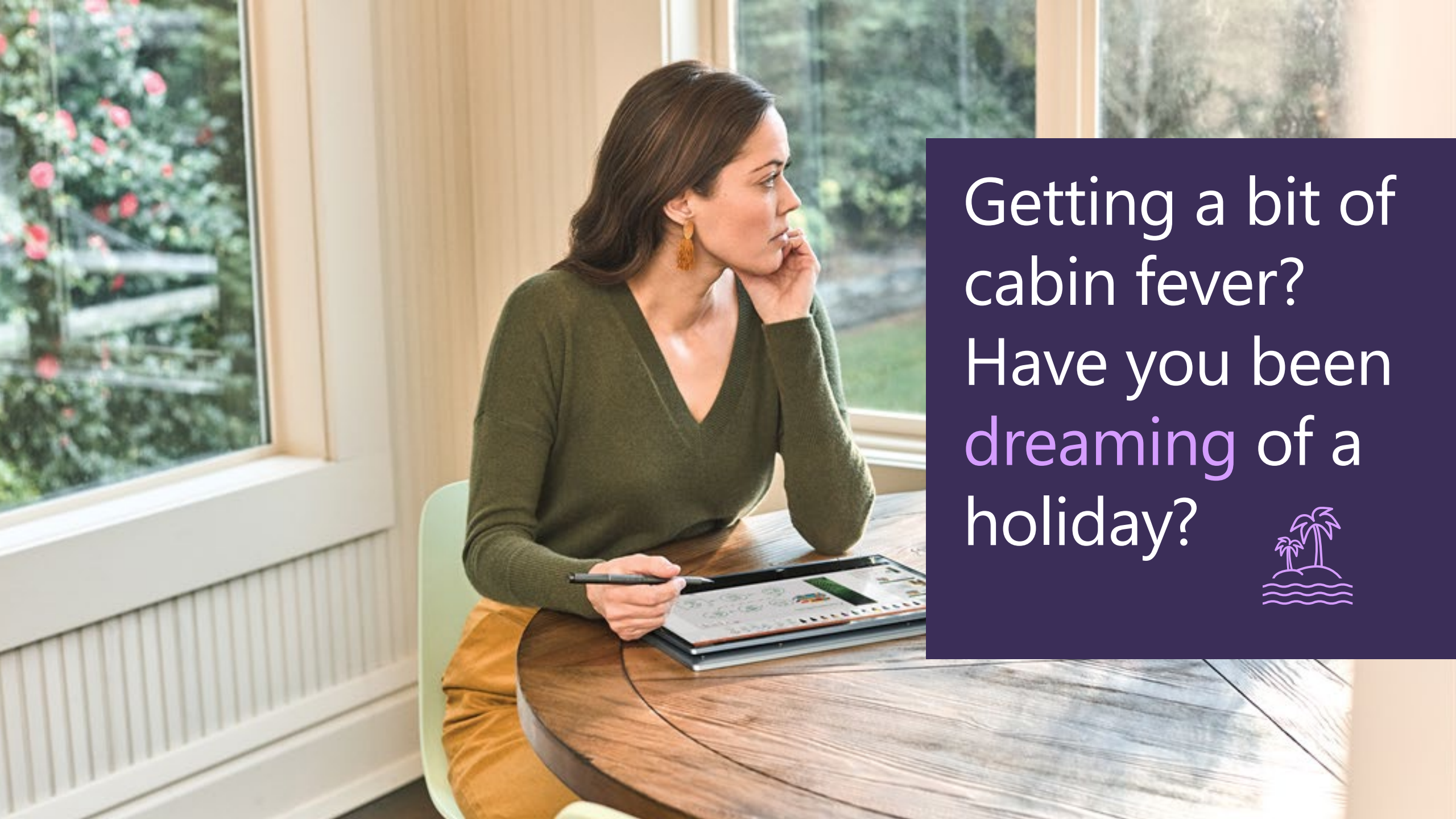# Travel insights (Australia)

May 26, 2020

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?

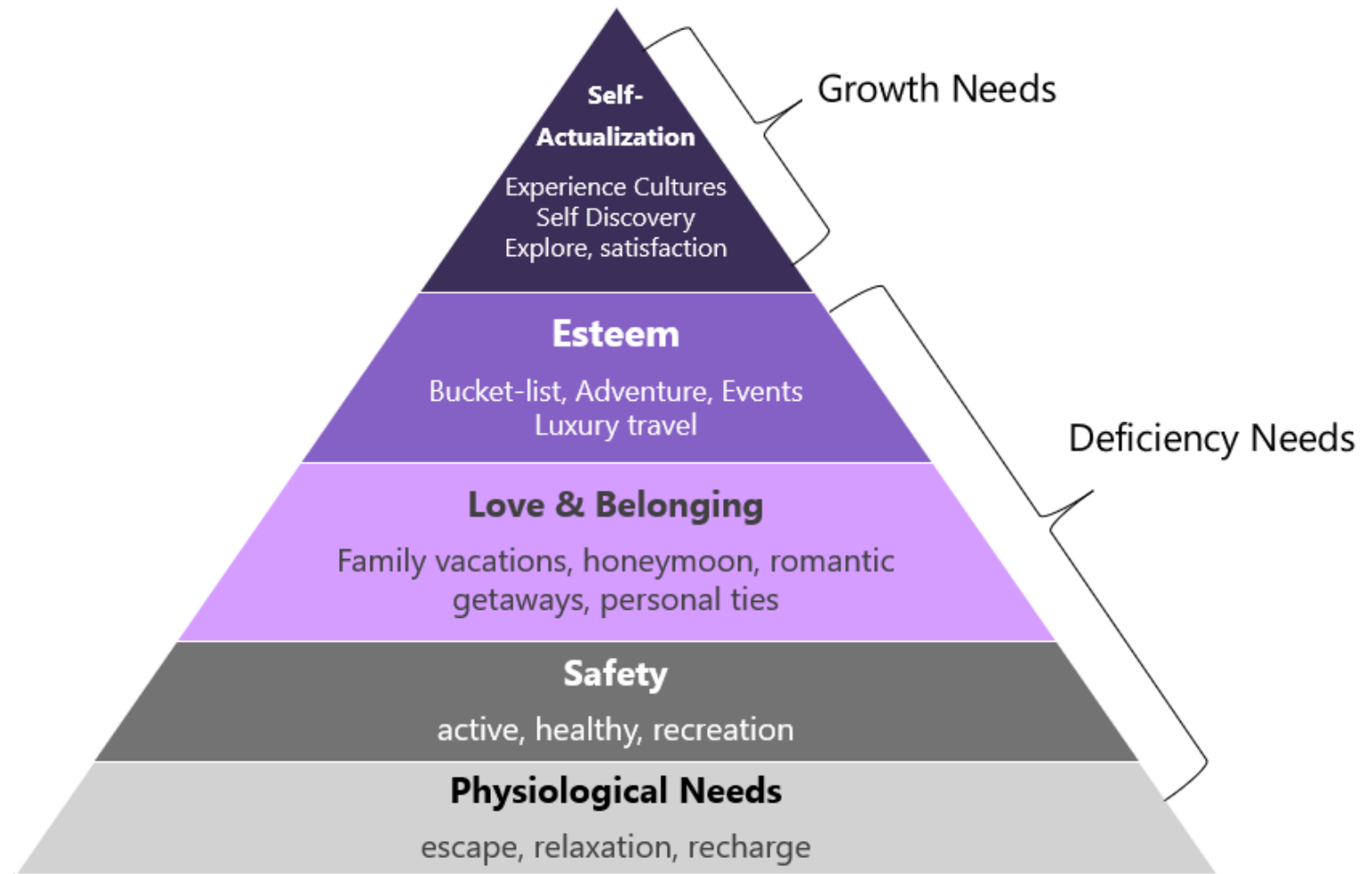Understanding why do people travel?

