EXPLORING CONSUMER TRAVEL ATTITUDES AND EXPECTATIONS TO DRIVE TOURISM RECOVERY

EUROPEAN TRAVEL COMMISSION

Exploring Consumer Travel Attitudes and Expectations to Drive Tourism Recovery

Winter 2022

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the European Travel Commission
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ETC Market Intelligence Report

EXPLORING CONSUMER TRAVEL ATTITUDES AND EXPECTATIONS TO DRIVE TOURISM RECOVERY – WINTER 2022

Data sources: This report includes data from 46 in-depth interviews conducted with international travellers and non-international travellers across seven key markets, as well as 3 in-depth interviews with industry experts.

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FOREWORD

The COVID-19 outbreak in early 2020 brought tourism's decade-long boom to a standstill. Worldwide tourism declined by 73% in 2020 compared to the previous year, while Europe saw a decline of 68% over the same period. In 2021, the European tourism economy was bouncing back from the severe impacts of the Covid-19 pandemic supported by increased vaccination rates and the EU Digital COVID Certificate, which enabled the easing of travel restrictions and the reopening of tourism destinations.

The year 2022 was the year of tourism recovery. European tourism experienced a strong rebound over the summer months of 2022 as the lifting of COVID-19 travel restrictions allowed people to pursue their desire to travel again. However, the recovery of European travel demand throughout the summer of 2022 was not without its pitfalls, as concerns of overcrowding resurfaced and labour shortages hit the sector. New challenges are on the horizon, arising from the energy crisis driven by the war in Ukraine, soaring inflation across Europe and a sluggish economic environment; although, their effects on travel seem less severe than those caused by the pandemic. Rather than stopping people from travelling altogether, these challenges will shape travel patterns and consumer spending behaviour.

For destinations to be well prepared in an evolving travel landscape, it has become fundamental to identify trends and behavioural changes related to travel in a timely manner. Such analysis will not only inform better strategic tourism decision-making and planning, but will also support destinations in their efforts to build a more resilient and sustainable tourism ecosystem for the benefit of all.

To this end, the European Travel Commission (ETC) launched the S*tudy on Consumer Travel Attitudes and Expectations*. This report comprises the second part of a two-phased study, aimed at providing NTOs and DMOs with an understanding of consumer travel behaviour and experiences, and helping identify opportunities towards the future. The second phase covers travellers' behaviour and experiences during the summer of 2022; the lasting effects of the COVID-19 pandemic, challenges such as inflation, and the Russia-Ukraine war; as well as travellers' short- and long-term expectations and desires with regard to European destinations. ETC trusts that this report will provide guidance to its member countries and that results will help outline a path towards resilient and competitive destinations.

Luís Araújo

President, European Travel Commission (ETC)

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This report forms part of ETC's ongoing Market Intelligence Programme and was carried out under the supervision of Marieke Politiek (The Netherlands Board of Tourism & Conventions), Sérgio Guerreiro (Turismo de Portugal), Jennifer Iduh (ETC Executive Unit), Lyublena Dimova (ETC Executive Unit) James Arnold (ETC Executive Unit), and Menno van IJssel (ETC Executive Unit) on behalf of ETC's Market Intelligence Group (MIG). We thank them for their input and dedication to this project.

Lastly, ETC would like to thank Christina Russe from The European Travel Agents' and Tour Operators' Association (ECTAA), Rachel Read from the European Tourism Association (ETOA), and a contributing expert from Expedia Group Media Solutions, for providing their valuable expert insights for this report.

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STAFF SHORTAGES ONLY HAD A MINOR IMPACT ON TOURISTS' SATISFACTION WITH THEIR SUMMER HOLIDAYS

94% of the respondents were satisfied or very satisfied with their holiday in the summer of 2022, despite 54% being affected by labour shortages, particularly at airports, with airlines, or at restaurants. Only a few interviewees feel that their trust in the companies has been affected, while most express an understanding of the problems faced in the tourism sector.

THE PERCEPTIONS OF EUROPE AS A TOURISM DESTINATION ARE POSITIVE

91% of the interviewees have positive perceptions of Europe as a tourism destination. Interviewees appreciate the myriad of cultures, attractions and events and the geographical proximity of destinations. Respondents express concern with the Russia-Ukraine war, with 37% mentioning that they will avoid countries neighbouring Russia and Ukraine, and 7% will avoid Eastern Europe in general. However, the war has not given a negative view of Europe overall. The respondents agree that Europe generally is a safe destination to visit.

THE TOURISTS HAVE NOT COMPLETELY FORGOTTEN ABOUT COVID-19

COVID-19 is still considered to some extent by the respondents. The habits interviewees would like to remain in the future from the pandemic era are the use of hand sanitisation and enhanced hygiene, social distancing, and the use of masks on public transportation. The interviewees will also consider sanitary concerns and avoid overcrowded destinations when planning their next trip. With the potential impact of COVID-19 on the 2022-2023 winter season, offers providing consumer protection through last-minute cancellations, refunds, or flexibility o make changes are still strongly desired by tourists.

THE VALUE FOR MONEY WILL COUNT MORE IN THE FUTURE

Approximately three in four respondents expect inflation to impact future travel. Thus, the price will be a highly considered aspect in the future planning process. To ensure that there is money for travelling, respondents will put more money aside at home, change daily habits, and do thorough research before booking. Additionally, the interviewees may reduce the trip's length, travel in the low season, or choose a more affordable destination. At the destination, they may also decrease spending. During the summer of 2022, some interviewees decreased their dining expenses by booking self-catering accommodation.

THE ROAD TOWARDS ENVIRONMENTALLY-FRIENDLY TRAVEL

The experts emphasise sustainability as a key challenge for the tourism industry. It is not addressed overnight, but it can be influenced through emissions offsetting programmes. Openness to greener initiatives is observed among the interviewees, who suggest the implementation of more eco-friendly travel options, being able to see the emissions of a trip, and investing in better train infrastructures.

INTRODUCTION

This report is the second of two reports[1] made on behalf of the European Travel Commission (ETC) by Silverlining Research on exploring consumer travel attitudes and expectations to drive tourism recovery. The topics explored throughout the overall study are:

- **Knowledge on behavioural trends:** Achieve a better understanding of consumer travel attitudes and behaviours considering the changes within the industry due to external factors, such as the COVID-19 pandemic, rising inflation and the Ukraine/Russia conflict, and hereby identify which aspects are most influential to consumer decision-making.
- **Understanding travel experiences:** Identify and provide an overview of the gaps, competitive advantages and opportunities in European tourism products and services offered during the summer months (May to September 2022) to optimise consumer travel experiences in the short-term.
- **Identifying travel opportunities:** Examine consumer travel expectations (about travel to and within Europe) for the last quarter of 2022 and for 2023 to provide tourism destinations with the necessary insights to adapt their offering to the needs and expectations of potential travellers.

While the first report looked at consumers' travel attitudes and expectations prior to the summer in 2022 the second phase is focused on travel experiences in the summer of 2022 and travel and expectations for 2023 and beyond. As opposed to the first phase of the study, the second report includes findings from interviews with industry experts. The results will be explored in five sections, with the main themes being:

1) *Travel behaviour during the summer of 2022*;
2) *Travel experience during the summer of 2022*;
3) *Lasting effects of the COVID-19 pandemic*;
4) *Instability within Europe and its effects on travel to and within the region; and*
5) *Tourists' future expectations and desires for European travel destinations*.

Throughout the report, there will be references to quantitative studies conducted by the European Travel Commission, e.g., Monitoring Sentiment for Domestic and Intra-European Travel (MSIET)[2], Long-Haul Travel Barometer (LHTB)[3] and other relevant research to support the qualitative findings in this study.

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[1] The phase 1 report can be found here: https://etc-corporate.org/reports/exploring-consumer-travel-attitudes-and-expectations-to-drive-tourism-recovery/
[2] The latest release can be found here: https://etc-corporate.org/reports/monitoring-sentiment-for-domestic-and-intra-european-travel-wave-13/
[3] The latest release can be found here: https://etc-corporate.org/reports/long-haul-travel-barometer-3-2022/

METHODOLOGY

The results of this report are based on

- **three interviews with experts in the travel sector**
- **46 in-depth interviews[4] with tourists travelling to or within Europe**

The interviews are based on a semi-structured interview guide, and some interviews may put more emphasis on specific areas. The interviews, varying between 38-65 minutes in length, were conducted over the period of September 26 to October 7, 2022.

The experts participating in this research are Rachel Read from the European Tour Operators Association (ETOA), Christina Russe from the European Travel Agents' and Tour Operators' Associations (ECTAA), and an expert from Expedia Group Media Solutions.

The in-depth consumer interviews with tourists were conducted with 46 people residing in the following countries:

- **European markets**: France, Germany, Italy, the Netherlands, and the United Kingdom.
- **Extra-European markets**: Australia and the United States.

Additionally, the in-depth interviews with tourists are also distributed between three target segments based on thematic tourism experiences[5]:

- **Segment 1**: Creative Cities.
- **Segment 2**: History and Ancestry.
- **Segment 3**: Nature and the Outdoors.

To place the potential interviewees into their respective segments, each respondent was required to answer a screener survey before being recruited for the interview[6]. For the interviewees to be placed in the Creative Cities segment, their main reason for travelling must be at least one of the two:

- **Gastronomy** (e.g., tasting local food and drink, organic food, fine dining experience, cooking classes).
- **City life** (e.g., fashion design, spotting hidden urban gems, shopping, street art, modern architecture).

To be placed in the History and Ancestry segment, the interviewee's main reason for travelling must be:

- **Exploration of cultural identity and roots** (e.g., places of commemoration, history and ancestry, cultural roots).

Lastly, to be placed in the Nature and the Outdoors segment, the interviewee's main reason for travelling must be at least one of the two:

- **Nature** (e.g., wild landscapes, eco-tourism, astronomy).

[4] The sample size has been increased from 36 to 46 compared to Phase 1 with two additional interviews for France, Germany, Italy, the Netherlands, and the United Kingdom, respectively.
[5] For a more in-depth overview of the profiles of each segment, see Appendix A.
[6] For Phase 2 of the research, the tourists from the United States and Australia must have travelled to Europe during the summer (May-September) of 2022. Thus, while striving to find tourists belonging to the three segments, the requirements have been lessened.

- **Adventure** (e.g., camping, adventurous outdoor activities, such as climbing and sky diving).

Besides belonging to one of the above segments, the interviewees had to fulfil other criteria to be eligible for an interview. The interviewees must be permanent residents of the respective country the survey is conducted in; they must be the main or joint decision-makers for holiday travel in their household; and the American and Australian interviewees must have travelled to Europe in the summer (from May to September) of 2022.

Furthermore, the interviewees from the European countries were asked whether they had travelled abroad in the summer of 2022 for holiday purposes, or if they decided only to travel domestically. Interviewees who have travelled abroad will be referred to as "travellers", and interviewees who have only travelled domestically will be referred to as "non-international travellers".

An overview of the number of interviewees in each country and segment is presented in the following table.

Table 1: Distribution of interviewees between countries and segments

Country	Segment	Number of interviewees	Total
France	Creative Cities	3	8
	History and Ancestry	3	
	Nature and the Outdoors	2	
Germany	Creative Cities	2	8
	History and Ancestry	3	
	Nature and the Outdoors	3	
Italy	Creative Cities	3	6
	History and Ancestry	3	
	Nature and the Outdoors	0	
The Netherlands	Creative Cities	3	6
	History and Ancestry	0	
	Nature and the Outdoors	3	
The United Kingdom	Creative Cities	3	8
	History and Ancestry	2	
	Nature and the Outdoors	3	
The United States	Creative Cities	3	6
	History and Ancestry	2	
	Nature and the Outdoors	1	
Australia	Creative Cities	2	4
	History and Ancestry	0	
	Nature and the Outdoors	2	
Total			**46**

CHAPTER 1

TRAVEL BEHAVIOUR DURING THE SUMMER OF 2022

1. TRAVEL BEHAVIOUR DURING THE SUMMER OF 2022

MAIN FINDINGS

- With most countries having fully removed COVID-19 restrictions, the urge to travel internationally has increased.
- The most visited countries by the interviewees this summer were primarily Mediterranean countries – Italy, Spain, France, Greece – and the Netherlands.
- The biggest reason for travelling internationally this summer was to see other countries and experience new things (e.g. new cultures, cuisine, sights, or nature).
- Most international travellers did not consider or worry about COVID-19 during their summer holiday.

The summer of 2022 was the first summer with only minor or no COVID-19 related restrictions when travelling abroad since the start of the outbreak. While the COVID-19 pandemic has been more in the background during the summer months, tourists have faced other challenges, such as rising prices, labour shortages, airline strikes and uncertainty due to the Russia-Ukraine conflict.

1.1 THE CHOICE OF TRAVELLING ABROAD

Being able to travel freely across borders without having to show a Digital COVID-19 Certificate or proof of a negative COVID-19 test has lessened the frustration of travelling. Namely, the Passenger Locator Form and COVID-19 testing when travelling by plane were mentioned by interviewees in the first phase of this research[7] as factors that reduced the enjoyment of travelling.

The members of ECTAA saw strong booking numbers for the summer of 2022; thus, a rebound in tourism was observed. At ETOA, they observed a trend towards intra-European travel focusing on outdoor activities for lesser-known regions of Europe in particular, but they now also see a return towards more iconic sightseeing.

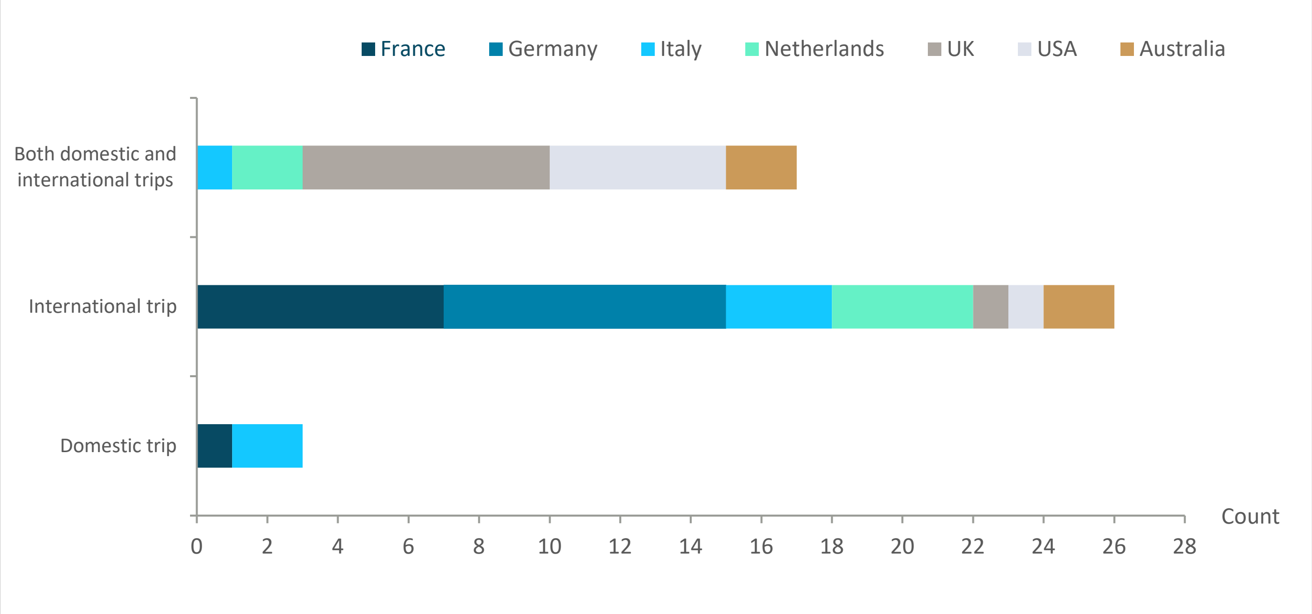
> *"Some people call it revenge tourism – since they have not been able to travel in a really long time, and they have put money aside […]. What we do hear, especially from around March, April, and May, there were really strong bookings for the summer – and then it ebbed down. But I believe that all the European destinations had a very good summer."*
>
> - Christina Russe, ECTAA

> *"Most of our clients deal with long-haul markets – getting travellers into Europe; however, there has been a general trend towards intra-European travel as well. […] When people started returning, there was interest in these outdoor things [activities], which for European destinations, if one can look at silver linings, was great for all the second-tier destinations and lesser-known regions. [...] We do, however, also see the favourites return; people want to go to Paris, they want to go to London, and see all the iconic things [landmarks/attractions]. [...] Those places, however, have now also got in place some better visitor management tools. It has been a long time since we talked about over-tourism. COVID-19 has really spread out the visitors, which is really good."*
>
> - Rachel Read, ETOA

[7] https://etc-corporate.org/reports/exploring-consumer-travel-attitudes-and-expectations-to-drive-tourism-recovery/

Looking at the distribution of international and domestic trips among the interviewees, most of the interviewees participating in the study travelled either, both internationally and domestically, or only internationally. Very few only travelled domestically.

