Bloom Consulting
US State Brand Ranking©

Tourism
Edition ★ 2012

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking©**

2012 ★ Tourism Edition

Bloom Consulting **US State Brand** Ranking©
An Introduction

Bloom Consulting is proud to announce its entry into North America with the launch of **Bloom USA**, based in Los Angeles, and the inaugural "American Edition" of its Country Brand Ranking.

Bloom Consulting is the world's leading country branding consultancy, headquartered in Madrid, Spain. Already ranking over 160 countries around the world in Tourism and 150 in Trade, Bloom is now extending the benefits of its unique, proprietary approach to branding geographies to the states, provinces, regions and cities of North America.

The Ranking measures the effectiveness of brand strategies used by each of the 50 US states to attract Trade and Tourism.

Bloom Consulting uses hard facts, such as economic indicators and an analysis of official state brand strategies, as well as soft data indicators, thus measuring the economic impact of each state's brand strategy for trade and tourism. Bloom Consulting takes into account variables that define each state's economic performance, as well as variables that characterize each strategy's accuracy, market acceptance and collective online presence. This marks the first time that Online Search Demand (OSD) has been incorporated into a ranking of this type.

Bloom Consulting's US State Brand Ranking © is live, using up to the minute data compiled from social media trends, online statistics, and quarterly financial results. All data is from authoritative sources, including the US Census, the US Travel Association, and the official travel and/or tourism agencies for each state.

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking©**

2012 ★ Tourism Edition

An introductory note from the CEO
Welcome

I am proud to present you with the Bloom Consulting US State Brand Ranking© 2012.

I must confess, I am proud to launch our first edition of the US State Ranking in
an election year! We sincerely hope the research and the ranking provides definitive
answers for the last five years of all fifty states' branding performance. In other words,
with this ranking you can finally see who has actually been doing a good job in terms
of State Branding.

The results of the ranking have different variables explained later in this document.
In a nutshell, we rank each state based on who was able to attract more tourists due
to its brand strategy.

I encourage you to use our ranking internally. And please use it as an asset,
to demonstrate how important your state brand is to your economy.

Although we would have liked to give a detailed description of each state's individual
brand strategy performance in this document, this is just an initial overview of our
research. However, if you are interested in finding more information about your state,
please do not hesitate to contact us. I would be happy to send you all the information
you require.

Welcome to the Bloom Consulting US State Brand Ranking © 2012. We hope you
appreciate the great results and findings as much as we do!

José Filipe Torres - CEO Bloom Consulting

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State
Brand
Ranking©

2012 ★ Tourism Edition

A word from the USA Managing Director
A bright future ahead

I am very pleased to bring the benefits of Bloom Consulting's unique approach to strategy and branding to North America. Over the last decade Bloom has earned the reputation as the world's leading country branding consultancy, with recognition from the likes of The Economist and Forbes, and from clients like the European Commission, Poland, Portugal, Spain and Latvia. As an example of Bloom's track record of success, Bloom worked with the government of Bulgaria to bring it from dead last to first in terms of investment in all of Central and Eastern Europe.

Too often we see geographies in the US locked in a race to the bottom in terms of concessions and labor costs with little net gain realized. Bloom looks at our clients' internal resources, internal perceptions and how they are perceived from the outside. Our unique data-based approach to branding opens a window on what resources set states apart from their neighbors, and where to find the best, most receptive audience for what they have to offer. Our recommendations are not based on opinions and focus groups, but on sophisticated data analysis.

I encourage you to take a close look at our US State Ranking, I am sure you will find some surprises. If you would like to know more about how number 9 Michigan outperforms number 25 Massachusetts, for example, please contact us and take a deep dive into our methods.

In the end, our work is about bettering people's lives. By improving the economic performance of communities around the world, Bloom has had a positive effect on the daily lives of countless individuals and their families. This is why I am so excited to bring Bloom to the USA.

I look forward to hearing from you.

Tim Roberts - Managing Director, Bloom USA

Bloom Consulting

Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking ©**

2012 ★ Tourism
Edition

Introduction to State and Destination Branding
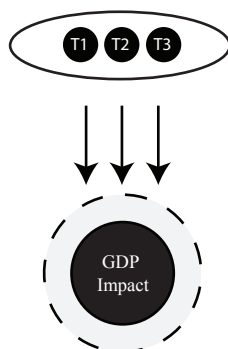## The 3T approach ©

In creating a state brand strategy we focus on three main areas: attraction of trade, tourism and talent.