Track local and global case numbers and the latest news. **Coronavirus tracker**

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
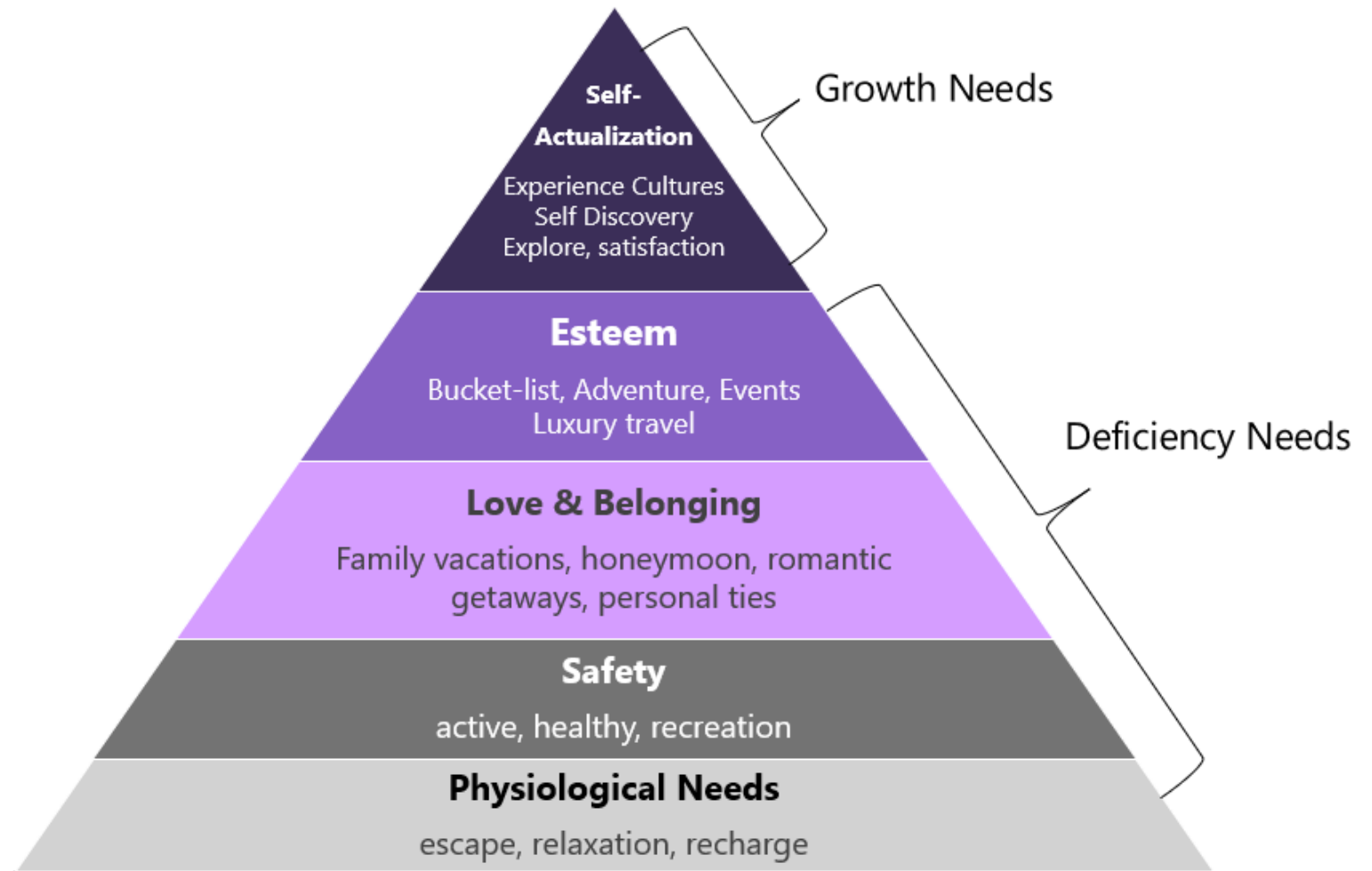
Starting from the bottom, once a level is met, the next level up becomes our new focus

