Top Ten Travel and Tourism Trends for 2008-2009

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"It is not the strongest of the species that survives, nor the most intelligent, but the one that is most responsive to change." - - Charles Darwin

Summary:

While 2007 was a banner year, 2008 is a year of dramatic change for the tourism industry. Every sector of the industry is being affected by the downturn in the economy, record fuel costs, environmental concerns, etc. However, all is not "doom and gloom". RTM is optimistic that 2008 will find the travel industry holding relatively steady.

Worldwide tourism grew in 2007. According to the latest UNWTO World Tourism Barometer, international tourism arrivals expanded by 6% in 2007, to 898 million international tourist arrivals. Most global sources predict a slight growth in 2008 and a fairly steady growth over the next 10 years.

The Travel Industry Association of America (TIA) forecasts a 2% growth for the U.S. travel industry in 2008. Travel spending by domestic and international visitors in 2008 is forecast to increase 4.9% percent to $775.9 billion, up from projected full-year 2007 travel spending of $739.4 billion. Domestic leisure trips are expected to continue an upward trend of modest growth in 2008 and a slight increase in travel for business is expected.

Consumers are cautious. The Conference Board Consumer Confidence Index for June 2008 now stands at 50.4 (1985=100), down from 58.1 in May. The record highest level was 144.7 achieved in 2000. Says Lynn Franco, Director of The Conference Board Consumer Research Center: "Consumers' assessment of present-day conditions continues to grow more negative and suggest the economy remains stuck in low gear.

Time poverty continues to be a major factor in trip planning for all visitor sectors.

What's ahead for 2008 and 2009? Here is the outlook:

Leisure: Growth in volume, but not revenues is forecast for 2008 and 2009. Consumers will limit spending, stay a little closer to home, perhaps shorten their trips as well and spend a little less to compensate for economic downturn.

Business: Slight growth is expected in 2008 and 2009 as companies balance increased travel expenses with cost controls. Business travel volume will increase 1-2% in 2008. Costs will increase 5-7%.

Meetings: Corporate planners, third party planners and suppliers all forecast slight growth in the number of meetings for 2008. Air travel cost and access is becoming a major issue for these travelers, especially in smaller destinations. Convenience and destination appeal remain critical factors. Cost for meeting attendees is expected to increase 8-10% in 2008 according to American Express.

Group Tour: Affinity groups are the primary growth segment for this sector as operators customize tours for individual groups in 2008 and 2009. This industry is reinventing itself to meet changing traveler expectations.

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Here is a brief look at past performance and future expectations of the largest travel industry sectors:

Lodging: 2007 was a record breaking year – 2008 will be subdued growth

- According to Smith Travel Research (STR) in 2007 :
  - Lodging occupancy was 63.2%, down 0.2% compared to 2006.
  - Average room rate increased 5.9% to $103.64
  - Revenue per available room (RevPAR) gained 5.7% to $65.50.
  - Industry room supply increased 1.4%, while demand (room nights sold) gained 1.2%.
- According to Smith Travel Research (STR) for Jan-June 2008:
  - Occupancy decreased to 61.4%, down 2.6% compared to year-to-date 2007.
  - Average daily rate increased 4.2% to $107.64
  - Revenue per available room (RevPAR) gained 1.5% to $66.11.
- Thus, growth appears to be generated by increased rates rather than occupancy.
- According to Smith Travel Research, the effects of the economic downturn are mixed depending on the destination. Urban areas and small towns are seeing slight growth. Resorts, interstate lodging, and airport lodging have declined slightly so far this year.

