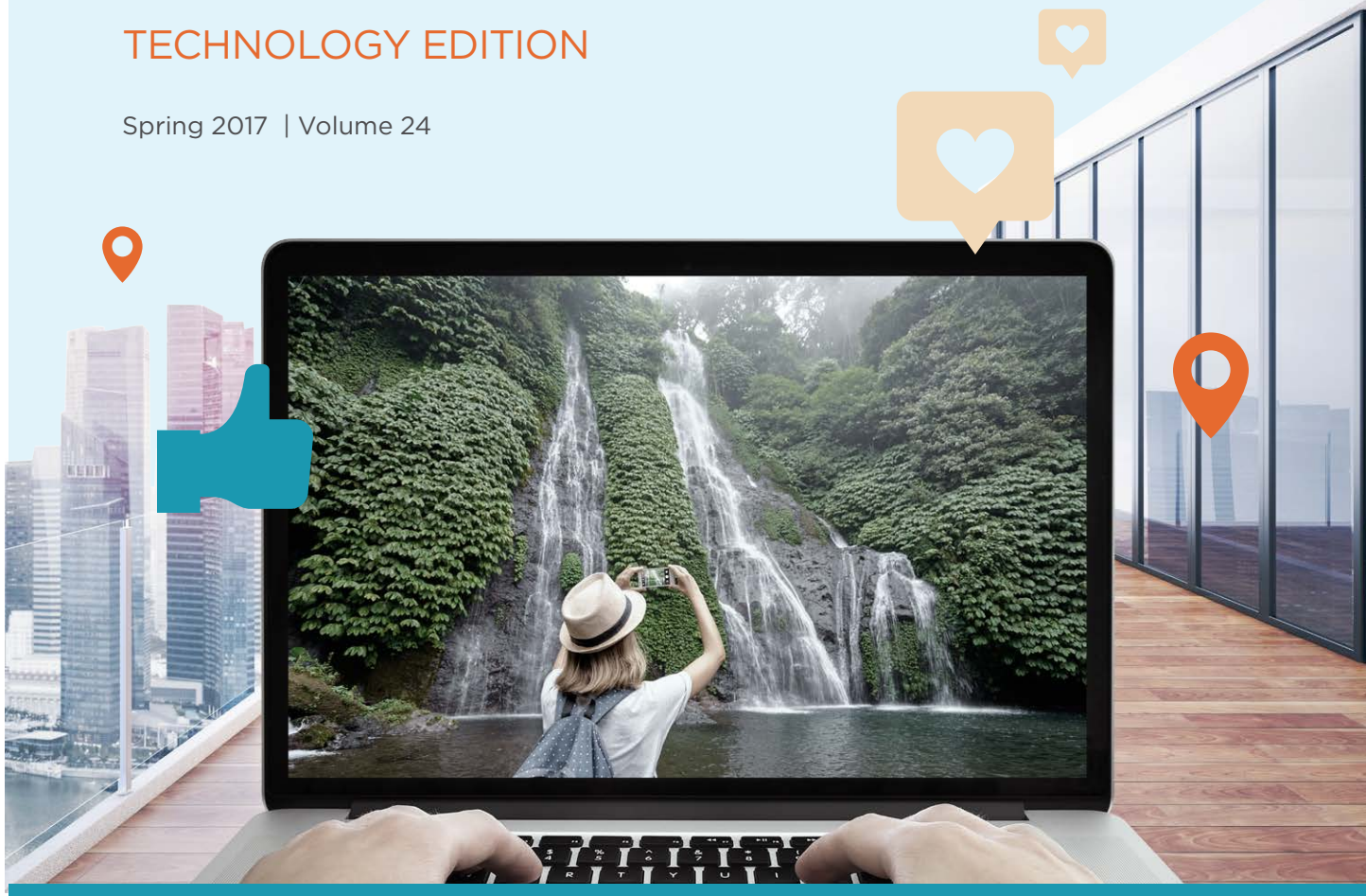


Destination Analysts'

The State of the American Traveler™

TECHNOLOGY EDITION

Spring 2017 | Volume 24



Destination  Analysts

The Technology Edition

THIS SPRING EDITION of The State of the American Traveler™ looks at technology and how travelers use it to dream about, plan and execute their trips. As always, first we look at the current leisure travel landscape, which is marked by considerable optimism for future travel and travel spending. In fact, leisure travel optimism is at a record high, mirroring positive trends seen in more general consumer confidence

indices. The report then dives into word-of-mouth, and its relationship to the many other resources used in travel planning. From there, we examine technologies and how they are being used and adopted for travel. 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 March 31st to the April 11th, 2017, 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, 2,078 leisure travelers completed the survey. With this sample size, the top line data presented here can be considered to have a reliability of +/- 2.2%. 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.

