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# **Section V: Visitor Trends**

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This section shows visitor survey data from Summer 2006 compared to survey data from the two previous AVSP generations: 2001 and 1993. Trends are measurable in a number of areas: trip purpose, mode of entry, length of stay, regions visited, satisfaction, repeat travel, trip planning, demographics, and expenditures.

Certain questions and subject areas were difficult to compare across generations, due to differences in survey methodology, question wording, rating scales, and reporting methods. For example, in 2001 age ranges were expressed in terms of full decades; in 1993 and 2006, age ranges followed a mid-decade pattern (25-34, 35-44, etc.). Trip planning ranges also differ across generations – for example, 1-3 and 4-6 months versus 2-3, 4-5, etc. Satisfaction rating scales changed from 1-7 in 1993 and 2001 to 1-5 in 2006. Certain average statistics were not reported in 2001, including length of stay, income, age, party size, and number of months spent planning the trip. Trip planning sources were collected in different ways each generation, making comparisons of certain sources difficult.

While these differences present challenges to interpreting some of the data through the years, there is a significant amount of data that is directly comparable, and that show interesting trends. In addition, even when differences in scales or reporting methods exist, it is still valuable to look at the data side-by-side.

The trend data presented in this section is derived from the following sources, all prepared for the State of Alaska Department of Community and Economic Development:

*Alaska Visitor Arrivals and Profile, Summer 2001*, prepared by Northern Economics

*Alaska Visitor Expenditures and Opinions, Summer 2001*, prepared by Northern Economics

*Alaska Visitor Arrivals, Summer 1993*, prepared by McDowell Group

*Alaska Visitor Patterns, Opinions, and Planning, Summer 1993*, prepared by McDowell Group

*Alaska Visitor Expenditures, Summer 1993*, prepared by McDowell Group

# Trip Purpose and Transportation

The proportion of the visitor market traveling for vacation or pleasure has increased over the years, from 71 percent in 1993 to 82 percent in 2006. This is a direct reflection of the growth in the cruise ship market in comparison to other visitors – 99 percent of cruise ship passengers are vacation/pleasure visitors. The VFR (visiting friends/relatives) market has changed little over the years. The two business markets, business only and business and pleasure, decreased somewhat in relation to the other markets. However, their volume was essentially the same in 1993 and 2006.

## Trip Purpose Visitor Trends

	1993	2001	2006
Vacation/pleasure	71%	74%	82%
Visiting friends or relatives	11	6	9
Business only	10	15	5
Business and pleasure	7	5	4

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

Note: The 1993 sample included an additional 2 percent who were seasonal workers.

The percentage of visitors entering the state by air has decreased over the years, while the percentage entering by cruise ship has increased dramatically. (The growth of the cruise ship market over the last decade is discussed on in the Visitor Volume section.) The portion of the market entering by highway has declined considerably, reflecting both a decrease in traffic and the growth of other markets. The ferry market, which shares some overlap with the highway market, has also declined in its share of visitors.

Mode of Exit for the entire market was not provided in 2001.

## Mode of Entry Visitor Trends

	1993	2001	2006
Air	53%	49%	45%
Cruise ship	29	43	49
Highway	15	7	4
Ferry	3	1	1

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).



# Satisfaction Ratings

Among all trend data, satisfaction ratings are the most difficult to compare across the different years of AVSP. In addition to a change in rating scale (from 1-to-7 to 1-to-5), there were subtle differences in question wording, and a lack of reported data in some cases.

The following table shows the average rating for overall trip, compared to expectations, and value for the money. The average overall trip ratings appear to have changed little over the years. Compared to expectations ratings appear to have dropped, as is discernible in the second table, below. In 2001, many more visitors chose the higher ratings (40 percent at "7", and 33 percent at "6"). Only 6 percent chose the midpoint ("4"), which would logically correspond to the 2001 response "about what you expected" (chosen by 35 percent of respondents). While some of this may be due to an actual shift in visitors' experience, some of it may also have resulted from the change in question format. The same difference can be found in value for the money ratings.

