ACCOR

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EUROPE ON THE MOVE: INSIGHT ON THE TRAVEL PLANS IN 2024

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ABOUT ACCOR

Accor is a world leading hospitality group offering experiences across more than 110 countries in 5,600 properties, 10,000 food & beverage venues, wellness facilities or flexible workspaces. The Group has one of the industry's most diverse hospitality ecosystems, encompassing more than 40 hotel brands from luxury to economy, as well as Lifestyle with Ennismore.

Accor is committed to taking positive action in terms of business ethics & integrity, responsible tourism, sustainable development, community outreach, and diversity & inclusion. Founded in 1967, Accor SA is headquartered in France and publicly listed on Euronext Paris (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACCYY) in the United States. For more information, please visit www.group.accor.com or follow us on X, Facebook, LinkedIn, Instagram and TikTok.

PATRICK MENDES

CEO Premium, Midscale and Economy | Accor Europe & North Africa

FOREWORD

2023 was a positive year for European travel. Industry-wide occupancy, Average Daily Rate (ADR) and RevPAR showed positive trends in 2023 year-on-year across the continent, with top-line growth helping to mitigate continued cost challenges. Europe, the world's most visited region, reached 94% of 2019 tourist levels[1], supported by demand from inside Europe itself as well as a boost from US visitors.

At Accor, our Premium, Midscale & Economy division saw strong revenue growth across our Europe & North Africa region, mirroring our wider business.

As 2024 gathers pace, we are confident for the year ahead. This year tourism will return to pre-pandemic levels, according to the UN World Tourism Organisation (UNWTO)[1].

But as the European travel landscape continues to evolve, staying abreast of the latest trends and insights is essential for industry professionals seeking to capture demand and provide exceptional experiences for travellers.

This report aims to shine some light on how travellers across Europe are currently feeling about travel, what their intentions are for this year, the kind of trips that they seek, and the factors that will influence their decisions.

Based on a survey of 8,000 travellers from 7 European countries, we seek to unravel the intricacies of the travel intentions of Europeans this year, dissecting the elements that impact their travel choices and providing industry professionals with some insight, intelligence and inspiration to guide their own strategies and decisions.

I sincerely hope you find it useful.

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Patrick Mendes

OUR METHODOLOGY

Accor commissioned One Poll to carry out research between 13th-23rd January 2024. A total of 8,000 adults who plan to travel domestically or abroad were surveyed from across 7 European countries.

1. United Kingdom
   2'000 people
2. Germany
   1'000 people
3. Netherlands
   1'000 people
4. France
   1'000 people
5. Italy
   1'000 people
6. Spain
   1'000 people
7. Poland
   1'000 people

TRAVEL INTENTIONS

SPENDING POWER

Despite an ongoing cost of living crisis across the continent, Europeans are confident about their travel spending power in 2024.

Across Europe, over half of travellers (54%) think they will have more money to spend on travel in 2024 than they did in 2023, compared to just 11% who say they'll have less to spend. Of travellers in the seven countries surveyed, those in Poland were the most confident about their travel spending power this year compared to last, with 64% expecting an increased budget compared to just 7% expecting a decrease. Those in Germany were the second most confident (61% versus 13%), and even in Italy, the least confident of the seven nations, there were almost four times as many travellers expecting increased budgets (44%) as those anticipating reduced budgets (12%).

TRAVEL BUDGET EXPECTATIONS

	Increased budget	Decreased budget
Poland	64%	7%
Germany	61%	13%
Netherland	58%	10%
Spain	56%	12%
France	54%	12%
GB	47%	12%
Italy	44%	12%

Do you think your total budget for travel in 2024 will increase or decrease compared to 2023? N=7,666

Yet the number of trips people expect to take is largely stable compared to last year, with a marginal uptick in overseas travel. European consumers expect to take an average of 1.8 foreign leisure trips each this year, up from 1.6 last year, with a huge 84% of respondents expecting to take at least one overseas leisure break.

International "bleisure" trips – that is, trips that combine both business and leisure – will also see an increase, with consumers expecting to take an average of 0.6 such trips this year, up from 0.5 last year. With working patterns increasingly flexible and employers ever-more willing to enable flexibility around their employees' work trips, an astonishing one in five Europeans (19%) expects to take at least one "bleisure" trip in 2024.

