INTRODUCTION

Tourism Research Australia in partnership with Destination New South Wales commissioned Instinct and Reason to research the Australian youth travel market. Youth or ‘millenials’ are defined in this study as persons aged 15-29 as well as those aged 30-34 who do not have children.

This research will assist Destination New South Wales to inform their Youth Action Plan, and to develop products, experiences and communication channels to entice millennials to visit regional New South Wales (NSW).

KEY FINDINGS

FACTORS AFFECTING THE TRAVEL CHOICES OF MILLENNIALS

Millenials are:

- profoundly influenced by technology and subsequent social media use, both of which dictate how this generation interacts with the world and makes decisions, including where they go and what they do once there
- looking for authentic information as opposed to staged advertising. Social media, including Pinterest and Instagram, allows them to see the real experiences people have as opposed to marketing material.
- constantly bombarded by information via their engagement with social media. They subconsciously filter out content they’re not interested in, or that is too lengthy
- reliant on travel recommendations from friends and family, as well as social media
- not intimidated by distance, but they don’t like visiting destinations that are difficult to access
- seeking authentic and genuine experiences, together with a variety of active and passive ways to enjoy them.
HOW SOCIAL IDENTITY AFFECTS THEIR CHOICES

- Due to the reach of social media, millennials now have to create a global identity as opposed to one within their ‘physical’ social group.
- Millennials experience the world outside in, while prior generations got to know their local area and region before travelling outside. Technology has created aspirations by exposing millennials to places further away, encouraging them to travel further before they explore their own backyard.
- New experiences contribute to constructing their social and self-identity, and choice is based largely on acquiring new aspirational experiences.

WHO ARE ‘MILLENNIALS’ AND WHAT DRIVES THEM?

Millenials are defined in this study as persons aged 15-29 as well as those aged 30-34 who do not have children. As millennials progress through life, they have different personal and travel drivers. Younger millennials (15-24) are typically driven by their social image and the need to satisfy their own wants, which may be aspirational, while older millennials (25-29 years) are ‘ego driven’, that is, they are driven by the need to reason and rationalise. Although the older 30-34 age group are also ego driven, they are generally more open to considering others and taking on responsibilities.

For the younger millennials, travel provides a break from school or university and is a means of escaping monotony while they still can, before concentrating on their career. For the older millennials, travel is about rejuvenation and search for self (Figure 1).

FIGURE 1: ROLE OF TRAVEL BY AGE GROUP

15-16 YEAR OLDS

Important because...

To have fun away from home

Travel is...

Bonding
From a parent perspective, it is the only time to hang out with the family and make memories
For the child it is about having fun out of home

17-19 YEAR OLDS

Allows you to come back as an adult
New experiences as an Adult

17-19 YEAR OLDS

It is a break from University
Avoid being trapped

20-24 YEAR OLDS

20-24 YEAR OLDS

25-29 YEAR OLDS

25-29 YEAR OLDS

30-34 YEAR OLDS

30-34 YEAR OLDS

Allows me to recover from work

Allows me to get away from responsibility Therapeutic

Rejuvenation and Search for self
It is about relaxing experiences you can’t have at home where you have to be responsible
Giving yourself permission to not do anything
A time to take a break from adult responsibilities and routine.
Need regular breaks to sustain and keep them going.
WHAT DOES TRAVEL OFFER MILLENNIALS?

Millennials viewed travel as a means of gaining experience, disconnecting from life and building self-identity and social capital. Across the age groups, millennials were attracted to travel for relatively similar reasons:

- **Connect**: Travel allows millennials to form genuine and authentic relationships with people, either with those in the travel party, or those encountered at the destination (other travellers and locals).
- **Escape**: Travel allows them to disconnect from routine life.
- **Discover**: Travel provides the opportunity to find something new and learn about the world.
- **Brag**: Travel provides the right to brag, providing millennials with content they can use to construct their social identity.

Millennials expressed different barriers to travel based on their life stage, ranging from financial constraints or commitments, university or career-imposed restrictions, and those imposed by relationships.

