



The Philippine Travel Survey Report:

Insights on Filipino Travelers' Sentiments on the New Normal



Message



Our Valued Tourism and Hospitality Partners,

The COVID-19 pandemic has caused a major shift in the global economic landscape, and the Philippine tourism sector is among the most affected given the current travel restrictions.

In support of the industry, the Department of Tourism, in partnership with Guide to the Philippines and AIM - Dr. Andrew L. Tan Center for Tourism, launched a travel survey on May 15 to 24, 2020, and gathered responses from 12,732 Filipino travelers and other nationalities residing across the 81 provinces of the Philippines.

We are now ready to share what we have discovered through “The Philippine Travel Survey: Insights on Filipino Travelers’ Sentiments on the New Normal”.

The results of the survey aim to help Tourism enterprises and stakeholders understand the domestic travelers’ sentiments and behavior in order to craft strategies and plan for the new normal. In this report, you will find key insights and general recommendations.

The way forward requires our collaboration and commitment to help Philippine tourism bounce back. #WeRecoverAsOne

Maraming salamat at Mabuhay ang turismong Pilipino!



Bernadette Romulo-Puyat
Secretary
Department of Tourism, Philippines



Message



Rabbi Vincent L. Ang

Rabbi Vincent L. Ang
General Manager
Guide to the Philippines

When we launched Guide to the Philippines, we intended to bring about the largest collaboration of local travel operators on one platform. Now as we face this period of uncertainty, the industry's recovery is hinged, not just on a large number of us but on every tourism stakeholder working together to redefine travel in the context of COVID-19. We find ourselves, therefore, fortunate to be working alongside the Department of Tourism and AIM-Dr. Andrew L. Tan Center for Tourism to bring you this report - a testament to how government, the private sector, and the academe can collaborate for the betterment of our industry.

We initiated this survey as a means to help all tourism enterprises gain market insight on traveler expectations in this new normal. It is our hope that you are able to use this data to bounce back as quickly as possible, for the sake of the economy, our industry, and most importantly, all tourism workers and communities who rely on tourism revenues for their livelihood.

Let's stay hopeful and keep pushing forward - together.



Prof. Fernando Martin Y. Roxas, DBA
Executive Director
Dr. Andrew L. Tan Center for
Tourism
Asian Institute of Management

On behalf of the Board of Advisors and Management Team of the AIM-Dr. Andrew L. Tan Center for Tourism, I am pleased to share with you the outcome of our cooperation with the Department of Tourism (DOT) and Guide to the Philippines (GTTP) in conducting this study regarding Filipino travelers' sentiments on travelling post-quarantine. In these times of great uncertainty, having data that describe consumer behavior is critical in the industry's effort to recover as quickly as possible. Through this online survey conducted last May 15-24, 2020 that gathered 12,732 respondents, we are able to contribute to helping the tourism industry bounce back from this pandemic.

True to our Center's mission of assisting and uplifting tourism stakeholders through research, educational programs, and conferences, this is our contribution to the industry for their use in scenario planning for future crisis/pandemic management.

Thank you for your continued support.



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Survey Background

The outbreak of the coronavirus (COVID-19) pandemic has heavily affected the local tourism industry. The measures taken to ensure the health and safety of Filipino citizens have resulted in the sudden loss of travel demand, severe loss of revenues, and unemployment across all tourism enterprises. On all levels, planning is being undertaken on how to resume operations in this “new normal” and revive travel demand using a myriad of assumptions.

In these times of great uncertainty, having data on consumer behavior is critical to the industry’s effort to recover as swiftly as possible. Recognizing the significance of a data-driven approach in supporting plans and initiatives to revive the industry, the [Department of Tourism](#) (DOT), together with the [AIM-Dr. Andrew L. Tan Center for Tourism](#) (AIM ALT-CFT), and the [Guide to the Philippines](#) (GTTP) launched the “Philippine Travel Survey” last 15-24 May 2020 on various online platforms. Surveying a total of 12,732 Filipino travelers and foreign residents of the Philippines, the results provide insights into the traveler’s sentiment towards the current pandemic situation as well as their behavior and preferences on future domestic leisure travel.





Survey Background

The findings on the Filipino traveler's behavior provide insights on how the various aspects of the pandemic affect their travel decisions. The collective responses lead us to better understand the local market. And we come a step closer to answering key questions such as the following:

- **When will domestic travel demand most likely return and at what rate?**
- **What conditions may trigger Filipinos to start traveling again?**
- **What measures or business process changes do I need to put in place to increase traveler confidence in my services?**
- **What are the travelers' tolerance to these additional measures?**

Complementing the existing initiatives and plans towards adapting to the new normal, a data-based approach provides better assumptions that tourism stakeholders may use in planning the next steps for the industry and as well as preventive plans in the case of another pandemic.

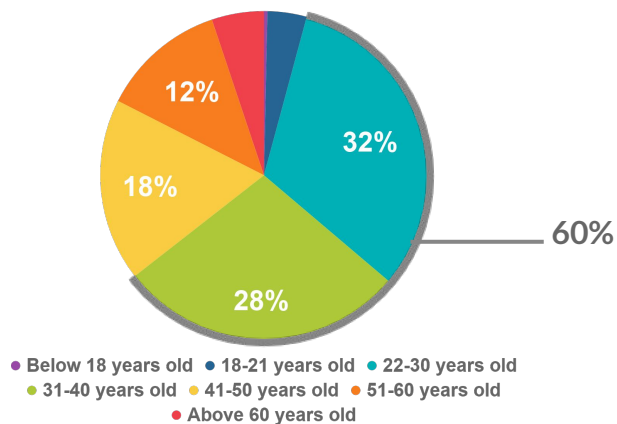
It is our hope that this report stimulates richer discourses among tourism stakeholders and that it helps everyone in the industry recover and adapt to the changes brought about by the COVID-19 pandemic.

Survey Respondents

Number of Respondents

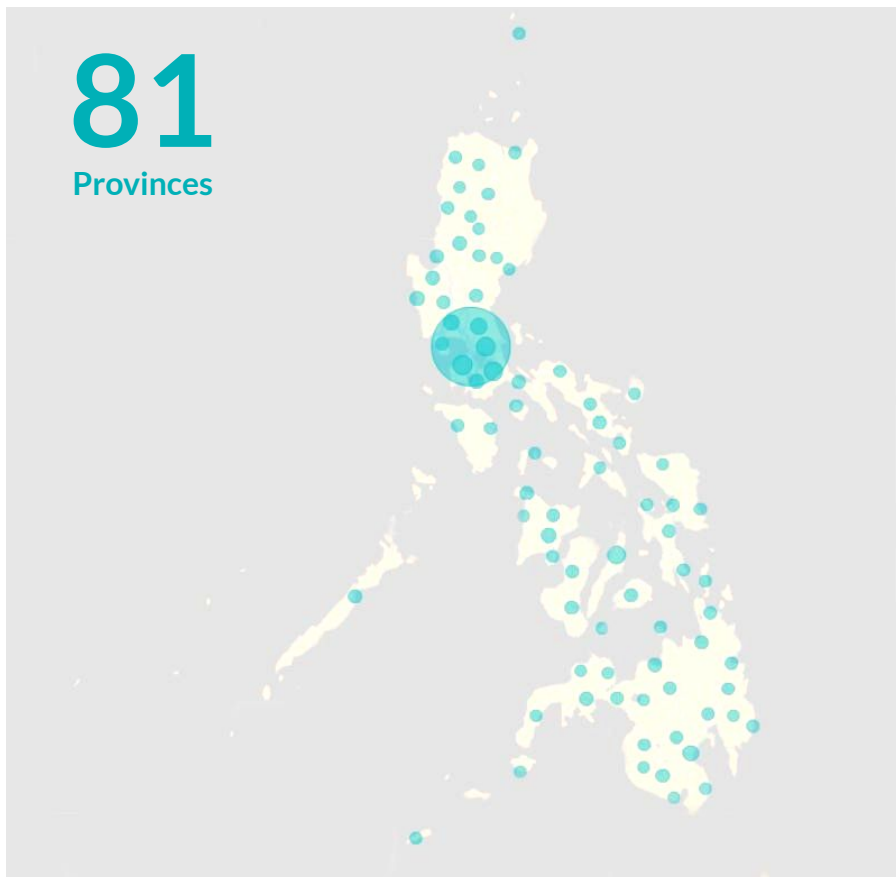
12,732

With respondents from all 81 provinces
60% of respondents fall within the ages 22-40 years old



