



Visa Global Travel Intentions Study 2015

EXECUTIVE SUMMARY | Prepared by Millward Brown



The Visa Global Travel Intentions Study 2015 was commissioned by Visa to Millward Brown. The study was conducted with 13,603 travellers*, aged 18 years and above across 25 countries/regions in January and February 2015.

Regions included in the study

- › AFRICA & MIDDLE EAST: Egypt, Kuwait, Morocco, Saudi Arabia, South Africa, United Arab Emirates
- › AMERICAS: Brazil, Canada, Mexico, United States
- › ASIA PACIFIC: Australia, Hong Kong, India, Indonesia, Japan, Korea, Mainland China, Malaysia, Singapore, Taiwan, Thailand
- › EUROPE: France, Germany, Russia, United Kingdom

Fieldwork Methodology

Interviews were conducted online, with the exception of Egypt, Kuwait, Morocco and Saudi Arabia where interviews were done face-to-face with the assistance of laptops.

Sub-group Definition



› **AFFLUENT:** Respondents who fall into the income bracket listed in the Appendix of this report are classified as 'Affluent'



› **MILLENNIALS:** Travellers aged 18-35 years old



› **SUPERBOOMERS:** Travellers aged 45 years old and above



› **SOLO TRAVELLER:** People who chose to travel by themselves throughout the whole journey in their most recent leisure trip

*Have either travelled in the past 24 months or intend to travel in the next 24 months for business/leisure (non-domestic travel only).



Foreword

The travel and tourism industry continues to play a significant part to global economies. According to the World Travel and Tourism Council (WTTC), travel and tourism generated US\$7.6 billion in 2014 - 10 percent of global GDP. This is expected to grow by 3.7 percent in 2015. There were almost 1.14 billion international tourists arrivals in 2014 and with visitor spending matching that growth, this industry remains an exciting one with significant opportunities for the world's largest industries.

Considering the scale of the industry, it is vital to analyze and understand the travel behavior and tourism spending patterns of these global travellers to help unlock the potential this industry presents to developed and emerging economies alike. Tourism provides a gateway to economic progress by helping to grow revenue, promote job creation, and accelerate infrastructure development. And with increased acceptance of reliable and secure electronic payments, every traveler who uses a card to pay or buy goods and services is exponentially contributing to growth.

The Visa Global Travel Intentions Study has been regularly updated and published since 2006, and this latest installment is showing that with greater options, leisure travel is touching a wider mass. Regardless of economic or political highs and lows, leisure travellers are still optimistic about their future plans. This latest 2015 global update is part of Visa's continued commitment to helping industry players, including governments, in their pursuit of growth of the global travel and tourism industry.

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THE SOLO TRAVELLER

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TECH SAVVY TRAVELLER

6

PAYMENT CHOICES OF LEISURE TRAVELLERS



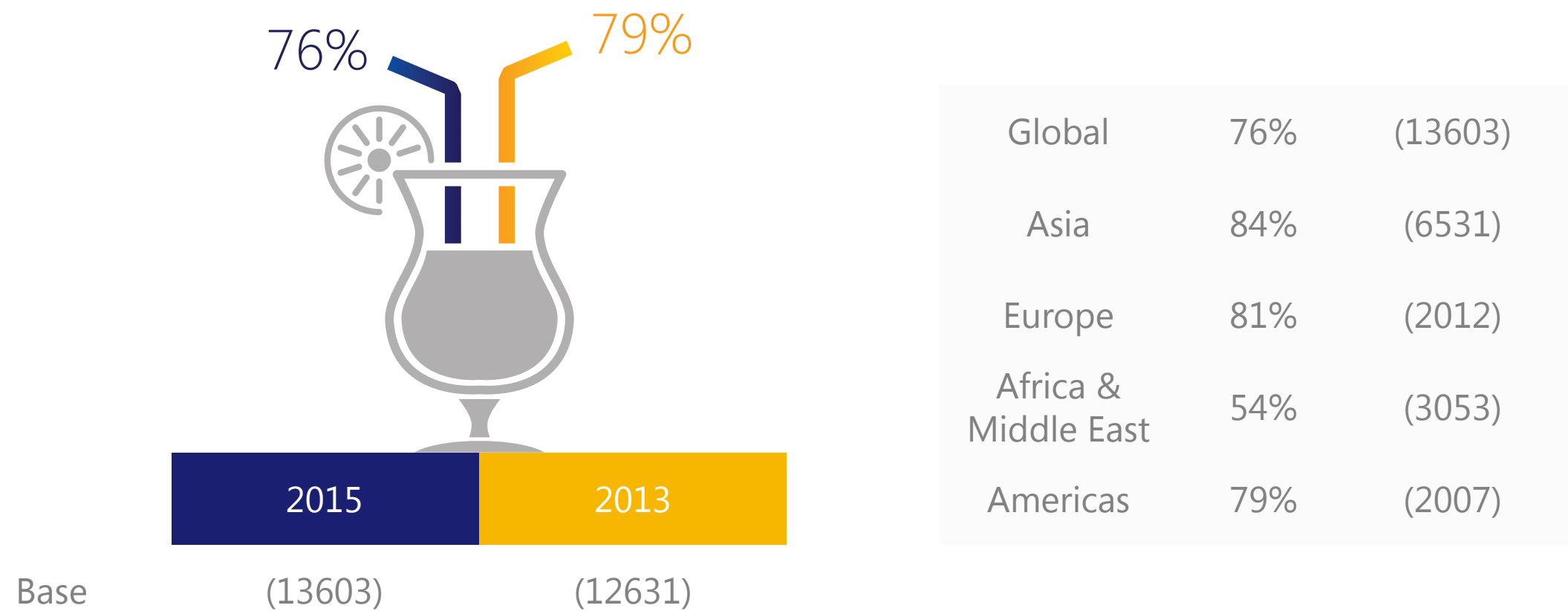
Shifts and changes: current and future macro trends in leisure travel



Leisure travel touches a wider mass

All regions - except for the Middle East and Africa - indicate they travelled more in the past two years as compared to the global average.

Travelled in past two years for leisure



Average no. of leisure trips made in the past two years

With more new travellers joining the fold, the average number of leisure trips taken per traveller is experiencing a small decline.

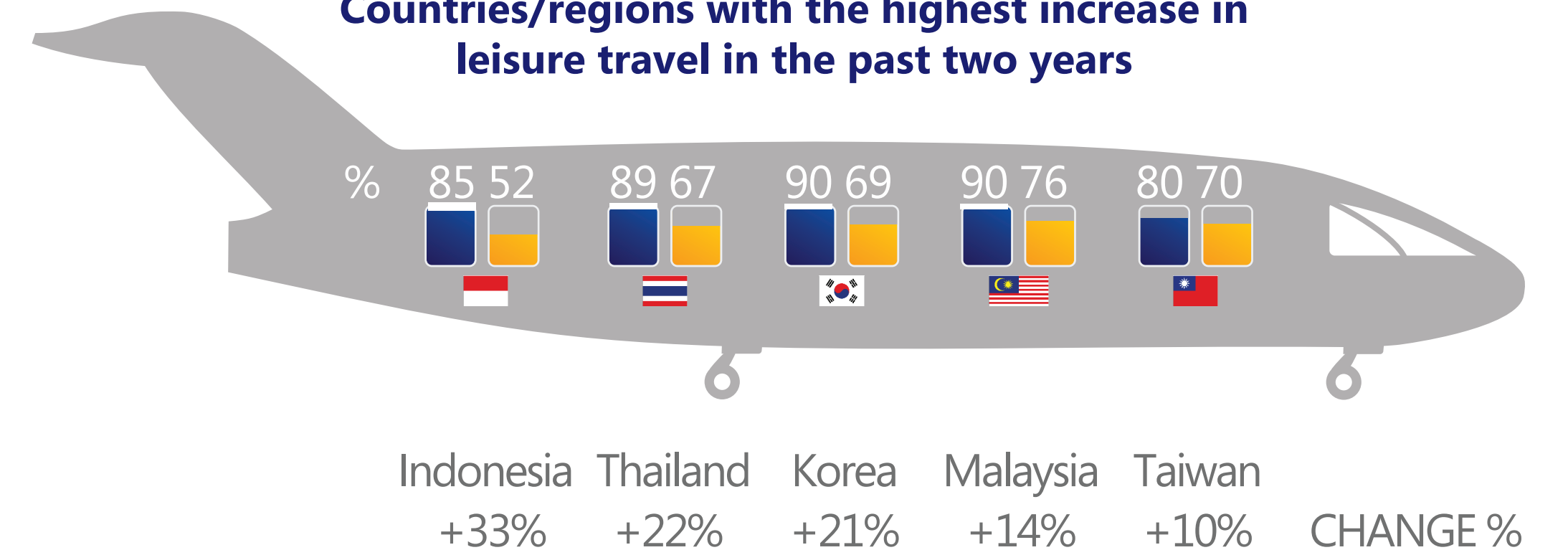


People around the world kept travelling more than ever before this year despite wars, terrorist attacks and a growing fear of pandemics as well as diverging economic conditions. The number of outbound trips increased by a robust 4.5 percent over the first eight months of 2014 and the prospects are bright for next year as well.

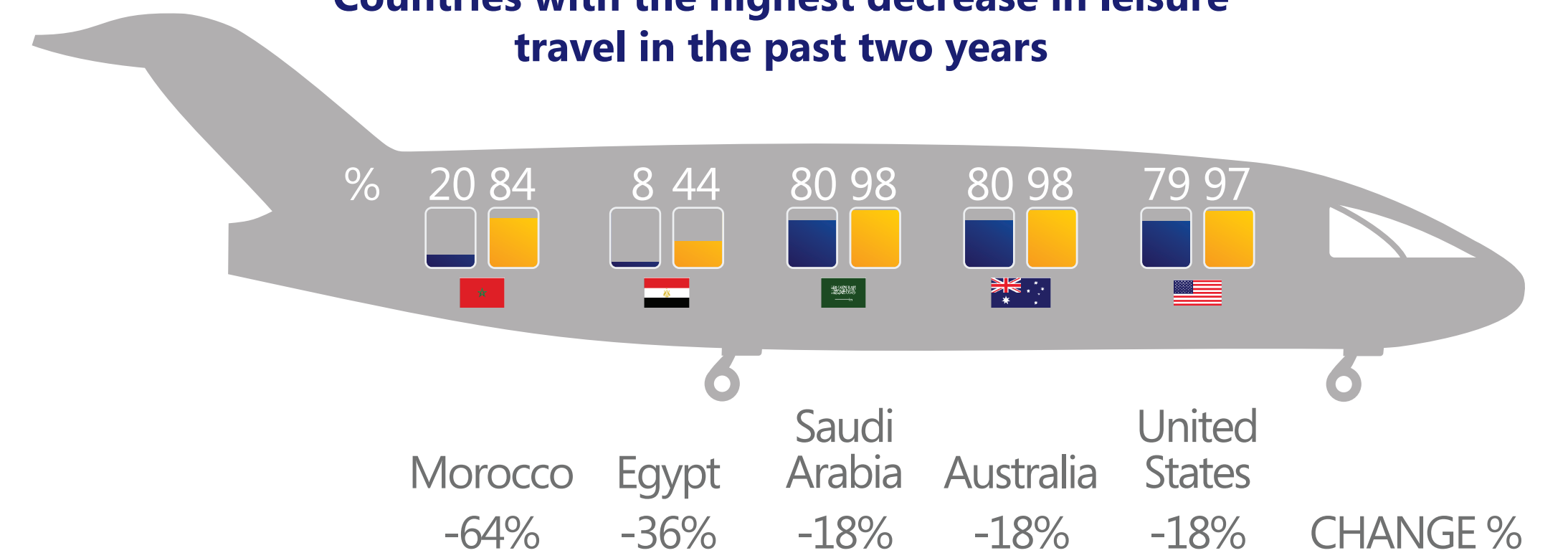
Source: ITB World Travel Trends Report 2014/2015

The increase in outbound travel comes from Southeast and North Asian countries/regions. Countries in the Middle East and North Africa had the largest decline in outbound travel. This is likely due to instances of political and economic instability in the region.

Countries/regions with the highest increase in leisure travel in the past two years



Countries with the highest decrease in leisure travel in the past two years

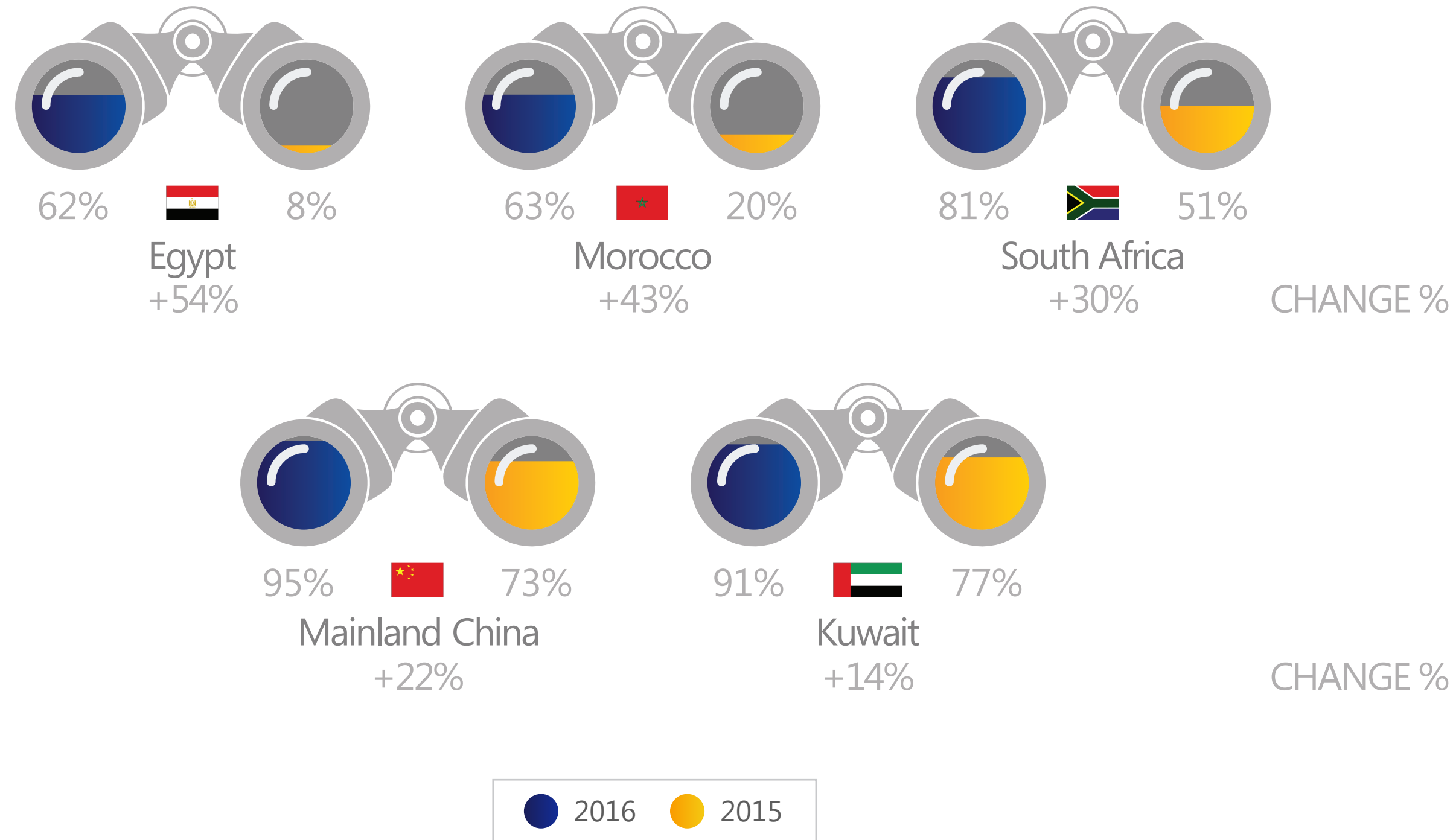


● 2015 ● 2013

Optimistic about the future

Travellers from Middle East and Africa are feeling optimistic about future travel with one in two intending to take a holiday in the next one year.

