

New Landscape Report

2022

AUSTRALIA



TRAVEL
SOUTH
USA

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Overview

04 Factors Affecting Travel

19 Travel Industry Landscape

35 Media Landscape

48 Social Media & Influencers

52 Consumers

57 Opportunities and
Next Steps



Factors Affecting Travel

OVERVIEW OF AUSTRALIA'S ECONOMY

The Australian economy has fared remarkably well during the pandemic, with current economic growth sitting at 3.9%. The Australian Federal Government has provided broad economic measures to support businesses, households, and individuals who experienced financial hardship as a result of the pandemic, helping to maintain the shape of the economy through the turmoil of lockdowns and restrictions.

Inflation is growing and currently at 3% with wage growth lagging slightly behind at 2.2%. Unemployment is low at 4.6%. Household savings are currently at a very healthy level, having reached an impressive 19.8% of wages. Australian household net wealth rose a whopping 20% throughout 2021 and reached its highest-ever levels. This rapid wealth accumulation was mainly due to a huge rally in stock markets that boosted superannuation balances and a massive property boom which saw regional house prices skyrocket as Sydney house prices lifted more than 30 percent and Melbourne's house prices went up by 20percent

Consumer confidence is tracking above the five-year average at 102.

LOOKING TO 2022

Overall, the Australian economy is in a good position, with the key fundamentals for a return to travel in place.

Market analysts are generally expecting 2022 will be a positive year for stocks as economies continue to reopen, despite the Omicron setback. But some volatility is likely, as the cost of living (or inflation) continues to surge — which will pressure Australia's Reserve Bank and its international counterparts to hike interest rates and unwind their emergency COVID-19 stimulus measures.

Key Economic Indicators

SNAPSHOT 14 January 2022



Economic Growth



Inflation



Unemployment Rate



Wage Growth



Net foreign liabilities



China GDP Growth

4.9%

CANADA
FRANCE
GERMANY
ITALY
JAPAN
UNITED KINGDOM
UNITED STATES

G7 GDP Growth
4.1%

Sources: Reserve Bank of Australia, Economic Report, January 2022

Trading Economics.com

Australian Bureau of Statistics

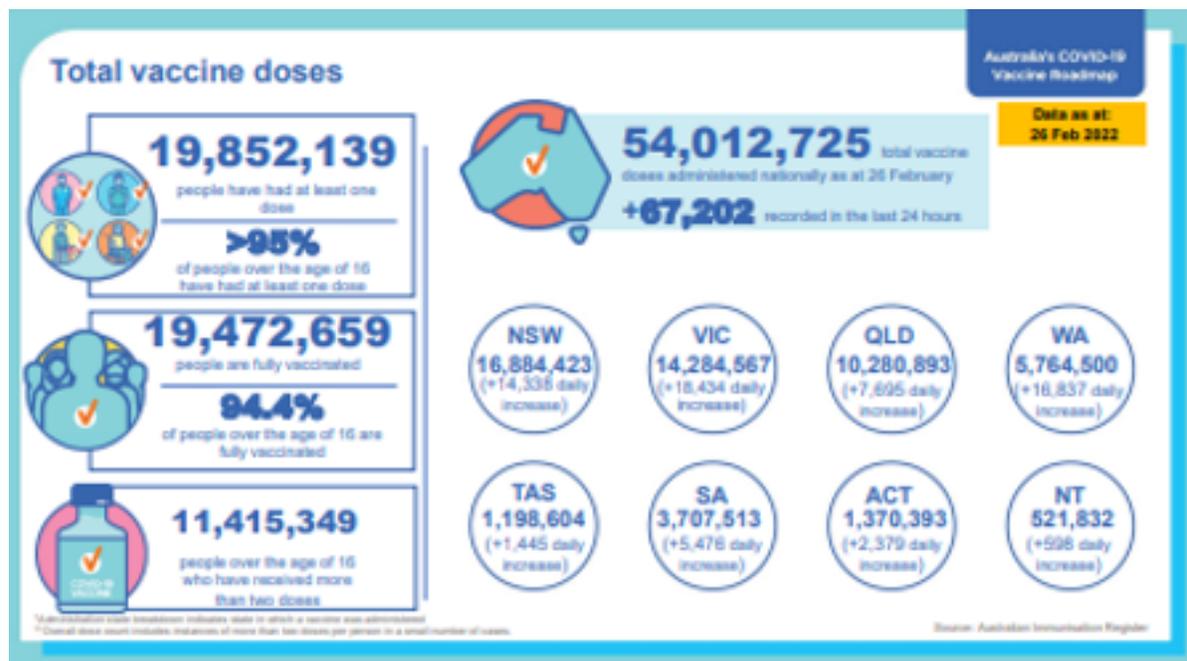
AUSTRALIA'S VIEW ON COVID-19

Until recently, the Australian government took a very conservative approach to manage the COVID-19 pandemic. The suppression policy saw borders closed from March 2020 to November 2021 (except for a short-lived border bubble with NZ in April 2021 for a few months). The policy was designed to minimize the introduction of COVID to Australia. All cases were carefully traced back to their sources and there were periods of extreme lockdown.

As Delta raged and vaccination rates increased, the narrative and policy changed to “living with the virus”. In November 2021, the Australian government removed the “Do not Travel” mandate with NSW being the first state to open quarantine free travel. VIC & ACT following closely behind. SA, TAS, & QLD all followed suit once they reached an 80% vaccination rate, The plan for WA and NT is to remove quarantine requirements for international travel by 3 March.

Australia's vaccination rates are extremely high. As of Feb 26, 94% of the eligible population over age 16 has been vaccinated, with boosters being rolled out at a 3-month interval. Pfizer, Moderna, Astra Zeneca as well as the recently approved Novavax are TGA-approved and circulating in the country. Children over 5 are now also being aggressively vaccinated.

In December 2021, Australia finally ‘let it rip’ and allowed Omicron to circulate with minimal restrictions. January 2022 saw dramatic increases in daily numbers, but hospitalizations were low and by mid-February, these numbers had fallen and flattened the curve. From February 21, 2022, finally, inbound international borders were also reopened, once again opening Australia to vaccinated international travelers.



Source: Australian Department of Health

GLOBAL INDUSTRY TRENDS

Australians are currently able to travel to the UK, Europe, North America, South America, parts of Asia, and Africa. Of the major leisure destinations Australians normally travel to, as of February 2022 there are bans and/or restrictions in traveling to New Zealand, Indonesia (Bali), Vietnam, Japan, and Hong Kong. These will be gradually easing restrictions over the coming months. New Zealand is the biggest competitor to the USA for Australian travel and this border will remain closed to Australians until July, providing a solid window of opportunity to steal market share.

Australia is still in its early days of opening, with industry trends still forming.

The USA, UK, India, and Fiji are currently Australia's top-performing international destinations. There's a distinct trend of Australians looking for ways to reward and indulge themselves, with the luxury end of travel booming.

In terms of trends and changes in the types we are seeing a growth in demand for:

- Luxury and Exclusivity
- Wellness
- Conscious Travel
- Reconnection
- Great Outdoors
- Flexibility
- Travel Agents to help navigate new procedures and requirements

It should be noted, that while Australians have an increased appetite for all these things, the greatest drive for travel to the US remains urban experiences.

Sources: Expedia's Traveler Value Index 2022 Outlook

GLOBAL INDUSTRY TRENDS cont...

Several key operators have provided their early 2022 insights as follows.

Tourism Australia

sentiment study in December 2021, said 52% of Australians feel like they really need a holiday, but 42% say they are concerned that travel restrictions may change and impact their travel plans. 28% are afraid they will get coronavirus while they are traveling.

While travel sentiment has been holding up, there's been an increase in the percentage of people cautious about traveling with the rise of Omicron.

