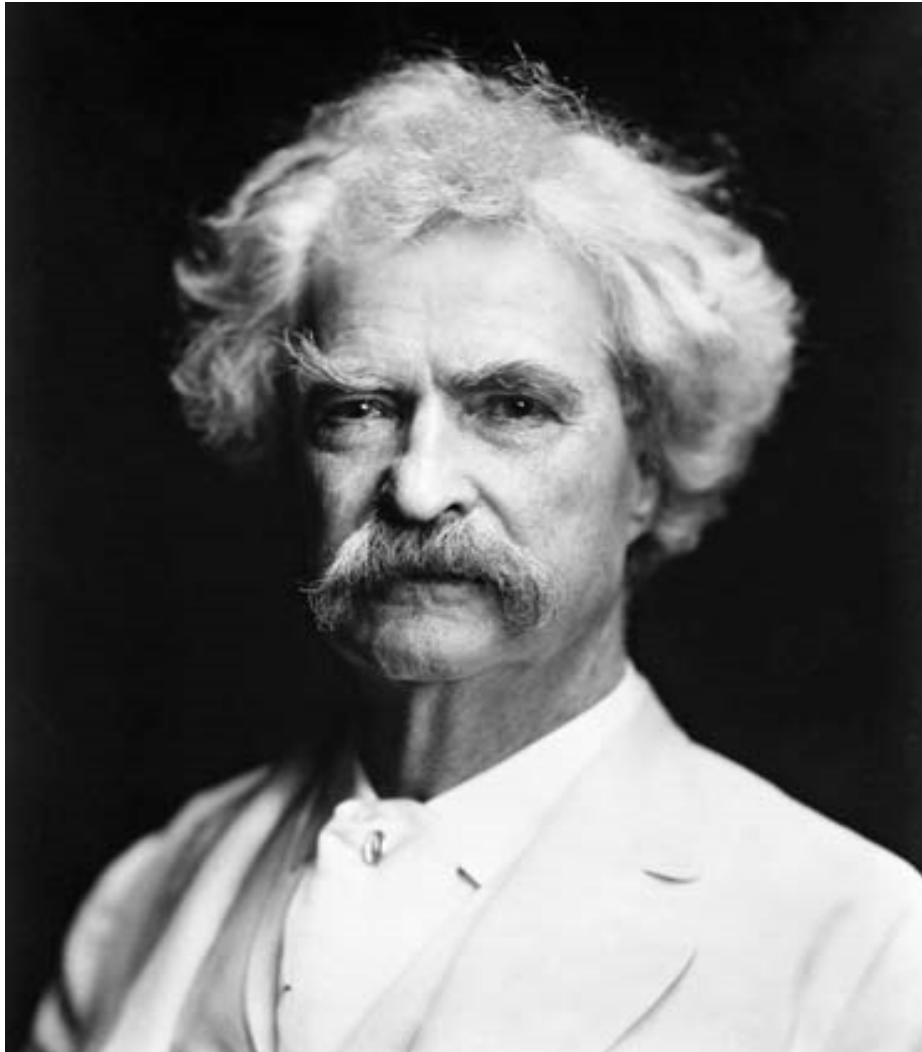




Conducting Research on a Shoestring Budget

Prepared by Jerry Henry | H²R Market Research | October 2013





“Supposing is **good**.
Finding out is **better**.”

-Mark Twain

Overview



Why it is important to understand what make your visitors tick.



How you can do it on the cheap...er, less expensively.



What different types of consumer insight you may want to consider.

Why Should I Invest in Research?



Consumers have
changed.

**We need to know how
the consumer's
evolution has impacted
their decision journey
& choices.**



Old business models no longer work as well as they once did.

We cannot keep doing the same things & expect different results.





Advertising is expensive.

Missing the target even by a fraction can be disastrous.

Research
minimizes risk.

**Research increases the
probability of making a
good decision.**





Competition is fierce.

**If I'm not serving my visitors' needs,
someone else in this room will.**

1

Customer research helps us:

Understand what
**needs, wants &
desires** customers
are trying to
satisfy.



Research data enables us to:

2.

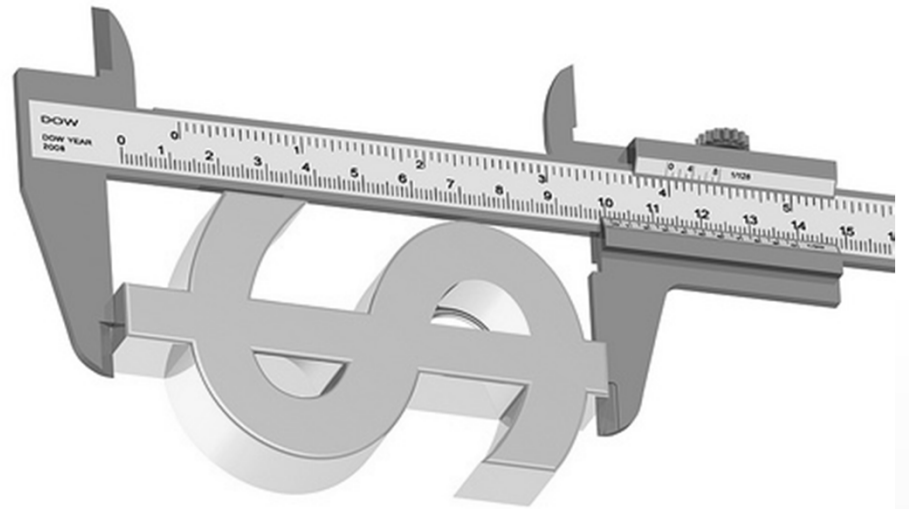
Evaluate how **important** these needs, wants & desires are to customers.



Research helps us determine:

3

How much **value**
customers place
on a potential
solution.



Having research means we can decide:

4.

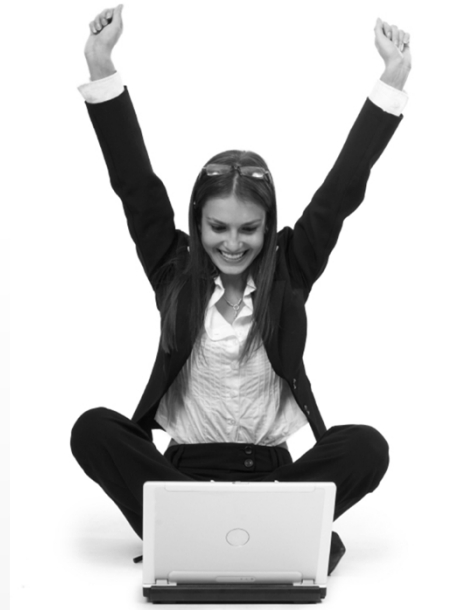
What **products**
and **features** are
mission critical.



Having research means we have:

5.

Rich anecdotes
that help us
connect with
customers on a
more emotional
level.



Why Some Do Not Use Research?



- “I don’t think I can afford it.”
- “Always done fine without it.”
- “I already know what it’s going to say.”
- “Don’t have the time. We need a decision now.”
- “I tried it once in the ’80’s and it didn’t seem to help much.”
- “I don’t know who to call.”
- “Our customers never change.”

How Can I Conduct Some Cheap Research?



Is That Really the Right Question?

