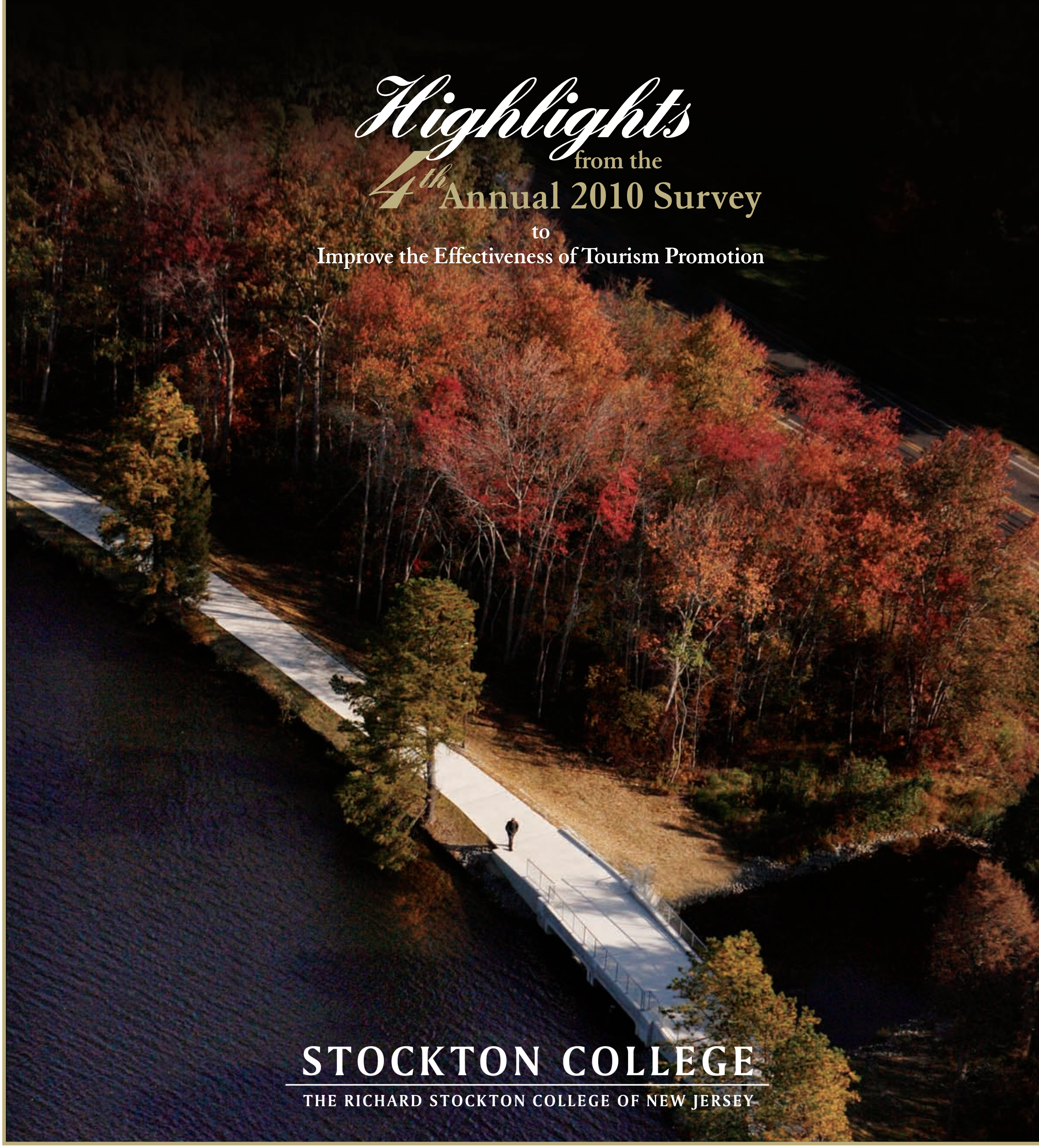
The New Jersey Center for Hospitality and Tourism Research

Highlights from the 4th Annual 2010 Survey to Improve the Effectiveness of Tourism Promotion



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New Jersey Center for Hospitality and Tourism Research

