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Generation T: Youth Today, Back Tomorrow

A NEW study, entitled 'Today's Youth Travellers: Tomorrow's Global Nomads', has found that young travellers are savvy, informed by the Internet and motivated to equip themselves for life in a global society. They stay longer, spend more than the average tourist and mix their travel experiences with adventure, study, work and relaxation. No longer lone drifters, they travel to become a part of the 'on the road' global community of millions of young travellers, united by their 'not a tourist' self-identity.

Societal support for the value of student and youth travel is increasing, and the travel industry has been quick to meet demand. Educational institutions, potential employers and parents – many of whom were the last generation of young travellers – recognise that travel is an important personal development experience and a way of creating greater international understanding in our world. A multi-billion dollar specialist industry has grown to serve this market, which is one of the fastest growing travel niches, accounting for one in five international travellers.

The study, conducted for the International Student Travel Confederation (ISTC) and the Association of Tourism and Leisure Education (ATLAS) was designed to fill a vacuum in published research about student and youth travel. ISTC is a global network of the world's leading student travel organisations in 106 countries, providing educational experiences to more than 10 million students and youth travellers each year. ATLAS provides a forum for staff and student exchange, trans-national research and curriculum and professional development for members in more than 50 countries.

ISTC and ATLAS claim the report is the first to cover all aspects of the youth and student travel experience – the 'whole journey' from trip planning and booking through to the trip itself. The methodology is unique in that it is based on primary research, rather than deriving conclusions from national tourism statistics. The study also draws together existing academic and market-based studies on youth and student travel into a comprehensive bibliography.

The ISTC/ATLAS report gathers responses from 2,300 young people and students from around the world, who were contacted via ISTC's global network of student travel organisations. The respondents; from Canada, the Czech Republic, Hong Kong SAR, Mexico, Slovenia, South Africa, Sweden and the UK; were asked about their backgrounds, motivations, prior travel experiences and how they gather information about travel and make purchases.

Among the major findings:

Who are the travellers?

- The majority are students, younger than 26 and with a high level of education.
- Although they tend to have low incomes (51% earn less than US$5,000 per annum), they are prepared to save and/or work during their travels to increase their spending power.

Why are young people and students travelling?

- The main motivations tend to be the exploration of other cultures (83%), followed by excitement (74%) and knowledge acquisition (69%).
- Travellers younger than 26 place more emphasis on social contact and excitement, while slightly older travellers seek more personalised experiences and are less likely to search for extreme experiences.
- Long trips are seen as a 'once in a lifetime opportunity' by many young people and students. They are prepared to dedicate a lot of time, energy and money to ensure that their trips are long.

How much travel experience do they have?

- The respondents' previous travel experience is considerable. The average number of previous trips outside of their home regions was six. Those aged 26 or older averaged eight previous trips.
- Trips tend to include at least two different countries. As travel experience increases, the number of countries visited per trip increases. Those travelling for longer periods visit more countries.

What information sources do they use?

- The main information sources used in planning the trip are the Internet (71%) and friends/family (70%).
- Guidebooks are used by 37% overall, but are used far more by travellers 26 or older, whom are more experienced and tend to call themselves 'backpackers'.
- Less experienced travellers rely more heavily on travel agents for information.
- The wide range of information sources drawn upon suggests that pre-trip planning is highly detailed, even for more experienced travellers.

How do they book their travel, accommodation and activities?

- The majority of young people and students use travel agents to book their travel (65%). The split between mainstream travel agents and specialist travel agents is more or less equal. As they get older, young people prefer to make their own travel arrangements.
- Few young travellers book accommodation before departure.
- The average travel booking lead-time is six weeks, rising to two months for trips of more than four months in duration. This lead time is significantly longer for long-haul and non-Western destinations.
- Around 56% of young people obtain some kind of student discount on their trip; 30% obtain an under-26 discount, 25% obtain discounts on rail and bus and 17% obtain accommodation discounts.

Where do they go?

- The main destinations visited during their last big trip were Europe (56%) and North America (16%).
- The destinations that are most popular with 'backpackers' are Southeast Asia, Australasia and South America.
- A trend in the results signal a possible 'travel career' phenomenon, wherein the least experienced travellers tend to visit western destinations, while more experienced travellers tend to visit 'challenging' destinations such as South America, northeast Asia and the Indian sub-continent.