Biggest Drivers

- 62% of Australians have been saving for an overseas trip
- 52% “feel like I need a holiday”
- 42% want to visit friends and relatives
- 35% (up 4 points) are thinking/dreaming about their next holiday

Biggest Barriers

- Change in restrictions
- 59% are not comfortable with an overseas holiday
- 36% of people feel safe on flights longer than 6 hours

Source: Tourism Australia sentiment study December 2021

Trip Advisor's Intel comment that:

- 4 in 5 Australians are likely to travel overseas in 2022

Source: Trip Advisor 2021

GLOBAL INDUSTRY TRENDS cont...

Luxury Escapes

- More than half of Australians plan to treat themselves more during their first international trip than they did before the pandemic.
- Over a third of Aussies stated they plan to spend more on travel in 2022 than they did before 2020, with 62% of people revealing they have been saving for an overseas trip while being restricted by border closures.
- Encouragingly, 84% of Aussies are “optimistic” about the prospects of international travel next year, with nine in 10 respondents stating they have either booked or are planning to book international travel in 2022.
- Mental wellbeing has also emerged as an important factor in planning an overseas holiday, with 90% of Australians indicating travel positively impacts their mental health.
- Fiji topped the list of most sought-after overseas destinations, followed by New Zealand, the UK, and the US.

Source: Luxury Escapes Travel Industry Insights 2022

Expedia insights

- The United States and India are the most sought-after destinations for Australian travelers booking trips now that international borders are open.
- Both the United States and India accounted for 30% of total flight searches, while the United Kingdom, Thailand, and Canada were listed as the next most popular destinations, with overall searches increasing by 10%.
- The figures showed that Australian travelers planning trips to the United States and the United Kingdom in their summer seasons also increased by 5% and 10% respectively.
- Aussies will embark on the greatest number of leisure trips with nearly a third (31%) having at least 3 trips planned.

Source: Expedia's Traveler Value Index 2022 Outlook

GLOBAL INDUSTRY TRENDS cont...

Brand USA's

January 2022 International Travel Sentiment Report shows the following about Australian attitudes to international travel;

- Intention to travel internationally is growing but is still considerably down on 2019 levels.
- The biggest reason for not traveling internationally is a fear of COVID restrictions

Source: Brand USA January 2022 International Travel Sentiment Report

VIEWS ON TRAVEL TO THE USA

In the absence of any official surveys around attitudes to travel to the USA, our anecdotal response to this is the following;

- Travel has been open for only 3 months and is building well to the USA and Europe, but not very well at all to the other continents.
- Australians now are fairly neutral when thinking about the US compared with other potential countries in terms of the COVID risk, other than knowing how expensive the US health system can be if you need help. This is a potential deterrent.
- There has also been some negative reporting about the increased homelessness and crime in the USA as a result of economic hardship coming out of COVID.
- The desirability of the diverse travel experiences available in the USA remains high.
- The Ukraine/Russia conflict is most certainly going to impact confidence in traveling to Europe and the USA stands to win a lot of the European market share as travel continues to rebound.

STATE OF LONG-HAUL OVERSEAS FLIGHTS

Increasing airlift is going to be vital to fulfilling the promise of pent-up demand and growing the Australian market strongly. At the time of writing, the air capacity and frequency between Australia and the United States are around 40% of what it was prior to the pandemic.

However the inbound market into Australia, obviously a vital requirement for increasing capacity, has only been open for a week. As this two-way traffic builds, so too will the need to build air capacity.

Australian travel to the USA in January was 17,880, an 805% increase on January 2021 figures.

Key Insights:

- The first international market to rebound has been VFR. VFR between Australia and the USA is not as strong as other markets such as London and Delhi. Once this pent-up demand has been satisfied, it will allow demand to settle according to leisure demand.
- Australia's borders have just opened for inbound travel, so as inbound demand builds, so too will capacity.
- There are a number of Australian – USA routes planned to be brought back in the coming months which will boost capacity.
- While there are some constraints to quickly growing air capacity to the USA (as crew and aircraft are onboarded again), the bigger issue is on the demand side; the key to growing capacity is growing demand between the USA and Australia. There is strong pent-up demand, but that will only be realized once Australians feel confident travel will indeed be fun, and they won't be left stranded by changed bureaucracy/decisions.

Air pricing has been reasonable to date; air prices to the USA have tended to be at the higher end of what was previously on offer. Only Hawaiian Airlines has promoted low lead-in air prices.

“We just want our aircraft back in the air”

Alan Joyce (Qantas CEO) on why prices won't be sky-high when travel returns.

“In the past few weeks, as more border restrictions have dropped away, we've seen international bookings strengthen even further and in mid-February, we had our best week for international ticket sales since pre-COVID,”

Alan Joyce (Qantas CEO) on current booking patterns.

On the following pages, we summarize pre-COVID frequencies and aircraft by route, comparing with current and planned frequencies. Please note these are constantly changing and adjusting as travel continues to ramp up.

STATE OF LONG-HAUL OVERSEAS FLIGHTS

cont...

Delta and United Airlines were the only carriers to maintain service to the U.S. while Australian borders were closed to non-essential travel. Thankfully, as soon as international borders opened most carriers servicing that route have returned. The exception is Virgin Australia which went into receivership in 2020. Since being purchased by Bain Capital, they have been operating domestic services with no indication of whether or when they may resume international operations.

Figures released from LAX in January show Australians now represent the #1 market up 686%

Prior to COVID

- Daily service (A380) from Melbourne to LAX.
- Daily service (A380) from Sydney to LAX
- 10 x weekly service (787-9) from Brisbane to LAX.
- Daily service (787-9) from Sydney to SFO
- 4 x weekly service (787-9) from Melbourne to SFO
- 6 x weekly service (A380) from Sydney to DFW.
- 5 x weekly service from Sydney to HNL

Currently

- Daily Service (A380) Sydney-Los Angeles
- 4 x weekly service (A330) Sydney-Honolulu
- 4 x weekly (787-9) Melbourne-Los Angeles
- 3 x weekly (787-9) Sydney-Dallas/Fort Worth

Future Plans

- Daily service (A330) from Brisbane to LAX April 9
- 3 x weekly (787-9) Sydney-San Francisco: from July, 222
- 3 x weekly (A330) Brisbane-San Francisco: TBC



Prior to COVID

- Daily service (777-200) from SYD to LAX

Currently

- Daily service (A350) from SYD to LAX

STATE OF LONG-HAUL OVERSEAS FLIGHTS

cont...



Prior to COVID

- Daily service (777) from Sydney to SFO
- Daily service (787-9) from Sydney to LAX
- Daily service (787-9) from Sydney to IAH
- Daily service (787-9) from Melbourne to LAX
- 3 x weekly service (787-9) from Melbourne to SFO
- Daily service (787-10) from Auckland to SFO

Currently

- Daily service (777) from Sydney to SFO
- Daily service (787-9) from Sydney to LAX

Future Plans

- Daily service (787-9) from Melbourne to SFO - Scheduled for April
- Daily service (787-9) from Sydney to IAH - Scheduled for Oct
- Daily service (787-9) from Melbourne to LAX - Scheduled for Oct



Prior to COVID

- Daily service (787-9) from Sydney to LAX
- Daily peak seasonal service (787-9) from Auckland to LAX (Oct-Mar)

Currently

- Daily service (787-9) from Sydney to LAX
- Future Plans

Future Plans

Peak Seasonal Services into NZ as previously announced pre-COVID

- LAX - AKL - TBC
- DFW - AKL - TBC
- LAX - CHC - TBC

STATE OF LONG-HAUL OVERSEAS FLIGHTS

cont...



