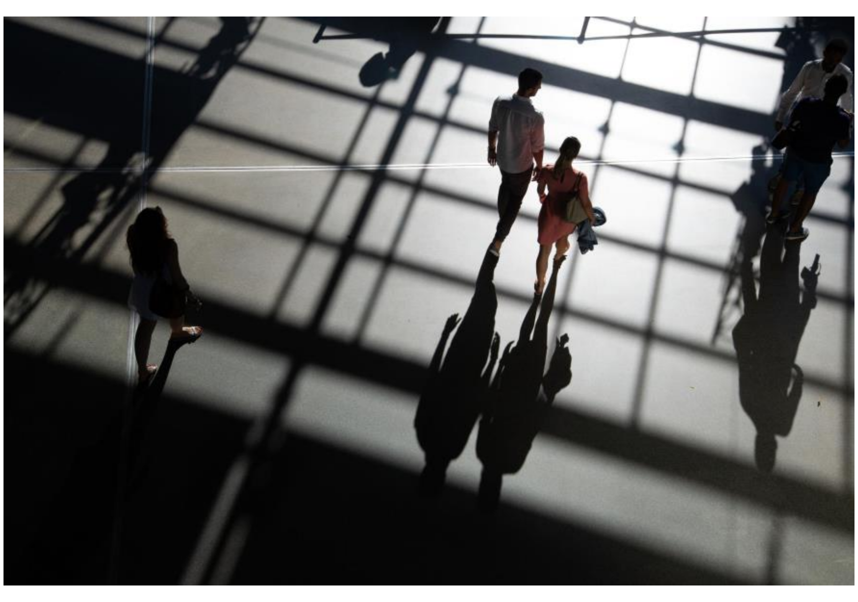
Travel behaviors energized by the pandemic



COVID-19 will leave an imprint on the sector for some time to come.
The pandemic majorly disrupted the travel industry, bringing global tourism to a grinding halt. Once initial lockdowns eased, there was an uptick in domestic travel and micro-trips, and even after international restrictions subside, consumers will be drawn to staycations, which are seen as lower-risk and more budget-friendly and sustainable than long-haul trips.
Digital health passports and touch-free interactions will remain necessary features of travel in the short term, with consumers wanting to see hygiene and safety at the top of brands' agendas. Meanwhile, for wealthy consumers wary of travelling with crowds, the ultimate luxury will be personal space. They will seek out exclusivity and peace of mind from members-only offerings and subscriptions.

Main concerns

- GenZ Student 18-25, Childless 26-40: Lost or get stolen their personal belongings
- Family 26-40: Health issues abroad; Legal problems abroad
- Active Senior 56-65, Senior >65: Have to self-isolate / quarantine on arrival / return from travelling

TRENDS #1

Back to Nature

During the COVID 19 pandemic, many consumers reconnected with nature spending more time outdoors as an escape from lockdown.

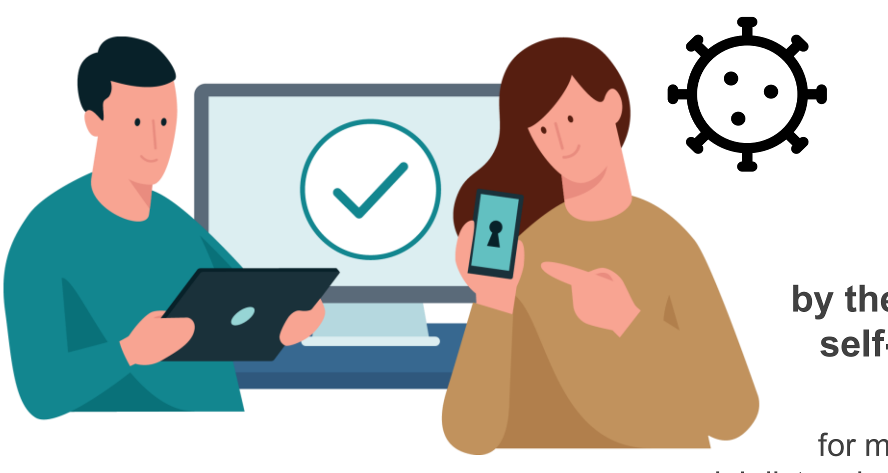
At nature destinations, consumers will take part in activities such as camping and outdoor sports, which have a unique risk profile compared to other tourist experiences.

