

Global Travel Intentions Study Highlights 2018

Executive Summary

By ORC International

Visa Public

Regions included in the study

- **APAC**
  Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore, Taiwan, Thailand, Vietnam
- **Europe**
  France, Germany, United Kingdom, Russia, Ukraine
- **MEA**
  Egypt, Kuwait, Saudi Arabia, South Africa, United Arab Emirates
- **Americas**
  Brazil, Canada, Mexico, United States

Data collection

The data is based on 500 interviews in each of the 27 markets except India, China, Australia and New Zealand, where 1000 interviews were conducted.

Online interviews were conducted between June – July 2017, in all markets, with the exception of Egypt, Kuwait and Saudi Arabia; where interviews were done face-to-face with the assistance of laptops.

Continuity & points of comparison

This is study was also conducted in 2013 & 2015. Where possible, trends are shown.



Foreword

The travel and tourism industry continues to play a significant part to global economies. According to the World Travel and Tourism Council (WTTC), travel and tourism generated US$7.6 trillion in 2016 – 10.2 percent of global GDP. This is expected to grow by 3.8 percent in 2017.

There were 1.24 billion international tourist arrivals in 2016 despite the increasing and unpredictable security risks and political instability. With visitor spending matching that growth, this industry remains an exciting one with significant opportunities for the world's largest industries.

Considering the scale of the industry, it is vital to analyze and understand the travel behavior and tourism spending patterns of these global travellers to help unlock the potential this industry presents to developed and emerging economies alike.

Tourism provides a gateway to economic progress by helping to grow revenue, promote job creation, and accelerate infrastructure development. And with increased acceptance of reliable and secure electronic payments, every traveller who uses a card to pay or buy goods and services is exponentially contributing to growth.

The Visa Global Travel Intentions Study has been regularly updated and published since 2006, and this latest installment is showing that with greater options, leisure travel is touching a wider mass. Regardless of economic or political highs and lows, leisure travellers are still optimistic about their future plans. This latest 2017 global update is part of Visa's continued commitment to helping industry players, including governments, in their pursuit of growth of the global travel and tourism industry.

Content

A Macro Trends in Travel

B Triggers & Motivations

C Role of Technology in Travel & Payment

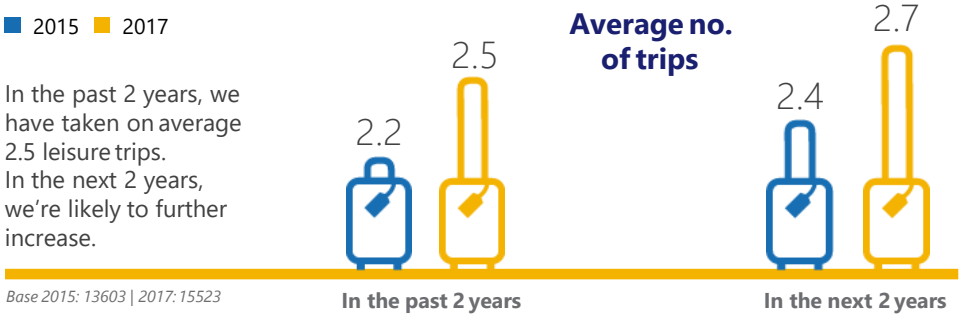


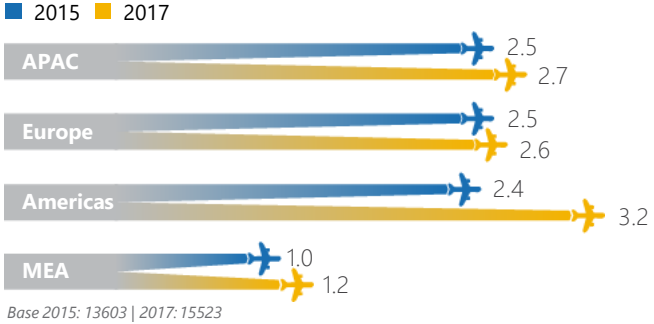
Macro Trends in Travel

Changes in the way we travel

Desire to travel continues, with increase in frequency of travel across most markets

Buoyant market with frequency of travel increasing, and is likely to continue into the future





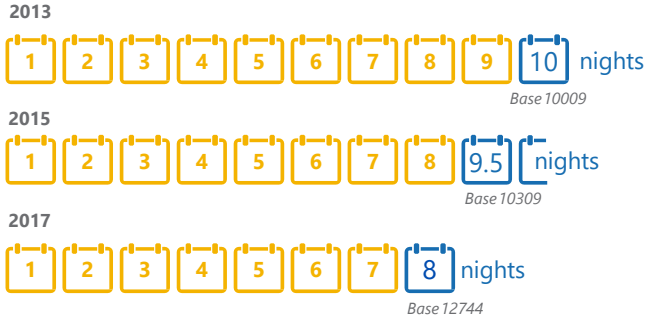
Increase in the average number of trips taken is the most evident in Americas, followed by Asia-Pacific and MEA (albeit coming from much lower base).



