

Technology on the Road

Christine Vogt, Faculty

Angela Kah, Ph.D. Student

vogtc@msu.edu and kahjungh@msu.edu



Travel, Tourism and Recreation
Resource Center

Travelers have new ways to search information

- Real-time
- Wireless - anywhere
- Immediate reservations and/or purchase capabilities
- User can access 24 hours, 365 days
- Integrated content, created by the customer: “shopping cart” or trip itinerary



Key players to this changing information environment



- Communication firms
- Auto and auto supplier firms - telematics
- Service sector – hotels, national food chains
- Travel services – AAA, state travel offices, CVBs
- Customers – innovators, mass markets

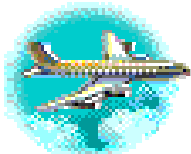


Examples of new information channels and formats

- Channels (Source: American Demographics – Feb, 2002)
 - Cell phones, palm pilots, and accessories
 - Computers – laptops, in room at hotels
 - Car components – navigation gpsystems, on-demand info and emergency connections, satellite radio, internet connectivity
- Formats
 - Web and Internet
 - Other platforms from software companies



Monitoring information search



Air



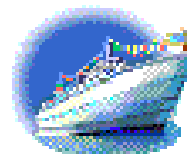
Car



Hotel



Vacations



Cruises



Specials

- Sales and subscriptions of hardware and service agreements
- Installed car components
- Usage of traditional info. channels
 - Welcome and information centers
 - 800 requests and reader response cards
- Usage of newer info. channels
 - Web-site hits, reservations, and search patterns
- Surveys of general population or specialized markets



More on monitoring change – consumer side

- When and where information is search
 - At home, en-route, on-site
- Changing patterns:
 - Planning horizons and information request lead times
 - Number and types of information sources
 - Lead time on reservations
 - Other???



2001 survey research from our household survey

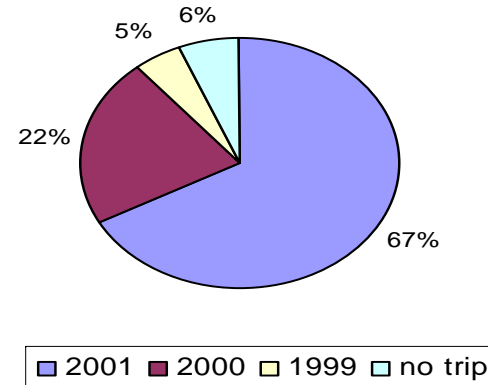
- Telephone surveys of Michigan and Great Lake States residents
 - Late spring, summer and early fall
 - N=2173 respondents
- General description of respondents
 - Female (61%)
 - Households without kids (65%)
 - Income: >\$65,000 (39%), mid (28%), < \$42,000 (33%)



Auto dependent travel market

- 75% owned or leased a vehicle
 - 62% would absolutely drive for a 1,000 or less trip
 - 38% would consider other transportation alternatives such as planes, trains, or buses

History of Last Car Trip
(over 3 hours)



Reasons for using vehicles for trips

- Convenience and flexibility (mean of 7.5 on 10-point scale)
- Safety and cleanliness (mean=6.3)
- Need for local transportation at their destination (6.3)
- Want to make stops along the way (6.3)
- Need to transport stuff (6.1)
- Cost (4.6)



Internet usage

- **Access – 67% have access at home to the Internet**
 - **Travel Information Search - 72% have used the Internet to obtain travel information (48% of population)**
 - **Highway information- routes, construction, maps (32%)**
 - **Transportation – airlines, Amtrak, bus, rental car (30%)**
 - **Accommodation – (17%)**
 - **Attractions and activities (6%)**
 - **Other – destination information, reservations, weather (15%)**

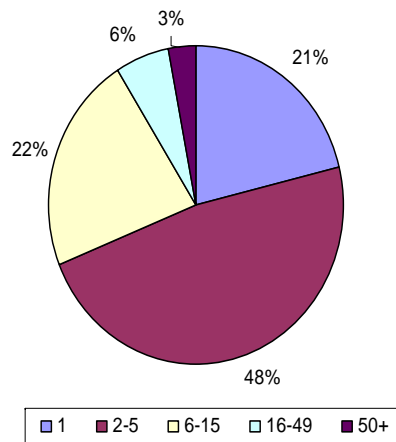


Number of internet purchases

-

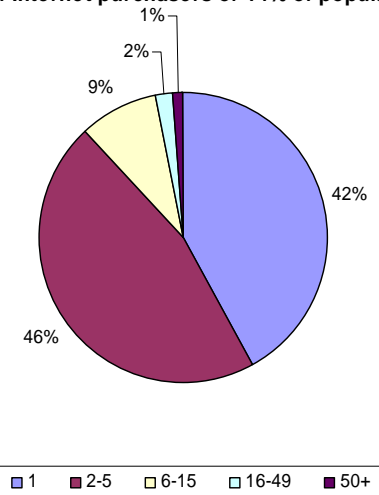
General Products

(44% of those with Internet access or 29% of population)



Travel Products

(48% of Internet purchasers or 14% of population)

