
POST-PANDEMIC CONSUMER PREFERENCES AND TRAVEL TRENDS: A REVIEW

Saikriti Gambhir

Mater Dei School

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ABSTRACT

The COVID-19 pandemic was a crucial part of all of our lives. It changed how we think about travelling; it brought a lot of stress to people locked up in their homes, and people who usually liked to travel a lot suddenly found themselves unable to go anywhere. This caused a lot of mental stress, which manifested itself in depression, anxiety, and other negative things. This paper gives a review of the effects of the pandemic on consumer preferences. A review of six papers has been given. It was found that people have changed their spending, shopping, and leisure habits due to the pandemic, which has positive as well as negative effects. After the pandemic subsided, people were ready to travel, but with a changed mindset, they would avoid crowded places, sometimes opting for solo travel; they avoided shopping in the mall as there was a risk of getting infected; they would resume shopping online and getting things delivered to them. They became extra cautious of their surroundings, cleaning their homes multiple times a day; it can even be characterised as obsessive-compulsive disorder (OCD). All those behavioural changes were caused by excessive lockdown and being scared of the virus. This mentality needs to change, and people should start being as social as they were before the pandemic. This paper shows how the travel industry has been affected by the pandemic, how it has gradually recovered, and what more can be done to prevent future collapses of this kind.

Keywords: COVID-19 pandemic, consumer preferences, travel behavior, lockdown effects, online shopping, obsessive-compulsive disorder (OCD), recovery strategies, pandemic impact, future prevention measures

Introduction

The impact of COVID-19 on travel and tourism was the most adverse and destructive. Worldwide, there was a major slump in the travel industry. There was a loss of a shocking one million jobs in this sector worldwide. So, the impact was negative, substantial, and significant.

Lockdowns at the global level during the pandemic led to the adoption of restricted movement between and within countries. People were losing their jobs, their friends, and their families. So how could they think of travelling for recreation or any other purpose? Safety measures and social well-being were the priorities of every nation. Social quarantine was the demand at the time. Hence, the travel and tourism industry was in crisis.

After 2021, post-COVID, and throughout 2022, the travel industry has seen a steady rise in demand. As the pandemic restrictions were removed, the hotel and airline industries saw a surge in demand. There has been a boost in leisure travel. The traveller appears to have begun to move ahead and let go of the pandemic fears and restrictions. 2022 has been a year of welcome to the travel and tourism sectors all over the world. International travel has grown as people want to spend more on leisure travel. This was not expected post-COVID, as it was understood that people would save up money for emergency situations. This research highlights that post-COVID people are wanting to spend their savings on international leisure travel. It will be seen through various studies that the desire for travel will not be affected by any economic challenges as people are prioritising experiences to make up for lost time during the pandemic.

Literature Review

Eve Marie Margo (2023) gave a report on ‘Consumer Travel Spend Priorities 2023.’The research revealed that consumers would spend 28% more on travel in 2023 as compared to 2022. Despite economic uncertainty, ‘International Travel’ has been given a maximum rating by consumers from a basket of six categories.

Discretionary spending over the next 12 months.

| Discretionary spend area | High Priority 2022-2023 | High Priority 2023-2024 | Differencevs previous year |
|--------------------------|-------------------------|-------------------------|----------------------------|
| International travel | 42% | 47% | 12% |
| Domestic Travel | 32% | 36% | 13% |
| Online OTT Subscriptions | 28% | 30% | 7% |
| Eating out | 27% | 30% | 11% |

| | | | |
|-------------------------|-----|-----|-----|
| Fashion | 25% | 28% | 12% |
| Big ticket items | 20% | 23% | 15% |

There has been a tentative jump in all the spend categories however international travel has been rated the highest among all. The report clearly showed that people are willing to spend their savings which they have collected during the pandemic on international travel. The research has surveyed 4500 travelers from the USA, UK, France, Germany, and Singapore during the second quarter of 2023.[1]

Singapore

The research found that travel remained a high priority for Singaporean consumers. According to the research,42% expect to increase travel spend. They are most willing to worker harder, and far more hours to fund travel, Travelers from Singapore has ranked international travel as the second most important spending area, among the other seven categories. 45% of the respondents stated international travel as a high-priority spending area.

United States

The research by Outpayce has found that 70% of US travelers intend to spend the same or more on travel in 2023. 64% would take more international trips in 2023 than in 2019.

Germany

In Germany, 52% of the surveyed candidates rank international travel as a high-priority spend. The planned travel spend is maximum to Germany among other nations in Europe.

