

Prospects for Caribbean Travel

CTO-27 Conference, 2004

presented by Richard Cope

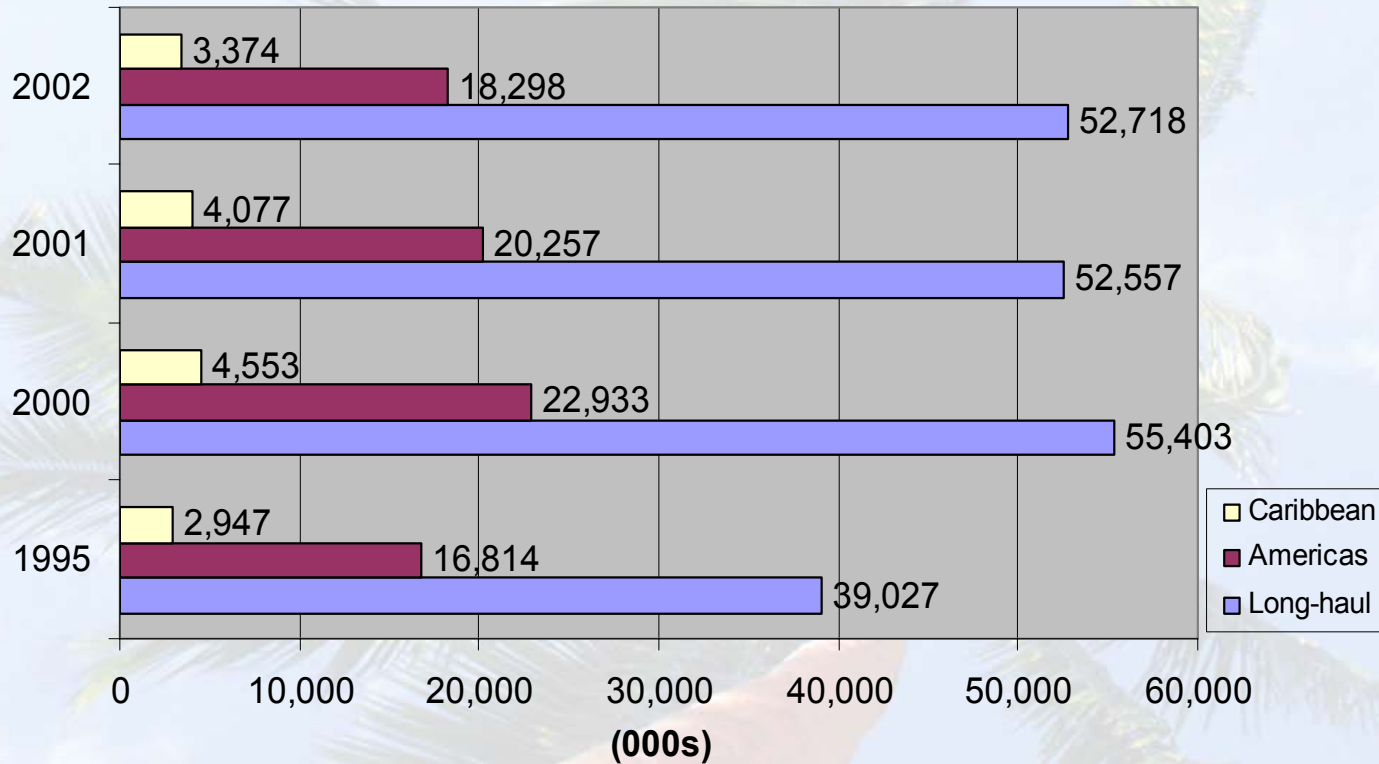


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Introduction

