



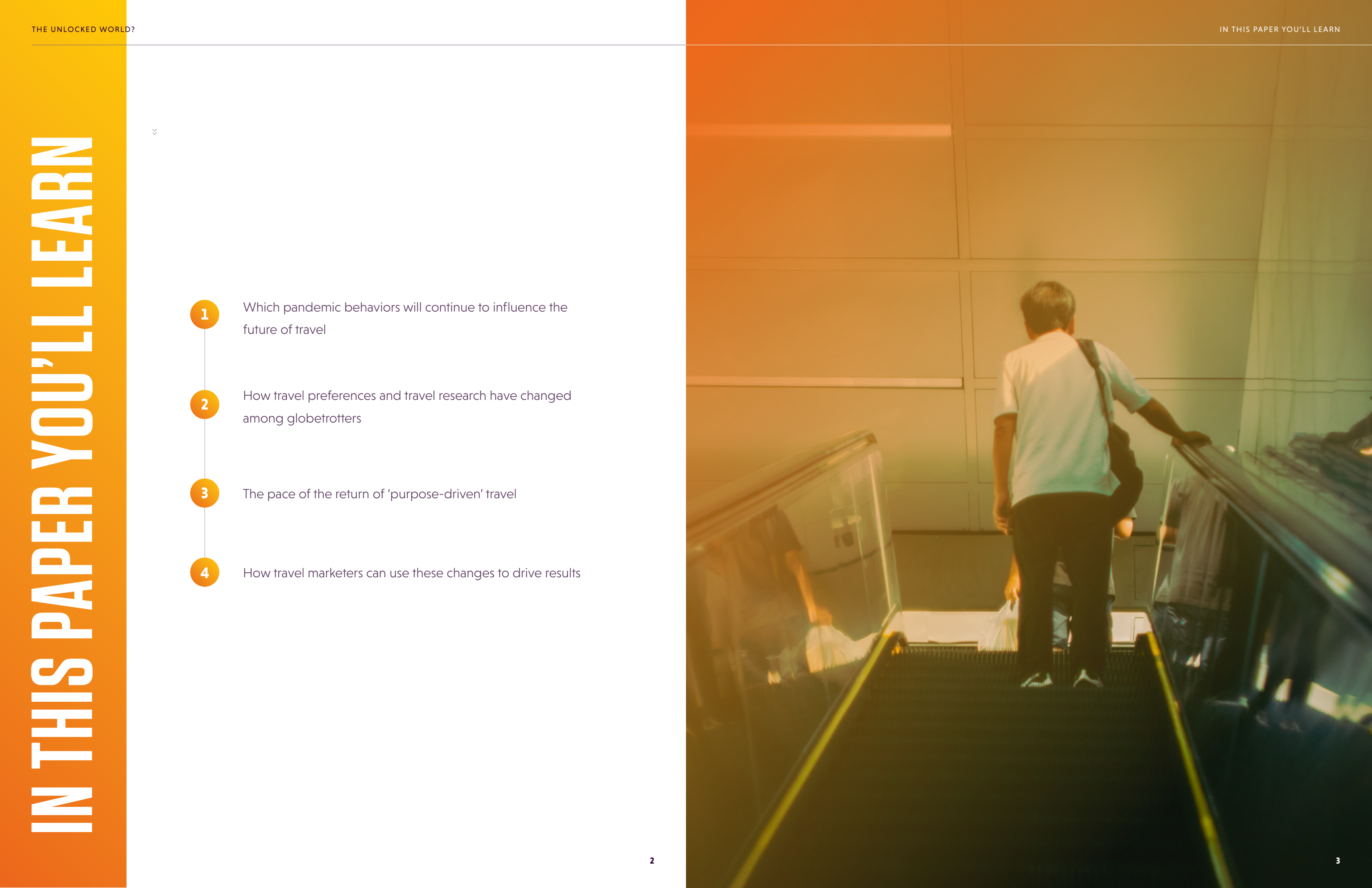
A GLOBAL STUDY

THE UNLOCKED WORLD?

THE FUTURE OF TRAVEL IN THE POST-PANDEMIC WORLD

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- 1 Which pandemic behaviors will continue to influence the future of travel
- 2 How travel preferences and travel research have changed among globetrotters
- 3 The pace of the return of 'purpose-driven' travel
- 4 How travel marketers can use these changes to drive results



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Introduction

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Travel and the hospitality industry were among the hardest-hit sectors across the globe during the pandemic. But with the roll-out of vaccines and the upsurge in consumer spending, the world is slowly but surely moving towards normalcy, indicating a faster than anticipated recovery across the travel segment.

With a significant proportion of the world population confined to their homes, global travel came to an abrupt halt. Travel marketers had to pivot their approach, going into a power-saving mode in order to cut losses.

The partial re-openings after the first wave of Covid provided some relief to the domestic travel vertical, while international borders remained closed. But even this relief was short-lived as the second wave swept in

during the late part of 2020 and early 2021.

The roll-out of vaccines has provided hope to the travel industry. The industry is now witnessing a resurgence among travel intent and bookings, and travel marketers are getting ready to keep up with the demands of the pandemic fatigued consumers around the globe.

But some habits and behaviors adopted during the pandemic are likely to

continue to influence travelers all across the globe. This report highlights some of these key changes that we observed over the last 20 months as well and looks at the recent audience behavior across major travel aggregators that provide an outlook around the future of travel in a post-pandemic world.

A NOTE ON METHODOLOGY

We used a mix of data from digital devices, such as PCs and laptops, as well as viewing data from connected TVs and location data from mobile devices across travel-related domains to gauge audience interest and changes in behavior among travel enthusiasts. By connecting this with historic campaign learnings and bid-stream data, we gain insight into the online trends and programmatic opportunities that marketers can look to use. Our programmatic intelligence from first-party data sources is supplemented by consumer research conducted via Sapio Research which provides insights into consumer travel preferences and behaviors across eight major markets.





People are planning in different ways

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| Top research considerations among travelers | 11 | Interest in travel shows in Australia and the United States | 13 |
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As things currently stand, 42% of people around the globe plan to travel within the next six months, with a majority of these being leisure trips. But this number may further explode as restrictions ease and the segment of consumers fully vaccinated increases.

During lockdown, there have been significant changes in people’s research considerations when planning trips. Apart from conducting deeper research around possible destinations, other factors have become more relevant such as the distance

needed to travel, the mode of transport needed to get there, the safety of accomodation, and the flexibility of the booking.

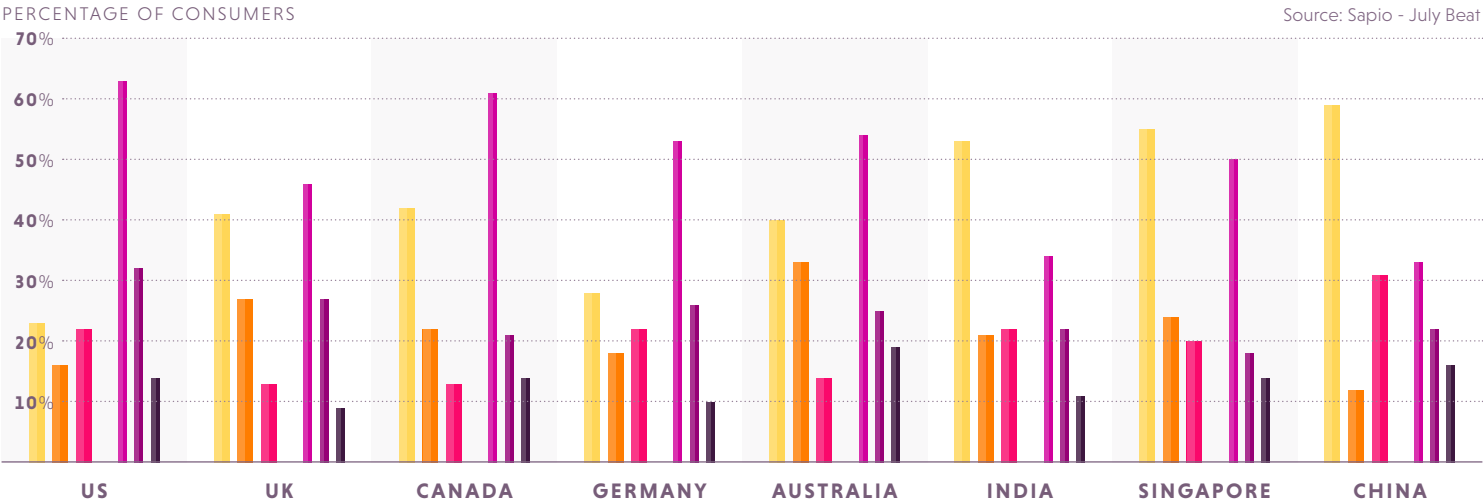
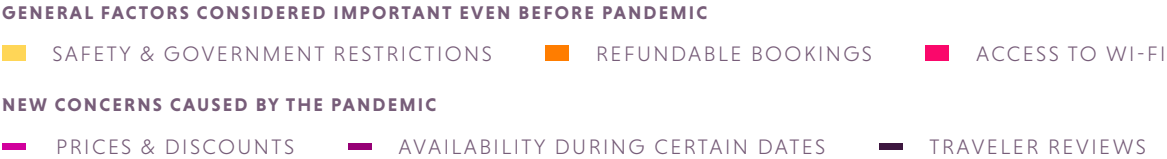
While older travelers focused on price and safety considerations, younger audiences focused on amenities like wifi, a pool, a room with a view, etc.

But these considerations are not just driven by variations in demographics but also by the status of the pandemic in a region and the vaccination levels. Travel enthusiasts in countries that have a larger

vaccinated population (like the US, Canada, and Europe) are back to something more like normal, so pricing and discounts are primary considerations.

But audiences in countries with more stringent restrictions, like Australia, are concerned about government restrictions and refundable bookings. It goes without saying, countries with a more rapidly changing lockdown landscape look at refundable bookings much more than countries like China and Germany.

TOP RESEARCH CONSIDERATIONS AMONG TRAVELERS



Southeast Asian countries are concerned about the safety of global travel, especially after the second wave in India scared consumers all over the world earlier in April. Access to wifi is also another major factor consumers are concerned about, especially for the work-from-anywhere remote workers who like to travel to picturesque or relaxing locations to work.

Online research through travel aggregators and via travel blogs were obviously key areas for finding information.

But the increased adoption of OTT subscriptions and the growth of online video platforms meant that consumers have also started creating virtual travel experiences through guided tours while still at home.

By comparing the connected TV viewing trends in the countries with more stringent restrictions like Australia to countries where restrictions are more relaxed (like the US), we can see a higher demand for travel-related content in the former, where people are

still relying on virtual travel experiences in the middle of lockdowns.

In the US, interest in watching travel shows stays moderate throughout the day but peaks in the evening, suggesting a more normal planning routine - thinking about holidays after work in the evening. In Australia, though, there are three distinct spikes in interest, around breakfast, lunch, and then the largest spike in the evening, suggesting the idea of getting away is a constant preoccupation.

