

Anticipating the Future of Travel





Accepting that we **can't fully predict but can prepare** for the future opens us to more opportunity.

So, how do we expect needs to change in a post-pandemic world.

How we already know the world will change...

Prioritizing people goes from trend to hygiene

Consumers are watching to see which businesses will throw their people under the bus in this crisis, and are publicly shaming the ones that do.

The desire for natural and untouched over urban and artificial will surge

City centers have become hotspots for the virus, and shelter-at-home in many places has gone on for months. Expect a longing for wide open spaces, nature, and fresh air.

The trend towards regional and domestic travel will accelerate

As borders close without warning and regions become epicenters of the outbreak, travellers will prioritize destinations that allow an easy return home if needed.

Shorter trips will increase

Whether due to safety concerns, or smaller budgets, expect travelers to go on a few days' trip rather than spending one or two weeks away. Because of this, they're also less likely to see more than a few attractions, or try many restaurants.

The death of the middle is here

Even as the wealthy flee to country homes, millions are losing livelihoods. Rising anger at the inequity combined with plummeting disposable income mean that brands can't play both sides.

Values will flip- from image and luxury, to safety and responsiveness

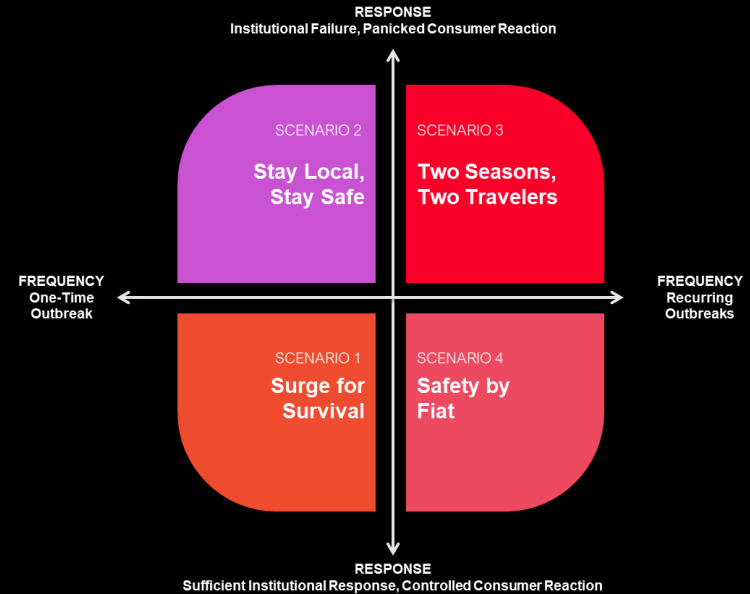
Consumers no longer take basic safety regulations for granted. They'll also prioritize speed of response. Companies are being castigated for being slower to adapt things like free fare changes before customers demanded them.

...but what are the most likely future scenarios for our industry? And how do we best prepare?

With so many unknowns, it's smart to prepare for a range of possible futures, rather than assuming one outcome.

That's why Kantar, an insights and consultancy company, have come up with **four broad futures** that businesses and consumers need to prepare for.

Smart Travel Lab has analyzed what those possible futures might mean for travel & hospitality and how we can all **get out of this better and stronger**





1

CLOSE CALL

“Surge for Survival”

Institutions take aggressive measures and the **outbreak is contained**.

There is a **short window of opportunity** to recover from losses as consumers relieve their cabin fever with a **surge in demand for open spaces, culture & good food**.

Those that cannot maintain the resources to compete head-on once restrictions are lifted **will be left behind**.

Changes in Consumer Mindset

**CLOSE
CALL**



“Surge for Survival”

“I have been waiting for my life to resume for months. As soon as quarantine lifts, I am going to catch up on my missed travel but reflect more on the choices I make.”

Cultural

- People are much more focused on health concerns
- Tension between privacy and safety, also between countries
- People have a sense of having narrowly skirted disaster, which leads to a sense of optimism and resiliency
- People reassess their values and how they spend their time. Former distractions, now revealed as superfluous, lose their appeal as people adopt a more spiritual mindset.

Focus

- Health & safety
- Local communities
- Frequent-short-domestic
- Small-scale vs. mass
- Countryside
- Contemplative travel

Generational

- **Boomers:** Resilient and unfazed: “What, me worry?”
- **Millennials/X:** Even a mild economic slowdown hurts these generations’ ability to make payments on debt and build wealth and potentially impacting travel
- **Gen Z:** Watching society successfully navigate a crisis brings this generation a sense of optimism and can-do spirit, with a desire to go out

Avoid

- Big cities
- Large crowds
- Long haul trips
- Highly affected regions
- Unempathetic travel organizations





2

PANICK ATTACK

“Stay Local, Stay Safe”

The system starts breaking down. Without governmental reassurance – or relief-
people take matters into their own hands.

They hunker down, support their local businesses, and become extremely risk-averse.
Even when governments declare the pandemic over, *people's habits have changed indefinitely*

Only hotels, restaurants and travel providers that can demonstrate they deserve to be trusted –
with impeccable control standards and ethical practices - will survive.

