



SPOTLIGHT ON: GOLF TRAVELER PROFILE PG2



Photo courtesy of HTH / Blake Branstad

A monthly update including relevant information on travel industry trends, consumer and meetings market research, competitive intelligence, and Hawai'i's performance as a destination.

MARKET INSIGHTS UPDATE

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Golf Traveler Profile

Golf is a sport that goes hand in hand with travel. In many ways, golfers are the ideal travelers with their penchant for frequent vacations, higher-than-average household incomes, and interests that extend well beyond the links.

With that said, it is true that the golf industry as a whole has hit something of a rough patch in recent years; sales are down and playership is stagnant. That is not, however, reason for travel industry professionals to write the game off. Golf continues to be a sport with a surprising level of cross-generational appeal and, by default, staying power. More importantly, there is a strong and

growing body of evidence that golf may be experiencing a resurgence of sorts, particularly when paired with travel.

All of this should come as welcome news for Hawai'i's visitor industry. With a wealth of world-class courses to choose from—over 80 courses—and with a perpetually warm, sun-drenched climate to keep them operating year-round, Hawai'i has all it needs to keep attracting this important segment of visitors. This month's *Market Insights Update* takes an in-depth look at golf travelers, including a detailed look at their demographics, travel and activities preferences, as well as planning and booking habits.

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Competitor Update

Despite Mexico's tourism board reporting an increase in air arrivals between January and May 2018, U.S. airlines have recently announced they are cutting back on air services due to the issuance of travel advisories and a decrease in the number of American travelers visiting the country.

PG4





Photo courtesy of Hawaii Visitors Bureau / Kim Lee Keeler

Golfer Traveler Market

Snapshot

U.S. Golf Travelers



Median age

47
Years old



Median household
income

\$155,760
A year



Marital status

74%
Are married

Source: HVCB analysis of TravelTrakAmerica, 2016-2018

The Golf Traveler

Contrary to popular belief, the demographic of golfers is surprisingly diverse and it is decidedly not just an old man's game. Yes, it does have a large population of older players, possibly more so than other sports; for instance, 17 percent of avid golf players are 65 or above. But only about a third of players are Baby Boomers while the other two-thirds are more-or-less evenly split between Gen X and Millennials. In other words, the game is not dying out anytime soon.

It should also be noted that the sport is not as male-dominated as might be expected. Sure, the data indicates that men are more likely than women to be avid golfers (17% vs. 7% according to TravelStyles). At the same time, other data sources such as TravelTrakAmerica have women making up 44 percent of the golf traveler market. No matter which data source is used, the fact remains that women make up an important and sizable portion of the golf travel sub-segment.

Where golf enthusiasts are more monolithic is in their tendency to be high-income, high-spending, and active travelers. With a median household income in excess of \$155,000 a year, the

typical avid golfer's income profile is almost identical to that of the Hawai'i target traveler. This higher level of wealth also seems to translate into a propensity to travel; nearly two-thirds (65%) of avid golfers indicated that they travel as often as possible, and over half reported needing at least one vacation per year.

When compared to air leisure travelers, avid golfers do not just keep their spending restricted to the links. Nearly half typically partake in fine dining (49% vs. 36%) and shopping (49% vs. 39%) while on vacation, and 21 percent visit a spa or health club compared to just nine percent of air leisure travelers. At least part of this can be explained by the fact golf travelers frequently do not travel alone; nearly three-quarters of golf travelers are married, compared to less than half of the adult population at large.

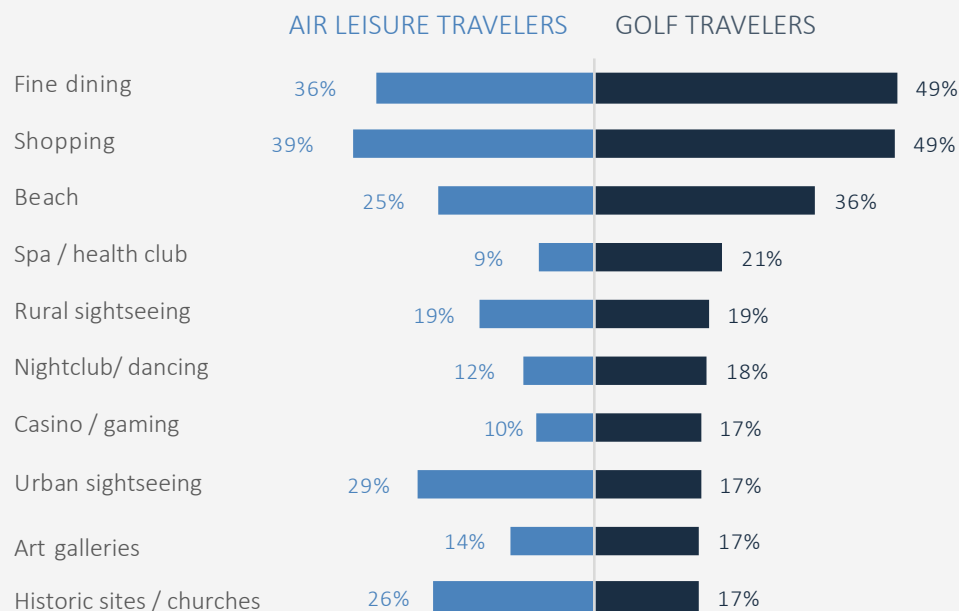
A Dying Breed?

