LONG-HAUL TRAVEL BAROMETER 2/2022

TRAVEL HORIZON: MAY-AUGUST

eurail
EUROPEAN TRAVEL COMMISSION
Co-funded by the European Union

LONG-HAUL TRAVEL BAROMETER

METHODOLOGY

- **Target -** Potential travellers from Brazil, Canada, China, Japan, Russia 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 about the travel horizons: January-April; May-August and September-December.

TRAVEL THEMES EXAMINED:

- People's intention to travel outside their region of residence*
- Concerns and barriers to travel
- Important criteria for the selection of destinations
- Travel preferences regarding destinations, experiences and mode of transportation

*In all markets, the survey monitors respondents' intention to travel outside the region of residence (e.g. North America for the USA). The only exception is the Russian Federation, where intention to travel outside the Commonwealth of Independent States is measured.

Data files are only available to the members of partner organisations.
The survey is meant to gauge travellers' attitudes and intentions, and is not meant to quantify demand levels. For more information on the index calculation please consult the methodology.

The results of the survey are enriched with social sentiment data about Europe's attractiveness (TRAVELSAT© Pulse). This analysis discloses the themes that drive positive and negative web conversations regarding Destination Europe. The detailed results of the social web conversation analysis is available here: Tracking e-reputation of Europe in Long Haul Markets, 2022 April.

This project is realised with the support of:

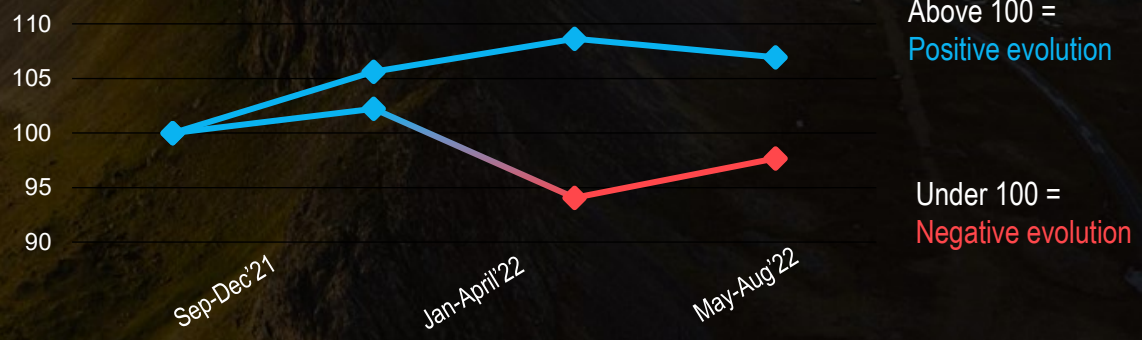
HOW TO READ THE RESULTS?

Intention to travel is measured in an index that reflects the dominant sentiment expressed by a market; either positive or negative. The index is tied to a base of 100. Values above 100 indicate a positive evolution, whereas values below 100 indicate negative attitudes towards travel in a given time period.

The Long-Haul Travel Barometers capture people's intention to travel abroad and are **not meant to quantify the prospect demand levels.**

Long-Haul Travel Sentiment Index (base 100, 2015)

Values on this graph are fictive



- Insights in the following slides refer to the travel horizon May-August 2022
- The fieldwork was conducted in April 2022
- Results of the social media conversation analysis are indicated with the following symbol:

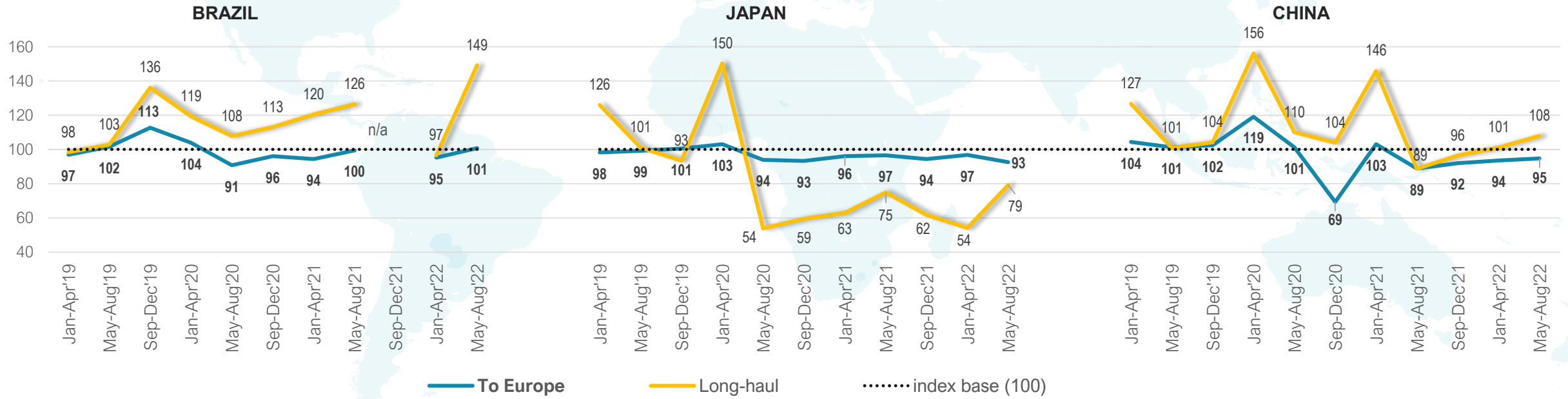
  The analysis covers conversations made between January-April 2022

LONG-HAUL TRAVEL SENTIMENT REMAINS WEAK AMID WEAKENING GLOBAL ECONOMIC PROSPECTS, COVID-19 PANDEMIC, AND GEOPOLITICAL SHOCKWAVES FROM RUSSIA'S INVASION OF UKRAINE

- Compared to other markets, **Brazilian** respondents demonstrated a more positive attitude toward long-haul travel with an index at 149points. The news around the LATAM Airlines Group resuming its air capacity to popular European destinations has positively impacted travel sentiment, with 1 in 2 Brazilians planning to visit Europe in the next four months.
- In **Japan**, the eagerness to travel overseas remains weak (79p), although some improvement is visible compared to previous waves. When Europe is the destination, the sentiment is slightly higher (93), but in reality, only 14% of all respondents shared plans to visit the region in summer 2022, which is not surprising considering the limited connectivity between Japan and Europe at the moment.
- In **China**, consumer confidence is growing, but the Covid-19 outbreaks and the strict pandemic policies continue to hamper the desire for overseas trips, especially to Europe, where the index values continue to stagnate under the 100p base. Nevertheless, there has been some gradual improvement since summer 2021, and with the expectations of China reopening towards the end of the second half of the year, there might be some more positive outlook for the last months of the year.

