The 2012 Traveler

Google/Ipsos MediaCT
U.S.
August 2012
Research Study Methodology

- Google commissioned Ipsos MediaCT, an independent marketing research company, to conduct a travel study to better understand the role travel plays in the lives of U.S.

- Respondents completed a 21 minute attitude & usage survey into travel habits and attitudes. If qualified, respondents were routed to one of four deep dive sections: Airline, Cruise, Lodgings, and Car Rental.

- Interviews were conducted from 4/24/12 to 5/17/12 yielding a total sample of 5,000 consumers who have traveled at least once for leisure reasons (or a minimum of 3 times for business purposes) in the past six months.

- An augment of 1,500 affluent leisure travelers and 1,000 cruisers were also recruited.

TRAVELER TYPES DEFINED

- **Leisure Traveler** has taken at least one trip for leisure in the past 6 months.
- **Business Traveler** has taken at least three trips for business in the past 6 months.
- **Affluent Traveler** has taken at least one trip for leisure in the past 6 months and has a household income of $250K+.
Agenda and Key Findings

1. What Travelers Value
2. Internet and Search
3. Mobile
4. Online Video
5. Loyalty
6. Destinations
What Travelers Value
Leisure Travelers Increasingly Seek Travel Value

66%
I plan to spend more time shopping around/researching before booking travel because finding value for my money is important to me

64%
I would like to stay at an upscale or luxury hotel if the price is right

57%
It is important to me that I recognize a brand I am considering booking travel with

Source: The Traveler's Road to Decision, Google and Ipsos MediaCT. July 2012.
(Q23) Using the scale below, please indicate how much you agree or disagree with each of the following statements about traveling for personal/leisure purposes in the next year. Base: Leisure Travelers only (n= 3,505)
Convenience Matters Most to Business Travelers

Top 4 Features Rated “Extremely/Very Important” by Business Travelers

### Air Travel

<table>
<thead>
<tr>
<th>Feature</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most Convenient Departures/Arrival Times</td>
<td>89%</td>
</tr>
<tr>
<td>Past Experience with Airline</td>
<td>84%</td>
</tr>
<tr>
<td>Price</td>
<td>83%</td>
</tr>
<tr>
<td>Fewer Stops/Better Connections</td>
<td>82%</td>
</tr>
</tbody>
</table>

### Lodging

<table>
<thead>
<tr>
<th>Feature</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>81%</td>
</tr>
<tr>
<td>Most Convenient Location</td>
<td>80%</td>
</tr>
<tr>
<td>Past Experience with Lodging Establishment</td>
<td>75%</td>
</tr>
<tr>
<td>In-Room Services Offered</td>
<td>67%</td>
</tr>
</tbody>
</table>

### Car Rental

<table>
<thead>
<tr>
<th>Feature</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>81%</td>
</tr>
<tr>
<td>Past Experience with Car Rental Agency</td>
<td>80%</td>
</tr>
<tr>
<td>Promotions</td>
<td>61%</td>
</tr>
<tr>
<td>Cancellation Policy/Ability to Change Bookings</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT. July 2012.

(QA5) How important are each of the following when purchasing an airline ticket for leisure/business travel? Base: Airline, Hotel, and Car Rental quotas.
Surprise! Travelers use the Internet

83% of leisure travelers and
76% of business travelers plan online

Source: The Traveler’s Road to Decision, Google and Ipsos MediaCT. July 2012.
Q: Which of the following sources do you typically use to plan leisure trips/business trips? (n = 3500 leisure, 1500 business)
Travelers Research Travel Online in Many Ways

The Top Seven Online Travel Planning Activities

**Leisure Travelers**
- Researched an upcoming trip: 60%
- Researched travel as a result of seeing an online ad: 45%
- Brainstormed or started thinking about a trip: 43%
- Read reviews from other travelers: 40%
- Requested more information related to an upcoming trip: 32%
- Watched a travel video: 28% (up 7 points since 2009)
- Looked at travel content or reviews by my friends or family: 23%

**Business Travelers**
- Researched an upcoming trip: 69%
- Researched travel as a result of seeing an online ad: 57%
- Brainstormed or started thinking about a trip: 52%
- Read reviews from other travelers: 54%
- Requested more information related to an upcoming trip: 45%
- Watched a travel video: 46% (up 9 points since 2009)

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT. July 2012.

