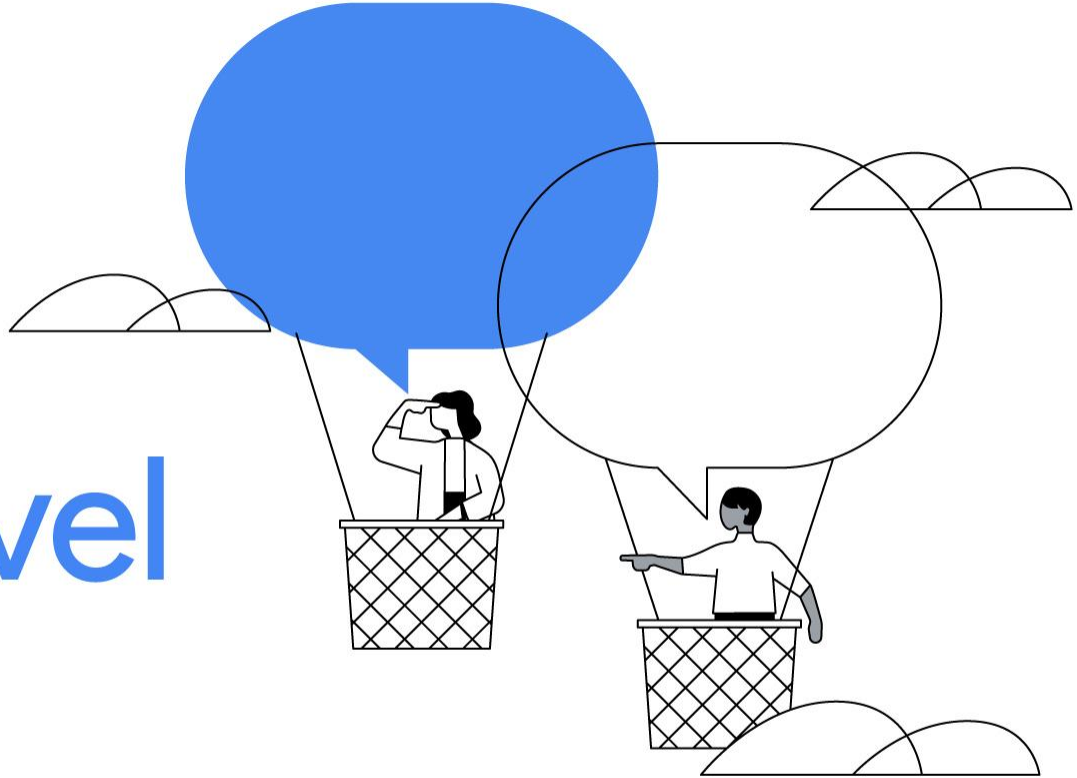
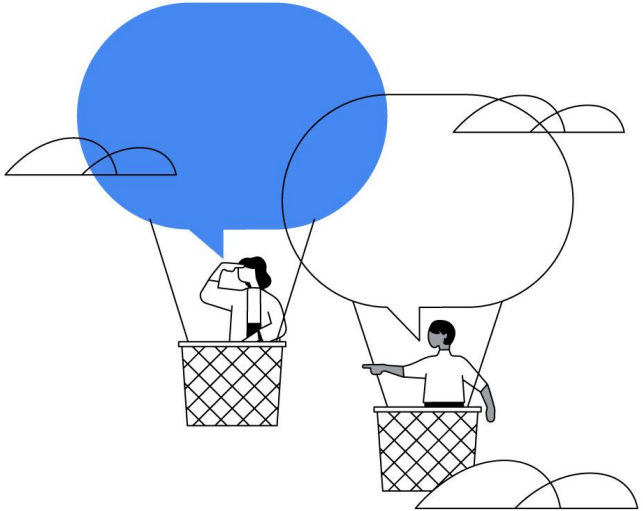
Think Travel



Google

COVID-19 Endemic: Adapting to the New Traveler?

