

# Market introduction



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NORDIC TOURISM COLLECTIVE

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## THE NORDIC TOURISM COLLECTIVE

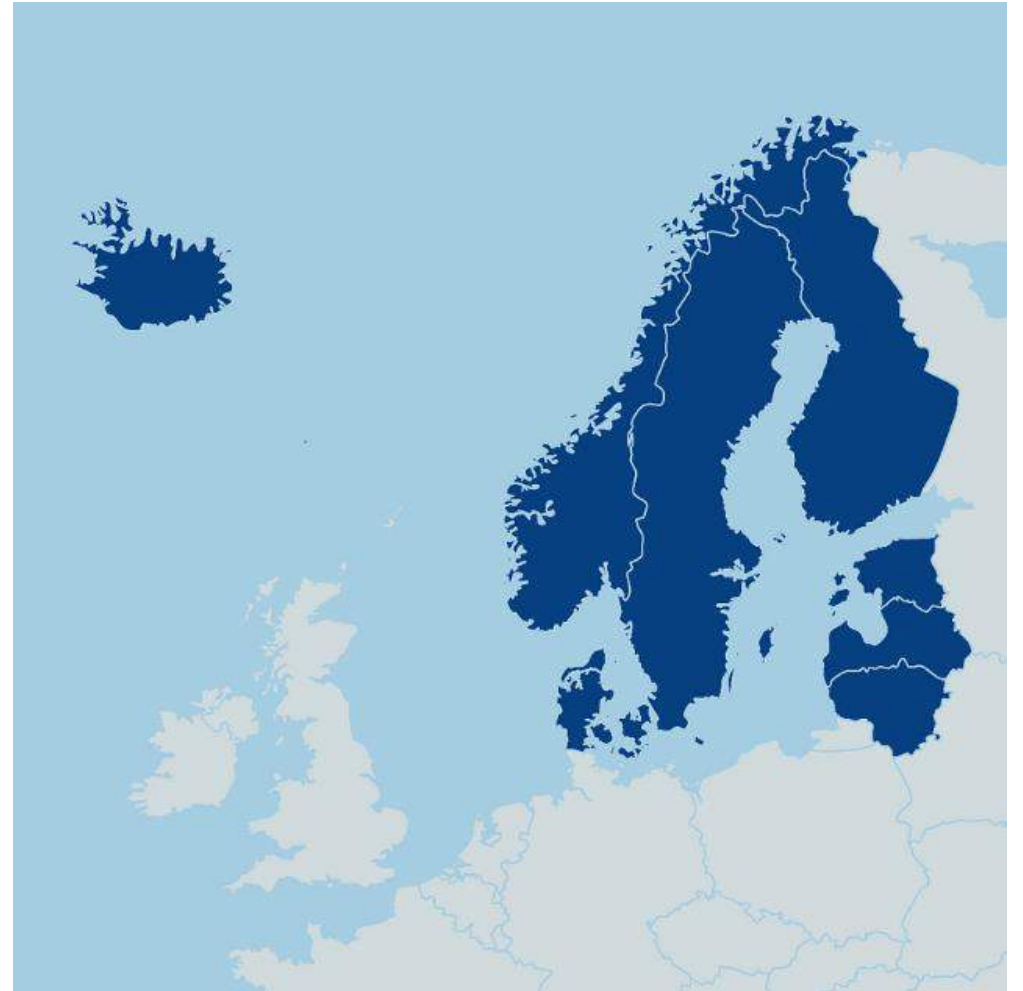
The Nordic Tourism Collective is an independent, not-for-profit collaborative membership network for the Nordic travel and tourism industry; our aim to assist the sustainable development of tourism in the Nordic and Baltic regions.



Can we help?

# NORDIC TOURISM COLLECTIVE

- Working in cooperation with the National Tourist Offices, Destinations DMOs, hotels and transportation companies
- Encouraging collaboration opportunities for members in the Baltic and Nordic region
- Promoting the sustainable development of the Baltic and Nordic region
- Specialising in representation services for the Nordic region in the UK Market
- Providing networking, communication and business opportunities.