Across Europe as a whole, international business trips and all domestic trips are set to remain constant in 2024 compared to last year.

Increased travel budgets combined with stable expectations for the number of trips suggest that on average, people will spend more per trip. Yet while most people will enjoy a greater overall travel budget, that does not mean to say they are immune to cost pressures. Indeed, the vast majority of people (87%) will take at least one measure to reduce their travel costs as a result of inflation and a heightened cost of living, with plans including the avoidance of peak season (34%), downgrading accommodation (27%) and cutting other costs in order to maintain their travel expenditure (15%).

HOW THE COST OF LIVING IS IMPACTING EUROPEANS' TRAVEL PLANS IN 2024

Steps travellers will take in 2024	Percentage of European travellers
Avoid trips in peak season	34%
Select cheaper accommodation types	27%
Reduce their holiday spending money	27%
Select cheaper destinations	25%
Use travel comparison websites	24%
Take shorter trips	17%
Take cheaper forms of transport	16%
Cut other costs in order to maintain travel spend	15%
Take fewer trips	14%
Take less luggage on flights	13%

In what ways, if any do you think your 2024 travel plans will be impacted by inflation/ cost of living crisis? N= 8,000

FIVE LOWER-COST EUROPEAN DESTINATIONS TO CONSIDER

Tallinn, Estonia

With a medieval Old Town included in the UNESCO World Heritage List, diverse districts, and a rich cultural scene, Tallin is a lively all year-round destination. Great for foodies, it boasts many local delicacies often inspired by Nordic cuisine, with many restaurants featured in the Michelin guide and two with Michelin stars. Recognised as the 2023 European Green Capital, a quarter of the city consists of green spaces with parks in most districts, including the Kadriorg's Baroque palace park, which is renowned for its Japanese garden.

Where to stay:
- Mercure Tallinn (from 85€ double bedroom incl. breakfast)
- Oru Hub Hotel Tallinn - Handwritten Collection (from 68€ double bedroom incl. breakfast)

Krakow, Poland

Its Old Town is a maze of cobbled alleys and impressive squares with medieval churches and trading houses; one of the first urban areas to be recognised as a UNESCO World Heritage Site. With a strong 'café culture' with many artisanal coffee shops nestled across the city, visitors can easily visit sites such as Wieliczka, one of the world's oldest operating salt mines with impressive tunnels, carvings and even an underground cathedral; and the memorial site of Auschwitz with guided tours at the main sites and museum. Cracow also has one of the most beautiful Christmas markets in Europe.

Where to stay:
- ibis Styles Kraków Centrum (from 74€ double bedroom incl. breakfast)
- The Crown Kraków Handwritten Collection (from 82€ double bedroom incl. breakfast)

Timisoara, Romania

Also known as "The City of Flowers" and "Revolutionary City", Timisoara is the third-largest city in Romania and is close to the border with Serbia and Hungary. It was named a European Capital of Culture in 2023. With baroque architecture and charming cobblestone streets and squares, the city is an up-and-coming destination often nicknamed as the "Little Vienna of Eastern Europe". The city was built on the site of an ancient Roman fortress and has over 10,000 historical monuments. It was the main industrial, commercial, financial, and cultural center of the region between 1880 and 1914.

Where to stay:

- Hotel: Mercure Timisoara (from 112€ double bed room incl. breakfast)

Budapest, Hungary

Set along the majestic Danube River, the city is an architectural treasure trove with baroque, neoclassical, and art nouveau buildings. Renowned for its natural mineral water springs and thermal baths, the city is also a great culinary hotspot for foodies. Budapest is home to many large events, from music festivals to fairs, concerts and markets. Sziget Music Festival is one of the biggest, taking place in August.

Where to stay:

- TRIBE & ibis Budapest Stadium (from 93€ double bed room incl. breakfast)
- Mercure Budapest Castle Hill (from 94€ double bed room incl. breakfast)

Tbilisi, Georgia

Listed as one of the 100 best cities to visit in the National Geographic guidebook 2023, the old part of Tbilisi is not just a historical center, it is the soul of the whole city with charming courtyards, the Metekhi Temple and its famous sulfur baths. The flea market on Dry Bridge is a top local attraction, with souvenir shops and boutiques selling vintage items, and the city boasts a rich culinary scene, including local varieties such as khinkali (dumplings), khachapuri (cheese-filled bread), kharcho (traditional beef soup), homemade cheeses, churchkhela (candle-shaped sweets) and more.