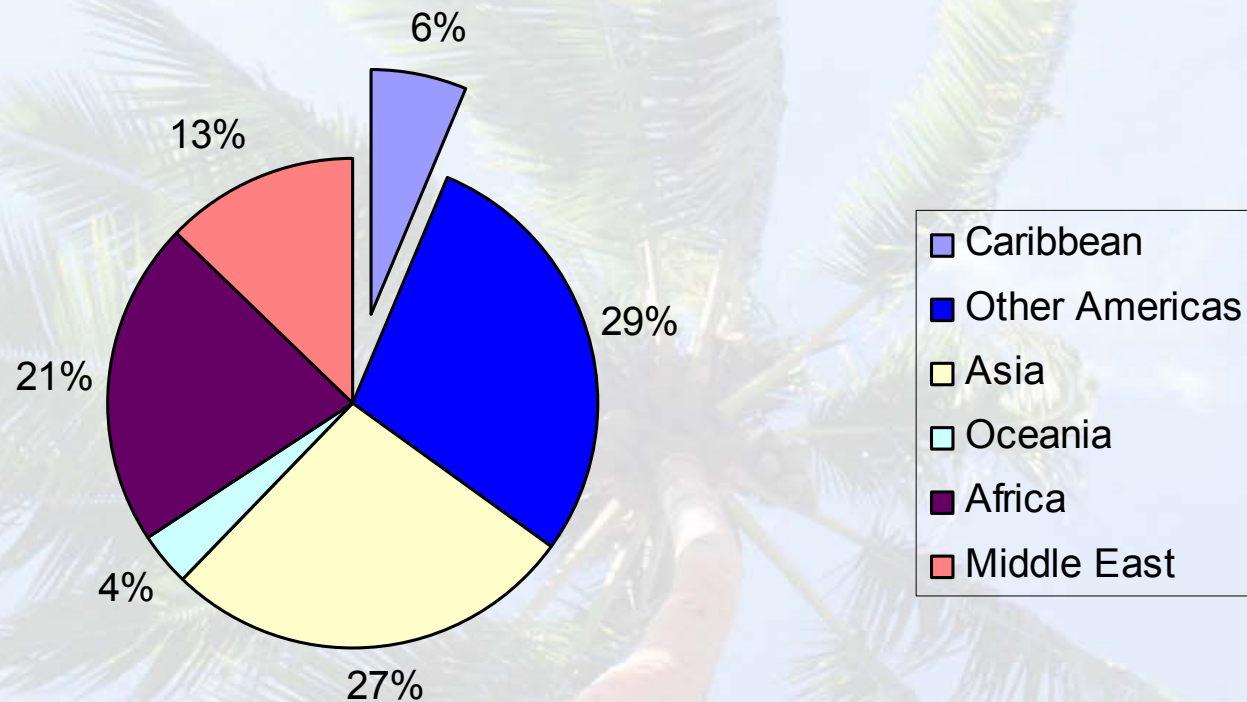
- European trends
- Top European source markets performance
- Market characteristics
- Economic prospects
- Travel prospects.

