

KANTAR

The **5** forces
shaping
global travel



Since travel came to an abrupt halt in Spring 2020, all eyes have been on a single question: how to get travellers and holiday-makers back to pre-pandemic habits?

But as the dust settles, industry leaders have reached a consensus: there's no going back, and more change is yet to come.

So what lies ahead? Kantar's strategic foresight team have been looking at how global forces of change are impacting travel, where new opportunities are opening up and what an industry fit for the future might look like.

We've identified five key forces of change:

De-globalisation

COVID-19 has accelerated the de-globalisation trend, driven by geopolitics, the global economy and pressures of de-carbonisation.

Technology

The rise of hybrid lifestyles and blurring work/leisure boundaries are creating new opportunities for tech to provide seamless experiences.

Localisation

Sustainable tourism is focusing not simply on impact on the environment, but also on local communities.

Wellness

COVID-19 and lockdowns mean demand for Wellness tourism has shot up, with new, emerging experiences enhanced by science.

The Barbell Effect

While most incomes are being squeezed, the global super-rich are returning to travel with gusto, seeking new experiences of luxury, adventure and exclusivity.

A person is seen from behind, standing in a dark room and looking out a window. The window has a grid pattern. Outside the window, a vibrant, rainbow-colored reflection of a forest scene is visible, with trees and foliage in shades of purple, blue, green, and yellow. The person's hands are raised, touching the window frame. The text "DE-GLOBALISATION" is overlaid in white, sans-serif capital letters across the middle of the image.

DE-GLOBALISATION

While countries are opening up at different rates and domestic tourism continues to be popular, globalisation isn't being driven exclusively by COVID-19. Geo and national politics, emission controls and the rising cost of living all guarantee disruption to travel for the next decade and beyond.

COVID-19 accelerated de-globalisation, but it began well before the pandemic turned our world upside down.

Since 2008, we've seen a gradual reversal in globalisation driven by protectionist policies, a focus on more resilient local supply chains, and new spheres of economic and cultural influence.

Carbon costs remain a long-term threat to global movement, despite a flurry of bookings post-lockdowns. The Oxford Net-Zero tracker has found that more than 80% of global GDP is now under a national net-zero target – driving a need for aggressive change across industries to deliver new systems and

economies with forensic transparency. The Russian-Ukrainian war adds another dimension, with sweeping sanctions on Russia – compounding the threat of a global recession. In our **2022 Global Monitor survey**, we discovered that when participants were asked to list three current world events that were worrying them, 72% of them immediately listed war, and 36% the economy.

Finally, staff shortages continue to plague businesses. Falling unemployment rates coupled with increasing demand for travel have seen the industry struggling to fill vacancies, putting huge pressure on travel infrastructure and services.



“Future of travel is going to be somewhere where sustainability, local life quality and tourism and profits intersect.”

DOUG LANSKY TRAVEL EXPERT & AUTHOR

Case Study

Chinese Domestic Tourism

In China, the on-going Zero-COVID policy means international and even inter-province travel remain risky. As a result, the urban middle class is seeking respite from strict lockdowns in more local experiences – camping, picnicking, or heading out to the suburbs to find new experiences such as Nongjiales, the Chinese equivalent of farm-to-table restaurants.

Brands such as Sanfo Outdoor – a large outdoor equipment store in Beijing – are benefiting from this rapidly increasing demand. The store sells high-quality outdoor sports and camping equipment across three locations, but they say recent sales have been of less specialised items such as camping chairs, picnic blankets and canopies.



De-globalisation – here's what the industry needs to consider



FLEXIBILITY AND VERSATILITY

As the travel industry seeks to rebuild the areas hit hardest by the pandemic, flexibility and versatility are paramount. The focus should go beyond rebuilding existing aviation and travel routes to identifying new business opportunities and diversifying revenue.



NET-ZERO EMISSIONS

Net-zero emissions will continue to dominate discussions with governments, with the sense of civic responsibility set to become ever more urgent. Success will depend on the ability to deliver sustainable initiatives at a pace that exceeds regulatory changes.



