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TRAVEL PATTERNS AND EXPENDITURES OF THE MATURE MARKET

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ABSTRACT

Travel by persons over the age of 50 represents a key component of the leisure market. This paper examines participation in favorite activities, distance traveled, length of stay and expenditures for selected outdoor activities by this mature market based upon data from the Nationwide Recreation Survey. The paper then addresses some marketing implications suggested by these data for the development and marketing of leisure services.

TRAVEL PATTERNS AND EXPENDITURES OF THE MATURE MARKET

INTRODUCTION

Travel by persons over the age of 50 represents a key component of the leisure market. Representing more than 30 million households and 82

million persons in the United States, these older Americans are a major economic force often given too little attention by business.(1, 2) This mature market is being recognized more for the role they play in outdoor recreation travel because of the time and buying power they have to avail themselves of these kinds of opportunities. It is not clear that this phenomenon has been recognized since the early surveys of outdoor recreation were done in the U.S. by the Outdoor Recreation Resources Review Commission. The early surveys of outdoor recreation had a number of questions dealing with activity participation, how people of different ages chose to travel at different times of the year and during different trips to participate in outdoor recreation. However, not much of these particular data were ever analyzed, it was difficult to gain access to the information, and little thought was given to using the data for addressing tourism questions. The 1983 Nationwide Recreation Survey contained similar travel information that has received only limited study.

This paper examines distance traveled, length of stay and expenditures for selected outdoor activities by this mature market based upon data from the Nationwide Recreation Survey. There is some evidence that travel to participate in outdoor recreation has been changing.(3, 4, 5) These shifts, plus the emergence of persons over the age of 50 as a major force in consumer demand for leisure opportunities, suggests important alterations in traditional travel image that require investigation.

LITERATURE REVIEW

Rapid change and growth in the tourism industry has caused tourism businesses to examine their markets more carefully than ever. The increasing number of older individuals and the large amounts of unobligated time available to them has captured the interest of those examining travel patterns and expenditures of this market.(6) Since the marketing literature has noted the inclination of certain kinds of people to buy certain kinds of things, attempts to learn more about the desires, attitudes, demographics, and lifestyles of traveling segments may allow the travel industry to capture these markets more effectively.(7, 8, 9, 10) In many instances demographics have been chosen as a first step in market segmentation since the data has tended to be more readily available and often easier to analyze.(11)

Social changes, including the changing perceptions of women and the trend to individualism, have also had an impact on travel. New values and attitudes toward marriage, leisure, and work have contributed to this changing market. In particular, recent literature has shown a growing market for travel among women.(12) It has been noted that there is considerable evidence that the leisure patterns of adult females differ from those of men. For example, the Census Bureau's National Travel Survey shows that there are slightly more female travelers than male (50 to 49.2 percent). Of females over 65, package tours are the predominant mode of overseas travel (57 percent), compared to 37 percent for the general 55+ population.(4)

Dual incomes resulting from both spouses working also allows couples and families to impact the vacation travel they choose to pursue. Educational background also plays an important factor in recreational choices since it tends to broaden interest and stimulate travel choices. In addition, the literature points toward occupation and income having a positive relationship in the use of leisure time and vacation travel. McIntosh and Goeldner (13) note that a number of studies have shown that the well-educated account for the most dollars spent for vacation and pleasure trips. However, surprises arise in research and different relationships are identified that are important in tourism marketing decisions. For example, in a study of travel habits conducted by Etzel and Woodside (14), no significant difference in income was found between near-home and distant travelers. However, it was found that the near-home traveler was more likely to revisit a vacation site within a 12-month period. Distant travelers spent a greater number of nights away from home than the near-home travelers did. Norvell found, based upon data from the U.S. Travel Data Center and American Association of Retired Persons, that older Americans travel farther and spend more nights away from home than those in the under-50 age groups.(4)

Research has also been ongoing to determine travel patterns (time, distance) and expenditures in relationship to various sociodemographic characteristics and psychographics in the United States.(3, 4, 15, 16) What appears to be important here is that knowledge about many of these relationships appears to be still developing, and if there have been alterations in the traveling behavior of Americans, then the basis of earlier information that people might be using to make decisions may be incorrect. Additional investigations of "new" data appear to be necessary.

