



# Over 55 travel market

## *Research findings*

November 2008

*INSIDE STORY* project number 3003

*Commercial in confidence*

Prepared for:



**Tourism New South Wales**

## Over 55 study – background

- The Australian population is aging - proportion of over 55 year olds is increasing rapidly as baby boomers approach and reach retirement
  - Mature-aged travel sector is growing faster than younger travel sectors
- Growth of this market has a number of ramifications for tourism, including the nature, frequency and extent of leisure travel and associated expenditure

TNSW seek to better understand this important growing market

- TNSW and INSIDE STORY conducted meta-analysis and a workshop to define the scope of this qualitative study comprising of 6 focus groups among over 55s

This document outlines the findings of the focus groups conducted among over 55 year old travellers



Overall aim: To understand the older traveller, to better target this growing tourism market sector

## Objectives:

- **Motivators** for Over 55's taking domestic holidays
- **Impediments** and barriers to taking domestic holidays
- Older travelers' **aspirations, desires** and **wants**
  - Likes and dislikes that affect their type of travel
  - Wishes and desires in products/destinations
- **Self perceptions**, including perceived wealth, perceived limitations, etc that affect their travel decisions
- Travel related **behaviours**
  - Where and how they like to travel
  - Types of trips, types of destinations, facilities sought



# Qualitative research structure

- Six focus groups among Over 55's who are active in the travel market
  - Each group included 6 to 7 people. Each focus group lasted 2 hours

<b>Group 1</b>	Retired/semi-retired, 60+ years, Wanderers, higher affluence, Sydney market
<b>Group 2</b>	Still working, not yet retired, 55 to 65 years, Pampadours, higher affluence, Sydney market
<b>Group 3</b>	Still working, not yet retired, 55 to 65 years, Groupie and Wanderer, Orange, NSW
<b>Group 4</b>	Retired/semi-retired, 60+ years, Wanderer and True Traveller, lower affluence, Orange, NSW
<b>Group 5</b>	Still working, not yet retired, 55 to 65 years, Wanderer and True Traveller, Melbourne
<b>Group 6</b>	Retired/semi-retired, 60+ years, Groupie and Wanderer, lower affluence, Melbourne

Mix of males & females in each group

**Total of n=41**

NOTE: There were no Baby boomer retirees (ie: retirees under 62) included within this group structure

## Focus groups were conducted 19 to 25 September 2008

While stock market had been declining for some time at this point, this fieldwork was just before the credit crunch which led to major declines in share market and \$AU

NOTE: This study excludes people who do not live in either Sydney, Melbourne or Orange. While it is acknowledged that caravanning as a lifestyle choice is a growth area, people currently living that life were excluded from the scope of this study.



## Agenda

- **Generational differences, life changes and overall trends among over 55s**
  - With implications for tourism
- **Dominant motivators for travel among over 55s**
- **Travel constraints and impediments**
- **Over 55 mindset segments**
  - With implications for tourism
- **Summary of tourism implications and opportunities**





# RESEARCH FINDINGS

# Overview of the over 55 market

- **The over 55 market is not one single homogenous market**
- **Greatest differences across the over 55 market are due to differing mindset segments**
  - While the largest segment is Wanderers (41%), all 5 mindset segments are well represented - Pampadours, Groupies, True travellers and even Compatriots
  - Mindset segment has the greatest impact on holiday motivations and choices
- **Yet over 55s activate some of these mindsets differently to younger people**
  - More comfortable accommodation than younger people in the same mindsets
  - More intellectual interests, less strenuous activity than younger people in these mindsets
- **Baby boomers are attitudinally different to the Traditionalists generation**

Typically they:

  - Expect more personalisation, more flexible tailored options
  - Are slightly more experiential in their holiday activities
  - Expect slightly higher standards of accommodation
  - Define “luxury” and “pampering” differently
- **Lifestage changes (children growing up, retirement and grandchildren) also have significant impacts on their freedom, their holiday motivations and their holiday choices**





## Generational differences, lifestage changes and overall trends



# Generational differences

## Traditionalists - Born before 1946

Children during World War 2  
Parents went through Great Depression

## Baby Boomers - Born 1946 to 1965

Rebellious, 1<sup>st</sup> "me" generation  
– broke through many traditional barriers

Appreciate structure and social formality  
Want to know what the rules are



Individualist – expect personalised,  
tailored options. Dislike rules

Strong sense of doing the right thing



Expect to choose their own way

More accepting, don't expect as much



Expect higher standards, compromise less

More touristy travel preferences



More experiential travel preferences

Less affluent through their whole life  
- never had much money, made do



More affluent than traditionalists

Feel they are better off now than ever before

Feel they are at (or approaching) their  
pinnacle financially and materially

Accept their age – would be silly not to!



