

## Marketing Research: CAPTURING YOUR CUSTOMER'S VIEW



### TELE-WORKSHOP SPOTLIGHT SPEAKER

Judy Randall  
CEO and President  
Randall Travel Marketing  
www.rtmnet.com  
E-mail: info@rtmnet.com

#### Speaker Profile:

Judy Randall is the CEO and President of Randall Travel Marketing, an independent research company in Charlotte, North Carolina, that focuses solely on travel and tourism research. Judy has spoken at numerous conferences and seminars, including the 2003 National Scenic Byways conference in Albuquerque, New Mexico. With more than 20 years of experience in capturing the voice of the customer, Judy is nationally recognized as a travel research consultant and speaker.

#### Additional Materials Available

For sample questionnaires and a basic conversion study how-to, please visit [www.byways.org/library/conferences.html](http://www.byways.org/library/conferences.html).



Understanding your audience can help you develop targeted marketing efforts.

*"The term I like to use is capturing the voice of the customer," said Judy.*

*"The most critical thing we can do as marketers is to really understand how the customer thinks and behaves."*

The June Tele-Workshop introduced specific research methods and considerations for byways through the expertise of Judy Randall, CEO and President of Randall Travel Marketing. Judy provided three sample documents that correspond to the information provided in this Fact Sheet; download the documents from [www.byways.org](http://www.byways.org) or contact the America's Byways Resource Center for more information. Also, the America's Byways Resource Center has posted its previous research on economic impact studies at [www.byways.org](http://www.byways.org).

During the specially extended Tele-Workshop presentation, Judy focused on how to conduct a survey, when to conduct a survey and how to interpret the results.

#### CAPTURING THE CUSTOMER'S VOICE

"The term I like to use is capturing the voice of the customer," said Judy. "The most critical thing we can do as marketers is to really understand how the customer thinks and behaves."

The more you know about existing customers, the more effectively you can find new customers.

Judy said, "The most likely new customer perfectly matches one you've already got." According to her, if you want to get more people, then you need to ask questions:

- ★ Who's already coming?
- ★ Where do they come from?
- ★ Why do they come?
- ★ What do they do when they're here?
- ★ How much money do they spend?
- ★ How do they find out about us?

"Find the answers. Then find more people like that," she said.

#### METHODOLOGY: HOW YOU LEARN MORE

As destination marketers, byways primarily use intercept (in-person), mail and telephone research methods. Each of the three methods presented on these pages offers pros and cons. Using the time-tested questionnaire templates she posted online, Judy offered insights for byways considering implementing research studies.

(continued inside)



# Q&A

**Q.** Did the National Park Service approve the questionnaires provided online?

**A.** No, the forms are not specifically endorsed by the NPS. However, we received approval on a case-by-case basis where we used intercept studies. You should always get approval for intercept research, whether it's at a state park, shopping mall or restaurant. Usually, when you explain that you're a nonprofit organization looking for data that will help the hosting site too, you're likely to receive permission. The NSP or other agencies may even share its data with you.

**Q.** Where are the best places to conduct intercept research?

**A.** Rest areas along interstates. Stop visitors coming out of the rest rooms, not those going in! Often the husband waits for the wife, so he's an easy target. Be sure to get random samples. Watch awhile before you start. Try catching every tenth car. Other good places for research are restaurants and major attractions where people must stand in line.

**Q.** Should we plan on a training session for local volunteers?

**A.** Absolutely! Use at least one training session and then pair each volunteer with a mentor. The volunteer can watch the mentor first, then the mentor can keep tabs on the volunteer. Be careful about the people you ask to do these interviews. They must be approachable.

**Q.** Should we recruit volunteers from the local university?

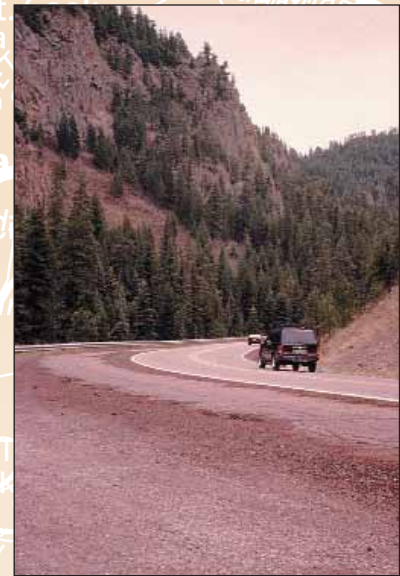
**A.** The university may accept the research study as a project. The downside is that the professor and students usually do not work on the schedule that you want or work according to what's best for you. Think through the methodology, including timing, very carefully before you bring in a group like this.

