



An Economic Portrait of the Traveler

The spending power of explorers and how
their influence extends across industries

JANUARY 2023



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Foreword

Travel is truly experiential. Wanderlab at Tripadvisor's recently commissioned [Lost & Found](#) documentary explores the impact of the loss of travel on a generation. During the film, one passionate traveler notes that "there's only so much that you can learn from a YouTube video, from a TikTok video. You have to experience it - and these experiences are what make life worth living." Over the past 12 months, we've watched travelers across the globe prove this point, spending much of their time and hard-earned dollars on experiencing and learning from the world.

When people are this invested in traveling, it can be an emotional purchase. It's that commitment, in part, that makes travelers such valuable consumers. Not only are they willing to spend a lot, they're also deeply connected to what they're buying.

Our report also reveals that, for the majority, travel is a non-negotiable expense, and when

they're in-destination, they're generally ready to splurge on memories that will last forever. This willingness gives the traveler tremendous spending power.

When we think about how travelers interact with brands, the picture is so much bigger than just travel-related products. Purchases span multiple industries, from tech to clothing to toiletries, all paid for with credit cards that offer the most points. When buying these things, travelers are looking for inspiration and guidance at every step of the process—and that's where Tripadvisor comes in.

At Tripadvisor, we always think of travelers as discerning consumers who make meaningful purchases. (Much more on that in this report.) By adopting this mindset, brands have the opportunity to reach key consumers through multiple touch points across our site.



Christine Maguire

GM/VP, Global Media Business @ Tripadvisor

Executive summary

They say collecting experiences, not things, is the key to happiness. The audience we surveyed knows this to be true. They're planning longer trips—and more trips in general—and prioritizing travel in a new way.

We've also observed that travelers are relentlessly optimistic. Despite global economic uncertainty, demand for travel and travel-related spending hasn't changed. If anything, travelers are changing other spending habits so they can still take that next trip.

Alongside this urge to get out and explore, we saw a deeply human need for connection. After years of stress and isolation, travelers want to see their family, friends, and the world again.

All this means that, when people travel, everything they buy is an important investment. Travelers spend money across multiple industries—from beauty to technology—in preparation for their trips, in addition to paying for accommodations, restaurants, and transportation.

Herein lies our purpose at Tripadvisor. We're here to help travelers find that hole-in-the-wall cafe, the perfect outdoor adventure, or the things they need to pack. Travelers turn to Tripadvisor's more than 1 billion reviews and opinions for nearly 8 million businesses to discover where to stay, what to eat, and how to make the most of their trips.

We were excited to see travel making a comeback after years of pandemic-related restrictions. But with the possibility of a global slowdown looming, we wanted to know: Will it last? What's important to travelers now? Where will they prioritize spending their money?

In 2022, we conducted a multi-part analysis, surveying 4,959 consumers across six countries (U.S., U.K., Japan, Singapore, India, and Australia), to understand current travel demand and what it means for your business.

In this report, you will learn:



Why travel demand remains relatively inelastic



The economic impact of travelers across a wide range of industries



How travelers plan to spend their time and money before and after traveling



What influences travelers when deciding where to invest

Key findings

People are planning to travel more, and for longer periods of time

55%

plan to take three or more trips this year alone — and they plan on staying longer.

More respondents plan to take

1+ week long trips,

with fewer taking shorter trips than last year.

93%

are planning to travel in the next 12 months, on par with pre-pandemic (2019) intent.

#1

"Relax and rejuvenate" is the top travel priority.

With over 1 billion reviews and opinions, Tripadvisor is a top choice for travelers around the globe.

Reviews are crucial to decision making.



3 out of 4

respondents said online reviews were “extremely or very important.”

Key findings

Those who travel more, spend more

Frequent travelers are enthusiastic consumers across multiple categories



Accommodations remain one of the key big-ticket items for travelers.

1 in 3 travelers

are spending more than \$200/night.

Travelers' spending power extends across multiple categories and stages of travel.

CLOTHES

89%

ACCESSORIES

80%

OTC PRODUCTS

75%

SKINCARE

74%

LUGGAGE

72%

Respondents prepare for travel by regularly purchasing from a wide range of categories.

95%

of respondents would decrease spend in other categories to save for their next vacation.

78%

of respondents plan to spend more or the same on travel as last year.

63%

think shopping is an important part of their travel budget.



SECTION 01

Travel is a
non-negotiable
expense

Travel is a non-negotiable expense

Over half

are planning 3+ trips in 2023,
an increase of 25% from the
past year

78%

plan to spend the same or
more on travel in 2023 than
the previous year



95%

would rather decrease their
spending on personal goods
to save for a vacation

1 in 5 dollars

goes toward travel expenses,
tied with restaurants as the
top category for discretionary
spending

