

EMBARK  
*Beyond*

Travel Trends:  
From the Frontline

Q1 & Q2 2026- THE CONNECTION ECONOMY

# Q1 & Q2 2026 Trends Report

## *The Rise of the Connection Economy*

For the first time, Embark has combined two trend reports. Not because there isn't a lot happening but because the world seems to change every hour, faster than ever before.

It's already the middle of 2026 and the world is still embracing unpredictable forces that seem to twist travel patterns, like a spontaneous tornado. What started as a series of disruptive weather patterns in January soon morphed into a virtual evacuation of Mexico with AI-generated videos exaggerating a cartel situation in Puerto Vallarta, which was eclipsed by a cataclysmic shutdown of the Middle East on February 28th with the beginning of the Iran conflict. Same goes for the whole Greenland "debate" and, oh, whatever happened to Venezuela? There has never been a more whiplash-inducing time — blink and the narrative changes.

The Iran conflict is still in progress as of this writing, and while the Middle East is not one of our top destinations, it is the center of global air connectivity. And as we know, fear is the biggest inhibitor for the luxury consumer.

Despite that, business seems to be somewhat resilient. The news cycle and fear factor seem to move on faster than ever. Prices continue to soar as fuel costs inflate, and the value proposition still seems insultingly high, but people are buying. Closing is definitely more complicated while booking windows still remain extremely tight and unpredictable.

So as we enter the second half of 2026 we continue to be pliable and open to constant change and I hope you will too. The one thing that will never change though, is a thirst for human connection and love. More about that below!!

Happy reading.

- **Jack S. Ezon**

## Six Numbers That Tell the Story

<b>+24%</b> 2026 revenue pace over 2025	<b>\$31,370</b> average transaction, 2026 pace	<b>46%</b> Europe share of total revenue pace
<b>+343%</b> floating hotel growth since 2024	<b>+62%</b> requests for pet travel	<b>+28%</b> destination events pace for 2027

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## Word of the Year: *Connection*

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We all love to romanticize “transformational travel” and how people like to buy “experiences” over “goods.” That may be true, but true success will be targeting what is behind the purchase decision. We are no longer in the “Experience Economy.”

And let’s get real — how many things can people do that are actually “transformational”? Not every trip or experience can possibly transform. We even recently saw a video on a mall promising “transformational experiences” while shopping. I mean, come on! Really? A mall.

If you look deeper, we think you will agree that we have entered what we dub “The Connection Economy,” where building connections to sell — or selling the ability to help people build connections, community, and human relationships — will become the underlying driver behind consumer purchase decisions and the higher revenue associated with them.

### Don’t believe us? Look around:

- Private member clubs have never been so prolific. Many of our clients, especially in New York and London, have three or four memberships.
- Small, self-created affinity group travel is growing exponentially. Embark is showing more than a 450% increase since 2020 in self-created affinity groups of people who travel like a multi-gen family but are not actually related to each other.
- Celebration travel is thriving. At Embark, social destination events outside of weddings have grown 341% since 2020 and continue to thrive.
- Passion-driven travel – whether in a group or alone – is growing too. For Embark, it is up 76% since 2024.
- Festive dining has eclipsed gastronomic dining as our most in-demand culinary request. People want fun over foam, and they have for a while now. We led the way with how Ozempic is changing travel last year, and we’re still at the beginning of that revolution.
- VIC experiences are now the norm for brands. Consumers no longer buy a bag or a car. They buy entrée to a community, and luxury brands are doubling down on community experiences.
- Private salons and suites are the new norm for luxury brands. Many of them do not even sell merchandise. They are places to immerse in a brand “world” and build relationships with brand “ambassadors” or like-minded brand aficionados.... Their community.

Clubs, restaurants, retail salons... what’s the common denominator, you ask? People want a vetted community. The old ways of meeting people – the office, the bar – are not the norm anymore. People don’t have time to take a risk. Many, especially younger people, are less socially adept. They want to meet, they crave deep relationships, but don’t want to have to ferret out the right people from a sea of humans. They are willing to pay for someone to filter it down for them, hence the popularity of carefully curated private clubs.

*We are no longer  
in the Experience  
Economy. We are  
in the Connection  
Economy.*

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It's also why the trend of private social media groups and WhatsApp groups drives so much FOMO. The savvy know this is the next influencer moment in marketing.

So are people still buying experiences over goods? Yes. They certainly are. But look deeper if you really want to leverage this. At the heart of experiential is really connection. Amidst a shift to “quiet luxury,” people are not buying experiences to flaunt them, they are buying them to connect to the people they are doing them with or to themselves. They are buying memories, common stories to share in the future. You see, **active [experience] connects whilst passive merely informs.**

## THE CHANGE

Loneliness is the worst post-Covid epidemic to affect the human race. The World Health Organization now estimates that 1 in 6 people globally is affected by loneliness, and has formally identified social connection as a major global public health priority.

Scott Galloway talks about this constantly — that we are creating a generation that is hyperconnected online yet increasingly isolated in real life, particularly younger people and men.

What started out with displacement of voice to text morphed into the toxicity of social media. People have never been so digitally connected yet so emotionally disconnected from real human touch.

The other cause of loneliness is lack of identity. People are craving connection with themselves. So many feel lost in who they really are. They can imitate others they see, buy anything they may want to personify something, but it all ultimately feels frivolous and empty. This too is an evolution of the past two generations.

Key value-drivers have been removed from so many as never before witnessed in our history. Religion is no longer the center of people's lifestyles. Many were raised in broken homes. More people move away from their families and the communities they grew up in.

Fewer people are getting married, fewer are having children, and more adults are living unpartnered than at any point in modern history. In the U.S., 42% of adults were unpartnered in 2023 according to Pew Research, while the percentage of married-couple households has fallen from 66% in the 1970s to just 47% today. And if anecdotes mean anything, fewer people are in monogamous relationships than ever before, even if partnered.

The dawn of AI will only accelerate the loneliness epidemic across the globe to a new level. AI will continue to displace humans in the workplace and replace humans in daily interactions. You see, the progress of AI will surely be a Darwinistic event and it's going to be **Survival of the Closest.**

Luxury is in a slump not just because of the economy and inflation. It is because the value proposition it offers no longer aligns with what customers need. Pricing has gone so high that people start to question the value of joy versus happiness. There are only so many dopamine hits you can get from products – it will never end because what people really need is fulfillment over frivolity.

We all think wealthy people are at the top of Maslow's Hierarchy of Needs and need “transformation” and “self-actualization.” What no one is realizing is that the pyramid is broken. Most of our clients,

*The biggest luxury trend isn't wellness, travel, or AI. It's loneliness.*

*Survival of the fittest is becoming survival of the closest.*

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and most of society, regardless of their economic success, are stuck in the “Love and Belonging” stage.