81

Provinces

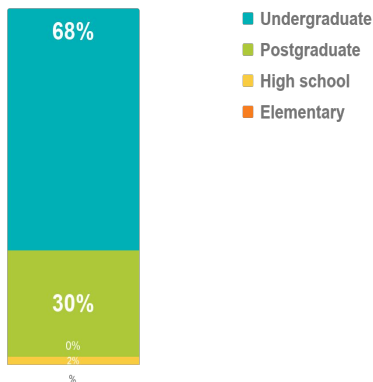


Survey Respondents

Education

98%
COLLEGE GRADUATE

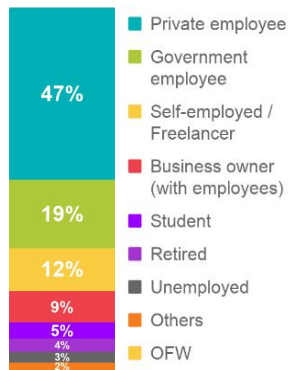
98% of the respondents have at least an undergraduate degree and 30% have postgraduate degrees



Occupation

47%
PRIVATE SECTOR

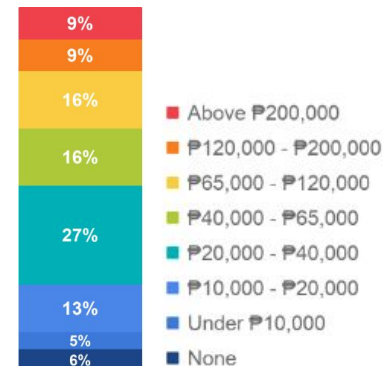
47% of the traveler respondents are private employees, followed by 19% working for the Government



Income

₱20k-40k

27% of the travelers earn ₱20,000 - 40,000 per month

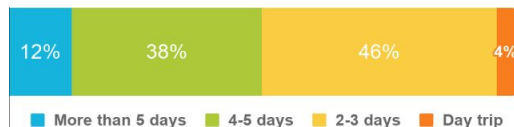


Survey Respondents

Length of Trips

2-3 Days

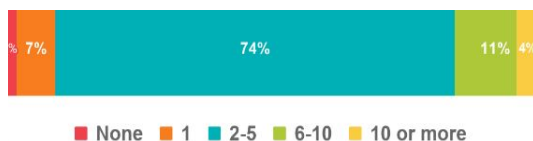
46% of the respondents spend an average of 2-3 days for domestic leisure trips. It is also important to note that 50% cited 4 or more days duration for typical domestic leisure trips.



Number of Companions

2-5 pax

74% travel in groups of 2 to 5. Most of the respondents travel with family/relatives (68%) and friends/co-workers (61%)



Budget per day

₱1k-2k

29% allocate this much per person per day for accommodation, transport, food, and activities



The respondents usually spend approximately an average of ₱3000-₱6000 per head for a 2-3 day leisure trip, and they travel in groups of 2-5 either with family/relatives or friends/coworkers for their domestic leisure trips.



Key Insights



Key Insights

- 01 Domestic leisure travel will lead Philippine Tourism recovery
- 02 Majority of travelers expect a reduction in income and travel budget
- 03 Health and safety is the primary concern of the travelers
- 04 Travelers prefer reduced-contact activities once leisure travel restrictions are lifted
- 05 Travelers prefer online and digital channels for convenience and contact-reduction
- 06 Travelers plan to travel close to home



01

Domestic leisure travel will lead Philippine Tourism recovery.



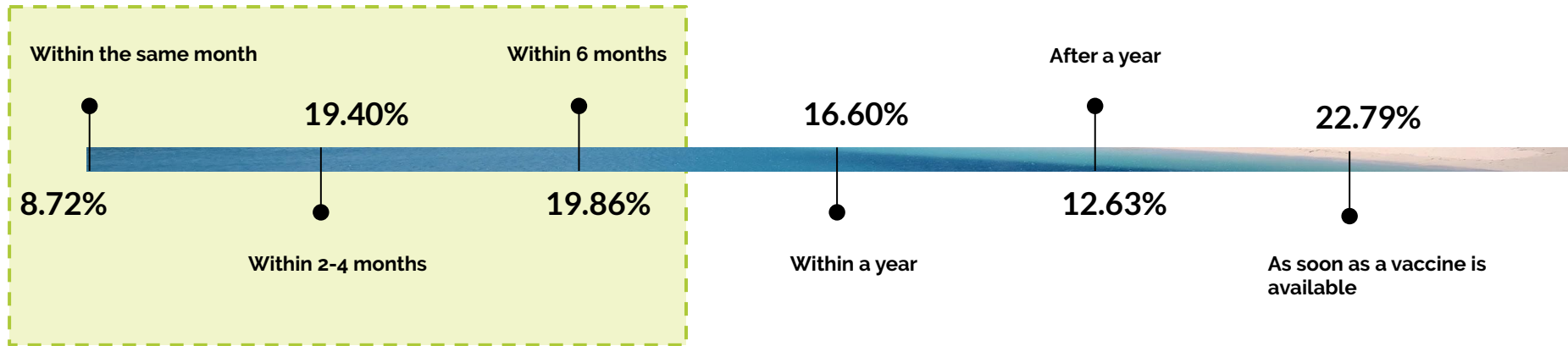
With the closure of international borders, the return of foreign tourists is expected to be slow and gradual. A possible silver lining for the tourism industry lies with domestic travelers, as the survey results indicate their quick return to leisure travel once restrictions are lifted.

Despite the current situation, 77% of the respondents are still willing to travel domestically - even in the absence of a proven vaccine.

The survey results also show greater confidence on the probability of domestic travel within six months from lifting of restrictions as compared to international travel.

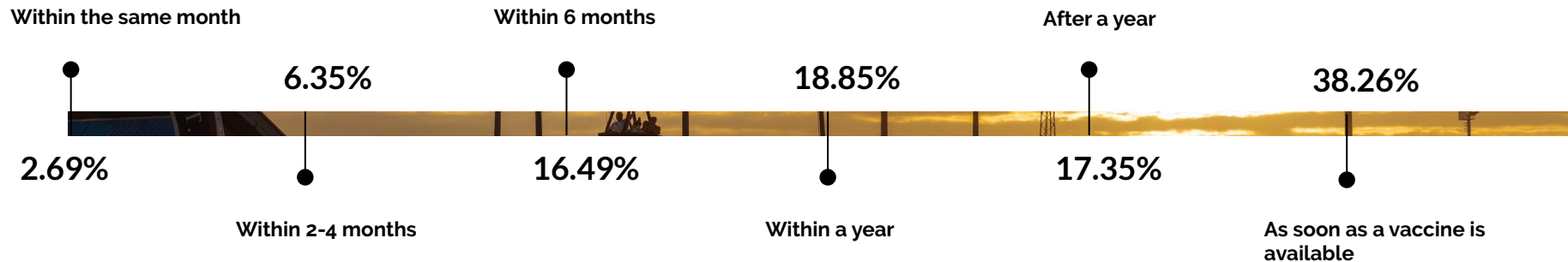
48% expect to travel domestically within 6 months from lifting of travel restrictions

Domestic travel demand show a potential for a quick recovery given 77% of people are willing to travel domestically even in the absence of a vaccine.



