

THE CONNECTED VISITOR ECONOMY BULLETIN



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THE ONLINE BEHAVIOUR OF TRAVEL CONSUMERS IN ASIA: WHAT TRAVEL PROFESSIONALS NEED TO KNOW

INTRODUCTION

Few industries have been as impacted by digital technologies as the travel industry. From information gathering to planning and purchasing travel fares, most travel consumer activity either happens online or is shaped by online information. This report summarises the behavioural patterns of consumers who visit travel websites with the goal of helping travel marketing professionals understand their digital audience and find answers to important questions such as:

- How do consumers access travel sites?
- How frequently do consumers use travel sites?
- How long do consumers spend on travel sites?
- What online outlets do 'heavy users' use most often?



The report contains statistics for the following countries: Australia, China, India, Indonesia, Japan, Malaysia, and Vietnam. All population statistics are limited to audiences of age 18 and above.

THE DIGITAL FOOTPRINT OF THE TRAVEL INDUSTRY AND ITS GROWTH POTENTIAL

To a large extent the APAC digital landscape is shaped by the Chinese consumer, and the travel industry is no exception to that rule. For example, in February 2018 over 760 million individuals accessed the internet in China. This is more internet activity in that time period than Australia, India, Indonesia, Japan, Malaysia and Vietnam combined. Over a third of the Chinese digital population (275 million individuals) visited a travel site during that time.

	COUNTRY	TOTAL DIGITAL POPULATION		TRAVEL AUDIENCE	
		MILLION UNIQUE VISITORS		MILLION UNIQUE VISITORS	% OF TOTAL DIGITAL POPULATION
1	CHINA	760		275	36%
2	INDIA	261		86	33%
3	JAPAN	76		31	41%
4	INDONESIA	70		28	40%
5	AUSTRALIA	18		10	58%
6	MALAYSIA	16		7	44%
7	VIETNAM	44		4	9%

Source: comScore *MMX Multi-Platform*, February 2018



The table (page 2) illustrates variations in the adoption of online travel services by country. In Australia, for example, 58% of the total digital population¹ accessed a travel website. In Vietnam, only 9% accessed a travel site. So it appears that, compared to more mature markets such as Australia, the Vietnamese market may have ample room for growth.

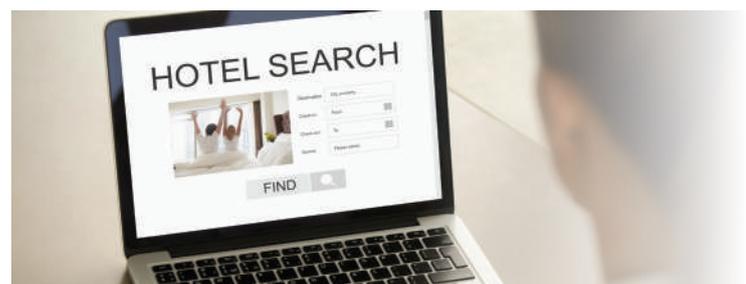
While other markets have room for expansion, China boasts more potential online travel consumers than any other country. Adoption of online travel services by China's digital population of 760 million visitors would result in an unprecedented boon for the travel industry.

COMPOSITION OF THE TRAVEL INDUSTRY'S DIGITAL FOOTPRINT

The travel industry's digital footprint consists of a variety of websites that fall into several categories. These categories, as well as the size of their digital audiences, are listed in the table on page 4. Because of the size of the Chinese market, the table separates China from other APAC countries.

Asian Digital Consumers Know What They Want

For most consumers worldwide, all travelling requires some degree of planning. For that reason, sites providing travel information have relatively large digital audiences. For example, in the United States travel information sites are the largest category of travel site², with 184 million unique visitors in February 2018. On the other hand, in the APAC region (excluding China) travel information sites are the



second largest category, with 60 million unique visitors. In China, travel information sites rank third with 64 million unique visitors, and are outpaced by sites which allows the purchase of travel services, such as Online Travel Agents or Ground / Cruise Travel Sites. Clearly, consumers in Asia visit travel sites with the intention of purchasing a travel service more so than consumers in other regions in the world.

