



WHITEPAPER

An Uncertain Future: COVID-19's Global Impact on the Travel Industry

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Methodology

The insights in this whitepaper are based on SimilarWeb data.

To gain an exhaustive and unified view of the travel industry, we analyzed internet traffic and user acquisition strategies for the top travel (OTA, flights, and accommodation) sites in the United States and select countries worldwide.

The data includes traffic from desktop and mobile web, and provides year-over-year and month-over-month comparisons.



Introduction

COVID-19 has challenged the travel industry in unprecedented ways, triggering mass cancellations and affecting providers' ability to generate sales. According to a recent report, airline revenues could **drop by \$314 billion** in 2020.

As top players in the industry seek to minimize the devastating effects of the pandemic, they are also reacting to changing consumer behaviors – either by expanding refund policies or by creating COVID-specific help/FAQ pages.

Novel forms of travel, such as virtual tours and online experiences, are being brought into sharp focus, and companies in the field need to adapt to keep audiences engaged continually. Innovation will be key as the industry adjusts to a new world.

In this whitepaper, we explore the latest trends in travel within the US, EMEA, and APAC. Our goal is not only to offer insight into the current state of travel, but also to help businesses navigate the turbulence and prepare for the post-coronavirus era.



Key Takeaways

- Traffic and conversions have bottomed out almost universally for top travel providers, with **most traffic now going to information and cancellation pages** – but there is still hope for the future
- Drive destinations and **domestic travel will pick up first after bans are lifted** since they are viewed as the safest options, both health-wise and economically
- **Install penetration** for top travel apps in the US has remained **relatively unaffected throughout** lockdowns, implying that consumers anticipate travel will pick up again sooner rather than later
- **Virtual experiences are promising**, yet providers must prioritize **unique and exciting opportunities** to maintain consumer engagement

Important Dates

- Jan 21**
First "imported" coronavirus cases in the US
- Feb 23-29**
First community spread identified in the EU/US
- Feb 29**
Multiple US states declare states of emergency
- Mar 11**
Trump restricts travel from Europe to the US
- Mar 25**
Senate approves \$2 trillion in coronavirus relief
- Mar 29**
US becomes first country to exceed 100,000 cases
- Apr 7**
China lifts travel ban on residents of Wuhan



Global Travel Traffic Trends



APAC and EMEA conversion trends show few signs of revival

Since February 1, hotel conversions have declined by 70% in APAC and 94% in EMEA for the players shown on the right. Jalan stands out in this respect: it only had a 48% decrease in converted visits during this timeframe while other top players in the Asia Pacific region have had conversions decrease by at least 77%.

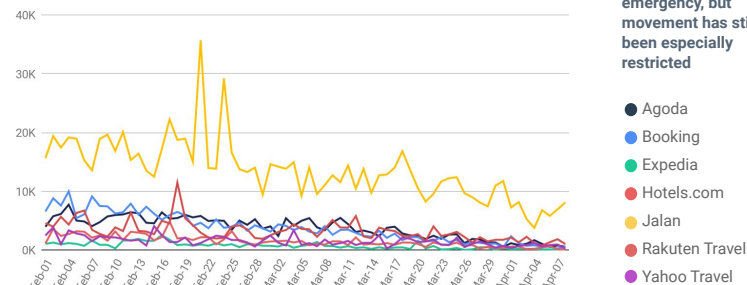
Jalan is the most significant player in Japan, a country where only limited regional lockdowns have been placed, so continued conversion on its platform is not surprising.

Some converted visits could also be due to essential workers separating themselves from their families or from others who are required to quarantine for various reasons.

US providers should monitor APAC and EMEA patterns to anticipate market rebounds.

