

# Travel and Recreation Outlook and Trends

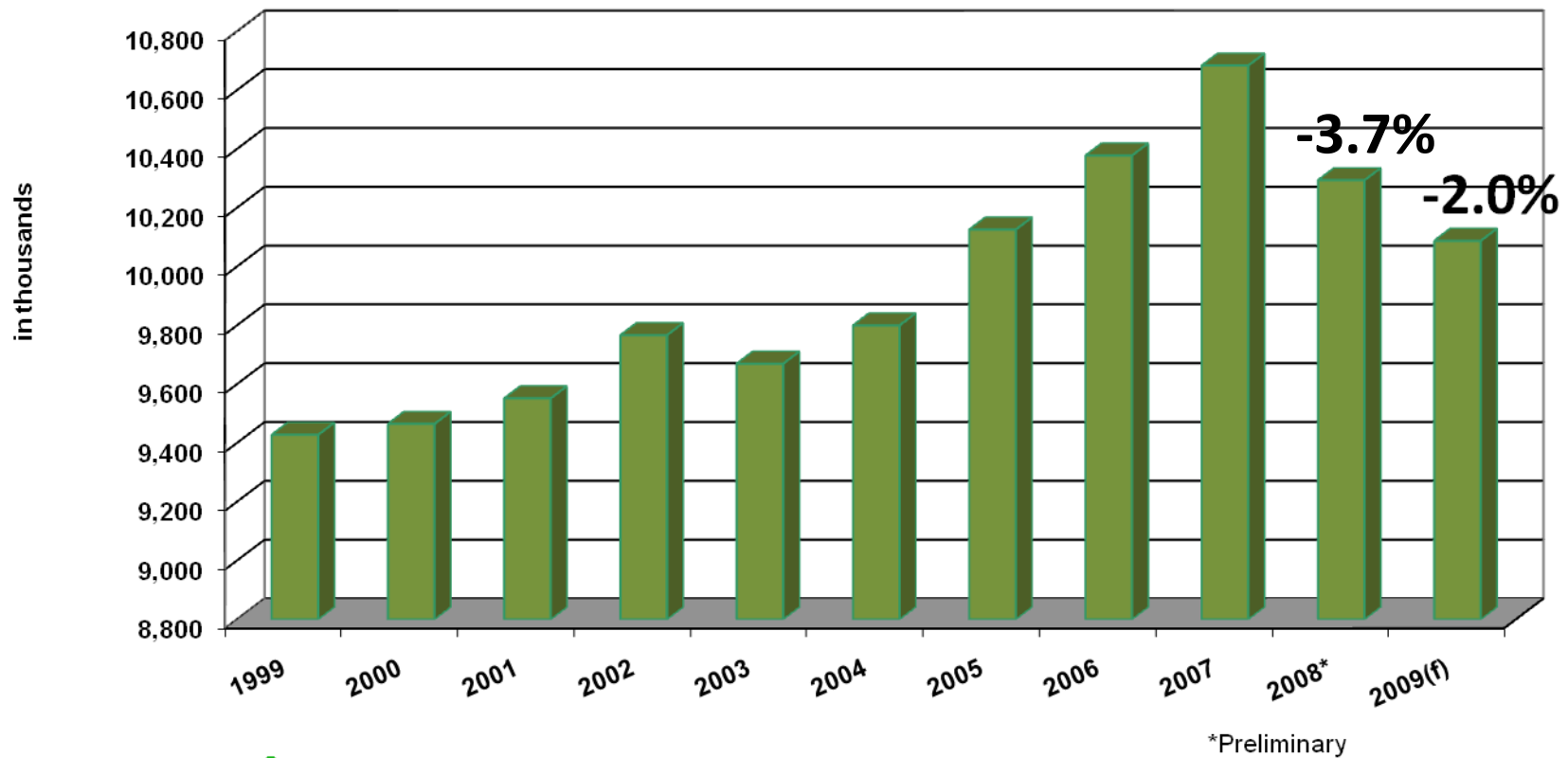
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# Montana Nonresident Visitor Trends 1999-2009 (f)