¹ The total of all individuals who have accessed a website

² Source: comScore [MMX Multi-Platform](#), February 2018

APAC consumers go direct, Chinese consumers go indirect



One striking feature of the Chinese market is that Online Travel Agents are the largest travel category, with 176 million unique visitors in February 2018. This volume is largely due to the dominance of Ctrip, a Chinese provider of travel services including accommodation and transportation reservations, packaged tours and so on. The Ground / Cruise Travel category, where consumers can purchase transportation fares directly from the transport companies, is the second largest category, with 90 million unique individuals. It is apparent from these numbers that consumers in China prefer booking their travel arrangements through an intermediary over purchasing directly from a provider.

Excluding China, the situation in the APAC region is practically the reverse of China. Consumers there have a greater propensity to book their travel arrangements directly with the transport company. As the table shows, the Ground / Cruise category is the largest category in the “APAC excluding China” region, with 60 million unique visitors in February 2018. The tendency of travellers in India to travel by train and use the Indian Railways are a major contributing factor to this pattern.



CATEGORY	DESCRIPTION	APAC DIGITAL POPULATION (EXCLUDING CHINA) MILLION UNIQUE VISITORS	CHINA DIGITAL POPULATION MILLION UNIQUE VISITORS
All Travel		166	275
Ground / Cruise Travel	Sites that provide information and transactions for rail, bus, and ship travel.	67	90
Travel information	Sites that provide information but do not support transactions.	60	64
Online Travel Agents	Sites that allow users to get information and/or book transactions related to a variety of travel services.	53	176
Hotels/Resorts	Sites that contain information and/or transaction capabilities for resorts and hotels.	22	40
Airlines	All airline sites plus any third-party travel sites that focus on air travel only.	20	26
Transactions	Sites that allow users to make online airline, car rental, train, bus and hotel reservations.	19	0.2
Car Rental	All Car Rental sites, most of which support online transactions.	3	62

Source: comScore MMX Multi-Platform, February 2018

ONLINE BEHAVIOUR OF TRAVEL CONSUMERS

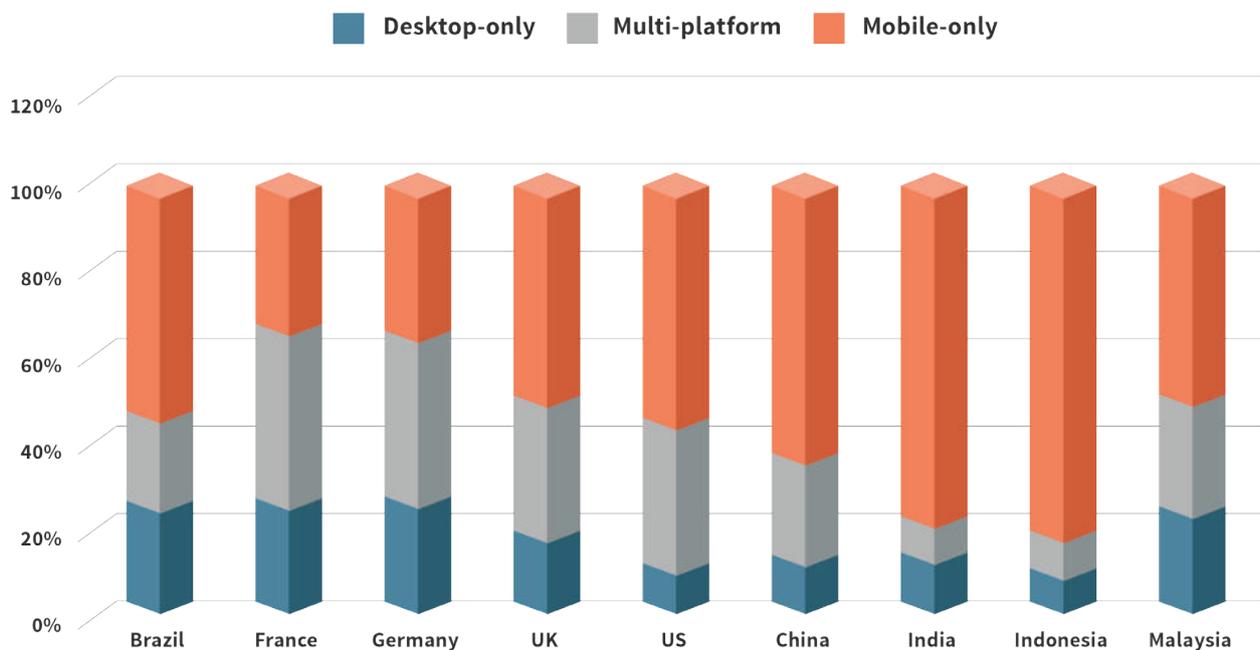
How Consumers Access Travel Websites: An International Comparison