Where to stay:

- Pullman Tbilisi Axis Towers (from 118$ incl. breakfast)

DESTINATIONS: WHERE WILL EUROPEANS GO IN 2024

Intra-European travel will dominate in 2024, with 86% of Europeans surveyed planning to take at least one trip within Europe this year.

The hotspots of southern European countries are still top of the list for European travellers, almost one in four people (23%) planning to head to Spain, and one in five (18%) expecting to travel to Italy during 2024. France (16%), Greece and Portugal (both 13%) make up the remainder of the top five.

Country	Percentage of Europeans who plan to travel there in 2024 (excluding visits to their own countries)
Spain	23%
Italy	18%
France	16%
Greece	13%
Portugal	13%
Germany	11%
United Kingdom	8%
The Netherlands	7%
Austria	7%
Belgium	7%

Which, if any, of the following countries do you plan to travel to in 2024? N=8,000

Outside of Europe, 16% of Europeans intend to take a trip to North or Central America this year; 16% to Asia; and 10% to Africa. Around one in 12 (8%) will head to South America and one in 20 (5%) to Australia or New Zealand.

TRAVEL TRENDS

CLIMATE CONSCIOUSNESS

Climate change and the responsible use of natural resources is an ever-increasing concern to the public, and it is taking on genuine importance to people's travel decisions, according to our survey.

Seven in 10 people (71%) said having sustainable options is important to their travel decisions, including 22% who say they are very important. This compares to 29% who say this is not important to their travel decisions, including just 8% who say it is not at all important.

Of the seven European countries sampled, travellers in Italy are most serious about green travel, with 82% claiming sustainable options are important to their decisions. This is followed by Spain (78%) and Poland (77%), with British travellers lagging behind (61%).

IMPORTANCE OF SUSTAINABLE OPTIONS TO TRAVEL DECISIONS

Country	Percentage of travellers for whom sustainable options are important to their travel decisions
Italy	82%
Spain	78%
Poland	77%
France	75%
Germany	72%
Netherlands	66%
Great Britain	61%

How important are climate change and sustainability/sustainable options to your travel decisions? (e.g., deciding your method of transport, your destination, where

While sustainability is significant, in theory, to most travellers, we will also see changes in travel behaviour and booking behaviour driven by climate concerns. Three in four travellers (77%) say it will have at least some impact on their travel decisions in 2024, ranging from reducing the amount of travel they do, to changing their mode of transport, who they book with, and their holiday habits.

IMPACTS OF CLIMATE CHANGE AND SUSTAINABILITY CHALLENGES ON TRAVEL DECISIONS IN 2024

Reducing travel	Changing modes of transport	Changing holiday habits
11% will travel less in general	14% will fly less	19% will be careful about what they do on holiday (e.g. use the air con less, minimise food waste, use fewer towels)
9% will travel abroad less	14% will travel by rail more	10% will actively seek sustainable accommodation providers / tour operators
8% will take fewer trips but make them last longer	10% will travel by car more	6% will offset their travel emissions
8% will take more short haul trips (up to 4 hrs) instead of long haul (9+hrs)	9% will travel more slowly and make the journey part of the experience	
7% will take more medium haul flights (4-8hrs) instead of long haul (9+hrs)	8% will travel by bus or coach more	
4% will travel domestically for work less		
4% will travel internationally for work less		

How, if at all, do you think climate change and sustainability challenges will impact your travel decisions in 2024? N=8,000

OBSTACLES TO SUSTAINABLE TRAVEL CHOICES

Despite their good intentions, travellers acknowledge that there are several obstacles that prevent or impede them from making sustainable travel choices. The most common barrier is conflicting cost pressures, cited by 38% of respondents, suggesting that many believe sustainable options come with a more expensive price tag.

One in four people (26%) say there aren't many sustainable choices available to them, and 23% say a lack of information is an impediment. Not having enough time to research the options was mentioned as an obstacle by 16% of respondents.

Despite one in four people (25%) saying there is nothing preventing them from making sustainable travel choices, it is clear that the industry must do more to ensure that people can travel sustainably and cost-effectively at the same time; and to provide clear and easy to access information to travellers on sustainable travel choices.

