

THE STATE OF THE AMERICAN TRAVELER™ TECHNOLOGY EDITION

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The Technology Edition

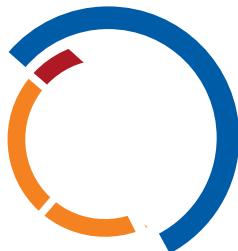
We are expanding *The State of the American Traveler™* study to a quarterly basis. This new Spring edition you're reading explores how travelers use technology, in search of insights that will help destination marketers in this ever-evolving, ever-crowded climate. We begin with a look at good old-fashioned word-of-mouth, using a novel approach to measure its importance. The study also examines technology adoption, drawing a clear picture of

travelers' aptness to use new, high-tech ways to plan their travel. In addition, the report looks at the various travel planning resources (tech-based and otherwise) in an attempt to map what travelers really use, trust and value in their decision processes. We hope you enjoy this edition and our new format. As always, if you have questions or ideas for future survey topics, send us a message at info@destinationanalysts.com or [@DA_Research](https://twitter.com/DA_Research).

Word-of-Mouth in Destination Selection

How important is word-of-mouth to destination selection? With communication increasingly done through technology, the question seemed a perfect fit for our Technology Edition. We asked travelers to think of one specific destination that they really want to visit this year, then to describe how the opinions of friends and relatives impacted their interest in visiting that place. More than half (53%) said these opinions not just influenced them but were "Important" or "Very important" to their interest in visiting. Clearly, delivering satisfying visitor experiences and the DMO's effectiveness in influencing the conversation about their destinations are paramount to driving leisure demand.

Destination Choice Influenced by Word-of-Mouth

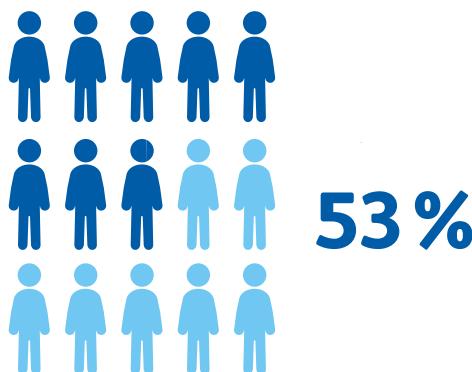


- 59.8% Yes
- 35.6% No
- 4.6% I don't know

SCENARIO: We asked travelers to talk about one specific destination they hoped to visit this year, and tell us if their friends and relatives had been talking about it.

Question: Think about the people who have shared their opinions with you about <destination entered earlier>. Did these persons' experiences, advice or opinions have any impact on your interest in visiting <destination entered earlier>?

% of Travelers' Destination Choices Significantly Influenced by Word-of-Mouth



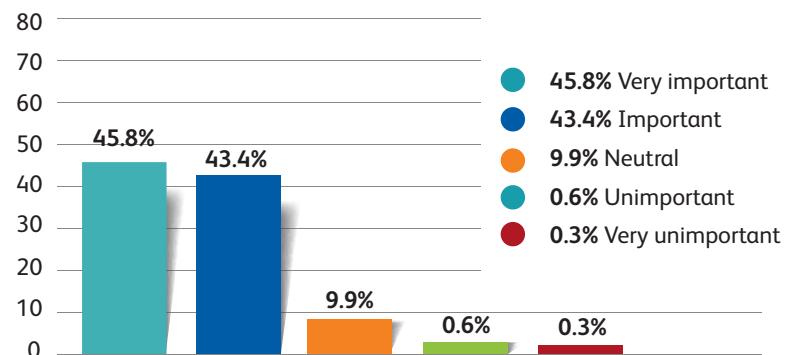
How Word-of-Mouth Happens



- 90.4% Personal conversation (face-to-face conversation, telephone call, etc.)
- 35.6% Social media (Facebook, Twitter, Instagram, Pinterest, etc.)
- 29.4% Email, texts, postcards or letters

Question: In which ways did the people you know talk about <destination entered by respondent in previous question>?

Importance of Word-of-Mouth



Question: How important were these opinions to your interest in visiting <destination entered by respondent in previous question>?

