



UNDERSTANDING THE CURRENT MINDSET OF AUSTRALIANS ON TRAVEL TO THE USA

DESK RESEARCH REPORT



Version 1 with additional content

NOVEMBER 2020



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Key findings and recommendations

- There is currently a relative shortage of very recent information on Australian attitudes to US Travel. However, the existing research when calibrated with other sources including does suggest some clear directions.

General travel mindset

- Levels of trust in international travel are still low compared to domestic tourism. Indeed, many Australians are currently relishing the 'forced' opportunity to explore their own country. This is being strongly reinforced by heaving marketing campaigns at both state and federal governments to 'Holiday Here This Year'. Recent feedback has shown that this is in part driven by a desire to support regional communities and the tourism industry.
- It is both an opportunity and a challenge that affluent Australians are currently saving rather than spending on travel. On the negative side this is fed by consumer uncertainty.
- That said, Australians have NOT lost their desire to travel internationally. They continue to dream about international travel. It is important to continue talking to the Australian market, but content needs to focus heavily on inspiration. This validates the approach of the virtual road trips US destinations have adopted.
- Travellers under 35 and Visiting Friends and Relatives travellers are the most likely to return first when borders re-open. Considering the role of Australian expats in the USA both as sources of inspiration and as potential vectors of misinformation is important in marketing.
- Most Australians are not willing to visit (or actively plan travel) to destinations where coronavirus is not perceived to be under control. As a result, Australians are looking to the 'bubble destinations' and those close to home first e.g. Bali, New Zealand etc. This focus on the bubbles is also the position of Australia's main airline Qantas which is focusing discussion of international travel on the bubble destinations.
- Hawai'i also figures strongly on their list as an early point of return and could be one of the lead destinations with Puerto Rico trending 'hot' according to Yougov. Island tourism is perceived to have lower threats/a more controlled environment and may be a target for earlier conversion than visits to the US mainland.

Travel to the USA

- Comparative data shows the US at some disadvantage, but desire to travel there still exists. YouGov's Destination Index shows that aspiration to travel to both California and Florida began to recover in August.
- Beyond border closures, the three largest barriers to travel to the US appear financial (as Australians are saving more), the US coronavirus situation and the current levels of political uncertainty. Considering broad sentiment as well as any published data, the US' performance on coronavirus is the largest barrier of the three.
- Countries who are seen to have responded poorly to the coronavirus have seen a hit to their brand reputation and the US is a leading contender in this category. Analysis of sentiment in the press seems to indicate that Australians are increasingly viewing the US as a cautionary tale on



management of coronavirus. With other destinations with a more positive record seeking to attract Australian visitors the US will struggle to persuade Australians to consider travel.

- The current political situation is an important consideration for Australians when thinking about the US overall: perceptions have been weakening for some time especially among young people. Beyond coronavirus data, the majority of coverage of the US has been of the election campaign and unrest in major cities with relation to the Black Lives Matter campaign. Australian sympathies more heavily lie with President-elect Biden and a number have made it clear that they will not consider travel to the destination overall. This concern is potentially magnified by official travel warnings. Beyond the generic advice about overseas travel, the Australian government has highlighted the unrest around the election. It encourages Australia to seek further information from the media: the majority of which is almost universally negative around the situation in the US and leads with the political and social upheaval.
- Despite these concerns, it still seems likely that coronavirus is the most outstanding barrier. Post the 2016 election, there was much talk of a 'Trump Slump' from major destinations. However, a review of the visitor data suggests that this slowed the *rate* of growth of visitation to the US slightly rather than anything more.
- In terms of airlines, many are tight lipped about future travel plans to the USA in their published information:
 - Qantas and Virgin Australia continue to have no international flights listed at all on their websites aside from select flights between Australia and New Zealand. On 23 November Alan Joyce Qantas CEO indicated that Qantas was hoping to restart international links in 2021. However, this followed a similar announcement about opening from Federal Trade Minister Birmingham and seems concentrated on 'bubbles'. The airline's strategy appears to be to push the destinations most likely to reopen and pressure on these.
 - US airlines America, Delta, and United have flights to Australia running currently to specific locations or through flights operated by other carriers. Hawai'ian Airlines has flights to Australia slated to return in late March.

What should Visit USA and its key destinations DO?

- At this stage, the key task remains to keep a focus on inspiring content with a gentle nudge towards planning. This requires:
 - A weighting towards owned and earned media.
 - A focus on destinations that meet the current customer mindset about the USA are felt to be more likely to be safe by virtue of natural features like being an island (Hawai'i)/Puerto Rico or remote destinations (National Parks, Inspiring natural features).
 - For other destinations, putting a human face to the US that supports counter narratives to those in the media. Trusted influencers FROM the destinations concerned can remind Australians of who Americans really are and how welcoming they are. Note that locals are often the best influencers with campaigns on local's secrets. Image selection should focus on less crowded destinations.
 - Making sure that those of your owned assets which Australians use have practical information about safely navigating the destination so that those who are inspired to plan



can be reassured. The tone of voice should be 'on brand' but also calm, friendly and reassuring. The information should be easy to navigate and clearly recently updated.

- Ensuring flexibility in booking and conditions and providing small ways to build commitment among those who would like to go further. Cruise companies have deals and packages out for 2022 and are offering flexibility. Some also use low entry level commitment (reserve a place for \$1). Many of these pre-dated the pandemic suggesting that this is a tried and true tactic. Similarly, the launch of travel vouchers by Tasmania and to a lesser extent SA generated a strong buzz in search results. The Tasmanian vouchers sold out in 40 minutes. Although the exact approach may not be possible, packages which create urgency offer potential. However, it is important that these be positioned alongside safety information as they can raise questions about investment in safety precautions and as part of an inbound marketing campaign where they are placed in front of those who are 'ready to buy'.



Rationale

Visit USA Australia (VUSA Australia) is a voluntary membership body that promotes the United States of America as a destination of choice for Australians. It is funded by individual members from the Australian Travel Trade as well as from associate members in the USA who do the important work of promoting US destinations and products. By working collaboratively, the members and the organisation can increase the effectiveness of all those who wish to promote travel to the USA.

Normally the organisation does this via events, collateral and other marketing efforts including sharing of knowledge. But with the borders closed due to the Covid-19 pandemic activities the organisation faces challenges in how to support members. What communications are relevant to Australians to encourage travel planning as the borders open? Which audiences will be most ready to travel?

To help guide strategy, the organisation commissioned MyTravelResearch.com, a specialist market research agency who has worked with Visit USA on events in the past, to undertake desk research to ***understand the mindset of Australians towards travel during to the US in order to guide tactics and strategy for promoting the US as lockdown ceases and borders reopen. Using the insights, Visit USA will be able to plan confidently to support effective destination promotion at this difficult time.***

Questions the project should answer

- What is the current mindset of Australians around international travel?
 - Where in the decision journey are they?
 - How many are ready to travel internationally?
 - How many are actively planning travel?
 - Where does the US sit within this as a destination?
 - How does it differ to other destinations?
 - Which other destinations sit in the consideration set currently?
 - Has this changed with lockdown?
- Who is most open to travelling to the US as soon as possible?
 - How do they differ from other groups?
 - How can we reach and communicate with them?
- What messaging will most resonate?
 - Which destinations and experiences are most likely to drive conversion?
 - When and how should we communicate until borders reopen?
- Beyond border closures themselves, what are the barriers to conversion?

After an initial review, for this revised version we have added questions about current Australian attitudes to the US.

Approach taken

Visit USA are at an early stage in their thinking about research and have initially commissioned Desk research to collate existing research on Australian traveller mindsets. We have collated the core research available in the public domain to build a picture of current mindset.



Note that relatively little new research appeared in late September and October 2020. We have therefore calibrated older research against what is available.