Changes in Consumer Mindset

**PANICK
ATTACK**

“Stay Local, Stay Safe”



“I will re-evaluate the brands which were part of my lifestyle. I will only let those with a transparent & thorough plan to be part of my circle of trust”

Cultural

- Protection from exposure at all costs is top of mind
- Ongoing political **polarization** strengthens amid an atmosphere of mistrust
- People stay closer to their "tribes" and become even **less trusting** of perceived outsiders
- Faith in institutions is severely eroded.
- **Self-reliance is the norm** throughout the crisis as trust is only slowly rebuilt.

Focus

- Saving for future travel
- Postponing events & big travel plans
- Solidarity with local small businesses
- Companies offering creative solutions
- Technology driven solutions

Generational

- **Boomers:** Seized with extreme fear of infection, they pull back spending even more than average consumers
- **Millennials/X:** These generations are hit hard with their lower levels of wealth and need to support parents and/or children
- **Gen Z:** "Failure to launch" similar to what Millennials experienced in Great Recession

Avoid

- Expensive trips
- Physical interaction
- Large events
- Brands that don't show significant progress / improvement





3

RECURRING NIGHTMARE *“Two Seasons, Two Travelers”*

With no signs of an end to the threat, **COVID-19 will create its own seasons**, at least for the next few years

For a good part of the year there is a **frantic rush to enjoy good food and travel**. For the remaining part, lockdowns are mandatory. In order to survive, the **travel and hospitality industry needs to find alternative business models** and sources of revenue during lockdown.

It's not just seasons that divide the world. **Pandemic castes emerge**, with the well-off spending the year in escapist luxury while the rest fume. Brands need to choose whether they will play to these elite, and risk the wrath of the masses, or find ways to provide affordable thrills to those that can barely afford to travel.

Changes in Consumer Mindset

RECURRING NIGHTMARE



“Two Seasons, Two Travelers”

“Big travel plans are reserved for the rich. I just want to be able to afford some time out in nature before quarantine season sets in.”

Cultural

- Health concerns dominate all others as people seek ways to stay fit while **limiting group contact**
- People spend more time apart from each other than ever, and they have a **strong craving for connection**—increasingly met through digital group experiences.
- People **turn almost completely away from existing institutions**, which are recurring reminders of their failure in the crisis

Focus

- Extreme seasonality
- Virtual travel experiences
- New local eco systems
- Experiencing international & cultural travel locally

Generational

- **Boomers:** The life and death reality of annual outbreaks takes a **serious toll on mental health; depression, loneliness** and suicides rise. **Nest eggs are spent quickly** as people worry that they may have fewer years to enjoy savings.
- **Millennials/X:** A complete inability to get ahead economically ensues. Having already been through the Great Recession, this generation demands fundamental changes
- **Gen Z:** Like Millennials, this generation demand major changes in politics and the economy

Avoid

- Crossing borders
- Traditional tourism (Eg. Cruises & Costas)
- Physical interactions





4

BRAVE NEW REALITY

“Safety by Fiat”

COVID-19 is **unstoppable**, yet **also manageable**.

Governments impose **rules on everything from cleaning standards to design regulations**. They push through regulations **allowing them to requisition resources** (like hotels, kitchens, or planes) as needed during “COVID-19 season”, and **quickly close borders** at even a hint of infection. Companies look for new forms of **pro-active collaboration** to redefine a new industry and avoid government interference.

Changes in Consumer Mindset

**BRAVE NEW
REALITY**

“Safety by Fiat”



“I’m willing to trade privacy and convenience for safety and stability.”

Cultural

- Health and **wellbeing become a pervasive concern** —with a much greater focus on limiting damage— in contrast to the focus on health optimization that defined the 2010s.
- A grim resolve defines peoples’ mindsets as the world adjusts to a new normal with **fewer of the pleasures previously known**
- Style and **aesthetics move away from unnecessary ornament** toward solutions that help people cope mentally and physically

Focus

- Virus free destinations
- Extensive testing as part of travel experience
- Data & Touchless technology
- International travel guidelines
- Virtual as the new normal
- Spread out trips over the year vs. peak seasons

Generational

- **Boomers:** Libertarian “self sufficiency” mindset prevails, attempts to self-quarantine are mixed
- **Millennials/X:** Create new norms of community engagement to support parents, each other and young children through crisis
- **Gen Z:** COVID-19 is the watershed event that shapes this generation’s worldview, leading them to adopt a cautious mindset toward experiences

Avoid

- High-risk destinations
- Remote locations
- Peak season
- Non-essential travel

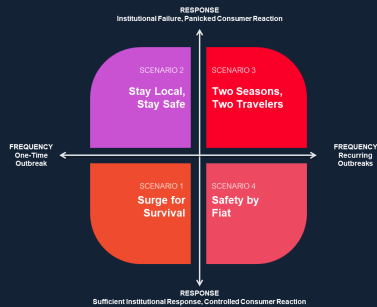


So, what's next?

First pilot projects to be in-market within the next 8 weeks

Future casting

Define most likely scenarios
& impact on the industry



April



Challenge shaping

Define key challenges &
opportunities for innovation



May

Solution scouting

Scout for key solutions
(in the making) within global
start- & scale up community



May

Pilot projects

Define concrete pilot projects
& coaching for impact



June-Aug

Find out more:

Travel & hospitality
companies

Contact us

for one of our **free virtual workshops**
or **challenge shaping sessions**

on the future of travel & hospitality
& *how you can best prepare*

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KANTAR

Accelerating the next generation of travel

Future casting
Start- & scale up scouting
Innovation collaboration projects

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Humanizing growth

Strategy
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Capability building

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