

Consumer Behavior and Spending Pattern of Older Northern Winter Travelers Visiting Warmer States

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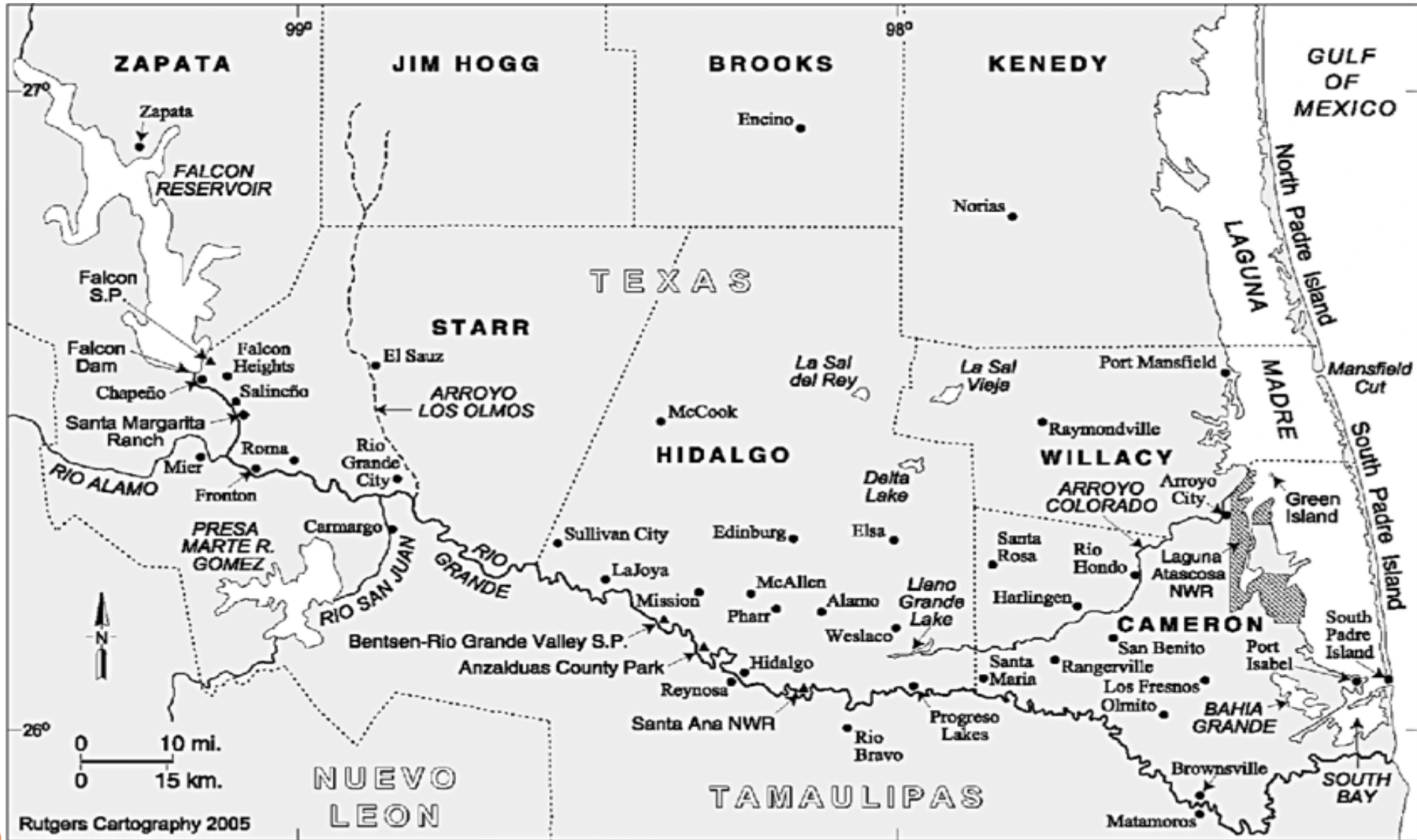
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MAP OF TEXAS



MAP OF RIO GRANDE VALLEY



DEFINITION OF WINTER TEXAN

- ▶ RETIREES PRIMARILY FROM NORTHERN USA AND CANADA WHO SPEND WINTER MONTHS IN THE RIO GRANDE VALLEY (RGV)
- ▶ NORMAL LENGTH OF STAY 3 WEEKS TO 6 MONTHS
- ▶ RGV: South Padre Island to ZAPATA
 - ▶ 110 MILES
 - ▶ Population: 1.4 Million

RESEARCH PURPOSE

- ▶ TRAVEL MOTIVATION IN THE WINTER
- ▶ IDENTIFICATION OF MOST POPULAR ACTIVITIES
- ▶ SPENDING PATTERNS IN MEXICO
- ▶ SPENDING PATTERNS IN THE VALLEY
- ▶ ECONOMIC IMPACT TO THE COMMUNITY

DEMOGRAPHICS OF WINTER TEXAN CURRENT STUDY

- ▶ The average Winter Texan participating in this year's study:
 - is female (45.5%),
 - is 74 years of age,
 - is married (80%),
 - is white (98.3%),
 - is retired (85%) and has been retired for more than a year
 - has at least some college (37.6%) or a bachelor's, graduate or professional degree (38%),
 - is in a 2-person household (86.8%),
 - has an annual household income of \$69,000 with 63% of Winter Texans having an income between \$30,000 to \$80,000, and
 - comes from Minnesota (20.5%), Canada (7.8%), Iowa (12.7%), Wisconsin (8.1%), Illinois (8.1%), Missouri (7.5%), Michigan (4.6%) South Dakota (4.0) and Texas (4.3)

