



Alaska Travel Industry Association
2600 Cordova Street, Suite 201
Anchorage, Alaska 99503

2009 Alaska Travel Intentions Study

Can We Expect You?

Market Research for the Alaska Travel & Tourism Industry

Prepared by:

GMA Research Corporation
Mountain Pacific Building
11808 Northup Way, Suite 270
Bellevue, Washington 98005
425.827.1251

ATIA Releases Results of Travel Intentions Study

Study Measures Likelihood of Inquirers Converting to Visitors in 2009

Will those that inquired about an Alaska vacation actually visit in 2009?

The Alaska Travel Industry Association (ATIA) uses marketing research studies of this type to determine as early as possible the likelihood of inquirers converting to Alaska visitors.

Tourism is especially vulnerable to economic uncertainty and volatility for a simple reason. Most travel and tourism involves discretionary expense. During tough economic times people conserve their cash to cover the essentials of life, food, shelter and family necessities. However, this does not mean that tourism stops. The trend that we have learned from past crisis's whether we refer to past economic crises or the global tourism scare resulting from the events of 9/11 is that people continue to travel but they will travel differently from the way they do during times of economic resilience.

The Travel Intentions Study was initiated after 9/11 to determine if travel fears were having an impact on travel to Alaska

Interviews for this study were conducted with a random sample of 300 current year inquirers, those that inquired about a 2009 Alaska vacation in the FY 2009 program, and 300 past year inquirers, those that initially inquired about a 2008 Alaska vacation and re-qualified by inquiring about a 2009 vacation. The interviewing was conducted in three waves, November 2008, January 2009 and again in March 2009. No study was conducted in 2008.

13% of Inquirers Intend to Visit Alaska in 2009 , down from 19% in 2008

As of March, 2009 about one in ten (13%) of all inquirers indicated they are definitely going to Alaska in 2009. About one in three of all inquiries (34%) say they are likely (definitely/probably will go) to go to Alaska in 2009. This compares to about one-half (53%) who told us the same thing when the study was done in November 2008. This is a decline from 40% who said this in January 2009, and a significant decline from 53% who said this in November 2008. The 13% indicating they definitely will go is slightly higher than those indicating they definitely would go (12%) when asked in January 2009 and November 2008. The 21% of All Inquirers indicating they probably will go to Alaska in March 2009 is a decrease from January 2009 (28%) and a significant decrease from November 2008 (41%).

As of March 2009, approximately two out of every three (63%) indicated they definitely or probably will NOT go to Alaska in 2009. This is higher than January 2009, when 59% said they probably will not go (35%) or definitely will not go (24%) in 2009, and significantly higher than in November 2008, when 44% said they probably will not go (26%) or definitely will not go (18%) in 2009.

Intentions to Visit Alaska in ...		Definitely Will Go	Probably Will Go	Probably Will Not Go	Definitely Will Not Go
2009	2009 Inquirers through 11/2008	12%	41%	26%	18%
2009	2009 Inquirers through 1/2009	12%	28%	35%	24%
2009	2009 Inquirers through 3/2009	13%	21%	31%	32%

The Projected FY 2009 conversion rate in March 2009 is 11.2% nearly the same as in January (11.3%) and down from 12.5% in November 2008, a 10% decrease. The projected FY 2009 conversion rate (11.2%) for All Inquirers who requested Alaska information as of March is 30% lower than the projected conversion for 2007.

There is a clear trend showing the later the date of inquiry the less likely they are to indicate they definitely will visit. Of those inquiring in September and October one in five (19%) indicate they definitely will visit, in November this number drops to 14%, December 11%, January 9%, and only 6% in February say they definitely will visit Alaska.

In March 2009, the projected number of Alaska visitors for 2009 is 156,333

Most Inquirers Intend to Purchase Prepaid Package

About two of every five (44%) who indicate they definitely will go in 2009 indicate they will purchase a packaged trip to Alaska in advance for their entire trip. Less than one in ten (7%) indicate they will purchase no package in advance and possibly purchase activities while in Alaska. One in four (25%) will purchase a package in advance for some of their trip. One in five (21%) will travel on their own without purchasing a package trip or activities in advance.

Type of Vacation 2009		Package Trip in Advance	Package no Transport	Purchase Some In AK	Completely on Own
Definitely Will Go	2009 Inquirers through 3/2009	44%	25%	7%	21%

As of January, Majority Have Made Reservations

As of January 2009, two in three (72%) Inquirers who will definitely travel to Alaska in 2009 say they have made their travel reservations, travel arrangements or finalized their plans for an Alaska vacation. This compares to 36% who told us they had made their reservations in November 2008.

Intentions to visit Alaska			Made Reservations/Finalized Plans	
			Yes	No
2009	Definitely Will Go to Alaska	2009 Inquirers through 11/2008	36%	63%
2009	Definitely Will Go to Alaska	2009 Inquirers through 1/2009	64%	36%
2009	Definitely Will Go to Alaska	2009 Inquirers through 3/2009	72%	28%

Among those who definitely will go in 2009 but have not yet made reservations as of March 2009, one in ten (11%) say they plan on making their travel arrangements in between January and March 2009, and over half plan on making their reservations between April and June of 2009 (53%), or between July and September of 2009 (11%). One of every four (26%) are unsure indicating they don't know when they will make their reservations and/or finalize their travel plans.

Need More Information / Waiting for a Good Deal

Of those that definitely will go in 2009 but have NOT made reservations, the things they mention they need most in order to finalize their plans include: time to go and pick a date.

One thing need most to make reservations	Current Year Inquirers	Past Year Inquirers
More information/research	0%	31%
Pick a date/when to go	37%	11%
Money	0%	6%
Time/time to go/time off work	16%	6%
Waiting for friends/group to go with	0%	3%
Don't Know	16%	22%

About two-thirds of Inquirers that definitely/probably will NOT go to Alaska in 2009 say money/free trip/good deal is what needs to happen before they would consider visiting Alaska in 2009.

What need to happen to consider visiting Alaska in 2009	Current Year Inquirers	Past Year Inquirers
Money/free trip/good buy/deal	27%	33%
Have other plans	4%	5%
Health/surgery	6%	5%
Time	2%	4%
Economy	10%	0%
Nothing	39%	31%

Other Vacation Destinations

Most of the Current (32%) and Past Year (16%) Inquirers, who indicate they will NOT be visiting Alaska in 2009, plan on vacationing in other Continental U.S. locations instead.

Other Vacation Destinations	Current Inquirers	Past Inquirers
Other continental US location	50%	38%
Europe	3%	6%
Hawaii	3%	4%
Canada	1%	2%
Mexico	2%	2%
Other	7%	9%
No where	32%	26%
Don't know	3%	17%

2009 Travel Intentions with the Economy

Eight of every ten are saying they definitely will visit and are not at all likely to change their plans – they still intend to travel to Alaska - regardless what happens with the economy.

% Not at all Likely to change plans – Definitely will visit			
What if:	11/9/2008	1/20/2009	3/6/2009
The economy improves	60%	77%	82%
The economy stays the same	62%	81%	82%
The economy gets worse	67%	76%	77%

Demographics

The largest difference between 2007 and 2009 Inquirers is the average age:

Profile	March 2009	January 2009	November 2008	2007
Average Age	64.3	65.0	61.1	60.9
Married	71%	71%	68%	71%
Average Income	\$70,400	\$67,900	\$71,900	\$71,300