Vain – not aging like their parents

Invested in bringing up their kids –  
want to leave an inheritance too



Invested in bringing up, setting up their  
kids - now retirement money is mine



## Implications for tourism

- Compared to Traditionalists, Baby boomers tend to:
  - Expect higher standards of accommodation
    - More aware of current décor trends
      - More sensitive to dated or 'tired' accommodation
    - Definition of luxury and pampering is totally different (*see Pampadour section*)
  - Expect better food options
    - More aware of healthy food habits – expect healthier options
    - More cosmopolitan cuisine – seek more variety, good coffee, etc
  - Expect tailored, more personalised travel and tour options
    - Appreciate special touches and individuality in offers
    - Expect to pick and choose their own options
    - Much less likely to accept traditional group travel
  - Seek more experiential elements to their travel
    - See and do for themselves, tastings, local markets and artisans, workshops, etc



# Evolutions with aging – less physical, more intellectual

## 1. Gradual lessening physicality from youth to old age

- Less fit, carry more weight
- Less into extreme sporting activities
- Increase in 'dicky' joints, etc
- Body is less comfortable – seek decent bed, en-suite bathroom, privacy, etc

### Young

- Fit and active
- More energy
- Family responsibilities

### Younger Over 55's

- Still active, but not 'leaping about'
- Some are still sporty - less than used to be
- Lessening eyesight

### Older Over 55's

- Less sure of footing
- Stiffer, less agile
- More careful
- Increase in health issues

### Eventually...

- Less confidence in what you can do
- Seek flat, sure places

Sense of limited active time remaining – make most while can

*"If you don't go now, then when will you go? Gotta go for it while we can"*

Ill-health stops holiday activity

*"When you don't feel well, you don't feel like going away"*

*"When my wife was alive we couldn't go on holiday at all [due to her ill-health]"*



- **What people said about:**

## Gradual lessening physicality from youth to old age

Some are still very active, and haven't yet thought of slowing down

*"We go skiing each year"*

*"I'm into surfing"*

Many prefer comfortable bed and bathroom

*"When I was young I didn't mind camping, sleeping on the ground. But these days I prefer a bit of comfort!"*

*"I like to sleep in a bed. I like the bathroom to be just there"*

Less active these days

*"Before when we were younger, we were more able to get out there and give it a go"*

*"Each trip it's a bit more difficult in some way"*

Increase in health issues later in life

*"Demands from all over, usually from the medical world (juggling ill health with holidays)"*

*"The body's not always working in synch. If my body is working properly then I'm OK to go on holidays"*

Over 55s should not be treated as disabled:

*"We don't need ramps and wheelchair access"*

*"You feel you've drawn the short straw when you get the bathroom with the handrails around"*



## 2. Increasing intellectual fascination

Self orientation  
INWARD LOOKING

Greater self confidence  
More OUTWARD LOOKING

### Young

- Impatient, need more entertainment
- Discovering, affirming who they are, what they stand for
- More influenced by societal trends
- Aspirational
- Developing family, time taken up with responsibilities

### Over 55's

- Confident in themselves – less concerned with what others may think, already proved themselves
- Less need for things
- People are more important
- Greater joy in other people's creativity and achievements
- Interested in many more things – fascination in heritage, sense of place, smaller stories
- More hobbies and areas of special interest



## Implications for tourism

### → Seek more comfort than when they were younger

- Want a good bed and a nearby bathroom – no longer into rough camping or a bathroom down the hall
- Fewer are prepared to 'rough it'
  - Even True travellers over 55 like their comforts

### → Structured to see more clearly

- Print communications large enough/contrast enough to be readable
- Better lighting to help see what they are doing

### ● Compared to Traditionalists, Baby boomers will:

#### → Seek more experiential, intellectual offers

#### → Hate to be treated as old, incapable or not caring about what they are given

- Resent being allocated 'disabled' features or treated as incapable

*"You feel you've drawn the short straw when you get the bathroom with the handrails around"*



# Impacts of lifestage changes

## Lifestage change

• Children become teens, become more independent

• Children grow up, leave

## Result

- Less parenting required
- Freedom from school holidays
- Holiday without the children
- Establishing themselves as a couple

## Impact on tourism

- Freedom to holiday as they wish
- Consolidate partnership through holidays

• Grandchildren

- Consolidate relationships
  - with grandchildren
  - with adult children
- But don't want to be too available for children/grandchildren

- Strong interest in family
- Balance own needs with family's needs

• Reduced debt commitment

• Pay off mortgage

- Increased discretionary income
- Fewer people to spend it on

- Feel wealthier , more money for own holidays

• Reduce work hours

• Retire from work

- Less stress
- More time for leisure
- More opportunity for interests
- Investments, fixed incomes

- Greater time and freedom for holidays
- Still need to watch money

• Loss of spouse

- Establish themselves as single

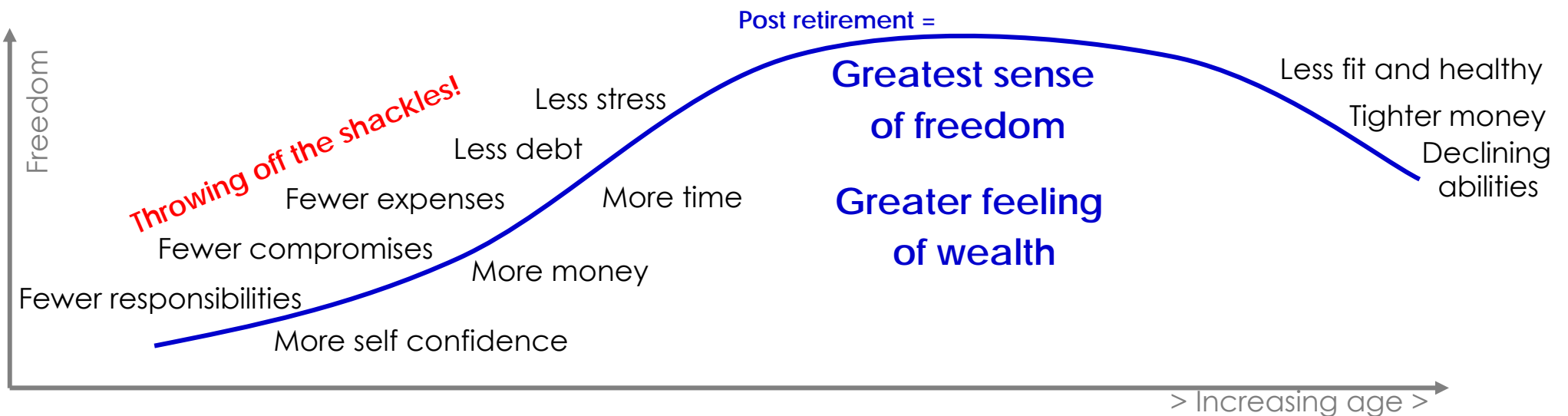
- Increase in Groupie travel
- Increase in organised holidays