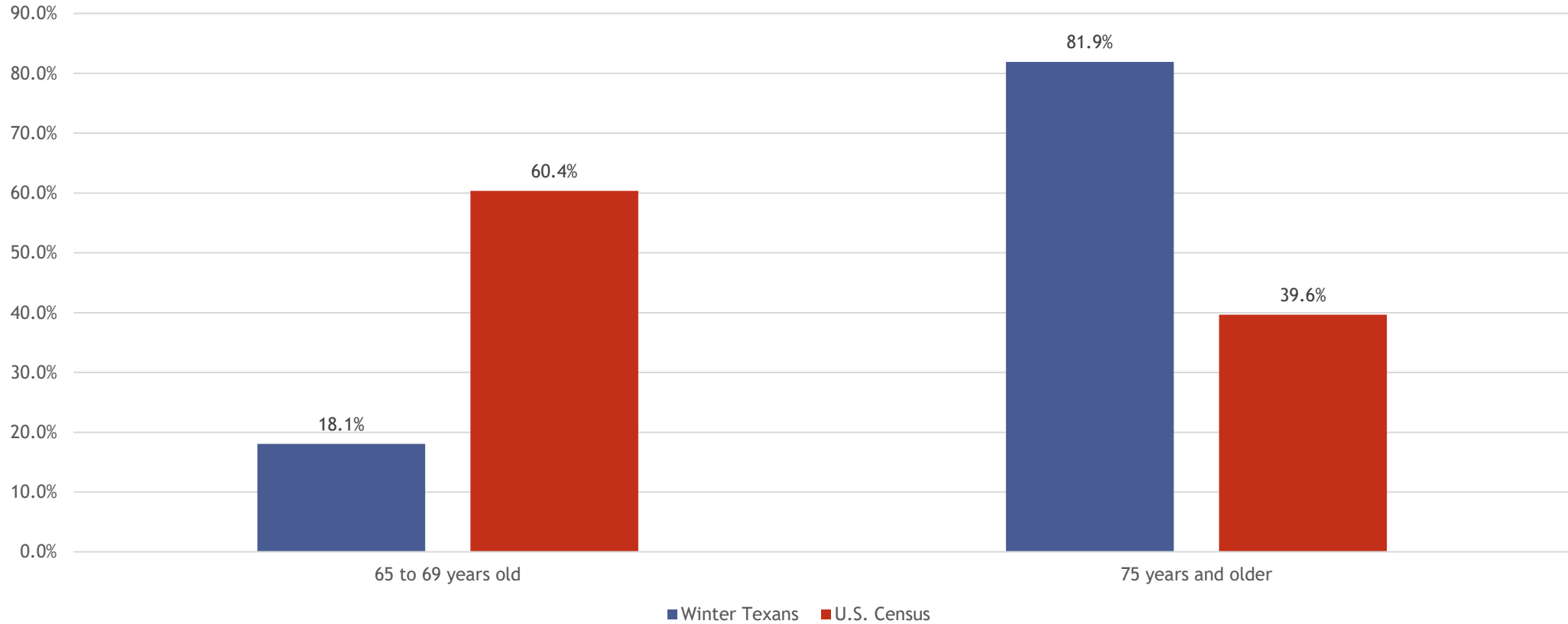
RESEARCH DESIGN AND SAMPLE

- ▶ QUESTIONNAIRE INSERTED INTO 20,000 COPIES OF WINTER TEXAN TIMES
- ▶ OPTION TO SUBMIT MAIL IN OR ONLINE
- ▶ 349 USABLE RESPONSES
- ▶ 65% MAIL IN
- ▶ 35% ONLINE

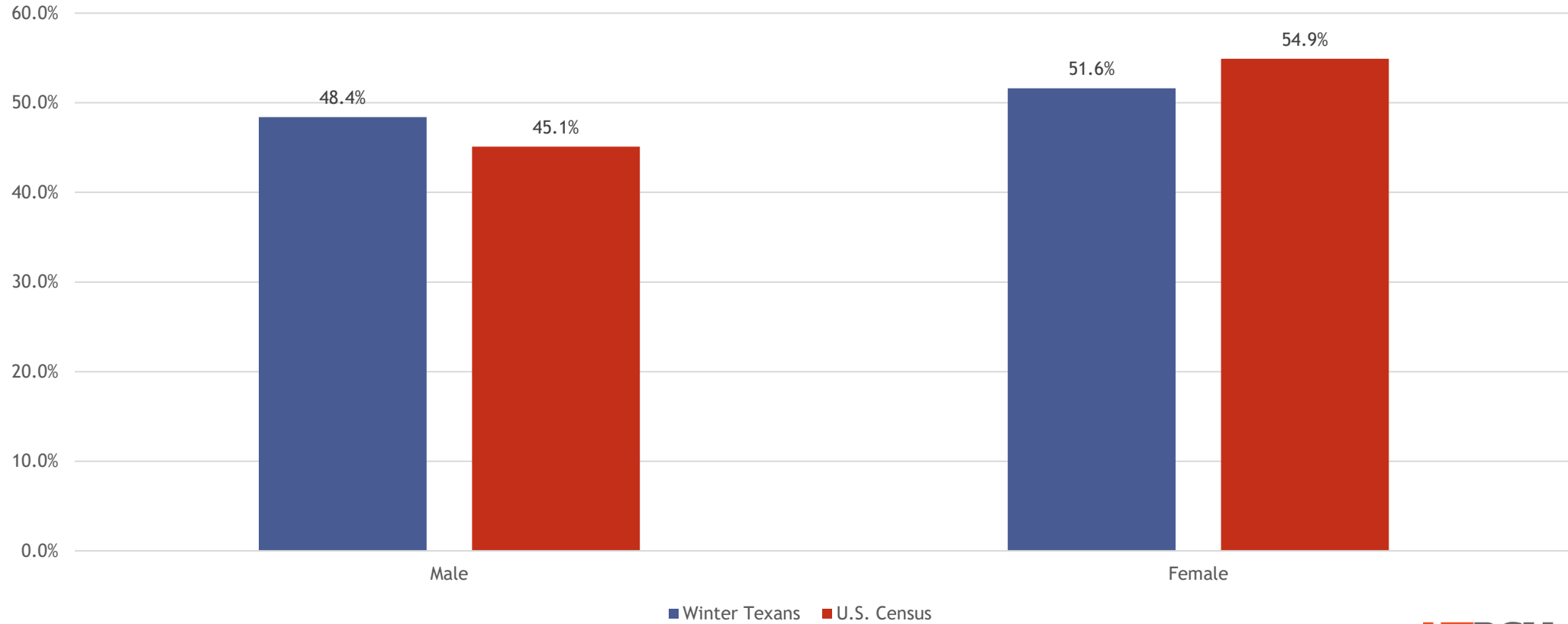
USERS OF STUDY RESULTS

- ▶ DESTINATION MARKETING ORGANIZATIONS
- ▶ HOSPITALITY COMPANIES IN THE COMMUNITY
 - ▶ Hotels
 - ▶ Restaurants
 - ▶ Tourist Attractions
 - ▶ Event Centers

