

Red Wing, Minnesota
Visitor Profile Study and ROI Analysis
October 2012



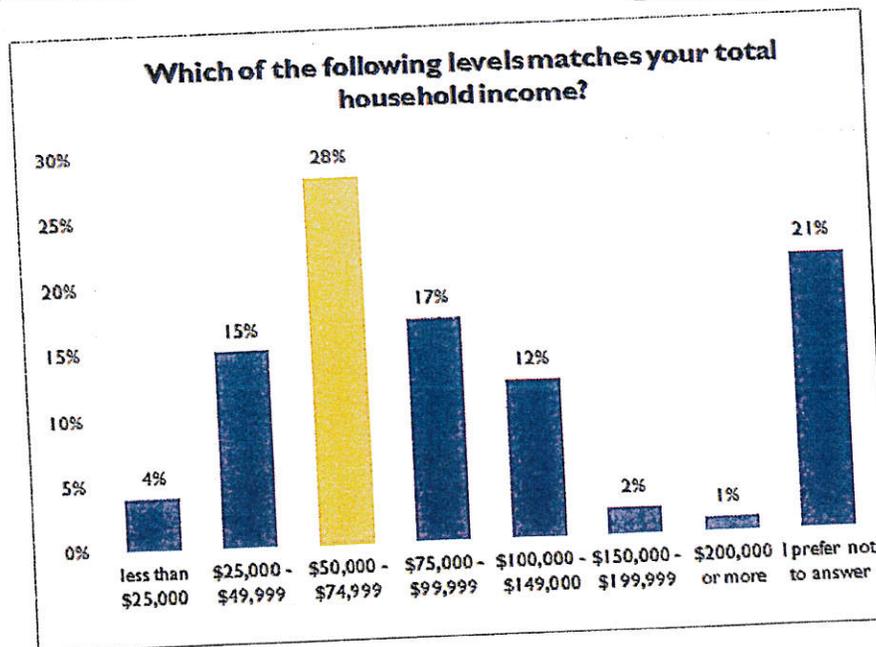
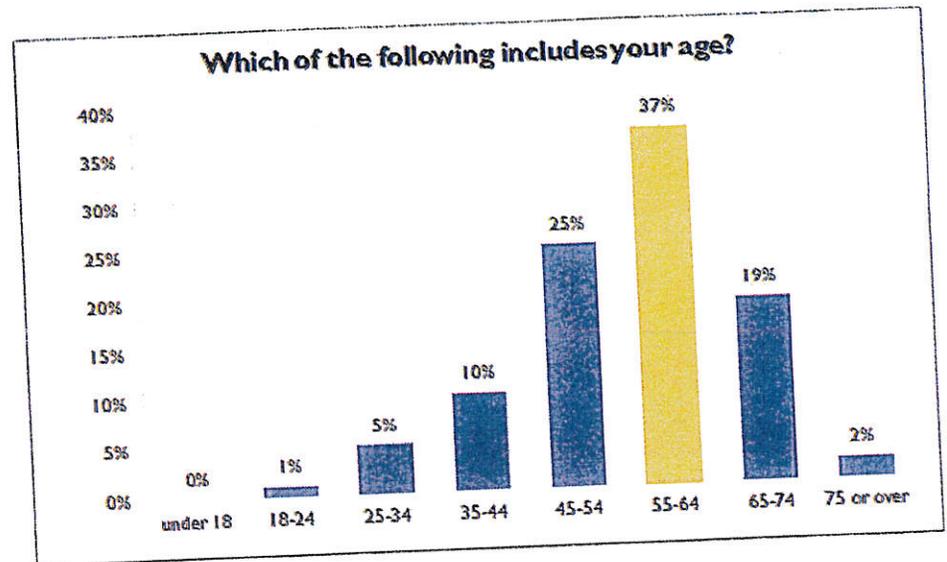
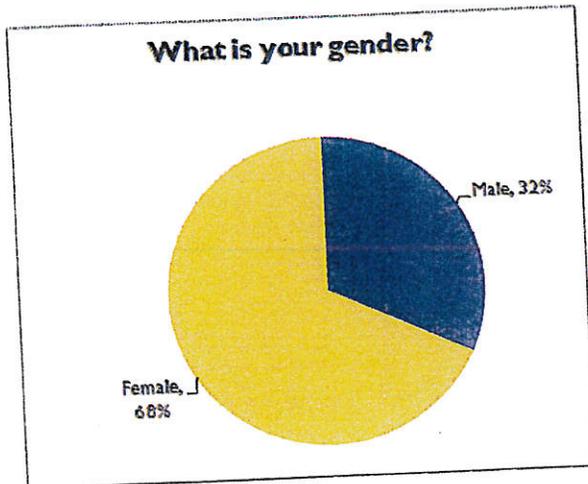
NORTH  STAR

INTRODUCTION & SIGNIFICANCE

INTRODUCTION

- An online survey was conducted June 1-29, 2012
- This survey represents **VCB engaged consumers** of Red Wing, MN
 - 2011-12 visitor inquiries, Facebook fans, Twitter followers
- In total, the survey had 479 responses
 - Statistical significance was calculated at **95% +/- 4.3 margin of error** (5 and lower is reliable)

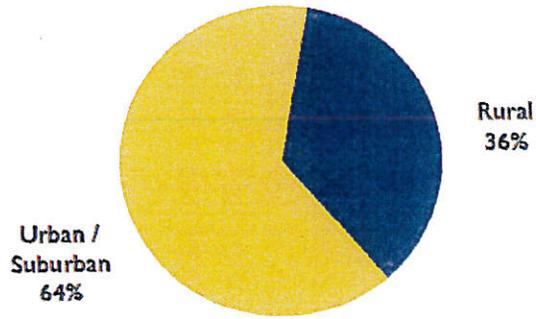
RESPONDENT DEMOGRAPHICS



- Mostly female
- Ages 55-64
- Earn between \$50,000-\$74,999 annually

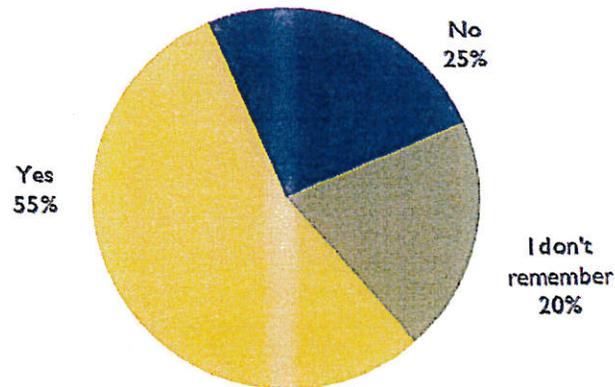
RESPONDENT DEMOGRAPHICS

Would you say that you live in an urban/suburban area or rural area?



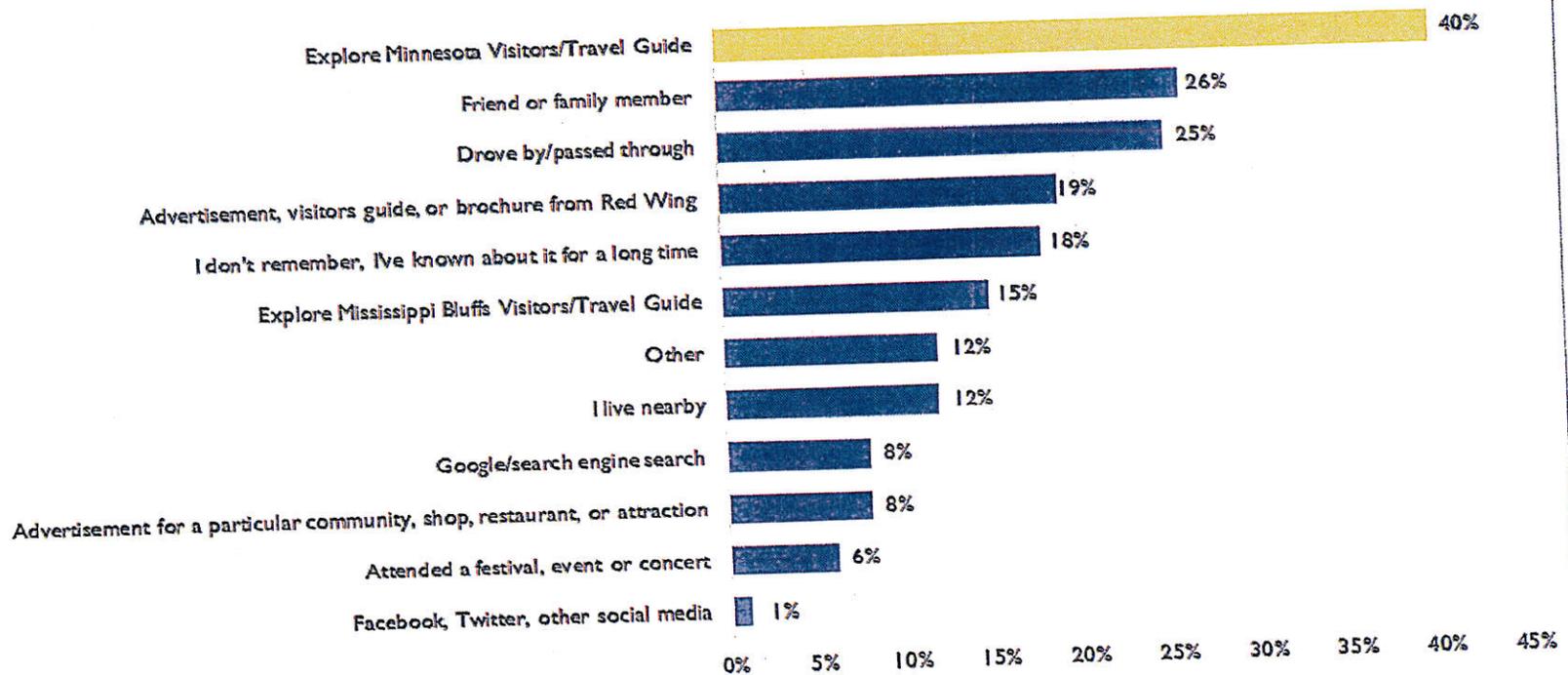
- 64% of respondents live in an urban or suburban area.
- At least 55% of respondents made use of a 2011 or 2012 Red Wing Visitors guide.