The traditional approach when facing the challenge of attracting trade, tourism and talent is to create, or simply improve, perceptions under one umbrella strategy. Ultimately this will fail, as we see over and over again around the world. It's impossible to communicate entertainment to investors and simultaneously communicate a qualified and hardworking workforce to potential tourists. They messages repel each other, destroying the core objective. Most of the time agencies attempt a compromise in order to better create an overall strategy. As a result, they weaken their brand, as each factor is not branded up to its potential.

In order to solve the problem of having a single multi-dimensional strategy, Bloom Consulting has developed a 3T approach to state branding that separates each T.

T1. Attraction of Trade
T2. Attraction of Tourism
T3. Attraction of Talent

Traditional "Umbrella" Strategy   Bloom Consulting's 3T Approach ©
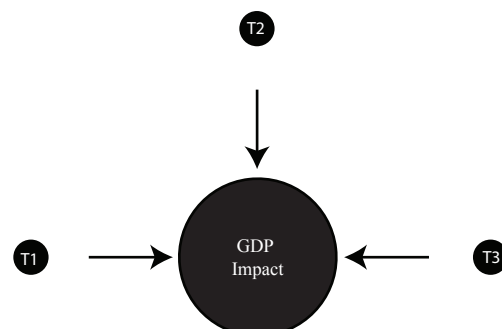
This way, we're able to calculate growth projections and calculations individually, in order to better define the objectives of an overall strategy.

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State Brand Ranking©

2012 ★ Tourism Edition

Bloom Consulting **US State Brand** Ranking ©
2012 TOURISM - Ranking

Rank			SBS Rating ©
1.		California	A
2.		Florida	AAA
3.		New York	A
4.		Illinois	AAA
5.		Texas	B
6.		Michigan	AAA
7.		Georgia	B
8.		Pennsylvania	BBB
9.		Virginia	B
10.		Colorado	A

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State
Brand
Ranking©

2012 ★ Tourism Edition

Rank			SBS Rating ©
11.		New Jersey	AAA
12.		Arizona	AAA
13.		North Carolina	B
14.		Nevada	CC
15.		Massachusetts	BBB
16.		Indiana	AAA
17.		Hawaii	BB
18.		Minnesota	A
19.		Maryland	B
20.		Wisconsin	A
21.		Ohio	B
22.		Washington	B
23.		Missouri	BBB
24.		Tennessee	CC
25.		Washington DC	A
26.		Oregon	BBB
27.		Louisiana	A
28.		Oklahoma	A
29.		South Carolina	B
30.		Arkansas	AA
31.		Kentucky	A
32.		Maine	AAA
33.		Connecticut	B
34.		Iowa	A
35.		Utah	AAA

Bloom Consulting

Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking ©**

2012 ★ Tourism Edition

Rank			SBS Rating ©
36.		Alabama	BB
37.		Mississippi	BBB
38.		New Mexico	CCC
39.		Montana	C
40.		Idaho	CCC
41.		New Hampshire	CC
42.		South Dakota	B
43.		Wyoming	C
44.		North Dakota	BBB
45.		Nebraska	D
46.		Alaska	B
47.		Kansas	D
48.		Vermont	B
49.		West Virginia	BB
50.		Rhode Island	BBB
51.		Delaware	CCC

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking©**

2012 ★ Tourism
Edition

Bloom Consulting US State Brand Ranking©
Highlights

The overall results of the ranking indicate that although economic performance is crucial, an accurate brand strategy as measured by the SBS Rating © can make or break a state.

California was the overall winner of the first Tourism ranking. California's long list of destinations known world-wide, from sunny beaches and Hollywood to San Francisco and the Golden Gate, make this an easy guess, but the state backed up its economic dominance with consistent branding excellence across the board.

Florida (2) and New York (3) are also very popular tourist destinations and so their strong ratings and high ranking are expected, but Illinois's strong performance was a surprise. Thanks to its AAA ranking, Illinois edged ahead of its competitors.

A big shock, due to a AAA rating, was Michigan's (6) performance. Its top rating and branding performance indicate the state is undergoing a very effective brand renewal. Michigan is picking up speed and will be fascinating to watch over the next few years.

The top ten was filled out by strong economic performers that lost momentum with only average ratings. Georgia (7), Pennsylvania (8), and Virginia (9) barely managed to stay ahead of Colorado (10).

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State
Brand
Ranking©

2012 ★ Tourism Edition

Bloom Consulting US State Brand Ranking©
Highlights... Continued

Another state to watch, Colorado's A rating and strong social media performance allowed it to pull ahead of competitors like Utah (35), New Mexico (38) and Montana (39). If Colorado improves to a AAA rating it could advance to the top 5.