Intraregional market: Europe



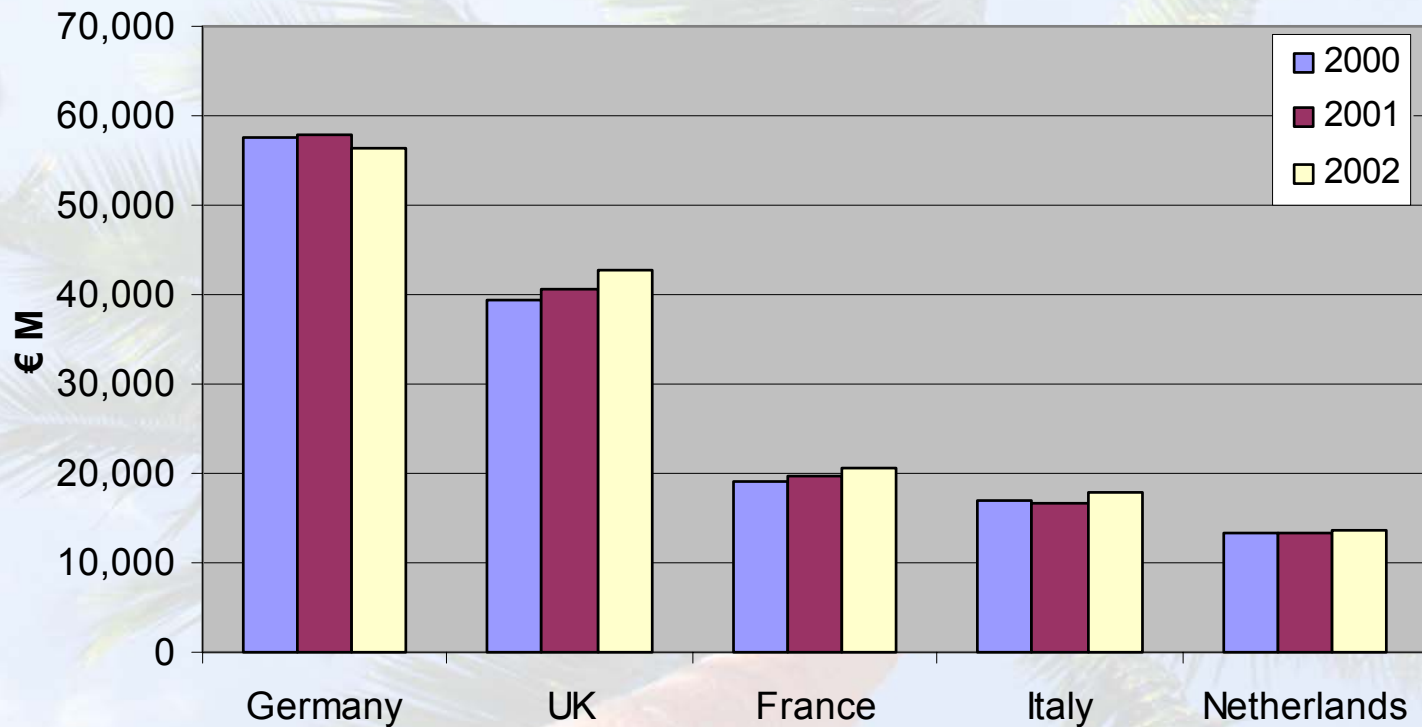
Source: WTO; Europe Outbound, Mintel

European long-haul: the Caribbean share 2002



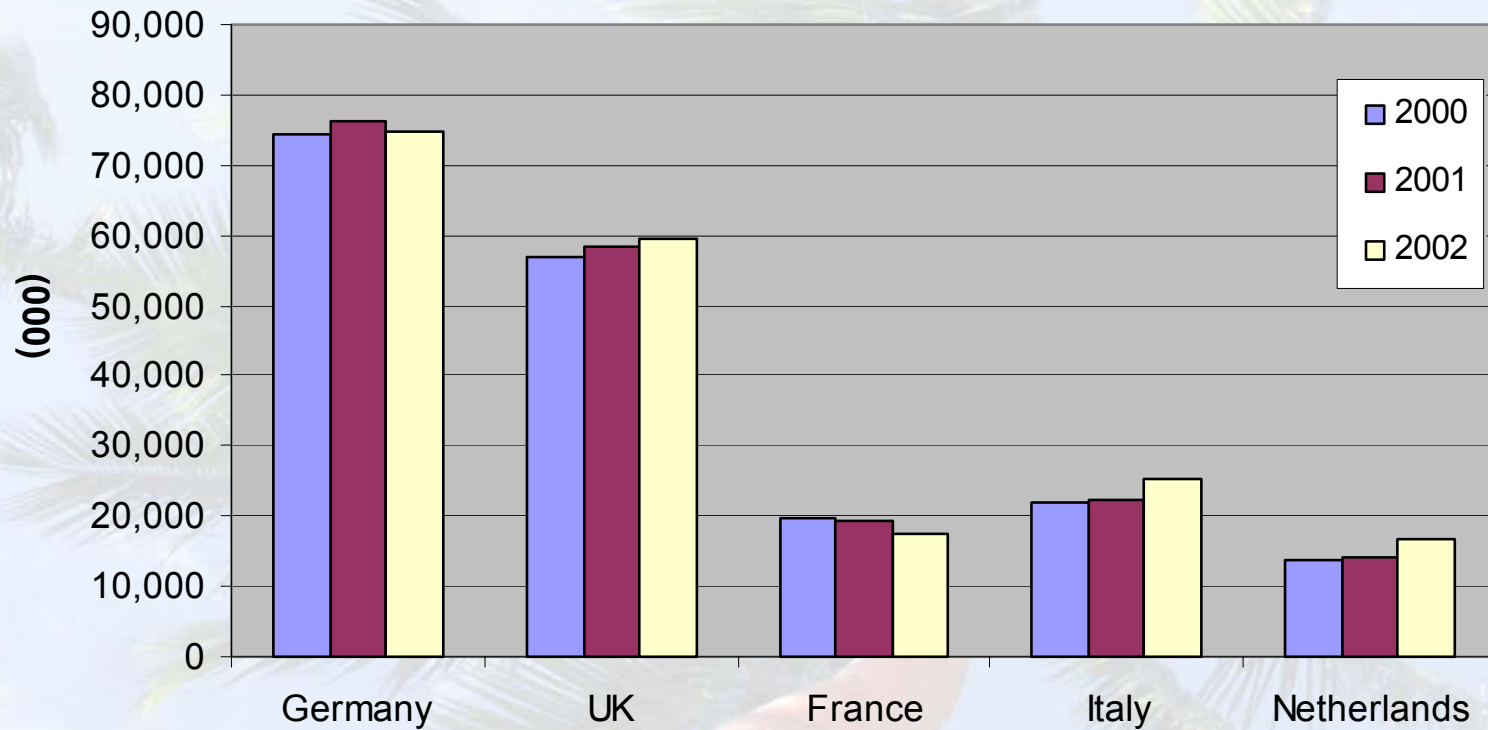
Source: WTO

Leading European Tourism Spenders 2000-02



Source: Europe Outbound, Mintel

European trips abroad 2000-02



Source: Europe Outbound, Mintel

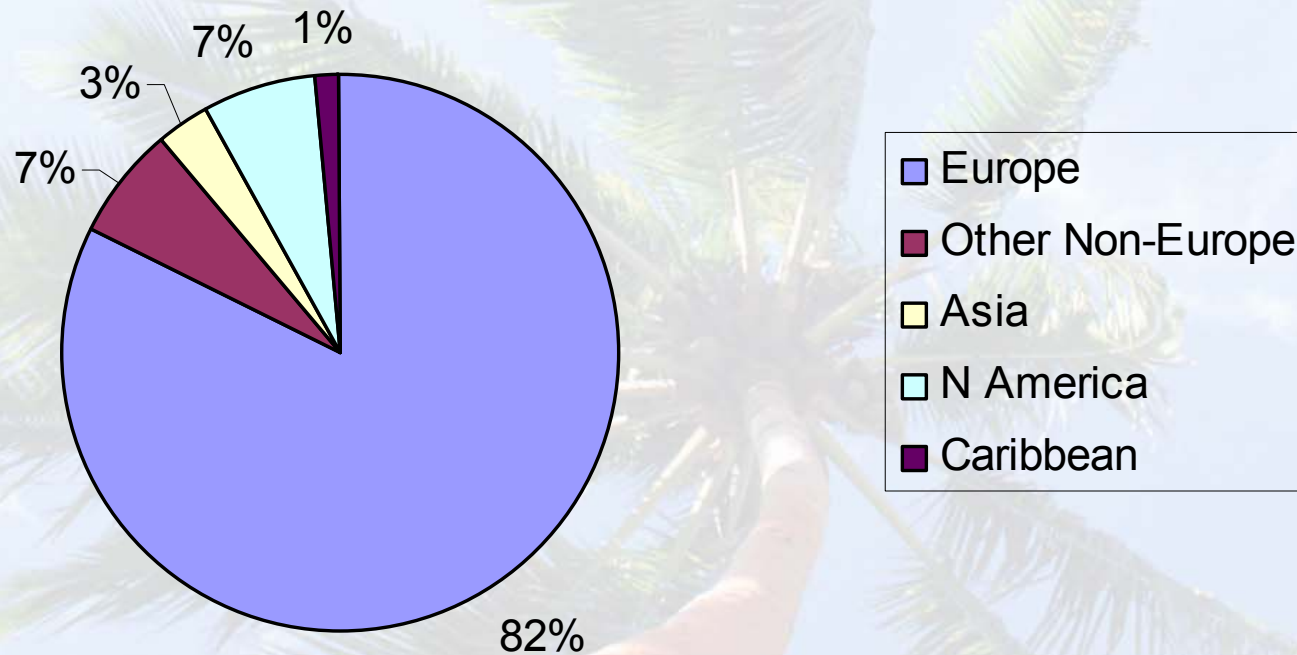
European trends

- Short-breaks = half of the holiday market
- € strength against \$ promotes long-haul travel
- Move towards private accommodation
- Long-haul growth in 'DIY Holidays' – booking travel and accommodation separately
- Tour ops / Travel agent used for between 20-40% of trips
- Agent / operator usage 1) Germany 2) France 3) Neths 4) UK 5) Italy.

