# THE STATE OF THE AMERICAN TRAVELER™

## TECHNOLOGY EDITION

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Destination Analysts

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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 of 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. The report also 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.

# 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 to 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 DMOs effectively influencing the conversation is paramount to driving leisure demand.

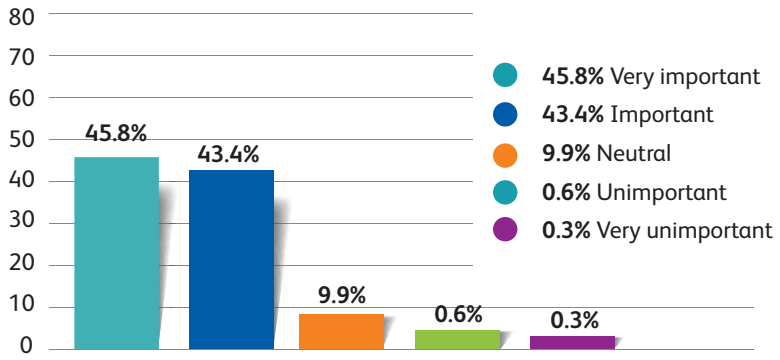
### Destination Choice Influenced by Word of Mouth

- **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.

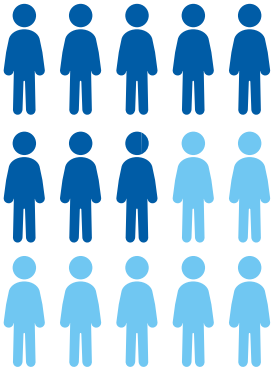
**Question:** Please think about the people you have had contact with who have shared their opinions with you about <DESTINATION ENTERED BY RESPONDENT IN PREVIOUS QUESTION>. Did these persons' experiences, advice or opinions have any impact on your interest in visiting <DESTINATION ENTERED BY RESPONDENT IN PREVIOUS QUESTION>? (Select one)

### Importance of Word of Mouth




**Question:** In which ways did the people you know talk about <DESTINATION ENTERED BY RESPONDENT IN PREVIOUS QUESTION>?

### What % of travelers' destination choices are significantly influenced by word of mouth?



**53%**

### 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>?

# 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

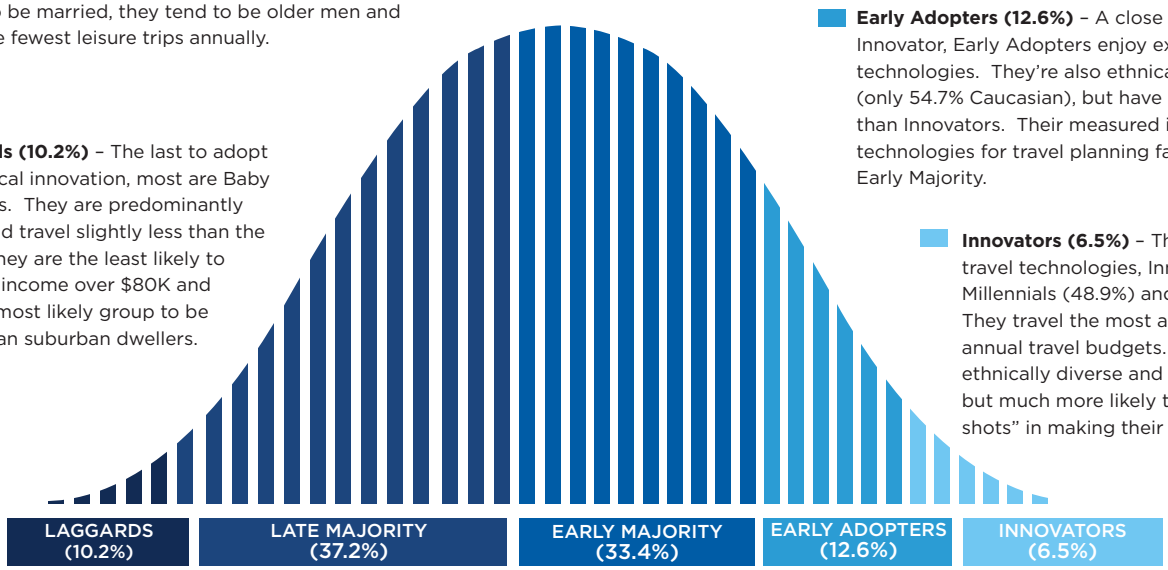
**Late Majority (37.2%)** – These travelers approach new technology with skepticism, and show a large gap in metrics tracked compared to the Early Majority. Far less likely to have children at home, but much more likely to be married, they tend to be older men and take the fewest leisure trips annually.