# They've never had it so good!

- Over 55s feel much greater freedom than when they were younger

- Have more time and money to take holidays of their choice
- Have fewer constraints or responsibilities



- Better, cheaper options than before

- Flights, deals and eating out cheaper than ever. More and better options available

- More information, better information available

- Travel articles, deals, etc
- Internet assists search and decision making



## Implications for tourism

- As baby boomers become empty nesters:
  - Freedom to holiday as couples instead of families
    - Increase in baby boomer True traveller and Pampadour travel
    - Opportunities to consolidate relationship through shared interests on holiday
- As baby boomers become grandparents
  - Increase in multi-generational travel – Grandparents with parents and kids
    - "It's a great way to spend quality time with the grandchildren"*
    - Second generation tend to be the decision makers – grandparents tag along
    - Baby boomers more likely to want own space - separate accommodation nearby
- As baby boomers move into retirement their attitudes and expectations will move into the retiree travel market:
  - Likely to take longer trips without work life constraints
  - Expect higher standards of accommodation and decor
  - More active than Traditionalist retirees – fitter and more healthy
  - Seek more experiential travel
  - Expect more personalised, tailored options – fewer rules, less 'one size fits all' retiree offers



## VFR provides great opportunity - not a threat to holiday spend

- **Visiting friends and relatives provides a trigger to many extended holidays**
  - VFR is not simply spending time with family with little/no spend
  - Nearly all VFR trips include much more

### Examples

- Attend wedding in Adelaide > then 2 weeks via Great Ocean Road & Melbourne
- Attend graduation in Broome > then 2 weeks in Kimberley, etc
- Visit friend in Mooloolaba > spent 2 weeks in resort
- Visit aunt in Tasmania > stayed in nearby hotel, then toured Tasmania in her car
- Visit family in Sydney > stayed in hotel near family, ate out, toured the sites



## Differences in financial status

- **Holidays come from discretionary budget – impacted by financial health and prospects**
  - Baby boomers and traditionalists alike describe saving and budgeting for their holidays

### More affluent self funded retirees:

- Actualise more of their dreams
- Travel more often
- Higher spend, less straight VFR

### Less affluent self funded retirees, pensioners:

- More careful with money
- Lower participation in paid holidays
- More VFR to contain costs

### Impact of drops in investment value (stock market, housing market, etc)

- **Long term investors are less affected**
  - Calm: Monthly budget remains steady regardless of market increases/decreases
    - Not as stressful as young people losing job or mortgage payments increasing
  - Their experience shows what goes down does come back up again – seen it all before
  - Some have indexed allocated pensions or conservative portfolios – expect little impact
- **Greater nervousness among those about to retire**
  - Liquidating or converting superannuation funds means taking brunt of market falls
  - Some are postponing retirement until market recovers

**Declines in financial health will reduce holiday spend**

Note: Differences in affluence between city and regional can be evaluated via a quantitative study

## Trends not observed in this study

- **Some reported trends were not apparent in this study**
  - Either because this sample was too small for the trend to be evident
  - Or the trend was not sufficiently top of mind to be mentioned
  - Or because this trend is not among over 55s

NOTE: We did not probe specifically about these issues

**Eco-friendly travel or environmental concerns impacting travel**

- No evidence of awareness or concern for environmental impact of travel seen in this study

**Volunteerism as a travel trend**

- Over 55s (especially traditionalists) volunteer in their day-to-day life. There was no evidence of volunteer travel in this study
- However, the growth in experiential travel may increase travel volunteerism





# Dominant motivators for travel

## Constraints and impediments



# Primary holiday motivations differ

## Pre-retirement

- **Primary motivation**  
= stress release, relaxation
- Deepen relationship with partner

## Post retirement

- **Primary motivation = stimulation**
  - Relieve day to day sameness
  - Provides interest and high-point to look forward to

## Motivations vary greatly by mindset segments

→ These will be covered in much greater detail by mindset in the following pages

Some common over 55 themes include:

- Completing things you want to do
  - Visit places/experiences you always wanted, revisit places part of earlier life
- Indulge in interests, hobbies
- Adventure, excitement
- Develop/deepen relationships
  - With grandchildren, with adult children
  - Re-establish/deepen relationships with old friends/family
- Social companionship
  - Shared experiences
  - Like-minded people

## Constraint

- **Money – still need to save up**

- Preservation of funds  
– need to last long time
- Monthly budget
- Recent market falls

