

Microsoft Advertising

Travel Update



Agenda

U.S. focus

U.K. focus

FR focus

DE focus

Coronavirus is having a profound impact on consumer behaviour

8/10

Consumers have changed their behaviours as a result of the virus

In this research, we try to examine the impact of coronavirus and other disruptions on how consumers search for travel

Notes & Definitions for slides ahead

Query associations – these are search terms that feature in a query alongside the core product term (e.g., for a query like ‘cheap flights’, the core product term would be ‘flights’ and the query association would be ‘cheap’). Typically, query associations tend to be descriptive terms regarding the product being searched.

Raw queries – these are the typed queries by consumers in the search engine (e.g., ‘cheap flights’ is what a consumer typed into Bing, but our analysis has identified ‘cheap’ as the query association within this raw query).



U.S. focus

Coronavirus is having a significant impact on consumer plans to travel

50%

U.S. consumers who have voluntarily cancelled, delayed or have been forced to cancel travel plans as a result of the virus

Top query tokens by Travel sub-vertical

ranked by search volume in descending order
(Mar 7th – Mar 20th 2020)

- Flight and Car Rentals shoppers exhibited price sensitivity and an appetite for a good deal
- “Florida” and related tokens (“Orlando,” “Disney”) maintained their prominence as top query associations across sub-verticals
- Geographic query associations emerge among the strongest in the Vacation Rentals sub-vertical

Vacation Rentals	Lodgings	Holidays	Flights	Cruises	Car Rental
sale	beach	inn	airlines	lines	airport
beach	ski	rentals	cheap	ships	cheap
rentals	casino	packages	vegas	ship	cheapest
florida	vegas	2020	tickets	line	rates
rent	lake	beach	deals	caribbean	deals
fl	city	inclusive	price	port	price
city	mountain	rental	packages	river	lowest
vacation	las vegas	family	round trip	2020	lowest price
island	florida	florida	airline	deals	reservations

Top 10 non-brand raw queries by Travel sub-vertical

ranked by search volume in descending order

(Mar 7th – Mar 20th 2020)

- Deal-seeking queries are popular across Flights, Cruises and Car Rental sub-verticals, but many top queries all still in decline
- Some increased flights interest in Las Vegas may be due to travellers seeking deals just prior to hotel and casino closures
- Car Rental top non-brand queries show a uniform week-over-week (WoW) decline

Flight Queries	WoW Change
cheap flights	-25.80%
flights	-15.30%
airline tickets	-20.10%
flight tracker	-20.90%
cheap airline tickets	-35.30%
plane tickets	11.20%
flight	-21.40%
airfare	-27.30%
airline tickets best price	-38.10%
flights to vegas	+12.70%

Cruise Queries	WoW Change
cruises	-27.80%
cruise	-32.70%
cruise deals	-38.50%
cruise lines	+3.40%
cruise ships	-20.00%
best cruise ships	+1.20%
alaska cruise	-35.20%
river cruise reviews	+9.60%
alaska cruises	-53.10%
last minute cruise deals	-58.50%

Car Rental Queries	WoW Change
car rental	-43.80%
rental cars	-46.30%
car rentals	-40.60%
cheap car rentals	-48.00%
car rentals cheapest rates	-52.20%
rent a car	-40.30%
cheap rental cars	-45.60%
rental car	-41.80%
car rental deals	-49.30%
rental cars lowest price	-53.90%

Top 10 non-brand raw queries by Travel sub-vertical

ranked by search volume in descending order
(Mar 7th – Mar 20th 2020)

- Destination queries are strongly present in the Vacation Rentals sub-vertical, but top searches are in uniform WoW decline
- Queries featuring island destinations like 'Hawaii' and 'Bora Bora' show notable volume, with 'Hawaii' even showing growth
- Upper-funnel Lodging queries suffered the same sharp WoW declines as the rest of the vertical

