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Looking ahead: The Big Picture

14:30-15:00

PATA Youth Forum 2013

Peter Jordan

International Relations Officer

**World Youth, Student and Educational
Travel Confederation**





WYSE Travel Confederation

Located in Amsterdam, the Netherlands

THE global organisation for **youth, student and educational travel**





Looking ahead: The Big Picture on Global Youth Travel

- WYSE Travel Confederation – What we do
- What is ‘youth travel’?
- Sector overview
- Young consumer research
- What next?



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WYSE Travel Confederation: What do we do?



**WYSE TRAVEL
CONFEDERATION**



Bring together over 500 businesses, associations and destinations in the youth, student and educational travel industry from 120 countries

...supporting them with opportunities to
trade and network...



**...to learn about the latest industry trends
and benchmark their own activity...**



A photograph showing a row of international flags flying on tall poles in front of a modern, multi-story building with a glass facade. The sky is clear blue with a few wispy clouds. The flags include the European Union flag, the flag of Romania, the flag of Bulgaria, the flag of Denmark, the flag of France, the flag of Germany, and the flag of Spain. The text is overlaid on a semi-transparent white banner at the bottom of the image.

...and to advance their interests through lobbying **major international organisations** such as UNWTO, UNESCO and the European Commission.



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...and we organise the world's
essential youth travel trade event





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What is youth travel?



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Covers an age range of 18-35
...but for how long?





Represents over 20%
of international arrivals
(and growing!)





World's top 5 football clubs

\$7.1bn



Facebook's market value

\$13.1bn



McDonald's market value

\$99.5bn



Annual budget Argentinian gov't

\$105.8





A niche market?
Youth travel generated
\$182bn in 2012!





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The structure of the youth travel industry today



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Features five main sectors...

(Features business data from WYSE Travel Confederation Industry Review No.2)



Language travel

- Over 2 million arrivals worldwide in 2010
- English the most popular language (market value of \$10.5bn)
- US, Canada and Australia gaining market share
- Highly competitive, profit driven, mature marketplace

A young man with dark hair and a young woman with blonde hair are sitting at a desk, looking at papers together. The man is on the left, wearing a black shirt, and the woman is on the right, wearing a black top. They appear to be in a classroom or study environment. A semi-transparent grey box with a grid pattern is overlaid on the bottom half of the image, containing text.

Higher education

- 3.6 million international arrivals in 2010, market value \$64bn
- Biggest revenue earner in the industry
- USA most popular destination
- More countries competing to attract students



Exchange / work experience / Au Pair

- 700,000 participants in top 5 destns (US, UK, Aus, Can, NZ)
- Most participants combine work with travel
- Work visas usually agreed between individual governments



Volunteer travel

- USA top sending country in 2010
- Participants motivated by altruism and self-development
- Worthy of note: TAT's 'The Little Big Project'



Leisure / adventure / backpacker travel

- Covers a wide variety of segments
- In constant evolution
- Increasing professionalisation of the segment



Accommodation

- \$34bn industry
- Increasing private equity investment
- Professionalisation of the sector





Serviced by...

Accommodation

Transportation

Financial services

Catering

Technology providers

Equipment suppliers

Visa processing

Media, PR & publishers





Today's young traveller



Tomorrow's business traveller

Tomorrow's family holiday

Tomorrow's senior traveller

(...)





Young consumer research

WYSE Travel Confederation's
New Horizons III study of young
consumer travel behaviour





New Horizons III

- The only longitudinal global study of youth travel
- Surveys every 5 years since 2002
- Expanding geographical coverage

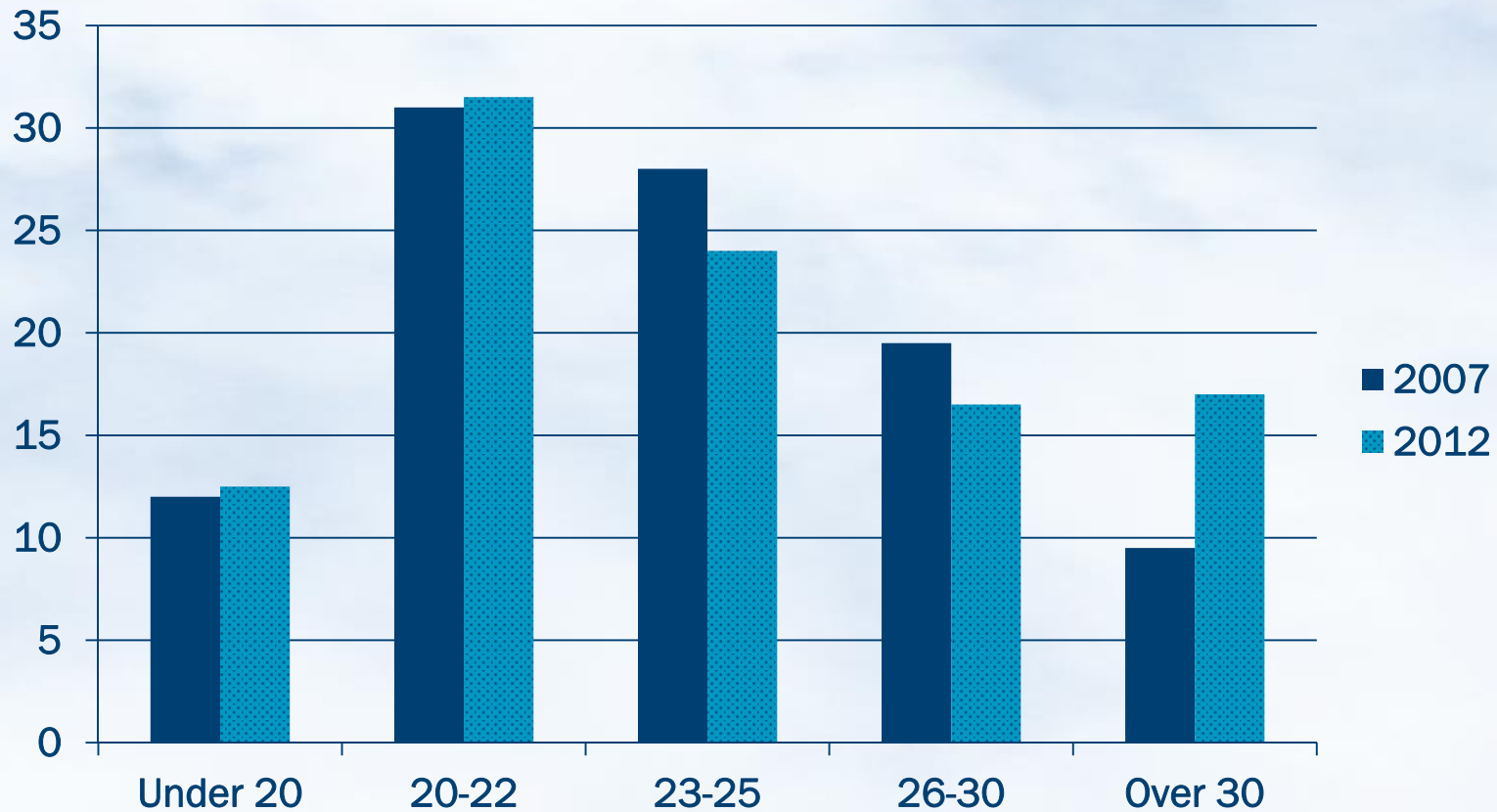
- Sample size:

2002	2,300
2007	8,500
2012	34,000



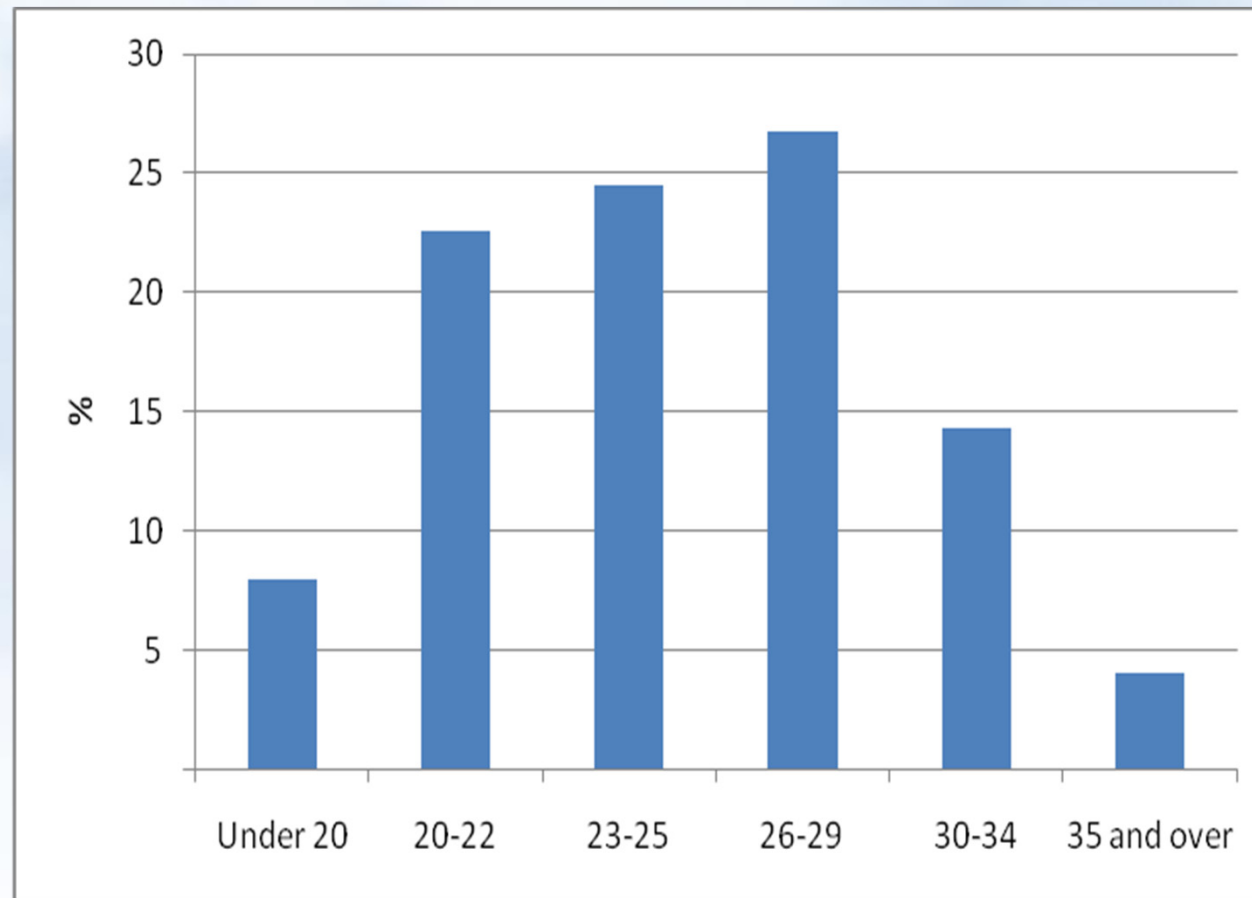


New Horizons III - Age profile (in %)





Visited Thailand, last main trip Age range (in %)





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- Youth travel identity
- Reason for travelling
- Motivations
- Dest'n choice