Evolution of intention to travel long-haul and to Europe (4 months horizon)

Index Base:100 (>100 = expansion, <100 = decline)[1]



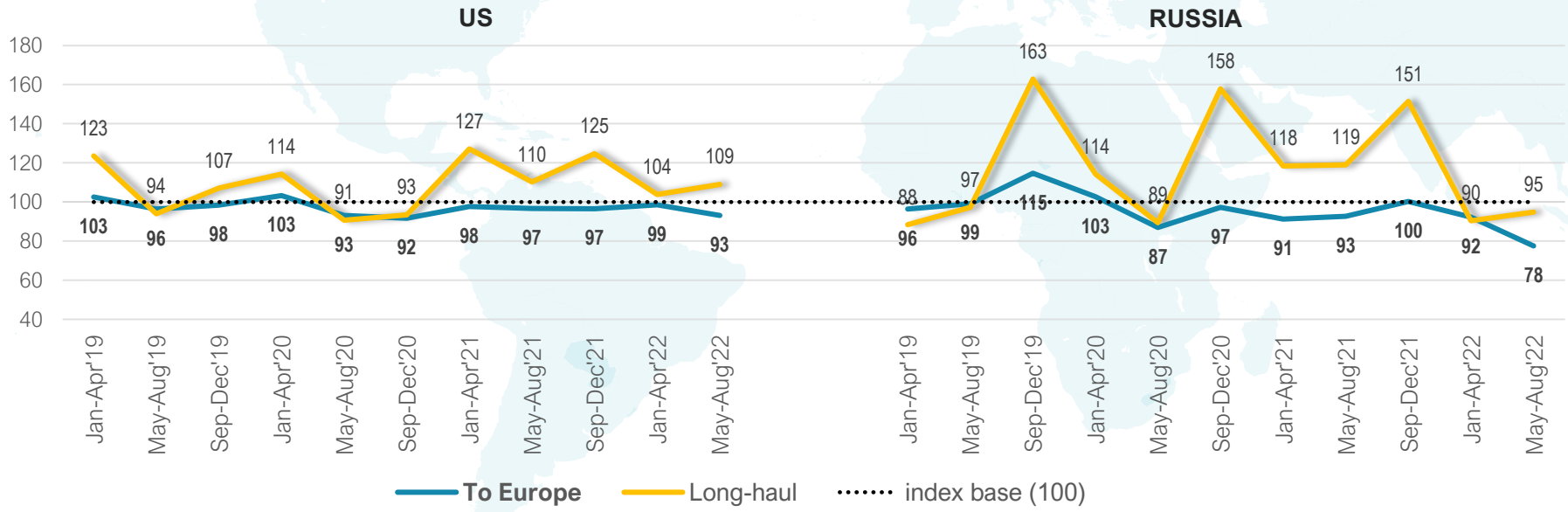
[1] *The index values for Canada are not yet available because this is the first summer research wave conducted in this market. The evolution of the Canadian index will be visible in September 2022*

LONG-HAUL TRAVEL SENTIMENT REMAINS WEAK AMID WEAKENING GLOBAL ECONOMIC PROSPECTS, COVID-19 PANDEMIC, AND GEOPOLITICAL SHOCKWAVES FROM RUSSIA'S INVASION OF UKRAINE

- The travel sentiment index in the US remains somewhat similar to last summer (109points), although when Europe is the destination, the sentiment is weaker than expected (93p). This trend is mainly attributed to concerns relating to personal finances and the increased cost of travel, which resulted in a larger share of Americans (8% vs 4% in summer 2021) claiming they will "definitely not travel to Europe" between May-August 2022[1].
- Finally, with the ongoing conflict and sanctions imposed on Russia, the sentiment index for travelling to Europe in this market reached its lowest level at 78p. The sentiment index is currently well below the level reported during the first wave of the Covid-19 crisis (87p in May-August 2020) when most European countries were under strict lockdowns. At this point in time, it is hard to predict how the Russian travel sentiment will evolve in the coming months.

Evolution of intention to travel long-haul and to Europe (4 months horizon)

Index Base:100 (>100 = expansion, <100 = decline)[1]



[1] *Respondents are asked to use a slider from 1-100 (1- definitely not , 100 definitely yes) to express their intention about travelling overseas in the next 4 months.*

[2] *The index values for Canada are not yet available as this is the first summer research wave conducted in this market. The evolution of the Canadian index will be visible in September 2022*

WHAT PREVENTS PEOPLE FROM TRAVELLING LONG-HAUL IN SUMMER 2022?

Sample of respondents **who do not intend to travel long-haul** between May-August 2022

Sample size per market:

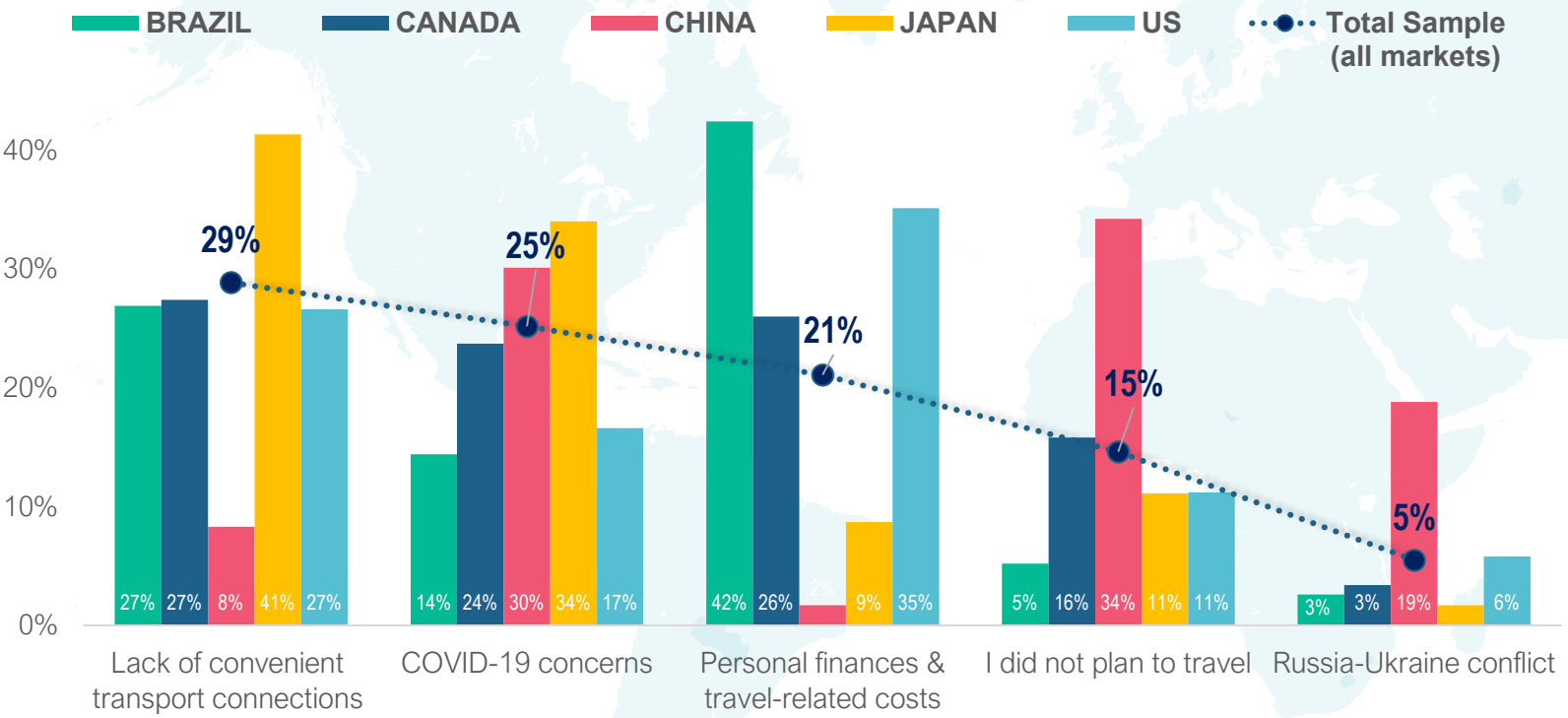
Brazil: 303
Canada: 483
China: 354
Japan: 787
Russia: 600
US: 554

Total sample size: 3,081

LIMITED AIR CONNECTIVITY IS REFERENCED AS A LEADING BARRIER TO LONG-HAUL TRAVEL

The second most significant obstacle is the Covid-19 pandemic, which continues to restrict the free intercontinental tourism flows, especially in markets such as China and Japan

Barriers to long-haul travel between May-August 2022
(% respondents)



The survey results also disclose the growing concern related to travel costs and personal finances, which may have led to changes in people's destination choices (e.g., from long or mid-haul to short-haul destinations). This concern is notably greater among the Brazilian (42%), US (35%) and Canadian (26%) respondents..

