

Travel

The Growth Agenda

Travel is not a 'want' for Australian consumers; it is a need. Even as cost-of-living pressures increase, marketers know that Aussies will continue to prioritise travel, but they will adjust their expectations to suit the situation. The current political/macroeconomic environment, particularly the impact of oil/fuel uncertainty, is already driving Aussies to explore more domestic or close-range travel.

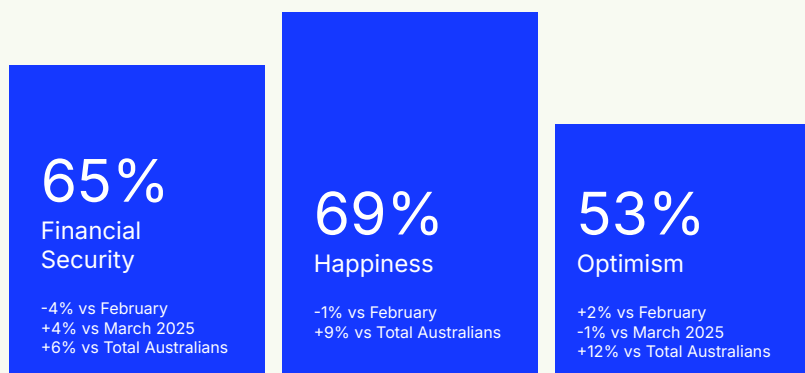
Marketers are leveraging this to offer greater value to customers across travel, and this is resulting in an increase in loyalty and rewards programs. This is helping fuel an increase in collaborations and brand partnerships as brands leverage values such as trust to help boost engagement.

The surge in experience-led travel is continuing as consumers seek an escape from their own lives and a desire to immerse themselves in another world. More travel brands are pivoting to offer more small group travel to unlock more authentic experiences for guests.

Danielle Long
Editor of The Growth Agenda (The Australian)



High hopes, tightening budgets



Strong sentiment outpaces the general public, though wallet worries remain.

Among travel intenders, sentiment remains stronger than the general population, particularly for Optimism and Happiness.

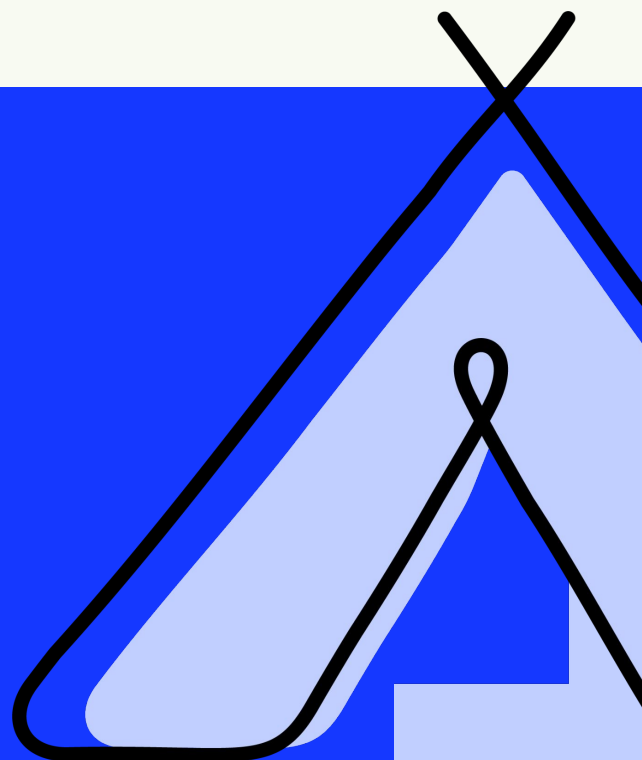
However, recent declines in financial security suggest some softening in their capability and confidence.

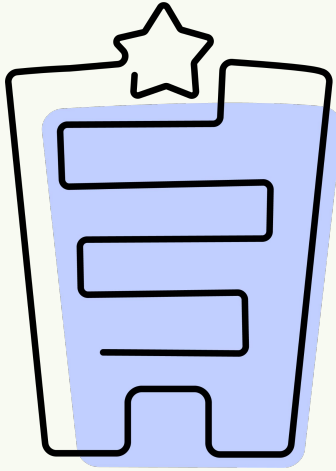
The issues they care about...

- 81% Cost of living and household budgets
- 70% Healthcare and access to medical services
- 66% The economy and financial stability (+9% vs non-travellers)
- 59% Physical health and fitness (+9%)
- 54% Global stability, conflict and security (+9%)
- 51% Jobs and employment opportunities (+7%)

What this means for Travel

➤ While travellers are generally optimistic, financial strain and global concerns are creating a cautious mindset. Brands must directly address these heightened anxieties around the economy, health, and security. Emphasizing clear value and reassurance in communications will be crucial for building trust.





Travel Category Behaviours

- > **77%** **3 in 4 plan to maintain or increase** spend, however this has declined to lowest levels in a year, and **1 in 5** travellers now expecting to **spend less** on travel in the next year.
- > **67%** **Considering domestic travel**, 61% considering an overseas trip, 46% considering road trips/ camping, and 30% considering cruising.
- > **43%** **Have recently travelled or intent to travel soon**, down -6% since February. This is likely indicative of global tensions and cost of living pressures.