61% – **Family 26-40** will travel closer to home in the future

31% – **GenZ / Student 18-25** have already starting to travel domestically as they travelled before

TRENDS #2

The Death of Risk



Travel is one of the areas most impacted by the heightened risk awareness and desire for self-protection that the pandemic has enabled.

Risk-aversion has become embedded in / mandatory for much travel-related activity (e.g. vaccination passports, social distancing, masks) but is also becoming more apparent among consumers themselves: they increasingly prioritize safety over adventure, and are engaging with risk-reducing products and services.

Families & Seniors are clearly the most risk adverse across all generations.

- **Family 26-40** – **71%** check the health risk / restrictions of a destination before booking
- **Family 41-55** – **66%** expect airlines, hotels and other travel industry players to provide reinforced hygiene measures
- **Senior >65** – **74%** are now more likely to avoid risky destinations

Travel insurance buying intention – Trip abroad (vs pre-pandemic)

Childless 26-40	Family 26-40	Family 41-55	Active Senior 56-65
46%	51%	50%	57%
+15% vs last trip abroad pre pandemic	+12% vs last trip abroad pre pandemic	+19% vs last trip abroad pre pandemic	+21% vs last trip abroad pre pandemic

> In result we could notice an high uptake of travel insurance buying intention from all the generations for their next trip abroad

TRENDS #3

Sustainable Living

The idea of 'flying shame' (i.e. people avoiding flying as a transport method for eco reasons) is still nascent, yet increasingly shifting from a mere consideration to real action for a growing group of consumers.

→ This is especially true as better alternatives emerge in the form of e.g. improved rail networks, and not everyone is comfortable with flying in the COVID-19 era.

→ The slow travel trend, which positions the journey itself as a holiday destination/activity, also promotes more sustainable holiday options like train travel or travel by recreational vehicle (motorhomes, campervans, coaches, caravans)

62% – **Family 25-40** will pay attention to the environment impact of their travel in the future compared to pre-pandemic.

48% – **Active Senior 56-65** will travel closer to home in the future compared to pre-pandemic

TRENDS #4

Experience Seekers

Consumers across markets and generations seek exciting and enriching experiences to build memories, boost status and shape their identities. During COVID-19, this appetite for experiences never diminished, as was demonstrated through the rapid development of and participation in presence-free alternatives.

→ Many consumers are ready to **re-engage with in real life** experiences once again.

→ Not all consumers have been impacted equally in terms of their personal finances during the pandemic. While some lost their job, others managed to build up excess savings during prolonged periods of lockdown; though it is likely that some will –at least short-term –take to '**revenge' spending**. This revenge spending will be applicable to experiences, with consumers keen to make up for lost time and missed activities.

→ New experiences that emerged during COVID-19, such as **workations** – where consumers travel to novel, exciting destinations to work remotely - are likely to maintain appeal and become an established feature of travel behaviours in the post-pandemic world.

New experiences

57% – **Childless 26-40** are looking for new experience when travelling.

56% – **Family 26-40** are more interested in private group travel (eg luxury camping, private villas, private beaches)

46% – **Family 41-55** are more interested in wellness travel (eg. retreats, spa and massage wellness)

Research comes from Allianz Partners' Customer Lab, a proprietary quantitative database of consumer insights. The above data comes from a wave from spring 2021 surveying 21K consumers across Mexico, Thailand, Switzerland, Austria and Singapore, Japan, Turkey, Slovakia, Romania, Greece and Portugal, and including questions related to COVID emerging new behaviours. Trends come from Foresight Factory Collision