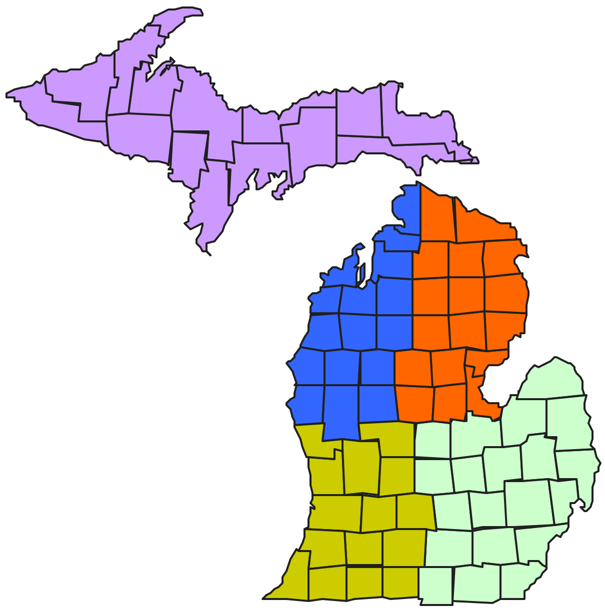
MICHIGAN 2002 TRAVEL SUMMARY



Prepared for

Travel Michigan

Prepared by

DKS&A
DIRECTIONS®

D.K. Shifflet & Associates Ltd.

Excellence in Travel Intelligence®

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INTRODUCTION

BACKGROUND

D.K. Shifflet & Associates, Ltd (DKS&A) was commissioned by TRAVEL MICHIGAN to provide on-going, comprehensive domestic visitor data for Michigan and each of five travel regions. As part of that agreement, DKS&A is pleased to present this report that contains travel information and a visitor profile for the full year of 2002.

DKS&A recently completed a major revision of our visitor volume estimation model. This revision began as a refinement of the existing model to incorporate elements of "small-area estimation" modeling to produce more reliable visitor volume estimates for smaller destinations and detailed travel segments for larger destinations. The dramatic shifts in travel behavior resulting from the tragic events of September 11, 2001 required further refinement of the volume model. All findings provided in this study are based on the new volume model.

OBJECTIVES

- Review national volume trends;
- Determine the market size of the Michigan travel market for 2002 for various travel segments such as total, leisure, business, overnight, and day trips;
- Better understand the dynamics (e.g., demographics and travel patterns) of Michigan's leisure travel marketplace;
- Identify Michigan's top visitor origin markets for leisure travel;
- Compare travel among each of five Michigan travel regions;
- Compare proportion of travelers versus proportion of traveler spending for each of numerous travel segments such as families, getaway weekend, and Chicago residents;
- Compare average travel party spending for each of this same travel segments to show the expected value of attracting more travelers like them.

TIME PERIOD

The data in this report is based on travel trips taken by U.S. residents to U.S. destinations that began in the calendar years of 2001 and 2002. Thus, a trip that began on New Year's Eve 2002 and continued into 2003 would be considered a 2002 trip.

BASIC UNIT OF MEASUREMENT

Unless otherwise stated, all travel information is measured in Person-days. "Person-days" represents the measure in the travel industry that takes into account all three important travel elements—1) the number of trips taken 2) party size and 3) stay length. The Overview section and **Chart 2** describe more fully the concept of person-days and other travel measurements. In the report, all information except stay length (person-trips), party composition (stays), and average travel party size (stays) is measured in person-days. For these variables, weighting by person-days would "double-count" larger travel parties and/or trips of longer duration.

METHODOLOGY

All of the information contained in this report is derived from D.K. Shifflet and Associates' ***DIRECTIONS***® tracking system.

To meet the need for quality information, we conduct the largest, ongoing, monthly survey of U.S. households' travel behavior—the ***PERFORMANCE/Monitor***SM. Each mailing goes to 45,000 households per month, 12 months a year, resulting in 540,000 survey mailings annually.

- About 50 percent of the households return the questionnaire—producing about 260,000 returned questionnaires annually.
- Each household reports their last three months of travel and lodging. About 37 percent of households report one or more trips in a three-month time period, producing about 100,000 households reporting trips annually.
- Households often report more than one trip in a three-month period or report more than one trip in a year if surveyed more than once in the same year. The result is approximately 178,000 trips reported annually in our travel database.

Our methodology provides superior quality control measures:

- We use the Synovate (formerly called Market Facts, Inc.) household panel—households who have agreed in advance to periodically participate in mail and phone surveys. Extensive information about the household and its members is obtained at the time of household recruitment. Thus, a key advantage of the household panel is knowing to whom surveys are sent and from whom surveys are received. Another key advantage of the panel method is higher response rates to surveys—typically 2x to 3x higher for mail surveys and up to 10x higher for telephone surveys.
- The 45,000 mailings per month are balanced to the U.S. population across five demographic variables (geography, age, gender, income, and education). Returned questionnaires are re-balanced to these same variables. This re-balancing ensures findings reflective of the U.S. population and enables findings to be projectable to the entire U.S. population.
- Returned questionnaires go through an extensive set of manual (visual) and automatic (computer program) processing checks to improve data quality. Questionnaires containing anomalies are discarded or corrected based on insights developed from more than a decade of processing experience.

All volume estimates in this report are based on a revised visitor volume methodology (July 2002). The revisions reflect changes in the national-level model and the incorporation of a small-area estimation model. The national-level revisions were necessary following the dramatic changes to travel behavior following September 11, 2002. The small-area estimation component adds enhanced reliability to quarterly and annual estimates by using other data sources (such as hotel room demand) and regional travel volume trends as data "anchors" or "reality checks." Data also reflect the influence of the revised population estimates resulting from the 2000 Census.

Tables that show all the detailed data collected in this study are available in the appendices. Responses are shown for the total sample as well as key subgroups. The percentages of some questions may exceed 100% due to the rounding of numbers and/or multiple responses permitted for that particular question.

Report Format

This report analyzes U.S. volume trends, Michigan volume trends, and Michigan's travel market by region. The first part of the regional analysis compares the five regions to the U.S. and state averages, and to one another for each of several trip characteristic or demographic variables. The second part contains a two-page summary of travel for each region and the state as a whole.

Definition of Terms

Travel

DKS&A defines travel as any trip including a night away from home or a day-trip of 50 or more miles one-way from home. A **leisure** trip is a trip whose purpose was for a general vacation, a weekend getaway, visiting friends or relatives, a special event, or other personal reasons.

Activities

Dining, entertainment, and shopping "activities" are based on minimum spending thresholds. "Group tour" is based on a separate yes/no question. All other activities are based on selection from a list of leisure-related activities.

The data tables contain stub (row) variables showing destination and origin by U.S. Census regions, Designated Marketing Areas, and Metropolitan Statistical Areas.

U.S. Census Regions

Geographic areas defined by the U.S. Census that encompass four primary regions. These four regions are further divided in nine divisions comprised of collections of contiguous states. The Census Bureau adopted these definitions in 1910 for the presentation of data.

Northeastern Region

New England: ME, NH, VT, MA, RI, CT

Middle Atlantic: NY, NJ, PA

Midwestern Region

East North Central: OH, IN, IL, MI, WI

West North Central: MN, IA, MO, ND, SD, NE, KS

Southern Region

South Atlantic: DE, MD, DC, VA, WV, NC, SC, GA, FL

East South Central: KY, TN, AL, MS

West South Central: AR, LA, OK, TX

Western Region

Mountain: MT, ID, WY, CO, NM, AZ, UT, NV

Pacific: WA, OR, CA, AK, HI

DMA	Defined by the A.C. Nielsen Company, DMAs (Designated Market Areas) denote a broadcast coverage area and include both a central city and its surrounding counties as a unified geographic market. Each U.S. county is in one and only one DMA For example, two Michigan origin market DMAs are Detroit and Chicago.
MSA	Defined by the Census Bureau, MSAs (Metropolitan Statistical Areas) represent major cities and their surrounding suburbs. Typically, MSAs are geographically smaller than DMAs. Not every county is in an MSA.

Data Tables

This report includes one set of data tables containing findings for 2002 and 2001. Each banner point (column) is defined as follows:

Standard Banner Points:

U.S. TRAVEL	Travel made by U.S. residents to U.S. destinations.
TOTAL	Represents the national average for total domestic travel.
Leisr	Represents the national average for domestic leisure travel.
Busns	Represents the national average for domestic business travel.
MICHIGAN TRAVEL	
TOTAL	Represents all domestic travel made to or within any destination in Michigan.
Leisr	Represents all domestic leisure travel made to any destination in Michigan.
Busns	Represents all domestic business travel made to any destination in Michigan.
Ovrnt	Represents all domestic travel made to any destination in Michigan involving a stay of at least one night.
Day-Trips	Represents all domestic travel made to any destination in Michigan that did not include an overnight stay but was 50 or more miles from home.
MICHIGAN REGIONAL LEISURE TRAVEL	A trip that included a visit to one of the five Michigan regions. The regions and the counties included in each region are listed in **Chart 12**.

Special Select Banners (within Banner Set A)**:**

Total	Stay Purpose			Quarter Trip Started				Trip Composition		
	Genrl Vacation	Wkend Getwy	VFR	Q1	Q2	Q3	Q4	One Adult	1M/1F Couple	Family
(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)

Each point is defined as:

TOTAL — Represents the average for total leisure Michigan travel.

Stay Purpose — The primary reason of the respondent's trip to the reported destination.

- Genrl Vacation — The purpose of the trip was for a typical vacation. General Vacation trips can be of any length in duration.
- Wkend Getwy — The purpose of the trip was a short getaway over the weekend.
- VFR — The purpose of the trip was to visit friends or relatives.

Quarter Trip Started

- Q1 — January, February, and March
- Q2 — April, May, and June
- Q3 — July, August, and September
- Q4 — October, November, and December

Trip Composition — The makeup of the travel party.

- One Adult — One single adult traveling alone.
- 1M/1F Couple — A couple traveling consisting of one man and one woman.
- Family — A party traveling as a family unit.

Total	Age: 18-34		Age: 35-54			Age: 55+	
	Free	Family	Free	Lo Fmly	Hi Fmly	Lo Free	Hi Free
(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)

Each point is defined as:

TOTAL Represents the average for total leisure Michigan travel.

LIFESTAGE:	Lifestage analysis conveniently combines three demographic variables—age, household income, and presence of children in the household—into one variable of seven mutually exclusive segments.
Age:18-34	Age of the household head.
Free	No children under 18 in the household
Family	One or more children under 18 in the household.
Age: 35-54	Age of the household head.
Free	No children under 18 in the household
Lo Fmly	Household income under $50K and one or more children under 18 in the household.
Hi Fmly	Household income $50K or higher and one or more children under 18 in the household.
Age: 55+	Age of the household head.
Lo Free	Household income under $50K and no children under 18 in the household.
Hi Free	Household income $50K or higher and no children under 18 in the household.

(Note that income is not useful in creating clusters among young households, and presence of children is not useful among older households.)

Statistical Testing

Statistical tests have been performed to determine where the apparent differences are "statistically significant," given the number of people asked the question and the percentage who gave a particular response. **Chart 1** below shows the confidence interval level corresponding to the combination of various travel segments reported in this study and several response finding percentages.

The confidence interval table indicates how well the data—based on a *sample* of households—reflect the entire *population* of travelers. The smaller the interval, the more "accurate" the data and the greater confidence we have that the sample number represents the population. For example, if the Michigan finding for leisure air travel use is 11%—using the chart below—we are 90 percent confident that the actual proportion for the population is 11% plus or minus 0.6percentage points (it could range from 10% percent to 12%).

DKS&A uses a 90% confidence level because it represents a better trade-off than higher levels between the two complementary types of sampling error issues—that is, 1) accepting a difference between two groups or two years as statistically different...a real change...when it is in fact NOT a real change; and 2) rejecting the difference as a real change, when it IS in fact a real change (in statistical terms, this is the statistical tradeoff between a ***Type I*** and a ***Type II*** level sampling error).

Chart 1: Confidence Intervals (90%)

(Based on unweighted stays)

		Percentage Finding				
	Sample Size in 2002	At or near 2% or 98%	At or near 5% or 95%	At or near 10% or 90%	At or near 25% or 75%	At or near 50%
U.S. Total	127,832	0.0%	0.1%	0.1%	0.2%	0.2%
U.S. Leisure	93,122	0.1%	0.1%	0.1%	0.2%	0.3%
U.S. Business	34,710	0.1%	0.2%	0.2%	0.3%	0.4%
Michigan Total	3,873	0.3%	0.5%	0.7%	1.0%	1.3%
Michigan Leisure	2,943	0.3%	0.6%	0.8%	1.1%	1.5%
Michigan Business	930	0.5%	1.0%	1.4%	2.0%	2.7%
Michigan Overnight Leisure	1,985	0.4%	0.7%	1.0%	1.4%	1.8%
Michigan Day Trips	1,299	0.5%	0.8%	1.2%	1.7%	2.3%
Upper Peninsula	289	1.0%	1.8%	2.5%	3.7%	4.8%
Northeast	412	0.8%	1.5%	2.1%	3.1%	4.0%
Northwest	351	0.9%	1.6%	2.3%	3.3%	4.4%
Southeast	1,139	0.5%	0.9%	1.3%	1.8%	2.4%
Southwest	568	0.7%	1.3%	1.8%	2.6%	3.4%

Overview Of Levels of Measurement

DKS&A can present the results of our ***DIRECTIONS*®** ***PERFORMANCE/Index*SM** study of U.S. travelers at many levels. Each level of reporting is used for different purposes depending on the decision-making situation. **Chart 2** on the next page shows these levels in a graphical format.

The smallest unit is the **Decision-Maker**, commonly the target of your marketing efforts. The largest measure of visitor volume is **Trip Expenditures** and answers the question "How much did they spend"? It is common to discuss a specific destination's share of total travel expenditures.

To answer the question of "How many people came and bought your product (destination)?", we report the number of people who visited and how long they stayed i.e., Person-Days. **Person-Days** is a cumulative measure of total volume of travel generated by travelers, and is therefore an appropriate measure to use when discussing a destination's volume and relative market share. This is the level of measurement used for most travel variables discussed in this report.

In contrast, the number of **Person-Trips** taken to a destination tells you the market size or just how many people came to your destination, but not how long they stayed. For example, this measure tells you how many people went on getaway weekends. It does not tell you how long they stayed, just that they were on a getaway weekend.

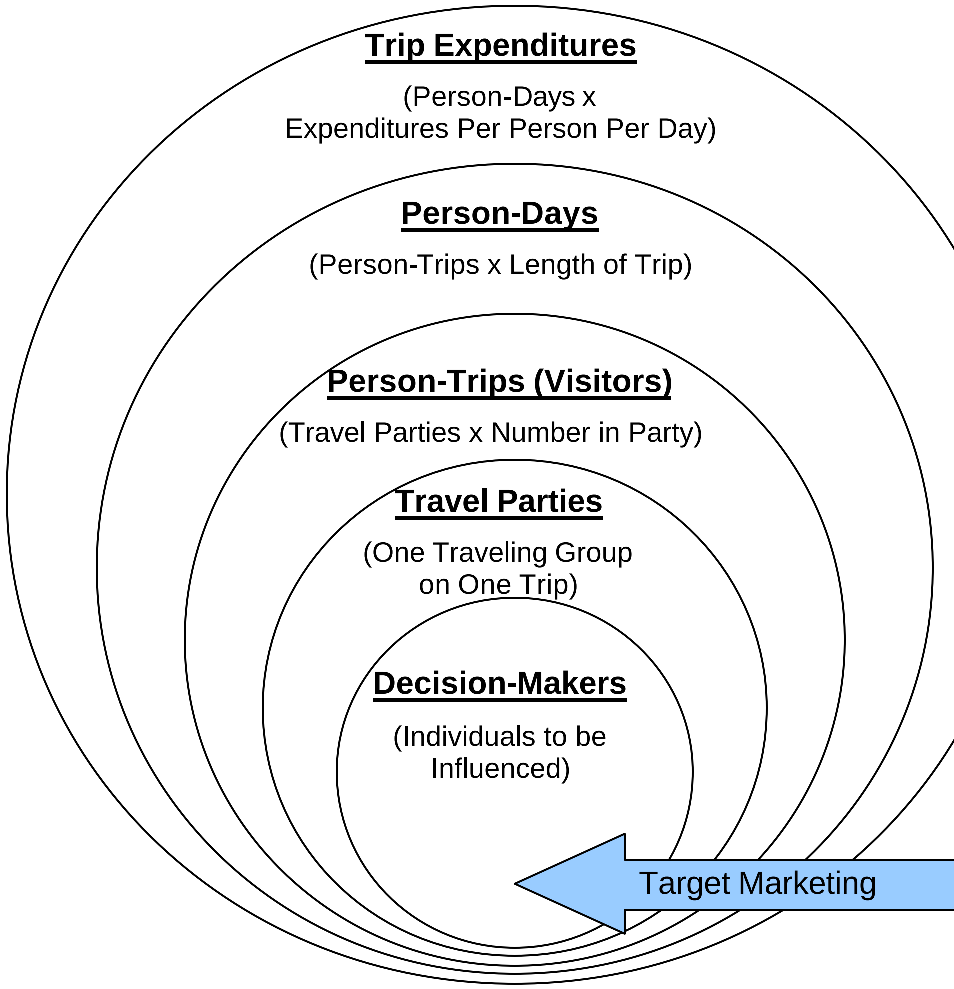
People travel alone or together with family, friends, or with other groups. The number of **Travel Parties** or stays tells you how many distinct groups of travelers came to your destination.

Our smallest group, the **Decision-Makers**, is the target for most marketing campaigns. We know that this group does not make decisions in a vacuum and that many travel decisions are made by more than one person. However, in our study, this person is the individual who reports the trip(s).

The standard estimates we provide to destination marketing organizations in our syndicated reports are **Person-Trips, Person-Days** and **Trip Expenditures**. We provide these three measures because these are the most useful measures for assessing destination performance.

The two lowest levels, **Travel Parties** and **Decision-Makers**, are used when conducting ROI analysis and for targeting your messages, products and packages to influence traveler decisions. Each level of information is described with examples following **Chart 2**

Chart 2: Levels of Measurement



Levels of Measurement

Decision-Makers: This is the most targeted level of measurement and should be used to determine the available pool of individuals whose decisions may be influenced.

(Mrs. Smith = 1 decision maker)

Travel Parties: This is the broadest unit used for measuring a travel experience, and is also referred to as a "stay" or "visit".

(Mr. and Mrs. Smith's 5-day vacation in Anytown, USA = 1 travel party or 1 visit)

Person-Trips: This is the level used for measuring a travel experience, and is frequently referred to as a "visitor".

(Mr. and Mrs. Smith's 5 day vacation in Anytown, USA = 2 person-trips or 2 visitors)

Person-Days: This is the level of measuring travel experiences and is the most appropriate when measuring share of travel for destinations and attractions. It takes into account just the length of stay of each visitor, shifting the importance from bodies to include days in the market. Since attractions, restaurant, and other entertainment venues are vying for a visitor's time, the longer the visitor stays, the more time an attraction has to work with. The goal of most destination marketing organizations is to maximize the combination of visitors and days. Person-Days are calculated by multiplying the number of Person-Trips X the length of stay in the market.

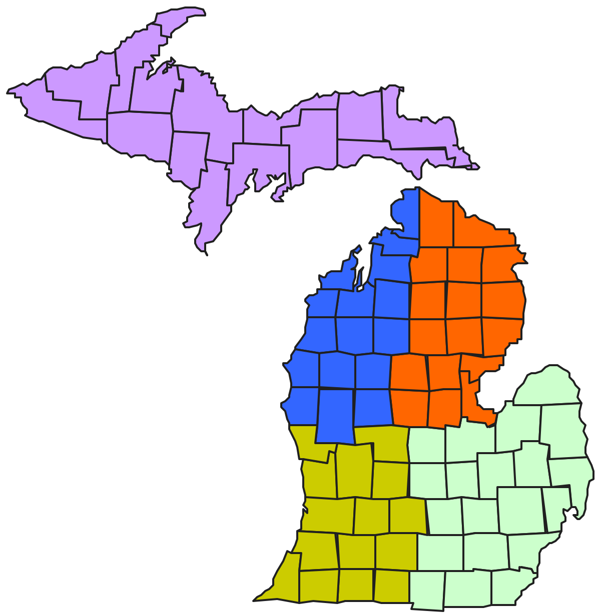
(Mr. and Mrs. Smith's 5 day vacation in Anytown, USA = 10 person-days [2 person-trips X 5 days]).

Trip Expenditures: This is the most specific unit of measurement and is used to assess in-market spending and ROI of marketing efforts. It is a measurement of the dollars spent by a travel party during their stay. By targeting the types of travelers who spend the most money while they travel, a destination marketing organization can increase the overall economic benefit of tourism in their community (or state). The trip expenditures are the product of multiplying the Person-Days by the average expenditures per person per day. Often, proportions based on trip expenditures are very different from proportions based on stays or person-trips.

