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LONG-HAUL TRAVEL BAROMETER 2/2024

TRAVEL HORIZONS: MAY-AUGUST

eurail

EUROPEAN TRAVEL COMMISSION

LONG-HAUL TRAVEL BAROMETER

METHODOLOGY

- **Target -** Potential travellers from Australia, Brazil, Canada, China, Japan, South Korea (**New Market!)** and the US.
- **Method** – 1,000 online interviews with national representatives (18-70 years old), per market, per wave.
- **Frequency:** Interviews are conducted 3 times per year and provide insights into the travel horizons: January-December, January-April, May-August and September-December
- **Examined travel themes:**
  - ✓ People's intention to travel outside their region of residence
  - ✓ Barriers and activators to travel
  - ✓ Important criteria for the selection of destinations
  - ✓ Spending behaviour in the context of rising travel costs
  - ✓ Intended length of stay and daily budget
  - ✓ Travel preferences regarding destinations, experiences and preferred transport service to move within Europe

In all markets, the survey monitors respondents' intention to travel outside the region of residence (e.g., North America for the USA).

- Insights in the following slides refer to the travel horizon May-August 2024 (4 months horizon)
- The fieldwork was conducted in April 2024

The data files are only available to the members of partner organisations.
The survey is meant to gauge travellers' attitudes and intentions and not to quantify demand levels.

This project is realised
with the support of:

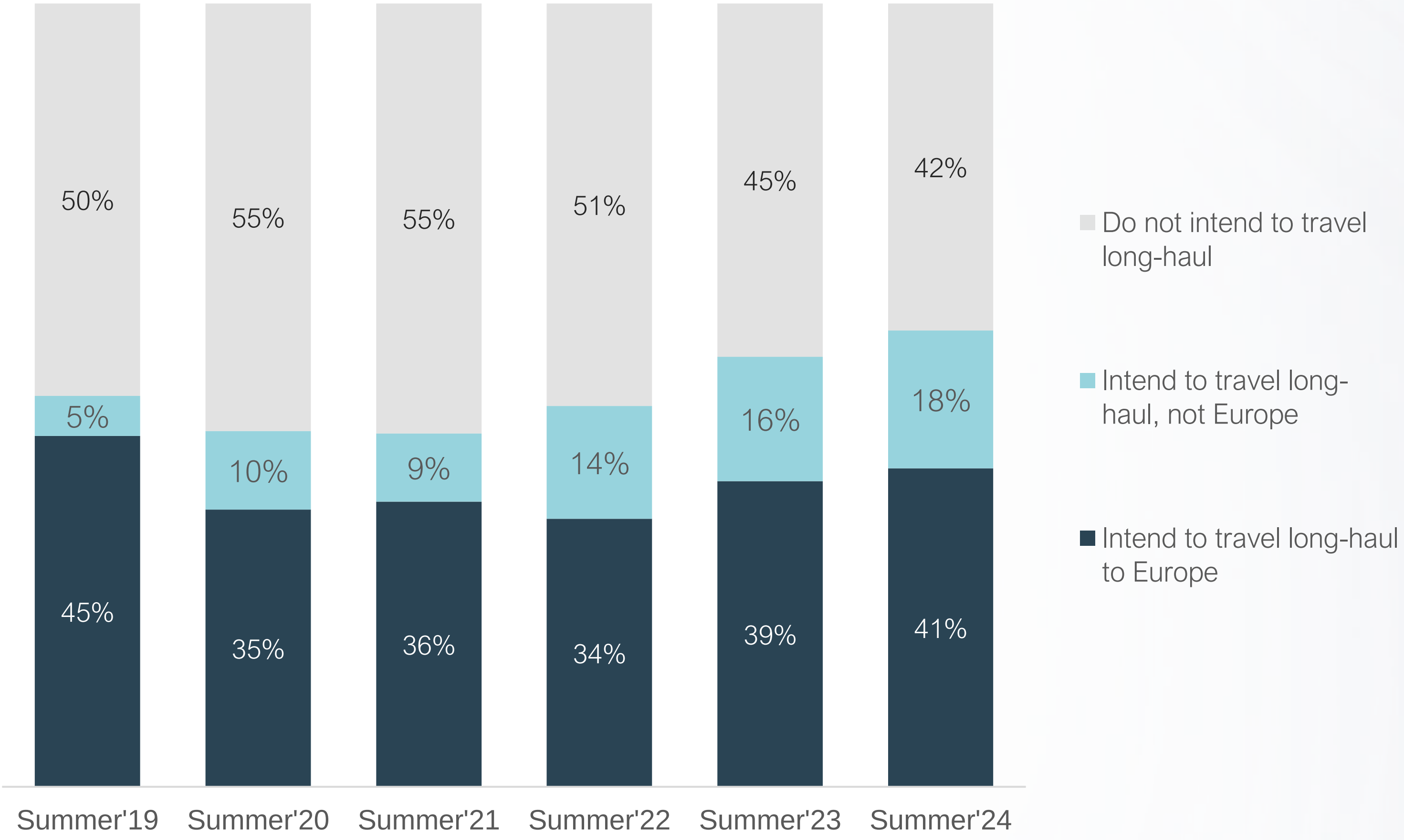
SENTIMENT FOR OVERSEAS TRAVEL

May-August 2024

SENTIMENT FOR OVERSEAS TRIPS IN SUMMER OUTPACES 2019 LEVELS

THE SENTIMENT TOWARDS EUROPE SEES MODEST YEAR-ON-YEAR CHANGES, REMAINING BELOW PRE-COVID LEVELS

Intention to travel long-haul in summer 2022-2024 *(% of respondents)*



- Sentiment for overseas travel has been on the rise since 2020. The summers of 2023 and 2024 witnessed particularly notable increases following the relaxation of administrative burdens and health concerns that previously impeded global mobility.
- While the overall trend is positive, the enthusiasm for European destinations has grown more modestly, remaining 4% down from 2019 levels. The high costs associated with trips to Europe, security concerns related to Russia's war with Ukraine, and tensions in the Middle East were mentioned by respondents as the main deterrents to visiting the region in the next months
- Despite these challenges, Europe remains the preferred destination for many people living overseas. Among surveyed markets, younger age groups (18-24 and 34-49) and high-income travellers exhibit the most positive sentiment, reflecting broader trends and economic capabilities.

