



# A Strategic Plan for Michigan's Tourism Industry

## Frequently Asked Questions

### Why is a plan needed?

Economists generally agree that Michigan is in the midst of a major structural change – largely related to the downsizing of the automobile industry. This change is also a threat to economies across Michigan's primary tourism markets (Ontario, Ohio, Indiana, and Illinois). Coupled with relatively slow population growth across the state and region, low occupancy rates, declining rank in industry expenditures and promotion among other states, and a weak public understanding of the industry's economic potential; it is clear that Michigan's tourism industry will need to adapt to varying significant changes if it is to recover momentum and lay a foundation for future growth.

### How is the "tourism industry" defined?

We are using "tourism" to encapsulate the wide array of businesses, organizations and service sectors that support and serve the traveling public (e.g. lodging, food service, retail, entertainment, transportation, information, etc.). We are also including organizations that draw a significant amount of their business from direct traveler service providers (e.g., banks, wholesalers, insurance, advertising, construction, etc.). Confirming "tourism" as the best descriptor for this "industry", or identifying a preferred alternative, will be an issue addressed early in the planning process.

### What are the broad goals of the plan?

- To create a comprehensive industry plan that will help the industry take actions that enhance product development, industry profitability, and public support
- To build a sustainable industry leadership structure for implementation and action

### What industry issues might the plan address?

The plan would address the need to create:

- an **empowered organization** to set goals, allocate resources, and evaluate plans and programs,
- a **funding mechanism** to support marketing, product development, research, etc.,
- a **product development strategy** that advances tourism as a state economic development priority to include appropriate new investment initiatives,
- a **human resource development strategy** that includes training and leadership development,
- a **research program** focused on marketing, product development and evaluation and
- a **political agenda setting strategy**.

### **What are the benefits?**

The existence of a strategic plan representing the industry's interests, vision and needs will allow industry stakeholders to:

- better understand the industry's future,
- discover shared strategic issues that the industry can resolve together,
- develop an agenda for cooperation and partnership,
- implement strategies that promote and enhance the entire industry,
- develop a sound public policy to support the industry,
- create a shared "brand" that signals unique value for industry customers,
- market "whole" experiences for Michigan customers that individual firms alone cannot, and
- create a supporting infrastructure to enhance the industry and its products over time.

### **Who will lead the planning effort?**

Michigan State University has assembled a team under the direction of Dr. Don Holecek and Dr. Chris Peterson to facilitate this industry planning effort. Staff from Travel Michigan have joined the MSU planning team members. In addition, a coordinating council consisting of representatives from across the industry is being assembled to serve as a "sounding board" for the MSU/Travel Michigan planning team leaders/facilitators.

### **Who / What organization is the "client" for this statewide tourism industry development plan?**

This is a logical question to ask since we are conditioned by experience to expect a clear product service provider and client / customer relationship to be evident. But, this project is different and requires one to "think outside the box" to understand the relationship envisioned for this project. In fact, understanding and accepting this relationship is essential to the ultimate success of the project. We have described this as a "plan for the industry developed by the industry." Hence, the industry is both the client and service provider for this project. The MSU-Travel Michigan planning team's role in the project is to facilitate the process and to communicate progress and outputs to the industry. Clearly engaging the total industry in all aspects of the planning process isn't practical given the large number of people that this would involve. Therefore an industry council, representative of the larger industry, will be formed to work closely with the MSU-Travel Michigan planning team.

### **What roles and responsibilities will the industry council assume?**

The industry council will be active throughout the plan development process through moving the plan forward for action. The specific roles and responsibilities initially envisioned for it are listed below, but these are subject to change as the project evolves.

- Review and refine the proposed planning process.
- Participate in an intensive visioning session to focus the planning effort on industry priorities.
- Serve as members of focus area work teams to develop components of the plan.
- Review and refine the initial integrated draft plan.
- Approve the final version of the draft plan and assist in presenting it to the industry at an industry summit.
- Initiate actions necessary to begin to implement the plan.

### **What is the timeline for the planning process?**

Once funding has been established, the project will cover a 12 month period of time.

#### Months 1 - 3

- Preliminary project research report on tourism in Michigan
- Initiate communications strategy
- Identify and convene the Industry Planning Council
- Identify Issue Work Teams
- Hold an industry mapping session
- Review and refine planning process

#### Months 4 - 5

- Regional stakeholder listening sessions and issues identification
- Design/deploy online survey
- Convene Issue Work Teams

#### Months 6 - 10

- Issue Work Team reports
- Create initial draft of plan and move it through a cycle of revision and refinement
- Submit plan for review and endorsement by Industry Planning Council

#### Months 11 - 12

- Plan presented at Statewide Tourism Industry Summit
- Plan modification, review, and adopt by Industry Planning Council
- Identify and create permanent industry leadership structure and funding
- Initiate priority actions

### **How much will it cost to develop the plan?**

The full cost of the twelve month project is about \$400,000. About half of this amount will be contributed by MSU and Travel Michigan in the form of reassigned regular faculty and staff. The remaining \$200,000 must be raised to cover operating expenses (e.g., labor, communications, travel, research, listening sessions, and an industry summit).

### **How to get involved.**

Initial efforts will be focused on raising sufficient resources to complete the funding package. Once funding is in place, there will be a need for members of industry to participate at various levels throughout the planning process. If you are interested in becoming a sponsor, or volunteering to be involved with one of the work team efforts, please visit [www.tourismcenter.msu.edu/Plan](http://www.tourismcenter.msu.edu/Plan) for current information.