



Ipsos / Europ Assistance Barometer Intentions and Concerns of Europeans in relation to holidays

Summary

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**Technical presentation of the Ipsos / Europ Assistance Barometer
"Intentions and Concerns of Europeans in relation to Holidays"**

On behalf of Europ Assistance, from February 11th to March 18th 2008, Ipsos conducted a survey among a sample of 3,506 Europeans (French, Germans, Britons, Italians, Spaniards, Belgians and Austrians). The study was conducted by telephone, at the home of the respondents and using the quota method (sex, age, profession of head of household, after stratification by region and by town size).

On the eve of the 2008 summer holidays, the aim of this survey was to assess the intentions the inhabitants of the countries concerned, to go on holiday along with their motivations, destinations and the preferred types of stay.. The Ipsos / Europ Assistance Barometer "Intentions and Concerns of Europeans in relation to Holidays" also aimed to evaluate the risks perceived by tourists, and their impression of insurance coverage in relation to those risks.

Finally, specific questions were asked, aimed at determining:

- *The impact of the increase in oil prices on holiday plans;*
- *The interest in buying holidays on credit.*

The following document presents the key findings of this study.

Two-thirds of Europeans intend to go on holiday this summer¹

Two thirds of Europeans (67%, i.e. a 6 point increase over 2005) **will go on holiday this summer, of whom 24% will do so several times**. These figures confirm the slight upturn observed in 2007 (66%).

Italy has become the country in which declarations of intention to go on holiday are highest, rising sharply (77%, +9 points), ahead of France, which is also progressing strongly (74%, +9 points). Britons who were the most inclined to travel last year, have returned to their 2006 level (67% will go on holiday, - 7 points). Spain, after catching up with the other European countries in previous years, is stabilising (65%, stable), ahead of Belgium (63%, + 2 points). Austria is experiencing a sharp decline this year (62%, - 8 points) but remains ahead of Germany (57%, - 3 points), a country in which declarations of intention to go on holiday are the lowest.

Intention to go on holiday per country for the period June to September 2008 inclusive²

	Yes, several times	Yes, once	S/T Yes	Evolution Compared to 2007
Overall	24%	43%	67%	+ 1 point
Italy	23%	54%	77%	+ 9 points
France	32%	42%	74%	+ 9 points
UK	42%	25%	67%	- 7 points
Spain	16%	49%	65%	=
Belgium	18%	45%	63%	+ 2 points
Austria	21%	41%	62%	- 8 points
Germany	12%	45%	57%	- 3 points

In most cases (39%), the duration of the holiday will be two weeks, as per last year. However, we are observing a decrease in short breaks over the long term in favour of longer breaks: 36% will go away for one week or less (- 5 points compared to 2007, - 8 points compared to 2005), 39% will go away for 2 weeks (- 3 points compared with 2007, - 6 points compared with 2006), whereas 29% will go away for 3 weeks or more (+ 4 points c.f. 2007).

¹ Holidaymakers are defined as people who have stated they will at least once, spend more than four consecutive nights away from home for reasons other than business between June and September 2007 inclusive.

² The evaluation of these results obviously needs to be weighted in relation to the gap between intention to go on holiday, the declarative aspect, and the actual departures undertaken by Europeans. Hence, for example, 58% of French people actually went on holiday (stays of at least 4 consecutive nights) between April and September 2007 (intention to leave between June and September 2007 inclusive measured by Ipsos in 2007 for France: 65%). (Source : « *Tourisme Info Stat* » – French Ministry of Finance, January 2008)

This change in behaviour can be seen particularly among the British, French and Spanish. 30% of them will go away for 3 weeks or more (+ 13 points for the British, + 6 points for the French, + 5 points for the Spanish)

As in 2006 and 2007, short breaks for their part are mainly favoured by Italians (45% will go away for one week, + 6 points), and Austrians (44%, - 3 points).

