Monitoring of the travel intermediary market, with a particular focus on the sale of food and wine tourism products

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AGENZIA NAZIONALE DEL TURISMO

Introduction

This report is part of the collaboration and technical and scientific support provided by Isnart to ENIT with a view to examining the dynamics at play in the international organized travel market in Italy, with particular reference to food and wine tourism.

To this end, a direct CAWI/CATI survey was carried out on 260 international Tour Operators that do business in Italy, spread over 22 countries (Austria, France, Germany, United Kingdom, Spain, Switzerland, Czech Republic, Hungary, Poland, the Netherlands, Norway, Denmark, Sweden, Finland, USA, Canada, India, Japan, Korea, Australia, Brazil, Mexico), using a questionnaire drafted specifically for the purpose with the aim of monitoring the level of sales of travel offers to Italy, highlighting in particular the destinations most widely sold, the products-packages proposed and the services offered by the international operators.

The first chapter of the document describes Italy's market positioning compared to its main competitors in the sector, and its share of sales in 2021; the identikit of foreign tourists who purchase tour packages to spend a holiday in Italy; the new trends evident in the organized travel market, and the composition of the products offered to customers.

The second chapter is dedicated to the food and wine tour packages sold with Italy as a destination: from the market share of the product to customer preferences, as well as the difficulties encountered by the Tour Operators. One section of the chapter is dedicated to the different types of services available in the food packages focusing on food and wine, and also highlights the opinion of the international operators regarding the quality offered by the Italian system and how easy it is to access.

The third and last chapter focuses on general proposals that also comprise services related to food and wine, highlighting those organized tourism products most closely connected with food and wine, which services are proposed and in which countries such packages are offered most frequently.

Monitoring of the travel intermediary market, with a particular focus on the sale of food and wine tourism products

Italy as a destination: the incoming intermediary market

Tourist packages dedicated to food and wine

Discovering local food and wine in non-food packages

Italy as a destination: the incoming intermediary market

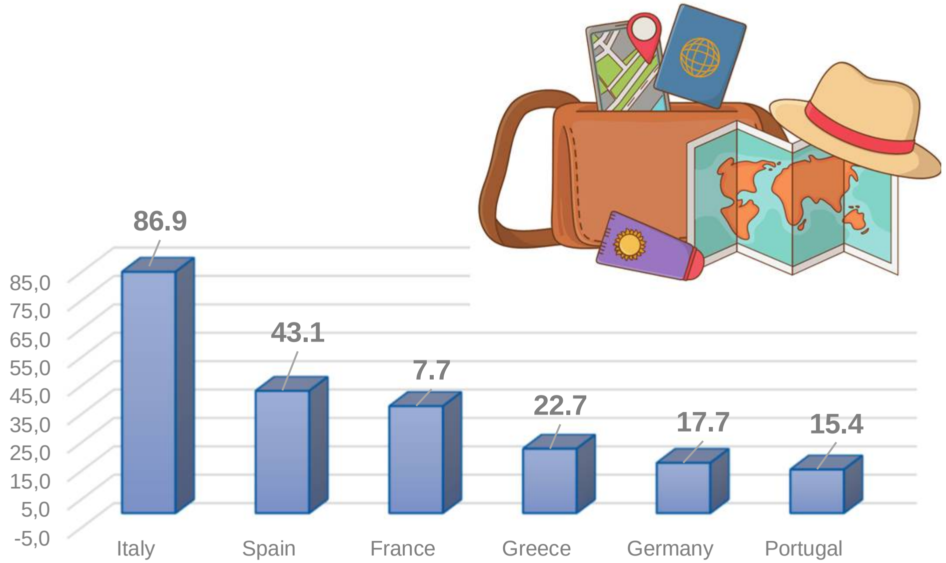
Market positioning

Italy is the top-selling destination for 1 in 2 operators

Italy is the most frequently requested European destination among customers of foreign Tour Operators offering travel in our country (indicated by 86.9% of the T.O. interviewed), both in general and with regard to food and wine tourism packages. In second place is Spain (with products sold there by 43.1% of the T.O.), third France (37.7%), fourth Greece (22.7%), fifth Germany (17.7%) and sixth Portugal (15.4%).

In terms of products sold, Italy is the market leader for 1 in 2 Tour Operators.

Italy’s main competitors are France (in general or with packages dedicated to Bordeaux only), Germany, and Spain (in general or with packages dedicated to Rioja only), followed by Greece and Austria, Norway, Croatia and the Netherlands for Europe, and the USA and Thailand for long-haul destinations.