Daily Conversion Trend, Hotels, APAC¹

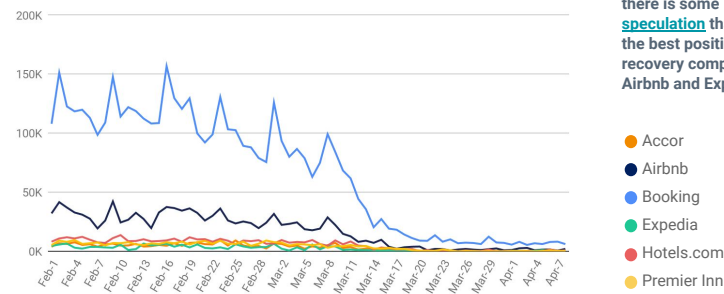
Desktop, February 1 - April 8, 2020



On April 7, Japan declared a state of emergency, but movement has still not been especially restricted

Daily Conversion Trend, Hotels, EMEA²

Desktop, February 1 - April 8, 2020



Booking is the largest player in Europe and there is some speculation that it is in the best position for recovery compared to Airbnb and Expedia

What's happening in China?

As the Chinese government takes steps to lift lockdowns and [citizens flock to public places](#), the rest of the world waits with bated breath to see if the travel sector will pick up.

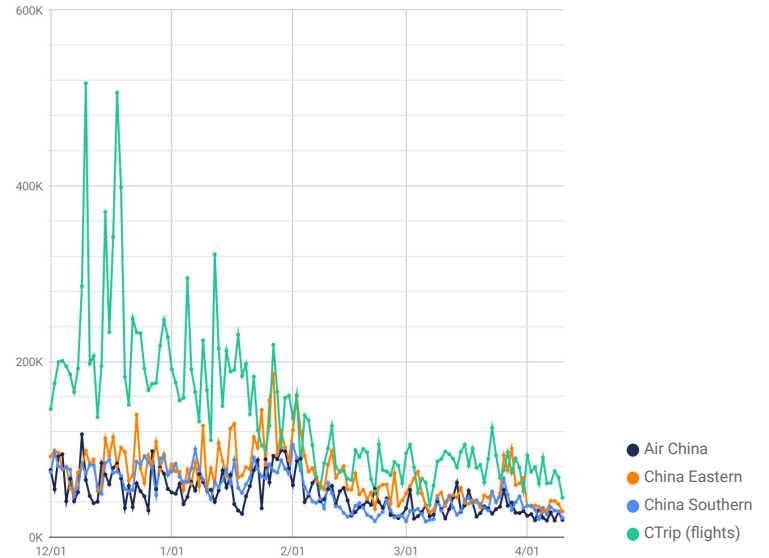
Unfortunately, it still seems too early to see travel bounceback, and with the report of 100 new COVID-19 cases in China from citizens returning from Russia, lockdowns may be reinstated once more.

Overall traffic to four of the leading flight providers in China has decreased by 70% since Dec 2019. CTrip, the most significant player, continues to capture double the average traffic of the other three sites, perhaps thanks to its live-streaming platform, which allows visitors to go on virtual "sightseeing" tours.

There has been some speculation that [United Airlines](#) might resume limited passenger service to Shanghai soon. However, consumer interest still appears low.

Top Chinese Flight Providers, Daily Visits

Domain Level*, Worldwide, Desktop and Mobile Web, Dec 1, 2019 - Apr 10, 2020



China Eastern's traffic peaked at 186K visits on January 27, four days after travel in Wuhan was severely restricted; this traffic was probably from Chinese citizens who were abroad and wanted to get home before the situation became more serious