METHODOLOGY: The State of the American Traveler Survey™ is conducted quarterly amongst a nationally representative sample of adult American leisure travelers. In the first week of April, 2,006 leisure travelers completed this wave of the survey. This information is provided "as is" and intended for informational purposes only. It should not be relied upon for operational, marketing, legal, technical, tax, financial or other advice. Destination Analysts is not responsible for your use of the information contained herein (including errors, omissions, inaccuracy or non-timeliness of any kind) or any assumptions or conclusions you might draw from its use.

Technology Adoption and Travel

We've adapted a traditional model for technology adoption to define traveler segments with the highest propensities to use new technologies in their travel planning. Developed from a detailed set of survey questions, the results are revealing. They paint a picture that both supports commonly held stereotypes (early adopters tend to be young), but also surprises (ethnicity is strongly correlated with early use of new technology). The graphic below shows these traveler segments and a few of their key descriptors.

The Five Segments of Traveler Technology Adopters

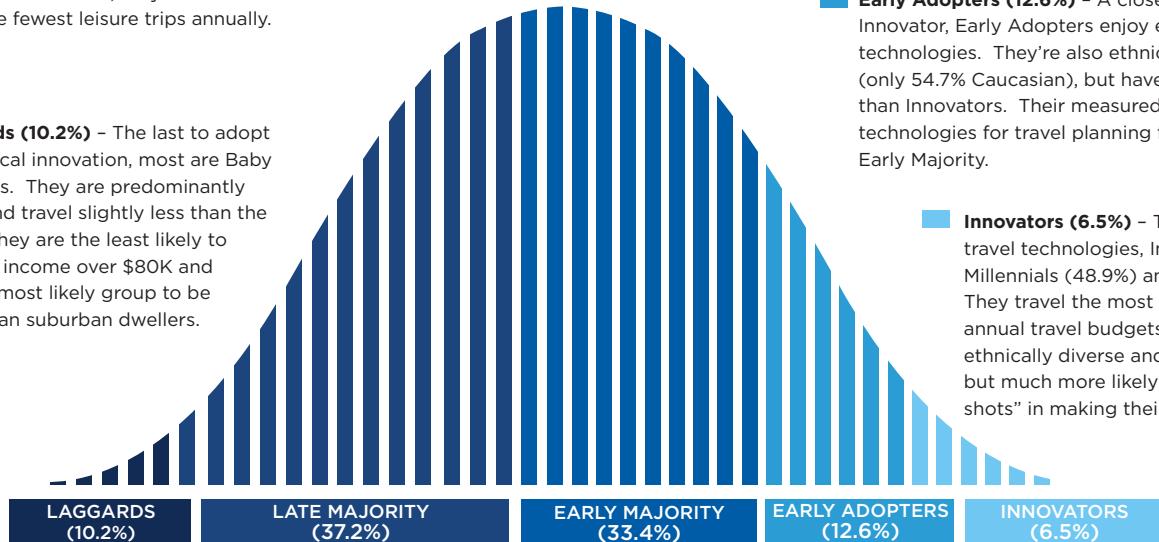
Late Majority (37.2%) - These travelers approach new technology with skepticism, and show a large gap in metrics tracked compared to the Early Majority. Far less likely to have children at home, but much more likely to be married, they tend to be older men and take the fewest leisure trips annually.

Laggards (10.2%) - The last to adopt a technical innovation, most are Baby Boomers. They are predominantly male, and travel slightly less than the norm. They are the least likely to have an income over \$80K and are the most likely group to be Caucasian suburban dwellers.

Early Majority (33.4%) - Interest in advanced technologies drops off sharply with this group, as does the degree of control they personally have in travel planning decisions. Overall, this group travels less often and consumes less travel content.

Early Adopters (12.6%) - A close cousin to the Innovator, Early Adopters enjoy exploring new technologies. They're also ethnically diverse (only 54.7% Caucasian), but have lower incomes than Innovators. Their measured interest in new technologies for travel planning far outpaces the Early Majority.

Innovators (6.5%) - The first to adopt new travel technologies, Innovators are mostly Millennials (48.9%) and Gen-Xers (37.4%). They travel the most and have the largest annual travel budgets. They are much more ethnically diverse and are far less risk averse, but much more likely to "completely call the shots" in making their travel decisions.