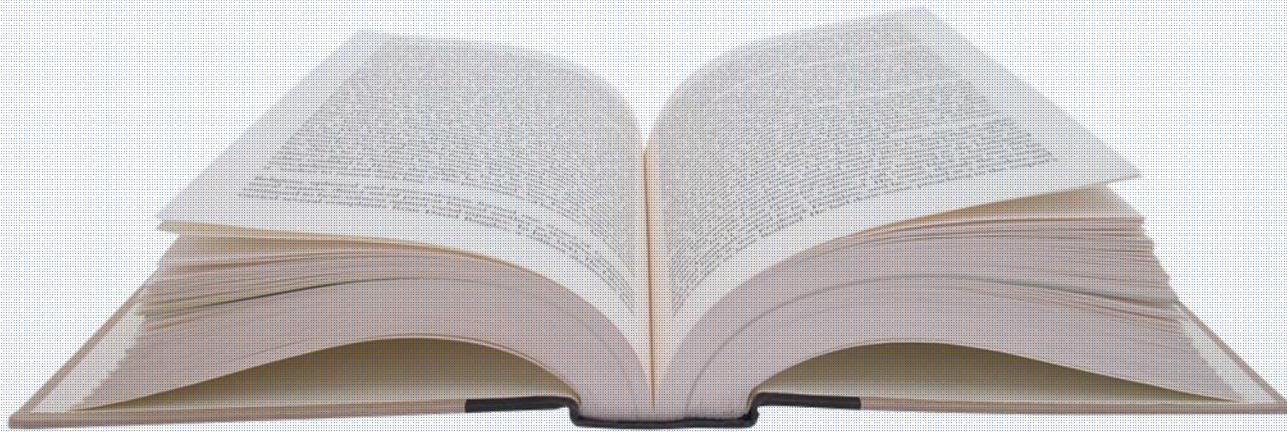


How Can I Conduct
GOOD Research as
INEXPENSIVELY
as Possible?



Secondary Research.

See if someone else has already answered this question for you.



Great Resources with Detailed Information

- Ruf Strategic Solutions
- Experian Simmons
- MRI Mediamark
- Scarborough Research
- The Futures Company
- Claritas Prizm
- VALS
- Roper





Sample Company
STRONG LIFESTYLE ANALYSIS

V6.0

| Rank | STP ID | Description | Customer Percent | U.S. Percent | Lifestyle Index |
|------|--------|--|------------------|--------------|-----------------|
| 1 | 1834 | Used prescription product for overactive bladder in the last year | 5.56 | 1.01 | 551.33 |
| 2 | 1818 | Used prescription product for chronic bronchitis in the last year | 3.92 | 1.46 | 268.50 |
| 3 | 0789 | Owms a sports street bike | 2.71 | 1.06 | 254.26 |
| 4 | 2233 | Business purchase involvement - building sites | 3.03 | 1.22 | 247.82 |
| 5 | 0533 | Usually pay the minimum payment on MasterCard bill | 4.19 | 2.08 | 200.86 |
| 6 | 0632 | Own/lease any entry-level compact car | 2.31 | 1.16 | 198.67 |
| 7 | 1831 | Used prescription product for irritable bowel syndrome in the last year | 2.16 | 1.13 | 191.32 |
| 8 | 0489 | Use Virgin Mobile for cellular service | 2.29 | 1.23 | 185.49 |
| 9 | 1362 | Bought rifle for hunting in last year | 1.86 | 1.02 | 182.01 |
| 10 | 2235 | Business purchase involvement - building and grounds maintenance | 3.48 | 1.91 | 181.82 |
| 11 | 1832 | Used prescription product for migraine headaches in the last year | 4.50 | 2.58 | 174.63 |
| 12 | 0971 | Took a cruise ship vacation on Princess in the last 3 years | 2.03 | 1.17 | 173.41 |
| 13 | 0428 | Ordered from Lane Bryant in last year | 3.48 | 2.01 | 173.13 |
| 14 | 1026 | Stayed at Red Roof Inns for any domestic travel in the last year | 2.37 | 1.37 | 172.88 |
| 15 | 0389 | Ordered insurance items via internet, mail, or phone in the past year | 3.70 | 2.18 | 169.65 |
| 16 | 0503 | Have a Visa Signature credit card | 4.75 | 2.80 | 169.52 |
| 17 | 0391 | Ordered educational programs via internet, mail, or phone in the past year | 2.71 | 1.60 | 168.43 |
| 18 | 1732 | Bought 4 or more women's dresses in the last year | 3.78 | 2.24 | 168.80 |
| 19 | 0536 | Usually pay the minimum payment on Visa bill | 4.59 | 2.83 | 162.64 |
| 20 | 1481 | Have reptiles in household | 2.97 | 1.83 | 162.57 |
| 21 | 1580 | Bought sports DVDs in the last year | 2.36 | 1.45 | 162.39 |
| 22 | 0964 | Took a cruise ship vacation to other location in the last 3 years | 1.62 | 1.00 | 161.52 |
| 23 | 0438 | Purchased automotive supplies from a catalog in the last year | 4.44 | 2.76 | 160.86 |
| 24 | 1031 | Stayed at Travelodge for any domestic travel in the last year | 2.03 | 1.27 | 159.95 |
| 25 | 1168 | Plan to remodel family room/den next year | 3.44 | 2.15 | 158.81 |

Cooperatively Developed by RUF Strategic Solutions and Experian.

Please See Strong Lifestyle Analysis Tab for Further Explanation

Source: SIMMONS National Consumer Survey Report. Copyright 2006 SIMMONS Research. All rights reserved.

Strong Lifestyle Analysis - Page 1



Sample Company
MEDIA ANALYSIS

V6.0

MEDIA CATEGORIES

| Rank | STP ID | Description | Customer Percent | U.S. Percent | Lifestyle Index |
|------|--------|--|------------------|--------------|-----------------|
| 15 | 3005 | Pays attention to advertising outside of the home | 16.07 | 14.57 | 110.28 |
| 16 | 3004 | Used an interactive computer service in the last 30 days | 69.07 | 62.64 | 110.26 |
| 30 | 3002 | Radio listener | 21.37 | 19.98 | 106.95 |
| 61 | 3003 | Television watcher | 33.22 | 32.78 | 101.35 |
| 71 | 3001 | Magazine & newspaper reader | 30.97 | 32.89 | 94.16 |

MEDIA DETAILS

| Rank | STP ID | Description | Customer Percent | U.S. Percent | Lifestyle Index |
|------|--------|--|------------------|--------------|-----------------|
| 1 | 0370 | Pays attention to advertising on subway trains or platforms | 6.24 | 1.47 | 424.21 |
| 2 | 0356 | Online activities in last month - Online gambling | 3.33 | 1.35 | 246.70 |
| 3 | 0366 | Pays attention to advertising on bus shelters or benches | 5.69 | 2.67 | 213.25 |
| 4 | 0354 | Online activities in last month - Personals or dating services | 3.80 | 1.95 | 195.53 |
| 5 | 0170 | Watch western drama television shows | 5.95 | 3.19 | 186.69 |
| 6 | 0330 | Internet advertising - Often click on floating advertisements | 4.69 | 2.68 | 175.33 |
| 7 | 0141 | Watch bowling on TV frequently | 2.17 | 1.26 | 172.32 |
| 8 | 0367 | Pays attention to advertising on buses | 7.06 | 4.26 | 165.67 |
| 9 | 0259 | Watch Sundance Channel | 3.21 | 2.18 | 147.24 |
| 10 | 0114 | Does not own a television set | 1.48 | 1.02 | 145.48 |
| 11 | 0067 | Highly loyal reader of Shape | 1.39 | 1.01 | 137.91 |
| 12 | 0016 | Read photography publications | 1.42 | 1.05 | 135.25 |
| 13 | 2276 | Watch The Office (Situation Comedy) | 1.55 | 1.16 | 133.99 |
| 14 | 0076 | Subscribe or otherwise purchase The Wall Street Journal | 3.10 | 2.31 | 133.96 |
| 15 | 0249 | Watch MTV2 | 6.75 | 5.04 | 133.88 |
| 16 | 0269 | Used Net Zero/Juno in the past 30 days | 1.61 | 1.21 | 133.49 |

Cooperatively Developed by RUF Strategic Solutions and Experian.