So, as we build our shiny buildings, flaunt our gorgeous lobbies and restaurants, we must remember what people will ultimately be buying is a platform to connect to others – whether it is your team or the people they are traveling with. Pretty spaces are a baseline today. No one needs another pretty room or pretty lobby. Most people have a nicer one at home.

They need to feel special; to feel loved; to feel part of something. If you continue to sell your product, whether a hotel, ship, train or other, you will soon get questioned on your value in their lives.

At a time when people have access and means to get almost anything they crave, being part of something special and feeling loved is something that just cannot be manufactured nor delivered with a new AI agent. The premium will go to the masters of old-school hospitality, the original Aman and Ritz-Carlton adage of welcoming guests into your personal home and personal life. In the new Connection Economy, that’s priceless. Indeed, it is also a lot harder to perfect software than hardware, but trust that it is worth investing in.

***The only luxury ultimately worth paying for is making people feel special.***

## Top Drivers: Peptides, Padel, Passions and Predictions.

### Peptides

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**The New Face of Wellness** — Last year’s Ozempic craze (but yes, we are still at the beginning of what’s to come with weight loss drugs! Retatrutide is the next one to know) has morphed into a new craze driving a wellness revolution in travel – beauty. It’s no longer about how long you live or even how well you live, but how good you look while you live. “Injectables” are the new buzzword in our clients’ world. The obsession with peptides is really a broader signal of people’s obsession with beauty. Bodies now look fabulous (thanks GLP-1’s), now it’s time to enhance your look and restore your energy... and that is where everything from stem-cell transplants, PRP, and peptides leads the way, with many wellness clinics and spas now getting on the bandwagon. Beauty destinations like Seoul and Japan are exploding with demand for the latest fountain of youth.

Today’s beauty is less about transformation and more about optimization. And it’s not just for women. According to a recent CNBC study with Mintel, men’s use of skincare products jumped 68% between 2022 and 2024.

And for those not in the know, peptides are injectable compounds that signal the body to behave better, whether on the skin or via injection. Peptides get talked about alongside hormones, but they’re not the same thing. Peptides are more targeted and usually shorter-acting. They’re not new (insulin is a peptide), but biotech can now design them far more precisely...and perfect for this moment of people wanting optimization in everything.

Peptides aren’t just injectables, though. They’re also used topically, especially in skincare, where they act as signals rather than fillers, telling skin to repair, calm inflammation, or make more collagen. That’s why they show up everywhere from medical facials to recovery creams. Same idea,

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different delivery: small biological instructions that nudge the body (or skin) to behave a bit better, rather than forcing a dramatic change.

## Padel

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Racquet sports have returned as the most sought-after resort sport for us in 2025 and 2026, with the biggest growth in requests for padel (still unsure how to pronounce it). Requests for resorts with padel courts have soared 127% in 2025. The sport – a fusion of racquetball and pickleball – has become an obsession for Gen Xers in particular. The trend bleeds into broader demand for tennis-core and resort-core – and demand (and prices) for Grand Slam tournaments around the world.

Sporting events still continue to drive new business, but with all the fuss about the FIFA World Cup, Embark has sold 43% more Grand Slam-related business than FIFA YTD in 2026.

Secondary sporting events are becoming more popular than headline events like the Super Bowl, Olympics and yes, FIFA. That's because there is more value, making them more appealing to travel for. Other attractions include special access to events and suites (Accor is particularly amazing at this), personal time with athletes (Le Royal Monceau – Raffles Paris has some of the best stars playing in its pop-up courtyard court with guests; Explora's ambassador, Jannik Sinner, will join guests aboard Explora III's debut sailing this July), and great resort-core collabs.

## Passions

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Passions, not places, are the new bucket list. People may not realize this – nor may you – but peel back and you will see it's true. Most affluent people under the age of 30 – growing up post-9/11 – have already traveled the world with their parents. The trend of taking kids in tow exploded after 9/11, making a checklist of monuments and museums obsolete. It's rare to hear a client ask to go to Paris to see the Louvre or Tour Eiffel... same with the Colosseum in Rome or Machu Picchu in Peru. Today's travelers seek to build experiences around their passions and attract like-minded people to delve into passions on the road with them. Everyone has been everywhere. Now it's about the why, not the where – it's about passions, not places.

- Passion-driven travel is up 126% in the past 3 years – anything from Mahjong to fitness to painting to beauty. The destination is a platform for advancing aspirations in a place that matters most.
- This also means a deeper interest in hands-on crafts, seeing the craftsmanship of brands firsthand, and traveling in small affinity groups focused on any random passion or purpose you could imagine – from mushroom journeys to fitness boot camps and even botany clubs. With respect to shopping, high-end shoppers no longer just consume, they visit the fields where luxe fabrics are born and the factories where clothes are made, learning elevated craft and understanding value. Art collectors – or just younger fans of Art Basel, Frieze and other art festivals – want privileged access to artists, curators and studios, deepening their knowledge of evolution, trends and art world investment. Watches of Wonder has become the Art Basel for watches, another cultish passion, and has been bringing Geneva to the

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spotlight of our client base. Festivals and passions like this are getting people to reconsider this city, fresh with verve – a place they would otherwise discount as corporate.

## Predictions

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Prediction marketplaces are revolutionizing access and investment in gambling. What does this have to do with travel? A lot. Consider the huge movement toward attending global sporting events and related experiences. The sports tourism market is now projected to surpass \$1.7 trillion globally by 2032, with some analysts citing annual growth rates above 13%, according to Vanity Fair. Fanatics alone has exploded from a merchandise company into a sports ecosystem with betting, collectibles, prediction markets and live events – projected revenues are approaching \$10 billion with ambitions to reach \$50 billion annually in the next decade.

So many people participating in these prediction markets are now far more emotionally invested and engaged in games, which is continuing to drive travel demand to attend events in person.

## Is It Worth It? A Follow-Up on Value

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The focus on value continues to plague our world and the entire luxury space. People don't mind spending for great things, but they always want to feel they got what they paid for (or ideally more than they paid for). When rates skyrocket with nothing more (or less) in return, they just flat-out feel ripped off and resentful.

*Just because you can afford something doesn't mean you want to be taken advantage of.*

For years, being expensive was often seen as a filter to restrict guests to only the 'right kind of people;' but it's no longer the currency by which people measure value. The industry spent years raising prices — and for a while, it worked. The higher price was the draw and a mark of exclusivity. But then, with high inflation and poor delivery (whether slipshod service at a hotel or questionable origin and cost of crafted items such as shoes or bags), consumers sharpened up and stopped buying it – literally and figuratively.

The aspirational client plummeted and the UHNW client just started to feel 'stupid.' Consequently, the whole pricing model crumbled.