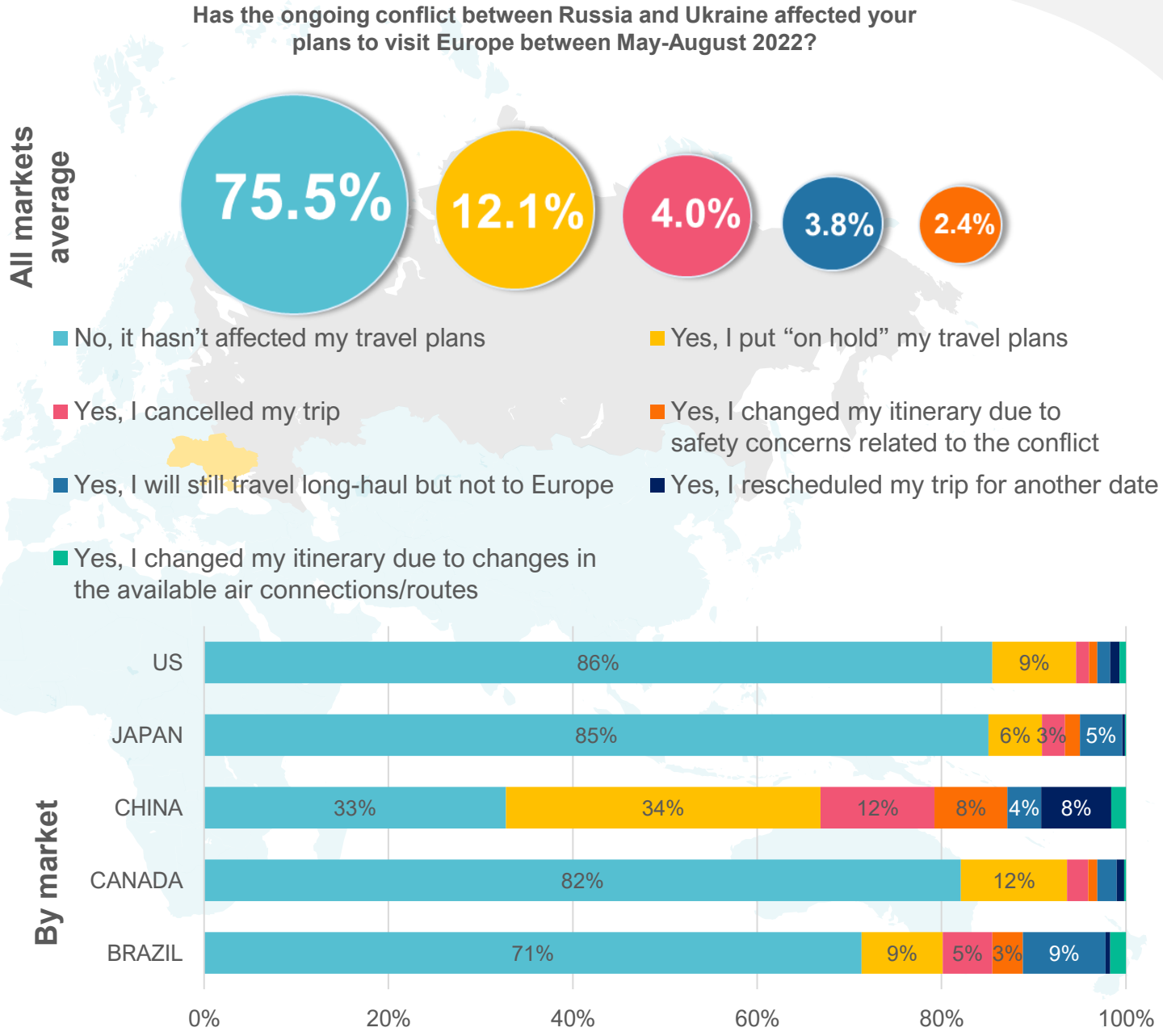
Chinese respondents do not seem to share the same cost concerns. However, they are still heavily impacted by China's zero-tolerance of Covid-19, which may explain the comparatively high share of people (34% vs 15% in the total sample) who simply do not plan to travel overseas. At the same time, the Chinese travel sentiment seems more impacted by the situation in Ukraine, with 19% of respondents referring to the war as a reason to avoid long-haul travel (vs 5% in the total sample).

THE IMPACT OF THE UKRAINIAN WAR ON OVERSEAS TRAVEL PLANS

The majority of respondents (76%) shared that the conflict has not affected their travel plans, with "putting a trip on hold" being the biggest change planned by 12% of all respondents.

There are some differences, however, to be noted between markets:

- Notably, the share of respondents putting "*on hold*", cancelling or rescheduling their trip to Europe is significantly higher in China. This market is indeed more risk-averse, but this result should be interpreted with caution as it may be driven by other factors, such as the overall complexity of travelling to Europe at the moment (e.g., the closure of the Russian air space, Ukraine and other adjacent countries, quarantine upon return, etc.).
- While most people in Brazil and Canada are not making changes to their trips because of the war, quite a few (30% and 20% respectively) still make some sort of adjustments because of the conflict.



THE IMPACT OF THE UKRAINIAN WAR ON THE RUSSIAN TRAVEL MARKET

Since Russia's invasion of Ukraine began, the travel scene for Russians has dramatically changed. The Russian airspace shut down, the national airlines cancellated international operations, and the weak ruble turned travel into a costly activity. At the same time, the rising living costs are expected to squeeze further the purchasing power of Russian travellers.

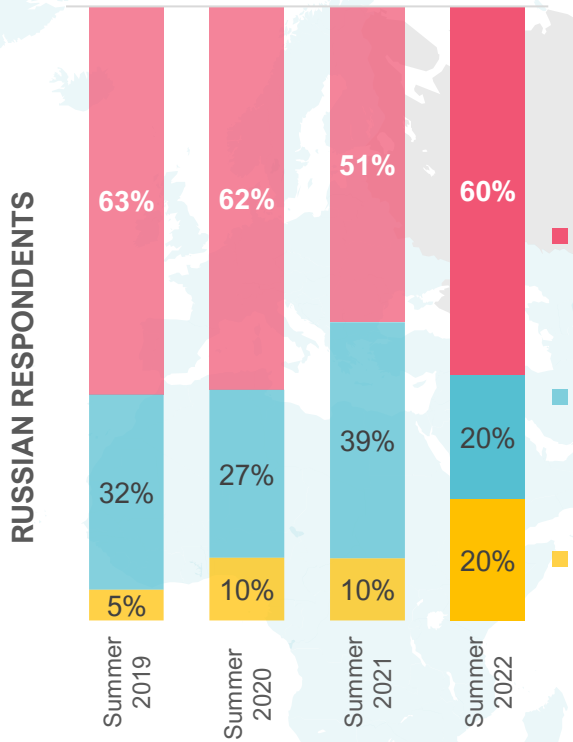
The ongoing war has significantly hampered the Russian travel sentiment, and only time will reveal its long-term impacts. In the short term, over half (60%) of surveyed Russians do not plan to travel outside the Commonwealth of Independent States (CIS). Of them, 24% shared that they did not have travel plans, while 13% will not travel because they cannot afford it currently. Another essential aspect that prevents Russians from travelling and may require special attention and management in the future is the fear of anti-Russian sentiment, which was a reason for 10% of respondents to avoid travelling to Europe this summer.

Among the few Russians who plan to travel to places different from Europe, 9% stated that the current situation negatively impacted their interest in travelling to Europe in the coming months. In contrast, 7% still consider the region an attractive destination and would love to revisit it in the future.

Sample of Russian respondents, N=1000

Do you plan to make a trip outside the CIS between May-August?