Countries with the highest increase in leisure travel in the next one year



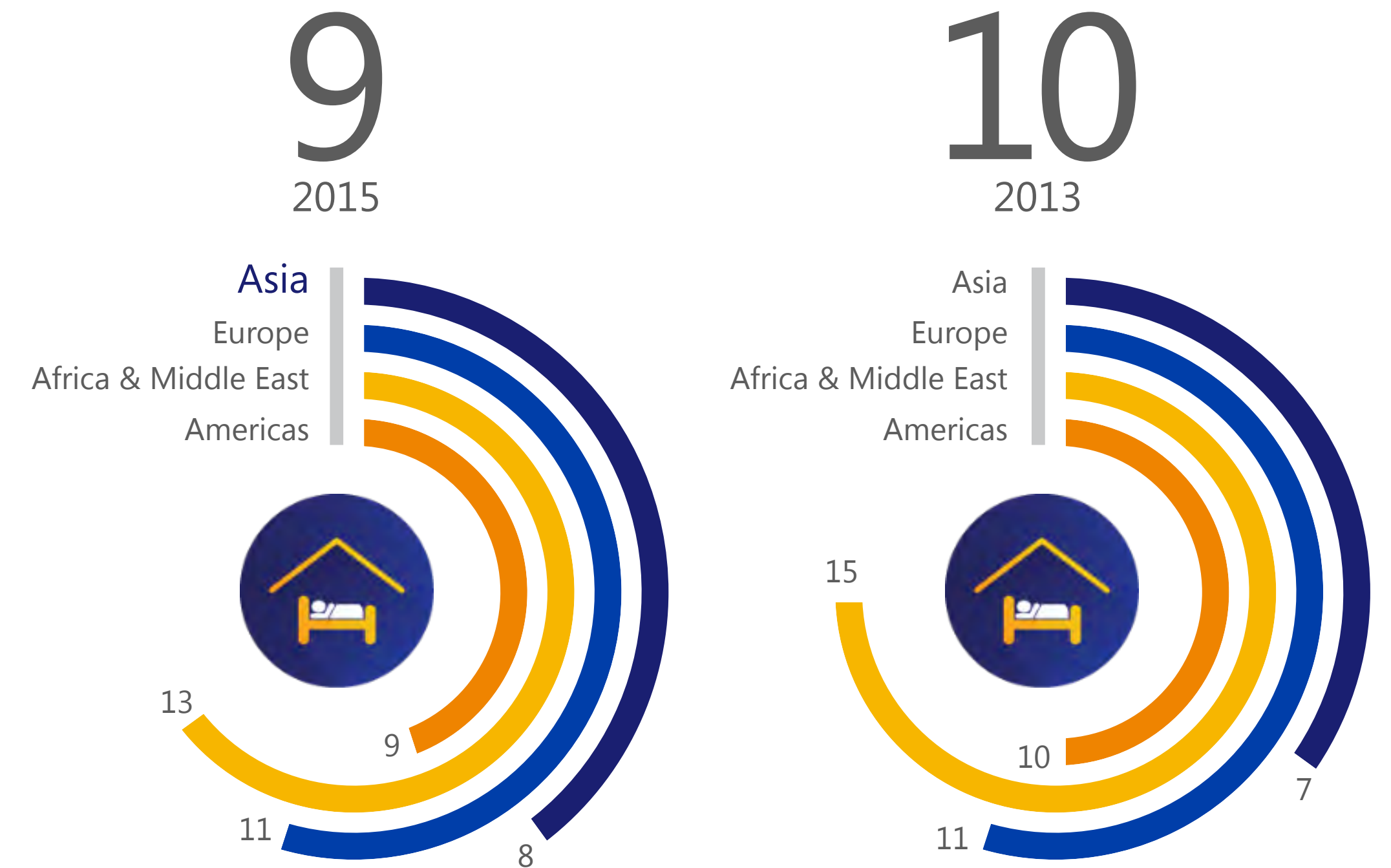
In Egypt and Morocco, this optimism is driven mainly by Millennials aged 25-35 years old. In South Africa, Superboomers aged 45 and above are showing more enthusiasm in travelling in the next one year.



Trip length

Globally, the average length of a holiday declined in 2015. Travellers from Asia were the only group that increased their average stay.

Average number of nights spent in most recent overseas leisure trip



	Asia	Europe	Africa & Middle East	Americas
2015 Base:	(5463)	(1622)	(1637)	(1587)
2013 Base:	(4292)	(1784)	(2283)	(1650)

Budgets are tighter

Travellers are tightening their belts, resulting in a general decline in leisure travel spend. Over half of the countries/regions surveyed have either maintained or decreased their travel expenditure. On a brighter note, almost all countries/regions with the exception of the current top three spenders – Saudi Arabia, Egypt and China, are expecting to spend more in their next holiday. Below are the median travel budgets per trip as reported by travellers.

Top five spenders in 2015



Saudi Arabia	Egypt	Mainland China	Brazil	Australia
\$5866	\$4917	\$4780	\$3942	\$3603
(370)	(31)	(716)	(330)	(374)

Top five increase in spending between 2013 and 2015



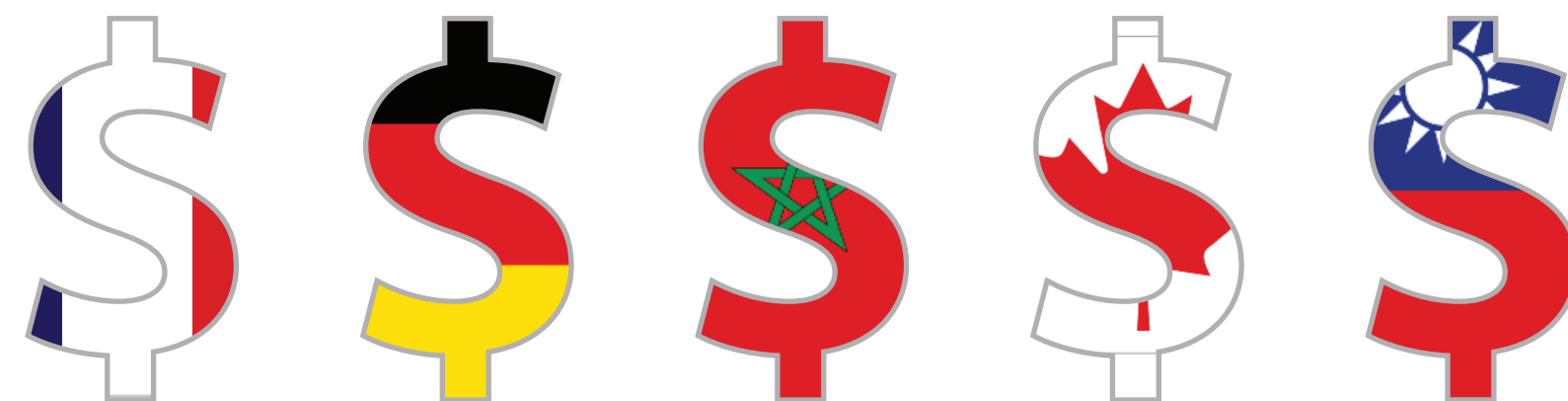
Egypt	Brazil	Mexico	Indonesia	Mainland China
+100%	+33%	+30%	+30%	+25%
(31)	(330)	(376)	(413)	(716)

Bottom five spenders in 2015



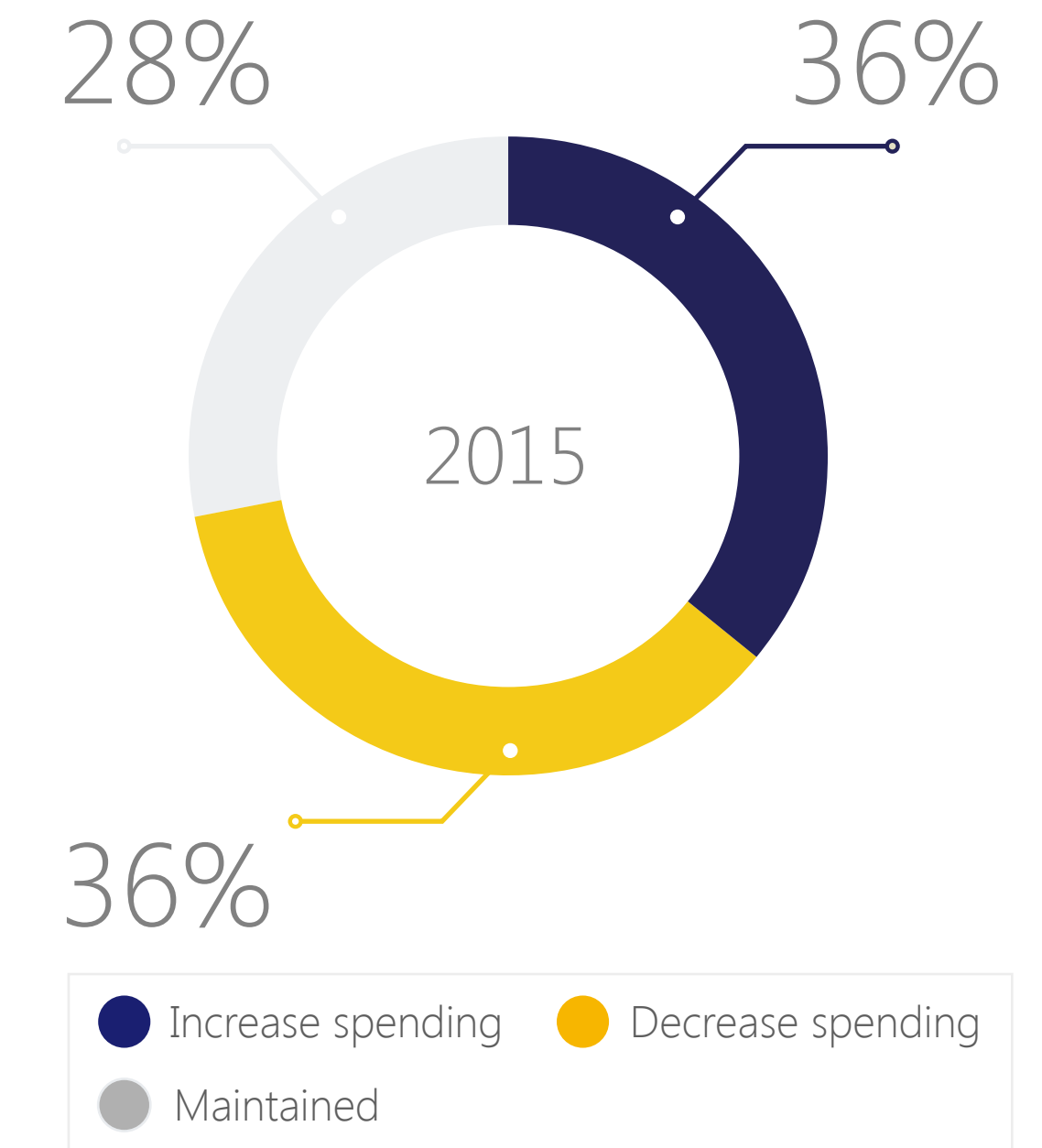
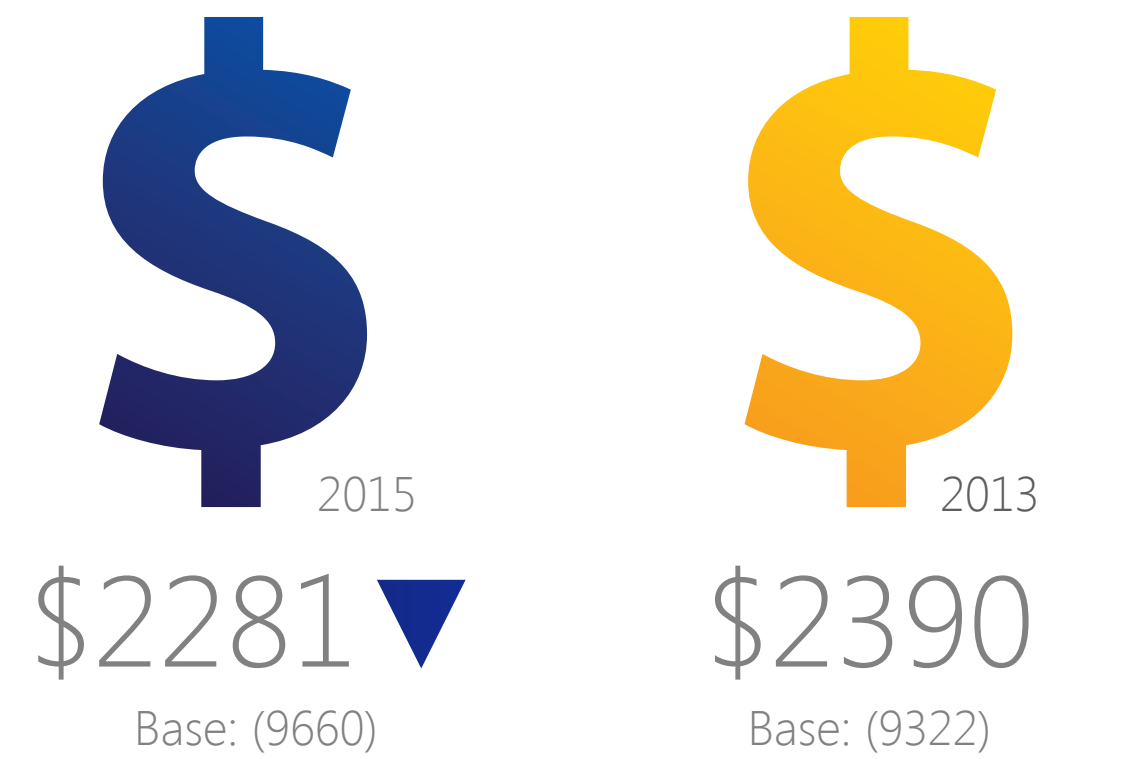
Malaysia	Hong Kong	UK	Germany	France
\$1145	\$1290	\$1297	\$1297	\$1297
(449)	(462)	(417)	(389)	(357)

Top five decrease in spending between 2013 and 2015



France	Germany	Morocco	Canada	Taiwan
-33%	-33%	-25%	-20%	-20%
(357)	(389)	(94)	(377)	(392)

Median amount spent in most recent overseas leisure trip



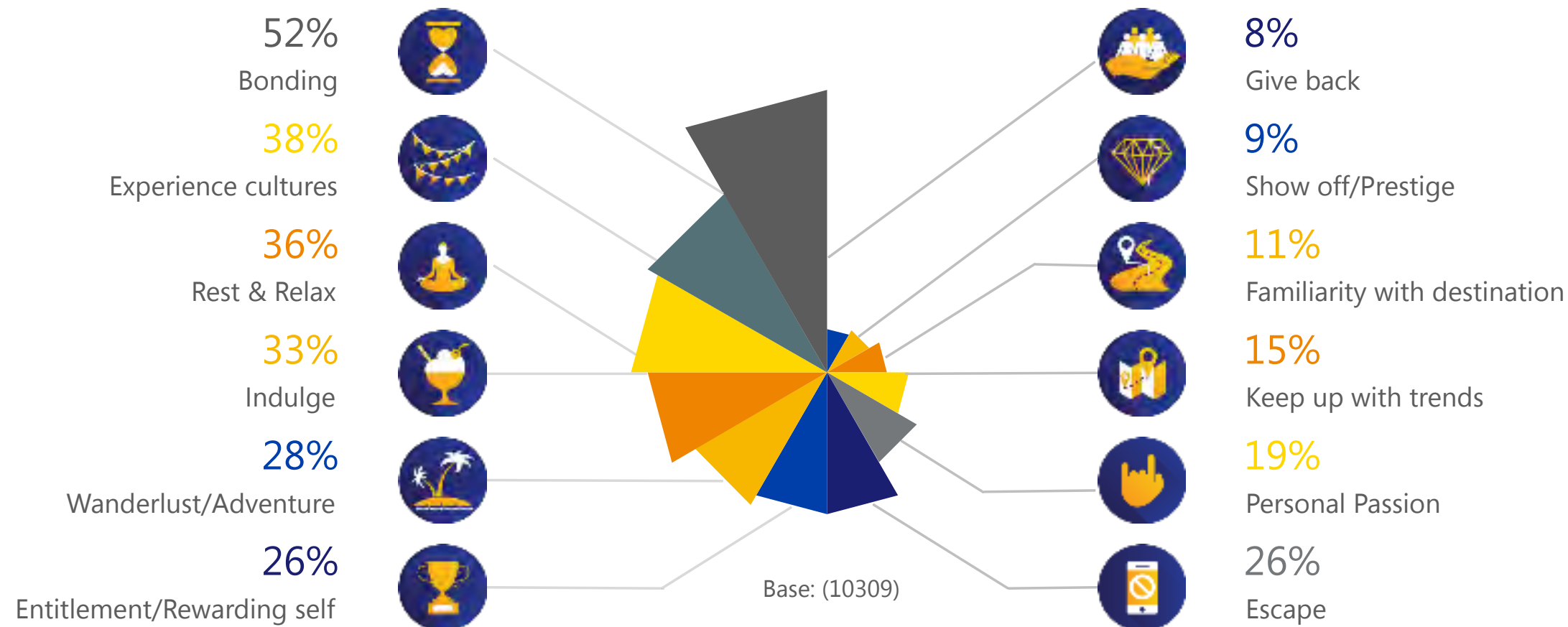
Motivations and inspirations of travel

Common triggers for holidays include family vacations, annual scheduled getaways and taking time off to de-stress. Hence, key motivations for leisure travel today is a balance of bonding with loved ones, experiencing new cultures and to rest and relax.

Triggers / source of inspiration for most recent overseas leisure trip



Motivations for most recent overseas leisure trip



DID YOU KNOW?

Superboomers (those aged 45 and above) have a strong need for bonding through travelling. Three out of four Superboomers had a travel companion in their last holiday.

Status and luxury travel is increasingly important. 16 percent of travellers in 2015 (almost double of 2013) cite this as the key motivation for their next holiday.

