



Tourism & Travel in a New COVID-19 World

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Tourism in a new world: Early Learnings



After over four months of lockdown and travel restrictions, July 2020 marked a positive turning point in the U.K.'s efforts in adapting to the devastating impacts of COVID-19: tourism “restarted” in Northern Ireland on 3 July, and similar measures allowing for leisure trips outside of the local area soon followed in England, Scotland and Wales.

So, how has the industry adapted? And, what are the expectations and experiences of travelers in this new world of social distancing, face masks and pervading uncertainty?

In late July, STR's tourism research team set out to answer these questions. A series of online focus groups were undertaken among U.K.-based members of STR's [Traveler Panel](#) community.

The key objectives were to find out about and uncover the impact of new drivers influencing tourism decisions and satisfaction, as well as evaluating experiences in the newly re-opened visitor economy.

This whitepaper presents a summary of the key findings from this qualitative research to aid and inform the industry during these challenging times. Never before have consumer intelligence and insights been so valuable for the tourism industry. The impact of the pandemic is unprecedented and as are the resultant shifts in behaviors and attitudes among travelers in this new world.

A black and white photograph of a resort pool area with lounge chairs, palm trees, and a building in the background. A large teal geometric shape is overlaid on the left side of the image.

Travel & Leisure Behavior Pre-Pandemic

Source: STR. 2020 © CoStar Realty Information, Inc.

Consumers value their holidays highly, with many traveling both internationally and domestically frequently throughout the year



Our audience all enjoyed travel with frequency dependent on financial & family circumstances, life stage and health.

While most referred to having one or two bigger (and more expensive) holidays per year, many also traveled more than once per year, with city breaks and events & festivals all cited as reasons to travel for shorter, more frequent breaks.

Older audiences were very positive about cruises, in particular, and often took several holidays per year.

"Since I retired, holidays have been quite a focus for me, quite a lot of foreign travel like cruises and probably one long haul per year. For example, Mexico and city breaks like Prague and then some travel in the UK."

"We tend to alternate with a UK main holiday and then the following year an overseas one. We went to Portugal for 10 days last October and before that we had a week in Whitby. Generally, it's a week away at Easter and a week in the summer and maybe a longer week in October overseas, somewhere warm."

Travelers pick and choose their accommodation according to individual trip needs but value for money is always key



In terms of accommodation type, some respondents expressed a preference for self-catering/short-term rentals over hotels, and vice versa, but, in general, a variety of accommodation was used by all, dependent on the type of holiday, their budget and location of properties.

Value for money, location and facilities were all mentioned as being important factors when choosing accommodation. A few mentioned Premier Inn spontaneously, citing simplicity, location, value for money and knowing “what to expect” and “what you are getting” as key reasons for staying at this chain.

Holidays were highly regarded in terms of their importance, both in the excitement of the planning and preparation, as well as the down time and pleasure derived from the experience itself.

“Most of my holidays revolve around music so if there is a band or festival and I want to go and see; I turn that into a mini holiday to make the most of the time. I have a lot of city-based breaks in the UK but also in Europe We try and stay somewhere as close to the venue as possible and stay in a mixture of places: hotels, B&Bs and whatever is most cost-effective.”

“It’s really important, we tend to spend a year planning a holiday. It’s a big deal we plan out where we want to go and how we can make the best use of our time, what kind of things we want to do and see. We look at videos of things and get all excited about our holiday.”



Travel & Leisure Behavior Now

Source: STR. 2020 © CoStar Realty Information, Inc.

Despite some easing of restrictions, there is a marked desire to stay closer to home, at least in the short term



A prevalent theme that came from our research when we asked travelers about future holiday plans was a desire to stay much closer to home and to explore what was on their doorstep. Holidays abroad were for 2021 and, for some, 2022.

That said, highlighting a polarity in response to the virus, a few were eager to travel as soon as possible and hoping that existing international bookings later in the year would still go ahead.

The majority mentioned that there is currently a lot of uncertainty worldwide. The situation is constantly changing as are the rules and guidelines with many adopting a wait and see approach and not planning too far ahead.

"There's a definite lack of confidence and also a prioritisation: is it worth the risk for a weekend away? No it's not. So I think I'll have a break and a holiday just by doing something at home or in a very local environment."

"I would prefer to hold off on holidays until Easter next year and maybe do some of the Highlands and Islands and things like that, and just take the kids to explore Scotland a bit more. There's a lot more that we need to explore on our own doorstep."



There were consistent concerns around understanding travel and market guidelines, as well as what sort of welcome would be received

A lack of understanding of the guidelines for travel to and within international markets (this also, to a lesser extent, applied to travel in the U.K.) added to the sense of staying closer to home as being safer and more desirable.

