



Promote Iceland: Inspired by Iceland

Matt Springate

Institute of Practitioners in Advertising

Silver, IPA Effectiveness Awards, 2011



Title: **Promote Iceland: Inspired by Iceland**
Author(s): **Matt Springate**
Source: **Institute of Practitioners in Advertising**
Issue: **Silver, IPA Effectiveness Awards, 2011**

Promote Iceland: Inspired by Iceland

Principal Author: Matt Springate, The Brooklyn Brothers

Contributing Authors: George Bryant and Matt Bamford-Bowers, The Brooklyn Brothers; Gurdeep Puri and Janey Bullivant, The Effectiveness Partnership

Summary

When the Eyjafjallajökull volcano erupted in April 2010, tourism to Iceland plummeted; negative stories spread online and the country was left with a projected £180m shortfall in revenue. 'Inspired by Iceland' was the campaign created to harness the power of people as media. Icelanders were encouraged to share their inspiring stories through social tools, including Facebook, Twitter and Vimeo, in order to persuade tourists back to Iceland. This activity changed both attitudes and behaviours in key global markets, bringing an extra £165m to the Icelandic economy with a ROMI of 61:1. The judges were very taken by the unconventional communications strategy developed here: a strategy that reframed tourism advertising into an issue that galvanised the citizens of Iceland, with a remarkable one third of the whole nation participating within a day of launch.

Introduction

When the Eyjafjallajökull volcano erupted on 14 April 2010, it brought European air traffic to a standstill and threatened to serve a further deathblow to the Icelandic economy. After the 2008 financial meltdown, tourism had become the biggest sector in this small country's economy and in the aftermath of the volcanic disruption tourism numbers were projected to fall by 22% over the busiest months of the year.¹ This decline would leave another disastrous hole in the country's income.

This paper is about how a country of only 318,000 people, with a budget of only £2.24m,² created a new type of tourism campaign that used people power rather than a traditional communications approach to rapidly change the perceptions of tourists globally and added £138.7m³ to the Icelandic economy.

The aim of the paper

To demonstrate how people power can turn negative opinion into positive action

This paper will show the true power of social media; that when harnessed in the right way it can rapidly and sustainably change attitudes and behaviour. We will show how we created a new model for travel communications and challenged a key principle of social media thinking championed by social media theorists,⁴ suggesting that social media movements are created

by a small number of influencers. But in this paper we will show that the opposite can be true - that starting with a model of *unity* rather than *influence* can create a new level of social participation giving thousands of people a voice and uniting a mass movement behind a common purpose.

The scale of task

The stunning collapse of Iceland

The country of Iceland had transformed itself from one of Europe's poorest countries to one of its wealthiest in the space of a generation.⁵

But fast-forward to September 2008 and the country emerged as the biggest casualty of the global financial crisis.⁶ As Prime Minister Geir Haarde explained:

*There is a very real danger, fellow citizens, that the Icelandic economy could be sucked into the whirlpool, and the result could be national bankruptcy.*¹

Iceland's future looked bleak (Figure 1).



Figure 1: Icelandic demonstrations in Reykjavik after the banking collapse, Oct 2008

From bad to worse: when Europe stopped

On a seemingly ordinary weekday evening back in April 2010, the dormant volcanic glacier, Eyjafjallajökull, unexpectedly erupted and sent plumes of ash into the Icelandic air (Figure 2).



Figure 2: The eruption of the Eyjafjallajökull volcano on 14 April 2010

Black ash clouds engulfed the skies and world air travel was thrown into turmoil.⁸

The ash aftermath

As the cloud spread, so did the negative publicity and Iceland was on the verge of a very real disaster.

Stories from trusted global news sources⁹ spread online (Figure 3) and National Geographic issued a health warning, prompting people to think that Iceland was a dangerous place to visit.¹⁰

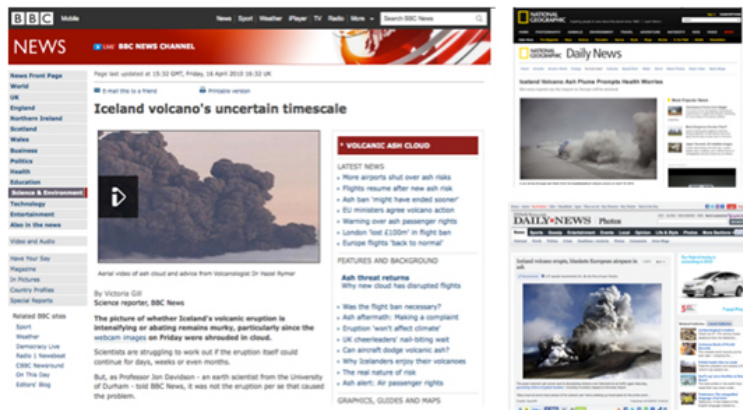


Figure 3: Some of the negative news coverage on the eruption

Source: www.bbc.co.uk

A climate of negative stories and sentiment¹¹ around Iceland was increasingly turning potential tourists off and creating a cycle of negativity around the embattled country (Figures 4 and 5).

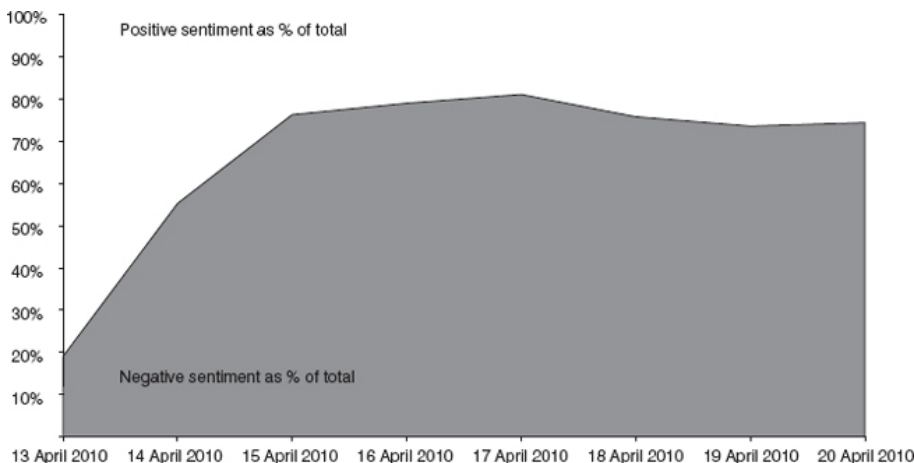


Figure 4: Negative consumer sentiment around Iceland

Source: Brandwatch Analytics (manual sentiment categorisation), April 2010

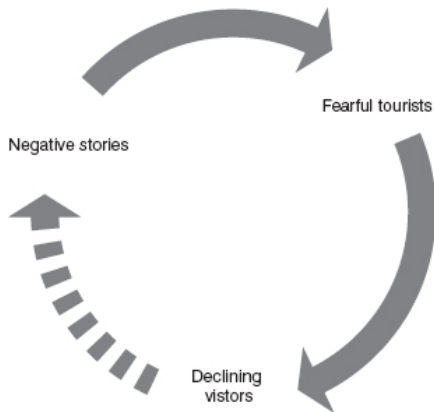


Figure 5: The vicious cycle of negative stories

Attitude surveys in Iceland's key markets¹² showed that interest in the country as a tourist destination had nose-dived.¹³

The effect of the volcano was felt immediately with tourism numbers plummeting 30% in the two remaining weeks of April, a decline that continued on into the start of May.¹⁴

The Icelandic government had to reset their forecasts for the year based on a 22% decline in visitor numbers from May-September.¹⁵ This was particularly damaging, as these are the busiest months of the year, accounting for 55% of all tourists.¹⁶

The challenge

The need for a united response

Due to the scale and urgent nature of the challenge it was critical to have an immediate response.

The government of Iceland partnered with the City of Reykjavik, Icelandair, Iceland Express, Promote Iceland and another 80 tourism companies to take positive action against the ash cloud. There were two main objectives:

1. Business objective: rapidly increase tourism to Iceland

Specifically, on a budget of £2.24m, to increase visitor figures above the forecast by 10% between May and September.¹⁷

2. Communications objective: turn the tide of negative opinion

Hundreds of negative, and uninformed, stories had been written about Iceland in the weeks following the ash cloud.¹⁸ The campaign needed to prove that Iceland wasn't a dangerous travel destination and inspire people to visit it again.