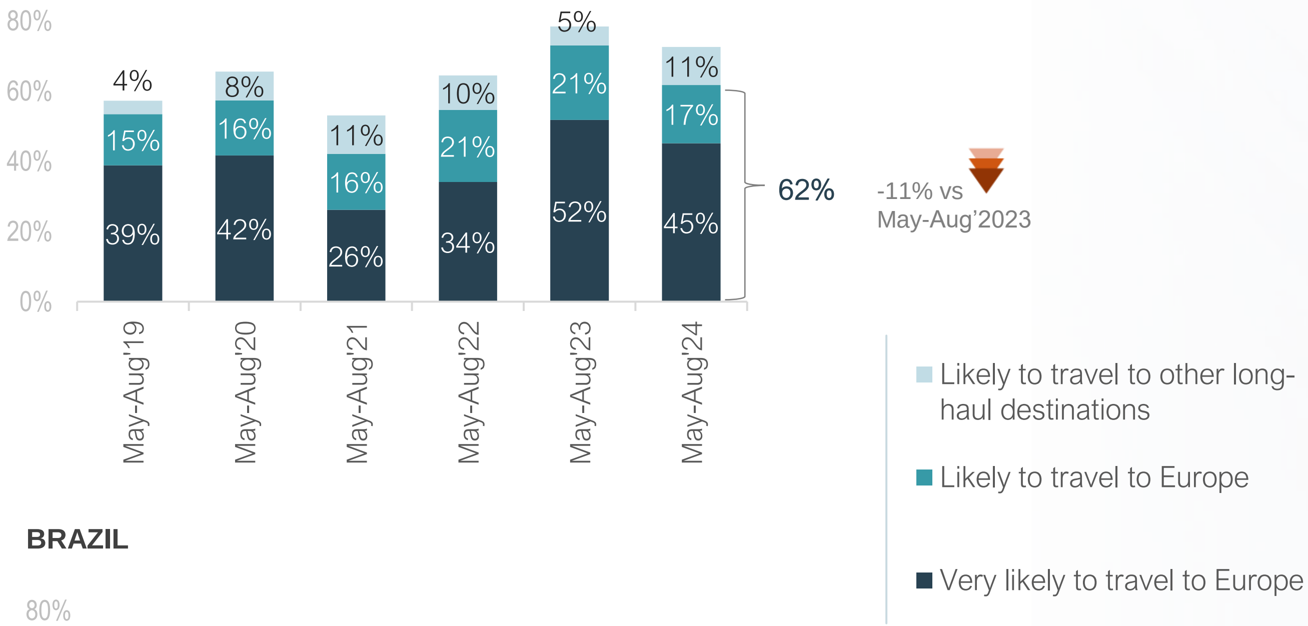
Please note that these findings highlight the overarching trend. It is imperative to examine the results at an individual market level (see the next slides), taking into account the country's specific context.

Detailed results are available to ETC members and Project partners

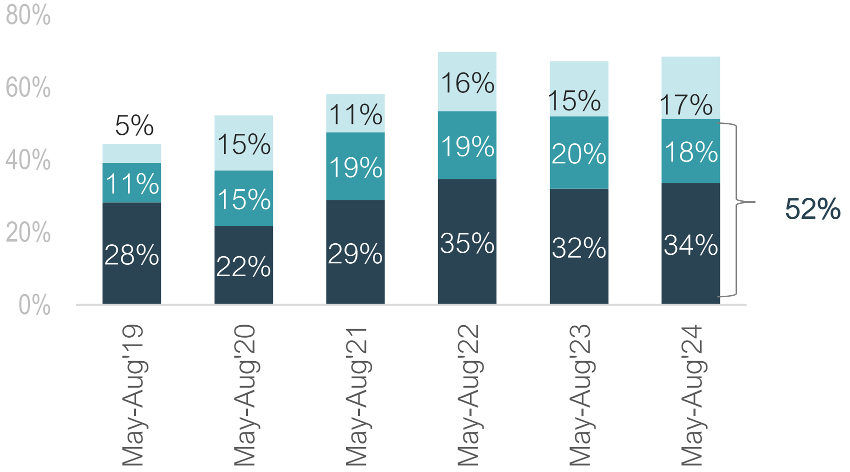
EVOLUTION OF LONG-HAUL TRAVEL INTENTIONS IN SELECTED MARKETS

The evolution of travel intentions depicts the shifts in people's desires and levels of confidence* over time

CHINA



BRAZIL



Sentiment for travel to Europe normalises in China

After the spike in Chinese travel intention during the summer of 2023, sentiment remained strong but has now reverted to somewhat more typical levels. 73% of surveyed Chinese intend to travel long-haul between May and August 2024. Among them, 62% have a European destination in mind. The strong interest in visiting Europe is mainly driven by affluent respondents in Beijing (91%), Guangzhou (85%), and Wuhan (80%).

Nevertheless, travellers in China remain particularly sensitive to political shocks. This summer, out of respondents planning overseas trips, 21% decided to avoid Europe due to concerns about the Russia-Ukraine war. Another 19% were worried about the potential impact of the Middle East tensions on the safety of travelling in Europe.

Strong travel sentiment among the wealthier Brazilians

The travel sentiment in Brazil remains buoyantly optimistic, mirroring last summer's trend. Over half of the respondents (52%) plan to visit Europe between May and August 2024, with travel enthusiasm peaking among the wealthier travellers. The positive outlook already prompts airlines to expand their routes and flight frequencies from the country later this year.

However, while the prospects are promising, cost remains a pivotal factor for Brazilian travellers. 51% of those eyeing overseas summer holidays elsewhere, revealed that the hefty price tag of European trips is a deterrent, and they plan to explore more affordable alternatives with the US (32%) and Canada (16%) emerging as top choices.

*Respondents are asked to use a slider ranging from 1 to 100 (1 - definitely not, 100 - definitely yes) to express their intention to travel to Europe in the next four months.
The category 'very likely' comprises the share of people who place the slider between 70 and 100, indicating a high level of confidence in their travel plans.

