

Tourism as an Economic Development Tool in Montcalm County

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What is tourism?

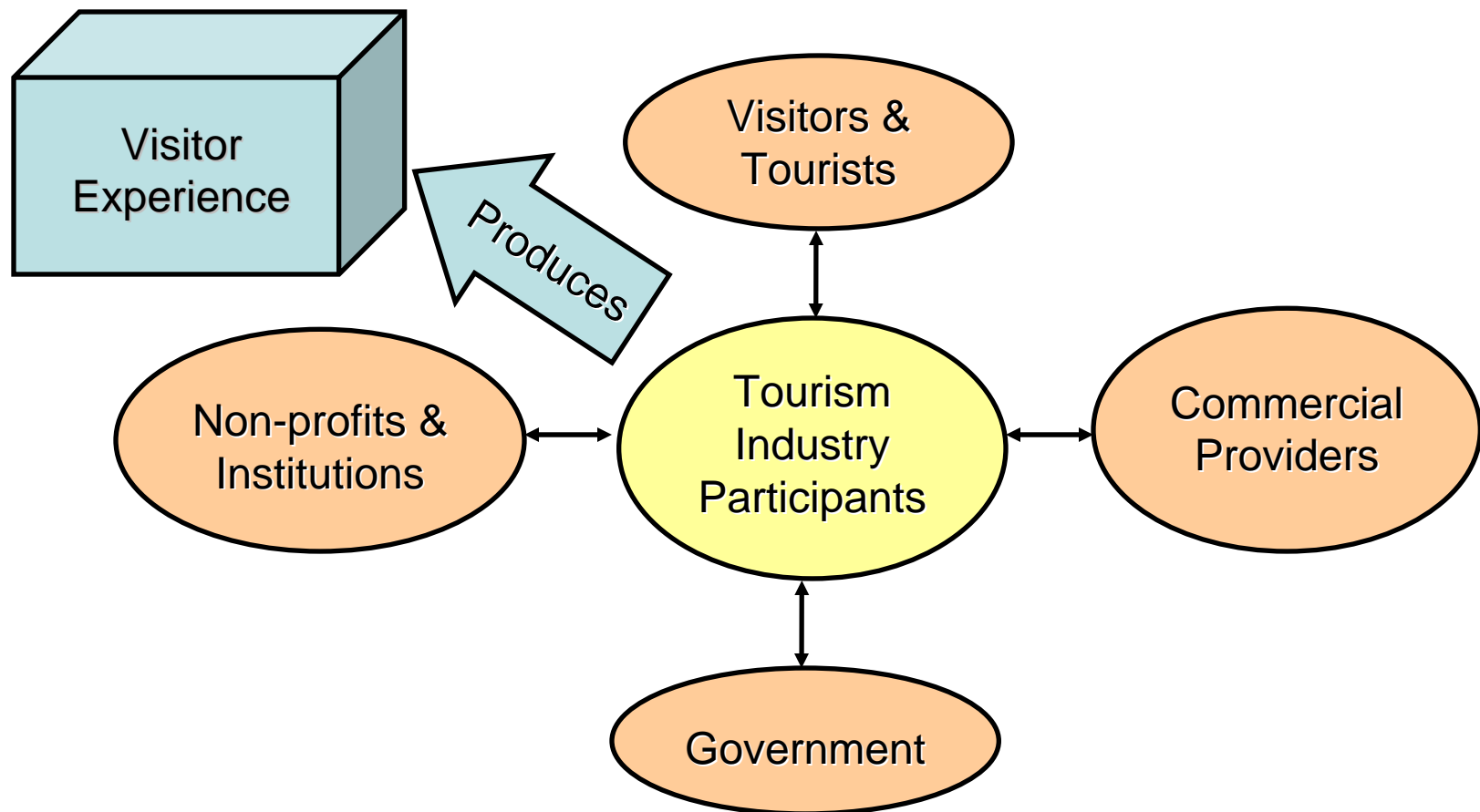
- A collection of activities, services and industries that delivers a travel experience, including transportation, accommodations, eating and drinking establishments, retail shops, entertainment businesses, activity facilities, and other hospitality services provided for individuals and groups traveling away from home.

