

**A Further Examination of the Vermont Visitor:
The 1999 Phase Three National Reports**

**Report #2
“Product Purchases in Vermont”**

by

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November 2000

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Introduction and Methodology

- This project is one of several scheduled projects in 1999-2000 funded through the Vermont Department of Tourism and Marketing and conducted through the Vermont Tourism Data Center at the University of Vermont.
- This is the second of a series of three follow-up reports to the January 2000 report, “A National Survey of the Vermont Visitor 1999.” Henceforth, that report will be referred to as the 1999 National Study. This report presents an analysis of the shopping behavior of Vermont visitors while in Vermont.
- The NPD Group, a full-service national marketing research firm, administered this research. The sample was drawn from the pool of 2,437 respondents in the 1999 National Study. In that survey, respondents were asked to report if they “bought Vermont made products” while in Vermont. One thousand one hundred and twenty four visitors that responded affirmatively were included in the sample for this study.
- These 1,124 respondents were part of a larger sample of 1,433 people that qualified to participate in at least one of three follow-up studies to the 1999 National Study. Questionnaires were mailed to the full study of 1433 households. Nine hundred and thirty one usable questionnaires were returned, a response rate of 65.0%
- Eight hundred and fifty-six visitors, 91.9% of respondents reported making a purchase in at least one of the twenty-two product categories included in this study. This report was created from this sample of 856 visitors.
- It is important to note that this research reports the “recollections” of visitors, not their actual purchase behavior. This can bias results. The direction of that bias, if it exists, is unknown.

Executive Summary

- Maple syrup and dairy products are the most frequently purchased items by Vermont visitors while they are here. This is not surprising given their status as Vermont signature products. Other food products and traditional tourist priorities such as clothing and prints/cards/photos were also purchased by a significant percentage of visitors.
- Vermont's two big product draws, maple syrup and dairy, do not disappoint customers. The majority of buyers, particularly in the case of maple syrup, rate both to be higher in quality than what they can buy elsewhere. They both also significantly exceed customer expectations, which is critical to satisfaction and repeat purchase.
- A much smaller percent of visitors bought traditional arts and craft type products such as candles, folk art, pottery, wicker baskets, jewelry, glassware and woodenware.
- Although maple syrup and dairy were dominant in terms of the percentage of visitors that purchased these products, the importance of other product categories comes into focus when one looks at revenue generated per visitor. The most money spent per visitor was in the clothing category. The revenue generated per visitor in the arts and crafts categories, particularly folk art, was also relatively high.
- Vermont arts and crafts products were evaluated very highly, which affirms the potential to do better with these product categories. The arts and crafts categories were rated to be higher in quality than alternatives that are available elsewhere. They also exceeded the expectations of buyers.

- The product categories in which purchases were most likely to be planned were maple syrup, meat and dairy. Conversely, the vast majority of purchases in the arts and crafts categories were unplanned (e.g., folk art – 82.1%, woodenware – 82.3%, glassware – 83.3%).
- Interestingly, most purchases in the clothing category, 83.9%, were also unplanned. Unlike, the arts and crafts categories, however, clothing items (e.g., t-shirts, sweaters, sweatshirts) are highly visible and are more traditional souvenir items.
- Given the high average expenditure per purchase, the high level of satisfaction with purchases and the impulse nature of the purchases, there are strong potential benefits attached to increasing the visibility of arts and crafts to visitors. Since maple syrup and dairy are popular product “magnets,” there is an opportunity to use these products to “lead” visitors into retail environments that are also well stocked with high quality arts and crafts. Many retail establishments already use this approach, for good reason.
- A direct and positive correlation exists between product category quality ratings and ‘made in Vermont’ perceptions. Those product categories that received the highest quality and expectation ratings were also most likely to be perceived to be made in Vermont. This is important for two reasons. First, it reinforces the notion that “made in Vermont” is a symbol of high quality. Second, it emphasizes the need for all “made in Vermont” products, particularly in the arts and crafts categories, to clearly indicate that they are hand crafted in Vermont by Vermonters.
- People that purchased Vermont made food products while in Vermont were, on average, four times more likely to buy them again at home than people that did not buy them in Vermont. However, people that purchased Vermont made arts and crafts products while in Vermont were more than ten times as likely to buy them at home than those that did not purchase them in Vermont. The Internet is a viable, low

cost means to increase the visibility and availability of all Vermont made products to visitors once they return home.

- Almost half of all Vermont visitors that purchased products in Vermont use the Internet. Nearly a third of these people purchase products on the Internet. Unfortunately, less than 1% of Vermont shoppers have made a purchase on www.marketvermont.com. The problem appears to be a lack of awareness of the site, not the site itself. The challenge for www.marketvermont.com is to increase awareness among Vermont visitors. This may be accomplished by putting the site address on sales receipts, shopping bags, product labels, and/or cards given to all out-of-state shoppers.

