

KANTAR

Understand People
Inspire Growth

THOUGHT-LEADERSHIP 2022

Today & Tomorrow: The Asian Traveller



Foreword

Asia is expected to lead the world in travel recovery as it reopens for business slowly albeit unevenly. And what is already obvious to early travellers, is that the return to travel and tourism is not the same as it was pre-pandemic.

In other industries such as retail and food, consumer needs have unequivocally changed during and after COVID-19- and these changes will come to bear for travel as it ramps up its engine to meet the new demand. We now see a reprioritisation of travellers' goals and expectations, worldwide inflation may change the demographic of travellers passing through airports, and technological advancements could solve problems like the sudden influx of travellers worldwide after a 2-year lull.

As industry leaders embark on re-shaping an industry forever changed, our team of strategic foresight specialists explore how changes **today** and **tomorrow** are set to impact the industry, opening up new opportunities and creating an industry fit for the modern Asian traveller.

We look forward to having conversations with you on how to create the future of travel together.



Mary Lau
Managing Director,
Consulting
Kantar

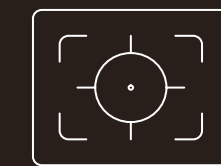
What's in this report:



New expectations on Protection and Safety



How Travel is responding to the Digital Nomad



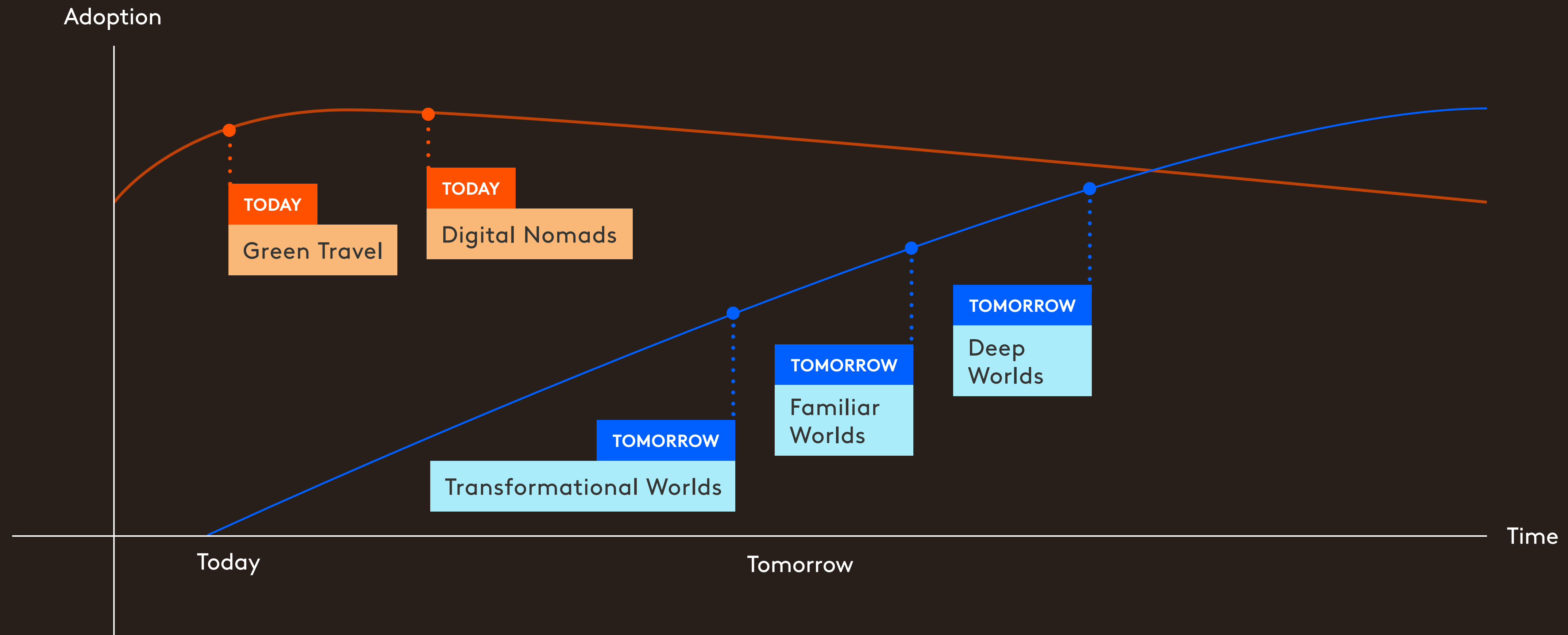
What being hyperlocal means for "Travel appeal"



Futures where travelling through the mind builds wellbeing

Today & Tomorrow

Travel — What the future looks like



Today

What should be on your immediate radar?