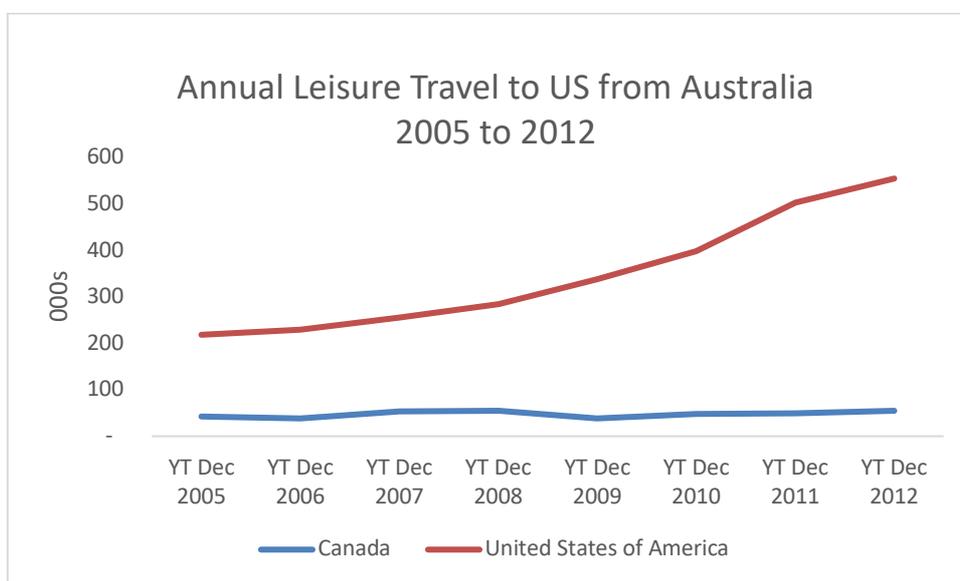
At the request of the team, this version of the report also incorporates a more general view of sentiment about the USA and what Australian attitudes are.

Main Findings

Consumer Confidence

There is evidence that consumers increasingly regard travel as a right not a privilege. For example, in the global financial crisis of 2008-9 travel was suppressed but it rebounded swiftly. Indeed, travel to the US from Australia actually increased over that period (due to the fact that Australia avoided a recession and thanks to a strong Australian dollar) as Figure 1 shows.ⁱ

Figure 1



Source: Tourism Research Australia, National Visitor Survey

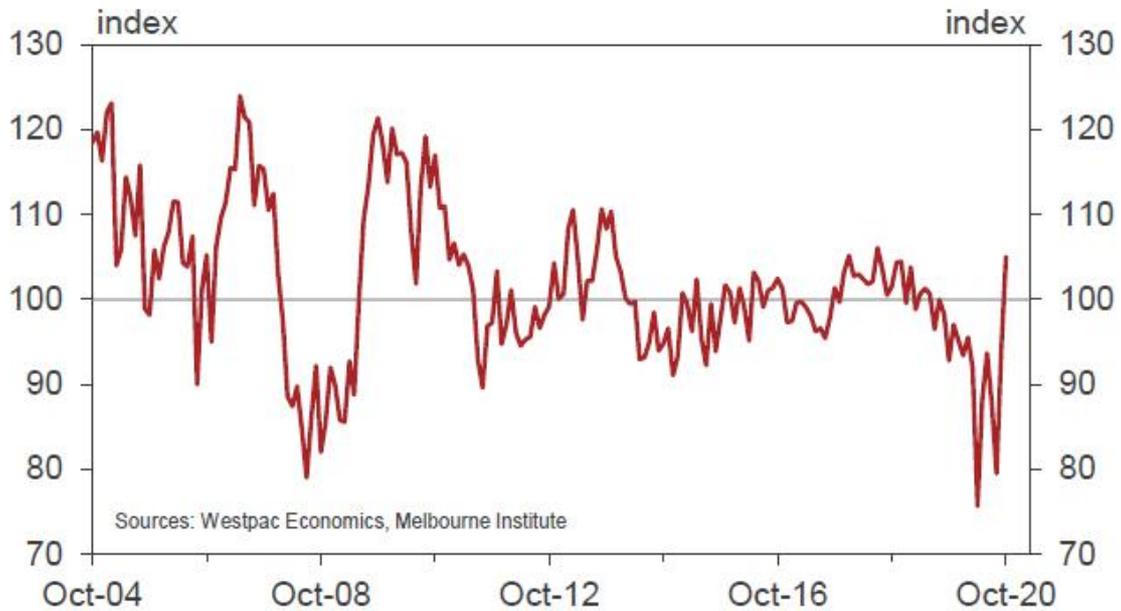
Nevertheless, with a financial crisis which is estimated to be the greatest since the 1930s and which strong evidence that consumers with higher incomes are electing to saveⁱⁱ, consumer confidence remains an important predictor of incidence to travel.

The current evidence is that after an initial dramatic drop, consumer confidence has recovered. After a stimulus budget the Westpac-Melbourne Institute Index of Consumer Sentiment surged by 11.9% to 105.0 in October from 93.8 in September (see Figure 2 below).



Figure 2

Consumer Sentiment Index



Source: Westpac/Melbourne Institute

Given this rising confidence, it is likely that desire to travel will remain strong among those who retain their jobs.

Aviation outlook

In terms of airlines, many are tight lipped about future plans to resume travel to between the US and Australian in their published information.

Qantas and Virgin Australia continue to have no international flights listed at all on their websites aside from select flights between Australia and New Zealand and (in the case of Qantas) repatriation flights.



International network changes

All international flights, except for certain flights such as those between Australia and New Zealand, are currently suspended, due to government restrictions.

We have resumed a limited schedule between [New Zealand and Australia](#). We'll continue to monitor demand in line with government restrictions, and the schedule is subject to change.

As the national carrier, we're proud to operate [additional services](#) to London, UK, Paris, France and Frankfurt, Germany to bring more people home during this time.

Last updated: 18 November 2020



Due to high demand, we're experiencing some delays in call wait times and the processing of flight credits, refunds and other options.

If your flights were booked through a travel agency or third-party website, contact these companies directly for assistance.

Also, check [Manage Booking](#) or [flight status](#) for the most up-to-date information on your flights.



Source: Qantas

On 23 November Alan Joyce Qantas CEO indicated that Qantas was hoping to restart international links in 2021.

Qantas boss Alan Joyce 'optimistic' quarantine-free international travel will resume in 2021

Hamish Goodall •  Published: 23/11/2020 • Updated: 23 November 2020 8:35 am



This follows a similar announcement about opening from Federal Trade Minister Birmingham and seems concentrated on 'travel bubbles'. The airline's strategy appears to be to push the government on destinations most likely to reopen rather than a full reopening.

US airlines America, Delta, and United have flights to Australia running currently to specific locations or through flights operated by partners currently to specific locations or through flights operated by other carriers. Hawai'ian Airlines has flights to Australia slated to return in late March.

How do Australians feel about travel?

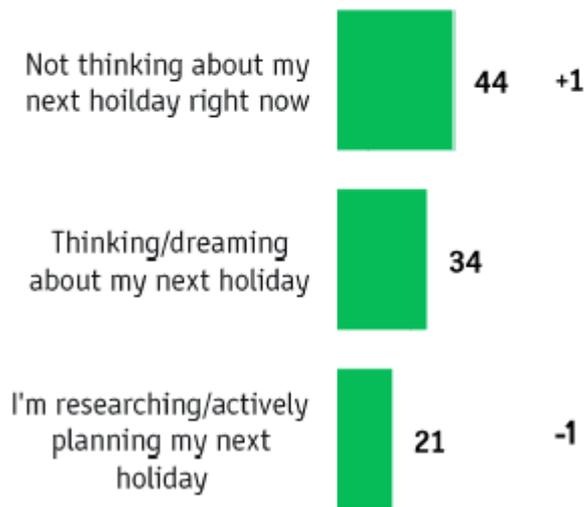
Despite restrictions and border closures, Australians have not lost their appetite for travel. Tourism Australia is tracking sentiment towards travel. Whilst the study focuses on domestic travel it also takes a broad measure of travel intention. The most recent results show that 55% of Australians are either



dreaming of travel or actively planning it. One in five Australians falls into that active planning category (See Figure 3 below). This has been stable since August.

