

## Connecting with Millennials, the New Family Traveler

*A Report on Research from the 2016 TMS Family Travel Summit, South Walton, Florida*

Entitled. Privileged. Impatient. If you think these adjectives describe millennial travelers, think again. At the recent TMS Family Travel Summit, the aspirations, achievements and attitudes of millennials traveling with children were explored during three intense days.

### Why We Studied the Millennial Family Traveler

There are 80 million millennials in the United States who average 2.6 trips per person each year. Marketers have long known that millennials are a significant force that continues to grow. However, the custom research presented at the TMS Summit in South Walton, Florida – curated to highlight Millennials with Children data -- surprised many.

The 2016 TMS Family Travel Summit was an especially timely opportunity to examine a topic critical to those in the travel industry, as this year marks the first time that Millennials have become the largest demographic segment (more than 30 percent) in the U.S. workforce.

In attendance to hear, digest and discuss the cutting edge research were 40 nationally known writers, editors, social media influencers, broadcasters and executives from various segments of the travel industry including online travel giants (Google and Trivago), DMOs (Visit Florida, Visit KC, Niagara Tourism and Convention Corporation) and resorts (Vail Resorts, Hilton Sandestin Resort) among others.

### What We Learned about the Millennial Family Traveler

Among millennials, families travel much more than couples or singles. Millennials with children are also traveling more internationally than other demographic group, and taking more than one vacation – often an adventure trip. According to the Adventure Travel Trade Association, there has been a 65 percent annual growth in Adventure Travel with the average age of adventure tourists at 36. Increasingly, tour operators are adding adventure activities for families with younger children. Camping is also popular; according to a recent KOA Survey, 44 percent of the 1.2 million new campers in the past year are millennials.

Millennials continue to travel with parents and grandparents in multigenerational groupings, and are more interested in immersive experiences and meeting new people than previous generations. Affluent millennials are also pushing for more active and far-flung destinations like Antarctica and Southeast Asia (which they couldn't afford on their own.) Perhaps not surprisingly given their wanderlust, millennial families seeking customized adventures are contributing to the resurgence of the traditional travel agent.

## How Millennial Families Plan & Research Travel

Online reviews matter to millennials, but not as much as the opinions of friends and family shared in person or posted on social media. Millennial families see themselves as content creators, sharing experiences online with photos and videos. Active sharing brings social approval to the traveler, as well as increased exposure to the travel company, making it a critical marketing tool. Millennials are more apt to use YouTube videos than traditional media to research destinations, and are increasingly interested in booking while on the go through fully-functional apps.

## Key Takeaways from the 2016 TMS Family Travel Summit

- Millennial families represent the largest growth segment and opportunity in the travel market.
- Millennials want immersive experiences: new places, new activities, new cultures, new cuisine served in an authentic way.
- Millennial family travelers plan vacations based on friends and family opinions, online reviews, and genuine online content – even if it's sponsored.
- Millennial family travelers are loyal to the brands that meet their needs and communicate with them via apps, mobile and social media.

## TMS Family Travel Summit 2016 Research

In between tours to the Sandestin Golf & Beach Resort, Watercolor Beach, and other areas in South Walton to experience what makes this region so popular with vacationing families, TMS Summit Attendees were privy to presentations from national experts on **Millennial Family Travel**. Here's a look at some highlights from each think tank session.

## Where Millennials Fit into Leisure Travel Trends

*Ed Tapan, Head of Industry, Travel, at Google, says young Baby Boomers and Gen Xers were as self-absorbed as millennials are today, with each demographic earning its own Time magazine cover. "They were all me-me-me during their era," he adds. "Millennials are not that different. They enjoy customized service and communicate a bit differently. They combine business and leisure travel. They want a personal connection."*

- The vast majority of millennials—over 80 percent—are interested in adding days to a business trip for vacation, far more than Boomers or Gen Y business travelers. Position your brand and offerings for that "bleisure" traveler.
- Treat millennial travelers more like explorers, not tourists.

- The majority of millennials can't live without YouTube and Netflix. Just under half say they can't live without social media. However, only 27 percent rank Facebook as must-have and only 14 percent need Instagram. Only 4 percent rely on Tumblr or Twitter.
- More than half of leisure millennial travelers watch video on their phones at least daily—significantly higher than other travel groups—and use it when choosing a destination.
- Nearly 30 percent of millennials have used a travel agent in the last year—more than Matures, Boomers or Gen X.
- They want a unique experience based on their needs and interests.
- Use of digital travel planning tools is growing four times faster than traditional media use.

