



For Immediate Release
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2009 OUTLOOK FOR TOURS, VACATION PACKAGES IS CAUTIOUS

Tour operators and vacation packagers are viewing the travel landscape for 2009 with caution, according to results of a recent, informal member survey conducted by the [US Tour Operators Association](#).

More than 70% of respondents said that packaged travel will either remain constant or decrease by an average of 18% in 2009. A full quarter, however, were optimistic, predicting gains of 10 – 15%.

Euro country travel hit hardest

Not surprisingly, international travel has been hit the hardest. **Despite the recent rise in the dollar vs. the Euro, an overwhelming majority (85%) of USTOA respondents said the current economic situation and low dollar has affected the number of bookings to countries on the Euro and British pound over the past year by 10 – 15%.** Another 80% expect the decline to continue in 2009, predicting an average overall drop in packaged travel of 10%. Fewer than 15% of respondents said they had seen no effect on their bookings.

The decline in packaged travel to international destinations on other currencies was not as steep. Survey results were mixed, with 20% of respondents saying travel to these countries has remained unchanged over the past year, and 25% seeing decreases averaging 15%. On a brighter note, 45% said international travel outside Europe and the UK had increased by a third.

Domestic Travel

In contrast, domestic travel fared better. **Seventy percent of USTOA respondents reported that “staycations” or travel closer to home increased by 25% in 2008 over 2007.** Nearly 50% said domestic year-over-year packaged travel in general was up by 25%, while a full third saw no change. Twenty percent reported declines of under 15%.

2009 Prices remain stable

A full third of USTOA respondents said their 2009 prices would remain unchanged, while 40% said pricing would increase slightly, under 10%. Only 20% of respondents said their prices would increase by an average of 20%.

While the economy and lack of discretionary income are clearly impacting people's vacation decisions, a number of USTOA tour operators are taking a wait and see approach. "It is impossible to determine projections at this point," said one USTOA member. Others expressed a sense of optimism following the recent presidential election: "At the beginning of 2009, bookings will be affected by the economy. We hope the second part of the year will bring new growth," said one member, while another said they foresee the slight improvement in the US dollar yielding nominal growth.

Yet other tour operators stress the value of tours and packages: "We as tour operators protect pricing and offer [excellent] value for the money," said another USTOA member.

Increased growth in custom planned itineraries

On another note, more than half of respondents reported greatest growth in custom planned itineraries, saying this area has grown by nearly 15%, with a third seeing a 10% gain in escorted touring.

Survey results were based on responses from 50 brands, representing 80% of USTOA's corporate members. For more information on USTOA visit www.ustoa.com.

Result Summary

- 38% expect packaged travel to decrease in 2009, 35% expect it to remain the same, 26% to increase.
- 72% see growth in travel closer to home
- 48% reported domestic travel up over 2007
- 52% see growth in FITs
- 45% saw increase in international travel outside Europe and UK up over 2007.
- 85% said the current economic situation and low dollar vs. Euro and British Pound has affected bookings over the past year
- 80% expect 2009 bookings to be affected
- The economy is the single greatest issue facing travelers

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