European Online Leisure Travel Nears 25% of Total Travel Market

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PhoCusWright Releases European Online Travel Overview

According to a new report from PhoCusWright Inc., the European travel market is marching relentlessly in the footsteps of the online U.S. travel market, though with a few important differences. The report, PhoCusWright's European Online Travel Overview Third Edition , provides an in-depth look at the fragmented European travel market, including market size, forecasts, and analysis for the European market as a whole, as well for the U.K., French, German, Italian and Spanish online and total travel markets.

According to the report, European online leisure/unmanaged business travel as a percentage of the total travel market will approach 25% in 2007, the level achieved in the U.S. in 2004. Yet the individual markets of Europe, in particular the top five (U.K., Germany, France, Spain and Italy) demonstrate the variety of paths that developing e-commerce economies can take. Hence, PhoCusWright has undertaken a country-by-country research effort covering these five markets and the European market as a whole, resulting in the six new reports.

Analysis covers actual results for 2004-2006 and projects trends through 2008. This latest look at the U.K., French, German and Spanish online travel markets is augmented by PhoCusWright's first ever stand-alone analysis of the Italian market.

PhoCusWright's European Online Travel Overview , the company's flagship European research report, is used by industry executives and other key decision makers in all segments of the travel, tourism, and hospitality industries to make informed, strategic business decisions. Investment firms and industry analysts also use the report as the most authoritative guide to current and future travel industry trends.

PhoCusWright's European Online Travel Overview also finds that cultural, technological, strategic, and fiscal forces have shaped the online markets of each of the five largest European countries. This new set of studies delves into the drivers and the likely effects of these forces. For example:

In Germany, where Internet access is widespread and online purchasing is well established despite a relative aversion to credit card usage, travel purchase incidence is extremely low among both online buyers and frequent Internet users.

In the U.K., where Internet access is ubiquitous and online purchasing routine, more than twice as many online buyers and regular Internet users buy travel than in Germany.

Italy and Spain share similar Web connectivity profiles, but a much higher proportion of regular users of the Internet in Spain purchase travel online than in Italy.

Other highlights and points of differentiation on these markets include:

In the U.K., online buying patterns and behaviors most closely resemble those of the U.S., but the powerful tour operators have entered the field in force, and a convergence of business models with online travel agencies is heralding a reshaping of the business strategies that defined the U.S. market.

In France, monolithic suppliers, a lack of local low-cost carriers, and a relatively small outbound market have tempered the growth of the online segment.

In Spain and Italy, two of the largest leisure destination draws anywhere, the travel market migration to the Internet has lagged behind that of the U.K., Germany, and France. Less broadband access and fewer habitual Internet users are primary factors in the slower online development of these countries' online travel markets, as are local cultural behaviors.

Packed with numerous additional findings, the full report is available at www.phocuswright.com/reports/europe for a base price of $2250 (1700 EUR*). Individual country reports are priced as follows: U.K., $600 (450 EUR*); France, $600 (450 EUR*); Italy, $600 (450 EUR*); Spain, $600 (450 EUR*); Germany, $800 (600 EUR*).

**EUR is based on exchange rate as of August 7, 2007.*