Destination Analysts'

The State of the American Traveler™

TRAVELER SEGMENTS EDITION

Summer 2018 | Volume 30

Destination Analysts

Traveler Segments Edition

SEGMENTATION IS ALL THE RAGE in destination marketing, with persona and traveler type research being in high demand. This edition of The State of the American Traveler™ continues the work we began last year and examines several new traveler segments, including our first-ever look at Generation Z. In this report we present descriptive data to illustrate how these segments act, think and plan their leisure travels. For each segment, we present several key data points where the segments differ markedly from their counterpoints. Segments examined in this edition include: Generation Z, International Travelers, National Parks Travelers, Family Travelers, Print Resource Users and Social Media-Influenced Travelers. Please enjoy. As always if you have questions or ideas for future survey topics, we welcome you to message us: info@destinationanalysts.com or @DA_Research.

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Methodology

THE STATE OF THE AMERICAN TRAVELER SURVEY is conducted quarterly 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 July 2nd to July 8th, 2018, 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, 2,000 leisure travelers completed the survey. With this sample size, the top line data presented here can be considered to have a reliability of +/- 2.3%. 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, inaccuracies or non-timeliness of any kind) or any assumptions or conclusions you might draw from its use.

Contents

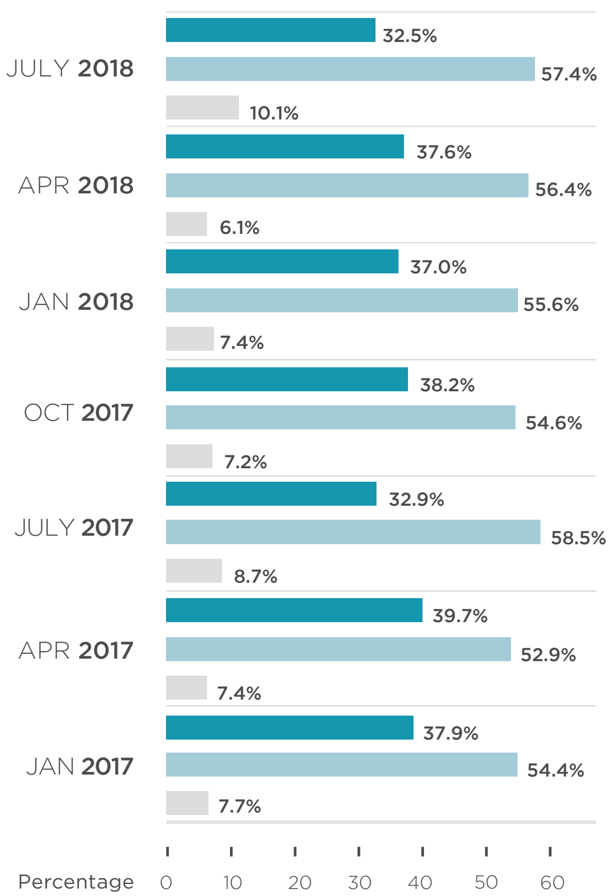
1.0

Travel Expectations & Travel Spending Expectations

OPTIMISM FOR FUTURE LEISURE TRAVEL continues to be strong, with nearly a third of American travelers (32.5%) saying they will enjoy more trips in the upcoming year. Our July The State of the American Traveler™ tracking survey shows that this leisure travel optimism is at the same high level as last summer, when 32.9 percent of Americans planned to increase the number of trips they would take in the next 12 months. Expectations for leisure travel spending are down, however, with 31.7 percent of American travelers expecting to increase their leisure travel spending in the next year, down from 34.4 percent last summer. This year the typical traveler expects to budget $3,133 for leisure travel, down from $3,544 last year at this time.

