

Global Assistance

Allianz 

The 2019 Vacation Confidence Index

A White Paper from Allianz Global Assistance

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Executive Summary & Findings

EXECUTIVE SUMMARY

The 11th annual Vacation Confidence Index poll provides an opportunity to look back at how Americans' vacation habits have changed over the past decade. The Vacation Confidence Index has been conducted each summer since 2010 by national polling firm Ipsos Public Affairs on behalf of Allianz Global Assistance USA. A vacation is defined as a leisure trip of at least a week to a destination that is 100 miles or more from home.

This year's findings include year over year looks at Americans' vacation confidence and vacation spend, as well as a number of other findings such as the sharing economy, how much of their salary Americans are willing to give up for unlimited vacation days and whether or not Americans really unplug from work while they are on vacation.

KEY FINDINGS

- The majority (57 percent) of Americans did not take a leisure trip longer than four nights in the last year, with **Millennials leading this “micro-cation” trend**. Not only are Americans taking shorter trips, but for many, these micro-cations are replacing the traditional week-long vacation.
- Sharing economy services are cooling off with Millennial travelers, just when they're heating up for Baby Boomers. Overall, the likelihood to use sharing economy services is down. About four out of ten (41 percent) of Americans responded they are either “very” or “somewhat” likely to use them during their 2019 summer travels, compared to 47 percent in 2018 and 50 percent in 2017.
- Americans are planning to spend more on their summer vacations this year than they have in at least a decade. **The total spend will cross the \$100 billion mark for the third consecutive year in the index's history**, amounting to \$101.7 billion. Although YOY growth in total spending has plateaued, spending per traveler is up. Americans' average anticipated spend on vacations this summer is \$2,037, topping \$2,000 for the first time since 2010 when the survey started tracking spending, and marking a 5.2% increase over last year.
- **Over a third of Americans took their last vacation more than two years ago**, and over half have not vacationed in more than a year. Only 42 percent reported being confident they would take a summer vacation this year—the lowest confidence rating since 2013. Despite the prevailing thought that work prevents many Americans from using all their vacation time, financial concerns (52% of all reasons) far outweighed professional obligations for those who were not confident in taking a summer vacation.

Executive Summary & Findings

- **Half of working Americans would accept a job with no vacation time if they were paid more**, and on average they would require a 48 percent raise for the tradeoff. One in three Americans would give up a portion of their paycheck for unlimited vacation, with Millennials (41 percent) even more likely to do so. Millennials are the most likely to both give up vacation time for salary, and give up salary for vacation time, highlighting how important professional success and personal flexibility is to this generation.
- **Half of working Americans would lie about cell reception and Wi-Fi access to avoid work calls and email on vacation.** “Email creep,” referring to when work obligations encroach on personal time, affects two thirds of workers who feel the need to check-in with the office while on vacation. Millennials (74%) are the most likely to check email while on vacation, but the rate is also high for Gen X’ers (58%) and Boomers (63%), with the most common reason: it makes catching up on work easier when returning to the office (34%).

“For the past decade, our Vacation Confidence Index has kept a finger on the pulse of how Americans’ vacation habits have changed each year,” said Daniel Durazo, director of marketing and communications at Allianz Global Assistance. “This year we’ve uncovered emerging trends like the rise of shorter trips, or micro-cations, Americans’ willingness to make trades between unlimited PTO and bigger salaries, and how many workers drop little white lies to avoid work email pressures during vacations.”

Shorter Trips – Micro-cations

The Rise of the Micro-cation: More Than Half of Americans Opt for Vacations Shorter Than Four Days

Three-Quarters of Millennials Took at Least One Micro-cation in the Last Year

The majority (57 percent) of Americans did not take a leisure trip longer than four nights in the last year, with Millennials leading this “micro-cation” trend. A “micro-cation” is defined as a leisure trip that is fewer than five nights.

Nearly three-fourths (72 percent) of Millennials took at least one micro-cation in the last year, while 69 percent of Gen X’ers and 60 percent of Baby Boomers did the same.

Not only are Americans taking shorter trips, but for many, these micro-cations are replacing the traditional week-long vacation. Almost two in ten Americans (18 percent) said their longest trip in the last year was three to four nights, while one in 10 (11 percent) took no trips longer than just one to two nights.

