

LUXURY MARKET TRENDS REPORT IV EDITION AIGO & PANGAEA NETWORK OBSERVATORY

AIGO and the Pangaea Network, an international organization of independent agencies offering consultancy and communication services to the travel and tourism industry, announce the findings of the fourth edition of its travel luxury research. A representative panel of over 360 travel professionals from 6 countries (France, Germany, Italy, Spain, the Netherlands and the UK), aged between 36 and 55 years, was asked for an overview and predictions of the luxury travel industry in the corresponding markets.

General industry trends

According to our panel, luxury travel is widespread: 77% of those interviewed sell luxury trips. 47% declare that their clients normally book more than 4 trips per year. 31% have clients that usually take 2 or 3 trips per year, whilst only 22% sell just 1 trip per client per year. Trend has decreased compared to April 2013 edition, when the 51% of professionals indicated to sell more than 4 trips per year; 33% between 2 and 3 trips and 16% just 1 trip.

Globally speaking, luxury travellers tend to take holidays in August and December (July, August and December in 2013). March and November represent the “low season”. The average length of the trip is reduced compared to the last year, from two weeks in 2013 for the majority (34%) to 10 days in 2014 according to the 46% of those interviewed.

A deeper analysis of the markets shows that 51% of the Dutch and 41% of German holidaymakers go away for more than 2 weeks, while 10 days is the most popular length of trip in Italy, France, Spain and the UK.



5,000 - 10,000 Eur

54%



The travel average expenditure per trip is between € 5,000 and € 10,000 with almost 2 out of 10 travellers worldwide spending over € 10,000, and 3 out of 10 spending less than € 5,000. Against this trend, the UK now counts the most significant percentage (37%) of low-budget travellers spending less than € 5,000.

Referring to the travel booking period, the general outlook is quite divided. The largest groups of Italian (50%), French (50%), Spanish (48%) and British clients (31%) usually book between 30 and 60 days prior to departure. On the other hand, people from Netherlands and Germany prefer to book from 3 to 6 months before travelling.

In line with the last year's trends, clients continue to purchase packages including transfers and excursions (69% of respondents). Only 2 out of 10 depart with only flight and accommodation. "Accommodation only" was the answer chosen by only 7% of those surveyed and almost nobody said "Flight only".

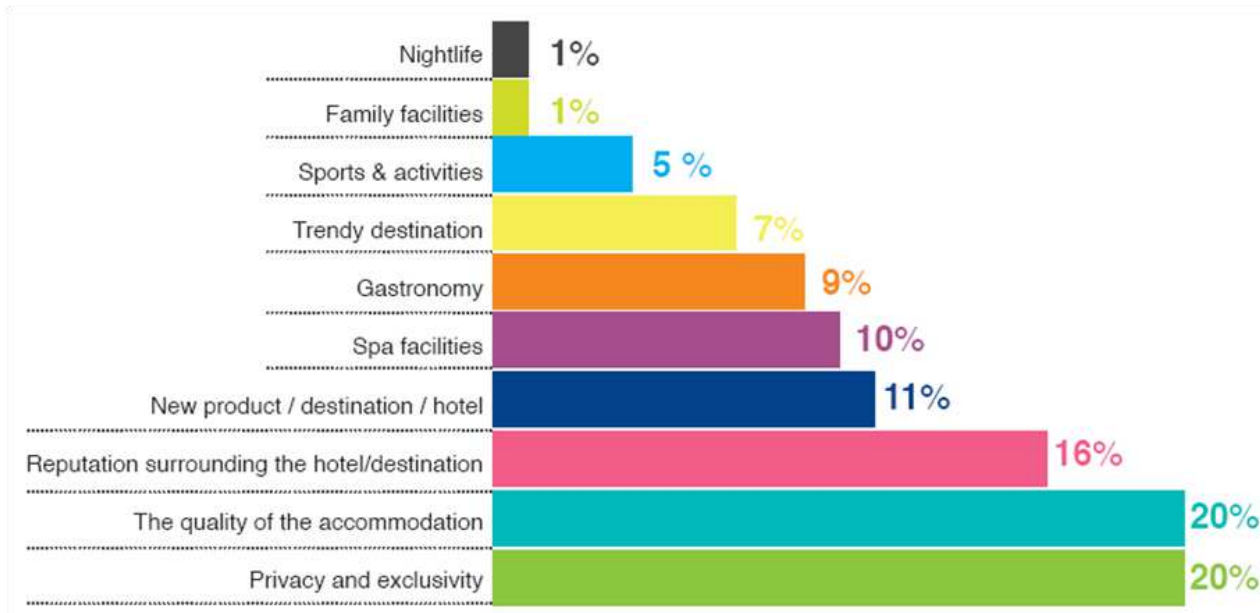
Among the upcoming destinations: United Arab Emirates; South Africa; Oman; Brazil; India; Japan; Vietnam; Myanmar; USA; China; Indonesia; Thailand; Maldives.

Travellers' profile

In the second part of the research, professionals were asked to provide a profile of the luxury traveller.

Luxury trips are mostly taken by people between 36 and 55 years (68%); 30% of travellers are over 55 and just 2% are 35 or under. Usually, luxury travels are taken by couples (70%), followed by families (26%), and friends (3%).

Luxury travellers are mainly attracted by privacy and exclusivity (20%) and by the quality of the accommodation (20%). In contrast to the trend in the last Edition, it is interesting to note that 'spa facilities' has overtaken 'gastronomy'.



When booking luxury trips, travellers are mainly influenced by the added value (65%), followed by the price (18%), special deals (14%) and family facilities (3%). We can say that travellers look for good deals and exclusive tailor-made services.

The advice of friends and relatives is no longer the primary source of information (31%). The use of the Internet is growing and from 2014 travellers started to prefer surfing the web (38%) when looking for information. In particular, internet use is preferred in Italy (48%) and in the UK (44%) while word of mouth is favoured in France (56%), Germany (43%) and Spain (32%). The Netherlands rely on friends/relatives advice (39%) and get information on the web (39%). Travel guides and special publications keep a hold on third place in every market.

Review websites (i.e. Trip Advisor) have the greatest influence on clientele according to the majority of respondents (33%). In second place clients go onto the official pages of hotels and airlines to complete the booking. Profiles of social media (i.e. Facebook) are chosen by 8% of respondents while travel bloggers hold a small portion of consensus (4%).

AIGO

AIGO is a marketing and communications agency that has specialised in tourism, travel and hospitality. Since 1990 AIGO successfully positioning itself on the market destinations, travel products and services by defining an analytical and innovative processes required to position and promote brand, enable the multi-channel distribution and develop with the consumer an interaction aimed at the sale. The services offered by a team of about 30 professionals, cover: strategic consulting, representation, consumer marketing and trade marketing, public relations & digital PR, engagement, communication & advertising, events.

AIGO is a founding member of Pangaea Network, made up of 12 independent agencies specialising in tourism that provide its customers with a global vision and local resources that can support them in their communication activities and development of new markets. Pangaea Network currently covers over 20 markets : Latin America, Asia, Austria, Australia, Belgium, Brazil, Canada, France, Germany, Ireland, Italy, Netherlands, Portugal, United Kingdom, Czech Republic and Eastern Europe, Scandinavia, Spain, South Africa, Switzerland, UAE and Oman, USA.

www.aigo.eu

www.thepangaeanetwork.com