

Which trends offer opportunities or pose threats on the European outbound tourism market?

The European outbound tourism market is changing rapidly. New generations with different demands are taking over the market. The concern for sustainability is increasing, health & lifestyle is becoming an even more important factor and booking behaviour is changing. As a developing country supplier on the tourism market, you need to adjust to these changes. Amongst others, this can be done by offering a sustainable choice, seamlessly integrated within the supply chain, suitable for your (new) target group and offered via a diversity of online channels.

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1. Growing European market of Generation Y and Generation Z

The market of Generation Y (Gen Y) and Generation Z (Gen Z) in Europe is growing rapidly. These generations were born and have grown up in the digital world. An often used synonym for Gen Y is 'millennials'. They were born between the early 1980s and the mid-1990s and constitute 40% of Europe's outbound travel. Generation Z, also called 'iGen', click'n'go children, centennials, or screenagers, was born between the mid-1990s and around 2010. Both generations are tech savvy, technologically driven, but quite different in their need for communication, consumption and tourist experience.

Typical for Gen Y / millennials:

- they prefer experiences over possessions (for example they favour a holiday over purchasing the latest TV or latest fashion), and they are more demanding of experience in their orientation and purchasing phase.
- they spend more on the things that really matter, such as high-end travel experiences, and cut back (often significantly) on those that do not, such as flying (low cost airlines).

Characteristic for Gen Z / screenagers:

- they rely heavily on social media, reviews and influencers, but they are more careful with their online persona than Gen Y and they prefer more private platforms such as [Snapchat](#).
- they are more price-conscious and economical than Gen Y

Table 1: Characteristics of Generation Y and Generation Z

	Gen Y	Gen Z
Synonyms	Millennials	Centennials, screen agers, iGen, click'n'go children

	Gen Y	Gen Z
Born	1980–1995 (in 2019: 24–39 years)	1995–2010 (in 2019: 8–24 years)
% of European population	22%	18%
Formative experiences	Terrorist attacks, play station, social media, invasion of Iraq, reality television (TV), Google Earth, Glastonbury	Economic recession, uncertainty, chaos and complexity (global warming, energy crisis, Arab Spring, WikiLeaks), mobile devices, cloud computing
Profile	Tech savvy: 2 screens at once Curators and Sharers Now focused Optimists	Tech innate: 5 screens at once Creators and Collaborators Future focused Realists
Aspiration	Freedom and flexibility	Security and stability
Attitude towards technology	Digital natives	Technoholics, fully integrated into digital world, entirely dependent on information technology (IT), limited grasp of alternatives
Attitude towards career	Want to be discovered Digital entrepreneurs: work with organisations, not for	Want to work for success Career multitaskers: will move seamlessly between organisations and pop-up businesses
Signature product	Tablet, smart phone	Google glass, graphene , nanocomputers , 3d-printing, driverless cars
Communication media	Text or social media	Hand-held communication devices (or integrated into clothing)
Communication preference	With text (online and mobile)	With images (emoticons, stickers, Skype and Facetime)

	Gen Y	Gen Z
Technology milestone	Smartphone, tablet	Augmented Reality/Virtual Reality

Source: based on Based on: [WFC](#), [Forbes](#) and [Expressworks](#)

Gen Y and Gen Z do both focus on exploration, interaction and emotional experience. To meet the lifestyle requirements of Gen Y and Gen Z, it is important that you as a tourism business show empathy and try to connect with them. Therefore, you should be transparent and tech savvy.

Gen Y expects a greater link between tourism services and their everyday life. They want to travel as a [flashpacker](#), because they combine conventional social, local, simple backpacking with their enhanced lifestyle and need for flashy experiences.

If you want to be attractive for the Gen Y market, it is important to:

- offer the opportunity to perform all stages of a person's customer journey on a mobile digital device
- place emphasis on the consumer experience and to offer opportunities for (solo) travellers who are willing to pay for an engaging experience. Examples are to personalise your offering and to provide a [seamless travel experience](#).

The customer journey is the total of subsequent stages in a person's travel experience. The customer journey of a millennial could look as follows:

Figure 1: The customer journey of a millennial



Suggested target groups are:

- extended families
- groups of friends
- group travel for singles or for people with similar interests such as yoga, bootcamp, cooking, entrepreneurship, mountain biking, birdwatching, scientific research

Gen Y likes many different holiday types, but some holiday types that fit best are:

- 'do-good, feel-good holidays', where travellers do something in return for the destination, such as a beach clean-up
- 'purposeful holidays' with the aim of returning reborn, such as a 'mumcation' for mothers who want to refuel (see for example [the Health & Fitness Travel website](#)), safe-your-marriage trips, 'painmoons' (travelling with the aim of recovering from a stressful period or a period of hard work; see for example [the website of Iron Mountain Hot Springs](#)), or a digital detox (jomo – the joy of missing out)
- 'adventure holidays' to escape from the daily hustle and bustle, such as adrenaline-pumping activities

If you like to attract Gen Z, you may need to adjust your facilities. Facilities that Gen Z would like during their holidays are:

- space for experiences with other consumers, to make new friends
- sleeping accommodation in a stylish, fun-loving and hipster manner with a smart design (such as [AirBnB](#) or