Micro-cations may allow Americans to travel more frequently, with 25 percent of the general population and one in three (29 percent) of Millennials saying they took at least three micro-cations in the last year.

More seasoned generations still prefer longer trips, with 40 percent of Baby Boomers surveyed avoiding trips fewer than five nights in the last year, compared to 34 percent of the general population.

When asked why they prefer to take micro-cations, 32 percent of Americans said it was easier to take time off work for shorter periods, and another 32 percent said they did not need more than five nights for the purpose of the trip, like attending a wedding or visiting friends.

“The days of the ubiquitous week-long summer vacation may be disappearing, but we’re happy to see that Americans, especially Millennials, are eager to travel more frequently,” said Daniel Durazo, director of communications at Allianz Global Assistance USA. “The rise of micro-cations may also lead to increased interest in visiting vibrant domestic locales over exotic, far-flung destinations. Whether traveling for two nights or two weeks, travel insurance can protect you, your luggage and your vacation investment.”

Shorter Trips – Micro-cations

2019 VACATION CONFIDENCE INDEX: MICRO-CATIONS			
In the last year, how many nights was your longest leisure trip?			
	Millennials	Gen X'ers	Baby Boomers
1 – 2 nights	12%	15%	7%
3 – 4 nights	21%	16%	16%
5 – 7 nights	24%	24%	20%
More than 7 nights	17%	21%	22%
I didn't take a leisure trip in the last year	26%	24%	35%
In the last year, how many leisure trips did you take that were fewer than five nights?			
	Millennials	Gen X'ers	Baby Boomers
1 trip	22%	21%	19%
2 trips	20%	23%	20%
3 or more trips	29%	25%	20%
I didn't take any trips fewer than 5 nights in the last year	28%	31%	40%
Why do you take trips fewer than five nights?			
	Millennials	Gen X'ers	Baby Boomers
I don't want to spend the money on trips longer than 5 nights	25%	21%	11%
It's easier to take time off work for shorter trips	37%	40%	20%
It's easier to find a travel companion for shorter trips	18%	7%	3%
I spend these trips attending a special event (e.g. a wedding) or visiting friends, so I don't need more than 5 nights	34%	23%	38%
I'd rather take more frequent shorter trips than fewer longer trips	26%	24%	28%
Some other reason	11%	16%	20%

Baby Boomers' Use of Sharing Economy Services on the Rise

Millennials and Gen Xers Shifting Back to Traditional Services as Major Travel Brands Enter the Sharing Economy Market

Sharing economy services are cooling off with Millennial travelers, just when they're heating up for Baby Boomers. As the 2019 summer vacation season kicks off, trust and likelihood to use these services have changed significantly since 2017.

Overall, the likelihood to use sharing economy services is down. About four out of ten (41 percent) of Americans responded they are either "very" or "somewhat" likely to use them during their 2019 summer travels, compared to 47 percent in 2018 and 50 percent in 2017.

Gen Xers are driving the largest downward trend in usage, with 41 percent saying they will use sharing economy services this summer (down from 60 percent two years ago). Although fewer Millennials—63 percent—say they will use sharing economy services this summer (down from 77 percent two years ago), they still make up the largest generation of users. Meanwhile, Baby Boomers are on the upward trend, with 24 percent saying they will use these services, climbing from 19 percent two years ago.

Despite demographic shifts, the market still remains strong for its core customers. Travelers who are younger (i.e. Millennials), male, and higher income earners (above \$50,000) are significantly more likely than their counterparts to use sharing economy services.

"When we created this index five years ago, we knew that trust would be crucial to the health of the sharing economy. The simultaneous drops in trust and usage highlight the main challenge that players providing sharing economy services will need to address," said Daniel Durazo, director of marketing & communications at Allianz Global Assistance. "As travelers seek more consistent, reliable travel experiences with high quality customer service, travel insurance delivers by providing peace of mind and 24/7 global assistance when unexpected events derail their travel plans."

