13th Annual Vacation Confidence Index

Summer 2021
Now in its 13th year, the annual Vacation Confidence Index (VCI) survey analyzes how Americans’ vacation habits change with data collected by national polling firm Ipsos.

Highly anticipated by media and a barometer for the health of the travel industry, the VCI analyzes:

- How confident Americans are that they'll take a vacation
- How much Americans plan to spend on a vacation
- Changes to average trip length and if Americans are taking multiple trips
- American sentiment around the return of large-scale ticketed events
These insights are findings of an Ipsos poll conducted on behalf of Allianz Partners USA. For this survey, a sample of 2,009 Americans aged 18+ was interviewed online from May 24 to 28, 2021.

The precision of Ipsos online polls is measured using a credibility interval. In this case, the results are accurate to within +/-2.5 percentage points, 19 times out of 20, of what the results would have been had all American adults been polled.

For the purposes of this survey, a vacation is defined as a leisure trip of at least a week to a place that is 100 miles or more from home.
Key VCI Findings
Summer Vacation Spending Set to Shatter Records in 2021

- Total spend likely to eclipse $153 Billion as Americans intend to spend an average of $2,122 on their vacation, up from $2,037 in 2019 and $1,888 in 2020

- This is only the second time in the history of the survey that average spend crossed the $2,000 threshold and it’s the highest anticipated spend since tracking began in 2010

- Compared to last year, 2021’s $153 Billion total spend is a 160% increase in total spend and a 50% increase over 2019

- Americans’ income levels also affect the average projected spend, per household:
  - Those who earn more than $100,000 annually anticipate spending $2,595 this year
  - Americans who earn below $50,000 a year project to spend $1,364 this year
KEY VCI FINDINGS

Vacation Total Spend

Americans’ Projected Summer Vacation Spend 2010–2021

Amounts in Billions of Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>Spend (Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$76.0</td>
</tr>
<tr>
<td>2011</td>
<td>$89.7</td>
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<tr>
<td>2012</td>
<td>$79.8</td>
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<td>2018</td>
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<tr>
<td>2019</td>
<td>$101.7</td>
</tr>
<tr>
<td>2020</td>
<td>$59.3</td>
</tr>
<tr>
<td>2021</td>
<td>$153.7</td>
</tr>
</tbody>
</table>
Vacation Average Spend

Americans’ Average Vacation Spend 2010–2021
Amounts in Thousands of Dollars per household

2021 Average $2,122 spend per vacationing household

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Vacation Confidence

Pent-Up Demand Causes Surge in Summer Vacation Intentions

- 60% of Americans are confident they’ll take a summer vacation, up from 42% in 2019 and 26% in 2020
- Confidence changes with seniority -- younger travelers are the most confident they will take a summer vacation
  - 73% of Americans 18-34
  - 60% of Americans 35-54
  - 51% of Americans 55+ are confident they will take a summer vacation
- Income also affects summer vacation confidence:
  - 75% of Americans who make more than $100K are confident
  - 63% of Americans who make $50-$100K are confident
  - 42% of Americans who make less than $50K are confident
- And men (67%) are more confident than women (55%) that they’ll take a summer vacation
  - The gender confidence gap has grown – pre-pandemic in 2019, men were only five points more likely to take a summer vacation than women
Vacation Confidence

Confidence in taking summer vacation this year 2021

- 18–34: 73%
- 35–54: 60%
- 55+: 51%

**Vacation Confidence is at an all-time high**

- 60% of Americans are confident they will take a summer vacation
- 67% of men are confident they’ll take a summer vacation vs. 55% women

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Factors Affecting Confidence

- **29%** of Americans said they were not confident they would take a vacation
- **8%** said they would take a vacation some other time
- **2%** already had taken a summer vacation by the time the survey was conducted
- Top reasons for having low or no confidence about taking a summer vacation include:
  - Money (38%)
    - This is particularly true for 35–54-year-old respondents (47% cited this reason) vs. 18-34 (34%) and 55+ (33%)
  - For another reason (44%)
    - Likely COVID-driven, 59% of Americans 55+ cited this reason vs. 36% 35–54-year-olds and 23% 18–34-year-olds
  - Planning a vacation is stressful or time-consuming (12%)
  - Don’t want to take time off work (11%)
  - Another personal obligation outside of work (8%)
Vacation Confidence

Top reasons Americans aren’t confident about a summer vacation

- You don’t want to spend the money: 38%
- You don’t want to take the time off from work: 11%
- You don’t want to take the time due to another personal obligation outside of work: 12%
- You don’t want to for another reason: 44%

