LONG-HAUL TRAVEL BAROMETER 1/2024

TRAVEL HORIZONS: JANUARY- DECEMBER & JANUARY- APRIL

eurail

EUROPEAN TRAVEL COMMISSION

LONG-HAUL TRAVEL BAROMETER

METHODOLOGY

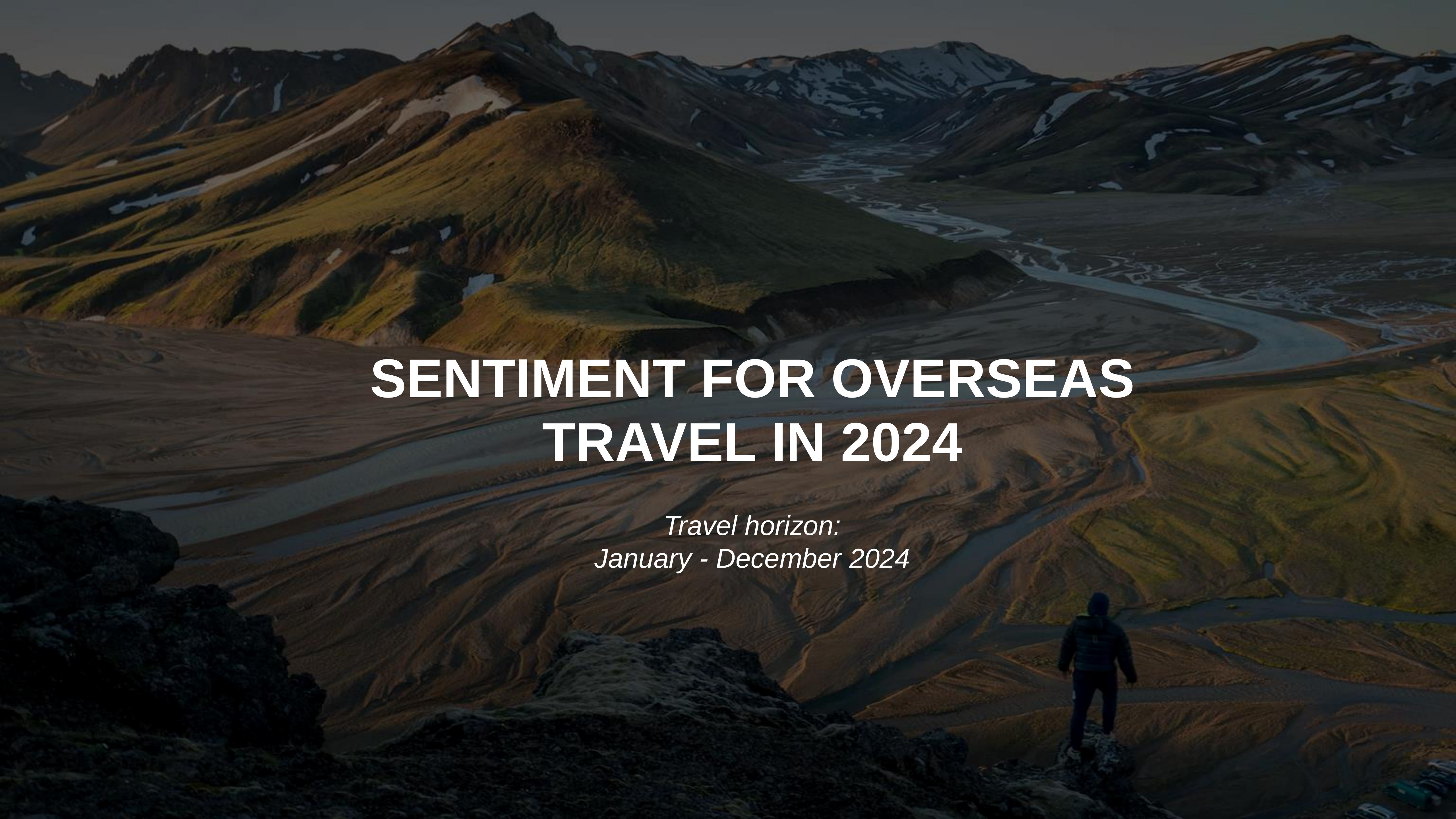
- **Target -** Potential travellers from Australia, Brazil, Canada, China, Japan, South Korea (**New Market!**) and the US.
- **Method** – 1,000 online interviews with national representatives (18-70 years old), per market, per wave.
- **Frequency:** Interviews are conducted 3 times per year and provide 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 January-December 2024 (12 months horizon) and January-April 2024 (4 months horizon)
- The fieldwork was conducted in December 2023

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: MMGY TCI Research



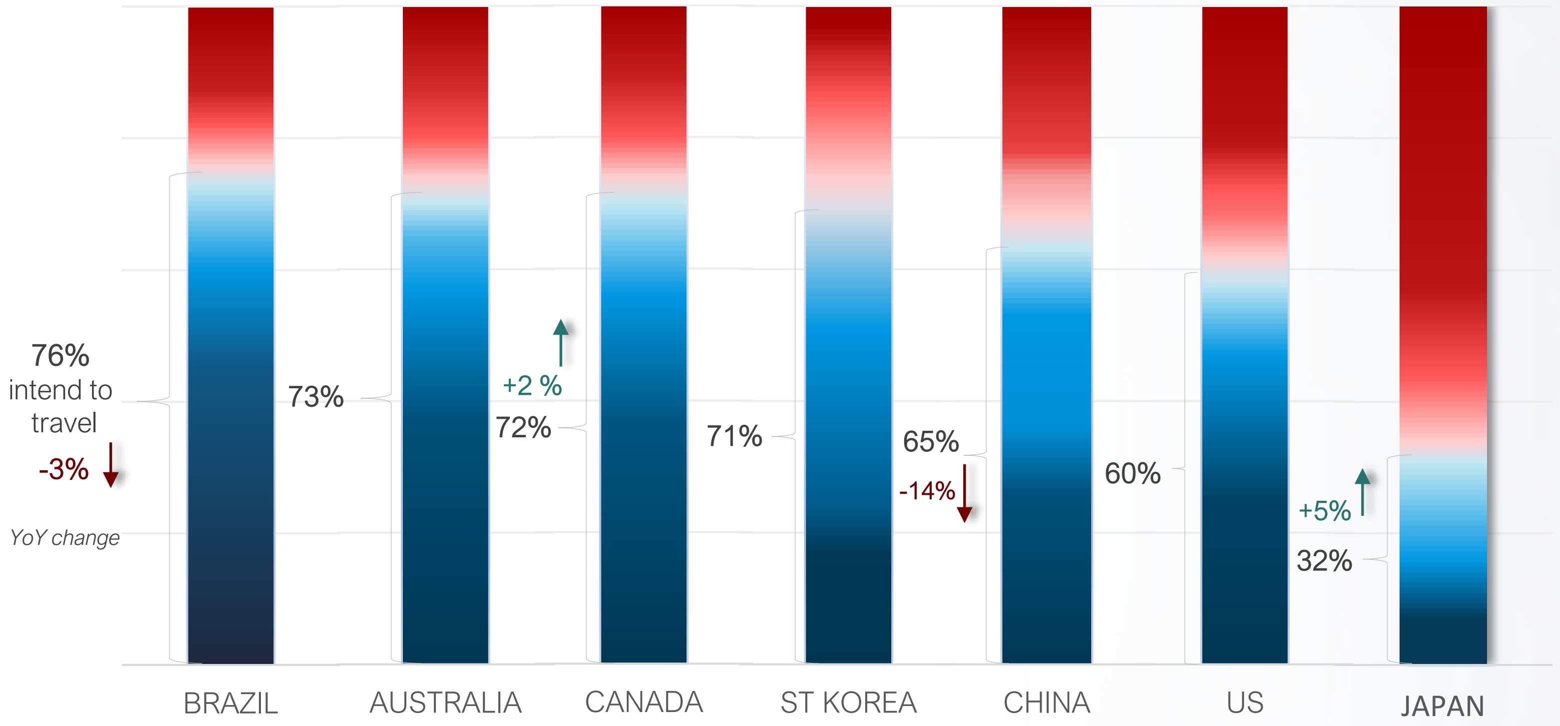
SENTIMENT FOR OVERSEAS TRAVEL IN 2024

Travel horizon:
January - December 2024

LONG-HAUL TRAVEL INTENTIONS FOR 2024 MAINTAIN POSITIVE TRAJECTORY, MATCHING LEVELS REPORTED IN 2023

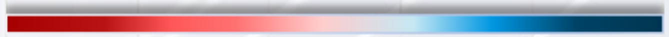
In 2024, intentions for overseas trips are generally positive across the studied markets, with particularly high levels of positivity among Brazilians, Australians, Canadians, and Koreans. While these findings largely align with last year's results, there is a positive shift in Japan, where an additional 5% of respondents now express an intention to travel long-haul. In contrast, China stands out as the only market witnessing a significant 14% decrease in the number of individuals planning long-distance travel in 2024.

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



Respondents are asked to use a slider ranging from 1 to 100 to express their intention to travel long-haul in 2024. A rating of 1 indicates a definite negative response, while a rating of 100 signifies a definite positive response.

Do you plan to travel outside your region of residence in the next 12 months, either for personal or professional purposes?



