

TRAVEL AND HOSPITALITY

Travel brands should market to millennials, showcase staycations: Euromonitor

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Staycations remain an enticing option in an uncertain travel landscape. Image credit: Marriott International

By KATIE TAMOLA

As the travel industry remains continuously affected by COVID-19 developments, hospitality brands are adapting to what will attract consumers in the short term.

With an uncertain future, it is crucial for brands to maintain a holistic approach to understanding travelers' preferences and desires from trips, according to a new [whitepaper](#) from global market researcher [Euromonitor](#). Brands should maintain a range of offerings, including staycations, while considering other aspects of travel consumers are prioritizing, including sustainability and domestic versus international trips.

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Euromonitor sampled 1,000 respondents per market with 40,000 respondents in total, aged 15-65, across 39 countries, featuring key luxury markets including the United States, China, France, Italy and more. The survey was fielded in January 2021 and the findings were published in August 2021.

Voice of the consumer

International tourism spending decreased by 75 percent in 2020. Since then, many consumers and brands have pivoted to domestic staycation offerings as a means of assuaging fears of traveling during the pandemic.

Gen Z travelers were the most heavily impacted in their abilities to take trips, as they tend to hold less secure jobs. Millennials showed resilience, taking high levels of domestic trips especially in the Middle East, Africa and Asia Pacific.



Younger people between the ages of 15-29 who earn more than \$150K reported going on at least weekly day trips. Image credit: Italy Ministry of Health

About 82 percent of millennials in the Middle East and Africa noted planning domestic trips in 2021, while about 42 percent indicate planning international trips in the same time period. Meanwhile, 80 percent of millennials in the Asia Pacific are planning on domestic trips in 2021, compared to about 40 percent who are planning international trips during the same time period.

There is a correlation between income and the likelihood of taking day trips. Younger people between the ages of 15-29 who earn more than \$150K report going on at least weekly day trips, discovering what is closer to home.

Seventy-one percent of Gen Z and millennials in emerging markets plan to increase their spending on travel in 2021, compared to only 63 percent in developed markets.

For people older than the age of 60, there is less interest in taking frequent day trips, which is not due to income but instead a result of the pandemic and related health concerns. Vaccinations, however, have helped travelers in this age group gain confidence.

It is imperative that brands understand the preferences of luxury travelers, as traveling with a partner or spouse is notably the most preferred choice of luxury travelers earning more than \$100K, followed by traveling with their children. Solitary travel or travel with friends is less popular in this income bracket.

Travel and hospitality brands must also be transparent and authentic in their inclusivity efforts which should be reflected in their products, services and marketing strategies. Across all ethnicities, relaxation was the most sought-after trip element.



Fifty-six percent of Chinese consumers booked their trips on a smartphone in 2021. Image credit: International Luxury Travel Market

Brands must also continue to recognize the importance of digitization as consumers are virtually planning their travels now more than ever. China is the most mobile-first country in regards to booking travel, with 56 percent of Chinese consumers booking their trips on a smartphone in 2021.

As more travelers are prioritizing sustainability, findings indicate that there is a disconnect between wanting sustainable travel features and following through with electing them. While 65 percent of global consumers note they are concerned about climate change, only 48 percent have chosen sustainable travel features this year.

Building off current trends

In dealing with the continuous and unpredictable repercussions of the pandemic, brands must continue to take note

of what generates interest and revenue.

Travelers continue to flock to local experiences as travel restrictions continue in many countries, limiting any ease of international travel. Staycation offerings remain attractive.

Cruise line Cunard promoted unique summer staycation opportunities this summer for British guests, at a time when people were optimistic but still unsure of how the summer's travel landscape would look.

The cruise line also acknowledged its necessary cancellations, while highlighting its flexible booking terms to assuage apprehension guests may have felt about traveling again ([see story](#)).

In another effort, hospitality group [Four Seasons Hotels & Resorts](#) is reminding consumers of the transformative powers of travel with a new series.

In "Reconnect With The World," viewers are taken into the world of myriad opportunities that encompasses a Four Seasons stay. After a year full of travel restrictions and global concern, the hospitality group is reinforcing its ability to foster life-changing experiences through short films and podcasts ([see story](#)).

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