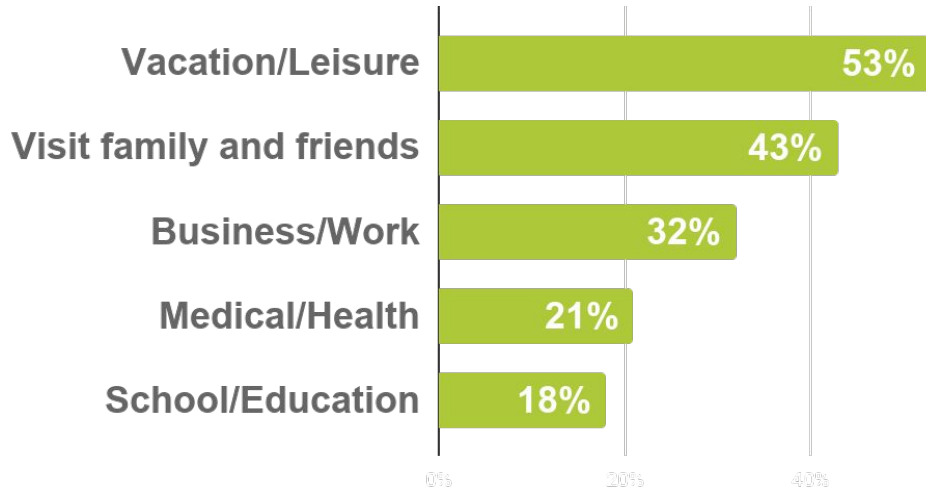
Only 26% expect to travel internationally within the next six months.

Travelers also indicated a preference for travel to nearby countries with 37% planning to travel to East Asia (China, Japan, Korea, Taiwan, Hongkong, Macau), while 30% plan to travel within the the ASEAN region (Singapore, Thailand, Vietnam, Malaysia, Laos , Indonesia, Cambodia, and Brunei) once restrictions are lifted.



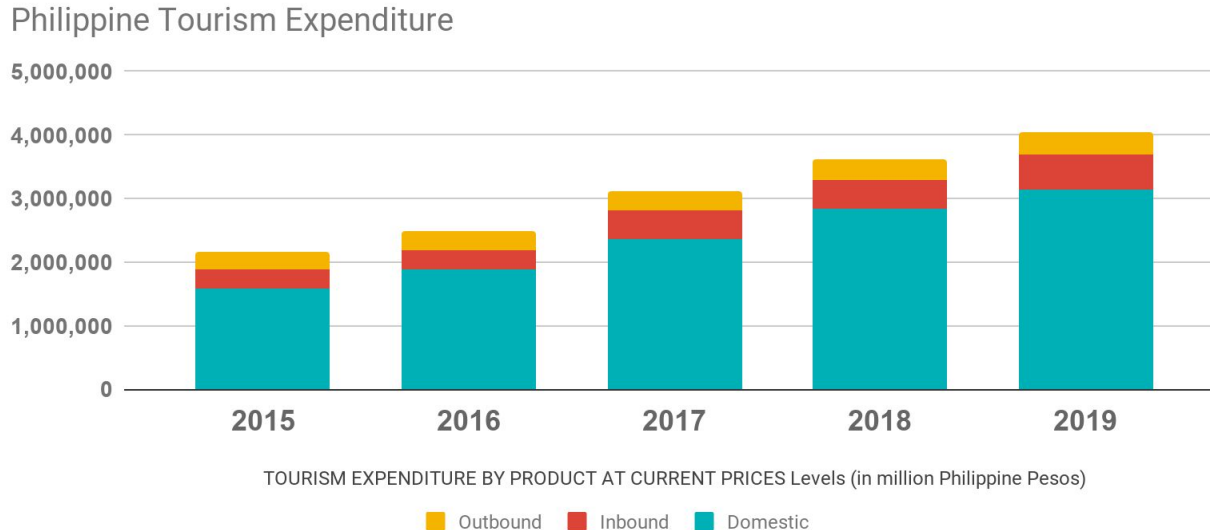
Leisure travel still remain to be the primary reason for travel

Of those expecting to travel once restrictions are lifted, most expect their first trip to be a vacation. Visiting family and friends come second.



Domestic travel spend is significantly higher than inbound travel spend

Due to the significant difference in the volume of domestic tourists compared to foreign tourists, our local travel industry is largely propped up by our fellow Filipinos.



 02

Travelers expect a reduction in income and travel budget.

Beyond the heightened health and safety risks, the economic repercussion of the pandemic and the community quarantine restrictions appear to be far-reaching. Only 26% of respondents expect no reduction in their income.

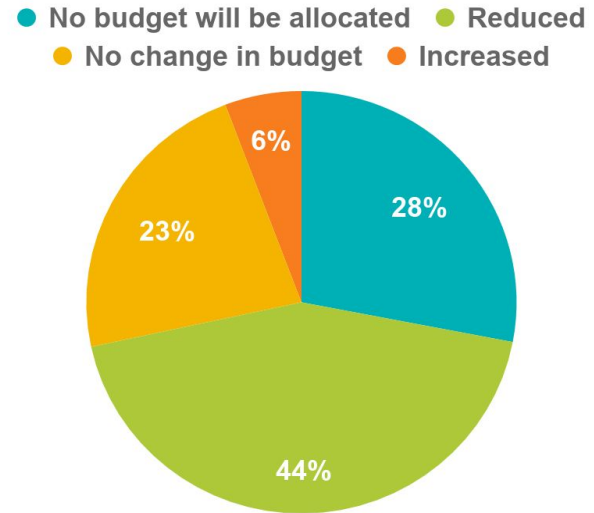
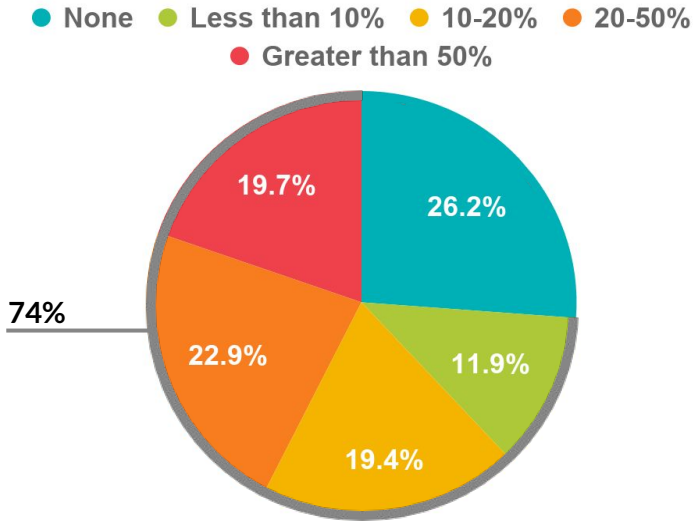
Interestingly, when asked about their expected travel budget during this time, most indicated they would reduce it instead of completely zeroing it out.

However, while many expect to spend on travel, the general market sentiment indicates it is still not the appropriate time to promote travel deals.