Prior to COVID

- Daily service (A330) from Sydney to HNL
- 3 x weekly service (A330) from Brisbane to HNL
- 5 x weekly service (A330) from Auckland to HNL

Currently

- 5 x weekly service (A330) from Sydney to HNL

Future Plans

- Auckland to HNL TBC



Prior to COVID

- Double daily service (777) from Auckland to LAX
- Daily service (777 or 787) from Auckland to HNL
- 6 x weekly service (787-9) from Auckland to IAH
- 5 x weekly service (777) from Auckland to SFO
- 3 x weekly direct service (787-9) from Auckland to ORD

Currently

Currently on sale now, but internationals must do Hotel Quarantine in NZ on return

- 3 x weekly from Auckland to LAX
- 3 x weekly service from Auckland to IAH
- 3 x weekly service from Auckland to SFO
- 3 x weekly direct service from Auckland to ORD

Future Plans

- Daily service from Auckland to LAX
- 3 x from Auckland to HNL
- 3 x weekly service from Auckland to IAH
- 4 x weekly service from Auckland to SFO
- 3 x weekly direct service from Auckland to ORD

STATE OF LONG-HAUL OVERSEAS FLIGHTS

cont...



Prior to COVID

- Daily service (A350) from Sydney to LAX via Nadi

Currently

- Daily service (A350) from Sydney to LAX via Nadi



Prior to COVID

- Daily service (777-300) from Sydney to LAX
- 6 x weekly service (777-300) from Brisbane to LAX
- 5 x weekly service (777-300) from Melbourne to LAX

Currently

Virgin Australia is currently only operating domestically. Plans for international are TBD

TRAVEL RESTRICTIONS TO THE USA

In November 2021, the Australian government removed the 'Do not Travel' and opened international borders for vaccinated (or vaccination exempt) Australians and permanent residents.

There are currently no restrictions for travel to the USA other than:

- Passengers must provide a negative RAT test within 24 hours of traveling to the USA.
- Must be vaccinated or medically exempt.

In order to return to Australia, travelers must:

- Negative test: Either PCR test within 72 hours of departure or RAT test within 24 hours of the flight's scheduled departure time.
- All inbound travelers must complete an Australian Travel Declaration within 72 hours of departure.



Travel Industry Landscape

STATUS OF THE TRAVEL INDUSTRY

There's no question the Australian travel industry has been massively disrupted and diminished by the pandemic. While the overall footprint of the industry is largely intact, the pure number of people working in the industry was significantly reduced.

Demand for international travel is currently surging forward and the industry is scrambling to restaff and rebuild. Over the coming 3-6 months, much of the ramp-up will have taken place with new staff in new roles and we will settle into a new sense of normal.

There is a lot of work to do to get product distribution back into good shape; while API connections ensure breadth and depth of product, work on curating and packaging has been minimal over the past two years and is now being built up again. Additionally, new distribution platforms and technology are being introduced into many major players in the industry but are not yet operating to their full capacity and potential. This provides an opportunity to help create appropriate packaging going forward.

The pandemic has also clearly demonstrated the value of a travel agent in helping to navigate the changing conditions, risks, and requirements. Travel agents currently remaining in the industry tend to be career agents, with lots of knowledge and a loyal client base. The months and years ahead promise to show solid growth in the use of travel agents, increasing their importance to our programming.

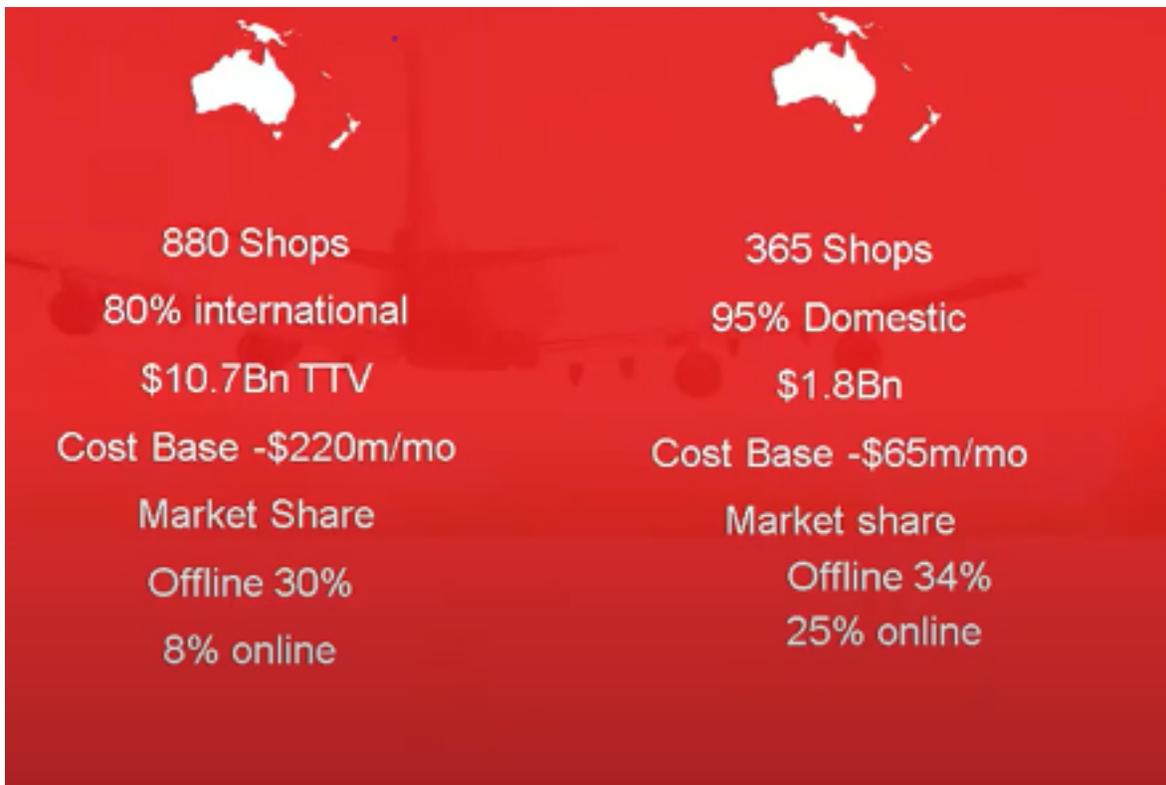
STATUS OF TOUR OPERATORS



Flight Centre Travel Group is a global vertically integrated travel brand, headquartered in Brisbane, Australia. It's one of Australia's most significant two players, encompassing mass reach through their travel agent network and distribution through their in-house travel wholesalers.

Because they operate in leisure travel markets around the world, as a company this diversity allowed them to maintain good financial strength despite being severely impacted overall by the pandemic. Prior to COVID, they were a \$23B company with \$4B in profit, vs last year when their turnover was reduced to \$3.48B and they made a half-billion-dollar loss.

To summarize the change in their Australian business:



STATUS OF TOUR OPERATORS cont...



Helloworld have retained their share of the Australian market and invested heavily in technology during COVID. They have purchased the best-in-class distribution platform from the now-defunct Excite Holidays. To date though, the use of this platform does not appear to have been deployed and it seems that is on hold as the company ramps back up.

Being a franchise model, retail member numbers have only dropped 10%. There has been a 15% growth in Mobile Travel Agents (MTA).

Helloworld Group has 2,400 within their network (Previously 2,524)

Wholesale –

- Viva Holidays (formally Qantas Holidays)
- Ultimate Journeys by Viva (New high-end small group touring)
- ReadyRooms/Mango/Athena

Helloworld Independent Branded & Helloworld Member (985)

MTA – 400 Mobile Travel Agents with Virtuoso membership

Magellan – Independent high-end leisure and corporate with 103 members

My Travel Group – Independent affiliate network with 912 members in Australia and New Zealand

Online

- Neditnow.com.au
- Skidoo.com.au

Corporate

- QBT – TMC
- TravelEdge – TMC
- Helloworld for business – TMC/SME plus high-end leisure
- Show Travel – Entertainment
- AOT hotels – Government

STATUS OF TOUR OPERATORS cont...

Qantas

As the dominant carrier to the USA, Qantas plays a significant and growing role in travel distribution to the USA. However, they sell directly to consumers only, with all sales via their website.

The Qantas website sells:

- Air Travel
- Air BnB
- Hotels (Qantas Hotels)
- Bundles (Qantas Holidays)

Qantas Hotels currently pulls most of their hotel inventory from Expedia, but they have their own contracting team and are slowly securing more and more product directly.