# Gas Prices – There is a “cap”

## U.S. Gas Prices

July 2007: \$2.95

July 2008: \$4.11

**Up 39%  
in one year**



## MT Gas Prices

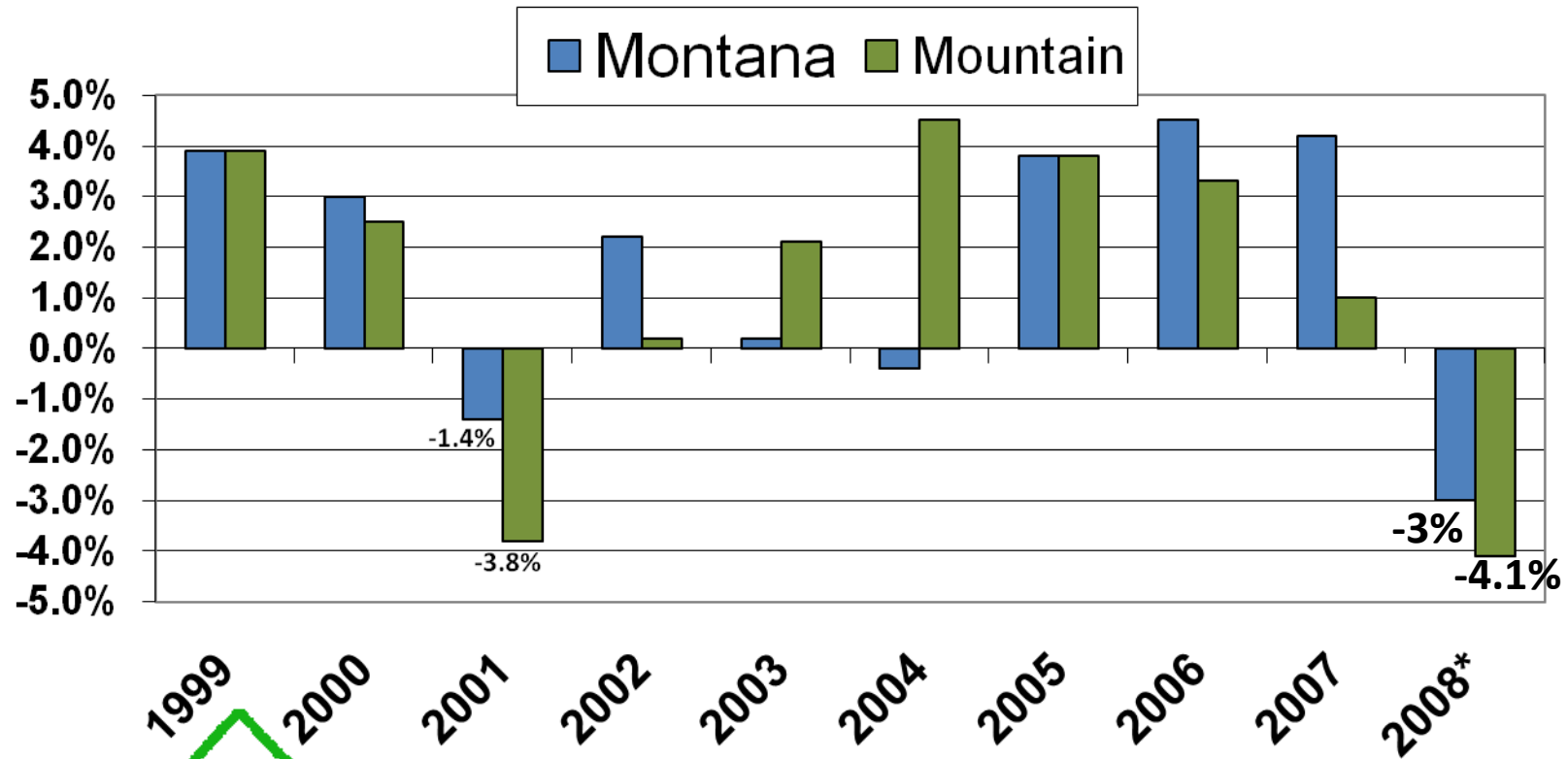
