Marketing Evaluation Workshop
Focus on the Asia Pacific
Today

Morning – Introduction to contemporary marketing evaluation
Afternoon – Consumer Marketing (online and offline)
Contemporary Marketing Evaluation
From data to recommendations …
Challenges

• Attributing cause and effect between marketing efforts and tourism impact
• Measuring return on investment (ROI) – particularly combined across channels
• Constant adaptation of evaluation methods
• Increasing efficiency of evaluation (with reference to reducing costs)
• Ensuring practical application of evaluation (and organizational acceptance)
Destination Marketing

Destination Performance

Destination Competitiveness

Destination Planning

Destination Management

Destination Marketing
## Variation in KPIs

<table>
<thead>
<tr>
<th>Organization 1</th>
<th>Organization 2</th>
<th>Organization 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Visitor overnight spend;</td>
<td>- Increase in the number of tourist arrivals;</td>
<td>- Website: unique visitors, bounce rate;</td>
</tr>
<tr>
<td>- Market share;</td>
<td>- Dispersal;</td>
<td>- Facebook: fans;</td>
</tr>
<tr>
<td>- Yield;</td>
<td>- Improvement of the image of the destination;</td>
<td>- Mass media: monitoring of key words;</td>
</tr>
<tr>
<td>- Target audience saw campaign (%)</td>
<td>- Better knowledge of the destination;</td>
<td>- National Brand Index; and</td>
</tr>
<tr>
<td>- Target audience who took action as result of campaign (%)</td>
<td>- Tourist investments;</td>
<td>- Market research: pre/post tests (shifts in brand recognition).</td>
</tr>
<tr>
<td>- Target audience arrivals;</td>
<td>- Contribution of tourism sector to the GDP;</td>
<td></td>
</tr>
<tr>
<td>- Target audience expenditure; and</td>
<td>- Job creation by the tourism sector.</td>
<td></td>
</tr>
<tr>
<td>- Digital and social metrics.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Data from the ETC/UNWTO Members’ Survey.
How do we monitor performance?
Optimising through:
- 5S, KPIs and web analytics
- User experience review
- Conversion rate optimisation
- Frequency of reporting
- Process of reporting and actions

The details of tactics
Who does what and when:
- Responsibility and structures
- Internal resources and skills
- External agencies

Where are we now?
Marketplace SWOT:
- 5Ss performance and other KPIs (trend)
- Customer insight (who, why, how)
- Market trends
- Competitor analysis perception
- Internal capabilities and resources

Where do we want to be?
5Ss objectives
- Sell – customer acquisition and retention targets
- Serve – customer satisfaction targets
- Sizzle – wow factor (added value)
- Speak – engaging customers
- Save – quantified efficiency gains

How do we get there?
5STOP & SIT
- Segments
- Target markets
- Objectives
- Positioning (OVP)
- Sequence (Trust, Try, buy, ...)
- Integration (CRM & D/Base)
- Targeting and segmentation

Situation analysis
Control
Objectives
Strategy
Tactics
Actions

Marketing Mix:
- 8 Ps
- Incl. Communications mix
- Content Plan

Source | Smart Insights
Turning data into information
Driving actionable insights
Marketing teams need to optimise and improve operational performance

Senior management need to track progress against objectives and understand ROI
It’s all about actionable insight ...

Recommendations

Insights

Information

Data

Source | WebAnalyticsDemystified
The customer journey

Figure 3.2  The traditional marketing funnel

- Awareness
- Consideration
- Evaluation
- Purchase
The customer journey

Figure 3.3  The customer journey and loyalty loop

Initial consideration set

Active evaluation
Information gathering, shopping

Loyalty loop

Postpurchase experience
Ongoing exposure

Moment of purchase

Trigger
Applying it to travel choice

Inspiration - Research - Booking - Experience - Sharing

Awareness - Interest - Preference
Strategic context

National governmental programmes can be focused on the early stages

Private sector supported programmes can be focused closer to booking

Inspiration | Research | Booking | Experience | Share
Channels and the customer journey

Figure 3.4  Assisting and last interaction channels in the travel customer journey

The path to purchase:
- Social: 5.2
- E-mail: 3.4
- Paid search: 1.3
- Referral: 0.8
- Other paid: 0.6