Definitely not (1) *Definitely (100)*

Sample: 1000 respondents per market

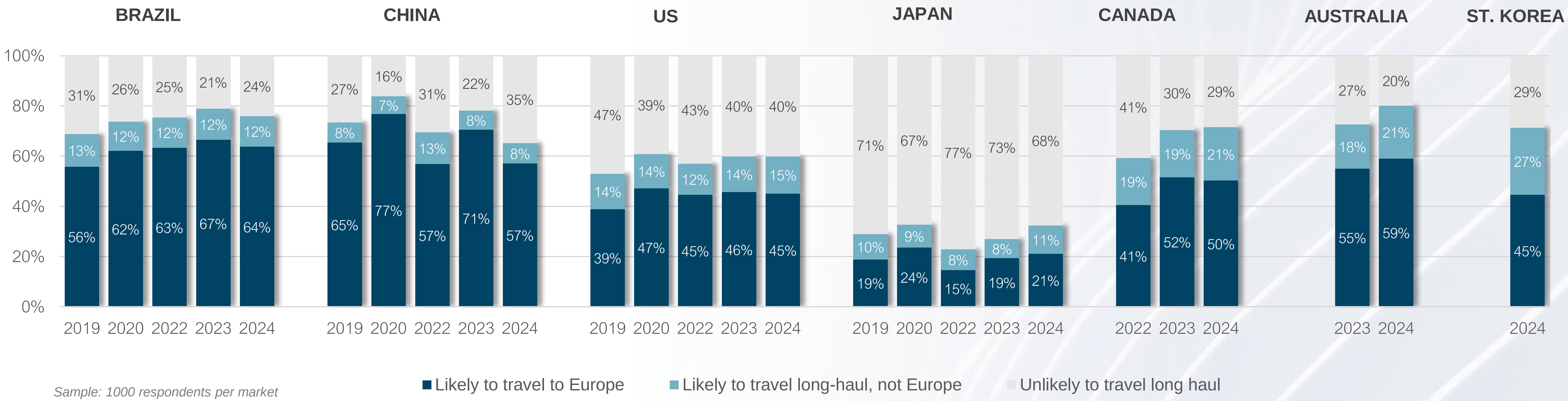
EUROPE MAINTAINS ITS STRONG POSITION AMIDST HIGH COSTS AND TRAVELLERS' CURIOSITY ABOUT OTHER WORLD REGIONS

Despite a general inclination towards travelling to Europe in 2024, the survey reveals a notable 14% decrease in Chinese respondents expressing interest in visiting the region compared to the previous year. Unlike in other markets, China's weakening interest in Europe is not primarily driven by concerns over high travel costs or growing interest in other world regions. Instead, it is influenced by factors such as limited vacation time and a preference for intra-regional travel (see next page). The high travel costs are also cited as a deterrent by the Chinese, but only 20% of respondents (compared to 36% for the whole sample) express apprehension about them.

A different trend emerges in South Korea, where close to half of respondents (45%) are optimistic about travelling to Europe this year, but another significant group (27%) displays a keen interest in exploring non-European destinations. Popular choices include nearby locations like Japan, Vietnam, Thailand, and Singapore. The most frequently cited reasons for bypassing Europe in 2024 include concerns regarding high travel costs, limited vacation time, and a curiosity about other global regions.

Canadian and Australian respondents also exhibit a comparatively higher interest in exploring destinations outside of Europe. Canadians often orient towards Caribbean destinations, while Australians lean towards Southeast Asian and North American locations.

Evolution of long-haul travel intentions to Europe and other regions (% of respondents)

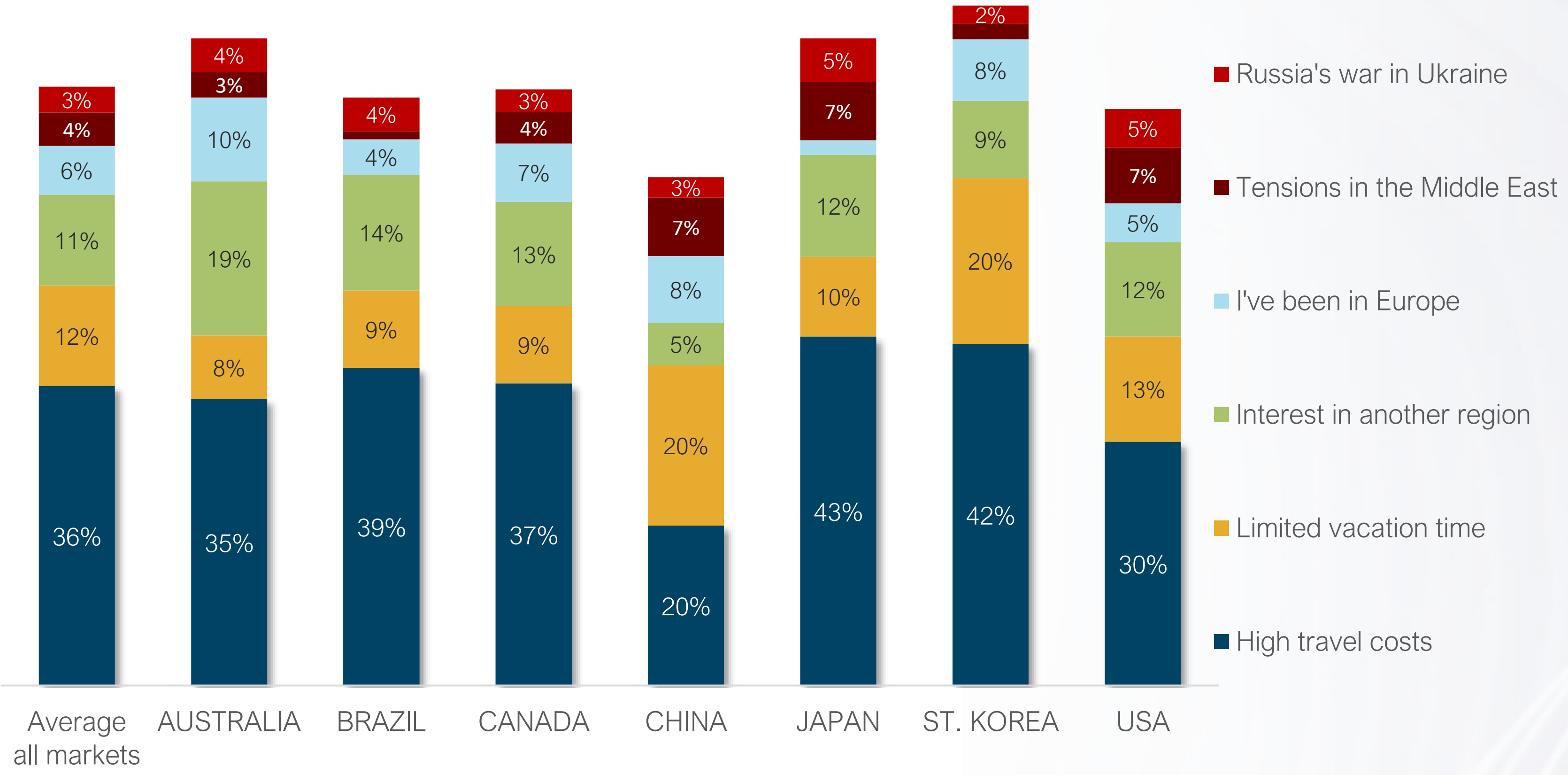


Sample: 1000 respondents per market

THE OBSTACLES TO TRAVEL TO EUROPE IN 2024 VARY ACROSS THE WORLD

AT THE FOREFRONT OF CONCERNS, A SUBSTANTIAL 36% OF ALL RESPONDENTS REFERRED TO THE HIGH TRAVEL COSTS

Barriers to travel to Europe in 2024 (% of respondents)



Sample of respondents planning to travel long-haul in 2024 but not to Europe, N=1153

Markets observations

- Concerns about elevated travel costs are prevalent across all markets but vary in intensity. Japan and South Korea express heightened apprehension compared to others.
- The issue of limited vacation time looms large in China and South Korea, hindering their consideration of a European journey.
- Australians and Brazilians distinguish themselves with a notably higher interest in exploring regions beyond Europe,.
- Worries over geopolitical tensions in the Middle East and Ukraine exhibit divergent levels across countries. Yet, travellers from China, Japan, and the US appear slightly more wary of the potential consequences these conflicts may have in Europe, affecting their overall experience there.