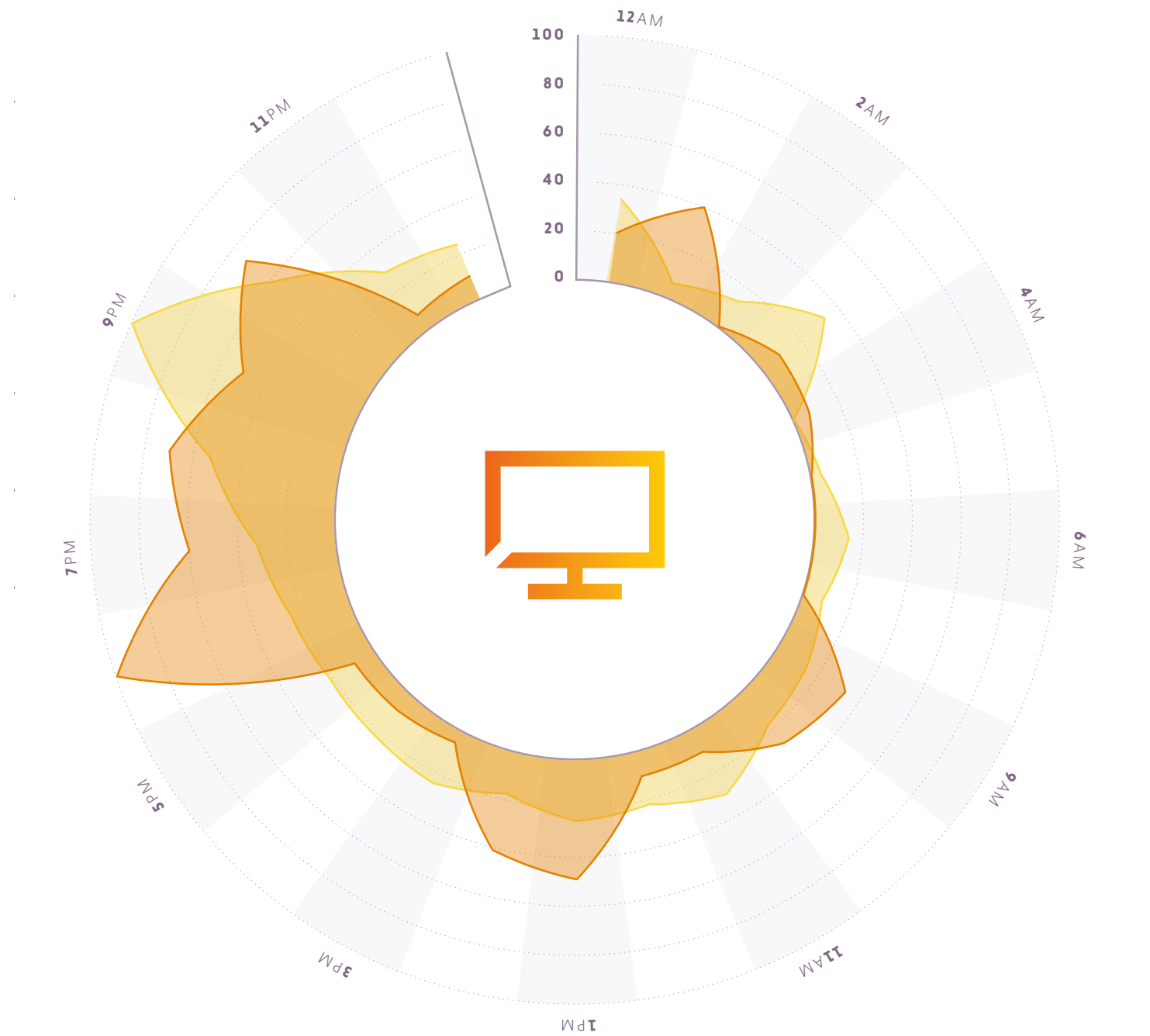


INTEREST IN TRAVEL SHOWS IN AUSTRALIA AND THE UNITED STATES

UNITED STATES AUSTRALIA

NORMALIZED SEARCH INTEREST

MiQ TV Data Feed, (Date: 1st June 2021 to 22nd August 2021)





Domestic tourism will continue to drive demand

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While the world slowly opens its borders, there are still a significant number of regulations restricting the return of international tourism to pre-pandemic capacity. This has prompted a large

proportion of the pandemic-fatigued audiences to turn to domestic tourism.

70% of travelers from the US, China and Australia are looking to travel domestically.

Western European countries, by dint of their size and open borders, will go to different countries within Europe but are less likely to go further distances.

DEMAND FOR DOMESTIC TOURISM IS DOMINANT

I WILL STAY IN MY HOME COUNTRY

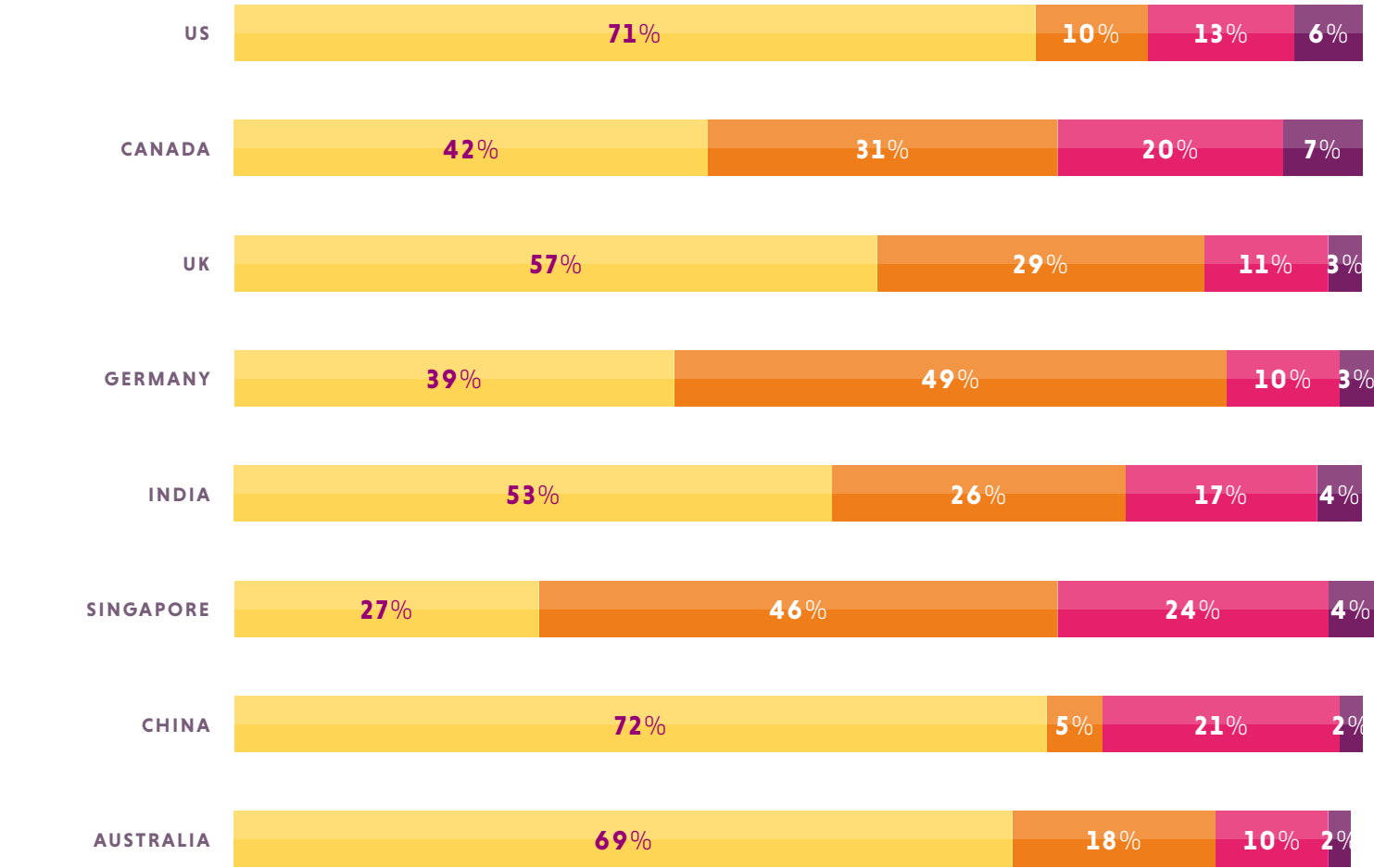
I PLAN TO GO ABROAD

I PLAN TO DO BOTH

I HAVE NOT DECIDED YET

PERCENTAGE OF RESPONDENTS

Source: MiQ - SAPIO consumer research, July-August 2021

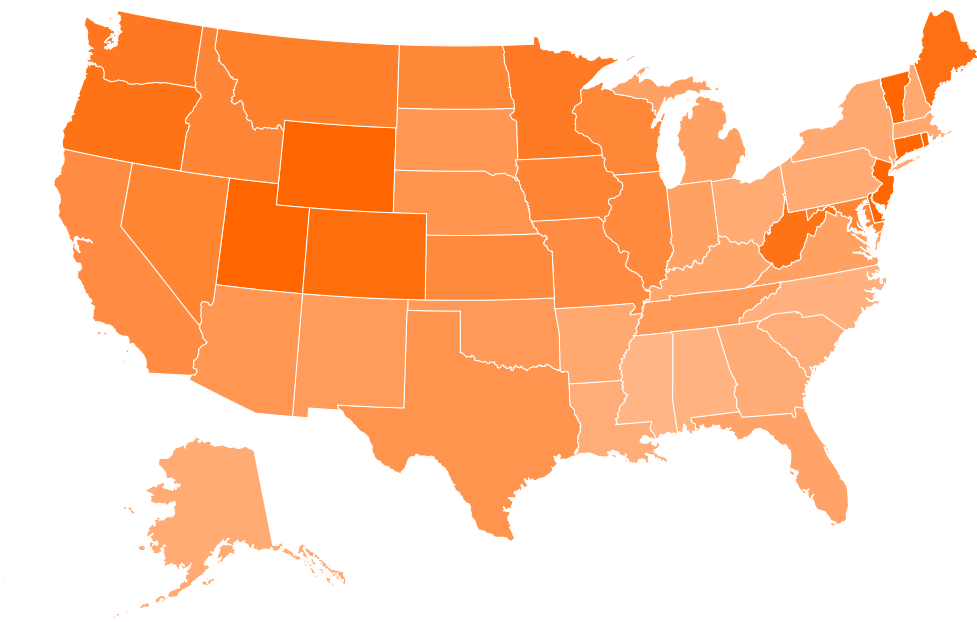


CORRELATION BETWEEN VACCINATION AND INTERSTATE TRAVEL IN THE US

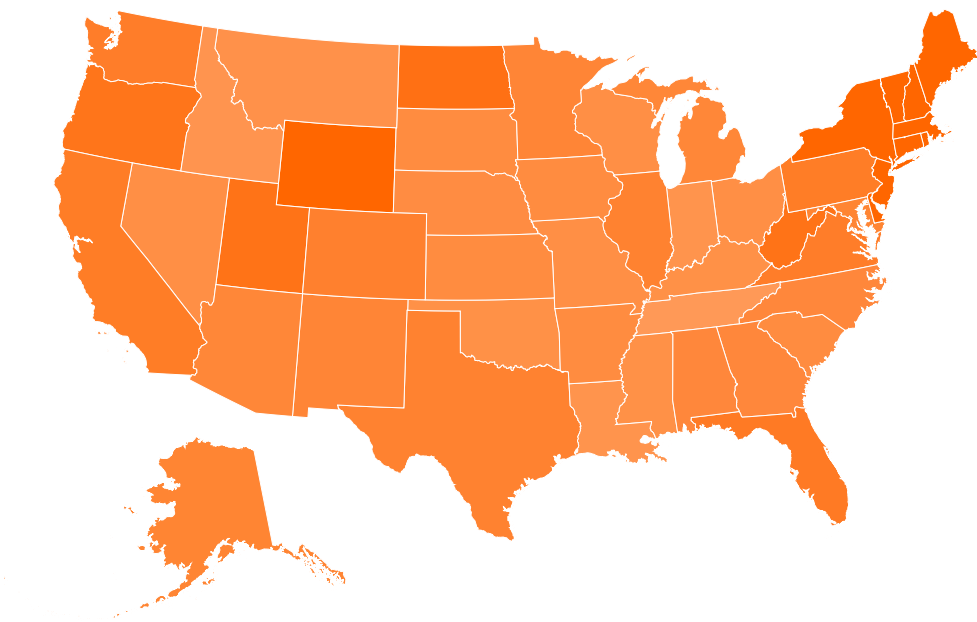
NORMALIZED SEARCH INTEREST

Source: CDC research/ MiQ location data, April - August 2021

INTERSTATE TRAVEL



VACCINATION INDEX



TAKEAWAY FOR MARKETERS

Road trips and interstate travel is another trend that is likely to continue. Over the past six months in the US, we observed a high degree of correlation between the vaccination index and interstate travel. States across the Midwest and Northeast saw a rapid increase in interstate travel demands as more and more populations got inoculated. We also saw similar trends in Canada where domestic travel increased with an increase in vaccine reach.