For companies who can provide robust sustainable travel solutions, the rewards are potentially financial as well as purpose-driven – one in ten people (9%) say they would be willing to pay more for a holiday if the operator had proven green credentials. And with consumers as well as businesses increasingly taking the carbon footprint of their trips into account when making travel decisions, travel businesses from accommodation providers to travel agents and transport operators need to consider their sustainability strategy with urgency.

"The travel industry has a responsibility to play its part in decarbonising. For our part at Accor, we have placed climate action at the core of our vision and business model, but to make a genuine difference, all parts of the travel ecosystem must move in the right direction. Sustainability is becoming more and more important to the travel choices made by consumers, as well as businesses, and industry players must find ways to provide climate conscious travellers with the sustainable trips they want. This is becoming a financial imperative as well as an ethical one."

PATRICK MENDES
CEO Premium, Midscale and Economy
|Accor Europe & North Africa

A LONGER PEAK SEASON?

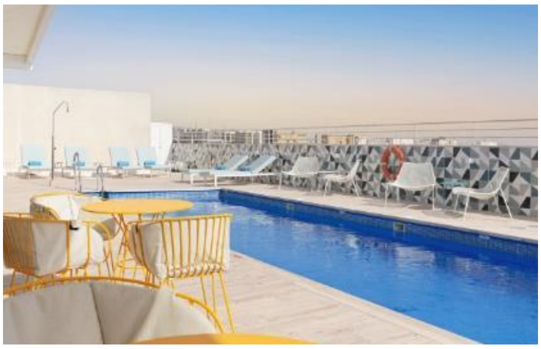
Many travellers say they will deliberately avoid peak season in 2024, driven by the twin motivators of cost and fears of extreme heat.

One in three respondents across Europe (32%) say they will purposefully take a holiday outside of peak season to reduce costs; while one in five (19%) expect to do so to avoid the risk of heat waves. Last summer saw severe heatwaves in southern Europe, with temperatures regularly topping 40C and wildfires in Portugal, Spain, Italy and Greece[1], including many popular holiday destinations.

If large numbers of travellers seek to sidestep the height of summer, it could potentially lengthen the season in hot destinations. Some travel businesses are taking note, such as tour operator Tui, which has started to offer holidays in some southern Mediterranean destinations year-round[1]. But extending the season is not without its complications, with travel companies needing to ensure that local facilities remain open in those destinations that have traditionally been highly seasonal.

School holidays will also put a significant brake on any shift to shoulder season, which may instead see holidaymakers look north to cooler destinations.

TOP SHOULDER-SEASON DESTINATIONS



Seville, Spain

The beautiful capital of Andalucia and its gorgeous architecture has a wide range of cultural and gastronomic offerings and with mild temperatures in autumn and winter, it is a perfect shoulder season destination.

Where to stay:
- Novotel Sevilla
- ibis Styles Sevilla

Lisbon, Portugal

The Portuguese capital boasts a great wealth of monuments, views and gastronomic delights, with a lively nightlife and the unmissable sound of fado music. With 290 days of sunshine a year, it has become one of Europe's top travel destinations.

Where to stay:
- Mama Shelter Lisboa
- ibis Styles Lisboa Marques de Pombal

Naples, Italy

The beautiful capital of Andalucia and its gorgeous architecture has a wide range of cultural and gastronomic offerings and with mild temperatures in autumn and winter, it is a perfect shoulder season destination.

Where to stay:
- Mercure Napoli Centro Angioino
- ibis Styles Napoli Garibaldi

Athens, Greece

From the Acropolis to the Parthenon, the rich history of Athens is a treat to behold at any time of year. But the city boasts a more youthful side, with a laid-back café culture and art galleries helping to occupy local Athenians and tourists alike.

Where to stay:
- Novotel Athens
- ibis Styles Athens Routes

Florence, Italy

Home to some of the world's greatest artistic treasures, Florence is jam-packed with jaw-dropping museums, palaces and churches to satisfy the most demanding culture seeker. With pleasant temperatures in spring and autumn, shoulder season can be the best time to visit "the cradle of the Renaissance".

Where to stay: Mercure Firenze Centro

TRAVEL COMPANIONS: ME, MYSELF AND… THE DOG

Predictably, the most regular travelling companions for European holidaymakers are their immediate families, cited by 70% of respondents, followed by friends (32%) and extended family (12%).

