

**The Role of Michigan Travel Advertising
And Fulfillment Materials In
Drawing Travelers to Michigan Destinations
(Winter 1998-1999 Season)**

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Prepared for:

Travel Michigan

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Introduction

Background

Travel Michigan is seeking to conduct a complete evaluation of its travel information fulfillment system. The goal is to develop a system to determine how effective the different types of communications are in inducing prospective visitors to travel in Michigan.

Travel Michigan commissioned Davidson-Peterson Associates to conduct a three-year conversion study analyzing different aspects of the travel information system. This portion of the study covers inquirers who requested information from Travel Michigan between November 1, 1998 and February 28, 1999, and who did not specifically request skiing information. (Inquirers who requested skiing information were analyzed separately, and results will be reported under separate cover.)

Objectives

The goal of this program of research is to ensure that Michigan has a reliable assessment of the effectiveness of Travel Michigan's communications enticing visitors to travel in Michigan. A number of measurements are necessary in order to determine communications effectiveness. The specific objectives of this program of research are:

- To identify the proportion of inquirers who visited Michigan after requesting information (gross conversion);
- To determine for what proportion of inquirers the communications and fulfillment materials led to the decision to visit Michigan (net conversion);
- To assess differences in gross and net conversion rates;
- To examine the role played by communications and fulfillment materials in planning travel to and through Michigan; and

- To assess the overall quality of the materials for meeting the needs of prospective visitors as well as the timeliness of the fulfillment system, and suggest improvements for the future.

Methodology

Travel Michigan provided Davidson-Peterson Associates with a random sample of 450 inquirers who requested non-skiing information from Travel Michigan between November 1, 1998 and February 28, 1999. *Travel Michigan was unable to isolate the total number of such inquirers in this time period. Therefore, projections to the total population as well as return on investment calculations will not be included in this report.*

A questionnaire was mailed to the 450 selected households on May 3, 1999. One reminder postcard was mailed on May 17, 1999. An incentive of \$5.00 was included in the envelope with each mailed survey. Only one questionnaire was undeliverable.

By June 4, Davidson-Peterson Associates had received 262 completed questionnaires, for a response rate of 58%. Three of these questionnaires were not completed properly and were therefore not used in the final tabulations. Thirty-nine questionnaires were completed by children who had requested information for a school project. These surveys were not used in the detailed tabulations, although they remain in the base for calculating the gross and net conversion rates and projecting to the universe of inquiries. Twenty-five respondents did not recall requesting travel information from Michigan during the appropriate period. They are, of course, excluded from any questions concerning the request and past Michigan travel. They are included in the conversion rates.

Davidson-Peterson Associates, an independent marketing research company located in Kennebunk, ME, conducted the fieldwork, data tabulation, analysis and summary report.

All procedures were conducted in accordance with accepted research standards as expressed by CASRO.

Executive Summary

Travel Michigan commissioned Davidson-Peterson Associates to conduct a three-year conversion study analyzing the effectiveness of different aspects of the travel information system. This portion of the study covers inquirers who requested non-skiing information from Travel Michigan between November 1, 1998 and February 28, 1999. A random sample of 450 households was selected from non-ski inquirers in the specified time period, and these households were mailed a questionnaire on May 3, 1999. Of the 450 questionnaires mailed out, 262 were returned, for a response rate of 58%.

Travel Michigan was unable to isolate the total number of non-ski inquirers in this time period. Therefore, projections to the total population as well as return on investment calculations will not be included in this report.

