



DESTINATION DC 2013 Advertising Effectiveness and ROI Study

**Summary of Key Findings
April 29, 2014**

Summary of Key Findings prepared for Destination DC by Destination Analysts, Inc.



Overview & Methodology

- Based on a survey of 3,800 regional travelers
- Markets (DMAs): New York, Richmond, Philadelphia, Toronto; and the remainder of the East Coast
- ROI model developed in 2008 by the city and Destination DC
- Takes standard approach used in destination research and applies additional controls to calculate the most accurate ROI estimates



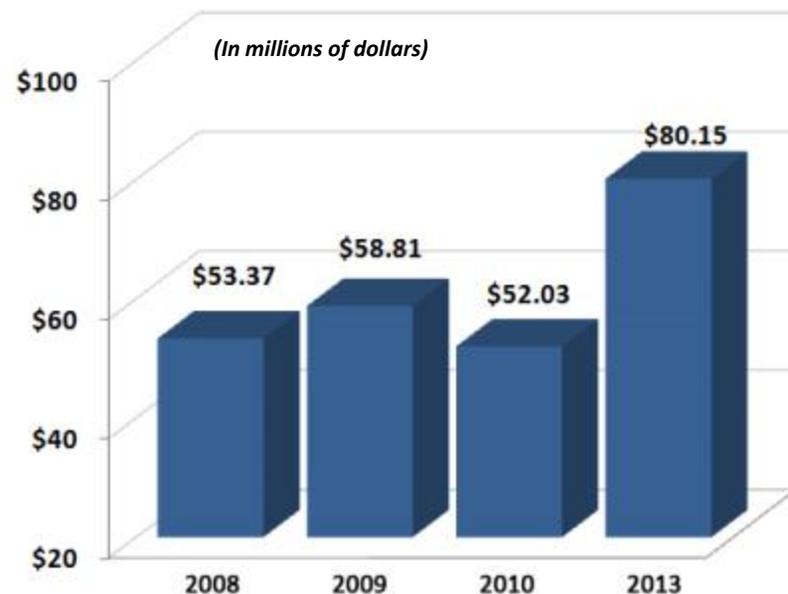


ROI Summary 2013

| | |
|--|-----------------------|
| DDC Investment | \$3.0 million |
| Gross incremental visitor spending generated | \$80.2 million |
| Overall ROI (Incremental visitor spending/DDC investment) | 26.7/1 |
| Incremental tax revenue generated for Washington, DC | \$5.3 million |
| Tax ROI (Taxes generated/DDC investment) | 1.77/1 |

ROI: Historical Perspective

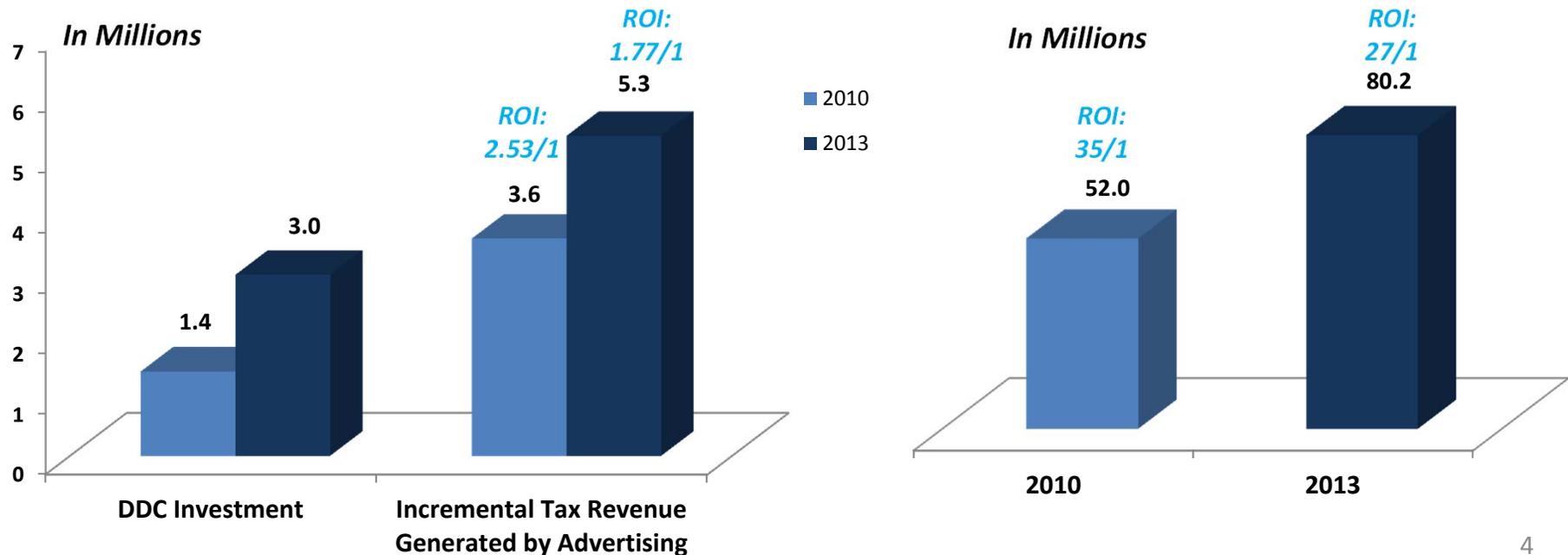
Incremental spending in DC generated by campaign