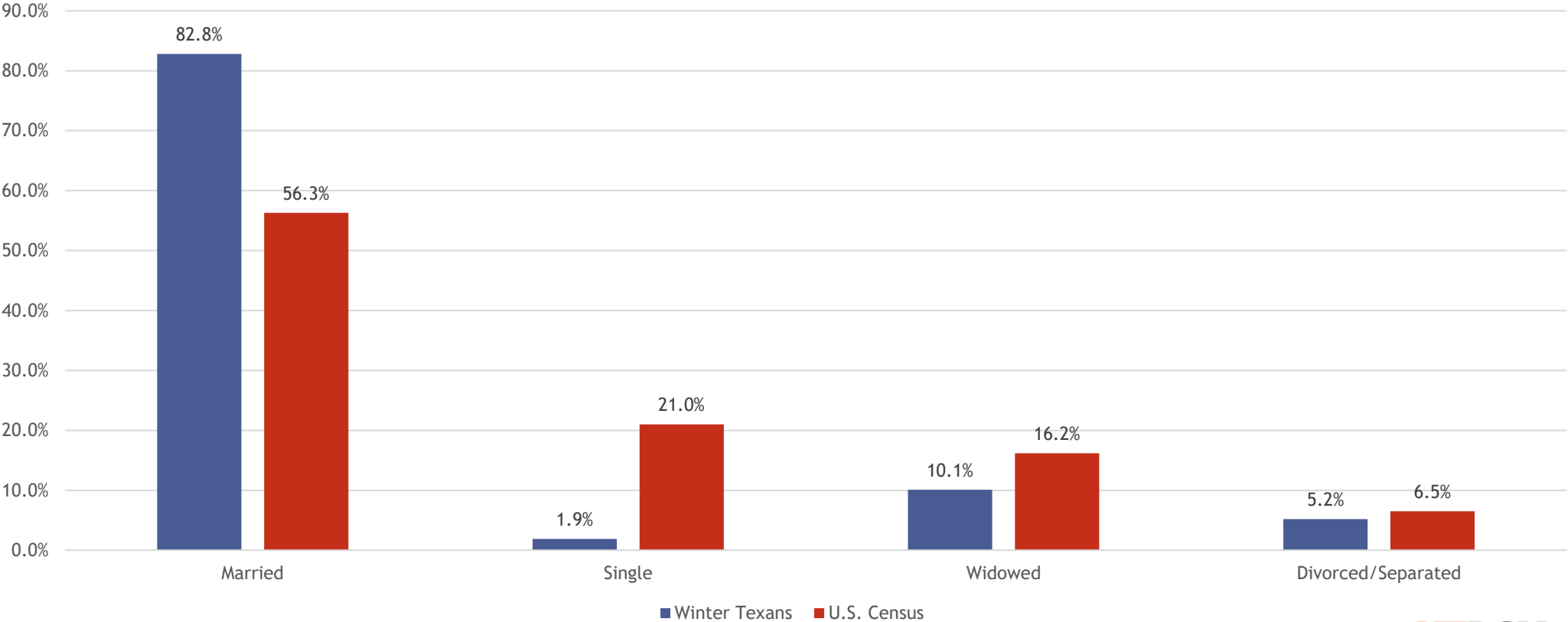
Age: Winter Texans vs U.S. Population (65 years and older age group)



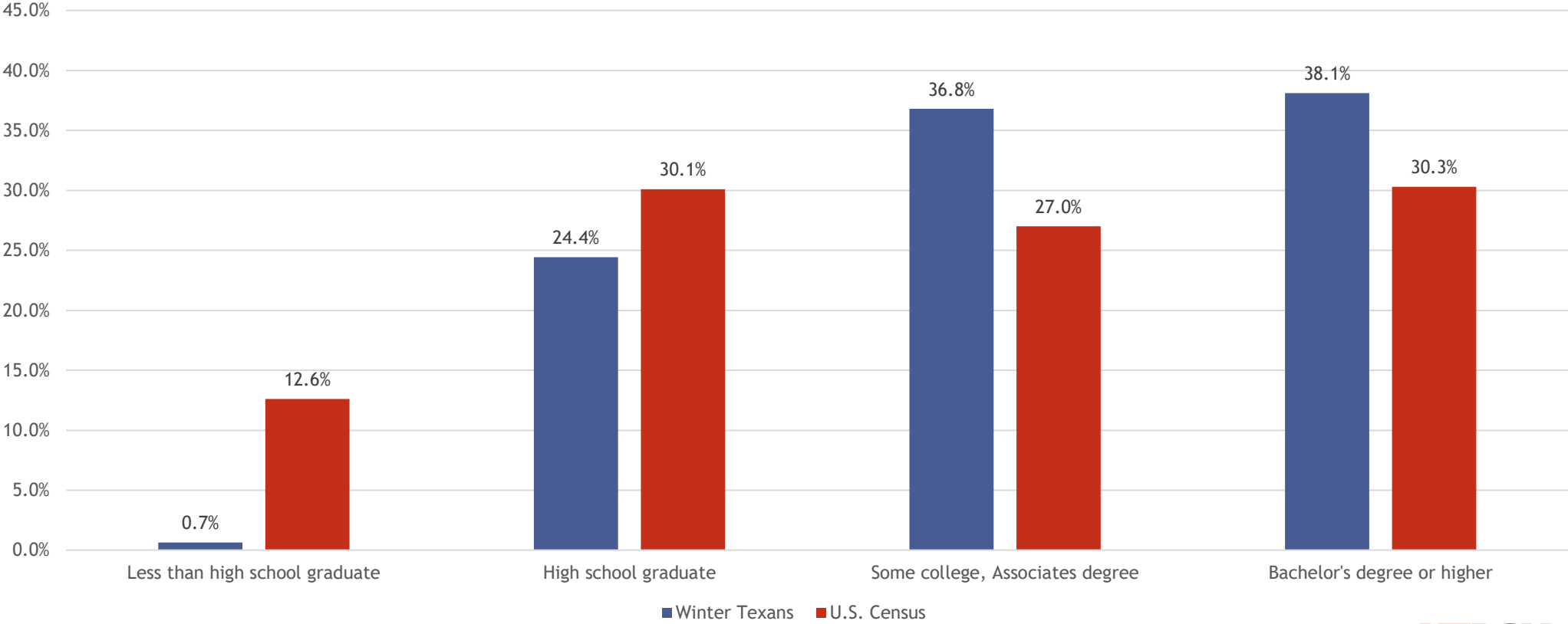
Gender: Winter Texans vs U.S. Population (65 years and older age group)



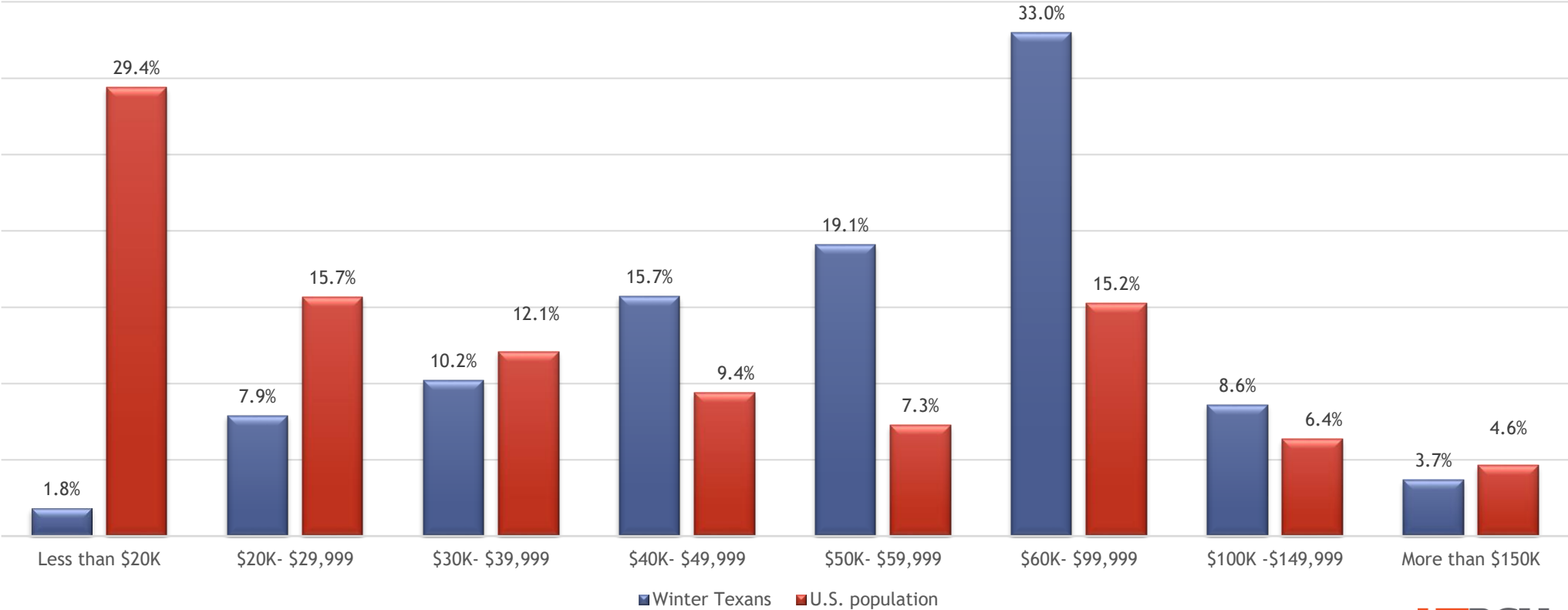
Marital Status: Winter Texans vs U.S. Population (65 years and older age group)