How do they reach their destinations?

- By far the main mode of transport to the destination is by air (82%), followed by rail (30%).
- 'Backpackers' are more likely to use air transport, trains, coaches or hitchhike within their destination.
- Males are significantly more likely to hitchhike to and within the destination than females.

Where do they stay?

- The most popular forms of accommodation were with friends and relatives (41%) and backpacker hostels (32%).
- Backpacker hostels were particularly popular in Australasia and Southeast Asia.

How long do they stay?

- The average length of the last big trip was considerable – 63 days on average. Backpackers travelled for longer (an average of 74 days).
- The longest trips are taken in Australasia (128 days), North America (90 days) and the Indian sub-continent (84 days). The shortest trips were taken in Europe (34 days).

How much do they spend?

- Within destinations, average expenditure is relatively low at less than US$20 per day. However, the total average expenditure in the destination is high, at US$1,200 per trip (not including travel costs).
- The average total expenditure is highest in Australasia, South America and Southeast Asia.
- Backpackers spend the most on their trips (an average total of US$2,200), which is explained by their tendency to travel for longer periods.
- A great deal of importance is placed on saving up for, and working during that 'once in a lifetime' experience. Young travellers' budgets are often very close to their annual income.

What do they do on their travels?

- The most popular activities are visiting historic sites and monuments (77%), walking and trekking (76%) and more leisurely pursuits, such as sitting in cafes/restaurants (72%) and shopping (72%).
- Fewer young travellers undertake academic study or language learning during their trip (28%), but this still adds up to a significant market.
- Walking/trekking and cultural events are most popular among females, while the activities preferred by males tend toward sports and adrenaline experiences.

AUSTRALIA SEES YOUTH TRAVEL AS AN 'INVESTMENT'

One Asia Pacific destination that invests heavily in cultivating the youth market is Australia. The Australian Tourist Commission (ATC) says this investment is a long-term strategy because the "youth and student visitors of today are likely to become the high-yield target consumer of tomorrow and repeat visitors throughout their life."

The ATC says that capturing the traveller early in their 'travelling lifecycle' is likely to result in multiple return visits, including:

- The initial visit as a student or backpacker (also drawing additional visitors)
- Potential second visit as a young professional couple, including perhaps a wedding or honeymoon
- Potential third visit as a family
- Potential fourth visit as an 'empty-nester' or retiree

Australia received about 739,400 visitors aged 15-24 in the year ended June 2003, with another 1.07 million arrivals aged 25-34. That comprised 44% of all arrivals. Of that number:

- 445,000 arrivals were backpackers, with an expenditure of more than AU$2.1 billion
- 115,900 arrivals were short-stay students, with an expenditure of around AU$572 million

ATC research shows that young travellers to Australia are:

- Independent, unstructured travellers
- Likely to be students travelling during long holidays or taking a 'gap year' between high school and university or between graduation and full-time work
- High-yield, long-stay and high-dispersal travellers
- Driven by the experience rather than the icons i.e. they define themselves as 'travellers' rather than 'tourists'
- Motivated by the desire to gain a better understanding of themselves through travel
- More likely to immerse themselves in the local culture
- Increasingly focused on 'edgy' and exotic experiences and unique destinations
- Attracted to more challenging, adventurous and active experiences 'off the beaten track'

Australia's Working Holiday Maker's scheme allows travellers younger than 30 to travel in Australia for one year and work. This scheme is available for young citizens of the UK, Ireland, Germany, Sweden, Denmark, Finland, Norway, Canada, Netherlands, Japan, Hong Kong SAR, Malta, Cyprus and Korea (ROK) and will soon be expanded to include France, Italy and Chinese Taipei. These nations offer a reciprocal scheme for young Australian travellers.

