

# Assisting travellers to Brazil, and elsewhere...

## The travel boom...

With just over one billion international arrivals in 2013, of which 560 million on the European continent and 170 million on the American continent, **tourism is flourishing**. And this upward trend looks set to continue since the World Tourism Organization anticipates a steady rise of 4% to 5% for the coming year and a two-fold increase by 2030. These projections appear credible when you compare the record levels of 2013 with the 685 million international arrivals registered in 2000 and the mere 50 million travellers half a century earlier! It is worth noting that these figures fail to take account of **domestic tourism**, as practiced by the national populations within their borders which, in some countries, accounts for a considerable proportion of travel statistics and is difficult to assess.



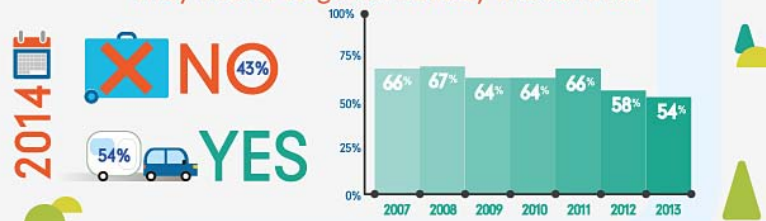
## 14<sup>th</sup> IPSOS - EUROP ASSISTANCE HOLIDAY BAROMETER



### Summer holiday...or not?

After several years of consecutive decrease, Europeans' intentions to take a holiday this summer have stabilised.

#### They intend to go on holiday this summer



### Some great disparities between countries

(Points changes compared to 2013).



A positive dynamic in the Germanic countries

France's particularity as a country where people go on holiday a lot is wearing away, but remains above the other Latin countries



Annual survey conducted among a sample of 3,505 Europeans (French, German, British, Italian, Spanish, Belgian and Austrian), from February 10 to March 21 2014 over the phone, at the homes of the people questioned.



For example, roughly 50% of Europeans take their holidays within their own national territory. More than 80% of French tourists do so. In China, domestic trips are already estimated at 3 billion while in India the figure is 900 million. And in the next 20 years, the entire population of the planet is expected to travel within its borders, mainly for family reasons.



**Business travellers**, who scuttle between trade fairs, seminars, conferences and meetings, also have a massive impact on tourism figures. Although this sector covers 20% to 30% of the number of journeys, the corresponding financial outlay is substantially greater than the one returned by leisure travelling. This helps explain why this segment is treated with such respect, especially by hotel chains and airlines.

### Travel follows international standards in terms of statistics and vocabulary

According to the World Tourism Organization (UNWTO), a **tourist** is someone who spends a night away from home, a **holidaymaker**, someone who spends at least 4 consecutive nights away from home and an **excursionist**, whose trip does not include any overnight stay.

In addition, the UNWTO takes account of two forms of tourism:

- **Commercial tourism**, with accommodation in commercial structures
- And **non-commercial tourism** which represents about 50% of the market, where people stay with relatives or friends.

Finally, basic statistics provided by UNWTO are based on international arrivals, regardless of the motivations of travellers.

Business tourism, for its part, represents all journeys for professional purposes such as exhibitions, trade fairs, seminars, incentive events and professional expatriation, i.e. just a third of domestic and international travel.



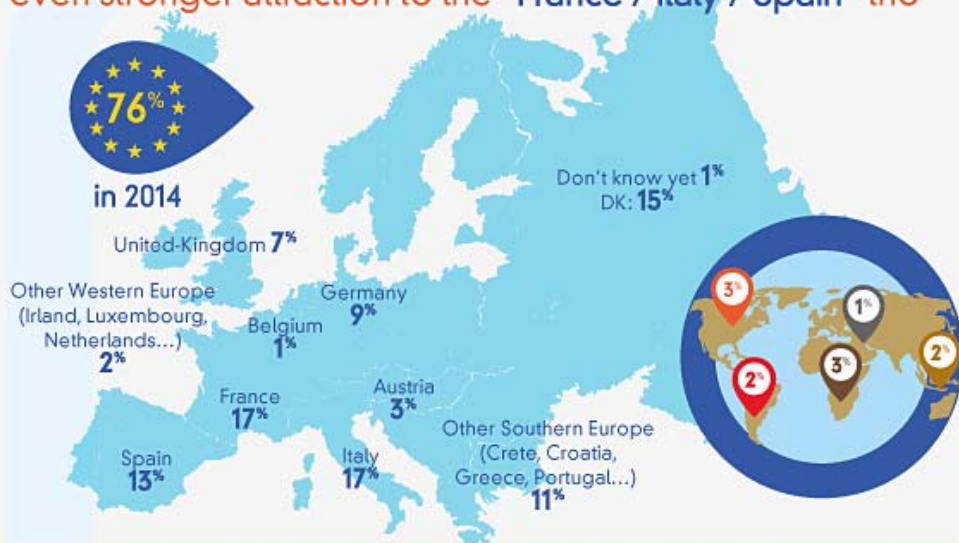
Finally, other figures are even more spectacular. For instance, at around 7 trillion dollars, the contribution from the **travel and tourism** sector is equivalent to **9.5% of the global economy's GDP**.