Did you request, pick up, download, or otherwise receive a 2011 or 2012 Red Wing Visitors Guide?



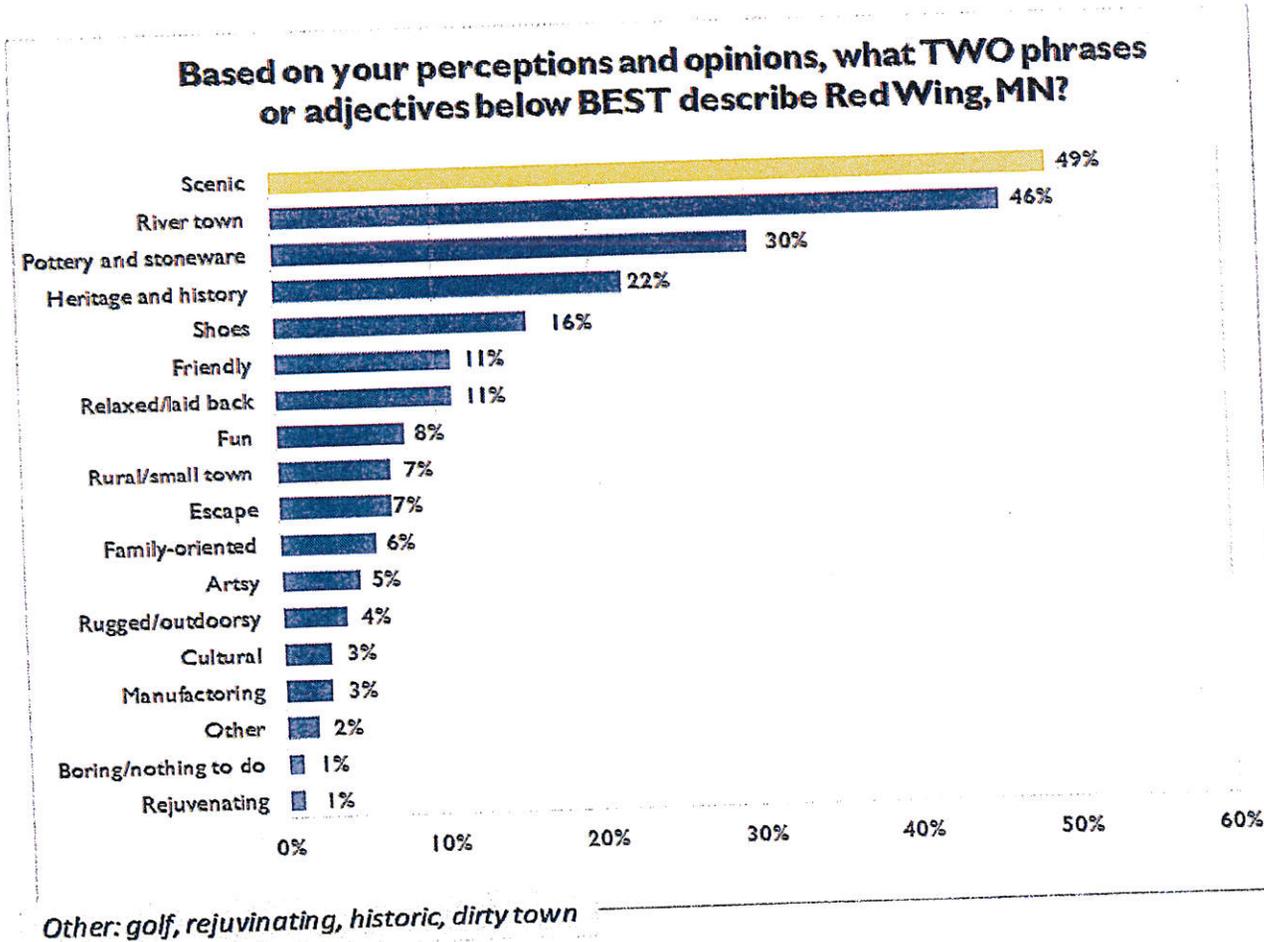
LEARNING ABOUT RED WING

How did you first learn about Red Wing as a destination? (Choose all that apply)



Other: Minnesota resident, Red Wing resident, visited previously, Red Wing Shoes

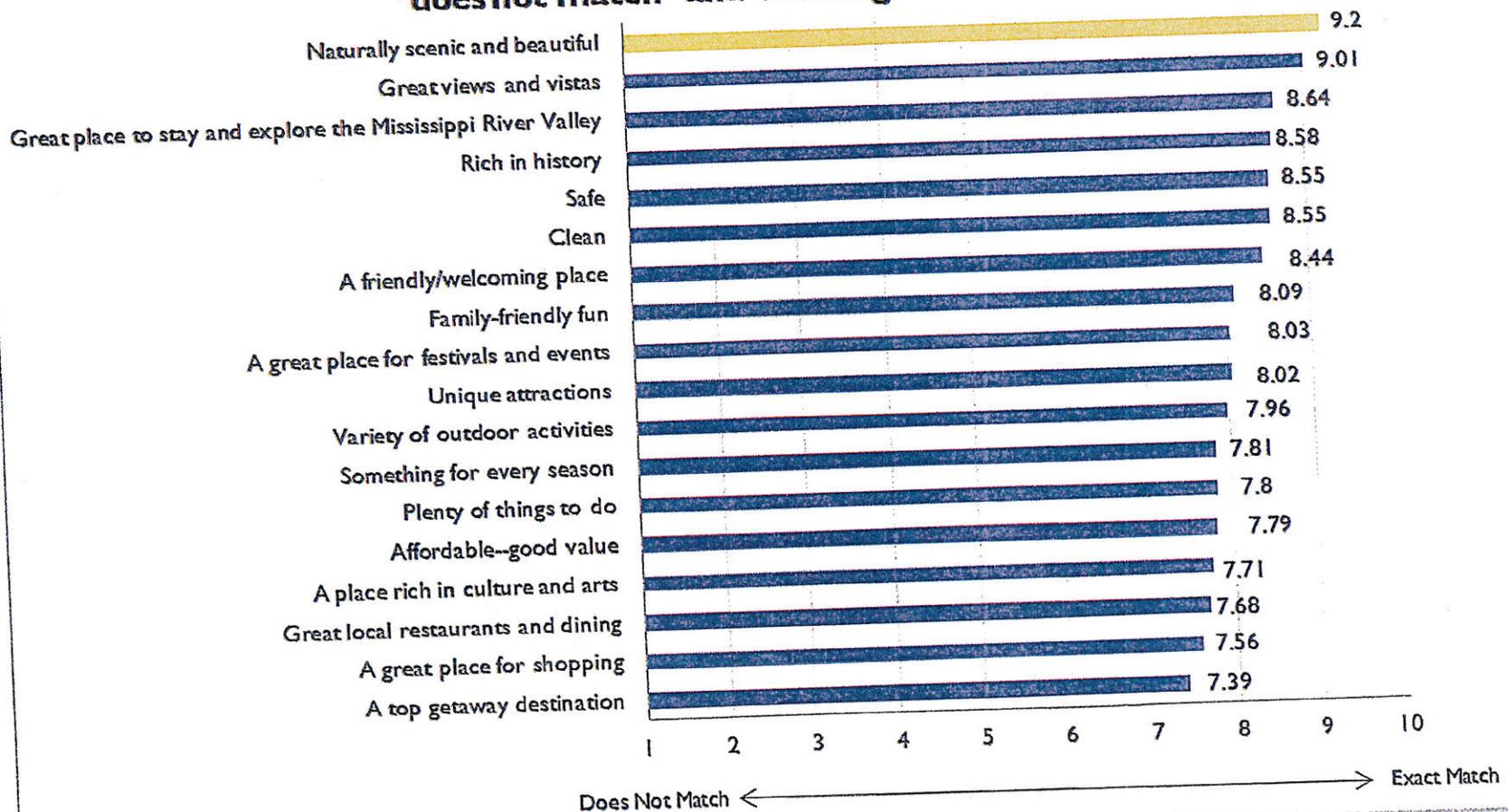
DESCRIBING RED WING



- Respondents most often described Red Wing as scenic (49%) and strongly associated the city with the Mississippi River Valley (46%).
- Pottery (30%), heritage and history (22%), and shoes (16%) were also common responses
- A very small number of respondents found Red Wing to be boring (1%)

PERCEPTIONS OF RED WING

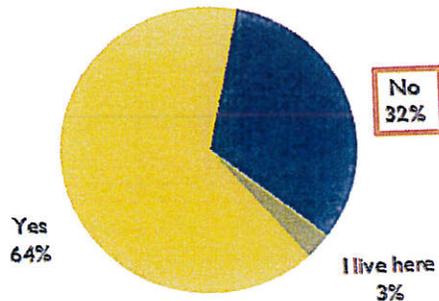
Based on your perceptions, how well do the following descriptions match your ideas of Red Wing? Match the following on a scale of 1-10 with 1 being "does not match" and 10 being "exact match."