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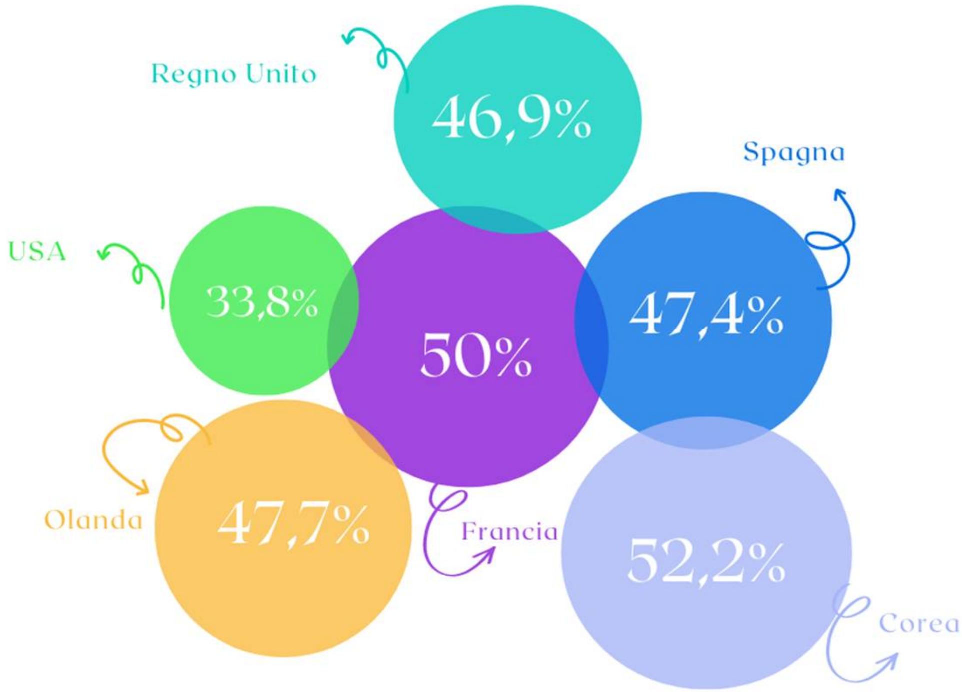
Destination Italy: the *incoming* intermediary market

Products with Italy as a destination in 2021 accounted for 32.8% of the packages sold by large international organized tourism operators, reduced by half compared to the pre-Covid years for 64.2% of the Tour Operators.

Specifically, among the various countries of origin of intermediary tourism, the Italian market plays a leading role in France (where it accounted for 50% of sales in 2021), Spain (47.4%), United Kingdom (46.9%) and the Netherlands (47.7%) for Europe, and in Korea (52.2%) and the USA (33.8%) for the long-haul markets.

In all countries, a high number of operators report a fall in demand compared to the years before the pandemic: between 40% and 60% for Europe and between 70 and 80% for the long-haul market.



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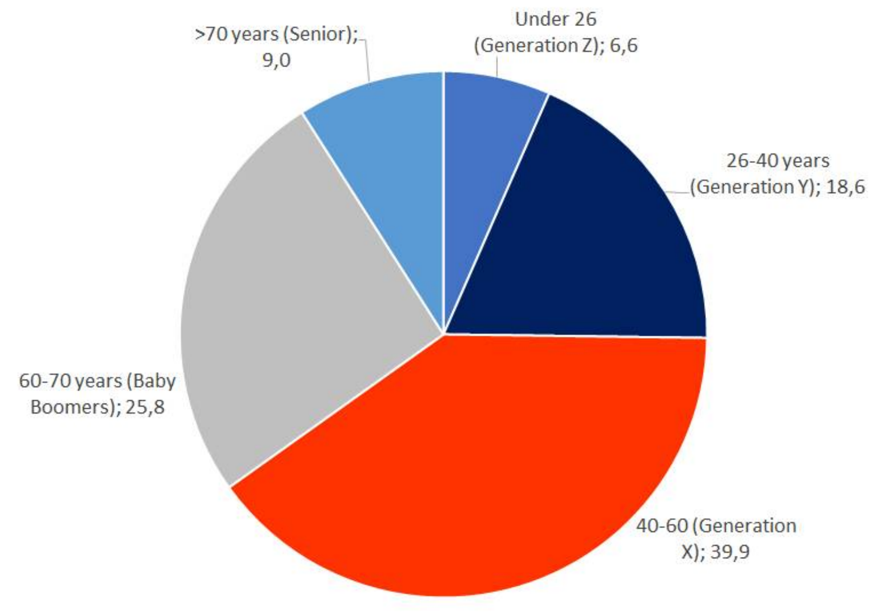
Destination Italy: the *incoming* intermediary market

Identikit of the foreign tourists who choose an organized trip to Italy

The customers of the Tour Operators that offer travel to Italy is composed of tourists belonging to Generation

- ✓ X (aged between 40 and 60), accounting for 39.9%, in particular in the UK, Czech and Hungarian markets, and in the markets in the USA, Japan, Australia and Brazil;
- ✓ the Baby Boomer generation (aged between 60 and 70), accounting for 25.8% and mostly comprising customers from tour operators in France, Norway, Germany, Austria and Australia;
- ✓ Generation Y (aged between 26 and 40), accounting for 18.6%, with the largest shares coming from the Indian, Brazilian, Spanish and Polish markets;
- ✓ seniors (aged over 70), accounting for 9%, especially in Finland and Japan;
- ✓ Generation Z (under 26), accounting for 6.6%, with most from the Canadian and Polish markets.