Analysis

Subjects were shown a list of twenty-two product categories and were asked to check each category in which they made a purchase while in Vermont.

TABLE 1

Products Purchased in Vermont	
Category	Purchased in Category
Maple Syrup (n=314)	36.7%
Dairy (n=175)	20.5%
Clothing/Accessories (n=154)	18.0%
Prints/Cards/Photos (n=140)	16.4%
Candles (n=127)	14.8%
Fresh Fruit (n=108)	12.6%
Specialty Food (n=100)	11.7%
Folk Art (n=68)	8.0%
Pottery (n=63)	7.4%
Books (n=58)	6.8%
Wicker/Baskets (n=55)	6.4%
Personal Care (n=53)	6.2%
Toys/Games (n=53)	6.2%
Jewelry (n=52)	6.1%
Meat (n=47)	5.5%
Woodenware (n=38)	4.5%
Glassware (n=37)	4.3%
Garden/Accessories (n=32)	3.7%
Furnishings (n=24)	2.8%
Music/Tapes/Videos (n=22)	2.6%
Floral (Dried Silk) (n=15)	1.8%
Furniture (n=12)	1.4%

* Percentages are based on the entire universe of Vermont visitors per "A National Survey of the Vermont Visitor 1999."

KEY: More than a third of Vermont visitors purchased a maple syrup product, 36.7%, during their visit. Other food products, dairy (20.5%), fresh fruit (12.6%) and specialty food products (11.7%), were among the most frequently purchased.

- The high purchase rates of both maple syrup and dairy products is certainly not surprising. Both are Vermont signature products.
- Clothing and print/cards/photos are also standard tourist purchase priorities.
- Traditional arts and craft type products such as candles, folk art, pottery, wicker baskets, jewelry, glassware and woodenware lagged food sales by a significant margin.
- Since we do not know their purchase patterns, it is difficult to know how we are performing in the various arts and craft categories relative to other destinations.

Visitor Spending by Product Category

Visitors reported the amount they paid for each purchase made while in Vermont.

TABLE 2

Visitor Spending by Product Category		
Category	(A) Average Spent per Visitor*	(B) Average Spent Per Customer**
Clothing/Accessories	\$10.61	\$58.92
Maple Syrup	\$5.53	\$15.06
Folk Art	\$5.40	\$67.27
Pottery	\$2.99	\$40.47
Furniture	\$2.57	\$187.25
Jewelry	\$2.49	\$40.65
Furnishings	\$2.48	\$88.47
Candles	\$2.19	\$14.83
Dairy	\$1.98	\$9.66
Glassware	\$1.83	\$42.70
Books	\$1.69	\$24.78
Prints/Cards/Photos	\$1.66	\$10.15
Toys/Games	\$1.65	\$26.42
Specialty Food	\$1.64	\$14.03
Woodenware	\$1.58	\$35.12
Wicker/Baskets	\$1.50	\$23.54
Garden/Accessories	\$1.38	\$37.35
Fresh Fruit	\$1.05	\$8.37
Personal Care	\$1.03	\$16.57
Meat	\$0.89	\$15.98
Music/Tapes/Videos	\$0.51	\$19.39
Floral (Dried Silk)	\$0.42	\$22.50

* Base is all Vermont visitors

** Base is all Vermont visitors that purchased in the given category

KEY: Per column A above, although more visitors purchased maple syrup products than any other product, the most money per visitor was spent on clothing and clothing accessories. This result occurred because, per column B, the average amount spent per clothing purchase was \$58.92, while the average maple syrup purchase was \$15.06.

- The importance of clothing and arts and crafts as revenue generators becomes clear when one looks at per capita visitor revenue in each category. Maple syrup is the only food product in the top eight categories.
- If one looks at the relative importance of product categories from a revenue perspective, increasing the percentage of visitors that buy arts and crafts while in Vermont should become a priority. Due to the high expenditure per customer, folk art is a particularly strong opportunity. Pottery, furniture, jewelry and candles are also important.
- Since maple syrup and dairy are popular product magnets, there is an opportunity to use these products to “lead” visitors into retail environments that are also well stocked with high quality arts and crafts. Many retail establishments already use this approach, for good reason.

Purchase Evaluations by Product Category

Visitors were asked to rate the quality of each product they purchased as ‘better,’ ‘the same’ or ‘worse’ than the quality they would get elsewhere for the same product.

Visitors were also asked to rate whether each purchase ‘exceeded,’ ‘met’ or ‘fell short’ of their expectations.