STAFF SHORTAGES

Seamless travel experiences to encourage both leisure and business travel will require alleviating shortages. Having people in place to meet shifting demand patterns necessitates increased engagement from current employees and more flexible benefits for new recruits.

A glowing jellyfish is centered in the frame against a dark background. The upper portion of the jellyfish, including its bell and tentacles, is illuminated with a vibrant blue light. The lower portion, which appears to be the oral arms, is lit with a warm orange and yellow glow, resembling a cluster of fiber optic cables or a starburst of light. The word "TECHNOLOGY" is written in a white, sans-serif font across the middle of the image, positioned over the transition between the blue and orange light areas.

TECHNOLOGY

Demographics shifts, changing households structures and the fluctuating rhythms of daily life are reshaping expectations of providers and the nature of travel itself is changing, with demand for fluid spaces that can adapt to leisure and remote work. As travel becomes less delineated, tech offers opportunities for more seamless, increasingly personalised experiences to fit people's values: reduced wait times, simpler booking systems and less burden of research.

Flexibility has never been more important: **Kantar's Global Monitor survey** showed that 70% of people feel that the flexibility to do the things they want at any time is very or somewhat important to them.

The widespread introduction of working from home has created a new kind of flexibility. The hybrid working induced by the pandemic intersected with other accelerants such as the Gig economy, four-day-week trials and the FIRE generation (Financial-Independence Retire-Early).

Together, they are creating demand for new types of spaces and locations that can adapt

seamlessly to these needs – for example, employees incorporating time working from abroad alongside annual leave.

So what can tech offer? **Global Monitor** provides some clues, with 84% of consumers willing to pay for products or services that enhance emotional wellbeing and relaxation, and 73% to pay for extra convenience.

Whether it's consumer wearables, fast-track ticketing platforms or smart tech in hotel rooms, one thing is certain: technology will be a seamless yet vital tool in elevating the customer experience.



"Technology can be an influential tool that, when used creatively, can facilitate travel choices that deepen engagement with ourselves and within our community."

ERIC MARTIN FOUNDER BLACK & ABROAD

Case Study

Airbnb

Ahead of an expected resurgence of travel in the summer of 2022, Airbnb announced its 'biggest change in a decade'. The peer-to-peer rental platform has transformed the way users find and book locations to meet demand for more fragmented, fluid travel around hybrid, tech-enabled lifestyles.

The platform is switching to a new way to search that will make it easier to people to find locations and homes they never knew existed. Users can search via 56 different need-based categories from location, style or proximity to activities. The platform is also introducing 'Split Stays', allowing users easily to split a booking across multiple homes when a single host can't accommodate the full length of their stay. Finally, free 'AirCover' insurance is available to all users. Integrated to the app, it allows them to quickly and easily resolve any issues across multiple languages.

Airbnb has secured a prestigious position in this year's **Kantar BrandZ top 100** for the first time, having essentially developed a category of its own upon its founding in 2008.

KANTAR BRANDZ



Technology – here's what the industry needs to consider



ENABLING ENGAGEMENT

How can technology enable deeply engaging personalised experiences, not only for the duration of travel but by reducing the burden of research and providing information to help travellers make decisions in line with their unique values and needs?



SEAMLESS TRAVEL

Tech will be a vital component in creating seamless customer experience, allowing greater flexibility and reducing waiting times.



NOMADIC LIFESTYLES

Creating spaces which can adapt to leisure and remote work will serve an emerging group of travellers.

A person is silhouetted against a bright, hazy sky while standing on a bicycle. The person is wearing a backpack and has their hands on their hips. In the foreground, a large, dark, circular object, possibly a lens or a part of a camera, is visible, framing the scene. The word "LOCALISATION" is written in white capital letters across the center of the image.

LOCALISATION

Expectations are changing as to the responsibility that tourists – and tourist infrastructure – have to local communities. On the one hand, we're seeing calls for regulation and rules to protect and preserve local communities and environment, preventing over-tourism. On the other, it's about creating mutually beneficial relationships, in which local communities truly benefit from investment and infrastructure while destinations are infused with authentic experiences that represent the unique characteristics of their people, places and environments.