Cumarran Kaliyaperumal
Analytics Lead, Travel, Google



Will we ever enter a **‘post’ COVID-19** world?

To understand further how travelers will travel in the COVID endemic, we cast a spotlight on top markets in APAC with Kantar

Research Coverage
4 markets

- Australia
- Korea
- Japan
- Indonesia

Methodology
Qualitative and Quantitative

Respondent Criteria:
- Frequent internet user
- Aged 18-49 years
- Smartphone user
- Intend to travel domestically or internationally in the future

Quant: 1000 interviews conducted in each market online

Research Partners
Kantar and Google

KANTAR

Google

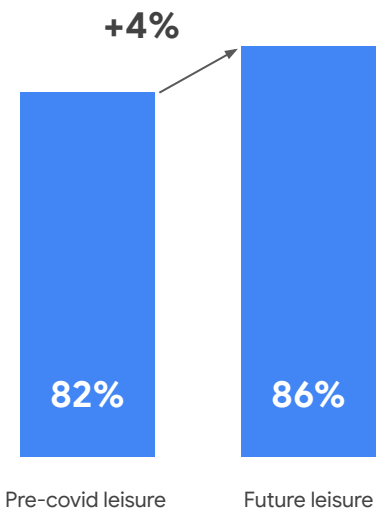
Travel is shifting to a less frequent, high ticket size model vs the loyalty based model of the past

Key findings

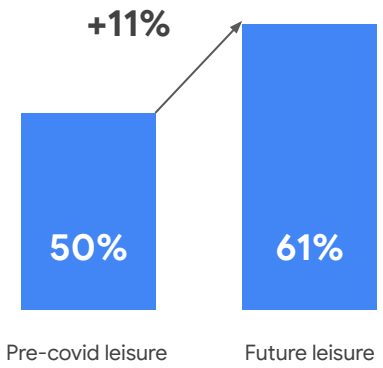
1. Underlying demand for international travel in the future is strong with **3x jump in intent**
2. Number of trips will reduce as travelers are **2x more likely to travel less frequently**
3. But traveler are likely to **spend much more and travel longer**
4. Meeting quarantine preferences could be a **differentiating factor** (e.g. entertainment options)

We found that more travelers prefer to travel internationally than domestically in the future

Domestic



International



+8% Australia

+11% Japan

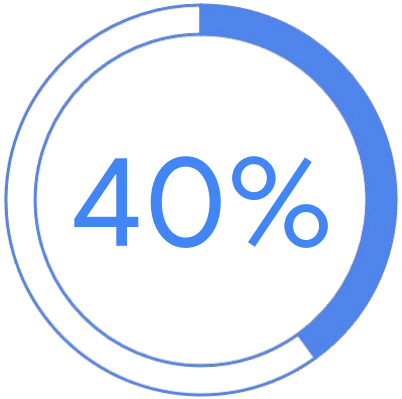
+11% Indonesia

+13% India

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
S8. Thinking back before Covid (i.e. before 2020), how did you typically travel? S9. Now thinking into the future, how will you typically travel?
Base: Intend to travel domestically or internationally in the future, n=3999

This optimism is primarily driven by hopes around vaccines

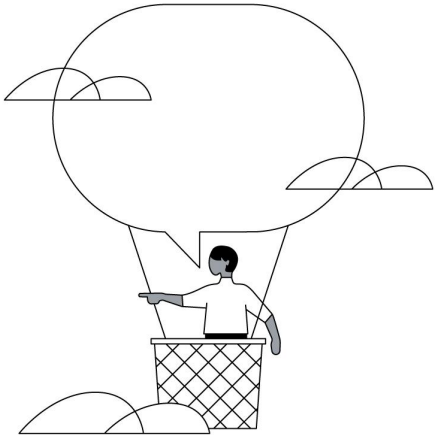
Getting fully vaccinated is the **#1 Motivator for international travel**



had vaccination related options as top of mind [1]

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
A5. Which of these would motivate you to travel again in the future? Please select up to five reasons f rom most important to least important, the first selected (1) being the most important
Base: Intend to travel domestically or internationally in the future, n=3999
1NET of: 'Getting fully vaccinated' 'Making it compulsory for all travelers to be fully vaccinated' 'Knowing the destination has a high vaccination penetration' as the #1 motivation to travel in the future.