**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.

**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.

**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.

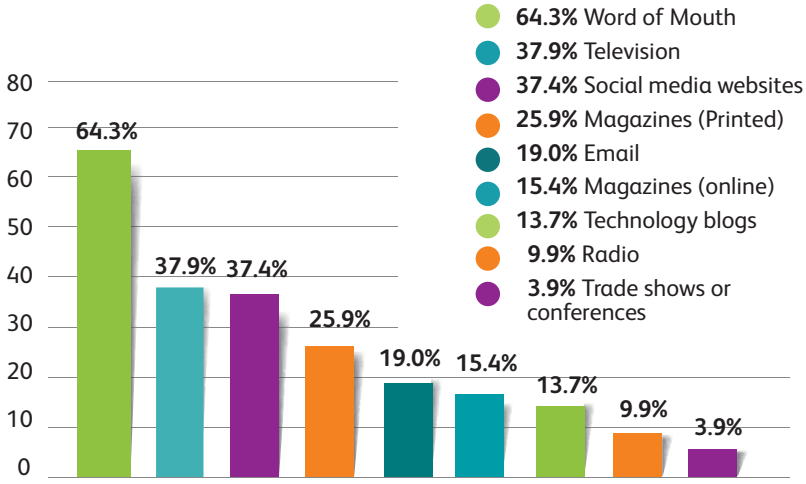



### Keeping Up-to-date With New Technology

- **11.5%** I'm totally up to date
- **25.2%** I'm keeping up
- **10.9%** I'm generally keeping up
- **17.1%** I'm falling behind
- **35.4%** 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