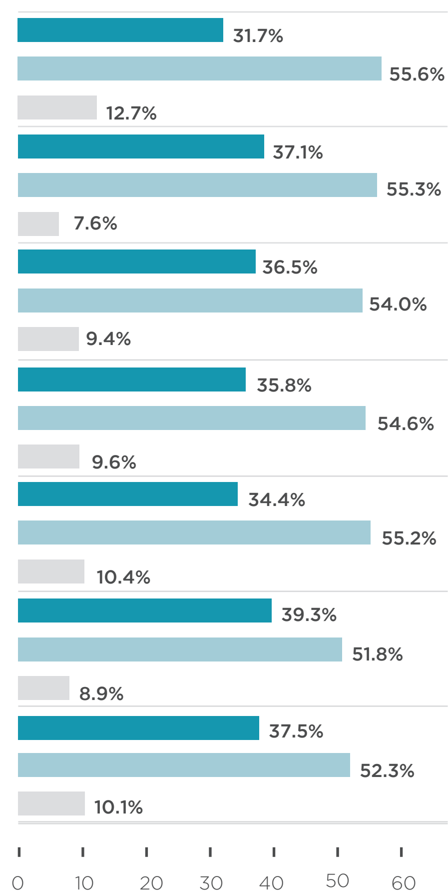
THE KEY: expect more | expect the same | expect less

Travel Expectations (Trips)



Q: 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?

Travel Expectations (Spending)



Q: 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?