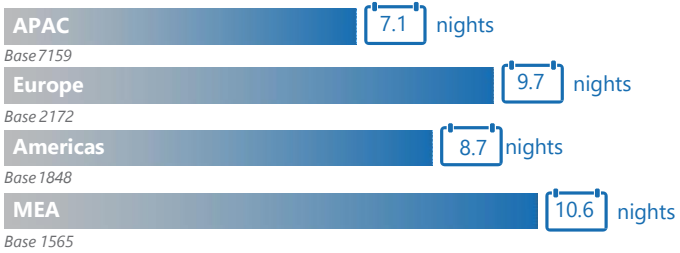
2 Travellers around the world are taking shorter trips

The average length of holiday keeps getting shorter, now being just over one week.

Average length of a trip



Average length of a trip (No. of nights)



Travellers from MEA tend to take the longest holiday.

Travellers from Asia love short getaways.

Proportion of trips 2 nights or less

Global	9%	Base 12744
Japan	21%	Base 338
Thailand	21%	Base 468
Vietnam	20%	Base 363
Indonesia	20%	Base 398

Did you know?

Countries with longest holiday (days)

Saudi Arabia	14	Kuwait	10
Australia	13	Canada	10
New Zealand	12	South Africa	10
Russia	10		

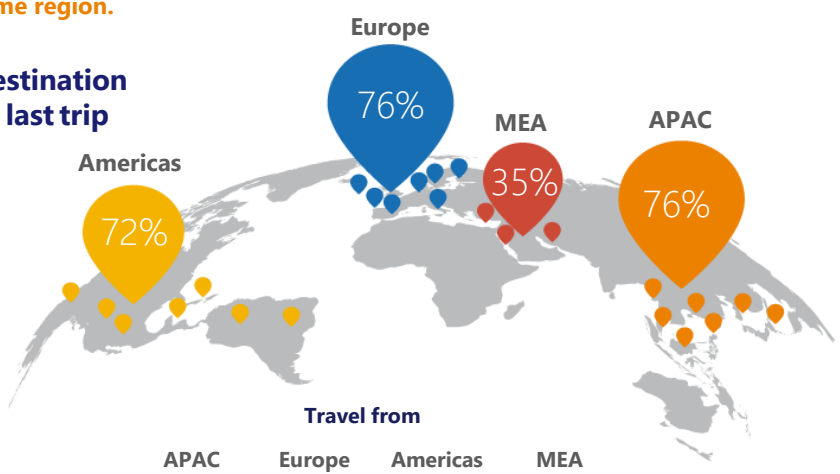


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3 Intra-region travel is still dominant

As seen in previous years, 3 out of 4 trips taken in the past 2 years were within the same region.

Destination of last trip



Travel from

Travel to	APAC	Europe	Americas	MEA
Asia	**76%**	23%	17%	**35%**
Europe	30%	**76%**	49%	34%
Australasia/ Oceania	29%	5%	7%	7%
Americas	23%	20%	**72%**	12%
Middle East	7%	22%	6%	27%
Africa	4%	8%	3%	12%
Base	*7159*	*2172*	*1848*	*1565*

Travellers from Americas & Africa are most open to exploring outside their region/going long-haul; whilst Europeans & Asia are the keenest on proximity.



European destinations are the most popular choice outside of region of origin, Australasia & Oceania is also gaining popularity.



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4 Top global destinations

Most popular Destination Countries (in Past 2 years)

Japan	USA	Australia	Hong Kong	Thailand
19%	18%	15%	13%	13%
Base: (2475)	(2258)	(1922)	(1625)	(1603)

Base: Travelled internationally in past 2 years – 2017 (12744)

Top three destinations (past 2 years) in 2015: USA = 11%; Japan = 9%; Singapore = 6%

Most popular Destination Countries (in Next 2 years)

Japan	USA	Australia	Thailand	Italy
9%	9%	7%	3%	3%
Base: (1309)	(1305)	(1117)	(515)	(498)

Base: Respondents who intend to travel in the next 2 years – 2017 (15064)



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5 Top destinations

USA is consistently one of the most popular destinations outside of region of origin, followed by European destinations such as UK/England, France and Germany.

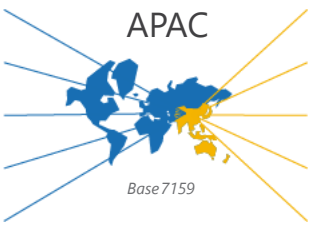
Did you know?

