

1999



U.S. CONSUMER
SURVEY

1999 U.S. CONSUMER SURVEY

PUBLISHER'S MESSAGE

By Tom Fowler, CTC, Publisher

For nearly 30 years, Travel Weekly has been asking questions about the current state of travel agencies.

This year, we're looking at the other side of that coin, cosponsoring research into the attitudes and appetites of travel buyers -- people who use travel agencies, as well as those who don't.

This is a particularly propitious time for such research. The Internet is looming large over the travel agency world, and it is having an effect on that world comparable to the onset of the Jet Age.

Many agencies rightly see no choice but to view the Internet as an opportunity and act accordingly. But acting without first gaining the fullest possible knowledge of your market -- the entire market, not just the Internet's slice -- courts disaster.

In this issue, we've taken the survey findings and used them as the starting point for a closer look at business and leisure travelers, what they want, what they like and don't like, why, when and how often they travel, how they buy travel and how important travel is to them.

So dig in, folks. Our intent, and our hope, is that this issue will give you a much richer understanding of and better perspective on the market and where it's headed.



SURVEY HIGHLIGHTS AGENTS' STRENGTH

By Jane Jamison, Editor Supplements

Both business (40%) and leisure (42%) travelers use travel agents as a source of information more than any other outlet. And, all those who list travel agents as an information source took an overnight trip within a 12-month period, compared to only 53% of those who did not use a travel agent. These are among the results of Plog Research Inc.'s 1999 American Traveler Survey, highlighting the fact that travel agents remain an extremely powerful source of booking strength.

Welcome to Travel Weekly's first U.S. Consumer Travel Survey issue. The consumer survey analysis will appear on alternate years with our travel agent survey, providing the full picture of changes in the ways travel agents are doing business and changing consumer actions relating to travel and travel agent usage.

Our new consumer travel report highlights the results of several surveys conducted by Plog Research Inc., headquartered in Reseda, Calif. They include The 1999 American Traveler Survey and the 1999 Interactive Traveler Survey, co-sponsored by Travel Weekly, and monthly consumer surveys that were conducted exclusively for Travel Weekly.

In addition, we took one question from the American Traveler Survey, related to sources used for leisure and business travel information, planning and booking, and cross-referenced the answers to this question with responses to the rest of the questionnaire. This enabled us to compile a comparison of the travel habits of travel agent users with those who do not use agents. (See Methodology, below.)

Together with the results of last year's U.S. Travel Agent Survey, which placed travel agent sales for 1997 at a record \$126 billion, with little sign of abatement, this research paints a very positive picture for travel agents.

1999 U.S. CONSUMER SURVEY

Among other findings illustrating the strength of agents, the American Traveler survey found that agent users take, on average, four more trips per year (6.6) than those who do not use agents (2.6). They also spend more. In a one-year period, non agent users, on average, spent \$1,622, compared to \$3,585 for agent users.

While much of the research paints a positive picture for travel agents, other items, such as the Internet, pose challenges. We hope this issue helps you to take advantage of the positives, and respond to the challenges facing you today.

Methodology

American Traveler Survey (Cahners Special Analysis)

By Jane Jamison, Editor Supplements

The sample for Plog Research Inc.'s American Traveler Survey consists of U.S. adults (18 years or older) randomly drawn from a nationwide panel of households (575,000) maintained by NFO Research, Inc. in Toledo, Ohio. The weighted data reflect the U.S. adult population adjusted for income and age. The nature of the sample involved was structured, pulling a specified number of persons for each 10,000 grouping of income, but all draws within each income group were done on a random basis. Thus, it is possible to capture an over-sample of higher income persons who are important to travel, but to weight the totals back to a random representation of the U.S. population. The sample also compensates for age since higher income respondents tend to be older. The true U.S. populations and the final sample, by income levels are as follows (U.S. households as represented in Data Books vs American Travelers random structured sample):

Under \$20,000 (27%, 5%); \$20,000 to \$39,999 (26%, 10%); \$40,000 to \$59,999 (21%, 11%); \$60,000 to \$74,999 (9%, 11%); \$75,000 to \$99,999 (8%, 27%); \$100,000 to \$149,000 (6%, 21%); \$150,000 or more (3%, 15%).

Multiple clients and sponsors, including Travel Weekly, contribute considerably to the final design of the questionnaire. The format provides an opportunity to learn about both business and leisure travel habits, use of technology, travel spending patterns and the interrelationships of all variables.

To ensure high return rates in the study, a one dollar incentive was included with the questionnaire. An adjustment was made to the sample selection because a greater number of females tended to respond to the questionnaire. Fifty-

RESPONDENT AGE

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Under 20	<1%	<1%	<1%
20-29	16	12	18
30-39	20	21	19
40-49	20	22	20
50-59	16	21	14
60-69	12	12	12
70 or older	16	13	17
Mean	48	49	48

Base = Total respondents..Source:American Traveler Survey Special Analysis for Cahners Travel Group.

RESPONDENT OCCUPATION

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Executive/manager	12%	19%	9%
Professional	13	19	10
Teacher/professor	4	5	3
Technical/sales/administrative	13	14	12
Service	7	5	8
Farming/forestry/fishing	1	1	1
Crafts/repair	4	3	5
Operator/laborer	7	4	9
Government/military	1	1	1
Retired	22	17	24
Homemaker	2	1	2
Student	1	1	1
Unemployed	13	9	15
Other	1	1	1

Base: Total respondents; may not add up to 100% due to rounding.
Source:American Traveler Survey Special Analysis for Cahners Travel Group.

1999 U.S. CONSUMER SURVEY

seven percent of the questionnaires were mailed to men, 43% to women. The 15,400 piece mailing was sent Jan. 7, 1999. The response rate was 68%. A total of 10,536 completed questionnaires were returned.

Methodology

Travel Weekly Consumer Travel Survey

By Donna Tunney, Executive Editor

You will find a number of sidebars throughout this issue that relate to Travel Weekly's Consumer surveys, which are distinct and separate from other surveys conducted by Plog Research and reported on in this issue.

