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australia



THURSDAY 27 AUGUST  
11 AM - 12 PM

# TRAVEL & TOURISM: PLANNING FOR SUCCESS THROUGH TURBULENT TIMES

THIS WEBINAR WILL START SHORTLY

# Our Industry Experts for Today



**Tessa Briscoe**  
Performance Director



**Phil Cowlshaw**  
Head of Advertising Cloud for  
Asia Pacific



**Emily Primavera**  
Digital Marketing &  
Optimisation Manager



**Craig Bonser**  
Commercial Director ANZ

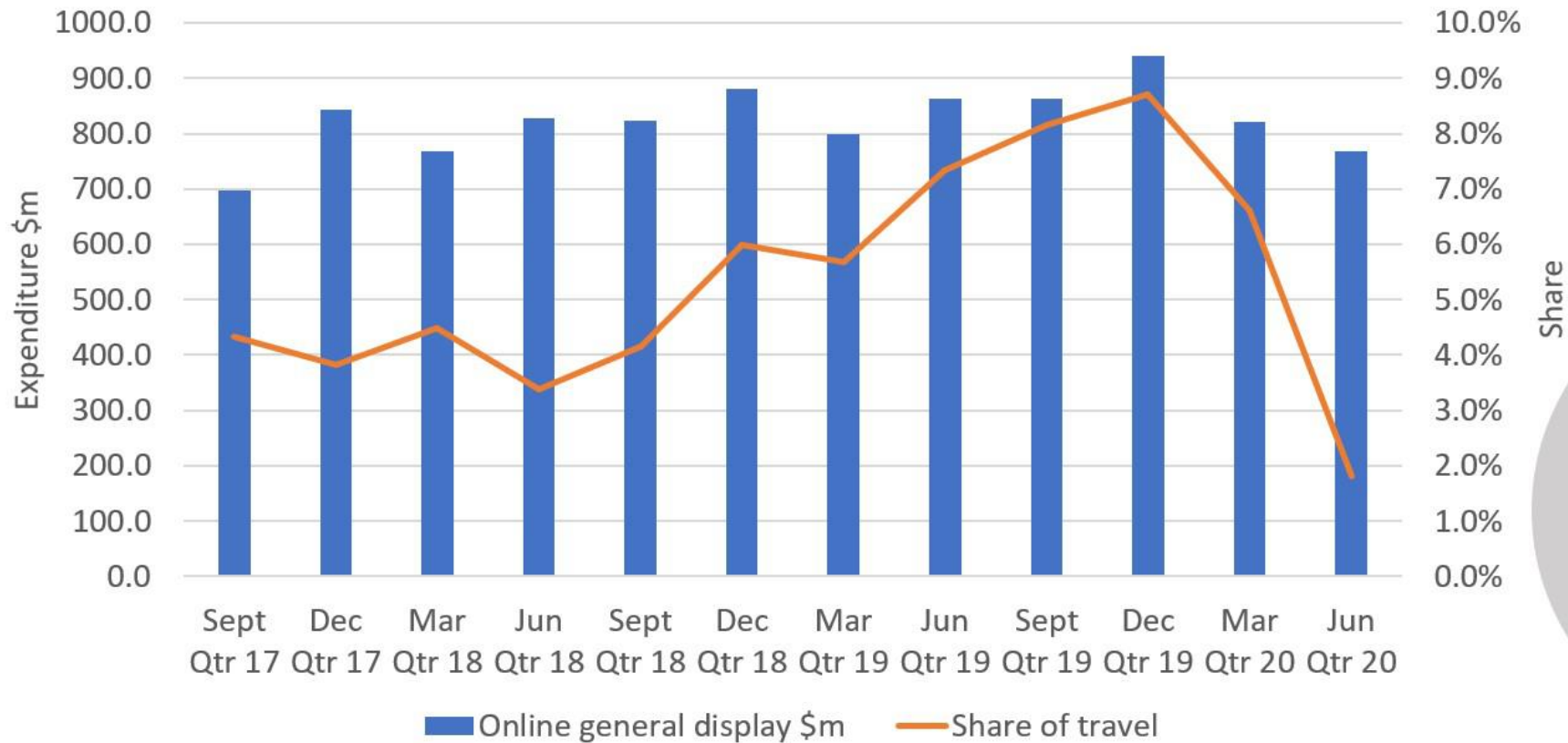
**Wavemaker**



**Quantcast**

# Travel online display advertising expenditure grew steadily from mid 2018 to end of 2019

DIGITAL DISPLAY ADVERTISING EXPENDITURE BY TRAVEL CATEGORY