**NON-VISITORS &
RESIDENTS**

CONVERSION TO VISITATION

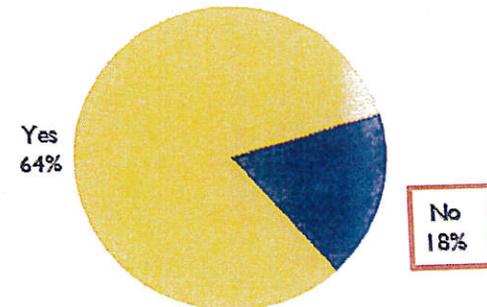
Have you visited Red Wing in the past two (2) years?



• Of respondents that have not recently visited, 64% had visited the Red Wing area in their lifetimes.

If No (32% of respondents)...

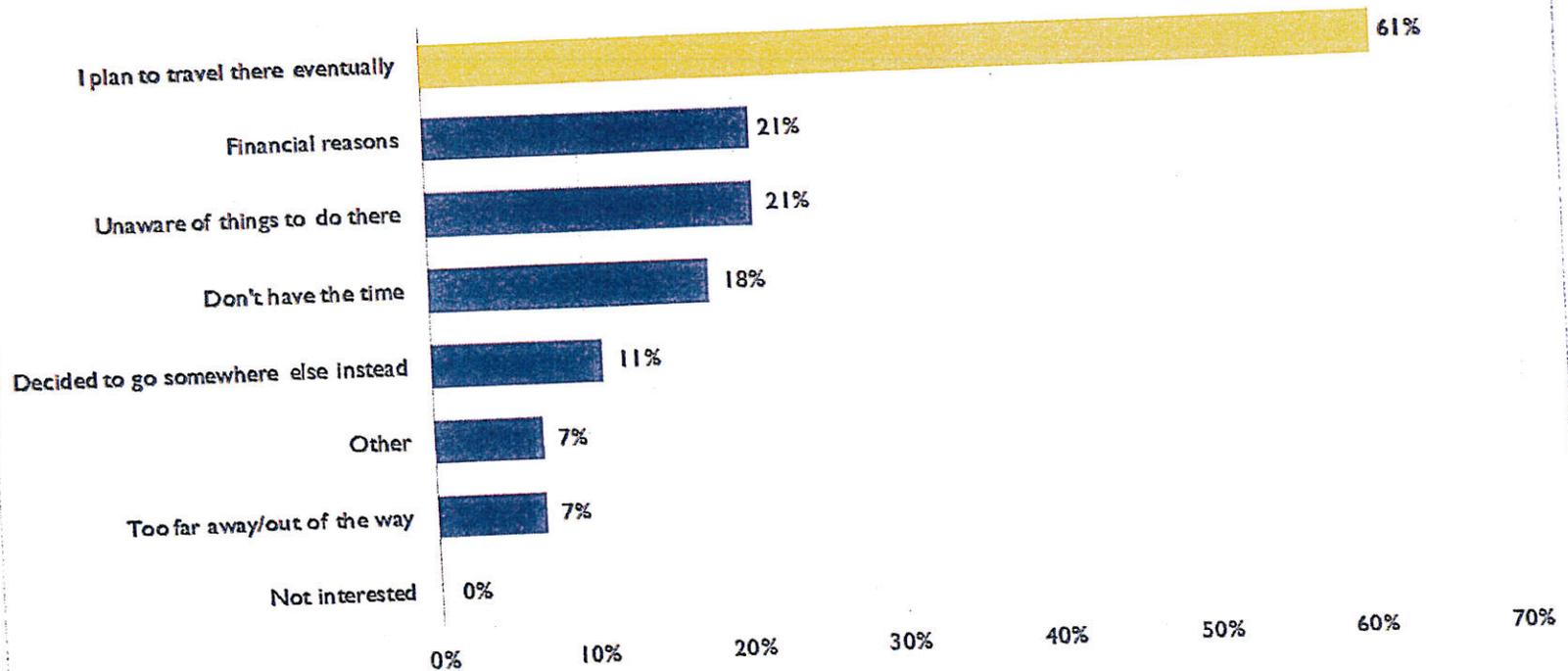
Have you visited the region in your lifetime?



REASONS FOR NON-VISITATION

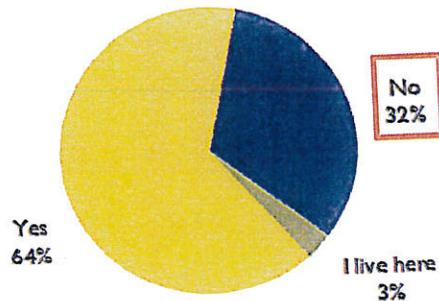
Those who have never visited Red Wing, MN (28 out of 479)

Why have you NOT visited Red Wing? (Choose all that apply)



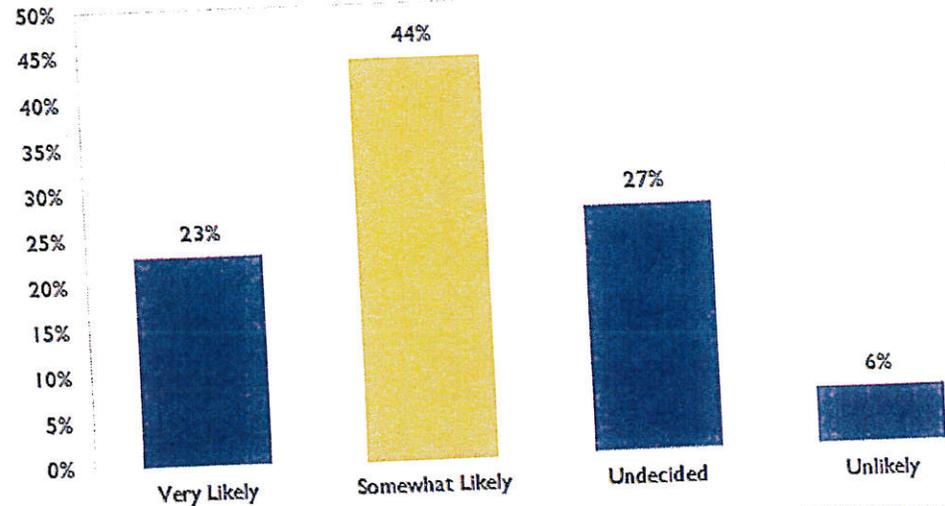
POTENTIAL VISITORS

Have you visited RedWing in the past two (2) years?



- Among those that have not visited in the past two years, 44% responded that they were "Somewhat Likely" to visit while 23% reported being "Very Likely" to visit.
- Only 6% of non-recent visitors responded being "Unlikely" to visit.

How likely are you to go in the next year or so?