Sample: 1000 respondents per market

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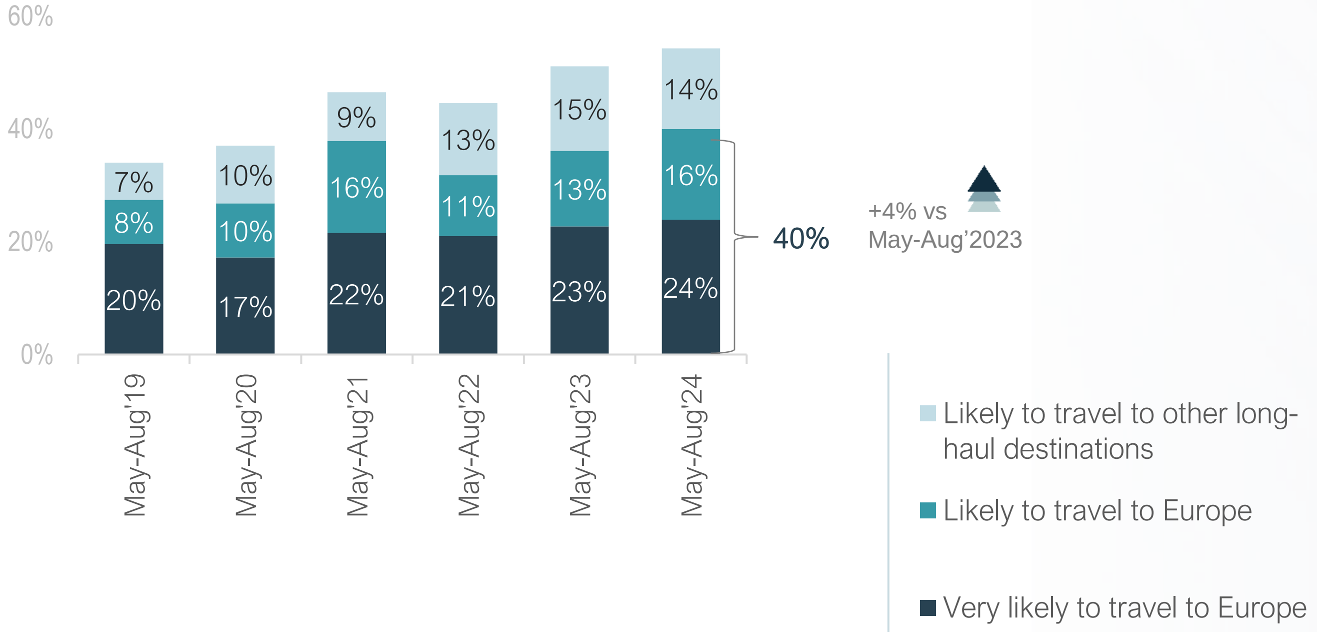
USA

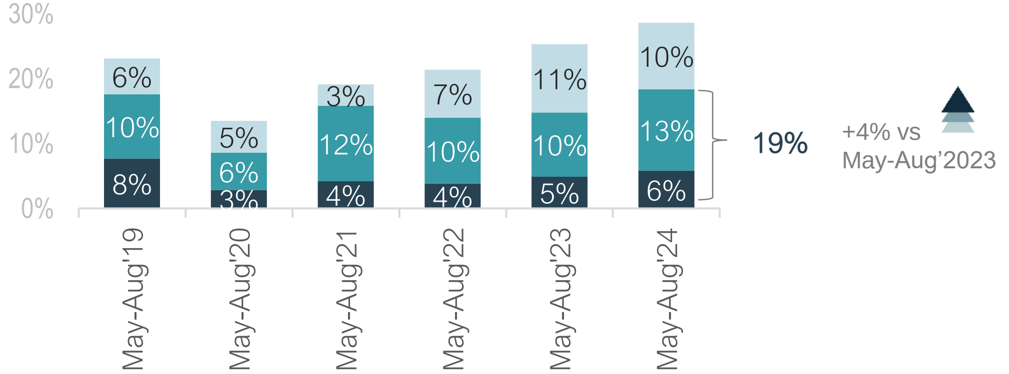


Tempered sentiment for overseas journeys in the US this summer

Long-haul travel intentions in the US have shown a modest uptick (3%) since last summer. 54% of surveyed Americans plan overseas vacations between May and August 2024, and Europe remains the first choice for 40% of them (4% increase from 2023). However, the sentiment should be interpreted with caution as the confidence level surrounding these plans is not particularly robust - only 24% of surveyed individuals expressed a strong likelihood* to travel to the region. This tempered sentiment somewhat aligns with the reported April decline in the US Consumer Confidence Index®, suggesting a degree of uncertainty among travellers.

50% of Americans opting out of European travel this summer stated financial considerations as the primary deterrent, while another 35% express interest in alternative destinations, with the Bahamas, Puerto Rico, and the Virgin Islands emerging as the most popular alternatives.

JAPAN



Japanese market grapples with lingering hesitancy

Japanese travel intentions continue to improve summer after summer, following the pandemic, albeit at a sluggish pace painting a gloomy picture for the return of travellers from this market. Only a modest 31% of the surveyed Japanese have expressed intention to travel outside East Asia in the coming months. Of this group, a noteworthy 19% have set their sights on Europe, marking a 4% increase over last summer.

Beneath the surface, the reluctance to outbound travel persists in Japan, underscored by various factors. Economic uncertainties, a weaker yen, stagnant wage growth and limited vacation time collectively tether outbound travel aspirations to lower levels.

