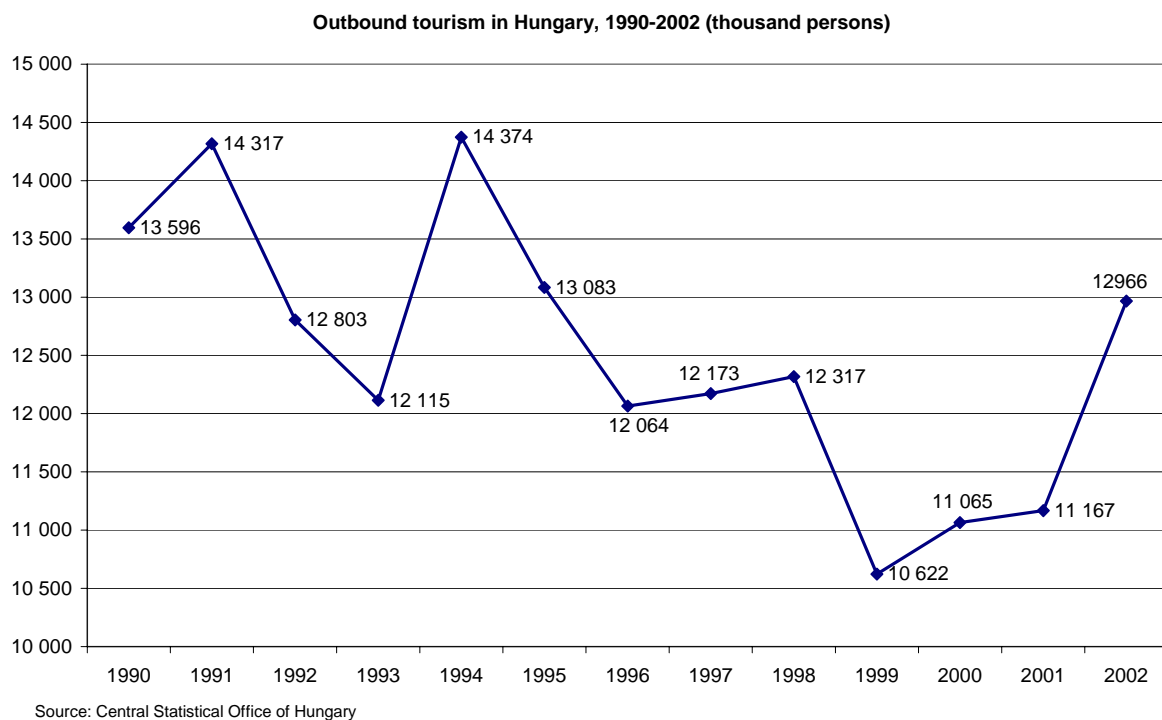


Travel Habits of Hungarian Households

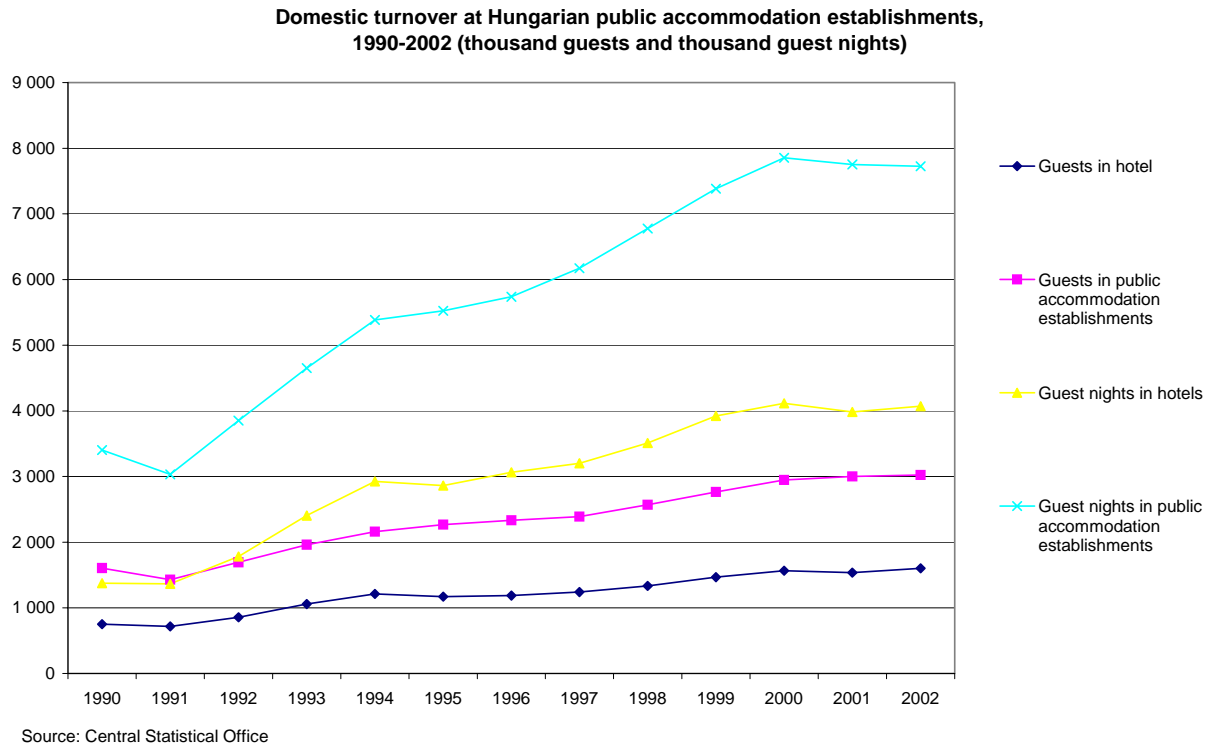
Following the political changes of the late eighties and as a result of the opening of the Hungarian borders, the number of Hungarians travelling abroad significantly increased in 1990, while domestic travel subdued. The number of outbound travels, however, began to fall after 1994 – a period of growth following the political changes – since foreign travel was no longer a novelty (figure 1), although we must note that the trends of world tourism indicate that the new destinations that crop up day after day attract more and more tourists everyday.