- **House, garden and pets**

- **Sense of time constraints**

- Only fit enough for x years

- **Level of fitness/health**

- Ill-health stops travel
- Family members
- Avoid extreme hot/cold weather

- **Family, grandchildren**

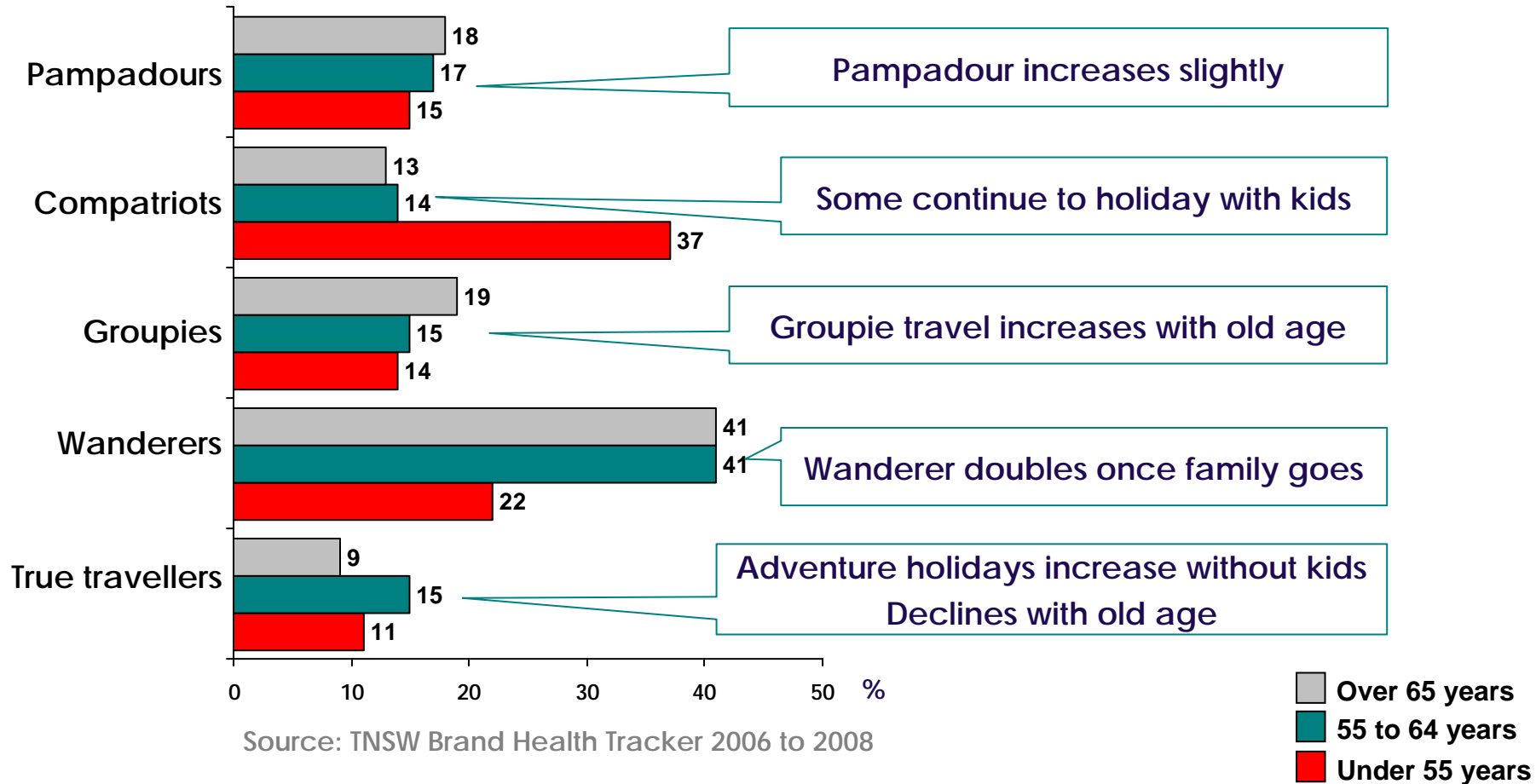
## Impact

- Look for and respond to deals
- Those feeling loss of wealth likely to reduce discretionary travel
- Freeing yourself from home – easier than it used to be with kids
- Logistics of having someone care for house/pets/garden
  - Pick right time to go when garden will survive
- Make the most of time left
- Ill health stops holiday – just don't feel like it
- Need care, want to stay home
- Less mobility reduces enjoyment, increases feeling of risk
- Access to medications and health care (just in case)
- Care responsibilities, help when needed

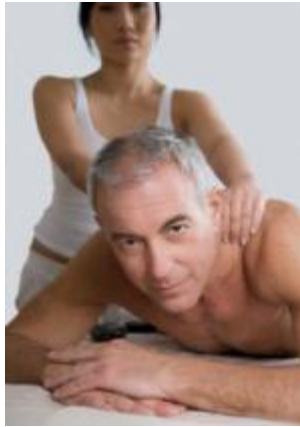
**Also: Normal time constraints among those still working**

# All mindsets still exist among over 55s

## Usual holiday mindset



Mindsets remain the most dominant discriminator among over 55s



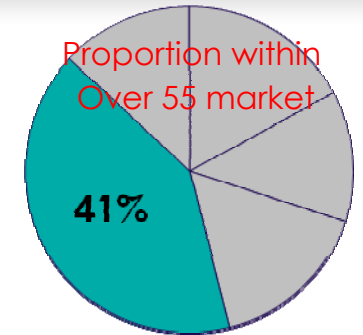
Over 55 mindset segments



Largest segment – represents 41% of over 55s

## Over 55 Wanderers are the archetypical Wanderers

- Independent and carefree – control over choices, stop and stay where you feel like
- Explore and discover – anticipation, excitement in finding new things
- Sense of adventure
- Contained risk – few bookings, ‘safe’ destinations



