

TRAVEL AND HOSPITALITY

## 60pc of top earners choose travel destinations based on social media: report

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Travelers prioritize vacations over holidays, according to new findings by The Olinger Group. Image credit: The Olinger Group

By MARYBETH CONNAUGHTON

A new survey finds demand for upmarket travel and experiences remains strong into the fourth quarter, with wealthy consumers buoyed by large amounts of discretionary income continuing to spend with enthusiasm.

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This fourth-quarter follow-up from The Olinger Group confirms the findings of the firm's U.S. Luxury Traveler Study 2022 produced in the spring to develop an understanding of the behavior, identity and expectations of upper-echelon travelers.

"Luxury travelers value and prioritize these memory-making experiences, so they are willing to spend despite what's currently happening in the economy," said Jude Olinger, CEO of **The Olinger Group**, New Orleans.

"More than nine in 10 luxury travelers in our study agree with the statement that vacationing is the event that they most look forward to each year," he said. "That beats Thanksgiving and Christmas.

"Even higher numbers say that they are more likely to try new things on vacation and that their vacation memories are more valuable to them than anything they've bought in the past year."

No kidding

The Olinger Group this past spring surveyed 1,664 high-income travelers throughout the United States and learned they had big plans for the coming year. This fourth-quarter study proves those plans were fulfilled.

Those who made between \$100,000 and \$249,000 per year shared a largely similar travel profile to those who make \$250,000 or more, though there were some differences. Those in the latter group took more vacations in the last year.

This cohort planned to take more time off and spend more money than other travelers as well. Overall, though, it seems all surveyed were ready to enjoy themselves and willing to pay generously for the privilege.

The vast majority of travelers in both groups consider high-end travel as a well-earned reward for their hard work and enjoy being treated like VIPs.

More than 80 percent of these upmarket travelers, whose median age is between 46 and 47, factor their children into

crucial travel decisions ahead of time. These decisions include choosing the destination, selecting the accommodations and planning the daily activities.

Of those making \$250,000 or more, 56 percent had children under 18 in the home, and 44 percent had children under 12. For those who make between \$100,000 and \$249,000, the numbers were similar, at 44 percent and 42 percent, respectively.

The vast majority of both groups, between 91 and 93 percent, preferred hotels and resorts as their accommodation of choice, followed in a very distant second by home-sharing options such as Airbnb or Vrbo.

The motivations behind this choice include the preferred location of hotels, the ease of booking, not having to share close quarters with strangers, and overall quality. The two favored hotel brands by far were The Ritz-Carlton and the Four Seasons.

Based in New Orleans, The Olinger Group has advised Fortune 1,000 clients for nearly 30 years.

"That so many top earners are younger with younger children is surprising and flies in the face of the stereotype of older empty nesters," Mr. Olinger said.

"It also may explain the significant influence of social media on travelers' decision-making," he said. "Another spending driver for luxury travelers is that it gives them a way to connect with their families."

Family vacations proved popular amongst luxury travelers.

"Our research shows that luxury travelers take more family vacations than non-luxury travelers and agree in significantly higher percentages than non-luxury travelers that it makes them closer to their families," Mr. Olinger said.

"Between Q1 and Q4 2022 we saw both spending and the number of vacations rise dramatically," he said. "Same with what they say they are going to do in the coming year."

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With all of this data, The Olinger Group predicts that 2023 will pick up where 2022 left off.

"For 2023, we predict that luxury travel demand will remain very strong," Mr. Olinger said.

Sixty percent of top earners chose their destinations based on social media, while 28 percent used social media for ideas and inspiration.

Meanwhile, 78 percent of those in the second group chose their destination solely based on social media and 32 percent used it for ideas and inspiration.

"Our data shows that luxury travelers expect to spend more 25 percent to 33 percent more depending on income in the next 12 months," Mr. Olinger said.

"We know that luxury travelers make this a big priority and we don't see any indication of them traveling less or spending less," he said. "It's a big priority for them."

"Luxury travelers are getting out there in the world and there are no signs of that slowing down anytime soon."