

# Traveler Confidence Index

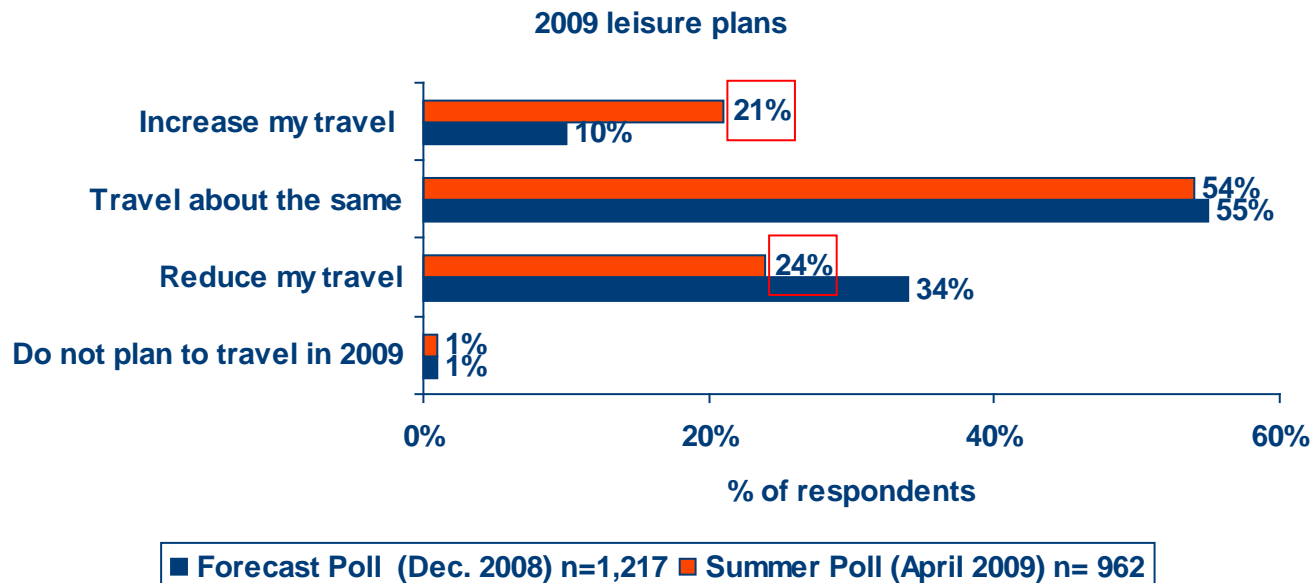
May 19, 2009

# Highlights

- Respondents show signs of increased optimism towards travel.
  - While the majority still plan to travel at similar rates, significantly more plan to increase 2009 travel then when previously polled.
- Decreasing airfares and hotel rates have positively impacted how the majority of respondents travel.
  - A significant number are finding it possible to take a trip which otherwise would have been beyond their means.
- The majority of respondents are on a budget this summer.
  - Most report similar budgets from 2008.
  - They are also more likely to decrease budgets as opposed to cancelling vacations completely.

