



# wtm<sup>®</sup>

LONDON

6–8 November 2017

## 2017 Industry Report

Discover key findings from the WTM London Exhibition Floor

Findings from 1,000 UK holidaymakers

Opinions from the travel industry

All the latest travel trends





# World Travel Market 2017 Industry Report

## FOREWORD

WTM London, the leading global event for the travel industry, will – as we have done since our launch event in 1980 – host the global travel and tourism industry as it looks to agree business deals and discuss the current issues facing the sector.


WTM London 2017 will facilitate deals worth about £3 billion in travel industry contracts from almost one million on-stand meetings between exhibitors and buyers from the WTM Buyers' Club. The WTM Portfolio – which also includes Arabian Travel Market, WTM Latin America and WTM Africa – is the catalyst for deals worth more than £4 billion.

Despite this clear desire to conduct business, the industry faces many hurdles, but I am pleased to see the report finds a high level of industry optimism for 2018.

WTM London has surveyed its key stakeholders – exhibitors, senior WTM Buyers' Club members and visitors – to discover the central issues for the industry and the topics of conversations on the exhibition floor across the three days of WTM London 2017 (Monday 6 – Wednesday 8 November).

The findings form the backbone for the World Travel Market London 2017 Industry Report. They cover a range of issues from industry optimism, the impact of Brexit, responsible tourism, Donald Trump's Presidency, terrorism and strong performing countries.

These results are put into context by comparison with a survey of more than 1,000 UK holidaymakers (all of whom took a minimum seven-day summer holiday overseas or in the UK in 2017) revealing their booking and holidaying habits.



Paul Nelson  
Portfolio Press & PR Manager  
World Travel Market







## **Report Research Background**

The World Travel Market London 2017 Industry Report is based on the findings of two independently conducted surveys in September 2017.

The first is a poll of 1,622 WTM London stakeholders, comprising exhibitors (tourist boards and private sector travel industry organisations), the industry's senior buyers from the WTM Buyers' Club and travel trade visitors.

The second piece of research is a survey of 1,025 British holidaymakers (all of whom took a minimum seven-day summer holiday overseas or in the UK in 2017). A full cross-section of the UK public in all regions and income brackets were surveyed according to Market Research Society's guidelines.



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## 1. INDUSTRY OPTIMISM

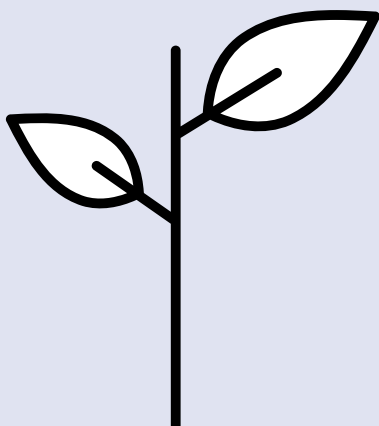
# INDUSTRY MORE OPTIMISTIC THAN LAST YEAR

## IN 2016...



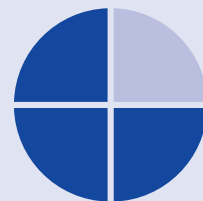
**67%**

SAID THE TRAVEL INDUSTRY WOULD GROW WITH TWO IN THREE EXPECTING THEIR COMPANY TO INCREASE BOOKINGS



## IN 2017...

**60%** OF BRITS TOOK A HOLIDAY



**3/4**

OF INDUSTRY PROFESSIONALS SAY TRAVEL WILL GROW IN 2018

**8/10** SAY COMPANY WILL **GROW** — IN 2018





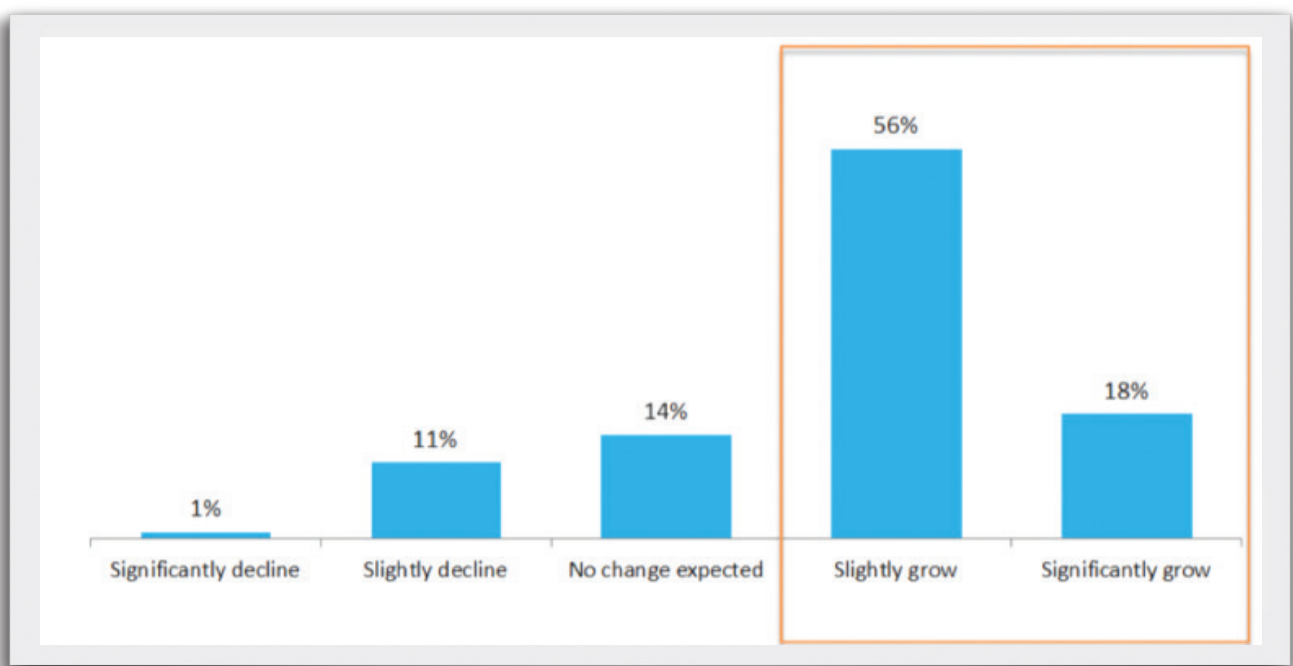
## 1. Industry Optimism

The international travel industry looks set for further growth around the world in 2018. Much of this growth will be fuelled by business deals sealed as a result of WTM London, which will host more than 51,500 senior travel industry professionals this week at ExCeL London (6-8 November).

The WTM London 2017 Industry Report found that three-quarters (74%) of the travel delegates asked expect the industry to grow, with 56% hoping for 'slight growth' and 18% expecting significant growth.

### Q. To what extent do you expect the tourism industry to grow or decline in 2018?

(Industry Survey)



Out of the 1,622 responses, only 1% of the extremely optimistic audience predicted a decline and 14% predicted the trade would remain steady in 2018.

# World Travel Market 2017 Industry Report



This positivity was also reflected in the amount of bookings their company or organisation plans to achieve in 2018, with almost 80% predicting an increase in 2018. This compares well to last year when the same question was asked, with only 67% expecting an increase in 2017 bookings. A sure sign that the industry is on the up.

WTM London will be responsible for generating around £3 billion of travel industry contracts, with Italy (54%) and Greece (35%) identified as the top countries to do business during the event at ExCeL.



Major tourism organisations and leading travel groups have also issued positive messages about the state of the industry, despite headwinds such as terrorism attacks and concerns about the eurozone.

# World Travel Market 2017 Industry Report

According to the 2018 Global Travel Forecast, travel prices are expected to rise sharply in the coming year, reaching nearly 4% increases in some sectors.

Released this summer, the fourth annual forecast – by the GBTA Foundation in partnership with Carlson Wagonlit Travel, and with the support of the Carlson Family Foundation – shows global airfares are expected to rise 3.5% in 2018; hotel prices are expected to be 3.7% higher; and ground transportation such as taxis, trains and buses are expected to rise only 0.6% – significantly less than the 3% inflation forecast for 2018.

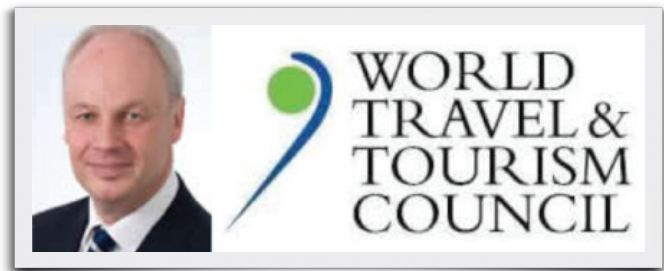


“The higher pricing is a reflection of the stronger economy and growing demand,” said Kurt Ekert, president and CEO, Carlson Wagonlit Travel. “The global numbers from this forecast should be considered strong leading indicators of what 2018 will mean for global businesses, as we anticipate higher spending.”



The World Tourism Organisation (UNWTO) has reported that international tourist arrivals worldwide grew by 6% in January-April of 2017 compared to the same period last year, with business confidence reaching its highest levels in a decade. Sustained growth in most major destinations and a steady rebound in others drove results. Prospects for May-August 2017 remain high.

David Scowsill, former WTTC President and Chief Executive, commented: "For the sixth successive year, growth in the sector outpaced that of the global economy. The outlook for business and leisure travel in 2017 remains robust. Over the longer term, growth of the Travel & Tourism sector will continue to be strong, as long as governments continue to invest in the necessary infrastructure."