Graph 1: Type of trip



The non-international[8] travellers chose to only travel domestically due to feeling safer in their own country, wanting to contribute to their national economy, visiting beautiful sights, or the simplicity of travelling domestically compared to abroad.

> *"There are a lot of beautiful places to visit, we can meet new people and especially tourists, and considering the prices, it is better to contribute to France's economy."*
> - French non-international traveller, History and Ancestry segment

> *"I think domestic trips are easier than international ones to plan. You will not need to adjust to cultural differences or experience language barriers."*
> - Italian non-international traveller, Creative Cities segment

> *"My feeling was that I was safer in my own country after the COVID-19 pandemic."*
> - Italian non-international traveller, History and Ancestry segment

For international travellers, the main reason for travelling abroad was to experience new cultures, try new types of food, see the unique sights of other countries, or to spend time in nature. Furthermore, visiting friends or relatives was another key reason the interviewees went abroad this summer. 63% of the German interviewees mentioned that good weather was important as it allowed for more outdoor activities.

> *"For me, it [international travel] excels because it is nice to see something different. I like to try food and drinks that you do not see so much in the UK. Obviously, speaking as a Brit, a big thing is that it is so much hotter abroad as well, so that is nice."*
> - British international traveller, Nature and the Outdoors segment

[8] Respondents that chose to only travel domestically.

Graph 2: Reasons behind the type of trip

Reasons for travelling domestically

- My country has a lot to offer
- Contributing to the local economy
- Domestic trips are easier to plan
- Feeling safer in their own country after the COVID-19 pandemic

Reasons for travelling internationally

- Experience other countries with new cultures, cuisine, sights, or nature
- Seeking warmer climate
- Visiting friends or relatives
- Postponement of a trip due to the pandemic
- Spontaneous trip due to cheap flight
- Missed travelling due to the COVID-19 pandemic
- Visiting a specific country or continent as a yearly tradition
- Seek destinations cheaper than home
- To practice a new language

Q: What are the reasons you decided to only travel domestically?
Q: What are the reasons you decided to travel internationally?

Experiencing new cultures, food, and unique sights was the main reason for travelling internationally

"One of the primary reasons I travelled to Europe was to see my brother and his family. In addition to that, I try to get over there at least once or twice a year to do general tourism and see all of the different sights."
- American international traveller, History and Ancestry segment

"In the warmth, there are more options when going outside, like outside dining and doing sightseeing."
- German international traveller, Creative Cities segment

The urge to travel internationally increased for most of the international travellers after the COVID-19 pandemic. However, two expressed that they were still cautious about travelling.

"We felt a need to travel outside of France [after the COVID-19 pandemic]. We used to travel a lot, and we have missed that."
- French international traveller, History and Ancestry segment

"I am not going to say a bigger need. I would actually say we are more cautious."
- Australian international traveller, Creative Cities segment

1.2 THE PLANNING PROCESS FOR THE SUMMER HOLIDAYS

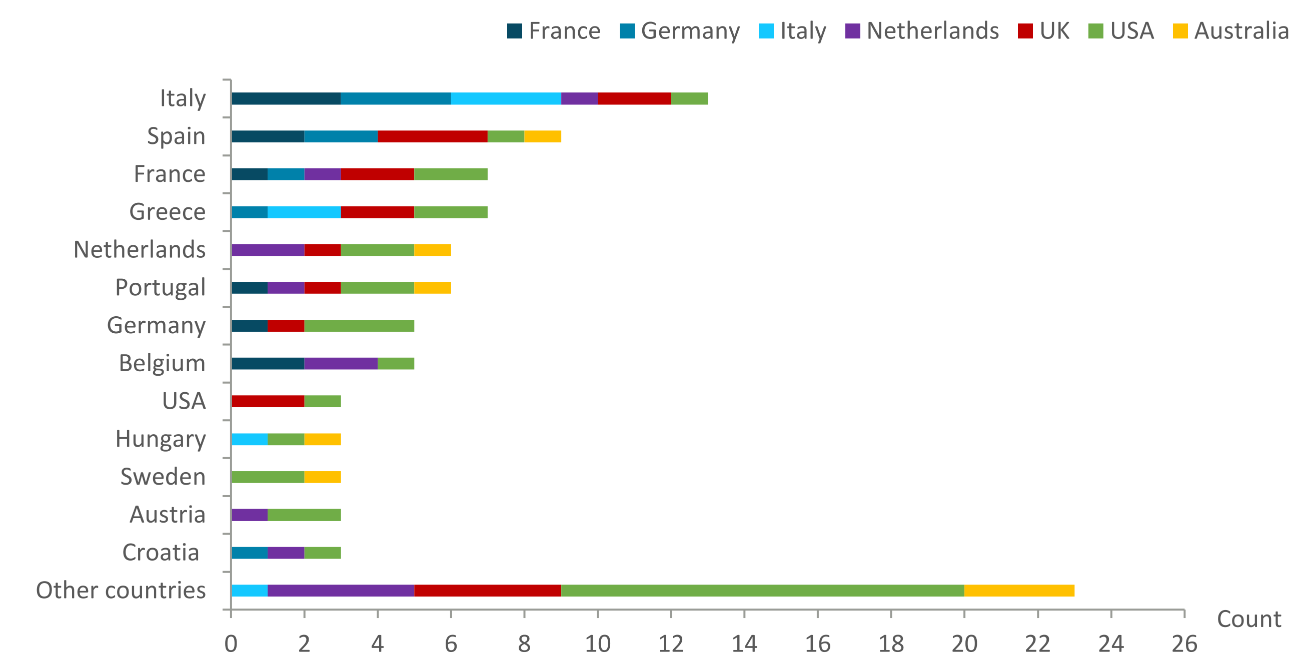
Looking at the destinations the interviewees visited during the summer of 2022, Italy was the most popular, followed by Spain, France, and Greece. According to the interviewees, the Mediterranean countries generally were very popular destinations to visit, which is in line with the expectations that the interviewees of Phase 1 had about their summer holidays. This summer's popularity of the Mediterranean countries coincides with the results of the 12th wave of research on "Monitoring Sentiment for Domestic and Intra-European Travel"[9] (MSIET, June 2022)[10].

Two of the American interviewees went on long cruises with many stops on the way, allowing them to visit multiple destinations when the cruises were in port.

"We went from Brazil, then transatlantic to the Canary Islands, Azores, Spain, Portugal, bypassed France, England, Denmark, Finland, Sweden, Estonia, Norway, Germany. The first cruise was 27 days, then [the second cruise was] ten and then [the third cruise was] 11 days back-to-back."
- American international traveller, Creative Cities segment

[9] The top 5 countries preferred for Europeans' next international trip: Spain (10,2%), France (10,1%), Italy (9,6%), Greece (6,6%), and Croatia (5,6%).
[10] https://etc-corporate.org/reports/monitoring-sentiment-for-domestic-and-intra-european-travel-wave-12/

Graph 3: Countries visited in the summer of 2022



* Due to the size of the graph, countries mentioned by only one or two respondents are collected in "Other countries". It includes: Australia, Brazil, Czech Republic, Denmark, England, Estonia, Finland, Iceland, Indonesia, Maldives, Montenegro, Morocco, Norway, Romania, Scotland, Slovenia, Switzerland, Turkey.
Q: Where (within which country) did you travel?

City Breaks, Nature and the Outdoors, and Culture and Heritage were the most popular types of trips. The types of trips align with the findings of the 12th wave of MSIET (June 2022), only surpassed by Sun & Beach and Coast & Sea trips.

The average length of the trips is generally higher for Australians and Americans, attributable to the length and costs of travel .

Graph 4: Types of trips for the summer and average length of the trips

	FR	DE	IT	NL	UK	US	AU
Popular types of trips 1	Culture and Heritage	Sun and Beach	City Break	Culture and Heritage	City Break	City Break	City Break
2	City Breaks	Nature and Outdoors	Nature and Outdoors	Nature and Outdoors	Culture and Heritage	Nature and Outdoors	Nature and Outdoors
3	Wellness and relaxation	City Break	Sun and Beach	Visiting Friends and Relatives	Sun and Beach	Touring and Road Trip	Culture and Heritage
Average length of trips in days	8	14	11	12	8	24	19

Q: What kind of trip was it?
Q: How long was your trip(s)?

The duration of the planning process varies depending on the distance to the destination. Disregarding the trips postponed due to the COVID-19 pandemic, the planning time tends to be longer for long-haul interviewees; where most started planning their trip 6-11 months in advance, whereas short-haul trips between European countries were scheduled on average 2-3 months in advance.

> *"I try and plan pretty far in advance to get a feeling about what is going on. I use Frequent Flyer points for airfare, and you have to do those about 11 months in advance to get tickets."*
> - American international traveller, Creative Cities segment

> *"When I was organising the trip nine months earlier, the border closures and border rules were still in place. So, I kept an eye on the rules they had in Switzerland in relation to entry."*
> - Australian international traveller, Nature and the Outdoors segment

During the holiday planning and preparation, the two most considered factors were the weather at the destination (28%) and travel costs (24%). Travelling when the likelihood of good weather was high was considered as it provides more flexibility to partake in activities. To keep travel costs down, interviewees use comparison sites to find the cheapest flights and good deals on accommodation. Skyscanner, Kayak, Expedia, Booking.com, and lastminute.com were used for flights and holiday packages. For hotels, Hotels.com was mentioned, and for general inspiration about the trip, Tripadvisor was the main site for inspiration, together with social media platforms, such as Instagram and TikTok. Regarding COVID-19, only 22% of interviewees mentioned it as an, often minor, concern in their travel preparation process. Likewise, the results of Jaarmeting 2022 (Annual Measurement 2022)[11] by ANVR and GFK (June 2022) found that 24% of Dutch respondents answered that COVID-19 impacted their behaviour when booking their holiday.

[11] https://www.anvr.nl/publicaties/boekingsmonitor.aspx

"We consider reliable summer climate and weather as it allows for more outdoor activities."
- German international traveller, Nature and the Outdoors segment

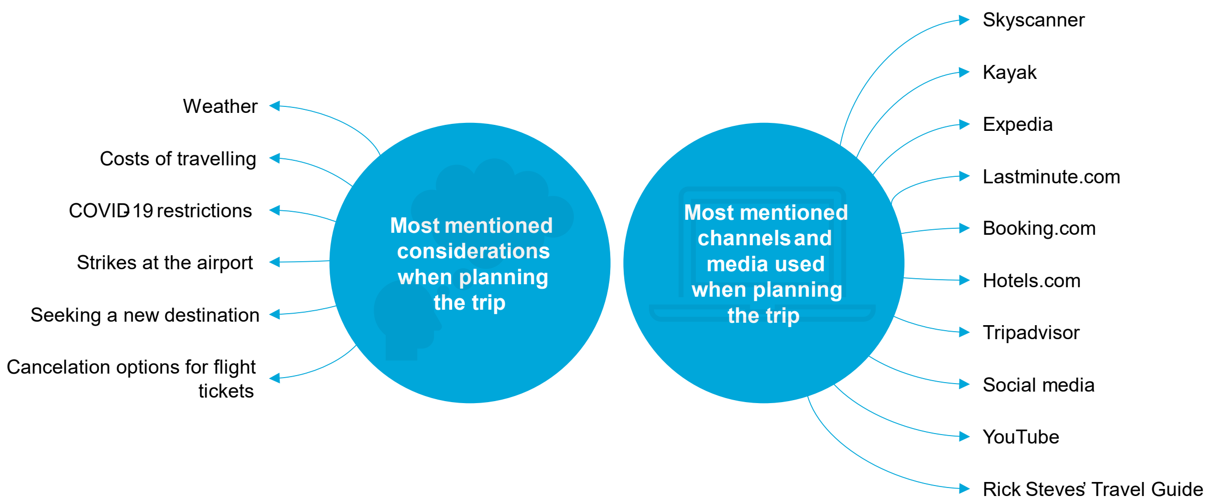
"Cost is a major [factor], dates we can travel, flight availability and frequency, and the weather plays an important role in the decision-making. […] I use Skyscanner and Kayak for looking up [the prices for] flights."
- British international traveller, Creative Cities segment

"No, I do not really consider Covid-19 as a problem anymore."
- Dutch international traveller, Creative Cities segment

"In April, we booked flights to Bari and a hotel for the first days - local transport and other hotels were booked in Italy. Corona did not have any impact and did not leave us with any doubts."
- German international traveller, History and Ancestry segment

"We chose to stay in Italy, as I would not risk getting infected while being in another country."
- Italian non-international traveller, History and Ancestry segment

Graph 5: Consideration and channels used during the planning process



Q: Which considerations went into the planning process?
Q: Which channels and media did you use for the information search and bookings, etc.?

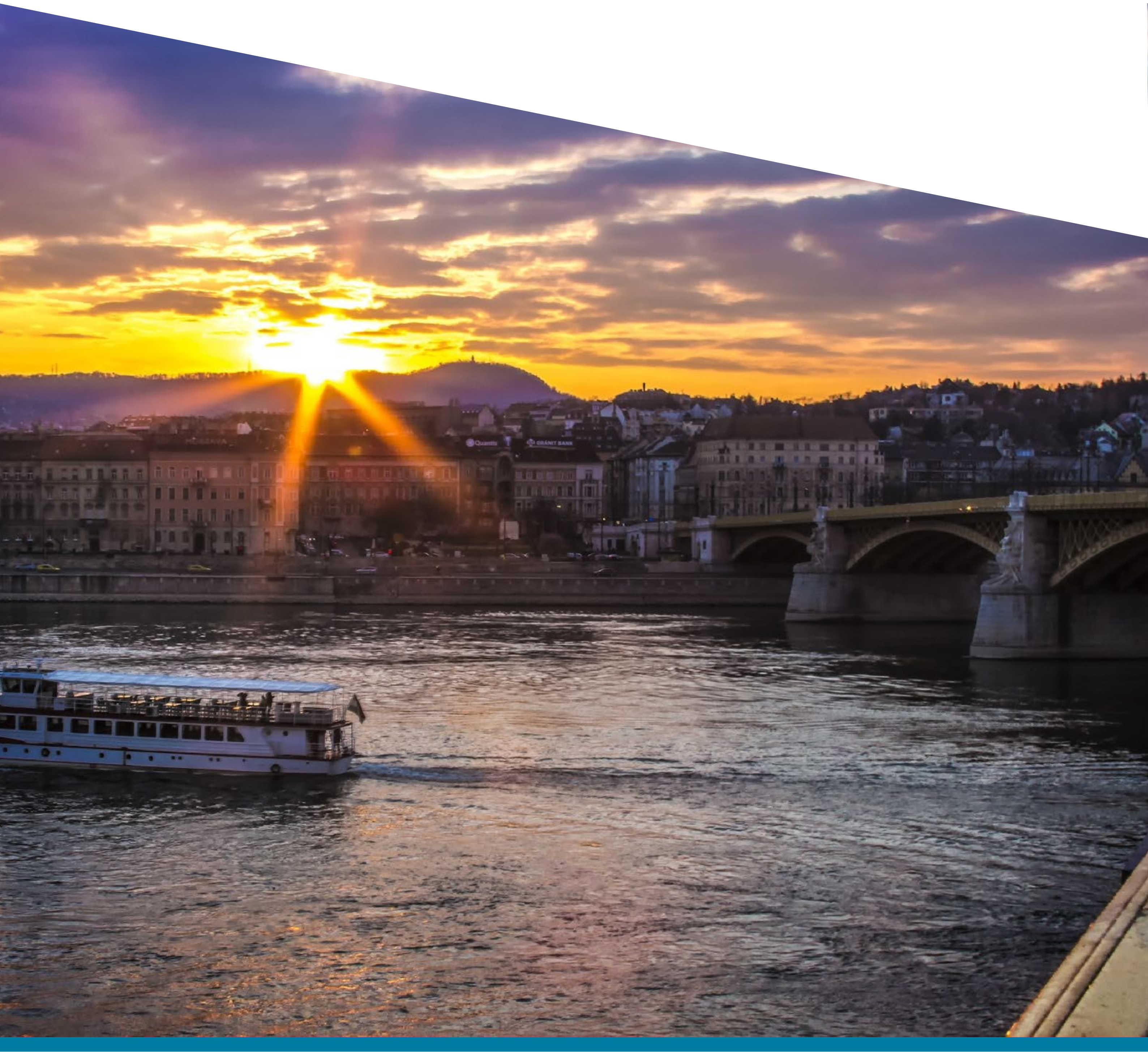
Weather and travel costs were the most considered factors for the summer holidays planning process

COVID-19 has not significantly impacted the interviewees' level of attraction to specific destinations. Virtually all interviewees did not show any sign of change. However, a trend emerged whereby COVID-19 concerns have resulted in an increased desire from interviewees to spend more time outdoors during their trips.

