

TITLE OF CASE STUDY: Michigan Tourism - Pure Michigan

Business Situation and Campaign Objectives

For generations, Michigan's economy stood securely on three powerful legs: manufacturing, agriculture, and tourism. For the better part of the last decade, however, the tourism industry found itself increasingly challenged by the seemingly inevitable decline of the U.S. auto industry. Fewer jobs meant fewer people to enjoy Michigan's exceptional vacation amenities . . . and a lot less money to keep the hotels, restaurants, and tourist towns of the state viable. The Pure Michigan campaign launched in 2006 during arguably, one of the most depressed economies we (both Michigan and the entire country) have seen in decades. But thanks to a one-time funding initiative from legislature, the state was afforded, quite literally, the chance of a lifetime – not only to create an emotional, impactful campaign to attract tourists, but also the means to hire partners to make it happen.

Things turned critical in mid 2008 as the U.S. auto industry began collapsing – with two of the once Big Three moving toward bankruptcy. Tens of thousands of tourism customers were losing their jobs virtually overnight. The state's tourism industry, which had promoted Michigan largely in neighboring metro markets familiar with the state, had to start making a case to the rest of the U.S. that Michigan was a legitimate contender for their vacation dollars. And with a growing list of supporters - residents, consumers and key state officials, the campaign continued to be funded at increasing levels, despite the battle in Lansing (our capitol) over state budget allocations. It is worth noting, that budget allocation for the campaign is completely dependent on government funding and therefore forced to contend with every other issue facing our government that is in need of budget and attention (education, transportation, environment, safety, etc.) – less than ideal especially considering the poor economic times.

Our business objective was clear: we needed to increase leisure visitor spending in Michigan. And to accomplish that, our strategy was to expand our message outside of our traditional regional audience and put Michigan on the map of the leisure traveler across the United States. This meant getting travelers thinking about Michigan, learning about Michigan and coming to Michigan. And it meant making the most of our \$28MM budget.

Therefore, our marketing objectives were the following:

1. Deliver an emotional message to a national audience to increase awareness of Michigan as a destination
2. Increase traffic to the state web portal, michigan.org
3. Increase travel to the state of Michigan

Research Story behind Campaign Development

In 2006, when Travel Michigan had its account up for a legally-mandated review, the Michigan economy was already in deep recession. Press about the state was overwhelmingly negative, with almost daily headlines about plummeting auto sales, declining home values and rising unemployment. At the time, Michigan's tourism advertising felt like a local campaign: Cheaply produced broadcast focused on listing the things vacationers can do in Michigan. Moreover, the tagline, "Great Lakes. Great Times," failed to differentiate Michigan from nearby vacation

destinations. We believed this was not advertising that could raise Michigan's profile out-of-state or pride in-state. Instead, Michigan needed a powerful "rallying cry" to make people pay attention and get the industry moving. It was clear that we needed to differentiate Michigan in a way unlike any other state, but how?

At the root of this belief were key insights obtained from a variety of research efforts:

1. A review of competitive destination advertising inspired two revelations: 1) a great campaign that captures the best of a locale can be a powerful force for rebranding a challenged destination (much the way "I Love New York" helped New York City rebrand after years of economic and civic decline) and 2) most states struggled to create a unique identity or offer up powerful communication. So many destination campaigns seemed the same, delivering lists of things that travelers can do during their stay [cue images of happy families splashing in water slide parks].
2. Annual in-depth brand image and ROI studies executed by the state's research agency, Longwoods International, indicated what travelers were looking for (and getting or not getting) in their trips to Michigan. Longwoods employs a proprietary methodology for going beyond rational motherhood responses to uncover the right-brain drivers of consumer engagement.¹ Their analysis demonstrated that our creative needed to go beyond tangible attributes of a destination and to create an emotional high for Michigan. In addition, respondents across most of our primary markets expressed a concern about Michigan being an appropriate destination for families. Therefore, we knew that a message about family was essential to our core audience.
3. The quantitative findings were reinforced by focus groups conducted in nearby markets, confirming that people understood they can do just about anything anywhere (there are golf courses, antique shops, wineries, etc., in every state). Two of our favorites quotes by respondents in these groups are, "[Michigan] is like Alaska, only closer." and, "It's like Amish country, but with electricity." We were amused, but these comments got us thinking and resulted in our big Aha moment: it's about **feeling**, not **doing**.