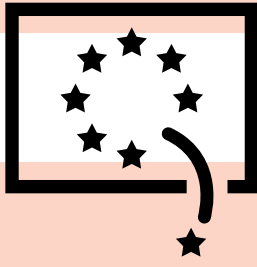
Furthermore, the Tui Group is predicting a 10% growth in profits for the full year, despite the impact of Hurricanes Irma and Maria.

It suggested that overall performance is positive, with revenues booked to date up 7% and customer volumes up 3% year-on-year. It experienced good growth in bookings for Cape Verde, Cyprus, North Africa and Thailand, although they are seeing some impact on demand for some parts of the Caribbean and Florida as a result of the recent devastating hurricanes.



In the UK, booking and selling price performance are in line with Tui's expectations, given the very strong start in prior year trading (when bookings were up 22%) and impact of currency inflation on selling price.





## 2. BREXIT

MORE THAN HALF OF TRADE SAY BREXIT HAS **NEGATIVELY IMPACTED** THE UK'S REPUTATION AS A HOLIDAY DESTINATION

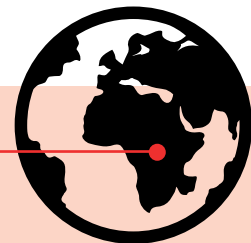
**16%** OF INDUSTRY SAY THEY WILL HAVE **TO RAISE** PRICES



COSTS RISING ARE HOLIDAYMAKERS MAIN POST-BREXIT CONCERN



MORE THAN 25% OF COMPANIES SAY IT WILL IMPACT **RECRUITING** OVERSEAS STAFF



**55%** SAY IT WILL  HAVE A NEGATIVE IMPACT ON THEIR **ORGANISATION**

**1/3** SAY IT WILL HAVE SOME IMPACT ON THEIR 2018 HOLIDAY



## 2. Brexit



### Inbound Industry - Staff Recruitment

More than 40% of UK firms who employ foreign workers anticipate that recruitment will be affected when the UK leaves the European Union.

Furthermore, more than half (53%) of all travel trade respondents believe Brexit has already had a negative impact on the UK's reputation as a holiday destination, and a similar proportion (55%) feel

the British exit from the EU will have a negative impact on their company or organisation.

The findings reflect those in other recent trade surveys, such as UKinbound's poll of its members, who are tour operators and attractions catering for tourists visiting the UK.

Some UKinbound members reported that more than 20% of their EU national employees have already left the UK "because of the long-term uncertainty over their status", and almost 50% of respondents are having difficulties recruiting EU staff because of Brexit.



ETOA, the European tourism organisation, surveyed its members about EU staff and found that about 20% of companies are “actively contemplating” relocation because of the problems of Brexit.

Research for the British Hospitality Association warned there could be a shortfall of up one million workers after 10 years if EU migration is curtailed completely.

The trade associations highlighted how crucial EU workers are to UK firms, especially because of their language and service skills – and warned there are not enough Brits with the right expertise who can fill the gap.

- ETOA at WTM London: Stand GV300
- UKinbound at WTM London: Stand UKI100, UKI300



## Brexit to have a negative impact on the UK reputation as a holiday destination

Just over half of the travel trade professionals quizzed in an industry survey say that Brexit will have a negative impact on the UK's reputation as a holiday destination, according to the **WTM London 2017 Industry Report**.

WTM London's annual survey reveals that 12% said the impact of Brexit on the UK's reputation among holidaymakers will be significantly negative, with 41% saying it will be slightly negative.

Almost a third (31%) predict there will be no impact, while 16% predict a positive outcome (13% slight, 3% significant).

The poll found similar figures when the travel trade professionals were asked about the impact of Brexit on their own company or organisation.

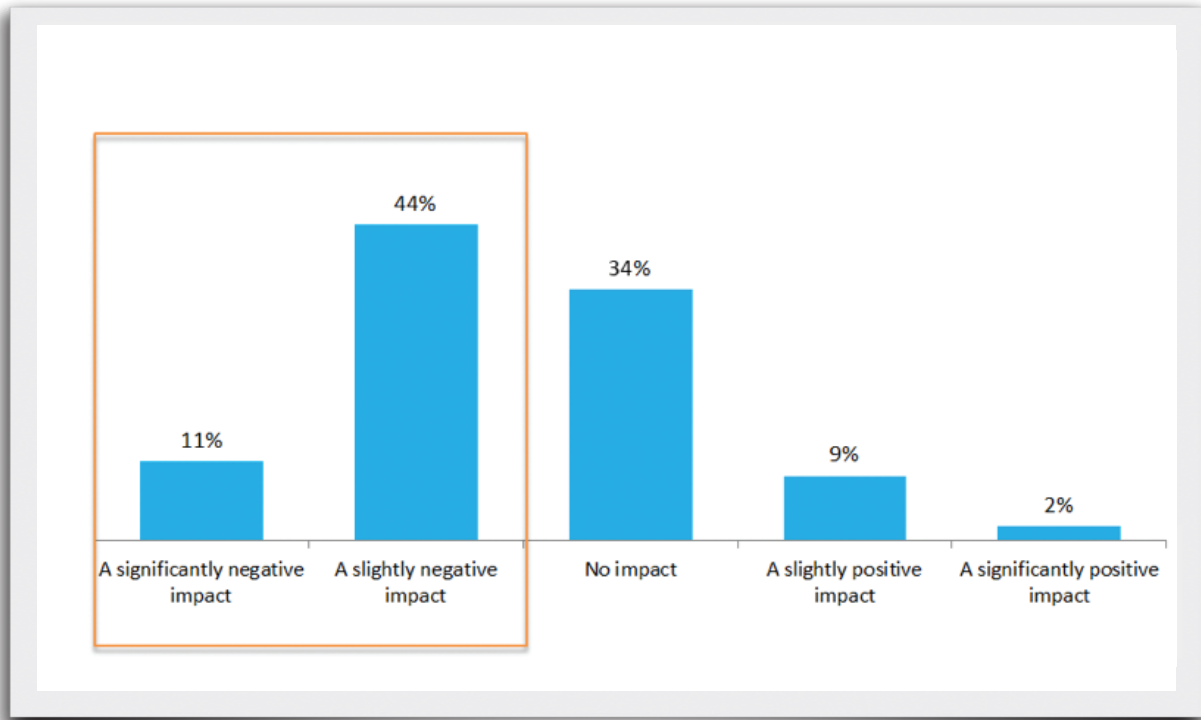
Just over half said the impact would be negative (11% significant, 44% slight); a third (34%) said there would be no impact; and 11% anticipate a positive effect (2% significant, 9% slight).





**Q. To what extent do you think Brexit will have a positive or negative impact on your company / organisation?**

(Industry survey)



The industry is also split on the impact of Brexit on prices – 50% don't anticipate price rises but 16% do, while more than a third (34%) are not sure about the future implications.

However, there is more agreement on the impact for UK-based firms when it comes to recruitment as two in five UK-based holiday companies expect Brexit will affect their ability to recruit staff from overseas.

## Outbound Industry – Holidaymakers' Price Increase Fears

An increase in the price of holidays abroad is the major post-Brexit fear for British travellers, with other areas of concern reflecting the far-reaching implications of leaving the European Union.

The pound has weakened against the dollar and the euro since the referendum and many popular holiday destinations are already more expensive than before the vote. More than half (54%) of the 1,000 holidaymakers polled said that they were concerned, specifically about the worsening pound/euro exchange rate.

A similar proportion (52%) are worried about holidays in general becoming more expensive, while 45% are anxious about the cost of flights.



However, the WTM London 2017 Industry Report reveals a range of other concerns which shows that many British travellers realise that leaving the European Union will have deep implications for overseas travel.

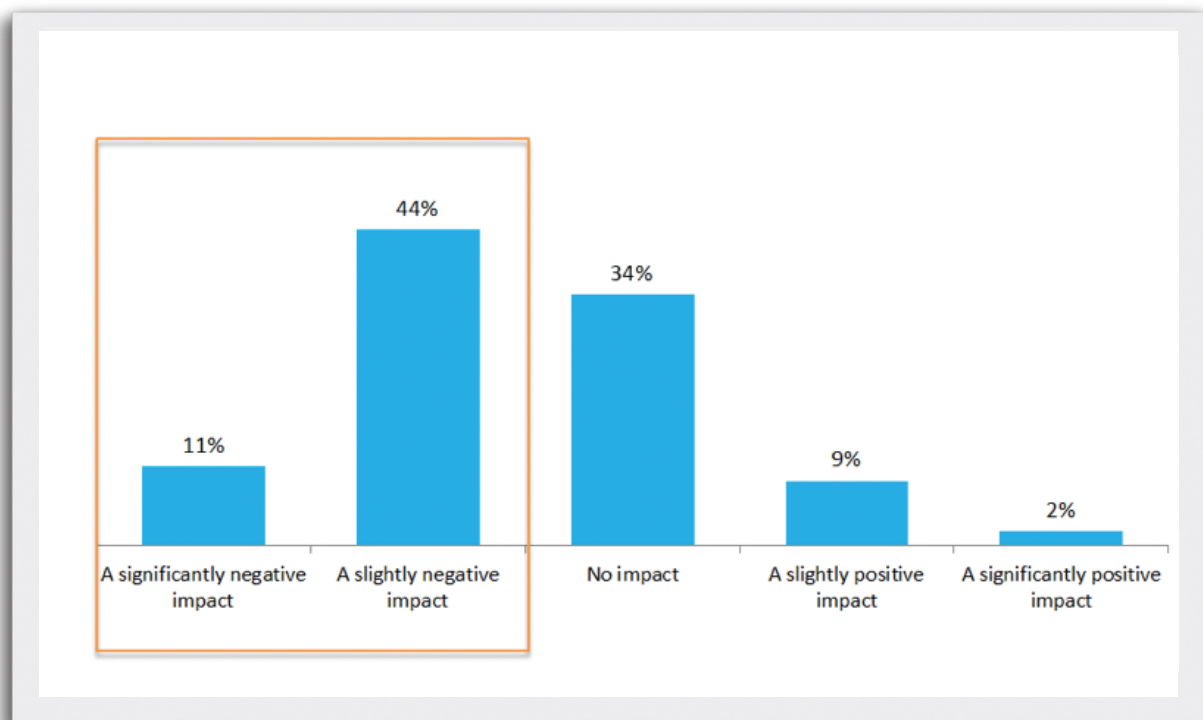
For example, more than one in three (38%) Brits are concerned about losing entitlement to free state healthcare in Europe with the future of the European Health Insurance Card in doubt.

