



## **Oil Spill Research Report**

April 7, 2011

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# Background and Research Objectives



## Background

- ◆ On April 20, 2010, there was an explosion and subsequent fire on an oil rig in the Gulf of Mexico. Shortly thereafter, the rig, located 50 miles off the coast of Louisiana, began leaking oil.
- ◆ The Louisiana Office of Tourism and its advertising agency, Peter A. Mayer Advertising (PAM), wished to assess the impact of the oil spill on perceptions of, and interest in, visiting Louisiana. To address that request, MDRG conducted 4 waves of research in 2010 as follows:
  - May 19-21 (Nationwide panel)
  - June 18-21 (Regional panel)
    - ◆ Mid-July: Temporary Cap placed on well
  - August 3-6 (Nationwide panel)
    - ◆ September 19: Permanent Cap placed on well
  - September 21-24 (Regional panel)
- ◆ The Louisiana Office of Tourism and PAM wished to gauge current perceptions of, and interest in, visiting Louisiana. The report herein addresses that request.

## Research Objectives

- ◆ Measure current perceptions of Louisiana as a leisure destination
- ◆ Measure intent to visit in the next 12 months

# Methodology and Sample

### Methodology

◆ MDRG used an Internet panel for the purposes of data collection. The survey was available on MDRG’s secure website from March 17-23, 2011, and took an average of 10.8 minutes to complete.

### Sample

- ◆ Respondents for the survey were recruited from the ResearchNow Consumer Internet Panel, and screened to reflect the target consumer:
  - Are at least 25 years old
  - Have household incomes of \$50,000 or more
  - Take at least one trip per year that includes a paid overnight stay
  - Share equally or are the primary decision maker when making leisure travel plans
  - Do not currently live in Louisiana
  - Are not employed in the travel, market research, marketing or advertising industries

	Market	May 2010	June 2010	August 2010	September 2010	March 2011
Key Markets	Nationwide	1,003		1,003		756
	Dallas		366		366	302
	Houston		267		269	227
	San Antonio		108		108	91
	Austin		79		78	64
	Mobile/ Pensacola		69		68	57
	Hattiesburg/ Laurel		14		11	12
	<b>TOTAL</b>	<b>1,003</b>	<b>903</b>	<b>1,003</b>	<b>900</b>	<b>1,509</b>

# Summary – Regional Markets

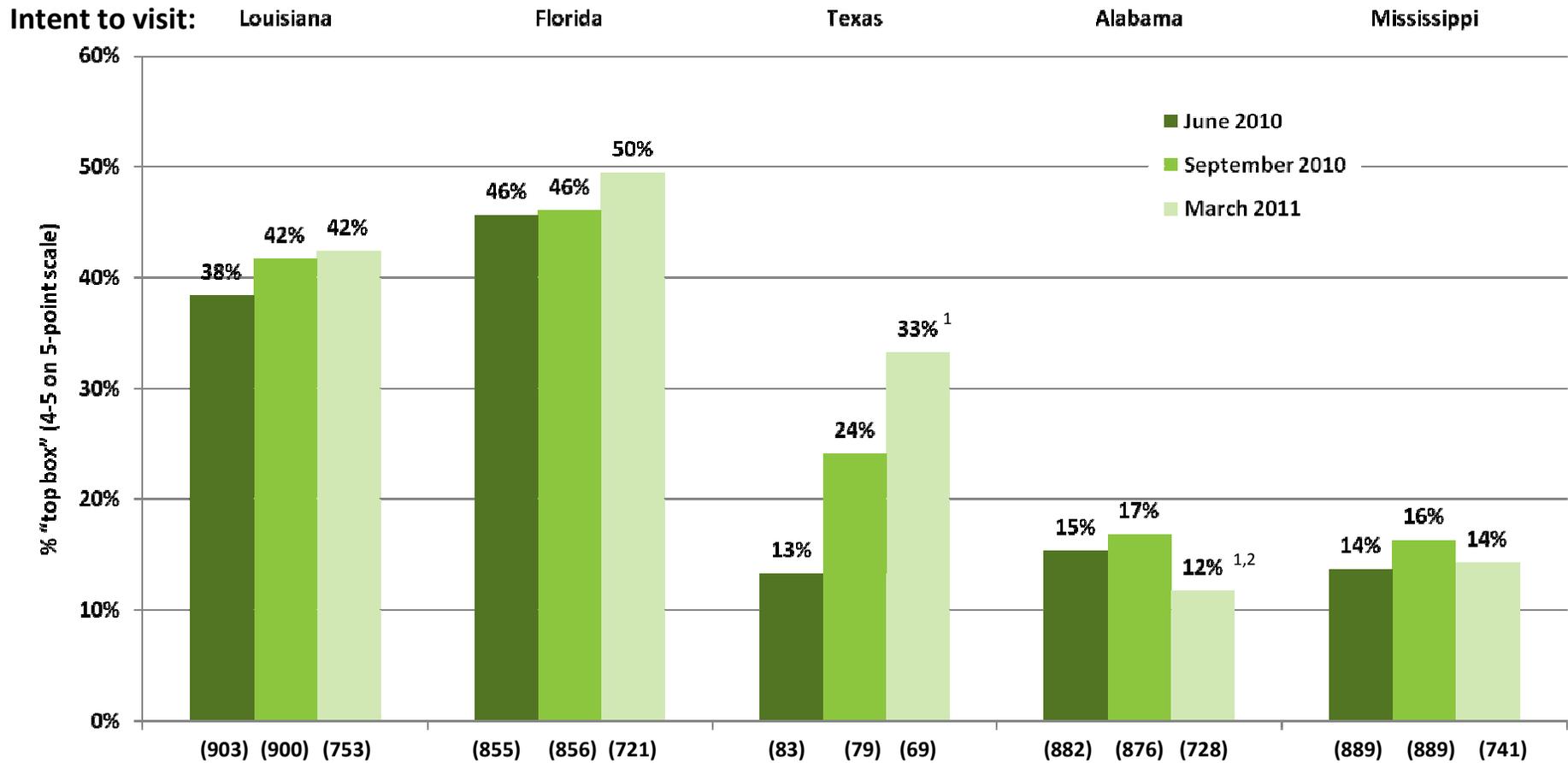
# Summary – Regional Markets

- ◆ **In all 3 Regional waves of research, intent to visit Louisiana has remained about the same.**
  - In March 2011, 42% of respondents said that they plan to visit Louisiana in the next 12 months, which is similar to June (38%) and September (42%) 2010.
  
- ◆ **The oil spill’s devastation was perceived as less severe in March 2011 and September 2010 compared to June 2010.**
  - In the current wave, nearly 1 year after the oil spill, 40% of respondents said that the devastation from the oil spill was “about the same” or “more” devastating than hurricanes Katrina and Rita. This is similar to September 2010 (37%), but significantly lower than June 2010 (63%).
  - The percentage of respondents who believe that Louisiana will be affected by the oil spill for at least 5 years declined in March 2011 (30%) compared to September 2010 (33%) and June 2010 (49%).
  - A smaller percentage of March 2011 respondents (4%) than June (7%) and September 2010 (6%) respondents said that the oil spill caused them to cancel or postpone a leisure trip to Louisiana.
  
- ◆ **Concerns about Louisiana seafood have declined considerably. However, they continue to inhibit travel to the state.**
  - The belief that Louisiana oysters are contaminated declined significantly in March 2011 (69%) compared to September 2010 (81%) and June 2010 (89%).
  - Similarly, a significantly smaller percentage of March 2011 respondents (30%) than September 2010 (39%) and June 2010 (48%) respondents said that they believe that “restaurants that serve seafood are putting their customers at risk.”
  - However, the percentage of unlikely visitors in March 2011 who said that they would visit Louisiana if “seafood were available like it was before the oil spill” was the same as last wave (35%).

**What can Louisiana (and other Gulf Coast states) expect in terms of Regional visitors?**

# About 4 out of 10 of Regional respondents said that they plan to visit Louisiana in the next year.

Base: Respondents who do not live in the state



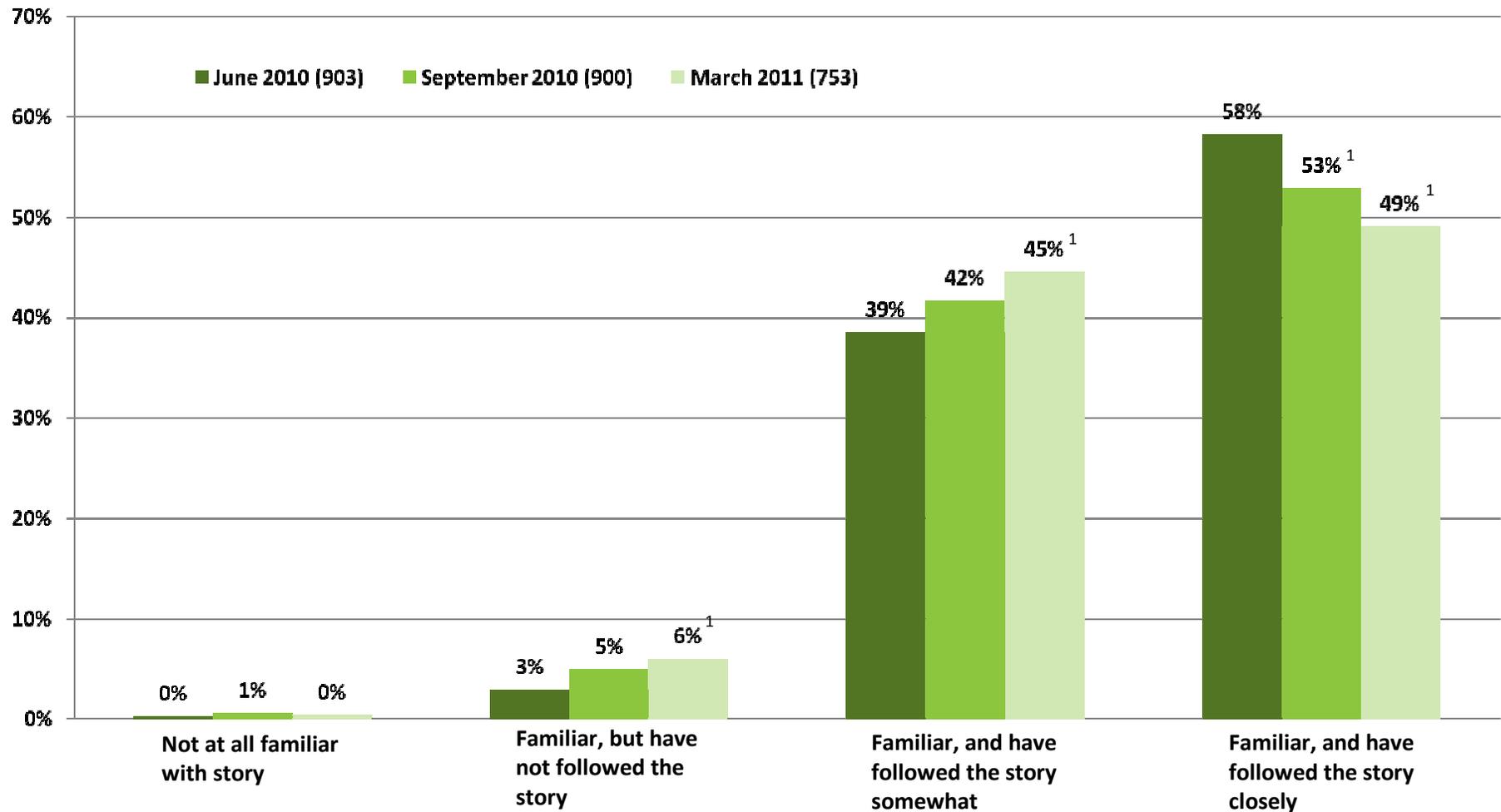
1 Significantly different from June 2010 at the 95% confidence level

2 Significantly different from September 2010 at the 95% confidence level

Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS:

**Are Regional respondents still following the oil spill story?**

**As one would expect, respondents are not following the oil spill story as closely as they did in earlier waves.**

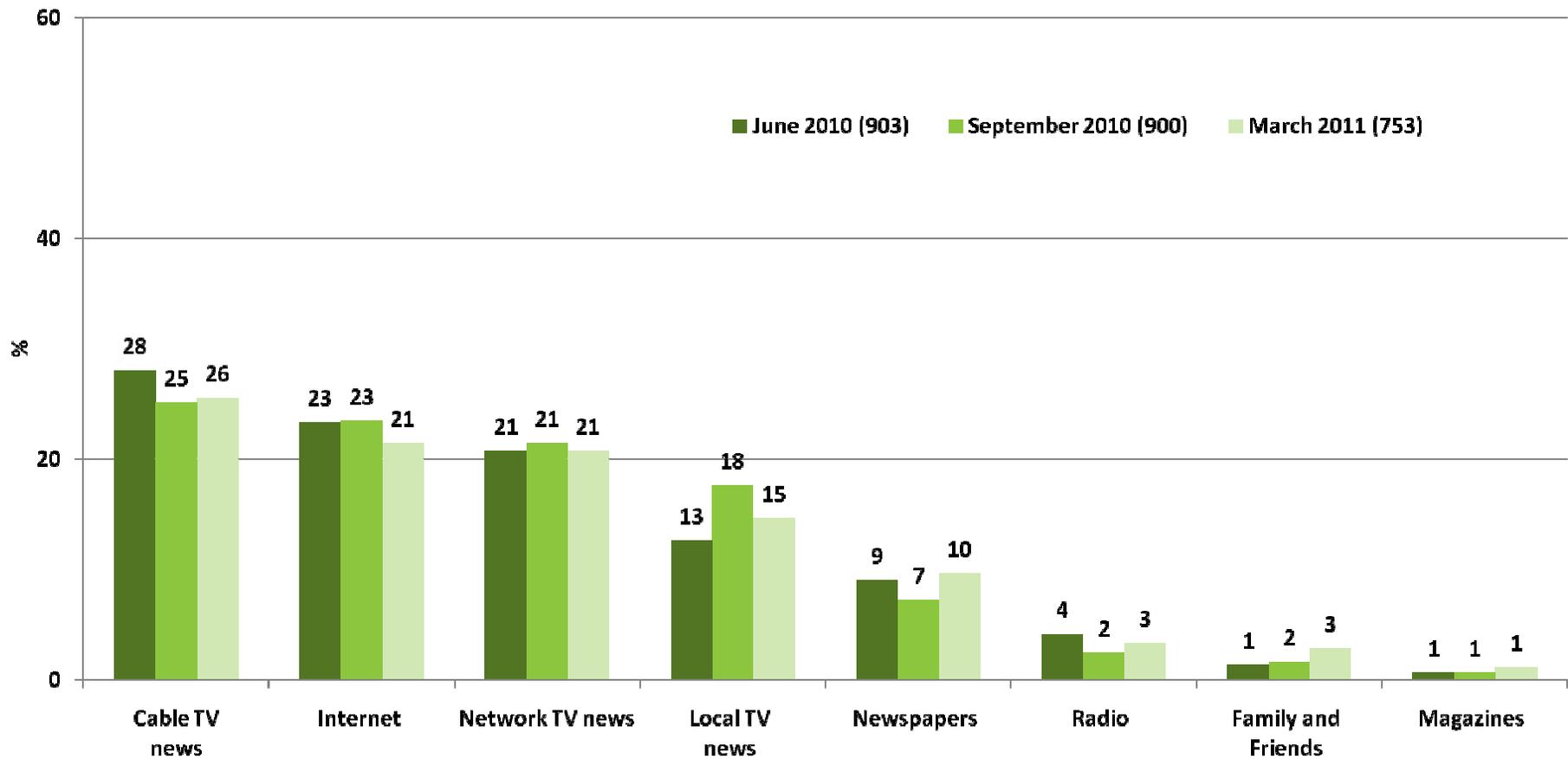


<sup>1</sup> Significantly different from June 2010 at the 95% confidence level

<sup>2</sup> Significantly different from September 2010 at the 95% confidence level

