

GROWING SHORT-TERM VACATION RENTAL MARKET BECKONS LONGER-STAYING, HIGHER-SPENDING GUESTS

UNDERSTANDING SHORT-TERM RENTAL TRAVELERS KEY TO GROWING SEGMENT

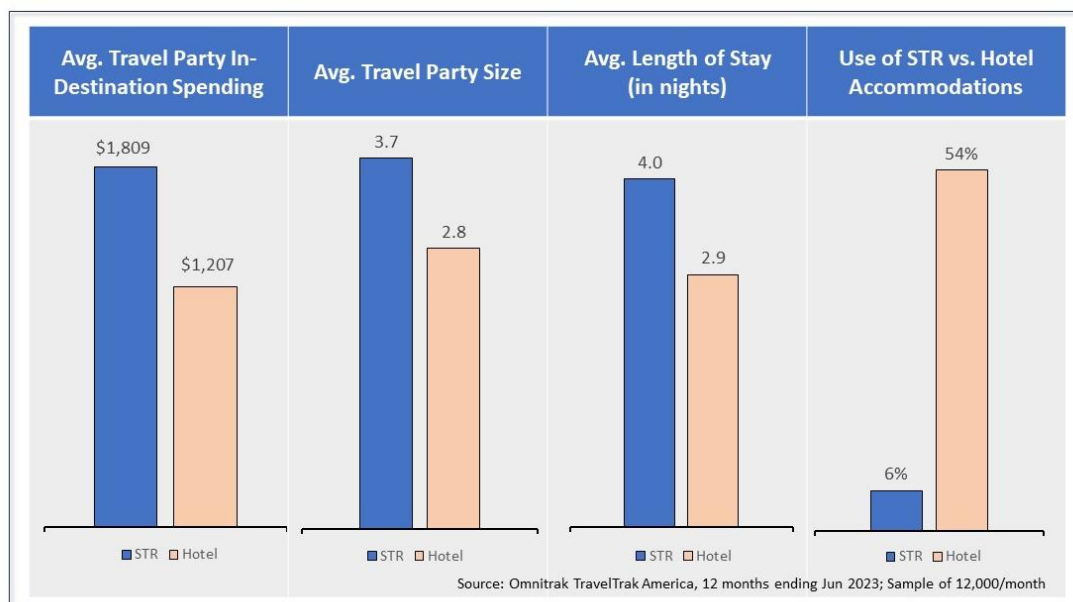
While short-term vacation rentals have gained a reputation in some areas for disrupting communities, when properly regulated and operated, such alternative accommodations can potentially attract a longer-staying, higher-spending and younger traveler to a destination.

On average, U.S. short-term rental (STR, e.g., Airbnb, VRBO) travelers stay more than a day longer (4.0 nights) than hotel (2.9 nights) visitors, according to Omnitrak's TravelTrak America survey of 144,000 Americans for the 12-month period ending June 2023. With larger travel parties and longer stays, STR travelers also spend more on average in-destination per travel party per trip (\$1,809) than hotel travelers (\$1,207).

"With total trip spending 1.5 times higher than hotel travelers, destinations stand to gain from the growing number of short-term rental vacationers in the marketplace," said Chris Kam, Omnitrak President and COO. "However, destinations need to balance the economic benefits of short-term rentals with their potential impact on residents' quality of life."

"While shorter-term rental use trails hotel use by a large margin, STRs are clearly resonating with younger travelers," Kam added. "In order to stay relevant, hotels and STRs will need to continue to evolve to meet the changing travel preferences of these younger consumers."

Although STR travelers surpass hotel travelers in total trip spending, hotels continue to dominate the market, with TravelTrak America data indicating more than half of travelers using hotels (54%) and six percent using STRs (6%) in the 12 months ending June 2023.