The new Asian consumer motivations.

Growth may have returned but the consumer has very different expectations as they adjust to a post-COVID world with inflation and unrest.

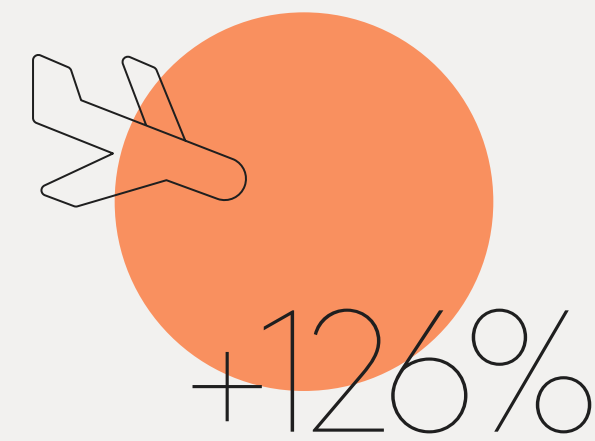
Do you have a response plan ready?

Today

On route to recovery but it's not a return to travel as usual for Asians

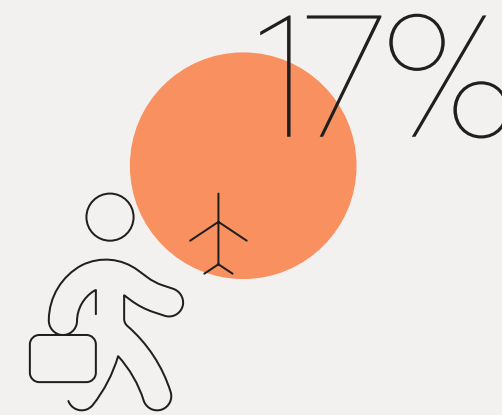
Borders are reopening and restrictive measures are easing, travel is slowly returning and business is expected to grow.

However, the Asian consumer has undergone irreversible changes and is expected to continue to evolve.



PATA's most optimistic forecast growth for 2022 for the number of international visitor arrivals in Asia.

The return to travel is expected to bring total volume of visitor arrivals to between 159m and 315m.



of APAC consumers plan to travel within their countries in the next 12 months, but only 13% plan to travel internationally.

Indians are the most likely to travel internationally with over 29% saying they will do so.

Before Covid



In 2019, Asians generally gravitated towards taking mini-vacations, insta-holidays, "B-leisure" trips and their travel itineraries were wellness-motivated.

After Covid



Asian travellers now seek restriction-free destinations. In light of COVID fatigue, travellers tend towards longer travel for personal development retreats.

The pandemic has resulted in the rise of digital nomads.

Protection dominates the New Asian Consumer Motivations

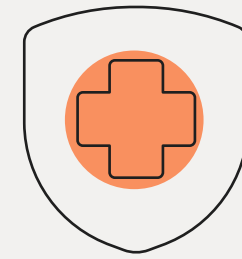
“This year, we see Protection rise for the first time as the most resonant consumer trend. The COVID-19 hangover will remain for a while as Asian consumers want to return to travel but only if there is evidence that it will not carry any personal risk.

Healthcare safety protocol and healthcare access play a heavy role in leading consumers to decide whether to travel to a certain destination.”