Domestic travel is likely to be the first to rebound

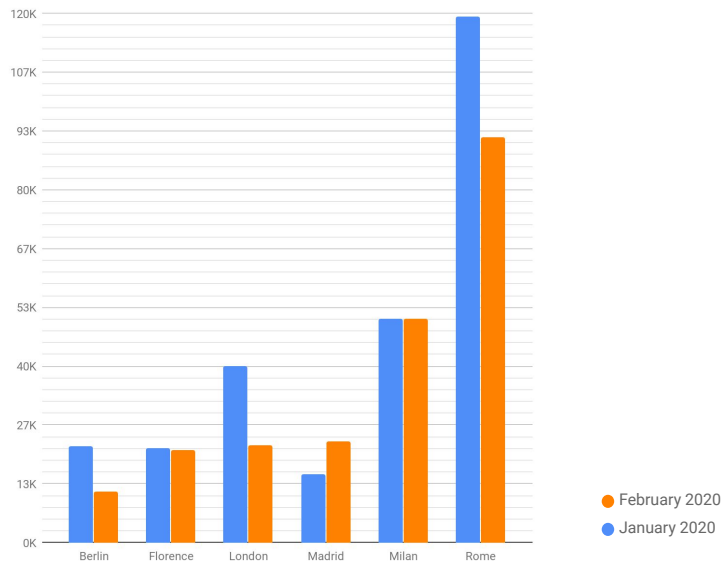
Looking back at on-site search data for prominent accommodation players in Italy, we see that conversions for international destinations fell off earlier than local ones, except for Madrid.

Overall converted hotel visits for three of Europe's biggest capitals (Berlin, London, and Madrid) dropped by 27% between January and February, while converted hotel visits for Florence, Milan, and Rome only declined by 15% in the same time period. The 48% MOM increase for Madrid's on-site search converted visits is concerning, especially given the fact that Italy and Madrid have been two of the [hardest-hit places](#) with regards to the virus.

Domestic travel in all areas affected by COVID-19 has held on longer than international travel, and it will gain traction more quickly when lockdowns start to lift.

On-Site Search Phrase Match^{1,2}

Purchases, Italy, Hotels, Desktop, January vs. February, 2020



We can expect that March data would show a significant decrease in converted visits for all destinations, especially since countrywide lockdowns were implemented on March 9

On the road to recovery: car rentals and drive destinations

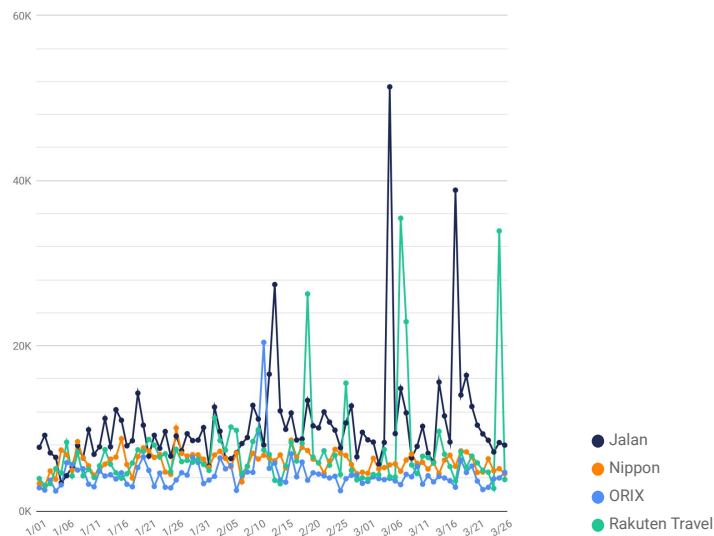
With most transportation services experiencing severe losses, car travel is one of the most "contact-free" ways to move and appears to be surviving more than other forms of travel. Overall unique page views to these car rental sites in Japan increased by 18% between January 1 and March 26.

Visits peaked for Jalan (51K Unique Page Views) and Rakuten Travel (35K UPVs) between March 5-7, when Japan started to quarantine visitors from China and South Korea. At the time, travelers who were scrambling to figure out plans in light of these new regulations looked to car rentals as a low-risk way to travel.

In the US, when flight and hotel providers had significant traffic declines, [New York and California state-level traffic trends](#) for organic keywords related to The Hamptons and Lake Tahoe, respectively, had significant increases. When travel bans lift, we expect drive destinations to pick up first, as they were the last to fall off.