Qantas Holidays bundles Qantas air and contracted hotels together and sells them as a package.

Play Travel

New OTA that launched in 2020 and is owned by e-commerce company AfterPay. Currently using web beds for hotel products and Viator for attractions, but will also contract deals direct. The product is currently limited to Australia, New Zealand, Pacific Islands and Asia.

Adventure World

Adventure World has continued to develop FIT touring around sustainable soft adventure.

Travello

Travello is an experiences platform and they would like to aggressively increase the range of experiences they have in the USA. They are looking for fast ways of contracting experiences and day tours. Their platform is white-labeled by Flight Centre and they have recently also created a deal with News.com for their travel website Escape.com.au (one of Australia's largest online travel publications). Travello provides video footage of experiences which are then published by News, with bookings generating a commission which is shared between Travello and News.

STATUS OF TOUR OPERATORS cont...

Luxury Escapes

As a specialist “bundling” OTA, they have continued to develop their owned channels and created very significant reach and loyalty. They launched their brand in the USA during the pandemic, and as such have been investing significantly in building out their US product range.

Of all Australian travel companies, Luxury Escapes seemed the most buoyant, innovative, and gung ho throughout the pandemic. They sold a very significant amount of products on a “buy now book later” basis. Between March 2019 and Nov 2021, they generated over \$404m in hotel revenue and 1.65 m room nights.

They have developed a Trip Planner for their new app which will launch sometime in 2022, allowing members to augment their bundled trip with flights, experiences, and other add ons.

Adventure Destinations

This small wholesaler has paused international operations for the time being and has pivoted to have a sole focus on domestic travel in Australia. It’s likely in 2022/3 that the focus on international will return.

Intrepid

Intrepid offers touring that is “sustainable and experience-rich” with four levels in their offerings; basic, the original, comfort, and premium. They classify their trips by 18 different themes from sailing to cycling, urban adventures to family travel, etc. Their US trip offering is broad and includes much of the south, spanning both cultural and physical adventures. They are currently expanding their US trip options.

G Adventures

Small group adventure travel experts with four key offerings; 18-30 something, active, classic, and National Geographic Journeys.

Collette

Coach company with touring across the globe. As travel has opened up, Collette was strong with their marketing right from the get-go and the pick-up of bookings to both Europe and to the USA has been strong.

Insight Vacations, Trafalgar & Contiki (Travel Corporation coach touring)

These coaching companies have maintained their in-market presence while consolidating tours and reducing departures. They are set to increase their presence again.

Trek America

Sadly due to the ongoing uncertainty in the market, Trek America has ceased operations.

STATUS OF RETAIL OPERATORS

Retail travel agents in Australia have certainly had an incredibly challenging time through the pandemic, with many agencies closing. The following gives an overview of bricks and mortar agencies and the changes in the footprint.

Agency	2019	2022	%
Flight Centre	880	365	-59%
Flight Centre Independent	230	313	+36%
Travel Associates	117	66	-43%
Helloworld	2544	2400	-5%
Express Travel Group	450	360	-20%
Travellers Choice	150	145	-3%
itravel	100	78	-22%
Travel Managers	600	500	-16%

PRODUCT SAMPLE PRE-POST COVID

With Australian borders still in their early opening phase and the recent Omicron variety emerging just when restrictions were released, Travel agencies have been trading softly in January and February 2022.

Flight Centre has been the first chain to re-introduce an international sales promotion, which includes the USA, in mid-February. Anecdotally, Flight Centre is happy with the bookings coming through and has commented that they are above the projected numbers.

Helloworld will be launching a USA campaign in March-May.



PRODUCT SAMPLE PRE-POST COVID cont...

Company	2019/20	2021/22	Comparison	Notes
Adventure World	11 self-drive itineraries 9 escorted tour 2 river cruises 11 city stays	11 self-drive itineraries 0 escorted tour 0 river cruises 4 city stays 4 Extraordinary Stays	The same number of self-drives as per last year Escorted Tours & river cruises are currently on hold -7 city stays +4 Extraordinary stays	Whilst the product range for the south still exists, there are currently no active promotions or invested advertising dollars focused on promoting the product range. Group touring and cruising product is on hold.
Viva Holidays	2 self-drive itineraries 1 motorcycle tour 3 escorted coach 6 city tours 15 hotels	2 self-drive itineraries 1 motorcycle tour 3 escorted coach tours 6 city tours 15 hotels	Same as in 2019/20 as Viva Holidays have not made any changes to the US brochure content	Qantas Holiday has been rebranded Viva Holidays under the Helloworld banner.
Adventure Destinations	22 self-drive itineraries 6 escorted tours	N/A	N/A	Whilst Adventure Destinations are still in business, they have been focusing on domestic products and will move back to international in mid 2022.
Collette Tours	4 escorted tours 8 Hotels 1 single stay hotel – New Orleans	4 Escorted tours 3 spotlight on: • New Orleans • Nashville • Savannah	Collette escorted touring remain the same but Hotel listings have been dropped. New 'Spotlight on' 3 days city stays for Nashville & Savannah	Collette's Tours for 2022 are selling well.
Contiki	5 Escorted tours	5 Escorted tours	Remain the same	Starting to push USA with Flight Centre
Cosmos/ Globus	6 escorted tours 1 Amtrak City of New Orleans trips	7 Escorted Tours City add on • New Orleans • Nashville	Similar touring product with a city stays add ons for New Orleans and Nashville	Have amalgamated Globus & Cosmos product

PRODUCT SAMPLE PRE-POST COVID cont...

Company	2019/20	2021/22	Comparison	Notes
Insight Vacations	3 Escorted tours	1 Escorted Tour Country Roads of the Deep South Classic & Small Group	Down 2 escorted tours that include the South.	Focus has been on Australian local escapes
Intrepid	6 escorted van tours	6 Escorted Van Tours	Remain the same	Promoting USA product with Flight Centre
Scenic	3 escorted tour	N/A Currently focusing on cruising only	Decreased on escorted touring	Scenic Tours have only released cruising product to date
STA	0 self-drive itineraries 18 escorted tours 15 hotels 3 Attractions	N/A	N/A	STA Travel is no longer operating and closed due to the pandemic in August 2020
Top Deck	6 van escorted Tour	2 Escorted Tours	Decrease in 4 escorted tours that include the South	Top Deck have reduced US product and only have 4 Tours to the US currently
Trafalgar Cost saver	4 escorted tours 11 hotel options	4 Escorted Tours with Trafalgar 1 Escorted Tour with Cost saver	Increase in the touring product by 1 and decrease in Hotel options	Trafalgar are currently doing hotel options my request
Trek America	11 escorted tours	N/A	No longer operating	No longer operating

DURATION AND TYPE OF TRAVEL TO THE USA

There are no available statistics on the current duration of travel to the USA, although surveys show that people are planning on spending more on their holidays.

Pre-COVID, Australians traveled to the USA for leisure and have traditionally stayed an average of 19.3 days. 70% of travelers to the USA have been before. Peak arrival months are September, June, and December to coincide with school holidays. The decision-making process averages between 6-12 months before traveling.

In 2019:

- Leisure represented 86.9% of the 1.4million Australians that visited the USA
- 39% were Couples
- 29% Families with Kids
- 23% Solo

Australia ranked #11 in arrivals, #9 in spending with an average, \$2,476 average spend per person.

Australians are motivated by the unique experiences on offer in the USA. They love to visit the cultural and historic attractions with a large dose of shopping along the way.

The dominant trip personas were:

Local – Focused on what is special or unique for an area and travelers looking for an off-the-beaten-track path and destination-centric experiences.

Excitement – All about the iconic sights and experiences – the big exciting must-sees

Motivations:

1. Culture/historic attractions like museums and landmarks 56%
2. Shopping 55%
3. Local Lifestyle 52%

Source: Brand USA, Australian market snapshot

BOOKING CONFIDENCE AND PROCEDURES

Traveler confidence is a concern for the Australian with 42%* saying they are concerned that restrictions may change and impact their travel plans. 28%* are concerned they may get coronavirus whilst traveling

Whilst travel sentiment is holding up there's an increase in the percentage of people cautious about traveling with the increase in Omicron. Without a doubt, flexibility will remain the top priority for travelers in 2022.