These surveys, the results of which appeared monthly in Travel Weekly, beginning in January of this year, were conducted exclusively for Travel Weekly and were edited and reported on by Travel Weekly's executive editor, Donna Tunney. These surveys will continue to appear monthly in the newspaper.

The methodology for each of the surveys differs, please check each individual piece for information on the numbers of respondents, gender, average income and geographic spread. In general, those surveyed numbered from 200 to 300.

Respondents closely mirrored regional proportions in the U.S. with 20% from the Northeast, 38% from the South; 23% from the north, central region, and 19% from the West.

RESPONDENT EDUCATION LEVEL

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Grade school	1%	<1%	2%
Some high school	5	2	7
High school graduate	25	14	30
Some college	29	27	30
Associate's degree	9	11	9
College graduate	18	28	14
Post graduate	11	19	8

Base = Total respondents; may not add up to 100% due to rounding.

Source: American Traveler Survey Special Analysis for Cahners Travel Group.

Methodology

American Traveler Survey (Cahners Special Analysis)

By Marc Normand, Market Research Analyst

The data compiled in this survey is derived entirely from a two-part question asked in Plog Research Inc.'s 1999 American Traveler Survey:

- What information and planning sources do you use to help you select travel services (airline, car rental, cruises, hotel, etc.) for your business and leisure trips?
- What sources do you use to make your bookings/reservations for your business and leisure trips?

By cross-referencing the answers to this question with the responses to the rest of the questionnaire, a comparison of the travel habits of travel agent users to those who do not use travel agents can be made. This custom analysis of the American Traveler Survey, prepared by Marc Normand, research analyst for Cahners Travel Group, has three primary objectives:

- To establish a clear comparison of travel patterns among travel agent users and those who do not use travel agents.
- To uniquely classify travelers in key segments of the travel industry (airline, cruise, hotels, etc.) into different degrees of the travel agent user/non-user continuum.
- To spur action plans for travel agents to reach new clients or maintain current clients based on the various segments mentioned above and their unique characteristics.

In the past decade, the travel industry has undergone major changes including the growth of the Internet as a popular information source and commission cuts to travel agents.

1999 U.S. CONSUMER SURVEY

The extent to which consumers use or don't use travel agents across the major sectors of the travel industry has also changed. Beginning with this year's analysis, travel agent usage patterns will be tracked and reported.

Highlights

- Overall, both business and leisure travelers use travel agents as a source for information, more than any other outlet Fully 40% of business travelers use travel agents, along with 42% of leisure travelers.
- All those who listed travel agents as an information source had taken an overnight trip in the past 12 months. Only 53% of those who do not use a travel agent had taken an overnight trip in the past year.
- Travel agent users take, on average, four more overnight trips per year (6.6) than those who do not use travel agents (2.6).
- Travel agent users also are more likely to extend a business trip into a vacation than are non agent users. While only 21% of those surveyed extended a business trip into a vacation in the past year, travel agent users account for 65% of these trips; non users, 35%.
- More than one quarter (29%) of travelers have a current passport. Almost two-thirds (64%) of current passport holders are travel agent users. More than 40% of travel agent users have a current passport.
- The general public spends significant amounts of money on leisure travel and enjoys numerous activities each time they vacation. In addition, the overall demographics favor leisure travel as the "boomer" population begins to reach the beginning of traditional peak travel years (the 45-plus age group will grow by 23 million people by 2010).
- Agent users are likely to spend more while on vacation than those who do not use agents. While the non agent user household spent on average \$1,000 on their last leisure trip, the agent user spent \$1,700. In a one-year period, non agent users on average spent \$1,622, compared to \$3,585 for those who use agents.
- Technology continues to grow in importance. Almost one in four business travelers (24% vs. 16% last year) now uses it to either gather information or book/purchase travel products. Further, nearly twice as many book reservations on-line than a year ago (16% vs. 9%), indicating increasing comfort with electronic purchases.
- Leisure travelers also report greater use of the Internet, but at a more moderate pace than among business travelers (26% vs. 23% last year). Similarly, they also choose the Internet more often than in the past for booking/purchasing travel (13% vs. 10%). It is likely that, as they become more accustomed to purchasing electroni-