Evolution of intention to travel outside CIS in summer , 2019-2022



Main reason for avoiding travel outside the CIS

- 24% I did not plan to travel
- 13% Costs to travel to Europe are dramatically higher. I cannot afford it at the moment
- 10% Fear of hostility and anti-Russian sentiment
- 4% The European destinations that I am interested in are currently closed for Russian travellers
- 3% The current financial restrictions (e.g., not being able to use credit/debit cards or export large amounts of cash outside Russia)
- 2% I have safety concerns related to COVID-19
- 2% Absence of direct flights to Europe

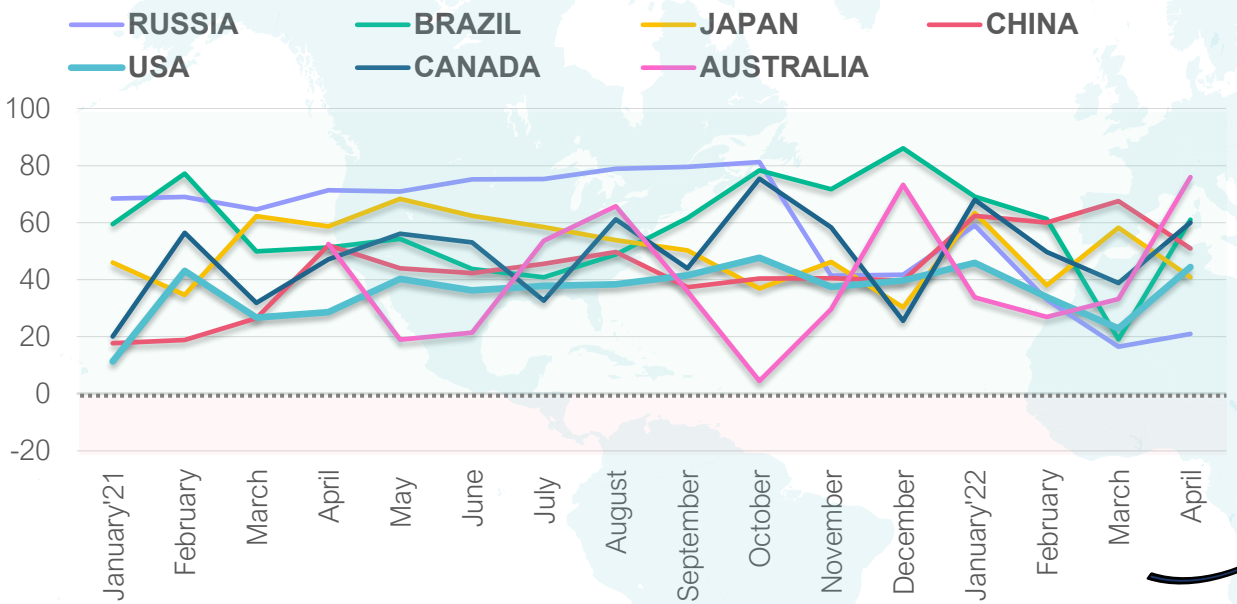
Sentiment towards travelling to Europe

- 9% The current situation negatively impacted my interest in travelling to Europe in the next months
- 7% Europe remains an attractive destination to me. I would love to visit it again in the future but not now
- 4% I will replace Europe with other close-by destinations in the next months

EUROPE'S E-REPUTATION DECLINED IN QUARTER 1/2022

NET SENTIMENT INDEX

The Index measures the polarity of social online conversations (% positive/negative)



% Share of Europe-related travel conversations mentioning the Russia-Ukraine conflict & the COVID-19 Pandemic, by market

A thorough analysis of internet conversations, articles and posts shared by more than 200.000 unique authors, in 7 markets (including Australia), over the past 4 months discloses that Europe's e-reputation declined in many of the analysed markets during the first quarter of 2022 due to the geopolitical instability and pandemic resurgence. However, a rebound occurs at the beginning of April in most markets, except for Russia.

Access the full Europe e-Reputation Report here and find out what drives positive/negative conversations about Destination Europe

travelsat

HOW DO PEOPLE IMAGINE THEIR EUROPEAN TRIP IN SUMMER 2022?

Sample of respondents **who intend to travel long-haul to Europe** between May-August 2022

Sample size per market:

Brazil: 553
Canada: 313
China: 548
Japan: 139
Russia: 203
US: 318

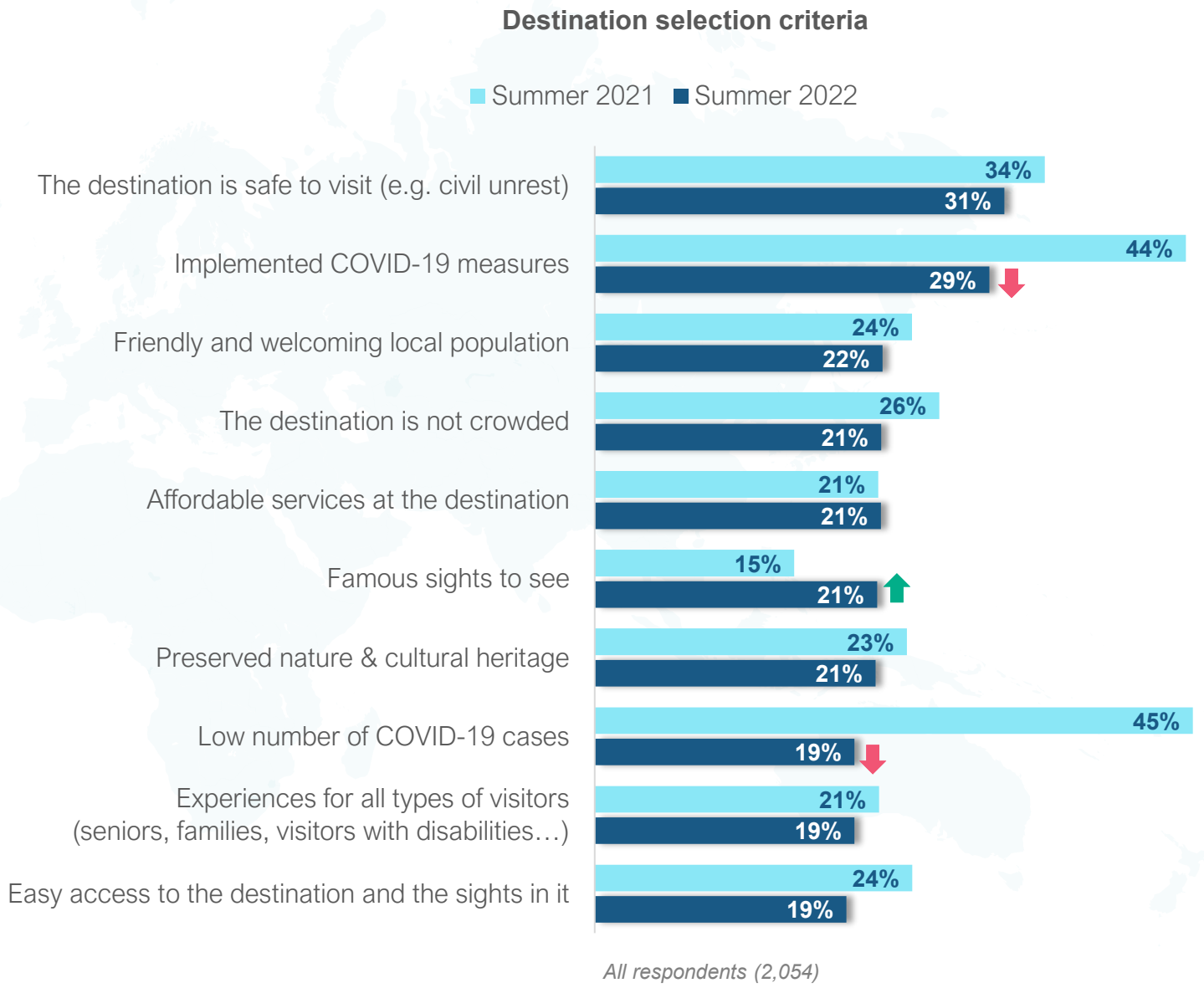
Total sample size: 2,054

TRAVELLERS WILL CHOOSE DESTINATIONS FIRSTLY BASED ON THEIR SAFETY SCORE

- People continue to prioritise destinations that effectively manage the Covid-19 pandemic. However, the importance of this destination selection criteria has decreased significantly (-15%) compared to a year ago.