Sharing Economy

2019 VACATION CONFIDENCE INDEX: SHARING ECONOMY			
To what extent do you trust "sharing economy" services such as Airbnb, HomeAway, Uber, Lyft, etc? Would you say you find them...			
	2019	2018	2017
Very trustworthy	12%	12%	17%
Somewhat trustworthy	44%	50%	48%
Not very trustworthy	18%	15%	13%
Not at all trustworthy	11%	5%	5%
Don't know	16%	18%	17%
How likely are you to use a "sharing economy" service like Airbnb, HomeAway, Uber, Lyft, etc., during your summer vacation this year?			
	2019	2018	2017
Very likely	19%	19%	26%
Somewhat likely	23%	28%	25%
Not very likely	25%	25%	23%
Not at all likely	34%	28%	27%

Vacation Spend

American's Summer Vacation Spending Expected to Hit Record \$101.7 Billion in 2019

Average Summer Vacation Spending to Surpass \$2,000 for First Year on Record

Americans are planning to spend more on their summer vacations this year than they have in at least a decade. According to the 11th annual Vacation Confidence Index, the total spend will cross the \$100 billion mark for the third consecutive year in the index's history, amounting to \$101,700,000,000.

Americans' average anticipated spend on vacations this summer is \$2,037, topping \$2,000 for the first time since 2010 when the survey started tracking spending, and marking a 5.2% increase over last year.

The survey finds that 42 percent of Americans say they are confident they will take a summer vacation this year. This confidence index nears its lowest point since 2013, when only 40 percent were confident, they would take a summer vacation. More than half of Americans who are not confident in taking a vacation this summer cited financial reasons (52 percent), while another four in 10 of those with low confidence are restricted by time constraints (38 percent), such as not being able to take time off from work or not wanting to take time off from work.

Allianz's Vacation Confidence Index indicates that 49 percent of Americans say they typically take an annual summer vacation, an increase of three percentage points from 2018. Gen X'ers (ages 35-54), high income earners (\$100K+) and those who think a vacation is important are more likely to typically take summer vacation. Interestingly, two in 10 Americans (21 percent) have taken a vacation in the past three months, while more than half of Americans (51 percent) took their last vacation more than a year ago.

"Summer vacation spending will hit record levels this year, with Americans planning to spend an average of more than \$2,000 on their trip," said Daniel Durazo, director of marketing and communications at Allianz Global Assistance USA. "As Americans continue to spend more and place value on their summer trips, it's even more important that consumers purchase travel insurance when they book their trip, in order to protect their travel investment and avoid costly medical emergencies while traveling."

Vacation Spend

Vacation Confidence Index 2019				
Year	Projected Total Spend	% Change	Average Spend	% Change
2010	\$76 Billion	N/A	\$1,653	N/A
2011	\$89.7 Billion	18	\$1,704	3.1
2012	\$79.8 Billion	-11	\$1,565	-8.1
2013	\$81.1 Billion	1.6	\$1,755	12.1
2014	\$98.8 Billion	21.8	\$1,895	7.9
2015	\$85.5 Billion	-13.5	\$1,621	-14.4
2016	\$89.9 Billion	5.1	\$1,798	10.9
2017	\$101.1 Billion	12.5	\$1,978	10.0
2018	\$100.4 Billion	-0.7	\$1,936	-2.1
2019	\$101.7 Billion	1.3	\$2,037	5.2

More Than One-third of Americans Have Not Taken a Vacation in Over Two Years

The Average Employee Takes Only 41 Percent of Their Vacation Days, With Finances Preventing Many from Traveling

According to the survey, over a third (36 percent) of Americans took their last vacation more than two years ago, and over half (51 percent) have not vacationed in more than a year. A vacation is defined as a leisure trip of at least a week to a destination that is 100 miles or more from home.

When asked if they were confident they would take a summer vacation this year, only 42 percent responded positively, the lowest confidence rating since 2013. Despite the prevailing thought that work prevents many Americans from using all their vacation time, financial concerns far outweighed professional obligations for those who were not confident.

Nearly half (44 percent) said they do not have the money to spend on a vacation, while 19 percent do not want to spend the money on a vacation. This compares to the 14 percent who said they are not confident they will take a summer vacation because they cannot take time off work. Those aged 18 – 34 (25 percent) and men (20 percent) are most likely to say they cannot take the time off work.