Figure 1



As for domestic demand, it is important to point out that most earlier subsidies had been held back and most low-cost holiday making opportunities – e.g. company holiday homes, children summer camps – had been wound up. However, when we look at the domestic guest nights spent in public accommodation establishments, we find an almost continuous and steady increase since 1991 – with only a slight drop in 2001 – therefore we may safely conclude that the development of domestic tourism has taken off in Hungary, as well (figure 2).

Figure 2



The first survey on Hungarian travel habits was conducted in 1997 on commission from the Hungarian National Tourist Office. According to the findings, 34% of households travelled abroad or within Hungary at least once; within that the share of those staying within the borders amounted to 71%. The main reasons for staying at home included lack of money, health problems and lack of time. 23% of respondents did not consider any of their travels a main holiday, while 54% and 23% claimed they had visited a domestic or foreign destination respectively for the purpose of their main holiday¹. According to the data obtained by the survey, domestic and foreign travels in many cases were mutually exclusive, since the rate of those who visited both domestic and foreign destinations was only 15%.

The next stage in understanding the travel habits of Hungarians saw the 2000 October research of the Hungarian National Tourist Office on the travel habits of Hungarian households in the previous 12 months.

¹ It was always up to the interviewee to decide which holiday to consider main.

In the period under review 62% of households had at least one member to have spent at least one night away from their usual habitat, which is a significant increase over the figure of 1997. Non-travellers stayed at home again for primarily financial and secondly health reasons. 87% of trips made in the 12 months before the research had domestic and 13% had foreign destinations.

Domestic tourism

In 2002 public accommodation establishments registered 3.022 thousand Hungarian guests, who spent a total of 7 726 thousand nights in public accommodation establishments while the same figures for 1990 were 1 607 thousand registered and 3 403 thousand nights. Within the category of public accommodation establishments, demand for hotels showed an increase, which is indicative of a shift in domestic demand for better services. Hotel guest nights in 1990 accounted for 40.4% of all guest nights spent in public accommodation establishments, however, the same rate in 2002 stood at 52.7%.

When we examine the average length of stay by domestic guests, we find there is a slight increase: while in 1990 average length of stay was 2.1 days, in 2002 the figure rose to 2.6. Simultaneously, the favourable trend in the restructuring of tourism demand is indicated by a significant increase in the average length of stay registered by hotels: the figure of 1.8 days in 1990 rose to 2.5 days by 2002.

The number of domestic guests staying in hotels steadily increased after 1990 – with the exception of 1991. 1995 and 2001 – greatest growth was registered at the beginning of the decade (1993: 23.2%) followed by slower but still significant (e.g. 9.8% in 1999) expansion. The number of guest nights in hotels show a similar pattern to the number of guests in recent years, with growth registered every year with the only exceptions of 1991, 1995 and 2001. The number of guest nights increased at a more dynamic rate than that of guests (11.8% in 1999), owing to the fact that the average length of stay in the examined period had significantly increased.