Traditionally, travel has allowed 'outsiders' to observe and enjoy people, places and environments at one remove. Against a wider backdrop of equality of power structures and representation, this type of tourism increasingly is being framed as harmful to local communities.

To counter this, existing players and new entrants are finding ways to enable travellers to engage on an authentic level with local communities, respecting local cultural and social norms and providing social and economic benefit to those communities.

Kantar's Global Monitor survey found that 60% of consumers believe they can make

a difference through their choices, 49% actively seek out companies and brands that offer ways to offset their impact on the environment, and 48% say they are prepared to invest time and money to support companies that do good.

More considered, ethical travel eco-systems benefit local communities but also create an opportunity to enhance consumers' experience. For example, the pandemic and temporary absence of tourists to Italy spurred on pre-existing movements to limit international tourism to cities like Venice.

Such initiatives hope to put a stop to tourism degrading local ways of life, while also elevating the experience of those who do visit.



"In the next 10 years, sustainable travel will mean more than just monitoring your carbon footprint: it will speak more holistically to impact, including supporting local businesses and culture."

JOSEPHINE PIPLITS FOUNDER & CEO TRIPDOODLER

Case Study

Black Elevation Map

"We want this project to help Black travellers see the country in a way that prioritises and celebrates the contributions of folks who look like us – and facilitates travel choices that deepen engagement within our community."

The Black Elevation Map is an immersive digital experience that reimagines the American landscape by visualising its culture in terms of elevation.

The platform takes data such as Black population numbers, historical markers, Black-owned businesses and social media activity, and visualises it as points of interest on a dynamic, searchable 'elevation' map of the United States. The greater the density of data, the higher the elevation.

At launch, the Black Elevation Map contained more than 30,000 unique points of interest, plus detailed population data, and Black-travel-related social media activity data.

The travel feed pulls in Black travel-related social media conversations from Twitter and Instagram based on hashtag use. It's categorised across three main streams, for a total of 1,500 social sources across 53 unique embedded data feeds.



Localisation – here's what the industry needs to consider



DESTINATION PRESERVATION

The shift from prioritising short-term visitor numbers to a system that focuses on longevity of destinations will meet consumer expectations around sustainability and, crucially, limit damage to locations.



LOCAL PARTNERSHIPS

Creating a collaborative rather than extractive relationship, which will draw from and build on local communities' resources and skills will be a key step in building a sustainable future for tourism.



BRIDGING THE SAY-DO-GAP

Partnering with third party platforms to deepen engagement with low and zero impact travel behaviours will help bridge the say-do-gap helping organisations and individuals meet their sustainable commitments.



WELLNESS

A values reset driven by the pandemic has fast-tracked wellness as a dominant driver for tourism globally. Post-pandemic consumers are re-evaluating the role of wellness across every aspect of their lives; developing a deep understanding of how wellness can be optimised through the places we work and live, what we eat and of course how we choose to spend our leisure time.

Worldwide interest in 'wellness retreats' has increased in 2022. According to the Global Wellness Institute as the wellness economy booms, wellness tourism is set to be the fastest growth sector over the next five years with an estimated worth of \$1,127B by 2025.

Its growth is in part due to its increased accessibility and the increasingly diverse forms wellness tourism takes on – from a two-week retreat in a remote location, an overnight spa staycation or a couple of hours of relaxation during a busy work trip.

Whether the pursuit of optimised wellbeing is the primary reason for travel or an add on experience, travellers are continuously seeking ways in which they can boost health outcomes, mental resilience, and

overall sense of well-being from spaces and experiences they engage with.

While traditional wellness spaces, like spas, remain dominant and are becoming a core part of recovery agendas for markets that rely on tourism – there are new emerging experiences, enhanced by science, designed to combat the stress and fatigue of daily life. Aesthetics play an important role with Pinterest reports searches for 'resort aesthetics' doubling in 2021 and biophilic architecture searches rising 150%.