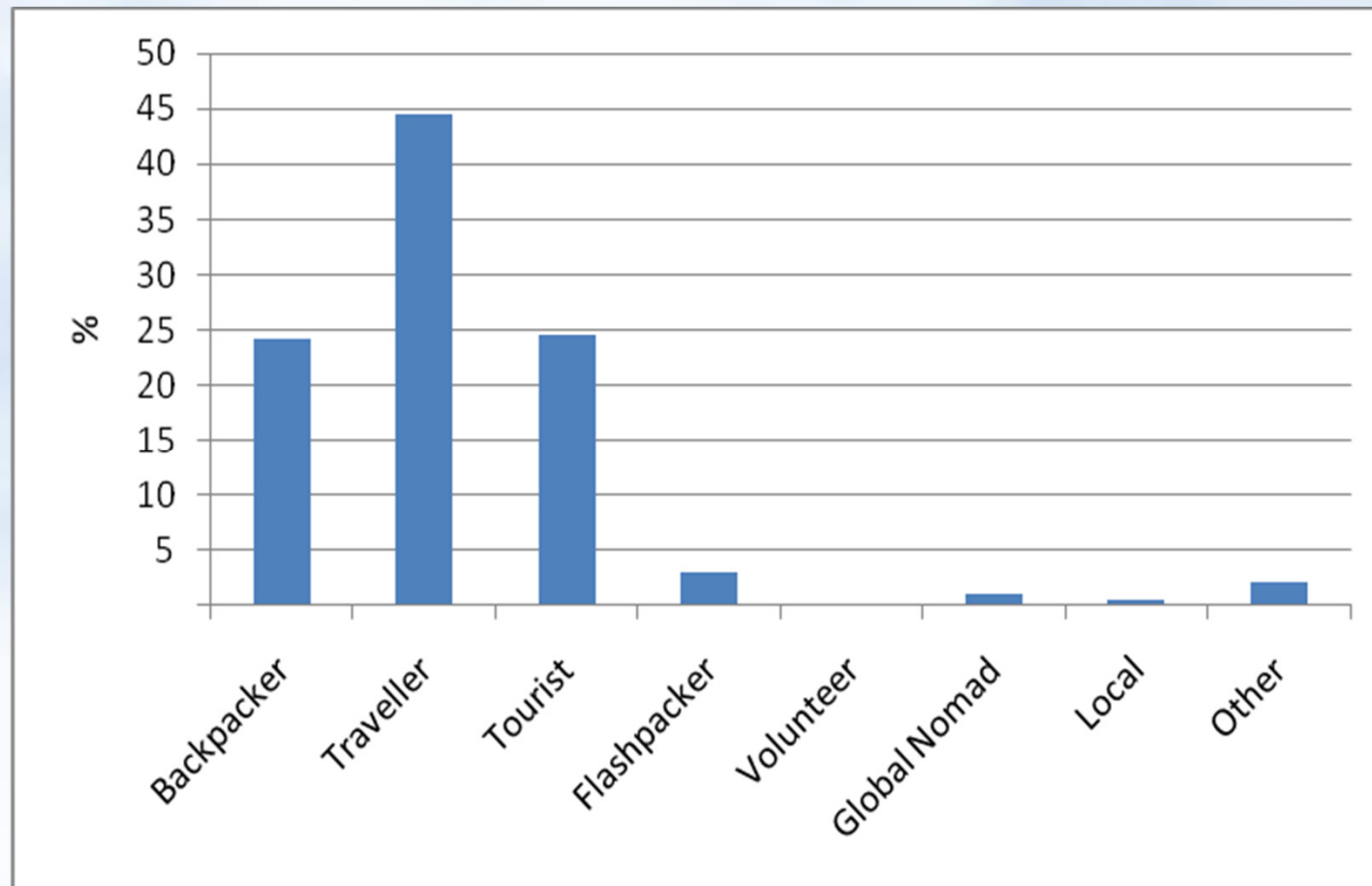


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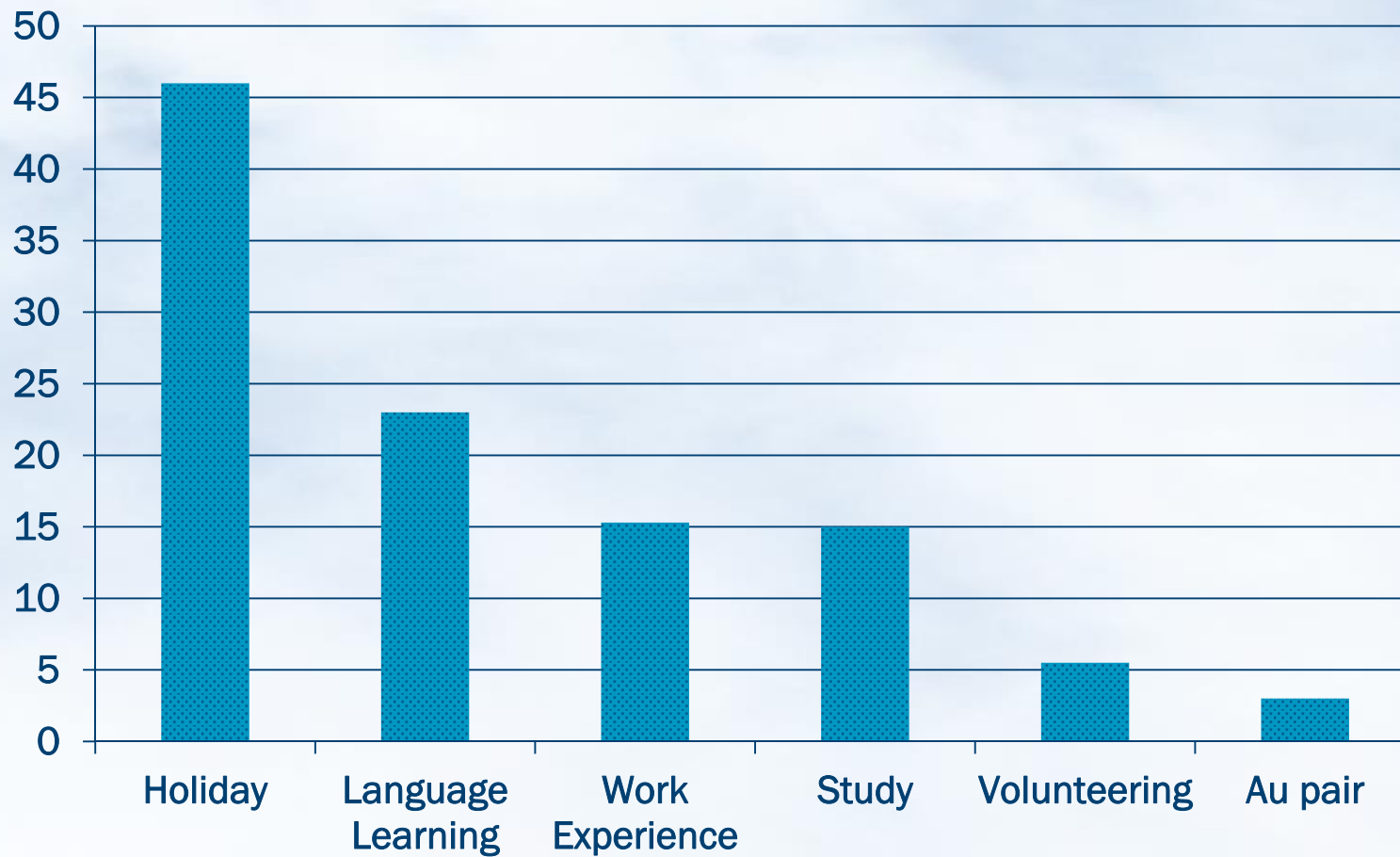


Visited Thailand, last main trip Travel identity (in %)





Why are they travelling? (in %)

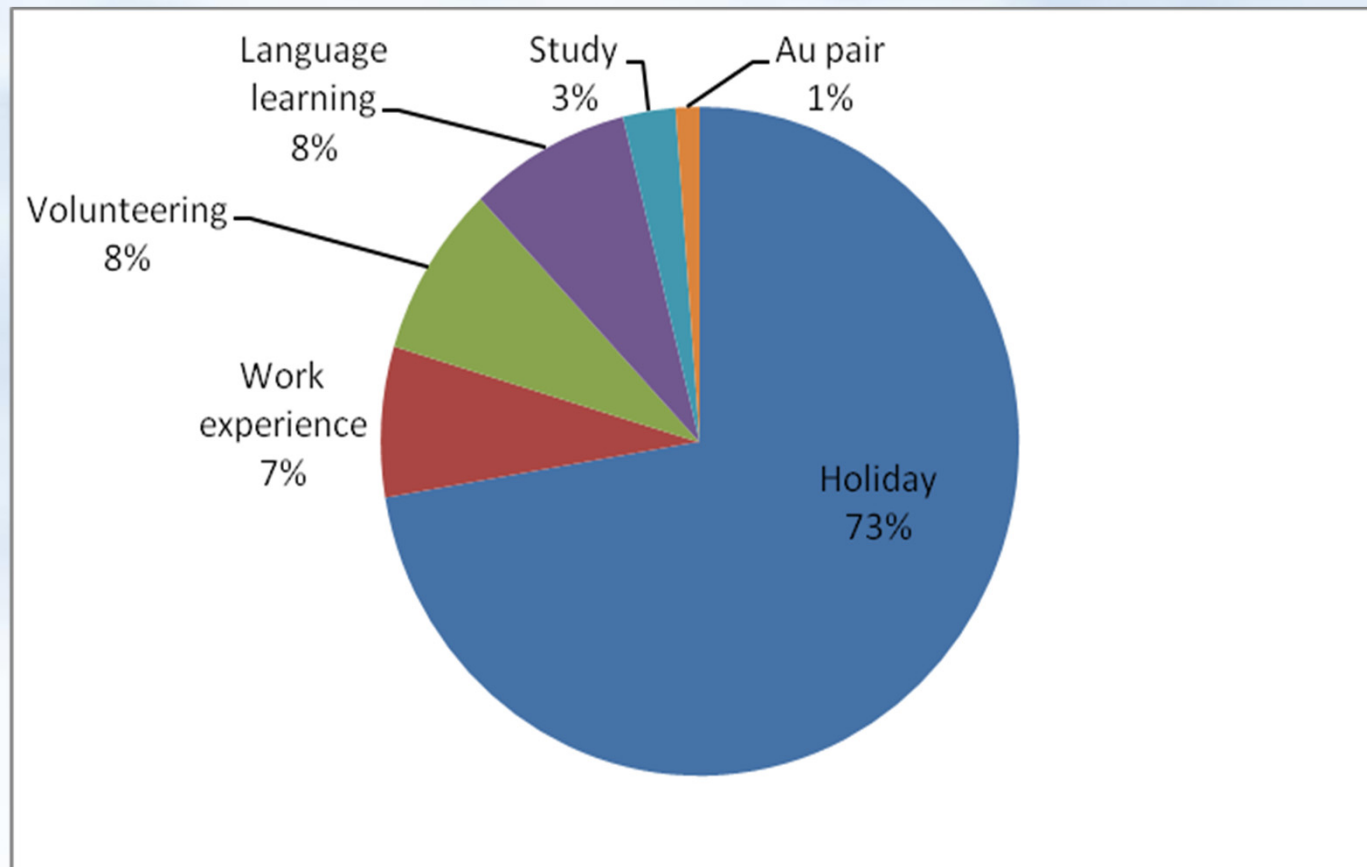


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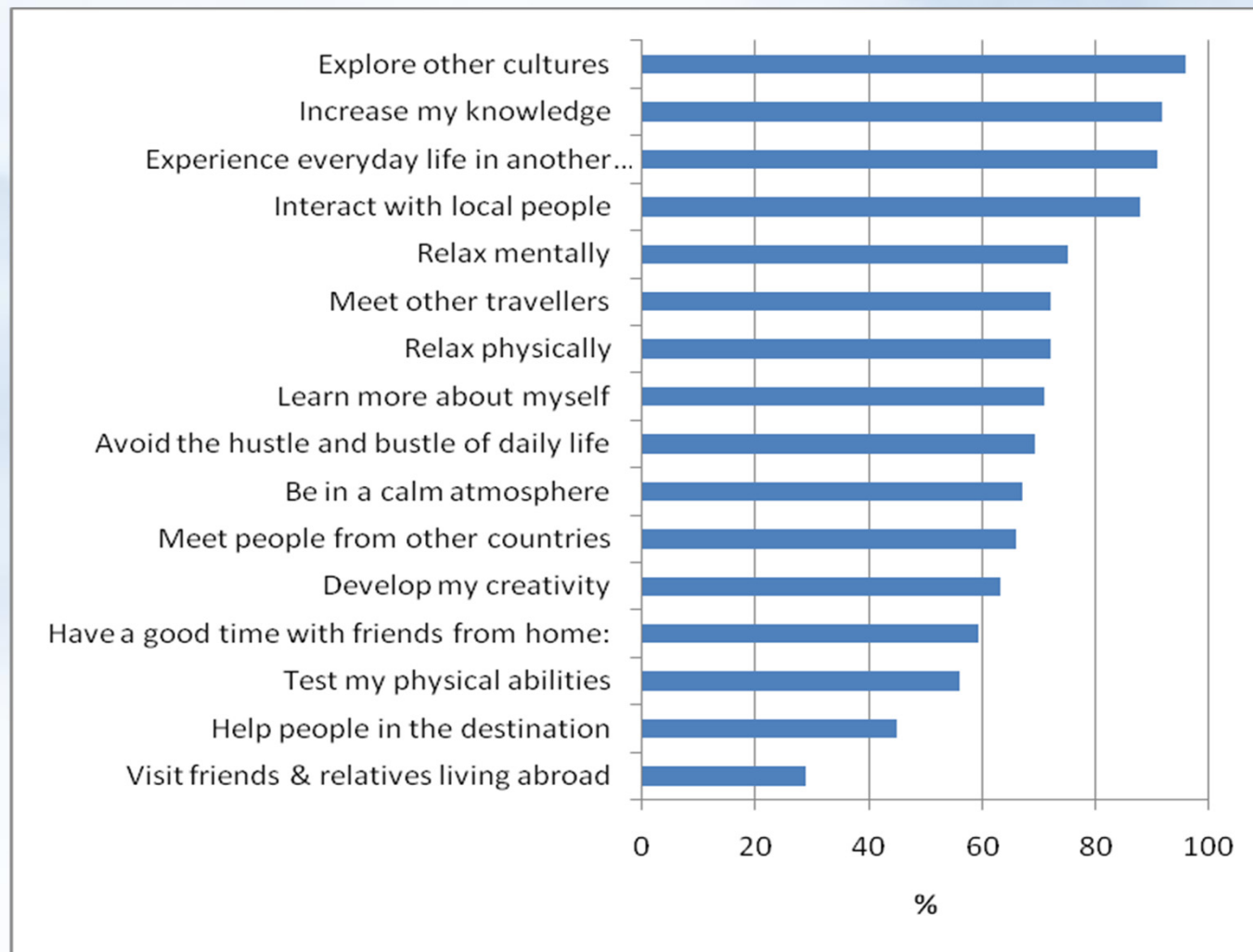


