So you’ve been staying at home...
For many it was a new experience at first.
Adapting to staying at home meant families got to spend time with their children.
Getting a bit of cabin fever? Have you been dreaming of a holiday?
Understanding why do people travel?
Maslow’s Hierarchy of Needs

Maslow’s Hierarchy of Needs states that people are motivated to achieve certain needs and some take precedence over others.

Starting from the bottom, once a level is met, the next level up becomes our new focus.
Travel motivations (in a normal situation)

This hierarchical theory of needs can also be generally applied to our motivations towards travel.

The lower needs are usually met first prior to the higher levels.
COVID-19 travel motivations

However, given the current situation even the most basic need of “escape, relaxation and recharge” has been restricted which can be very frustrating and lifted a sense of urgency.
Travelling is the top priority for post-outbreak purchasing, and is more prominent in older and more affluent demographics.

<table>
<thead>
<tr>
<th>% who say they will prioritise making these large purchases first</th>
<th>% who say they will prioritise vacations and flights by age group</th>
<th>% who say they will prioritise vacations and flights by affluency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacations/trips</td>
<td>Gen Z (16-23)</td>
<td>Higher Income (Top quartile)</td>
</tr>
<tr>
<td></td>
<td>Millennials (24-37)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gen X (38-56)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Baby Boomers (57-64)</td>
<td></td>
</tr>
<tr>
<td>Clothes</td>
<td>25%</td>
<td>43%</td>
</tr>
<tr>
<td>Flights</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Car/Vehicle</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>Home Appliances</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>Home Furnishings</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Smartphone</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>Personal Electronics</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Smart Devices</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Luxury Items</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>

The unique benefits of the Microsoft Advertising audience

- **23%**
  Of users have household income in the top quartile

- **38%**
  Of our platform are over the age of 45

- **37%**
  were planning a domestic vacation pre COVID-19

Source: Microsoft Search Network represents unduplicated visitors to Aol.com web search, Bing web Search and Yahoo! Web search.
Recently trending queries in May are around research for travel restrictions.

- ‘interstate travel restrictions’
- ‘where is it safe to travel?’
- ‘international travel bans covid-19’
- ‘when can I travel again?’
- ‘can I travel to regional places’
- ‘coronavirus cases tracking in Australia’
- ‘when will we roll back the stages of lockdown’
- ‘when will travel restrictions be eased in australia’

Source: Microsoft internal data | Travel | Apr - May Apr 2020 | Search volume | Data represents PC & Tablet
Growing anticipation for a vacation evidenced by renewed search interest in travel restrictions

Key observations

The GlobalWebIndex report found the top three reasons that would provide respondents confidence to travel again were:

1. Personal feeling of safety
2. Travel advice released by the government
3. Lifting of “lockdown”/“stay at home” restrictions

Combined with the search trends, we can conclude that Australians are growing increasingly impatient, and ready to act once allowed.

Source:
2. Microsoft internal data | Travel | Feb - May Apr 2020 | Search volume | Data represents PC & Tablet
Recovery in the **Travel** sector on our platform appears to have begun

Source: Microsoft internal data | Travel | Jan - May Apr 2020 | Search volume | Data represents PC & Tablet
Signs of recovery surfacing across all categories of Travel, more pronounced in Accommodation, Car Rental and Tourists Attractions

Key observations

1. Searches within the travel industry on our platform over the last two weeks were up 36% overall.

2. This growth is largely contributed to by:
   - Accommodation, which grew 69% over the last two weeks, and
   - Tourist Attractions, which grew 44% over the same period, and
   - Car Rentals, which grew 24%.

3. The increase in traffic within tourist attractions reinforces the Australian public’s growing interest in travelling.
Interest in **Travel** has seen an encouraging recovery on our platform given all restrictions are still in place.

Domestic/International Travel week on week (WoW) searches

Domestic/International split (April - May search volume)

Source: Microsoft internal data | Travel | Jan - May Apr 2020 | Search volume | Data represents PC & Tablet
Domestic and Local travel is top of mind for dreamers

<table>
<thead>
<tr>
<th>% Australians who say they expect to do the following after outbreak is over.</th>
<th>31%</th>
<th>23%</th>
<th>20%</th>
<th>16%</th>
<th>14%</th>
<th>13%</th>
<th>11%</th>
<th>28%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take more vacations in your country</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Have more staycations/trips in your local area</td>
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<td></td>
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<tr>
<td>Make use of promotions/discounts when booking vacations</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Take fewer vacations</td>
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<td></td>
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<tr>
<td>Take cheaper vacations</td>
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<tr>
<td>Take more short-haul vacations</td>
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<td></td>
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<tr>
<td>Take more budget airline flights</td>
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<td></td>
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<tr>
<td>None of these</td>
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</tr>
</tbody>
</table>

Two main themes gathered from GWI’s findings:

1. Customers want to travel closer to home
2. Package deals, discounts and budget options are favoured

Keep this in mind in preparation for when regional travel becomes allowed in NSW on June 1st and more restrictions become eased.

Patterns in the May domestic search data highlight the favourability towards local destinations given travel restrictions

**Top 5 Domestic Travel categories**

- Accommodation: +369%
- Luxury Travel: +101%
- Car Rental: +64%
- Tourist Attractions and Destinations: +21%
- OTA: +4%

**Top 5 Domestic Travel sub-categories**

- Camping: +704%
- Hotels: +358%
- Luxury Deals: +102%
- Ski Resorts: +92%
- Wine Tours: +38%

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Source: Microsoft internal data | Travel | Jan - May Apr 2020 | Search volume | Data represents PC & Tablet
Top trending queries have considerably grown in May compared to April as interstate travel restrictions are being relaxed.

### Trending queries in Accommodation
- ‘thredbo’ (NSW)
- ‘byron bay’ (NSW)
- ‘port douglas’ (QLD)
- ‘noosa’ (QLD)
- ‘gold coast’ (QLD)
- ‘margaret river’ (WA)
- ‘dunsborough’ (WA)
- ‘exmouth’ (WA)
- ‘cradle mountain’ (TAS)

### Trending queries in Tourist Attractions and Destinations
- ‘zoo’
- ‘snowy mountains’
- ‘luna park sydney’
- ‘carlton gardens melbourne’
- ‘thredbo’
- ‘hunter valley’
- ‘perisher’
- ‘kakadu national park’

Source: Microsoft internal data | Travel | Jan - May Apr 2020 | Search volume | Data represents PC & Tablet
Consumers are actively researching for their next travel destination.

Brands can inspire and capture these consumers during this time. We see increasing demand and an opportunity to capture top of mind consideration and bookings.
Key takeaways

1. Consumer interest is highlighting increased demand for interstate travel destinations and activities

2. As restrictions begin to loosen, there is an opportunity to take market share within the Microsoft Search Network

3. Brands should consider upper funnel keyword coverage to capture research and consideration queries as consumers begin their travel booking plans over the coming months ahead
Strategies and recommendations

Learn immediate and recovery-phase strategies, and how to approach new opportunities and optimize account health in the Digital Advertiser’s Guide to COVID-19
Microsoft Advertising. Intelligent connections.
advertising.microsoft.com