Airlines: 2008 may see US airline losses of $5 Billion - more traffic & more cargo but less profit

- Despite increases in sold seats and cargo shipments, the soaring cost of jet fuel has led to shutdowns, bankruptcy filings, capacity cuts, downsizing, fare hikes, talks of mergers……and there is no end in sight.
- The first 5 months of 2008 saw 24 airlines cease operations around the world, according to the International Air Transport Association (IATA). Since December 2007, 8 U.S.-based air carriers shut down (in order of demise: MAXjet, Big Sky, Aloha, ATA, Skybus, Eos, Champion and Air Midwest). In April, Frontier Airlines filed for Chapter 11. More shutdowns are predicted.
- According to the ATA, carriers are dropping unprofitable routes at a record rate. Airline service has been eliminated in over 60 US communities that had some air service in 2007, and 37 communities are scheduled to lose service before the end of 2008.
- The Federal Aviation Association (FAA) in March of 2008 began unexpected maintenance inspections that have grounded hundreds of airplanes. This has caused unpredicted delays and canceled flights.
- 70% of airline CFOs responding to an IATA survey expect “a further deterioration” in profitability over the next year despite increasing traffic and cargo volume.
- Airlines had profits of US $5.1 billion in 2007, ending a six year decline. 2006 marked the sixth year in a row of losses for airline carriers. According to IATA loses globally were reported at $0.5 billion in 2006 and $4.1 billion in 2005. *(Source: IATA)*

Amtrak: Passenger Stats Growing

- In 2007, Amtrak reported more than 25.8 million passengers, representing the fifth straight year of record ridership. 70,000 people ride on an Amtrak train each day with intercity passenger rail services to more than 500 destinations in 46 states.
- The US Department of Energy has also given people an added incentive to traveling by rail, finding that Amtrak - on an energy-consumed-per-passenger-mile basis - is 18% more energy efficient than commercial airlines. *(Source: IgoUgo)*
- The editors of IgoUgo.com, a popular online travel community, believe the summer of 2008 may be the summer for train travel for Americans. "Flight delays, schedule changes, cancelled flights, bankruptcies and mishandled baggage are pushing flyers' frustration to an all-time high," said Michelle Doucette, Content Manager at IgoUgo.com. "The summer of 2008 just might be `the summer of the train.' Not only does train travel provide a totally different experience, statistics show it is often better for the environment than flying."

Cruises: Continued strong demand - - Consumers love the easy trip planning

- Cruises are huge competition for traditional land-based destination marketers simply because the cruise industry makes it *easy* to take a cruise, whereas the time required to investigate and plan a trip to a traditional destination takes too much time in a "time poverty" world.
- Out-performed all other travel segments with 7.4% growth annually since 1990
- 12.6 million passengers in 2007, 10.6 million originating from North America – expecting 12.8 million in 2008 (*Source: CLIA)*
- CLIA, the Cruise Lines International Association predicts capacity increase of 4.6% for next 5 years
- Cruise destinations: 60% = Caribbean, 20%=Alaska, 20%=northeast/west coast/other
- Approximately 6 million (56%) originate out of Florida
  - 14% out of California/Washington/Hawaii/Alaska
  - 8% out of Texas
  - 10% out of Mid-Atlantic (NY, PA, NJ)
  - 5% out of Massachusetts
  - 7% out of Louisiana, Maryland
- Carnival is positioning ships in markets where cruisers can drive to ports to avoid high airfares.

Attractions: Thriving on change or struggling with decreased visitation

- Nationwide attendance at the 25 top theme parks increased 0.5% in 2007 to 187.6 million visitors. This marked a fourth straight year of attendance increases. *(Source: Themed Entertainment Association (TEA) and Economics Research Associates (ERA).*
- North Carolina's Biltmore Estate recorded one of its best years for attendance and revenues in 2006 while *USA Today* reported that Hearst Castle in California reported its worst year for attendance in twenty years. This is typical of the "re-invent or wither" scenario that is going on across the travel industry.
- According to the American Association of Museums (AAM) there are approximately 17,500 museums in the United States. AAM's *2006 Museum Financial Information* survey found that the median annual attendance for different types of museums is as follows:

Zoo	440,502
Science/Technology Museum	244,589
Arboretum/Botanic Garden	106,235
Children's/Youth Museum	78,500
Natural History/Anthropology	62,803
Art Museum	59,822
Nature Center	52,850
General Museum	43,500
Specialized Museum	20,000
Historic House/Site	16,000
History Museum	10,750

- There are 218 zoos and aquariums accredited by the Association of Zoos and Aquariums as of June 2008. The 2005 total attendance at these 216 accredited facilities was 143 million averaging 662,037 per member facility. 46 states have at least one accredited zoo or aquarium.
- U.S. per-capita visits to National Parks have dropped 25% over the past 25 years. (*Source: Oliver Pergams, University of Illinois)*

The 2008-2009 Top Travel & Tourism Trends:

1. 4-5% growth in worldwide travel industry in 2008 -- 1-2% Growth in U.S.

- Tourism is big business. In 2007 the industry was estimated at approximately 10% of the total worldwide GDP and 230 million employees by the World Travel and Tourism Council. It is estimated to generate approximately $5 trillion in worldwide economic activity, with approximately $700 billion of that taking place in the U.S.
- Worldwide, the travel industry is expected to grow at about a 5% rate annually over the foreseeable future. *(Source: UNWTO)*
- The Travel Industry Association of America (TIA) projects 2007 revenues at $739.4 billion, and forecasts 2008 revenues at $775.9 billion. 2009 revenues are forecast at $806.2 billion.
- However, there has been significant change in the industry since 2000, with various sectors of the industry struggling and adjusting to the future marketplace.
- Americans took 1,254.6 million domestic person-trips in 2007, a 2.3% increase over the previous year, according to a report on U.S. tourism released by IbisWorld.

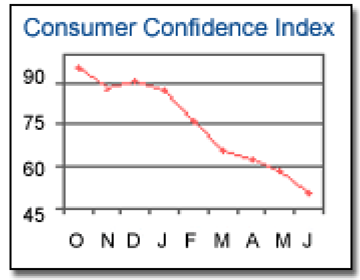
2. Time Poverty = more to do + less time to do it - - affects every travel segment

- YPartnership (formerly YB&R/Y) reported that in 2008, 41% of Americans suffer from "time poverty" – the generalized sense that people do not have enough time to do what they want. Also, 16% of all survey respondents plan to take fewer vacations in 2008 than in 2007. *(Source: YPartnership 2008 Travel Monitor).*
- Americans work an average of **nine full weeks (350 hours) more per year** than their European counterparts. 80% of men and 62% of women put in more than 40 hours a week on the job. Americans work longer hours than medieval peasants did. **Nearly one in five workers now spends more than 50 hours per week at work.** Since the late 1970s, **children have lost 12 hours per week in free time, including a 25% drop in play overall including a 50% drop in unstructured outdoor activities,** according to a national survey by the University of Michigan's Survey Research Center. The Survey Research Center also found that students spend eight hours more a week in school than kids did 20 years ago, and homework time has nearly doubled.
- Unlike 127 other countries, the U.S. has no minimum paid-leave law. Australians have four weeks off by law, the Europeans four and five weeks. The Japanese two weeks. The U.S. has zero.
- While people have less free time, there is greater competition for those rare leisure hours. For instance, museums and attractions continue to expand and multiply while attendance is shrinking. Additionally, the last decade has seen a major proliferation of new professional sports teams in first, second and third tier cities including a Stanley Cup winning team in the south! Cruise lines continue expanding with new and larger ships with new cruises to far reaching exotic ports announced steadily. All this results in "more to do and less time in which to do it." RTM sees this as one of the top trends underpinning the entire travel industry
- Expedia research shows that Americans, with an average 12 vacation days per year, leave a total of 421 million vacation days unused. Nearly 1/3 of respondents to Expedia's 2005 survey reported that they did not take all their vacation days.
- Average number of vacation days: ***(Source: UNWTO)***

Italy	42 days
France	37 days
Germany	35 days
Brazil	34 days
United Kingdom	28 days
Canada	26 days
Korea	25 days
Japan	25 days
US	13 days

3. Fragile consumer confidence affecting travel decisions

- The Conference Board Consumer Confidence Index for June 2008 now stands at 50.4 (1985=100), down from 58.1 in May. The record highest level was 144.7 achieved in 2000.