"I do seek warmer destinations now, where you can stay outside most of the time."
- German international traveller, Creative Cities segment

"Since COVID-19, I prefer to go to the beach, rather than to big cities, to have more fresh air."
- French international traveller, Creative Cities segment

This general picture of COVID-19 not having been a significant hindrance this summer is in line with the initial expectations from Phase 1 of this research, where COVID-19 was not expected to have any considerable impact on the summer of 2022.



CHAPTER 2

TRAVEL EXPERIENCES DURING THE SUMMER OF 2022

2. TRAVEL EXPERIENCES DURING THE SUMMER OF 2022

MAIN FINDINGS

- Over 50% of the interviewees were very satisfied with their experience at the destination(s), with none being unsatisfied.
- Only 13% of the interviewees were affected negatively by bureaucratic issues, which significantly affected their holiday experiences.
- While 41% of the interviewees experienced overcrowding, only 15% were negatively affected by it. However, the issues were not blamed on the destinations.
- Suggestions for improving tourist experiences at the destinations were related to the accessibility of public transportation for tourists.

Travelling around most of Europe without any major COVID-19-related bureaucratic processes has provided tourists with a better travel experience this summer. At the destination, it has been possible to visit attractions without encountering any significant hindrances due to restrictions.

2.1 THE EXPERIENCE AT THE DESTINATION

Concerning the interviewees' satisfaction with their travel experiences during the summer of 2022, just over half (52%) rated their satisfaction as "*very satisfied*", and almost all others rated it as "*satisfied*".

Over half of the German and French (63%) interviewees stated that they were "very satisfied". The satisfaction of French travellers revolved around experiencing new cultures and trying new things. The Germans highlighted the need for relaxation with their family, partner, or friend and escape from everyday life, which is also confirmed by a strong desire for Sun and Beach holidays.

> *"I wanted a culture shock, discover new things, activities, food, meals, tastes, specialities of small towns […]. Yes, I can say it fulfilled my expectations in terms of gastronomy and culture change."*
> - French international traveller, Creative Cities segment

> *"Our expectations were met regarding the offer on-site, on the island [Sardinia] - beautiful beaches, nice hiking paths and so on."*
> - German international traveller, Nature and the Outdoors segment

The consensus of the Italian interviewees was that the removal of COVID-19 restrictions greatly influenced their satisfaction level. 83% of the Italian interviewees were "very satisfied" with their travel experience domestically and internationally as they could visit any attraction and do the planned activities. For 67% of the Dutch interviewees, the high satisfaction resulted from good preparation. However, one traveller did experience some problems as the pictures of the camping area they visited did not live up to their expectations. Nevertheless, they still said they were *"satisfied*" with their holiday.

> *"Absolutely, it was better than expected. There was a great attitude towards each other, people were very kind, and the cities felt safe."*
> - Italian international traveller, History and Ancestry segment

94% of the interviewees were satisfied or very satisfied with their travel experiences this summer

"We did a lot of preparations before going on the trip, and we had some friends who helped us as well. We knew what to expect, and the place did live up to our expectations."
- Dutch international traveller, Creative Cities segment

"No, the camping area did not live up to our expectations. The pictures were a lot better than the reality, and the pool was quite small. The pictures seemed to be taken in the low season, so it did not reflect that the area was very crowded."
- Dutch international traveller, Creative Cities segment

The majority of the British interviewees (63%) were *"satisfied*", where most did not experience any problems – although two mentioned that the high price level came as a surprise. Overall, their expectations were met as they did not face any of the issues expected, but they remained slightly anxious throughout the trip.

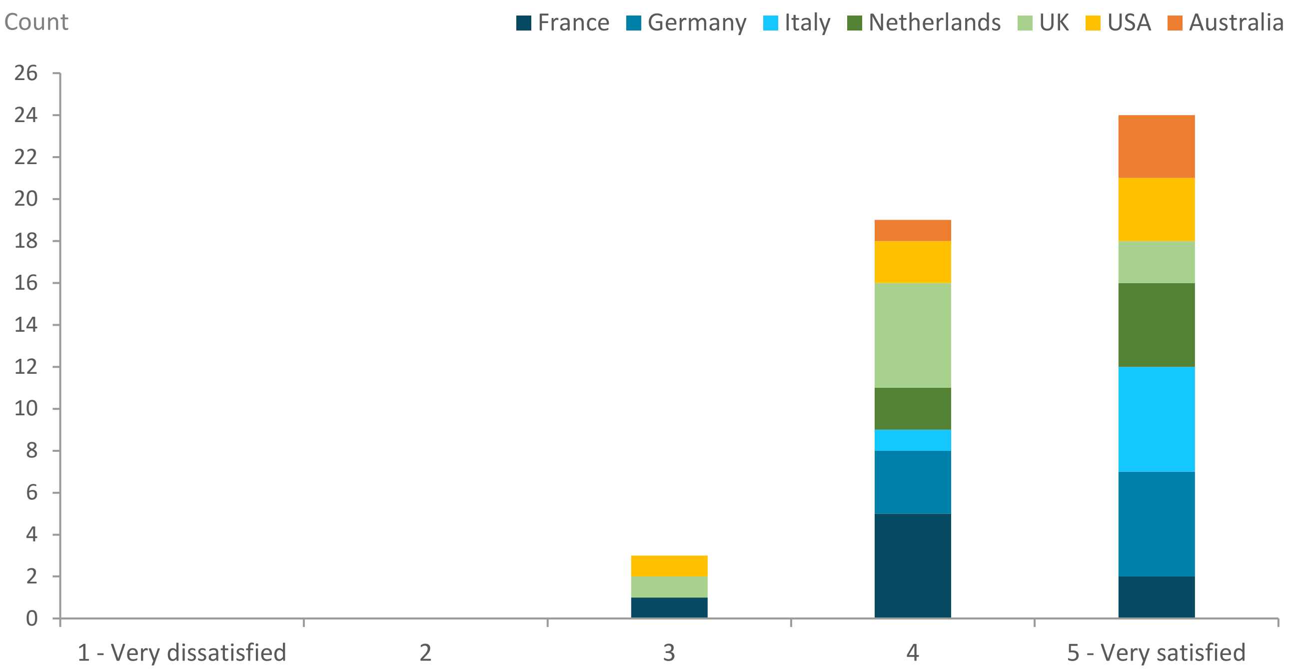
"We expected some attractions would be closed or harder to get into, which partly influenced us to visit a friend; if everything was closed, we could just go somewhere outside. […] We had been hoping we could go out and have some nice food and sit outside, and luckily that was all fine - but it was very much fingers crossed at the time!"
- British international traveller, Creative Cities segment

Among the American interviewees, airport delays were experienced together with some COVID-19 testing. The delays were expected, but the COVID-19 test procedure length was a factor for the "neutral" score. Lastly, the Australian interviewees all had great experiences in Europe, with their expectations met. One was really surprised by the great kindness of Europeans towards long-haul travellers.

"The situation around Amsterdam Airport is ridiculous […]. I thought it went fine. I mean, there were some issues with labour shortages, and delays have been slightly longer than I had been accustomed to, but nothing was so unreasonable though. I did everything I could to both manage expectations and minimise potential delays and problems!"
- American international traveller, History and Ancestry segment

"In Europe, everyone was very welcoming. […] When we said we were from Australia, their eyes lit up, and they went, "that is fantastic!"."
- Australian international traveller, Creative Cities segment

Graph 6: Satisfaction with travel experiences during the summer of 2022



Q: Overall, on a scale of 1 (very dissatisfied) to 5 (very satisfied), how satisfied are you with your travel experiences this past summer?

Only a few interviewees felt their summer holidays were affected by bureaucratic issues or overcrowding

Despite the high satisfaction level, some tourists experienced bureaucratic issues related to COVID-19, or highlighted inconsistencies with the rules such as being required to show a vaccine passport while no hand sanitisation was available. 22% experienced some bureaucratic issues, but only 13% thought it affected their holiday (though some only in a small manner).

> *"We had to show our vaccine passports - but I think it is a good measure to prevent the spread. But there were a lot of contradictions, though. You had to show your vaccine passport, but there would be no hand sanitiser."*
> - Australian international traveller, Creative Cities segment

> *"The only real issue though has been working out which countries required which locater forms and what [information] each one needed."*
> - British international traveller, Nature and the Outdoors segment

A larger share of interviewees (41%) experienced overcrowding, but only 15% thought it affected their holiday experiences, whereas the others did not perceive it as a problem. One interviewee chose to go elsewhere if they felt it was too crowded, but he did not feel unsafe. Of those who found overcrowding to affect their holiday, one experience was related to the airport, where the queues were long, and the aircraft was at full capacity. The interviewees did not suggest how the destinations could have done anything differently about the overcrowding.

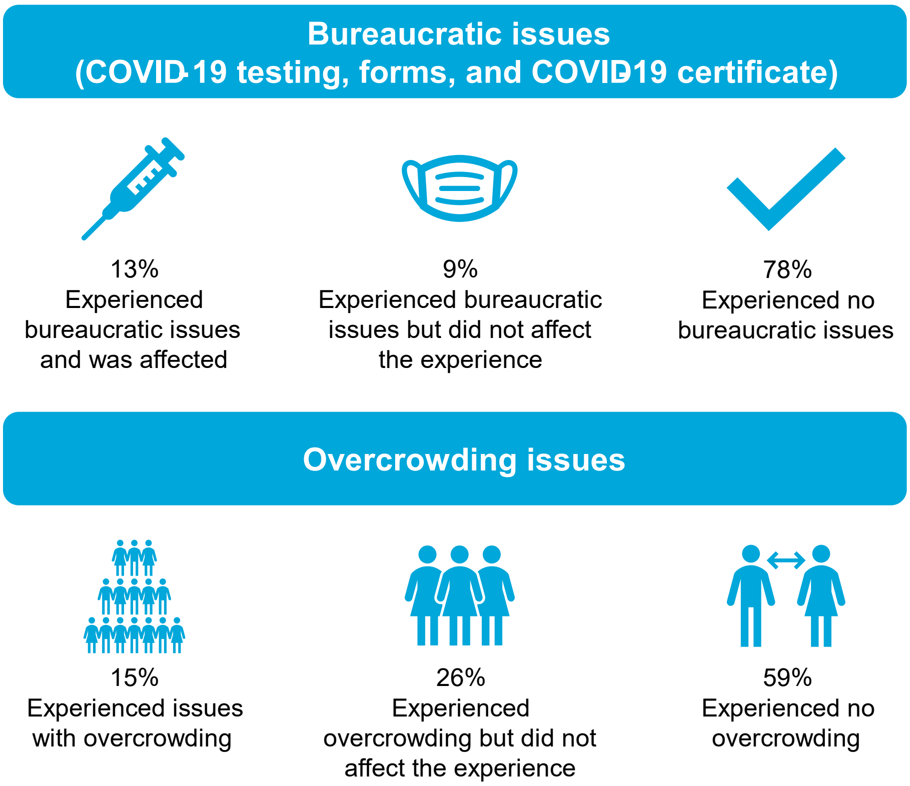
"Yes, in Brussels, but it is a capital city, so it is normal that there are a lot of people there. […] Neither was I surprised or dissatisfied; you just deal with it."
- French international traveller, Creative Cities segment

"Yes, some beaches were very crowded, also bars, restaurants, and city centres, but we just avoided these places. We would have done so before Corona too."
- German international traveller, Nature and the Outdoors segment

"All the flights were absolutely packed, and I lined up with 500 other people, in two lines at passport control - and I know I went during the summer time, but they seemed unprepared."
- German international traveller, Nature and the Outdoors segment

"The only place I could think of where I felt uncomfortable with the crowds was Interlaken. They have a little mountain you can go up to that was very busy. I think it was because the little train that goes up is very small, and it was very crammed. […] but I honestly do not think there is a need for crowd control."
- Australian international traveller, Nature and the Outdoors segment

Graph 7: Bureaucratic issues and overcrowding



Q: Did you encounter any bureaucratic issues (e.g., COVID testing, vaccine passports) when booking or during your trip?
Q: Did you experience overcrowding at your destination?

2.2 SUGGESTIONS FOR IMPROVEMENTS

Looking back at their summer holidays, a few interviewees provided suggestions for how destinations can improve travellers' experiences. Regarding attractions, suggestions revolve around making sights more accessible for tourists without access to a car, and that staff at attractions keep making sure it does not get too overcrowded, along with maintaining hand sanitisation stations. For transport, it is suggested that the cities provide translations of signs, and improve the accessibility of public transportation systems. Better motorway networks are recommended to make it easier for tourists travelling by car and lastly, provide transparency about the implementation of tourist taxes.