Angelia Teo

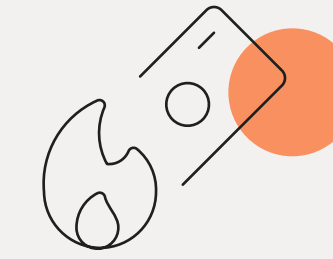
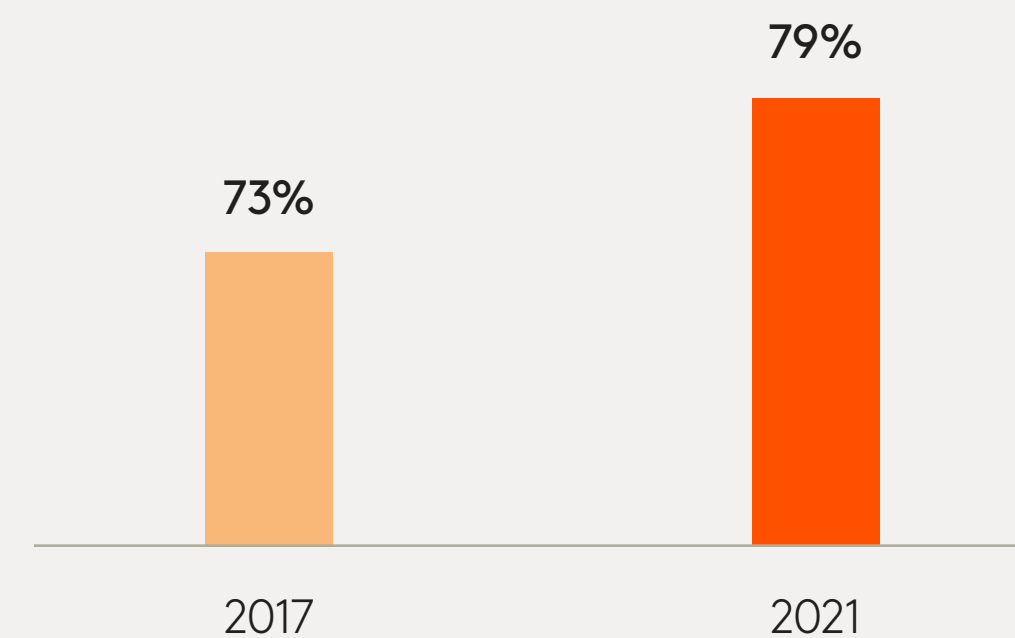
Head of Futures & Innovation, Consulting
Kantar



Protection & Covid-19

Restriction-free destinations hold appeal and brands which communicate and display their safety protocol will soothe underlying fears.

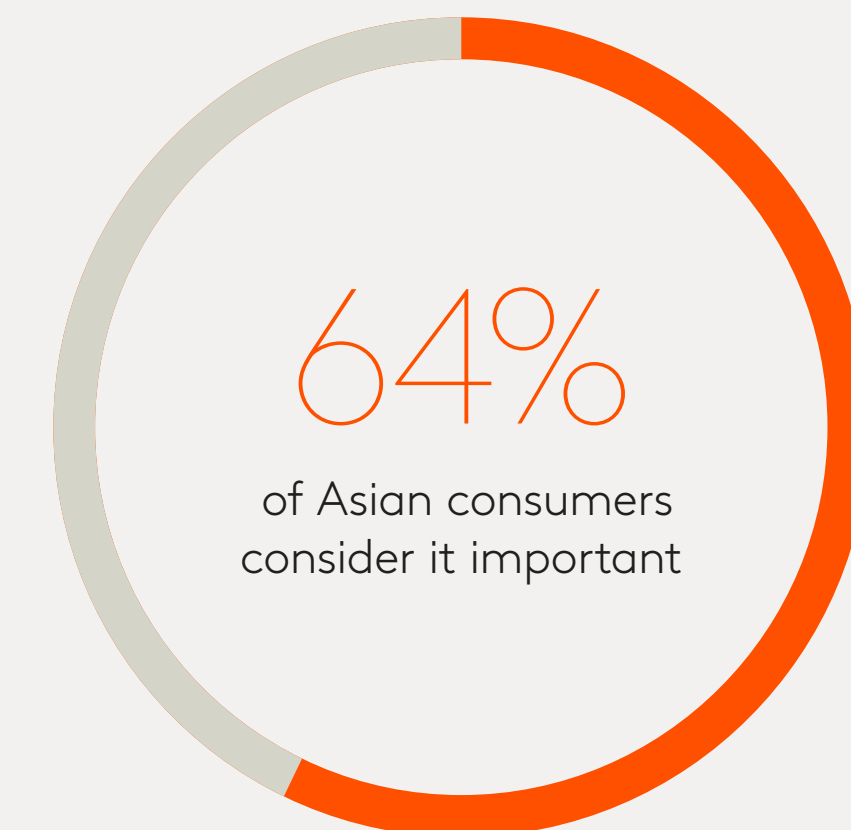
Asia: Consumers taking physical steps to ensure your physical safety



