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# INTRODUCTION

The surge in overseas travel from Asia in the last ten years or so has been fueled largely by economic growth, rising affluence and a fast-growing middle class in Asia. According to the International Monetary Fund, in the last 20 years, Asia's real growth has outstripped all other world regions with an annual growth in excess of 6% accelerating to 8% in the mid-1990s. Real per capita GDP in Asia has been growing at more than twice the rate of industrialised countries ranging from 4.4% in the 1975-85 decade to 6.3% in the mid-1990s, compared to a declining 2.2% to 1.4% in industrialised countries over the same time span.

The years of 8-10% "miraculous" growth came to an abrupt end in 1997. After a year of economic misery and financial restraint, imposed by International Monetary Fund rescue package, Thailand along with other financially troubled nations, should experience a "moderate rebound in growth" next year and a "solid recovery" in 2000, according to the recent IMF World Economic Outlook report. Thailand along with Indonesia, the Philippines and Malaysia are expected to grow 2.5% next year after a contraction of 2.7% in 1998. However, these forecasts could prove to be over optimistic against the back drop of the political and social unrest in Indonesia which could have an unsettling effect on neighbouring countries.

Foremost among the troubled nations, Thailand's currency and balance of payments appeared to have stabilized sufficiently for the World Bank to begin work on Phase Two of an economic rescue plan sorting out corporate debt exceeding $67 billion as part of corporate restructuring in Thailand. The government is also moving forward towards privatisation. Thailand is taking the lead in introducing financial reforms and winning back foreign investments crucial to economic recovery. All this augurs well for the future of the travel industry.

South East Asia's troubles began shortly after this study, along with two other Asian market studies were commissioned by the ETC. This may not have been the best time, but the period between now and full recovery in these financially strapped nations by the year 2000, predicted by the IMF, could be utilised in laying the ground work for a solid marketing plan to capitalise on the rebound in the next millennium. It normally takes about three years from the launching of a marketing and promotional programme before it begins to show results.

This study on Thai travellers holiday travellers to Europe is one of three Asian studies designed to provide the ETC with *actionable* research to help its members identify their potential travellers and to give directions on how best to reach the target groups through direct marketing and promotion as well as through the travel trade. These studies focus on holiday travel which is discretionary, hence can be influenced by marketing and promotion.

While the future outlook of the Thai holiday market for Europe remains positive, the ETC should be aware of the constraints in the near term. Although there is no specific restrictions on travel by individuals, in an effort to conserve foreign exchange, there is a campaign to persuade Thais to travel within Thailand. Towards this end as well as to boost revenue, the Government has doubled the airport tax from 250 to 500 bahts.

There are four parts to the study:

1. **Analysis of Outbound Travel Trends**

    This includes an analysis of overseas travel trends and demographics on Thailand outbound travellers based primarily on published statistical reports.

2. **Consumer Survey**

    The Consumer survey of past and potential travellers present their demographic and travel profiles; holiday requirements and profiles of travellers to Europe; destination choice factors; knowledge and perceptions of European destinations; sightseeing activities, expenditures, media habits, etc.

3. **Travel Trade Survey**

    This seeks to ascertain Europe's share of the travel trade's total annual sales and passenger volume and its position relative to the other long-haul regions.

    This includes key travel agents' and tour operators' views on the future outlook and holiday travel trends to Europe, among Thai travellers. The survey includes the travel trade's response to key areas addressed in the consumer survey, to provide ETC members with the travel trade's insights into the Thailand market.

4. **Conclusions and Marketing Implications of the Consumer and Trade Research**

**OBJECTIVES**

- Examine past holiday experience and future travel intentions to Europe among Thai travellers.
- Establish their demographic and travel profiles.
- Investigate destination choice factors and preferred types of holiday.

- Gauge their knowledge and perceptions of European destinations.
- Identify market segments with the greatest potential for holiday travel to Europe.

- Investigate the travel trade's response on key areas in the consumer survey and their views on future travel outlook in order to provide the ETC with comprehensive insights on the Thailand holiday market to Europe.

## METHODOLOGY

### A. Consumer Survey

**Respondent qualifications**:

- Citizen and permanent resident of Thailand living in Bangkok which has a population of about 8 million 46% of which are in the ABC income groups, i.e. middle income up. Half the overseas travellers from Thailand live in Bangkok and its periphery.
- Aged 20 and over.
- Have been to Europe in the past five years for any reason

or plan to go to Europe for holidays in the next three years.

- Excludes people in travel-related businesses such as travel agents, airline, hotel employees; advertising agency and market research.
- Excludes European expatriates working in Thailand.

**Sample Size**: 400

**Sampling method**: Areas, streets, blocks were randomly selected and primary sampling units (PSU) were assigned. Not more than 10 interviews were drawn from each PSU. Quota sampling procedure for selection of the respondents in the ABC income groups by age and sex. The age and sex distribution was based on the 1996 outbound travel statistics.

**Interviewing method**: Face-to-face interviews.

### B. Trade Survey

**Sample size**: 30 travel agent and tour operators in Bangkok.

**Sampling method**: Systematic random sampling was used to select the travel agents and tour operators from travel trade directories. They were then screened to ensure they met the minimum requirement of 25% of annual turnover from sale of travel to Europe set for this study.

Face-to-face interviews were conducted at travel agent's/tour operator's premises.

## C. Fieldwork

Interviews for the Consumer Survey were carried out between February 19 and March 13, 1998.

Interviews with travel agents and tour operators were carried out between February 17 and March 6, 1998.

## D. The Report

The report on the key findings is presented in a concise format.

## E. Exchange Rates

Although the fieldwork was done during the Asian currency crisis, pre-crisis exchange rate was used to convert local currency (Baht) into U.S. dollars to remove the distortion caused by the currency devaluation.

The following rates in relation to the US dollar were provided by the US Federal Reserve.

1996: Bt25.359; 1997: Bt31.072
November 1997: Bt39.092
June 1998: Bt42.500

# EXECUTIVE SUMMARY

- Foremost among the troubled nations, Thailand's currency and balance of payments appeared to have stabilized sufficiently for the World Bank to begin work on Phase Two of an economic rescue plan sorting out corporate debt exceeding $67 billion as part of corporate restructuring in Thailand. The government is also moving forward towards privatisation. Thailand is taking the lead in introducing financial reforms and winning back foreign investments crucial to economic recovery. All this augurs well for the future of the travel industry.

- The Consumer Survey showed that the Thai long haul traveller is well educated, well off, usually English speaking and with relatively limited holiday entitlement if employed. New travellers to Europe are likely to come from a rather broader stratum of Thai society, with a greater spread of ages, incomes and educational attainment, and marginally less likely to speak English. However, economic instability and currency problems are likely to have a short term limiting effect on the uptake of European holidays by a wider sector of the market.

- Past travellers tend to be frequent takers of long haul holidays – almost three trips in the previous five years. Future travellers expected to continue this frequency with two trips in the next three years, and with two out of three future long haul holidays aimed at European destinations.

- Past holiday travel mainly concentrated on six major European destinations – France, Switzerland, the UK, Italy, Germany and Austria. The main long haul competition came from the US and Australia. The same countries broadly form the future market for long-haul tourism from Thailand.

- On their most recent trip to Europe, the average holiday taker visited three countries, with the top six destinations the most likely to be visited; used four key arrival cities, London, Paris, Rome and Frankfurt; visited mainly in Spring; stayed for 12 nights; came with family members, friends or business colleagues and usually travelled on an inclusive package. A similar scenario was in store for future holiday trips, though with a shorter period of stay, down to just over ten nights on average and more use of inclusive tours.

- Budget or economy hotels were the most popular accommodation on the most recent trip, though luxury hotels were more widely used by those on inclusive tours. A wide range of sightseeing activities was undertaken, with culture, history, eating out and shopping the most popular.

- Average expenditure per person on the last trip totalled 128,000 Baht (US$5,000 at pre-crisis rates), of which 52,000 Baht ($2,000) was spent before departure on tour package, airfare etc,

  and 76,000 Baht ($3,000) actually in Europe. Expected expenditure for the next trip also averaged 128,000 Baht ($5,000).

- There was a relatively short lead time for both planning, two months on average, and booking, under three weeks.

- The most frequently used sources of information for the last trip to Europe were agent's brochures, the experiences of friends and relatives, and travel books and guides.

- Travel agents were the key advisers on destinations and travel packages for those on inclusive tours. Use of the internet, particularly as a source of travel information, is set to grow, especially among the younger travellers.

- There was an acceptable, though not high, level of satisfaction with services and facilities used on the last trip. The highest levels of satisfaction were given to sightseeing tours and public transport. Entry formalities and restaurants were the least satisfactory.

- *Rest and relaxation* was the most favourite type of long haul holiday among the potential market, with *seeing other cultures* and *touring* also popular. The key factors in choosing a holiday destination were good value, the scenery, climate, personal security, clean environment and interesting towns and cities to visit.

- Destination knowledge and image were closely related to the existing market's experience of individual countries. Nine out of ten potential visitors claimed some knowledge of and had clear perceptions of the top five countries, France, Switzerland, UK, Italy and Germany. At the other extreme there were a number of European destinations with less than one in ten expressing any familiarity, and with very weak images.

- The image strengths of European countries over competing long haul destinations include interesting towns and villages, culture and history, historic sites, museums, art galleries and friendly and courteous people.

- The image weaknesses, perceived or real, in comparison with destinations such as the US and Australia include the greater expense of travelling to Europe, entry formalities, lack of family activities and attractions, poorer beaches, better airline connections and better priced tour packages.

- Among European destinations, Switzerland has by far the strongest and most distinctive image among the potential market, and scores highly on the leading destination choice factors. There may well be a link between the relative dominance of Switzerland in this market and the high place given to choice factors on which it performs well. France and the United Kingdom also have strong and well-defined images.

- The economic and currency instability was seen as a limiting factor discouraging holiday trips to Europe in the immediate future.

- According to the Travel Trade Survey, the top four regions in terms of total annual sales were Europe, Asia and Australia/New Zealand, with Europe topping the list. Keep in mind that the screening of the sample was based on the extent of their business in Europe.

- A large part of the agents' sales to Europe was for holidays and package tours. But agents expect the share of package tours to decline in the next three years.

- Agents felt that Thais are prepared to spend an average of baht78,233 (US$3,090 at pre-crisis rate) for a one-week trip covering two countries in Europe, and an average of baht130,500 (US$5,150) for a two-week trip visiting five countries.

- Difficulty in obtaining visas is the biggest problem in organising tours to Europe.

- The five most important factors in the choice of holiday destinations are *good value*, *outstanding scenery*, *interesting towns and cities*, *inexpensive to travel to country* and *good shopping*.

- The main barrier of travel to Europe is the Thailand economic crisis and depreciation of the baht. Another factor that discourages Thais from visiting Europe is the difficulty of getting visas. A further obstacle for Europe is the high expense of both the trip to and within Europe.

- The favourite holiday destinations of Thai travellers to Europe are **Switzerland**, **France**, **Italy**, **UK**, **Germany** and **Austria**.

- In terms of sales support received, only five European NTOs were mentioned. Topping the list was Switzerland, followed by Austria and the UK.

- The most frequently used promotional and sales tools for Europe are brochures, direct mail, travel trade advertising.

- Promotional and sales tools agents would like to see more of are travel video tapes, travel magazine and newspaper articles, consumer advertising.

- The most useful tools are consumer and travel trade advertising and brochures.

- Agents are of the opinion that the most cost effective media for NTOs are TV advertising, TV programmes, newspapers, consumer magazines and travel trade press.

- Visa application is the service agents most often provide to their clients. Their advice is also sought in the choice of hotels, planning tour itinerary, local sightseeing tours.

- Agents felt they have considerable influence on their clients in most areas, particularly relating to tourist sites at destinations, choice of airlines, planning itinerary, type of accommodation and local sightseeing tours.

- The single most important factor that would affect short-term travel to Europe is Thailand’s economic crisis and the depreciation of the baht. This factor would remain quite significant in the medium term as well. Other factors that would dampen travel to Europe are Thailand’s campaign to keep Thais at home to help conserve foreign exchange, the high cost of the trip and the visa problem.

- Although there was a large number of cancellations and drop in holiday bookings since the economic crisis last October, the level was about the same for short and long-haul travel. Agents interviewed felt that the crisis would definitely result in a continuing drop in bookings in the next one to two years.

## CONCLUSIONS AND MARKETING IMPLICATIONS

- The dominance of the inclusive package tour in the market for European holidays from Thailand exerts a strong limiting factor on the expansion of the market among those countries not already on the itinerary of such tours.

- This is compounded by the potential market's significant lack of knowledge of second and third rank destination countries and their tourism potential. What knowledge they have is very superficial and often excludes any awareness of key strengths of individual destinations.

- Given the very powerful influence of travel agents and friends and relatives with previous European holiday experience, it is vital for the ETC and for individual countries to promote a wider range of destinations both to the trade and the consumer.

- The increasing use of the internet as an information source, especially among younger segments of the market can be harnessed as a relatively inexpensive vehicle for increasing awareness of Europe as a tourism destination, both regionally and for individual destinations.

- The advantage of the internet is enhanced by the generally high English language skills found in the potential market.

- The use of the internet as a promotional tool must be backed up with a reliable system of response to ensure that requests for brochures or further information are handled with speed and accuracy.

- The internet is also an ideal vehicle for building up prospect databases for further marketing initiatives.

- Agents also specifically mentioned they would like to have more travel videos to help them familiarise themselves with destinations, their attractions, facilities and services.

- Although English language skills exist among the target market, the provision of promotional material in the native language remains. Such material needs to reflect the known concerns and interests of the potential market. However, the need to correct inaccurate perceptions of European destinations and to improve low levels of knowledge must also be addressed.

- In particular there is a clear need to build awareness and knowledge of key European tourism strengths which are currently poorly perceived: culture in the broadest sense, history, the diversity within the continent of landscape, traditions, peoples, cuisine, etc.