# Despite current economic conditions, respondents show increased optimism towards 2009 travel

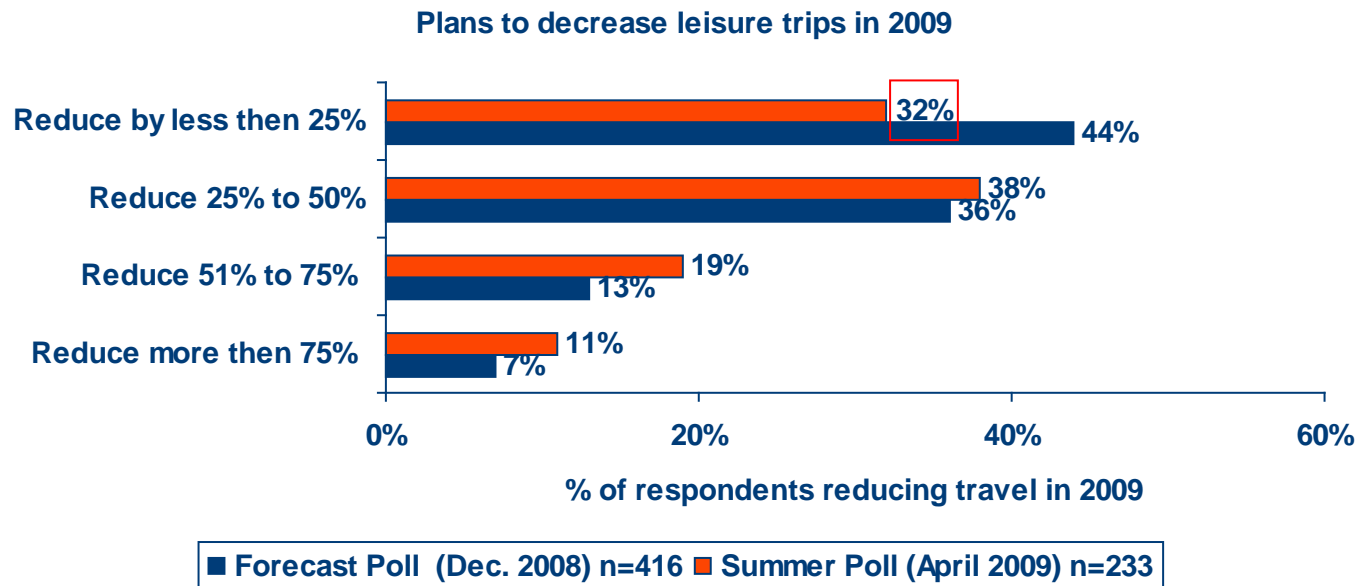
- While the majority of respondents continue to have similar travel plans in 2009 compared to 2008
- Significantly more report plans to increase 2009 travel
- And significantly fewer report plans to decrease 2009 travel



Question: Given the current state of the economy, how would you describe your 2009 travel plans relative to your 2008 travel?

# Respondents expecting to reduce travel plan to do so moderately

- Of those planning to decrease leisure travel in 2009, seven out of ten will do so by 50% or less.
- Only three out of ten respondents plan to decrease leisure travel by more than 50%.

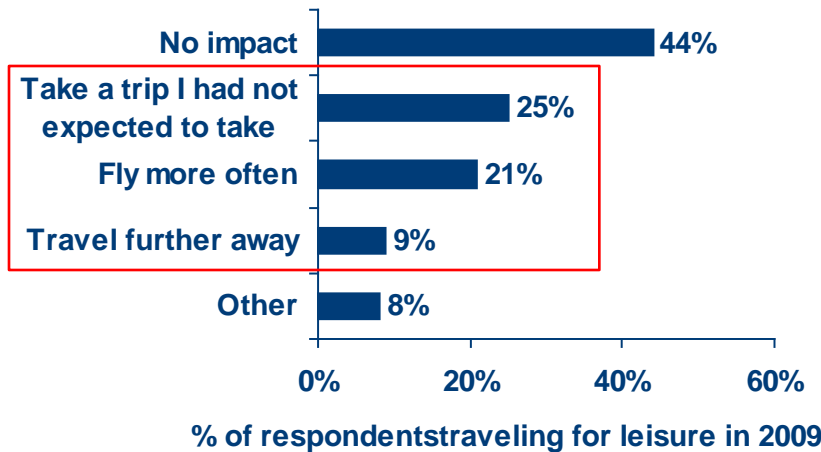


Question: Given the current state of the economy, how would you describe your 2009 travel plans relative to your 2008 travel?