(Q4) Which of the following have you done online in the past 6 months? (Select ALL that apply). Base: Total respondents.
And When They Are Online, Travelers Search

- Of travelers say “always start my travel booking and shopping process with search”
- Of leisure travelers agree that “search engines are my go-to source for travel information”
- 96% of leisure travelers have started their hotel planning with search
- 95% – Destinations
- 89% – Air
- 80% – Car
- 61% – Cruise
Leisure and business travelers prioritize search differently

<table>
<thead>
<tr>
<th></th>
<th>Leisure Travelers</th>
<th>Business Travelers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Search engines</strong></td>
<td>62%</td>
<td>69%</td>
</tr>
<tr>
<td><strong>Hotel websites</strong></td>
<td>55%</td>
<td>62%</td>
</tr>
<tr>
<td><strong>Airline websites</strong></td>
<td>48%</td>
<td>54%</td>
</tr>
<tr>
<td><strong>OTA</strong></td>
<td>46%</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Travel review sites</strong></td>
<td>37%</td>
<td>48%</td>
</tr>
<tr>
<td><strong>Destination-specific</strong></td>
<td>34%</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Car rental</strong></td>
<td>26%</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Social network</strong></td>
<td>21%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012. Base: Use internet to plan trip. Leisure Travelers (2989) Business Travelers (1167). Which of the following online sources do you typically use to plan leisure or business trips?
Poll: Which week from September 1\textsuperscript{st} through December 31\textsuperscript{st}, 2012 will see the most travel searches by US users on Google?

a) **September 16\textsuperscript{th} – 22\textsuperscript{nd}**
   Peak week for hotel and car rental searches

b) **November 4\textsuperscript{th} – 10\textsuperscript{th}**
   Peak week for cruise searches

c) **November 11\textsuperscript{th} – 17\textsuperscript{th}**
   Peak week for air travel searches

d) **December 9\textsuperscript{th} – 15\textsuperscript{th}**

Source: Google data based on a regression analysis. Statement is purely speculative. Image purchased from iStockphoto.com.
Query Growth Driven by Mobile and Tablet

Indexed Travel Query Volume on Google by Week

Source: Google data. This is not a Google projection of future performance; it is simply an extrapolation of historical trends.
Mobile
Poll: How many Android devices are newly activated every day?

a) 200,000  
b) 400,000  
c) 750,000  
d) 1,000,000  

The IDC predicts Android will be on 61% of smartphones in the US by the end of this year.
More Travelers Use Mobile for Travel Information

Percentage of Travelers Who Use a Mobile Device to Access Internet for Travel Information

Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012. Base: Used Internet as Source to Plan Trip. (Q9) From which of the following locations do you access the Internet for travel-related information when planning your? (Select ALL that apply)... *Net of Mobile Phone, Smartphone (2012) and Tablet (2011 and 2012).
... While fewer business travelers use computers

Where business travelers access travel information

- **Home computer**: 86% (2010), 81% (2011), 76% (2012)
- **Office or Work computer**: 76% (2010), 73% (2011), 65% (2012)
- **Smartphone/Mobile phone**: 40% (2010), 51% (2011), 51% (2012)
- **Tablet**: 29% (2010), 30% (2011)

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT. July 2012.
(Q9) From which of the following do you access the Internet for travel-related information when planning your Leisure/business trips? Q9 Base: Use Internet To Plan Trip 2010 (n=827) 2011 (n=1442) 2010 (n=1485).
...And Fewer Leisure Travelers Use Computers

Where Leisure Travelers Access Travel Information

<table>
<thead>
<tr>
<th>Device</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home computer</td>
<td>96%</td>
<td>95%</td>
<td>94%</td>
</tr>
<tr>
<td>Office or Work computer</td>
<td>32%</td>
<td>34%</td>
<td>24%</td>
</tr>
<tr>
<td>Smartphone/Mobile phone</td>
<td>18%</td>
<td>27%</td>
<td>31%</td>
</tr>
<tr>
<td>Tablet</td>
<td>N/A</td>
<td>11%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source: The Traveler's Road to Decision, Google and Ipsos MediaCT. July 2012.
(Q9) From which of the following do you access the Internet for travel-related information when planning your Leisure/business trips? Q9 Base: Use Internet To Plan Trip 2010 (n=827) 2011 (n=1442) 2010 (n=1485).
When booking travel on a mobile device, travelers tend to book via mobile browser

How travelers use mobile to book travel

<table>
<thead>
<tr>
<th></th>
<th>Using apps</th>
<th>Using mobile browser</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Leisure (377)</td>
<td>Business (354)</td>
</tr>
<tr>
<td>Overnight accommodations</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Air travel</td>
<td>10%</td>
<td>17%</td>
</tr>
<tr>
<td>Car rental</td>
<td>7%</td>
<td>14%</td>
</tr>
<tr>
<td>Travel packages</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Destinations</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Vacation activities</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Cruises</td>
<td>3%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT. July 2012.
Q: Specifically, how have you booked the following on your mobile device? Again, please think about your Leisure/business travel. (N=377 leisure, 354 business, base: used mobile to book).
A Bad Mobile Website is the #1 Deterrent to Booking Travel on a Phone