The auto industry, much like the hospitality segment, took a big hit during the pandemic, with a decline in consumer spending and stress on traditional supply chains. But, with an increasing apprehension around the use of public transport, we saw an increased demand for commercial vehicles around the end of last year. Whether buying or leasing a new car, the demand for personal mobility solutions increased due to the pandemic.

As an indirect consequence, when restrictions were lifted,

road trips became fairly popular after reopening in 2020, something that continued into 2021. Increased demand for car rental services around the globe further corroborates the preference for a personal mode of transport rather than risking public transport. And, while a majority of the mass transport operations are open again, there is still a bit of hesitancy among users to travel with crowds.

We found that the majority of people interested in car travel were more likely to already

own a car and live on the outskirts of a city. One more interesting fact to note is that parents with children and pets are more interested in car trips than the ones without children. With no way to get their kids vaccinated and the new variant of the virus around, people want to stick to car travel.

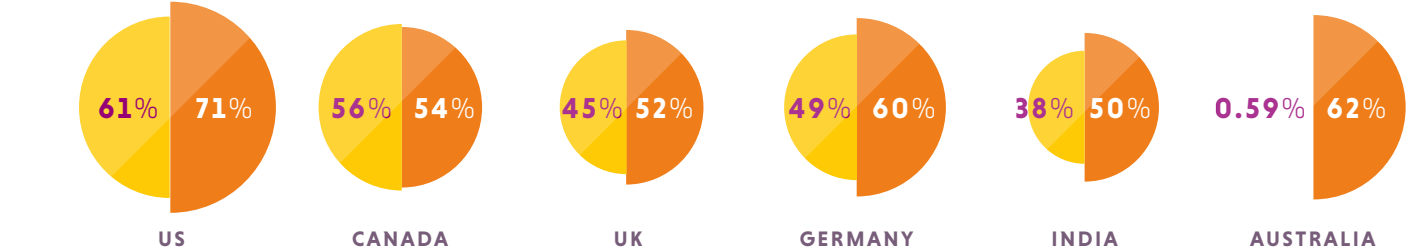
ARE TRAVELERS USING THEIR OWN CAR OR RENTING?

NO KIDS WITH KIDS

Source: MiQ - SAPIO consumer research, July-August 2021

PERCENTAGE OF CONSUMERS

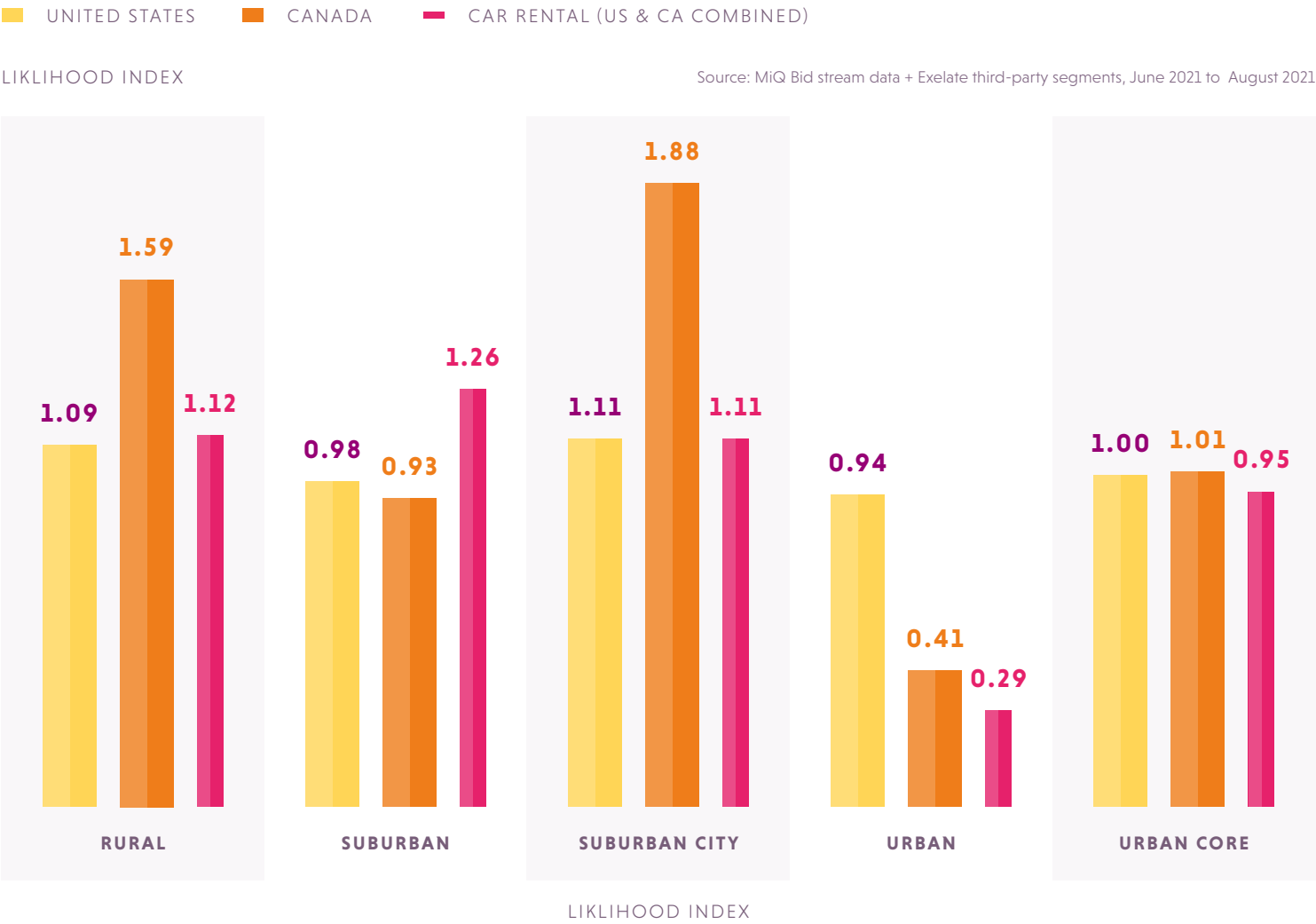
OWN VEHICLE



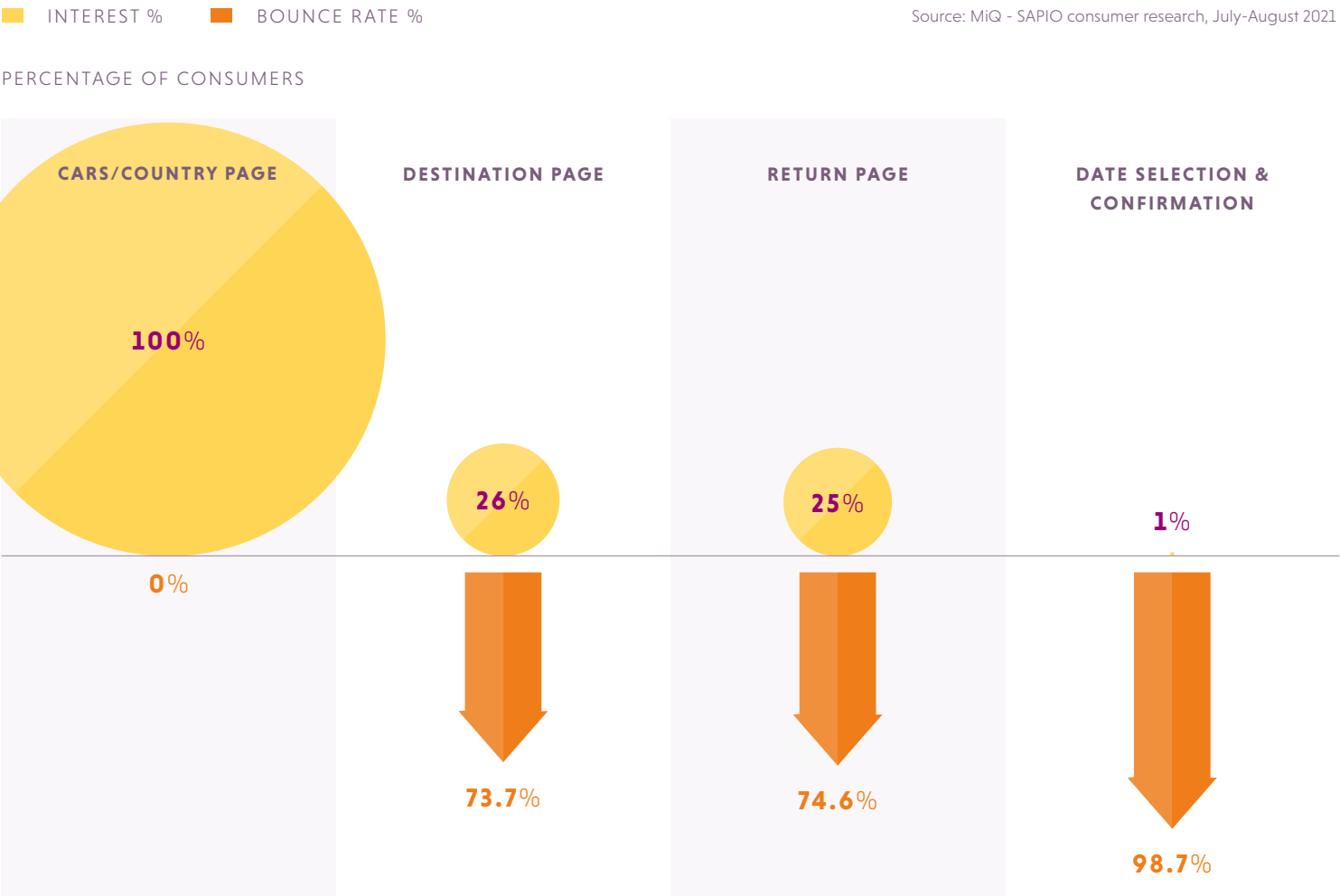
RENTED VEHICLE



INTEREST IN CAR TRAVEL FOR THE US AND CANADA



THE CAR RENTALS USER JOURNEY



TAKEAWAY FOR MARKETERS

Suburban families (and those who migrated to the suburbs) across all age segments in the US and Canada, displayed a higher proclivity towards road trips, a trend that we continue to see even today. The tendency to rent a car was also higher among suburbanites.