Protection & Inflation

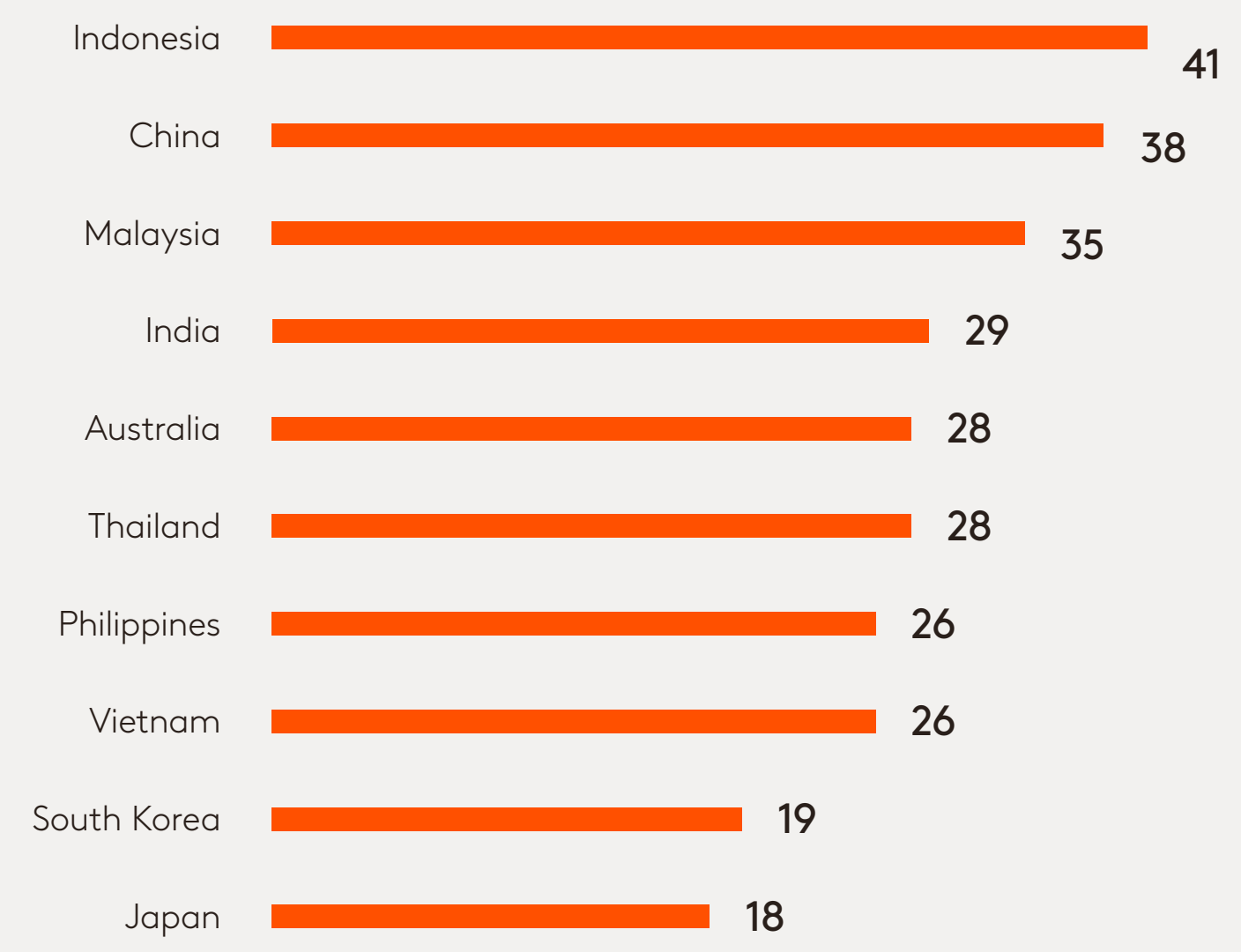
Asia’s consumer spending hasn’t yet been weakened by Inflation but complaints of higher prices are already coming through.

Asians are mitigating risks in relation to their money



And there are other motivations that will shape the Asian Traveller's choices

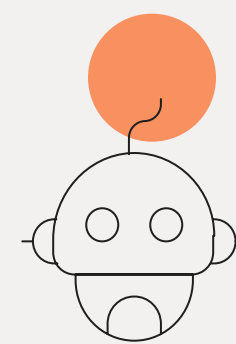
Asia: Consumers planning to do any travel in the next 12 months, 2021



Consumer Trends Framework

How does Kantar track these trends annually?