DESTINATION SELECTION CRITERIA 2024

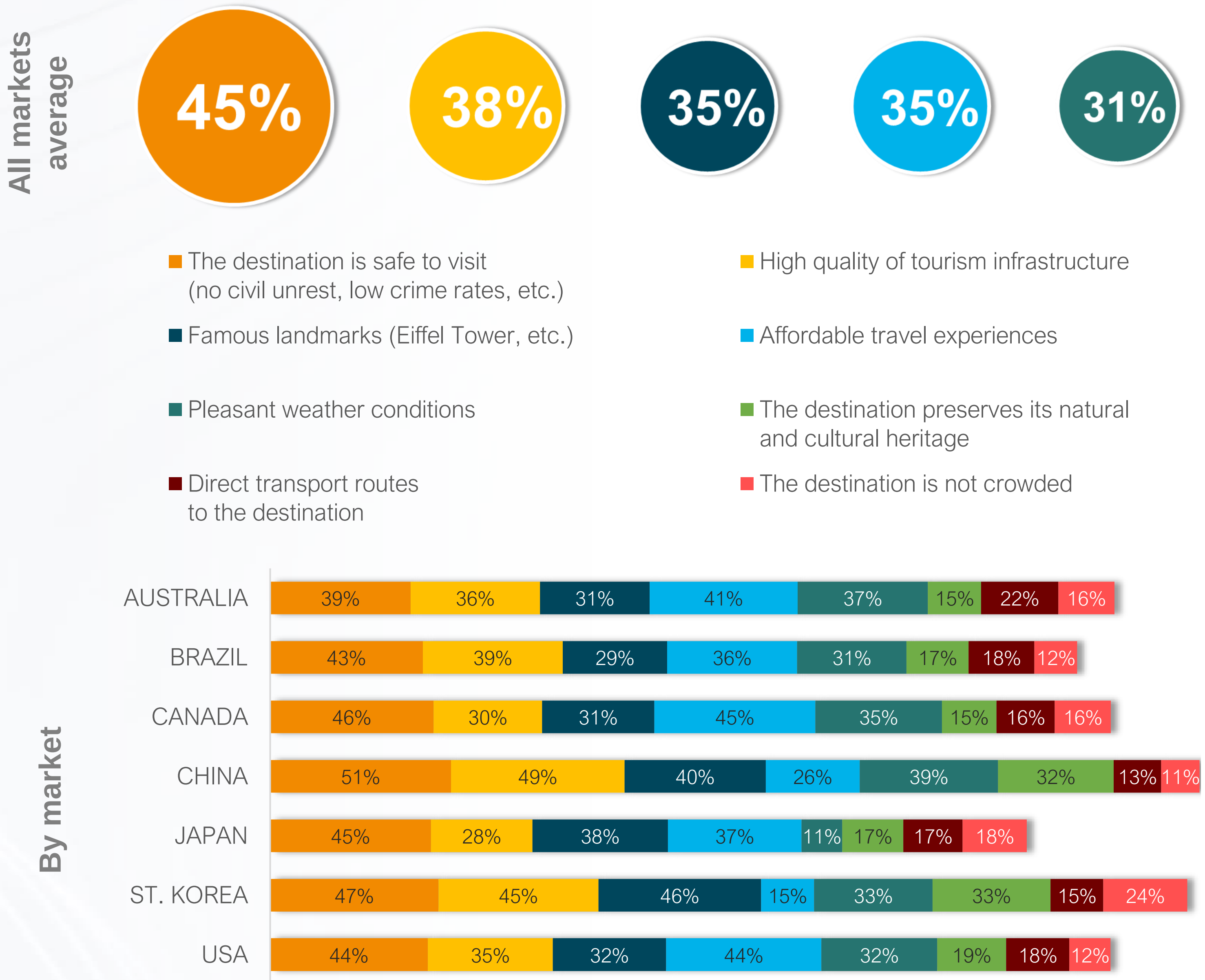
European destinations that offer safety, iconic attractions and well-established facilities are expected to attract overseas travellers through 2024. When looking beyond these criteria, a few additional group patterns emerge:

Affordability-focused markets: Canada, the US, and Australia stand out as leading markets, placing a strong emphasis on affordability. Canadians led the charge, with a significant 45% prioritising budget-friendly travel experiences, surpassing the average of 35%. Japan and Brazil have also embraced the focus on affordability, recording percentages of 37% and 36%, respectively.

Climate-driven: China and Australia emerge as climate-driven markets, showcasing a shared appreciation for pleasant weather conditions at 39% and 37%, respectively.

Preservation-oriented: Koreans and Chinese demonstrate a stronger consideration for destinations actively preserving their natural and cultural heritage. Above-average percentages (33% and 32%, compared to 21% for the whole sample) indicate that these travellers appreciate the efforts made by destinations to maintain their authenticity. Moreover, Koreans express a strong preference (24%) for destinations that are not overcrowded, showcasing a dual concern for preservation and a desire for more intimate travel experiences.

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



Sample of respondents planning to travel to Europe in 2024, N=3410

SENTIMENT FOR OVERSEAS TRAVEL IN EARLY 2024

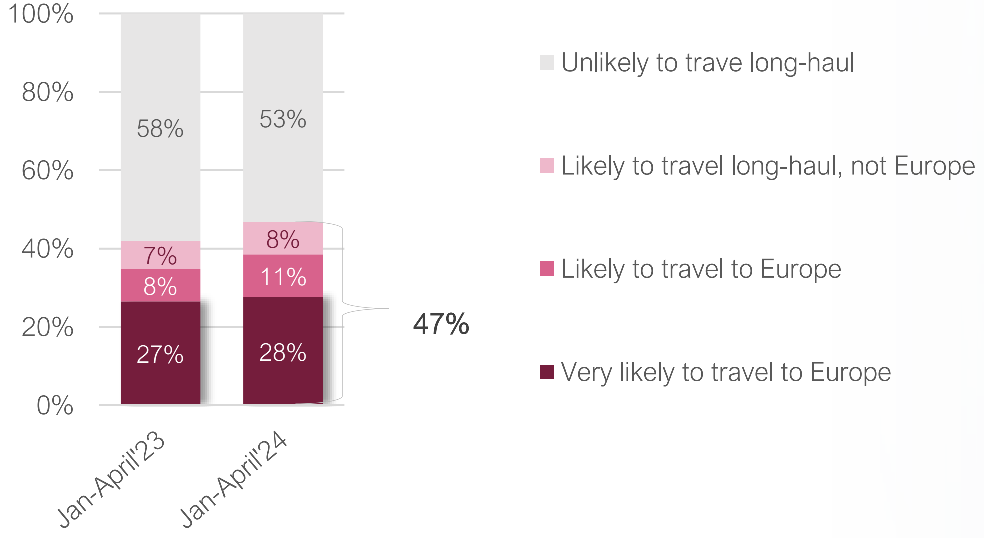
Travel horizon:
January - April 2024

AUSTRALIAN MARKET
Travel horizon: January - April 2024

The sentiment of Australians towards overseas travel during January-April has seen a slight 5% increase compared to a year ago. However, it remains somewhat subdued, with less than half of respondents expressing intentions to embark on overseas journeys. Consumer confidence within this market continues to lean towards pessimism due to the surge in the cost of living and persistently high inflation, reducing people's spending power and desire to travel. Nevertheless, the expectations for economic growth in 2024 may be realised and have a positive impact on this market dynamics.

For Australians intending to visit Europe in the first four months of 2024, approximately one in three plan to travel with their spouse or family, including children under 18 years of age. Notably, of all analysed markets, Australians plan the most extended trips (see page 16). Around half of them are considering exploring Europe for over two weeks, with an itinerary covering approximately three countries. France, Italy, Austria, and Germany are the top considerations for these extended journeys.

Evolution of long-haul travel intention



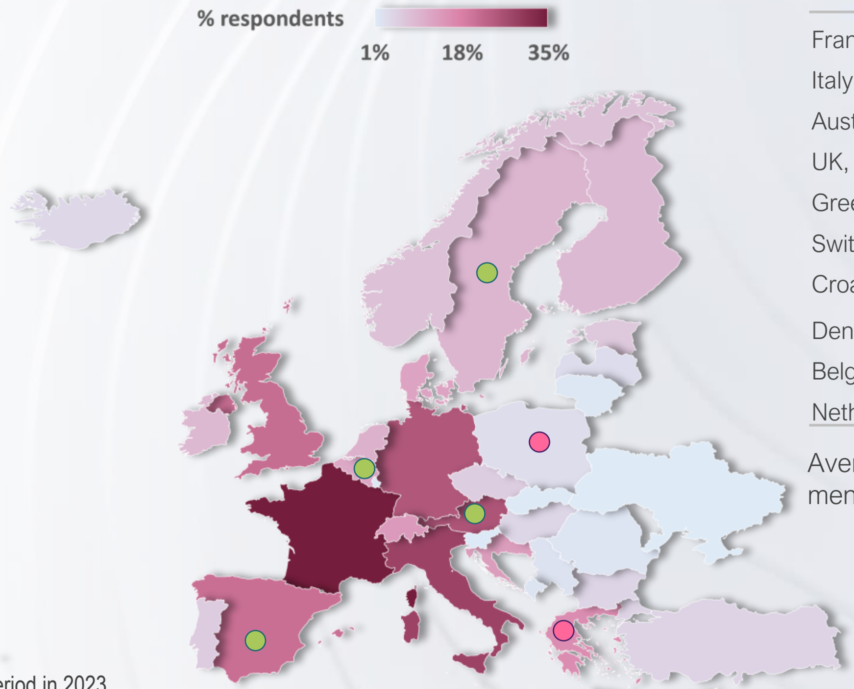
Travel companion

34% of Aussies plan to travel to Europe with a spouse

32% with a family with kids under 18 y.o.

16% solo travel

Preferred destinations



Top destinations

France	35%
Italy	28%
Austria, Germany	25%
UK, Spain	21%
Greece	16%
Switzerland	14%
Croatia	13%
Denmark	12%
Belgium	11%
Netherlands	10%

Average number of countries mentioned for the next trip

3.4

A significantly higher lower number of Australian respondents consider this destination for a trip between January-April 2024 compared to the same period in 2023.