United Kingdom

Consumers in the age group of 55 + are expected to spend 50 % more on travel than 18-34 years old and 62% plan to increase international travel spending over the course of 2023 & 2024.

France

In France, consumers are expected to increase international travel spend by 15.7% vs. 2022.[1]

Dr. L.S. Chirmulay (2022)conducted a study on Tourist preferences for travel post-pandemic. The COVID-19 pandemic resulted in the closure of all international and domestic travel. In the post-Covid era, there were changes in travel trends that were influenced by tourist preferences,

availability of destinations, and present rules and regulations due to the pandemic. The study aimed to understand various aspects that would affect a traveler's decision in selecting a travel destination. The report surveyed 108 Indian travelers from different states.[2]

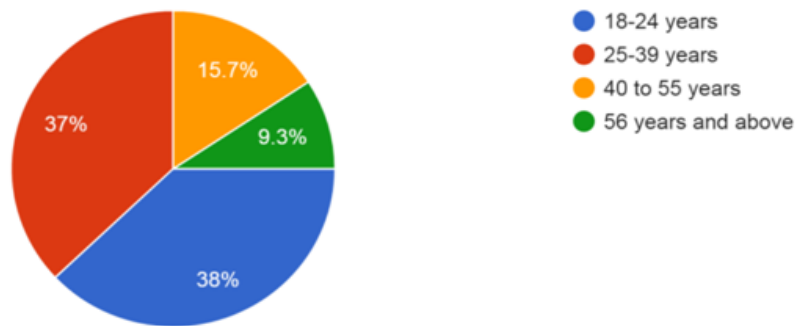


Figure 1. Age group of respondents

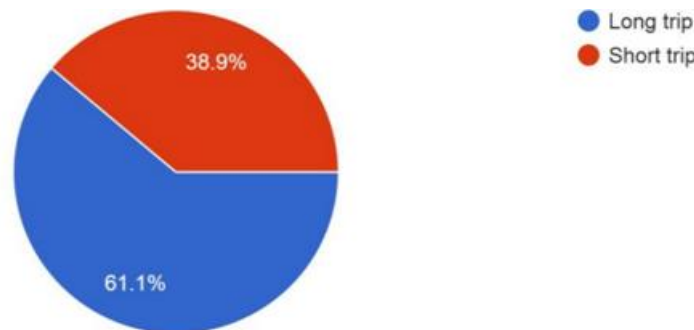


Figure 2. Percentage of travellers who opt for long vs short trips

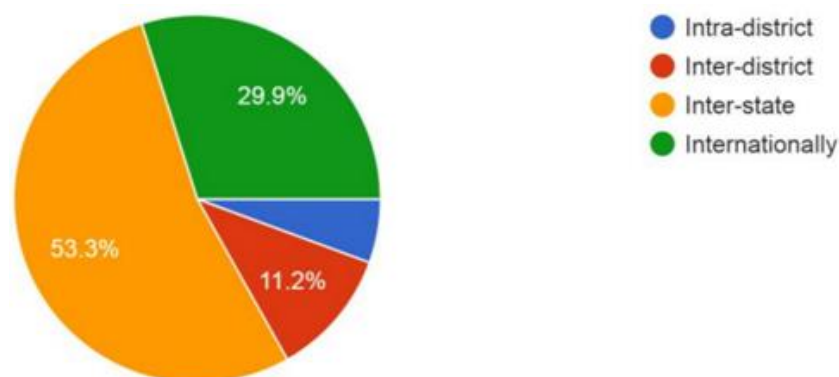


Figure 3. Travel preferences of respondents



Figure 4. Travel destinations of respondents

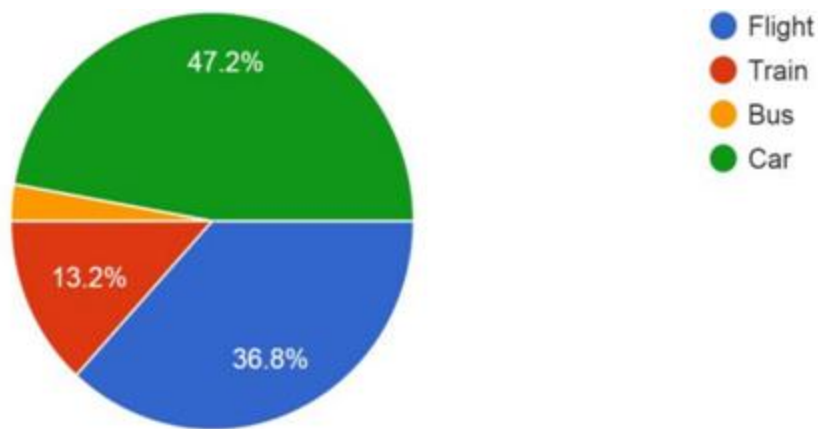


Figure 5. Transport preference of respondents

Findings:

- Amongst 108 respondents, 38% were between the age group of 18-24 years, 37% the respondents were from the age group of 25-39 years, 15.7 % were from 40-55 years ago, and 9.3% belonged to the senior age group of 56 years and above
- More than half of the travellers i.e. 61.1% want to take a long trip and 38.9 % want to travel for a short duration.
- 53.5% of the respondents are inclined to inter-state travel, 29.9% prefer to go on an international trip, 11.2% want to travel inter-district and 5.4% want to travel within the district

- 39.9% of the respondents wish to get connected with nature, 29.9% want to visit beaches, 18.7% want to travel to hills and 9.3% want to travel to wildlife sanctuaries. The remaining 3% wish to visit destinations that are less crowded and cultural destinations.
- Car is a preferred mode of transport for 47.2% of the travellers, Air travel is preferred by 36.8 %, travel by train is preferred by 13.2% and 2.8% will travel by bus.[2]

Romeo Catalin et al., (2021) have analyzed the impact of the Covid- 19 pandemic on tourism in Romania and the rest of the world. It is quite evident that the travel and tourism industry suffered many losses due to the pandemic and subsequent travel restrictions.

The data used for the analysis was provided by the National Institute of Statistics, Eurostat, the World Tourism Organization (UNWTO), the IMF, and by professional associations in the field of tourism in Romania and some other countries.[3]

Domestic Findings:

- The tourist arrivals dropped about 83% in 2020 as compared to 2019.
- The most used means of transport for the arrivals of foreign visitors in Romania was the road, representing 82.6%, and the rest of the tourists preferred to come by Air travel.
- Romanians who traveled abroad also declined from 20000 in 2019 to 10000 in 2020.

International Findings:

- Destinations around the world saw a decrease of about 1 billion tourists during 2020.
- In 2019 tourism supplied 10% of the global GDP.
- The number of tourists to Japan fell from 31.5 million in 2019 to just 4.12 million in 2020.
- Japanese who traveled abroad also declined from 19.8 million in 2019 to 3.17 million in 2020.
- In Europe, the tourism sector accounts for 10% of EU GDP and generates, directly and indirectly, 23 million jobs.
- In Germany the tourist population decreased by about 51 million in 2020.

- The Amount spent by tourists in Germany decreased by 18.4 billion Euros in 2020 as compared to the previous year.[3]

The study showed significant changes in the customer travel behavior as follows:

Local Travel

Due to the insecurity associated with flights and airports, tourism options would be inclined towards the domestic market. People would love to travel closer to their homes as per their pockets. They would support local economies by exploring their own cities.

Nature Tourism

Tourists will prefer to visit destinations that are closer to nature. This will help them maintain social distancing. Also, they were deprived of nature in the pandemic months and now they would like to make up for this loss.

The Virtual Journey

Live shows, video conferencing, and virtual tours are the new acceptable trends in travel.

Micro-Holidays

The insecurity associated with long-distance travel, the longer duration annual holidays will be replaced by the smaller ones, closer to homes, throughout the year.

Experience Tourism

During the pandemic, people have forgotten their passion. In order to pursue their long-forgotten passions, people would like to visit areas that have cycling, sailing, hiking, fishing, trekking, etc. Adventure holidays would help in rejuvenating them.

People will love to travel in their own vehicle or a rented car. People would love to stay in private villas, where they can use their own facilities. Travelers could thus look out for beach houses, mountain huts, apartments, or holiday homes, which will help them to maintain social distancing.[3]

Constantina Alina (2002) studied the Tourism Behaviour post-pandemic. The work aimed to add value to the research of the post-pandemic perspective on consumer behavior in Constanta, Romania. A sample of 384 people aged between 18 and 70 years were analysed. A questionnaire was made and the respondents had to answer the questions, based on that the following findings were made:

- 69.3% of respondents pay more attention to hygiene and disinfection of accommodation spaces than before the Covid-19 pandemic.
- 66.9% of the participants in the survey expressed their total or partial agreement concerning the increased importance of respecting the rules of social distancing while visiting the attractions.
- 31.2% of respondents said they would prefer to visit friends and family more often as compared to pre-pandemic time.
- 61.2% of respondents prefer to make online reservations as compared to 57.8% of people during pre-pandemic time.
- 56.5% of respondents preferred discounted rates as compared to 53% during pre-pandemic time.