At The Richard Stockton College of New Jersey

Center Mission: *To leverage Stockton's intellectual resources and community connections to provide research and outreach that supports gaming and tourism leaders and policy makers in the Atlantic City region, in the state of New Jersey, and beyond.*

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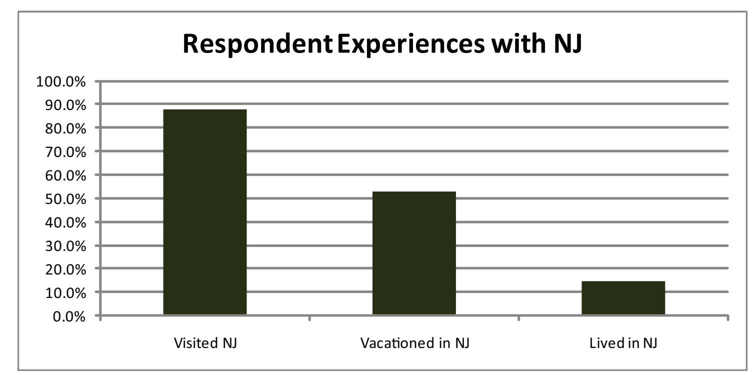
to Improve the Effectiveness of Tourism Promotion

Our survey

Working with Zogby International, the New Jersey Center for Hospitality and Tourism Research at The Richard Stockton College of New Jersey designed an interactive online tracking survey to investigate factors concerning the effectiveness of NJ tourism promotion. The sample focused on adults, all living outside NJ, who reported taking at least one recreational trip in the past year. The questions focused on NJ as a whole; we did not ask questions about individual cities or areas within NJ. A 40-question survey was administered to more than 3,900 adults in February and March 2010. The survey included respondents in 16 Designated Market Areas (DMA's): New York, Philadelphia, Boston, Washington DC, Cleveland-Akron, Baltimore, Pittsburgh, Albany, Cincinnati, Harrisburg, Hartford, Norfolk, Providence, Richmond, Roanoke, and Wilkes-Barre.

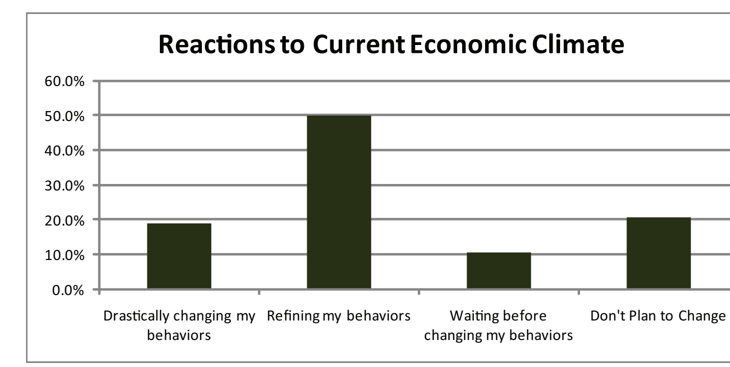


On their last recreational trip, the "typical" respondent ...*

- Made reservations at the very last minute,
- for a trip over a long weekend,
- taken by car,
- involving a hotel stay.
- This traveler got most of their travel information on the web or from friends-and-family.
- The most important factors in choosing that trip (in order of most frequently chosen) were: price, lodging, and ease of travel.
- The least important factors in choosing that trip (in order of least frequently chosen) were gaming, shopping, and nightlife.

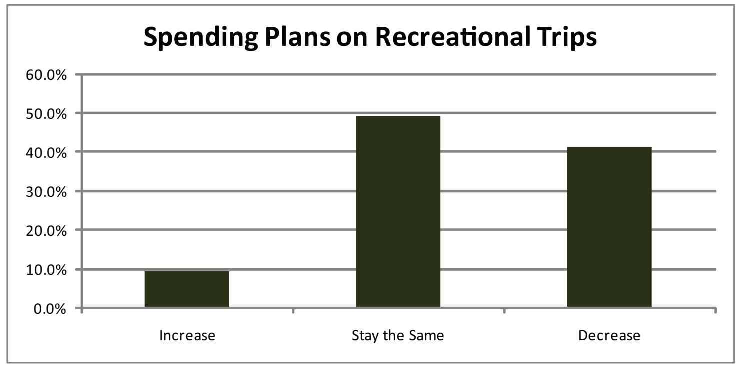
* These responses are the "modal" (most frequent) responses on the individual items.