COMPARISON OF 1998 & 1999 ATS RESULTS

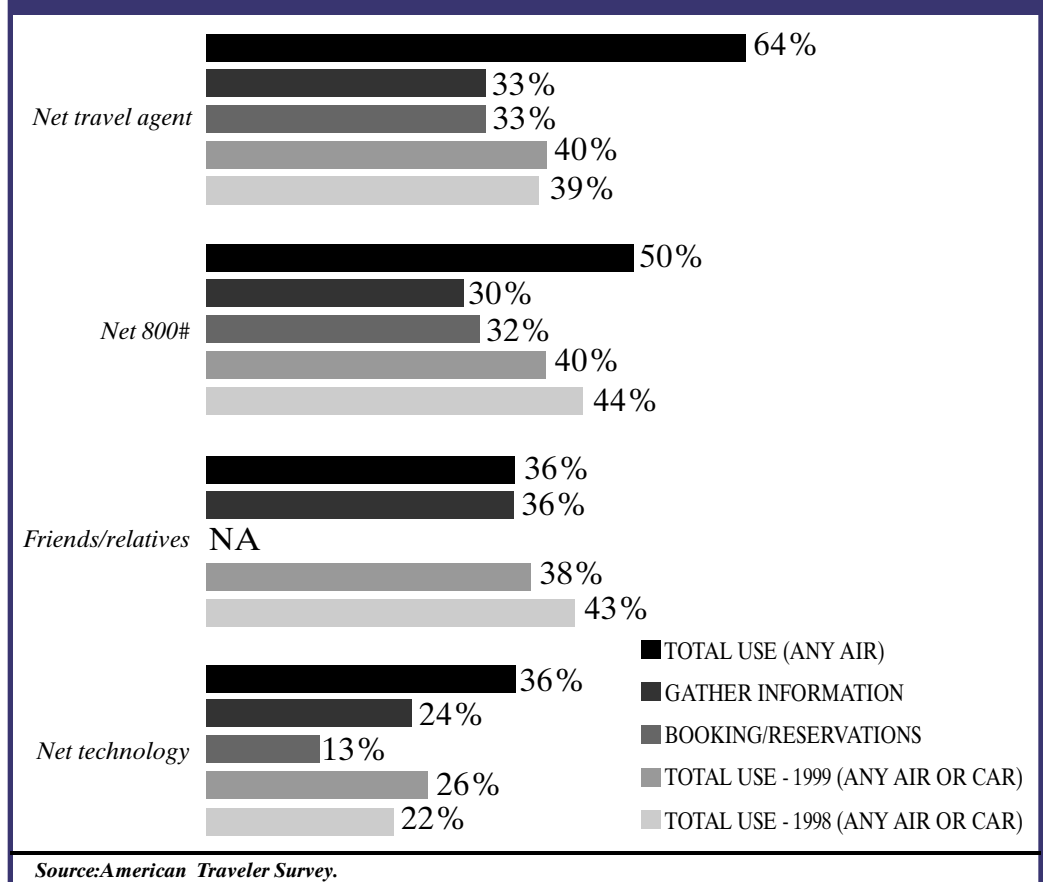
INCIDENCE OF TRAVEL

	1999	1998
Incidence of travel*	67%	70%
Incidence of travel agent use*	29	30
Incidence of travel agent use among travelers**	45	45
Leisure travel incidence*	64	66
Business travel incidence*	23	26

*Base = Total respondents. **Base = Travelers.
Source: American Traveler Survey.

PERCENT OF LEISURE TRAVELERS USING INFORMATION SOURCES

GATHERING INFORMATION OR BOOKING TRAVEL



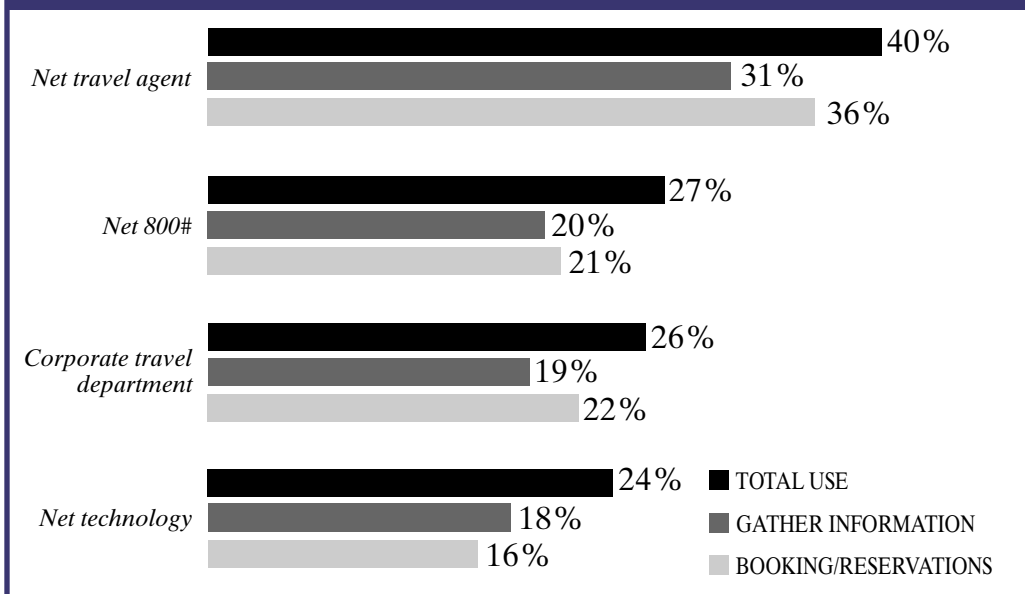
1999 U.S. CONSUMER SURVEY

cally, they will increase booking electronically -- already occurring among business travelers.

- Although only one adult in four (23%) travels for business at least once during the year, the number of business trips taken accounts for:
 - 34% of all overnight trips.
 - 49% of all air trips.
- In terms of the relationship of car versus air business travel, 66% of business travelers take at least one trip by car and 55% take at least one trip by air. A large proportion (44%) of air travelers also spends business travel time in the car.
- Almost one out of 15 business air trips (6%) is to an international destination, representing a slight decline from 1998 (8%).
- Business travelers account for a large proportion of nights away and dollars spent on travel expenditures. The most frequent business travelers constitute a very desirable customer group for travel suppliers because they account for significant travel revenues, and, importantly, they represent a rapidly growing segment. For example: Moderate to frequent air travelers (3-plus trips) make up only 21% of the business traveler population, but they account for:
 - 47% of all business trips (vs. 33% in 1998).
 - 80% of all business trips by air (vs. 68% in 1998).
- Annually, their business travel takes them away:
 - 15 nights for business, jumping to 28 nights if leisure trips are added (12 and 25, respectively, in 1998).
 - 19 nights if they fly for business (14 nights).
 - 56 nights if they are frequent (10-plus) business air flyers (up from 54 nights).
 - 36 nights if they are frequent (5-plus) business car travelers (from 31 nights).
- The purposes of business travel is divided into four major segments:
 - SPC: Sales calls/ purchasing/or consultation.
 - ICB: Internal company business.
 - PS: Problem solving/trouble shooting.
 - CTB: Conventions, training, or board meetings.

PERCENT OF BUSINESS TRAVELERS USING INFORMATION SOURCES

GATHERING INFORMATION OR BOOKING TRAVEL



Base: Any business travel. Source: American Traveler Survey.

HAVE A CURRENT PASSPORT

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Yes	29%	41%	19%
No	71	59	81

Source: American Traveler Survey Special Analysis for Cahners Travel Group.