However, these are by no means the only holiday companions travel businesses need to consider.

SOLO TRAVELLERS

17% of European travellers will go on a solo trip in 2024, according to our survey.

Men are marginally more likely to embark on a solo trip than women (19% versus 15%). Those in younger age groups are also more likely to travel by themselves, with one in four (24%) 18-24 year-olds intending to do so, followed by 20% of 25-34 year-olds. However, it is certainly not just a young person's game, with no less than 14% of any age group intending to travel alone.

Solo travel is certainly on the rise. According the Association of British Travel Agents[1] the number of people going on holiday by themselves increased from 6% in 2011 to 16% in 2023. Many specialist tour operators have sprung up specifically to cater for travellers going away alone.

PETS

Almost one in ten holidaymakers (9%) plans to take their pets away with them this year, with those from Poland the most likely to do so (12%), followed by Spain (11%).

While the adoption of harmonised rules on travelling with pets has made it easier for European Union citizens to travel with their pets within the bloc, that's not always the case from other countries. Pet owners in the UK, for example, need an Animal Health Certificate to prove their pet is microchipped and vaccinated against rabies1.

Pet owners have a growing number of holiday options to choose from, from pet-friendly hotel brands like Mercure to holiday rental cottages and campsites, making it easier for animal lovers to take their furry friends with them.

A DEEPER CONNECTION

Travellers in 2024 are seeking a deeper connection with the destinations and local communities they visit. More than one in three respondents (36%) say it is important to them to immerse themselves into the local cultures and communities they visit on holiday.

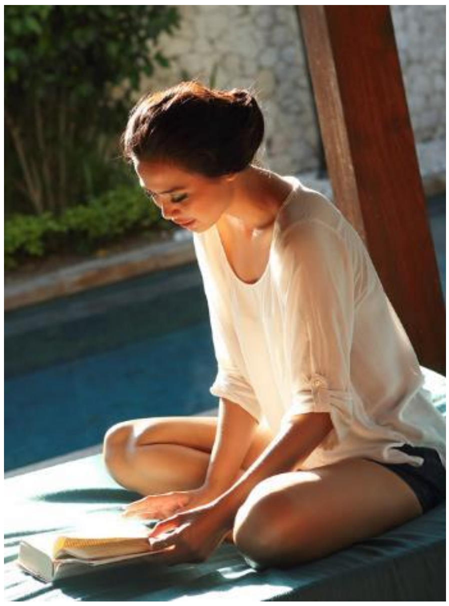
For some, immersion might just be about trying the local cuisine, something 45% of respondents like to do as much as possible.

But others like to go deeper, with 13% say it is important to them to feel they are making a positive contribution to the destination they are visiting.

Others like to use their trips to connect more deeply with the people they are with, cited as an important factor by 24% of respondents.

RECHARGING THE BODY AND SOUL

For almost half of European travellers (44%), rest and relaxation is the most important thing about a holiday, with 15% of respondents saying they are currently in need of a break because they have an uneven work-life balance.



Restful destinations are popular, with one in four people (25%) intending to visit lakes and mountains this year; and 22% planning a countryside escape.

With awareness of mental and physical wellbeing growing, many consumers are now proactively ensuring that their vacations cater to their needs in this way. More than one in three holidaymakers (36%) say it is important to them to choose a trip that allows them to look after their physical and mental wellbeing and leave their stresses behind.

Wellness is a vast and fast-growing industry, with global revenue of $5.6 trillion in 2022, according to a recent report from the Global Wellness Institute[1]. It expects that figure to grow another 57% to $8.5 trillion by 2027 – which means travel companies must consider how to cater for the mental and physical wellbeing of their customers if they are not to lose out on a growing proportion of business.

“Wellness has well and truly hit mainstream focus since the Covid-19 pandemic, and travellers are very serious about using their trips to unplug from the daily grind and find travel experiences that make them feel more relaxed and healthier in mind and body.

This represents a huge opportunity for hoteliers and other travel businesses to enhance the overall customer experience, and to capture increasing demand from travellers who prioritise wellness and are willing to invest significant money on wellness experiences such as spas, fitness classes and wellness excursions.”