Please See Media Analysis Tab for Further Explanation

Source: SIMMONS National Consumer Survey Report. Copyright 2006 SIMMONS Research. All rights reserved.

Media Analysis - Page 1

Great Resources with Broad Information

- Pew Research Center
- Gallup Poll
- Harris Interactive
- Big 3 TV Networks
- USA Today
- U.S. Census Bureau
- Harvard Business Review
- Others

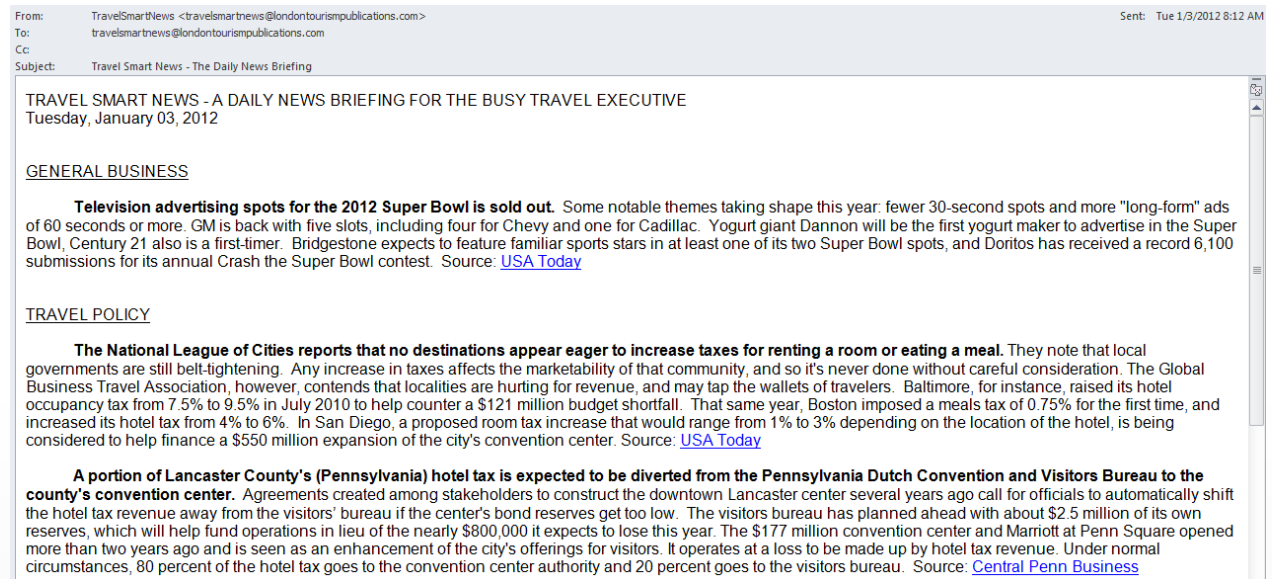


Other affordable secondary
research sources...



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- Travel news stories at your fingertips each morning.
- No more searching.
- No digging.
- Email Brian London at: BrianLondon@travelindicators.com



Travel Industry Indicators

- Summary of Key Performance Indicators (KPIs)
- Published 10 times per year.
- Runs around \$100 per year.
- Travelindicators.com

TRAVEL INDUSTRY INDICATORS

Monthly Analysis
Industry Trends & Outlook

September 30, 2011

Dear Client:



Brian London
Travel Industry
Analyst

Fears of a double-dip recession have crept back into the vernacular, and while the earlier months of the year had been up over 2010, their current trend line is starting to straighten. Looking back at the economic contraction, we see it may have been limited regionally and in some cases only to certain socio-economic groups.

Our reading of the economic situation is that the unemployment rate among educated workers, who make up a large share of the traveling public, is less than five percent, and employed workers are receiving real wage increases. These segments alone can't insulate the industry from another contraction – but they explain why it hasn't suffered as other sectors have. No matter, it is understandable why so many in the industry are concerned that the apparent stalling of the U.S. economy will lead to a slowdown in travel.

To be sure, we see a mixed-bag of evidence when it comes to forward looking measures and their measures that may be on the cusp of dropping us back into recessionary territory. Recession measures, used by the NBER (National Bureau of Economic Research), are declines in employment, income, wholesale and retail sales, and industrial production. One of the least talked about, but perhaps most important measure in terms of being a leading indicator, is industrial production.

On the positive, recent industrial production numbers show that factories continue to improve production of automobiles (big ticket items are good for the economy) and capital goods – the things businesses use to make other products. These goods, like electronics and telecommunications parts, are for both domestic use and for exports. While the improved production doesn't overwhelm other troubling news, it does allow the economy to limp along.

Now, let's review consumer confidence and economic fundamentals to see how they will impact leisure travel demand.

It can be no surprise that consumer optimism continues at historic lows, and remains at levels low enough to keep a damper on consumer spending. The Reuters/University of Michigan index inched up to 57.8 from 55.7, which was slightly better than expected.

The Consumer Confidence Index, which had declined sharply in August, remained essentially unchanged in September. The index now stands at 45.4. To us, the low reading indicates that the pessimism which shrouded consumers last month has spilled over into September. Consumers also expressed greater concern about their expected earnings, a sign that does not bode well for spending.

What makes these numbers particularly troublesome is that just 9 percent of people say they are confident the economy won't slide back into recession. Only 27 percent of Americans say they are better off now than in January 2009, a decline from June, when 34 percent said they were better off. Since travel is often an aspirational product, providers should take note that consumers are not feeling very aspirational.

This concern about being better off was justified, personal income decreased \$7.3 billion, and disposable personal income (DPI) decreased \$5.0 billion. Little hiring, stagnant wages

U.S. Travel Association Insights

- UStavel.org
- Free to Members

INTERNATIONAL POW WOW | POWER OF TRAVEL | TRAVEL GREEN

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NEWS & HIGHLIGHTS

JANUARY 4, 2012



U.S. Travel Announces Survey Results on Air Traveler Frustrations during Press Conference at Reagan National Airport

Two Out of Five Air Passengers Wish for Other Form of Transportation this Holiday

A new survey by U.S. Travel shows frustrations remain high this travel season, so high that two out of every five air passengers would rather not fly. [More ▶](#)

U.S. Travel Commends U.S.-Canadian Border Agreement

Roger Dow commends agreement that will speed the border process for Canadian travelers visiting the U.S. while enhancing security. [More ▶](#)

Need for Visa Waiver Program Expansion

Expanding the VWP would bring increased economic opportunity to and improve national security in the U.S. while advancing public diplomacy around the world. [More ▶](#)

Sen. Harry Reid and Don Freeman Join Hall of Leaders

For their contributions to the travel industry, Senate Majority Leader...

