

SECTION 1: TRAVEL INSIGHTS



DOMESTIC TRAVEL
3% GROWTH
Expected Annually

U.S. MARKET
\$1 TRILLION
In Annual Spending

TRAVEL PLANS
50%
Of Americans are planning to travel more this year than they did in 2023.

TRANSPORTATION
63% **67%**
Car Plane

ANNUAL LEISURE TRAVEL SPENDING
\$4,826
The average maximum for the next 12 months.

STATE OF DOMESTIC U.S. TRAVEL

THE STATE OF THE INDUSTRY IN 2024

After falling by 75% in 2020, travel is on its way to a full recovery by the end of 2024. Domestic travel is expected to **grow 3%** annually and reach 19 billion lodging nights per year by 2030.

Spending on travel is expected to follow a similar trajectory, with the domestic travel market in the U.S. at **\$1 trillion** in annual spending.

There's no doubt that people still love to travel and will continue to seek new experiences in new places. In fact, the vast majority of Americans are prioritizing travel in 2024, with **50% planning to travel more this year than they did in 2023.**

- **90%** plan to take at least one trip.
- **85%** will travel out of state.
- **38%** plan to travel internationally.

Many Americans are also opting to stay close to home, with **46%** planning to take a staycation. And **1 in 4** will be traveling for business at least once this year.

When it comes to how Americans will travel, **63%** will be hitting the road in their cars, and **67%** will fly.

TRAVELER SENTIMENT

Despite concerns about travel costs and personal finances, Americans' travel outlook remains sunny.

- **40.2%** of Americans report being extremely excited to travel.

And travel budgets are rising. The average **maximum annual spend for leisure travel in the next 12 months is \$4,826**, one of the highest on record. With Boomers and Gen Z most likely to have a larger budget for travel expenses.

STATE OF DOMESTIC U.S. TRAVEL



KEY TRAVELER MOTIVATIONS

- 47.5%** Visiting friends and family
- 44.4%** Relaxation
- 34.7%** Escaping daily life
- 20.0%** Self-care
- 19.7%** Enjoying the outdoors



BARRIERS TO TRAVEL

- 38.2%** The total price of travel
- 35.3%** Personal financial reasons
- 28.5%** Airfare prices
- 26.5%** Gas prices



DISTINCT DRIVERS AMONG TRAVEL COHORTS






- Gen Z:** Seeking to find themselves through travel, and open to traveling solo and internationally
- Millennials:** Focused on kids more than themselves; emphasizing family vacations
- Gen X:** Still focused on family, but with their kids now older, trips can be more active or adventurous
- Baby Boomers:** Primarily staying domestic, and prioritizing visits to family or family places.

ABOUT THE VISITOR PROFILE

TN Department of Tourist Development partners with **Longwoods International** and their Travel USA® survey to develop a profile for Tennessee visitors in 2023. The data in this report is useful for partners and DMOs who may not have access to a visitor profile for their local community. **The following six pages are excerpts from the 2023 Visitor Profile. To see the full profile, scan the QR code below.**



THE SURVEY RESPONSES HELP DMOS AND PARTNERS UNDERSTAND:

-  The markets sending the most visitors to Tennessee
-  The demographics and travel party profile (size, makeup, etc.) of visitors
-  The reasons people travel (visiting friends and family, business, etc.)
-  The type of activities Tennessee visitors enjoy, and how those activities differ for day and overnight travelers.
-  How Tennessee ranks in key categories against the rest of the U.S.



Scan the QR code to view the full survey results and explore the characteristics of Tennessee visitors based on the updated Longwoods International visitor survey.