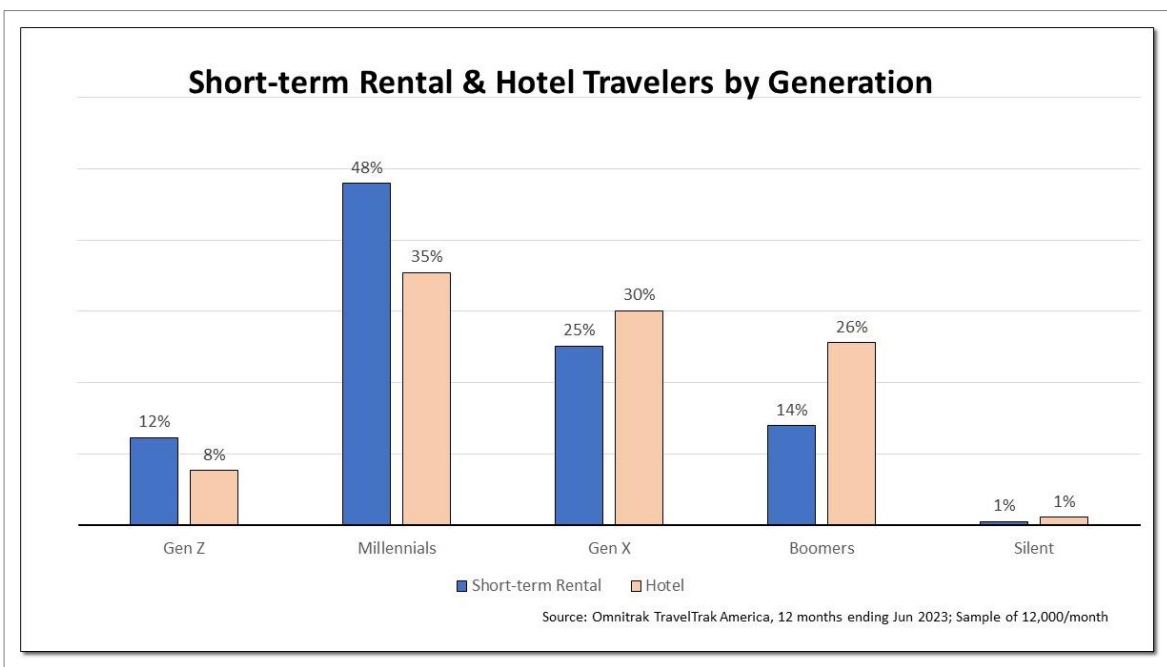


“While the original appeal of short-term vacation rentals centered around lower prices and value, the segment has evolved, even as major hotel chains are also developing product offerings to appeal to travel changing preferences,” Omnitrak Founder & CEO Pat Loui said.

“Understanding the short-term rental traveler is key to attracting responsible visitors who produce considerable economic and quality of life contributions for a community,” Loui added. “At the same time, changing accommodation models have potential to alter tourism’s overall economic impact and jobs.”

According to Omnitrak’s TravelTrak America research, STR users are younger travelers with Millennials (48%) and Gen Z (12%) combined making up the majority (60%) of such travelers (i.e., compared with their 43% share within the hotel market).

Meanwhile, the average party size of STR users (3.7 persons) surpasses that of hotel users (2.8), due in part to short-term rentals’ popularity among larger travel parties with friends and family members, and hotels’ stronger presence among solo travelers.



For more information on travel profiles, motivations and preferences of STR and hotel travelers, contact Omnitrak President & COO Chris Kam at: chriskam@omnitrakgroup.com

Interested in learning more?

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ABOUT OMNITRAK



Omnitrak founded in Honolulu, Hawaii in 1981, is a leading strategic research firm with a strong presence in the consumer, travel and retail sectors in North America and Asia. Omnitrak works with some of North America’s largest state tourism offices, which subscribe to the company’s TravelTrakAmerica™ tracking research, providing timely monthly insights from 12,000+ U.S. households. The company serves a broad array of public- and private-sector clients, helping to grow their markets with Quality of Place/City Pride and Community Sentiment research. Additionally, destination marketing to develop new products and increase brand loyalty is supported by Omnitrak’s TravelTrak America syndicated research and Integrated Marketing Effectiveness insights. For more information, email: chriskam@omnitrakgroup.com