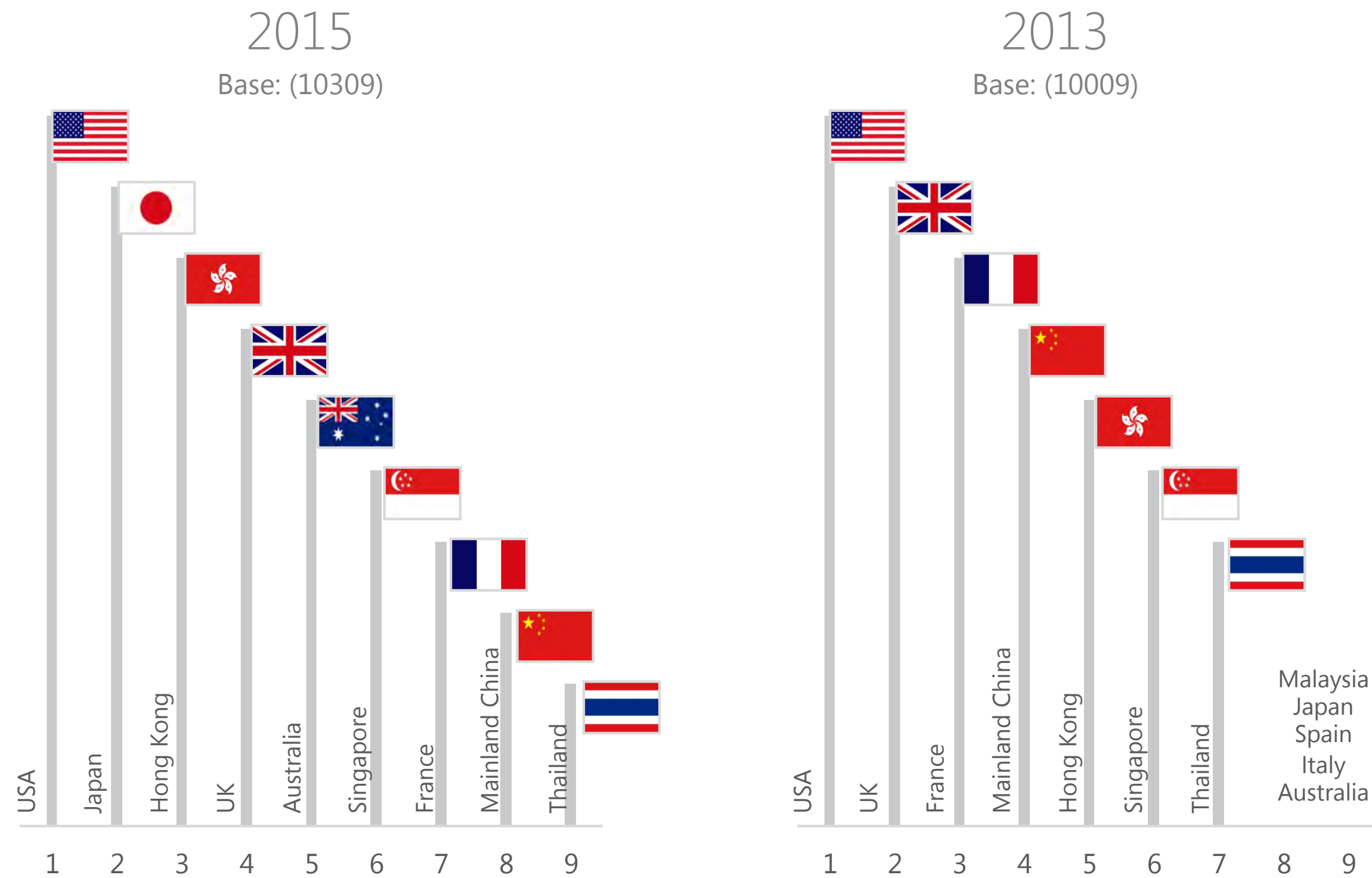
Being able to pursue their personal passion through travelling is one of the top three motivations for Brazilians when they travel.



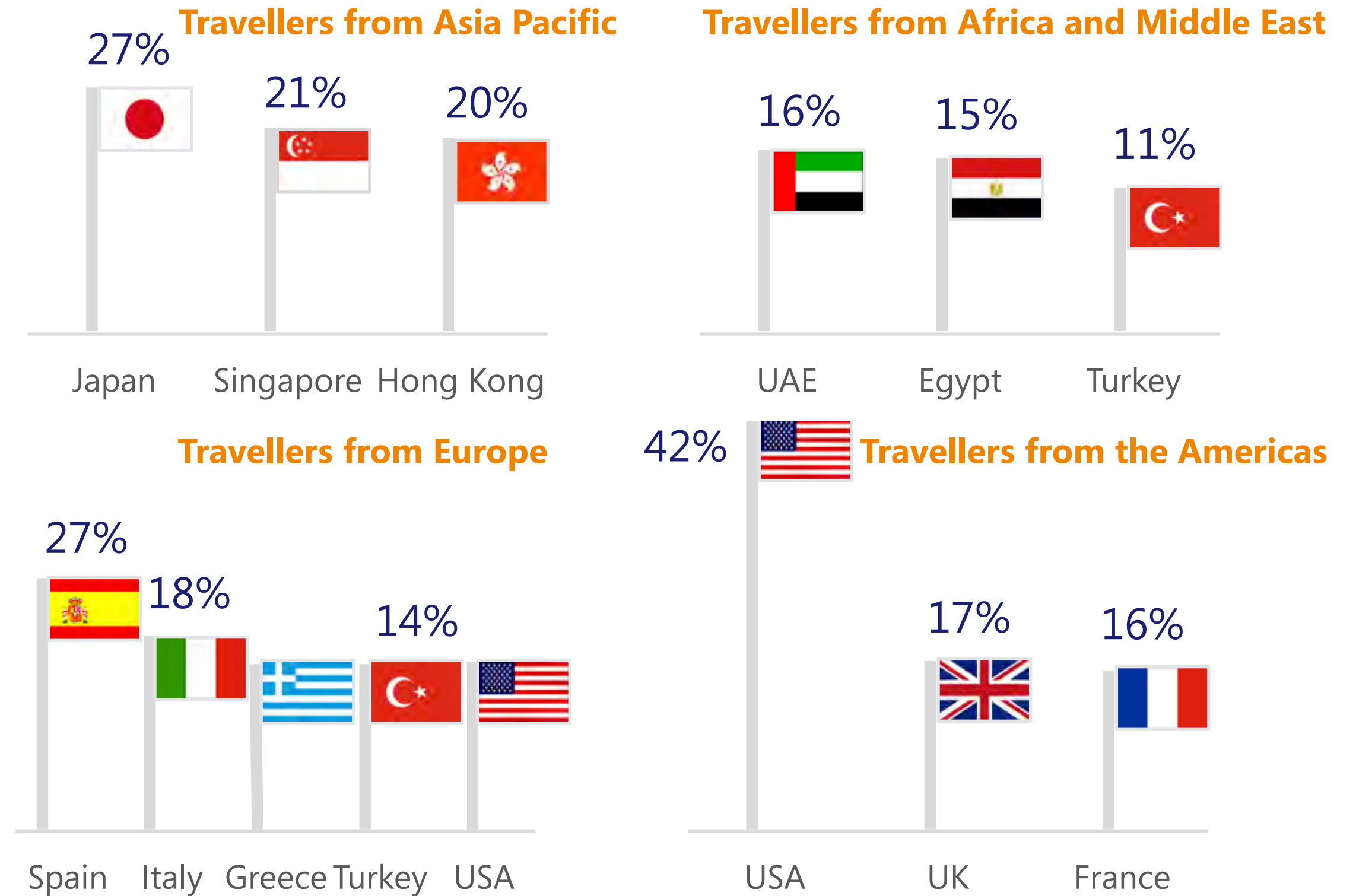
Intra-regional travel dominates and USA is still the top choice

Intra-regional travel is still the most popular. Whilst the USA remains the number one place to go, some European mainstays such as France and the UK are giving way to Asian destinations like Japan in 2015.

Most visited destinations in the past two years



Top three destinations by travellers from each region in the past two years



DID YOU KNOW?

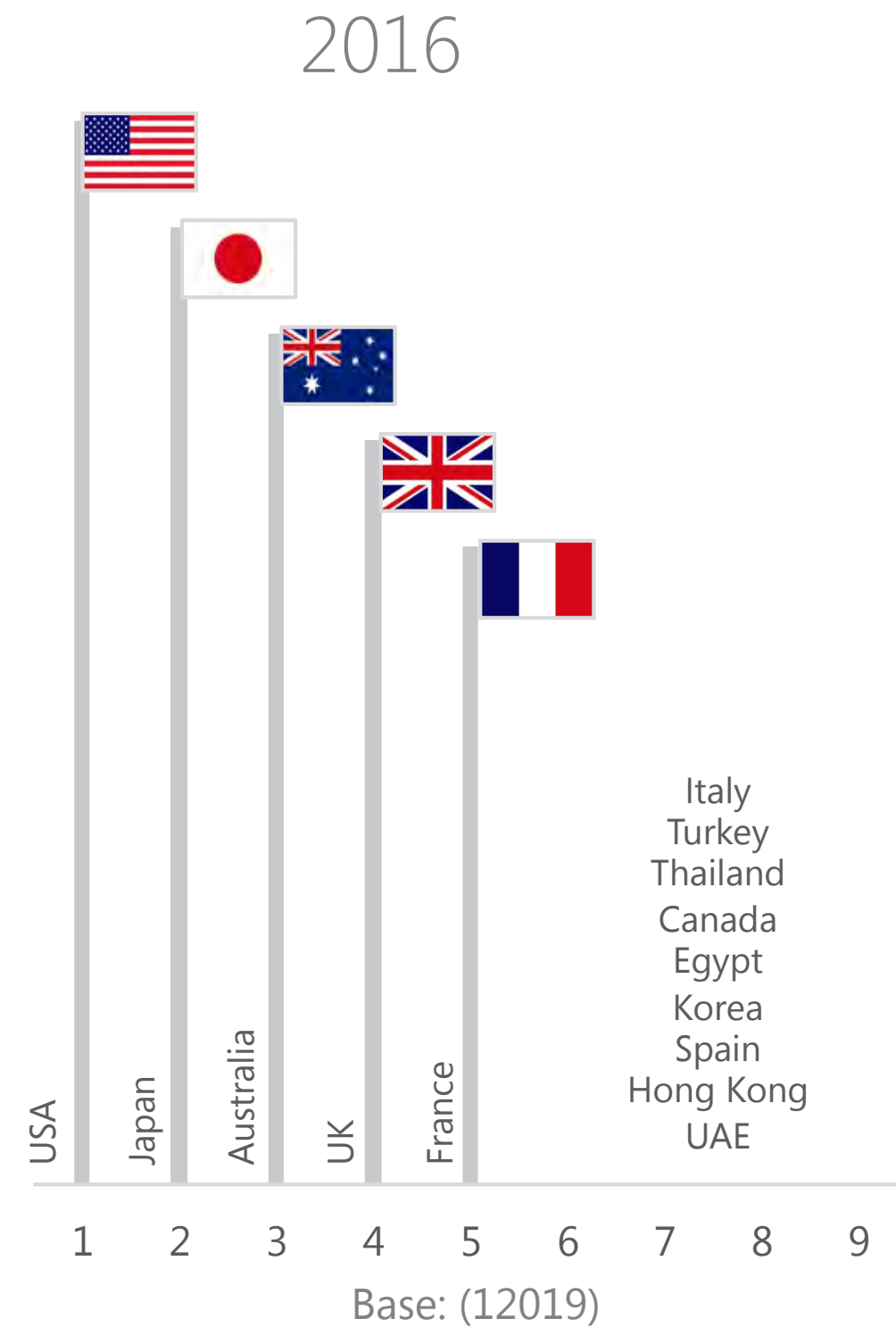
The environment and types of activities available to travellers are what made USA, Japan, Hong Kong, UK and Australia the top five destinations in 2015.



Future outlook of travel destinations

European destinations still appear to be popular for future travel. Whilst travellers from Asia aspire to travel further to the West in the future, travellers from the Americas are intending to stay within the region.

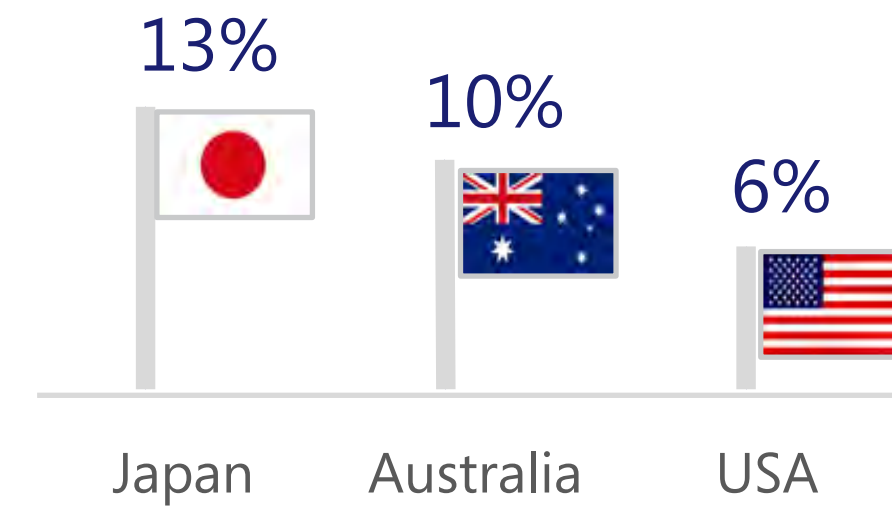
Top 10 destinations in the next one year



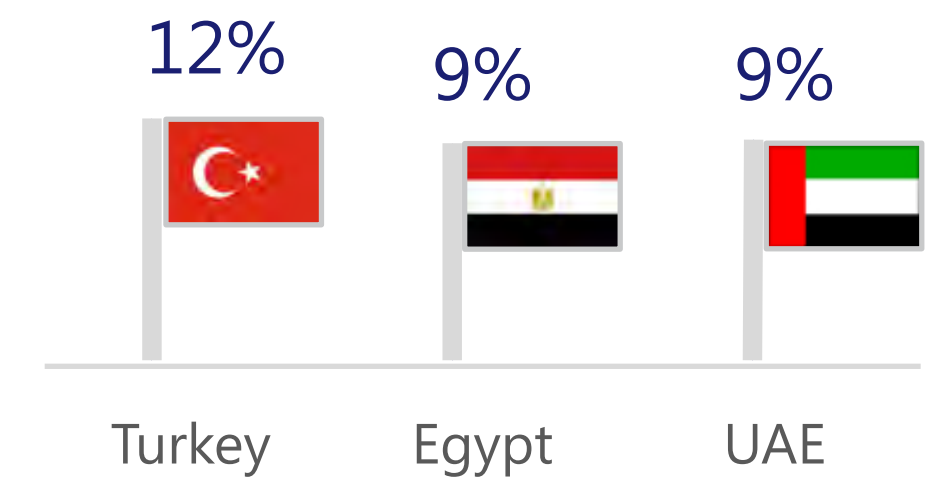
The outlook for European destinations is positive and could be driven by expectations of further depreciation of the Euro.

Top three destinations in the next one year

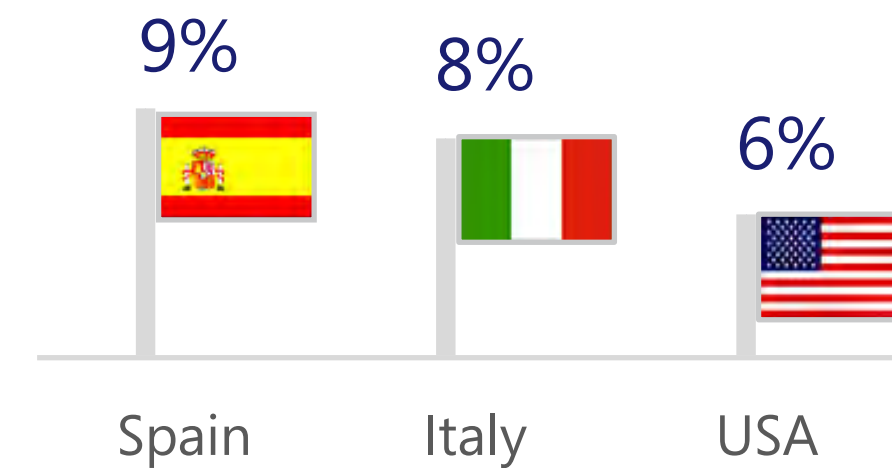
Travellers from Asia Pacific



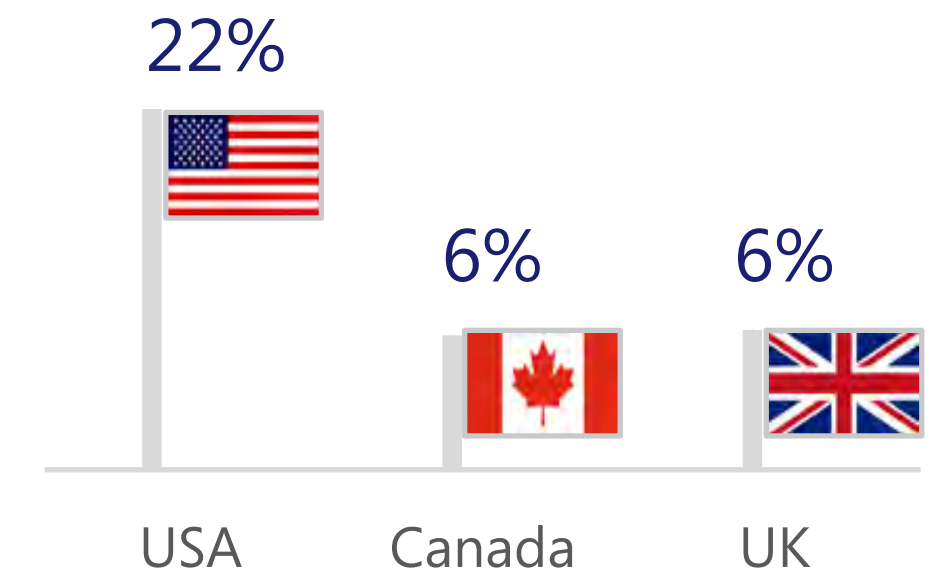
Travellers from Africa and Middle East



Travellers from Europe



Travellers from the Americas



DID YOU KNOW?