For marketing professionals in the travel industry, understanding how consumers access travel websites is critical. The screen size of mobile devices impose tight constraints on the display of format and content. Geolocation features on mobile devices can show if consumers are using their devices at home or on the go. Desktop computers and laptops, on the other hand, lend themselves better to casual exploration and exhaustive information gathering, due in part to their larger screens.



India and Indonesia are home to the largest mobile-only populations³. Like the US, China has a large mobile-only population, however the size of the combined desktop-only and multi-platform⁴ populations is still significant. Malaysia displays a similar pattern as in France and Germany in that Malaysian digital populations are spread evenly across the three categories.

International comparison of travel sites access



Source: comScore *MMX Multi-Platform*, February 2018

³ Mobile-first populations access travel sites *exclusively* through their mobile devices

⁴ A multi-platform audience consists of individuals who access a travel site through a desktop as well as a mobile device

Seasonality of Online Travel Service Consumption



One defining aspect of the travel industry is its seasonality. It is not unusual for companies in the travel industry to book the majority of their revenue during a few months of the year. Marketing professionals wanting to purchase advertisement inventory need to calibrate accordingly, usually coordinating advertising months in advance. Publishers, on the other hand, need to optimise their content to maximise the value of the inventory they sell. The tendency of consumers to plan their travels in advance presents a challenge which is complicated by the variety of factors consumers consider when determining how far in advance to plan a trip. These factors include a consumer's distance to their destination, the costs of travel and familiarity with the journey.

The charts below illustrate seasonal online viewing patterns in various Asian countries, and are presented to help travel professionals prepare their marketing plans. Unsurprisingly, intense online activity occurs during the summer period (December – February for countries in the southern hemisphere and June – August for countries in the northern hemisphere), which includes many peak travel months.

China, India, Indonesia and Vietnam have pronounced seasonal patterns, with high traffic during a few peak months and relatively low traffic during the rest of the year. Conversely, Australia, Japan and Malaysia have a steadier level of traffic throughout the year, providing a wider window of opportunity to promote and capture digital consumers.

Number of views per visitor per month: index vs peak month in 2017



Source: comScore *MMX Multi-Platform*, February 2018



How Consumers Gather Information Online

A review of consumer behaviour on travel information sites provides additional insights into consumption patterns. The frequency and duration of visits to travel information sites reflects the level of effort consumers dedicate to travel.

In terms of visit frequency, China leads the pack. Chinese consumers visit travel information sites constantly; averaging 8 visits per user in February 2018, the highest visitor frequency of any country covered in this report. While Chinese consumers are similar to those in other countries in the amount of time they spend on a site per visit, the higher frequency of visits leads to a significantly higher number of total minutes spent on travel sites, with Chinese consumers averaging just under 27 total minutes per visitor.

Comparatively, consumers in Australia and Japan visit sites less frequently, but stay on sites longer. They view travel information sites only about 3 times per month, but when compared to other countries Australian and Japanese consumers spend the most time on a site per visit, spending 4.1 and 3.5 minutes per visit respectively. As a result, total time spent on travel information sites was over 10 minutes in both Japan and Australia during February 2018.

Vietnam, Malaysia, India and Indonesia follow a different trend. In these countries, the number of visits is slightly below that of Japan and Australia, but the time spent per visit is relatively low as well. Consequently, in these countries total time spent on travel information sites is far lower than total time spent on these sites by consumers in China, Australia and Japan.