One-third (33%) are nervous about the increased risk of queues at passport control.

And one in four expressed fears about losing the loss of free mobile roaming in Europe, a benefit which Brits have had thanks to the European Commission ruling. It is not known how the mobile phone operators will treat UK customers once the UK is not part of the EU.

**Q. What concerns, if any, do you have surrounding Brexit and the impact on your future holidays?**

(UK holidaymakers survey)



Smaller but still significant worries felt by one in six of the sample include the loss of other consumer rights which are in place because of European legislation; 17% fear that holiday protection will suffer; and 16% are concerned specifically about losing the delayed flight and denied boarding compensation scheme.

On the other hand, 24% of the sample said that they had no concerns around Brexit and its impact on their future holidays.

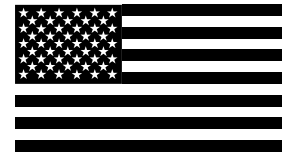


### 3. USA TOURISM ONE YEAR ON FROM TRUMP'S ELECTION

**27%** OF UK  
HOLIDAYMAKERS  
LESS LIKELY TO  
GO TO THE USA



**16%** OF COMPANIES  
HAVE CHANGED  
THEIR MARKETING  
AS A RESULT OF  
TRUMP BEING IN THE  
**WHITE HOUSE**



**4/10**  
TRADE SAY  
USA IS  
NOW NOT A  
COUNTRY  
TO DO  
BUSINESS  
WITH





## 3. US Tourism – One year on from Trump’s Election Victory

More than a quarter of UK holidaymakers are less likely to go to the US while Donald Trump is in the White House, while 40% of the travel trade say the US is not a country to do business with under the current president.



When asked: “Has Donald Trump’s presidential election made you more or less likely to visit the USA in the future?” 27% of holidaymakers said they were less likely to do so, the WTM London 2017 Industry Report reveals.

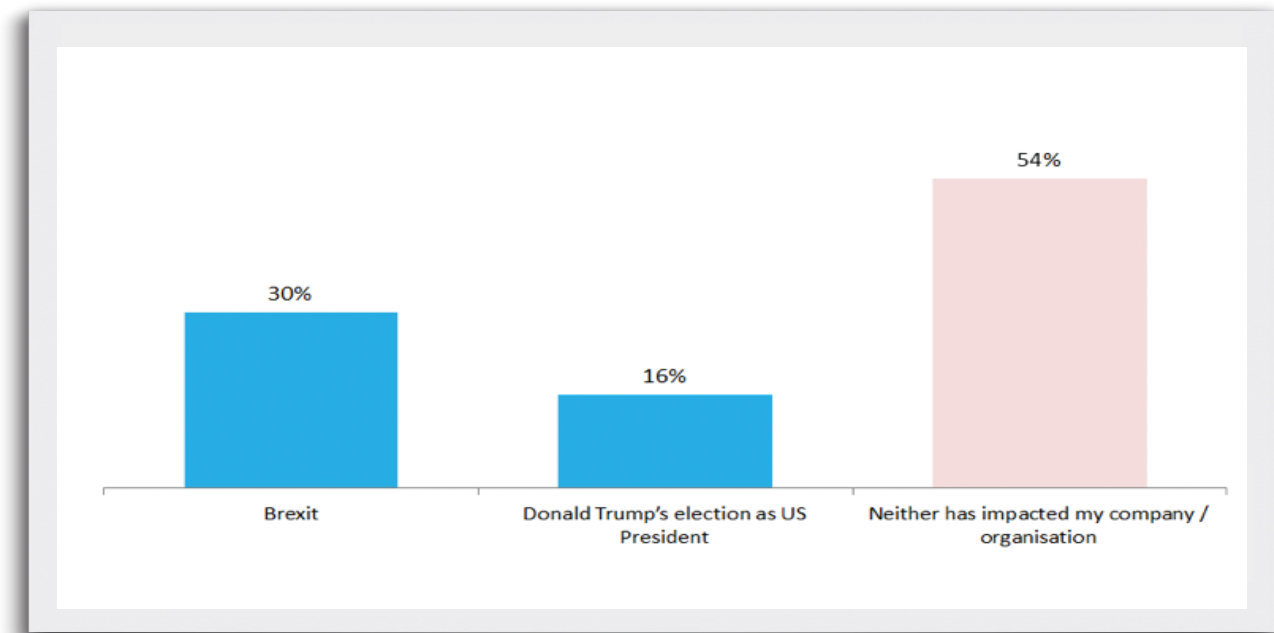


And, of the key industry travel executives who took part in research for the report, 40% do not think the US is good place to do business with for as long as Trump is president.

When presented with the statement: “With Donald Trump as president, America is a country to do business with,” 19% said they strongly disagreed and 21% disagreed slightly. Only 15% agreed with the statement, with 44% neither agreeing or disagreeing.

The WTM London 2017 Industry Report also reveals 16% of travel industry executives said the Trump election has had the biggest impact on their organisation in the past year, with 16% adapting their marketing strategy as a result of the US presidential election.

**Q. Which of the following has had the biggest impact on your company / organisation?** (Industry Survey)



Trump is not unpopular with everyone, however, with 6% of holidaymakers saying they would be more likely to visit the US now he is in power. Two-thirds (67%) say Trump's presidency makes no difference to their decision.

The findings of the WTM London 2017 Industry Report follow a pattern of a decline in interest among the public about visiting the US since the election.

For example, travel searches for flights to the US dropped by 13% immediately after the election result a year ago, according to comparison site Cheapflights.co.uk.



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Six months later, in April 2017, the US Travel Association revealed UK visitor numbers were down 6% compared to the previous year, leading CEO Roger Dow to conclude: "Brand America is in trouble."

In the week following the Trump administration's controversial executive order, signed on January 27, aimed at banning travel to the US from seven mainly Muslim countries,

international visitors dropped 6.5% year-on-year, according to data company ForwardKeys.

Searches dropped by 17% in the same week, according to Hopper, the flight app.

Then, in March, Emirates airlines president Sir Tim Clark said the proposed travel ban had led to a dip in bookings of more than a third from Dubai and, while bookings later picked up, they didn't rise to predicted levels.

*London, UK. 4 February 2017. EDITORIAL - Stop Trump's Muslim Ban rally - Thousands march through central London, in protest at President Donald Trump's Muslim ban and his state visit to the UK.*





# World Travel Market 2017 Industry Report

All in all, a drop-off in tourism is predicted to result in 4.3 million fewer visitors this year, which adds up to a staggering loss of \$7.4 billion in revenue for the US, according to the Global Business Travel Association.

More insight into the effect of the 'Trump Slump' will be exclusively revealed in the Top 100 City Destination Ranking WTM London Edition, by Euromonitor International.

The report highlights how the performance of major tourist cities in the US is expected to fall behind cities in Canada and Latin America in 2017, with New York – the top-performing US city – revising its forecasts downwards.





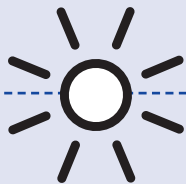
## 4. COUNTRY FOCUS

**1/10**  
**TRADE TO**  
**CONDUCT**  
**BUSINESS**  
**WITH**  
**TUNISIA AT**  
**WTM**

**ITALY IS THE MOST**  
**POPULAR DESTINATION;**  
**WITH SIX OUT OF TEN**  
**HOLIDAYMAKERS AND**  
**70% OF THE TRADE**



**2/10 UK**  
**HOLIDAYMAKERS**  
**INTERESTED IN**  
**VISITING TUNISIA**



**TRADE ANTICIPATES**  
**MORE THAN 50%**  
**GROWTH FOR CHINA**  
**AND ITALY IN 2018**

**COUNTRIES**  
**POISED TO**  
**BENEFIT FROM**  
**DEALS AT**  
**WTM LONDON**



**ITALY**



**GREECE**



**TURKEY**



**EGYPT**





## 4. Country Focus: Where will be hot in 2018?

### Italy

Italy is top of the list of countries that UK holidaymakers would like to visit in the future.

When asked which destinations they were interested in visiting in the future, 60% of holidaymakers said Italy, making it the top choice, ahead of USA (54%), Greece (48%) and Cuba (24%).

The findings mirror those of the travel trade. This found that Italy was in the top three destinations favoured by members of the travel trade for their own holidays during 2017 – the others were Greece and Spain.

Furthermore, Italy was in the top three for the trade's 2018 holiday wish list, along with Spain and the USA.

Italy was also the most popular destination when the trade was asked about business plans in selected destinations this year.



More than half (54%) of the 1,622 industry respondents said they were planning to have business conversations with Italian companies this year, well ahead of Greece in second place (35%) and Turkey in third (28%).

Also, Italy was the top destination when respondents were asked about business deals – 84% said they were planning to sign contracts with Italian companies, just ahead of those planning to sign contracts with Greek companies (83%).