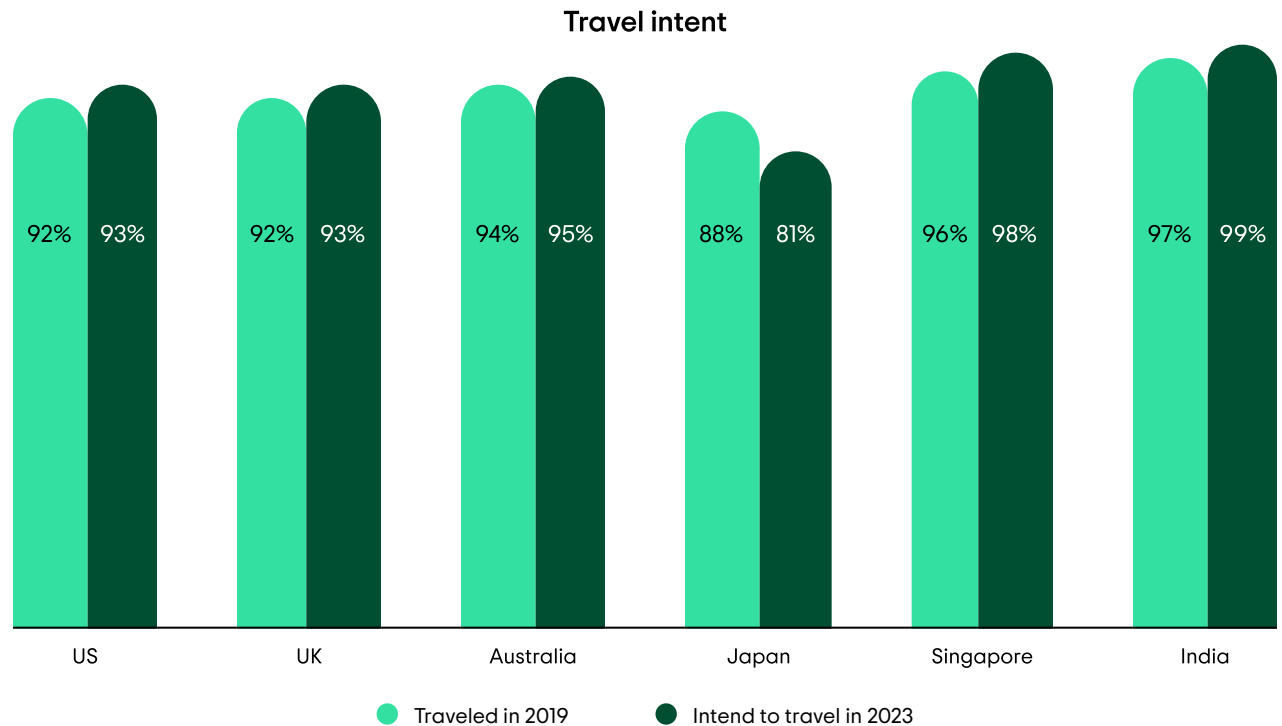
People want to travel—and spend

Travel remains extremely important to consumers, with **65% “constantly thinking about their next adventure.”** When you compare travel intent among our respondents between 2019 and 2022, their answers look almost identical.

We often think of travel as an elastic good — meaning that demand fluctuates based on economic circumstances. But after years of pandemic-related restrictions, consumers are now appearing to prioritize travel over other expenses, rendering it relatively inelastic.

Despite rising prices, **intent to travel is on par with 2019 levels.** Travelers want to go, and they’re willing to spend to make it happen. In fact, 1 in 5 discretionary dollars goes toward travel, tied with restaurants as the top category for discretionary spending.

Travelers remain optimistic about the future, with more than half (55%) of global respondents planning to take three or more trips in the next year, a 25% increase compared to 2022, when only 44% of respondents said they would be taking three or more trips.