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Destination Italy: the *incoming* intermediary market

The new market trends

Attention to quality, health security and a rise in requests for tailor-made travel

In recent years, customers in the international intermediary tourism market have become increasingly demanding with regard to every detail of the packages proposed.

In general, there has been a rise compared to the past in demand for quality services in the travel and accommodation solutions proposed (for 24.2% of operators), without prejudice to the Covid-19 epidemic (16.5%).

There is also growing demand for packages increasingly tailored to the needs of customers, as indicated by 15.8% of T.O. (rising to 33.3% among operators who sell food and wine tourism products), and also for more “exclusive” travel proposals (for 8.8% of the T.O.).

Specifically, what emerges from the markets of origin of intermediary tourism demand is an increasing trend towards requests for quality proposals from T.O. in Switzerland, Sweden, Hungary, Germany, Brazil and the United Kingdom, while the markets where there has been a rise in the awareness of the importance of protecting health are those in France, India, Korea, Austria and the Czech Republic; from Australia, the USA and Canada there has been a rise in the demand for tailor-made packages.

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Destination Italy: the *incoming* intermediary market

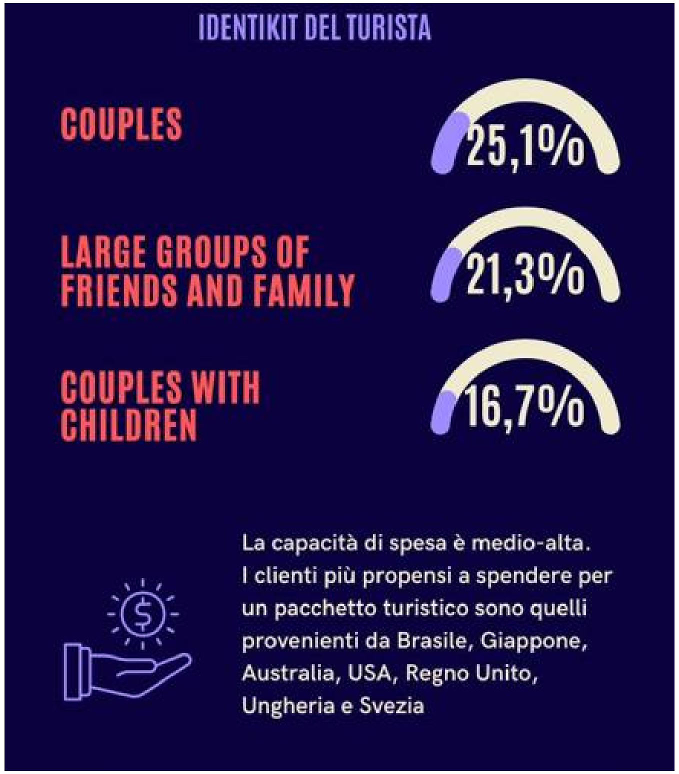
The kind of tourists who typically choose Italy are couples or groups of friends and relatives travelling together, with a medium-high spending capacity

One out of 4 tourists travelling to Italy are couples. This is particularly true for the Japanese, Brazilian, Hungarian and German markets.

This target is followed by groups of at least 8 family members and/or friends travelling together, making up 21.3% on average of T.O. customers. This tendency to travel in a group is particularly common on the Mexican, Finnish, Norwegian and Swedish markets.

The other reference targets for Italy as a destination are couples travelling with children (16.7%, a priority target on the Hungarian, Dutch, Korean and British markets), singles (9%, especially among T.O. customers from Spain, the United Kingdom and Finland) and seniors (8.7%, especially from Australia, France, Austria, Germany, Finland and the Czech Republic).

Spending capacity is medium-high (in 51.7% and 43% of cases respectively), and the customers most likely to spend money on tourist packages are those from Brazil, Japan, Australia, USA, United Kingdom, Hungary and Sweden.