Visited Thailand last main trip Reason for travelling (in %)



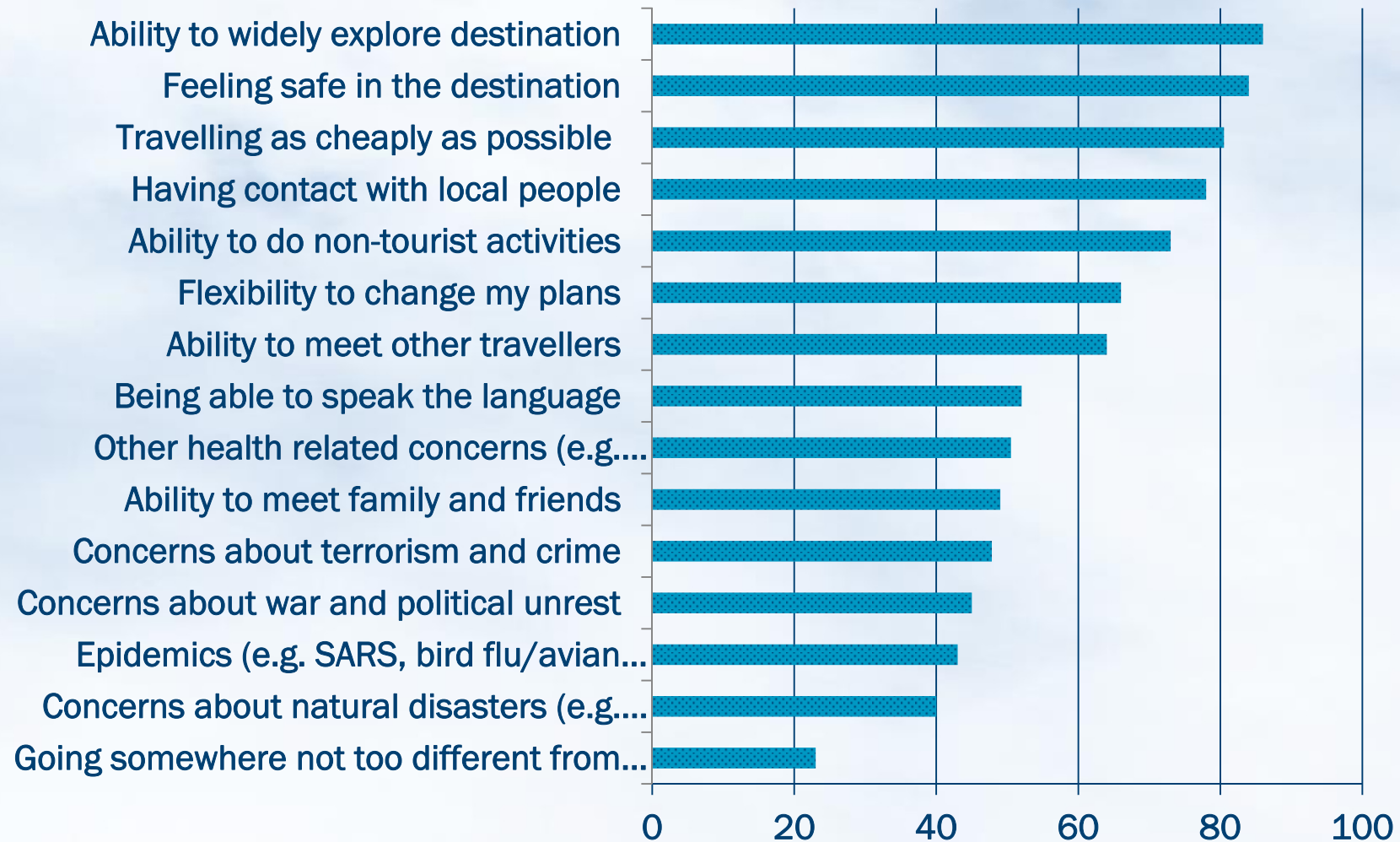


Visited Thailand, last main trip Motivations for travelling (in %)





Influences on destination choice (in %)



Source:





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Booking online vs. agency visit

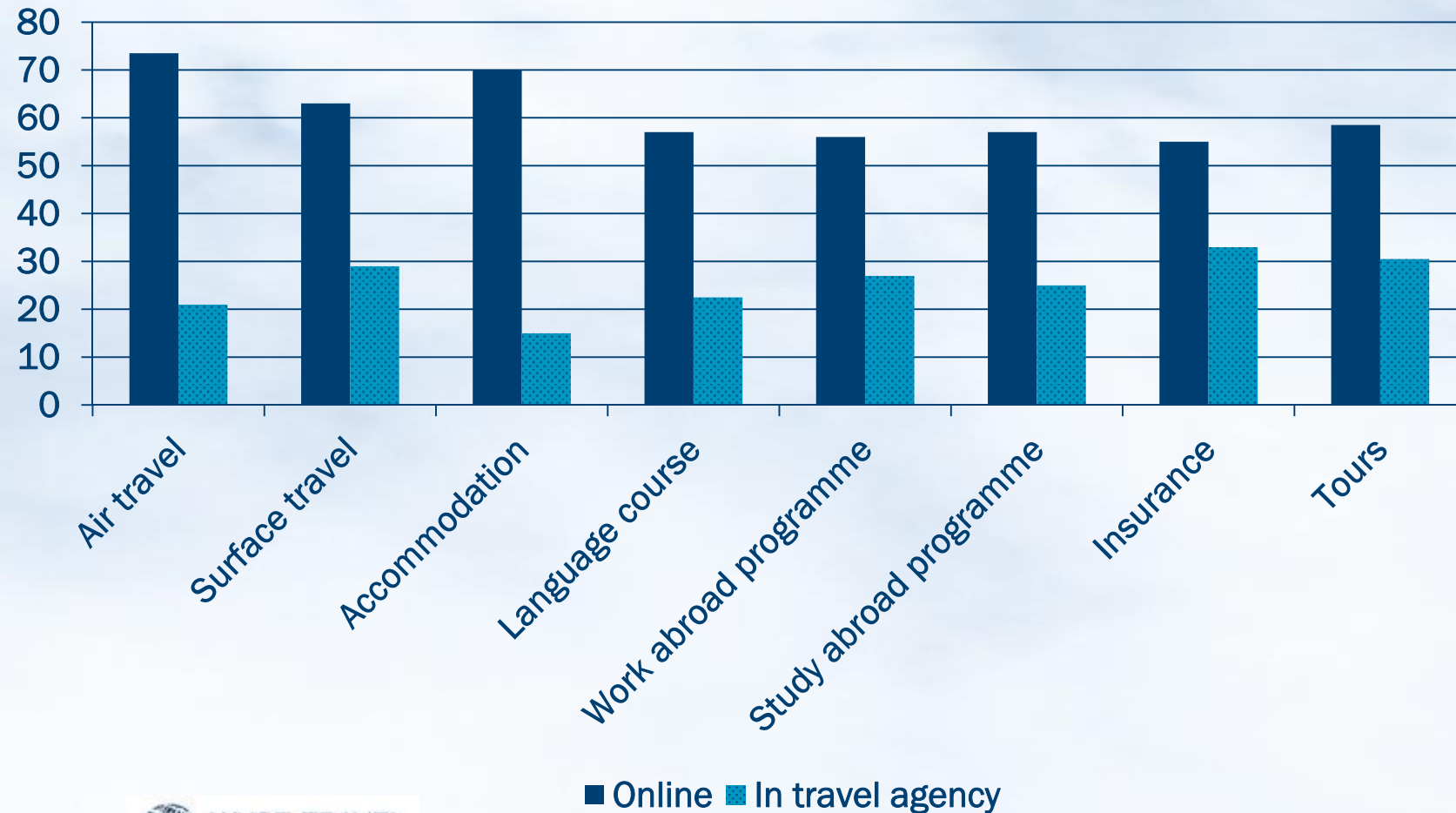


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Booking online vs. agency visit (in %)