- Says Lynn Franco, Director of The Conference Board Consumer Research Center: "This month's Consumer Confidence Index is the fifth lowest rating ever. Consumers' assessment of present-day conditions continues to grow more negative and suggest the economy remains stuck in low gear. Looking ahead, consumers' economic outlook is so bleak that the Expectation Index has reached a new all-time low. Perhaps the silver lining to this otherwise dismal report is that Consumer Confidence may be nearing a bottom. (*Source: The Conference Board)*

4. Soaring fuel costs affecting every aspect of travel – an enormous challenge for the travel industry

- The skyrocketing price of fuel could "devastate" the airline industry and hurt the economy, according to a report from the Business Travel Coalition released June 2008. Pressured by rising fuel costs, major airlines could collapse as early as this year, the coalition said. The failure of just one airline could disrupt travel for 200,000 to 300,000 daily passengers and cause between 30,000 and 75,000 immediate job losses, said the coalition."
- By summer of 2009 there could be 20% fewer seats as air carriers cut flights to meet lower operating overheads.
- "The reality is that there is no U.S. airline business model that can sustain a $117-a-barrel oil price," says Dave Emerson, a global airline consultant. *(CNNMoney.com)*
- Texas oil billionaire T. Boone Pickens, who thought last year's run-up in oil prices would fade, has reversed course. He believes oil will rise to $125 a barrel soon, then move past $150. The head of OPEC, Algerian oil minister Chakib Khelil, said oil is headed to $200 a barrel and there is nothing the cartel can do to stop it. *(CNNMoney.com)*
- Small and mid-size cities now served mainly by 50-seat regional jets might see dramatic cuts resulting in challenges for recruiting conventions, new factories, and corporate offices.
- "Travel patterns are going to change" predicts Northwest Airlines CEO Doug Steenland.
- Fuel expenses are expected to total $61.2 billion this year, compared to $41.2 billion in 2007, according to the Air Transport Association.
- In July 2008, the Federal Reserve released its latest beige book survey of its regional banks, noting high fuel prices taking an immediate toll on Americans' travel plans and offering some potentially ominous signs for the coming months. Meanwhile, New York continues to benefit from the dollar's decline, as foreign tourists flock to the city to pick up bargains with their stronger currencies. However, hubs like Chicago, Atlanta and Philadelphia reported weakness in their tourism sectors, and travel to Hawaii "declined noticeably."
- From one-on-one interactions with AAA members, 95% of AAA auto travel managers say high gas prices will cause travelers to alter their vacation plans this summer. Managers cited travelers taking trips closer to home, taking fewer trips, and reducing the number of vacation days traveled as the top ways that Americans are adjusting their travel plans.
- Cruise Lines are adding fuel surcharges of $5-$12 per day per passenger and scrambling to reduce their fuel use.