Daily Traffic Trends

Japan, Car Rentals, Desktop, Jan 1 - Mar 26, 2020



Rakuten Travel's spike on February 19 (26K UPVs) coincided with the first major disembarkation of passengers from the Princess Diamond cruise ship; passengers originally left the ship by bus or taxi, but longer trips could have required rental cars



US Travel Traffic Trends



US travel traffic has yet to pick up again after peaking in March

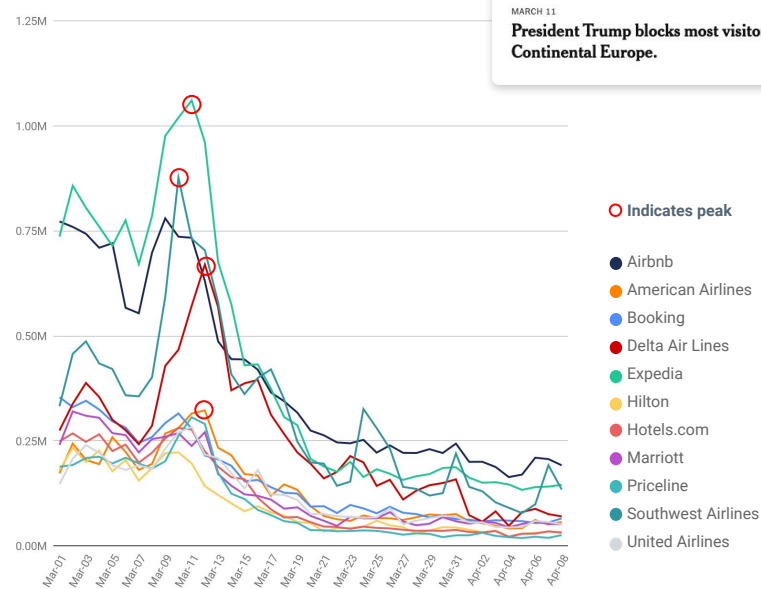
Unsurprisingly, traffic to the top players in the US travel space has been volatile. During January and February, traffic trends were relatively normal, despite limits on people arriving from China (Jan 31) or Italy, Iran, and South Korea (Feb 29).

President Trump's March 11 [travel ban on Europe](#) marked the turning point. The chart on the right shows how traffic peaked for almost all players around that time. Before the ban, consumers were mostly curious about slashed prices. After the ban, visits came mainly from people who were rescheduling or canceling plans.

Traffic to flight providers declined 77% in this period, with Southwest's decreasing the least (-60%). This is promising for domestic low-cost airlines, which we expect to pick up traffic again more quickly than global ones, because consumers will feel safer traveling inside the country than abroad and have more practical reasons to do so.

Daily Traffic Trends

Domain Level*, US, Desktop, Mar 1 - Apr 8, 2020



Spikes in traffic appear to be related to consumers looking for information about COVID-19. For example, Southwest's traffic doubled between Mar 23-24, after it announced plans to [cut 1,500 flights per day](#)

Cancellations continue to make up a large share of overall traffic

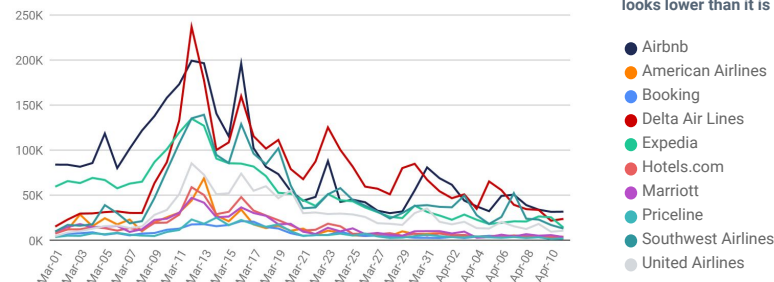
Initial cancellation page traffic spikes happened immediately after President Trump's restrictions and the CDC's [recommendation against gatherings of more than 50 people](#) (March 15), but traffic to these pages has decreased along with overall traffic in the time since.

However, traffic shares for these pages remain relatively high compared to overall traffic. Cancellation page traffic share for all players except American Airlines was higher on April 11 than March 1; on average, this share was 7% on April 11, compared to 3% on March 1.