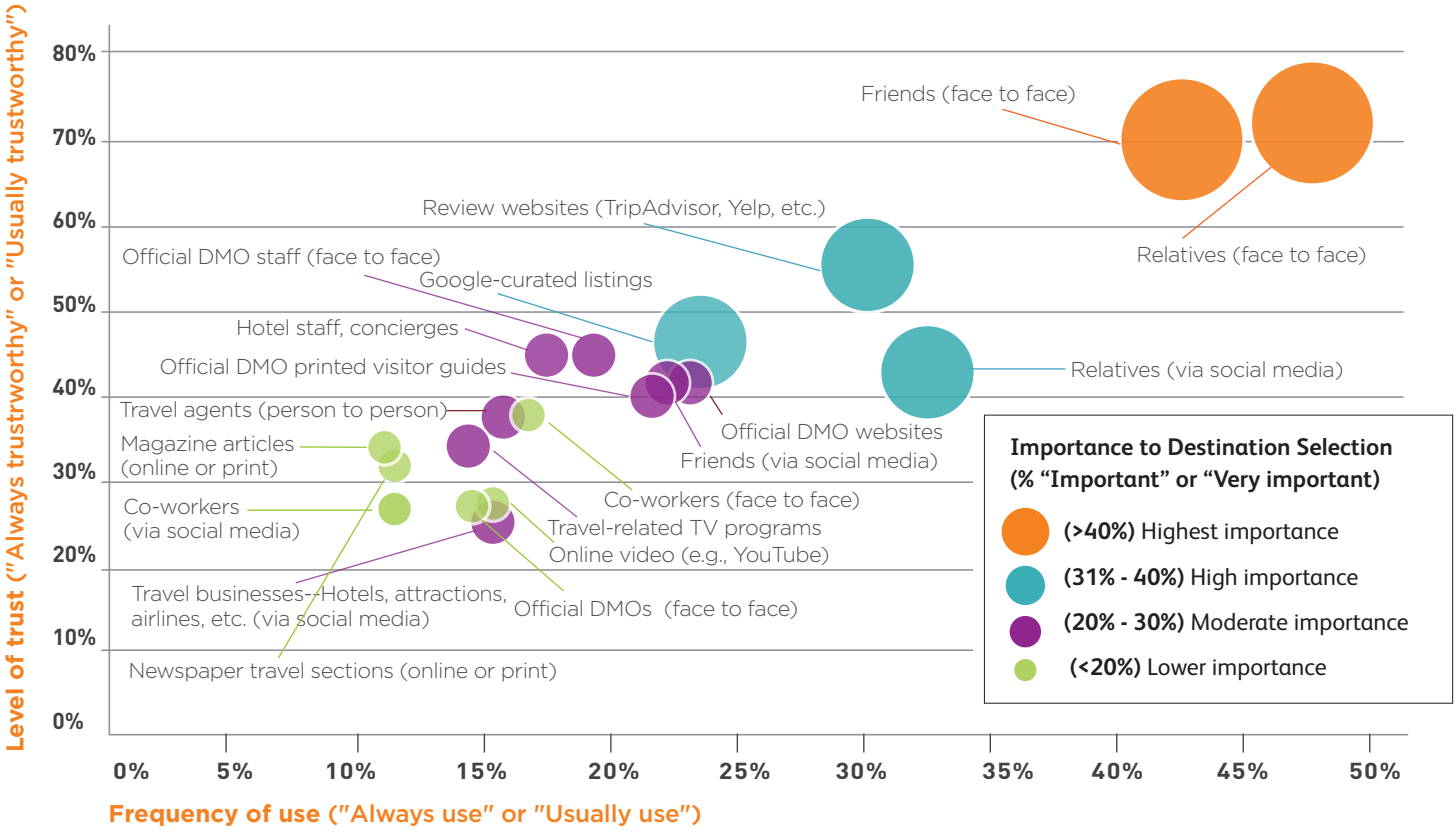



**Question:** How do you generally learn about new technologies used in travel planning? (Select all that apply)

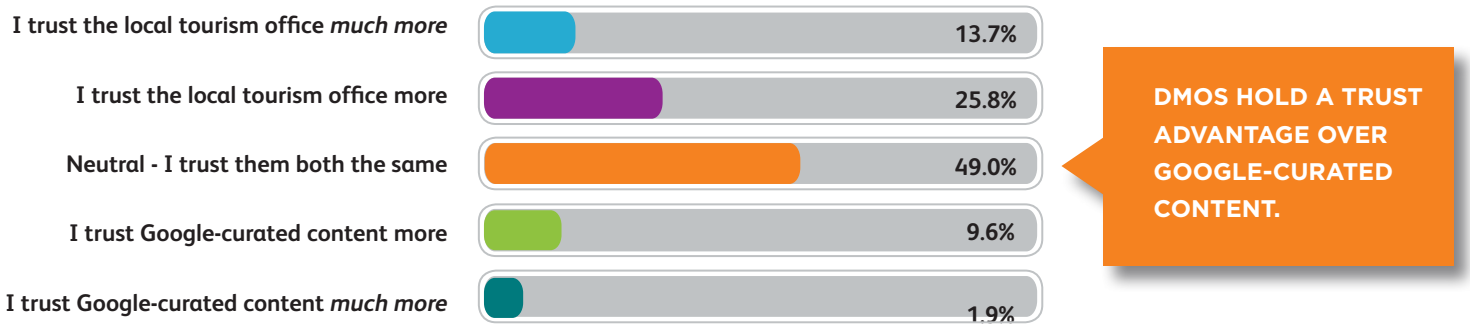
# Travel Planning Resource: Use, Trust & Importance

Travel planning technologies and resources have different levels of overall use, trustworthiness 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.