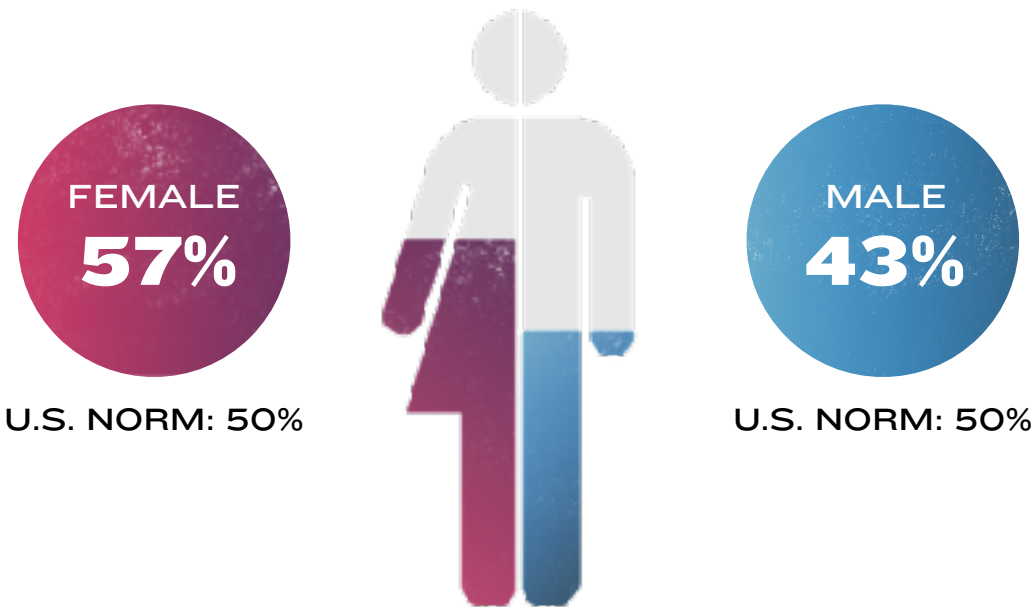
SECTION 1: TRAVEL INSIGHTS

FROM THE 2023 VISITOR PROFILE

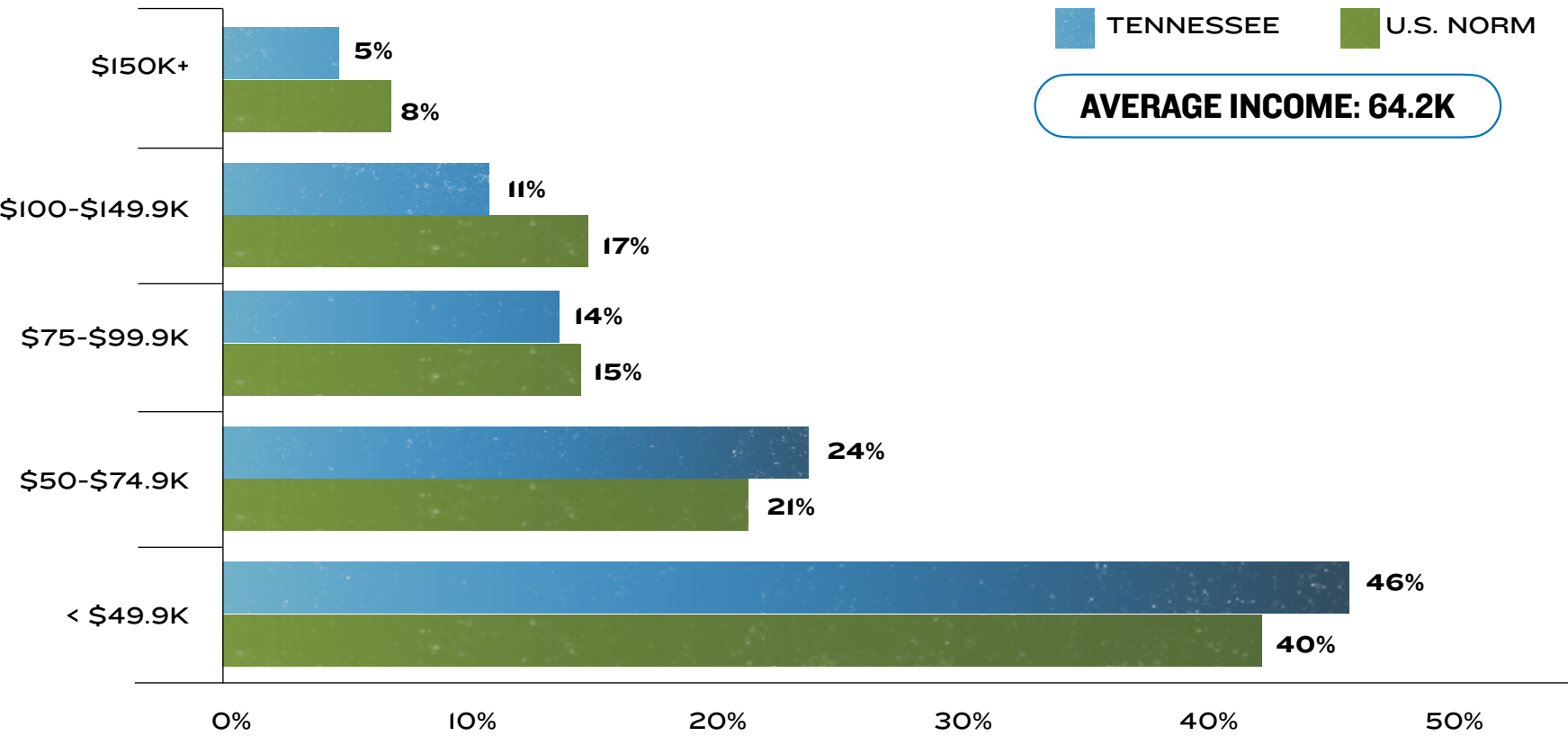
2023 TENNESSEE DOMESTIC OVERNIGHT VISITOR ANALYSIS

Sample size of overnight travelers is 5,336. Data pertains to Tennessee statewide and may differ from market to market.

DEMOGRAPHICS: GENDER



DEMOGRAPHICS: HOUSEHOLD INCOME



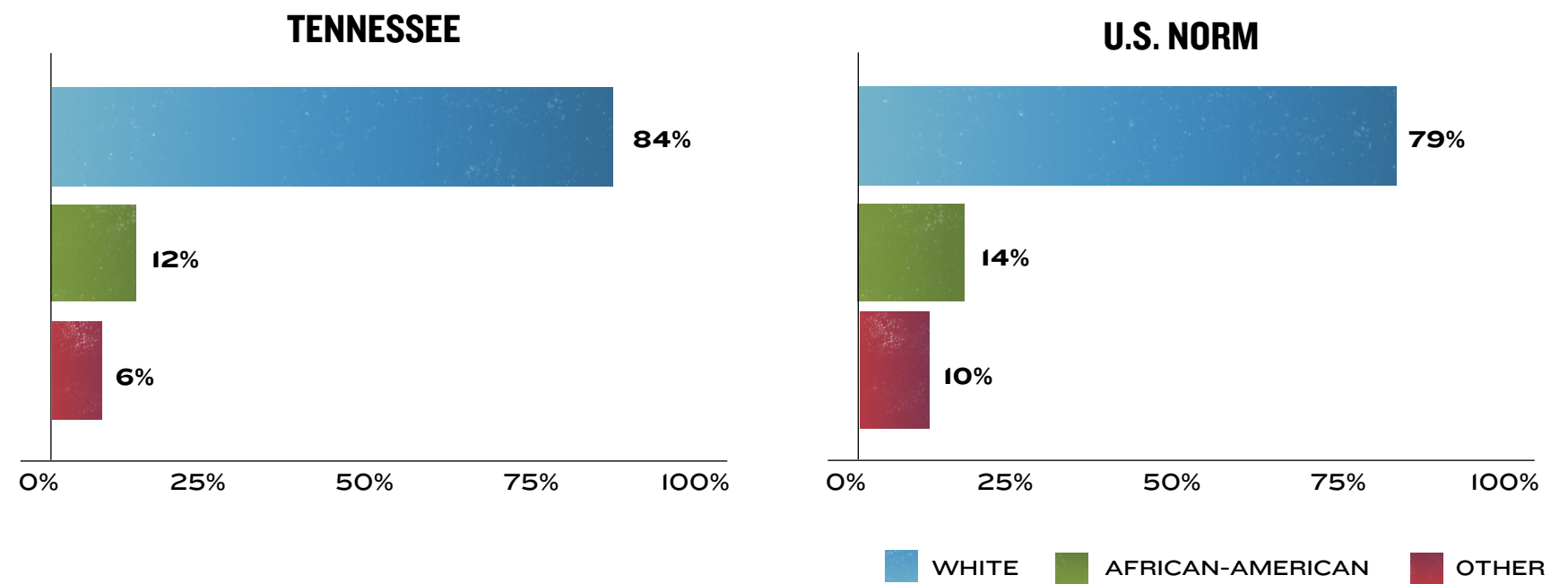
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FROM THE 2023 VISITOR PROFILE