**Q.** Are focus groups worthwhile?

**A.** A **focus group** can be very valuable. Typically, you would recruit a group of 10 to 12 people to discuss topics related to your byway. The sessions are recorded and/or videotaped. It's not scientifically reliable and it's easily skewed if one person in the group is opinionated and dominates the discussion. Hire a professional facilitator to control the discussion and keep it unbiased. It's also difficult for non-professionals to recruit focus group participants. And, for the tourism and travel industry, it's likely that the individuals you need to target are not from your state. You may try a **focus forum**, which involves individuals that represent the demographics of a larger population—a group of 50 people from one city that mirrors the demographics of the entire state, for example. This adds some scientific reliability. For both focus groups and focus forums, the participants usually receive a stipend. This type of research is expensive and effective recruiting is a challenge.

**Q.** Will the mail questionnaire translate to E-mail?

**A.** Yes, it works fine. We tend to be conservative. We're now confident that the Internet has grown enough so that few market segments are not online and most groups are represented. You must be technically savvy, however—the E-mail questionnaire has to be easy to complete or people will delete it and move on.



*What draws people from the freeway to your byway? What are the main "attractors"? Research can reveal this important information.*

# 1. Mail Survey



**DESCRIPTION:** Mail a 4-page questionnaire to a random sample of about 1,000 individuals who inquired within the last year about your destination (perhaps from a brochure mailing list or E-mail inquiries).

**PRO:** With a good sample and a good return, this method is very reliable and predictive.

**CON:** Costs (it's expensive to write, print it, and mail it); failure to get a 20 percent return; self-selection bias—not perfectly random responses.

According to Judy, a mail survey should be no more than 4 pages long. An 11"x17" sheet folded in half with front and back printing works best. "Thirty years of experience tells me that you cannot go longer than that. It must LOOK like it's easy—ask people to circle or check answers and use very few fill-in-the-blanks," she added.

Judy's sample questionnaire has been used for 20 years. If you change any major component, test it on a few individuals before investing in mailing.

"A mail survey is one of the most comprehensive research methods. Once you know how it works, you can tailor it to just about anything," Judy commented.

## Judy's Tips:

- ✓ Use an incentive, such as a free getaway or cash giveaway. "If you don't use an incentive, the chances of a good, fair return are going to be very low," said Judy. "In travel and tourism marketing, we've found that a trip is the best incentive." Give the respondent a contact name and phone number, and share the odds of winning on the questionnaire. Generally, if you send out 1,000 questionnaires and receive 20 percent back, then the odds are approximately 1 in 200.
- ✓ Ask if the respondent remembers your information packet. You want over 50 percent to remember it. (Remember: this survey is for people who have previously requested information about your byway or region.)
- ✓ Check to see that the respondent was satisfied with your information packet. Start including whatever is missing.
- ✓ Ask what the respondent liked or disliked about your information packet. "Tourists are very savvy. Most of these people are very well educated, so they'll be very articulate," she noted.
- ✓ You need to know if you're bringing in new people. If your data show that over 50 percent of your respondents visited your byway previously, then you have a problem attracting a continuous stream of new visitors. Basically, it tells you that you're "shooting fish in a barrel" – your marketing is hitting those people already predisposed to visit. A large percentage of first-time visitors shows that your marketing is effectively reaching new audiences.
- ✓ You want to know specific information about the things they've done and the money they've spent. This data will be used for calculating economic impact later.
- ✓ Asking if the respondent visited after receiving your information provides important conversion information. You learn how many inquiries (potential visitors) converted or became actual visitors. A good goal is 40 percent; for every 100 people asking for information, 40 should become visitors.
- ✓ "You'll probably find 70 to 85 percent of the respondents stay at a hotel or motel, although a strong B&B market might capture 5 percent of the respondents," commented Judy. She also said, "Most of you will see a high percentage of automobile transportation, with some motorcoaches too." Use the lodging and airline, train or other transportation information to build marketing partnerships with other travel and tourism interests.
- ✓ "One of the most effective survey questions is how much money they spent on their last trip. Ideally, what you want to see is that shopping is the number one expenditure. That tells you that you have a very healthy destination. Shopping is far and away the top tourist activity in America. When you're looking at economic impact, the shopping money is the most meaningful to the community that you serve. The sales tax stays in the community pocketbook. And, for those of you who don't have sales tax, you can still see the total economic impact," she explained.
- ✓ Put the demographics questions last. People are more likely to reveal personal information after they've spent a few minutes with your survey and become comfortable answering questions. Be sure to ask for their favorite magazines to gain insights on where to advertise.

