Americans’ Travel Expectations Remain Steadily Positive

America’s love affair with leisure travel remains strong. Our most recent travel sentiment tracking study shows leisure travel expectations are continuing the pattern of stability seen in recent years. The State of the American Traveler™ results for January show that optimism about upcoming leisure travels has grown slightly since last summer. The proportion of leisure travelers expecting to travel more (continued on page 2)

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?

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?

Leisure Travel Basics

While we took an average of 4.3 leisure trips last year, our travels are varied. Highlights of how Americans traveled in the past twelve months follow.

44% Day Trips

25% Plane Trips

72% Car Trips

23% International Trips

15% Cruise Trips

13% Leisure Trips

SNAP SHOT

Americans planning to increase leisure travel spending in the next 12 months
Americans’ Travel Expectations Remain Steadily Positive

in the upcoming year is at 31.1 percent, up from 29.2 percent last summer. Spending expectations are also up, with 32.1 percent expecting to increase their leisure travel spending in the coming year. This compares to 31.5 percent 6 months ago.

While in this survey somewhat fewer overall trips were reported by travelers, the outlook for the coming year, is unquestionably bright. The industry is poised for a stronger than normal performance this off season, and conditions are optimal for increasing travel volume and spending this year. Driven by an improving labor market and sharply lower gasoline prices and the very significant bump this will provide to consumers’ pocketbooks, travel should be brisk.

In this most recent edition of our survey, far fewer travelers again reported that high gas prices had kept them from traveling more than they would have otherwise preferred in the past 12 months. Only 26.4 percent of travelers said that the expense of gasoline has kept them from traveling more, compared to 32.9 percent one year ago. The recent steep drops in gas prices clearly support this situation, and we expect this figure to improve more if gas prices remain subdued for a significant length of time. Not only do lower gas prices make travel cheaper, the average American household will save over $1,000 a year if gas stays at current levels. This is disposable income that can and will be spent on other things, like travel.

Distancing from Discounts & Travel Thrift Continues

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
- Visit generally less expensive destinations
- Take at least one “staycation” (a vacation spent at home) rather than traveling
- Reduce the number of leisure trips I will take
- Reduce the number of total days I will spend on leisure trip(s) to save money
- Shorten the distance of my trip(s) or reduce side trips along the way to save money
- Select less expensive mode(s) of transportation

GASOLINE PRICES AND LEISURE TRAVEL
A five year brightening trend

In a strongly positive sign for the industry, far fewer American travelers are now saying that high gasoline prices are causing them to cut back on their travels. As shown on page 1, three out of four leisure trips are taken primarily by car, so gas prices really matter. Falling gas costs are causing this factor to become far less important to the decision to travel. Down from a high of 53.6 percent in 2011, the proportion of American travelers cutting back on their travel due to gas prices fell to 26.4 percent in the most recent survey.
Travel Media & Technology
Resources and Services Used to Plan Leisure Travel

Q In the past 12 months, which of these Internet technologies or services have you used to help plan your leisure travel? (Select all that apply)

Usage of Official Destination Websites

Q: In the past 12 months, have you used the official WEBSITE of a destination’s local Visitors or Convention Bureau (or Chamber of Commerce), or state or national government travel office to help plan any travel? (Select all that apply)

| YES | 30.1% |
| NO  | 66.5% |
| I Don’t Know | 3.5% |

At which point in your travel planning did you use the website of a destination’s Visitors or Convention Bureau (or Chamber of Commerce) or state or national government travel office? (Select all that apply)

Before I had decided to travel to the destination ________________ 63.2%
After I decided to travel to the destination ________________ 47.4%
While I was in the destination on my trip ________________ 13.3%
Travel Planning: Mobile versus Desktop

The extraordinary growth in mobile phones and compatible online content has users relying more and more on these devices. The use of mobile devices in travel is broad, with 37 percent of travelers using them for trip planning. However, in terms of traveler preference, mobile phones have yet to dethrone more traditional travel planning devices. The charts below show that travelers not only do more of their pre-trip planning on traditional computing devices, they clearly prefer them as a planning tool. Our qualitative research suggests that screen size and clumsy mobile user experiences are often the core reasons for this preference. As travel marketers continue to optimize for mobile, we will likely see this shift.