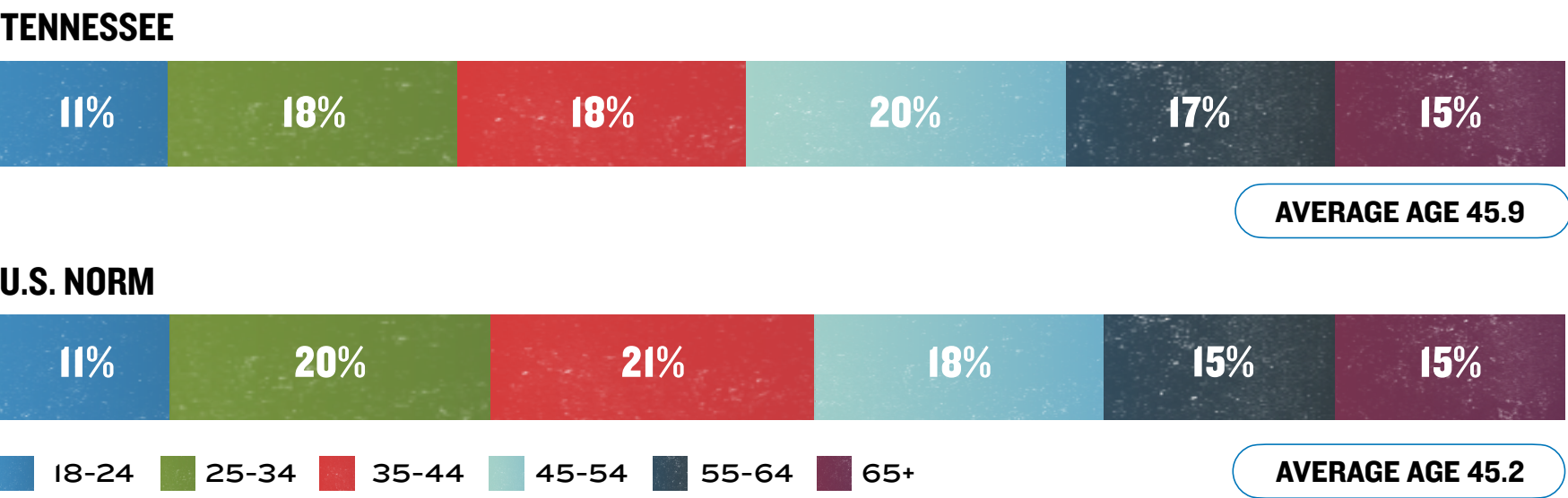
2023 TENNESSEE DOMESTIC OVERNIGHT VISITOR ANALYSIS

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DEMOGRAPHICS: RACE



DEMOGRAPHICS: AGE

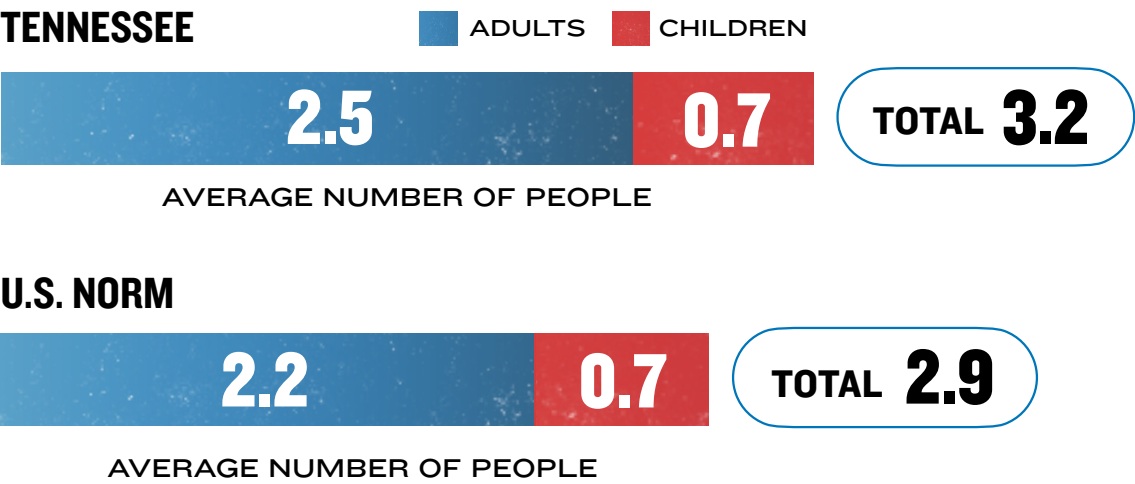


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FROM THE 2023 VISITOR PROFILE

2023 TENNESSEE DOMESTIC OVERNIGHT VISITOR ANALYSIS

TRAVEL PARTY: SIZE

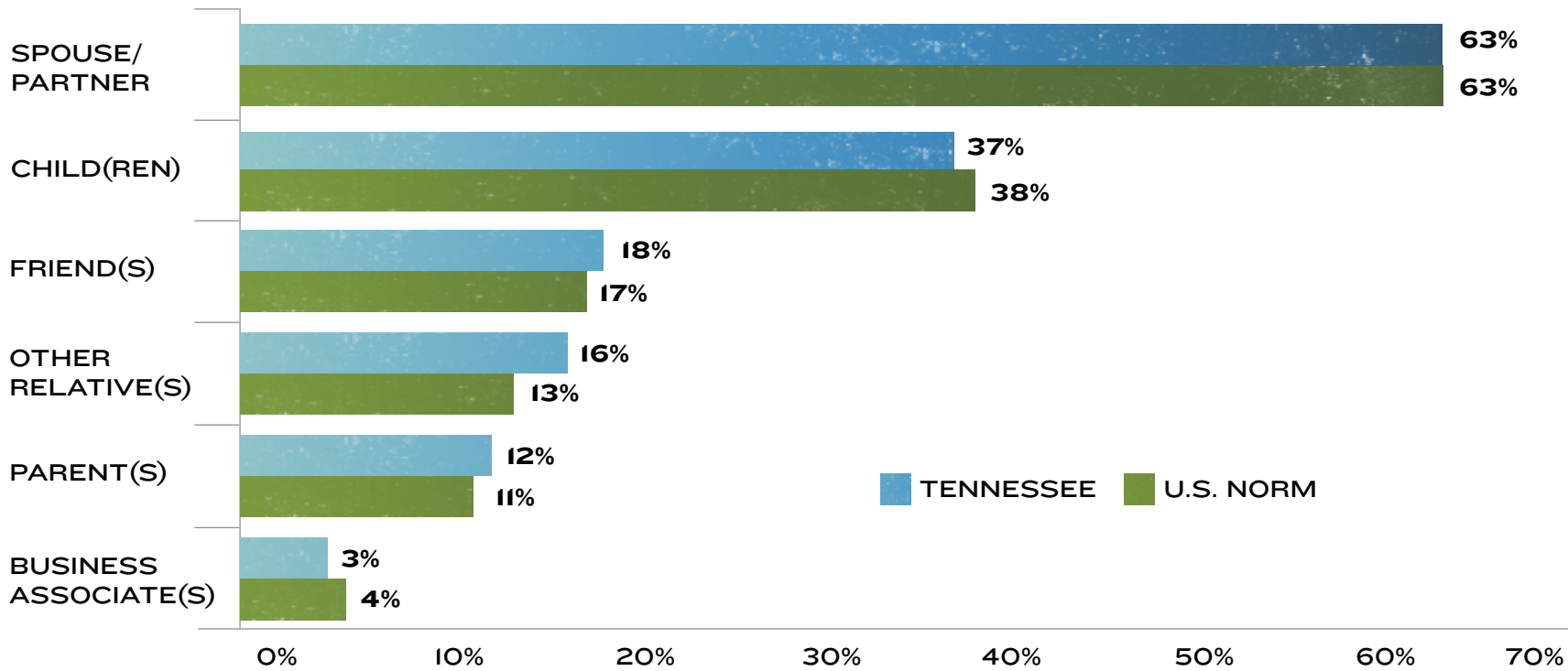


18%
of trips only had one
person in the travel party

U.S. NORM: 24%

TRAVEL PARTY: COMPOSITION

BASE: 2023 Overnight person-trips that included more than one person.



