

The Changing Needs of Millennials: New Implications for the Travel Industry

Business travel, loyalty programs, food and beverage consumption, and travel marketing content are already feeling the impact

By Bronwyn White, co-founder & strategist, MyTravelResearch.com

Millennials – also known as Gen Y or the Me Generation – are moving into a new life stage. The 18 to 35 year olds are becoming responsible parents and assertive business travellers.

The travel industry needs to be aware of such changes because millennials are entering into ‘peak influence’ as business travel consumers.

Millennials have already been prodigious as a social and economic force. They have arguably been the most influential generation in marketing that we have seen.

Their consumption preferences will continue to define much of the travel industry’s services and products for at least the next 15 years or so.

Their impact shows in many small ways. For example, food remains a strong driver when they travel. They want healthy nutritional choices such as carrot sticks and humus. No more fried chips and ‘Franken meats’ for their kids.

Because millennials spent longer than other generations in the family home, they are more attracted to multi-generational trips with their parents. Cruise lines and savvy hotels are taking advantage of this.

There will be big impacts on business travel too. Millennials account for a third of spending on business flights now. This will grow to around 50% by 2020. Expect the same to be true for the hotel sector.

Loyalty programs and hotel spaces

Research shows that 60% of millennial business travellers are happy to pay for premium services that improve the seamlessness of their trip — especially if it supports their appetite for technology. Because millennials have grown up valuing cooperative environments, they like work spaces where they can collaborate and share. They choose hotels that can offer opportunities such as co-working meeting spaces with free WiFi and barista coffee.

In loyalty programs, millennials want unique benefits, accessed fast using modern technology such as the latest apps linked to social media. Saying that millennials are not brand loyal is a misconception. They like brands that align with their values, needs and preferences.

However, be aware that they don’t like a hard sell. They prefer subtle and genuine marketing messages that educate them. Millennials tend to trust sources such as family, friends or their favourite social influencer. They can see marketing fraud and corporate speak a mile away. Accordingly, they like to receive ‘authentic’ messages and don’t mind if your corporate video is not highly produced – as long as it’s ‘genuine’.

The ‘live and let live’ attitude of hippies and baby boomers is not much in evidence among millennials. Indeed, psychologist Jean Twenge described millennials as epitomizing ‘Generation Me’

- “more confident, assertive, entitled – and miserable than ever before.”

Regardless, millennials are now bread and butter for the travel and hospitality industry. So we have to adapt to their needs.

Those needs are in marketing too. A generation that is defined by instant gratification needs actionable information and it needs it now. If your destination or business cannot provide the information or content that millennials want, they will abandon you and Google another business that can service them in the ‘micro-moment’.

Make your brand easy to book. Millennials are impatient and will quickly abandon you if the online process is not straight forward.

Evidence shows, email remains the number one way in which millennials like to keep up with brand news. However, your travel brand still needs to be ‘seen’ on social media.

When it comes to authenticity in travel marketing, millennials don’t want ‘brochure’ experiences. They want to ‘check out the local scene’ – to go where the locals hang out.

We reap what we sow. The rise of mobile technology and the new socio, economic and political realities following the global financial crash have helped mold a millennial mindset very different from the freewheeling and self-reliant baby boomers of yesteryear.

In any generational grouping, including millennials, there are, of course, exceptions to the generalisations. However, by understanding the new expectations, pressures and preferences on our aging millennials, the travel industry will be better placed to meet their needs – and meet those needs profitably.

Peak millennial is still on the way.

** MyTravelResearch.com goes much deeper into the millennial persona in the Tourism Marketing Blueprint Plan, a done-for-you marketing plan for travel, tourism and hospitality marketers. More information at <https://mytravelresearch.leadpages.co/tmpb-launch/>

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About MyTravelResearch.com

MyTravelResearch.com is a market research and marketing firm specializing in the travel, tourism and aviation industries. Its specialty is providing insights that are actionable.

Founded by principals with lifetime careers in travel, tourism and aviation, Bronwyn White and Carolyn Childs, MyTravelResearch.com exists to build the visitor economy and successful tourism businesses. It does this by putting the voice of the customer and best practice business thinking into an easy to implement, hands-on approach via an innovative membership model.

MyTravelResearch.com can help:

* National Tourism Organizations (NTOs) meet the expectations of their industry by acting as an extension of their research and marketing resources?

* Businesses make more informed decisions. (It is like having your own research and/or marketing team)

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