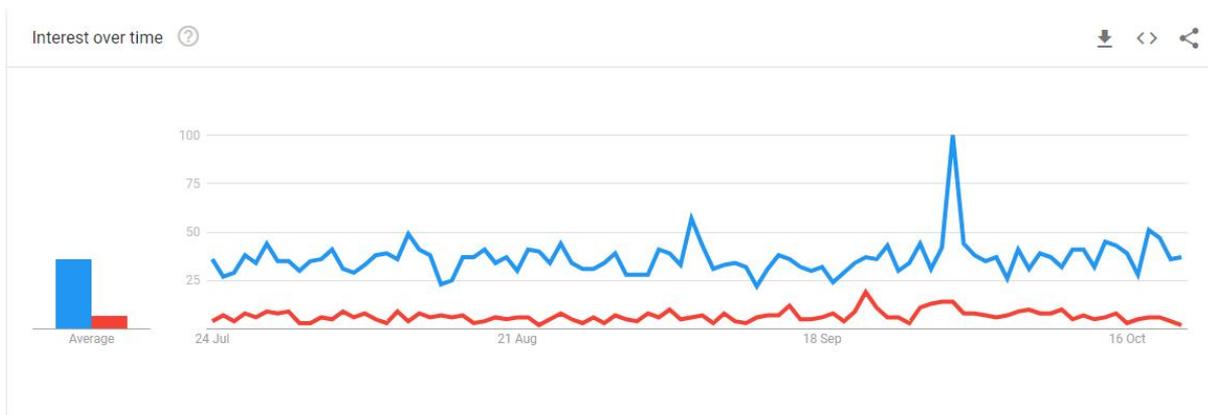
Figure 5. Attitudes to travel (October 2020)

ATTITUDES TO NEXT HOLIDAY



Search evidence supports the fact that travel remains in the Australian mindset, queries over the past 90 days for the search term travel (the blue bar in Figure 4 below) has remained generally stable with spikes around key school holidays. There is a lower but stable search for USA travel (the red bar) below.

Figure 4. Searches for 'travel' and 'travel USA' in Australia 24/09/20 to 24/10/20



Source: Google Trends



Whilst domestic travel dominates the top searches over the 90-day period, international does still figure highly with search terms relating to this. See Table 1.

Table 1. Top Search terms in the travel category in Australia 24/09/20 to 24/10/20

TOP	
australia travel	100
international travel	49
international travel Australia	29
travel vouchers	20
covid travel restrictions	19
sa travel	14
australia travel restrictions	13
nsw travel restrictions	13
victoria travel restrictions	12
overseas travel	11
travel vouchers Tasmania	10
qld travel restrictions	7
travel auctions	7
travel agents	7
sa travel restrictions	6
wa travel restrictions	6
travel bag	6
travel to New Zealand	5
intrepid travel	5
act travel restrictions	5
interstate travel	5
tasmanian travel vouchers	5
travel bubble Australia	5
queensland travel restrictions	4
american express travel	4

It is worth noting that the restrictions and discussion of bubbles rank highly for search and may be useful in SEM – even if they do not relate to the USA they can help US destinations stay front of mind when Australians are thinking about travel.

The other very noteworthy term was the large number of searches relating to the Tasmanian travel vouchers. Indeed, over the 90-day period this was one of the top trending searches in Australia (see Table 2 below) alongside bubbles and re-openings.



Table 2. Highest rising search terms in the travel category in Australia 24/09/20 to 24/10/20

RISING SEARCH TERMS	
travel vouchers Tasmania	Breakout
tasmanian travel vouchers	Breakout
pricebeat travel	Breakout
sa travel vouchers	Breakout
sai world travel	Breakout
travel vouchers	1800%
nt travel restrictions	250%
sta travel Australia	190%
sa travel	120%
travel bubble Australia	110%
new zealand travel bubble	100%
travel buddy	70%

Although an exact replica of the Tasmanian voucher may not be a tactic Visit USA, or its member destinations can replicate for the Australian market packages that generate talkability have potential.

There is evidence that Australians are embracing the ‘forced opportunity’ to travel within Australia.

Destination Canada has been conducting a destination ready analysis considering issues such as search terms. In August it considered Australia to be the Domestic phase of its recovery timetable (see Figure 5 below):

Figure 5. Destination Canada assessment of Australia Recovery signals August 2020

Assessment Summary:

	Phase				Analysis
	I COVID-19 Response	II Domestic	III Tentative Int'l	IV Regularized Int'l	
Travel Search Index		●	○	○	After declining since early March, YOY domestic travel searches had been trending up since mid-April, 2020, but began trending down again after a peak in the week ending June 21, 2020, as movement restrictions were reintroduced in some regions. Destination Canada assesses that while this metric is declining, Australians are still searching for domestic travel.
Accommodation Searches	●	○	○	○	After declining since the week ending March 1, 2020, YOY domestic accommodation searching had been trending upward since the end of April. With restrictions being reintroduced in some regions, there has now been a downward trend again since the week ending June 21, 2020. Destination Canada assesses that Australians have returned to a COVID-19 Response phase.
Rate of Hotel Booking	●	○	○	○	After declining since early March, 2020, YOY domestic accommodation bookings had been trending up since early May. With restrictions being reintroduced in some regions, there has now been a downward trend again since the week ending June 21, 2020. Destination Canada assesses that Australians have returned to a COVID-19 Response phase.
Rate of Air Travel		○	○	○	Not applicable at this stage.



Other supporting findings include:

- Hotel data company STR has advised some Australian coastal destinations that their forward bookings to the end of the summer holiday bookings are at maximum capacity.
- Evidence from Roy Morgan suggests that NEOs (the 4.7 million high earning, early adopting consumers who have generally weathered the economic downturn well) are particularly strong. 76% cited Australian destinations as their preferred destinations compared to 59% for the general populationⁱⁱⁱ. Key themes in the destinations chosen were wellness and food and wine which may be positive themes to promote in keeping front of mind with Australian consumers. Roy Morgan counsels care in using deals with these travellers as they can actually be a disincentive as they may raise questions about protocols.

Tourism Australia’s Holiday Here This Year campaign is specifically seeking to foster this and is also building on a strong sense of communal spirit amongst Australians to support regions.

How do Australians feel about travelling internationally?

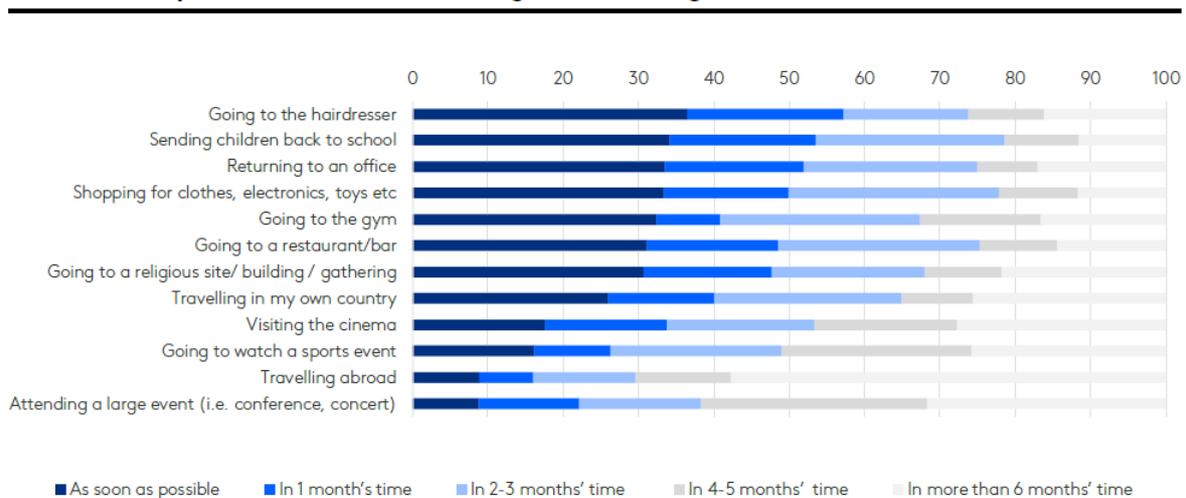
There are relatively few publicly available sources later than August on Australian attitudes to international travel. That said, those sources we do have paint a similar enough picture for those data to be a reliable to current attitudes.

In June, 25% of Australians were hoping that it would be safe to travel internationally by the end of the year^{iv}. Although that proved optimistic, it is likely that this represented an aspiration to travel.

Kantar’s Covid Barometer in July 2020 showed that more than half of Australians felt it would be at least 6 months before they were ready to travel internationally (See figure 6). In contrast, nearly half were ready to travel domestically within the next month.

Figure 6

When would you feel comfortable doing the following?