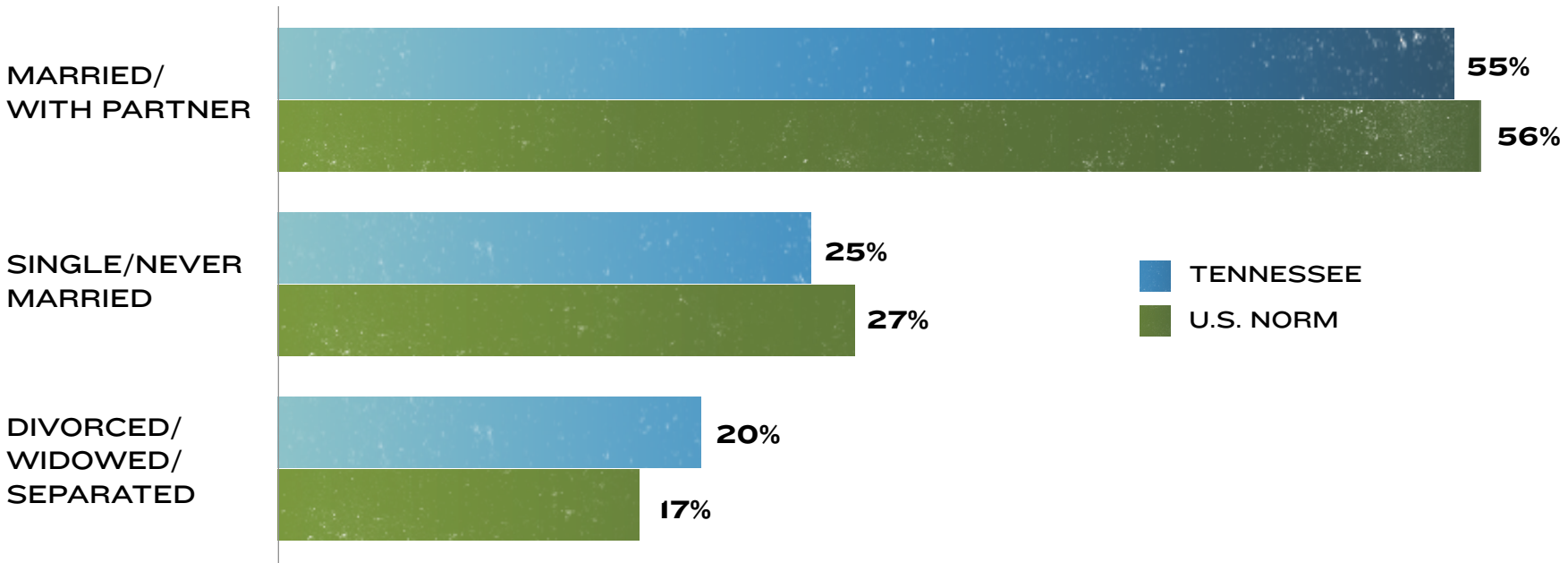
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FROM THE 2023 VISITOR PROFILE

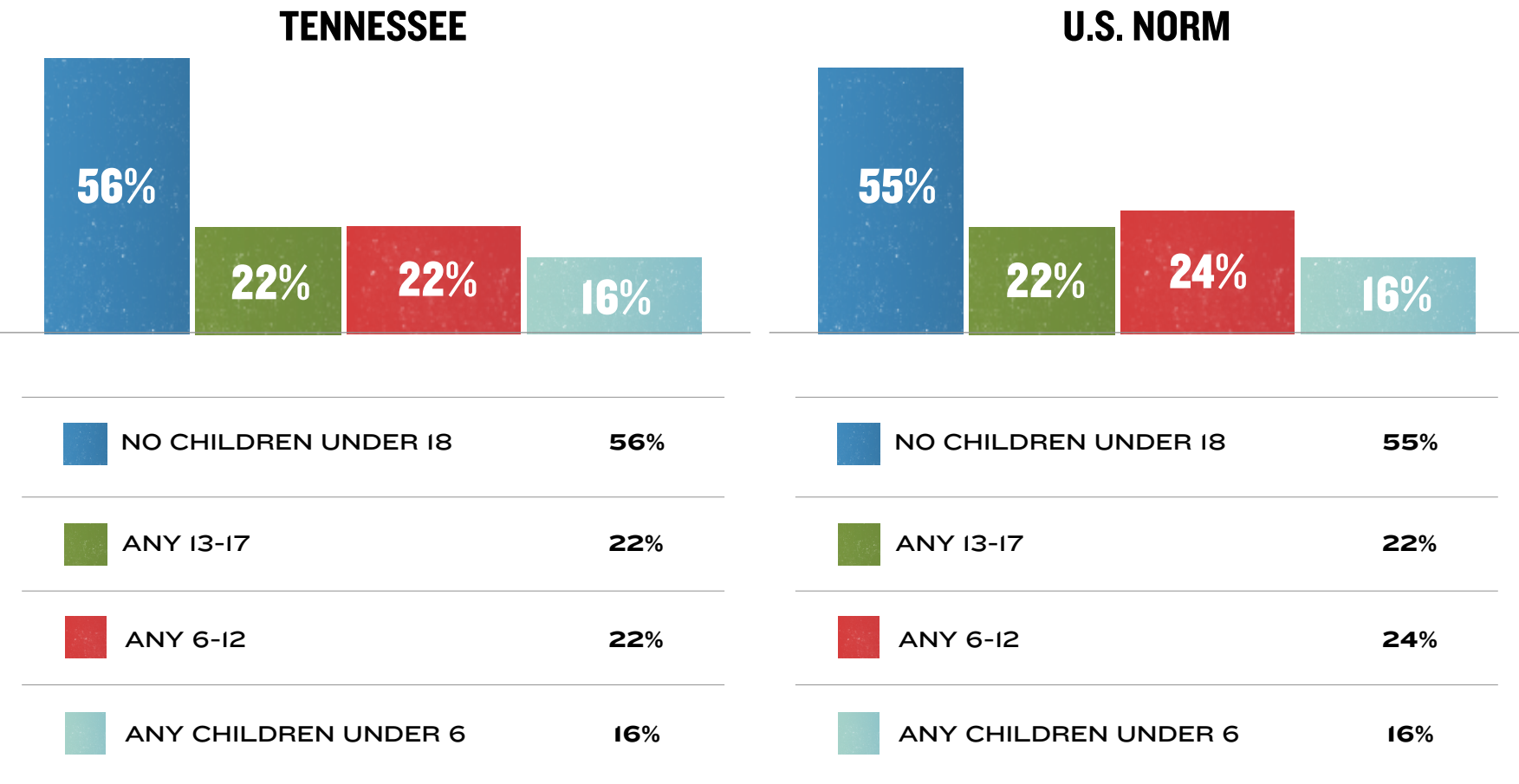
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DEMOGRAPHICS: MARTIAL STATUS



