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MILLENNIALS RISING

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The Millennials in Travel leadership team includes (from left) Katelyn O'Shaughnessy, director of technology; Monika Weinsaft, director of membership; Joshua Smith, co-founder and director of strategic development; Skye Mayring, director of social media; and Caitlin Murphy, co-founder and director of events.

MILLENNIALS RISING

Travel Agent takes a look at the Millennial market, including advice from these travelers' peers in the industry and insights into two organizations that have brought this segment to the forefront.

WHETHER IT'S on the agent side or the consumer end, Millennials have become a market that cannot be ignored by anyone in the travel industry anymore. But before we tell you about the two organizations that have pushed this market to the forefront, let us first tell you who these Millennials are.

Although there are no precise dates when the Millennial Generation starts and ends, researchers and commentators use birth years ranging from the early 1980s to the early 2000s.

As far as travel habits go, Marisa Costa, business develop-

BY JOE PIKE

ment manager for Young Travel Professionals, one of two organizations we will tell you about shortly, says Millennial clients can be defined by three core factors: value, convenience and experience.

"Millennials aren't necessarily looking for the cheapest accommodations or services, but they need to be convinced of the value of what they're getting," she says. "Having grown up with the Internet, Millennials are extremely comfortable doing their own research to be sure they are getting the most bang for their buck."

According to a 2014 report from global information and

measurement company Nielsen entitled “Millennials: Breaking The Myths,” Millennials are 77 million strong, on par with baby boomers, and they make up 24 percent of the U.S. population. This represents significant opportunity for brands that understand who Millennials are, where they live and what they watch and buy.

The Nielsen report also states that Millennials make up 20 percent of same-sex couples; 36 percent of Millennial women have had children; 23 percent of Millennials have a Bachelor’s degree or higher; 19 percent are Hispanic; 14 percent are African-American and 5 percent are Asian.

“Millennials are the social generation. They’re the founders of the social media movement—constantly connected to their social circles via online and mobile,” according to the Nielsen report. “They prefer to live in dense, diverse urban villages where social interaction is just outside their front doors. They value authenticity and creativity, and they buy local goods made by members of their communities. They care about their families, friends and philanthropic causes. But they’re also coming of age in the most dire economic climate since the Great Depression—making their families, communities and social networks even more valuable as they band together.”

“Convenience is extremely important as Millennials are used to getting things done as fast and as simple as possible,” says Costa. “We prefer e-mail, texting, mobile bookings, online check-in/check-out, and free Wi-Fi is seen almost as a right.”

Carole Anne Hughs Wood, leisure and marketing coordinator for Valerie Wilson Travel and one of YTP’s founders, says Millennial clients are more informed than baby boomers were when they first started traveling.

Baby boomers are—and always have been—a well-traveled sect, so naturally they tend to bring their children along on vacations. Because of this, many Millennials got to see a good chunk of the world at a very young age. And because these travelers got a head start on seeing the world, coupled with their sharp Internet skills, they are less likely to be scared off when a crisis such as Ebola hits.

“Millennial travelers are well informed,” says Hughs Wood. “They are a little more connected, a little more informed, perhaps because they are more Internet savvy than older clients. While many people were canceling trips to South Africa because of the Ebola scare, many Millennial clients were inquiring about a trip there.”

According to the Nielsen report, roughly 2.5 million Millennial households across the country bring in more than \$100,000 in income. With economic prosperity concentrated in the cities, the major metros emerge as strong centers of wealth for both Millennials and boomers.

However, San Diego, Austin and Chicago have higher concentrations of wealthy Millennials than boomers. San Diego and Austin also fall into the top markets identified as centers of what American economist and social scientist Richard Florida calls the “Creative Class.” Florida defines the Creative Class as knowledge workers, intellectuals and artists, who, he argues, will help drive future economic growth.

Washington, D.C., is the top market for wealthy Millennials and boomers, says the Nielsen report, which finds that 1.9 percent of Millennials in D.C. make over \$100,000, the highest in the country, followed by San Francisco (1.7 percent), Boston (1.4 percent), New York (1.3 percent) and Baltimore (1.3 percent) to round out the top five. (As

for D.C. boomers—born between 1946 and 1964—8 percent of them make over \$100,000.)

The report also notes that 8 percent of Millennials have their own businesses and make up 14.7 percent of people with assets over \$2 million.