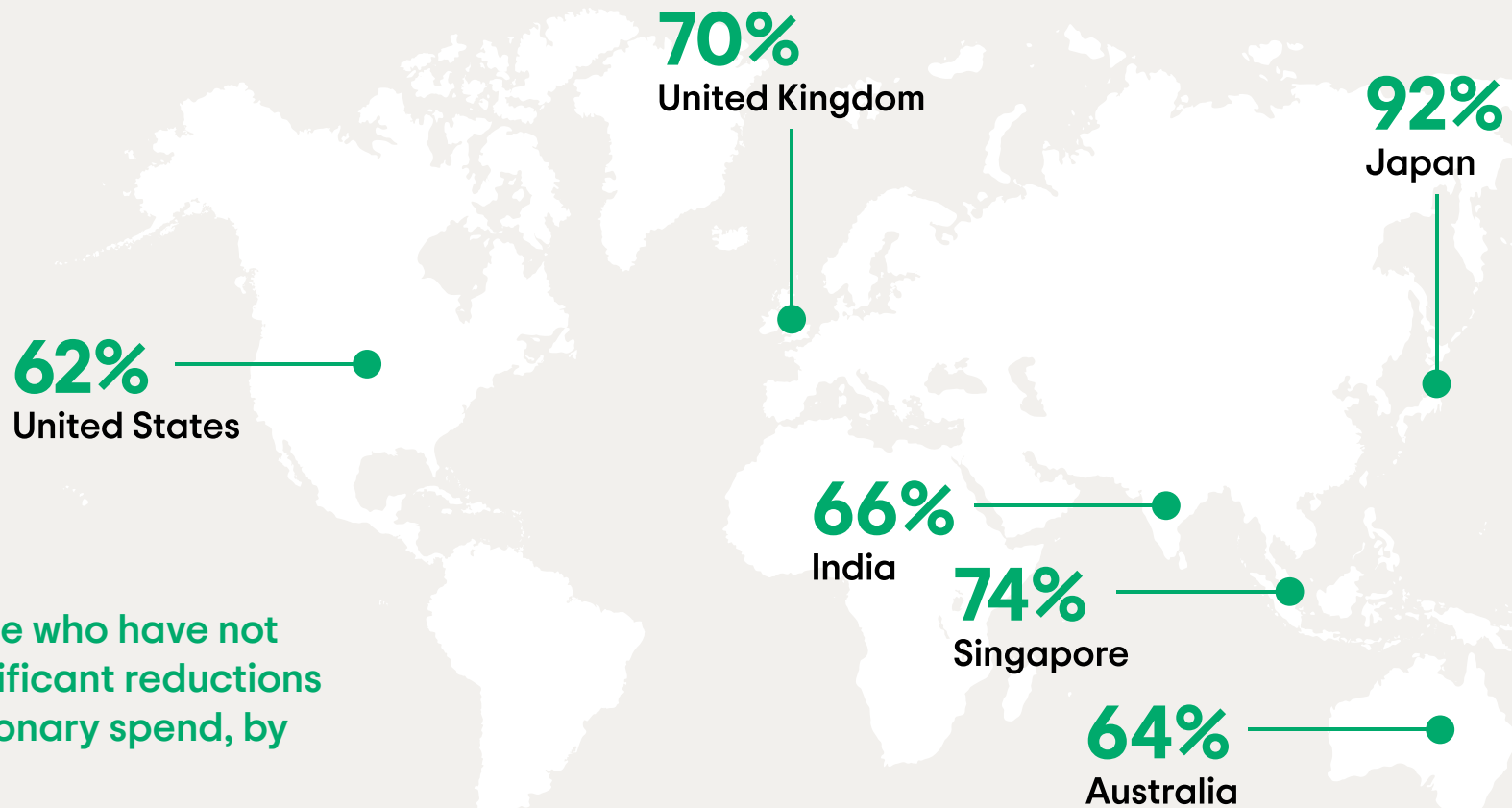
Deep dive: Frequent travelers

As we researched travel demand and spending, we zeroed in on a specific type of traveler: Those planning three or more trips in 2023. We found that not only do they plan to travel more, but **53% plan to spend more on travel in 2023 than they did in 2022** (compared to only 38% of occasional travelers).

These high-value consumers not only go more, but they spend more both before and during their trips on a variety of goods beyond travel. We'll talk more about frequent travelers throughout this report.



Discretionary spending remains strong



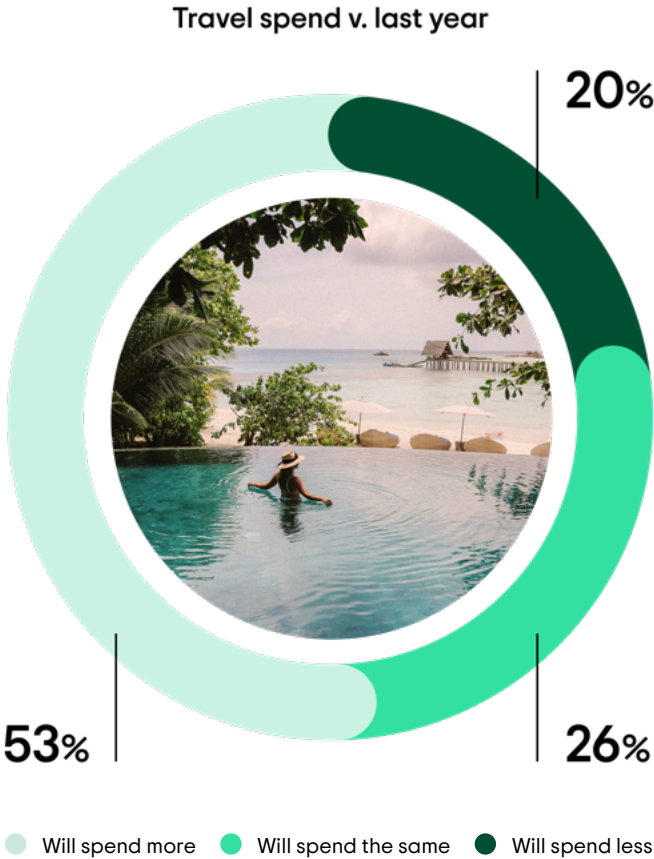
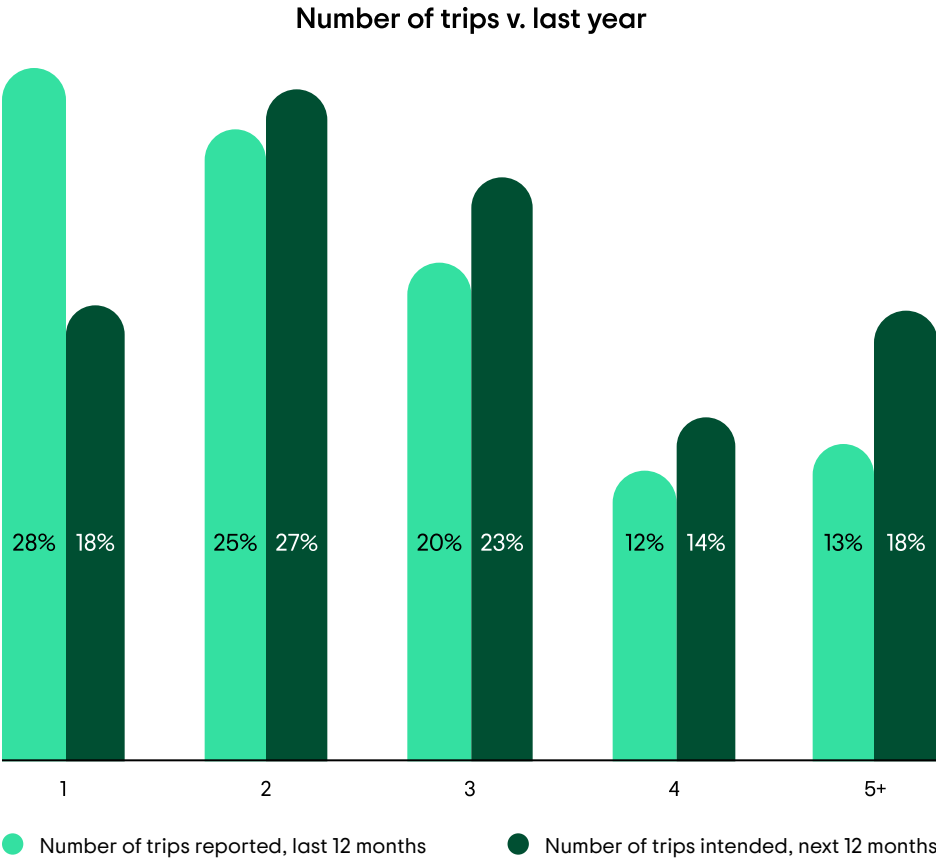
Percentage who have not made significant reductions to discretionary spend, by country

