



A West-Central Michigan Tourism Assistance Program: Goal, Progress and Outputs



Presented by:

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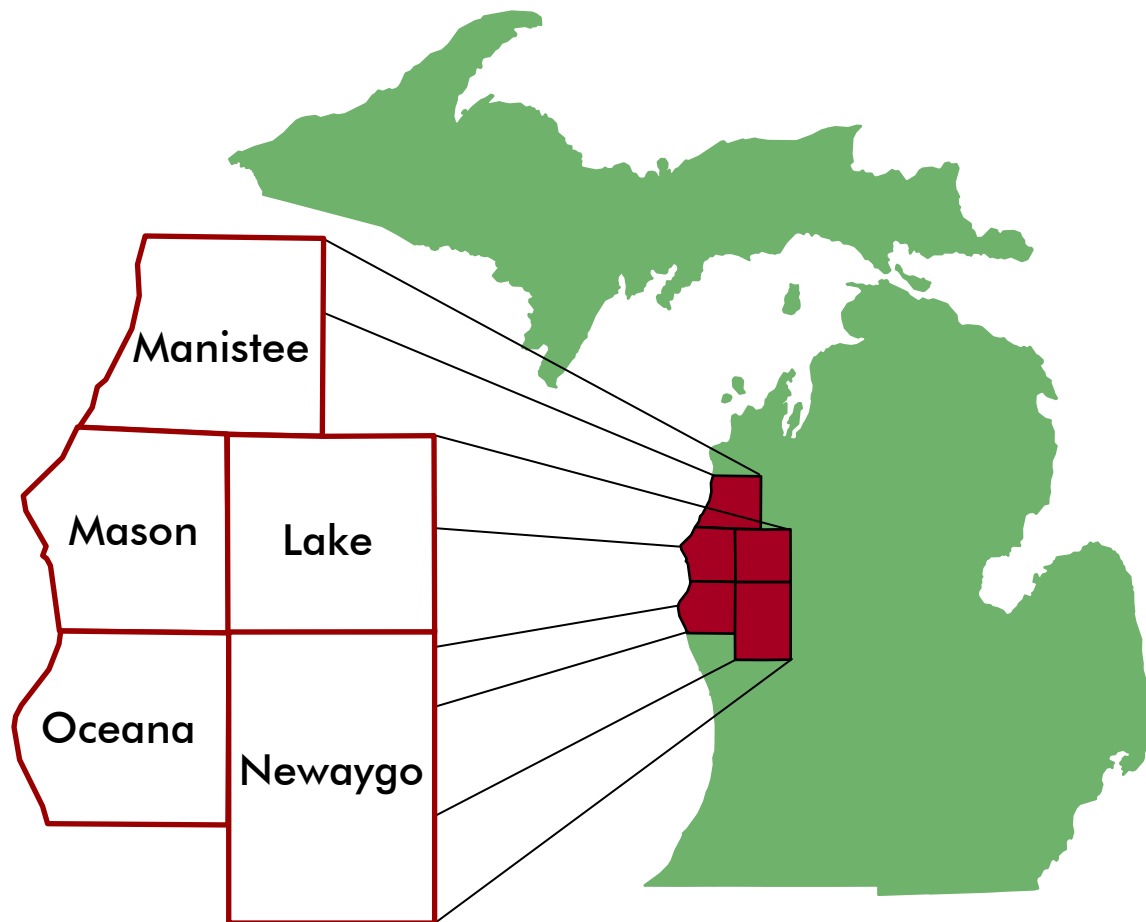
CARRS Tourism Resource Center
Michigan State University

Web: www.tourism.msu.edu/tap/

Five-County Regional
Tourism Conference and Expo

Ludington, Michigan
April 17 - 18, 2005

West-Central Michigan TAP Area



Why Travel and Tourism?

“Travel and tourism is the largest economic activity in the world ... and is expected to grow.”

Source: World Tourism Organisation 2001

“...the full economic impact of Travel & Tourism, the world’s largest generator of wealth and employment, which accounts for 200 million jobs and over 10 per cent of global GDP. (...)”

Source: World Travel & Tourism Council

“The U.S. travel and tourism industry is...

- ... one of America’s largest service exports
- ... one of America’s largest employers
- ... one of America’s largest retail sales industries (...)”