“Americans are still consistently underutilizing their paid time off, with the average working American taking fewer than half their vacation days and a third of Americans saying they haven’t vacationed in more than two years,” said Daniel Durazo, director of marketing and communications at Allianz Global Assistance USA. “Whether finances, work or another reason are keeping you from booking that summer trip, the positive health benefits of taking vacation have been widely-documented. From a weeklong getaway to a micro-cation, it’s always important to protect that financial investment with travel insurance.”

Time Since Last Vacation/Importance/Confidence

Americans' Time Since Last Week-Long Vacation				
Year	More Than Two Years Ago	More Than A Year Ago	Four to 12 Months Ago	Past Three Months
2019	36%	15%	27%	21%
2018	38%	13%	29%	18%
2017	37%	17%	31%	14%
2016	37%	16%	30%	15%
2015	40%	16%	25%	16%
2014	39%	12%	28%	19%
2013	44%	16%	25%	14%
2012	35%	15%	28%	21%
2011	36%	15%	29%	19%
2010	39%	17%	23%	19%
2009	33%	14%	24%	27%

Value of Vacation

Half of Americans Would Take a Job with No Paid Time Off For A Higher Salary

Meanwhile, One in Three Workers Would Give Up Some Pay for Unlimited Vacation

Half (49 percent) of working Americans would accept a job with no vacation time if they were paid more. Millennials (63 percent, compared to 47 percent of Gen X'ers and 32 percent of Baby Boomers) and men (57 percent, versus 41 percent of women) are the most likely to sacrifice paid time off for higher salaries.

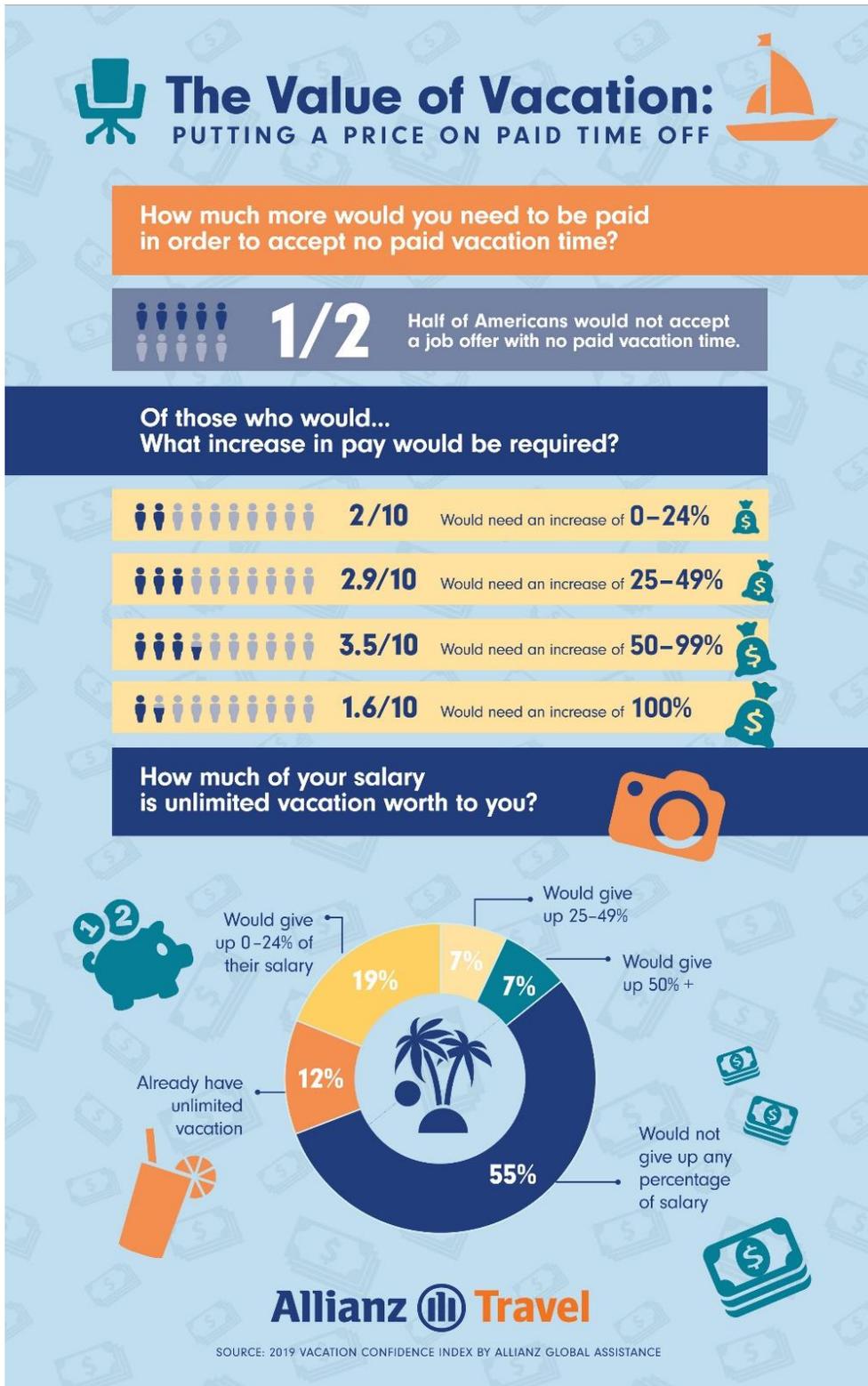
The average American who would give up paid vacation time for a salary increase would require a 48 percent raise to do so, though a sizable one in five were willing to give up their paid time off for an increase of 24 percent or less. One-third (29 percent) would need 25 – 49 percent more, 35 percent would need 50 – 99 percent more and 16 percent would need double their salary to take this offer.