While 3 in 5 respondents say inflation is of major concern, it's not yet reflected in their spend patterns - **most have yet to make big cuts to their discretionary costs.**

Enthusiasm for travel is unshakeable

Consumers continue to prioritize travel. In fact, of those respondents who said they were reducing discretionary spending, 3 in 4 weren't planning to cut back on travel. Additionally, **95% said that they would rather decrease their spending on other categories in order to have money for traveling.** This includes choosing less expensive options (60%), and looking for deals and discounts (54%).

Higher prices may explain the rise in spending, but they haven't curbed travel demand. Of global respondents, **78% plan to spend the same or more on travel in 2023 than they did in 2022.** People want to take more, longer trips and are willing to pay for them, making travel a non-negotiable spending category.





SECTION 02

How travelers spend

How travelers spend

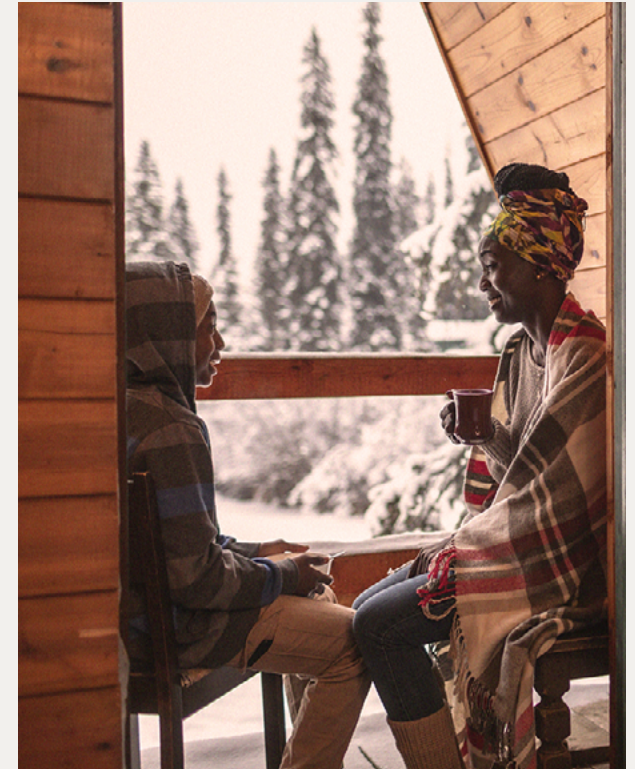
74%

dine out for at least half
of all meals during travel



Only 4%

don't shop for leisure
during their trips



1 in 3

choose accommodations
over \$200/night

Bringing our best selves

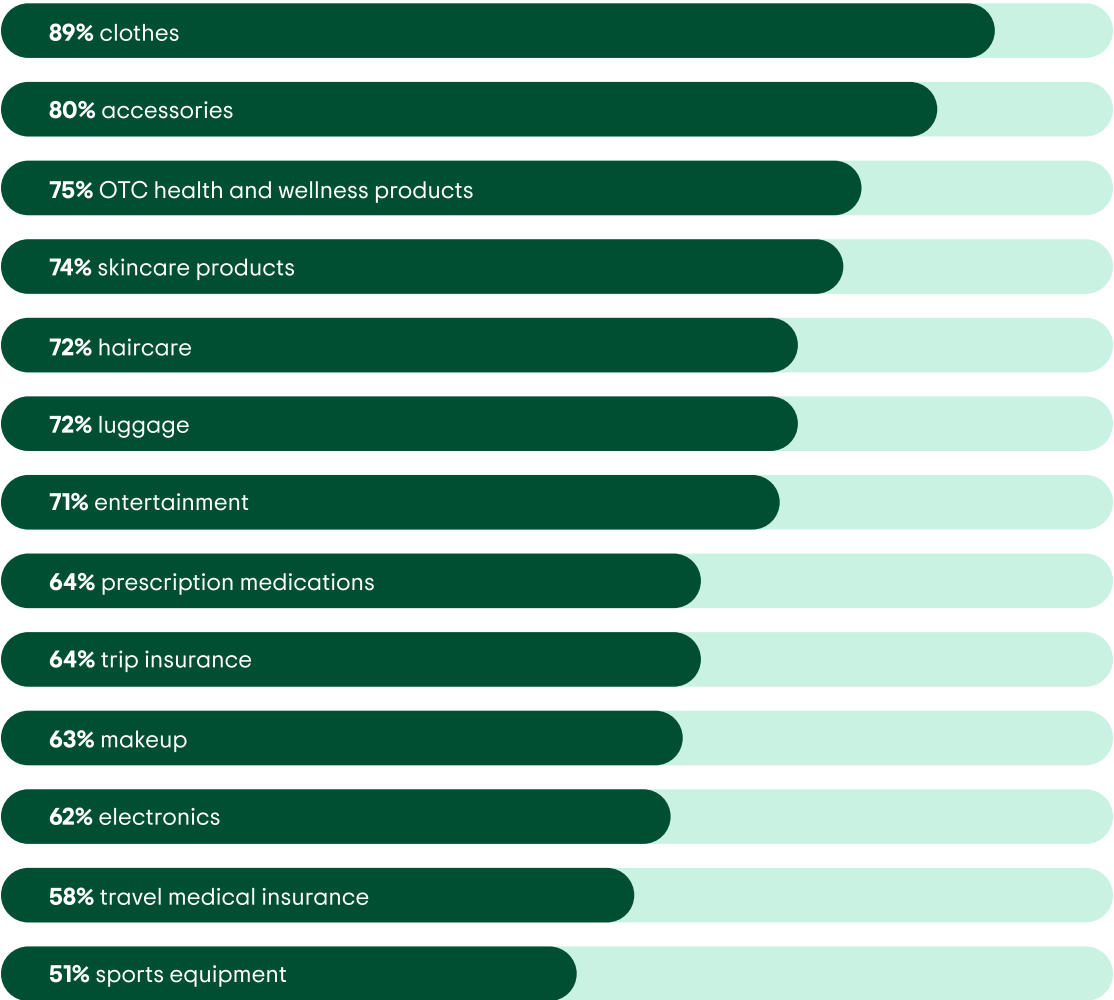
Travel spending isn't limited to booking flights, accommodations, and activities. Respondents prepare for travel by regularly purchasing from a wide range of categories. Travel is a great excuse to buy new clothes, special toys, or just the right gear.