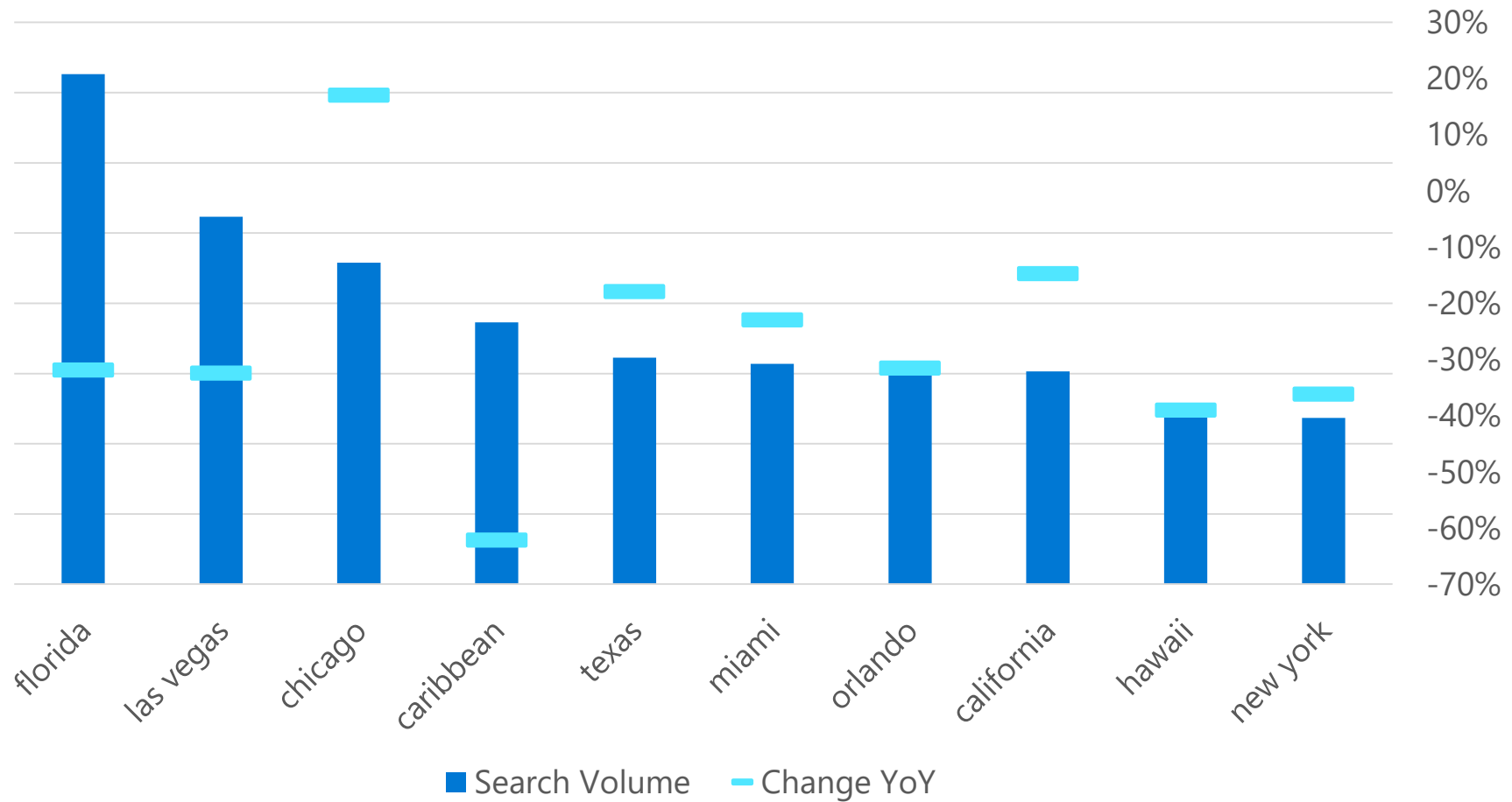
Holiday Queries	WoW Change
vacation	-18.30%
hawaii vacation packages	+39.40%
all inclusive vacation packages	-45.10%
vacation packages	-47.50%
all-inclusive vacation packages with airfare	-58.10%
all inclusive vacations	-42.00%
bora bora vacation packages	-43.90%
vacations	-36.00%
last minute travel deals	-57.00%
disney vacation	-50.90%

Lodgings Queries	WoW Change
hotels	-40.70%
hotel	-32.30%
cheap hotels	-44.50%
las vegas hotels	-33.70%
vegas hotels	-23.70%
myrtle beach hotels	-43.00%
hotels in las vegas	-42.10%
accommodation	-21.10%
motel	+5.20%
hostel	-14.70%

Vacation Rental Queries	WoW Change
vacation rentals	-49.10%
outer banks vacation rentals	-46.60%
condos for rent	-35.10%
bed and breakfast	-50.40%
vacation rentals by owner	-47.40%
destin florida vacation rentals	-46.50%
myrtle beach vacation rentals	-51.00%
tybee island vacation rentals	-53.10%
condos for rent near me	-47.10%
florida vacation rentals	-47.80%

Top travel destinations for U.S. travellers

Top 10 destinations for U.S. travellers (1st - 10th May 2020)



U.K. focus

Coronavirus is having a significant impact on consumer plans to travel

38%

U.K. consumers who have voluntarily cancelled, delayed or have been forced to cancel travel plans as a result of the virus

Top 10 non-brand raw queries by Travel sub-vertical

ranked by search volume in descending order
(Mar 7th – Mar 20th 2020)

- Stricter restrictions on movement during the period have prompted query associations around flight 'status,' 'tracker' and 'arrivals' in the Flights sub-vertical
- Across all sub-verticals, a domestic destination interest emerged with 'UK' being a top query association
- 'Insurance' emerged as a top query association in the Holidays, Cruises and Car Rental sub-verticals
- '2020' also emerged as a popular query association between the Holidays, Flights and Cruises sub-verticals