COUNTRY	VISITS PER VISITOR PER MONTH	MINUTES PER VISIT	TOTAL MINUTES PER VISITOR
CHINA	8.0	3.4	26.9
AUSTRALIA	3.1	4.1	12.6
JAPAN	3.1	3.5	10.9
VIETNAM	2.8	2.6	7.3
MALAYSIA	2.3	3.0	6.8
INDIA	2.6	2.4	6.2
INDONESIA	2.3	1.8	4.2

Source: comScore *MMX Multi-Platform*, February 2018

WHERE TO FIND THE MOST ACTIVE CONSUMERS OF ONLINE TRAVEL SERVICES

In travel as in other industries, the Pareto principle applies; desktop usage data show that heavy users represent only 20% of the travel industry's online audience, but are responsible for 76% to 89% of the total time spent on travel sites for any given country, as shown in the table below. Of course, heavy users are the highest value group to marketers. This is partly because they are the most likely to provide new and repeat business by allocating resources to travel, and partly because they can be turned into brand ambassadors if they have a positive travelling experience.

COUNTRY	MINUTES PER AVERAGE USER PER MONTH	MINUTES PER HEAVY USER PER MONTH	% OF TOTAL MINUTES SPENT BY HEAVY USERS
AUSTRALIA	37	134	76%
CHINA	22	98	89%
INDIA	48	181	79%
INDONESIA	30	110	89%
JAPAN	45	171	78%
MALAYSIA	47	172	78%
VIETNAM	37	158	88%

Source: comScore *Segment Metrix*, February 2018

The profiles and predilections of heavy users vary by country, and the data below, which quantify the propensity of heavy users to visit different website categories in a desktop environment, reflect that diversity. For example, and somewhat counter-intuitively, the heavy user likelihood index for consumers who visit job search websites in Japan is 696. In other words, Japanese consumers who visit job search websites are 6.97x more likely to be travel heavy users than the average netizen. Perhaps much less surprisingly, consumers who visit News & Weather websites in India and Malaysia are 3.24x and 6.87x more likely to be travel heavy users, respectively.

COUNTRY	SITE CATEGORY WITH HIGH CONCENTRATION OF HEAVY USERS	LIKELIHOOD INDEX TO FIND HEAVY USERS VS. INTERNET AVERAGE (BASE = 100)
AUSTRALIA	Ticketing	275
CHINA	Retail of consumer goods	552
INDIA	News & Weather	324
INDONESIA	Food	505
JAPAN	Job search sites	696
MALAYSIA	News & Weather	687
VIETNAM	Ticketing	640

Source: comScore *Segment Metrix*, February 2018



CONCLUSION

- The growth potential of the Asia travel industry is without precedent, and China specifically is destined to shape the industry.
- There are variations in consumer behaviour between countries, but, more often than not, consumers in Asia are leapfrogging the traditional technology curve by enthusiastically adopting mobile technology.
- Heavy users, who have the highest value both as spenders and as brand ambassadors, tend to cluster in different categories of sites. Marketers who wish to engage them can use this information to build a coherent strategy that builds bridges between the interests of heavy users and the offerings of the travel industry.





ABOUT THE AUTHOR

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Joe Nguyen is Senior Vice President, Asia Pacific at comScore, Inc., the cross-platform measurement company that precisely measures audiences, brands and consumer behaviour everywhere. Joe oversees sales and servicing of comScore's products and services in Asia Pacific, and has rapidly expanded its footprint to 10 countries across the region.

Joe has more than 20 years of experience in Asia Pacific and is a veteran of the online analytics industry, with experience on both the user and vendor sides of panel-based audience measurement as well as site-side analytics. He is an active thought leader, moderating and speaking at key digital, media and technology conferences in the region.

Joe is the co-founder of iamWednesday Singapore. He is currently serving on the Asia Pacific Board of Directors of the Mobile Marketing Association and the Board of Director of the Interactive Advertising Bureau Singapore.

Prior to comScore, Joe was the Southeast Asia regional manager for Omniture where he successfully delivered its product suites across diverse industries. He also previously served as the director of global e-commerce at Millennium & Copthorne Hotels where he grew online global sales by 50 percent.

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