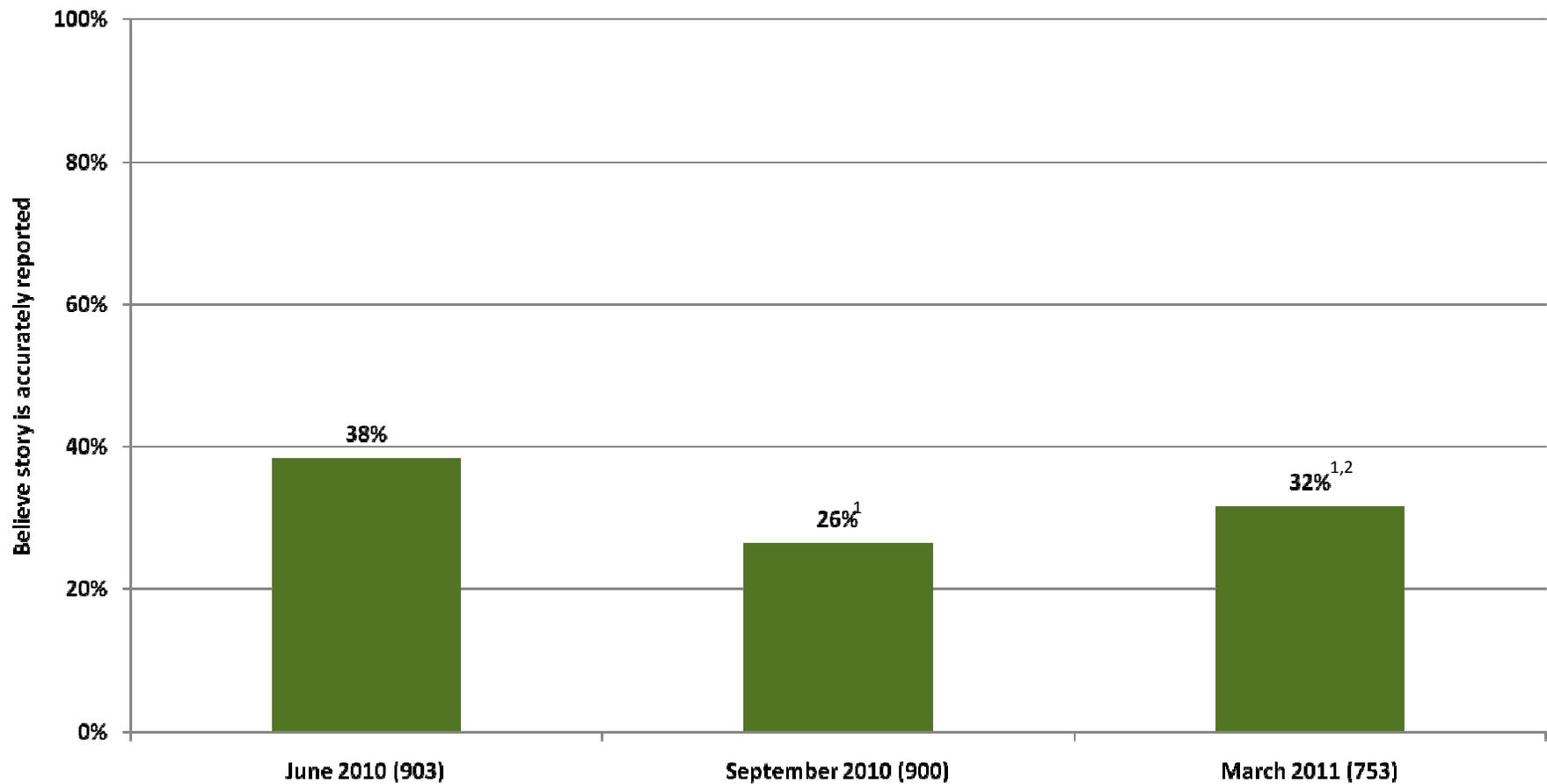
Q5. Which of the following statements best describes how familiar you are with the oil spill story in the Gulf of Mexico.

# Regional respondents acquire information about the oil spill from a variety of sources.



Q12. What is your number one source of information about the oil spill?

# About one-third of respondents believe the oil spill story is being reported accurately – an increase compared to September 2010.



1 Significantly different from June 2010 at the 95% confidence level

2 Significantly different from September 2010 at the 95% confidence level

Being downplayed  
in reporting

1

2

3

4

Being accurately  
reported

6

7

8

9

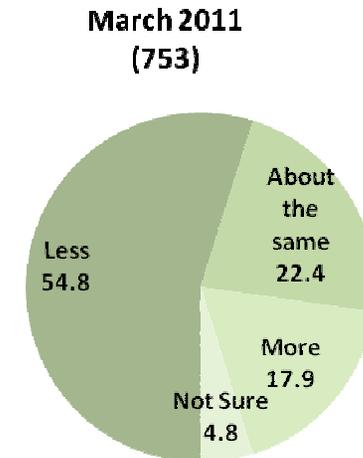
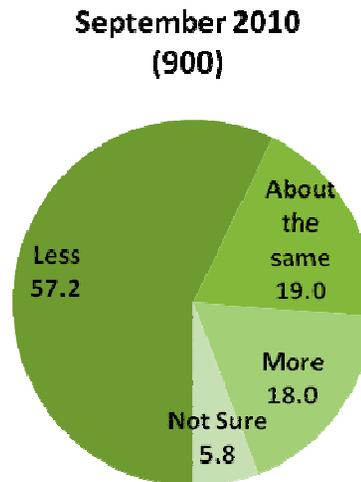
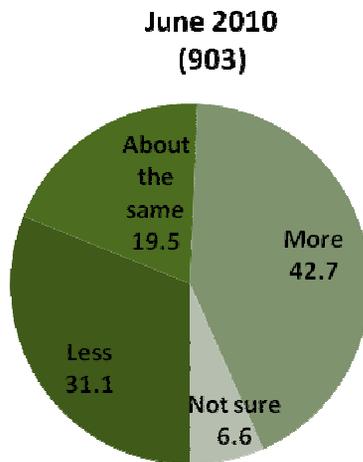
10-  
Being exaggerated  
in reporting

12

# How bad do Regional respondents think the oil spill has been for Louisiana?

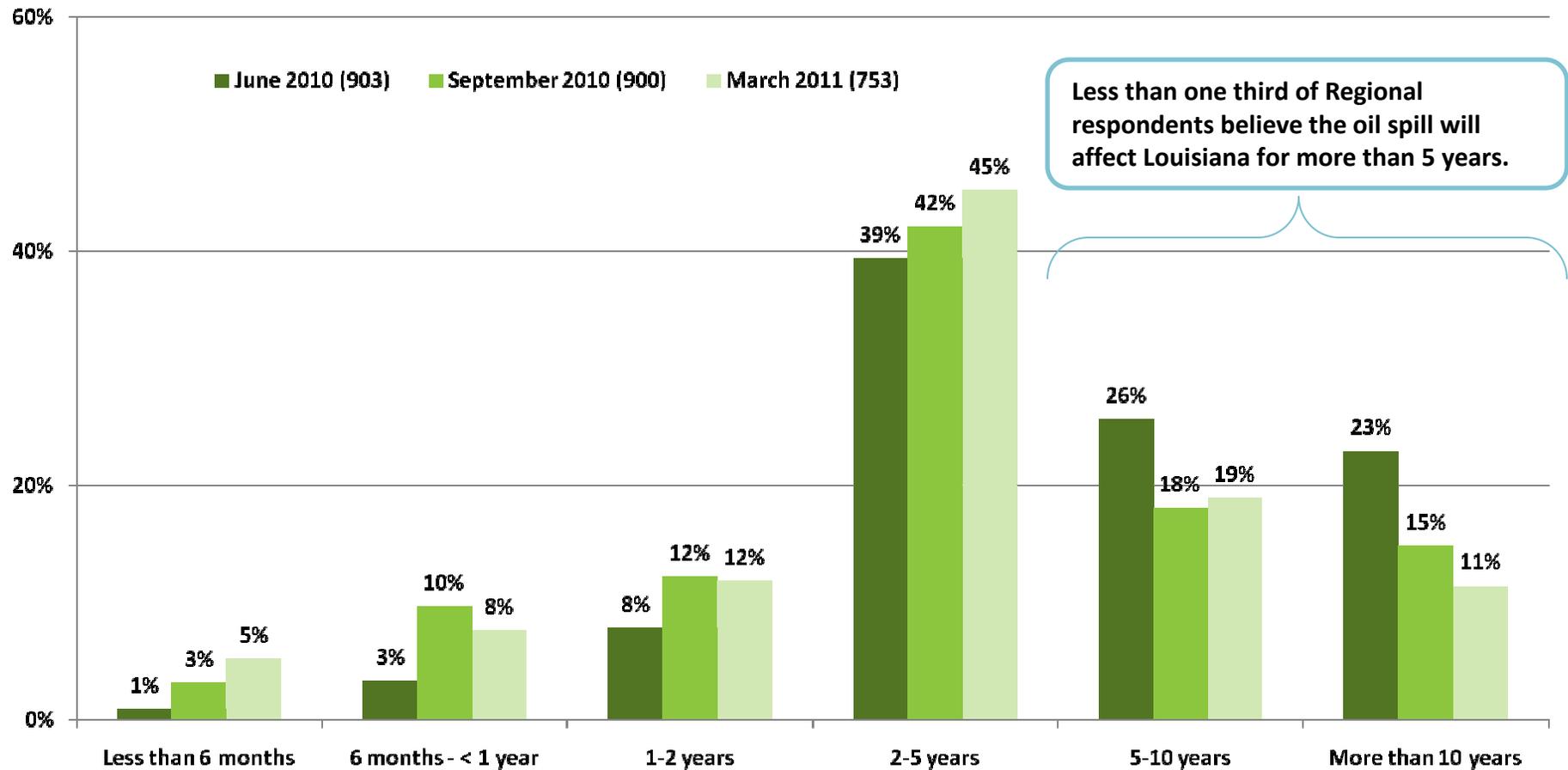
# Negative perceptions of the oil spill's devastation on Louisiana are lower now than in June 2010.

Compared to the 2005 hurricanes, the devastation caused by the oil spill is:



Q8. In the summer of 2005, as you probably remember, Hurricanes Katrina and Rita hit Louisiana. Compared to what you know about the devastation to Louisiana caused by those hurricanes, do you think the devastation to Louisiana caused by the oil spill is:

# Belief that Louisiana will be affected by the oil spill in the long term is lower now than in earlier waves.

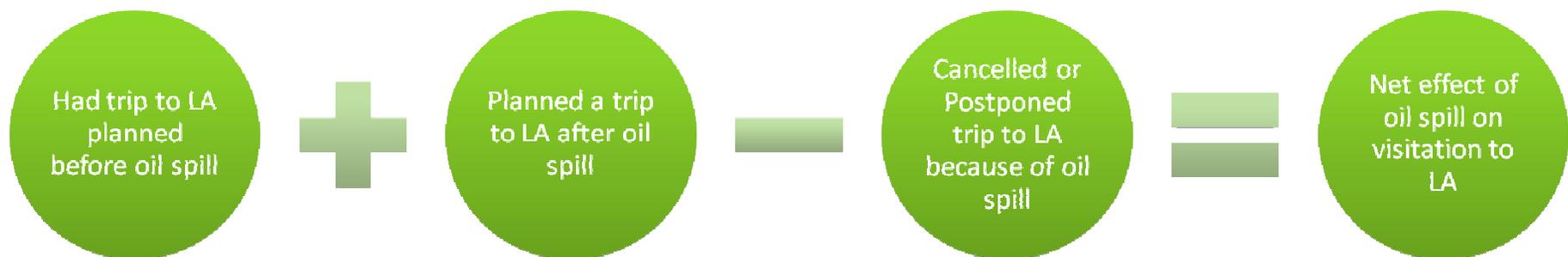


Q11. Based on everything you know about the oil spill, how long do you think Louisiana will be affected?