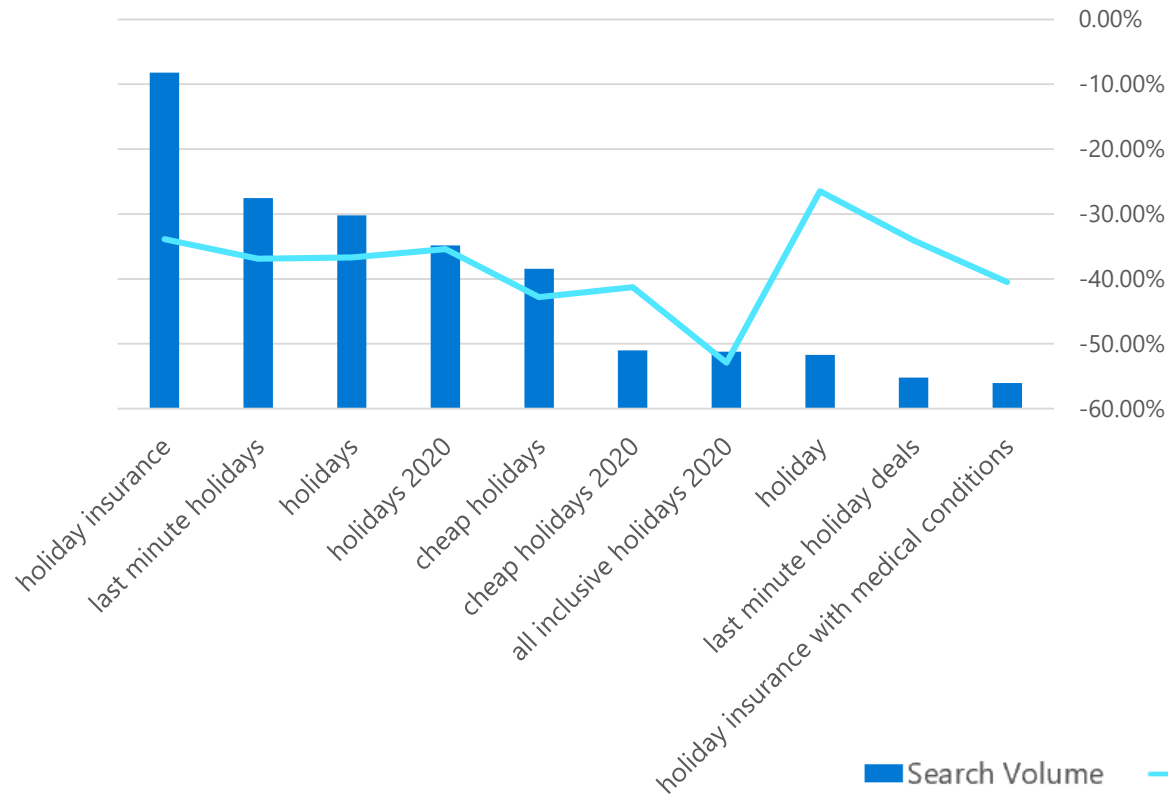
Vacation Rentals	Lodgings	Holidays	Flights	Cruises	Car Rental
cottages	holiday	2020	uk	ship	airport
uk	uk	uk	cheap	2020	uk
cornwall	london	holiday park	status	ships	cheap
dog friendly	ski	insurance	london	river	insurance
lettings	beach	cheap	manchester	southampton	spain
rent	airport	inclusive	tracker	uk	malaga
homes	dog friendly	last minute	airport	deals	alicante
b&b	cheap	package	2020	inclusive	alicante airport
accommodation	centre	deals	arrivals	insurance	malaga airport
cheap	city	tenerife	birmingham	holidays	usa

Top 10 non-brand raw queries by Travel sub-vertical

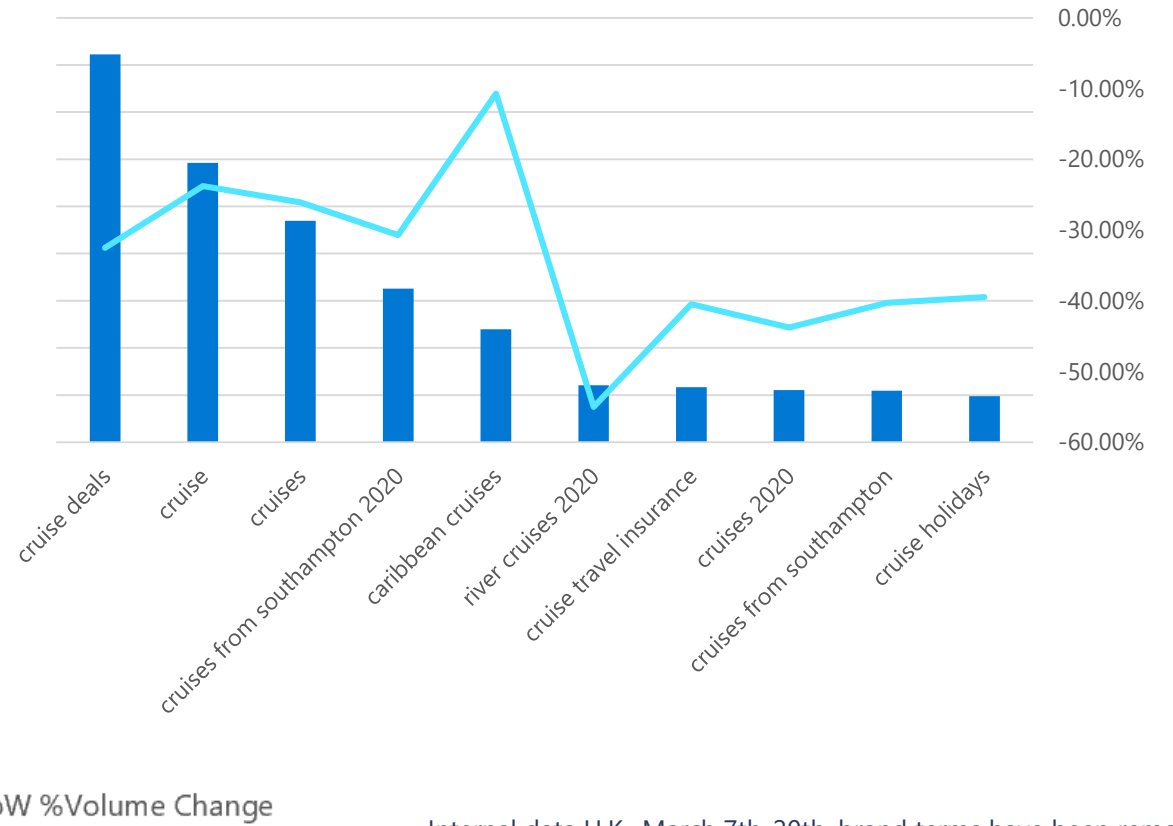
ranked by search volume in descending order
(Mar 7th-20th 2020)