DEMOGRAPHICS: CHILDREN IN HOUSEHOLD

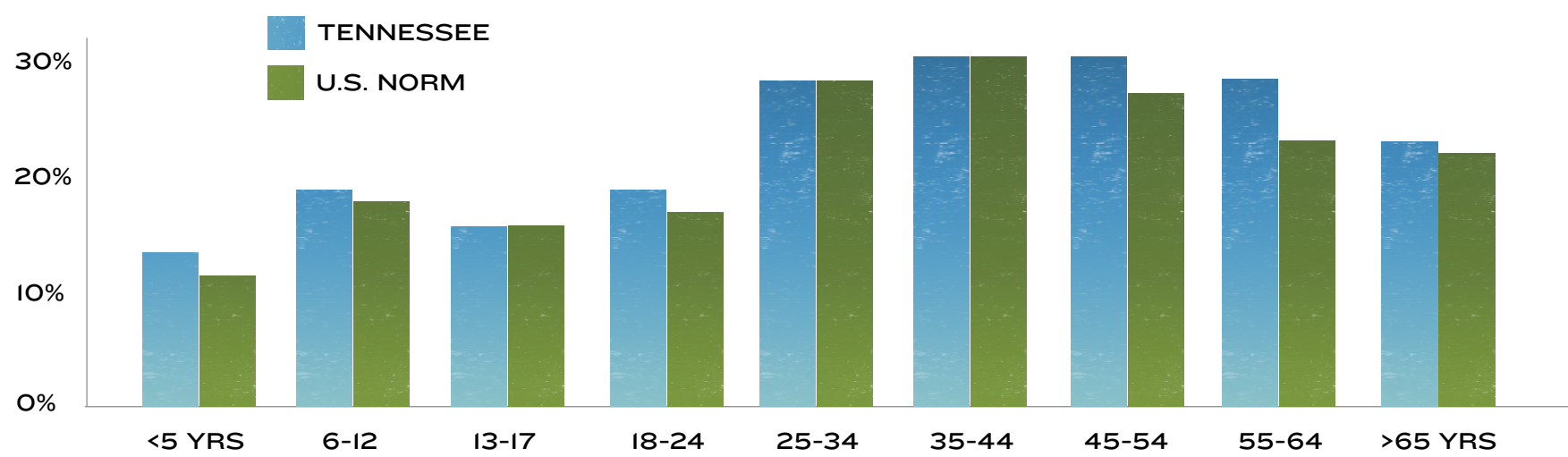


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FROM THE 2023 VISITOR PROFILE

2023 TENNESSEE DOMESTIC OVERNIGHT VISITOR ANALYSIS

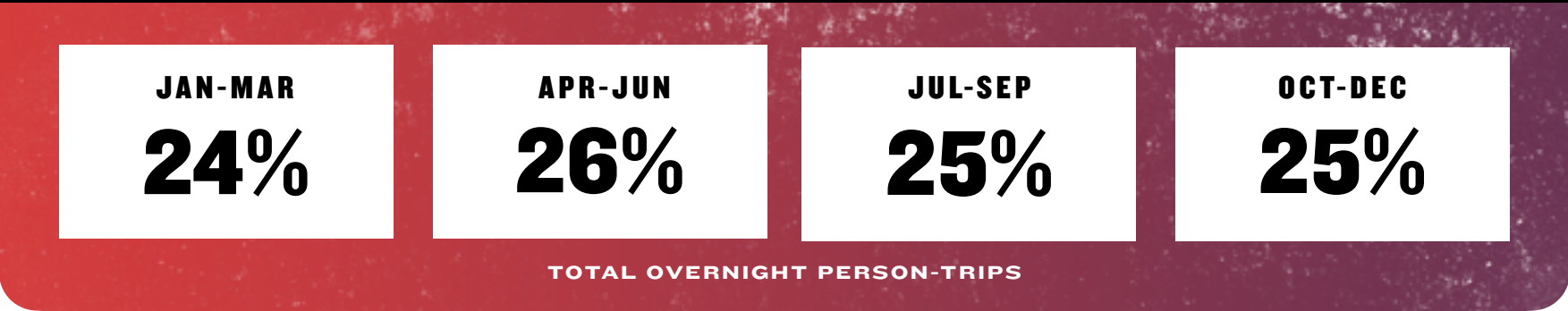
TRAVEL PARTY: AGE



TOP 10 ACTIVITIES & EXPERIENCES

	TENNESSEE	U.S. NORM
Shopping	33%	26%
Sightseeing	32%	20%
Landmark/Historic Site	19%	13%
Bar/Nightclub	17%	15%
Museum	15%	11%
National/State Park	14%	15%
Live Performances	14%	9%
Winery/Brewery/Distillery Tour	13%	13%
Hiking/Backpacking	13%	8%
Local Parks/Playgrounds	12%	10%

SEASON OF TRIP



SECTION 1: TRAVEL INSIGHTS

FROM THE 2023 VISITOR PROFILE

2023 TENNESSEE DOMESTIC OVERNIGHT VISITOR ANALYSIS

LENGTH OF TRIP PLANNING

	TENNESSEE	U.S. NORM
1 Month or Less	30%	33%
2 Months	17%	17%
3–5 Months	19%	18%
6–12 Months	13%	13%
More Than 1 Year in Advance	4%	4%
Did Not Plan Anything in Advance	16%	15%

MAIN TRIP PURPOSE

	TENNESSEE	U.S. NORM
Visiting Friends or Relatives	36%	43%
Tour	16%	10%
Special Event	9%	8%
Outdoors	8%	7%
City Trip	7%	6%
Theme Park	5%	3%
Resort	4%	5%



INTERNATIONAL TRAVEL
**17% VISITOR
GROWTH**
Expected in 2024

PROJECTED VISITORS
85.2 MILLION
For 2025

GLOBAL MARKET
\$213.1 BILLION
2023 Spending

- TOP COUNTRIES
-  **CANADA**
 -  **MEXICO**
 -  **THE U.K.**
 -  **FRANCE**
 -  **GERMANY**

STATE OF INTERNATIONAL U.S. TRAVEL

THE STATE OF THE INDUSTRY IN 2024

After falling significantly in 2020, international travel is on its way to a full recovery. Latest forecasts expect international arrivals in the U.S. to surpass pre-pandemic 2019 levels in 2025 with **85.2 million** visitors.

- In 2023, the U.S. welcomed **66.5 million** international visitors, an increase of **31%** from 2022. For the remainder of 2024, a **17% increase** is forecast to **77.7 million visitors**, just 2% shy of the 79.4 million in 2019 prior to COVID's impact.
- New York was the most-visited state by overseas travelers in 2023, up from #2 in 2022, followed by Florida and California.
- 2023 overseas visitation to the following U.S. states surpassed visitation in 2019: Tennessee (+15%), Texas (+7%) and Georgia (+5%).
- Spending by international visitors to the United States (travel exports) totaled **\$213.1 billion** in 2023, an increase of **+29%** from \$165.5 billion in 2022 .