Source: TNSW BHT

### Young Wanderers

- Still discovering themselves
- Sense of accomplishment from creating unique experiences
- Narrower range of interests

### Over 55 Wanderers

- Joy in small stories – more outward looking than younger Wanderers
- More spontaneous – fewer bookings
- Longer trips. Go more places

### Baby boomers skew

- More affluent – spend on interests
- Prefer nicer accommodation, B&B’s
- Reconnecting as a couple after kids

### Traditionalists skew

- Tend to use lesser accommodation – eg: motels, on-site vans
- Accept more ‘cookie cutter’ travel
- Less active, go fewer places

# Over 55 Wanderers – holiday motivators

## Core motivators are:

- **Stimulation**
  - Get out and see new things
  - Exploring and discovering new things, fascination in things
- **Freedom and control**
  - Go or stay wherever you want, go as the mood takes you



## Other motivators include:

- **Creativity and adventure**
  - Make it up as you go
  - Not knowing what comes next, where you'll stay, what you'll find
- **Reconnection**
  - Deepen relationship with partner through shared discoveries
  - Reconnection with self through indulging in interests
- **Nostalgia**
  - Back to a slower pace (country), old-style shops, etc
  - Revisit places of personal significance



**Implications: Communications and positionings targeting Over 55 Wanderers need to speak to core motivations**

**Opportunity to differentiate offers by addressing another motivators as well**

# Implications for tourism – Wanderers



## Over 55 Wanderers seek

- Freedom to explore at their own pace
- Gathering interesting anecdotes
- Comfortable accommodation – facilities are less important
- Events and intellectual stimulation
- Casual places to eat out

## Opportunities with baby boomer Wanderers retiring:

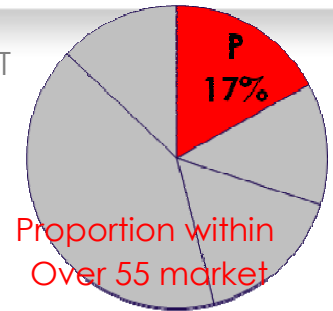
- **Increase in demand for quality self contained accommodation and B&B style**  
(Including quality cabins in caravan parks)
  - Tired outdated accommodation likely to be less tolerated by retirees
- **Improvements in food offered to retirees** – healthy fresh food, good coffee, etc
- **More up to date shopping options** – local crafts and foods rather than souvenirs
- **Opportunity to enhance points of interest with background stories and greater world context,**  
to make places 'live'
- **More flexible travel options** – eg: flexible train travel, flexible fly-drive, etc
- **More active options** eg: bike hire and safe cycling routes to nearby points of interest



# Over 55 Pampadours

**SECOND largest segment – represents 17% of over 55s**

Source: TNSW BHT



- This segment shows major differences between baby boomers and traditionalists**

- Baby boomers are more aligned with what the industry thinks of as Pampadour
  - Pampering, luxury that I can afford
  - *At least* as comfortable as I have at home, otherwise what's the point?
  - Standards in home décor translate to expectations in accommodation

- Pampadours remain Pampadours as they age**

- Part of my ongoing 'maintenance', it's what I do

**Young Pampadours**

- Taste of fantasy - aspirational
- Gift to myself, re-energising
- Want modernity, not tradition

**Over 55 Pampdaours**

- Reward for life achievements – career, bringing up family
- Self recognition for my status in life – I've earned it!
- Already have luxuries at home – want equivalent or better

**Little interest in non-coastal areas among over 55 Pampdaours**

- Interest in Sydney declines with age – less likely to be city focused
- Interest in North Coast/South Coast increases with age – have time to travel further

# Different definitions of luxury

## Baby boomers have higher luxury standards than Traditionalists

- Baby boomers: 3.5+ stars, Resort or B&B, ambience, linen, luxury bathroom, spa
- Traditionalists: 3+ star hotel or motel, not having to cook

### Baby boomers

Luxury = quality décor,  
quality linen, robes, space,  
Indoor/outdoor integration

“Pampering”=  
me time, spa, massages



### Traditionalist Pampadours

Happy with....  
Clean, well maintained, 3+ star  
not necessarily current decor

“Pampering” =  
eating out, being waited on



# Over 55 Pampadour – holiday motivations

## Core motivation:

- **Luxury, indulgence**
  - Time out for indulgences – lunches and dinners, seafood
  - Drink, cakes, ice-cream, nice desserts
  - Pampering
  - Deserved reward
  - Feeling special

## Other motivators can include:

- **Reconnection**
  - Reconnect with self
  - Deepen relationship, romance
- **Reflection**
  - Chance to look back at what you've done
- **Escape, slow down**
  - Clear the brain, leave everything behind
  - Time out, work and stresses don't exist
  - Rejuvenation

**Different Pampadours respond to different motivators. Many opportunities to position offers and communicate beyond the obvious 'relax and indulge'**

# Implications for tourism – Pampadours



## Multiple forces are likely when baby boomer Pampadours retire

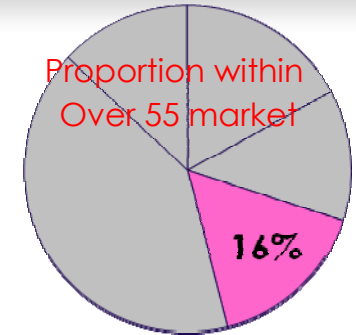
1. As baby boomers retire, they'll have declining need for classic Pampadour stress escape
2. But... *'once a pampadour, always a pampadour'*  
Baby boomer pampadours won't compromise. With retirement they'll have more time to take the holidays they really want