However, **how people will travel** is likely going to change with the protracted pandemic.



COVID 19 endemic: The new traveler and the future of international leisure trips

Major milestone event

Longer planning / booking cycle

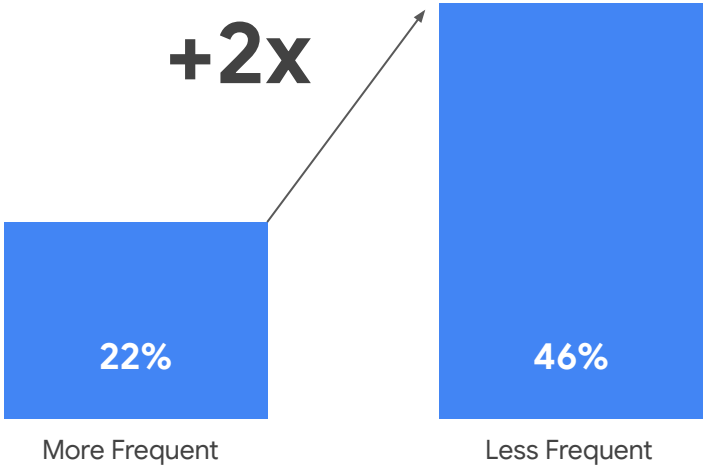
Less frequent, longer duration

Strong preference for luxury and convenience

Specific quarantine preferences

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
A3. Imagine when travel bubbles open and you can travel freely within relevant countries. Which of the following best describes you?
Base: Intend to travel domestically or internationally in the future, n=3999

International trips will likely become more deliberate in the future with fewer trips...



2x Australia

2x Japan

3x Indonesia

2x India

Number of people who will travel less frequently vs more frequently

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
N7. With Covid making it harder to travel overseas and there being restrictions when entering a country (e.g. quarantine and testing), how has this impacted your thoughts on future international holiday trips?
Base: Intend to travel internationally in the future, n=1997

...with more meticulous planning for each trip

+17% increase in average booking window

-3%	Australia
+42%	Japan
+11%	Indonesia
+26%	India

Travelers are also looking to make each of their trips more worthwhile

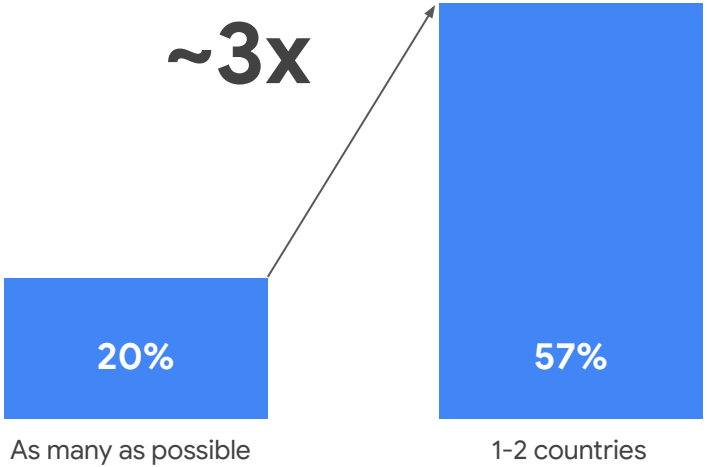
87% will take an international trip **5 days or longer**

93%	Australia
81%	Japan
81%	Indonesia
90%	India

3.8 days was the average length of stay at international accommodation in 2019[1]

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
N3. How long will your international holiday trip most likely be?
Base: Engaged future international travellers (in dreaming, planning or booking phase) n=1322
[1]Google internal data

In addition to fewer but longer trips, travelers are also likely to visit fewer countries



3x Australia

9x Japan

3x Indonesia

2x India

Number of people will cover 1-2 countries per trips vs as many as possible

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
N7. With Covid making it harder to travel overseas and there being restrictions when entering a country (e.g. quarantine and testing), how has this impacted your thoughts on future international holiday trips?
Base: Intend to travel internationally in the future, n=1997

Premium travel has come up as a key theme amongst travelers as well

Percentage of travelers interested in...