In conclusion, the consumer in the tourism industry emphasizes hygiene, sanitation of accommodation, and dining spaces. The consumer of the tourism industry gives importance to social distancing when visiting tourist places. They prefer to go to places where they have friends and relatives. The consumers opt for making prior reservations and paying online. Also, there is an upcoming demand for virtual tours for destinations they have become familiar with.[4]

Astha Sanjeev Gupta (2022), this study explores the long-term changes in consumer's retail shopping behavior post-pandemic. A survey was conducted on 159 participants, Grounded theory approach was applied for interpretation. The research objectives were as follows:

1. To explore the long-term changes in consumers' shopping behavior in the post Covid-19 period caused due to their experiences during the pandemic's prolonged, uncertain, and fearful circumstances.
2. To explore psychological and emotional factors responsible for long-term changes in consumers' shopping behaviour after the pandemic.[5]

Methodology

The researchers collected qualitative data about individuals' experiences during Covid-19, using open-ended questionnaires to uncover insights and understand how it impacted their shopping attitudes and behaviour. Online data collection was used from respondents from different parts of India. The open-ended questionnaire consisted of 4 questions:

1. How were your personal experiences of covid-19?

2. How were your work experiences during covid-19?
3. How were your shopping experiences during covid-19?
4. What were your learnings as a shopper during covid-19?

Figure 6. Sample demographic characteristics

| | Frequency (<i>n</i>) | % |
|-----------------------------------|------------------------|-------|
| <i>Age (in years)</i> | | |
| Less than 20 | 12 | 7.55 |
| 20–40 | 119 | 74.84 |
| 40–60 | 20 | 12.58 |
| 60 and above | 8 | 5.03 |
| <i>Gender</i> | | |
| Male | 95 | 59.75 |
| Female | 64 | 40.25 |
| <i>Family income</i> | | |
| Less than 1.2 million Rs. / Annum | 51 | 30.07 |
| 1.2- 2.4 million Rs. / Annum | 65 | 40.88 |
| 2.4- 3.6 million Rs. / Annum | 26 | 16.35 |
| More than 3.6 million Rs. / Annum | 17 | 10.69 |
| <i>Marital status</i> | | |
| Unmarried | 59 | 37.11 |
| Married | 100 | 62.89 |
| <i>Education</i> | | |
| Under graduate | 21 | 13.21 |
| Graduate | 35 | 22.01 |
| Post graduate & above | 103 | 64.78 |

In conclusion four themes were identified as potential antecedents which explained the long-term changes in shopping behavior:

1. Focus on positive emotional and psychological experiences led to a change in self-identity:
 - Consumers who focused on the positive experience during Covid-19, shifted to sustainable shopping and movement towards e commerce.
2. Focus on negative emotional and psychological experiences led to fear of missing out (FOMO)
 - People who experienced FOMO delved in increase usage of e-commerce and engaged in herd behavior
3. Focus on negative emotional and psychological experiences led to rumination

- Rumination means repetitive thoughts of one's stressful life events which in turn affects the shopping habits of the customer, it can either increase or decrease the shopping frequency
4. Focus on negative emotional and psychological experiences led to a state of loss-aversion
- The study found that these people will follow herd behavior and prefer shopping in stores with minimal crowds.[5]

Li Miao (2022) studied the post-pandemic tourism behavior using the theory of post traumatic growth. Prior Literature recognizes five major domains of post traumatic growth:

- Changed priorities and a deeper understanding of life
- Development of closer social relationships
- Resilience
- Openness to new life possibilities
- Greater existential or spiritual growth

Post traumatic travel behavior has been linked with three sub categories presented below:

Rebound and Retreat:

In the post pandemic era, travel and tourism pattern is likely to follow post traumatic growth's initial stages of rebound and retreat. As the Pandemic restrictions subside, there will be a surge in tourists around the world, such desire to travel can be attributed to psychological roots, the need for retribution against the lockdown and a regained sense of control to return to normalcy. For example, on June 11, 2021, more than two million people screened through U.S. airport security checkpoints in a single day. Tourists now maintain social distancing from other travellers, avoiding overly populated areas, choosing less known tourist spots, solo travels are likely to gain popularity after the pandemic.[6]