## Implications with Pampadour baby boomers retiring:

- Likely increase in demand for luxury accommodation beyond the quick getaway locations baby boomers currently head to
  - Many areas will need to upgrade their offer to attract baby boomer Pampadours
- Likely to see increase in demand for wellbeing products among retirees
  - Spa, massage, etc
- Increase in active retiree Pampadour experiences eg: snorkelling, night skiing, etc



**Groupies represent 16% of Over 55 market  
Incidence increases with age**



Source: TNSW BHT

## Over 55 Groupies are a combination of

- Going on holidays with friends
- Organised group travel, cruises, etc

## • Goals

- Have fun with friends
- Meet like-minded people, maybe find a new partner
- Explore and discover, with less to organise or decide on – just go with the flow

### Baby boomers

- Despise organised group tours
- Will organise own activities
- Go with friends, not random group
- Expect tailored arrangements for their group
- Seek more experiential travel
- Higher expectations of accommodation

### Traditionalists

- Traditionalists see past “organised tour” stigma
- Opportunistic – go further with fun and ease
- Safe way to meet people – especially singles
- Happy with more modest accommodation
- Accept more ‘cookie cutter’ group travel
- Less active

**Singledom and opportunism lead people to go on organised tours**

# Over 55 Groupies – holiday motivators

## Core motivators are:

- **Companionship**
  - Fun socialising with other people
  - Better than being solo or with own (same) partner
- **Stimulation**
  - Variety, break the monotony of everyday
  - Get out and see things together

## Other motivators include:

- **Deepening connections with people**
  - Shared experiences
  - Strengthen relationships with friends
  - Build new relationships
- **Ease and comfort**
  - Less to organise, less hassle
  - Physically easier



Overt motivation is stimulation – must communicate in these terms  
Even though **fun time with friends** is the actually the primary driver  
Much Groupie travel is opportunistic – easier doing it together

# Implications for tourism – Groupies



## Over 55 Groupies seek

- Accommodation able to handle groups where everyone has own bathroom
- Fun with friends – activities to share
- Easy to organise – little decision making once on holiday

Baby boomers are unlikely to accept organised group travel in the same way that traditionalists currently do

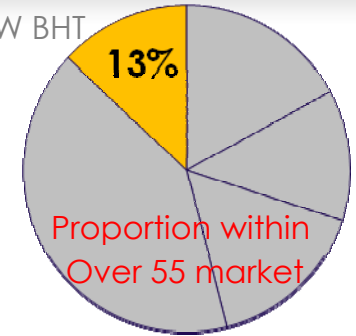
## Opportunities with baby boomer Groupies retiring:

- Likely to be an increase in groupie travel among baby boomers as they age
  - Opportunities for tailored travel offers for groups of friends
  - And more experiential offers for groups of friends
  - Require better quality accommodation than current organised travel
- **Group activities based around shared interests** – club activities, sporting activities, etc
- **More active options**



## True travellers – return to segment post kids

Source: TNSW BHT



### Over 55 True travellers – Immersion with comfort

- Freed from family responsibilities - able to take on adventures again
- Time to immerse into local culture, to go deeper

## True travellers travel to more places in NSW than any other mindsets

### Over 65 True travellers go to just as many places as those under 55 and 55 to 64 years

**Young True travellers**

- Higher risk travel
- Rougher accommodation
- More adrenalin-driven activities

**Over 55 True travellers**

- Seek some comforts in accommodation
- Prefer authenticity in their accommodation
- More interest driven
- More able to afford own guides, special experiences

**Baby boomers**

- Fitter and more active than traditionalists at same age – more active adventures
- Greater orientation to overseas
- Deny they are aging (yet)

**Traditionalists skew**

- Accommodation is less important
- Less affluent
- Less fit, becoming less able to cope with activities

# Over 55 True travellers - holiday motivations

## Core motivators are:

- Immersion and adventure

- Feel the essence, move into a different world
- Deeper experience, immersion
- Take on a different perspective, understanding new things
- Exhilaration

## Other motivators include:

- Creativity and affirmation

- Doing your own travel, off the beaten track
- I am unique, not a 'typical tourist'
- Memories to keep

- Freedom and control

- Go or stay wherever you want – own choices

**Implications: Communications and positionings targeting Over 55 True travellers need to speak to core motivation of immersion and adventure**



# Implications for tourism – True travellers



## Over 55 True travellers seek

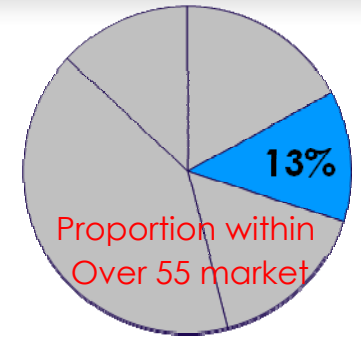
- Authentic adventures, immersion into a different place
- Learning – history, natural history, local culture, Aboriginal experience
- Doing – hiking, birdwatching, cycling

## Opportunities among baby boomer True travellers

- **Experiential tour offers and activities**
  - Tailored educative guided tours in small groups or as individuals
- **Experiential, authentic accommodation** – avoid motel sameness. Accommodation to talk about as unique and different. Eg. pioneer cottages, safari-feel, beach cottage, etc
- **Access to trails and activities unique to that place** – providing a sense of place, local colour
- **Active options such as hiking, cycling, kayaking, etc**