Acts more as an assist interaction:
- Organic search
- Display click

Acts more as an last interaction:
- Other paid
- Direct

Stages of the customer journey:
- Awareness
- Consideration
- Intent
- Decision
Channels and the customer journey

Figure 3.5 The role of different channels in relation to the customer journey

- National governmental programmes can be focused on the early stages
- Private sector supported programmes can be focused closer to booking

- Inspiration
- Research
- Booking
- Experience
- Share

- Advertising
- Public relations
- Exhibitions and events
- Direct marketing
- Website and social media (digital owned media)
- Display
- Organic search
- Paid search
- E-mail
Measurement model

- Stage 1: Define board evaluation needs;
- Stage 2: Identify important strategic goals;
- Stage 3: Identify specific objectives;
- Stage 4: Develop and understand associated marketing activity; and
- Stage 5: Identify important metrics and establish targets.
Different types of metrics

1. **Output indicators**: relate to specific marketing related outputs. In the case of direct or digital marketing activities that might be campaign response or traffic to a website. Where brand advertising is concerned that might be campaign reach or campaign recognition;

2. **Outcome indicators**: associated to changes in customer attitudes and behaviour which might include, for example, higher awareness and affinity for a destination or deciding to visit a destination; and

3. **Impact indicators**: those indicators that relate marketing activity to destination performance, from destination brand perception, through visitor numbers to visitor spend i.e. they cover both non-financial and financial impacts.
Key performance indicators (KPIs)

"Key performance indicators (KPIs) are select measures that help organizations determine how they are progressing against the most important goals. The most important goals will be the ones that add the most value to the NTO in terms of strategic development"
The GCS Model:

- **Communication Objectives**
  - Inputs: What you do before and during the activity (e.g.):
    - Planning
    - Preparation
    - Pre-testing
    - Production
  - Outputs: What is delivered/target audience reached (i.e.):
    - Distribution
    - Exposure
    - Reach
  - Outtakes: What the target audience think, feel or do to make a decision (i.e.):
    - Awareness
    - Understanding
    - Interest
    - Engagement
    - Preference
    - Support
  - Outcomes: The result of your activity on the target audience (e.g.):
    - Impact
    - Influence
    - Effects:
      - Attitude
      - Behaviour

- **Organisation/Policy Objectives**
  - Campaign evaluation & further insight to inform future planning

- **Ongoing insight to inform delivery and future planning**

- **Organisational Impact**
  - The quantifiable impact on the organisation goals/KPIs (e.g.):
    - Revenue
    - Costs reduction
    - Complying actions (attitude/behaviour change)
    - Retention
    - Reputation

**Metrics & Milestones**
Select the right metrics from the framework to help you measure & evaluate the performance of your integrated communication activities.

**Methods**
Use a mix of qualitative & quantitative methods (e.g. surveys, interview feedback, focus groups, social media analytics, tracking).
Practical considerations