62% Travellers from Africa & Middle East are the most likely to transit.



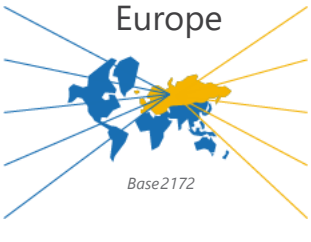
Destination of last trip

APAC



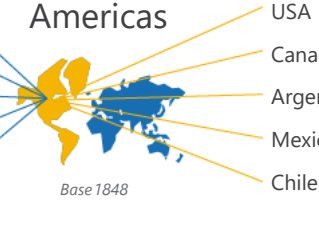
Outside of region		Intra-region	
16%	USA	Japan	32%
13%	UK/England	Australia	23%
10%	France	Hong Kong	20%
8%	Germany	Singapore	19%
6%	Canada	Thailand	18%

Europe



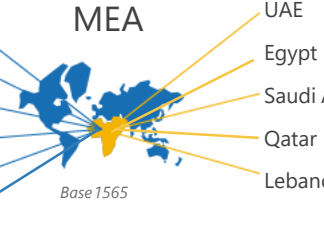
Outside of region		Intra-region	
11%	USA	Spain	24%
9%	Thailand	Italy	20%
7%	Egypt	Turkey	15%
4%	Canada	Greece	12%
4%	India	UK/England	9%

Americas



Outside of region		Intra-region	
17%	UK/England	USA	40%
15%	France	Canada	14%
15%	Italy	Argentina	14%
12%	Spain	Mexico	12%
10%	Germany	Chile	7%

MEA



9%	India	UAE	8%
8%	UK/England	Egypt	6%
7%	USA	Saudi Arabia	4%
7%	Australia	Qatar	4%
6%	Italy	Lebanon	3%
6%	Turkey		



B

Triggers & Motivations

Why do people travel & how they pick where to travel

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The motivations of travellers are mixed

Most travellers seek a "blend" of Reward & Achievement.

Motivations for last trip

Reward mindset	Bonding with family & loved ones	47%
Reward mindset	Disconnecting from daily grind/stress	35%
Reward mindset	'Switching off' and relaxing	32%
Achiever mindset	Experiencing different cultures	31%
Achiever mindset	Visiting exotic destinations	25%
Reward mindset	Treating myself	23%
Reward mindset	Rewarding myself for the hard work	19%
Achiever mindset	Pursuing passions	14%
Achiever mindset	Experiencing popular travel trends/ experiment	13%
Reward mindset	Annual/ scheduled getaways	10%

Base 12744

30% with reward mindset (only)

63% "blended" travellers

6% with achiever mindset (only)



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2 Holiday choices are driven by a wide mix of needs

Global	Essential factors for choice of destination	
Culture*	Has a rich culture/heritage	26%
	Locals are warm and friendly	15%
Nature	Has good scenery	21%
	Has natural wonders	11%
	Has good nature preserves	8%
Weather/Safety/ Cleanliness	Good weather/season	20%
	Safe and secure	17%
	Clean and well-maintained	13%
Cost/Budget	Fit my budget	19%
	Was good value for money	17%
	There was a travel promotion	7%
Accessibility	Easy to get to the destination	12%
	Familiar with the destination	10%
	Easy to get around at the destination	9%
Base 12744		*Base 12744*

**Only two factors are asked under Culture*



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3 Travellers needs differ by region

Europeans - seek culture and good weather.

Americans - are influenced by activities and local experiences.



APAC travellers are the most concerned with time available & accessibility of the destination.

Travellers from MEA - appreciate activities but are also concerned with budget.

Top 3 reasons for most recent destination

Americas		Europe		APAC		MEA	
Activities	35%	Culture	36%	Accessibility/ Familiarity	36%	Activities	44%
Culture	33%	Weather/ Safety/ Cleanliness	35%	Nature	35%	Budget	39%
Weather/ Safety/ Cleanliness	29%	Accessibility/ Familiarity	32%	Available time	34%	Weather/ Safety/ Cleanliness	37%
Base 1848		*Base 2172*		*Base 7159*		*Base 1565*	

Did you know?