TABLE 3

Purchase Evaluations by Product Category				
Category	Higher Quality	Same Quality		Expectation Rating*
Maple Syrup	66.4%	32.8%		7.2
Dairy	54.4%	45.6%		7.0
Woodenware	52.5%	47.5%		6.7
Glassware	52.3%	47.7%		7.4
Furnishings	48.5%	51.5%		7.0
Specialty Food	48.0%	51.3%		7.1
Furniture	47.1%	47.1%		6.9
Pottery	45.4%	53.6%		7.0
Floral (Dried Silk)	44.4%	55.6%		6.3
Folk Art	43.8%	56.3%		7.0
Wicker/Baskets	41.4%	56.3%		6.8
Books	36.2%	61.0%		6.8
Jewelry	36.0%	64.0%		6.8
Garden/Accessories	35.7%	64.3%		6.7
Music/Tapes/Videos	34.5%	62.1%		6.7
Candles	33.5%	66.5%		6.6
Fresh Fruit	31.9%	66.9%		6.5
Meat	27.4%	71.2%		6.2
Clothing/Accessories	23.1%	75.0%		6.5
Toys/Games	22.8%	77.2%		6.2
Prints/Cards/Photos	15.7%	83.8%		6.2
Personal Care	15.3%	84.7%		6.2

* Ten point scale with ‘10’ meaning ‘exceeded expectations,’ ‘5’ meaning ‘met expectations’ and ‘1’ meaning ‘fell short’ of expectations.

KEY: Vermont's two big product draws, maple syrup and dairy, do not disappoint. The majority of buyers, particularly in the case of maple syrup, rate both to be higher quality than what they can buy elsewhere. They both also significantly exceed customer expectations, which is critical to satisfaction and repeat purchase.

- Vermont arts and crafts products also performed well, which affirms the potential to do better with these product categories. All of the arts and crafts categories were rated higher in quality than alternatives by at least one third of the buyers. None of them was rated to be lower in quality by more than a few percent of buyers. They all also received expectation ratings of at least 6.6 (ten point scale).
- None of the twenty-two categories was evaluated poorly. The categories that were rated the lowest, clothing, toys/games, prints/cards/photos and personal care items, are for the most part, not custom-made. They are standard, machine manufactured products, which one would not expect to vary significantly in quality from one area to another.

Purchase Planning by Product Category

Visitors were asked if each of their purchases was planned before their trip.

TABLE 4

Purchase Planning by Product Category	
Category	Planned Purchase
Maple Syrup	58.5%
Meat	47.8%
Dairy	46.3%
Prints/Cards/Photos	41.9%
Fresh Fruit	36.3%
Garden/Accessories	35.6%
Books	30.6%
Specialty Food	29.9%
Candles	29.3%
Toys/Games	25.5%
Personal Care	23.9%
Wicker/Baskets	23.4%
Furniture	22.6%
Pottery	19.2%
Furnishings	18.8%
Music/Tapes/Videos	18.6%
Folk Art	17.9%
Woodenware	17.7%
Glassware	16.7%
Floral (Dried Silk)	16.1%
Clothing/Accessories	16.1%
Jewelry	13.0%

KEY: The product categories in which purchases were most likely to be planned were maple syrup, meat and dairy. In fact, five of the top eight product categories in which purchases were planned were food products.

- The vast majority of purchases in the arts and crafts categories were unplanned (e.g., folk art – 82.1%, woodenware – 82.3%, glassware – 83.3%).
- Interestingly, most purchases in the clothing category, 83.9%, were also unplanned. Unlike, the arts and crafts categories, however, clothing items (e.g., t-shirts, sweaters, sweatshirts) are highly visible and available. They are also more traditional souvenir items.
- Given the high average expenditure per purchase, the high level of satisfaction with purchases and the impulse nature of the purchases, there are strong potential benefits attached to increasing the visibility of arts and crafts to visitors.

‘Made in Vermont’ Perceptions by Product Category

Visitors were asked whether they believed each product they purchased was ‘made in Vermont.’

TABLE 5

‘Made in Vermont’ Perceptions	
Category	Made in Vermont
Maple Syrup	97.9%
Woodenware	96.8%
Dairy	93.9%
Folk Art	93.8%
Specialty Food	93.1%
Pottery	90.7%
Floral (Dried Silk)	86.6%
Candles	86.4%
Fresh Fruit	85.8%
Wicker/Baskets	85.7%
Furniture	84.6%
Jewelry	83.7%
Glassware	88.8%
Meat	77.3%
Furnishings	75.0%
Garden/Accessories	74.2%
Prints/Cards/Photos	62.1%
Toys/Games	61.6%
Music/Tapes/Videos	57.9%
Books	52.1%
Personal Care	43.8%
Clothing/Accessories	41.0%

KEY: Visitors perceived the vast majority of purchases they made to be ‘Vermont Made.’ This was particularly true in the signature food product categories, maple syrup (98%) and dairy (94%).