JULIE WHITE
Chief Commercial Officer Premium, Midscale and Economy |Accor Europe & North Africa

CONCERTS, COMPETITIONS, CARNIVALS

While beach trips unsurprisingly take top spot for the most popular type of trip – expected to be enjoyed by almost half of European travellers (46%), city breaks will also be hugely popular this year, with over four in ten (42%) holidaymakers planning to go on at least one.

But it is by no means just coastal resorts and capitals that should be gearing up to secure the business of willing travellers.

Beyond the tried and tested, other key factors are influencing exactly where European travellers head to, including huge numbers of people who are planning trips based around major sporting events, gigs from their favourite artists and bands, or foodie festivals and destinations.

1

FOOD & DRINK

9% will take a trip based around food or drink such as wine tasting or a food festival in 2024, from Oktoberfest in Munich to Stragusto in Sicily.

GIGS

9% will take a trip around a music event e.g. a festival or concert, with major artists touring in 2024 including Taylor Swift and Adele set to pull in crowds from afar.

2

3

SPORTS EVENTS

6% will take a trip based around a sports event this year. The Paris Olympics is set to the be the major sporting attraction of 2024, but others such as Euro 2024 will also attract fans from across the continent and beyond.

ON THE ROADS, RAILWAYS AND WATERWAYS

“It's not the destination, it's the journey” is a quote famously attributed to American philosopher Ralph Waldo Emerson. Many European travellers are seemingly on board with this sentiment, with large numbers planning trips on the roads, railways and waterways this year.

One in five (19%) intend to take a road trip to multiple destinations, while one in ten (9%) will take a boat trip or a cruise.

Some 3% of respondents say they plan to take a luxury train trip. Luxury rail is a growth market, with much excitement about projects including The Orient Express La Dolce Vita, that will welcome its first passengers in 2024.

BLEISURE: WHERE WORK MEETS PLAY

Working patterns have shifted dramatically in the years since the onset of the Covid-19 pandemic, with many enjoying much greater freedom in where they work from. Simultaneously, companies have become much more conscious about the carbon footprint of their business travel and many are adapting their policies to reduce the overall number of trips, while ensuring they are more purposeful.

These factors combined have led to a rise in the number of people combining business trips with leisure trips (“bleisure”).

Thirteen per cent of European respondents say they can work remotely, so combining work with a leisure trip is straightforward as long as they have a good internet connection. Employers are adapting to the trend, with 7% of respondents saying their employer is supportive of them combining a business trip with a leisure trip.

One in ten (10%) expect to extend their holidays in 2024 by working from the destination they visit. The same percentage say they like to work from the destinations they visit because it gives them a good way to immerse themselves in the local community.

There will be bumps in the road, but the likelihood is the world of work will continue to become more flexible, and the need to justify business travel will persist - which means bleisure is here to stay.

TRIP PLANNING AND BOOKING

INFLUENCES: FRIENDS, REVIEWS, BRANDS & NETFLIX

While trends in destinations and types of holiday experience are evolving, the perennial drivers of cost and convenience are still the most important factors influencing where people choose to go on holiday. Fifty-eight per cent of respondents cited cost as an influential factor, followed by 38% citing the convenience of getting there.

Friends and family are the most trusted sources of advice, with 35% saying their recommendations influence their holiday plans, followed by 29% who are swayed by online reviews on sites such as TripAdvisor or hotel websites.

Loyalty also counts. Trusted operators and brands are vital to people's choices, with 17% citing them as an important factor. Being a member of the loyalty programme of a particular accommodation provider or tour operator is also crucial for 6% of respondents.

One in six (16%) are influenced by destinations they have seen on TV programmes or movies. "Set-jetting", the trend for holidays to TV show or movie filming locations, has been popularised with influxes of visitors to landscapes made famous by shows such as The White Lotus and Game of Thrones. Some travel firms have even created TV-inspired itineraries and experiences to capture the interest.

And if your favourite TV show isn't influencing your holiday choice, maybe an online influencer is. Some 12% of respondents are influenced by destinations they have seen on social media – the same as those who are impacted by advice from a travel agent.

