



## 2025 Travel Trends Summary

As we look ahead to 2025, evolving travel trends present exciting opportunities for Keweenaw businesses to attract and engage visitors in new ways. Recent industry studies highlight shifting traveler expectations, the rise of experience-driven tourism, and the increasing role of technology in trip planning and decision-making.

To help our lodging, dining, and attraction partners stay ahead of the curve, Visit Keweenaw has reviewed key insights from the **American Hotel & Lodging Association's 2025 State of the Industry Report**, **MMGY Global's 2025 Global Compass**, and the **State of Destination Marketing 2025 Report**. These findings shed light on the types of travelers shaping the future, how they're spending, and the best ways to connect with them. By understanding these trends, we can work together to position the Keweenaw as a must-visit destination while ensuring our local businesses thrive in the ever-changing travel landscape.

### 1. Changing Traveler Archetypes and Preferences

- **New Demographics:** There is a rise in new traveler archetypes driven by demographic shifts, including aging populations embracing active travel and wellness, single-parent households, and younger generations prioritizing experiences over possessions.
- **Younger Generations and Budget Travel:** Millennials and Gen Z redefine affordability, using loyalty programs, traveling off-peak, and prioritizing experiences over material luxury.
- **Luxury Travel Redefined:** High-end travel is shifting from traditional luxury (upscale hotels and fine dining) to experiences, authenticity, and personalization.
- **Sustainable and Wellness-Focused Travel:** Travelers, especially Millennials and Gen Z, are willing to pay more for sustainable travel and personalized wellness experiences.

### 2. Growth in Experiential and Event-Based Travel

- **The Power of Sports and Entertainment Events:** Major events like the 2026 FIFA World Cup and 2028 Olympics are key travel drivers, with an



increasing number of travelers planning their trips around concerts, sports, and niche hobby events.

- **Extended Stays:** Many event travelers extend their stays beyond the event itself, creating opportunities for destinations to offer supplementary experiences.
- **Niche Travel Communities:** Fandom-based travel (e.g., for concerts, gaming events, niche hobbies) is a growing segment, and destinations should tap into these communities for targeted marketing.

### 3. Technological Innovations Driving Personalization

- **AI in Travel Marketing:** The adoption of generative AI is enabling hyper-personalized travel recommendations and better customer engagement.
- **Programmatic Advertising and Data-Driven Marketing:** DMOs are increasingly using AI-powered marketing, location-based targeting, and predictive analytics to enhance outreach.
- **Seamless Digital Experiences:** Younger travelers expect integrated tech experiences, from AI-driven concierge services to digital wellness tracking in hospitality.

### 4. Destination Branding and Marketing Strategies

- **Shift from Mass Promotion to Tailored Messaging:** Successful DMOs are moving away from broad campaigns and focusing on targeted digital marketing that aligns with local culture, values, and economic priorities.
- **Social Media Dominance:** Platforms like Instagram and TikTok remain essential, with DMOs increasingly leveraging user-generated content and influencer partnerships.
- **Destination Storytelling:** Leading cities (e.g., Dallas and Orlando) are focusing on reshaping perceptions by creating unique and authentic destination narratives.

### 5. Sustainability and Local Community Integration

- **Sustainable Travel as a Priority:** Travelers are more conscious of environmental impact, seeking destinations that integrate sustainability without making it an add-on cost.



- **Managing Overtourism:** Destinations like the Netherlands are shifting focus from maximizing visitor numbers to improving visitor quality and dispersing tourists across regions.
- **Community Engagement:** Successful DMOs are integrating local businesses into tourism experiences, fostering economic development while maintaining authentic travel experiences.

## 6. Economic and Market Factors Influencing Travel

- **Rising Costs and Budget Constraints:** Inflation and economic pressures are leading to modified travel behaviors, with budget-conscious choices across all demographics.
- **Hotel Industry Stabilization:** While hotel occupancy rates are normalizing, revenue per available room (RevPAR) is expected to grow slightly, emphasizing the need for hotels and destinations to differentiate their offerings.

## Key Recommendations for DMOs

- **Target Niche Audiences:** Cater marketing efforts toward fandom-based travel, wellness seekers, and sustainability-conscious travelers.
- **Capitalize on Major Events:** Develop destination-specific experiences around major international events.
- **Invest in AI & Personalization:** Use AI-driven marketing strategies to enhance traveler engagement.
- **Strengthen Destination Storytelling:** Build a compelling brand narrative beyond traditional tourism appeals.
- **Leverage Sustainability as a Selling Point:** Promote eco-friendly travel options and responsible tourism initiatives.

These insights provide a strategic roadmap for DMOs to stay ahead in an evolving travel landscape.



## Sources

**2025 State of the Industry Report** – Published by the **American Hotel & Lodging Association (AHLA)**, this report provides insights into the U.S. hotel industry's performance, emerging travel trends, technological advancements, and economic factors affecting hospitality.

**2025 Global Compass: Travel Redefined** – Published by **MMGY Global**, this study explores shifting traveler behaviors, redefined travel categories (luxury, budget, sustainable), and the evolving role of technology in travel marketing and personalization.

**State of Destination Marketing 2025** – A global study analyzing digital marketing trends for **Destination Marketing Organizations (DMOs)**, including the rise of AI-driven marketing, social media dominance, sustainability efforts, and the transformation of destination branding strategies