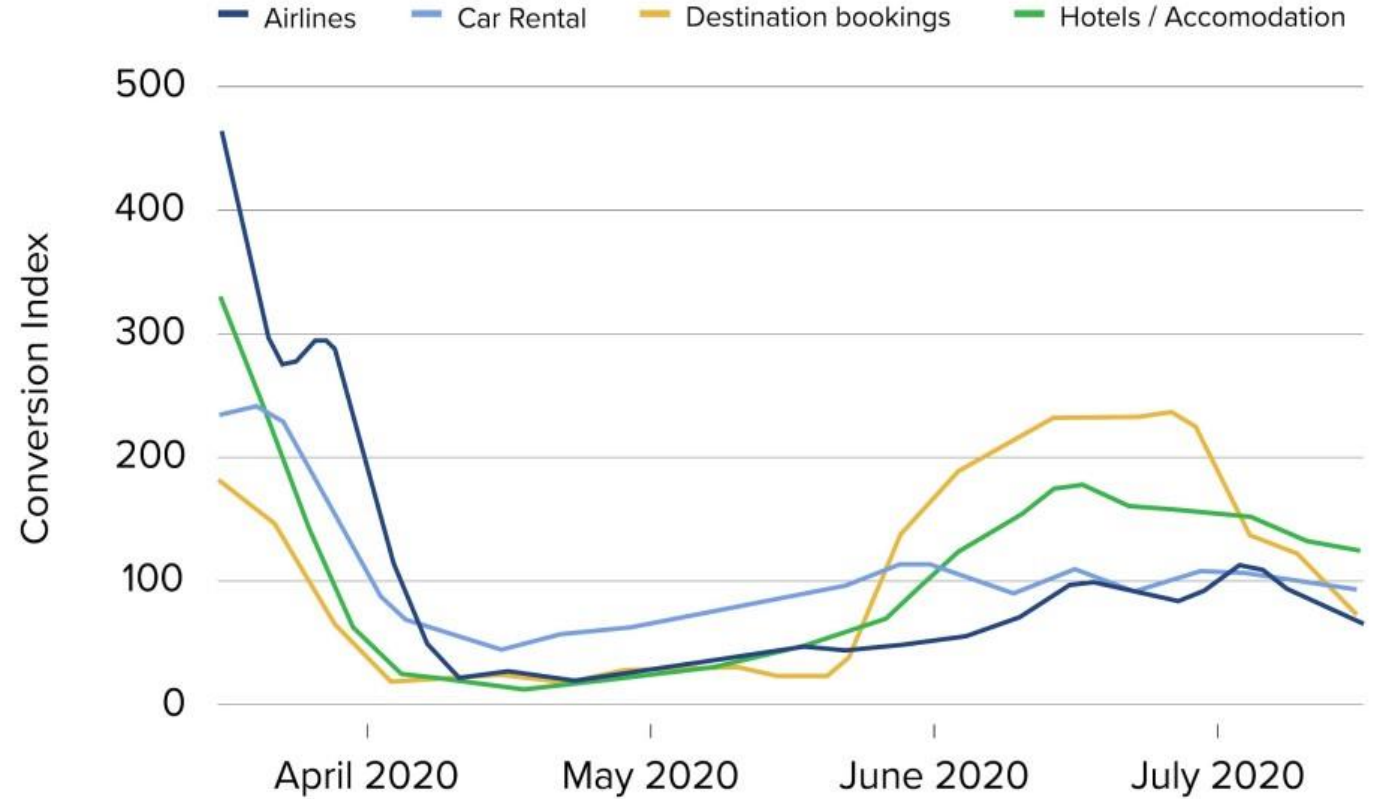
**\$3.4bn**  
spent on display advertising in FY20, 6.5% by travel advertisers (5.8% FY19)

# Travel Industry on the Uncertain Road to Recovery

Australia and New Zealand travel bookings saw sharp declines in mid-march, reaching their lowest point during the week of April 5th, but have been slowly rebounding ever since.

**Hotel and Destination bookings have seen the most promising signs**, with a huge surge in booking volume in May and June. While these numbers appear to paint a hopeful picture for travel, we are seeing some regression in July, as cases and consumer health concerns rise again.