• The total number of performance indicators
• Ensure performance indicators are linked to a clear purpose
• Definition and standards
• Benchmarking
• Performance indicators over time
• Measurement reliability and data availability
• Achieving balance across the organization
• Weighting KPIs to policy objectives
<table>
<thead>
<tr>
<th>KPI</th>
<th>Why was it chosen?</th>
<th>How was it measured?</th>
<th>Relevant stakeholders</th>
<th>What decisions were informed by the results?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on marketing investment</td>
<td>To show the ROI for VisitDenmark's marketing activities.</td>
<td>A direct calculation of ROI.</td>
<td>Ministry of Business and Growth; Board of Directors; and Management Group.</td>
<td>Overall the decision to continuously allocate fund to tourism promotion of Denmark.</td>
</tr>
<tr>
<td>Tourism effects</td>
<td>To show and document the effect of VisitDenmark's marketing activities on Danish tourism.</td>
<td>As a calculations based on the total sum of campaign effects.</td>
<td>Ministry of Business and Growth; Board of Directors; and Management Group.</td>
<td>Overall the decision to continuously allocate fund to tourism promotion of Denmark.</td>
</tr>
<tr>
<td>Campaign effects</td>
<td>To document and track the effects of VisitDenmark's and partners marketing investment.</td>
<td>Qualitative and quantitative campaign evaluation.</td>
<td>Campaign partners; Project managers; Management group; and Board of Directors.</td>
<td>Campaign improvement and optimization are informed by results Strategic campaign decisions.</td>
</tr>
<tr>
<td>Partner investment</td>
<td>To track and document the level of partner investment in VisitDenmark’s marketing campaigns.</td>
<td>Through accounting data.</td>
<td>Management group; Project managers; Market directors; and International Project Managers.</td>
<td>Decisions regarding annual strategic meetings with strategic partners. Initiatives in relation to increase partner investments.</td>
</tr>
<tr>
<td>New Bizz partner investment</td>
<td>To track and document the level of partner investment generated from New Bizz activities, and closely follow this new business area, that seeks new business opportunities with e.g., Danish export brands.</td>
<td>Through accounting data.</td>
<td>New Bizz business unit; and Management group.</td>
<td>The business area is new, and final results are not yet accessible. However projects with Danish export brands (non-tourism) show promising marketing results and levels of investment.</td>
</tr>
<tr>
<td>Press/ editorial coverage</td>
<td>To track and document the level of communication about Denmark generated from press activities.</td>
<td>Through three KPIs: 1. Number of journalists and bloggers visiting Denmark; 2. Number of articles generated online and offline; and 3. Advertising value equivalent (AVE) of articles, measured by clipping agencies at the markets.</td>
<td>International PR; Market office; and Press managers.</td>
<td>Continuous optimization and development of corporate media efforts. Identification of stories, themes and subjects that best get through to the newspapers, magazines, websites and blogs.</td>
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<td>---------------------</td>
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<td>----------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Partner satisfaction</td>
<td>To track and document the level of partner satisfaction with the cooperation with VisitDenmark.</td>
<td>Annual partner survey conducted by third party research agency.</td>
<td>Partners; Management Group; Board of Directors; and International Project Managers.</td>
<td>A number of initiatives have been launched based on the results of the partner evaluation to increase partner satisfaction.</td>
</tr>
<tr>
<td>Corporate media coverage</td>
<td>To track and document the level of media coverage of VisitDenmark and tourism in Denmark in Danish media.</td>
<td>Number of articles AVE of articles generated. Total circulation positive-neutral-negative rating PR-score.</td>
<td>Communication department; Management Group; and Board of Directors.</td>
<td>Continuously optimization and development of the corporate media efforts. Identification of stories, themes and subjects that best get through to Danish media.</td>
</tr>
<tr>
<td>Effective organization/Corp. values</td>
<td>To track a document employee loyalty and engagement.</td>
<td>Annual employee survey conducted by third party research agency.</td>
<td>Employees; Management Group; and Board of Directors.</td>
<td>A number of initiatives have been launched based on the results of the employee survey in order to increase employee buy in to the defined corporate values.</td>
</tr>
<tr>
<td>Employee satisfaction</td>
<td>To track and document the level of employee satisfaction.</td>
<td>Annual employee survey conducted by third party research agency.</td>
<td>Employees; and Management Group.</td>
<td>A number of initiatives have been launched based on the results of the employee survey in order to increase employee satisfaction.</td>
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Focus on ...

Offline consumer marketing activities
Channels and context

Figure 3.5  The role of different channels in relation to the customer journey

- National government programmes can be focused on the early stages
- Private sector supported programmes can be focused closer to booking

Inspiration  Research  Booking  Experience  Share

- Advertising
- Public relations
- Exhibitions and events
- Direct marketing

- Website and social media (digital owned media)
- Display
- Organic search
- Paid search
- E-mail
Advertising
What are you trying to measure?

• Are people seeing your advertising and are you reaching them cost effectively?
• What messages are those consumers taking from the advertising?
• What specific actions are they taking as a result of your advertising?
• How is your advertising impacting perceptions and preference for the destination?
Campaign effectiveness

- Correct brand association
- Messaging and take outs
- Advertising diagnostics – “wear out” is a good example
- Brand positioning

- Response – telephone and website

Qualitative

Quantitative
Media effectiveness

- Opportunities to see (OTS) – impressions/reach, circulation/readership
- Gross Rating Point (GRP) – Impressions x % audience x frequency
- Cost efficiency – CPM (cost per mill) – cost per 1000 impressions
How do you measure it

• Correct brand association
• Messaging and take outs
• Advertising diagnostics – “wear out” is a good example
• Brand positioning

