

Germans More Eager Than Ever To Travel

Contributed by GfK NOP
Tuesday, 22 March 2011

GfK analysis of travel bookings for summer 2011

According to GfK Retail and Technology, expectations are high for the 2011 summer season as a result of vacation bookings in Germany. Sales are up 18% in comparison to the prior year, which is primarily attributable to higher vacation budgets and the increased cost of travel.

The current optimism of German consumers is clearly having a positive effect on their propensity to travel. A total of 8.6% more travel bookings and an average increase in expenditure of 4.6% are evidence of the remarkably high demand on the travel market at present.

Up to the end of January 2011, overall sales recorded by travel agencies in Germany for the coming summer season increased by 18% in comparison to the prior year.

The higher expenditure of German travelers booking through a travel agency is partly due to increased costs, such as the new flight tax for example. However, Germans also seem to be more willing to splash out.

Travel bookings in higher price categories are rising, while they have declined in the lower price categories of below EUR 1,000. It can therefore be surmised that travel budgets have increased this year, with solo travelers and couples in particular spending more on their summer vacations for 2011.

The average vacation duration has remained almost the same at around 11 nights, but expenditure has increased by 6.7%, which brings the average price paid per person to EUR 954. In contrast, the rise in expenditure for families is comparatively moderate at 2.6%.

Ägypten is regaining popularity as a travel destination

The Spanish coast is attracting even more German holidaymakers this coming summer than in 2010: sales generated by travel agents for vacations to Spain are 22.6% above the prior year's figure.

Turkey has recorded similarly strong progress in bookings for summer 2011, and destinations such as Italy, Bulgaria and Croatia have also experienced double-digit sales growth in bookings. There was also an impressive 45% improvement in sales of vacations in Germany, which are often independently organized without the assistance of travel agencies.

The political unrest in North Africa has primarily benefited the Mediterranean countries mentioned above. However, travel bookings for Egypt in particular have since been increasing once again, with noticeable signs of recovery apparent as of the end of February. This rise is more pronounced for online travel bookings than in high street travel agencies.

Cheaper trips booked on the internet are popular

At the start of this year, GfK Retail and Technology integrated bookings made through online travel portals into its tourism retail panel. Initial comparisons between online and offline booking behavior appear to contradict common assumptions.

For example, family vacations are not predominantly booked through travel agencies – the online share is just as high. Although online travel portals are strong in the last minute segment, they are also in a good position for vacations booked between two and six months in advance, recording similar market shares to high street travel agents.

Marked differences become apparent when it comes to expenditure on a vacation. Germans are significantly more likely to book vacations which are costly, or for which they require more advice, at the travel agent's. The share of vacations costing more than EUR 1,000 booked with travel agents is 53%, compared with only 30% for the internet.

This trend is reversed for less costly vacations. If the expenditure is below EUR 750, 47% book via online travel portals and 26% go to conventional travel agencies. A further indicator that the internet is used for cheaper alternatives is the share of 3-star hotel bookings.

Almost one in five Germans chooses a 3-star hotel online, while only one in ten does so at the travel agent.

The survey

The analysis conducted by GfK Travel Insights, GfK Retail and Technology's Tourism Distribution Panel, is based on booking data from around 1,200 travel agencies, which are representative of the high street travel market in Germany.

GfK Retail and Technology collects an average of 340,000 booking records from this continuous sampling every month.

The analysis produced by GfK Travel Insights is used to generate projections for the market as a whole.

This makes it possible to draw reliable conclusions about the booking behavior of German holidaymakers and understand the latest trends and developments in the tourism market. The newly established online panel has made booking data from online travel portals available for the first time.

The current data is based on the analysis of bookings made by the end of January 2011 and represents snapshots for the 2011 summer season. The comparison of online and offline booking behavior is based on data from January and February 2011.

The GfK Group

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Nuremberg, Germany - 9 March 2011