- boutique hostels)
- [hometels](#) (hotels that give you the feeling of being at home)
- community camping
- opportunities to mix business with leisure, or leisure with business (referred to as 'bleisure') enabled by [platforms such as WeWork](#)

Gen Y feels attracted to various kinds of activities and experiences, which might be extended over multiple days, and preferably avoiding the masses. Such activities and experiences could include:

- 'surfariis' (surfing holidays, [see for example Worldsurfaris](#))
- ecological tours (unique experiences that educate visitors and share inside information with them on the area and how to protect it for the future)
- authentic, unique and once-in-a-lifetime experiences (like for example [hot-air ballooning over the Masai Mara](#))
- opportunities to immerse in the local culture and to 'feel like a local', such as opportunities to indulge in the local nightlife or services that connect travellers to local tastes, made accessible via platforms (examples are [EatWith](#) or [BiteMojo](#))
- opportunities to explore hidden gems, such as via [Accor Local](#) (an Accor initiative to get local residents more involved with hotels, recruiting them to act as ambassadors for the destinations and so indirectly also for the hotels)
- part of the history made more tangible to visitors by means of a VR walking tour, such as [the VR walking tour developed by Croatia Travel Co](#)
- opportunities to learn a new skill or to experience a new way of thinking
- history and culture walking tours (where visitors have the opportunity to meet other travellers and have a destination expert at their disposal)

If you want to promote your offer, find professionals to write reviews for you. This could be trusted bloggers, social media influencers, or even reviewers from magazines such as [National Geographic](#), [Business Insider](#) or Travel Channel (like [TripAdvisor](#))

If you want to see how others try to attract the Gen Y market, you could take a look at hotel chains. Some have developed specific hotel brands for the Gen Y traveller, such as: Radisson RED, Moxy by Marriott, Tommie, AC Hotels, Hyatt Centric, and Hilton's Canopy.

The demands of Gen Z are for a large part similar to those of Gen Y. What is different is that they are more price sensitive and they require a brand to be open, fair, and respectful. Travellers of this generation expect real time information, short, yet powerful messages mostly sent via pictures, videos and channels that allow them to interact, co-create and share information.

To attract visitors from Gen Z, it is important to:

- adapt to their specific language of images, emoticons, and Skype/Face, to be able to interact and communicate with them
- tell your story across multiple platforms
- present your core values
- create a meaningful brand
- be socially responsible
- treat them as adults and respect their opinion
- allow them to interact and to co-create
- customise and personalise your product and service, even more than for Gen Y

Gen Y and Gen Z constitute a rapidly growing market segment. They will be increasingly dominant consumers in the tourism market and are expected to represent 50% of all travellers by 2025. This will change the dominant pattern of the way people travel, of their needs and demands, and so of holidays and related services. The accelerated implementation of digitalisation will boost the growth of the Gen Y and Gen Z market, as technology is essential for those groups.

Tips:

Treat visitors from Gen Y and Gen Z in a unique and personal way.

Ensure a clear online presence. This means that potential visitors should be able to find you online and be able to access your online information in an easy way

Invite influential bloggers or vloggers for a free stay. You can find bloggers and vloggers via [Typsy](#) or [Youtube](#).

Show your identity and core values and act in a socially responsible manner.

Look for role models in thoroughly planned and comprehensive projects such as Black Tomato, which helps travellers go off the beaten track. Destinations include the jungles of Western Borneo in Indonesia, the deserts of Western Mongolia and [Soneva Kiri Resorts's](#) slow life philosophy in Thailand.

If you want to offer nature-related holidays, the markets of the Czech Republic, the Netherlands and Bulgaria offer opportunities due to a high preference for this type of holiday. For culture-related holidays, the biggest opportunities are in Spain, Malta and Estonia. To read more about growing markets in Europe, check out our [Market Statistics and Outlook Study](#).

2. Increasing demand for sustainable holidays

Governments of mature markets in Europe are pushing sustainability and sustainable tourism on the political agenda. Also travellers (especially the younger generations) and businesses are increasingly aware of and concerned about sustainability. If they choose a holiday, this is increasingly influenced by ethics, moral values, concerns about the environment, animal welfare, production and labour practices, and desires to positively impact communities and people. These travellers demand availability and affordability of 'green', 'eco' and organic tourism services and products. Many do not only want to reduce their holiday footprint, or visit a destination, but also to enrich it ('do-good, feel-good' holidays, ecological tours).

There are many reasons why European governments and travellers pay more attention to sustainability. For example:

- climate change (sea level rise, extreme weather, food and water supply),
- unsustainable food consumption,
- plastic soup,
- pollution and CO2 emission by, for example air travel and cruise ships
- land and water usage
- dislocation of traditional societies
- negative impact of 'overtourism' on host communities
- international agreements such as the climate agreement, and the establishment of the United Nation's (UN) Sustainable Development Goals

Figure 2: The UN Sustainable Development Goals



Source: [Realising Just Cities](#)

Sustainable tourism development mainly deals with an attempt to find a fair balance between the economic benefits of tourism and the negative social and environmental consequences of travel and tourism, involving all stakeholders.