FACTORS INFLUENCING WHERE PEOPLE CHOOSE TO GO ON HOLIDAY

Factor	Percentage of people for whom this influences where they choose to go on holiday
Cost	58%
Convenience of getting there	38%
Recommendations from friends and family	35%
Online reviews e.g. TripAdvisor, hotel website	29%
Having experienced the location before	23%
Word of mouth	23%
Flexible cancellation policies	17%
Ability to get there without flying	17%
Knowing and trusting the company or brands	17%
Destinations they have seen on TV programmes or movies	16%
Destinations they have seen others on social media	12%
Advice from travel agents	12%
Being a member of a loyalty programme of a particular accommodation provider or tour operator	6%

Which, if any, of the following factors influence where you choose to go on holiday? N=8,000

AI COMBINED WITH HUMAN TOUCH

Technology has been hugely disruptive in impacting how people plan and book holidays, with artificial intelligence (AI) and other technologies being integrated in many different ways across the industry to provide more personalised recommendations in a much more efficient way.

For example, Accor is using AI in a wide variety of ways from powering its digital marketing with detailed customer segmentation; to AI-powered search and personalisation on websites and communications; faster and more efficient call processing in contact centres; and revenue management tools.

While travellers are often unaware of how AI is being used if it is providing support to providers in the background rather than being a customer-facing tool, it is being used by some in the industry to help travellers with trip planning.

Our research indicates that on balance, European travellers recognise that there is a role for both technology and the human touch in trip planning. Forty-four per cent of respondents said they like having access to both digital tools and humans for different needs during the travel experience.

While some travellers do recognise that AI tools could be helpful in planning a trip (18%) or dealing with enquiries about their booking (18%), when it comes to direct interactions, two-thirds of travellers (65%) would prefer a human to help plan their trip than an AI-driven tool, compared to just 5% who would opt for the AI option, with the remainder agnostic or unsure.

"AI has been emerging as a beacon of innovation, offering boundless potential to redefine guest experiences. By harnessing the capabilities of AI, we have the opportunity to curate bespoke interactions, seamlessly weaving together personalized touches that anticipate and fulfill the unique needs and desires of each guest.

From intuitive recommendation systems to predictive analytics guiding service enhancements, AI empowers us to create unforgettable moments that leave an indelible mark, fostering lasting connections and loyalty.

Combining the power of technology with strong human touch and interactions is the key to unlocking this value: enhancing the journey through technology without stealing the spotlight from the emotions."

ALIX BOULNOIS
Chief Digital Officer - Accor

HOTEL HEAVEN

Hotels dominate as the most popular type of holiday accommodation for European travellers, with two-thirds (65%) of respondents planning to stay in a hotel in 2024 – by far the most popular option – and one in five (19%) opting to head to a resort.

This outweighs the vacation rental segment, which will see one in three (33%) European travellers opting to stay in a holiday rental apartment and one in four (24%) in a holiday rental house or villa.

One in six (16%) people plans to go camping, glamping or caravanning, and 5% will stay in a youth hostel, while 27% of holidaymakers will save themselves money and stay with friends or family.

Predictably, consumers indicate that cost (52%) and location (46%) are the single most important factors governing which hotel to stay in. But there are many other areas that hoteliers can bear in mind in order to appeal to holidaymakers.

So what are travellers really looking for in a hotel stay?

PROVIDE GREAT SERVICE BEFORE THE TRIP…

Service doesn't begin at check-in. The guest's experience from the moment they begin looking for a trip is hugely influential in where they choose to stay. Being able to see a wide variety of options in front in terms of destinations and budgets is cited as important by 8% of respondents, demonstrating that hotels need to be visible on digital platforms providing travellers with a range of trusted choices.

One in ten (11%) respondents is highly influenced by great service through the planning and booking process; and 6% specifically reference having a seamless digital experience during planning, booking and pre-trip enquiries as being important.

Hotels must ensure they have access to the distribution, technology and customer service capabilities to capture demand and delight guests before they even step into the hotel lobby.

…AND DURING IT

Hotel bookers of course want to know that they are going to get the kind of attentive, unscripted service that makes their holiday a memorable one for all the right reasons. One in five (21%) holidaymakers cite great human service at the hotel itself as a key factor when booking a stay.

CATER TO YOUR TARGET MARKET

Travellers each have specific interests or characteristics that must be catered to if they are going to select a particular hotel. Hoteliers must ensure they know what kind of guests they are seeking to attract, and serve their needs and interests.