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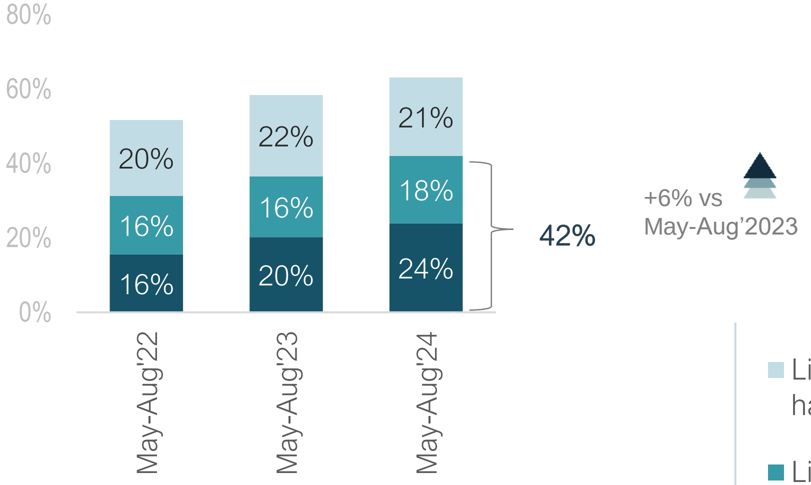
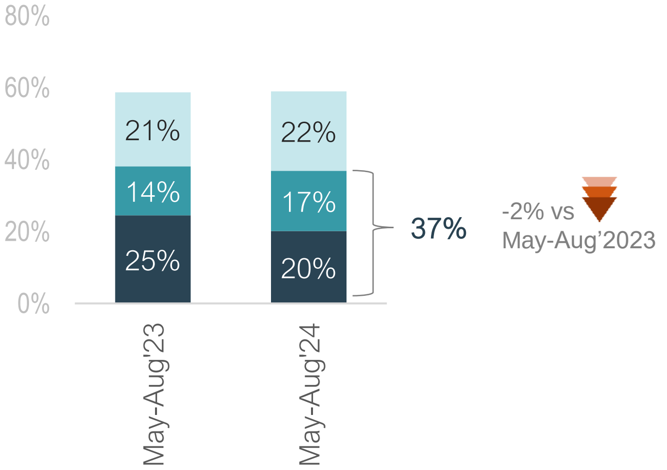
CANADA



- Likely to travel to other long-haul destinations
- Likely to travel to Europe
- Very likely to travel to Europe

AUSTRALIA



Persistent signs of optimism from the Canadian market

Canadians' enthusiasm for overseas journeys has increased consistently over the past three summers. Of the 63% of respondents planning long-distance trips in the coming months, an impressive 42% have their sights set on Europe, marking a notable 6% increase from a year ago. Travel intentions are notably pronounced among the younger Canadians aged 18-24 (58% vs 43% in the total sample) in British Colombia and Ontario. Additionally, and unlike in the other analysed markets, travel enthusiasm in Canada seems consistent among various income groups.

Despite Europe's strong appeal, Canadians also exhibit a strong interest in exploring other destinations this summer. The main argument behind their choice is the high travel costs associated with travelling to Europe. The most popular alternatives are Cuba (17%), the Dominican Republic (15%), and the Bahamas (14%).

Sentiment for long-haul travel subdued in Australia

Although the travel environment in Australia is showing signs of recovery, with more citizens reporting improved financial situations compared to last year, along with better connectivity and lower airfares, the sentiment for long-haul travel remains rather weak.

Only 37% of the Australian respondents plan trips to Europe between May and August 2024, with the share of those particularly confident in realising these plans dropping from 25% last summer to 20% now. The pressure of living costs significantly impacts travel plans, leading many to opt for shorter trips to short or mid-haul destinations or to cancel their travel plans altogether. According to ETC's latest Quarterly Report, over half of the 23 reporting European countries saw declines in Australian visitation in Q1 2024 compared to 2019, though this marked an improvement from the previous quarter. These results suggest that while long-haul travel is gradually gaining momentum, it is building slowly on the gains made in 2023. Future survey waves will provide further insights into this evolving market.

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Sample: 1000 respondents per market

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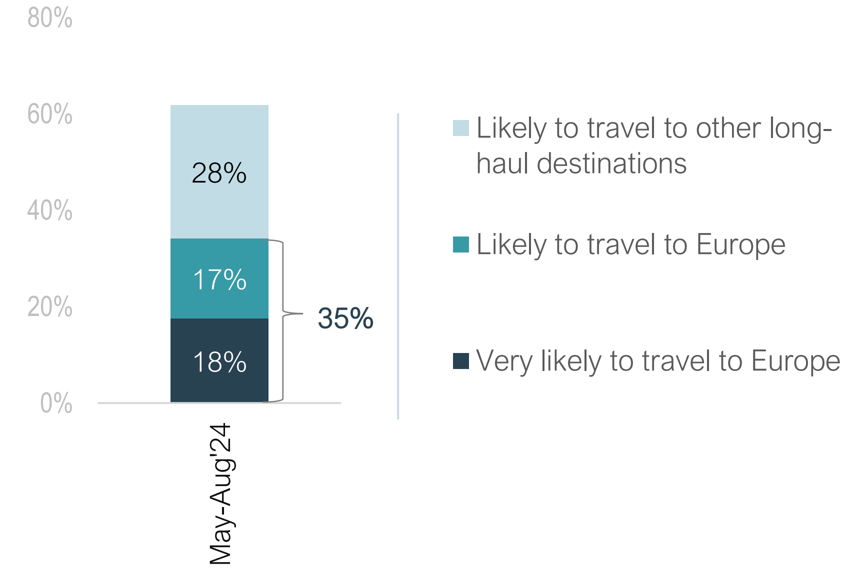
SOUTH KOREA



Moderate interest in visiting Europe observed among South Koreans

South Korea has been recently added to the Long-Haul Travel Barometer, and there is no previous data for comparison of travel intentions over time yet. However, it is worth noting that Europe is not the sole leader in Korea's destination list. 35% of respondents from this market are interested in Europe, while another 28% plan to visit other long-distance destinations, indicating strong competition for Europe in this market. The United States and Canada are among the most preferred overseas destinations for Koreans in the coming months. The planned expansion of flight routes between these destinations and South Korea provides further support for this choice.[1]

Amidst weaker consumer confidence, nearly 40% of Koreans stated that the main reasons for choosing destinations other than Europe this time are travel costs. Additionally, an impressive 32% mentioned that their limited vacation time does not allow for proper exploration of the regions

[1] https://calgary.ctvnews.ca/mobile/westjet-adding-direct-flights-between-calgary-south-korea-1.6688458?cache=rhaqqoduo?clipId=104070
https://www.businesstraveller.com/business-travel/2024/05/20/air-premia-launches-san-francisco-flights/#google_vignette

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Sample: 1000 respondents

HOW DO PEOPLE IMAGINE THEIR EUROPEAN HOLIDAY IN SUMMER 2024?

