APAVT – XXXVIII Congress

Travel Agents in Europe in 2013

The Future of an Industry in a Time of Crisis

Michel de Blust
Secretary General
ECTAA
www.ectaa.eu

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1. Who is ECTAA
2. Travel Agents & Tour Operators in Europe 1990/2011
3. Tourism Demand in Europe
4. Impact of the Crisis on Tourism Demand
5. Overcoming Time of Crisis
6. What can we expect in the coming years – Possible trends in 2020

1. Who is ECTAA?

- European confederation of travel agents' and tour operators' associations
- Created in 1961
- 31 Members in 29 European countries
- APAVT: - Observer in 1979
  - Member since 1985

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1. Who is ECTAA? (cont.)

- Representing the travel trade in Brussels vis-à-vis the EU
- Lobbying and advocacy on all EU matters on interest for tourism industry:
  - Transport
  - Consumer law
  - Taxation
  - Visa issues & consular protection
  - Tourism
  - Environment/sustainability

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2. Travel Agents & Tour Operators in Europe (2011) *

	1990 (1)	2011 (2)
Enterprises:	85.000	70.000
Employment:	550.000	460.000
Turnover:	150 billion €	180 billion €
IATA agents:	30.000	21.000

(1) EU 15

(1) EU 27 + EEA + Croatia

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2. Travel Agents & Tour Operators

BSP – European Gross Sales 2006-2012 (USD)

2006	170 million
2007	175 million
2008	170 million
2009	150 million
2010	160 million
2011	175 million

Source: IATA

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2. Travel Agents & Tour Operators (cont.)

- Number of packages sold: 130 million trips
- 70% of international air tickets – network carriers
- Online sales: 50,6 billion €

Source: ECTAA Members - 2011

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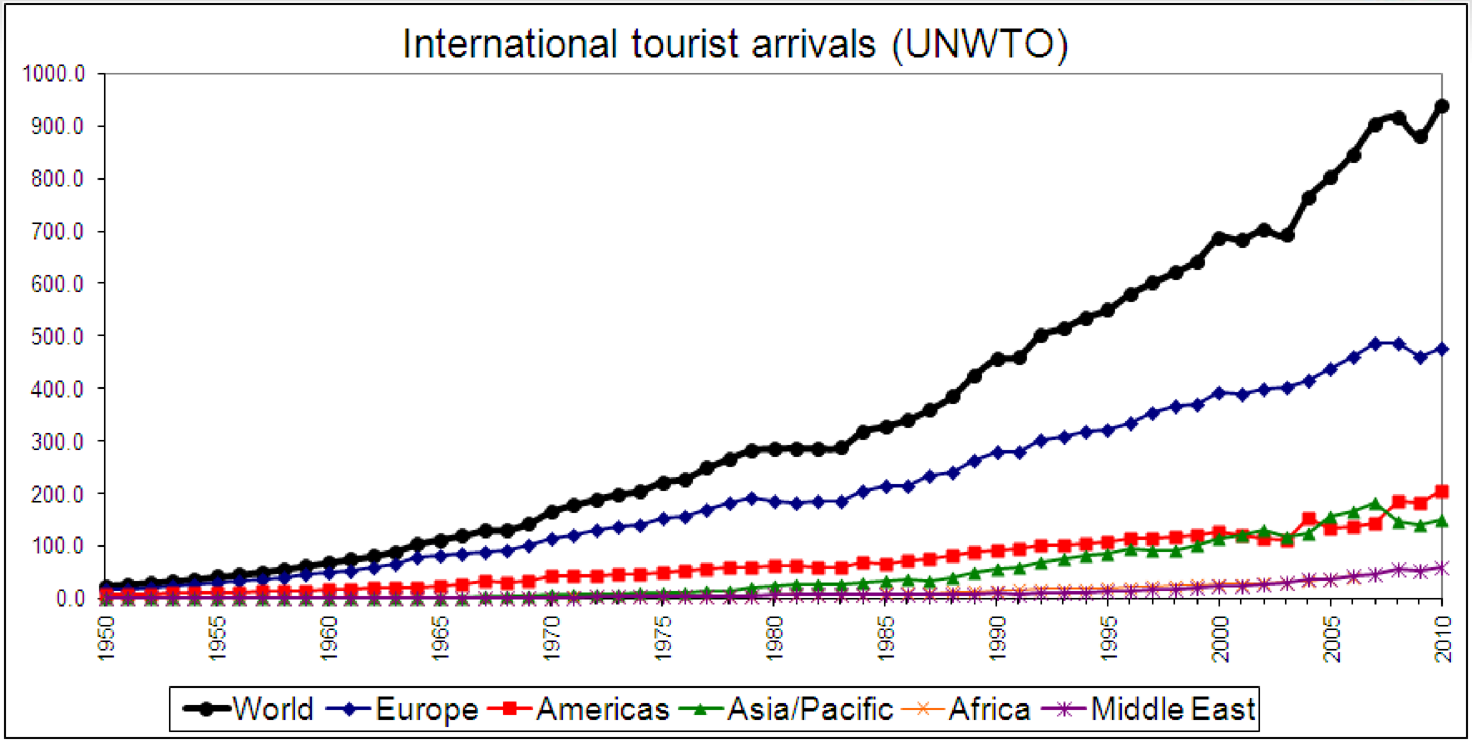
3. Tourism Demand in Europe