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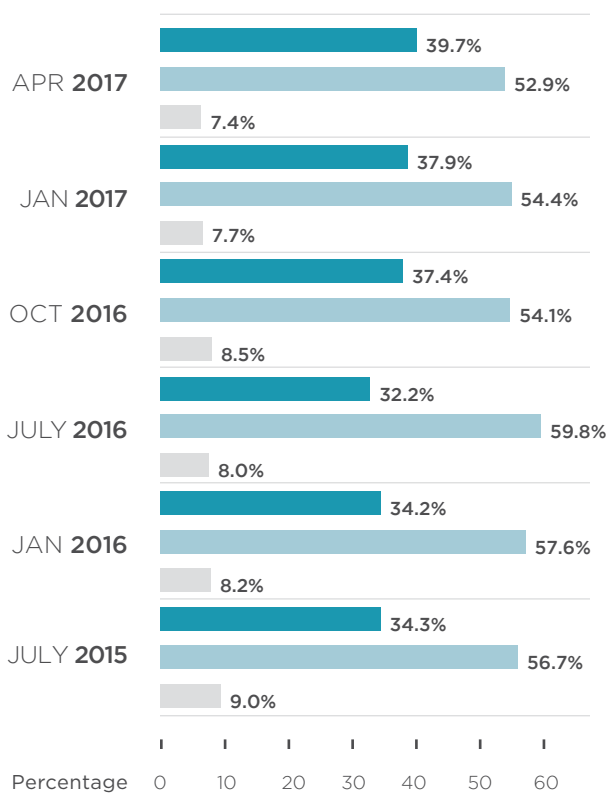
1.0 Travel Expectations & Travel Spending Expectations

AMERICAN LEISURE TRAVEL EXPECTATIONS show strong continued optimism for the near-term future. According to our April The State of the American Traveler™ tracking survey, leisure travel optimism is

at a record high, mirroring positive trends seen in more general consumer confidence indices. This enthusiastic outlook is illustrated by a record 39.7 percent of Americans saying they expect to travel more for leisure in the next year, up from 37.9 percent in January. Leisure travel spending expectations are also at a high, with 39.3 percent of American travelers expecting to increase their leisure travel spending in 2017.

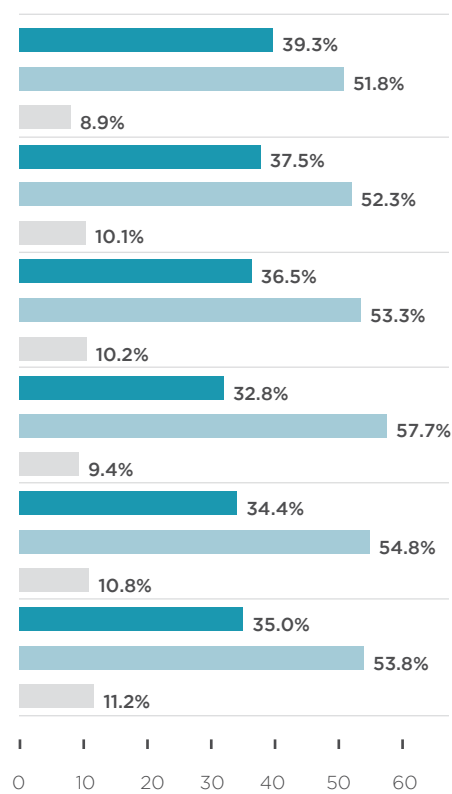
THE KEY: ■ expect more ■ expect the same ■ expect less

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

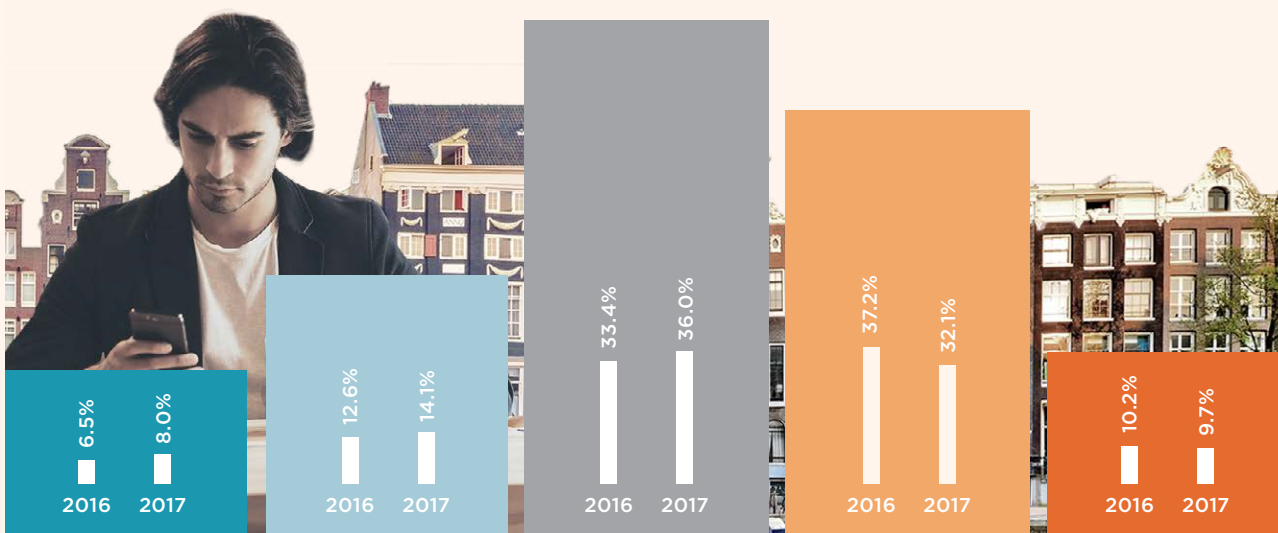
Travel Technology Adoption

Travelers are becoming more tech savvy. Our proprietary technology adoption spectrum for travel shows fewer travelers falling into the least tech-interested groups. Our research also shows some growth in the segment with the highest propensities to use new technologies. This overall shift was fueled by significantly fewer travelers falling into the “late majority” segment.

The technology adoption spectrum was developed using a detailed set of survey questions, and the results are revealing. The graphic below shows these traveler segments and their changes over the last year. In the last 12 months, the overall share of travelers in the two most tech-engaged segments (innovators and early adopters) grew from 19.1% to 22.1%.