As mentioned above, the ultimate luxury is making people feel special, and you don't feel special if you feel cheated. Value also goes beyond price – it is also convenience. Clients are looking at a whole "purchase" holistically – how much of a hassle is the airport? How comfortable is the flight? Is there fast track when they land (Mexico totally deters people here)? Is there a private terminal if I fly commercial? Will it be too hot? Too crowded? Too much of a headache to just enjoy? Capri and St. Bart's are on the verge of decline with so many clients complaining that they pay TOP EURO for a great experience and while a hotel may deliver, the overall experience is totally compromised. You can pay \$5,000 for a basic room in Capri and it is too crowded to walk down the street or too hot to sit by the pool.

*The value of luxury has shifted from exclusivity to affinity.*

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**The most common reaction of people returning from St. Bart's this year was that it was “too complicated to enjoy.”** Going to a beach club or just enjoying a day somewhat spontaneously is no longer possible. Too many obnoxious yachts, too much traffic, too many people to bribe to get a decent table. You see, it's all a very big issue, because value is not limited to what you are selling, but the whole experience, even those parts outside your control.

**The FIFA Failure:** Let's dive into the latest greed-driven mistake. The FIFA World Cup.... It's the typical Olympic story of everyone getting too greedy and ending up with little at the end. Not sure when anyone will ever learn from history. It's no longer a trend. It's a nearly predictable effect. And F1 is not far behind.

In fact, this year's FIFA World Cup is shaping up to be more like the Olympics than a Taylor Swift phenomenon to our business. Consumers are questioning the value proposition as so many got way too greedy that it bordered on disgusting. Many luxury hotels are realizing they got too greedy, especially in the USA, and are finally starting to cave on price and minimum stays.

Business is not as strong as predicted, especially in the USA for 3 main reasons: (1) it is not that popular of a sport in the USA; (2) many international travelers are put off by the USA and opting for Mexico and Canada; and (3) prices are so outrageous they border on insulting.

For Americans kind-of interested, prices are so ridiculously insane that many who don't care much about it (and those who would have tried it) are not bothering. This is not the Super Bowl where you already have a very high interest in the “host country.” Football (aka soccer in the USA) is still a growing sport and, despite being prime-time in the rest of the world, it isn't in the USA, and I can comfortably say that FIFA and the rest of the stakeholders surrounding it terribly blew their opportunity to pull a relatively new and lucrative market into its fan club. This could have been the year soccer went viral in the USA.

Oh, and if you are wondering why some basic “trends” are missing – solo travelers, small groups, etc. – it's because while still true, we already wrote about them so, while the world may still be discovering them, we've already spotted them and covered them. Why be repetitive? Check out our past trends reports.

*The most common complaint about luxury travel today: it's too complicated to enjoy.*

## Top 10 Travel Drivers & Trends Right Now

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**1. Long-Haul Hesitation:** It is too soon to tell how the lucrative summer season will unfold, but closing business is much harder and slower than 2025. Europe is our most lucrative summer destination, which is affected. With jet fuel prices almost double, long-haul flights, especially in business and first class, are up between 30-50%. That, coupled with already overpriced hotel stays, hot restaurants where covers can reach €1,000 per couple, intense heat, and overcrowding, is making people rethink summer plans away from the Med. So far, revenue is still slightly up over last year (about 9%), but the number of transactions is down (more on that below). Not surprisingly, point redemption for summer travel is up 71%, and people are focusing on the least expensive city-pairs

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to get onto the European continent. Again, it really comes down to a value proposition. In the words of one UHNW client: “I cannot see paying \$20k for a crappy United flight to Naples for me and my wife and barely get a flight attendant to look me in the eye and serve me a basic cup of coffee.”

**2. Trust and taste making the new currency of value** — AI is threatening nearly every career, but it is also presenting great opportunity for people who reposition their value. While AI is revolutionary and incredible at whipping out information, it is still not completely accurate (we believe it will get there one day soon), and still doesn't really understand our clients to give the right advice (make no mistake, though... it will with time). Couple this with so much fake news, AI-generated fake videos, and just bad information, and consumers are willing to pay for a service that truly specializes in them and understands their lifestyle from a 360° standpoint. Whether a subscription to an expert on Substack, a micro-influencer in a closed market, a personal stylist, or a travel advisor. There is a trend to put more weight on “tastemakers” — people whose taste a client trusts and aligns with and who understand their world – to navigate them through the sea of information and edit the perfect experience, product, or set of information for them.

**3. Quiet[er] Luxury** — We are seeing clients choose more discreet destinations, which aligns with a general preference for less bling. No surprise this aligns with what we are seeing in fashion, with brands like Brunello Cucinelli, Loro Piana, and Hermès outperforming more blatant brands like LV and Gucci. Please don't say “*hushpatality*”. It's not about being removed from the world. It's being in more vetted communities and boutique settings. Less bling and more substance. Smaller, independent hotels continue to outpace brands, mostly in Europe (38% more than in the USA and almost 50% more than in Asia). We also believe this is part of the shift to a 20% growth in nature experiences. The most common manifestation of this trend is with our “Something Old & Something New” program, where we encourage people to return to their favorite popular resort and combine it with a new “quieter” or off-grid destination – reducing the “risk” involved in veering away from the tried and true. And aligned with our theory on “Connection” and “Community,” more and more wealthy travelers are also enjoying experiences in the company of like-minded fellows among inclusive-exclusive curated communities with private clubs, leagues, and other monikers where belonging and affinity matter more than conspicuous display. For affluent travelers, spending unforced time with those who love Mahjong, photography, reading, painting, or diving as much as those around you do.

**4. Festive destinations topping all around** — Despite the movement to quieter luxury, festive destinations with restaurants and beach clubs still continue to drive business, taking them to new heights. And more destinations are importing the French-perfected model. Dubai was at an all-time high just before the Iran war, Sardinia has doubled its inventory in festive, and ski resorts from Megève to Courchevel and St. Moritz are built around them. Milan, a completely reinvented city, is opening up more venues too, catching up to its neighboring city, Paris. No other format has a waitlist of hundreds of people willing to shell out over €1,000 per person per meal after paying a “concierge fee” and even more for the right table and bottle service. And no other city like Paris has enjoyed its success. There is really no other city in the world where you can eat and dance on a random Monday or Tuesday night – and it's all driving back to the quest for community and connection. It's not about the food, it's about the people.

**5. TikTok Itineraries** — For anyone traveling with a teenager, you will know the power of TikTok. Not just in making travel choices (that's old news) but in actually constructing daily itineraries. Today's teens are keen on recreating viral TikToks in select locales in any destination from Paris to Tokyo, and will go to great lengths to do it. Savvy advisors and DMCs should stay

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aware of the trend, the top videos, and the top locales and plan around them. Seriously. This is a thing.

**6. Design is the new Art** — With the art world still having its recalibration moment, in-the-know consumers are focusing on design. Look no further than the recent popularity of Salone del Mobile in Milan, which, for us, is now more sought after than Art Basel Miami. We have seen a 24% increase in design-oriented trips, including couples traveling with their interior designer or small groups of ladies looking for inspirational design and concept experiences.