Total duration of summer stays

	Less than one week	1 week	2 weeks	3 weeks	4 weeks or more
Overall	7%	29%	39%	16%	13%
France	5%	22%	32%	24%	16%
Germany	5%	27%	51%	19%	7%
UK	7%	21%	41%	15%	15%
Spain	7%	30%	33%	11%	19%
Italy	9%	45%	35%	8%	10%
Belgium	8%	22%	48%	13%	11%
Austria	8%	44%	43%	14%	7%

[Total over 100, since respondents could give multiple responses]

Europeans once again give priority to rest, ahead of discovery, and continue to make Europe their preferred location

Most of the people interviewed (60%) state that seeking "rest" is their main motivation, well ahead of the idea of "discovery" (39%). This level of importance which is consistent with that registered since the barometer was created, is generally common to all the European countries questioned. However, the French seem to be changing their behaviour and noticeably stand out with a greater appetite for "discovery" (44%, + 7 points), to the detriment of "rest" (54%, - 6 points). They are therefore joining the British, for whom this phenomenon had already been highlighted between 2005 and 2007 (42% for "discovery" in 2005, 47% in 2006, 46% in 2007, 44% in 2008). Of all things relating to this notion of "discovery", the French seem particularly attracted to "discovery of new cultures", a "change of scenery" (37%, +5 points).

In relation to the idea of "discovery" from a general point of view, France and the UK are closely followed by Belgium, which already recorded a strong increase last year. Belgians continue to express an increasing interest in this aspect of holidays (43%, + 3 points), and particularly in the "discovery of new cultures" and a "change of scenery" (32%, + 8 points).

The majority of Italians on the other hand, are giving refocusing on rest as a priority, and hence returning to behaviours comparable to those recorded in 2005.

As concerns the type of intended destination (sea, countryside, mountain, city or touring), few notable changes can be found, except for a decrease in intention to go to the countryside (15%, - 6 points). This phenomenon particularly relates to the French (15% intend to go away mainly to the countryside, i.e. a 7-point drop compared to 2007). The French are becoming more attracted this year to "tours" (21%, + 5 points). This confirms the new preference for discovery noted when the French were asked to envisage their ideal summer holiday in 2008 and were asked what they would be their preferred choice (as detailed above).

Moreover, in summer 2008, **Europe, with 76% (- 4 points), will once again constitute Europeans favourite destination**, although fewer of them want to go to Europe than last year because they are more undecided as to their destination than in 2007. This decreased interest in Europe is notable particularly for Italians and Britons. Indeed Italians, who are more undecided about their intended destination (23% of Italians do not know what their destination will be for the 2008 summer holiday, i.e. a 9-point increase over last year), claimed to be staying less in their own country than in 2007 (58%, - 8 points) and therefore in Europe (71%, - 7 points). Britons are the only nationality to abandon Europe for other countries (72% of holiday intentions in Europe, - 6 points vs 12% intentions to go to North America, + 6 points). 45% of Europeans (- 2 points) will stay in their own country. As for 2007, this is particularly the case for the French (63%), Spanish (59%, stable) and Italians (58%, - 8 points). Moreover, as in 2007, three destinations are particularly popular within Europe: France (18%, +1 point), Italy (18%, stable), and Spain (16%, stable).

In terms of the organisation of holidays, the trend observed in 2007 in favour of greater autonomy for tourists is confirmed since most Europeans (65%) claim to organise their trip themselves, by buying separate services, as opposed to 29% who will purchase a package holiday, including transport and accommodation. This preference for independence mainly relates to the French and Austrians: almost three-quarters of them (73% and 72% respectively) will opt for this method. In contrast, the British (37%), Italians (34%) and Belgians (34%) are more inclined to choose the purchase of a package holiday.

As for the type of accommodation, renting a house, a hotel room or a bed and breakfast room is preferred by Europeans: 68% of them will choose this option, as opposed to 22% who will go to their second home or will stay with friends and an almost stable proportion (13%, + 3 points) will opt for camping-caravanning.

The factors that led to these choices of destination

Budget (82%, + 3 points), climate (79%, + 1 point), health risks (73%, + 2 points), the quality of on-site tourist infrastructures (73%, stable) and the possibilities for leisure or cultural activities (70%, + 1 point) constitute the main criteria of choice,

on the same level as they did in 2007. Risk of terrorist attack also plays an “essential” or “important” role for 64% of Europeans questioned (+ 3 points). Risk of social unrest (55%, + 3 points) also remains relatively stable, as do the risks of a natural disaster (52%, - 3 points), and the travel time between the home and the holiday destination (49%, - 4 points).