Source: Tourism Industry Association of America (TIA); Talking Points 2005

Explanation of “Impact” Data

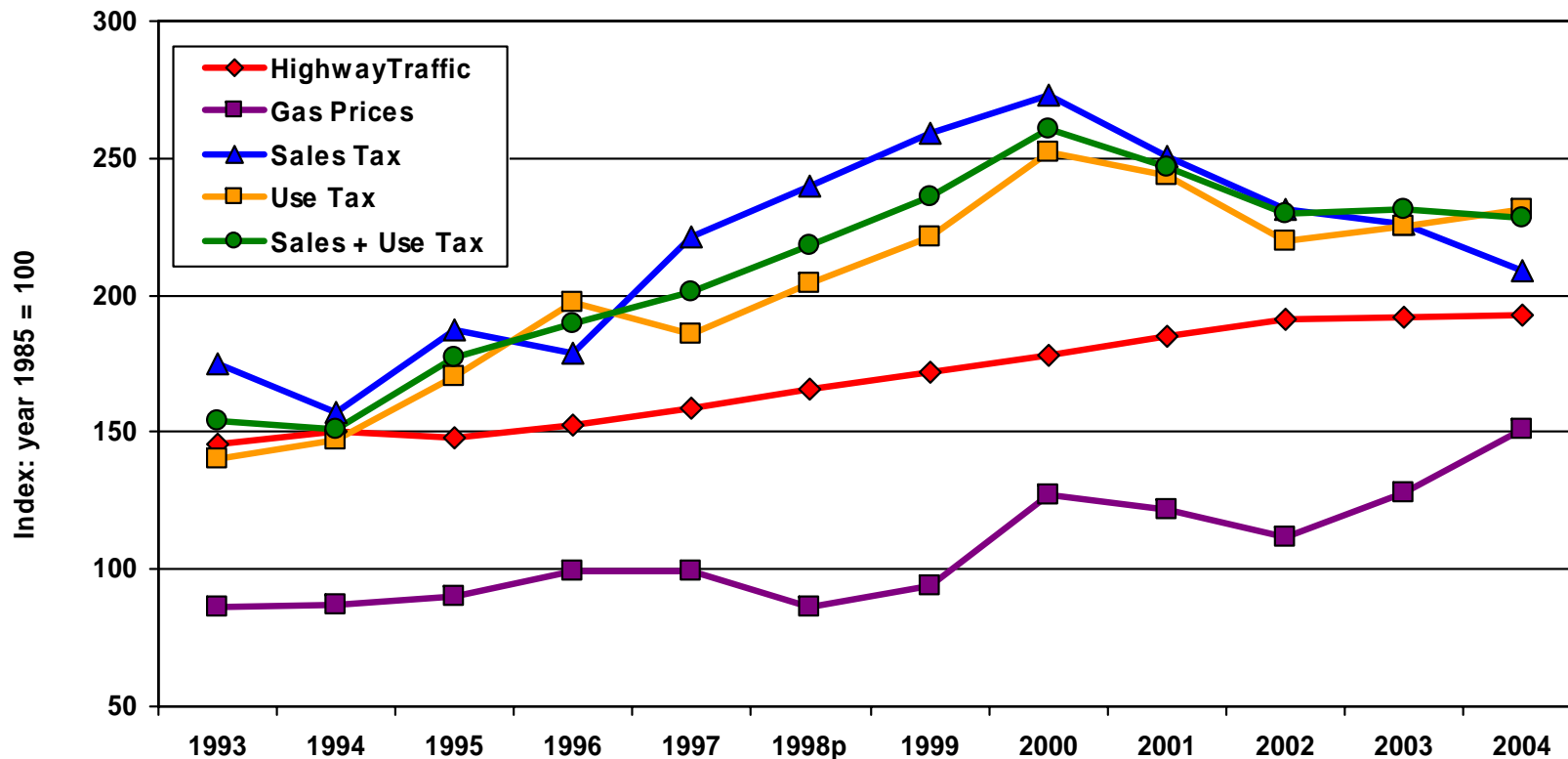
- Market share: percentage of Michigan pleasure travelers indicating the listed county as a primary destination of their most recent Michigan trip (Michigan Travel Market Survey; 2001-2002 data only). These percentages do not include travelers who might have visited these counties on the way to their primary destination outside this region or might have visited them on a business trip.
- Tourist expenditures: Michigan datum for pleasure and business travelers in 2002 (TIA’s report of 2004). County data are based on their market share of Michigan travelers’ expenditures.
- Tourism jobs: Michigan datum for number of jobs created by pleasure and business travelers in 2002 (TIA’s report of 2004). County data are based on their market share of Michigan travelers’ expenditures divided by an average cost of creating one Michigan tourism job.
- Tourism jobs vs labor population: percentage of tourism jobs within the total working-age population of the state and respective counties (population data from the U.S. Census Bureau 2003).

