

Research Final Report Fiscal 2019 Funding Project Activity Dates – May 1 - December 31, 2019

Principal Investigator: Geoff Frey, Secretary

Project Title: Enhancing the Competitiveness of Michigan's Newest American Viticulture Area by Increasing Consumer Engagement through Implementation of a Multi-Platform Social Media Campaign

Collaborators: Petoskey Wine Region's 12 Member Wineries

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I. PROJECT SCOPE/CONTEXT:

We engaged in a multi-platform Social Media Campaign to increase consumer awareness and importance of our new Brand, our new AVA and of cold climate grape varieties that grow in our region.

We partnered with MyNorth Media. The Petoskey Wine Region benefitted from direct and expansive access to an audience of millions who have an express interest in Travel, Experiences and Craft beverages in our region. MyNorth applied its expertise in the most current marketing tools to engage, educate, and convert an audience interested in the craft beverage industry and experiential travel in Northern Michigan. MyNorth used its extensive data and market research to find like-minded individuals, engage them and stimulate interaction. Their strategy included tools such as geofencing, retargeting, print and social to identify and engage potential craft beverage region visitors.

II. SPECIFIC METHODS AND PROCEDURES:

Custom content campaigns: MyNorth developed 6 custom content campaigns that generated interest, increased awareness, and built equity for the Petoskey Wine Region throughout the 2019 calendar year. My North promoted this content to their digital, social, and email audiences, as well provided the content to the Petoskey Wine Region to leverage on our own digital properties.

Digital advertising with geofencing and behavioral targeting: We targeted and engaged consumers interested in the craft beverage industry and Northern Michigan tourism through geofencing and behavioral targeting in 2019. These highly targeted digital ads served to drive conversion to our key marketing objectives (visit our website, download our app, engage with our social media channels).

Display advertising on MyNorth.com: We ran digital display ads on <u>MyNorth.com</u> included re-targeting to engage our audience to visit the Petoskey Wine Region digital properties and provide the optimal frequency of exposures to our message (5 month flight of 100,000 advertising impressions per month). We advertised to the MyNorth audience of highly engaged email subscribers who have opted in to receive their daily, weekend, and monthly themed newsletters filled with relevant Northern Michigan content. (8-month plan reaching 80,000 inboxes at multiple touchpoints).

Targeted print advertising in *Traverse* **magazine:** We advertised in 6 issues of *Traverse*, Northern Michigan's magazine to drive awareness and build brand equity of Petoskey Wine Region with a highly valuable paid subscriber audience. *Traverse* is MyNorth's flagship publication and has an average monthly circulation of 24,000. *Traverse* subscribers are affluent, educated, and live all over the country. They are passionate about Northern Michigan and view *Traverse* as a trusted and authentic resource for the best the region has to offer in travel and leisure.

III. Results:

The Good News:

Overall, the Petoskey Wine Region wineries saw an average of 50% increase in visitors and sales in 2019!

The multi-platform Social Media Campaign to increase consumer awareness and importance of our new Brand was a RESOUNDING success. We experienced significant engagement with click rates exceeding .18% this is 6 times the industry standard of .03%! These results are impressive and far exceeded our expectations.

Disappointment:

We had hoped that this project would drove improvement within the local economy by promoting experiential travel to neighboring business. According to the Petoskey Visitors Bureau visitors for calendar year 2018 vs. calendar year 2019 hotel tax revenues was flat. We are left to conclude that our efforts brought very few net new visitors to the area but.

By the end of 2019 we expected to have obtained enough Mobile App Downloads that we could be relevant enough and create enough intrinsic value to charge for local listings on our app and sell Passports to consumers to generate significant revenue. Much to our disappointment we were unable to achieve this objective.

Our passport sales were dismal - we heard comments from consumers that they longed for the "paper" passport books. Our mobile app downloads were incredibly low as well – we attribute this is demographics and consumers unwillingness to opt-in to location services on their mobile device.

Conclusion:

Much to our surprise consumers were reticent to actively engage with their mobile devices while on vacation. Anecdotal consumer feedbacks led us to theorize that consumers are still obsessed with spending too much on mobile data plans and are very dependent on WI-FI which generally is not available while they are driving around. In addition, there is some consumer paranoia in apps that use location services.

We conclude that our sales growth came primarily from regular visitors that were made aware of the Petoskey Wine Region through this grant and the 2018 Specialty Crop Grant we received. Marketing professionals have long said that it takes between 7 - 13 touches to get a new customer commitment to purchase. With rebranding, social media and digital marketing, we achieved those touches much faster than with traditional media approaches. We got our message out and 2019 sales reflected that success.