INCIDENCE OF ANY OVERNIGHT TRIPS IN PAST 12 MONTHS

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Any trip (domestic + int'l, business + leisure)	67%	100%*	53%
Any domestic business trip	22	39	15
Any int'l business trip	2	4	1
Any business trip (domestic + int'l)	23	40	15
Any domestic leisure trip	63	96	49
Any int'l leisure trip	9	21	4
Any leisure trip (domestic + int'l)	64	98	50
Any domestic trip (business + leisure)	66	99	52
Any int'l trip (business + leisure)	10	23	5

*Travel agent use vs. non-use based on information and planning sources used to make at least one trip in past 12 months. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

1999 U.S. CONSUMER SURVEY

- Travel agencies (40%) and 800 numbers (27%) continue to represent the primary sources business travelers use to gather information and make travel reservations.
- However, business travelers increasingly use technology sources (24% vs. 16% previously), while fewer call 800 numbers (27% vs. 31% previously). Travelers rely on technology sources both for gathering information (18%) and for booking reservations (16%). Use of technology for booking has nearly doubled in the past year (16% vs. 9% previously), indicating that business travelers are becoming increasingly comfortable with purchasing electronically.
- A majority (67%) of business travelers owns and uses at least one credit or charge card for business purposes. In addition, one out of five (21%) business travelers accumulates frequent flyer miles through the use of either a credit or charge card affiliation. Frequent flyers (10-plus air trips) are especially likely to take advantage of the opportunity with over half (54%) accumulating miles this way.
- Two out of 10 (21%) business travelers extend at least one business trip per year to include some leisure time. Obviously, the opportunity to do so rises with the frequency of business travel, thus many frequent (10+) business flyers (39%) extended at least one trip last year.
- Indications are that travel will continue to exhibit a strong rate of growth (about 3% to 4%), albeit not quite as robust as in the past few years.
- Placing slightly lower than in 1998, U.S. adults' behaviors continue to point to high importance on vacation trips, as shown below (1999 vs. 1998):
 - Nearly two thirds (64% vs. 66%) take at least one leisure trip per year.
 - They average 2.5 trips (including those who report no vacation). Those who take any at all average 4.0 trips annually (2.7 vs. 4.1, respectively for 1998).
 - Leisure travel accounts for two-thirds (66% vs. 69%) of all trips taken (business and leisure, domestic and international).
 - Most (95%) leisure trips are to domestic

MEAN NUMBER (INCL. 0) OF OVERNIGHT TRIPS IN PAST 12 MONTHS: AIR TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Total air trips (domestic + int'l, business + leisure)	1.1	2.7	.5
Total domestic business air trips	.5	1.3	.2
Total int'l business air trips	.04	.08	.02
Total domestic leisure air trips	.5	1.1	.2
Total int'l leisure air trips	.08	.2	.02
Total domestic air trips (business + leisure)	1.0	2.4	.4
Total int'l air trips (business + leisure)	.1	.3	NA

Base = Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

INCIDENCE OF ANY OVERNIGHT TRIPS IN PAST 12 MONTHS BY AIR TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Any air trip (domestic + int'l, business + leisure)	34%	76%	16%
Any domestic business air trip	12	28	6
Any int'l business air trip	2	4	1
Any domestic leisure trip	26	59	12
Any int'l leisure air trip	6	16	2
Any domestic trip (business + leisure)	32	70	16
Any int'l air trip (business + leisure)	7	19	2

Base = Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

IMPORTANCE OF TAKING BUSINESS TRIPS AS PART OF JOB TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Very important-10	8%	14%	6%
Very important-9	3	4	2
Somewhat-8	5	8	3
Somewhat-7	3	5	2
Neutral-6	3	5	2
Neutral-5	10	12	9
Not very-4	3	5	3
Not very-3	5	5	5
Not at all-2	7	8	6
Not at all-1	54	35	62
Mean	3.28	4.43	2.79

Base: Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

1999 U.S. CONSUMER SURVEY

destinations and the principal mode of transportation is by car or camper (76%).

- On average, those surveyed spend \$2,318 annually on leisure travel — approximately five percent of their average household income (\$46,400). Travel agent users spend \$3,585 a year on travel, while those who do not use travel agents spend \$1,622.
- Leisure travel traditionally peaks during the summer months. Late spring and fall continue to be prime vacation months, but July and August lead all other months — particularly among families. December, with the holidays, also ranks relatively high.
- Those without children spread travel more evenly over a longer period of time that extends from May through December.
- The presence of children impacts not only trip timing, but influences other vacation travel decisions as well. For example, families with children: (with children vs. without children)
 - Take slightly fewer trips (2.4) than those without children (2.6). More importantly, they average about half as many air trips (0.4 vs. 0.7).
 - Are more likely to travel by car (74% vs. 66% of trips).
 - Spend less time away for travel (12 vs. 18 nights away per year).
 - Spend less on leisure travel per year (\$2,075 vs. \$2,510), although their average incomes are somewhat higher (\$47,200 vs. \$45,700). Thus, families with children allocate less of their discretionary income for travel and their budgets must accommodate a larger group of people. They represent an important market segment during the summer months, but are not as viable throughout the year.
- However, one-third of families with children (34%) took at least one short getaway without "the kids" during the past year.
- According to ATS results, the dominant type of trip is short getaways, followed by visits to friends and family, identical to 1998 results. Those who take at least one leisure trip per year average four trips per year and spend two full weeks away from home (15 nights).
- Affluence, maturity and venturesome personalities positively impact travel behavior. Because these groups (affluent, older, venturers) travel more frequently and pursue a greater number of activities -- such as cruising, going to resorts, taking golf vacations, or using timeshares, they also spend more.
- Shifting demographics over the next few years particularly impact age groups as "boomers" enter their mid-40s