### Insights from the Millennial Family Traveler in Florida

*Millennials are more likely to take short getaways than other families, says Jeffrey Eslinger, Senior Director - Research Account Services, D.K. Shifflet & Associates, who specializes in travel and tourism market research at all economic levels. He spoke with Vicki Allen, Senior Research Manager - Visit Florida, about the country's most popular destination for family travelers overall. Their data shows that, since many millennial families include young children, this demographic is also seeking innovative, off-season family packages that cater to preschoolers.*

- 31 percent of all U.S. family travel is taken by a millennial per D.K. Shifflet monthly surveys.
- Millennials traveling with children spend an average of \$1,137 for each trip to Florida.
- Millennial families are more likely to take short getaways (1-3 nights), either due to their limited financial resources, or because of work/time constraints.
- California, Texas and Florida rank as the top destinations for U.S. millennial families.
- Millennial families are most often going to visit friends and relatives (36 percent), going shopping (26 percent), or going to the beach (22 percent).
- 20 percent of millennial families rank a dining experience as a top activity on vacation—higher than seeing a national park, sightseeing or heading to an amusement park.
- Millennial parents are more likely to be Hispanic, and never married, than previous generations.

## Millennial Families, Couples, Singles & How They Differ from Other Travel Consumers

*Millennial families travel much more than millennial couples or singles. They are traveling more internationally and taking more than one vacation. "The fact that millennial families travel more often and more internationally than other millennials is good news for the industry," says Steve Cohen, Vice President - Research & Insights, MMGY Global, whose portfolio includes the annual "Portrait of American Travelers" research about travel intentions in households with an annual income of US\$50,000+.*

- Millennial travel is driven by millennial families: They took an average of 5.4 vacations in the last year.
- 64 percent of millennial families took at least one international vacation in the past year—significantly more than millennial couples or singles; nearly 60 percent say they are planning more international trips.
- Millennial families are more likely to visit new destinations; more than 80 percent went to destinations they had never visited.
- They go to experience a specific attraction or activity, to experience off-the-beaten-track destinations and for the bragging rights of being the first in their circle. (More than 50 percent post vacation photos on social media to make friends and family jealous!)
- Self-Discovery and pursuing hobbies and wellness programs motivate millennial families.
- Relaxation and exploration are the top reasons they travel, because they want to experience different cultures, cuisines and meet new people.
- Millennial families are more loyal to travel brands; previous experience with a brand and its website color their booking decisions.
- Millennial family travelers typically book accommodations through an OTA. They care about location, value for price, free WiFi, free breakfast and consumer reviews.
- 66 percent of millennial families have visited an online community, travel review website or blog to seek and review information about a destination or supplier during the last year.
- Millennial family travelers are more likely to actively engage with travel brands via social media; more than half have used Twitter to contact a travel brand with a question or complaint.
- Nearly 80 percent of millennial families who downloaded a travel-related smartphone app booked a travel service through one in the last year—significantly more than millennial couples, singles or other travelers.

## How Millennials Behave as Adventure Travelers

*Polly Mulvaney, Campgrounds of America; Todd Smith, CEO - AdventureSmith Explorations; and Kevin Broom of the Recreational Vehicle Industry Association discussed what adventure travel means to millennials in their segments of the travel industry, and how that impacts vacation planning. "They get the parents to take them where they want to go and can't afford," says Smith of AdventureSmith Explorations, whose expedition cruises can cost more than \$5,000 per person. "They are interested in the 'WOW' factor."*

- Millennials are the drivers in booking active, bucket list travel for their family.
- Young travelers communicate differently with travel providers and travel agents. Rather than leave a voice mail, they are more likely to e-mail or use social media platforms.
- Millennials love apps and want to pay via PayPal and other mobile/online services.
- There has been an uptick in camping by African Americans, Asians and Hispanics, says KOA, largely in the millennial age group.
- Millennial campers are most likely to choose a campground based on atmosphere rather than location, preferring places with more amenities (cabins, pools, playgrounds) and Wi-Fi.
- Mulvaney said millennial campers report that having a smartphone is almost as important as having toilet paper! They like to use social media for sharing photos and videos, posting updates and researching new areas.
- They may opt for something traditionally popular with older people, like RVing in a motorhome, but will want their RV to be fuel efficient, beautifully designed, compact, and able to store off-road toys such as ATVs and snowmobiles, says Kevin Broom of the Recreation Vehicle Industry Association.