AN EVOLVING LANDSCAPE

Five Segments of Travel Technology Adopters, % of all leisure travelers



INNOVATORS

The first to adopt new travel technologies, Innovators are mostly Millennials and Gen-Xers. They travel the most and have the largest annual travel budgets.

EARLY ADOPTERS

A close cousin to the Innovator, Early Adopters enjoy exploring new technologies.

EARLY MAJORITY

Interest in advanced technologies drops off sharply with this group, as does the degree of control they personally have in travel planning decisions.

LATE MAJORITY

These travelers approach new technology with skepticism, and show a large gap in metrics tracked compared to the Early Majority.

LAGGARDS

The last to adopt a technical innovation, most are Baby Boomers. They are predominantly male, and travel less than the norm.

positive growth over last year

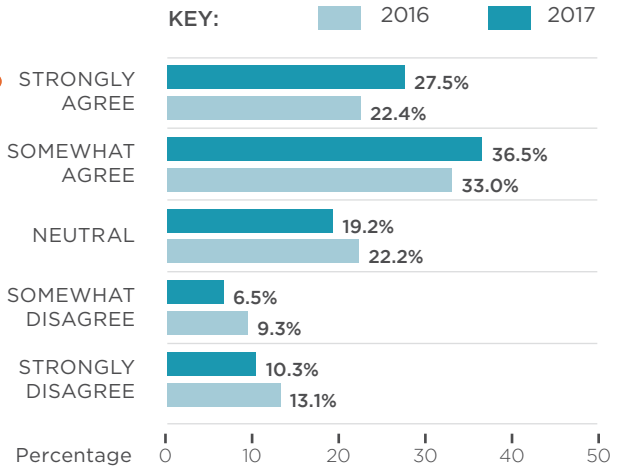
2.2 Growing Comfort Level with Technology

Over the last year, American leisure travelers have become slightly more confident in their relationship with new technologies in travel, while making significant strides in integrating the most ubiquitous technologies (social media and mobile phones) into their travel planning.

Q: How much do you agree with the following statement?

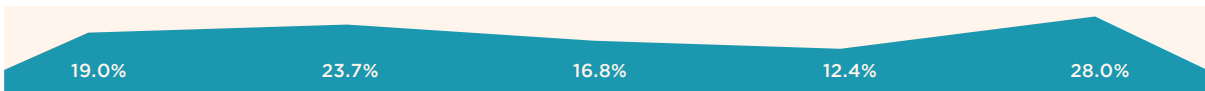
I enjoy hearing about my friends' travels on social media websites like Facebook, Twitter, Instagram, etc.

15.5%
Increase from last year
(Strongly or somewhat agree)

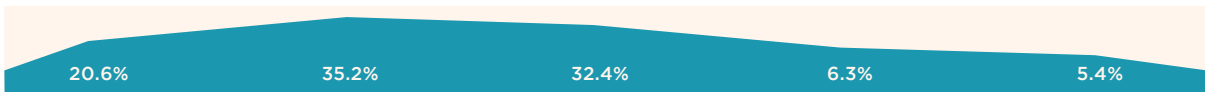


Q: How much do you agree with the following statement?

I research my leisure travel extensively using my mobile phone.

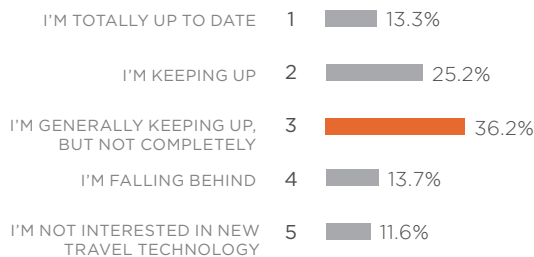


New technologies hold the promise to make my travel experiences much more rewarding.

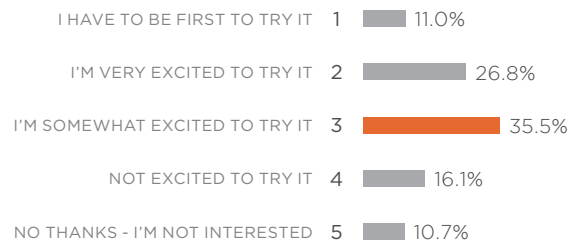


STRONGLY AGREE SOMEWHAT AGREE NEUTRAL SOMEWHAT DISAGREE STRONGLY DISAGREE

Q: When it comes to the latest in travel planning technology, would you say you are keeping up or falling behind?



Q: If a new technology comes out that could help you plan your leisure travel, how excited about using it are you?



3.1

Word-of-Mouth is still king, and social media plays a big role.

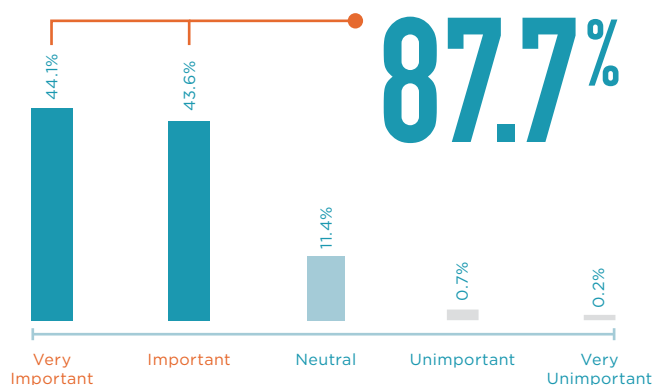
We asked Americans to think specifically about one domestic leisure destination they really want to visit in the next twelve months. Then tell us if the opinions of others impacted their interest in that destination.