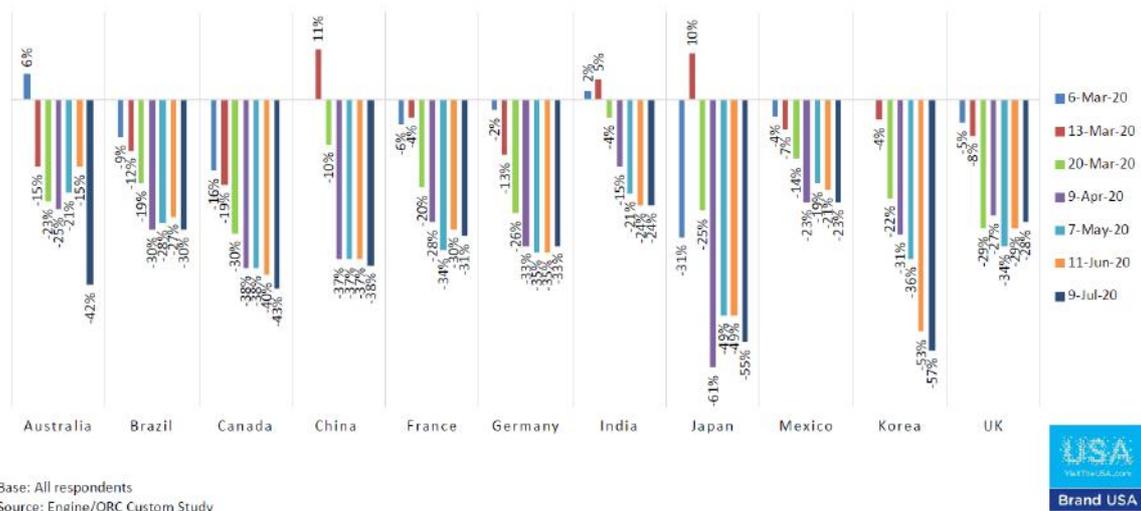
Source: Kantar Covid-19 Barometer July 17-21 2020



This parallels the most recently publicly available data from Brand USA which saw a growing reduction in willingness to travel overseas between March and July with 42% fewer Australians thinking they were likely to travel internationally in the next 12 months. (See Figure 7)

Figure 7

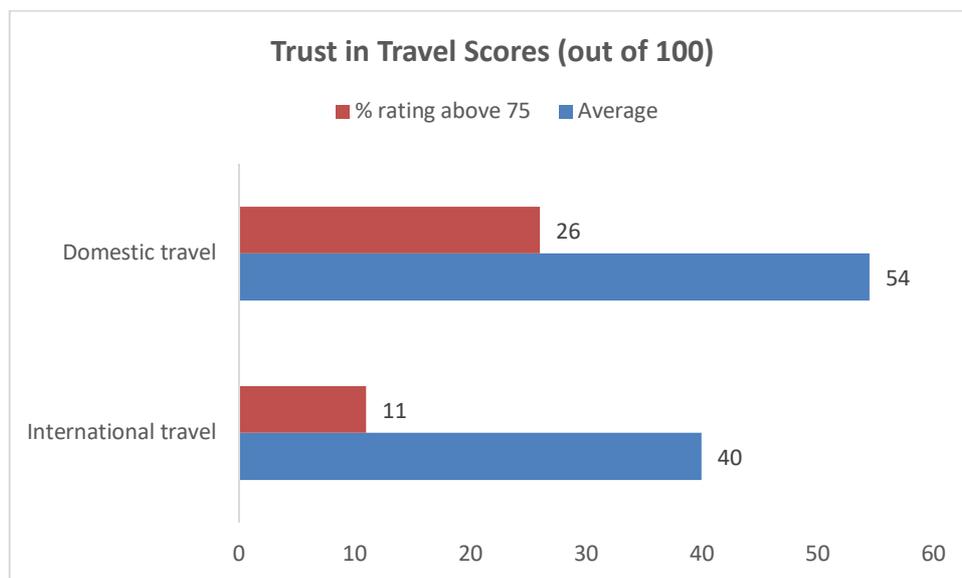
Likelihood to Travel Internationally in the Next 12 months (% Change over 2019 average)



Source: Brand USA

A small 'Trust in Travel' study conducted for MyTravelResearch.com in conjunction with University of Technology Sydney showed that there was a significant gap in trust with travel to international destinations – especially among those who are very trusting (rating more than 75 out of 100).

Figure 8





Source: MyTravelResearch.com UTS

But whilst Australians are nervous about travelling overseas, they are **dreaming** about it:

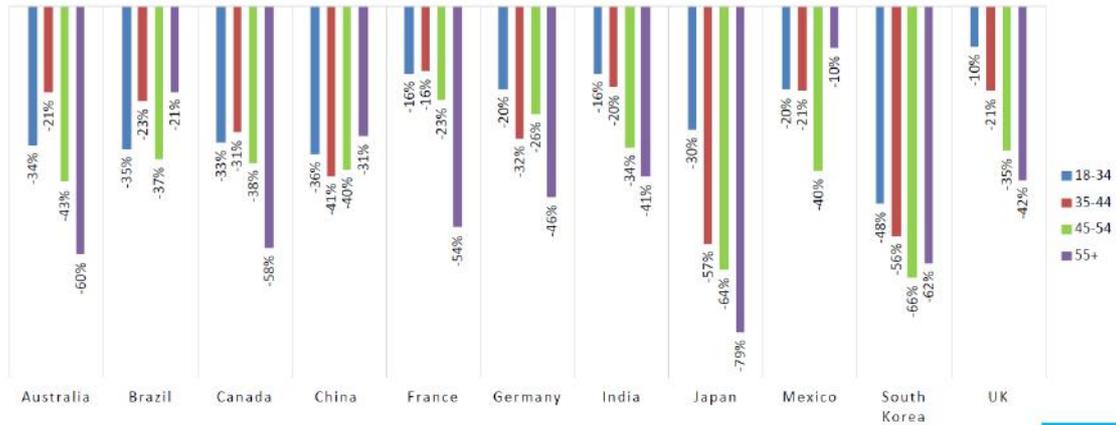
- The search statistics quoted in the section above demonstrate this.
- The Roy Morgan data cited in the previous section indicates that 41% of Australians still consider overseas destinations as the ones they prefer for their next holiday
- Social listening on the term 'international travel' in October 2020 (shown in Figure 9 below) demonstrates that they are keen to know *when* international travel will resume, and *which* destinations will re-open.

Concerns like travel and health insurance are also figure among those who are trying to plan. As such, initiatives like those of Emirates which offer health insurance^v or Cyprus^{vi} which offers to cover the costs of travellers who catch coronavirus in the destination are proving attractive to travellers



Figure 10

Likelihood to Travel Internationally in the Next 12 months: By Age (% Change over 2019 average) JULY

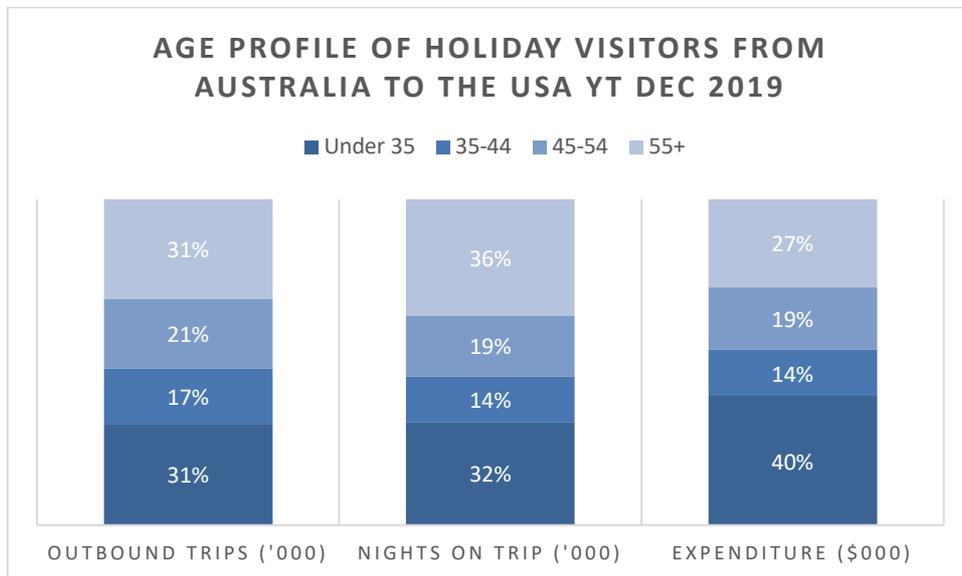


Base: All respondents
Source: Engine/ORC Custom Study



This potentially benefits the USA as according to Tourism Research Australia 31% of nights and 40% of expenditure by Holiday visitors to the USA came from the under 35s market. See Figure 11 below.