TAKEAWAY FOR MARKETERS

While analyzing site visitation trends across popular travel booking domains over the last three months, car rentals were still an important mode of revenue for travel aggregators. But, less than 1% of the site audiences exploring car rentals actually end up making a booking, indicating a need for website optimization to facilitate a quicker online booking process as well as having gated pages for audiences who did not convert so you can target them with personalized offers.

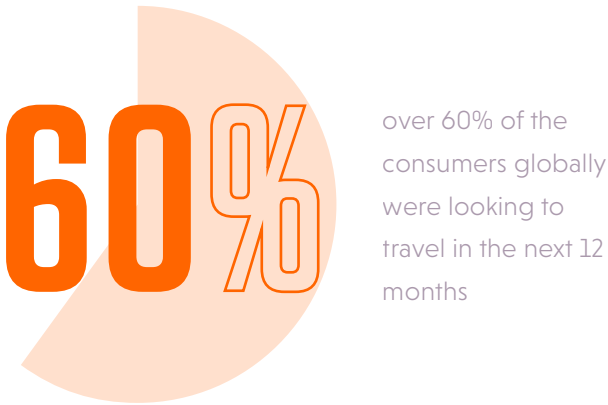


Luxury travel will rise if the pandemic is curbed

| | | | |
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| The travel interests of consumers in 2021 | 21 | Trip duration by age groups | 24 |
| Accommodation preferences in the new normal | 22 | Advance booking trends for flights | 25 |
| The demographics of air travelers | 23 | | |

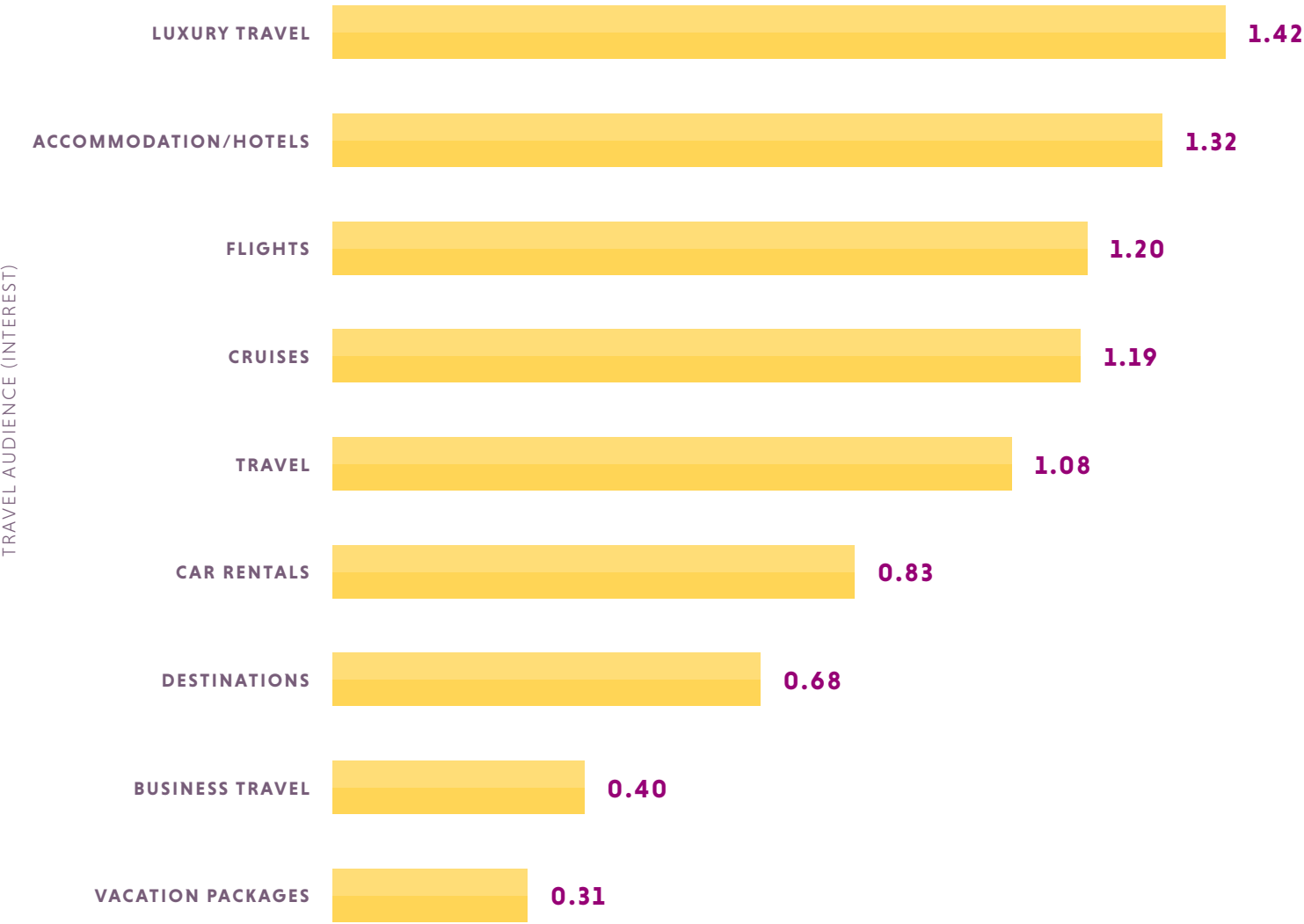
In a survey rolled out in Q1 2021, over 60% of the consumers globally were looking to travel in the next 12 months with a majority planning trips around the end of the year, hoping things would improve by then. A fast and effective global rollout of vaccinations

has only increased the enthusiasm around travel. Asian and European travel enthusiasts are most likely to opt for luxury travel indicating an opportunity for travel marketers to reach high-value customers who are willing to spend more on their upcoming vacations.



THE TRAVEL INTERESTS OF CONSUMERS IN 2021

LIKLIHOOD INDEX



Source: MiQ Bid stream data + Exelate third-party segments, June 2021 to August 2021

This was evident last year as ultra-rich consumer segments splurged on private jets and mansions to seek lockdown refuge in scenic places. The luxury travel experience seems to have seeped into the upper-middle-class audiences too, who are likely to opt for luxurious once-in-a-lifetime experiences even if it's at a premium. As well as opting for exotic locations and

private modes of transport, these audiences are also likely to spend on adventure activities like deep-sea diving, cliff-hanging, sky-diving, bungee jumping and private guided tours.

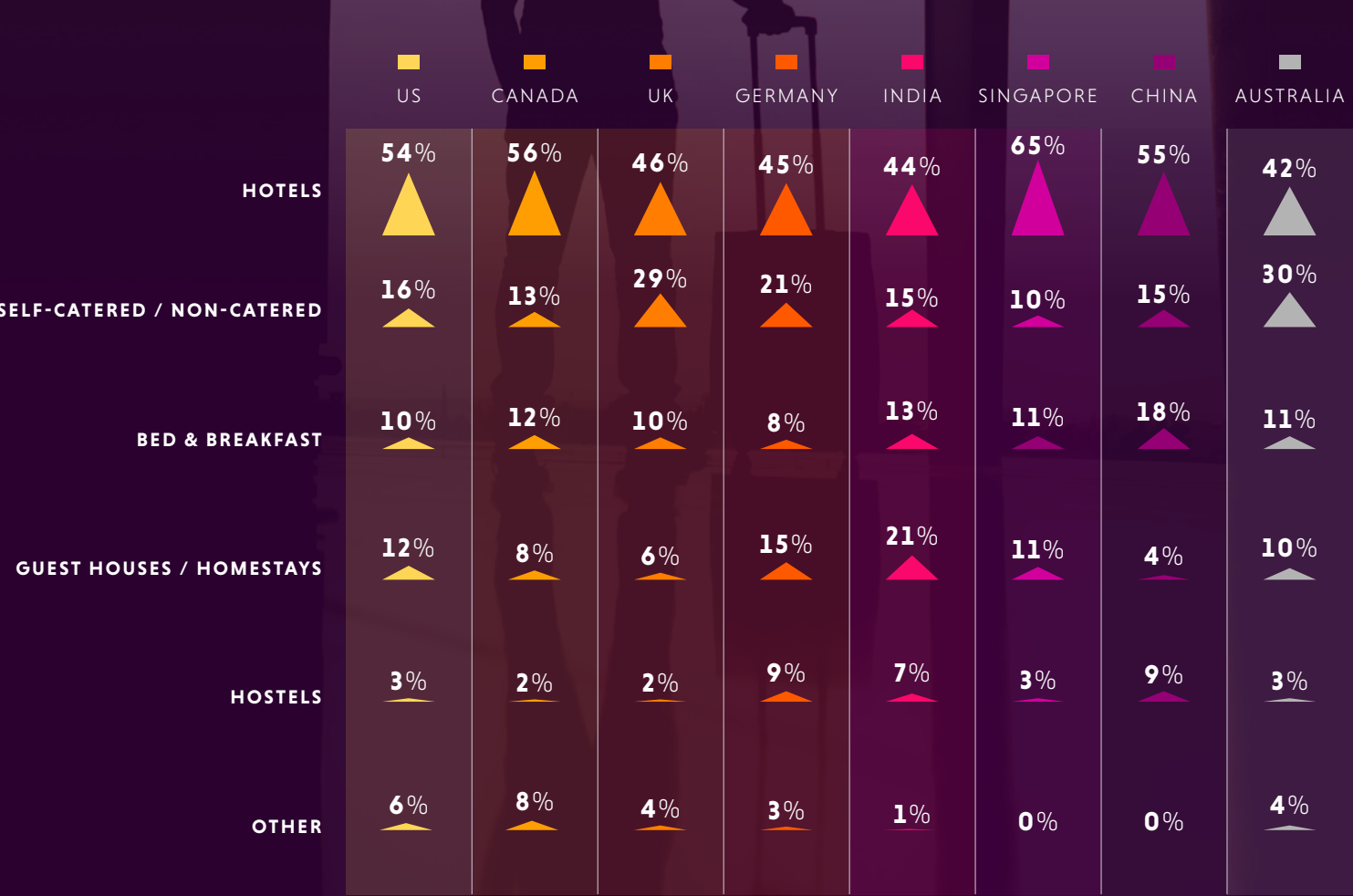
With confidence growing in the hospitality industry, half of travelers are now looking to stay in a hotel as opposed to self-catered locations like

B&Bs, homestays, and hostels. The assurances offered by the hospitality industry, as well as heavy discount opportunities and packages are accounting for this increased interest. The emergence of optimized refund policies, travel insurance and contactless services are also accounting for the resurgence of interest in hotels.

ACCOMMODATION PREFERENCES IN THE NEW NORMAL

NORMALIZED SEARCH INTEREST

Source: MiQ - SAPIO consumer research, July-August 2021



Air travel is also getting back on its feet, especially among younger travelers (under 35s) in the UK, Germany, and the US. Middle-aged audiences in India and Canada are relatively more likely to travel. Parents with kids are less likely to go for air travel compared to adults without children.

With vaccinations steadily growing among children under the age of 18, this stat is likely to normalize going forward. But for now, parents with kids are more likely to choose road trips.