- There is an opportunity to encourage Thai travellers, of all ages, incomes and experience to travel more independently by providing itinerary planning, lists of accommodation and other services, with reservations facilities as appropriate.

- Given the relatively short duration of Thai holiday visits, repeat visits need to be encouraged to different countries.

- Entry formalities for Thai visitors receive a low rating. Governments need to be encouraged to minimise delays and inconvenience for genuine tourist visitors.

- Major factors and trends in Europe's favour are: It has at least two of the five attributes regarded by the travel trade in Thailand as important factors in the choice of a holiday destination in Europe, namely, *outstanding scenery* and *interesting towns and cities.*

- In terms of future travel trends, the rise in the percentage of independent travel to Europe in the next three years anticipated by the travel trade augurs well for Europe with its excellent accessibility by road and rail which facilitates independent exploration by the more independent and adventurous traveller.

- Major constraints to travel to Europe identified by agents are: *difficulty of getting visas, high cost of getting to Europe* as well as *high expense within Europe,* the *difficulty of securing sufficient air seats.*

- In order to capitalise on the potential, it is important that European NTOs strengthen their presence and step up their promotional and sales efforts in Thailand through advertising to both the consumer and travel trade. Media suggested by the travel trade in Thailand are television, consumer magazines and trade press. These should be verified against the media usage identified in the Consumer Survey. Media should be carefully evaluated before spending promotional and advertising dollars.

- While the future outlook of the Thai holiday market for Europe remains positive, the ETC should be aware of the constraints in the short and medium term. Although there is no specific restrictions on travel by individuals, in an effort to conserve foreign exchange, there is a campaign to persuade Thais to travel within Thailand. Towards this end as well as to boost revenue, the Government has doubled the airport tax from 250 to 500 bahts.

- Of the established long-haul destinations, Europe has at least an equal chance of attracting Thai holiday travellers provide certain weaknesses identified in the research are addressed.

The time to do this is now in order to take advantage of the recovery of Asia and return of the strong pre-crisis growth in Thailand. Generally it takes at least three years from the launching of a promotional programme before one begins to see results.

# 1. OUTBOUND TRAVEL TRENDS

The analysis of outbound travel trends is based on available data collected by the Immigration Bureau and Police Department of Thailand, and compiled by the Tourism Authority of Thailand. Unless otherwise specified, foreigners residing in Thailand are not included in the data.

## 1.1 Demographic Profile of Thai Travellers

### *Age and Sex*

- More than half of the Thai travellers in 1996 and 1997 were male.

- Just over half the travellers fell into two age groups - 25-34 and 35-44. The youngest group - 24 or under outnumbered the 45-54 group by between 11,000 to 17,000. Older people aged 55 or over made up 9-10% of travellers.

**Exhibit 1. Outbound Thai Travellers by Age and Sex**

| | **1997** | | 1998 | |
|---|---|---|---|---|
| | **Number** | **% Share** | **Number** | **% Share** |
| **Total** | 1,637,595 | 100.0 | 1,823,676 | 100.0 |
| ***Sex*** | | | | |
| Male | 911,955 | 55.7 | 1,011,255 | 55.5 |
| Female | 725,640 | 44.3 | 812,421 | 44.5 |
| ***Age*** | | | | |
| 24 or under | 278,500 | 17.0 | 310,317 | 17.0 |
| 25-34 | 499,673 | 30.5 | 536,267 | 29.4 |
| 35-44 | 422,861 | 25.8 | 482,841 | 26.5 |
| 45-54 | 267,604 | 16.3 | 293, 628 | 16.1 |
| 55+ | 168,957 | 10.3 | 200,623 | 9.0 |

*Source: Immigration Bureau, Police Department*

### *Occupation*

- By far the largest occupation group was Labourers, Production and Service Workers who made up 30% of total in 1996 and 1997. It is suspected that a substantial number could be going overseas for employment. The second largest group was Clerical, Salesman or Commercial personnel accounting for 16%-17% of total travellers.
- The third largest group was Student and Children, about 9% of total. Other groups such as Housewife (about 5%), Professionals (4%), Government and Military personnel (3%-4%) were relatively insignificant.

**Exhibit 2. Outbound Thai Travellers by Occupation**

| | **1997** | | **1996** | |
|---|---|---|---|---|
| ***Occupation*** | **Number** | **% Share** | **Number** | **% Share** |
| Professionals | 67,440 | 4.1 | 70,916 | 3.9 |
| Administrative and Managerial | 30,570 | 1.9 | 47,880 | 2.6 |
| Clerical, Salesman Commercial personnel | 263,898 | 16.1 | 306,755 | 16.8 |
| Labourers, Production and Service workers | 493,095 | 30.1 | 548,329 | 30.1 |
| Government and Military personnel | 49,668 | 3.0 | 548,329 | 30.1 |
| Housewife | 74,461 | 4.6 | 81,168 | 4.5 |
| Students and Children | 155,338 | 9.5 | 155,840 | 8.6 |
| Others | 23,424 | 1.4 | 20,991 | 1.2 |
| Not stated | 479,701 | 29.3 | 516,107 | 23.3 |

### *Residence*

- Just over half the overseas travellers live in Bangkok and its periphery, with 21%-22% coming from the Southern region of Thailand.

**Exhibit 3. Outbound Thai Travellers by Residence**

| *Residence* | 1997 | % Share | 1996 | % Share |
|---|---|---|---|---|
| Northern | 125,595 | 7.9 | 136,515 | 7.5 |
| North Eastern | 232,695 | 14.2 | 233,293 | 12.8 |
| Western/ Eastern | 29,401 | 1.8 | 37,973 | 2.1 |
| Southern | 359,855 | 22.0 | 387,672 | 21.3 |
| Central | 848,421 | 51.8 | 972,526 | 53.3 |
| - Bangkok & periphery | (821,785) | (50.2) | (933,319) | (51.2) |

## 1.2 Overseas Travel by Destination

- Overseas travel dropped by 10.2% in 1997 with most of the steep drops occurring in the second half of the year culminating in a 53% dive in October 1997 which marked the beginning of the economic crisis in Thailand.

- All regions, except the Middle East suffered a decline ranging from 11.5% for Asia, Europe - 10.7%, the Americas - 15%, Oceania - 16.5%. Canada was one of the few countries that showed an increase of 19.6%.

- Nearly 80% of Thai travellers visited other Asian destinations. Of the other geographic regions, Europe received the largest share - 9.5% in 1997 and 10.7% in 1996.

*(See Exhibit 4)*

- One in four of the travellers to Europe went to Germany or the UK. These data do not take into account multi-destination travel within Europe. The third most popular destination was France which attracted 13.1% of total travellers to Europe in 1997, followed by the Netherlands and Switzerland with a share of nearly 9% each.

*(See Exhibit 5)*

## Exhibit 4. Outbound Thai Travellers by Destination

| | 1997 | | 1996 | | |
|---|---|---|---|---|---|
| | **Number** | **% Share** | **Number** | **% Share** | **% Change** |
| **Asia** | **1,298,566** | **79.28** | **1,447,450** | **79.37** | -11.5 |
| **Europe** | **155,611** | **9.51** | **174,241** | **9.55** | **-10.7** |
| Austria | 4,920 | 0.30 | 5,322 | .29 | -7.6 |
| Belgium | 551 | 0.03 | 1,136 | 0.06 | -51.5 |
| Denmark | 5,224 | 0.32 | 5,954 | 0.33 | -12.3 |
| Finland | 3,434 | 0.21 | 4,378 | -.24 | -21.6 |
| France | 20,450 | 1.25 | 21,393 | 1.17 | -4.4 |
| Germany | 34,594 | 2.11 | 39,272 | 2.15 | -11.9 |
| Italy | 11,741 | 0.72 | 14,339 | 0.79 | -18.1 |
| Netherlands | 13,751 | 0.84 | 13,260 | 0.73 | +3.7 |
| Spain | 964 | 0.06 | 904 | 0.05 | +6.6 |
| Sweden | 3,476 | 0.21 | 3,381 | 0.19 | +2.8 |
| Switzerland | 13,739 | 0.84 | 17,891 | 0.98 | -23.2 |
| United Kingdom | 32,287 | 1.97 | 36,616 | 2.01 | -11.8 |
| East Europe | 2,942 | 0.18 | 2,885 | 0.18 | +2.0 |
| Others | 7,588 | 0.46 | 7,510 | 0.41 | -1.0 |
| **The Americas** | **59,303** | **3.62** | **69,693** | **3.82** | **-14.9** |
| U.S.A. | 53,935 | 3.29 | 65,362 | 3.58 | -17.5 |
| Canada | 4,812 | 0.29 | 4,025 | 0.22 | +19.6 |
| Others | 556 | 0.03 | 306 | 0.02 | +81.7 |
| **Oceania** | **63,462** | **3.88** | **75,978** | **4.17** | **-16.5** |
| Australia | 53,174 | 3.25 | 62,571 | 3.43 | -15.0 |
| New Zealand | 9,275 | 0.57 | 12,975 | 0.71 | -28.5 |
| Others | 1,013 | 0.06 | 432 | 0.02 | +134.5 |
| **Middle East** | **57,524** | **3.51** | **52,374** | **2.87** | **+9.8** |
| **Africa** | **3,079** | 0.19 | **3,940** | **0.22** | **-21.9** |
| **Total** | **1,637,595** | **100.0** | **1,823,676** | **100.0** | **10.2** |

*Source: Immigration Bureau, Police Department*

**Exhibit 5. Thai Travellers to Europe**

| | 1997 | | 1996 | | |
|---|---|---|---|---|---|
| | **Number** | **% Share** | **Number** | **% Share** | **% Change** |
| **Europe** | **155,611** | **100.0** | **174,241** | **100.0** | **-10.7** |
| Austria | 4,920 | 3.2 | 5,322 | 3.1 | -7.6 |
| Belgium | 551 | 0.4 | 1,136 | 0.7 | -51.5 |
| Denmark | 5,224 | 3.4 | 5,954 | 3.4 | -12.3 |
| Finland | 3,434 | 2.2 | 4,378 | 2.5 | -21.6 |
| France | 20,450 | 13.1 | 21,393 | 12.3 | -4.4 |
| Germany | 34,594 | 22.2 | 39,272 | 22.5 | -11.9 |
| Italy | 11,741 | 7.6 | 14,339 | 8.2 | -18.1 |
| Netherlands | 13,751 | 8.8 | 13,260 | 7.6 | +3.7 |
| Spain | 964 | 0.6 | 904 | 0.5 | +6.6 |
| Sweden | 3,476 | 2.2 | 3,381 | 1.9 | +2.8 |
| Switzerland | 13,739 | 8.8 | 17,891 | 10.3 | -23.2 |
| United Kingdom | 32,287 | 20.8 | 36,616 | 21.0 | -11.8 |
| Eastern Europe | 2,942 | 1.9 | 2,885 | 1.7 | +2.0 |
| Others | 7,588 | 4.9 | 7,510 | 4.3 | -1.0 |

*Source: Immigration Bureau, Police Department*

## 1.4 Overseas Travel by Month

- The high departure months in 1996 and 1997 were March, April and May, peaking in April.
- As previously mentioned, all of the double digit declines came in the second half of the 1997 starting in July during which overseas travel dropped by 17.6%, culminating in a 52.7% dive in October.

*(See Exhibit 6)*

## Exhibit 6. Outbound Thai Travel by Month

| | 1997 | | 1996 | | |
|---|---|---|---|---|---|
| | **Number** | **% Share** | **Number** | **% Share** | **% Change** |
| **Total** | **1,660,390*** | **100.0** | **1,845,244*** | **100.0** | **-10** |
| January | 122,439 | 7.4 | 130,450 | 7.1 | -6.5 |
| February | 127,880 | 7.7 | 113,361 | 6.1 | +12.8 |
| March | 162,697 | 9.8 | 169,496 | 9.2 | +4.2 |
| April | 248,695 | 15.0 | 236,620 | 12.9 | +5.1 |
| May | 178,582 | 10.8 | 172,032 | 9.3 | +3.8 |
| June | 130,641 | 7.9 | 134,913 | 7.3 | -3.2 |
| July | 118,923 | 7.2 | 144,306 | 7.8 | -17.6 |
| August | 113,`102 | 6.8 | 142,097 | 7.7 | -20.4 |
| September | 103,740 | 6.2 | 143,620 | 7.8 | -27.8 |
| October | 127,169 | 7.7 | 194,203 | 10.5 | -52.7 |
| November | 104,094 | 6.2 | 110,086 | 5.9 | -5.8 |
| December | 122,428 | 7.4 | 154,060 | 8.3 | -25.8 |

**Includes foreigners residing in Thailand*

# 2. TRAVEL TRADE SURVEY

## 2.1 Objectives of the Travel Trade Survey

- To get an indication of the current and future sales and bookings of Thailand travel to Europe vis-à-vis other long-haul destinations.
- To identify factors that encourage or inhibit Thailand holiday travel to Europe.
- To assess the influence of the agent on travel decisions and choices.
- To identify promotional tools most useful in helping the agent sell Europe.

## 2.2 Respondents Business Profile

- 60% of the respondents were retail travel agents.
- Over quarter (27%) have been in business for five years or more.
- Nearly three quarters (73%) were independent outfits with one office.
- For the past year (1996) 43% of them conducted 25-30% of business to Europe with 57% doing more than 30% of sales to Europe.
- Business to Canada was between under 25% for the large majority of respondents (92%).