HOW DO THEY FEEL ABOUT TRAVELLING AT HOME VS OVERSEAS?

Millennials’ attitudes about holidaying in Australia fell into the following four categories:

**CLOSED**

This group of millennials did not see Australia as a holiday destination, as it was not a unique experience. They thought overseas holidays offered better value for money and potentially provided more experiences. This segment typically tends to be younger (24 and below) and holds a view that Australia is a destination you see when you’re older as a grey nomad.

**NEED**

Typically, this group preferred overseas holidays but looked at domestic destinations as an opportunity to have a short break. This segment skews towards university students and those starting their career – usually those between 20-29 years of age.

**APPRECIATE**

This group appreciated domestic destinations and believed they could have a good experience and enjoy Australia’s offerings within their current lifestyle. They were typically older and entering the family life stage.

**PATRIOTIC**

Some millennials tended to believe it was important to know your own backyard before you discovered other places. No age skews were identified in those who subscribed to this opinion.

Millennials viewed regional, capital city and overseas holidays differently. Regional holidays were popular for long weekend trips, capital cities for a medium break of one week, and overseas holidays for 10 days or more (Figure 2).

![Figure 2: How Millennials view a holiday at regional destinations, in Australian capital city destinations and overseas destinations](image-url)
For travel in regional Australia, millennials typically picked a destination and then researched what they could do there. This is in contrast to capital cities, where respondents noted they had more prior knowledge about the destination and the experiences they provide.

- Trips under two hours were spontaneous, and the spontaneity of the experience helped to build social capital.
- The level of planning a trip involved, however, varied by distance and the type of travel. Intrastate was typically planned one to two weeks ahead at most, and sometimes even a couple of days in advance. Interstate was planned two weeks ahead at the very minimum, if not longer. International was planned three to four months in advance – enabling them to benefit from travel deals.

**HOW CAN A DESTINATION ATTRACT MILLENNIALS?**

Technology-reliance means millennials seek knowledge on experiences, products or services from across the world. They use a number of destination choice criteria (Figure 3).

**FIGURE 3: CRITERIA FOR CHOOSING A DESTINATION**

- What is unique? The Hook?
- Is there a lot to do and see? How can I pack it out? They are addicted to variety and having choice
- Is it Instagram-able? Would I be proud to share/be seen
- Do other people talk about it? Social acceptability
- Is there a deal? Better value
- Is it easy to get there? Accessibility (without car)
- How much does it cost? Affordability
- [For 30-35s] Is it family friendly?

For a destination to be in the millennials’ consideration set, it should offer something unique. The key pull factor for a regional holiday is the ability to have basic, yet sophisticated experiences. These experiences could relate to country food and wine, nature-based experiences, and even country events.

To get millennials to stay longer, they need to be provided with a choice of experiences they can have at the destination. The length of stay is dependent on:

- how much there is to do
- how cheap or expensive it is to get there
- how easy or accessible it is to go there.

The share economy was flagged by respondents as potentially having a role, as the services are viewed as being cheaper than the traditional tourism offering, and also provide ‘an opportunity to really get to know the regional community’. However, millennials did not think about share economy services in regional Australia – believing they exist only in capital cities.

Respondents noted that they were interested in deals that would enable them to access accommodation and travel (flights) at a cheaper price point. Deals help place the destination brand on the millennials’ radar, reduce the perceived risk of a poor decision, and in some instances, the deal itself could be a point to brag about.
ARE THEY AWARE OF THE DESTINATIONS AND EXPERIENCES AVAILABLE IN REGIONAL NSW?

Views towards a regional Australian destination for a holiday were mixed. Millennials were often not aware of places they could go that provide enough variety of experiences for them to enjoy.

However, respondents believed regional destinations:

- offered relaxing and authentic experiences
- allowed them to escape the grind of routine – but not connect with others or discover something new
- offered a variety of active nature-based activities such as hiking, swimming, and relaxing among picturesque scenery or on a beach.

Respondents were aware of specific regional areas such as the Blue Mountains, Hunter Valley, Snowy Mountains and the North and South Coast. However, awareness of other destinations was largely impacted by the millennial’s home location, and/or centred on coastal locations. Recollections of towns and their potential holiday attractions in inland regional NSW was limited.