**7. Floating Hotels** — It is with great excitement that we report the continued traction of “floating hotels” (we dare not call them cruises). The proliferation of new ships this year, from Four Seasons to Orient Express, Aman (next year), and several others joining Ritz-Carlton, have created a new gateway drug to cruising for a generation who swore off the travel genre. Business of “floating hotels” is up 343% since 2024 (when Ritz-Carlton launched) and is now almost equal to our traditional luxury cruise business. What is more interesting is that our average age on a traditional cruise is 67; floating hotels have garnered an average age of 46. One small note to anyone in the marketing departments of these ships: do not call them yachts. You just sound outdated and out of touch. Anyone and everyone knows the real value of a yacht is doing what you want, when you want, and that is not the case with a cruise ship, no matter the size. There are more rules and regulations on any cruise ship than most people care for. Clients who charter look down upon this not only as a complete farce but as a brand being completely out of touch with the real luxury market.

**8. Pets as Part of the Family** — Have pet, will travel. We have seen a 62% increase in requests for pet travel. With birthrates down nearly 80% in many first-world countries, pets are the center of a family, and clients do not want to leave them behind. Look out for pet camps in resorts, pet-friendly airlines, people traveling with pet nannies, pet concierges, and services organizing all pet paperwork for international travel. The market has barely been touched, and we see it as significant now as the children’s market was post-9/11.

**9. Sobriety** — According to a 2025 Gallup poll, only 54% of Americans said they consumed alcohol last year, the lowest since polling started after Prohibition ended in 1933. We see this at our events, where alcohol consumption is down 38%, and with alcohol companies (LVMH is down almost 40% in consumption), but also see this with wine destinations. Napa Valley and Provence are down about 31% and 22%, respectively. Wine is not the same driver it used to be, and these destinations need to refocus on becoming gorgeous outdoor destinations with amazing recreation and resorts, rather than wine-focused destinations. On the flip side, Iran conflict aside, what was once a significant obstacle in moving clients to Saudi Arabia’s Red Sea from the Maldives is truly not that important anymore. Younger couples actually find it refreshing to be alcohol-free, especially recovering alcoholics and expectant mothers.

**10. The New Branded Beach Club?** — The fashion brand-led beach club is yesterday’s news. It’s cool but just totally overdone. That trend is being replaced by collaborations with sportier merch from brands like Lacoste, Sporty & Rich, or Jacquemus. Beyond fashion, look out for merch touching client passions and games that breed “connection” as well — think co-branded Mahjong sets, custom Monopoly boards, and elevated versions of classic games. Eden Rock St Barths’ lacquered poker set sold out before it even hit the boutique, as did The Breakers’ 500-piece jigsaw puzzle.

## Overall Prior Year Performance & Pace

2025 was a great year of growth for Embark. Revenue was up 67% over 2024 as we completed our sixth year in existence. Now with over 300 people across the globe, on 6 continents, our trends take on a broader, more international lens, though most of our client base remains in the Ultra High Net Worth segment, with about 75% in the Americas.

Interestingly, we have seen the number of nights decline and the number of transactions per advisor decline, but average transaction value and average ADR increase, reflecting the higher rates at hotels, cruise lines, and premium air. High-ticket items such as ultra-luxury villas and yachts increased almost 200%, also causing ADR to increase since we measure ADR as cumulative revenue over number of nights.

**Average transaction:** US \$30,871

**Average Room Rate:** \$3,653

**Average length of stay:** 8.45 nights, up 7%. This breaks down as:

- Q1: 6.6 nights
- Q2: 5.3 nights
- Q3: 10.4 nights
- Q4: 10.1 nights

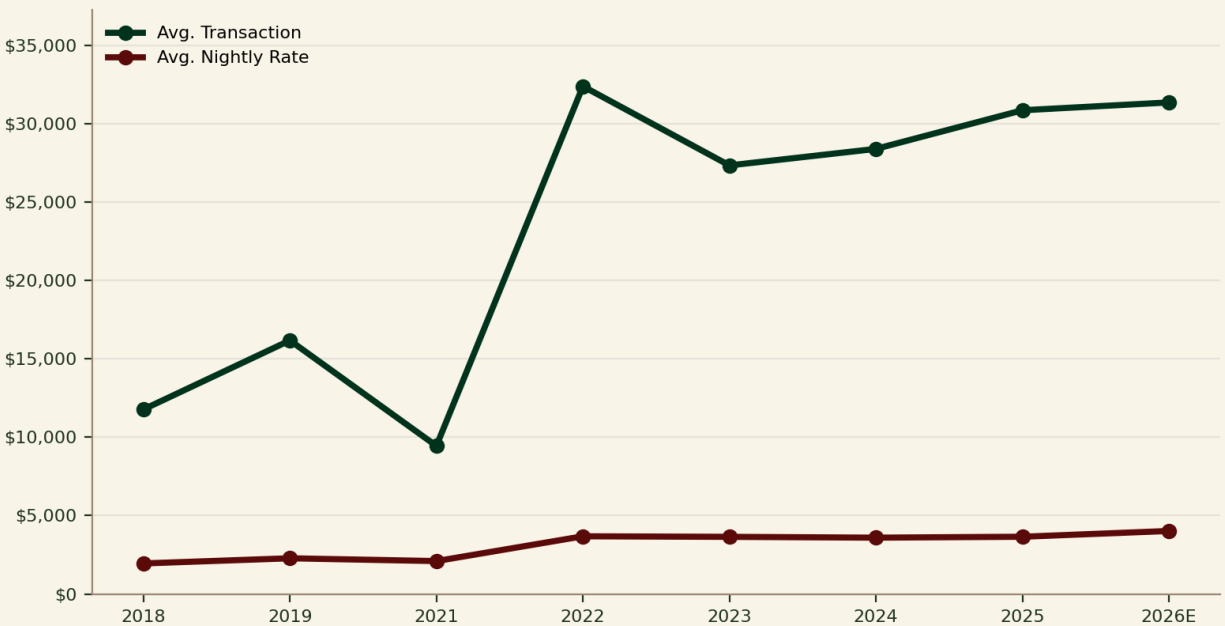
**Pace for 2026:** Pace is up a significant 24% over 2025 in overall revenue, with Europe taking a 46% share of our revenue, up from 40% in 2025. Average transaction is hovering at \$31,370.38, with ADR at \$4,021.