# Our Credentials

- Many years of experience developing sustainable tourism in the Nordic and Baltic region
- Champions of promoting nature tourism and sustainability in the region
- Long working history and engagement on the UK B2B market. Well connected with UK industry, tour operators, agencies and other associations
- Andy - Marketing and communications
- Paul - Procurement/Product development
- Passionate about the region, the people and the cultures in the Baltics
- Close collaboration with Visit Estonia and LIAA



# Key Focus Areas

Overview of the UK travel market:

- What has changed since covid
- Economic impact on tourism
- Impact of the Ukraine conflict

Unravelling the UK Market:

- Tour operator and Travel agencies
  - Mainstream and High end travellers
  - Adventure and Culture/Gastronomy holidays
  - London based operators
- 
- What are the current booking habits and trends
  - The emergence of nature tourism and sustainability
  - Importance of the specialist nature and rural sector

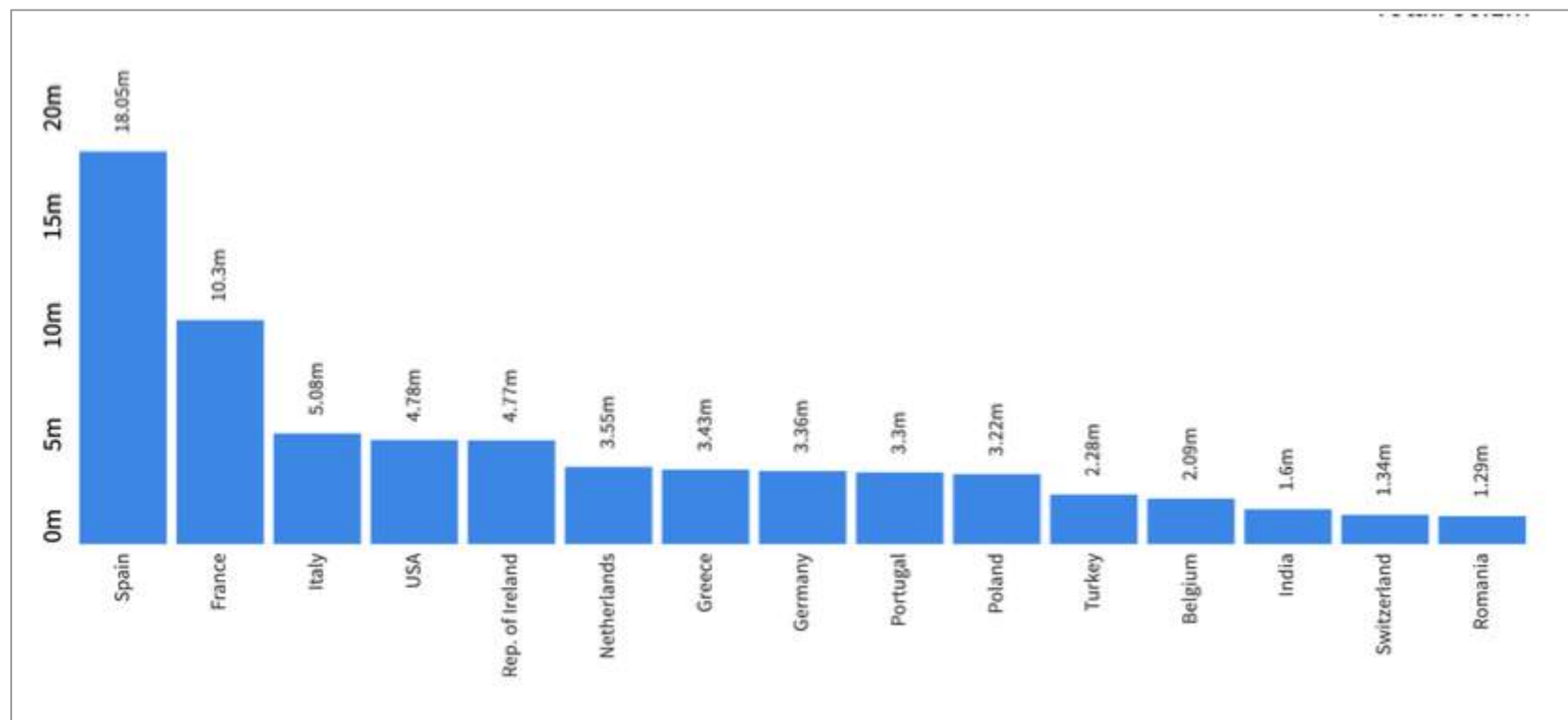


# UK travel outbound statistics (2021)

- 19.1 million trips overseas, (93.1m in 2019)
- Amount spent overseas in £17.4bn