**Title of Chart goes here**




**Who do They Trust? DMOs versus Google-curated content**
**(All Leisure Travelers)**

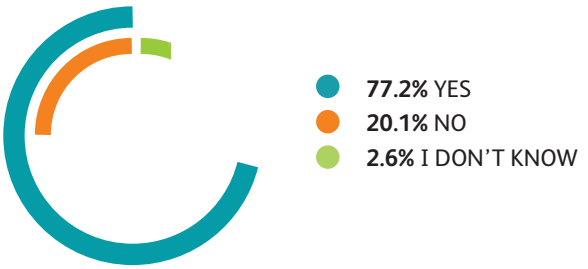



**Question:** Which content, opinions and advice would you generally trust more? A local visitor bureau/tourism office or Google-curated content? (Select one)

# Search engines + Google-curated content

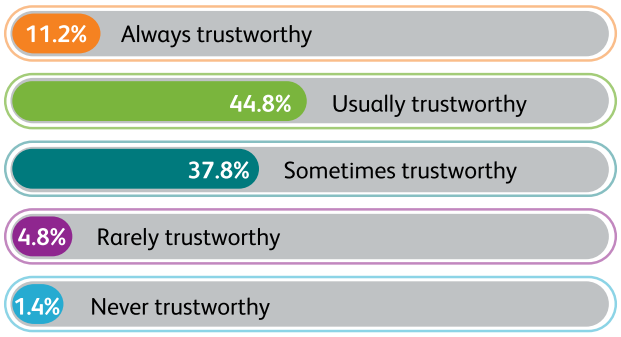
Search engines are the centerpiece of how most travelers find DMO content, and they are widely used. Nearly 8 of 10 leisure travelers report having used a search engine to plan their trips in the past year. Recently, however, Google has expanded into providing its own curated destination content, with 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)



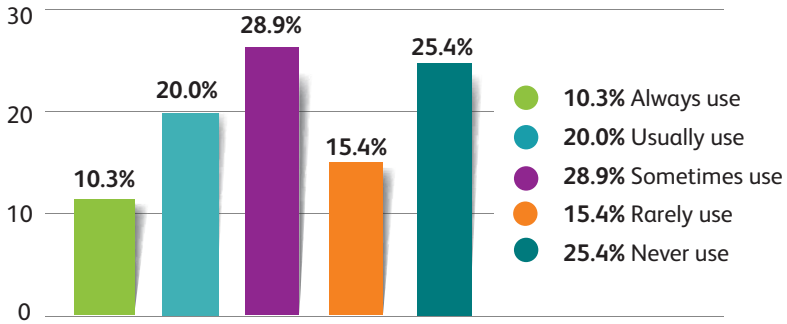

**Question:** In the PAST THREE (3) YEARS, have you used an Internet search engine (Google, Yahoo, Bing, etc.) to help you find travel information?

