

EMEA-Market Update- Q3 2024

LEISURE TRAVEL

Iberian Peninsula & Mediterranean

TRENDS in LEISURE

Preference for nearby destinations: More than two-thirds of Spaniards' summer trips are made within the country. The most popular international destinations include Portugal, Italy, France, the United Kingdom, Germany, Greece, Morocco, the United States, Japan, Caribbean and Albania (quite new destination), with a notable preference for places with cultural and sun and beach offerings.

Travel motivations: When traveling abroad, almost half of Spaniards look for cultural heritage (37%) and gastronomy (12%). Within Spain, the sun and the beach are the main reason for 13% of travelers, although the cultural and heritage offer is important for more than a third (34%).

Climate and safety, key factors in choosing a destination: Pleasant climate and the perception of safety are crucial factors in choosing destinations. Spain, Portugal and the United Kingdom are considered the safest destinations, with safety indexes between 73 and 82 points out of 100. The preferred destinations have a climate perception index between 86 and 93 points.

Increase in air capacity to popular destinations: Air capacity to favorite and long-distance destinations is increased. United States (+5%), China (+7%), India (+8%), Japan (+7%), domestic flights (+8%), United Kingdom (+5%), Italy (+11%), Germany (+6%), Turkey (+4%) and Brazil (+3%). **Expanding to the top 20**, there are also increases in the availability of direct flights to long-haul destinations such as South Korea (+8%), United Arab Emirates (+9%), Thailand (+14%) and Saudi Arabia (+13%).

Planning and last minute offers: Spaniards begin to plan their vacations almost three months in advance for international destinations and two and a half months for domestic destinations. However, one in four book less than a month in advance, waiting for last minute offers

Experiential Tourism

TRENDS IN CORPORATE

- Overall increase of bigger accounts, while SMEs continue same path as 2023.
- Bleisure
- Digitalization
- Booking through different channels than GDS if there is no rate parity (IE Booking.com)
- Expense control
- Carbon Neutral

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CORPORATE/BUSINESS TRAVEL EUROPE

UK / France / Italy / Iberian Peninsula / Germany / Switzerland / Benelux

- ✓ **Bleisure / Blended Travel** & higher ALOS
- ✓ **Outbound business to Asia:** China, Japan, Singapore, India, Thailand; longer stays and combination with different Asian countries
- ✓ Most important **destinations outbound Europe** in 2024: USA, China, UK, Germany, France, Switzerland, Netherlands, India, Sweden, Belgium, Italy, Spain, Austria, Poland
- ✓ **Sustainability** will become mandatory in the upcoming 2025 RFP processes - GBTA Sustainable Criteria has been published end of Q2 2024 – please update Cvent Environmental profile
- ✓ **Sustainability II:** some corporate accounts are working with HRS regarding the Green Stay Label; accounts such as Volkswagen or Siemens made it mandatory to complete the Advanced Green Stay application; otherwise, the hotel doesn't get access to the hotel program
- ✓ **RFP Season 2025:** high focus on rates followed by distance to protect the costs
- ✓ **RFP Season 2025:** higher consolidation of program by reducing number of hotel partner; however high interest on new openings and hotels, which fit with distance and rate
- ✓ **Luxury Goods industry decreased volume** of business travel in the first half 2024; especially the fashion brands started with restrictions for travellers, even travel freezes
- ✓ **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
- ✓ **Rate inflation at hotels vs. a Cost protection from corporate travel manager site**, which limits the volume; International business trips down nearly 20% in Q1 globally | Preferred Hotels Managed Corporate Accounts: -0.05% in Res, -0.5% in RNs, +11% in Revenue and ADR
- ✓ **Rate Loading Failure are resulting in Hotel Rejections** from the running program as per agreement
- ✓ **Payment Issues with VCC & new Payment Solutions**

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