Figure 11



Source: Tourism Research Australia, NVS

Another important group to target is the **Visiting Friends and Relatives** sector. In the year to December 2019 almost 1 in 4 leisure departures to the USA from Australia were to visit friends and relatives^{viii}.



As Figure 12 shows, Tourism Australia’s Domestic Sentiment Tracker has identified this as a growing driver of domestic travel (prompted in part by border closures). It can be reasonably hypothesised that with a longer and deeper closure of international borders this desire will be even stronger.

Figure 12. Triggers for Australian Domestic Travel October 2020



Source: Tourism Australia

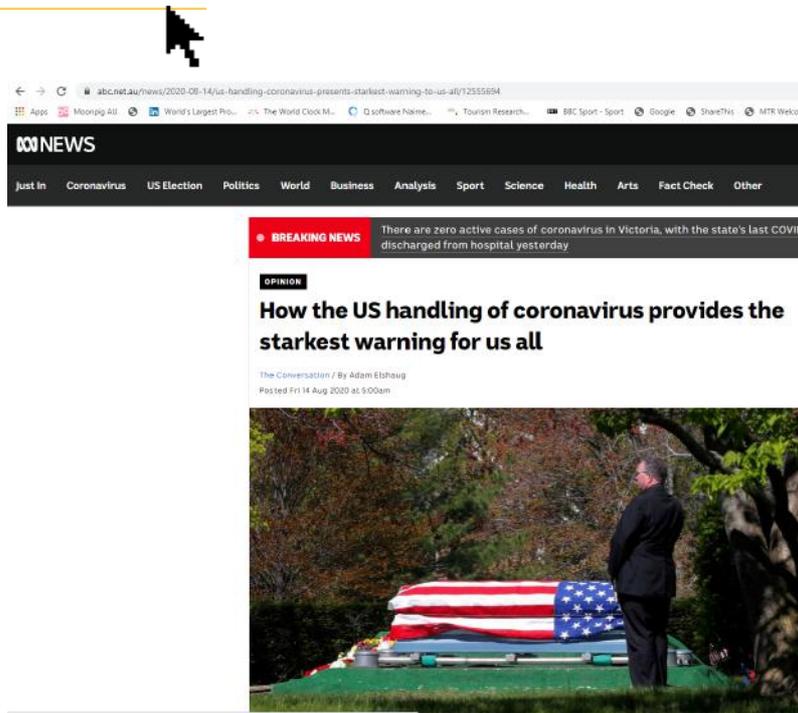
How do Australians feel about the US currently?

In the absence of detailed or up to date information about travel to the US and in light of the general mindset about international travel from Australians, it became important to see how Australians perceive the US more generally.

At a broader geo-political level Australian attitudes to the US have gradually been growing less favourable over time. This pre-dates COVID-19 but has been exacerbated by it. According to the Pew Research Centre, in 2000 59% of Australians had a favourable view of the US. This has now dropped to 33%. The switch began in in 2017 when favourable views of US dropped from 60% in 2016 to 48% in 2017^x.

According to the Lowy Institute, *on almost every other measure [beyond strategic importance] – trust, warmth and confidence towards our American friends – Australian attitudes are at a low point. President Donald Trump remains unpopular with most Australians, with only one in three expressing confidence in him. The only world leaders who are ranked below Trump are China’s Xi Jinping and North Korea’s Kim Jong-un.*^x

In an audit of Australian media coverage of the US was dominated by two topics: the rapid escalation of coronavirus and the political concerns around the US election – very little of it favourable. The language is stark with powerfully negative images.



Source: ABC

“Underlying gross structural inequality, under-investment and unpreparedness in public health, and socio-political tensions have met in a dizzying, tragic outcome for the richest country in the world. All Americans have suffered but their most vulnerable have, and will continue to, suffer disproportionately. It is a shining light for what we must avoid, what we must stand up for and protect against.”^{xi}

There are particular concerns around when the two topics connect, for example:

9NEWS

This is a news collection page about Donald Trump. The former reality TV personality and real estate mogul was elected President of the United States in 2016. Since taking power, Trump has caused controversy with his [immigration](#), [military](#) and gender policies. He is the first US President to meet with notorious [North Korea](#) leader [Kim Jong Un](#). Get the latest Donald Trump news from the [American White House](#), related [global politics](#), [Twitter](#) rants and the latest scandals.

Key US state certifies Biden poll win, dashes Trump hopes
 Donald Trump's bid to overturn the election result now appears doomed.
 LIVE NEWS DAILY | 32 minutes ago

Trump supporter breathing on senior citizens charged
 A man wearing a Trump shirt and an inflatable Trump innertube around his belly who was seen on video deliberately exhaling on two women outside of President Donald Trump's golf course in Virginia has been charged with simple assault.
 CRIME | 2 hours ago

Source: 9 News website



These concerns are being exacerbated by official sources. According to the Lowy Institute 26% of Australian lawmakers tweeted about George Floyd or Black Lives Matter during the period of their annual review of relations^{xii}.

Australia's Department of Foreign Affairs advice on travel to the US goes beyond the general border session closures to note that

Still current at: 24 November 2020

Updated: 11 November 2020

Latest update: Protests and demonstrations continue in several US cities. Avoid areas where protests are occurring due to the ongoing potential for violence. Monitor the media for information and updates. Follow the instructions of local authorities. COVID-19 remains a serious health risk. Various restrictions and public health measures are in place and vary by location. Follow the instructions of local authorities, including those related to quarantine, self-isolation, social-distancing and the wearing of masks. Monitor the Embassy website for further COVID-19 related information (see Local Contacts).

! We advise:

Do not travel to the United States of America, including Alaska, Puerto Rico and the Hawaiian Islands.

Source: smarttraveller.gov.au

Attitudes to Travel to the USA and competing destinations

According to You Gov^{xiii}, New Zealand is currently the only international destination which figures in the Top Ten favoured destinations for Australians. (See Figure 13 below) Canada is the next highest destination (ranked 14th).

Figure 13. Most favoured destinations August 2020



AUSTRALIA		%
1	New Zealand	14.6
2	Queensland	14.4
3	New South Wales	10.7
4	Australia	9.8
5	Tasmania	8.1
6	Melbourne (Australia)	7.4
7	Brisbane (Australia)	6.8
8	Sydney (Australia)	6.1
9	Western Australia	6.0
10	Victoria	5.7

Source: You Gov

At around the same time the Ipsos-Anholt Nation Brand Index identified the top international destinations. Australia's top three most desired destinations are New Zealand, Canada, and Japan.



Figure 14



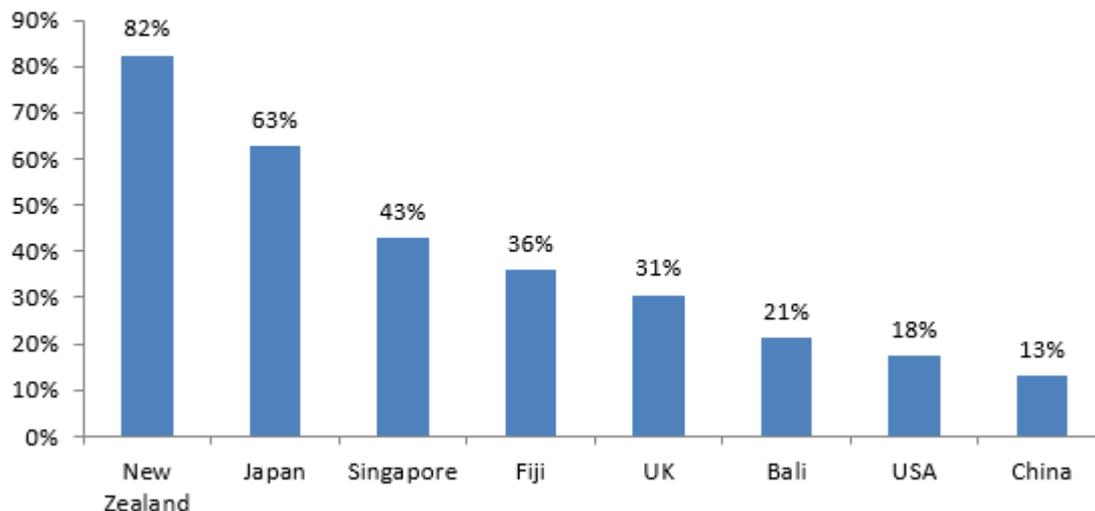
Source: Anholt-Ipsos Nation Brand Index 2020

Although a smaller sample, the MyTravelResearch.com/UTS Trust in Travel survey did measure propensity to travel to the US alongside a number of other destinations in October. The US was ranked relatively lowly only ahead of China.