METHOD

The survey data used was gathered as part of the 1983 Nationwide Survey (NRS). The NRS was jointly sponsored by the National Park Service, U.S. Forest Service, Administration on Aging, and Bureau of Land Management. The National Park Service coordinated the NRS. Data were collected as a supplement to the National Crime Survey (NCS), and an on-going survey sponsored by the U.S. Department of Justice. The NCS was a three-year panel survey in which data were collected every six months from each panel member. The exit rotation of panel members was used to collect the NRS data. The NRS was collected on a sample of individuals (n=6,720) 12 years of age or older in the non-institutionalized United States population. Personal interviews were conducted by trained interviewers working for the United States Bureau of Census.

For purposes of the travel analysis, nine activities were examined: canoeing and kayaking, freshwater fishing, hunting, backpacking and hiking, camping in campgrounds, camping outside of campgrounds, driving off road vehicles, cross-country skiing, and snowmobiling. For each of these activities several questions were asked to determine travel patterns associated with participation. These were examined in context with questions dealing with favorite activities, outdoor recreation expenditures, the respondent's last trip and each of the activities done,

and length of stay.

In addition, survey respondents over the age of 50 were separated into three groups: 50-64, 65-74, and 75+. These categories were chosen because the aging literature appears to show that these are three separate groups and persons in each of them tend to show different behaviors. The Statistical Package for the Social Sciences (SPSS) (Nie et. al. 1975) was used to examine travel patterns and expenditures of the mature market.

RESULTS

In reporting the results from the nationwide survey, it was the original intent to combine the information from the activities and report more generalized information. However, after looking at the manner in which participation takes place in each of the activities and the differences that are apparent, we have chosen to keep them separate for reporting purposes.

Participation in Favorite Activities

Participation information garnered from the nationwide survey indicates that the activities examined have a wide range of involvement, ranging from a high of 21.9 percent for fishing, to a low of 1.3 percent for attending outdoor sports. (Table 1) However, an important observation to be made is that percentage can be translated to millions of people in the United States. The perspective that is being looked at suggests that even for 3 percent participation we are still talking about 2.5 million Americans who are over 50 years of age.

Outdoor Recreation Expenditures

The largest majority of persons over 50 years of age indicate that they spent money for outdoor recreation travel expenses. (Table 2) In addition, the category they spent the most on also was in the area of travel. (Table 3) In addition, the second largest category that this group indicated spending money in was for user fees. To the extent that user fees are often associated with gaining entry to or using specific facilities, this complements the information on travel expenditures. The next largest categories that are identified include sporting goods, clothing and other equipment and supplies. The interest in sporting goods follows the identification of popular activities like fishing and golf that require equipment (at least golf balls and bait) to participate. Again the purchase of sporting goods shows up relatively high as an item where the most money is spent in outdoor recreation.

Particularly interesting about the data presented in Tables 2 and 3 is the variation that is evident between the three age groups, 50-64 years, 65-74 years, and 75+ years. In general, those in the youngest

categories are represented as the largest group in each of the expenditure categories. The impact of this distribution is significant since the United States population has more than 50 million persons in the 50-64 age range, 20.4 million between 65-74, and 11.5 million over the age of 75 years.(1)

Distance Traveled

In the initial investigation of the distance traveled variables there were sufficient differences in the distribution of miles traveled between the activities to warrant treating each separately. In effect, if you want to examine travel distance, one must know something about the nature of the activity being done on the trip. This is an important point. The patterns tend to suggest that distance may be defining several diverse forms of an activity that either are pursued by the same people at different times or by different groups when they opt to travel. For example, in selecting the mileage categories that appear in Table 4, the separation of the classes was based on relatively sharp changes in how people were reporting their travel distances. Mature Americans travel much further to participate in camping and hiking than they do for activities like fishing or hunting.