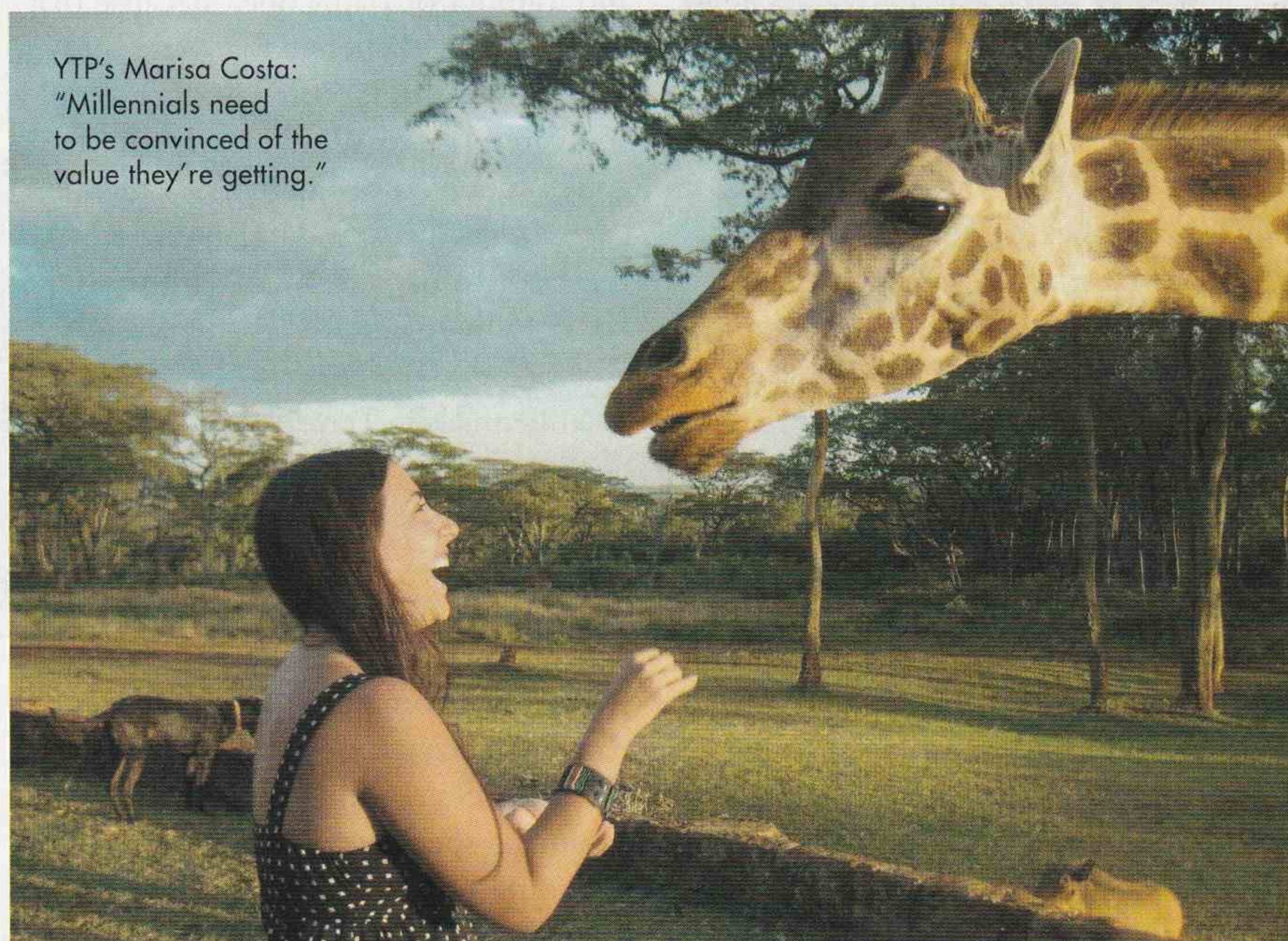
“Millennials are also known for wanting an authentic experience and to feel immersed in the destination they are visiting,” says Costa. “They pay attention to the details of the trip, often crowdsourcing advice on restaurants, activities and accommodations. Since agents can provide more value, the convenience of not having to do the legwork, and the best experiences due to their connections, all of this actually bodes well for the Millennial agent. Millennials value the recommendations of their friends, and the Millennial agent will thrive once they are established as the all-knowing-travel-friend through their blogs, social media and referrals.”