UK trends

- 2nd-highest travel propensity in Europe
- Top recent performer for trips: island status + relative economic health + new and affordable new routes
- Awareness of sustainable tourism revealed in 2002 MORI poll
- Growth in 'self-packaging'... summer 2004 some operators cut capacities by up to 10%
- Growth in Christmas long-haul, becoming more adventurous
- TGI 2004: decline in all-inclusive; growth in B&B accommodation.

UK trips abroad 2003

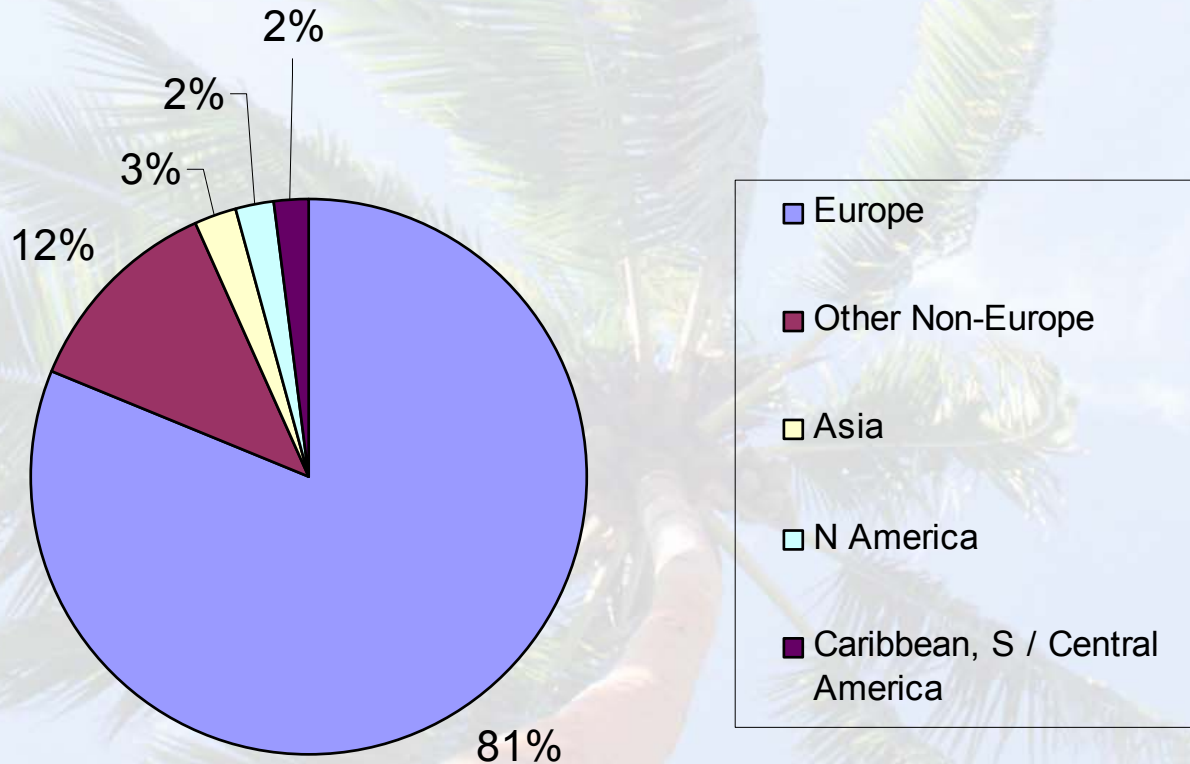


Source: International Passenger Survey; Europe Outbound, Mintel

German trends

- 2002: travel propensity down to 75.3%, from 76.1%
- Domestic holidays up, whilst trips abroad fall by over 1.1 million
- Becoming used to cheaper travel: low-cost airlines + cheaper accommodation + car hire options
- 2003: 6% decline in package market
- 2004: +3-5% turnover growth for major tour operators
- TGI 2004: all-inclusive growth; decline in all other hotel accommodation sectors.

German trips abroad 2002



Source: Reiseanalyse Urlaub + Reisen (FUR) Europe Outbound, Mintel

French trends

- Seasonality: one-fifth of all nights spent abroad in August
- Traditional summer market in decline
- 2004: tourist trips abroad +17% in first quarter against 2003
- Direct sales and last-minute bookings growth
- Growth focused in long-haul.