Although sustainable development is an issue for governments, businesses must address sustainability as well in order to attract travellers, for example by paying attention to:

- community well-being, for example contribution to poverty alleviation
- community participation
- cultural assets
- fair distribution of socio-economic benefits (employment, income)
- feasible long-term economic operations
- stable employment opportunities
- optimal use of environmental resources
- conservation of natural and cultural heritage
- conservation of biodiversity.

There are several best practices in thoroughly planned and comprehensive projects that can serve as a source of inspiration for you:

- The [ecological tours offered by EcoZip](#) in New Zealand: the zipline tour funds the conservation and restoration of Waiheke Island forest

- Thailand's homestay programmes: foreign tourists experience life in a small village. A few homes are used to host visitors, another home provides meals, another does laundry, and another produces locally grown products. Look at [Homestay Thai](#) and [Xploreasia](#) for examples.
- [La Choza Chula](#), based in El Paredón on the Pacific coast of Guatemala, is a business that runs turtle and mangrove tours in the area, cooking classes, homestay programmes, cultural immersion programmes, volunteer programmes and weekly English classes for their guides. It has funded the construction of a library, set up a mobile library, and built a computer lab and a secondary school.
- [Buhoma Community Rest Camp](#) of south-western Uganda, a locally run campsite created to support the local people and improve their lives through community-based tourism
- [Shewula Mountain Camp](#) of Swaziland, which invites travellers to stay in their village and to experience the rural lifestyle of a Swazi community, to interact with the local community and enjoy the scenery of the region via walking trails, while learning about Swazi culture

The global sustainability goals set by the UN offer big opportunities for individual businesses, although they may require you to change the way you do business and earn money. Because tourism is interconnected with many other sectors, even small improvements in your business can have important effects. If you want to be sustainable in the long term, you should not take measures that only look sustainable from the outside (this is called greenwashing) or implement quick-fix solutions. Such actions could lead to adverse effects, such as antipathy or opposition of local residents to tourism or an overdependency on tourism.

Concrete opportunities for businesses to meet the increasing demand for sustainability are for example:

- to involve the local community in planning and development (for example [Kura Hulanda on Curaçao](#))
- sustainable design
- sustainable procurement
- sustainable food production
- to make use of modern technologies to increase the efficiency of service delivery while at the same time facilitating the provision of enhanced consumer experiences

You can also try to make your business or product offer greener and get certified. [Travelife](#), [Tourcert](#) and [Green Tourism](#) offer several certification programmes. Becoming greener can be achieved by for example:

- use of renewable energy sources
- increasing energy efficiency
- environmental protection
- waste management and minimisation (for example by banning plastic straws to reduce plastic waste)
- addressing carbon emission, pollution and littering
- involving customers (for example in a beach clean-up or '[plogging](#)' – picking up litter while jogging)
- contributing to the local quality of life (economic and socio-cultural well-being, fair income)

Keep in mind that customers are reluctant to pay a premium for more environmentally sustainable products or services.

Sustainability has become a trend in tourism and its importance will evolve further in the future, boosted by the international UN Sustainable Development Goals. Currently only 10% of the market can be considered ethical travellers, 20% are not aware of the impact of their behaviour and 70% want to consume more sustainably, but do not want to give up the benefits yet. With the growing importance of Gen Y and Gen Z for the tourism market, the demand for more sustainable tourism experiences will expand, so the pressure for businesses to act will increase. Hotels might evolve into community hubs and everyday problem solvers for locals, which is referred to as 'augmented hospitality'.

Tips:

Study the [UN sustainable development goals](#)

Balance short-term and long-term priorities and implement a strategy that integrates safeguarding

the destination, environmental leadership and community health into the travellers' experience

Try to collaborate with other stakeholders in the destination, such as local residents and businesses, also from other sectors. This could be local guides or experts, providers of local food and of local accommodation, local farms or factories, and more (look at [the website of Tourism for SDGs](#) for an example in East Africa).