### MARKET & RATE TRAJECTORY

	Closure %	Avg. Transaction*	Avg. Stay	Avg. Nightly Rate	Fees as % of Rev.
<b>2026 (Est)</b>	73%	\$31,370	7.8	\$4,021.83	27%
<b>2025</b>	75%	\$30,871.00	8.45	\$3,653.00	33%
<b>2024</b>	78%	\$28,406.00	7.9	\$3,595.00	35%
<b>2023</b>	81%	\$27,352.50	7.50	\$3,647.00	34%
<b>2022</b>	76%	\$32,401.60	8.80	\$3,682.00	31%
<b>2021</b>	42%	\$9,450.00	4.50	\$2,100.00	33%
<b>2019</b>	79%	\$16,182.75	7.10	\$2,279.26	37%
<b>2018</b>	86.7%	\$11,778.00	6.04	\$1,950.00	35%

\*Average Transaction excludes events.

## Market Trajectory: Premium Spend Is Still Rising



**What we attribute change to:** Closure rate continues to fall, mostly because of price push-back and lost rate integrity in the marketplace. As certain markets become softer, we have been experiencing rate integrity issues causing a loss in business through ordinary channels. Rate integrity continues to be the number one issue plaguing our advisors, especially when working with DMCs. Client demand for transparency continues to escalate, with new AI tools making it more difficult to justify the inflated and often lumped rates that DMCs present.

**Lower Average Rates:** Markets, especially in the Mediterranean, Caribbean, and Mexico, have experienced somewhat stagnant pricing in relation to demand. We are also seeing a shift to more value-oriented destinations like Portugal and Slovenia, or northern destinations like Scandinavia, which are generally less expensive than typical European destinations. The weaker U.S. dollar has also created a much better value proposition for cruises, while currency declines in countries, especially Japan and Australia, have made travel more appealing for Americans. Lastly, with more clients looking to travel during shoulder season, rates are typically 10-30% lower than peak-season pricing.

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## Destination Trends

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### MARKETS

**On the rise:** Paris, Milan, Madrid, Geneva, St. Tropez/Côte d'Azur, St. Bart's, Ireland, Scotland, Slovenia, Croatia/Montenegro, Argentina, Brazil, Peru, Panama, South Africa, Costa Rica, Glamping and Ranch Vacations, Southeast Asia/Indochina (Vietnam, Laos), Galápagos, Scandinavia, Italy (Amalfi Coast, Puglia, Florence, Venice), Australia, Bhutan, Indonesia, Botswana, Chile, Austin, Fiji, European Skiing, New Zealand, Cartagena, East Africa (Kenya/Tanzania), Rwanda.

**Strong but flat:** Sicily, Greece, Tuscany, The Netherlands, Rome, the Caribbean, Iceland, Portugal, Spain (San Sebastián/Basque Country, Ibiza, Marbella, Mallorca), National Parks, Berlin, Miami, Tahiti/Bora Bora, Canada, Mexico City.

**Struggling:** London, Los Angeles, New York, San Francisco, Mexican beach resorts, North American Ski Resorts (excluding Aspen), Puerto Vallarta, Maldives, Israel, Morocco, Egypt, Dubai, Cuba, Hong Kong, Dominican Republic, Sri Lanka, Cancun, Turkey, Belize, Russia, the Baltics, Germany, Tunisia, Costa Rica, Hawaii, River Cruises, China, Myanmar, Napa Valley.

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## Top Destinations by Category

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### TOP 5 FAR-FLUNG DESTINATIONS

1. Japan & Southeast Asia (including Bali, Vietnam, Cambodia, and Thailand)
2. Maldives
3. South Africa
4. Australia/New Zealand
5. Peru

### TOP MULTI-GEN DESTINATIONS

1. Italy
2. Caribbean & Mexico
3. South of France
4. South of Spain
5. South Africa
6. U.S. Ranch Vacations and National Parks
7. Morocco
8. Australia/New Zealand
9. Greece
10. Cruise

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## TOP SUMMER RESORT DESTINATIONS

1. St. Tropez
2. Côte d'Azur (including Antibes, Cannes, Cap Ferrat, and Monte Carlo)
3. Amalfi Coast & Capri
4. Sardinia
5. Lake Como
6. Mykonos
7. Ibiza
8. Mallorca
9. Marbella
10. Dubrovnik/Montenegro

## TOP 10 SUMMER RETREATS

1. Côte d'Azur
2. Amalfi Coast
3. Italy (other)
4. Greece
5. Paris
6. Ibiza
7. Marbella/Málaga
8. U.S. Ranch Vacations and National Parks
9. Scandinavia
10. Ireland

## TOP 10 GROWTH DESTINATIONS

1. Caribbean (specifically St. Bart's)
2. Japan
3. Scotland
4. Brazil
5. Portugal
6. Australia
7. Southeast Asia
8. France
9. Rwanda
10. Peru

## TOP 10 CELEBRATION DESTINATIONS

1. France – led by Paris and the Côte d'Azur
2. Italy – led by Lake Como, Tuscany/Florence, and the Amalfi Coast
3. Mexico – led by Los Cabos, Riviera Maya, and Punta Mita
4. Caribbean
5. Southern Spain
6. Luxury Ranches
7. European Ski Resorts – led by Courchevel and St. Moritz
8. Aspen
9. Morocco
10. Ireland

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## TOP 10 SKI DESTINATIONS

1. Aspen
2. Courchevel
3. St. Moritz
4. Niseko
5. Gstaad
6. Deer Valley
7. Megève
8. Vail
9. Whistler
10. Val d'Isère

## TOP HONEYMOON DESTINATIONS

1. Italy
2. France
3. Thailand & Vietnam
4. South Africa & Mauritius
5. Caribbean & Mexico
6. Maldives
7. Greece
8. Southern Spain
9. South Pacific
10. Australia & New Zealand

# Regional Metrics

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## DESTINATION PERFORMANCE INDICATORS

### Europe

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2025 proved to be another stellar year in Europe for Embark, and 2026 looks even better. Europe once again is the most significant destination market for our company. With rate pushback, inflation, and economic slowdown, we expected a decline, when in fact revenue ended up 45% higher, with 2026 looking like it will grow another 47%. Inbound travel to Europe still accounts for almost 50% of Embark's business and is on pace to grow from 40% of our business in 2025 to 46% by the end of 2026.

**A tale of two countries:** France and Italy have been jockeying for the number one position over the past 5 years. France continued to grow, with a 14% increase over 2024 and a whopping 110% pace for growth in 2026. France was our number one destination in the world for 2023 and 2024, but Italy came back stronger in 2025 with 69% growth and a 34% market share versus France's 33% share of our European business. Despite this, France looks like it will take top honors as the number one destination based on pace for 2026.

Many may attribute the Olympics to the sudden boost in France, but we are convinced that it is the festive genre and vibrant atmosphere that continue to drive business. From a business perspective, however, the Olympics in both France and Italy were a flop, with the Italian Olympics being a virtual non-event. The logistics of it all scared people away, and exposure paled in comparison to the sheer flamboyance of Paris the year prior.