July 2007: \$3.09

July 2008: \$4.21

**Up 36%  
in one year**

**Average price/gal today: \$1.43**

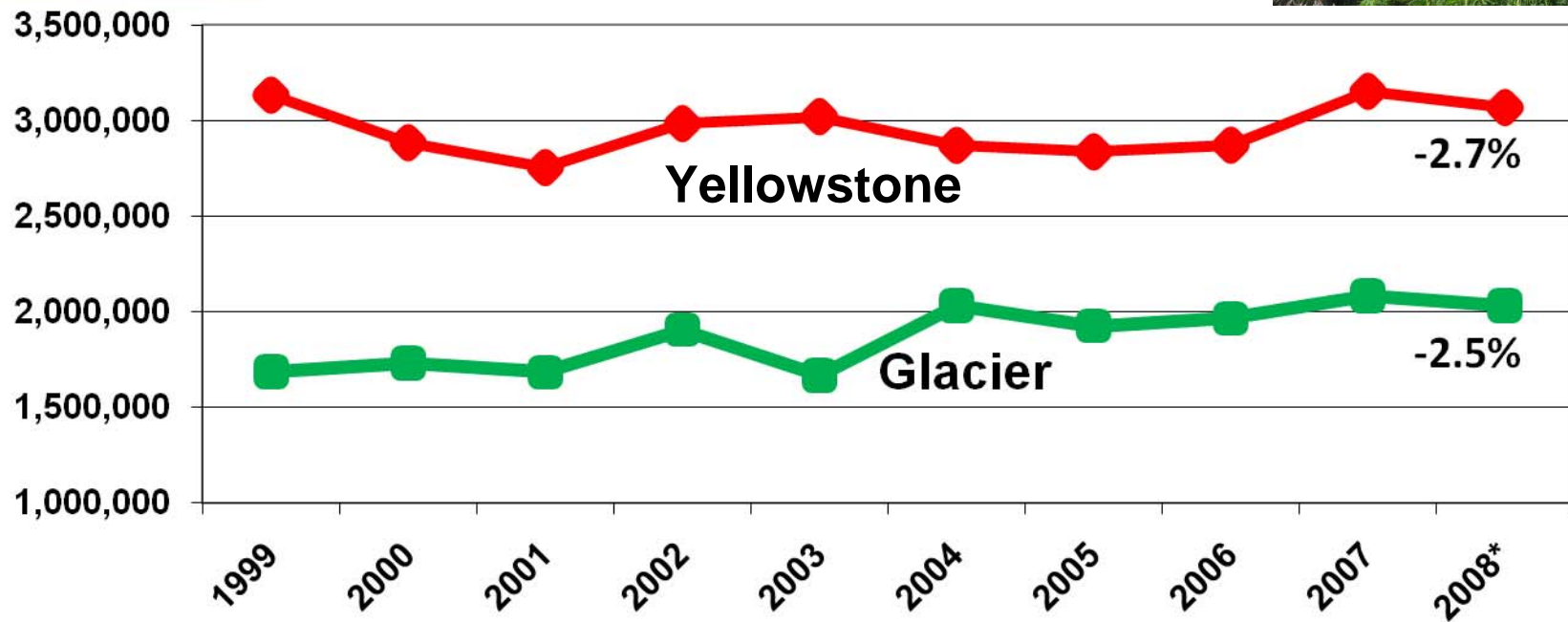
# Percent Change in Rooms Sold 1999-2008