Some other reason:
- 18-34: 23%
- 35-54: 36%
- 55+: 59%

Don’t want to spend the money:
- 18-34: 34%
- 35-54: 47%
- 55+: 33%
KEY VCI FINDINGS

Frequency + Length of Trips

‘Multi Micro-Cation’ Emerges as New Summer Travel Trend

• One in three (34%) Americans will take multiple vacations between now and September, favoring shorter trips over the traditional week-long vacation

• The term micro-cation was coined in 2019 and defined as a leisure trip that is four nights or less

• This ‘multi micro-cation’ trend is popular among 18–34-year-olds: nearly half (46%) say they will take multiple trips

• Overall, two in three (67%) will travel away from home for at least one night

• Average number of trips is 1.2 vacations

• Average trip is just 4 nights away from home; shorter for those who take trips more often

• Among those who take 4 or 5 trips a year, four in ten spend 2 nights or less away on those trips

• 44% of Americans are eager to travel and will take the first opportunity they can find to take a vacation

• 51% of these eager travelers will take multiple trips, with 22% intending to take 3 or more trips through September
Frequency + Length of Trips

Multi Micro-Cation - a New Trend

2 in 3 or 67% Of Americans will travel away from home this summer for at least 1 night

1.2 Vacations: Average number of trips

4 Nights away: Average trip length

Micro-cation: Defined by Allianz Partners as a leisure trip that’s fewer than 5 nights.

Half of Americans who are eager to travel are taking multiple trips

For travelers who take 4 or 5 trips a year over 40% spend just 2 nights (or fewer) away

The “multi micro-cation” trend is popular among 18-34 year old travelers

46% are planning 2+ trips this year
Ticketed Events

Americans Set the Stage for the Return of Live Entertainment

- A majority (55%) of Americans are likely to attend a ticketed concert, festival or event by the end of the year
- 16% anticipate they will attend three or more events
- Types of events + ticketed transportation Americans are likely to try before the end of the year:
  - 50% - Fly on a plane or take a train
  - 43% - Attend a ticketed outdoor concert or festival
  - 39% - Attend a ticketed indoor concert or festival, performing arts event, etc.
  - 37% - Attend a ticketed outdoor sporting event
  - 32% - Attend a ticketed indoor sporting event
- Younger Americans are driving the trend – 60% of 18–34-year-old respondents would attend an outdoor event, 57% indoors
- Men are more likely than women to attend an event – men plan to attend 1.8, women 1.1
- Top measures that would make attendees feel comfortable: limiting attendees, proof of vaccination, event ticket insurance
Ticketed Events

Americans set the stage for the return of live entertainment

- 55% Plan on attending at least one ticketed event by the end of the year
- 16% Plan to attend three or more events this year
- 43% Said they would attend a ticketed event or festival outdoors before the close of 2021
- 39% Indicated they would attend an indoor event before the year is completed

The surge in pro-entertainment interest is driven in part by younger Americans (18 to 34-year-old travelers), with 60% noting they are likely to attend an outdoor event, and 57% would attend an indoor event.

Top measures Americans say would make them feel comfortable to attend a large-scale ticketed event, indoors and outdoors, include:

<table>
<thead>
<tr>
<th>Indoor Events</th>
<th>Outdoor Events</th>
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<tbody>
<tr>
<td>Limited Numbers: Limiting attendees or providing additional spacing</td>
<td>36%</td>
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<tr>
<td>Vaccination: Attendees showing vaccine proof or if unvaccinated, proof of negative Covid test</td>
<td>30%</td>
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<td>Masks: Mandatory mask requirement by event organizer</td>
<td>28%</td>
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<td>Ticket Insurance: Having insurance that would refund ticket cost under specific circumstances</td>
<td>25%</td>
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<td>Temperature Checks: Checking temperature of employees and guests prior to entering venue</td>
<td>24%</td>
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<tr>
<td>None of the above</td>
<td>33%</td>
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KEY VCI FINDINGS

Vacation Deficit + Last Trip

Americans Begin to Make Up for Lost Vacation Time

- The importance of an annual vacation has never been higher – **73%** of Americans say so (versus 64% in 2020, 60% in 2019)
- 77% of 18–34-year-olds say an annual vacation is important, 79% of 35-54 demographic, 65% of 55+
- A ‘Vacation Deficit’ is the percentage who *think* an annual vacation is important but *are not confident* they'll be able to take one
- 77% say it’s important while **20% aren’t confident** (aka the Vacation Deficit, which was 44% last year)
- In 2021, on average **56%** hadn’t vacationed in over a year, up from 51% in 2019
- 71% of 55+ population hadn’t vacationed in that long, versus 39% of 18–34-year-old travelers and 53% of 35-54 demo
- More than a quarter (**28%**) haven’t had a vacation in more than two years, down from 36% in 2019
- Two in ten (**22%**) have taken a vacation in past three months, higher than historic norms (14% in 2017, 21% in 2019)
- Younger Americans (30% 18-34 vs. 22% 35-54 and 15% 55+), men (26% vs. 19% women) are more likely to have traveled recently
Vacation Deficit + Last Trip

