

# changes in Russian tourist consumer behaviour during the covid-19 pandemic.

**study period: january 15 – march 31, 2021**

**subject of analysis:**

- o Current sales in the segment of outbound tourism
- o Tour sales for the spring-summer season 2021, including the early booking offers

**destinations:**

- o Turkey, UAE, Tanzania, Maldives, Cuba, Serbia (due to travel restrictions associated with the COVID-19 pandemic, the study considered only sales results to the destinations indicated)

**study respondents:**

- o Heads of leading tour operator companies, generating over 80% of organized tourist flow for the destinations in question
- o Representatives of travel agencies, uniting over 100 retail sales offices of tourist packages and collaborating with 115 tour operators

## core findings

- o Up to an estimated 40% of all summer 2021 bookings are tours that were postponed in 2020
- o “Blurring” of the seasonality concept for destination demand: demand for the Maldives, Cuba, the UAE and Tanzania will remain even in the summer season
- o The booking window for even the short turnaround tours decreased by 2 times on average and is now no more than 3 weeks long

- o In the first quarter of 2021, about 70-80% of all bookings were short turnaround tours
- o Low interest in early booking offer sales with the booking window being 60 days on average
- o Turkey – the most popular early booking destination in 2021
- o According to forecasts, early booking program sales figures are not expected to return to levels seen in 2018-2020, before 2023

Changes in tourist preferences when considering early booking package tour offers:

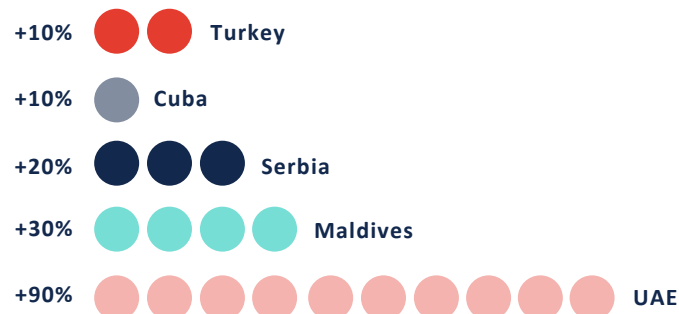
- o They pay closer attention to the terms and conditions of the offer
- o They consider the size of the initial payment and the tour payment plan
- o They choose offers with the most lenient terms (no prepayments, full payment as close as possible to the arrival dates, etc.)

## key stats

<p><b>9-12 nights</b> is the average duration of the tour</p>	<p><b>+ 40%</b> increase in the share of bookings with 4* and 5* accommodations</p>	<p><b>40%</b> of tourists prefer to reduce travel in favor of a more comfortable stay</p>	<p><b>practically no last-minute deals on the market</b></p>
<p><b>- 60%</b> decrease in the number of elderly tourists (55+)</p>	<p><b>+ 5%</b> increase in the share of families with children</p>	<p><b>30-50</b> the average age of consumers of the outbound tourism product in 2021</p>	<p><b>10% - 40%</b> increase in the demand for trip cancellation insurance</p>

## cost analysis

There has been an increase in the package tour cost to most of the surveyed destinations, the only exception being Tanzania (10-15% decrease compared to 2019).



- The change in cost is associated with the price of air travel, the volume of air transportation and the availability of charter programs.
- The cost of ground handling has changed insignificantly or hasn't changed at all.
- There are no last-minute deals on the market.
- Supply and demand are either balanced, or demand exceeds supply.
- Italy, Greece, Spain, Dominican Republic, Thailand, Vietnam and sea cruises were named among the currently unavailable (due to the pandemic) destinations with the most loyal audience.

## other factors impacting russian tourist preferences

### limiting factors

- o Requirement of PCR tests on arrival, especially if paid
- o Mandatory quarantine in the country of temporary stay
- o Fear of another outbreak of the disease both in Russia and in the destination country
- o Changes in entry requirements and unclear money return policies
- o Significant rise in the price of the tour

### secondary factors

- o The requirement to present PCR test results on arrival does not significantly impact tour purchases
- o Compulsory mask requirement, shutdown of the buffet concept and the “new reality” hotel restaurant rules do not significantly affect tourists’ decisions to travel