Q: Did these persons' experiences, advice or opinions have any impact on your interest in visiting the destination?

63%

of travelers were influenced by opinions shared on social media

Q: How important were these opinions to your interest in visiting this destination?



Impact & Influence

It turns out more than half of the destination choices are significantly influenced by word-of-mouth. Most of this happens in person, but social media plays a key role. About 42% of decision choices impacted by word-of-mouth included influence from social media channels.

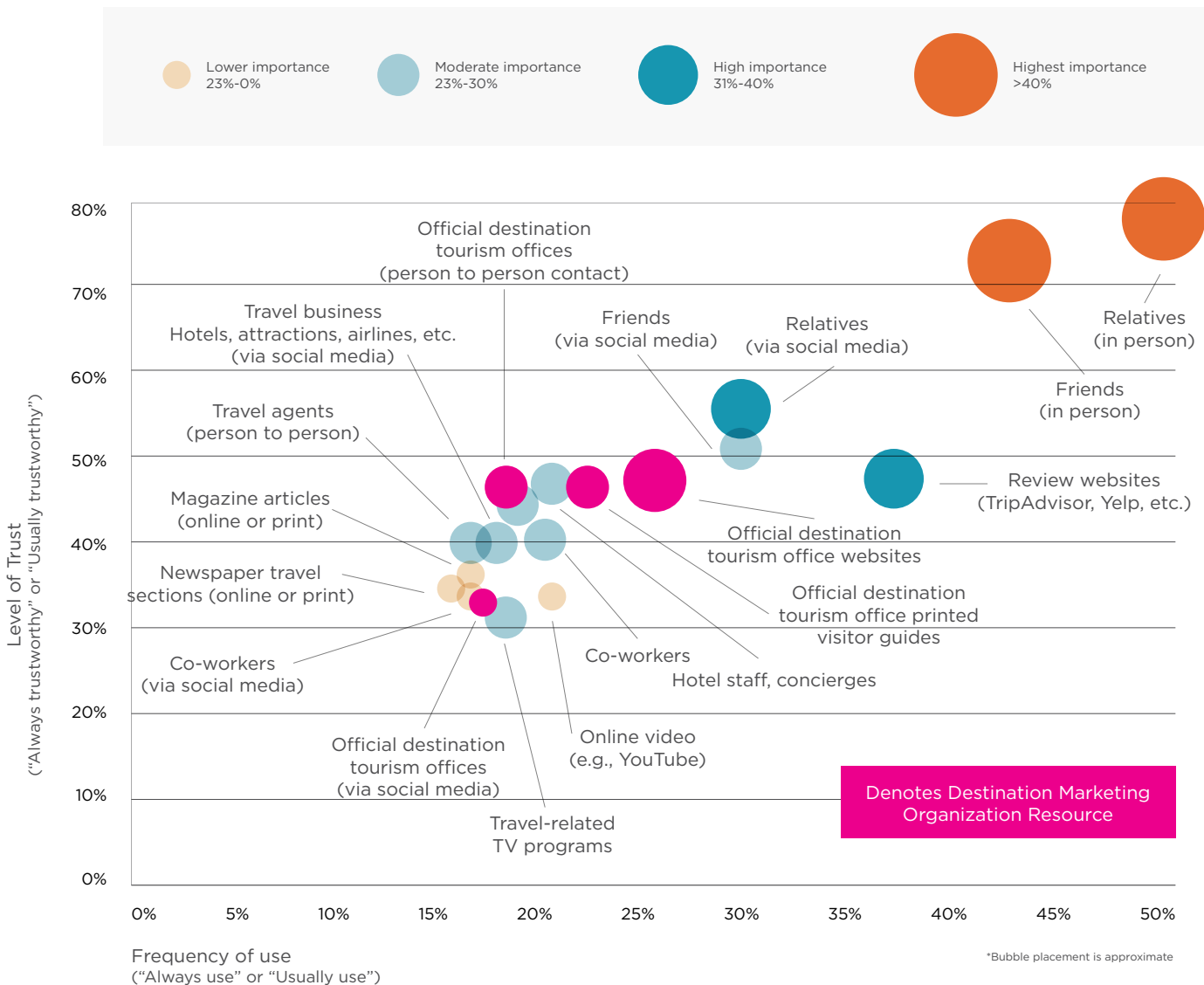