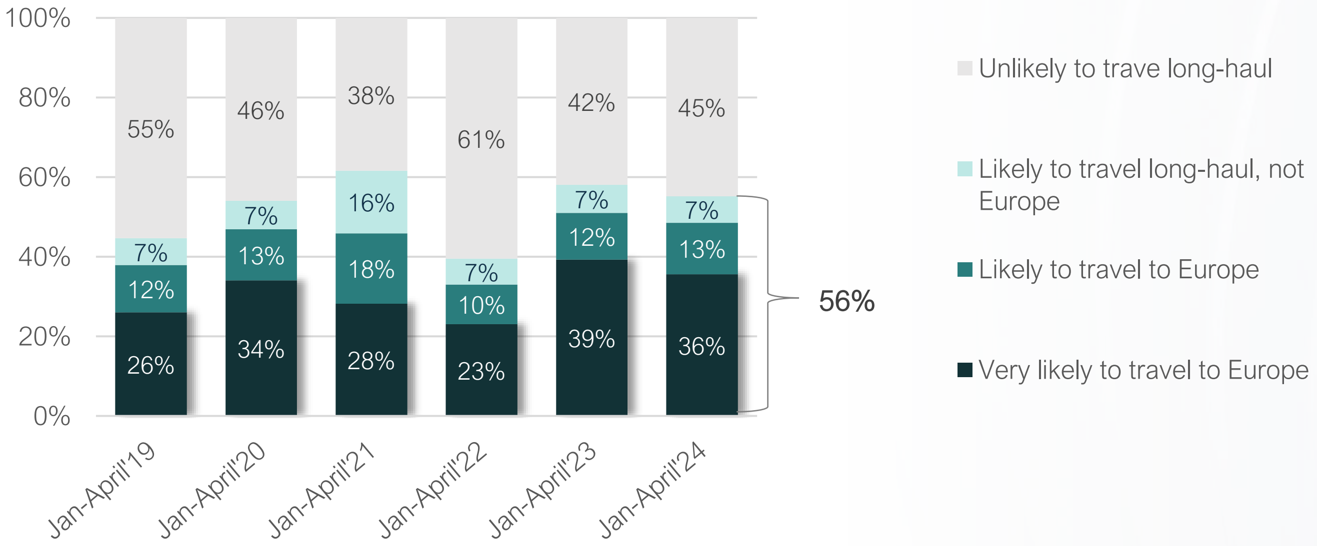
BRAZILIAN MARKET
Travel horizon: January - April 2024

With a resilient economy and consumer confidence soaring towards the end of 2023, travel sentiment in Brazil remains strong entering 2024, with 56% of respondents planning long-distance journeys between January and April. Of them, 49% have a European destination in mind.

The positive sentiment towards Europe is mainly driven by younger respondents (under the age of 50) with higher incomes. The top countries of interest for Brazilians include France, Portugal, Italy, and Spain, while the preferred travel companion to explore these destinations is the significant other (40%).

Brazilians arriving in Europe in the next months will likely seek high-end experiences, as 50% of them consider a daily budget exceeding 200 euros per person (see page 16). Among the myriad of offerings in Europe, Brazilians are mostly drawn to the fascinating blend of culture and history (46%), including exploring historical sites, visiting monuments and museums or attending cultural events. And with almost the same interest (41%), they want to indulge in culinary adventures, savouring local delicacies.

Evolution of long-haul travel intention



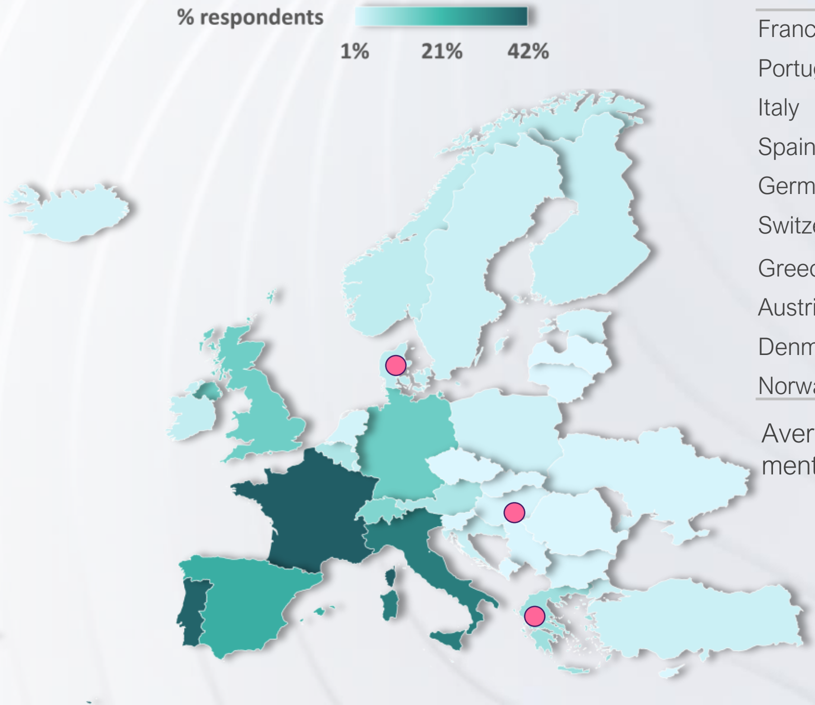
Travel companion

40% of Brazilians plan to travel to Europe with a spouse

25% with a family with kids under 18 y.o.

17% solo travel

Preferred destinations



Top destinations

France	42%
Portugal	41%
Italy	35%
Spain	24%
Germany, UK	15%
Switzerland	13%
Greece	9%
Austria, Belgium	7%
Denmark	5%
Norway, Ireland, Finland	4%

Average number of countries mentioned for the next trip

2.7

A significantly lower number of Brazilian respondents consider this destination for a trip between January - April 2024 compared to the same period in 2023.

CANADIAN MARKET

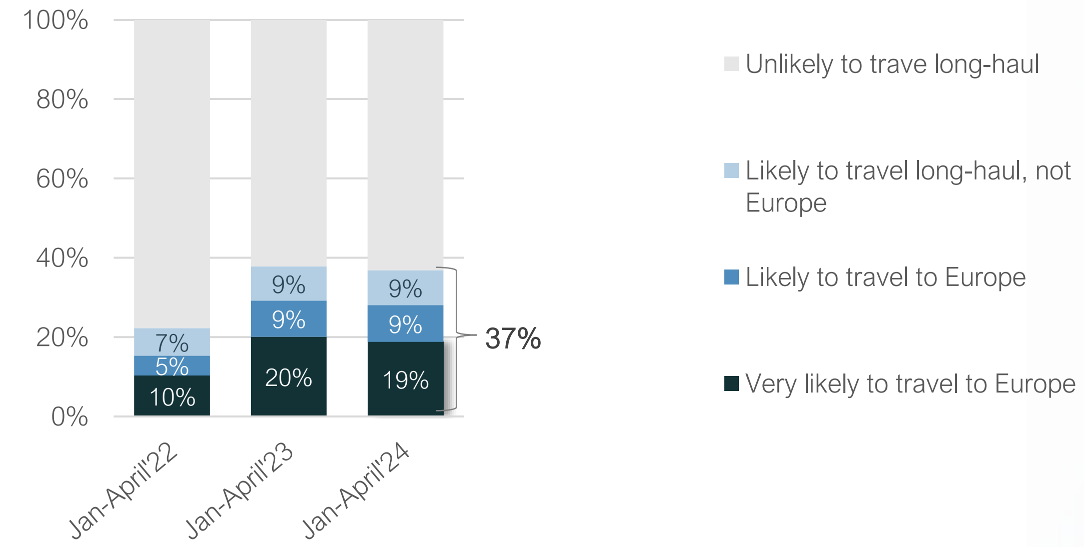
Travel horizon: January - April 2024

While many Canadians are optimistic about travelling long-haul in 2024, only 37% of those surveyed consider making the trip in the first few months of the year. Inflation across the Canadian economy continues to impact consumers' confidence and cause them to cut back spending on things they enjoy, like travel. For example, 36% of respondents who said they would not be travelling to Europe between January and April cited high travel costs as the main reason.

Despite this, there are still many Canadians who are planning European getaways in the next months, and the majority of them (58%) are eyeing the months of March and April. The most popular duration for trips during this period is one to two weeks (see page 16) and usually includes visits to three different countries, providing a dynamic and varied travel experience.

What draws Canadians to Europe is its rich history and cultural heritage (40%), diverse city life (36%), and slow travel opportunities (31%). These experiences are attractive to both first-time and repeat visitors, but interestingly, those who return have shown an even stronger interest in visiting historic sites, museums, and cultural events (46% compared to 32% first-time visitors), suggesting a high level of satisfaction among travellers with what Europe has to offer.