- Likewise, the number of Covid-19 cases at the destination loses its ground as the most critical element in the destination decision making and is no longer perceived as relevant, potentially due to the high vaccination rates across Europe

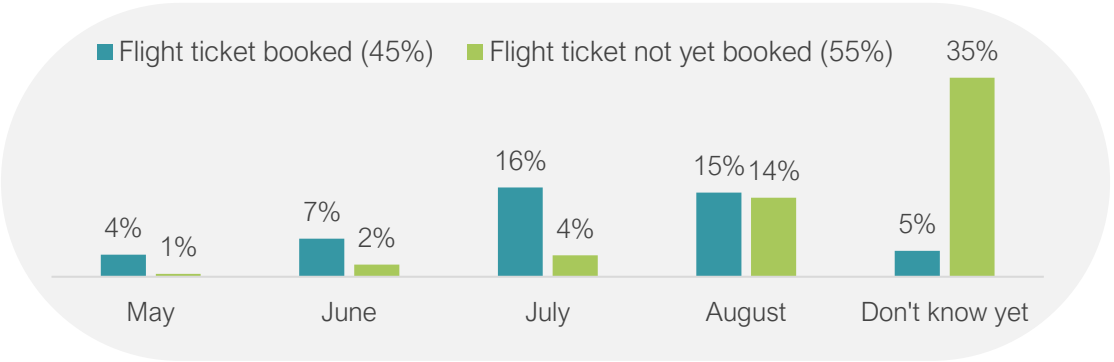
- On the contrary, choosing places where renowned attractions are located rises gradually in importance in the destination selection process



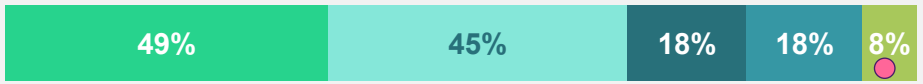
BRAZIL

45% OF THE BRAZILIANS WHO INTEND TO TRAVEL TO EUROPE THIS SUMMER HAVE ALREADY BOOKED THEIR FLIGHT TICKETS, WITH JULY AND AUGUST BEING THE MOST POPULAR HOLIDAY MONTHS. DESTINATIONS AROUND THE COAST AND MOUNTAINS HOLD THE STRONGEST APPEAL WHILE TRAVELLING WITH A TRAIN PASS CONTINUES TO BE THE FAVOURITE WAY OF MOVING WITHIN EUROPE

Intended month of travel and booking status



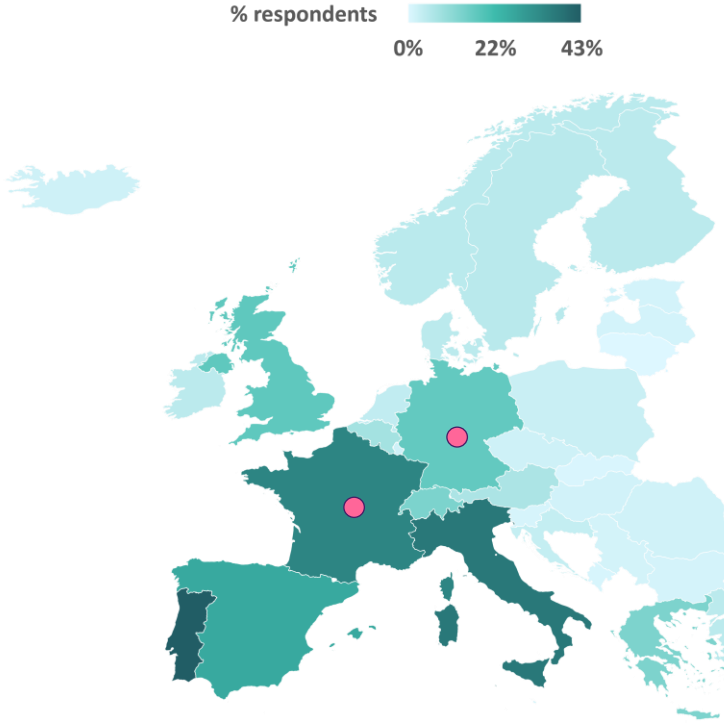
Preferred destination types



The coast, beach resorts
The mountains, national parks
Cities / metropolitan areas
I will visit different places
The countryside, rural areas

A significantly higher/ lower number of Brazilian respondents consider this country/ type of destination for a trip between May-August 2022 compared to the same period in 2021.

Preferred destinations & transportation services to move within Europe



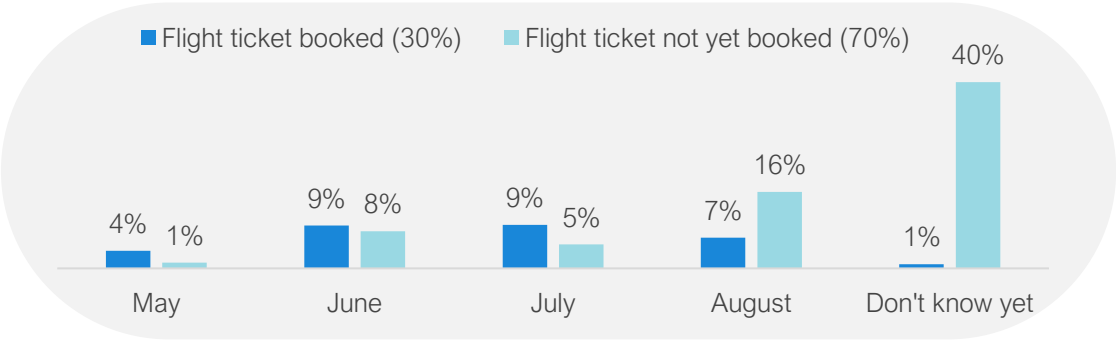
Top 10	
Portugal	43%
Italy	37%
France	34%
Spain	26%
UK & Germany	17%
Switzerland & Greece	13%
Belgium	8%
Austria	7%
Sweden, Norway, Denmark, Finland, Ireland, Monaco & Turkey	5%

31%	29%	29%	27%	27%
Train pass	Rented car	Full service flight	Single train ticket	Low cost flight

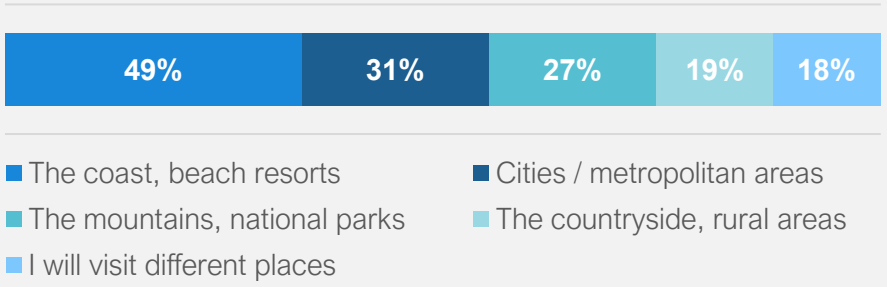
CANADA

CANADIANS ARE HESITANT ABOUT THE TIMING OF THEIR NEXT TRIP TO EUROPE - ONLY 30% HAVE BOOKED THEIR FLIGHT TICKET FOR SUMMER 2022. RESPONDENTS FROM THIS MARKET SHOW A STRONG INTEREST IN COASTAL AND METROPOLITAN AREAS, WITH FRANCE, ITALY AND THE UK BEING THE MOST POPULAR COUNTRIES TO VISIT