55% of travelers' destination choices significantly influenced by word-of-mouth

3.2 Planning Resources

Trust, Use and Importance in Destination Selection

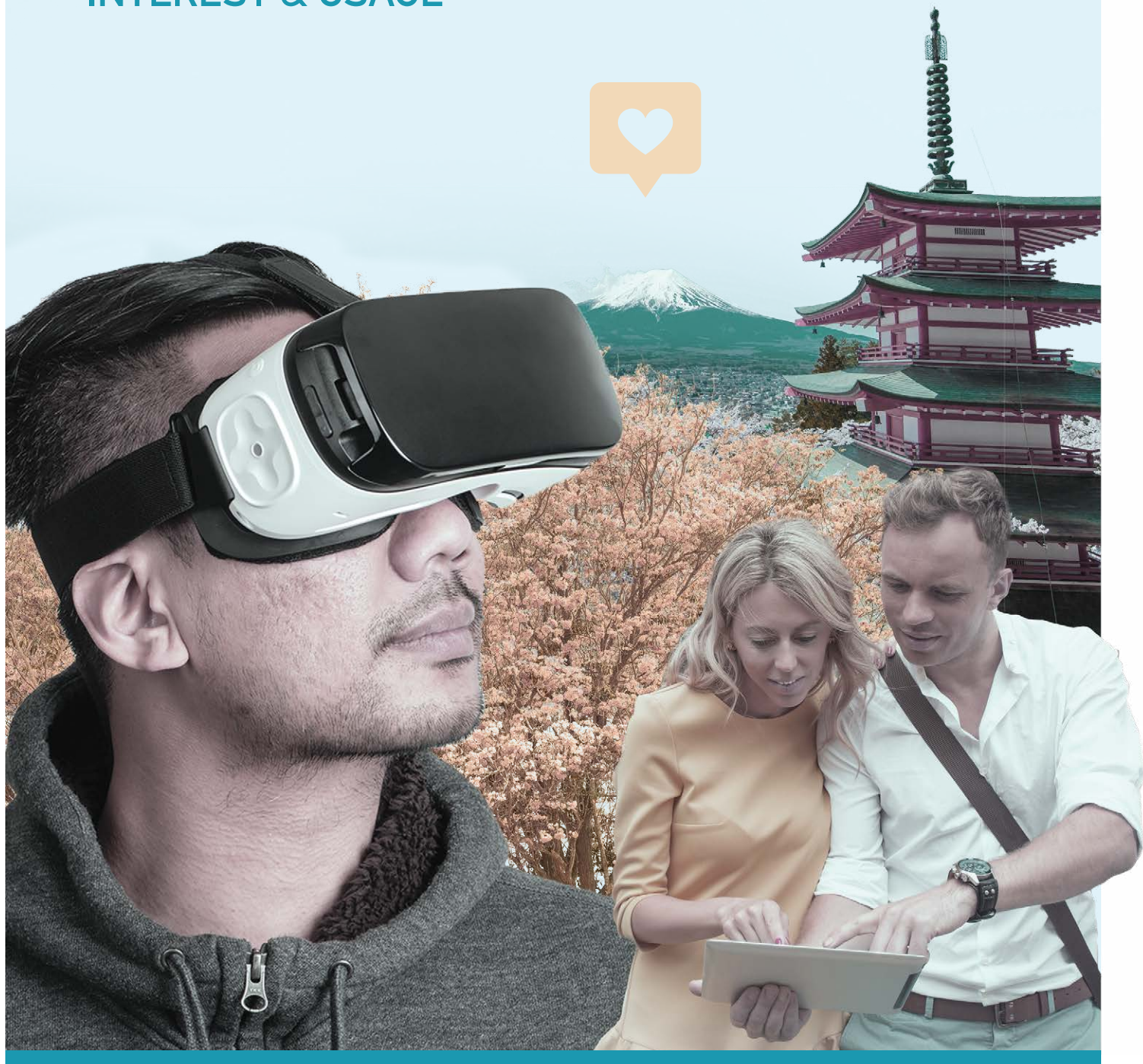
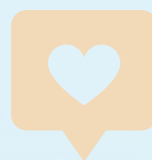
The bubble chart below looks at a variety of resources used by travelers and compares how trusted they are, how frequently they are used and how important they generally are to destination selection. Word-of-mouth is – both in person and via social media – by far the most influential resource.



Destination Marketing Organization resources are extremely relevant, being used and trusted by a large segment of the traveling public.