**Exhibit 1. Sample Profile**

| TOTAL | N=30 | % of Total |
|---|---|---|
| *Type* | | |
| Wholesale Tour Operator | 12 | 40 |
| Retail Travel Agent | 18 | 60 |
| *Years in Business* | | |
| 3-5 years | 8 | 73 |
| 5 years + | 22 | 27 |
| *Company Size* | | |
| Independent (1 office) | 22 | 87 |
| Chain (2 or more branches) | 8 | 13 |
| *% Business to Europe* | | |
| 25-30 | 13 | 43 |
| 30+ | 17 | 57 |
| *% Business to Canada* | N=25 | |
| Under 25 | 23 | 92 |
| 25-30 | 2 | 8 |

### *Annual Sales and Passenger Bookings*

- Non-response to sensitive questions on yearly sales in dollar terms and passenger volume was more than 50%. Hence the results must viewed with great caution. Of those who responded on annual sales in baht terms, 30% said that their sales were less than 25 million bhats, 23% claimed sales of 25-50 million, and 30% enjoyed higher sales of 51 to more than 500 million bahts. So as not to inflate and distort the results, the percentages have not been adjusted to exclude the non-response in this as well as the question on passenger bookings.
- Twenty out of 30 responded to the question on total annual volume of passengers. 30% booked less than 1,000 passengers a year, while another 43% booked 1,001-3,000, and 7% booked more than 3,000 passengers a year.
- The sales and bookings pattern is quite consistent with the dominance of independent operators in the survey sample previously mentioned.

**Exhibit 2. Total Annual Sales and Passengers Volume**

BASE: 30

| ***Baht*** (Million) | **Sales Volume** 100% | **Passenger Volume** 100% | |
|---|---|---|---|
| Less than 25 | 30 | 1,000 or less | 30 |
| 25-50 | 23 | 1,001-1,500 | 20 |
| 51-100 | 17 | 1,501-3,000 | 23 |
| 101-500+ | 13 | 3,000+ | 17 |
| Don't know/Refused | 17 | Don't know/Refused | 10 |

### *Business by Region and Trip Purpose*

- 38% of the respondents' business was for Europe, followed by Asia with 26% and Australia/New Zealand with 21%. Business to Canada made up only 3% of total. (Note: The criterion of annual turnover of 25% or more of business to Europe was not applied to Canada.
- In terms of ranking by passenger bookings, Europe topped the list followed by Asia and Australia/New Zealand.
- Overall, 72% and 24% of their sales was for holiday and business travel respectively.

*(See Exhibits 3 and 4)*

- 71% of their sales to Europe was for holidays, 26% was for business.
- 74% of their sales to Canada was for holiday, 25% was for business.

**Exhibit 3. Business by Region**

BASE: 30

| ***Region/Country*** | **Total Sales** 100% | **Mean Rank** (Sales) | **Mean Rank** (Passengers) |
|---|---|---|---|
| Europe | 38 | 1.77 | 2.00 |
| Asia | 26 | 2.40 | 2.03 |
| Australia/New Zealand | 21 | 2.41 | 2.48 |
| USA | 9 | 3.52 | 3.70 |
| Canada* | 3 | 4.57 | 4.53 |

**Ranked by 50% or less of the respondents*

**Exhibit 4. Business by Purpose**

| BASE: 30 | **Holiday** % | **Business** % | **Holiday & Business** % |
|---|---|---|---|
| Total | 72 | 24 | 4 |
| Europe | 71 | 26 | 3 |
| Canada | 74 | 25 | 1 |

### *Business by Travel Arrangement*

- Over 75% of their sales to Europe and Canada came from package tours, compared to 72% for all long-haul destinations. In the next three years, the share of package tours to Europe and Canada is expected to drop to 62% and 69% respectively.
- Sale of independent travel (F.I.T.) was higher for all long-haul destinations - 28% compared to 23% for Europe and 24% for Canada.

**Exhibit 5. Business by Travel Arrangement**

BASE: 30

| | Package % | Independent % |
|---|---|---|
| ***Past Year*** | | |
| Europe | 77 | 23 |
| Canada | 76 | 24 |
| All long-haul | 72 | 28 |
| ***Next Three Years*** | | |
| Europe | 62 | 38 |
| Canada | 69 | 31 |

## 2.3 Types of Tour Package to Europe

- 40% of the respondents felt that *full package tour* would show the greatest increase among travellers to Europe in the next three years, followed by *flight with car and accommodation* (20%), *flight with accommodation* (17%) and *flight with rail and accommodation* (13%).

### *Average Group Size*

- There is no difference in the group size of travellers to Europe, and all long-haul destinations - 53% travelled in groups of 10-24 and 40% in groups of 25 or more people. 20% of the groups to Canada were under 10 and 24% travelled in groups of 25 or more.

### *Lead Time in Planning Tours*

60% of the respondents start planning their tours two months or less before tour departure, while a third planned three to since months in advance. More than three quarters (79%) make their ground arrangements four weeks or less before departure.

**Exhibit 6. Average Group Size of Tours Package**

BASE: 30

| Group Size | Europe 100% | Canada 100% | Other Long-Haul 100% |
|---|---|---|---|
| Under 10 | 7 | 20 | 7 |
| 10-24 | 53 | 52 | 53 |
| 25+ | 40 | 24 | 40 |

**Exhibit 7. Package Tours: Lead Time in Planning Making Ground Arrangements**

BASE: 30

| | Planning 100% | Ground Arrangements 100% | |
|---|---|---|---|
| 2 months or less | 60 | 1-2 weeks | 33 |
| 3-4 months | 23 | 3-4 weeks | 46 |
| 6 months | 10 | 6-12 weeks | 19 |
| 10-12 months | 6 | | -- |
| Mean (month) | 3.27 | Mean (week) | 4.27 |
| Median (month) | 2.00 | Median (week) | 4.00 |

### *Difficulties in Organising Tours To Europe*

- By far the greatest challenge in putting together tours to Europe is the difficulty of getting visas according to 60% of the respondents. Securing the required number of air seats was cited by a third. Another 27% cited difficulties relating to accommodation, while 13% mentioned the safety issue.

### *Maximum Thais are Prepared to Pay for Trip to Europe*

- Respondents were asked how much Thai travellers are prepared to pay for a holiday trip to Europe. Half of them felt that Thais would be willing to pay between 30,000 to 70,000 bahts (US$1,183-2,760) for one week in Europe visiting two countries or an average of Baht78,233

(US$3,087 pre-crisis rate). Two thirds said that their clients would be prepared spend between 90,001 to 500,000 bahts (US$3,548-19,713) for two weeks in Europe going to five countries or an average of 130,500 bahts (US$5,125). *(See Exhibit 9)*

**Exhibit 8. Difficulties in Organising Tours to Europe**

BASE: 30

| | **%** |
|---|---|
| Cannot/Difficulty in getting visa | 60 |
| Cannot get required number of air seats/ reserve seats | 33 |
| Safety issues (e.g. crime, theft, demonstrations) | 13 |
| Food didn't meet clients' requirements | 13 |
| Hotels didn't meet clients' needs | 10 |
| Difficulty getting confirmation of rooms | 10 |
| Time change | 10 |
| Cannot reserve required number of rooms | 7 |

## 2.4 Holiday Travel in Europe

### *Destination Choice Factors*

Respondents were asked to rate the importance of various attributes in the choice of Europe as a holiday destination.

- The top attributes of importance for choosing Europe are:
  - Destination offers good value
  - Outstanding scenery
  - Interesting towns and cities
  - Inexpensive travel to country
  - Good shopping
  - Pleasant climate *(See Exhibit 10)*

- When asked to identify the three top factors from a list of 24 with the greatest potential for attracting Thais to Europe, "outstanding scenery", "inexpensive to travel to country" and "good shopping" received the most mentions. "Outstanding scenery" was ranked first by nine respondents (with total mentions of 16 in the top three) "inexpensive to travel to country" (8 first and 12 total mentions), with "good shopping" (2 first and 13 total mentions) and "pleasant climate" (4 first and 7 total mentions) vying for third place.

- Another factor of importance is “destination offers good value” which received ten mentions with one ranking it as number one.
- The three most important reasons for choosing Europe for holiday were ‘outstanding scenery”, “attractive tourist sites” and “pleasant climate”. “Good shopping” was also considered to be important with 15 total mentions and ranked first by two.

*(See Exhibit 11)*

**Exhibit 9. Maximum Prepared to Pay for Holiday in Europe**

BASE: 30

| | **One Week Two Countries** | | **Two Weeks Five Countries** |
|---|---|---|---|
| ***Baht*** | 100% | ***Baht*** | 100% |
| 30,000-40,000 | 10 | 30,001-70,000 | 13 |
| 40,001-50,000 | 27 | 70,001-90,000 | 20 |
| 50,001-70,000 | 13 | 90,001-120,000 | 37 |
| 70,001-80,000 | 23 | 120,001-150,000 | 13 |
| 80,001-100,000 | 16 | 190,001-500,000 | 16 |
| 140,001-200,000 | 10 | | |
| Mean (baht) | 78,233 | Mean (baht) | 130,500 |
| Median (baht) | 75,000 | Median (bhat) | 100,000 |

## Exhibit 10. Destination Choice Factors

| Score: | Mean Rating | Very Important (4) % | Important (3) % | Fairly Important (2) % | Not Important (1) % |
|---|---|---|---|---|---|
| Destination offers good value | 3.73 | 22 | 8 | -- | -- |
| Outstanding scenery | 3.63 | 67 | 30 | 3 | -- |
| Interesting towns and cities | 3.57 | 63 | 30 | 7 | -- |
| Inexpensive travel to country | 3.57 | 63 | 30 | 7 | -- |
| Good shopping | 3.50 | 60 | 33 | 3 | 3 |
| Pleasant climate | 3.43 | 53 | 40 | 3 | 3 |
| Attractively priced tour package | 3.33 | 47 | 40 | 13 | -- |
| Feeling safe and secure | 3.30 | 13 | 13 | 4 | -- |
| Places I can talk about when I go home | 3.20 | 40 | 43 | 13 | 3 |
| Good connections with major airlines | 3.17 | 43 | 37 | 13 | 7 |
| Ease of obtaining visas | 3.17 | 47 | 33 | 10 | 10 |
| Environment is clean and unpolluted | 3.13 | 20 | 73 | 7 | -- |
| Has famous historic sites and monuments | 3.13 | 27 | 60 | 13 | -- |
| Interesting culture and history | 2.80 | 17 | 53 | 23 | 7 |
| Good local transportation | 2.77 | 17 | 53 | 20 | 10 |
| Has activities/attractions for whole family | 2.73 | 10 | 63 | 17 | 10 |
| Good food and restaurants | 2.73 | 17 | 47 | 30 | 7 |
| Good place for a honeymoon | 2.67 | 13 | 47 | 33 | 7 |
| Friendly, courteous people | 2.57 | 7 | 47 | 43 | 3 |
| Interesting local festivals | 2.47 | 7 | 40 | 47 | 7 |
| Good beaches | 2.47 | 13 | 33 | 40 | 13 |
| Plenty of night life and entertainment | 2.40 | 7 | 33 | 53 | 7 |
| Has famous art galleries and museums | 2.37 | 7 | 37 | 43 | 13 |
| Theatre, concerts and musicals | 2.00 | 7 | 13 | 53 | 27 |

## Exhibit 11. Factors and Reasons for Favouring

**Europe**

| BASE: 30 | $1^{st}$ Choice | Top 3 Mentions (Total) |
|---|---|---|
| ***Factors*** | | |
| Outstanding scenery | 9 | 16 |
| Inexpensive to travel to country | 8 | 12 |
| Good shopping | 2 | 13 |
| Pleasant climate | 4 | 7 |
| ***Most Important Reasons*** | | |
| Outstanding scenery | 5 | 8 |
| Attractive tourist sites | 5 | 7 |
| Good shopping | 2 | 15 |

### *Barriers of Travel to Europe and Canada*

- The main barrier cited by 53% for Europe and 42% for Canada is the Thailand economic crisis and the depreciation of the baht. Expensive tour price was mentioned by 20% for Europe and 21% for Canada. Other factors that discourage Thais from going to Europe are unstable foreign exchange rate, problem of getting visa, high expense. The visa problem is the second most serious obstacle to visiting to Canada mentioned by 29% versus 13% for Europe. The long journey to Canada was mentioned by 17%. Two out of the 30 respondents said there is no obstacle.

*(See Exhibit 12)*

### *Complaints from Thai Travellers to Europe and Canada*

- By category, 40% of the complaints relate to hotel/restaurant, 33% were related to safety, 27% to transportation, and 13% to tourist sites.
- 37% of the complaints relate specifically to food, 33% complained about theft “pick pocket” and 27 thought the shopping was expensive. Language barrier was cited by 10%.
- Ten out of 25 respondents said there was no complaint about Canada. Long journey was mentioned by 24%, expensive shopping (20%) and difficulty of getting a visa (12%).

*(See Exhibit 13)*

**Exhibit 12. Greatest Barriers of Travel**

**to Europe and Canada**

BASE: 30

| | Europe | Canada |
|---|---|---|
| Thailand economic crisis/ Bhat depreciation | 53 | 42 |
| Expensive tour price | 20 | 21 |
| Unstable foreign exchange rate | 17 | -- |
| Cannot get visa | 13 | 29 |
| High expense | 10 | -- |
| No air ticket/Cannot reserve air ticket | 7 | |
| Long journey | -- | 17 |

**Exhibit 13. Complaints from Thai Travellers to Europe**

BASE: 30

| ***By Category*** | % | **Specific** | **%** |
|---|---|---|---|
| Hotel/restaurant | 40 | Food | 37 |
| Transportation | 27 | Theft "pick pocket" | 33 |
| Safety | 33 | Expensive shopping | 27 |
| Tourist sites | 13 | Tired from journey | 17 |
| | | Long ride between cities | 13 |
| | | Hotel didn't meet client's needs | 13 |
| | | Language barrier | 10 |

### *Favourite Destinations*

- The five top cities for business travellers in descending order, taking into account the count by first choice combined with total of top five mentions, are: **London**, **Paris**, **Frankfurt**, **Rome** and **Zurich**.