Agritourism is the most popular among Thai travellers with **13%** citing it as an essential factor for destination choice.
Base 468

Global average is **3%**
Base 12744





Hong Kong travellers due to fast-paced lifestyle, tend to seek easy access around destination (**19%**).
Base 484

Global average **9%**
Base 12744

Taiwan is the most concerned with safety. In contrast, Ukraine is the least concerned (**31%** and **8%** respectively).
Base Taiwan 431; Ukraine 286

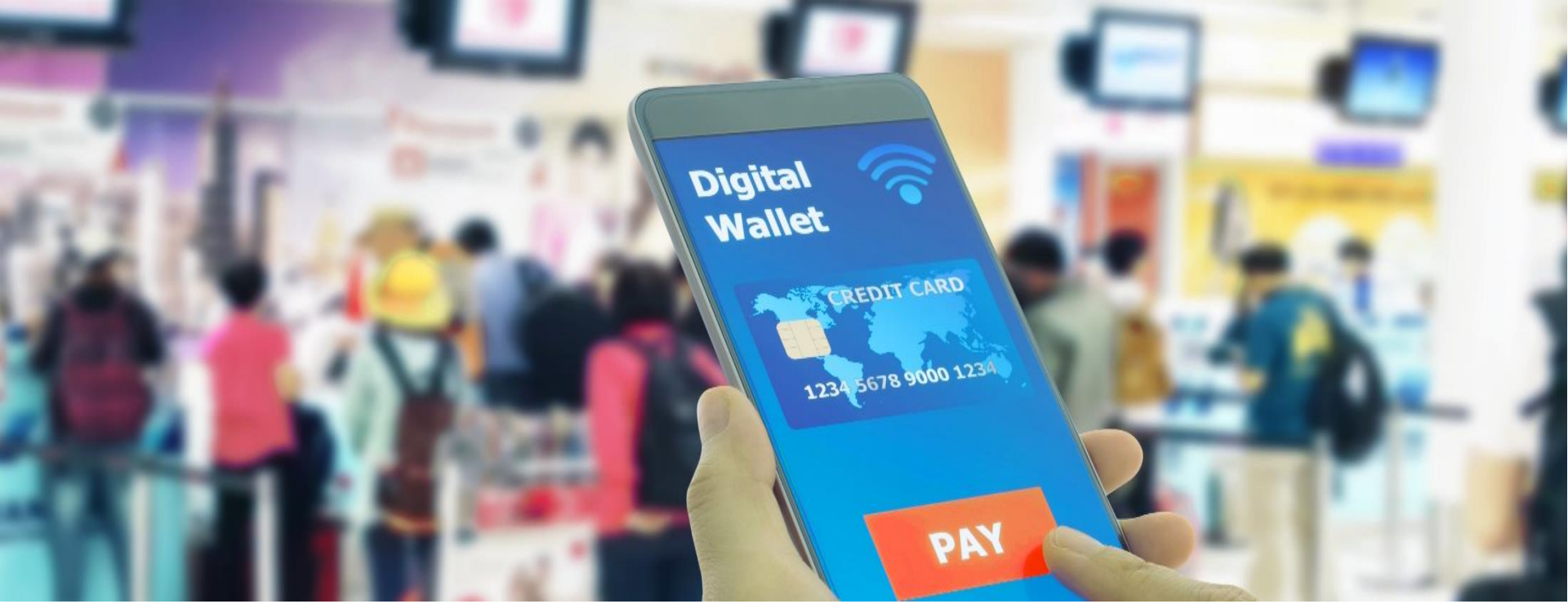
Global average is **17%**

Germany is the least cost/budget conscious nation, with only **18%** of travellers citing it as a factor.
Base 493

Global average is **33%**



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Role of Technology in Travel & Payment

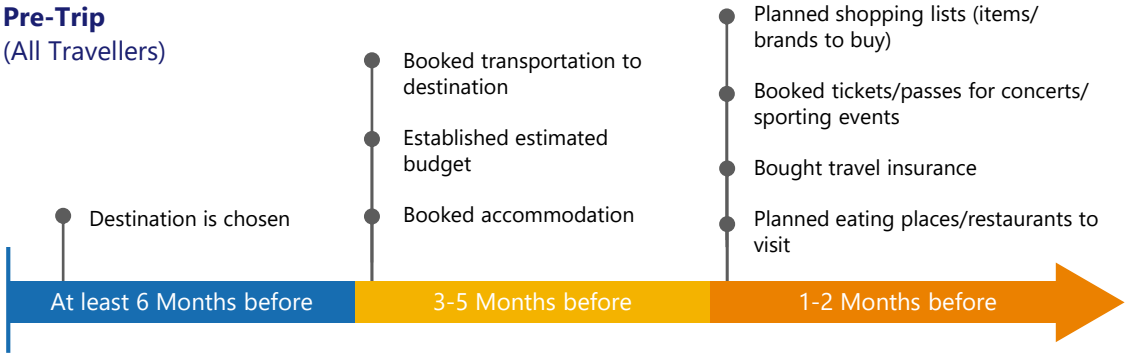
Evolving ways we plan travel & pay for it

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Majority of the detailed planning and booking decisions take place 1- 3 months before the trip