## Top travel destinations

- Spain 4.23m
- Portugal 1.6m
- Greece 1.3m



# Tour operators

- The mainstream tour operator landscape is heavily polarised
- 10 largest ATOL licence holders authorised to carry almost 18.8 million passengers.
- Large number of small specialist operators dedicated to **specialist sectors, destinations and/or activities**

**Top 50 Air Travel Organizer Licenses for Sales to the Public\***

Atol License Holder (Operator) & Rank	Passenger Seat Authorization	Atol License Holder (Operator) & Rank	Passenger Seat Authorization
1. TUI UK	5,678,163	26. Hotelplan	124,209
2. Jet2holidays	3,810,320	27. Villa Plus	107,538
3. Thomas Cook	2,471,042	28. Flight Centre (UK)	104,100
4. On the Beach Travel	1,646,800	29. Travel Counsellors	101,912
5. We Love Holidays	1,233,692	30. Cresta World Travel	99,003
6. Expedia Group	1,178,450	31. James Villa Holidays	96,037
7. British Airways Holidays	939,802	32. Travelbag	93,502
8. easyJet	705,020	33. Moresand	88,000
9. BravoNext	568,096	34. Balkan Holidays	85,950
10. TravelRepublic	554,102	35. Neilson Active Holidays	82,130
11. Virgin Holidays	377,712	36. Sunspot Tours	76,496
12. Southall Travel	364,500	37. Travelworld Vacations	75,570
13. Hotelopia Holidays	352,834	38. Skylord Travel	74,495
14. Truly Travel	299,660	39. Brightsun Travel (UK)	74,387
15. Trailfinders	282,742	40. Classic Collection Holidays	66,054
16. Broadway Travel Service	265,000	41. Barrhead Travel Service	65,443
17. Travel Up	250,000	42. The Freedom Travel Group	65,174
18. The Global Travel Group	216,593	43. Best At Travel	60,365
19. Gold Medal Travel Group	180,265	44. NST Travel Group	60,000
20. Carnival	167,684	45. Secret Escapes	59,462
21. Hays Tour Operating	150,000	46. Voyage Prive UK	58,597
22. ST & H Limited	145,953	47. Dnata Travel UK	58,482
23. Lotus Travel	138,000	48. Newmarket Holidays	57,000
24. Riviera Tours	130,743	49. PH Travel	56,839
25. Travel 2	125,375	50. Fleetway Travel	55,632

\* The above shows the largest ATOLs, ranked by the number of public sales which they are authorized to make.

# Nature & soft activity specialists

There are many operators and agents that specialise in soft adventure products and programmes

- Small specialist operators
- Mainstream holiday operators

These have a wide appeal

- Hiking
- Cycling
- Kayaking
- Sailing
- Fishing
- Winter touring
- Kids adventure
- Yoga



And attract several target markets:

- Families
- 20-80+ year olds seeking adventure
- Walking/cycling communities
- Younger couples and friends craving to get away to nature

# Travel agents

- 3,710 retail travel agent stores as of Mar 2022.
- Association of British Travel Agents (ABTA) has the highest number of travel shops with 1,200 members and represents over 5,000 retail outlets and offices Includes brands such as TUI and Hays Travel.
- Advantage Travel Partnership is UK'S largest consortium with 350 individual travel agencies in 650 locations in the UK and an annual return of over £4.5bn.
- The Co-op Travel Consortium - 70 members
- The Travel Network Group - 1,000 independent agencies
- Travel Counsellors - 2000 active members worldwide
- AITO - 100 travel agencies as members.



# UK consumer barometer

- The market remains positive, despite oncoming economic issues
- Consumer demand is strong
- Outbound booking patterns are higher than pre-Covid
- Lower income households bear the brunt of the cost of living crisis
  
- Even high-income households will be scrutinising their spending
- Businesses will need to work harder than ever to secure a share of business.
  
- Holidays remain a priority for consumers in 2023
  
- Travel is one of the last areas consumers are willing to cut back on

# Seeking value-for-money

- Holidaymakers are seeking to cut the duration or frequency of holidays
- Or change to a cheaper destination.
- This is an opportunity for the Baltic region
- Quality products and services at affordable prices
- High-income households are much less impacted
- Sustainability is important to high-income households
- Impact on the environment is increasingly a concern but the rising cost of living is hampering consumers' good intentions as sustainable purchasing often comes with a higher price tag.