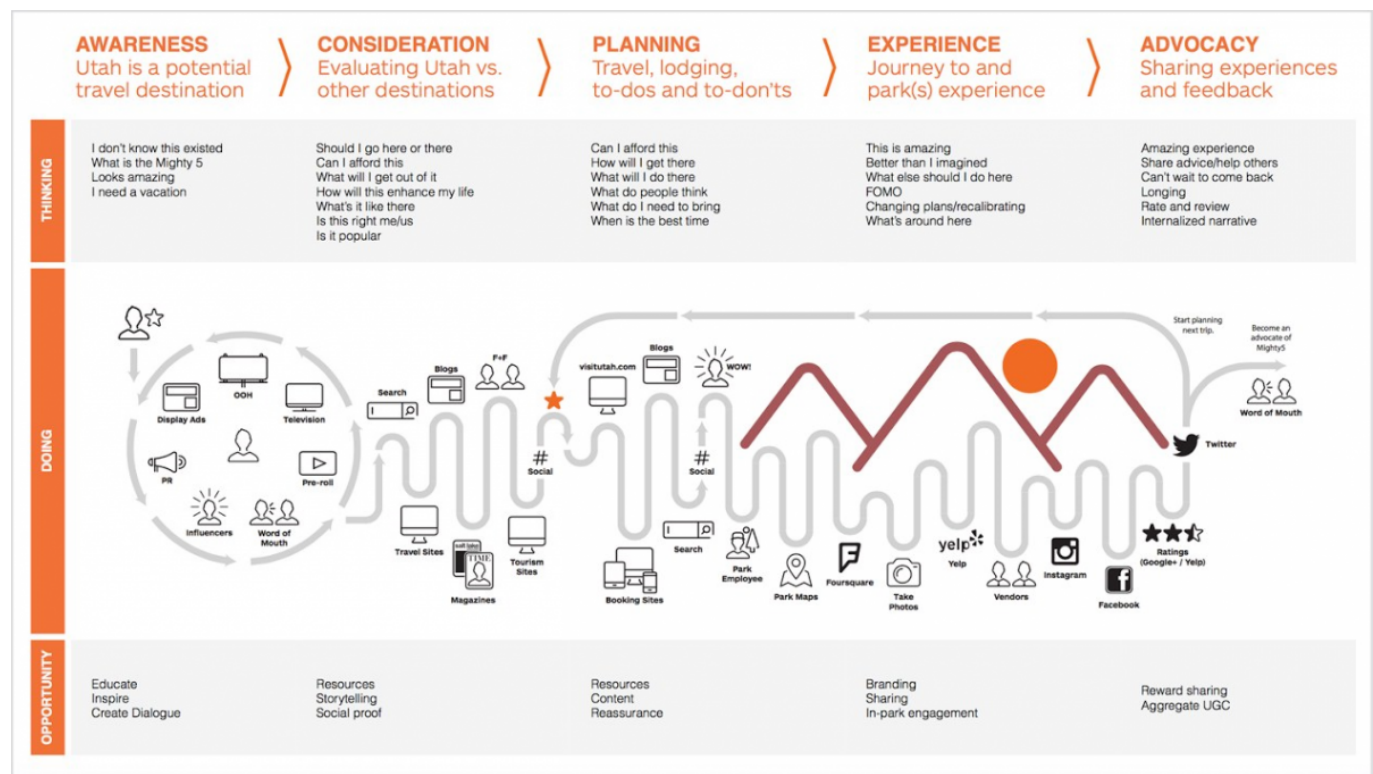
The [Sustainable Tourism Certification Alliance](#) provides guidelines on how to develop a sustainable business

3. Increasing need for a seamless customer journey

Traditionally players in the travel industry are operating rather independently. However, the ongoing improvement of mobile devices, the increased dominance of digital channels (such as [Uber](#), [AirBnB](#) and [CarRentals](#)), online travel agencies (OTAs, such as [Expedia](#), [Priceline](#), [Agoda](#) and [Booking.com](#)) and meta search engines (such as [Trivago](#), [Trip Advisor](#) and [Google](#)) have given travellers more control over the subsequent phases of their holiday. They want the phases of their personalised 'customer journey' to be integrated and seamless. A meta search engine is an online service that collects, combines and integrates data from other search engines.

The customer journey refers to the phases of a holiday from the moment of orientation, via the fine tuning of the holiday plans, booking, travel, stay at the destination, return travel and reflection and evaluation of the holiday back home. Along this journey there is a series of so-called touch points between traveller and service providers, such as illustrated in the example in figure 3.

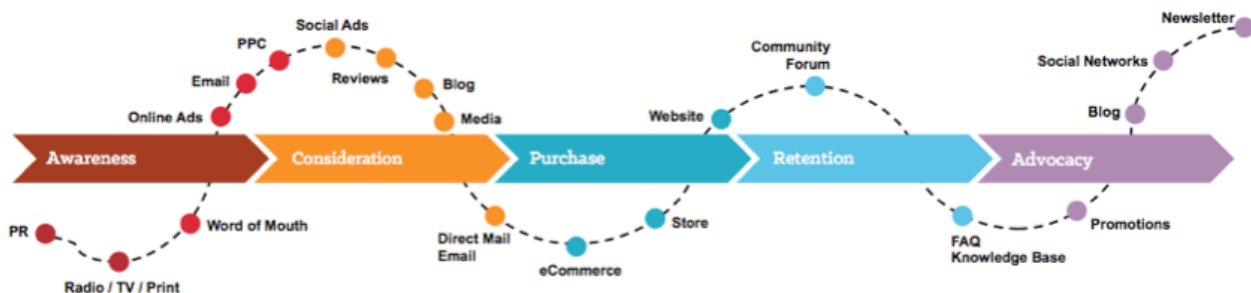
Figure 3: The customer journey for a visitor to Utah, with 5 phases, each with clients' thoughts (thinking), a variety of touchpoints (doing) and business opportunities (opportunity)



Source: [Hummingbuzz](#)

The service at each touchpoint will be evaluated by the customer as (extremely) positively or (extremely) negatively. Overall these touch point experiences define the overall holiday experience and the level of satisfaction. The more satisfied the customer returns home, the higher his or her loyalty will be. A loyal customer is inclined to come back and to promote it to their friends, fans and followers. An annoyed customer does not come back and shares his or her bad experiences with his peers!

Figure 4: General outline of a customer journey, with 5 phases and a series of touch points



Source: [Travelnext](#)

Figure 4 shows a general outline of a customer journey. If this is put in the context of travel, it could look like Figure 5.