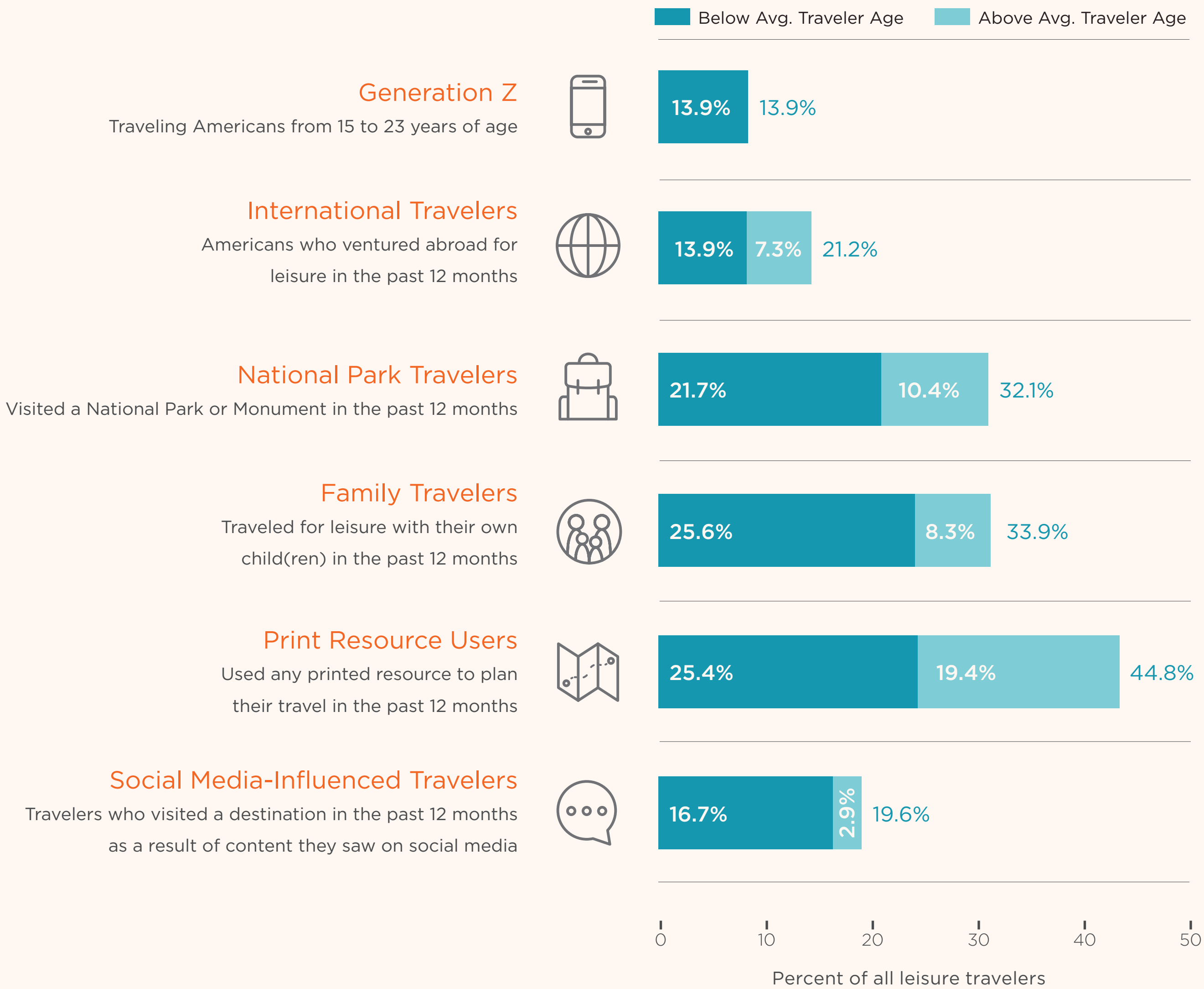
2.1

Traveler Segments

In this year's The State of the American Traveler, Traveler Segments Edition we examine six new traveler types: Generation Z, International Travelers, National Parks Travelers, Family Travelers, Print Resource Users and Social Media-Influenced Travelers. These groups vary dramatically in their size and composition. The graph below shows the relative sizes of each. The smallest segment is also the youngest, with Generation Z comprising only 13.9 percent of the traveling public. The largest segment (persons who have used printed travel planning resources in the past year) comprises nearly half of leisure travelers. This segment is also the most evenly distributed by age.

TRAVELER SEGMENTS: RELATIVE SIZE & GENDER MIX

Understanding this graph by example: 21.2% of all US leisure travelers are international travelers. Almost two thirds of this group are below the average age of American leisure travelers (49 years old). 13.9% of the traveling population venture abroad and are below this average age, while only 7.9% are above it.



2.2

TRAVELER SEGMENTS
Generation Z

The youngest generation of travelers has been called Generation Z. These youthful travelers range in age from 15 to 24 and have been referred to as the Millennial Generation on steroids. In terms of their travel, however, they may not differ from Millennials as much as popular stereotypes suggest.

13.9% OF LEISURE TRAVELERS

Generation Z — Travelers 15-24 years old **VS** Millennials — Travelers 25-35 years old

KEY: Generation Z | Millennials

		Generation Z	Millennials
	Average age	21	30
	Annual leisure travel budget	$2,510	$2,848
	Average income > $80K	26.3%	30.2
	Single	87.5%	50.2%
	College graduate	9.9%	56.6%
	Urban dwellers	24.0%	33.3%
Next 12 Months	Expects to take more trips	34.2%	46.7%
	Expects to spend more on travel	44.0%	43.2%
Past 12 Months	Leisure trips taken	4.0	4.5
	Leisure day trips taken	2.1	1.6
	Traveled by air	46.7%	56.6%
	Traveled outside the USA	31.6%	26.4%
Travel Planning Resources Used (past 12 months)	User-generated content	70.7%	72.1%
	Print resources	44.4%	45.2%
	DMO website	22.7%	28.5%
	Social Media	47.7%	66.9%

Budget constrained Generation Z lacks the high expectations for future travel that defines Millennials.

Generation Z takes fewer trips, but has a higher likelihood to travel abroad.

Dispelling a Myth

FICTION

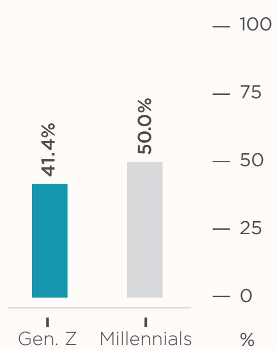
The younger the traveler, the more obsessive they are with sharing on social media

FACT

Not only do they use it less for travel planning (above), Generation Z are less apt to share travel photos on social media

Q: When traveling for leisure, do you take photos/videos to share on social media?*

% Yes, Always



2.3

TRAVELER SEGMENTS
International Travelers

Surprisingly only one in five Americans ventured abroad in the past year.

