

Bankrate

80% of Summer Vacationers Are Making Changes Due to Inflation

62% who can't afford a summer vacation blame inflation/rising prices

NEW YORK – April 26, 2023 – With Memorial Day and the unofficial start to summer about one month away, 80% of summer vacationers are making changes to their plans this year due to inflation, according to a new Bankrate report. Further, more than 3 in 5 (62%) who say they cannot afford to go on a summer vacation this year say inflation/rising prices are to blame.

<https://www.bankrate.com/finance/credit-cards/survey-summer-vacation/>

Overall, 63% of U.S. adults say they are likely to take a summer vacation this year, up slightly from 61% last year. That group includes 33% who are very likely and 30% who are somewhat likely to take a summer vacation in 2023.

The majority of summer vacationers (80%) are making changes to their plans due to inflation. The most common changes summer vacationers are making to save money this year are selecting less expensive accommodations and/or destinations (29%, up from 22% last year), engaging in cheaper activities (28%, up from 23% last year), traveling for fewer days (26%, up from 19% last year), taking fewer trips (26%, up from 25% last year), and driving rather than flying to their destination (26%, up from 16% last year). Additional changes include staying at home instead of traveling, i.e., a “staycation” (23%), traveling a shorter distance (23%), and flying instead of driving to their destination (11%). Notably, just 20% of summer vacationers intend to use rewards points to cut costs.

“High inflation and tight budgets make this a perfect time to take advantage of credit card rewards, frequent flyer miles and hotel points,” according to Bankrate senior industry analyst Ted Rossman. “These represent real value, and too few travelers are planning to redeem them this summer. Your rewards won’t get more valuable over time – use them before you lose them.”

Younger generations are more likely to take advantage of their rewards points to cope

with inflation, with about 1 in 4 Gen Z (24%; ages 18-26) and millennials (26%; ages 27-42) planning to use rewards to cut costs, compared to 16% of Gen X (ages 43-58) and 13% of baby boomers (ages 59-77).

Younger generations, parents of younger children, and higher earners are more likely to be on the move this summer, as well as to make changes to their plans due to inflation.

More Gen Zers (76%) and millennials (70%) say they are likely to take a summer vacation this year compared to 62% of Gen Xers and 54% of baby boomers. Similarly, Gen Z (86%) and millennials (85%) are more likely to say they are making changes to their plans due to inflation compared to Gen X (77%) and baby boomers (72%).

Additionally, 77% of parents with children under the age of 18 say they are likely to take a summer vacation this year (including 43% who say they are very likely), compared to 60% of non-parents. Moreover, 87% of parents of children under the age of 18 are making changes due to inflation compared to 78% of non-parents.

As far as income level, 81% of the highest earning households (earning \$100,000+ annually) are likely to take a summer vacation, compared to 65% of middle-income households (earning \$50,000-\$99,999 annually) and 54% of the lowest-earning households (less than \$50,000 annually). 85% of the lowest-earning households say they are making changes to their summer vacation plans due to inflation, compared to 76% of the highest-earning households.

Among the more than one-third of U.S. adults (37%) who say they are unlikely to take a summer vacation this year, more than half (58%) said that is the case because they can't afford to, up from 48% last year. Those who can't afford to go on a summer vacation this year are most likely to point to inflation/rising prices (62%) and insufficient income (59%) as reasons why, followed by being focused on other financial priorities (36%) and debt (30%). An additional 5% say that there is something else contributing to an inability to afford a vacation this year.

Older generations and women are more likely to cite affordability as the reason why they are not likely to take a summer vacation this year. Gen Xers (69%) and baby boomers (59%) are more likely to say they aren't going on a summer vacation this year because they can't afford to, compared to millennials (52%) and Gen Zers (47%). Also, 62% of women and 54% of men say the same.

In addition to those who say affordability is holding them back from taking a summer vacation, other reasons for not planning a vacation this summer include not being

interested in taking any vacations currently (23%), health/age (15%), too many family obligations (13%) and not being able to take time off work (11%). Another 11% say they are planning a vacation for another time, 9% cite COVID concerns, and 7% point to some other reason as to why they are unlikely to take a summer vacation in 2023.

For those planning a summer vacation this year, the most popular destination is a beach, cited by 39% of likely vacationers, followed by a city (28%), a staycation (28%), and a national park (23%). Other destinations this summer include an amusement park (19%), a campground (19%), an international destination (14%), and a cruise (14%). An additional 9% say they are headed somewhere else this summer and 8% don't know what their destination will be yet.

"Too many Americans leave unused vacation time on the table each year," Rossman added. "If nothing else, take some time off to recharge. Consider playing tourist in your local area or just staying home and relaxing. You don't need to bust your budget to have a good time and break the daily routine."

Bankrate's 2023 Travel Toolkit is now live to help consumers find the best ways to save on travel, maximize points and miles, and more:

<https://www.bankrate.com/finance/credit-cards/travel-toolkit/>

Methodology:

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,461 U.S. adults, among whom 1,572 are likely to take at least one summer vacation this year. Fieldwork was undertaken on March 29-31, 2023. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

About Bankrate:

Bankrate has guided savers and spenders through the next steps of their financial journeys since 1976. Whether it's rates or information on mortgages, investing, credit cards, personal loans, insurance, taxes or retirement, the company offers various free resources to help consumers reach their goals. From product comparison tools to award-winning editorial content, Bankrate provides objective information and actionable next steps. Bankrate also aggregates rate information from over 4,800 institutions on more than 300 financial products, with coverage in more than 600 local markets. It's why over 100 million people put their trust in Bankrate every year.

For More Information:

Julie Guacci
Public Relations Manager
julie.guacci@bankrate.com
917-368-8673

Bankrate