Sample of respondents **who intend to travel long-haul to Europe** between May-August 2024

Sample size per market:

Australia: 369
Brazil: 512
Canada: 420
China: 618
Japan: 184
US: 400

Total sample size: 2845

SUMMER TRENDS

DESTINATION SELECTION CRITERIA

PRICE BECOMES SECONDARY TO OTHER ESSENTIAL ASPECTS

- In the context of global events, long-haul travellers are increasingly considering safety when choosing destinations. Nearly half of the respondents now look for locations they perceive as safe, a 9% increase since summer 2022 and 6% since 2023. Meanwhile, quality tourism infrastructure remains crucial for 38% of respondents, and the appeal of places hosting iconic sights has risen by 7% since 2023, reflecting a return to pre-COVID interests.
- For the first time, stable weather conditions have been added to the survey and emerged as one of the most important criteria, prioritised by 31% of respondents. Convenience also remains a key factor in travel decisions. Having direct routes to the holiday spot is favoured by 20% of respondents, and 20% are planning further ahead by evaluating train connections between the European destinations they plan to visit.
- Notably, the importance of cost has declined to 23% in 2024, down from 27% in 2022 and 32% in 2023, indicating a shift towards prioritising quality and safety over budget consideration when travelling to Europe.

TRIP PLANNING

TRAVELLERS RELY ON EACH OTHER'S FEEDBACK AND SEARCH ENGINES

- The various digital tools remain a very important element in planning journeys. A relatively large share of the respondents planning to visit Europe in the next months shared to get inspiration and information for their trips from travel websites with user-generated content and feedback (45%) and by simply browsing through different search engines (42%). Not surprisingly, navigation tools, such as online maps, are also considered important by 35% of respondents. These come in particularly handy for optimising travel times while being on multiple-destination trips.

PREFERRED TRANSPORT SERVICES

AIR PREFERRED FOR INTERNATIONAL TRIPS, RAIL LEADS IN DOMESTIC JOURNEYS

- A significant 67% of long-haul travellers plan multi-country trips in Europe, with 51% preferring full-service airlines to move from one country to another. Train passes follow and are considered by 30% of respondents for their flexibility and cost. Additionally, low-cost airlines (29%) and single/return train tickets (24%) have been the choice of budget-conscious travellers and those who prefer direct routes.
- Meanwhile, 21% of respondents planning a Europe trip will visit just one country but intend to explore several cities within it. Single/return train tickets are the most popular choice for domestic trips, preferred by 32% for their efficiency and convenience over short to medium distances. Rented cars are favoured by 29%, offering flexibility and freedom to explore at one's own pace, while the train passes, chosen by 20%, provide a cost-effective option for extensive travel within a country.

SUMMER TRENDS

BUDGET & LENGTH OF STAY

EXTENDED STAYS WITH MID-RANGE BUDGETS

- As the travel landscape evolves, a trend towards more cautious in-destination spending has emerged. The share of respondents planning mid-range budgets (€100-€200) has risen to 31% today (+8% vs 2019), while the segment of travellers planning to spend over €200 per person per day decreased to 34% (-4% vs 2019)
- Regardless of the tighter budgets, there seems to be a growing preference for longer vacations. One to two-week trips remain the most common choice for 57% of respondents, but their popularity has declined by 4% since 2019. This change has made room for more extended trips lasting beyond two weeks, which have increased from 13% in 2019 to 21% in 2024.

EXPERIENCES TO TRY WHILE IN EUROPE

CULTURE & HISTORY ARE THE MAIN APPEAL FOR NEWCOMERS AND RETURNING VISITORS

- 53% of the respondents planning to visit Europe this summer are repeat visitors, while 47% are first-time comers. While both groups share a similar prioritisation of experiences, nuances emerge in the intensity of their interests.
- For repeat visitors, results reveal a desire for more immersive and relaxed experiences, as indicated by their heightened interest in cultural landmarks, history, city life, and the concept of "slow travel." The increasing prominence of luxury shopping among repeat visitors also suggests a desire for indulgent experiences, possibly indicating a higher disposable income or a preference for high-end leisure activities.
- On the other hand, first-time travellers show a keener interest in exploring Europe's culinary landscape and engaging in nature-based activities, revealing a desire for authentic experiences and a curiosity about the local culture and environment.

ATTITUDES TOWARDS TRAVELLING TO AND WITHIN EUROPE

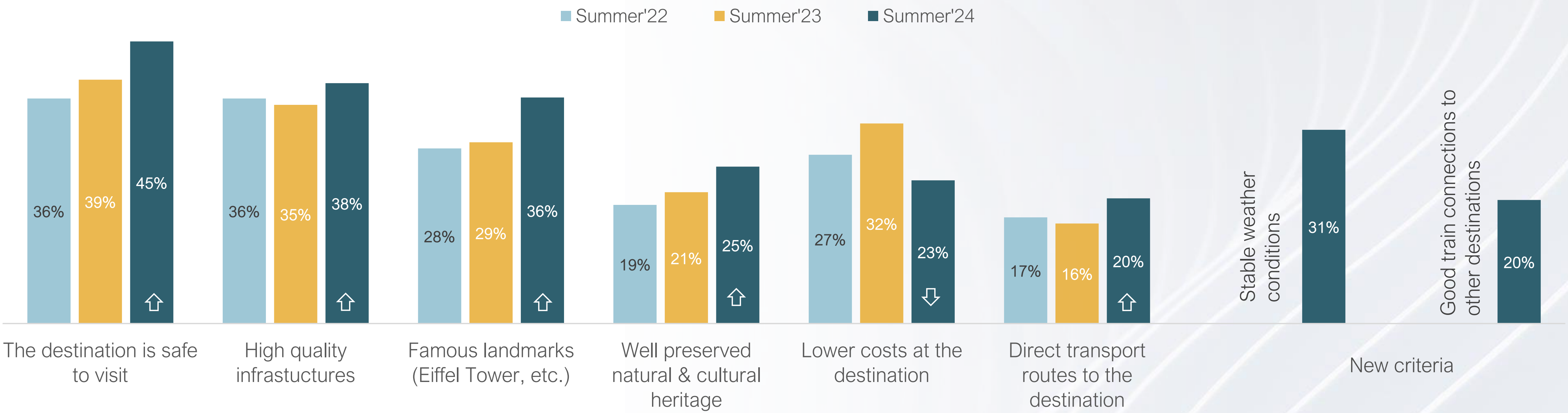
TRAVELLERS ARE DIVIDED BETWEEN PRICE, CONVENIENCE AND TAKING A RESPONSIBLE CHOICE

- 53% of respondents are receptive to the idea of visiting Europe during off-peak periods as it offers cost savings and more intimate experiences at major attractions. When it comes to the destination, however, people are less flexible - 61% say that they are drawn to popular European destinations with established infrastructure and renowned attractions.
- In terms of consumption of services, half of the respondents are eager to prioritise local businesses, while another half will stick to familiar accommodations, restaurants and shopping brands. Environmental concerns, though important, are taking a backseat as 66% of respondents share plans to prioritise transportation comfort and efficiency over carbon footprint.

