

TRAVEL BOOKING – US – 2024

Travelers are back to booking trips closer to vacation time. Booking platforms must provide the most convenient, personalized and seamless experience that they can.



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Travel Booking – US – 2024

This report looks at the following areas:

- The size of the US travel booking market and the industry's forecasted growth
- How booking lead times have shifted as we move on from the pandemic
- Devices, platforms and methods used to book most recent leisure travel
- Desired features for a booking platform
- What aspects of a brick and mortar travel booking location make it viable
- Attitudes about trip research and comprehensiveness of booking platforms
- Drivers of the travel booking market and how the economy is affecting booking decisions
- Revenue and online ad spending of major OTAs
- How AI is affecting the booking landscape
- The strategies brands are using to encourage more search and booking within their ecosystem
- Opportunities where brands can increase revenue through customer service initiatives and personalization of messaging and services



Travelers are back to booking trips closer to vacation time. Booking platforms must provide the most convenient, personalized and seamless experience that they can.

Overview

Despite high travel costs, 87% of consumers plan on taking a leisure trip in the next 12 months and 14% intend to take four or more. It's no wonder that the travel booking industry – worth an

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estimated \$84.8 billion in 2023 is poised to grow 22% by 2028. For travel brands, the challenge isn't convincing people to book, it's getting people to book travel with *their* brand.

To this end, travelers indicate several ways brands can attract them. Bookers are returning to their pre-pandemic habit of booking with shorter notice, meaning they will favor brands that can provide relevant information quickly and execute booking seamlessly. Bookers would also like to accrue loyalty points wherever they can, and 76% of bookers indicate they'd be drawn to a platform that offers reward points, flexible calendars and travel itineraries.

This will all have to be done with minimal virtual real estate, as a record 62% of bookers are making reservations on mobile. 38% are also booking through an app, which means that brands' ad budgets need to include in their strategy promoting and directing travelers to their app.

Additionally, 38% of Gen Z bookers get overwhelmed by travel options. This opens the door for third-party advisors to step in, and could spur demand for physical booking outlets, if they can also provide a social aspect to their offerings.

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Report Content

EXECUTIVE SUMMARY

- What you need to know
- Consumer trends: key takeaways
- Market size & forecast
- Market predictions

Opportunities

- Transparency improves customer attitudes, empowers booking at their own pace
- Consolidating aspects of booking will help give travel bookers the simplicity they look for
- Brands can take a more advisory role in the booking process
- Tech solutions can generate relevant, shareable itineraries

MARKET DYNAMICS

Market context

Market drivers

- High travel prices can work in OTAs' favor as cost-conscious travelers comparison shop for the best deals
- Hotter inflation means travelers may be more selective in booking decisions
 - Graph 1: Consumer Price Index change from previous period, 2019-24
- US airlines are working to ensure supply meets increasing demand
- Hotel costs remain high, but may ease in the future as new supply is set to come online
- "Junk fee" bill can increase transparency for consumers and help OTAs compete with hoteliers
- Quality of new travel agents and agencies may repel potential customers

Market size and forecast

- Travel booking revenues forecast to increase with travel's continued popularity
- Retail sales and forecast of travel booking – current prices
- Retail sales and forecast of travel booking – inflation-adjusted prices

Market share and ad spending

- OTAs' big ad spending helps generate big revenue lifts

CONSUMER INSIGHTS

Consumer fast facts

Number and length of trips

- Travel intent is growing through 2024
- More people are booking, and traveling moderately
- Trip length continues to increase
 - Graph 2: number of nights of last leisure trip, 2019-24
- Wealthier travelers drive trip length increase
 - Graph 3: number of nights of last leisure trip, by HHI, 2024
- Remote work capability enables longer vacations
 - Graph 4: number of nights of last leisure trip, by work location, 2024

Booking lead times

- The pre-pandemic short-notice booking trend is returning
 - Graph 5: booking lead times within one month, by travel vertical, 2022-24
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- Millennials and Gen Z are back to their short-notice habits
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 - Graph 7: booking lead times within one month, transportation and accommodation, by HHI, 2022-24
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- Provide personalized itineraries to maximize loyalty member activity
 - Graph 19: desired booking platform features – flexible booking calendar and itinerary suggestions, by number of trips booked, 2024
- Going's AutoRentals partnership facilitates itinerary messaging
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- Apple Vision Pro app provides a model for retail travel events

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- Mintel Trend: Who Needs Humans?
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- Trivago's AI ad draws criticism
- Mintel Trend: Make It Mine
- Brands experiment with personalized video at scale

APPENDIX

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- Consumer research methodology

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- Terms
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- Forecast methodology
- Forecast fan chart methodology

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