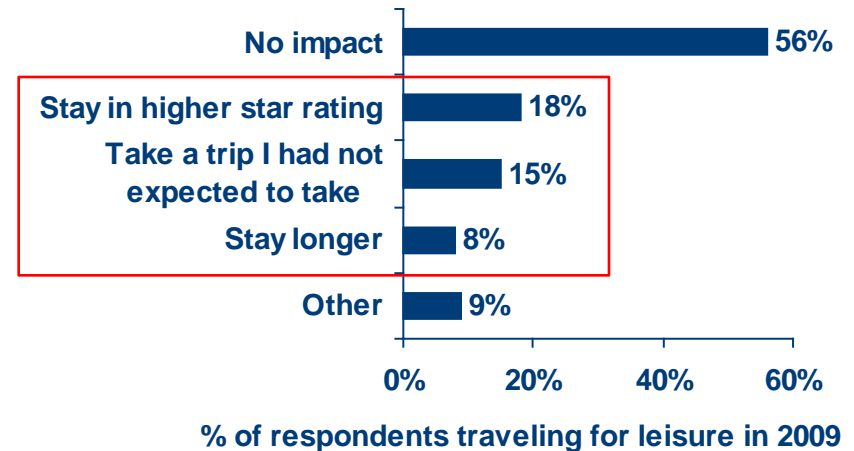
# Decreasing airfares and hotel rates have positively impacted 96% of overall respondents' 2009 summer travel plans

- 56% of respondents are positively impacted by decreasing airfares.
  - 25% report having the possibility to take because of lower fares.
  - 21% will fly more often.
  - 9% plan to travel further away.
- 44% are positively impacted by lower hotel rates.
  - 18% will upgrade their stay at a higher quality hotel.
  - 15% would be able to take a trip they had not initially planned.
  - 8% will be able to extend their stay.

Lower airfare effects on summer travel  
n=912



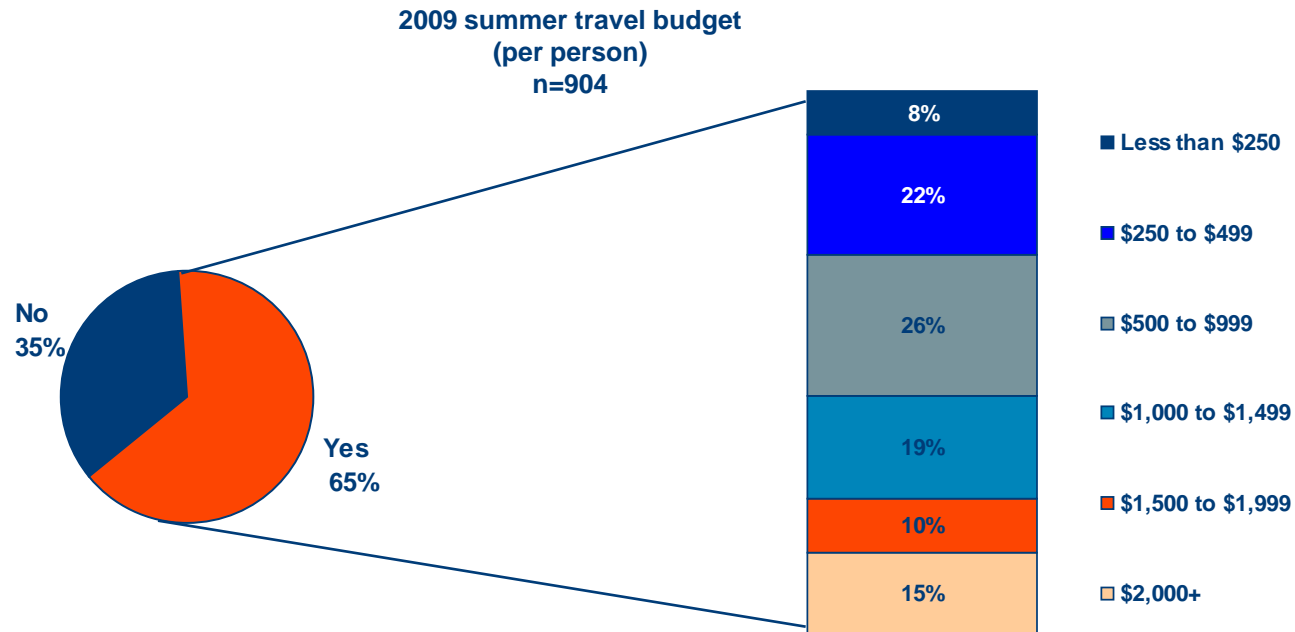
Lower hotel rate effects on summer travel  
n=912



Question: How, if at all, have the current lower hotel rates impacted your summer travel plans? (Please select all that apply) How, if at all, have lower airfares impacted your summer travel plans? (Please select all that apply.)