Intended month of travel and booking status

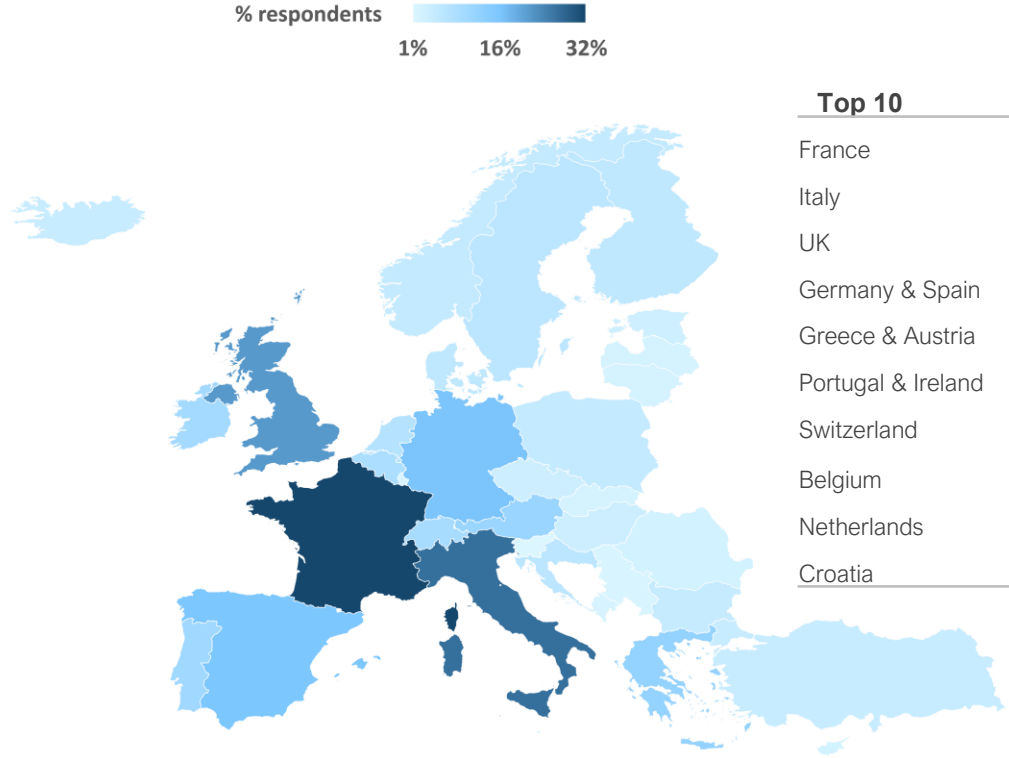


Preferred destination types



There are no significant YoY differences in the results for Canada because this market only became part of the research in Autumn 2021

Preferred destinations & transportation services to move within Europe



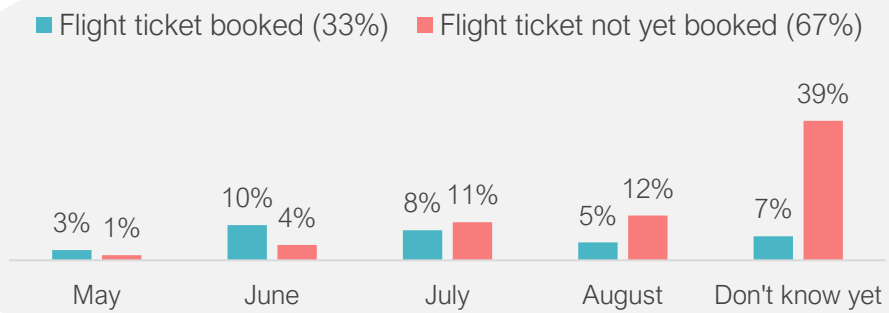
Top 10	
France	32%
Italy	27%
UK	22%
Germany & Spain	16%
Greece & Austria	12%
Portugal & Ireland	10%
Switzerland	9%
Belgium	8%
Netherlands	7%
Croatia	6%

28%	24%	22%	21%	21%
Low cost flight	Full service flight	Train pass	Rented car	Single train ticket

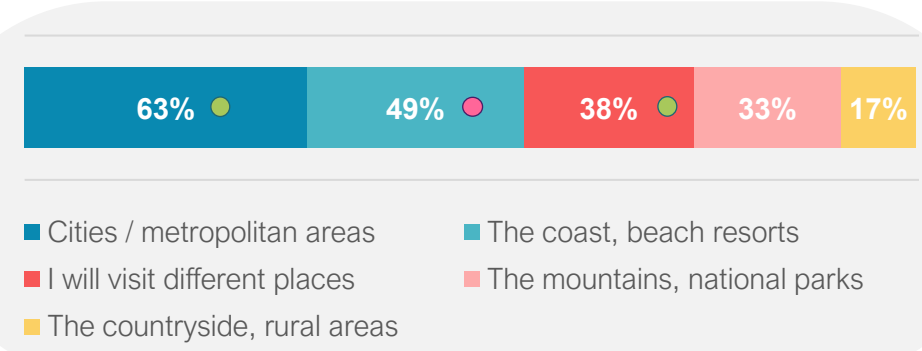
CHINA

CHINESE INTEREST IN EUROPEAN CITIES HAS INCREASED SIGNIFICANTLY COMPARED TO A YEAR AGO. THE DESIRE TO HOP OFF BETWEEN DIFFERENT TYPES OF DESTINATIONS WITHIN EUROPE HAS ALSO GROWN, WITH FULL-SERVICE FLIGHTS AND TRAIN PASSES BEING THE PREFERRED TRANSPORTATION SERVICES TO USE WHILE IN EUROPE

Intended month of travel and booking status

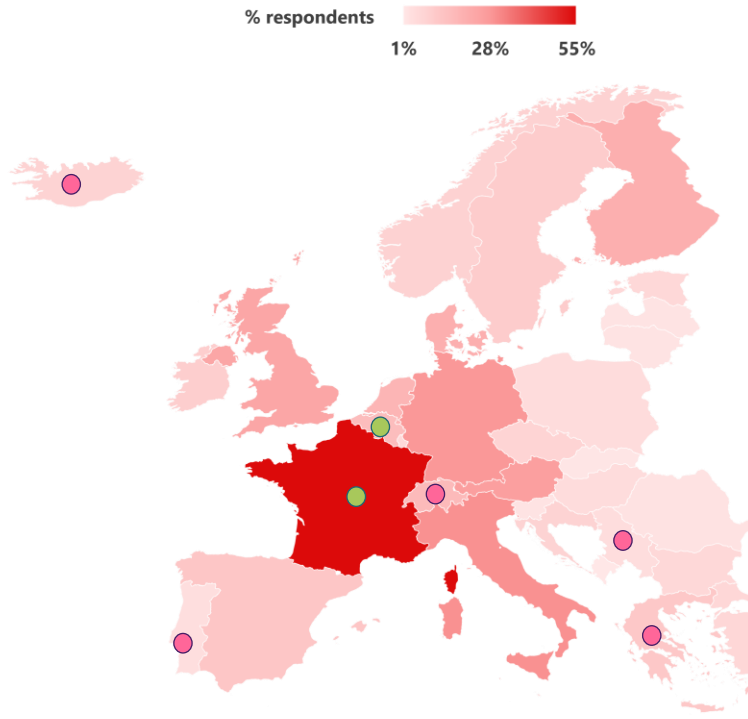


Preferred destination types



A significantly higher/ lower number of Chinese respondents consider this country/ type of destination for a trip between May-August 2022 compared to the same period in 2021.

