

# THE STATE OF THE AMERICAN TRAVELER

miles marketing destinations

## Leisure Travel Expectations Remain Strong

American enthusiasm toward leisure travel remains strong. July results from our biannual national travel survey reveals strong optimism about upcoming leisure travel.

The percent of leisure travelers expecting to travel more in the upcoming year is up from levels recorded last summer. In our latest survey, the proportion of leisure travelers planning to travel more increased to 30.2 percent, up from 27.5 percent at the same point one year ago. Spending expectations are also high, with 31.1 percent expecting to increase their leisure travel spending in the coming year. *(continues on page 2)*

### SNAPSHOT

Americans planning to increase leisure travel spending in the next 12 months

**31%**

**Q In the past twelve (12) months, how many trips have you taken of more than 50 miles one-way for purely leisure or personal reasons?**

One.....	23.2%
Two.....	23.9%
Three.....	14.7%
Four.....	10.0%
Five or more.....	28.2%
<b>AVERAGE.....</b>	<b>4.8</b>

**Q How many of these leisure trips were day trips (no overnight stay)?**

Zero.....	39.5%
One.....	21.5%
Two.....	14.8%
Three.....	6.0%
Four.....	4.3%
Five or more.....	13.9%
<b>AVERAGE.....</b>	<b>2.5</b>

**Q How many of these leisure trips were primarily by automobile?**

Zero.....	12.0%
One.....	24.6%
Two.....	21.8%
Three.....	11.8%
Four.....	7.0%
Five or more.....	22.8%
<b>AVERAGE.....</b>	<b>3.7</b>

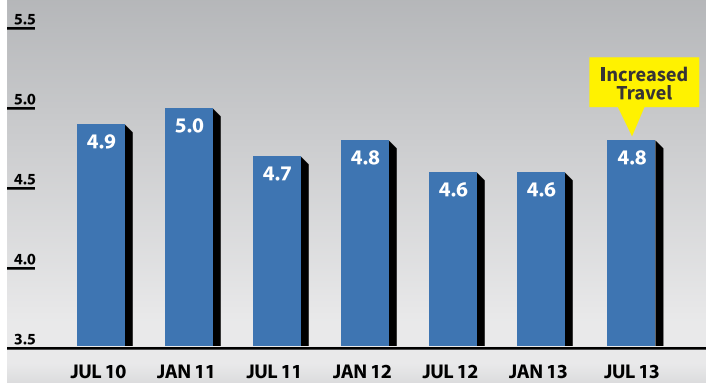
**Q How many of these leisure trips included air travel?**

Zero.....	54.6%
One.....	21.4%
Two.....	13.5%
Three.....	4.0%
Four.....	1.8%
Five or more.....	4.8%
<b>AVERAGE.....</b>	<b>1.0</b>

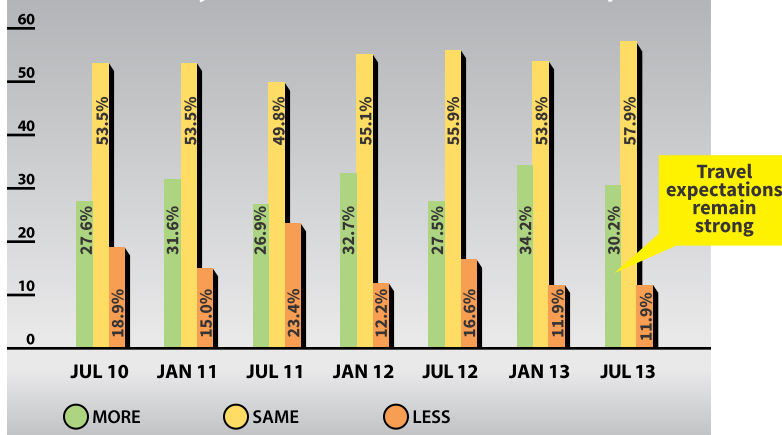
**Q How many of these leisure trips included travel outside the United States?**

Zero.....	78.5%
One.....	12.8%
Two.....	4.6%
Three.....	1.4%
Four.....	0.6%
Five or more.....	2.0%
<b>AVERAGE.....</b>	<b>0.4</b>