- **The majority of winter inquirers reside in Michigan.** Travel Michigan's winter advertising is certainly reaching Michigan residents, as more than half of the inquirers in this time period were from Michigan. Travel Michigan should continue its strong advertising presence in-state but also advertise heavily in the surrounding states.
- **There is a high recall of Michigan travel advertising among inquirers in this time period.** Eighty-five percent remember seeing or hearing advertising about travel in Michigan before they requested information. The questionnaire did not capture a time frame for such recall, however, so we do not know for what proportion the advertising actually triggered an inquiry. Nonetheless, it does appear that advertising is driving some proportion of people to inquire about travel in Michigan.
- **The fulfillment system is delivering information in a timely manner to inquirers.** Nearly all inquirers indicated that they received the materials they requested from

Travel Michigan at least about when they expected. Over one-third received the materials sooner than they expected. Only two respondents indicated that they received the materials too late to be of use or never received the materials. Travel Michigan needs to continue this prompt service to inquirers.

- **The majority of travelers had already decided to travel in Michigan when they requested information.** Even though a high percentage may have already decided to take a trip when they request information, Michigan's travel information can serve to provide sufficient information to entice these travelers to extend their stay in Michigan. Nearly nine in ten of those who took a trip in Michigan indicated that the information they received played an important role in their decision to travel in Michigan. In addition to basic travel information, Michigan's travel publications should continue to provide potential travelers with interesting and unique ideas for things to do and see in Michigan.
- **The *gross conversion* (the percentage who traveled in Michigan after requesting information) is 38%.** This means that over one-third of those who requested travel information from Michigan actually took a trip in Michigan.
- **The *net conversion* (the percentage who traveled in Michigan as a direct result of the materials they received) is 9%.**

I. Who Requested Information

Introduction

The purpose of this chapter is to discuss the characteristics of the potential travelers who requested information on travel in Michigan and recall doing so. We will look at the demographic characteristics of this group of people, as well as the means by which they requested information from Travel Michigan.

A. Demographic Characteristics

Overall, these potential travelers tend to be older and live in traditional households. They are well educated and more affluent than the general population. In addition, most do not have children living with them any longer. Younger families with children comprise only a small portion of this group of inquirers.

- Half of potential travelers requesting information from Travel Michigan are over the age of 45 (49%). Their average age is 46 years.
- The majority of inquirers have completed at least some college (61%), with equal proportions having some college (21%), a four-year college degree (20%), and post-graduate work (20%).
- Two thirds come from households where the chief wage earner is in a white-collar occupation (65%) – *professional/technical* (41%), *managerial/proprietor* (15%), and *clerical/sales* (9%).
- Three potential travelers in five to Michigan have annual household incomes in excess of \$50,000 (59%).

- Seven inquirers in ten are currently married and living with their spouses (70%).
- The majority of inquirers do *not* have any children under the age of 18 living in their households (61%).
- Two-thirds of potential visitors have access to a computer either at home, at work, or at both places (69%).
- More than half of our respondents have access to the Internet either at home, at work, or in both places (55%). One in five has Internet access at home (22%), and 17% have Internet access at work. Only 16% have Internet access *both* at home and at work.
- Virtually all respondents reside in the United States. The majority of respondents are from Michigan (59%). This follows logically from the database from which the sample was selected, where 52% of the inquirers are from Michigan. It should be noted, however, that residents of Michigan who requested information on travel were more likely to complete the questionnaire than residents of other states – especially those farther away.

	<u>Respondents</u>	<u>Sample</u>
Michigan	<59%>	52%
Ohio	8	6
Illinois	6	6
Indiana	5	4
Wisconsin	4	2
Minnesota	4	3
Other	14	<27>

B. How They Requested Information

Half of the inquirers say they requested information by calling a toll-free number (53%). Thirty-eight percent requested information from Travel Michigan by mailing in a card from a magazine on which they could request information from a number of destinations.

Base:	<u>Inquirers</u> (195)
Called a toll-free number	53%
Card in a magazine on which you could request information from a number of destinations	38
Postcard you received in the mail or in other MI publications listing activities in Michigan	32
Filled out a form on the Michigan Web site	5
E-mail	3
Other	12

Importantly, the vast majority of potential travelers to Michigan who requested information say they had seen and/or heard advertising about traveling in Michigan prior to requesting information. No time frame for such recall was included in the question, so we do not know for what proportion the advertising actually triggered an inquiry.