## USING MAIL SURVEYS

### Achieve An Accurate Sample

For accuracy, the mail survey sample must be random and reflect the sources of the inquiries. Let's say you have a pool of 14,000 inquiries. Separate them by source. For example, you might find that 20 percent of your inquiries came from Reader's Digest and another 30 percent came from the state travel guide. You're mailing 1,000 surveys (a good number to use). Then, 20 percent of the 1,000 surveys (200) must go to names from the Reader's Digest list and 30 percent of the 1,000 surveys (300) must go to names from the state travel guide list. The random sample must match the inquiry base. Pull every 14th name from each source list to ensure random sampling.

### Measure Your Conversion Rates

The industry norm for conversion is about 40 percent. Further, you can look at the conversion data to tell you how well you're attracting both new and repeat visitors. Of the total conversion, you might see a 66 percent conversion for previous visitors (meaning you've given them the right reasons to come back to see and do more) and a 33 percent first-time visitor conversion rate (meaning your message is right and you're reaching the right market). If your conversion rate is below 40 percent, it could be that your message is missing the mark. If it's over 50 percent, you're not reaching out far enough. You may need to reevaluate your marketing to see how you can get your message out to a wider audience to continually drive growth.

### Evaluate Roadside Attractions and Points of Interest

Provide a list of prevalent attractions. This is an unbiased way of determining what really appeals to visitors—the "must see" places are the "attractors" that you need to promote. On the questionnaire, this list should be no more than one page. Use existing attendance figures to decide which attractions to include. It doesn't matter if the attractions generate money—they can be free sites—as long as they draw people to your byway. You want to know what gets people off the freeway and onto your byway. Judy cautioned that you should be especially judicious about including events. Use only mega events; most events are held just one weekend out of the year—your sample audience visits throughout the year.

### Evaluate Sites You Are Considering

Use the survey to test potential new products or attractions you want to push. Ask what people would like to do there—try fine dining, stay in cottages, etc. Be sure they are things you can actually offer and are appropriate for your byway. Maybe include 12 things. If over 40 percent respond positively to an item, it's probably a sure thing. You might try listing an existing attraction with low attendance. If it scores high here, then you know that people are looking for that attraction, but they don't know it exists or how to find it.



## Economic Impact Calculation

The questionnaire will help you calculate the economic impact of your marketing dollars.

For example:

You spend \$100,000 on marketing (ads, brochures, etc.).

The marketing generates 14,000 inquiries (from Web site, phone calls, etc.).

Of the 14,000 inquiries, you calculate that 40 percent (or 5,600 prospects) were converted into visitors. You learned this when you asked in the questionnaire, "Did you visit DESTINATION NAME after receiving the information?"

You learn that your visitors spent an average of \$1,000 each, or about \$560,000 total.

Your figures would show a conservative ratio of 1:5, or \$100,000 marketing dollars to \$560,000 tourism impact.

Judy said, "I would guess for most of you that for every \$1 you spend on marketing, you generate \$3 back in sales tax to the community. That gets attention. This is where your legislators sit up and say 'What?!'"

Use conservative numbers and don't inflate the figures. Judy added, "Show how you did your math. This survey conversion is direct analysis from the people who contacted you. It's scientific research. With an adequate response to your survey, you'll know that your research is reliable. This means if you were to repeat the study you would likely get the same results."



Interview visitors during all four seasons to create an accurate picture of your market.

## 2. Intercept Survey



**DESCRIPTION:** Using a basic, short questionnaire, you stop people on the byway and ask to talk with them for a few minutes.

**PRO:** Fast and fairly easy. You can plan to do it today and actually do it tomorrow.

**CON:** Sampling problems, including seasonal and timing issues; reliance on acceptable interviewers (time-consuming training, must have effective listening skills); this method is easy to bias.

According to Judy, the interview should take five minutes or less. The questionnaire should be two pages or less, printed front and back. Shorter is better. "If it looks quick and easy, they'll do it," she said.