SAFETY IS A PARAMOUNT FACTOR IN TRAVELLERS' DESTINATION CHOICE

WELL-DEVELOPED INFRASTRUCTURE AND ICONIC SITES MAINTAIN A GROWING IMPORTANCE, WHILE PRICE BECOMES SECONDARY TO OTHER ESSENTIAL ASPECTS

Most important criteria for choosing a holiday destination in Europe (% of respondents)

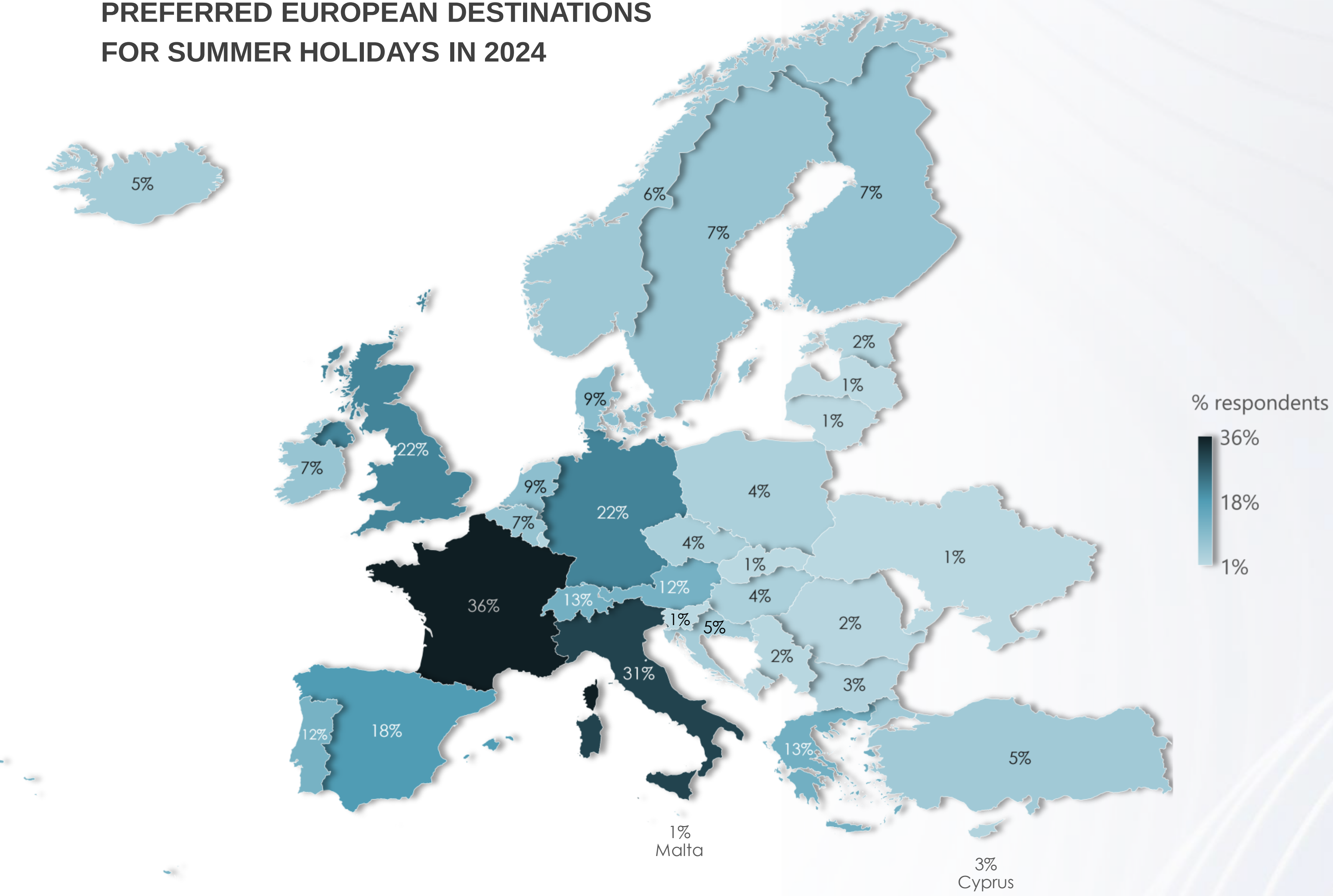


Sample of respondents planning to travel to Europe, N=2845

TRAVEL WEBSITES AND ONLINE SEARCH ENGINES LEAD THE DIGITAL PLANNING LANDSCAPE

WHERE TO?

PREFERRED EUROPEAN DESTINATIONS FOR SUMMER HOLIDAYS IN 2024



Most popular countries

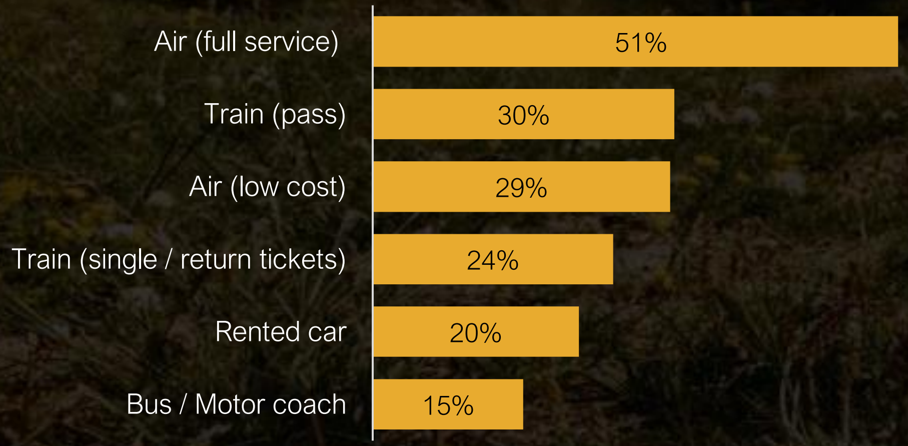
France	36%
Italy	31%
Germany	22%
United Kingdom	22%
Spain	18%
Greece, Switzerland	13%
Austria, Portugal	12%
Denmark, Netherlands	9%
Belgium, Finland, Ireland, Sweden	7%