In light of the current economy, people are changing their spending behavior



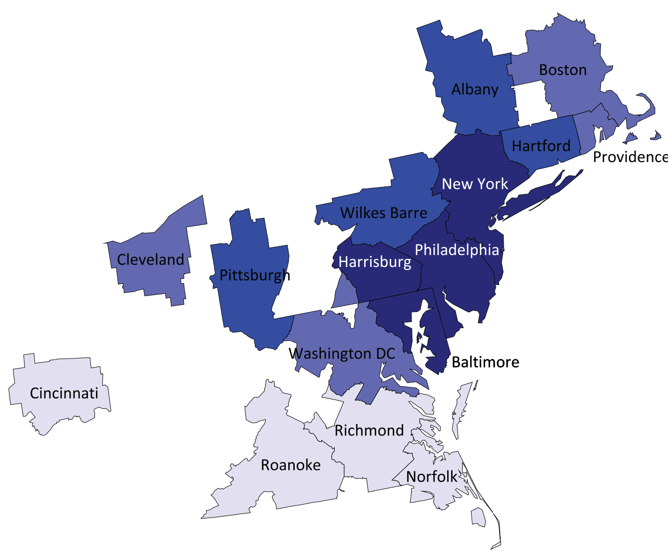
We can see that most of the respondents are planning to change their behaviors in some way in light of the current economic climate. Still, 31% of the respondents are not planning to change now; 50% of the respondents are only "refining" their spending, leaving only 19% planning "drastic" changes. There are plenty of people out there still spending.

Spending on recreational trips continues



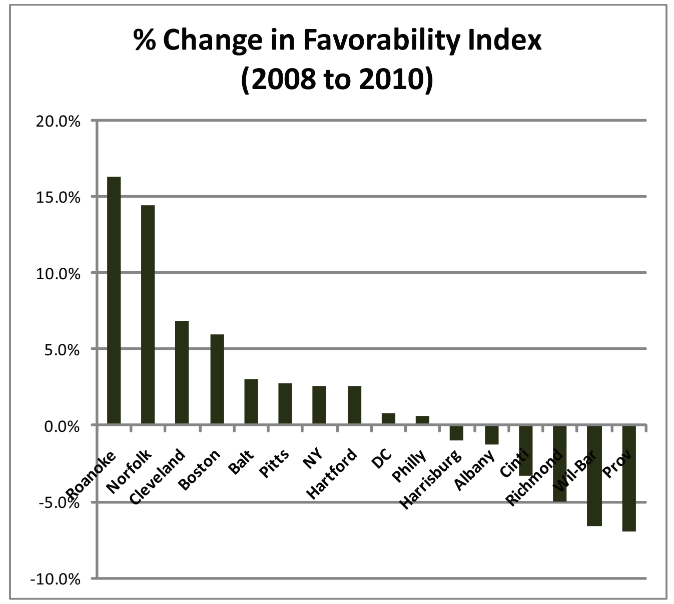
The current economy is obviously having an effect on spending on recreational trips, but there are bright spots. We see that 10% of our respondents intend to spend more this year than last, and 49% expect to spend about the same amount.

The more they know, the more they like NJ:



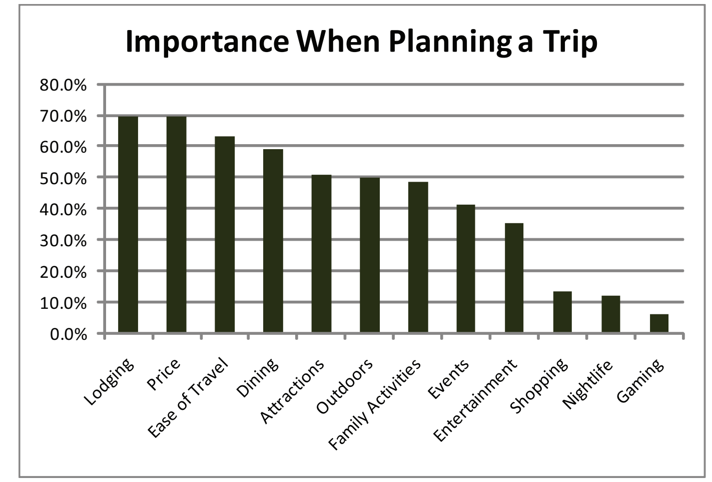
Attitudes towards vacationing in NJ were measured by three questions on a six-point scale, producing a score from a low of 3 to 18. In the map above, the darker the area the more favorable the average response per Designated Market Area. In general, areas that are closer to NJ have more favorable attitudes towards NJ. Supported by later results as well, we believe that the farther areas simply do not know much about NJ —and that can be changed.

Impressions can change



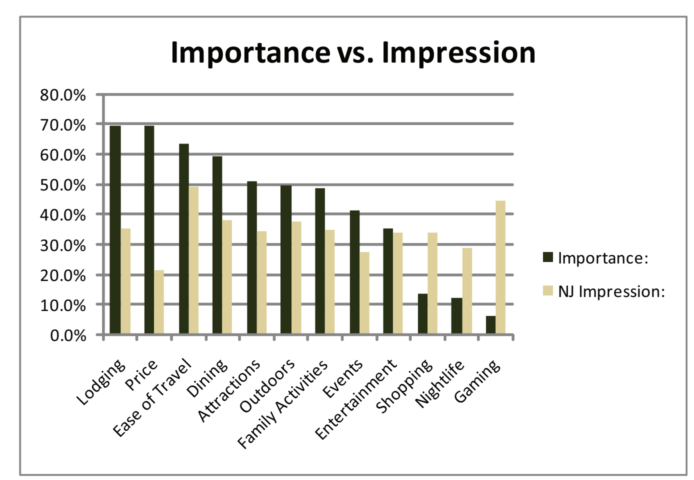
Since we are comparing results from one random sample (taken in 2008) to another random sample (taken in 2010) we expect to see small changes in the favorability index just by chance. So the changes (positive or negative) at or around 5% are not of great concern. But notably, there was a 15% increase in NJ's favorability ratings in both the Roanoke and Norfolk markets. It is certainly worth investigating what factors might have led to these increases, for example were there more ads, or better ads, or more favorable press in those areas over this time period? The New Jersey Travel Industry Association reports shifting their advertising spending towards the "west" and "south". We can't say for certain that ad spending "caused" the increases, but this pattern is indeed an encouraging one.

What recreational travelers want



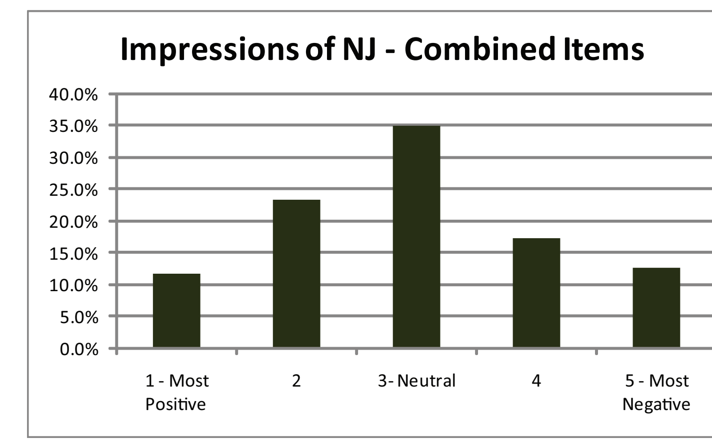
The survey asked about the importance of twelve items (on a scale of 1 to 5, where "1" was "not at all important" and "5" was "most important"). The numbers above indicate the percentage of respondents who rated a given factor with a "4" or "5". "Where to stay?", "What to eat?", "How much will it cost?", and "Can I get there?" are the top issues for our survey takers. Shopping, nightlife and gaming were chosen as important by the fewest number of respondents.