While the order of importance of factors remains relatively stable over time, it can be observed that the importance of decision-making factors varies strongly according to country. The table below presents this hierarchical distinction. While the impression of risk comes first for Germany and Spain (risks of a terrorist attack for Germany, health risks for Spain), economic factors proved to be preponderant for the UK and Italy, while the need for a pleasant climate is higher for the French and Belgians (certainly attributable among other things to bad weather experienced during the summer of 2007 in their respective countries). More generally, as in 2007, elements relating to the range of tourist activities rank a long way behind these 3 types of elements in all countries, with the exception of Austria, for which possibilities in terms of leisure or cultural activities play an essential role.

Order of importance of factors according to country ("essential" answers)

	1 st factor	2 nd factor	3 rd factor
Overall	Climate	The budget you intend to allocate	Risks of a terrorist attack
France	Climate	The budget you intend to allocate	Health risks
Germany	Risks of a terrorist attack	Climate	Health risks
UK	The budget you intend to allocate	Climate	Risks of a terrorist attack
Spain	Health risks	The budget you intend to allocate	Risks of a terrorist attack
Italy	The budget you intend to allocate	Climate	Health risks
Belgium	Climate	Health risks	Risks of a terrorist attack
Austria	Possibilities for leisure or cultural activities	Health risks	Climate

Summer holidays are planned in advance for the majority of Europeans

For most of the people questioned (68%, - 1 point c.f. 2007), holidays are planned a long time ahead. In contrast, less than one third of the people interviewed (30%, - 1 point) claimed that they will decide on their destination at the last minute. This is notably the case with Italians (44%, + 6 points) more of whom, as in 2007, plan their holiday later. On the other hand, the Spanish, who since 2005 have tended more than average to decide later, are changing their habits and this year recorded a very strong increase in relation to planning holidays early (73%, +14 points).

The internet confirms its place as a preferred booking tool with a clear and continuous rise compared to 2005 (28%), 2006 (35%) and 2007 (39%): almost half (47%) of European holidaymakers claimed that they will use the Internet to make reservations, 27% of them by going directly to the website of a service provider (airline company, hotel, etc.), 17% by going to the website of a travel agency or Tour Operator and 16% by going to a website such as Expedia or Opodo. The British are still the most adept at electronic booking, with 63% of them (+ 12 points) buying their holidays this way, ahead of the French (49%, + 8 points).

The other countries covered by the study are also continuing to advance. This is notably the case for Italy: 40% (+ 12 points), which is continuing to catch up with the other countries covered by the study. Spain, despite a 7-point increase, is still lagging behind (36%).

Note that one third of holidaymakers nevertheless intend to make their reservations by physically going to a travel agency or Tour Operator, with this type of method being used particularly in Austria (43%), Italy (41%) and Spain (38%).

A slightly higher “holiday-budget” than 2007, variable according to country

The provisional budget allocated by Europeans to their holidays is on average 2,206 € per household (compared to 2,145 € on average in 2007, but 29 € lower than in 2006), with strong variations according to country. The British retain pole position in terms of expenditure. Their “holiday-budget” reaches 2,584 € (+ 5 €) whereas the gap is widening with the Spanish, who are still very much behind, with a budget of 1,764 € (- 146 €). The “holiday-budget” for France of 1,934 € (- 72 €), is the only budget, along with the Spanish budget, to decrease. France is consequently lagging behind the other European countries. On the other hand, Italy, the driver country this year in terms of departure intention (recap: 77%, + 9 points, i.e. the strongest increase recorded with the one observed for France), is also the country whose “holiday-budget” is increasing the most (2,290 €, + 261 €), despite a troubled economy this year. This large increase is probably linked to the fact that this year fewer Italians want to stay in their own country (recap: 58%, - 8 points, i.e. the biggest decrease recorded) and more generally in Europe, which implies an increase in transport costs. Generally speaking, the “holiday-budget” is indeed obviously dependent on the holiday destination: it is in those countries in which the proportion of people claiming to holiday in their own country is highest (France and Spain notably) that the budget is lowest.

