



Indiana Destination Development Corporation Research Findings

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Introduction

The Indiana Destination Development Corporation commissioned a comprehensive research program in 2020 from Longwoods International, in partnership with JLL. Established in 1978 as a market research consultancy, Longwoods International has grown into a respected research leader within the travel and tourism and economic development industries. With offices in Toronto, Ohio, Georgia, Florida, and Wisconsin, Longwoods conducts strategic market research for public- and private-sector clients throughout North America, Europe and the Pacific Rim. This report details the key findings from the four research studies executed for the Indiana Destination Development Corporation in 2020 and 2021.

Indiana Visitor Profile Study

Longwoods International began tracking American travelers in 1985, and has conducted large-scale syndicated visitor research quarterly since 1990. Our proprietary Longwoods Travel USA® program is currently the largest ongoing study conducted of American travelers, providing an overview of Indiana’s domestic tourism business in 2019.

Key findings:

- Indiana hosted 105 million trips in 2019, 65 million day trips and 40 million overnight trips.
- Those trips generated \$11 billion in spending at Indiana businesses, including lodging, restaurants, retailers and attractions.
- The top origin states of Indiana travelers are Indiana, Illinois, Ohio, Michigan and Kentucky.
- More than 85% of Indiana’s trips are for leisure purposes, including visiting friends and family.
- Three quarters of the overnight trips are travelers in their own vehicles, with 8% arriving by air.
- About 90% of Indiana’s overnight visitors were repeat visitors and 70% were “very satisfied” with their 2019 Indiana trip.
- Indiana has the smallest tourism marketing budget in the region and one of the smallest in the country. There is an opportunity to increase the number of visitors to the state, their spending at Indiana businesses and taxes for state and local governments through a more aggressive promotional effort. Increased visitor spending will create more jobs for Hoosiers and boost the state’s tourism market share.

Recruiter Interviews

In the fall of 2020, Longwoods conducted 20 interviews with corporate recruiters who place or hire new employees for Indiana employers, as well as economic developers. These recruiters were a mix as far as locations, with some based in Indiana and others out of state. The organizations represented included: Roche, Salesforce, Cummins, Indy Partnership, Economic Development Coalition of Southwest Indiana, Northeast Indiana Regional Partnership, Eli Lilly, Ginovus, Manpower Group, JLL, Techshot, Pacers Sports & Entertainment, Northwest Indiana Forum, Hillenbrand, TMap, Aerotek, One Southern Indiana, Anthem, Cook Group, Deloitte.

Key findings:

- Indiana has a weak or non-existent image or brand nationally, “Why would I go to Indiana?”
- Consistent state brand message is needed.
- Recruits perceive the state as weak on diversity (racial, political, thought, lifestyle).
- Success with recruits is higher with those with some Indiana connection (family here, went to school here, lived here in the past).
- It is easier to recruit workers with families than single adults.
- Recruiting from similar markets with geographic proximity to Indiana typically produces better results.
- Indiana is known for manufacturing and agriculture, but not much else.
- Sports is part of the current Indiana brand story, but not arts, culture, the food scene, etc.
- Many recruits view Indiana as one of two places: Indianapolis or rural countryside.
- We need to capitalize on the new “work from home” phenomenon.
- Many recruits are unaware of Indiana’s strong university presence
- Negative perceptions include “flyover” country, little to do, too conservative, farmland.
- When it comes to cost of living, need to sell “value and lifestyle for the dollar”, not “cheap”.
- Newcomer programs are needed to retain new hires.
- Getting a recruit to visit the state is essential to a successful hire.

Image Study

In October 2020, Longwoods fielded an image study for the Indiana Destination Development Corporation to measure Indiana's image as compared to its regional competitors for both tourism and economic development. Consumers were surveyed in Chicago, St. Louis, Louisville, Cincinnati, Nashville, Boston, Atlanta, and San Francisco, as well as in Indiana.

Key findings:

- Indiana's image as a place to live, work and play is rated poorly by out-of-state residents, in contrast with the rating by Hoosiers. Some 60% of Indiana residents surveyed strongly agree that the state is a good place to live, while only about 30% of out-of-staters strongly agree with that statement.
- Consumers in Indiana's primary advertising markets (Chicago, St. Louis, Cincinnati, Louisville, Indianapolis) rated Indiana poorly as a potential destination when compared with Michigan, Kentucky, Illinois, Missouri and Ohio.
- Only 35% of consumers in Indiana's primary advertising markets remember seeing any Indiana tourism advertising.
- Those who did see Indiana tourism advertising had a much better image of the state as a potential destination.
- Travelers who visited Indiana on a leisure trip rated the state far better as a destination than those who have never been to Indiana.
- Consumers who saw Indiana tourism advertising had a better image of the state as a possible place to live, work, start a business, buy a second home, attend college or retire.
- Travelers who visited Indiana on a leisure trip also rated the state more highly as a place to live, work, vacation or retire.
- Those who both saw Indiana tourism advertising AND took a leisure trip to the state had the most significant increase in positive image for Indiana as a place to start a business or work, attend college, buy a second home or retire.

Focus Groups

In December 2020 and January 2021, Longwoods conducted 12 focus groups with knowledge workers of various ages, careers and ethnic backgrounds in Chicago, Atlanta and San Francisco. The goal of these focus groups was to provide qualitative insights to further explore the issues identified in the Image Study and the Recruiter Interviews.

Key findings:

- Indiana has a weak or unknown image “Indiana has no identity”.
- Often viewed as just another Midwestern state, but with a poorer image than Illinois, Michigan or Ohio.
- “Very vanilla, not a lot going on, not dynamic”.
- Perceived to lack big city amenities – entertainment, unique dining, arts, culture, mass transit.
- Cold weather a negative for Atlanta and San Francisco respondents.
- Questions about diversity, how welcoming the state is.
- Some positive perceptions of Indianapolis as a smaller city.
- Workers with families more positive about schools, cost of living, cost of and type of housing available, lower crime rate, less crowded, slower pace than singles.
- Recruiter in one of the Atlanta focus groups said he sells “Midwest family values” when he is trying to place a recruit in Indiana and other Midwestern states.
- Those with some connection/experience with Indiana tended to be more positive about the state.
- Respondents stressed that the most credible information sources they would seek out when considering a possible relocation would be seeing/hearing from “people like them”. “Day in the Life” videos of workers like them living in and thriving in Indiana were specifically mentioned as an effective communications vehicle.

Conclusion

The research studies completed for the Indiana Destination Development Corporation identify significant image challenges for the state. Indiana is rated poorly by non-residents as a place to live, work and play compared with its Midwest competitors. The state's image is a barrier to Indiana's development at every level.

The image issues can be seen clearly when comparing the perception of the state by non-residents with little or no direct contact with Indiana vs. Indiana residents and visitors. For example, 60% of Indiana residents surveyed strongly agree that the state is a good place to live, while only about 30% of out-of-staters strongly agree with that statement. And out-of-state visitors to Indiana have a much better perception of the state after their trip compared with those who have never visited.

The research does verify that Indiana's tourism advertising, while extremely limited due to being the smallest tourism marketing budget in the region, is improving the state's image with out-of-state residents. And the state's tourism advertising is boosting Indiana's image not just as a visitor destination, but also a place to live, start a business, advance a career, attend college, buy a second home and retire.

The qualitative and quantitative studies of Indiana's image showcase the need for compelling, authentic and consistent messaging about the state. Creating new messaging about the state and its desirable qualities and attributes should be a top priority. And increased funding will be required to effectively communicate that messaging to change perceptions about Indiana and attract increased numbers of both visitors and high-value workers and residents.