UPCOMING EVENTS

Los Angeles INTERNATIONAL POWWOW

APRIL 21-25, 2012
The industry's international marketplace and largest generator of inbound travel. [More ▶](#)

ESTO BOSTON

AUGUST 26-28, 2012
Three-day event for destination marketing professionals. [More ▶](#)

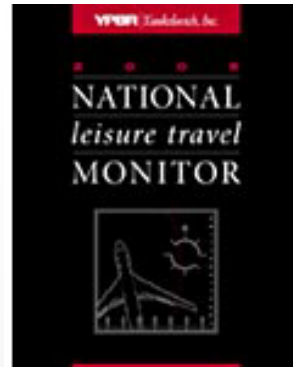
[VIEW ALL U.S. TRAVEL EVENTS](#)

[VIEW ALL INDUSTRY EVENTS](#)

Destination Travel Insights

POWERED BY AMERICAN EXPRESS BUSINESS INSIGHTS

Portrait of American Leisure Travelers



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per year.
- **MMGYGlobal.com**

Smith Travel Research Lodging Outlook Newsletter



STR MONTHLY HOTEL REVIEW

U.S. Hotel Industry Performance for the Month of: November 2011

Volume 11, Issue M11

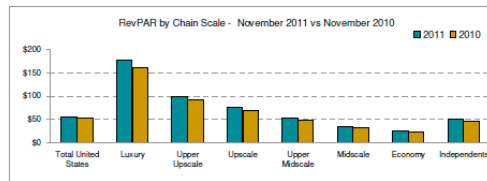
Date Created: December 17, 2011

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| Performance by Industry Segments | 3 |
| Performance In Top 25 Markets | 4 |
| Performance by State | 5 |
| Glossary | 6 |
| | 7 |

Performance by Industry Segments

For the Month of: November 2011



| | Occ % | | ADR (\$) | | RevPAR (\$) | | Percent Change from November 2010 | | | | | |
|----------------------------|-------|------|----------|--------|-------------|--------|-----------------------------------|-----|--------|----------|-------------|------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | Occ | ADR | RevPAR | Room Rev | Rooms Avail | Rooms Sold |
| Total United States | 55.7 | 53.2 | 100.65 | 96.66 | 56.17 | 51.42 | 4.7 | 4.3 | 9.2 | 9.9 | 0.6 | 5.3 |
| Chain Scale | | | | | | | | | | | | |
| Luxury | 68.1 | 64.6 | 261.38 | 249.33 | 177.98 | 161.13 | 5.4 | 4.8 | 10.5 | 9.5 | -0.9 | 4.4 |
| Upper Upscale | 66.4 | 63.9 | 150.01 | 144.20 | 99.64 | 92.13 | 4.0 | 4.0 | 8.2 | 9.9 | 1.6 | 5.7 |
| Upscale | 66.8 | 63.8 | 111.52 | 106.88 | 74.52 | 68.23 | 4.7 | 4.3 | 9.2 | 10.5 | 1.2 | 5.9 |
| Upper Midscale | 56.8 | 53.8 | 92.35 | 89.12 | 52.44 | 47.99 | 5.5 | 3.6 | 9.3 | 16.4 | 6.5 | 12.3 |
| Midscale | 48.5 | 46.3 | 70.54 | 69.97 | 34.22 | 32.37 | 4.7 | 1.0 | 5.7 | -4.5 | -9.7 | -5.4 |
| Economy | 49.1 | 47.5 | 48.51 | 46.75 | 23.83 | 22.19 | 3.5 | 3.8 | 7.4 | 8.1 | 0.7 | 4.2 |
| Independents | 51.6 | 49.5 | 95.68 | 91.33 | 49.42 | 45.19 | 4.4 | 4.8 | 9.4 | 10.4 | 0.9 | 5.4 |
| Region | | | | | | | | | | | | |
| New England | 58.7 | 51.6 | 112.93 | 109.82 | 66.26 | 56.19 | 13.6 | 3.8 | 17.9 | 18.3 | 0.3 | 14.0 |
| Middle Atlantic | 63.9 | 59.9 | 156.80 | 151.96 | 100.12 | 90.96 | 6.7 | 3.2 | 10.1 | 11.7 | 1.5 | 8.3 |
| South Atlantic | 55.3 | 53.0 | 96.33 | 92.15 | 53.31 | 48.81 | 4.5 | 4.5 | 9.2 | 9.4 | 0.1 | 4.6 |
| East North Central | 53.2 | 50.0 | 90.72 | 87.61 | 48.26 | 43.81 | 6.4 | 3.5 | 10.2 | 10.5 | 0.3 | 6.7 |
| East South Central | 51.5 | 49.5 | 77.04 | 74.56 | 39.70 | 36.90 | 4.1 | 3.3 | 7.6 | 7.6 | 0.0 | 4.1 |
| West North Central | 52.2 | 50.9 | 79.37 | 75.72 | 41.42 | 38.56 | 2.5 | 4.8 | 7.4 | 7.9 | 0.5 | 2.9 |
| West South Central | 55.6 | 52.4 | 84.69 | 82.70 | 47.05 | 43.32 | 6.1 | 2.4 | 8.6 | 10.2 | 1.5 | 7.6 |
| Mountain | 51.2 | 51.2 | 86.56 | 83.67 | 44.36 | 42.93 | 0.1 | 3.2 | 3.3 | 4.7 | 1.4 | 1.5 |
| Pacific | 59.7 | 57.4 | 116.07 | 109.27 | 69.28 | 62.77 | 3.9 | 6.2 | 10.4 | 10.4 | 0.0 | 3.9 |
| Price | | | | | | | | | | | | |
| Luxury | 64.9 | 62.3 | 152.85 | 146.89 | 99.19 | 91.58 | 4.1 | 4.1 | 8.3 | 9.8 | 1.4 | 5.5 |
| Upscale | 56.0 | 53.4 | 105.69 | 101.96 | 59.22 | 54.45 | 4.9 | 3.6 | 8.8 | 10.3 | 1.4 | 8.4 |
| Midprice | 51.7 | 49.2 | 80.22 | 76.65 | 41.47 | 37.73 | 5.0 | 4.6 | 9.9 | 10.1 | 0.1 | 5.2 |
| Economy | 49.5 | 47.2 | 58.53 | 56.06 | 28.95 | 26.44 | 4.9 | 4.4 | 9.5 | 8.9 | -0.5 | 4.3 |
| Budget | 52.2 | 50.3 | 47.60 | 45.26 | 24.83 | 22.74 | 3.8 | 5.2 | 9.2 | 8.2 | -0.9 | 2.9 |
| Location | | | | | | | | | | | | |
| Urban | 64.9 | 62.7 | 155.38 | 148.73 | 100.80 | 93.21 | 3.5 | 4.5 | 8.1 | 9.9 | 1.6 | 5.1 |
| Suburban | 56.6 | 53.9 | 85.23 | 82.05 | 49.25 | 44.20 | 5.1 | 3.9 | 9.2 | 9.7 | 0.5 | 5.6 |
| Airport | 62.3 | 59.8 | 90.95 | 87.36 | 56.67 | 52.22 | 4.2 | 4.1 | 8.5 | 8.9 | 0.3 | 4.6 |
| Interstate | 49.4 | 47.0 | 70.16 | 67.79 | 34.65 | 31.86 | 5.1 | 3.5 | 8.8 | 9.2 | 0.3 | 5.5 |
| Resort | 55.8 | 53.5 | 125.97 | 118.09 | 70.29 | 63.16 | 4.3 | 6.7 | 11.3 | 11.4 | 0.1 | 4.4 |
| Small Metro/Town | 47.4 | 45.1 | 76.81 | 74.23 | 36.41 | 33.47 | 5.1 | 3.5 | 8.8 | 9.4 | 0.5 | 5.7 |