67% OF LONG-HAUL TRAVELLERS PLAN MULTIPLE-COUNTRY TRIPS

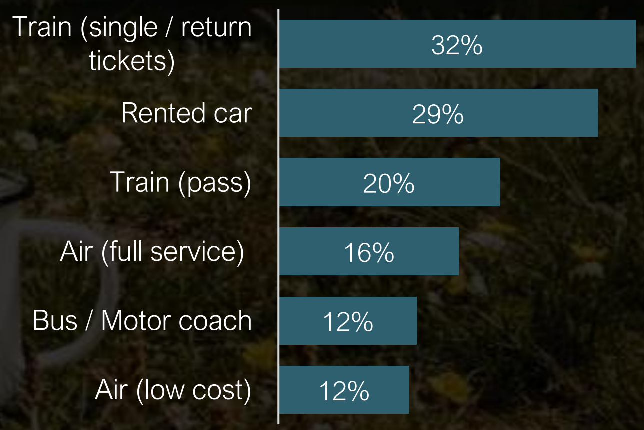
21% INTEND TO VISIT ONE COUNTRY AND EXPLORE SEVERAL CITIES WITHIN IT

AIR TRAVEL PREFERRED FOR INTERNATIONAL TRIPS, RAIL TRAVEL LEADS IN DOMESTIC JOURNEYS

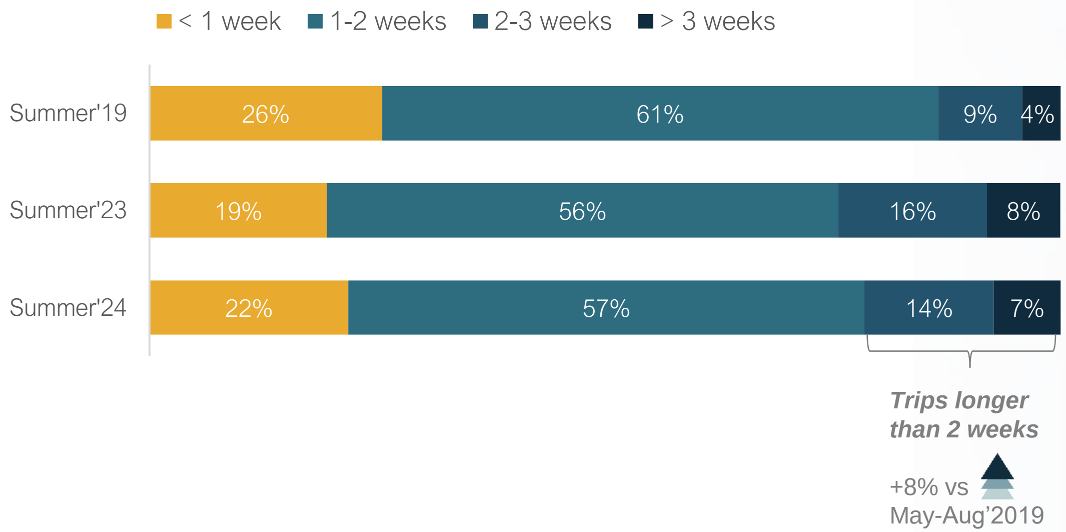
Preferred services to travel between countries



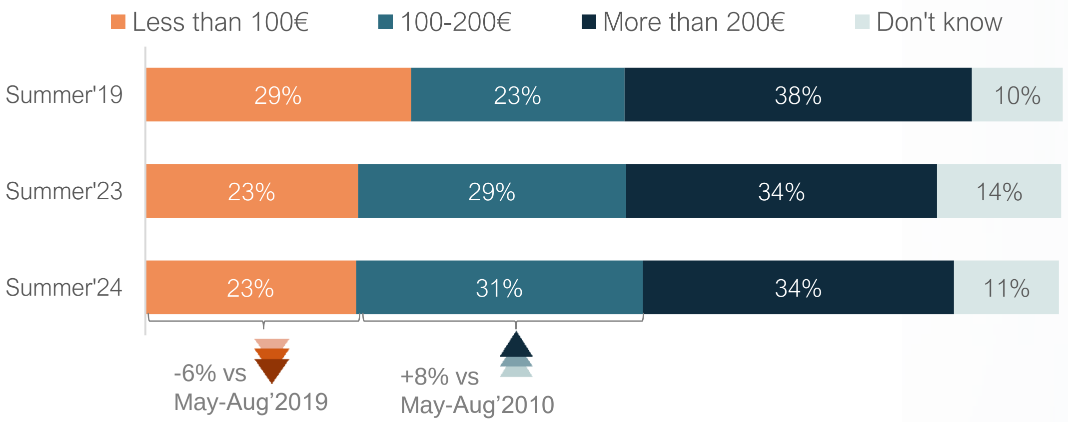
Preferred services to travel within a country



Length of stay



Daily budget



EXTENDED SUMMER STAYS WITH MID-RANGE BUDGETS

57% OF OVERSEAS TRAVELLERS PLAN TO SPEND 1-2 WEEKS IN EUROPE THIS SUMMER, WITH THE MAJORITY (65%) AIMING FOR A DAILY BUDGET OF AT LEAST 100 EUR PER DAY

These questions were excluded from the survey in 2020 and reintroduced in 2023 (i.e. data for 2020, 2021 and 2022 is not available)