The need for a new model

In our post-recession world, where mistrust in institutions is at an all time high,¹⁹ who would believe a traditional tourism campaign from an embattled country's government? A conventional broadcast-led tourist campaign was at risk of feeling like propaganda rather than genuinely persuasive communication.

Our opportunity

Harnessing the power of people as media

We had to find a radical alternative to the traditional model of tourism communication that would help Iceland bounce back rapidly (Figure 6).



Figure 6: The conventions of travel communications

One thing Iceland had going for it was the latent advocacy amongst previous visitors to the country. A visit to Iceland is not like going to Paris or Barcelona for a weekend. It is another world just two hours away and when people return home they have a huge propensity to share their stories (Figure 7).²⁰

We wanted to use social media to harness the power of visitor stories. But these weren't the only people we could use to spread positive stories - we knew the stories should start from within.

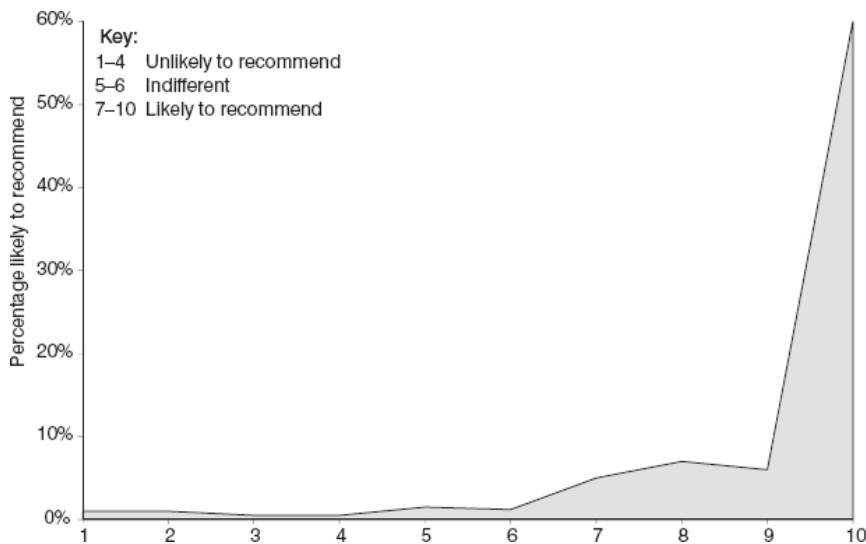


Figure 7: Percentage of people who have visited Iceland and would recommend it

Source: OMD Copenhagen, Quantitative Survey, 2006

'Inspired by Iceland'

Our campaign idea

'Inspired by Iceland' was the campaign created to harness the power of people as media. Rather than target tourists, we wanted to stimulate Icelanders to share their inspiring stories with the world.

We wanted to turn the cycle of negativity on its head and create a virtual social movement of our own. We called it the *Social Participation Loop*.

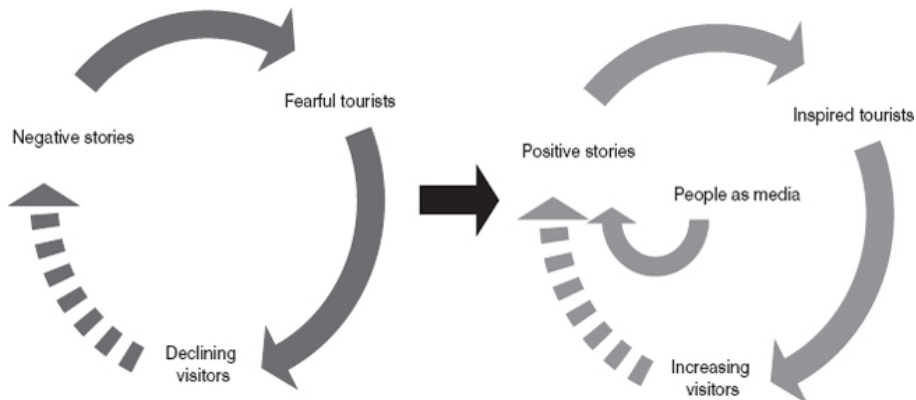


Figure 8: The shift from a cycle of negativity to a new model of social participation

This was the basis of a new model of travel communications that challenged the long-held global conventions within the category (Figure 9).

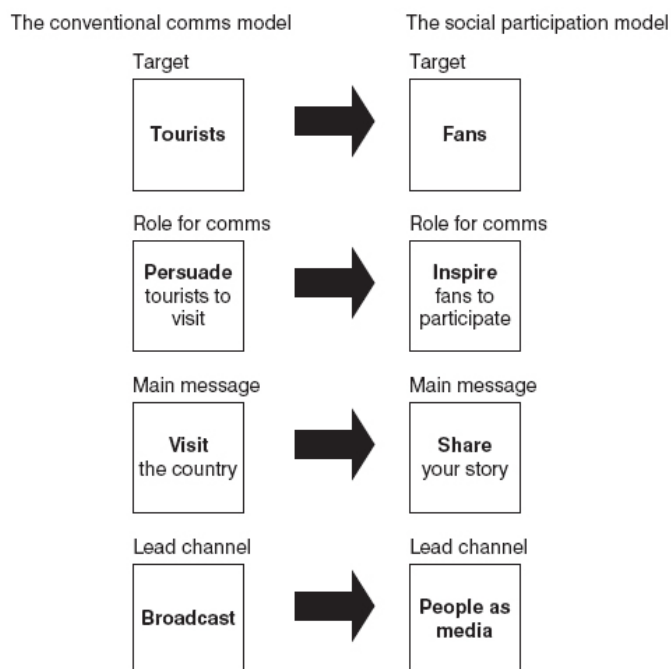


Figure 9: Flipping the traditional travel comms model

Our media strategy

We created a social media-led plan that unfolded over three stages (Figure 10):

- Stage one was to unify and galvanise Icelanders to participate.
- Stage two was to provide Icelanders with the social tools to share their inspiring stories.
- Stage three was to increase momentum of the campaign by publicly rewarding those who had contributed.

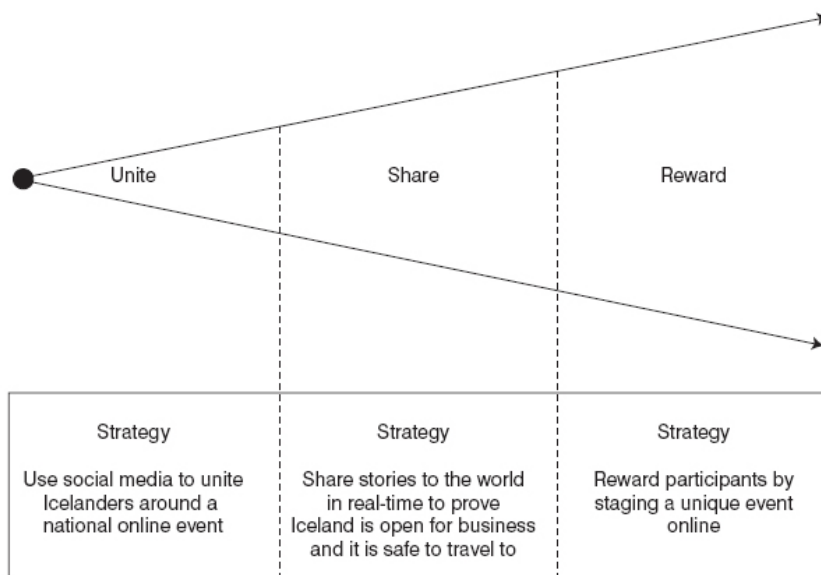


Figure 10: The three phases of the campaign

The total cost of the campaign, including agency fees and production was £2.24m (Figure II).²¹

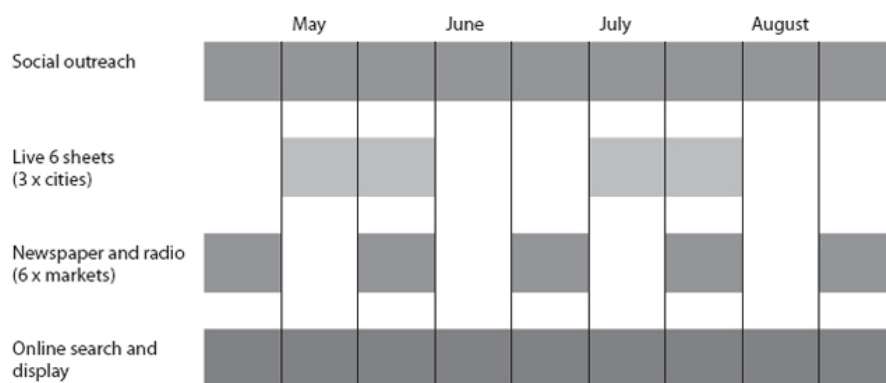


Figure 11: The global media plan for the 'Inspired by Iceland' campaign

Source: M2M 2010, campaign launched 14 May 2010

The campaign rollout

Stage one: *Unite*

In June 2010, in a world first, the entire country of Iceland gathered online to show that their nation was open for business.

