

2001 Packaged Travel in North America **Executive Summary**

The National Tour Association is proud to present the 2001 Packaged Travel in North America Study. The study, in its second year, focuses on the packaged travel segment of the industry.

Packaged travel is defined within the study as a trip arranged by a travel professional that includes at least two travel elements, such as transportation and accommodations. Packaged travelers may travel independently or as part of a group. Information contained in the Packaged Travel Study includes expenditure data, consumer attitudes toward packaged travel, demographics, popular destinations, tour characteristics and, most importantly, economic impact data.

Methodology

The study was conducted by Dean Runyan Associates and Longwoods International. During each quarter of 2001, a survey was mailed to approximately 57,000 consumers in the United States and Canada. From these initial surveys, a panel was selected from those who had purchased a travel package. These travelers received a second, more in-depth survey regarding their packaged travel experience.

Economic Impacts

- American and Canadian packaged travelers spent about \$166 billion for overnight travel to destinations worldwide in 2001, an 11% decline from 2000's \$186 billion.
- In 2001, North American packaged travelers spent \$99 billion on trips to destinations within the United States, \$13 billion for travel to destination in Mexico, and \$9.5 billion for travel to destination in Canada. An additional \$45 billion in expenditures were made for trips to destinations outside North America.
- The expenditures made by packaged travelers for trips in the U.S. directly supported more than 1 million jobs (both full and part-time) in the travel industry, with total earnings (wages, benefits and proprietor income) of just over \$21 billion.
- The expenditures made by packaged travelers for trips in Canada directly supported 174,000 jobs (both full and part-time) in the travel industry, with total earnings (wages, benefits and proprietor income) of over \$3 billion.

Packaged Travel Market

- Similar to 2000, touring, casino, cruise, beach and theme park trips were the largest and/or the most developed trip types for packaged travel in 2001.

Types of Packaged Travel

- Independent and group packages accounted for 56 % and 44% of the packaged travel market, respectively – similar to 2000.
- In the United States, independent packages account for 60 percent of the packaged travel market, while group packages accounted for the remaining 40 percent.
- Meanwhile, in Canada, independent packages accounted for 51 percent of the packaged travel market , while group packages accounted for 49 percent.
- A package was designated to be a group package when the traveler reported that his or her immediate travel party (which included the traveler and any immediate travel companions with whom at least some of the travel expenses were shared) traveled as part of a larger group.

Packaged Travel Components

- Most packaged trips included both accommodations and transportation, and at least some meals were generally covered.
- Other elements – especially guide services – were more likely to be included on group packaged trips.
- Packaged trips typically included round-trip transportation between a central point of departure and the trip destination.
- The types of accommodations used on packaged trips were generally higher-end than the overall travel market.

Trip Length

- In both 2000 and 2001, packaged trips lasted significantly longer than the typical U.S. trip – 6.3 nights compared to 5 for the U.S. Norm.
- International packaged trips were significantly longer than domestic trips (8.6 versus 5.2 nights). Compared to 2000, the length of international packaged trips was the same while domestic trips tended to be longer in 2001 (5.2 versus 4.8 nights).
- Group and independent packaged trips were identical in length in 2001 (6.3 nights), unlike 2000 when group trips were longer (6.8 nights vs. 5.9).

- Packaged trips by Canadians were nine to 10 nights long on average with independent packages being slightly longer (9.6 nights) than group packages (9.1 nights)

Packaged Trip Destinations – U.S. Packaged Travelers

- Destinations for packaged trips taken by U.S. travelers differ markedly by type of trip. Cruises were mostly international; beach and touring trips were split between international and U.S.; and all other trip types were mostly to U.S. destinations. This pattern was similar in 2000.
- Florida (12%), Nevada (11%) and California (7%) were the leading United States destinations for packaged trips in both 2000 and 2001.
- Mexico, Canada and the Bahamas were the top packaged trip destinations outside the United States.

Cost of Packaged Travel

- Overall, the average package costs about \$2,775 per travel party – an increase of just \$16 from 2000.
- For U.S. travelers, the average package cost in 2001 was \$2,094 – a decline of \$625 from 2000. Independent packaged trips were slightly less expensive than group trips in 2001 (\$2,721 versus \$2,824).
- For Canadian travelers, the average packaged cost was \$2,772 for independent, versus \$2,962 for a group packaged trip.
- International packages cost more than double domestic ones (\$4,183 versus \$2,094), but were longer (8.6 vs. 5.2 nights).

Contributing partners to the study include the *Group Tour Magazine*, *Group Travel Leader* and the Student Youth Travel Association. To purchase the entire study, contact Sandy Stansfield, CTP, NTA's market research analyst at 1-800-682-8886, ext. 4214, or via e-mail at sandy.stansfield@ntastaff.com. Fees for the report are as follows: NTA Members - \$150; Non-NTA Members - \$300.

Packaged Travel Study Order Form

The results are now available from the 2001 Packaged Travel in North America study. This report is published by the National Tour Association and provides economic impact and consumer profile data of the packaged travel industry.

2001 Packaged Travel In North America Report Costs:

NTA Member **\$150** _____
Non-NTA Member **\$300** _____

Name: _____

Company: _____

Address: _____

City: _____ State/Province: _____

Zip/Postal Code: _____ Phone: _____

E-mail: _____

Method of Payment: _____ Check (enclosed) _____ Credit Card

Credit Card Type: _____ Visa _____ MasterCard _____ AMEX

Credit Card Number: _____ Exp: _____

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Please mail or fax your completed order form to NTA Headquarters.

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