**Q. Are you planning to sign contracts with any companies from the following countries / destinations?**

(Industry Survey)

Country	% planning to sign contracts in 2017
Italy (n: 877)	84%
Greece (n: 570)	83%
Turkey (n: 448)	79%
Tunisia (n: 154)	77%
Egypt (n: 277)	76%
Qatar (n: 329)	74%

Half of the respondents conducting business in Italy expect to conduct more business there next year, with just 5% anticipating a decrease.

The findings bode well for Italy, which has seen tourism perform strongly this year, thanks to its range of attractions and a shift away from less stable destinations, according to the Top 100 City Destination Ranking WTM London Edition, by Euromonitor International, released at WTM London.



# World Travel Market 2017 Industry Report

This research reveals the performance of the travel industry in Europe has been hampered by several events, including the Eurozone turmoil, Brexit, the migrant crisis and terrorist attacks.

However, while some countries have been badly hit, others have benefited as many tourists have switched destinations.

The report says: "A familiar picture is forming, where the substitution effect means that cities in relatively quiet and stable countries are profiting from unrest in other countries.



"Spain, Greece and Italy are performing strongly, as they offer a similar climate to affected countries such as Turkey, Egypt and Tunisia."

Italian cities are also well represented in the top 100 rankings, with Rome (12), Milan (27), Venice (38) and Florence (44).



The report's findings echo figures reported recently, indicating that visitor numbers to Italian hotels this summer rose by about 2% year-on-year. The country's tourist trade has also seen a boost thanks to Airbnb bookings.

The Italian National Tourist Board (ENIT) will be the Premier Partner at WTM London 2017 to offer support to its tourism industry and highlight Italy's diverse range of holidays.

The country aims to "widen the Italian tourist offer" beyond the traditional honeypot destinations, and highlight experiences to be had across the whole country.

ENIT will also promote its themed years, with Italian villages being the focus for 2017, and food and wine in 2018. Both themes celebrate the Italian way of life, which can be experienced by tourists in resorts throughout Italy, from its mountains to the coast, lakes and cities.

- Italy stands at WTM London: EU2000, EU2070



## Greece



The Greek tourism industry has seen a bumper year in 2017, and the prospects for 2018 are also positive.

Research among the travel trade found that 48% of respondents are looking to talk to Greek exhibitors at WTM London with 83% of them expecting to sign contracts.

Furthermore, 38% predict their company will do more business with Greece in the coming year, while 35% plan to have business conversations

with Greek companies this year.



Greece was also popular among members of the trade when it came to their own holidays this year, as it was in the top three destinations for breaks of five nights or more, alongside Italy and Spain.





Furthermore, UK holidaymakers are also keen on Greece. Almost half (48%) were interested in visiting Greece, which came third on the wish list, behind Italy (60%) and the US (54%).

Tourism to Greece has performed strongly in 2017, as holidaymakers have sought more stable countries.

The Top 100 City Destination Ranking

WTM London Edition, by Euromonitor International – released at WTM London – says Greece is benefiting from instability in other countries.



“Spain, Greece and Italy are performing strongly, as they offer a similar climate to affected countries such as Turkey, Egypt and Tunisia,” the report reveals.

# World Travel Market 2017 Industry Report

The report adds the Greek city of Heraklion will be the strongest performing city in Europe in 2017, as visitor arrivals are forecast rise by more than 11%, while Athens will see arrivals increase by 10%.

The Greek National Tourism Organisation expects a record-breaking 30 million international visitors to Greece for 2017 – up 7% year-on-year – because the destination has invested in its tourism industry and improved its image overseas.

For the last two years, Greece’s growth has been nearly twice the global industry average of 3.9%.

The GNTO is also sponsoring the WTM London International Media Centre, as it looks to increase its global profile to attract more tourists to the destination.

- GNTO stands at WTM London: EU1200, EU1250



## Tunisia

Two in five British holidaymakers say they may visit Tunisia, now that the Foreign and Commonwealth Office has relaxed its travel advice.

The WTM London 2017 Industry Report asked more than 1,000 Brits who have taken a holiday in 2017: "The UK government has recently removed its advice against travelling to Tunisia. How likely are you to visit the country in the future?"



Almost one in 10 (9%) said 'somewhat likely'; 7% said 'quite likely'; and 4% said 'extremely likely' – giving a total of 20% who felt a trip to Tunisia was on the cards.

More than 45 million overseas holidays were taken by Brits in 2016, so that could mean nine million consumers are considering Tunisia as their summer holiday destination for 2018.

Before the ban in 2015, about 420,000 Brits travelled to Tunisia annually but that fell to just over 23,000 in 2016 due to the restrictions.





# World Travel Market 2017 Industry Report



The Tunisian National Tourist Office in the UK estimates that numbers will reach 30,000 in 2017, and will more than double in 2018 to 65,000.

As soon as the FO advice was lifted in July, British tour operators such as Thomas Cook started selling holidays to Tunisia again.

The consumer confidence is mirrored among those in the travel trade.

When asked about which destinations they were planning to have business conversations with, 10% said Tunisia.

Those buyers were then asked if they

would sign contracts with Tunisian exhibitors and 77% said yes.

Furthermore, 82% of those quizzed in the trade survey said the tourism industry has a responsibility to support countries that face external pressures, such as Tunisia, Turkey and Egypt.

The Tunisian National Tourist Office will be at WTM London with the message that "Tunisia is open for business again".

It is working to reassure travellers, and developing marketing plans with trade partners to highlight



Tunisia's attractions, such as its wintersun credentials, well-being centres, sightseeing and niche markets.

Tunisia has more than 700 miles of coastline along the Mediterranean; almost 800 hotels; and 10 internationally designed golf courses.

- Tunisian National Tourist Office stand at WTM London: AF575



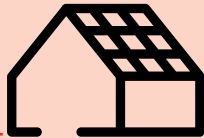






## 5. RESPONSIBLE TOURISM

MORE THAN  
4/10 SAY THE  
**INDUSTRY**  
**PERFORMS**  
**BETTER** THAN  
AVERAGE ON  
GREENHOUSE  
GASES



**75%** OF THE  
INDUSTRY & **1/3** OF  
UK HOLIDAYMAKERS  
SAY **SUSTAINABILITY**  
HAS IMPROVED OVER  
THE LAST DECADE...

**!** **7/10 SAY**  
**SUSTAINABILITY**  
**IS IMPORTANT**  
**TO THEIR**  
**ORGANISATION**

MORE THAN 7 IN 10  
SEE **SUSTAINABILITY**  
**AS IMPORTANT** WHEN  
CHOOSING A HOLIDAY



**3/4 HOLIDAYMAKES**  
**DO NOT OFFSET**  
**CARBON EMISSIONS**  
**WHEN THEY FLY**

**31%** OF  
COMPANIES  
HAVE A CARBON  
EMISSIONS  
REDUCTION  
POLICY... ONLY  
A QUARTER  
IMPLEMENT IT



## 5. Responsible Tourism

Industry support for responsible tourism lower than in 2014 and 2015

The global travel industry is taking the environment more seriously this year than last.

In the annual poll of industry professionals, 71% of respondents said that the environment was quite (35%) or extremely (36%) important to their business. This is ten percentage points higher than last year, when the totals were 31% and 30% respectively.

In both years, one in ten of the sample said that the environment was not at all or not very important.

However, the renewed trade commitment to sustainability revealed in the 2017 Report, compared with 2016, is still some way short of the level of interest revealed in the 2015 and 2014 reports. In 2015, 82% said that the environment was quite (44%) or very (38%) important while 2014 the proportion was even higher with 86% claiming the environment was important.



This year's report also found a slight increase in the number of businesses with a carbon emissions reduction policy, although more than one-third (38%) of travel firms do not have a policy in place. However, this is better than 2016 when 46% of the sample were ignoring the issue. In 2015 the proportion without a policy was also 46%.

One in four (25%) respondents said in the current report that their firm had a policy and was implementing it, compared with one in five (20%) in 2016. This



emission, 43% believe travel is doing a better job. In 2016, 38% said travel was leading the way.

And when it comes to who should be taking the lead on reducing carbon emissions, 50% said the industry should take responsibility with 46% laying the onus on governments. Last year the emphasis on industry action was stronger, with 55% of the sample saying travel firms should take control with 42% leaving it up to the governments.

year's figure is close to 2015 when 27% of respondents said they were implementing a policy in their business.

But there are still 6% of firms in 2017 who have a policy but are not enforcing it, a slight improvement on 2016's 8%. In 2015 it was back at 6%.

The most common responses this year, when asked about what was holding back wider adoption, were around the perceived additional cost of carbon-friendly practices and the feeling that there is little public support.