Reasons for Not Booking Travel on a Mobile Device

- The websites are hard to see/read/navigate on a mobile device: 36%
- It takes too long to book on a mobile device/the pages load too slow: 28%
- Too cumbersome: 25%
- I don't trust the security on mobile devices: 22%
- I needed to confirm with someone else before booking: 19%
- The mobile version of the site did not allow me to book: 15%
- I did not have a credit card accessible: 7%
- Other: 4%

Source: The Traveler’s Road to Decision, Google and Ipsos MediaCT. July 2012.
Q: Why have you not booked travel on a mobile device in the past year? (n=502, mobile users who did not book using mobile).
32% of Travel Apps are Downloaded from Clicks on Ads

Where Travel-Related Apps Are Downloaded

- **I looked in the app store**: 84%
- **Referred from friends**: 34%
- **Clicked on ads**: 32%
- **Other**: 10%

Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012. Base: mobile users who downloaded travel related-app (n=446). Q: How did you download travel-related apps onto your mobile device?
Online Video as a Resource for Planning Travel Has Grown Over Time

Percentage of Travelers Who Use Online Video for Travel Planning

- **89%** of Leisure Travelers Watch Video Online
- **93%** of Business Travelers Watch Online Video

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT, July 2012.
(Q10) Which of the following online sources do you typically use to plan? (Select ALL that apply) (Leisure 2009 n=2736, 2010 n=2944, 2011 n=2989 2012 n=2912.) (Business 2009 n=1155, 2010 n=1182, 2011 n=1167, 2012 n=1139.)
Travelers Watch Online Video In All Phases of Travel Planning

When Video-Viewing Travelers Watch Travel Videos

- When thinking about taking a trip: 66%
- When choosing a destination: 64%
- When looking for ideas of activities to do at a destination: 62%
- When deciding on accommodations at a particular destination: 57%
- When deciding on which website to book: 34%

Source: The Traveler’s Road to Decision, Google and Ipsos MediaCT. July 2012. (Q4) Which of the following have you done online in the past 6 months? (Select ALL that apply) Base: Total Respondents. *Watched/uploaded/commented on travel videos online.
Travelers Watch a Mix of User-Generated Content and Professionally-Made Videos

Top 5 Types of Travel Videos Watched by All Travelers

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
<td>Videos from hotels, airlines, cruises, tours, etc.</td>
</tr>
<tr>
<td>58%</td>
<td>Trip reviews from experts</td>
</tr>
<tr>
<td>58%</td>
<td>Videos from travel-related channels</td>
</tr>
<tr>
<td>56%</td>
<td>Trip reviews from people like me</td>
</tr>
<tr>
<td>48%</td>
<td>Videos made by people like me</td>
</tr>
</tbody>
</table>

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT.
(Q6B) Specifically, what types of travel-related videos do you watch online? (Select ALL that apply). Base: Watched/Uploaded/Commented on Travel-related Video. (Leisure n=1425, Business n=894)
Online Video Sites Prompt Travelers to Book

Of Travelers Who Watched Online Video While Planning Travel, the Percentage Who Say They Were Prompted to Book as a Result

- **Leisure Travelers**: 45%
- **Business Travelers**: 72%
- **Affluent Travelers**: 74%

(Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012.
(Q10b) Did you end up booking a trip on any of the online sources you used to help plan your trip? Base: Prompted to book and used source. (n=floating. New question in 2012.)
Loyalty

5
Many Travelers Are Enrolled in Loyalty Programs

Percentage of Travelers Who Belong to Travel Loyalty Programs

**Leisure Travelers**
- Air: 43%
- Hotel: 42%
- Car: 19%
- OTA: 16%
- None: 34%

**Business Travelers**
- Air: 70%
- Hotel: 68%
- Car: 48%
- OTA: 29%
- None: 11%

Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012.
(C1) Which, if any, of the following travel-related loyalty/rewards program do you belong to? Base: Belong to a rewards program: Business (n = floating 194 – 1,051) and leisure (n = floating 339 – 1,518) travelers.
Many Travelers Are Enrolled in Loyalty Programs

Percentage of Travelers Who Belong to Travel Loyalty Programs

Source: The Traveler’s Road to Decision, Google and Ipsos MediaCT. July 2012.