Evolution of long-haul travel intention



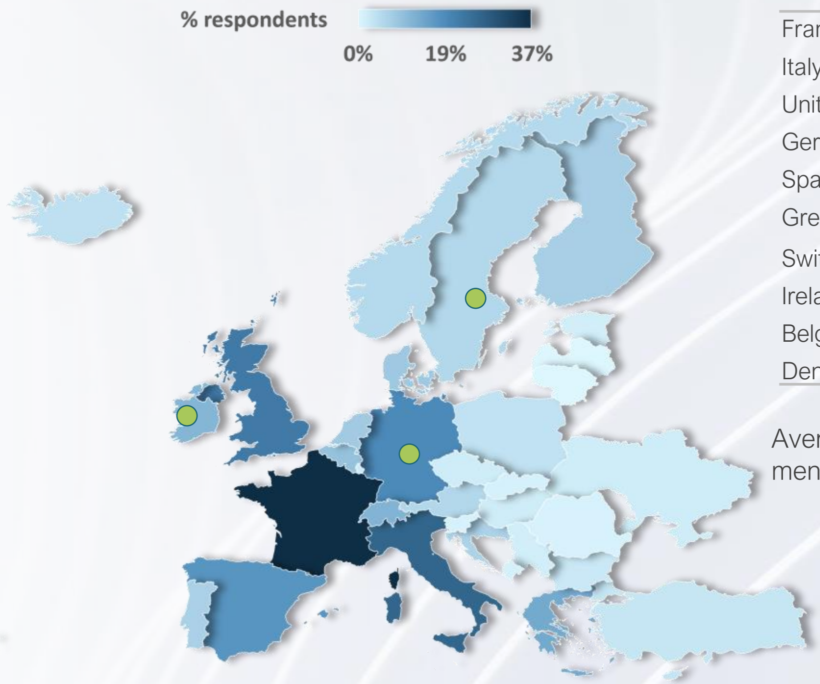
Travel companion

41% of Canadians plan to travel to Europe with a spouse

19% solo travel

15% with a family with kids under 18 y.o.

Preferred destinations



Top destinations

France	37%
Italy	26%
United Kingdom	22%
Germany	19%
Spain	17%
Greece	14%
Switzerland	12%
Ireland	11%
Belgium	9%
Denmark, Netherlands	8%

Average number of countries mentioned for the next trip

2.8

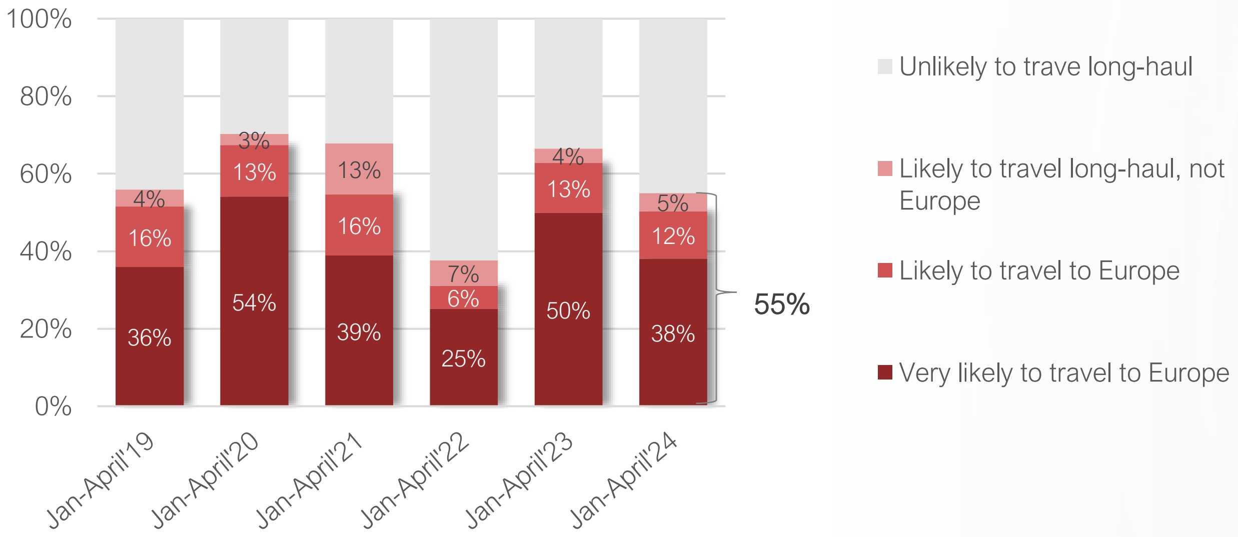
A significantly ● higher number of Canadian respondents consider this destination for a trip between January-April 2024 compared to the same period in 2023.

CHINESE MARKET
Travel horizon: January - April 2024

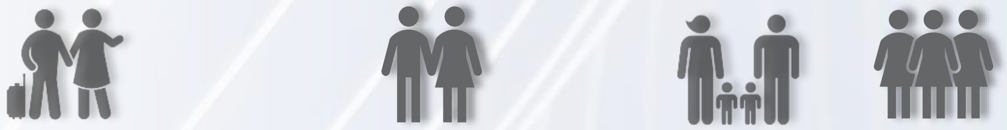
The initial excitement of China's reopening last year has now died down, and the desire for overseas trips has returned to the levels seen pre-pandemic. A closer look at the trend shows that the decrease in people's intentions to travel long-distance is mainly related to Europe (-14% over last year). When delving into the reasons for avoiding travel to Europe, 17% of respondents mentioned limited vacation time. Additionally, financial concerns (15%) associated with trips to the region further elucidate the strong preference for domestic and intra-regional travel reported by 16% of respondents. Furthermore, several Southeast Asian countries have recently implemented favourable visa policies for Chinese travellers, positioning themselves as strong competitors for Europe in terms of market shares.

Nevertheless, half of the surveyed Chinese remain confident about travelling to Europe between January and April 2024, with sentiment being notably higher among citizens in Beijing, Shanghai, and Guangzhou. Those planning European visits in the coming months aim for a stay of one to two weeks and a daily budget of more than 200 euros per person (see page 16), indicating an inclination towards high-quality tourism products and services. Interest in multi-destination travel is also back, as Chinese travellers plan to visit an average of four destinations during their next European trip - the highest number among all markets. While the top destinations remain the same, there is a growing interest in exploring other destinations like Sweden, Norway, Portugal, and Poland.

Evolution of long-haul travel intention



Travel companion



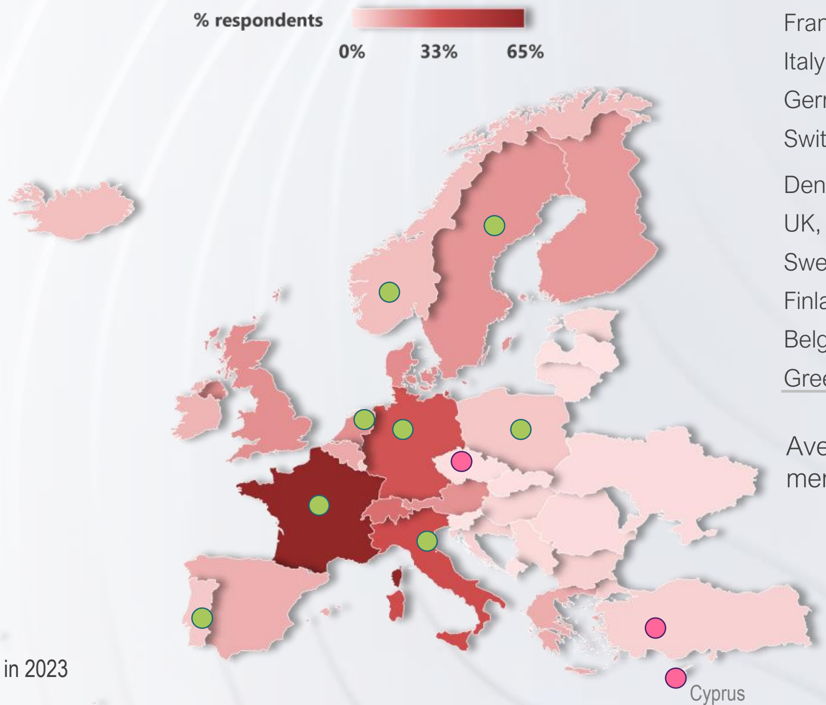
53% of Chinese plan to travel to Europe with a spouse

29% with a family (adults only)

11% with a family with kids under 18 y.o.