- Queries featuring '2020' and 'insurance' attained the highest volume in the study period for the Holidays and Cruises sub-verticals
- Price-sensitive queries were particularly strong in the Holidays sub-vertical

Holidays top 10 raw queries



Cruise top 10 raw queries

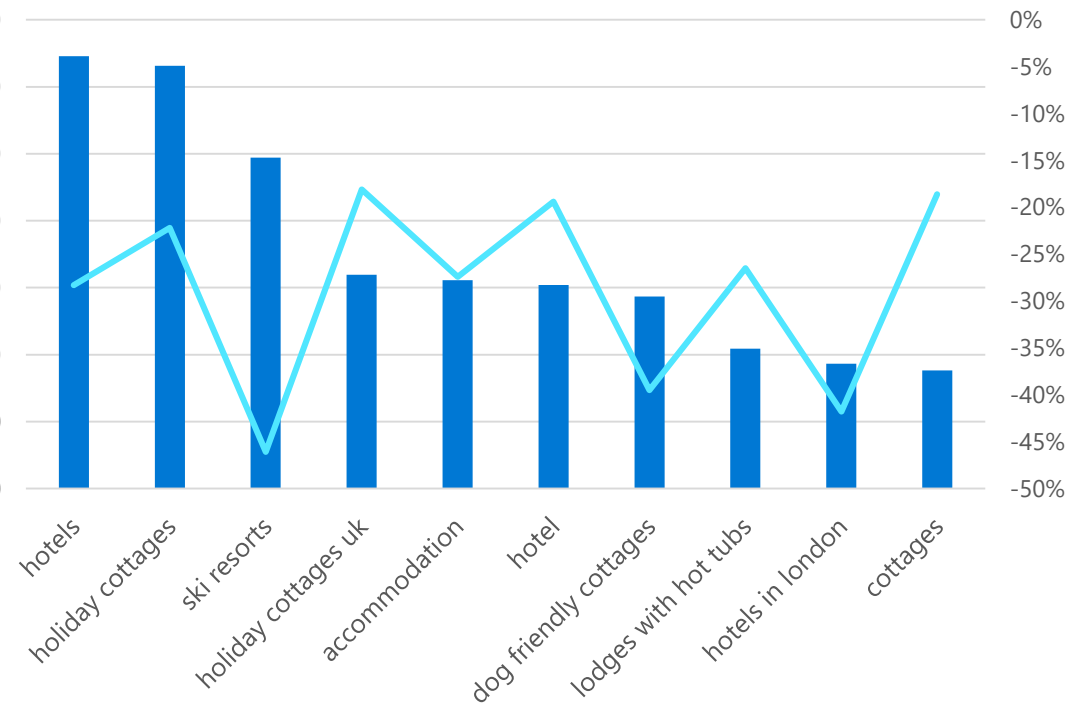


Top 10 non-brand raw queries by Travel sub-vertical

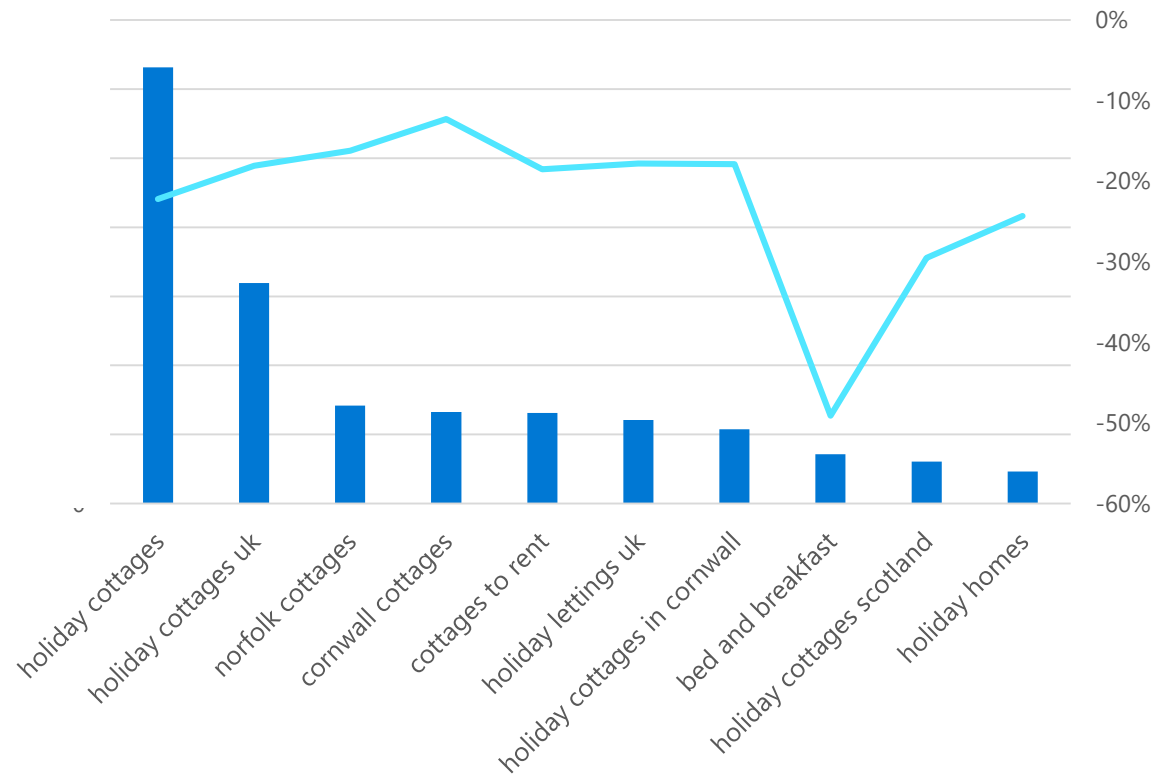
ranked by search volume in descending order
(Mar 7th-20th 2020)