What is a tourist?

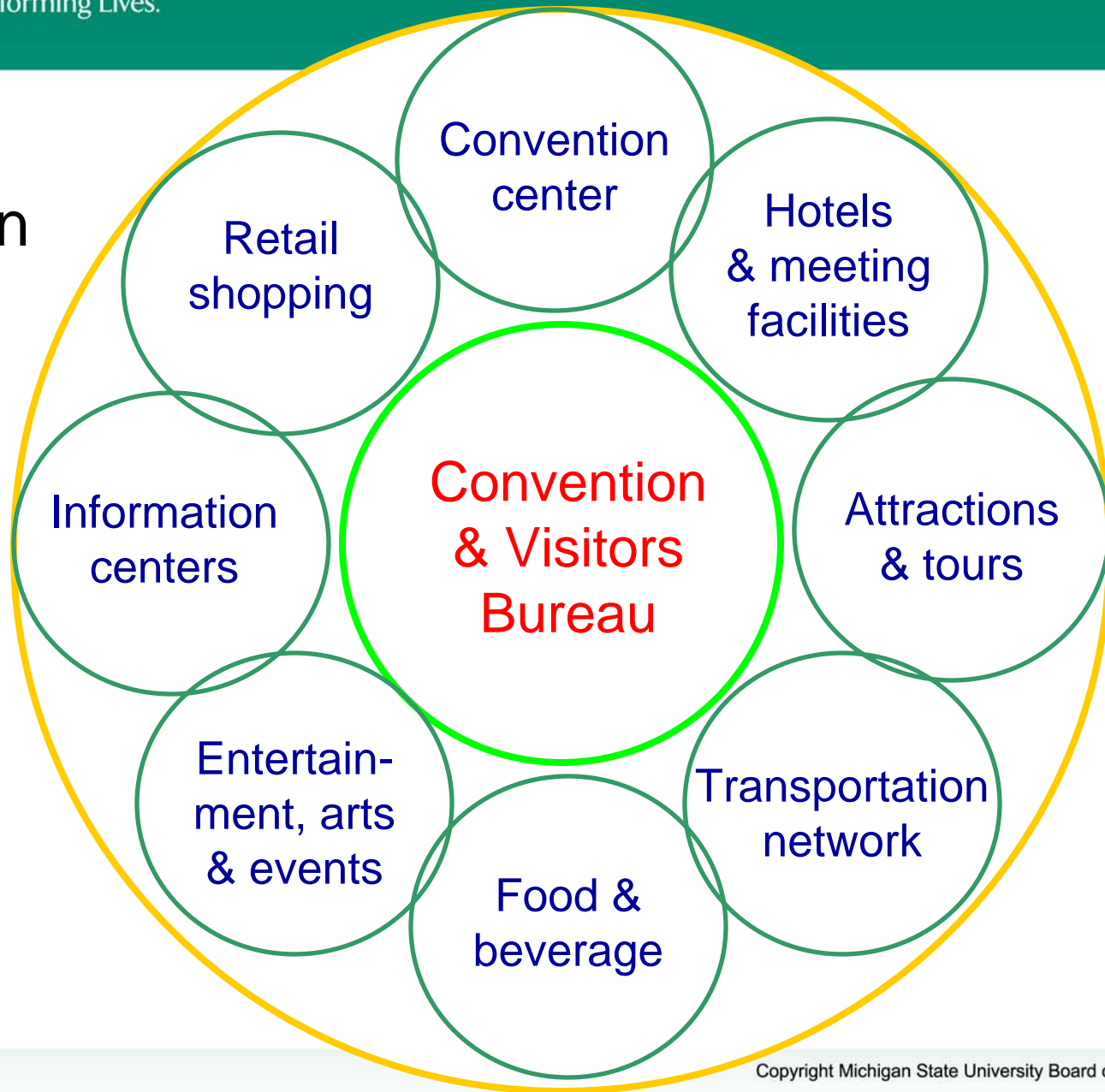
- For research purposes, a tourist is a person traveling fifty (50) miles or more from home for purposes of pleasure, including visiting friends and relatives.