(C1) Which, if any, of the following travel-related loyalty/rewards program do you belong to? Base: Belong to a rewards program: Business (n = floating 194 – 1,051) and leisure (n = floating 339 – 1,518) travelers.
Travelers are Members of More Loyalty Programs than They Actually Use

Average Number of Travel Loyalty Programs to Which Travelers Belong and Use at Least Once Per Year

<table>
<thead>
<tr>
<th>Loyalty Memberships Held – Leisure</th>
<th>Loyalty Memberships Used – Leisure</th>
<th>Loyalty Memberships Held – Business</th>
<th>Loyalty Memberships Used – Business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Air</strong></td>
<td>2.9</td>
<td>1.9</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Hotel</strong></td>
<td>2.6</td>
<td>1.9</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Car Rental</strong></td>
<td>2.5</td>
<td>1.8</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>OTA</strong></td>
<td>2.5</td>
<td>1.9</td>
<td>4.1</td>
</tr>
</tbody>
</table>

Source: (Loy1) How many travel-related loyalty/rewards programs of each type do you belong to and, of those, how many do you use regularly, at least once per year? Base: Belong to a rewards program: Business (n = floating 194 – 1,051) and leisure (n = floating 339 – 1,518) travelers.
Freebies Entice Travelers to Join Loyalty Programs

Reasons for Joining Travel Loyalty Programs

<table>
<thead>
<tr>
<th>Reason</th>
<th>Leisure Travelers</th>
<th>Business Travelers</th>
<th>Affluent Travelers</th>
</tr>
</thead>
<tbody>
<tr>
<td>To earn free flights, hotel rooms, rental cars, etc.</td>
<td>66%</td>
<td>70%</td>
<td>79%</td>
</tr>
<tr>
<td>To save money on my first purchase</td>
<td>27%</td>
<td>29%</td>
<td>18%</td>
</tr>
<tr>
<td>I sign up every time I book with a new company</td>
<td>22%</td>
<td>33%</td>
<td>27%</td>
</tr>
<tr>
<td>I took out a credit card that is tied to a loyalty program</td>
<td>20%</td>
<td>30%</td>
<td>37%</td>
</tr>
<tr>
<td>I researched and decided on the best loyalty membership</td>
<td>19%</td>
<td>28%</td>
<td>21%</td>
</tr>
<tr>
<td>To get something free</td>
<td>14%</td>
<td>20%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012.

(Loy3) In general, who do you sign up for travel-related loyalty/rewards programs? Base: Belong to a rewards program Leisure (n = 2,308), Business (n = 1,328), Affluent (n = 1,614)
Loyalty Program Members Download Mobile Apps

Percentage of Travelers Who Have Downloaded a Mobile Application from a Company With Which They are Loyal

54% Leisure Travelers vs. 27% total leisure travelers
72% Business Travelers vs. 41% total business travelers
71% Affluent Travelers vs. 44% total affluent travelers

Source: The Traveler's Road to Decision, Google and Ipsos MediaCT. July 2012.
(Loy4) Have you downloaded an app from a company with which you are a loyalty member in the past year? Base: Have mobile device and downloaded travel app, and belong to a rewards program. Business (n = 329), Leisure (n = 304), Affluent (n = 434).
Destinations 6
Poll: Which destination was the most popular among US-based Google searchers between September and December, 2011?

a) New York  

b) **Las Vegas**  
c) Hawaii  
d) Mexico  
e) Oak Ridge, TN
Top Destinations, September – December, 2011

Top travel destination keyword searches by people in the US for all devices on Google

1. Las Vegas
2. New York
3. Hawaii
4. Mexico
5. Orlando
6. Chicago
7. New Orleans
8. Boston
9. Miami
10. San Diego
11. Europe
12. Florida
13. Alaska
14. Key West
15. Los Angeles

Source: Google data.
Travelers are undecided when they begin the online process

More than $\frac{1}{2}$ of travelers brainstormed or started thinking about a trip online

65% of leisure and 70% of affluent travelers begin researching online before they’ve decided where or how to travel

Source: *The Traveler’s Road to Decision*, Google and Ipsos MediaCT July 2012
(Q21) Here are some (more) statements that may or may not describe your attitudes and opinions related to travel. Please indicate how much you agree or disagree with each statement.
Wrap Up
Key Findings

1. **What Travelers Value**
   Travelers seek value from trusted brands. Business travelers seek convenience.

2. **Internet and Search**
   Leisure travelers turn to search engines to plan travel online; business travelers rely more heavily on supplier sites.

3. **Mobile**
   Travelers increasingly turn to mobile devices to plan and book travel.

4. **Online Video**
   Travelers watch a mix of user generated videos and professionally made videos at all stages of travel planning.

5. **Loyalty**
   Business travelers are enrolled in more loyalty programs than leisure travelers. Neither group uses all of the programs in which they are enrolled.

6. **Destinations**
   Most leisure travelers and 70% of affluent travelers begin researching travel online, without a specific destination or mode of travel in mind.