Big infrastructure projects, such as Thailand's proposed Andaman Wellness Corridor represent a concerted effort by governments and big industry players to capitalise on the ongoing demand for wellness.



Case Study

Synthesis

The legalisation of drugs for recreational and medicinal purposes has created new opportunities and demand for mediated use – for example, wellness retreats that utilise the healing benefits of both natural and synthetic drugs.

Synthesis is an Amsterdam-based psychedelic retreat that uses legal psilocybin truffles to guide guests on three or five-day trips designed to catalyse creative breakthroughs, explore consciousness, find meaning, improve consciousness and search for a mystical experience. Synthesis has collaborated with Imperial College London since its founding, sharing data collected from its retreats to advance knowledge on the healing potential of psychedelics.



Wellness – here's what the industry needs to consider



SPACES & PLACES

While wellness real estate is set to grow exponentially, it's not exclusive to spaces and places which put wellbeing at the heart of their offering. As wellbeing bleeds into all aspects of daily life, travellers will place increasing importance on how spaces make them feel.



SPHERES OF INFLUENCE

Consumers are being 'influenced' by the rise of D2C wellness brands and the representation of a breadth of wellness journeys in the media, from influencers to utopian TV shows. Understanding the influences shaping your core market will help to identify the drivers behind their choices.



CULTURAL SENSITIVITY

With new wellness experiences being introduced by providers, cultural sensitivity is essential. Travellers will be unforgiving of those who fail to be authentic and to consider the underlying systems, principles and contexts for the treatments and remedies on sale.

The image is a composite of two photographs. The top half shows a view looking down into a spiral staircase with a dark, ornate metal balustrade. The staircase's steps and the balustrade's curve follow a spiral pattern. The bottom half shows a cross-section of a nautilus shell, revealing its internal structure with curved, overlapping chambers that also follow a spiral pattern. A horizontal white band with the text "THE BARBELL EFFECT" in black capital letters runs across the middle of the image, separating the two photographs.

THE BARBELL EFFECT

Low and middle-income earners are suffering from increasing economic insecurity and sky-rocketing costs of living. As incomes are squeezed, people are finding ways to cut back – including on travel. However, the global super-rich remain unaffected and after several years of restrictions on travel forcing savings, they are looking for new experiences with luxury, exclusivity and adventure.

Embracing regained freedom to travel, the global rich are seeking out experiences denied to them by the pandemic. This includes limited, exclusive experiences.

Ultra-luxury rail travel has seen a renaissance. Famous providers such as the Orient Express are expanding their routes across Europe to provide guests with unique experiences that merge hedonism, escapism and otherworldly heritage-luxury.

Kantar's Global Monitor survey found that 75% of people are likely to put money towards a once-in-a-lifetime experience or purchase.

Paradoxically, though, social media has made it harder to find novel or limited-reach experiences. Influencer culture has commoditised certain locations, with travellers visiting in droves to get 'the shot'. As a result, 'luxury' in travel increasingly means moments, spaces and destinations that are not simply out of reach for the majority, but are also not heavily publicised and documented.



“Destinations are looking at total visitors when they should be looking at more important KPIs like profit. The rich have got richer, luxury travel is driving the Post-Covid tourism rebound in many areas.”