The insight that drove our work came out of these research observations: **The primary role of advertising for a state destination isn't to tell people what they can do there, but to help them understand what it feels like when they visit the state.**

Here was our opportunity: Michigan is different from other states. Surrounded by four of the Great Lakes, Michigan has stunning natural amenities, hundreds of quaint small towns, authentic cities that have retained their character . . . and something more: A kind of mythic spirit that goes back not only generations but centuries. From the time of the Native tribes (the epic poem "Hiawatha" is about Michigan) to the French explorers to the young Ernest Hemingway experiencing what he later called "The Last Good Country," the state has had a unique persona it never seemed to share in its travel advertising: At once proud and personal, rugged and gracious, majestic and meaningful, Michigan offers those seeking real value (and values) in their getaway time; a place that feels uncompromised by the increasing sameness of everyday life. In short, Michigan offers a feeling to travelers unlike any other state.

This was our big idea: As every state in America becomes more and more like every other state – the same places to shop, eat and have fun – one state still offers visitors a powerful mix of abundant natural splendor, authentic destinations and unique experiences: **Michigan**.

Description of the Campaign

In summer 2006, we launched the Pure Michigan campaign. Pure Michigan was created to celebrate the best of the Michigan experience, with an overwhelming focus on using mass advertising to achieve two creative goals: 1) Help people who haven't been to Michigan or who haven't been back recently experience the feeling of time spent in our state; and 2) drive them to Michigan.org where they can learn more and begin planning their Michigan vacation.

Since inception, our audience was always female skewed with a propensity for travel, but as the campaign expanded and our markets grew, our audience was refined to speak to women with families and a propensity to travel 5+ days.

For two reasons, we put most of our media weight on television and radio: 1) Broadcast allowed us to feed the traffic needs of the Michigan.org portal by reaching as many prospects as possible; and 2) we wanted media that could support a storytelling approach that brings to life the richness of the state's offerings. We supplemented broadcast with out-of-home (including bus wraps in Chicago, our largest out-of-state market), online and print—in each medium focusing on imagery and messages that reinforce the broadcast's emotional power with strong, simple ideas and iconic visuals.

For the first creative goal, we led with a robust investment in broadcast – the best way to fight the news buzz and change as many minds and hearts as quickly as possible – featuring powerful radio and television spots that acted a lot less like advertising and a lot more like stories or even poems. In each spot, our voiceover, Michigan native Tim Allen, talks about life, the choices we make, the way things are every day and the way we want them to be on vacation . . . and about the need to experience something meaningful and lasting during that precious time away. Each spot concludes with a light-handed mention of the place where these things can be found: “Pure Michigan.” We also created out-of-home (billboards, wallscapes, bus wraps) that's used to put striking images of Michigan's natural beauty in the heart of the urban and suburban Midwest.

For the second creative goal of driving traffic to Michigan.org, we developed a standard call to action that concludes all content (broadcast, digital, print, out-of-home, etc.) and plays off the invitation to visit Pure Michigan: “Your trip begins at Michigan.org.”

The branding philosophy behind the campaign and its heart-to-heart approach was to treat Michigan as an important place, to elevate the stature of the destination and give it an identity that expresses a unique point-of-view (not just Michigan, but **Pure Michigan**). Why did this matter? While many outside the area don't know it, Michigan has a national caliber vacation offering. It therefore needed a national caliber image. This the state clearly lacked.

One critical note about this campaign – because it made possible the achievements to come: From its launch, the people of Michigan fell in love with Pure Michigan. The powerful in-state response – from media, consumers, tourism industry and politicians on both sides of the aisle – led to consistently increased funding, despite Michigan's fiscal challenges. The campaign launched summer 2006 in only three markets and today can be found in nine regional markets (Cincinnati, Cleveland, Chicago, Indianapolis, Milwaukee, Dayton, Columbus, S. Ontario, St. Louis) and on about 10+ national cable networks during our key travel months. The Spring/Summer months of March through July are our priority for media dollars, with a close second going to the Fall months of September and October. When funding permits, we also have a presence during the Winter months of January and February.