(If Mr. and Mrs. Smith spent $100 per person per day on their 5 day vacation in Anytown, USA, their trip expenditures would be $1,000 [10 person-days X $100 per person per day]).

Which One to Use: One example that shows the differences in using the measurement level options is focusing on market share. Anytown, USA might represent 2.0% of stays or travel parties, but 2.2% of person-trips if party sizes tend to be larger, 2.5% of person-days if party sizes AND stay lengths tend to be longer, and 3.0% of travel spending if Anytown, USA visitors tend to spend more than the U.S. average. Appendix E compares person-trips and traveler spending for each of numerous travel segments.

MICHIGAN 2002 TRAVEL SUMMARY
DETAILED FINDINGS



MARKET ASSESSMENT

Summary

- This study represents a profile of Michigan's 2002 leisure visitors. The travel intelligence is based on D.K. Shifflet & Associates' ***PERFORMANCE/Monitor***SM travel-tracking system, an ongoing survey of 45,000 U.S. households every month. The Michigan leisure profile is based on a sample of 2,943 travel parties. For additional perspective, the profile also compares Michigan visitor findings to the averages for all U.S. leisure and to Michigan overnight and day leisure visitors. Also, leisure travel profiles are provided for each of the five Michigan travel regions.
- U.S. travel volume measured by travelers was up slightly in 2002 due to an increase in average party size more than offsetting a decline in the number of trips. Person-trips reached 2.685 billion, up 1.3% from the previous year. Overnight travel increased 0.9% to 1.299 billion. Total and overnight travel volume performances both increased because the increases in average party sizes more than offset small declines in the number of trips. Person-days, the base used for profiling in this report, was up 0.9% in 2002 and reached 5.90 billion. Leisure person-days was up 1.4% to 4.47 billion, while business was down 0.5%. In summary, leisure stays was up 0.9% to a record 741 million, leisure person-trips was up 1.5% to a record 1.97 billion, leisure person-days was up 1.4% to a record 4.47 billion, and leisure spending was up 5.5%, tying a record $400 billion first set in 2000.
- The past two years has produced an interesting mix of winners and losers among the states when focusing on person-trips, or the number of travelers. In 2001, 25 states had increases in total person trips and 26 had decreases and resulted in a flat growth at the national level of only 0.3%. Michigan was one of the states that experienced an increase in total person trips from 2001 to 2002. Michigan total person trips increased from 86.82 million to approximately 94.80 million, in increase of 9%.
- In 2002, Michigan hosted 94.80 million visitors, and increase of 9.2% from 2001. This increase was shared across each of the four travel segments of overnight leisure, day leisure, overnight business, and day business. Leisure travel volume reached 73.64 million, up 9.9% from 2001. Person-days volume also shared in the volume growth. Total person-days was up 5.7% to 189.08 million person-days. Person-days growth also occurred in each of the four major travel segments. Day-trip travel growth was even higher than other segments and is responsible for robust growth in total and leisure stays, person-trips, and person-days.
- Michigan's share of the 2002 U.S. travel market in 2002 was 3.53%—an increase of 0.26 percentage points from 2001. The increase in share was the result of share increases in both leisure and business travel segments. Michigan's share of person-days also increased—from 3.06% in 2001 to 3.20% in 2002. Again, the share increase was from share growth in both business and leisure segments.
- Michigan's Southeast region remained the most visited Michigan travel region, hosting 43% of the state's share of person-trips—slightly less than the 47% share of the state's person trips that the Southeast region experienced in 2001 and 50% share in 2000. All five Michigan regions recorded increases in person trip volume in 2002. The Southwest region enjoyed the greatest increase in person trip volume, increasing 29% to 20.43 million person

trips in 2002. Three of the five regions experienced growth in person-days as well (Northeast, Southwest, and the Upper Peninsula).

- Destination *satisfaction* among Michigan leisure visitors remained unchanged in 2002, but remains slightly lower than the average for all U.S. leisure travelers. Conversely, destination *value* among Michigan leisure visitors decreased slightly in 2002 and remains slightly higher than the U.S. average. Value ratings are highest for overnight leisure visitors, and the Southwest and Northwest regions (both leisure visitors only).

United States Volume Trends

U.S. Trips

Americans took 1.16 billion trips in 2001, -0.2% fewer than in 2001. The decline in 2002 marks the second year in a row of declining trips from the all-time high in 2000 of 1.19 billion. The decline is the result of a decline in overnight business trips (-3.5%) more than offsetting a small increase in overnight leisure trips (1.3%).

Since 1992, trips have grown at an annual rate of 0.5%. Of specific travel segments, the overnight leisure segment had the highest annual growth rate over the past ten years (1.4%), compared to day leisure (0.9%), overnight business (0.1%), and day business (-0.9%).

U.S. Person-Trips

Americans took 2.685 billion total person-trips in 2002, up 1.3% from 2002. **Chart 3** below shows the U.S. person-trip volume trend over the past ten years. The 2002 growth rate mirrors the annual average over the ten-year period (1.2%). The chart shows the person-trip growth is due to growth in the leisure segment, especially the overnight leisure segment (annual average growth rate of 2.0%).

As in 2001, the 2002 person-trip volume increase was the result of slightly larger travel parties, which more than offset a decline in total trips taken (-0.2%). This trend has developed for many years in the 90s—the growth in person-trips at the U.S. level is often the result of an increase in average party size.

From a travel *segment* perspective, the increase in 2002 person-trip volume was the result of increases in all but one segment...overnight business (-1.9%). For perspective, leisure travel represents 73% of total person trips compared to the business share of 27%.

U.S. Person-Days

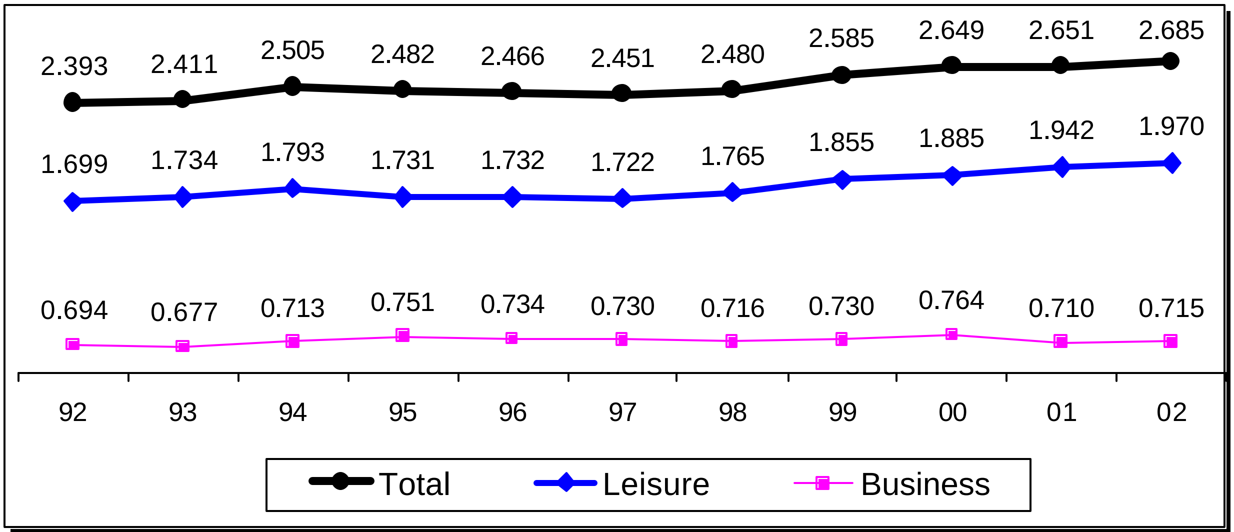
Person-days, which takes into account both party size and stay length, increased 0.9% to 5.904 billion in 2002. As with person-trips, growth in person-days is the result of growth in the leisure segment offsetting a decline in the overnight business segment (-1.4%). Over the past ten years, person-days has increased at an annual average rate of 1.8%…higher than the annual rate of person-trips due to a slight increase in the average length of stay over the period. Average stay length itself has increased due to a combination of a slight decrease in the proportion of day trips and a slight increase in stay length among overnight travelers.

U.S. Traveler Spending

U.S. traveler spending reached $587 billion in 2002, an increase of 3.4% from 2001, but still lower than the 2000 record of $600 billion. Spending increases occurred in most travel segments. The exception is overnight business, which declined 2.7% from 2001 (which was down from 2000), and caused total business spending to decrease 0.8% from 2001. Total traveler spending increased at a 4.0% annual rate over the past ten years. Average annual growth rates among the four travel segments are as follows: overnight business (2.6%), overnight leisure (4.2%), day business (5.9%), and day leisure (5.7%).

Chart 3: U.S. Total Person-Trip Volume

U.S. Total Visitors (billions of person-trips[1])



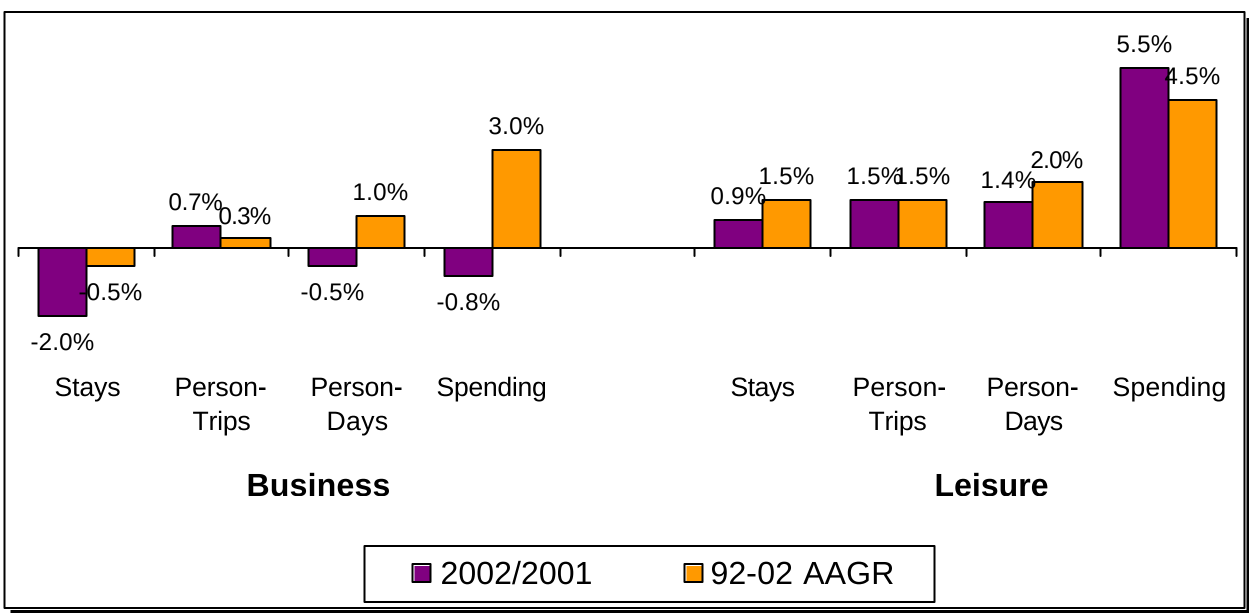
[1] A ***Person-Trip*** represents the measure in the travel industry for which one person accounts for one trip, irrespective of trip duration. Thus, *person-trips* equates to *visitors*.

* All estimates are based on the revised DKS&A volume model (August 2002).

Chart 4 below provides a summary of U.S. volume trends for the leisure and business segments. The graph conveniently shows the moderate growth in the leisure segment in the past two years and the past decade…regardless of volume basis, and the mixed results for the business segment.

Chart 4: Summary of U.S. Volume Trends

% change from 2001 to 2002; % average annual growth rate 1992-2002 (AAGR)

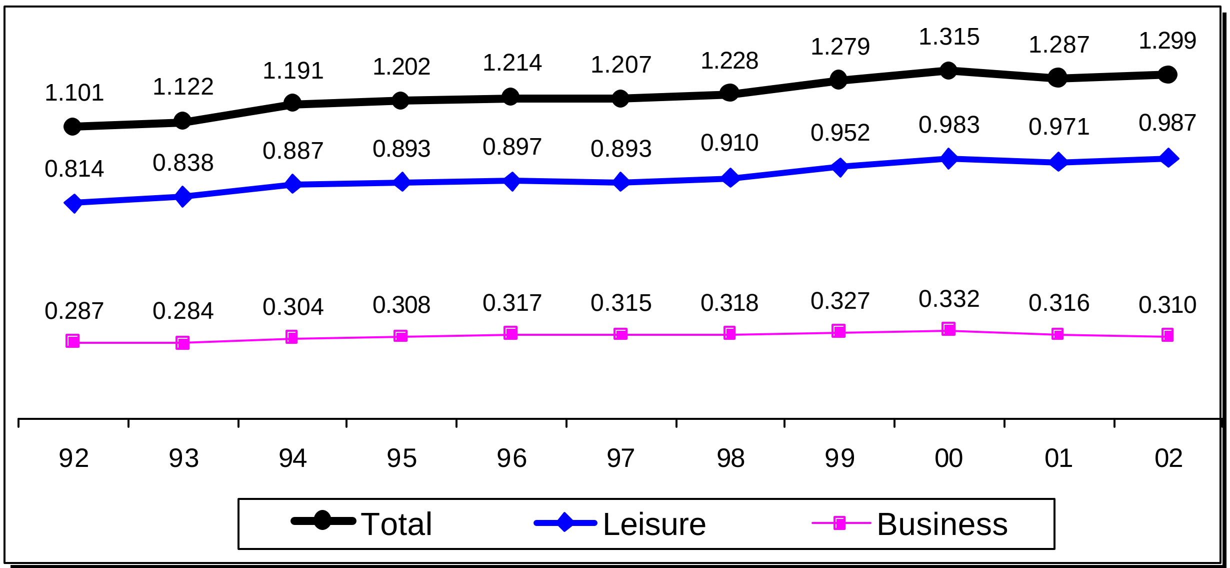


U.S. Overnight Person-Trips

Americans took 1.299 billion overnight person-trips in 2002, up 0.9% from 2001, but still lower than the previous high in 2000. Overnight leisure increased 1.8% to 989 million person-trips, while overnight business declined 1.9% to 310 million person-trips. As with total travel, the increase in overnight travelers is the result of larger party sizes more than offsetting a small decline in the number of trips taken (-0.3). For overnight leisure, an increase of 1.8% was due to the combined growth in both average party size (+0.6%) and stays (+1.3%). For overnight business, the decline in travelers is due to fewer stays (-3.5%) more than offsetting an increase in average party size (+1.8%).

Chart 5: U.S. Overnight Volume

U.S. Overnight Visitors (billions of person-trips)



* All estimates are based on DKS&A's revised volume estimation model (August 2002).

Michigan Travel Volume

Michigan Stays

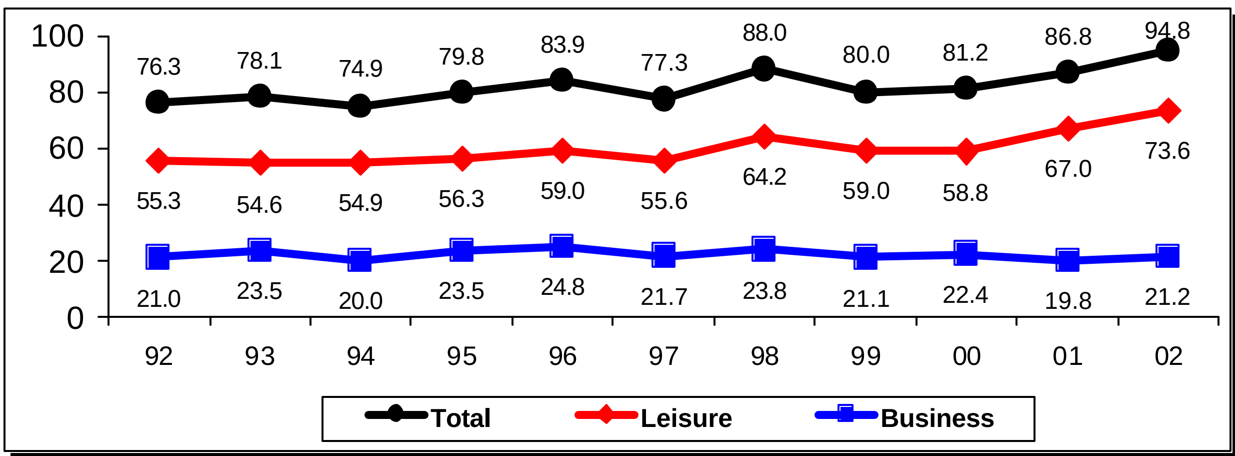
Michigan stays volume, which represents the combination of trips taken and the number of different destinations visited on the trip, was 38.66 million in 2002, an increase of 5.1% from 2001. All travel segments experienced growth in stays volume, especially the leisure segment (+6.6%) and even more specifically, the day leisure segment (+7.5%).

Michigan Person-Trips

Chart 6 below shows that Michigan's person-trip travel volume, or number of visitors in all travel segments, was 94.80 million in 2002—an increase of 9% from 2001 and an all-time record. Michigan's total visitor volume trend is similar to that of the U.S.—growth in the early 90s, stability or flatness in the mid-90s, followed by steady increases since the late 90s. These trends reflect the combination of growth in leisure travel and ups and downs in business travel.

Chart 6: Michigan Travel Volume History

(millions of travelers*)



* Note: All estimates are based on DKS&A's revised volume estimation model (August 2002).

Chart 7 below conveniently shows Michigan's 2002 visitor volume by travel segment. **Chart 8** shows each travel segment's *proportion* of Michigan's total visitor volume.

Chart 7: Michigan Visitor Volume by Travel Segment
(millions of 2002 person-trips)

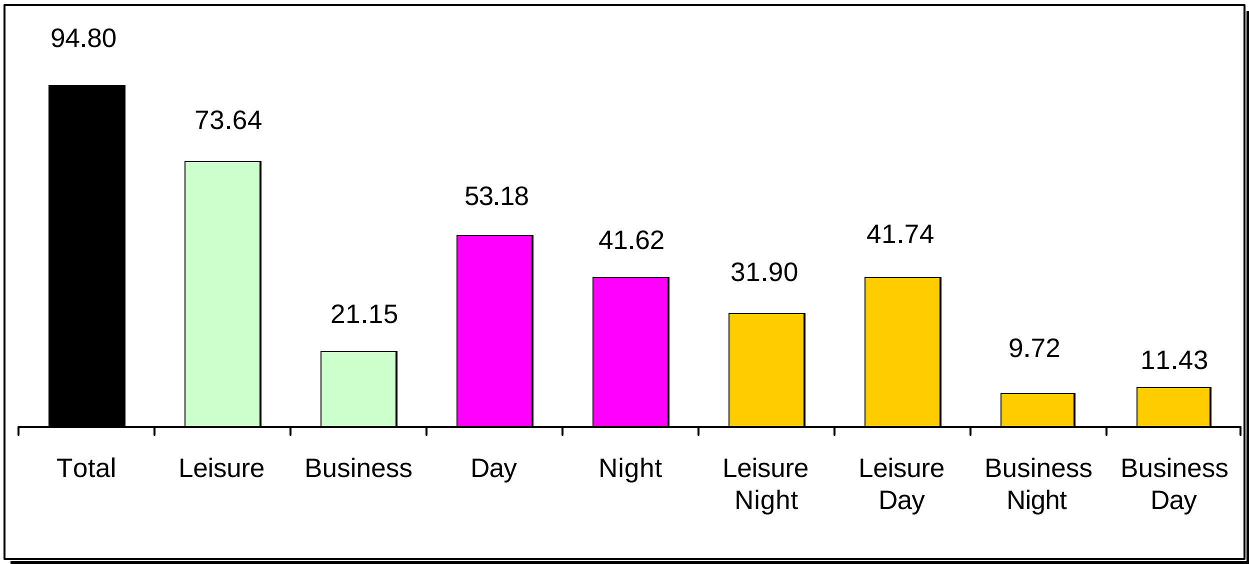
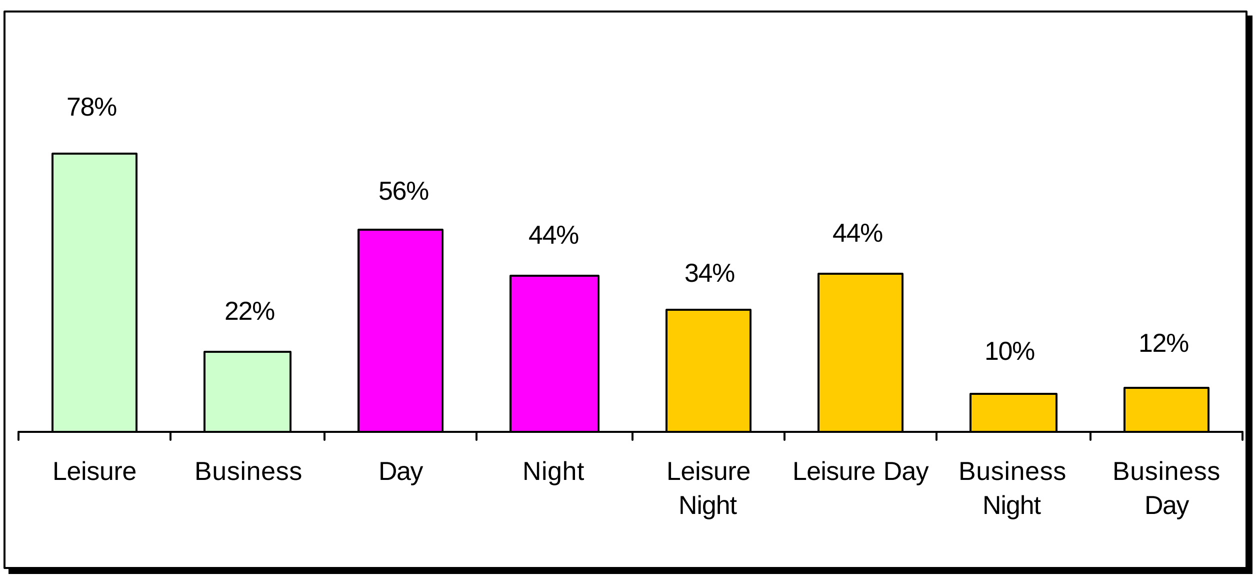