Uncertainty around when travel bans will be lifted has resulted in an environment where consumers mostly visit travel sites in order to change existing plans, not to make new ones.

Visits to Cancellation Pages*

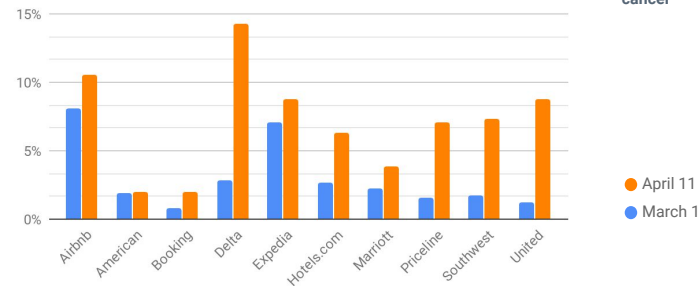
US, Desktop, Mar 1 - Apr 11, 2020



Booking offers cancellations through email, so its cancellation page traffic looks lower than it is

Share of Traffic for Cancellation Pages*

US, Desktop, Mar 1 vs. Apr 11, 2020



1 in 7 visits to Delta's site have the intent to cancel

Information is power and getting to it first is crucial

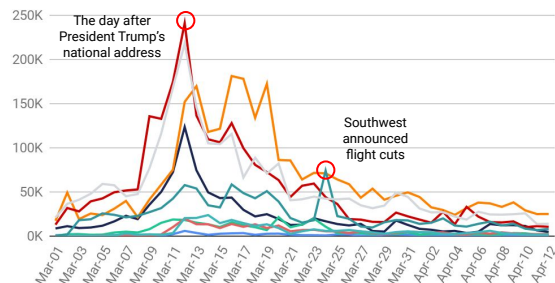
Information pages provide guidance and comfort to customers during uncertain times. Traffic to general and coronavirus-specific pages peaked after President Trump's address but has since dwindled for all players except American Airlines and United, which both have general information pages. Respectively, these types of visits made up 13% and 12% of each site's overall traffic on April 12.

Delta, which created COVID-specific information pages in February, has been publishing informational articles through its news hub, news.delta.com. The hub underwent a **458% increase in traffic** between February and March. This type of content positions Delta as an industry leader.

A few players, including Hotels.com, Priceline, and Southwest Airlines, appeared to make COVID-specific information pages later on, at the beginning of March, and their traffic peaked less than others in the competitive set.

Traffic to General and COVID-19 Pages*

US, Desktop, Mar 1 - April 12, 2020



Airline information pages captured 83% of overall information page traffic

"Delta" Search Results

Google SERP, second result, April 14, 2020

Latest from delta.com

- Delta extends change-fee waivers, onboard social distancing, free travel for medical...
Delta News Hub
1 hour ago
- Focused on safety, Delta moves quickly to meet customer needs during coronavirus
Delta News Hub
4 days ago
- Supporting the front lines: Delta expands offer for free medical volunteer travel to New...
Delta News Hub
5 days ago



Out of all players, Delta had the highest peak in traffic to its COVID-specific pages after President Trump's address

US conversions have bottomed out

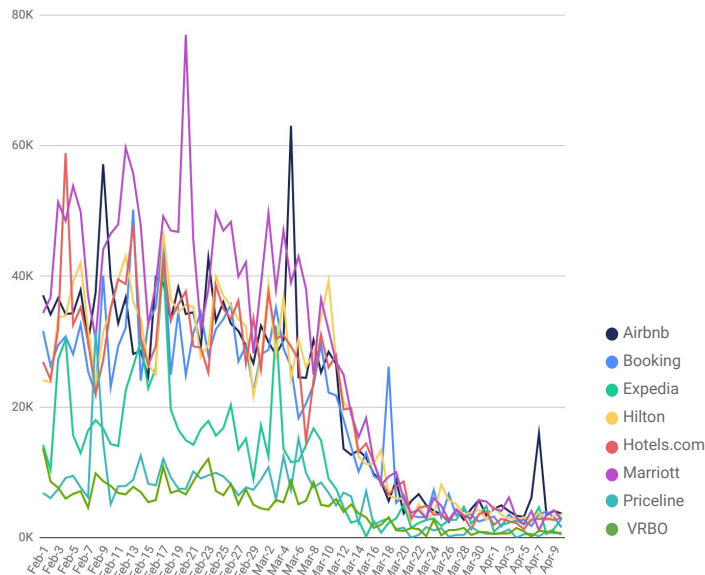
Conversions in the US have declined 90% since February 1 and experienced volatility before bottoming out. Declines stabilized on March 21, and, since then, average converted visits per day to all sites in the competitive set is 23K.

