

COME AND BE
INSPIRED BY ICELAND

HOW TO USE A VOLCANIC ERUPTION TO YOUR ADVANTAGE IN MARKETING



ICCA Best Marketing Award Entry 2010





1. What were the marketing challenges being addressed?

The tourism industry generates around 20% of the country's foreign exchange in Iceland. It is one of the fastest-growing industries, with the number of foreign visitors increasing by an average of 7.7% per year over the last decade, exceeding the OECD average. At the beginning of April 2010, the expected growth for 2010 in Iceland was estimated at up to 10%.

On 14 April 2010 the dormant volcanic glacier Eyjafjallajökull in Iceland erupted with consequences that affected both Europe's climate and economy.

Europe saw a very high proportion of flights within, to and from Europe cancelled for six days in a row, creating the highest level of air travel disruption since the Second World War.

With the closure of airports and stranded passengers all over the world, Iceland and its volcano became the main headline in the international press.

The consequence of this was that tourist arrivals decreased by 22% in April alone. Also, according to attitude surveys in Iceland's main markets, the interest in Iceland as a tourist destination dropped.¹ A huge wave of cancellations in all sectors of the tourism industry in Iceland had begun. Incentive trips were moved or cancelled and congresses and conventions saw an immediate drop in delegate num-

bers. This trend, left undisturbed, would have resulted in a projected decrease of more than 100,000 tourists in 2010 alone, a hefty number for a nation of 320,000 people. What was anticipated to be the best year ever for Icelandic tourism suddenly became a far away dream; something needed to be done immediately.

Therefore, the government, the City of Reykjavík, Promote Iceland and around 80 companies in tourism came together to counter the impression that travelling to Iceland was dangerous by launching the marketing campaign *Inspired by Iceland* and encouraging people to travel to the country.

The campaign's goal was to decrease the negative effects of the eruptions on Iceland's trustworthy tourism industry – an industry that had taken years to build up. The targets were established in Western Europe and North America, as opposed to rising markets such as East Europe and Asia. Another important goal was to maintain current businesses when it was quite obvious that an increased market share was out of the question. The campaign was also intended to enhance Iceland's image by taking advantage of the huge media attention it had gained internationally, both through the volcanic eruption and also through the financial crisis that occurred in an extreme form in Iceland in 2008.

1 See Appendix 2.



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ICELAND: YESTERDAY

Every Thursday, as usual for the last 1100 years, nature has given us some good excuses to go out and explore. From the glaciers to Landmannalaugar, Iceland is more awake than ever. **Now is a great time to visit.**

For more information and to tell us how Iceland inspires you, visit www.InspiredByIceland.com

2. What is innovative and creative about the campaign/project?

The campaign not only made use of conventional advertising on printed media, billboards, posters on buses, buildings, and subways, but also on the Internet and in social media, as well as media events, and press trips. The campaign also gave friends of Iceland – Icelanders, foreign residents, those who had visited recently, and those who were simply interested – a chance to have their voices heard. By encouraging people and companies to use their networks and links with interesting videos and stories to get the message about Iceland across to others, we were able to turn around the misconception that Iceland was a dangerous place. The exposure Iceland received in spring of 2010 was channelled to introduce the energy, creation and power in our magnificent nature – *Iceland is more awake than ever.*

The idea of an “ambassador programme” was taken and expanded like never before. Instead of aiming at university professors, professionals, and heads of local associations, Icelanders themselves became ambassadors, delivering a unified message (mostly with the help of a very lively video of dancing people in Icelandic nature), that, despite living on one of the youngest islands in the world and therefore still having quite a lot of volcanoes around, business was up and running, things were normal and Iceland was in fact more interesting than ever before. In June 2010, in a world first, the entire nation of Iceland gathered together online to show the world that their country was open for business, open for excitement and open to inspire the world. Backed by the government of Iceland, the 320,000 inhabitants of this island situated just below the Arctic Circle sent out messages about what they love most about Iceland to friends and col-

leagues around the globe. The aim was to spark people’s interest and to dispel a number of myths about the country that had arisen since the volcanic eruption. Now was the time to discover Iceland – to be inspired by Iceland.

To kick-start the storytelling, selected “friends of Iceland” who are known worldwide were filmed and their stories posted on the campaign’s website. This encouraged other people around the world to follow. Today around 470 video stories are online at www.inspiredbyiceland.com and many more have been posted on the Inspired by Iceland Facebook page.

To make sure we could back up our message, a website www.inspiredbyiceland.com was launched and numerous web cameras were setup in various locations around Iceland (in Reykjavík, near the volcano and at some of the most known natural beauties in the country). The message was simple: “If you don’t believe me, go online and see for yourself.” By broadcasting from these cameras 24 hours a day, people were able to see that the entire country was not covered in ash and everything was up and running as usual. At the beginning of the campaign, the cameras were being viewed about 1000 times per minute; today we still receive around 200 hits each hour.