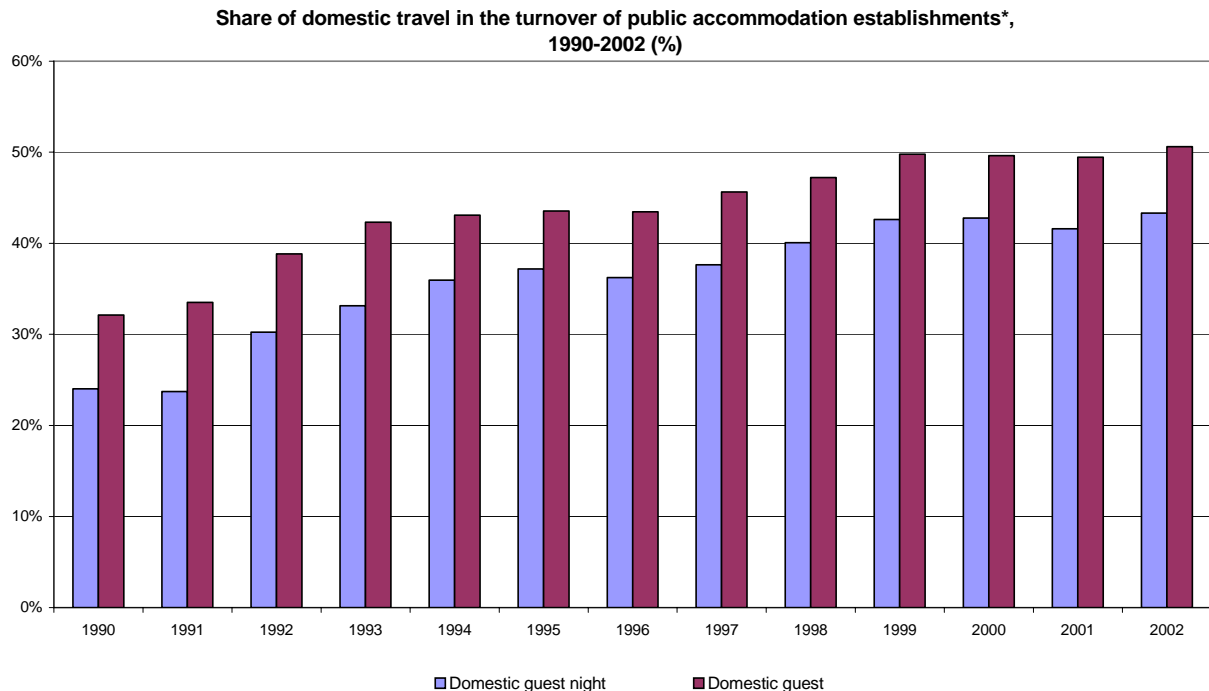
When looking at the structure of domestic and foreign turnover of guests, it is revealed that the rate of foreign guests and nights spent by foreigners had steadily fallen in the study period both with regard to public accommodation establishments and hotels in particular. As a result, by 2002 domestic guests constituted a majority (50.6%) in public accommodation



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establishments, while domestic guest nights (43.3%) had also exceeded the 1990 figure when domestic guests and guest nights accounted for 32% and 24%, respectively (figure 3).

Figure 3



Source: Central Statistical Office of Hungary

*not including hosting paying guests

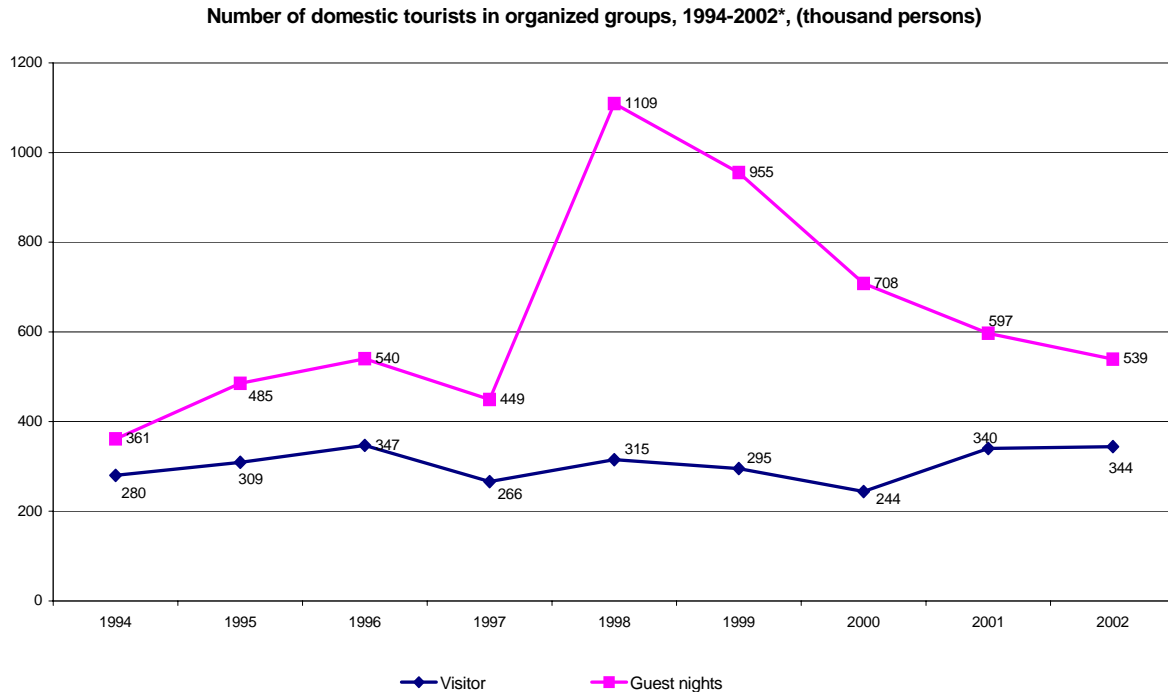
Within the category of public accommodation establishments the same pattern typical of all public accommodation establishments emerges when we only look at the turnover of domestic guests in hotels: between 1990 and 2002 the share of domestic turnover to total turnover had significantly increased. While in 1990 domestic guests accounted for 23%, and domestic nights accounted for 18% of the total, in 2002 40% of all guests were Hungarian, who also accounted for more than 35.4% of guest nights.