Growth Needs

Deficiency Needs

Self-Actualization
Experience Cultures
Self Discovery
Explore, satisfaction

Esteem
Bucket-list, Adventure, Events
Luxury travel

Love & Belonging
Family vacations, honeymoon, romantic getaways, personal ties

Safety
active, healthy, recreation

Physiological Needs
escape, relaxation, recharge

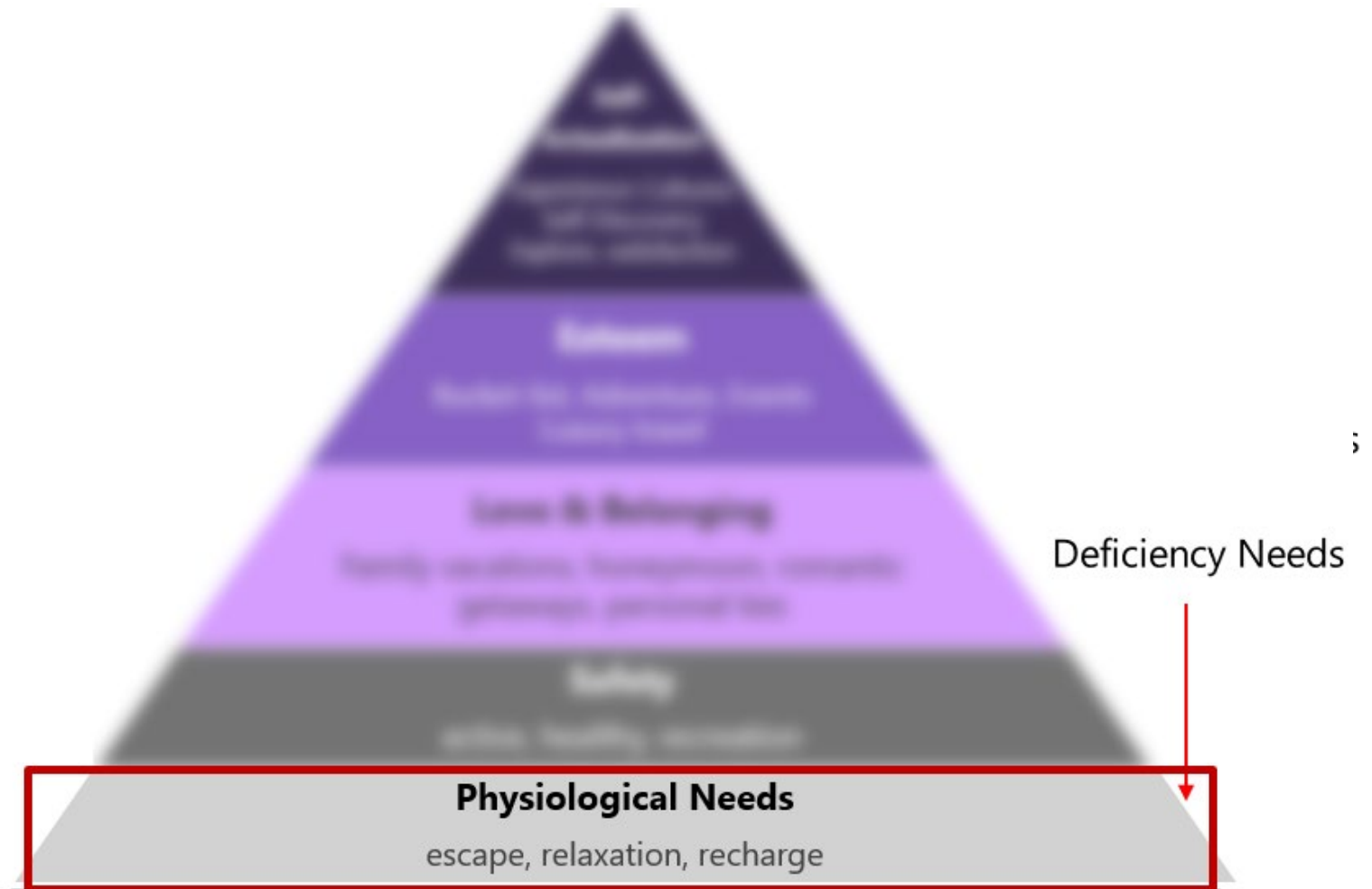Microsoft

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

Self-Actualization
Experience Cultures
Self Discovery
Explore, satisfaction

Esteem
Bucket-list, Adventure, Events
Luxury travel

Love & Belonging
Family vacations, honeymoon, romantic getaways, personal ties

Safety
active, healthy, recreation

Physiological Needs
escape, relaxation, recharge

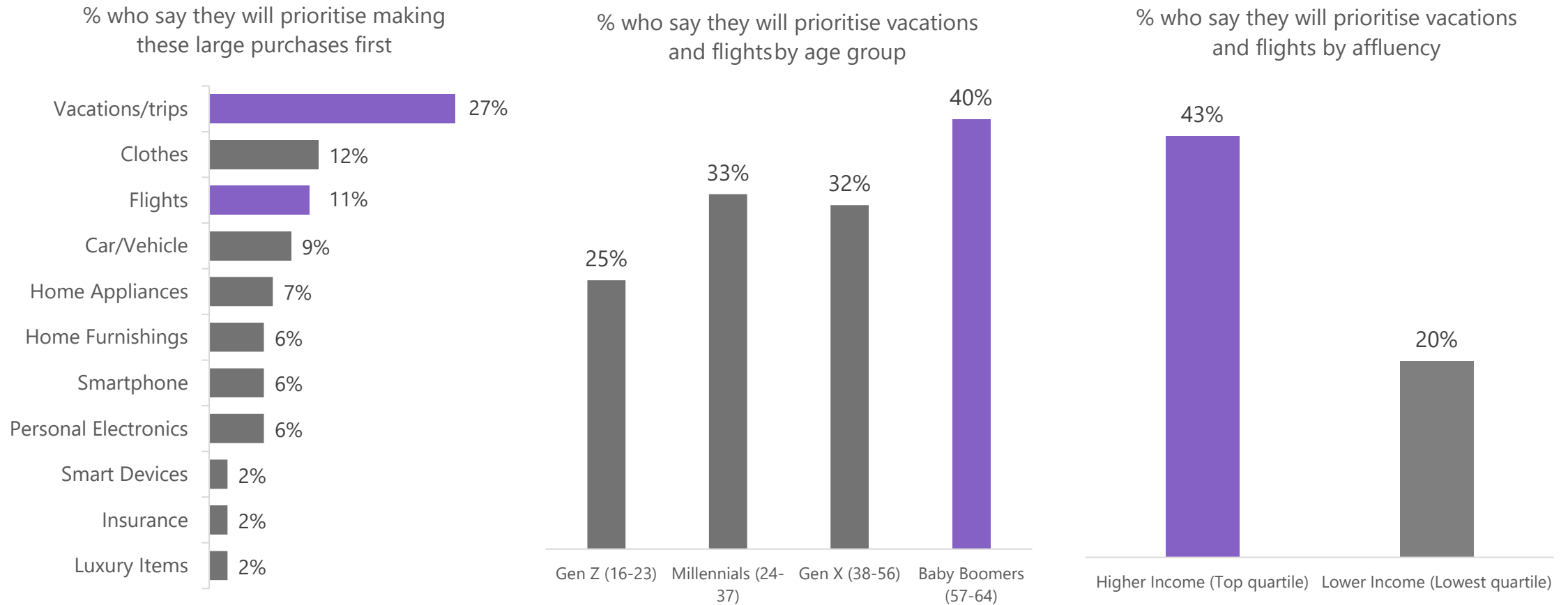Growth Needs

Deficiency Needs

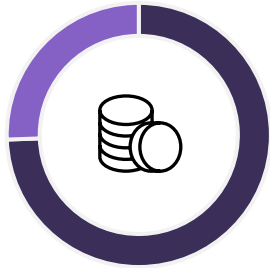Microsoft

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

% who say they will prioritise making these large purchases first

Category	%
Vacations/trips	27%
Clothes	12%
Flights	11%
Car/Vehicle	9%
Home Appliances	7%
Home Furnishings	6%
Smartphone	6%
Personal Electronics	6%
Smart Devices	2%
Insurance	2%
Luxury Items	2%