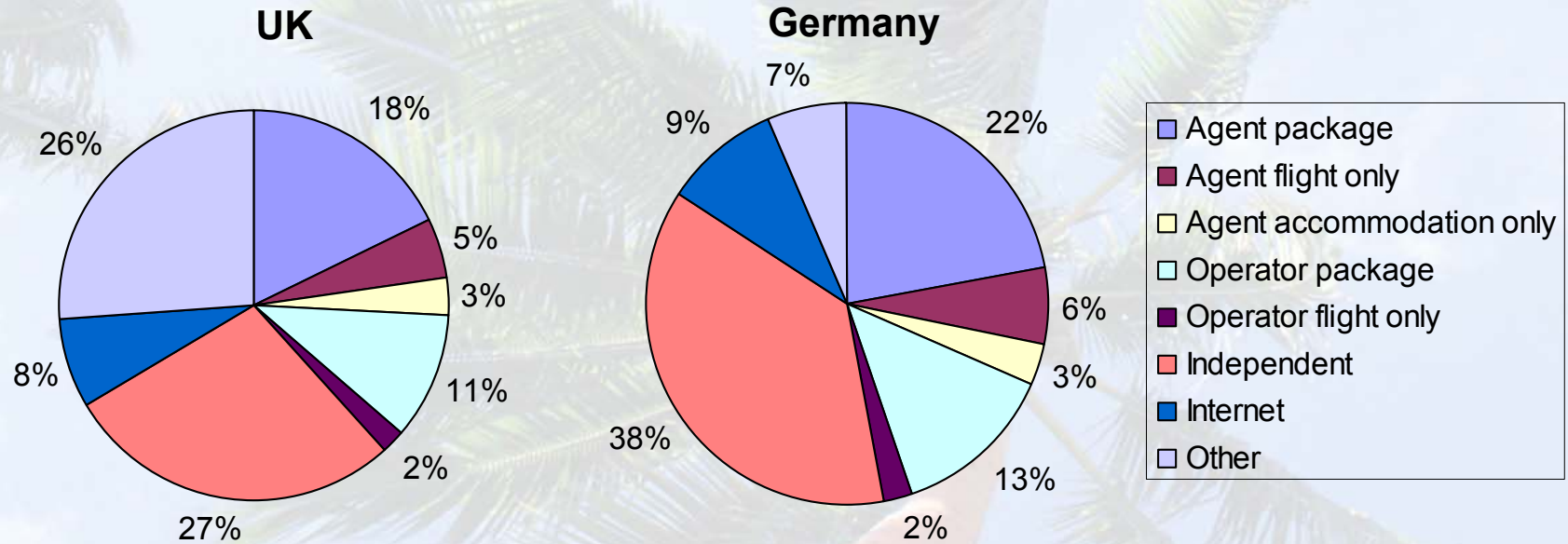
Italian trends

- 'Mini boom' in Italian outbound tourism, despite sluggish economy
- 3 million more trips in two years, especially to the Americas
- WHY?
- Later marriage = growing market of single adults in their 20s with small outgoings
- Younger generation becoming more urbanised and free
- Low-cost carriers
- Market can exceed 30 million trips.