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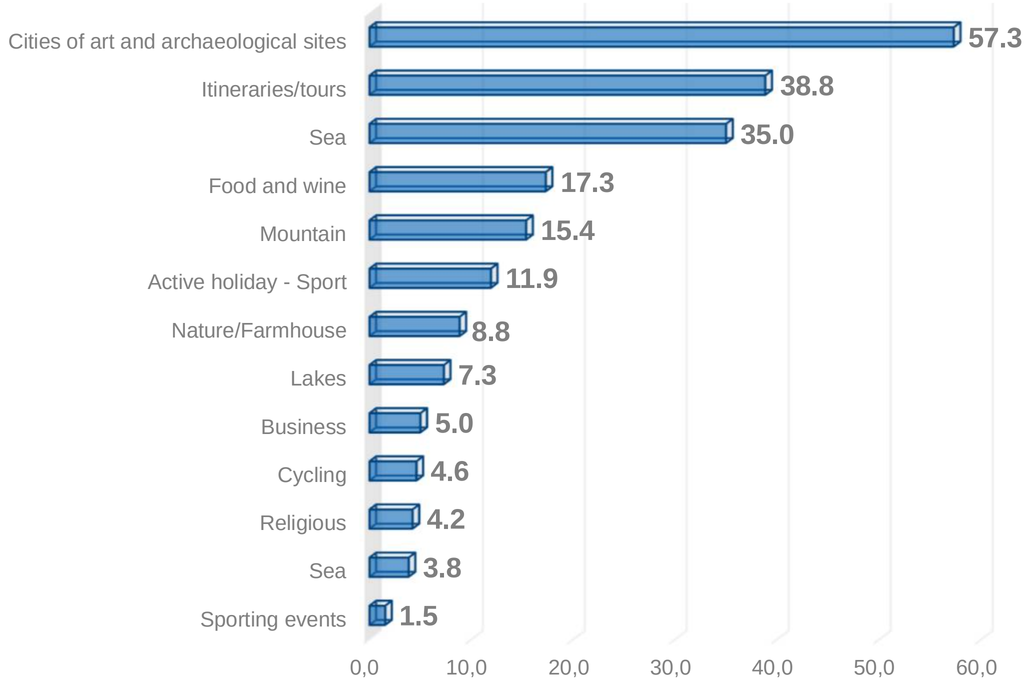
Destination Italy: the incoming intermediary market

Product composition

Art cities, tours, seaside and food and wine: the top products for Italy as a destination

The top-selling product on the intermediary market for Italy is tourism in art cities and trips dedicated to exploring archaeological sites (57.3% of the T.O. interviewed), followed by tours (38.8%), with holidays by the sea in third place (35%) and food and wine tourism in fourth place (17.3%).

These are followed by holidays in the mountains (15.4%) and those dedicated to sport (11.9%), holidays in contact with nature/in farmhouse accommodation (8.8%), holidays in lakeside locations (7.3%), business travel (5%), cycling holidays (4.6%), religious tourism packages (4.2%) and spa/wellness breaks (3.8%).



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Destination Italy: the *incoming* intermediary market

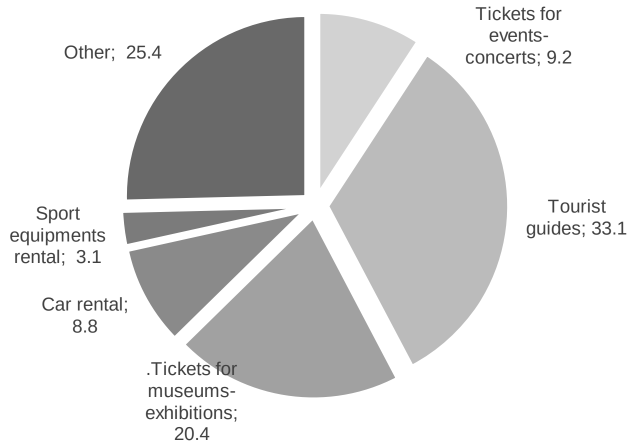
Product composition

Organized holidays for 7 in 10 tourists

Just 1 in 10 packages comprise basic travel and accommodation services with or without meals, while most tourists who book through the intermediary market demand much more: 4 out of 10 packages are tailor-made, and 3 in 10 are all-inclusive.

Among the most widely requested additional services are guided tours (for 33.1% of the T.O.) and tickets for museums and exhibitions (20.4%), followed by event and concert tickets (9.2%) and car rental (8.8%).

In a majority of cases (51.4%) packages have an average duration of 4-5 days; less common are packages for spending a week in Italy (24.6%) or more than a week (5.7%), and weekend packages (18.4%). Most travel proposals for Italy are for the spring months: 82% of organized trips take place between March and May.



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Tourist packages dedicated to food and wine

Market share of the product

2 in 10 Tour Operators sell holidays dedicated to discovering the foods and flavours of Italy.

Spain, Norway, Germany, Austria and United Kingdom are the top markets

Food and wine tourism is the fourth best-selling travel and organized holiday product in Italy by 17.3% of the Tour Operators interviewed that sell products in Italy.