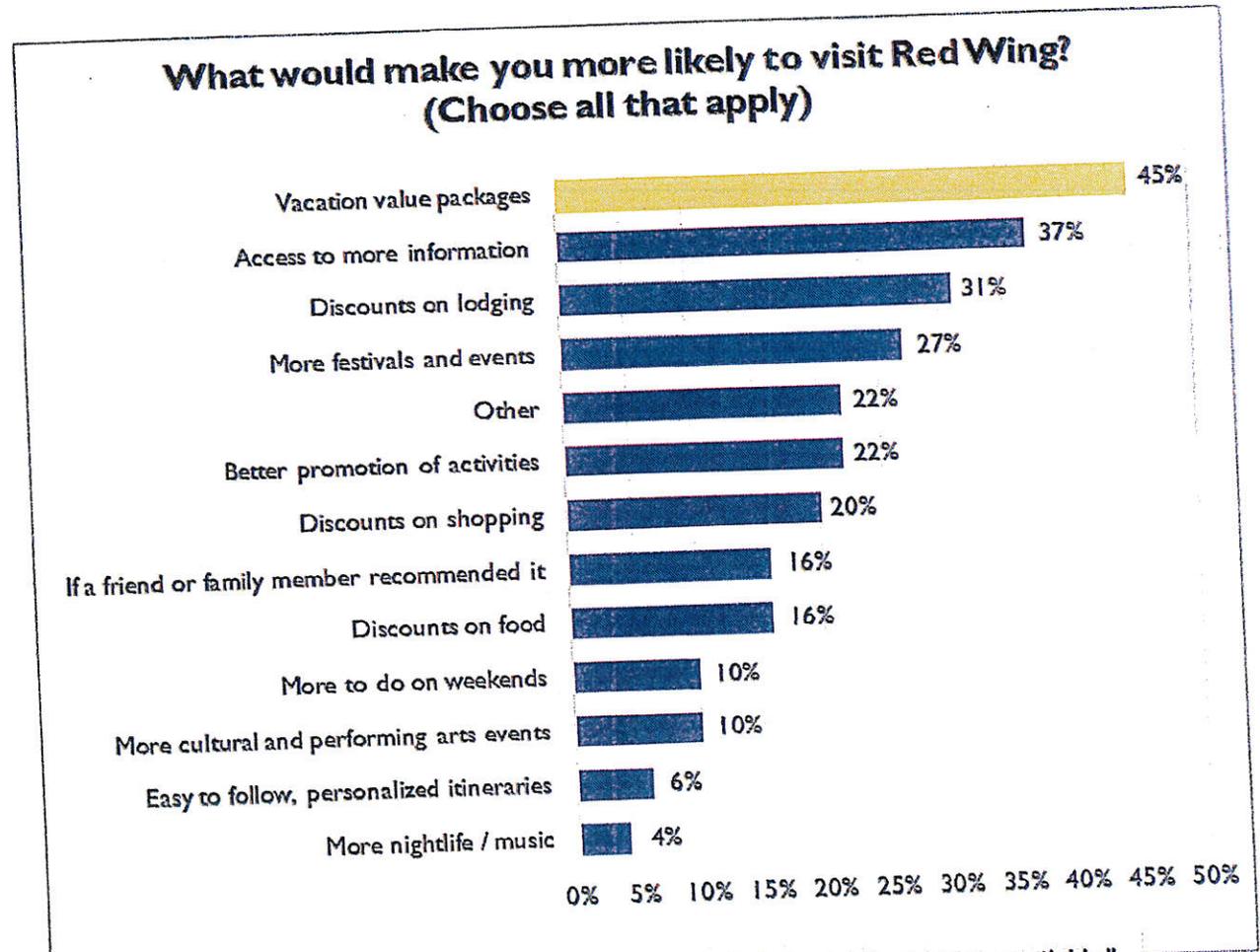


INSPIRING UNLIKELY/UNDECIDED VISITORS

The 33% of those undecided or unlikely to visit Red Wing were asked...

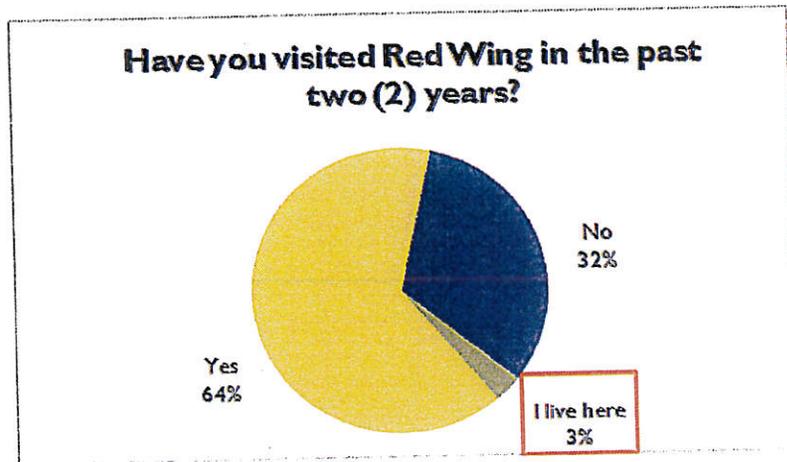
- Money saving efforts like “Vacation value packages” (45%) and lodging discounts (31%) were the most common responses

- “Access to more information” (37%) was also a frequent response.



Other: cost, "deals offseason," family activites, "I really wish there were more pottery available."

RED WING RESIDENT THOUGHTS



How do you describe Red Wing to someone who has never been there?

- *“Scenic river town, unique shops, beautiful parks, fun place to visit.”*
- *“It is a beautiful river town, full of great people and great things to do.”*
- *“Beautiful, but doesn't understand that tourism should be its top industry.”*
- *“It's like the idyllic town in Richard Scarry's children books.”*

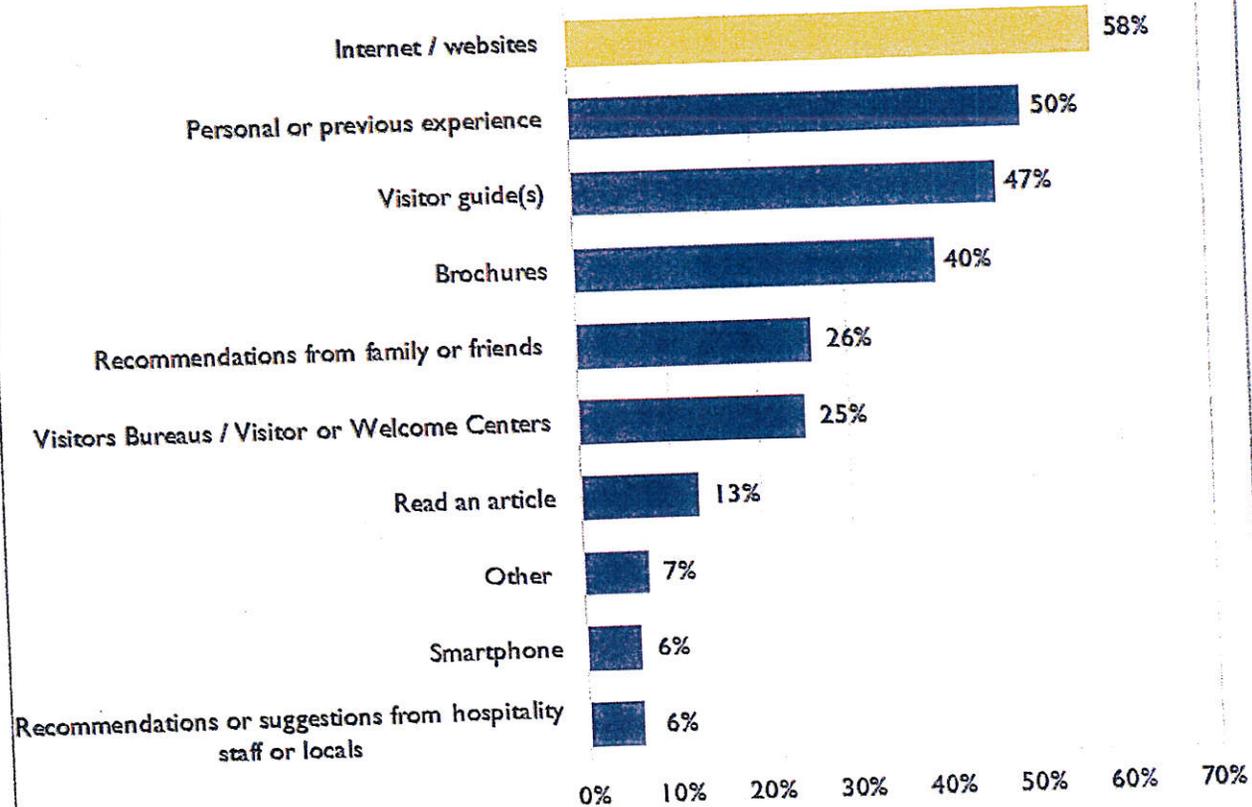
What is your perception of the Red Wing Visitor and Convention Bureau?

- *“Doing a great job promoting Red Wing - have stopped several times to get info for friends visiting the area.”*
- *“They do a great job creating marketing materials informing potential tourists about all Red Wing has to offer.”*
- *“Does some good promotions, but apparently doesn't have the power or vision to create or support tourism-enhancing ideas.”*
- *“I think they work hard but I think the focus is on older visitors. I eat at the Veranda to try and get the best view of the river and meet a lot of visitors and there is nothing for them to do in the evenings.”*

VISITOR ORIGINS & PATTERNS

TRIP PLANNING

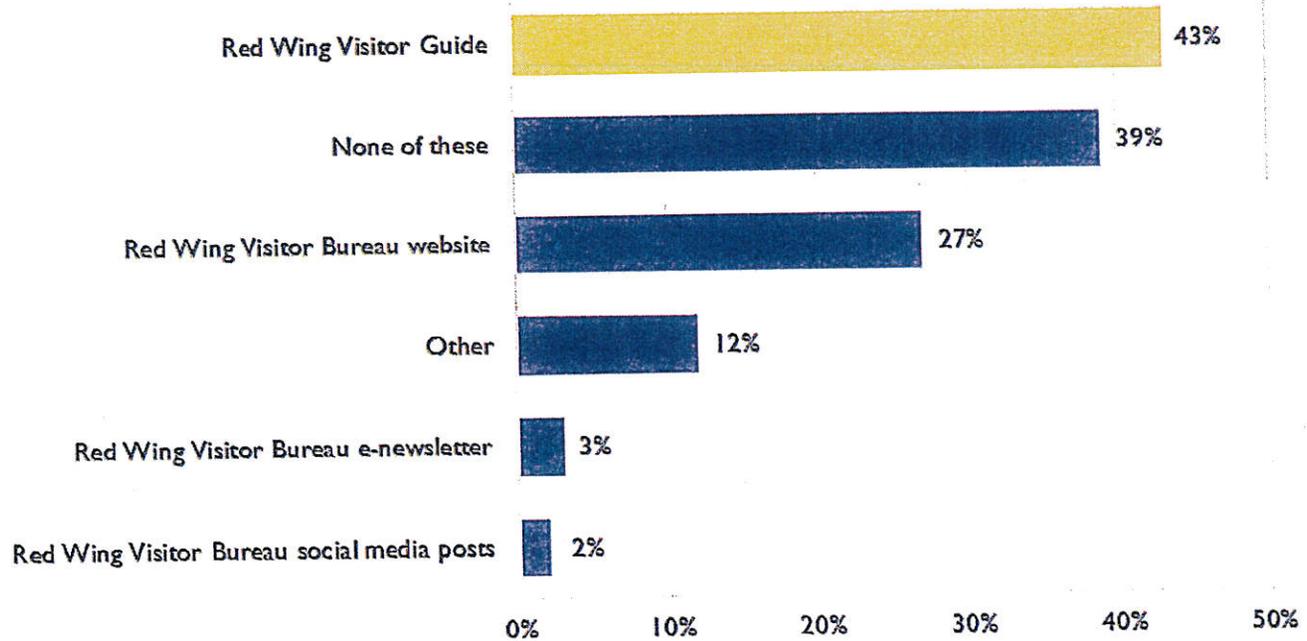
What resources did you use to plan or get information for your trip to Red Wing? (Select all that apply)