21.2% OF LEISURE TRAVELERS

International Travelers	VS	Domestic-only Travelers
Americans who traveled for leisure abroad in the past year		Americans who traveled for leisure in the past year, but not outside the USA

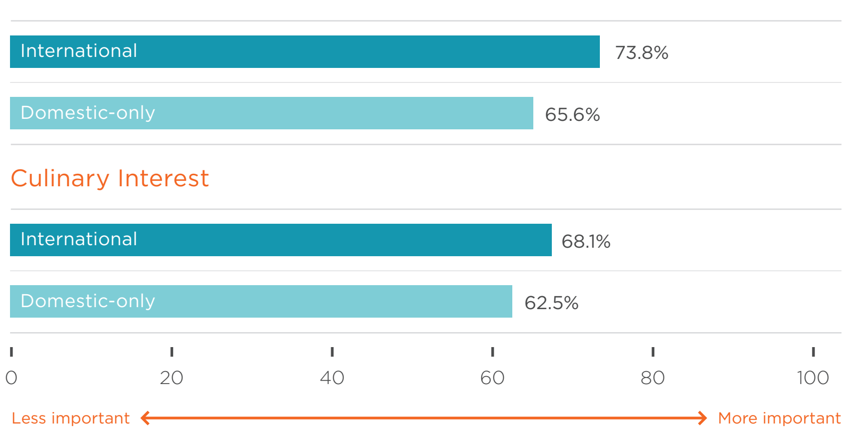
KEY: International Travelers | Domestic-only Travelers

		International Travelers	Domestic-only Travelers	
	Average age	45	50	
	Generation X or younger	60.8%	47.7%	
	Average income > $80K	47.5%	30.5%	Younger, affluent and with big travel budgets, International Travelers' expectations are sky high.
	Urban dweller	37.3%	21.1%	
	Non-Caucasian	31.9%	18.1%	
Next 12 Months	Expects to take more trips	42.9%	29.8%	
	Expects to spend more on travel	40.0%	29.8%	
	Annual Leisure travel budget	$3,478	$1,500	
Past 12 Months	Leisure trips taken	5.1	3.2	
	Trips taken by car	2.3	2.4	
	Traveled by air	2.5	0.7	Frequent air travelers
	Took at least 1 business trip	39.7%	14.3%	
Travel Planning Resources Used (past 12 months)	User-generated content	75.0%	51.2%	International travelers are quintessential hyper-informed travelers
	Print resources	62.7%	40.5%	
	DMO website	50.0%	28.2%	
	Social Media	56.1%	41.1%	

A Deep Interest in Culture and Cuisine

When comparing psychographic profiles, the biggest difference between these two groups is in their interest in culture and cuisine when traveling.

Destination Analysts' Traveler Psychographic Intensity Indices™



*Destination Analysts' proprietary Traveler Psychographic Intensity Indices™ use a series of related seven-point scale questions to measure the strength or intensity in a traveler's feelings about aspects of leisure travel. For each psychographic category, every survey respondent is given a score of 1-100, with high scores indicating high levels of intensity or importance.

2.4

TRAVELER SEGMENTS

National Parks Travelers

It has been said that the National Parks are America's best idea. Travelers seem to agree, with nearly one third visiting at least one such park or monument in the past 12 months.