- Monthly Report/ Weekly Updates.
- Runs around \$2,000 per year.
- STRGlobal.com

EASI Demographics

- Interactive desktop software that summarizes key resident demographics by geographic unit or mileage rings.
- Runs around \$1,000.
- Easidemographics.com

Demographics Report & Analysis (1/1/03)

City Name: BRANSON, MO
 City Code: 2907966
 State Name: MISSOURI
 Area Code: 417
 Dominant Profile: Service Employment

| Description | Value | EASI Score | EASI Rank (of 21249) |
|--|-------|------------|----------------------|
| Dem: Population (1/1/2003): | 6,031 | C | 10,625 |
| Dem: Square Miles: | 28.3 | B | 8,465 |
| Dem: Population Density: | 213.1 | D | 12,784 |
| Dem: Population (4/1/90): | 4,777 | D | 16,252 |
| Dem: Population (4/1/2000): | 6,051 | B | 7,019 |
| Dem: Population (1/1/2008): | 7,300 | A | 111 |
| Dem: Population Growth (2003/2000): | -0.33 | D | 14,227 |
| Dem: Population Forecast (2008/2003): | 21.04 | A | 111 |
| Dem: Household Growth (2003/2000): | 1.81 | D | 14,554 |
| Dem: Household Forecast (2008/2003): | 21.71 | A | 108 |
| Dem: Households (4/1/1990): | 2,192 | B | 7,463 |
| Dem: Households (4/1/2000): | 2,646 | A | |
| Dem: Households (1/1/2003): | 2,694 | A | |
| Dem: Households (1/1/2008): | 3,279 | A | |
| Dem: Household, Average Size: | 2.22 | E | |
| Dem: Family Population: | 4,844 | D | |
| Dem: Non-Family Population: | 1,143 | A | |
| Dem: Families: | 1,702 | C | |
| Dem: Families, Married : | 1,354 | C | |
| Dem: Other Families: | 348 | B | |
| Dem: Other Families, Male Householder, No Wife Present: | 126 | A | |
| Dem: Other Families, Female Householder, No Husband Present: | 222 | C | |
| Dem: Families, Married with Children Under 18: | 466 | E | |
| Dem: Families, Married with No Children Under 18: | 888 | A | |
| Dem: Other Families, Male Householder, No Wife Present with Children Under 18: | 50 | C | |
| Dem: Other Families, Male Householder, No Wife Present with No Children Under 18: | 76 | A | |
| Dem: Other Families, Female Householder, No Husband Present with Children Under 18: | 138 | C | 9,642 |
| Dem: Other Families, Female Householder, No Husband Present with No Children Under 18: | 84 | C | 10,960 |
| Dem: Non-Family Households: | 992 | A | 2,754 |
| Dem: Non-Family Households, Male Householder: | 386 | B | 4,678 |
| Dem: Non-Family Households, Female Householder: | 606 | A | 2,345 |
| Dem: Population, Urban : | 4,529 | C | 10,919 |
| Dem: Population, Rural : | 1,502 | C | 10,331 |
| Dem: Population, Male : | 2,781 | E | 19,586 |



The Right Site - Pro Ed.
 Easy Analytic Software, Inc.

541 Benigno Boulevard Bellmar, NJ 08031 ☐ phone 856 931 5780 fax 856 931 4115

June 7, 2005

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- Demographic population data by county, MSA, state, etc.
- Interactive software runs around \$2,000.
- WoodsandPoole.com

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More than 900 economic and demographic variables for every state, region, county, and Metropolitan and Micropolitan Area in the U.S. for every year from 1970 to 2030. This comprehensive database is updated annually and includes detailed population data by age, sex, and race; employment and earnings by major industry; personal income by source of income; retail sales by kind of business; and data on the number of households, their size, and their income. All of these variables are projected for each year through 2030.

Includes New MSA and Micropolitan Definitions

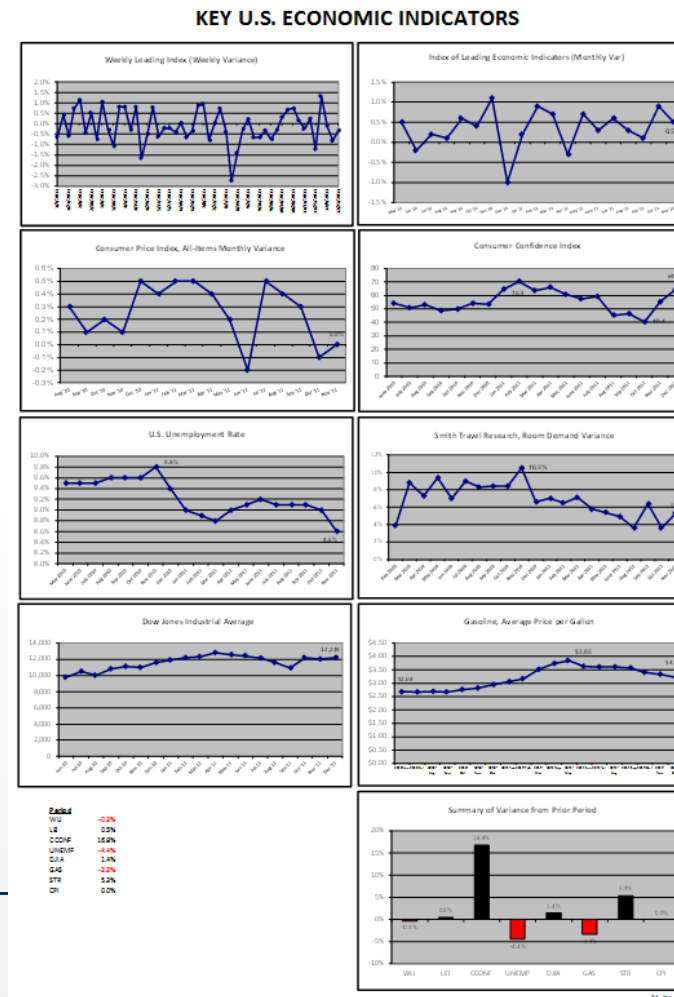
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ECONOMICS
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Economic Indicators Dashboard

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- Presented in a concise set of charts & graphs.
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COOL HUNTING



News Aggregators



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- Pulse
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RESEARCH TREND LETTER



April 2011
VOLUME X ISSUE 4

In This Issue:

- Smart Destinations Survey Shows Travelers' Definition of Value
- Gross Domestic Product Will Expand at a 3.3 Percent Pace in 2011
- Spain's Tourist Industry is Getting a Much Needed Boost
- AirTran Merger "Imperative"
- Surging Oil Costs May Harm Recovery in Travel Sector
- New Ships, New Excursions for Alaska Cruise Passengers
- CTO Reports 4 Percent Increase in Caribbean Tourism in 2010
- And, Much More