# How has the oil spill affected Regional respondents' travel plans to Louisiana?

## To answer that question, we examined travel plans to Louisiana before and after the oil spill.

- ◆ Respondents were asked to indicate how the oil spill in the Gulf had affected their leisure travel plans to Louisiana. They could select from the following list of options:
  - The oil spill caused me to plan a leisure trip to Louisiana.
  - The oil spill caused me to cancel a leisure trip to Louisiana.
  - The oil spill caused me to postpone a leisure trip to Louisiana.
  - The oil spill caused me to change the areas or attractions to visit on my leisure trip to Louisiana.
  - The oil spill had no impact on my plans to take a leisure trip to Louisiana.
- ◆ The effect of the oil spill on leisure travel plans to Louisiana was calculated as follows:
  - The number/percentage of respondents likely to visit Louisiana prior to the oil spill
  - Plus the number/percentage of respondents who planned trips to Louisiana because of the oil spill
  - Minus the number/percentage of respondents who cancelled or postponed trips to Louisiana because of the spill



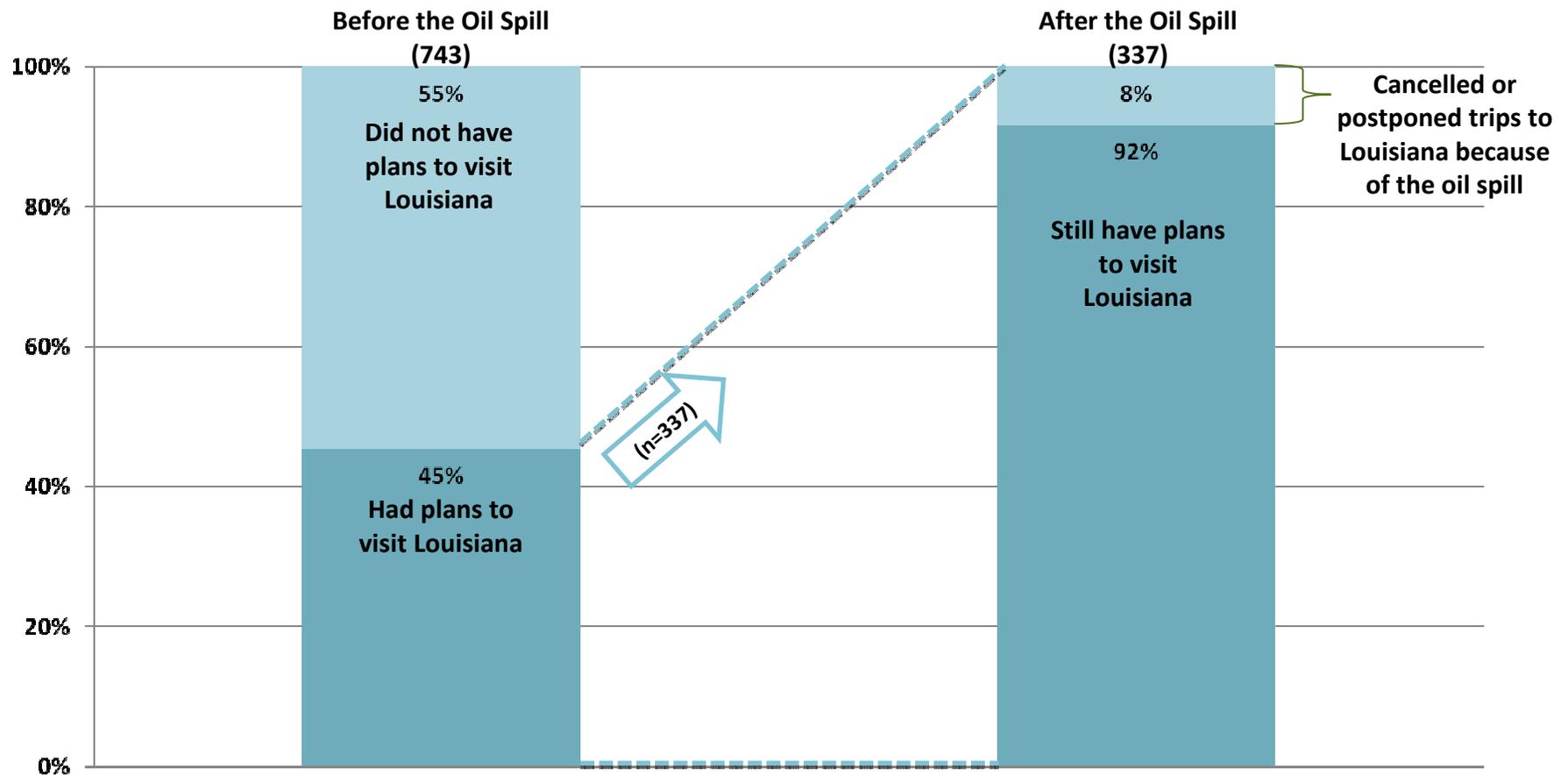
# The net effect of the oil spill on visitation to Louisiana is less than earlier waves.

Effects of oil spill on leisure travel plans measured in 3 steps:	June 2010 (903)		September 2010 (900)		March 2011 (753)	
	Number	Percentage	Number	Percentage	Number	Percentage
1. Had Plans to Visit before the Oil Spill	389	43.1%	411	45.7%	337	44.8%
2. Made Plans to Visit after the Oil Spill	+23	+2.5%	+17	+1.9%	+10	+1.3%
3. Cancelled or Postponed Plans to Visit after the Oil Spill	-65	-7.2%	-53	-5.9%	-28	-3.7%
<b>Have Plans to visit</b>	<b>347</b>	<b>38.4%</b>	<b>375</b>	<b>41.7%</b>	<b>319</b>	<b>42.4%</b>

Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS: LOUISIANA  
 Q10. How has the oil spill affected your leisure travels to Louisiana?

# Fewer than 1 out of 10 (8%) would-be visitors cancelled or postponed plans to visit Louisiana because of the oil spill.

March 2011



NOTE: Respondents who made plans to visit Louisiana after the oil spill (n=10) are excluded from the analysis.

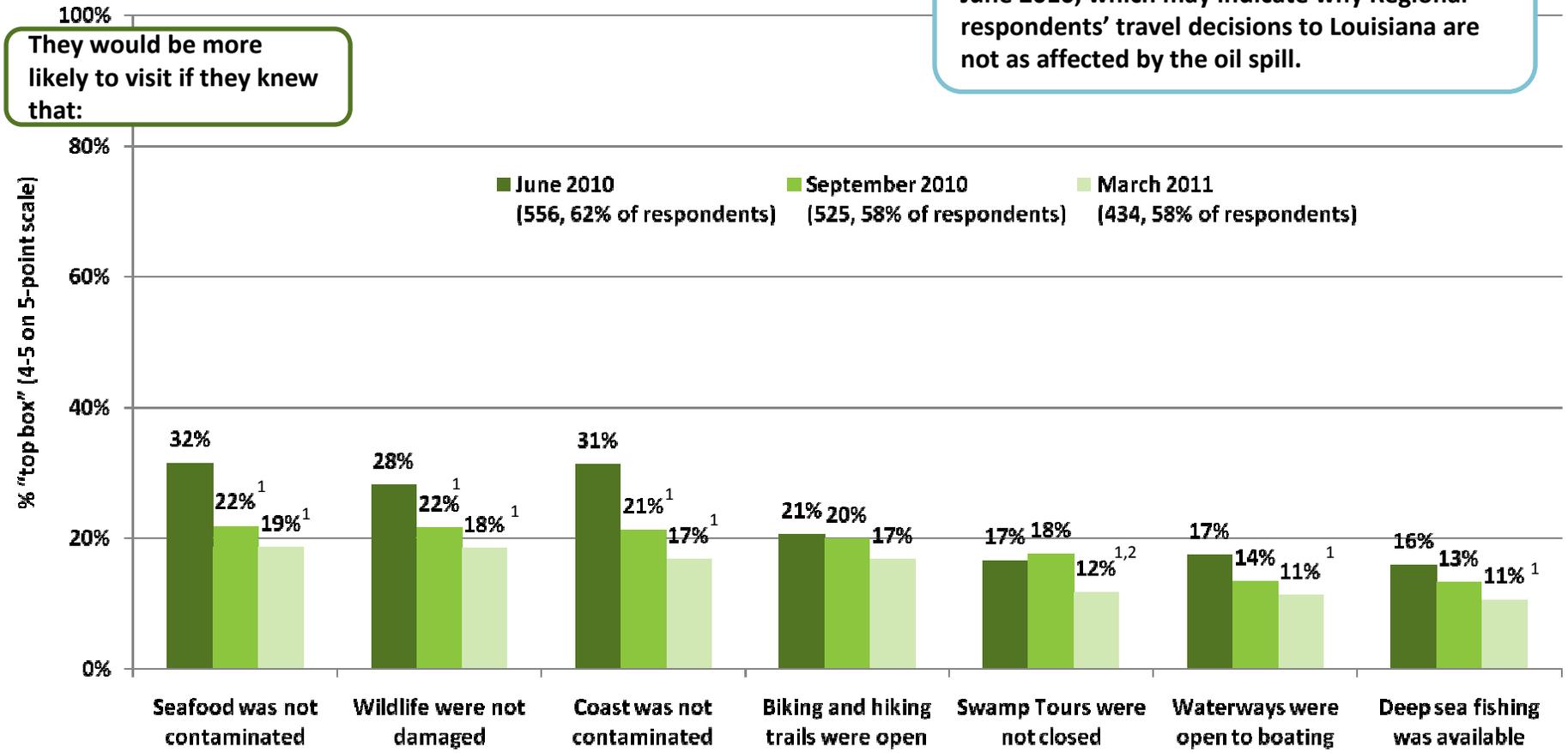
Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS: LOUISIANA  
Q10. How has the oil spill affected your leisure travels to Louisiana? [Chart includes respondents who said that they either cancelled or postponed a leisure trip to Louisiana because of the oil spill.]

**What could Louisiana say that would attract  
Regional visitors?**

# Tell them that Louisiana has what was available before the oil spill – *seafood, wildlife and an uncontaminated coast.*

Among Respondents NOT likely (1-3 on 5-point scale) to visit Louisiana

These messages are *less* effective now than in June 2010, which may indicate why Regional respondents' travel decisions to Louisiana are not as affected by the oil spill.



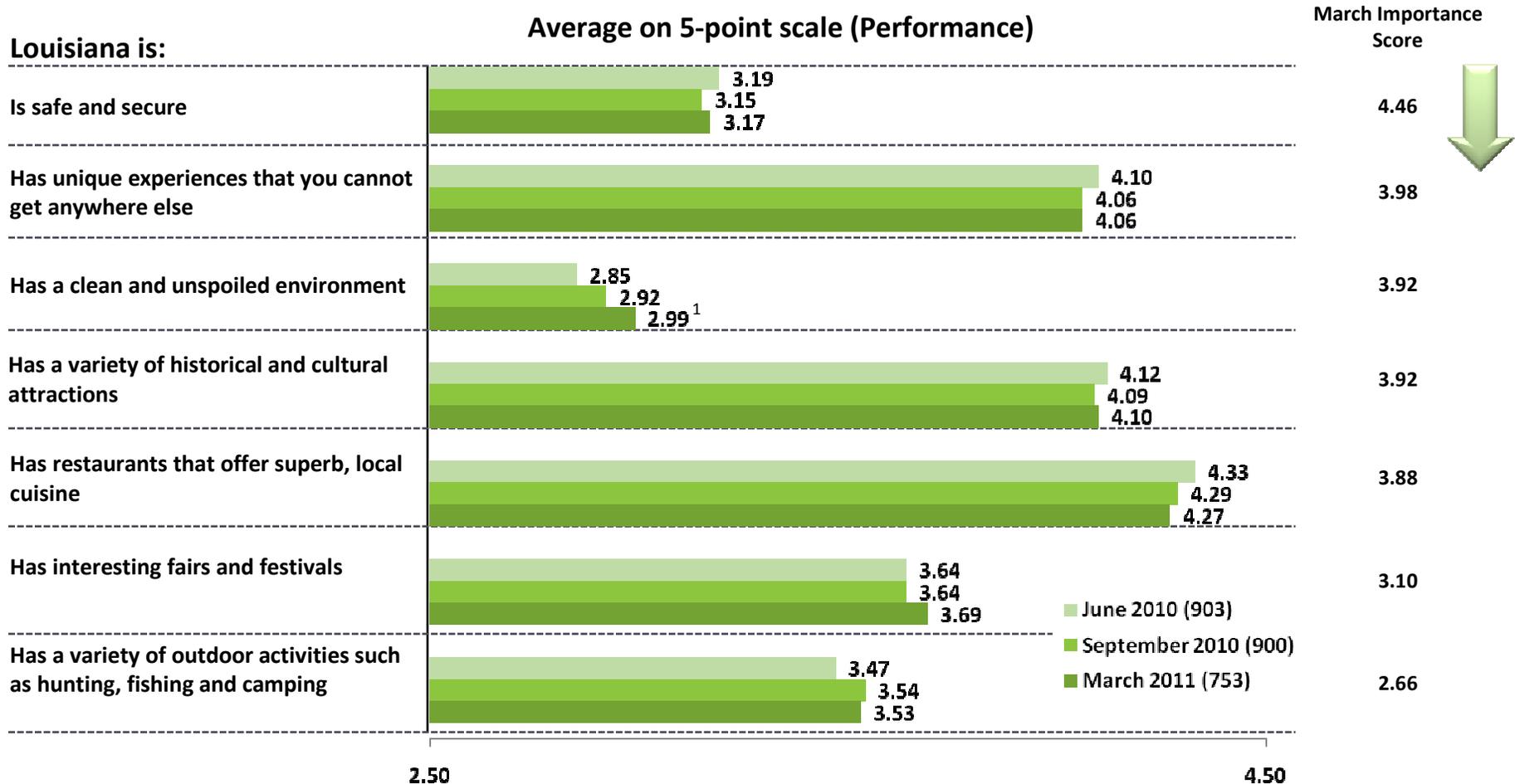
1 Significantly different from June 2010 at the 95% confidence level

2 Significantly different from September 2010 at the 95% confidence level

Q9. Earlier you indicated that you are not likely to visit Louisiana in the next 12 month. Please use the scale below to indicate your agreement with the list of statements about visiting Louisiana. I would be more likely to visit Louisiana if...

# Communicate that Louisiana offers *unique experiences, cultural attractions and superb cuisine.*

(Regional respondents' top priority to feel *safe and secure* continues to have room for improvement.)