Other: AAA, none, Explore MN, Eagle Center ad

VISITOR INFLUENCES

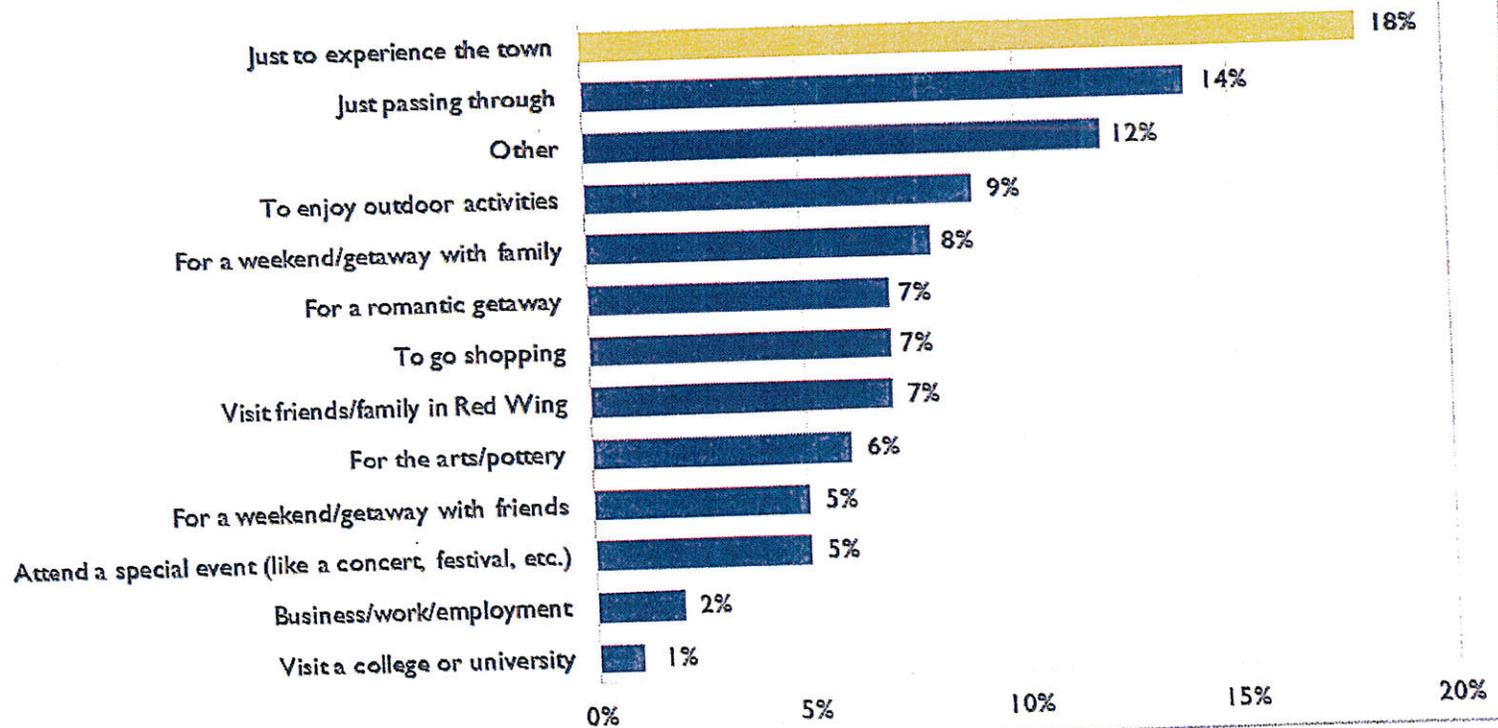
Were you influenced at all by any of the following sources of information in your decision to visit Red Wing? (Choose all that apply)



Other: Family and friends, visited in the past, Explore MN, don't recall

PRIMARY PURPOSE

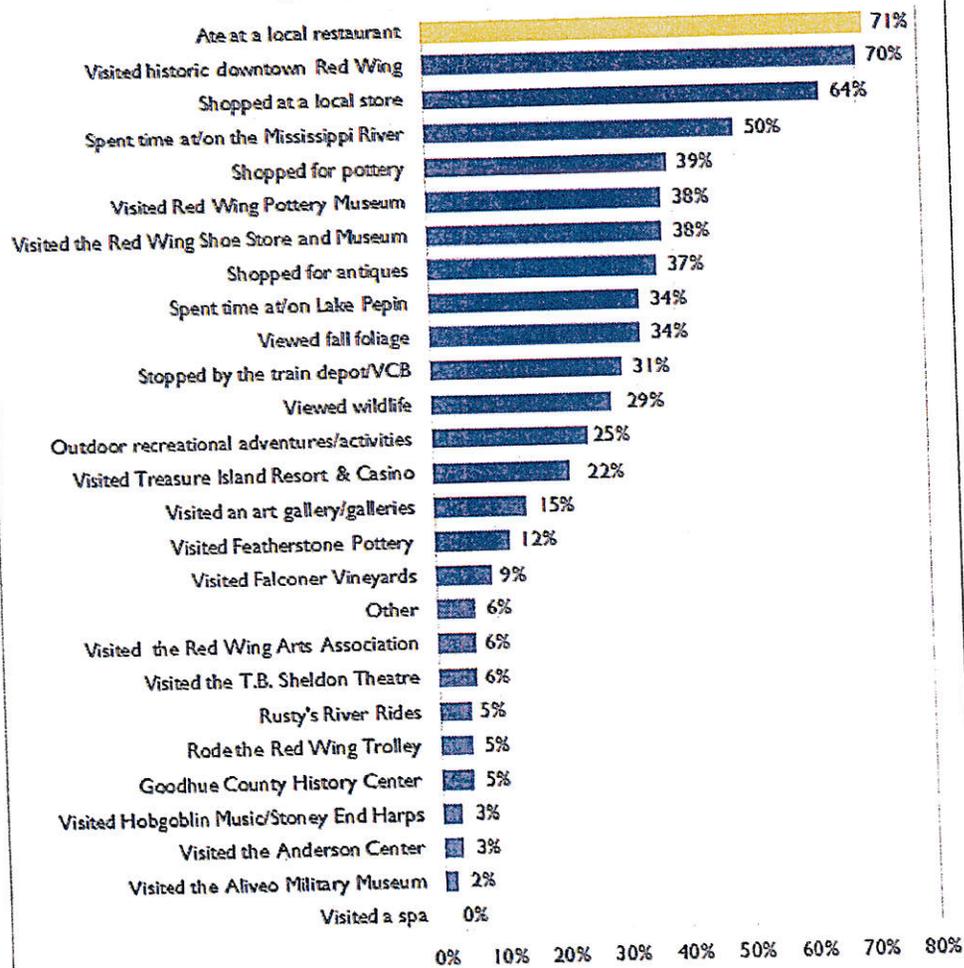
What was the primary purpose of your most recent trip to Red Wing, or the ONE main reason you went?