Lodging providers had conversions drop off later than flight providers. Airbnb and Booking had spikes in March, while Airbnb had a tiny uptick on April 7. The considerations that consumers will weigh as they approach boarding flights again will be based around physical and economic safety. Not only will health be top of mind, but discretionary spending may be limited.

This type of spending is a hallmark of air travel, and the [job losses](#) incurred by COVID-19 shutdowns have almost guaranteed that long-distance movement will be slow to recover. Research quoted in [The New York Times](#) states that only one-third of Americans who were polled would take a commercial flight now if lockdowns were lifted.

Daily Conversion Trend, Hotels, US

Domain Level*, Worldwide, Desktop, Feb 1 - Apr 10, 2020



The real question of who will pick up traffic again after lockdowns are lifted lies between vacation rentals, like Airbnb, and hotels. On one hand, vacation rentals are more private and have coverage in more remote areas, but on the other, hotels have more standardized protocols for cleanliness

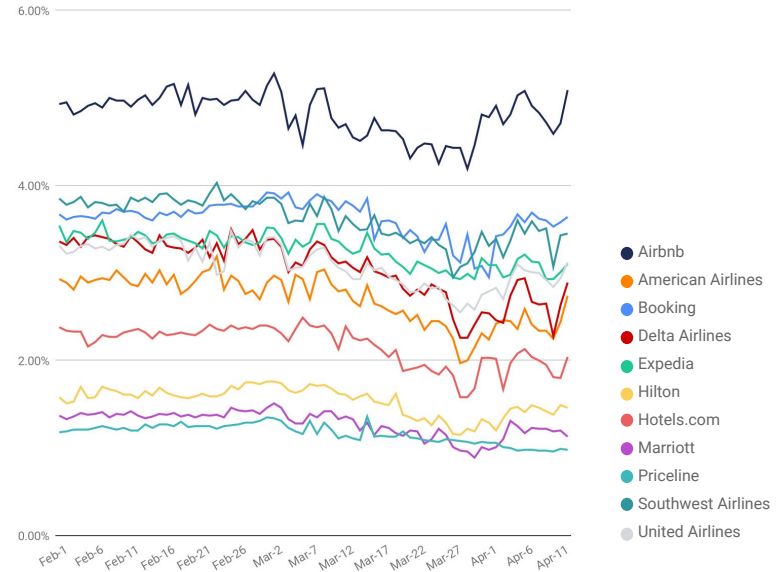
Small signs of hope appear in mobile app usage

Install penetration for top Android travel apps has remained relatively stable since February 1, only decreasing by 22 bps on average for all of these players and increasing 16 bps for Airbnb, which has an app that encourages browsing behavior. This indicates that users anticipate they will be able to move around freely again sooner rather than later.

Despite an average dip of 67 bps between March 9-29, average install penetration increased again 38 bps by April 12, further signaling consumer optimism. App users could be fantasizing about travel or planning trips for the fall.

App behavior is especially important now. As people look to new forms of entertainment – such as gaming or fitness apps – they might find themselves in a position where they have to delete older apps to clear space on their phones. It is promising for travel players that install penetration has not decreased significantly for the main travel apps.