COUNTRIES DRIVING GROWTH

During Q1 of 2024, visits from Europe and the Americas (including the Caribbean) already **exceeded pre-pandemic levels**. The Middle East and Africa have recovered to 90% of 2019 levels. But visits from Asia continue to lag significantly—with visits from China and Japan still only half of 2019 levels, resulting in **4 million fewer visitors annually**.

NTTO forecasts that visits from those countries won't fully recover until late 2025 or 2026. **India, on the other hand, has had terrific growth in the U.S.** and already significantly exceeded pre-pandemic visitor levels.

TENNESSEE INTERNATIONAL SPENDING ANALYSIS

Tennessee's international visitor economy witnessed a significant recovery in 2023, with spending reaching \$750 million and visitor numbers hitting 640,000. As the US continues to rebound from the pandemic's impact, Tennessee's spending index is poised to hit 103 out of 100 when comparing 2019 figures to projections for 2025, laying a robust foundation for international travel recovery.

THE SURGE IN SPENDING AND VISITATION IS PRIMARILY FUELED BY VISITORS FROM:

- UK
- Germany
- Australia
- Japan
- South Kora
- Ireland
- Austria
- China
- India
- Canada
- Switzerland
- The Nordics
- Brazil

INTERNATIONAL SPENDINGS
\$750 MILLION
In 2023

INTERNATIONAL VISITORS
640,000
In 2023

ESTIMATED SPENDING INDEX ESTIMATED
103/100
comparing 2019 vs 2025

PROJECTED 2025 INTERNATIONAL TOURISM
\$951M **818K**
In Spendings Visits

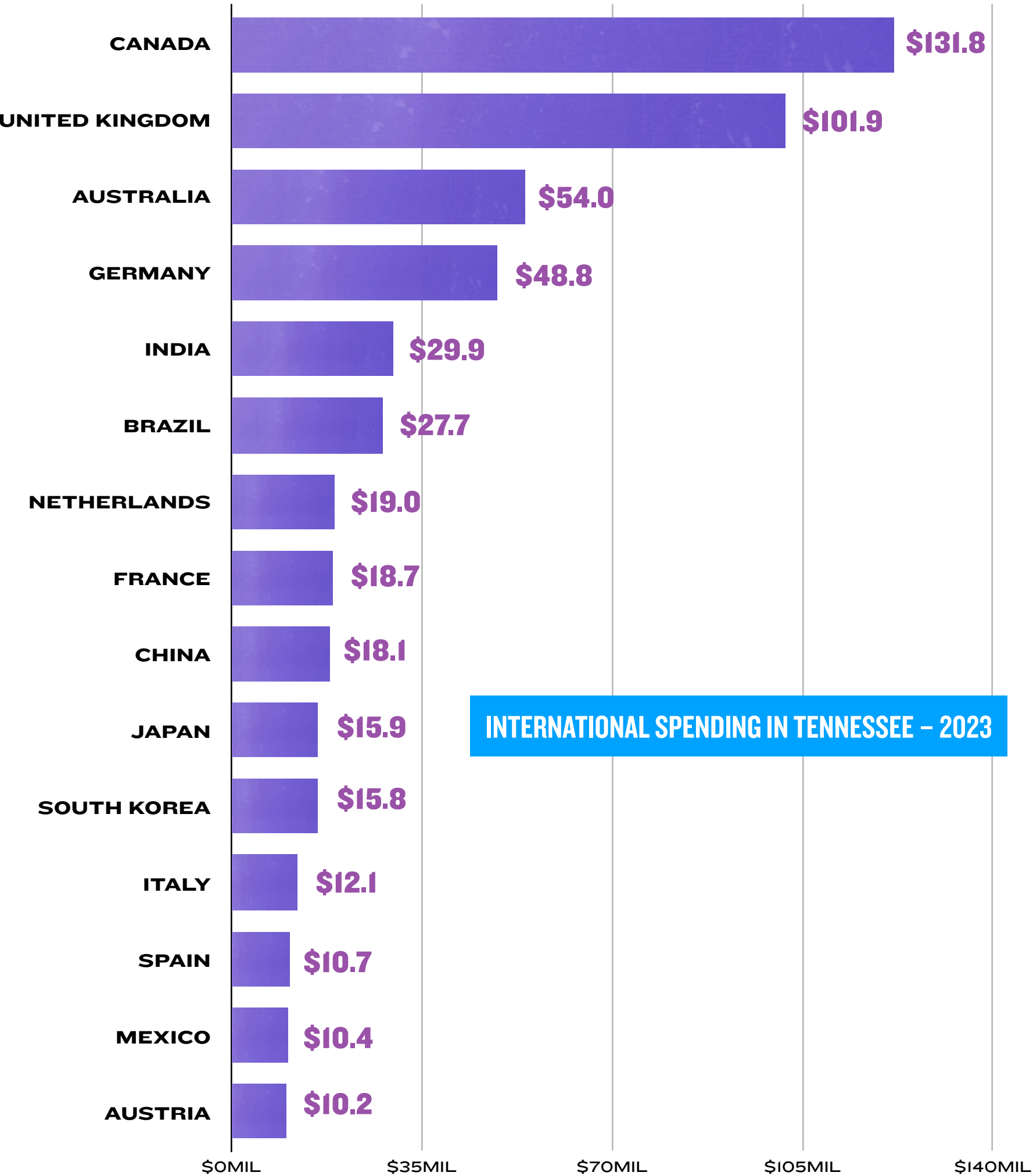
- 2025 TOP COUNTRIES
-  **THE U.K.**
 -  **IRELAND**
 -  **CANADA**
 -  **GERMANY**
 -  **AUSTRIA**
 -  **SWITZERLAND**
 -  **AUSTRALIA**

Tourism Economics predicts a notable increase in international tourism in 2025, projecting \$951 million in spending and 818,000 visits.

When spending and visits are compared by country, the UK + Ireland, Canada, Germany + Austria + Switzerland, and Australia are among the top markets contributing to spending and visitation in 2025. The top ten markets are projected to account for 70% of the international spending.