"Accessibility to beaches, sights and other attractions without a car was a little bit difficult and could be improved."
- German international traveller, History and Ancestry segment

"Make the attractions less crowded and more hygiene - like more hand sanitiser and more masks."
- British international traveller, History and Ancestry segment

"I would say the whole city is only in Portuguese, with only a few translations in English and Spanish."
- French international traveller, Nature and the Outdoors segment

"Finding the easiest transport from the airport to the town - there was quite a bit of Googling involved with that. It is not always available from the airline, their website or anything like that."
- British international traveller, Creative Cities segment

"The stealth tax that the Greeks have implemented – depending on the star rating of your hotel, you get taxed now. […] It did affect my experience [negatively] and also affected the score of my trip."
- British international traveller, Nature and the Outdoors segment

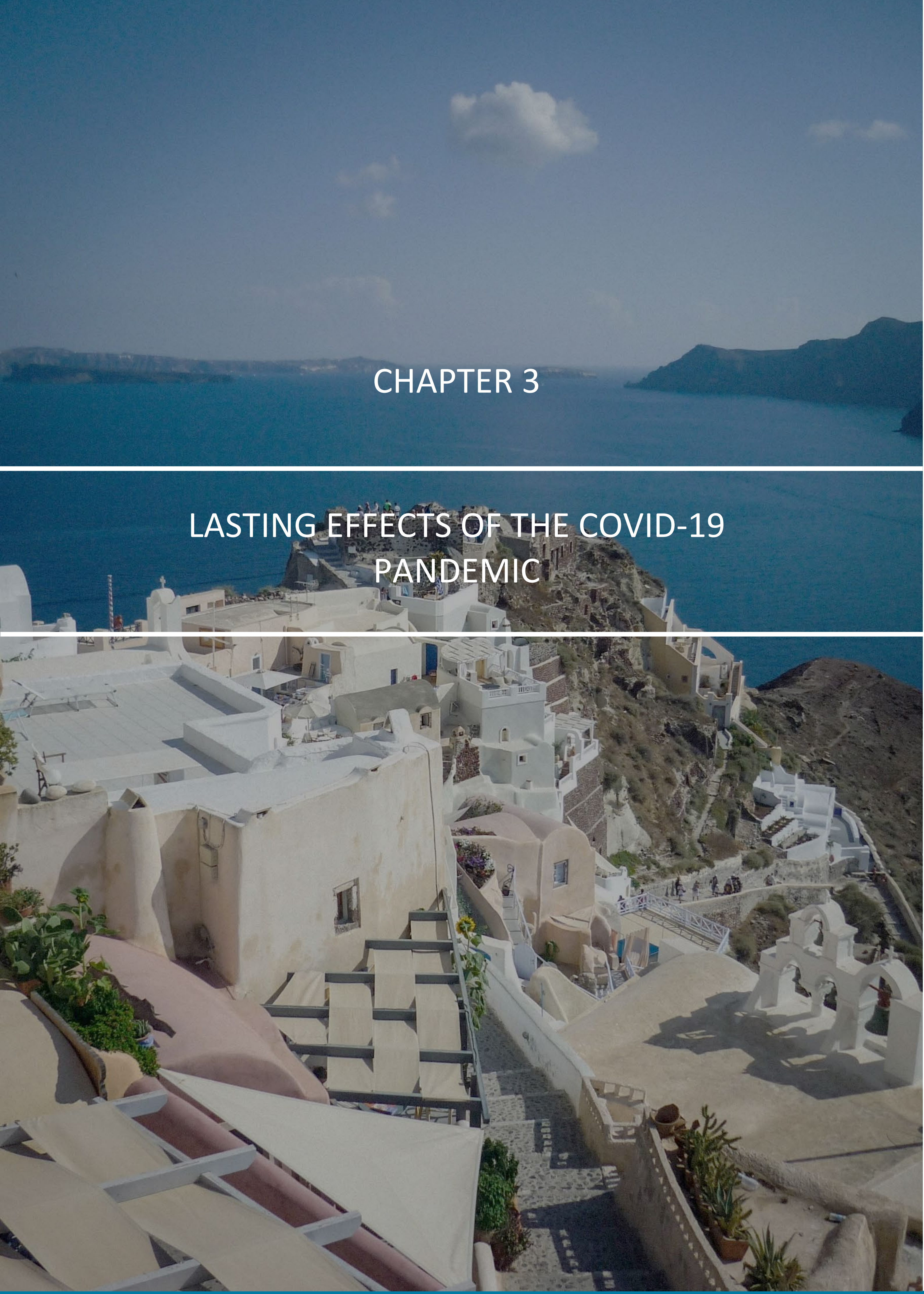
Table 2: Suggestions for improvement at the destination

Suggestions for improvement
Provide transparency about the implementation of tourist taxes
Make it easier to find transportation from the airport
Better accessibility to beaches, sights, and other attractions without a car
Keep crowd control and COVID-19 measures in place at attractions
Better motorway networks
More use of translation in the cities to make it easier for tourists to navigate
Make public transportation easier to navigate for tourists

Q: If you had to suggest any improvements for the destination(s) to enhance your tourism experience, what would you suggest (and why)?

CHAPTER 3

LASTING EFFECTS OF THE COVID-19 PANDEMIC



3. LASTING EFFECTS OF THE COVID-19 PANDEMIC

MAIN FINDINGS

- 50% of the interviewees will opt for flexible offers that allow last-minute cancellations, refunds, etc.
- Use of hand sanitisers, masks, and social distancing are the habits derived from the pandemic interviewees expect to keep in the future.
- For most interviewees, destinations do not need to reassure them about high hygiene standards, but a few do find an official hygiene certificate to be of interest.

As COVID-19 has been circulating for the last two years, concerns regarding the virus when planning a holiday are falling. According to ETC's Long-Haul Travel Barometers, pandemic-related concerns among overseas travellers have dropped from 42% in December 2021 to 19% in September 2022.[12]

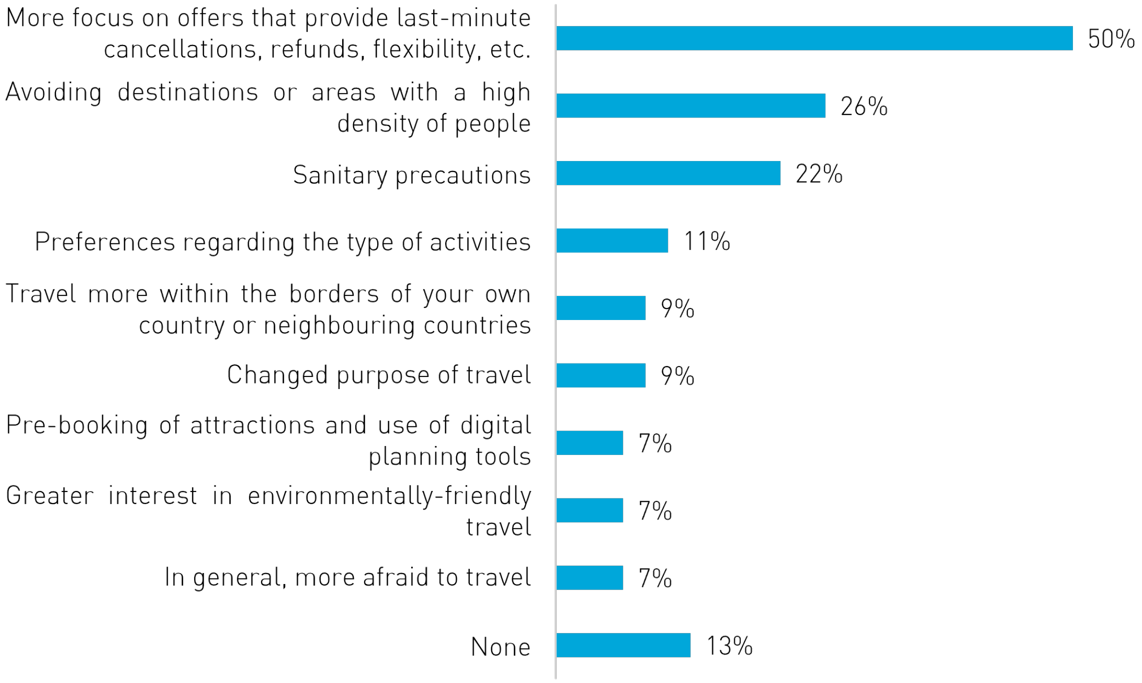
3.1 CHANGES IN BEHAVIOUR WHEN TRAVELLING DUE TO COVID-19

Looking at the lasting effects of COVID-19 on the interviewees' travel behaviour, a similar pattern to Phase 1 is observed – with a higher focus on offers providing last-minute cancellations, refunds, and flexibility; avoiding destinations with a high density of people; and sanitary precautions being the most mentioned. 13% of the interviewees explained that they have not experienced any lasting effects from the pandemic, and most interviewees did not express any significant concerns about COVID-19 overall.

> *"It did not change anything for me because I totally forgot about COVID-19 once I arrived at the destination. I never think about it, and there is no effect on me. Maybe in 2020, when it was in the media, but not anymore. [...] I live in Paris, so I am used to big, crowded cities."*
> - French international traveller, Creative Cities segment

[12] ETC Long-Haul Travel Barometer 1/2022 & ETC Long-Haul Travel Barometer 3/2022

Graph 8: Lasting effects of the COVID-19 pandemic on travel behaviour



Q: Did you experience any lasting effects from the COVID-19 pandemic that changed or determined your behaviour when travelling?

Due to the uncertainty of unexpected changes to travel plans experienced during the pandemic, half of the interviewees have a higher focus on offers that provide some consumer protection through last-minute cancellations, refunds, and flexibility options. Paying a fee for insurance has become more attractive, and a few interviewees also emphasise the possible significance of this for the 2022-2023 winter season if a new COVID-19 wave changes the travel environment again.

> *"It is very important with refunds in the event of the pandemic starting up again. Not that I would cancel, but if the airline or hotel had to cancel, it is a big factor. You have got to look at that now. So, I look for the option for cancellation due to external factors."*
> - British international traveller, Creative Cities segment

> *"It is a plus in the book if the hotels offer free cancellation in case of unexpected situations arising; like the pandemic."*
> - Italian non-international traveller, Creative Cities segment

50% of the interviewees now have a higher focus on offers allowing last-minute cancellations, refunds, or flexibility due to COVID-19

Avoiding crowded areas is still relevant for some interviewees. Though it may not influence the quality of the travel experience, awareness about the number of people in an area is still present for about one-quarter of the interviewees. About one-fifth of the interviewees still take sanitary precautions, either by bringing their own hand sanitiser or masks or by still practising social distancing; where one remains highly aware of COVID-

19 to avoid getting infected, others have a “better safe than sorry” approach. Only three people mentioned being more afraid and cautious when travelling due to COVID-19 concerns

“Normally, I would go to meditation camps, but I will not be doing that as I think it is too crowded now.”
- Dutch international traveller, Nature and the Outdoors segment

“My personal stance is that ”I do everything I can” to keep healthy. I have quick tests with me, sanitiser, and masks always.”
- Australian international traveller, Creative City segment

“Today, I am more afraid compared to the past because of the pandemic. I chose to stay in Italy to avoid problems due to COVID-19.”
- Italian non-international traveller, History and Ancestry segment

11% of the tourists will now seek more outdoor experiences like going to the beach, hiking, or visiting rural areas in the aftermath of the COVID-19 pandemic. Furthermore, COVID-19 has made British interviewees experience a change of travel purpose by an increased need to seek adventurous experiences instead of relaxation, or by valuing seeking new experiencing more.

“[I will] seek more adventurous stuff. I do also enjoy a beach holiday, but there is so much in the world I have not seen yet, and I feel like COVID-19 kind of increased that need for me.”
- British international traveller, History and Ancestry segment

The appeal of “greater interest in environmentally-friendly travel” is more prominent among interviewees from island nations. Even though they have become more interested in sustainable travel, it is hard to see how they can substitute travelling by plane, especially in terms of the time constraints of holidays. If competitive alternatives were available, they would be open to considering them.

“I am interested in it [environmentally-friendly travel], but I would not stop travelling by plane as I still want to go away. But I am interested if there are other competitive ways we can do things.”
- British international traveller, Creative Cities segment

3.2 HABITS DERIVED FROM THE PANDEMIC TO REMAIN IN THE FUTURE

COVID-induced consumer habits identified in Phase 1 expected to remain after 2022 included following the COVID-19 guidelines (social distancing, better hygiene and wearing masks), taking out travel insurance, avoiding crowded places, and an increased focus on flexible cancellation policies. However, in Phase 2, the interviewees focused mainly on the COVID-19 guidelines as the habits they would like to keep. Nonetheless, flexible cancellation options are still considered highly important.

Hand sanitisation is the most mentioned habit from all source markets, except the Netherlands – where the focus is on social distancing. Wearing masks on public transport gets much attention from the German interviewees, where 6/8 mention it as a habit they will keep in the future. 4/8 of the British interviewees also mention this habit, but with less enthusiasm, as three of them primarily consider wearing a mask only if they are sick (but not as a general practice). Lastly, practising social distancing is also a habit that will remain in the future for some interviewees.

“Something that will stay with me is that I take a longer time to wash my hands, as that was encouraged during the height of COVID-19, and that is something I have carried on doing.”
- British international traveller, Nature and the Outdoors segment

Hand sanitisation, social distancing, and the use of masks are the habits that will remain from the pandemic

"Masks are a good thing, for example, in buses or trains during peak hours. I think I will continue to wash my hands more often and more intensively, too."
- German international traveller, History and Ancestry segment

"We must keep distance between people in public areas, more generally to avoid overcrowding in metros or buses."
- Italian international traveller, Creative Cities segment

Even though these habits will remain from the pandemic, the interviewees are not currently afraid of COVID-19. This was also a tendency detected by the experts, who observed that the biggest issue was not getting infected, but the problem of not being able to go home due to failing a COVID-19 test.

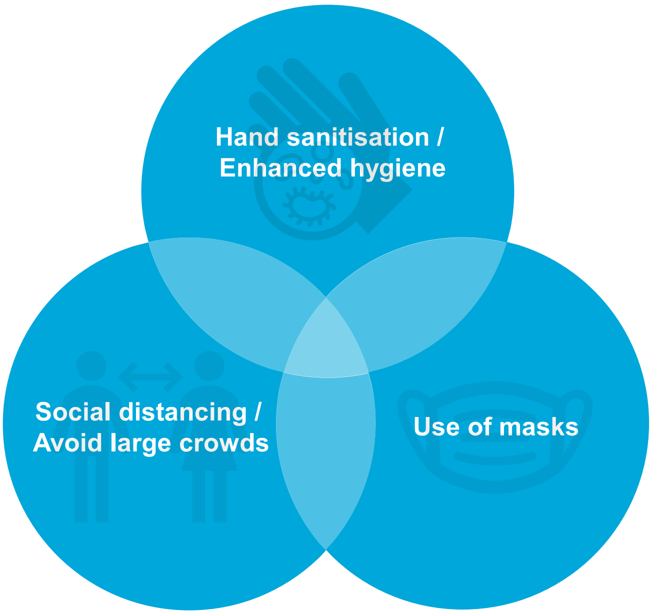
"Even at the height of COVID-19, when surveys were done on consumer sentiment, catching COVID-19 whilst away was not the biggest issue; it was always falling foul of the restrictions. Not particularly getting sick but failing the test when getting there […] Do I think people are still concerned? It is less - every month, it becomes fewer and fewer people."

- Rachel Read, ETOA

"It seems that COVID-19 has quickly slipped back in priorities. Now it is more inflation and higher prices. Humans are kind of funny; they forget kind of quickly about all this."

- Christina Russe, ECTAA

Graph 9: Habits derived from the pandemic to remain in the future



Q: Thinking about the future; are there any of the habits from the pandemic you would like to keep?

According to the experts, tourists are more cautious about getting stuck in another country due to COVID-19 than actually getting infected

The interviewees were also asked whether the destinations should launch initiatives that demonstrate they have high hygiene standards in place. Over half of the interviewees were confident that the destinations were already doing whatever they could, or they did not find it necessary as they would not select a destination based on such an initiative.

"It will not have any impact. I trust that places are following the protocol correctly."
- American international traveller, Creative Cities segment

Of those who did share their thoughts about initiatives that can help reassure tourists of high hygiene standards, four interviewees agreed that developing a national hygiene certificate would be a good idea. The certificate could come from a national organisation in the destination or an international organisation, such as the World Health Organization (WHO).

"A certificate provided by WHO, for example, could be a good idea."
- German international traveller, Nature and the Outdoors segment

"If an official national certificate was implemented, I would like that. That would make me feel safe."
- Australian international traveller, Nature and the Outdoors segment

Instead of a certificate, Dutch interviewees find customer reviews to be better when reassurance about hygiene standards is needed. Additionally, it is suggested that the destinations and tourism operators could better display their hygiene protocols and cleaning procedures.