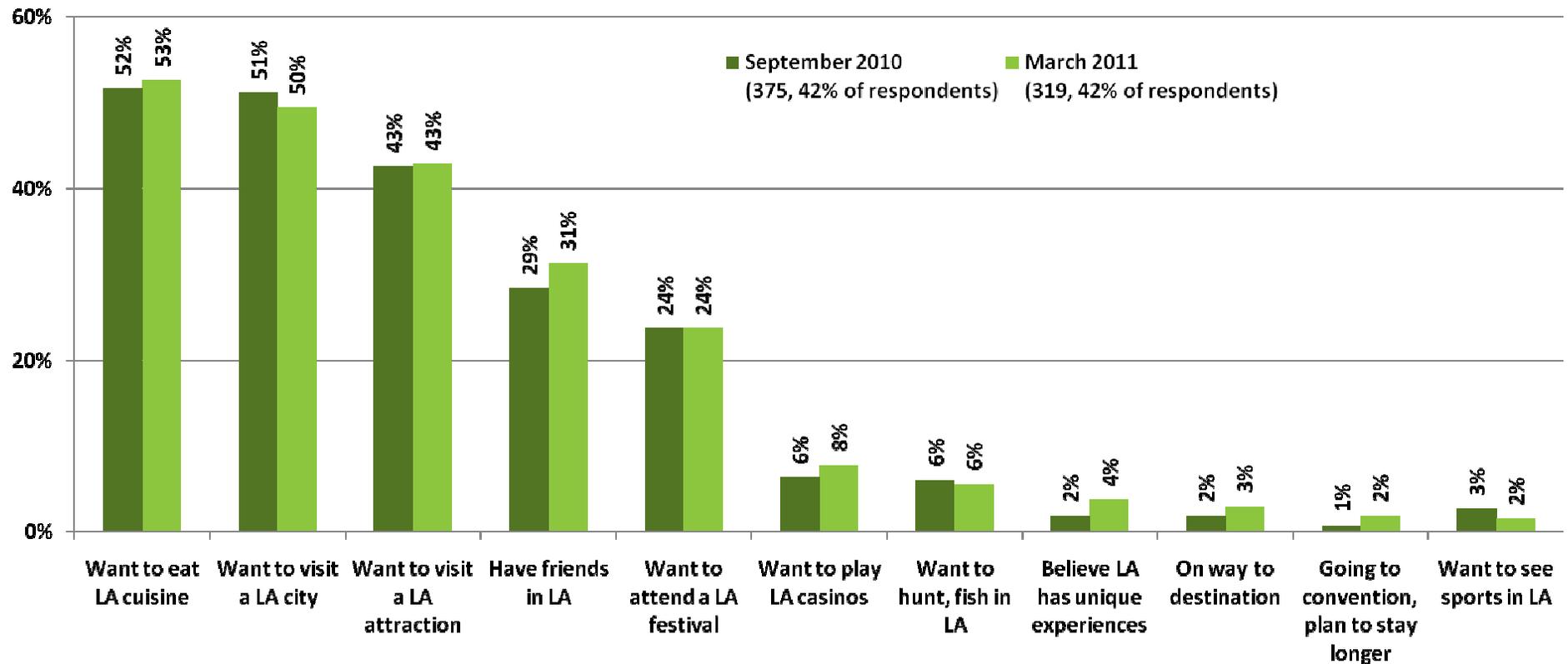


<sup>1</sup> Significantly different from June 2010 at the 95% confidence level

Q3/Q4. Think for a moment about when you are planning a leisure trip. Using a scale from 1 to 5 where "1" means the phrase is not at all important/do not agree at all and "5" means the phrase is extremely important/strongly agree, please pick any number from 1 to 5 to indicate how important the phrase is to you in terms of what you want from a leisure destination/to indicate the extent you agree with the following statements about Louisiana today.

# More than half of Regional respondents who plan to visit Louisiana want to eat Louisiana cuisine and visit a Louisiana city or location.

Among Respondents likely (4-5 on 5-point scale) to visit Louisiana

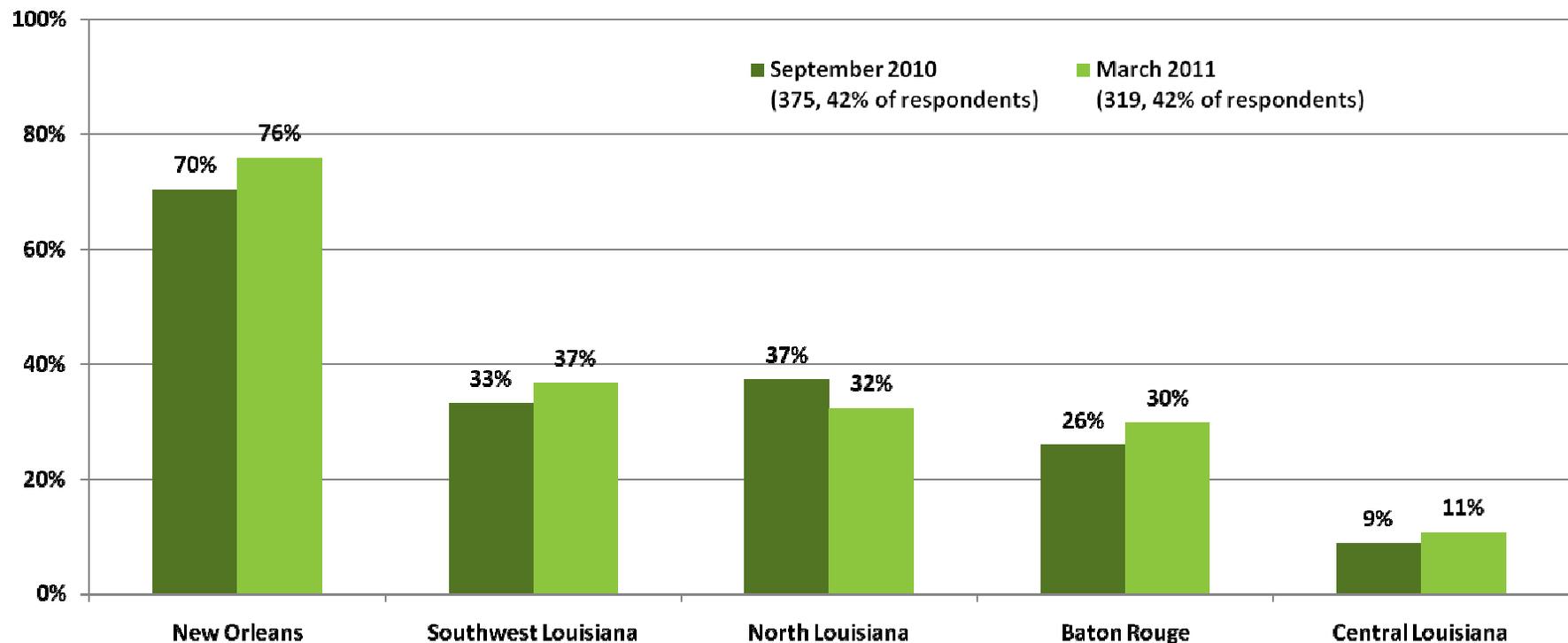


Note: This question was not asked in June

Q9.3 What led you to select Louisiana as a leisure travel destination? (Select all that apply.)

# Many likely Regional visitors are interested in going to New Orleans...North, Southwest and Baton Rouge Louisiana are also areas of interest.

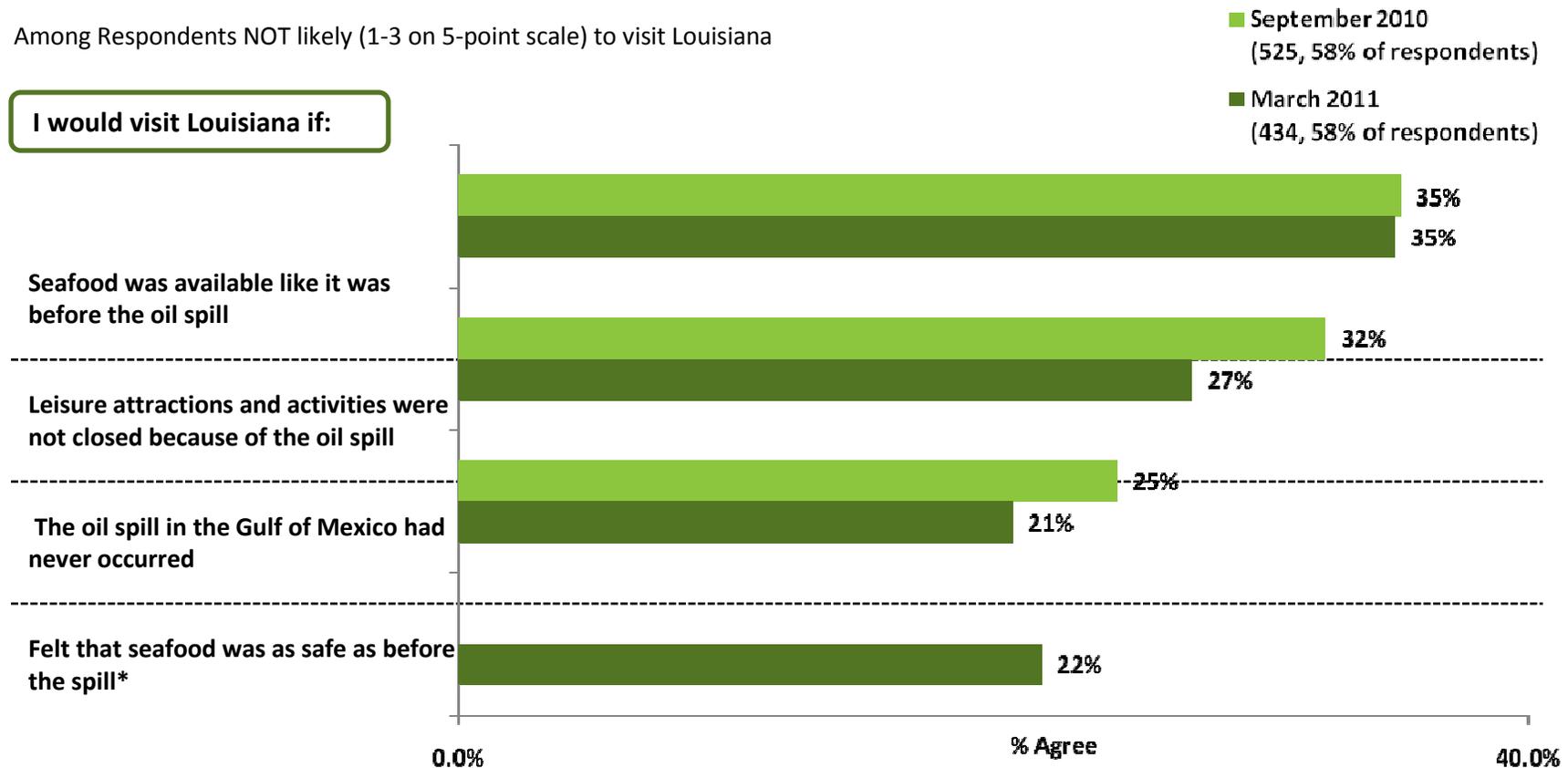
Among Respondents likely (4-5 on 5-point scale) to visit Louisiana



Note: This question was not asked in June  
 No significant differences between September 2010 and March 2011

# Concerns about the availability of Louisiana seafood continue to inhibit visitation to Louisiana.

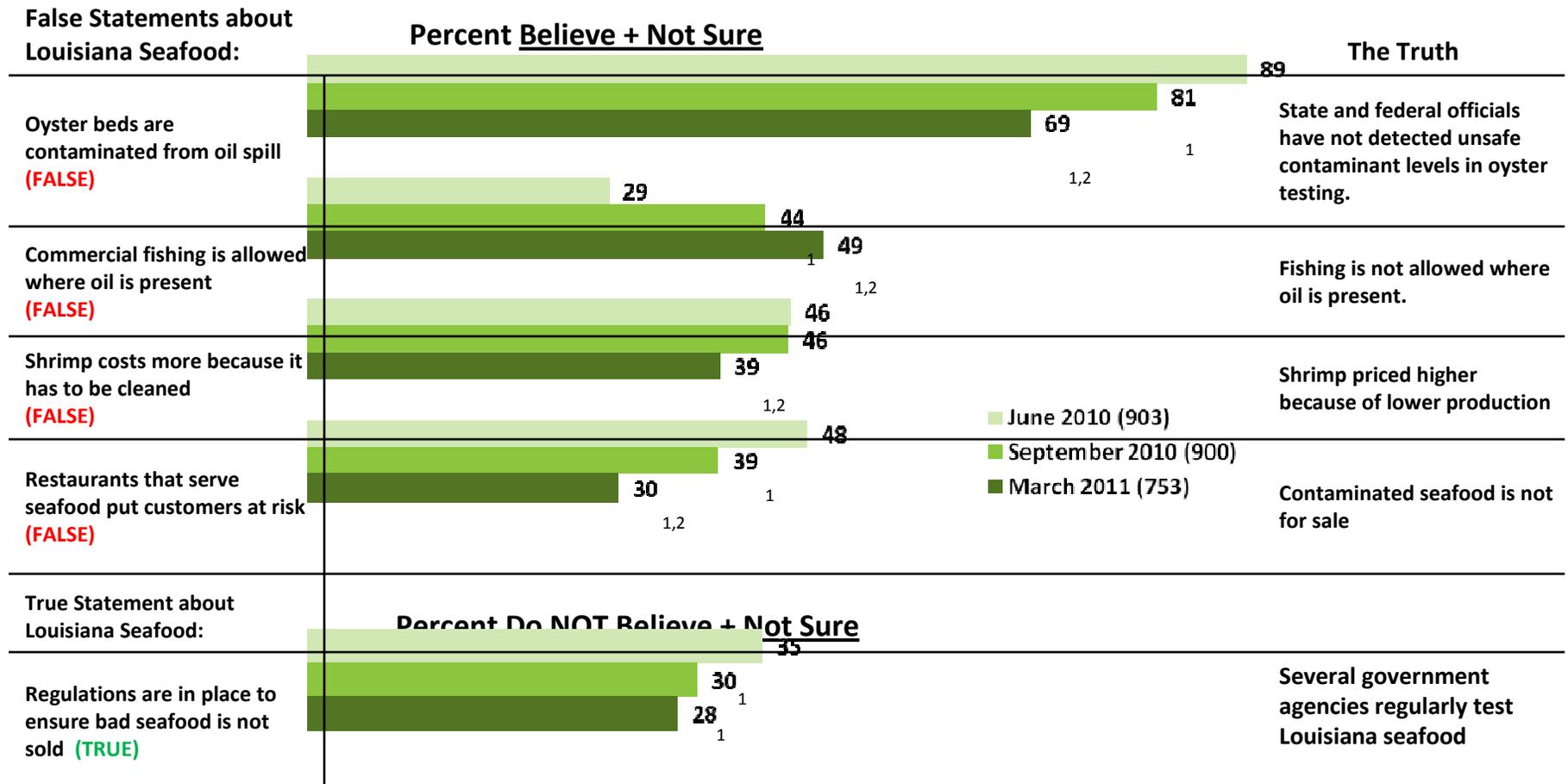
Among Respondents NOT likely (1-3 on 5-point scale) to visit Louisiana



\* This item was added in March 2011  
 No significant differences between September 2010 and March 2011

**What specifically should be said about Louisiana seafood to Regional respondents?**

# Misperceptions have declined, except when it comes to commercial fishing.



1 Significantly different from June 2010 at the 95% confidence level

Oil began spilling from an oil well on April 20, 2010 after an oil rig exploded in the Gulf of Mexico about 50 miles off the coast of Louisiana. Since mid-July 2010, the oil spill has been contained with a temporary cap. Q6. Considering this information and anything else you may have heard about the oil spill, please indicate whether you believe each of the following statements about Louisiana seafood.

