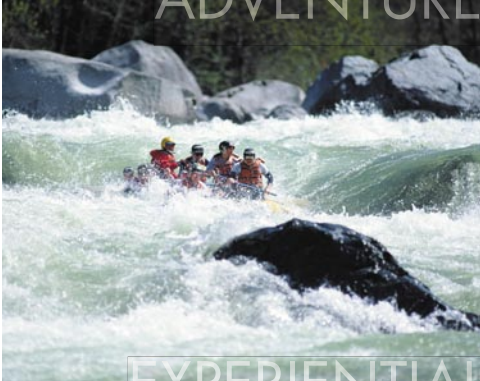




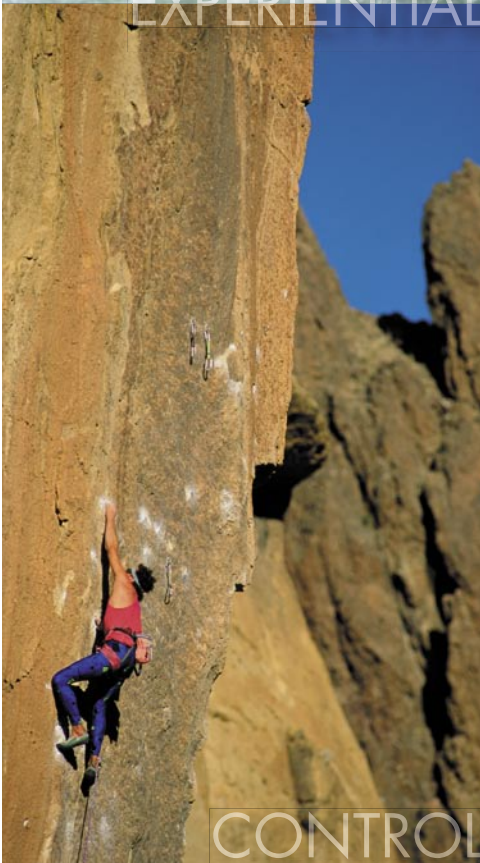
CONVENIENCE



ADVENTURE



EXPERIENTIAL



CONTROL

The Top 10 Tourism Trends and how to tap into each

COST



CULTURE



CONNECTION



COMFORT



Presented by
Roger A. Brooks, CEO

Destination
Development
INCORPORATED

Where are you investing your money?

Ask yourself:

- How easy is it to find your website?
- How easy is it to navigate through and around your site?
- Is everything there – including the little details?
- How easy is it to get around the community once your visitors arrive?
- Do you have the critical mass that translates to spending?
- Is it easy to find your community or business?
- Is your visitor info working 365, 24/7?
- How is the parking situation? Convenient? Easy to find?

TREND #2. CONTROL: Exploration on “our terms”

- The great American road trip is back.
- RV owners no longer Joe Sixpack, but Joe Chardonnay.
- RV sales jumped 21% last year.
- RV rentals, sales, and leases have increased 30% annually over the past three years.
- Fastest growing RV segment: Ages 35 to 54.
- Exploration and “reconnection” is the primary activity.
- More trips, shorter trips at a moment’s notice.

What to do:

- Create driving itineraries specific to RVers (day 1, day 2, etc.)
- Include specifics - including private businesses.
- Create and offer maps, distances (miles and kilometers).
- Get tied into Woodalls, Good Sams Club, Camper World, regional RV clubs, car clubs, rallies.
- Make sure you have convenient RV parking.
- RVers will pay more for a nice RV park and will stay longer.
- All visitors want CONTROL of their vacation or getaway. They want to vacation on their terms. This is why B&Bs only cater to 4% of all travelers.

Ask yourself:

- Do you have self-guided tours (long trips, day trips)?
- Do you have bike, boat and other rentals?
- Do you have detailed maps with distances? (miles and k/m)
- Do you have RV parks and RV parking?
- Are parking limits reasonable (for all visitors)?
- Are your B&Bs too restrictive? Remember this is travel on “our terms.”

TREND #3. COMFORT is now more important than cost

- 68% of grandparents prefer a hotel over staying with grand kids.
- 60% prefer a condo over a hotel room.
- Amenities, comfort and ambiance are more important than money.
- Lodging choices: Location first, comfort second, then cost.
- Remember: Promote the destination first, THEN that you’re the place to stay.