IMPORTANCE OF TAKING VACATIONS AWAY FROM HOME

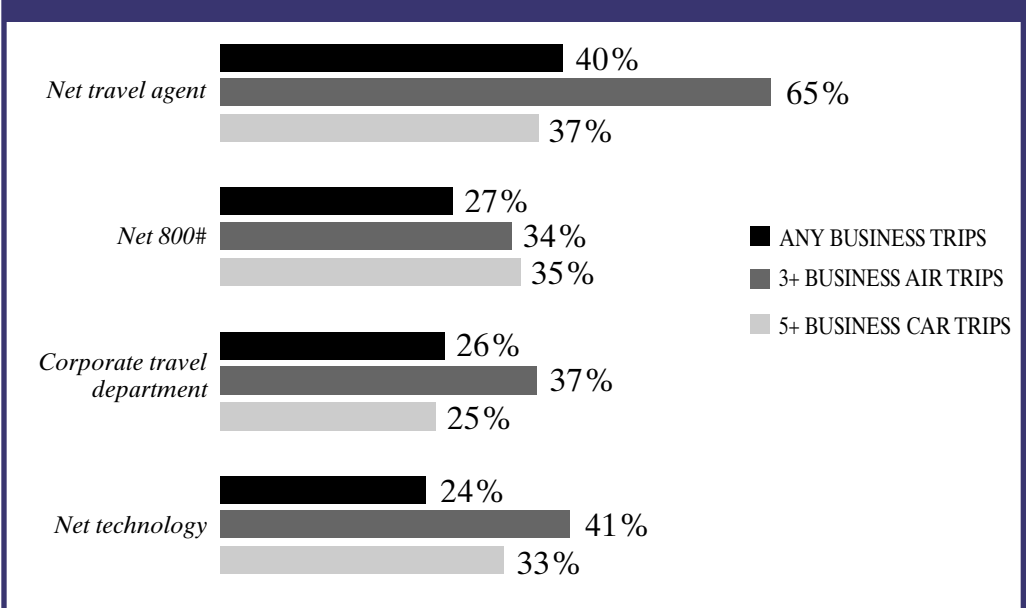
TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Very important-10	37%	50%	32%
Very important-9	8	10	7
Somewhat-8	14	17	13
Somewhat-7	6	6	6
Neutral-6	4	4	4
Neutral-5	11	6	14
Not very-4	2	1	2
Not very-3	3	1	4
Not at all-2	3	1	4
Not at all-1	11	3	14
Mean	7.16	8.42	6.63

Base: Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

PERCENT OF BUSINESS TRAVELERS USING INFORMATION SOURCES BY TRAVEL FREQUENCY

GATHERING INFORMATION OR BOOKING TRAVEL



Base: Any business travel. Source: American Traveler Survey.

1999 U.S. CONSUMER SURVEY

and beyond. Census projections indicate that the number of people in the 45-plus age group will grow by 23 million people by 2010 (an increase of 24%).

- The mature market (55-plus) offers further potential. Members of this group have the most leisure time available (42 days each year) and spend an average of more than \$2,500 each year on leisure travel.
- The mature market tends to be less energetic than younger travelers, as would be expected. But, they also enjoy more upscale activities such as fine dining, visiting historic sites, churches, old homes, museums and galleries, going to the theatre and cruising.
- Venturers and dependables, as two distinct psychographic segments of the population, demonstrate different travel habits and preferences. Travel providers who understand the prevailing psychology of their markets can more effectively focus their promotional materials. Venturers are active, curious people who constantly seek new experiences, and like to visit places before others discover them. At the other end of the scale, dependables are comfortable with the familiar, are more intimidated by the new and different, and prefer to travel to popular, well-known destinations. Most people fall in between these two extremes, with leanings towards one or the other.
- According to the ATS survey, the following venturer characteristics typically make them a better target market:
 - They travel more frequently (4.2 trips vs. 1.9).
 - Have higher annual vacation budgets (\$3,641 vs. \$1,471).
 - Are more than twice as likely to travel by air in the U.S. (38% vs. 20%).
 - Are more than twice as likely to take an international trip (16% vs. 5%).
- Very frequent leisure air travelers (6-plus air trips annually) represent only 1% of the population, but they account for 4% of all leisure travel (air/auto, domestic/international) and 14% of all domestic leisure air travel. They share many of the demographic/psychographic traits shown above. They: (frequent leisure flyers vs. average U.S. adults):
 - Are venturesome (21% vs. 8% very venturesome).
 - Earn relatively high (median) incomes (\$76,000 vs. \$36,500).
 - Have large leisure travel budgets (\$6,000 vs. \$2,300).
 - Take more than five times as many leisure trips (13.9 vs. 2.5).
 - Spend twice as much time away from home (31 vs. 15 nights).

NUMBER OF SHORT GETAWAY LEISURE TRIPS IN PAST YEAR WITH OR WITHOUT CHILDREN

TRAVEL AGENT USERS VS. NON-USERS

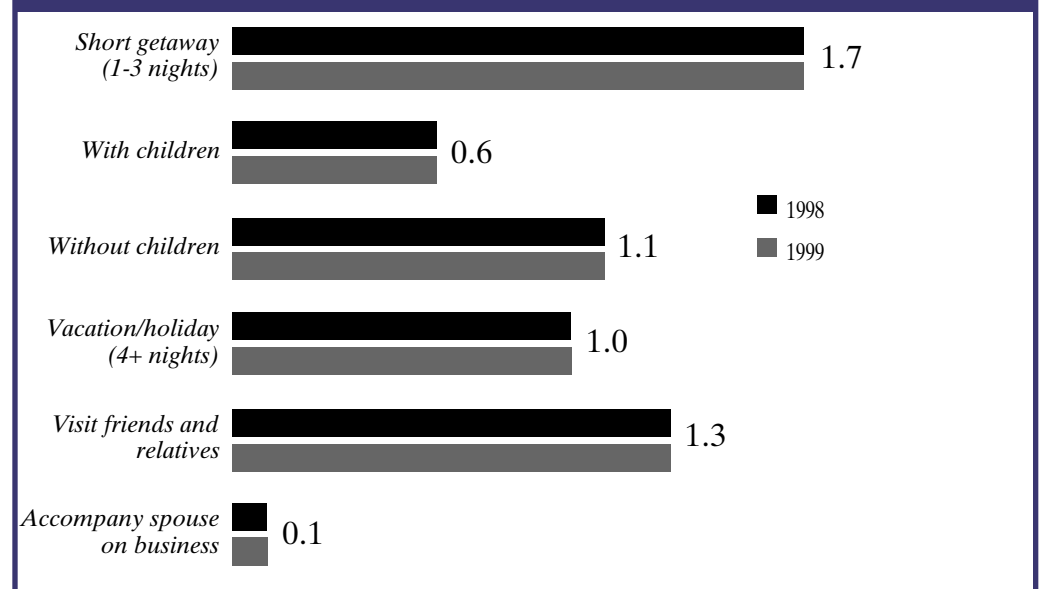
	TOTAL	USERS	NON-USERS
None	38%	38%	39%
One	25	23	26
2-3	24	24	24
4-6	9	11	8
7-9	2	2	2
10-14	2	2	1
15 or more	1	1	1
Mean (incl. 0)	1.68	1.82	1.56

