



## **Research Dictionary** **January 2005**

### **Travel & Hotel Terms:**

**ADR** – Hotel industry term, which refers to the “average daily rate” a property charges for a hotel room.

**Average Daily Rate** – See ADR listing above.

**Business Travel** – An individual or small group visiting a destination to conduct business, whether it is a sales call, a training session, an interview, a consulting assignment, an audit, etc. This segment includes small groups (less than 10 rooms) gathering/traveling for a common business purpose.

**Convention Travel** – Any group, whether it is a corporation, association, fraternity, etc. requiring 10 hotel rooms or more.

**Hotel Demand** – The number of hotel rooms occupied during any given period of time. (Eg. In 2003, hotel demand was 7.5 million room nights during that particular 365-day period.)

**Hotel Package** – A special hotel offering, including a room night and at least one other amenity that is usually themed around an event or designed to appeal to a specific market.

**Hotel Occupancy** – Also referred to as “occupancy,” this refers to the number of hotel rooms occupied out of some total number available—either within a given hotel, group of hotels or a region. Occupancy is always given as a percentage because it represents what portion of hotel rooms are occupied out of the established total number.

**Occupancy** – See Hotel Occupancy listing above.

**Person-trip** – One person traveling 50 miles or more away from home or any overnight stay (paid or unpaid).

**Revenue Per Available Room** – See RevPAR listing below

**RevPAR** – A performance metric in the hotel industry, which stands for “revenue per available room.” This figure is typically calculated by multiplying a hotel’s average daily rate (ADR) by its occupancy rate. It may also be calculated by dividing a hotel’s total guestroom revenue by the room count and the number of days in the period being measured.

**Room-night** – One night occupied in a hotel room (regardless of how many people stay in the room).

**Special Rate** – A discounted price for a hotel room. A special rate does not include any special amenities.

**Spending:**

**Direct Spending** – What visitors buy/spend during their stay

**Indirect Spending** – What businesses spend to operate to accommodate visitors

**Induced Spending** – What tourism/hospitality employees then spend in their daily lives

**Tourism** – The practice of traveling for pleasure; the business of providing tours and services for tourists. This word should only be used to refer to the leisure segment.

**Tourist** – A person traveling for pleasure/leisure. This word never refers to a business traveler.

**Transient** – A hotel guest who is not part of a large group (more than 10 rooms) and may be traveling for business or pleasure. Usually used in contrast to convention visitors when describing hotel occupants. (GPTMC prefers not to use this term in our materials.)

**Travel** – To go from one place to another. When presenting research, this word must be qualified (Eg. leisure travel, convention/business travel). The word “travel” is interchangeable with the word “visit.”

**Traveler** – Someone here (either overnight or for the day) for business or pleasure. When presenting research, this word must be qualified (Eg. leisure traveler, convention/business traveler). The word “traveler” is interchangeable with the word “visitor.”

**Visit** – To go to see or spend time in a specific place for leisure or business purposes. When presenting research, this word must be qualified (Eg. leisure visits, convention/business visits). The word “visit” is interchangeable with the word “travel.”

**Visitor** – Someone here (either overnight or for the day) for leisure or business purposes. When presenting research, this word must be qualified (Eg. leisure visitor, convention/business visitor). The word “visitor” is interchangeable with the word “traveler.”

**Statistics/Research Terms:**

**Average** – The value obtained by adding all the measurements together and dividing the total by the number of measurements. It is also referred to as the “mean.”

**Benchmark** – Used as a verb (“to benchmark”) or a noun (e.g. a benchmark study), this term refers to research that sets a standard that can be measured again in the future. Benchmark studies are typically repeated in subsequent years to see change over time. The term should be reserved for the first time a study is conducted.

**Confidence Interval** – The confidence interval describes how certain it is that a statistic is true for a total population.

Confidence intervals for survey findings are typically 90% or 95%, which means that you can be 90% or 95% certain that the given statistic (plus or minus the given error rate, a term described in detail below) accurately describes the entire population.

**Error Rate** – The error rate (also called “standard error”) indicates a range of accuracy of a given statistic. It explains how much has to be added to or subtracted from a given statistic in order for that statistic to be true of a given population. For instance, if 40% of 500 people are “very satisfied” with a product and there’s an error rate of +/- 4% associated with a sample size of 500 individuals, it means that somewhere between 44% and 36% of the entire population is “very satisfied.”

Error rates are determined by the size of a random sample in relation to the size of the population. Error rates decline as random sample sizes grow in relation to the population being studied.

**Mean** – Same as the “average.” See above.

**Median** – The median is the middle measurement in a set of measurements. When offering the median, half of what is being measured will fall below the median and half of what is being measured will be above the median. The median is not the same as the average or mean.

**Primary Research** – This is research commissioned by a client to answer specific questions and contains information that is not otherwise publicly available. GPTMC’s surveys are an example of primary research.

**Qualitative Research** – Research that is conducted with a small number of people (under 100) and allows for in-depth conversations and probing follow up to respondents’ answers. In-depth interviews and focus groups are examples of qualitative research.

**Quantitative Research** – Research that is conducted with a larger sample of respondents (more than 100), is in a standardized format (like a survey or questionnaire) and does not allow for probing follow up to respondents’ answers.

**Sample** – A sample is a limited number of individuals from a population, chosen to represent an entire population in a research study.

**Secondary Research** – This is research that is not client-specific and is publicly available. Examples include U.S. Census Bureau data and Scarborough Research Data (used by media-buying agencies to learn about specific markets.)

**Standard Error** – See Error Rate listing above.

**Statistically Significant Differences** – These are differences between two measures that cannot be explained by chance alone, but have to be explained by some other factor or hypothesis.