We created 'Iceland Hour' where we stopped the country for an hour and got Icelanders to go online en masse and tell the world how much they love their country, why people should visit and how they can also be 'Inspired by Iceland'.

The Prime Minister of Iceland made a live address on TV and we simulcast the whole hour online to the world (Figure 12).²²

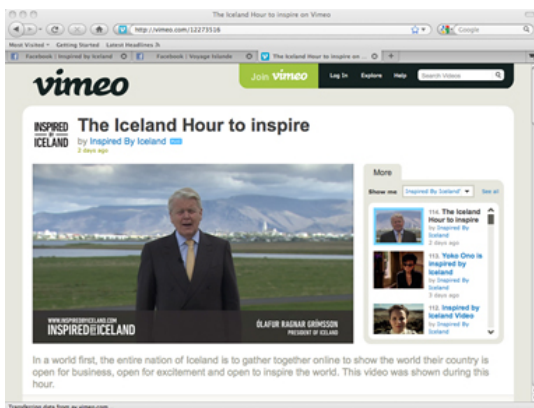


Figure 12: The Prime Minister launching 'Iceland Hour'

Stage two: Share

We created an army of fans that spread news and positive messages across Facebook, Twitter and Vimeo. Friends of Iceland were filmed and their stories posted on the 'Inspired by Iceland' website. This sparked people around the world to get involved and post their own stories. By the end of the first day, 1.5 million people had downloaded different videos from the website²³ and nearly a third of the nation (27%) had sent a video from the website to someone abroad (Figures 13 and 14).²⁴

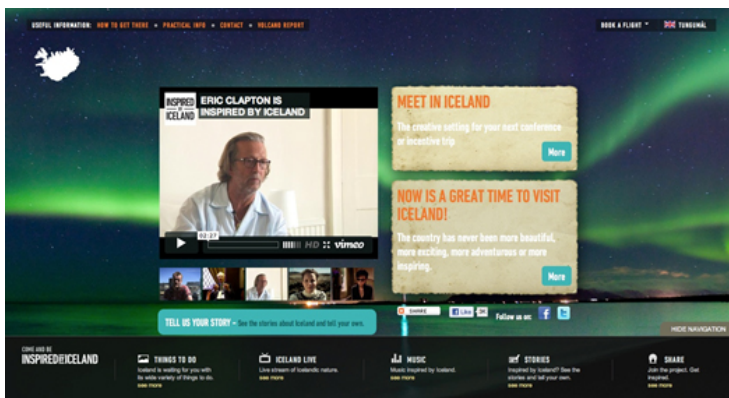


Figure 13: The home of 'Inspired by Iceland'



Figure 14: 'Inspired by Iceland' website where people can share their personal stories

We set up live webcams across the country so people could see the country wasn't covered in ash (Figure 15).

The Wild Webcams of Iceland

Xeni Jardin at 2:53 PM Wednesday, Jun 2, 2010



Figure 15: Live Webcam feeds that were set up around Iceland

In cities across the world we also created innovative 'real-time posters' with feeds from the webcams, proving that Iceland was open for business (Figures 16 and 17).

Stage three: Reward

To keep growing the momentum of the campaign, we wanted to reward contributors with a truly public 'thank you'. We held a live web cast concert for the people of Iceland and our supporters worldwide. The event provided a fitting climax to the campaign with acts like Spiritualized and Damien Rice (Figure 18).



Figure 16: 'Real-time' posters in cities



Figure 17: UK Print Ad



Figure 18: Spiritualized playing at the 'Iceland Inspires' concert with PR

The results

We have split our results into five key sections to demonstrate the success of the 'Inspired by Iceland' campaign:

1. The business results;
2. The way the campaign worked;
3. Elimination of all other factors;
4. Payback and ROMI;
5. Manifold effects.

1: The business results

We rapidly increased tourism to Iceland.

From the launch of the campaign to the end of the year, tourism numbers were up over 27% on forecast (Figure 19).²⁵

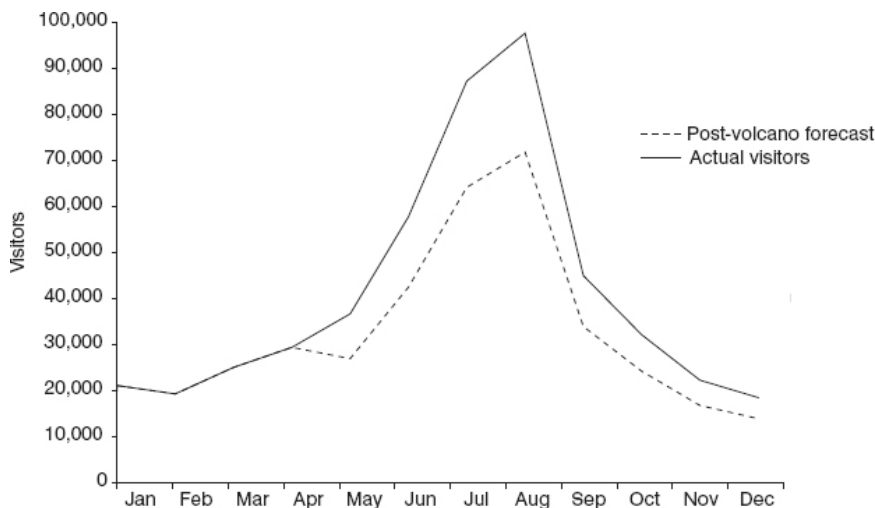


Figure 19: Actual vs. predicted visitors to Iceland 2010

Source: Icelandic Government 2010

The extent of the upturn as compared to the Icelandic government forecast for 2010 is made much clearer when one looks at the difference between the monthly actual and forecast visitor figures. One can see the substantial downturn that took place in April and then the upswing as compared to the forecast from the start of the campaign.

The campaign drove significant increases in visitor numbers in each of the key markets (Table 1).

Key markets	2010 predicted (000s)	2010 actual (000s)	Actual vs. predicted (% difference)
UK	46.0	60.3	+31.0
Denmark	30.5	38.1	+24.9
Germany	41.0	54.4	+32.7
USA	36.5	51.2	+40.3
Canada	10.8	13.5	+25.0
France	23.9	29.3	+22.6

Table 1: Icelandic visitor numbers for the key markets

Source: Icelandic Government 2010

In fact, so significant was the growth of tourism through the campaign period that we actually managed to completely stem the projected decline in 2010 (Figure 20).

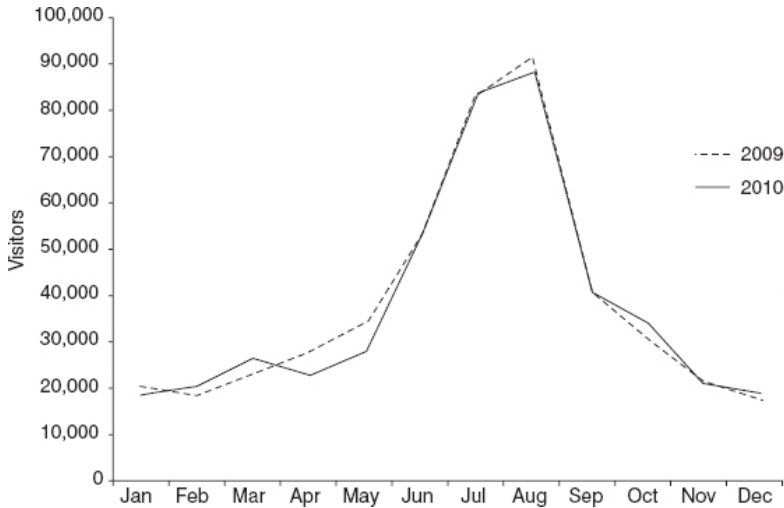


Figure 20: Visitors to Iceland 2009 vs. 2010

Source: Icelandic Government 2010

We have chosen three key markets from the global campaign to demonstrate the success of 'Inspired by Iceland'. Figure 21 below shows that the United Kingdom saw a sharp decline in visitors to Iceland at the outset of the recession, which was forecast to continue and was halted during the campaign period.

