoe, Jackson Hole, Keystone, Alaska, Park City Utah, etc.). However, this further emphasizes the importance of continuing this type of advertising in order to retain Canada's market share.

The Ski/Skiing magazine campaign does not appear to have had a great impact in converting skiers to take a trip to Canada, at least not in the short term. However, Canada could see as many as 91,277 potential skiers and US\$113.7M in potential revenues in the next two years as a direct result of this campaign. Continued marketing to this group will be necessary to help shore-up this market over the next two years.

ComeSkiCanada.com Sweepstakes:

The ComeSkiCanada Sweepstakes appealed to a group of skiers who already had an interest in visiting Canada, shown by their action of visiting the CTC microsite. Along with their high interest in visiting, they also exhibited high intentions to visit in the next two years.

The CTC microsite was extremely successful as improving the disposition of potential skiers towards visiting Canada for a ski vacation.

Visiting the CTC ComeSkiCanada website / entering the sweepstakes was critical in the decision of 106 skiers to visit/book a ski vacation to Canada. This represents US\$0.09M in potential revenues this winter as a direct result of the ComeSkiCanada.com sweepstakes.

OntheSnow E-newsletter and E-mail Blasts:

OntheSnow subscribers are well versed on Canadian skiing – being targeted by CTC's e-newsletters and e-mail blasts.

This group of skiers are already inherently interested in Canada as seen in their past and future intentions to visit Canada – OntheSnow subscribers have taken 0.85 trips to Canada in the past three years, almost one-fifth have taken / booked a trip since September, and 22% are likely to visit Canada in the next two years.

Conversion rates and revenues for OntheSnow subscribers are very positive demonstrating that a very targeted campaign does indeed pay off. Canada could see 3,456 skiers and US\$3.4M in potential revenues this winter as a direct result of this campaign.

LANG Sweepstakes:

Because of the overall response to the contest (755) and the limited sample for the survey (362), only 37 responses were received from LANG sweepstakes entrants within the one week survey time-frame. This makes it difficult to provide an assessment of this campaign.

However, with a circulation of 582,000 and a monthly placement in November and December, the CTC should question why the overall response was so low and whether the total expenditure of \$64,800 warrants continuing this component.