- Cottage queries were highly searched in the study period across the Lodgings and Vacation Rental sub-verticals
- Domestic destinations displayed popularity across the Vacation Rentals sub-vertical, particularly Cornwall

Lodgings top 10 raw queries



Vacation Rentals top 10 raw queries

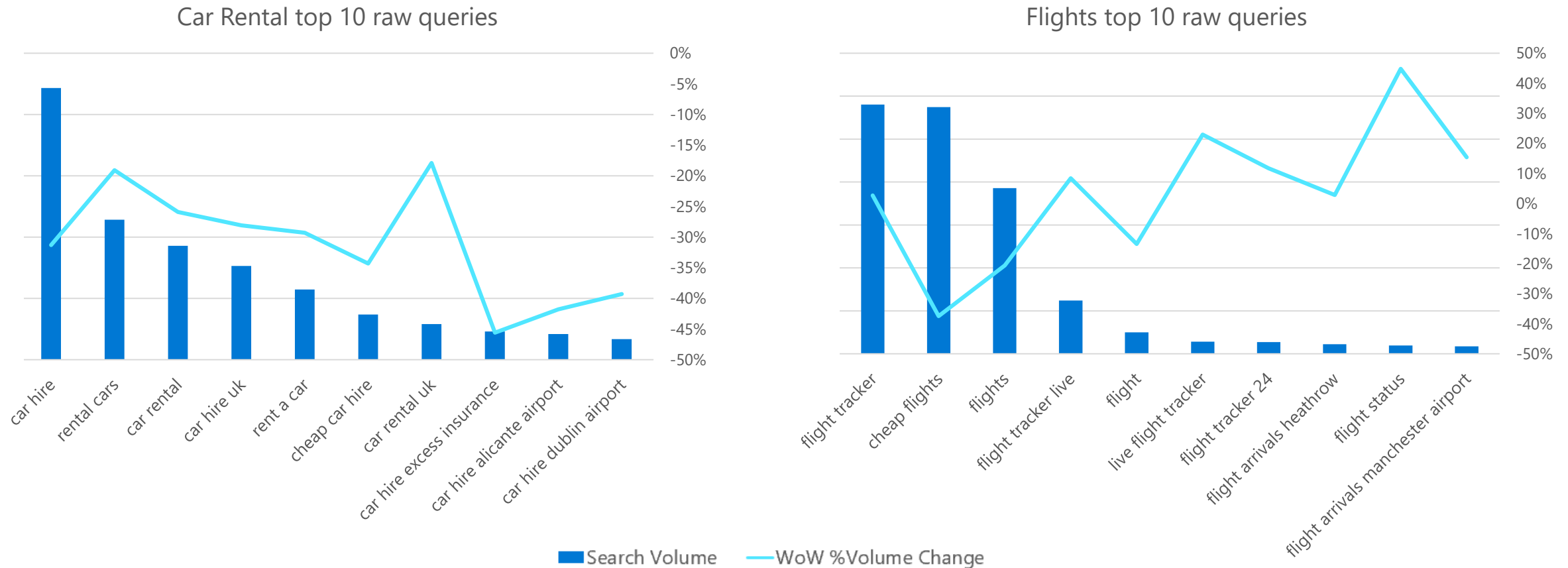


■ Search Volume — WoW %Volume Change

Top 10 non-brand raw queries by Travel sub-vertical

ranked by search volume in descending order
(Mar 7th-20th 2020)

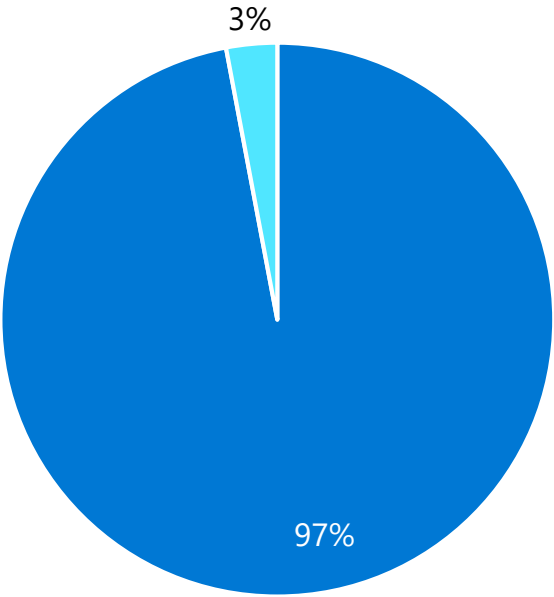
- Flight Logistics queries focusing on 'tracker,' 'status' and 'arrivals' saw notable increases WoW as many countries closed borders during the study period
- Upper-funnel Car Rental terms attracted the most volume during the study period



