

# How Millennials killed travel marketing as we know it.

**And how to ensure that your destination  
lives on in their conversations.**

Print ads, rest in peace. Travel agents, bon voyage. Trendy destinations, buh-bye. It's time to enter the age of the Millennial traveler, where nonstop social networking, make-or-break Internet reviews, and last-minute bookings are revolutionizing travel marketing.

Millennials think differently, act differently, and most definitely travel differently than any generation before them. And if you want to earn their business, you'll have to think and act differently, too. Here, we'll help you understand the Millennial mindset, and offer tips and tactics for staying relevant to a new generation of travelers with a distinctly different agenda.

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# Overview

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## Section 1

# The Millennial divide

Before we jump into how Millennials differ in their travel preferences, let's first look at who we're talking about. Although there's no general consensus as to what year Gen X ended and the Millennial (sometimes referred to as Gen Y) generation began, Pew Research defines Millennials as those born between 1981 and 1996.

Although made up of racially and culturally diverse individuals, this group generally tends to be more independent in their religious and political views, more entrepreneurial, less likely to be married, distrustful of authority, better educated, more likely to be in debt, closely linked to their peers, and more travel-oriented than any generation before them.

Technology, social media, and recessionary shortages have indelibly shaped their worldview, leaving them less career-oriented than previous generations. Even more notable, their early immersion into technology has literally changed their brains—making them better at multi-tasking, quick to get bored, and leaving them with shortened attention spans.

As a result, former tried-and-true marketing techniques are ineffective at getting through to this easily distracted audience.



**“This group tends to be more travel-oriented than any generation before them.”**



Millennials currently number about 80 million strong, spend approximately \$600 billion a year (expected to rise to \$2.5 trillion in 2015), and the Bureau of Labor Statistics predicts that by 2020, they will comprise 40% of the U.S. workforce. Suffice it to say, travel marketers can't afford to ignore this critical market. But how do you influence Millennials' travel decisions when Millennials don't respond to traditional marketing methods?

For starters, you take a radically different approach to earning their business—one that's less about marketing and more about befriending. Millennials engage with brands similar to the way they engage with their friends, sharing information about their purchases through social media. The goal is to make your property or destination worthy of their conversation. It helps that travel stories now make up 42% of posts on the average user's timeline.

**Millennials spend  
\$600 billion / year**



**40% of the U.S.  
workforce** by 2020



**42% of their  
Facebook posts  
are travel stories**



## Section 2

# Travel, Millennial style

Understanding the key differences in the way this generation approaches travel is essential to successfully engaging them with your brand. Not only are Millennials more likely to travel than any other generation, they view travel as a right, rather than a luxury. They are 23% more likely to travel abroad than older generations and, in general, look for unique and memorable experiences, as opposed to more typical resort destinations. They view travel as way of bonding with their friends and learning about other cultures.



23% more likely  
to travel abroad

Don't expect to find Millennials holed up in a hotel room in a major gateway city. They tend to be far more comfortable backpacking through some remote location, well away from the mainstream. Typically, their trips last longer, too, with the average length reaching closer to two months rather than the two-week jaunts their parents favored.

avg. trip length  
**~2 months**



In general, deciding where to go is largely influenced by friends and family via social media. Millennials also put greater trust into the opinions of their peers, frequently consulting crowd-sourced review sites before booking. This means hotels and travel destinations must scrupulously monitor their online reputations if they hope to attract Millennial travelers.



## When the economy gets tough, the tough travel.

Even though Millennials have come of age during the worst economy in recent history, budget concerns and increased debt have done little to dampen their wanderlust. They are, however, more likely to shop for the best deals and to forego hotels for hostels. Thanks to budget travel sites like Lonely Planet, they've discovered that travel doesn't need to be complicated or expensive.

**“Millennials are more likely to shop for the best deals.”**

## Why wait?

Rather than wait for retirement to experience the world as their parents have done, an uncertain economy and lack of faith in Social Security are spurring Millennials to seize the moment and travel now. They justify their jaunts by viewing them as breaks from a frustrating job search.

Many, in fact, view travel as an extension of their education, using it to learn a new language or gain experience that might give them a leg up in landing an eventual job. Travel destinations and hotels can use this trend to their advantage by offering relevant courses or immersion experiences into local cultures.

Spontaneity influences the way Millennials book travel. Having grown up with smartphones and ready access to the Internet, they're forgoing traditional travel agents and booking their own last-minute accommodations. Smart hotels can capture the bulk of this last-minute demand via mobile apps and local bookings.