### Trust: Google-curated Content



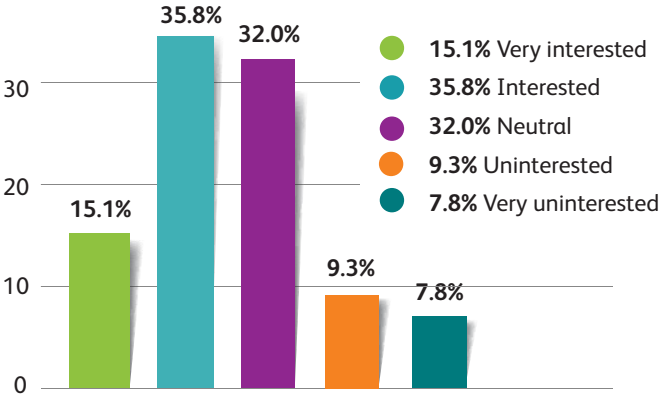

**Question:** How much would you trust the content, opinions and advice available of Google-curated destination content?

### Use: Google-curated Content



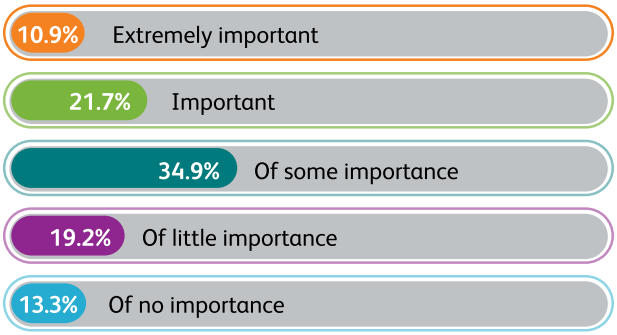

**Question:** How frequently do you use Google-curated destination content to plan your leisure trips? (Select one)

### 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

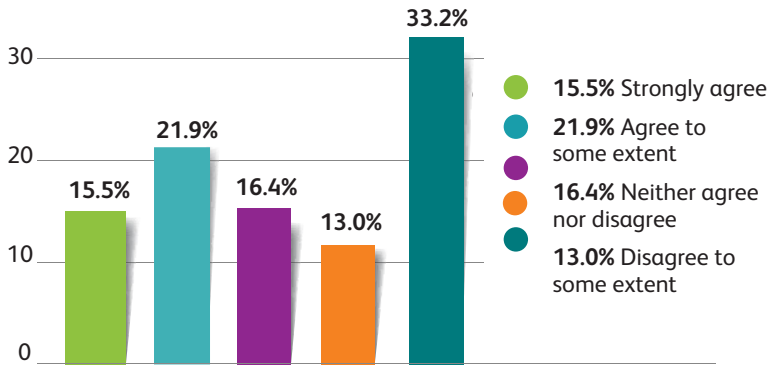



**Question:** In general, how important is Google-curated destination content in how you picking the leisure destinations you visit?