2021 searches are beginning to emerge in modest volumes; they are largely branded and almost exclusively in the Cruises sub-vertical

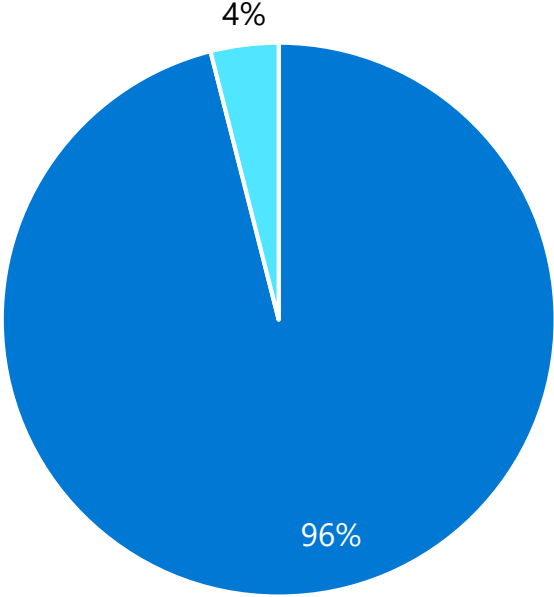
(Mar 7th-Mar 20th 2020)

2021 queries, brand vs. non-brand



■ Branded ■ Non Branded

2021 queries by Cruise intent



■ Cruise Related ■ Non Cruise Related



Internal data UK, March 7th-20th, brand terms have been removed.

Top Travel destinations (summarised by country) for U.K. travellers



1st - 10th March 2020

Top 10 Countries by Volume

Country	%ChangeYoY
united kingdom	-21.7%
united states	-28.0%
spain	-46.5%
france	-42.3%
ireland	-22.9%
canada	-30.9%
greece	-51.7%
germany	-38.5%
scotland	-23.3%
australia	-27.7%

Top travel destinations for U.K. travellers, 1st – 10th March 2020. This data is calculated by counting all travel intent searches featuring a destination and then mapping all destinations back to countries. The named countries in the list are representative of travel searches containing those named countries but also any travel searches that contain destinations within those named countries. For example, 'united states' includes travel searches like 'flights usa' but also includes travel searches like 'flights to dallas'



FR focus

Top query associations by Travel sub-vertical

ranked by search volume in descending order
(March 7th – Mar 20th 2020)

- Domestic cities are now very frequent in top 10 lists, whatever the category
- Consumers still appear interested in tokens like sea (mer) and swimming pool (piscine), but without going abroad. This more local aspect can be seen too in cruises (river ones).

Vacation Rentals (ex : location +...)	Lodgings (ex : hotels +...)	Holidays (ex : vacances/voyages +...)	Flights (ex : vol +...)	Cruises (ex : croisiere +...)	Train (ex : train/billet +...)	Car Rental (ex : location auto +...)
mer	paris	d'hiver	paris	bateau	billet	aéroport
espagne	spa	ski	france	2020	sncf	gare
piscine	centre	france	lyon	départ	Paris	guadeloupe
bretagne	lyon	scolaires	nantes	marseille	horaire	comparateur
bord	mer	orleans	marseille	nil	lyon	martinique
particuliers	centre ville	agence	toulouse	caraibes	bordeaux	paris
marseille	france	monde	comparateur	mediterranee	marseille	utilitaire
france	bordeaux	paris	nice	diner	Lille	corse