Note: Travelers refers to Survey Respondents

74% foresee a reduction in income

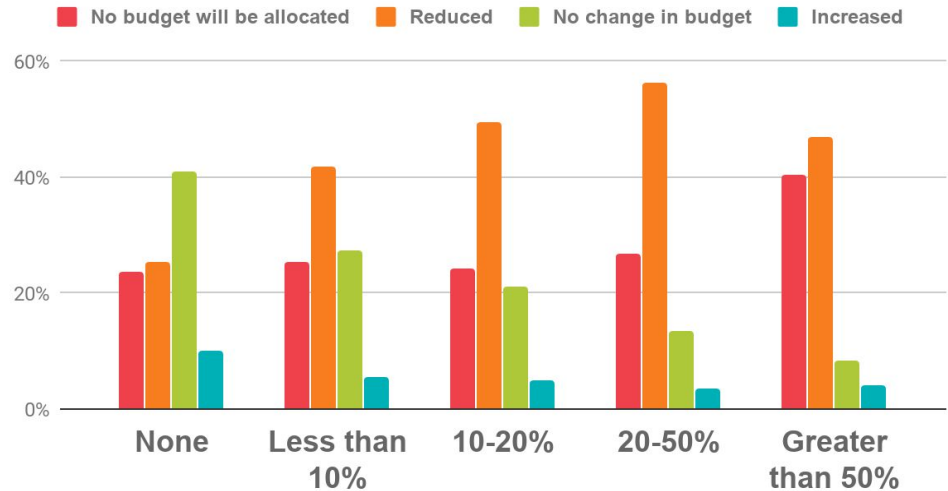
44% foresee a reduction in travel budget.



Income reduction appears to influence travel budget reduction

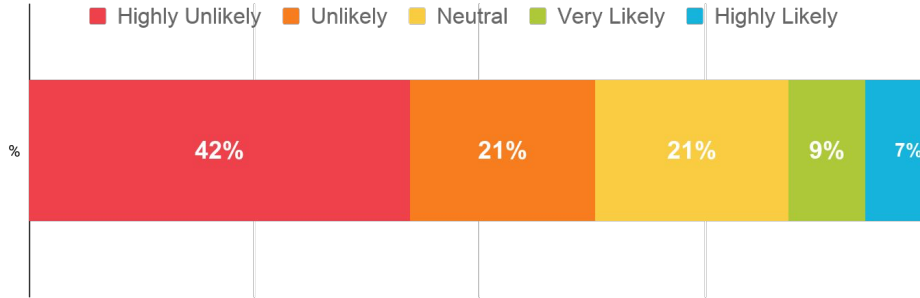
Travelers are more likely to reduce their travel budget the higher their expected income reduction is. For those expecting greater than 50% income reduction, it is interesting to note that majority still expect to reduce their travel budgets rather than completely eliminating it. The percentage of respondents who do not plan to allocate a travel budget only increases for those expecting a higher than 50% income reduction.

Reduction in income vs reduction in travel budget



Travelers are less likely to buy travel deals at this time

42% of the travelers are highly unlikely to purchase travel deals or promotions during this time. This can be attributed to their concerns on safety, expected reduction in income, and travel restrictions.





03

Health and safety is the primary concern of travelers.

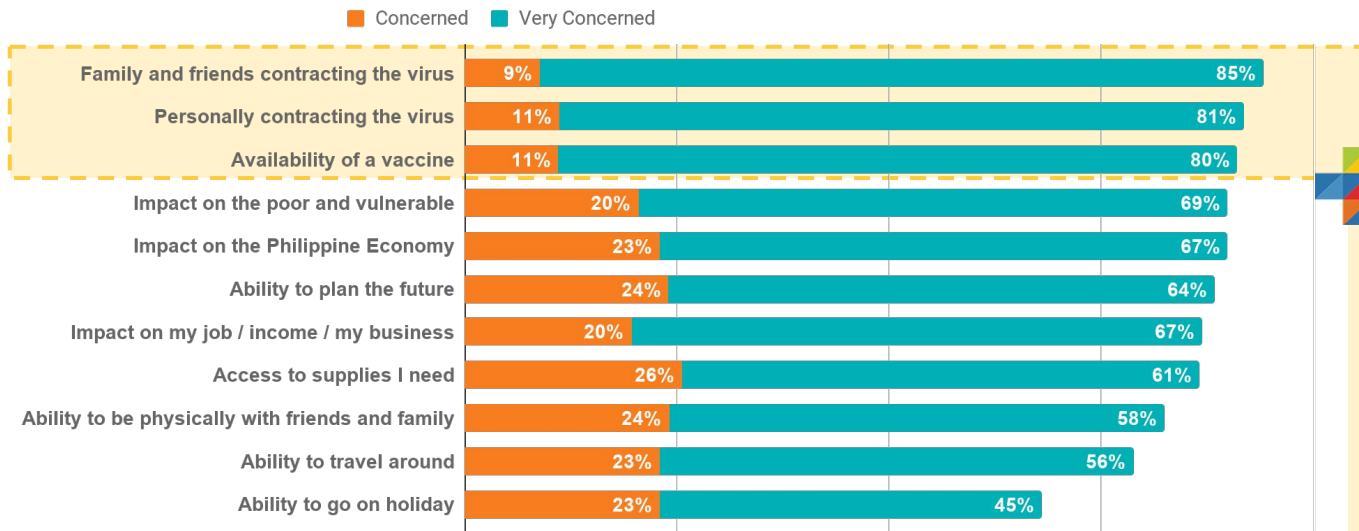
Health and safety stand at the top of all concerns according to respondents. Economic/financial concerns follow, while lifestyle concerns (travel included), rank the lowest.

Unsurprisingly, respondents share that a return to their pre-pandemic lifestyle requires an improvement in the overall epidemiological situation.

Given the overall bleak outlook on an improvement happening soon, health and safety protocols are highly-expected from travel establishments in this New Normal. In fact, 73% of respondents noted safety and security as the primary factor in choosing a travel vendor.

Health and safety factors are top concerns

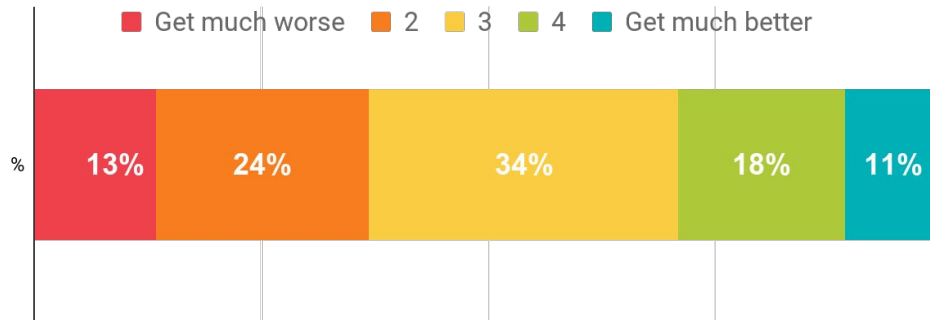
Travelers are mostly concerned with the health and safety of others and themselves. Safety remains the top concern over the economic and lifestyle-related concerns.



It is interesting to note that the responses indicate a greater concern for the welfare of others than personal welfare. For example, there is greater concern over loved ones contracting the virus versus personally contracting it. Similarly, the impact on the vulnerable members of society is more concerning to respondents than the impact on one's own income.