Chart 8: Michigan Travel Segment Share of Travelers
(% of 2002 Michigan travelers)



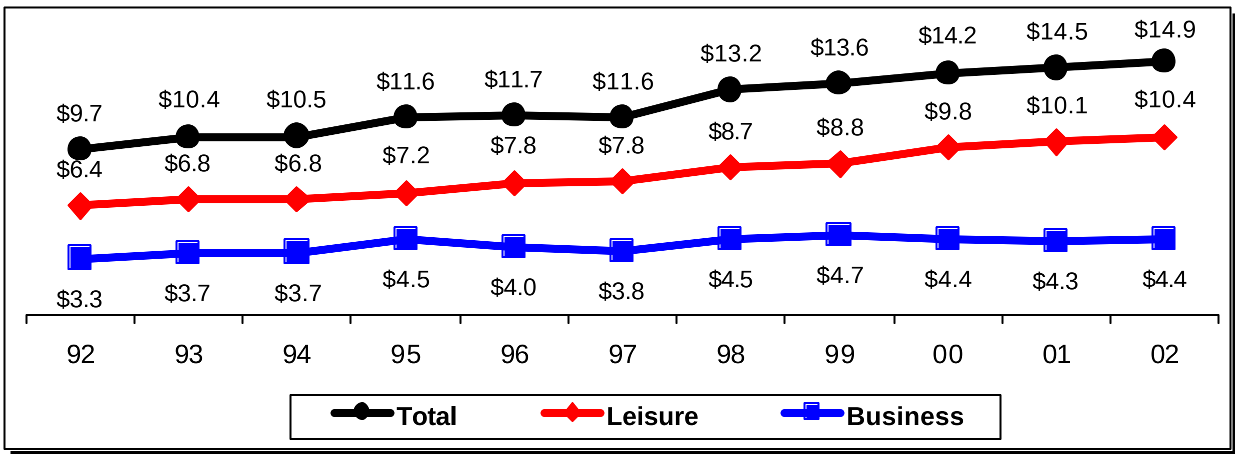
Michigan Person-Days

Michigan person-days volume reached 189.08 million in 2002, an increase of 5.7% from 2001. All travel segments increased in 2001, led by both day business (+10.5%and the much larger day leisure segment (+14.5%). Leisure person-days increased 5.6% to 148.87 million.

Michigan Traveler Spending

Travelers spent $14.9 billion in Michigan in 2002, a 2.8% increase from 2001. Leisure traveler spending has increased every year since 1992, and total spending has increased every year except one—1997. Consistent with other volume findings shown so far, the business traveler spending has been up and down over the past ten years.

Chart 9: Michigan Traveler Spending History
($billions)



* Note: All estimates are based on DKS&A's revised volume estimation model (August 2002).

Share of Domestic Travel

Michigan's share of total U.S. domestic travelers increased 0.24 percentage points in 2002 from 3.28% to 3.52%. As shown in the chart below, the large share growth occurred in both the leisure and business segments.

Chart 10: Michigan's Share of Domestic Travelers

(% of U.S. person-trips)

	Total	**Leisure**	**Business**
1992	3.19%	3.25%	3.04%
1993	3.24%	3.16%	3.45%
1994	2.98%	3.07%	2.81%
1995	3.22%	3.25%	3.13%
1996	3.40%	3.41%	3.40%
1997	3.15%	3.23%	2.97%
1998	3.55%	3.63%	3.31%
1999	3.09%	3.17%	2.88%
2000	3.06%	3.11%	2.95%
2001	3.28%	3.45%	2.79%
2002	3.52%	3.74%	2.94%

2002 MICHIGAN REGIONAL COMPARISONS

Chart 11: Michigan Travel Regions

The chart below graphically shows the five Michigan travel regions. Sample sizes for 2002 are shown below each region name. The graph conveniently shows the domination in sample size of the Southeast region, which includes the city of Detroit. Because of this domination, the Southeast region strongly influences the Michigan state averages in the charts and tables that follow. For some travel and demographic attributes, the regions are quite similar, for others, they differ quite noticeably. In each chart, travel regions are sorted in descending order of most person-days (Southeast region) to least (Upper Peninsula).

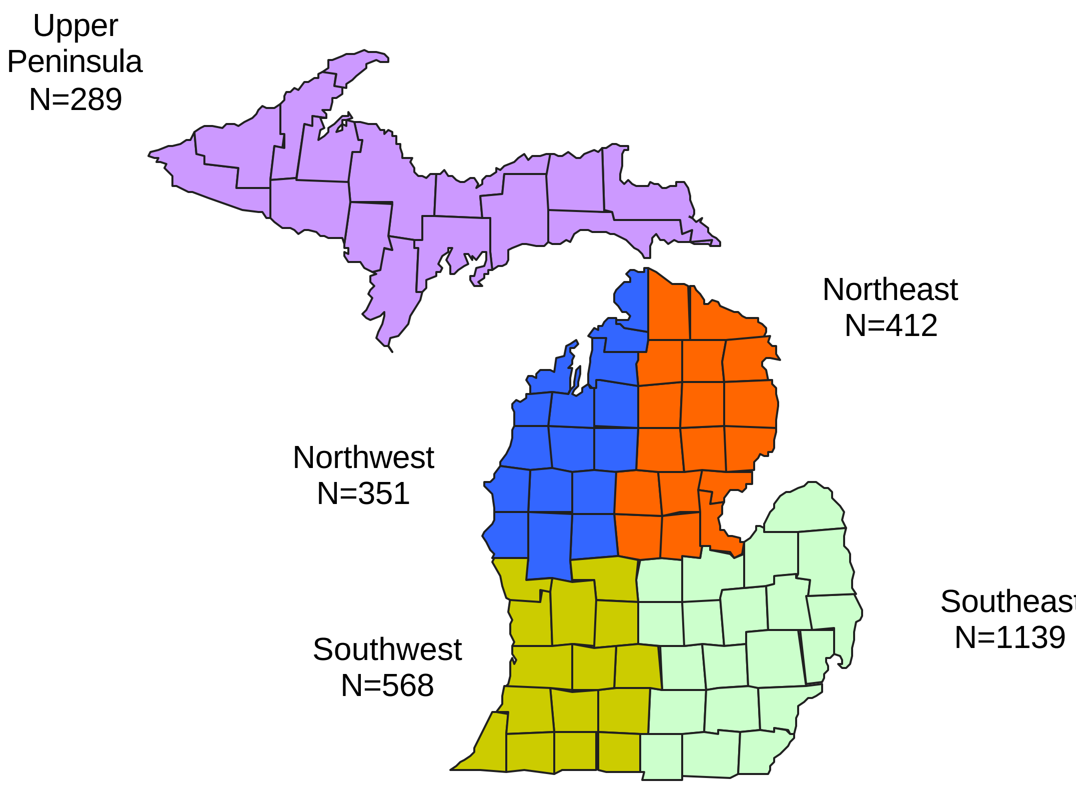


Chart 12: Michigan's Five Travel Regions: Distribution of Counties

Michigan counties are grouped into five travel regions. Small sample sizes prelude grouping Michigan counties into the ten standard travel regions. The regions are based on their geographic and traveler characteristic relationships to one another. The counties included in each region are shown below.

Southeast	**Northwest**	**Southwest**	**Northeast**	**Upper Peninsula**
Clinton	Antrim	Allegan	Alcona	Alger
Genesee	Benzie	Barry	Alpena	Baraga
Gratiot	Charlevoix	Berrien	Arenac	Chippewa
Hillsdale	Emmet	Branch	Bay	Delta
Huron	Grand Traverse	Calhoun	Cheboygan	Dickinson
Ingham	Kalkaska	Cass	Clare	Gogebic
Jackson	Lake	Eaton	Crawford	Houghton
Lapeer	Leelanau	Ionia	Gladwin	Iron
Lenawee	Manistee	Kalamazoo	Iosco	Keweenaw
Livingston	Mason	Kent	Isabella	Luce
Macomb	Mecosta	Montcalm	Midland	Mackinac
Monroe	Missaukee	Muskegon	Montmorency	Marquette
Oakland	Newaygo	Ottawa	Ogemaw	Menominee
Saginaw	Oceana	St. Joseph	Oscoda	Ontonagon
Sanilac	Osceola	Van Buren	Otsego	Schoolcraft
Shiawassee	Wexford		Presque Isle	
St. Clair			Roscommon	
Tuscola				
Washtenaw				
Wayne				

Chart 13: Michigan Regions: 2002 Volume and Market Share

(2002 Michigan total stays, person-trips, and person-days)

The regional profiles that follow focus on leisure travel. The volume information below adds greater perspective to the profiles. As described more fully in the earlier "Levels of Measurement" section, *travel parties* reflects how many times U.S. resident household units traveled to, through, or within Michigan. *Person-trips* also takes into account how many persons were in the travel parties and thus is equivalent to *travelers* or *visitors*. *Person-days* takes into account party size and the length of stay of the traveling party and is the weighting measurement used in most tables and charts.

It is important to remember that D.K. Shifflet & Associates' travel data pertain to U.S. residents only. It excludes all international travel to Michigan from foreign countries, most notably the important contributions to Michigan travelers from Canada.

Each region's share of person-trips and person-days reflects the differences in average stay length measured in days. In the DKS&A traveler database, stay length measured in days is derived by adding 0.75 to the number of nights. Day trips count as 0.75 of a "day."

	2002 Person-Trips "Visitors"	**2002 Person-Days "Visitor-Days"**
Total Volume (millions)		
Michigan	94.80	189.08
Southeast	44.51	81.09
Northwest	11.13	22.89
Southwest	20.43	37.39
Northeast	11.97	30.69
Upper Peninsula	6.76	17.02
Share of Michigan (%)		
Southeast	46.95%	42.89%
Northwest	11.74%	12.11%
Southwest	21.55%	19.77%
Northeast	12.63%	16.23%
Upper Peninsula	7.13%	9.00%

Chart 14: Michigan Regions: Purpose of Stay

(% of 2002 leisure person-days)

This regional profile section focuses on leisure travel only. The percentages in the chart below are based on all leisure travel. In four of the five regions, the most common primary leisure stay purpose is to visit friends or relatives. The exception is the Upper Peninsula, where 34% of visitors travel for a general vacation—the highest proportion of any region in the state.

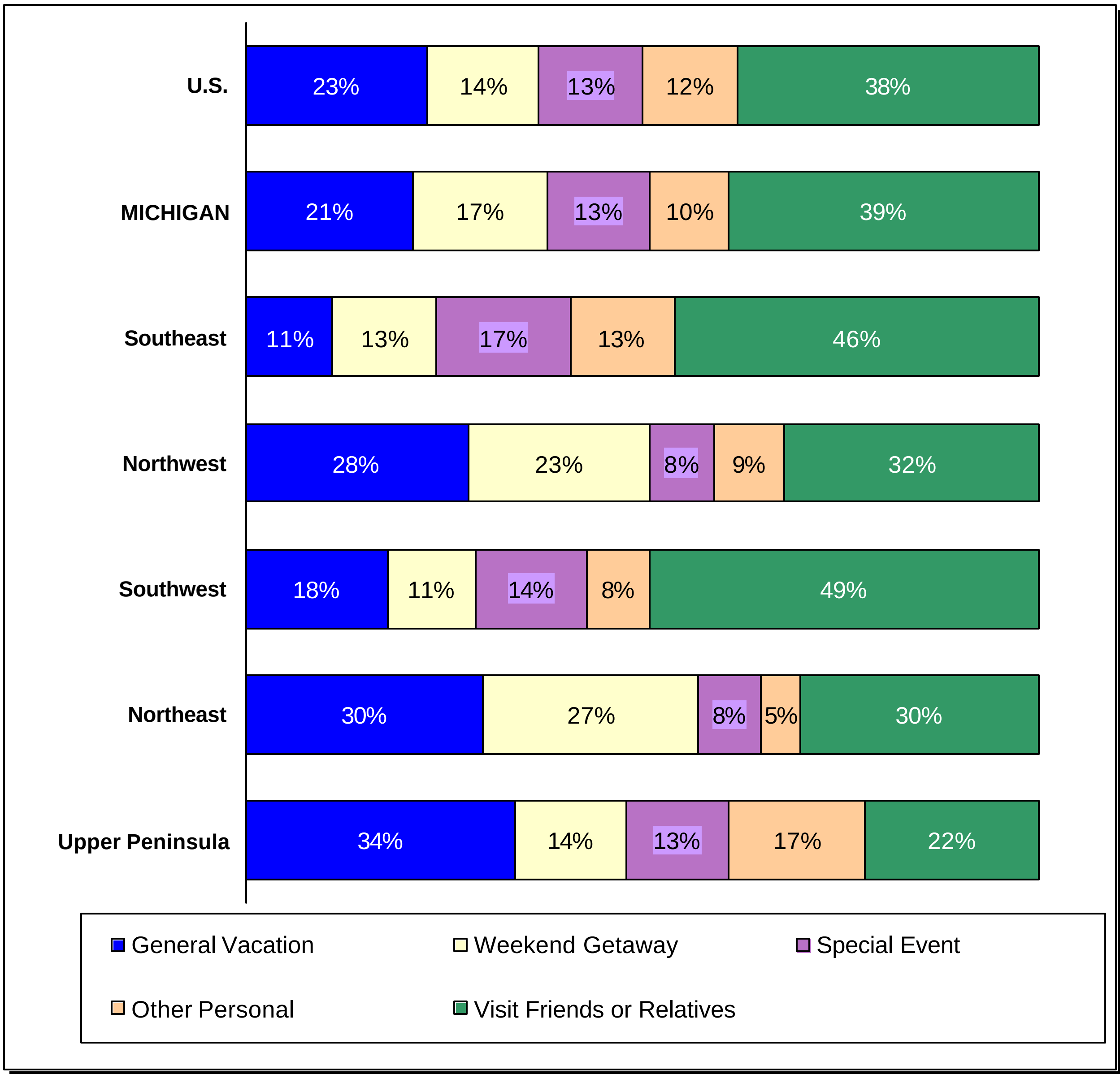


Chart 15: Michigan Regions: Travel Party Composition

(% of 2002 leisure trip-days)

For three of the five regions, the most common party type is male-female couples (Upper Peninsula (44%), Northeast (39%), and Southwest (34%). *Families*—defined as one or more adults accompanied by one or more children under 18 years of age—is the most common party type for the Northwest (47%) and the Southwest (39%). The mean average party size is shown in parentheses after each region name. Averages are rounded to two decimal places because small differences in average party size produce large differences in travelers due to the very large travel party volume numbers. For perspective, *mean* average party size is typically 0.4 or 0.5 persons larger than the *median* average party size because the occasional very large party size makes the mean average higher than the median.

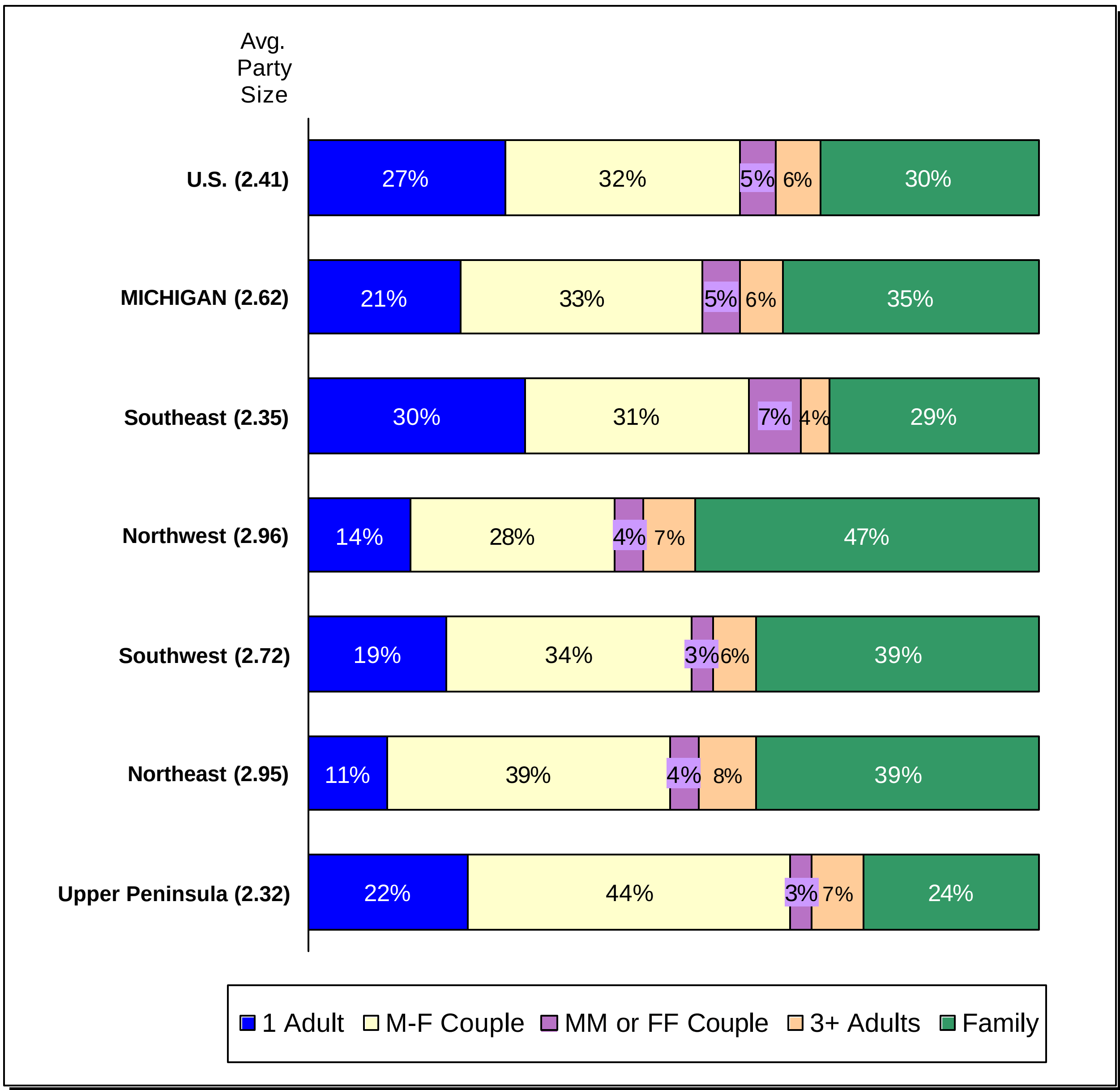


Chart 16: Michigan Regions: Length of Stay

(% of 2002 Michigan leisure person-trips)

The chart below shows the domination of day trips in several Michigan regions. D.K. Shifflet & Associates' ***PERFORMANCE/Monitor***^{SM} data is collected on a "stay" basis, that is, recorded separately for each stay at a distinct destination. Although not shown in the chart below, average stay length is a very large proportion of overall trip length, which reflects the overwhelming incidence of one-stay trips.

For perspective the Michigan mean average stay length of 2.05 days compares to the median average of 0.75 days...reflecting the influence of day trips on the median average. Among overnight trips, the average length of stay is 2.92 nights. The chart below shows the average stay length among overnight trips only.

Again, travel information is collected on a stay basis. Thus, length of stay reported for a region may slightly underestimate the total length of the trip in the region to the extent that multiple-stay trips occur within the region.