Top Travel destinations (summarised by country) for FR travellers



1st - 10th March 2020

Top 10 Countries by Volume

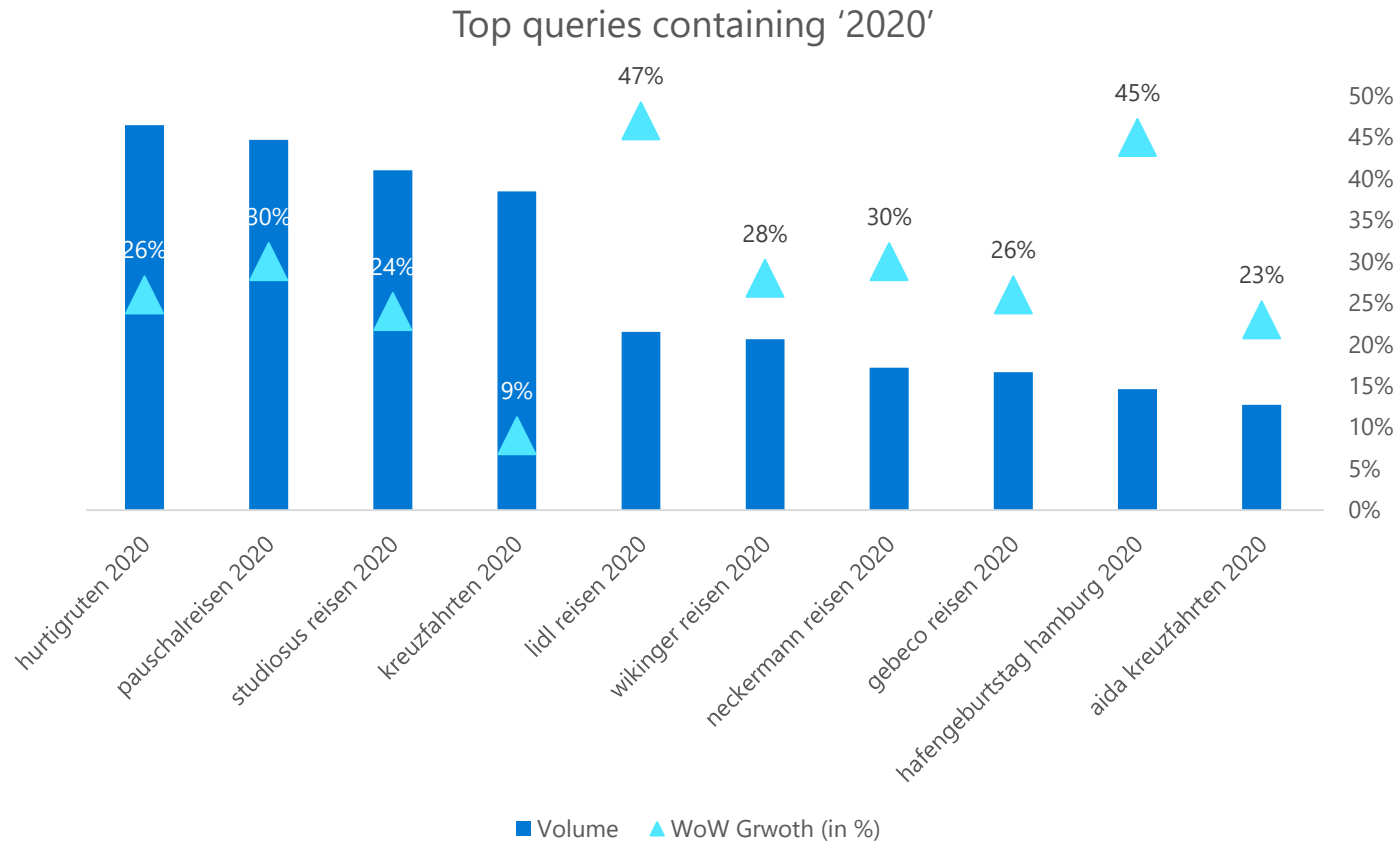
Country	%ChangeYoY
france	-29.5%
spain	-45.7%
united states	-27.9%
morocco	-31.4%
portugal	-50.9%
united kingdom	-33.4%
germany	-49.8%
canada	-29.9%
switzerland	-35.6%
tunisia	-37.6%

Top travel destinations for FR travellers, 1st – 10th March 2020. This data is calculated by counting all travel intent searches featuring a destination and then mapping all destinations back to countries. The named countries in the list are representative of travel searches containing those named countries but also any travel searches that contain destinations within those named countries. For example, 'united states' includes travel searches like 'flights usa' but also includes travel searches like 'flights to dallas'



DE focus

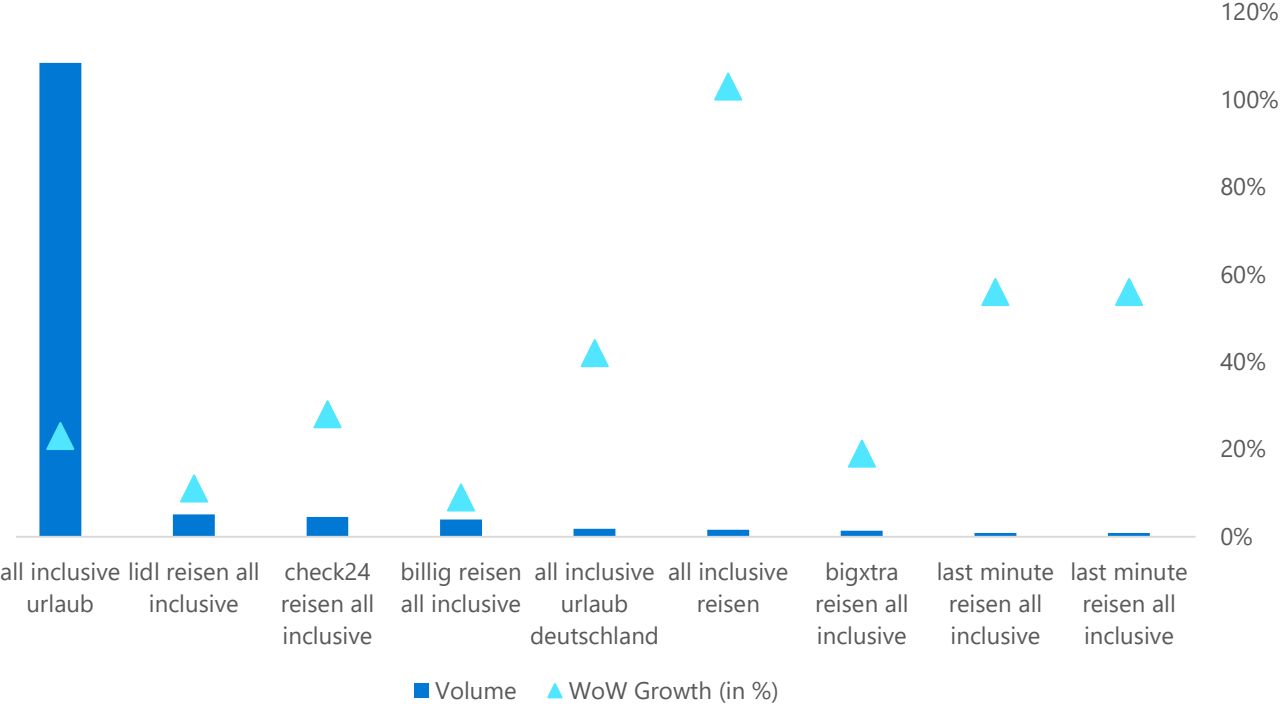
Notable trends I: searches for "2020"



While travel currently is on halt, a significant amount of people are still searching for travel opportunities later in the year. These searches are mainly focused on vacation packages and cruises.