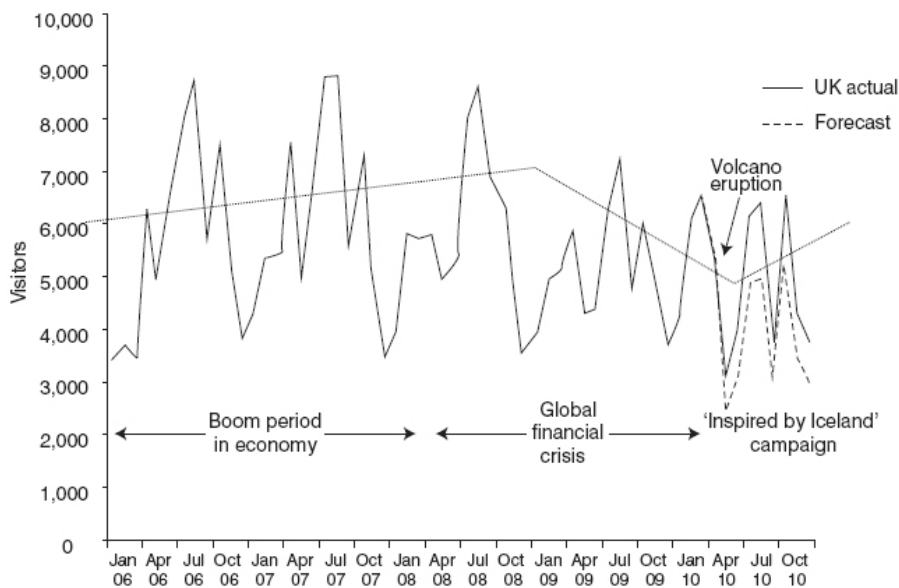


Figure 21: Actual visitors from UK and post-volcano forecast

Source: Icelandic Government 2010

Similarly for the USA and Sweden, the campaign actually reversed the predicted decline from May 2010 onwards (Figures 22 and 23).

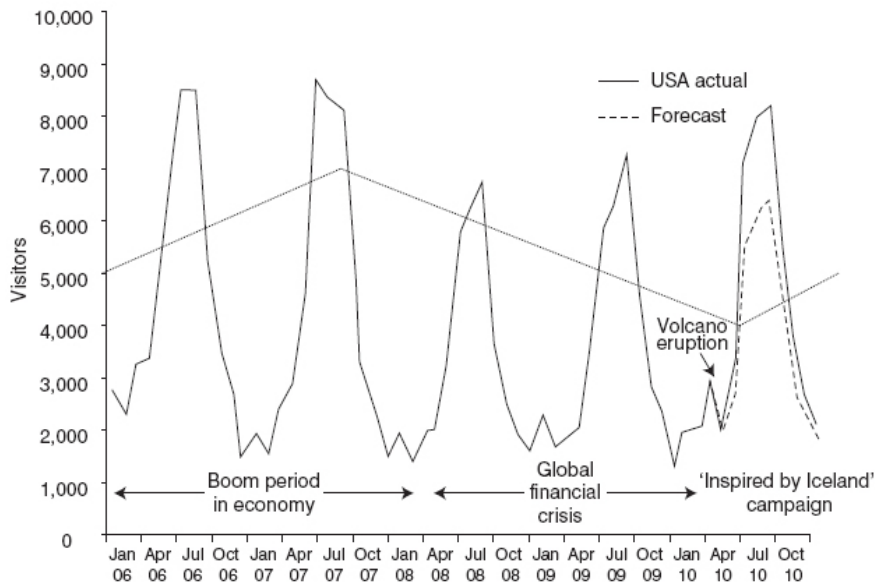


Figure 22: Actual visitors from USA and post-volcano forecast

Source: Icelandic Government 2010

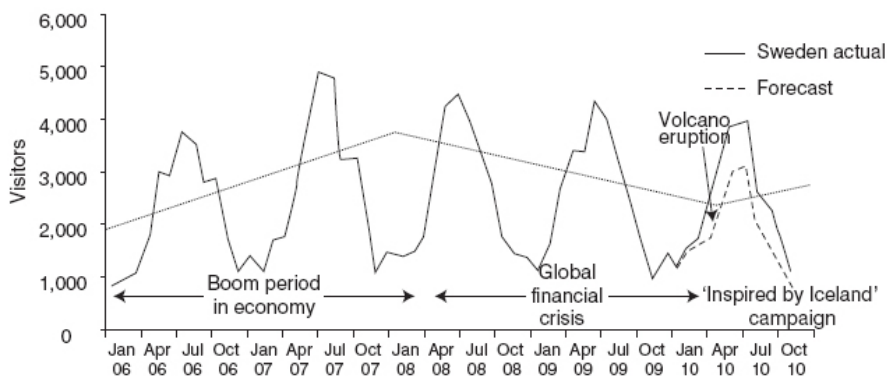


Figure 23: Actual visitors from Sweden and post-volcano forecast

Source: Icelandic Government 2010

2. The way the campaign worked

We have shown how the campaign turned around the actual and predicted decline in tourism to Iceland. We will now demonstrate that the impact of communications was the key driver of this reversal.

Using the *Social Participation Loop* we can evaluate the campaign at each stage of the model.

The Social Participation Loop - Activating People as Media

(see Figure 24).



Figure 24: The Social Participation Loop

Within two weeks of the start of 'Inspired by Iceland', over 85% of Icelanders were aware of the campaign (Figure 25).^{[26](#)}

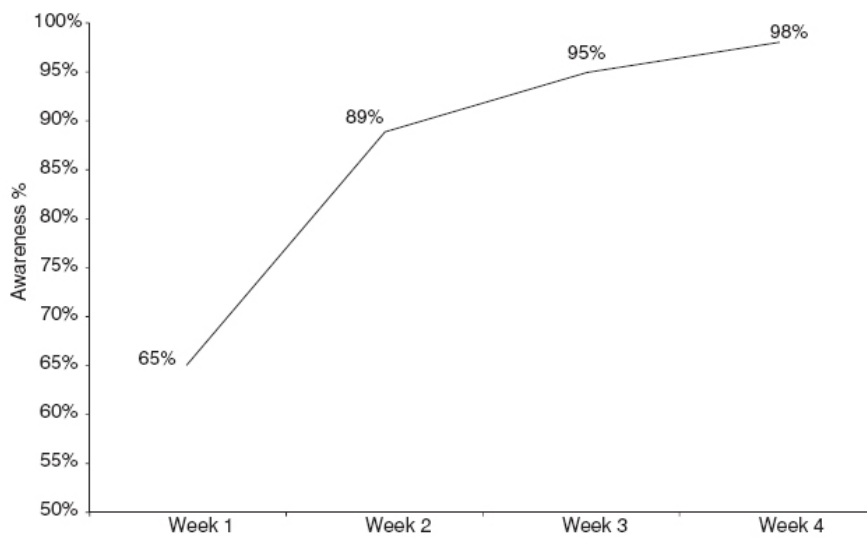


Figure 25: Awareness of 'Inspired by Iceland' campaign

Source: Capacent Gallup Iceland, 4 June 2010

By the end of six weeks, over half of the Icelandic public had contributed stories (Figure 26).^{[27](#)}