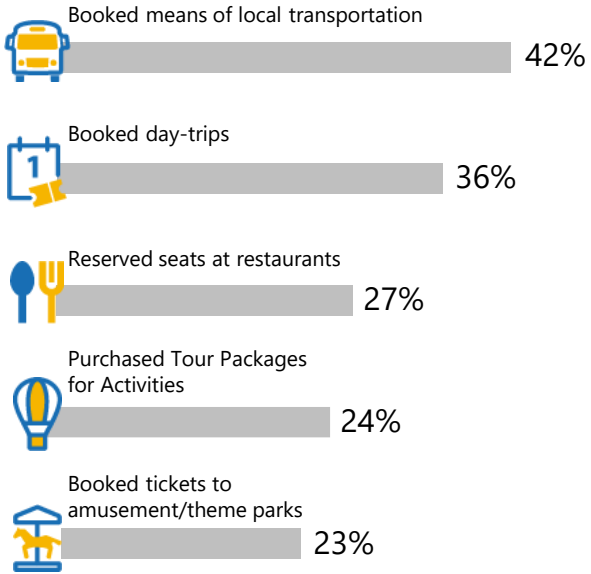
Destination is usually chosen at least 6 months before the trip, transport & hotel 3-4 months ahead, whilst detailed activities are typically planned only 1-2 months in advance.

Pre-Trip
(All Travellers)



Many leave the booking of specific activities to when they reach their destination.

At Destination
(Free/Independent Travellers)



For many, pre-trip planning involves more than just transport, accommodation or attractions planning.

Pre-Trip planning

64%
of Travellers planed shopping lists.

72%
of Travellers prepared cash/foreign currency.

61%
of Travellers downloaded travel apps.

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2 Independent travelers decide on their destination earlier than those who book group packages, but leave the rest of the planning closer to departure

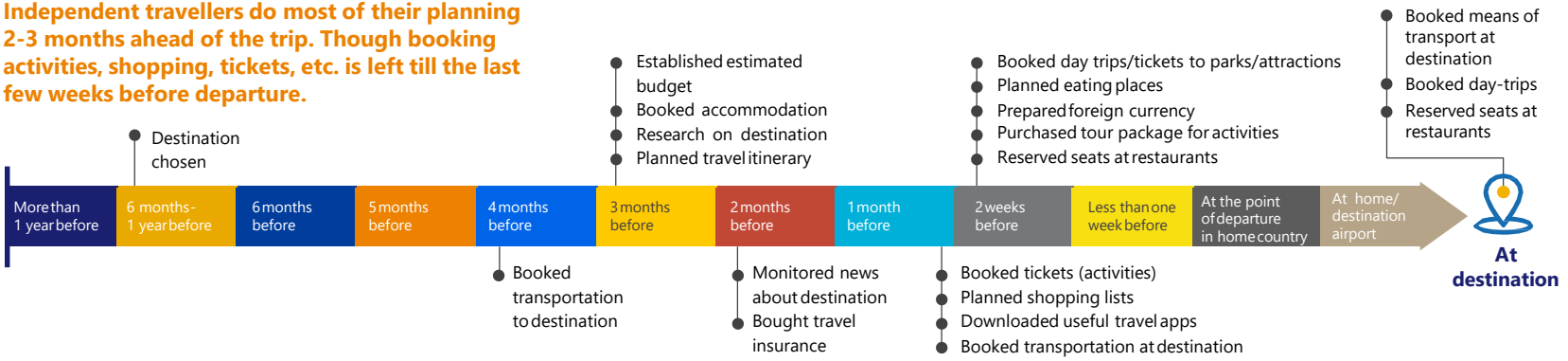
Those who book a group package finalize destination choice about 6 months prior departure, and spend the following 3-4 months researching the destination, planning for shopping, restaurants and activities.

Group/ personal guided tour



Independent travellers do most of their planning 2-3 months ahead of the trip. Though booking activities, shopping, tickets, etc. is left till the last few weeks before departure.

Partial package/ Free and independent



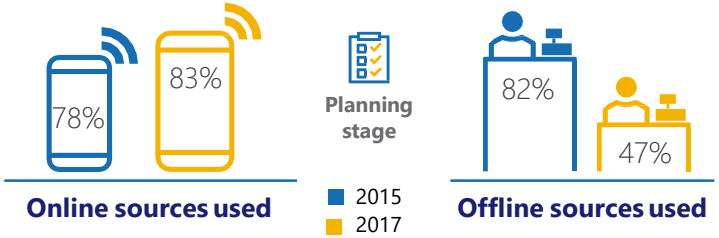
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3 Information & Influence

Online is dominant source of information at planning stage.

Increasing number of people are going to online sources at planning stage.