Travellers are looking for trips that are...



47%
Peaceful



34%
Exploratory



32%
In Control



30%
Connected



19%
Indulgent



17%
Self-Reflective



18%
Purposeful



13%
Impulsive



11%
Transformational

The demand for stress free, controlled trips

While most travellers plan to maintain their spending, rising budget caution means brands must work harder to secure their bookings. Right now, consumers are overwhelmingly seeking "peaceful" and "exploratory" escapes, but they also strongly desire to feel "in control" of their plans. Highlighting stress-free, organized options, such as the ease of using a travel agent, can directly appeal to this need for seamless yet controlled travel.

Top enablers for influencing travel decisions



- 51%** Affordable and within ideal budget
- 44%** A safe and secure holiday
- 32%** Favourable weather or climate
- 29%** A specific destination want to visit
- 16%** Recommended by others/ good reviews
- 15%** Is a child/family friendly option

Planning Behaviour

2 in 3

Say they like to use the services of **a travel agent** for at least some aspect of trip planning.

1 in 2

Have already **used AI** to research ideas and assist when planning a trip.

Almost 8 in 10

Of Travellers say they consume **professional news** weekly, +16% versus non Travellers.

Top challenges when making travel decisions



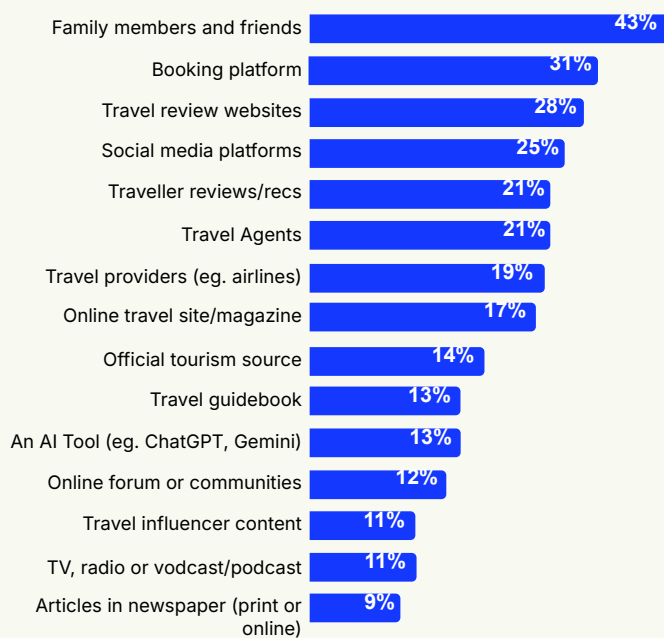
- 47%** Price shock, fares more expensive than expect
- 40%** Safety and security considerations
- 29%** Timing and scheduling issues
- 20%** Extra or unexpected fees / tariffs
- 17%** Negative reviews or feedback

Commercial Implication

With affordability and unexpected price shocks driving travel decisions, transparent pricing is critical for winning bookings. Travelers use multiple trusted sources for planning and validating, demanding credible, accessible information throughout the booking journey. Businesses that offer trust, convenience, and reassurance at key decision moments will be best positioned to convert.



Sources of inspiration for Travel



Remove fear, and unlock bookings.

With rising financial caution, unexpected travel costs are a major booking barrier. Growth comes from:

- Transparent, shock-free pricing
- Reassuring safety and security
- Complete visibility on extra fees

Travel audiences are high value cross category consumers

<p>67%</p> <p>Consuming Sports Content</p> <p>1.7x more likely to be playing Fantasy and 1.6x more likely to be wagering than non-travellers.</p>	<p>66%</p> <p>Retail Shopping</p> <p>31% (ix164) purchasing premium fashion. 65% (ix129) buying and using beauty products</p>	<p>66%</p> <p>Highly Tech Engaged</p> <p>1 in 3 are (ix133) buying or upgrading personal devices. 54% (ix1138) say they're using AI tools generally.</p>	<p>29%</p> <p>Home DIY-ing</p> <p>29% (ix143) say they're doing DIY / renovations. 21% (ix160) looking into property, and 20% moving house. 43% (ix146) shopping for furniture, appliances or décor.</p>	<p>24%</p> <p>Health focused</p> <p>24% (ix130) say their focus is to enhance and boost health & wellness. 43% (ix155) are joining the gym or fitness program.</p>
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Where travel brands can unlock growth

Deliver seamless peace of mind

Travellers are overwhelmingly seeking peace and control when planning their trips. Growth comes from:

- Promoting stress-less itineraries.
- Highlighting the ease of travel agent services to reduce planning fatigue.
- Positioning your brand as a true escape from everyday economic and global anxieties.

Build trust through credible channels

With unexpected costs and safety acting as top barriers, consumers rely heavily on trusted sources and platforms for inspiration. Growth comes from:

- Use trusted media environments to amplify messages of reassurance.
- Show up in credible environments with clear value, transparent pricing, and messaging that builds confidence at every stage of the journey.

Activate cross-category moments

Travel audiences are high-value consumers who over-index in major lifestyle categories, offering prime opportunities for strategic alignment. Growth comes from:

- Creating premium retail/beauty travel bundles. Targeting the 67% who consume sports with event-based packages.
- Engage tech-savvy audience (66%) with seamless digital booking and AI tools.