SMART DESTINATIONS SURVEY SHOWS TRAVELERS' DEFINITION OF VALUE. Consumers are looking for value when they travel and they're expanding their definition of value, according to a survey by Smart Destinations, which produces Go City multi-attraction passes. Travelers also rated their most trusted sources and people came first. Ninety-two selected recommendations from friends, 70 percent chose online searches, 53 percent selected online reviews from other travelers, and 50 percent named travel books. They also defined value, which now goes beyond hotels and airfare and includes attractions, as well as savings in time and added convenience. The survey, which includes responses from more than 500 U.S. travelers, shows that consumers take their vacations seriously, seeking advice, conducting online research and actively looking for deals. Today's travelers engage in an extensive research process, which often takes place over several months and includes numerous and varied information sources. Seventy-five percent say they try to get discounted admission in advance if there is a specific activity they want to do on their trip. Ninety-five percent of respondents would buy admission in advance if they could "skip the line" at popular attractions. Forty-six percent of respondents would pay more than the retail price to eliminate waiting in line. Travelers also indicated that promotions and sales, specifically those offering a 25 percent discount or greater, are key purchase triggers. Ninety percent said they would pre-purchase attraction tickets for a 25 percent discount and 92 percent of travelers would buy bundled admission of three to five attractions at once for a 25 percent discount. (Source: Travel Pulse, 3/7)

GROSS DOMESTIC PRODUCT WILL EXPAND AT A 3.3 PERCENT PACE IN 2011. Up from the 2.6 percent rate forecast in November. Consumer spending, business investment and exports will also increase more than previously projected. This update, along with recent data showing

H²R Market Research iPhone App

- **FREE travel & tourism newsletter application.**
- **Available on iTunes.**



Follow Me on Twitter @H2RMktResearch

- Daily re-tweets of relevant news stories covering:
 - Travel & Tourism
 - Consumer Demographics
 - Industry Trends
 - Social Trends
 - And/or Anything I think May be of Interest.



But, sometimes secondary research just isn't enough.





Inexpensive
ways to
conduct
primary
market
research

E-Surveys



- **Not pop-up surveys.**
- **Leverages assets you already own.**
- **Can target customers, prospects or non-visitors.**
- **Inexpensive survey tools available.**

Pros and Cons

ADVANTAGES

- Cost
- Speed
- Visual Images
- Less Intrusive
- Verbatim Responses
 - Sample Size

DISADVANTAGES

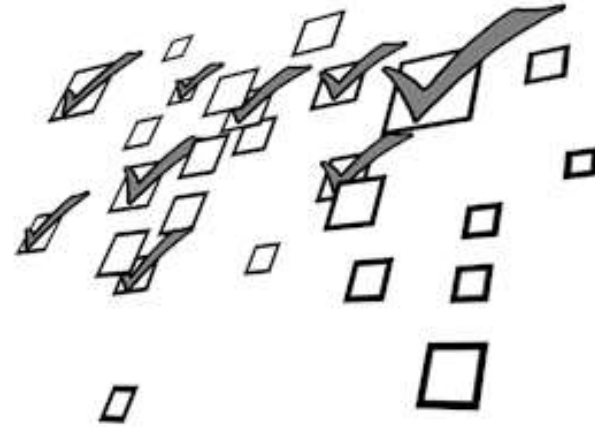
- Vast majority of travelers have email, but not all.
- Inability to control exactly who takes the survey.

Examples of E-Survey Applications

- **Visitor Satisfaction/Profiles**
- **Ad Testing**
- **Proposition Testing**
- **New Product Evaluation**
- **Non-Visitor Studies**
- **Brand Perception Research**
- **Brand Health Tracking**
- **Behavioral Studies**
- **Habits & Practices**
- **Market Segmentation**
- **Market Segmentation**
- **Consumer Attitude & Opinion**
- **Constituent/ Members Surveys**
- **Political Issue Evaluations**
- **Pain Point Surveys**
- **Inquiry Conversion (Supplement)**
- **Ad Effectiveness & ROI**
- **Bulletin Boards**
- **Online Focus Groups**

List Sources

- **Inquiry Databases**
 - **Welcome Center Registries**
 - **Newsletter subscribers**
 - **Hotel Guest Lists**
 - **Sweepstakes Entries**
 - **Professionally Managed Email Panels**
- ...and once the asset is created, it can be used many times.





We have some questions for you!

Before you begin a survey, we'd like to ask you a few general questions about your lifestyle and interests.

Do you have any of the following types of medical insurance? Please select all that apply.

- Medicare Advantage
- Medicare Supplement Insurance
- HMO
- PPO
- POS
- Other/I do not know
- None of the above

Which of the following types of cigarettes do you smoke most often?

In which of the following areas do you work?

Staying Inside Versus Going Outside



- Professional help wordsmithing
 - Allows multiple skip patterns
 - Can embed visual/audio files
 - Collect unlimited open-ended responses
- Multiple banner points evaluated
- Compare & contrast to industry norms



- Fast
- Inexpensive
- Good for small projects with straight forward business needs, e.g. do you like this or that?

Reduce the Sample Size

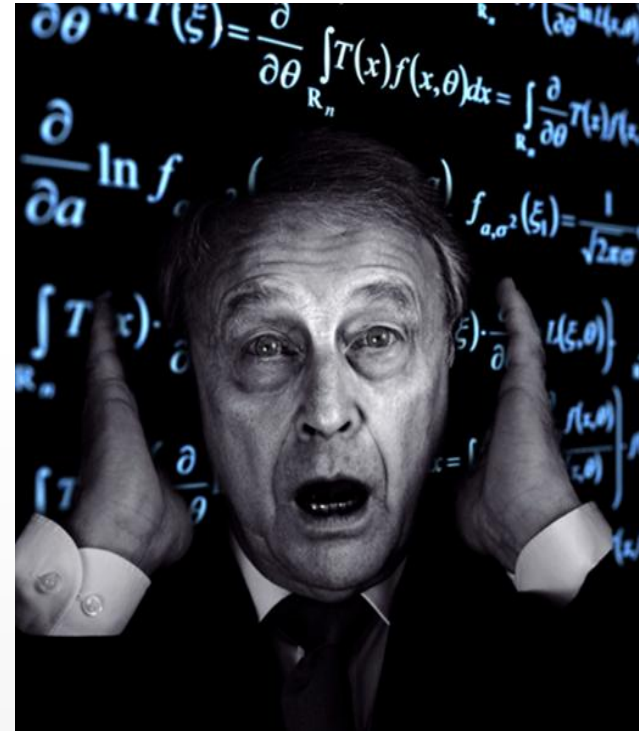
- **Smaller sample size typically reduces the cost.**
 - **Large enough to do the job.**
 - **Too large of sample is a waste.**
- **Number of banner points needed?**
 - **Rule of thumb n-size.**
- **But, fewer are often enough to make a good decision.**



Relationship Between N-Size & Margin of Error

$$\text{Margin of Error} = \sqrt{\frac{(3.8416 \times (0.5 \times (1-0.5)))}{n \text{ (sample size)}}$$

| <u>Sample Size</u> | <u>Margin of Error</u> |
|--------------------|------------------------|
| 300 | +/- 5.7% |
| 383 | +/- 5.0% |
| 400 | +/- 4.9% |
| 500 | +/- 4.4% |
| 1000 | +/- 3.1% |
| 2000 | +/- 2.1% |



Tripling sample only cuts MOE by half

Keep Looking

- **No standard pricing in market research.**
 - **Prices vary dramatically for similar services.**
 - **If you think your research vendor is too high, keep looking**



Fewer Qualifiers

- Fewer parameters lower cost.
 - Targeting the right respondents is important.
 - But, small incidence rates translate to extremely expensive research studies.