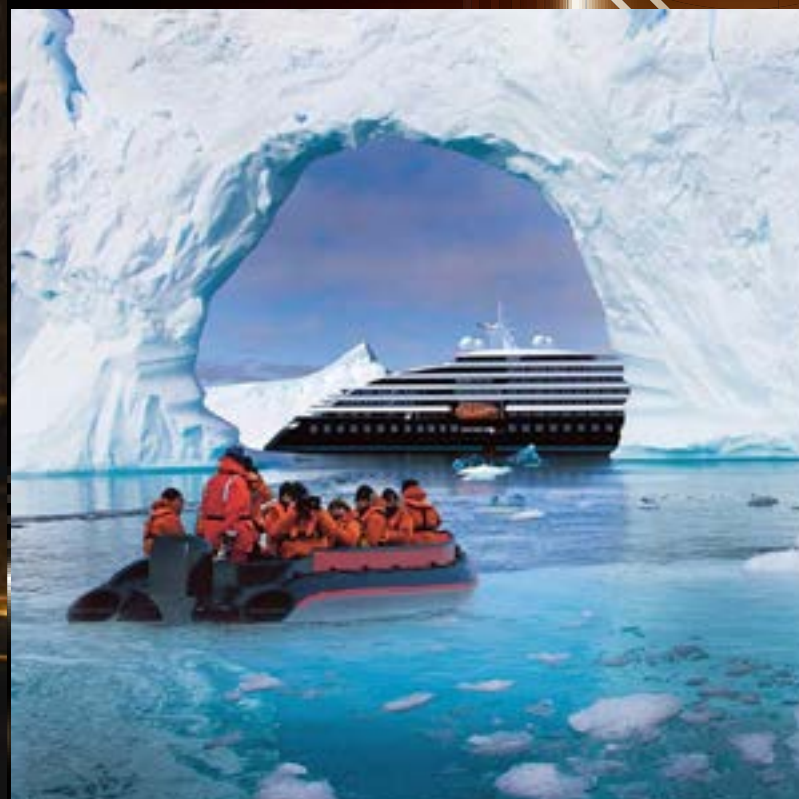
DOUG LANSKY TRAVEL EXPERT & AUTHOR

Case Study

Scenic Eclipse

Luxury travel providers are giving the global rich access to unspoilt routes and destinations that were previously out of reach. But while the locations might be wild, travellers are not compromising on service. The Scenic Eclipse is the world's most luxurious super yacht, taking passengers to Antarctica.

It caters for only 200 guests and comes with a range of dining rooms, bars, and even on-board lectures from the discovery team. Each room, all rated 6*, comes with its own dedicated butler, while guests have use of the two helicopters and onboard submarine. The Scenic Eclipse II, which is being launched in 2023, is evidence of the growing demand for exclusive and hard-to-reach experiences.



The Barbell Effect – here's what the industry needs to consider



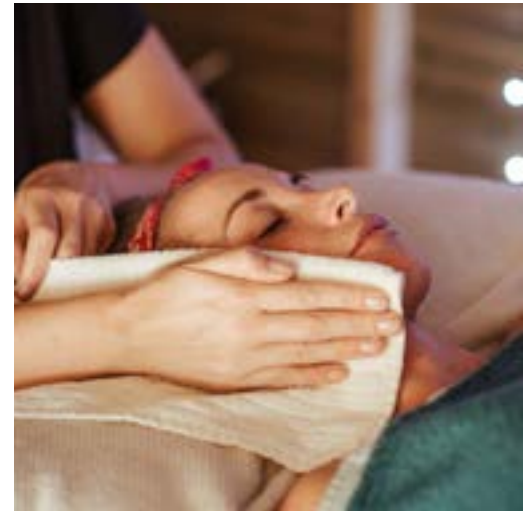
REDEFINING EXCLUSIVITY

The relationship between exclusivity and luxury remains unbroken, but social media has made achieving the former more difficult. Restricted ticket sales, limited slots and waitlists will help to create hype around destinations and experiences.



NEW FRONTIERS

With pure and untouched destinations becoming harder to find, the new luxury frontier lies in unknown locations, extreme habitats and perhaps even outer space.



THE LUXURY OF PRIVACY

Unparalleled security, comfort and service continue as core pillars of luxury travel. Continuity does not mean lessen comparative importance, however: providers need to ensure adventure and wild experiences do not come at the cost of luxury.

Find out more

About Kantar:

Kantar is the world's leading marketing data and analytics company. We have a complete, unique and rounded understanding of how people think, feel and act; globally and locally in over 90 markets. By combining the deep expertise of our people, our data resources and benchmarks and our innovative analytics and technology, we help our clients understand people and inspire growth.

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