



FUTURE OF TRAVEL

06/20

// IN BRIEF

The Future of Travel
and Hospitality

It's impossible to overstate just how much business has been affected by Covid-19 since March 2020. Perhaps none so more than the travel business. People are not travelling and they are not booking travel accommodation. There will be better days to come, but when? When the better days do come, how will things have changed?

To enable travel and hospitality businesses to prepare for what's next, we conducted surveys with 1,000+ 18-65+ year olds in

the UK and 1,000+ people in Singapore to develop a better understanding of just how things will change in the future.

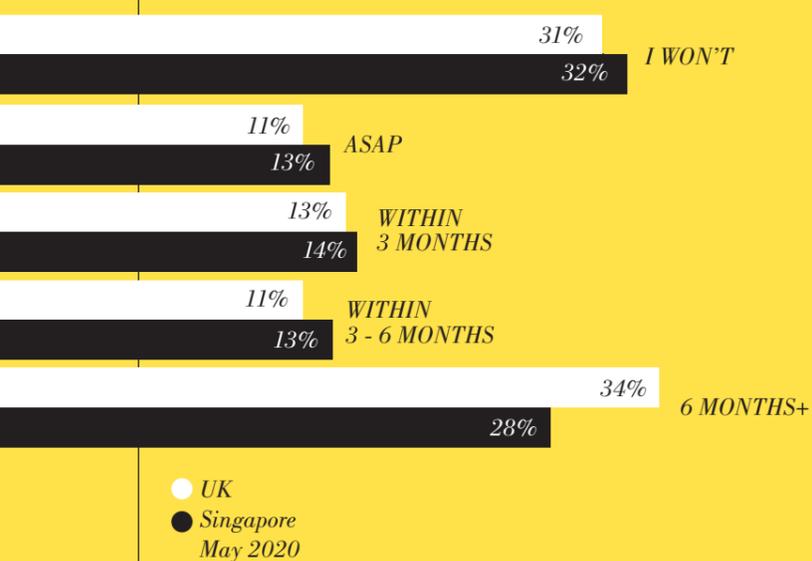
Here's what we discovered. Please note that we have rounded the stats to the nearest integer.

Majority of consumers will not book a trip for at least 6 months

34% of people in the UK, and 28% of people in Singapore indicated that they will not book their trips for at least six months or more, while 31% of Britons and 32% of Singaporeans said they are not intending to book a trip at all. With a vaccine for Covid-19 still some way off, and the uncertainty regarding how every country in the world is dealing with Covid-19, it is understandable that the majority of people will just wait it out before booking any trips.

Despite the uncertainty, almost a quarter of Britons and Singaporeans are planning to book a trip either straightaway or in the next three months – so there still are those who are itching to get away.

When government agencies say that it is safe to travel again, when are you likely to book a trip?





Domestic holidays and staycations will be the norm

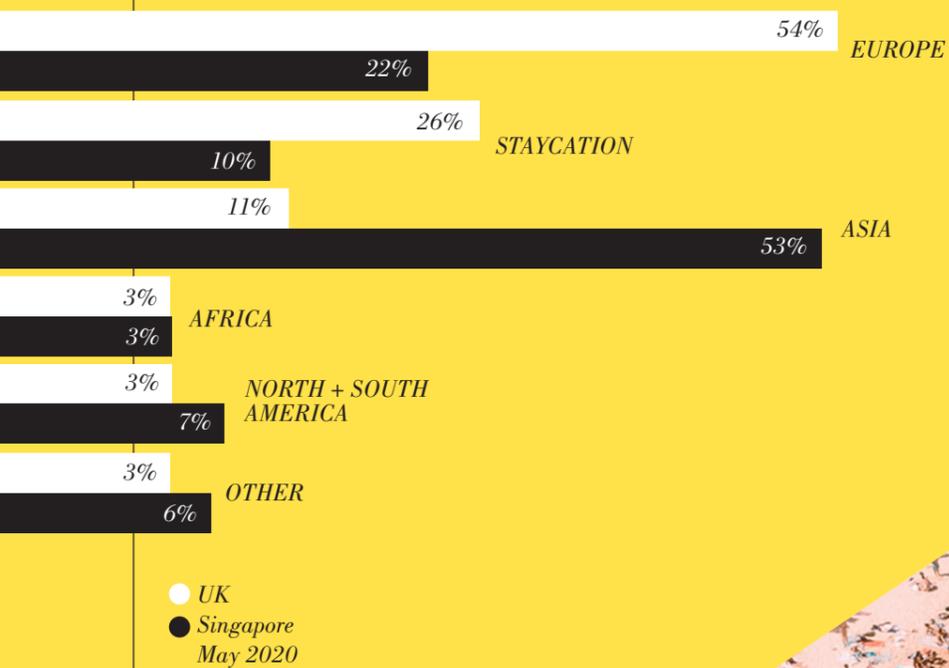
In the UK, when people do book a trip, the majority indicated that they are planning to book a trip in Europe (including UK) whilst 24% said that they are planning to book a staycation. Since the UK government announced a 14-day quarantine for all international arrivals, we conducted an additional survey which found that 48% people are more likely to book a holiday in the UK.

