



# Travel Michigan Update

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November, 2006

PURE *M*ICHIGAN



# State of the Tourism Industry

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- #7 state for both leisure and all travel (business and leisure)
- Visitors spend \$17.5 billion traveling Michigan (leisure travel is \$12.6 billion of that total)
- That spending funds 193,000 jobs statewide
- And generates \$971 million in state tax collections



# State of the Tourism Industry

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- Through September, 2006, statewide hotel occupancy rate was 56.2%, up 2.1% from same period in 2005, but 9% behind the national average of 65.2%
- Average Daily Rate (ADR) and Revenue per Available Room (RevPAR) also up over 2005, but well behind national average
- Fourth most loyal in-state market
- Over-dependence on the in-state market



# Travel Michigan FY '07 Budget

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- Total Promotion Budget is \$13.2 million
  - \$5.7 million from GF Promotion Fund
  - \$7.5 million from 21<sup>st</sup> Century Jobs Fund  
(half of \$15 million one-time appropriation)
  - Moved up from 31<sup>st</sup> to 14<sup>th</sup> in state tourism budget ranking
  - End of 21<sup>st</sup> Century one-time funding



# Travel Michigan FY '07 Budget

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- Competitors spend more
  - Illinois - \$48 million
  - Pennsylvania - \$33 million
  - West Virginia - \$23 million



# Travel Michigan FY '07 Budget

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- Larger budget made possible:
  - Increased advertising in traditional markets (Chicago, Indy, Cleveland, Michigan)
  - Advertising in new markets (Cincinnati, Milwaukee, Ontario)
  - Creation of the new Pure Michigan branding



# 2006 Advertising Partnerships

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- 22 partnerships, representing more than 50 destinations
- Grown from 3 partnerships in 2002
- \$650,000 of private sector investment
- Joint Travel Michigan/partner television, radio, print, billboard and online advertising



# Other Marketing Activities

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- Public Relations – WJR, “fam tours”
- 13 Welcome Centers – millions of brochures distributed annually
- *Michigan Travel Ideas* magazine
- *michigan.org* website, email newsletter
- *travelmichigannews.org* – free, monthly travel industry enewsletter – sign up!



# Travel Michigan Initial Results

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- Traffic to the michigan.org travel content at 8.9 million user sessions through October, up 46% over same period 2005
- Click throughs from michigan.org to private sector websites at 4.5 million through October, up 37% over same period 2005
- michigan.org traffic from new markets – Cincinnati, Milwaukee and Ontario – up 500% June and July (pop up zip survey)



# Return on Investment Research

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- 2006 Advertising Return on Investment study will be complete in early 2007
- 2005 out-of-state advertising stimulated 900,000 incremental visits to Michigan
- These visitors spent \$165 million at Michigan businesses
- That spending generated \$11.6 million in state taxes
- With a 2005 advertising buy of \$3.4 million, the state's return on investment was \$3.43 for each advertising dollar spent



# Pure Michigan Branding

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- Brand Objective:  
**The Heartland's Premier Vacation Destination**
- Conceptual Target: **Getaway Artists.** People who put thought into turning their vacation (or long weekend) into the richest possible experience they can get for their time and money.
- Core Desire: **Transport Me.** There's plenty to do back home. Their vacation destination should feel more like a special place that takes them out of their everyday routine. They want to be transported.



# Pure Michigan Branding

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- Role of Brand: **An Authentic Destination.** All states have places to go for golfing, fishing, shopping, sight seeing, etc. But only Michigan is an entire (and big) state that feels like a vacation destination is supposed to feel.
- Compelling Truth: **A Perfect World In Your Own Backyard.** Surrounded, protected and nurtured by the world's largest system of fresh water lakes is a place less like everything is and more like everything was meant to be.
- Selling Idea: **Pure Michigan.** In our overdeveloped, stripmalled and Starbucked world, one state still feels magic, mythic, authentic, untamed, unspoiled, uncompromised, timeless and true . . . pure Michigan.



# Pure Michigan Means

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- Abundant Natural Beauty

- Michigan is a state blessed with the riches of unspoiled nature: the world's longest freshwater coastline, lakes that feel like oceans, shimmering beaches, forests bursting with autumn color, miles and miles of cherry orchards, glorious sunrises and sunsets, daytime skies of the deepest blue, nighttime skies scattered with stars.



# Pure Michigan Means

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## ■ Authentic Destinations

- Michigan is alive with the kind of places that reveal special meaning: Motown's Hitsville, our lighthouses, Frederik Meijer Gardens and Sculpture Park, our beachtowns, Mackinac Island, Greenfield Village and so much more. These places remind us of the deep values that define our essential human nature . . . and can only be found in Michigan.



# Pure Michigan Means

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## ■ Unique Experiences

- Michigan offers guests a near infinite array of moments that live forever in memory (like seeing sunrise over the Mackinac bridge, feeling the full power of the Diego Rivera murals, giving yourself up to the awe of our Great Lakes coastline). People are drawn to Michigan because it moves them in ways that everyday life cannot.



# Pure Michigan is

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- Majestic
- Mythic
- Magical



# Pure Michigan Creative Executions

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- TV
- Radio
- Print
- Billboards/Wallscapes/Bus wraps
- michigan.org website



# Pure Michigan Concept Testing

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- Research firm surveyed 357 consumers in new markets: Cincinnati, Milwaukee and Ontario
- Each had taken at least one overnight trip in the last 12 months
- Their reaction to the Pure Michigan branding/ads:  
“Response among our travelers to the *Pure Michigan* concept is very positive. In fact, most love it!”
- 63% said the campaign would make them more likely to visit Michigan



# Consumer Reaction to Pure Michigan

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An email from Ontario:

"I live in Cambridge, Ontario and quite frequently hear radio ads for Michigan.org. Whether they invite me to the golf courses or the peaceful waters, these ads are INCREDIBLE! I have yet to hear a campaign evoke such distinct emotions. I WANT TO TRAVEL TO MICHIGAN NOW!!!"



## Consumer Reaction to Pure Michigan

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### An email from Wisconsin:

"We (my family and I) think your ad campaign 'Pure Michigan' is just fantastic. The message is 'pure' and simple and we are personally envious because we'd like Wisconsin to come up with something equally appealing and enticing. Thank you for the great ads -- especially on the radio -- it makes a long commute home in the evening seem more pleasant. In fact, we turn the radio up when your ads come on because they give such a welcoming and relaxing feeling to all. Thank you again -  
- I'm sure we'll be visiting your great state sometime soon."