On the flip side, the Vacation Confidence Index also explored the worth of unlimited vacation time, an increasingly popular workplace trend. One in three Americans (34 percent) would give up a portion of their paycheck for unlimited vacation, with Millennials (41 percent) even more likely to do so. Millennials are the most likely to both give up vacation time for salary, and give up salary for vacation time, highlighting how important professional success and personal flexibility is to this generation. Another survey takeaway found that more than one in ten (12 percent) of Americans already have unlimited vacation.

“We asked Americans to literally put a price tag on their vacation days, and one-third of U.S. workers said they would be willing to take a pay cut in exchange for unlimited paid time off,” said Daniel Durazo, director of marketing and communications at Allianz Global Assistance USA. “Meanwhile half of Americans say they wouldn’t accept a job with zero paid time off regardless of the salary. For those who value their vacation days, travel insurance offers peace of mind by protecting their trip investment from any covered travel disruptions.”

Value of Vacation

2019 VACATION CONFIDENCE INDEX: THE VALUE OF VACATION	
How much more would you need to be paid in order to accept no paid vacation time?	
I would not accept an offer with no paid vacation time.	51%
Of the 49% who would give up their vacation for a pay raise, what increase in salary would be required?	
Salary Range	Percentage of Americans
0 – 24%	20%
25 – 49%	29%
50 – 99%	35%
100%	16%
How much of your salary would unlimited vacation be worth to you?	
0 – 24%	19%
25 – 49%	7%
50%+	7%
I already have unlimited vacation	12%
I would not give up any percentage of my salary	55%



Half of Working Americans Would Lie About Cell Reception and Wi-Fi Access to Avoid Work Calls and Email on Vacation

Millennials Most Likely to Make Excuses as Email Creep Reaches Two Thirds of Working Americans on Summer Break

Little white lies about Wi-Fi are acceptable to half (49%) of working Americans avoiding checking into the office while on vacation.

As “email creep,” referring to when work obligations encroach on personal time, affects two thirds (65%) of workers who feel the need to check-in with the office while on vacation, using limited phone service or Wi-Fi in a vacation destination has become the excuse du jour for employees.

Most likely to use the excuse are Millennials (59%), followed by Gen X’ers (49%) and Boomers (32%). While men and women are equally honest, with no difference between the sexes at 49% each, those earning more than \$50,000 a year are significantly more likely (53%) to use the excuse compared to those earning less than \$50,000 (39%).