This is inline with a [survey by YouGov](#) which found that Britons are set to spend more on domestic holidays once the lockdown eases. This sentiment was echoed in Singapore where 10% said they will book a staycation and 53% said they won't go farther than Asia.

'Britons to spend 29% more than they previously did on domestic holidays'.

YouGov
May 2020

Where are you likely to travel to?



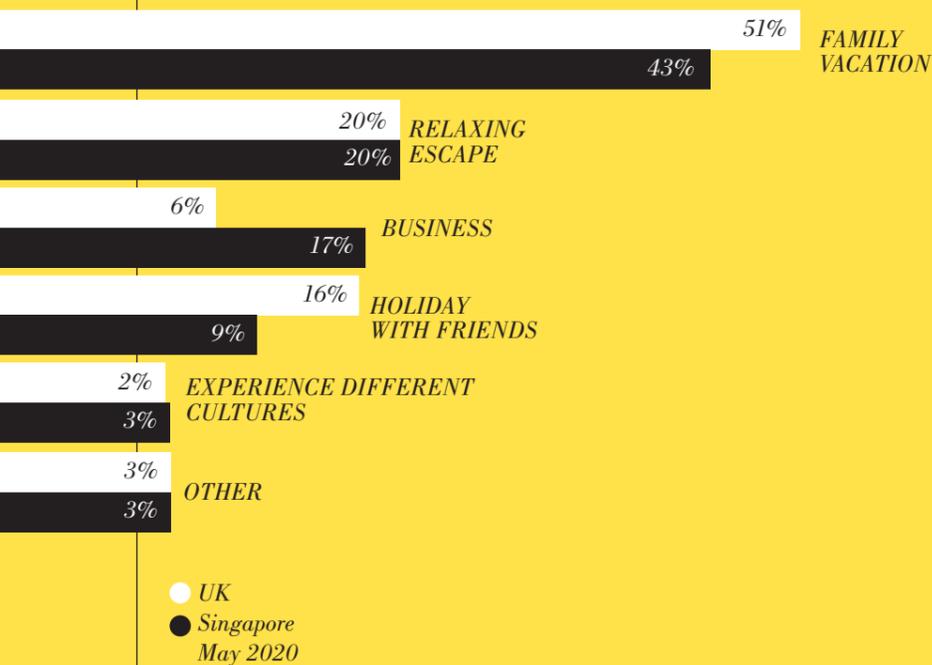
Family vacations are going to be the most popular type of holiday

The majority of respondents in the UK and Singapore said that a family holiday is the most likely reason for them to book a trip.

17% of Singaporean respondents said they will travel for business, whereas only 6% of Britons selected

this answer. In recent years Asia has become the epicentre for growth for business travel, accounting for more than a third of \$US1 trillion in annual spending globally, and might explain why this type of travel will pick up more quickly in the APAC region.

What would be the most common reason for you to book a trip?



Safety assurances and government advice are more influential than discounts and promos

36% of Britons and 33% of Singaporeans said safety assurances are the most important factor when deciding to book a trip, followed by the advice of the government. Right now, health and safety is a more important deciding factor than discounts.

So until there is sufficient assurance that it is safe to travel and go on holiday, it is likely that most will not do so.

When people do want to book, price and location are still important

Once consumers decide that it is safe to book a trip, price and location will play an important role when booking transport and accommodation. 54% of Singaporeans and 45% of Britons indicated price as a main priority for consideration when booking.

With both Singapore and the UK announcing that COVID-19 has or will lead to a financial recession, it is likely that people will be more conscious about price and spending money.