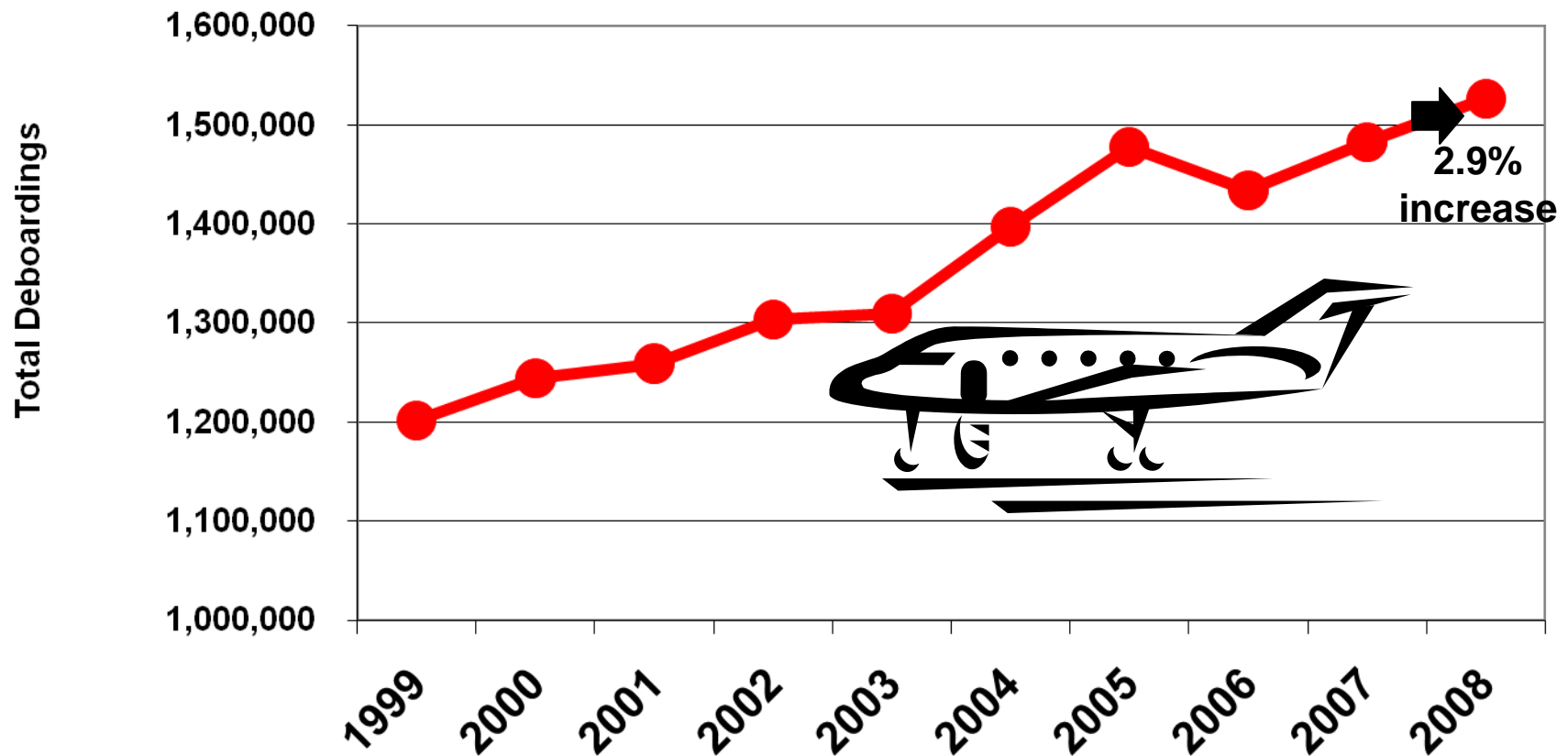
# Yellowstone & Glacier

(Recreation Visits)