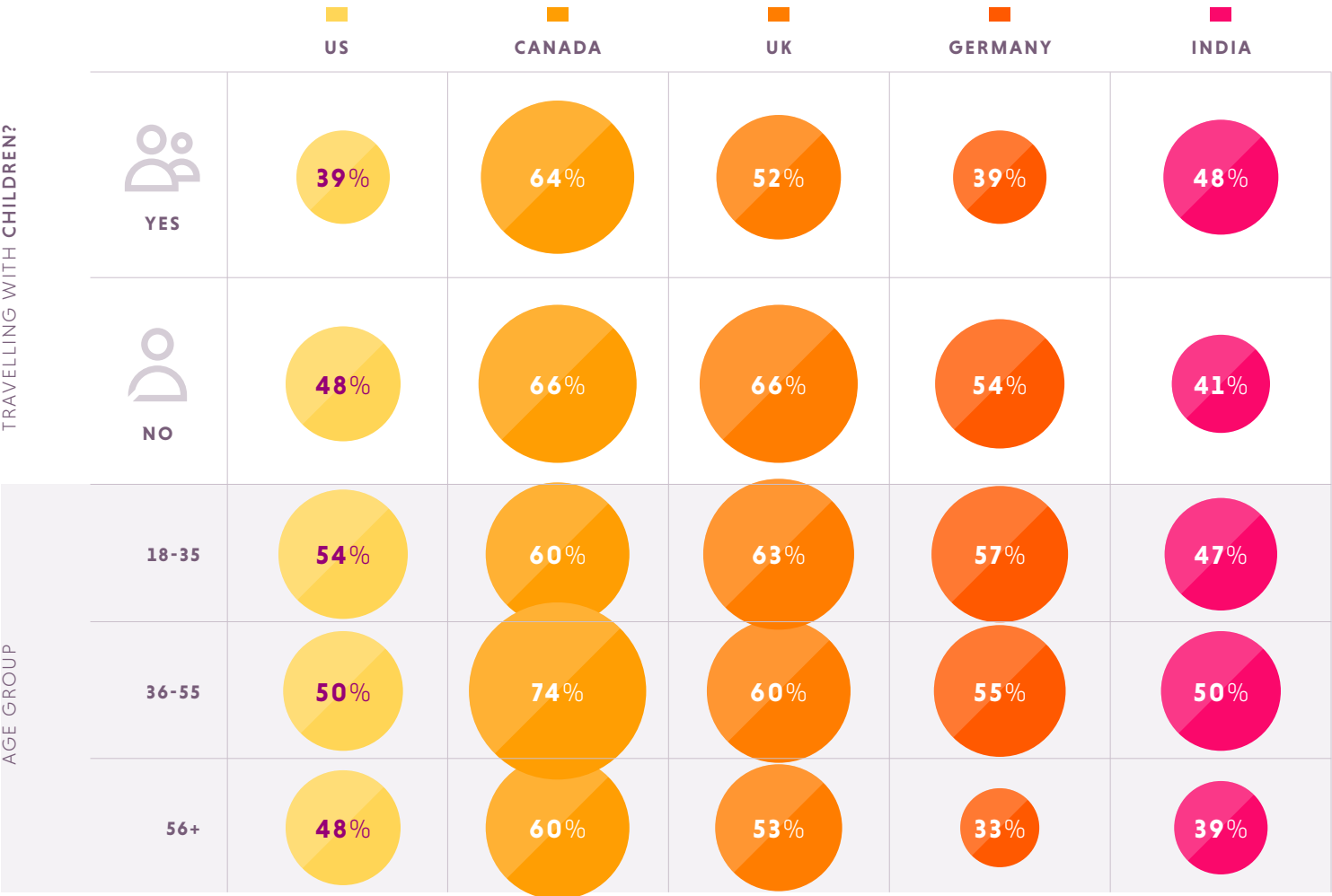
About a third of flight booking inquiries made over

the past six months have been around the winter holiday period, highlighting the return of seasonal travel. As this might be the first major vacation for a majority of these travelers, marketers can expect these globetrotters to go the extra mile to make this a memorable experience.

THE DEMOGRAPHICS OF AIR TRAVELERS

PERCENTAGE OF CONSUMERS

Source: MiQ - SAPIO consumer research, July-August 2021

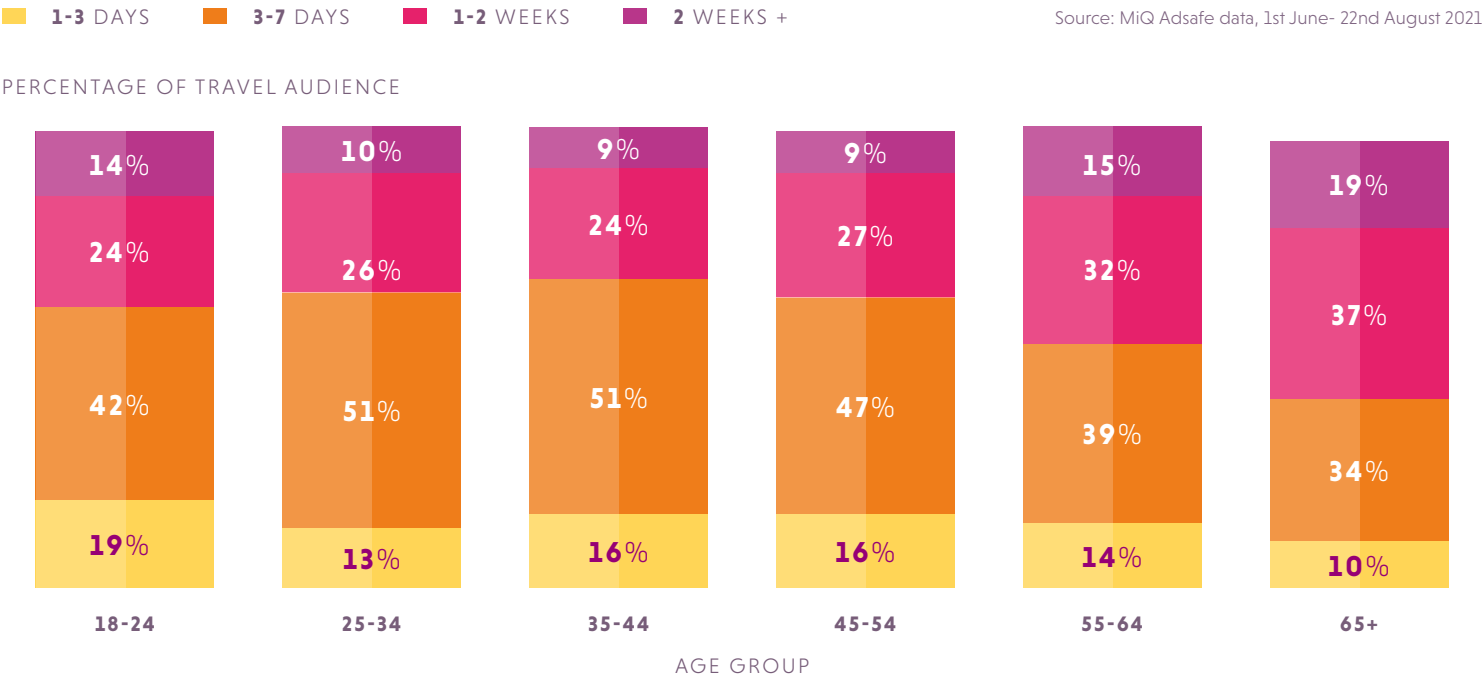


It is also interesting to note that 60% of vacations are likely to be less than a week. Instead of opting for one long vacation, travelers are looking to split their holidays across multiple trips. This

is more prevalent among younger audiences, while the older audiences (those over 45) are likely to take longer breaks. But despite the shorter trip durations, the younger audiences are

likely to hop across multiple locations during the course of their vacation, while the relatively mature audiences will position themselves at a single location.

TRIP DURATION BY AGE GROUPS



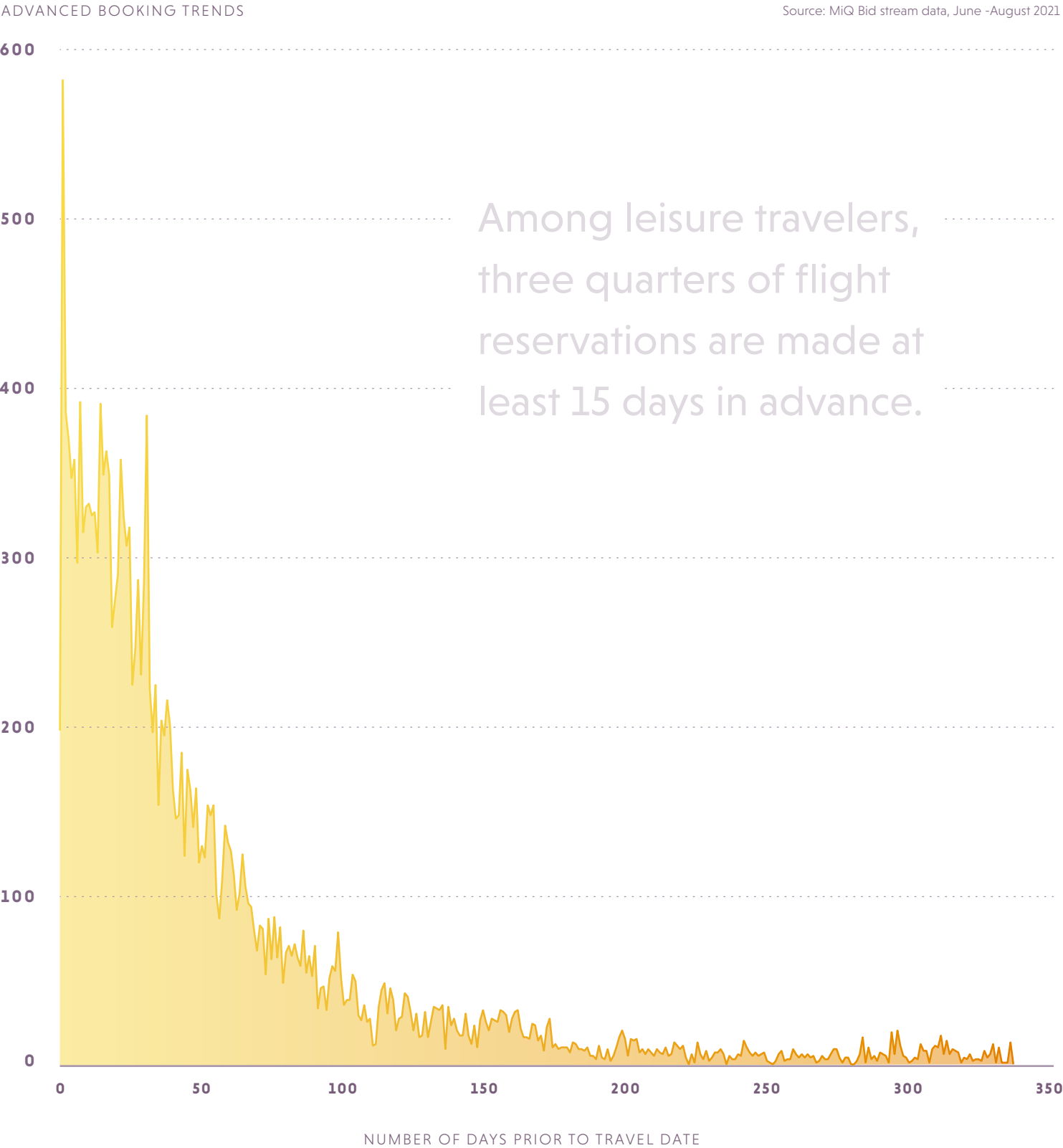
With uncertainty still looms around further Covid waves, the demand for travel insurance and flexible bookings is still high. 7% of consumers planning their vacations for later in the year are ready to pay an added cost that allows them to change dates or cancel for free. The interest for

package tours has also gone up marginally over the last six months, with travelers showing more confidence in operators to take the necessary steps to ensure safety and arrangements.