# Summary – Nationwide

# Summary – Nationwide

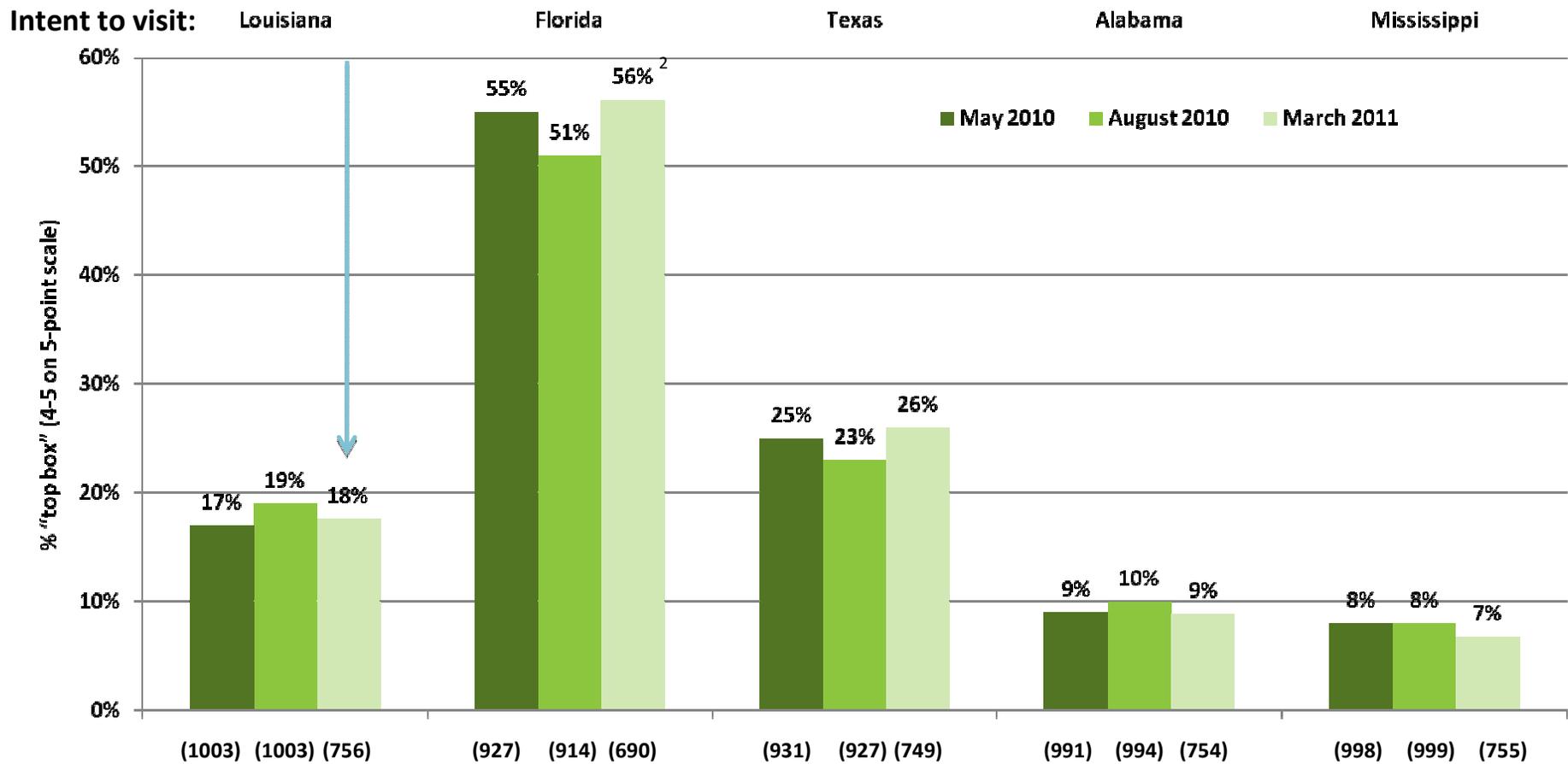


- ◆ **In all 3 Nationwide waves of research, intent to visit Louisiana has remained about the same.**
  - In March 2011, 18% of respondents said that they plan to visit Louisiana in the next 12 months, which is similar to May (17%) and August (19%) 2010.
  
- ◆ **Nationwide respondents' perceptions of the oil spill's devastation to Louisiana have changed very little over time.**
  - Nearly half of respondents in all 3 waves said that they believe the oil spill was "about the same" or "more" devastating than hurricanes Katrina and Rita (March 2011: 46%; August 2010: 49%; May 2010: 44%).
  - The percentage of respondents who believe that Louisiana will be affected by the oil spill for at least 2 years was 87% in March 2011, similar to earlier waves (August 2010: 80%, May 2010: 79%).
  - In March 2011, 8% of Nationwide respondents said that the oil spill caused them to cancel or postpone a leisure trip to Louisiana. This is similar to August 2010 (7%) And May 2010 (6%).
  
- ◆ **Concerns about Louisiana seafood have declined considerably. However, they continue to inhibit travel to the state.**
  - The belief that Louisiana oysters are contaminated declined significantly in March 2011 (80%) compared to August 2010 (88%) and May 2010 (86%).
  - Similarly, a significantly smaller percentage of March 2011 respondents (41%) than August 2010 (48%) and May 2010 (55%) respondents said that they believe that "restaurants that serve seafood are putting their customers at risk."
  - However, the percentage of unlikely visitors in March 2011 who said that they would visit Louisiana if "seafood were available like it was before the oil spill" was 34% - essentially identical to last wave (33%).

**What can Louisiana (and other Gulf Coast states) expect in terms of Nationwide visitors?**

# About one-fifth of nationwide respondents said that they plan to visit Louisiana in the next year.

Base: Respondents who do not live in the state

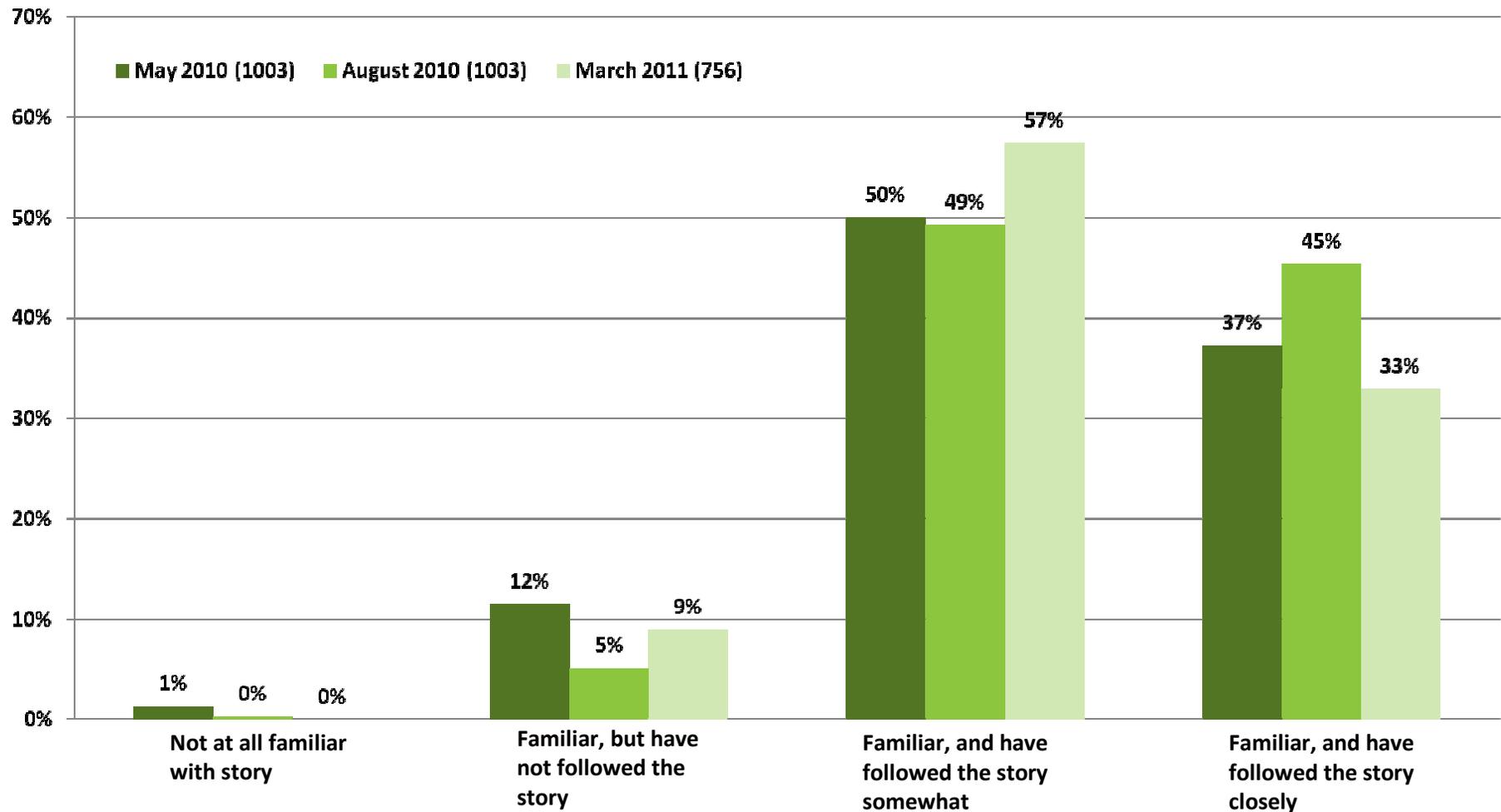


<sup>2</sup> Significantly different from August 2010 at the 95% confidence level

Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS:

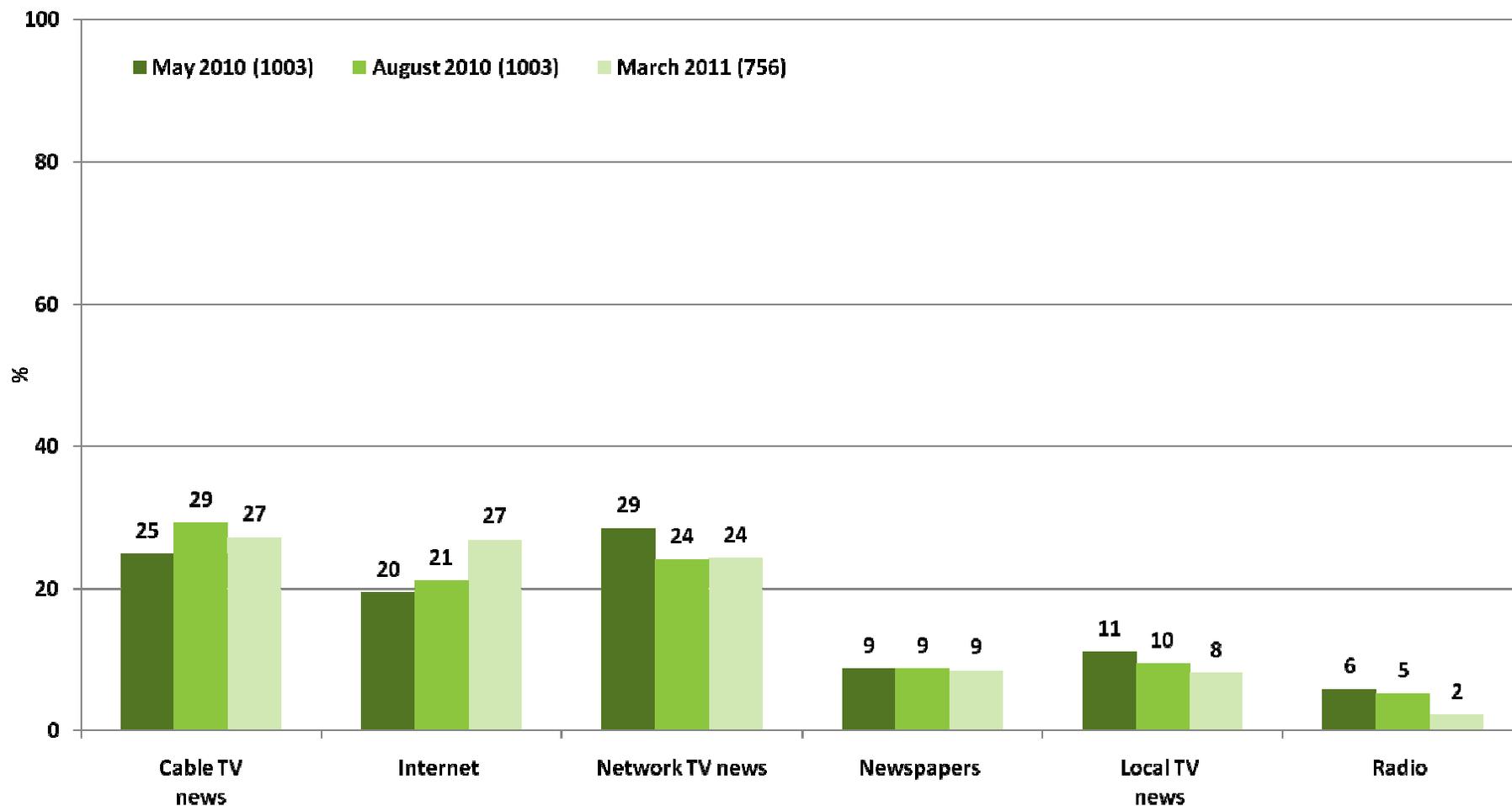
# Are Nationwide respondents still following the oil spill story?