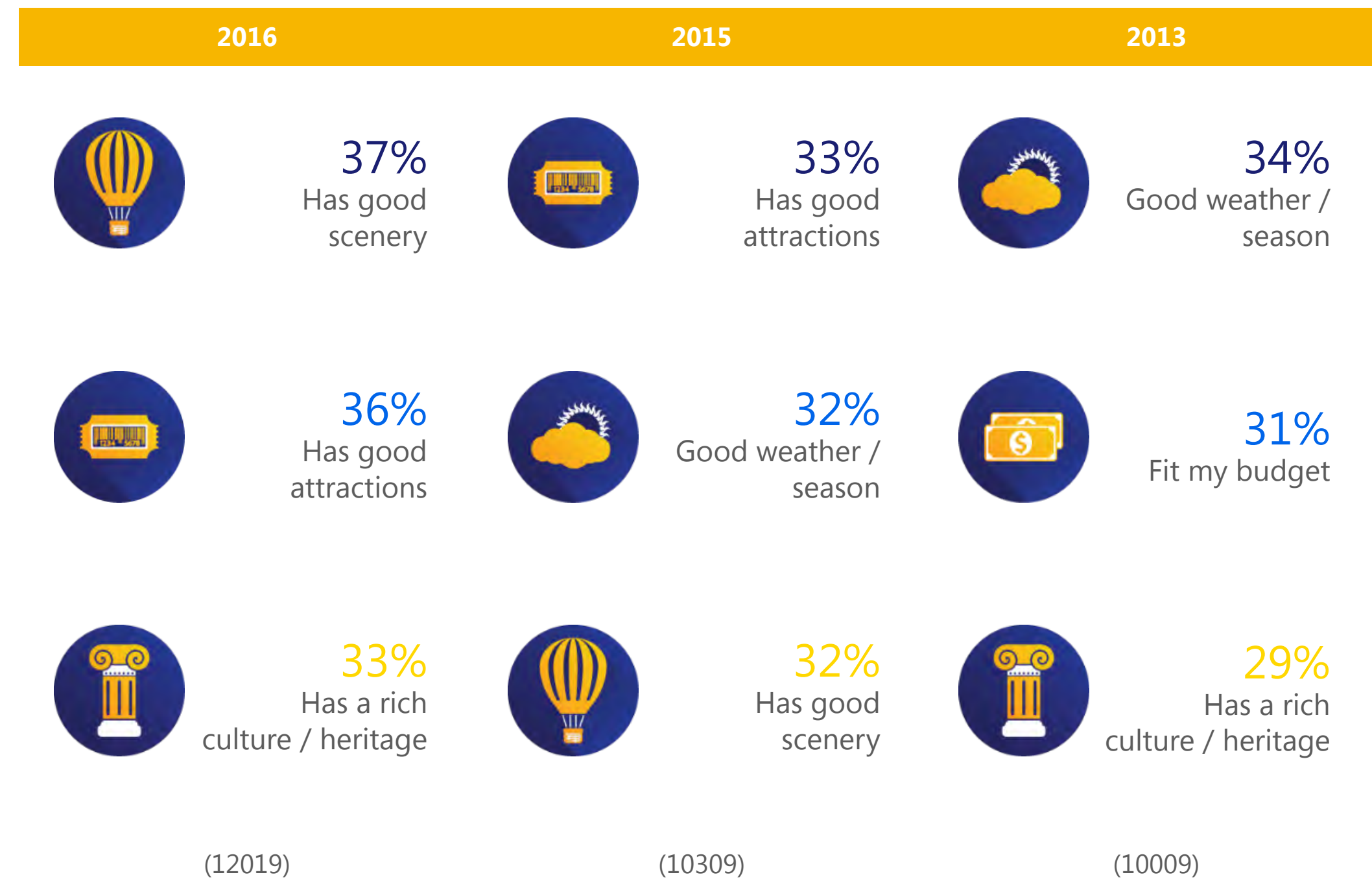
Travellers from Russia love to travel to Europe and Middle East countries. They are also the largest source of tourists for Turkey and Egypt.



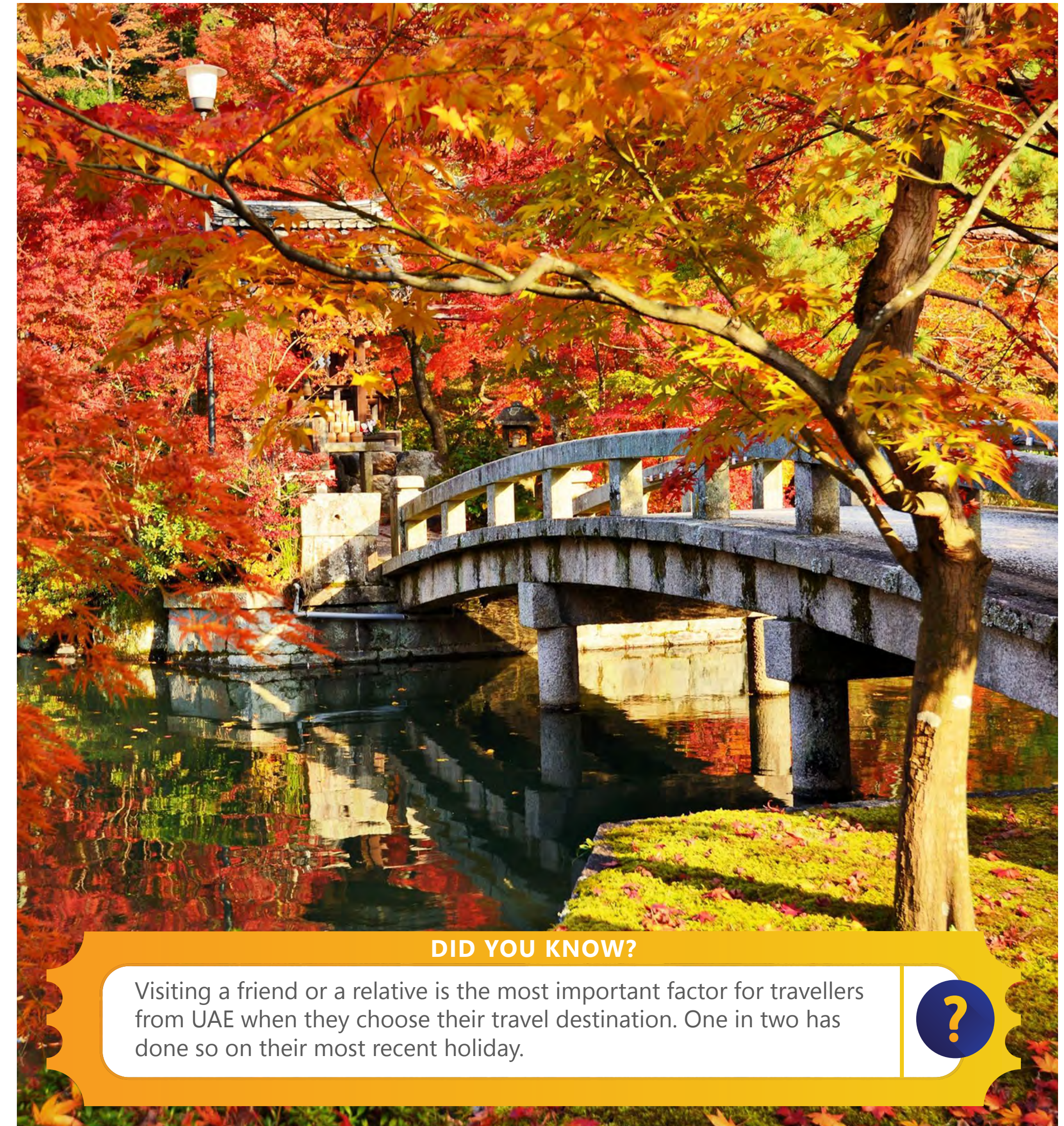
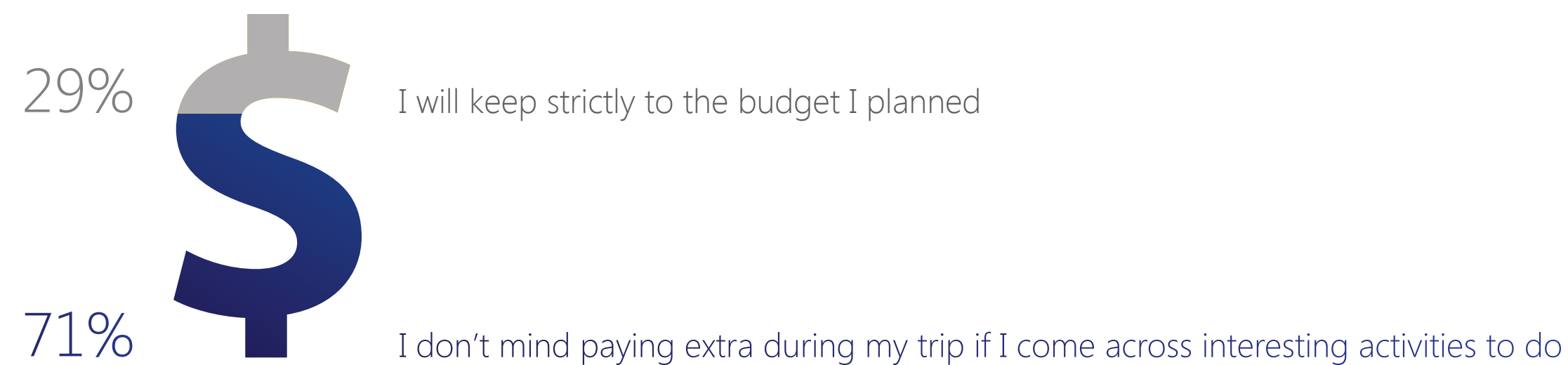
Good scenery and attractions lure travellers

Despite budget being one of the key factors in determining their travel destination, travellers are increasingly prioritising good scenery and attractions.

Top three reasons for destination choice



Budgeting approach



DID YOU KNOW?

Visiting a friend or a relative is the most important factor for travellers from UAE when they choose their travel destination. One in two has done so on their most recent holiday.





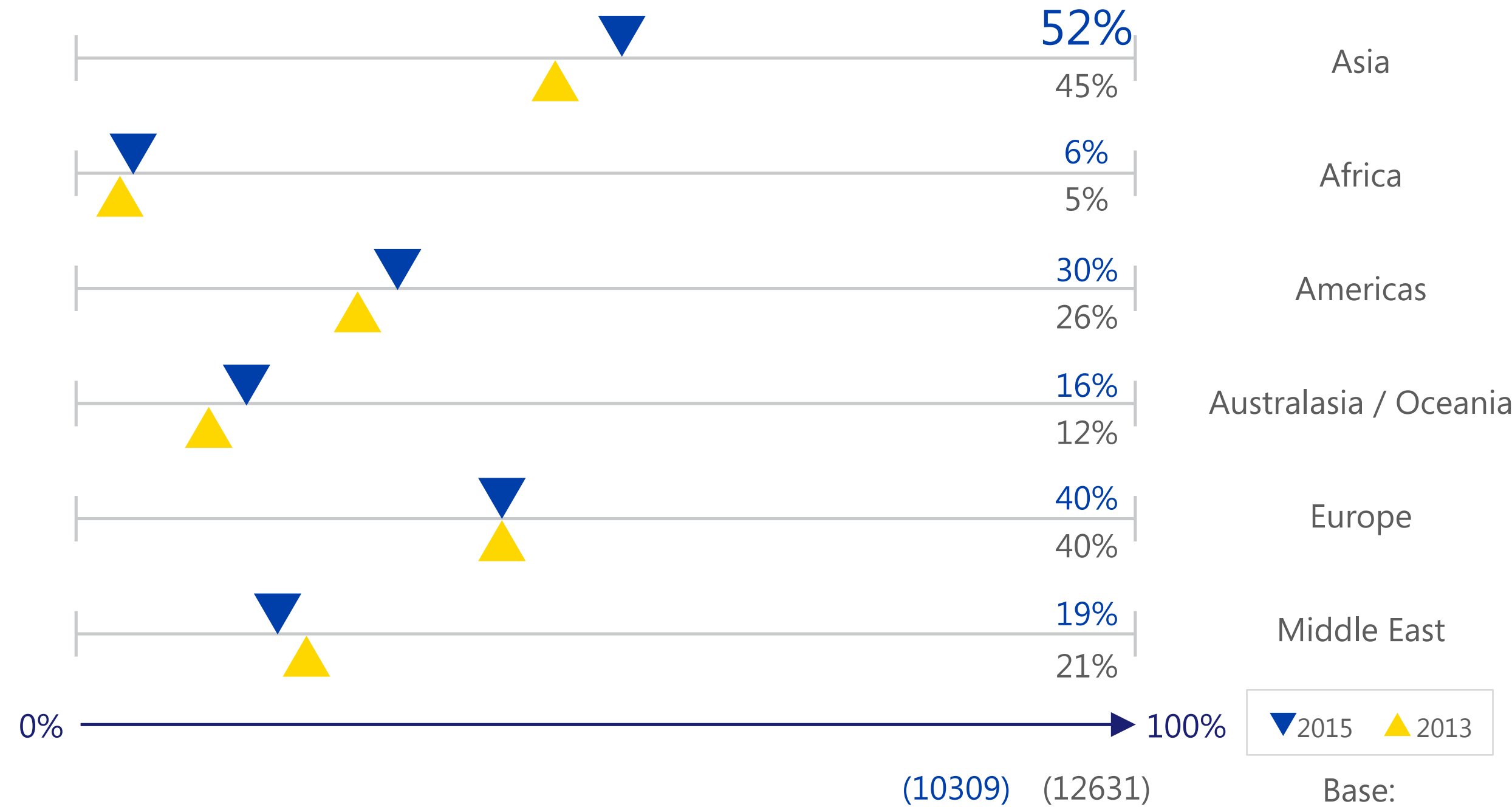
Asia on the rise: Asia's appeal to travellers and a focus on the Chinese traveller



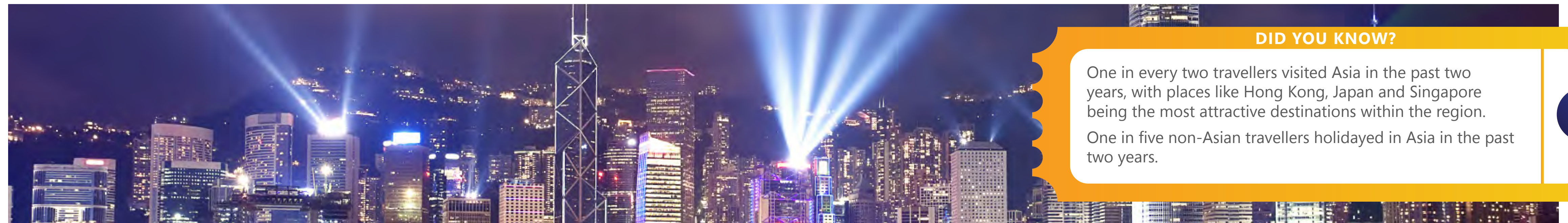
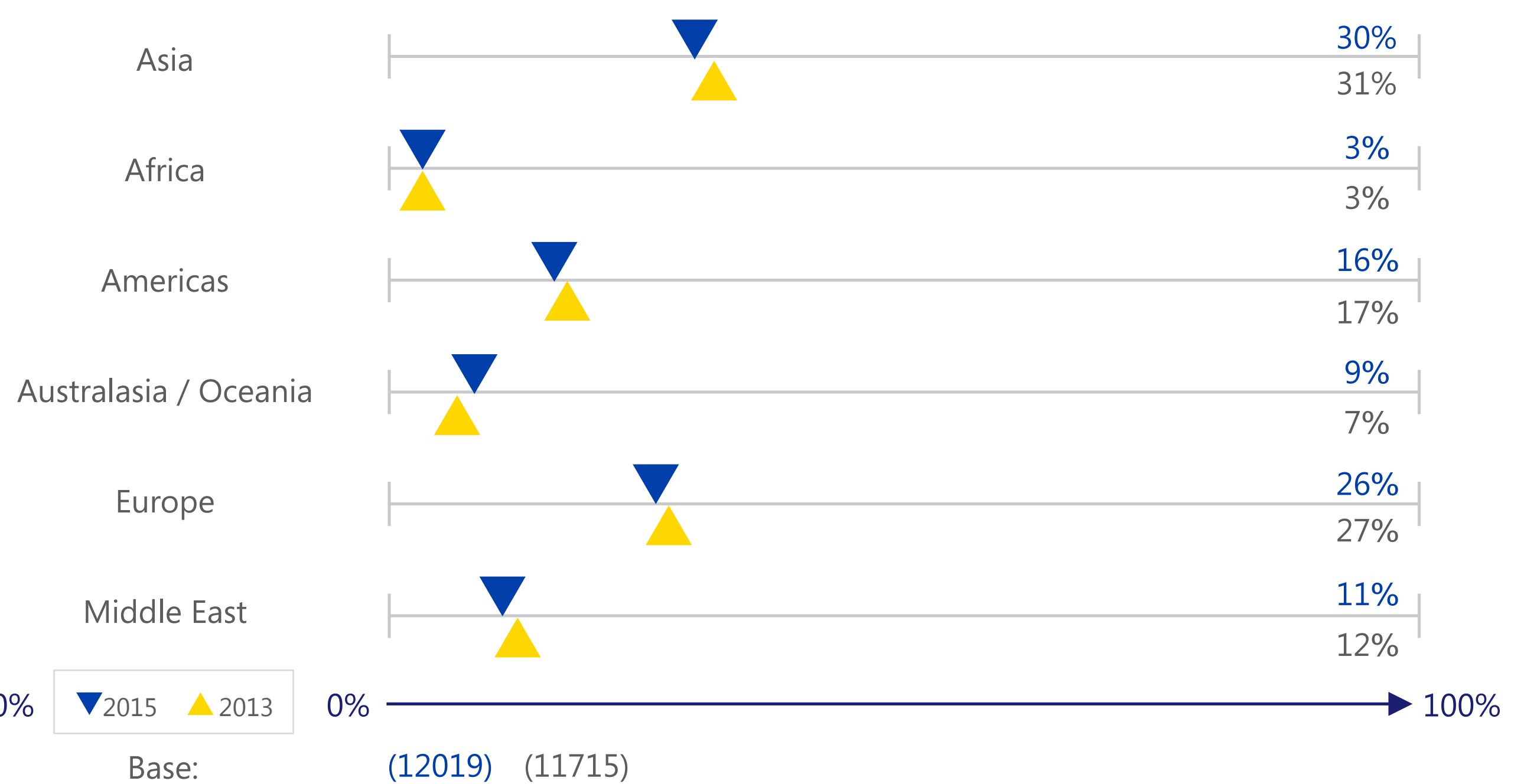
Popularity of Asian destinations

A rising amount of intra-regional travel amongst Asian travellers is the primary cause of Asia's growing popularity. This trend is supported by the gradual increase of non-Asian travellers such as those from France, Russia and UAE, who are also choosing to holiday in Asia.