% who say they will prioritise vacations and flights by age group

Age Group	%
Gen Z (16-23)	25%
Millennials (24-37)	33%
Gen X (38-56)	32%
Baby Boomers (57-64)	40%

% who say they will prioritise vacations and flights by affluency

Income	%
Higher Income (Top quartile)	43%
Lower Income (Lowest quartile)	20%

Microsoft

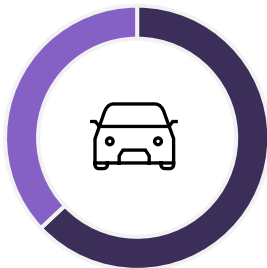# The unique benefits of the Microsoft Advertising audience

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

Microsoft

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?'
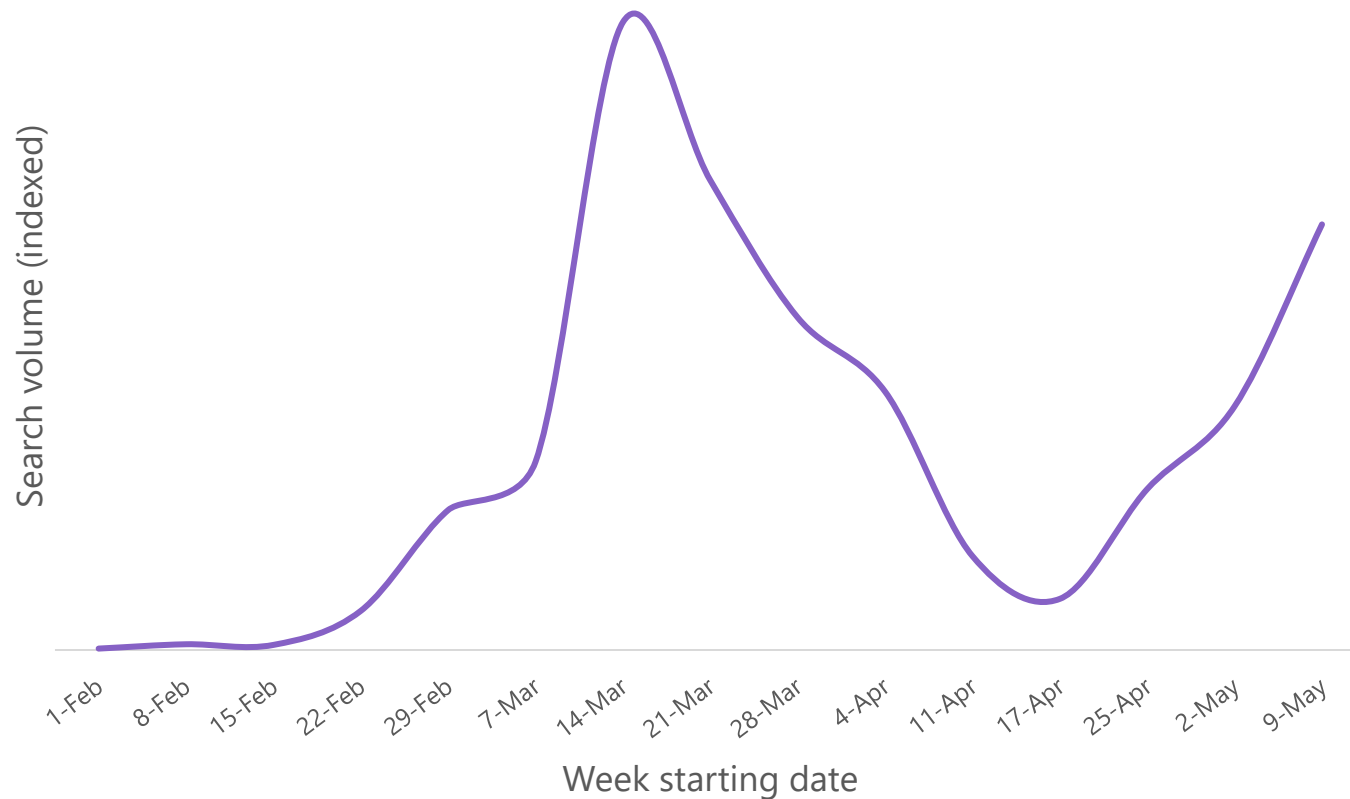
'can I travel to regional places'

'coronavirus cases tracking in Australia'

'when will we roll back the stages of lockdown'

'when will travel restrictions be eased in australia'

Growing anticipation for a vacation evidenced by renewed search interest in travel restrictions

Travel restrictions/ban related query volumes by week

Search volume (indexed)

Week starting date

1-Feb, 8-Feb, 15-Feb, 22-Feb, 29-Feb, 7-Mar, 14-Mar, 21-Mar, 28-Mar, 4-Apr, 11-Apr, 17-Apr, 25-Apr, 2-May, 9-May
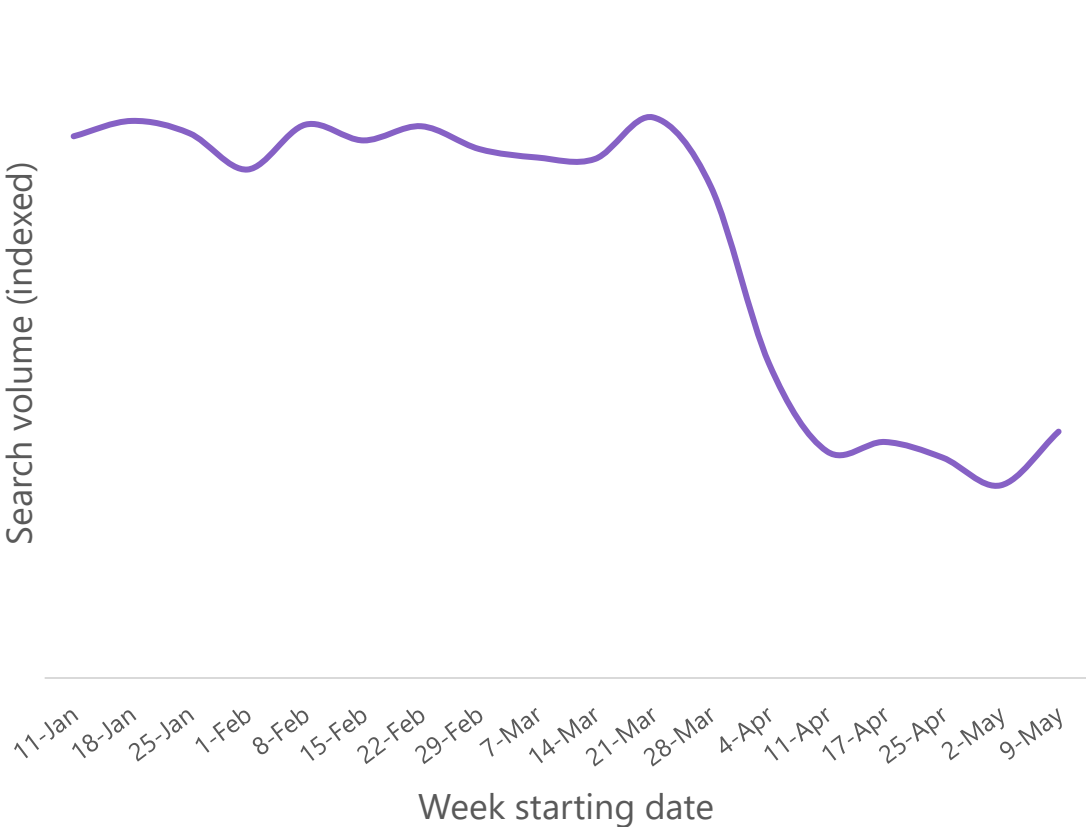
Key observations