OPM: Other People's Money



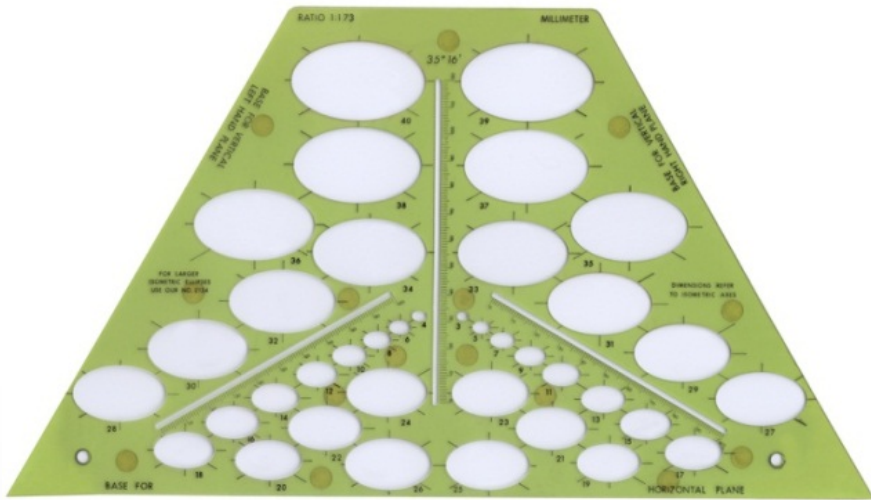
- **Find others with a similar target to share the cost of the research.**
- **Consider other divisions in your organization- or other attractions or organizations in your region.**
 - Attractions
 - Hotels
 - Airports
 - Restaurants
 - Chamber of Commerce
 - Festivals or Events

Annual Survey Weighted by Season

- **Conduct your survey only once a year instead of daily/weekly/monthly.**
- **Randomly select visitors from all seasons of the year to avoid timing bias.**
- **Allows you to conduct fewer surveys and save money.**
- **But, also reduces your guests ability to accurately recall specifics.**



Research Templates



- **Get the research results, skip the consultant fee.**
- **Set of Excel worksheets including the questionnaire, legend, input file, data tables and charts that automatically process information.**
- **“Research-in-a-box.” Standard reports for less money.**
- **Easy & inexpensive, but not customizable.**
- **Just collect and input the data.**

Key Elements

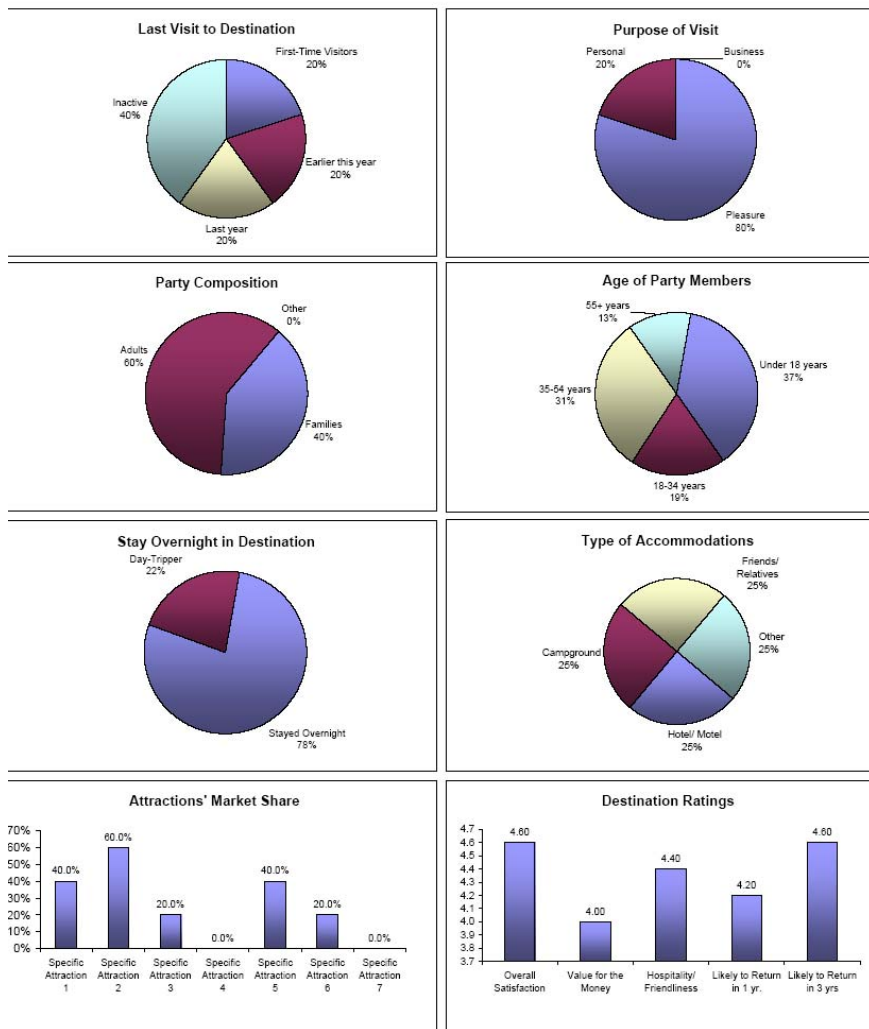


- **Methodology & Sample Size**
 - *Random selection is key.*
- **Questionnaire**
 - *The key elements are similar by type of study.*
- **Input Form & Legend**
 - *Code and input the data correctly & the calculations are automatic.*
- **Tables & Charts**
 - *Tables and charts are automatically generated.*

2006 "City" Visitor Profile
Survey Results

| | 2005 Results |
|---|--------------|
| 1 Sample Size by "City" Location | |
| Airport | 51 |
| Attraction 1 | 123 |
| Attraction 2 | 125 |
| Hotels | 273 |
| Travel Information Center | 554 |
| CVB/ Chamber Website | 61 |
| Total | 1187 |
| 2 Last Visit to "Kentucky City" | |
| First-Time Visitors | 25.2% |
| Earlier this year | 19.0% |
| Last year | 8.7% |
| Inactive | 47.1% |
| 2 years ago | 4.3% |
| 3 years ago | 13.8% |
| 4+ years ago | 29.0% |
| 3 No. Previous Visits | 3.03 |
| 4 Purpose of Trip | |
| <i>Pleasure</i> | 70.6% |
| Using "City" as a base for Other Town | 3.9% |
| On vacation | 13.2% |
| En route to/ from Somewhere Else | 18.4% |
| Passing Through | 6.3% |
| Visiting Friends/ Relatives | 10.3% |
| Visiting Attractions* | 10.4% |
| Other | 8.1% |
| <i>Personal</i> | 12.8% |
| Wedding | 1.0% |
| Reunion | 1.4% |
| Visiting Friends/ Relatives | 0.9% |
| Passing Through | 4.2% |
| Other | 5.5% |
| <i>Business</i> | 16.6% |
| Attending Conference | 4.4% |
| Sales Calls | 2.3% |
| Visit Local Office | 0.9% |
| Passing Through | 4.5% |
| Other | 4.6% |
| Don't Know | |
| 5 Party Composition | |
| Families with Kids | 21.5% |
| Grandtrotters | 3.4% |
| <i>Families</i> | 24.9% |
| Couples | 39.6% |
| One Adult | 8.1% |
| Two Adults | 11.5% |
| 3+ Adults | 12.9% |
| <i>Adults</i> | 72.1% |
| Other | 2.7% |
| 6 Party Size | 2.95 |
| 7 Age of Party | |
| Under 4 | 49.0% |
| 4-11 | 2.5% |
| 12-17 | 7.8% |
| 18-24 | 5.7% |
| 25-34 | 4.1% |
| 35-44 | 10.7% |
| 45-54 | 17.6% |
| 55-64 | 19.4% |
| 65-74 | 17.7% |
| 75+ | 12.8% |
| | 1.8% |