Tourism's Impact on the Region (2002)

| County | Market share 2001-2002 | Travelers' expenditures | Estimated # of tourism jobs | Tourism jobs vs labor pop. |
|-----------------|---------------------------|----------------------------|--------------------------------|-------------------------------|
| Lake | 0.5% | \$61.0 million | 949 | 14% |
| Manistee | 0.7% | \$85.4 million | 1,329 | 9% |
| Mason | 1.7% | \$207.4 million | 3,226 | 19% |
| Newaygo | 0.4% | \$48.8 million | 759 | 3% |
| Oceana | 0.5% | \$61.0 million | 949 | 6% |
| Region | 3.8% | \$463.6 million | 7,212 | 10% |
| Michigan | 100% | \$12,200 million | 155,400 | 3% |

Note: See the previous slide for explanation about and sources of these data.

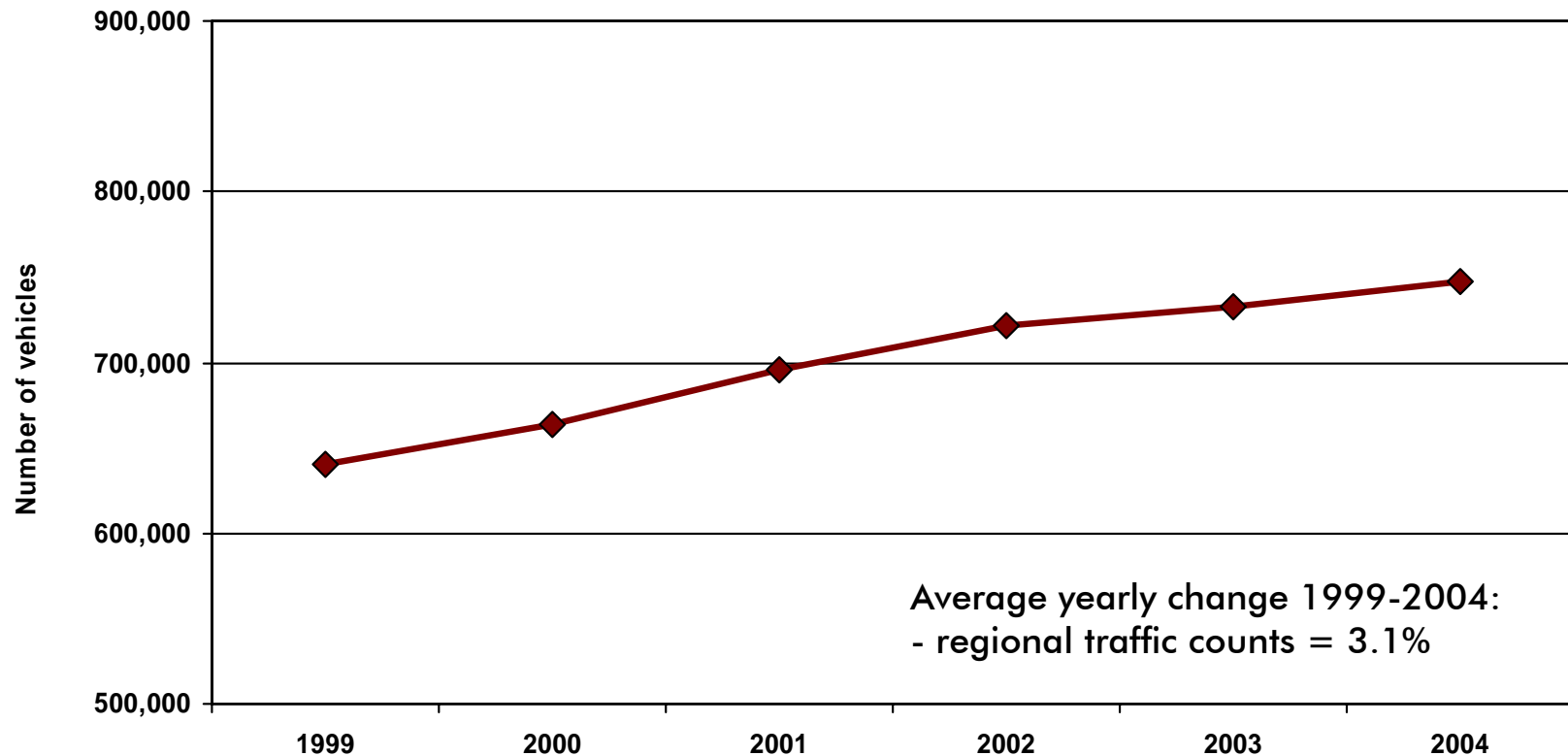
State Tourism-Related Trends



Average yearly changes 1999-2004:
 - highway traffic counts = 3.5%
 - use tax = 4.5%

Sources: AAA of Michigan, Michigan Dept. of Transportation, Michigan Dept. of Treasury.

