

General context in

# TRAVEL

sector

After Covid times, the Travel sector is recovering, with a catch up from consumers who want to go back to travel, with higher expectations however, especially on safety, flexibility and sustainability. Meanwhile, members-only offerings and subscriptions continue to flourish, offering exclusivity to wealthy consumers and much-desired rewards to budget-constrained consumers. Loyalty is becoming the big topic.



Chapter #1

## In the short term, the eager for Travel is still there...

Despite inflation and cost of living, people keep on traveling, especially abroad, even if it means for them traveling differently (reduction of trip length, travel during off peak seasons, etc.)



HOW CONSUMERS REACT TO THIS TREND?



Even if the rise in flight prices has had an impact on

**36%** OF GLOBAL CUSTOMERS



**44%** OF THEM

are still confident that they will **travel abroad** this year



The proportion of European travelers spending more than 10 nights in their travel duration significantly dropped between 2022 and 2023 (~10 points)

Chapter #2

## ...but expectations put on Travel industry are higher than ever

With traveling becoming more complex after Covid, and the growing concern for sustainability, the travel industry is highly challenged to help travelers on 3 main topics.



**Need for Safety**

Pressure is put on brands to provide with **hygiene measures**, especially as people are travelling more with **multi-generational families** since Covid.

Even if many travelers consider travel much less risky than before the pandemic, **52%** of them check the health risks of a destination before booking. **49%** still fear not accessing good medical care while traveling.

On top of that, travelers concerns for **safety in visited places**, and **severe weather conditions**, are increasing.

**55%** of global travelers are now likely to avoid risky destinations.

**Virtual safety**

Travelers admit technology may reduce their problems when they travel, but feel concerned about cyberattacks and data security.

**Need for flexibility**

Travelers now expect **convenient and flexible booking tools** as standard.

**48%** of travelers will make their trip reservation flexible (possible modification or reimbursement if anything occurs).

**43%** fear having a problem in their country of residence, meaning they have to return home earlier.

**Need for sustainability**

**Sustainability** is a high concern for travelers, but they're **not ready yet to pay more for that**, expecting actions from the travel industry.

Even if **51%** of seniors make significant efforts to limit the impact of their lifestyle on their environment, **only 13%** of them are ready to pay more for a greener journey.



Chapter #3

## The shift to Members-only Travel

Brands are beginning to turn to subscription models, to ensure more regular revenue streams. These models range from upscale members' clubs focusing on exclusive perks, to more budget-friendly subscriptions helping users keep costs down. In all cases, keeping subscribers loyal is becoming crucial, and customers are ready to play the game.



HOW CONSUMERS REACT TO THIS TREND?



**52%** OF GLOBAL CONSUMERS

value most **special discounted pricing** from travel loyalty programs they are a member of



**58%** OF YOUNG PARENTS

would sign up to **loyalty schemes** giving them exclusive access to offers, deals & extra benefits.

**80%** of **travel rewards program members** feel it's important to book with a brand they have a loyalty program with.



**52%** OF YOUNG PARENTS

would subscribe to new programs to **access premium services**

Chapter #4

## Towards the digitalization of Travel services

Consumers expect more seamless services such as digital travel wallet for key documents, digital guide or a 24/7 access to a live chat with a doctor.

HOW CONSUMERS REACT TO THIS TREND?



**59%** OF YOUNG PARENTS

are highly interested in a **traveler app**



**55%** OF YOUNG PARENTS

pay attention to the **logistical details** of their trip



**58%** OF YOUNG PARENTS

have high interest in a **telehealth platform** that provides instant medical advice