Base = Any business or leisure trips taken.

Source: American Traveler Survey Special Analysis for Cahners Travel Group.

AVERAGE NUMBER OF LEISURE TRIPS BY PURPOSE

1998 VS. 1999



Source: American Traveler Survey.

1999 U.S. CONSUMER SURVEY

- The fast pace and myriad pressures of everyday life in today's society create a perceived need to get away and relax -- almost as a necessity. Vacations offer travelers a "great chance to relax and get rid of stress" and an opportunity for "no schedules, I can do what I want, when I want." These two reasons lead (7.8 and 7.6, respectively, on a 10-point scale) among a dozen motivating factors for taking leisure vacations. Being able to do things without a schedule has increased in importance compared to previous years, perhaps indicating an increasing frustration with over-committed schedules.
- Families with young children, perhaps because of the demands on their time, rank the ability to "spend more time with spouse, family, and friends" as their most important motivation to travel. "A chance to relax and get rid of stress," not surprisingly, ranks second.
- Independent travel is the primary type of vacation taken by most (90%) leisure travelers. Travel packages (either partial or full) are most likely used by higher income households, while escorted tours are most popular among adults over 55.
- The types of trips taken by leisure travelers, and the activities they pursue, also vary by demographics and psychographics. For example:
 - Older travelers, those with higher incomes, and childless households, seek more upscale activities such as fine dining, visit historic sites and churches, theater, international travel and cruising.
 - In contrast, younger travelers tend to engage in more physical activities such as hiking, camping, rock climbing and snow skiing. Those with children are most likely to visit theme parks.
- Venturers, of course, participate in the greatest number of activities (5.1 vs. 2.8 for dependables). They are more likely to get involved with most types of activities, but especially those that require high energy and exposure to risk (skiing, hiking, water sports, etc.).
- Similar to findings for business travelers, travel agencies (40%) and 800 numbers (40%) represent the primary sources leisure travelers use to gather information and make travel reservations, followed by recommendations from friends and relatives (38%). Technology sources continue to gain ground (26% vs. 23% last year), although not as rapidly as seen previously. Currently, leisure travelers primarily rely on technology sources for gathering information (24%) rather than booking (13%). However, as users of technology become more accustomed to purchasing electronically, they are likely to increase booking electronically -- already occurring among business travelers.

AMOUNT SPENT ON LEISURE TRAVEL IN PAST YEAR

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Under \$500	25%	10%	34%
\$500 - 999	18	11	22
\$1000 - 1999	18	18	18
\$2000 - 2999	13	17	11
\$3000 - 3999	9	14	6
\$4000 - 4999	6	9	4
\$5000 - 7499	6	11	3
\$7500 - 9999	3	5	1
\$10,000 - 14,999	2	4	1
\$15,000 or more	1	2	<1
Mean	\$2,318	\$3,585	\$1,622

Base: Specified last trip and total travel spending.

Source: American Traveler Survey Special Analysis for Cahners Travel Group.

AMOUNT SPENT ON LAST LEISURE TRIP

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Under \$500	43%	29%	51%
\$500 - 999	22	22	22
\$1000 - 1999	17	20	15
\$2000 - 2999	8	12	6
\$3000 - 3999	4	6	4
\$4000 - 4999	2	4	1
\$5000 - 7499	3	5	1
\$7500 or more	1	2	<1
Mean	\$1,231	\$1,712	\$967

Sub base: Amount spent by respondent and household members for leisure travel.

Source: American Traveler Survey Special Analysis for Cahners Travel Group.

1999 U.S. CONSUMER SURVEY

- As with other segments of air travelers, leisure flyers use more of all information sources. Two-thirds (64%) of them use a travel agent during the year, and more than one-third (36%) use on-line travel information.

- As noted with business travelers, many leisure travelers continue to rely on travel agents, particularly when they face unfamiliar situations.

- Nearly one out of four (37%) total leisure travelers uses a travel agent for hotel accommodations when they visit a new place. This proportion rises to half (48%) among leisure flyers.

- For places they visit frequently, however, they tend to make their own hotel arrangements (overall using a travel agent only 16% of the time, flyers use them 22% of the time).

- Leisure travelers are also more likely to use a travel agent when they book package trips or tours to new places (42%).

- Nearly all U.S. adults (94%) use at least one credit or charge card for personal purposes, representing little change from 1998 (93%).

