

Frequent Travel Programs - US - August 2013

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"Travel providers need to not only convince more travelers to join their loyalty programs, but also to engage with the program once they enroll. Providers can make travelers more enthusiastic if, in addition to helping them save money, they offer flexible ways in which to do so. They should consider ways to offer rewards that extend outside their realm of travel and extend into the retail space."
-Gretchen Grabowski, Travel & Leisure Analyst

In this report we answer the key questions:

- Travel loyalty programs joined and used
- What consumers want from airline frequent flyer programs
- What consumers want from hotel loyalty programs
- What consumers want from car rental loyalty programs
- Sought-after travel rewards

Some 44% of survey respondents claim to have membership in a frequent travel program. When projected onto the total U.S. population, that equates to some 138 million Americans. Total loyalty program memberships in the U.S. surpass 2.6 billion—which means that the average participant belongs to nearly 11 different programs, and competition is fierce to keep them engaged. Tendencies to pursue opportunities for reward redemption depend on a variety of factors, such as gender, household income, and age. When they do redeem rewards, travelers' preferences for exactly *how* to do so, and which benefits they perceive as having the most value, also vary by travel sector. They are likely to be most receptive to travel rewards that are customized to their needs and preferences.

This report expands on findings from Mintel's *Travel Loyalty Programs—U.S., July 2007* and the July 2005 report of the same title. It explores whether consumers join frequent travel programs and how often they take advantage of the benefits of such programs. It measures consumer preferences for how to redeem frequent travel rewards, and covers the barriers to redeeming travel rewards. Travel reward redemption through third-party travel providers and credit card enrollment and usage is also explored in consumer data for this report.

Frequent travel and loyalty programs refer to membership programs thorough which travelers can accrue rewards for travel with participating providers and redeem them for future benefits. Travel programs considered for the purposes of this report include airline frequent flyer programs, hotel loyalty programs, and car rental loyalty programs.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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