Incidence of intra-regional travel in the past two years among ALL travellers



Incidence of intra-regional travel in the next one year among ALL travellers



DID YOU KNOW?

One in every two travellers visited Asia in the past two years, with places like Hong Kong, Japan and Singapore being the most attractive destinations within the region. One in five non-Asian travellers holidayed in Asia in the past two years.



Chinese travellers are willing to spend more

The spending power of Chinese travellers has increased over the past two years.



% change from 2013-2015	2015 (USD, Median)*	Future spend % change
25% ▲	\$4780	-6%



DID YOU KNOW?

Almost one in two Chinese travellers have shopped for luxury goods on their most recent trip.

One in two Chinese travellers have shopped at airport duty free stores.

Chinese travellers love to buy local food specialties as souvenirs. Three in five did so on their most recent holiday.



DID YOU KNOW?

Australia, France and Japan are the top three intended destinations for Chinese travellers in the next one year.

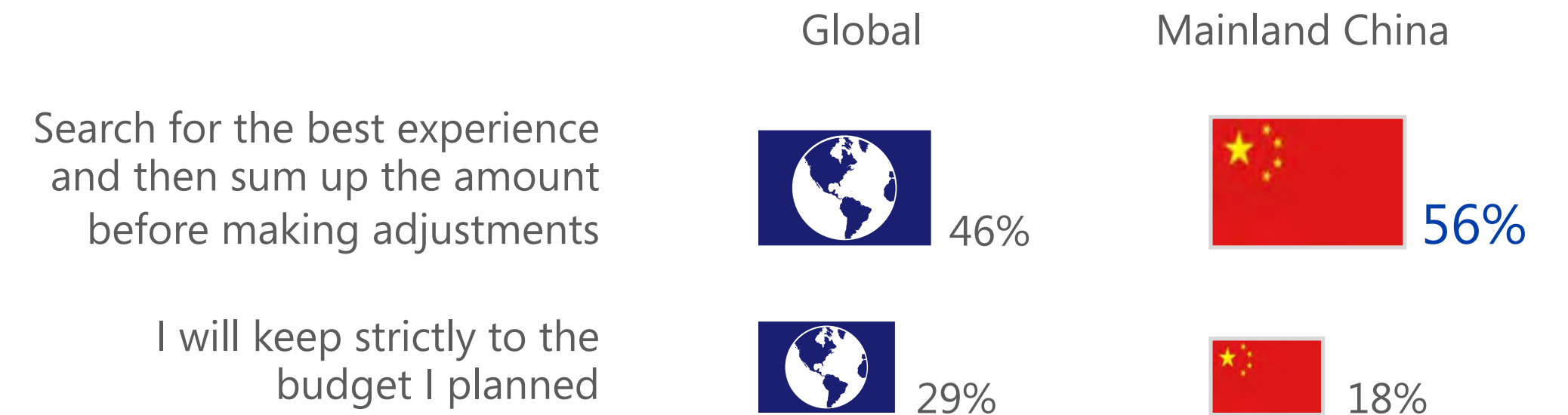


*The value used is median. The 2015 spend data has taken the assumption of constant exchange rate across 2013 and 2015, using 2013 exchange rate.

Experience > Cost

For Chinese travellers, creating the best travel experience is valued more than the actual cost of it. On average, Chinese travellers partake in more activities than the global average.

Budgeting approach



Travel activities

Average no. of activities per trip

3.55

4.36



Visited the local night scene such as clubs, bars, etc.



30%
57%



Trekking / backpacking



16%
27%



Participated in local festivals



20%
28%

● Global ● Mainland China

(10309)

(725)





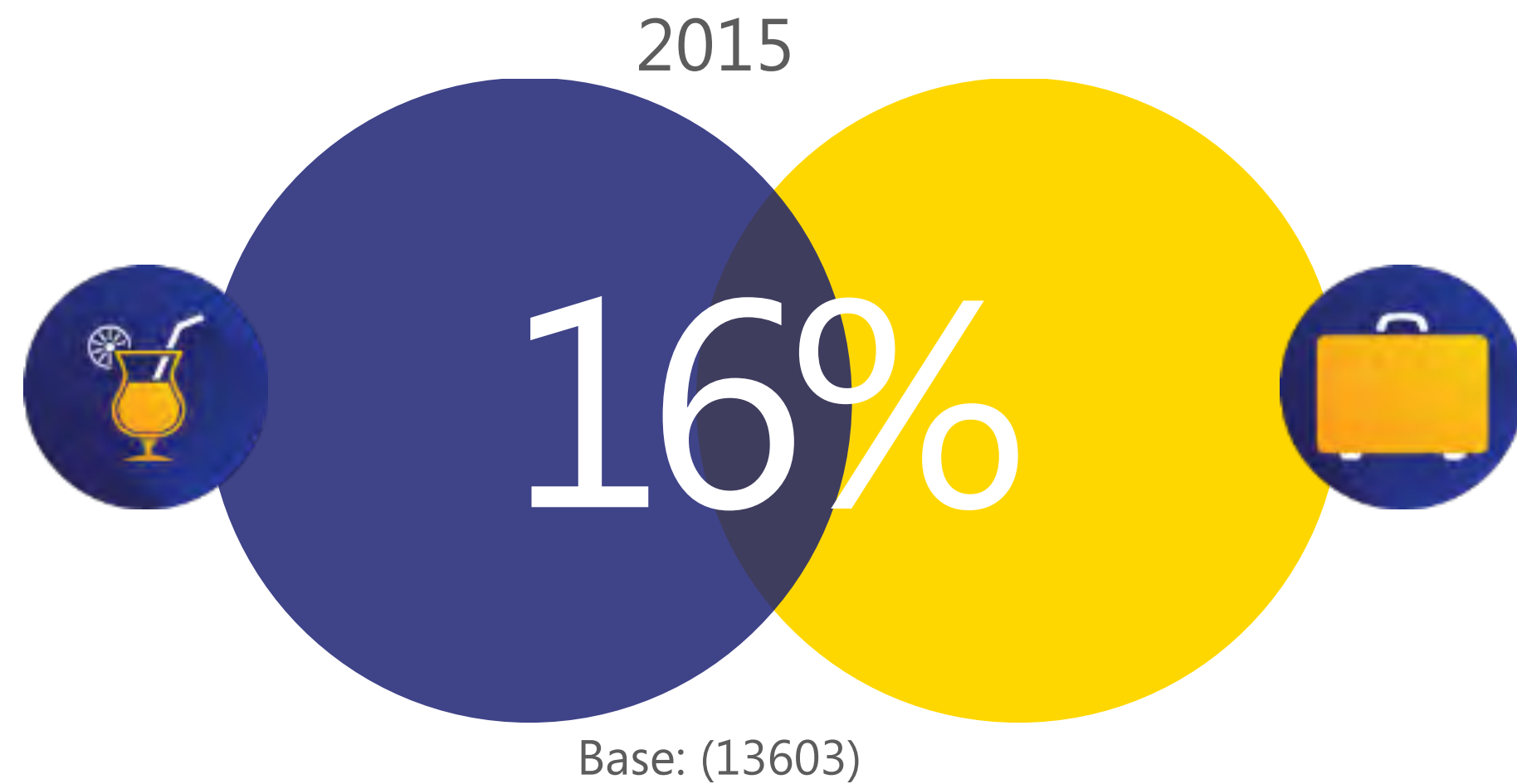
A new breed of traveller: the changing attitudes and behaviours of leisure travellers



Blurring lines between work and play

Travellers are making the most out of their travel budget and time. Almost one in five travellers combined both business and leisure in their most recent trip – the so called 'Bleisure' phenomenon.

Incidence of most recent overseas trip that combines both leisure and business



More than two-thirds of Chinese travellers (67 percent) say they bring a spouse or a family member along on business trips and 59 percent extend business trips to include leisure time. InterContinental Hotels Group (IHG) in South-east Asia also notes a 50 percent rise in bleisure bookings among meeting delegates, who add on a leisure stay pre or post-meeting.

Source: It's a bleisure, TTG Asia, 2012

DID YOU KNOW?

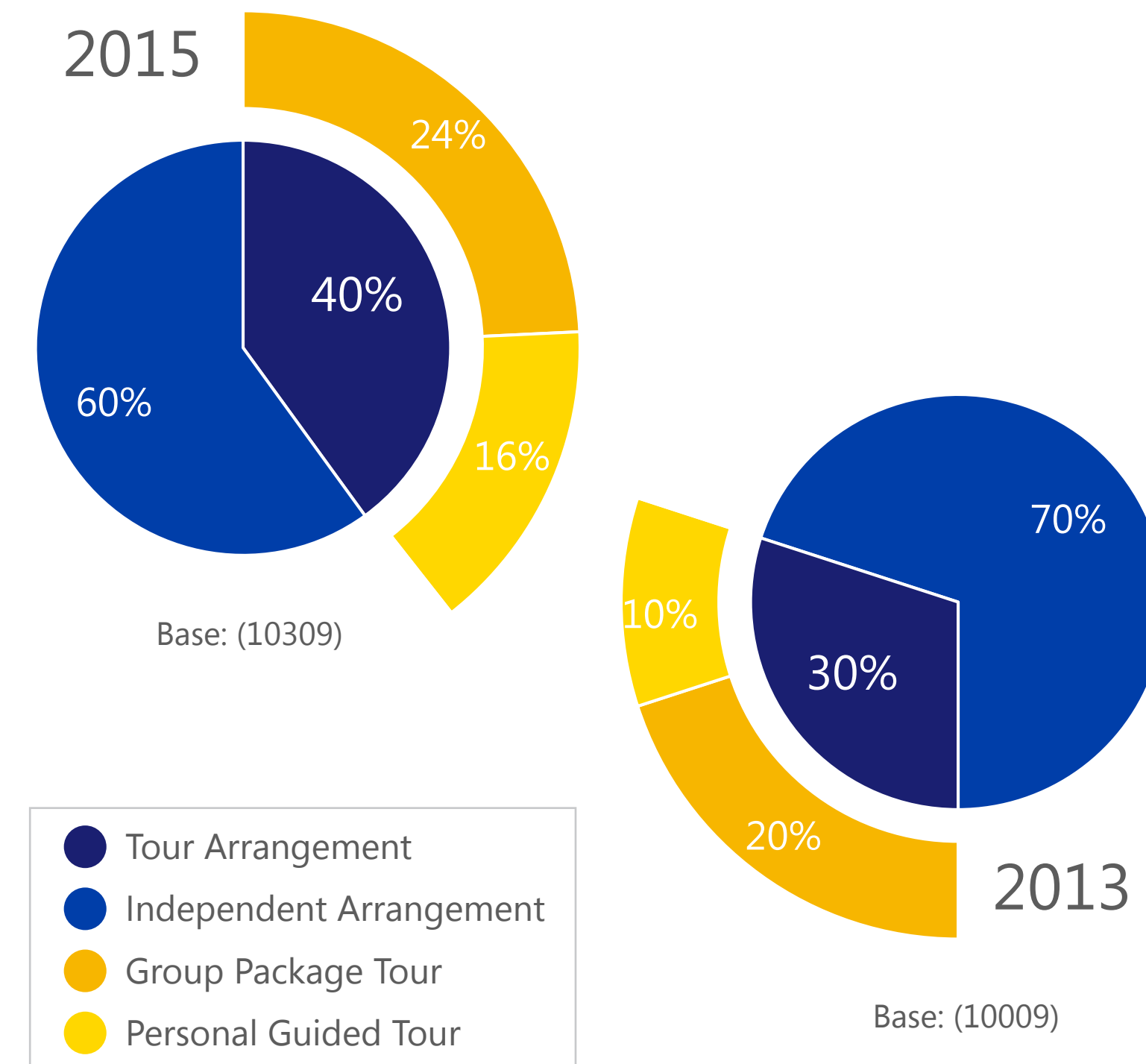
The majority of the 'Bleisure' travellers come from Asia and are young working professionals/executives.
 'Bleisure' travellers spent an average of 10 nights on their most recent trip.
 When choosing accommodation, 'Bleisure' travellers place higher emphasis on safety, accessibility to wifi and uniqueness of the accommodation than a leisure traveller.



Seeking the bespoke

More travellers are striking the middle ground, seeking guidance while still maintaining their independence. Almost one in five opt for personal guided tours and a customised itinerary.

Travel arrangement for most recent overseas leisure trip



No one knows better than the clients themselves what they want. But the tour planner has the experience and knowledge to show what is available and what is possible. Customising also guarantees the traveller a unique experience as they take part in creating the itinerary and making decisions as to the type of programme, pace, and activity level of their journey.

Source: Why are customized tour packages the hot travel trend? Travelpulse.com, 2014

DID YOU KNOW?

Millennials and affluent travellers are showing a growing interest in personal guided tours with nearly one in five opting for this arrangement – compared with one in 10 in 2013.

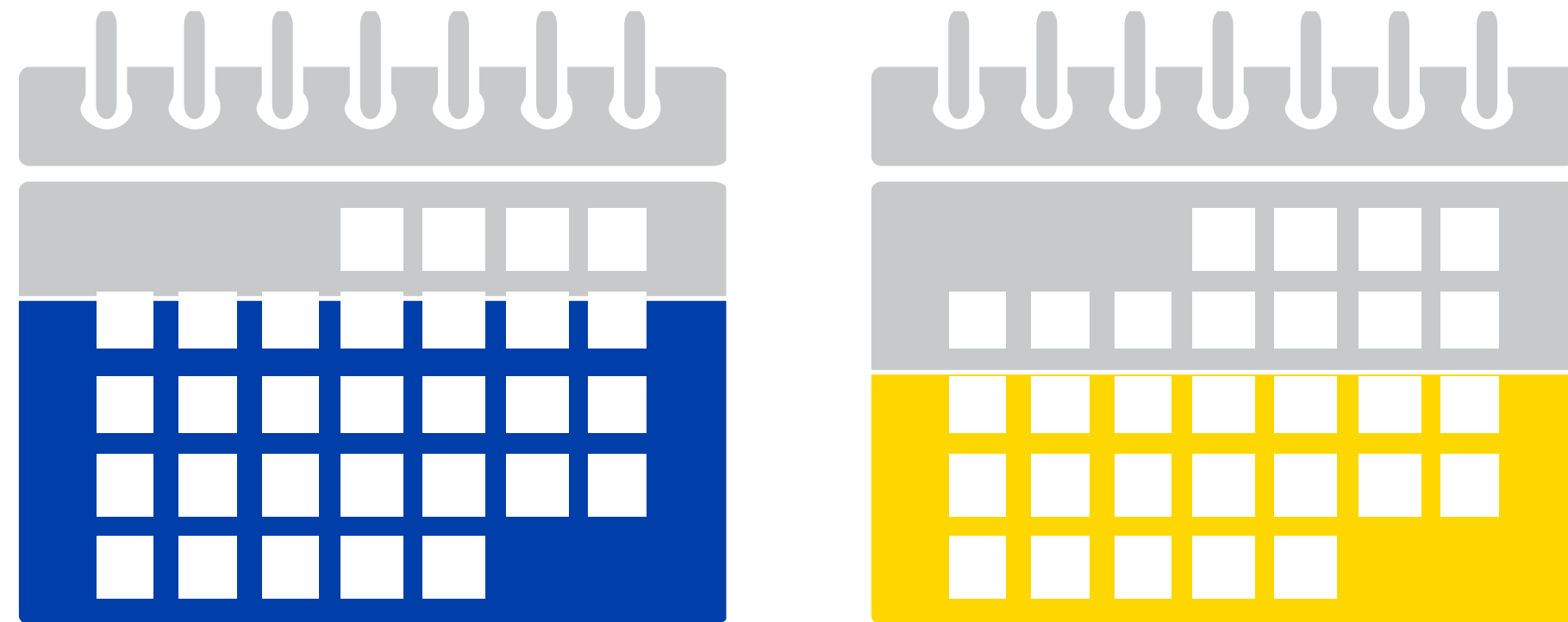


Being spontaneous

Travellers are becoming more spontaneous. One in two planned their last holiday in a month or less.