There are three related developments why travellers get more and more control over all the phases of the customer journey:

- Developments of social networks and mobile technology (SoMo) allow travellers to be with their friends, fans and followers online on a permanent basis (via Facebook, Instagram, Twitter, Snapchat, and more).
- Development of digital channels, meta search engine and OTAs (online travel agencies) that allow travellers to access information anywhere in real time.
- New generations of mobile devices that are so powerful that they can be used for any purpose and will be able to predict travellers' needs and solve problems in real time.

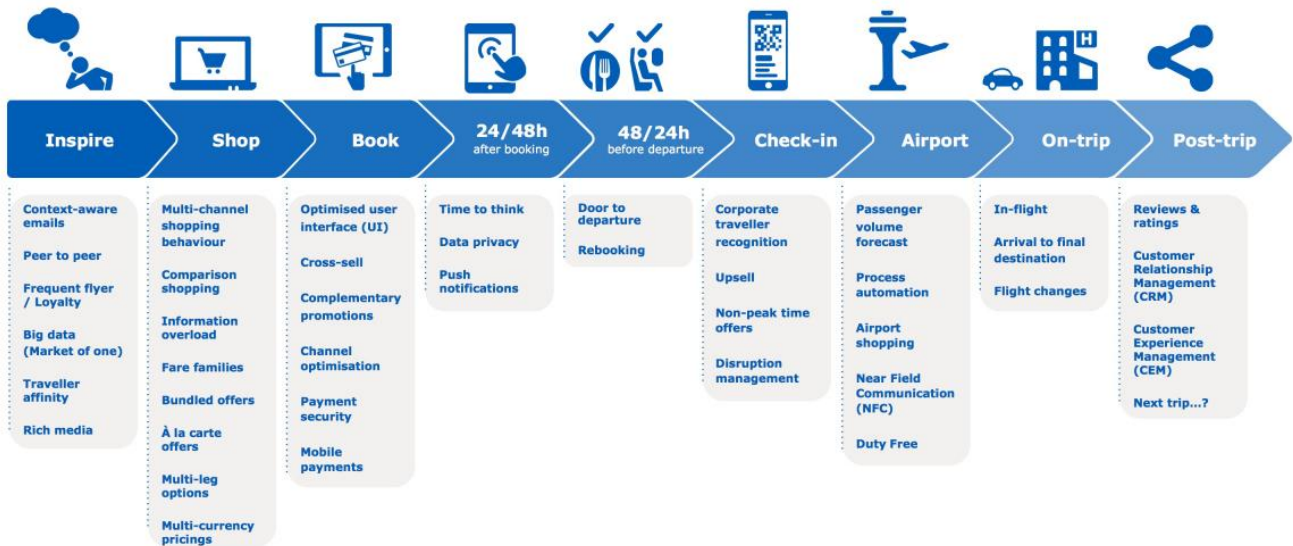
Because travellers are and will be more in control, they can make their holiday more affordable (personalised pricing), efficient and accessible. As an individual business, you could subscribe to OTAs, which increases your online findability and bookability. The disadvantage is that you will usually have to pay a percentage of the booking costs to the agency. You could also implement actions to increase your findability on for example Google.

Figure 5: Examples and potential benefits of various strategies to shape the future traveller journey

Shaping the future traveller journey

As future traveller tribe purchasing habits evolve, travel providers need to respond and build a more rewarding and connected traveller journey, from 'inspiring to arriving home'.

Implementing appropriate solutions and services at each stage of the traveller journey will be crucial to success. The following chart provides examples and potential benefits of various strategies to **shape the future traveller journey**.



Source: [Amadeus IT Group SA](#)

The challenge for both existing businesses and start-ups is to provide value before, during and after the holiday, and to build a more rewarding, connected, integrated and seamless customer journey. Implementing appropriate solutions and services at each stage of the journey will be crucial to success

- to personalise and engage with the traveller in ways that suit their interests and lifestyle – not only during the traditional engagement phases of holiday but on an ongoing basis
- to increase the number of touchpoints and to enhance them.
- to make room for consumer control, and to maximise utility and functionality
- to ensure online presence in social media, review sites, messaging apps, chatbots, internet-enabled subscription programmes, and pop-up shops.
- to track the travellers' online behaviour and to collect data about him/her
- to tailor the transaction to the product and the consumer
- to seek to enrich experiences via Augmented Reality or Virtual Reality (alone or in collaboration with other parties)

However, it should not be neglected that an increasing group of tourists want to escape from their complex digital life and want to be unplugged during their holiday – the Joy of Missing Out (JoMo), which offers another opportunity.

With the increasing market of Gen Y and Gen Z in Europe, and a continued evolvement of technology, it is anticipated that the need for personalised and seamless customer journeys will evolve. The development of SoMo and the opportunity to establish a seamless customer journey, will be facilitated by other emerging technological developments such as the new 5G-network that will boost the possibilities of being connected everywhere and gives a massive increase in data creation; and the blockchain technology, which allows to create cheaper, better and faster travel experiences. Probably sophisticated technology will become an

integrated part of the tourism sector.

Tips:

Get to know your customer both online (via technology) and during his/her stay, and establish a relationship. [Hummingbuzz](#) offers a route map for the development of a customer journey for a specific target group.