The Two-Headed Millennial Juggernaut

The two organizations that get most of the credit for bringing more focus on Millennials in the travel industry are the Young Travel Professionals (YTP) and Millennials in Travel (MIT). The latter was actually a spin-off of YTP started by some of that alliance’s members.

In 2011, in New York City, a group of young, like-minded professionals in the

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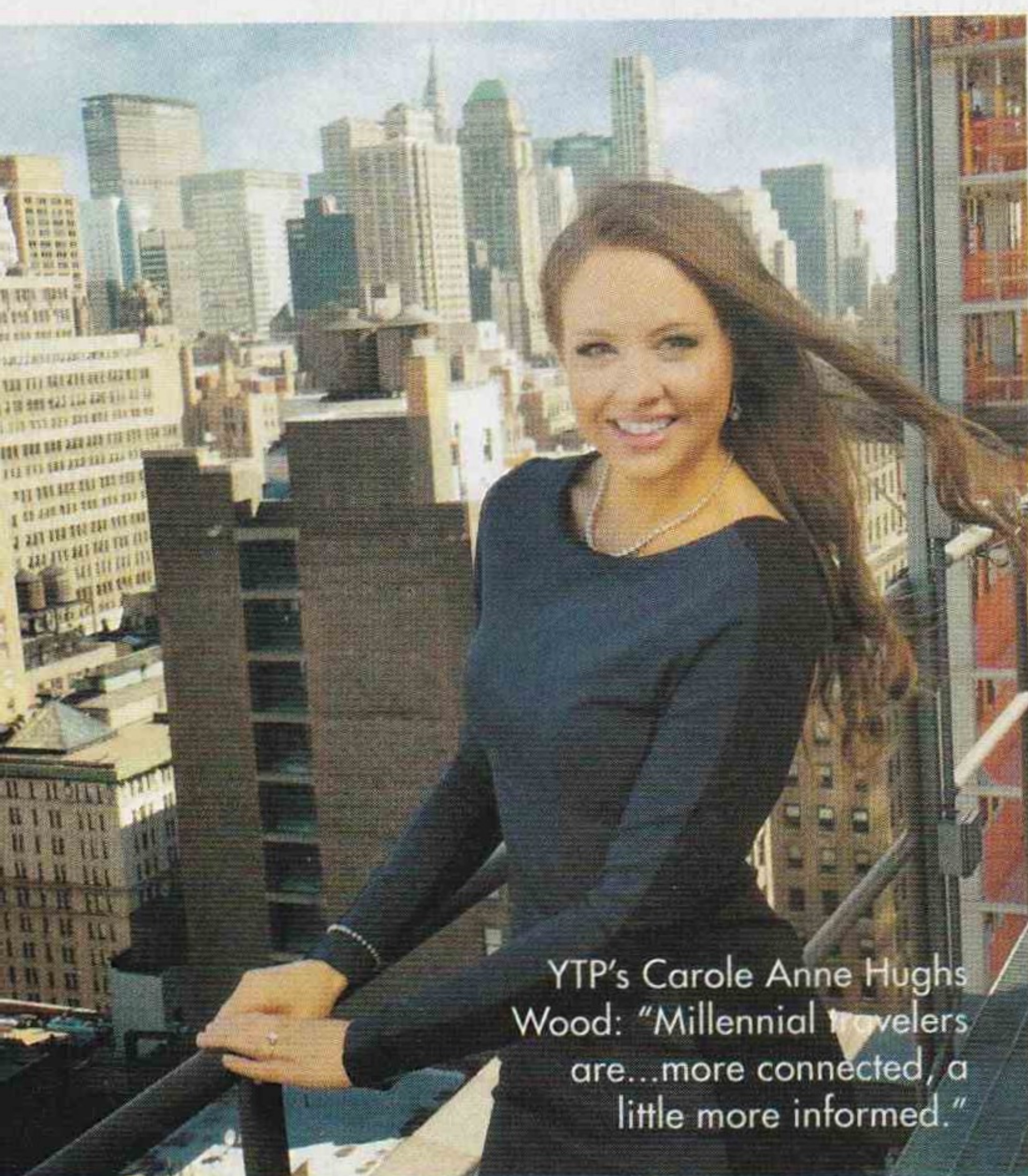


YTP’s Marisa Costa:
“Millennials need to be convinced of the value they’re getting.”