Length of Stay

The most commonly employed measure in visitor surveys for measuring the amount of time spent by recreation travelers at a destination is length of stay. Table 5 describes the length of stay in days during participation in the selected outdoor recreation activities. For each of the activities there is a decrease in the percent of people who stay for more than two days to participate. For activities that are often done closer to home, however, this shift also occurs, but not in as dramatic a fashion. This tends to reinforce the point made above that a "type of activity" may be defined by distance. This idea has significant implications for marketing to this important economic group.

DISCUSSION AND CONCLUSION

In the data presented, the focus has been on looking at expenditures and individual activities as a basis for describing the nature of travel for older, mature Americans. Although separating the activities was not the original intent, the differences that appeared between activities caused the investigation to take that approach. Certainly one major thrust that must be incorporated into the future investigations is the relationship between these activities and other activities to develop better marketing strategies.

Because of the decline in fuel prices since 1981, the assumption has been that more people were likely to take very long trips and perhaps stay longer at their destinations. From a marketing point of view, an

effective response would require better knowledge of the traveler and his/her characteristics. However, these data, relative to some of the research that has gone before, would tend to suggest that distances that people are traveling has decreased. Certainly some of the recent data describing lower or stable actual versus anticipated visitation in several parts of the country this year would support a hypothesis that travel behavior is changing. The largest question for the area of tourism marketing is whether these changes are a bellwether of a long standing correction, whether traveling differently means that traditional facilities are in danger of becoming outmoded in terms of the role they play in the tourism market, and if this poses another opportunity for new places that are closer to where people live to emerge. In effect the degree of change in market behavior with respect to length of stay and distance traveled in the coming decade will raise many questions about the emergent role of facilities and resorts.

Developing the findings further to prepare recreation activity specific marketing strategies for tourism is the next logical extension of this work, but an approach with these data that has never been taken in the past. Such findings may also be useful in developing vacation packages, advertisements, and travel brochures associated with the different age, income, gender, etc. groups tied to factors like length of stay and distance traveled. Knowing the characteristics of the existing recreation market for these selected activities becomes more important from the resort marketing point of view. Resorts can focus on specific target markets. A new market is identified here for which activity specific advertisements should be aimed focusing on outdoor activities. There are indications that the advertisement industry has already started to accommodate such changes. With population increases in older age groups and generally improved health care, more people will be traveling for more years of their lives. In studies that we have done and from the research of others, we also found that older citizens indicated, in addition to traveling farther, they also spent larger amounts of money on their trips than their younger counterparts.

While these findings are important in the marketing of destinations by the use of specific recreational activities, little or no investigation has been accomplished in the area of combinational activities which may engender even greater market appeal, especially as related to distances the mature market is willing to travel and their length of stay. Can the dramatic decline in R/V use by the 59+ market (and commensurate rise in air travel) be ameliorated by the availability of more R/V rentals located conveniently for fly/drive packages? Can campers be enticed to stay an extra day if discount shopping is available in the area? These pose interesting market challenges for the future.

This attempt to describe information about some of the recreation patterns from the National Recreation Survey attempts to introduce into the arena of tourism marketing data that traditionally has not been used. Just the brief vignette that is presented about the mature market appears to raise a number of important questions about the changing nature of travel behavior in the United States and what this might mean for future policy and planning.

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Table 1

Most Favorite Recreation Activities of the Mature Market (50 years +)

Favorite Activities	Overall Mature Market	Age Groups (yrs.)		
		50-64	65-74	75+(98)
Fishing	21.9	69.4	23.8	6.8
Pleasure Walking	10.5	65.9	76.9	7.2
Golfing	8.0	78.3	16.8	4.9
Gardening	6.9	49.3	28.0	22.7
Hunting	6.4	75.7	16.6	7.7
Camping	3.8	82.8	17.2	0.8
Camping - Develop.	4.7	64.0	25.9	10.1
Day Hiking	3.6	58.7	35.7	5.5
Outdoor Swimming	2.9	66.0	33.0	1.0
Bicycling	2.9	53.4	43.9	2.7
Unclass Swimming	2.9	66.0	33.0	1.0
Picnicking - BBQ	2.4	53.5	38.7	7.7
Outdoor Tennis	1.2	71.1	12.0	16.0
Sightseeing	1.2	36.3	61.5	2.1
Birdwatching - Nat.	1.2	27.8	64.1	8.0
Attn. Outdoor Sport	1.3	55.2	25.2	19.6
Traveling	1.3	47.2	51.4	1.2
Baseball	0.7	54.9	21.0	24.1
Enjoying Outdoors	0.7	70.5	8.9	20.5