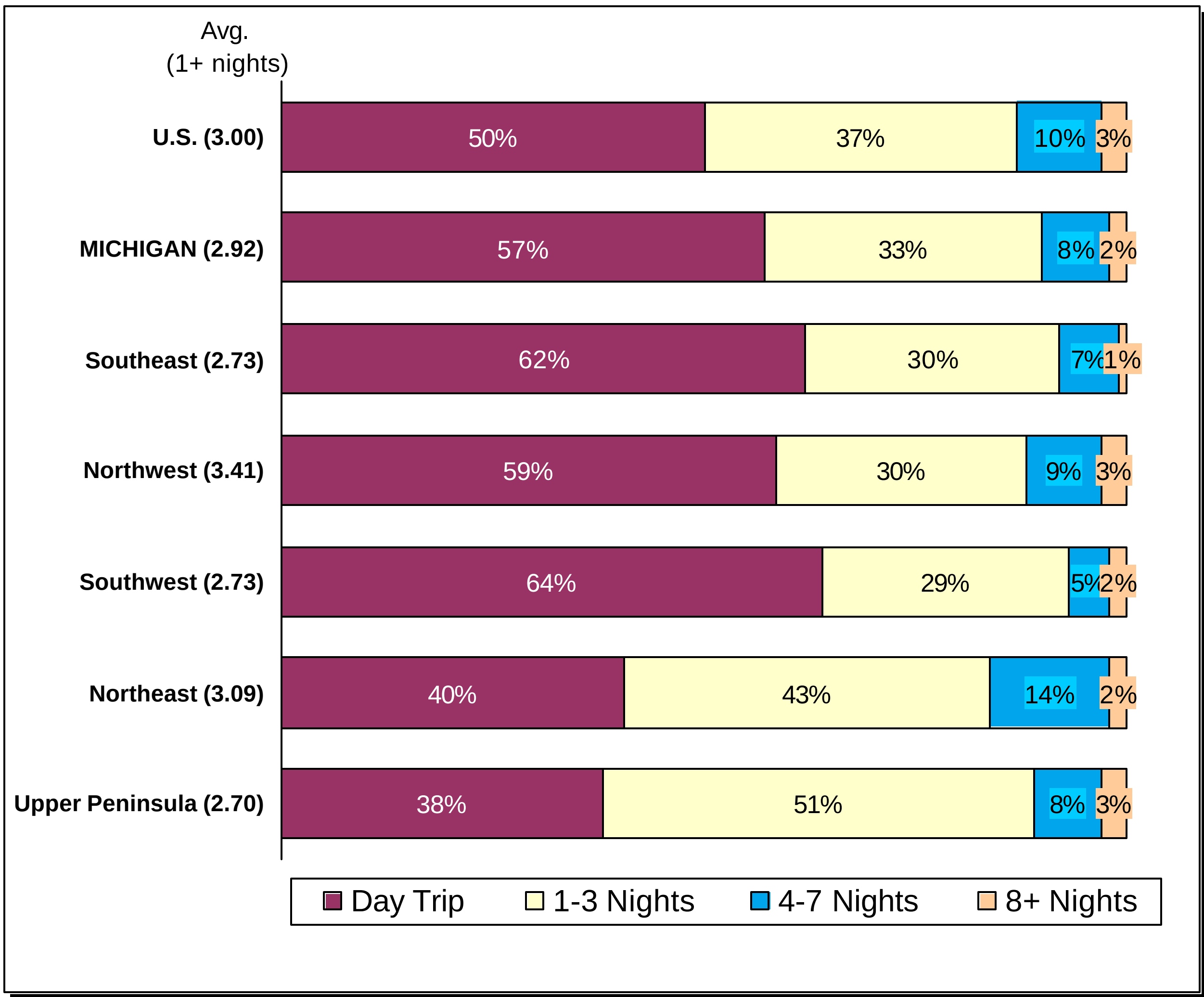


Chart 17: Michigan Regions: Activity Participation

(% of 2002 leisure person-trips)

The following table shows the activity participation rates for each region. Michigan leisure visitors participate in activities at similar rates to the average for all U.S. leisure visitors, which reflects the number and diversity of activity opportunities throughout the state. The key differences across regions reflect the availability of outdoors-related activities, watching sports events, and gambling opportunities.

Note: this table is weighted by person-trips instead of person-days because a person-days weight makes an implicit assumption that all travelers in the travel party participate in the activity *every day*, which is unlikely for most activities.

	U.S.	**Michigan**	**South east**	**North west**	**South west**	**North east**	**Upper Pen.**
	%	%	%	%	%	%	%
Dining [1]	**31**	26	27	25	23	25	22
Shopping [1]	29	25	**32**	19	22	19	24
Sightseeing	27	25	25	18	21	**39**	31
Entertainment [1]	25	19	22	19	16	16	17
Beach/waterfront	10	14	9	14	15	**19**	10
Attend sports event	6	8	**11**	5	7	2	9
Gamble	6	8	7	**12**	3	**13**	**13**
Hunt/fish	4	7	3	6	4	**12**	5
Hike/bike	4	6	3	8	5	**12**	3
Night life	7	5	7	2	7	3	2
Parks (nat./state)	8	6	3	7	5	7	**11**
Festival/craft fair	6	5	6	7	5	4	3
Boat/sail	2	5	4	4	4	**8**	1
Group tour	3	4	4	1	3	**6**	4
Nature/culture: eco travel	4	4	1	4	6	**7**	5
Camping	3	4	2	7	2	3	3
Concert, play, dance	5	3	3	1	5	2	2
Golf	2	3	2	7	5	3	2
Historic site	6	3	3	1	2	**7**	4
Adventure sports (other)	2	3	1	2	*	3	**11**
Museum, art exhibit	5	2	2	1	3	1	3
Theme park	**8**	2	3	*	3	*	*
Consumer shows	2	1	2	1	1	1	1
Snow ski/snow board	1	1	*	4	1	1	3

[1] These activities are based on spending categories using a minimum spending threshold level.

Chart 18: Michigan Regions: Accommodation Type

(% of 2002 leisure person-days)

Staying with friends or relatives dominates the accommodation type in four of the five regions and reflects the high proportion of Michigan travelers visiting friends and relatives as the trip purpose. The exception is the Northwest region where 54% of leisure person-days use other accommodations such as campgrounds, timeshare, and second homes. The Upper Peninsula (40%) and the Southeast region (36%) have the highest proportion of leisure visitors who stay in hotels or motels.

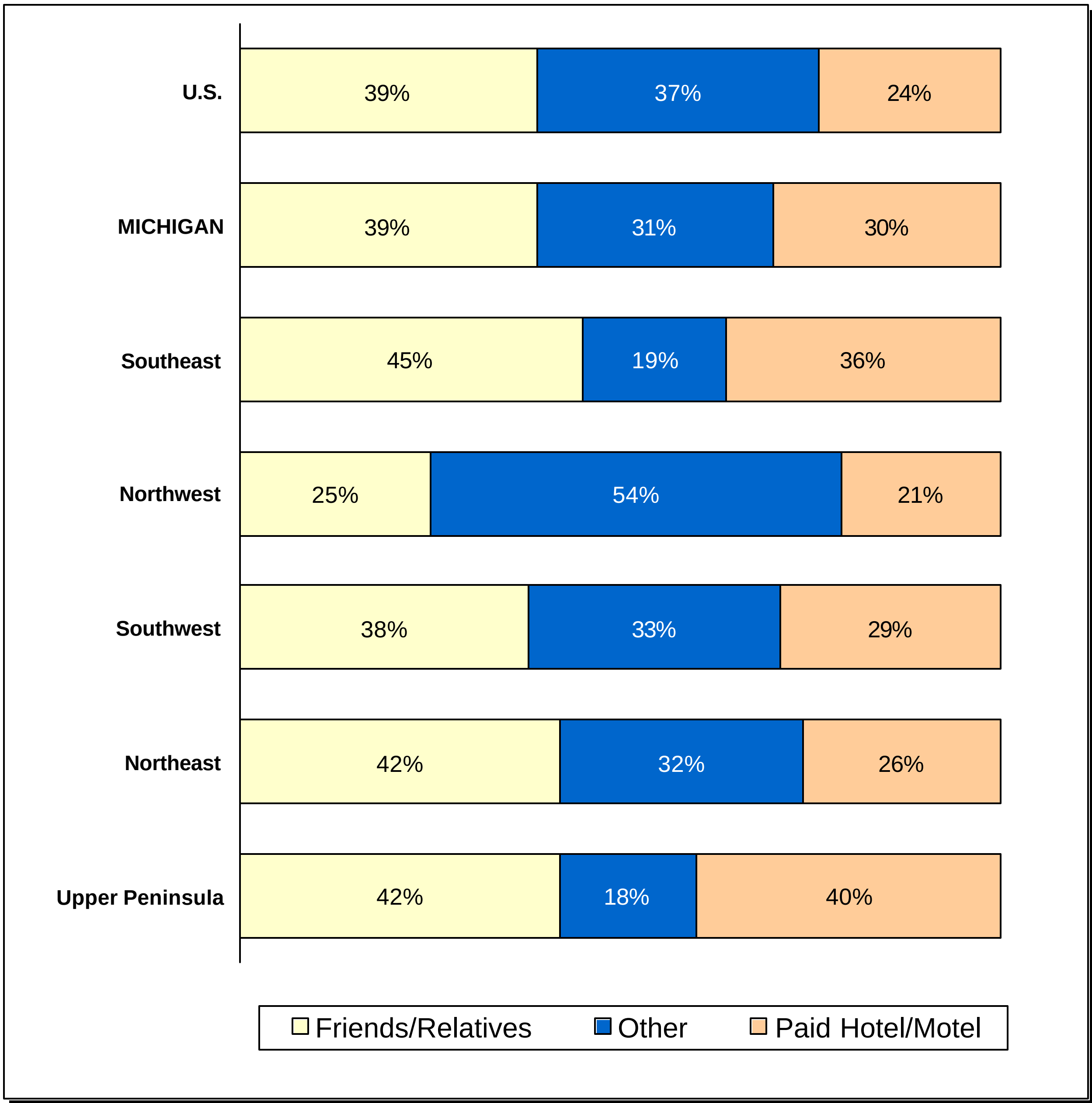


Chart 19: Michigan Regions: Traveler Spending

(2002 leisure person-days; includes all transportation spending)

Average daily leisure traveler spending averaged $75 in Michigan in 2002, virtually the same as in 2001. Spending is highest in the Southeast region ($82) and lowest in the Southwest region ($66). Average daily traveler spending includes three components: 1) total spending by all persons in the travel party, 2) the number of persons in the travel party, and stay length.

The way in which travel parties spend money is mostly similar across the regions. The food & beverage spending category is the largest proportion in four of the five regions—ranging from 23% to 26%. Shopping and transportation typically represent another 20%-25% of a travel party's spending.

	U.S. (%)	**Mich-igan (%)**	**South-east (%)**	**North-west (%)**	**South-west (%)**	**North-east (%)**	**Upper Penin-sula (%)**
Spending per person per day							
Average	$95	$75	$82	$73	$66	$71	$75
Median	$68	$53	$58	$44	$48	$40	$45
Proportion of Total Spending							
Transportation	22%	20%	21%	19%	23%	14%	21%
Accommodations	14%	13%	11%	15%	14%	15%	15%
Food & beverage	23%	25%	23%	25%	26%	26%	23%
Shopping	20%	22%	25%	20%	20%	21%	19%
Entertainment	16%	14%	13%	15%	13%	16%	17%
Miscellaneous	5%	6%	7%	6%	4%	7%	6%

Chart 20: Michigan Regions: Transportation Mode

(% of 2002 leisure person-days)

Auto travel dominates as the main transportation mode for all five regions. The Southeast region has the highest proportion of air travelers (14%). The "auto" travel mode includes cars, vans, and small trucks. The "all other" travel mode includes RV, bus, and train.

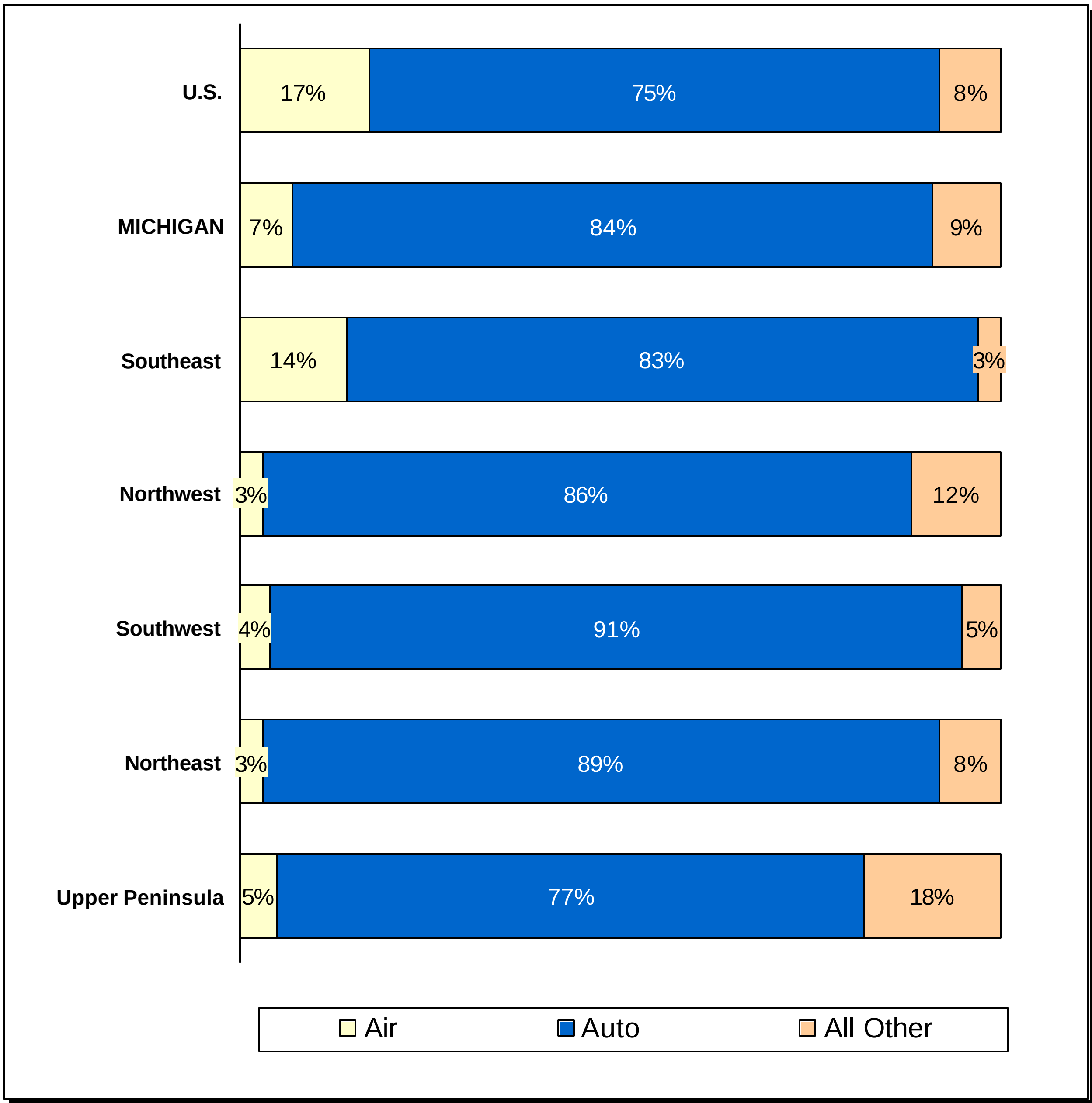


Chart 21: Michigan Regions: Visitation by Quarter of the Year

(% of 2002 leisure person-days)

The third quarter of the year dominates in every region and ranges from a low of one-third (Southeast) to a high of nearly one-half of all annual leisure person-days (Northwest and Northeast). More specifically, at the state level, monthly shares of annual travel in the summer months are as follows: June (13%), July (16%), and August (17%). These three months dominate monthly shares for four regions. The only exception is the Southeast region, which receive 12% of leisure visitation in December, third only to the 13% in both July and August.

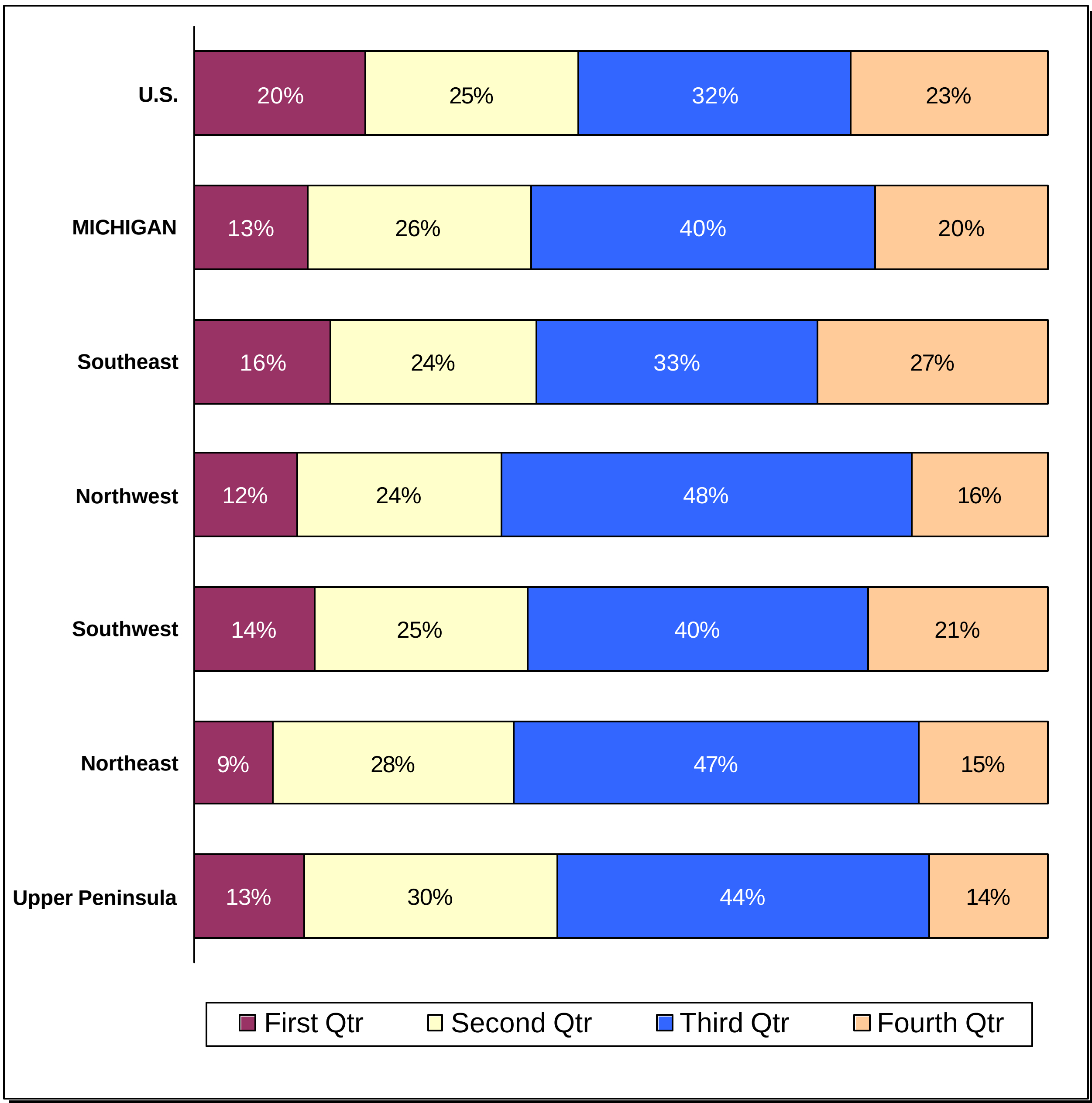


Chart 22: Michigan Regions: Visitor Origin States and DMAs

(% of 2002 leisure person-days)

Michigan and each of its travel regions relies heavily on resident travel for its leisure visitors. Resident travel as a proportion of all leisure travelers ranges from a low of 48% in the Southeast to a high of 78% in the Northeast. Non-resident travelers come from a mix of neighboring states such as Illinois, Ohio, and Indiana, and large traveler-producing but distant states such as California, Texas, and New York.

The importance of in-state travel is reflected in the ranking of top DMA[1] origin markets as five of the top six markets are Michigan markets. The Detroit DMA produces the most number of leisure travelers for each region except the Southwest, which relies most heavily on Chicago for visitors.