## 1999-2008



# Montana Air Traffic 1999-2008

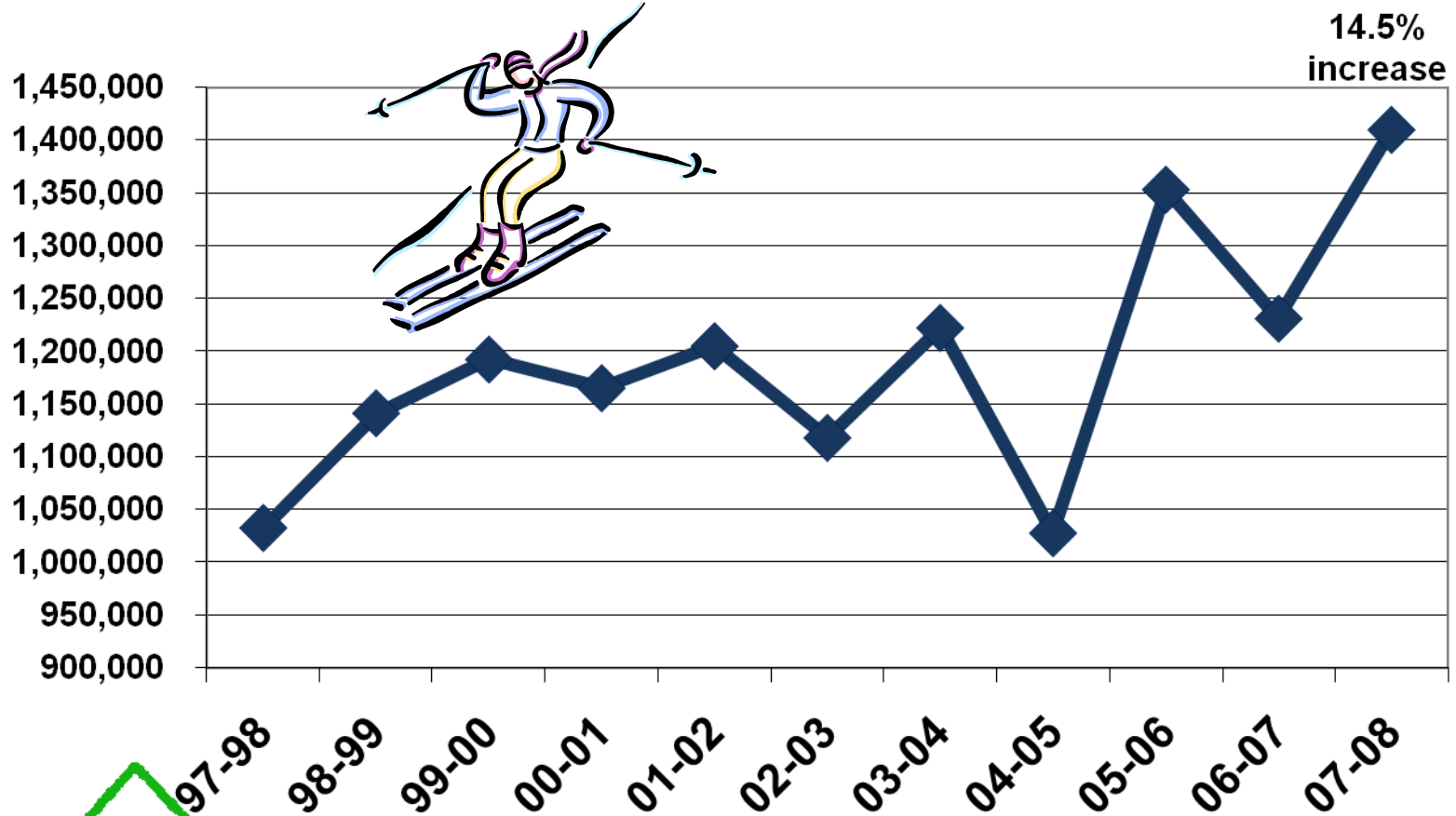


# Airport Deboardings by City

Airport	% Change from 2007
West Yellowstone	6.0%
Glacier (Kalispell)	5.1%
Bozeman	4.7%
Billings	2.9%
Missoula	2.5%
Helena	1.7%
Great Falls	1.2%
Butte	-11.2%



# Montana Ski Area Visits 1997-2008





# Nonresident Vacationer Spending Comparison: July and August 2005 and 2008

Expenditures (2008 dollars)	2005	2008	% change
Gasoline, oil	\$49.04	\$49.16	0%
<b>Restaurant, bar</b>	\$45.04	\$40.77	<b>-9%</b>
Hotel, motel, B&B	\$21.81	\$22.86	5%
Groceries, snacks	\$20.30	\$20.22	0%
<b>Retail purchases</b>	\$31.87	\$20.48	<b>-36%</b>
Campground, RV park	\$6.83	\$8.50	24%
<b>Auto rental, repair</b>	\$10.59	\$4.92	<b>-54%</b>
<b>Outfitters, guides</b>	\$12.72	\$4.22	<b>-67%</b>
<b>Licenses, entrance fees</b>	\$6.64	\$3.74	<b>-44%</b>
<b>Transportation fees</b>	\$2.84	\$2.77	<b>-3%</b>
<b>Gambling</b>	\$1.28	\$0.18	<b>-86%</b>
Misc. services	\$1.40	NA	
<b>TOTAL</b>	<b>\$210.36</b>	<b>\$177.82</b>	<b>-15%</b>