# The majority of respondents do have a predetermined summer travel budget

- 65% report having a predetermined summer travel budget, most likely between \$250 and \$1,500 per person.
  - 22% of budgets are between \$250 and \$499 per person
  - 26% are between \$500 and \$999 per person
  - 19% are between \$1,000 and \$1,499 per person

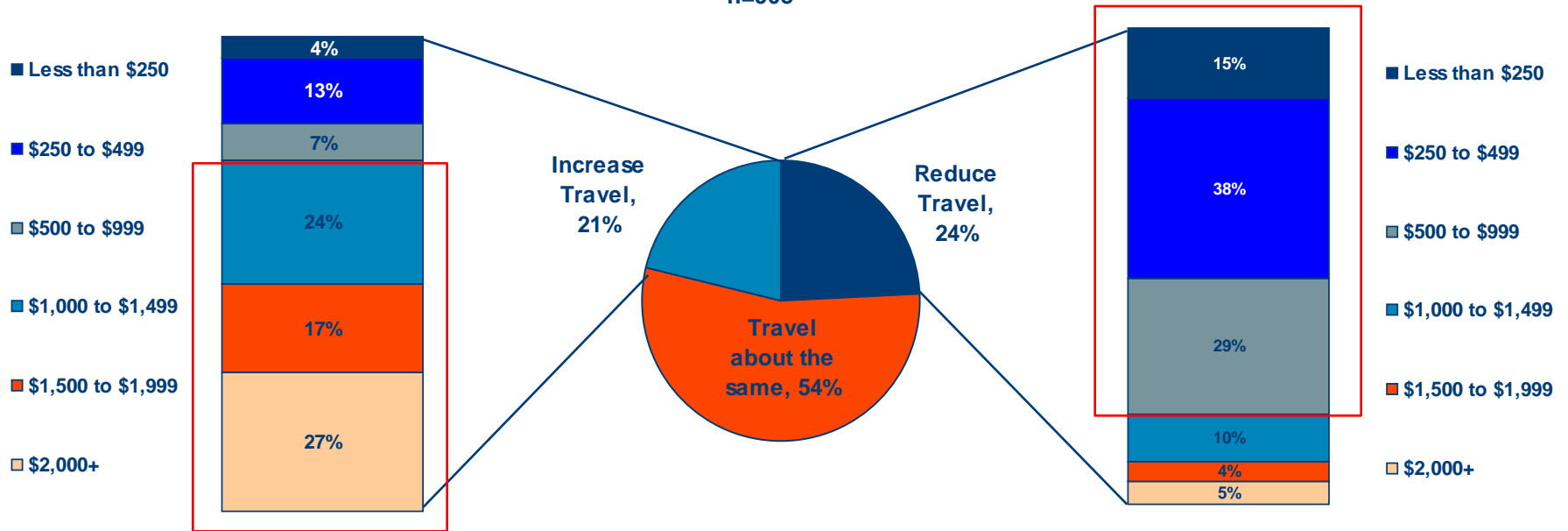


Question: What is the predetermined budget for your 2009 summer vacation(s)? (Budget should include the total cost of your summer travel(s). (i.e. airfare, accommodations, and activities))

# Budget considerations play a very important role in how respondents plan to travel in 2009

- Respondents planning to increase 2009 travel have significantly larger budgets compared to those respondents who plan to decrease travel.
  - 44% of respondents planning to increase 2009 travel have a summer travel budget of \$1,500 or more per person compared to only 10% of those planning to decrease travel.