- Note: throughout this presentation you will see tourist and visitor, and travel and tourism used interchangeably.

Who produces visitor experiences?



The Destination Team



Tourism, Quality of Life and Economic Development

- It's a new economy and many people can live anywhere.
- Many are attracted to quality of life and sense of place.
 - Knowledge Workers
 - Retirees
 - Business Enterprises
- People become aware of places with quality of life via tourism.
- The same quality of life that attracts tourists also attracts potential residents.
- Quality of life is a good economic development strategy.

- Why should a rural county in Michigan, like Montcalm, be interested in tourism development?
- To answer that question, let's first consider the scope of impact that tourism has on the global economy.

- Tourism is the world's largest industry: approx. \$6 trillion. (2005)
- Tourism is the world's largest employer: 221 million jobs (2005) and expected to increase to 269 million jobs by 2015.
- The tourism industry enjoys steady growth most of the time. The 10-year annual growth forecast for 2006-2015 is 4.6% per annum: an outlook for strong, long-term growth.

Source: World Travel & Tourism Council (WTTC)

- According to the WTTC, the direct and indirect impact of travel and tourism on the world's economy was forecast to be approximately 10.6 percent of total GDP* in 2005.
- Notably, the United States is number one on the WTTC's list of the top ten countries that are expected to grow their travel and tourism demand between 2006 and 2025...
- ... and number two (behind China) on the WTTC's list of the top ten countries that are expected to grow their travel and tourism economy employment the most during that same period.

*GDP = Gross Domestic Product

- At the *national* level, TIA's* most recent statistics show that travel is one of the country's largest employers with 7.3 million travel-generated jobs and a payroll of \$163 billion (2004).
- Travel expenditures reached nearly \$600 billion and generated almost \$100 billion in tax revenue for local, state, and federal governments during that same year.

*TIA = the Travel Industry Association of America

- Michigan's tourism industry supports 150,500 jobs with \$3.4 billion in payroll income. (2003)
- Michigan ranks 14th of the 50 states, with tourism expenditures of \$12.6 billion. (2003)

Source: TIA's report, *Impact of Travel & Tourism
on the U.S. and State Economies, 2005 Edition*

- At the *local level*, findings of the Michigan Travel Market Survey conducted by the Travel, Tourism & Recreation Resource Center at MSU indicate that between 1996 and 2003, 0.4% of Michigan's tourists reported that their primary destination was a place in **Montcalm County**.
- During that period, Montcalm County ranked 62nd out of Michigan's 83 counties, at capturing tourism business.