What's more, the sector employs 266 million people worldwide, i.e. one in eleven employees, and regularly creates between 1% and 2% additional jobs depending on the region. Whether in terms of direct or indirect employment.



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Europe is still the main destination for Europeans with an even stronger attraction to the "France / Italy / Spain" trio



Where they think of going for their holidays this summer\*

(\*Base: People claiming they will go on holiday in summer 2014).



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## Peace restored in Europe

But how did we get where we are today? At the origin of this relentless growth lies an explosion in the world's population, jumping from 2.5 billion in 1950 to over 7 billion today. However, the mechanical effects of demographics fail to tell the whole story. In the **booming post-war period** with the **world at peace**, full employment, rising incomes, the development of the car industry and rampant urbanisation all served to create a favourable environment for a surge in mobility, in both Western Europe and across the Atlantic.

In addition, while industrial machines were turning ever faster and flooding the market with products intended to improve people's daily lives, Western world took advantage of this upturn to incorporate new values and obey new diktats. Gradually, the notions of effort and authority made way for more trivial ideals, with **pleasure-seeking** to the fore. Westerners began to claim their share of happiness. They were granted paid leave which they turned into moments of relaxation by taking the opportunity to get away from it all.



## New tropisms: sun, sea, snow

But where to? Close to home, at the beginning. This was the era of holidays in the countryside in family houses which were deserted by the rural exodus. But also, a little further afield to the beach and the seaside. Favoured by new social classes who, for the first time, were taking benefit from holidays for the first time, an original tropism took hold in the Western society of the sixties. The fashion for "**sea, sun and sex**" attracted millions of followers. It also made

it possible to develop coastal areas which were turned into leisure zones where Europeans took the opportunity for reconciliation.

After **blue gold**, it was the turn of **white gold**. The snowy peaks set politicians, developers and holiday makers dreaming and mountain resorts were redeveloped to accommodate less affluent

tourists who would go skiing in the new school holiday periods which were being added to calendars across Europe.

Meanwhile, others chose to cross borders on package tours to destinations which had mythical status at the time, such as Egypt, the USA and Mexico. To accompany them, powerful **tour operators** such as Thomas Cook in the UK, TUI and Neckermann in Germany, underwent rapid growth. In France, it was Nouvelles Frontières which opened up new horizons. So the scene was now set for a visionary entrepreneur to invent travel assistance and especially repatriation.

The year was **1963** and Europ Assistance was created by **Pierre Desnos** with the help of the **Generali Group**, who had immediately grasped the revolution under way. Because that was actually a revolution. For the first time in history, people in developed countries were travelling in numbers, often for pleasure, choosing a quartet of favourite destinations, unchanged for nearly a century: France, the USA, Spain and Italy.



### Pierre Desnos, a visionary



If assistance is today a universal concept available worldwide, this is thanks to the extraordinary intuition of one man, Pierre Desnos (in the picture) and André Rosa, the President of Concorde, the French insurance company held by Generali, which provided him the resources he needed to make a success of this human-centric business project. By inventing the medical repatriation concept in 1963, Pierre Desnos not only created Europ Assistance but a complete industry which has since gone on to anticipate new consumer needs. Pierre Desnos was also an entrepreneur, ahead of his time in the marketing field.