The markets in which this product accounts for the highest percentage in the overall offer of the tourism intermediaries are Spain (sold by 33.3% of the Spanish T.O. that propose travel to Italy), Norway (27.3%), Germany (26.3%), Austria (25%), United Kingdom (21.1%), France (16.7%) and Denmark (16.7%) for the European market, Australia (33.3%), Canada (18.5%), USA (17.8%), Brazil (15%) and Japan (12.5%) for the long-haul market.

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Tourist packages dedicated to food and wine

Italian destinations

Piedmont: top destination on the organized food and wine tour market

The region that features most widely in the tourist packages of the Tour Operators specializing in food and wine is Piedmont (58.3% of the T.O. interviewed), proposed in Austria, Germany, Spain, the Netherlands and the United Kingdom.

It is followed by Campania (proposed by T.O. In the United Kingdom, Spain, Switzerland and Denmark) and Tuscany (in Austria, United Kingdom, Spain, the Netherlands, Denmark). Sicily is proposed for food and wine packages in the United Kingdom, Spain and Denmark; Veneto (33.3%) in Austria, Germany and Spain, Puglia in Germany, Spain and Denmark, Emilia-Romagna in Germany and the United Kingdom, and Friuli Venezia Giulia in Austria, Germany and Spain.

Fewer food and wine tourism packages are sold for Lazio, Lombardy, Marche, Umbria, Valle D'Aosta, Liguria, Sardinia and Trentino Alto Adige.

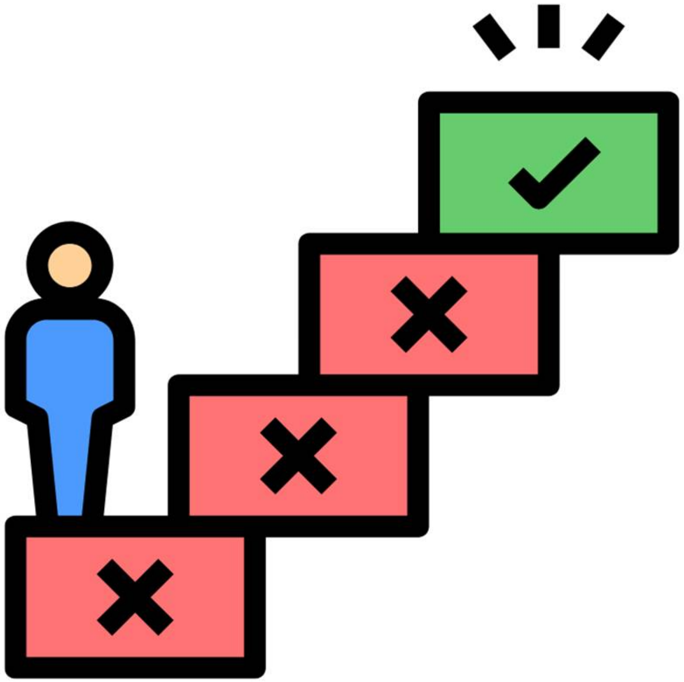
Tourist packages dedicated to food and wine

The obstacles to the creation of a tourist package

Too long to organize the packages and lack of contacts with local operators are the main difficulties encountered by international operators

Among the problems encountered by foreign Tour Operators proposing food and wine packages for Italy is the excessively long time required for organization, related to:

- difficulty booking services locally (13.3%);
- lack of a single contact person locally for both tourist (11.1%) and/or commercial information (8.9%).



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Tourist packages dedicated to food and wine