Table 2

Outdoor Recreation Expenditures by the Mature Market (50 yrs. +)

Outdoor Recreation Expenditures	Overall Mature Market	Age Groups (yrs.)		
		50-64	65-74	75+
Travel Expenses	42.1	39.6	27.9	11.1
User Fees	37.0	34.4	21.9	7.6
Vehicles	15.0	12.1	7.3	1.4
Sporting Goods	29.2	25.2	13.6	3.1
Maintenance and Repair	13.2	13.8	7.4	2.6
Clothing for Outdoor Recreation	24.4	20.4	9.5	2.8
Other Equipment and Supplies	20.2	16.4	11.6	4.3
Camping Equipment	10.6	6.6	2.7	1.4
Other Expenses	1.6	2.4	1.4	0.7

Table 3

Spending Patterns of the Mature Market for Outdoor Recreation

Most Money Spent for Outdoor Recreation	General Population	Overall Mature Market	Age Groups (yrs.)		
			50-64	65-74	75+
Travel Expenses	44.9	49.5	46.6	58.7	53.7
User Fees	12.4	14.8	17.2	7.7	8.3
Vehicles	9.2	9.0	9.1	9.3	6.0
Sporting Goods	12.9	8.6	8.8	8.0	7.6
Maintenance and Repair	3.8	5.5	5.9	3.5	7.7
Clothing for Outdoor Recreation	5.1	3.2	3.2	3.1	2.6
Other Equipment and Supplies	5.5	3.2	3.2	3.1	2.6
Camping Equipment	3.1	1.2	1.0	2.0	2.2
Other Expenses*	3.2	4.4	4.2	4.4	10.2

*Included are lessons, licenses and rentals, etc.

Table 4

Distance Traveled by the Mature Market for Selected Recreation Activities

Activity	Total Miles Traveled on the Trip			
Canoeing/Kayaking	4-100	101-350	51-850	850+ (5,000)
50-64	46.4	37.0	16.5	
65-75	12.0	88.0	--	
75+	97.3	2.7	--	
Freshwater Fishing	2-100	101-300	301-1,000	1,001+ (6,500)
50-64	27.1	19.5	41.2	12.2
65-74	4.4	63.4	20.8	11.4
75+	1.1	84.1	14.8	--
Hunting Other than Big Game	3-100	101-500		501+ (6,000)
50-64	61.0	26.9		12.1
65+	--	98.2		1.8
Backpacking/Hiking	4-100	101-500	501-1,500	1,501+ (8,000)
50-64	7.7	1.2	40.5	50.6
65+	--	62.5	6.0	31.5
Camping	5-150	151-400	401-1,000	1,001+ (3,000)
50-64	18.7	17.0	26.2	38.1
65-74	15.3	27.4	18.9	38.4
Driving Motorized Vehicles	3-100	101-500	501-900	901+ (8,000)
50-64	--	47.4	20.0	32.6
65+	62.3	30.0	7.7	--

Table 5

Length of Stay for Selected Recreation Activities of the Mature Market

Activities	Age Groups					
	50-64		65-74		75+	
	Length of Stay in Days					
	1-2	3-24	1-2	3-24	1-2	3-24
	%					
Canoeing/Kayaking	56.4	43.1	98.0	2.0	99.9	0.1
Freshwater Fishing	46.3	53.7	32.5	67.5	60.3	39.7
Hunting Other Than Big Game	35.1	64.9	67.8	32.2	53.2	46.8
Backpacking/Hiking	40.2	59.8	68.7	31.3	--	--
Camping in Campgrounds	55.1	44.9	42.2	55.8	48.8	54.2
Any Other Camping Not in Campgrounds	54.5	45.5	4.6	95.4	34.2	60.8
Driving Motorized Vehicles	27.2	72.8	79.1	70.9	--	--