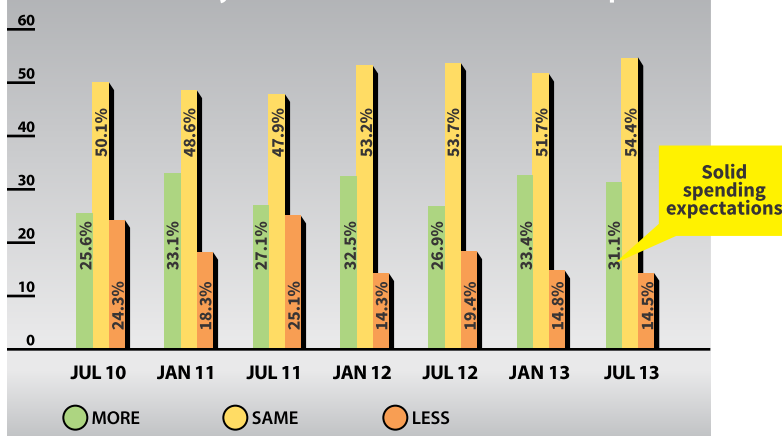
Average number of leisure trips taken (past 12 months)



In the next 12 months, do you expect to travel more or less for leisure than you did in the most recent 12 month period?



In the next 12 months, do you expect to spend more or less for leisure travel than you did in the most recent 12 month period?



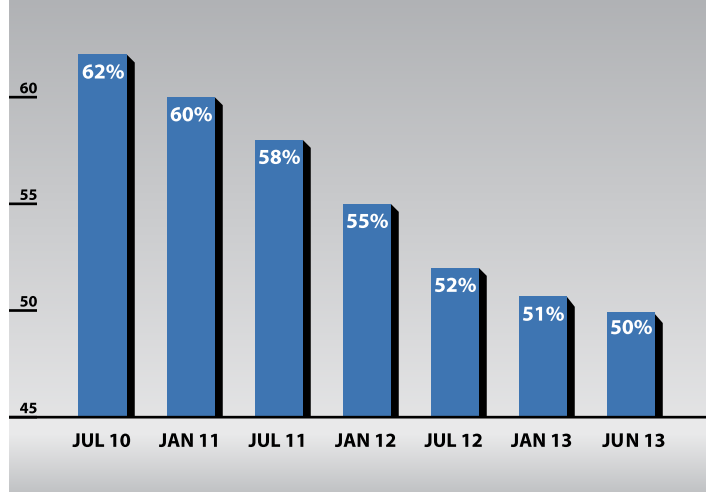
## Leisure Travel Expectations Remain Strong

(continued from page 1)

Improvements in traveler finances and moderate gas prices continue to drive these positive results. In the current round of our survey, fewer travelers reported that either personal financial concerns or high gas prices had kept them from traveling more than they would have otherwise preferred in the past 12 months. Only 38.6 percent reported that "personal financial reasons" have kept them from traveling more, compared to 47.6 percent one year ago. Similarly, only 39.5 percent said that high gasoline prices have had a similar effect, down from 46.6 percent in July 2013. As noted in previous editions, high summer gasoline prices tend to depress traveler optimism in the summer wave of this survey. This year is an exception.

The improved financial positions of leisure travelers is also shown in the diminishing interest in travel deals and discounts. The proportion of American leisure travelers who expect to actively look for travel deals and discounts has been in consistent decline over the last three years. In our most recent poll, less than half of travelers (49.8%) were so inclined. By way of comparison, in January 2010, fully 63.1 percent of travelers said they would actively seek out deals and discounts.

Will actively look for travel discounts or bargains in the next 12 months



## Is Discounting Losing its Luster?

Down from 65.6 percent in 2008, fewer American leisure travelers say they will be actively seeking travel discounts and bargains. In the previous three survey waves, only about half of American travelers indicated that they would seek out travel deals.

**METHODOLOGY:** The State of the American Traveler Survey is conducted every six months by Destination Analysts, Inc, a San Francisco-based tourism industry research company. The survey is conducted online amongst a nationally representative sample of adult Americans. From June 23rd to 30th, 2013, surveys were collected from a group of respondents who were then screened by their leisure travel behavior. Only those respondents who had traveled at least once in the past 12 months for purely leisure or personal reasons were interviewed. This travel must have been of at least 50 miles one-way — the standard distance threshold used in the tourism industry to signify that a "trip" has been taken. In total, 2,043 leisure travelers completed the survey. With this sample size, the topline data presented here can be considered to have a reliability of +/- 2.2%. Age ranges used in this analysis: Millennials (18-33), Generation X (34-49) and Baby Boomers (50-68). 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").