**As one would expect, respondents are not following the oil spill story as closely as they did in earlier waves.**



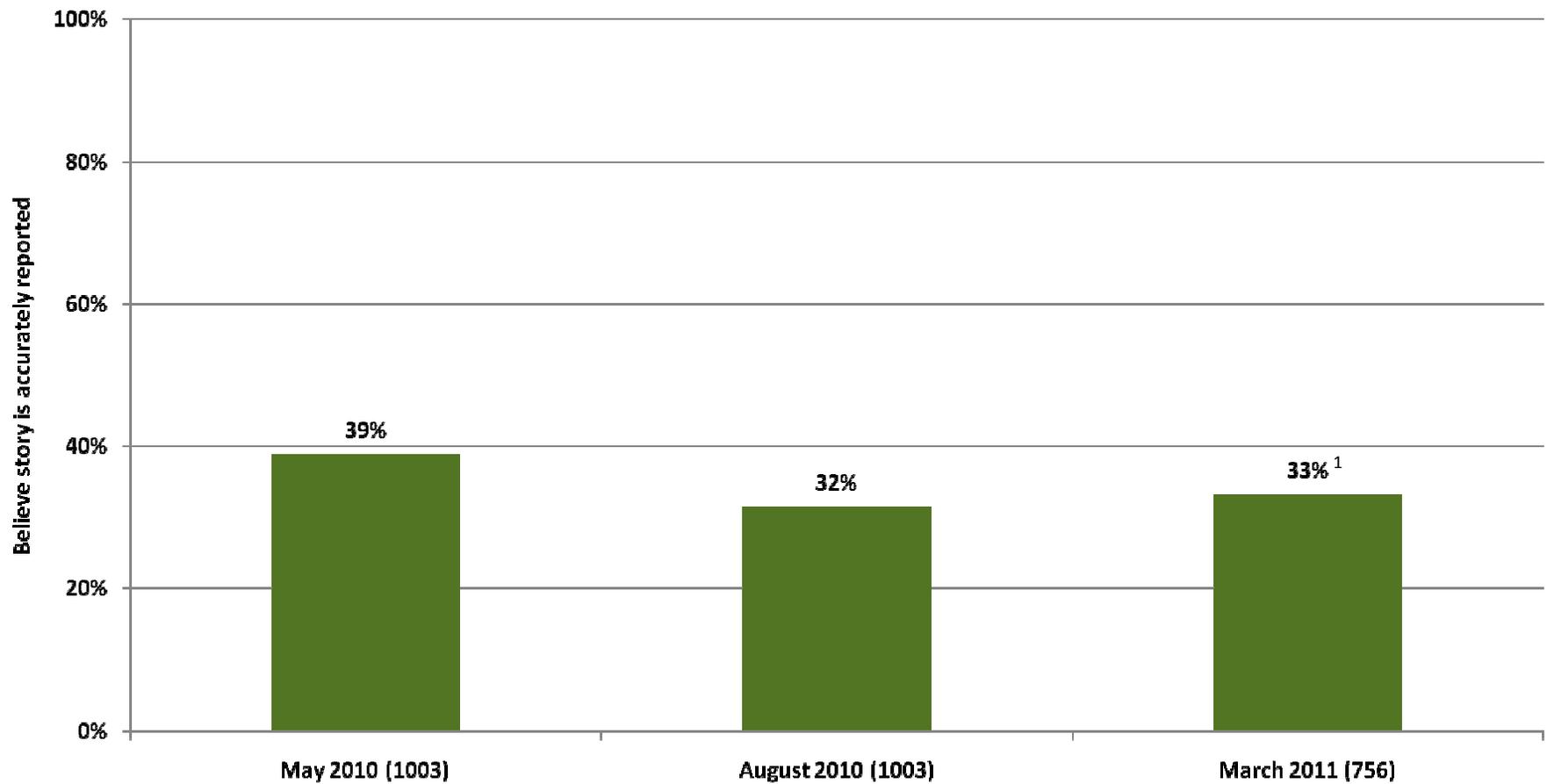
Q5. Which of the following statements best describes how familiar you are with the oil spill story in the Gulf of Mexico.

# Nationwide respondents acquire information about the oil spill from a variety of sources.



Q12. What is your number one source of information about the oil spill?

# For the last 2 waves, about one-third of respondents believe the oil spill story is being accurately reported.



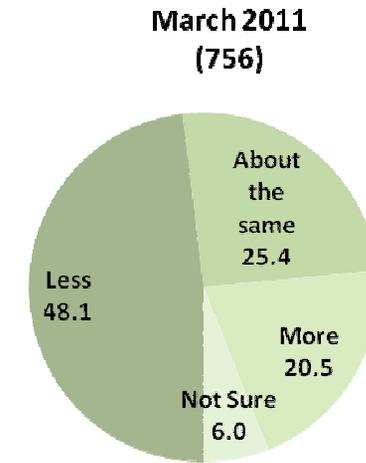
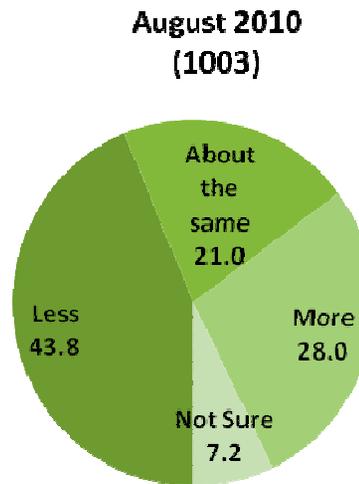
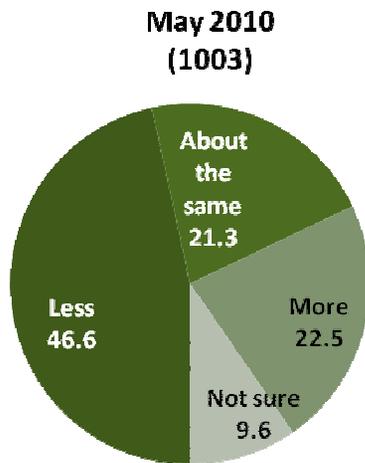
<sup>1</sup> Significantly different from May 2010 at the 95% confidence level

0- Being downplayed in reporting    1    2    3    4    5- Being accurately reported    6    7    8    9    10- Being exaggerated in reporting

**How bad do Nationwide respondents think the oil spill has been for Louisiana?**

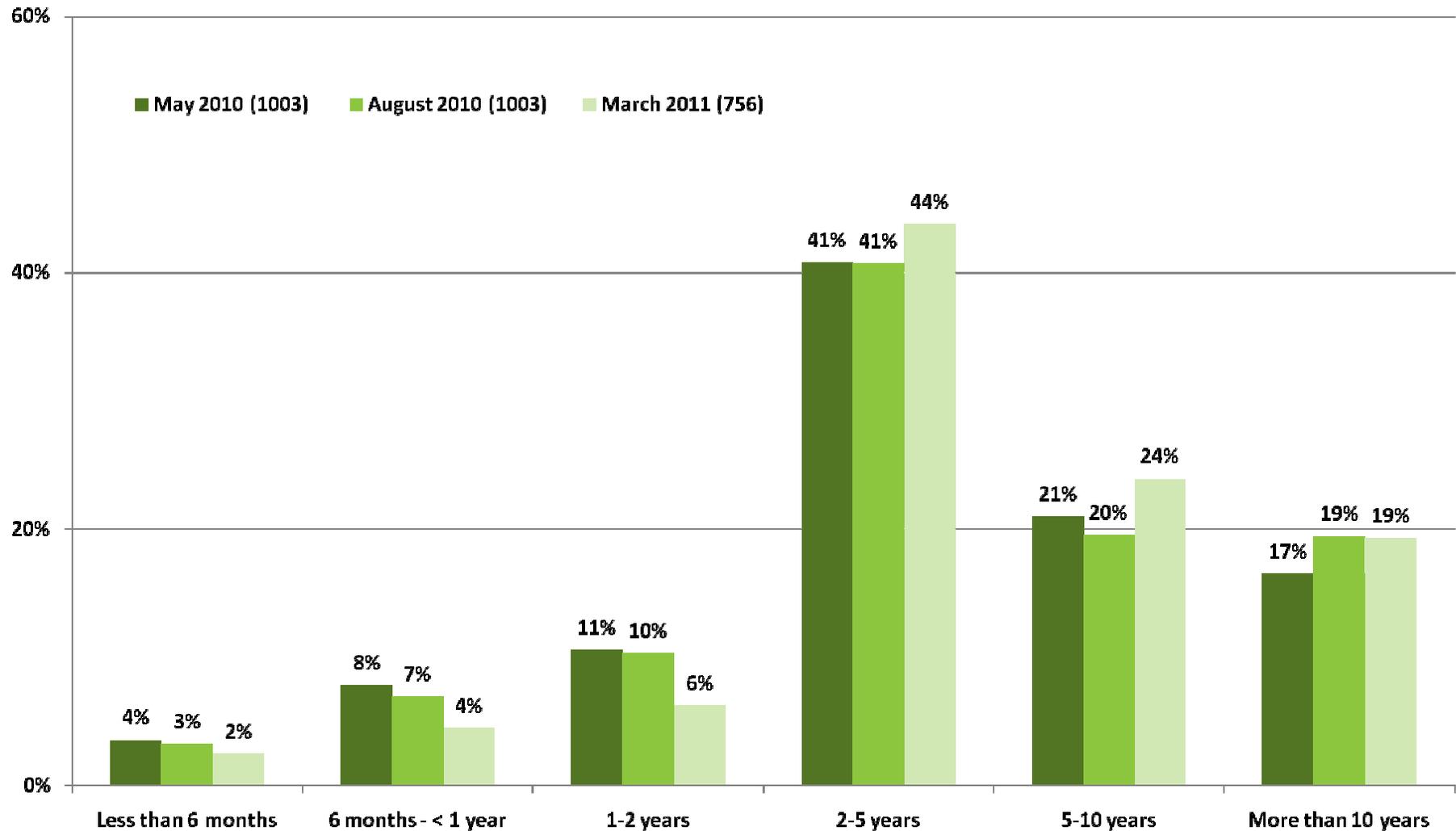
# Nationwide respondents' negative perceptions of the oil spill's devastation on Louisiana have not changed.

Compared to the 2005 hurricanes, the devastation caused by the oil spill is:



Q8. In the summer of 2005, as you probably remember, Hurricanes Katrina and Rita hit Louisiana. Compared to what you know about the devastation to Louisiana caused by those hurricanes, do you think the devastation to Louisiana caused by the oil spill is:

# Most Nationwide respondents believe Louisiana will be affected by the oil spill for at least 2 years.

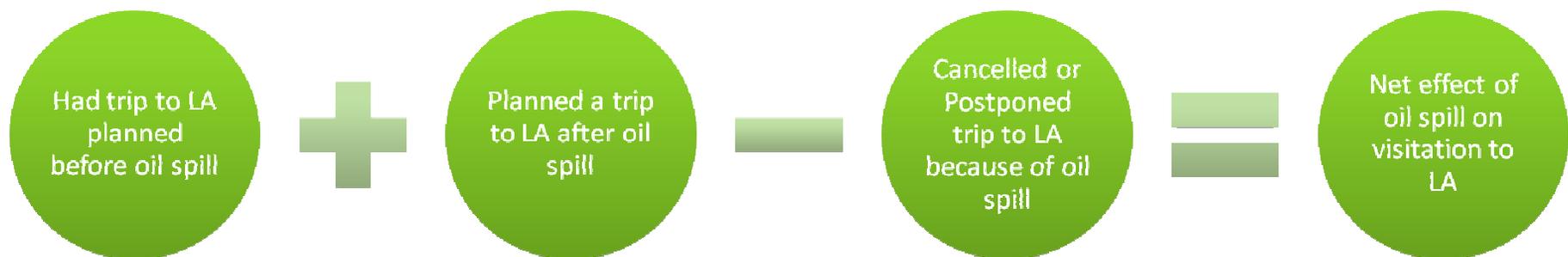


Q11. Based on everything you know about the oil spill, how long do you think Louisiana will be affected?

# How has the Oil Spill Affected Nationwide Respondents' Travel Plans to Louisiana?

## To answer that question, we examined travel plans to Louisiana before and after the oil spill.

- ◆ Respondents were asked to indicate how the oil spill in the Gulf had affected their leisure travel plans to Louisiana. They could select from the following list of options:
  - The oil spill caused me to plan a leisure trip to Louisiana.
  - The oil spill caused me to cancel a leisure trip to Louisiana.
  - The oil spill caused me to postpone a leisure trip to Louisiana.
  - The oil spill caused me to change the areas or attractions to visit on my leisure trip to Louisiana.
  - The oil spill had no impact on my plans to take a leisure trip to Louisiana.
- ◆ The effect of the oil spill on leisure travel plans to Louisiana was calculated as follows:
  - The number/percentage of respondents likely to visit Louisiana prior to the oil spill
  - Plus the number/percentage of respondents who planned trips to Louisiana because of the oil spill
  - Minus the number/percentage of respondents who cancelled or postponed trips to Louisiana because of the spill



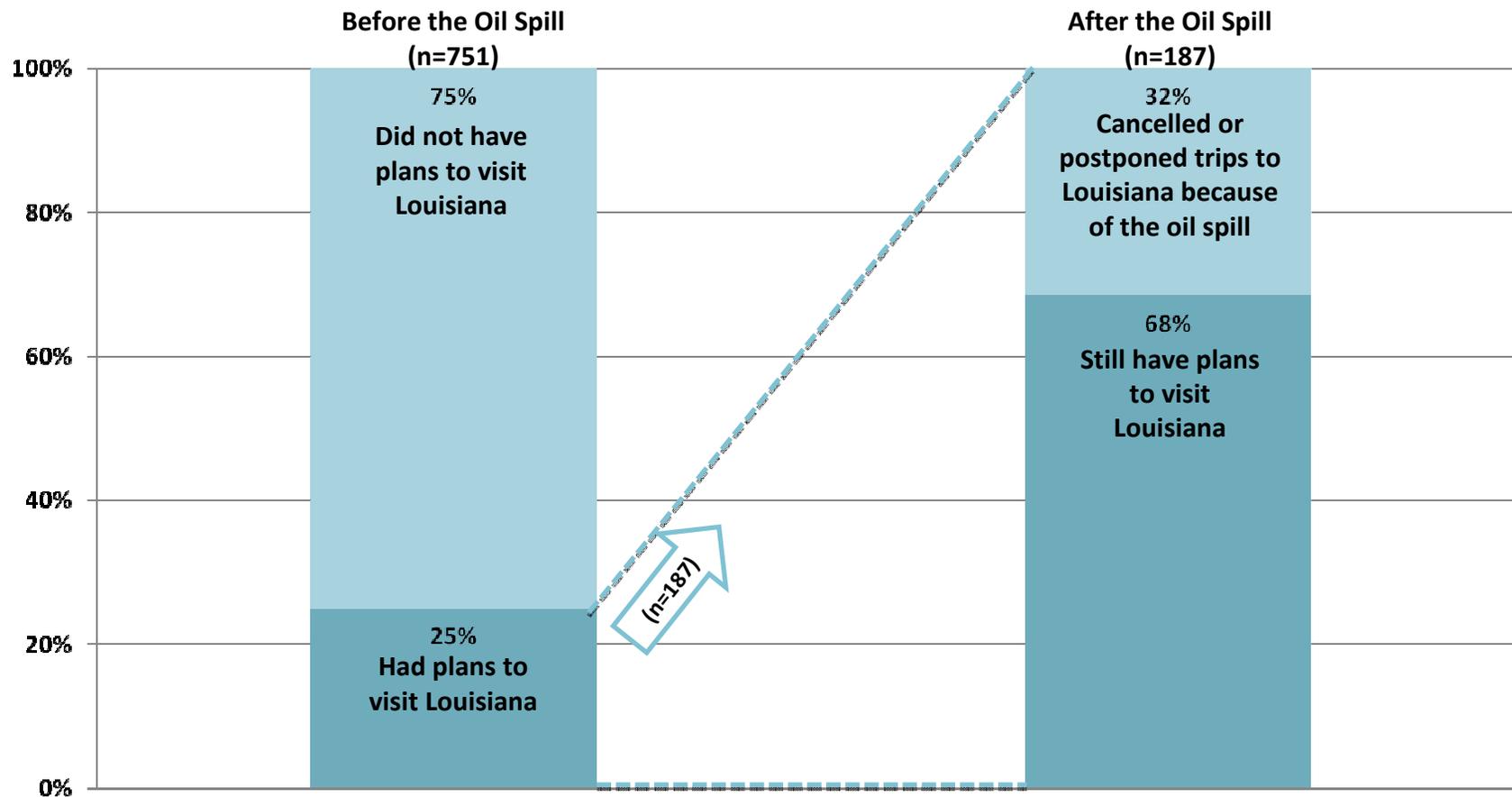
## The net effect of the oil spill on visitation to Louisiana is negative, and similar in all 3 waves.