Maine was another surprising winner in the ranking. Though the placement (32) doesn't appear impressive on the surface, its tourism brand strategy is truly making an impact, and this lifted the state out of the doldrums. Expect Maine to continue to improve.

There was a noticeable weakness in the West and Midwestern states, with Montana (39), Wyoming (43), Nebraska (45), and Kansas (47) as the most visible underperformers. Their poor SBS Ratings © show a critical need for more accurate brand strategies. Most states are still in the process of recovering from the recent recession; a strong tourism industry can provide a near term boost to sagging economies.

US State Brand Ranking©

Bloom Consulting

Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

2012 ★ Tourism Edition

Understanding the Methodology
The Ranking Variables

The Bloom Consulting Algorithm, developed to create and calculate the ranking, takes into account both hard and soft data and includes groundbreaking processes to show the relationship between a state's economic performance and the projections of the state's brand strategy.

The ranking is derived from four variables that take into account both hard and soft data. The ranking does not use any survey or interview based data, meaning that it provides the most objective, accurate results possible.

Bloom Consulting Algorithm variables

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking©**

2012 ★ Tourism
Edition
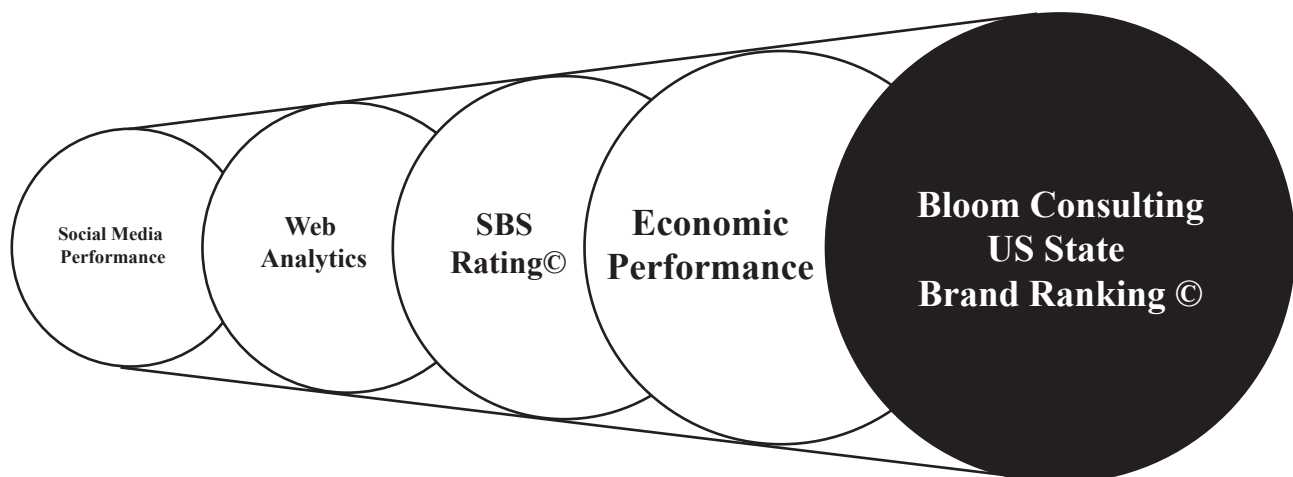
Understanding the Methodology
The Ranking Variables more in detail

Economic Performance
Strategies and economic returns do not have an immediate cause and effect relationship, therefore Bloom Consulting uses a long term (five years) economic analysis. This way, the Ranking reflects more consistent trends rather than the volatile changes that might occur in the recovering economic climate.
Bloom Consulting first looks at the state's economic performance in tourism receipts benchmarked against its peers. Bloom Consulting also computes the compound annual growth rate (CAGR) from 2007 to 2011. This way, it is possible to garner how much the industry grew or decreased and the impact it had on revenue.**

Bloom Consulting State Brand Strategy (SBS) Rating ©
Bloom Consulting also rates the impact of each state's branding strategy. The SBS Rating© takes into account the uniqueness of each state's current brand strategy (Brand Tags) and the accuracy of the Online Search Demand. A brand strategy that is more unique and more aligned with tourist searches will receive a better Rating.

Web Analytics
Web analytics is an increasingly important component of every brand. In order to measure the online presence of each state's brand strategy, Bloom Consulting looked at the official state tourism agency's website as tracked by online web traffic reporters to establish how many people visit each website and continue further or simply exit the site.

Social Media Performance
All state agencies already have websites, and now, an increasing number of them are interacting with potential tourists through social networks. Bloom Consulting considers that social networking will be even more crucial for gaining market share in the future, so a state's social media performance was evaluated by information from Twitter and Facebook pages and the numbers of followers.