### Reasons for cutting back on leisure travel



	Gasoline was too expensive	Personal financial reasons	Airfare was too expensive	Safety concerns
January 2010	41.6%	56.6%	31.8%	12.0%
July 2010	40.7%	55.9%	36.0%	8.4%
January 2011	39.3%	54.6%	34.9%	11.0%
July 2011	53.6%	48.9%	38.9%	8.9%
January 2012	45.9%	49.1%	35.2%	7.8%
July 2012	46.6%	47.6%	30.2%	8.6%
January 2013	40.7%	40.9%	32.9%	9.7%
July 2013	39.5%	38.6%	27.1%	9.5%

### Q In the past 12 months, which (if any) of the following kept you from traveling more for leisure than you would have otherwise preferred?

(Select all that apply)

Gasoline was too expensive.....	39.5%
Personal financial reasons .....	38.6%
Airfare was too expensive .....	27.1%
I was too busy at work.....	17.7%
Other personal responsibilities. . .	15.9%
I didnt have enough vacation time.....	12.0%
Safety concerns .....	9.5%
Health/illness.....	8.3%
Weather.....	7.5%
Child care responsibilities .....	6.8%
I did not have a travel companion(s) ..	5.0%
I travel frequently for business and preferred to stay home .....	1.6%
Lack of availability (at hotels, golf courses, spas, etc.) .....	1.5%

### Q Which of the following are you likely to do given the overall economic climate (including gasoline prices, travel costs and your personal financial situation)?

(Select all that apply)



Look for travel discounts or bargains .....	49.8%
Visit generally less expensive destinations.....	21.8%
Reduce the number of leisure trips I will take .....	18.3%
Shorten the distance of my trip(s) or reduce side trips along the way to save money.....	17.6%
Reduce the number of total days I will spend on leisure trip(s) to save money.....	17.3%
Take at least onestaycation (a vacation spent at home) rather than travel.....	17.0%
Select less expensive mode(s) of transportation .....	9.7%