"I am not really interested in certifications of higher standards. I believe in the feeling I get from the photos on their website and their reviews. I would not take notice of any certifications."
- Dutch international traveller, Nature and the Outdoors segment

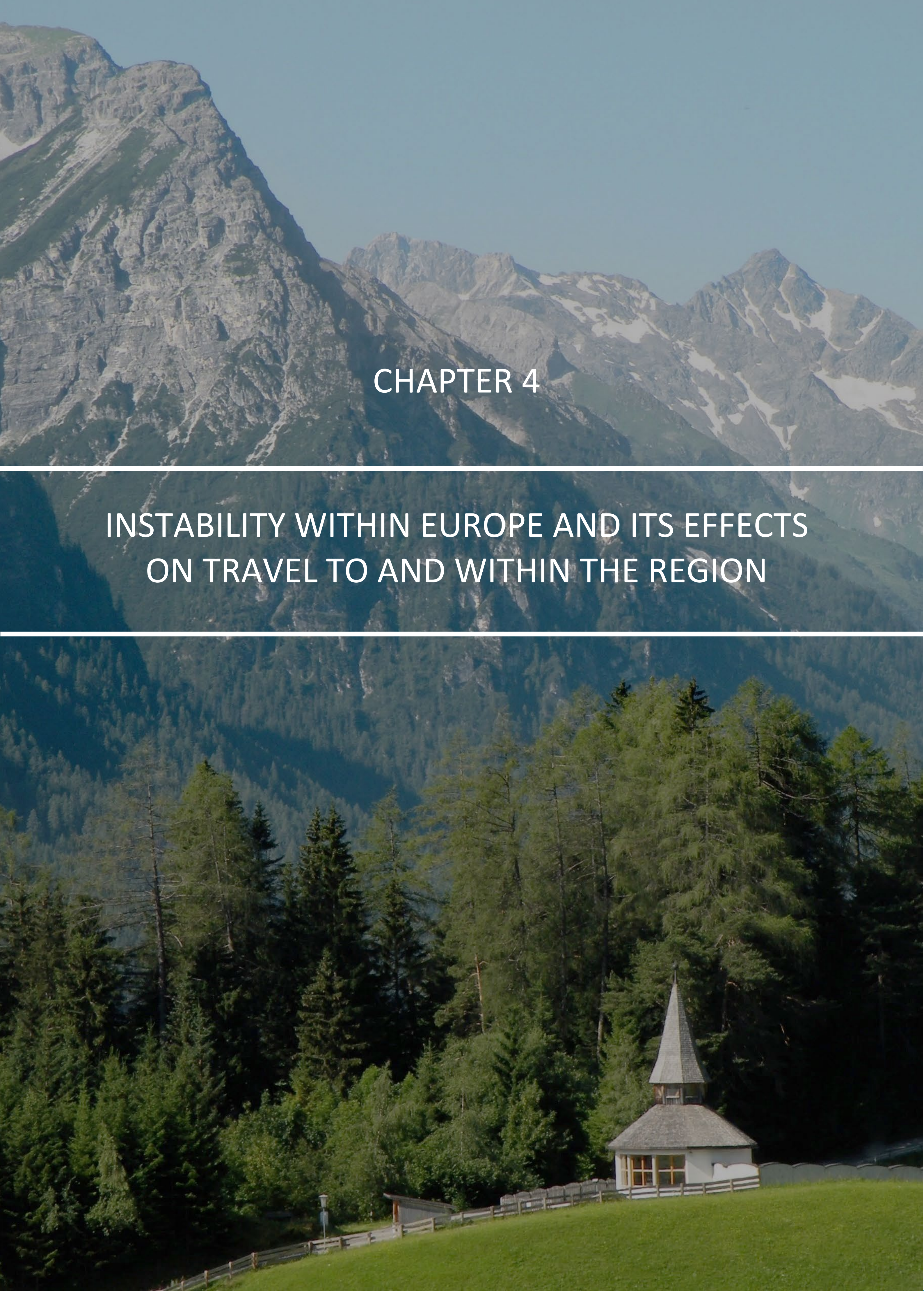
"It would be great when booking places that destinations (agencies) could let us know in advance how they were dealing with it [hygiene]. If they could make it obvious."
- British international traveller, History and the Outdoors segment

Graph 10: Initiatives to ensure high hygiene standards I

Official hygiene certificate
- From a national organisation
- From an international organisation like World Health Organization

Customer reviews and reassurance from the destination
- Show reviews from customers
- Transparency from destinations about how they deal with hygiene

Q: How can destinations reassure you that they have high hygiene standards? Is a national certification or company statement sufficient or would you have more trust in something else (e.g., reviews, marketing campaigns, etc.)?



CHAPTER 4

INSTABILITY WITHIN EUROPE AND ITS EFFECTS ON TRAVEL TO AND WITHIN THE REGION

4. INSTABILITY WITHIN EUROPE AND ITS EFFECTS ON TRAVEL TO AND WITHIN THE REGION

MAIN FINDINGS

- 54% of the interviewees were affected by the labour shortage crisis, mainly at airports or with airlines. However, their trust in the companies was not affected.
- Until October 2022, inflation had not severely impacted holidays, but interviewees do expect it to affect them in the future, which may affect their next trips.
- Behavioural changes in light of the cost-of-living crisis include saving more for the trip, considering cheaper destinations, or decreasing spending at the destination.
- 91% of the interviewees have a positive attitude towards "Destination Europe”. Among those not having a positive perception, the main driver of concern is the Russia-Ukraine war.
- Germany, Portugal, France, and Greece are the destinations interviewees are most likely to visit, while the countries bordering Russia or Ukraine are the ones most would avoid.

During the summer of 2022, Europe has gone from the disruption of the COVID-19 pandemic to experiencing instability in the form of inflation, labour shortages, airline strikes, the Russia-Ukraine war, and uncertainty is looming over the energy sector as we enter the winter months.

The heightened instability worldwide regarding households’ disposable income will make the average consumer prepare for more challenging economic times and, thus, impact their travel habits due to having other financial priorities.

4.1 LABOUR SHORTAGES

During the summer of 2022, Europe experienced labour shortages in many industries in the service sector, especially at airports; with a lack of ground handling and service personnel resulting in long queues. Furthermore, airline strikes have resulted in cancelled flights and uncertainty for passengers, not always knowing if they would reach their intended destination or return home on schedule.

One of the big problems resulting from COVID-19 was that the tourism sector had to let go of employees, leading to some taking the opportunity to change industry and not coming back. Some of the jobs are very skills-based and require security clearances which can take months to acquire, so there was not enough time to recover the labour force laid off due to the pandemic. This has resulted in understaffing, with tourism increasing substantially in a short period of time. However, tourists seem to have been forgiving for now, but that may not last if the challenges persist. The experts agree that the tourism sector is now more prepared to handle these issues.

“I think it is fair to say the industry has struggled in regard to staffing levels and skills. Obviously, people had to be made redundant during the pandemic. [...] It is one of the problems, firstly, finding people who are willing and able to work and then being able to train them fast enough. [...] That is certainly something that is discussed quite a lot at the moment: How can we improve access to training and upskilling in the industry? […] To be fair, the industry was not prepared for this […]. I think we are better prepared now [for unforeseen

issues]. […] People have been forgiving, but as time goes by, they are going to be less so. […] I think upgrades and cancellation insurance have been helpful."

- Rachel Read, ETOA

"I think the whole industry is working collectively on this. Unfortunately, we had big problems during the summer with airport capacity and restrictions, but also airlines not having enough staff to fly the flights they had scheduled. I think it is growing pains. We had from 0% in two-three months to 100%. […] We are working together to ensure we do not have these problems in the future."

- Christina Russe, ECTAA

The labour shortages impacted just over half of the interviewees (54%), where most experienced it with airlines or at airports and not at the destination itself. The consequences were longer waiting times in queues and flight delays. Three interviewees experienced airline strikes. Two got through it with no major issues, and the last had to spend some extra days at the destination as their flight got cancelled.

"It was a nightmare - we had to wait at the airport for hours and almost missed our flight. However, we had no problems with the luggage."
- German international traveller, History and Ancestry segment

"Originally, our tickets were bought for Lufthansa flights. We bought our tickets through United, but they were Lufthansa flights, so we were able to have them changed to Austrian Airlines one week before the pilots started to talk about going on strike.
- American international traveller, History and Ancestry segment

"We were not supposed to spend six days in Vienna, but our flight to Budapest was cancelled because of all that flight stuff."
- American international traveller, Creative Cities segment

Labour shortages affected interviewees over the summer, but it has not decreased their trust in the companies

Only a few feel their trust towards the companies has been affected as there generally is an understanding of the problems and pressure the tourism sector has experienced this summer. Two of the interviewees experiencing the airline strikes did lose trust in the air travel business, whereas a British interviewee's trust was affected as he does not think the airlines and airports treated their employees correctly and is not surprised by the lack of labour.

"It is a European problem with people that are available. So, we cannot judge them on a shortage."
- Dutch international traveller, Nature and the Outdoors segment

"Yes, you know what - next time, we will avoid Lufthansa."
- American international traveller, History and Ancestry segment

"If you cannot run your own business while being given billions of pounds to keep you afloat. There were options to keep your staff, and we all knew the pandemic would not be forever, but you do not have to treat your staff that way."
- British international traveller, Nature and the Outdoors segment

At the destination, a small number of the interviewees also experienced some lower capacity at restaurants, while one American interviewee, who was on a cruise, had to bypass a harbour in France.

> *"At some places, we saw that the restaurants were not full, but they refused customers, but that did not impact us."*
> - French international traveller, Nature and the Outdoors segment

> *"There was the strike in the harbour in France, so we did not get there. […] We have been in Europe a couple of times with spontaneous strikes, and it has not impacted us much."*
> - American international traveller, Creative Cities segment

4.2 INFLATION

The inflation has had less of an impact on consumers this summer, which is also what Expedia Group Media Solution sees in their data. Two American interviewees mentioned that they did experience a higher price level than usual. However, it did not affect them as the appreciation of the Dollar relative to the Euro counterbalanced the impacts of inflation. Conversely, one British interviewee mentions that the Euro has become more expensive. Rachel Read (ETOA) also sees the weak Pound as a problem for British travellers, while Americans may spend more money in Europe due to the appreciation of the Dollar.

> *"We see inflation, but so far, travel has not been impacted. What we have seen during COVID-19 is that one of the things people really wanted to do after the pandemic was to travel. We definitely saw that in our numbers in 2021, and now we are seeing it in 2022. So far, it has not impacted travel."*
> - Expert from Expedia Group Media Solutions

> *"The exchange rate is plummeting, and that helped tremendously for our trip. I guess it was more expensive in some ways, but the exchange rate equalised it. Actually, I think you should boast about it – now is the time for Americans to go to Europe while the Dollar is strong."*
> - American international traveller, Creative Cities segment

Graph 11: Impact of rising prices on the summer holidays

Holiday impactedby rising prices
- Chose cheaper restaurants or fewer restaurant visits
- Chose smaller rental car
- Fuel prices were a problem – drove more economically
- More attention to the price level at the destination
- Chose accommodation option with cooking facilities

Holiday not impacted by rising prices
- Holiday was prepaid
- No impact as enough money was saved for the holiday
- Travelled early in the summer
- Inflation in Europe was counterbalanced by the appreciation of the US Dollar relative to the Euro

Q: What kind of impact have the rising prices of fuel (and flights), accommodation, restaurants, etc. had on your travel plans?

"Not on the last trip, but maybe the Euro was a bit expensive for us compared to the last time we went. Next time we will probably choose our transport options more carefully."
- British international traveller, Creative Cities segment

"The weak Pound, for example, is not good for outbound travellers, but it is great for incoming travellers. […] Americans come here and spend a lot of money."

- Rachel Read, ETOA

The tourists affected by the rising prices were primarily impacted through fuel and restaurant prices. For the former, costs were kept down by driving more economically or renting a smaller car. For the latter, interviewees dined out less, chose cheaper restaurants, or booked accommodation with cooking facilities to avoid eating out daily.

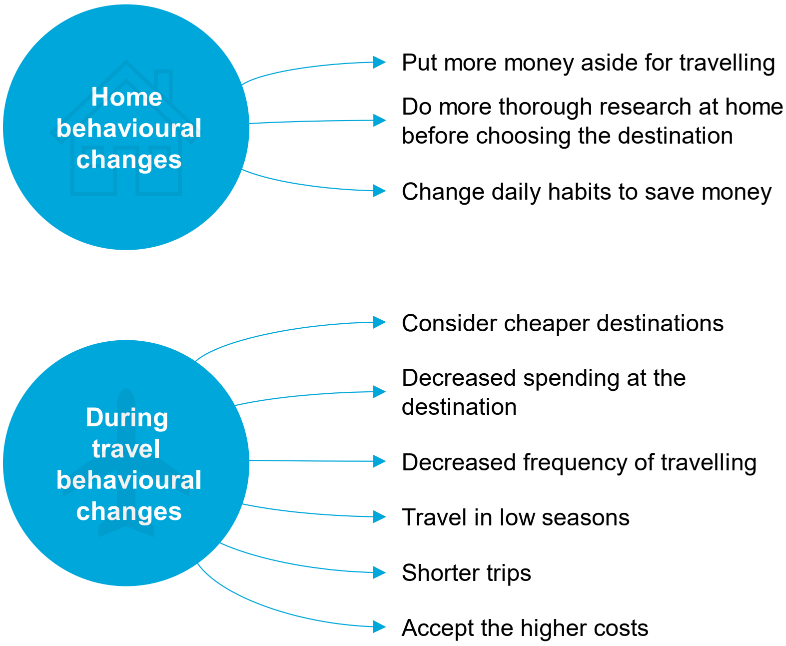
"[We experienced] some problems with rising prices related to car rental and fuel. That was more expensive than in Italy."
- Italian international traveller, History and Ancestry segment

"A little bit of attention during the planning of the trip this year because of the rising prices, for example, fewer dinners at restaurants."
- Italian non-international traveller, Creative Cities segment

"We took Airbnb rather than hotels [to be able to cook], so we did not have to go to restaurants every day."
- French international traveller, Creative Cities segment

Thus, even though some interviewees were impacted more than others, the rising prices did not severely impact the interviewees overall during the summer holidays. However, the increasing costs are expected to impact future trips.

Graph 12: Impact of rising prices on future travel behaviour



Q: Do you expect the rising prices to be problematic for future trips? Are there any specific ways you want to prepare for future?

Approximately three in four interviewees acknowledge the negative impact of the rising prices on future travel. The experts also share this outlook. Tourists will most likely need to make some modifications to ensure travel is possible without compromising personal finances. However, how the inflation crisis develops is yet to be seen.

"For most people, it is not a necessity (to travel). Obviously, for some, it may be, but for general purposes, it is not ahead of heating the house and feeding the children, so I suppose it depends on how much it bites. It is an expense most people do not want to get rid of, so people tend to just pare it down rather than get rid of the holiday completely."

- Rachel Read, ETOA

"So far, all of the data shows that consumers definitely will travel. They might buy fewer things or deprioritise other things in life but will put travel as one of the top things they want to continue to be doing."

- Expert from Expedia Media Group Solutions

Inflation did not have a severe impact on the summer holidays, but it is expected to influence future trips

To prepare for the future, interviewees will change some of their behaviours to make sure they have the option to travel despite the increasing prices. At home, interviewees will simply put more money aside for travelling, or change their daily habits to prioritise money for holidays. Additionally, doing thorough research on different aspects of their holiday is mentioned to reduce costs. Initiatives related to direct travel spending are to simply decrease spending at the destination and to prioritise the necessary things instead of luxury goods. Going for shorter trips or travelling in the low season to avoid being priced-out of some attractions/experiences are also considered. Lastly, going to cheaper destinations would give more value for their money.

"You just have to decide if you want to save enough to keep the same level of activity as in the past or if you want to cut out something to save a little money. I think, for the most part, we would try not to have to cut back. We would save more for the trip."
- American international traveller, Creative Cities segment

"We changed the way we live in daily life. With COVID-19, we realised we overconsume, so now, we cook more and save money, so it will not stop me from travelling. […] I think people are willing to sacrifice things in their life to be able to go on holidays."
- French international traveller, History and Ancestry segment

For the British respondents in Holiday Habits 2022 by ABTA (October 2022)[13], similar findings are found with taking fewer holidays (36%), choosing cheaper travel options (28%), eating out less (23%), and booking cheaper accommodation (22%) being the main ways of cutting back spending.

With the different behavioural changes to save money for travel, there are still some aspects of holidays that some interviewees will prioritise and not compromise on. Approximately a fourth of the interviewees will prioritise better accommodation options. An eighth of the interviewees will prioritise food experiences or cultural experiences/excursions. Meanwhile, two Australian interviewees will prioritise purchasing travel insurance to give them more consumer protection and financial security.

"Yes, I would prioritise accommodation. That is the minimum to feel good. I would rather save on transportation as I do not mind taking the train for long distances."
- French international traveller, Creative Cities segment

"Excursions, like the one to the volcanoes. We could not do it without a guide, it is a unique experience, so it is all right to pay a little more."
- French international traveller, History and Ancestry segment

"I always travel with insurance, even domestically. Leaving without travel insurance is not smart! [With insurance] I know I am protected if my flight is cancelled, and I know I have options."
- Australian international traveller, Nature and the Outdoors segment

Rachel Read (ETOA) also mentions that she sees tourists currently having pent-up demand, but whether that trend will continue is currently hard to tell. However, she thinks tourists will continue to spend money on experiences. Though prioritisation of hotels is seen among interviewees, Christina Russe (ECTAA) sees restaurants and accommodation businesses requesting additional support in order to maintain their financial liquidity due to their higher costs .