Lodging properties:

- Bigger isn’t always better (room size, that is).
- Beds better be comfortable or you won’t get near the repeat business.
- Use comforters, nice furnishings.
- Make people WANT to be in the room, not forced to be in the room.
- Free internet is now a must – wireless or wired broadband.

- Lodging is going up-market with major investments in technology, furnishings,

beds. In fact, 230 Hilton Hotels are being redesigned and upgraded by the end of 2006 to meet the growing trend.

- Holiday Inn, promoting “Heavenly Beds” is seeing big success with the campaign.
- Remember, comfort is the most important priority right after location (convenience).

What to do:

- Attract timeshare, fractional ownership, condo-hotel development projects.
- Condo and mini-suite rooms are the fastest growing segment of the lodging industry.
- Remember: It’s all about convenience (location), control (amenities and access), less risk (knowing what to expect), cost (value), connecting (ambiance) and safety.

Ask yourself:

- Hoteliers: How comfortable are the beds?
- How are the in-room furnishings? Ambiance? Theme?
- Communities: What are the entrances to your town like?
- Do your retail stores pull visitors in? Are they upmarket?
- Is your town clean? Benches? Trash receptacles? Beautification?

TREND #4. COST: Visitors expect a bargain

- No one wants to overpay in an era of “downward nobility.”
- 50 million people visit the top 10 travel sites every month looking for special deals.
- While visitors will pay more for quality, they still expect a bargain. This is the toughest element of the travel industry: the demand for quality at rock-bottom prices. Thank the internet for making pricing transparent. Good for consumers, tough on the travel industry.

What to do:

- Have and promote “special deals” on your website and keep it current.
- Promote prices, not discount percentages.

This is the age of “packaged travel” – REAL packages

- All-inclusive vacations.
- Entire trip planned and booked (but not in groups). Travelers still want individuality.

Ask yourself:

- Are you promoting prices or discounts?
- Are you promoting packages?
- Are packages “real” packages with real cost savings?
- Are your special deals too restrictive? For instance, don’t promote appetizers from 3pm to 6pm when customers are not ready for dinner.

TREND #5. CONNECTION: Family, friends and fun

- Visiting friends and family is the number one reason for leisure travel and the number one reason for choosing a destination.
- Since 9/11, connection has been a top priority in determining destination choices. The fastest growing hobbies include genealogy, birding and gardening, attendance at festivals and events, and experiential tourism.

Travel decision priorities:

- Attractions 67%

- Activities 65%
- Safety 56%

NOTE: Don't just promote "the place to connect." Connecting is ALWAYS a by-product of activities and attractions.

TREND #6. CUSHY: Adventure travel is up as long as it's cushy adventure

- Timeshare is the fastest growing segment of the lodging industry. Full kitchens, upscale furnishings, separate bedrooms, large screen TVs, etc.
- Cruise ships now cater to the masses.
- Travelers want education with little or no work and lots of creature comforts, and lots of "off time."
- Sad fact: An average visit to a national park is now just two hours and 70% of visitors never get out of the car.
- We are becoming an increasingly sedentary nation, yet we want "high adventure" - but nothing strenuous.

What to do:

- Cater to women and a slightly older audience (Women make most travel choices).
- Create separate niches for GenXers and Baby Boomers.
- Work with local vendors so they understand the trend.
- Offer education, easy activities, lots of off-time.
- Work with tour operators – make sure you have something unique to offer.
- This is the age of specialized travel. Find your niche and promote it like crazy.

TREND #7. EXPERIENTIAL: Event tourism is on the rise

- Event tourism (festivals) is growing at 9% a year.
- Visitors are looking for activities, experiences, more than scenic vistas.
- Experiential learning is key:
 - Artists in action
 - Learning pottery, tying flies
 - Painting, fly fishing
 - Culinary arts
 - Genealogy
- The upscale spa experience is a growing trend
- Experiential is becoming even more experiential
 - Tours on working barges
 - Military tours
 - Artists in action – education such as glass blowing

Downtowns are changing focus:

- Destination retail, but with critical mass
- Entertainment
- Arts & related activities
- Light manufacturing

Travelers are active 14 hours a day, but typically spend only six hours with the primary lure or attraction (the primary reason for visiting). That leaves an additional 8 hours for secondary activities or diversions. What is there to do after 5:00 pm? Downtowns can fill this role: providing entertainment, events, shopping, dining, etc. in a pedestrian-friendly setting.