5. Traveler frustration continues to grow – high costs & poor service results in loss

- Frustrations with the airline industry spurred air travelers to avoid 41 million trips in the past year, according to a report by the Travel Industry Association (TIA). The research, conducted by polling firms Peter D. Hart Research Associates and The Winston Group, placed this trip avoidance cost at $26 billion. Additionally it reports that more than 60% of respondents believe the air travel system is deteriorating and more than 50% do not expect the air travel system to improve in the near future. Airline delays, cancellations and inefficient security screenings were the aspects of flight that travelers found most irritating. TIA also points to the wider implications of this kind of trip avoidance: besides the $9 billion in revenue lost by the airlines, hotels reportedly lost nearly $6 billion and restaurants more than $3 billion. The $26 billion also includes $4 billion that federal, state and local governments lost in tax revenue due to the spending decrease by travelers.
- A December 2007 survey of 1,000 American adult travelers by Access America found gas prices and airline security hassles are the biggest sources of frustration for travelers *(Source: PRNewswire)*
- Passengers generally comport themselves remarkably well on stranded planes, even amid appalling conditions like backed-up toilets and a lack of food, says New York Times business travel columnist Joe Sharkey. Passengers on stranded planes often look out for one another, especially for those traveling with children.
- The U.S. airline industry received the worst score ever recorded in the most recent Airline Quality Rating (AQR) study. In the same study, consumer complaints were up 60% over last year. *(Source: BusinessWire)*
- The American Customer Satisfaction Index shows the hotel business at its lowest industry wide rating since 2002 *(Source: University of Michigan).*
- "Staycations" are another way travelers are voicing their frustration. It has become more desirable to just stay home.

6. Internet: #1 Source of travel planning and purchasing – however…the consumer is becoming the medium via "social media" and networking sites.

- The Conference Board and TNS surveys 10,000 households nationwide in an annual Consumer Internet Barometer survey of internet usage. According to their data, consumers conducting travel research (planning) outnumber those booking online two-to-one. Also, one out of every four people online visits social networking sites such as TripAdvisor.com for travel information. *(Source: www.conference-board.org and global marketing firm, TNS)*
- According to the YPartnership's 2008 Travel Monitor Study, 1 out of 5 travelers have used a "blog" to read a review about a travel service provider. Also, while use of the internet has stabilized, the number buying online travel is still growing.
- TripAdvisor Media Network, begun in 2000, now receives nearly 30 million monthly visitors and is the largest travel community in the world, with seven million+ registered members and 15 million reviews and opinions featuring real advice from real travelers.
- RTM predicts this consumer-to-consumer style of travel information sourcing will be one of the largest trends to affect the travel and tourism industry in the near future. Simply put, the consumer is now in control of tourism marketing.
- In January 2008, PhoCusWright reported in its "Consumer Travel Trends Survey" that 2007 was the first year in which more travel was purchased online than offline in the U.S. The firm said 51% of US travel was booked online in 2007. It projected that the percentage would increase to 56% in 2008 and 60% in 2009.
- Forrester Research predicts that travel will remain the number one online retail category and grow to $119 billion by 2010. *(Source: Hotelmarketing.com).*
- The majority (66%) of leisure travelers who are airline and hotel users now go exclusively to the

Internet when planning a vacation, while 57% report making reservations online. These numbers underscore the remarkable way in which consumers have embraced this medium since 2000, at which time only 35% of leisure travelers used the Internet to plan travel and just 19% actually made a reservation online. *(Source: YPartnership (formerly YPB&R/Y) 2007 National Leisure Travel Monitor™).*

- An April 2007 survey conducted for Expedia by Harris Interactive asked travelers where they would turn for accurate information for summer travel planning. Online travel agency was the top response (52%) followed by family or friend recommendation (45%). Rounding out the responses were travel guide books (25%), travel community sites (19%), magazines and newspapers (19%), traditional travel agents (17%) and convention and visitor bureaus (16%).

7. **Business Travel: Slight growth and vigilant cost containment**
   - NBTA President & CEO, Kevin Maguire, said in March 2008, "the growth of business travel will be slower, but we'll continue to see growth." The NBTA's *2008 U.S. Business Travel Overivew & Cost Forecast* anticipates overall business travel cost to increase 6-8%.
   - A Robert Half Management Resources survey shows that 48% of employees travel for work less frequently that they did five years ago. Businesses have cut back on travel and instead rely on less expensive communications capabilities such as webcasts and videoconferences.
   - According to the 2008 American Express Global Business Travel Forecast, an average business trip (including airfare, car rental, and hotel stay) will hit $1,110 in 2008, 6% more than 2007. International trips will increase by 7% to $3,171.
   - The results of the YPB&R/Y 2007 National Business Travel Monitor™ stated the outlook is quite sanguine: 35% of active business travelers are planning to take more business trips this year than last, while only 27% are planning to take fewer. But life on the road has apparently become much more serious than it was back in the go-go days of 2000: only one third of business travelers now plan to extend their business trips to take some time for leisure in the year ahead versus 60% who planned to do so in 2000. Perhaps more would do so if they found the experience more enjoyable:
     - Almost half (48%) of business travelers report they don't get enough sleep on business trips
     - 43% think the new airport security measures are a big hassle
     - 27% don't sleep well on business trips
     - 26% report eating too much on business trips
     - 19% get lonely on business trips