A quarter of all working Americans (24%), meanwhile, make a point not to go on vacation in places where poor cell reception or Wi-Fi access could disrupt their connection to the office.

Millennials (74%) are the most likely to check email while on vacation, but the rate is also high for Gen X’ers (58%) and Boomers (63%), with the most common reason: it makes catching up on work easier when returning to the office (34%).

Despite the pressures to stay “online” and connected to the office while on vacation, the majority of working Americans (54%) would choose to work even more while away if it meant they were able to take more vacations throughout the year, with Millennials (64%) more likely choosing the more vacations with more checking in at work scenario. Boomers, meanwhile, were more likely (54%) to prefer fewer vacations if it means they could be unplugged from the office.

To view the video highlighting key findings on work/connectivity and the value of vacation, see the link [here](#).

“Most working Americans feel pressured to spend their vacations attached to their work email, when they may just need a few days to unplug. Consequently, half of U.S. workers are willing to lie about lack of connectivity to set them free from work obligations,” said Daniel Durazo, director of marketing and communications at Allianz Global Assistance USA. “For travelers seeking a carefree getaway from the grind, trip insurance offers peace of mind and 24/7 global assistance to help them stay cool and collected when faced with covered travel disruptions.”

2019 VACATION CONFIDENCE INDEX: LITTLE WHITE WI-FI LIES				
Would you use limited phone service or Wi-Fi in your vacation destination as an excuse not to check in with the office?				
	Millennials	Gen X'ers	Boomers	All Working Americans
Yes, I would do (or have done) this	59%	49%	32%	49%
No, I wouldn't do this	19%	27%	39%	27%
No, I don't go on vacation to destinations where this is applicable	17%	14%	16%	15%
No, I wouldn't go to a destination without phone service	6%	11%	13%	9%
Why do you check your email on vacation?				
	Millennials	Gen X'ers	Baby Boomers	All Working Americans
It's easier to catch up when I'm back if I check email while away	34%	31%	38%	34%
I'm the only one who can handle certain tasks, even if I'm on vacation	18%	15%	11%	15%
My boss doesn't necessarily expect me to, but I feel guilty if I'm not	12%	7%	3%	8%
My boss expects me to be online	9%	3%	1%	5%
Some other reason	22%	15%	16%	18%
I don't check my email on vacation	26%	42%	37%	35%
Vacation/Work Check-In Trade-Off: Would you rather?				
	Millennials	Gen X'ers	Baby Boomers	All Working Americans
Go on more vacations but have to check in on work more	64%	51%	46%	54%
Go on fewer vacations while having to check in on work less	36%	49%	54%	46%

Conclusions

METHODOLOGY

These are findings of an Ipsos poll conducted on behalf of Allianz Global Assistance. For this survey, a sample of 1,005 Americans from the Ipsos I-Say panel was interviewed from May 1st to May 2nd, 2019. The precision of online polls is measured using a credibility interval. In this case, the results are accurate to within +/- 3.5 percentage points, 19 times out of 20, of what the results would have been had all American adults been polled. Quota sampling and weighting were employed in order to balance demographics and ensure that the sample's composition reflects that of the actual U.S. population, according to data from the U.S. Census Bureau. Credibility intervals are wider among subsets of the population. For the purposes of this study, a Millennial is defined as someone between the ages of 18 and 34; a Gen X'er is between the ages of 35 and 54; and a Baby Boomer is 55+ years of age.

ABOUT ALLIANZ GLOBAL ASSISTANCE

Allianz Global Assistance USA is a leading consumer specialty insurance and assistance company with operation centers in 35 countries. In the United States, Allianz Global Assistance USA (AGA Service Company) serves 40 million customers annually and is best known for its Allianz Travel Insurance plans. In addition to travel insurance, Allianz Global Assistance USA offers tuition insurance, event ticket protection, registration protection for endurance events and unique travel assistance services such as international medical assistance and concierge services. The company also serves as an outsource provider for in-bound call center services and claims administration for property and casualty insurers and credit card companies.

To learn more about Allianz Travel Insurance, please visit allianztravelinsurance.com or Like us on Facebook at [Facebook.com/AllianzTravelInsuranceUS](https://www.facebook.com/AllianzTravelInsuranceUS).

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