**“Hotels can capture the bulk of last-minute demand via mobile apps and local bookings.”**



## Mixing business with pleasure.

Despite a slow economy, Millennials are predicted to spend more for business travel over the next five to ten years, taking an average of five work trips annually. Many of these will likely be booked on their mobile devices. Expedia reports that 32% of Millennials use a smartphone to book business travel, making mobile-optimized communications essential for reaching this audience.

Of particular note to the hospitality industry, Millennials tend to extend those business trips into personal vacations, presenting hotels with an opportunity to earn more of their business. Look for ways to cash in on this trend with promotions that encourage stays beyond business as usual.



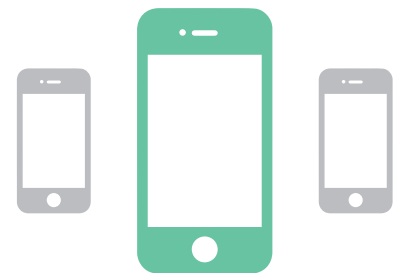
**32% use a  
smartphone to  
book business  
travel**



## Section 3

# Reaching a mobile audience

It's tough to follow an audience that's constantly on the move, when your ads stand still. For this reason, traditional ad campaigns are ineffective in reaching this market. Messages that extend over month-long efforts just don't play well to a Millennial's fragmented attention span. This generation prefers to consume content in fast clips, before moving on to the next item that captures their interest.



## The demand for digital

With technology never far from their fingertips, digital is the Millennial medium of choice. It's important to note, however, that Millennials don't distinguish between digital channels, but expect a seamless brand experience regardless of the way they access that experience.

Even more crucial, they want the information you send their way to be relevant to their needs. They've likely revealed much of their personal information through their social media profiles. But if you don't have access to this data, no worries. To discover what Millennials want, you need only ask. Although they are generally wary of Big Data, 46% of them are more than willing to turn over their private details in exchange for more relevant communications or the right incentives.



**46% are willing to exchange personal data for relevancy**





## Many devices. One message.

More so than for any other generation, traditional ad channels have blended into one single source of information for Millennials. It's not just that they're online, they're online while on the go. Rather than view mobile, tablets, and computers as separate channels, they prefer to use whatever gadget is close at hand to access the same information. Mobile and social have become so intertwined, they're now viewed as a single channel, commonly referred to as mocal. Let's take a look at the ways Millennials consume travel information:



**The Internet**

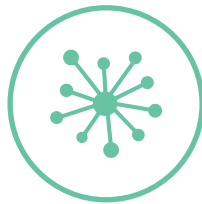
Unlike older generations, Millennials have experienced the Internet since birth. They consider instant access to information their birthright. And if you want to earn their business, you'd better not get in their way. Make sure they have easy access to the information they desire for making smarter purchase decisions—whether that information comes from friends on social media, crowd-sourced online reviews, or your brand's own website.



**Mobile**

The only thing Millennials take more for granted than the Internet may be their mobile devices. Roughly 75% of this group uses a mobile device to access the Internet, and nearly 18% of those are mobile-only. In fact, Millennials have the highest rate of smartphone penetration of any age group. Travel marketers who hope to do business with them will need to place a high priority on mobile-friendly messaging. A mobile website is an absolute necessity. You may want to consider a mobile app as well, since 60% of Millennials download apps to their devices.





### Social

In general, Millennials tend to value Facebook over real-life face time. But what most differentiates Millennials in terms of social media networks is the fragmentation of their usage. Although Facebook still leads in terms of activity, Millennials tend to spend increasingly more time on sites like Instagram, Twitter, Pinterest, Tumblr, and Snapchat. That doesn't necessarily mean they're spending less time on Facebook—just that they're spending more time on social media overall, and these newer sites are gaining more of their attention. Since Millennials are more likely to consult friends before making a significant purchase, make sure your information can easily be shared.



### Mocal

The proclivity of Millennials to access social media from mobile devices has led to a new paradigm in social interaction, referred to as mocal. This anytime, anywhere access to social media has major implications for the travel industry. For more tips and strategies on how to harness mocal to increase bookings, download MDG's e-book, "[The Year of the Mocal Traveler](#)."



### Television

Gone are the days when the entire family congregated around a set-top device in the living room to watch broadcasts of their favorite TV shows. Thanks in large part to Millennials, television has morphed into a medium consumed on practically any device in just about any location imaginable, both inside and outside the home. DVRs allow this generation to create their own television schedules. In addition, easy access to the fast-forward button has rendered traditional television commercials almost totally ineffective.



## Section 4

# An epitaph to travel marketing

By now, you've probably surmised that this generation provides travel marketers with a great number of challenges. Don't think for a moment that you can market to them in the same old ways you've marketed to generations before them. Millennials find the very idea of marketing objectionable. They don't want to be sold to; they prefer to be informed.