Destination Visitor Profile



Consumer Discussions



- **Focus groups can be expensive.**
- **Chatting with your customers is not.**
- **Just need a warm, endearing staff member with a curious nature.**
- **The power of “why?”**

Online IDIs/Triads/Quads



- Online focus groups are less expensive than traditional.
- No travel expense for clients & research team.
- Fewer groups because of broader inclusion of geographies.
- More appropriate state of mind.

Online Bulletin Boards

The screenshot displays a web-based bulletin board interface. At the top, a moderator named Jane Smith (Moderator) posts a message: "My name is Jane Smith and I'm going to be your moderator for this discussion. Over the next few days we're going to discuss your current cell phone plan, and I'm going to show you some new ad campaigns we're going to run to tell people about our offerings. Let's start by you telling me a little about yourself! 😊". Below this, three user replies are visible. The first is from Johnny Smith, dated March 21, 2010, 5:36 PM, with a star icon. The second is from an unnamed user, dated March 21, 2010, 5:42 PM, also with a star icon. A "QualBoard 3.0 mobile" login overlay is positioned on the left side of the screen, featuring fields for "Email Address" (example@example.com), "Password" (masked with asterisks), a "Remember Me" checkbox (checked), and a "Login" button. The interface includes a "Reply" button and "Question Settings" link for the moderator's post, and "Content Tags", "Backroom Notes", and "Edit" options for the user replies.

- Another two-way communication qualitative tool is online bulletin boards.
- Participants log-in and respond to questions you've posted along with follow-up probes.
- Can include images, video, audio, etc.

So, what
research
should you be
doing?



Visitor Profile

Advertising Effectiveness

Consumer
Segmentation

Geographic Distribution

Inquiry Conversion

Consumer
Mapping

Brand Awareness & Perception

Non-Visitor
Assessments

Economic impact

New Product Testing

Ad Testing

COMPETITIVE
ANALYSIS

Types of
Market
Research
Studies
DMOs are
using today.

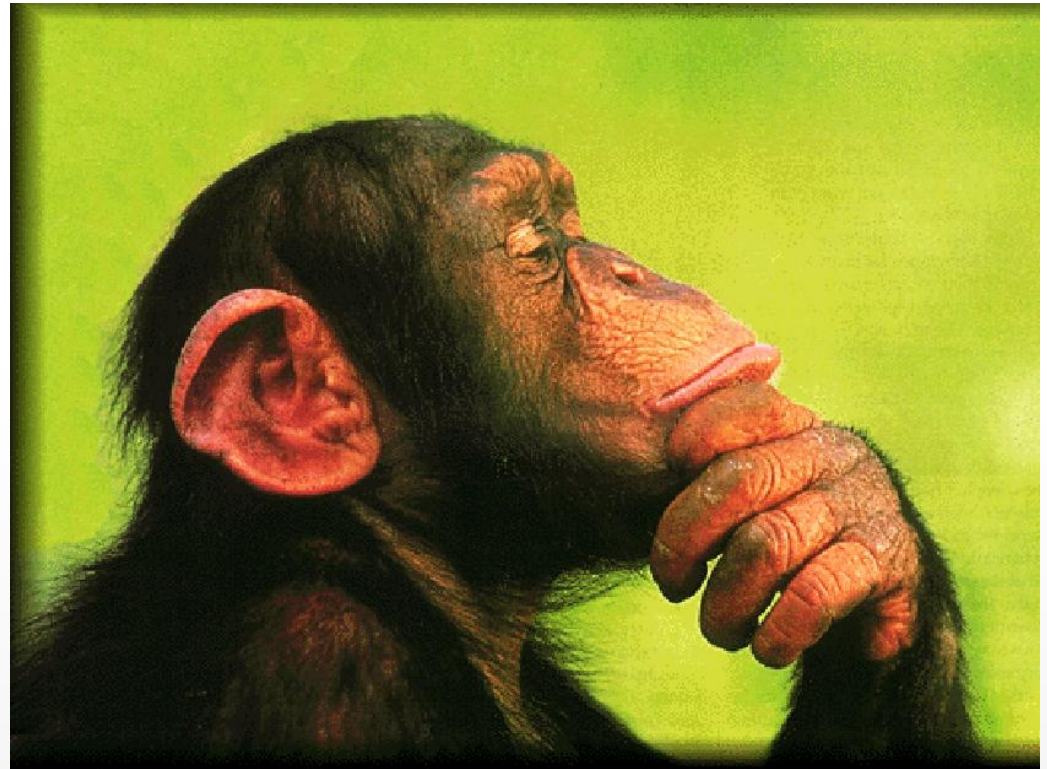
Studies to Consider

- **Geographic Distribution**
- **Visitor Profile**
 - Post cards mailed back
 - Capture email addresses as you go
 - Pool email addresses at end of the year
 - Intercept study
 - Purchase a syndicated study
- **Advertising Effectiveness or Conversion**
- **Market Segmentation**
- **Ad Testing**
- **Brand Perception or Brand Health Studies**



Innovative New Tools to Choose From

- **Digital Ethnography**
 - **Shop-a-longs**
 - **Campfires**
 - **Online Focus Groups**
- **Online Bulletin Boards**
 - **Social Listening**
- **Predictive Analytics/Big Data**
 - **Comments/Complaints**



Other Tricks of the Trade



- **Zip Code Conversion Assessment.** Map geographic distribution.
- **BDI or Brand Development Index.** Fish where the fish are biting. Are you advertising in the right markets?
- **Marketing Hook Evaluation.** What marketing hooks really drive visitation to your destination? Are the images you show in your ads increasing your business?
- **Multivariate Statistical Analysis.** Choice drivers, factor analysis, cluster analysis, regression, etc.

Summary

- The game has changed.
- But, understanding your visitor does NOT have to be expensive.
- Develop an inexpensive **secondary research** library.
- Conduct **e-surveys**.
- Consider **smaller sample size**, when applicable.
- **Get bids** from alternative vendors.
- Execute **fewer qualifiers**.
- Share the expense. Use **OPM**.
- Do an annual survey and **weight the data**.
- Employ standard research **templates**.
- **Talk** directly to your destination's visitors.
- **Use** the research you conduct.

Key Takeaways

1. **Research does not have to be expensive.**
2. **Given the speed of change, its never been more important to understand what makes your visitors tick.**
3. **Develop a deeper understanding of your visitors' needs so you can evolve with them.**
4. **Share & discuss the implications of your research findings with your team.**
5. **Use the research you conduct.**



Questions?



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