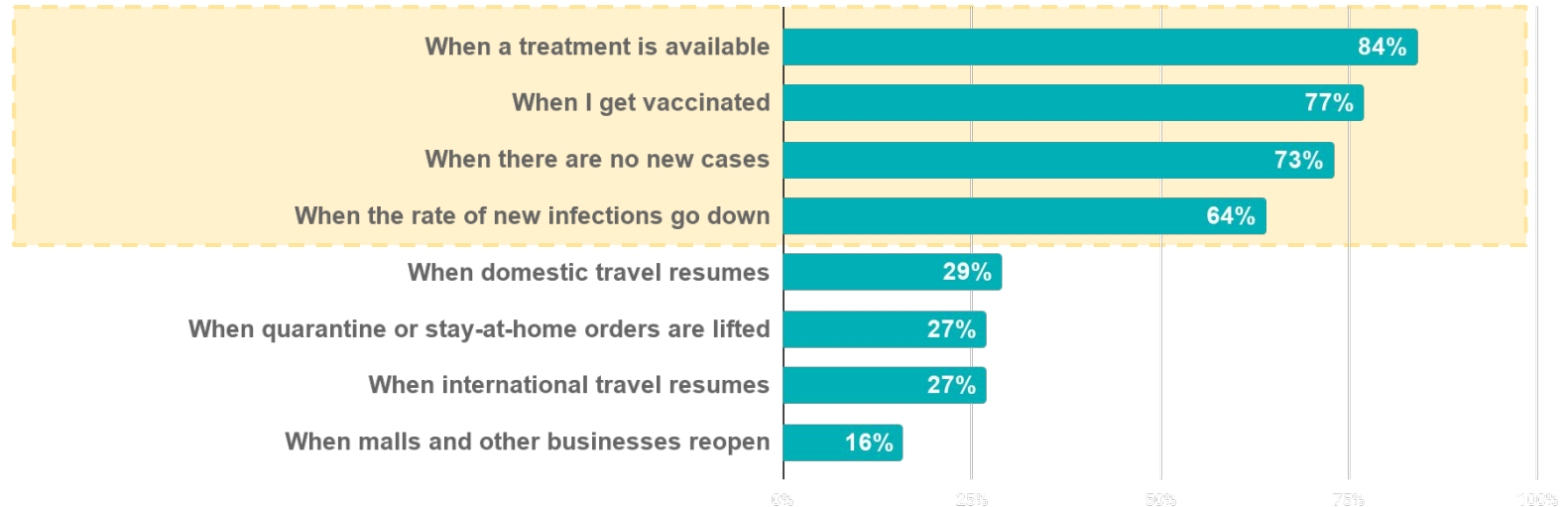
Majority do not see the COVID-19 situation improving

37% of travelers indicated that the situation will worsen in a month's time. 34% thought the situation will neither improve or worsen, and 29% felt that the situation will improve.



Medical milestones will trigger comfort in returning to old lifestyle

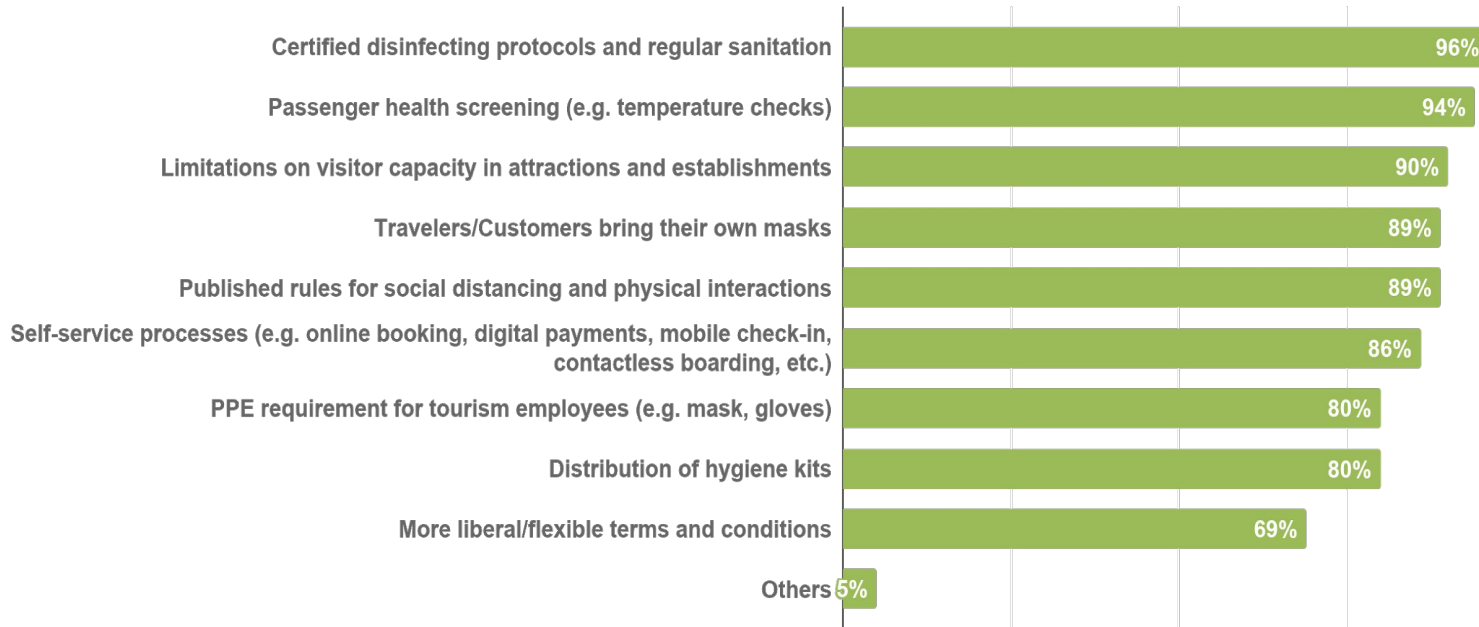
Most travelers would only feel comfortable returning to their old routine once epidemiological concerns are addressed. While a proven treatment or vaccine are key significant milestones, reduced rate of infections or number of cases are also indicators that could trigger behavioral changes.



Q: Which of the following would make you feel comfortable to return to your old lifestyle (or close to it)? Select all that apply

Sanitation and health best practices are expected by travelers

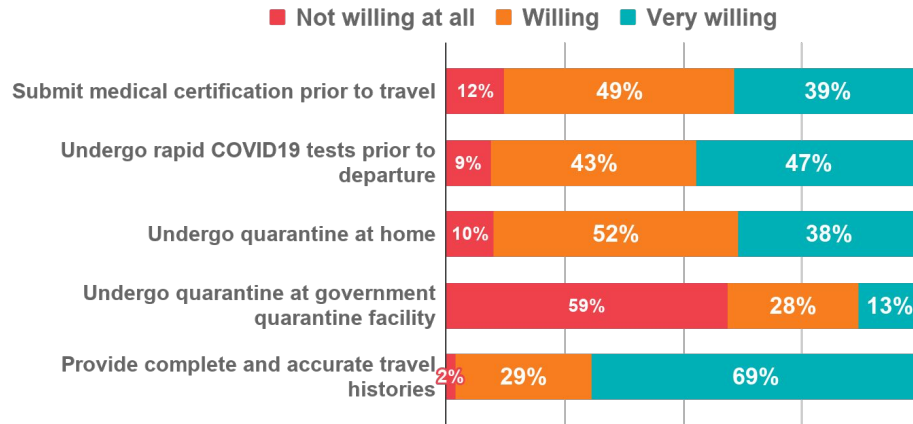
The pandemic has clearly raised traveler expectations on health and safety standards.



Q: Which best practices would you like to see implemented once travel is allowed? Select all that apply

Travelers are willing to adhere to health and safety protocols

The majority of the travelers are willing to follow the necessary health and safety policies, except for undergoing quarantine at a government facility.