Offline sources dropped from 82% in 2015 to 47% in 2017.



Base 2015: 10309 | 2017: 12744

At destination, on-line & off-line is more balanced

Travellers see lesser need for offline sources while they continue to make use of online sources.



Base 2015: 10309 | 2017: 12744

Top 3 Offline sources during planning

Relative, family or friend	**22%**
Travel Agents/tour operators	**16%**
Travel guidebook	**14%**

Base 12744

Top 3 Offline sources at destination

Relative, family or friend	**15%**
Travel guidebook	**14%**
Hotel reception/ front desk	**13%**

Base 12744

Word-of-mouth is an important source of information during planning and at the destination.

Did you know?

Travellers from Kuwait and Saudia Arabia are still relying a lot on offline sources for planning although that trend has somewhat declined over the years as travellers shift towards use of online sources for planning – proportion of this segment has increased two fold in 2017 since 2015

Kuwait - 66% (2017) vs 32% (2015)
Saudi Arabia – 66% (2017) vs 37% (2015).



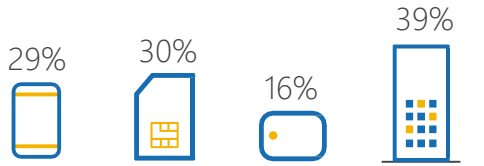
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4 Technology/ platforms used

Travellers want to be connected 24/7, even at destination.



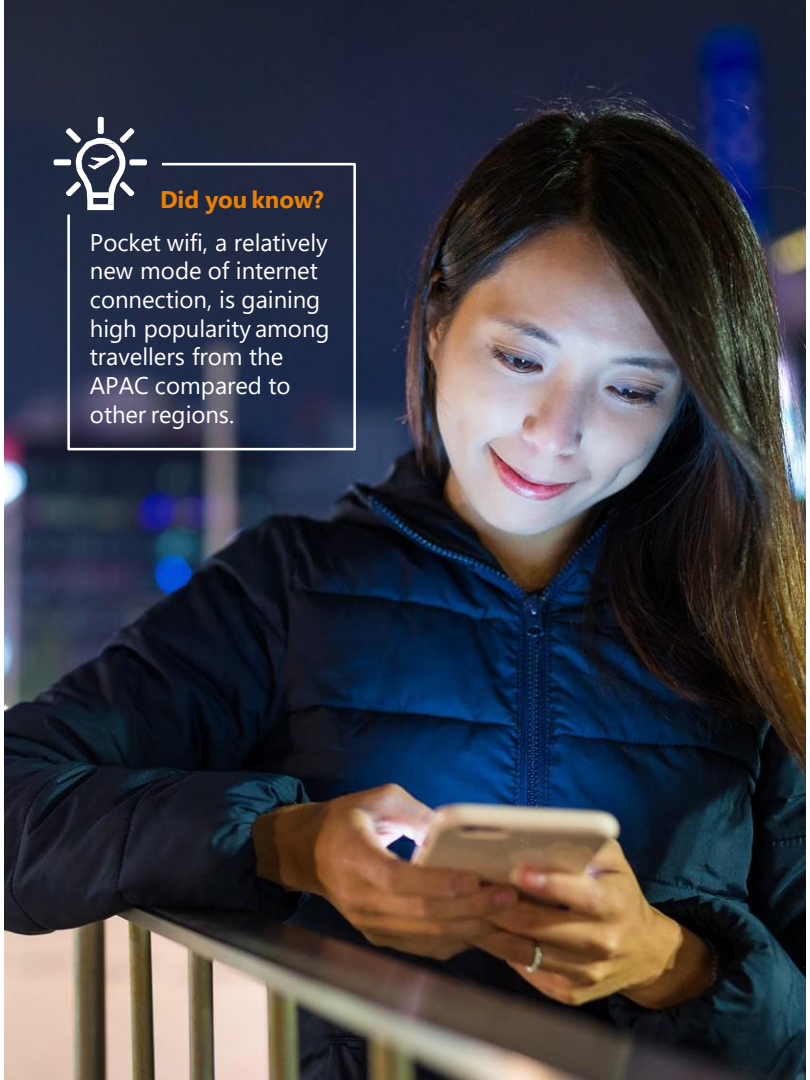
of travellers gained online access whilst abroad.



Base 12744

Did you know?

Pocket wifi, a relatively new mode of internet connection, is gaining high popularity among travellers from the APAC compared to other regions.



Increasingly, travellers are staying connected while on the go.