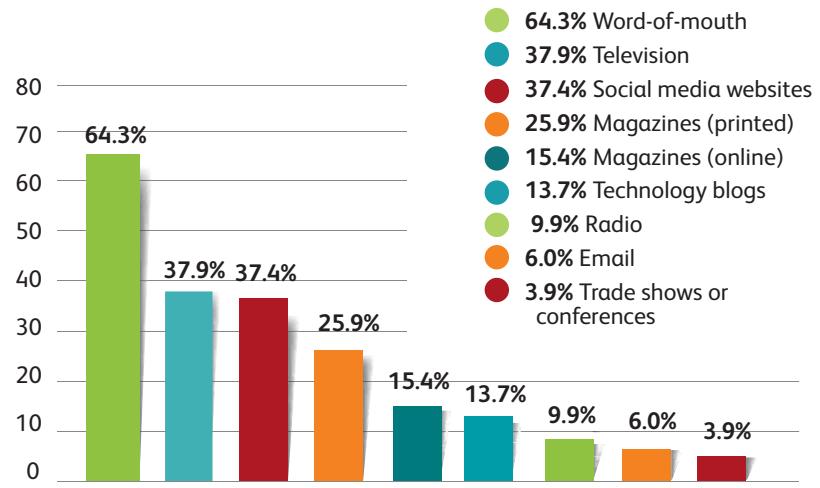
Keeping Up-To-Date With New Technology



- 11.5% I'm totally up to date
- 25.2% I'm keeping up
- 35.4% I'm generally keeping up, but not completely
- 17.1% I'm falling behind
- 10.9% I'm not interested in new travel technology

Question: When it comes to the latest in travel planning technology, would you say you are keeping up or falling behind? (Select one)

How Travelers Learn about New Technologies



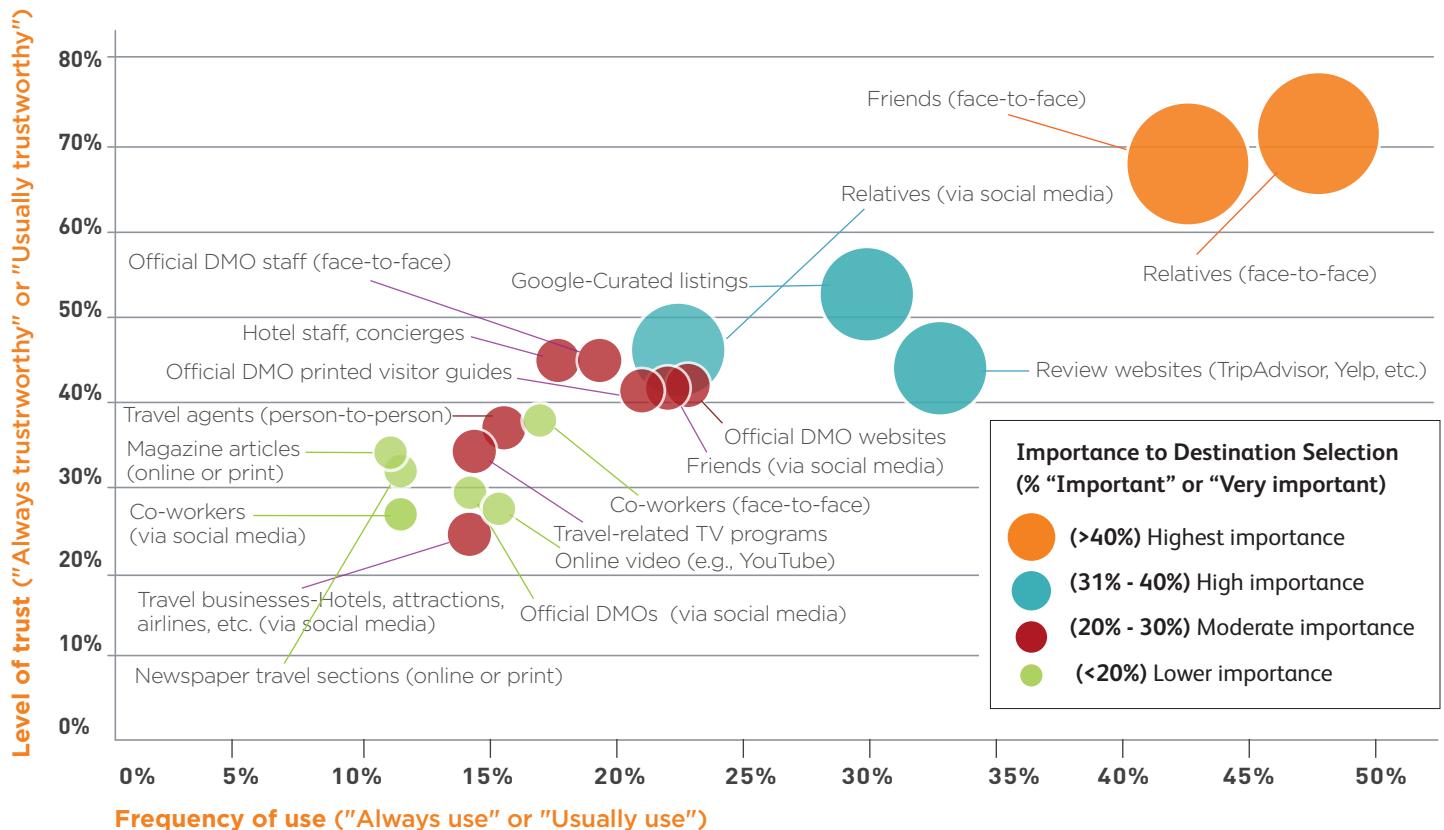
Question: How do you generally learn about new technologies used in travel planning? (Select all that apply)