2009 summer travel plans by budget (per person)  
n=903

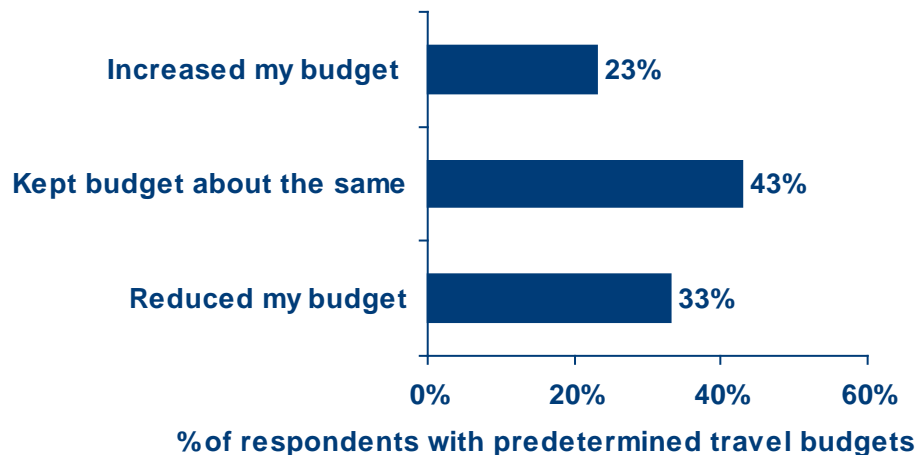


Question: Given the current state of the economy, how would you describe your 2009 travel plans relative to your 2008 travel? What is the predetermined budget for your 2009 summer vacation(s)? (Budget should include the total cost of your summer travel(s). (i.e. airfare, accommodations, and activities))

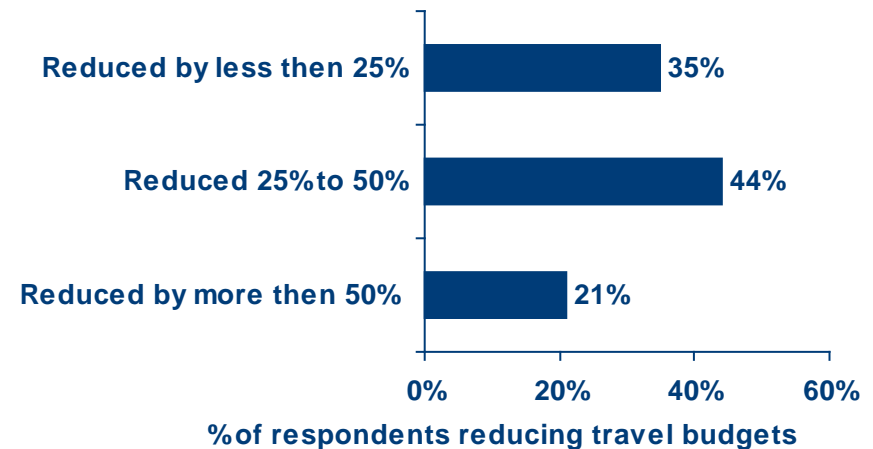
# Summer travel budgets have not changed significantly from last year

- 43% of respondents with a predetermined summer travel budget will keep that budget relatively similar to last year.
  - 23% plan to increase summer travel budgets
- 33% of respondents plan to decrease summer travel budgets.
  - Of those, 4 out of 5 plan to reduce summer budgets by 50% or less.