People were unsure how the pre-booking of activities would work in different countries and did not want to be forced to plan too far ahead. Air travel was not desirable (e.g. having to wear a mask and being in a confined space with others). Concern was also expressed that the need to pre-book has a negative impact on the overall experience.

Concern over the “locals welcome” was also expressed both from a domestic point of view and for traveling further afield. Brexit only added to the complications and potential for a hostile reception.

“I think something like a Greek island would probably be safer, but it's the flight that worries me.”

“If you go to another country, are you sure you're following the right protocol? So, it's that little bit of unknown that's putting me off booking anything outside of the UK at the moment. With the UK, at least it's primarily the same controls and rules.”



Financial Implications

The financial impact on both personal circumstances and potential losses from cancelled holidays are hugely significant



Those in more difficult financial circumstances (e.g. families and respondents who had been unable to work during the lockdown period) were more likely to sacrifice holidays. Despite how important holidays are to people, health and financial security come first.

The ability (or rather lack of) to book insurance was a consistent and major concern. Respondents have found that insurance companies are reluctant to provide coverage for cancellations now in terms of restrictions changing and health-related cancellations or issues (e.g. becoming sick while on holiday).

"There's no insurance to be had unless you had it before, for holidays abroad or staycations if it all goes wrong because this is a known risk now."

"People say: 'Oh well, I'll just do a staycation' but I think it's not actually that simple. I don't know what happens if there's a local lockdown at either end. If you're allowed to go or if it'll all fall through at the last minute."

However, being able to postpone bookings and the use of vouchers were considered good compromises



Cancellation policies have never been more important. Consumers are looking for reassurance that they will get their money back in the event of cancellations. They see holidays as a big outlay and can't afford to lose out.

Encouragingly, most felt being able to rebook holidays on alternative dates, as opposed to getting an immediate refund, was fair accepting that this is unknown territory, and understanding that accommodation providers cannot afford to lose business either.

Purchasing holiday vouchers was one example cited that delivered flexibility in terms of dates and location, but also gave people something to look forward to.

"The main reason we've gone for the Airbnb is that we cancel up until the week before and get all our money back. We're happy to be going, but we can't afford to lose the money really."

"We've got one voucher from a refund sitting waiting to be used, but we're sitting on that till things settle down a little bit. But what I've done is had a look at some very good value vouchers on [secretescapes.com](https://www.secretescapes.com) which are fully refundable, so what I've got bagged at the moment is two or three options. I'll just keep them and utilise them at a point when you feel like it's worth doing it."



While consumers understand how difficult it is for tourism businesses, it's tough for them too

The general consensus around pricing expectations was that while there is understanding that businesses have lost out and need to recover, higher charges are not desirable or affordable and businesses should drive footfall via attractive offers.

The reasons behind this expectation were two-fold: those on tighter budgets simply can't afford to pay more, and was viewed by all as a more realistic strategy to encourage people, who may be feeling unsure, to go back out.

For some, there was also a value for money concern in that the experience is not what it used to be due to social distancing impacting the atmosphere and staff wearing masks reminding you of infection, so why would you pay more?

"I can understand why things might be more expensive because of businesses losing out but I am on a limited budget anyway and, if things go up more, that prices me out. If it was cheaper, I would be more encouraged to go to places but if things get too expensive it is going to stop me."

"I really hope that prices come down, to get people back in and to support businesses, but I also understand that these businesses are close to breaking point and they are trying to get back on their feet and that they have major losses to recoup."

Value for money remains a key motivating factor when it comes to choosing and making decisions on various aspects of traveling



For large families on a tight budget, prices increasing coupled with spending money required when on holidays could mean they would choose to go on holiday every second year as a trade off.

There was acceptance that for some places, prices might have to go up to accommodate adherence to government guidelines. However, respondents were looking for absolute transparency on this (i.e. if the costs could be justified and explained, they would be more likely to accept them).

The idea of targeting offers to accommodate different groups at different times was suggested and well received (e.g. restaurant offers for younger families at earlier times of the day versus offers later in the evening for couples).

"I feel incredibly pessimistic about the future because from the outset from when you get to the airport, the extra checks, the limited shops and catering, the added distancing, so I can foresee the start of the holiday being quite stressful and then the expense increasing as well."

"I'd like to see targeted offers like 'early bird dinners' or a 'lunchtime special from 10-12' to do what they need to do which is spread out customers over the whole day."



Social Responsibility

The pandemic has resulted in strong support for local businesses and greater consideration of others



Many were keen to support local businesses, especially those who had been innovative and supportive during lockdown by providing takeaways, free home delivery, etc. There was a real sense of solidarity and a desire to support local shops, restaurants and cafes to help them survive.

We also saw a reticence to put others at risk: people who lived in cities felt anxious about traveling to more remote parts of the country and potentially spreading the virus unintentionally.

There was also some confusion about how locals would feel about visitors versus whether they would be welcome in local shops and other businesses.