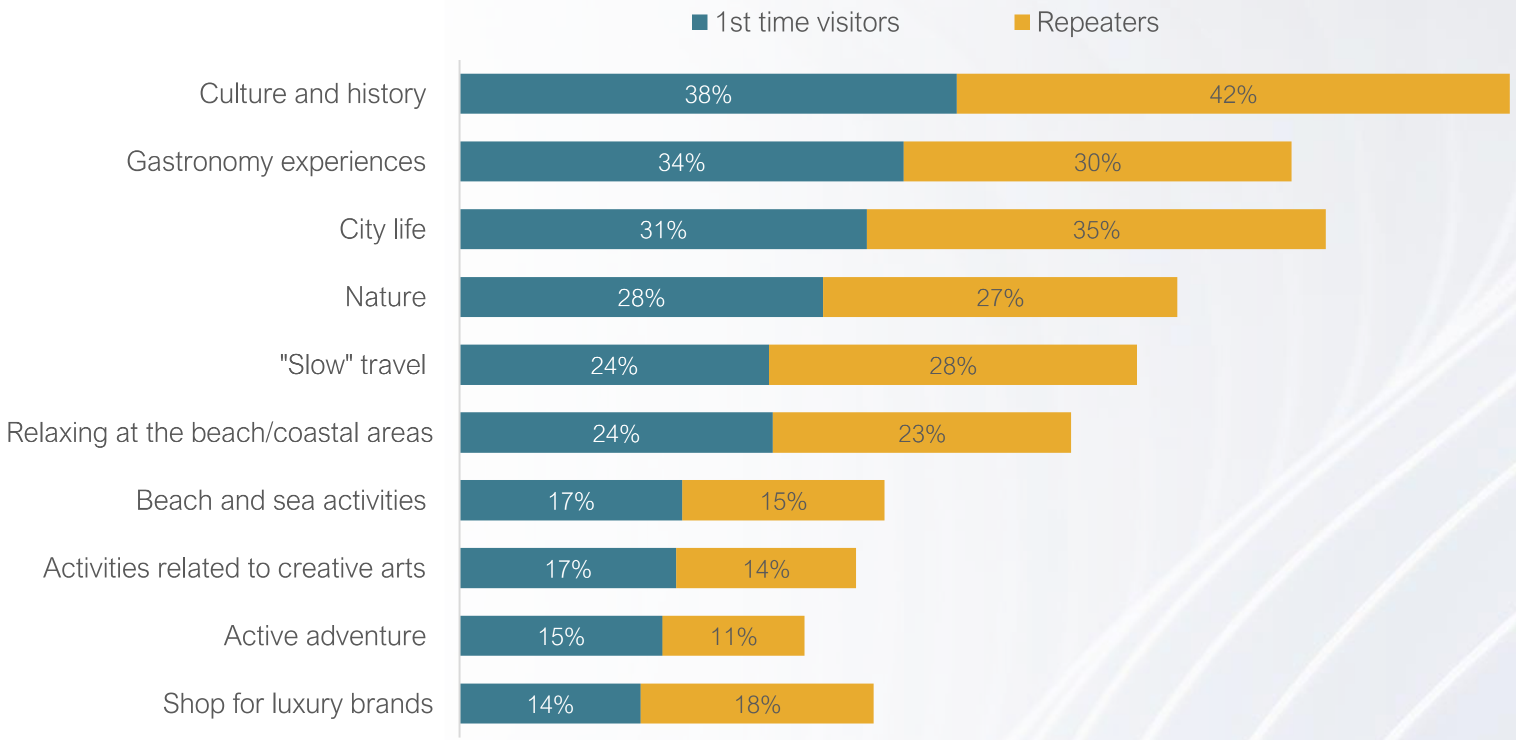
53%
REPEAT VISITORS

47%
FIRST-TIME VISITORS

EUROPE OFFERS A COMPELLING TRAVEL EXPERIENCE THAT ENCOURAGES MANY TRAVELLERS TO RETURN*

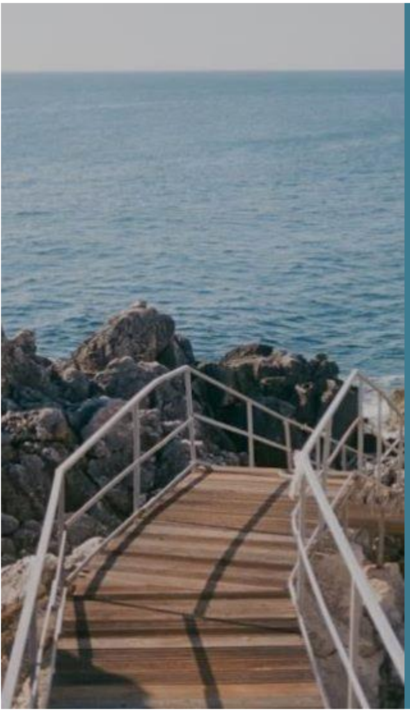
THE RICH CULTURE AND HISTORY STAND OUT AS THE MAIN APPEAL FOR NEWCOMERS AND RETURNING VISITORS

Most wanted types of activities



*53% of the respondents planning to visit Europe this summer will be repeat visitors, and 47% will be visiting the region for the first time for the first time.

PROSPECTIVE TRAVELLERS OPEN TO OFF-PEAK VISITS TO EUROPE FOR BETTER PRICES AND SMALLER CROWDS…. BUT WITHOUT SKIPPING KEY ATTRACTIONS



OFF-PEAK SEASON 53%

I'm more open to travelling during the shoulder months for potentially better deals and fewer crowds.

OFF-THE-BEATEN PATH 39%

I'm drawn to exploring hidden gems and off-the-beaten-path locations for a more unique travel experience.

47% PEAK SEASON

I prefer to travel during peak season when there's the most activity and guaranteed good weather.

61% POPULAR DESTINATIONS

Well-known European destinations with established infrastructure and attractions appeal to me the most.

HALF OF THE RESPONDENTS WILLING TO PRIORITISE LOCAL BUSINESSES OVER FAMILIAR BRANDS. CONCERNS RELATED TO THE ENVIRONMENT TAKE A BACKSEAT

CHOOSE LOCAL 50%

I enjoy immersing myself in the local culture, so I prefer to support small and local businesses for accommodation, shopping, experiences, and food.

LIMITING CO2 34%

Limiting my carbon footprint is a priority, so I'm willing to choose eco-friendly transportation options like trains or buses, even if it takes longer.

50% CHOOSE FAMILIAR

When travelling long-haul, I prioritise convenience and familiarity, so I would rather stick with established brands for accommodation and other services.

66% COMFORT AND SPEED

While environmental impact is a consideration, prioritising comfort and efficiency in transportation will be more important when I travel.

LONG-HAUL TRAVEL BAROMETER

BECOME A PROJECT PARTNER!

The primary goal of the project is to anticipate short-term travel intentions in long-haul markets that are key for the European tourism industry.

This initiative offers interested partners the opportunity to investigate in detail the motivations and barriers to travel in long-haul source markets and ask specific questions relevant to the present context.

Contact us if you are interested to learn more about the project and the cooperation opportunities.