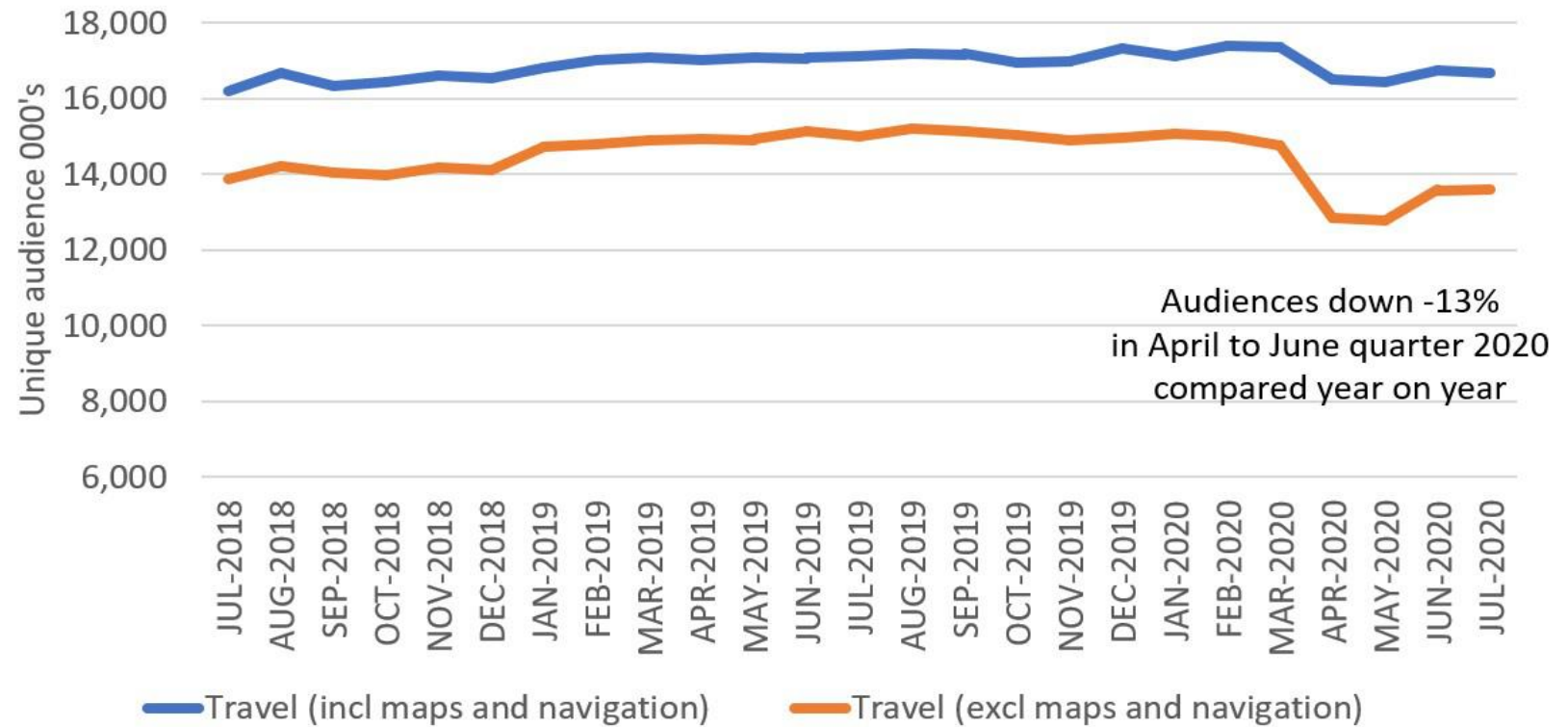
## AU/NZ - Booking Volume



# Australians are still dreaming about travel despite COVID-19 restrictions

## AUSTRALIANS CONSUMING ONLINE TRAVEL CONTENT AND SERVICES

**13.6 million**  
Australians consumed online travel content and services (excl maps & navigation) in July 2020.



## Adults in Australia Who Plan to Travel Domestically vs. Internationally Once Coronavirus-Related Travel Restrictions Have Eased/Lifted, by Demographic, June 2020

*% of respondents in each group*

	<b>Domestic</b>	<b>International</b>
<b>Gender</b>		
Female	52.5%	26.6%
Male	58.2%	30.9%
<b>Age</b>		
18-64	57.6%	31.7%
65+	47.3%	18.4%
<b>Total</b>	<b>55.3%</b>	<b>28.8%</b>

*Source: Australian Bureau of Statistics (ABS) "Household Impacts of COVID-19 Survey," June 29, 2020*



# HAVE MONEY, WILL TRAVEL

While they might be dialling it down a little, 80% of our readers are ready to spend on travel