2009 budget compared to 2008 budget  
n=589



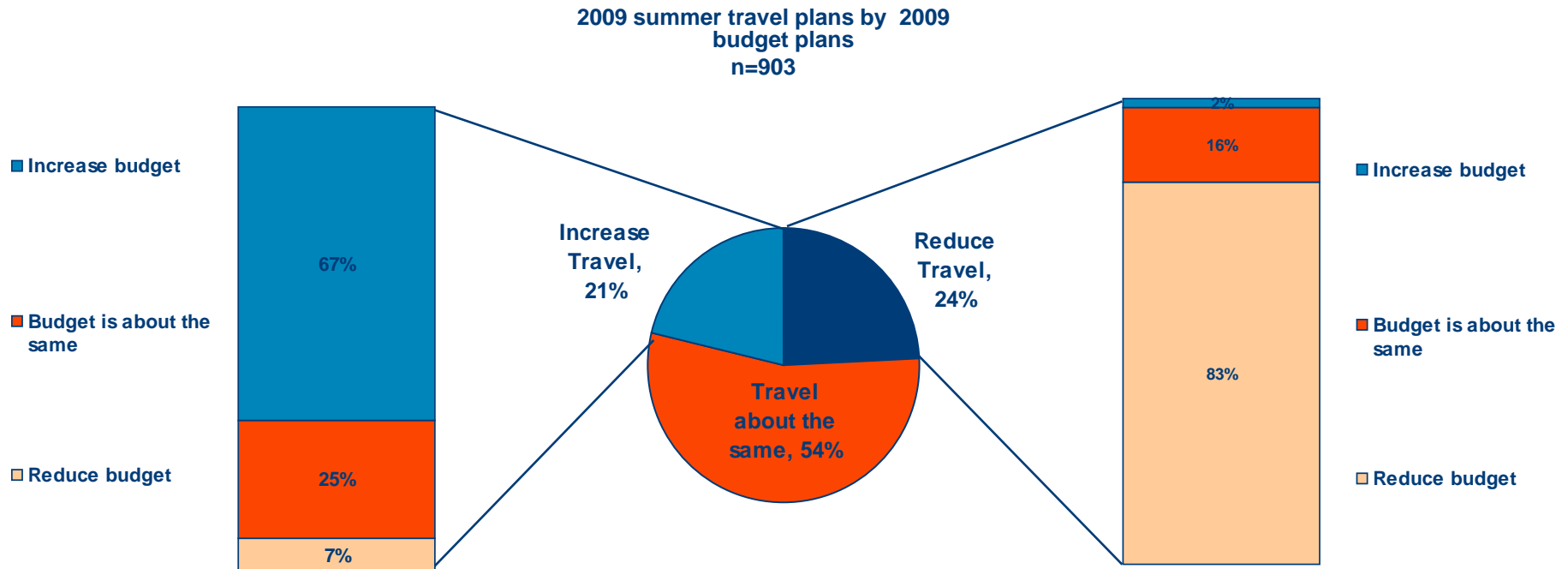
Plans to decrease 2009 travel budget  
n=197



Question: How does your 2009 summer travel budget compare to your travel budget last year? (Budget should include the total cost of your summer travel(s). (i.e. airfare, accommodations, and activities))

# Most respondents increase or decrease travel based on the budget available to them

- 67% of the respondents increasing 2009 travel also plan to increase summer travel budgets.
- 83% of respondents decreasing 2009 travel also plan to decrease summer travel budgets.



Question: Given the current state of the economy, how would you describe your 2009 travel plans relative to your 2008 travel? What is the predetermined budget for your 2009 summer vacation(s)? (Budget should include the total cost of your summer travel(s). (i.e airfare, accommodations, and activities))