11% with friends

Preferred destinations



Top destinations	
France	65%
Italy	33%
Germany	31%
Switzerland	25%
Denmark	19%
UK, Netherlands, Austria	18%
Sweden	17%
Finland	16%
Belgium	13%
Greece, Spain	12%

Average number of countries mentioned for the next trip

3.9

A significantly ● higher ● lower number of Chinese respondents consider this destination for a trip between January-April 2024 compared to the same period in 2023

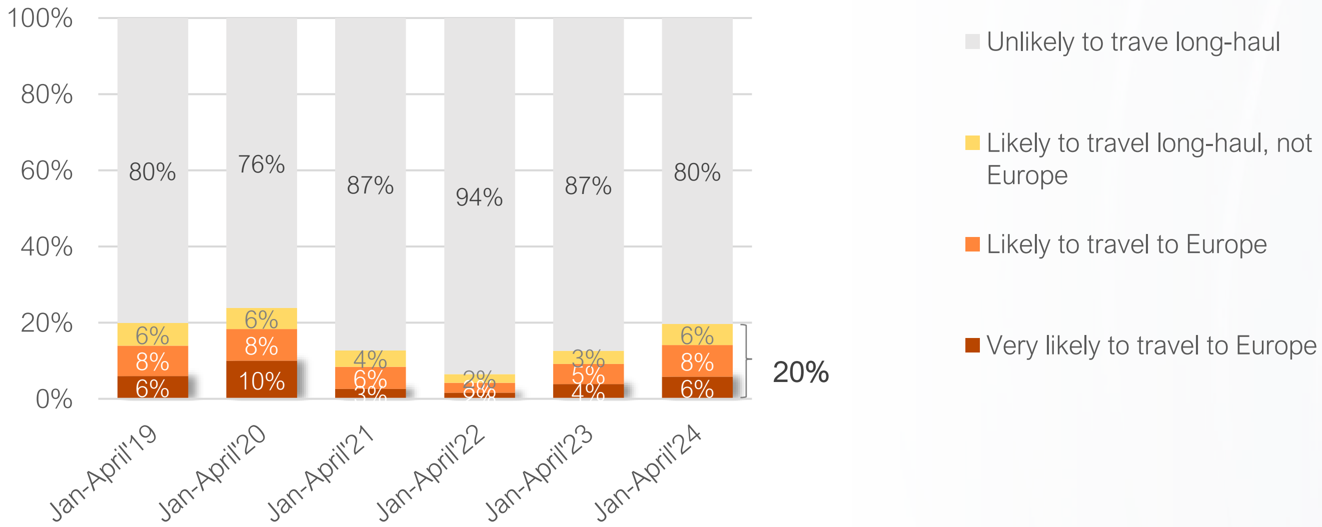
JAPANESE MARKET
Travel horizon: January - April 2024

The recovery of Japan's outbound travel remained weak in 2023, and these survey results do not outline a different trend for the first months of 2024. Of all surveyed Japanese, only 20% are open to considering overseas trips in January –April.

Despite some positive economic indicators being recorded in Japan (e.g. GDP growth and decreasing unemployment in 2023), many citizens are unhappy with their current situation. Though their wages have increased, the cost of living has risen faster, making it difficult to afford spending on non-essentials. Travel experts also note that the dramatic drop in the value of the yen since the start of the COVID-19 pandemic has made travelling to some overseas destinations twice as expensive for Japanese compared to pre-pandemic times. Another crucial factor related to the shrinkage in Japanese outbound travel is the decline in the number of passport holders in the country, which dropped from 25% in 2019 to 17% in 2022, as many passports that expired during the pandemic are believed to have not been renewed.

When looking at the factors that would make the Japanese more comfortable to plan overseas travels, particularly to Europe, a clear trend emerges. Half of them express a desire to visit the region when their financial situation improves, while almost two-thirds (30%) would feel more at ease once the situation between Russia and Ukraine is less strained. Additionally, 26% mention that enticing deals and bargains would activate their desire to visit the region in the future.

Evolution of long-haul travel intention



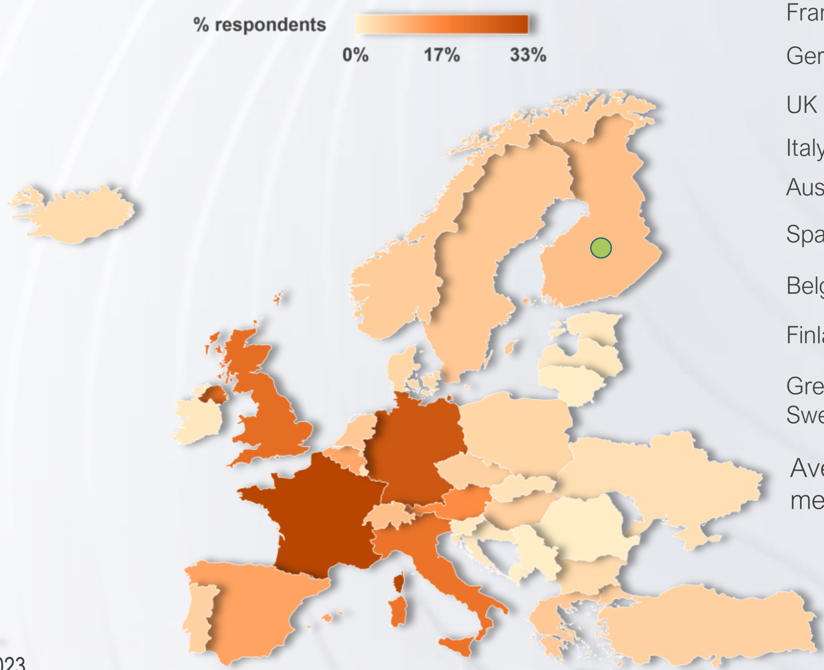
Travel companion

28% of Japanese plan to travel to Europe with a spouse

22% solo travel

17% with a family with kids under 18 y.o.

Preferred destinations



Top destinations	
France	33%
Germany	28%
UK	23%
Italy	21%
Austria	16%
Spain	12%
Belgium	11%
Finland, Switzerland	8%
Greece, Netherlands, Sweden	6%

Average number of countries mentioned for the next trip

2.7

A significantly 🟢 higher number of Japanese respondents consider this destination for a trip between January - April 2024 compared to the same period in 2023.

ST KOREA - NEW MARKET

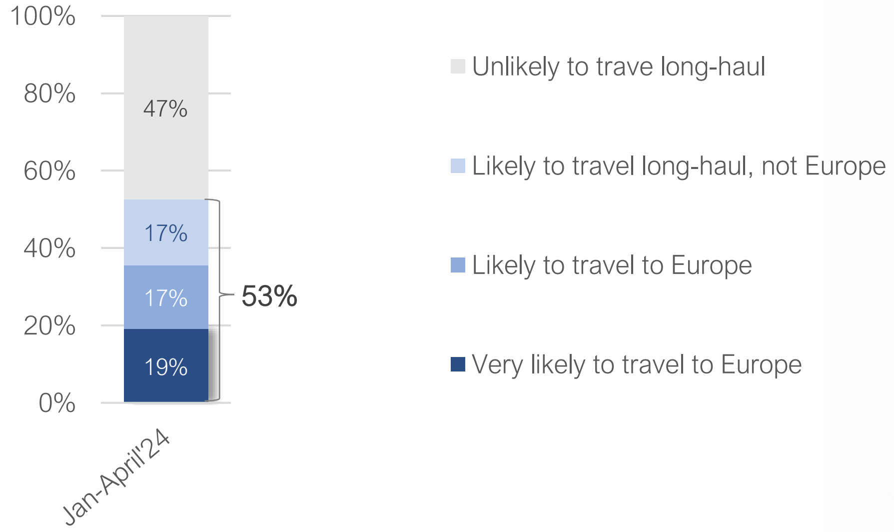
Travel horizon: January - April 2024

The Korean economy is showing signs of improvement thanks to moderating inflation, export recovery, and stable interest rates. As a result, Korean consumers feel more optimistic about their financial prospects and are eager to travel. Notably, over half of the Koreans surveyed expressed openness to overseas travel between January and April 2024, with Europe standing out as the preferred choice for 36% of them. The positive sentiment towards Europe is driven by affluent Koreans in the 18-34 and 35-49 age groups, primarily from Seoul and Busan.

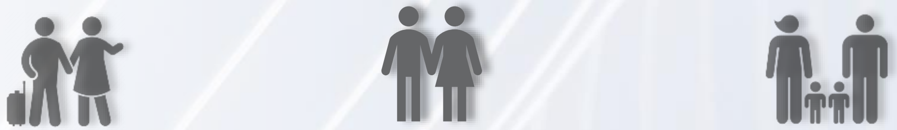
Koreans are known as foodies, and a substantial 48% of them plan to include the theme of gastronomy in their next European holiday. Furthermore, their curiosity strongly extends to exploring Europe's rich culture and history (49%) and immersing themselves in the vibrant city life (36%).

In pursuit of these enriching experiences, Koreans are keen on prioritising destinations they perceive as safe and with robust tourism infrastructure (both at 48%). The presence of famous landmarks also plays a crucial role in their destination decision-making (45%). In addition, what sets Koreans apart is their careful consideration of the actions that destinations take to preserve their natural and cultural heritage. A significantly higher share of Koreans (35%) prioritise this aspect when selecting a destination than in any other market.