Connectedness and estrangement:

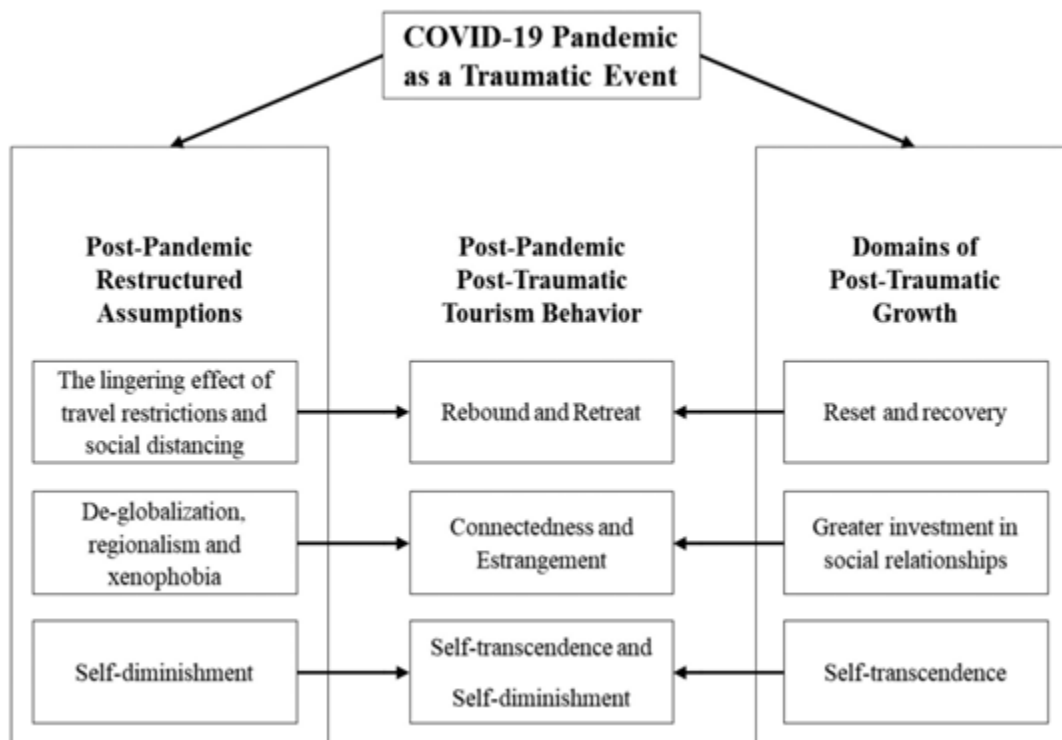
One of the most important aspects of the post traumatic growth is the developing of closer relationships. Post pandemic travel motivation is closely linked with visiting friends and family. Simultaneous social estrangements induced by the pandemic at interpersonal, community and national levels have been seen. At the interpersonal level, moments of subtle hostility and belligerence are found in various leisure situations. Some tourists have developed Xenophobia

that leads to reduced international travel, hesitation to try new foods and greater preference to travel in groups.[6]

Self-transcendence and self-diminishment:

The COVID-19 pandemic could be considered a crucial moment of life and an intense experience that led to significant physical, emotional, and spiritual transformation. The pandemic has exacerbated many social issues such as unequal access to health care, poverty, food insecurity, racial injustice, and more, thus some travellers want to travel to find inner peace or to go and seek the purpose of life. The pandemic affected a lot of people mentally, a lot of people lost their jobs and they came under a lot of stress, this led to a sense of worthlessness which manifested itself in tourism behaviours such as a lack of interest in travel and reduced enjoyment while travelling.[6]

Figure 7. A conceptual framework of post-pandemic post-traumatic tourism behaviour



Conclusion

All the studies mentioned above talk about mental stress caused by the pandemic and its manifestation in travel behaviour. It can be seen that a lot of travellers mindsets have changed;

they prefer to do more solo travel, avoid crowded places, and maintain social distance. After the pandemic had subsided, people were urgently waiting to travel once again; therefore, there was a rush of travellers all across the globe to tourist places. It has been studied and found that tourist footfall will reach pre-pandemic levels by 2024. People have also shifted to online ordering of general items, from food to clothing. Offline retail giants like Walmart are suffering huge losses because people prefer to order online. Some behaviours are generally seen as good for everyone such as maintaining good hygiene, but others, such as avoiding going out and only ordering online, have serious mental consequences. Therefore, they have to be studied more, and the scientists must make a recommendation.

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