For example, 8% of respondents say it is vital that a hotel has facilities and entertainment for children; presumably a complete turn-off for the 6% for whom an adults-only location is a pre-requisite.

For some, whose pets are essential travelling companions, finding a hotel that has facilities for them is important (5%), a market that brands such as Mercure, with its dog-friendly hotels, have identified.

Even more important is the need to ensure that hotels are accessible to the elderly or those with disabilities. A highly significant 12% of our respondents cited accessibility as an important factor in choosing a hotel, demonstrating how critical it is for hotels to ensure they create accessible rooms and facilities wherever possible, as well as ensuring their facilities are clearly signposted for searching travellers.

INDULGE THE FOODIES

Good food and drink is not just a nice-to-have for many holidaymakers, it is a core part of their holiday enjoyment and a reason to book a particular establishment. Over one in three (37%) travellers say good food and drink is central to their hotel choice, demonstrating why an attractive F&B offering is an absolute must for hoteliers.

SHOW YOUR ECO-CREDENTIALS

For 6% of consumers, hotels that can help them minimise the environmental impact of their trip will put themselves in pole position for their custom. Hotel owners are increasingly investing in decarbonisation to hit their environmental targets. Accor provides its hotel partners with many solutions to decarbonise, from its reporting tool, to renewable energy production and purchase, training for hotel staff on energy conservation, and a turnkey energy renovation and financing solution to finance large-scale energy efficiency projects.

Brands such as greet, launched in 2019 and conceived to meet the needs of travellers seeking sustainable, budget-friendly travel options, are growing apace, with greet having opened its 30th hotel in France alongside its flagships in Vienna and Berlin and a healthy pipeline.

BRING GOOD VIBES

Another key priority for hotel guests is the ambiance inside the hotel. Music and design are integral to the guest experience, and a significant 17% of respondents say that having a good ambiance from factors like music and décor is important to where they choose to stay.

Design has become more important even in the economy segment, with brands like ibis Styles – the non-standardised design-led brand of the ibis family – allowing a high level of personalisation. The hotels are also focused on buzzy, music-driven bar and restaurant concepts that attract locals as well as travellers. Such brands are contributing to the premiumisation of the economy segment, aiming to create great guest experiences, not just value for money.

EMBRACE YOUR SURROUNDINGS

Guests also want the hotels they stay in to reflect the destinations and communities they are part of. One in ten (11%) say it is important to them to feel immersed in the local community through factors such as enjoying local cuisine or experiences; and 6% want to feel “part of the destination”.

In contrast to many branded hotels, brands like Mercure embrace the destinations they are in through design and food offerings that celebrate their surroundings. Mercure’s “Discover Local” program promotes local specialties in its hotels through its daily food, bar and in-room offerings as well as specially-organised events.

SUMMARY: TAKE-OUTS FOR THE TRAVEL INDUSTRY

Despite ongoing macro-economic and geopolitical challenges, 2024 looks set to be a strong year for European travel, with the sector demonstrating its resilience as consumers prioritise it above other forms of discretionary spend.

But the market is evolving faster than ever, which means that all industry players from hotels to airlines, tour operators and travel agents, need to have their finger on the pulse of these changes, and how to adapt to them.

Several overarching and long-term themes have been reinforced by this report. None is more important than the climate crisis, something that is central to our strategy at Accor as we strive to be a carbon neutral business. Consumers care about how travel businesses are addressing sustainability issues, and this will only become more important to their travel choices over time.

But there are several other long-term growth trends. Consumer focus on wellness is here to stay. Bleisure is here to stay. Travel businesses must have a strategy to cater to the evolving needs of travellers in these areas if they want to capture demand from these significant audiences.

They should also be aware of the opportunities that exist from significant groups, whether that is animal lovers, solo travellers, families, or those following sports, music or food-focused events, and how to benefit from them.

Technology will of course be key to staying ahead of these trends and taking advantage of those that fit the strategy of each individual business. But this report reminds us that we must never forget to keep the human touch at the heart of how we implement technology.

Beyond smart use of tech, hotels and those within the wider travel industry will need the ability to be nimble, to adapt to ever-evolving trends. Having partners with scale, breadth and variety, as well as deep-seated expertise, will be an important factor.

For those who embrace this, travel will continue to reward in 2024 and beyond.

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