## How National Geographic Traveler Courts Millennials

*"Dream... Plan... Do and Share" is the way millennials plan travel, says Andrew Nelson, Editor at Large for National Geographic Traveler. He said the National Geographic brand has the largest following among publishers on Instagram.*

- Millennials want to be inspired and marketers should show them the wonder of travel. Stand out with smart content.
- Millennials want authentic experiences so destinations must celebrate authenticity.

- Millennials want to share while they are traveling, making a brand’s social media component essential.
- Nearly 60 percent of millennials plan travel using their phone; 40 percent on an iPad or tablet.
- Nearly 40 percent of millennials use Facebook to plan travel—far more than use magazines, newspapers or DMO websites.
- Millennial travelers are interested in sustainability, GLBTQ, the sharing economy, and off the grid destinations.
- By 2020, millennial business travelers will generate half of all business travel revenue. They will pay more for a brand preference and 50 percent say the on-site restaurant is key in their choice of hotel.

#### Millennial Travelers and How Technology Impacts Travel Decisions

*Jeremy Crider, Public Relations North America, Trivago GmbH, used the data from the Trivago hotel metasearch engine to examine millennial travel habits and how apps and mobile devices affect their travel preferences and booking patterns. “Knowing that 49 percent of Trivago’s 120M monthly visitors search for hotels on a mobile device or our app, 48 percent are under age 34 and that many filter their hotel searches by Family/Group Room,” he explained, “helps us analyze the data.”*

- App users filter their hotel search results most often by “Double Room,” followed by “Family or Group Room.”
- Globally, App and Mobile users prefer Las Vegas, Orlando and New York as family/group destinations, similar to what desktop users are selecting. Among U.S. hotel room searches, Orlando, Myrtle Beach and Anaheim are the top domestic family/group travel destinations.
- Families search for higher level accommodations (Android users filter results by 3 stars and up, while iOS users filter for 4 stars and up.) They are willing to pay as much as \$70 per night more than non-family travelers.
- Families search for rooms farther in advance than others, averaging 44 days in advance of arrival compared to the average of 31 days.

## How Print Publications Cater to the Millennial Traveler

*Elizabeth Anne Shaw, editor-in-chief Family Fun Magazine; and Pauline Frommer, Editor of Frommer Guidebooks and Frommers.com, discussed how publications meet the needs of today's millennial traveler. Readers of Family Fun's magazine and digital outlets, who spend 34 percent more on family vacations and are 66 percent more likely to plan domestic trips with kids than their peers, says Shaw, "think it's not a vacation unless you try something new." The annual Family Fun Travel Awards – the most popular content -- draws 2,000 readers (families with kids 3-14) to vote for 20 destinations in 5 categories. Frommer says of her readers, "47 percent of our audience has a household income of \$75,000+ and 83 percent will take two or more vacations in the next year." "They are aesthetes," she adds, "more than twice as interested in museums, cultural and historical sites and European travel than the average leisure traveler." Insights about this more affluent and educated millennial group include:*

- Publishers recognize that parents and grandparents know kids grow up quickly, and that readers want to make every travel moment count.
- Travelers want top-notch content from recognized brands to be delivered across platforms so they don't have to rely on "strangers' opinions" to plan travel.
- Most popular content includes first-person stories (I-am-here style photography, tips and tricks) and family trips with extra benefits for children — for example, science, history and volunteering components.

## Delivering Millennial-Friendly Travel Messages through Earned and Paid Media

*Cory Cart, formerly of DEVENEY and has since joined The Hub Advantage- an integrated communication firm, looked at the value of storytelling in attracting millennials to a client's restaurant business, sharing tips on maximizing ROI using editorial, sponsored content and user content to reach this demographic. He says, "Ask what makes your organization different, with the 'Don't sell me X, sell me Y' test." Most importantly, Cart adds, "Create characters people care about."*

- The key to reaching millennials is authenticity, so Cart used social influencers to highlight the restaurant founder's story – and how that impacted atmosphere and service - rather than the food.
- When it comes to restaurants, millennials want a place to chill, customizable dishes, artisanal options, small plates, quality ingredients and the ability to share the meal experience.
- Social influencers' impact grows exponentially when your budget allows them to have an ongoing relationship with the brand and interact with their own audience about it.
- Stay consistent with your brand promise; show guests how to create stories and memories from the experience you provide.



**Thank You to All Participants for Your Insights**

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Kyle McCarthy, Family Travel Forum  
Eileen Ogintz, Taking the Kids

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