When separately studying domestic tourists travelling in organised groups, the statistical data reveal that in the 1994-2002 period² the number of domestic visitors travelling in organised groups was around 300 thousand (figure 4).

² Data on organized tourism has been published by the Central Statistical Office since 1994.



Figure 4



Source: Central Statistical Office of Hungary

*No data available from CSO prior 1994

According to the 1997 survey of the Hungarian National Tourist Office – when looking at travel habits in the breakdown of families and individuals – the most favourite family holiday destination was Lake Balaton (31.8%), followed by the Northern Hungary and the Danube Bend. The majority of family trips were motivated by holiday making, or visiting relatives and friends. The accommodation used is usually free provided by relatives and friends. Passenger car is ranked the number one means of transport followed by railway and coach travel. 86% of all family trips were organised by the families themselves. Three-quarters of trips lasted 7 days; the average length was 6.7 days. The majority of trips were made in the summer months, mostly in July and August.

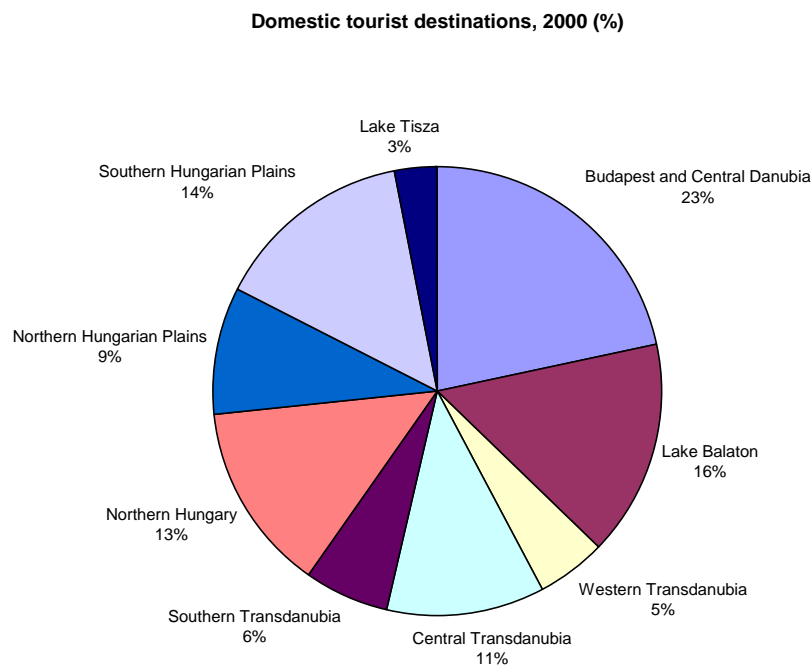
The main destination of individual domestic trips was also Lake Balaton, however, in contrast to family travels the second place was taken by Budapest. As for the motivating forces, holiday-making is ranked number one, followed by visiting relatives, official/business trips, with weekend recreation closing the ranks. The car is the most frequently used means of transportation with trains and buses to follow. 55% of individual trips lasted shorter than 3

days and 29% were 4-7 days which amounts to an average of 5.4 days. Similarly to family trips, the majority of individual trips were also organised by the persons involved; travel agencies only organised 2% of domestic individual trips.

As for domestic travel considered the main holiday programme, the most common destination was Lake Balaton, therapeutic baths and Northern Hungary. 63% of trips were motivated by holiday-making; the most frequently mentioned recreational activities included excursions, hiking, going to open swimming pools and baths. Free accommodation was ranked number one with bungalows accounting for a large share of accommodation used. The average length of main holidays was one week, with most trips concentrated in the summer months – mostly July and August. When choosing a holiday destination, relatives, friends and the features of the holiday destination, as well as earlier experiences played the most important roles.

According to the Hungarian National Tourist Office's 2000 survey, the domestic travellers' favourite holiday destination was Budapest and Central Danubian Region (21% of all destinations were in this region), followed by Lake Balaton (15%) and the Southern Hungarian Plains (14%) (figure 5). Consequently, we find that the order of the most popular holiday destinations has somewhat changed in comparison to 1997: Lake Balaton is no longer ranked first, which indicates that the high frequency of trips is primarily due to an increase in the popularity of short, weekend trips.

Figure 5



Source: Hungarian National Tourist Office, M.Á.S.T., 2000

With respect to the timing of domestic travel, it is clear that the most popular period is between May and August, i.e. the school summer break and high season.

The purpose of more than one-third of all trips (38%) was to see friends/relatives, but many (25%) indicated that holiday-making or weekend recreation (16%) was the primary objective. Business trips only accounted for 3% of all trips. Table 1 illustrates the distribution of the motivations. When compared to the 1997 data, holiday-making and visiting friends/relatives are still significant, however the demand for weekend recreation was not as strong three years ago.³

³ It must be noted that the categories used in the 1997 survey were slightly different to that of 2000.