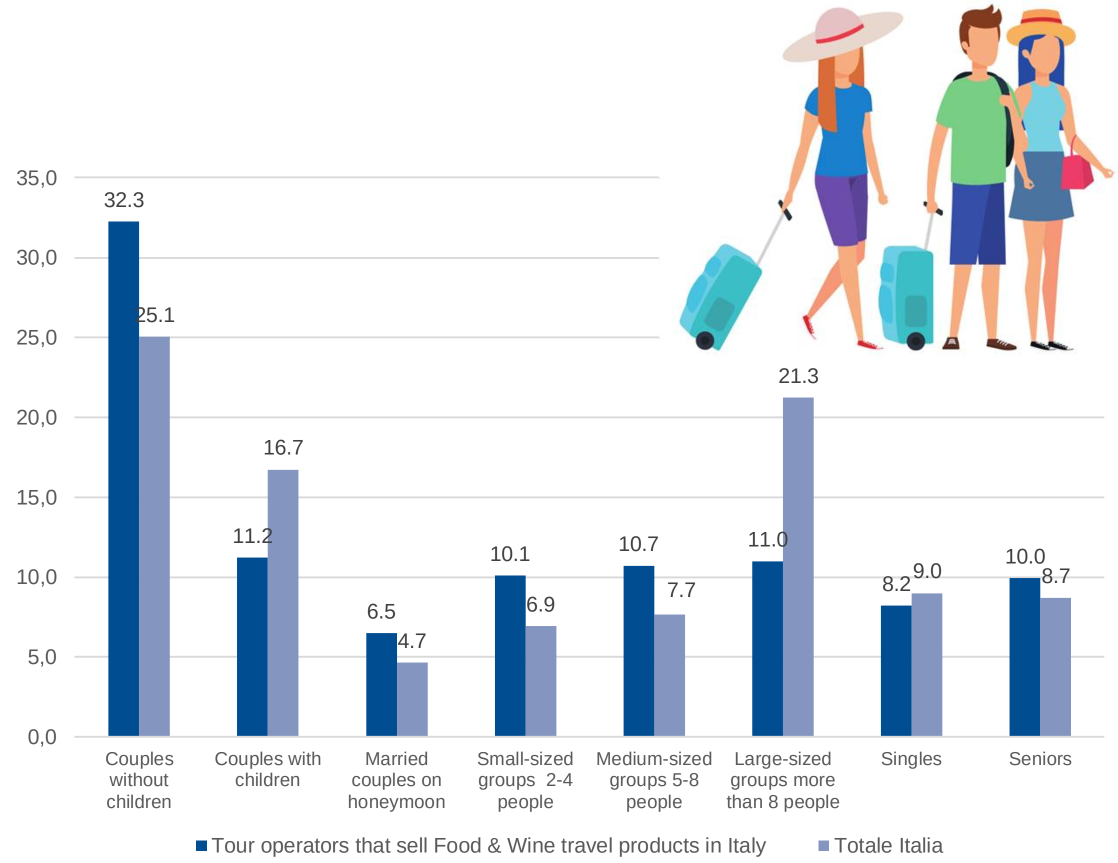
Holiday company

Who do tourists choosing food and wine packages travel with?

3 in 10 tourists are couples

Couples are the top customer target for the food and wine tourism organized in Italy, accounting for 32.3% of the demand (25.1% of the average of the demand for travel and organized holidays in Italy).

Compared to the typical tourist purchasing a package for Italy, there are few groups of 8 or more people (just 11% of food and wine tourists, compared to 21.3% of the total for Italy) and families with children (11.2% for food and wine tourism, 16.7% of the average for tourists in Italy).



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Tourist packages dedicated to food and wine

The food and wine package

Accommodation in farmhouses or 4 star hotels; travel by bus or car, all year round

Accommodation for food and wine packages tends to be in farmhouses (35.3%) and 4 star hotels (33.3%), followed some way behind by 3 star hotels (13.7%) and 5 star hotels (9.8%).

Local travel during the holiday, as contemplated in the food and wine tourist packages, is mainly by bus and rented car (41.7% of the T.O. each); tours with a rented minibus or bike tours belong to more of a niche market.

Compared to general travel to Italy, 82% of which is concentrated in the months from March to May, food and wine tourism is spread more evenly over the year, with most of it taking place in the first 5 months of the year, especially February-March (42%) and May (19%), but with a market for this type of tourism also in April (10%), September (9.6%) and November (9.4%).

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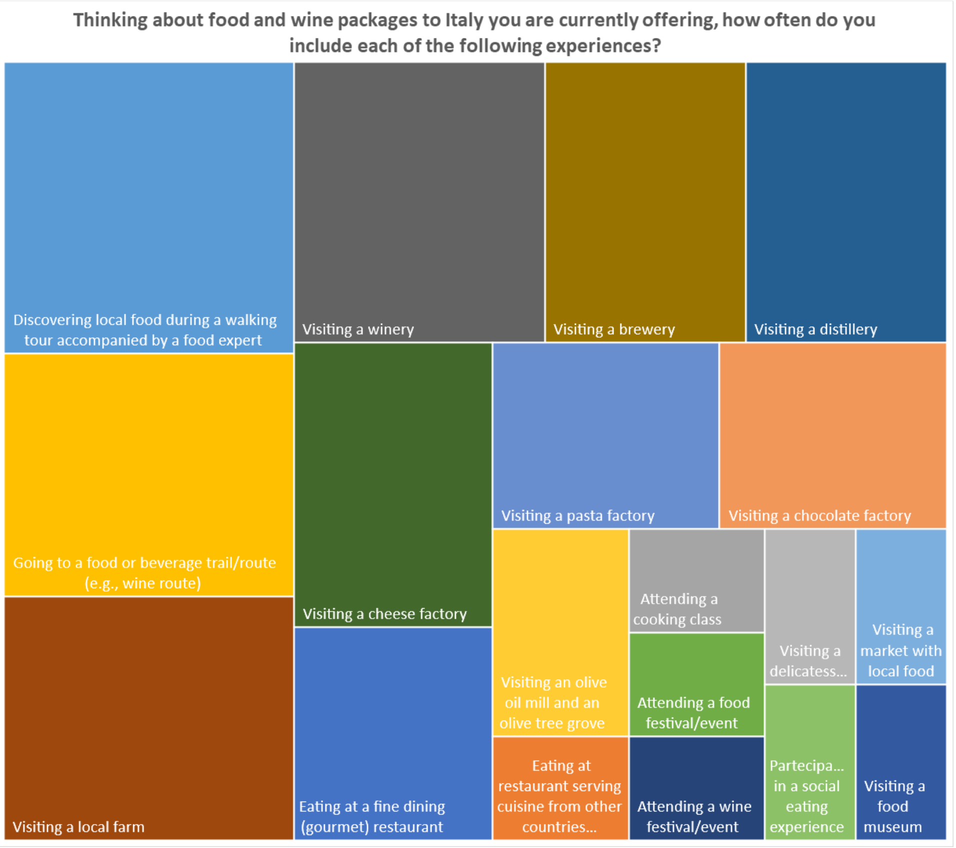
Tourist packages dedicated to food and wine