# 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 Travel Extensively on Their Mobile Phones?

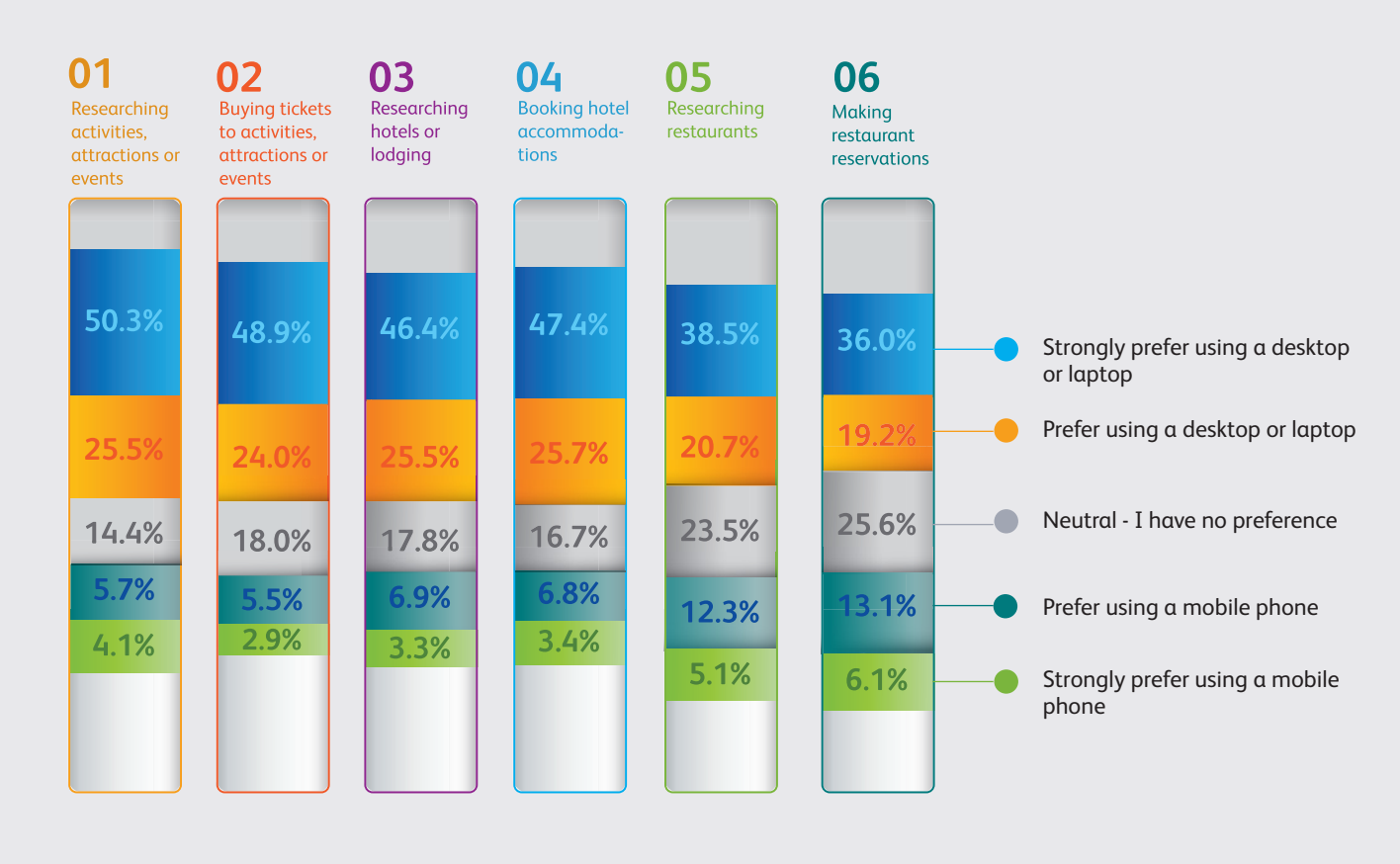



**Question:** How much do you agree with the following statement?
I research my leisure travel extensively using my mobile phone.

### 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:** f 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? Buying tickets to activities, attractions or events

# Real-time Video + VR Headsets


**38.2%**
Have heard of real-time video

**45.7%**
Would be interested in using real-time video to plan travel if good content were available

**63.1%**
Have heard of VR Headsets

**10.1%**
Have used real-time video to plan leisure travel

**36.6%**
Think real-time video would be "Valuable" or "Extremely valuable" to them in planning their leisure trips

**7.0%**
Have used a VR Headset to plan leisure travel

**39.5%**
Think a VR Headset would be "Valuable" or "Extremely valuable" to them in planning their leisure trips

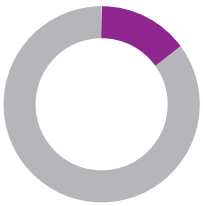
**46.6%**
Would be interested in using a VR Headset to plan travel if good content were available

# 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

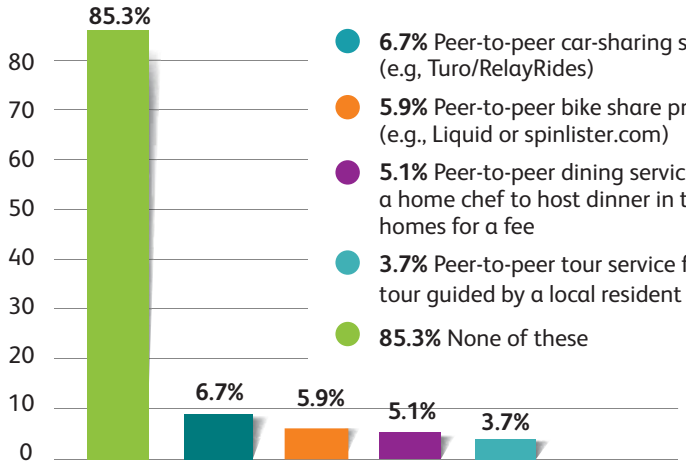
**19.4%**
Peer-to-peer ride service like Uber, UberX or Lyft



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

**Question:** In the past 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% |
| Full Virtual Reality Head Set to view 3D content (E.g., Occulus, HoloLens) | 12.3% | 4.9% |
| Smart Watch or other Wearable Device eg: 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 Head Set 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% |

Over 30 percent of travelers have used at least one of the newer technologies for travel planning purposes in the past year.

**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)