## Overall Trip Ratings Visitor Trends

	1993 Scale: 1-7	2001 Scale: 1-7	2006 Scale: 1-5
Overall Alaska trip	6.1	6.3	4.7
Compared to expectations	5.7	6.0	3.8
Value for the money	5.3	5.4	3.4

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

### *How well did your trip to Alaska live up to what you expected from an Alaska vacation?*

#### Visitor Trends

	2006
Much higher than expectations	25%
Higher than expectations	36
About what you expected	35
Below expectations	4
Far below expectations	1
<b>Average 1-5</b>	<b>3.8</b>
	2001
7-Exceeded	40%
6	33
5	17
4	6
3	2
2	1
1-Below	<1
<b>Average 1-7</b>	<b>6.0</b>

### *In terms of value for the money, how does Alaska compare with other vacation destinations you've visited in the past five years?*

#### Visitor Trends

	2006
Much better	13%
Better	25
About the same	48
Worse	12
Much worse	1
<b>Average 1-5</b>	<b>3.4</b>
	2001
7-Better	40%
6	33
5	17
4	6
3	2
2	1
1-Worse	<1
<b>Average 1-7</b>	<b>5.4</b>

Sources: 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

The likelihood of recommending Alaska to others changed little between 2001 and 2006. The percentage “very likely” to recommend was 72 percent in 2001, and 79 percent in 2006. Likelihood of returning appears to have changed little, from 31 percent “very likely” in 2001 to 40 percent “very likely” in 2006. Again, the difference in rating scales makes it difficult to make direct comparisons.

*How likely are you to recommend Alaska as a vacation destination to others?*

**Visitor Trends**

	<b>2006</b>
Very likely	79%
Likely	18
Unlikely	1
Very unlikely	<1
Don't know	1
	<b>2001</b>
7-Very likely	72%
6	16
5	6
4	3
3	1
2	<1
1-Very unlikely	<1
Don't know	2

*How likely are you to return to Alaska in the next five years?*

**Visitor Trends**

	<b>2006</b>
Very likely	40%
Likely	22
Unlikely	19
Very unlikely	7
Don't know	11
	<b>2001</b>
7-Very likely	31%
6	13
5	12
4	10
3	5
2	6
1-Very unlikely	10
Don't know	13

Sources: 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

Note: In 2001, the question regarding likelihood of returning specified “for vacation.”

## Previous Alaska Travel

The rate of repeat travel to Alaska remained virtually the same between 2001 and 2006. (In 1993, visitors were asked only about their Alaska travel in the previous five years.)

### Previous Alaska Travel

**Visitor Trends**

	<b>2001</b>	<b>2006</b>
First trip to Alaska	65%	66%
Been to Alaska before	35	34

Sources: 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

# Trip Planning

All three AVSP generations included two questions on trip planning timing: when the visitor made the decision to travel, and when they booked their trip. The question was modified slightly in 2006, as seen in the table below. Although ranges were reported differently each year, a few statistics are comparable: the percentage making their Alaska travel decision within one month of their trip decreased from 12 percent in 1993 to 6 percent in 2001, remaining at 6 percent in 2006. Those booking in that same time frame fell from 21 percent in 1993 to 9 percent in 2006. The one year or more range for the trip decision accounted for 26 percent in 1993, 22 percent in 2001, and 28 percent in 2006. Although averages were not reported in 2001, a slight increase in the average trip planning time is apparent between 1993 and 2006.

## Trip Planning Timeline Visitor Trends

	2006 Trip Decision	2006 Trip Booking
<b>How far in advance did you decide to come on this trip to Alaska? How far in advance did you book your major travel arrangements?</b>		
Less than one month	6%	9%
One to three months	16	25
Four to six months	28	33
Seven to 11 months	21	22
One year or more	28	9
Don't know	1	2
<b>Average # of months</b>	<b>8.1</b>	<b>5.4</b>
	2001	2001
<b>How long before the trip did you decide what season and year you would make this trip? How long before the trip did you make your travel arrangements?</b>		
Less than one month	6%	8%
1-2 months	8	15
3-4 months	12	20
5-6 months	21	24
7-11 months	28	24
1-2 years	18	4
More than 2 years	4	<1
Don't know	4	5
<b>Average # of months</b>	<b>n/a</b>	<b>n/a</b>
	1993	1993
Less than one month	12%	21%
2-3 months	19	31
4-5 months	9	12
6-7 months	21	21
8-9 months	9	8
10-11 months	4	2
1 year or more	26	4
Don't know	n/a	n/a
<b>Average # of months</b>	<b>7.2</b>	<b>4.4</b>

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

The rates of usage for various types of information sources is somewhat difficult to track because of changes in the way the question was asked, and how the sources were identified. The following table shows the few sources that are comparable between AVSP generations.