Top 10 Counties by Market Share of Tourists 1996-2003

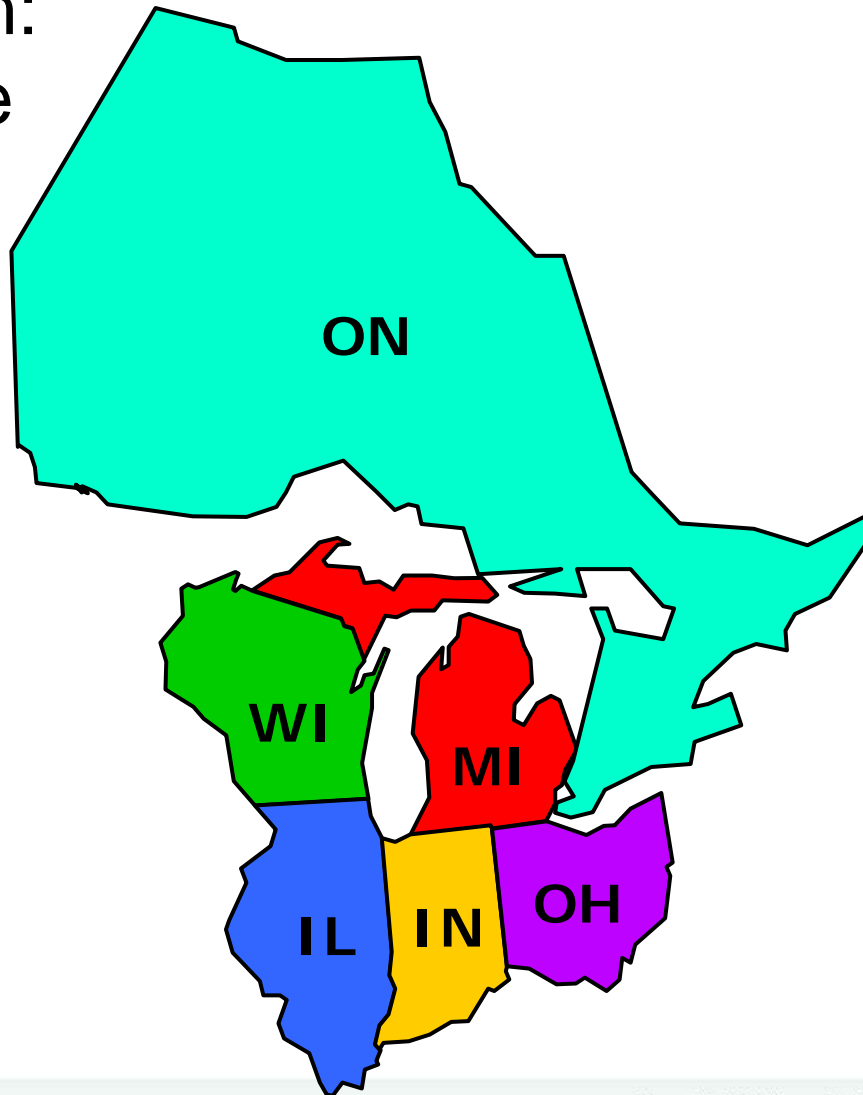
County	Percent
Wayne	9.8%
Grand Traverse	6.3%
Saginaw	4.6%
Oakland	4.1%
Mackinac	4.0%
Kent	3.5%
Ingham	3.0%
Berrien	2.9%
Chippewa	2.9%
Isabella	2.9%

Michigan Travel Market Survey

- Our student employees surveyed randomly selected households in Michigan's prime travel market* by telephone in our Computer Assisted Telephone Interviewing (CATI) lab.
- Approximately 425 surveys were completed each month between January 1996 and June 2003.
- Each survey was an interview of an adult household member and was about 15 minutes in duration.