Adding travelers' impressions of NJ



The survey then asked respondents to indicate their impressions about NJ on these items (on a scale of 1 – 5, where "1" was "most positive" and "5" was "most negative"). The red bars above indicate the percentage of respondents who rated a given factor positively (e.g., with a "1" or "2"). Ideally, items with high blue bars (those that travelers find important) will also have equally high red bars (travelers will have positive impressions of NJ on that item). Unfortunately, in our results there are all too many mismatches. In particular, results suggest targeting advertising campaigns to boost travelers' impressions of NJ lodging and prices.

"Neutral" doesn't have to rule

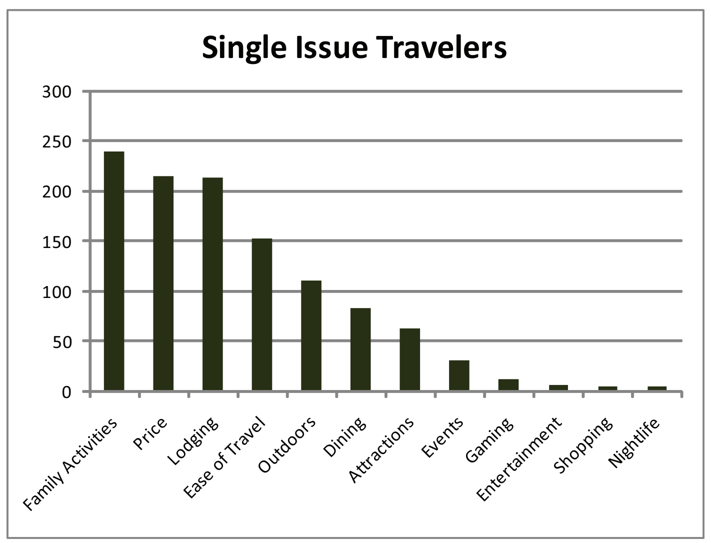


Looking at the responses as a whole for impressions of NJ (combined across all 12 items) it's clear that the most frequent (modal) response is "neutral". This same pattern (of neutral being the most frequent response) holds true for 10 of the 12 individual items as well. We infer that "neutral" often indicates lack of knowledge, so we believe this graph points to possible opportunities for increasing the impression of NJ through advertising and public relations efforts. (This conclusion was similar to results found in our 2008 survey as well.)

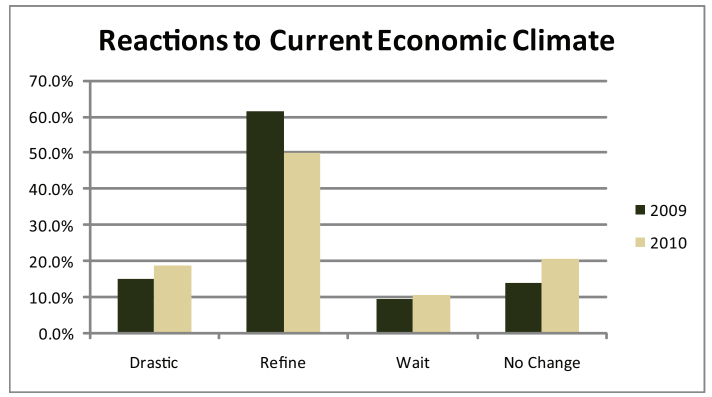
For the two items "gaming" and "ease of travel", the modal responses were a somewhat positive "2".