**Exhibit 14. Top Cities for Business Travellers**

| BASE: 30 | 1st Choice | Top 5 Mentions (Total) |
|---|---|---|
| London | 10 | 20 |
| Paris | 4 | 23 |
| Frankfurt | 5 | 17 |
| Rome | 2 | 13 |
| Zurich | 2 | 8 |

- As far as holiday destinations were concerned, respondents were free to name cities, countries or regions (e.g. Scandinavia, Eastern Europe). The top five holiday destinations based on a combination of first choice and total mentions are: **Switzerland**, **Paris**, **France**, **Italy** and **UK**. Only four cities received significant mentions: **Paris** received 13 mentions with 8 first; London (8 with one first); Rome (9 with no first) and Lucerne (6 with one first).

**Exhibit 15. Top Destinations for Holiday Travellers**

| BASE: 30 | Mean Rank | 1st Choice | Top 5 Mentions (Total) |
|---|---|---|---|
| Switzerland | 2.14 | 11 | 28 |
| France | 2.25 | 12 | 28 |
| Italy | 3.19 | 2 | 25 |
| UK | 3.15 | 2 | 20 |
| Germany | 3.67 | -- | 12 |
| Austria | 3.73 | 2 | 11 |

- In terms of destinations that will show the *greatest increase* for all purpose of travel, only three stand out: **France** (3 first choice, 18 total mentions), **Switzerland** (3 first choice, 16 total mentions), and **Italy** (2 first choice and 14 total mentions).

- Destinations that are likely to become *less popular* in descending order are: **UK**, **Italy**, **France**, **Switzerland** and **Germany**.
- The single most important reason for the expected decline in popularity of **UK** given by 12 out of 14 respondents has to do with expense - specifically, “high expense” (9), “high currency exchange” (3) and “high visa fee” (2).
- Safety is a big factor in the case of **Italy**, mentioned by 7 out of 13, specifically, *unsafe* (3), “pick pocket” (3); one respondent mentioned “unfriendly people”.
- The reason **France** is expected to become less popular is that most people have already been there, mentioned by 7 out of 10.
- “Places majority have already been” is the reason given by 5 out of 7 for the expected decline in popularity of **Switzerland**. Two mentioned “repeated” echoing the same sentiment.
- In the case of **Germany**, it was felt there are “not many interesting places”, people have already been to most of these places, mentioned by 4 out of 7.

## 2.5 Sales Support, Promotional and Sales Tools

- Most sales support was received from airlines (21mentions) and national tourist organisations (17 mentions). The NTOs of Australia, New Zealand, Switzerland were each mentioned by 7 of those who mentioned NTOs, followed by 5 for Austria and 3 for the U.K.

**Exhibit 16. Sales Support From Airlines and NTOs**

| Airline | 21 | NTO | 17 |
|---|---|---|---|
| KLM | 6 | Australia | 7 |
| Cathay Pacific | 4 | New Zealand | 7 |
| Lauda | 4 | Switzerland | 7 |
| British Airways | 3 | Austria | 5 |
| Lufthansa | 3 | U.K. | 3 |
| Air New Zealand | 3 | France | 2 |
| | | Netherlands | 1 |

***Promotional Tools Currently Using***

- As can be seen in Exhibit 17, the top four promotional and sales tools used by the Thai travel trade mentioned by more that half the respondents are:
    - Brochures/leaflets (20)
    - Direct mail (20)
    - Travel trade advertising (18)
    - Availability of package tours (15)
- Others which received mentions of 10 or more are:
    - Slides/film shows (12)
    - Consumer advertising (12)
    - Travel video tapes (11)
    - Travel magazines/newspaper articles (11)
    - Personal sales calls and meetings (10)

***Promotional Tools Would Like to Have***

- Promotional and sales tools the trade would most like to have are:
    - Travel video tapes (17)
    - Travel magazine/newspaper articles (16)
    - Brochures/leaflets (15)
    - Consumer advertising (15)
    - News release/updates on special events (14)
    - Joint promotion with tour wholesalers (10)
    - Familiarisation tours (10)

***Most Useful Promotional Tools***

- The three most useful tools in rank order are:
    - Consumer advertising (ranked 1$^{st}$ by 11 out of 12 mentions)
    - Travel trade advertising (ranked 1$^{st}$ by 5 out of 11 mentions)
    - Brochures/leaflets (ranked 1$^{st}$ by 4 out of 14 mentions)

- It is interesting to note that of the three who mentioned Internet/CD Rom, all ranked this a first choice.

- When asked what more can NTOs in Europe do to help Thai agents sell their destinations, 12 out of 30 said “nothing” , 9 suggested “more advertising” and another 6 “More information (exhibition)”.

**Exhibit 17. Promotional Tools for Selling Travel To Europe**

BASE: 30

| | Currently Using | Would like to Have |
|---|---|---|
| | 30 | 30 |
| Brochures/leaflets | 20 | 15 |
| Direct mail | 20 | 8 |
| Travel trade advertising | 18 | 9 |
| Availability of package tours | 15 | 6 |
| Slides/film shows and lectures | 12 | 8 |
| Consumer advertising | 12 | 15 |
| Travel video tapes | 11 | 17 |
| Travel magazine/newspaper articles | 11 | 16 |
| Personal sales calls and meetings | 10 | 4 |
| Joint promotion with tour wholesalers | 9 | 10 |
| Internet/CD ROM | 9 | 5 |
| Reference and information materials | 8 | 9 |
| Experiences and feedback from clients | 8 | 5 |
| Point of sale and display materials | 6 | 9 |
| Familiarisation tours | 5 | 10 |
| News release/updates on special events | 5 | 14 |
| National tourist office | 5 | 9 |
| Seminar/training programmes | 4 | 6 |
| Travel trade shows in Europe | 3 | 9 |

- The most cost effective media for NTOs are: TV advertising (57%), TV programmes (40%), newspapers (37%), consumer magazines (30%) and trade press (30%).

- Of the European travel trade shows listed, 18 out of 30 said they do not attend any of them. Eight attend ITB Berlin, WTM London (3), BIT Milan (3), SMTV Paris (3), EIBTM Geneva (2), FITUR, Madrid (1).

**Exhibit 18. Ranking of Promotional Tools**

BASE: 30

| | 1st Choice | Top 3 Mentions |
|---|---|---|
| | 30 | 30 |
| Consumer advertising | 11 | 12 |
| Travel trade advertising | 5 | 11 |
| Brochures/leaflets | 4 | 14 |
| Travel magazines/Newspaper articles | 1 | 9 |
| Direct Mail | -- | 9 |
| Travel video tapes | 1 | 5 |
| Point of sale display materials | -- | 5 |
| Joint promotion with tour wholesalers | 1 | 4 |
| Internet/CD Rom | 3 | 3 |
| National tourist office | 2 | 3 |
| News release/updates on special events | -- | 3 |
| Availability of package tours | -- | 3 |
| Familiarisation tours | -- | 2 |
| Personal sales calls and meetings | -- | 2 |
| Slide/film shows and lectures | 1 | 1 |
| Experiences and feedback from clients | 1 | 1 |
| Reference and information materials | -- | 1 |
| Travel trade shows in Europe | -- | 1 |
| Seminars/training programmes | -- | 1 |

## 2.6 Travel Trade's Service and Influence on Clients

- Visa application was rated by 80% of the respondents as the service they very often provide to their clients. This was followed by "choice of hotels", "planning tour itinerary", "local sightseeing tours". Their advice was less frequently sought in the choice of destination or tour package.

- Agents felt they have considerable influence on their clients in most areas, particularly the following which received ratings of plus 3.
    - Specific tourist sites to visit (at destination)
    - Choice of airlines
    - Planning itinerary
    - Type of accommodation
    - Local sightseeing tours
    - Choice of destination
    - Type of transportation at destination

*(See Exhibit 20)*

### Exhibit 19. Recommendation of Services to Clients

BASE: 30

| | Mean Rating | Very Often % | Quite Often % | Rarely % |
|---|---|---|---|---|
| Visa application | 2.80 | 80 | 20 | -- |
| Choice of hotel | 2.37 | 20 | 23 | 57 |
| Planning itinerary | 2.20 | 23 | 33 | 43 |
| Local sightseeing tours | 2.10 | 23 | 43 | 33 |
| Choice of airlines | 2.00 | 33 | 33 | 33 |
| Side trips to nearby destinations | 2.00 | 33 | 33 | 33 |
| Arrange airport transfers | 2.00 | 40 | 20 | 40 |
| Choice of destination | 1.90 | 33 | 43 | 23 |
| Choice of tour package | 1.87 | 37 | 40 | 23 |

### Exhibit 20. Travel Trade's Influence on Clients

BASE: 30

| | Mean Rating | Very Influential | Influential | Fairly Influential | Not Influential |
|---|---|---|---|---|---|

| Score: | | (4) % | (3) % | (2) % | (1) % |
|---|---|---|---|---|---|
| Specific tourist sites to visit | 3.50 | 57 | 37 | 7 | -- |
| Choice of airline | 3.37 | 43 | 50 | 7 | -- |
| Planning itinerary | 3.33 | 53 | 30 | 13 | 3 |
| Type of accommodation | 3.30 | 37 | 57 | 7 | -- |
| Local sightseeing tours | 3.23 | 43 | 40 | 13 | 3 |
| Choice of destination | 3.17 | 47 | 27 | 23 | 3 |
| Type of transportation at destination | 3.17 | 40 | 30 | 27 | -- |
| Type of activities | 3.00 | 30 | 43 | 23 | 3 |
| Time of year to travel | 3.00 | 43 | 27 | 17 | 13 |
| Type of tour package | 2.97 | 30 | 43 | 20 | 7 |

## 2.7 Trip Cancellations

- Of the 26 respondents who had cancellations of bookings to Europe in the past 12 months, 16 or 62% had cancellations of 30% or less, while 10 of them or 38% reported cancellations of 50-100%.
- 19% said that the level of cancellations was higher than other long-haul destinations; 46% said it was about the same, and 35% said it was lower.

- Reasons given for the cancellations were:
  - Thailand economic crisis/baht depreciation (38%)
  - Expensive tour price (23%)
  - Cannot obtain visa (23%)
  - Cannot form a group (23%)
  - Personal reasons (27%)

*(See Exhibits 21 and 22)*

**Exhibit 21. Cancellations Past 12 Months**

BASE: 26

| | Total | Wholesaler | Retailer |
|---|---|---|---|

| | | | |
|---|---|---|---|
| | 26<br>100% | 10<br>100% | 16<br>100% |
| *Percent* | | | |
| 1-10% | 31 | 20 | 37 |
| 15-30 | 31 | 50 | 19 |
| 50-70 | 15 | 10 | 19 |
| 80-100 | 23 | 20 | 25 |
| ***Level**** | | | |
| Higher | 19 | 30 | 13 |
| About the same | 46 | 20 | 63 |
| Lower | 35 | 50 | 25 |

*Compared to other long-haul destinations

### Exhibit 22. Reasons for Cancellation

BASE: 26

| | % |
|---|---|
| Thai economic crisis/Baht depreciation | 38 |
| Expensive tour price | 23 |
| Cannot obtain visa | 23 |
| Cannot form group | 23 |
| Personal reasons | 27 |

## 2.8 Future Outlook for Travel to Europe

- Not surprisingly, the single most important factor (mentioned by 97% of respondents) that would affect travel to Europe short-term (1-2 years) is Thailand's economic crisis combined with the depreciation of the baht and the instability of exchange rate.

- The economic crisis cited by 33%, remains significant mid-term (3-5 years). Other significant factors that would affect travel to Europe are: Thailand's campaign to encourage Thais to stay home to help conserve foreign exchange (13%), high expense of the trip (10%), and the visa problem (7%).

- Nearly everyone said that there has been an unusually large number of cancellations since the economic crisis. The majority (74%) said that the level of cancellations was about the same for short and long-haul, while 11% and 15% said it was mostly short-haul and long-haul respectively. Short-haul is defined as travel within Asia.

- All the respondents said that there had been a significant drop in holiday bookings since the economic crisis. 60% reckoned the drop was about the same for both short and long-haul, while 13% and 27% said it was mostly short and long-haul respectively.

- The majority (73%) felt that the crisis would definitely lead to a continuing drop in bookings in the next 1-2 years.

# 3. CONSUMER SURVEY

The key points of the Consumer Survey on past and potential Thailand holiday travellers to Europe are presented in the following sections;

1. The Travel Experience
2. The Decision-Making and Planning Process
3. The Trip Itself
4. Long-Haul Holiday Travel Motivation
5. Future Long-Haul Travel
6. The Next Holiday Trip to Europe
7. Media Habits

## 3.1 The Travel Experience

- The Thailand long-haul holiday market, as defined for this study, consists of residents of Thailand aged 20 or over who have :
    - Taken a long-haul holiday, defined as travel out of Asia, in the previous five years;
    - Or had a firm intention of taking one within the next three years and included Europe as a destination for at least one of these past or future trips.
    - Respondents also had to live in households with an average monthly income of 35,000 baht or more.

  Almost four out of ten respondents (78%) had taken a long-haul holiday in the previous five years, with two thirds visiting Europe (67%). Nine out of ten (91%) claimed they would be taking a long-haul holiday within the following three years, with 84% intending to visit Europe.

- It is important to note that the results from this survey do not represent the travel experience, attitudes, motivations or intentions of the Thailand population *as a whole.* The qualifying criteria as stated above relate specifically to the sample of past and intending travellers to Europe and they reflect these aspects among the *potential market* for European holidays. It is important that this context be understood.

- Definitions for the purpose of this study: *Past Europe* refers to travel to Europe in the past five years; *Most Recent Trip* refers to the latest of the European trips in the past five years; *New European Travellers* refer to respondents who have not been to Europe in the past five years, but plan to go to Europe in the next three years.

- "Independent travel" as used in this report includes "basic package" which includes airfare and accommodation, as well as "airfare only" arrangement.