A quick review of golf-related media would paint the picture of an industry and a game in crisis: fees are up, margins are slim, and the current generation of professional golfers doesn't have its Tiger Woods to generate excitement, attendance and TV viewership.

While dedicated vacations to golf are

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Golf Travelers' Top Vacation Activities



Source: HVCB analysis of TravelTrakAmerica, 2016-2018

not as popular as they were a decade or two ago, there is good news about its recent trend. In 2017, one-eighth (12%) of U.S. travelers reported to have golfed during their vacation overseas, an increase of +3 percentage points from 2015. Golf as a travel trend may not be returning to the glorious 1990s anytime soon, but neither is it dying. In fact, it is very much alive, continuing to attract avid travelers from different age groups as well as those yearning to spend a little more during their vacation.

Hawai'i Golf Traveler Profile

Sitting 2,390 miles from the nearest land mass, Hawai'i might be, at first glance, a peculiar choice for a golf vacation. Fortunately, this geographic isolation does not seem to negate the islands other virtues as a golf destination. A recent survey by TravelTrakAmerica, for instance, found that a third of avid golfers visited Hawai'i at some point in the past three years, while 27 percent indicated they planned on visiting sometime within the next 24 months, making Hawai'i one of the top five golf travel destinations in the United States after California, Florida, Arizona, and New York. So popular is golf among visitors that about half a million U.S. visitors came to Hawai'i to spend some time on their last vacation lowering their handicap.

Golfers who travel to Hawai'i earn and spend more than the typical air leisure visitor. According to the Hawai'i Tourism Authority's 2016 Visitors Satisfaction and Activities report, nearly half of U.S. visitors who golfed during their vacation in Hawai'i earned more than \$150,000, compared to just one-third of the broader U.S. visitor population. Similarly, American golf visitors to the islands were significantly more likely to partake in high-cost activities compared to non-golf travelers such as helicopter tours (12% vs. 9%), fine dining (69% vs. 59%), designer boutique shopping (39% vs. 31%), and visiting a spa (15% vs. 10%). As such, golf travelers represent an important, and in some ways the ideal, sub-set of the Hawai'i Target Traveler.

It is also important to bear in mind that as avid travelers, golf travelers have distinct planning and booking practices. Nearly half (48%) of U.S. golf visitors are more likely to rely on their own past experiences than any other source of information to plan trips. This is followed by planning resources from travel provider websites and word-of-mouth recommendations of friends and families accounting for 39 percent and 36 percent respectively. When it comes to booking, half of golf travelers prefer to go directly to the service provider, while less than a third prefer to book through online travel agencies or similar services.



Photo courtesy of HVCB / Emily O'Neil

Source: HVCB analysis of Hawai'i Tourism Authority (HTA)'s Visitor Satisfaction and Activity Report 2016, TravelTrakAmerica 2016-2018, and TravelStyles Americans as International Travelers 2017-2018.

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Competitor Update

Sneak Peek at Next Month



Spotlight On:
Meetings, Conventions, and
Incentives Travel



Airfare Update

The prognosis for Mexico tourism has been somewhat murky of late. Although, year-to-date growth through May 2018 was robust with arrivals up +9.6 percent and air arrivals up by +5.6 percent, there are indicators of trouble for one of Hawai'i's major competitors. In a stunning reversal of recent trends, for instance, U.S. tourism south of the border declined by -6.8 percent in April 2018. An estimated 845,000 Americans travelled to Mexico that month compared to more than 900,000 in April 2017. This is the first drop in year-over-year monthly visitation since October 2014 and is the sharpest decline since 2011. Further compounding the bad news, August saw several prominent U.S. airlines announce reduced air seats to Mexico's re-

sort regions, citing weak demand as the primary cause.

Though at least some of the decline can be attributed to the fact that Holy Week fell in March this year as opposed to April last year, analysts are pointing to more systemic issues as the root cause of the problem. Travel advisories issued by the U.S. State Department as well prominent news stories highlighting an increase in violent crime in Mexico are both cited as primary drivers of the decline.

It is still too early to tell if the reported decline is significant, if it will continue, or how severe it will become. If this reversal indeed persists, it could very well bring about a dramatic shift in Hawai'i's competitor landscape.