Figure 15

Covid-19 has had different impacts on different destinations. Which of these countries would you travel to once borders have re-opened?



Source: MyTravelResearch.com/UTS October 2020, n = 151 respondents

New Zealand is also the most talked about destination by Australians according to YouGov. Again, destinations where the borders are closed generate the most ‘buzz’ indicating that aspiration to visit is still there (and may even provide a reminder of interest in the destination).

Figure 16. Australian Travellers’ Most Talked about destinations

AUSTRALIA		NET %
1	New Zealand	34.3
2	Queensland	22.4
3	Western Australia	21.9
4	Australia	21.6
5	Perth (Australia)	21.3

Source: You Gov

It remains top of the list among the panel’s high-income earners most considered destinations for their next trip. However, Bali and Singapore are both population options for this group as well.



Figure 17. Top 3 Destinations considered for Australian high-income travellers

WHERE THEY ARE
CONSIDERING NEXT

Place	Visited (%)
New Zealand	16.3
Bali	6.1
Singapore	5.8

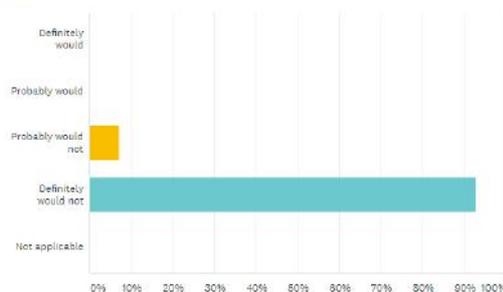
Source: You Gov

A small poll conducted by MyTravelResearch.com via its social channels looked specifically at the US as a destination. This is NOT intended to be representative (it covers 14 responses) but rather to give a qualitative feel for general sentiment which supports other data in this report.

Figure 18

Assuming borders were open, how comfortable do you feel about travelling to the US right now?

Answered: 14 Skipped: 0



When asked about the reasons for not choosing the US the responses included

Health and safety. Both concerns about Covid and general safety due to political unrest.

Rampant COVID and political instability. I love the US and have friends there, but it looks genuinely off the rails at the moment. I couldn't enjoy being there if I tried

The place is bonkers and too dangerous due to covid19, the nutcase in the WH and his army of blind ignorant followers

No travel insurance will cover Pandemic. USA is the worst performing country for covid. Travel to USA is unsafe and a risk to finances with its hospital system fees.

Of the two concerns noted, the most consistent was the concern over covid-19. In this context, it is important to note that although overall attitudes to the US as a country do not automatically correlate to a change in leisure travel behaviour. Post the 2016 election, there was much talk of a 'Trump Slump'.



Analysis of both the US and Australian travel statistics show that there was an impact, but overall, it was a slowing of growth which had been at historic high levels.

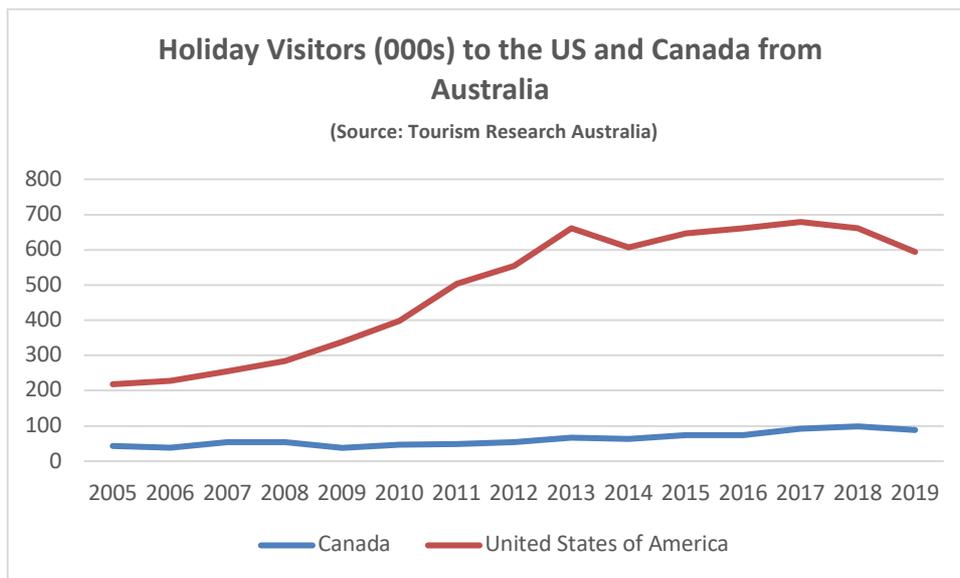
In 2019, more than 1.3 million Australians visited, more than 400,000 than a decade before.

Figure 19

International Trade Administration • Industry and Analysis • National Travel and Tourism Office										
										2
										Market Profile: AUSTRALIA
Visitation Trends (Arrivals)										
	2000	2005	2010	2013	2014	2015	2016	2017	2018	2019
Total Arrivals (000s)	540	582	904	1,308	1,309	1,453	1,351	1,324	1,362	1,319
Percentage Change Previous Year (%)	12	12	25	16	0	11	-7	-2	3	-3

More than half a million of these were holiday visitors, up 40% from a decade earlier.

Figure 20



The ‘Trump slump’ slowed the rate of growth but did not reverse it.

US destinations also appear among the destinations which showed the most growth in consideration. Hawai’i and US territory Puerto Rico were among the destinations which grew fastest.



Figure 21

AUSTRALIA		
	Score change	Rank change
Vietnam	1.5	13
Puerto Rico	0.5	13
Northshore (Hawaii)	0.4	11
Kailua (Hawaii)	0.4	10
Maldives	0.9	8

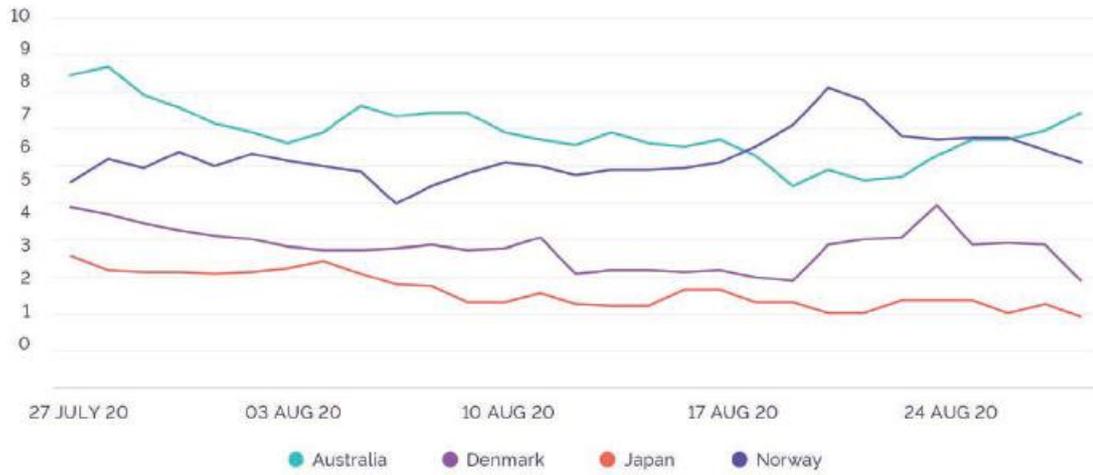
Source: You Gov

And whilst they do not figure in Australia’s top 10 destinations, interest in both Florida and California began to recover (after a decline) in August as Figures 22 and 23 show. Indeed, interest in travel to California from Australia is now higher than the other benchmark countries.