As soon as the restaurants opened, the first thing I wanted to do was get out for a meal. They [at the restaurant] were marvellous, it was absolutely lovely. It was like being back to normal... and it was done discretely.

We were told when we went. Do not go into the local shops if you can help it, bring as much food as you can reasonably do, cut down that degree of risk of you going into the local shop and risk spreading it so there was a dichotomy there for us in terms of supporting the local community but also protecting the local community.



Accommodation Preferences



While there is a slight shift towards self-catering, the benefits of big hotel brands are also recognized

Consumers are more likely than before to choose self-catering / short-term rentals or motorhomes for practical reasons. There was a sense that you would have more control (e.g. you would be able to clean the accommodation yourself if you wanted to, they have lower throughput and you don't need to eat out if you don't want to).

Many expressed the idea they would be more likely to feel safe at bigger hotels of established brands who would be in a better place to implement the new rules and absorb any additional associated costs. Consumers also felt there would be more rigorous checks in these types of establishments to ensure adherence to government guidelines.

Interestingly, many also pointed out that hygiene standards should be high anyway, irrespective of COVID-19.

"Somehow it feels like you can make your own mini-bubble [in self-catering accommodation] and you can control the immediate environment."

"I'd be happier using branded accommodation because I think that the major chains will have a huge responsibility in making sure that everything is deep cleaned the whole time. I'd be less happy about going somewhere that's privately owned because you don't quite know what their standards are."

For others, boutique properties are preferred but attitudes are consistent with those pre-COVID



While some are more likely to feel safer at bigger hotels of established brands, others feel that smaller accommodation types, such as boutique hotels, are more likely to keep high standards of hygiene (also based on previous positive experiences) and this fits with the need to support small local brands during these times.

Hotels could potentially improve their desirability by providing longer breaks between stays and being 100% transparent with their procedures and costs.

The preference for big brands versus smaller independent properties, or vice versa, did not appear to differ pre and post COVID-19. This is perhaps unsurprising given that brand choice tends to be based on our core values and attitudes.

"I don't think I would change anything [my accommodation preferences] I'd still just go with whatever the best value was."

"Before this [COVID-19] I have had more problems with rooms not being clean in bigger branded places than smaller ones."



Experiences & Customer Satisfaction

Experience still matters, so striking the balance between safety and enjoyment is key



While safety and cleanliness are obviously key concerns, respondents also felt that traveling and leisure activities also now carried a “hassle factor” and lots of rules (e.g. following arrows, longer queues, having to wear a mask on a plane). They still want to enjoy the experience, so the combination of the safety / health concerns and hassle can lead them to feel it is no longer worthwhile.

In addition, holidays and short breaks are not cheap, so travelers don't want to compromise on the experience. Interestingly, of the few who had ventured out since restrictions had eased, those who had had a positive experience spoke very highly of the places they had visited and would recommend them to others while the opposite was true for those who had negative experiences.

Overall, there was evidence of mixed experiences suggesting some businesses are getting it right whilst others aren't.

“There are so many things that I hadn't even considered. We're going to have to wear masks in the public areas. The bar is not going to be open. They're not going to serve a proper breakfast so we're not going to get the full experience that we would have got before.”

“I went to an outdoor pub the other day. They basically painted circles with a bench in each circle and you book it, you arrive, you go to your little circle, you order on your phone, and they bring food and drink to you, and there's a bin for each little circle, then you walk out a different exit than the one you came in. All of the staff were wearing masks and gloves. It worked really well.”



While the new procedures are not necessarily welcome, education and a professional approach will aid acceptance

While online booking in advance was understood, for some this meant days out lacked spontaneity and this, coupled with the rules and procedures, put them off going to attractions. Indoor attractions were probably the least likely places to be visited in the short term, with both reduced ability to touch and interact with exhibits, being 'herded round' and limited access to additional facilities, such as toilets, mentioned as being off-putting.

Travelers are also concerned that the atmosphere might be impacted by social distancing measures and reduced numbers of people being able to enter properties. However, for others this was viewed positively as places like pubs would be quieter meaning a higher likelihood of getting a seat!

Professionalism was used frequently in relation to travelers' expectations on how businesses should deal with the current situation. They feel that trust needs to be created and a satisfactory amount of information provided to make them feel safe and confident.

"At the moment [for the National Trust] you have to book. It's something I tend to do on a whim, and it's sensible to limit the number of people, but it puts me off going because I can't think far ahead."

"I think they need to give an air of professionalism. I have looked on social media at what hotels have in place and I noticed they are advising this may change, the restaurant might be different etc.. If they give out a professional view, I think people will say I'll go for it."