• Response – telephone and website
• Opportunities to see (OTS) – impressions/reach, circulation/readership
• Gross Rating Point (GRP) – Impressions x % audience x frequency
• Cost efficiency – CPM (cost per mill) – cost per 1000 impressions

Measure through **advertising tracking** (using an appropriate panel) and **focus groups**

Measured as part of your **media reporting**
PR and media relations
Advertising equivalent value (AVE)
Barcelona Principles

1. Setting SMART objectives is fundamental to successful PR measurement
2. Focus on measuring outcomes rather than outputs
3. Understand how they impact organizational performance
4. Use both qualitative and quantitative methods
5. If using AVE do not use ratecard – use negotiated rates
6. Social media should also be measured as part of PR activity
7. Measurement should be transparent, consistent and valid
Direct Marketing – direct mail and inserts
Measuring response and conversion

Three ‘response’ types:
- Coupons
- Website
- Telephone

How many of those responses resulted in a conversion?
Measuring efficiency

- Response rate (RR) - % of people receiving the direct mail that actually respond
- Conversion rate (CvR) - % of people receiving the direct mail that actually covert
- Cost per response (CPR) - the cost efficiency of driving initial response
- Cost per acquisition (CPA) - the cost efficiency of driving a final conversion

Measured as part of your media reporting
Exhibitions
What do you measure and how?

• Attendance – often called ‘foot fall’
• Data capture – through on-stand promotions and enquiries
• Conversion – how many of those enquirers actually visited

Note – you can also build exhibitions into your advertising tracking
Focus on ...

Online consumer marketing activities
Moving beyond clickstream data

Clickstream

What?

Insight

Source | Avinash Kaushik | Web Analytics 2.0
Moving beyond clickstream data

Clickstream

Multiple Outcomes Analysis
Experimentation and Testing
Voice of Customer
Competitive Intelligence
Moving beyond clickstream data

What?
How much?
Why?
What else?

Gold!
Three great survey questions

What was the main purpose of your visit to our website today?
Were you able to complete your task?
If you were not able to complete your task, why not?
Clickstream data answers the *What*?

Clickstream data is what you get from your web analytics

It provides **foundational data** (all associated to a given time period)

**Sessions** – Total amount of individual sessions by visitors to the site  
**Users** – Total unique *cookie_ids* identified during those visits  
**Page Views** – Total number of specific pages served to visitors  
**Time on Site** – Average length of visit or session  
**Bounce Rate** - % of traffic that stayed on your site for less then 10s  
**Sources** – Direct, Referral, Search (Paid and Natural)  
**Content** – Most Viewed Pages, Top Entry Pages, Top Exit Pages
Two great books and other resources

Web Analytics

Web Analytics 2.0

Occam’s Razor
What can web and social analytics do?

Web and social analytics help understand the following:

• **How** your website and social brand platforms support your marketing objectives and what is your progress against them

• **Where** should you be focusing your effort (and budget) for best return on investment

• **What** is not working and how can you improve customer experience across your website and social brand platforms

• **How** can you make things more efficient and improve overall levels of customer satisfaction
Create high impact dashboards
HIPPO
You are interested in three things

Acquisition
Behaviour
Conversion
Acquisition
Cost Per Acquisition (CPA)

Or, cost per (significant) action

<table>
<thead>
<tr>
<th>Campaign</th>
<th>Email</th>
<th>Social Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impressions</td>
<td>1,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Clicks</td>
<td>50</td>
<td>200</td>
</tr>
<tr>
<td>CTR</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Avg CPC</td>
<td>$1</td>
<td>$1</td>
</tr>
<tr>
<td>Cost</td>
<td>$50</td>
<td>$200</td>
</tr>
<tr>
<td>Conversions</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Cost per Acquisition</td>
<td>$5</td>
<td>$20</td>
</tr>
</tbody>
</table>

It is a great cross channel comparison metric
Costs can cover media, agency and the use of in house resources
Remember, different channels achieve different things!

Source | Occam’s Razor by Avinash Kaushik
Acquisition
Click through rate (CTR %)

Looks at creativity and relevance of your campaign activity

Are you using the right call to action in your campaigns?
Paid search, display advertising and email (paid and owned media)
What about social – for example blog and Facebook posts?
Acquisition
New Visits (%)

For destinations (and specifically countries) this is often quite high.

This often relates to a focus on early stages in the customer journey.
Using advocacy to help support awareness raising is changing that.
For domestic markets and niche sites the return rate is often higher.
Behaviour

Bounce Rate (%)

A really important health check!