Other: Biking, visiting for the day, resident, Mississippi cruise, 100 Mile

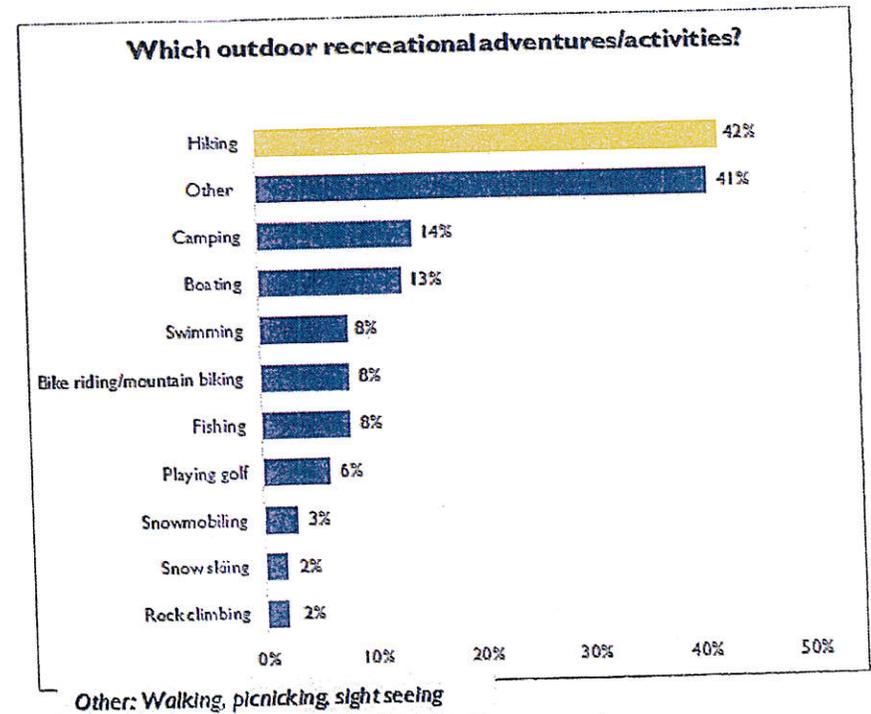
ACTIVITIES

While you were visiting Red Wing, which of the following did you do? (Select all that apply)



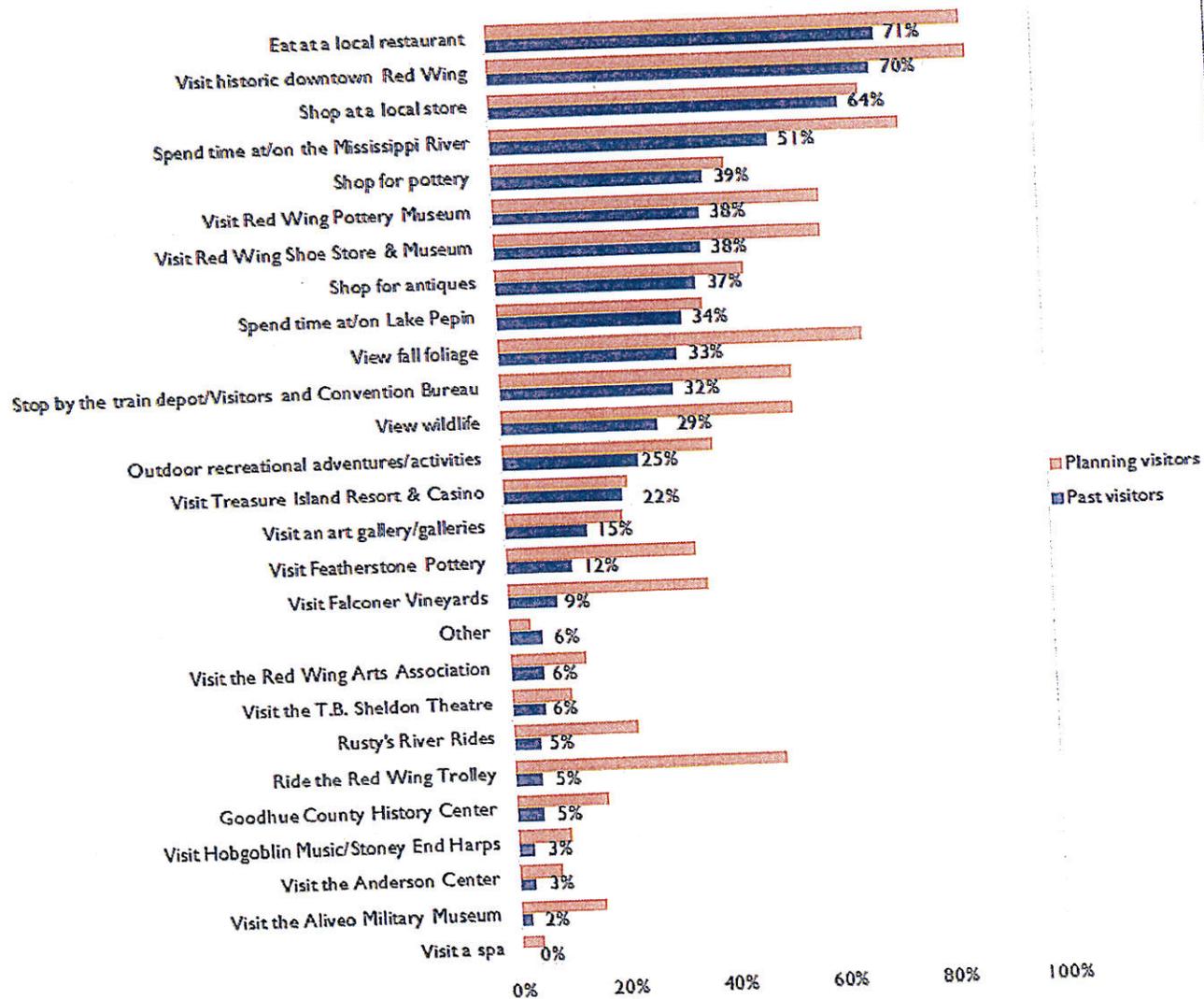
Other: golf, climbed the bluffs, "drove up a scenic outlook," Frontenac State park

The 25% of visitors who did outdoor recreational adventures/activities were asked...



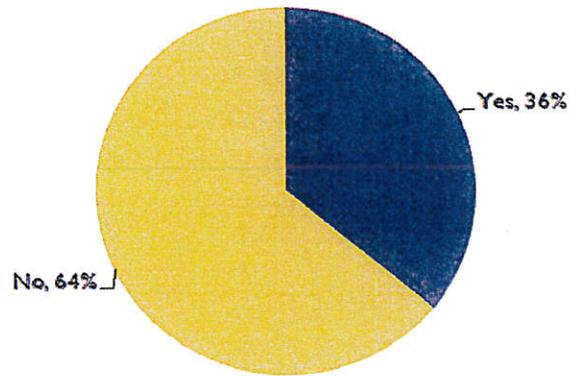
DRAW ACTIVITIES

Draw Activities: which do planning visitors want to do?



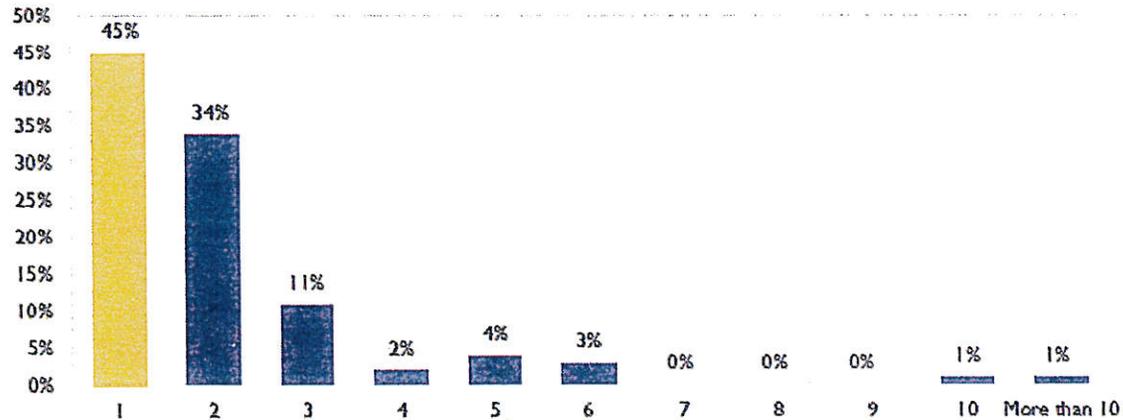
OVERNIGHT VISITS

Did you stay overnight in Red Wing during your most recent visit?



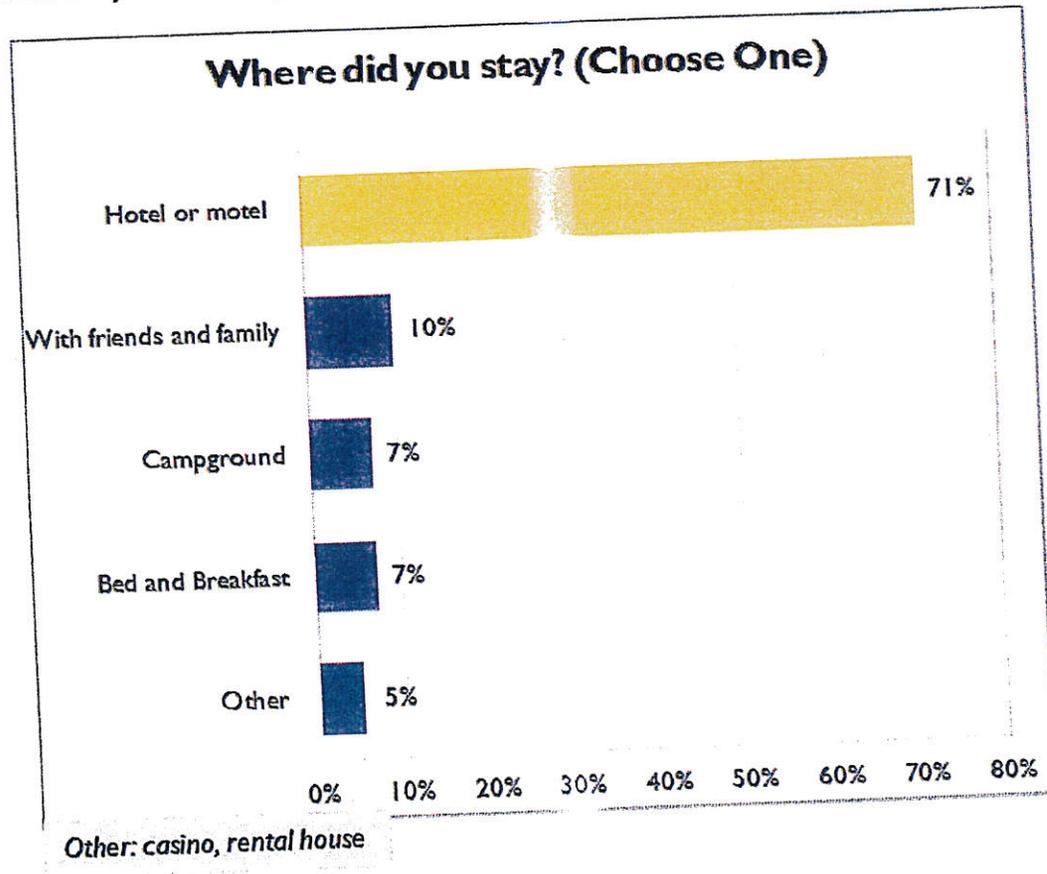
The 36% of visitors who stayed overnight were asked...