"As an initial trend, we saw people wanting to spend a little more on a premium flight seat in a less crowded cabin or upgrade a hotel room because they have not been away for so long. Whether that will continue is a bit difficult to say. […] People want to spend on an experience, so being in a place, and not necessarily going to a museum, but food in a restaurant or living a bit more with the people and experiencing instead of visiting."

- Rachel Read, ETOA

[13] https://www.abta.com/industry-zone/reports-and-publications/abta-holiday-habits-reports/holiday-habits-2022

"We have already seen this [rising prices] in accommodation and the restaurant business. They are crying out that it is very, very difficult for them to sustain business under such circumstances [rising prices], and if it continues, it will be a big problem."

- Christina Russe, ECTAA

Unfortunately, the experts do not foresee that the prices will stop rising in the near future as businesses also need to cover their increasing costs. Christina Russe (ECTAA) does not expect the rise in prices to stop until at least into 2023.

"We have seen the trend. Prices are going up everywhere. Air transport especially. Energy prices are hitting everybody, and it hits the whole sector. That trend will continue as we go on - as long as the crisis [the Russia-Ukraine conflict] lasts. Definitely into 2023, we will see prolonged higher prices in travel and tourism."

- Rachel Read, ETOA

4.3 ATTITUDES TOWARDS TRAVEL TO EUROPEAN DESTINATIONS

Rachel Read (ETOA) does not think that the perceptions of Europe were bad before the start of the current period of instability, or that Europe has come out of the pandemic any worse than other continents.

"Generally speaking, European destinations are very good at marketing themselves, they know their USPs [Unique selling points], and they are very well communicated and always add new things. […] I do not think that there was a bad perception of Europe, and I do not think Europe has come out [of the pandemic] any worse than anywhere else."

- Rachel Read, ETOA

91% of the interviewees have a positive perception of Europe as a tourism destination

When the interviews were conducted, the attitude towards Europe as a tourism destination was positive for 91% of the interviewees. The level of enthusiasm varies, but only four expressed that they have a negative perception of Europe.

The main positive aspect of Europe is the many different cultures that can be experienced within a small continent. This leads to the second most mentioned aspect; everything is close, and it is easy to travel between countries. These two aspects are primarily driven by the French, German, and Italian interviewees. For Europeans, this means that they do not have to travel far to experience new things while still being relatively close to home. Europe is also a continent with many things to do and see, offering great variety for tourists visiting the different countries.

"It is full of cultures, languages, so many different architectures, monuments, stories and religions."
- French international traveller, History and Ancestry segment

"Cultural diversity, you can see and experience a lot, and extreme weather events are rather unlikely."
- German international traveller, Nature and the Outdoors segment

"You can leave Friday morning, arrive at your destination for lunch, then fly back Monday afternoon and be at work Tuesday."
- French international traveller, Creative Cities segment

The American and Australian interviewees are all positive about Europe; but are more concerned about the Russia-Ukraine crisis. They are generally sympathetic to Ukraine, and the European Union gets some kind words about their handling of the crisis from one interviewee, though another perceives a potential division in the European Union between the western and eastern countries.

The American and Australian interviewees are the primary drivers for the first two negative aspects; uncomfortable with the Russia-Ukraine crisis and concerned about visiting neighbouring countries to Russia.

I am definitely worried about it (the Russia-Ukraine crisis).”
- Australian international traveller, Creative Cities segment

”My impression of Europe has improved because of the position that the European Union took in the Russia-Ukraine war because they support Ukraine, and I do as well. So actually, I feel more sympathetic towards Europe, except for a few countries."
- American international traveller, Nature and the Outdoors segment

”For me, it is always going to be positive. I am very much aware of the problems that Europe is facing right now. It is going to be a tough winter. And to be honest, I am worried about the integrity of the European Union. Because what I am seeing from a distance is that the European Union has broken into two blocks, west and east, and they are not on the same page because their exposure to risk is significantly different."
- Australian international traveller, Nature and the Outdoors segment

Graph 13: Positive and negative aspects of Europe mentioned by interviewees

Q: What has influenced your perceptions positively and negatively about travel to Europe?

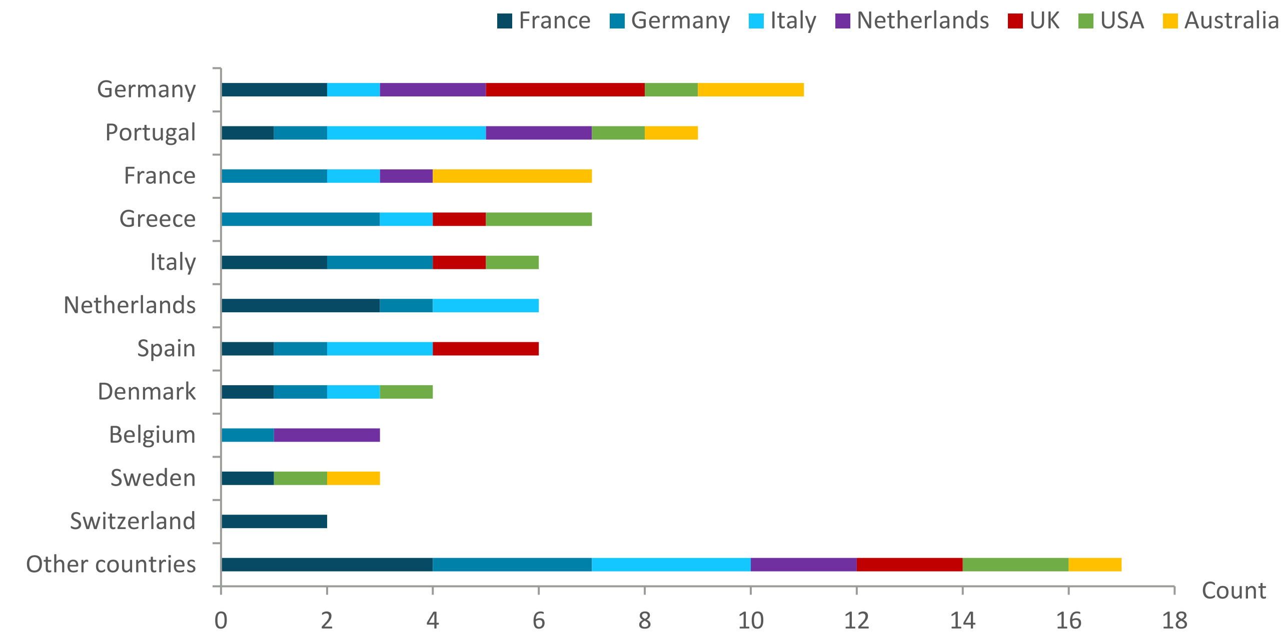
The interviewees who have a negative perception mentioned that Europe does not provide the same tourist experience as other continents like Asia, where cities are awake 24/7. Two British interviewees are more focused on how the political situation has negatively influenced them.

> *"I do not find Europe to be attractive. I rather want to save for longer trips outside of Europe. I have also noticed that my friends are also focussing more on locations outside of Europe."*
> - Dutch international traveller, Creative Cities segment

> *"I would have to say it is quite negative. Firstly, you have Brexit in the UK, and then you have a lot of far-right movements, and then you have the situation in Ukraine - and energy prices rising in Germany."*
> - British international traveller, History and Ancestry segment

Based on the perceptions about Europe, most interviewees are open to the western part of Europe, where Germany, Portugal, France, Greece, Italy, the Netherlands and Spain are the most mentioned countries. The picture is very similar to Phase 1 of the study, but with Germany and Spain switching places.

Graph 14: European destinations interviewees are open to visiting



* Due to the size of the graph, countries mentioned by only one or two respondents are collected in "Other countries". It includes: Albania, Croatia, Czech Republic, England, Finland, Iceland, Latvia, Luxembourg, Norway, Poland, Russia.
Q: Based on the perceptions you mentioned, which European destinations are you open to visiting? Which destinations would you rather avoid?

As in Phase 1, the interviewees are brief about the countries they would like to visit. They are more detailed about the countries, they would like to avoid, which mostly range from only Russia and Ukraine to most of Eastern Europe.

Of all interviewees, 37% said they will avoid countries neighbouring Russia and Ukraine, while 7% mentioned they will avoid Eastern Europe. The different levels of avoidance are primarily based on their perception of the crisis' implications on the surrounding countries. The perception that the war will not affect other parts of Europe than perhaps the neighbouring countries is also seen when the interviewees are asked about which countries they see as safe. Here most consider Europe safe, but caution is seen for the countries neighbouring Ukraine.

> *"I honestly think any place is safe except the Baltic countries. So, I think with the current situation that Estonia, Latvia and potentially Romania are at higher risk than any place west from there. And that is because of the proximity - because if anything happens, they are much closer to the danger zone."*
> - Australian international traveller, Nature and the Outdoors segment

> *"Scandinavian countries [are considered safe], however, in Europe, no country is really insecure."*
> - German international traveller, Nature and the Outdoors segment

Christina Russe (ECTAA) guesses that the perception of Ukraine's neighbouring countries being unsafe may be related to them being mentioned in the news, but she does not understand the uneasiness about the neighbouring countries.

”It is purely a consumer perception that the neighbouring countries are deemed not to be safe - why that is not understandable for me - maybe because they are mentioned more in the news. [...] But they are totally safe. We have not heard of a single incident in those countries [at the time of the interview [14]]."

- Christina Russe, ECTAA

The interviewees agree that the war will only affect Western Europe indirectly through inflation. The experts have also observed this insight, with the cost of living being a more critical factor for consumers’ confidence. Additionally, Rachel Read (ETOA) highlights the war’s impact on long-haul tourists due to the increased costs of flying around the conflict zone’s closed airspace.

“I think that when the war stops, it will not have a lingering effect. Americans will forget it pretty quickly, but I think the inflation will have a longer impact.”

- American international traveller, Creative Cities segment

“The Ukraine situation is not as big a factor as, say, the general cost of living. […] The main issues are the long-haul visitors flying over the airspace [of Russia and Ukraine], not being able to come, or having to go the long way around, and that being more costly because of the fuel cost to go for a different route. […] From that aspect, it has not had that big of an impact, as for example, the COVID-19 restrictions. But of course, people are concerned about the impact it has on energy prices because that then puts the cost up. […] Generally speaking, people are mostly concerned about conflict if they are going to the conflict zone, which we have seen with other things like the Gulf war.”

- Rachel Read, ETOA

Furthermore, Rachel Read (ETOA) does not think the war will have a lingering effect on how the tourism sector will greet Russian citizens after countries lift their visa bans. They will be able to differentiate between the citizens and the government. However, she does foresee that Ukraine may suffer in the longer-term as a destination because the destruction will affect its appeal as a tourist destination.

“Generally speaking, the hospitality industry probably does not have bad feelings towards [Russian] citizens who are caught up in something. […] I think people generally make that separation between the population and the government. […] With Ukraine, with all the damage, that will affect its appeal as a tourist destination.”

- Rachel Read, ETOA

Looking at the most intriguing types of trips, Nature and the Outdoors, City Breaks, and Culture and Heritage are at the top of consumers' wish lists – as they were for summer vacations. Sun and Beach is the fourth most desired trip type, with Touring and Road Trips in fifth place. This was primarily due to the German interviewees who expressed a great interest in going to warm destinations as the reason for travelling internationally, while four of them mentioned having used a rental car to travel during the summer holidays.

As in Phase 1, not many types of trips are mentioned as not being fascinating. However, around every fifth interviewee is uninterested in going on cruises. The reasons vary between cruises being for the more mature crowd, seasickness, potential sanitary issues, or just not being appealing.

”We are actually not going to do any cruises until they have dealt with the sanitary issues that you hear so much about."

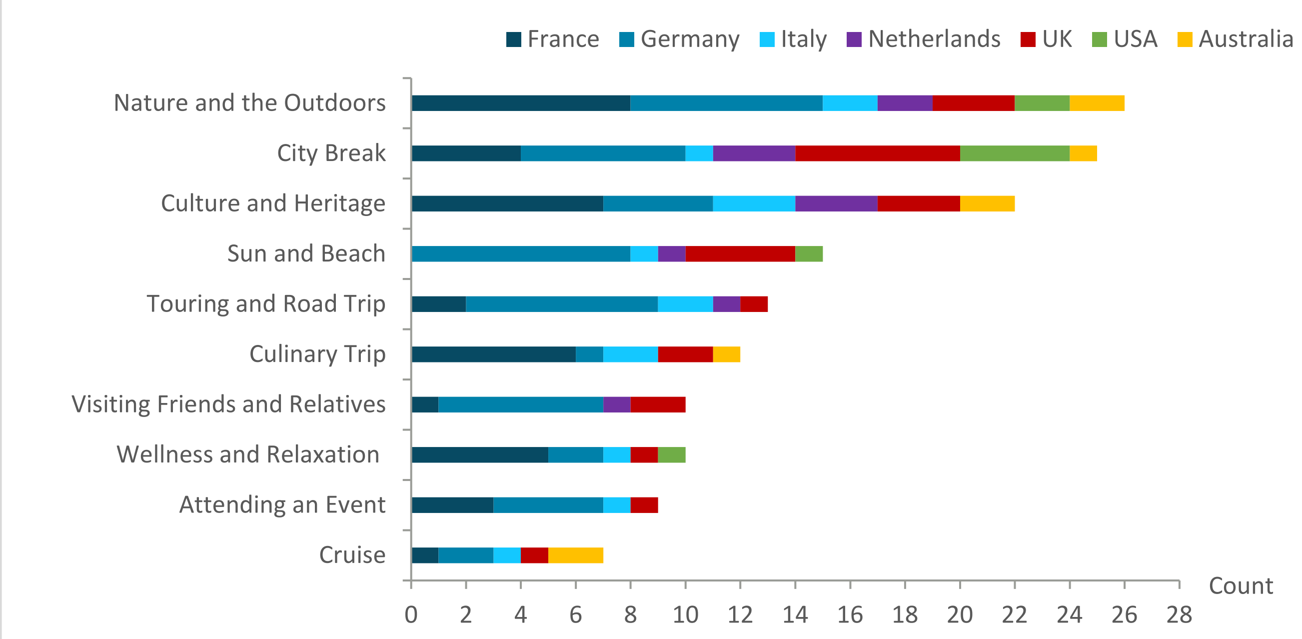
- American international traveller, History and Ancestry segment

[14] After the missile strike at the Polish-Ukrainian border, this is no longer the case.