The State of Alaska Official Vacation Planner was *used* by 20 percent of visitors in 1993 and 19 percent in 2001; it was *received* by 15 percent in 2006. This slight drop is at least in part due to the decline in the highway/ferry market, which was twice as likely as other visitors to receive the Planner in 2006. It is also likely due to an increase in Internet usage, including the State travel website [www.travelalaska.com](http://www.travelalaska.com). Travel agents were used by 53 percent of visitors in 1993 and 68 percent in 2001; 52 percent of visitors *booked* through travel agents in 2006. While travel agent usage by the cruise market has dropped recently due to other booking alternatives, overall usage has remained fairly consistent. The usage of friends/relatives and the Milepost for trip information stayed consistent between 2001 and 2006.

### Trip Information Sources Visitor Trends

	1993	2001	2006
State of Alaska Official Vacation Planner	20% Used	19% Used	15% Received
Travel agent	53% Used	68% Used	52% Booked
Travel guide/book	n/a	38%	13%
Friends/relatives	23%	44%	45%
Milepost	n/a	10%	8%

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

# Demographics

The share of Alaska visitors from the US has changed little over the AVSP generations, from 83 percent in 1993 and 85 percent in 2006. The Canada market appears to have decreased slightly (perhaps relating to fewer highway visitors) while visitation from other international markets appears to have increased. Regional distribution of the US markets changed by only a few percentage points between 1993 and 2006 (this data was not reported in 2001).

## Origin Visitor Trends

	1993	2001	2006
United States	83%	86%	85%
Western US	37	n/a	39
Southern US	20	n/a	19
Eastern US	11	n/a	13
Midwestern US	16	n/a	13
Canada	10	10	6
Other International	6	4	9

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

Average party size grew slightly from 2.1 people in 1993 to 2.4 people in 2006. (The average party size was not reported in 2001.) Those traveling in couples, the largest share of the market, increased from 54 percent in 1993 to 60 percent in 2006. Individual travelers' share of the market fluctuated, from 29 percent to 36 percent to 18 percent. Gender distribution has stayed fairly evenly split throughout the generations of AVSP.

## Party Size Visitor Trends

	1993	2001	2006
One	29%	36%	18%
Two	54	51	60
Three	7	5	7
Four	7	5	8
Five or more	4	3	7
<b>Average party size</b>	<b>2.1</b>	<b>n/a</b>	<b>2.4</b>

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

Note: Party size was defined as those traveling in the respondent's immediate party, sharing expenses.

## Gender Visitor Trends

	1993	2001	2006
Male	53%	52%	50%
Female	47	48	50

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

The average age of the Alaska visitor changed only slightly between 1993 and 2006, from 50.0 to 51.6 years. Those 65 and older accounted for one-quarter of visitors in both years. The youngest demographic (under 35) decreased slightly from 22 to 16 percent. The middle-aged market (45 to 64) increased from 38 percent in 1993 to 50 percent in 2006. (Age data in 2001 was reported by decade, and was not reported in terms of average, making it difficult to compare with 1993 and 2006 data.)

### Age, 1993 & 2006 Visitor Trends

	1993	2006
Under 18	6%	6%
18 to 24	5	3
25 to 34	11	7
35 to 44	16	10
45 to 54	19	22
55 to 64	19	28
65 and older	25	23
<b>Average age</b>	<b>50.0</b>	<b>51.6</b>

### Age, 2001 Visitor Trends

	2001
Under 21	6%
21-30	10
31-40	19
41-50	21
51-60	19
61 and older	25
<b>Average age</b>	<b>n/a</b>

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

The education levels of Alaska visitors appear to have increased somewhat between 1993 and 2006. College graduates accounted for 52 percent of visitors in 1993, and 59 percent of visitors in 2006. Those earning a high school diploma or less accounted for 24 percent in 1993, and 14 percent in 2006. (Education data was not reported in 2001.)