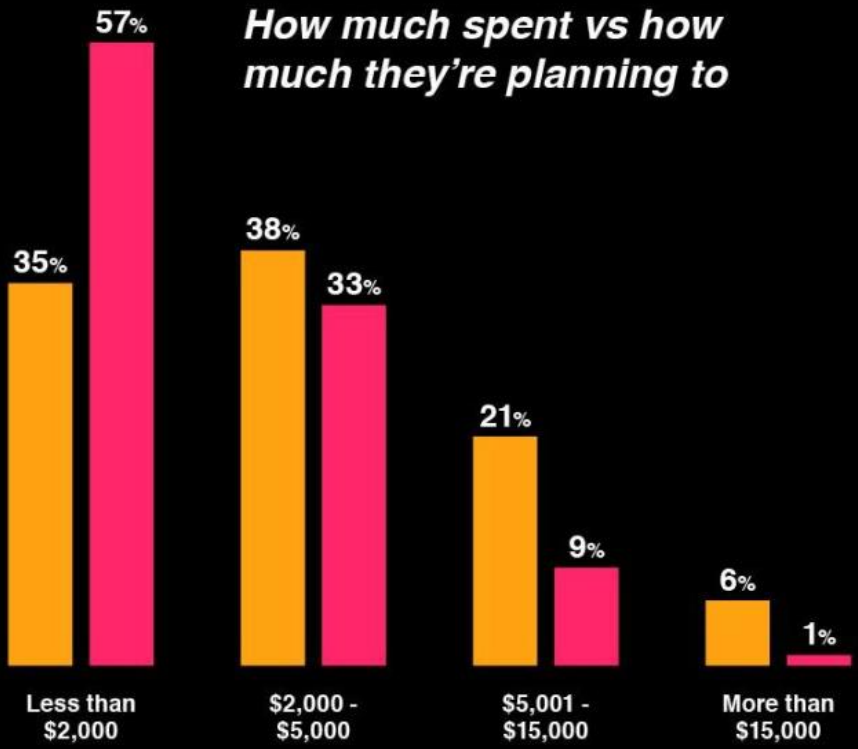


- No - I'll be staying home this year
- Yes - I'm cashed up enough to travel this year

# \$1,780

The average amount our readers have lost on cancelled or postponed travel arrangements due to COVID-19

## How much spent vs how much they're planning to



- Historic spend in last 12 months
- Planned spend in next 6-12 months (asked during COVID)

Source: Pedestrian Group reader survey July 2020 18-34 (n=4,980)

Source: Pedestrian Group reader survey July 2020 18-34 (n=1,471)  
Question: "Have you lost money on cancelled or postponed travel arrangements due to COVID-19?"

Source: Pedestrian Group reader survey January 2020 18-34 (n=5,745)  
Question: "Approximately how much did you spend on leisure travel in the last 12 months (AUD)?"

Source: Pedestrian Group reader survey July 2020 18-34 (n=4,980)  
Question: "Approximately how much (in dollars) do you plan on spending on leisure travel in the next 6-12 months?"