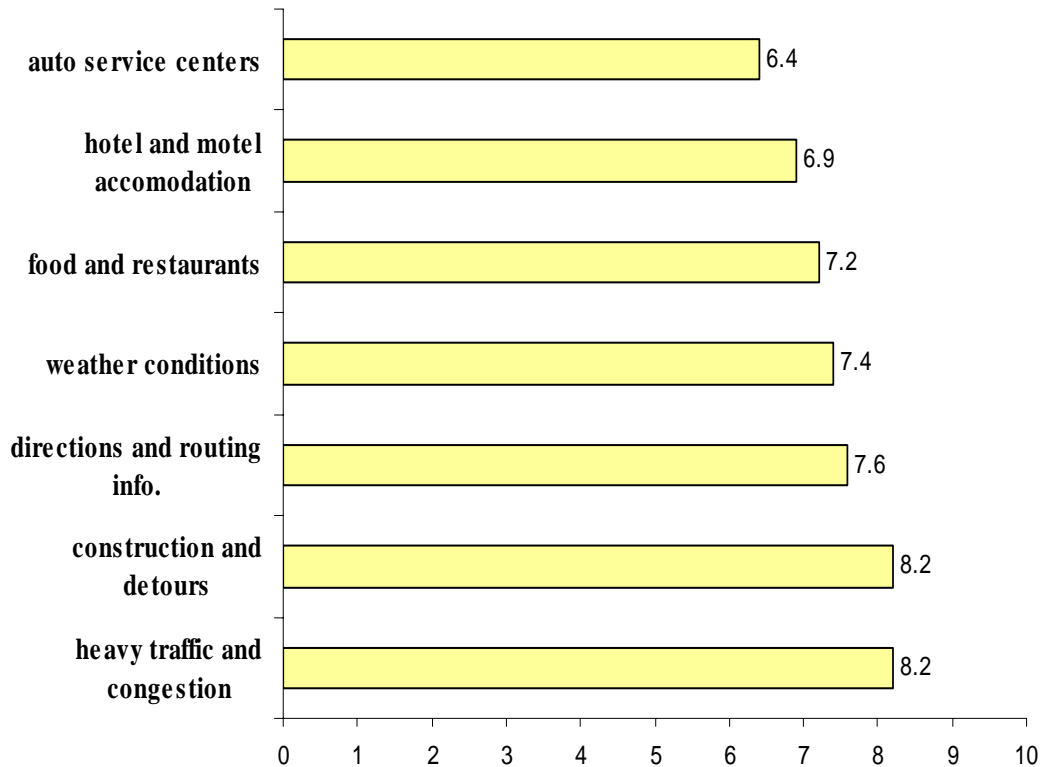


More on Internet usage

- **Types of Internet travel purchases**
 - Airplane tickets (75%)
 - Accommodation reservations (22%)
 - Sport, Cruise, or theme park tickets (5%)
 - Rental car reservation (3%)
 - Other – shopping for travel-related goods (4%)



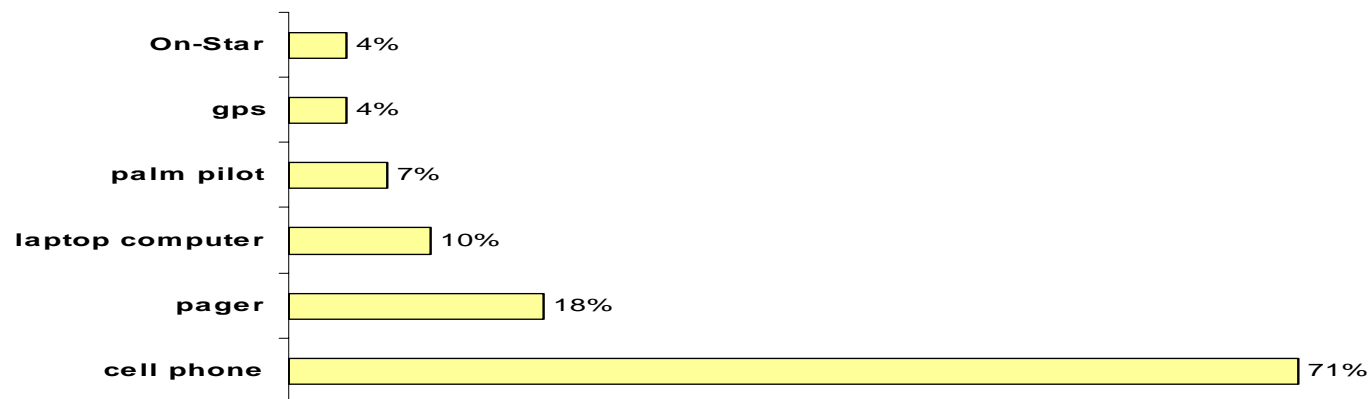
Preferences for en-route information – near and away from home



Information and technology use on a recent Michigan trip

- Context - vehicle travel in past 12 months, respondents thought of their most recent trip
- 87% of Michigan residents; 19% to 24% of out-of-state residents

Technology available on trip/in vehicle



Technology along the road

- MDOT signs
 - Noticed and read electronic message boards notifying motorists of traffic delays from construction, accidents or inclement weather (64%)
 - **Changed their route (28%)**
 - Used MDOT web site during trip (4%)
 - Called a MDOT construction closure hotline during trip (2%)



Implications

- Look to consumers to determine which technologies and information sources will be available and used
- Watch shifts in information sources and channels from traditional to modern
- As information provider or marketer, need to develop information platforms and databases that are compatible with hardware and services



More implications

- Give consumers the information and services they need to reduce uncertainty and costs (time and money), while lead to pleasurable information search and decision making occasions that ultimately lead to a more positive, safe travel and trip experience
 - **Examples –helping a motorists identify and book lodging along an interstate; finding the best product/price match; selecting more scenic drive routes; providing border crossing information**
 - **Market phone numbers and websites along in transit routes for cell phone and web users**