Preferred destinations & transportation services to move within Europe



Top 10

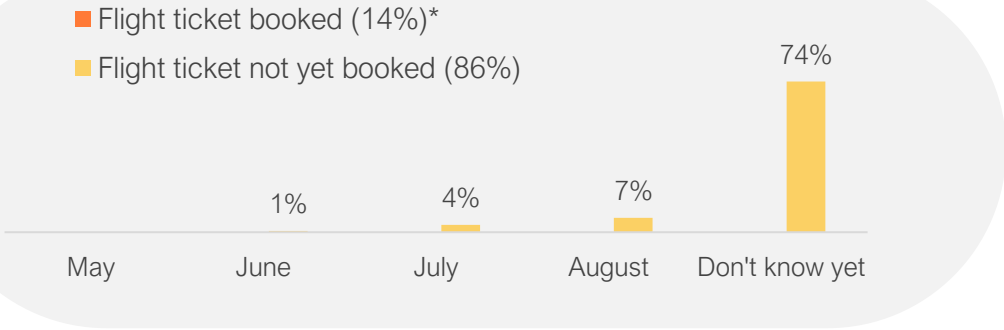
France	55%
Italy	29%
Germany	28%
Austria	26%
UK	23%
Finland & Denmark	20%
Netherlands	18%
Switzerland	17%
Belgium	16%
Spain	13%

73%	38%	24%	23%	17%
Full service flight	Train pass	Single train ticket	Low cost flight	Bus

JAPAN

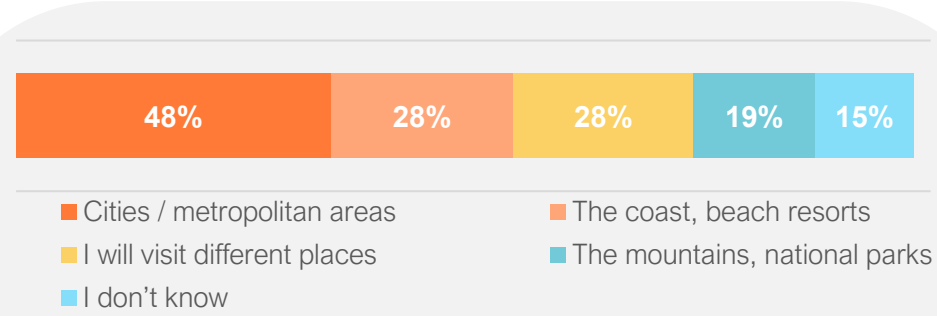
THE MAJORITY OF JAPANESE TRAVELLERS WHO INTEND TO TRAVEL TO EUROPE IN SUMMER 2022 HAVE NOT YET BOOKED OR DECIDED ON A CONCRETE DATE. ITALY, FRANCE, GERMANY, AND THE UK REMAIN THE MOST POPULAR DESTINATIONS FOR THIS MARKET

Intended month of travel and booking status

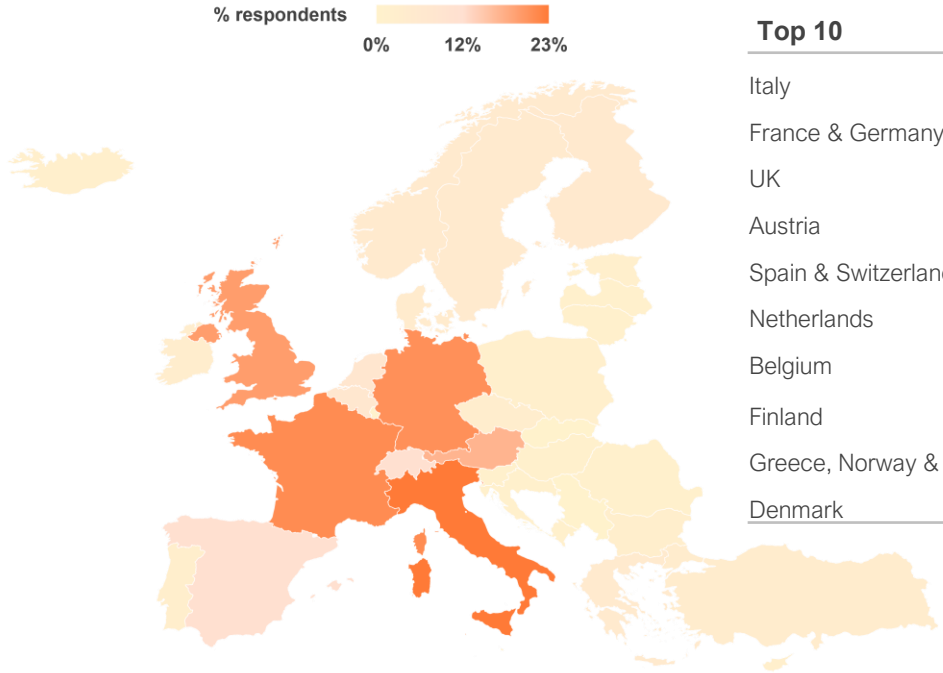


*Monthly percentage split is not available due to the small sample of respondents

Preferred destination types



Preferred destinations & transportation services to move within Europe



Top 10	
Italy	23%
France & Germany	21%
UK	19%
Austria	17%
Spain & Switzerland	11%
Netherlands	8%
Belgium	7%
Finland	6%
Greece, Norway & Sweden	5%
Denmark	4%

28% Low cost flights

27% Full service flight

26% Single train ticket

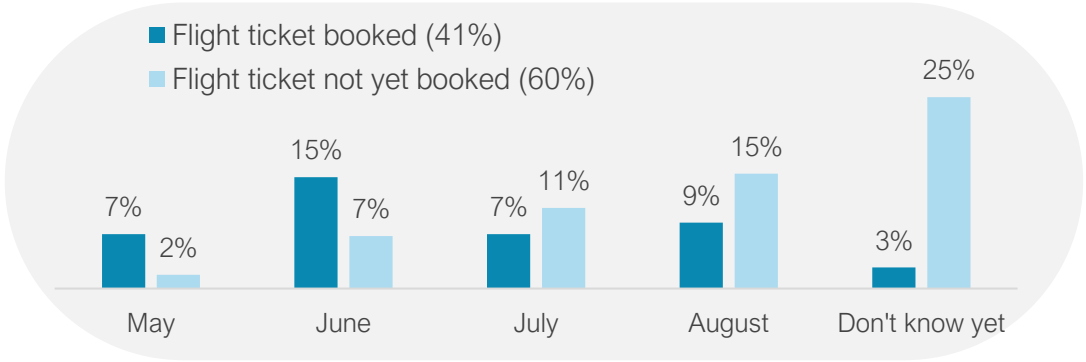
21% Train pass

11% Rented car/ Bus

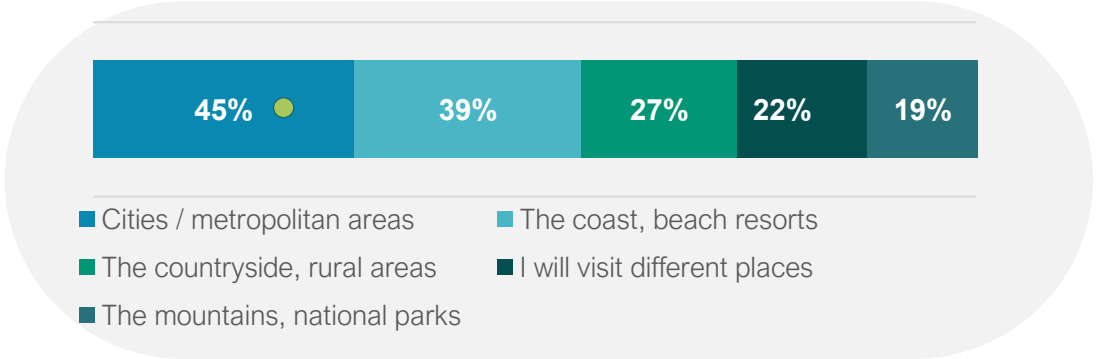
US

MORE THAN HALF OF AMERICANS WHO INTEND TO VISIT EUROPE IN THE COMING MONTHS HAVE NOT YET BOOKED THEIR PLANE TICKETS. HOWEVER, THERE IS CLEAR INTEREST IN VISITING EUROPE BETWEEN JUNE-AUGUST, WHICH MAY POTENTIALLY TURN INTO A LAST-MINUTE BOOKING. URBAN TRIPS WILL BE THE FIRST CHOICE OF AMERICANS THIS SUMMER

