

# The Current State of the Tour & Activity Sector

**Survey of 507 operators**

A holistic view of you, the tour operator on how the last twelve months has affected your business and how you see the future of your business in 2021 and beyond.



# Analyzing the Data

**As well as surveying the thoughts, fears, and opinions of prospective tourists, we also took the time to survey 507 tour and activity operators from all around the world. Comparing the perspective of operators with the perspective of their future customers helps us highlight useful and pertinent differences between the two groups.**

While looking at the data from travellers on a global scale as well as specifically within their regions, we could find gaps in the way tour operators and activity providers are meeting the current market demands. COVID-19 has changed the game for many, but the insights shared by thousands of travellers, when taken in combination with the insights shared by 507 tour businesses, can show us where we can improve marketing efforts and better target the right customers.

The key takeaways highlighted at the beginning of the Worldwide Consumer Mindset & Intent overview incorporate important findings from this tour operator survey. If you haven't seen the full results yet, be sure to [review the entire report](#) to get a comprehensive view of consumer insights in reference to the tour business results we dive into below. We separate this

to specific regions of North America, Europe, UK & Ireland and Oceania.

The purpose of this companion report was to ask as many important questions as possible from a wide and demonstrable group of potential travellers (sadly, we're all merely 'potential travellers' at this time). But acquiring original data isn't enough to make it worth operators' time and money, so we've spent considerable time studying the data, making sense of it. Where possible, this report also provides actionable tasks based on our findings, combining research with practical marketing efforts that are easy to implement.

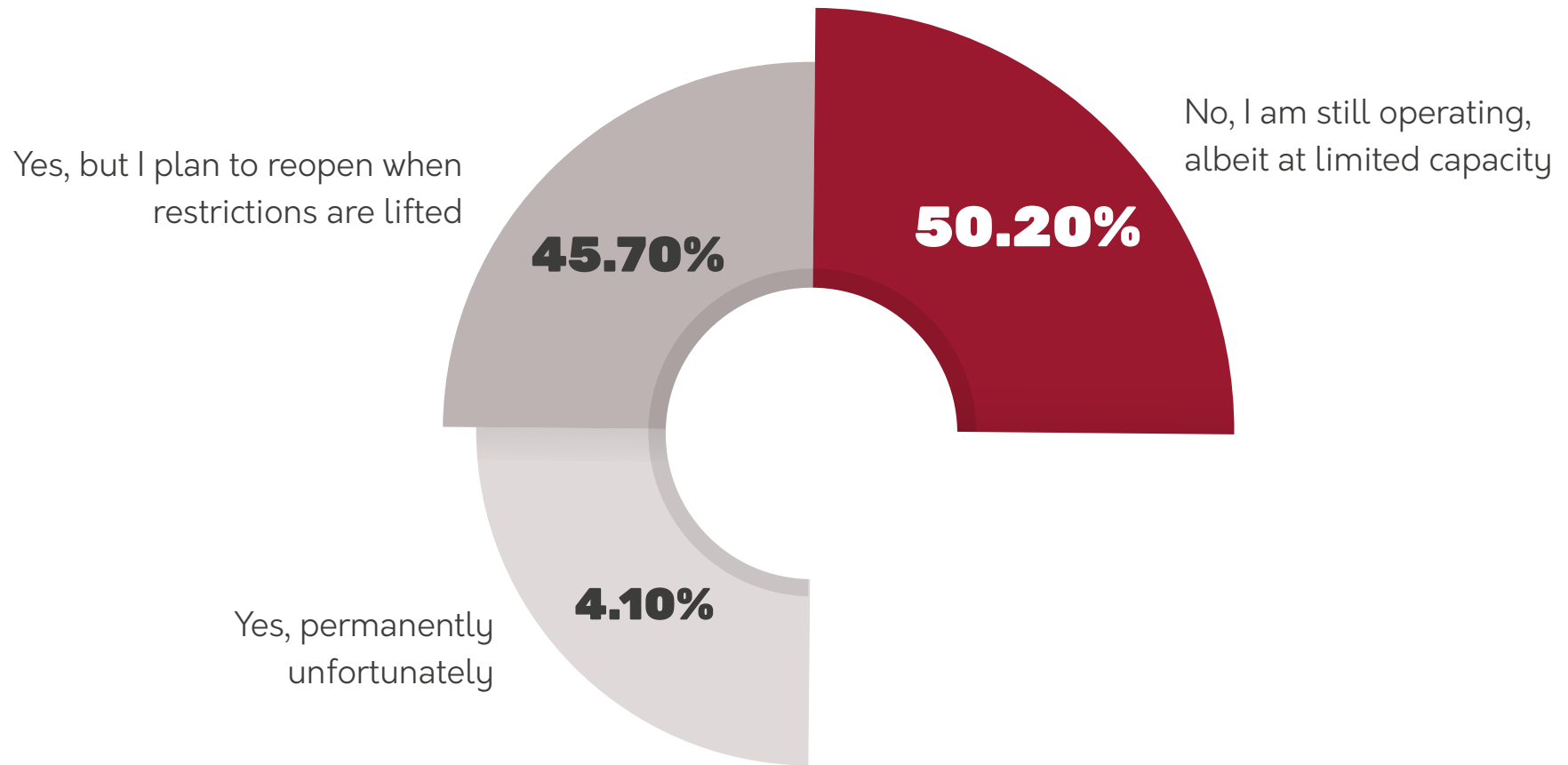
While we surveyed 'potential travellers' from all over the world, we also offer a deeper, location-specific

analysis for businesses who would prefer to skip the general information and go straight to their specific country or where their main target demographic resides.