"Holiday-budget" 2008

	Holiday intentions (change c.f. 2007)	Intentions to stay in your own country (change c.f. 2007)	Recap: Average budget 2007	Average budget 2008	Change in budget c.f. 2007	Change in budget c.f. 2007 (en %)
Overall	67% (+1 pt)	45% (-2 pts)	2 145 €	2 206 €	+ 61 €	+3%
UK	67% (- 7 pts)	28% (-5 pts)	2 579 €	2 584 €	+ 5 €	+0,2%
Austria	62% (-8 pts)	28% (-3 pts)	2 267 €	2 426 €	+ 159 €	+7%
Italy	77% (+9 pts)	58% (-8 pts)	2 029 €	2 290 €	+ 261 €	+11%
Germany	57% (- 3 pts)	29% (=)	2 025 €	2 235 €	+ 210 €	+9%
Belgium	63% (+ 2 pts)	33% (=)	2 120 €	2 228 €	+ 108 €	+5%
France	74% (+9 pts)	62% (-1 pt)	2 006 €	1 934 €	- 72 €	-4%
Spain	65% (=)	59% (=)	1 910 €	1 764 €	- 146 €	-8%

The influence of the increase in oil prices on the various aspects of holidays was tested for the 2008 barometer. This increase impacts on European holidaymakers "holiday-budget" by more than one third (38%). But while the price of oil is related to the slight increase in the average budget devoted to holidays, for the most part this is clearly more about an influence on the distribution of expenditure items within the "holiday-budget". The increase in the price of oil thus impacts the mode of transport for 34% of European holidaymakers, the destination for 29% of them, and the duration of the holiday for only 23% of them. This indifference amongst the majority of those questioned to the price of oil when planning holidays, notably in relation to the choice of mode of transport, reflects the behaviour of Europeans in their everyday life outside of holidays, with people tending to cope with the inflation in the price of oil than to radically change their way of life as a result. Spaniards, and especially Italians, who tend to stay in their own country for their summer holiday and thus use a car more than others, are clearly the most influenced by the price of oil, notably in relation to its influence on the choice of mode of transport: half of Italians considered that it will have an influence on the choice of their method of transport during the holidays.

Another specific aspect of the 2008 barometer, the potential to use credit to finance holidays was measured. The large majority of European holidaymakers (93%) have never used credit and could not envisage doing so. Only 3% of respondents had already used that solution to finance their holidays and only 4% have never taken out credit but could see themselves doing so, which represents a potential total of 7%. This indicator reaches 15% of the British population (of whom 8% had already taken credit) and 14% of Spaniards (3% of whom had already used credit).

A trend towards a decrease in the overall level of concern among European travellers in relation to risks encountered.

The level of concern of European holidaymakers is falling in relation to all types of risk tested and proved fairly reactive to current events, notably with regards to the risks of a terrorist attack. The hierarchy of concerns with regard to risks therefore remains very close to that observed in 2007 and confirms the predominance of concerns about health, whether in relation to personal health or the health of someone close, whether or not they are accompanying the traveller. The concerns expressed relate, for three quarters of those questioned, to a health problem, whether to the health of those travelling (74% claimed that this is something that concerns them, i.e. a 2-point drop compared to 2007), or to the health of relatives not accompanying them (72%, - 3 points).

Loss of personal effects (luggage, clothing, money) was a concern of 68% of respondents (- 4 points). Next came concerns relating to transport accidents (60%, - 5 points), concerns about the home (water damage, fire, burglary...), 58% of European holidaymakers (- 2 points). 49% of the people questioned (- 4 points) are concerned about their vehicle breaking down. Finally, at the end of the scale, the perceived risk of a terrorist attack dropped quite substantially in relation to the current political and economic climate (fewer than half of the respondents, 47%, claimed to be worried by this type of risk, i.e. a 6-point drop), proof of the extreme sensitivity of Europeans in relation to this type of fear. To a lesser extent, the perceived risks of a natural disaster (43%, - 3 points) and of strikes or transport delays (43%, - 1 point) dropped slightly probably due to current events also.