Effects of oil spill on leisure travel plans measured in 3 steps:	May 2010		August 2010		March 2011	
	Number	Percentage	Number	Percentage	Number	Percentage
1. Had Plans to Visit before the Oil Spill	218	22%	252	25%	187	25%
2. Made Plans to Visit after the Oil Spill	+8	+1%	+12	+1%	+5	+1%
3. Cancelled or Postponed Plans to Visit after the Oil Spill	-57	-6%	-72	-7%	-59	-8%
<b>Have Plans to visit</b>	<b>169</b>	<b>17%</b>	<b>192</b>	<b>19%</b>	<b>133</b>	<b>18%</b>

Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS: LOUISIANA  
 Q10. How has the oil spill affected your leisure travels to Louisiana?

# In fact, 32% of would-be visitors cancelled or postponed plans to visit Louisiana because of the oil spill.

March 2011



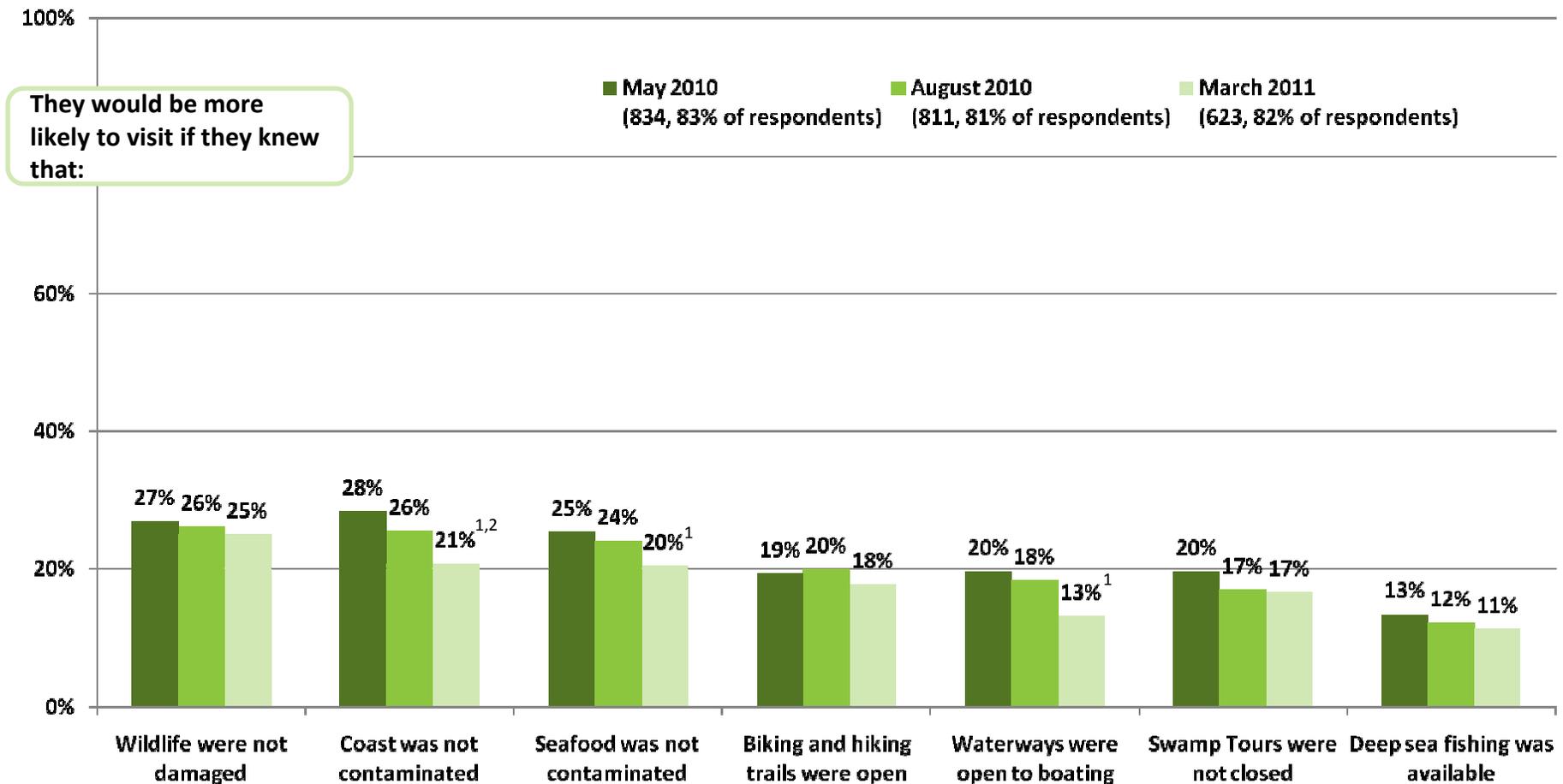
NOTE: Respondents who made plans to visit Louisiana after the oil spill (n=5) are excluded from the analysis.

Q2. Using a scale from 1 to 5 where "1" means not at all likely and "5" means extremely likely, please pick any number from 1 to 5 to indicate how likely you are to visit the following states for leisure or pleasure in the next 12 MONTHS: LOUISIANA  
 Q10. How has the oil spill affected your leisure travels to Louisiana? [Chart includes respondents who said that they either cancelled or postponed a leisure trip to Louisiana because of the oil spill.]

**What could Louisiana say that would attract visitors?**

# Tell them that Louisiana *wildlife*, the Louisiana *coast* and Louisiana *seafood* are okay.

Among Respondents NOT likely (1-3 on 5-point scale) to visit Louisiana

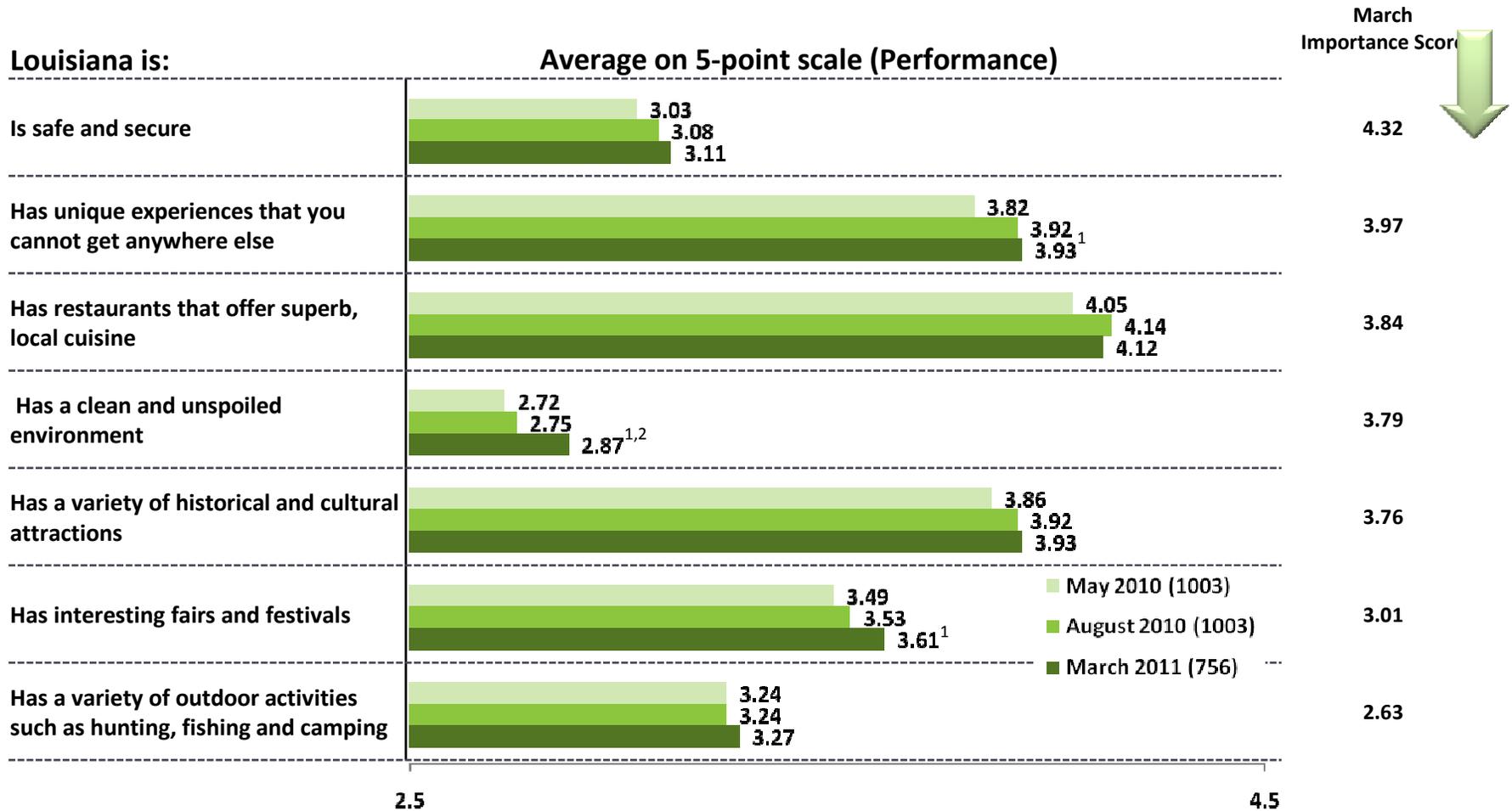


1 Significantly different from May 2010 at the 95% confidence level

2 Significantly different from August 2010 at the 95% confidence level

Q9. Earlier you indicated that you are not likely to visit Louisiana in the next 12 month. Please use the scale below to indicate your agreement with the list of statements about visiting Louisiana. I would be more likely to visit Louisiana if...

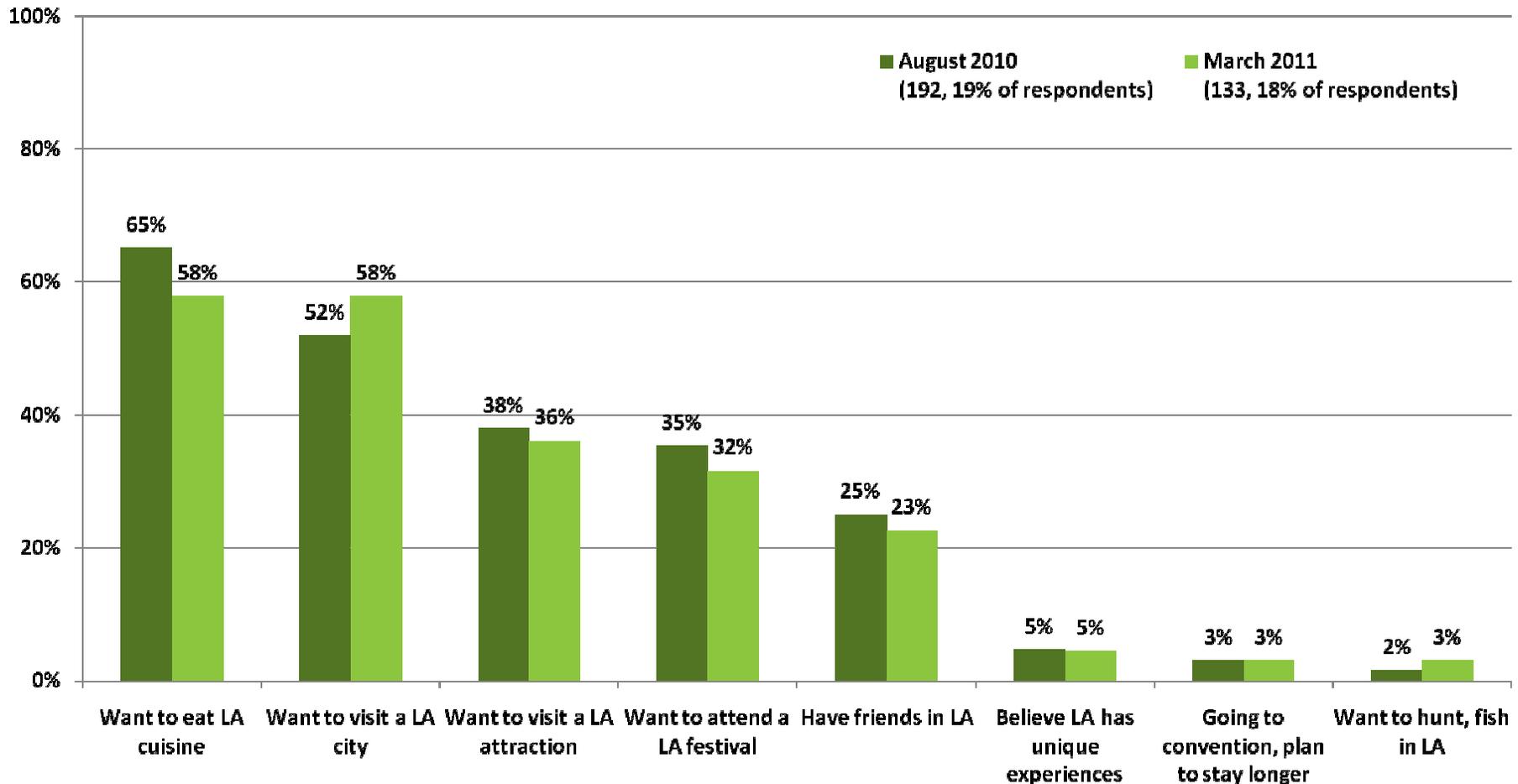
**Let them know that the state can offer what's important to them... *unique experiences and superb cuisine.***  
**(The challenge will be making them feel *safe and secure.*)**



1 Significantly different from May 2010 at the 95% confidence level  
 2 Significantly different from August 2010 at the 95% confidence level

Q3/Q4. Think for a moment about when you are planning a leisure trip. Using a scale from 1 to 5 where "1" means the phrase is not at all important/does not describe LA well at all and "5" means the phrase is extremely important/describes LA extremely well, please pick any number from 1 to 5 to indicate how important the phrase is to you in terms of what you want from a leisure destination/your perceptions of Louisiana.