Here, we are talking about marketing in the noble sense of the term: offering consumers useful services to make their lives easier. Pierre Desnos was always attentive to the winds of change and was always a keen source of new ideas, instilling in his Group a modern and resolutely forward-looking corporate spirit. When he passed away in 2007 Pierre Desnos left behind him an incredible human and entrepreneurial success story of which the whole staff of the Group acts as its heir and protector. Now and forever.

On a smaller but more noteworthy degree, it should not also be left aside the raise of a new generation of travellers who took advantage of the general euphoria to take off on a journey. Towards India by train, in colourful camper vans, in 2CVs or by the Magic bus. The hordes of "**backpackers**".

### Conquering the skies

The rise in tourism to foreign destinations in the early sixties largely stemmed from the development of one particular mode of transport: **air travel**.



### Europ Assistance and travel

In addition to its traditional core activity of medical repatriation, Europ Assistance develops as well innovative products and services enabling its clients to assemble custom solutions to suit their needs, adapted to their new travel preferences.

**Digital Travel Solutions:** Europ Assistance has designed a complete range of web-based and mobile solutions to help travellers during their trips abroad including: details of official documents and formalities for each single destination, keywords and phrases in the local language, a currency converter, important information about health and travel risks, the online subscription of travel assurance and assistance, online claim submission, access to your personal account and travel planning tools, etc.

#### The Europ Assistance travel activity in figures:

- 28% of the Europ Assistance Group turnover
- 700.000 interventions performed
- 25.800 tickets issued to repatriate Europ Assistance's clients
- 5.900 hours flown by air ambulance



Initially embodied by courageous pioneers, followed by large international airlines whose hostesses were sporting white gloves, it was to revolutionise the very concept of space and time. It now took only a few hours to fly to New York or Rio. An exploit which rapidly won over less elitist populations through the development of an innovative business model in the form of the charter flight, which would soon be followed by another equally democratic model, namely low-cost.

With these commercial innovations, the map of foreign destinations began to extend, followed closely by Europ Assistance, which in 1991, was assisting travellers on 4 continents and was proud of having notched up 740,000 interventions worldwide. Now, even **lost luggage** was covered. Good news for holidaymakers which would be followed by another welcome initiative: the introduction of **cancellation insurance**...

Although air travel has failed to replace the **car** which was still out in front in terms of holiday travel, especially in Europe where about 80% of holidaymakers set off by road, mostly in summer. Despite its high speed, comfort and environmental friendliness, the **train** only attracts about 15% of travellers. Challenging the car's dominant position is no easy matter! Especially since



the major innovation in the form of onboard telematics means motorists no longer run the risk of spending the night stranded by the roadside waiting for help.

### Rising dangers

Despite being the transport champion, the car nonetheless has its detractors, especially among those supporting environmental protection and therefore a more rational development. In the tumult of the last decade of the century, **sustainable tourism** emerged, which has unquestionably been a step forward! Except that when the earth trembles, no-one can stand in its way. After storms, floods and heatwaves, now was the time of the **tsunami** and tourist areas were in the front line. The worst of them, in 2004, shook humanity as people suddenly became aware of their fragility and bewildered tourists realised the risks they were running on leaving the safety of home. Emergency assistance had to be organised more quickly. Europ Assistance, which already had 40 years of experience, 6,000 employees and some dramatic rescue operations to its credit such as those by its famous "**snow airplane**", was one of the quickest assistance companies off the mark and an entire Airbus was turned into a flying hospital and chartered for a flight to Asia.

### 2004-2014, the 10<sup>th</sup> anniversary of the tsunami in South-East Asia. Remembering 26 December 2004.

"A warm breeze of humanity blew across the tarmac."

26 December 2004, a devastating tsunami in the Indian Ocean hit Southeast Asian countries, resulting in hundreds of thousands of casualties. The entire world was in shock...

"I was working in travel marketing at the time and I remember this amazing demonstration of solidarity within the company. From sending of basic supplies through the preparatory stages for the repatriation of victims, all the platforms were called back to duty. A medical team flew out on a fully equipped air ambulance to repatriate our injured customers. The return flight was due to land at 8am on 1 January at Le Bourget airport. I responded to the request for volunteers to help the injured.