Travel Planning Resource: Use, Trust & Importance

Travel planning technologies and resources have different levels of overall use, trustworthiness, and influence on destination selection. The diagram below shows a selected group of key resources and technologies. While word-of-mouth clearly dominates on all three metrics, DMO content performs well as a solid contributor to the typical traveler's planning arsenal.

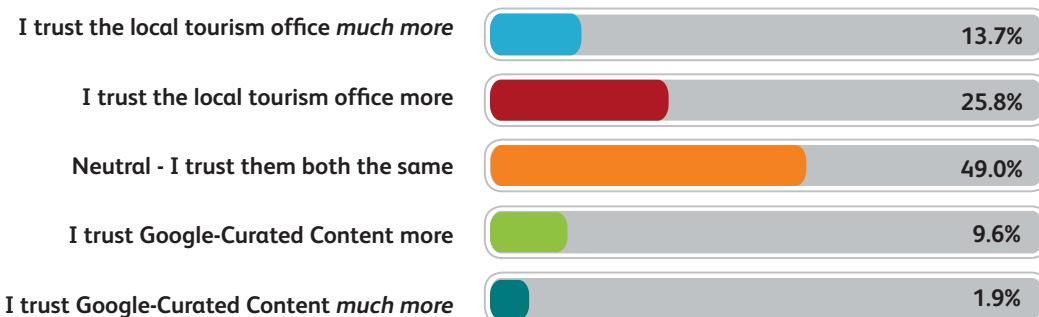
Trust Me, Use Me, Value Me

A visualization of the trust levels, usage rates and importance of the key resources used in travel research



Who do They Trust? DMOs versus Google-Curated Content

(All Leisure Travelers)



DMOS HOLD A TRUST ADVANTAGE OVER GOOGLE-CURATED CONTENT.

Question: Which content, opinions and advice would you generally trust more?

A local visitor bureau/tourism office or Google-Curated Content? (Select one)

Google-Curated Content + Search Engines

Search engines are the centerpiece of how most travelers find DMO content, and they are widely used. Nearly 8 of 10 leisure travelers report having used a search engine to plan their trips in the past year. Recently, however, Google has expanded into providing its own curated destination content, with a layout that can make organic listings challenging to reach. Travelers appear to value, trust and use this content, validating industry concern that this content will become a serious competitor to DMO resources.

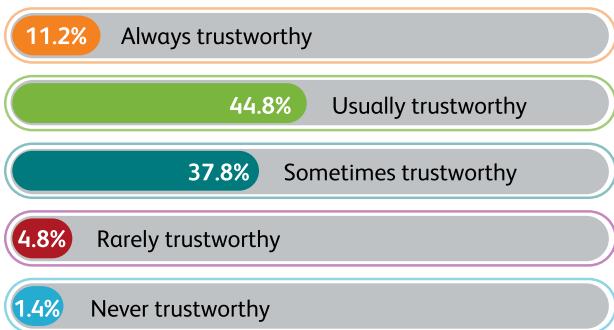
Use of Search Engines in Travel Planning (All Travelers)