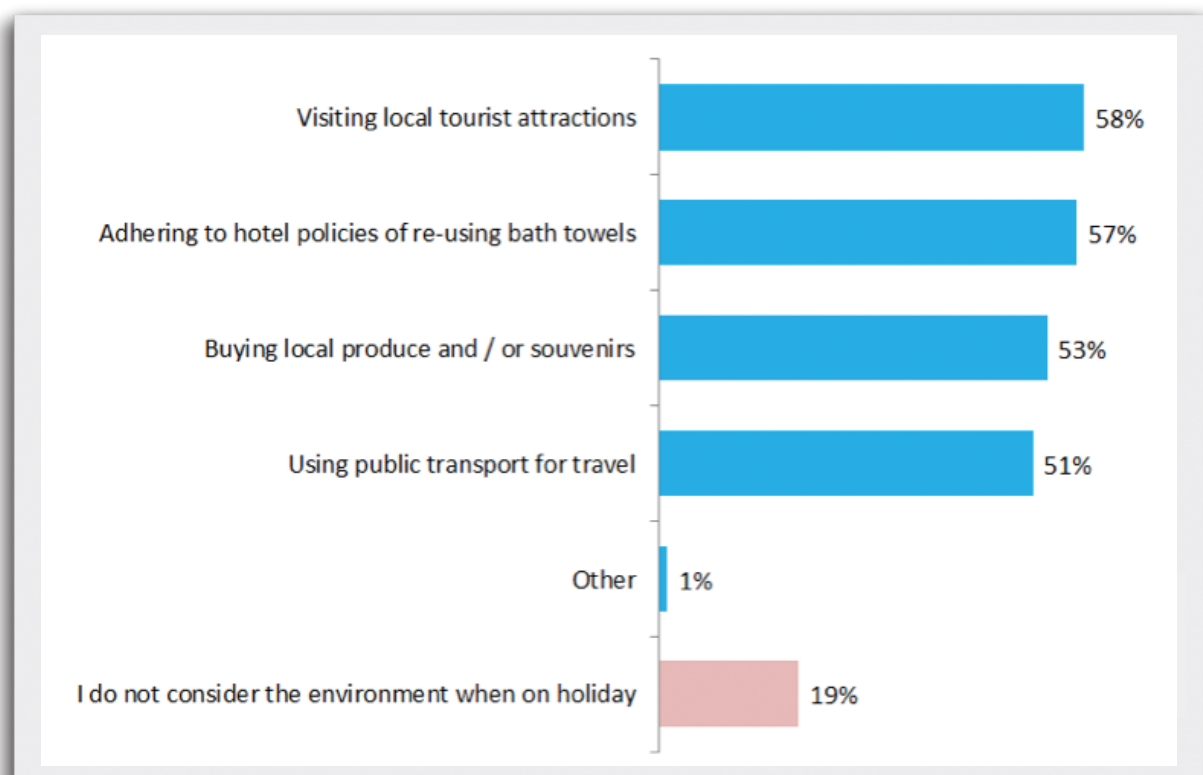
When asked how travel compares with other industries when it comes to reducing

The annual WTM London 2017 Industry Report also asks UK travellers about their attitude towards responsible tourism. The report shows that 76% of British holidaymakers consider the environment when making their travel decisions, a single percentage point higher than in 2016.

However, when asked about sustainability in the 2015 report, only 61% of Brits were thinking about the environment when thinking about travel.

**Q. While on holiday, do you consider any of the following to minimise your impact on the environment...?**

(UK holidaymakers survey)



## Collagen before carbon for UK holidaymakers

Being 'green' is less important than having white teeth or a bronzed body for UK holidaymakers.

The WTM London 2017 Industry Report reveals travellers prefer to spend money on getting 'beach ready' than offsetting their carbon footprint – despite the fact the majority claim to care about the impact their travel has on the environment.

Three-quarters of respondents claim the environment and sustainability are important when they travel, yet the same proportion admits they don't bother offsetting their carbon emissions, while 26% say they don't think about responsible tourism.

Instead, they're more likely to spend money on improving their appearance, including paying for cosmetic surgery or a spray tan. When asked: "How much do you spend pre-holiday to get yourself beach ready?" one in three (33%) said they spend up to £100; 16% spend in the region of £100-£199 and 6% spend somewhere between £200-£299.

A further 4% spend £300 or more, while 33% spend nothing and 8% aren't sure how much they spend on pre-holiday purchases.

When asked what their pre-holiday spend goes on, 86% buy new clothes; 54% buy new shoes and 46% buy a new bikini or swimwear. Brits also spend on beauty treatments, with 24% spending money on a manicure/pedicure; 24% splashing out on a spray tan; 7% paying to have their teeth whitened and 4% paying for cosmetic surgery.







Three-quarters (76%) of respondents said that the environment and sustainability are important in their choice of holiday or destination, with 10% saying they are 'very important'.

Of the rest, 40% answered 'somewhat important', while 20% said they are 'quite important'.

However, 73% don't offset their carbon emissions when they fly. Of those that do, only 5% offset emissions on all flights; 10% offset emissions on two out of three flights while 13% 'sometimes' offset their carbon emissions, on about one in three flights.

Almost a quarter (23%) of respondents hold their hands up to say the environment and sustainability are not important, with 6% saying the issue is 'not at all important' and 17% saying it's not very important.

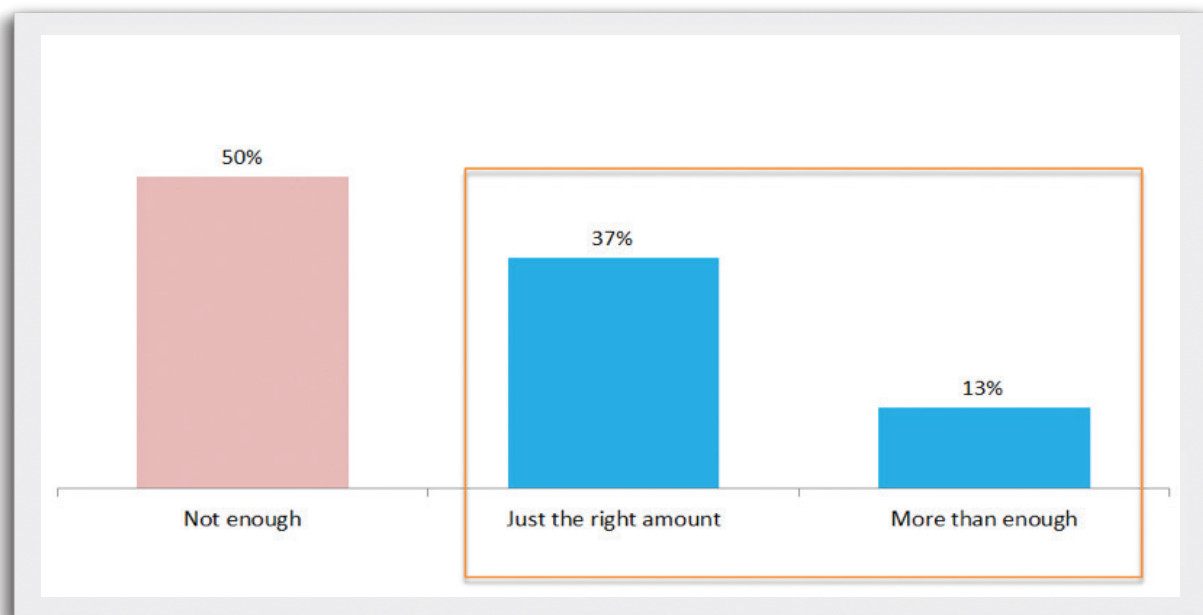


The research also reveals 19% don't consider responsible tourism when on holiday, such as shopping locally or adhering to hotels' policies on re-using bath towels.

When asked whether the travel and tourism industry is doing enough to reduce its contribution to climate change, holidaymakers are split 50/50.

**Q. Thinking about the travel and tourism industry and what it is doing to reduce its contribution to climate change, do you think the industry is doing...?**

(UK holidaymakers survey)





## Animal Attractions

Eight out of 10 British holidaymakers are not interested in visiting attractions that have performing animals or offer activities with animals outside their natural habitat.

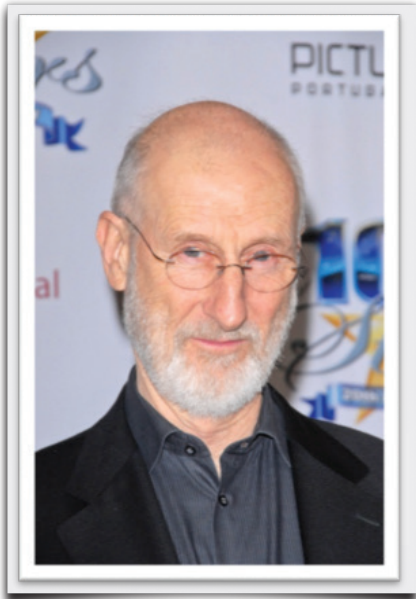


In response to the question: "When you are on holiday, do you like to visit attractions with performing animals (ie killer whale shows) or those which offer activities with animals (ie elephant rides)?", 79% replied no, compared to 19% who said yes, the WTM London 2017 Industry Report reveals.

The strength of the response demonstrates the extent of the growing public backlash against attractions using performing animals.

One of the key turning points was the airing in 2013 of the Blackfish documentary, which was highly critical of SeaWorld's treatment of killer whales in captivity. After the film was aired, attendance figures at SeaWorld Orlando began to drop and the park is now 25th on the global theme park attendance list, down from 12th in 2009, according to figures published by Orlando Weekly.





SeaWorld continues to spark controversy and publicity, such as in July 2017, when actor James Cromwell (pictured) interrupted the Orca Encounter show using a megaphone to claim the theme park was condemning the mammals to premature deaths. He was later charged with trespass and could go to jail.

In light of growing public distaste, several high-profile travel companies have recently reviewed their policies around selling animal attractions. For example, Expedia Inc said earlier this year it would identify and remove tours and attractions that involve certain wildlife interactions from its sites.



TripAdvisor also announced it would no longer sell tickets and activities where wild animals are forced to come into contact with the public, including elephant rides, tiger encounters and swimming with dolphins.

In February 2017 Virgin Holidays announced it would not sell or promote any new attractions or hotels featuring captive whales and dolphins for theatrical or other entertainment purposes.



It said will encourage its existing partners to 'promote the highest welfare standards for the animals in their care, while also evolving their offering away from theatrical performances'.



Managing director David Geer said: "We believe the way tourists interact with captive whales and dolphins needs to change and we want to play an active role in supporting this transition."

While Virgin will not promote new animal shows, Thomas Cook is believed to have become the first UK holiday company to cancel links with existing suppliers when, in April 2017, it dropped some dolphin and elephant attractions in Thailand, India, Cuba, Turkey and Dominican Republic after a report showed they did not meet official welfare standards.