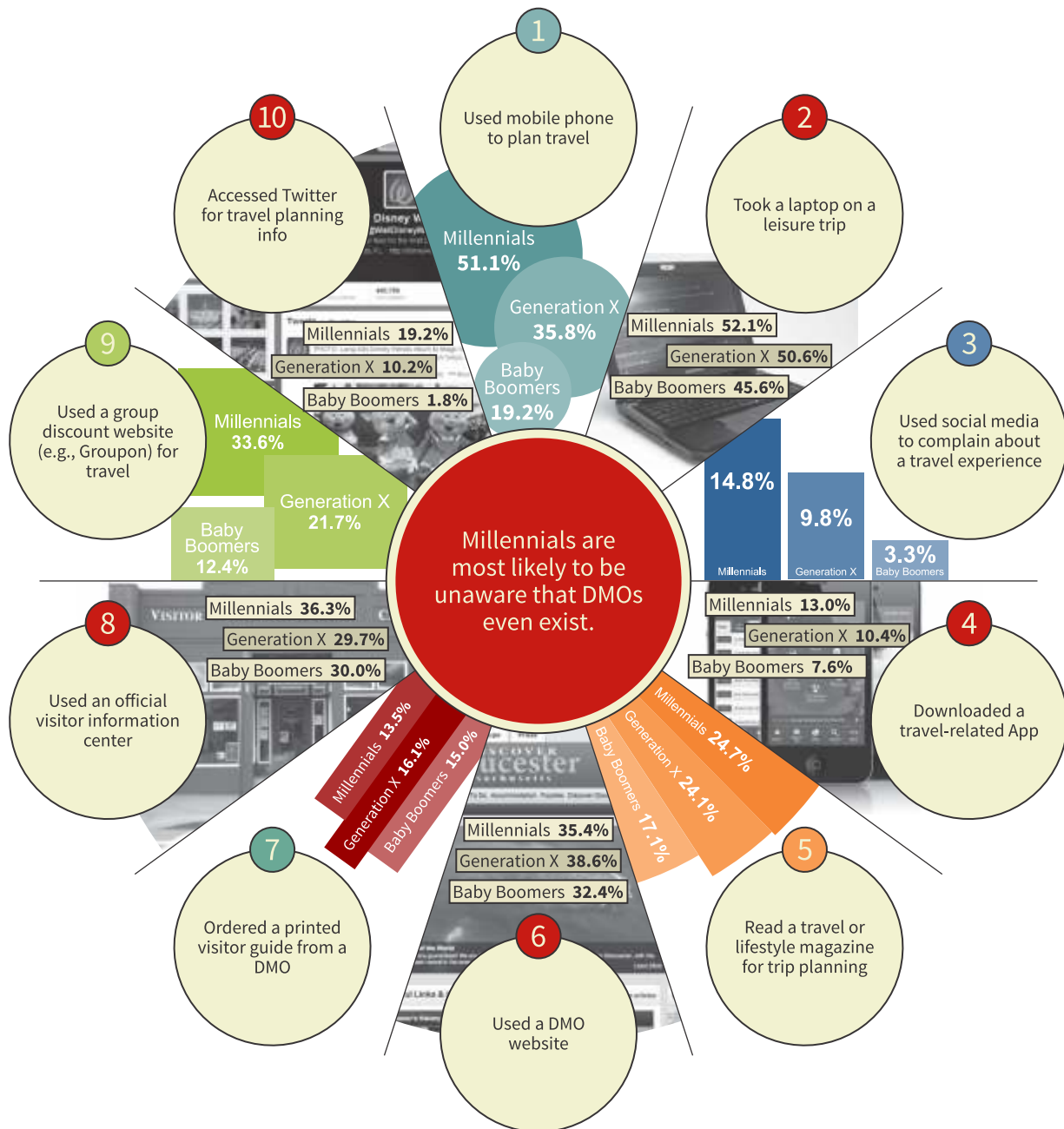
# THE STATE OF THE AMERICAN TRAVELER™

## GENERATIONS EDITION

### HOW WE PLAN OUR TRAVEL

In this edition of *The State of the American Traveler™* we examine differences in travel behaviors between three key generations: Millennials, Generation X and Baby Boomers. Despite the inevitable hype that pops up around the topic, we are all humans with similar needs and aspirations. In many ways, these three generations are strikingly similar. However,

understanding the differences that do exist between the generations can help us be more effective marketers. Nowhere are these generational differences more pronounced than in how they plan their trips and the technology they use to do so. The infographic below illustrates how the generations differ in travel planning behaviors in the past year.



# THE MILLENNIALS

## The Next Travel Wave is Already Here

*Connected, Urban Traveling Foodies*

% taking at least one leisure trip (past year) **75.5%**

Leisure trips in past year **5.4**

Leisure trips by air **1.4**

Traveled abroad in past year **1/3**

Expected travel budget for a typical one week vacation (excludes airfare) **\$2,871**

Expects to travel more (next 12 mos.) **42.2%**

Expects to spend more (next 12 mos.) **39.1%**

Used group discount website for travel **1/3**

Annual household income > \$80K **22.1%**

College education or above **48.0%**

Kids in household **1/5**

Married **3/8**

Lives in urban area **32.4%**

Prefers visiting large cities **47.9%**

Very uncomfortable on vacation if without email/text msg. **52.5%**

Will check and respond to email/texts 10+ times daily on vacation **7.7%**

Will not check email/texts on vacation **4.6%**

Friends are a "highly trusted" info source **2/3**

Exaggerated trip details to a friend to make it look better (past 5 years) **27.3%**



The future of the DMO industry is already here. Millennials are more likely to travel and take more leisure trips than their older counterparts. They are more interested in urban destinations. They are nearly twice as likely to say they prefer a big city vacation to a rural one (i.e., National Parks, beach resorts, smaller town, scenic byways, etc.). Our Psychographic Intensity Indices™ show they are also the generation most interested in culinary travel and are, by far, the most connected to others and to travel information via technology.

## Connectivity Meter (Millennials: 64/100)



## Growth Markets

By comparing the percent of leisure travelers actually visiting (in the past 3 years) to the percent expecting to visit in the next 3 years, a measure of a destination's latent potential for growth emerges. The following are top domestic destinations poised to capture more Millennials in the next 3 years.