# Some optimism in the UK tour operator sector

- The Ukraine conflict now has little impact on customers intentions
- Enquiries and future bookings to the Baltics are up on 2022
- City breaks and Nature based holidays are currently the most popular requested
- Soft adventure and Gastronomy are driving current demand to the Baltic region
- There is a growing interest in experiential products

# Optimism in the market - travel agents

- Jan- Mar peak sales returned in volumes unseen since early 2020
  - Enquiries and average sales prices increasing
  - 32% of a TTG\*s Travel Agent survey reported that enquiries had increased month-on-month.
  - *"Clients still want to travel, but are very conscious about getting value for the money they are spending"*
  - *"Clients are asking them to match quotes from OTAs and were generally happy to "pay the extra knowing they are getting a personal service".*
- \*UK TTG Travel Trade Gazette*
- Broadly, agents are confident about 2023.
  - 76% of agents said they were feeling either very (32%) or quite (44%) optimistic about the coming months
  - 22% said they felt 50:50
  - Only 2% said they didn't feel very optimistic.

# The UK market - to sum up

- Both consumers and the travel trade are confident about travel prospects for despite the economic challenges.
- The recession is having a lesser effect on the high-end market and so there are opportunities for quality, specialist and high-end products and programmes.
- Indications are that the conflict in Ukraine now has little impact on customers intentions
- The most popular types of holiday are nature, soft adventure and gastronomy.



# London based operators

London is the base for many international incoming operators

Handling passengers from:

- US
  - South America
  - India
  - Asia
  - Australia
- 
- Volume is substantial
  - 70% ~Group traffic
  - 30% - FIT
- 
- Multi destinations around Europe
  - Product decision makers based in London

This sector is worth investment in time while working on UK market

# 2023 and beyond

- People plan to prioritise holidays over other non-essentials
  - Pent-up demand from Pandemic era remains
  - Many travellers still have disposable income from pandemic
  - Slightly longer tours have started (esp individual travellers)
  - Visitors may take less holidays but stay longer
  - Bucket list and special holidays post pandemic
  - Combining business and leisure travel
- 
- Importance of holidays on improving wellbeing and nature
  - Searching for hidden gems, lesser known destinations
  - Nature, remoteness and fresh air



# Sustainability & nature-based holidays

- Particularly important to high-income households
- Over half of high-income households would pay more to a business that has recognised green credentials.
- Opportunities to incorporate sustainable initiatives, nature and green products.
- Highlighting hotels, accommodations and activities with greener credentials and restaurants serving locally sourced food.



# Nature-based holiday booking trends

- Nature seekers tend to travel in small groups
- UK market generally books very early, 6 months to 1 yr prior
- UK market tends to book packaged tours for places they are not familiar with
- They are very much influenced by friends recommendations
- Initial research on the internet and social media, actual holidays with tour operator brochures
- They are very loyal to tour operators
- They are happy to join like-minded travellers
- Price is important but so is quality
- They like to fly directly to the destination



# Product development tips - UK market

What do the UK travellers long to see and do on vacation?

- They crave nature and remote areas
- They enjoy hiking and taking in the fresh air
- They look for home comforts - tea and beer
- They enjoy a wholesome meal when travelling
- They are sociable and enjoy interacting with locals
- They enjoy discovering something special or different
- They are fascinated by history and local culture and heritage
- They are conscious about sustainability but do not yet pay for it