- It is very important to note the direct correlation between quality ratings (Table 3) and made in Vermont perceptions (Table 5). Those product categories that received the highest quality and expectation ratings also had the highest made in Vermont perceptions. This is important for two reasons. First, it reinforces the notion that “made in Vermont” is a symbol of high quality. Second, it emphasizes the need for all “made in Vermont” products, particularly the arts and crafts, to clearly indicate that they are hand crafted in Vermont by Vermonters.

Shopping for Vermont Made Products at Home

Visitors that shopped in Vermont were asked which, if any, Vermont made products they purchased at home.

TABLE 6

Shopping for Vermont Made Products at Home			
Category	(A) Purchased at home after purchasing in Vermont	(B) Purchased at home, but never purchased in Vermont	Ratio A/B
Maple Syrup	47.9%	31.4%	1.5
Dairy	47.3%	9.5%	5.0
Candles	21.7%	2.9%	7.5
Specialty Food	17.4%	2.9%	6.0
Pottery	13.3%	.7%	19.0
Jewelry	12.1%	.3%	40.3
Garden/Accessories	11.7%	.9%	13.0
Folk Art	9.2%	1.0%	9.2
Furniture	9.1%	1.0%	9.1
Wicker/Baskets	7.7%	1.5%	5.1
Glassware	7.2%	1.0%	7.2
Music/Tapes/Videos	7.0%	.3%	23.3
Woodenware	6.8%	1.0%	6.8
Floral (Dried Silk)	6.7%	0.0%	22.3
Clothing/Accessories	6.5%	1.6%	4.1
Prints/Cards/Photos	6.0%	.7%	8.6
Personal Care	5.0%	.7%	7.1
Books	4.5%	.8%	5.6
Furnishings	4.4%	.6%	7.3
Toys/Games	4.0%	.7%	5.7
Fresh Fruit	3.4%	.8%	4.3
Meat	3.3%	.9%	3.7

* Only visitors who bought in at least one of the listed product categories while in Vermont responded to this question.

KEY: In general, visitors that purchased a Vermont made product while in Vermont were much more likely to purchase that product again at home than shoppers that did not purchase in that category while in Vermont. For example, 47.3% of the visitors that purchased Vermont made dairy products while in Vermont also purchased them at home. However, fewer than 10% of visitors that did not buy Vermont dairy products in Vermont purchased Vermont dairy products at home. This is a ratio of five to one.

- People that purchased Vermont made food products while in Vermont were, on average, four times more likely to buy them again at home than people that did not buy them in Vermont. Maple syrup is the only significant exception to this trend. Both visitors that bought it in Vermont and visitors that did not buy it in Vermont are likely to buy it at home. This is probably a function of its tremendous availability and visibility outside of our borders.
- People that purchased Vermont made arts and crafts products while in Vermont were more than ten times as likely to buy them at home than those that did not purchase them in Vermont. This higher ratio relative to food products is probably a function of the lower availability and visibility of Vermont arts and crafts out of state as compared to the food items.
- These findings suggest the importance of increasing the availability of Vermont made products to visitors once they return home. The Internet is certainly a viable, low cost means to do this. Catalogs are also viable.

Shopping for Vermont Products on www.MarketVermont.com

Respondents who shopped in Vermont were asked a series of questions that probed their general use of the Internet as well as their use of the Internet to buy products. More specifically, questions measure their awareness, visitation and use of www.MarketVermont.com.

TABLE 7

Shopping for Vermont Products On the Internet	
Use the Internet	45.5%
Purchase Products on the Internet	30.0%
Aware of www.MarketVermont.com	1.9%
Visit www.MarketVermont.com	.9%
Purchase on www.MarketVermont.com	.4%

KEY: While a significant percentage of Vermont shoppers use and purchase products on the Internet, only .4% have shopped on www.MarketVermont.com.

- Almost half of all Vermont visitors that purchased products in Vermont use the Internet. Nearly a third of these people purchase products on the Internet.
- The bad news is that less than 1% of Vermont visitors that shopped in Vermont have made a purchase on www.marketvermont.com.

- The good news is that it appears that a lack of awareness of the site, not the site itself, is the cause of the problem. Almost half of the Vermont visitors that are aware of the site have visited it, and almost half of those that have visited it have purchased one or more products.
- The challenge is to increase awareness of the site among Vermont visitors while they are in Vermont. This may be accomplished by putting the site address on sales receipts, shopping bags, product labels, and/or on cards given to all shoppers.