32.1% OF LEISURE TRAVELERS

National Parks Travelers	VS	Non-National Parks Travelers
Visited a National Park or Monument in the last year		Did not visit a National Park or Monument in the last year

KEY: National Parks Travelers | Non-National Parks Travelers

		National Parks Travelers	Non-National Parks Travelers
	Average age	44	51
	Gen X or younger	63.7%	43.3%
	Baby Boom or older	36.3%	55.7%
	Non-Caucasian	24.1	19.4%
	Annual income > $80K	41.9%	30.4%
Next 12 Months	Expects to take more trips	42.7%	27.9%
	Expects to spend more on travel	42.0%	27.3%
	Annual leisure travel budget	$3,000	$1,500
Past 12 Months	Leisure trips taken (avg. #)	4.67	3.13
	Trips taken by car (avg. #)	2.8	2.17
	Traveled outside the USA	2.63	1.67
	Traveler in a recreational vehicle	33.4%	14.5%
	Traveled with their own children	54.2%	23.5%
	Visited a State, Local or Regional park	77.5%	24.0%
Travel Planning Resources Used (past 12 months)	User-generated content	69.2%	50.1%
	Print resources	63.6%	36.5%
	DMO website	47.4%	19.4%
	Social media	58.0%	33.4%

Younger and more affluent, they budget twice as much for their leisure trips as Non-National Parks travelers.

National Parks Travelers are twice as likely to hit the road with their own kids in tow.

More than twice as likely to use DMO websites to travel plan

Dispelling a Myth

FICTION

National Parks Travelers are the homespun granola crowd, seeking solace in nature and shunning the culture and sophistication of urban destinations.

FACT

Au Contraire! Psychographically speaking there is little difference between these groups in the importance of connecting with the natural world while traveling. National Parks Travelers are, however, notable for their markedly higher interest in culture and cuisine.

Cultural Interest

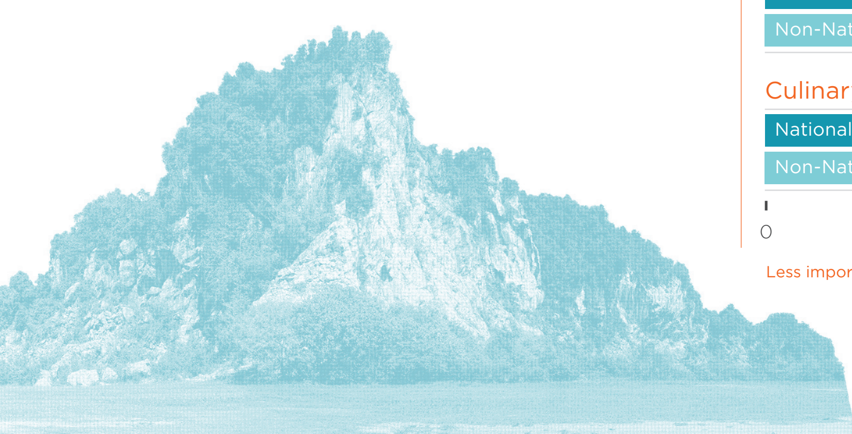
National Parks Travelers	74.1%
Non-National Parks Travelers	64.2%

Culinary Interest

National Parks Travelers	67.7%
Non-National Parks Travelers	61.8%

0 20 40 60 80 100 %

Less important ⟷ More important



2.5

TRAVELER SEGMENTS

Family Travelers

Comprising about one third of the traveling public, Family Travelers take far more trips of all kinds than do other travelers. Their travel budgets are robust, and they are highly enthusiastic about increasing their travels in the upcoming year. Socially motivated, you can count on them to plan using social channels and to post pictures of their adventures in your destination.

33.9% OF LEISURE TRAVELERS

Family Travelers
Traveled with their own children in the past 12 months

Other Travelers
Did not travel with their own children in the past 12 months

KEY: Family Travelers | Other Travelers

		Family Travelers	Other Travelers
	Female	56.5%	48.2%
	Gen X or younger	72.5%	39.5%
	Baby Boom or older	27.5%	60.5%
	Average age	40.5	53.3
	Average income > $80K	40.8%	30.6%
Next 12 Months	Expects to take more trips	44.1%	26.8%
	Expects to spend more on travel	44.9%	25.5%
	Annual leisure travel budget	$3,721	$2,837
Past 12 Months	Leisure trips taken	4.5	3.2
	Leisure day trips taken	1.6	0.9
	Traveled by air	62.8%	43.0%
	Traveled outside the USA	30.1%	15.6%
	Took at least 1 business trip	39.7%	14.3%
	Used peer-to-peer lodging (Airbnb, etc.)	41.8%	20.8%
Travel Planning Resources Used (past 12 months)	Any social media	63.9%	34.5%
	Facebook	48.5%	23.9%
	Twitter	19.2%	4.2%
	User-generated content	71.3%	48.5%