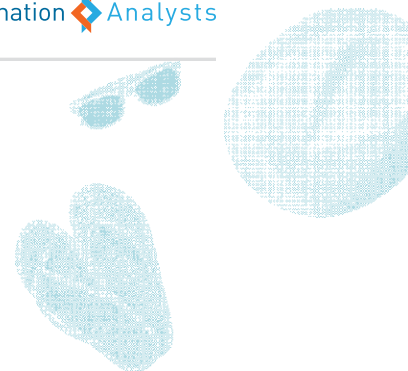
Top Tech

INTEREST & USAGE



4.1 TOP TECH USAGE

Apps



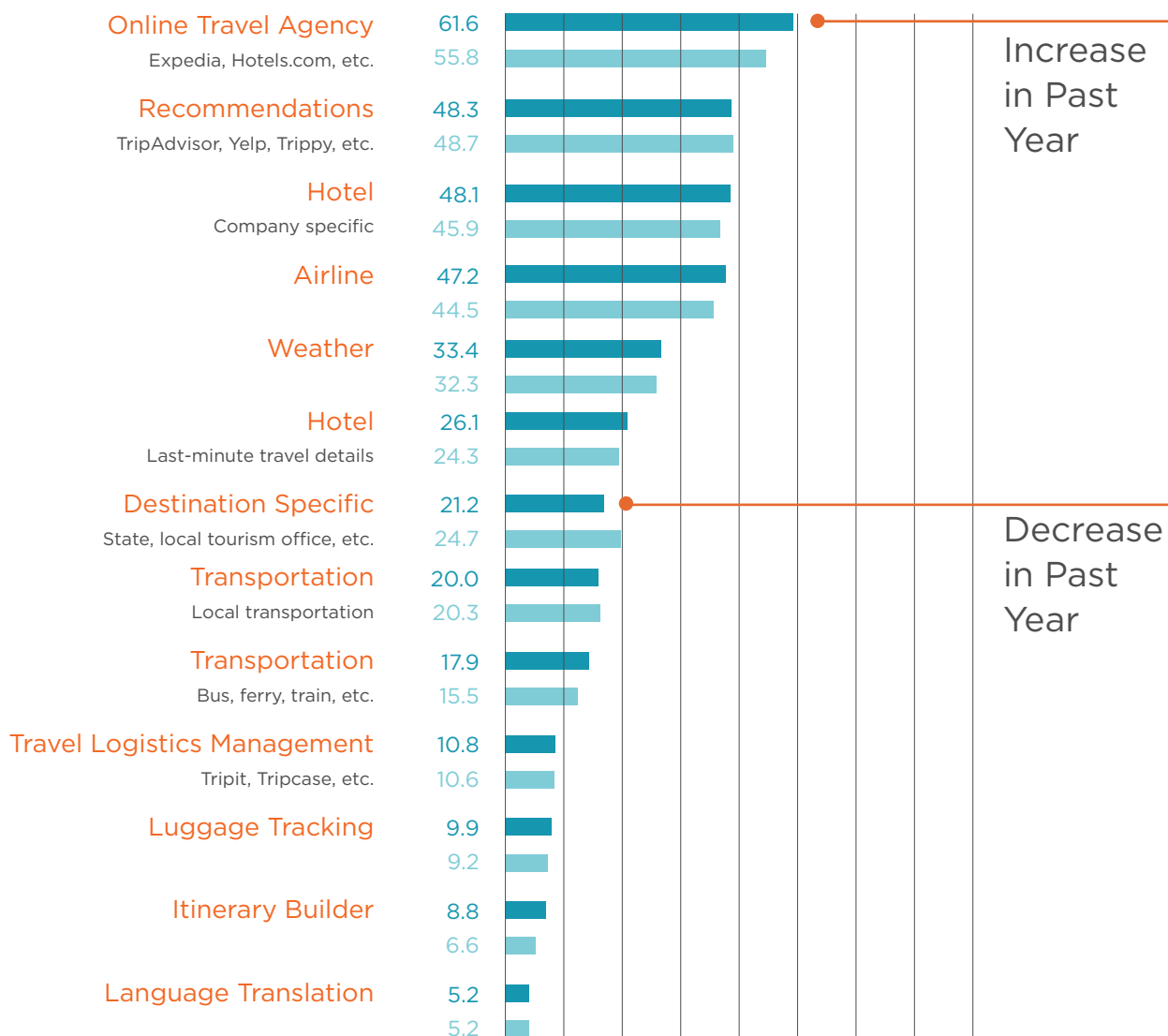
Q: In the past 12 months, have you used any travel-related apps to help you in travel planning? Select all that you've used.

KEY: ■ Yes ■ No



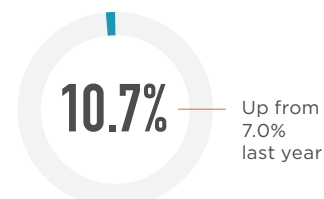
Q: In the past 12 months, which of these types of apps have you used for travel planning? (Select all that you've used)

KEY: ■ 2016 ■ 2017



4.2 TOP TECH USAGE

Virtual Reality Headsets



83.6% of people we asked had used a Virtual Reality Headset before they took our survey. That's up from 63.1% last year.

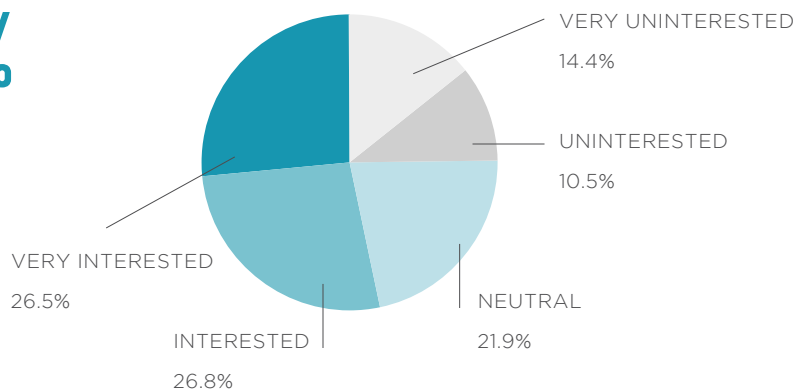
Q : Have you used a Virtual Reality Headset to help plan any leisure travel?

Interest in Using Virtual Reality Headsets to Research Destinations

Q : If good content were available to you, how interested would you be in using a Virtual Reality Headset to research leisure destinations you are considering visiting?

14.6%

INCREASE SINCE 2016
IN VERY INTERESTED
OR INTERESTED

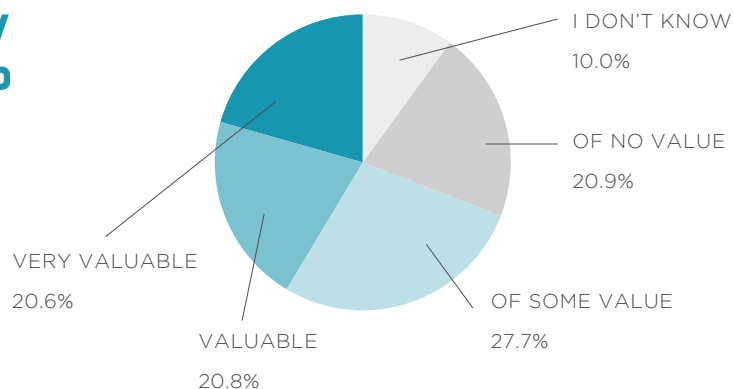


Value of VR Headsets during Planning

Q: Overall, how valuable do you think a Virtual Reality Headset could be to you in helping you plan your leisure travels?