After 2 years of cancellations and rebooking, the booking window has definitely drawn out, but that said, there is also a growth in the 'let's go now' mindset to take advantage of the moment and just go!

There are 5 major travel insurance companies offering COVID coverage in Australia and most people see that as essential for any trip to the USA.

Great deals and flexibility will remain top priorities for travelers. The ability to book travel for a reasonable price and make changes to trip itineraries is an absolute must in the eyes of travelers. It appears this widely held expectation is not only here to stay, but it has become the industry standard.

- 84% say a discounted fee is influential when booking a flight
- 83% say flexible fare options make a world of difference

*Source: Expedia 'What Travelers Want'
Expedia 'Traveler Value Index 2021'*

TRAVEL AGENT CONFIDENCE

In a survey of 1,000 Australians

- One in five Australian travelers have indicated they are now more inclined to use the services of a travel agent than before the pandemic struck.
- 10% of people believe the administration involved to take a trip is simply “too much” to deal with on their own.
- Whilst fears of a trip being canceled and uncertainty around travel requirements were also listed as prime reasons to enlist the services of an agent.
- Factors driving travelers away from using an advisor are concerns around the cost or the process of finding one “being too much hassle”.
- One in two Australians have travel plans in 2022, with a significant cohort indicating they have stress around how COVID-19 might impact their trip.
- Millennials (30%) are now the most likely demographic to book through a travel advisor

In 2018-19, Australians spent more than \$46 billion on international travel, 70% of which was booked through Australian travel agents

Source: Finder.com.au

ROUTE TO MARKET

Whilst new booking patterns are still emerging for 2022, in 2019 the major sources used for trip planning was:

1. Airlines 47%
2. Travel Agency Office 41%
3. Online Travel Agent 35%
4. Personal Recommendations 31%
5. Travel Guides 10%
6. Tour Operator or Travel Club 8%
7. National/State/City Travel Office 5%

The main point of entry into the USA for Australians was LAX, which also aligns with capacity.

1. Los Angeles 45.9%
2. Honolulu 21.3%
3. San Francisco 9%
4. Dallas Fort Worth 5.3%
5. New York 5.1%
6. Houston 2.4%

When it came to booking air, the majority used Travel Agents, followed by direct with airlines.

1. Travel Agency Office 43%
2. Direct with Airline's 30%
3. Online Travel Agent 22%
4. Corporate Travel Department 5%
5. Tour Operator 4%
6. Other 1%

Accommodation was majority pre-booked, using hotels (85%).

1. Advance Lodging Reservation 78%
2. Online Travel Agent 35%
3. Direct with Lodging Establishment 24%
4. Travel Agency Office 23%
5. Tour Operator/Travel Club 4%
6. Corporate Travel Department 3%
7. The Airline 2%

Source: Australian market update US Commercial Services 2019

LODGING TRENDS

HOTEL ACCOMMODATION TRENDS

Luxury and unique accommodation remain a firm favorite of the Australian traveler and the trend to upgrade rooms has never been stronger.

Sustainability from both a cultural and environmental perspective is becoming more important in making decisions about lodging. The demand for unique, authentic, and ‘living like a local’, paired with a surge in supporting small businesses means that consumer appetite for large chains is diminishing. The exception is larger brands that are able to move in line with consumer values (e.g. showcase their efforts in sustainability, being relevant in today’s culture, offering a modern twist on luxury, etc).

Like many other source markets around the world, the demand for unique locations in nature has increased, but still, the biggest drawcard for Australians is urban experiences.

RVs

Australians and Kiwis love a road trip. Over 1/3 hire a car in the US and this is unlikely to change post-pandemic. Australians have turned increasingly to “van life” as they have traveled domestically, discovering the slow pace of discovery. With this lifestyle becoming increasingly popular, it is likely we will see an increase in RV rentals in the US, albeit off a very low base. We don’t believe this will become a major mode of transport/accommodation for their US travels.

ATTRACTIONS AND EXPERIENCES

For several years now, Australians have increasingly sought out experiences in their travel that allow them insights into the way locals live. They want to immerse themselves in the culture and lifestyle.

This trend is increasing even more so going into 2022, with the pandemic leaving people feeling like they are experience-starved.

We can see this trend influencing the travel distribution channels, with the increasing prevalence of operators like Luxury Escapes who bundle curated experiences together, as well as the increased prevalence of activities distribution platforms (like Travello and Livn) making it easier for travel agents and consumers to find and book experiences. Additionally, all the group touring companies are building more and more experiences into their itineraries.

1/3 of Aussies say it's important to “pack as many activities into a trip as possible”
[TripAdvisor.](#)

KEY TRAVEL INDUSTRY EVENTS

Whilst our industries tour operators and wholesalers are still deciding on when and what type of events they will be doing in 2022, Visit USA is planning multi-city expos in August 2022. In 2023, they will resume normal programming and schedule the show in February.

- 1-4 August, Visit USA Shows – Sydney, Melbourne & Brisbane
- Visit USA Feb – TBC

It is highly likely that Brand USA will also add in a B2B event to co-inside with Visit USA.



Media Landscape

MEDIA LANDSCAPE OVERVIEW

COVID-19's impact on Australian media was monumental. It accelerated changes that were already occurring e.g. closure of media titles due to lack of advertising support, and collapse of publishing houses, however, the biggest change observed was the consumer media agenda. Largely driven by our ability to pitch to media titles and the strength of our destination offerings prior to the pandemic, suddenly PR professionals (and destinations) became at the mercy of the government and therefore the news agenda.

Existing media titles shrunk in size with the reduction of advertising, and online attention for travel sites grew. Titles such as *Escape* and *Traveller* went on hiatus, and the titles today remain low in pagination. Titles adapted their positioning, e.g. *AWOL* was rebranded as 'Activities Without Leaving', and News Corp launched a new title designed for additional time spent at home, called 'Hibernation'. Interest in sustainability, wellness, and the outdoors continued to grow.

While we couldn't travel abroad, the focus was turned on holiday in our own backyard. Once a border opening announcement was imminent or delivered, all eyes turned to the destination in question. Media coverage was extremely difficult to secure, and 'Armchair Escapism' became the normal story angle to aim for. Pitching was about inspiring readers to dream of destinations they would like to book once out of lockdown. Hot topics were TV/entertainment, cooking/cuisines, life hacks, and self or home improvement (go figure!).

As borders between Australia and various countries continued to open, the media remain very interested in 'what's new', 'where to go next and what exciting experiences they can discover. The airline experience has become a major part of the journalists' first trip back to destinations, therefore it has never been more important that an airline and airport's offering is the very best it can be, plus we keep them in mind during every step of the planning through to execution.

COVERAGE OF THE USA AND TRAVEL SOUTH USA REGION

28 September 2020, 'The Kentucky Bourbon Tours are Worth Raising a Virtual Glass', So Where Next

During lockdowns, virtual classes – particularly based on food and drink – allowed us to generate coverage that kept Australians inspired as well as kept the southern USA top of mind.



27 December 2021, 'Street Food Sunday: Gobble Up Atlanta's Sugar Chocolate Spice Cookies', So Where Next

Food content, as mentioned above.



COVERAGE OF THE USA AND TRAVEL SOUTH USA REGION cont...

28 June 2021, 'Authentic BBQ and Booze in South Carolina: Skill up to win, thanks to Travel South USA', KarryOn

Upskilling travel agents throughout the pandemic remained important, and trade media provided support for all webinars throughout the program, essentially 'keeping the lights on for Travel South USA during a time that we couldn't travel.



1 August 2021, 'Have Vax, Will Travel', Escape

Our first glimmer of hope as vaccination rates increase, and Australians become more and more impatient with the lack of international travel (written by Andrea Black, inspired by our Travel South USA event in June 2021, which took place even before the three-month lockdown).