Level of concern in relation to the risks

	["Worries you a great deal" answers]	["A great deal + Somewhat" answers]	Recap 2007 ["A great deal + Somewhat" answers]
A health problem concerning yourself or a person accompanying you	52%	74%	76%
A health problem concerning a relative, who is not accompanying you	47%	72%	75%
Loss of personal effects (luggage, clothing, money)	42%	68%	72%
A transport accident (plane, train, car, etc.)	40%	60%	65%
A problem concerning your home (water damage, fire, burglary, etc.)	36%	58%	60%
Risks of a terrorist attack	33%	47%	53%
Risk of a natural disaster (earthquake, volcanic eruption, flood, etc.)	27%	43%	46%
Vehicle breakdown	24%	49%	53%
A strike or transport delay	15%	43%	44%

Note that in relation to all of the areas above, the UK registered notable decreases in the proportion of people claiming to be "very concerned". The same decreases apply to France and Spain, but only in relation to most of the items they were questioned on. As for the Italians, in contrast more of them than in 2007 proved to be "very concerned" by most of the risks they were questioned on.

A perception of low insurance or assistance coverage, which remains deficient with regard to the level of concern expressed

An analysis of the perceived risks, on one hand, and the impression of being covered by an insurance or assistance policy on the other, shows that the gap between perceived risks and the impression of being covered by insurance or assistance policies remains great. Note that rather paradoxically, in relation to health problems concerning a non-accompanying relative, in relation to the risks of a terrorist attack, and the risk of a natural disaster, European holidaymakers are not as well covered by insurance and assistance as their level of concern for these risks.. In contrast, they view themselves as much better covered in relation to the risks that concern them less such as a vehicle breakdown, problems relating to the home (water damage, fire burglary, etc.), or a transport accident.

Concerns expressed and impression of being covered in relation to these concerns by an insurance or assistance policy

	Level of concern ["Worries you a great deal" answers]	Claim of being covered by an insurance or assistance policy	Gap between Level of concern and Coverage by an insurance or assistance policy
A health problem concerning yourself or a person accompanying you	52%	63%	[+ 11]
A health problem concerning a relative, who is not accompanying you	47%	27%	[- 20]
Loss of personal effects (luggage, clothing, money)	42%	55%	[+ 13]
A transport accident (plane, train, car, etc.)	40%	59%	[+ 19]
A problem concerning your home (water damage, fire, burglary, etc.)	36%	67%	[+ 31]
Risks of a terrorist attack	33%	15%	[- 18]
Risk of a natural disaster (earthquake, volcanic eruption, flood, etc.)	27%	25%	[- 2]
Vehicle breakdown	24%	65%	[+ 41]
A strike or transport delay	15%	19%	[+ 4]

A significant decrease can also be noted in the perception of coverage for 3 of the 4 risks that most concern Europeans (a health problem concerning those travelling or those accompanying them, a health problem concerning a relative not travelling with them, a transport accident), which would tend to highlight the gap between the level of concern expressed and the true coverage. However, they think they are still mainly covered for most of the risks discussed, either for a problem concerning the home (67% of European holidaymakers claimed to normally be covered for this risk when going on holiday, i.e. a 4-point drop compared to 2007), a vehicle breakdown (65%, - 2 points), a health problem concerning those travelling or a person travelling with them (63%, - 6 points), a transport accident (59%, - 5 points), the loss of personal effects (55%, - 2 points).

In Germany and Italy, the perception of coverage was particularly low compared to the overall average of those questioned.

Moreover, no significant difference was observed in terms of claims of coverage between men and women, except in relation to the item "a health problem concerning yourself or a person accompanying you" and this was in favour of men (43% claimed to be covered compared to 39% of women).

60% (no change compared to 2007) of Europeans covered in relation to one of the areas discussed took out their policy from their usual insurance or assistance company. 24% of them (- 2 points) took out a policy with their travel agency. We noted that more of those who are covered in particular for a strike or a transport delay (30%, as opposed to 24% on average) bought their policy from their travel agency.

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