<table>
<thead>
<tr>
<th>Visits</th>
<th>Unique Visitors</th>
<th>Pageviews</th>
<th>Pages / Visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>317,308</td>
<td>254,756</td>
<td>1,306,626</td>
<td>4.12</td>
</tr>
</tbody>
</table>

Beware issues around site structure e.g. hosting a blog on a subdomain
Comparisons and trends are often more useful than absolutes

High bounce rates are often an indication of;
• Irrelevant targeting – driving the wrong people to your site
• Irrelevant landing page – not working for the audience
Behaviour

Conversion Abandonment Rate (%)

Optimising your conversion paths

This might cover specific functionality on your site e.g. product search and lead generation

Or specific funnels you establish e.g. call to action > content > content > conversion

Or your micro and macro conversions
Behaviour
Page Depth

Indicates level of content consumption – whether positive or negative?

Used as a proxy for engagement (alongside average session on time)

But are people engaged or or they frustrated?

Compare the behaviour across converting and non converting visitors!
Behaviour

Loyalty

Beyond % new visits, how many times do visitors return?

<table>
<thead>
<tr>
<th>Count of Visits</th>
<th>Visits</th>
<th>Pageviews</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Visits</td>
</tr>
<tr>
<td>1</td>
<td>3,083,750</td>
<td>21,300,441</td>
<td>78.10%</td>
</tr>
<tr>
<td>2</td>
<td>412,282</td>
<td>4,402,327</td>
<td>19.46%</td>
</tr>
<tr>
<td>3</td>
<td>140,368</td>
<td>1,743,722</td>
<td>3.86%</td>
</tr>
<tr>
<td>4</td>
<td>69,109</td>
<td>914,579</td>
<td>1.75%</td>
</tr>
<tr>
<td>5</td>
<td>40,593</td>
<td>533,560</td>
<td>1.03%</td>
</tr>
</tbody>
</table>

Those factors that affect % new visits also affect loyalty …

Once again you can segment across different things;

• Converting and non converting traffic
• Traffic sources – direct, referral, search (paid and natural)
Behaviour

Events / Visit

Understand the extent and level of a visitors experience

Thinking beyond just pages and content …
Thinking beyond website conversions …

*eBrochure*
*Trip Planner*
*Video gallery*
*Image gallery*

Once again, all of these can be segmented against things like conversion and traffic sources to help understand what is important in terms of driving the action that really matters.
Conversion

Conversion Rates %

Against your (more or less) significant conversion events

For an ecommerce site the conversion rate is typically around 2%
Where a set of micro-conversions is defined it could be higher than 25%

Where destination sites are concerned what is the ‘hardest’ conversion?
Is it a sale or is it a customer acquired for ongoing communication?
How do you find more customers like that? Can you assign value?

Source | Occam’s Razor by Avinash Kaushik
Conversion
%
Assisted Conversions

The role and effect of different marketing channels

Comparing different channels. Last click vs assisted conversions

Source | Occam’s Razor by Avinash Kaushik
Operations and Senior Management

Cost per Acquisition (CPA)
Click Through Rate (CTR %)
New Visits (%)

Bounce Rate (%)
Conversion Abandonment Rate (%)
Page Depth
Loyalty
Events / Visit

Conversion Rate
% Assisted Conversion

Acquisition
Behaviour
Conversion
Measuring success for a non commerce website

You focus on **consumption** and **engagement** with content

**Visitor loyalty** – how many times people visit your website
**Visitor recency** – how recently the same visitors visited your website
**Length of visit** – the average time on your site
**Depth of visit** – the average number of pages visited

**Specific events** – those defined as contributing to business objectives

Look at content, audit your content and understand your content ...
Looking at social media and ROI

Source | Altimeter Group
Social media measurement
Social media monitoring
Measurement and Monitoring

**Social media measurement**

Focuses on a brand’s own social media networks and platforms

Metrics generally cover the following;

**Audience size** – fans, followers and network size (ongoing connections)
**Reach** – the viral impact content shared across your network has
**Engagement** – interactions such as post ‘comments’ or ‘likes’
**Sentiment** – the nature of the response (positive or negative)
**Outcomes** – resulting traffic and specific conversation events
Measurement and Monitoring

Social media monitoring

Looks beyond just your own networks and listens to conversations on the web around your brand (or destination) – often referred to as ‘buzz’

• How many mentions are taking place?
• Where are the mentions appearing?
• Are the mentions positive or negative?
• What sentiments are being expressed?