Motivations, 2000 (in % of all travel)

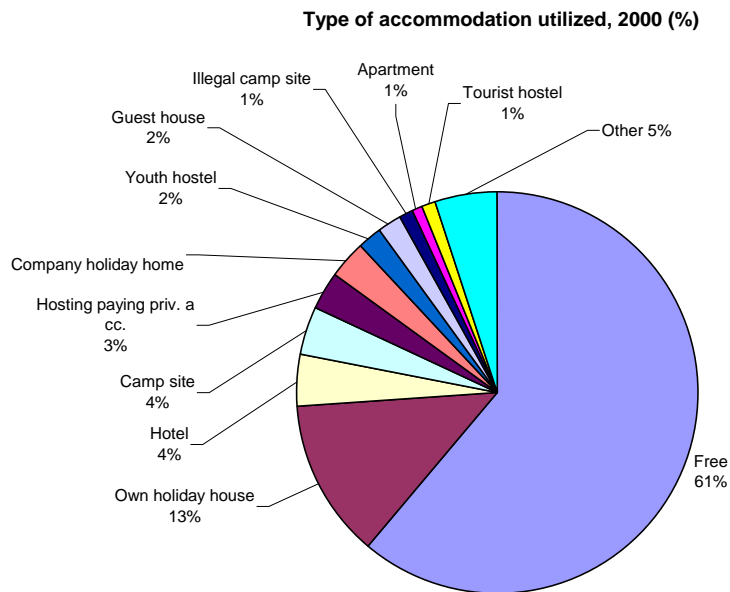
Motivation	Rate (%)
Visiting friends/relatives	38
Holiday-making	25
Weekend recreation	16
Hobby	4
Business trip	3
Health resort, fitness, wellness	2
Sport activities	1
City break	1
Cultural event	1
Incentive travel	1
Grants, participation in courses, professional camps.	1

Source: Hungarian National Tourist Office

During the vast majority of travels (89%), the respondents claimed to have stayed in one particular location; 7% made a number of short trips from one central location, 2% made tours, while 2% visited a number of locations, and a mere 1% made short trips starting off from a single location.

Travellers mainly used free of charge private accommodations, followed by second homes, hotels and camping sites. Bed & Breakfast, company holiday homes, youth hostels, guest houses, illegal camping, apartments, and tourist hostels had a relatively smaller share (figure 6). Nearly two-thirds of all trips (60%) the respondents themselves arranged for their meals while in 35% of trips the travellers received full board. Requesting half board service and breakfast was insignificant.

Figure 6

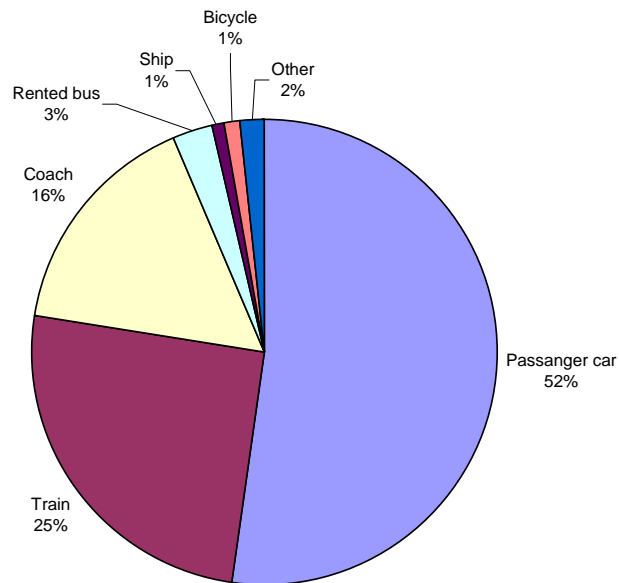


Source: Hungarian National Tourist Office, M.A.S.T., 2000

Similarly to 1997 the car was used most often in 2000 as well to reach the holiday destination, with railway and coach travel to follow. Rented buses, boats and bicycles had a minor role accounting for only 1-3% in the total (figure 7).

Figure 7

Mean of transportation used to arrive at destination, 2000 (%)



Source: Hungarian National Tourist Office, M.Á.S.T., 2000

Of all domestic trips 2-3-night – practically weekend – trips were most frequent (44%). 23% of the population spent one night, 13% 4-5 nights, 10% 6-7 nights, 8% 8-14 nights, and 2% spent 15-31 nights away. As a result, on average tourists spent 4.1 nights on their domestic holiday destination.

During their trips, in 2000 Hungarian travellers primarily visited friends and relatives (this is indicated by the exceptionally high rate of free of charge private accommodation), but hiking in nature, bathing and even – although to a lesser extent – gardening (as indicated by the frequency of activities closely linked to hobby plots and own summer houses) were also very popular. The most frequently performed activities during travel are shown in Table 2.