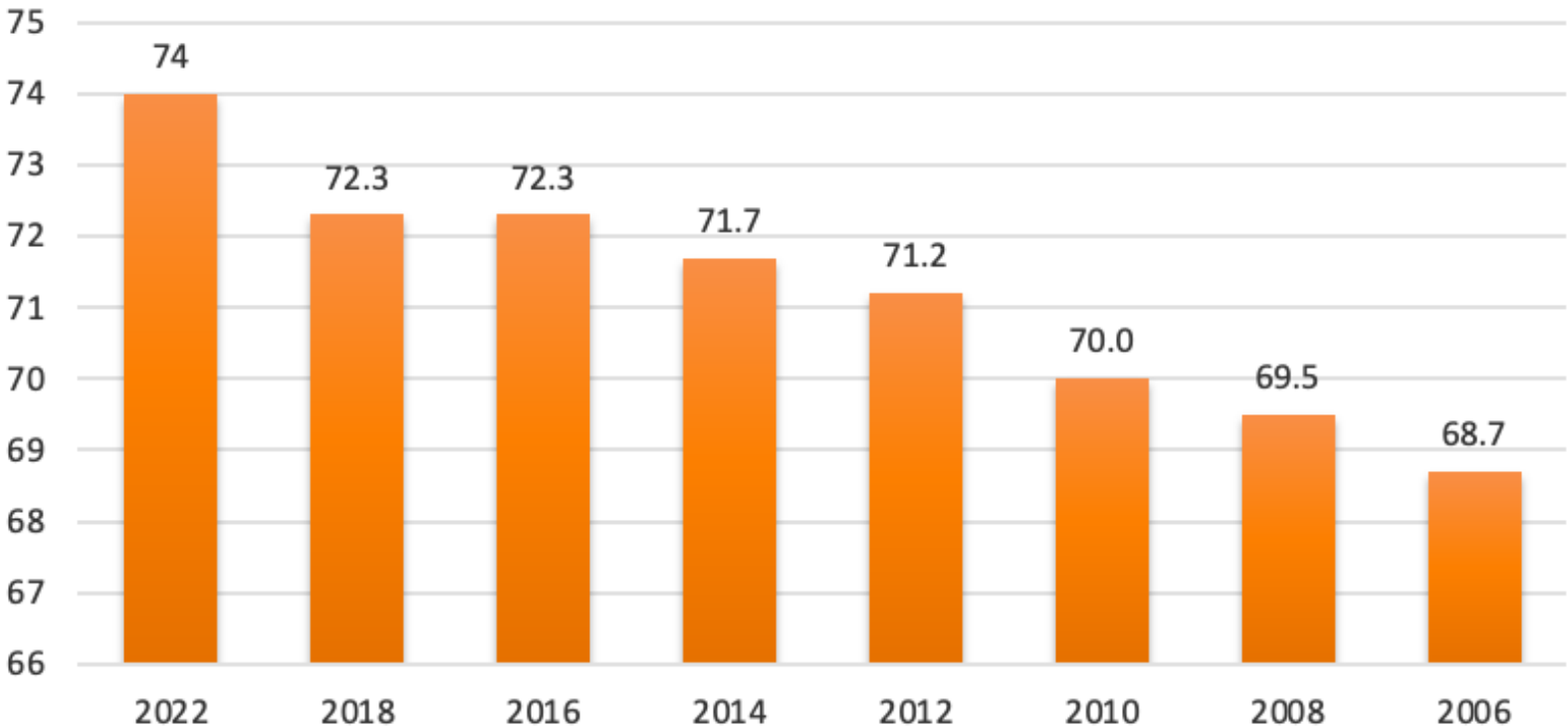
Education Level Comparison: Winter Texans vs U.S. Population (65 years and older age group)

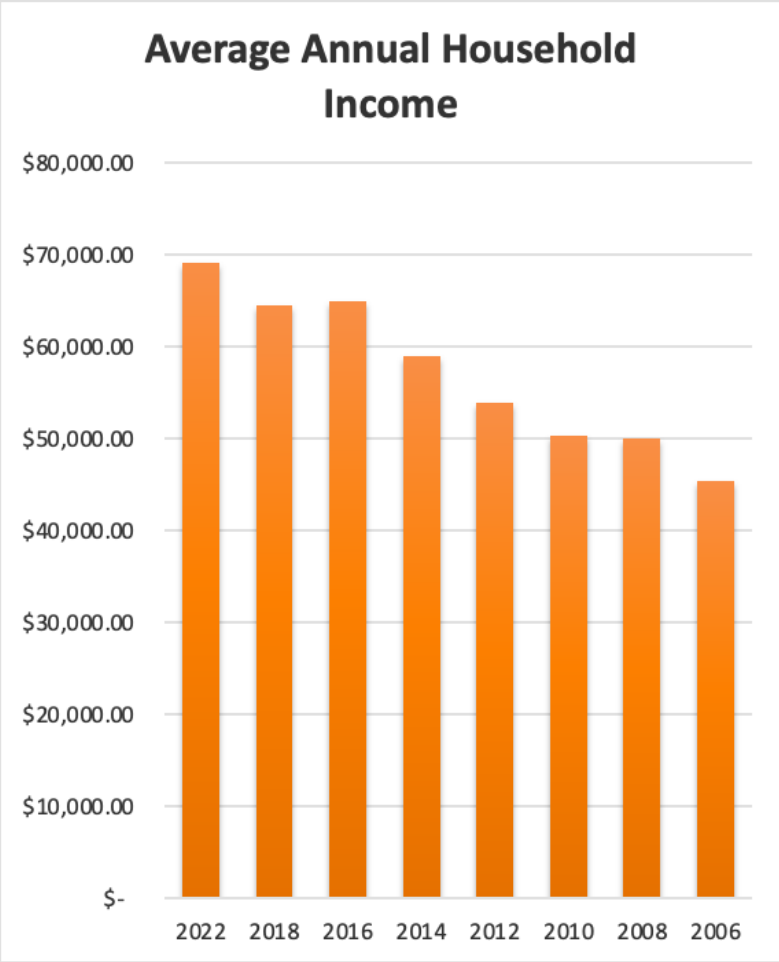


Income: Winter Texans vs U.S. Population (65 years and older age group)