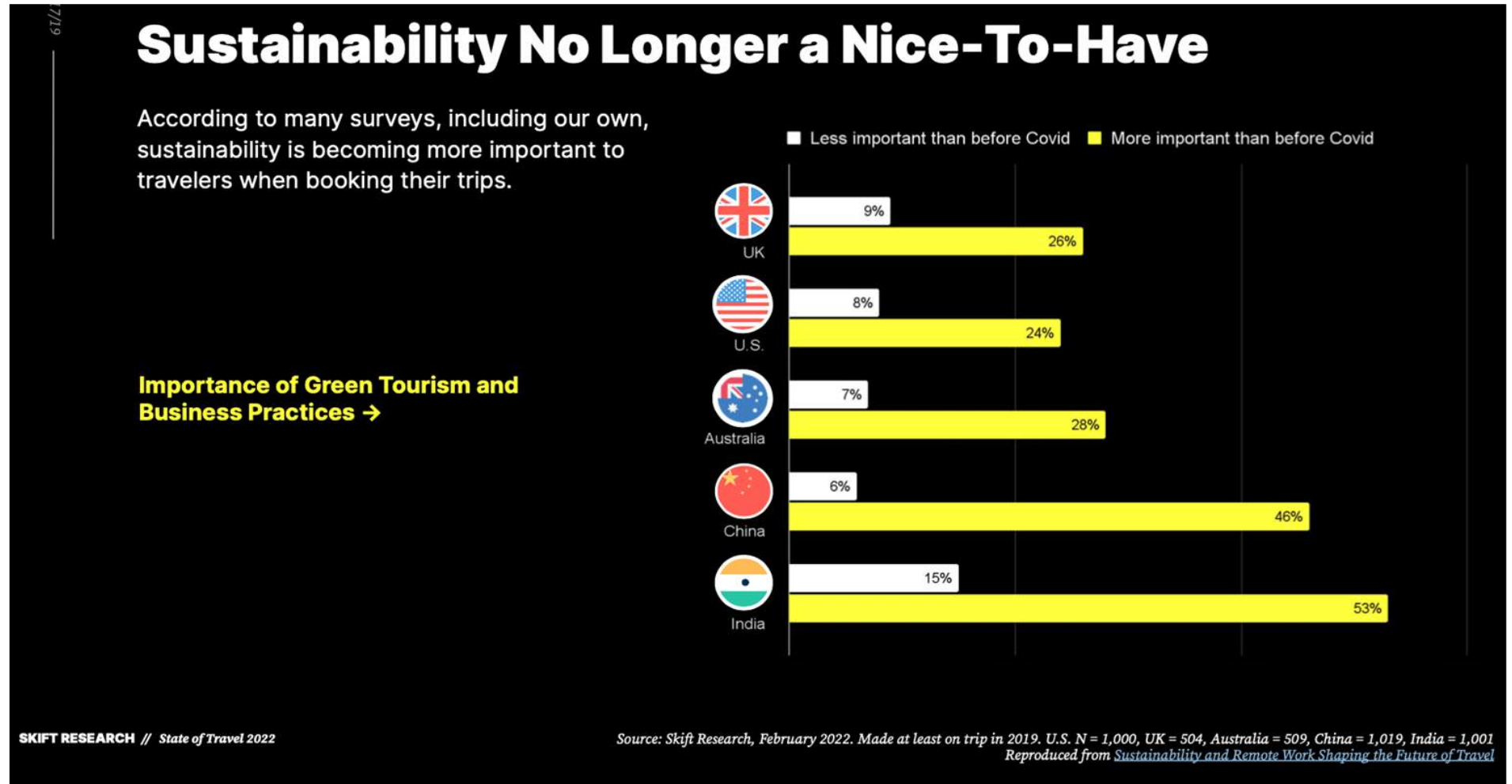
Sustainability  
where does this fit in?

# Sustainable tourism must also consider

- Providing socio-economic benefits
  - Respecting the local culture and tourism heritage
  - Visitors create wellbeing to the local community
  - Bringing opportunities and income
  - Circular solutions
  - All year round opportunities
  - Elimination of food waste
- 
- Show that tourism can be the force/power for good



# Sustainable tourism is now a must-have



# Seasoned travellers and sustainability

- Modern and clean cities
- Away from the crowds
- Nature and away from the heat
- Soft adventures:
  - *Cycling*
  - *Hiking*
  - *Climbing*
  - *Sailing*
- Food/gastronomy