### *Demographic Profile of Travellers to Europe*

- The profile of the total market for holidays from Thailand to Europe is :
  - Marginally more male than female (55% men);
  - Focused on those aged 30 to 50 (55%);
  - More likely to be married than single (57%);
  - Very highly educated (at least 75% had a first degree);
  - Biased towards higher incomes (62% in excess of 75,000 baht per month);
  - Likely to have limited holiday entitlement if employed (38% no more than 10 days a year);
  - English-speaking (88%).

- There are significant demographic differences in the market between those with past experience of Europe and new travellers to Europe (See Intend Europe Only in *Exhibit 1*) Compared with experienced visitors to Europe, New Travellers tend to be :
  - Rather more biased towards men (64 % vs. 50%);
  - Marginally older (30% aged 50+ vs. 23%);
  - More likely to be married (62% vs. 54%);
  - Less well educated (66% with degree vs. 78%);
  - Less well off (31% with 150,000+ baht income vs. 23%);
  - More likely to have greater freedom on length of holiday 36% no specific period vs. 24%);
  - Less likely to speak English (81% vs. 91%).

- This change in the profile indicates a widening in the market for European holidays, from the better off and better-educated segments of Thailand. At least this was the case at the time of interview. Economic instability in Thailand, as in much of Asia, may have a short-term effect in limiting the affordability of long-haul trips to a wider sector of the population.

### *Number of Long-haul Trips in Past 5 Years*

- A wide range of long-haul trip frequencies was reported. One in four travellers had only been on one long-haul trip in the past five years, while one in three had taken four or more. The average number for all past long-haul travellers was 2.7, giving an average frequency of every other year during the period.

- There was some variation in frequency across different demographic groups, with the middle age range, (aged 40-50) the most frequent (3.1). Those from the higher income groups were also more frequent travellers (3.3 trips for those with a monthly household income of 150,000 + baht). *(See Exhibit 2)*

### Exhibit 1. Demographic Profile: Past and Intending Travellers

| | All Respondents | Recent Europe | Europe Intend only |
|---|---|---|---|
| Base : | 400 | 268 | 132 |
| | % | % | % |
| ***Gender*** | | | |
| Male | 55 | 50 | 64 |
| Female | 45 | 50 | 36 |
| ***Age*** | | | |
| 20-29 | 20 | 19 | 21 |
| 30-39 | 30 | 32 | 27 |
| 40-49 | 25 | 27 | 22 |
| 50-59 | 15 | 14 | 17 |
| 60 or more | 10 | 9 | 13 |
| ***Marital status*** | | | |
| Single | 43 | 46 | 38 |
| Married | 57 | 54 | 62 |
| With children | 50 | 48 | 55 |
| No children | 50 | 52 | 45 |
| ***Education*** | | | |
| Non University | 25 | 21 | 34 |
| Bachelors' degree | 58 | 59 | 55 |
| Higher | 17 | 19 | 11 |
| ***Occupation*** | | | |
| High status | 15 | 15 | 16 |
| Middle status | 23 | 25 | 20 |
| Staff status | 18 | 16 | 20 |
| Self-employed | 28 | 30 | 24 |
| Other | 17 | 14 | 20 |
| ***Monthly income*** | | | |
| 35K-74.9K Baht | 38 | 37 | 39 |
| 75K-149.9K Baht | 34 | 33 | 38 |
| 150K+ Baht | 28 | 31 | 23 |
| ***Paid holidays : days*** | | | |
| 1-10 | 38 | 36 | 42 |
| 11-20 | 29 | 33 | 21 |
| 21 or more | 8 | 8 | 8 |
| no specific period | 26 | 24 | 36 |
| ***Speak foreign languages*** | | | |
| English | 88 | 91 | 81 |
| French | 9 | 11 | 5 |
| German | 4 | 5 | 2 |
| No European | 7 | 6 | 10 |

**Exhibit 2. Number of Long-haul Trips**

| | All Long Haul | Recent Europe |
|---|---|---|
| Base : | 313 | 268 |
| | % | % |
| One trip | 26 | 22 |
| Two to three | 42 | 43 |
| Four or more | 33 | 35 |
| | | |
| Average | 2.7 | 2.9 |

***Countries Visited in Last Five Years***

- Experience of Europe on long-haul trips in the last five years was limited to a very few countries. Only six of the 27 European countries covered by the survey had been visited by more than one in four past long-haul travellers in the previous five years. The most popular countries were :
  - France (53%)
  - U K (48%)
  - Switzerland (41%)
  - Germany (35%)
  - Italy (35%)
  - Austria (25%)
- The two main competing long-haul destinations were :
  - USA (43%)
  - Australia (27%)
- Of the competing long-haul destinations, the largest, the US, appeared to have been most affected by European trips (visited by 37% of those also visiting Europe).

*(See Exhibit 3)*

***Recent Trips to Europe***

*Non-Holiday Trips*

- Four out of six long-haul travellers claimed to have visited Europe in the past five years on non-holiday trips. The most frequently cited purposes of visit on such trips were official or commercial business, or other employment related reasons; attending conventions; and visiting and relatives. ***(See Exhibit 4)***

## Exhibit 3. Countries Visited in last Five Years

| | All Past Long-haul | Past Europe |
|---|---|---|
| Base: | 313 | 268 |
| | % | % |
| ***Europe*** | | |
| France | 53 | 62 |
| United Kingdom | 48 | 56 |
| Switzerland | 41 | 48 |
| Germany | 35 | 41 |
| Italy | 35 | 41 |
| Austria | 25 | 29 |
| Netherlands | 17 | 20 |
| Spain | 9 | 11 |
| Belgium | 13 | 15 |
| Denmark | 6 | 8 |
| Czech Republic | 5 | 6 |
| Finland | 5 | 6 |
| Hungary | 5 | 6 |
| Sweden | 5 | 6 |
| Monaco | 4 | 5 |
| Norway | 4 | 5 |
| Turkey | 4 | 5 |
| Other Europe | 14 | 14 |
| ***Other Long-haul*** | | |
| USA | 43 | 37 |
| Australia | 27 | 27 |
| New Zealand | 15 | 15 |
| Canada | 14 | 13 |
| South Africa | 5 | 5 |
| Other long-haul | 7 | 6 |

**Exhibit 4. Types of Non-holiday Trips Taken**

| | Taking Non-Holiday Trips |
|---|---|
| Base : | 108 |
| | % |
| Employment | 23 |
| Commercial business | 19 |
| Visiting relatives | 17 |
| Conventions | 15 |
| Official business | 7 |
| Incentive trip | 7 |
| Study | 7 |
| Visiting friends | 5 |

### *Most Recent European Holiday Trip*

### *Number of Countries Visited*

- The average number of countries visited on the last trip to Europe was 2.6. Those travelling on full package tours visited a significantly higher average number of European countries (3.0) compared with those with independent arrangements (2.1). One in two of this latter group had limited their trip to just one country.

**Exhibit 5. Number of Countries Visited on Most Recent Trip**

| | Total | Travel Arrangements | |
|---|---|---|---|
| | | Full package | Other |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| One | 37 | 27 | 50 |
| Two | 20 | 17 | 24 |
| Three | 15 | 19 | 10 |
| Four | 12 | 16 | 6 |
| Five | 10 | 13 | 6 |
| Six or more | 6 | 7 | 4 |
| Average number visited | 2.6 | 3.0 | 2.1 |

### *Countries Visited on the Most Recent European Trip*

- Only seven countries were visited by more than one in ten Thai travellers on their most recent trip to Europe. The most popular destinations were France and the United Kingdom, both visited by just under half of all travellers. Switzerland, Italy and Germany were among the destinations visited by about one in three visitors.
- Of the most popular destinations, Switzerland, Italy, Austria and, to a lesser extent, France, were very much more likely to be visited by people on inclusive package tours than by those with independent travel arrangements, the UK, Germany, the Netherlands and Belgium were marginally more popular with independent travellers.

**Exhibit 6. Countries Visited on Most Recent European Trip**

| | Total | Travel Arrangement | |
|---|---|---|---|
| | | Full Package | Other |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| France | 49 | 56 | 41 |
| United Kingdom | 46 | 45 | 48 |
| Switzerland | 35 | 48 | 19 |
| Italy | 29 | 39 | 17 |
| Germany | 28 | 29 | 26 |
| Austria | 20 | 27 | 11 |
| Netherlands | 12 | 11 | 13 |
| Belgium | 7 | 6 | 9 |
| Spain | 6 | 6 | 5 |
| Hungary | 5 | 6 | 3 |
| Czech Republic | 4 | 4 | 3 |
| Denmark | 3 | 4 | 3 |
| Monaco | 3 | 3 | 3 |
| Sweden | 3 | 3 | 3 |
| Other countries | 10 | 11 | 10 |

### *Arrival Cities*

- The bulk of holiday travellers from Thailand, seven out of ten, arrived in Europe for their most recent holiday through one of four cities. Of these, London was the most frequent place of arrival, used by almost three out of ten visitors, with Paris and Rome the next most important, followed by Frankfurt.

- For those on inclusive package tours, Paris and Rome were almost as important as London. Among independent travellers, London was the key point of arrival, with almost four out of ten entering Europe through that city.

**Exhibit 7. Arrival Cities**

| | **Total** | **Travel Arrangement** | |
|---|---|---|---|
| | | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| London | 30 | 23 | 38 |
| Paris | 17 | 17 | 16 |
| Rome | 14 | 21 | 4 |
| Frankfurt | 9 | 9 | 9 |
| Vienna | 6 | 6 | 5 |
| Zurich | 5 | 5 | 5 |
| Amsterdam | 4 | 4 | 3 |
| Madrid | 3 | 4 | 2 |
| Dusseldorf | 2 | 1 | 3 |
| Munich | 2 | 1 | 3 |
| Other cities | 7 | 7 | 8 |

### *Season of Travel*

- The Spring Quarter, March to May, was the peak season for visitors from Thailand (37% of arrivals), with April (18%) and May (13%) the key months.
- Independent visitors were rather more evenly spread across the four seasons than those on inclusive package tours. However, Spring remained the peak season for this segment.
- More frequent visitors to Europe (4+ trips) were also more likely to spread their season of arrival across the year than those making one to three trips.

(*See Exhibit 8)*

**Exhibit 8. Season of Travel**

| | **Total** | **Travel Arrangement** | |
|---|---|---|---|
| | | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| Spring | 37 | 41 | 32 |
| Summer | 21 | 19 | 23 |
| Autumn | 22 | 21 | 22 |
| Winter | 14 | 10 | 19 |

## 3.2 Decision-Making and Planning Process

***Lead Time – Planning and Booking the Last European Trip***

- The lead times claimed for both planning and booking the most recent European trip were relatively short. Just over one in two (52%) planned their trip no more than one month ahead, and only one in five (26%) planned three or more months in advance. The average period was just over two months (2.04 months).
- Within this planning framework, the majority of travellers (64%) had booked their trip no more than two weeks before departure, and only 15% claimed to have booked four or more weeks before leaving for Europe. The average booking period was 2.6 weeks.
- There were some variations by group:
  - Longer planning times were claimed by: older people, those on lower incomes, those staying for longer periods and those on their first trip.
  - Shorter planning leads were claimed by those with high incomes, frequent long-haul travellers and those accompanied by business colleagues.
  - Longer booking periods were claimed by those on longer trips, on inclusive tour, older people and those accompanied by children.
  - The young, those without children, claimed shorter booking times on short trips.

**Exhibit 9. Lead Times**

| **Planning Period** | | **Booking period** | |
|---|---|---|---|
| Base ; | 268 | Base : | 268 |
| How far planned ahead? | % | How far booked ahead? | % |
| One month | 52 | One week | 22 |
| Two months | 22 | Two weeks | 42 |
| Three to four months | 19 | Three weeks | 16 |
| Five or more months | 7 | Four or more weeks | 15 |
| | | | |
| Average No. of months | 2.04 | Average No. of weeks | 2.6 |

***Sources of Information for the Most Recent European Trip***

- Thai visitors in preparing their most recent holiday in Europe used four main sources of information :-

- Brochures from travel agents (59%), especially by those on inclusive package tours and visiting four or more countries;
- Friends and relatives who had previously visited Europe (50%), especially by women,, those on extended trips and visiting more than four countries;
- Travel guide books (41%), especially by frequent travellers;
- Travel magazines (33%), especially by men and frequent travellers.

- Although the number claiming to use sources from European governments via embassies and NTOs is small, much of the information provided by European governments about their countries as a holiday destination would be disseminated via brochures and information from other agencies.
- Although the internet was only used as a source by one in twenty, this proportion almost doubled among frequent visitors to Europe and among more independent travellers.

- The most important sources of information used to plan the most recent trip to Canada were the same as those used for European holidays, brochures from travel agents, friends and relatives, travel guide books and travel magazines.

*(See Exhibit 10)*

***Assistance from Travel Agent on Last European Trip***

- There was a very large difference in the degree of assistance provided by Travel Agents by those travelling on full inclusive packages and others. Almost all the former received some assistance from an agent, while four out of ten of the latter received none. For those on a full package, the travel agent provided assistance on a wide range of decisions, on choice of destination and travel package, choice of airline and hotel. Assistance was also widely obtained by these travelers on visa applications, planning the itinerary, travel within Europe and sightseeing tours.
- The more independent travelers who used travel agents tended to seek assistance for many of these same elements of the trip, but at a much lower level. Overall, those on full packages were twice as likely to require assistance on any one element as those travelling independently.