Activity undertaken during the travel, 2000 (%)

Activity	Rate (%)
Visiting friends/relatives	44
Excursions, hiking in nature	33
Swimming pools, baths	32
Gardening	25
Hobbies	15
Entertainment, discos, dancing	14
Visiting monuments, castles	11
Museums	7
Shopping	7
Water sports	6
Bicycle	6
Tasting local specialties, wine	5
Visiting nature reserves	5
Cultural folk heritage	4
Going to other cultural events	4
Meeting, conference, training	4
(Therapeutic) baths, wellness, fitness program	4
Theatre, opera, concerts	3
Education, professional camps	2
Other sports	2
Visiting world heritage sites	1
Horse riding	1
Other activities	6

Source: Hungarian National Tourist Office

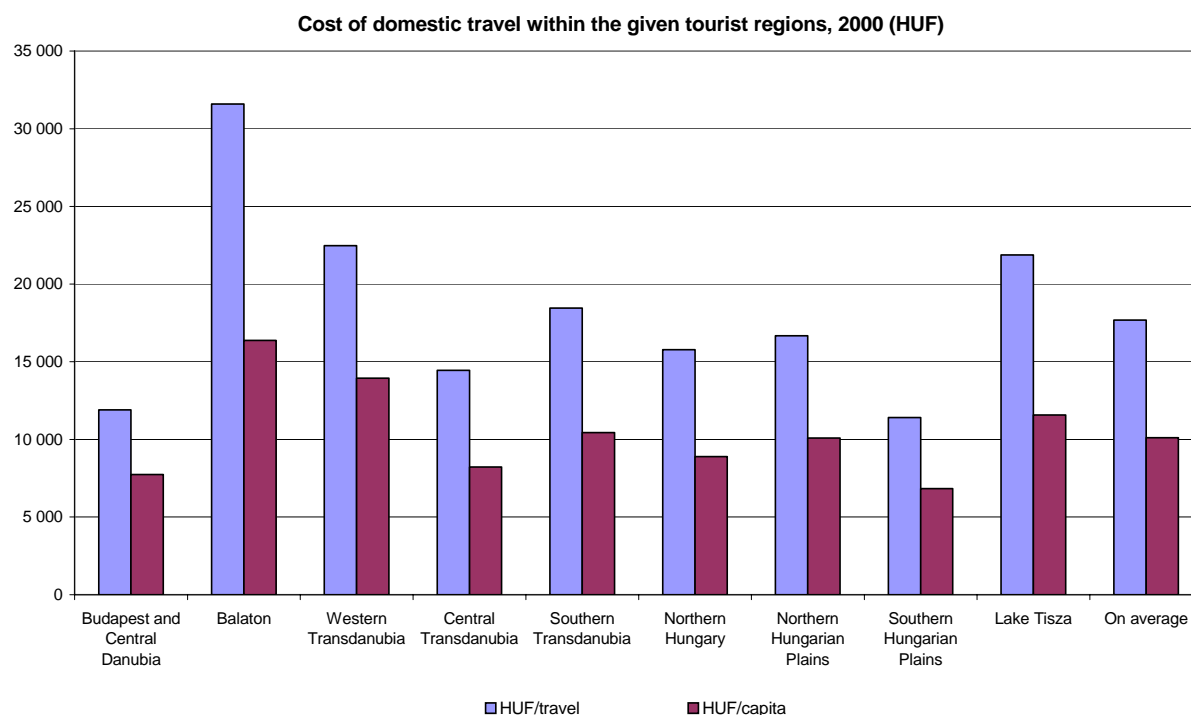
More than half of all trips (57%) were organised by the families themselves, followed by individual trips organised by the traveller 23%, then (7%) trips organised by family and fellow travellers, and trips organised by the school or workplace (5%). Travel agencies were

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consulted to book accommodation (93%) or organise meals (72%). Purchasing admission tickets, passes or organising the trip itself (15%), or organising activities or excursions at the point of destination (4%) were services agencies seldom were asked to provide.

Households which provided answers with regard to the cost spent an average of HUF 17,685, the specific per capita expenditure came to HUF 10,108. In certain domestic regions the expenses incurred by travellers greatly differed from the average: Lake Balaton proved to be the most expensive whereas the most cost-efficient region was the Southern Hungarian Plains (figure 8).

Figure 8



Source: Hungarian National Tourist Office., M.Á.S.T., 2000

Outbound Tourism

In 2002, approximately 13 million Hungarians travelled abroad, which is a significant – 16.1% – increase over the 2001 figure. Diagram 6.1 indicates the number of Hungarians travelling abroad between 1990 and 2002. As it transpires, following the peaks of 1991 and 1994, the number of travellers going abroad had plummeted then began to ascend as of 1991.

According to the 1996-2002 data of the ETC (European Travel Commission), Hungarian travellers tend to favour neighbouring countries (Romania, Austria) and traditional seashore holiday destinations (Italy, Greece) (Table 3). The ranking of the most popular destinations has, of course, changed over the decade: Croatia and Greece were on a steady rise between 1996 and 2002, while Germany and Austria fluctuated and ultimately showed a weak decline. When looking at specific continents, we find that Europe is the main destination of Hungarian outbound tourism.