Figure 22

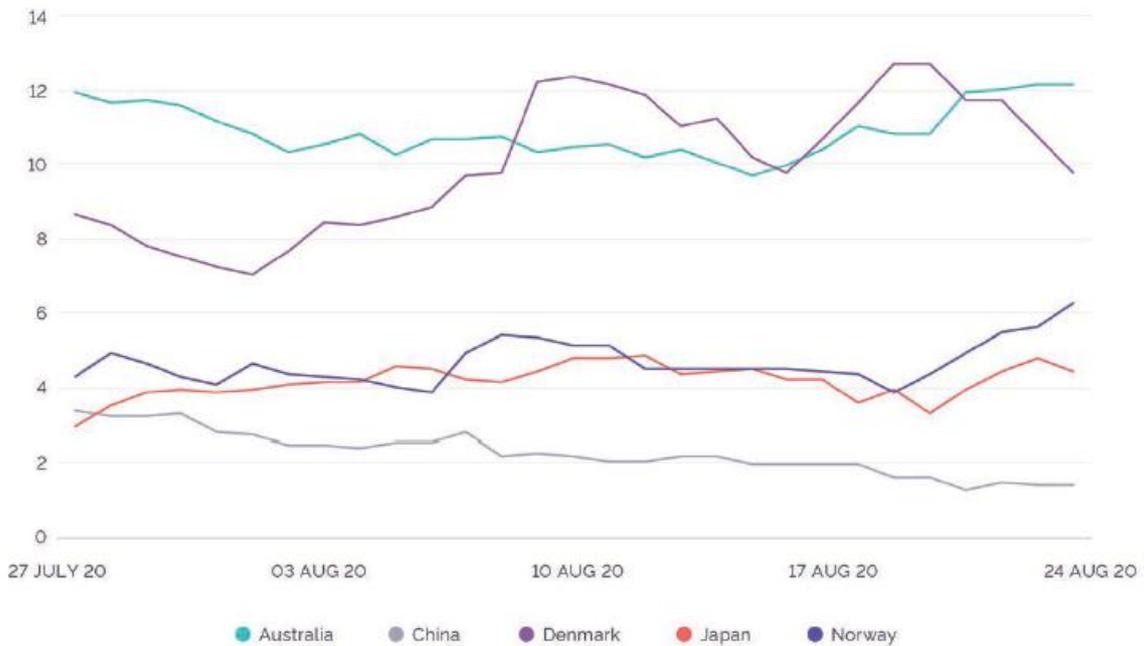
CONSIDERATION FOR FLORIDA IN A SELECTION OF MARKETS



Source: You Gov

Figure 23

CONSIDERATION FOR CALIFORNIA IN A SELECTION OF MARKETS



Source: You Gov

These individual destinations can also be seen as a proxy for overall interest in travel to the US. Social listening confirms that there are still searches on travel to the US. Key questions tend to be about



resumption of flights rather than more specific queries, but this may reflect a more destination-specific focus and does indicate that there is still interest.

Figure 24. Key themes in searches for flights to the USA October 2020



Source: Answer the Public

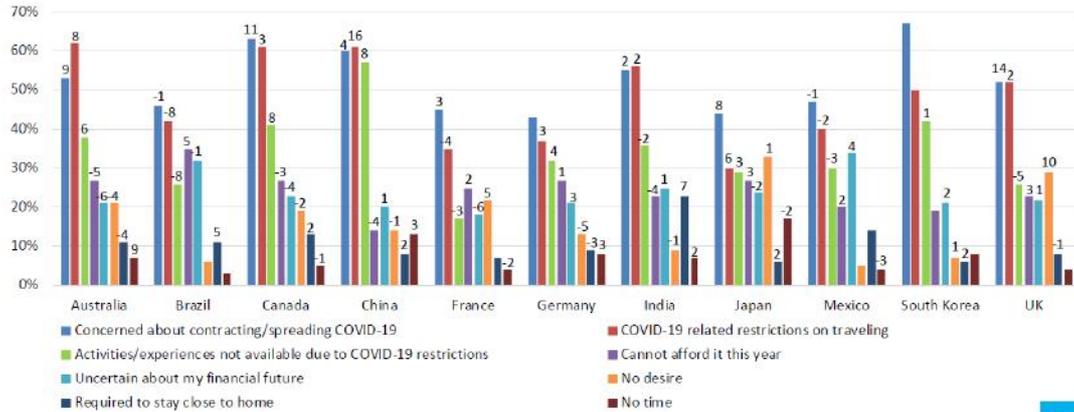
Barriers to travel to the USA

There is no specific publicly available information on the US specifically. As Figure 25 shows, Brand USA’s most recent published covid-19 research identifies broad themes as the main barriers to travelling internationally: concern about spreading or contracting the disease, lack of availability either due to overall travel restrictions or the absence of specific desired experiences or financial uncertainty. Around 20% also say they have no desire to travel internationally.



Figure 25

Reasons for Not Traveling Internationally in the Next 12 Months: July 9th (PPS Difference over June 11th)



*Concerned about contracting/spreading COVID-19 replaced "Concerned about the Spread of COVID-19"
 Base: Respondents who are unsure/unlikely to take an international trip in the next 12 months
 Source: Engine/ORC Custom Study



Tourism Australia’s Travel Sentiment Tracker October update identifies these three as barriers to Australian domestic travel as well and in precisely the same order. This implies that these are ‘category’ barriers - that is, they apply to travel as a behaviour rather than to specific destinations.

A more specific challenge for the US is the impact to its reputation of the high level of coronavirus deaths. The Anholt-Ipsos Nation Brand Index 2020 (quoted above) identified a strong relationship between changes to the desirability of a destination and its perceived response to the pandemic. Germany, Switzerland, Canada, New Zealand, and Japan were globally the most desired destinations AND those with the greatest net favourability ratings for health crises management.

In contrast, the US was the destination with the greatest net negative favourability of the 50 countries surveyed on responses to the virus.

Figure 26

Top five nations with the greatest “net negative” favorability for health crises management



Source: Anholt-Ipsos Nation Brand Index

The MyTravelResearch.com/UTS ‘Trust in Travel Survey’ provides support for this. Below are some typical comments:

“My level of trust will depend on the country I chose to visit. I wouldn't go anywhere near America right now, but NZ would be fine”



“I will follow all the rules. My own concern is about countries that don't have appropriate rules, like the USA, where I will have to take extra precautions.”

“I also am aware that other countries simply haven't taken the effective efforts to stop the spread of Covid 19... the USA. So, I would wait an especially safe period of time to travel with people from that country or visit there.”

How should Visit USA and its member destinations communicate with Australians right now

Destination Think has a useful framework for identifying how to communicate with travellers at key stages of the Destination Decision Journey (shown below). Within this, it recommends communicating in ways that are consistent with the brand.



Source: Destination Think

Within this Australia fit into the nationally restricted phase overall. However, based on their attitudes to the USA we suggest that the consumer mindset would more closely relate to the locally or regionally restricted mindset which has important implications for communication. Currently a focus on active conversion is likely to seem inappropriate with both political uncertainty, rapid growth in coronavirus cases in the US and an uncertain timetable.

Suggested approaches should be:

A drive to focus on Owned media (websites, apps) as the lead, with Earned as secondary, limited paid advertising with perhaps a focus on native content.



Source: Destination Think

With the focus on owned media, SEO will be important to direct travellers to the messages and experiences sought.

Messaging should target the following approaches and messages:

02 **LOCALLY RESTRICTED**

- Be transparent and direct with news and travel updates.
- Still don't actively encourage travelling to the area.
- A gentle hint toward travel planning or forward-thinking about where and how to travel is ok
- Glimpses/ live looks with more of a future-focused view.
- Deeper dives into education about your place.
- Educate on how to be a better traveller in a more grateful world.

Source: Destination Think

US destinations should be taking this time to build richer, deeper engagements.