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travel business came together to organize Young Travel Professionals, a group that would help foster networking opportunities for young people looking to enter the travel industry.

These founding members included Wazha Dube, business development manager, Kartagener Associates; Lee Edelstein, senior account executive, The Brandman Agency; John Gilfillan, getaways account executive, Zozi; Carole Anne Hughs Wood, marketing and leisure coordinator, Valerie Wilson Travel; David Kartagener, vice president, Kartagener Associates; and Karen Magee, director of corporate sales, North America, The Doyle Collection.



YTP's Carole Anne Hughs Wood: "Millennial travelers are...more connected, a little more informed."

"I was at a show once and a light bulb just went off," says Hughs Wood. "There is such a friendly element to this industry where you can just walk into a room at a trade show where you don't know anyone and someone will come up to you, shake your hand and start chatting you up. I wanted there to be somewhere to do this regularly and do this locally. It's an opportunity to keep a relationship alive."

YTP already has several international offices, including ones in Vancouver, Toronto and London. In fact, Hughs Wood told **Travel Agent** that YTP has been in ongoing discussions to open offices in South Africa and Singapore, and has also been approached by like-

minded pros in Frankfurt, Germany, and Geneva, Switzerland, as well.

"Aside from ensuring successful careers for the YTPs of today, we're thinking of the YTPs of tomorrow as well," says Costa. "In less than 10 years, Millennials will make up over 50 percent of the workforce, and having a network among industry Millennials won't be as necessary when we're the majority. We are therefore working to ensure that YTP will always be a forum for developing new talent in the travel industry. We are already investing in what's now being called 'Generation Z' by working with college hospitality programs. While these programs currently focus on hotel and restaurant management, we are working to establish new curriculum to prepare those interested in becoming travel consultants as well."

Millennials in Travel comprises travel industry professionals generally born after 1975. They are tour operators, tourism boards, hotels, cruise lines, airlines, marketing representation companies, transportation providers, travel journalists and travel agencies.

"It started out very casually, just some happy hours where agents or whoever in travel would get together and seek advice from other people in the industry who happen to be close in age," says Katelyn O'Shaughnessy, national director of Millennials In Travel and CEO and founder of TripScope, "because that is the biggest challenge for young professionals in this industry, finding people you can relate to. Whenever I would go to a conference full of older people, I would gravitate toward anyone who was close to my age. So we just thought it would be great to create an entire network of these people."

Millennials in Travel also hosts frequent events around the nation, allowing its members to convene in a casual atmosphere exclusive to their generation for more honest discussions. Its members try their best to acquire signature cocktails or complimentary beer/wine, complimentary food and discounted valet services at functions. MIT is also exploring special activities at its events, including both social and professional opportunities for its members.

"While YTP and MIT may seem like competitors, we really aren't," says Costa. "Our board is friends with their board, we attend each other's events and many of our members belong to both." While emphasizing that they are two different organizations, Costa notes that "we have similar goals [and we] are proud of what they have accomplished and are excited to see how both organizations will shape the exciting future of travel."

As a national career development and networking organization, Millennials in Travel is made up of the national leadership of seven directors with more than 55 years of industry experience, as well as eight current national managers who work on specific programs. Each chapter has four leadership roles: development, communications, events and membership.

"We just felt that the industry as a whole does not do a good enough job in showcasing the many opportunities there are in the travel industry," says Joshua Smith, director of strategic development for Millennials in Travel and independent journeys product manager for Travcoa. "There is only one sector, an agency that has a brick-and-mortar office or a hotel. You can go into a hotel or an agency and say, 'I'm looking for a job,' but beyond that it is very challenging. The travel industry doesn't do a good enough job of promoting other sectors. You tend to stay in the same sector, but now we are seeing moving sectors. You can learn the day and the life of a hotel representation company and may see someone who is in the airlines part of the business who might switch to hotel representation. That is the beauty and the value of the organization."

MIT asks that members are generally born after 1975, currently pursuing a career in the travel industry and are passionate and committed to the travel industry; act professional in both social and work environments; have a strong belief in the potential of the industry; and drive tourism on a global level.

"I think it's great that there's so much interest in the next generation of travel professionals that it warrants multiple organizations around the globe," says Costa.