Importantly, travel spending involves repeat purchases. In all the categories listed, other than luggage, travelers told us they've made two to three purchases over the past three years before traveling.

Pro tip:

When planning your advertising spend, don't just target in-destination travelers. **Part of the fun for travelers is the planning (and spending!) before a trip.**

Pre-travel purchases over last 3 years



Deep dive: How frequent travelers spend

On average, our respondents allocate 60% of their budget to mandatory purchases and 40% to discretionary spending. Discretionary spending is not just travel or travel-related buying, but also purchases across a wide range of consumer categories. Frequent travelers tend to spend an even higher share of budget on discretionary purchases than occasional travelers.

Interestingly, compared to the average respondent, frequent travelers made purchases more consistently in every category, even when we accounted for income levels and budget.

For example, **30% of frequent travelers buy technology products 3 or more times per month**, compared to just 16% of occasional travelers—a 90% variance. And **37% of frequent travelers buy health and beauty products three or more times a month**, compared to 21% of average respondents—a 73% variance.

When it comes to in-destination spending, frequent travelers typically spend more on accommodations than occasional travelers—**41% of frequent travelers will book accommodations priced at over \$200 per night**, compared with only 24% of occasional travelers (a 71% difference).

87%

of respondents are dining out at least monthly

90%

of frequent travelers are dining out at least monthly

48%

of frequent travelers are dining out three or more times per month



How travelers spend in destination

Building on positive travel intent, most travelers (78%) are planning to spend the same or more on travel than they did last year. Last year, 46% of travelers surveyed spent \$1k+ on their domestic trips; 38% of travelers spent \$2.5k+ on their international trips.

Accommodations

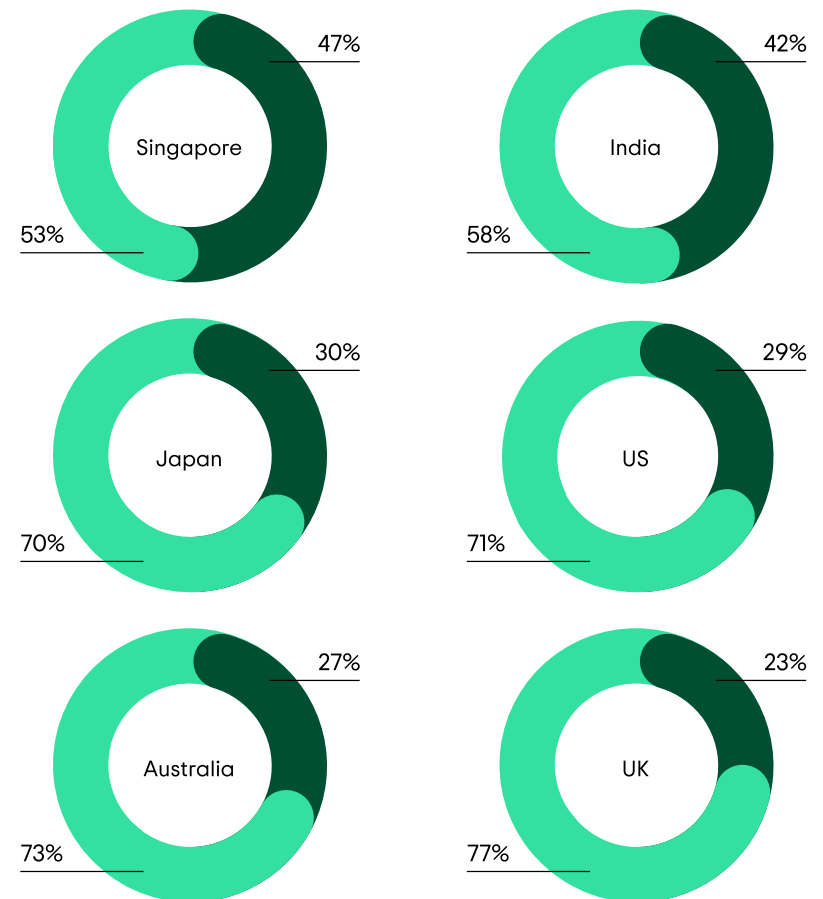
Knowing that accommodations can make or break a trip, consumers prioritize where they stay over other travel expenses. **One third of all travelers surveyed typically book accommodations that cost over \$200 per night.**

While consumers are always looking for deals, they're also likely to splurge on accommodations for a big vacation. Up to 53% of travelers would spend more than \$200 a night for a special occasion, while only 33% would do so for a typical trip.