The muted New Year's Eve celebrations were cut short as we woke at dawn. We were supported at Le Bourget by a team of psychologists to help us cope with the situation. Our role was clearly defined. We firstly had to welcome families who had come to collect their loved ones and also look after the victims. Each person was assigned to a specific position. Mine was close to ambulances for children coming home alone since their parents had perished in the tsunami. We left cuddly toys in ambulances. In the freezing cold, the airport tarmac became a place of "**quiet contemplation**".

Martin Vial, CEO of the Europ Assistance Group, welcomed Philippe Douste Blazy then French Minister of Health, and the press. The plane landed and the doors were opened. The victims were all still in a state of terrible shock. Medical teams were also badly affected. A warm breeze of humanity blew across the tarmac that day.

I think it was at that moment that I really "understood" the **true value** of my job. 10 years later, I still remember the expressions on those children's faces..."

*Sabine Schirrer*  
*Travel Marketing Manager, Europ Assistance France*



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But the danger not only came from the rebellious Earth. An invisible enemy began to strike in cities such as New York, London, Madrid and Bombay, through **terrorist attacks** whose threat would keep some tourists at home. Not to mention the increasingly frequent **health crises** whose media coverage always provokes anxiety among travellers. Fortunately for them, information services and sound advice was available, to reassure and counsel. One of them is operated by Europ Assistance, subsidiary of the Generali Group. The most vulnerable travellers, **which are expats** for professional reasons in countries at risk, have not been neglected either. Europ Assistance watches over them and steps in when necessary. Moreover, since the 2000s the group has been so



good at looking after the health of its customers, it has created a new specialty, travel for treatment, which it organises from A to Z.

## A radically changing world as China awakes



But why all this precaution? Is Earth no longer what it used to be? A gentle and beautiful companion which lays out all its finery before travellers without the hint of a threat?

It would seem so. Especially since demographics are taking off. And also because, despite the arrival of democracy in new regions of the world, a new crisis has occurred. This one caught us off-guard. It is called the **"economic crisis"** and has hit countries

which allegedly are the most developed. There is no question that the world is undergoing radical change and reconfiguration with new processes at work!

Far from our continent plagued by the first waves of ageing, other markets have emerged. They were originally dubbed the BRIC i.e. Brazil, Russia, India and China... but now the term has been extended to **BRICS** to find room for South Africa. More recently, the talk has been of Next 11 including Mexico, Indonesia and Pakistan.

Riding their relentless economic growth, these countries which were playgrounds for Westerners and some of their favourite holiday destinations, are adopting new facilities and acquiring new infrastructures, developing their domestic market and accelerating the raise of a middle class that is also starting to dream of holidays. Foremost among these dragons, China with its billion-strong population and its newly created "golden" holiday weeks. In 2003, exit formalities for its nationals were simplified.

The statistics have since gone off the scale! Chinese travellers, who only initially crossed their borders in trickles, multiplied in number from 10 million in 2003 to 100 million ten years later. This made the **Chinese** the **world's leading international visitors** knocking the Germans off the top spot they had occupied since the sixties. And the trend will surely continue as it is estimated that the number of Chinese globetrotters is expected to double by 2030.

The first to be impacted by Chinese tourism are neighbouring countries such as Hong Kong, Macau, Thailand and Vietnam, which has rushed to open

casinos, as well as Cambodia, where the Angkor site is taking serious environmental risks. More far away, America and Europe are eagerly awaiting these travellers who are supposed to revive their economies.

Moreover, not content with simply exporting its travellers, China is poised to become the planet's leading country in terms of visitor numbers with a forecast of 130 million international arrivals in 2020. And that would relegate France, which has been for so long time the world champion of international tourism with 83 million arrivals, to second place. No doubt still ahead of the USA and Spain, the eternal trio. But nothing is certain anymore. European tourism only increased by 4% in 2013 compared with 6% in Asia, not to mention Africa, which is waking up too.

Finally, a word about the skies above Asia. By 2030, 12,000 additional aircraft will be needed including 320 jumbo jets. This will involve hiring 192,000 new pilots which means that a major problem is bound to arise.

For a start, who is going to train them all?

### Lost in connection: the digital revolution

Pending this development in the very near future, are European travellers starting to react? Well, yes actually. Relentlessly inventive and pioneering, they seem to have decided to switch the paradigm and come up with models which are more suitable for the new economic, social and technological tourism status.