*(See Exhibit 11)*

## Exhibit 10. Sources of Information for Most Recent Trip to Europe

| | Total | Travel Arrangement | |
|---|---|---|---|
| | | Full Package | Other |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| Brochures from travel agents | 59 | 77 | 36 |
| Friends/relatives who have been there | 50 | 47 | 53 |
| Travel guide books | 41 | 44 | 38 |
| Travel magazines | 33 | 31 | 31 |
| Brochures from airlines | 19 | 19 | 20 |
| Advertisements | 16 | 19 | 12 |
| Embassy/Consulate etc. | 10 | 7 | 14 |
| Travel fairs | 6 | 8 | 3 |
| Articles in newspapers | 5 | 5 | 4 |
| The Internet | 5 | 1 | 9 |
| Programme on TV/radio | 5 | 7 | 3 |
| Government NTO | 2 | 1 | 4 |

## Exhibit 11. Assistance Received from Travel Agent

| | Total | Travel Arrangement | |
|---|---|---|---|
| | | Full Package | Other |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| Choice of Airline | 59 | 79 | 34 |
| Choice of Hotel | 58 | 81 | 28 |
| Visa application | 52 | 74 | 22 |
| Choice of travel package | 50 | 72 | 21 |
| Planning itinerary | 50 | 74 | 21 |
| Choice of destination | 47 | 71 | 17 |
| Arrange travel within/between countries | 45 | 69 | 14 |
| Airport transfers | 41 | 65 | 11 |
| Local sightseeing tours | 35 | 53 | 11 |
| Side trips to nearby destinations | 32 | 45 | 15 |
| Information on trains in Europe | 28 | 40 | 13 |
| Did not use a travel agent | 19 | 3 | 40 |
| Average No. of items where agent assisted | 6.1 | 7.5 | 3.5 |

## *Sources of Information Likely to Use on Next Trip to Europe*

- The sources of information likely to be used to plan the next European holiday trip generally mirror those used for the last visit. Brochures from travel agents (66%), friends and relatives with European experience (47%), travel guide books (45%) and travel magazines (38%) were the most frequently used.
- Inclusive package travellers were more reliant on travel agent brochures than those making their own travel arrangements. Independent travellers were also likely to have a wider spread of sources, particularly from European government sources such as embassies and NTO's.
- Use of the internet as a source was double that claimed for the last trip, underlying the fast growth of this new source of tourism information. That one in four younger potential travellers, those aged 20-29, intends to use the internet as a source, confirms its growing importance.

*(See Exhibit 12)*

**Exhibit 12. Information Sources for Next Trip to Europe**

| | **Total** | **Travel Arrangement** | | **Most Recent Trip** |
|---|---|---|---|---|
| | | **Full Package** | **Other** | |
| Base : | 336 | 204 | 132 | 268 |
| | % | % | % | % |
| Brochures from travel agents | 66 | 79 | 45 | 59 |
| Friends/relatives who have been there | 47 | 44 | 52 | 50 |
| Travel guide books | 45 | 45 | 46 | 41 |
| Travel magazines | 38 | 38 | 37 | 33 |
| Brochures from airlines | 18 | 17 | 20 | 19 |
| Advertisements | 15 | 19 | 9 | 16 |
| The Internet | 10 | 7 | 14 | 5 |
| Travel fairs | 9 | 9 | 9 | 6 |
| Programme on TV/radio | 8 | 8 | 8 | 5 |
| Embassy/Consulate etc. | 7 | 4 | 11 | 10 |
| Articles in newspapers | 4 | 4 | 4 | 5 |
| Government NTO | 4 | 3 | 9 | 2 |

## 3.3 The Trip Itself

### *Accommodation Used*

- Budget and economy hotels (54%) was the most frequently used accommodation type on the most recent holiday trip to Europe. Luxury hotels (36%) were the next most popular. Staying with relatives (15%) or friends (13%) was the third most common accommodation used, especially among those not on inclusive packages.
- Type of accommodation used varied by family income. Almost two thirds of travellers from the lowest income bracket used budget/economy hotels, and only one in four a luxury one. Those from the highest income group were marginally more likely to use the latter than the former.
- Those on extended trips (more than 14 nights) were rather more likely than other travellers to use guest house accommodation and the homes of friends and relatives.

**Exhibit 13. Accommodation Used**

| | **Total** | **Travel Arrangement** | |
|---|---|---|---|
| | | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| Budget/economy hotel | 54 | 54 | 53 |
| Luxury Hotel | 36 | 47 | 22 |
| Guest house/Bed & breakfast | 7 | 6 | 9 |
| Youth/student hostel | 2 | 2 | 2 |
| Home of friends | 13 | 6 | 23 |
| Home of relatives | 15 | 7 | 25 |

*Multiple response allowed*

### *Sightseeing Activities*

- A wide range of sightseeing activities were undertaken on the last trip to Europe. Three main themes predominated :-
  - Visiting cultural and historic sites (94%), places of worship (77%), and museums and art galleries (76%);
  - Enjoying Europe's restaurants (94%) and shopping facilities (94%);
  - Appreciating local scenery, including countryside excursions (68%), river cruises (55%).
- Those on fully inclusive packages tended to take part in more formal and guided activities than did more independent travellers. *(See Exhibit 14)*

### *Major Attractions in Europe*

- When asked what they considered to be the five major tourist attractions in Europe, Thai travellers tended to respond in very general terms, rather than naming specific sites. The most frequently mentioned attractions were:-
  - Scenery (79% in top 5)
  - Cultural/historic sites (65%)
  - Pleasant weather (59%)
  - Shopping (52%)
  - Culture/tradition (30%)
  - Friendly people/safety (21%)

**Exhibit 14. Sightseeing Activities**

| | **Total** | **Travel Arrangements** | |
|---|---|---|---|
| | | **Full package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| Cultural/historic sites | 94 | 97 | 91 |
| Restaurants | 94 | 95 | 94 |
| Shopping | 94 | 97 | 89 |
| Places of worship | 77 | 83 | 68 |
| Museums/Art galleries | 76 | 79 | 72 |
| Excursions in countryside | 68 | 69 | 65 |
| Guided sightseeing | 66 | 87 | 40 |
| Travelling around by train | 56 | 56 | 55 |
| River cruises | 55 | 65 | 42 |
| Theme parks | 44 | 45 | 42 |
| Bars, pubs | 38 | 29 | 49 |
| Festivals/cultural events | 38 | 37 | 38 |
| Theatre/concerts/musicals | 34 | 30 | 28 |
| Zoos | 28 | 25 | 31 |
| Casinos/race tracks | 24 | 27 | 19 |
| Sunbathing/beach activities | 24 | 20 | 28 |
| Night-clubs/discotheques | 21 | 17 | 25 |
| Alpine skiing | 14 | 17 | 11 |

### *Satisfaction with Facilities and Services*

- Travellers from Thailand were generally well satisfied with the facilities and services they used during their most recent trip to Europe. Highest satisfaction was expressed for sightseeing tours and public transportation, for both of which more than one in two travellers claimed they were V*ery satisfied.*
- Train facilities between countries and cities were also highly rated, with two out of five saying they were *Very satisfied.* Accommodation, a key component of overall satisfaction with a holiday trip, came next, with just under two in five being *Very satisfied*. Rather lower satisfaction ratings were scored by the two other travel elements covered, restaurants and entry formalities, with one in four and one in five respectively claiming to be *Very satisfied.*
- Very few travellers claimed to be dissatisfied with the facilities and services they had used on their most recent trip to Europe. About one in eight were dissatisfied with entry formalities and one in ten with restaurants.

*(See Exhibit 15)*

**Exhibit 15. Satisfaction with Facilities and Services**

| | Mean Score | Very Satisfied | Somewhat satisfied | Not very satisfied | Not at all Satisfied |
|---|---|---|---|---|---|
| Score: | | (4) | (3) | (2) | (1) |
| Base: 268 | | % | % | % | % |
| Sightseeing tours | 3.54 | 55 | 44 | 1 | - |
| Public transportation | 3.47 | 53 | 42 | 4 | 1 |
| Train facilities | 3.37 | 43 | 52 | 5 | 1 |
| Accommodation | 3.31 | 38 | 56 | 5 | 1 |
| Restaurants | 3.13 | 25 | 63 | 10 | 1 |
| Entry formalities | 3.03 | 20 | 64 | 14 | 2 |

- Travellers on inclusive package tours were generally rather more satisfied with their accommodation than other holidaytakers, though the latter expressed higher satisfaction with public transportation facilities. Other findings were :-
  - Luxury hotels gained above average ratings and economy hotels and guest houses below average;
  - International train services received above average ratings, compared with international bus services;

- Entry formalities were more likely to be criticised by younger travellers (by almost one in four of those aged 20-29), and by those with previous European travel experience.

***Length of Trip***

- Thailand visitors generally stayed for a relatively short time on their most recent European trip. The average length of stay was 12 nights. Equal proportions, 40%, stayed for up one week and between one and two week trips.

**Exhibit 16. Length of Trip**

| | **Total** | **Travel Arrangement** | |
|---|---|---|---|
| | | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| 1 to 7 nights | 40 | 40 | 41 |
| 8 to 14 nights | 40 | 48 | 31 |
| 15 to 28 nights | 10 | 9 | 11 |
| 29 or more nights | 9 | 3 | 18 |
| Average No. of nights | 12.18 | 9.85 | 15.15 |

- Those on fully inclusive packages had an average stay of 10 nights. The more independent travellers stayed much longer, 15 nights on average. Among both groups, equal proportions (40%) recorded short trips of up to one week. The difference between the two types of traveller lay in the much larger proportion of independents (18% vs. 3%) whose visit lasted over four weeks.

***Travel Companion and Party Size***

- Family members, friends or business colleagues accompanied the majority of travellers on their most recent trip. One in ten travelled on their own and just over one in five in company with their spouse or partner.

- Those on full packages were rather more likely to be travelling with their spouse/partner and families, while independent travellers were rather more likely to be on their own or with friends.

*(See Exhibit 17)*

**Exhibit 17. Party Composition**

| Travel Party | | Family Party Size | |
|---|---|---|---|
| Base : | 268 | Base : | 90 |
| | % | | % |
| Alone | 11 | Two | 51 |
| Spouse/partner | 22 | Three | 19 |
| Children | 11 | Four | 16 |
| Parents | 10 | Five | 4 |
| Other relatives | 12 | Six or more | 10 |
| Friends | 23 | | |
| Business colleagues | 17 | Average family size | 3.12 |
| Private club | 4 | | |
| Other | 4 | | |

### *Travel Arrangement*

- Just over one in two travelled on an inclusive package tour on their last European trip, with the airfare, accommodation, meals and tours paid for in advance. Of the remainder, twice as many travelled independently, buying just the airfare, as took a basic package with both airfare and accommodation included.

- The type of travel arrangement bought varied considerably by age, with older travellers, those over 40, much more likely to take a full package, whereas the youngest group, those aged 20-39, were just as likely to travel independently as to choose a full package.

**Exhibit 18. Travel Arrangement**

| | Total | Age | | | |
|---|---|---|---|---|---|
| | | 20-29 | 30-39 | 40-49 | 50-59 |
| Base : | 268 | 51 | 85 | 71 | 61 |
| | % | % | % | % | % |
| Inclusive package tour | 56 | 47 | 46 | 61 | 72 |
| Basic package | 14 | 8 | 19 | 17 | 8 |
| Airfare only | 30 | 45 | 34 | 23 | 20 |

- There were other significant differences between groups on travel arrangements:

- Married travellers were more likely to prefer a full package and single to travel independently;
- Those visiting four or more countries were more likely to be on a full package;
- Those staying more than two weeks in Europe were more likely to be travelling independently.

***Transportation used in Europe***

- Plane was the most used method of getting from country to country (37%), though both train (24%) and bus (19%) were also used. The reverse was the case for inter-city travel with bus (43%) and train (37%) very much more popular than plane (11%). A range of other transport facilities was also used.

- Travellers on inclusive packages were more likely to use plane and bus for inter-country and inter-city transport than more independent visitors. The latter tended to use trains much more frequently.

**Exhibit 19. Transport in Europe**

| | **Total** | **Travel Arrangement** | |
|---|---|---|---|
| | | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 |
| | % | % | % |
| **Transport between countries** | | | |
| Plane | 37 | 45 | 27 |
| Train | 24 | 21 | 27 |
| Bus | 19 | 27 | 9 |
| **Transport between cities** | | | |
| Plane | 11 | 13 | 8 |
| Train | 37 | 28 | 48 |
| Bus | 43 | 51 | 31 |
| **Other transport** | | | |
| Public transport within cities | 35 | 29 | 42 |
| Taxis | 20 | 13 | 29 |
| Ferries | 15 | 19 | 11 |
| Rented/self-drive car | 15 | 8 | 24 |
| City cruise | 3 | 2 | 2 |

### *Expenditure*

Expenditure on the last trip was obtained for:

- Before departure, including airfare, tour package etc.
- At destinations including shopping and payment by credit cards.

- The total average expenditure per person <u>before departure</u> is estimated to be 52,732 baht (US$2,079 at pre crisis rates).
- The average total expenditure per party <u>before departure</u> is 91,375 baht (US$3,603).
- The total average expenditure per person <u>in Europe</u> is estimated to be 76,157 baht (US$3,003).
- The average per person per day <u>in Europe</u> is 8,893 baht (US$351)
- The average per party <u>in Europe</u> is 128,887 baht (US$5,082).
- The average <u>total</u> <u>trip expenditure</u> (i.e. before departure and at destination) per person is estimated to be 128,889 baht (US$5,082).
- The average <u>trip</u> expenditure per person per day is 15,311 baht (US$604).
- Average expenditure before departure was higher for those travelling on a inclusive package (55,479 baht per person vs. 49,333 baht for independent travellers). The latter had marginally higher expenditure in Europe (76,409 baht per person vs. 75,958 baht for full package travellers).