High proportion of VFR travel  
Yet only 13% are actually compatriots (as parents or as grandparents)



Source: TNSW BHT

## Over 55 Compatriots

- Late parenthood
- Extended family - as grandparents
  - Quality time with grandchildren, teaching experiences
  - Assistant parents – sharing the child-entertainment load
  - With time to do their own thing too
- **Differences to young Compatriots:**
  - Parents – more affluent and more settled in themselves than younger parents
  - As grandparents – active participants, but not main decision maker
    - Add their own (Wanderer, etc) holiday onto the family holiday



## Implications for tourism – Over 55 Compatriots



### Over 55 Compatriots seek

- Self-contained or resort, with beach and/or children's activities
- Freedom to spend time with people
- Own accommodation (or space) as grandparents

Older parent compatriots are similar to younger compatriots

Grandparent compatriots are not the decision makers and not a core target as compatriots. Rather – it is better to target the other mindsets that these over 55s use when they supplement their grandparent compatriot holiday





## Conclusions – with tourism implications and opportunities



# Conclusions and implications

- **Over 55 – primary holiday motivations**
  - Primary holiday motivations while still working are stress release, relaxation and reconnection with people (including with self and with partner)
  - Post retirement, the primary motivation switches to stimulation and relief from day to day monotony. Reconnection is with people beyond the home
  - Beyond this, holiday motivations vary by mindset
- **Over 55s feel relatively well off and free compared to earlier in their lives**
  - Have much greater freedom now to express in their preferred holiday mindset
- **Constraints and impediments**
  - Pre-retirement the main constraint is time, with budget secondary
  - Post retirement time is freed up, leaving the main constraints as budget
    - Among the less affluent, budget is tighter, but holidays are no less important
    - Affluent retirees seem to take more regular holidays
  - Level of physical fitness slowly changes from youth to old age and holiday choices are adjusted accordingly
    - Some over 55 year olds remain very fit and active, while others have slowed down long before they reach this age
  - When ill health looms, holiday participation drops off



## Conclusions and implications

- **Over 55s seek more comfortable accommodation than when they were younger** – much less prepared to rough it as their body ages. Private ensuite bathroom is a requirement
- **Over 55 VFR provides tourism opportunities**
  - Falsely seen as a low-value form of travel of little interest to operators
  - Yet over 55 VFR typically triggers extended holidays, with VFR only being a portion of the total trip. Most over 55 VFRs spend time and money on additional holiday accommodation and activities
- **Baby boomers – the first ‘me’ generation**
  - Baby boomers are different attitudinally to traditionalists, with different holiday expectations and preferences
  - Typically baby boomers:
    - Expect slightly higher standards of accommodation
    - Expect more personalisation, more flexible tailored options
    - Dislike rules for rules sake
    - Define “luxury” and “pampering” differently
    - Are unlikely to accept the same types of group travel that traditionalists enjoy
    - Hate to be treated as old, incapable or not caring about what they are given



## Conclusions and implications

- **As baby boomers' children grow up, baby boomers will switch from Compatriots to either Wanderers, True travellers and Pampadours**
  - As this occurs there's likely to be an increase in older True travellers and Pampadours
- Multi-generational holidays will also increase as baby boomers gain grandchildren and start to holiday with their extended family
  - Yet they will want their own space and facilities, and many will spend extra to get it
- **As Baby boomers enter retirement, they will take their attitudes and preferences into the retiree holiday market**
  - More active than Traditionalist retirees – baby boomers have kept fitter
  - Want higher standards of accommodation , healthier and more varied food options
  - Seek more experiential travel opportunities
  - Expect more personalised, tailored options – fewer rules or 'one size fits all' retiree offers
  - Reject notions of retirement indicating they are 'out of the loop' or 'over the hill'
  - More likely to make a career of retirement



# Communication implications

- Untargeted “mass” marketing is not appropriate. Messages need to resonate with their mindset in order to be heard

## Communicating with over 55 Wanderers:

- Core motivations are **stimulation** and **freedom/control**
- Opportunities to differentiate offers by also addressing another Wanderer motivators such as **creativity** and **adventure**; **reconnection** and **nostalgia**

## Communicating with over 55 Pampadours:

- Different Pampadours respond to different motivators. Beyond the obvious ‘**indulge** and **rejuvenation**’ are: **reconnection with self** and **reflection**

- The meanings of ‘luxury’, ‘pampering’ and ‘indulgence’ are different for baby boomers versus traditionalists. If baby boomers are the target, the product offer must match their expectations of what these words promise

## Communicating with over 55 Groupies:

- Overt motivation is stimulation – must communicate in these terms
  - Even though fun time with friends is actually the primary driver
- Many Groupies will also respond to Wanderer-style positioning

## Communicating with over 55 True travellers:

- Core motivations are immersion and adventure
- Communications to creativity (uniqueness) and freedom will also resonate





# Appendix

An additional objective was added part way through this study:

- To gain a (brief) response to the [www.sydneyforall.com](http://www.sydneyforall.com) accessibility portal

**Method:** Selected screen shots were shown to the focus group participants (via a TV screen hooked up to a laptop), and the website features were explained

**Among over 55s that are active in the tourism market:**

- **Accessibility website is seen as a very good idea**
  - Not necessarily using it themselves yet
  - Would be good for those who do need accessibility features
    - Great to have a central reference point
- **All aspects covered were seen as worthwhile**
- **One piece they perceived as missing:**
  - Handicap parking is also important to show