04

Travelers prefer reduced-contact activities once leisure travel restrictions are lifted

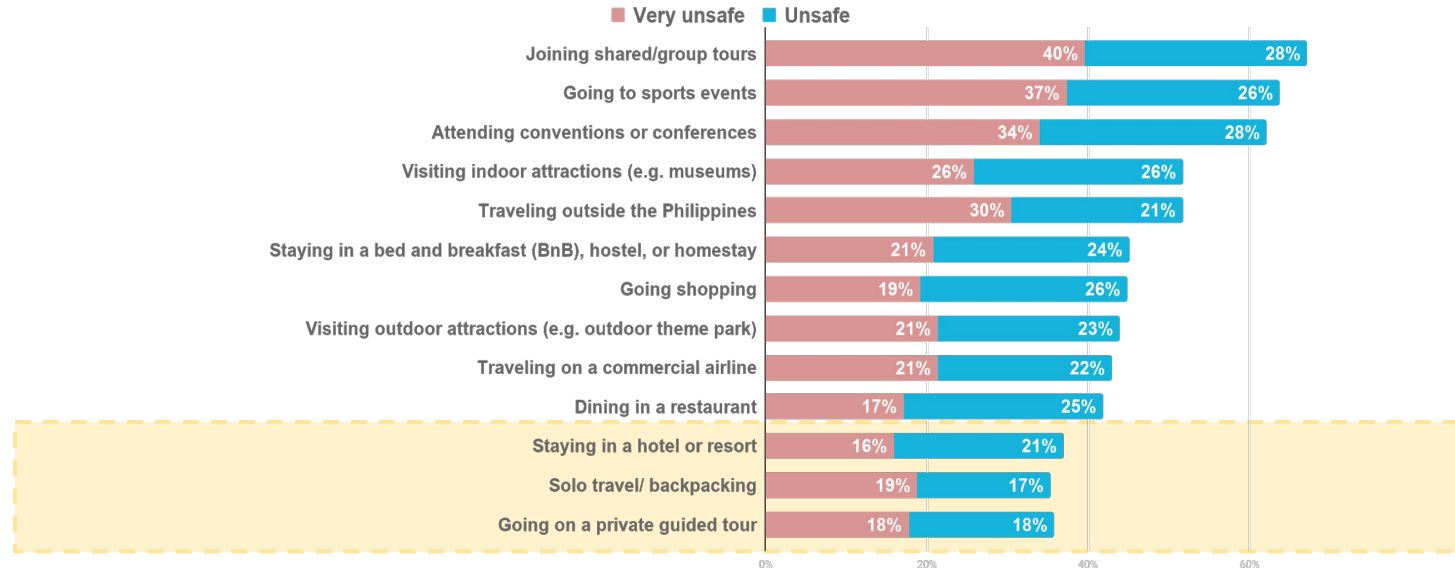
Activities that limit exposure to other people, such as outdoor or private activities, inspire the greatest sense of safety for travelers. Conversely, activities that expose travelers to crowded places is deemed less safe.

Interestingly, traveling on a commercial airline is viewed by many as being relatively safe.

Going to the beach, going on a road trip, and staying in a hotel are the top activities travelers are likely to do once restrictions are lifted.

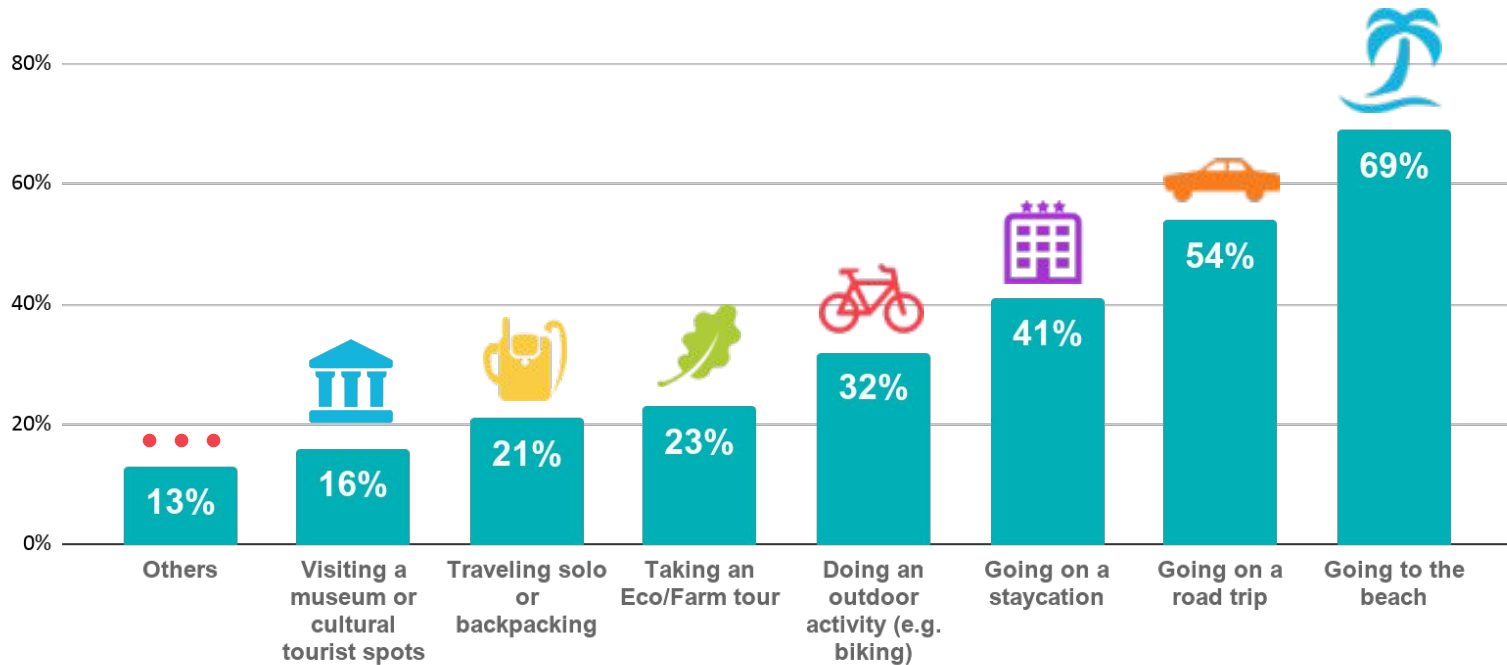
Majority feel safer doing activities with limited exposure to crowds

Staying in a hotel or resort, traveling solo, or going on private tours are considered safest among the provided list of activities. On the other hand, going on shared tours, attending sports events, and joining conventions - all of which involve crowd exposure - are considered the least safe.



Q: Once restrictions are lifted, please rate how safe do you feel doing each of these activities?

Top travel activities: Going to the beach, road trips, and staycations





05

Travelers prefer online and digital channels for convenience and contact-reduction



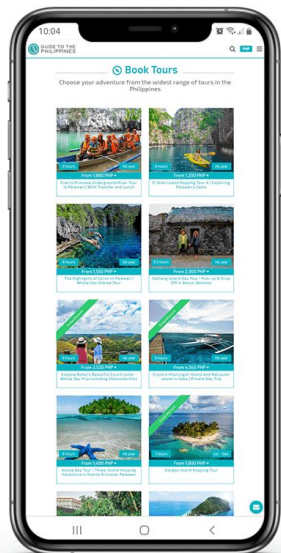
Across different age groups, respondents overwhelmingly favor online channels for booking travel arrangements. Mostly, they book online directly with the establishments, with online travel agencies as a second online option.

80% of the travelers prefer booking trip components (i.e. airline tickets, hotel, tours) separately and only 20% prefer all inclusive travel packages. Those who prefer independent travel arrangements mainly book online while those preferring packages tend to book with travel agencies.