- Hawaii
- San Diego, CA
- Las Vegas, NV
- Alaska
- New Orleans, LA
- Palm Springs, CA
- Napa County, CA
- Rapid City, Mt. Rushmore area, SD
- Denver, CO
- Sonoma County, CA
- Nashville, TN



# GENERATION X

## Stuck in the Middle

### *The Millennial-Boomer Hybrid*

% taking at least one leisure trip (past year)	<b>70.5%</b>
Leisure trips in past year	<b>4.3</b>
Leisure trips by air	<b>1.3</b>
Traveled abroad in past year	<b>2/9</b>
Expected travel budget for a typical one week vacation (excludes airfare)	<b>\$2,907</b>
Expects to travel more (next 12 mos.)	<b>32.3%</b>
Expects to spend more (next 12 mos.)	<b>32.7%</b>
Used group discount website for travel	<b>2/9</b>
Annual household income > \$80K	<b>35.3%</b>
College education or above	<b>52.7%</b>
Kids in household	<b>1/3</b>
Married	<b>5/8</b>
Lives in urban area	<b>28.0%</b>
Prefers visiting large cities	<b>39.9%</b>
Very uncomfortable on vacation if without email/text msg.	<b>48.1%</b>
Will check email/texts 10+ times daily on vacation	<b>6.3%</b>
Will not check email/texts on vacation	<b>5.8%</b>
Friends are a "highly trusted" info source	<b>5/8</b>
Exaggerated trip details to a friend to make it look better (past 5 years)	<b>18.3%</b>



The generation that gets no respect is in many ways a hybrid of the two giants that came before and after it. In each of our Psychographic Intensity Indices™, Gen Xers land smack in the middle. Their most pronounced characteristic (although it's shared with all generations) is a solid dose of frugality when traveling. Two-thirds of Gen Xers say getting the "lowest possible price" while traveling is important to them. In addition, over two-thirds say that sticking to a carefully planned travel budget is important to them.

## Frugality Meter

(Generation X: 72/100)



## Growth Markets

Again, comparing the percent of leisure travelers actually visiting (in the past 3 years) to the percent expecting to visit in the next 3 years, the following are top destinations poised to capture more of Generation X in the upcoming years.

- Hawaii
- Las Vegas, NV
- The Florida Keys
- Napa County, CA
- New York, NY
- Denver, CO
- Lake Tahoe area, CA
- Santa Barbara County, CA
- New Orleans, LA
- Orlando, FL
- Nashville, TN



# BABY BOOMERS

## Desires of an Aging Generation

### Exploration and Getting Back to Nature

% taking at least one leisure trip (past year)	<b>72.5%</b>
Leisure trips in past year	<b>4.6</b>
Leisure trips by air	<b>0.8</b>
Traveled abroad in past year	<b>1/7</b>
Expected travel budget for a typical one week vacation (excludes airfare)	<b>\$2,122</b>
Expects to travel more (next 12 mos.)	<b>23.3%</b>
Expects to spend more (next 12 mos.)	<b>26.5%</b>
Used group discount website for travel	<b>1/8</b>
Annual household income > \$80K	<b>28.7%</b>
College education or above	<b>47.3%</b>
Kids in household	<b>1/13</b>
Married	<b>5/8</b>
Lives in urban area	<b>22.9%</b>
Prefers visiting large cities	<b>24.9%</b>
Very uncomfortable on vacation if without email/text msg.	<b>34.7%</b>
Will check email/texts 10+ times daily on vacation	<b>0.8%</b>
Will not check email/texts on vacation	<b>16.2%</b>
Friends are a "highly trusted" info source	<b>1/2</b>
Exaggerated trip details to a friend to make it look better (past 5 years)	<b>20.4%</b>



Boomers show a pronounced desire for exploring as well as a deep interest in connecting with the great outdoors on their leisure trips. This massive generation rated highest on our Explorer Index, showing interest in off-the-beaten-path attractions. They are, by far, the least interested in organized group travel activities. While not generally averse to urban vacations, they are the most likely to say experiencing nature (away from large cities) is usually an important part of their leisure travel.

## Back to Nature Meter

(Baby Boomers: 66/100)



## Growth Markets

Comparing the proportion of Boomers actually visiting a destination (in the past 3 years) to those expecting to visit that destination for leisure in the next 3 years, the destination's potential is revealed. The following are top domestic markets poised to grow their share of Baby Boomers in the immediate near term.

- Hawaii
- The Florida Keys
- Las Vegas, NV
- Lake Tahoe area, CA
- Alaska
- San Diego, CA
- San Francisco, CA
- Seattle, WA
- Napa County, CA
- New Orleans, LA
- Washington, DC