The GlobalWebIndex report found the top three reasons[1] that would provide respondents confidence to travel again were:

1. Personal feeling of safety

2. Travel advice released by the government
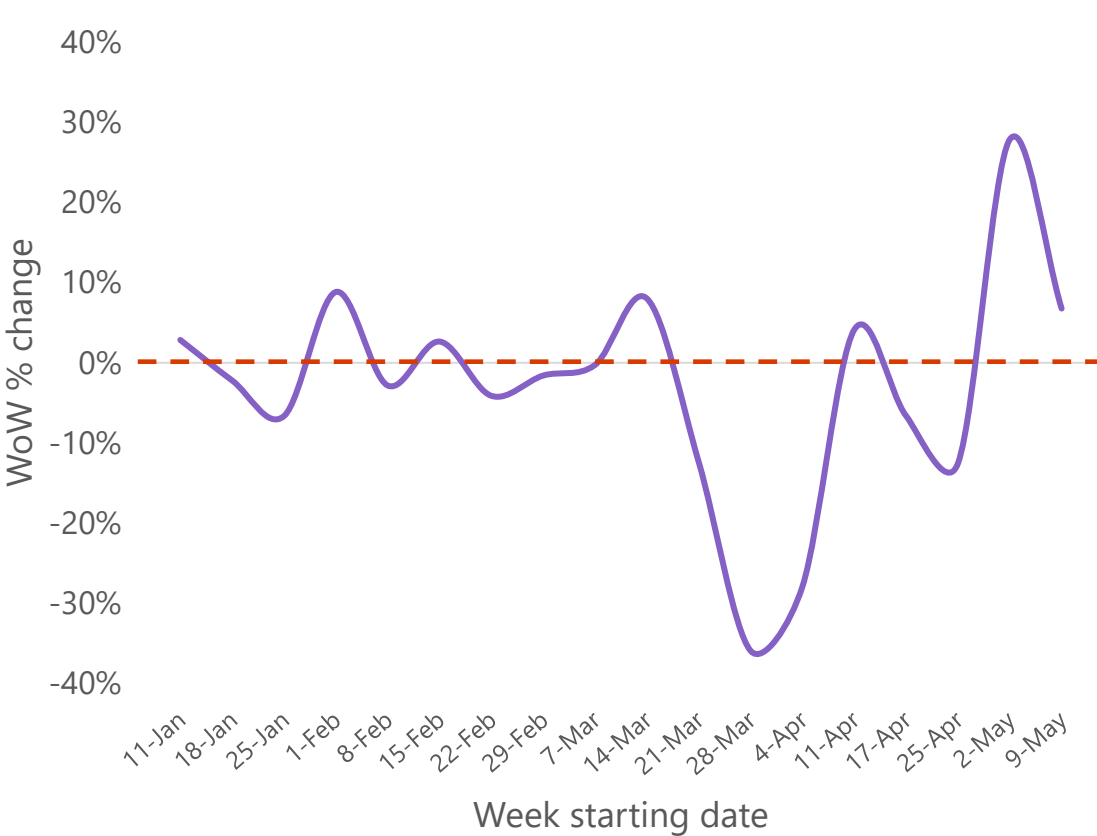
3. Lifting of "lockdown"/"stay at home" restrictions

Combined with the search trends[2], we can conclude that Australians are growing increasingly impatient, and ready to act once allowed