Key Metrics—2013/2010 Comparison

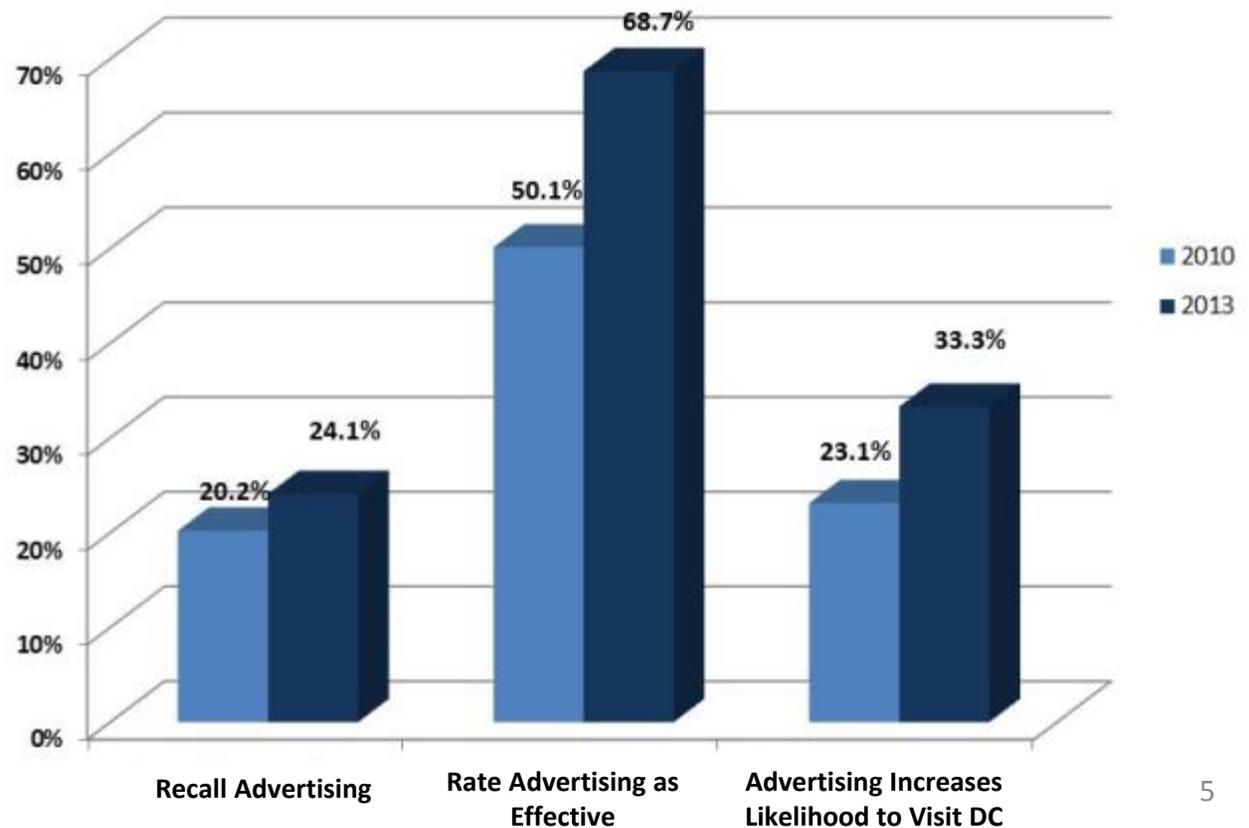
The additional advertising investment in 2013 increased incremental visitor spending and thus tax revenue to Washington, DC. Although not at the same rate as the 2010 campaign, the 2013 campaign continued a strongly positive ROI for Washington, DC.