Map and understand the customer journey of your guests (see for example [the website of ux mastery](#), or [Visual Paradigm](#) for a tutorial and online tool)

Collaborate with other parties in the value chain in order to create a seamless journey

Participate in OTAs or pay for actions to increase your online presence and findability

Hire a social media strategist with sufficient experience (see for example [the website of Virtual Employee](#)). You could post vacancies for such jobs on various online platforms (such as [Indeed](#), [Monsterboard](#) or LinkedIn), on social media or with head hunter bureaus. A cheaper short-term solution could be to hire an intern.

4. Changing booking behaviour

During the past few years, travellers' booking behaviour has changed. The trend of 'free independent travel' seems to be reversing towards 'modular travel'. Modular travellers enjoy their free time and prefer to ask a third party to do the research, planning and booking of unique experiences. Free independent travellers, on the other hand, do the research, planning and booking of a holiday entirely on their own, likely with the help of online tools. Also, last-minute bookings have been a common trend.

There is increasing evidence that travellers are returning to travel organisations: direct website bookings are decreasing, while marketplace bookings (OTAs) and bookings via travel agents, affiliates and local tourist offices show an increase. This applies particularly to Gen Y, Gen Z and multi-generation (often abbreviated to multi-gen) families. Multi-generational travel and extended families refers to multiple generations within one family going on holiday together (kids, parents and grandparents).

Last-minute bookings are on the rise. Bookings are generally made 13 days in advance, which shortens to 5 days with online bookings. Multi-day tours and activities, and custom tours are created in advance or upon arrival at the destination. Reservation for tours and activities up to 3 hours tend to be booked locally at the destination or just before arrival.

In case of online bookings, customers make use of various platforms. In that case businesses must be present on these multiple platforms anytime and anywhere. However, the trend to return to OTAs, travel agents and local tourist offices offers the advantage of real-time possibilities to tailor to the needs of the customer and to establish a personal relationship within the customer journey. It shows that customers who interacted with a person during the booking process tend to spend more than customers who merely book online.

The trend to book a holiday, tour or activity last minute makes it difficult for businesses to plan staff and resources in advance, and, besides, business will be more dependent on the weather. To overcome this disadvantage local partnerships / collaboration and live availability will be key success factors.

The trend to book last minutes has developed already for some time. There are no reasons to believe that this will change in the near future. It is difficult to foresee whether the return to modular travel via travel agents and OTAs will grow over the years to come, or whether this has been a temporary revival.

Tips:

Try to be pro-active, to build a relationship with the customer and to educate them on booking more in advance when more product and choice is available. A new tool such as [Virtuoso's Orchestrator](#) offers the possibility for travel agents and travellers to collaborate and create a portfolio of bookings 3-5 years in advance.

Ensure a variety of distribution channels, both online and at the destination

Collaborate with other businesses to exchange staff to ensure flexibility to respond to changes in demand

5. Health, wellness and sports holidays

Health and healthy lifestyle is becoming increasingly important in tourists' decision making. Aging tourists, the lifestyle of Gen Y and Gen Z, a growing middle class, and the technological and digital revolution, all contribute to the growing importance of the health trend. Wellness tourism in Europe is on the increase. In a Eurobarometer survey of 33,000 Europeans in 2015 in 33 countries 13% of the respondents said that wellness/spa/health treatments were their primary or secondary motivation to go on holiday.

Concerns about obesity, food sensitivity, and people affected from diseases, have resulted in a shift in attitude towards health care, nutrition, beauty, physical activity, and overall self-improvement. As a consequence healthy lifestyle habits, both physically and mentally, are increasingly becoming part of a normal way of life. This development stimulates demand for personalised health, mental wellbeing, clean-labels, botanicals, athleisure, and home-tech health and wearables to monitor personal health.

Two types of wellness travellers can be identified:

1. those who travel specifically for wellness (health as primary motive) and
2. those who simply want to remain healthy (health as secondary motive).

The market of group 1 is particularly big in countries such as Iceland, Sweden, Hungary, Portugal, Slovakia and the Czech Republic. This group feels particularly attracted to spas and medical-focused destination spas. Such spas focus on the concept of total wellbeing, and their main goal is to promote and monitor the achievement of both physical and mental health goals, complemented with other lifestyle features. Facilities include:

- exercise equipment
- new fitness programs that are highly focused on results;
- traditional sport and recreation (e.g. walks, hiking, cycling, running, boating, swimming, meditation, exercise programs, etc.)
- room lighting following individual biorhythm in order to increase energy levels
- air purification
- water enriched with vitamins
- fresh organic food purchased from local producers etc.
- life-coaching that embraces nutrition, physical exercise, stress management, goal setting and empowerment.

Yet, group 2 makes up the bulk of wellness tourism, accounting for 86 percent of expenditures in 2017, and grew 2% faster between 2015 and 2017 (10%) than group 1 (8%). Smaller hospitality businesses increasingly cater for the growing demand of health and wellness as part of a regular holiday. Travellers seek to combine the desire to escape from one's mundane life, to spend time in nature, to have unique and authentic experiences, to be with family and friends, or to have a digital detox, with mental/physical health and wellness.