Source: UNWTO

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3. Tourism Demand in Europe (cont.)

- 51% of all tourist arrivals (475 Mio) in Europe (2010 UNWTO)
- Europeans took more than 400 million International trips in 2010 (Euro barometer)
- Share of Europe decreased from 63% in 1980 to nearly 50% in 2011 (UNWTO)
- Strong growth of Asia Pacific 22% and Middle East 6% over last 10 years

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3. Tourism Demand in Europe (cont.)

Geographical spread

- 84% of European tourism is “intra European”
- 3% from Asia Pacific
- 8% North & South America
- 2% Middle East & Africa
- 3% Others

3. Tourism Demand in Europe (cont.)

Online Travel Market in Europe

EU 27: 73% of house holds have access to Internet

Sweden:	91%
Denmark:	90%
Finland:	84%
Germany:	83%
France:	76%
Italy:	62%
UK:	82%
Portugal:	58%

Source: Eurostat

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3. Tourism Demand in Europe (cont.)

Online Travel Market in Europe

"e-travel" penetration:

	UK	SCAN	DE	FR	SP	PT
Penetration	47%	46%	28%	32%	20%	18%
Size billion €	28	6,2	11,9	13,5	4,7	3
OTA sales	72%	78%	70%	60%	45%	60%

Source: Eurostat 2011

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3. Tourism Demand in Europe (cont.)

Online Travel Market in Europe

Top ten travel website in Europe (April 2011) – million:

1. Expedia (TripAdvisor-hotel.com): 21,7
2. Price Line (booking.com): 16,4
3. French Rail SNCF: 9,35
4. TUI Group: 8,6
5. Ryanair: 7,5
6. Travel Ad Network: 7,3
7. DB German Rail: 6,75
8. Travelocity: 6,2
9. Easyjet: 6,1
10. Thomas Cook Plc: 5,35

3. Tourism Demand in Europe (cont.)

Characteristics / trends

- Hyper segmentation / deferentiation
- Gradual increase of seasonality
- Demographic changes

3. Tourism Demand in Europe (cont.)

Characteristics / trends

- Last minute bookings have rapidly increased since 2009
- Role of social media
- Social media booking tools – results?
- Rapid increase of mobile travel bookings

3. Tourism Demand in Europe (cont.)

Characteristics / trends

- A better informed consumer = new consumer patterns
- Consumer more & more price driven
- Impact of sustainability on demand