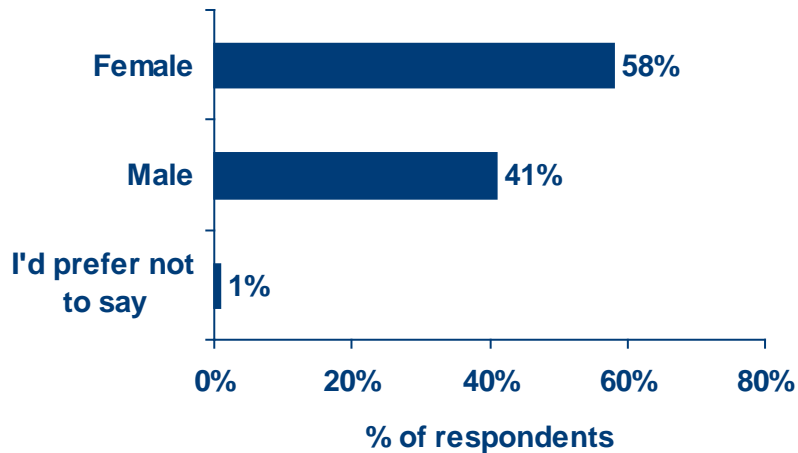
# Appendix

# Methodology:

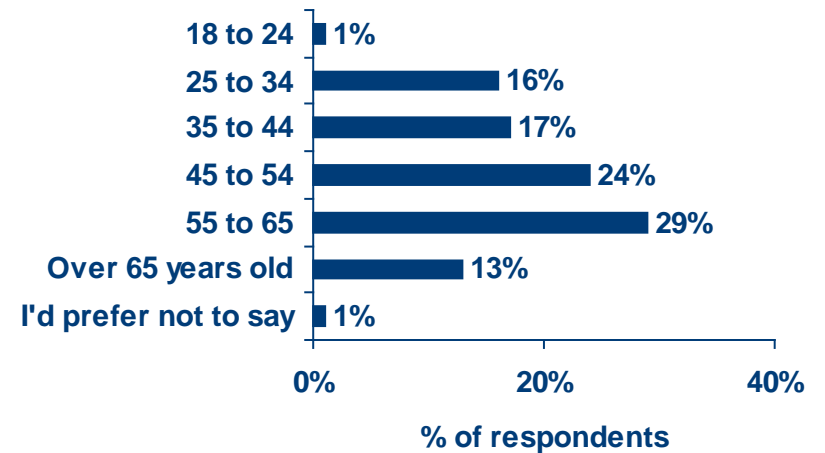
- Data collection period: April 14 – April 29, 2009
- Data collection method: Online Survey
- Sample requirements: Travelocity members who have booked at least one travel component in the past twelve months. Members can not have been contacted in the past three months for a survey (either ad-hoc surveys or regular CSAT/Welcome Back surveys).
- Response statistics:
  - Email invitations sent: 100,000
  - Responses received: 967
  - Response rate: 1%
  - Margin of error: (+/-3.15%)

