Think Travel
COVID-19 Endemic: Adapting to the New Traveler?

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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.

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<td>Qualitative and Quantitative</td>
<td>Kantar and Google</td>
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- **Research Coverage**
  - Australia
  - Japan
  - Korea
  - Indonesia

- **Methodology**
  - Quantitative 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
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 a 3x jump in intent.

2. Number of trips will reduce as travelers are 2x more likely to travel less frequently.

3. But travelers 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.

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**

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 from 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

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

Major milestone event
Longer planning / booking cycle
Less frequent, longer duration
Strong preference for luxury and convenience
Specific quarantine preferences
International trips will likely become more deliberate in the future with fewer trips...

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?

Source: Google-commissioned Kantar Travel Trends Research 2021, AU | IN | ID | JP

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

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

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
1Google internal data
In addition to fewer but longer trips, travelers are also likely to visit fewer countries.

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...

Luxury stays and experiences

- 78%
- Australia: 69%
- Japan: 69%
- Indonesia: 85%
- India: 83%

Package holiday tours

- 77%
- Australia: 63%
- Japan: 60%
- Indonesia: 87%
- India: 85%

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

**Click growth for accoms >$300 between 2019 and 2021**

- **Australia**: 0%
- **Japan**: 150%
- **Indonesia**: 100%
- **India**: 50%

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

<table>
<thead>
<tr>
<th>Type of Accommodation provided</th>
<th>28%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Length of Quarantine required</td>
<td>22%</td>
</tr>
<tr>
<td>Additional amenity offered</td>
<td>19%</td>
</tr>
<tr>
<td>Cost per night</td>
<td>18%</td>
</tr>
<tr>
<td>Vaccination status</td>
<td>14%</td>
</tr>
</tbody>
</table>

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

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.

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

Maximum cost per night people are willing to pay:

- $100 - $120 USD
- $40 - $90 USD
- $45 - $55 USD
- $25 - $40 USD
Travelers have a strong preference for entertainment options vs other hotel amenities

\[\sim 2x\]

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]

Key Touchpoints of the DREAMING Phase

<table>
<thead>
<tr>
<th>Online</th>
<th>Offline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google Search</td>
<td>44%</td>
</tr>
<tr>
<td>YouTube</td>
<td>42%</td>
</tr>
<tr>
<td>Travel Platforms</td>
<td>33%</td>
</tr>
<tr>
<td>Social Media</td>
<td>32%</td>
</tr>
<tr>
<td>News Websites</td>
<td>32%</td>
</tr>
</tbody>
</table>

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

30%

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, accommodation, 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
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