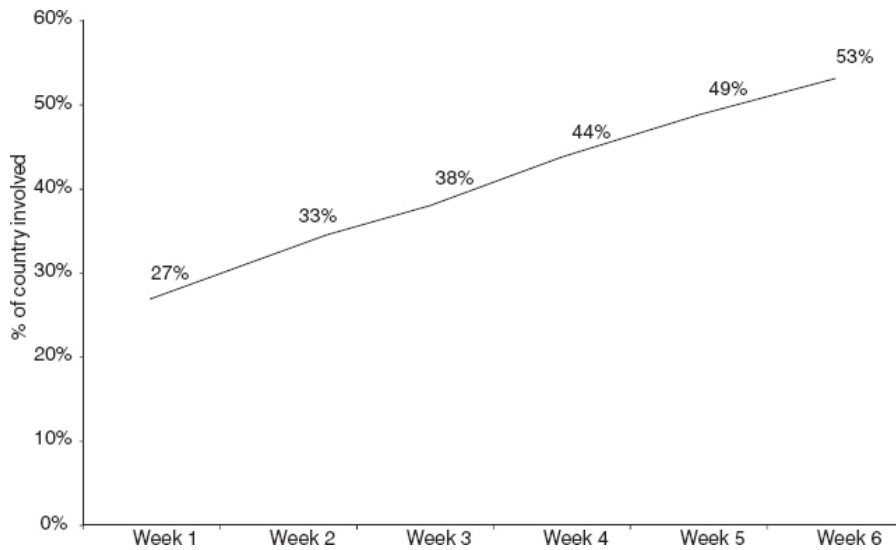


Figure 26: Percentage of Icelanders involved in the campaign

Source: Capacent Gallup Iceland, 4 June 2010

The Social Participation Loop - Using positive stories to turn the tide of Internet sentiment

(see Figure 27).

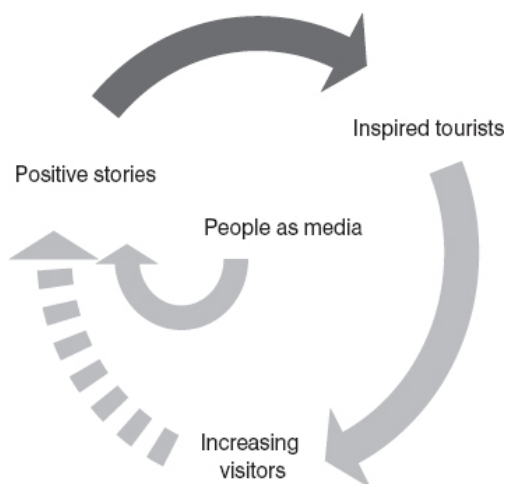


Figure 27: The Social Participation Loop

The number of positive stories contributed to the campaign grew rapidly following launch (Figure 28).

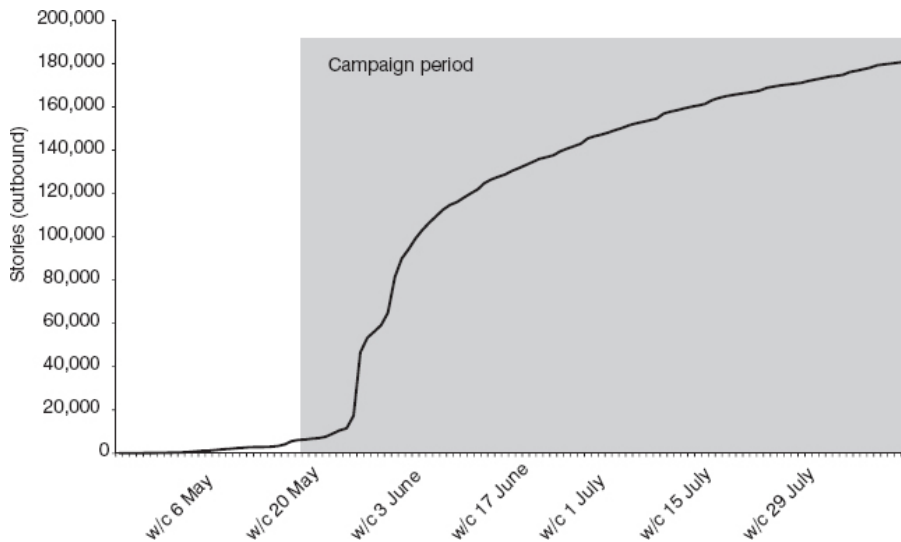


Figure 28: Total number of shared stories over the campaign period

Source: Google Analytics 2010

On Facebook alone we recruited over 45,000 fans and over 2 million stories were seen and sent out by fans via our website, emails and social media channels.²⁸ Our fans were twice as active as the average Facebook fans. Between June and August the live webcams were viewed 60 million times (Figure 29).²⁹

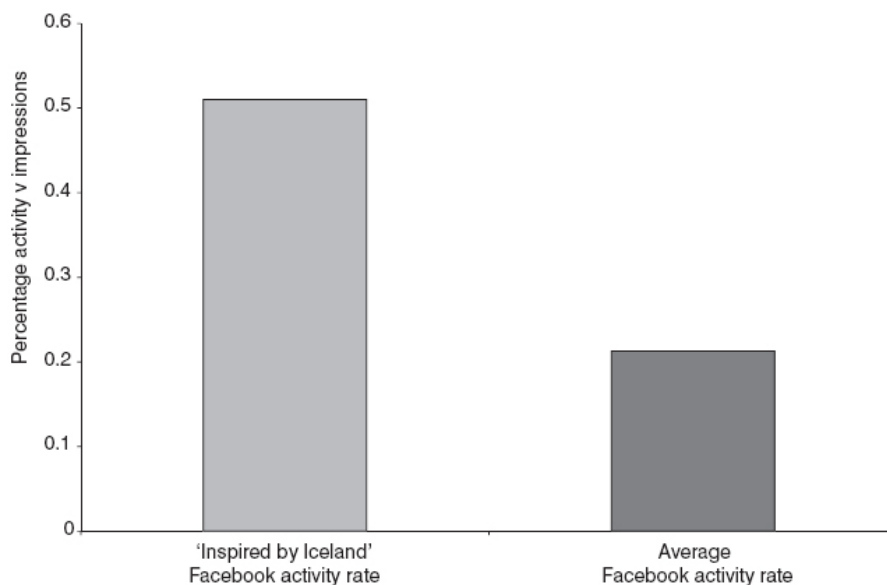


Figure 29: Facebook activity rate of 'Inspired by Iceland' compared to average Facebook activity

Source: Agency calculations based on Facebook Insights, May-September 2010

The figure below demonstrates that positive stories spread rapidly, creating a sea of change in positive sentiment towards Iceland online (Figure 30).

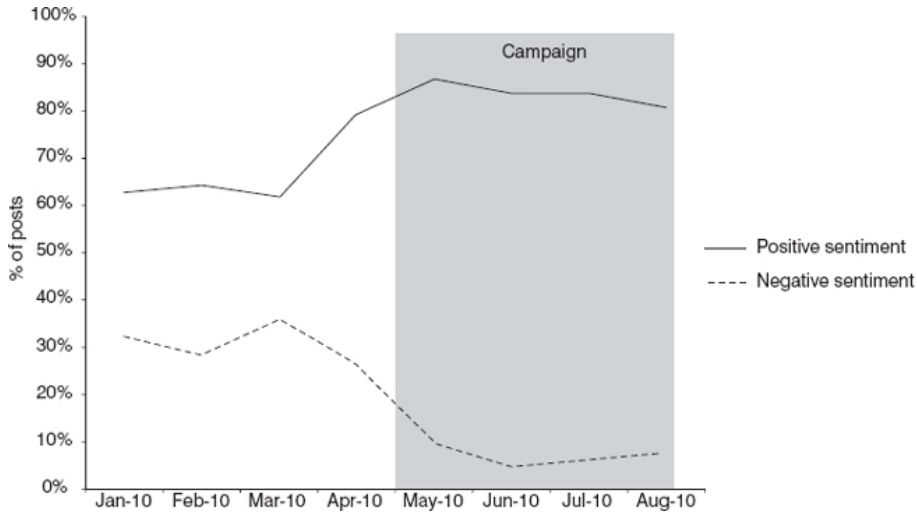


Figure 30: Positive sentiment driven by campaign

Source: Brandwatch Analytics (Manual Sentiment Analysis of 400 posts per day) 2011

The Social Participation Loop - Inspiring Tourists

(see Figure 31).