78%
Luxury stays and experiences

69%	Australia
69%	Japan
85%	Indonesia
83%	India

77%
Package holiday tours

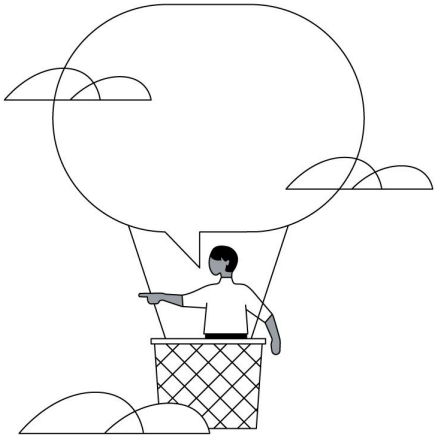
63%	Australia
60%	Japan
87%	Indonesia
85%	India

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
N7. With Covid making it harder to travel overseas and there being restrictions when entering a country (e.g. quarantine and testing), how has this impacted your thoughts on future international holiday trips?
Base: Intend to travel internationally in the future, n=1997

Travelers are willing to pay top dollar for luxury accommodation

Google internal data

As quarantines become **the new normal,** it is important to understand **traveler's preferences**



We worked with Kantar to build a customized tool to test the sensitivities to different quarantine options

Attributes tested

Vaccination status
Full / partial / no vaccination

Length of quarantine
No quarantine or 3, 7, 10, 14, 21 days

Type of accommodation
Home
Basic hotel or resort
Luxury hotel or resort
Government facility

Cost per night
Dependent on market

Additional amenities
Choice of room size
Room w/ balcony / view / fresh air
Mindfulness package (i.e. plants, cards, brain teasers, competitions)
Room with access to entertainment (i.e. Wi-Fi, streaming services, fitness equipment)
Upgraded meals package

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling. Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

Type of accommodation is paramount for quarantine; different markets have different preferences

Relative importance of key attributes tested

Type of Accomodation provided	**28%**
Length of Quarantine required	22%
Additional amenity offered	19%
Cost per night	18%
Vaccination status	14%

Luxury hotels are **4x more appealing** than basic hotels

Basic hotels are **16x more appealing** than luxury resorts

Basic resorts are **1.3x more appealing** than luxury hotels

Basic resorts are **6.8x more appealing** than luxury hotels

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling.
Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

We ran sensitivity tests and found a strong skew towards people opting for luxury quarantines

+20%

Increase in likelihood of people who prefer to travel and stay in luxury

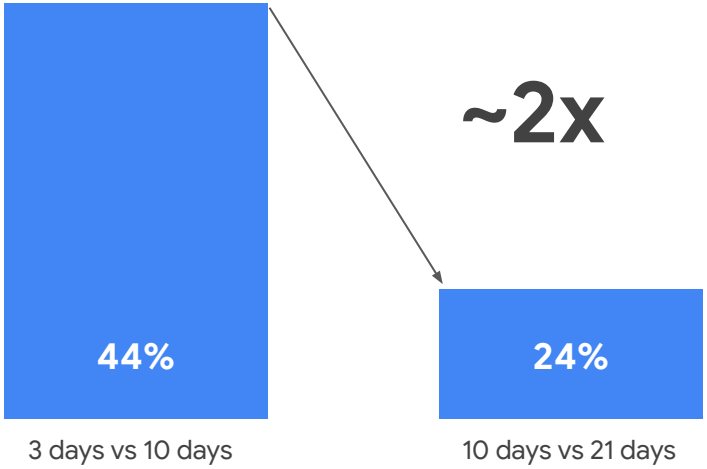
vs

+5%

Increase in likelihood of people who prefer to not travel

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling.
Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