Netherlands trends

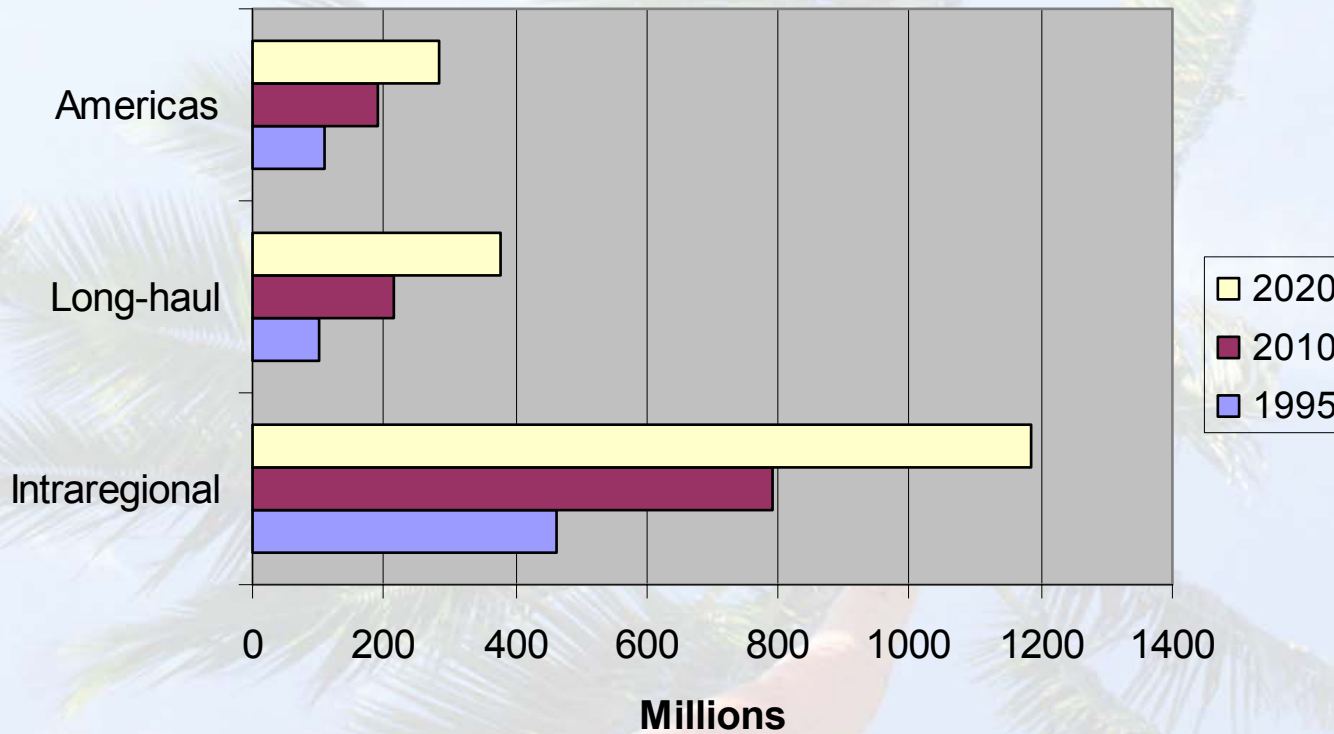
- Most affluent and densely populated of European countries
- Highest propensity to travel (104%) of the major markets
- 2000-02: trips grew + 20%
- But lower expenditure: growth mostly short-haul
- Sense of market maturity.