Usually based on a set of predetermined terms but the complex tools use natural language processing to track sentiment and associate contextual meaning to what is being said.
Paid media reporting and metrics

**Costs per Mill (1000) (CPM)**
The marketing cost of running a thousand impressions

**Click through rates (CTR)**
Proportion of the audience that clicked on a piece of paid media

**Cost per click (CPC)**
The marketing cost of driving a customer to your website

**Cost per acquisition (or significant action)**
The marketing cost of acquiring that customer or action

**Time to conversion**
The length of time is takes to becoming a customer or undertaking a key action
Introduction

Good morning 😊
Today

Trade and B2B marketing and overarching evaluation
Participant action planning ...
Focus on ...

Trade and B2B marketing activities
Everything we have discussed up to now!
Leads and conversion

- Meetings, incentives, conference and events (MICE)
- Exhibitions and travel trade events
- Sales calls and meetings with potential partners
Overarching marketing evaluation
Pulling it all together …
Outputs and impact

Outputs	Outcomes	Impact

Single channel → Multiple channels
Outputs and impact

Outputs
Outcomes
Brand and Revenue

Single channel
→ Multiple channels
Communications research

Sometimes called brand tracking
Consumer panels
Using search insight

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Exports</th>
<th>Investment</th>
<th>Tourism</th>
<th>Talent</th>
<th>Prominence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Japan</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>6</td>
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<td>5</td>
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<td>Malaysia</td>
<td>5</td>
<td>7</td>
<td>10</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>
Conversion research

Inspiration → Research → Booking → Experience → Sharing

Awareness → Interest → Preference
In what ways did the [destination] website influence your decision to visit?

☐ Decided to take holiday, would have stayed at home otherwise
☐ Visited [destination] instead of another destination
☐ Visited a part of [destination] I had not been to before
☐ Visited more places than I originally planned to go to
☐ Stayed in a different type of accommodation
☐ Stayed away from home for a longer duration
Calculating the number of affected travel decisions and their overall impact

Total marketing investment
(development and media spend)

Exposure
(all possible impressions of the campaign)

Awareness
(number of views)

Preference
(number of created travel intentions)

(Affected) travel decisions
(number of actual travel)

Arrivals

Bed nights

Tourism revenue (return on investment)

Return on investment

Full time equivalent

Value added

Cost per exposure
Investment/number of impressions

Cost per awareness
Investment/number of views

Cost per preference
Investment/number of intended visit

Cost per affected travel decision (ATD)

ATD × average travel group size

Arrivals × average length of stay

Bed nights × average spend/night

Revenue/investment

Tourism revenue × multiplier

Tourism revenue × multiplier
Business (financial) outcomes

The following outcomes represent a basis for measuring ROI;

• $2,500,000 in additional revenue as a result of our campaign
• $300,000 attributed to non visitors acquired through Facebook
• Decreased cost per impression from £2 to £0.50 via social media
• A 15% reduction in customer service costs through using Twitter
Return on Investment (ROI)

ROI = Impact (£) / inputs (£)
The ROI Pyramid

Role: Business Executives

Metrics: Business Metrics

Specific Data (examples): Revenue, Reputation, CSAT

Business Stakeholders

Social Media Analytics

Share of Voice, Resonation, WOM, Support Response, Insights Intake

Community Managers and Agencies

Engagement Data

Clicks, Fans, Followers, RTs, Views, Check-Ins

Source | Altimeter Group
GCS Model

**Communication Objectives**

**Organisation/Policy Objectives**

**Campaign evaluation & further insight to inform future planning**

**Ongoing insight to inform delivery and future planning**

**Stages:**
- **Inputs:** What you do before and during the activity (e.g.):
  - Planning
  - Preparation
  - Pre-testing
  - Production

- **Outputs:** What is delivered/target audience reached (i.e.):
  - Distribution
  - Exposure
  - Reach

- **Outtakes:** What the target audience think, feel or do to make a decision (i.e.):
  - Awareness
  - Understanding
  - Interest
  - Engagement
  - Preference
  - Support

- **Outcomes:** The result of your activity on the target audience (e.g.):
  - Impact
  - Influence
  - Effects:
    - Attitude
    - Behaviour

**Organisational Impact**
- The quantifiable impact on the organisation goals/KPIs (e.g.):
  - Revenue
  - Costs reduction
  - Complying actions (attitude/behaviour change)
  - Retention
  - Reputation

**Metrics & Milestones**
- Select the right metrics from the framework to help you measure & evaluate the performance of your integrated communication activities.