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Despite this, Milan is catching up to Paris and continues to be our fastest-growing city in Europe, up 66% since 2020, followed by Madrid, up 43% since 2020. Nevertheless, Paris is still the number 1 city destination in Europe both by revenue and room nights. We have strong hope for Venice, which is pacing 94% above 2025, with controversy over the Biennale and incredible new resort openings driving interest and attention.

Like Paris, both Madrid and Milan are emerging as cosmopolitan capitals, with incredible design and fashion experiences, fabulous restaurants, and a new international energy, attributed to the flight of UHNW consumers from London, South Americans from Miami, and (sadly, for now) expats from Dubai. The tried-and-true resorts performed well (about a 3% increase in revenue over 2024, but 4% fewer room nights).

In Italy, there is no question that pace has slowed down in the peak season of July and August, but overall revenue is up because seasons have been elongated. Though the Amalfi Coast was up 26% in 2025, pace is down 24%, which is concerning. Lake Como, on the other hand, is pacing up 93%, while Sardinia is pacing 21% ahead of pace and the Dolomites 119% ahead of 2025.

In France, the Côte d’Azur continues to grow exponentially, up 73% in 2025 and pacing over 300% growth for 2026.

While we say very clearly that hotels are all delivering at the level they are known for, it is the destination experience that is severely compromising the value proposition. Cruise business to the Med is ahead of pace by 58% for 2026, which sadly continues to contribute to the decline of land-based business as UHNW clients flee the overcrowded streets filled with cruise day-trippers.

For the first time in our history, July 2026 seems to be dipping below July 2025, with June and September ahead of pace by 19%. August remains flat, a month that has performed softer over the past 3 years. What would concern us as a European hotelier is the reliance on the U.S. market during what has historically been peak season – with ridiculous premium fares and shifting seasons, we see a moment of reckoning of some kind on the horizon.

**Climate Change** — Despite concerns of a summer slump and overheated beach destinations, climate change is generally having a positive impact on business in Europe.

**Elongated Seasons** — while August is down, September, May, and June continue to thrive in the Med. Each of these months is up between 20-38%, promising better weather and fewer crowds. And where leisure business to European cities pretty much ended by mid-October, they are thriving well into January, so much in part to warmer climate and great value. Our U.S. holiday season business between Thanksgiving, Christmas, and New Year’s has grown almost 85% in the past 5 years.

**Greece:** Since 2020, Greece emerged as a top 3 Mediterranean destination, especially in the summer. It has suffered over the past 2 years, also from becoming “overpriced” in the eyes of the consumer. Business to Greece in 2025 plummeted by 51% in Mykonos, declined 23% in Santorini, and 45% in Paros. Concerns in 2025 over recurring earthquakes in the Cyclades caused further hesitation. The good news is that we are seeing an amazing rebound in 2026 pace. Greece revenue is already 42% ahead of 2025. Paros shows the biggest growth for Embark, up over 200%, while Santorini remained steady and Mykonos is bouncing back with 88% growth. The Athenian Riviera continues to grow, up 15% in 2025 and pacing to be over 300% in 2026.

**Summer in the Mountains** — Scandinavia, Ireland, Scotland, and Switzerland have catapulted by over 25% in the past 2 years, and pace is ahead another 22% for 2026. Pace for the Dolomites is also up 11%. The concept of “cool-cations” is a real thing. These regions are also becoming more

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popular in winter as skiers look for places with “guaranteed” snow. Geneva, a lakeside city easily combinable with Paris, seems to be the fastest growing city destination in Switzerland (fueled mostly as a combination with Paris, a gateway to skiing and hiking, and watch aficionados).

**Global Ski Resorts** — Business to European ski resorts is up over 400% (!!) since 2020 and Japan ski business up 48% in the same period — while U.S. ski business continues to plummet, down nearly 75% in the past 5 years. As mentioned in previous communiqués, clients can no longer predict snowfall. And while this plagues the Americas and Europe alike (Japan seems to be overwhelmed with snow), European ski resorts have repositioned themselves as “winter resorts,” offering so much more than skiing. From the star-studded events in St. Moritz to the beach clubs cum snow clubs of Courchevel, clients who don’t even ski are flocking to these global magnets of winter wealth. Even if there is no snow, the après ambiance is compelling enough for even the biggest ski aficionado to enjoy themselves.

**Market Hacking** — The strength of the U.S. dollar weakened against the euro fell in 2025 and continues to be weak in 2026, but this has not stopped the thirst for shopping trips. Though at a slower pace than 2024 (which was up 46%), shopping trips climbed 11% in 2025, while shopping plus “Embark Access” craftsmanship experiences, bringing clients behind the scenes of their favorite brands, is pacing up 14% in 2026. We even see the shift with South Americans, who would typically come to the States to shop — now shifting to Europe to “hack” better prices on their favorite brands. We predict that any potential tariffs on EU products will only fuel travel demand from shoppers.

**What’s up in the UK?** Our business to the UK continues to be soft, despite the incredible exhibitions and events happening in and around London (arguably better than anywhere in the world) and is down about 12%. Once VAT refunds were removed, no one goes to London to shop anymore. Mayfair is almost becoming irrelevant (a boon for all those new hotels opening outside of Mayfair). The restaurant scene has been flat since 2020, and the recent exodus of businesses and wealthy clients is concerning.

**Spain:** Mallorca continues to grab media attention and lead the way in Spain’s growth. Spain grew significantly in 2025, up 69% overall, with Ibiza up 44%, Marbella up over 300%, and Mallorca up 418%. Pace for 2026 does not look as strong, with Mallorca up only 3%, Marbella down 44%, and Ibiza up 17%.

**Value Destinations:** While the UHNW market continues to flock to jet-setter destinations, value destinations are emerging for HNW clients who are comfortable spending US\$1,000-\$1,500 a night but are getting squeezed out of their favorite haunts commanding double or triple that for an entry-level option. Inflation has led clients to shift their buying habits and open their minds to new destinations.

Portugal, up 22%, continues to grow as one of the best value destinations, while Madrid (up 29%) thrives. Both offer exceptional experiences and exceptional value. We see Slovenia, Dubrovnik, and Montenegro growing as incredible value destinations for clients seeking nature retreats or great seaside value as well. All three are up about 13%.

Cooler mountain destinations are on the rise. Scandinavia is up 45%, while Austria and Germany are both up 22%.

**DJ-centric destinations** (like Porto Cervo, St. Tropez, Cannes, Mykonos, Ibiza) still command the highest yield and rates in Europe.

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## The Americas

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**Mexico:** Mexico business in 2025 was up a robust 49%, despite political sentiments between the countries. Business in 2026 even started strong with another 11% increase, until the grossly exaggerated February cartel disaster in Puerto Vallarta brought business to a virtual halt. Its only saving grace was the Middle East conflict shifting the news focus east.