Microsoft

Recovery in the Travel sector on our platform appears to have begun
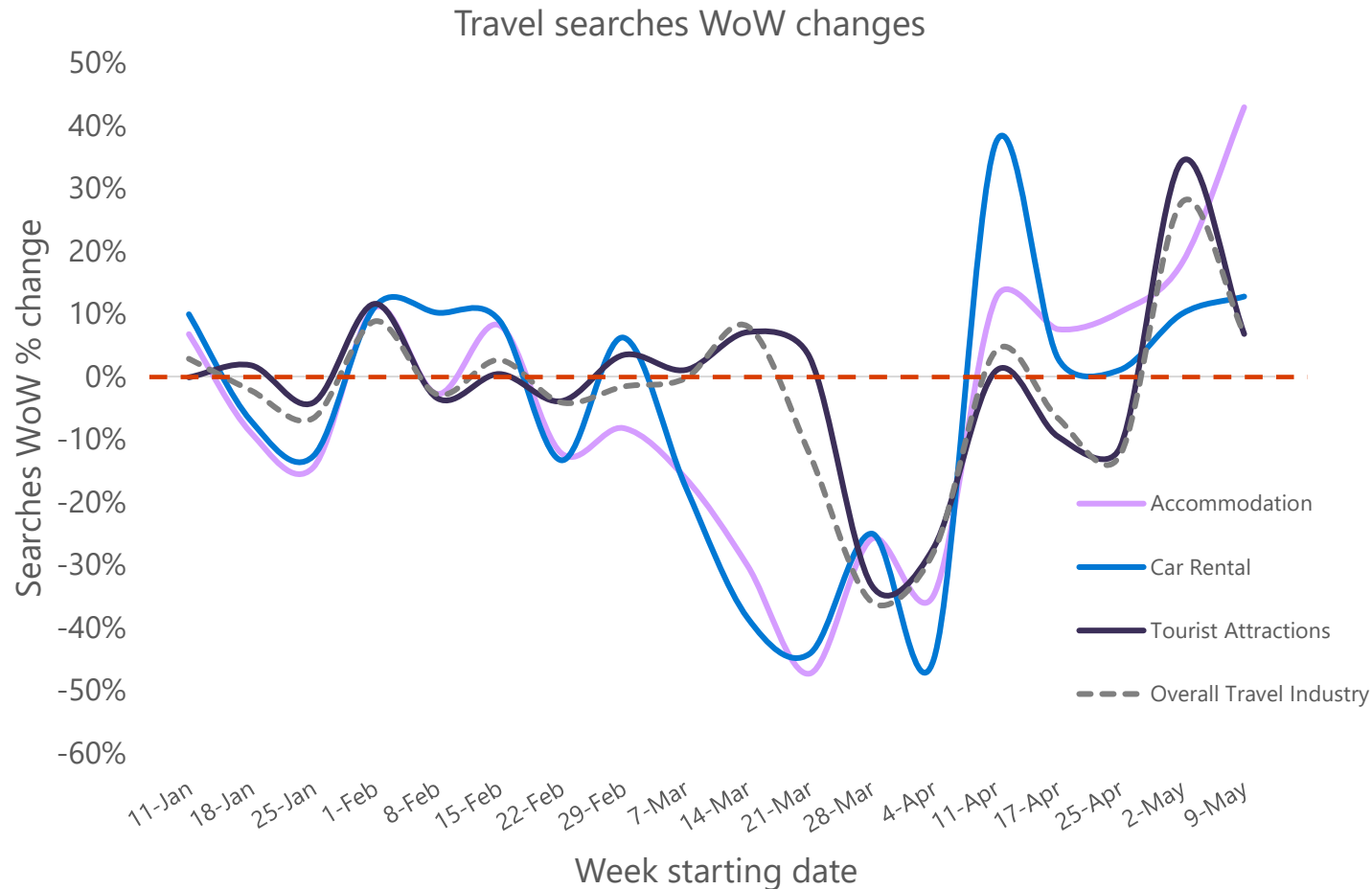
Travel search volume by week

Search volume (indexed)

Week starting date

11-Jan, 18-Jan, 25-Jan, 1-Feb, 8-Feb, 15-Feb, 22-Feb, 29-Feb, 7-Mar, 14-Mar, 21-Mar, 28-Mar, 4-Apr, 11-Apr, 17-Apr, 25-Apr, 2-May, 9-May

Travel week on week (WoW) searches

WoW % change

40%
30%
20%
10%
0%
-10%
-20%
-30%
-40%

Week starting date

11-Jan, 18-Jan, 25-Jan, 1-Feb, 8-Feb, 15-Feb, 22-Feb, 29-Feb, 7-Mar, 14-Mar, 21-Mar, 28-Mar, 4-Apr, 11-Apr, 17-Apr, 25-Apr, 2-May, 9-May

Microsoft

Signs of recovery surfacing across all categories of Travel, more pronounced in Accommodation, Car Rental and Tourists Attractions

Travel searches WoW changes

Source: Microsoft internal data | Travel | Jan - May Apr 2020 | Search volume | Data represents PC & Tablet
1. Last two weeks comparing values from week starting 9th of May compared to week starting 25th April.

Key observations

1. Searches within the travel industry on our platform over the last two weeks[1] 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

Microsoft internal data | Superannuation | Jan vs Apr 2020 | search volume

Microsoft

Interest in **Travel** has seen an encouraging recovery on our platform given all restrictions are still in place

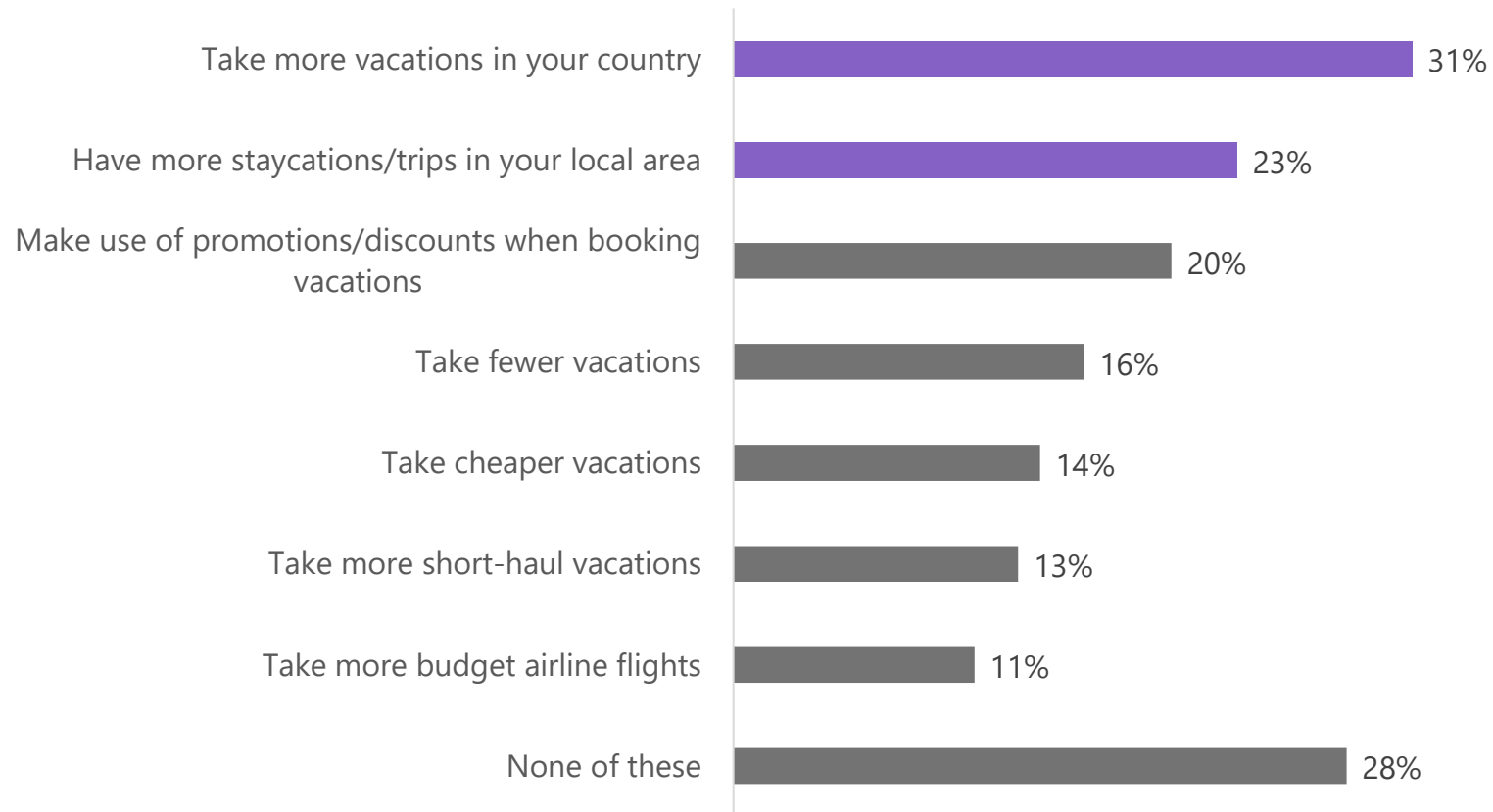## Domestic/International Travel week on week (WoW) searches