Visitor Origins	Mich-igan (%)	South-east (%)	North-west (%)	South-west (%)	North-east (%)	Upper Penin-sula (%)
States						
Michigan	57	48	71	49	78	54
Illinois	9	6	5	20	7	8
Ohio	6	12	2	4	3	1
Indiana	3	3	5	4	3	2
Florida	3	5	1	3	2	1
Wisconsin	2	1	1	2	<1	11
Tennessee	2	3	2	2	1	1
New York	2	3	1	2	<1	2
Texas	2	2	1	1	<1	6
Missouri	2	2	5	<1	1	1
California	1	2	<1	4	<1	<1
Pennsylvania	1	2	<1	1	<1	<1
DMAs						
Detroit	25	23	23	17	45	11
Grand Rpds-Klmzoo-Btl. Crk.	12	8	22	16	7	8
Chicago	9	6	4	22	6	8
Flint-Saginaw-Bay City	8	7	12	4	15	7
Traverse City	7	5	8	4	7	11
Toledo	3	5	2	1	2	<1
Lansing	3	3	2	4	2	1
Marquette	2	1	<1	1	1	10
Tampa-St. Petersburg (Sarasota)	2	3	1	2	1	<1
Cleveland	1	3	<1	<1	1	<1
New York	1	3	<1	1	<1	1

1 *A DMA represents a group of counties that rely on a central city for broadcast media. Every U.S. county is in one and only one DMA.*

Chart 23: Michigan Regions: Age Distribution

(% of 2002 leisure person-days)

This chart shows that the distribution of respondent ages does not differ much by travel region. Median age correspondingly does not differ much either and ranges from a low of 39 years for the Southeast to a high of 44 years for the Upper Peninsula. Median is used here as the average because of its standard use in media-buying sources.

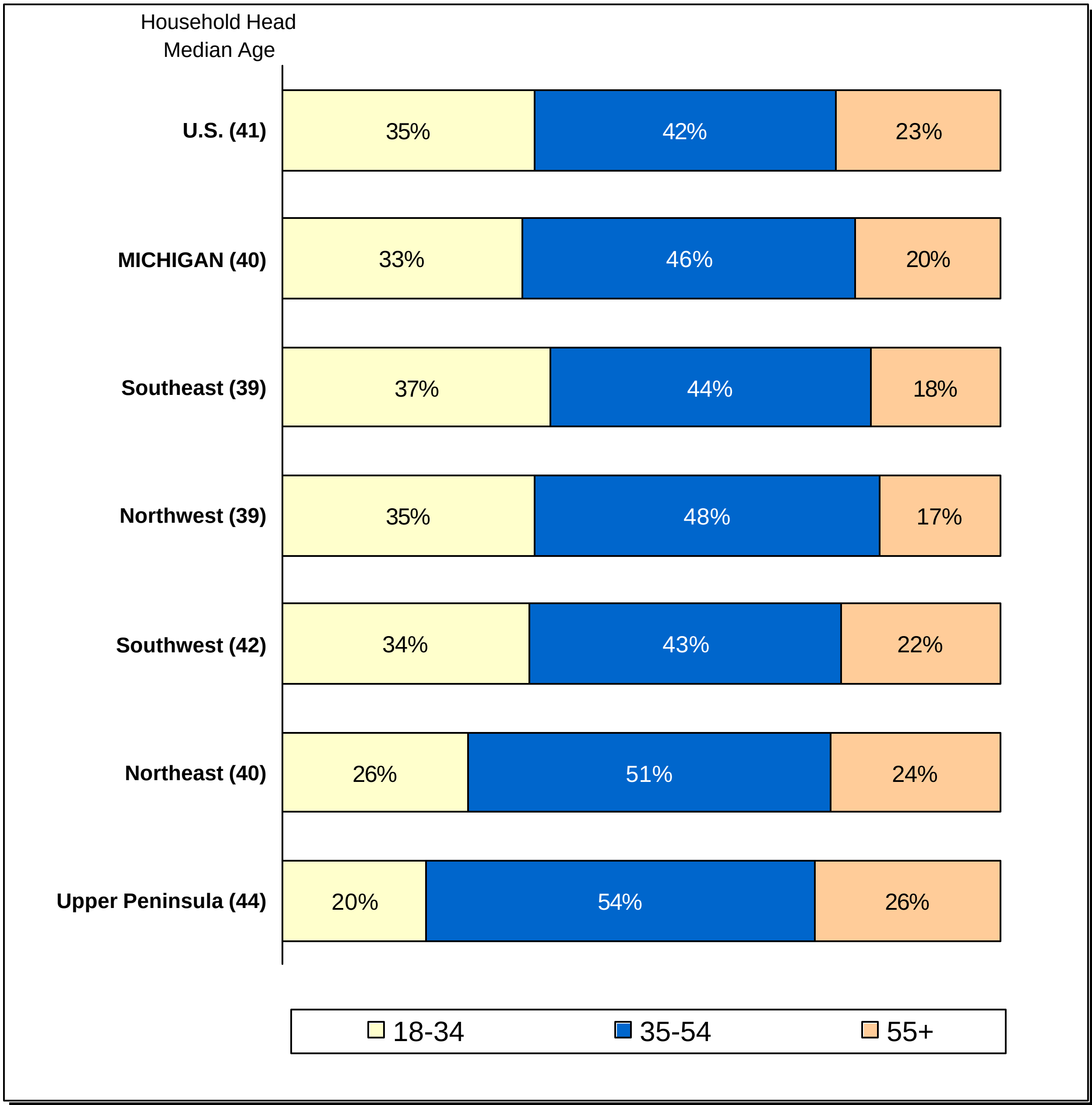


Chart 24: Michigan Regions: Children in Household

(% of 2002 leisure person-days)

Findings for the presence of children in the household mirror those of travel party composition. The Michigan average of 51% of households with children is slightly higher than the U.S. average (47%). Northwest region travelers are the most likely to have one or more children in the household (57%), while the Upper Peninsula travelers are the least likely (37%). Note: the percentages for a region may sum to more than 100% due to multiple child households.

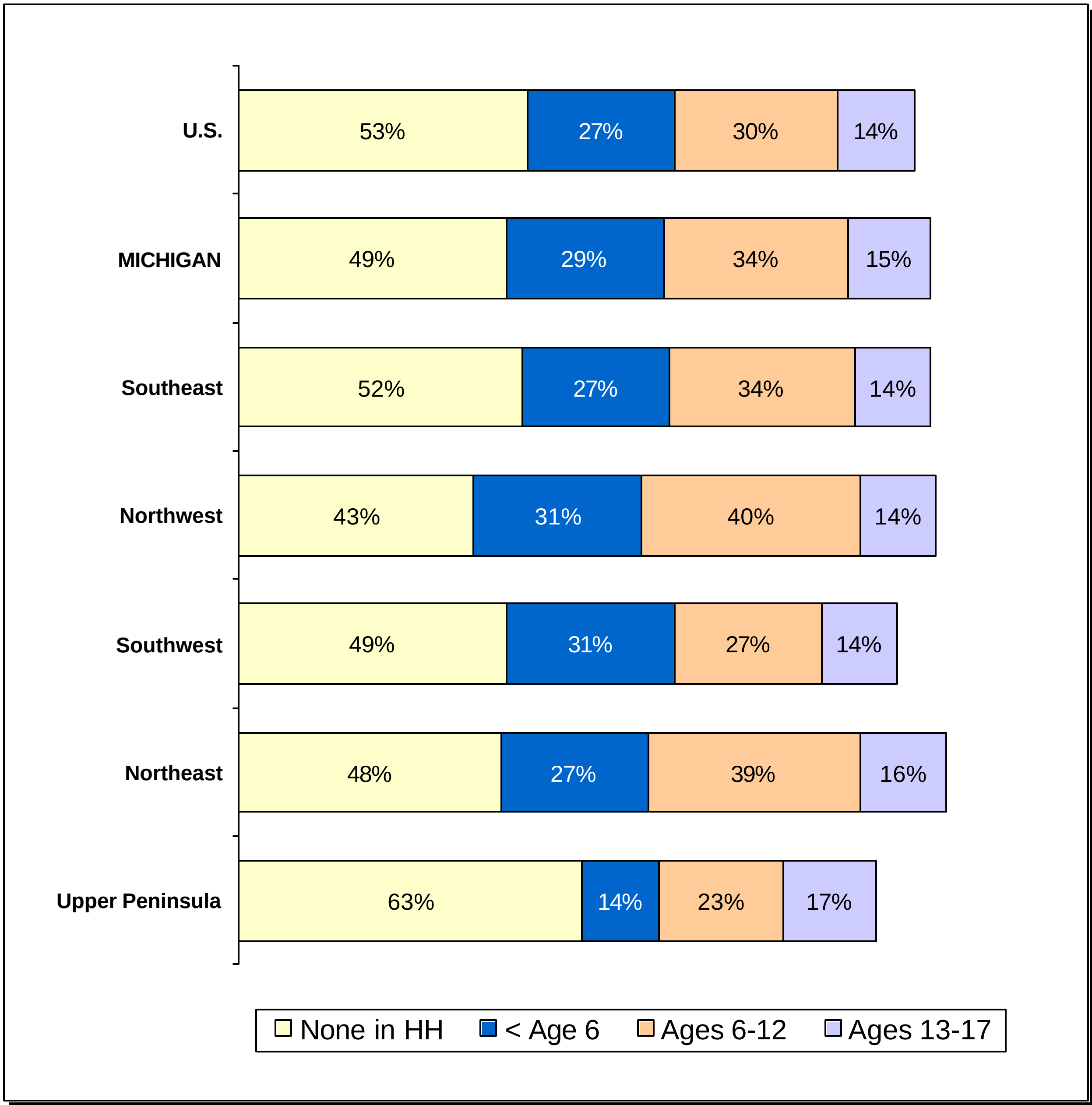


Chart 25: Michigan Regions: Household Income Distribution

(% of 2002 leisure person-days)

Household income also is similar across the five Michigan travel regions. Median household income ranges from a low of $57,000 in the Upper Peninsula to a high of $65,000 in the Northeast and Northwest regions. Note that household income is based on all respondents, including those retired, who typically have lower income levels. The statewide average of the proportion of retirees (9%) is similar for each region. Thus, retirement status likely has a weak influence on household income levels. Median is used here as the average because of its standard use in media-buying sources.

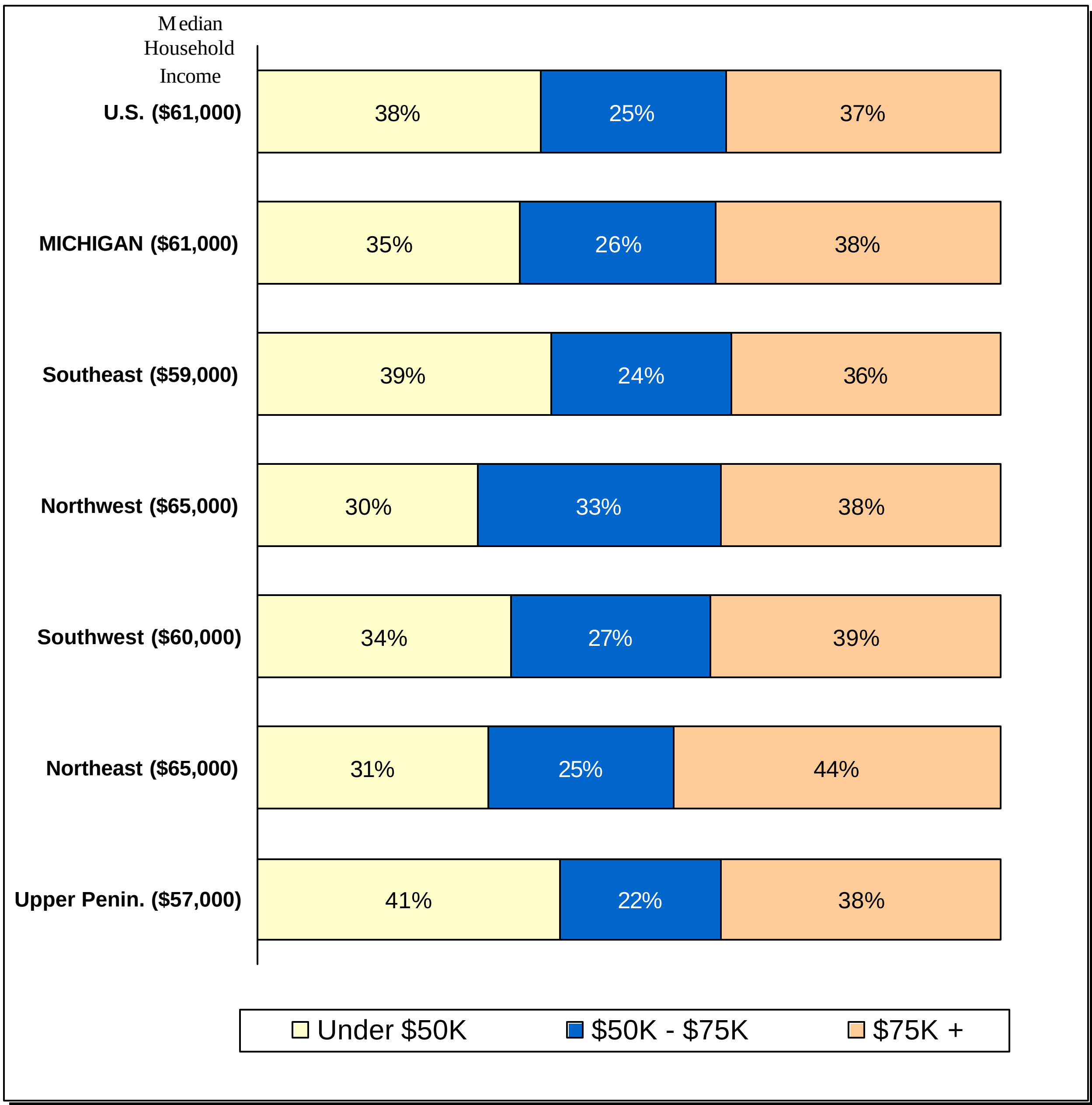


Chart 26: Michigan Regions: Lifestage Distribution

(% of 2002 leisure person-days)

This 2002 year-end report continues the *lifestage* analysis, which combines three variables—respondent age, presence of children in the household, and household income—into one set of seven mutually-exclusive travel segments. These seven segments represent virtually 100% of U.S. travelers. Note that three of the lifestages do not include a "lower" or "higher" income element. For some combinations of age and presence of children, household income was not an important factor in developing distinct segments.

The table shows some minor variation among the five Michigan travel regions. Each region's proportion of leisure travelers in a lifestage is typically only a few percentage points higher or lower than the state average. Relatively high proportions are bolded and in a larger font size.

Lifestage	U.S. (%)	Mich-igan (%)	South-east (%)	North-west (%)	South-west (%)	North-east (%)	Upper Penin-sula (%)
1) Age 18-34/No Children/Any $$$	13	13	**17**	12	11	8	11
2) Age 18-34/1+ Child/Any $$$	21	20	20	23	23	17	9
3) Age 35-54/No Children/Any $$$	18	17	18	15	17	17	**26**
4) Age 35-54/1+ Children/<$50 K	6	6	6	4	6	6	5
5) Age 35-54/1+ Children/$50K+	18	24	21	**29**	21	**28**	23
6) Age 55+/No Children/<$50K	9	8	8	6	8	6	9
7) Age 55+ No Children/$50K+	13	12	9	10	13	17	16

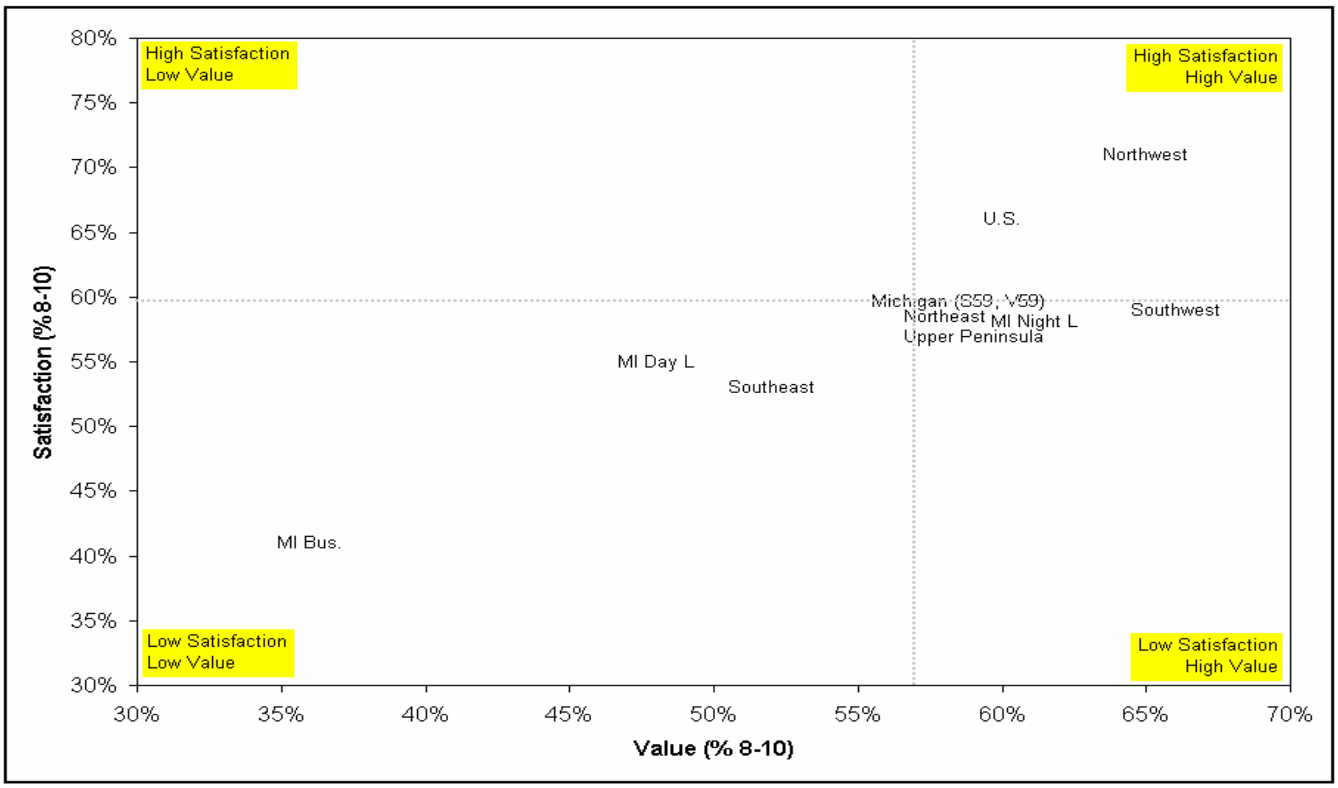
Chart 27: Michigan Regions: Satisfaction and Value Ratings

(base is 2002 Michigan leisure person-days)

In DKS&A's ***PERFORMANCE/Monitor***SM, respondents are asked to rate their stays for destination *Overall Satisfaction* and *Value-for-the-Money*. Satisfaction and value ratings are important because of their strong relationship to a traveler's likelihood to revisit a destination and to recommend a destination to others (based on other DKS&A research). Ratings for both measures are given on a scale from 1 to 10 where one is "poor" and ten is "excellent." Ratings from 8 to 10 are considered "high" ratings and are graphed in the chart below, which shows the location of each region in relation to the four combinations of low or high satisfaction, and low or high value. The four combinations or "quadrants" are created using the statewide averages for satisfaction (59% high ratings) and value (59% high ratings). All segments reflect leisure segments unless otherwise noted.

The "line" made by the regions going from the lower left quadrant (low satisfaction and low value) to the upper right quadrant (high satisfaction and high value reflects the general strong relationship between satisfaction and value. That is, low satisfaction implies low value (or vice-versa) and high satisfaction implies high value (or vice-versa).

The chart clearly shows the Northwest's strengths, especially in overall satisfaction, and the Southeast region's relative weaknesses in both measures. Of note is the very small proportion of high ratings for the Michigan business segment. This rating is strongly influenced by Detroit, because, as shown in the detailed data tables (page 16), 40% of Michigan business person-days were to the Detroit DMA.



2002 MICHIGAN REGIONAL SUMMARIES

MICHIGAN PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	73.64 million	Primary Purpose of Stay	Visit F&R (39%)
% of U.S. Leisure Person-Trips	3.73%	Transportation by Auto / Air	84% / 7%
Leisure Person-Days	148.87 million	Party Composition (largest)	Families (35%)
% of U.S. Leisure Person-Days	3.32%	Party Size	2.62 persons
DEMOS:		Length of Stay	2.02 days; 2.92 nights
Top Visitor Origin DMAs		Top 6 Activities	Dining (26%)
Detroit	(25%)		Sightseeing (25%)
Grand Rapids-Kalamazoo	(12%)		Shopping (25%)
Chicago	(9%)		Beach/waterfront (14%)
Flint-Saginaw-Bay City	(8%)		Gamble (8%)
Traverse City	(7%)		Attend sport event (8%)
Age (median)	40 years	Top 2 Months of Travel	Aug (17%); Jul (16%)
Income (median household)	$ 61,000	Accommodations	Friends or Relatives (39%)
1+ Children in Household	51%	Spending / person / day	Mean $75 / Median $53
Retired	9%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 59% / Value: 59%
Lifestage: 35-54 w/ kids & Hi $	24%		

Travel Profile Highlights

- Leisure travel for the state of Michigan increased in 2002 in both the volume of person-trips and person-days. The number of person-trips increased 9% from 67 million in 2001 to almost 74 million in 2002. Person-day volume experienced a smaller increase of 5% from 141 million in 2001 to almost 149 million in 2002. In addition to an increase in volume, Michigan's total market share of U.S. leisure travelers increased from 3.44% in 2001 to 3.73% in 2002. Person-day market share of U.S. leisure also increased from 3.19% in 2001 to 3.32 in 2002. Travel growth came from both Michigan residents and non-residents. About 79% of Michigan person-days are for leisure purposes.