TAKE A MUSIC ROADTRIP OF THE DEEP SOUTH

Get that playlist together for the ultimate music adventure to discover the roots of soul, R&B, jazz and rock 'n' roll in the deep south of the US. Start your engines in New Orleans, skip town to Bourbon Street, and time your visit for the annual Jazzfest - expect to dance. Then steer the car to Muscle Shoals, Alabama and check out the Fame and Muscle Shoals Sound Studios where the likes of Aretha, Otis and the

Stones have recorded. Next stop is 2.5 hours north to Nashville. Learn about country music history at the Ryman and the Grand Ole Opry before catching a live band, and great fried chicken in East Nashville. Then, depending on your musical preference, head west to tour Elvis's Graceland in Memphis or out to visit Dollywood, Dolly Parton's theme park just out of Knoxville. Either way, you'll get to stay in cool retro motels and meet some characters along the way. travelsouth.visittheusa.com

COVERAGE OF THE USA AND TRAVEL SOUTH USA REGION cont...

24 August 2021, Travel with Helen Hayes on 2GB

Writers-turned radio hosts begin to increase and positive radio coverage gains momentum.



Each week travel writer Helen Hayes joins Michael McLaren to reveal the best local holiday destinations Australia has to offer within reach of the average Aussie's budget.

This week Helen explores Nashville - one of the great music cities of America.

December 2021, 8 Luxe Getaways Around the World, Onya Magazine

Interest in luxury stays increases. Link: <https://www.onyamagazine.com/lifestyle/travel/8-luxe-getaways-around-the-world/>

Onya Magazine

HOME ARTS & CULTURE AUSTRALIAN AFFAIRS BEAUTY FASHION LIFESTYLE PARENTING

8 Luxe Getaways Around The World

December 13, 2021

RECENT POSTS



US Southern States – Arkansas: The Reserve at Hot Springs

For anyone craving a slice of culture following a long lockdown, the USA's southern states are a treat for the senses. Tackling the roads, finger-flicking barbecue food and sparkling Minors can be experienced at every turn - and in the state of Arkansas you can take a step back in time to the late 1800s with a stay at the elegantly restored historic estate, The Reserve at Hot Springs.

Once a private mansion and national heritage landmark, the Reserve is now a new luxury boutique hotel in the beautiful Ouachita Mountains town of Hot Springs (OCHAS), there are on-site relaxing thermal springs, spa (entry). The Reserve pays homage to the rich history of the original house and has been lovingly restored to its former glory, featuring 22 luxurious guest rooms with grand four poster beds, lavish marble bathrooms and one of a kind antiques. Pair this exquisite accommodation with the hotel's contemporary take on charming southern hospitality, and you might just wish you could stay forever!

COVERAGE OF THE USA AND TRAVEL SOUTH USA REGION cont...

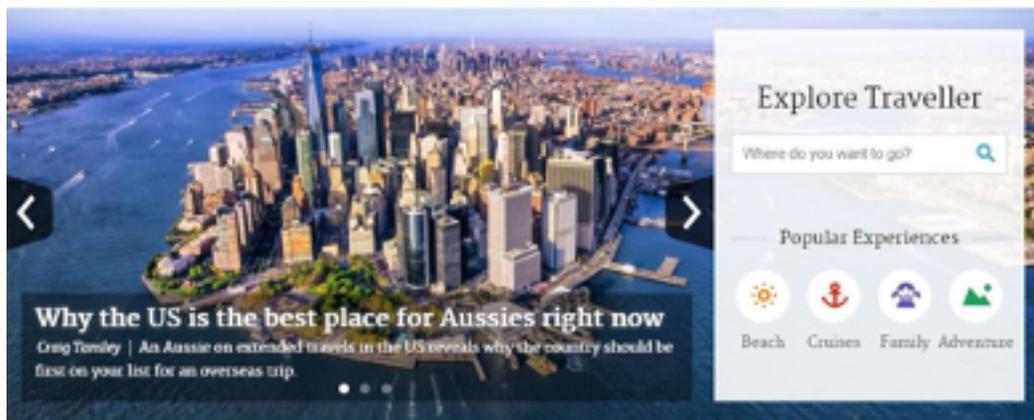
Other stories of interest, to note:

7 December 2021, International Traveller: 8 Underrated U.S. Cities to Visit in 2022 (interest in off the beaten track / lesser-known destinations continues)

10 December 2021, KarryOn: Louisiana State Tourism hosts 9th annual Travel South USA International Showcase (trade activity and coverage ramping up as Australian office in attendance at Showcase)

17 February 2022, 'Why the U.S. is the best place for Aussies right now', Traveller.com.au Optimism amongst news and lifestyle media and travelers soars, as confidence in international travel, grows. No doubt we will see this continue.

TRAVELLER



CHANGES IN PUBLICATIONS, DIGITAL & PRINT, POST-COVID

COVID-19's impact on Australian media was swift and sustained, accelerating changes that were already occurring within the industry, and exposing existing weaknesses.

COVID-19 MEDIA IMPACT TIMELINE

March 2020

Despite small case numbers, Australia closes its borders and restricts international travel.

April 2020

As global uncertainty spreads, the impacts of a far-reaching pandemic begin to reverberate across the country.

May 2020

- Australia's magazine industry ad revenue drops 54% to \$3.5 million for April (this figure was \$9.9 million in 2018).
- Titles adapt to reflect additional time spent at home and not traveling. AWOL rebrands to Activities Without Leaving, and Daily Telegraph launches new supplement 'Hibernation', which is packed full of inspiration and tips for a time at home.

May 23, 2020

- More than 600 Australian media industry jobs lost and many others stood down.
- Morgan Stanley reports the average decline in share price for media companies in 2020 is 52%.

June 2021

- The opening of the Trans-Tasman bubble brings much optimism to media and travelers alike.
- The media is very interested in 'what's new', 'where to go next and what exciting experiences are available.

As COVID recedes, PR professionals are left adapting to a faster and more complex media landscape in Australia. In order to stay effective, keeping on top of changes and cultivating strong relationships remains critical.

CHANGES IN PUBLICATIONS, DIGITAL & PRINT, POST-COVID cont...

September 2021

- Several magazines were suspended between the June and September quarter (Qantas Magazine and Virgin Magazine which has not returned).
- Other titles went online-only (Get Lost) while others saw readership shrink. (Healthy Food Guide's readership fell 24% and weekly celebrity magazine WHO's decreased by 16%.
- A rise in journalists expanding their mediums to podcasts.
- News Corp's Escape underwent a relaunch, with a new look, a fresh new range of columnists, and a new management team that is shared with Delicious magazine. Both Traveller and Escape continue to print with a lower number of pages, however, this is starting to increase with advertisers coming back on board.

December 2021

- Climbing vaccination rates and reductions in travel restrictions allow travel and lifestyle media to tentatively resume travel content.
- Journalists begin traveling internationally again for the first time in two years.

February 2022

- Australia's international border opens to all double-vaxxed travelers on 21 February.
- Travel sections and supplements are beginning to grow in size, and ramp up in terms of content again.

Covid-19 triggered the sharpest decline in Australian media revenue ever recorded by consultancy firm, PwC, while news consumption continued to rise throughout the pandemic.

- Total Australian advertising spend in 2020 contracted by 8 percent to \$15.4 billion, while consumer spending fell by just under 2 percent to \$42.5 billion.
- Appetite for news grew with 15.6 million Australians regularly engaged with brands across platforms.

CHANGES IN PUBLICATIONS, DIGITAL & PRINT, POST-COVID cont...

Despite the disruption caused by COVID, it's clear that consumer demand for media has not waned. To meet this new shape of demand, both consumers and businesses will continue to evolve in parallel.