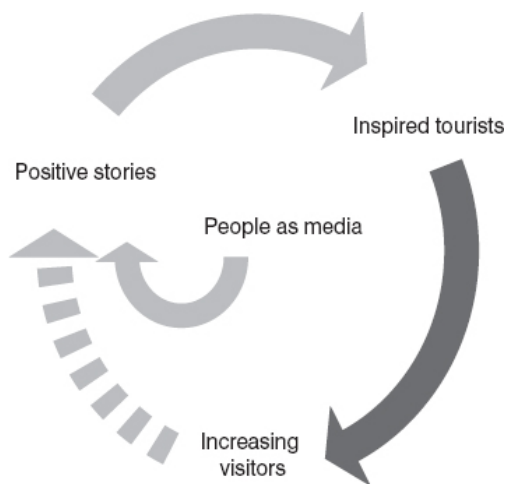


Figure 31: The Social Participation Loop

65% of Icelanders who sent out an inspiring story with our social tools received direct positive feedback from their network abroad (Figure 32).

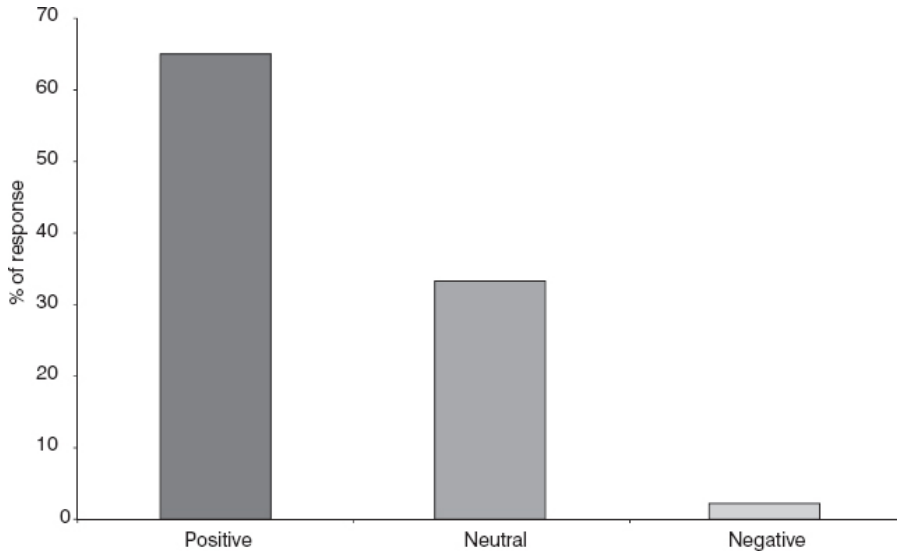


Figure 32: Percentage of positive response

Source: MMR 2010

Through the 10 weeks of the campaign, attitudes towards Iceland as a travel destination increased positively in all key markets (Figure 33).

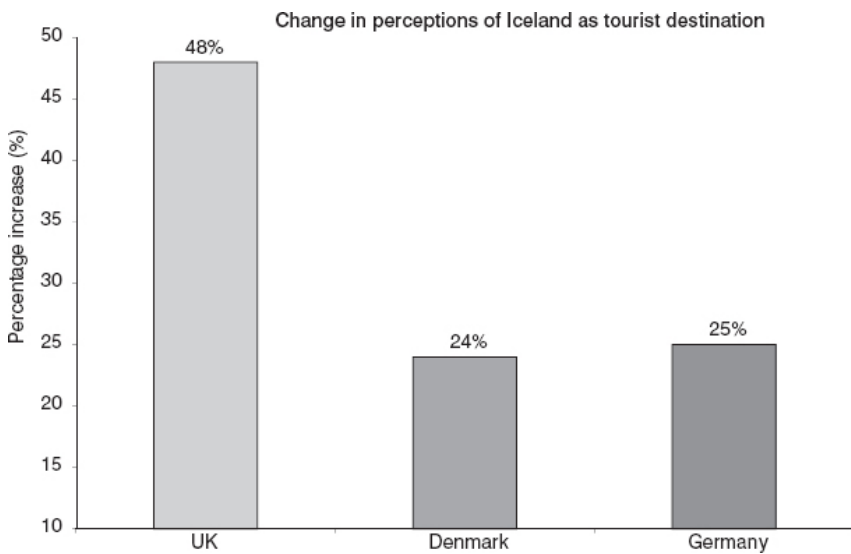


Figure 33: Positive change in perceptions toward Iceland as a travel destination post the campaign

Source: Market and Media Research Ltd 2010, conducted in three key markets of Denmark, UK and Germany. May 2010 (pre-campaign launch) versus August 2010 (post majority of campaign)

In the same period, positive perceptions of Iceland as a safe, danger-free destination increased in all key markets (Figures 34 and 35).



Figure 34: Positive change in perceptions toward Iceland as a safe travel destination post campaign

Source: Market and Media Research Ltd 2010, conducted in three key markets of Denmark, UK and Germany

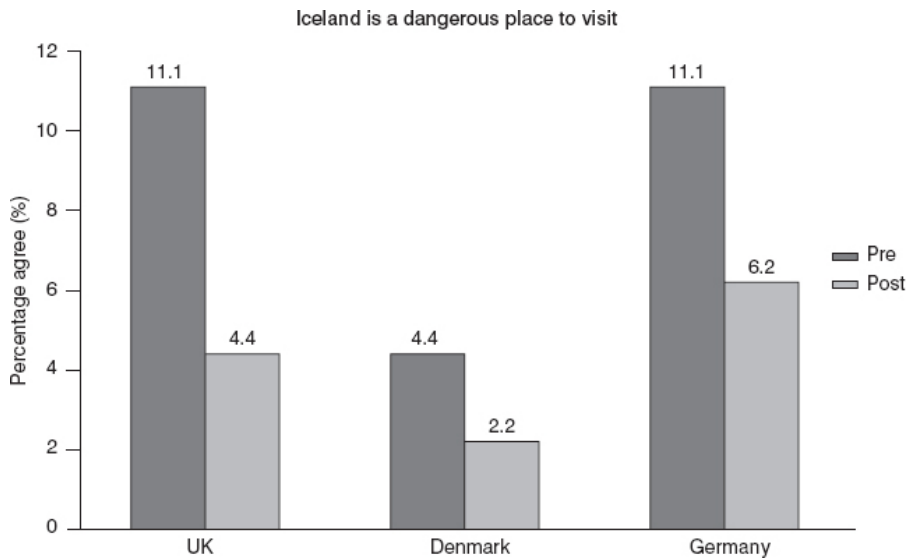


Figure 35: Positive change in perceptions toward Iceland as a safe travel destination post the campaign

Source: Market and Media Research Ltd 2010, conducted in three key markets of Denmark, UK and Germany

The Social Participation Loop - Increasing visitors

(see Figure 36).

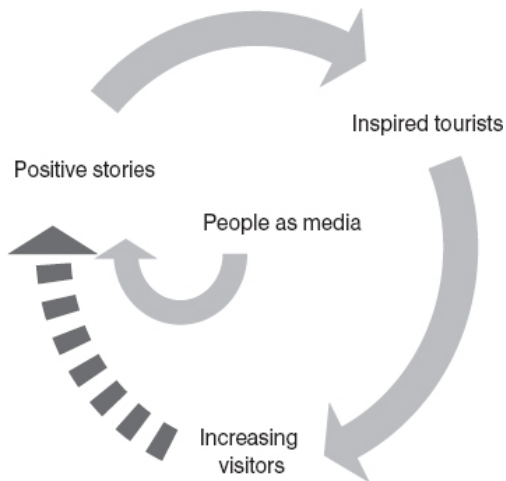


Figure 36: The Social Participation Loop

Through the campaign, consideration measures increased significantly in all major markets (Figure 37).