- Michigan relies heavily on it's resident travelers for a large proportion of leisure travel. The top origin state for leisure travel in Michigan is Michigan itself, comprising 57% of leisure travelers. Illinois is the second highest origin state, comprising just over 9% of Michigan leisure travelers. The top origin DMAs are primarily in Michigan. Detroit generates the largest proportion of leisure travelers in Michigan (25%), twice the number from Grand-Rapids Kalamazoo (12%). Chicago generates the third highest proportion of leisure travelers (9%).

- The traveler demographics of Michigan leisure travelers did not experience major shifts in 2002. The median age, income, percentage of families and retirees are similar to 2001 levels. However, the lifestage of travelers shifted from *18-34 year olds with children* to *34-54 year old with children and high incomes* as the largest proportion of travelers in a lifestage. These demographics mirror those of U.S. leisure travelers, with a slightly higher proportion of 35-54 year old with children and high incomes.

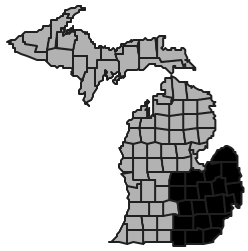
- About 79% of Michigan person-days are for leisure purposes. The main leisure purpose of travel for Michigan visitors is to *visit friends or relatives* (39%). *General vacation*s is the second most common trip purpose, accounting for 21% of visitors. The largest party composition of traveling parties was families (35%). In 2002, the average party size was 2.62 persons and the average length of stay of all leisure visitors was 2.92 nights.

- Leisure travelers to Michigan participate in various activities—often at rates very similar to those for all U.S. leisure travelers. The most popular activities are dining (26%), shopping (25%), sightseeing (25%), gambling (8%), and attend a sports event (8%).

- The mode of transportation used most by Michigan leisure travelers was cars or vans, accounting for 84% of travelers. The level is higher than the U.S. average and reflects the relatively higher proportion of in-state visitors. Michigan leisure travelers were most likely to stay with friends or relatives for their accommodations (39%), although nearly as many stayed in hotels or motels (30%). The months that received the highest visitation levels were July (16%) and August (17%).

- The average daily spending of leisure travelers in Michigan remained about the same in 2002. The mean and median spending per person per day was $73 and $50, respectively. These findings reflect the total party spending, party size, and stay length. The largest average proportion of expenditures was spent on food (25%), shopping (22%), and transportation (20%).

- In 2002, overall satisfaction remained the same as the 2001 level, but the value rating decreased slightly. These findings are based on the proportion of visitors who rated the destinations visited as excellent based on satisfaction and value (8, 9, 0r 10 rating on a 10-point scale). Visitors who rated Michigan as excellent accounted for 59% of visitors for both satisfaction and value ratings.



SOUTHEAST REGIONAL PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	34.6 million	Primary Purpose of Stay	Visit F&R (46%)
% of MI. Leisure Person-Trips	47%	Transportation by Auto / Air	83% / 14%
Leisure Person-Days	63.9 million	Party Composition (largest)	M/F Couples (31%)
% of MI. Leisure Person-Days	43%	Party Size	2.35 persons
DEMOS:		Length of Stay	1.80 days; 2.73 nights
Top Visitor Origin DMAs Detroit Grand Rapids-Kalamazoo Flint-Saginaw-Bay City Chicago Traverse City; Toledo	 (23%) (8%) (7%) (6%) (both 5%)	Top 6 Activities (%)	Shopping (32%) Dining (27%) Sightseeing (25%) Attend Sports (11%) Beach/Waterfront (9%) Gamble (7%)
Age	39 years	Top 2 Months of Travel	Jul (13%); Aug (13%)
Income (median household)	$ 59,000	Accommodations	Friends or Relatives (45%)
1+ Children in Household	48%	Spending / person / day	Mean $82 / Median $58
Retired *Lifestage: 35-54 w/ kids & Hi $*	9% 21%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 53% / Value: 52%

Travel Profile Highlights

- Travel to the Southeast region accounts for 47% of Michigan leisure travelers and 43% of Michigan's leisure person-days. Both shares are by far the highest of the five Michigan regions.

- Like all regions in the state, the top visitor origin state is Michigan itself (48%), although this level is the lowest in the state. However, the Southeast region receives a notable proportion of travelers from Ohio (12%). The top origin DMAs for travelers to the Southeast region mirror that of overall state travelers, including Detroit, Grand Rapids-Kalamazoo, Flint-Saginaw-Bay City, and Chicago.

- Traveler demographics for the Southeast are similar to the state level profile. The median average age of the travel party respondent remained 39 years in 2002 and the median household income increased slightly to $59,000. The proportion of travelers who had children in the household experienced a slight decrease to 48% and the proportion of retirees remained the same at 9%. The lifestage shifted in 2002 to more in the lifestage, *35-54 year olds / kids / high incomes* (21%).

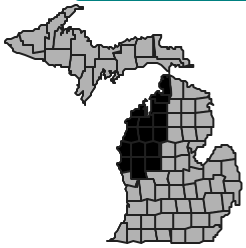
- About 71% of Southeast person-days are for leisure purposes. Of these, the most common leisure stay purpose is to *visit friends and relatives* (46%). The most common party composition was male-female couples (31%), a level just slightly higher than one-adult travel parties, which has been the predominant party type in past years. The region has one of the smallest average party sizes (2.35) and one of the shortest stay length averages (2.73 nights).

- The top activities in the southeast region are similar to other regions, although with less participation in outdoor-related activities. The most popular activities are shopping (32%), dining (27%), sightseeing (25%), attend sports (11%) beach/waterfront (9%), and gamble (7%).

- July and August remain the months with the greatest number of person-days, both comprising 13% of all Southeast region leisure person-days. The most common accommodation type is staying with friends or relatives (45%), although 36% of person-days were spent in hotels or motels.

- The southeast region enjoys the highest average daily spending per party (mean = $82, median = $58). These findings reflect the total party spending, party size, and stay length. Like the average Michigan leisure traveler, visitors to the Southeast spent the highest proportion of their travel money on food and beverage (26%), shopping, (21%), and entertainment (16%).

- The region continues to have the lowest satisfaction and value ratings in the state. Based on a 10-point scale, where 1 is the lowest and 10 is the highest, 53% of Southeast visitors gave the destination visited an excellent rating of 8, 9, or 10. Only 52% gave an excellent rating for value for the money. Both proportions are the lowest of the Michigan regions.



NORTHWEST REGION PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	8.6 million	Primary Purpose of Stay	Visit F & R (32%)
% of MI. Leisure Person-Trips	12.0%	Transportation by Auto / Air	86% / 3%
Leisure Person-Days	18.0 million	Party Composition (largest)	Families (47%)
% of MI. Leisure Person-Days	12%	Party Size	2.96 persons
DEMOS:		Length of Stay	2.16 days; 3.41 nights
Top Visitor Origin DMAs Detroit Grand Rapids-Kalamazoo Flint-Saginaw-Bay City Traverse City St. Louis, MO	 (23%) (22%) (12%) (8%) (5%)	Top 6 Activities (%)	Dining (25%) Shopping (19%) Sightseeing (18%) Beach/Waterfront (14%) Gamble (12%) Hike or bike (8%)
Age	39 years	Top 2 Months of Travel	Aug (28%); Jul (13%)
Income (median household)	$ 65,000	Accommodations	Other (camp, B&B etc. (54%)
1+ Children in Household	57%	Spending / person / day	Mean $71 / Median $43
Retired	7%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 71% / Value: 65%
Lifestage: 35-54 w/ kids & Hi $	29%		

Travel Profile Highlights

- Travel to the Northwest region accounts for 12% of Michigan leisure travelers and 12% of Michigan's leisure person-days, the 4^{h} highest shares of the five Michigan regions for both measures.

- Like all regions in the state, the top visitor origin state is Michigan itself (71%), the second highest level among the regions. Other top origin states for Northwest travelers were Indiana (5.2%) and Illinois (4.6%). The top originating DMAs were predominantly within Michigan, with the exception of St. Louis, MO which accounted for 5% of leisure travelers to the region.

- The traveler demographics for visitors to the northwest experienced some slight shifts that should be noted. The average age dropped from 41 to 39 years of age and the median household income increased from $56,100 to $65,000. Also, the presence of children in the household increased from 53% to 57% in 2002, which is the highest proportion across the regions. The proportion of retirees remained the same at 7%, however, there was a shift in lifestage segments from *18-34 year olds with children* to *35-54 year olds / children / high income* (29%). The level for this lifestage is the highest among the regions.

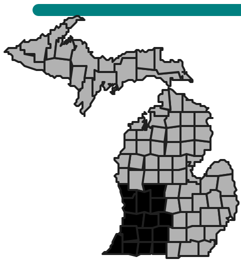
- About 85% of Northwest person-days are for leisure purposes. Of these, the most common leisure trip purpose was to visit friends or relatives (32%). The most common party composition was families (47%), which contributed to the highest average party size (2.96 persons) of the regions. The average length of stay of visitors to the region was 3.41 nights, the longest stay length average of the regions.

- Similar to the other regions, the most common activities were dining (25%), shopping (19%) sightseeing (18%), beach/waterfront (14%), gamble (12%), and hike or bike (8%).

- Most visitors to the Northwest arrived by auto (86%) and stayed in accommodations other than friends/relatives, or hotel/motel (54%). This category includes camping, bed & breakfasts, time share, and second homes. Another 36% of leisure person-days were spent in hotels or motels. July and August are when most person-days occur in the Northwest region. These two months comprise 13% and 28% of the annual leisure person-days, respectively. The August proportion represents a very large increase from the 2001 level of 16%.

- The mean average daily spending of leisure visitors to the Northwest region increased to $73 (median = $44). These findings reflect the total party spending, party size, and stay length. The proportion of spending is similar to other regions: food and beverage (25%), shopping (20%), and transportation (19%) are the largest spending segments.

- The Northwest region enjoys very high satisfaction and value ratings. Visitors rated the destination visited on a 10-point scale, where 1 is low and 10 is high. Excellent ratings represent an 8, 9, or 10 rating. Among Northwest visitors, 71% gave an excellent rating for destination satisfaction, which is the highest level in the state. Nearly as many (65%) gave an excellent rating for destination value for the money, the second highest level among the regions.



SOUTHWEST REGION PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	15.9 million	Primary Purpose of Stay	Visit F & R (49%)
% of MI. Leisure Person-Trips	22%	Transportation by Auto / Air	91% / 4%
Leisure Person-Days	29.4 million	Party Composition (largest)	Families (39%)
% of MI. Leisure Person-Days	20%	Party Size	2.72 persons
DEMOS:		Length of Stay	1.72 days; 2.73 nights
Top Visitor Origin DMAs Chicago Detroit Grand Rapids-Kalamazoo Traverse City Flint-Saginaw-Bay City	 (22%) (17%) (16%) (4%) (4%)	Top 6 Activities (%)	Dining (23%) Shopping (22%) Sightseeing (21%) Beach/waterfront (15%) Nightlife (7%) Attend sports event (7%)
Age	42 years	Top 2 Months of Travel	Jul (19%); Aug (14%)
Income (median household)	$ 60,000	Accommodation	Friends or Relatives (38%)
1+ Children in Household	51%	Spending / person / day	Mean $66 / Median $48
Retired	8%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 59% / Value: 66%
Lifestage: 18-34/1+ kids/any $$	23%		

Travel Profile Highlights

- Travel to the Southwest region accounts for 22% of Michigan leisure travelers and 20% of Michigan's leisure person-days, the 2nd highest shares of the five Michigan regions.

- Like all regions in the state, the top visitor origin state is Michigan itself (49%), the second lowest level among the regions. The top non-resident origin states are Illinois (20%), Ohio (4%), and Indiana (4%). The top DMA of leisure person-days to the Southwest region is Chicago (22%), Detroit (17%), and Grand Rapids-Kalamazoo-Battle Creek (16%).

- The traveler demographics of the Southwest region are relatively similar to the other regions. The average age increased to 42 years in 2002. The median household income increased for all regions including the Southwest ($60,000). The percentage of travelers with children in the household remained the same at 51% and the proportion of retirees dropped from 11% to 8%. The lifestage, *18-34 with kids*, remained the largest lifestage segment (23%).

- About 80% of Southwest person-days are leisure related. Like other regions, the leisure stay purpose having the largest proportion is *visit friends or relatives* (49%). The most common party type is families (39%) and the average travel party size was 2.72 persons. The average length of stay of all leisure visitors to the Southwest was 2.73 nights.

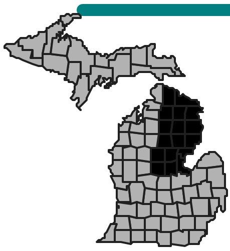
- The most popular leisure activities are similar to the other regions; dining (23%), shopping (22%), sightseeing (21%), beach/waterfront (15%), nightlife (7%), and attend sports event (7%). The Southwest and Southeast were the only regions whose visitors had a notable number of respondents who participated in nightlife activities (both 7%).

- The Southwest had the highest proportion of visitors that arrived by auto (91%). Like other regions, staying with friends or relatives is the most prevalent accommodation type (38%).

- July and August were popular months of travel for the majority of regions. This pattern holds for the Southwest as well; 19% of leisure person-days are in July and 14% are in August.

- Visitors to the Southwest had the lowest average mean daily spending compared to the other regions (mean = $66, median = $48). These findings reflect the total party spending, party size, and stay length. In fact, the relatively larger average party size and average stay length both contribute to the lower daily average. The proportion of spending across travel expenditures was similar to other regions; food and beverage (26%), transportation (23%), and shopping (22%) represent the largest proportions of traveler spending.

- The Southwest region has an average satisfaction rating, but the second best value rating of the regions. Travelers rated the destination visited on a 10-point scale, where 1 is low and 10 is high. Excellent ratings represent an 8, 9, or 10 rating. Among Southwest visitors, 59% gave an excellent rating for destination satisfaction, the same as the state average. However, 66% gave their Southwest destination an excellent rating for value for the money, the highest level among the regions.



NORTHEAST REGION PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	9.3 million	Primary Purpose of Stay	Visit F & R/Gen. Vac. (30%)
% of MI. Leisure Person-Trips	13%	Transportation by Auto / Air	89% / 3%
Leisure Person-Days	24.2 million	Party Composition (largest)	Family (38%)
% of MI. Leisure Person-Days	16%	Party Size	2.80 persons
DEMOS:		Length of Stay	2.59 days; 3.09
Top Visitor Origin DMAs Detroit Flint-Saginaw -Bay City Traverse City Grand Rapids-Klmzoo-B.C. Chicago	 (45%) (15%) (7%) (7%) (6%)	Top 6 Activities (%)	Sightseeing (39%) Dining (25%) Shopping (19%) Beach/waterfront (19%) Gamble (13%) Hunt/fish (12%);Hike/bike (12%)
Age	40 years	Top 2 Months of Travel	Jul (19%); Aug (19%)
Income (median household)	$ 65,000	Accommodations	Friends or Relatives (42%)
1+ Children in Household	52%	Spending / person / day	Mean $68 / Median $37
Retired *Lifestage: 35-54 w/ kids & Hi $*	10% 28%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 59% / Value: 59%

Travel Profile Highlights

- Travel to the Northeast region accounts for 13% of Michigan leisure travelers and 16% of Michigan's leisure person-days, the 3rd highest shares of the five Michigan regions.

- Like all regions in the state, the top visitor origin state is Michigan itself (78%), the second highest level among the regions. Other top origin states for Northeast leisure person-days were Illinois (7%), Ohio (3%) and Indiana (3%). The top originating DMAs were predominantly within Michigan, especially Detroit (45%). The most important non-Michigan DMA is Chicago (6%).

- Median age of the head of household (40 years) and household income ($65,000) for this region's visitors are similar to other regions. Presence of one or more children in the household (52%) and incidence of retirees (10%) are also average. Lifestage analysis is new to the 2002 profile reports and conveniently combines age, presence of children in the household, and household income into one variable. Of seven lifestage groups, the *age 35-54/1+ children/hi household income* lifestage represents the largest proportion in the region (28%).

- About 86% of Northeast leisure person-days are for leisure purposes. Like most Michigan regions, the greatest proportion of this region's leisure person-days is *visit friends and relatives* (30%). Other leisure purposes include *general vacation* (30%), *weekend getaway* (27%), *special events* (8%), and *other personal* (5%).

- Leisure-related activity participation differs somewhat across the regions, reflecting general differences in opportunities available to travelers. The top activities for this region are sightseeing (39%), dining (25%), shopping (19%), beach/waterfront (19%), gambling (13%), hunt/fish (12%), and hike/bike (12%).

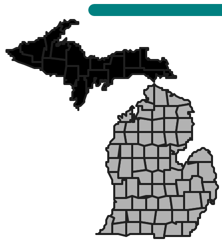
- As in other regions, most Northeast visitors travel by auto (89%). Accommodations are most often staying with friends and relatives (42%) or in paid hotel or motel accommodations (26%) The remaining 32% are in other accommodations types, which includes campgrounds, bed & breakfasts, timeshare, and second homes. The top travel months are July (19%) and August (19%).

- Northeast region visitors stay 3.09 nights on average in the destination they visited. Nearly half of stays were day trips (40%), while slightly more were of 1-3 nights (43%). The remaining 17% were stays of four or more nights.

- Travel party size differs somewhat across the regions and averages 2.95 persons for this region. The greatest proportions of travel party types are families (39%), couples (39%), and one-adult parties (11%).

- The mean average daily spending by Michigan Northeast visitors is $71 (median is $40). These findings reflect the total party spending, party size, and stay length. The largest share of travel dollars is spent on food and beverage (26%), shopping (21%), and entertainment (16%).

- The Northeast region has an average satisfaction rating, but the best value rating of the regions. Travelers rated the destination visited on a 10-point scale, where 1 is low and 10 is high. Excellent ratings represent an 8, 9, or 10 rating. Among Northeast visitors, 59% gave an excellent rating for destination satisfaction, the same as the state average and 59% gave their Northeast destination an excellent rating for value for the money, also the same as the state average.



UPPER PENINSULA REGION PROFILE

Leisure Travel Overview

(Base is person-days)

Travel Characteristic	Finding	Travel Characteristic	Finding
METRICS:		TRAVEL PARTY	
Leisure Visitors	5.3 million	Primary Purpose of Stay	General Vacation (34%)
% of MI. Leisure Person-Trips	7%	Transportation by Auto / Air	77% / 5%
Leisure Person-Days	13.4 million	Party Composition (largest)	M/F Couples (44%)
% of MI. Leisure Person-Days	9%	Party Size	2.32 persons
DEMOS:		Length of Stay	2.41 days; 2.70 nights
Top Visitor Origin DMAs Detroit Traverse City Marquette Chicago Grand Rapids. Et.al.	 (11%) (11%) (10%) (8%) (8%)	Top 6 Activities (%)	Sightseeing (31%) Shopping (24%) Dining (22%) Gamble (13%) Parks & Other Adventure Sports (11%)
Age	44 years	Top 2 Months of Travel	Jul (24%); Jun (16%)
Income (median household)	$ 57,000	Accommodation	Friends or Relatives (42%)
1+ Children in Household	37%	Spending / person / day	Mean $75 / Median $45
Retired	9%	Satisfaction / Value Ratings (8-10 on a 10-pt. scale)	Satisfaction: 57% / Value: 59%
Lifestage: 35-54 no kids	26%		

Travel Profile Highlights

- Travel to the Upper Peninsula region accounts for 7% of Michigan leisure travelers and 9% of Michigan's leisure person-days, the smallest shares of the five Michigan regions.

- Like all regions in the state, the top visitor origin state is Michigan itself (54%), a relatively low proportion compared to the other regions. Other origin states for Upper Peninsula travelers were Wisconsin (11%) and Illinois (8%). The top origin DMAs were predominantly within Michigan, with the exception of Chicago, IL, which accounted for 8% of leisure travelers to the region.

- Median age of the head of household (44 years) and household income ($57,000) for this region's visitors are similar to other regions. Incidence of retirees (9%) is also average. Presence of children (37%) is the lowest proportion by far compared to other regions. Lifestage analysis conveniently combines age, presence of children in the household and household income into one variable. Of seven lifestage groups, the *35-54/no kids* lifestage represents the largest proportion in this region.

This lifestage represents 26% of Upper Peninsula region visitors, the only region in the state where this lifestage represents the most number of leisure travelers.