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COVER STORY

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“Within larger organizations we’ve seen a lot of programs geared toward the next generation, including Travel Leaders of Tomorrow, Vacation.com Young Professionals, and the one I’m spearheading: the NEXT program at Protravel International and Tzell Travel Group.”

As far as positions go, CEOs comprise 3 percent of MIT’s membership, presidents make up 4 percent, vice presidents account for 2 percent, directors about 11 percent and a whopping 40 percent of all MIT members are managers in the field.

“There are a lot more younger people in leadership roles,” says Smith. “Look at a snapshot of the travel industry now versus, say, 20-something years ago, and you wouldn’t see that same breakdown. But today you are seeing CEOs and presidents at our age-level because of all the opportunities that are available today to be an entrepreneur.”

With regard to the industry sector, agents make up about 37 percent of MIT’s membership, while hotel representatives comprise 26 percent and tour operators 12 percent. Tourism board members account for roughly 10 percent of MIT’s membership.

As far as consortia affiliation goes, Virtuoso dominates MIT with 33 percent of the organization’s membership. American Express makes up 20 percent of the MIT members, while Signature makes up 17 percent and Vacation.com makes up 13 percent.

“Signature Travel Network, as a consortia, has really stepped up to the plate when it comes to nurturing Millennials and recognizing we’re out there and are eager to learn and grow,” says Rebecca Norrbom, a Signature Travel

MIT’s Rebecca Norrbom lauds Signature Travel Network’s “nurturing” of Millennials.



Network agent with Holiday Cruises & Tours, who is also the head of MIT’s Las Vegas chapter. “At the sales conference, they had a Young Advisors Community workshop and the first-ever Young Advisors Board was announced (myself and seven others are on it). It is a great sign to see a consortia such as Signature, which is always cutting edge technology-wise, really embrace the Millennial travel professional.”

MIT’s Rapid Expansion

Millennials in Travel’s first city launch was its chapter in Los Angeles in February 2013. MIT launched a second chapter in Miami on June 20, 2013, followed quickly by its third and fourth chapters in Chicago and Atlanta on July 23 and July 25, respectively. In August 2013, Millennials in Travel aligned with Mandarin Oriental Hotel Group to launch two new chapters in Las Vegas and Washington, D.C. Then, the floodgates opened and MIT added chapters in San Diego, New York City, Phoenix/Scottsdale and Alaska. Philadelphia and Minneapolis/St. Paul chapters are scheduled to launch in the first quarter of 2015, with other U.S. cities to launch in the second quarter.

International chapter development will continue to be a focus in 2015 and include Bangkok, Santiago, Hong Kong, Paris, London, Rome, Mexico

City, Johannesburg, Dubai and Sydney.

“I also see Millennials in Travel helping tourism boards, suppliers and DMCs understand how to tap into us as clientele,” says Norrbom. “I’m tired of seeing old men with gray hair explain how Millennials want Wi-Fi and mobile-friendly websites. That’s a given at this point and eventually everyone will have high-speed Wi-Fi and responsive sites, and they will need to dig deeper and we will be the perfect organization to point them in the right direction.”

Meanwhile, Young Travel Professionals is set to host its first-ever conference, “TravelFutureLab,” a full-day interactive think-tank launching on January 16 at Park Hyatt New York. The conference will take a deep dive into what motivates the next generation of travelers and what travel brands can do to invest in the development of a new generation of young travel professionals.

“The Millennial agent will still be the minority in the next few years, but I do believe that efforts put into place now will make us the majority in the next 10 years,” says Costa. “I predict that Millennial agents will work more often from abroad, blogging about their travels, posting on social media, marketing to clients by uploading gorgeous travel photos, and providing their clients with invaluable first-hand destination knowledge. I also sense more will work in teams, allowing agents to travel more, disconnect from time to time, and share information.” ■

Percentage of Millennials Making \$100,000+ a Year

Top Five Cities

1	Washington, D.C.	1.9 percent
2	San Francisco	1.7 percent
3	Boston	1.4 percent
4	New York	1.3 percent
5	Baltimore	1.3 percent

Source:
The Nielsen Company

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WANT TO SEE the difference a year makes? Check out a 2013 piece we did on Millennial travel trends by searching “Fostering the Future” at www.travelagentcentral.com.