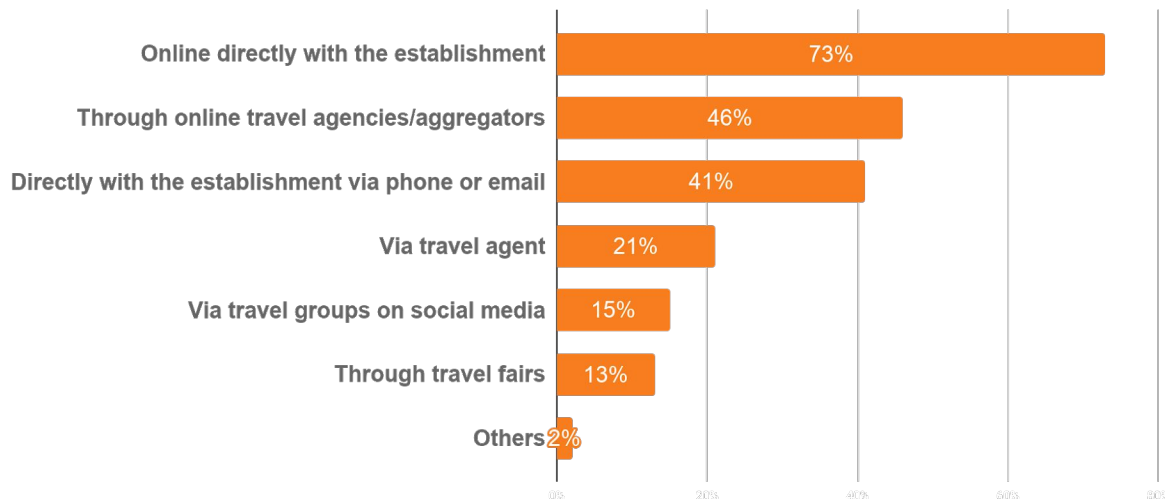
In the New Normal, reduced-contact channels become even more relevant. Self-service processes is a strong expectation by majority of travelers.

73% book travel arrangements through direct online channels

Booking online through OTAs and aggregators comes second with 46%. Generally, booking directly with the establishment, whether online or offline, is preferred over an agent or aggregator.

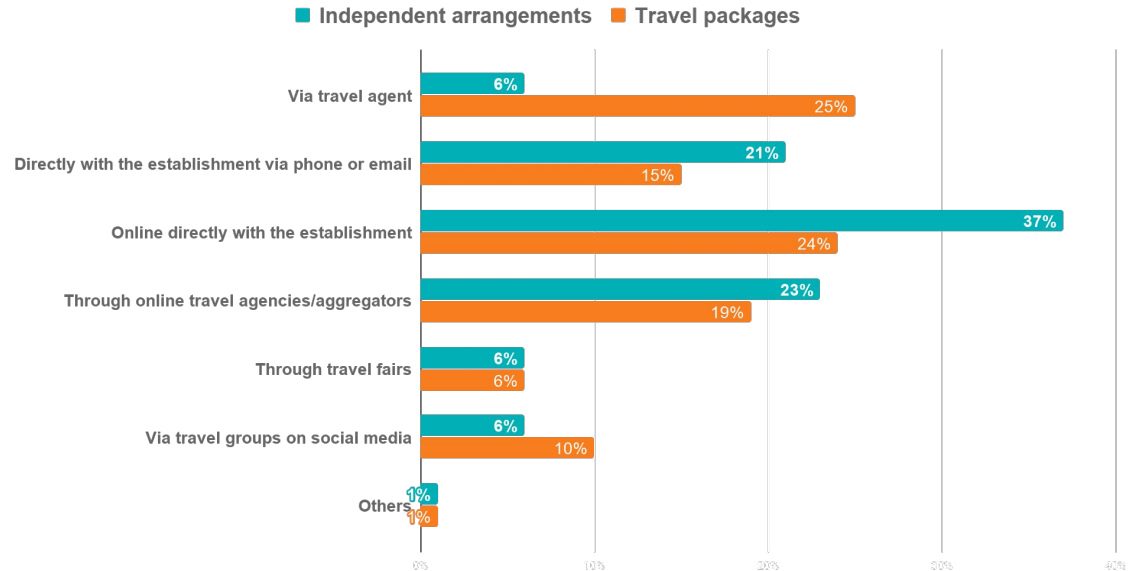
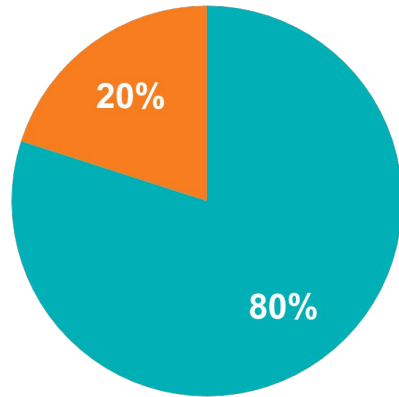


Post-COVID19, 86% of travelers expect tourism enterprises to implement self-service processes such as contactless check-in, online booking, digital payments, and the like.



Travelers prefer booking trip components independently over booking travel packages

80% of respondents noted their preference for booking trip components separately. This type of traveler generally prefer booking online. The 20% who prefer travel packages have a greater tendency to book via travel agents.



Cross tab between:

Q: How do you book your travel arrangements? Select all that apply

Q: Do you prefer to travel with booked travel packages or plan independent/Do-It-Yourself (DIY) arrangements (i.e. separate booking arrangements)?

Travel products are booked at varying instances

Travelers book big-ticket travel components ahead of cheaper ones. From a different perspective components sold under dynamic pricing are booked ahead of components under static pricing.



Plane tickets - within a year



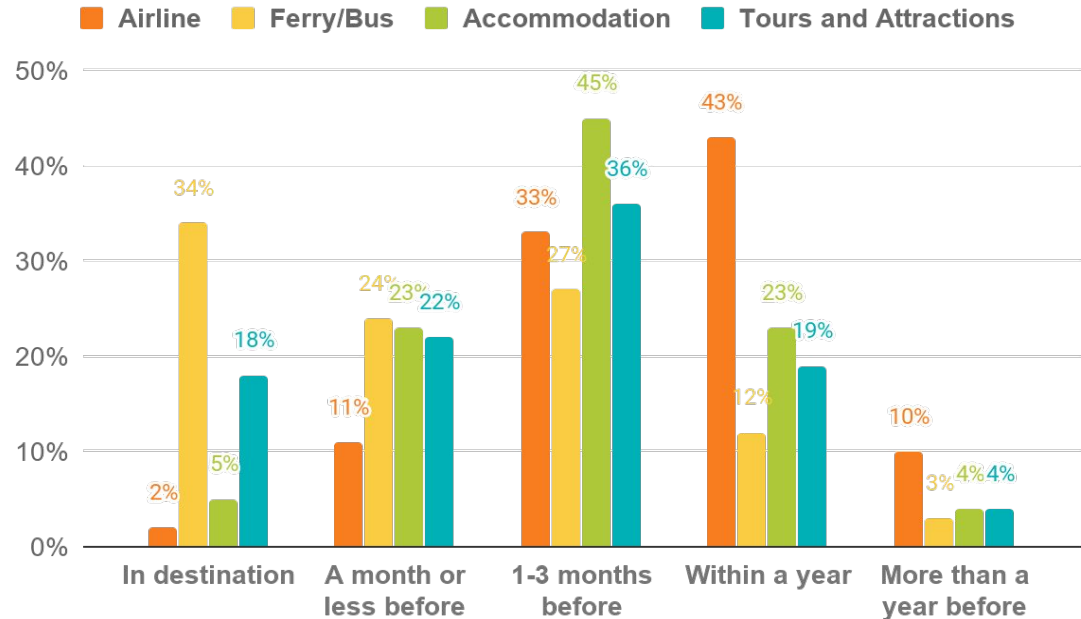
Bus/Ferry - in the destination



Accommodation - 1 to 3 months



Tours and Attractions
- 1 to 3 months





Travelers plan to travel close to home

Travelers across the different Philippine regions have shown a preference for traveling to destinations closer to their place of residence.

Boracay ranks at the top of domestic destinations travelers plan on visiting first once leisure travel restrictions are lifted.