Average accommodation spend

● under \$200 ● over \$200



Shopping as a way to connect

In-destination activities

Once travelers arrive in a destination, they typically spend money in three or four activity categories, including transportation, dining, and, of course, shopping. Only 4% of travelers surveyed don't usually shop during leisure trips, while **20% ranked shopping as the activity they spend the most on while traveling.**

That 20% is relatively equal among male and female respondents—everyone loves to find that perfect souvenir. What travelers buy while shopping varies by destination, but often includes clothing, accessories, health and wellness products, alcohol or other duty-free items, and entertainment.

Most travelers said that spending 11-25% of their in-destination time shopping is the sweet spot. That number goes up for Singaporean and Indian respondents, who said that shopping is one of the ways they engage with a destination and make memories.

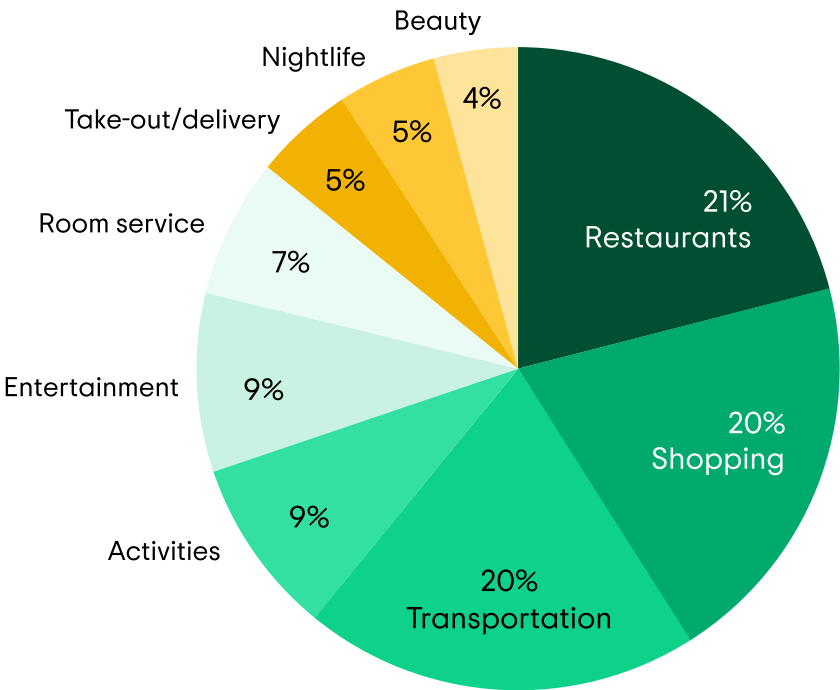
63%

agree that shopping is an important part of their travel budget

62%

agree that shopping is an important way to spend time while traveling

Categories of spend in destination, % ranked #1





SECTION 03

What matters to travelers

What matters to travelers



#1

“Relax and rejuvenate”
is the top travel priority



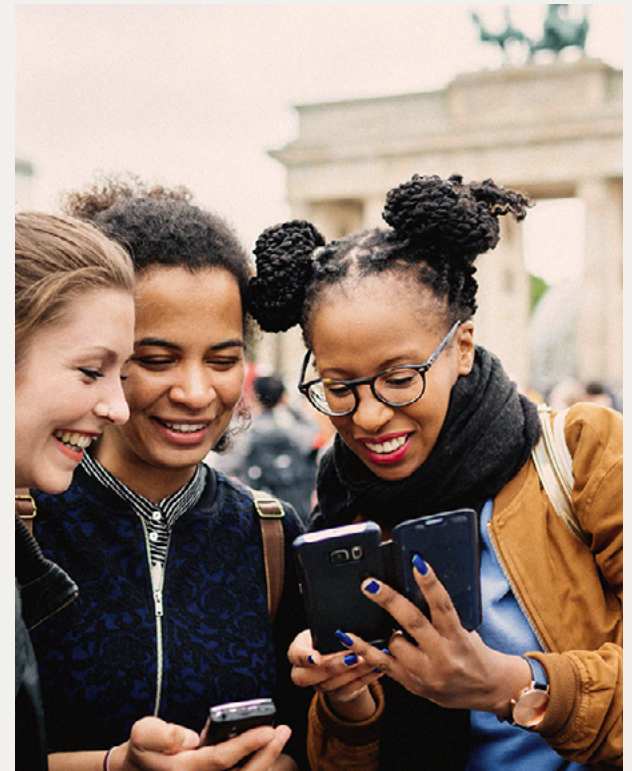
63%

said **destination matters**
more than anything else¹



3 out of 4

said online reviews were
“extremely or very important”²



What travelers want



Relaxation

When it comes to what travelers want to do on vacation, 36% said “relax and rejuvenate.” Of the markets surveyed, Singaporeans want a break the most, with 43% naming R&R as their top priority when traveling.



Connection

Post pandemic, travelers are craving connection to the people and places around them. Making memories with family and friends was the second most popular reason for traveling, and visiting family and friends in person was the fourth.