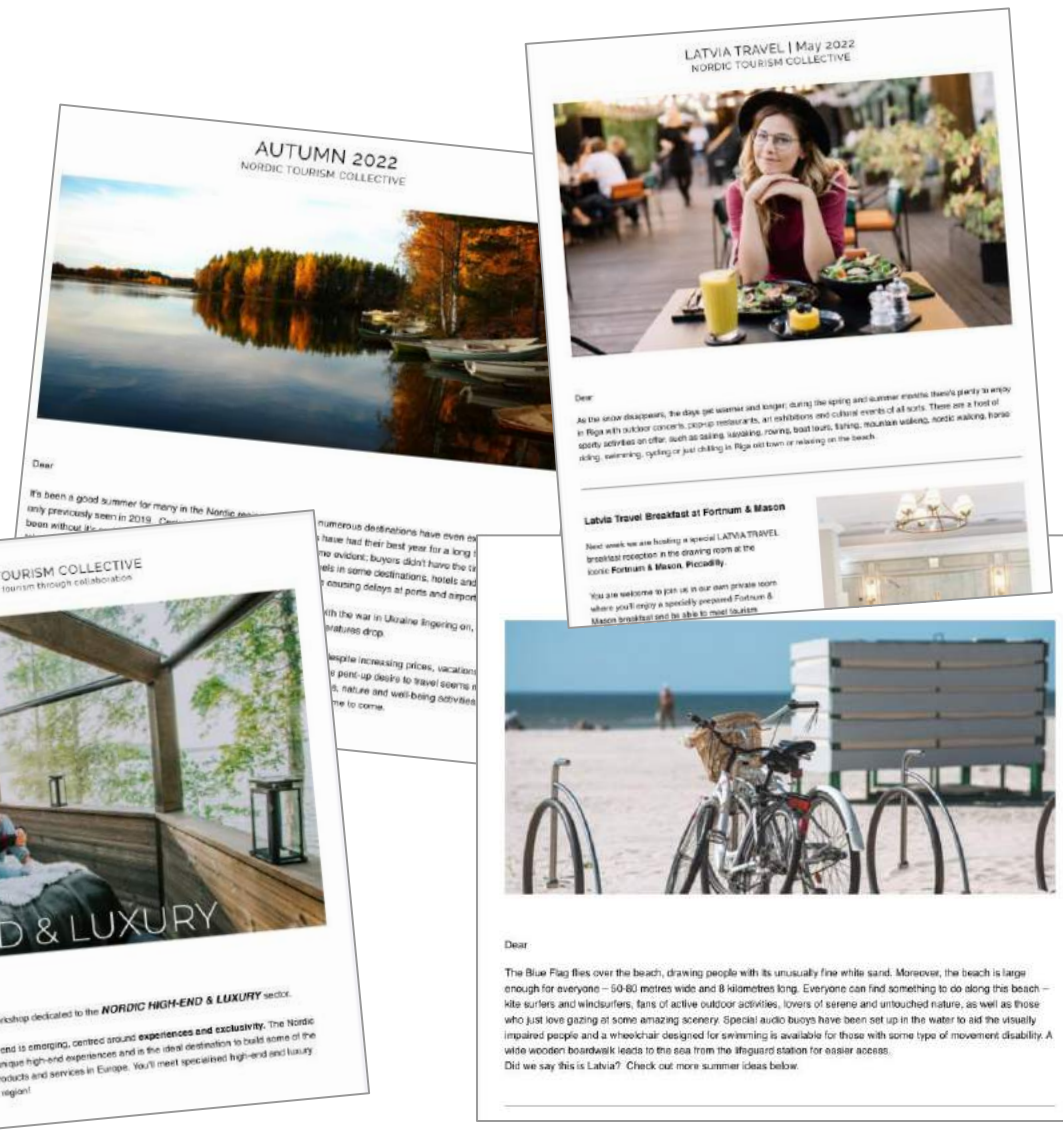
# Reaching the consumer through the travel trade

- 1. Research and targeted marketing
  - 1. UK Events, workshops, Fairs and travel markets
  - 1. Plus others Nordic Based
  - 1. UK Roadshows
  - 1. Hosted receptions
  - 1. Fam and Study Trips
  - 1. Operator sales visits



# Research and targeted marketing

- UK Market research trends on the B2B sector
- Database maintenance
- Newsletters to the UK trade
- Press releases and broadcasts
- Editorials in the UK travel trade media



# Events, workshops, fairs and travel markets

UK Based:

- WTM
- British Travel Fair
- GEM
- Antor
- AITO
- Birdfair

Nordic Based:

- Nordic Market Place
- Baltic Connecting
- Baltic Sea Summit and Workshop
- Tourest
- Matka



**Baltic tourism forum and workshop**

Riga  
04th Oct 2023

14th EUSBSR Annual Forum

Safe & Sustainable  
Baltic Sea Region for  
Future Generations

NORDIC TOURISM  
COLLECTIVE

Latvia ::  
travel

Dear \$(contact.Name.First)

**Save the date - 04th October 2023 - The Baltic tourism forum & workshop**

In October this year, Riga will host the 14th Annual Forum of the EU Strategy for the Baltic Sea Region. In conjunction with this event, we invite you to save the date for the **Baltic tourism forum and workshop 2023**.