Booking factors (in %)





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A new generation of youth travel accommodation

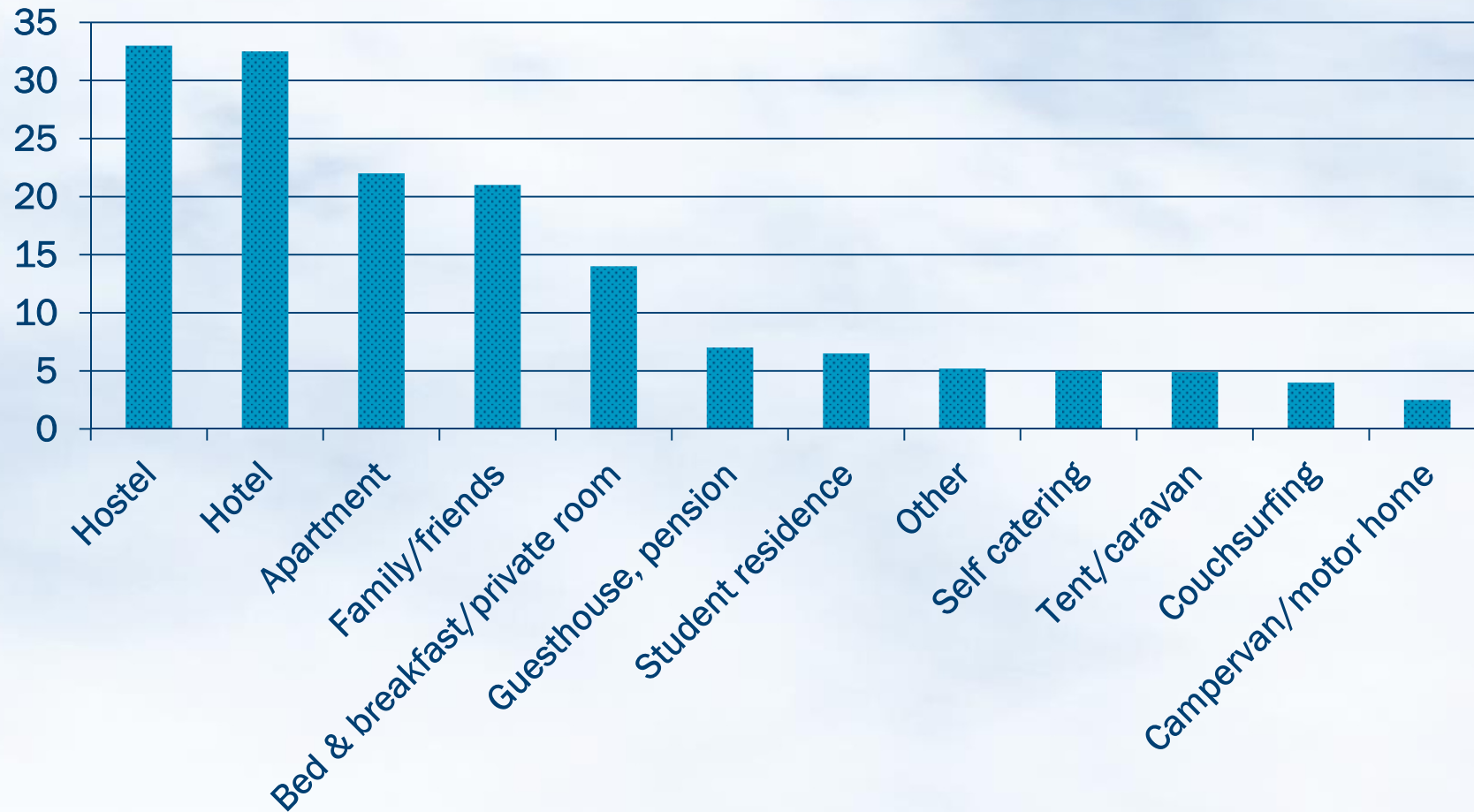


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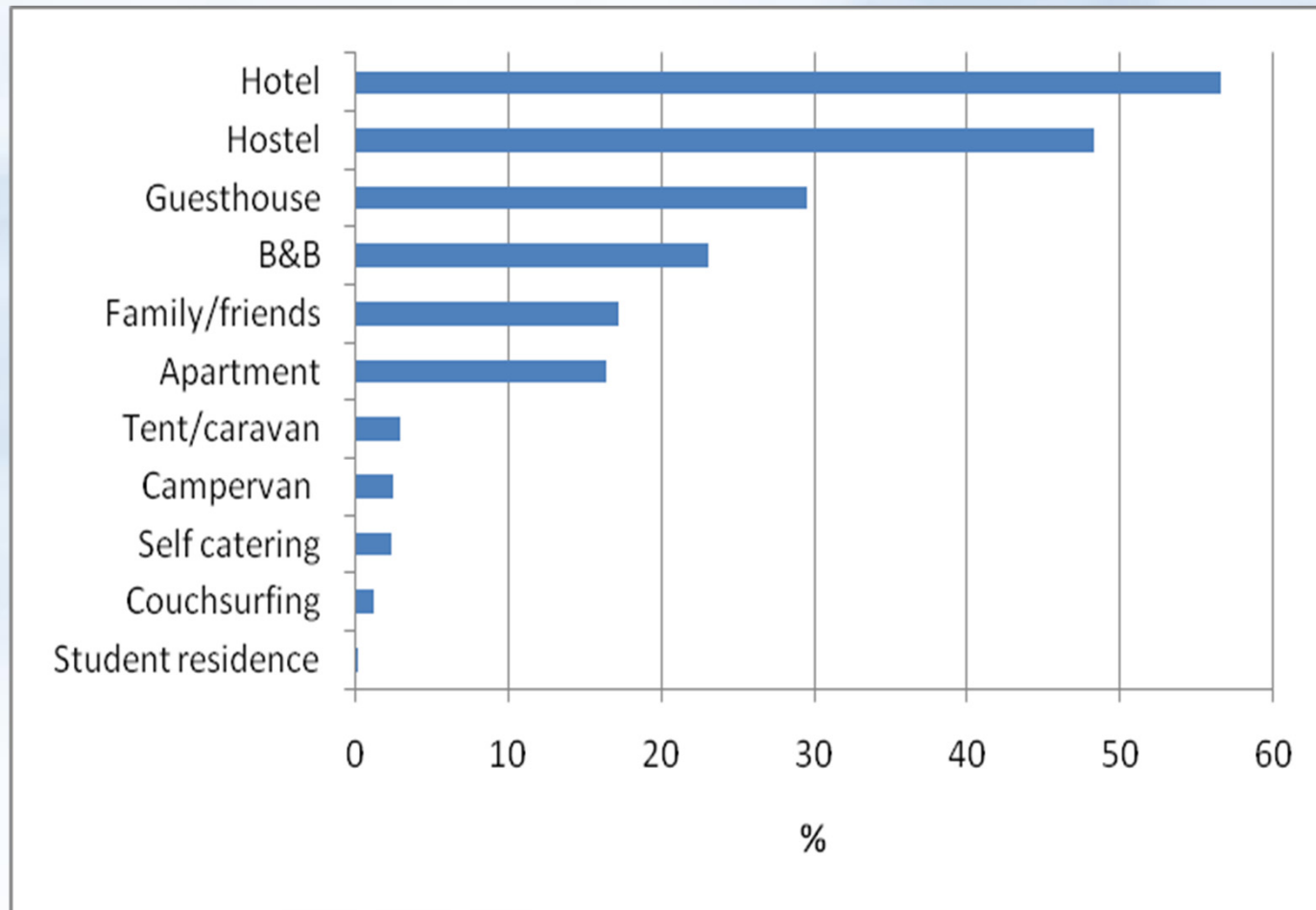