Among leisure travelers, three quarters of flight reservations are made at least 15 days in

advance. But this planning doesn't apply to other parts of the trip like booking the hotel or renting a car, as they wait till the last minute to account for any changes. 64% of all hotel reservations over the last six months were made a week prior to the travel date.

ADVANCE BOOKING TRENDS FOR FLIGHTS





The recovery for corporate travel will be slower

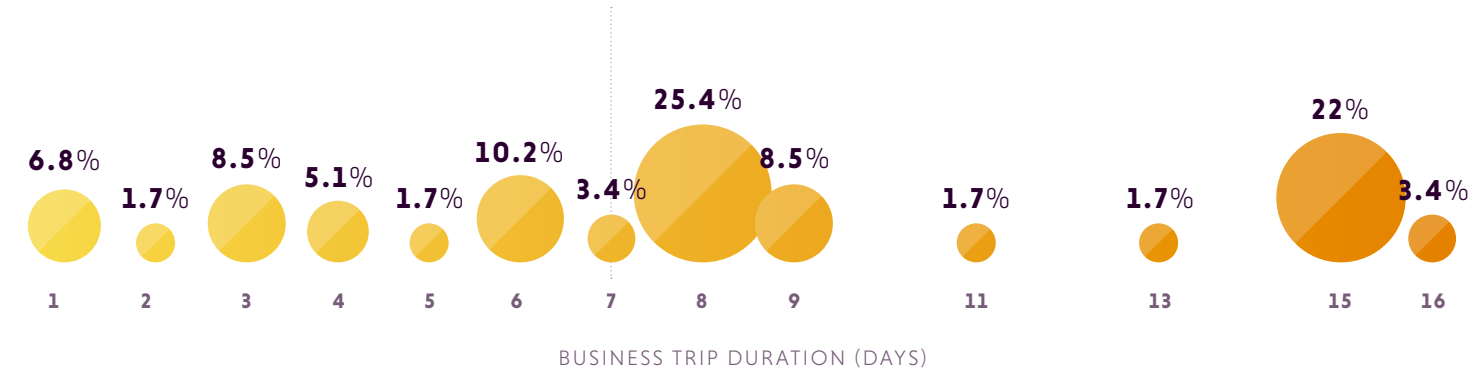
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|------------------------------------|----|---------------------------------|----|
| Average duration of business trips | 27 | Who are the self-improvers? | 29 |
| Traveling for work? Or education? | 28 | Vaccinated timelines by country | 31 |



AVERAGE DURATION OF BUSINESS TRIPS

PERCENTAGE OF BUSINESS TRAVELERS

Source: MiQ Adsafe data, 1st June- 22nd August 2021



The majority of flight reservations made 0-30 days before departure are business trips. Business travel basically ground to a halt during the pandemic and, though it's now on the rise again, it's going to take a while to get back to normal.

After 20 months of remote working, the intent for business trips is definitely there, but with the changing landscape of restrictions and vaccination passes, business travel is highly regional. Currently, it's most popular in the most vaccinated nations

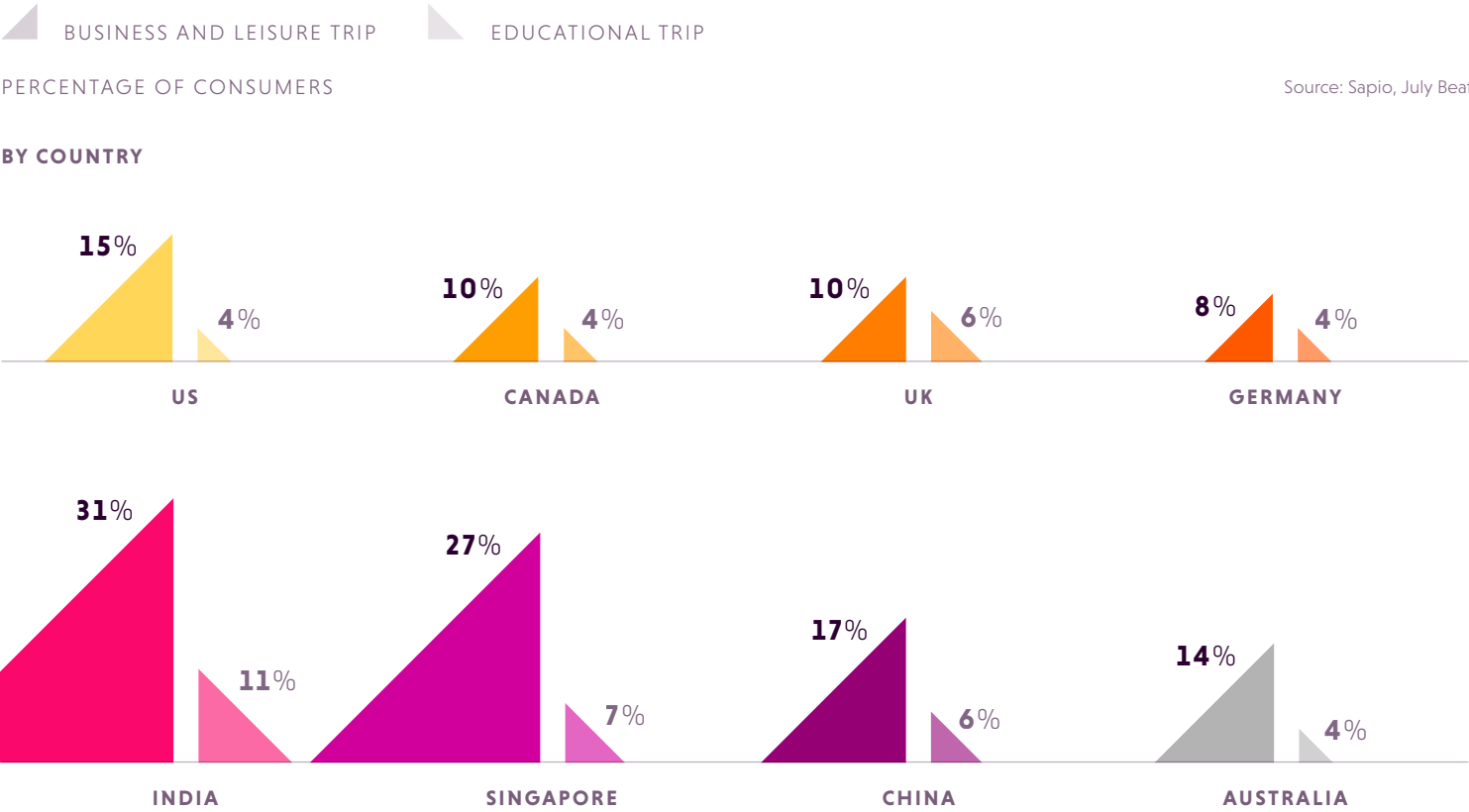
in Europe, the US, Singapore, and China. While the majority of business trips are two-way flights, some of these travelers are buying one-way tickets to urban cities. This could be an indication of going back to their office locations for the long haul.

In July of this year, when consumers were asked about their willingness to go on a business trip or an educational trip, we found more than 25% of travelers aged under 35 in India and Singapore were ready for their next business trip. More than 15% of consumers in the tech-savvy work culture countries like the US and China are slowly warming up to the idea of business trips in the new normal. A niche segment of consumers are ready for their next education degree and seem positive about traveling for college.

In our [Year of lockdowns report](#), we identified a cluster of consumers called self-improvers who spent a lot more time during the lockdown watching educational videos and reading content to up-skill themselves. Some of them learned a new language, while others enrolled in virtual classes to make the most of the pandemic lockdowns. Over 30% of consumers in the US, UK, India, and Australia spent more time on educational domains during 2020. Self-employed entrepreneurs in Canada and India did more research to expand their businesses.

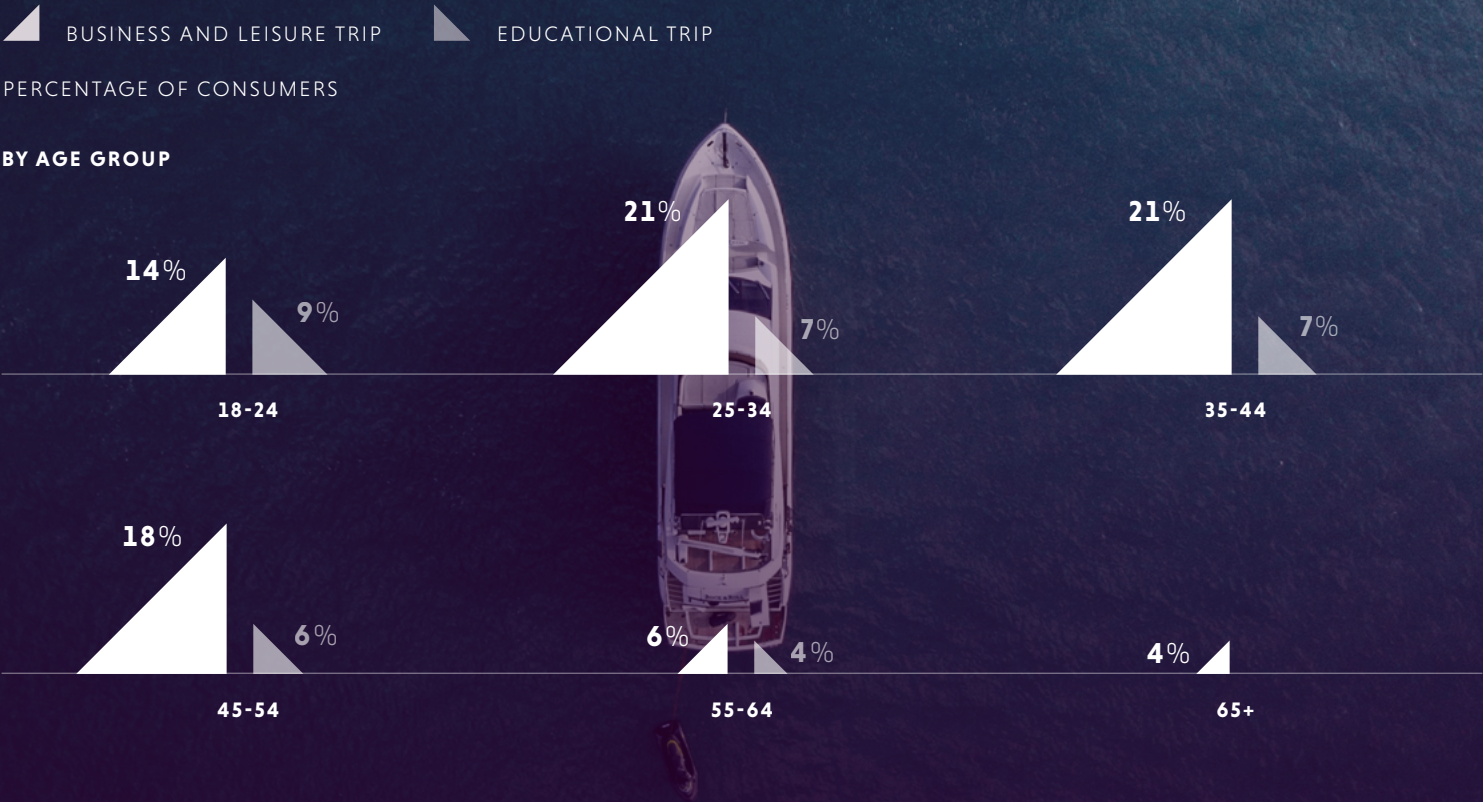
Interest in studying abroad increased among young adults in countries like India and Australia, while some

TRAVELING FOR WORK? OR EDUCATION?



pushed themselves to finish college applications with the extra time they had. Close to 40% of students and 30% of young employed people spent more time on educational domains. Fast forward a year later, and many of these students are now traveling abroad with a one-way ticket to start a new chapter in their lives. This has led to a boom in educational travel.