# Youthful Flight

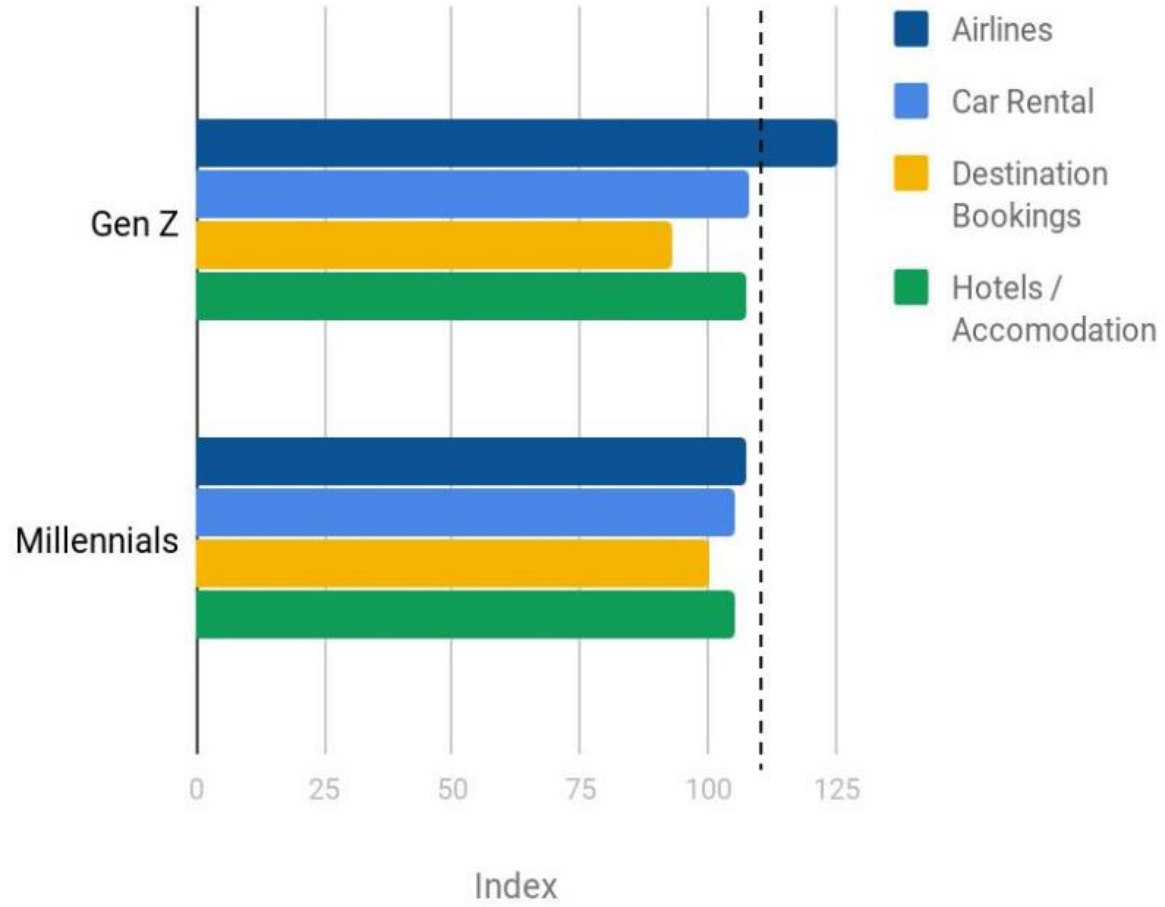
## Airline Booker Demographic Profile

We were curious to understand what aspects of travel different age brackets are drawn to. We discovered that while Gen Z and Millennials are seeing the greatest interest increases across the board, they are largely fueling airline sales. **Millennials are 1.25X more likely to purchase flights** than before the pandemic, showing that younger audiences are more willing take advantage of the current airline price discounts.

### How to reach younger audiences:

- Appeal to their price savvy buying habits with performance targeted airline offers.
- Leverage unique ad units, such as native and rich media, to break through the noise.
- “Authenticity” is key with younger audiences, so be mindful of tone, providing transparency and benefits messaging.

## Travel Booking Audience Shifts post-COVID





# Rise of the “Staycation”

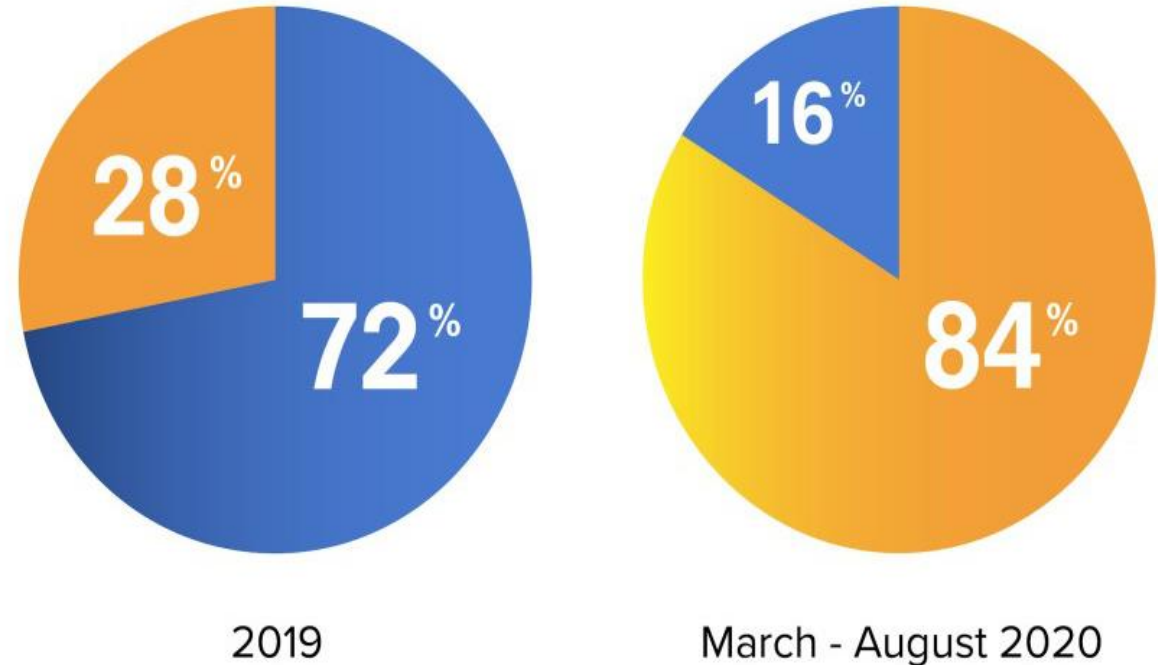
While booking volumes for Hotels, Airlines, Car Rentals and Destinations bottomed out in March and April, there are some signs of life. Hotel and Destination bookings are surging while Airlines stay low, indicating a shift towards “staycations”.