Regional Trends - Traffic Counts



Traffic counts from:
US-31/M-37, US-31 (Hart),
US-131/M-82, and US-131/M-20

Source: Michigan Dept. of Transportation

Visitor Profiles From Shifflet's Data

- *Comparative profiles of travelers to Michigan and to the five-county region*
- *Presenter: Dave Smyth of Travel Michigan / MSU Extension*
- *Data source: D. K. Shifflet & Associates*
- *This visitor profile presentation is on a separate handout*

Tourism Assistance Program

- The TAP is a long-term research/extension project designed to develop, expand, and strengthen an area's tourism network. The objective of such a program is to enhance skills and develop a comprehensive strategic plan that will prepare local tourism leaders for the ongoing work that must continue after the TAP is completed.
- TAPs since 1997:
 - Straits of Mackinac (Cheboygan and Mackinac counties)
 - Thumb area (Lapeer, Sanilac and Tuscola counties)
 - M-66 (Barry, Ionia and Montcalm counties)

Funding Sources

- University Outreach and Engagement
- Local tourism businesses, economic development corporations, and MSUE county offices
- MSUE Tourism Area of Expertise
- CARRS Tourism Resource Center

Project Goals

- Increase visitation to the study area, especially during the slower time of the year
- Establish a regional destination marketing partnership with a strategic long-term marketing plan
- Focus on enhancing and developing the region's agri-tourism and nature-based tourism industries

Components of the Project

Project time span: three years

- Supply assessment:
 - resource inventory
- Demand assessment:
 - intercept survey
 - overnight visitor survey

Projects
completed

-
- potential market survey
 - Needs and preferences assessment:
 - business survey
 - resident survey
 - Formation of a regional partnership
 - Creation of a strategic marketing plan

Projects to be
completed

Supply Assessment

- Resource inventory:
 - agricultural resources
(u-pick farms, farm markets, cider mills, etc.);
 - tourism resources
(state parks and forests, game hunting areas, golf courses, trails, etc.);
 - historical resources
(places listed on historical registers);
 - water resources
(lakes, public access sites, charter boats, etc.);
 - service facilities
(campgrounds, lodging establishments, restaurants, etc.); and
 - tourist attractions
(museums, lighthouses, etc.)

Demand Assessment

- Intercept survey (transient / day visitor survey)
 - to capture those visitors who do not spend a night in a local commercial lodging establishment, e.g., day-trippers, pass-thru traffic, and owners of cottages and second homes
- Overnight visitor survey (commercial lodging visitor survey)
 - to gain insight into visitors' overall impression of the study area as a tourism destination, trip profile, and general marketing and demographic information
- Potential visitor survey
 - to explore region's potential market and its general preferences
- Michigan Travel Market Survey (MTMS) data analysis
 - to compare a profile of visitors to the region with a profile of visitors to Michigan

Needs and Preferences Assessment

- Resident survey
 - to gauge residents' attitudes toward tourism development and promotion in their county.
- Business/supplier survey
 - to uncover issues facing travel and tourism businesses in the study region;
 - to assess what aspects of the region contribute to or detract from the vitality of these businesses; and
 - to develop proactive plans for the continued and balanced growth of tourism-related businesses in the five counties.

Communication Plan

- Create a project-related web site that planning committee members or other interested parties can access for the latest project information: www.tourism.msu.edu/tap
- Create an e-mail newsletter
- Create partnerships between news media and the planning committee
- Establish themed conferences

Local Tourism Industry Stakeholders

- Sandy Crandall – Northern Escape Lodge and Cabins (Lake Co.)
- Rikki Luff – Blueberry Patch Motel (Lake Co.)
- Bill Kratz – Mason Co. Economic Development Corp.
- Alberta Muzzin – Ludington Convention & Visitors Bureau
- Dave Yarnell – Manistee Area Chamber of Commerce.
- Andy Lofgren – Newaygo Co. Economic Development Office
- Anne Hardy – Oceana Co. Economic Development Corp.
- Sandra Coats – Silver Lake/Hart Convention & Visitor's Bureau

MSU Team

- MSU Extension offices:
 - Connie Theunick – Director, Lake Co. MSUE
 - Elaine Bush – Director, Manistee Co. MSUE
 - Jim Breinling – Director, Mason Co. MSUE
 - Kay Cummings – Director, Newaygo Co. MSUE
- MSU campus staff:
 - Dr. Fong Bristor – CARRS Tourism Resource Center
 - Teresa Herbowicz – CARRS Tourism Resource Center
 - Dr. Donald F. Holecek – CARRS Tourism Resource Center
 - Nai-Kuan Yang – CARRS Tourism Resource Center
 - Dave Smyth – MSUE Tourism Area of Expertise