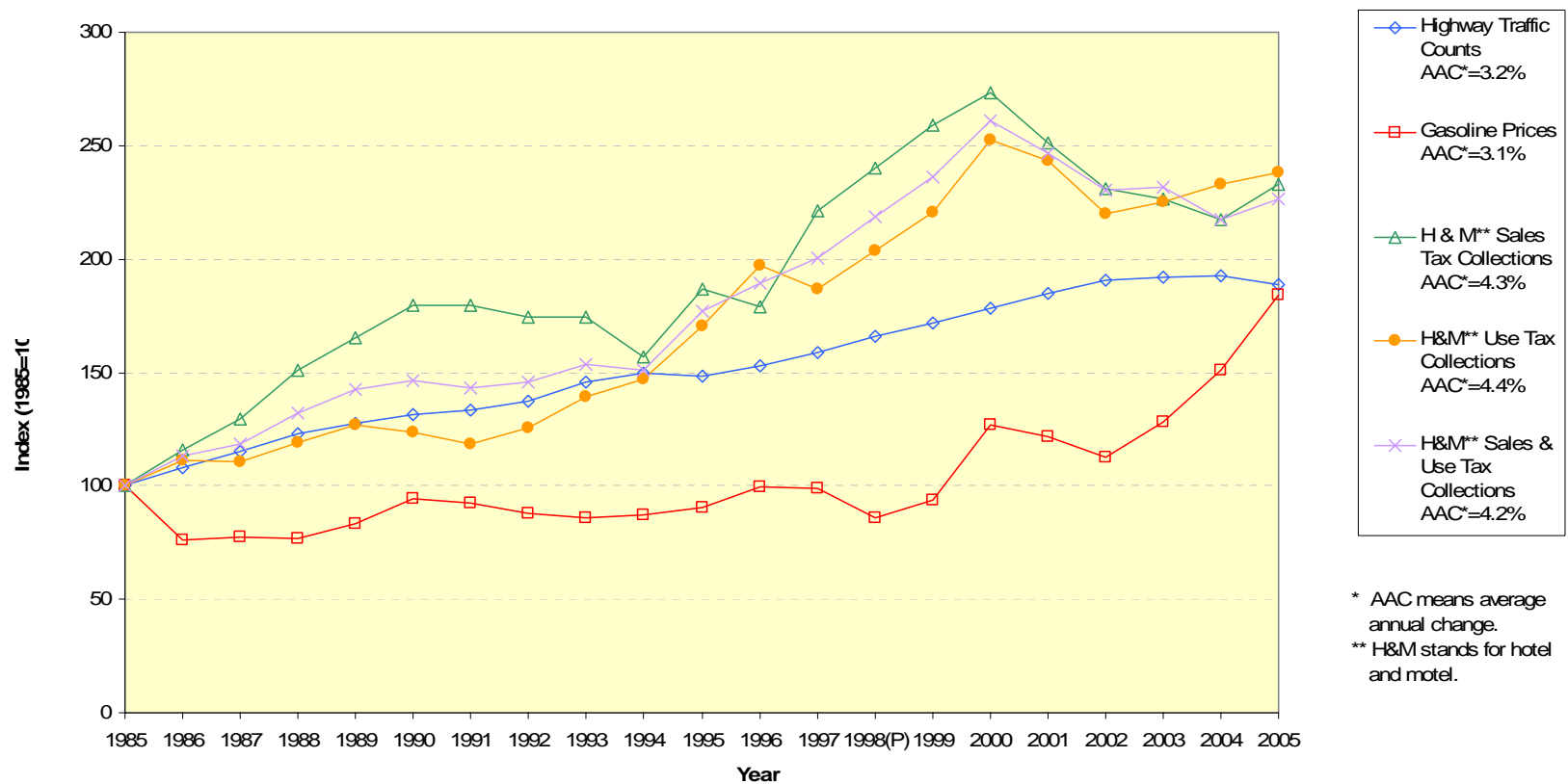
*This prime travel market comprises about 90 percent of Michigan's domestic tourism market.

The Study Region: Michigan's Prime Travel Market



Selected Tourism Trends in Michigan

Statewide Trends in Selected Industry Indicators, 1985-2005



Who Are Your Tourists?

- During the summer of 2001, MSU conducted a mailed, market survey of a random, stratified sample of registered voters in Montcalm, Ionia, Barry, Kent, Ottawa, Ingham, Kalamazoo, Jackson, Calhoun, Clinton, and Eaton counties to:
 - Gauge people's general awareness of Ionia, Barry and Montcalm counties,
 - To learn more about people's visitation behaviors,
 - And to understand their perceptions of those counties as tourism destinations.