**Methods**
- Use a mix of qualitative & quantitative methods (e.g. surveys, interview feedback, focus groups, social media analytics, tracking).
Return on Investment (ROI)

Ultimately you have to be outcomes focused across all channels

That relies on the following;

• A strategy based around a defined set of business outcomes
• Developing a robust measurement model
• Understanding how channel outputs contribute to business outcomes
<table>
<thead>
<tr>
<th>Type of outcome</th>
<th>Measurement</th>
<th>Relevant stakeholders/decisions</th>
<th>Measures/calculations</th>
<th>Notes on effectiveness and recommendations</th>
<th>Measurement techniques</th>
</tr>
</thead>
</table>
| Non-financial  | Communications research | Advertising and brand tracking across key stages in the marketing funnel/customer journey.  
Desirable       | - Board;  
- Project Managers;  
- Management Group; and  
- Documents the effects of NTO efforts.  | - Measurements may differ for each NTO, but usually:  
- Awareness;  
- Interest;  
- Preference;  
- Research; and  
- Visit.  | - Although in reality the marketing funnel is not linear, this is the most widely used approach.  
You can also calculate conversion between stages as a measure of performance;  
Shifts in the higher stages of the marketing funnel over time show brand communications are having an impact, whilst shifts in the lower stages can be used to measure the effect of response driving communications; and  
Depending on the strategic context, some NTOs focus on specific parts of the customer journey.  | Market research agency using an online panel survey or online brand and communications survey (continuous tracking or pre/post advertising measurements). |
| Financial      | Conversion research | Understanding the extent to which NTO campaigns deliver incremental and additional spend  
Essential       | - Board;  
- Management Group;  
- Project Managers;  
- Campaign Partners; and  
- Documents the effects of NTO and partner investment in campaign.  | - Measures used to derive an estimation of additional revenue include the following:  
- No of affected travel decisions; and  
- Average spend, group size and length of stay (from visitor surveys).  | There are a variety of methodological challenges of which a lot can be addressed but there will always be a level of estimation where retrospective surveys are concerned and the relationship between activity and outcome is not one that can always be measured directly.  | Market research agency using a re-contact survey based on capturing customer information at the initial point of contact. |
|                | Campaign ROI | Financial return on investment from campaign  
Essential       | - Government;  
- Board;  
- Management Group; and  
- Provides evidence to allocate funding to NTO.  | - Standard measure of the return from an investment relative to cost. Since it is a monetary measure it requires that both the gain from the investment and the cost can be expressed in comparable monetary terms; and  
- The majority of NTOs with financial ROI as a KPI are using a direct calculation method (in various forms, from less to more robust) as this approach likely to give a good estimate of ROI more quickly, more simply and at a lower cost.  | By measuring the return on investment, NTOs can establish whether the application of funds to a particular purpose or project provides good value for money or is even worthwhile at all; and  
- Requires investment in survey data.  | NTOs are utilizing survey data (i.e. from advertising and brand tracking studies) combined with secondary financial data (i.e. visitor surveys) to calculate the ROI. |
|                | Intermediate ROI | Cost efficiency based on each step in the customer journey  
Desirable       | - Board;  
- Management Group;  
- Project Managers;  
- Campaign Partners; and  
- Documents the effects of NTO and partner investment in campaign.  | In order of priority, all or a combination of the following types of measures:  
- Cost per exposure [currency];  
- Cost per awareness [currency];  
- Cost per response [currency];  
- Cost per affected travel decision [currency]; and  
- Cost per trip [currency].  | Based on a simple causality model; and  
- Costs built into the analysis can include some of all of the following (much like campaign ROI):  
- Media costs;  
- Creative and production costs;  
- Agency costs; and  
- Staff and running costs.  | Based on brand and tracking research, as well as specific campaign and channel response rates. |
Marketing Evaluation Workshop
Thank-You

@flyjon