It is the vast rise of interest in health and wellness travellers with a secondary motivation (group 2) which offers many opportunities for all kinds of small and medium-sized businesses to include health and wellness into their offerings. For example:

- thematic health hotels
- interior design (such as specially furnished fitness guestrooms)
- sport and recreation
- personalised health and wellness programs
- rejuvenation and psychological well-being
- meditation and yoga
- healthy menus and cooking classes
- [mobile health monitoring](#)
- [holistic holidays](#)
- concierges who focus on local jogging courses
- wellness trips and retreats that are built around a specific wellness activity, from boot camps to meditation and silence retreats
- spiritual travel with an adventure component
- activities in nature in combination with wellness, such as hiking to a scenic location for meditation, or yoga and tai chi in an outdoor setting
- short-haul, weekend getaways – for couples and girlfriends, and increasingly for families (including multi-generations)

Please note that integrated cooperation between the health and tourism sector, and co-branding or associations of their products with wellness, will open up new possibilities in health tourism as well.

A pitfall is to offer health and wellness as a luxury product. The majority of travellers in group 2 with health as secondary motivation is middle class. To this market, health and wellness should rather be regarded as a free or affordable environment in which a traveller can relax, can bond with others, can acquire a feeling of community of sense of being and sense of self, and where he/she can learn to live a healthier, cleaner, more sustainable lifestyle.

Health and healthy lifestyle will become progressively more integrated into multiple dimensions of tourism offerings.

Tips:

Read the [Global Wellness Economy Monitor](#) from the Global Wellness Institute (2018) and the [CBI fact sheet on wellness tourism](#)

Focus on relevant markets. People from Iceland, Sweden, Hungary, Portugal, Slovakia, the Czech Republic and Austria are more interested in wellness than people from other European countries.

6. Multi-generational travel and extended families

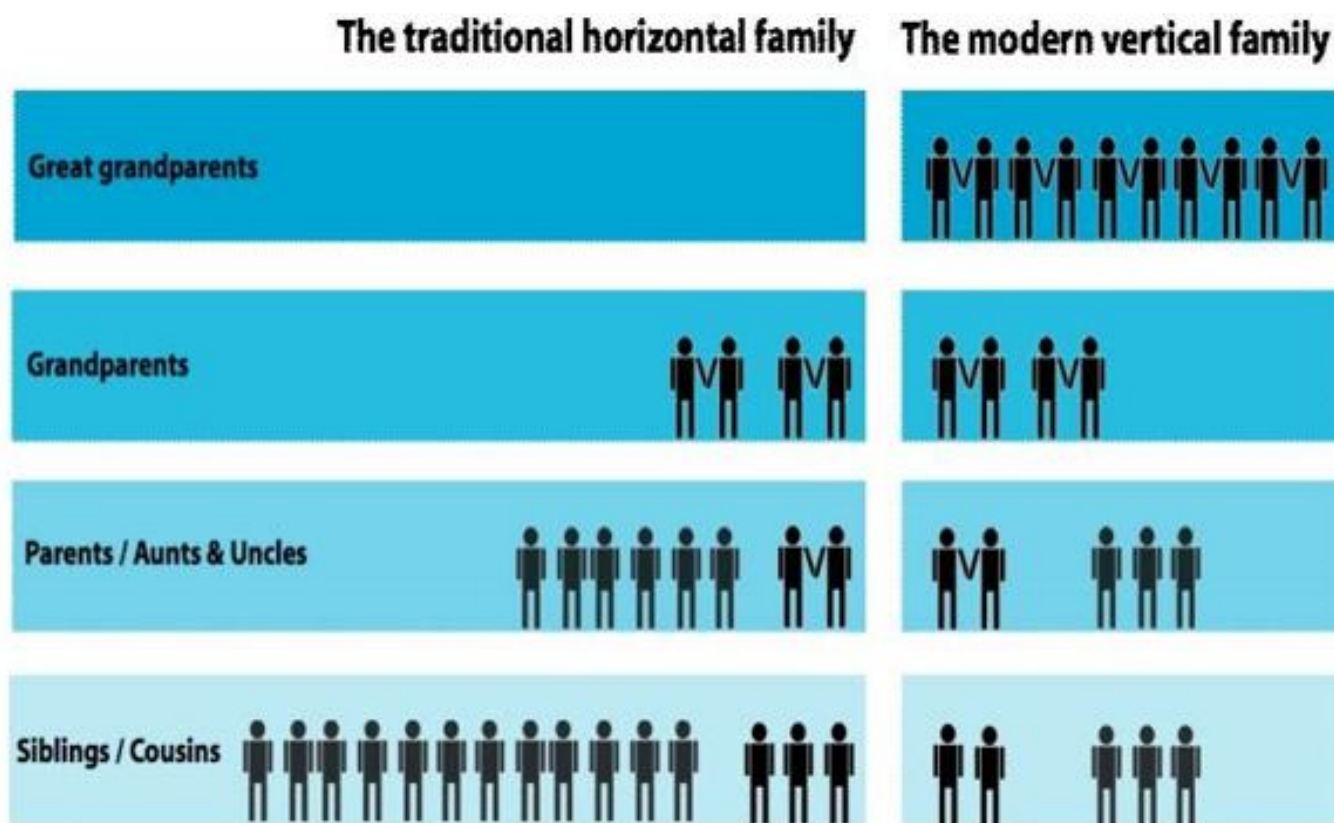
The market of multigenerational (multi-gen) travel is booming. Multi-gen travel refers to multiple generations within one family going on holiday together (kids, parents and grandparents), in search of experiences that create closer bonds and shared lasting memories. This development has led to a growing demand for larger types of accommodation that can cater for bigger family groups, such as hotel suites, (semi-detached) villas and cottages. This is stimulated by the increasing number of large extended families. Look at [the Covington website](#)

for more information.