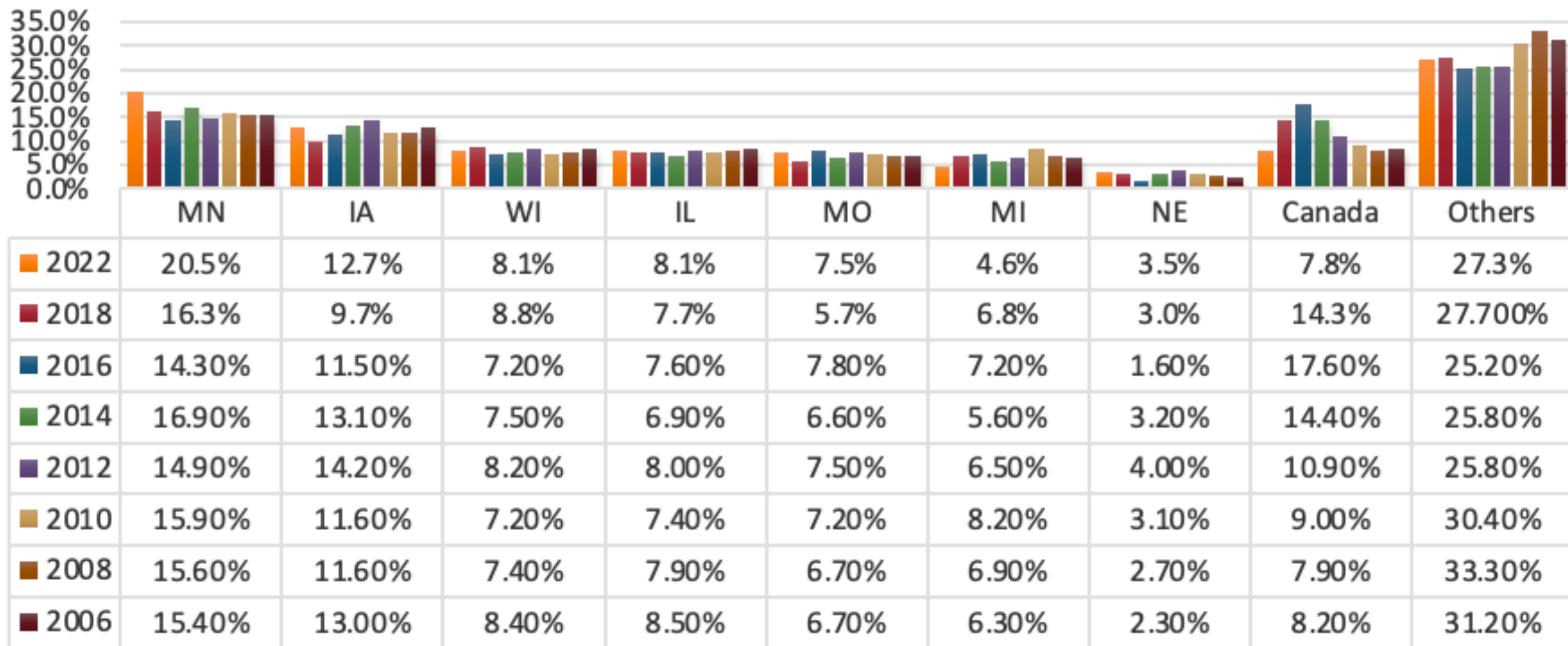


Average Age by year



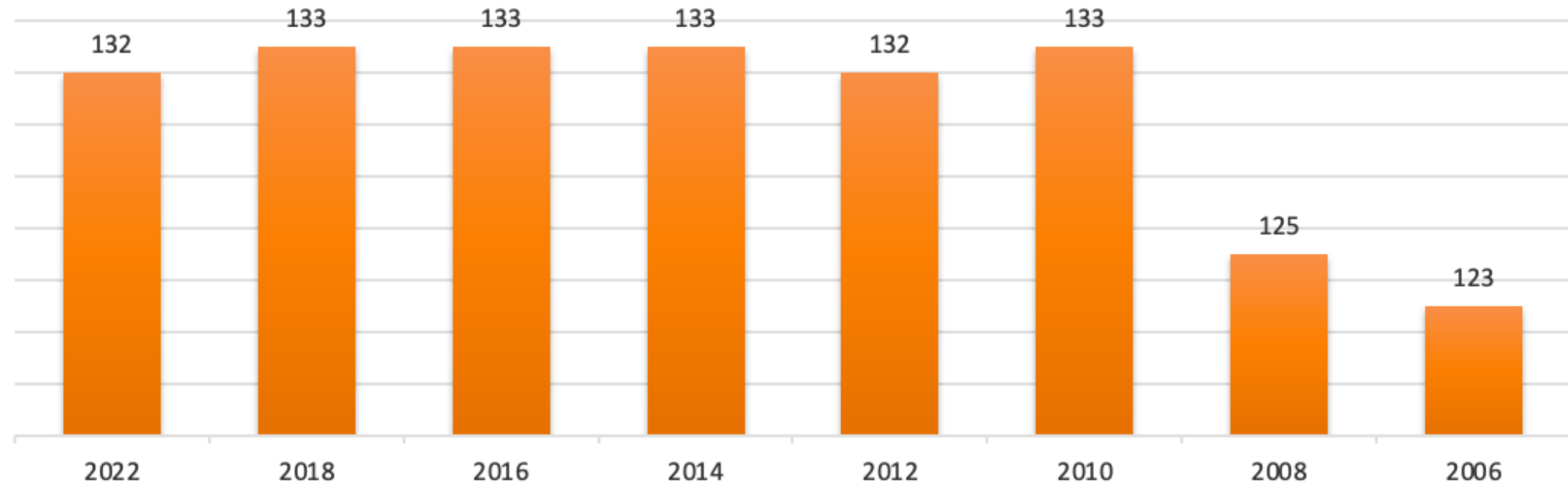


Home State by year

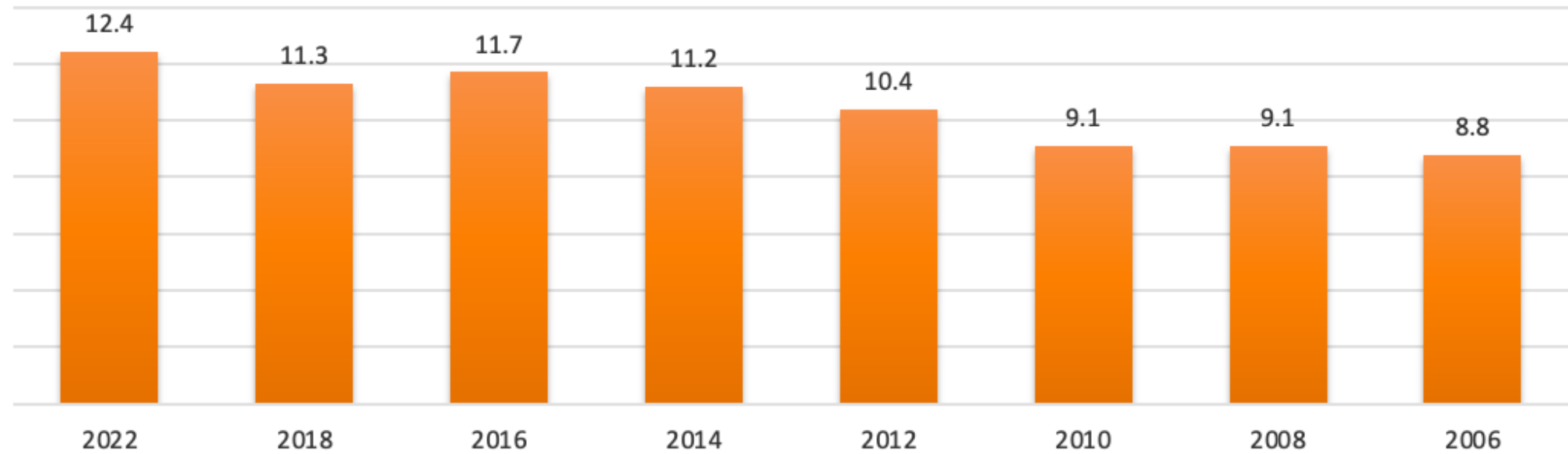


■ 2022
 ■ 2018
 ■ 2016
 ■ 2014
 ■ 2012
 ■ 2010
 ■ 2008
 ■ 2006

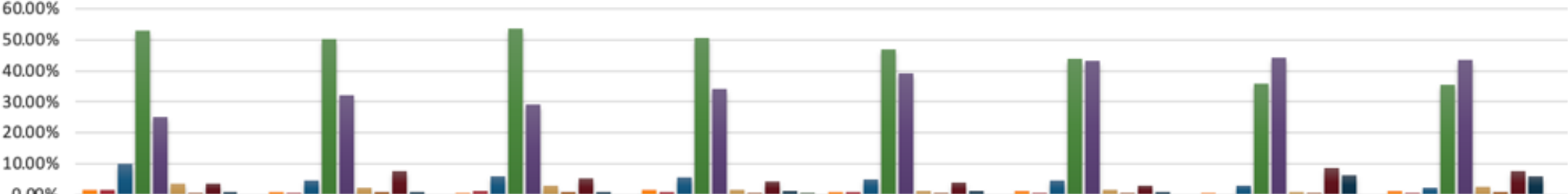
Average Days Spent in the Valley by year



Average Years Coming to the Valley by year



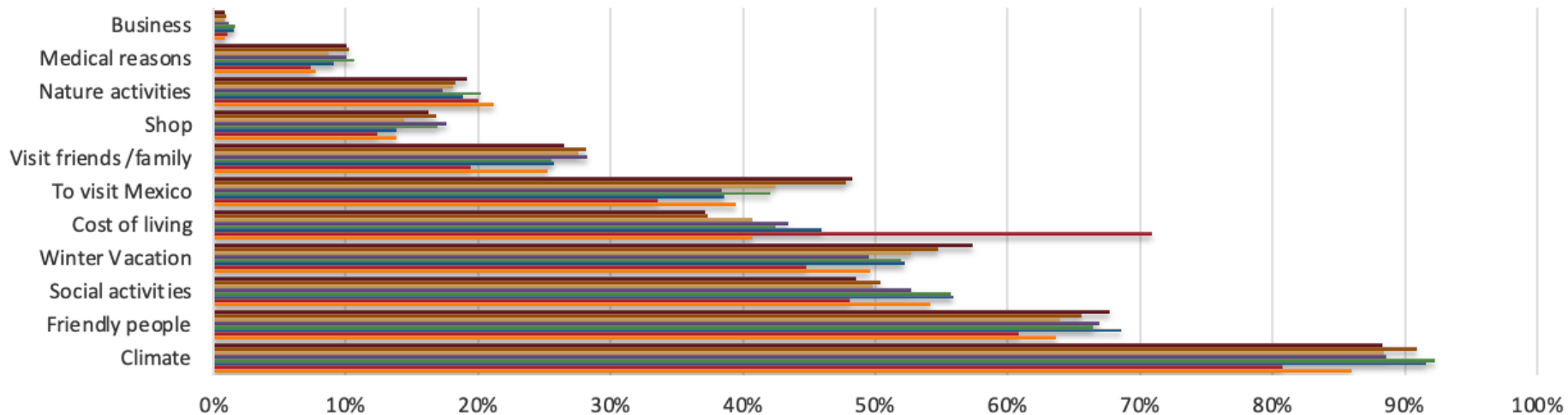
Housing type by year



	2022	2018	2016	2014	2012	2010	2008	2006
Hotel/ motel	1.70%	1.0%	0.5%	1.4%	1.0%	1.2%	0.60%	1.20%
Own apt/ condo	1.4%	0.4%	1.1%	0.7%	0.9%	0.6%	0.10%	0.40%
Own house	10.0%	4.6%	6.0%	5.6%	4.9%	4.7%	2.80%	2.10%
Own mobile home	53.0%	50.2%	53.6%	50.7%	46.9%	44.0%	35.80%	35.50%
Own RV	25.1%	32.2%	29.2%	34.0%	39.1%	43.3%	44.30%	43.70%
Rent apt/ condo	3.5%	2.1%	2.8%	1.4%	1.3%	1.4%	1.00%	2.70%
Rent house	0.6%	1.0%	0.8%	0.6%	0.6%	0.5%	0.60%	0.70%
Rent mobile home	3.5%	7.5%	5.1%	4.1%	3.8%	3.0%	8.50%	7.70%
Rent RV	0.9%	1.0%	0.8%	1.1%	1.2%	0.8%	6.40%	6.00%
Stay with family/ friends	0.3%	0.1%	0.1%	0.6%	0.3%	0.3%	0.00%	0.00%

■ Hotel/ motel
 ■ Own apt/ condo
 ■ Own house
 ■ Own mobile home
 ■ Own RV
 ■ Rent apt/ condo
 ■ Rent house
 ■ Rent mobile home
 ■ Rent RV
 ■ Stay with family/ friends