Diving into the destination data, we can see that this **activity is largely driven by local travelers**. In 2019, only 28% of Australian and New Zealand destination bookings were driven by locals, but amidst the pandemic, this has increased by nearly threefold. Locals are finally enjoying local tourism, either finding new places to stay within their city, traveling to nearby areas or exploring other states.

**How to reach the staycation consumer:** We recommend that you re-evaluate your current messaging, highlighting the hidden gems that locals may forget to appreciate and appealing to their need to escape.

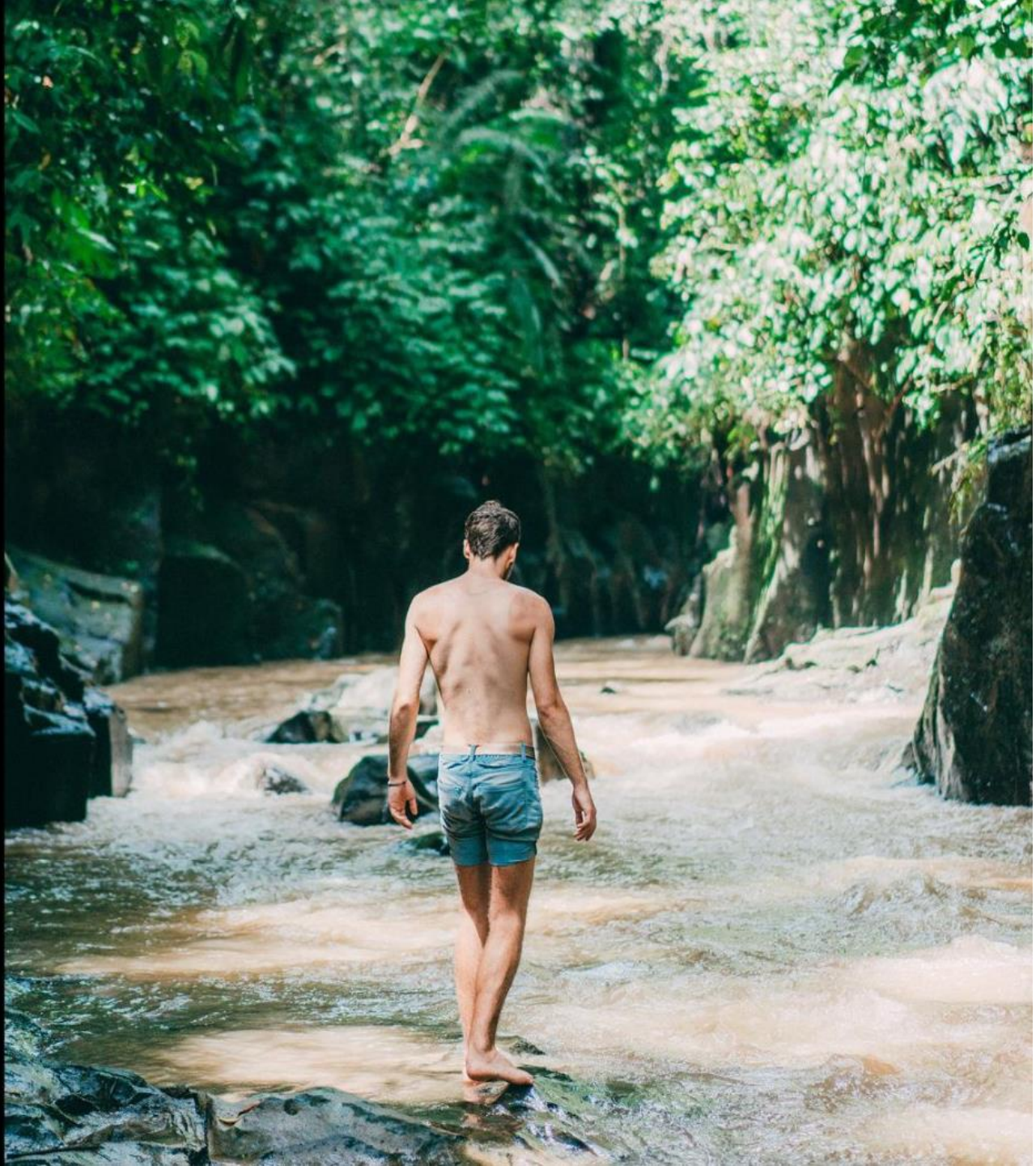
## Home Country of Australia Destination Booker