Inventory of Tourism Resources

- Inventory cannot be considered completed without input from local businesses!
- Inventory was conducted to better understand a scale of tourism resources in the region
- Data were collected from secondary sources: listings from brochures, chambers of commerce, convention and visitors bureaus, web sites, previous surveys, etc.
- Available on the TAP's web site: www.tourism.msu.edu/tap
- Potential future uses:
 - Interactive “searchable” and regularly updated web site maintained by a regional organization
 - Depository of information on potential business partners
 - Depository of information available to travelers

Supply Assessment

- Resource inventory:
 - agricultural resources
(u-pick farms, farm markets, cider mills, etc.);
 - tourism resources
(state parks and forests, game hunting areas, golf courses, trails, etc.);
 - historical resources
(places listed on historical registers);
 - water resources
(lakes, public access sites, charter boats, etc.);
 - service facilities
(campgrounds, lodging establishments, restaurants, etc.); and
 - tourist attractions
(museums, lighthouses, etc.)

Second or Vacation Homes

| County | Number of second homes | % of MI second homes |
|-----------------|------------------------|----------------------|
| Lake | 8,235 | 3.5% |
| Manistee | 3,488 | 1.5% |
| Mason | 3,774 | 1.6% |
| Newaygo | 4,394 | 1.9% |
| Oceana | 4,155 | 1.8% |
| Region | 24,046 | 10.3% |
| Michigan | 233,922 | 100.0% |

Source: U.S. Census Bureau 2000.

Inventory – Lodging Facilities

Need your help
to complete it

| County | Hotels, motels, resorts | Rented cabins, condos | B & Bs | State park campgrounds |
|----------|--|--|-----------------|---------------------------|
| Lake | 27 ^a 95 rooms ^b | - ^a 20 rooms ^b | 2 8 rooms | 0 0 sites |
| Manistee | 53 ^a 390 rooms ^b | - ^a 277 rooms ^b | 8 27 rooms | 1 168 sites |
| Mason | 47 ^a 596 rooms ^b | - ^a 275 rooms ^b | 8 65 rooms | 1 344 sites |
| Newaygo | 11 ^a 62 rooms ^b | - ^a 43 rooms ^b | 1 20 rooms | 1 99 sites |
| Oceana | 27 ^a 303 rooms ^b | - ^a 263 rooms ^b | 11 55 rooms | 2 33 sites |
| Total | 165 ^a 1,199 rooms ^b | - ^a 878 rooms ^b | 30 175 rooms | 5 371 sites |

a) Sources available in 2003-2004: Travel Michigan; chambers of commerce; web sites, etc.

b) Number of rooms from inventory survey conducted by MSU in 1999-2000.

Other sources: Michigan Lake to Lake Bed & Breakfast Assoc.; Michigan Department of Natural Resources.

Inventory – Restaurants and Eateries

| County | Restaurants and eateries |
|----------|--------------------------|
| Lake | 46 |
| Manistee | 107 |
| Mason | 93 |
| Newaygo | 112 |
| Oceana | 103 |
| Total | 461 |

Source: Noncommunity Public Water Supply Division, District Health Department #10 - Cadillac Office, Michigan Department of Environmental Quality.

Inventory – Water Resources

| County | Inland lakes w/boat access | Boat access sites | Charter boat services | Lake Michigan shoreline |
|--------------|----------------------------------|----------------------|--------------------------|----------------------------|
| Lake | 11 1,532 acres | 33 | 0 | 0 miles |
| Manistee | 10 6,409 acres | 23 | 38 | 25 miles |
| Mason | 9 6,169 acres | 17 | 34 | 28 miles |
| Newaygo | 17 5,081 acres | 25 | 0 | 0 miles |
| Oceana | 4 1,485 acres | 6 | 11 | 27 miles |
| Total | 51 20,676 acres | 104 | 83 | 80 miles |

Sources: Michigan Department of Natural Resources; 2003 Michigan Charter Boat Directory, Karr Products, Inc.

Inventory - Recreation Resources

| County | State parks | Game areas | Golf courses |
|----------|------------------|------------|--------------|
| Lake | 0 | 0 | 2 |
| Manistee | 1 201 acres | 1 | 9 |
| Mason | 1 5,200 acres | 1 | 5 |
| Newaygo | 1 257 acres | 1 | 6 |
| Oceana | 2 2,986 acres | 1 | 6 |
| Total | 5 8,744 acres | 4 | 28 |

Sources: Michigan Department of Natural Resources; Michigan Atlas and Gazetteer, DeLorme Publishing, Yarmouth, Maine, 2002; Travel Michigan; Travelgolf.com.