Especially now that they have a formidable ally whose plethora of screens allows them not only to be all-seeing but to be **connected** on a 24/7 basis. Either to giant portals, or sprawling networks on which they "like" and "tweet" or forums where they chat, exchange opinions, comments, images, music and movies, etc.



#### Europ Assistance, a historically strong brand

Managing a worldwide network, Europ Assistance is today very much part of the day-to-day lives of more than 300 millions of consumers around the world. Benefiting from its proud history, the attractiveness of its range of products and services and its value in the eyes of the general public, the Europ Assistance brand is known, recognised and appreciated by its clients. Its brand recognition level is particularly high in France, Italy, Belgium and Spain, where the company has been based for a long while. Everywhere around the world, the Europ Assistance brand, which is mainly included in the packages offered by its clients and partners, means innovation and performance. For this reason it is not only a highly respected brand in its own right, but above all it is preferred and chosen by hundreds of other major brands.

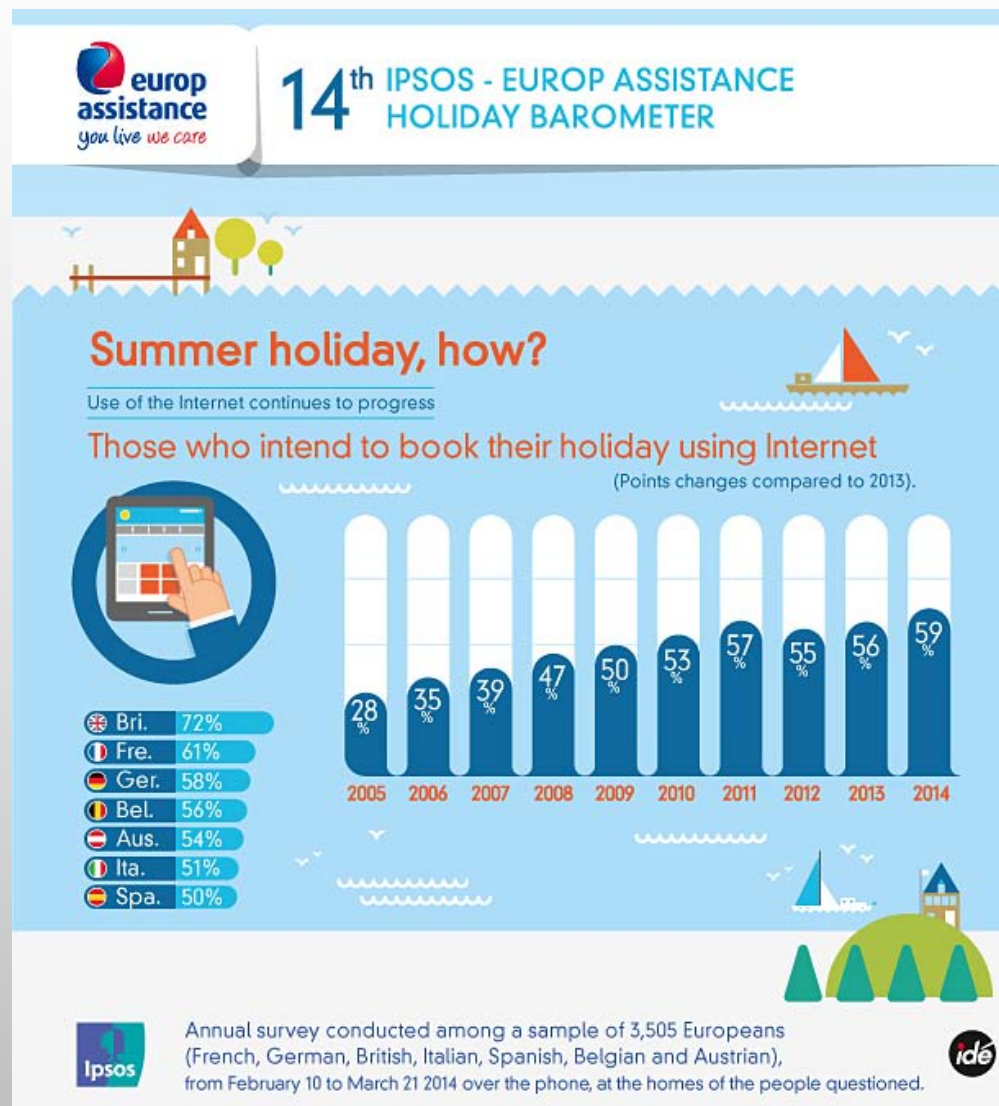
## Traveller empowerment

In ten years, the Earth has changed in scale. Travelling too, boosted by **e-tourism** which includes newcomers putting in amazing performances. Expedia, Booking, Google Flights and Lastminute, etc. attract millions of online users who compare and sell flights, hotels, guest houses. Social networks like Tripadvisor act as intermediaries on unparalleled scales: 260 million unique visitors per month and more than 125 million views and opinions on over 3 million places to stay, restaurants and attractions.

Other sites diversify the offer according to **new segments** i.e. seniors, solos, young, gay, families, sporty types, adventurers, lovers of music and dance. While in a new development, well-financed start ups are reinventing long-standing practices based on exchange, sharing, contacts between private sellers, collaboration. These are the days of the "**shared economy**".

Boosted by the Internet, home exchanges are experiencing a new lease of life. Rentals are also directed to the customer via traditional operators such as HomeAway or ambitious start-ups. In just a little more than 5 years, another example,

Generation Airbnb has gathered a million members to form a community for whom the important thing is not just where to stay but also meeting people,



talking together, becoming friends. As for the **couchsurfing** site, a post-modern avatar of the couch once lent by friends of friends, now has 3 and a half million members and countless imitators.

"**New international organizations**", these communities are addressing all the other aspects of tourism. "Greeters" offer free and original city tours. Fantastic cooks provide meals at their dinner table and carpooling is almost becoming standard practice. To go to work or to go on holiday, etc.