- 77.2% Yes
- 20.1% No
- 2.6% I don't know

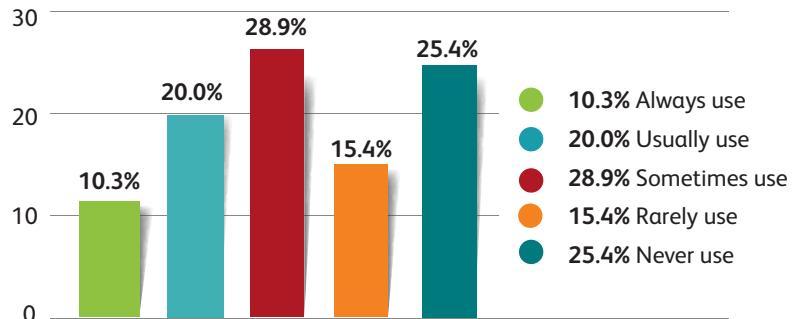
Question: In the past three (3) years, have you used an Internet search engine (Google, Yahoo, Bing, etc.) to help you find travel information?

Trust: Google-Curated Content



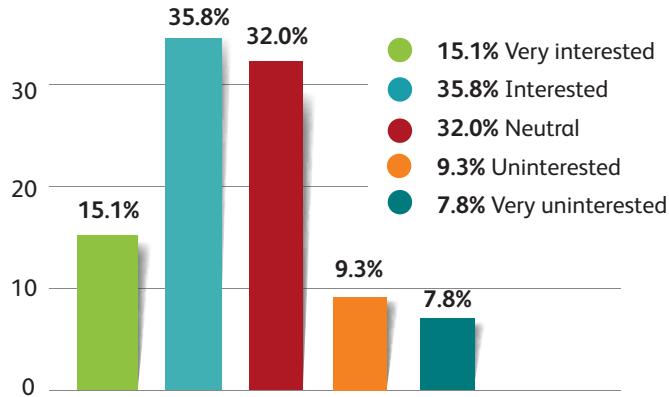
Question: How much would you trust the content, opinions and advice available in Google-Curated destination content?

Use: Google-Curated Content



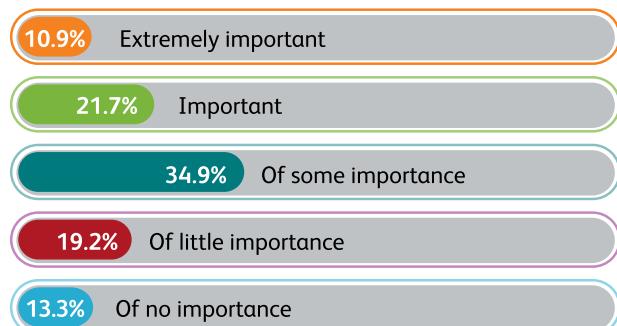
Question: How frequently do you use Google-Curated destination content to plan your leisure trips? (Select one)

Interest in Use for Destination Research



Question: In general, how interested would you be in using Google-Curated Content to research leisure destinations you are considering visiting? (Select one)

Importance: Google-Curated Content

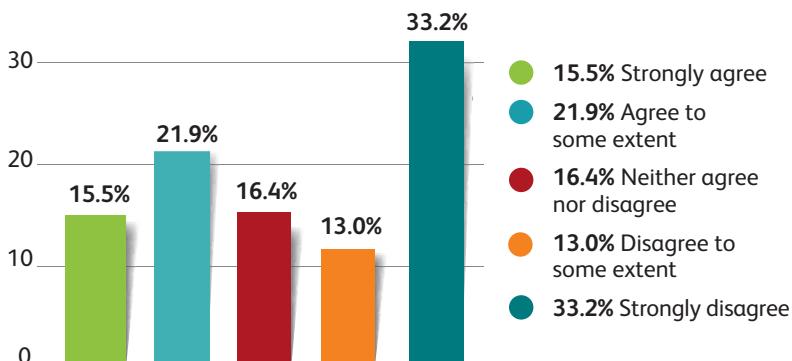


Question: In general, how important is Google-Curated destination content in how you pick the leisure destinations you visit?

The Reach of Mobile Phones & Apps

Mobile devices have become a staple of our way of life, but they may not yet be the end all for travel planning. Only about one-third of travelers say they plan their leisure trips extensively on a mobile device. Furthermore, a notably strong preference for using desktop/laptops to plan trips is also seen.