Holiday Booking methods 2003



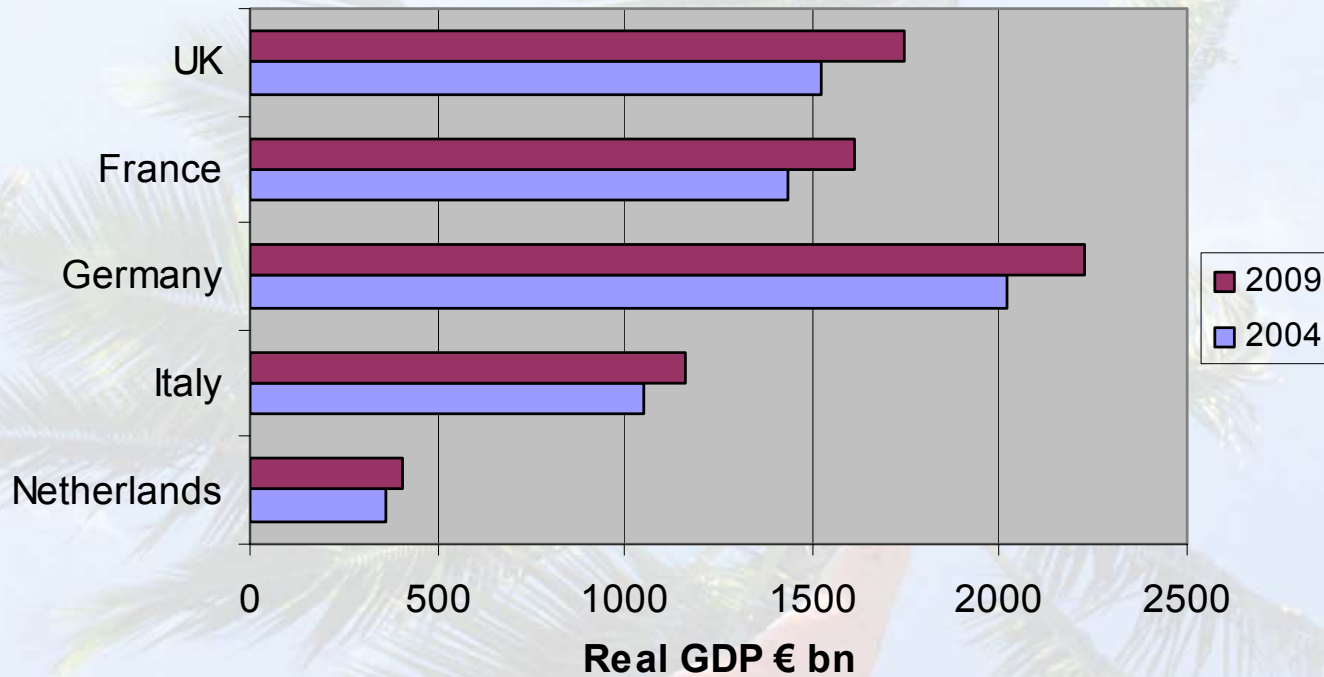
Source: TGI

Tourist arrivals 1995-2020



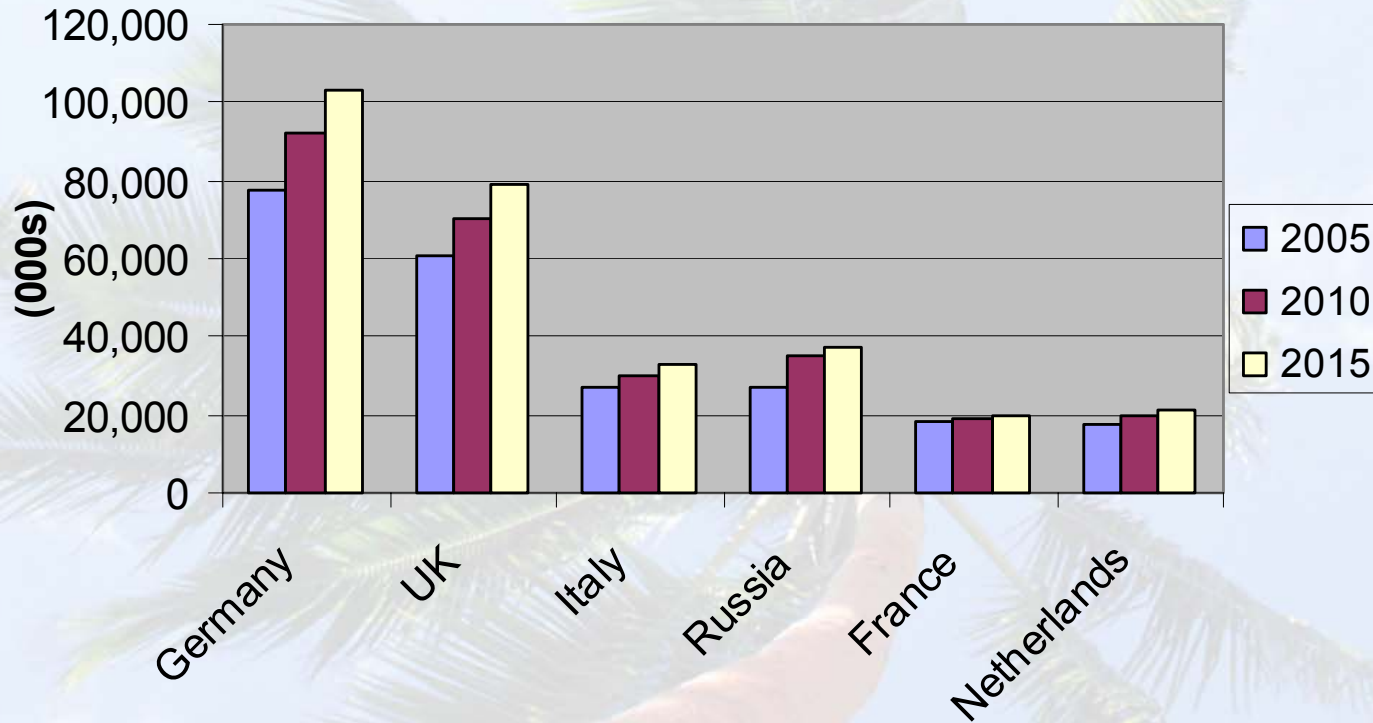
Source: WTO

European Economic Forecasts 2005-2009



Source: International Tourism Forecasts, Mintel 2004

Europe outbound forecast 2005-2015



Source: International Tourism Forecasts, Mintel



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