Stayed online during trips

2015 2017



Share experience
61% VS **69%**
via social media platforms (e.g. Facebook)

General communication
62% VS **60%**
via instant messages/emails

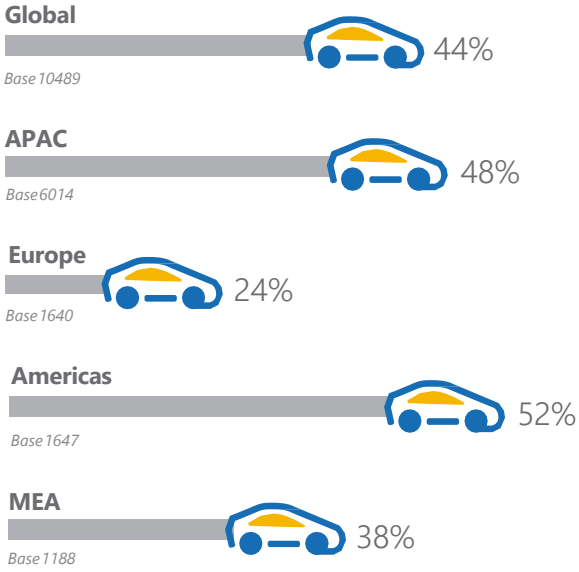
Post reviews
37% VS **41%**
posted on travel review sites

Base 2015: 10309 | 2017: 12744

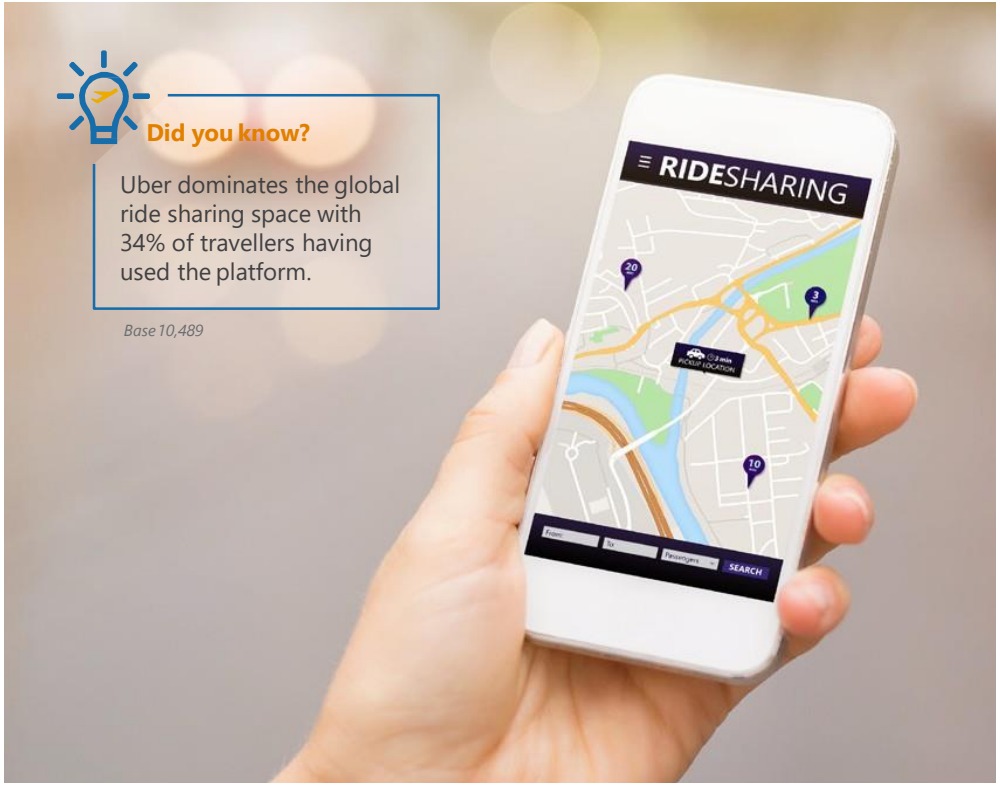
More are now sharing experiences via social media and lesser general communication compared to 2015, suggesting that travellers are now going beyond their personal domain to the public domain.

5 With increased internet connection at destination, Uber and similar transport platforms are now widely used while travelling

Usage of ride sharing apps (such as Uber) at destination



Travellers from the Americas and APAC are likely to be frequent users of ride sharing services during trips.