Do Travelers Plan Extensively on Their Mobile Phones?



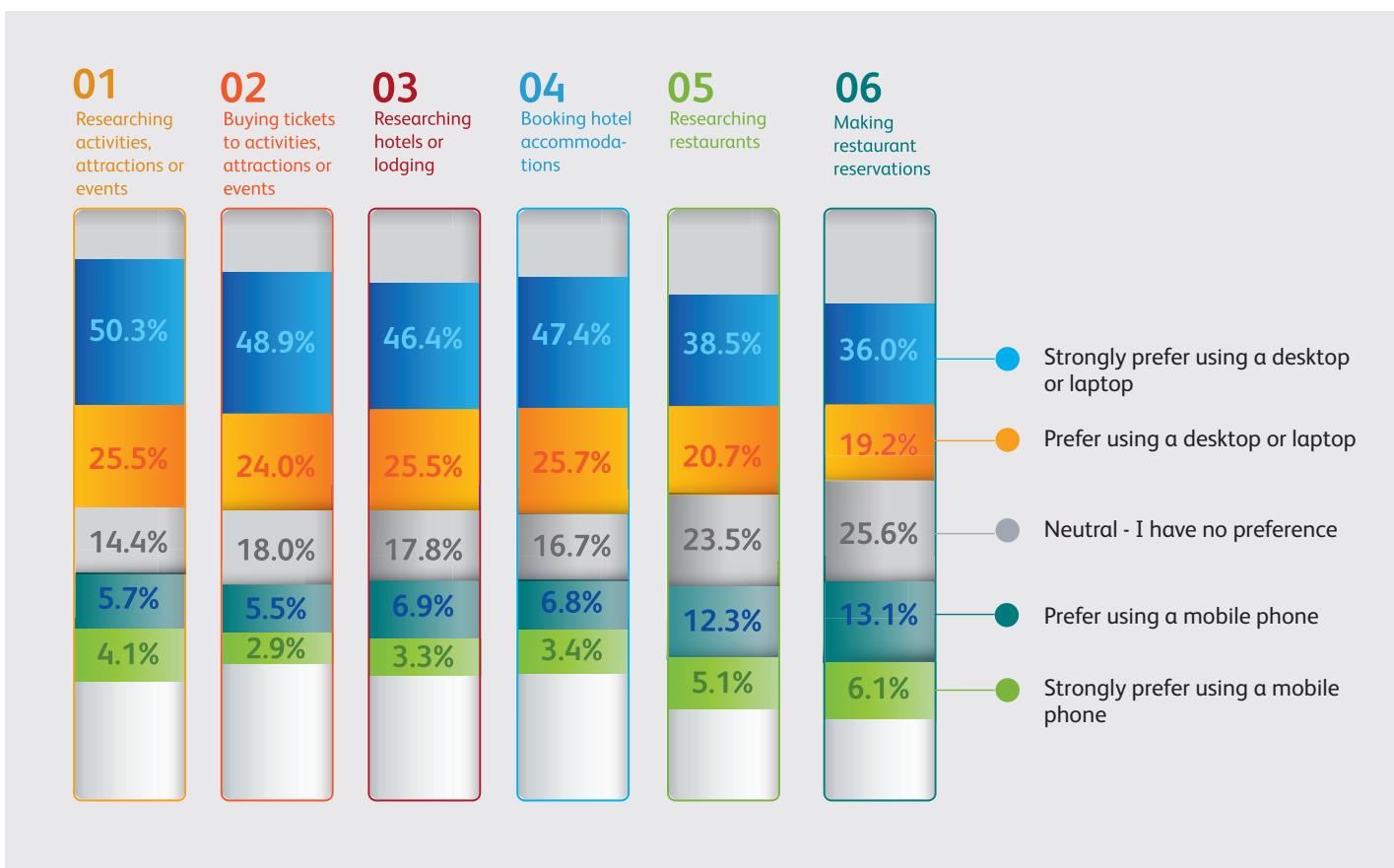
Question: How much do you agree with the following statement?
I research my leisure travel extensively using my mobile phone.

Use of APPs in Travel Planning



Question: In the past twelve (12) months, have you used any travel-related APPs to help you in travel planning?