For instance, if 40% of men, but 45% of women are “very satisfied” with a product, this difference could be accounted for by chance or because there are real differences between men and women that lead to this difference in opinion. “Significance testing” allows the researcher to determine when a percentage difference between men and women is due to chance and when a percentage difference is due to some other reason. If the difference is larger than chance would predict, it is a statistically significant difference.

## **Marketing Terms:**

**Designated Market Area** – See DMA listing below.

**DMA** – Nielsen Media Research’s “designated market area” codes. This information is used by media companies and others interested in defining market areas for every continental U.S. country. The Philadelphia DMA consists of:

- Pennsylvania – Philadelphia, Delaware, Chester, Montgomery, Bucks, Northampton, Lehigh and Berks counties
- New Jersey – Burlington, Camden, Gloucester, Salem, Cumberland, Atlantic, Cape May and Mercer counties
- Delaware – New Castle and Kent counties

**Metropolitan Statistical Area** – See MSA listing below.

**MSA** – Used by the U.S. Census Bureau, the term “metropolitan statistical area,” commonly referred to as MSA, refers to a core, high-population area that is economically and socially connected to the smaller, surrounding communities. The Philadelphia-Wilmington-Atlantic City, Pennsylvania-Delaware-New Jersey-Maryland MSA includes Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland. (The MSA is also sometimes called the Consolidated Metropolitan Statistical Area or CMSA.)

**Philadelphia Region** – A five-county area consisting of Philadelphia, Bucks, Chester, Delaware and Montgomery counties.

## **Research Vendors:**

**D.K. Shifflet & Associates Ltd.** – D.K. Shifflet specializes in conducting marketing research and providing consulting services to the travel and tourism industry. Along with the Travel Industry Association’s (see below) TravelScope survey product and Longwoods’ national survey, Shifflet is one of the three research firms in the country that provides annual visitor volume and trip profile data to destinations.

D.K. Shifflet provides GPTMC with annual travel volume for business and leisure, day and overnight travelers, as well as information on trip activities. Pennsylvania’s State Tourism Office also uses Shifflet, and through the State Tourism Office, GPTMC receives trip profile data for overnight leisure visitors.

**Econsult Corporation** –Econsult combines economic and financial analysis skills with expertise in litigation and regulatory support, business planning and strategy, state and local public policy analysis and market and demand forecasting.

Econsult analyzed a number of GPTMC’s ad campaigns and determined the direct, indirect and induced impact on the region’s economy from those campaigns. The results showed that for every dollar spent in advertising, \$185 was returned to the region in economic impact. This analysis was used to create the GPTMC regional multiplier for economic impact – \$2.65. For every dollar in direct leisure visitor spending, \$2.65 results in direct, indirect and induced economic impact.

**Global Insight** – For nearly 30 years, Global Insight has worked with companies, governments, and destinations around the world to size markets, project sales, assess the feasibility of large investments and quantify the potential impact of regulatory and policy changes.

Global Insight is DK Shifflet’s (see above) partner in producing economic impact reports for destinations. Global Insight provides GPTMC with economic impact data that includes visitor spending; leisure visitor spending; job creation from travel and tourism; tax generation from travel and tourism; and direct, indirect and induced impact from travel and tourism and from leisure travel.

**Greater Philadelphia Tourism Marketing Corporation (GPTMC)** – GPTMC conducts consumer research, including online surveys, focus groups and one-on-one interviews related to the Philadelphia region’s travel and tourism industry. Findings from this research are presented on a regular basis in GPTMC’s *Research Brief*.

**Longwoods, International** – Longwoods began its large-scale travel study in 1985. Surveying thousands of U.S. residents, Longwoods provided visitor volume and traveler profile data to GPTMC from 1997 until 2001. In addition, Longwoods worked on return-on-investment, ad effectiveness and minority travel projects for GPTMC.

**Smith Travel Research (STR)** – STR is the preeminent source of performance information for the lodging industry. Over the past 20 years, STR has evolved to the point where it collects data from more than 23,000 hotels on a weekly basis. STR data is universally used and relied upon by hotel owners, operators, lenders, appraisers and publications.

GPTMC receives STR data on a monthly basis that includes occupancy, ADR and RevPAR figures for each of the five counties, as well as an analysis of occupancy, ADR and RevPAR for every day of the week in each of the five counties.

**Travel Industry Association (TIA)** – The Travel Industry Association provides a variety of reports that detail U.S. resident travel in the United States. Reports include the economic impact of travel on a national and state level, trip characteristics and forecasting information. Also available through TIA are special segment studies that address such topics as the mature traveler, minority traveler, the domestic hotel/motel traveler, travelers’ use of the Internet and how e-travel consumers plan and buy travel online.

GPTMC relies on TIA’s publications to provide a national context and comparative information for travel data to Philadelphia and Its Countryside.

**Tyson Hospitality Consulting** – Peter Tyson is a hotel consultant who has worked in the Philadelphia hotel industry for 30 years. Tyson provides hotel market mix data for Center City, Philadelphia and the four surrounding counties on an annual basis to GPTMC. In addition, Tyson is working under a contract with GPTMC, the Greater Philadelphia Hotel Association and the Philadelphia Convention & Visitors Bureau to produce monthly hospitality reports that identify the health of the hospitality sector each month, including hotels, conventions and attractions.

**NOTE:** *In addition to the research vendors identified above, GPTMC relies on a number of other firms to conduct specific research projects related to GPTMC’s marketing efforts. For instance, Community Marketing Inc. conducts a study of the gay and lesbian traveler to the Philadelphia region; The Wright Group conducted qualitative research as part of a positioning study; etc.*