— AU/NZ Bookers — International Bookers



# TOP 5 BARRIERS TO BOOKING DOMESTIC TRAVEL

- 1. 51%** *Nervousness about health risks*  
say they don't want to risk contracting COVID-19
- 2. 37%** *Perceived hassle of planning*  
say that booking/finding suitable accommodation and flexi flights at the moment is off-putting
- 3. 17%** *Inability to take time off*  
say they aren't in the position to take annual leave to travel at the moment
- 4. 16%** *Financial constraints*  
say they can't afford to travel right now
- 5. 9%** *Lack of appeal*  
say travelling domestically doesn't really interest them



# TRAVEL INTERRUPTED

COVID-19 has turned the traditional traveller journey on its head, fundamentally disrupting the 'dreaming' and 'planning' phases - making the 'purchase' phase a bigger challenge to reach



**Dreaming**



**Planning**



**Booking**



**Experiencing**



**Sharing**

**COVID-SHAPED BLOCKAGE**



# ADVERTISING THROUGH ECONOMIC DOWNTURN

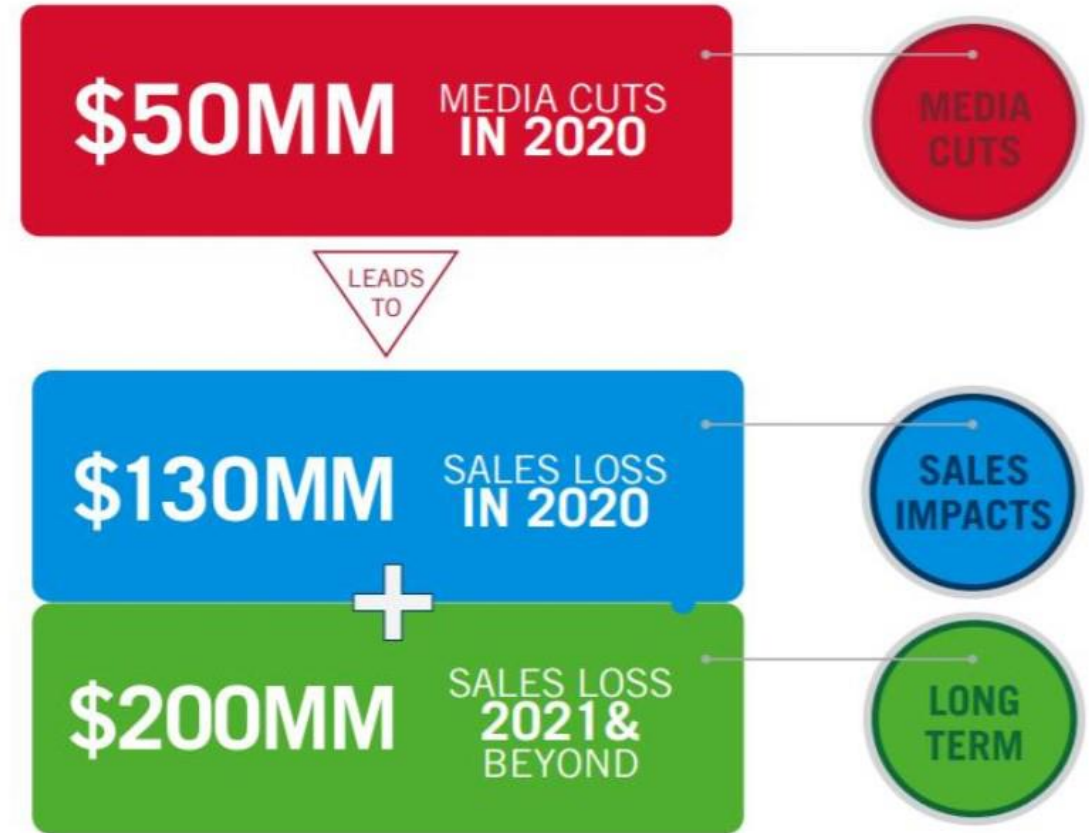
A SYNTHESIS OF MARKETING RESEARCH  
EVIDENCE TO SUPPORT CONTINUED  
INVESTMENT

JUNE 2020

# Brands reducing media investment in 2020 stand to lose revenue this year, next year and beyond



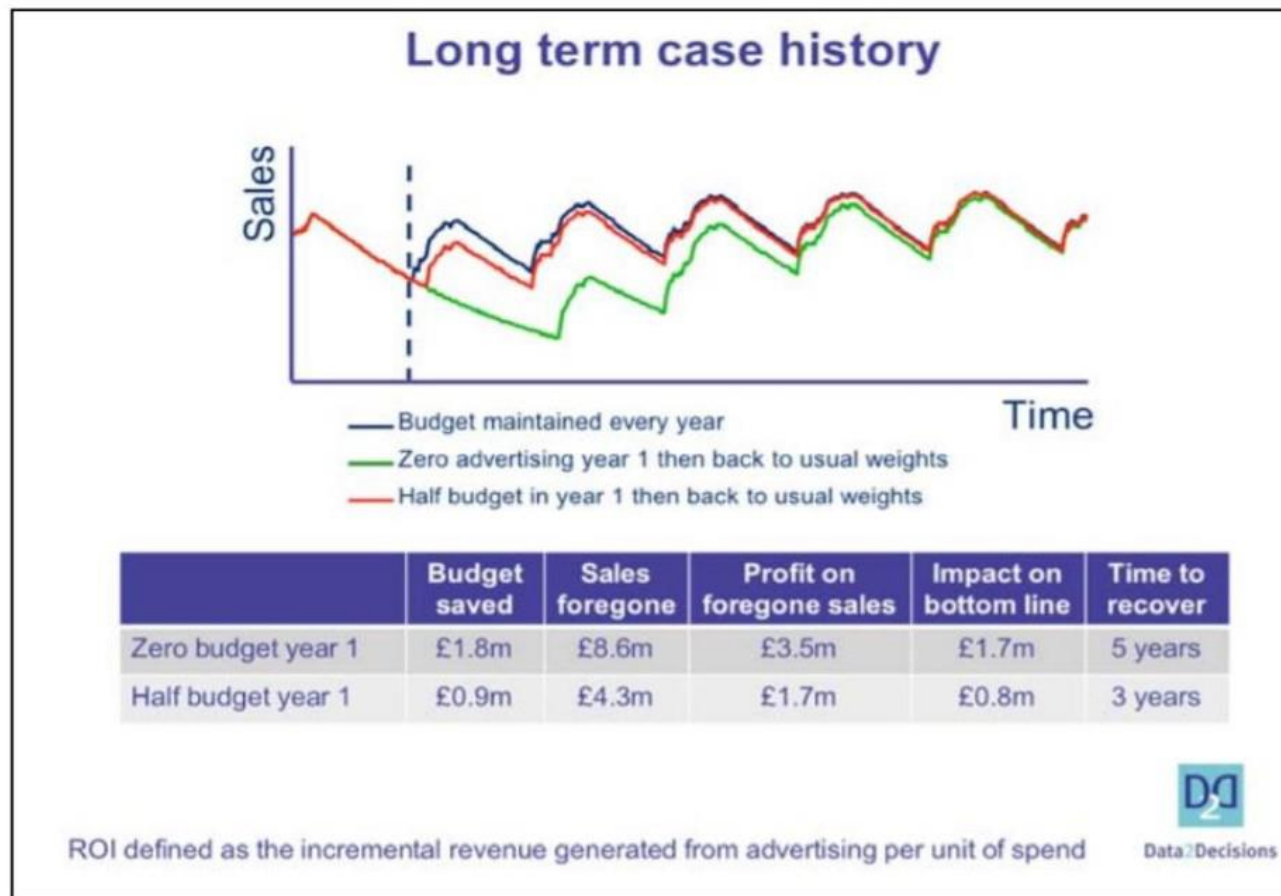
Analytic Partners ROI Genome research shows that a brand that reduces its media spend in 2020 by \$50MM will on average stand to lose \$130MM in revenue in 2020 alone... and when factoring in the long-term implications of this reduction, the number increases to well over \$300MM.



# Sales recovery takes five years if budgets cut for one year

Econometric consultancy [Data2Decisions](#) modelled budget cutting scenarios for a typical brand -

- Following a budget cut, a brand will continue to benefit from the marketing investment made over the previous few years. The longer-term business harm will be more considerable but will not be noticed at first.
- The long-term effects of two different budget-cutting scenarios were modelled for the brand. In the first scenario the budget was cut to zero for just one year and then returned to usual levels. In the second scenario the budget was halved for one year and then returned to usual levels. Sales recovery to pre-cut levels took five and three years respectively.



# Digital Marketing Through Change



**Emily Primavera**  
Digital Marketing &  
Optimisation Manager  
South Australian Tourist Commission



# Industry Panel and Q&A



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THURSDAY 3 SEPTEMBER  
11 AM - 12 PM

# IDENTITY, COOKIES AND iOS 14





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