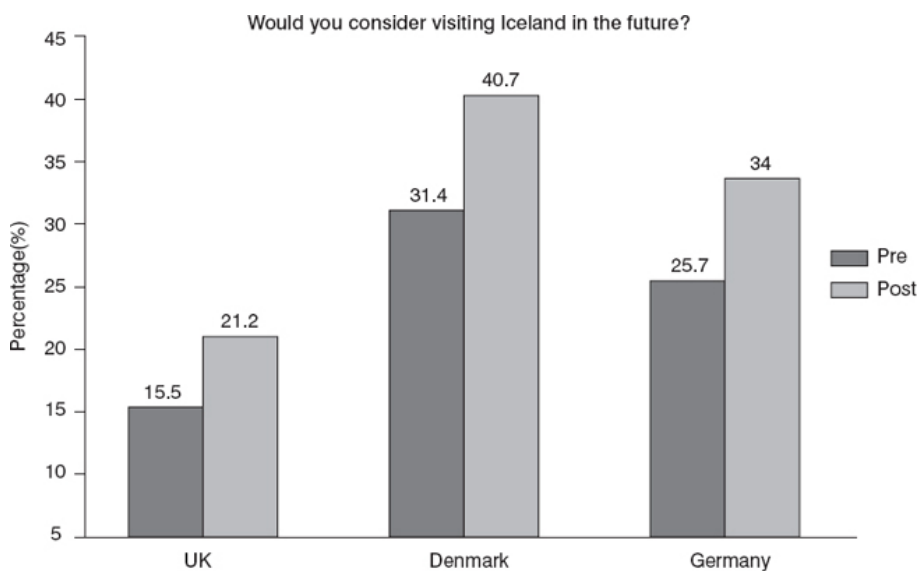


Figure 37: Positive change in perceptions toward consideration of Iceland post the campaign

Source: Market and Media Research Ltd 2010, conducted in three key markets of Denmark, UK and Germany

There have been many varied attempts to place a ROMI figure on a Facebook fan. Due to the unique closed loop between our Facebook, website and purchase conversion opportunities,³⁰ we have attempted to demonstrate the conversion value (%) between these different areas (Figures 38 and 39).

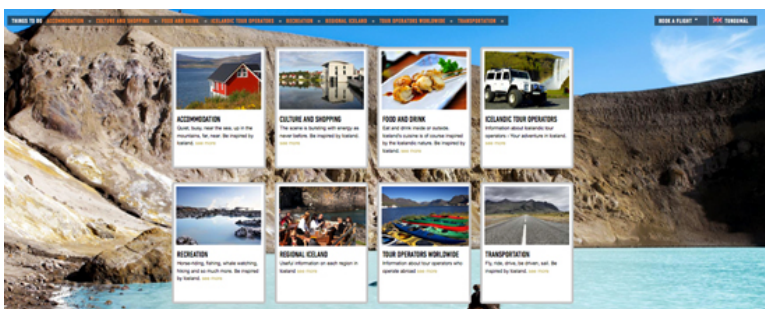


Figure 38: Closing the purchase loop

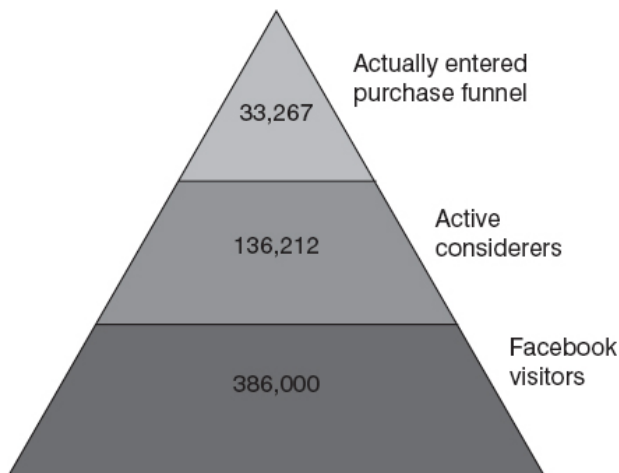


Figure 39: Conversion from Facebook to purchase opportunities on the 'Inspired by Iceland' website

One-seventh of visitors to our Facebook page became fans. The key to understanding performance wasn't looking at these fans but understanding the overall effect of communications within Facebook for the 386,000 who visited.

Overall 9% of visitors to our page were converted to a purchase opportunity demonstrating that it is far more beneficial to understand the overall impact of Facebook communications rather than just attempting to place a value on fans.

3. Elimination of other factors

We will examine variables in two key areas:

1. Iceland
2. The wider market

1. Iceland

Was the Icelandic weather better than expected?

The average temperature and rainfall was no better than average for the period of the campaign.

Was Iceland more affordable?

Iceland did not become more affordable over the period of the campaign with exchange rates remaining constant.

Did the cost of travel to Iceland go down?

There were no reductions in the price of flights for Icelandair and Iceland Express in the period. These two carriers account for 90% of all inbound air traffic and neither dropped prices or offered special deals.^{[31](#)}

Did the amount of accommodation increase?

The number of registered hotels remained constant through the campaign period.^{[32](#)}

Were there any incentives for people in Iceland to go online and spread their stories?

There were no financial or promotional incentives.³³

Were there more festivals and events in Iceland than in previous years?

The number of cultural events was the same.³⁴

Was the growth in tourists a natural recovery?

Government estimates suggest that tourism levels typically take in excess of more than three years to recover following a national disaster.³⁵

2. Market

Did Iceland's competitors have declining appeal?

None of Iceland's competing markets suffered from any significant national issue in the time period, certainly nothing the size of the Eyjafjallajökull volcano.

Were consumers taking more holidays?

Tourists were actually taking fewer holidays than in previous years.³⁶

Did consumers have more to spend on holidays?

Consumers' post-recessionary travel budgets were actually lower than in the previous economic boom years.³⁷

4. Payback and ROMI

In total an additional 79,252 tourists visited the country, each tourist contributing on average £1750 in revenue to the country.³⁸ This is worth an additional £138.7m to Iceland's economy. The total campaign expenditure was £2.24m³⁹ within this period. This gives a payback figure of £136.46m and a short-term ROMI of 61:1.⁴⁰

Furthermore, it has been estimated that on average just over 21% of visitors return to Iceland at least once.⁴¹ If we apply this percentage to the additional visitors within the period of the campaign, this gives us an additional 16,642 tourists who will revisit Iceland, giving an additional £29m in longer-term revenue.

5. Manifold effects

Social Participation: A new model of travel communications.

Figure 40 clearly demonstrates the commercial success of the 'Inspired by Iceland' campaign as compared to key tourism IPA Effectiveness Awards submissions.

Social Participation: A new model of global communications.

Comparing our ROMI to previous multi-market IPA winners, our campaign delivers a substantially higher ROMI than previous

multi-market winning submissions (Table 2). Putting social media at the heart of our approach highlights an alternative model of global communications, demonstrating a radical way of creating international campaigns on a smaller budget.

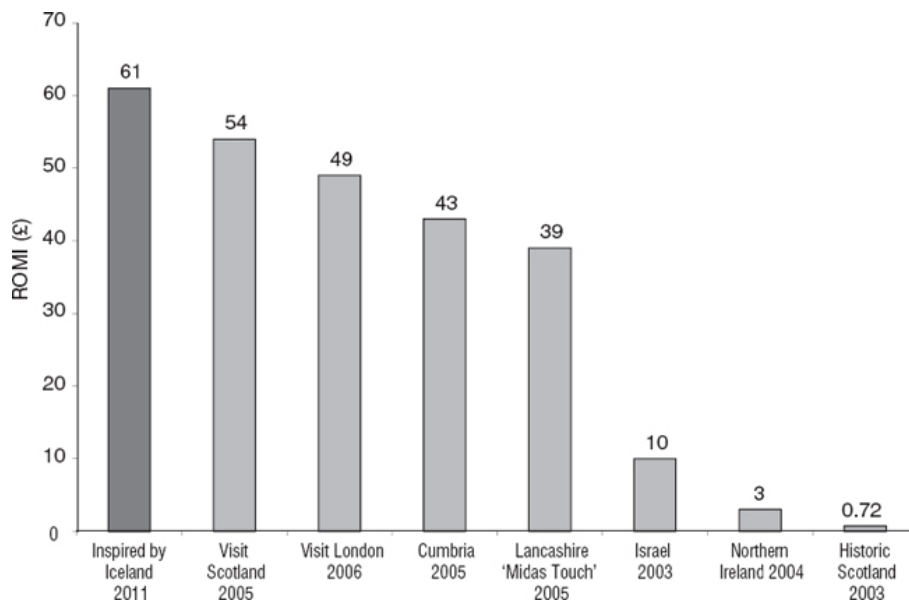


Figure 40: Key tourism Effectiveness submissions 2003-2011

Source: IPA Databank, Warc 2010

Year	Brand	ROMI	Awarded
2010	Comfort Fabric Conditioner	1.45:1	Silver
2010	HSBC	7.88:1	Silver
2009	LBS	4.5:1	Bronze
2008	Johnnie Walker	3.2:1	Grand Prix
2008	Dove	3.01:1	Silver
2006	Naturella	2.0:1	Gold
2006	Felix	1.38:1	Silver
2006	Nicorette	14.0:1	Silver
2004	Sony Ericsson T610	0.3:1	Bronze
2004	Rainbow Milk	2.8:1	Bronze

Table 2: Multi-market IPA Effectiveness Awards winning papers 2004-2010

Source: IPA Databank, Ware 2010

Social Participation: Sustained effects.