Business has bounced back slowly since then, but the whole ordeal is a serious lesson in what lies ahead. Sensationalized news cycles are now being eclipsed by incredibly realistic fake AI videos of hotels burning across the country, a Costco being bombed, and the country in virtual Armageddon. It should be a call to action for reliable news sources to help humans navigate perception versus reality. Sadly, we are pacing to end the year down 19% in Mexico.

**Caribbean:** The Caribbean performed exceptionally well in 2025. Revenue was up 56% in 2025 over 2024, with another 39% projected growth by the end of 2026. Room rates were up about 11% in 2025 and up another 8% in 2026, mostly led by St. Bart's. Taking St. Bart's out of the equation, revenue grew an average of only 2.5%.

In fact, for the Caribbean, St. Bart's now accounts for about 59% of the revenue but only 38% of room nights. St. Bart's grew in revenue by 74% and is already up another 78% in 2026. There is no question it is an anomaly in the Caribbean in every way, very much in line with our "Vibe Economy" travel trend. People come for the beach clubs, the festive restaurants, and the Mediterranean ambiance. It is a jet-setter's magnet, and though they may seem shallow, jet-set destinations always command the highest revenue anywhere in the world.

However, as noted above, it may be at its tipping point, especially over Festive, where clients are reporting disappointment in the overall experience, which has become much more cumbersome and carried away.

**USA Travel:** Business to the USA and domestic patronage within the USA was up almost 100% in 2025 and is pacing 7% down in 2026. Aspen, Miami, and New York were the top growth drivers in 2025, but sadly all are pacing down in 2026. Miami was truly the only destination that was up (4% in revenue), with Hawaii remaining relatively flat for YTD 2026.

It seems FIFA and the 250th anniversary of the USA are flops on all accounts, especially for people outside the USA who remain deterred by political discomfort with the country. With prices at U.S. hotels and resorts so high, Americans continue to vacation internationally since they can experience another culture, with arguably better service (and healthier food), for about the same price. The decimation of the American ski business contributed greatly to the decline in USA business (down over 60% in 2026 ... more on this below).

**Canada:** Canada ended up strong in 2025, up 88%, and seems to be pacing another 29% higher for 2026, with most of the business going to Alberta and British Columbia.

**South America:** Brazil, Argentina, Chile, and Peru led the way in South American growth. Brazil soared, with business up over 1,000%. Peru was up 103% and Argentina up 7% in revenue, but down 10% in room nights, mostly because of a stabilizing currency. Chile was up 12%, and Antarctica (though not South America, it drives business as a gateway) was up 24%. Colombia was down 18% in 2025 and seems steady in 2026, though we have high hopes for 2027 with the maturation of Four Seasons and the attention it will bring to Cartagena.

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## Ski

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Ski business as a segment grew in 2025, up 32%, but is projected to end 2026 down 8%. Most of the decline comes from the decimation of U.S. ski business, projected to be down 63% by the end of 2026. Juxtapose this with European ski business, which was up 81% in 2025 and is projected to increase another 36% by the end of 2026.

The only ski resort showing growth or steady business in the USA is Aspen, which makes sense as it is the closest thing to a European ski resort in the USA. With unpredictable snowfall, 63% of our ski business is booked within 3 weeks of travel – and there is available space everywhere.

European ski business has grown almost 400% since Covid. The only other ski destination that was up is Niseko (up 49%), as global wanderers check the box on a uniquely compelling ski experience with exceptional snowfall. The #1 hub for European Ski business is by far Geneva, which commands 69% of inbound skiers crossing the Atlantic. We are also seeing more clients tag on a city like Geneva for 2-3 days to round out their ski experience, something rarely done when going to an American ski resort.

Ski business in the USA is in serious trouble and needs a complete reinvention in the wake of climate change. What's worse is that lift tickets hover at \$300-\$350 per day, and with such limited runs open, there are often queues of 30-90 minutes. Compare this to the €30-€60 equivalent in even the most expensive ski resorts in Europe, with nary a queue ever.

The big difference is that European ski resorts are mostly not purpose-built and offer incredible “après-all-day” options with fabulous dining, shopping, festive experiences, and other winter sports. In fact, with an average of only 40% of visitors to a European ski resort actually skiing, there is less reliance on snow and fewer frustrations with limited lifts because fewer people rely on skiing as the sole activity of their holiday.

Clearly ski towns need to watch what Europeans are doing to reinvent themselves as “winter resorts” while, on the flip side, European ski resorts need to learn from Americans about positioning ski resorts as spectacular active summer destinations.

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## Middle East & North Africa

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Middle East destinations began to bounce back in 2024 and remained strong through 2025, with Dubai up over 200% and Saudi Arabia climbing over 985% in growth from 2023. Morocco grew almost tenfold and Egypt was up 61%. Israel was even back at 108% growth in 2025.

Pace for 2026 was up over 50% in the region, which was all but completely wiped out on February 28, 2026, when the “Iran Conflict” sent Covid-like vibes of completely unpredictable cessation of service to nearly the entire region. It was a stunning tragedy of epic magnitude. And though countries like Turkey and Egypt were out of harm's way, they took an equal hit to business. Even Morocco was affected.

The region was also Embark's biggest connecting hub in the world — between Dubai, Qatar, Abu Dhabi, and Istanbul, nearly 55% of long-haul “far-flung” destinations transited through the Middle East, which clearly impacted business to Sub-Saharan Africa, the Indian Ocean, and Southeast Asia. As of now, the Middle East is on pace to decline by 51% for 2026.

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## Far-Flung Exotics

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Long-haul destinations continue to grow. Australia, New Zealand, French Polynesia, Japan, Southeast Asia, and Sub-Saharan Africa are all on the rise. China grew by 3%, which is actually a surprise for us.

- **Sub-Saharan Africa:** This continues to be one of our biggest growth markets, with 2025 business to Sub-Saharan Africa up almost 40%, with another 58% growth on pace for 2026. The biggest gainers were Tanzania and South Africa, with Rwanda and Kenya coming right behind them. Botswana continues to putter, with rates that do not seem aligned with the value offered by lodges in surrounding countries. East Africa grew 27% and Rwanda 14%. The accessibility and transformational nature of the African wild has brought it into the mainstream.
- **South Pacific:** One of our biggest growth regions, the South Pacific was up 49%, with Australia leading the way, up almost 200%. New lift and more attractive pricing, especially with the strong U.S. dollar, clearly drove growth. New Zealand is up 34% and French Polynesia up almost 50%.
- **Southeast Asia:** Led by Thailand, Southeast Asia performed very well in 2025, up 47% over an already great 2024. Thailand, Bali, and Vietnam led the way, each up double digits. The “White Lotus” effect on Thailand gave the country a nice bump, but not as significant as it did for Sicily.
- **Japan:** Japan grew 147% in 2025 and another 16% YTD in 2026, as logistics, pricing, and delivery began to stabilize from post-Covid chaos. The strong U.S. dollar, softer occupancy, and more humbled pricing have put Japan back in the spotlight, though it is experiencing a steadier flow of visitors than the burst of post-pandemic demand.