Proof of Business Results

Objective 1: Deliver an emotional message to a national audience to increase awareness of Michigan as a destination

Results:²

- In its first year, the national campaign dramatically increased unaided awareness of Michigan as a place in the Midwest U.S. “you would really enjoy visiting”
 - Michigan moved to 2nd place against competitors post-wave, vs. 9th place before the campaign launched only months earlier
 - Based on post-campaign tracking research, 29% of national travelers were aware of this low-budget campaign

- The campaign greatly enhanced the image of Michigan among national travelers, overall and on many specific attributes that drive visitation, creating a positive perceptual halo effect for the state

Objective 2: Increase traffic to the state web portal, michigan.org

Results:

- Since launching in 2006, unique visitors to michigan.org has increased year over year³
 - 2010 visits totaled 13,354,331, a 19% increase over 2009
 - 2009 visits up 8% over 2008
 - 2008 visits up 41% over 2007
 - 2007 visits up 23% over 2006
- Michigan has been designated as the most visited state tourism website in America for four years in a row (2007-present)⁴

Objective 3: Increase travel to Michigan

Results:

Longwoods International evaluated the 2009 campaign through its award-winning methodology for tracking campaign ROI.⁵ Using a very conservative experimental-design based approach to control non-advertising variables, the following campaign impacts were observed:

- Based on \$7.8 million advertising spending outside the region on 15 national cable networks
 - An additional 681,000 people visited Michigan as a result of seeing the ads
 - They spent \$250 million in Michigan last summer (37% more per trip than regional visitors)
 - This generated \$17.5 million in incremental state tax revenue for the state
 - Every dollar of public funds spent on the national campaign in 2009 returned \$2.23 to the Michigan state treasury
- We note that this represents only the short-term ROI attributable to advertising
 - According to Longwoods, the 2009 national campaign generated a huge lift in intentions to visit Michigan in 2010

Looking back more broadly at the Pure Michigan campaign from 2006-2009:

- It generated 5 million incremental trips to the state
- Those visitors spent \$1.3 billion at Michigan businesses
- They paid \$93.3 million in Michigan sales tax
- The state made \$2.94 for each dollar spent on Pure Michigan summer advertising

In summary, through the use of innovative but credible research,⁶ we believe that Pure Michigan delivers Pure Engagement to:

- Hit the emotional hot buttons
- Cut through the clutter
- Achieve high awareness nationally with limited dollars
- Create a huge lift on state's image
- Create local pride in a state hit hard by the recession
- Bring in many visitors both regionally and nationally
- Create jobs in a difficult economy
- Generate incremental dollars to a state treasury struggling with a large budget deficit

A panel of travel experts assembled by Forbes recently rated the top ten travel campaigns of all time, ranking Pure Michigan sixth⁷ (the highest ranked state tourism campaign). And news outlets around the state began running editorials advocating for permanent funding.

The bottom line is clear: Not only has the Pure Michigan campaign shown a dramatic increase in the face of a strong recession, with a national effort that brings Michigan to the attention of a whole new audience, that national effort only happened because the Pure Michigan campaign helped Michiganders believe in their state again. "The Triumph Of Optimism," an article in the Economist (July 25, 2009) noted Pure Michigan's economic contribution and positive impact on Michigan's image in the face of grim economic news from the manufacturing sector. Even the toughest ad critics had taken note, and better yet, wanted to come to Michigan:

"Pure Michigan" is a pure delight. Every time we watched a commercial during the peak summer travel season last year (and now again in 2009), we felt the urge to jump right out of the seat in our living room and make a beeline for Michigan. It didn't matter where. Just anywhere, as long as it was Michigan."

Lewis Lazare, Advertising Critic, The Chicago Sun-Times

¹ Longwoods International has presented a number of case histories at recent ARF meetings illustrating its approach to measuring campaign engagement, including Michigan, Hawaii, Washington DC, Canada Post, the US Department of Commerce, and USPS.

² Source: Longwoods International

³ Source: Advertiser data captured via Google analytics and Web Trends

⁴ Source: Experian Hitwise

⁵ The results for the 2010 campaign will be available in March, 2011

⁶ The ROI methodology successfully withstood intense scrutiny by legislators, the media and state budget staff

⁷ Forbes magazine, Top 10 Tourism Advertising Campaigns, July 1, 2009