Key Metrics—2013/2010 Comparison

Key performance metrics of the 2013 advertising campaign—including advertising recall, the perception that the advertising is effective in positioning Washington, DC as an attractive place to visit and the advertising’s ability to motivate travel to Washington, DC—are all up significantly over the 2010 campaign.





Campaign Reach (Ad Recall by Market)

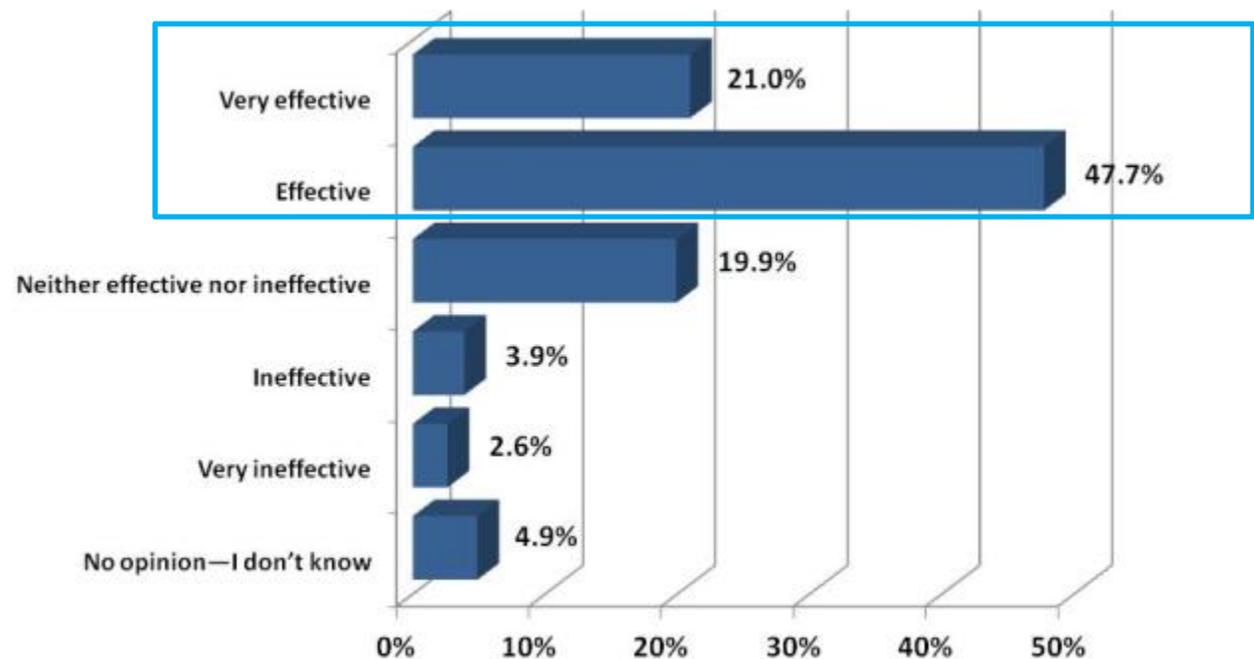
*The 2013 advertising campaign's reach was significant, with one in four regional travelers reporting they had seen at least one of the campaign's advertisements. This ad recall rate is **up 19 percent** from 2010 and is the **highest recall rate recorded since 2006**. In perspective, a 2007 academic study found the average ad recall rate amongst consumers to be 2.2 percent.*

| | Total | NY DMA | Philadelphia DMA | Richmond DMA | Toronto DMA | East Coast (minus DMAs) |
|--------------------------|--------------|--------------|------------------|--------------|--------------|-------------------------|
| NO ADVERTISEMENTS | 75.9% | 70.9% | 76.8% | 80.1% | 78.9% | 76.7% |
| ANY ADVERTISEMENT | 24.1% | 29.1% | 23.2% | 19.9% | 21.1% | 23.3% |
| One | 9.7% | 11.0% | 10.1% | 8.9% | 8.5% | 9.4% |
| Two | 6.0% | 5.0% | 6.8% | 6.1% | 5.9% | 6.1% |
| Three | 3.7% | 3.7% | 2.3% | 2.1% | 2.7% | 3.9% |
| Four | 3.1% | 3.3% | 3.7% | 2.8% | 3.9% | 2.9% |
| Five or more | 1.7% | 6.1% | 0.3% | 0.0% | 0.0% | 1.0% |



Perceived Effectiveness

*The vast majority of regional travelers—68.7 percent—see the campaign as effectively portraying Washington, DC as a place they would like to visit. This is **up 37 percent** from 2010 and is the **highest effectiveness rating of any Destination DC ad campaign studied.***