- About 80% of Upper Peninsula person-days are leisure related. Of these, the greatest proportion of leisure person-days are for a *general vacation* (34%). This proportion is by far the largest of the five regions, and in fact, this region is the only one where the general vacation proportion is the most important trip purpose. Other leisure purposes include *visit friends or relatives* (22%), *weekend getaway* (14%), *special events* (13%), and *miscellaneous other personal* (17%).

- Leisure-related activity participation differs somewhat across the regions, reflecting general differences in opportunities available to travelers. The top activities for this region are sightseeing (31%), shopping (24%), dining (22%), gambling (13%), state or national Parks (11%), and (other) adventure sports (11%).

- As in other regions, most visitors travel by auto (77%). The greatest proportion stay with friends and relatives (42%) or in paid hotel or motel accommodations (40%). The top travel months are July (24%) and June (16%).

- Upper Peninsula region visitors stay 2.70 nights on average in the destination they visited. Half of stays were for 1-3 nights (51%), while 38% were day trips. The remaining 11% were stays of four or more nights.

- Travel party size differs somewhat across the regions and averages 2.32 persons for this region. The greatest proportions of travel party types are male-female couples (40%), families (30%), and one-adult parties (17%).

- The mean average daily spending by Upper Peninsula Region is $75 (median is $45). These findings reflect total party spending, party size, and stay length. The largest share of travel dollars is spent on food and beverage (23%), transportation (21%), shopping (19%).

- The Upper Peninsula region has average satisfaction and value ratings. Travelers rated the destination visited on a 10-point scale, where 1 is low and 10 is high. Excellent ratings represent an 8, 9, or 10 rating. Among Upper Peninsula visitors, 57% gave an excellent rating for destination satisfaction, just below the state average, 59% gave an excellent rating for value for the money, the same as the state average.

APPENDIX

APPENDIX A: Questionnaire

D.K. SHIFFLET & ASSOCIATES LTD
DIRECTIONS® PERFORMANCE/MONITOR
SURVEY QUESTIONS
(version 9-19-02)

Sample Contacted Annually: 540,000 Households
45,000 Per Month - Every Month - Year After Year
(9-19-2002)
[unless otherwise identified,
each measure generally available by month back to 1991 or earlier]

1. **Age** of Respondent [Open End/Actual]
   Gender of Respondent ☐ Male ☐ Female

2. **Travel CLUBS**: List your Frequent traveler programs and travel club memberships, (name of airlines, hotels, rental cars, auto club: AAA, etc; AARP). [Open End/Coded] [List up to 6]

LAST 12 MONTHS TRAVEL

3. In **last 12 months**, number of nights you stayed in **paid accommodations** (e.g., hotel, condo, ship, campground) for:

   Business: Number of Nights [Open End/Actual]
   Leisure: Number of Nights [Open End/Actual]

4. In **last 12 months**,

   Number of **Airline Trips** [Open End/Actual]
   Number of times **Rented Car** [Open End/Actual]
   AVAILABLE SINCE 10/92
   Number of times to **Theme Parks** [Open End/Actual]
   AVAILABLE SINCE 6/96

4a. Overnight Trips: A night away from home, local or distant.
   # of Overnight Trips ___ ("0" if none)

4b. Day Trips out of your local area (50+ miles one way):

# of Day Trips ___ (“0” if none)

LAST THREE MONTHS TRAVEL

TRIP DEFINITION: Any **Day-Trip** out of your local area (50+ miles one way), OR
any **Night Away** from home (local or distant)

5. Using the above definition of "Trip," in **the Last Three Months** did you go on any "trip"
   - ☐ Yes (Go to Question 6)
   - ☐ No (Return Questionnaire)

6. Answer questions below for each of your trips in the past 3 months
(Months and Year Listed)

6A. **TRIP**

- **Trip Start** Month and Date [Open End/Actual]
- **Number of Nights** on Trip ("0" if day trip) [Open End/Actual]

6A2. Was the trip a group tour? (Y/N)

6B. **Travel PARTY COMPOSITION**

- Number Men [Open End/Actual]
- Number Women [Open End/Actual]
- Number Kids Age 0-17 [Open End/Actual]
- Number From Your Household [Open End/Actual]

6C. **TRANSPORTATION**

- **MAIN Type** of Transportation:

1 – Airline	5 – Bus	9 – Ship
2 – Amtrak Train	6 – Camper/RV	10 – Other
3 – Other Train	7 – Van/Small Truck	
4 – Car	8 – Large Truck	

10. How Paid for Transportation

1 – Cash/Check	2 – American Express	3 – MasterCard

4 – Visa	7 – Other Card	10 –Other/Free
5 – Discover	8 – Company Direct Bill	
6 – Diners' Club	9 – Points/Miles	

11. Reservation Type for Transportation

1 – No Reservation
2 – 800 Phone #
3 – Corporate Travel Department
4 – Travel Agent
5 – Computer On-Line
6 – Other

AIRLINE

- If used Airline: **NAME OF AIRLINE** used [Open End/Coded]

Airline RATINGS

- **Overall**

Rating: 1-10 Scale (1= Poor, up to 10 = Excellent)

AVAILABLE SINCE 8/91

- **Value**

Rating: 1-10 Scale (1= Poor, up to 10 = Excellent)

AVAILABLE SINCE 10/92

RENTAL CAR

- If used Rental Car: **NAME OF RENTAL CAR Company** [Open End/Coded]

Rental Car Co. RATINGS

- **Overall**

Rating: 1-10 Scale (1= Poor, up to 10 = Excellent)

AVAILABLE SINCE 8/91

- **Value**

Rating: 1-10 Scale (1= Poor, up to 10 = Excellent)

AVAILABLE SINCE 10/92

- **HOW PAID for Rental Car**

1 – Cash/Check
2 – American Express
3 – MasterCard
4 – Visa
5 – Discover
6 – Diners' Club
7 – Other Card
8 – Company Direct Bill
9 – Points/Miles
10 –Other/Free

AVAILABLE SINCE 7/96

EXPENDITURES BY CATEGORY

6D**.** **EXPENSE DOLLARS** ("0" if none)

- Main Transportation $ **AVAILABLE SINCE 7/96** [Open End/Actual]
- Rental Car $ **AVAILABLE SINCE 7/96** [Open End/Actual]
- Total Transportation $ - including air, car, gas, etc. [Open End/Actual]
- Food/Drink $ [Open End/Actual]
- Entertainment/Recreation $ [Open End/Actual]
- All Shopping $ [Open End/Actual]
- All Other $ Except Accommodations [Open End/Actual]

VISIT TO EACH CITY

7. Questions below are for EACH DAY TRIP and EACH OVERNIGHT STAY (One per line)

7A.1 **WHERE**

- **City**, State (e.g. Miami, FL)
  If out of U.S., write city and country. [Open End/Coded]

7A.2 **DISTANCE TRAVELED** (Calculated by Latitude/Longitude)

7B. **CITY RATINGS**

- **Overall**
  Rating: 1-10 Scale (1=Poor, up to 10=Excellent)
- **Value**
  Rating: 1-10 Scale (1=Poor, up to 10=Excellent)
  AVAILABLE SINCE 10/92

- **VISITED CITY BEFORE** in Last 3 Years? *(Available since 5/96)*

7C. **Start DATE** of Visit to City: Month and Date [Open End/Actual]

7D. **PURPOSE Of Stay** in City

Company Business	**Leisure/Personal**
1 – Convention	10 – Getaway Weekend
2 – Training /Seminar	11 – General Vacation
3 – Other Group Meeting	12 – Visit Friends/Relatives
4 – Client Service, Consulting	13 – Special Event
5 – Inspection, Audit	14 – Other Personal
6 – Construction, Repair	

7 – Sales, Purchasing
8 – Government/Military
9 – Other company business

- **Stopover** In-Route ☐ Yes ☐ No

7E. **ACTIVITIES**

- List primary activities for each stay: [List up to 4]

1 – Nature/Culture: Observe & Conserve – ECO-TRAVEL
2 – Parks: National, State, etc.
3 – Visit Historic Sites
4 – Museum, Art Exhibit, etc.
5 – Concert, Play, Dance, etc.
6 – Festival, Craft Fair, etc.
7 – Night Life
8 – Gamble
9 – Watch Sports Event
10 – Hike, Bike, etc.
11 – Hunt, Fish, etc.
12 – Snow Ski, Snow Board
13 – Other Adventure Sports
14 – Play Golf
15 – Beach/Waterfront
16 – Boat/Sail
17 – Show: Boat, Car, Home etc.
18 – Theme/Amusement Park
19 – Touring/Sightseeing
20- Group Tour (Separate Question)
21- Entertainment (Expenditure-Based)
22- Shopping (Expenditure-Based)
23- Dining (Expenditure-Based)

7F. **Number of nights in city** ("0" if day trip) [Open End/Actual]

7G. **<u>PLACE STAYED</u>**

- **Name** of hotel/motel, shipline, etc. (Use both the individual hotel name and the hotel chain name) If friend/relatives' home, use "friend." [Open End/Coded]
- **Stayed Before** in this building: ☐ Yes ☐ No
- **Suite Room**: ☐ Yes ☐ No

ACCOMMODATIONS

7H. **LOCATION** of accommodations:

1- Airport
2- Downtown
3- Suburban
4- Highway
5- Small Town
6 - Government Park
7 - Ship
8 - Other

7I. **TYPE** of accommodation:

1 – "All Suite" Hotel
2 – Resort Hotel
3 – Hotel/Motel
4 – Timeshare
5 – Bed & Breakfast
6 – Camping/RV
7 – Ship/Cruise
8 – My 2nd home/apt/condo
9 – Home/apt/condo (not mine)
10 – Other

7J. How were **RESERVATIONS** made for accommodations:

1- No Reservation
2- 800 phone Number
3- Direct to location
4- Corp. Travel Dept.
5- Travel Agent
6- Computer/On-Line (Available since 2/96)
7-Other

7K. **IN-ROOM COMPOSITION**: Who and how many STAYED in room:

Number Men [Open End/Actual]
Number Women [Open End/Actual]
Number Children 0-17 Years old [Open End/Actual]

7L. **RATINGS**

- **OVERALL -** with accommodations: 1-10 Scale
- **VALUE -** of accommodations: 1-10 Scale

- **SERVICE** at accommodations: 1-10 Scale

7M. **PAYMENT For Accommodations**

- **WHO** Paid for accommodations:

1- Self/Friend/Relative
2- Expense Account
3- Company Direct Bill
4- Per Diem
5- Free

- **HOW Paid** for accommodations: ("0" if free)

1 –
Cash/Check
2 – American Express
3 – MasterCard
4 – Visa
5 – Discover
6 – Diners' Club
7 – Other Card
8 – Company Direct Bill
9 – Points/Miles
10 –Other/Free

7O. **DOLLARS PER NIGHT** (Room Only) [Open End/Actual]

7P. Was price paid a **Special DEAL** ☐ Yes ☐ No

DEMOGRAPHICS

8A. **Number of Persons in Household** [Actual]

8B. **Annual Household INCOME**:

1- Less than $7,500	11- $30,000-$32,499
2- $7,500-$9,999	12- $32,500-$34,999
3- $10,000-$12,499	13- $35,000-$39,999
4- $12,500-$14,999	14- $40,000-$44,999
5- $15,000-$17,499	15- $45,000-$49,999
6- $17,500-$19,999	16- $50,000-$59,999
7- $20,000-$22,499	17- $60,000-$74,999
8- $22,500-$24,999	18- $75,000-$99,999
9- $25,000-$27,499	19- $100,000-$124,999
10- $27,500-$29,999	20- $125,000+

8C. **OCCUPATION of Adult Heads of Household**:

1- Managerial/Professional	6- Operator, Laborer
2- Technical, Sales, Admin. Support	7- Student, Other
3- Service	8- Retired
4- Farming, Forestry, Fishing	9- Not Employed
5- Craftsman, Repairman	

8D. **EDUCATION of Adult Heads of Household**:

1- Attended Grade School	5 - Attended College
2- Graduated Grade School	6.- Graduated College
3- Attended High School	7. - College Post Graduate
4- Graduated High School	

8E. **MARITAL STATUS of Head of Household**:

1- Married 2- Never Married 3- Divorced/Widowed/Separated

8F. **GENDER of All Persons in Household**: 1- Male 2- Female

8G. **AGE of All Persons in Household** [Actual]

8H. **Children** in household: [Actual Number, Age and Gender]

8I. **LOCATION** of household: State, DMA, ZIP Code, MSA, County

8J. **PRIZM** coded respondents to block level address

All can be linked to Claritas PRIZM/Clusters and other databases

AVAILABLE TO CLIENTS AS SPECIAL PURCHASE.

Additionally,

Several INTERACTIVE MEASURES AND MODELS Are Generated. Examples:

Airline profile analyses by brand, route and distance

Rental car profile analyses by brand and markets

Hotel profile analyses by brand, type, segment and markets

Credit card profile analyses by brand and type of expenditure

City profile analyses by traveler purpose

Feeder market (origin/destination) analyses

Target opportunity model

Traveler analyses by type (frequent business, leisure, female business, etc.) Traveler **clusters**

"**frequent traveler clubs**" analyses

Positioning leverage model

Media leverage model (origin/destination per 1000)

Media planning model (media used by target cluster by feeder market)

Plus: several custom tabulations and proprietary modeling procedures

APPENDIX B: National Overview—Year End 2002 Review of Major Events

2002 Year End

The number of U.S. travelers to U.S. destinations reached 2.68 billion in 2002, the fifth consecutive record-breaking year. The 2002 increase of 1.3 percent reflects increases in almost every travel segment. Leisure increased 1.5 percent due to continued growth in the number of leisure day travelers and leisure overnight travelers. Business travel also increased in 2002 due to an increase in day business travelers (2.8%), which more than offset a continued decline in overnight business travelers (–1.9%). Overnight business travel was the only travel segment that declined in 2002.

Visitor person-days, which takes into account 1) the number of trips taken by Americans, 2) party size, and 3) stay length, increased 0.9 percent, a level smaller than the person-trip increase due to a continuing trend of more day trips and slightly shorter stays among overnight trips.

Although the number of travelers increased in 2002, the number of trips taken by U.S. residents remained the same as the 2001 level (-0.1%). Thus, the increase in travelers is caused entirely by a slight increase in the average size of travel parties.

- The hotel industry ended the year with a 1.0 percent decline in room occupancy rates caused by an 0.8 percent increase in room demand coupled with a 1.8 percent increase in room supply. Average room rates declined 1.5 percent and, along with a decline in room demand, caused a 2.5 percent decline in revenue per available room (RevPAR).
- A myriad of "travel intention" surveys produced findings that varied tremendously regarding the outlook for 2002 and beyond. However, most concluded that the *economy* was the factor most influencing travel plans throughout 2002.
- The airline industry suffered losses that reached $11-12 billion worldwide. This loss adds to the 2001 loss estimate of $8 billion.
- In-bound travel from international visitors declined from Europe, Asia, and Latin America. The 2001 decline of seven percent followed a 12 percent decline in 2001. Only Mexico and South Korea registered an increase in 2001. The National Park Service reported international visitation to U.S. national parks was down significantly. Despite the decline, the U.S. Department of Commerce Office of Travel & Tourism Industries forecasts solid growth in international arrivals over the next three years.
- 2002 marked the third time in the past ten years that no one died in domestic commercial airline travel.
- Buoyed by families driving to local properties, overall theme park attendance was the third best in the industry's history.
- RV and group travel were reported up significantly. RV sales and rentals reported double-digit growth.
- Low interest rates produced a tremendous level of home mortgage refinancing...lowering monthly payments for millions of Americans. The low rates also reduced the burden of consumer credit card debt, which reached a record monthly carry-over average balance of nearly $9000 among card-holders. However, low interest rates also reduced the interest income for Americans with fixed returns such as CDs, savings accounts, and money-market accounts. In addition, the "wealth affect" described by Federal Reserve Chairman Alan Greenspan during the stock price run-up in the late 90s was reversed as major equity market indices declined 25 percent or more.

- DKS&A reported fewer travelers took planes for short trips. Security checks, random searches, new airline ticket fees, and other hassles generated a drop of 22 percent in the number flying for trips of 200-400 miles (one-way).
- Gasoline prices increased throughout the year and reached $2 per gallon in parts of the U.S.
- Online purchases of travel services and products continued to increase and was the driving force behind increases in online purchases in general.

First Quarter 2002

2002 travel started the year flat as total U.S. travel reached 594 million travelers in quarter one. Increases in leisure travel (+3.0%) offset a large decrease in business travel (-6.3%). Person-days performance mirrored that of person-trips, implying that stay length was about the same in the first quarter of 2002.

- The performance of the U.S. hotel industry in the first quarter of 2002 compared to 2001 was as follows: January (-4.9%), February (-2.6%), and March (-4.0%). Room demand through the end of the quarter was down 4.0 percent.
- Homeland Security Director unveiled a color-coded warning system spelling out levels of terrorism threat. It remains unclear if travelers understand the meaning and implications of each of the five colors. Throughout the year, top government officials warned Americans of the impending threat of terrorism in this country and the threat to Americans traveling abroad. The warnings were sometimes generic in nature and other times specific in time and countries involved.
- Salt Lake City hosted the 2002 Olympic Winter Games.
- The Nature Conservancy announced the signing of a $31 million purchase agreement for a 151-square-mile ranch in Colorado, the first step toward creating a new national park with the adjacent Grand Sand Dunes National Monument and Preserve in the San Luis Valley. The ranch and the national monument are to become the nation's 58th national park in 2005.
- Airlines selectively began to restore some of the 20 percent reduction in seat capacity following Sept. 11.
- The federal government took control of checkpoints at the nation's 429 commercial airports. Travelers noticed little difference right away because the government temporarily continued to contract with private companies to screen passengers and their bags. The February deadline was the first step in a nine-month transition from private security companies to a better-trained, higher-paid federal work force to screen passengers and baggage.
- The IRS clarified once and for all that frequent-flyer miles earned from business travel will not be taxed as income. That ends more than a decade of ambiguity about whether the IRS might spring the value of employer-provided award miles on unsuspecting taxpayers in an audit.
- The Air Transport Association released a “state of the industry report” that estimated 2001 losses of at least $7 billion and rallied airlines, airports, airline employees, and government at all levels to focus on getting passengers and products back in the air.
- Congress passed a bill allowing tens of thousands of Mexicans living illegally in the U.S. to obtain visas without returning to Mexico to file applications.
- The National Restaurant Association unveiled its first industry-wide advertising campaign, using the slogan, “Join Us. Help America Turn the Tables.”
- Delta Airlines eliminated base commissions paid to travel agents. American, Continental, United, America West, and Air Canada quickly followed suit. The American Society of Travel Agents responded by urging its 24,000 members to stop handling ticket refunds and cancellations. The National Tour Association issued an appeal for agents and tour operators to work more closely together.

- Screeners at 32 U.S. airports failed to detect hundreds of knives, guns, or simulated explosives in a nationwide comprehensive test conducted by government investigators.

Second Quarter 2002

Second quarter 2002 travel volume measured by person-trips declined 0.9 percent to 669 million. Day business was the only travel segment with a sizable increase (2.0%). Person-day volume was flat for leisure but down even more for business compared to person-trips, implying stay length was slightly larger for leisure travelers, but shorter for business travelers.

- The performance of the U.S. hotel industry in the second quarter of 2002 compared to 2001 was as follows: April (-1.4%), May (-0.4%), and June (-0.9%). Room demand YTD through the end of the quarter was down 1.9 percent.
- Wild fires in the West plagued several states, most notably Colorado, whose Governor angered the tourism industry with his comment that “all of Colorado is burning.”
- The Bush administration opened the Red Rock country near two of Utah's popular national parks to oil and gas drilling over the objections of some park rangers in the Southwest and government scientists.
- A large winter storm caused 14 deaths along its track from Texas to Michigan’s Upper Peninsula.
- AAA celebrated its 100th anniversary.
- The U.S. Postal Service released its “Greetings from America” stamps in ceremonies at every state capital in the nation. The Postal Service partnered with the Travel Industry Association in issuing the stamps—one for every state—and in sponsoring a national See America Sweepstakes.
- Hertz became the first car-rental company to end travel agent commissions on some transactions. Other major car-rental companies followed suit within weeks. In response to the airline and car-rental industries eliminating commissions, travel agencies began raising fees or introduced additional charges on products and services.
- Numerous states began rolling out marketing programs encouraging residents to see their own state during the summer travel season.
- ***National Parks*** magazine addresses the terrorist threats National Parks now face in addition to the usual challenges of poachers, artifact looters, and other more common threats. High-risk sites include the White House, the Statue of Liberty, the Washington Monument, and the Gateway Arch.
- The Recreation Vehicle Industry Association reported Summer advance rentals of RVs were up 40 percent over the previous year. Correspondingly, the National Association of RV Parks and Campgrounds reported advance reservations were 46 percent higher for the three Summer months.
- The American Society of Travel Agents and the National Tour Association reported numerous members received disaster loans from the Small Business Administration under a program to aid businesses hurt by the Sept. 11 terrorist attacks.
- The National Park Service banned Jet skis at five national parks. The new regulation addresses similar noise and visual pollution issues concerning the use of snowmobiles at national parks. Also, the Environmental Protection Agency endorsed a pollution-control plan formulated over the past decade by a partnership of nine Western states, Indian tribes, and environmental groups. The plan reduces emissions from power plants and other sources in an effort to reduce air pollution that plagues many of the West’s premier national parks.