Skews female and younger, a high spending segment

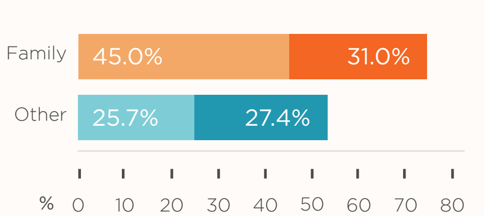
Family travelers take far more trips of all kinds, including business-related ones.

Socially connected, they use these channels heavily in trip planning.

Travel Evangelists or Photo Bugs?

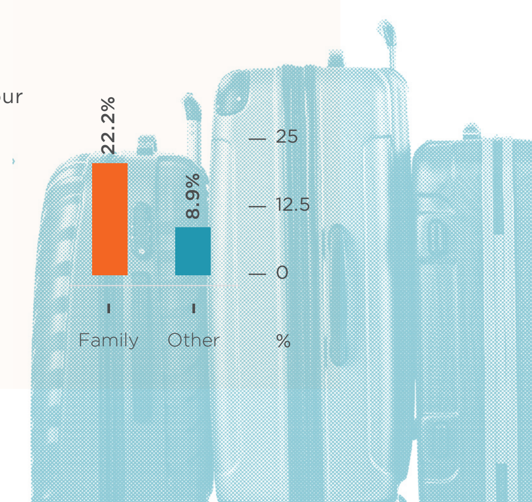
Interestingly, family travelers are far more likely to take and post pictures when on leisure trips — and they're more than twice as likely as others to say they do it to convince their personal network to travel to the destinations they visit.

Q: When traveling for leisure, do you take photos/videos to share on social media?*



Q: What is your main motivation for sharing photos and videos of your travels on social media?

% posting photos to influence friends/ followers to travel



2.6

TRAVELER SEGMENTS
Print Resource Users

Despite the proliferation of powerful digital travel planning resources, print resources are still widely used. Nearly half (44.8%) of American leisure travelers use them.

44.8%
OF LEISURE TRAVELERS

Print Resource Users

Used printed materials to plan travel in the past 12 months

Other Travelers

Did not use any printed materials to plan travel in the past 12 months

KEY: Print Resource Users | Other Travelers

		Print Resource Users	Other Travelers
	Male	52.9%	45.9%
	Gen X or younger	52.9%	48.4%
	Baby Boom or older	47.1%	51.6%
	Average age (years)	48	50
	Average income > $80K	39.2%	29.7%
Next 12 Months	Expects to take more trips	39.0%	27.2%
	Expects to spend more on travel	37.2%	27.5%
	Annual leisure travel budget	$3,664	$2,695
Past 12 Months	Leisure trips taken	3.9	3.4
	Leisure day trips taken	1.5	0.8
	Traveled by air	57.3%	43.2%
	Traveled outside the USA	28.4%	13.8%
	Took at least 1 business trip	54.7%	28.6%
Travel Planning Resources Used (past 12 months)	User-generated content	65.4%	48.4%
	Any social media	61.0%	30.5%
	Online Video	21.7%	11.5%
	Travel-related TV programming	22.3%	9.5%

Slightly more likely to be male and a couple years younger, Print Resource Users in many ways are the norm.