Tours dedicated to discovering local food and flavours, wineries, gourmet restaurants and visits to the places where Italy's finest food and wine is made

The services most frequently featured in food and wine packages include tours aimed at discovering local specialities, accompanied by a food expert (always proposed by 50% of T.O.), and visits to local wineries, as well as the chance to sample the dishes on the menu in gourmet restaurants, walks along wine routes, visits to farms, olive mills and olive groves, pasta and chocolate factories, distilleries, breweries and cheese factories. These are followed by other experiences, such as the chance to discover long-established bars and restaurants, as well as visits to pastry shops and food markets. More exclusive proposals include events connected with food and wine specialities and food museums.



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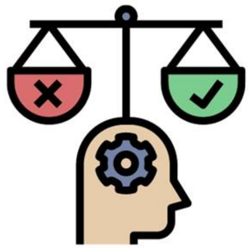
Tourist packages dedicated to food and wine

The opinion of the operators

Specialized operators believe quality is high, especially with regard to gourmet restaurants, historical bars and restaurants and the chance to visit farms and wineries (described as excellent by 16.7% of operators and good by 33.3%). Also much appreciated are the visits to the place typical products are made (cheese and pasta factories, pastry shops, etc.), local farmers' markets and tours along the wine routes.

Less positive, however, is their opinion regarding the accessibility of these services (how easy they are to book and organize, the quality of the information): on a scale of 1 - 5, most of the T.O. interviewed do not give a score higher than 4 (good for some elements), while most of them give a maximum average score of 3, or "average".

Accessibility for visits to farms and wineries fared better than for dining in gourmet restaurants and long-established bars and restaurants. Operators have a good opinion regarding the accessibility of food museums, distilleries and breweries, as well as walks discovering typical dishes in the company of a wine expert.



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Tourist packages dedicated to food and wine

Italian wineries: proposals and services available

Regarding the services most frequently requested during winery visits, 41.7% of tour operators specializing in food and wine tourism mention a high degree of interest in the chance to sample local wines, which is very popular with customers.

These are followed by guided visits illustrating the history of the winery and its wines, preferably presented by an oenologist and/or winery owner in person, and an interest in enjoying the wines paired with dishes prepared for the occasion, perhaps in gourmet restaurants, for exclusive experiences to write home about.

The most popular dishes with international tourists, according to the international food specialists that sell their products in Italy, are pizza, pasta bolognese, cheese and Florentine steak.

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Tourist packages dedicated to food and wine

The most popular non-food services proposed as pa
food and wine holidays?

Not only culture, but also the seaside, business and sp

Italian art and culture are the *fil rouge* that holds holidays in Italy together, and are also sought after by tourists who choose a holiday focused on discovering Italian food and flavours.

58.3% of the operators specializing in food and wine travel offer packages that also comprise cultural visits to museums, monuments and temporary exhibitions.

These are followed by other services, with 16.7% of Tour Operators combining food and wine proposals with seaside holidays and/or business travel. A niche segment of 8.3% combines food and wine tasting with the opportunity to practise sport.

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Discovering local food and wine in non-food packages

Italy's fine food and wines are a recurring feature in many tourist packages proposed on the international organized travel market, even for those visitors not purposely coming to Italy for a holiday focused on food and wine.

General tourist packages for Italy thus often include travel experiences related to food and wine, in particular sun&sea holidays and city breaks and holidays in lakeside or mountain areas.

Interest is so high in some markets in particular that operators cannot fail to propose food and wine services even in packages dedicated to other tourist products.