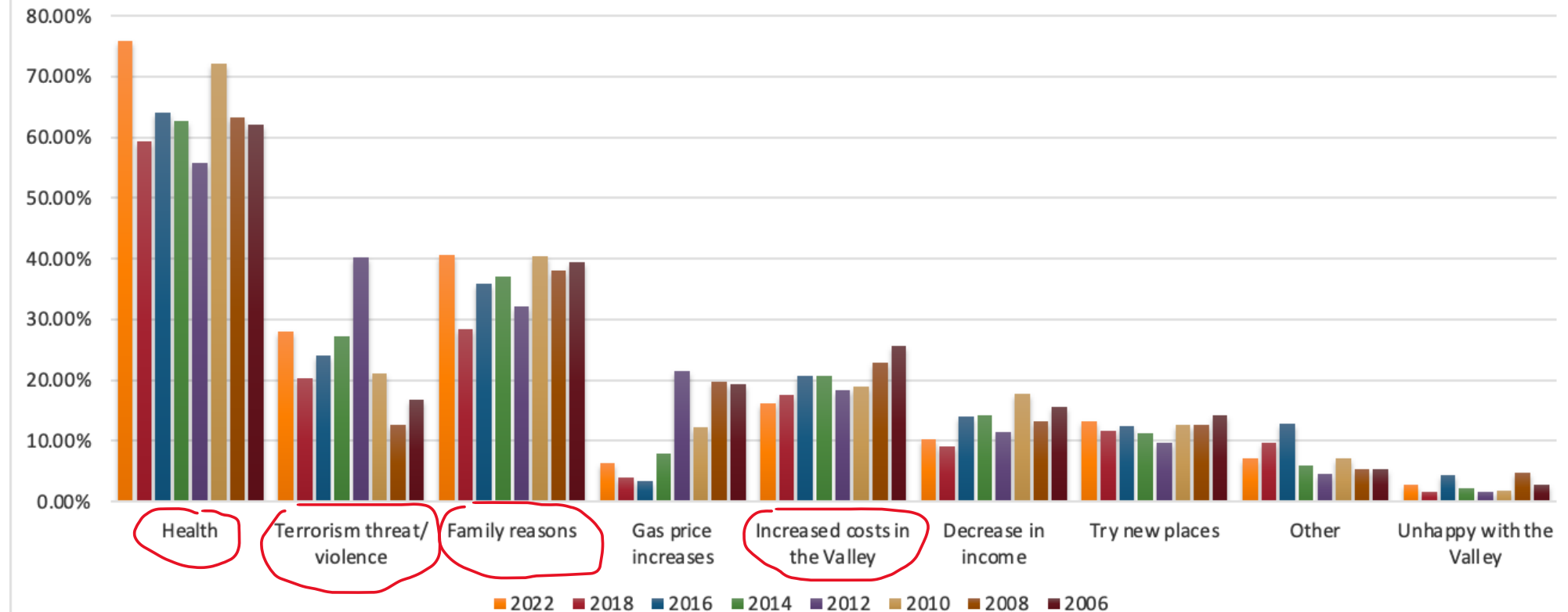
Reasons for coming to the Valley by year



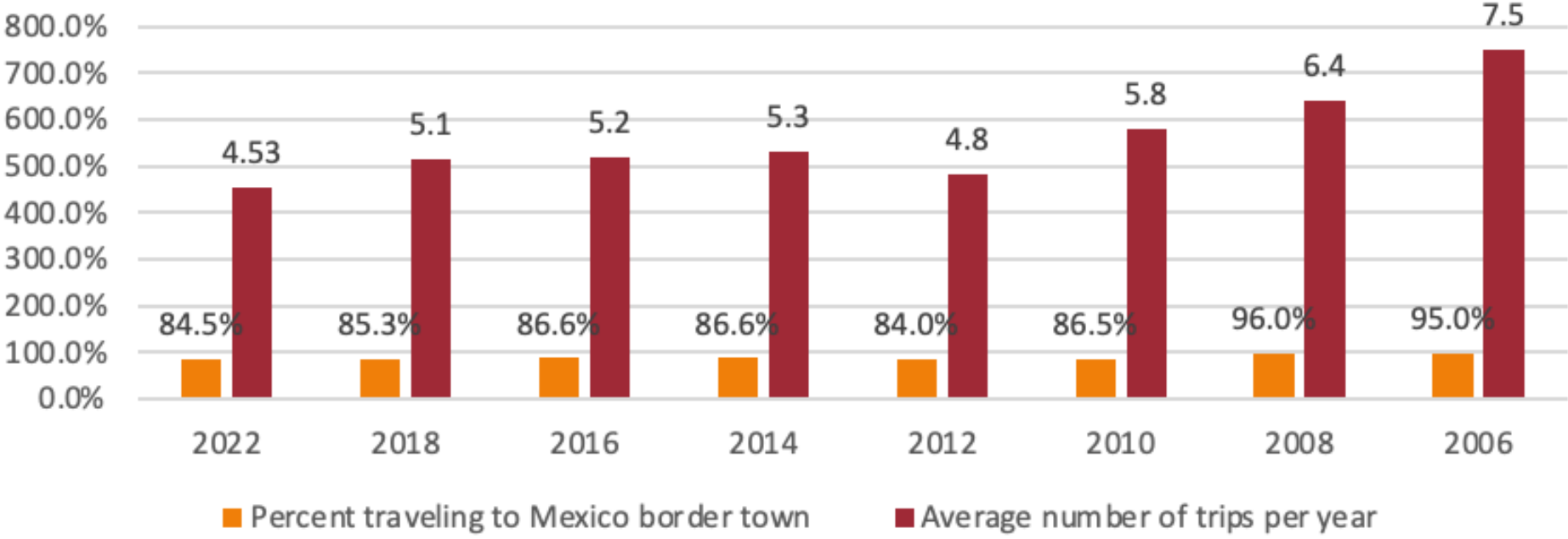
	Climate	Friendly people	Social activities	Winter Vacation	Cost of living	To visit Mexico	Visit friends /family	Shop	Nature activities	Medical reasons	Business
■ 2006	88.30%	67.70%	48.60%	57.40%	37.10%	48.30%	26.50%	16.20%	19.10%	10.10%	0.90%
■ 2008	90.90%	65.60%	50.40%	54.70%	37.30%	47.80%	28.10%	16.80%	18.30%	10.20%	1.00%
■ 2010	88.40%	63.90%	49.80%	52.70%	40.70%	42.50%	27.60%	14.40%	18.10%	8.70%	0.90%
■ 2012	88.60%	66.90%	52.70%	49.50%	43.40%	38.40%	28.20%	17.60%	17.30%	10.10%	1.20%
■ 2014	92.30%	66.40%	55.70%	51.90%	42.50%	42.10%	25.50%	16.90%	20.20%	10.60%	1.60%
■ 2016	91.60%	68.60%	55.90%	52.20%	45.90%	38.60%	25.70%	13.80%	18.90%	9.10%	1.50%
■ 2018	80.8%	60.8%	48.1%	44.8%	70.9%	33.6%	19.4%	12.4%	20.0%	7.3%	1.1%
■ 2022	<u>86%</u>	<u>63.6%</u>	<u>54.2%</u>	<u>49.6%</u>	<u>40.7%</u>	39.5%	25.2%	13.8%	21.2%	7.7%	0.9%