Inventory - Attractions

| County | Museum | Lighthouses | Historic sites | U-pick farms, farm markets |
|----------|--------|-------------|----------------|----------------------------|
| Lake | 0 | 0 | 5 | 0 |
| Manistee | 5 | 1 | 24 | 3 |
| Mason | 1 | 2 | 16 | 1 |
| Newaygo | 1 | 0 | 15 | 3 |
| Oceana | 2 | 2 | 6 | 5 |
| Total | 9 | 5 | 66 | 12 |

Sources: Travel Michigan; National Park Service Maritime Heritage Program Inventory of Historic Light Stations; State Historic Preservation Office, Michigan Historical Center; Farm Market and U-Pick Directory, Michigan Department of Agriculture.

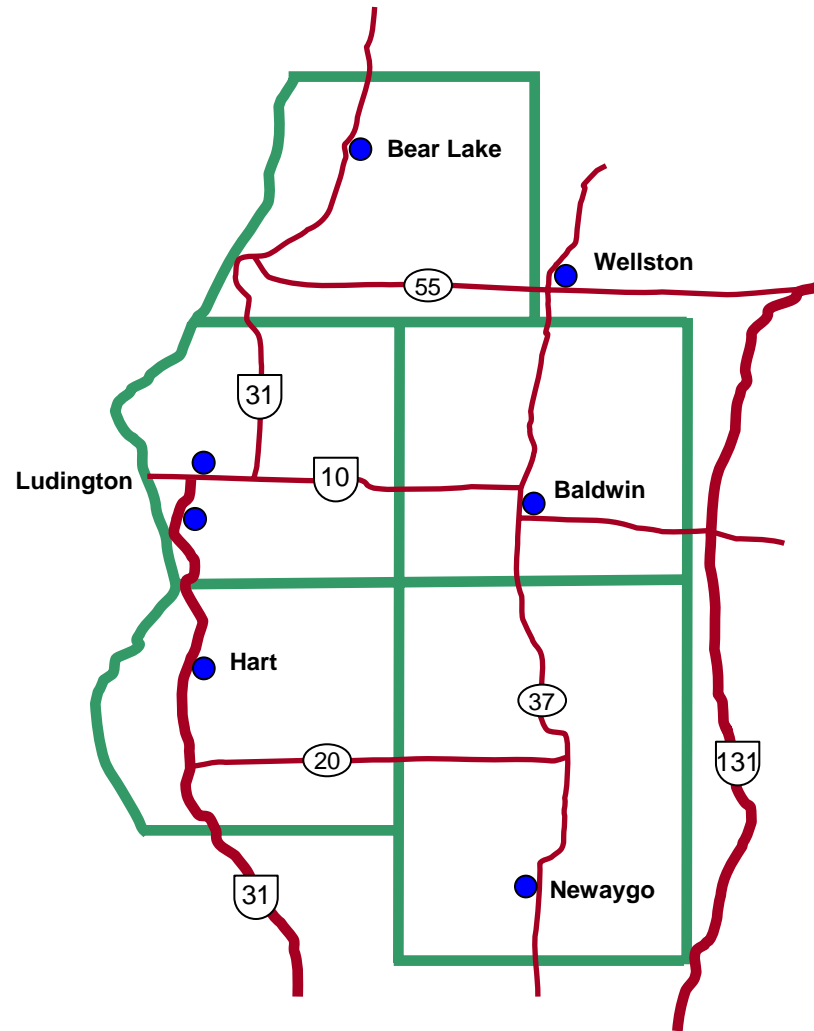
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Intercept Survey

- Transient visitor / day visitor survey to capture those visitors who do not spend a night in a local commercial lodging establishment, e.g., day-trippers, pass-thru traffic, and owners of cottages and second homes
- A person must have traveled at least 50 miles from his/her primary residence to qualify to participate in the survey
- An on-site survey: after a short interview, qualified visitors filled out a two-page questionnaire and returned it to an interviewer
- Incentives: discount coupons donated by local businesses
- Interviewing locations: at gas stations and a rest area
- Interviewing period: end of July – beginning of September 2004 (weekends and weekdays)
- Talked to nearly 1,300 people
- Results are based on 532 surveys

Intercept Survey - Locations



Overnight Survey

- Commercial lodging visitor survey to gain insight into visitors' overall impression of the study area as a tourism destination, trip profile, and general marketing and demographic information
- A person must have stayed in a local hotel, motel, B&B, lodge or a campground in the five-county region within past three years (addresses provided by local lodging operators), though some provided addresses were of those who inquired about the area
- A mail survey (two mailings) in October 2004
- Incentives:
 - discount coupons for all survey recipients, donated by local businesses
 - A raffle of six grand prizes (overnight stays in the area sponsored by local lodging businesses)