Third Quarter 2002

Third quarter 2002 travel volume measured by person-trips increased 4.7 percent to 795 million and more than made up for the third quarter declines in 2001. All travel segments were up appreciably except overnight business (-3.9%). Person-day volume in the quarter was also higher, but the growth was only half the rate for both the business and leisure segments. This means that stay length was shorter for both business and leisure travelers in 2002 compared to the same quarter in 2001.

- The performance of the U.S. hotel industry in the third quarter of 2002 compared to 2001 was as follows: July (-1.4%), August (0.3%), and September (7.7%). Room demand YTD through the end of the quarter was down 0.4 percent.
- Stock market losses and worries about an Iraq war caused consumer confidence to drop to a nine-year low.
- Tropical Storm Isidore swept through Louisiana and caused severe flooding as it made its way northeast. The storm brought much needed drought relief to many parts of the Midwest, East Coast, and Northeast but caused localized flooding in many areas. New Orleans was particularly hit hard, with the storm causing a closing of businesses and cancellation of flights from Louis Armstrong New Orleans International Airport.
- After losing $1 billion in 2001, AMTRAK received federal funding to keep trains running. AMTRAK has a Congressional mandate to become financially self-sufficient.
- US Airways filed for Chapter 11 bankruptcy.

Fourth Quarter 2002

Fourth quarter 2002 travel volume measured by person-trips increased 0.5 percent to 627 million, but did not quite make up the fourth quarter decline in 2001. Performance by travel segment was mixed; business travel was up (+4.3%), but the much more important leisure segment was down slightly (-0.9%). Person-day performance was better for both business and leisure in the quarter because average stay length was slightly longer in this quarter compared to the previous year.

- The performance of the U.S. hotel industry in the fourth quarter of 2002 compared to 2001 was as follows: October (6.6%), November (3.5%), and December (4.4%). Room demand finished the year up 0.8 percent.
- A month-long sniper attack killed 11 persons and injured two more and hurt Washington, D.C. area tourism business. School group travel, still recovering from the Sept. 11 fallout, was impacted particularly hard.
- Cruise lines coped with a flurry of incidents of a stomach virus that affected nearly 1,500 passengers on 10 different cruise ships.
- United Airlines joined US Airways in filing for Chapter 11 bankruptcy.
- A mid-December winter storm wreaked havoc with travel and caused extended electrical outages from the Oklahoma Panhandle to New England. Ice damage in North Carolina was compared to recent hurricanes for the scale of destruction. The storm was the worst in a decade for many areas.
- New federal regulations required airlines to increase security of checked baggage.
- The new Transportation Security Administration assumed responsibility for protecting airline passengers in all 429 commercial airports in the U.S. Private security employees were to be replaced by a higher-paid, better-trained federal work force.

APPENDIX C: National Economy in Review

Leading Economic Indicators:

The U.S. economy maintained slow growth in 2002, but this growth was offset by a continuing rise in the unemployment rate, which lent some uncertainty to the economy. Real GDP grew slightly faster than in 2001, but the pace was still well off the strong growth of the late 1990s. Personal disposable income per capita was up, but consumers weren't spending the increase – per capita consumer spending was flat. As a further indicator of consumer wariness, the Consumer Confidence Index continued the decline it began in 2001.

A major culprit was jobs. The U.S. economy shed over a million jobs in 2002, and the unemployment rate reached its highest level since 1994. This combination of slow growth and retrenchment in the job market did result in very little inflationary pressure – in fact, at times there was concern expressed by economists about *deflation*. As it was, both consumer prices and wages showed modest increases in 2002.

See Table 1 for details of economic indicators for 2002.

Travel Volume and Expenditures:

2001 was obviously a difficult year for the travel industry. Many observers expected a rebound in 2002, but the actuality was more like a leveling off. Domestic room nights were flat. There was a slight increase in travel spending, even after allowing for inflation, but total travel spending for the year fell short of the level reached in 2000. Furthermore, all of the increase in spending for 2002 can be attributed to the categories of dining, shopping, entertainment, and miscellaneous. Spending in the "core" travel categories of transportation and accommodations was either flat (accommodations) or down (transportation).

Domestic person trip and person day volume each grew by about 1% in 2002. This level of growth was almost exactly the same as the growth in the U.S. population in the same time period, so that on a per capita basis, U.S> domestic travel volume maintained the same diminished level it had fallen to in 2001. Overall, the travel industry held its own, but did not advance appreciably, in 2002.

The big story in 2002 was the divergence in the fortunes of business and leisure travel. This divergence is especially apparent in overnight travel. By whatever measure is used, overnight business travel fell in 2002, while overnight leisure travel grew. In terms of room nights, person trips, and person days, overnight leisure travel reached all time highs in 2002.

It is also particularly noteworthy that the fall-off in business room nights in 2002 (5%) was considerably sharper than the fall-off in overnight business person days (1%). There are two reasons for this. One is a slight shift for business travelers in 2002 from hotels/motels to other forms of accommodations, and the other is a slight increase in the incidence of business travelers sharing a room.

The same is true for total spending by overnight business travelers. Its drop (3%) was also greater than that of overnight business person days. This difference reflects a drop in the average daily spending of overnight business travelers.

Overnight leisure travel showed the complementary pattern. Both room nights (up 7%) and total spending (up 4%) showed greater increases than did overnight leisure person days (up 2%). Just as overnight business travelers evidenced a slight shift away from hotel/motel stays and to less spending per day, overnight leisure travelers spent more per day and were more likely to choose hotel/motel accommodations than in 2001.

See Table 2 for details of U.S. domestic travel statistics for 2002.

Table 1: Economy in Review - Economic Indicators

	YE 2002	YE 2001	YE 2000	YE 1999	% change 02/01	01/00	00/99
Consumer Confidence Index (base:1985=100)	96.62	106.6	139.0	135.3	-9.4%	-23.3%	2.7%
Real Gross Domestic Product (billions $)	$9,440	$9,356	$9,318	$8,876	0.9%	0.4%	5.0%
Per Capita Disposable Personal Income	$24,479	$23,922	$23,640	$23,191	2.3%	1.2%	1.9%
Per Capita Personal Consumption Expenditure	$22,876	$22,906	$22,853	$21,900	-0.1%	0.2%	4.4%
Consumer Price Index (base: 1982-1984=100)	179.9	177.2	172.3	166.7	1.6%	2.8%	3.3%
Travel Price Index (base: 1982-1984=100)	196.8	196.9	194.8	183.6	-0.1%	1.1%	6.1%
Unemployment Rate	5.7%	4.8%	4.0%	4.2%	18.8%	20.0%	-4.8%

Source:

Economic Indicators - Department of Commerce Bureau of Economic Analysis

Travel Price Index - Tourism Industry America (TIA)

Consume Confidence Index - Consumer Confidence Survey

Solomon Smith Barney and Lodging Econometrics

Note: All dollar entries are annual total. Non Dollar entries are monthly amounts averaged over the relevant period.

Table 2: Economy in Review - U.S. Volume and Direct Spending

	YE 2002	YE 2001	YE 2000	% Changes 02/01	01/00
Hotel Room Night Volume (millions)					
Total	869.2	865.2	896.8	0.5%	-3.5%
Business	461.3	485.2	499.3	-4.9%	-2.8%
Leisure	407.9	380.1	397.5	7.3%	-4.4%
Stays Volume (millions)					
Total	1161.3	1163.6	1186.7	-0.2%	-1.9%
Day	652.0	653.0	649.5	-0.1%	0.5%
Overnight	509.2	510.7	537.2	-0.3%	-4.9%
Overnight Business	159.0	164.8	177.1	-3.5%	-6.9%
Overnight Leisure	350.3	345.8	360.0	1.3%	-3.9%
Person Trips Volume (millions)					
Total	2684.8	2651.4	2649.4	1.3%	0.1%
Day	1386.2	1364.8	1334.3	1.6%	2.3%
Overnight	1298.6	1286.6	1315.1	0.9%	-2.2%
Overnight Business	310.0	315.9	332.2	-1.9%	-4.9%
Overnight Leisure	988.6	970.7	982.9	1.8%	-1.2%
Person Days Volume (millions)					
Total	5904.1	5850.2	5943.7	0.9%	-1.6%
Day	1039.6	1023.6	1000.7	1.6%	2.3%
Overnight	4864.4	4826.6	4942.9	0.8%	-2.4%
Overnight Business	1127.3	1142.9	1211.4	-1.4%	-5.7%
Overnight Leisure	3737.1	3683.7	3731.6	1.5%	-1.3%
U.S. Travel Spending (millions)					
Total	$587,485	$567,922	$600,523	3.4%	-5.4%
Day	$102,104	$91,798	$91,109	11.2%	0.8%
Overnight	$485,381	$476,124	$509,414	1.9%	-6.5%
Overnight Business	$157,768	$162,081	$172,198	-2.7%	-5.9%
Overnight Leisure	$327,613	$314,043	$337,216	4.3%	-6.9%

Source: DKS&Associates Directions

APPENDIX D: Inbound-Outbound Balance of Trade Analysis

There exist many ways of demonstrating the relative importance of travel to a state destination. State travel offices are often "housed" in economic development or related departments within government. One way of presenting travel statistics from an "economic development" perspective is to construct an inbound travel versus outbound travel analysis. This analysis represents essentially a "balance of trade" measure, where in the case of travel, spending by inbound non-resident travelers is the "export" and spending by outbound resident travelers is the "import." Thus, the analysis below compares the components and net difference between exports and imports...spending made within the state by non-residents less spending made outside the state by residents.

For states having a surplus (net positive difference), travel and tourism brings "new" money into the state, just as new money comes into a country by the normal concept of an export. For states having a deficit (net negative difference), travel and tourism causes money to "leak" from the state and causes exports for other states.

Clearly, the net difference is produced by the interaction among three variables, the level of traveler spending in the state made by *non-residents*, the level of traveler spending in the state made by *residents*, and the level of traveler spending made *outside the state* by residents. The interaction reflects numerous attributes, many beyond the control of the state travel office, such as geographic size of the state (California and Texas), proximity to key and large non-resident origin markets, proximity to non-resident appealing destinations, appeal of the state itself to non-residents, and population centers, which tend to attract high proportion of travel involving visiting friends and relatives. Thus, net deficits can be reduced by attracting more non-resident traveler spending or by keeping residents "at home", i.e. in the state more often.

Michigan Findings

Michigan's net balance of trade is a negative $2.32 billion, ranking the state 44th of 51 states (+ District of Columbia). **Chart 28** shows the details in the calculation of net. In Michigan's case, the net reflects resident spending outside the state of $4.46 billion exceeding non-resident spending in the state of $2.12. Michigan's net balance and ranking are strongly influenced by the large residents' large proportion of total spending. In fact, the resident-to-non-resident ratio of spending in the state is the third highest behind California and Texas.

Conversely, Michigan's high proportion of instate travel—or more importantly travel spending—produces a ratio of resident spending outside the state to resident spending in the state of about 1.5-to 1. Except for Florida and the anomaly states of D.C., Hawaii, and Alaska, all states have large ratios. Michigan's ratio is actually ninth best of the 51 destinations.

Lastly, it should be pointed out that Michigan might have a disadvantage in this type of analysis due to its location along the Canadian border. That is, a similar analysis based on combined domestic and international inbound and outbound spending may produce different findings. For example, if Canadians spend more in Michigan than Michigan residents spend in Canada, the combined domestic and international net balance of trade deficit might be much less or even become a surplus. This more complete analysis is beyond the scope of this study.

Chart 29 shows the net balance of trade of all 51 destinations ranked from largest net surplus to largest net deficit.

Chart 28: 2002 Michigan Inbound vs. Outbound Spending Analysis

(Overnight Leisure Spending in millions, excluding Visiting Friends and Relatives and Air Transportation related spending)

Spending in Michigan			Spending by Residents			Net
Total	Non-Resident	Resident	Total	In-State	Out of State	Net Balance Of Trade
$5,056	$2,140	$2,916	$7,374	$2,916	$4,458	-$2,318

Chart 29: Net Balance of Trade: All States

Net Difference of Non-Resident Overnight Leisure Spending in the state, less Resident Spending Outside the State

(In millions, excluding Visiting Friends and Relatives and Air Transportation related spending)

Rank	State	Net Balance of Trade
1	Florida	$19,584
2	Nevada	$13,010
3	South Carolina	$5,407
4	Hawaii	$4,111
5	Tennessee	$2,169
6	Maine	$1,843
7	Mississippi	$1,129
8	Vermont	$1,076
9	Alaska	$1,074
10	Washington DC	$976
11	Missouri	$831
12	Colorado	$672
13	Louisiana	$601
14	Arizona	$511
15	Montana	$427
16	North Carolina	$409
17	New Mexico	$379
18	Oregon	$372
19	Delaware	$364
20	New Hampshire	$363
21	South Dakota	$359
22	Wyoming	$344
23	West Virginia	$303
24	Utah	$77
25	North Dakota	$16

Rank	State	Net Balance of Trade
26	Arkansas	-$53
27	Idaho	-$107
28	Rhode Island	-$122
29	Nebraska	-$223
30	Oklahoma	-$425
31	Minnesota	-$684
32	Wisconsin	-$881
33	Iowa	-$925
34	Kentucky	-$975
35	Kansas	-$984
36	Alabama	-$1,223
37	Washington	-$1,487
38	Virginia	-$1,575
39	Pennsylvania	-$1,686
40	Massachusetts	-$1,749
41	Indiana	-$1,984
42	Georgia	-$2,113
43	Connecticut	-$2,276
44	Michigan	-$2,318
45	Maryland	-$2,637
46	New Jersey	-$3,708
47	Ohio	-$3,712
48	Texas	-$4,281
49	New York	-$5,539
50	Illinois	-$6,135
51	California	-$8,605

APPENDIX E: Person-Trip vs. Spending Weight Analysis

Background

The Michigan Travel Summary profile has used person-days weighting for most travel variables. This is a standard weight used by some DKS&A clients because it represents a combination of number of visitors and stay length.

It is often useful to compare findings of key travel variables in two other weights as well...person-trips and travel dollars. This analysis provides a direct comparison between the importance of a travel segment measured in persons, versus its importance measured in traveler spending. The analysis below compares person-trip findings with travel party spending findings for each of ten key several travel variables. This comparison pertains to *current or past* visitors. The final column in the chart shows the average travel party spending on the trip for each segment. This spending estimate represents the likely spending level of attracting *additional* travelers in a segment. Note: the proportion of person-trips and trip dollars are based on combined travel years 1999, 2000, and 2002. This time period has been used consistently for DKS&A clients and excludes the 2001 travel year because of the travel anomalies for many destinations in that year. Also, the proportion of person-days shown here may differ from the proportion of person-days shown elsewhere in the report.

Findings

Comparisons between proportion of Michigan leisure travelers and proportions of leisure traveler spending exhibit differences commonly found for destinations.

Looking at the life stage segments first, travelers in the 35-54 age group, high income, and with children in the household accounted for one of the highest proportions of travelers (19%) and a high proportion of trip-dollars (16%), but the highest level of average party spending ($451). Travelers in the 18-34 age group with children in the household account for the most travelers (22%) and a high average party spending level as well ($402).

Differences in travel party composition are commonly found for destinations; 3+ adult travel parties account for only 5% of visitors, but 12% of trip dollars because they have the highest average party spending ($689), which is nearly twice the average for all leisure travelers. Conversely one-adult travel parties represent 25% of travelers but only 10% of travel spending because of a low $162 average party spending.

Average party spending is highest for those traveling for general vacation purposes ($677), while those visiting friends or relatives spend only half that among ($296).

Average party spending across activities ranges from a low of $355 for those attending a sports event, to a high of $655 for golfers.

Leisure travelers staying in hotels or motels account for 30% of travelers, but 51% of traveler spending. Conversely, travelers visiting friends or relatives represent the largest proportion of travelers (40%), but only 24% of traveler spending.

Large differences in travel party spending exist across visitor origin markets. In general, those traveling from more distant markets have higher travel party spending levels, which reflects several elements, including longer stay lengths and some air travel spending by those who flew to their Michigan travel destination.

The chart below is limited to Michigan leisure travelers only. However, the detailed data tables in Data Tables set B show the same information for all travel segments discussed in this report, including Michigan overnight leisure and day leisure travelers and the five Michigan regions.

Chart 30: Michigan Travel Segment Analysis

(% of 1999, 2000, 2002 Michigan leisure person-trips, trip dollars; average party spending)

	Travel years used…	Person-TRIPS (%) (99,00,02)	Trip-Dollars (%) (99,00,02)	Average Party $$$ ($) (99,00,02)
	Average…			**$369**
1	LIFESTAGE			
2	18-34, Free	13%	15%	$308
3	18-34, Family	22%	18%	$402
4	35-54, Free	16%	21%	$357
5	35-54, Lo Family	7%	5%	$322
6	35-54, Hi Family	19%	16%	$451
7	55+, Lo Free	10%	10%	$297
8	55+, Hi Free	11%	13%	$418
9	TRAVELING PARTY (stays based)			
10	Couple	32%	33%	$366
11	One adult	25%	10%	$162
12	Families	33%	39%	$446
13	Two Male or Two Females	6%	6%	$365
14	3+ Adults	5%	12%	$689
15	STAY PURPOSE			
16	Visit Friend/Relative	37%	32%	$296
17	General Vacation	20%	19%	$677
18	Special Event	14%	18%	$396
19	Getaway Weekend	18%	19%	$482
20	Other Personal	10%	13%	$233
21	TRANSPORTATION MODE			
22	Air	- - -	- - -	- - -
23	Auto	- - -	- - -	- - -
24	ACTIVITIES			
25	Dining *	27%	45%	$593
26	Beach, Waterfront	14%	15%	$526
27	Entertainment *	20%	34%	$622
28	Sightseeing	23%	31%	$530
29	Shopping *	26%	44%	$588
30	Night Life	5%	8%	$470
31	Watch Sports	7%	7%	$355
32	Theme Park, Amusement Park	2%	2%	$647
33	Group Tour	4%	4%	$501
34	Festival, Craft Fair	6%	8%	$518
35	Boat, Sail	5%	5%	$478
36	Concert, Play, Dance	3%	4%	$483

chart continued…

	Travel years used…	Person-TRIPS (%) (99,00,02)	Trip-Dollars (%) (99,00,02)	Average Party $$$ ($) (99,00,02)
	Average…			**$369**
37	Cultural (museum/play/concert) (pre 1999)	- - -	- - -	- - -
38	Visit Historic Site	5%	8%	$655
39	National or State Parks	8%	10%	$631
40	Gamble	8%	10%	$463
41	Golf	3%	4%	$655
42	Shows (auto, boat, antique, etc.)	2%	2%	$447
43	Museum, Art Exhibit	2%	2%	$559
44	Nature, Eco-Travel	5%	4%	$484
45	Other Adventure Sports	3%	4%	$481
46	Hike, Bike	6%	7%	$542
47	Camping	5%	4%	$639
48	Hunt, Fish	7%	6%	$400
49	Snow Ski	2%	3%	$551
50	QUARTERS/SEASONS			
51	First Quarter	13%	15%	$299
52	Second Quarter	25%	26%	$393
53	Third Quarter	40%	37%	$404
54	Fourth Quarter	22%	22%	$332
55	ACCOMMODATION TYPE			
56	Hotel/Motel	30%	51%	$770
57	Private Home (non-paid)	40%	24%	$475
58	Other Paid	14%	10%	$880
59	Bed & Breakfast (Paid)	1%	1%	$475
60	Private Home (Paid)	2%	2%	- - -
61	Camping/RV (Paid)	10%	4%	$653
62	Timeshare (Paid)	- - -	1%	- - -
63	DMA ORIGIN MARKETS			
64	Detroit	24.0%	20.3%	$282
65	Grand Rapids-Kalamazoo-Battle Creek	11.2%	9.9%	$271
66	Chicago	7.3%	7.0%	$462
67	Flint-Saginaw-Bay City	7.3%	8.1%	$297
68	Traverse City	5.3%	5.7%	$253
69	Lansing	2.8%	2.5%	$225
70	Cleveland	2.0%	2.3%	$405
71	Toledo	1.9%	2.1%	$316
72	Marquette	1.7%	1.7%	$257
73	NYC	1.4%	1.4%	$556
74	Tampa-St. Pet.	1.4%	1.3%	$476
75	Green Bay	1.4%	1.3%	$340
76	Los Angeles	1.3%	1.7%	$1,140
77	St. Louis	1.3%	1.3%	$611
78	South Bend	1.3%	1.0%	$209
79	Milwaukee	1.1%	1.2%	$579
80	Indianapolis	1.0%	0.9%	$464
81	Ft. Wayne	0.9%	0.8%	$339