In this section, we will review the results of our survey of 507 tour operators around the world. This section occasionally draws on data from the wider consumer-led report, but there is considerably more statistics and advice to be found on the companion report.

Either report will be valuable and useful taken in isolation, but they work best when considered together.

# Have you had to close your business during Covid?



**As we know, this pandemic has had a devastating effect on our industry but from those surveyed, only 4.10% have had to close their businesses permanently. Although my heart goes out to any business who has had to close their doors, this low figure is encouraging.**

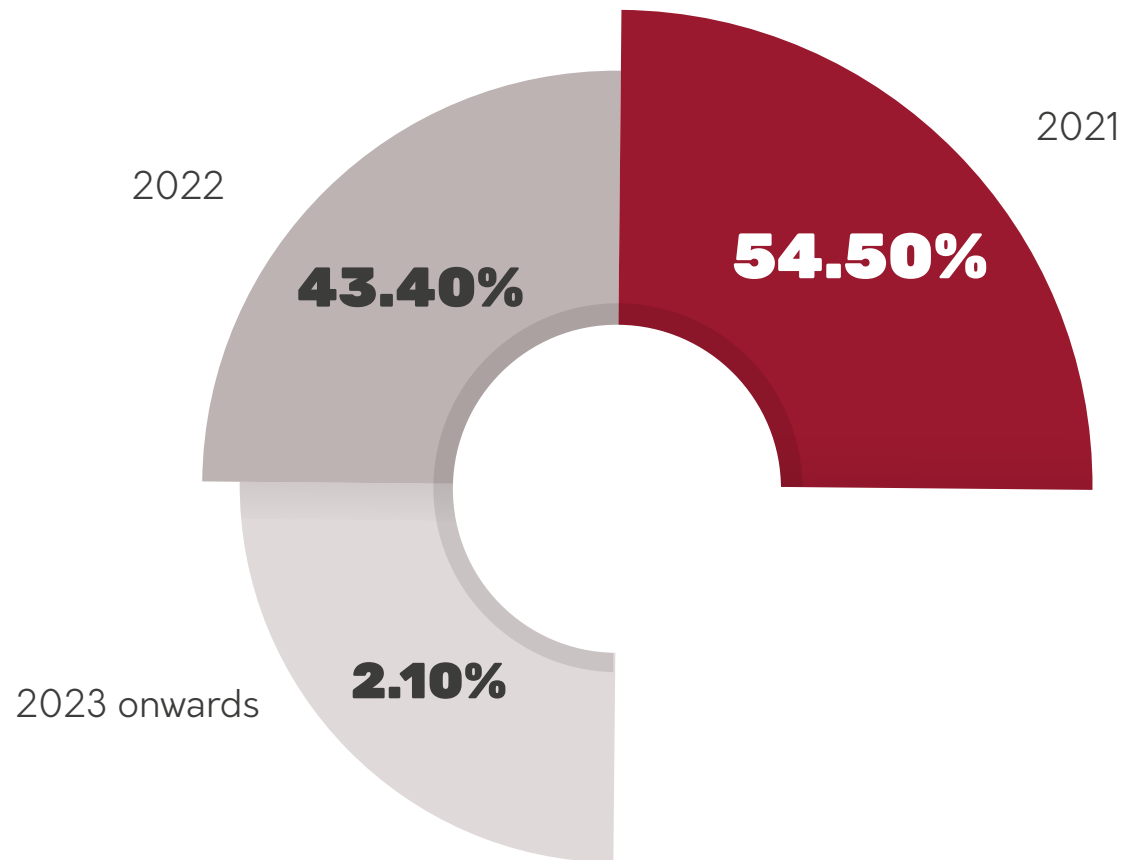
Also encouraging, is that over 50% of these operators have managed to stay open and operate, albeit in a limited capacity. I am sure sacrifices have been made to make this happen but it is great to see so many managing to keep the lights on.

45.70% have closed but expect to reopen when restrictions are lifted. If this is the case, then that is a combined 95.90% of operators who will be 'back in business' when we return to some form of normality. With what is set to be an influx of booking for tours and activities when things improve (see our traveller intent research) then this is good news for our industry.

The one caveat I will add to these encouraging figures is that some of these operators may need to adapt or change their product offering as detailed later. Travellers are looking for specific product types so bear this in mind.

For those who stated that they have closed permanently, they could progress no further in the survey.