Transparency, a warm welcome and a positive experience will help to build reassurance and trust

Consumers are feeling unsure that “we are all figuring this out as we go along,” so there is a need and an opportunity for all brands, no matter how big or small, to build reassurance and trust. While this feels like a big challenge, it is also an opportunity to lead by example by building consumer confidence and ensuring that experiential elements are not undermined.

A few were able to talk about good experiences and there were some common themes of what constituted an enjoyable and safe experience:

- Provision of clear directions and information (i.e. what is expected of you as a visitor/guest)
- Social distancing and hygiene measures in place
- Staff adopting professional approaches to set the right tone and enforce rules
- Staff warmth and friendliness, as well as a continually high standards of customer service

“I would want to be confident that if you turned up without a mask, either that they would have one that they could give you or sell you, or that you wouldn't be allowed to go in. There are no exceptions [unless there are special health considerations]. You need to know that the staff are taking it seriously, and they're willing and supported by a manager to be able to say 'I'm really sorry, but you need to have a mask before you come in.'”

Getting it right now when consumers are feeling vulnerable can help to build loyalty in the long term



If key criteria outlined above can be met, this will set the tone, thereby encouraging the public to behave accordingly and improving the experience for everyone. Conversely, a few mentioned situations where things were not right and stated this had really put them off.

Businesses and brands have the opportunity to get it right now in order to build trust and loyalty. Equally, getting it wrong could mean a loss of repeat business and poor reviews.

Using technology, such as virtual reality, was suggested as a good way to help manage expectations and help consumers adjust to the 'new normal.' For example, when booking online, a virtual tour of the property or venue under the new guidelines could manage expectations and build confidence.

"I agree with the idea of staff being professional because you have more trust in them if you can see that they are acting in that really professional way. I would also expect reassurance about how often they clean things, what they are doing to protect us and what they expect of us as well."

"They were very professional in the way they managed you in and out. They had really thought it through properly. You almost forgot for 15 minutes that something had gone on. The fact it was clear without it being intrusive that they were following rules was great."



Insights & Actions

Insights & Action



Holidays play a significant role in our lives and are considered very important to our wellbeing. As a result, they also take up a good proportion of our annual budget. However, ultimately, health, safety and financial security come first.

- **Brands need to be responsive to these needs and build reassurance and trust to help encourage people to travel.**

The desire to holiday closer to home is driven by a sense of uncertainty and caution, health concerns, a lack of understanding of the guidelines for travel and concerns over the “local welcome”.

- **Domestic tourism will be critical so marketing campaigns should target a homegrown audience. Communication should be tailored accordingly and focus on reassuring consumers they will have a safe, enjoyable and relaxing experience.**

Respondents displayed a sense of social responsibility with many reticent to travel too far, even within the U.K., thereby potentially putting others at risk.

- **It is very important that clear and consistent messages are delivered about what is required of holidaymakers and what is and is not permitted, this will help to encourage travel.**

Insights & Action



The fact that pre-booking is currently necessary for many tourism experiences and that people are more likely to research before visiting presents an opportunity for businesses and brands.

- **Targeted communication, up-to-date information provision and effective interaction with potential customers will help to build a relationship and can help drive positive word-of-mouth referrals.**

There is understanding that tourism businesses have lost out. Travelers are keen to support local businesses to aid recovery. However, higher charges for accommodation and leisure activities were not desirable or affordable.

- **Competitive pricing is expected and seen as a more realistic strategy to encourage people, who may be feeling unsure, to venture out. Businesses need to focus on driving footfall in the first instance and build back consumer confidence.**

Consumers are more likely than before to choose self-catering / short-term rental accommodation for practical reasons. They believe this accommodation offers them more control and flexibility.

- **It was suggested that hotels could potentially improve their desirability by providing longer time lapses between bookings and being 100% transparent with their safety and hygiene procedures, as well as incremental associated costs.**

Insights & Action



There was a mixed response regarding bigger hotels of established brands versus smaller boutique properties. This is most likely because brand choice tends to be based on our core values and attitudes.

- **While this feels like a big challenge, it is also an opportunity for all brands, no matter big or small, to lead by example by building reassurance and trust, as well as ensuring that experiential elements are not undermined.**

Our findings highlight that travelers' interpretation of leisure has been disrupted, so businesses need to increase focus on the experience itself. Enjoyment and relaxation are still very important and desired – this must not be forgotten!

- **While this feels like a big challenge, it is also an opportunity for all brands, no matter big or small, to lead by example by building reassurance and trust, as well as ensuring that experiential elements are not undermined.**

The tourism industry faces huge challenges as safety and financial considerations override the desire to travel. However, with challenge comes opportunity to innovate and evolve.

- **Addressing consumers' evolving needs is key. Professionalism and clear communication about what is expected of them and a warm welcome will go a long way. Flexible cancellation policies are a must and using technology such as virtual reality could help manage expectations and help consumers adjust to the "new normal."**

Questions?

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**HOTEL DATA
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