Top 10 Domestic Destinations



01



Boracay (13.70%)



02



Siargao (9.21%)



03



Baguio (9.21%)



04



Metro Manila (8.50%)



05



Cebu (7.17%)



06



El Nido (6.75%)



07



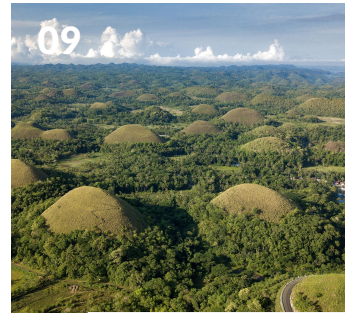
Coron (6.28%)



08



Batangas (5.49%)



09



Bohol (4.59%)



10



La Union (4.20%)

Locals choose nearer destinations for their next travel



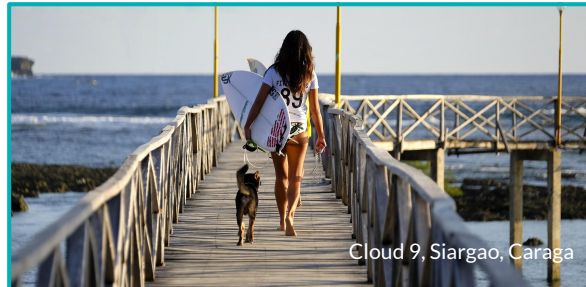
LUZON & NCR			
Place of Residence	Top 1 Destination	Top 2 Destination	Top 3 Destination
NCR	Boracay	Baguio	Siargao
CAR	La Union	Baguio	El Nido
Ilocos Region	Baguio	Boracay	Metro Manila
Cagayan Valley	Metro Manila	El Nido	Baguio
Central Luzon	Baguio	Boracay	Siargao
CALABARZON	Boracay	Baguio	Siargao
MIMAROPA	Metro Manila	Baguio	Coron
Bicol Region	Bicol	Siargao	Metro Manila

- Within Luzon
- Within Visayas
- Within Mindanao



VISAYAS			
Place of Residence	Top 1 Destination	Top 2 Destination	Top 3 Destination
Western Visayas	Boracay	Metro Manila	Iloilo
Central Visayas	Cebu	Metro Manila	Bohol
Eastern Visayas	Cebu	Metro Manila	Siargao

Top Destinations to visit first are those closer to home. Top activities are going to the beach, road trips, & staycations



MINDANAO			
Place of Residence	Top 1 Destination	Top 2 Destination	Top 3 Destination
Zamboanga Peninsula	Metro Manila	Cebu	Cagayan de Oro
Northern Mindanao	Cebu	Metro Manila	Boracay
Davao Region	Metro Manila	Siargao	Davao
SOCCSKSARGEN	Davao	Cebu	Siargao
Caraga Region	Siargao	Metro Manila	Cebu
BARMM	Davao	El Nido	Metro Manila



Implications for Tourism Enterprises

Northern Blossom Flower Farm, Atok, Benguet, Cordillera Administrative Region



Implications for Tourism Enterprises

01 Rebuild trust and confidence in travel

02 Adapt products and services

03 Shift to digital

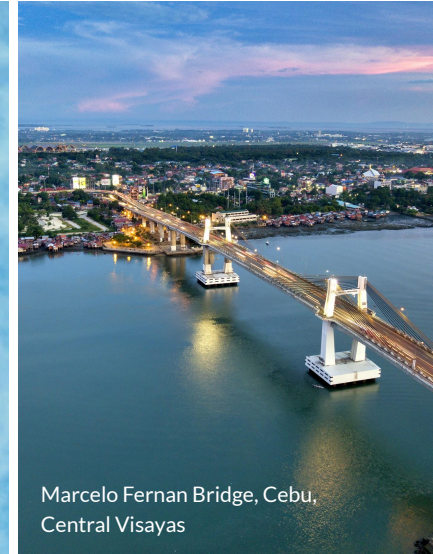
04 Collaborate with stakeholders

Rebuild trust and confidence in travel

Inspiring trust and confidence in the safety of travel should be the main priority for tourism enterprises. As the top travel concern in the new normal, compliance to health and safety protocols provide immense value. Moreover, these measures must be communicated to the market effectively. Travelers need transparency on their experience with players throughout the travel value chain. If you want to increase the likelihood of travel, assure them of their safety.



- What are the health risk areas in my business and what adjustments will I make to ensure the safety of travelers?
- Are there certified health and hygiene protocols I can adhere to?
- How can I communicate my business' elevated safety standards to travelers?
- How can I improve my customers' experience given the possible travel requirements?



RECOMMENDATIONS

Design your new customer experience around safety and make sure you look beyond your own touchpoints. Additional health and safety protocols may come with inconveniences to customers that you may want to address.

Adapt products and services

In the face of crisis, adaptable and agile businesses are the ones able to navigate uncertainty and avoid disruption - and it starts by understanding your customers. All enterprises in the travel value chain must continually probe shifting travel behaviors and adapt their offerings based on the changing demands.



- How am I monitoring shifts in travel behavior?
- Who will be my initial market upon the return of leisure travel and what products/services will cater to them?
- How can I tweak my product/service to changing traveler preferences (e.g. preference for activities that limit exposure to crowds)?
- Are there opportunities for ancillary products/services that address new travel preferences?



RECOMMENDATIONS

Review and recalibrate your value proposition based on the changes in preference of your target segment. Given the realities of the New Normal, cookie cutter offerings are insufficient. Focus on personalized, engaging, story-rich, and technology-driven tourism products and services for added value.

Shift to digital

Having a strong online brand and a robust website with a transactional platform is ideal to engage our digital-savvy Filipino market. Online visibility is a necessary condition to thrive in the new normal. But beyond distribution, the future of tourism strongly relies on the creative use of technology. Enterprises will have to move forward with bolder and innovative solutions to shape the future of travel experiences.



- What customer touchpoints do I need to digitize?
- What online distribution channels are available for my business?
- How can I make my team comfortable with technology?
- How can I maximize the features of social media platforms?
- How can I establish traveler's confidence in online transactions?
- What use cases can I develop to apply specific technology to improve my products, services, or business processes?



RECOMMENDATIONS

Explore the use of the growing number of available online marketplaces to expand your digital reach. Tourism MSMEs should also maximize the features of social media platforms through targeted and systematic blasting - a communication strategy must be designed.

Collaborate with stakeholders

The task of rebuilding trust and confidence in travel is a shared responsibility. Collaboration among tourism stakeholders is critical to the success of tourism recovery. Stakeholders need to strengthen their coordination mechanisms with particular attention given to the most vulnerable destinations and segments of the industry. Travelling in the new normal is hinged on an integrated system of stakeholders which suggests an “us vs me” mindset. New normal requires the need for a comprehensive understanding of diverse tourism stakeholders for long-term relationship-building.



- How can I seek convergence points with stakeholders of local tourism? Can I align sanitation and health protocols, standardize the tourist experience, push for domestic leisure travel bubbles, etc.?
- How can I achieve economies of scale and scope by working with players in my industry or local associations?
- How can I engage more stakeholders in business planning?



RECOMMENDATIONS

Seek “convergence points” by initiating personal interactions or joint assessments with other stakeholders in the value chain. Focus discussions on health, safety, and sustainability and ensure local community involvement. Through dialogues, agree on how to expand the pie first before splitting it.



Pillars of New Normal

From the identified implications, the new normal for tourism is centered on:

01 Elevated Safety

02 Agile Innovation

03 Digital Transformation

04 Collaborative Governance



Acknowledgment



Department of Tourism Philippines

The Philippine Department of Tourism is the primary government agency charged with the responsibility to encourage, promote, and develop tourism as a major socio-economic activity to generate foreign currency, business and employment and to spread the benefits of tourism to the Filipino people.

www.philippines.travel



ANDREW L. TAN
CENTER FOR TOURISM

AIM-Dr. Andrew L. Tan Center for Tourism

The Center's broader goal is to assist and uplift tourism industries through research, educational programs, and conferences. We designed these activities to ensure sustainable tourism development in the Philippines and the rest of Asia.

www.aim.edu



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