II . Response to Fulfillment Materials

Introduction

This chapter will outline respondents' perceptions of and satisfaction with the materials they received from Travel Michigan as a result of their request. The chapter will discuss:

- The type of information received, and
- The timeliness and usefulness of the information received.

A. Type of Information Received

As a result of their request for information, seven inquirers in ten say they received a *calendar of events/seasonal guide* (68%), and three in five received the *Travel Ideas magazine on Michigan* (58%). Half the inquirers say they received a Michigan state map (48%), and three in four received *various other brochures and information* in response to their request (73%).

One-fourth of inquirers report receiving information from Travel Michigan over the telephone when making their request.

	Base	<u>Total</u> (195)
Calendar of events/seasonal guide		68%
Travel Ideas magazine on Michigan		58
State map		48
Conversation on the phone		26
Faxed information on specific things asked about		7
E-mailed information needed		3
Other brochures or information		73

B. Timeliness and Usefulness of Fulfillment Materials

Virtually all inquirers indicate that the materials they requested from Michigan arrived at least *about when they expected* (99%). One-third of inquirers received the materials sooner than they expected (36%).

	Base	<u>Total</u> (195)
Sooner than you expected		36%
About when you expected		63
Too late to be of use		0.5 (1 respondent)
Never received materials		0.5 (1 respondent)

The vast majority of inquirers found the materials they received to include at least *about what they needed* (93%). Nearly one in three received *more information than they needed* (29%), while only a few say the materials they received included *less than they needed* (8%).

	Base	<u>Total</u> (195)
More information than you needed		29%
About what you needed		64
Less than you needed		8

III. Influence of the Fulfillment System on Travel

Introduction

The purpose of this chapter is to review the influence that the advertising/fulfillment system had on travel in Michigan. We will highlight the following:

- Inquirers' travel behavior – actual travel, planned travel, and likely future travel to Michigan;
- The claimed influence of Michigan's travel information on the decision to travel in Michigan;
- The net influence of Michigan's travel information based on the timing of the decision to travel in Michigan; and
- Estimated gross and net conversion of inquirers to travelers.

A. Travel Behavior: Actual, Planned, Likely

Among those who requested travel information from the State of Michigan, two in five say they had taken a pleasure trip in Michigan at some time between November 1998 and May 1999 (38%). An additional one-fourth of inquirers (25%) indicate that they have specific plans to travel in Michigan for a vacation or short pleasure trip sometime during the remainder of 1999. In total, then, three households in five who requested information from Travel Michigan between November 1998 and February 1999 have either visited Michigan or have specific plans to do so in 1999 (63%).

Traveled in Michigan	38%
Have Specific plans to travel in Michigan in 1999	25 %
Total Travel or Planned Travel	63%

Considering the total number of inquirers in the specified time period (XXX inquirers), these visits and planned visits project to XXX households either visiting or planning to visit Michigan in 1999.

For trips already taken in Michigan, the average number of people in each travel party is 3.59. These XXX trips will then likely bring XXX visitors to Michigan during 1999. Typically, these trips lasted 2.68 nights, so these trips represent XXX person-nights in Michigan.

Of course, this number may underestimate the actual number of pleasure trips to be taken in Michigan during 1999. Those respondents who had not traveled in Michigan and did not have specific plans to travel there in 1999 were asked how likely it would be that they would travel in Michigan some time in 1999. An additional 5% of the inquirers indicated that it is either *very* (1%) or *somewhat likely* (4%) that they will travel in Michigan during 1999. These respondents who indicated that they would be likely to travel in Michigan in 1999 could bring an additional XXX travelers to Michigan in 1999. Since these intentions may change, we will include only 30% of these trips in our Return on Investment (ROI) calculations.