Selected Survey Findings

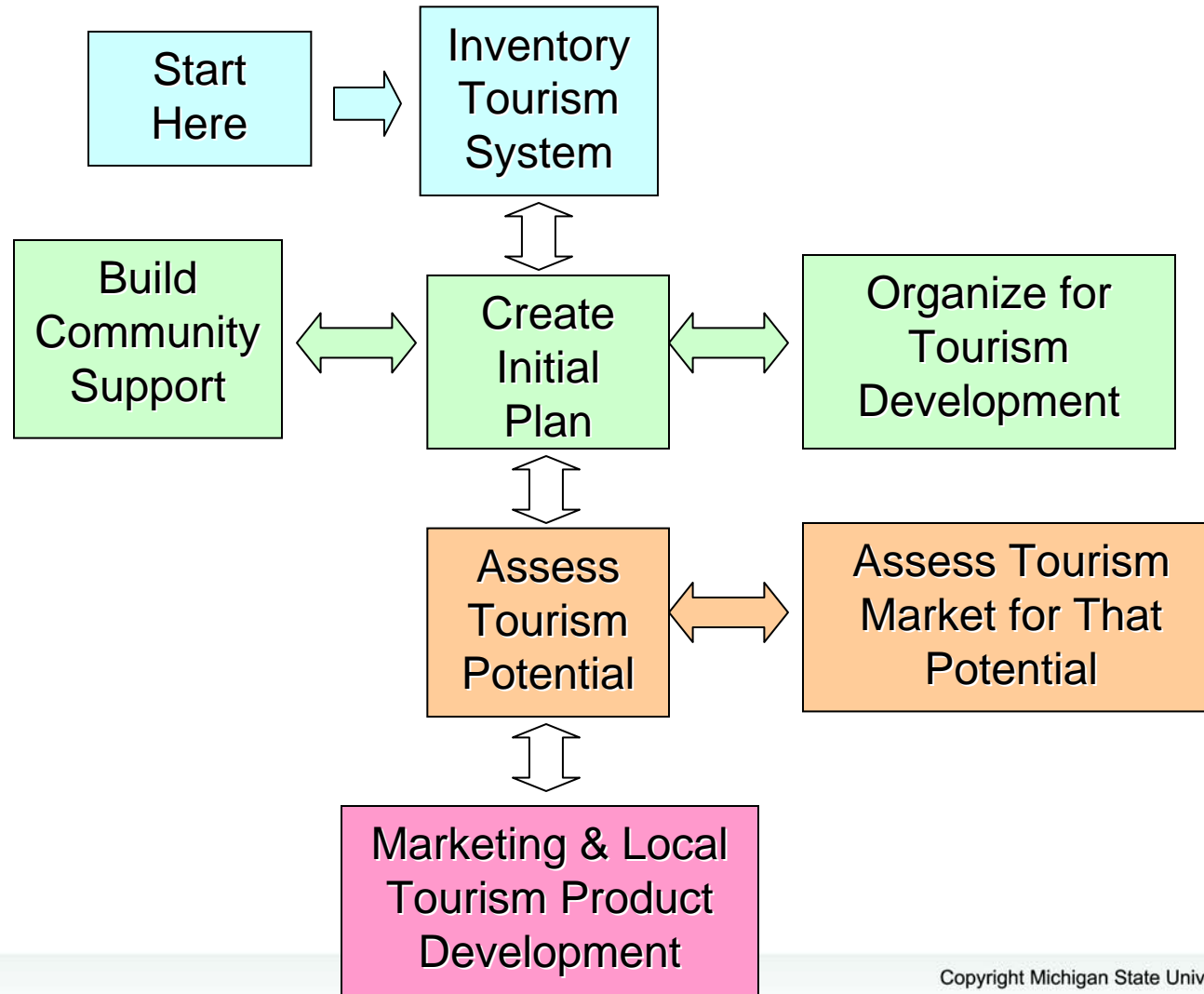
- 90% of respondents were aware of Montcalm County.
- 63% said they had ever visited Montcalm County.
- 45% said they had visited Montcalm County during the past year.
- 54% said they obtained information about the area, prior to and during their visit, from friends or family.
- The most common activities: dining, shopping, other, sightseeing, swimming, fishing, boating, and golfing.
- Attractions that would make respondents most interested in visiting the area were: entertainment/fairs/festivals, concerts/events, family oriented activities, parks/lakes/campgrounds, restaurants, and outdoor activities.

Selected Recreation & Tourism Resources in Montcalm County

- 133,000 acres of forest land (1994)
- 22,567 acres of public recreation land (1990)
- 7,904 acres of lakes and ponds (1991)
- 2,396 owned second homes (2000)
- 2,281 campsites in 31 campgrounds (2000)
- 477 miles of rivers and streams
- 202 licensed food service establishments (2002)
- 108 units in 8 commercial lodging establishments (2000)
- 29 public access sites for boating (1990)
- 20 agricultural markets/wineries/u-picks (1993)
- 7 golf courses (1995)

Source: Montcalm County Tourism Profile, June 2001

Steps in the Tourism Planning Process



When Planning for Tourism: Build Your Community

- Visitors (and potential future residents) come to communities with a high quality of life.
- Plan and build the community as the community wants itself to be.
- Manage growth and development so that they enhance rather than detract from local values and quality of life.
- Take into account environmental impact.
- Remember that it's all about how you differentiate your community from all of the other destinations that are competing with you. What do you have to offer that's unique?

- Once again, why should a rural county in Michigan, like Montcalm, be interested in tourism development?
- Answer: Tourism offers countless opportunities!

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