Contrary to traditional family holidays with grandparents taking the kids and grandkids, the trend is that baby-boomer parents (born between 1946 and 1964, 55–73 years of age in 2019) take the adult children plus their grandparents on family trips. This results in a larger number of 20- and 30-year-olds taking more expensive trips than they would on their own. Interesting is that the adult 'children' (Gen Z, born between 1995 and 2010) play a big role in the holiday planning and drive the decision on destination and type of trips, which results in more exotic or adventurous travel.

The trend is reinforced by the rise of blended or reconstituted families and the verticalisation of families. Blended families are composed of two previously divorced persons with their single-parent families, children and principally eight grandparents. The verticalisation of families means that, because grandparents live longer than a few decades ago, they have more time to spend with their grandchildren. As a consequence, the care for the grandchildren is moving from the siblings and cousins in traditional large families to the grandparents in modern vertical families. This is illustrated in Figure 6. These trends combined imply that grandparents increasingly join parents and their children on holiday (vertical families), while at the same time the number of grandparents and grandchildren doubles in case of blended families (blended family holidays). Read a [Traveller column](#) for an illustration of this holiday type.

Figure 6: The multigenerational family



Source: [Tomorrow's Tourism](#)

The business advantage of this niche is that multi-gen families tend to book earlier and they prefer multiple holidays per year, while they tend to end the family vacation with planning the next one.

It is important for multi-gen travellers

1. to create a balanced itinerary in which experts balance activities and exploration by means of private and customised tours with downtime, and

2. to include accommodations that offer everyone a little space and privacy, with connecting rooms
3. at a destination that is colourful, off the beaten track and unique for the family to explore and discover together, and of course, features plenty of chances to swim in pools or at the beach. For example, Myanmar is a new, up-and-coming destination for multi-gen families. African safaris to for example the Serengeti are also popular. Because many lodges have a minimum age, this is suitable for adventurous families with older children. Other suggestions are listed on [the Africa Endeavours website](#).

There are a number holiday types that the multi-gen market feels attracted to and that offer opportunities for this market:

- [Ocean and river cruises](#) and all-inclusive resorts. Germany and the United Kingdom are relevant markets.
- City safaris – a hotel or vacation rental in big cities within walking distance of major attractions and restaurants. Cyprus, Finland and Italy are relevant markets.
- Heritage trips – a visit to the hometown or country the family is from
- Beach vacations – a visit to an all-inclusive resort with contemporary facilities and entertainment such as ziplines, perfect for reconnecting as a family. Eastern Europe is a relevant market.
- Skip-a-generation (skipgen) holidays (look at [the Fifty Candles Club website](#) and [the Red Tricycle website](#) for examples)– a holiday of grandparents with their grandkids to celebrate milestone birthdays and graduations.
- [Active or adventure trips](#), such as active biking, hiking, kayaking and canoe excursions (and exploring nature, underground salt mines, ascending a mountain for a climb, etc.)
- Celebration travel
- Mother/daughter or father/son trips (an emerging sub-market)
- Guided or private vacations, for example to exciting cultural and natural sites (UNESCO sites, archaeological sites, ecological reserves with wildlife to spot, unique natural landscapes to experience such as lava flows)
- Cultural immersion
- (Guided) educational trips and special interest tours, to learn more about the destination.
- Exclusive-use travel to a private villa, island, jet or yacht
- Transformative travel (eco-retreats, agritourism and milk your own cows, get eggs from the chickens, therapy programs, landscape)

More and more multi-gen travellers (just as with the Gen Y and Gen Z) return to travel agents. They are beginning to realise the value of an experienced travel agent who customises a trip that is a perfect fit for their family. Therefore, experienced travel agents offer another opportunity to approach this market.

There is no reason to anticipate an end or decline to this trend.

Tips:

If you are an African entrepreneur, you need to explore this market. Several African countries seem to become top destinations for multi-gen trips because of their once-in-a-lifetime cachet for those who can afford it (look at [NextAvenue](#) for an example)

Composing a multi-gen holiday for a diversity of ages and interests requires sufficient research and planning to cater for everyone's needs and interests

Have a large accommodation in a prime condition with room for privacy, such as the so-called reunion bungalow from [Landal Green Parks in the Netherlands](#), which caters for 18 persons and comes equipped with nine bedrooms, nine bathrooms and multiple kitchens

Provide activities that family members can take together


Offer sufficient leisure facilities for all age groups, such as kids' clubs for young children, game and evening entertainment for tweens, sports and spa programmes for teenagers or babysitting services for parents to go out

For more quantitative information, see our study about [the demand for tourism services in developing countries](#).


This study has been carried out on behalf of CBI by [Molgo](#) and [ETFI](#).

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