Overnight Visitor Survey

| County | Addresses received | Percentage of all addresses | Surveys received | Percentage of all surveys |
|----------|--------------------|-----------------------------|------------------|---------------------------|
| Lake | 429 | 26% | 95 | 35% |
| Manistee | 314 | 19% | 50 | 19% |
| Mason | 244 | 15% | 43 | 16% |
| Newaygo | 255 | 16% | 42 | 16% |
| Oceana | 400 | 24% | 38 | 14% |
| Total | 1,642 | 100% | 268 | 100% |

Michigan Travel Market Survey

- Michigan Travel Market Survey, a.k.a. Household Survey (HHS), had been conducted from January 1996 to June 2003 and it had collected over 37,000 completed surveys
- A person must have taken a pleasure trip to a place at least 50 miles from his/her home to participate in the survey
- Pleasure trip: a day or overnight trip for enjoyment, including vacation, weekend gateway, shopping trip, trip to a second home or a trip to visit friends or relatives
- A daily phone survey of randomly selected households in Michigan, Illinois, Indiana, Ohio, Wisconsin and the province of Ontario
- Results are based on over 2,300 surveys of respondents who took a most recent trip to Michigan within the past 12 months; these data had been collected between January 2001 and June 2003

Visitor Profiles (I)

| | Intercept survey | Overnight visitor survey | MI visitor survey (HHS) |
|---|------------------|--------------------------|-------------------------|
| Primary destination in the region / state | 70% | 90% | 19% |
| State of origin: | | | |
| - Michigan | 81% | 73% | 57% |
| - Illinois | 5% | 5% | 8% |
| - Indiana | 3% | 6% | 10% |
| - Ohio | 1% | 6% | 10% |
| - Other | 10% | 10% | 15% |
| Overnight trip | 85% | 100% | 81% |
| Day trip | 15% | N.A. | 19% |
| Number of nights (average) | 4.8 | 3.5 | 3.4 |

Visitor Profiles (II)

| | Intercept survey | Overnight visitor survey | MI visitor survey (HHS) |
|--|------------------|--------------------------|-------------------------|
| Total trip spending | N.A. | \$573.50 | \$465.90 |
| Spending per day | N.A. | \$163.86 | \$137.03 |
| Travel party size (average # of persons) | 2.7 | 3.5 | 3.6 |
| Age of travel party (average) | 35.7 | 40.3 | 40.3 |
| Primary purpose of the trip: | | | |
| - Recreation | 72% | 75% | 69% |
| - Visiting friends / relatives | 15% | 14% | 25% |
| - Stop over on the way to another destination | 6% | 2% | N.A. |
| - Other | 7% | 2% | 6% |

Visitor Profiles (III)

| | Intercept survey | Overnight visitor survey | MI visitor survey (HHS) |
|--|------------------------|--------------------------|-------------------------|
| Main type of lodging used: | | | |
| - Hotel, motel, lodge | 15% | 50% | 46% |
| - Friend's/relative's home | 22% | 8% | 26% |
| - Rented cabin, cottage, condo | 5% | 13% | 6% |
| - Owned cabin, cottage, condo | 13% | 10% | 8% |
| - Campground | 27% | 12% | 9% |
| - B & B | 1% | 5% | 2% |
| - Other | 17% | 2% | 3% |
| No. days since began to plan the trip : | 73.4 avg.# days | 83.0 avg.# days | 43.1 avg.# days |
| - 0 – 7 days | 38% | 22% | 33% |
| - 8 – 30 days | 24% | 31% | 35% |
| - 31 – 60 days | 13% | 14% | 11% |
| - Over 60 days | 25% | 33% | 21% |

Visitor Profiles (IV)

| | Intercept survey | Overnight visitor survey | MI visitor survey (HHS) |
|-----------------------------------|------------------|--------------------------|-------------------------|
| Repeat visitor | 80% | 94% | N.A. |
| Season of the (most recent) trip: | | | |
| - Spring (Mar – May) | 15% | 9% | 18% |
| - Summer (Jun – Aug) | 76% | 47% | 39% |
| - Fall (Sep – Nov) | 2% | 41% | 27% |
| - Winter (Dec – Feb) | 7% | 3% | 16% |

