



EMEA-Market Update- Q4 2023

LEISURE TRAVEL

Central Europe

Top Destinations Summer 2023:

- Spain, Italy, Greece, Turkey, Egypt
- European Capitals

Top Destinations Winter Season 2024:

- Long Haul: Canary Islands, Dubai, Mexico, Mauritius, Thailand and South East Asia
- European Ski destinations

Further Travel Trends:

- Clients postponed summer holidays due to very high prices in Southern Europe & look for new destinations
- In addition to long-haul holidays (warm destinations), cruises on the world's oceans are particularly popular
- early bookers - as in the previous summer - are also back for the winter – clients are already booking for Easter vacations
- Demand for travel to the USA is picking up, but the country has not yet been able to return to the level of 2019
- Wanderlust is high for 2024 but the following is affecting the travel behavior:
 - o Economy including inflation
 - o Staffing issues at airports & flight cancellations

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India

The '**vibe**' of a destination is a key factor, with 43% of travelers considering it vital when choosing where to go. **Cultural experiences, shopping, historical tours, and local food sampling are high on the agenda, and value for money remains a top consideration.** While 26% say the cost of flights determines their destination, 63% are willing to spend more on travel in 2024 compared to the previous year.

The country is heading to the 5th position in outbound travel by 2027 with spending of \$89 billion forecasted as compared with the 10th position in 2019. Outbound travelers are spending more than before. In local currency, **India's outbound spending grew by a compound annual growth rate of 17 %, which is higher than China's 15.9 %.**

As the Indian passport holder slowly starts to get easier visa access to newer countries, the McKinsey report predicts “the world could see a wave of Indian travelers in the coming decade”.

Some of the most-searched overseas destinations by Indians this year, include **Vietnam, Dubai, Sri Lanka, Bali, Seychelles, Japan, Thailand, Azerbaijan, Hungary, Italy, Switzerland & New Zealand**. Indians are traveling here not just for the stunning scenery and rich culture, from faster electronic visas to direct flights and favorable forex rates, more and more destinations are attracting Indian travelers.

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CORPORATE/BUSINESS TRAVEL

Overview

- Bleisure / Blended Travel & higher ALOS.
- Outbound business to Asia: China, Japan, Singapore, India, Thailand.
- Most important destinations outbound Europe in 2024: USA, China, UK, Germany, France, Switzerland, Netherlands, India, Sweden, Belgium, Italy, Spain, Austria, Poland.
- Internal meetings will boost business travel in 2024.
- Sustainability will become mandatory in the upcoming 2025 RFP processes - GBTA Sustainable Criteria will be published in Q1 2024.
- Luxury Goods industry increased volume of business travel in 2023 with high forecast for 2024.
- Self-Booking Tools are becoming more and more popular for international bookings, not only regionally (Cytric / Concur) -> rate parity is key.
- AI Powered travel assistants will take care of all planning and booking.

India

The Rise in Bleisure Travel: One of the most popular business travel trends that have gained importance over the last few months is Bleisure travel. Although this concept existed even before the pandemic, companies, and employees have benefited from it largely post-pandemic and in 2023 across the year, especially in Q4 where a mix of Corporate and Leisure travel trends has been seen due to the festive season. According to a survey by GBTA, 81% of business travelers stayed at the same place for bleisure purposes and trends witnessed in South Asian countries.

Self-booking has now become the New Norm

According to a survey by Expedia, 69% of business travelers booked their trips through tools not provided or approved by their company. With the increasing demand for personalized travel, business travelers preferred more self-booking options to pick and choose travel options.

A growing number of corporate travelers preferred to organize their travel and used tools that allowed them to book quickly and efficiently. This concept of self-booking is one of the significant business travel trends for 2023 that travel management companies need to pay more attention to give multifold to their business in the coming quarters.

Increase in Airfares and Hotel Rates

The demand for business travel and meetings/conferences is witnessed with a vengeance in India. Business travel trends and forecasts for Q1 2024 showed that travel prices across the globe are witnessed to increase throughout 2023.

Sustainable Business Travel Gained More Focus

The business travel trends and forecasts from the International Energy Agency revealed that greenhouse gas emissions have continuously increased to record levels in 2023. Business travel alone is one of the largest contributors to corporate carbon emissions. Hence, companies begin to consider sustainable business travel practices to reduce their carbon footprint. Employees are now more aware of the climate crisis and global warming in India and showed inclement to work with companies that follow sustainable practices. Therefore, travel trends involving low-carbon travel will gain more focus in the coming years.

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