Notable trends II: searches for “all inclusive”

Top queries containing 'all inclusive'

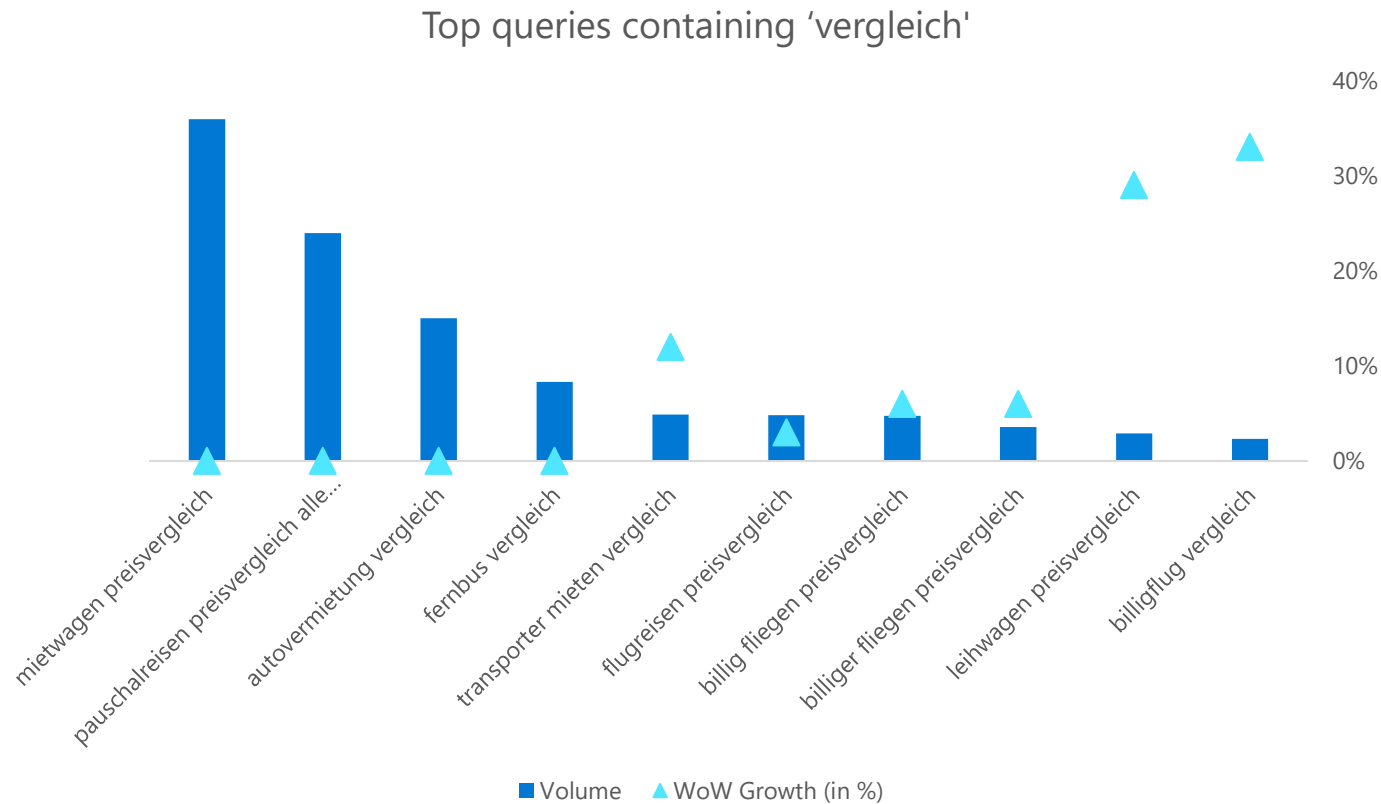


All-inclusive vacations are still very popular, as search volumes for all terms containing 'all-inclusive' went up. Searchers, however, don't have a destination preference. Deutschland is the only destination that made it on the list, indicating many plan to stay domestic this year.



Source: Microsoft Advertising Internal Data;; March 16 to 20 2020

Notable trends III: searches for “vergleich”



For the most popular queries containing 'vergleich,' there was no weekly growth.

However, for terms related to 'billigflug,' we recorded an increase for all terms. With more people at home, interest in comparing prices for transporter and leihwagen grew as well.

Top Travel destinations (summarised by country) for DE travellers



1st-10th March 2020

Top 10 Countries by Volume

Country	%ChangeYoY
germany	-16.1%
spain	-38.1%
united states	-24.0%
france	-58.0%
austria	-24.1%
netherlands	-31.4%
united kingdom	-30.5%
greece	-47.4%
portugal	-31.9%
switzerland	-26.4%

Top travel destinations for DE travellers, 1st – 10th March 2020. This data is calculated by counting all travel intent searches featuring a destination and then mapping all destinations back to countries. The named countries in the list are representative of travel searches containing those named countries but also any travel searches that contain destinations within those named countries. For example, 'united states' includes travel searches like 'flights usa' but also includes travel searches like 'flights to dallas'



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