# Respondents who plan to visit Louisiana want to eat Louisiana cuisine.

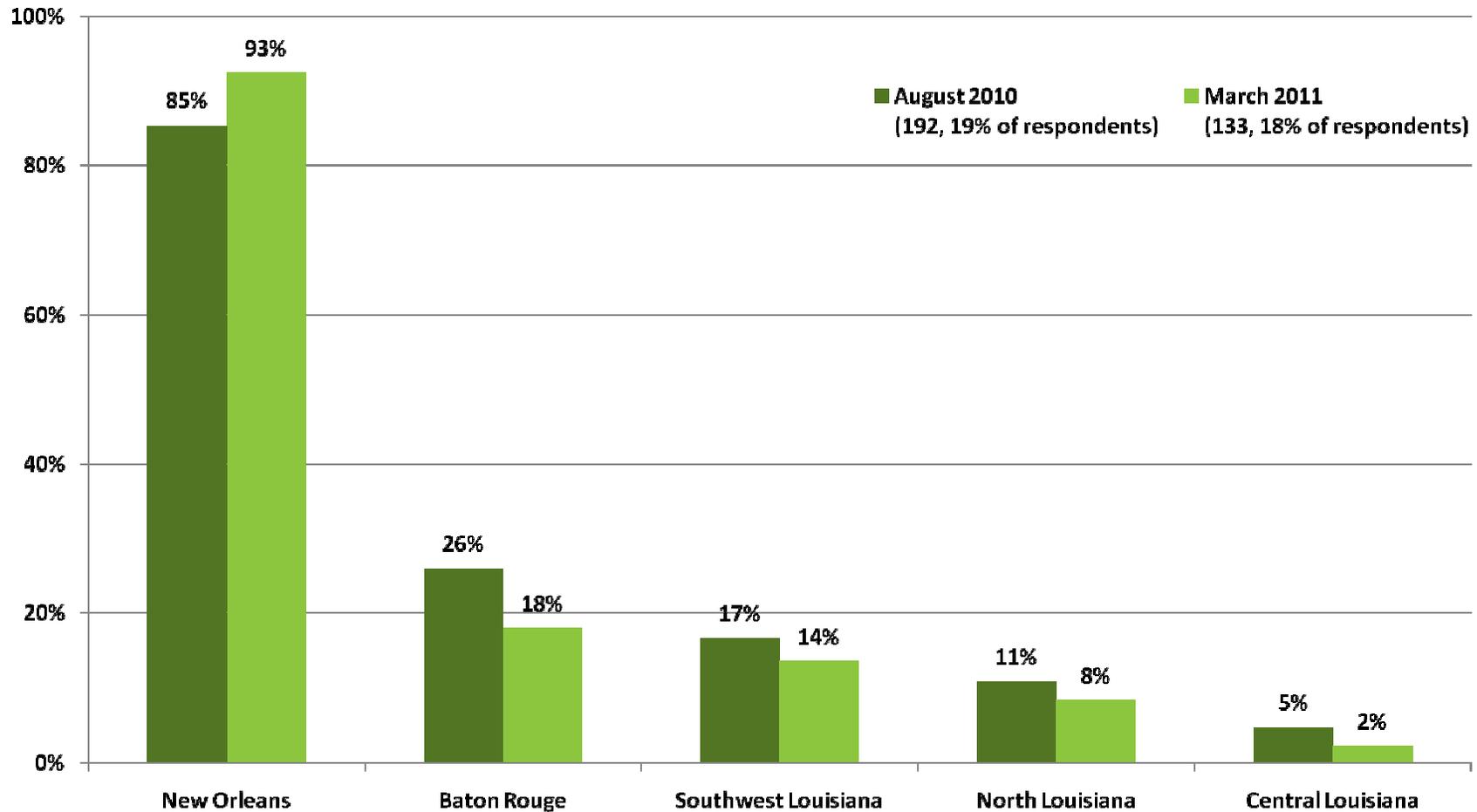


Among Respondents likely (4-5 on 5-point scale) to visit Louisiana

Q9.3 What led you to select Louisiana as a leisure travel destination? (Select all that apply.)

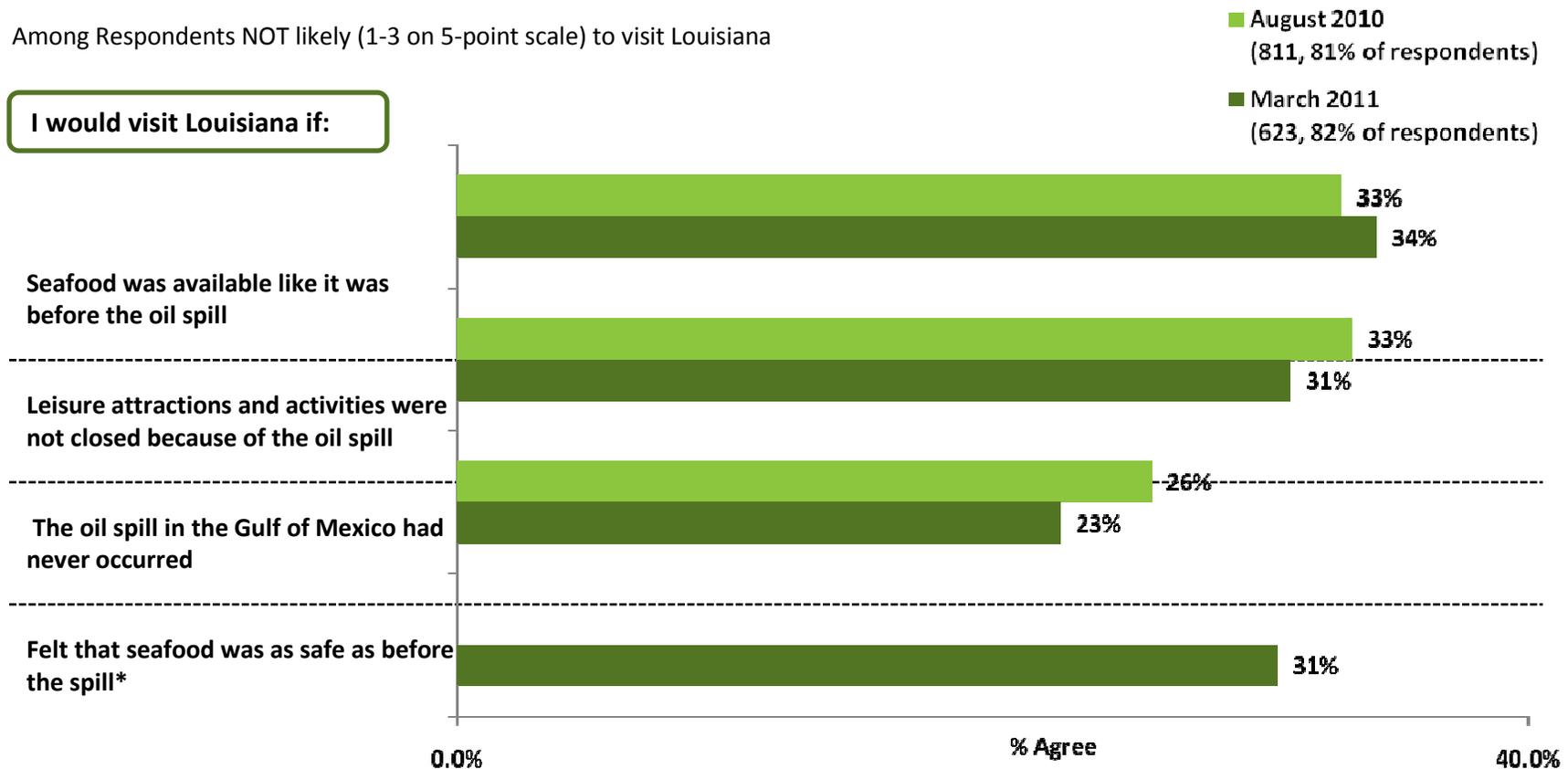
# Respondents who plan to visit Louisiana are most likely to visit New Orleans.

Among Respondents likely (4-5 on 5-point scale) to visit Louisiana



# Concerns about the availability of Louisiana seafood continue to inhibit visitation to Louisiana.

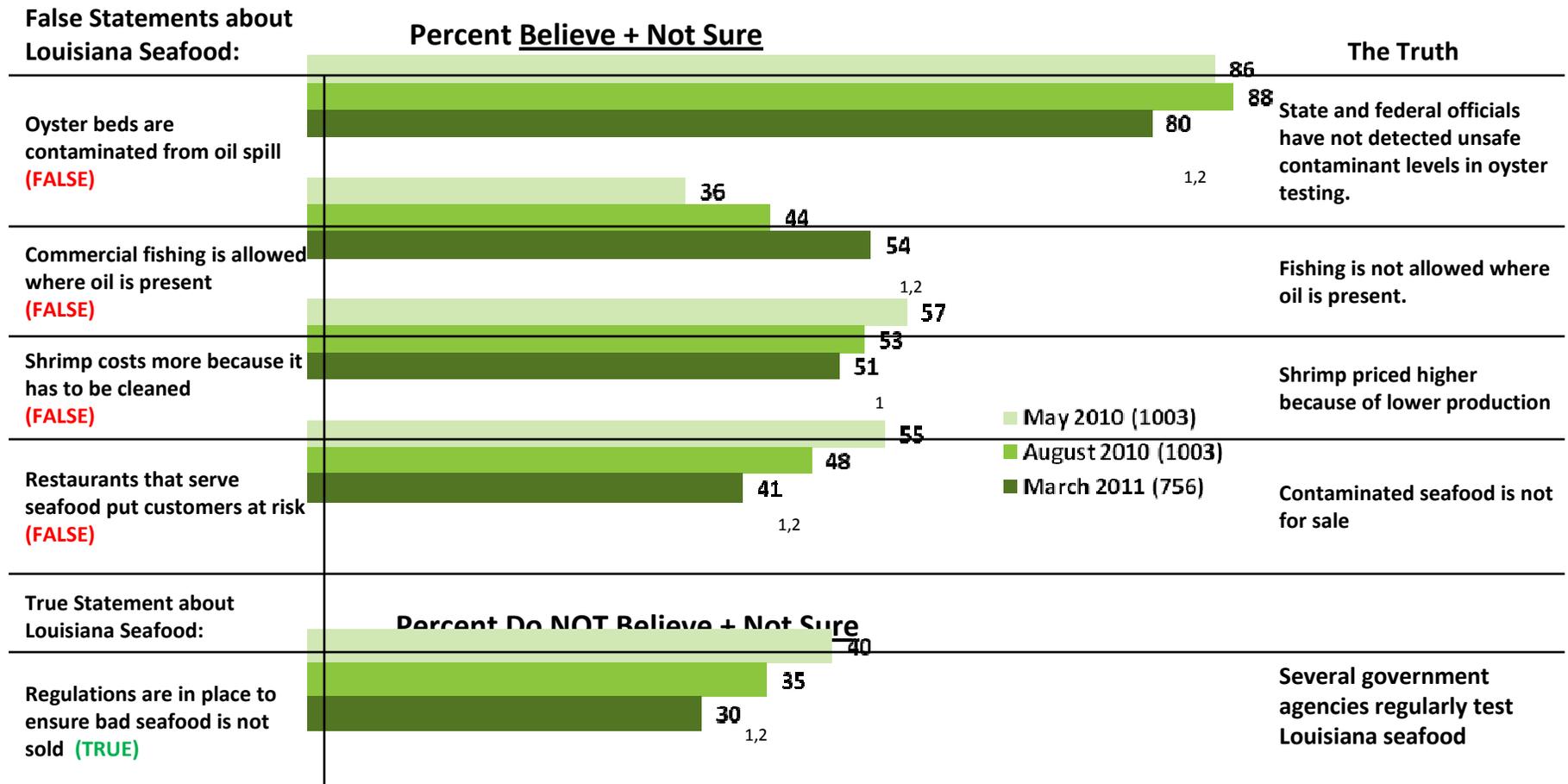
Among Respondents NOT likely (1-3 on 5-point scale) to visit Louisiana



\* This item was added in March 2011  
 No significant differences between August 2010 and March 2011

**What specifically should be said about Louisiana seafood?**

# Misperceptions have declined, except when it comes to commercial fishing.



1 Significantly different from May 2010 at the 95% confidence level  
 2 Significantly different from August 2010 at the 95% confidence level

Oil began spilling from an oil well on April 20, 2010 after an oil rig exploded in the Gulf of Mexico about 50 miles off the coast of Louisiana. Since mid-July 2010, the oil spill has been contained with a temporary cap. Q6. Considering this information and anything else you may have heard about the oil spill, please indicate whether you believe each of the following statements about Louisiana seafood.

# Respondent Profile

# Respondent Profile – Regional Markets



Total Respondents June 2010 base =903, September 2010 base=900, March 2011 base=753

	June 2010	Sept. 2010	Mar. 2011
<b>Educational Attainment</b>			
No college	7	8	5
Some college	19	21	18
College graduate	37	36	39
Post-graduate work or degree	38	35	38
<b>Race/Ethnicity</b>			
White	88	81	84
Black/African-American	3	3	4
Asian	3	6	5
Hispanic	3	8	5
Other	2	3	2
<b>Household Income</b>			
\$50K to under \$75K	23	29	24
\$75K to under \$100K	31	26	26
\$100k to under \$125k	22	22	21
\$125k and over	24	24	29

Units: %

	June 2010	Sept. 2010	Mar. 2011
<b>Age</b>			
25-35	16	20	14
36-55	43	45	37
56 and older	42	35	49
<b>Gender</b>			
Male	52	50	43
Female	48	50	57
<b>Household Composition</b>			
Single, no children	16	13	16
Single, with children	4	3	3
Married/Living with partner, no children	49	47	57
Married/Living with partner, with children	31	37	24
<b>Region</b>			
Dallas, TX	40.5	40.7	40.1
Houston, TX	29.6	29.9	30.1
San Antonio, TX	12.0	12.0	12.1
Austin, TX	8.7	8.7	8.5
Mobile, AL/Pensacola, FL	7.6	7.6	7.6
Hattiesburg/Laure, MS	1.6	1.2	1.6

# Respondent Profile – Nationwide



May and August base (n=1003), March base (n=756)

	May 2010	Aug. 2010	Mar. 2011
<b>Educational Attainment</b>			
No college	9	6	8
Some college	19	17	16
College graduate	38	32	37
Post-graduate work or degree	35	44	39
<b>Race/Ethnicity</b>			
White	85	83	84
Black/African-American	4	7	3
Asian	4	3	7
Hispanic	5	6	3
Other	2	2	2
<b>Household Income</b>			
\$50K to under \$75K	38	40	21
\$75K to under \$100K	28	27	25
\$100k to under \$125k	17	12	23
\$125k and over	17	21	32

Units: %

	May 2010	Aug. 2010	Mar. 2011
<b>Age</b>			
25-35	22	18	20
36-55	36	38	44
56 and older	42	44	36
<b>Gender</b>			
Male	53	48	47
Female	47	52	53
<b>Household Composition</b>			
Single, no children	17	22	16
Single, with children	2	3	2
Married/Living with partner, no children	50	51	50
Married/Living with partner, with children	31	23	32

# Appendix: Questionnaire

⇒ Separate Document

**Thank you**