Visitor Profiles (V)

| Most popular activities | Intercept survey ^a | Overnight visitor survey ^b | MI visitor survey (HHS) ^b |
|----------------------------------|-------------------------------|---------------------------------------|--------------------------------------|
| Dining out (excluding fast food) | 43% 5 | 65% 1 | 50% 2 |
| Sightseeing (general) | 45% 4 | 43% 2 | 49% 3 |
| Shopping | 37% | 41% 3 | 60% 1 |
| Hiking / walking | 40% | 40% 4 | N.A. |
| Swimming (in lake, pond, river) | 42% 6 | 29% 5 | N.A. |
| Visiting federal / state park | 34% | 25% | 27% 4 |
| Visiting friends / relatives | 38% | 24% | N.A. |
| Photography | 23% | 23% | N.A. |
| Boating | 53% 2 | 22% | N.A. |
| Fishing (excl. charter and fly) | 42% | 22% | N.A. |
| Wildlife viewing / bird watching | 27% | 21% | N.A. |
| Casino gaming | 27% | 21% | 13% |
| Camping | 61% 1 | 20% | 9% |
| Visiting a historic site | 27% | 18% | 26% 5 |

a) General interest in activities. b) Participation in activities on the trip.

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Image of a Tourist Destination (I)

| West-central Michigan ... Michigan ... | Overnight visitor survey | MI visitor survey (HHS) |
|--|--------------------------|-------------------------|
| ... has great outdoor recreation opportunities | 9.1 | N.A. |
| ... offers much scenic appeal | 9.1 | 8.7 |
| ... is a great summer destination | 9.0 | N.A. |
| ... is a safe place to visit | 8.8 | 7.8 |
| ... is a great fall destination | 8.7 | N.A. |
| ... is a great family vacation destination | 8.6 | 8.3 |
| ... is easily accessible | 8.2 | N.A. |
| ... is a good place to meet friendly people | 8.0 | 8.3 |
| ... has good roads | 7.7 | N.A. |
| ... is close enough for a weekend getaway | 7.7 | 8.7 |

Note: Average ratings based on 1 to 10 scale, where 1 means "do not agree at all" and 10 means "agree completely".

Image of a Tourist Destination (II)

| West-central Michigan ... Michigan ... | Overnight visitor survey | MI visitor survey (HHS) |
|---|--------------------------|-------------------------|
| ... has high quality lodging | 7.5 | 8.1 |
| ... offers exceptional value for the money | 7.5 | 7.8 |
| ... has many interesting historical sites | 7.4 | 7.7 |
| ... is an exciting place to visit | 7.3 | 7.6 |
| ... is a great winter destination | 7.2 | N.A. |
| ... is a great spring destination | 7.1 | N.A. |
| ... offers great dining opportunities | 6.5 | N.A. |
| ... offers great shopping opportunities | 6.4 | N.A. |
| ... offers exciting nightlife and entertainment | 5.2 | 7.3 |
| ... is a great place to start a business | 5.1 | N.A. |

Note: Average ratings based on 1 to 10 scale, where 1 means "do not agree at all" and 10 means "agree completely".

Rating of Tourist Destinations

| | Intercept survey |
|------------------------------|------------------|
| Mackinac Straits area | 8.4 |
| Traverse City area | 8.2 |
| Sault Ste. Marie area | 7.7 |
| West-central Michigan region | 7.6 |
| Grayling / Gaylord area | 6.9 |
| Door County, WI | 6.6 |
| Alpena / Northeast Michigan | 6.4 |
| Shipshewana, IN | 6.3 |
| Southwest Michigan | 6.2 |
| Thumb region of Michigan | 5.6 |

Note: Average ratings based on 1 to 10 scale, where 1 means "not desirable" destination and 10 means "extremely desirable" destination.

Household Characteristics

| | Intercept survey | Overnight visitor survey | MI visitor survey (HHS) |
|--|------------------|--------------------------|-------------------------|
| Full time employees | 66% | 58% | 65% |
| Retired | 16% | 23% | 18% |
| Households with income at or above U.S. median | 80% | 78% | 72% |
| Households with school-age child(ren) | N.A. | 44% | 35% |
| Households with senior(s) | N.A. | 35% | 23% |
| Households with handicapped person(s) | N.A. | 6% | 6% |

Summary of findings

- The region is more dependent on Michigan residents than the rest of the state.
- The dominating primary purpose for visiting area is recreation.
- There is a very short planning horizon for pleasure trips. Over 50% of respondents began planning their recent trip within 30 days.
- Majority of visitors come for a short stay. Average length of stay is similar to the state-wide average. If an overnight stay can be extended by one night, expected visitors' average expenditure could increase by 25-30%.
- Visitors with relatively high income visit the region.
- The region's entertainment and nightlife are ranked quite low, and much lower than the statewide average.

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How will you use this information in the discussion?