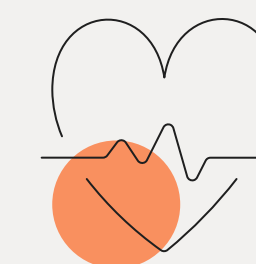
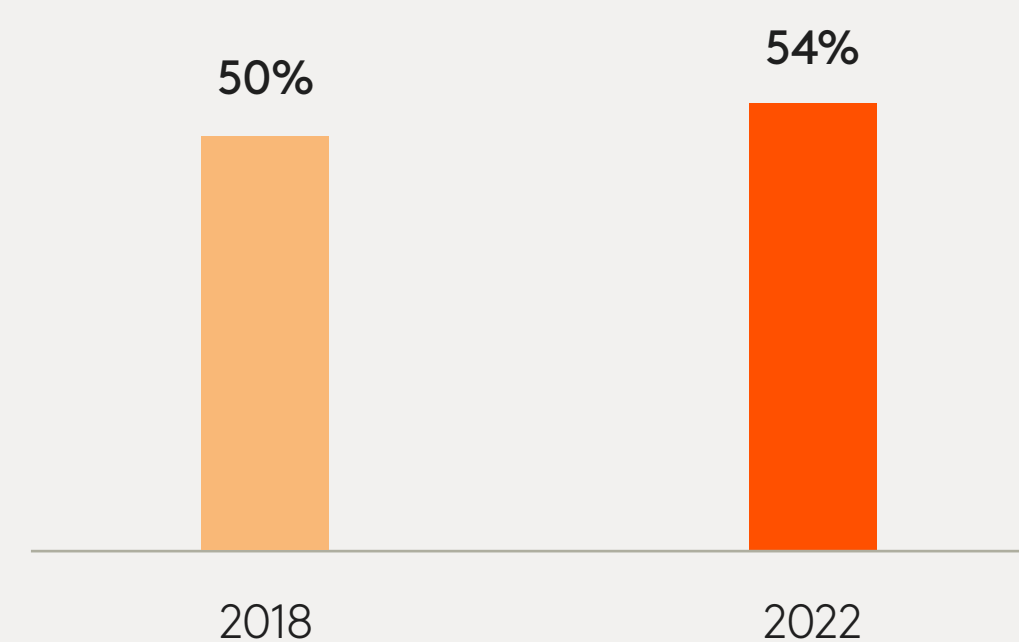
Energy Framework curates new motivations which drive consumers' travel needs, among others through an annual global study. This monitoring highlights the shifting interests of target audiences, thereby building agility into business relevance as brands are able to anticipate and address consumers' changing needs.



Flow & Technology

Digitisation was heavily implemented to cope with new airport and immigration measures so now travellers demand more tech-assisted travel experiences.

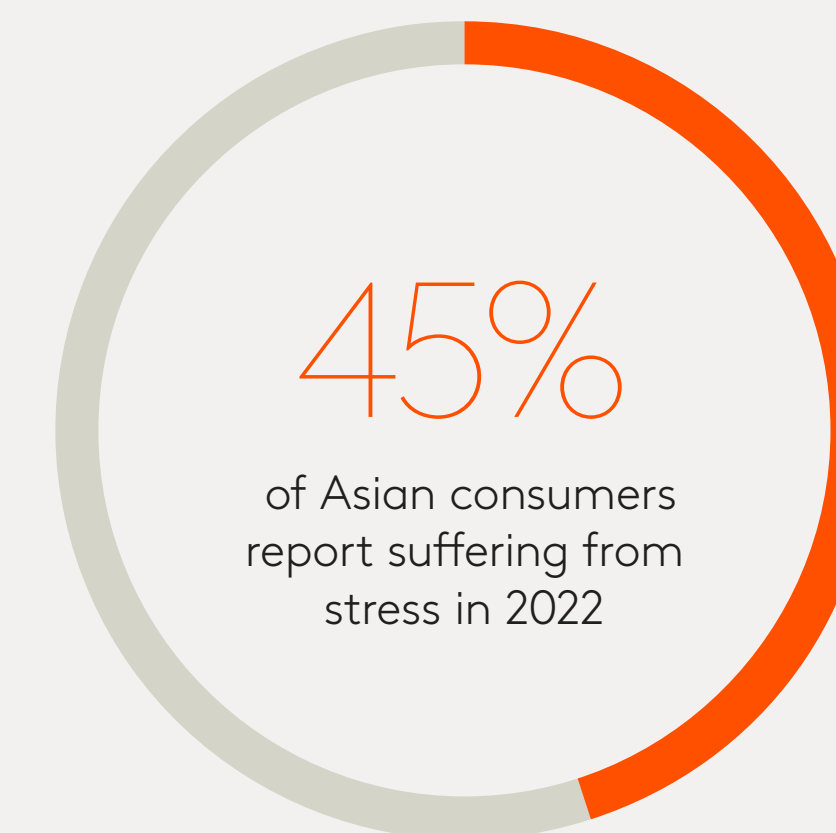
Asia: Consumers increasingly want products that anticipate their needs, 2021