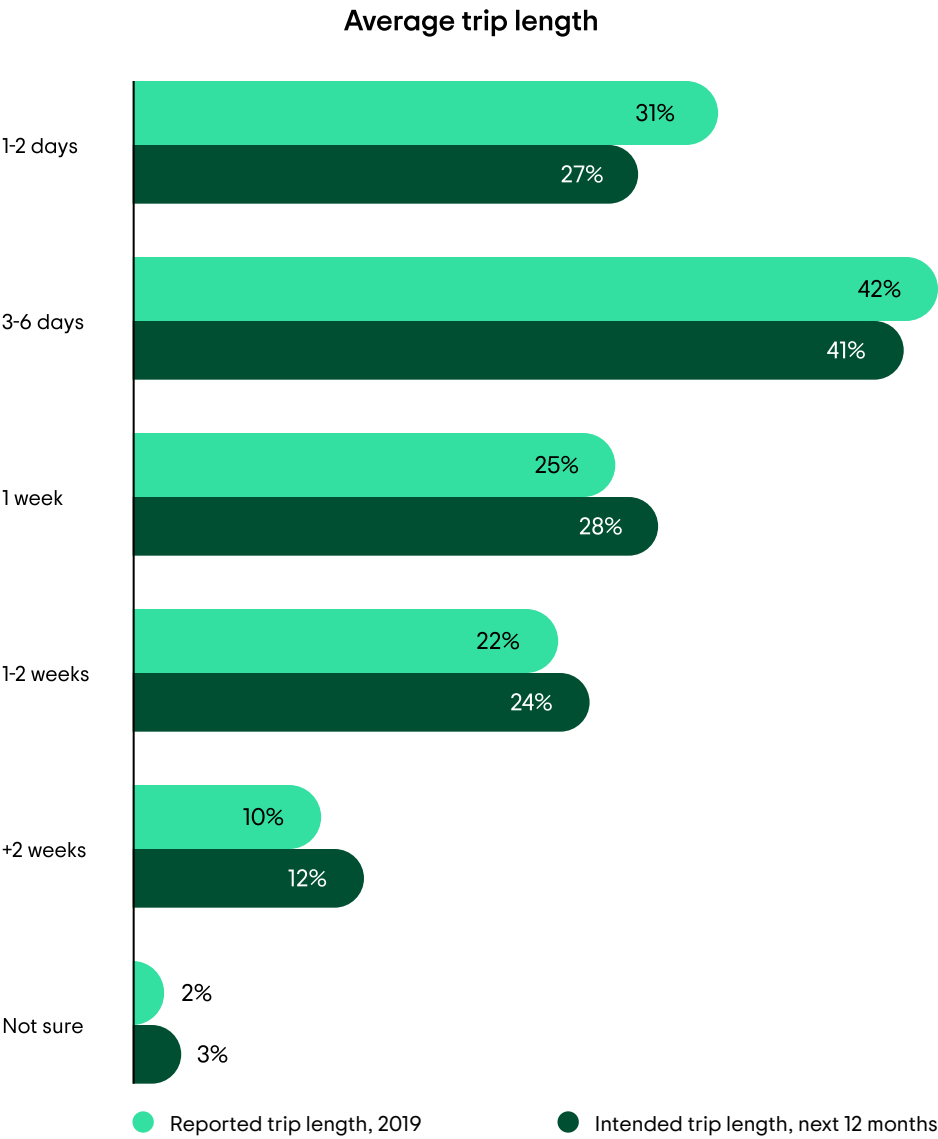


Time

These days, people aren’t just traveling to escape, they’re traveling to experience the world. And as they look to reconnect with each other and the destinations they visit, they’re finding they need more time on their trips.

Reasons for upcoming travel	Total	US	UK	Australia	Japan	Singapore	India
Relax and rejuvenate	36%	37%	39%	38%	34%	43%	23%
Make memories with partner, family, friends	35%	39%	42%	39%	37%	27%	27%
Get away from everyday routine	30%	30%	35%	35%	42%	19%	22%
Visit friends and family in person	28%	39%	26%	37%	15%	22%	26%
Enjoy nature	22%	19%	14%	19%	22%	22%	37%

The average trip length remains three to six days, but increasingly, travelers are looking to dig into the destinations they visit, with a higher number planning trips of one or more weeks when compared to 2019.



Deep dive: The rise of slow tourism

An approach to travel that emphasizes cultural connection over a longer period of time than your typical trip, slow tourism, or slow travel, has gained popularity in recent years.

The rise in slow tourism is due to two main consumer forces: First, the desire for “bucket list” trips put off by the pandemic, which often require more time, and second, a cultural shift in the way we think about travel. People no longer want to pack in as much sightseeing as much as possible. Instead, they wish to slow down and savor a different way of life.



No doubt this change in attitude has been helped along by the increased acceptance of remote work, which allows travelers to try on a new lifestyle without using up their vacation days. Even as many offices reopen, up to 58% of workers in the U.S. report they have the option to work remotely at least one day a week, [according to McKinsey](#). Places like Barbados, Portugal, Brazil, and Dubai even offer “digital nomad” visas designed for remote workers.

Where they go matters

As travelers spend more time and money in a given place, they're putting an emphasis on destination above all else, with 60% of respondents naming it the most memorable trip element³.

Once they pick their destination, their next big decision is lodging. Travelers consider their accommodations a highly important choice, with 51% believing that a bad hotel can ruin a trip.

Most of this decision-making happens well before people actually travel. Two in three respondents book most of their activities prior to their departure, taking their time to research each one before purchasing.

Spontaneity isn't dead, however. Three in five respondents said they make travel decisions in the moment, with **34% turning to review sites like Tripadvisor while in destination to help plan their next move.**




Reviews help travelers choose

More so than other tools, travelers report it's the reviews that help them choose where to go, what to do, and where to spend their money. Three out of four respondents said online reviews were "extremely or very important" when making travel decisions, and 68% said they were "likely or very likely" to book an accommodation after reading a good review. Additionally, more than half said that quality reviews are a key factor in whether or not a resource is useful, and one in three continue to use sites like Tripadvisor once in destination.

With more than 1 billion reviews and opinions, Tripadvisor is where travelers can find the information they need. We offer trustworthy guidance from travelers who have been there before to help you make your purchasing decisions.


Travelers want to know every detail to make their trip special, beyond whether it was a positive or negative experience. Which dish is a must-try? Where can they go to feel like a local? Where can they find the perfect souvenir?