**Exhibit 20. Expenditure**

| | **Before Departure** | | | **At Destination** | | |
|---|---|---|---|---|---|---|
| | **Total** | **Full Package** | **Other** | **Total** | **Full Package** | **Other** |
| Base : | 268 | 150 | 118 | 268 | 150 | 118 |
| | % | % | % | % | % | % |
| Baht | | | | | | |
| 50,000 or less | 36 | 29 | 46 | 37 | 40 | 34 |
| 50,001-100,000 | 40 | 42 | 37 | 31 | 25 | 37 |
| 100,001-200,000 | 13 | 15 | 11 | 17 | 19 | 15 |
| 200,000+ | 9 | 11 | 6 | 14 | 15 | 13 |
| Mean Average per party | 91,375 | 101,726 | 78,567 | 128,887 | 135,043 | 121,047 |
| Mean per person | 52,732 | 55,479 | 49,333 | 76,157 | 75,958 | 76,409 |
| Mean per day | 6,418 | 6,730 | 6,031 | 8,893 | 8,424 | 9,489 |

## 3.4. Long-Haul Holiday Travel Motivation

### *Holiday Types Preference (Ratings)*

- Respondents were asked which of a number of given types of holiday best described their preferred type of long-haul holiday. They were asked for a second preference and to say which, if any, they would not consider at all.
- The most popular long-haul holiday for Thai visitors to Europe is one with the emphasis on *rest and relaxation* (40% of first choices). Other popular holidays were ones which give them the opportunity to experience *other cultures* (19%) and *touring* (16%). Combining first and second choices confirms the popularity of these three types, and indicates that a European holiday with all these elements would suit a large sector of the potential Thai market, and would be considered by all but a few.
- An *adventure type of holiday* is something one third of Thai travellers would not consider, along with others such as cruising holiday (26%).

**Exhibit 21. Holiday Preferences**

| | **1st Choice** | **1st & 2nd Choices Combined** | **Would not consider at all** |
|---|---|---|---|
| Base : | 400 | 400 | 400 |
| **A holiday where . . . . .** | % | % | % |
| Emphasis on rest and relaxation | 40 | 55 | 8 |
| I would experience other cultures | 19 | 38 | 8 |
| Touring, where you see a variety of places | 16 | 39 | 8 |
| Fully organised | 9 | 21 | 16 |
| An adventure type of holiday doing something completely different | 6 | 16 | 32 |
| Visiting friends and relatives | 6 | 11 | 22 |
| Special Interest (e.g. centred around sport, hobbies) | 2 | 9 | 23 |
| Cruising holiday | 2 | 7 | 26 |
| Rail holiday with extensive use of trains | 1 | 5 | 20 |

### *Destination Choice Factors*

- All respondents were asked to rate the various aspects in the choice of a long-haul holiday destination, using a four-point rating scale from *Very Important* (score 4) to *Not at all Important* (score 1). The mean scores for each of the 24 destination choice factors and the proportion rating them *Very important* are shown in *Exhibit 22*.
- The top six destination attributes, considered *Very Important* by more than six out of ten of the potential market, represent a wide range of different aspects of a destination, but with an emphasis on environmental attributes rather than European culture and history. The leading factors were :
  - Good value (77%)
  - Outstanding scenery (73%)
  - Pleasant climate (70%)
  - Feeling safe and secure (69%)
  - Clean and unpolluted environment (65%)
  - Interesting towns and villages (63%)
- The next batch of destination attributes, given *Very Important* ratings by at least half the potential market, indicate a strong focus on the practicalities of a long-haul holiday to Europe. They included :
  - Good local transportation (54%)
  - Inexpensive travel to country (59%)
  - Good connections with major airlines (54%)
  - Ease of obtaining a visa (50%)
- Other key destination attributes considered relatively important by the potential Thai holiday visitor do include various aspects of European culture and history. They were :
  - Interesting culture and history (42%)
  - Friendly, courteous people (42%)
  - Attractively priced tour packages (47%)
  - Famous historic sites & monuments (34%)
- Although there are some differences between demographic and travel groups, overall there is a general consensus across the market that this is the order of priority for destination choice for a long-haul holiday from Thailand.

*(See Exhibit 22)*

**Exhibit 22. Destination Choice Factors**

| Base: 400 | Mean score | % Rating Very Important |
|---|---|---|
| ***Top 6*** | | % |
| Destination offers good value | 3.74 | 77 |
| Outstanding scenery | 3.71 | 73 |
| Pleasant climate | 3.66 | 70 |
| Feeling safe and secure | 3.63 | 69 |
| Environment is clean and unpolluted | 3.62 | 65 |
| Interesting towns and cities | 3.60 | 63 |
| ***Middle 8*** | | |
| Good local transportation | 3.49 | 54 |
| Inexpensive travel to country | 3.49 | 59 |
| Good connections with major airlines | 3.44 | 54 |
| Ease of obtaining visa | 3.31 | 50 |
| Interesting culture & history | 3.29 | 42 |
| Friendly, courteous people | 3.28 | 42 |
| Attractively priced tour packages | 3.23 | 47 |
| Famous historic sites & monuments | 3.16 | 34 |
| ***Bottom 10*** | | |
| Places I can talk about when I go home | 3.06 | 39 |
| Activities and attractions for whole family | 3.02 | 32 |
| Good shopping | 3.02 | 34 |
| Famous art galleries & museums | 3.00 | 31 |
| Good food and restaurants | 2.95 | 28 |
| Interesting local festivals | 2.94 | 22 |
| Good beaches | 2.92 | 30 |
| Good place for a honeymoon | 2.59 | 20 |
| Theatre, concerts & musicals | 2.38 | 13 |
| Plenty of night life and entertainment | 2.21 | 13 |

### *Knowledge of Countries*

- Respondents were presented with a comprehensive list of European countries and the continent’s main long-haul competitors. They were asked which of them they could claim to have at least *some knowledge*. Given the length of the European country list, it is not surprising that there was a considerable range in the levels of knowledge claimed.
- Twelve European countries were known by at least half the potential market, with nine out of ten respondents claiming some familiarity with the top five, France (97%), United Kingdom (95%), Switzerland (93%), Italy (90%) and Germany (87%). At the other extreme there were a few countries with less than one in ten claiming any knowledge of them. There was a strong link between the claimed degree of knowledge of a country and the extent to which it had been visited by Thai long-haul travellers in the past.

**Exhibit 23. Countries Know Something About**

| | Total | | Total |
|---|---|---|---|
| Base : | 400 | | 400 |
| ***Top 12*** | % | ***Competition*** | % |
| France | 97 | USA | 95 |
| United Kingdom | 95 | Australia | 94 |
| Switzerland | 93 | New Zealand | 78 |
| Italy | 90 | Canada | 72 |
| Germany | 87 | South Africa | 41 |
| Netherlands | 66 | | |
| Spain | 66 | | |
| Austria | 64 | | |
| Denmark | 55 | | |
| Greece | 54 | | |
| Norway | 52 | | |
| Sweden | 51 | | |
| ***Middle Ten*** | | ***Bottom Six*** | |
| Belgium | 43 | Iceland | 17 |
| Monaco | 43 | Bulgaria | 12 |
| Finland | 40 | Slovenia | 9 |
| Turkey | 33 | Croatia | 8 |
| Portugal | 30 | Malta | 7 |
| Poland | 30 | Cyprus | 6 |
| Czech Republic | 26 | | |
| Ireland | 25 | | |
| Hungary | 24 | | |
| Luxembourg | 24 | | |

### *Image of Countries*

- The analysis and interpretation of the data on destination images is limited by the very low levels of knowledge of all but a few European destinations among potential holiday visitors from Thailand. Thus for the bulk of the destination countries covered by the survey, very little data was obtained on which to base an image profile. Only among the better known top five or six countries can a definite statement be made. The full results, in total, are shown as Annex A to this section of the Report.
- The key results are presented in two parts. First, the comparative image of the main European destinations against major long-haul competitors. Second, the image strengths and weaknesses of the main European destinations.
- The destination image and perceptions are related to the top destination choice factors of Taiwan travellers as presented in *Exhibit 22*. For ease of reference these destination choice

factors are shown in *italics* in the destination analyses of strengths and weaknesses that follow

***European Destinations vs. Key Competitors***

- The main strengths of the most popular European destinations in general against competing long-haul countries are :
  - *Interesting towns and cities*
  - Interesting culture and history
  - Friendly, courteous people
  - Famous historic sites and monuments
  - Famous art galleries and museums
- Individual European destinations also have specific strengths against other long-haul countries. This is especially true for Switzerland, which has an extremely strong image among past and potential Thai visitors, but also to a much lesser extent, France and the UK.
- Of the competing long-haul destinations, the US and Australia appear to present the greatest threat to Europe, in terms of image strengths. The most important of these comparative strengths are :
  - Inexpensive travel to the country – specifically Australia
  - Ease of obtaining a visa – Australia and the US
  - Activities for the whole family – the US and to a lesser extent Australia. The only European country competing is France (Presumably Disney, Paris)
  - Good beaches – Australia, US and New Zealand. France is the only European destination that can compete.
  - Plenty of night life – the US is predominant here, though both France and the UK offer competition.
- In addition, the US which poses the strongest competition to any European destination in terms of image strengths, has positive image in a number of areas which match the strong points of the best European destinations :
  - Destination offers good value
  - Good local transportation
  - Good connections with major airlines
  - Attractively priced tour packages – as does Australia
  - Places I can talk about when I get at home (prestige value)
  - Good shopping

Australia also matches best European countries on :

- *Pleasant climate*
- *Feeling safe and secure*

***Image and Perceptions of Key European Destinations***

**1. Switzerland**

- By far the strongest and most positive image is held of Switzerland. This country performs far better than any European competitors, and any competing long-haul destination, on four of the top six destination choice factors considered to be important by Thai travellers, and does almost as well on the other two. Thus Switzerland is seen as the best European destination for:
  - *Outstanding scenery*
  - *Pleasant climate*
  - *Clean and unpolluted*
  - *Feeling safe and secure*
- Switzerland is also perceived as the best destination for friendly, courteous people, and is by some margin, the most suitable destination for a honeymoon.
- However, the weaknesses of Switzerland as a European destination are also clear. In comparison with other well performing countries, such as France, the UK and Italy, it is not perceived as having :-
  - Interesting culture and history
  - Famous historic sites and monuments
  - Famous art galleries and museums
- However, none of these are in the top ten destination choice factors selected by potential Thai visitors.

**2. France**

- France also has a relatively strong and positive image as a potential holiday destination for travellers from Thailand. Leaving aside the preeminence of Switzerland on a number of the key destination choice factors, the image of France extends over a much wider range of destination attributes. France, indeed, performs as well or better than Switzerland on the two remaining top six factors, and has an stronger image on most of the next set of choice factors.

- France is better placed than Switzerland to attract visitors who are looking for historic and cultural elements in the European trip, or are concerned with transport, both into the country and within it.

- The high awareness of France as a potential holiday destination from Thailand means that the country has a strong image across almost all the destination choice factors covered by the

survey. In this, it is only rivaled by UK. France and UK share a strong positive image on such
factors as:

- *Destination offers good value*
- *Interesting towns and villages*
- Good local transport
- Connections with major airlines
- Interesting culture and history (also Italy)
- Activities and attractions for the whole family
- Theatres, concerts and musicals

- The key image strengths of France which differentiate it from other European destinations, including UK, are:
  - Attractively priced tour packages
  - Famous historic sites and monuments (although UK and Italy are also strong)
  - Good shopping
  - Famous art galleries and museums (UK and Italy also strong)
  - Good food and restaurants (also Italy)
  - Good beaches
  - Plenty of night life and entertainment.

**3. United Kingdom**

- As well as the positive perceptions it shares with France (see above), the main image strengths of UK, which differentiate the country from all other European destinations (except Switzerland) are :
  - *Feeling safe and secure*
  - Ease of obtaining a visa
  - Friendly courteous people (also Switzerland)

**4. Italy**

- Italy has the fourth strongest and most distinctive image among potential visitors from Thailand. Highlighted are its cultural and historic heritage, monuments and its food. Thus Italy's main strengths, though generally shared with one or more of the top three destinations, are :
  - *Destination offers good value*
  - *Interesting towns and villages*
  - Interesting culture and history
  - Famous historic sites and monuments
  - Famous art galleries and museums
  - Good food and restaurants

**5. Germany**

- Germany, rather less well known than the leading European destinations in the Thai market, has a relatively strong image, compared with the rest of Europe except the top 4, on such elements as transportation, ease of obtaining a visa, and its cultural and historic heritage.

**6. Austria**

- Austria though much less well known than the leading European destinations does have a relatively strong image on a number of the dimensions covered by the research. These include:
    - *Outstanding scenery*
    - *Pleasant climate*
    - *Feeling safe and secure*
    - Inexpensive travel to the country
    - Ease of obtaining a visa
    - Friendly and courteous people

**7. Spain**

- Spain has few image strengths in this market, but performs better than all but the top destinations on interesting local festivals (possibly bull fights, flamenco singers). However, it is not particularly renowned for its greatest image strength in the European short-haul market, its beaches. For Thai visitors, France, Italy and even UK are stronger on this attribute.

**8. Greece**

- Greece is best known, in comparison with most other European destinations for its culture and history.

## 3.5 Future Long-Haul Travel

***Countries Intend to Visit***

- The most popular destinations for a future long-haul holiday from Thailand are likely to be France and the UK (both mentioned by 46%), Switzerland (44%) and Italy (43%) in Europe and the US (40%).
- The same countries would be the favoured destinations of New Travellers to Europe, those with no recent experience of the region. However, among this group, France, the UK and Switzerland are more appealing than Italy and the US.