Wellbeing & Stress

COVID-19 has made individuals re-evaluate their life goals and hence their purpose for travel has shifted. With stress management at the forefront, travel is seen to be a salve.

Mental health is a key priority



MAINSTREAMING TREND

Digital nomads take work-life balance to a new definition



What's changing

Life blends to create the working vacationer and the vacationing executive – this is a permanent behavioural shift from COVID-19. The demands of the digital nomad are more pronounced as they explore remote areas yet demand full digital connectivity.

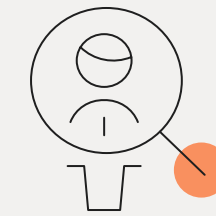
What it is today

Work arrangements are now fluid



65%

of Asian consumers choose to work from home in order to stay healthy and safe



34%

of employees in Southeast Asia prefer to find a new job if they are forced back to the office on a full-time basis

Signal

Style / Luxury

Is the 'workation' here to stay, even post-pandemic? How luxury resorts, from Rosewood and Six Senses to Aman, are welcoming digital nomads as they work remotely – while travelling the world

Six Senses Ninh Van Bay provides additional monitors, private wi-fi connections and even private rooms for video conferencing. Long-stay packages and enhanced services to provide for the new needs of remote workers and their families that turn resorts into erstwhile homes. Where business travellers previously stayed between three and 14 nights, hotels are reporting that they are seeing longer stays of up to three months.



MAINSTREAMING TREND

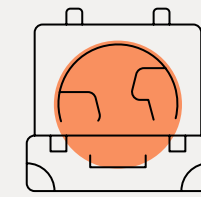
Green Travel is growing in demand among Asian travellers



What's changing

Whilst consumers demand for more green travel options, travel companies are responding to this demand by innovating eco-friendly technologies to bolster their services. Whether it is the new aerodynamic plane that saves fuel or usage of green fuel, airlines and airports alike are going green.

What it is today



66%

of APAC consumers are looking to learn more about travel options with low environmental impact and options that support local cultures and communities



96%

of APAC consumers are willing to make sacrifices if it means that they can be a more sustainable traveller

Signal

01-19-22 | HILTON

Travelers seek eco-friendly travel options in 2022

Asia's biggest and India's first net zero-emission airport is coming up in Noida - All you need to know

Hilton's sustainability efforts reach to events planning as it doubles its investments in social impact. It gives event planners an opportunity to host a Carbon Neutral meeting at its participating hotels. Airlines, too, are re-engineering for sustainability. United Airlines was the first airline to demonstrate utilisation of sustainable aviation biofuel, zero cabin waste efforts, carbon offsetting and operational efficiencies, all on a single commercial flight.

FAST COMPANY | DNA

Tomorrow

**What should you
be prepared for?**



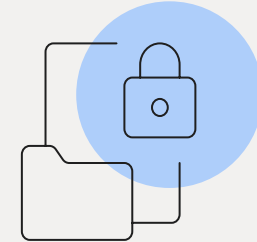
In the future, the nature of travel will update itself to a post COVID-19 and embed getaways in two realms – the physical and mental.

To understand the changes coming, we have created three new travel worlds to explore how travel will meet the consumer at their need.



Safe worlds

Asian consumers seek out feelings of safety even as they re-explore the world. Technology will ease the strain through frictionless touchpoints. And data-sharing between guests and travel operators will mean that you already know your guest before they arrive – building even more familiarity through personalisation.



55%

of Asian consumers prefer to play it safe and not take unnecessary risks, with the exception of Filipinos (20%). Japan (75%) and South Korea (72%) slanted towards safety



45%

of data professionals in APAC say data and analytics for personalisation is key to higher selling prices

Sources: Merkle 2021, Airbnb 2021, Sisense 2022

Early signals

Jumeirah Group and Incode Technologies Announce Strategic Partnership to Shape Hospitality Experiences of the Future



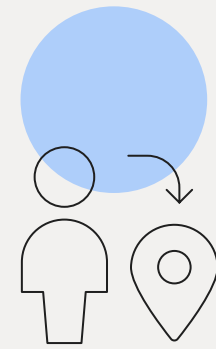
The two companies above share a vision to disrupt today's hospitality experience. The in-house systems can intuitively tailor the guest experience based on purchasing behaviour and stored personal preferences, building trust and strengthening connections.