13.1%

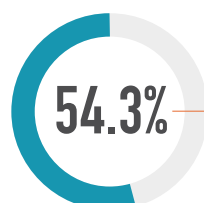
INCREASE SINCE 2016
IN VERY VALUABLE
OR VALUABLE



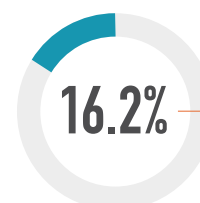
4.3 **TOP TECH**

Real Time Video

Awareness of Real-Time Video jumped sharply this year, likely driven by the Facebook Live feature. Actual use of Real-Time Video to help plan leisure travel has increased more modestly in the past year.



Q : Have you heard of Real-Time Video before taking this survey?



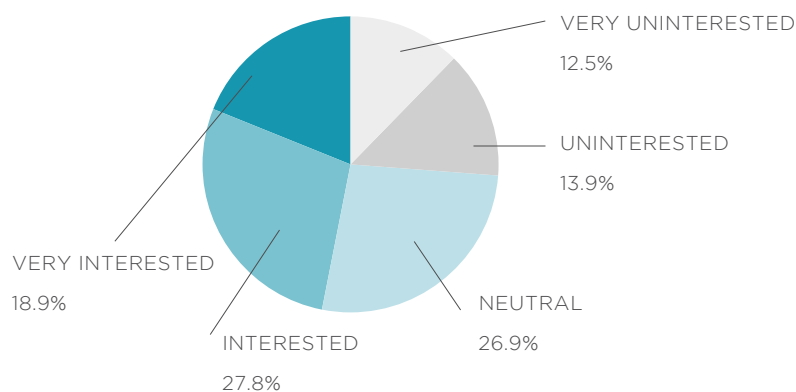
Q : Have you used Real-Time Video to help plan any leisure travel?

Interest in Using Real-Time Video for Research

Q : In general, how interested would you be in using Real-Time Video to research leisure destinations you are considering visiting?

2.2%

**INCREASE SINCE 2016
IN VERY INTERESTED
OR INTERESTED**

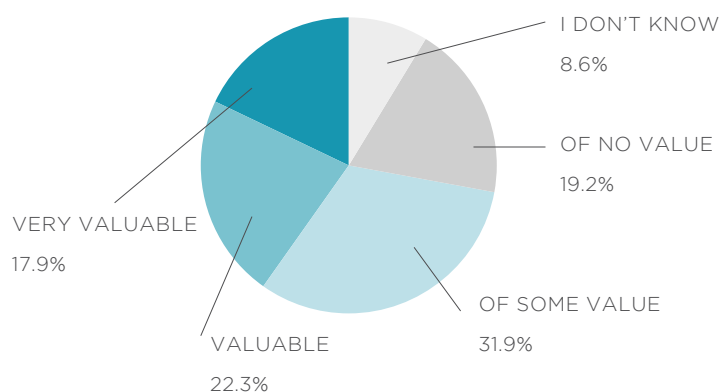


Value of Real-Time Video during Planning

Q: Overall, how valuable do you think Real-Time Video could be to you in helping you plan your leisure travels?

1.8%

**INCREASE SINCE 2016
IN VERY VALUABLE
OR VALUABLE**



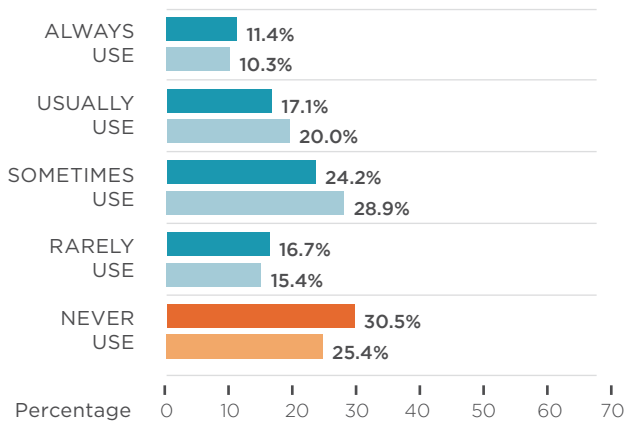
4.3 **TOP TECH**

Google-curated Content

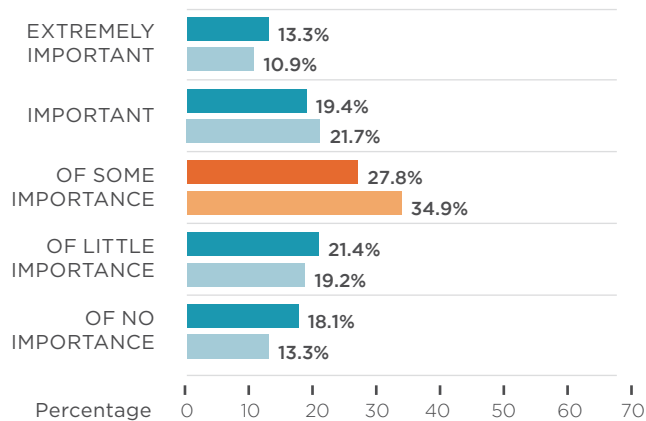
Google has been expanding its role in curating and displaying search result content on travel destinations and their top sights and attractions. The use of Google-curated content has seen mixed results this year. Still with travelers investing somewhat more trust in DMO content than Google-curated, the potential for synergy between the two seems great.