They're looking for guidance on where to invest their dollars, not just see a snapshot of the destination. Tripadvisor gives them a way to get that guidance from travelers who have been in their shoes before, harnessing the wisdom of the crowds to make their purchasing decisions.

 Lisa S ●●●●●


Simply lovely

The park employee, named James, was very friendly and helpful, in a way that should be emulated. We had high expectations which were surpassed by a wide margin.

 Douglas Z ●●●●○


Superlative in every way

Stayed there for two magical nights and cannot say enough good things about the place. You have to experience yourself.

 Anthony P ●●●●○

Absolutely astounding

Exceeded our expectations and worth the money. Not just wall art and exceedingly well presented. Delightful.

 Jena B ●●●●●

Gorgeous hotel, excellent location

Staff was friendly and extremely helpful, and the hotel itself is like an oasis. Beautiful, calming interior areas and everything is tailored to make the guest experience top notch.



SECTION 04

Conclusion

Sooner or later, we all hear a voice that says, “Go”

We’ve learned that travelers around the world prioritize spending their limited time and money exploring new and exciting destinations. They want to discover that hole-in-the-wall restaurant, find the perfect keepsake, and immerse themselves in a different culture.

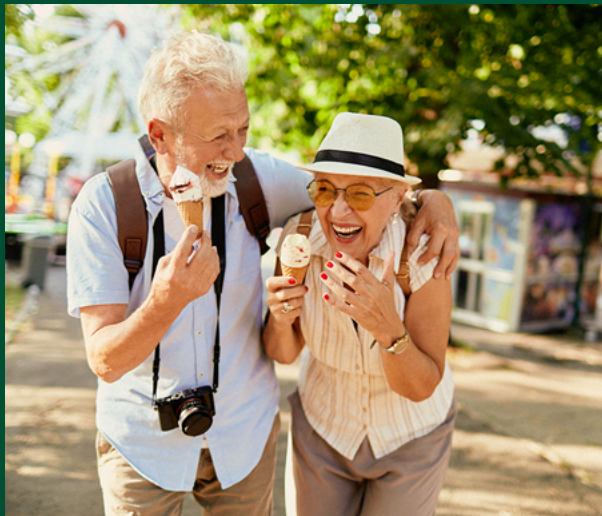
That desire holds firm in spite of the external economic pressures facing travelers today. They want to go, and they’re willing to prioritize travel over other discretionary spending. As such, travel is an emotional purchase and one that spurs additional spending across industries both before and after the trip.

With so much choice, travelers look to the wisdom of the crowds to help plan their trips. As one of today’s leading online review sites, Tripadvisor offers travelers more than 1 billion reviews and opinions for nearly 8 million businesses around the world. It’s on our site that travelers figure out where to go, what to do, and how to best spend their money. When you’re ready to plan your next trip, Tripadvisor is here to help.

In our report, we observed that travelers allocate 40% of their budget to discretionary spending,

meaning they have the financial flexibility to spend money on things that make them happy. Whether you consider yourself a travel brand or not, that knowledge makes travelers your ideal consumers.

Our report also shows that travelers buy far more than the basics needed for a trip. They typically spend across multiple categories, both before and while traveling, to ensure they’re bringing their best selves and having the types of experiences that make for lifelong memories.



So, what does this mean for brands and marketers?

Key takeaways to help inform your marketing strategy

01

Where they go matters.

Destinations and accommodations are top priorities for travelers when planning a trip. If you're a DMO or hotel, provide your audience with more information and content to help guide their decisions. And if you're another type of brand, think about how you can weave locality into your marketing campaigns to align with your core consumer's search.

02

If you consider yourself a travel brand, **the time to invest in marketing is now.** We know that travel ranks highest when it comes to discretionary spending, so **use content to attract consumers.** On average, travelers engage in three to four in-destination activity categories, so flaunt the diversity of your offerings proudly.

03

Travel is the kind of purchase that defines who you are as a person. Lean into that fact and **form an emotional connection with your audience.**

04

Reaching travelers before they go is important, because they make multiple purchases in preparation for their trip.

05

Travelers are looking for guidance. (Remember, three out of four said reviews are extremely important.) And Tripadvisor has their trust—globally. **Leverage our authority to engage with consumers in an authentic and meaningful way.** We have many offerings to fit your business needs.

Let us help you reach your customers and bring your campaigns to life with our in-house brand studio, [Wanderlab](#). Wanderlab creatively translates global data into brand stories that resonate with hundreds of millions of global travelers, wherever they are. We are listening to our community every day and turning passion points into insights that fuel our creative approach.

Wanderlab has a full suite of content capabilities across voice, articles, CTV streaming video, long form video series, out of home, augmented reality, influencer, social, sampling, documentary shorts and more.



And we're seeing the results with Tripadvisor campaigns:

Sponsored content received
+32% average page views
compared to non-sponsored

Custom content and social
campaigns garner an average
engagement rate of 21.36%
(double the industry benchmark)

Our custom videos
have a 66% VCR
(1.5x the industry average)

As we've shown, travelers are looking for guidance when it comes to planning their trips. And with more than 1 billion reviews and opinions for nearly 8 million businesses around the world, Tripadvisor is their go-to source for figuring out where to go, what to do, and how to spend their money. As such, reaching your audience through Tripadvisor, both before and during travel, is key.



Methodology

Tripadvisor fielded an online consumer survey through Qualtrics in September 2022, gathering 4,959 consumer responses across six countries (833 in Australia, 825 in India, 825 in Japan, 826 in Singapore, 829 in the United Kingdom, 821 in the United States.) Respondent specifications:

- Age 18 - 75.
- Must not work in market research.
- Must have taken an overnight trip in the last year.
- Must be primarily responsible for trip planning / booking or share responsibility.