Earlier in 2022, Korean Air launched biometric self-boarding at Seoul Gimpo Air. Travellers are now able to proceed through Korean Air's domestic boarding gates by just scanning their palms, eradicating the need for a physical boarding pass.



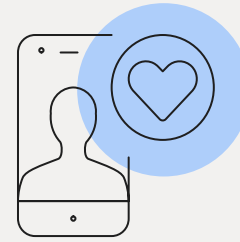
Deep worlds

As hyperlocality locks into retail, it will spill over to travel. Deeper, longer stays will replace whistle-stop tours and anchor the deep traveller to a sense of place. Travellers will want to immerse themselves in stories from the living community where the everyday, not the exceptional, is celebrated.



21%

of Thai consumers plan to take domestic trips in the next 12 months



52%

of Asian consumers expressed that it was important for them to seek experiences that can be easily shared

Sources: Kantar Global Monitor 2021

Early signals

CULTURE / TRAVEL

Rosewood Mayakoba Aims to be More Than a Luxurious Mexico Resort With K'iin Beh School — A New Model For Giving Back?

When the People of Your Paradise Vacation Land Need Help



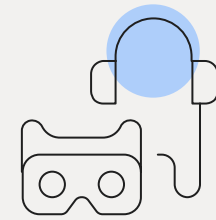
Rosewood's Mexico hotel prides itself on "humble luxury" trying to create more of a symbiotic relationship between the guests and the employees. Many of the discerning travellers have fallen in love with not only the resort, but the mission to help the surrounding community with this under-the-radar school project.

Caption by Hyatt (Memphis, US) integrates into the neighborhood seamlessly, so much so that it entices locals from the area to hang out at its premises. This creates an embedded experience for hotel guests, to experience the local culture as well as get to immerse into a luxurious spin on how locals live.

PAPER CITY.

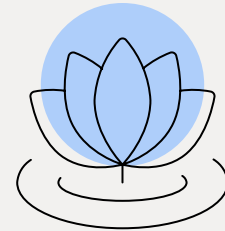
Transformational worlds

Wellbeing knocks on travel's door by creating worlds for extreme self-care and wellbeing. Individuals are able to be transported and immersed into new worlds both real and created. Hotels are also no longer bound by their grounds as they now have the flexibility of providing their services, wherever, whenever. All designed to spark self-discovery, an aspect travel is known to unlock but now with a stronger imperative.



45%

of Asian consumers would be comfortable spending a lot of time in an immersive, digitally-generated world, such as with VR (virtual reality), with Australians (26%) least receptive



81%

of Asian consumers are likely to buy products or services that will enhance their sense of emotional wellbeing and relaxation in the next 12 months. Seen most acutely in South Korea (61%), Thailand and Hong Kong (both 59%).

Sources: Global Monitor 2021

Early signals

ASIA • EDITORS' PICK

Asian Billionaires' Hotel Groups Build Virtual Lands In Decentraland And The Sandbox's Metaverse



Tripp is a VR app in which users explore worlds which have meditative effects. It's travelling through the mind, without physical evocations, and providing an essential mental health service.



GoodSpot (Poland), a container hotel pop-up, offers their services wherever, whenever. The pop-up hotel will come to you, wherever you feel is a 'good spot'. Despite its exterior, the inside of this pop-up hotel is fully equipped with beds, a kitchen and shower facilities.

Forbes

The future is always happening

Our provocations for growth opportunities

Today, what could you do to:

Use the new consumer motivation of protection to build your brand?

Build a revenue stream from your sustainability efforts thus far?

Or a product that delights the new hybrid work-travel dichotomy?

Tomorrow, prepare to:

Create an ecosystem of positive action by participating and investing in local communities

Update your signature experiences to express safety and privacy even while providing an ultra-personalised touch

Explore how you can delight your guest by going to where they are or before they arrive

Today

Tomorrow

How can we help you prepare for these disruptive forces?