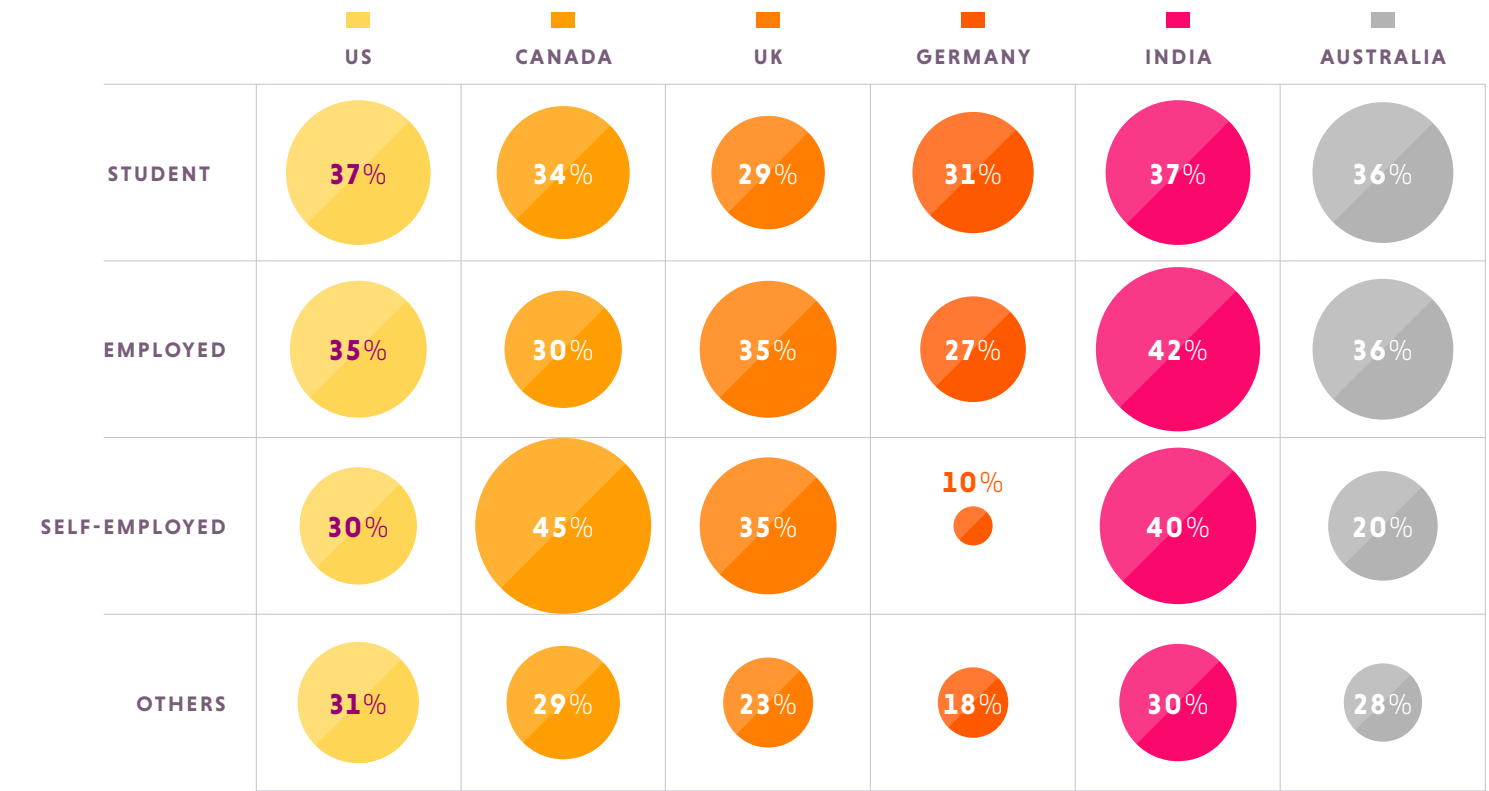
TRAVELING FOR WORK? OR EDUCATION?



WHO ARE THE SELF-IMPROVERS, BY COUNTRY?

PERCENTAGE OF CONSUMERS ACCESSING EDUCATIONAL CONTENT:
'I SPEND MORE TIME DOING THIS THAN A YEAR AGO'

Source: Sapio, January Beat



This brings us back to the reality of vaccinations and the new rules and regulations around them. Things are changing rapidly so it's likely this will all change quickly, but right now some countries like Austria won't be accepting visitors unless they're vaccinated 270 days before their date of travel. Other countries like the United States allow new travelers who have been vaccinated at least 12 months ago. Again, students flying out from India to western countries might need to consider taking a booster shot of an internationally more acceptable vaccine if they are going for the long haul. All of this plays out in the data. Business and educational

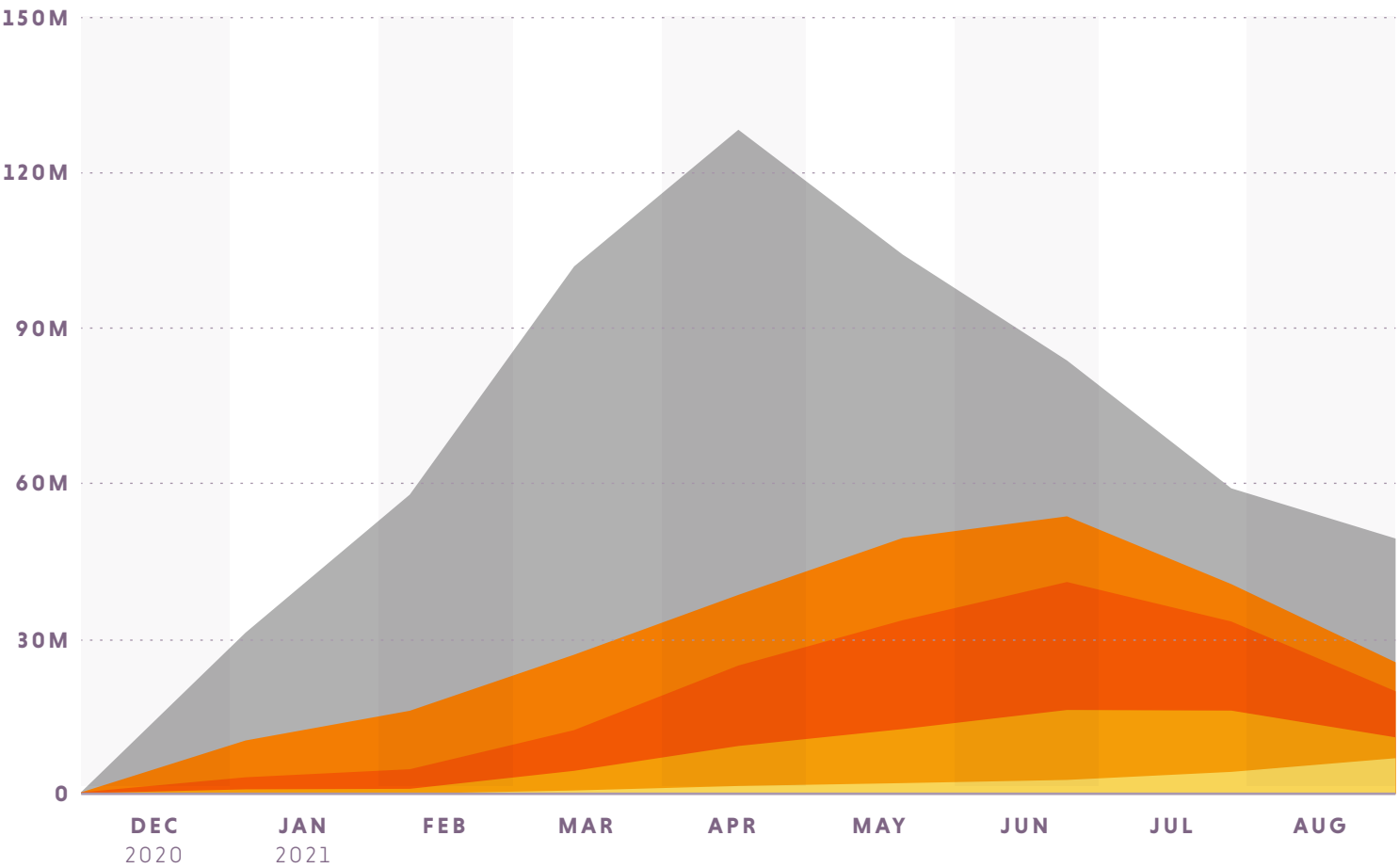
travel started becoming more popular after June 2021, following the peak of people newly vaccinated in several countries. Overall, there is a huge correlation between the rate at which people are getting vaccinated with the propensity towards global travel.

VACCINATED TIMELINES, BY COUNTRY

UNITED STATES CANADA UK GERMANY AUSTRALIA

NEW VACCINATIONS PER DAY (MILLIONS)

Source: https://ourworldindata.org/covid-vaccinations?country=OWID_WRL



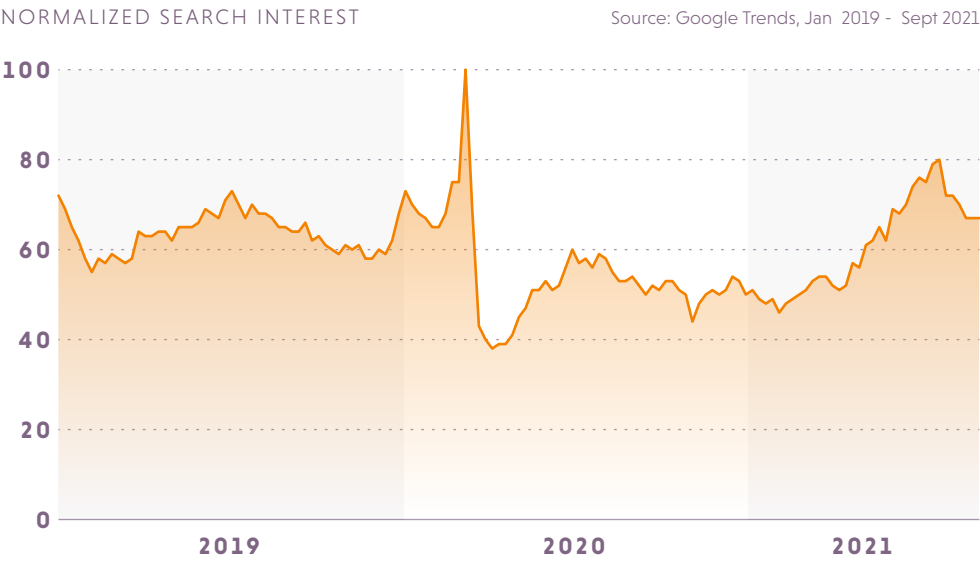


Travel and the programmatic opportunity

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After a 39% decline in interest around travel during the early phase of lockdown (March-May 2020), we saw a marginal increase in interest for travel-related content as audiences looked to make plans once it was safe to travel. This surge in interest intensified once the vaccinations were rolled out. As audiences around the world got fully vaccinated, they started acting on the travel plans they made over the last 12 months.