Travelers have different sensitivities for different lengths of quarantine



+3x Australia

+2x Japan

+2x Indonesia

+2x India

Share of people of would prefer not to travel based on quarantine length

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling.
Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

Interest in travel has a marked drop when quarantine prices become out of reach

$100 - $120 USD

$40 -$90 USD

$45-55 USD

$25 - $40 USD

Maximum cost per night people are willing to pay

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling.
Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

Travelers have a strong preference for entertainment options vs other hotel amenities

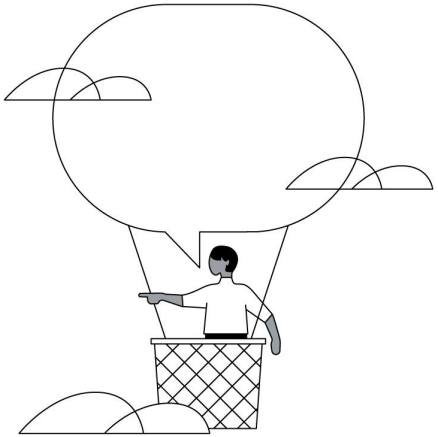
~2x

As likely to opt into entertainment options vs next preferred option (excluding Japan)

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Conjoint. We are now going to show you a series of scenarios that relate to quarantine when travelling. Please read the scenarios and select the one that appeals to you most and would be most likely to accept.
Base: Intend to travel domestically or internationally in the future, n=3999

Recap of findings

Imperative for advertisers to be **top of mind** when travelers are considering these **milestone trips.**



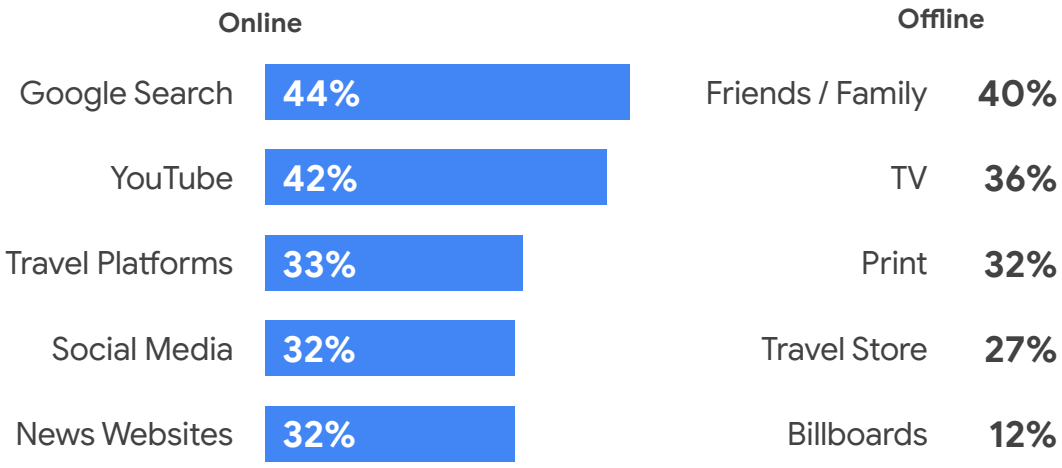
Most travelers are in the dreaming phase and advertisers have an opportunity to influence their decisions

39%

of potential international travelers are in the DREAMING phase [1]

42% 33% 38% 43%

Key Touchpoints of the DREAMING Phase



Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
Have you started planning for your next international holiday trip?
In this section, please think carefully about the time you got inspired to start thinking about visiting the place(s). Thinking about international travel, which of these do you typically get inspiration from? Base: Intend to travel internationally in the future, n=1997