Evolution of long-haul travel intention



Travel companion

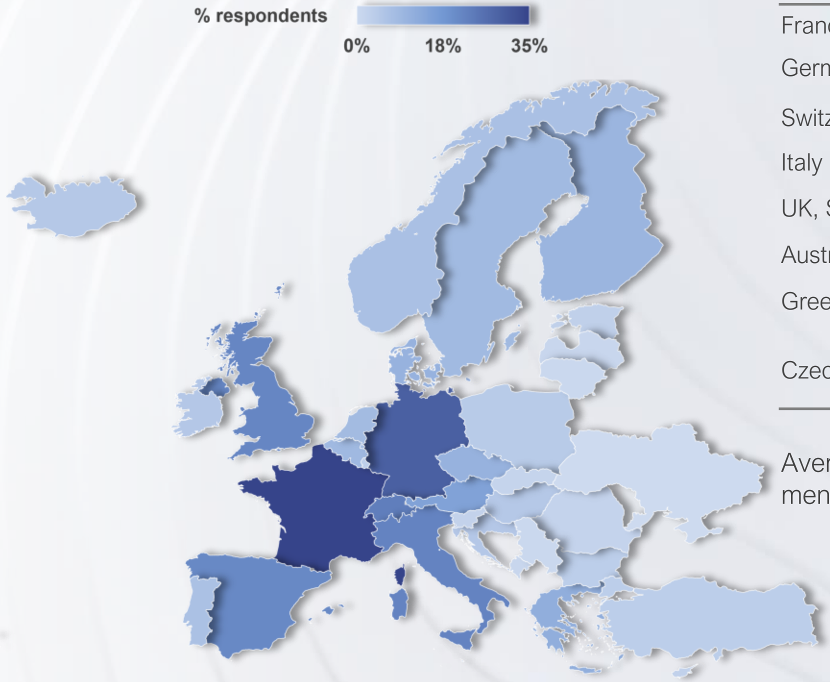


33% of Koreans plan to travel to Europe with a spouse

29% with a family (adults only)

16% with a family with kids under 18 y.o.

Preferred destinations



Top destinations

France	35%
Germany	29%
Switzerland	23%
Italy	22%
UK, Spain	21%
Austria	15%
Greece	12%
Czechia, Denmark	11%

Average number of countries mentioned for the next trip

3.2

US MARKET

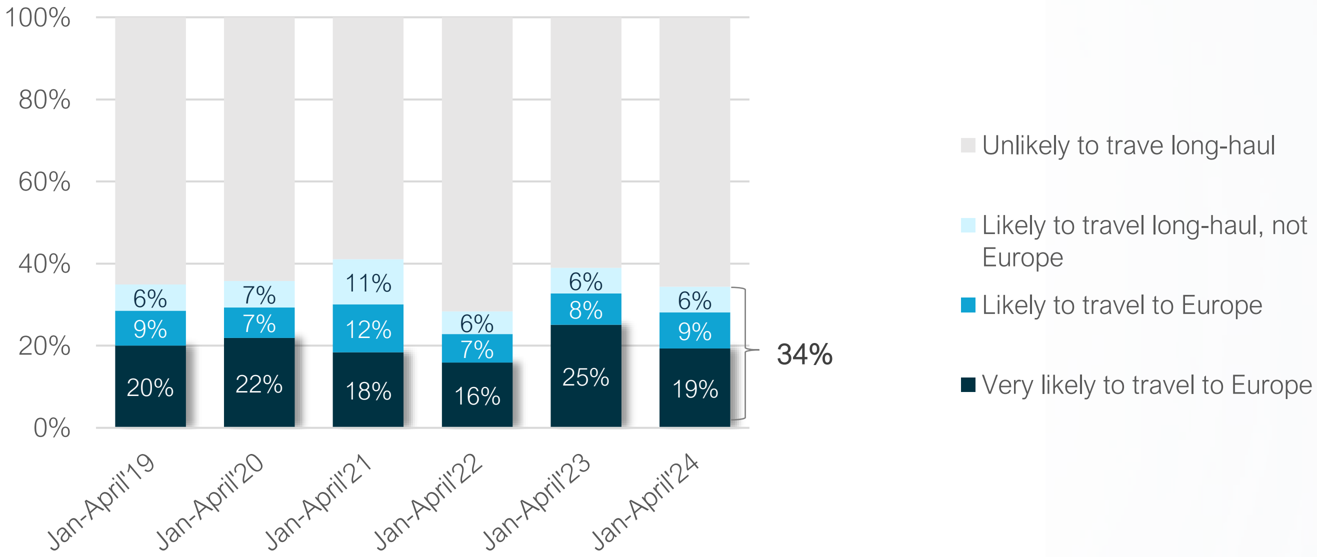
Travel horizon: January - April 2024

The US continues to stand out as the primary international market for Europe, contributing 5.4% of the total visitors to the continent in 2023. As the end of 2023 saw an increase in consumer confidence due to a positive business climate, job availability, and optimistic personal income prospects, expectations for travel from this market remain positive.

However, the first few months of 2024 are not seeing as much enthusiasm as only 34% of respondents are open to long-distance travel. Of these, 28% are planning to visit Europe. It is essential to recognise that the limited interest in visiting Europe between January and April is not uncommon. Traditionally, this timeframe has seen lower popularity among Americans for European travel; instead, warmer destinations in Central and South America, as well as the Caribbean region, appear to be garnering more interest from this market at that time.

Among US travellers who do not have plans to visit Europe in the upcoming months, commonly mentioned reasons include travel costs (25%), a desire to explore other regions, and limited holiday time (both at 16%).

Evolution of long-haul travel intention



Travel companion

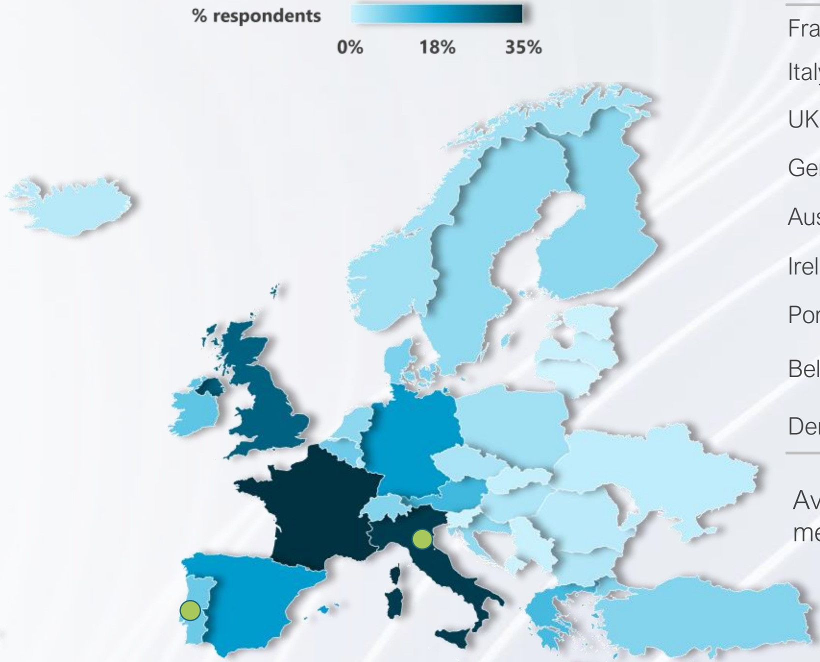
36% of Americans plan to travel to Europe with a spouse

18% with a family with kids under 18 y.o.

18% solo

12% With family (adults only)

Preferred destinations



Top destinations

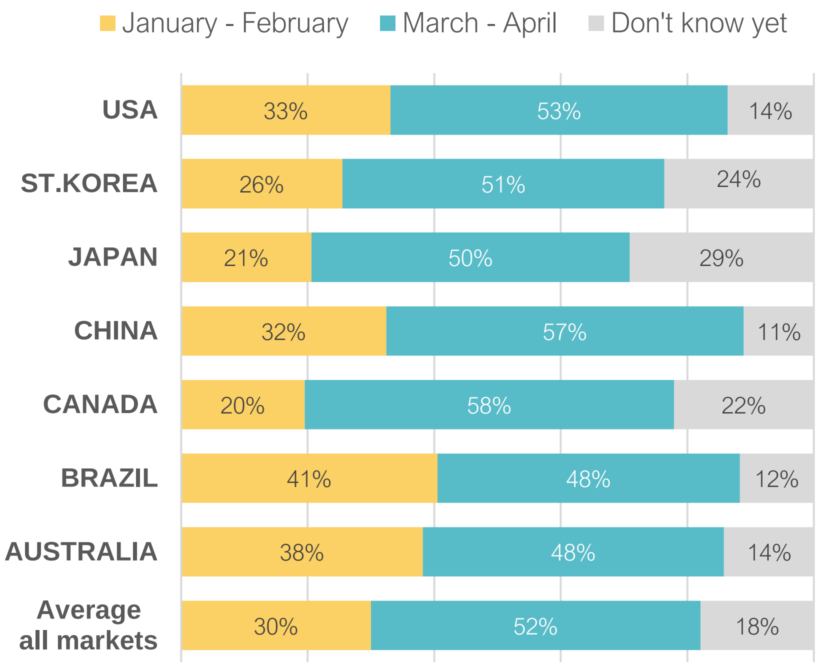
France	35%
Italy	34%
UK	27%
Germany, Spain	18%
Austria, Greece	12%
Ireland	10%
Portugal	9%
Belgium	8%
Denmark	7%

Average number of countries mentioned for the next trip

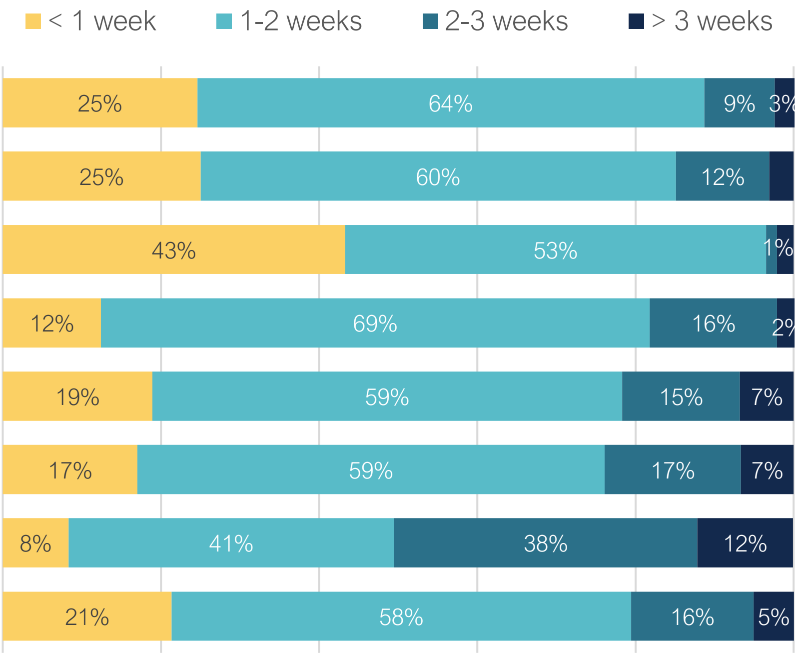
2.7

A significantly higher number of US respondents consider this destination for a trip between January - April 2024 compared to the same period in 2023.