8. **Going Green – How Fast Are We Moving Toward Environmentally Sound Travel?**
   - There is a lot of talk about eco-travel or "green" travel, but what are the facts?
   - According to the YPartnership's 2008 Travel Monitor, 47% of respondents were willing to pay higher fees to travel suppliers who demonstrate environmental concern. 53% were not. 85% considered themselves to be environmentally conscious.
   - Three groups have teamed up to make an in-depth analysis of green travel. Research firms PhoCusWright, Hospitality Sales and Marketing Association International, and Sustainable Travel International are working on "Going Green: The Business Impact of Environmental Awareness on Travel.". The study aims to look at how environmental concerns are playing into consumer and travel industry choices and identify main consumer values and behaviors. "The recent flurry of green related media attention and messaging has created a cloud of hype that makes it difficult for companies to distill meaningful trends that have strategic impact," Carroll Rheem, director of research at PhoCusWright said in a statement. "The goal of this study is to cut to the heart of what is important to travel companies and provide insights that will empower them to make smart decisions."

9. More demand by all travel segments for "Orientation and facilitation" - - evolving to more of a "concierge service on demand"

- Time poverty underpins this trend. Regardless of the type of traveler (business, leisure, meeting, etc.) today's traveler is impatient with the process of "finding the good stuff." From preferred restaurants, to lodging, to things to see and do, travelers report frustration with having to dig through tons of brochures, websites, etc. to find travel choices. They want someone or something that gives them instant and easy information.
- Online concierge services such as travelnewyork.com are proliferating as consumers seek easier trip planning where planning services are provided.
- The Asheville CVB (NC) is leading a national trend with its recently opened destination visitor center which offers a concierge desk offering complete travel planning services.
- According to TIA's Ideal American Vacation Report released in 2007 the ideal vacation destinations for American vacation travelers are those that offer an easy travel experience, a sense of fun and adventure and local flavor.

10. Dawning of New Travel Era: Reinvention of existing/aging tourism infrastructure to meet the needs of changing generational groups, demographic shifts, energy limitations, and the new culture of "Transumers"

- All sectors of the travel industry are being affected by sweeping changes in infrastructure and travel customer behavior. Boomers are aging, Gen Xers are moving geographically and into their peak career/earning years, GenY is entering their adult travel years, and everyone it seems is moving to another location. Combined with soaring energy costs, the travel industry WILL change. What will be affected? Everything from HOW we travel, to WHERE we travel, to WHAT we do when we travel.
- According to www.trendwatching.com TRANSUMERISM (crediting global design and business consultancy Fitch for coining the term) is about consumers in transition. For example travelers who have demanded shopping malls in airports, retail and entertainment in hotel rooms and wineries that will private label whole casks of wine for discriminating buyers. To most consumers, travel equates to temporary freedom. Detachment, fractional ownership or no ownership at all, trying out new things, escaping commitment and obligations, dropping formality, endless new experiences.
- InterContinental Hotels Group is in the process of shedding roughly half of the nearly 1,100 properties that it had in 2004, mainly by dropping substandard properties. Among the first to go: those two-story low-rises with exterior corridors that defined the early years of Holiday Inn. In their place: multistory, contemporary-style hotels with fewer rooms and smaller restaurants (USA Today)
- According to the Cruise Lines International Association (CLIA), the key industry trends are: New and refurbished ships; innovative facilities and amenities along with new technology features on board; new ports of call; enhanced programs on board; changing of lifestyle demographics (Baby Boomers, Generation Xers, Honeymoons and Weddings); more luxury experiences; limiting energy costs.