Very likely	1%
Somewhat likely	4
Somewhat unlikely	4
Very unlikely	2

B. Claimed Influence of Travel Information on Travel Decision

Among the entire group of respondents who say they received materials from Travel Michigan, 85% indicated that Michigan's advertising and travel information program played an important role in their decision to visit or not to visit Michigan. Among those who have traveled in Michigan and those who plan to travel in Michigan in 1999, the results were similar.

Base:	<u>Total</u> (195)	<u>Travelers</u> (98)	<u>Planned Travel</u> (65)
Very important	37%	38%	39%
Somewhat important	48	49	48
Not very important	9	9	8
Not at all important	7	5	5

C. Net Influence of Travel Information on Travel Decision

Claimed importance measures tend to overstate the influence of advertising and travel information fulfillment as a direct influence on the decision to visit an area. For example, some people request travel destination information after they have already decided to visit an area just to help them plan their trip.

In the case of the State of Michigan, the majority of inquirers who had traveled to Michigan had already decided to travel in Michigan when they requested information (73%). In addition, those who have specific plans to travel in Michigan in 1999 were also likely to have already decided to travel in Michigan when they requested information (65%).

Base:	<u>Travelers</u> (98)	<u>Planned Travel</u> (65)
Had already decided to travel in MI	69%	65%
Had already decided to travel through MI on way elsewhere	4	--
Considering several travel destinations, including MI	15	19
Wanted to travel – not sure where	8	11
Just sent for information – not thinking about travel	3	5

D. Conversion Ratios

The gross conversion of inquirers to travelers in Michigan is 38% for the winter. This ratio represents the percentage of inquirers who traveled in Michigan after requesting information.

A more telling figure is the *net conversion* ratio, which illustrates the percentage of inquirers who visited Michigan as a direct result of the information they received. We measure this ratio by tracking those respondents who traveled in Michigan who had *not yet decided* to travel in Michigan at the time of their request. In addition, we look specifically at those in this group who indicated that the information they received played an important role in their decision to travel or not to travel.

In this study, 98 of the inquirers traveled in Michigan (38% of all inquirers – including children and those who did not recall requesting information). Of these 98 travelers, 26 had not yet decided to travel in Michigan when they requested information (10% of all inquirers, as previously noted). Of these 26 respondents, 24 indicated that Michigan's advertising and travel information program played a *very important* or *somewhat important* role in their decision to visit or not to visit Michigan this year. This translates to a net conversion ratio of 9%.

It is also interesting to examine any potential differences in conversion rates for different methods of requesting information and different types of information received. It appears that those who requested information from Travel Michigan by sending in a magazine card on which they could request information from a number of destinations were more likely to visit Michigan and more likely to indicate that the information played an important role in their decision. The gross conversion of inquirers who requested information in this manner was 50% (versus 38% among the total sample). In addition, the net conversion of these inquirers was 16% (versus 9% among the total sample).

There were no significant differences in the conversion rates among those who received different types of information from Travel Michigan.

IV. Michigan Trips Taken

Introduction

This chapter will highlight the characteristics of the trips taken in Michigan by winter inquirers who have already traveled to Michigan. Specifically, we will cover:

- For how many trips Michigan was the final destination,
- For how many trips did travelers stay overnight in Michigan,
- The timing of travelers' most recent trip,
- The number of nights spent in Michigan on the most recent trip,
- The number of people in the travel party on the most recent trip,
- The primary region visited in Michigan on the most recent trip,
- The type of accommodation stayed in on the most recent trip, and
- The primary reason for traveling and activities participated in on the most recent trip.

A. Number of Trips Taken and Stays in Michigan

Half of those who requested information on Michigan (50%) have taken a pleasure trip in Michigan between November 1998 and May 1999. The average number of trips taken in Michigan since November 1998 is 1.73.