WoW % change

Week starting date

- Domestic
- International

20%
12%
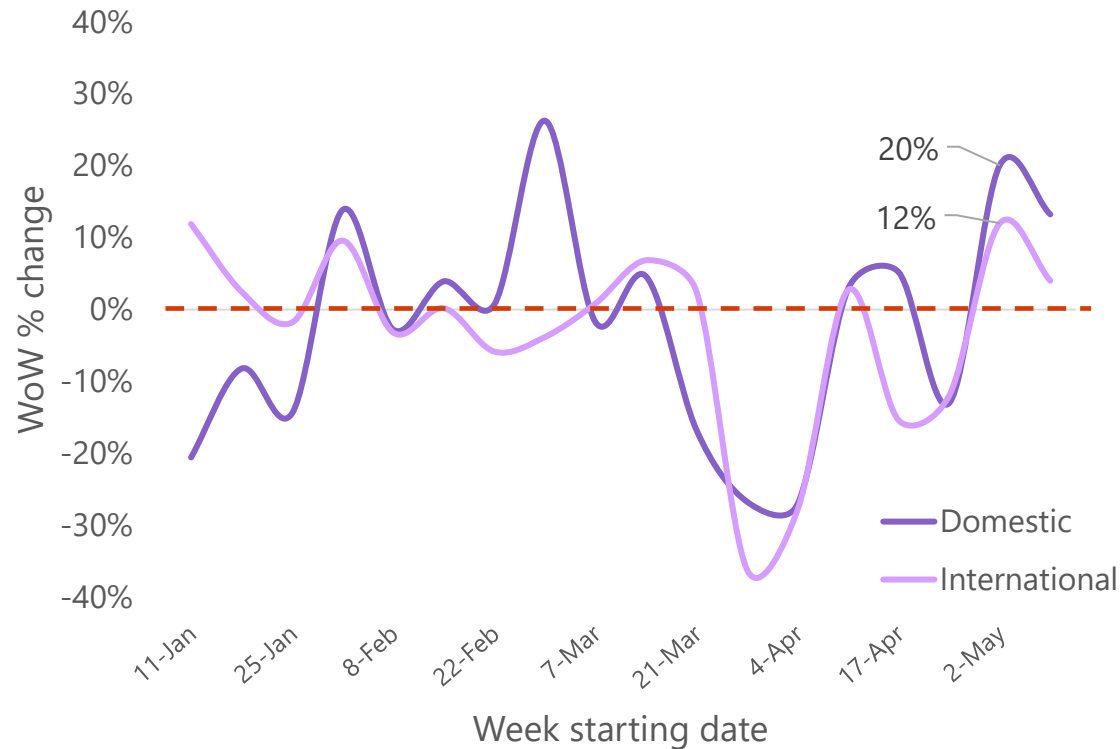
Domestic/International split
(April - May search volume)

International
72%

Domestic
28%

Microsoft
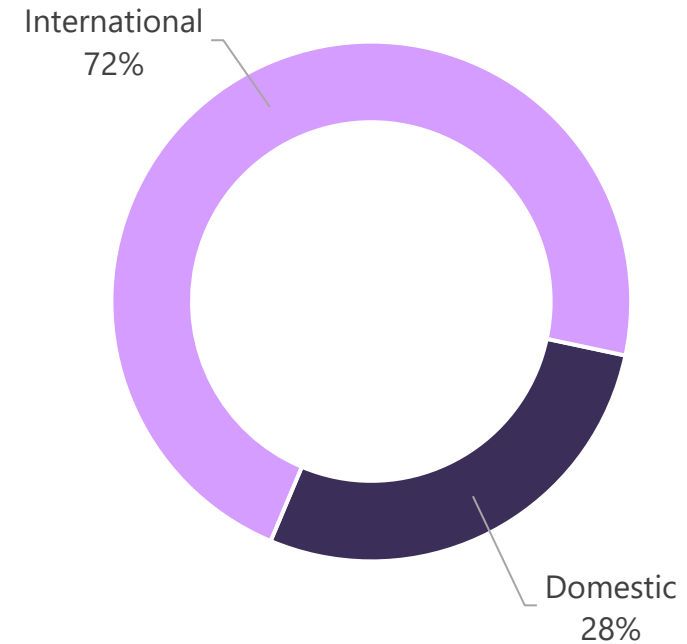
Domestic and Local travel is top of mind for dreamers

% Australians who say they expect to do the following after outbreak is over[1]

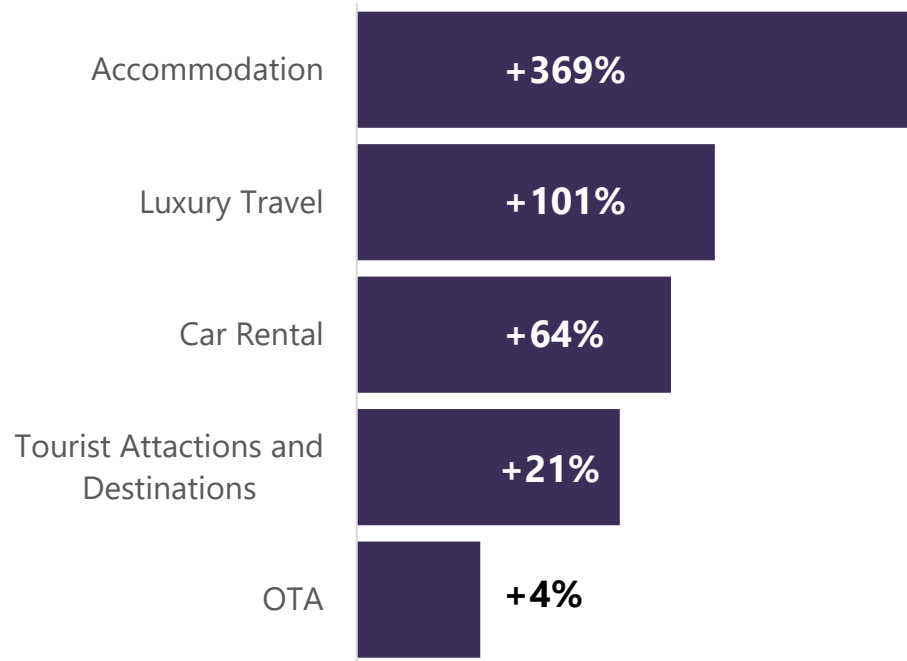| Category	%
Take more vacations in your country	31%
Have more staycations/trips in your local area	23%
Make use of promotions/discounts when booking vacations	20%
Take fewer vacations	16%
Take cheaper vacations	14%
Take more short-haul vacations	13%
Take more budget airline flights	11%
None of these	28%