### Judy's Tips:

- ✓ The intercept study asks for the Zip code first. This tells you if you're talking to a local resident or out-of-town traveler; you can then elect to continue or not based on those criteria.
- ✓ Judy recommends that scenic byways implement intercept studies during each season and at various times and days to improve the sampling. Her advice: Go to the top stopping place on the byway on Saturday morning at 10:00. Do intercept interviews until 12:00, targeting every tenth car. Catch the interview candidates in the parking lot after they go to the bathroom. Then the next week, do interviews on Saturday from 2:00 to 4:00. Next time: Sunday. Then Monday. Stagger them to get a good representative sample of the days of week and times that are appropriate for your byway.
- ✓ The interviewer is important. Look for someone who is sweet, kind and approachable. He or she should carry a clipboard and look professional. "You can't have someone who is 6'4", 250 pounds, and looks like a Klingon. Little old ladies are incredible [interviewers]. Nobody turns down little old ladies. We even use them for bait-and-switch—hooking the respondent, but letting another interviewer handle all the questions," Judy said.
- ✓ Save time on some questions if you can answer them visually for yourself. For example, you can count how many people get out of the car—you don't have to ask.
- ✓ You don't have to read every optional answer; keep it quick. Some researchers have been successful listing attractions or other categories on cards, then laminating the cards so interviewees can scan the possible answers.
- ✓ You may run into people who don't know what they spent on certain items, but they may know how much they spent per day, or a vacation total. If it's a day-tripper or the person really doesn't know, then leave it blank. **Don't make up answers.**
- ✓ You don't need to offer an incentive with an intercept survey, although a free beverage and shade won't hurt. If you offer coupons or other incentives, you might bias the data.

## 3. Telephone Survey



**DESCRIPTION:** Like the intercept survey, the telephone survey should be quick and easy. It should not take more than 5 minutes. The hurdle for successful, unbiased results is in the calling list—acquiring the

telephone numbers can be very expensive. Most byways would not pursue this type of survey without a professional consultant or firm assisting them.

**PRO:** Fast and reliable with strategic sampling technology.

**CON:** Costly; hard to get phone numbers; high refusal rate.

### USE JUDY'S DOCUMENTS

The Basic Conversion How-To document, available at [www.byways.org](http://www.byways.org), covers how to pull random samples so that you're not biasing your results. You'll also find information about cost differences between mail and intercept studies, quick post-card surveys, and tabulating your results. "You don't need specialized software. Excel spreadsheets work fine," she added.

Study the questionnaires. Use them as templates. Decide what you really want to know, then form the questions you should ask. The information to help you become a better destination marketer is out there—search wisely. ♦



### **America's Byways Resource Center**

provides information, connections and expertise that help build better byways. State coordinators, local groups, volunteers and organizations with ties to nationally designated scenic byways look to us for hands-on assistance in planning, preserving, promoting and managing scenic byways.

### **2003 Tele-Workshop Topics**

America's Byways Resource Center asked byway leaders for their suggestions for topics for the 2003 Tele-Workshops. In response, this year's training discussions focus on four major areas—marketing, funding, sustainability, and interpretation. Don't miss these valuable learning opportunities presented on the first Wednesday of every other month at noon CST:

February 5

Byway Integrity: Preliminary Patterns and Prospects  
William J. Kelley, Eastern Washington University

April 2

National Heritage Areas Program and  
How It Affects Byways  
Brenda Barrett, National Heritage Areas Program  
Daniel M. Rice  
Ohio & Erie Canal National Heritage Corridor

June 13

Marketing Research: Capturing Your Customer's View  
A User-Friendly Guide to Tourism Research  
Judy Randall, Randall Travel Marketing

August 6

Using the Community Tool Box for Byway Sustainability  
Evelyn Swimmer, Rivers and Trails Conservation  
Assistance Program, National Park Service

October 1

Is Your Byway Interpretation Going to Be Sustainable?  
John Veverka, Certified Interpretive Planner

December 3

Scenic Conservation Strategies for Byways  
Meg Maguire, Scenic America

America's Byways Resource Center  
227 West First Street, Suite 610  
Duluth, MN 55802  
Tel: 218-625-3469  
Fax: 218-625-3333  
1-800-4BYWAYS  
(1-800-429-9297) Ext. 5  
[www.byways.org](http://www.byways.org)