Other Trends to Watch & Noteworthy News:

Disaster & Crisis Planning: Terrorism, Weather, Natural Disasters, Avian Flu, etc.
The travel industry is learning hard lessons recently about the need for disaster preparedness including terrorism attacks, earthquakes, tsunamis, hurricanes, wild fires, SARS and Avian Flu. Airlines, airports, hotels, theme parks, cruise lines are all working to be prepared for the next disaster. DMOs are now advised to maintain 3-6 months of operating revenues in case of disaster.

Family Reunion Travel: According to the Gale Group, there are more that 200,000 family reunions in the US each year, attended by 8 million people. Reunions Magazine reports 73% of reunions have 50 or more attendees and 35% have more than 100. 6% have more than 200 attendees. 85% of reunions occur in June, July, and August. 64% of families expect to use a hotel or resort for their next reunion *(Source: Reunions Magazine)*

Geotourism - - increased traveler preference for destinations that protect the authenticity and geographic character of place

- According to The Center for Sustainable Destinations (CSD), National Geographic Society, Geotourism is defined as *tourism that sustains or enhances the geographical character of a place—its environment, culture, aesthetics, heritage, and the well-being of its residents.*
- Geotourism incorporates the concept of place-based sustainable tourism—that destinations should remain unspoiled for future generations—while allowing for enhancement that protects the character of the locale. Geotourism also adopts a principle from its cousin, ecotourism—that tourism revenue can promote conservation—and extends that principle beyond nature travel to encompass culture and history as well or *all* distinctive assets of a place. *(Source:* The Center for Sustainable Destinations, *National Geographic Society)*

Generational Shifts: Boomers Retiring, GenX in peak earning years, GenY stays home

- **Silent Generation/Matures:** Travel, but limit spending - - looking for "value & freebies"
- **Baby Boomers:** Entering their sixties! Travel tops the list of desired retirement activities. The aging population is not just a US phenomenon. By 2020, there will 700 million people over age 65 worldwide. Seeking luxury, fulfillment, bragging rights, and comfort.
- **Generation X:** Becoming a driving force in multi-generational travel. Entering peak earning years.
- **Generation Y:** Tends to stay at home, prefers to spend on electronics…"slaves to the screen". Likes adventure travel. Demands quality. Does not wait in line. Will hold largest share of consumer market by 2015.
- **M Generation:** Slaves to electronics and multi-tasking. Demands reinvented travel.

Pet Travel: According to TIA, 14% of all adults (29.1 million) say they have traveled with a pet on a trip of 50 miles or more in the past three years. Dogs are the most common type of pet to take (78%).

RV Sales Slump & Use: New RV shipments through May, 2008 are down 14% from 2007 and a total of 304,000 units are expected to sell in 2008. RV sale are anticipated to stabilize in 2009. Nearly 8 million American households own at least one RV and that number is expected to grow to 8.5 million by 2010. Campground owners say RV reservations are running 5-15% higher in 2008 than in 2007. Also, 2008 RV rentals should increase 18% in 2008. *(Source: Recreation Vehicle Industry Association).*

Youth Sports Travel: Parents that travel to attend games represent a growing sub-segment of the sports travel segment. According to TIA, more than 52 million Americans attended an organized sports event, competition, or tournament as either a spectator or participant while traveling.

Travel Niches to Watch: Staycations, Girlfriend Getaways, Mancations, Voluntourism, Medical Travel, Babymoons, Nature Tourism, Culinary Tourism, Gaming, Adventure & Outdoor, Cultural Tourism

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