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

Microsoft

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

Top 5 Domestic Travel categories

Category	% Change
Accommodation	+369%
Luxury Travel	+101%
Car Rental	+64%
Tourist Attactions and Destinations	+21%
OTA	+4%

Domestic Travel categories (sorted by search uplift)
% Change = May (projected) vs April search volume

Top 5 Domestic Travel sub-categories

Sub-category	% Change
Camping	+704%
Hotels	+358%
Luxury Deals	+102%
Ski Resorts	+92%
Wine Tours	+38%
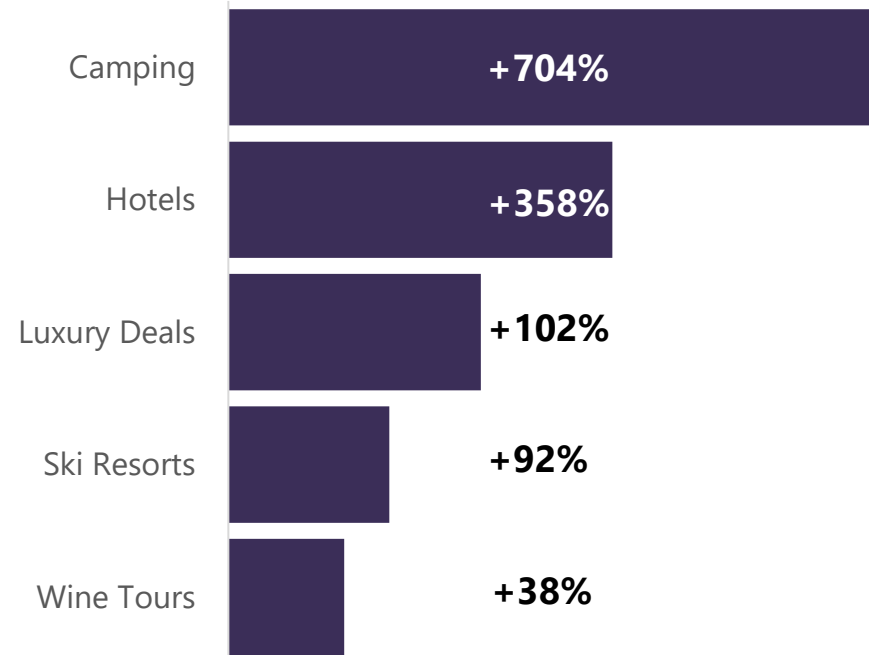
Domestic Travel sub-categories (sorted by search uplift)
% Change = May (projected) vs April search volume

Microsoft

Top trending queries have considerably grown in May compared to April as interstate travel restrictions are being relaxed.

⬆ Trending queries in Accommodation	⬆ Trending queries in Tourist Attractions and Destinations
'thredbo' (NSW)	'zoo'
'byron bay' (NSW)	'snowy mountains'
'port douglas' (QLD)	'luna park sydney'
'noosa' (QLD)	'carlton gardens melbourne'
'gold coast' (QLD)	'thredbo'
'margaret river' (WA)	'hunter valley'
'dunsborough' (WA)	'perisher'
'exmouth' (WA)	'kakadu national park'
'cradle mountain' (TAS)	

Microsoft

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.
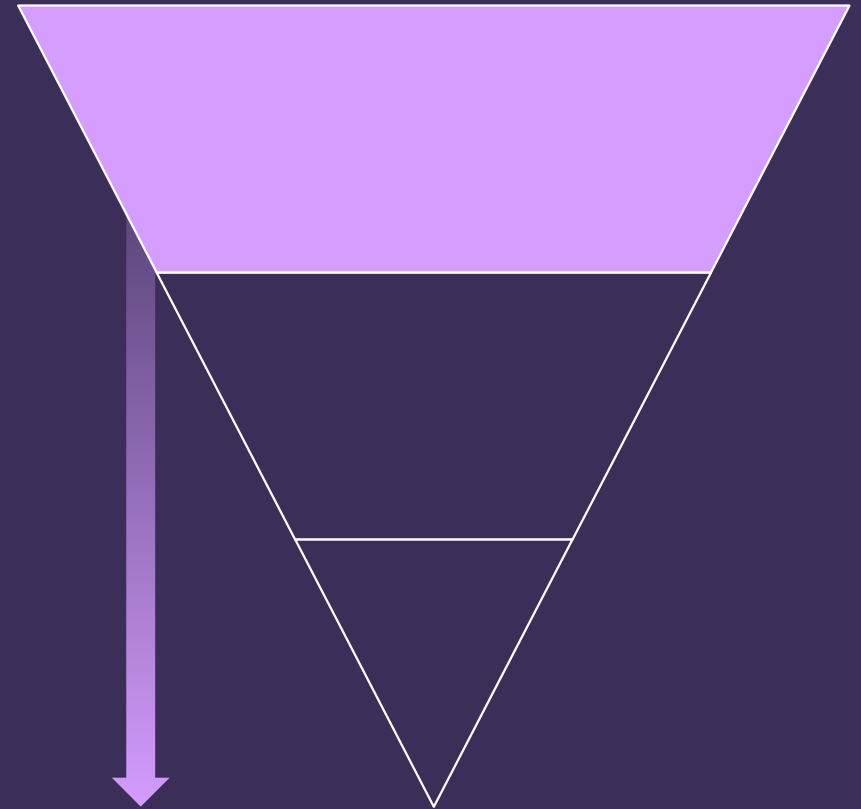
Microsoft

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 beginning their travel booking plans over the coming months ahead

Microsoft

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](#)

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