# Demographics

**Gender**  
n=880



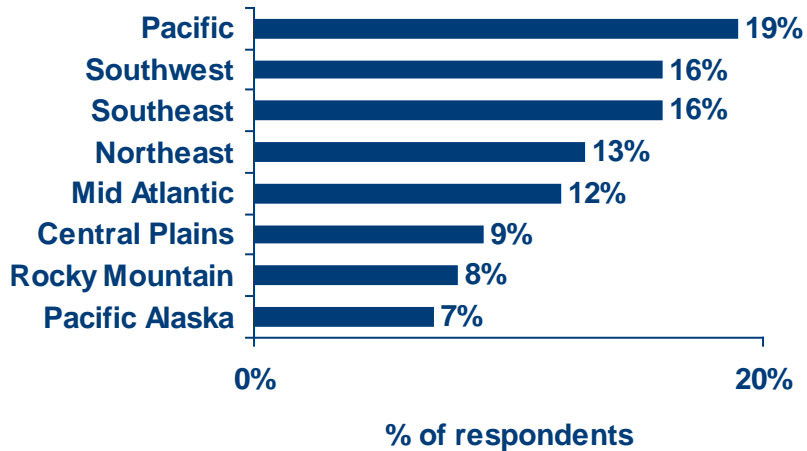
**Age**  
n=880



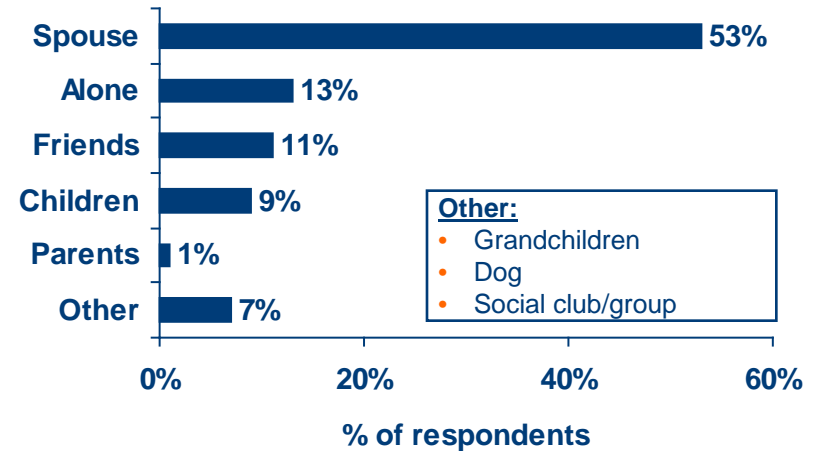
Question: What is your gender?; What is your age?

# Demographics (continued)

Region  
n=801



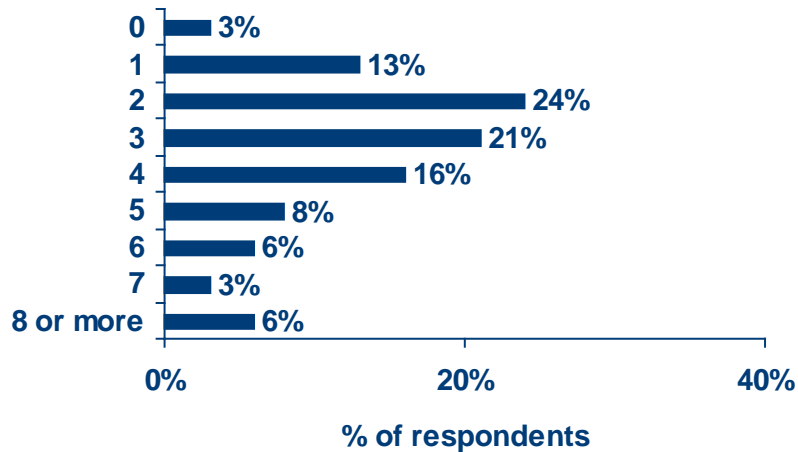
Travel partners  
n=878



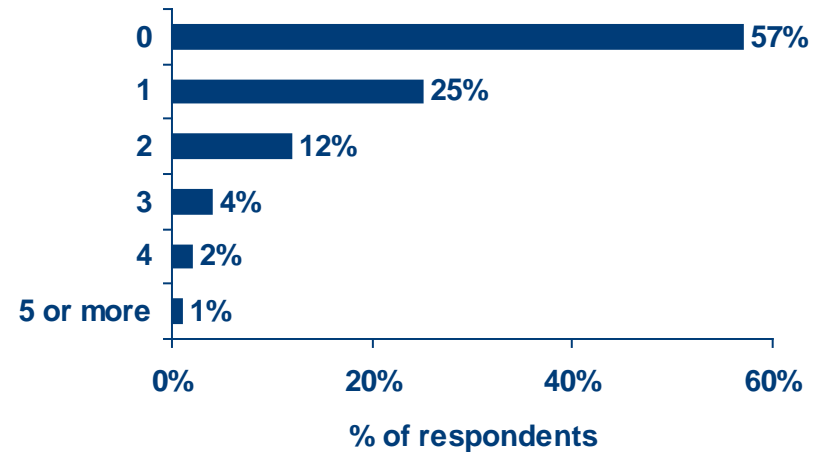
Question: What is your total annual household income?; Generally speaking, who do you tend to travel with for leisure?

# Demographics (continued)

**Domestic leisure trips**  
n=874



**International leisure trips**  
n=874



Question: How many domestic leisure trips have you taken in the last 12 months? How many international leisure trips have you taken in the last 12 months?