Intended month of travel and booking status

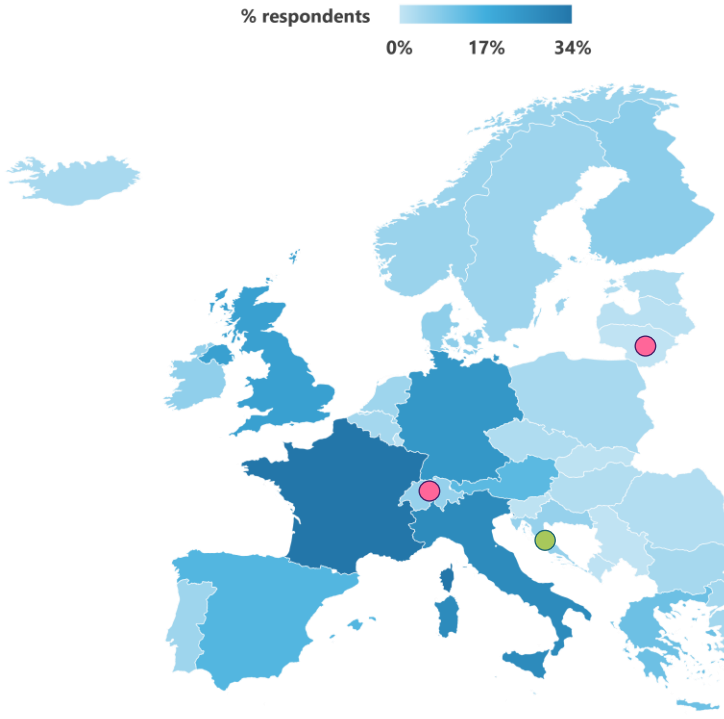


Preferred destination types



A significantly higher/ lower number of US respondents consider this country/ type of destination for a trip between May –August 2022 compared to the same period in 2021.

Preferred destinations & transportation services to move within Europe



Top 10

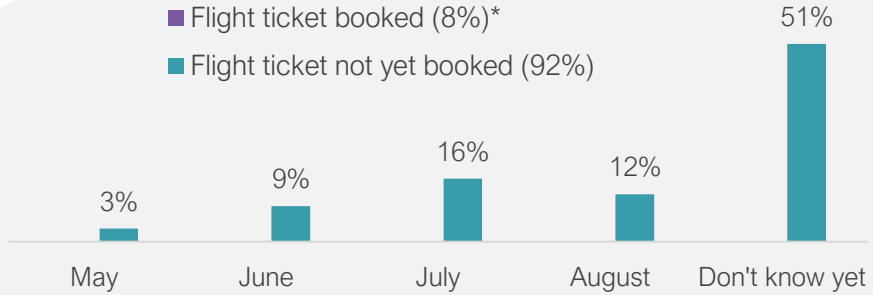
France	34%
Italy	28%
Germany	24%
UK	21%
Spain	15%
Austria	14%
Greece	12%
Finland	8%
Denmark & Ireland	7%
Croatia, Switzerland & Norway	6%

39%	24%	22%	21%	19%
Full service flight	Train pass	Single train ticket	Low cost flight	Rented car

RUSSIA

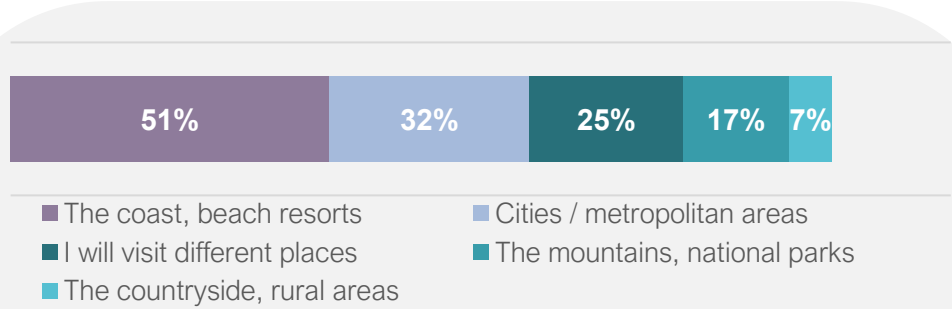
RUSSIANS ARE UNSURE AS TO WHEN THEY WILL BE ABLE TO VISIT EUROPE NEXT. THEIR INTEREST IN BEACH DESTINATIONS PERSISTS, WHILE THE ATTRACTIVENESS OF A FEW DESTINATIONS SUCH AS THE UK, HUNGARY AND SERBIA INCREASES COMPARED TO LAST SUMMER

Intended month of travel and booking status



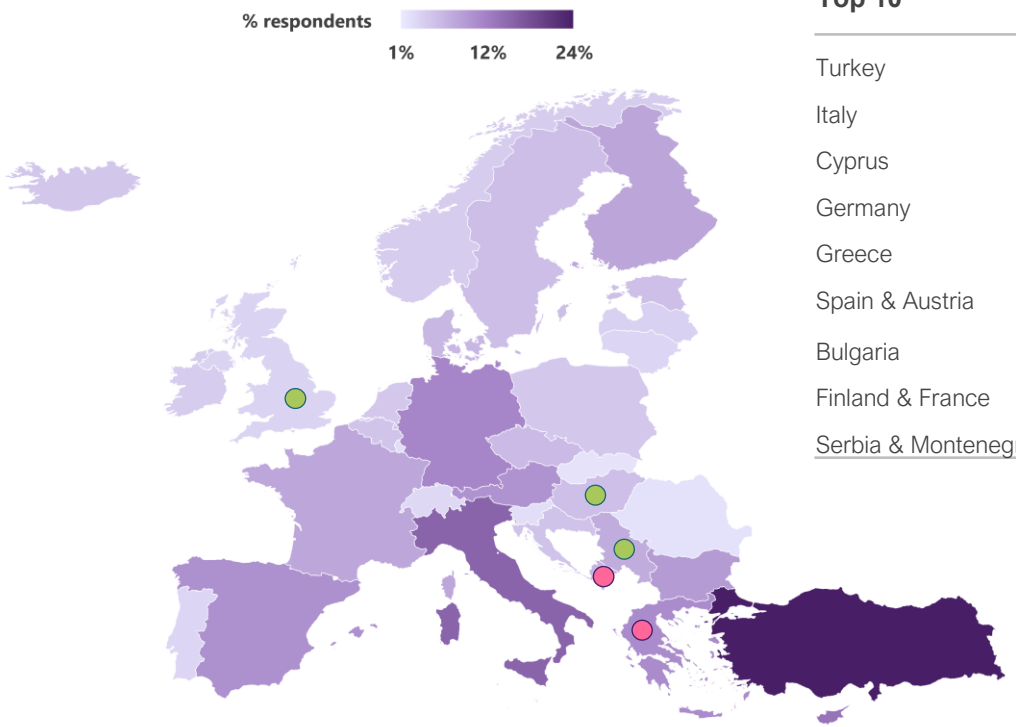
*Monthly percentage split is not available due to the small sample of respondents

Preferred destination types



A significantly higher/lower number of Russian respondents consider this country/ type of destination for a trip between May-August 2022 compared to the same period in 2021.

Preferred destinations & transportation services to move within Europe



Top 10

Turkey	24%
Italy	15%
Cyprus	14%
Germany	12%
Greece	11%
Spain & Austria	10%
Bulgaria	9%
Finland & France	8%
Serbia & Montenegro	7%

21%	18%	17%	16%	15%
Rented car	Full service flights	Low cost flight	Single train ticket	Train pass/Bus

LONG-HAUL TRAVEL BAROMETER

JOIN THE PROJECT!

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.

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