Regardless, 44% of Britons and 42% of Singaporeans

said that location was an important factor when booking accommodation, indicating that people still want to stay near to popular attractions and landmarks when they go away.



Online and traditional travel agents are going to be the most influential source of information in the UK

When we asked those who might travel which sources of information they will use to plan their next travel trip, 37% of respondents said Online Travel agents, and

35% said Traditional travel agents. With the uncertainty around where it is safe to travel and the precautions international countries are taking, it seems that the

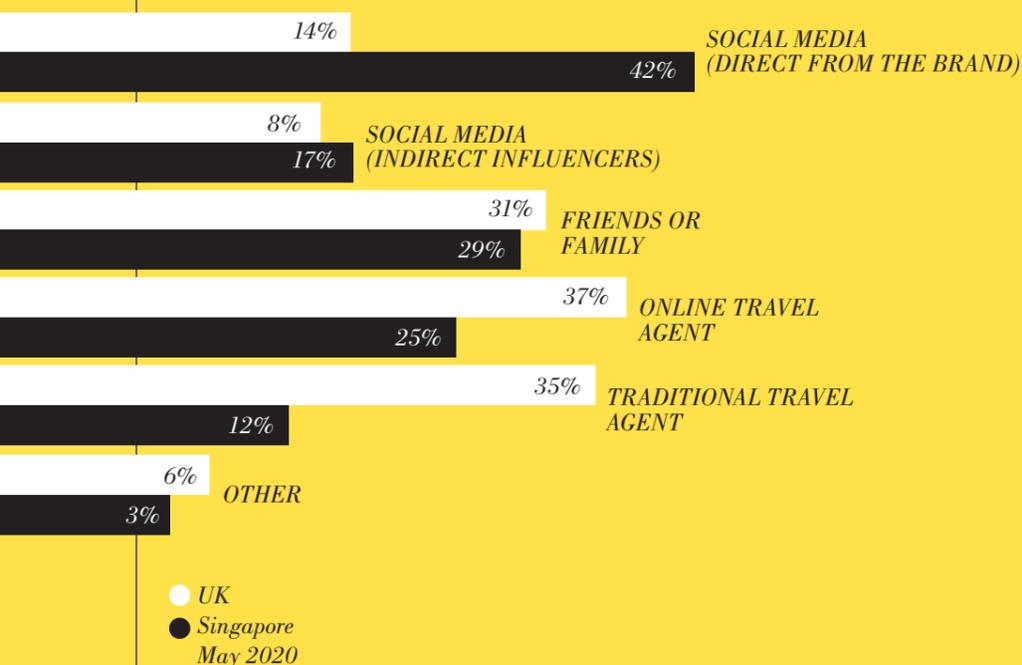
majority of people will trust agents that actively promote and keep up to date with government legislation.

Social media comms directly from travel brands will be the most influential source of information in Singapore

In contrast to the UK, when we asked those Singaporeans who might travel which sources of information they will use to plan their next

travel trip, the majority of respondents, 42%, said social media (direct from the brand).

What sources of information will you use to plan your next travel trip?



Majority of Brits still want to escape to the beach

Holidaymakers' desire to escape to the beach has not changed – our survey discovered that 41% of Brits want to escape to the beach after being cooped up inside for months. This is inline with a 2019 study conducted by Statista which found that 41% of Brits went on a beach holiday. Statistica also found that in 2019 46% people booked a city break, whereas only 14.6% of our respondents want to visit a city for their next trip. It seems as social distancing

and hygiene measures will be more difficult to enforce in these highly populated areas, city breaks will decline. Cities that want to attract tourists will have to find ways to effectively highlight the safety measures in place, before consumers are likely to prioritise visiting cities again.

The future looks more uncertain than ever and things are changing at breakneck speed. While we don't know what's round the corner, the data we have unearthed in our surveys should give travel and hospitality brands invaluable insights to navigate these uncharted waters.

However, we must not assume consumer's attitudes will remain the same. External factors such as a vaccine for COVID-19 or new government advice

'41% of Brits went on a beach holiday in 2019'.

*Statista
2020*

might come into play, but we can continue to track audience sentiment in real-time. It's more important than ever to keep our finger on the pulse. Brands that can turn this data into compelling messages for their audience will thrive.

If you would like us to undertake more research for you or would like us help you with creative across any media, please contact us at hello@imperialleisure.com.

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