The forum will discuss tourism trends and developments, coupled with an overview of the Baltic Sea region, to enable the Baltic Sea regional tourism industry to compete on a global stage and achieve sustainable growth in coming years. A workshop will invite suppliers and buyers from across the Baltic Sea region to meet and further develop programmes in the area.

**GLOBAL BIRDFAIR**

Olive-sided Flycatcher

Reinitta Cerulea

Black and Chestnut Eagle

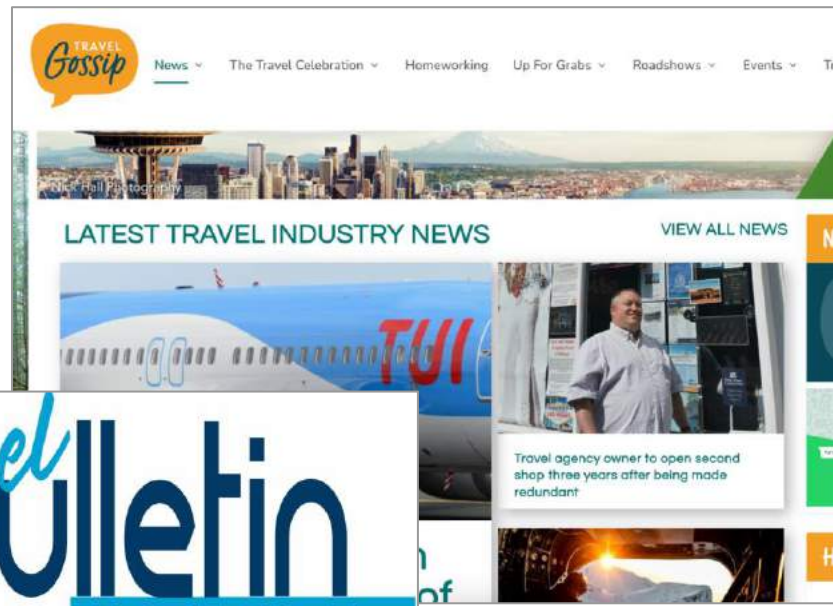
Great Green Macaw

# UK Roadshows

- Leading travel trade media host roadshows to meet the local travel agencies and tour operators around the UK.
- Usually includes around 10 centres
- Select the most appropriate for the nature products

## Trade Media:

- Travel Weekly
- Travel Bulletin
- Travel Gossip



# Hosted Receptions

Meet the UK Trade at a London venue

- Invite around 20-30 Operators/agents
- Present the Nature Tourism products
- Can also have some nature tourism suppliers present

Reception options:

- Breakfast reception
  - Afternoon tea
  - Drinks reception
- 
- Reception can be in conjunction with Visit Estonia and LIAA



# Fam and Study Trips

To showcase the Baltic nature region to the UK B2B trade

- Invite between 4- 6 tour operator and travel agents
- Create the most interesting program for the delegates
- 03 night program
- Program to include all services and flights to the destination
- Could combine trips with LIAA or Visit Estonia as required



# Operator Sales Visits

- Opportunity to visit operators and present your product
- Must be done out of high season
- Source those operators with most potential
- Operators are located around the UK (min 3 days)
- Collaboration with other suppliers
- Could also visit relevant Associations  
eg National Trust and RSPB

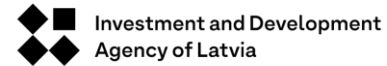


# UK Market and Collaboration with NTO's

**Nordic Tourism Collective enjoys a close collaboration with the Baltic NTO's:**

- Represents Visit Estonia on the UK Market
- Works closely with LIAA on UK market projects
- Co-hosting the Baltic Sea Forum and Workshop together

**Latvia**  
**travel**



visit  
estonia

# UK Market collaboration with key Baltic suppliers

**Nordic Tourism Collective enjoys a close collaboration with Baltic and Nordic Suppliers:**

- Air Baltic
- SAS
- All ferry companies in the Baltic Sea
- Destinations in Latvia - Liepaja and Latgales
- Major hotel companies
- Key Baltic DMC network

**Collaboration with suppliers will enhance our activity with the Nature Tourism Project in the UK**





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# BALTIC NATURE TOURISM

*Latvia -  
Estonia*



Any questions?





# NORDIC TOURISM COLLECTIVE

LONDON | TALLINN

Thank you for your time!