The website itself has also proven popular and has had over 1.5 million visits since it was launched at the end of May 2010; that’s about 15,000 people daily at its most popular with a current average of 4000 people per day.

3. How was the campaign/project undertaken - demonstrate the professionalism involved by setting out all the key steps.

Research conducted in 2007 by the media plan company OMD showed that more than 80% of all visitors to Iceland would recommend the country to friends and colleagues. In comparison to others countries that have undertaken the same research it became clear that visitors to Iceland are much more likely to recommend Iceland than other destinations they have visited. The outcome of this survey and another one that followed in 2009, when the image of Iceland was measured in our key markets after the economic collapse, made it clear that a standard campaign using traditional media was not enough, but that the fact that our own visitors think so highly of the destination was something worth tapping into. Social media, Internet, Facebook, Twitter and blogs, with a focus on storytelling and interaction between Iceland and everyone who loves it or is interested in it, were marketing tools that should be used to exploit this fact during the critical time period following the volcanic eruption. Celebrities who are fond of Iceland, such as Yoko Ono, Eric Clapton, Viggo Mortensen, and many others, have played a key role in this effort, with major results for the campaign at very little extra cost.

An integrated marketing approach was used: A combination of involvement of Icelandic nationals, companies in industries other than tourism, friends of friends, conventional advertising, Internet presence and advertising, social media through stories and short messages, panels and posters, videos on dedicated websites, offers, media trips and road shows in the main markets were all part of the marketing mix.

A vital component of the marketing strategy encouraged those who had been stranded in Iceland during the first days of the eruption, or who would visit in the weeks to follow, to use these platforms to share their experiences and confirm that the entire country was not covered in ash. We needed to get people to see the truth through different eyes and that standard tourism campaigns were not the only way to go. We believed we would have better luck by getting the visitors themselves to tell our story for us and it was important to provide the platform so they were able to do so. People are often more influenced by the personal experiences of complete strangers than tourism campaigns or marketing efforts and it was important to acknowledge that and use it.

The entire integrated marketing approach was used in both the tourism leisure market and the meeting market. The following elements of the overall marketing strategy were the ones most used by the Iceland CVB and its associate members and we will focus on them to elaborate on the following key steps.

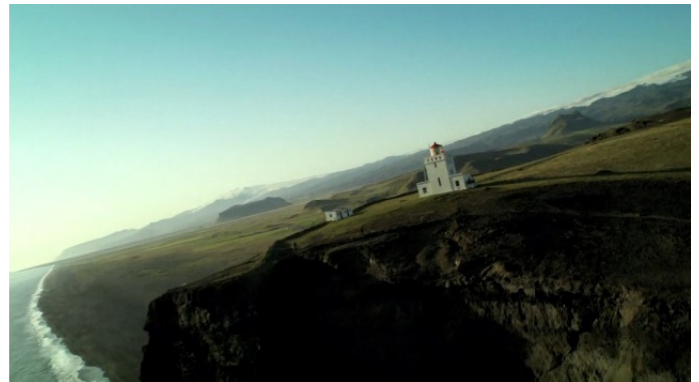
a) IMEX show in Frankfurt



The campaign was launched at the end of May 2010 and first made apparent to the meeting industry during IMEX in Frankfurt. A press kit under the slogan Inspired by Iceland was distributed. Members of the press who participated in the show was invited to meet a geologist from Iceland who explained everything regarding Eyjafjallajökull and around 1000 cards were sent out to hosted buyers, inviting them to visit our stand during the show to learn how to pronounce Eyjafjallajökull. Every destination presentation began with an explanation about volcanic eruptions in Iceland, about the affected area and how the eruption had in fact had very little impact on the day-to-day life of Icelanders. The message was clear: we are open for business and now is the right time to come.

b) Iceland goes online as an entire country

On 3 June Icelanders took the standard idea of an ambassador programme to a completely new level. At 1pm GMT, a majority of Icelanders sat down in front



of their computers and sent out e-mails using the marketing tools provided by the campaign to encourage friends, colleagues and business partners to think about Iceland, to get inspired by Iceland. A video had been produced especially for this purpose, showing some of the highlights of Iceland's natural beauty, city life and people of all ages, shape and sizes.

Humour was part of the equation. It was vital for the video to encourage people to forward it on to friends and colleagues, creating a "snowball effect" to get as many hits and visits to the website of the campaign and to reach as many people as possible. As encouraged by the Minister of Tourism, companies encouraged their staff to take some time off from their daily routine to lend a hand and send out the e-mail and video to as many contacts as possible.