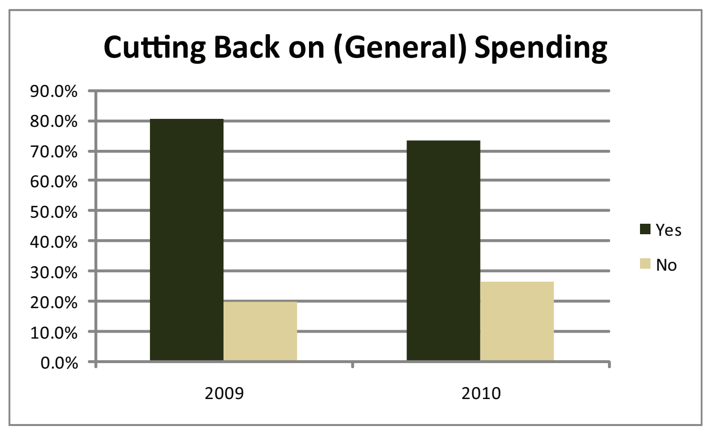
Single issue travelers

In one analysis, we chose to focus for each respondent on just the items that they indicated were "most important" (namely, items rated as 5 on a 5-point scale where "1" was "not at all important" and "5" was "most important"). Interestingly, 20% of the respondents did not indicate a single item as being rating a "5" when they are planning a trip. The graph below counts "single issue travelers" — those who indicated one and only one of the twelve possible items as ranking "most important". The order of these results is a bit different from the earlier analysis —with the importance of family activities receiving more prominence.



Concerns about the economy remain, but could they be easing?





Both of these graphs show travelers are still concerned about the economy, with most planning on some change in behavior and cutting back on spending. But there are at least hints that there may be at least some easing in fears about the economy as well. In 2010, 20% of the respondents have no plans to change their behaviors (up from 14% in 2009). When directly asked about spending, the percent of respondents not planning on cutting back went to 27% in 2010 vs. 20% in 2009.

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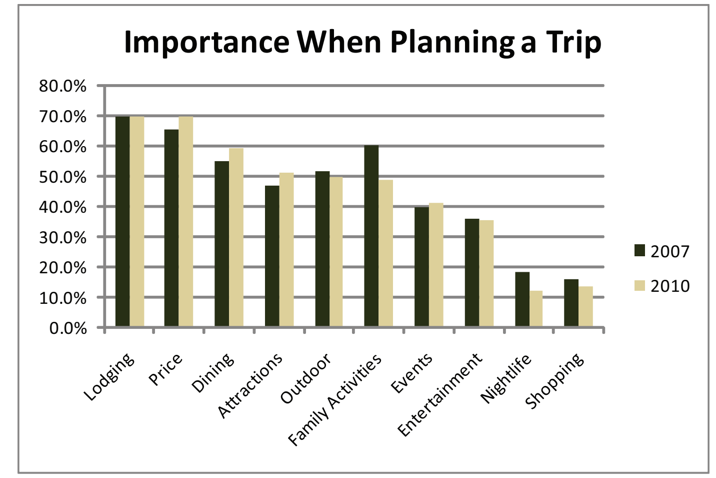
Travelers still want what they used to want:



With the concerns about the economy, we might expect that travelers' wants and needs may be changing. To investigate this question, we looked at data from our 2007 survey, which asked similar questions about how important various items where when planning a trip (although it included less items). This graph shows a comparison of the responses on comparable items. The patterns in 2007 and 2010 look quite similar.

Other Impressions

Overall impressions of New Jersey as a travel destination are generally positive, but men, and younger people ages 18-29, are the more likely than others to give negative ratings to the state as a vacation spot.

When respondents were asked where they traveled last, a majority picked Florida, followed by New York, Pennsylvania and then New Jersey.

People from the Philadelphia market (78%) are the most likely to say they have vacationed in New Jersey, as are respondents age 50-64 (55%), those living in the East (54%), and those making more than $100,000 (53%).

When asked where in NJ they last traveled, responses chosen by 10 or more respondents were: Cape May (176); Wildwood (72); Jersey Shore (53); Long Beach Island (51); Shore (38); Atlantic City (37); Princeton (35); Ocean City (35); Stone Harbor (23); Cherry Hill (19); Newark (18); Seaside Heights (16); Sea Isle City (16); Avalon (15); Wildwood Crest (13); Morristown (12); Red Bank (11); Trenton (11); Ocean Grove (10); Brigantine (10); Point Pleasant (10); Six Flags (10).

Those age 18-24 (77%) are more likely than other age groups to rate the ease of travel to and from NJ as positive, as are singles (58%) more than those who are married (37%).

Singles (43%), African Americans (42%), and respondents without children under the age of 17 (39%), and those with incomes between $35,000-$50,000 and $100,000+ (43% each), are the most likely demographic groups to rate gambling/gaming in New Jersey positively.

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