The average dreaming phase is significantly longer for international travel

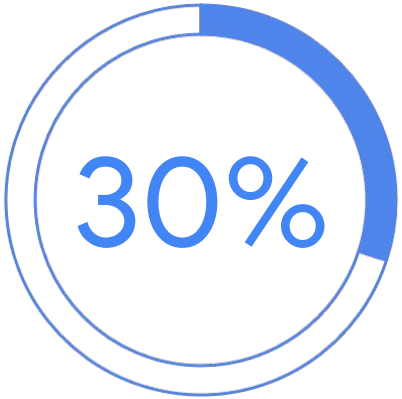
56 days Average time spent in international DREAMING

83 days

60 days

42 days

41 days



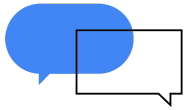
Longer than domestic

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
P3. How much time typically passes from the dreaming phase to when you start to research and find information for an international trip (e.g. flight, accomodation, destination)?
Base: Intend to travel internationally in the future, n=1997

With these in mind, how should you respond now?

Monitor and be current with latest trends; things are changing rapidly

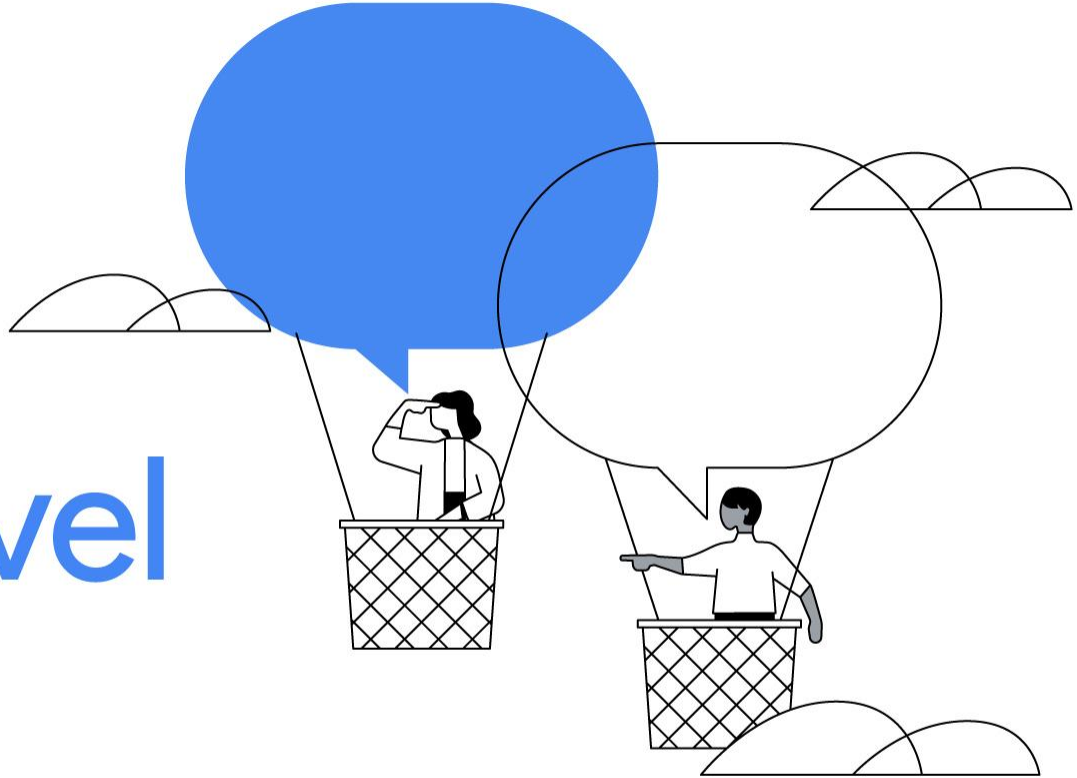
Adapt product suite to fit the preferences of the new traveler



Engage the traveler early and continue re-engagement

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP)
A3. Imagine when travel bubbles open and you can travel freely within relevant countries. Which of the following best describes you?
Base: Future travellers, n=3999

Think Travel



Google