- Australians' adoption of digital consumption and behavior has been accelerated by COVID-19.
- The battle for consumer attention will remain crucial as media companies with the largest audiences continue to gain a share of advertisers' and consumers' wallets.
- There will be an increased focus on efficacy and measurement, as pressure on advertising budgets is sustained, and businesses require evidence of ROI.

“Coming through bushfires, floods, and then the global pandemic, Australians accessed their news from a number of sources, with digital channels becoming even more critical as people sought up-to-the-minute information regarding quarantine measures, lock-downs, and vaccination programs.”

<https://www.consultancy.com.au/news/3730/covid-smashes-media-advertising-revenues-while-digital-news-booms>

MEDIA CONSUMPTION IN AUSTRALIA

- Television news is the most frequently used news source of Australians followed by radio and social media (source: Deloitte Media Consumer Survey 2021).
- Breakfast show Sunrise has secured its place as number 1 in ratings for the 18th year in a row.
- In the year to June 2021, more than 20 million Australians aged 14+ read or accessed newspapers or newspaper content in some way – print editions, online via the website, app, or news platforms including (metropolitan, local, and regional titles) in an average seven days.
- Print news has seen a 6 percent increase compared to the same period last year, now reaching 14.1 million people, 67 percent of the population aged 14+. Sydney Morning Herald is Australia's top masthead – read by 8.4 million Australians, closely followed by its Melbourne counterpart The Age (6 million readers) then News Corporation's The Australian (5.2 million).

The most widely-circulated and read magazines are Coles Magazine and Fresh Ideas (Woolworths), most likely as these are free titles distributed with major supermarket brands.



MEDIA CONSUMPTION IN AUSTRALIA cont...

Are Media has Australia's two most widely-read paid magazines – Better Homes & Gardens and Australian Women's Weekly – both with print readerships of over 1.3M.



Are Media's New Idea has over 2.4 million reach and News Corp's Taste.com.au magazine has a total audience of over 3.3 million.



EMERGING TRENDS IN CONSUMER & TRAVEL TRADE PRESS

WHAT'S NEW

There is a huge focus now on 'what's new', 'where to go next' and what exciting experiences can be found. New developments during the time Australians couldn't visit are of great interest. It's all about navigating this new world we live in.

HARD TIME FOR FREELANCERS

Many editors are still tightly controlling their titles making it more challenging for freelancers to secure commissions. Competition and family demand from freelancers is high, yet working with them can be risky as there's always a chance that direction from editors can change.

NEWS-LED MEDIA DIRECTION

More than ever before, consumer media is led by what is happening in the news. As soon as borders to countries open, editors' attention shifts very quickly, and commissions are provided to freelancers for families.

AIRLINE EXPERIENCE IS MORE IMPORTANT THAN EVER

The airline experience has become a major part of journalists' first trip back to destinations, therefore it has never been more important that an airline and airport's offering is the very best it can be.

FOOD FOR LIFE

Throughout the pandemic, food has remained an extremely popular topic. With extended time spent at home, Australians have become inventive in the kitchen, and ever-inspired by chefs, cuisines from around the world, and foodie 'life hacks' viewed on social media channels such as Tik Tok.

DON'T TAKE OUR WORD FOR IT

Local spokespeople are more important than ever in bringing destinations and experiences to life. Australians need to be reassured before they travel to a certain destination. And who better to hear this from than those that live there?

OPPORTUNITIES AND TRENDS FOR EDITORIAL PITCHING

ONE JOURNALIST, MANY ROLES

Resources within publishing houses are stretched, meaning that journalists are responsible for more than ever before. This provides an opportunity to generate coverage across multiple channels, however does mean we rely on freelancers more than ever for families.

GREATER DEMAND FOR SPEND

With publications feeling the hit from COVID, there is greater pressure for advertising spend. For the right title, media spend may be worthwhile so that we can drive further dedicated, excellent quality coverage.

DEEPER CONNECTIONS

Journalists are looking for deeper, more meaningful connections with locals that can bring their destinations to life. They want to immerse themselves in experiences they wouldn't usually, and get to know destinations through the eyes of locals.

CAMPAIGNS AND ADVERTISING

The struggle for media outlets that depended on advertising support previously, is real. Due to lack of advertising support, pagination is low, and therefore the placement of content is highly competitive.

In the digital world, media spend and targeting activity is flourishing, however. Consumers are spending more and more time on their mobile phones, and with a myriad of ways to reach them, a brand is clever to take up the online amplification form of advertising, to ensure wider reach to the audiences that are most likely to be converted into booking travel to our destinations. With geographical and demographic targeting, it allows us to be tailored and effective, plus the ability to use insights from Frequent Flyer travel intent data allows us to be more strategic and successful moving forward.

When devising a campaign, we should keep in mind how to leverage our content – both video and written – to make it work harder for us. States should share any bitesize pieces of content they have and there should be a heightened focus on video during fams, to ensure we are storytelling in the most visual and 'real to life' way. Whether through paid campaign activity or earned editorial, we as PR professionals should look at the full marketing mix and understand the areas where we can 'create once, publish often'.



Social Media & Influencers

SOCIAL MEDIA & INFLUENCERS

In general, Australians are reasonably avid consumers of social media. At least as avid as the US market, but not as active as some Asian countries. Australians spend an average of 1 hour 48 minutes per day on social media and is flat over the last 12 months (1Q2020->1Q2021). (Source). 49% say that news is a major reason they check social media (source: Deloitte Media Consumer Survey 2021).

In Australia in July 2021, the daily average time on site for the top 5 social media networks was as follows:

- **YouTube:** 19 minutes 10 seconds per day (up 7.9% in the last 90 days)
- **Facebook:** 18 minutes 40 seconds per day (up 11 seconds in the last 90 days)
- **Reddit:** 5 minutes 54 seconds per day (down 18 seconds in the last 90 days)
- **Instagram:** 8 minutes 51 seconds per day (up 4 seconds in the last 90 days)
- **LinkedIn:** 11 minutes 07 seconds per day (up 19 seconds in the last 90 days)

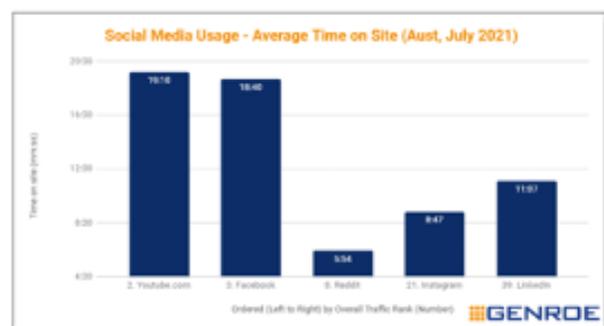
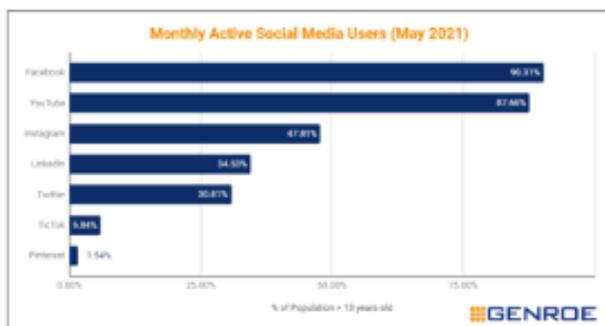
(Source. Analysis by Genroe)

This shows that longer form YouTube content should be considered for destination campaigns. Visual content for sites such as Instagram also plays an important part.

The 5 most used social media sites in Australia are:

- **Facebook** (90.31% of >13 years olds used in May 2021)
- **YouTube** (87.06% of >13 years olds used in May 2021)
- **Instagram** (47.87% of >13 years olds used in May 2021)
- **LinkedIn** (34.53% of >13 years olds used in May 2021)
- **Twitter** (30.81% of >13 years olds used in May 2021)
- **Pinterest** (3.54% of >13 years olds used in May 2021)

(Source Analysis by Genroe)



Source: GENROE

www.genroe.com/blog/social-media-statistics-australia/13492

INFLUENCER

Pre-COVID, in Australia and New Zealand, it was all about the ‘Rise of the Influencer’ – and this is very much still the case (perhaps even more so, with more time spent scrolling at home!).

