

## Look to Europe for Next Wave of Online Travel Growth

2005-12-15

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It's practically second nature for U.S. online consumers to look for travel deals on the Web. In fact, nearly nine out of 10 U.S. online consumers used the Web in summer 2005 to plan or purchase travel, according to Feedback Research.

Not surprisingly, over the past ten years the pace of growth for U.S. online travel bookings has slowed from torrential to solidly respectable. Now, the big growth has shifted to Europe, as travelers there catch the online travel wave. According to PhoCusWright, online penetration is expected to more than double from 9 percent in 2004 to 20 percent by 2006 across Europe. Leading online travel companies are expanding and consolidating the fragmented European travel marketplace. As has been true for U.S. consumers, European online bookers will benefit from greater choice, value and ease in making travel arrangements.

### **More Information:**

œ According to PhoCusWright, gross U.S. bookings for U.S. online travel agencies grew 19 percent in 2005, down from 21 percent a year earlier and 33 percent in 2003. By contrast, international gross bookings increased by 115 percent so far this year, up from 97 percent in full-year 2004 and 109 percent in 2003.)

- Across Europe, online bookings grew by 51% to reach \19.2 billion in 2004, and online penetration is expected to more than double from 9% in 2004 to 20% by 2006.

- Fragmentation in the online travel agency market is still high compared with the U.S., where three companies serve 93 percent of the online travel agency market. Sixty percent of the European online travel agency market is in the hands of the top five agencies.

(PhoCusWright "European Online Travel Marketplace Update 2002-2006: Focus on Germany": [www.phocuswright.com](http://www.phocuswright.com))

œ e consumers used the Web this past summer to plan or purchase travel, according to Feedback Research. Feedback Research is online at [www.feedbackresearch.com](http://www.feedbackresearch.com).

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