Q: What percentage of your travel planning is typically done using each of the following before you leave for your trip?

<table>
<thead>
<tr>
<th>Task</th>
<th>Laptop or Desktop Computer</th>
<th>Tablet</th>
<th>Smartphone</th>
<th>Printed Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making restaurant reservations</td>
<td>39.0%</td>
<td>23.3%</td>
<td>19.8%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Researching activities, attractions or events</td>
<td>38.3%</td>
<td>31.1%</td>
<td>20.5%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Buying tickets to activities, attractions or events</td>
<td>39.2%</td>
<td>28.3%</td>
<td>31.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Researching hotels or lodging</td>
<td>39.4%</td>
<td>30.5%</td>
<td>19.5%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Booking hotel or lodging accommodations</td>
<td>33.5%</td>
<td>27.1%</td>
<td>26.4%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Researching restaurants</td>
<td>28.6%</td>
<td>21.7%</td>
<td>31.6%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Making restaurant reservations</td>
<td>28.6%</td>
<td>21.7%</td>
<td>31.6%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

Q: What percentage of your travel planning is done using each of the following while on your trips?

<table>
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<td>3.9%</td>
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<td>7.0%</td>
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How Americans Prefer to Plan Their Travel

Question: If you were given the choice of using a mobile phone or a desktop or laptop computer, which would you generally prefer to use for each of these travel planning tasks?
Who plans travel on **Mobile Phones** in America?

In many interesting ways, Americans who use their mobile phone to plan their travels differ from those who do not use a mobile phone for trip planning. Here are a few:

- **70%** of Millennials use their mobile phone to plan their leisure travel, compared to only **23%** of Baby Boomers.

- Travel planners who use mobile devices take **28%** more leisure trips.

- Mobile travel planners are **4 times as likely** to use social media for travel planning.

- Mobile travel planners are **74%** more likely to use user-generated content to plan their travels.

- They are also **54%** more likely to use print resources than non-mobile travel planners.

- Mobile planners are **13%** more likely to have at least a college degree, and are more likely to be urbanites (**31% vs. 19%**).

- Mobile planners are **nearly 2.5 times as likely** than others to say losing their mobile phone would be “very emotionally difficult experience.”

- Mobile travel planners are **51%** of mobile planners actually prefer using a traditional desktop or laptop device to research travel activities, attractions or events. Only **27%** generally prefer using a mobile phone.

- Mobile planners are optimistic about travel, being nearly twice as likely than others to be planning more trips in the next year than they took in the last year (**47% vs. 22%**).
DESTINATION SELECTION
CONTENT THAT DRIVES DESTINATION CHOICE

What content types do travelers use to evaluate leisure destinations?

TOP 13 CONTENT TYPES

Which types of travel content are MOST IMPORTANT in helping you decide to visit a destination?
(Travelers selected the 5 most important of 20 content types)

Hotels and lodging 47.1%
Restaurants & food 46.9%
Historical attractions 30.0%
Safety information 29.3%
Entertainment, events, shows 28.6%
Transportation and how to get around 23.3%
Ways to experience nature 21.7%
Shopping 21.3%
Museums & culture 19.6%
National Parks 18.2%
Outdoor activities 16.0%
Sightseeing tours 16.2%
Off-the-beaten path attractions 16.5%

PERSPECTIVE:
When evaluating potential destinations for leisure travel, travelers are first focused on content that shows them where they will sleep and what they will eat. Lodging offerings and a destination’s restaurants and food scene are the top content travelers desire in their assessment. After these, a variety of “things to do” type content become influential—from historical attractions to entertainment and events. In a similar question asked on last year’s survey, hotel and transportation costs were shown to be key content influencing destination decision. When cost is removed as a factor (as in this year’s question), other content rises in importance.