# Total Nonresident Expenditures

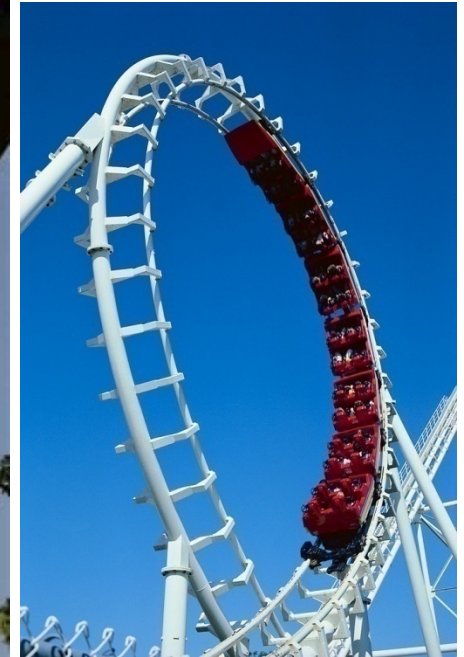
2007	2008*(f)
\$3,161,100,000	\$2,686,900,000
2.9%	-15.0%

2009 Expenditures..... Depends on gas prices and the economic situation which in turn affects # of trips, trip duration, and spending patterns



# Predictions





It is a roller coaster out there! Hang on!

# Consumer Indicators

- ↑ U.S. consumer sentiment **up** 4.8 in December  
(Reuters/University of MI)
- ↓ U.S. Conference board's sentiment index **fell** in December to lowest ever  
(Bloomberg report).
- ↑ Floridian Consumer confidence **rose** five points in December  
(Univ. of Florida)
- ↑ Upstate New York consumer-confidence level **rose** four points in November  
(Siena Research Institute)
- ↓ Montana Index of Consumer Sentiment for November/December **fell**  
(University of Montana - BBER)
- ↓ Canadian Consumer confidence now reached same U.S. **low** levels  
(Harris Decima Investors Group)
- ↑ Ireland Consumer Sentiment Index **rose** to 50.2 in December  
(KBC Ireland/ESRI)
- ↓ Hungary's Consumer confidence indicator **dropped** 4.1 points in December.



# 2009 Travel Sentiment

In a mid-November 2008 survey\* of U.S. travelers:

- 66% will look for travel discounts or bargains
- 38% will reduce the number of leisure trips (62% will not reduce)
- 33% will visit generally less expensive destinations (67% did not say this)
- 28% will take at least one “staycation”
- 28% will shorten the distance of trips or reduce side trips to save money
- 28% will reduce the number of days on leisure trips
- 21% will select less expensive mode(s) of travel
- 33% said spending their disposable income on leisure travel is a high priority compared to gifts (39%), entertainment/hobbies (31%), clothing (27%), home improvement (25%), eating out (24%)

\*Source: [www.destinationanalysts.com](http://www.destinationanalysts.com)



# Percent of Tourism Business Owners Expecting a decrease: 8-year comparison

Projected Year	% who expect a decrease
2002	10%
2003	8%
2004	3%
2005	7%
2006	6%
2007	5%
2008	10%
<b>2009</b>	<b>27%</b>

\*Source: ITRR Outlook reports



# 2009 Travel Projections

- U.S. total domestic person-trips -1.7%
- U.S. Leisure person-trips -1.3%
- U.S. Business person-trips -2.7%
- U.S. International Inbound -1.6%
- - overseas -3.1%
- MT nonresident visitation -2.0%

\*Source: TIA (now US Travel Association) and ITRR







Thank you!

[www.itrr.umt.edu](http://www.itrr.umt.edu)