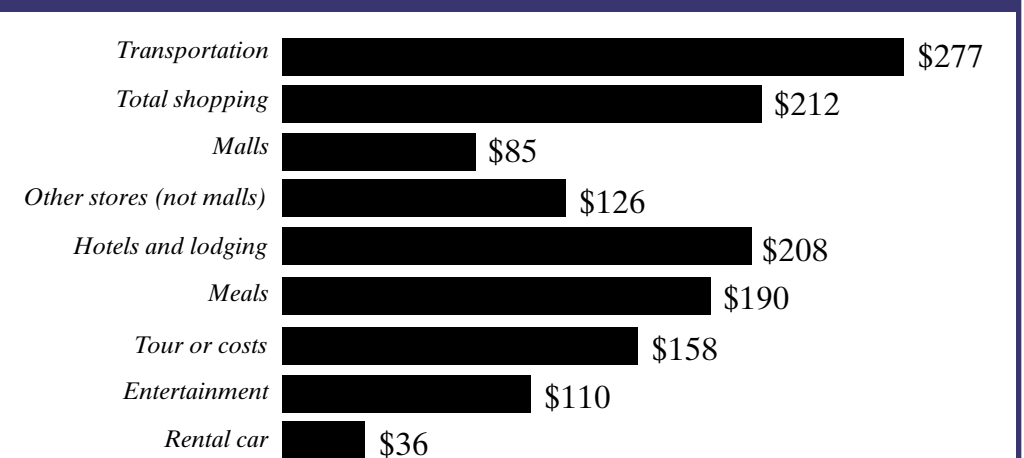
- Although only about one out of 10 (11%) adults accumulates frequent flyer miles through the use of credit/charge card affiliation, that figure rises to four out of 10 (41%) frequent leisure flyers (6-plus air trips).

- Timeshare owners represent an elite group of travelers. At first glance, they could be dismissed by travel suppliers as dependable personality types who always return to the same destinations and make very predictable travel decisions. In reality, however, they represent a segment with much potential. Their characteristics, which are attractive to travel suppliers, include: (timeshare owners vs. typical adults):

- Affluence -- high median household incomes (\$76,300 vs. \$46,400).
- More formal education -- half are college graduates (49% vs. 30%).
- An annual leisure spending budget 70% higher than average (\$3,860 vs. \$2,320).
- Frequent leisure trips (4.3 vs. 2.5). Further, half of them (49%) took at least one domestic air trip last year.
- Many nights away from home for leisure (21 vs. 15 nights).
- Being somewhat older (51 vs. 48).

- Cruise lines are counting on the increasing popularity of cruising as a vacation choice as they rapidly expand their capacity. Cruisers represent an affluent, somewhat older (although the market has been attracting younger passengers), and travel-prone group (they average an additional trip per year beyond the number taken by non-cruisers). Like timeshare owners, they display many appealing characteristics, such as: (cruisers within the past three years vs. typical adults):

EXPENDITURES ON LAST LEISURE TRIP BY CATEGORY



Source: American Traveler Survey.

IMPACT OF AFFLUENCE, MATURITY AND VENTURE PERSONALITY ON TRAVEL PATTERNS

	AFFLUENT (\$85K+) (COMPARISON WITH AVERAGE ADULTS)	MATURE (45-64) (COMPARISON WITH THOSE UNDER 35)	VENTURESOME (COMPARISON WITH DEPENDABLES)
Average # of leisure trips	4.4	2.8	3.3
Comparison	1.7 times higher	similar	1.4 times higher
Average # of U.S. air trips	1.3	0.7	.07
Comparison	2.6 times higher	1.3 times higher	1.8 times higher
Average # of nights away	18 nights	16 nights	17 nights
Comparison	1.3 times higher	1.3 times higher	1.3 times higher
Spending level (past year)	\$4,825	\$2,786	\$2,943
Comparison	2.1 times higher	1.5 times higher	1.6 times higher

Source: American Traveler Survey.

1999 U.S. CONSUMER SURVEY

RESPONDENT LIFESTAGE

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Young single	4%	4%	4%
Middle single	17	18	17
Older single	15	11	16
Young couple	5	8	4
Work older couple	8	12	6
Retired older couple	6	7	6
Young parent	22	18	23
Middle parent	11	9	12
Older parent	13	13	13
Roommates	1	1	1

Base = Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

TOP DESTINATIONS BY DIFFERENT CHARACTERISTICS (RANK ORDERED)

NUMBER OF VISITORS, HIGH SATISFACTION, GROWTH POTENTIAL

LARGEST NUMBER OF VISITORS	HIGHEST SATISFACTION RATIO (RATING OF DESTINATION)	GROWTH POTENTIAL (% OF CURRENT BASE)
U.S.	U.S.	U.S.
Florida	Hawaii	Alaska
California	Alaska	Hawaii
Nevada	California	Maine
New York	Florida	California
Pennsylvania	Nevada	Colorado
International	International	International
Canada	Israel	Ireland
Western Europe	Tahiti	Tahiti
Caribbean	Australia	New Zealand

Base: Total respondents. Source: American Traveler Survey.