Time taken to plan travel itinerary for most recent overseas leisure trip

One month in advance or less



2015

53%

Base: (5139)

2013

41%

Base: (7032)

DID YOU KNOW?

Travellers from Egypt, Mainland China and Hong Kong are the top three most spontaneous groups of travellers in terms of planning their travel itinerary.



Disconnecting to connect

Being online is still important for travellers - but not as much to stay connected to work and school. There is a growing preference for travellers to stay engaged only with their social networks to share information and images of their holiday.

Online sharing during the trip



Send / receive emails



Shared experience about holiday



Share / send pictures



● 2015 ● 2013

Base: (10309)

Base: (10009)

DID YOU KNOW?

Travellers from Singapore love to stay connected. Two in five would actively search for accommodations with Wi-Fi access when they choose their accommodation.





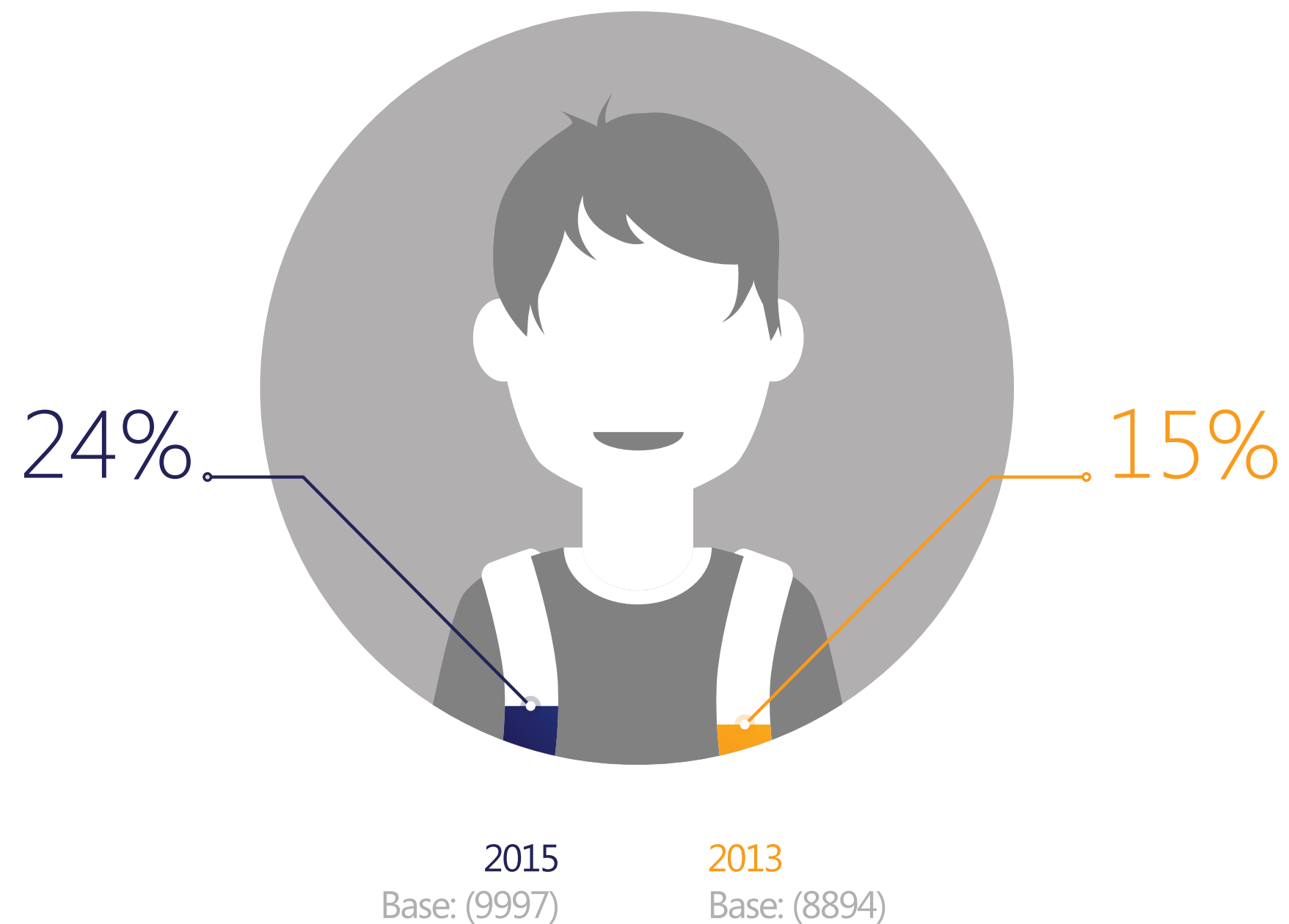
The solo traveller

VISA

Going solo

Solo travel is following an upward trend. One in five have travelled on their own on their most recent leisure trip. Interestingly, there are more 'Wander Women' in 2015 – women who choose to travel alone.

Incidence of those who travelled alone throughout their most recent overseas leisure trip



DID YOU KNOW?

Almost half of the solo travellers are professionals/executives and they come from Asia – specifically Mainland China and India.

Solo travel has more than doubled amongst affluent and first-time travellers. 32 percent up from 14 percent for the affluent and 37 percent up from 16 percent for first-time travellers.

18 percent of Superboomers travel solo, up from 16 percent in 2013, showing a slow but steady increase.



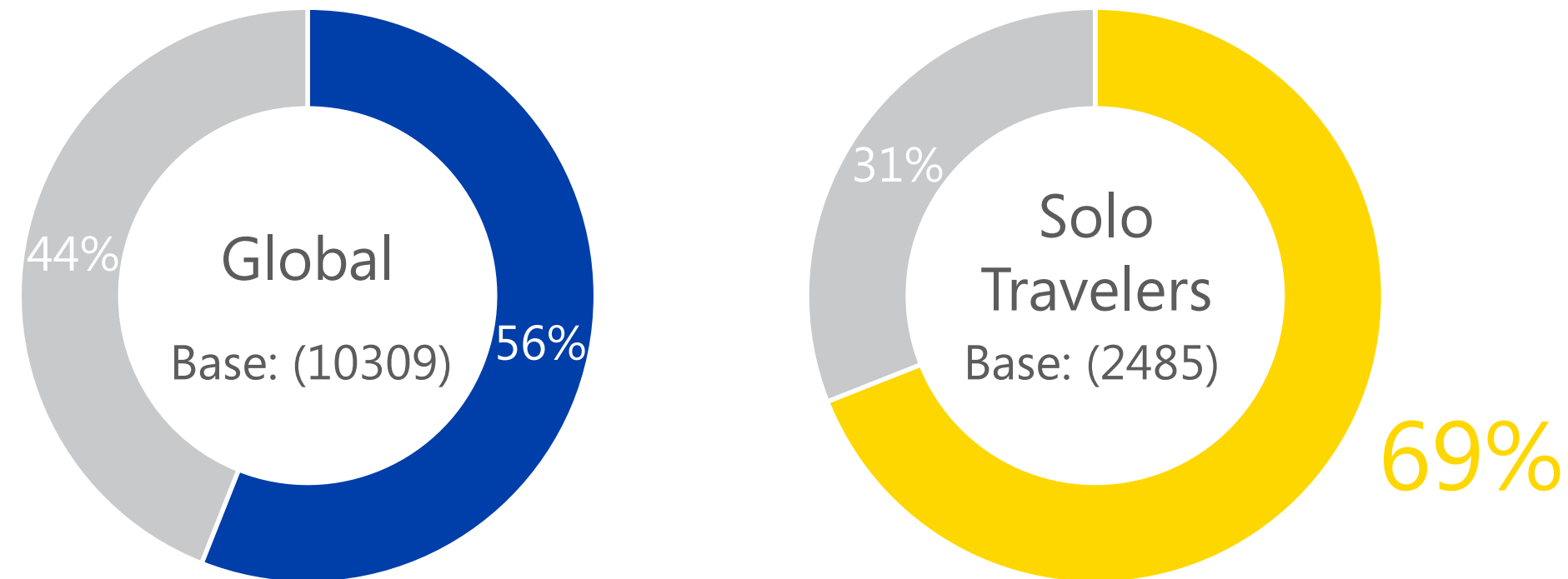
“Majority of the women in Southeast Asia travel alone because it gives them the freedom of doing whatever they want (60 percent), they like the independence and challenge of travelling on their own (45 percent), and their family or friends do not have the time or resource to travel with them (32 percent).”

Source: TripAdvisor Women's Travel Survey 2015



Set on their destination but spontaneous about their itineraries

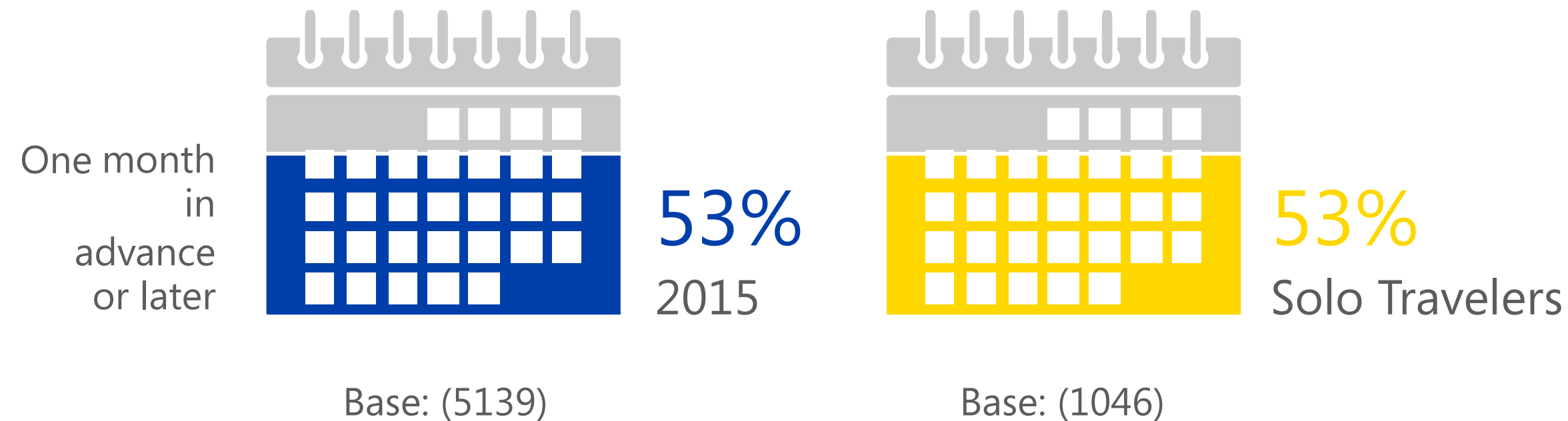
Solo travellers tend to zoom into a single destination rather than consider a set of options.



- I knew the destination I wanted to go to and did NOT consider others
- I considered A FEW possible destinations before choosing the destination I went to

While they are early in terms of fixing their destination, they display the same spontaneity as the average global traveller in planning trip itineraries.

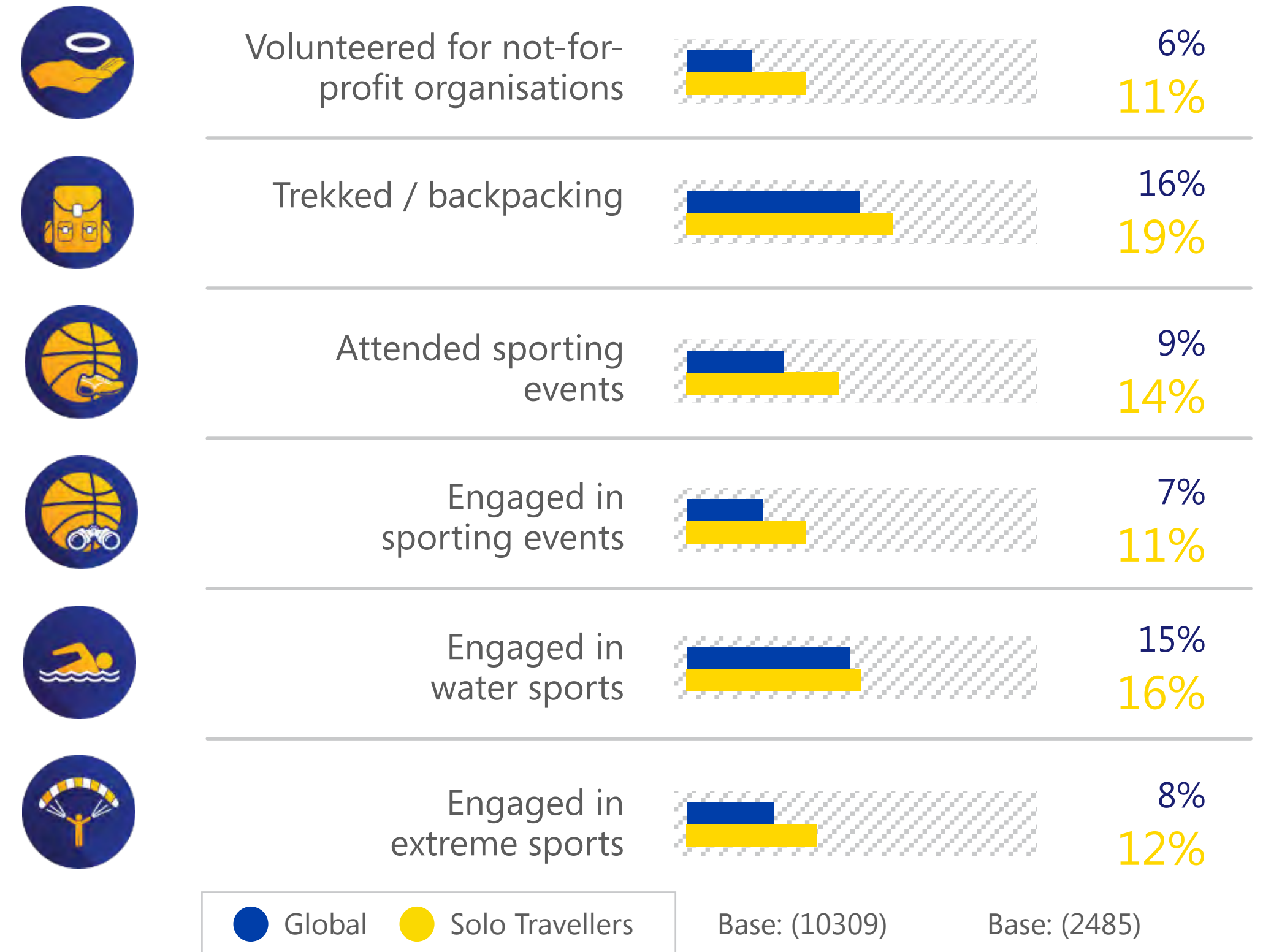
Time taken to plan travel itinerary for most overseas leisure trip



Engaging in activities that speak to their passions

Solo travellers tend to engage in active pursuits such as volunteering, trekking and attending sporting events.

Travel activities in most recent overseas leisure trip



DID YOU KNOW?

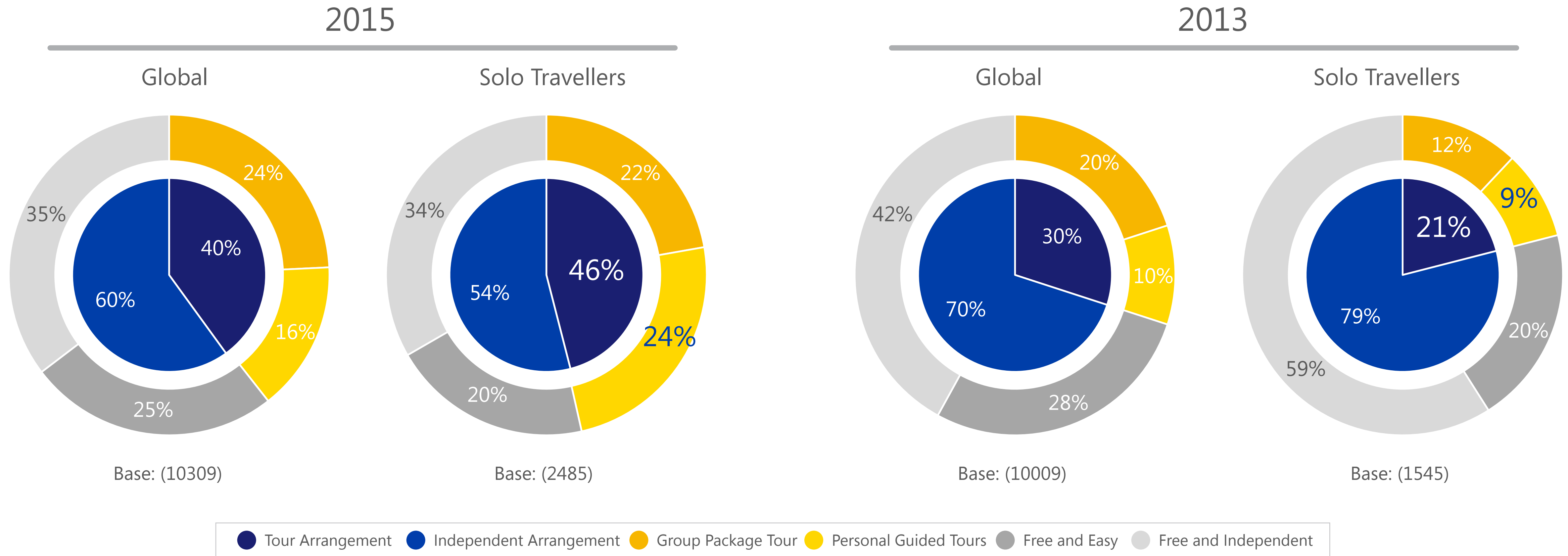
USA, Australia and Canada are the top three favourite destinations for solo travellers who want to engage in sporting events/activities.