How many nights did you stay? (Choose One)

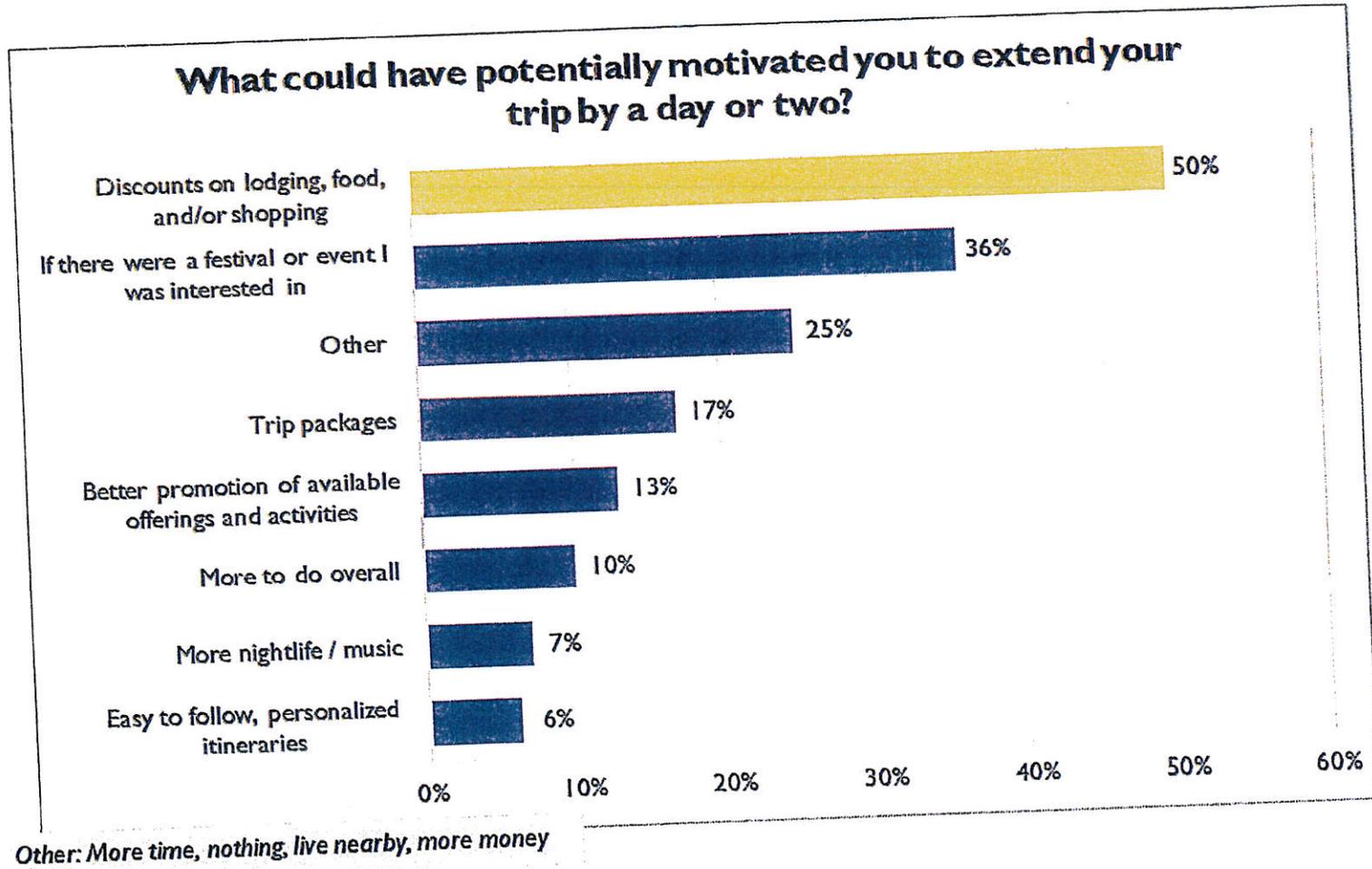


OVERNIGHT STAYS

The 36% of visitors who stayed overnight were also asked...