Number of tourists going abroad from Hungary (thousand persons)*

Most popular destinations **	1996	1997	1998	1999	2000	2001	2002
Italy	239	204	194	231	277	282	443
Romania	214	207	161	362	429	407	422
Austria	445	438	395	401	374	395	412
Germany	401	363	374	403	391	401	393
Croatia	-	62	119	158	267	293	321
Greece	-	99	201	198	156	217	226
Continents							
Europe	2251	2182	2146	2598	3189	3198	3526
Africa	-	4	4	3	10	18	20
America	-	54	58	68	64	86	80
Asia and Australia	-	14	18	6	28	45	33
Total	2251	2254	2226	2675	3291	3347	3655

*The data are only based on the population of 15 years of age and over and are only available since 1996.

The table includes foreign trips of Hungarians which: were made within maximum of one calendar year, are registered as a foreign trip even if they were partly made nationally; they may be holiday trips, visits to friends/relatives or other private travels or business trips except if the sole purpose was studying or work during the entire period.

** The ranking reflects the 2002 data .

Source: IPK International, European Travel Monitor, ETC Pool Report

When we look at the 2000 data of Hungarian National Tourist Office pertaining to *main foreign holidays*, it transpires that the vast majority of these trips were directed at Europe (88%) with three countries with seashores in the lead: Italy (20%), Greece (17%) and Croatia (16%). Most popular destinations outside Europe included the United States of America (4%) and Tunisia (3%).

57% of tourists stayed in one location when abroad. 20% made short trips from their central location, 14% had a round trip, while 6% visited a number of different places in a sequence.

The most frequently mentioned (41%) motivation for going abroad in 2000 was holiday-making, followed by visiting friends and relatives (15%). Travellers named

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excursions (52%), seeing monuments (45%), going to the beach (38%), tasting local specialties (34%), and going to museums (26%) as the most popular activities while travelling. When going abroad, the demand for acquiring new knowledge and interest shown in the local culture by tourists seem to be more evident than in the case of domestic travels.

The average length of stay per trip was 8 nights; a large share of trips lasted more than a week.

With respect to accommodation and services used in 2000 during trips abroad, it transpires that travellers stayed in hotels (27%), free of charge private accommodation (26%), apartments (18%) and camp sites and private accommodation offering bed and breakfast (8-8%). Although travellers arranging for their meals while abroad were in majority (44%), taking full board (30%), half board (18%), or breakfast (7%) was much more typical than in the case of domestic trips.

In 2000, Hungarians mainly relied on road transport when going abroad (41%), followed by rented bus (33%), airplane (17%), train (9%) and boat (3%).

The organisation of trips abroad was typically managed by the family (22%) or the school and workplace (19%). The role of travel agencies was also quite significant: they were responsible for the complete organisation of 16% of all trips and also participated in the organisation of a further 12%. The most frequently used services included booking accommodation (90%), organisation of travel (77%), arranging for meals (72%), pre-purchase of admission tickets and passes (44%).

Of those who went abroad for the purpose of spending their *main holiday* abroad, the majority relied on information from guidebooks (47%), travel agency brochures (42%), and advice from people having personal experience of the place (42%), but recently the Internet has become an increasingly important source of information (9%).

In 2000 the average total cost of a foreign trip amounted to HUF 123,557, which comes to HUF 71,358 per capita (Table 4). With respect to the distribution of costs, accommodation and meals occupy the first two places.

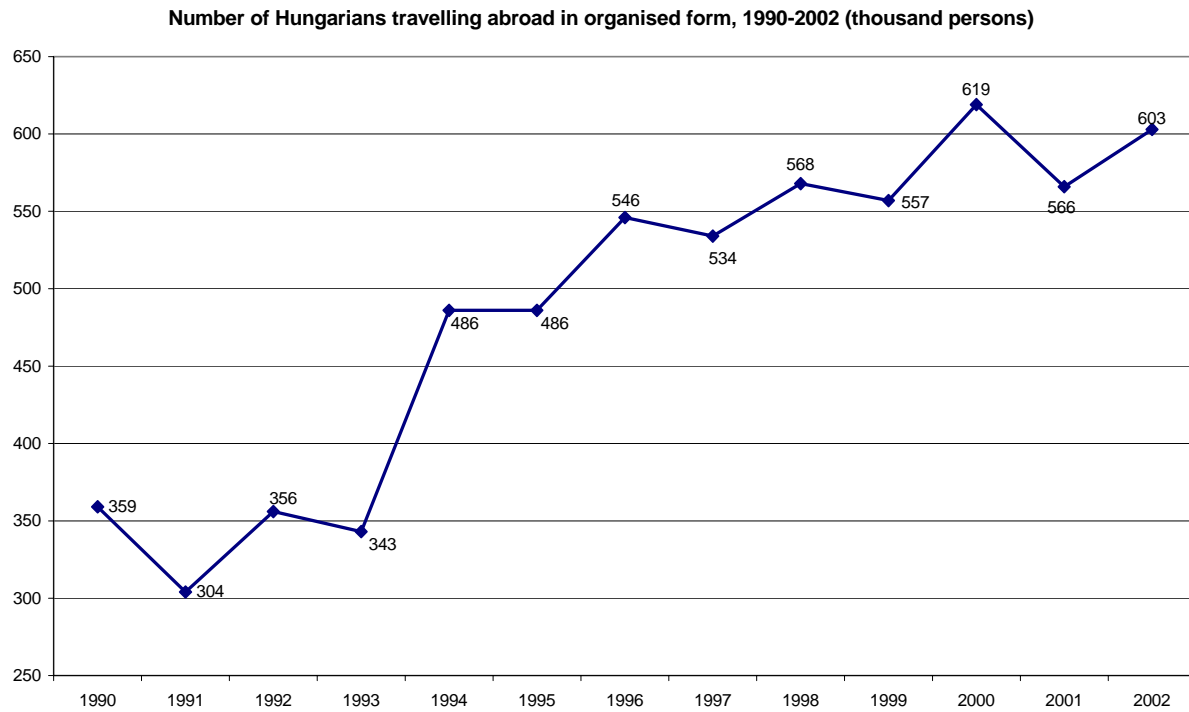
Cost of foreign travel by main destinations, 2000