Backpacker Segment Overview

Market	Visitors*	Average Length of Stay (nights)*	Total Expenditure (market value - AU$million)*	Working Holiday Visa numbers**
United Kingdom	128,200	70	$684.4	39,711
United States	43,900	56	$230.1	-
Germany	35,500	54	$146.0	7,558
New Zealand	23,300	31	$57.8	-
Japan	17,700	61	$66.7	9,711
Canada	16,700	60	$77.7	6,230
Korea (ROK)	15,300	73	$73.0	5,858
Other Europe	118,300	59	$554.4	19,560 ***
Other Asia	28,000	58	$141.9	130
Rest of World	18,600	76	$108.7	-
Total	**445,500**	**61**	**$2,140.8**	**88,758**

Source: * International Visitor Survey, Bureau of Tourism Research, Yr End June 2003

** Department of Immigration, Multicultural & Indigenous Affairs, Yr End June 2003

*** Includes only Ireland, Netherlands, Denmark, Sweden, Norway, Finland, Cyprus, Malta

Short Stay Student Segment: Market Overview

Market	Visitors	Average Length of Stay Total (nights)	Expenditure (market value - $mill)
Japan	16,700	25	$42.6
USA	11,600	38	$49.6
Singapore	8,300	35	$55.0
Malaysia	7,700	20	$60.9
United Kingdom	7,300	38	$18.6
Indonesia	7,100	38	$30.7
China (PRC)	7,000	53	$54.6
Thailand	6,700	42	$37.1
Korea (ROK)	6,000	49	$33.0
Hong Kong SAR	5,500	32	$37.7
Rest of World	27,500	49	$142.4
Total	**115,900**	**38**	**$571.6**

Source: International Visitor Survey, Bureau of Tourism Research, Yr End June 2003

What information sources do they use during their trip?

- The main information sources used during their trips were guidebooks (46%), with *Lonely Planet* the most frequently used, particularly among backpackers.
- E-mail and Internet are used frequently for keeping in touch (68%).

What do they gain from their travels?

- The main benefit of travel identified by the respondents is the thirst for more travel.

Driven by this thirst for more travel and gaining in confidence from each new travel experience, young people possibly expand their horizons by choosing increasingly challenging destinations. This 'development trajectory' indicates the need to develop new products to meet the demands of this market.

CONTINUING GROWTH

It has been estimated that around one fifth of all tourism journeys in the world are made by young people aged 15-25. This is forecast to rise to a quarter of all journeys by 2005. It is also a major potential growth market, as the international student population expands, incomes rise among young people and new markets open up in newly industrialising economies and in central and eastern Europe.

Why has youth travel been growing since the 1990s?

- Increased access to tourism and travel opportunities once only available to the rich.
- Higher proportion of young people in full-time education, including universities.
- Levels of youth unemployment are predicted to drop.
- The growing importance of parental income.
- The rise of budget and low-cost airlines.
- The growth of long-distance coach services specifically targeted at young travellers.
- Shorter employment contracts offer more opportunities to travel between jobs.
- The growth of dedicated student/independent travel suppliers
- The global rise of Internet culture, opening up new destinations via exposure through this medium.
- The growth of independent travel guidebooks such as *Rough Guide* and *Lonely Planet*, covering destinations that are 'off the beaten track'.
- The growing tendency for students and young people to work or study during their travel as a means of funding their trip.
- The propensity of young people and students to travel to destinations that older tourists tend to avoid because of accessibility, infrastructure and political issues.
- The market is less prone to external shocks (such as war, terrorist incidents and political unrest).

There is wider acceptance that youth travellers:

- Build bridges between people and cultures.
- Have a greater propensity to travel than other segments as their high mobility is a major factor upon which youth tourism is based.
- Often develop prototypes for the new tourist by setting trends.
- Help establish new destinations.
- Spend longer periods travelling than other tourists, spreading their economic contribution further in terms of both time and space.
- Tend to concentrate their spending within local communities.
- Despite their relatively low incomes, have proportionately high levels of discretionary income, a propensity to save money for travel and free time to spend on leisure pursuits, including travel.

Attitudes towards youth and student travel, on both the demand and supply sides, are changing. There are fewer obstacles in the way of a young person wanting a 'once in a lifetime' trip. Some source market societies expect and encourage it. Destinations are recognising the benefits of the youth travel market, and have stopped viewing it as a low-value, unwanted element.

The editor and PATA's Strategic Intelligence Centre welcome your comments and feedback. Please contact Mr. John Koldowski via e-mail at johnk@pata.th.com or Mr. Imtiaz Muqbil at imtiaz@loxinfo.co.th.

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