■ 2006
 ■ 2008
 ■ 2010
 ■ 2012
 ■ 2014
 ■ 2016
 ■ 2018
 ■ 2022

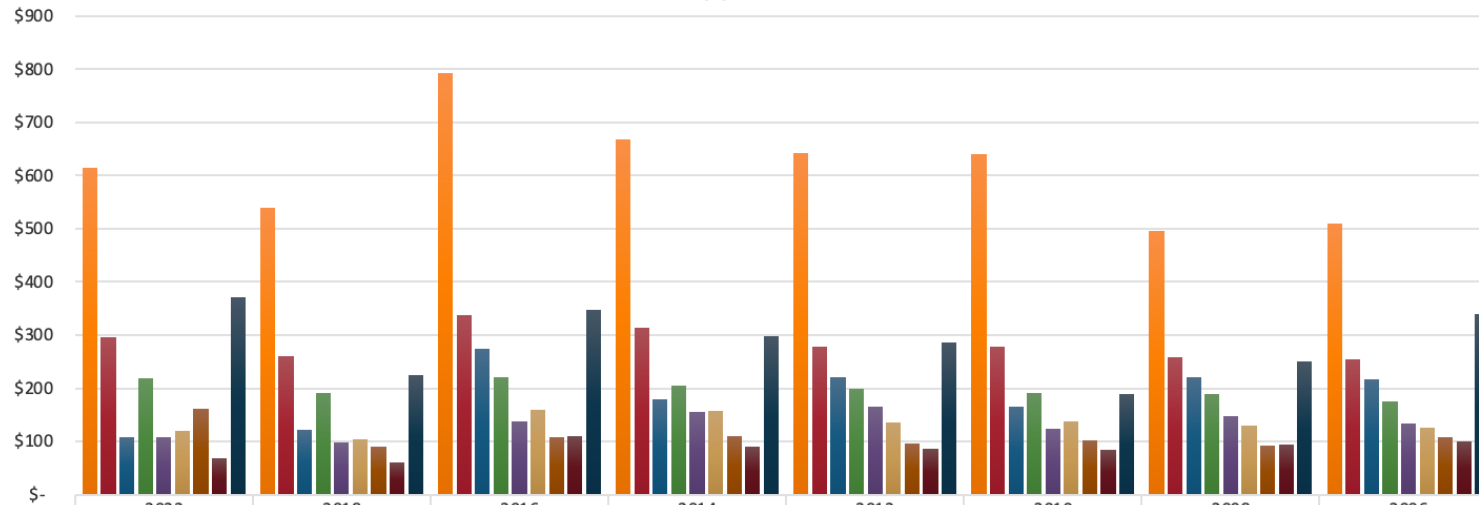
Reasons For Not Returning by year



Percent Travel to Mexico Border Towns and Average Number of Trips per year



Average Monthly Expenditure by Category by year



	2022	2018	2016	2014	2012	2010	2008	2006
Housing	\$614	\$539	\$793	\$668	\$643	\$641	\$496	\$509
Grocery	\$296	\$261	\$338	\$313	\$278	\$277	\$259	\$254
Medical	\$109	\$122	\$274	\$179	\$220	\$165	\$221	\$217
Eating out	\$219	\$191	\$220	\$204	\$200	\$191	\$189	\$175
Transp.	\$109	\$98	\$138	\$155	\$166	\$124	\$148	\$133
Utilities	\$119	\$104	\$160	\$158	\$135	\$138	\$130	\$126
Entertainment	\$162	\$90	\$107	\$110	\$97	\$103	\$92	\$108
Clothes	\$68	\$61	\$110	\$90	\$85	\$85	\$94	\$100
Other	\$371	\$225	\$348	\$297	\$287	\$189	\$250	\$339

■ Housing
 ■ Grocery
 ■ Medical
 ■ Eating out
 ■ Transp.
 ■ Utilities
 ■ Entertainment
 ■ Clothes
 ■ Other

Activity	Never	Rarely or sometimes	Often or a lot
Softball	92.5%	4.8%	2.7%
Golf	63.5%	13.6%	29.9%
Fishing	61.7%	31.8%	6.6%
Bicycling	49.6%	34.0%	16.4%
Birding	44.5%	48.7%	6.8%
Zoo	46.3%	51.0%	2.7%
Dancing	34.8%	43.4%	21.7%
Crafting	25.5%	48.1%	26.4%
Libraries	46.9%	46.0%	7.1%
Travel tours	34.4%	63.7%	1.8%
Volunteering	31.6%	50.4%	18.0%
Sight-seeing in Mexico	23.3%	62.2%	14.5%
Museums	16.2%	78.5%	5.3%
Exercising	18.8%	47.5%	33.7%
Wildlife/nature refuges	15.6%	73.2%	11.2%
Beach	8.7%	70.1%	21.2%
Music/jams	13.6%	55.4%	31.0%
Festivals	10.9%	75.7%	13.3%
Historical sights	35.8%	56.0%	8.2%
Flea markets	4.6%	61.7%	33.8%

AVERAGE SPENDING IN MEXICO BORDER TOWNS

	Percent making a purchase	Average \$ Purchase	2022 Weighted Spending
Shopping	63.0%	\$46.26	\$29.14
Dining	56.0%	\$37.47	\$20.98
Prescriptions	44.41%	\$66.27	\$29.43
Dental	28.0%	\$196.57	\$55.04
Sightseeing	4.3%	\$34.13	\$1.47
Doctor	.57%	\$300.00	\$1.71
Other	4.58%	\$35.06	\$1.61
Total			\$139.38

Winter Texan Household Expenditure in the Valley 2022

Category	Monthly Expenditure	Weight	Valley Expenditure based on Avg 4.4 months in Valley
Groceries	\$296	1	\$1303
Eating Out	\$219	1	\$964
Housing	\$614	1	\$2702
Utilities	\$119	1	\$524
Transportation	\$110	1	\$484
Entertainment	\$162	.83	\$592
Clothing	\$68	.63	\$189
Medical	\$110	.31	\$150
Other	\$372	.10	\$164
Total Expenditure			\$7,072

Economic Impact of Winter Texans

- ▶ WINTER TEXAN HOUSEHOLDS: 57,000
- ▶ ROUTINE PURCHASES: \$7,072
- ▶ ONE TIME MAJOR PURCHASES: \$6,287
- ▶ AVERAGE EXPENDITURE: \$13,360
- ▶ ECONOMIC IMPACT: \$761 Million

Marketing Implications of Study

- ▶ Designing Marketing Campaigns
- ▶ Providing Products and Services
- ▶ Creating Memorable Experiences
- ▶ Being aware of competing destinations
- ▶ Creating perception of Destination
Safety and Security