By harnessing people as media we have been able to sustain the momentum beyond the end of the active campaign (Figure 41).

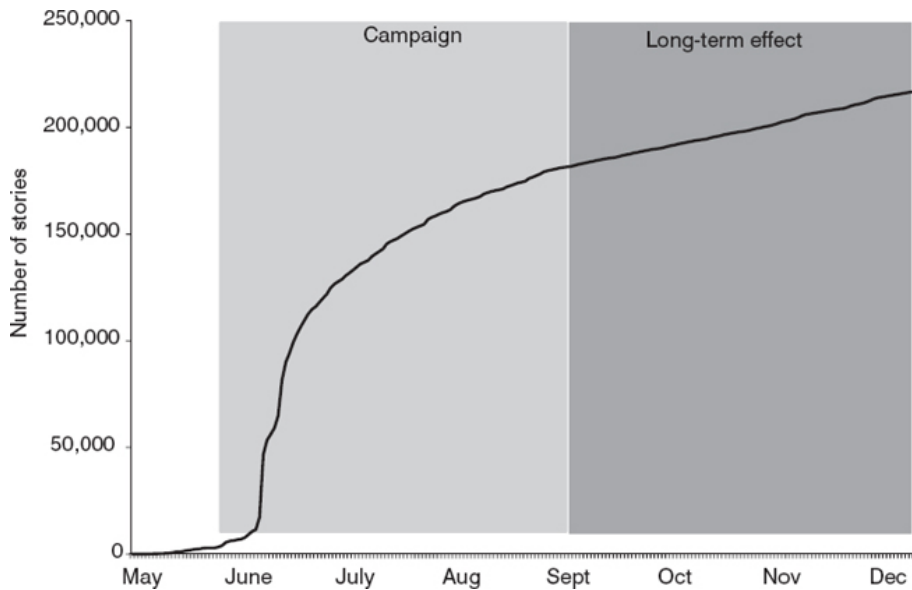


Figure 41: Long-term effect of stories

Source: Google Analytics and Facebook 2010

Q1 2011 has proven to be Iceland's highest first quarter ever (Figure 42).⁴²

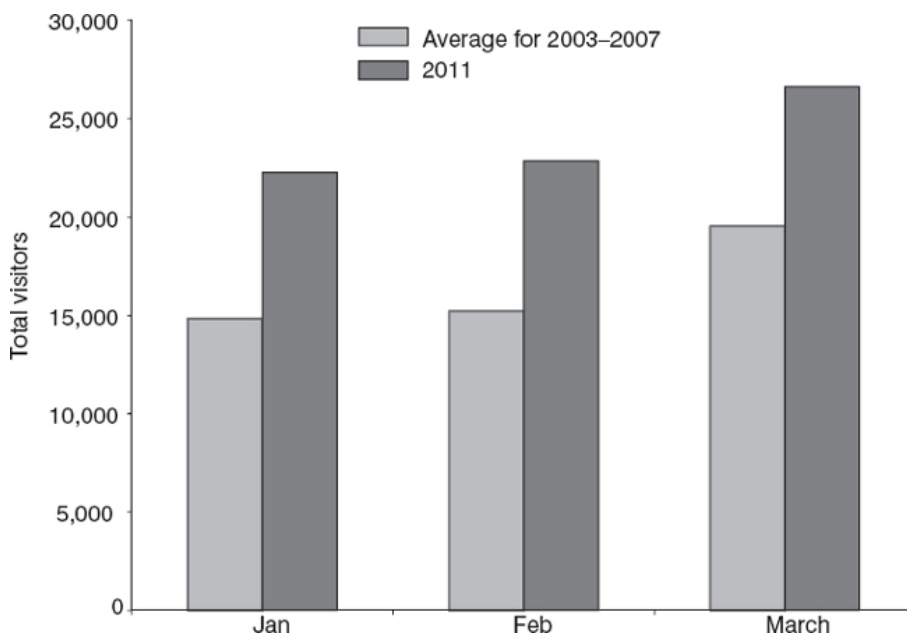


Figure 42: Visitors to Iceland 2011

Source: Icelandic Government 2011

Summary

To see so many people back our campaign has been incredible. We've been able to tell the world that Iceland is a country that can inspire everyone who comes here.

Katrín Júlíusdóttir, Minister of Industry of Iceland

Downloaded from warc.com

As our learning about social media theory grows, 'Inspired by Iceland' shows how a social-media-led campaign can:

- *rapidly* build mass participation;
- *inspire* a strategy based on unity, not just influence;
- *create* a new model for global communications.

Notes

1 May-September accounts for 55% of all visitors throughout the year. Source: Icelandic Government 2010.

2 Source: M2M 2010.

3 Source: Icelandic Government 2010.

4 That of the 'influencer strategy' e.g. Malcolm Gladwell, 'Law of the Few' from *The Tipping Point*, 2000.

5 Source: *Business Week*, 9 October 2008.

6 Source: *Business Week*, 9 October 2008.

7 Source: Times Online, 9 October 2008.

8 It was the biggest shutdown of airspace since World War II, and affected over 10 million passengers worldwide. Source: International Civil Aviation Organization (ICAO), 14 April 2011.

9 Including the BBC.

10 Source: Market and Media Research Ltd, May 2010.

11 Source: Brandwatch Analytics (manual sentiment categorisation) April 2010.

12 UK, Denmark and Germany.

13 Travel intent in Denmark had declined by 28% and in the UK it was down by 29%. Source: Market and Media Research Ltd, May 2010.

14 Source: Icelandic Government 2010.

15 Source: Icelandic Government 2010.

16 Source: Icelandic Government 2010.

17 Source: Icelandic Government 2010.

18 Source: Brandwatch, May 2010.

19 Source: International Trade & Academic Research Conference 2010.

20 80% of people who have visited Iceland would be likely to recommend it to their friends, family and colleagues. Source: OMD Copenhagen Quantitative Study 2006.

21 Source: M2M 2010.

22 Launched on 3 June 2010.

23 Source: Google Analytics, June 2010.

24 Source: Capacent Gallup Iceland, 4 June 2010.

25 Source: Icelandic Government tourism projections May-December 2010.

26 Source: Capacent Gallup Iceland, 4 June 2010.

27 Source: Capacent Gallup Iceland, 4 June 2010.

28 Source: Brandwatch and Facebook Insight, May-September, 2010.

29 Source: Kaki Analytics, June-August 2010.

30 Our closed loop system tracked visitors to our Facebook on their journey through to the website and onto purchase points (e.g. travel sites, accommodation, tour operators).

31 Source: Icelandic Government 2010.

32 Source: Icelandic Government 2010.

33 Source: Icelandic Government 2010.

34 Source: Icelandic Government 2010.

35 Source: Icelandic Government 2010.

36 Source: The World Travel Trends Report 2009-10.

37 Source: The World Travel Trends Report 2009-10.

38 Source: Icelandic Government 2010.

39 Campaign expenditure includes all agency fees, media costs and production.

40 Source: Icelandic Tourist Board 2010. For every £1 invested in marketing comms, the return is £61.

41 Source: Icelandic Government 2010.

42 Source: Icelandic Government 2010.

© Copyright IPA, Institute of Practitioners in Advertising, London 2011
Institute of Practitioners in Advertising
44 Belgrave Square, London SW1X 8QS, UK
Tel: +44 (0)207 235 7020, Fax: +44 (0)207 245 9904

www.warc.com

All rights reserved including database rights. This electronic file is for the personal use of authorised users based at the subscribing company's office location. It may not be reproduced, posted on intranets, extranets or the internet, e-mailed, archived or shared electronically either within the purchaser's organisation or externally without express written permission from Warc.