<u>Trips Taken in Michigan</u>	<u>Total</u>
Base:	(195)
0	49%
1 to 3	35
4 or more	15
No response	2
Mean	1.73

While more than two-thirds (69%) of the travelers had taken one, two, or three trips in Michigan in this time period, the average number of trips taken by travelers was 3.53.

<u>Trips Taken in Michigan</u>	<u>Travelers</u>
Base:	(98)
1 to 3	69%
4 or more	27
No response	4
Mean	3.53

For nearly all of these trips in Michigan, travelers indicate that a place in Michigan was their final destination (98%). For fully 89% of these trips, travelers indicate that they stayed overnight in Michigan.

B. Characteristics of the Most Recent Trip in Michigan

Travelers were asked to answer a series of questions regarding their most recent trip in Michigan.

More than half the Michigan travelers say that their most recent trip in Michigan began in the winter months of November through March.

	Travelers
Base:	(98)
<u>Winter</u>	<u>56%</u>
November 1998	5%
December 1998	4
January 1999	17
February 1999	17
March 1999	13
<u>Spring</u>	<u>39%</u>
April 1999	20
May 1999	19
No response	5

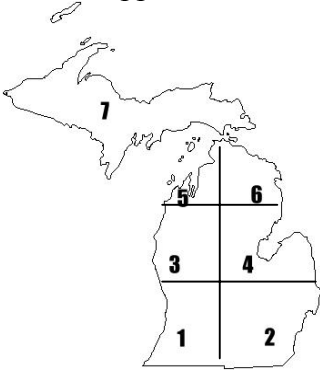
Travelers stayed away from home an average of 3.07 nights while on their most recent trip in Michigan, and an average of 2.68 nights were spent lodging in Michigan. Twelve percent only took day trips in Michigan.

Nearly two in five travelers had two people, including themselves, in their immediate travel party on their most recent trip in Michigan. The mean number of people on each of these trips was 3.36, and the median number was 2.33.

	Travelers
Base:	(98)
One	8%
Two	38
Three	12
Four	18
Five	11
Six or more	12

Fully one third of visitors to Michigan between November 1998 and May 1999 spent the most time on their trip in East Central Michigan (Region 4 on the questionnaire).

Base:	<u>Travelers</u> (98)
Southwestern (1)	13%
Southeastern (2)	11
West Central (3)	7
East Central (4)	34
Northwestern (5)	13
Northeastern (6)	7
Upper Peninsula (7)	13



More than half of the travelers spent the most nights lodging in a hotel, motel, or resort in Michigan (54%). As many stayed in a vacation home as with friends or relatives (13%).

Base:	<u>Travelers</u> (98)
Hotel/motel/resort	54%
At the home of friends/relatives	13
Cabin/vacation home that they own	6
Cabin/vacation home they rented	6
Cabin/vacation home they borrowed	1
Camper/trailer/RV	5
Other	2
No nights spent in Michigan	12

Most travelers in Michigan at this time are there primarily for *outdoor recreation* (39%) or *general sightseeing/touring* (38%).

Base:	<u>Travelers</u> (98)
Outdoor recreation	39%
General sightseeing/touring	38
Visiting friends/relatives	15
Personal business	5
Convention/conference	3

In addition, while visiting Michigan, a high percentage of travelers participated in various shopping activities.

<u>Shopping</u>	
Shopping for gifts/souvenirs	64%
General shopping	43
Outlet shopping	42
Art or antique shopping	18
<u>Winter Activities</u>	
Snowmobiling	13
Downhill/alpine skiing	11
Cross-country skiing	8
Snowboarding	3
Ice skating	6
Other winter sports	11
<u>Cultural Activities</u>	
Attending fairs or festivals	21
Visiting museums	16
Attending concerts	6
Fishing	16
Attending sports events	4

V. Return on Investment

As mentioned previously, Travel Michigan was unable to provide inquirer counts and fulfillment expenses for non-ski inquirers in the time period analyzed. Therefore, we are unable to calculate the return on investment.