At the time Thomas Cook Group chief executive Peter Frankhauser told *The Sunday Times*: "Our industry has not changed fast enough. By taking these attractions off sale, we are sending a message that we won't accept anything less than full compliance with the welfare standards our customers would expect."

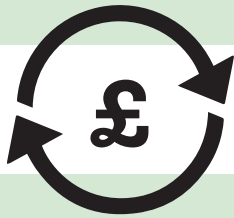
Pressure group People for the Ethical Treatment of Animals (PETA), welcomed the companies' change of policy, saying: "Travel shouldn't include torture, and we urge kind people to skip any attraction that comes at a captive animal's expense."

The message is getting out worldwide. In August 2017, Beijing-based Caissa Touristic said it will stop marketing elephant rides and elephant entertainment shows across Asia, while Asian travel websites [fxtrip.com](http://fxtrip.com) and [zanadu.com](http://zanadu.com) also promised to sell only 'elephant-friendly' tours.









## 6. THE SHARING ECONOMY



# IS THE GROWTH AND IMPORTANCE OF THE SHARING ECONOMY OVERSTATED?

% OF UK HOLIDAYMAKERS BOOKED THROUGH A PEER-TO-PEER SITE:

2014	2015	2016	2017
9%	3%	12%	12%

**86%** WOULD BOOK AGAIN FOR ACCOMMODATION

...AND

**38%** FOR TRAVEL



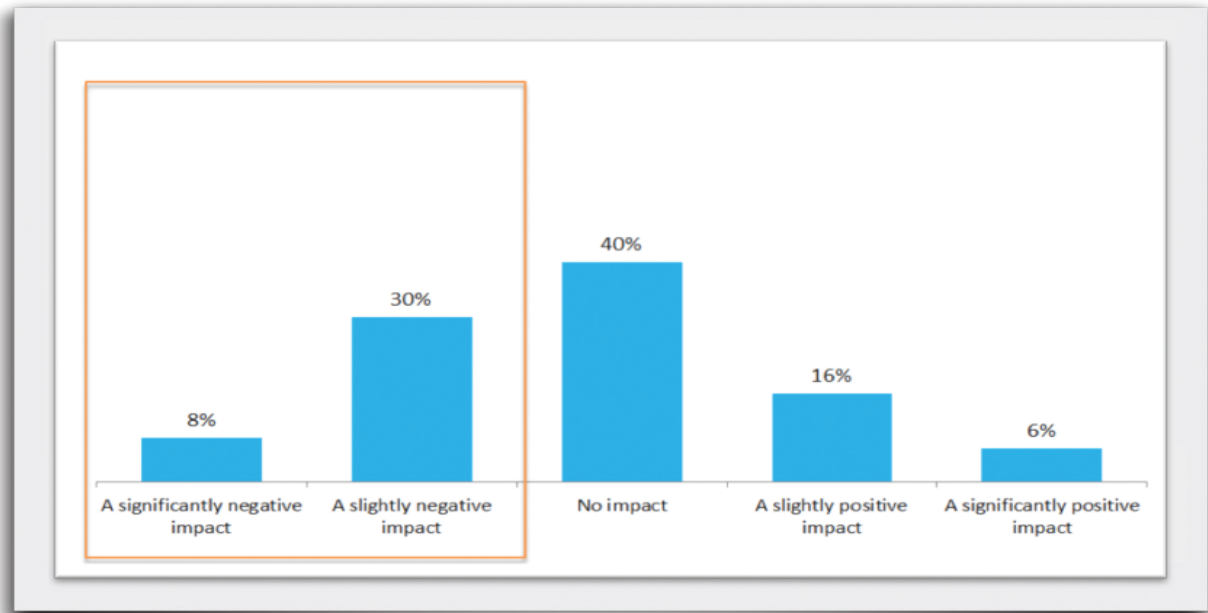


## 6. THE SHARING ECONOMY

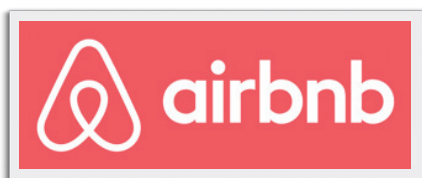
The sharing or peer-to-peer economy is failing to have any significant impact on the travel habits of UK holidaymakers.

### Q. What impact has the 'sharing economy' and peer-to-peer websites such as AirBnB, Onefinestay, Couchsurfing, Flipkey and Uber had on your company?

(UK holidaymakers survey)



Furthermore, the influence of the sector has not grown during the past few years, despite the efforts by brands such as Uber and Airbnb to become more mainstream.







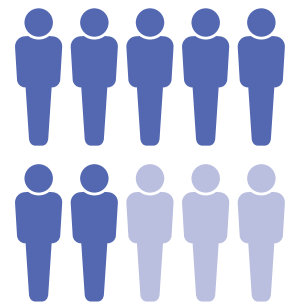


## 7. TERRORISM

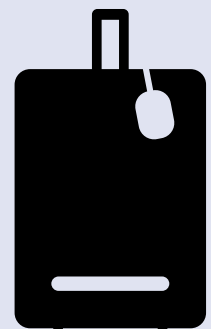


**THE NUMBER ONE  
CONCERN OF BOTH  
HOLIDAYMAKERS  
AND THE TRADE**

MORE THAN **7/10**  
OF THE INDUSTRY SAY  
TERRORISM HAS HAD THE  
**GREATEST IMPACT**



**71%** OF HOLIDAYMAKERS  
MOST CONCERNED ABOUT  
**TERRORIST ATTACKS** WHILE  
ON HOLIDAY





## 7. Terrorism

Worries over terrorism are on the increase among British holidaymakers, with one-third more travellers now concerned about an attack than they were a year ago.

Last year, slightly more than a third of respondents who took part in the WTM London 2016 Industry Report survey said they were concerned about the threat of a terror attack while on holiday. This year, the figure has increased to more than half of respondents.

The WTM London 2017 Industry Report reveals 52% of British holidaymakers who had a holiday this year are concerned about terrorism, with 14% of those saying they are extremely concerned.



Last year's data revealed 38% had concerns over terror attacks, with 9% admitting to being 'extremely concerned'.

The number of stoical Brits who say they are 'not concerned at all' has dropped from about 40% last year to 27% in 2017. For the latest research, a further 21% said they were 'not very concerned'.

Year-on-year, the number of British holidaymakers now concerned to some degree about terror attacks has jumped 37%, while the number

who admit to being extremely concerned has increased by 55%.





With a number of high-profile attacks this year – including those in Manchester, London and Barcelona – there have been smaller-scale incidents in France, Canada and Sweden, among many other destinations, meaning the subject of terrorism never stays out of the news for long.

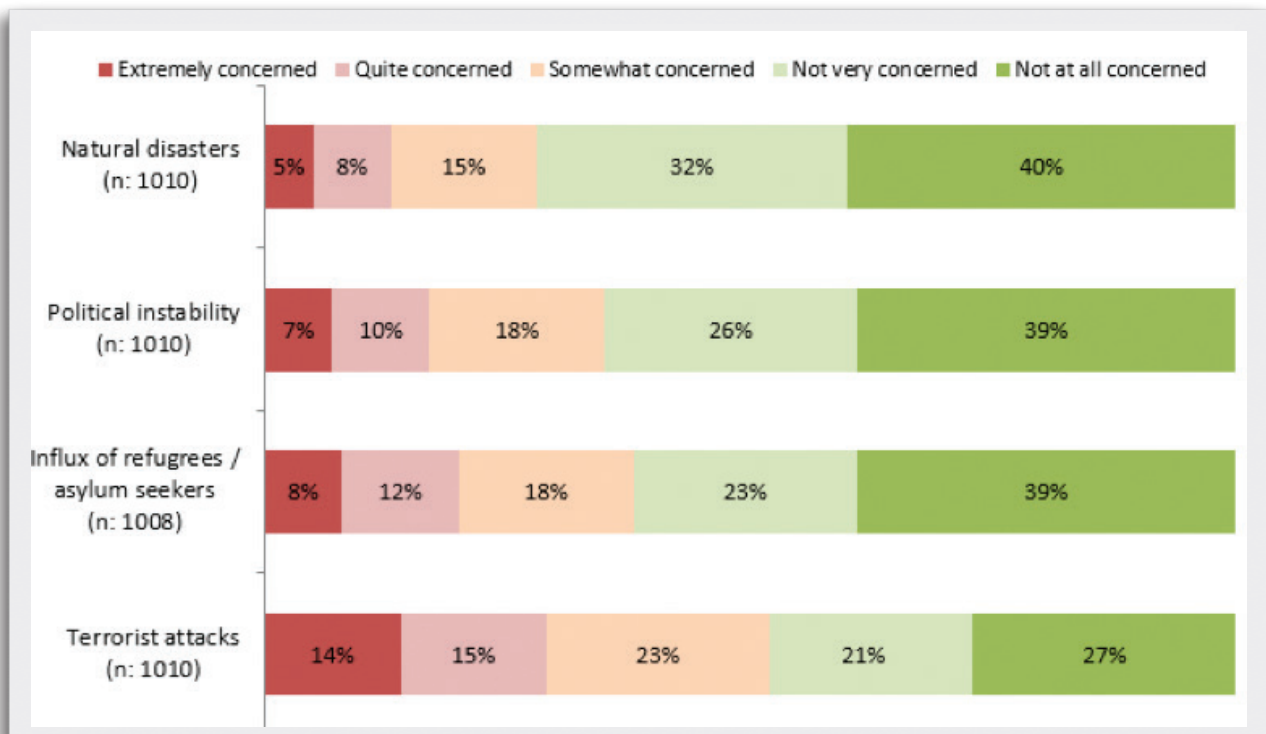
This year also saw more coverage about the impact of 2015's terror attack in Sousse, Tunisia. The inquest into the deaths of Britons, who were among 38 holidaymakers killed by

a lone gunman, began in January. The proceedings were reported in detail over the next seven weeks, culminating in the coroner recording a verdict of unlawful killing.