Research by Monash University for Destination Gippsland^{xiv} post the Black Saturday bushfires in 2009 indicated that local celebrities can be important influencers for driving reappraisal of visiting following a crisis. This approach would have merit for the USA in providing a human face to remind Australians of the typical experience of connecting with Americans on their trip: friendly, empathetic and welcoming. However, it is widely recognised that key influencers are often within affinity groups (so

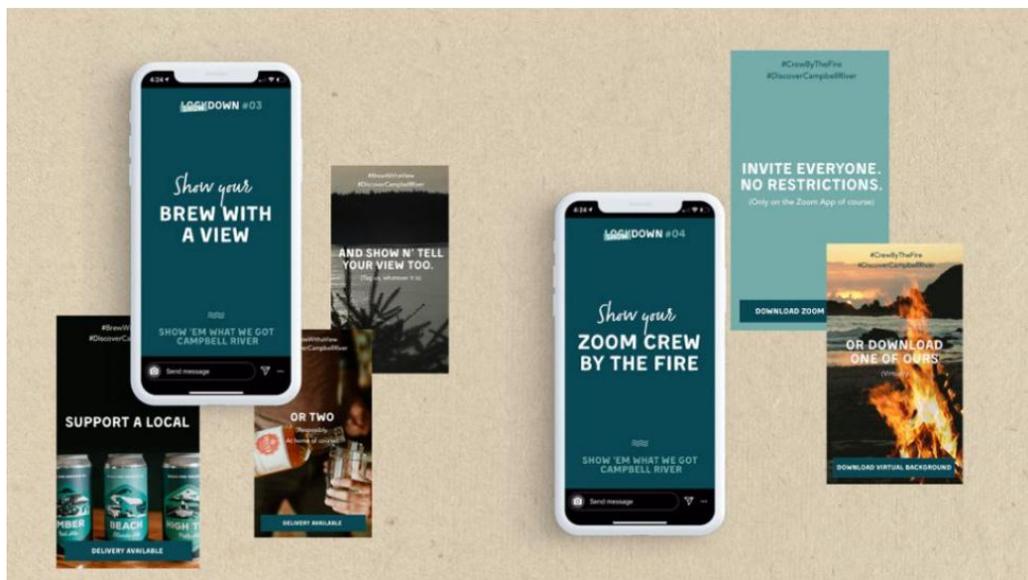


hosts in the US) or local people sharing inspiration. In this context, two campaigns have useful examples:

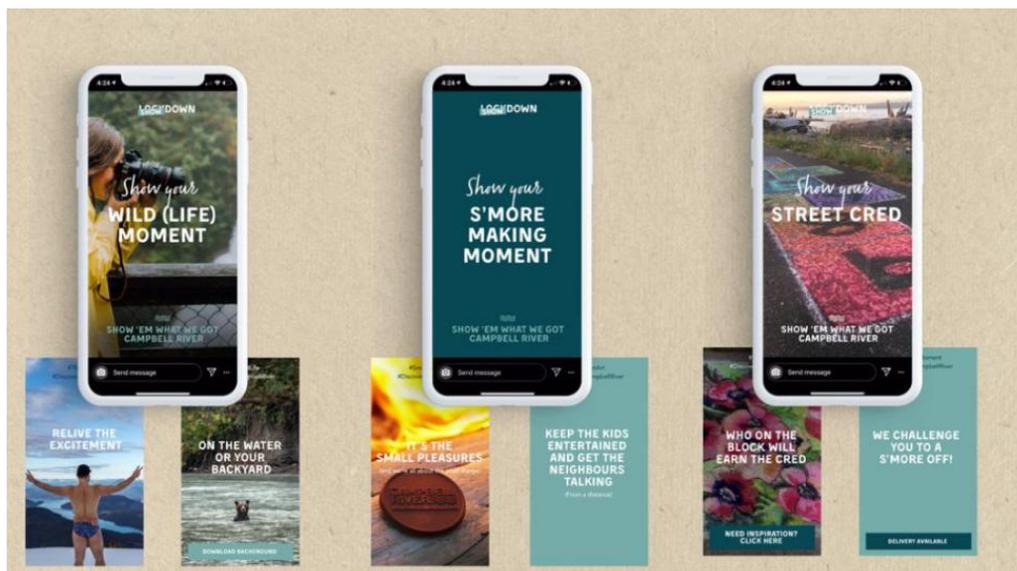
1. Tourism New Zealand's message from New Zealand^{xv}



2. Destination Campbell River^{xvi} (a Canadian destination provides a useful case study). They encouraged locals to share content under key themes that related to freedom, welcome and locals' secrets (see below)



Lockdown Showdown showcases the genuine side of Campbell River so onlookers on social media can get a real feel for the place.



These campaigns were largely about inspiration but dialled up planning nudges as this became more achievable.

Note that we are not recommending these be followed exactly more that they show the combination of human voices to build connection with experiences that sit with the current mindset (natural, spacious etc.,)

The Destination Gippsland research cited above also noted that it is important to connect very strongly with those who are already on the radar in enquiry databases via regular (and ideally two-way) conversation. Again, this falls into the 'owned' assets. Email marketing still remains one of the most effective ways to drive consideration and conversion according to Digital Marketer.

In this context, it would be possible to drive an inbound marketing campaign that does identify and unlock those who are ready to begin planning (safety tips in a user friendly and easy to use format, with a warm and on brand tone) and even a (very tiny) amount of conversion. In this context, the parallels with the cruise industry are useful. CLIA Australasia shows that Australians are already beginning to book cruises again (albeit mostly for Australian and Pacific destinations) based on two key factors:

- Flexibility on booking conditions. This is a leading consideration for Australians.
- A very low but still tangible commitment. P&O has been selectively offering \$1 commitment booking fees. This is a tactic that pre-dates COVID-19 and is one that Black Hat Marketing (a behavioural science marketing agency) recommends^{xvii}. Consumers' loss aversion means this will drive a higher conversion. However, use of this approach requires caution, it should only really be used as part of an inbound marketing campaign in the current circumstances and care needs to be undertaken to combine it with reassurance messages around safety to avoid any perception of it being 'too cheap'.



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- MyTravelResearch.com/UTS Trust in Travel Survey September-October 2020
- Brand USA Covid Research July 21 2020
- Anholt-Ipsos Nation Brand Index 2020
- MyTravelResearch.com Travel to the US Attitudes study November 2020

Sources quoted in the text:

ⁱ Note that OTTI numbers differ, but show the same pattern

ⁱⁱ <https://www.abc.net.au/news/2020-09-07/buckle-up-for-a-long-rough-ride-out-of-recession/12635378>

ⁱⁱⁱ <http://www.roymorgan.com/findings/8478-neos-travel-industry-202007280224>

^{iv} <https://www.pureprofile.com/infographic-the-road-ahead-domestic-travel-intentions-in-au/>

^v <https://www.traveller.com.au/emirates-coronavirus-covid19-insurance-free-cover-for-all-passengers-announced-h1pkgf>

^{vi} Sources: Trendwatching and the Government of Cyprus

^{vii} <https://www.traveller.com.au/millennials-baulk-at-expensive-domestic-tourism-despite-overseas-travel-ban-h1qo9a>

^{viii} Tourism Research Australia, National visitor Survey

^{ix} <https://www.pewresearch.org/global/2020/09/15/us-image-plummets-internationally-as-most-say-country-has-handled-coronavirus-badly/>

^x <https://www.lowyinstitute.org/the-interpretor/generation-why-younger-australians-wary-united-states>

^{xi} Adam Elshaug visiting fellow at the Brookings Institution, Washington, DC and professor of health policy and co-director at the Menzies Centre for Health Policy at the University of Sydney.

<https://www.abc.net.au/news/2020-08-14/us-handling-coronavirus-presents-starkest-warning-to-us-all/12555694>

^{xii} <https://www.lowyinstitute.org/the-interpretor/generation-why-younger-australians-wary-united-states>

^{xiii} YouGov, Vacation Dreams – where the world wants to go on holiday, August 2020

^{xiv} https://icrtourism.com.au/wp-content/uploads/2013/11/3_Destination-Gippsland-Ltd_Post-Disaster-Marketing-What-works.pdf

^{xv} <https://youtu.be/C-yTmtVy2qc> (Tourism New Zealand)

^{xvi} <https://destinationthink.com/portfolio/campbell-river-covid-response/>

^{xvii} Black Hat Marketing/Intrepid Travel Presentation to the Mumbrella Travel Summit, March 2020