Google-curated Content vs. DMO Content

Q: How frequently do you use Google-curated destination content to plan your leisure trips?



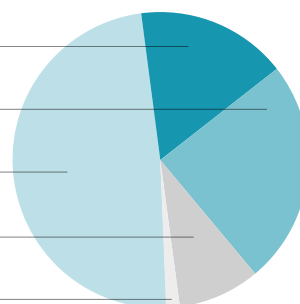
Q: In general, how important is Google-curated destination content in how you pick the leisure destinations you visit?



KEY: ■ 2016 ■ 2017

Q: Which content, opinions and advice would you generally trust more? A local visitor bureau/tourism office or Google-curated content?

- I TRUST THE LOCAL TOURISM OFFICE MUCH MORE 16.5%
- I TRUST THE LOCAL TOURISM OFFICE MORE 24.5%
- NEUTRAL - I TRUST THEM BOTH THE SAME 48.6%
- I TRUST GOOGLE-CURATED CONTENT MORE 8.9%
- I TRUST GOOGLE-CURATED CONTENT MUCH MORE 1.5%



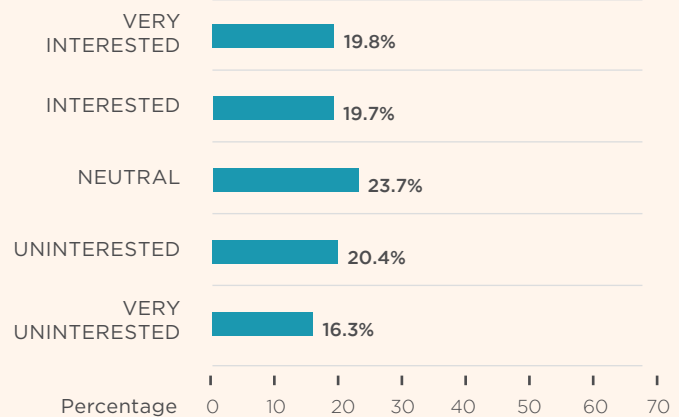
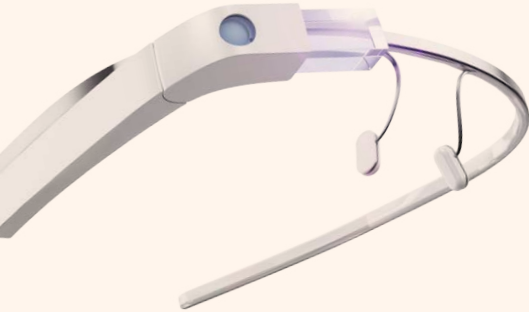
4.3

NEW TECH

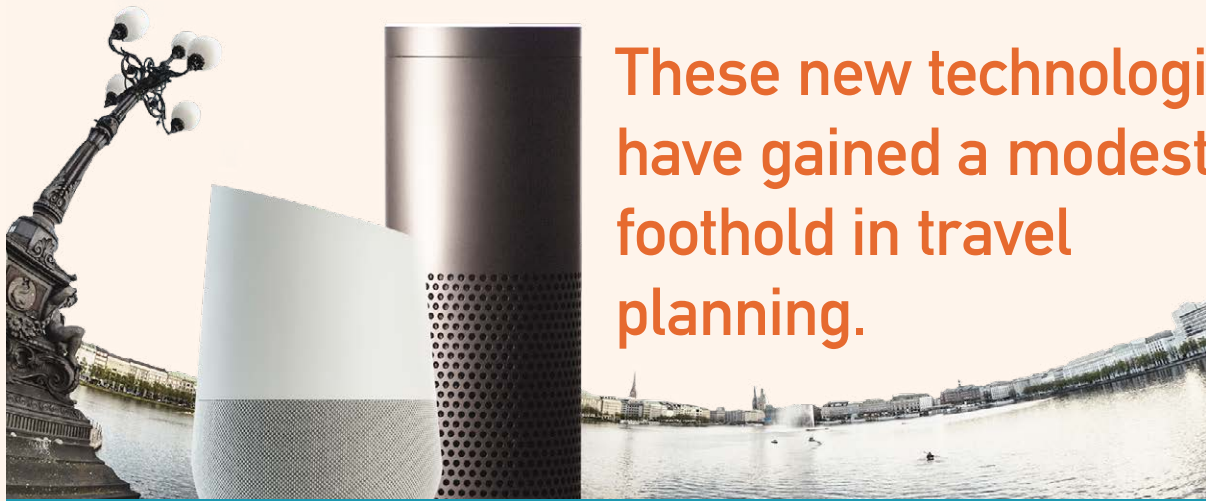
Other new technologies have emerged this year. Here's a quick look at the early response we see from leisure travelers.

INTERNET-CONNECTED EYEWEAR

Q : How interested would you be in using Internet-connected eyewear to research leisure destinations you're considering visiting?



AMAZON ECHO, GOOGLE HOME, MESSAGING APPS, 360 DEGREE VIDEO



These new technologies have gained a modest foothold in travel planning.

13.3% yes

Q : In the PAST 12 MONTHS, have you used a device like [Amazon Echo](#) or [Google Home](#) for travel planning?

16.3% yes

Q : In the PAST 12 MONTHS, have you used a [Messaging App](#) or [ChatBot](#) solution (using text or voice) to help plan, book or update your leisure travel?

19.2% yes

Q : In the PAST 12 MONTHS, have you viewed a travel-related [360 Degree Video](#) on your computer or smartphone?