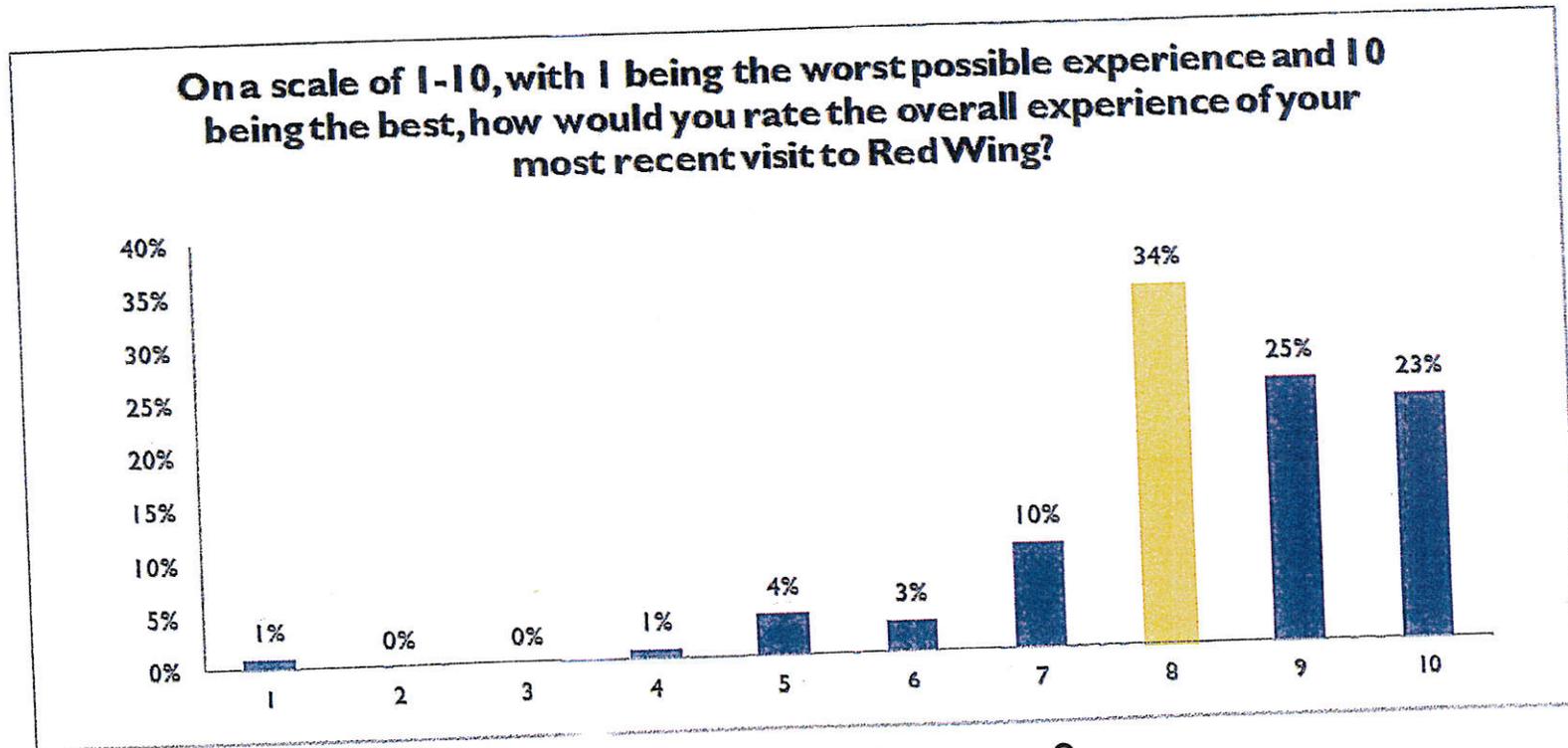


EXTENDING VISITORS' TRIPS



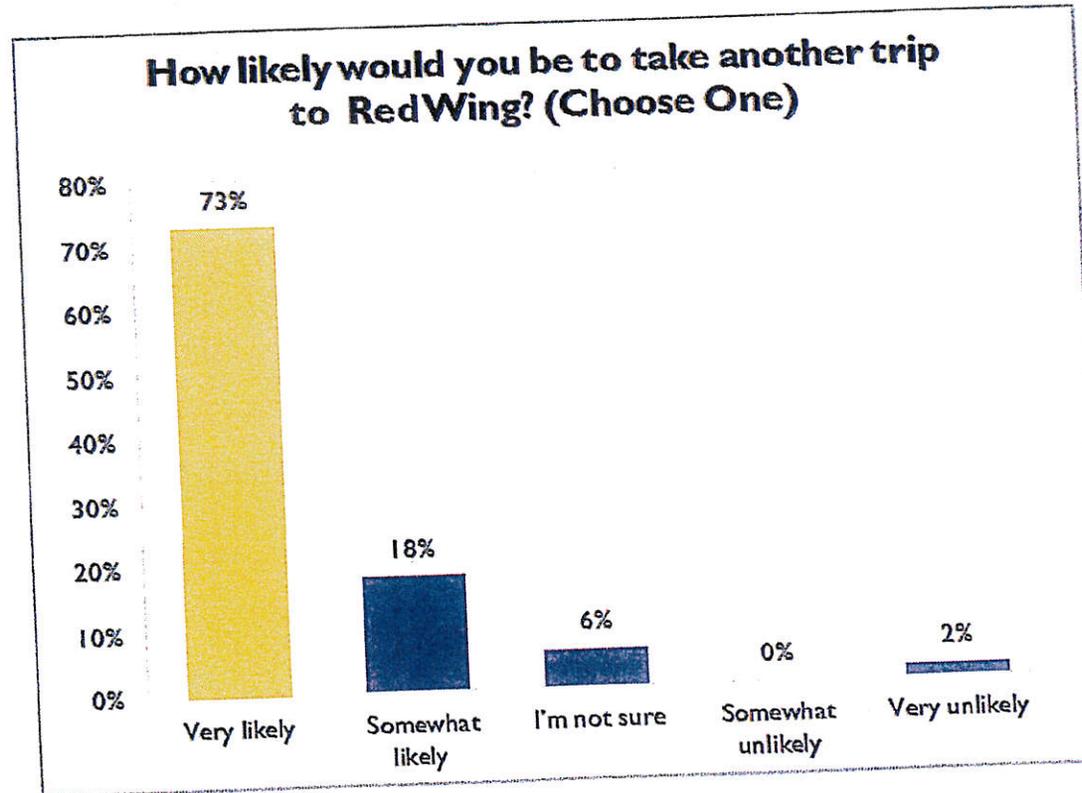
VISITOR ASSESSMENT

OVERALL SATISFACTION



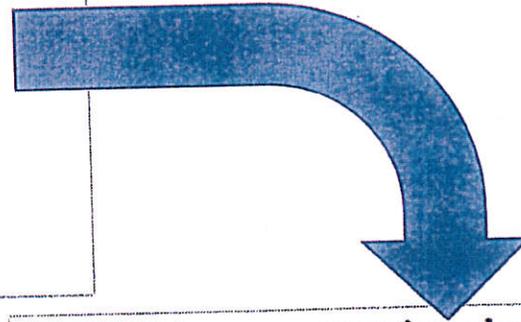
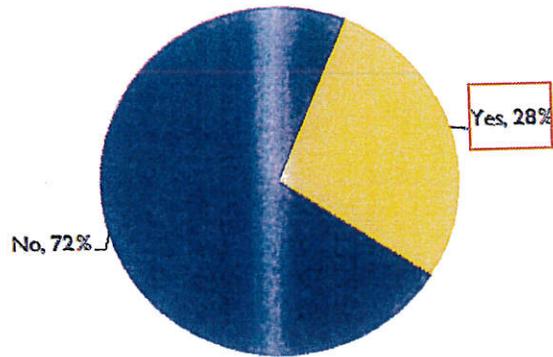
- 34% of visitors rated their overall experience an 8
- A combined 48% of visitors rated their overall experience a 9 or 10
- Only 19% of visitors ranked their visit less than an 8

LIKELIHOOD OF RETURN

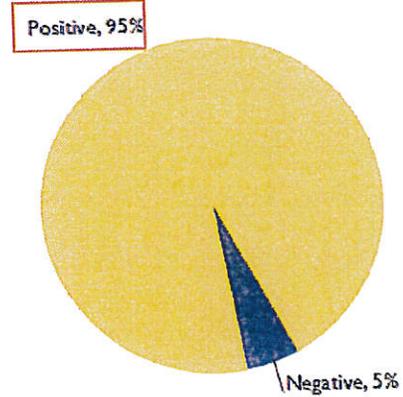


CHANGES IN VISITOR PERCEPTIONS

Did your perception of Red Wing change once you visited?



Did your perception change in a positive or negative way?



- Among visitors whose perceptions changed, those changes were overwhelming positive.

ROI CALCULATIONS

“VCB ENGAGED”

This survey sample represents approximately 6,422 **VCB engaged consumers** of Red Wing, MN.

Visitors who visit with no engagement or influence by the CVB

VCB Influenced Visitors (those who were influenced by CVB efforts, but did not engage)

Used CVB commercial or development

Used CVB website

VCB Engaged Visitors (those who interacted with the CVB prior to visiting)

Total Email and Mail inquiries

Total Facebook “Likes”

Total Twitter Followers

4,754

+

1,540

+

128

AVERAGE PER PERSON SPENDING

Category Spending	Average	% of total
Lodging	\$ 38.83	16%
Food & Dining	\$ 51.04	22%
Shopping	\$ 81.48	34%
Entertainment / Attractions	\$ 25.92	11%
Gas / Fuel / Transportation	\$ 35.36	15%
Miscellaneous / Other	\$ 4.54	2%
TOTAL	\$ 237.17	100%

Average Spending per Respondent/Party: \$237.17

Average of Days per Respondent Group (Nights + 1) = 3.16

\$237.17

/

**3.16 (avg
stay in days)**

=

**\$75.05 per
party per day**

TOTAL ESTIMATED VISITOR SPENDING

of those who engaged with the Red Wing Visitors Bureau
(Gross Conversion)

$$\begin{array}{|c|} \hline \text{Party-trips} \\ \hline (6,422 \times 64\%) \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Avg \# of} \\ \hline \text{annual trips} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Spending per} \\ \hline \text{Party per trip} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Estimated Visitor} \\ \hline \text{Spending in 2011} \\ \hline \end{array}$$

$$\begin{array}{|c|} \hline 4,110 \\ \hline \end{array} \times \begin{array}{|c|} \hline 1.63 \\ \hline \end{array} \times \begin{array}{|c|} \hline \$237.17 \\ \hline \end{array} = \begin{array}{|c|} \hline \$1,588,873 \\ \hline \end{array}$$

RETURN ON MARKETING INVESTMENT, Red Wing Visitors Bureau Marketing Budget (Gross Conversion)

$$\begin{array}{rcccl} \boxed{\text{Estimated Total}} & & & & \\ \boxed{\text{Visitor Spending}} & \div & \boxed{\text{Advertising}} & = & \boxed{\text{Return on Marketing}} \\ & & \boxed{\text{Budget}} & & \boxed{\text{Investment Ratio}} \end{array}$$

$$\begin{array}{rcccl} \boxed{\$ 1,588,873} & \div & \boxed{\$ 45,000} & = & \boxed{\$35.31} \end{array}$$

“For every dollar spent by the Red Wing Visitors Bureau on marketing, \$35.31 was returned to the area in visitor spending.”

TOTAL ESTIMATED VISITOR SPENDING of those who were **influenced to visit** by Red Wing Visitor marketing materials (**Net Conversion**)

Party-trips
(4,110 x **61%**)

x

Spending per
Party per trip

=

**Influenced Visitor
Spending in 2011**

2,507

x

\$237.17

=

\$594,609

*“Of the \$1,588,873 spent by VCB engaged visitors last year, at least **\$594,609** was spent by people who made their decision to visit based on the VCB’s marketing materials (esp. visitor guide and website). Red Wing would not have seen this revenue last year were it not for the VCB’s marketing efforts.”*

ADD'L INTENDING VISITOR SPENDING (Future Conversion)

Intending Visitor
trips (estimated
future visits * avg
of annual trips)

x

Spending per
Party per day

=

**Estimated "Intending"
Visitor Spending to be
generated in the next Year**

2,207

x

\$237.17

=

\$523,434

TOTAL VISITOR ROI (Including Future Conversion)

$$\begin{array}{|c|} \hline \text{This year's spending +} \\ \text{projected additional} \\ \text{spending next year} \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{Marketing} \\ \text{Budget} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Return on Marketing} \\ \text{Investment Ratio} \\ \hline \end{array}$$

$$\begin{array}{|c|} \hline \$ 523,434 \\ \hline \end{array} + \begin{array}{|c|} \hline \$1,588,873 \\ \hline \end{array} \div \begin{array}{|c|} \hline \$45,000 \\ \hline \end{array} = \begin{array}{|c|} \hline \$ 46.94 \\ \hline \end{array}$$

“In addition to the \$1,588,873 already spent by visitors from 2011 marketing, \$523,434 will likely be spent by visitors coming within the next year. This brings the total visitor spending resulting from last year’s marketing to \$2,112,307; or an overall ROI of \$46.94 for every dollar spent on marketing.”