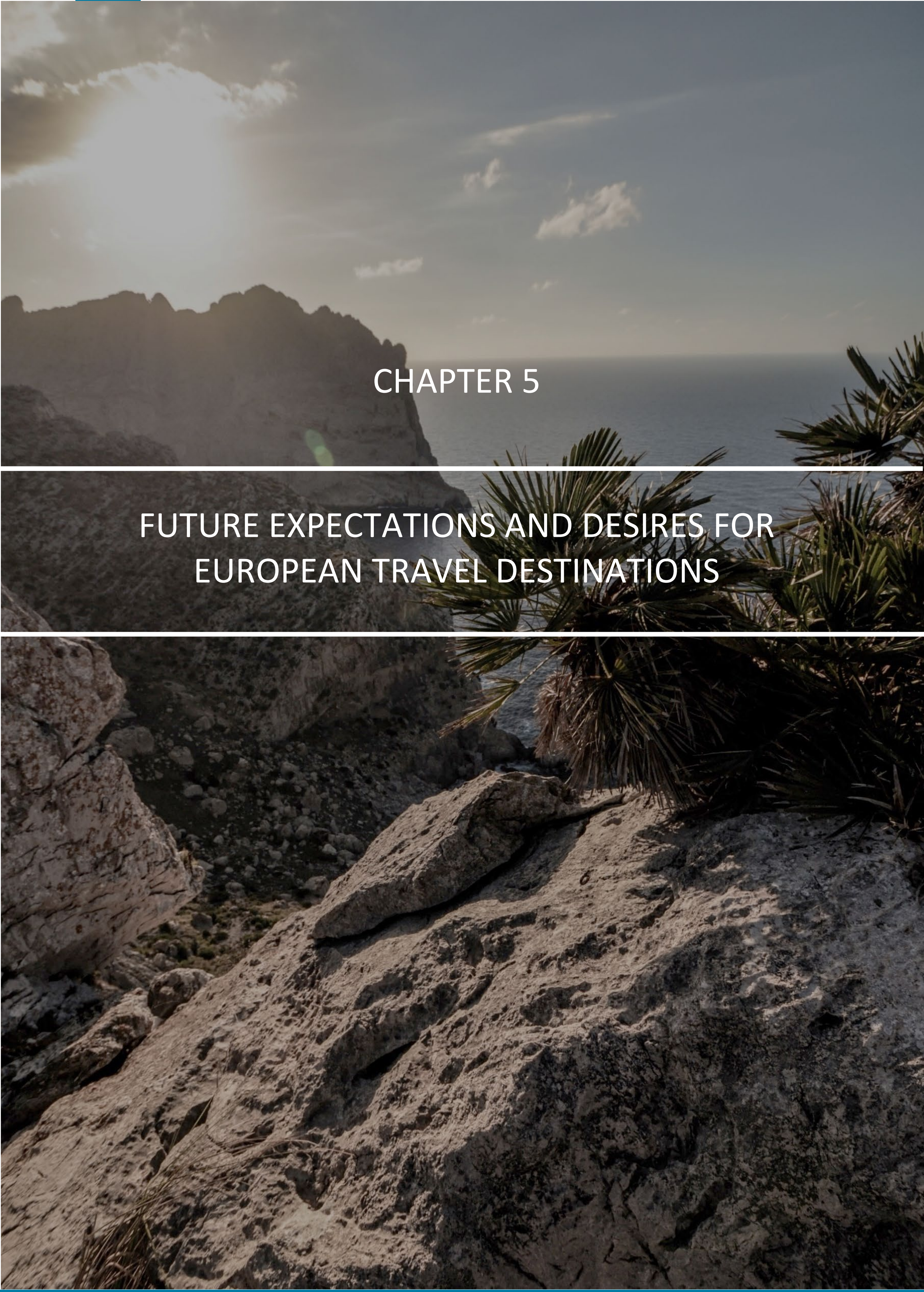
”I would potentially be interested in a cruise, but I still have a perception that cruises are for older people, so I do not know if I am old enough to be there."

- British international traveller, Nature and the Outdoors segment

Graph 15: Types of trips interviewees find most intriguing



Q: Which types of destinations, types of trips and experiences do you find more intriguing/fascinating? And less intriguing/fascinating?



CHAPTER 5

FUTURE EXPECTATIONS AND DESIRES FOR EUROPEAN TRAVEL DESTINATIONS

5. FUTURE EXPECTATIONS AND DESIRES FOR EUROPEAN TRAVEL DESTINATIONS

MAIN FINDINGS

- The key features to be considered by interviewees when choosing their next destination are to find interesting cultures, the price, and to travel closer to home.
- By the end of 2022, the interviewees think that tourism in Europe will face difficulties due to the increased costs of living and uncertainty surrounding the Russia-Ukraine war or COVID-19. Yet, in the long-term (2023 and beyond), tourism will start to recover again.
- The short-term suggestions for improving the tourism sector primarily focus on getting the airline industry back on track, whereas the long-term suggestions focus on sustainable initiatives.

Looking towards an uncertain future with rising prices, a potential energy crisis over the winter, climate change, and the prolonged war in Ukraine, there are many factors to be considered by tourists when choosing their next destination. Additionally, the future brings the possibilities of progression in terms of initiatives enhancing the tourist experience or more environmentally-friendly travel options.

Right now, the booking outlook is encouraging according to ECTAA, but looking further into the winter and 2023, it becomes harder to predict due to the uncertainties brought by inflation.

> *"Looking at the outbound markets like Germany and the UK, it would suggest that the bookings are still relatively good, and then everything after that – autumn, winter and even everything in relation to 2023 is a clear question mark. It is not certain how it will develop because of the high prices and inflation - and we do not know the disposable income. […] People will continue to travel at least they will most certainly take their main vacation, you know, the summer holidays, but many indicated they will reduce the number of trips, and when they are on vacation, maybe they will spend a little less money, and maybe also prolong the stay in the destinations."*
>
> \- Christina Russe, ECTAA

5.1 KEY FEATURES WHEN CHOOSING THE NEXT DESTINATION

Despite current uncertainties, when the interviewees start planning their next trip, the aspect they will consider the most is cultural diversity. However, the price of travelling and travelling closer to home are also important aspects for selecting the next destination, which is also acknowledged by Rachel Read [ETOA]. Thus, getting value for money is essential.

> *"A good culture is important. It must be easy to get around, so good transport length, so I can go see different parts of the city. I would also like good value for money."*
> \- British international traveller, Creative Cities segment

> *"People are nervous about booking another long-haul trip in some instances when interest rates may go up, and they might not get a salary increase. So, there is a bit of nervousness."*
>
> \- Rachel Read, ETOA

Another aspect is visiting a new destination as visiting familiar places can decrease the desire for discovery and result in more time in the hotel room, whereas a new destination gives a reason to go exploring. Furthermore, COVID-19 has not been completely left behind; some interviewees will still consider the sanitary standards or avoid overcrowded destinations.

" The primary driver is to visit new places. We have made a couple of trips to Rome, and when you go back the second time, you spend more time in the hotel, as you are not as motivated to see it all again. Been there, done that."
- American international traveller, Creative Cities segment

"Hygiene is something I will look for, and the destination must be accessible by car or train."
- Dutch international traveller, Nature and the Outdoors segment

"I will seek a destination with a wide range of possible activities, but it must not be too crowded."
- German international traveller, Nature and the Outdoors segment

Graph 16: Key features considered when choosing the next destination

Most mentioned keyfeatures to consider when choosing next destination

- Interesting culture
- Price
- Geographical proximity
- Discover new places
- Attractions available
- Weather
- Transportation options
- Sanitary concerns
- Nature or seaside
- Crowdedness
- Travel insurance

Q: What are the key features you will consider when choosing your next travel destination?

5.2 THE FUTURE OF TOURISM IN EUROPE

Predicting the future, with uncertainties such as the evolution of COVID-19 over the winter and the Russia-Ukraine war, can be challenging. Thus, interviewees do not fully know what to expect in the future. Expedia Group Media Solutions is currently seeing a positive trend with no slowdown, and their partners are more selective about which consumers they attract compared to before.

"It depends on what course the pandemic takes, so if it is completely over in a year, it is going to be great. But if there is a new variant that emerges, then we might go back to 2020, where everything will be restricted. At this moment, we are living in a time of uncertainty."
- American international traveller, Nature and the Outdoors segment

"We see a positive trend. We see a huge demand from our partners, primarily destinations, to bring the right consumers to their destinations. Last year everyone wanted anyone back; now, people are starting to go back to sustainability and thinking about mass tourism and not overwhelming the destinations. So far,

we have not seen any slowdowns. The competition is big. […] Of course, things will reflect eventually. So far, the strong Dollar was the benefit for the European industry. We have not seen a slowdown in that, and we do not know the future, so for now, it is all positive."

- Expert from Expedia Group Media Solutions

In the 21st edition of the Holiday Barometer by Ipsos and Europ Assistance[15] (June 2022), inflation has the greatest impact on the enthusiasm and desire to travel in 2022. The consensus among most interviewees is that they believe tourism in Europe will face difficulties in the short-term due to the higher living and travel costs, resulting in fewer tourists. It is reasoned that some European families will not prioritise travelling but maintain their living standards at home instead. Contrary to the general consensus, 20% of the interviewees in this study think the tourism sector will see a continued recovery, and they are optimistic about the future of tourism in Europe.

"I think that less people will travel and that the holidays will become shorter because of the high inflation. People have to make really good choices about where to spend their money, so I think travelling will be a victim of that."

- Dutch international traveller, Creative Cities segment

"I think we are going to see a lot more people travel. Even though the prices continue to go up, I still expect travel to increase. I expect the inflation to go on and especially for gas. Other than that, I think people are ready to embrace travel again. So, it is going to be pretty much back to normal, would be my expectation."

- American international traveller, Creative Cities segment

"Europe will still be heavily visited, even if the price of flights has increased. The great desire for travelling came back in these last months.

- Italian non-international traveller, History and Ancestry segment

5.3 IMPACTS OF CLIMATE CHANGE

The interviewees acknowledge the global impact of climate change. The more extreme weather has not gone unseen, impacting the sentiment to travel to severely affected destinations. However, while all acknowledge climate change, the interviewees are divided into three groups in terms of their contribution to combating climate change:

1. Those who change their habits overall to help combat climate change (28%);
2. Those who consider climate change and may have changed their habits at home but not on holidays (15%);
3. Those who have not changed their habits at all (43%)[16].

The first group tries to change their mode of transportation when travelling. One interviewee requests help navigating all the information about environmentally-friendly initiatives to make better choices, but she feels the information can be contradicting. Those from an island nation can have difficulty finding other modes of transportation than planes, but one always pays extra to offset their carbon footprint.

"Our tickets always involve the carbon footprint. Yes, we all have a carbon footprint because of our flights, and if that costs us money, then we have to decide to travel or not."

[15] https://media.europ-assistance.com/a-significant-rebound-in-consumer-intention-to-travel-especially-in-europe-71-of-europeans-will-be-traveling-this-summer/

[16] The share does not sum to 100% as not all interviewees answered the question.

- Australian international traveller, Creative Cities segment

"I think there is a lot of misinformation regarding climate change - there are a lot of contradictions as well. It is hard to navigate what to do. I have been travelling choosing electric cars to Uber - but then there come contradictions regarding the batteries because, apparently, they are not as good for the environment as we have been told – it is hard to know what is factual. I think it would be wonderful with clear environmentally-friendly/sustainable guidelines."
- British international traveller, History and Ancestry segment

The second group considers the impact of climate change and may partake in climate-friendly initiatives at home. However, wanderlust can prevail, resulting in the climate becoming a less important consideration on holiday.

"It will definitely have an impact – but for the time being, the wanderlust prevails."
- German international traveller, Nature and the Outdoors segment

"I do think about sustainability in my everyday life, but I do not prioritise it when I am on holiday."
- Dutch international traveller, Nature and the Outdoors segment

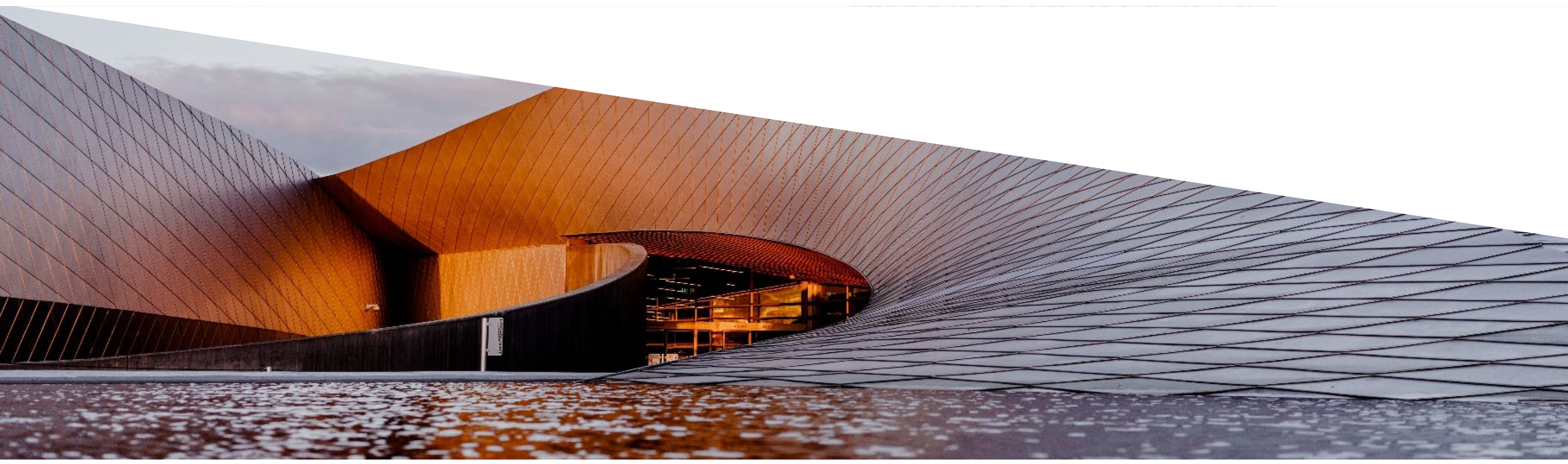
Lastly, the largest group is those who do not change their habits at all. However, climate change may result in a potential change of destination in case the country becomes too hot or is affected by extreme weather.

"It is like everything else. We will have to live with it and adapt to the higher temperatures. When it is cold, you get dressed; when it is hot, you freshen up."
- French international traveller, Nature and the Outdoors segment

The interviewees may be aware of climate change and try to mitigate against it during their daily life, but "forget about it" when travelling. This is also the story Christina Russe sees in ECTAA's figures.

"Consumers are more aware of it [climate change], and they say they want to travel more sustainably, and one way to do it is to reduce the [number of] trips and stay longer. But whether this already effectively takes place is not quite sure yet - many of these surveys say they are willing to travel more sustainably, but we do not see that in the figures - yet! Certainly, more for business travel, because the corporate companies have to report on their sustainability - but for leisure – I am not sure whether they have changed their travel behaviour."

- Christina Russe, ECTAA



[17] The tourism sector can refer to transport, accommodation, tourism attractions, experiences, or restaurants.

focus more on environmentally-friendly initiatives. When consulting with the experts, they believe that tourists want to see more authentic experiences.

"If more people want these authentic experiences, then tour operators will maybe make tailor-made products to suit the needs of the consumer. […] I think the tourism industry is very innovative; they always come up with new services and products. It is an evolving market, and there will always be something new."

- Christina Russe, ECTAA

Graph 17: Interviewee suggestions for changes in tourism products and services

Changes in tourism products and services offered by the sector — **Short-term (1 year)**

- Increased flight routes
- Resolve labour shortages and highlight the variety of jobs to boost interest in aviation industry careers
- Incentives to undertake more sustainable travel
- Provide discounted rail travel to incentivise the use of public transport
- Develop a website for all European countries where all the needed information about the destination is collected and the possibility of buying tickets for attractions is possible.

Changes in tourism products and services offered by the sector — **Long-term (10 years)**

- Provide more eco-friendly travel options
- Being able to see the level of emissions as a result of the trip
- Investment in better infrastructure for trains
- Accessible train stations
- Introduction of a tourism fee contributing to the conservation of nature

Q: What changes, if any, in tourism products and services offered by the would you like to see within the next year? What would you like to see within the next 10 years?

Short-term suggestions include resolving the labour shortage crisis – to reduce queues, avoid cancellations, and decrease the likelihood of delays - and increasing the number of flight routes. There is also a desire for train travel to be better incentivised to improve the sustainability of the journey between the source market and destination. The wishes for more flight routes are to be able to visit more destinations as there is limited capacity to fly to those destinations from airports nearby. Additionally, some short-haul routes were cancelled and never reopened again, highlighting the need to improve connectivity to regional airports. According to the latest figures from Eurocontrol, both Intra-European and Intercontinental air traffic is at the approximately same level compared to 2019 levels (down 14% and 16%, respectively)[18].

"I do not want to get my luggage lost, it has not happened to me, but it happened to a lot of people this summer. So, they need more manpower on that one. I think the airlines seem to have decreased their standards during the pandemic, but no one has increased them again.[...] The problem is they increased the price and lowered the service."

- American international traveller, Nature and the Outdoors segment

"I would like an improvement in the number of flights to reach some destinations. Many destinations are rejected as possible trips because of the limited number of flights during the week."

- Italian international traveller, History and Ancestry segment

[18] https://www.eurocontrol.int/sites/default/files/2022-11/eurocontrol-comprehensive-air-traffic-assessment-20221125.pdf

"The biggest thing for me is for more short-haul routes to reopen. We have talked about the long queues in Manchester Airport making me reluctant to go there, but the second complaint I have is that a lot of short-haul flights to and from Manchester were cancelled and have not yet come back. Although a lot more flights are being reinstated in big hub airports, there is still a long way to go to get regional airports like Manchester back to what they were."
- British international traveller, History and Ancestry segment

The suggestions to incentivise sustainable travel options are meant to nudge tourists away from flights for shorter journeys and onto other transportation modes. In particular, one interviewee proposes that incentives – such as the youth advantage cards distributed by the National Society of French Railroads (SNCF) – should be available for all age groups to improve the reach of any sustainable travel incentivisation scheme.