**NOTE:** It was clear that the mostly healthy, fit over 55s in this study had few accessibility issues themselves. We recommend a more thorough evaluation of this website be conducted among people with accessibility needs

## Over 55 media use

- Avid readers of travel sections in newspapers and magazines
- Internet used very widely, especially among Baby boomers
  - But less prevalent among the over 65 (traditionalists)

- Word of mouth, prior experience and the internet are the most widely used sources for information
- True travellers also make wide use of Visitor Information Centres
  - Also travel guides and motoring associations
- Wanderers also make wide use of travel books, guides and brochures
- Pampadours, Groupies and Compatriots use fewer sources of information
  - Rely mostly on internet, word of mouth and prior experience

## Deals and discounts certainly attract attention

Deals act as triggers in destination/operator choice

Many Over 55's had responded to deals/discounts in their choice of destination



NOTE: information searching was not covered in detail in these focus groups. Also the sample is small. More robust and comprehensive media usage data is available from normal media research sources

# Over 55 Wanderer travel preferences

- **City, coast, Hunter Valley and The Murray**
  - Interest in Sydney declines with age
  - Interest in North/South Coast maintains with age
  - The Murray of greater interest to Over 55 than Under 55
- **Accommodation and transport:** Self contained, motels, B&B, on-site cabins
  - Either tour around, or stay in one place as a base and do day trips
  - Self-drive, train
- **Activities chosen from NSW holiday planners**
  - Nature tours, wildlife
  - Museums
  - Exploring sites of interest, take photos
  - Driving scenic routes
  - Casual eating out
  - Local produce, fresh foods, markets, wine & cheese
  - Gardens, festivals
  - Bike riding, walking, golf
  - Low key shopping,
  - Cruises, rides



## Trips taken by Over 55 Wanderers

### Over 55 Wanderer recent trips among focus group participants:

- Exploring east coast of Tasmania, self drive, staying in B&Bs
- Merrimbula Jazz Festival, then explore along the coast with no bookings
- Train to Dubbo, then to Cowra, then to Orange, Canowindra - explore each place
- Drive down the South Coast, explore and stay a few days in each place
- Kangaroo Valley and South Coast, wildflowers, walking trails, berry farms, cheeses
- Explore Lightening Ridge, Aboriginal heritage, mining culture, pioneer heritage



# Over 55 Pampadour travel preferences

- **Coastal and city skew**
  - Interest in Sydney declines with age
  - Interest in North Coast/South Coast increases with age
- **Accommodation:** Upmarket hotel, resort
- **Activities chosen from NSW holiday planners**
  - Food and wine: Dining, local produce, cellar door tastings
  - Trips to sites of interest
  - Shopping, art galleries
  - Enjoy the fresh air
  - River cruise, whale watching, boating
  - Botanical gardens
  - Massages
  - Swimming, snorkelling
  - Bike riding, walking
  - Night skiing, guided snowshoe walk, snow tube park
  - Fireworks displays



# Examples of trips by Over 55 Pampadours

## Trips taken by Over 55 Pampadours

- **Recent trips include:**
  - Luxury B&B at Daylesford, visits to day spa
  - Launceston pampering, down coast to Bicheno
  - Gold Coast Sofitel, trip to Byron Bay
  - Noosa, plush accommodation, shopping, day trip to Fraser Island
- **Appealing NSW trips (from Holiday Planners)**
  - Lord Howe Island – stunning scenery, snorkelling, fishing, exploring, massages, dining
  - Thredbo in winter – Nightlife, night skiing, fireworks, guided snowshoeing, tube park
  - Blue Mountains – upmarket hotel, shopping, sites, fresh air, walks
  - Broken Hill to Mildura – art galleries, dining, cellar door tastings, river cruise
  - Hunter Valley – wines, dining
  - Sydney – Intercontinental, Bridge Climb, jetboat, dining



Groupies 55 to 64 go to more places than under 55 Groupies  
Travel declines among over 65 Groupies

## Over 55 Groupie recent trips

- Cruise ship – social life, meeting people
- Echuca with girlfriends – quality time with friends (husbands excluded)
- Wagga with 4 friends, spent time together exploring, socialising
- Organised (bus) trip to Cairns with local Probus group
- 4 days in Cooma/Snowy Mountains with church group



# Over 55 Groupie travel preferences

- **Sydney, Hunter Valley, Coastal areas, The Murray**
  - Visits to Sydney and Sydney Surrounds decline with age
  - Visits to North Coast higher than under 55
  
- **Accommodation and transport:**
  - Motels
  - Self-drive with friends
  - Organised bus tours
  - Cruises
  
- **Activities chosen from NSW holiday planners**
  - Social activities, companionship
  - Shopping, local markets
  - Casual eating out
  - Visiting sites of interest
  - Driving scenic routes
  - Gardens, festivals
  - Walking, sports
  - Nightlife
  - Cruises, rides



# Over 55 True travellers keep on travelling

True travellers travel to more places in NSW than other mindsets

Over 65 True travellers go to just as many places as those under 55 and 55 to 64 years

## Over 55 True traveller recent trips

- 3 weeks 4WD drive in Kimberley “while husband still can”
- Red Centre – Aboriginal culture, experiential
- 2 weeks touring Tasmania by motorbike – feel the place, meet real locals
- Hobart in historic cottage – immersion into old history, sense of place
- Sydney – Very active, Bridge Climb, immersion in Sydney’s vitality





# ***INSIDESTORY***

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