Terrorism remains the number-one concern for British holidaymakers, far higher than other travel worries, such as natural disasters and the refugee crisis, both of which are of concern for 38% of respondents, and political instability, a concern for 35% of travellers.

## Q. How concerned were you about the following when you were on holiday?

(UK holidaymakers Survey)







Terror attacks also continue to have the number-one impact on travel businesses, yet the number of industry executives who said it has affected their business has actually dropped by four percentage points over the last year.

Almost three-quarters (72%) of top industry executives taking part in the WTM London 2017 Industry Report survey said terrorism had affected their businesses, with 26% reporting a 'significant' impact and 46%

'some' impact, while 28% reported no impact.

Last year, 76% of key industry executives said terrorism had affected their business in the previous 12 months, with one in three reporting terrorism had a 'significant' impact and 43% saying it had 'some' impact. One-quarter (24%) said terrorism had had no impact at all.

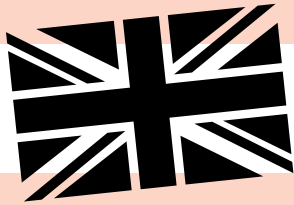
The terror impact is higher on businesses than Brexit and other worldwide challenges. Over half of respondents say Brexit has impacted their business, with 12% saying Brexit has had a significant effect.

The refugee crisis has impacted 34% of executives' businesses, with 7% reporting a 'significant' impact; health scares such as the Zika virus have impacted 33% of businesses, with 7% significantly; 44% of executives say they have been impacted by travel company failures (6% significantly); 40% have been affected by industrial action (6% significantly), while 25% say their business has been affected by false sickness claims.



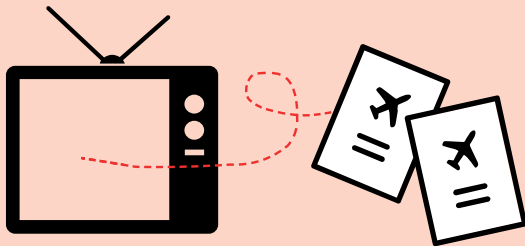




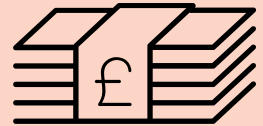


## 8. UK TRENDS

**1/10**  
PEOPLE BOOK  
HOLIDAYS  
BASED ON  
DESTINATIONS  
IN TV SHOWS



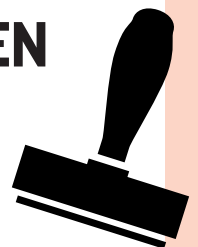
**MORE THAN HALF**  
OF PARENTS WILL  
PAY THE £60 TO  
TAKE THEIR  
CHILDREN ON  
HOLIDAY DURING  
TERM TIME



...OF HOLIDAYMAKERS  
WILL PAY FOR WIFI   
ON FLIGHTS

...OF BRITS SPENT MORE  
THAN **£100** GETTING  
**'BEACH READY'...**  
INCLUDING 4% ON  
PLASTIC SURGERY  
AND ONE QUARTER  
ON A SPRAY TAN

MORE THAN  
NINE OUT OF 10  
HOLIDAYMAKERS  
ARE AWARE OF  
**THE ABTA AND  
ATOL LOGOS** WITH  
7/10 LOOKING  
FOR THEM WHEN  
BOOKING A  
HOLIDAY





## 8. UK trends

### Financial Protection

Nine out of ten Brits recognise the importance of their holiday being financially protected following the failure of Monarch and Ryanair's mass cancellations of flights.

Furthermore, fewer than one in ten holidaymakers (9%) are unaware of ABTA and ATOL logos, compared to a massive 70% who actively look for the symbols for reassurance when booking a break.



This importance of protection stems from the recent high-profile collapses of well-known airlines and tour operator groups along with terrorist incidents overseas – all of which raised awareness of financial protection, and the potential consequences of not being protected.

The collapse of Monarch Airlines in October 2017 hit the national headlines as the Civil Aviation Authority (CAA) had to repatriate 110,000 people on specially chartered planes and 300,000 forward booking were cancelled.

Monarch stopped offering Air Travel Organiser's Licence (ATOL) cover, which protects customers should their travel company go bust, on flight-only bookings from the UK in December last year, less than two months after it was on the verge of a previous collapse.



However, the ATOL protection remained on package holidays purchased through Monarch, making it ever more important for consumers to check and read the small print for those important protection logos.

This crisis followed Ryanair cancelling 18,000 flights, affecting almost 400,000

passengers due to fly in the autumn, after a pilot rota blunder. Many passengers were not protected by ATOL and were left out of pocket.

The report findings echo results from ABTA about the increased awareness of protection among consumers after the flurry of failures.

The travel association said in September that 74% of people recognise the ABTA logo, representing an increase of 1% from 2016.





Victoria Bacon, ABTA Director of Brand and Business Development, said: "During a period when online holiday fraud has increased, and when high-profile global events have thrown a spotlight on the industry, it is clear that the confidence that the ABTA badge brings, and the consumer advice and support that we are able to provide on behalf of our members are more important than ever."

However, even with the increasing numbers of travel company failures in recent times, the CAA has reported that the number of ATOL-protected bookings was marginally down for 2016 following five years of steady growth. There were 24.9

million holidaymakers protected by the ATOL scheme last year, down from 25.2 million in 2015.

According to an independent YouGov poll for foreign currency provider First Rate, almost three-quarters of respondents (72%) think ATOL protection is important. The poll also found that ATOL is a priority for 79% of those aged 55 and over, while only 55% of those aged 18 to 24 agree that holiday protection is important.





## WiFi on Planes

Two-thirds of British travellers are not prepared to pay for inflight wifi access.

More than 1,000 British travellers were asked if they were willing to buy internet access on a flight. A resounding 67% said no.

However, there are some British travellers who are interested in being able to log on on-board. Nearly three in ten (29%) would be interested in the service on long-haul flights, with one in ten ready to pay on short-haul flights.



The UK-focused findings from the WTM London 2017 Industry Report are in sharp contrast to the headline findings from the 2017 Inflight Connectivity Survey, produce by Inmarsat and GfK. This study aggregated responses from 9,000 travellers in 18 countries and found that, overall, 77% of passengers would pay for inflight connectivity on short-haul flights with 89% willing to pay on long-haul flights.

Airlines have invested heavily in inflight wifi capabilities for their fleet. Some offer business and first class passengers free access as part of the tickets, others make it available to frequent fliers while others have a tiered pricing option. Overall, the pricing model varies by carrier.

The drive towards inflight access in Europe and the UK is being led by the long-haul full service carriers. Virgin Atlantic recently announced that it is the first airline in Europe to offer wifi on all flights; BA is rolling out wifi on flights, including short-haul; and Emirates is committed to having wifi on every plane it operates.

A recent study from the London School of Economics identified inflight connectivity as a medium-to long-term revenue growth line for airlines. Revenue from charging for broadband access alone is estimated to reach \$15.9 billion by 2035, compared with \$822 million in 2018.

Airline can also expect to earn money through advertising, e-commerce and destination shopping and by charging extra for premium content.





## School Holiday Fines

The outcome of the long-running legal fight involving Jon Platt, the father who took on the authorities over the right to term-time holidays – and lost – appears to have made it harder for other parents to take their kids out of school.

The WTM London 2017 Industry Report reveals 56% of UK holidaymakers think they now face a bigger battle to persuade head teachers to allow them to take their children on holiday during term time than before the Platt case began.

One in five think the case will not make any difference, while a quarter are not sure.

If they do not get permission, 51% of parents would pay the £60 penalty to benefit from cheaper prices outside of the traditional school holidays. Almost a third (31%) said they would not do so, while 18% are unsure.

Platt fought a two-year legal case after refusing to pay a £60 fine for taking his daughter to the Walt Disney World Resort in Florida for a week during school time in April 2015. The saga saw the dad-of-three go all the way to the Supreme Court, where he eventually lost.

Prior to the final ruling, Platt had successfully argued against the original fine imposed by Isle of Wight Council and he was backed by the High Court in May 2016, after the local authority appealed.

In December 2016, the council was granted a final appeal. This time, Supreme Court judges found in the council's favour when the case was heard in April 2017. The legal battle cost taxpayers at least £140,000, while Platt himself spent almost £30,000.

He was then summoned to return to Isle of Wight magistrates where he was fined £2,000 and given a 12-month conditional discharge.

After the Supreme Court ruling, Platt said he regretted not paying the initial fine. He appeared on ITV's This Morning programme saying: "If I could go back in time and I knew what I know today, I would have paid £60."





In the year before the final ruling, Department for Education figures suggest the Platt case led to a sharp rise in term-time holidays, with nearly 60,000 more pupils taken out of school on unauthorised family holidays at the start of the school term in September 2016, compared to the previous year.

## TV fuelling tourism

One in 10 holidaymakers have booked a holiday to visit locations “seen on screen”, reflecting the wider trend for ‘set-jetting’ which sees film and television locations become holiday hotspots.

Shows mentioned by respondents include Inspector Montalbano – an Italian crime drama set in Sicily – and A Place in the Sun, which offers advice about buying homes abroad.