Google Play Apps, Install Penetration*
US, Feb 1 - April 12, 2020



Rescheduling and canceling plans is easier to do on desktop than on app, so we can assume that most users keep travel apps for browsing purposes and intend to travel again soon

Are virtual experiences the new frontier?

With Airbnb [debuting](#) Online Experiences and Viator [launching](#) #RoamFromHome, the question above is on everyone's minds. Although it's still too early to track the success of these initiatives, looking at the general events space gives us an idea of demand.

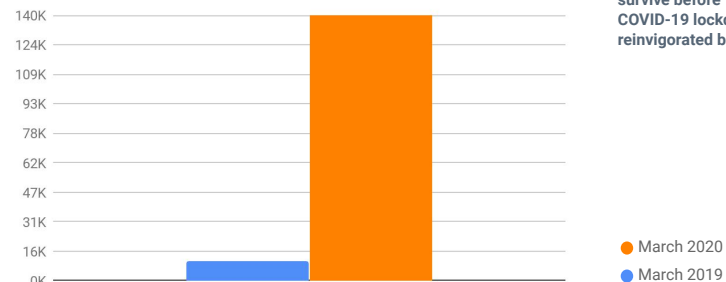
Traffic increased greater than 20x for Stagelt.com, a virtual concerts platform, in March. Almost a third of the site's traffic came from social, compared to only 6% in February. This traffic was probably related to its Shut In & Sing festival, which brought in [10K new subscribers in 2 days](#).

Similarly, Eventbrite had a 683% increase in traffic to its Online Events pages between February and March.

However, visits to Google Arts & Culture and various museum sites that offer virtual tours have decreased after an initial spike in early March. Consumers get bored fast, and unique events are vital to keep audiences engaged.

Total Visits to Stagelt.com

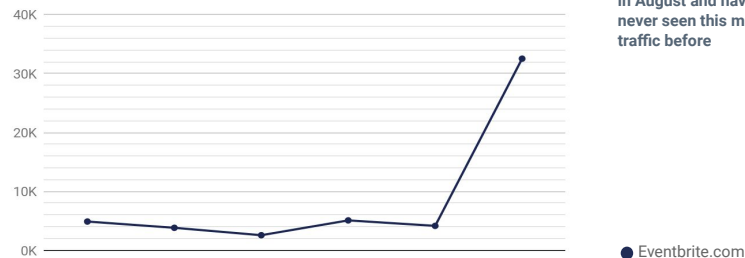
US, Desktop and Mobile Web, Mar 2019 vs. Mar 2020



Stagelt started in 2011 and was struggling to survive before COVID-19 lockdowns reinvigorated business

Avg. Visits to Online Events Pages*

US, Desktop, Oct 2019 - Mar 2020



These pages appear to have been established in August and have never seen this much traffic before

CONTACT US

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The screenshot displays the SimilarWeb Research dashboard. At the top, there is a navigation bar with 'Workspace', 'Research' (selected), and 'Dashboards'. A search bar is located on the right. A vertical sidebar on the left contains icons for Home, Web, and App. The main content area is titled 'Research' and features several interactive cards: 'Saved Properties' with a 'START SEARCHING' button and a laptop icon; 'Custom Categories' with an 'ADD CATEGORY' button and a pie chart icon; 'Trending Websites' with a table of website performance; 'Trending Apps' with a table of app performance; and 'Keyword Groups' on the right side.

Website	Visits	Change
hbonow.com	28.45M	↑ 151.1%
nbryb.com	21.60M	↑ 93.29%
hbogo.com	23.26M	↑ 74.21%
kerumal.com	39.36M	↑ 70.65%
mlb.com	75.81M	↑ 49.66%

Apps	Downloads	Change
Pinatamasters ▶	728,942	↑ > 5,000%
Idle Painter ▶	484,271	↑ > 5,000%
Dot n Beat - Test yo... ▶	267,413	↑ > 5,000%
AFK Arena ▶	839,209	↑ > 5,000%
Kick the Buddy: For... ▶	751,720	↑ > 5,000%