HOW CAN REGIONAL NSW ATTRACT MILLENNIALS?

‘REST AND RELAXATION’ – THE KEY TO ATTRACTING MILLENNIALS TO REGIONAL DESTINATIONS

- Regional NSW is currently a destination that millennials visit for a short break – about four days – to relax and reflect, often with friends.
- Importantly, rest and relaxation does not equate to only passive experiences, but is about experiences that promote rejuvenation, indulgence, escape (being able to forget your routine life), and discovery (a sense of realisation).
- Therefore, a range of active and passive experiences should be provided.

Respondents raised some key points that provide opportunities to promote regional NSW:

- They were more likely to go to regional NSW if they were travelling with family, to visit family or friends, with mates for a social holiday (e.g. in Nimbin) or for a spontaneous break – especially those who resided in Sydney or Canberra.
- They lacked awareness of places to see in regional NSW and what they offered, but could clearly differentiate between coastal and inland NSW destinations. They believed that coastal towns offered more experiences like relaxing on the beach and a mix of active things to participate in than inland towns.
- Of those respondents that had travelled to regional NSW, their holiday experience met their expectations: relaxing and getting a break from their regular routine.
- They suggested regional NSW was capable of delivering a variety of unique experiences that allowed them to truly connect with the place, experience authenticity, and have a range of experiences in the one place. They expected to be able to rest on the beach or relax in beautiful scenery, have fresh country food and wine, go bush walking, or enjoy the snow or the outback.

Perceptions of higher cost of travel as well as potentially large distances between locations were key barriers to visiting regional Australia, including regional NSW. The provision of package deals and suggested itineraries of the things to see and do at the destination and nearby towns would help create a strong reason to visit regional NSW.
WHAT NEXT?

Overall, the research highlighted the need for regional NSW to create and own a unique regional identity, which will help distinguish it more effectively from other regions:

- It is important to create awareness of places they could visit at a town or local area level.
- Destination brands need to be developed and associated with a ‘hook’ – that is, the main reason to visit. This could be based on something that is unique, notable or ‘instagrammable’, as long as it gives millennials a reason to visit.
- In addition to creating the hook, a variety of experiences need to be available at the destination – although the immediate local area can play into the level and variety of experiences offered. Information around cost (and potential ‘brag’ deals) are also an important consideration.

An effective marketing strategy should build communications around the pull factors of ‘Discovery’, ‘Brag’, ‘Escape’ and ‘Connect’. ‘Discovery’ in particular appeals to millennials and can be an important driver for a regional holiday. Experiences that offer ‘discovery’ within a regional context include:

- Events that allow discovery of the location in a unique way
- Nature and landscapes – especially iconic landscapes or natural attractions, for example, the Kiama blowholes or Katoomba’s Three Sisters
- Experiences that are unique to the area or attractions the area is known for
- Food and lifestyle – these are the only two aspects of culture that millennials believe vary across Australia
- History of the destination.

The research also tested a range of images and text for different communication channels, with the following results:

- Imagery should be destination specific and display how the destination helps the visitor relax, recover, escape and discover.
- Images need to demonstrate what there is to do and explore and should capture the feeling of the destination, as well as give a sense of how it would feel to be there.
- Millennials have a short attention span, so text contents need to be short and specify the name of the destination.
- Hashtags – as a research tool – need to include the destination name, action verbs, experiences and relevance.
- Millennials are looking for authentic information as opposed to staged advertising. Social media (particularly Pinterest and Instagram) allows millennials to see the real experiences that others have (including blogs), unlike marketing material.
- Traditional media still plays a role in building brand presence for millennials, but images and messaging needs to cater to their preferences.

METHODOLOGY

For this study, a multi-stage qualitative research approach was adopted. Stage One was exploratory in nature, and involved a mix of focus group discussions and in-depth interviews. Stage Two involved a moderated online discussion forum with selected Stage One participants and new participants. Research was conducted with youth residents in Sydney, Melbourne, Brisbane and Canberra.