Destination	HUF/travel	HUF/person
Spain	196,801	118,836
Greece	175,255	102,241
Croatia	150,401	71,598
Italy	136,326	65,097
Germany	61,211	48,644
Austria	49,225	33,798
Romania	31,683	20,055
Average	123,557	71,358

Source: Hungarian National Tourist Office

According to CSO data, the number of Hungarians going abroad in organised form increased by 68% in total between 1990 and 2002 despite the 1997, 1999 and 2001 drops in comparison to the previous years (figure 9). At the same time, we can safely state that by the end of the period under survey the number of Hungarians going abroad in organised form was by and large the same (half a million per annum) as that of foreigners coming to Hungary in the same form.

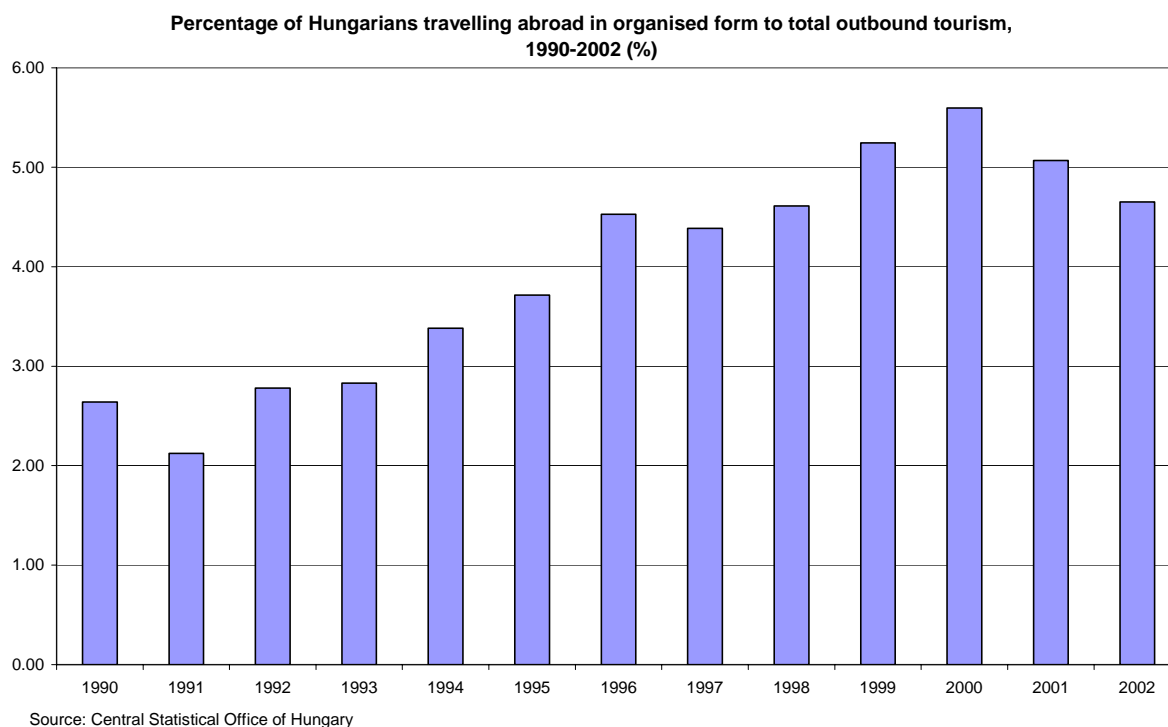
Figure 9



Source: Central Statistical Office of Hungary

Figure 10 shows the percentage of Hungarians travelling abroad in organised form to the total outbound travellers, and is indicative of the fact that organised outbound travel in general expanded more dynamically than the total.

Figure 10



Guest nights by outbound Hungarian visitors travelling in organised groups had dynamically expanded; more than tripled between 1990-2002 (with minor downturns) (figure 11).

Figure 11



The average length of stay by outbound travellers in organised form fluctuated between 3.2 and 6.8 days in the 1990-2002 period, which is well below the average length of stay of 8 nights by total Hungarian households.