Travelers Still Prefer Planning on Traditional Devices



Question: If you were given the choice of using a desktop or laptop computer (PC or Mac) or a mobile phone, which would you generally prefer to use for each of these travel planning tasks?

VR Headsets + Real-Time Video

A Destination Marketer's Guide To



Virtual Reality Headsets

vs.

Real-Time Video Feeds



63.1%

Have heard of VR Headsets



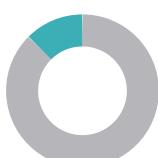
38.2%

Have heard of real-time video



7.0%

Have used a VR Headset to plan leisure travel



10.1%

Have used real-time video to plan leisure travel



46.6%

Would be interested in using a VR Headset to plan travel if good content were available



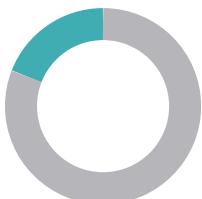
45.7%

Would be interested in using real-time video to plan travel if good content were available

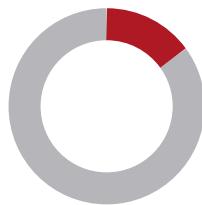
Peer-to-Peer Technologies and Travel

Despite their high-profile in the media, peer-to-peer technologies have not yet reached a majority adoption by travelers. Fewer than one in five travelers use peer-to-peer ride sharing services or lodging services while traveling. Other services (e.g., car and bike share) have even smaller market penetration for travel purposes. Nevertheless, having risen to this stature in just a few years, these services seem poised to have an increasingly large impact on the industry.

Use of Peer-to-Peer Resources in Leisure Travel



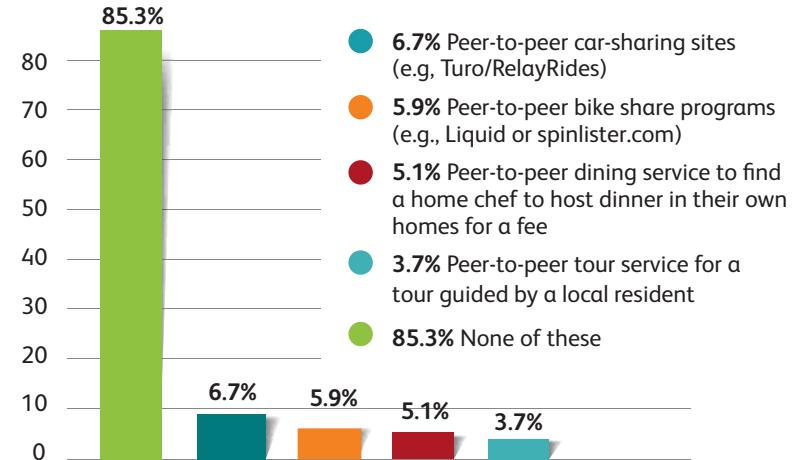
19.4%
Peer-to-peer ride service
like Uber, UberX or Lyft



13.9%
Peer-to-peer lodging
service like AirBnB, VRBO,
Homeaway, etc.

Question: In the past twelve (12) months, have you used these peer-to-peer lodging services while traveling for leisure?

Use of Other Peer-to-Peer Resources



Question: In the past twelve (12) months, have you used any of these ways of purchasing travel services? (Select each that you have used)

Use of Cutting-Edge Tech Solutions (Past 12 months)

USED FOR ANY REASON USED FOR LEISURE TRAVEL

Voice-activated intelligent assistant (e.g., Siri or Cortana)	21.5%	12.2%	Over 30 percent of travelers have used at least one of these newer technologies for travel planning purposes in the past year.
Full virtual reality headset to view 3D content (e.g., Occulus, HoloLens)	12.3 %	4.9 %	
Smart Watch or other wearable device (e.g., Smart Bands/ Smart Clothing)	11.8 %	6.6 %	
Voice-activated Smart Speaker (e.g., Amazon Echo)	11.0 %	5.9 %	
Simple virtual reality/augmented reality headset to view 3D content (e.g., Google Cardboard)	9.0 %	7.3 %	
iBeacon or Eddystone technology or similar solution on mobile phone (allows Apps to receive personalized content from nearby vendors)	7.7 %	6.1 %	
None of these	69.3 %	69.6 %	

Question: In the past twelve (12) months, have you used any of the following for any reason or to help you plan your leisure travels? (Select all that apply)