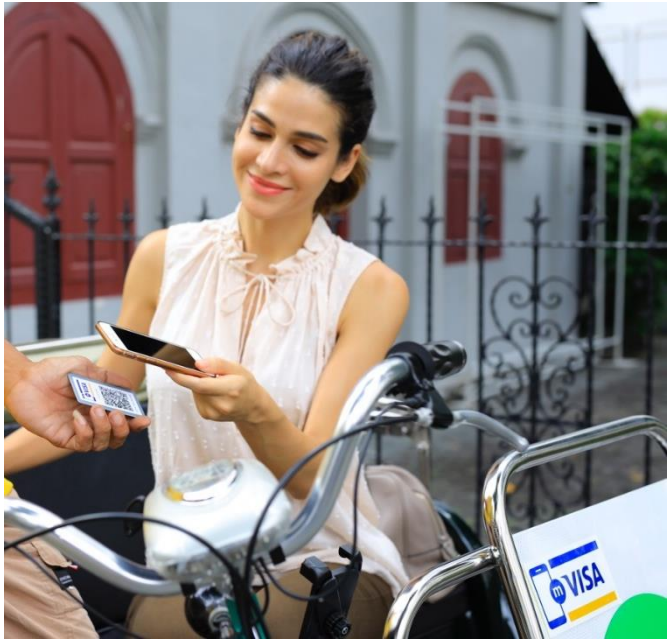


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Global spending intended for next trip vs. previous trip

Region	Last trip*	Next trip*	Percent change
Global	1,793	2,443	36.25% Increase
Africa & Middle East	2,666	2,666	0% Increase
Asia Pacific	1,677	2,443	45.68% Increase
Europe	1,174	1,409	20.02% Increase
North and South Americas	2,248	2,840	26.34% Increase

Base 12744 *Median amount spent / intend to spend (USD)



Top five spenders by country

Median amount intend to spend for next trip (USD)

	Saudi Arabia	Kuwait	China	Australia	UAE
Last trip	5,333	3,143	2,988	2,745	2,722

Median amount spent last international trip (USD)

	Saudi Arabia	China	Australia	United States	Kuwait
Next trip	4,800	4,034	3,529	3,500	3,474

7 Loss or theft of cash is the main payment concern at destination

Other concerns are related to card fraud and merchant charges.

Global

Loss/theft of cash	5.1
Payment card fraud	5.0
Merchant imposed card charges	4.9
Availability of ATM machines	4.5

MEA

Payment cards acceptance	5.9
Charges for overseas ATM withdrawal	5.9
Merchant imposed card charges	5.8
Availability of ATM machines	5.6

Did you know?

Availability of ATMs or money changers is deemed one of top 4 concerns for travellers in MEA as their reliance on cash is high.

Did you know?

45% of travellers cite loss or theft of cash as the main payment concern at destination.

Note: Mean score rated on scale of 1 (Not concerned at all) to 7 (very concerned)

Fraud is not as high a concern for digital wallets as it is for card payments.

Global

Payment card fraud	5.0
Costs of using payment cards at oversea merchants	4.9
Costs of using payment cards for overseas ATM withdrawal	4.9
Acceptance of payment cards by merchants	4.7
Possibility of card dispute	4.6
Digital wallet fraud	4.4
Acceptance of digital wallets by merchants	4.0

Base 12744

Travellers have more concerns with traditional payment cards than digital wallet.



8 Majority of travellers keep leftover cash for their next trip

87% have leftover cash from their trips.



Did you know?

Compared to other regions, travellers from Europe and MEA countries displayed a tendency to change back leftover cash (from trips) to local currency – as they see less value in holding foreign currency since a large majority of them have low future intention to travel again in the next 2 years.

Global (2017)



9 ATM withdrawal abroad is still relatively uncommon as many are not clear about the charges



65% of travellers brought along international/ destination currency with them during trips

Base: 12744

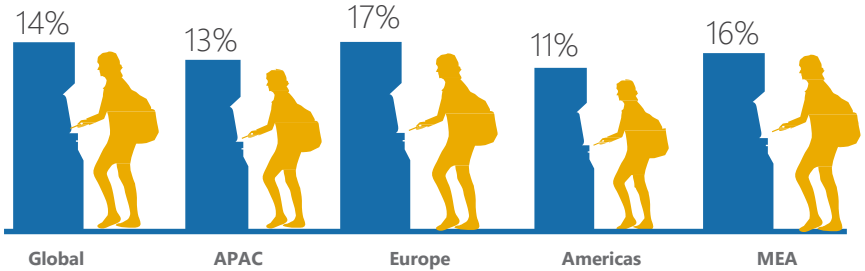
Did you know?



Three in 10 Europeans and Americans who carried foreign currency do not see the need for ATM withdrawal at destination country as they feel that they have sufficient cash with them.

Base: Europe (1014); Americas (927)

Incidence of ATM withdrawal at destination



Slightly more than 1 in 10 made an ATM withdrawal at destination.

Significantly, travellers from Europe and MEA are more likely to withdraw cash during holiday trips compared to those from the other regions.

Lack of clarity around rates & charges are the main barriers to withdrawal at destination.



Base 7305

50% of travellers from MEA are concerned about high charges and rates for overseas cash withdrawal.

Base 1053

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Thank you!

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