Seeking the bespoke travel experience

Personal guided tours are also increasingly popular among solo travellers. The number of solo travellers that seek this type of travel arrangement has increased almost three-fold compared to 2013.

Travel activities in the most recent overseas leisure trip



DID YOU KNOW?

Solo travellers from Korea, India and USA are the top seekers for personal guided tours in the past two years. Two in five of them do so.



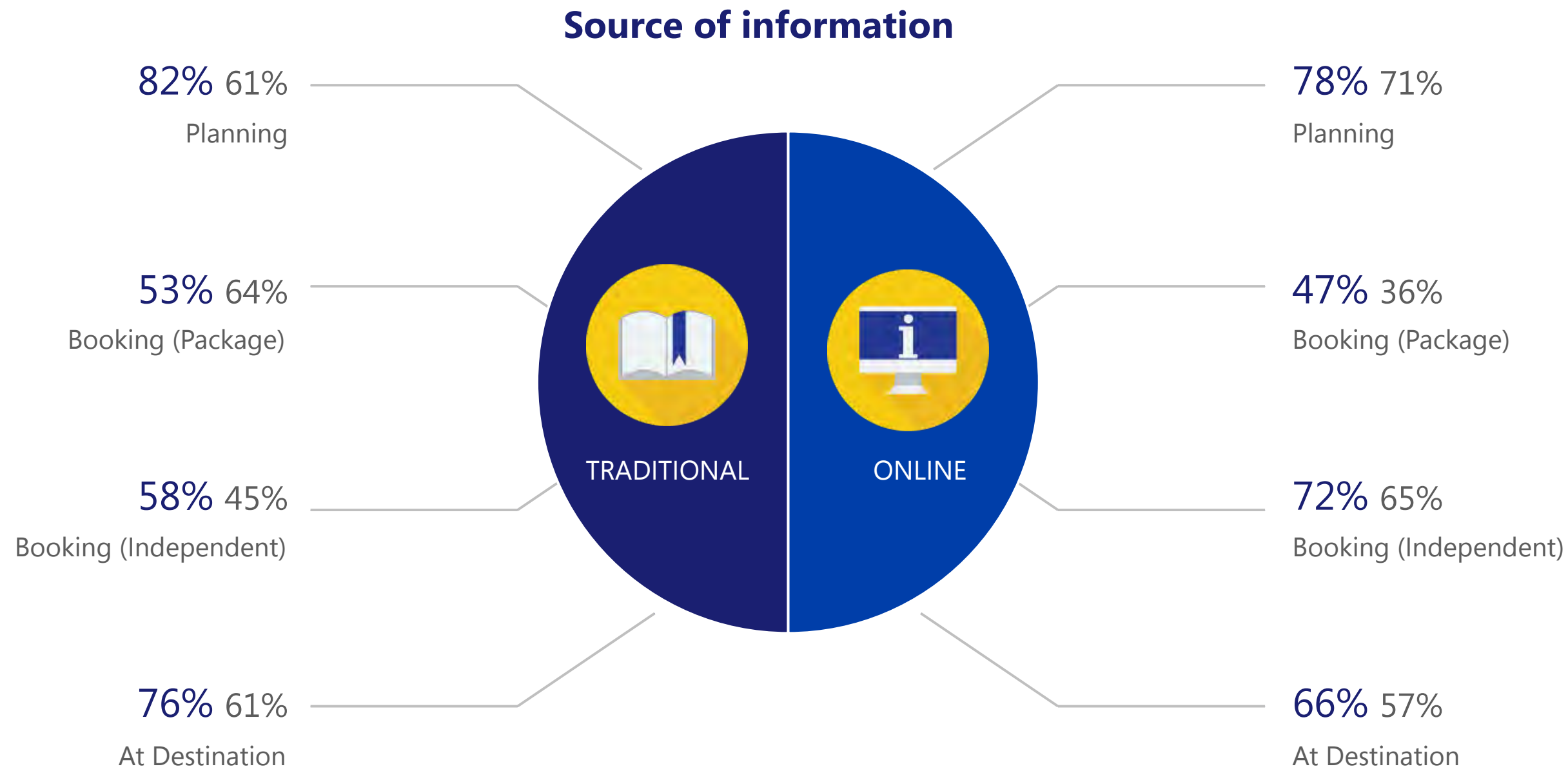


Tech savvy travellers



Information at their digital fingertips

Today's traveller has a voracious appetite for all manner of information from both traditional and online sources to plan their trip before and at the destination. The rise in digital use of information is also a phenomenon that transcends travellers of all ages and levels of affluence.

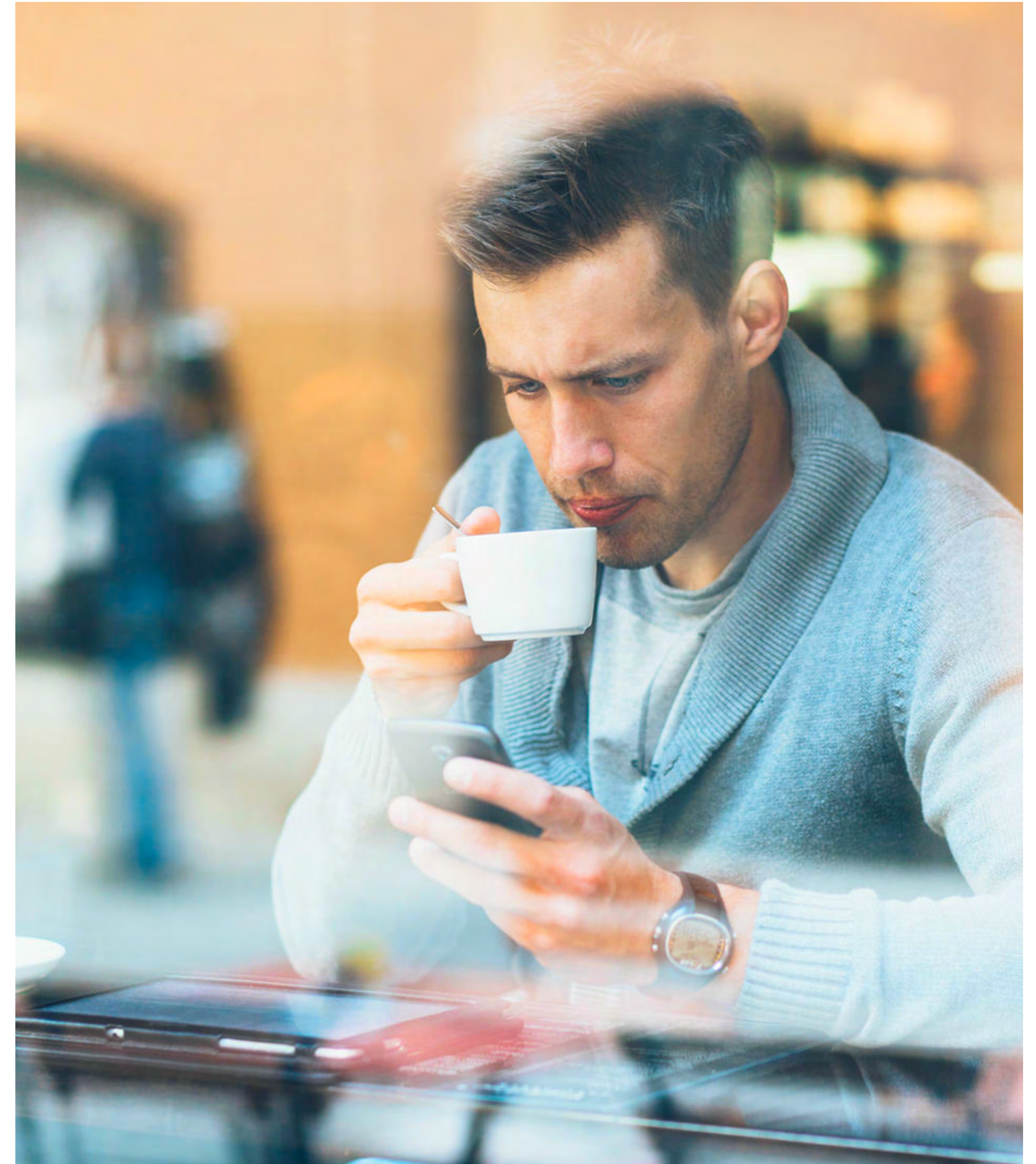


2015 Data/2013 Data

DID YOU KNOW?

Travellers from Kuwait and Saudi Arabia are still predominately depending on offline sources when they plan for their holiday.

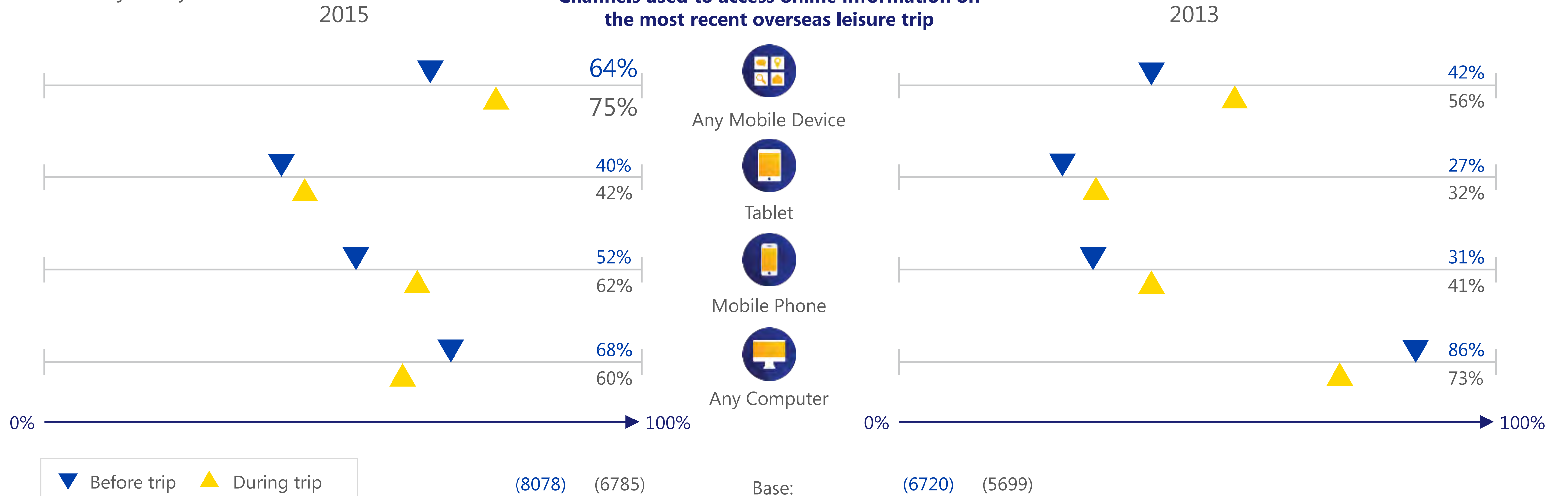
Six in 10 travellers from Egypt use online sources when they plan for their holiday. This is a four time increase compared to 2013.



Mobile usage on the rise

Mobile devices are the most important gadget for travellers. Most travellers use their mobile device to access information sites about the destination throughout their travel journey.

Channels used to access online information on the most recent overseas leisure trip



DID YOU KNOW?

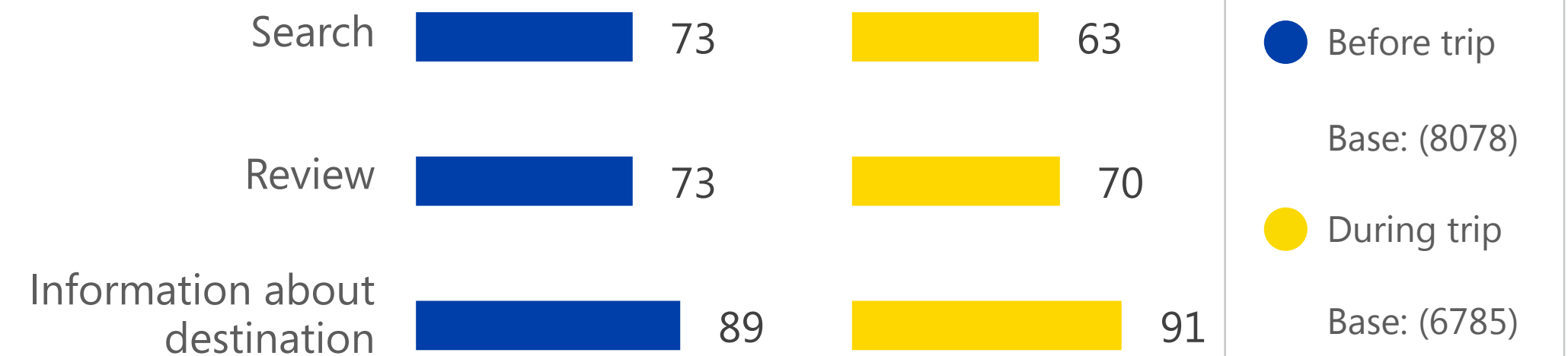
75 percent of Asians will share news of their upcoming holiday online as compared to only 68 percent of travellers from the Americas, 55 percent of those from Europe and 50 percent from Middle East and Africa.

Almost all travellers from India and Brazil would share their holiday experiences online while they are still at the destination.

Nine out of 10 travellers from Kuwait used their mobile phones during their holiday to access information online.



Types of online sources accessed in 2015

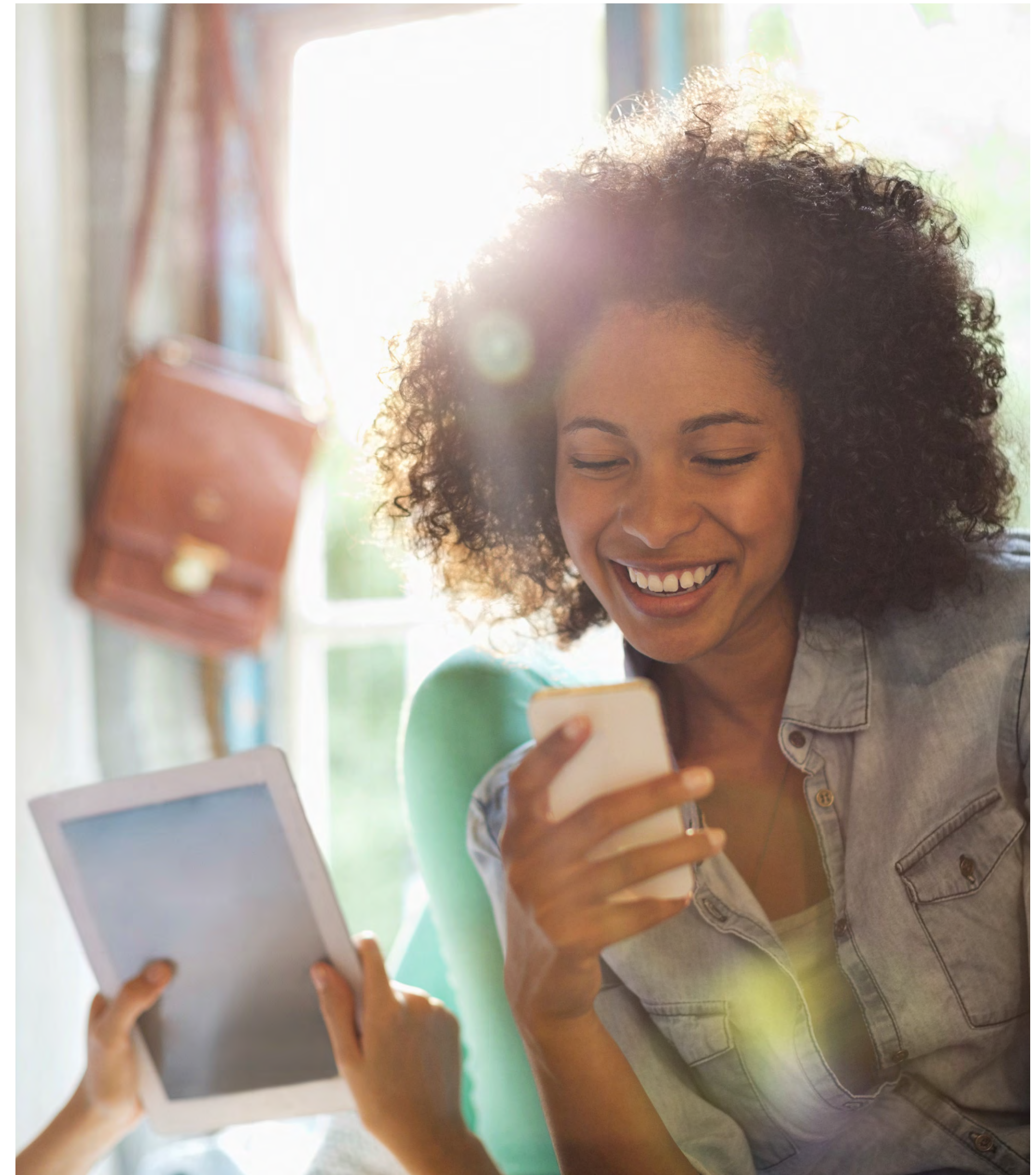
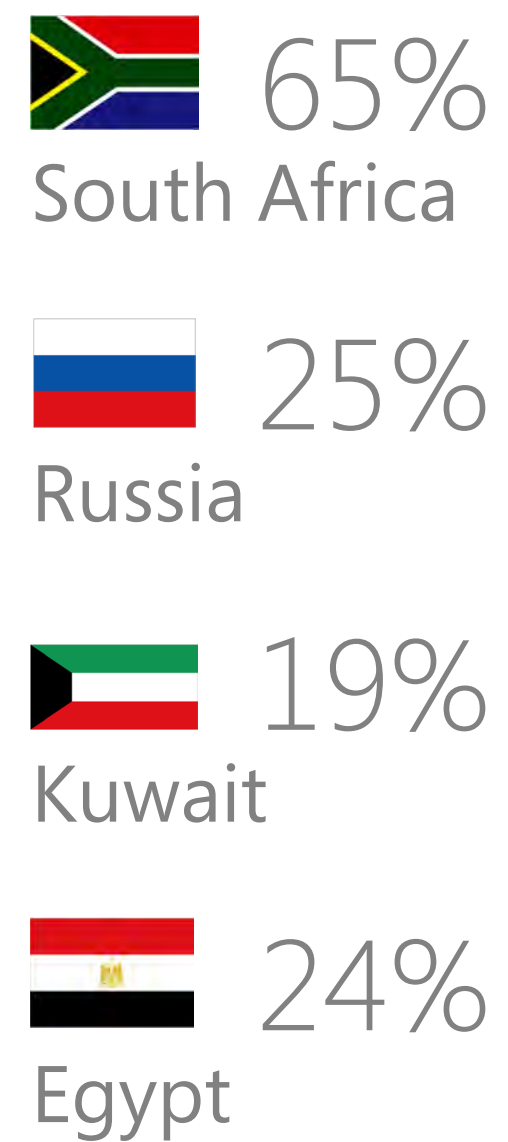