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2023 SPENDING IN TENNESSEE BY TOP 15 MARKETS



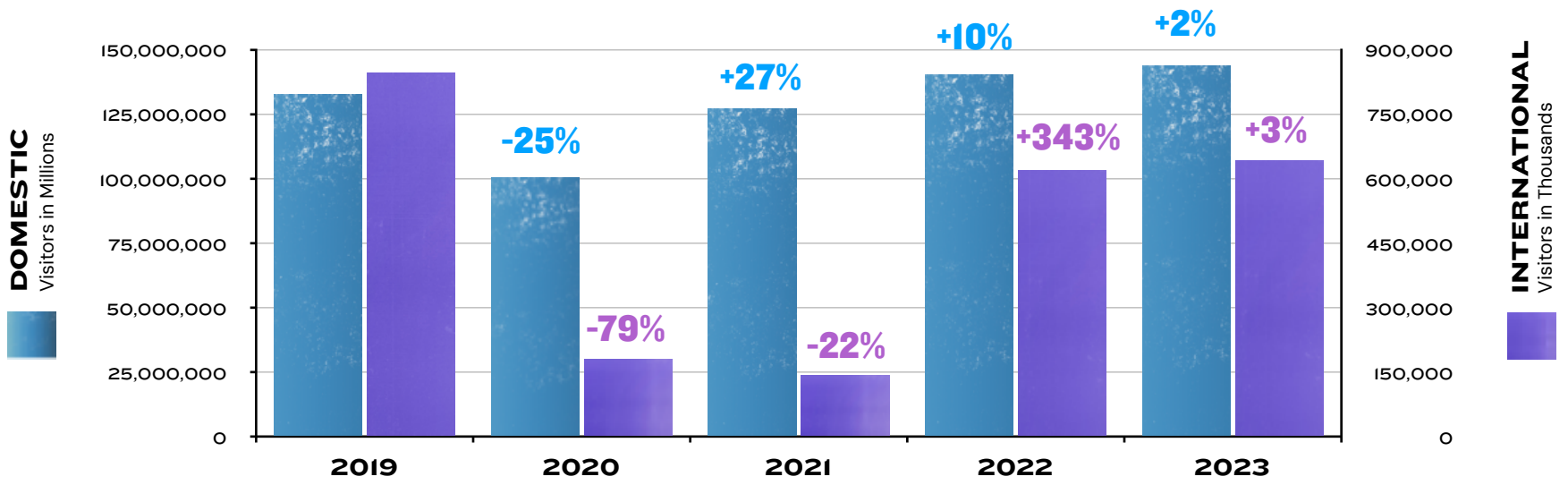
GROWTH OF TENNESSEE VISITATION - DOMESTIC & INTERNATIONAL

In 2023, more than **144 million visitors** (international and domestic) spent **\$30.6 billion** across the Tennessee economy. Visitor volumes and spending increased 2.4% and 6.2%, respectively, over the prior year.

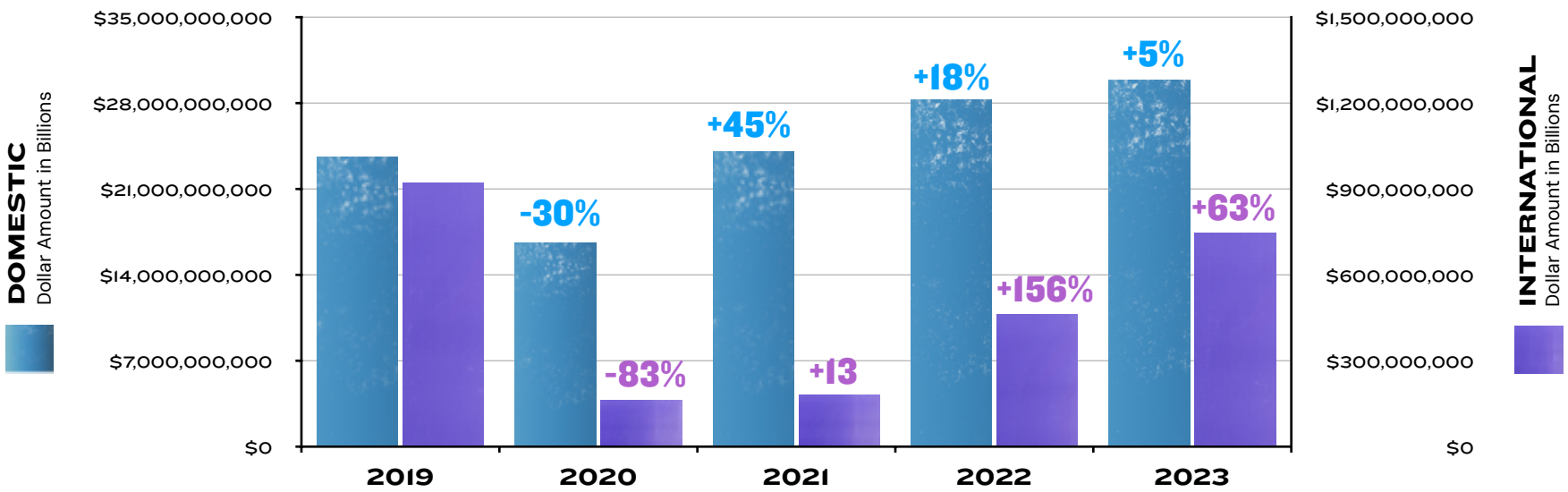
Visitor **spending of \$30.6 billion** generated \$8.1 billion in direct labor income, sustained 191,522 direct hospitality jobs and generated **\$3.2 billion in direct state and local tax revenues** in 2023.

Each household in Tennessee would need to be taxed an additional \$1,160 to replace the direct visitor-generated taxes received by Tennessee state and local governments in 2023.

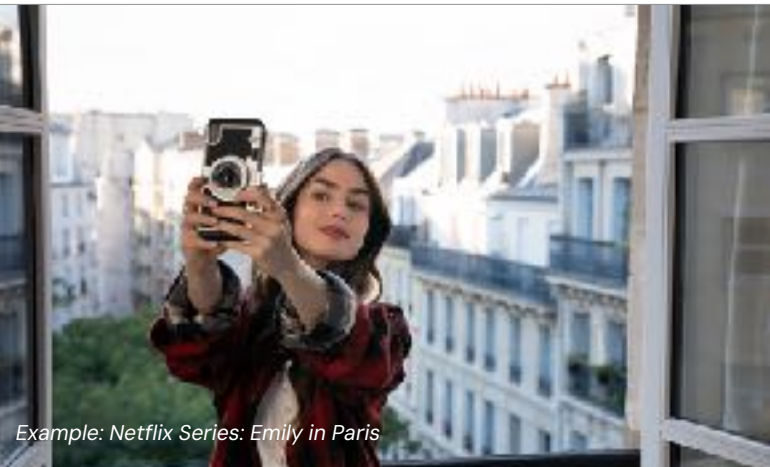
DOMESTIC (MIL) & INTERNATIONAL (K) VISITATION



TENNESSEE VISITOR SPENDING (\$ BILLIONS)



GLOBAL TRAVEL TRENDS - OPPORTUNITIES



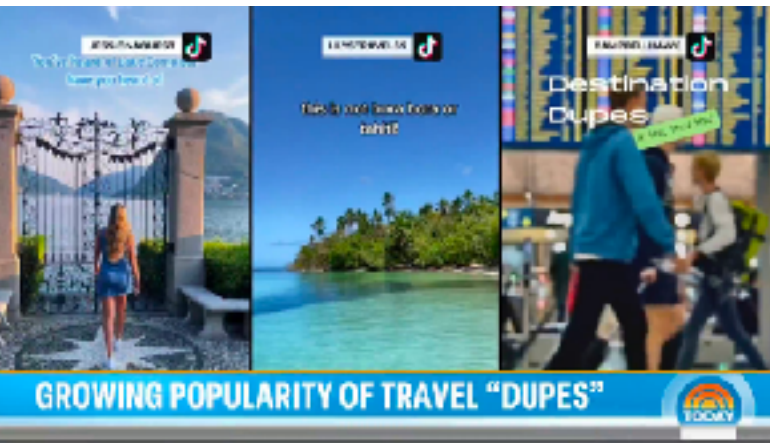
Example: Netflix Series: Emily in Paris

SET-JETTING

As we revealed in 2023—planning trips inspired by TV shows and movies—is influencing travel now more than ever. In fact, travelers say TV shows influence their travel decisions more than Instagram, TikTok, and podcasts. The top set-jetting destinations to watch in 2024 are: Thailand (coming in The White Lotus, season 3, Scottish Highlands (seen in Outlander, season 8, and Romania (seen in Wednesday, season 2).