## Wellness

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Wellness has been going through a transition, and it seems to be moving in a better direction. The U.S. market is finally understanding the “clinical wellness” approach of Europeans, fueled mostly by the peptide revolution and the quest for enhanced beauty. This is a departure from the fitness, weight-loss, and pampering focus of U.S. wellness buyers. Destination spa vacations were up 26% in 2025. For us, “destination spas” are defined as all-inclusive, wellness-focused properties as opposed to properties that simply have a nice spa program.

## Cruises

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In the past 5 years, Embark’s cruise business has been the fastest-growing segment of the company, jumping over 3,000% since 2019. Yes, part of this is our company’s expansion. However, as a percentage of business, cruising leapt from 2% to almost 23% of our business, with 89% growth in 2025. New cruise offerings by trusted hotel companies are attracting a younger audience looking for the anti-cruise and dispelling notions of giant herds, midnight buffets, and stringent schedules.

We are excited about Orient Express and Aman and welcome the groundbreaking concept of the Four Seasons Yacht to evolve the segment, as they truly position their product as a floating hotel – with only breakfast included in the rate – encouraging people to explore destinations from an experiential and culinary perspective.

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## Yachts

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Interestingly, our yacht business has grown significantly. In 2025, yacht charters grew 231%, with revenue up 316%, at an average price tag of \$401,000 per week (excluding APA, etc.). European yacht bookings account for almost 70% of our yacht business, with the Caribbean accounting for 25%. Despite the insane fuel costs of 2026, we have not yet seen a decline in high-priced yacht demand.

## Villa Vacations

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Villa business and yacht business are usually in line with each other, but 2025 saw a bit of a shift. With the exception of St. Bart's (which was up almost 35%), stand-alone villas were down almost 13%, while villas that are part of a resort were up 9%.

Where people wanted to be isolated during Covid, clients wanted to be in the middle of it all in 2026, with full services available on demand. The main driver for villa demand in 2025 was shared common space for multi-generational families or groups of friends, continuing the demand for "mega-villas" of 6 or more bedrooms.

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# Social Events

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**Destination Celebrations:** 2025 was a stellar year for destination events, as Embark worked on nearly \$150 million of destination events. Despite this, Q1 of 2026 was softer, while Q2 and Q3 are poised for a modest 5% growth. Interestingly, the destination mix and style didn't change much. Though we did 18% fewer events, the events we did had budgets more than 30% higher than 2023, with a modest increase in budget and guest count over the last 2 years.

While pace is down 18% for 2026, pace is UP 28% for 2027.

**Average Size:** 317 people

**Average event:** \$3.1 million

**Average length of stay for a celebration:** 3.1 days

## DESTINATIONS BY THE NUMBERS:

- 85% in Europe
- 10% in the Caribbean
- 5% in the USA
- 52% resort destinations
- 48% urban destinations

**Format:** 74% of our events were hotel takeovers versus room blocks.

For the third year in a row, France and Italy continue to vie for the top spot for destination events. France was our number one destination for events in 2024, while Italy took the top spot in 2025. Based on current pace, France looks likely to reclaim the lead in 2026, with Italy in second place.

Our celebrations have ranged from destination weddings to destination bar mitzvahs, birthday celebrations, anniversaries, engagements, and any other "excuse" people can have for a party! In the past, Embark has chartered full-fledged cruise ships, taken over private islands and palaces, and hosted celebrations for 50-400 people in places like Courchevel, Tanzania, Mexico, Argentina, Anguilla, St. Tropez, Puglia, Crete, Rome, Costa Rica, Paris, Versailles, Morocco, the Bahamas, Dubai, New Zealand, Florida, and South Africa. As you can see, the destinations span the globe.

We continue to focus on growing this lucrative segment, which we expect will soon overtake our FIT business in both revenue and profit.

## Multi-Generational Family Vacations

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Family vacations continue to grow. In 2023, they grew by 43% and accounted for 24% of our transactions and 41.5% of our revenue (with more than half of that coming from Festive and Spring Break seasons, both of which command inflated room rates).

For 2025, this grew by 172% and accounted for 28% of our transactions and 44% of our revenue.

In addition to the typical beach, ski, and Disney vacations, families seem to be taking their children on more and more far-flung trips. Places like Africa, Australia/New Zealand, and Dubai/Maldives are among the most popular far-flung family experiences.

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South America started off strong but fell off toward the middle of 2026 and continued to be down. The biggest growth markets for multi-gens in 2025 and 2026 seem to be Europe, South Africa, Mexico, and the Caribbean. Many avid skiing families have begun looking more and more to European ski resorts. Cruises are still not a huge segment for our families unless they are headed to cruise-centric destinations like Alaska.

## Grand Gatherings

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The biggest growth continues to be self-selected small-group travel, usually coordinated around a passion point. People are traveling like a multi-gen group but are just not related. We call these “Grand Gatherings,” which were up over 24% in 2025 and grew another 8% YTD in 2026.

We define a Grand Gathering as a small group of 10-50 people. They are the biggest drivers for villas, yachts, and far-flung destinations. They are also the most typical composition of festive destinations like St. Tropez or Ibiza, where less than 10% of our business is reserved for a single family or a couple. Helping people build community around shared interests continues to be a huge driver for clients.

## Bizcations

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Mixed business and personal vacations waned in 2025, down about 12%. We see more people going back to offices, which, though minimal, is impacting work-from-anywhere travel and elongated business trips that morph into vacations.

## Family Travel

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Family vacations continue to account for 70% of travel in December and January, but only 14% of travel in February (except President’s Day weekend, which is 84% family). In March, it jumps back to 63% (attributed to an elongated Spring Break). For June, it looks like family travel will surge to 57% of our business, mostly as part of multi-generational celebrations.

## Festive Season

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Embark’s festive business was up 3% over the 2023-24 season; however, it was a much more challenging finish to the line. Filling Festive was the most challenging it has been since the pandemic, with over 22% of our festive bookings booked in December 2025.

Value proposition was probably the biggest inhibitor everywhere. St. Bart’s remains the exception, but even St. Bart’s, which is a bellwether for everything, was softer, with prime space available until the very, very last minute. We are seeing properties start to negotiate on rates and minimum stays and, as of Q1 2026, advanced bookings for the next festive season are down 18%. The jittery market and political atmosphere do not make the environment any better.

One incredible statistic to watch is where people are going. Mexico and the Caribbean typically accounted for 70% of festive business, with ski accounting for about 15%. In 2024, Europe as a festive destination grew 32%, accounting for about 10% of our festive business and luring people with warmer weather and attractive value. We continue to see this trend grow over the past 4 years.