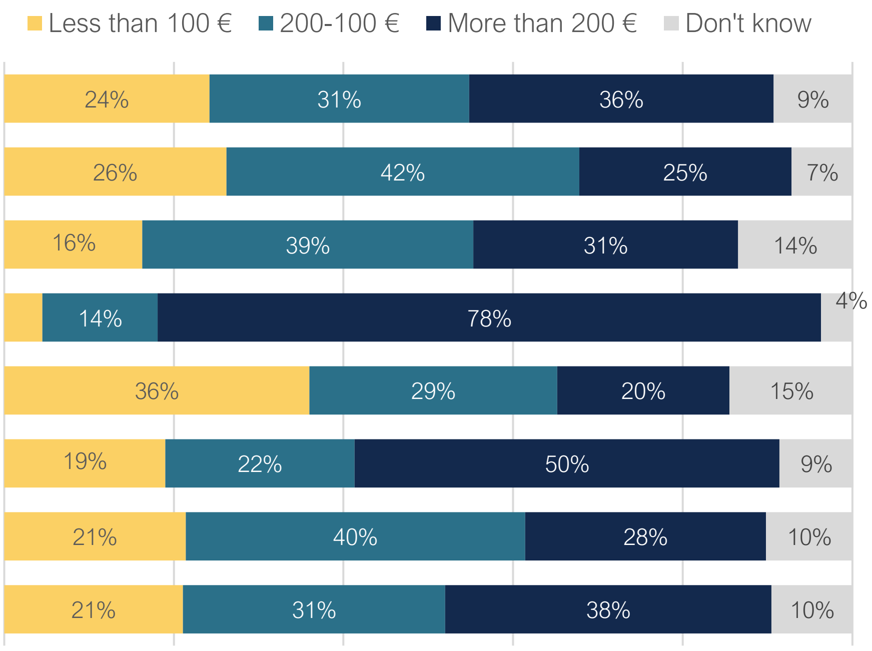
TRAVEL MONTH



LENGTH OF STAY



DAILY BUDGET*



- A notable 52% of respondents exhibited a **high interest in European travel during March-April 2024**. This trend is notably robust in Canada and China, where nearly 60% of respondents exhibit a preference for this period than for January - February.
- In terms of holiday durations, the data highlights a **predominant preference for stays of 1-2 weeks**, ranging from 41% to 69% across the markets. Notably, Japan stands out, with 43% opting for stays of less than a week. On the contrary, holidays lasting 2-3 weeks or more are less common but clearly very popular among Aussies.
- Furthermore, **38% of all respondents plan to allocate daily budgets of more than 200 € per person**, with China and Brazil standing out at 78% and 50%, respectively. Conversely, 21% of respondents, particularly from Canada (36%), plan for a budget of less than 100 € per day. Varied preferences in the mid-range spending category of 100-200 € are observed in Australia (40%) and St Korea (42%). These nuanced variations underscore the need for European tourism stakeholders to tailor offerings, catering to the diverse preferences of high spenders, those with mid-range budgets, and those seeking more modest daily expenditure plans.

**Expenditure is per person, per day and includes accommodation, food and other activities - excluding flight tickets to Europe.*

TOP EXPERIENCES TO TRY WHILE IN EUROPE NEXT TIME

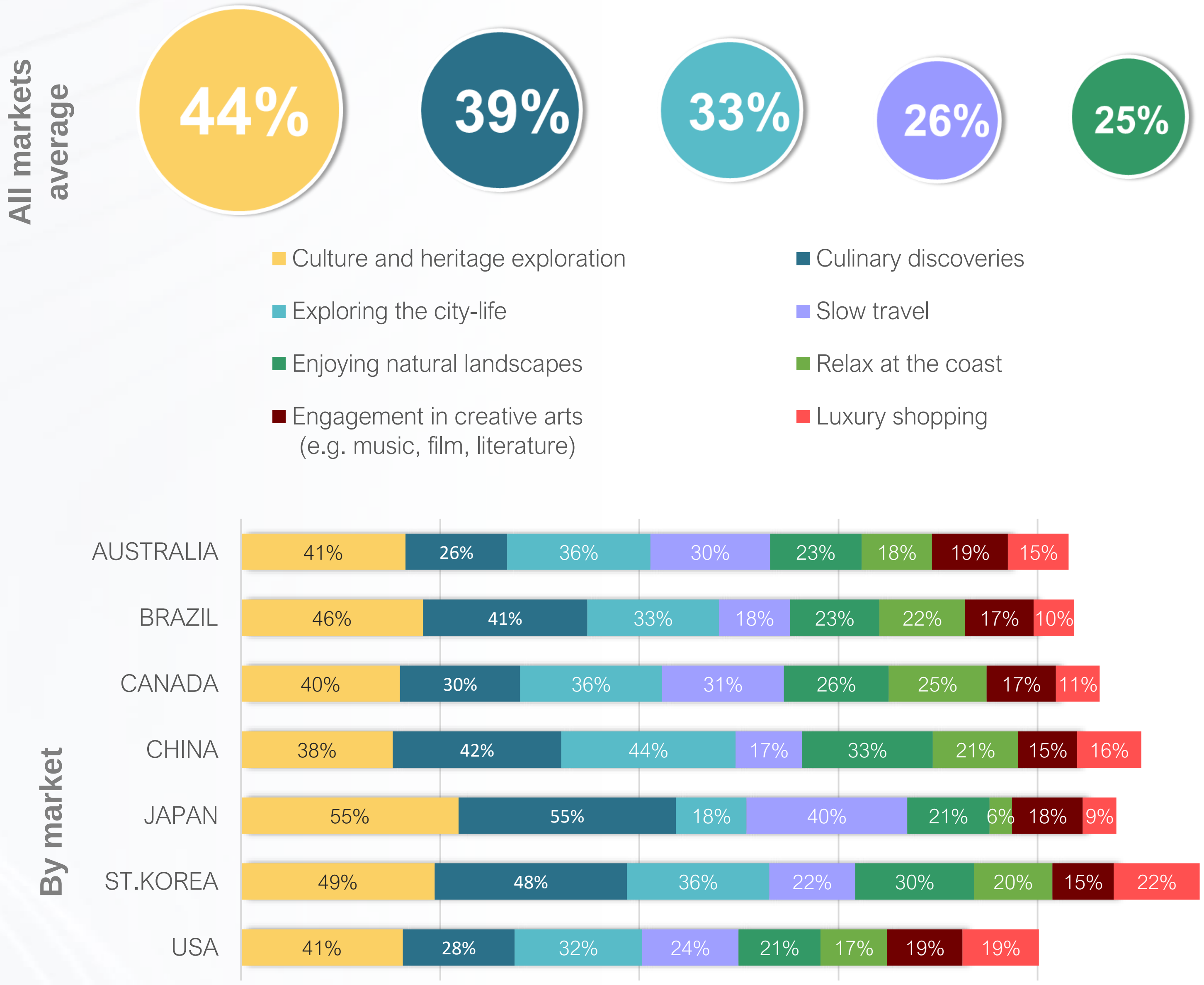
Travellers from **Japan, Brazil, and South Korea** are avid **culture and heritage enthusiasts** who will prioritise experiences enabling them to learn about the historical richness of Europe, attend cultural events, and engage with local traditions.

Japan and South Korea represent markets where **culinary exploration is a key driver** for visiting Europe. These individuals will take pleasure in discovering local cuisines, seeking out unique dining experiences, and embracing the gastronomic diversity each destination has to offer.

Respondents from **Australia, Canada, and Japan** display a notable inclination towards **slow travel in Europe**. They will value a more leisurely pace, savouring each moment and fostering connections with local communities.

South Koreans and Americans, more than travellers in other markets, are drawn **to luxury shopping experiences**. During their next visit to Europe, they are more likely to make luxury shopping a significant aspect of their itineraries, enjoying high-end retail districts, designer boutiques, and exclusive shopping destinations.

Bucket list activities to try while in Europe next time (% of respondents)



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.