With Brits booking more than 45 million overseas holiday trips each year, this could mean that 4.5 million foreign holidays annually are taken in locations inspired by TV shows.

There is plenty of potential in the UK domestic market too – about 53 million staycations are taken each year, suggesting that more than five million could be heading for destinations they have enjoyed watching on TV.

Tourist boards and tour operators are taking advantage of the “screen tourism” trend, and developing marketing campaigns and itineraries to promote the locations to fans.

One of the most popular TV shows is Game of Thrones, which has been filmed in locations as far apart as Iceland, Northern Ireland, Croatia, Spain, Morocco and Malta.

The Croatian National Tourist Office will be at WTM London to highlight its popularity among ‘Throners’ who are keen to see cities such as Dubrovnik and Split, which have been backdrops for the drama in Game of Thrones.

Tourism Ireland promotes Northern Ireland as Game of Thrones® Territory and runs worldwide marketing campaigns to woo visitors to its shores.

Within the UK, many tour operators



run trips to see famous filming locations – such as Highclere Castle, aka Downton Abbey; the Jurassic Coast seen in Broadchurch; and Castle Howard, the setting of Brideshead Revisited.



The Isle of Wight, a favourite of Queen Victoria, has developed a tourist trail and marketing campaign to capitalise on the Victoria drama on ITV and Victoria & Abdul film.

In Cornwall, holidaymakers can see sites associated with Wycliffe, Poldark and Doc Martin, while in Yorkshire they can visit locations seen on Heartbeat, Emmerdale and All Creatures Great and Small.

- Croatian National Tourist Board Stand: EU1350
- Tourism Ireland Stand: UK1400
- Promote Iceland Stand: EU840a



## Fake Sickness Claims

A multi-pronged attack on fake sickness claims among UK holidaymakers appears to be curing the bug, reveals the WTM London 2017 Industry Report.

The number of holidaymakers who have been approached by a claims firm either during or after their holiday, is lower than expected, reveals the research.

Meanwhile, the vast majority of industry executives say fake sickness claims have not impacted their business, according to the report.

In 2016, Spanish hoteliers said fake sickness claims from British guests were costing them around €60 million per annum and in the past year, the industry and the Government has been working hard to stop unscrupulous claims firms targeting travellers.

Their approach has included targeting claims companies touting for business in resort; closing legal loopholes and hiring undercover agents to help sift out false claims – and it seems to be working.

The WTM London 2017 Industry Report reveals more than nine in 10 Brits have never been contacted by a fake-sickness claims company, although 6% have said they have been approached by a claims company while on holiday and 7% have been targeted since returning.





The vast majority of industry executives (75%) who took part in the research for the report say fake sickness claims have not impacted their business. However, 22% said the problem had some impact, while 3% said fake sickness claims had a significant impact over the past year.

The holiday bug scams have been more prevalent in Spain than anywhere else and last year the UK Foreign Office

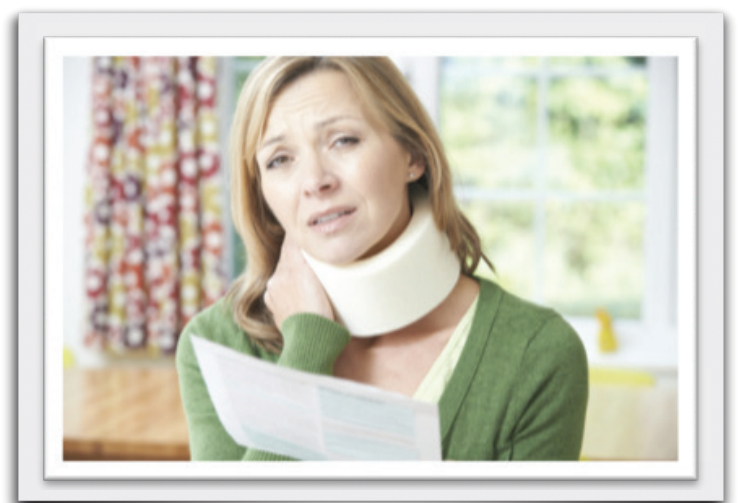
warned holidaymakers about rising numbers of 'claims touts' in popular Spanish resorts. The warning was then extended to travellers to Portugal and there have been reports of such activity in parts of Greece.

Earlier this year, ABTA launched a #StopSicknessScams campaign and, in summer 2017, a judge recommended there should be a restriction on the amount of legal fees that can be charged by lawyers representing claims companies.

Jet2holidays hired undercover detectives in resorts to sniff out bogus-claim touts. In one case, it released copies of the claimants' bar bill to the media, which showed they carried on drinking heavily on the days they were 'sick'.

A series of high-profile Crown Court cases brought by Thomas Cook and other operators in summer 2017 included a Liverpool family who falsely claimed £52,000 and another couple who were described by a judge as 'fundamentally dishonest'. The couple were ordered to pay nearly £4,000 in costs.

In another incident, the five-star Caldera Palace Hotel in Crete counter-sued a British couple for £170,000 for damage to its reputation after falsely claiming illness.





## How holidaymakers get beach-ready

Britain is divided into a nation of holiday 'splashers' – those who spend money on new outfits and beauty must-haves in preparation for looking great on the beach – and 're-hashers' – those who don't spend anything at all on new clothes or treatments ahead of their annual vacation.

The WTM London 2017 Industry Report reveals two-thirds of UK holidaymakers are in the 'go out and spend' category, with some forking out £300 or more on getting 'beach ready'. The remaining 33% subscribe to the 'make do and mend' mindset of previous generations, who managed with what they had.

Of the splashers, 33% spend up to £100; 16% spend in the region of £100-£199 and 6% spend somewhere between £200-£299.

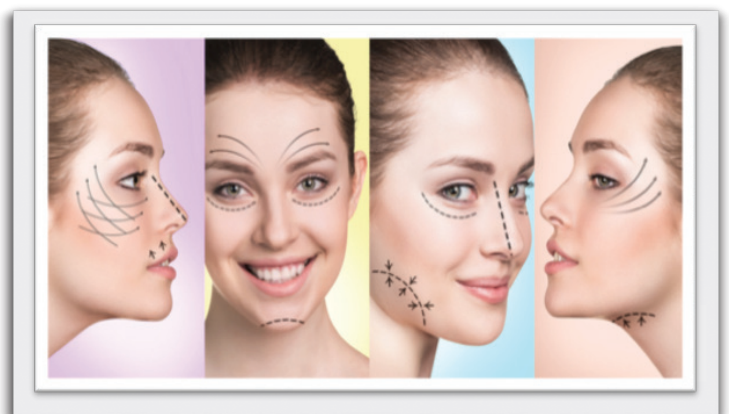


A further 4% spend £300 or more, while 8% aren't sure how much they spend.

Over half of spenders splash out on clothes and shoes, with 86% saying they buy one or more new outfits and 54% buying new footwear. Almost half (46%) buy a new bikini or swimwear.

Beach-ready beauty treatments are also popular among pre-holiday cash splashers, with 24% spending money on a manicure/pedicure and 24% paying for a spray tan.

Also, 7% paid to have their teeth whitened before going on their last holiday, while 4% said they paid for cosmetic surgery to ensure they look their best on the beach.



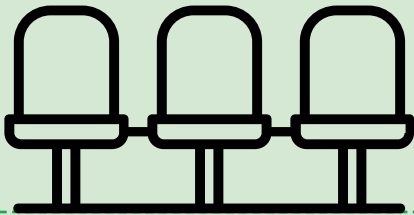




## 9. WHO DO YOU WANT TO SIT NEXT TO ON A PLANE?

'HELLO'...

...AM I SITTING NEXT TO  
'SOMEONE LIKE YOU'



**ADELE**  
**MOST**  
**POPULAR**  
**PERSON TO**  
**SIT NEXT TO**  
**ON A PLANE**

**28%**

**JODIE WHITTAKER**  
(NEW DOCTOR WHO)

**21%**

**KIT HARINGTON**  
(JON SNOW FROM GAME  
OF THRONES)

**13%**

**DONALD TRUMP**

**7%**

**LEAST POPULAR**  
**IS JUSTIN BIEBER**

**4%**



## 9. Who do you want to sit next to on a plane?

Pop star Adele is the passenger we would most like to sit beside on a plane.

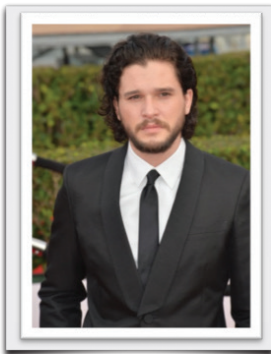
Known for hits such as Hello and Someone Like You, the singer topped the poll, ahead of Jodie Whittaker – the new Doctor Who – in second place.

The chirpy cockney songstress scooped 28% of the vote but might have scored more highly among nervous flyers if she hadn't sung about Skyfall.



The new Doctor Who received 21% of the votes when 1,025 holidaymakers were asked who they would prefer to sit next to on a plane.

Perhaps the rest of the respondents thought she should be travelling by Tardis instead.



Third in the poll was Kit Harington, aka heart-throb Jon Snow in hit TV show Game of Thrones. He recently announced his engagement to co-star Rose Leslie, who played his love interest Ygritte, famous for her catch-phrase: "You know nothing, Jon Snow."

Passengers might like to ask him about the eighth and final series of Game of Thrones in the hope that Jon Snow does know something.



Politicians appeared further down the ideal companion rankings, with UK Prime Minister Theresa May winning 10% of the vote, and US president Donald Trump on 7%.

However, they were both ahead of Canadian singer-songwriter Justin Bieber, who scored just 4%.



Intriguingly, Mrs May got 20% of the vote in the same WTM London poll last year, while Mr Trump received just 3% in 2016.