Reviews and price comparison aggregators are most useful when planning future trips

Most useful features considered for travel applications / websites used in planning one's next trip



Most useful to?





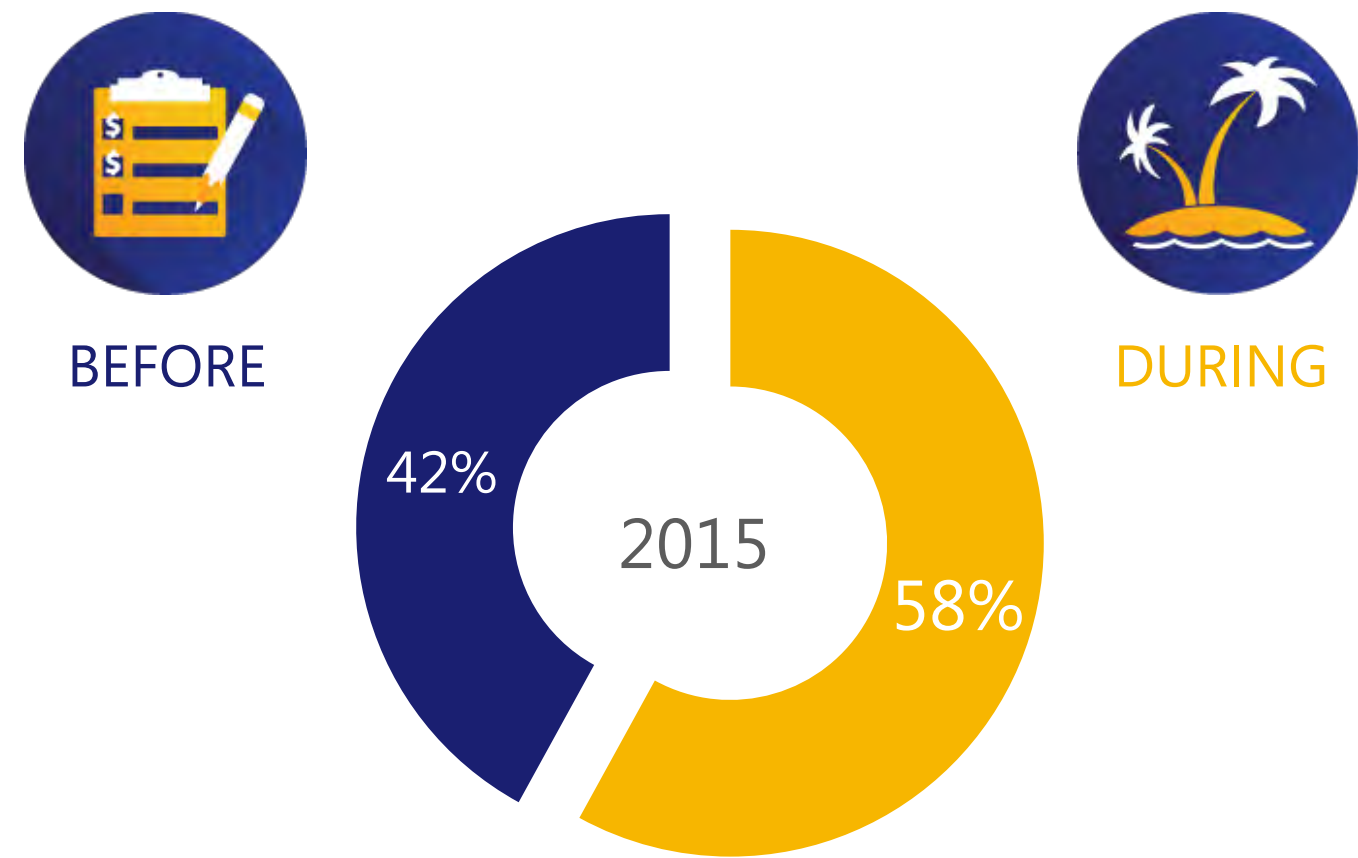
Payment choices of leisure travellers

VISA

Payment card usage strong throughout holiday

Cards are a predominant mode of payment in the booking stage and eight out of 10 people are using a combination of cards and cash while at their destination.

Distribution of travel expenditure on the most recent overseas leisure trip



CARDS ONLY 46%

CARDS AND CASH 13%

CASH ONLY 15%

CARDS ONLY 2%

CARDS AND CASH 81%

CASH ONLY 17%

DID YOU KNOW?

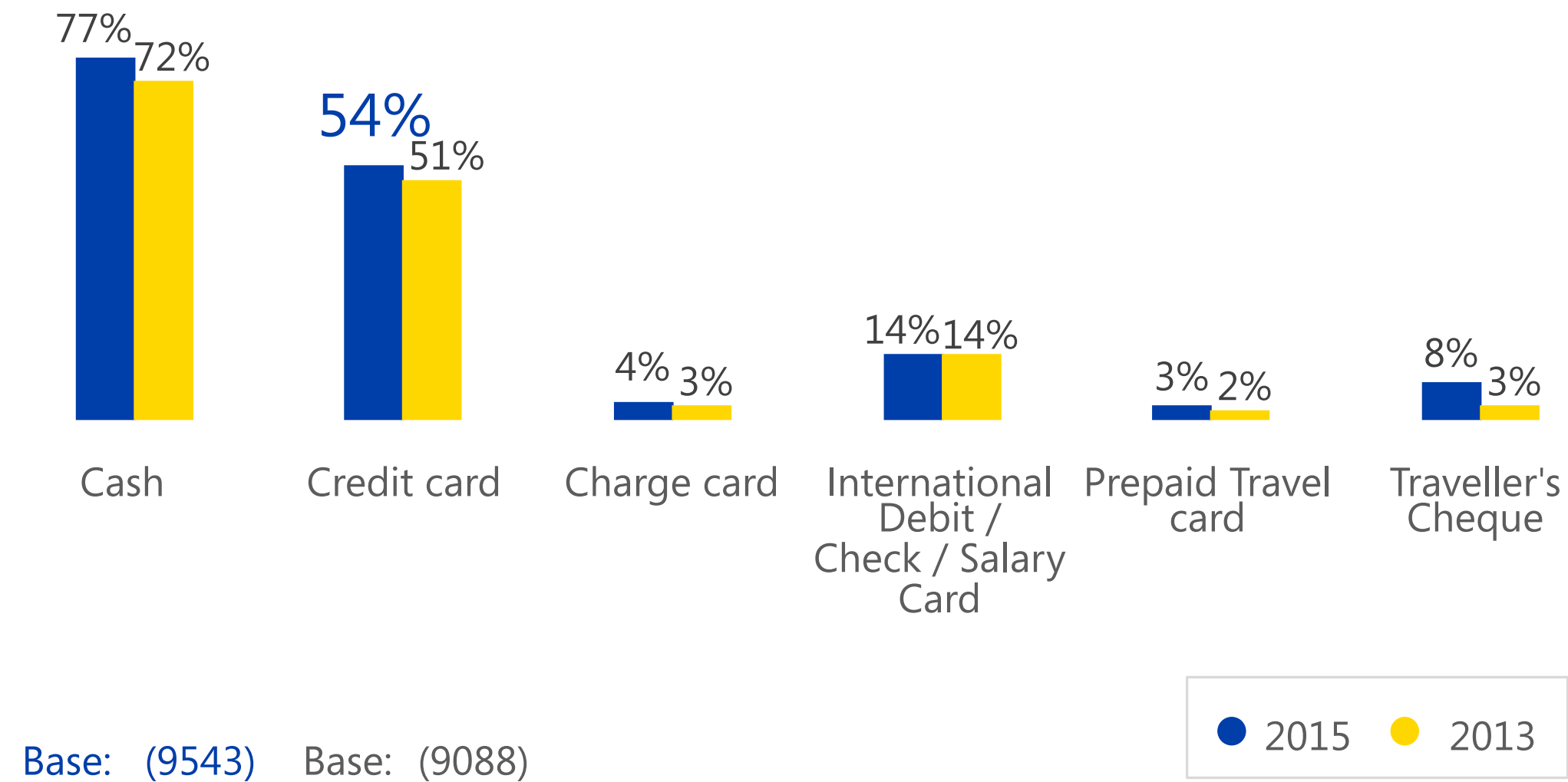
Seven in 10 travellers from Canada use only card during their booking stage (pre-travel). On the other hand, seven in 10 travellers from Morocco use only cash during their booking stage (pre-travel).



One in two travellers prefer using credit cards at the destination

More travellers are choosing credit cards as their favoured mode of payment, with Visa being the most preferred brand for cross-border payment.

Preferred mode of payment across all merchants



48%

Prefer Visa when it comes to making payments overseas

Base: (9974)



DID YOU KNOW?

While travellers from Mainland China and Japan are the top two groups of travellers that preferred credit cards over cash, travellers from Kuwait are increasingly favouring the use of credit cards.

Those travelling from Kuwait who preferred using their credit cards increased by 1.5 times compared with 2013.



DID YOU KNOW?

29 percent of all respondents said that they will spend more if they are able to use cards more frequently and at more merchants.

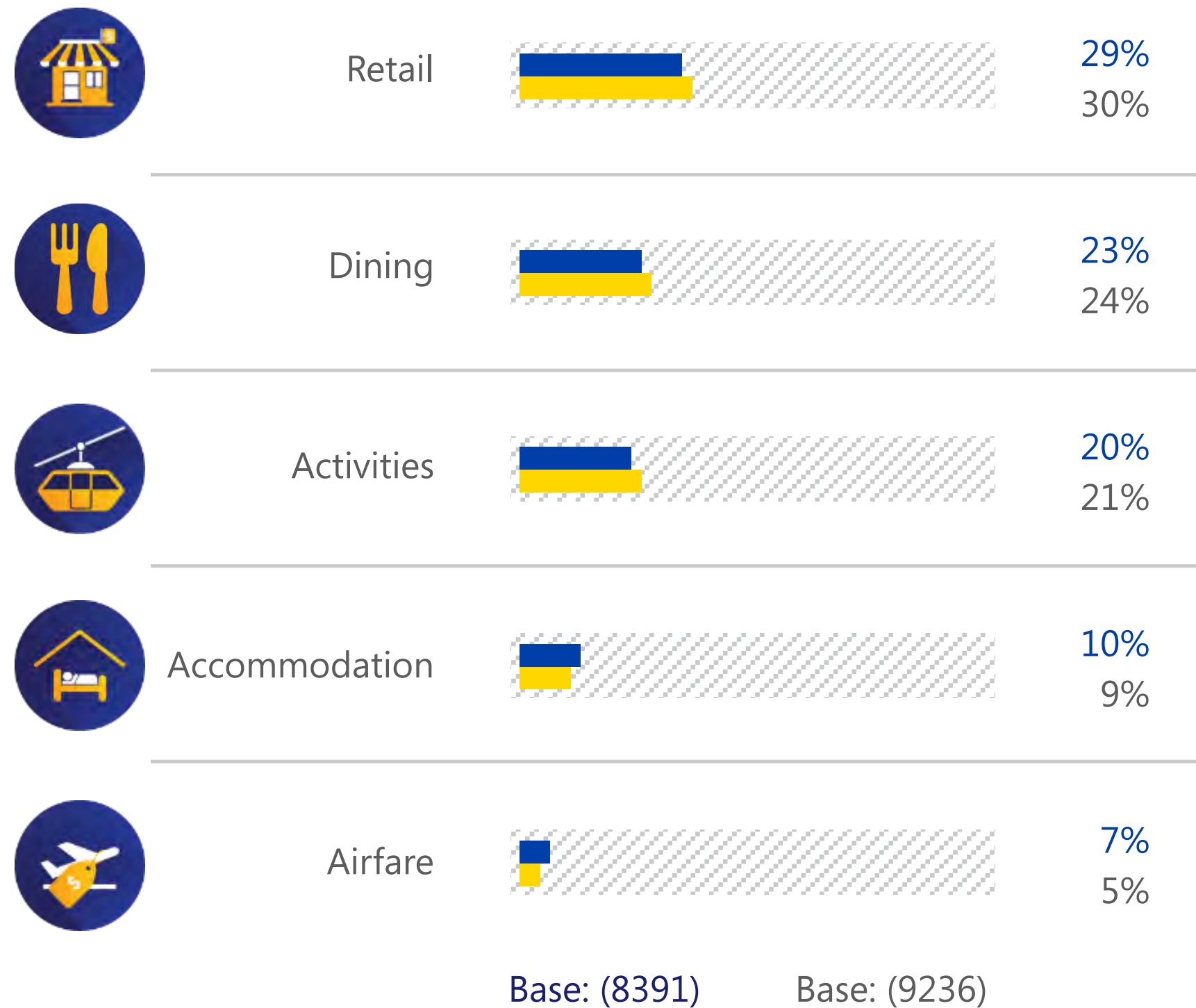
Of those who said this, 66 percent said that they would have used their Visa card more often.



Almost one third of travel expenditure goes into shopping

The majority of spend at the destination is on retail, dining and tourist activities. This is largely consistent with 2013.

Distribution of travel expenditure by type of merchant



● 2015 Global Average ● 2013 Global Average

Top five souvenirs purchased



DID YOU KNOW?

Indonesian travellers love to shop for souvenirs at the destination as almost all would bring something home. In contrast, only about seven in 10 travellers from UK shop for souvenirs at the destination.

Travellers from the UK love to dine. Their largest travel expenditure goes to dining and they spend about a third of their overall budget on it.



Affluent definition

Respondents who fall into the income bracket listed below are classified as “Affluent” travellers for the purpose of this Study. The definition complies with the minimum income requirement for ownership of Visa premium cards.

Asia Pacific

Europe, Africa and the Middle East

Americas

Country/Region	Monthly Income
Australia	AUD 8,501 & above
China Mainland	RMB 10,001 & above
Hong Kong	HKD 50,001 & above
India	INR 80,001 & above
Indonesia	IDR 15,000,001 & above
Japan	JPY 747,001 & above
Korea	KRW 7,000,001 & above
Malaysia	RM 15,001 & above
Singapore	SGD 11,001 & above
Taiwan	TWD 67,001 & above
Thailand	THB 100,001 & above

Country	Monthly Income
France	EUR 4,851 & above
Egypt	EGP 21,001 & above
Germany	EUR 3,251 & above
Kuwait	KD 1,686 & above
Morocco	MED 25,001 & above
Russia	RUB 70,001 & above
Saudi Arabia	SAR 20,001 & above
South Africa	ZAR 30,001 & above
United Arab Emirates	AED 25,001 & above
United Kingdom	GBP 6,001 & above

Country	Monthly Income
Brazil	BRL 10,801 & above
Canada	CAD 10,001 & above
Mexico	MXN 82,001 & above
United States of America	USD 9,001 & above



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