Vacation Deficit & Americans’ Time Since Last Week-Long Vacation

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<thead>
<tr>
<th>Vacation Deficit 2010–2021</th>
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Vacation Deficit is defined as the percentage of Americans who think that a vacation is important but are not confident they’ll be able to take one.

The importance of an annual vacation has never been higher.

Of Americans feel taking an annual vacation is important: 73%

More than half of Americans haven’t had a vacation in over a year, for more than a quarter (28%) it’s been two or more years: 56%

Two in 10 have taken a vacation in the last 3 months—with younger travelers 18–34 leading the trend (30%) and men (26%) more likely to have traveled recently vs women (19%).
KEY VCI FINDINGS

Sharing Economy

Trust in + Use of Sharing Economy During the Summer Holds Steady

- **54%** of Americans find sharing economy services (such as Airbnb, VRBO, Uber) trustworthy, which is down slightly from 2019 (56%) but up from 44% in 2015 when sharing economy sentiment was first tracked
- Likeliness to use sharing economy services is up slightly at 42% this year (41% in 2019) and increased significantly from 2015 (17%)
- Men are more likely to use sharing economy services this summer – 45% vs. 38% women
- Looking at age demographics:
  - **65%** of 18-34-year-old respondents are likely to use + **69%** are likely to trust sharing economy services
  - **48%** of 35-54 demographic is likely to use, **60%** are likely to trust
  - **19%** of 55+ population is likely to use, **37%** are likely to trust
  - And Americans who make more than $100K annually are more likely (49%) to use them than those who make less than $50K (33%)
Sharing Economy

Americans Trust in + Use of Sharing Economy Services Over Time

**% Trustworthy**
- 2021: 54%
- 2019: 56%
- 2018: 62%
- 2017: 65%
- 2016: 48%
- 2015: 44%

**% Likely**
- 2021: 42%
- 2019: 41%
- 2018: 47%
- 2017: 50%
- 2016: 36%
- 2015: 17%

To what extent do you trust “sharing economy” services?

How likely are you to use a “sharing economy” service?
Allianz Partners

VCI in the News
TRAVEL WEEKLY

It's the summer of multiple short getaways

Americans are increasingly looking to take more, but shorter vacations this summer, according to travel insurance company Allianz Partners.

Allianz has dubbed the phenomenon the "multi-vacation" after 34% of Americans said they plan on taking multiple vacations this summer.

As part of its annual Vacation Confidence Index, Allianz polled 2,000 Americans in May. The company found that 47% plan to travel or vacation for at least one night this summer. On average, they plan to take four trips.

Forbes

Forbes

TRAVEL + LEISURE

Americans Are Expected to Spend Even More on Summer Vacations Than They Did In 2019, According to a New Study

Summer 2021 will be remembered as the summer that Americans finally stepped back to take their vacation after the pandemic hit the road with a vengeance, travel experts say.

U.S. travelers are predicted to spend $1.3 trillion on summer vacations this year, about 56% more than they spent in 2019, according to insurance company Allianz Partners’ Vacation Confidence Index. It’s also a nearly 167% increase over what people spent in 2020 when much of the country remained locked down due to the pandemic.

The latest Allianz Vacation Confidence Index suggests travelers remain nervous as they begin planning more trips. Spending for summer vacations this year will reach $125 billion, a 160% increase over last year and a 50% increase over 2019. But 44% of those who prefer not to travel say it’s because they’re still concerned about health and safety, travel media assistance companies like SentinelMED can address, but not eliminate, some of those concerns.

Allianz Predicts Record-Breaking Spending on Summer Travel

Allianz Partners USA has released its 13th annual Vacation Confidence Index, predicting that American travelers will spend a jaw-dropping $1.37 billion on summer vacation in 2021.

The impressive figure marks a 160 percent increase over last year’s pandemic-stricken season and a surprising 50 percent increase over the summer of 2019 long before the COVID-19 crisis came into frame.

"Americans are expected to spend a record amount on summer vacations this year, a report by Allianz says spending is up 160% over last year, obviously because of the lockdown, and 50% more than 2019. In total Americans are expected to spend more than $153 billion dollars on summer vacations."
Thank You!