A closer look reveals that tourists who choose a seaside holiday and also wish to explore local food and wine specialities are most likely to come from Finland, Germany, Brazil, the USA, the United Kingdom, Australia and Canada.

Isnart direct survey for ENIT

Discovering local food and wine in non-food packages

For city breaks, food and wine tasting experiences are included above all in the packages proposed by T.O. in Germany, the United Kingdom, Finland, Brazil, Switzerland, the USA and Canada.

With regard to lakeside holidays, food and wine experiences are included mainly in packages from T.O. in Switzerland, Finland, Brazil, Australia, the USA and Canada.

Services most frequently included in non-food and wine packages are visits to wineries, meals in gourmet restaurants and historical bars and restaurants, followed by visits to breweries, oil mills, pasta and cheese factories, distilleries and farms. Less frequent are food and wine tasting itineraries guided by an expert and those offered along the wine routes, visits to pastry shops and markets.

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Conclusions

Despite the crisis caused first by the pandemic and subsequently by the rise in living costs, Italy continues to enjoy an advantageous position in the international organized tourism sector: it is the top-selling destination for 1 in 2 Tour Operators, with a large market share, estimated at 32.8% of tourist packages sold during 2021.

However, the crisis currently affecting the sector, hit hard by the ban on international travel imposed in recent years, has led to a net fall in demand, estimated for Italy at 50% compared to sales in the period prior to the pandemic, as reported by 6 out of 10 operators interviewed.

A guarantee of quality and health security are the key elements in organized tourism offers: these factors allow operators to maintain a lasting relationship of trust with customers, which is also decisive to win over those tourists who do not generally use the intermediary market, at a time in history in which the safety and security and good price/quality ratio of tourist packages can make the difference compared to holidays organized independently.

Conclusions

Food and wine tourism is the fourth highest selling product, after art cities/archaeological sites, tours and seaside holidays, but food and wine are also widely featured in the non-food packages proposed by international operators for travel and holidays in Italy, confirming the high level of interest in this product on the international market, and its significant potential for development for the coming years.

Among the wide range of specialized services available, some are widely offered in the packages proposed by food and wine tourism operators: tours to explore local foods and flavours, wineries, gourmet restaurants and visits to the places where food and wine is produced.

In general, the opinion is that quality is high; less positive are opinions regarding accessibility, i.e. how easy food and wine experiences are to book/organize and the level of the information available, which are key elements for the tourism development of the many fine foods and wines Italy has to offer.

To help relaunch the sector, it will be decisive to take account of the difficulties reported by the operators regarding the organization of food and wine tourism packages in Italy, above all the time it takes, which has become of strategic importance for business in the sector, in a market where, on the one hand, customers tend to book holidays increasingly close to the departure date, and on the other, operators focus massively on accompanying offline proposals with an online showcase/booking system.

Conclusions

Another decisive factor to work on is the difficulty encountered by foreign operators in contacting local figures for information and to sell Italian products, often linked to the lack of a single contact person for many regions/destinations, and also to the poor online visibility of the actual offers available in the area. This is an alarm bell that must encourage direct contact between foreign Tour Operators and Italian tourism operators, both by boosting the online visibility of the proposals and purchase offers available on the intermediary market, and with more opportunities to bring the two together with online or in-person encounters during trade fairs and events in the sector.

Operators in the organized tourism sector are called upon to meet an increasingly complex demand, with customers seeking tailor-made proposals able to meet a series of needs and expectations that encourage tourists to contact a specialized T.O. rather than organizing a holiday independently.

Fast service and a quality offer are what international operators are looking for from Italy as a destination, and these are the elements that will require work to attract new markets and aid the recovery of sales that have been lost in the last few years.

Methodology note

The direct CAWI/CATI survey was conducted in the months of July and September 2022 and addressed to international Tour Operators that sell products in Italy. The final sample of 260 units used, stratified by nation, included both European and non-European operators in the incoming organized tourism sector.

The survey focused on food and wine tourism, and was composed of a number of questions addressed to 12 food specialist Tour Operators and others addressed to the whole set of 45 Tour Operators who sell food and wine tourism products for Italy as a destination (12 food specialists and 33 non-specialized T.O. that offer food and wine packages in Italy).

Below is a list of the countries involved in the survey and the size of the sample used.

Distribuzione interviste per Paese

Austria	16
Francia	6
Germania	19
Regno Unito	19
Spagna	9
Svizzera	7
Repubblica Ceca	3
Ungheria	2
Polonia	8
Olanda	11
Norvegia	11
Danimarca	24
Svezia	6
Finlandia	2
Usa	45
Canada	27
India	4
Giappone	8
Corea	9
Australia	3
Brasile	20
Messico	1
Totale	260