Where do they stay? (in %)



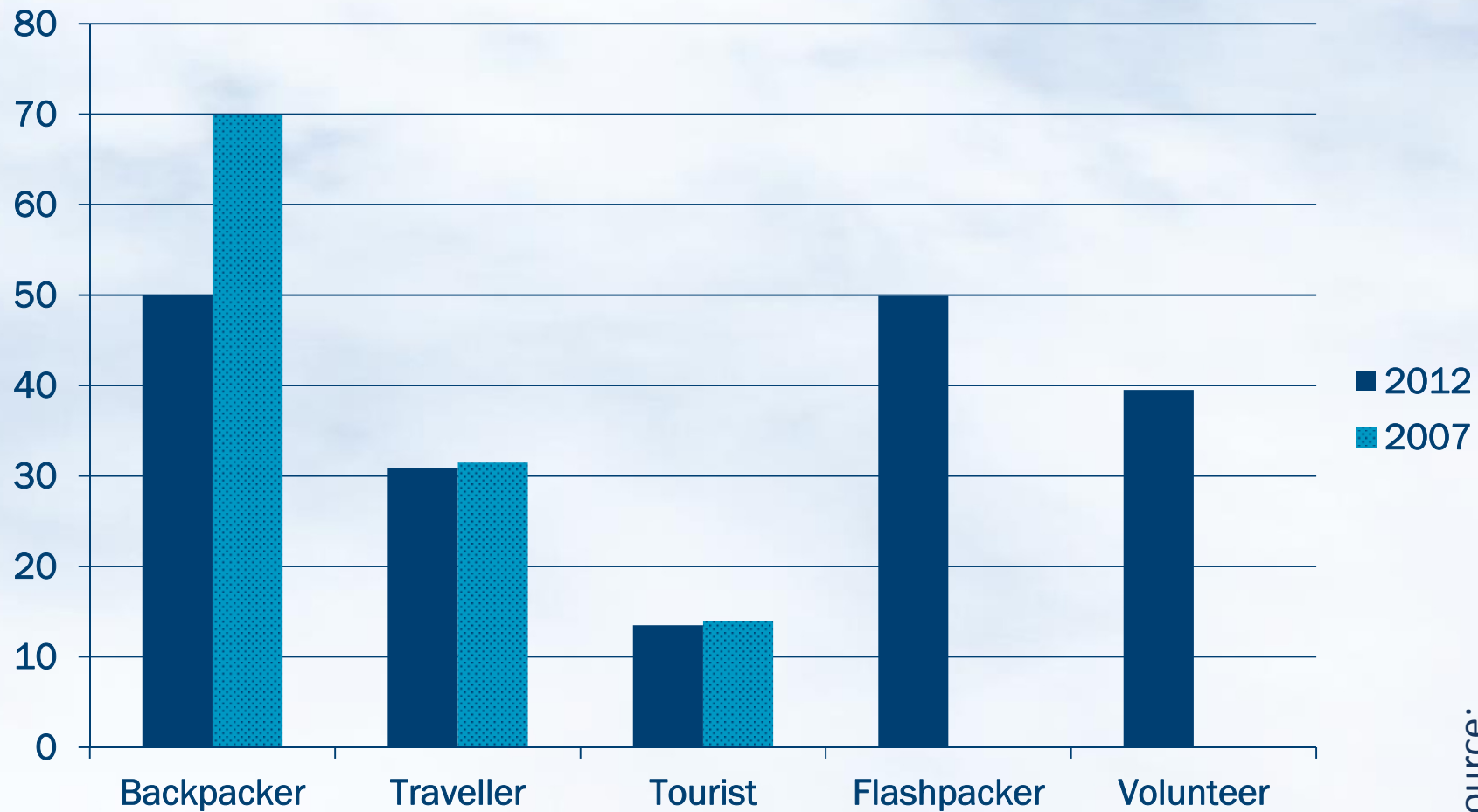


Visited Thailand, last main trip Accommodation used (in %)





Hostels: diversifying their markets (in %)



Source:

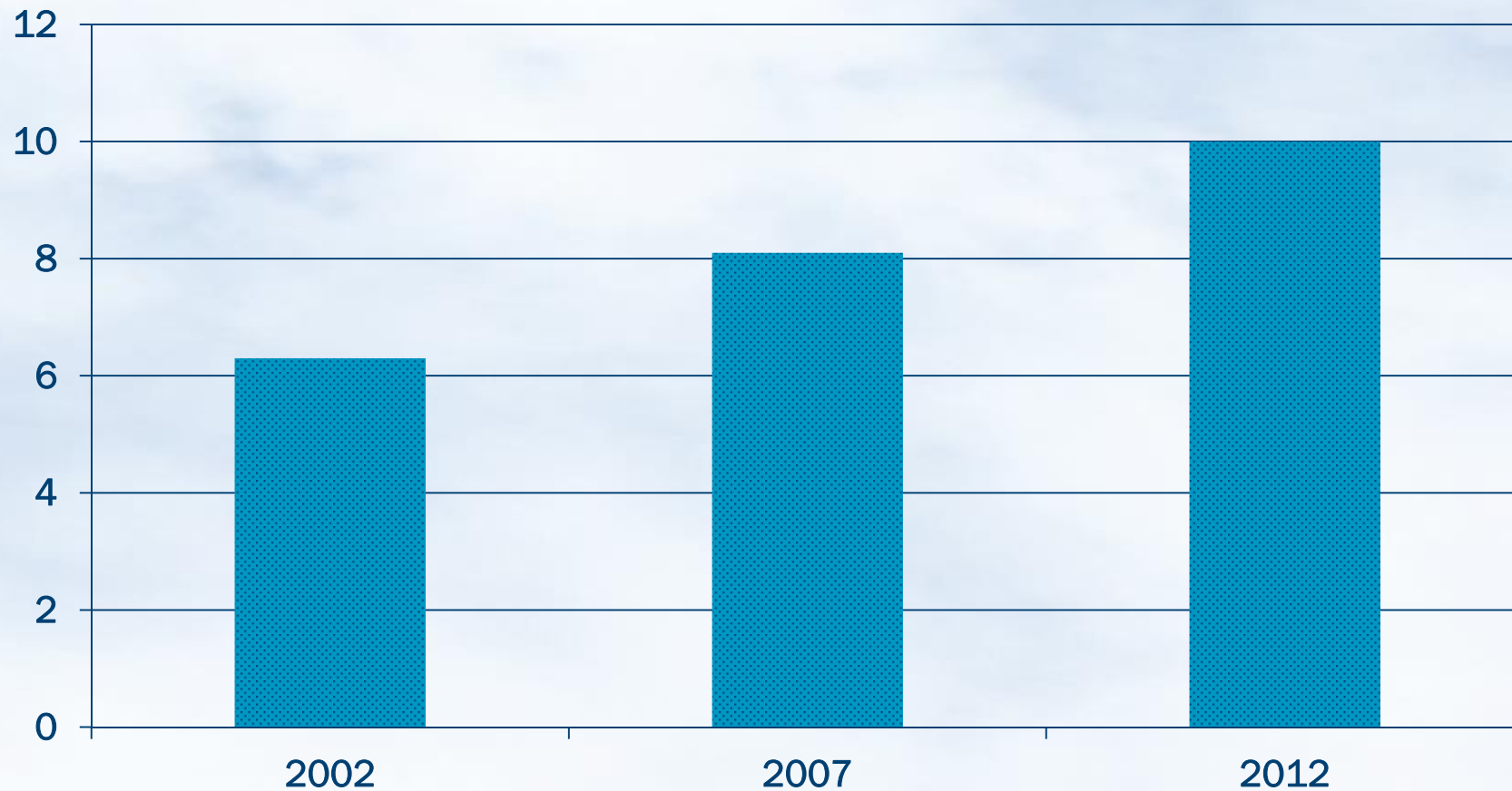


- More trips
- More destinations
- Destination wishlist



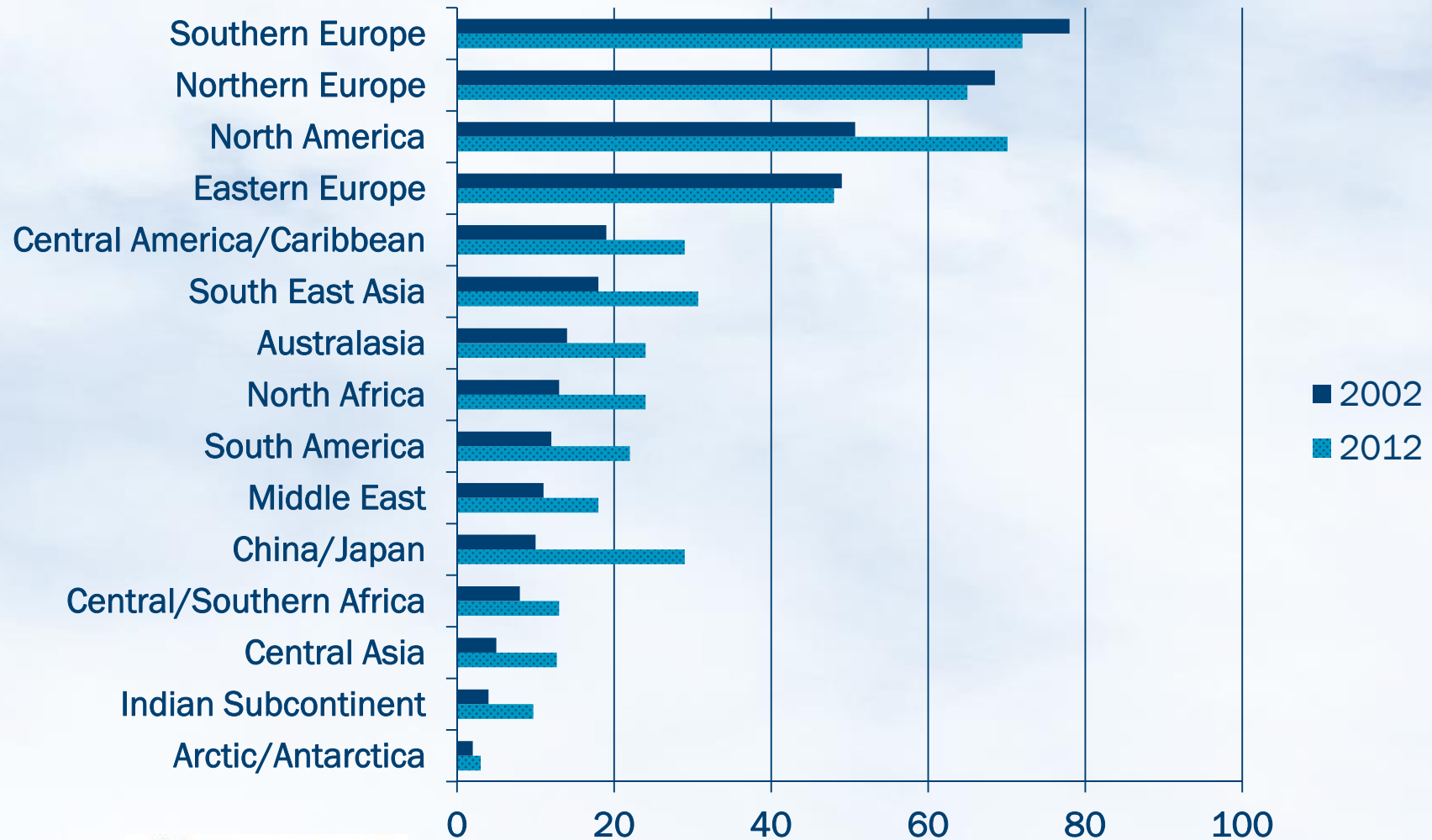


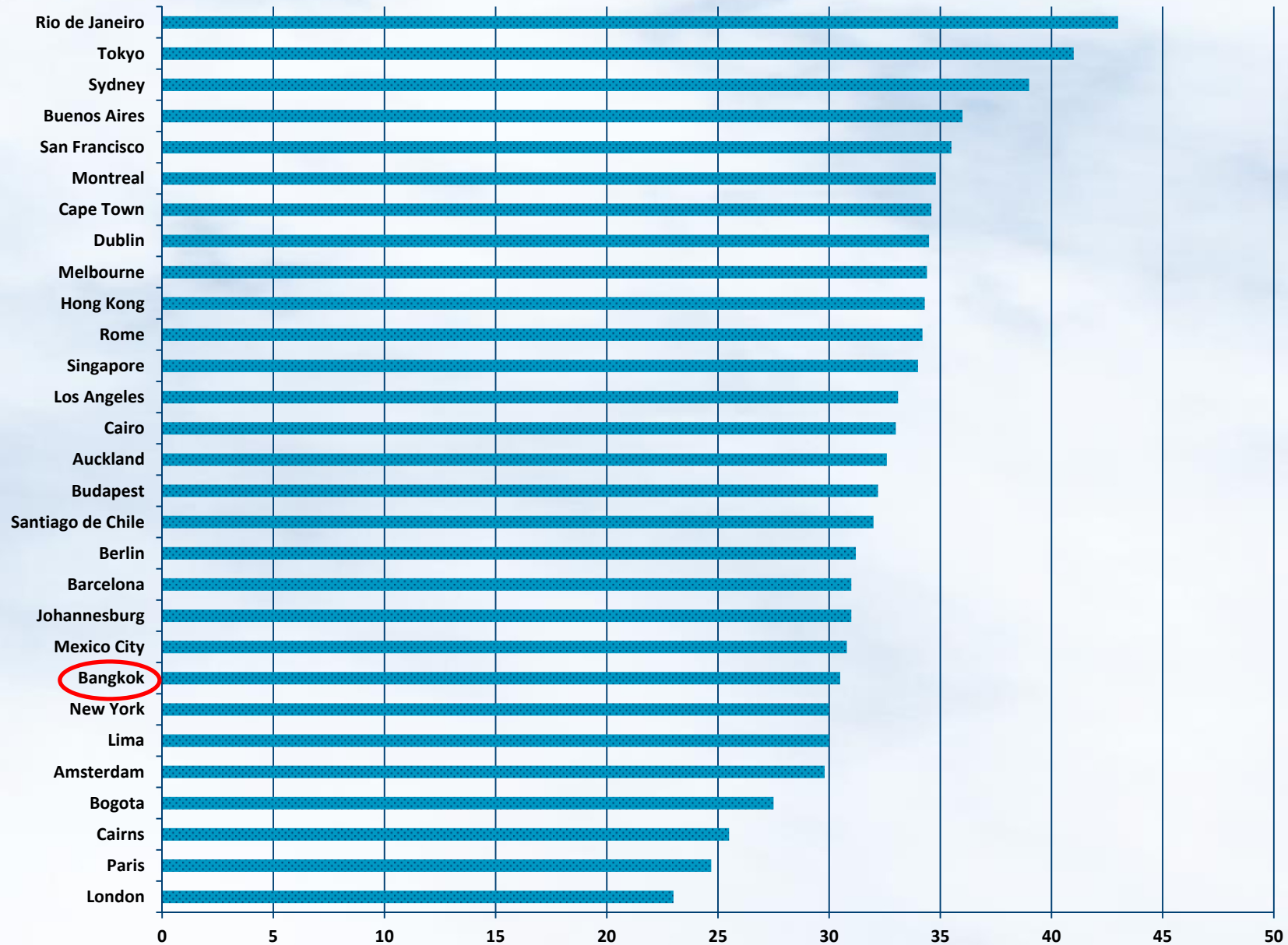
Trips taken outside home region (quantity)





A greater variety of destinations (in %)





Source:



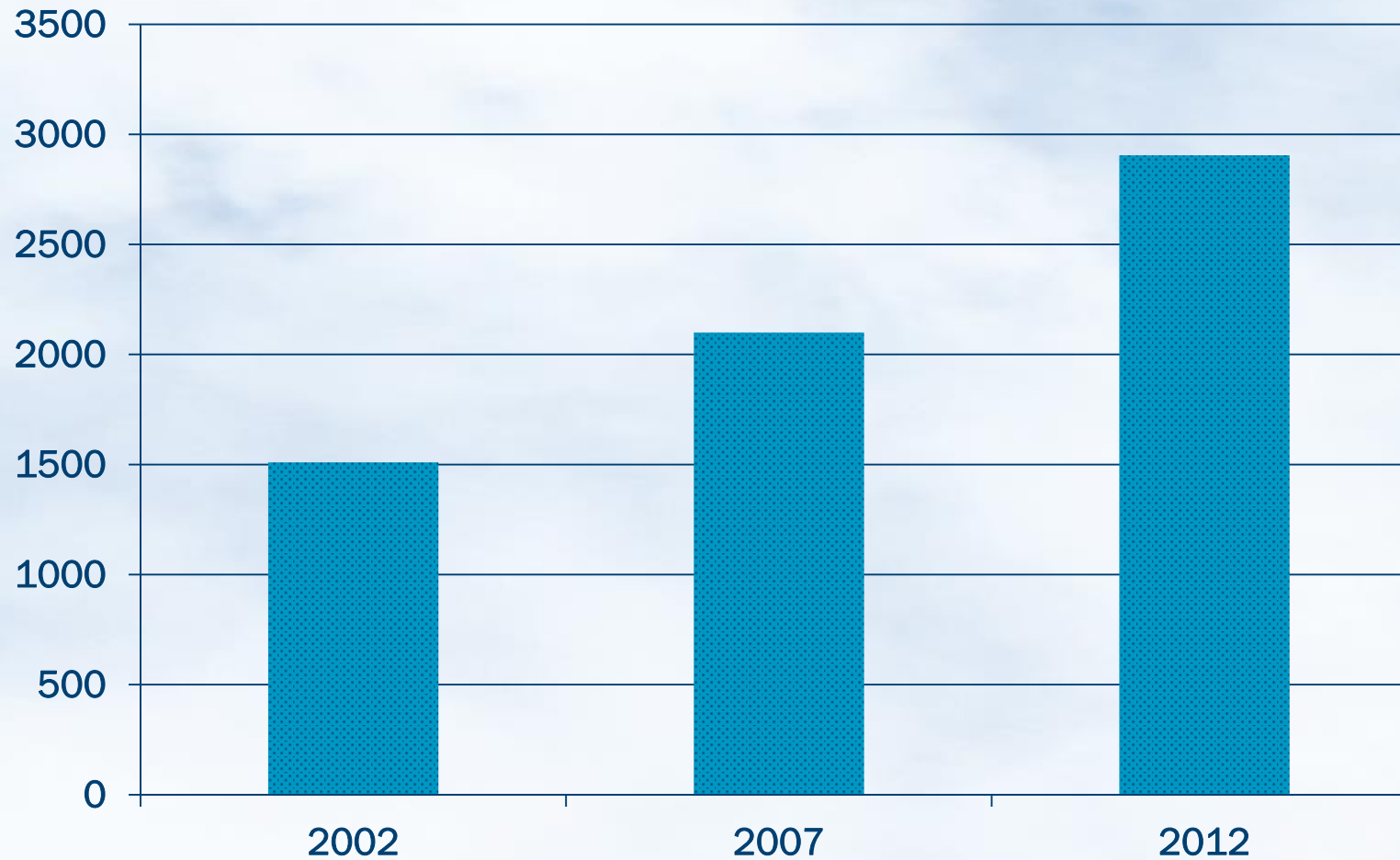


Spending and sources income





Total spending (last main trip)



Source:



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Last main trip, to Thailand

Total spend on trip: 1143 euros (42,790 Bht)

Spend per day : 42 euros (1570 Bht)



- Benefits of travel
- Barriers to travel
- Young peoples' concerns
- Future aspirations



Post trip reflection – top five benefits of travel

1. A thirst for more travel (91%)
2. More appreciation of other cultures (89%)
3. Interest in learning about other cultures (88%)
4. More self-knowledge & awareness (85%)
5. More tolerance of cultural differences (84%)



Top five barriers to travel (January 2013)

1. Crime (24%, consistently the highest)
2. Natural disasters (16%)
3. War and political instability (14%)
4. Terrorism (12%)
5. Epidemics (12%)



Top five young peoples' concerns

1. Unemployment (36%)
2. Economic crisis (24%)
3. Alcohol abuse/drugs (15%)
4. Saving the planet (12%)
5. Democratic freedoms (8%)



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**A BIG THANK YOU TO THE SPONSORS OF
NEW HORIZONS III !**



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Conclusions

What next?



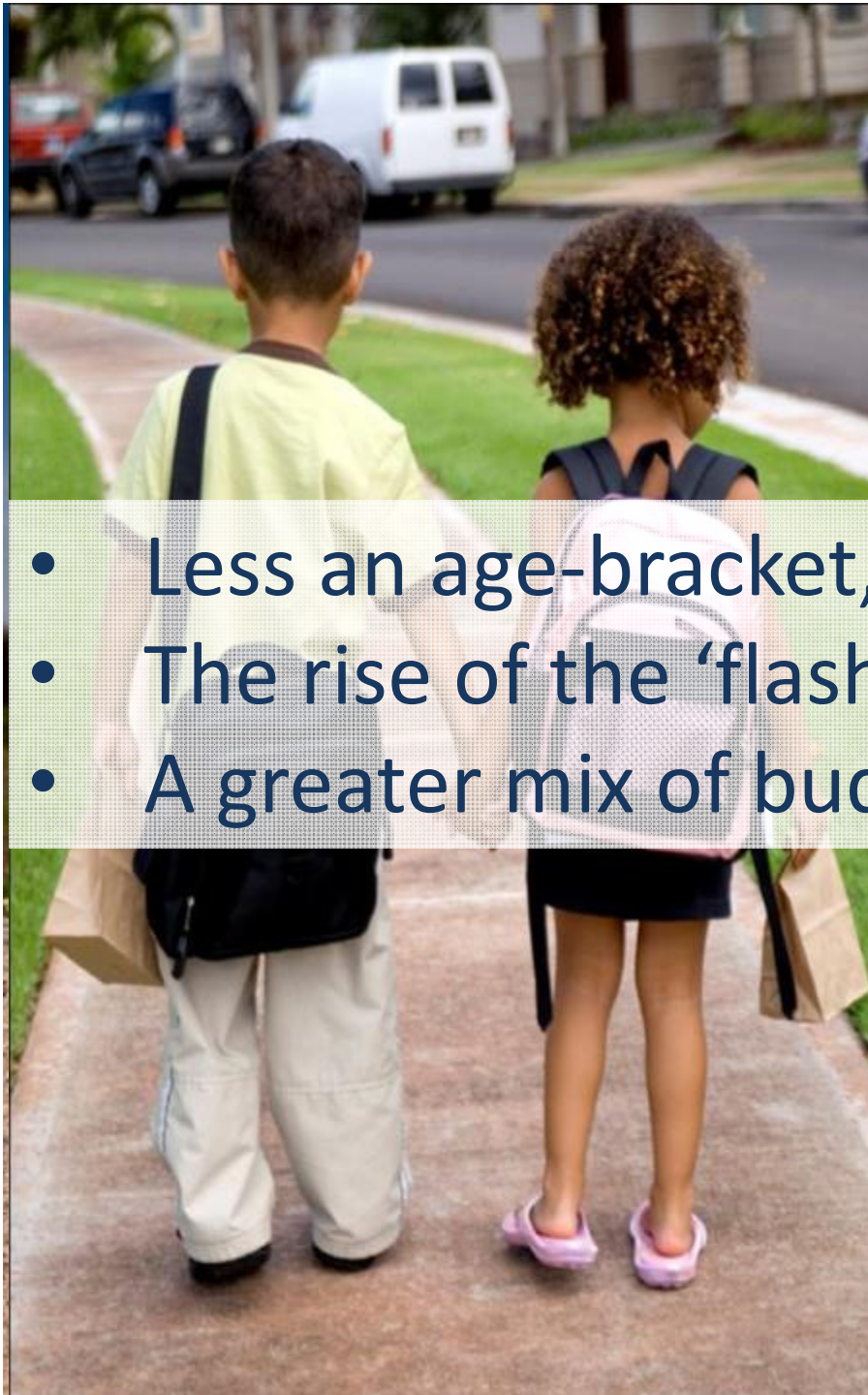


Youth travel is growing – and fast!
Expected to reach 300 million by 2020



- A greater mix of work, travel and family life
- Businesses value international experience
- Travel, especially for study and work seen as an investment





- Less an age-bracket, more a state of mind
- The rise of the 'flashpacker'
- A greater mix of budget and luxury products



- Living life online at every stage of the visitor journey
- Travel is becoming social



Thank you

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See you in Sydney!
www.wystc.org



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Sydney 17 – 20 September 2013