### Education Visitor Trends

	1993	2006
Some high school	4%	1%
High school diploma/GED	20	13
Associate/technical degree	n/a	9
Some college	24	18
Graduated from college	25	33
Master's/Doctorate	27	26

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.)

Visitors' income levels increased by 70 percent between 1993 and 2006, likely reflecting the increased percentage of travelers between 45 and 64 as well as inflation. The difference in refusal rate on income between 2001 (44 percent) and 2006 (17 percent) makes it difficult to compare the two years.

### Household Income Visitor Trends

	1993	2001	2006
Less than \$25,000	9%	3%	3%
\$25,000 to \$50,000	36	10	13
\$50,000 to \$75,000	25	16	17
\$75,000 to \$100,000	17	11	16
\$100,000 and over	12	17	35
Refused	n/a	44	17
<b>Average income</b>	<b>\$61,000</b>	<b>n/a</b>	<b>\$104,000</b>

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

Average visitor expenditures grew 31 percent between 1993 and 2006. Visitors spent an average of \$934 per person in 2006. The largest expenditure categories were tours/recreation and gifts/souvenirs/clothing (\$188 and \$177 respectively). In 1993, instate spending averaged \$714 per person, with tours/recreation the leading category (\$209).

When visitor spending data is extrapolated to the entire market, overall spending exceeded \$1.5 billion in 2006, similar to total visitor spending estimates for 2001. Instate spending nearly tripled since 1993.

## Visitor Expenditures in Alaska, Per Person, Overall Visitor Trends

	1993	2001 <sup>1</sup>	2006
Per person, per trip	\$714	\$1,258	\$934

<sup>1</sup> 2001 data likely affected by small sample size and low response rate.

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

## Visitor Expenditures by Category, Per Person Visitor Trends

	1993		2001 <sup>1</sup>		2006
Lodging	\$139	Lodging	\$421	Lodging	\$117
Food/beverage	94	Food/beverage	123	Food/beverage	97
Transportation	130	Transportation	166	Transportation	68
Tours/recreation	209	Recreation	182	Tours/recreation	188
Gifts/souvenirs	93	Gifts/souvenirs	119	Gifts/souvenirs/ clothing	177
Clothing	10	Clothing	58		
Personal	16	Personal	27	Package (not inc. cruise)	150
Other	24	Other	69	Other	109
		Alaska Native Arts & Crafts	92		

<sup>1</sup> 2001 data likely affected by small sample size and low response rate.

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

## Total Visitor Expenditures in Alaska in Millions of Dollars By Transportation Market

	1993	2001 <sup>1</sup>	2006
Total in-state spending	\$598	\$1,513	\$1,524

<sup>1</sup> 2001 data likely affected by small sample size and low response rate.

Sources: 1993 data from AVSP III (conducted by McDowell Group, Inc.); 2001 data from AVSP IV (conducted by Northern Economics, Inc.).

It is important to view these trends in light of changes in methodology, survey question format, and response rate. In 2006, visitors were asked to estimate what their travel party spent on their entire trip, excluding

transportation to and from Alaska. They were then asked to inventory spending by category in each community. Expenditure estimates were then divided by the number of people in each travel party.

In 1993 and 2001, visitors were asked to record their expenditures in a diary throughout their trip. In 1993, expenditures were recorded only for the individual completing the diary. In 2001, each person completing the diary was asked to record expenditures for everyone in their traveling party.

An additional difference is the way that Alaska Marine Highway expenses were recorded. In 2006, the data was captured in a separate survey question. In prior years, this information was captured in the diary). This difference alone does not account for significant changes in spending, however. In total, Alaska Marine Highway passengers account for less than 2 percent of the total summer market.

Finally, response rates for 2001 were significantly lower than in 1993 or 2006. In 1993, the Visitor Expenditures Survey response rate was 55 percent; it dropped to 15 percent in 2001 (for a total sample size of 547). In 2006, of the 2,703 intercept respondents, 90 percent answered the statewide expenditure questions (for a total sample size of 2,431). The high response rate and large sample for 2006 lends confidence to the accuracy of the spending data in comparison to prior years.