1

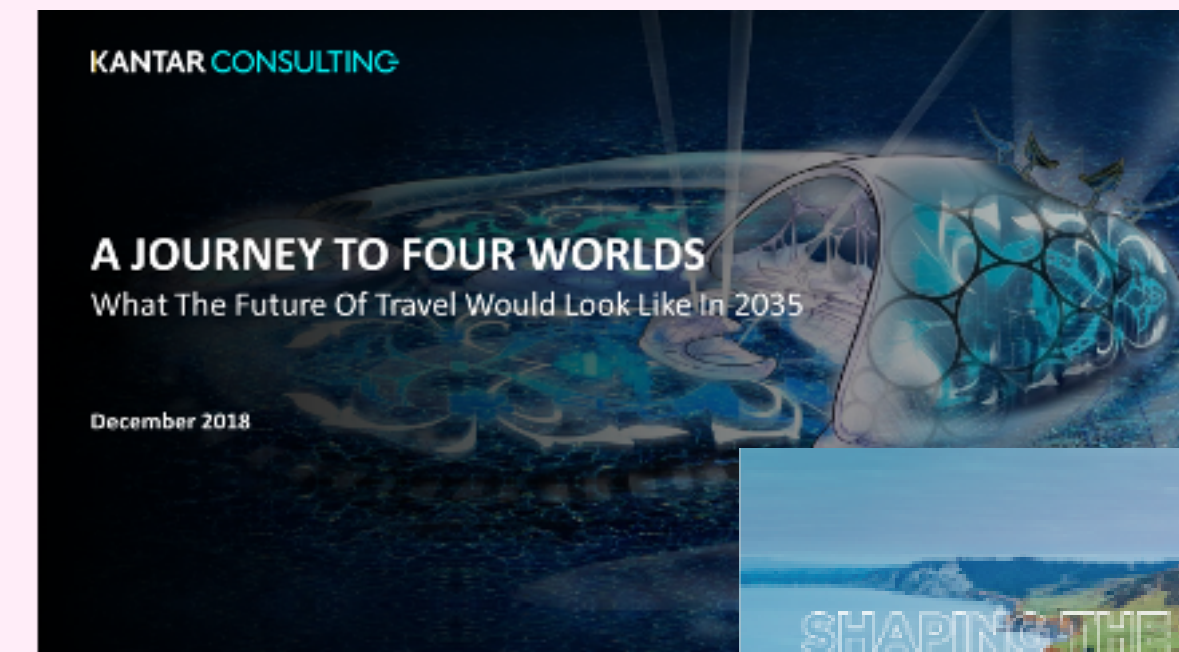
Formulate future strategy by generating future scenarios for your business

2

Implement a trends framework so your business stays relevant to consumers

3

Monitor consumer changes and prioritise which will impact your business first



Now is the time

We can help you futureproof your business by developing a comprehensive framework as a long-term decision-making tool

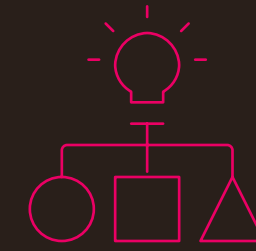


Track Trends

Stay relevant to consumers

Monitor Trends to keep updated with the latest developments in your category and local market nuance

- What values do consumers hold that I can share?
- How is their understanding of my category changing?
- How will the consumer view my brand/product today and in the future?

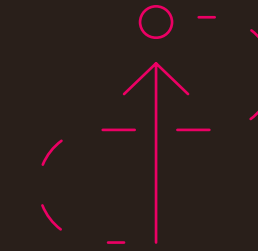


Plan for Innovation

Improve your accuracy

Identify Opportunity Areas and Innovation Concepts to meet your businesses' future demand

- How do I excite my innovation pipeline?
- What trends should I leverage for new product development?
- What new jobs need to be done?

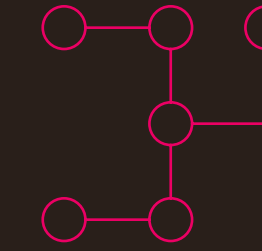


Thrive in Disruption

Imagine ahead

Future Dynamics to understand what driving forces and systemic shifts will shape the next 5 years

- What are the new opportunities to go after in the new market landscape?
- Where does our brand have a right to play and win?
- How do I prioritize our opportunities?



Build Resilience

Plan against uncertainties

Futures Scenarios to prepare your business for possible future expectations and outlook

- What kind of world will our business be operating in?
- What conditions will I need to plan for?
- How do we manage what we don't know?

KANTAR

Let's talk

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