## Tips for reaching Millennial travelers

Here are some specific dos and don'ts for earning the trust and loyalty of this new generation of travelers:

1

**Be authentic**

If your message even so much as sounds like typical advertising, Millennials will tune it out. This group responds surprisingly well to an honest approach. Rather than hiding your property's perceived flaws, try highlighting them. You might be surprised to find that Millennials respond well to what's unusual about your property. They're not looking for perfection. They're looking for what's real and unique.



2

**Keep it informal**

Speak to them as a friend, in a conversational tone. Be careful not to overuse superlatives or to communicate from a script. For Millennials, this is a dead giveaway they're being sold to.

3

**Interact with them**

Millennials don't want to be talked to. They want you to include them in a discussion. Involve them in a two-way conversation to probe into what they like about your property. Or, ask them what they'd like you to change. Enlist them in your marketing efforts, and there's a good chance they'll reward you by passing along your messages to their social media connections.

4

**Be sensitive to their budget**

Having come of age in a recession, Millennials are pragmatic in their purchase decisions. Cost plays a greater role in their travel choices. Appeal to their instinct for bargain hunting by using price incentives. Offer them basic instead of luxury accommodations. Extend free upgrades and amenities such as Wi-Fi. Loyalty programs also work well with this group.

5

**Make it fast**

For Millennials, fast beats friendly. Make it easy for them to book online, without having to speak to a person—preferably before they lose interest and move on. Give them a check-in kiosk in the hotel lobby instead of making them wait in line for a clerk at a desk. Create a sense of urgency by providing offers that must be redeemed the same day.

6

**Reach them on their terms**

This means wherever they happen to be at the moment. Spontaneous Millennials don't wait until they're in front of a computer to make purchases or book travel. They'll reach for whatever device is handy. And you can count on them to always have some device close by.



7

**Make it personal**

Millennials are quick to dismiss any information they don't deem as relevant to their particular needs. Use whatever data you have on them to design communications and offers they'll find of interest. It's also essential to localize your messages by speaking to them in their native language. Don't relegate this important function to a translation service. It's more about cultural differences than a strict translation.

8

**Monitor your reputation**

If Millennials are unhappy with the experience or service you've provided, they are more likely to complain online than in person. Careful monitoring of sites like Yelp and TripAdvisor can help you acknowledge and encourage positive reviews, while mitigating the damage from negative ones.

9

**Sell the experience**

When appealing to Millennials, think in terms of the overall experience rather than a product. This generation tends to care less about the accommodations and more about the spiritual satisfaction of traveling. Inspire them rather than sell to them. Tap into their curiosity about other people and cultures. Talk to them about making memories they can share with friends, either as travel companions or through social media.

10

**Keep it consistent**

Millennials view their various devices simply as different ways of accessing the same information. If you want to keep your business top of mind with them, you need to think that way, too. Carry on a consistent conversation with them, regardless of the channel. Although you can and should optimize the experience for different devices, the underlying message should remain consistent whether delivered via smartphone, tablet, or on site at your property. For example, don't offer one promotion online and then a different one when they get to the hotel desk.



11

**Connect with  
a cause**

PGAV Destinations reports that 77% of Millennial travelers believe destinations should address a cause they deem as important. Millennials like the idea of their purchases contributing to something greater than their personal satisfaction. To be successful, though, cause marketing must go beyond being a marketing ploy and be perceived as genuine. Tom's Shoes has done an excellent job in this respect by donating a pair of shoes to a child in need for every pair it sells.

12

**Connect them  
to each other**

A social media mindset makes connecting with others, whether in the digital realm or the real world, extremely important to Millennials. Encourage them to share their experience of your brand with others. Get them talking about you online, rather than just listening to you talk to them. Social media sharing is the Millennial version of word-of-mouth advertising, making it far more effective than your own one-way communications.



# Now is the time to forge lifelong relationships with Millennials.

Over the next five to ten years, this emerging market will become the lifeblood of the travel and leisure business. But if you want to earn the loyalty of Millennials, you'll have to act now, while they're still establishing brand preferences and solidifying travel habits. Research has shown that 47% of Millennials are more likely to engage with brands they have a previous history with. At the same time, most of them won't even bother to open an email from a brand that's unfamiliar to them.

Since they put a greater emphasis on the customer experience than any other generation, make sure yours lives up to their expectations. Encourage repeat business and longtime loyalty by focusing on consistent delivery of a quality experience—according to their terms, not yours. Forging trusted customer relationships with Millennials now is the first step to earning their business for life.



**47% are more likely to engage with brands they have a previous history with**



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