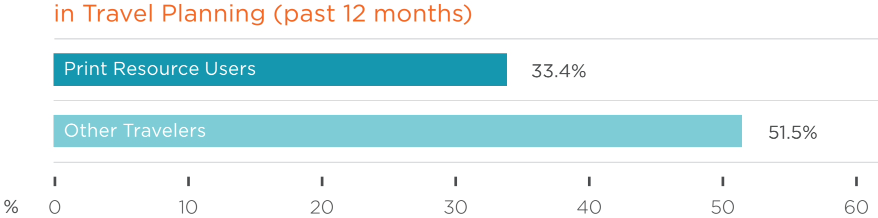
Twice as likely to travel abroad

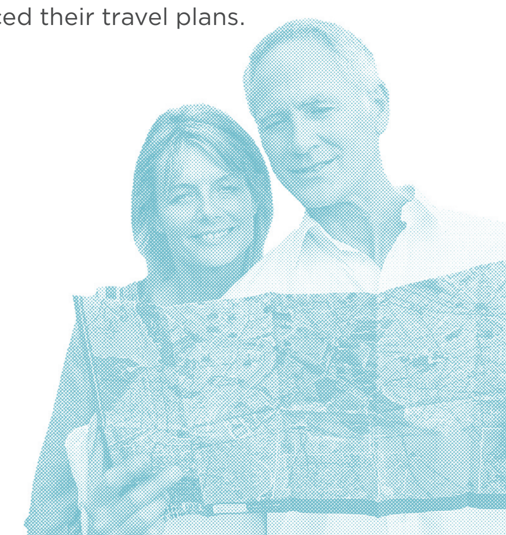
Print Resource Users are heavy consumers of social media and video in travel planning

One Curious Trait

An interesting characteristic of print resource users is their apparent reluctance to rely on the opinions of others in travel planning. Although heavy consumers of social media, they are far less likely to say the opinions of people in their personal networks influenced their travel plans.

Used the Opinions of Friends, Colleagues or Relatives in Travel Planning (past 12 months)





2.7

TRAVELER SEGMENTS

Social Media-Influenced Travelers

If you still think social media doesn't move travelers, think again. One out of every five American leisure travelers says they visited a specific destination in the past year as a direct result of seeing content posted about it on social media.

19.6% OF LEISURE TRAVELERS

Social Media-Influenced Travelers

Influenced to visit a destination as a result of content seen on social media

Other Travelers

Not influenced to visit a destination as a result of content seen on social media

KEY: Social Media-Influenced Travelers | Other Travelers

		Social Media-Influenced Travelers	Other Travelers
	Female	54.5%	50.1%
	Gen X or younger	83.6%	28.3%
	Baby Boom or older	16.4%	$2,997
	Average age (years)	35	45.8%
	Average income > $80K	41.8%	3.8 trips
Next 12 Months	Expects to take more trips	60.8%	18.7%
	Expects to spend more on travel	55.3%	44.7%
	Annual leisure travel budget	$3,785	36.1%
Past 12 Months	Leisure trips taken	5.0	3.1
	Leisure day trips taken	2.2	3.3
	Traveled by air	69.1%	44.9%
	Traveled outside the USA	43.9%	14.8%
Resources used to plan travel (past 12 months)	Any social media	84.9%	34.5%
	Used Facebook	68.1%	23.5%
	Instagram	43.6%	6.9%
	Used Twitter	29.4%	4.3%
	Any user-generated content	81.3%	50.0%
	Any print resources	72.5%	38.5%

Young females predominate in this segment. Their enthusiasm for future travel is extraordinary.

High propensity to travel abroad

Consumate hyper-informed travelers, heavy consumers of all planning resources

Big, but Carefully Planned Travel Budgets

Our psychographic indices show that Social Media-influenced Travelers are slightly less price sensitive then other travelers. Yet, they are clearly budget minded—being more likely to use group discount websites and feel that sticking to a carefully planned budget is important to them.

Used a group discount website (past 12 months)

Social media-influenced travelers	53.8%
Other travelers	18.6%

Stuck to a carefully planned travel budget

Social media-influenced travelers	43.8%
Other travelers	33.3%

% 0 20 40 60 80

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