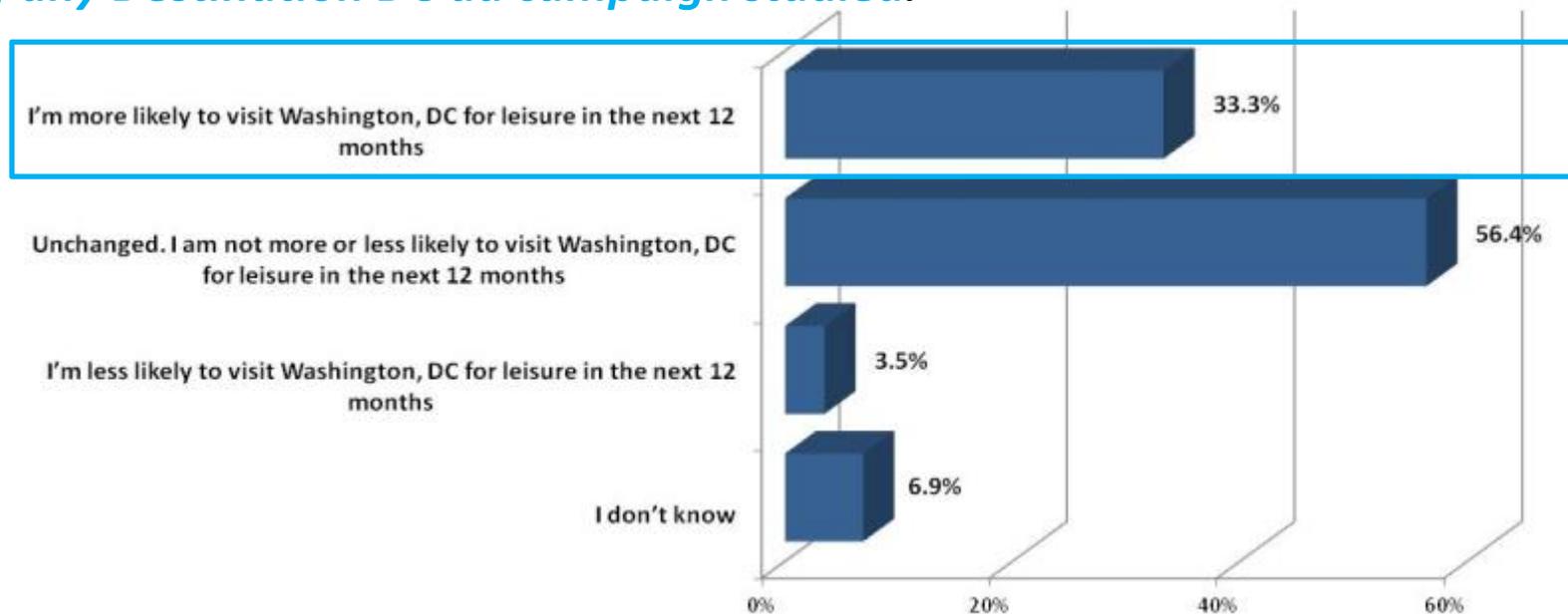


Question: After viewing this series of advertisements, overall, how effective do you think these advertisements are in portraying Washington, DC as a place you would enjoy visiting for leisure reasons? (Select one)



Impact on Likelihood of Visitation

*The advertising campaign inspires great interest in visiting Washington, DC. One third of survey respondents said that the advertising made them more likely to visit Washington, DC in the next year, an **increase of 44.1 percent** and the **highest net-positive impact of any Destination DC ad campaign studied.***



Question: How did the advertisements you viewed today affect your likelihood to visit Washington, DC for leisure in the next 12 months? (Select one)



Learning from 2013 & Looking Forward

- The overall media buy for the 2013 advertising campaign was efficient. Despite media costs rising, the average cost per impression of the 2013 campaign (the number of impressions in media divided by the cost to purchase that media) held steady at \$0.50, the same as in 2010.
- Print—particularly magazines—continued to be the most efficient means of reaching the largest number of regional travelers, although digital advertising is catching up.
- The New York DMA had the highest rate of advertising recall and the second highest rate of incremental travel (after the Richmond DMA), and should continue to be a target market for Washington, DC advertising.
- *While down from 2010, the 2013 campaign tax ROI of 1.77 to 1 within six months shows the value of investing in consumer advertising to visit DC. The legacy of the 2013 campaign, combined with new and innovative campaigns in the future will continue to compel consumers to visit DC in the years to come.*