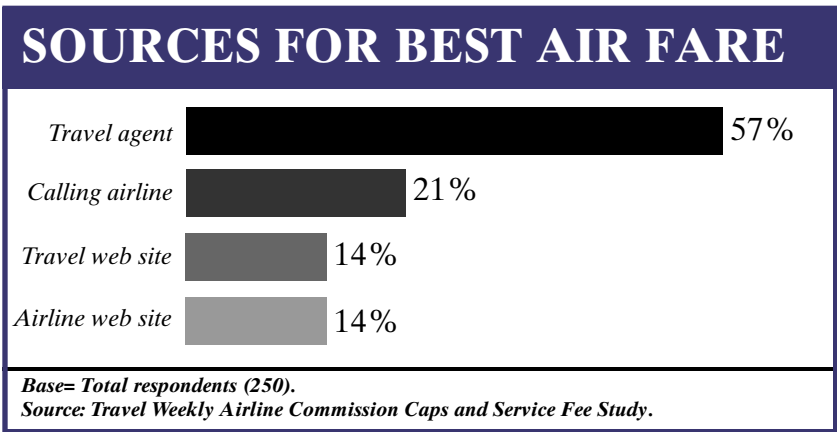
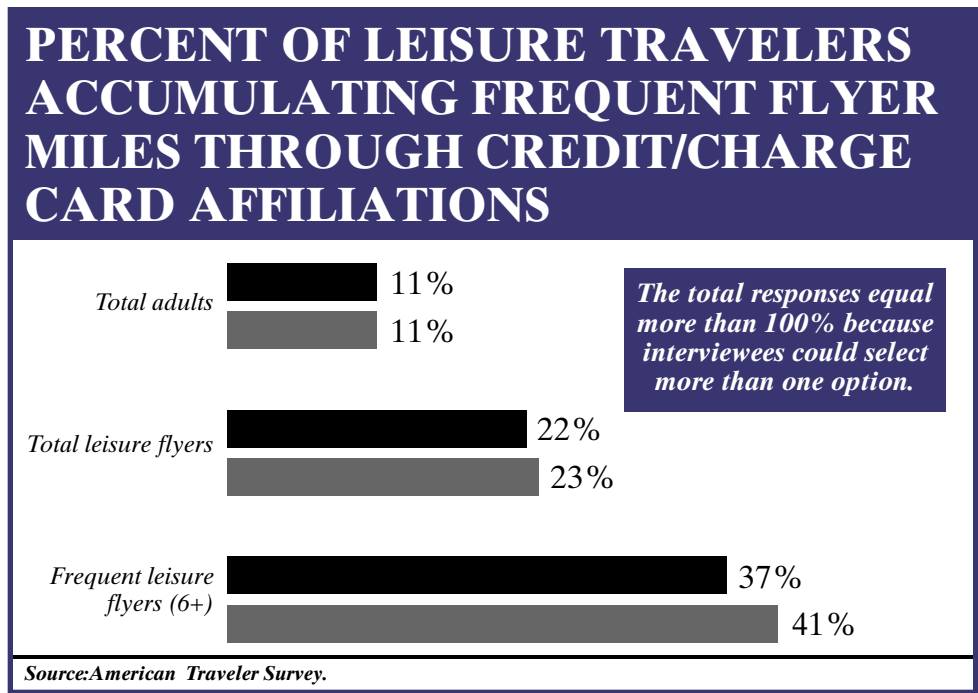
RESPONDENT HOUSEHOLD INCOME

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Net \$20,000 plus	73%	88%	66%
Net \$50,000 plus	34	54	27
Net \$75,000 plus	16	30	11
Net \$85,000 plus	12	23	7
Net \$100,000 plus	8	16	5
Net \$150,000 plus	3	6	2
Mean	46,350	64,180	39,140

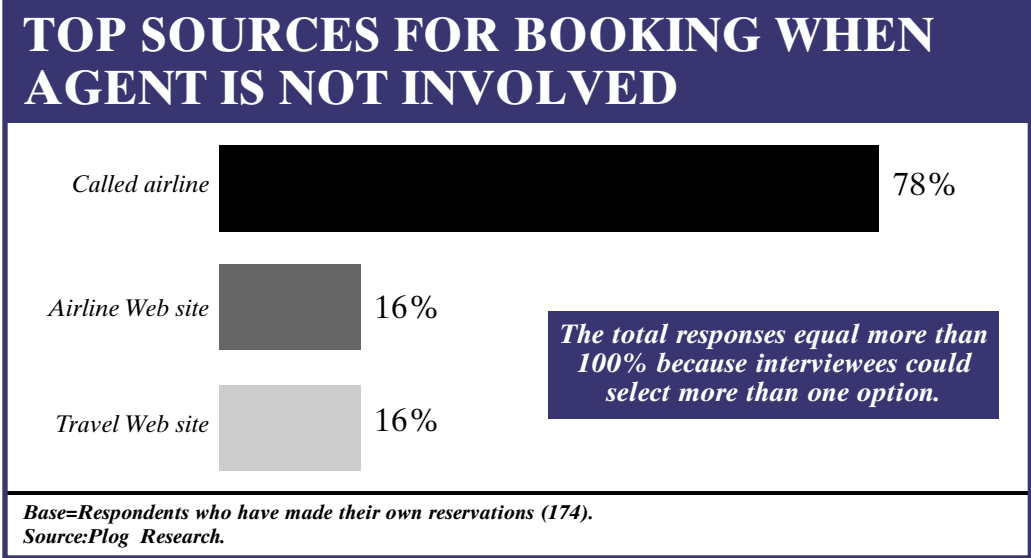
Base = Total respondents. Source: American Traveler Survey Special Analysis for Cahners Travel Group.

Travel agents users are three times as likely to earn \$85,000 or more than are those who do not use travel agents. Based on the mean household income across both groups, travel agent users on average earn \$25,000 more per year than non-users, and \$18,000 more than the general population.



1999 U.S. CONSUMER SURVEY

- Affluence -- high median household incomes (\$68,000 vs. \$46,400).
 - More formal education -- half are college graduates (49% vs. 30%).
 - An annual leisure spending budget double the average (\$4,890 vs. \$2,320).
 - More frequent leisure trips (4.2 vs. 2.5). Further, they are more than twice as likely to take a domestic air trip (61% vs. 26%).
 - More nights away from home for leisure (21 vs. 15 nights).
 - Are somewhat older (54 vs. 48).
- Shopping is a leading activity of travelers, but it does not drive destination choice. While nearly two-thirds (64%) of travelers indicate that they shop on trips, only one-third (33%) consider it a primary activity. However, shopping contributes significantly to receipts at tourism destinations -- it ranks second, after transportation, in total expenditures by tourists.



HAVE A CREDIT CARD FOR BUSINESS OR PERSONAL USE

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Yes	79%	94%	73%
No	21	6	28

Base = Total respondents. Source:American Traveler Survey Special Analysis for Cahners Travel Group.

RESPONDENT MARITAL STATUS

TRAVEL AGENT USERS VS. NON-USERS

	TOTAL	USERS	NON-USERS
Now married	56%	61%	54%
Single	18	17	19
Divorced/widowed/separated	26	23	28

Base = Total respondents.
Source: American Traveler Survey Special Analysis for Cahners Travel Group.