**Exhibit 24. Long-Haul Destinations in the Next 3 Years**

| | All Future Long-haul | New European Travellers |
|---|---|---|
| Base: | 363 | 132 |
| | % | % |
| ***Europe*** | | |
| France | 46 | 61 |
| United Kingdom | 46 | 60 |
| Switzerland | 44 | 55 |
| Italy | 43 | 48 |
| Germany | 25 | 24 |
| Austria | 19 | 22 |
| Norway | 15 | 15 |
| Greece | 13 | 10 |
| Spain | 13 | 7 |
| Netherlands | 10 | 8 |
| Sweden | 8 | 5 |
| Monaco | 7 | 5 |
| Finland | 5 | 2 |
| Belgium | 4 | 3 |
| Czech Republic | 4 | 2 |
| Denmark | 4 | 5 |
| Turkey | 4 | 1 |
| Other Europe | 9 | 5 |
| ***Competitors*** | | |
| USA | 40 | 38 |
| Australia | 26 | 27 |
| New Zealand | 17 | 12 |
| Canada | 13 | 9 |
| South Africa | 9 | 5 |
| South Pacific | 4 | 2 |
| South America | 4 | 1 |
| Other Long-haul | 6 | 5 |

***Number of Long-haul Trips in the Next three years***

- Intending long-haul travellers were equally divided in the expected number of such trips in the next three years, with a third planning to take one and two thirds planning two and three or more trips. On average just over two long-haul trips were planned in total.
- New Travellers to Europe were planning to take marginally fewer long-haul trips, an average of 2.1.

**Exhibit 25. Number of Trips in the Next 3 Years**

| | All Future Long-Haul | New European Travellers |
|---|---|---|
| Base | 363 | 132 |
| | % | % |
| One trip | 34 | 40 |
| Two trips | 34 | 32 |
| Three trips | 22 | 17 |
| Four or more | 11 | 11 |
| Average | 2.2 | 2.1 |

### *Number of Holiday Trips to Europe*

- When specifically questioned on the number of holiday trips they were planning to take to Europe, the average number reported was 1.5, with nearly thirds (63%) claiming they would be taking just one holiday trip to Europe. New Travellers indicated a marginally lower average number of trips.

**Exhibit 26. Number of Trips to Europe**

| | All Future Long-Haul | New European Travellers |
|---|---|---|
| Base: | 363 | 132 |
| | % | % |
| One trip | 63 | 78 |
| Two trips | 20 | 11 |
| Three trips | 7 | 6 |
| Four or more | 3 | 5 |
| None to Europe | 7 | - |
| Average | 1.5 | 1.4 |

## 3.6. Next Trip to Europe

***Number of Countries Planning to Visit***

- The number of countries respondents expected to visit on their next planned European trip varied considerably, with one in five intending to visit just one country and similar proportions opting for two and three countries.
- Expectations of the number of countries to be visited was somewhat higher (2.96 on average) than the number actually visited by Thai travellers on their most recent trip (2.60).

**Exhibit 27. Number of Countries Planning to Visit**

| | **Next Trip** | **Most Recent Trip** |
|---|---|---|
| Base : | 336 | 268 |
| | % | % |
| One | 21 | 37 |
| Two | 21 | 20 |
| Three | 22 | 15 |
| Four | 13 | 12 |
| Five | 23 | 16 |
| Average number visited | 2.96 | 2.60 |

***Five Countries Most Likely to Visit***

- The most popular likely destinations for potential European travellers were Switzerland (70% claimed it among their top 5 destinations), France (69%), the UK (67%) and Italy (65%). This order reflected the ranking of countries visited on the last trip to Europe, but with Switzerland and Italy improving quite dramatically on their past popularity.

- Other European destinations intending Thai travellers wish to visit include Germany (42%), Austria (36%) and the Netherlands (25%), all of which had significant numbers of Thai visitors in the past. Greece (23%) and Spain (20%), two countries with fewer recent Thai visitors, were also potential destinations for the future.

*(See Exhibit 28)*

**Exhibit 28. Five Countries Likely to Visit**

| | Next Trip | Most Recent Trip |
|---|---|---|
| Base : | 336 | 268 |
| | % | % |
| Switzerland | 70 | 35 |
| France | 69 | 49 |
| United Kingdom | 67 | 46 |
| Italy | 65 | 29 |
| Germany | 42 | 28 |
| Austria | 36 | 20 |
| Netherlands | 25 | 12 |
| Greece | 23 | * |
| Spain | 20 | 6 |
| Norway | 13 | 2 |
| Monaco | 11 | 3 |
| Sweden | 10 | 3 |
| Finland | 9 | 2 |
| Denmark | 7 | 3 |
| Turkey | 7 | 2 |
| Belgium | 6 | 7 |
| Czech Republic | 6 | 4 |
| Other countries | 12 | 7 |

### *Five Cities Most Likely to Visit*

- The top three European cities that visitors from Thailand wished to visit on forthcoming European holidays were London (67%), Paris (67%), and Rome (63). These three traditional historic and cultural capital cities are well in front of other the leading contenders, which include Frankfurt (44%), Vienna (41%) and Lucerne (38%).
- Age of visitor, and previous long-haul experience appeared to be key determinants of a city's popularity. London, for example, is particularly popular with younger Thai visitors, those aged 20 to 30, and with new long haul travellers generally. Paris was also especially popular with new travellers. Experienced travellers, on the other hand had a wider spread of sought after city destinations, and were less likely to select the leading trio.

*(See Exhibit 29)*

**Exhibit 29. Five Cities Likely to Visit**

| | Total |
|---|---|
| Base : | 336 |
| | % |
| London | 67 |
| Paris | 67 |
| Rome | 63 |
| Frankfurt | 44 |
| Vienna | 41 |
| Lucerne | 38 |
| Amsterdam | 30 |
| Athens | 25 |
| Munich | 17 |
| Madrid | 16 |
| Copenhagen | 13 |
| Stockholm | 13 |
| Prague | 11 |
| Istanbul | 10 |

### *Season of Travel*

- Travel in Spring, the most popular season for visiting Europe in the past, is even more popular among intending travellers. Almost half selected that season. April (29%) was the most favoured month for visiting Europe, followed some way behind by May (13%).
- Although there was some indication that more frequent travellers were likely to spread their visits to Europe more evenly across the seasons, the pattern was much less pronounced than it had been for past travel.

**Exhibit 30. Season of Travel**

| | Total | Most Recent Trip |
|---|---|---|
| Base : | 336 | 268 |
| | % | % |
| Spring | 48 | 37 |
| Summer | 19 | 21 |
| Autumn | 16 | 22 |
| Winter | 13 | 14 |

### *Length of Trip*

- The most popular length of stay planned for the next holiday trip to Europe was between one and two weeks (52%), with up to a week planned by 36%. A planned average length of 10.35 nights is a rather shorter than the average for the most recent trip, 12.18 nights.
- Independent travellers expected to stay for a marginally longer time than those on fully inclusive packages (11.14 nights v 9.85). Among this group, in contrast to the results for the last trip, very few were planning an extended visit of more than four weeks (4% compared with 18% for the last trip).

**Exhibit 31. Number of Nights Intending to Stay**

| | **Total** | **Most Recent Trip** |
|---|---|---|
| Base : | 336 | 268 |
| | % | % |
| 1 to 7 nights | 36 | 40 |
| 8 to 14 nights | 52 | 40 |
| 15 to 28 nights | 10 | 10 |
| 29 or more nights | 3 | 9 |
| Average No. of nights | 10.35 | 12.18 |

### *Travel Companion and Party Size*

- Respondents would most likely be accompanied by their spouse or partner on the next trip to Europe (42%), with other family members, especially children (22%) in the party. Almost one in three (30%) expected to travel with friends. Less than one in ten (7%) were currently planning to travel on their own.
- The pattern of expected travel companions shows some differences from that reported for the most recent trip, with a greater emphasis on the presence of spouses or partners and children. The average family party size is also higher, 4.39 compared with 3.12 for the most recent trip.

*(See Exhibit 32)*

**Exhibit 32. Party Composition**

| Travel Party | | Family Party Size | |
|---|---|---|---|
| Base : | 336 | Base : | 135 |
| | % | | % |
| Alone | 7 | Two | 14 |
| Spouse/partner | 42 | Three | 26 |
| Children | 22 | Four | 29 |
| Parents | 10 | Five | 16 |
| Other relatives | 13 | Six or more | 16 |
| Friends | 30 | | |
| Business colleagues | 5 | Av. family size | 4.39 |
| Private club | 7 | | |
| Other | 1 | | |

### *Travel Arrangement*

- Three out of five future travellers to Europe intend to take an inclusive package (61%). Of the remainder, rather more plan to buy just the airfare (23%) than a basic package of airfare and accommodation (16%). There was considerable variation by age, with older travellers much more likely to opt for a full package.
- This distribution follows the same pattern reported for the most recent trip, but with rather more opting for a full package and fewer airfare only than in the past. In comparison with past trips, rather fewer younger travellers, those aged 20 to 30 intend to buy just the airfare (33% v 45%).

**Exhibit 33. Travel Arrangement**

| | Total | Age | | | |
|---|---|---|---|---|---|
| | | 20-29 | 30-39 | 40-49 | 50-59 |
| Base : | 336 | 72 | 102 | 80 | 82 |
| | % | % | % | % | % |
| Inclusive package tour | 61 | 50 | 50 | 70 | 74 |
| Basic package | 16 | 15 | 24 | 14 | 10 |
| Airfare only | 23 | 33 | 27 | 16 | 16 |

### *Expenditure*

- On the next trip to Europe, the expected expenditure per person for the complete trip, including air fare or tour package, shopping and all other expenses, is estimated to be 128,687 baht (US$5,075 at pre crisis rates). The average per person per day would be 14,605 baht (US$ 576).
- This compares with an estimated total expenditure (before departure and in Europe) for the most recent trip of 128,889 baht (US$5,082), and 15,311 baht (US$ 604) per person per day.

**Exhibit 34. Expenditure**

| | Total Expenditure per Person | | |
|---|---|---|---|
| | **Total** | **Full Package** | **Other** |
| Base : | 336 | 204 | 132 |
| | % | % | % |
| Baht | | | |
| 50,000 or less | 15 | 12 | 21 |
| 50,001-100,000 | 53 | 55 | 50 |
| 100,001-200,000 | 22 | 24 | 20 |
| 200,000+ | 8 | 7 | 8 |
| Average per person | 128,687 | 133,285 | 121,615 |
| Average per day | 14,605 | 15,047 | 13,924 |

### *Factors Discouraging Visits to Europe*

- Respondents were first asked generally what is discouraging them from visiting Europe.
- They were then asked a series of questions to gauge the effect of the financial and economic crisis in Thailand and other Asian countries on outbound long-haul travel.
- One in two spontaneously claimed that the crisis or uncertain exchange rates were discouraging them from taking a European holiday.
- The problem of securing the budget for such a holiday was a further key factor for one in four. However, work constraints and family health problems were also mentioned, each by one in four, as major factors against a European trip at this time.
- Those with experience of European travel were rather more likely to mention the economic situation was a discouraging factor in taking further trips to Europe.

*(See Exhibit 35)*

**Exhibit 35. Factors Discouraging Trips to Europe**

| | Total | Past Europe | New Europe |
|---|---|---|---|
| Base : | 400 | 268 | 132 |
| | % | % | % |
| ***Main factors*** | | | |
| The economic situation | 53 | 58 | 43 |
| ***Of which -*** | | | |
| *Thai economic crisis* | 46 | 51 | 36 |
| Unstable exchange rate | 9 | 10 | 7 |
| Budget/expense | 26 | 24 | 30 |
| Personal health | 24 | 21 | 29 |
| Career | 23 | 24 | 21 |
| Timing | 14 | 14 | 14 |
| Safety | 10 | 9 | 11 |
| Government policy | 4 | 5 | 2 |
| Others | 13 | 11 | 15 |
| None | 2 | 2 | 2 |

- When directly questioned on the recent currency crisis, nine out of ten agreed that it had made them less likely to take any overseas holiday in the next two years. However, rather fewer, eight out of ten potential European holiday takers, said that the crisis had put them off taking any long-haul in the next two years.

**Exhibit 36. Impact of Currency Crisis**

| | Total | Recent Europe | New European Travellers |
|---|---|---|---|
| Base: | 400 | 268 | 132 |
| | % | % | % |
| *Whether less likely to take an overseas holiday in next 2 years* | | | |
| Yes: Less likely | 89 | 89 | 12 |
| No | 11 | 11 | 12 |
| *Whether put off taking a long-haul holiday in next 2 years* | | | |
| Yes: been put off | 79 | 79 | 80 |
| Not put off | 21 | 21 | 20 |

## 3.7 Media Habits

### *Readership of Newspapers and Magazines*

- Newspapers read regularly by the potential market include:
  - *Thai Rath* (69%), with wide coverage of the market;
  - *Daily News* (52%), especially for New Travellers and those on inclusive tours;
  - *Matichon* (30%), with a higher readership among men;
  - *Kao Sod* (28%), general coverage of the market;
  - *Bangkok Post* (28%), younger, more upscale readership, and good for frequent long haul travellers and those making their own travel arrangements.
- Weekly magazines are regularly read by 60% of the market. The most popular titles are *Matichon Sud Subda* (34%) and *Thansetthakij Sud Subda* (24%).
- There is a very wide range of monthly periodicals available, with a total coverage of 80% of the market. The most popular are Women's magazines such as *Dichan* (30%), *Praew* (30%), *Ploy Kam Peth* (20%) and *Kwan Ruen* (15%). *Or Sor Tor* (21%) covers both men and women, while *GM* (18%) is heavily biased towards men.

### *TV Viewing*

- The most popular TV stations are *Channel 3* (82% claim it among their top 3 TV stations), *Channel 7* (70%) and *Channel 5* (34%).

### *Radio Listening*

- The most frequently listened to radio stations are *FM 100 MHz* (40% claim it among their top 3 radio stations), *FM 88 MHz* (25%) and *FM 99.5 MHz* (17%).

### *Use of Internet*

- Use of the internet to obtain travel information was claimed by 15% of the market. Use of this medium was heavily biased towards younger people (28% among 20-30 age group). However the internet was also more heavily used by Frequent (23%) and by independent travellers (24%).
- Only 4% currently claim to use the internet to make travel bookings.