In short! In a world plagued by economic difficulties, Western travellers are resisting and, through their computer screens, they are imposing models which are almost utopian. Bypassing the market and shunning its globalising abuses, they

### Ipsos-Europ Assistance holiday barometer

Undertaken by IPSOS at the request of the Europ Assistance Group in a sample of 3,500 Europeans (from France, Germany, the UK, Italy, Spain, Belgium and Austria), this reference study that was published in 2014, for the fourteenth year in a row, aims to estimate the holiday plans and motivations of the interviewed persons and their preferred destinations and types of stay.

The top three improvements viewed as most important in the tourism and holiday fields over the last 50 years by Europeans:

- 72% the development of air transport
- 71 % the possibility to arrange your holidays by Internet
- 69 % being assisted and protected in the event of problems during your holidays

On the occasion of the Football World Cup that will take place from June 12<sup>th</sup> to July 13<sup>th</sup>, 2014, in Brazil, the latest Ipsos-Europ Assistance barometer is also an opportunity to review the impact of this event on the period when Europeans go on holiday.



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**Any impact of the Football World Cup?**  
Those who will change their holiday period taking the Soccer World Cup into account



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are snatching power from the existing system and, at the same time, demonstrating their ecological concerns.

### Back to basics

Better still, thanks to globalisation and the Internet, new generations are gradually imposing their innovations on new travellers. Those from Asia who have imperceptibly exchanged their materialistic paradigms for more of the immaterial or even spiritual ones.

And there is nothing remotely paradoxical in all this! In a world where, for more than a decade, terrorism, climate disasters, air and food pollution, and the economic slump have continually undermined them, the third millennium version of *homo turisticus*, standing at the crossroads of multiple influences and armed with multiple screens, have become more expert, more independent and enjoying more freedom in terms of their desire and choices.

This is why their requirements are making them curious altruists in search of **peace, contact, emotion, solidarity, care and security**. All things considered, what they have always been and what Europ Assistance has always fully grasped.



*"The growth of online travel offers and the emergence of new players on the tourism sector are continuing to transform our consumption habits. To be ever closer to our customers and ever more attentive to their needs, we stay one step ahead of each new development and continue to innovate. Our goal is to offer digital solutions which are increasingly tailored to our customers' journeys." Paola Bianchi, International Business Division Director, Europ Assistance Group.*

**Paola Bianchi**

*International Business Division  
Director Europ Assistance Group*



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