** All data is taken from US Travel Association

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State
Brand
Ranking©

2012 ★ Tourism
Edition

Measuring State Brand Strategy Accuracy
The SBS Rating ©

The SBS Rating © is calculated using brand strategy economic performance analysis and analysis of online search demand. The state brand strategy is measured through brand tags, the key words that reflect the brand strategy of each state. For the first time in any state or nation brand ranking, Bloom's **online search demand (OSD)** is able to show if a state supplies what tourists are seeking, and how well the state is matching this demand.

Brand tags function as the 'supply' side of the tourist-destination equation. Thousands of brand tags were collected from each state's official tourism agency and then classified into 49 different clusters that relate to cultural tourism, holiday/leisure/recreational tourism, nature or sports. Each cluster is assigned an economic value in order to rate the relative returns gained from each brand tag.

Domestic and international tourist searches for the brand tags and related words were then analyzed, state by state, in the most used search engines, to show the state's accuracy match and quantify Online Search Demand. By considering the OSD, Bloom Consulting is able to show if a state offers what tourists are seeking, and how well the state is matching this demand. This identifies the gap between supply and demand. The more accurate a state is, the better the SBS Rating ©.

Just as international rating agencies rank countries' credit risk, Bloom Consulting uses the SBS Rating © to classify countries' brand risk.

Score	Description
AAA	Very Strong
AA	Strong
A	Slightly Strong
BBB	Very Good
BB	Good
B	Slightly Good
CCC	Slightly Weak
CC	Weak
C	Very Weak
D	Poor

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

**US State
Brand
Ranking©**

2012 ★ Tourism
Edition

Bloom Consulting US State Brand Ranking©
FAQs

1) Who is this Ranking meant for?

Bloom Consulting US State Brand Ranking © is for anyone interested in place branding from every perspective, whether you're in government, academia, industry, finance, or just find it interesting.

2) Why did Bloom Consulting create a Ranking?

Bloom Consulting created the Ranking to evaluate the impact of a state's brand strategy in economic terms and, above all, to answer the ever relevant question of how states can become more attractive.

3) How does Bloom Consulting's Ranking differ from other rankings?

Bloom Consulting's Ranking uses variables and methodology to generate a ranking far ahead of the field in terms of objectivity and innovation. Not only does Bloom Consulting base its research on objective hard and soft facts, rather than using survey based data like other rankings, it is also the first ranking to take tourist demand into account.

4) What is new in the 2012 edition of the Ranking?

First of all, it is the first "US Edition" of Bloom's Country Brand Rankings. Second, Bloom has improved its methodology over past rankings in order to deliver a more accurate, more objective results. Tourist Online Search Demand (OSD) is now included in the Bloom Algorithm. By analyzing consumer behavior and the effectiveness of state brand strategies, the newest ranking raises the bar by giving a pioneering view of the tourism industry from a supply and demand angle.

5) How can a state have a poor SBS Rating ©, but do well in the Ranking ©?

If a state has a negative SBS Rating ©, its brand strategy is not actively reflecting what the state has to offer (in the eyes of tourist-demand). So even though its economic performance might still be strong, the trade strategy is not taking advantage of the state's unique selling propositions.

Bloom Consulting
Entrepreneurs

Development of Countries
Human Asset Management
Business Strategy

US State
Brand
Ranking©

2012 ★ Tourism
Edition

Bloom Consulting
About

Bloom Consulting creates brand strategies for countries, regions, cities and companies all over the world. What we create is unique, derived from solid experience and cutting edge research and delivered with entrepreneurial flair. Our strategies make an impact where it really counts: financially.

Bloom is the world leader in our field, with glowing recommendations from the Economist and Forbes. After successfully working with governments and companies around the world, our track record speaks for itself. Bulgaria rocketed from thirteenth to first entrepreneurship economic position in Central and Eastern Europe after working with Bloom. Latvia's GDP improved 5% with Bloom's strategy. Even McDonald's sought Bloom Consulting's expertise when expanding into Latin America.

Bloom USA is located in Southern California, the creative hub for industries from Aerospace to Biotech to Media and Entertainment. But Bloom's vision goes beyond just the USA, Bloom Consulting has successfully helped scores of governments and companies around the globe come to terms with a rapidly changing competitive environment. We have greater experience facing these challenges than anyone else in the business, but we also use newer, more accurate methods. And as entrepreneurs, we look at results and see opportunities.

For further information or enquiries
Please contact

Timothy Roberts - Managing Director, Bloom USA
troberts@bloom-consulting.com