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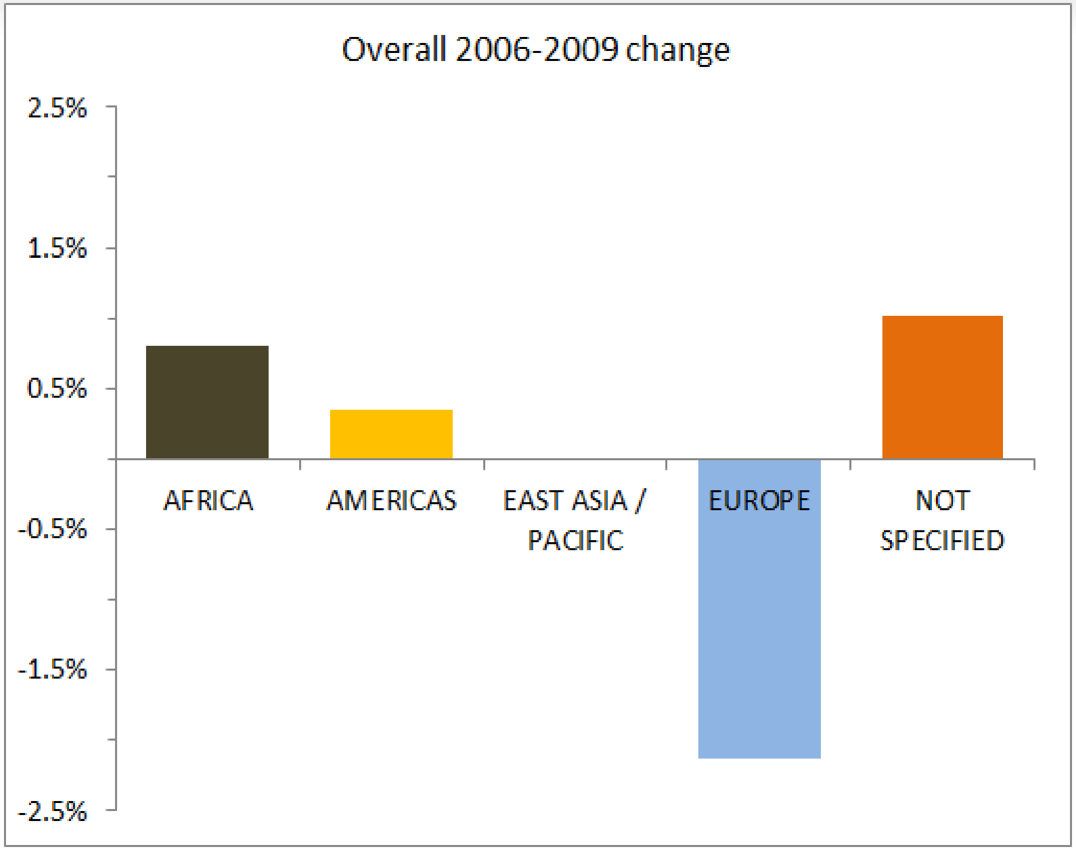
4. Impact of Crisis on EU Tourism



Source: UNWTO data

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4. Impact of Crisis (cont.)

- Financial impact: 2,2% decrease in Europe between 2006-2009
- Other regions more stable
- Europe was expected to recover to 2006 levels in 2012

4. Impact of Crisis (cont.)

Economic situation

Political unrest

Natural disasters

Financial crisis

Tourism demand

Climate change

Increase of oil prices

Increase in taxes

Health crisis

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4. Impact of Crisis (cont.)

- Natural disasters => Tsunamis/ Earthquakes / Hurricanes
- Political unrest => North Africa / Middle East
- Taxes => shift of passenger flows
- Oil prices => impact on air fares

5. What can we expect ?

Trends towards 2020

- Tourism industry is highly adaptive
  - current economic situation is evolving
- Demographic changes
  - increased demand from healthier & wealthier seniors
- The global village effect
  - No limits in travel
  - But no significant changes in top destinations

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5. What can we expect ? (cont.)

- The 09h00 – 18h00 adventure experience
  Risk must be safe !
- Increased awareness on environment & sustainability issues
- Stability of intra-European tourism demand but significant increase from emerging markets
  => Visa Policy !

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5. What can we expect ? (cont.)

- Over-informed consumer
  - new marketing strategies
  - Higher quality expectations
  - Need for loud communication through all media channel
  - Customer is not looking for information but information is trying to get attention !

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5. What can we expect ? (cont.)

- Shorter & more frequent holidays
- A relative decrease of air transport vs. rail / sea, etc…
- Higher demand for a sustainable tourism offer

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Thank you for your attention

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