- a) Associate partners of the CVB sent the message to clients to strengthen the message they had already sent out, that everything was up and running and that people were in no danger if they came to Iceland. By using this unified message, companies managed to ease the minds of those worried and also created a completely new message that was used in various ways, for example to spark the curiosity of old clients and make them think of Iceland again.
- b) Links to web cameras were used to convince pre-booked groups/conferences that we were a fully functional society and that the images left in people's mind after the eruption started were misleading and often untrue. By using the cameras, a number of DMCs were able to hold onto business that might have been cancelled altogether. In some situations, the groups decided to come this autumn instead of spring as planned, but the majority of pre-booked business was secured, meaning what looked like a disastrous spring/summer/fall actually remained relatively the same.

4. Set out detailed objectives/targets and explain how well these were met, covering both financial and non-financial issues.

The overall objective of the Inspired by Iceland campaign was threefold:

First and foremost: to salvage the confirmed business for spring, summer and fall of 2010; secondly, to correct the image of Iceland after misleading information in the international press; third, to take advantage of the huge exposure Iceland has had overseas during and after the eruption in Eyjafjallajökull.

According to the Icelandic Tourist Board, there were 2.5% fewer tourist arrivals to Iceland from January to August 2010 than the year before (a total of 344,276, compared to 353,110 in 2009). Considering the number of cancellations at the beginning of the eruption, this is a considerably better situation than the expected drop of 20-40%. It is also worth mentioning that in August 2009, around 3100 scouts were in Iceland for the Roverway convention, and unfortunately they don't come every year!

When evaluating the key steps taken by the Iceland CVB and its associate members, a few extra facts are worth highlighting:

c) IMEX in Frankfurt

It is not difficult to pinpoint the main reason why IMEX was so successful for Iceland in 2010. With a 25% increase in visitor numbers to our stand, Iceland CVB and partners left the show with the feeling that the future was a little bit brighter. It was quite obvious that the eruption had attracted the world's attention to Iceland and by addressing the situation upfront visitors and guests just passing by alike commented positively on how we were handling the situation. We even brought volcanic ash and volcanic rocks with us; these made the perfect icebreakers.

At present we don't know exactly how many ambassadors we created on 3 June 2010 at 1pm GMT. But what we do know is that throughout that day, 1.5 million emails were sent out through the official website of the campaign, www.inspiredbyiceland.is. This is not counting company e-mails sent directly from their own accounts. Also, research showed that one-third of the nation sent messages to their friends all over the world.² Around 5 million Twitter messages flew across cyberspace and for that we must especially thank Yoko Ono, Stephen Fry, and Björk. By the end of the day, 870,000 people had downloaded different videos from the website and the initiative had 17,000 Facebook friends. Today we have well over 43,000 friends on Facebook and that number continues to rise.

According to the 13 DMC's and PCO's that are members of the Iceland Convention Bureau, confirmed conferences and incentives groups for 2010 were 187. Of them 14 were cancelled due to the eruption in Eyjafjallajökull which is a lot better outcome than was anticipated in April last spring.

What can be learned from our ideas?

Storytelling

Storytelling, the Sagas and literature play a very big role in Icelandic culture and have been a part of our identity since the settlement of the country in the 9th century AD. Icelanders love to tell stories to visitors. It is our way of bringing to life our ancestors, their myths and beliefs, and how they explained why things are the way they are in Iceland.

This part of our culture was used in this campaign, but in a different way: we got others to do it for us.

The lesson to be learned with storytelling is: Use the power of personal experience and persuasion to get others to complement your message wherever possible. This adds weight to the message. Believe in the power of a good story and appeal to the human element in all of us.

Think big when it comes to ambassadors – sometimes!

Think out of the box when it comes to ambassadors. Try to get your entire nation, or least your neighbours and colleagues, to look upon themselves as ambassadors. By working together we can create something truly amazing.

Put up web cameras

It can be quite expensive to fly in everyone who is not quite convinced. Use web cameras and make sure that people know where to look for them.

Talk about it – don't hide it under your seat

Another lesson that was vital and that the Iceland CVB and partners felt during IMEX is to face the problem and talk about it. Don't wait to be asked; start informing others and set the record straight. By doing so we took part in correcting the image of Iceland after the eruption and were praised by guests and passersby on how we handled the situation.

And last but not least....

Contact ICCA and industry colleagues. ICCA gave Iceland CVB the opportunity to talk to colleagues prior to the first day of the IMEX show during one of its seminars to explain the situation and Regent, the owners of IMEX, provided advice, contacts and coverage to help.

Every bit counts when your volcano is blowing ash into the air.

Appendix 1

Financial Plan for Inspired by Iceland 2010

Production cost (e.g. production of advertisements, Iceland Hour, Videos etc.)	ISK 114 Million
Media Coverage, Social Media etc.	ISK 480 Million
Press Trips, Road Shows & PR	ISK 70 Million
Performance monitoring	ISK 6 Million
Miscellaneous cost	ISK 30 Million
Total	ISK 700 Million