However, influencers were stripped of their ability to travel overseas in 2020-2021, and this brought its own set of challenges for international destination marketing. As with journalists, influencers were challenged to be more creative and make the most out of traveling their own backyard. However, after such a long time doing so, many are itching to get overseas.

Keeping in mind the rise in social media usage among Australians, matched with influencers’ eagerness to work with brands + travel once again, we can build a strategic approach and campaign activity that will help us effectively drive travelers back to and exploring the southern states once again.

Influencer marketing is the fastest-growing form of marketing globally, with platforms such as Instagram reaching 1 billion monthly active users.

These Instagram users post 95 million photos and videos and upload 400 million Instagram Stories per day. Instagram users ‘like’ an incredible 4.2 billion posts every day.

With this level of engagement and amount of content available, the quantitative success of influencer marketing really speaks for itself.

There are three different types of influencers we will engage with (after you exclude the Major Influencer group that includes the likes of Kim Kardashian and Gigi Hadid!): Macro Influencers, Micro-Influencers, and Nano Influencers. These three groups are most suitable to generate awareness and inspiration for return travel to the southern states.



INFLUENCER cont...

We have witnessed from teaming up with Little Grey Box, that influencer campaigns are highly beneficial. Not just to bring to life our state destinations, but to ensure that content is distributed via a multi-channel approach: across blogs, newsletters, social, digital, and in print, and maximized to its full potential. While 'Live Like a Local' remains a strong angle, there is no better way to tell these stories than our influencers and content creators immersing themselves in what it's like to live and travel to a particular destination.

Our strategy of working with influencers to support the most recent Vacaay activity allows us to make the state content work harder, strengthens results, and introduces further efficiencies and cohesion among working teams and stakeholders.



NASHVILLE
24 Hours in NASHVILLE, USA

<https://www.youtube.com/watch?v=1s2q6G0FcqQ&t=98s>



CHARLESTON
USA Travel Guide: ASHEVILLE & CHARLESTON

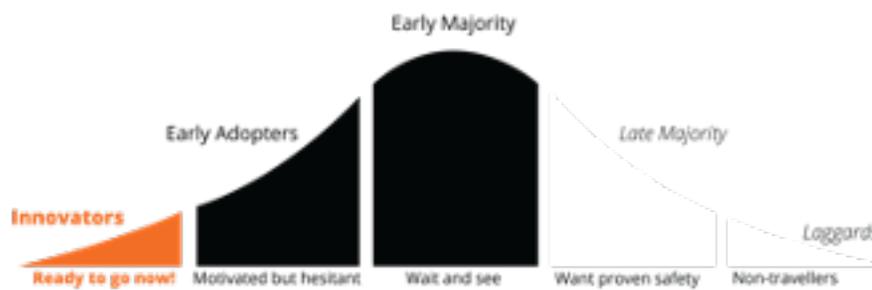
<https://www.youtube.com/watch?v=3yGCVswDFI4&t=2s>

Consumers

KEY TARGET DEMOGRAPHICS FOR TRAVEL SOUTH USA REGION

With such a long break and many paradigm changes along the way, international travel is almost like launching a new product. We need to be seeking those who are the innovators and early adopters – those who we can get traveling right away.

Additionally, we must look at what sets Travel South’s partner destinations apart from the competition - and that is music and culture. We will target music and culture lovers within the travel intender demographics.



Tourist Tracka works with multiple data partners including Qantas Loyalty to establish scalable and reliable Australian audiences. Using their flight intention data, we can see that there are two key groups who are naturally less risk-averse and motivated to travel; comfortable cruisers and young professionals.

KEY TARGET DEMOGRAPHICS FOR TRAVEL SOUTH USA REGION cont...

Comfortable Cruisers

- 50 - 65 couples
- Height of earning capacity
- More time to invest in leisure as children not as dependent any longer
- Feeling a lot wealthier

Book

- Through travel agents

Get Inspiration From

- A large proportion have a passion for the arts
- Digital and Print Media - Newspapers / Magazines
- TV
- Interested in politics, current affairs
- Word of Mouth
- Will have nostalgia for a lot of the music/musicians from the South and the musical history

Audience Platforms

- Traditional media/broadcast
- Digital (web, FB)
- B2B2C coops
- Arts and Music niche titles

Travel Trade

- Established relationship with an agent
- Touring and road trip itineraries

KEY TARGET DEMOGRAPHICS FOR TRAVEL SOUTH USA REGION cont...

Young Professionals

- 25-35 couples
- Into careers and earning money
- Time poor – living in metro areas
- High savings
- Keen for adventure

Book

- Online
- Through travel agents

Get Inspiration From

- Digital inspirational content
- TV
- Niche titles
- Their love of music and culture
- Word of Mouth

Audience Platforms

- Instagram
- Subscription services for video and music
- Web
- Influencers
- Arts & Music Niche titles

WHAT THEY ENGAGE WITH

The Vacaay program gave us a great opportunity to gain insights into which content is resonating most with people right now.

- Entertainment and Culture
- Food and Cuisine including distilleries, bars, restaurants
- Sports
- Historic and unique lodging
- Outdoor adventure

People are looking for memorable, unique experiences rather than bucket list items. They want to engage and indulge themselves and come away feeling richer for the experience.



Opportunities & Next Steps

OPPORTUNITIES 2022-2025

The South is an emerging but fast-growing destination. Our key objective is to ensure the South is on the consideration set for every trip to the USA.

We must

- Hone in on our key demographics of Comfortable Cruisers and Young Professionals
- Emphasize the USP of Music and Culture
- Tap into active travel intent data – which is vital in this first year of rebuilding travel
- Continuously test and learn which experiences resonate most with these key audiences to inform our activity.

PRODUCT DEVELOPMENT

- Surface the myriad of product now available through API connections so that it is prominent, packaged, and easy to purchase.
- Luxury, higher-end, and experience-rich travel is booming. Identify the hero experiences from each partner state for distribution development including Increase historic, iconic, unique accommodation
- Increase the availability and range of experiences available (eg through Travello / Flight Centre).
- Continue to test, learn, and feedback intel to our trade and destination partners as to which experiences are resonating most to inform package development.
- Partner with a small group touring to drive awareness and bookings.
- Flexible booking arrangements are a priority.

RECOMMENDED ACTION PLAN

EXPANSION OF TRADE RELATIONSHIPS

- The digital age is giving us better opportunities to gain control and insights over our marketing activity and drive leads to a trade partner in exchange for owned channels exposure. Prioritize this empowering formula for trade coop activity.
- Travel agents and their trusted relationships with their client base are more important than ever before. We will identify our hero agents and work with them on product development and local area marketing. This means an increased focus on partnerships such as I Travel, Flight Centre Independent, Travel Managers, and MTA Travel.
- Maintain and strengthen key wholesale relationships.

ALWAYS ON ADVERTISING AND MARKETING

- As travel rebuilds, it's so important that we are continuously testing and learning what is resonating and with whom.
- Using flight intention data from both Qantas and United, we can run intermittent bursts of digital activity (in conjunction with a travel conversion partner)
- This in turn will generate more travel intention data which could be used in partnership with destination stakeholders to drive conversion.

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FOCUSSED GROWTH OF EARNED MEDIA & SOCIAL MEDIA

The best way to grow our earned media is to support and drive more readers to the most valued placements.

- Focus our efforts on getting quality hero placements in publications aligned with our two key target demographics. One per quarter, each covering three states. Media fams are the key to achieving these beautiful features.
- Work with the publisher to then amplify the article and maximize the number of people engaging with this hero content.
- This is an efficient way to maximize the reach of the highly credible, a quality earned media placements.
- Ensure journalists we do send cover multi-channel and post their stories to their own and their publishers' socials also.
- Quality video and imagery are in top demand. Encourage destination partners to provide regular content for us to maximize in the market.