OVER 50%

Of travelers say they’ve researched or booked a trip to a destination after seeing it on a TV show or in a movie.



DESTINATION DUPES

Social media popularized the concept of “dupes,” and the concept is taking off in travel. Not only do these alternatives offer potential savings, they’re often less crowded and a little more unexpected and off-the-beaten path for adventurous travelers. Expedia has dubbed Taipei (vs. Seoul), Paros (vs. Santorini), Perth (vs. Sydney), and Memphis (vs. Nashville) as some of the top “dupe” destinations to keep an eye on in 2024.

1 IN 3

Global travelers say they’ve booked a vacation to a “dupe” destination.



VIBE CHECKS

In a world where the right “vibes” make or break an experience, a destination’s mood and feel are increasingly important to travelers. Hotel reviews mentioning the word “vibe” are booming, with a 1,090% jump over last year in the Hotels.com app. Popular vibes include “retro,” “funky,” “modern,” “artsy,” “vintage,” and “chill.” Overall, guests are looking for the perfect vibe to set the right tone for their entire trip.

90%

Of travelers identified the vibe as an important factor in their travels.



TOUR TOURISM

In 2023, the cultural impact of the Eras and Renaissance tours was undeniable, and it was a driving force in travel. “Tour Tourism” continues to thrive, with 70% of travelers saying they’re more likely than ever to travel to a concert outside their hometown. To meet demand, platforms like Marriott Bonvoy Moments are enabling members to use points to redeem unique experiences like concerts and sporting events.

OVER 40%

Of travelers say they would travel for a concert as a reason to visit a new place.

GLOBAL TRAVEL TRENDS - OPPORTUNITIES

UNEXPECTED 'GO-CCASIONS'

With 1/3 of travelers planning to take more trips in 2024, people are finding more interesting and unexpected reasons to celebrate and getaway. Beyond the standard girls' weekends or reunions, travelers are celebrating with "go-ccasions" big and small. According to Vrbo, anything goes. Be it retirements, new jobs, promotions, pet birthdays, or even 'first-date-iversaries', people are eager for any excuse for quality time with loved ones.

1 IN 4

People say they are looking for any excuse to take a trip with friends or family.



OUTSIDE IN

As indoor-outdoor living grows in popularity, the outdoor amenities of a place are driving travelers to book. In fact, 31% say that the quality of a home's outdoor amenities is the key factor in deciding which vacation home to book. In-demand amenities include properties with a private pool or hot tub, fire pits, outdoor kitchens, and recreation like ping pong tables, pickle ball courts, and lawn games.

42%

Of travelers book vacation homes with outdoor amenities they don't have or can't afford at home.



EXTRAORDINARY EXPERIENCES

In 2024, travelers are seeking one-of-a-kind experiences that authentically immerse them in a place. In response, Airbnb introduced Icons, a new category of extraordinary experiences hosted by iconic names in music, film, television, art, and sports. Standout experiences include a stay in the *Up* house from the Disney/Pixar film, a special living room performance from Doja Cat, and a stay at Prince's *Purple Rain* house.

95%

Of travelers prefer to spend at least part of their trip on new and unique experiences.



QUIET ESCAPES

Among Pinterest users, searches for "quiet places" and "calm places" increased by 50% and 42% in 2023. As travelers desire relaxation and rejuvenation while away, they're seeking out quiet places connected to nature to meet their needs. Among Vrbo's top trending property types for 2024, converted mills saw a 47% increase over last year, while barns and farmhouses saw 21% and 42% jumps, respectively. A Smoky Mountain Cabin sounds perfect.

OVER 50%

Increase in searches for "quiet places" among Pinterest users in 2023.



GLOBAL TRAVEL TRENDS - GROWING AUDIENCE SEGMENTS



BLACK TRAVELERS' HAVE SPENDING POWER

We have an important opportunity to understand and authentically reach Black travelers. A powerful Black travel movement has emerged over the past decade — one centered on giving Black travelers the advice, inspiration and sense of community needed to explore the world.

- 71%** Black travelers need to feel safe and welcome to visit a destination.
- 54%** More likely to visit if they see Black representation in travel advertising.
- 12%** of Black travel parties are comprised of young families (more than young families among all U.S. travelers).
- 50%** of Black adults plan to travel to locations/landmarks associated with their ethnic heritage (16% higher than gen pop)



GEN Z TRAVELERS HAVE LANDED

Gen Z is not waiting to see the world – more than half are already considered frequent travelers. And they are more likely to prioritize adventure, mental health benefits, and cultural experiences when they travel. They are 2.57x more interested in outdoor adventures and 1.5x more interested entertainment vs. avg US adult travelers.

- 65%** of Gen Zers ranked "travel and seeing the world" as the most important way to spend their money.
- 54%** say they're willing to pay higher rates/fares to use a travel service provider that demonstrates environmental responsibility (vs. 48% of millennials).
- 48%** of Gen Z are nonwhite. As the most racially, ethnically diverse generation today, they require diversity & inclusion from brands they support.

Gen Z falls into the Music Lovers, Experience Seekers and Outdoor Enthusiast.



HISPANIC TRAVELERS' TAKE 2X MORE TRIPS

Not only do Hispanic travelers take 2 more trips per year than non-Hispanic travelers, when they travel, they outspend non-Hispanic travelers by an average of \$300. Furthermore, they are more likely to travel in larger groups, which means more spending dollars per trip.

When Hispanics travel, they are influenced by their culture, looking to connect with elements such as family, music, and history. Hispanic travelers are a largely untapped niche market that could help reinvigorate destinations.

- 60%** Say travel decisions are influenced by their children
- 31%** Travel in groups of 4+ vs. 25% of the general population
- 57%** Are more likely to visit places that embrace their culture & celebrates Hispanic business + cultural contributions.

GLOBAL TRAVEL TRENDS - TRAVEL INSPIRATION BY CHANNEL BY AUDIENCE

QUESTION: Please think about how travel destinations could best reach you with their messages right now. Where would you generally be most receptive to learning about new destinations to visit? (Please select all that apply)