"I would love some incentive to travel with the Eurostar, especially financial incentive - because that is what people need to change their behaviour."
- British international traveller, Creative Cities segment

"It could be great to have a card, I think SNCF does it for younger people, […] but they should do it for older people too. It would push people to take public transport instead of their personal cars, and they will travel more."
- French international traveller, Creative Cities segment

Environmentally-friendly travel initiatives are the primary suggestions for future changes in the products and services offered by the sector

Lastly, two interviewees suggest making a destination-wide website collecting all the relevant information for tourists and allowing tourists to purchase tickets for attractions or check travel restrictions – if they become relevant again – all from one website.

"A better digitalisation will be useful for tourists: a European website where you can buy tickets, services, or packages."
- Italian international traveller, Creative Cities segment

"I guess you could have a central website with each country about the COVID-19 requirements if they become relevant again."
- British international traveller, Nature and the Outdoors segment

In the long-term, more eco-friendly options are suggested, including more environmentally-friendly options for rental cars, hotels, buses, and the aviation sector. It is proposed to invest in more land-based transport infrastructure to make people choose to travel by trains instead of planes and to make sure that the train stations are accessible. A way to show the volume of emissions linked to tourists' holiday choices is suggested to help tourists think more about how their travel impacts the planet. Showing the volume of emissions of a holiday to change the behaviour of the tourist is also an option ECTAA has explored.

"I would like to see more electric vehicles all over - especially with the tour buses, because they are all diesel, and they are not well maintained - especially when they are just sitting there chucking out black smoke. Also, they would be quieter, which is nice - because the noise pollution is bad."
- British international traveller, Nature and the Outdoors segment

"I would love to see more green products, more biodegradable. You know, cruise ships they dump their trash into the sea, I do not want that to happen unless there is something to break it down. The same goes for jet fuels. There should be something that is much greener. I know it costs money, but how do we get to zero emissions without those changes?"
- Australian international traveller, Creative Cities segment

"It would be nice to see when booking a trip how much emissions your trip costs. Showing emissions on websites would probably make people think about that more?"
- British international traveller, Creative Cities segment

"I think that sustainability is important in the long-term. So, I would suggest decreasing plane flights as much as possible and to invest in the land-logistics for trains or cars."
- American international traveller, Creative Cities segment

"In terms of accommodation, the consumer can select an accommodation provider that is certified or that can demonstrate that they are doing something in terms of sustainability. In terms of travel, they would want to indicate the CO_2 emissions, so the consumer can consider if they fly direct, it might be less carbon intensive. They can calculate the carbon footprint for a package or a holiday. (...) The aim, of course, is to make that mainstream in the industry. There are already tools available; among others, we are working with a partner called Travelife, which is a sustainability management and certification scheme. They have a tool called Carmacal, which allows each tour operator to calculate the footprint of the whole package, so not only the transport element but all the other elements in the package."

- Christina Russe, ECTAA

Sustainable travel options are also desired by the European Commission, which has published a "Sustainable and Smart Mobility Strategy" (December 2020)[19]. The vision of this strategy is that by 2030, high-speed rail traffic will double, and by 2035, zero-emission large aircrafts will become ready for the market.

The last suggestion for improving tourism in the long-term is to introduce a visitor fee for the conservation of nature.

"There is one thing I would like to see in the tourism industry – I have seen it in South America, and they recently introduced it in Rome – this extra tourism fee. It is a fee you pay to contribute to the local economy, to the upkeep of the services, facilities, and conservation of nature. I think this is fantastic, and I think that should be anywhere where the key attraction is nature, making it explicit that 5% or so goes to the conservation of nature."
- Nature and the Outdoors international traveller, Creative Cities segment

According to the experts, sustainability is a key industry challenge that needs to be addressed. Despite being a challenge, sustainability is one of the things Rachel Read (ETOA) believes the tourism sector can influence through emissions offsetting programmes. At Expedia Group Media Solutions, they are also working towards sustainable solutions, but it is not something that can be fixed overnight. Their data also shows that consumers are willing to pay more for sustainable products.

"The one thing that the industry can address the most is sustainability. We cannot really do anything about inflation and war. […] Not just in terms of each destination, but overall, like fuel-efficient aircraft, and much more penetrative and effective [CO_2] offsetting programmes."

[19] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0789

- Rachel Read, ETOA

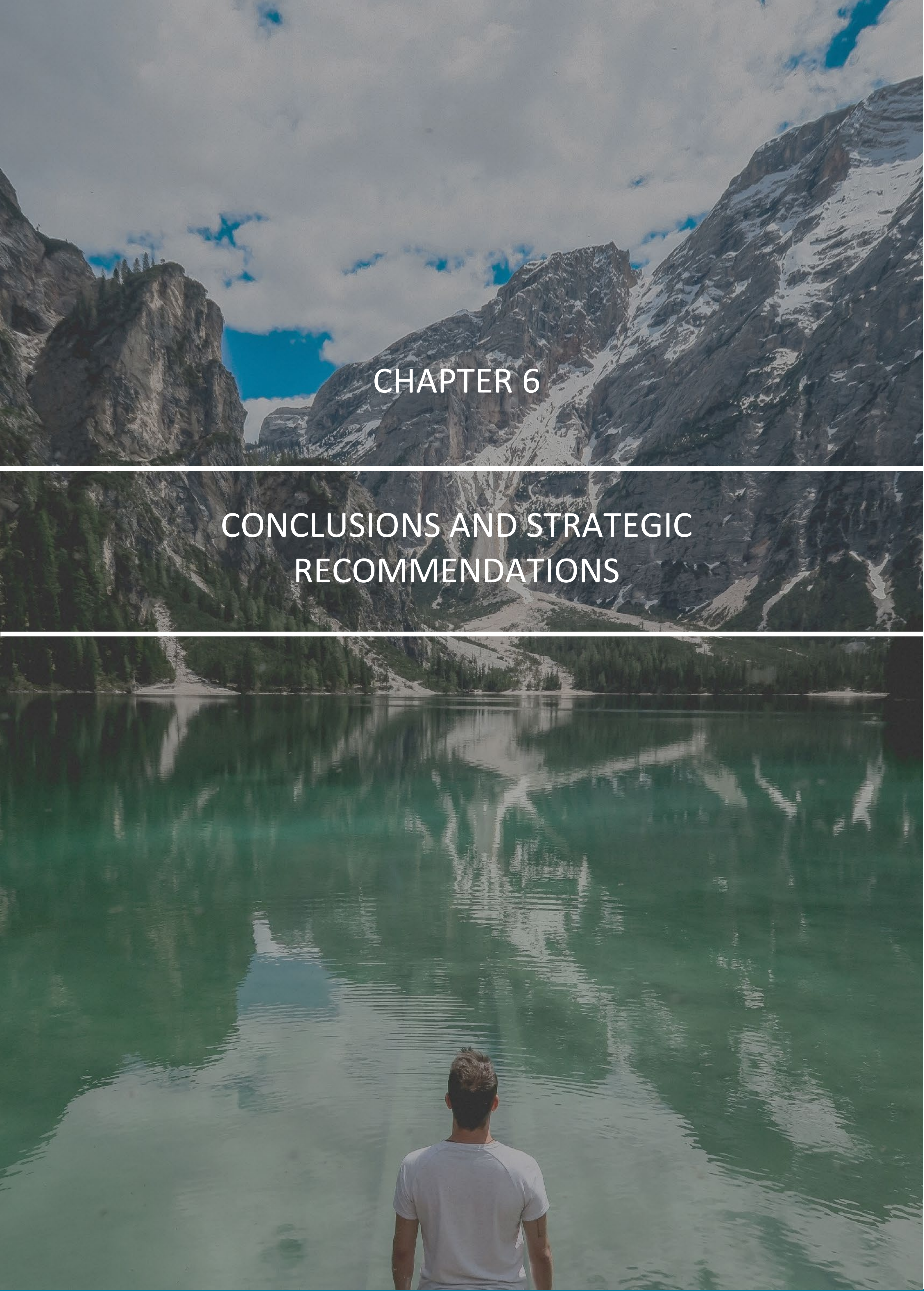
"Expedia Group is committed to mobilizing our travellers, partners, and peers to innovate a more sustainable travel industry. I always say sustainability is a long journey. Destinations do not become sustainable overnight, and there are so many aspects around sustainability – different parts of sustainability. It is a huge, huge topic. So, we have been focusing on our partnerships about sustainability. (…) Our data shows that travellers are willing to spend more on sustainable products. There is definitely the discussion of who must pay for sustainability - the companies or the consumers? The thing is that data shows that consumers are willing to spend more."

- Expert from Expedia Group Media Solutions

As an ending comment, Christina Russe (ECTAA) says that *"tourism will bounce back and continue to grow"*, but she also has a message for governments.

"Be flexible, and if there is any crisis coming up again, then show the same flexibility we had at the beginning of COVID-19. […] we are coming out of a crisis, a really hard crisis, and we are going right into the next one – so I hope the governments will be lending an ear to our industry."

- Christina Russe, ECTAA



CHAPTER 6

CONCLUSIONS AND STRATEGIC RECOMMENDATIONS

6. CONCLUSIONS AND STRATEGIC RECOMMENDATIONS

TRAVELLING AMIDST AN ECONOMIC SLOWDOWN

Inflation was not perceived as a significant issue during the summer holidays of 2022. However, it did not go unnoticed and primarily impacted the interviewees through higher car rental, fuel and restaurant prices. Dining expenses were minimised by a lower frequency of tourists eating at restaurants, choosing cheaper restaurants, or booking self-catering accommodation.

Approximately three in four respondents expect inflation to impact future travel, and they will utilise different home and travel behavioural changes to ensure their finances allow for travelling. The home initiatives are to put money aside for travelling, change daily habits, and do thorough research on the different aspects of the trip to keep costs down. The travel initiatives are to decrease spending at the destination, take shorter trips, travel in the low season, and visit more affordable destinations to get more value for their money. However, interviewees will prioritise spending on certain aspects, the most mentioned being accommodation, food experiences, and culture/excursions.

When the interviewees are going to choose their next travel destination, the main aspects they will consider are interesting cultures, the price of the trip, and travelling closer to home.

Recommendations:

- Promotion of offers to enable travel on tighter budget constraints due to inflation, such as budget offers, 'travel now, pay later' schemes, travelling off-peak, travel to off the beaten track but more affordable destinations, shorter trips, low-cost experiences, etc.
- With "travelling closer to home" being one of the new travel trends, the promotion of hidden urban gems and nature reserves targeted at domestic tourists and tourists from neighbouring countries can accommodate these segments and provide value for money.
- Focus on “Bleisure” offerings so that business travellers may more easily extend their business trip with leisure activities to reduce both costs of travelling as well as environmental impact.

MITIGATING THE IMPACT OF COVID-19

In the shadow of the economic slowdown, COVID-19 still has some relevance for the respondents. The habits interviewees would like to remain in the future from the pandemic era are the use of hand sanitisation and enhanced hygiene in general, social distancing, and the use of masks in public transportation. Sanitary concerns and avoiding overcrowded destinations are also the key aspects interviewees will consider when choosing their next travel destination.

50% of the interviewees also stated that COVID-19 has made them focus more on offers providing consumer protection through last-minute cancellations, refunds, or flexibility options. Some interviewees point out COVID-19’s potential significance in the 2022-2023 winter season if a new COVID-19 wave emerges.

Recommendations:

- Keep flexible offers/policies that allow last-minute cancellations or changes, and refunds as it is a feature that makes the difference between tourists booking or not booking.
- Continue to offer pre-booked tickets or contactless alternatives to reduce the queue lengths and crowds at attractions as tourists still desire not to be too close to many people at the same time.
- Enhance the use of visitor management apps to ensure better crowd management and ultimately better experiences.
- Continue to offer hand sanitisers at accommodation establishments, public transportation, attractions, restaurants, etc.

ENABLING SUSTAINABLE TOURISM

The interviewees acknowledged climate change, though not all have changed their habits towards more climate-friendly alternatives. However, openness to greener initiatives is observed from the respondents as environmentally-friendly travel initiatives are the primary suggestions for the tourism sector in the future. The suggestions consist of providing more eco-friendly travel options, being able to see the emissions of a trip, and investing in better infrastructure for trains.

The experts also mention sustainability as a key challenge, which can be influenced through emissions offsetting programmes. However, it is not a problem which can be fixed overnight.

Recommendations:

- Promoting and incentivising more environmentally-friendly travel options based on the increased attention on eco-friendly travel.
- Provide a guide for environmentally-friendly travel to help tourists navigate the great amount of information and help them make informed decisions.
- Providing clear and accessible information e.g. on the NTO's or DMO's visit-page on sustainable choices at the destination – both concerning accommodation, experiences, restaurants, etc. Ensure information is available at the top level to make it easier to make sustainable choices.
- Provide detailed numbers relating to the level of emissions allowing tourists to monitor their carbon footprint.
- Enable tourists to make active environmental-friendly choices, e.g. giving them the choice of not getting towels cleaned on a daily basis, one-time use soaps, etc., so they at their own initiative can leave a smaller footprint at the destination.

DESTINATION INFORMATION AND ACCESSIBILITY

Naturally, the interviewees have had different experiences at their destinations, depending on where they went during the summer of 2022. Several interviewees mention issues with both the availability of relevant information regarding the destination and what to experience. Others focus on ensuring that the destination is accessible, for example the need to upgrade public transport infrastructure at the destination.

Recommendations:

- Partnering with tour operators to provide better information to travellers and to prepare them for the possibilities at the destination.
- Destinations to add QR codes on key signage at tourism hotspots/transport hubs to help with translation into multiple languages and providing tourist information and directions for attractions/events, travel tips and information on local initiatives
- Improve accessibility so tourists of all age groups can get around at the destination with public transportation.
- Developing an official destination-wide website allowing tourists to find relevant information for European destinations about what to experience and the possibility of buying tickets from an official source.

APPENDIX

APPENDIX

A. SEGMENT PROFILES

SEGMENT 1	**PASSION POINT**	**Creative Cities (Creative Industries and Contemporary Arts)**
	PROFILE OF THE TARGET GROUP	Community of city life enthusiast who share a passion for contemporary arts, creative industries (architecture, fashion, design and crafts), vibrant urban lifestyle and vivid cultural scene. They seek new experiences to enrich their life and establish new relationships with like-minded people in the places they visit. They have the need to indulge in new cultures and a desire for excitement, authentic and out of the ordinary experiences. They want to experience everyday local life of the destination by interacting with the place, its people and customs. They grant attention to the atmosphere of the destination they visit, defined by the vibrancy of the creative and cultural offer. A large proportion of this community are highly educated young professionals with a high socio-economic status. Spring and autumn are their preferred seasons for travelling.
SEGMENT 2	**PASSION POINT**	**History and Ancestry**
	PROFILE OF THE TARGET GROUP	Explorers of cultural identity and roots with a particular interest in significant events that marked the world's and/or their personal history. This includes old and new generations who are interested in history and engaging in new deep experiences that connect to today's world. They enjoy exploring aspects relating to the cultural heritage, historical ties and ethnic identity of the destinations they visit. This community tends to have higher income in comparison with conventional long-haul travellers.
SEGMENT 3	**PASSION POINT**	**Nature and the Outdoors**
	PROFILE OF THE TARGET GROUP	Community of immersive explorers who believes in the importance of making time to spend in nature and is most often activity driven. Nature is an important element in their lives. They have a strong desire to connect more with nature, but their working pattern and urban lives often prohibits this. They seek to fulfil their connection with nature through tourism and recreational experiences. They favour slow, immersive journeys through wild places and natural spaces in search for health and well-being. In a globalised world where people feel they have seen everything, they value original nature, clean environments, unbuilt landscapes and quietness. They are early adopters which means they are generally more willing to try new destinations, activities, and travel products. A large proportion of this community are high-value customers who are willing to pay a premium for exciting and authentic experiences.

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