THE RESURGENCE IN INTEREST AROUND TRAVEL



This surge hasn't been consistent, though. In regions with high levels of vaccinated populations (Western Europe, North America, and the Middle East), the increase in interest around travel is substantially higher compared to African and Latin American countries where lack of access to vaccines is stalling recovery. Similarly, while households with kids under the age of 18 years are looking forward to their travel adventures, the vaccination status among children is hindering them in making bookings. Furthermore, the recent surge in new variants is also a source of concern, especially among European travel enthusiasts. As we saw over the last year, simply keeping a track of the change in traffic around travel domains might not be sufficient to estimate the actual propensity of travel among audiences. Over a third of the audiences looking to travel in the next six months are still watchful

of how things are likely to play out with an anticipated third wave. So, while they have planned vacations, they haven't actually made any bookings. This is even more so relevant in the Asian region where the skepticism around the third wave and imposition of new travel restrictions is relatively higher compared to the rest of the world.

STILL PLANNING? OR FULL BOOKED?

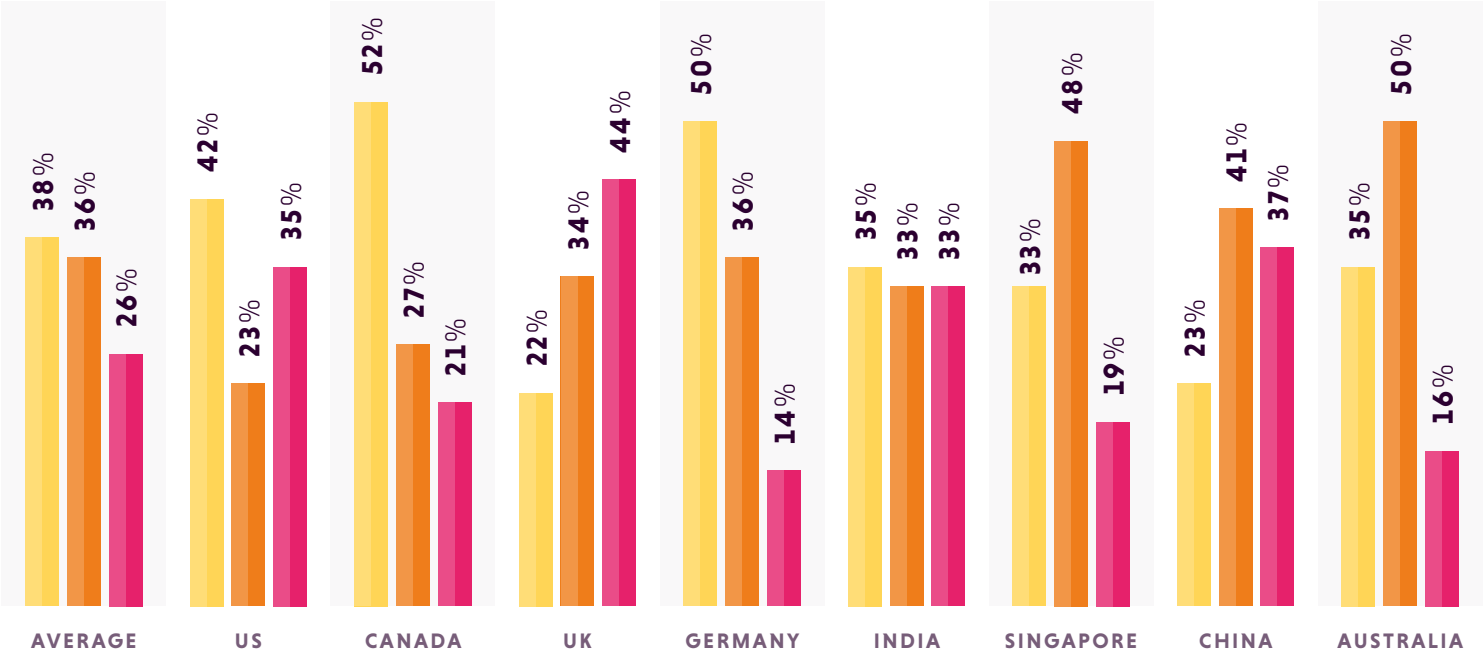
YES, I HAVE PLANNED AND BOOKED

YES, I HAVE PLANNED, BUT NOT YET BOOKED

NO, I HAVE NOT YET PLANNED OR BOOKED

PERCENTAGE OF CONSUMERS

Source: Google Trends, Jan 2019 - Sept 2021



Consumers who haven't booked anything yet are likely to continue researching to find the best offers for their upcoming trips, offering travel marketers an opportunity to get into consumer consideration sets.

Marketers also need to remain aware that the decisions around family vacations are not likely to be made by a single individual but are rather a group decision. Over the last three months, we saw a 7% increase in the number of connected devices per household that were being used to access travel-related content online. 70% of households that displayed interest in travel accessed travel-related content over three distinct addressable devices offering marketers the opportunity to enhance their reach and influence different points in the travel planning journey.

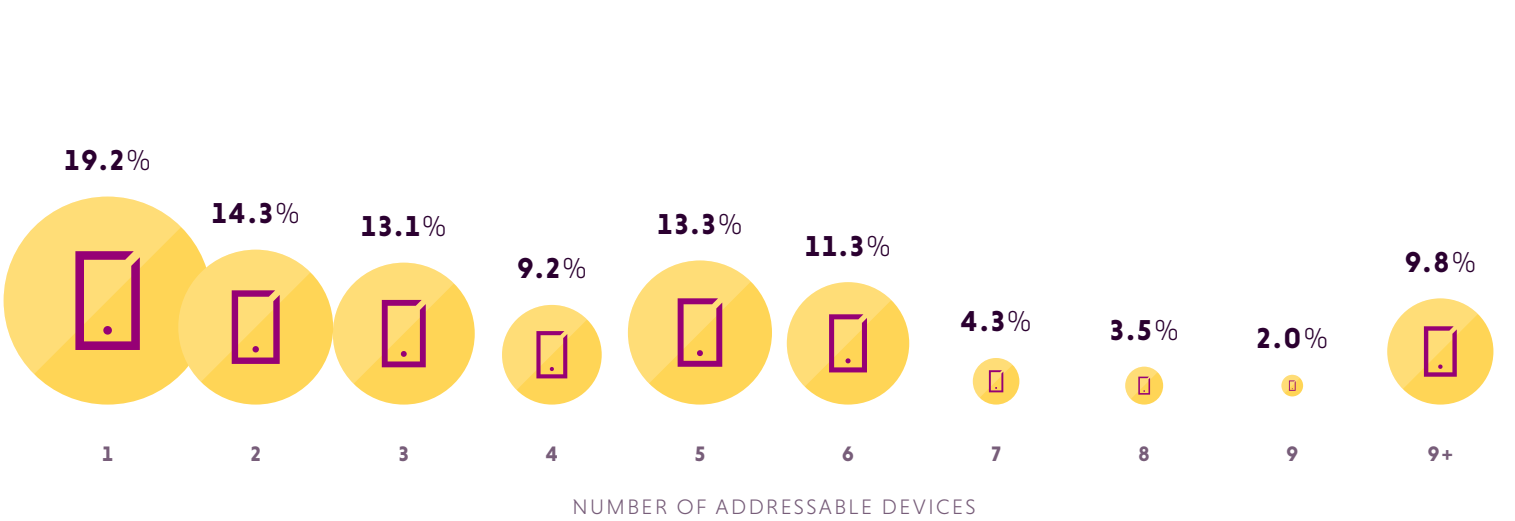
Programmatic omnichannel advertising can help advertisers to offer personalization at scale. This becomes important especially as a majority of these audiences are midway through their planning/research cycles. This means that travel advertisers have a lot more insights into what makes travelers across the globe tick. For example, American audiences often prefer to opt for a room with a view while British and Australian audiences prefer locations near the city center. Optimizing high-impact creative messaging and imagery using these considerations can help boost the chances of conversion for travel campaigns.

Running a full-funnel advertising campaign alongside traditional media plans can also enable marketers to understand, activate and measure the success at different stages within the funnel while also bridging the gap between marketers' current knowledge and behaviors of the future travelers.

HOW MANY ADDRESSABLE DEVICES DO TRAVELERS PLAN TO USE?

PERCENTAGE OF HOUSEHOLDS

Source: Google Trends, Jan 2019 - Sept 2021





Recommendations for marketers

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1

UNDERSTAND YOUR AUDIENCE

Knowing your audience is the first step in any marketing campaign. Using programmatic insights, you can identify what your audience is looking for. Are they into road trips or do they prefer air travel? Are they parents or are they looking to travel with friends? Reaching your changing audience and their newly formed travel patterns can be tricky. Marketers need to have tailor-made strategies to reach them. Work with a partner who can identify your audience and conduct research for a campaign to optimize your buy before it starts.

2

CONNECT YOUR CROSS-MEDIA EFFORTS

There’s no excuse for having siloed TV and digital campaigns. Consumers are now watching shows that help them plan their next trip. Do your consumers prefer OTT mediums or linear TV? Do they make reservations online using their computers or mobile phones? Using current technology, you can identify your TV ad viewers and retarget them online on their preferred device type. Work with a partner to identify and activate the omnichannel opportunities that deliver higher ROIs.

3

KNOW WHERE YOUR AUDIENCE IS

Travel campaigns work best when you know where your audience is starting from. Are your consumers in the suburbs and looking for high-spec cars for road trips? Are they in the city and looking for a change in scenery? Marketers need a campaign that can track where their travelers are and their proximity to nearby tourist destinations. Work with a partner who can help you identify where your audience is and infer their likely travel preferences.

4

USE PERSONALIZATION AND HIGH IMPACT CREATIVE FORMATS

Make your brand stand out, by reaching the right audience at the right time in the right way. With so many choices, consumers are looking for big travel packages that speak directly to them. Creative personalization of your brand can drive deeper engagement. Dynamic creative optimization (DCO) and interactive shoppable creatives are other ways you can tailor creatives.

5

MATCH YOUR ADVERTISING PLANS TO YOUR CONSUMER’S RESEARCH TIMELINES

Once you know who your target audience is, researching their behaviors is key. It is imperative to research changing restrictions and rules related to vaccinations region-wise to reach an audience that wants to travel and can travel. Start now, when global business travel is slowly increasing and be thinking about holiday season travel packages to attract travelers through communication and personalized messaging across multiple platforms.



ABOUT MiQ

We’re MiQ, a programmatic media partner for marketers and agencies. We connect data from multiple sources to do interesting, exciting, business-problem-solving things for our clients. We’re experts in data science, analytics, and programmatic trading, and we’re always ready to react and solve challenges quickly, to make sure you’re always spending your media investments on the right things in the right places.

Please visit us wearemiq.com