# Are you planning for bookings to pick up again in 2021 or 2022?



**This was an interesting question to ask as it gives a sense of what tour and activity providers expect, or are planning for in the years ahead.**

A majority at 54.40% are planning for bookings to pick up again in 2021. Going by the [vaccination map outlined at the beginning of the Traveller Intent results](#), that could well be a strong possibility for some, and I am sure most of us are hoping that this will be the case. But 43.40% of those surveyed are not expecting bookings until at least 2022. It's perhaps not surprising that the majority of operators are planning for bookings in 2021; 2020 was an extremely tough year and many tourism businesses are desperate for some form of revenue in 2021.

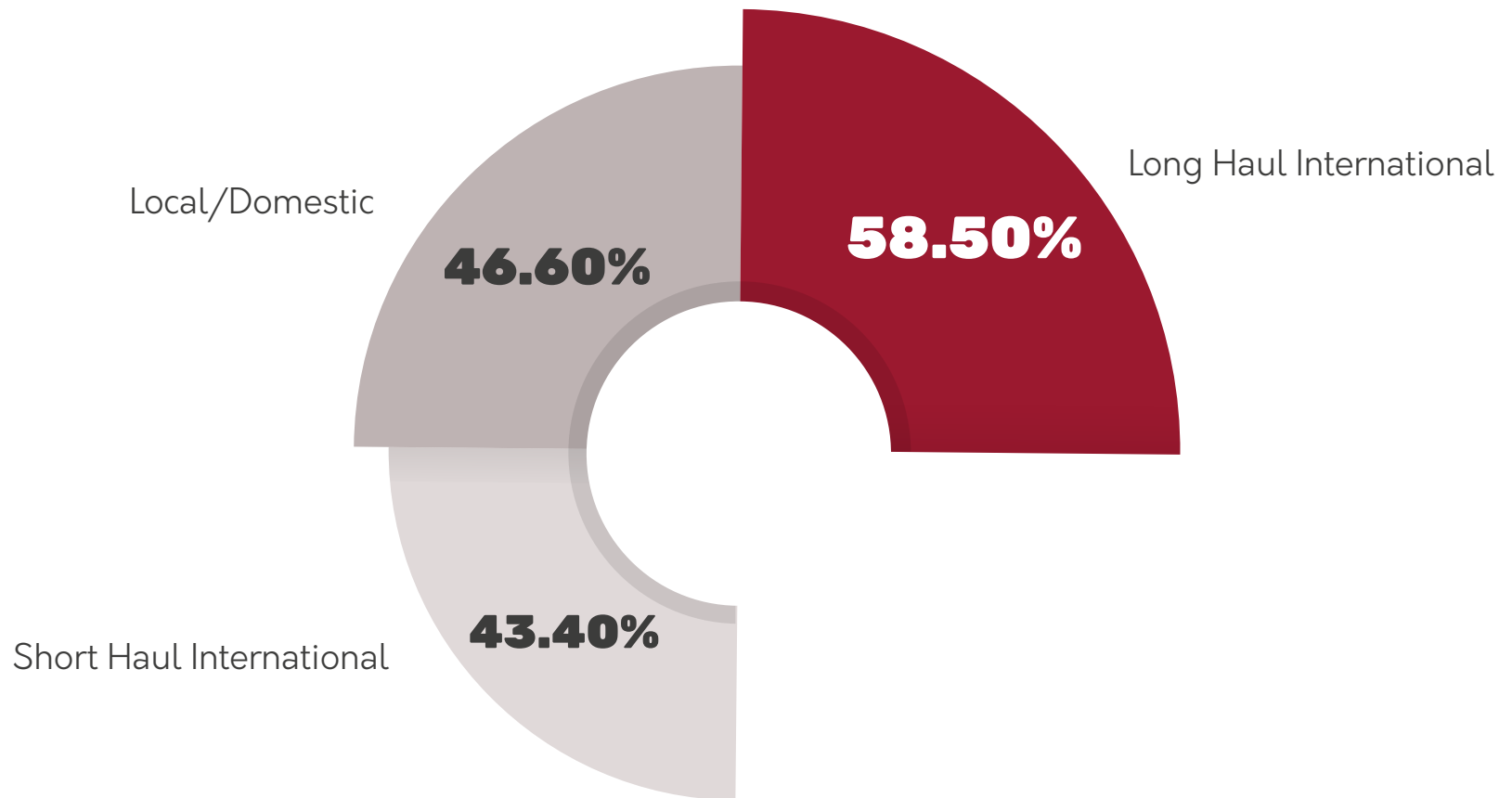
I suspect that much of this will be destination-specific. Australia and New Zealand operators, for example, will find it harder to get any international bookings in 2021 due to current quarantine restrictions, so any operators looking at 2021 bookings will be leaning on domestic travellers.

It is still tricky to say with any degree of certainty when tourism will truly be up and running again. Mostly, this is because there are too many variables that are constantly changing, and there are 195 countries,

all with different forms of government struggling to weigh up the risks and gains associated with allowing tourists into their country again.

With only 2.1% of operators stating 2023 is when they are planning for bookings to start again, it's encouraging to see that most tour businesses expect to see a recovery within the next two years. If the vaccination map is correct, I would also agree with this train of thought

# Who is your typical customer? (tick all that apply)



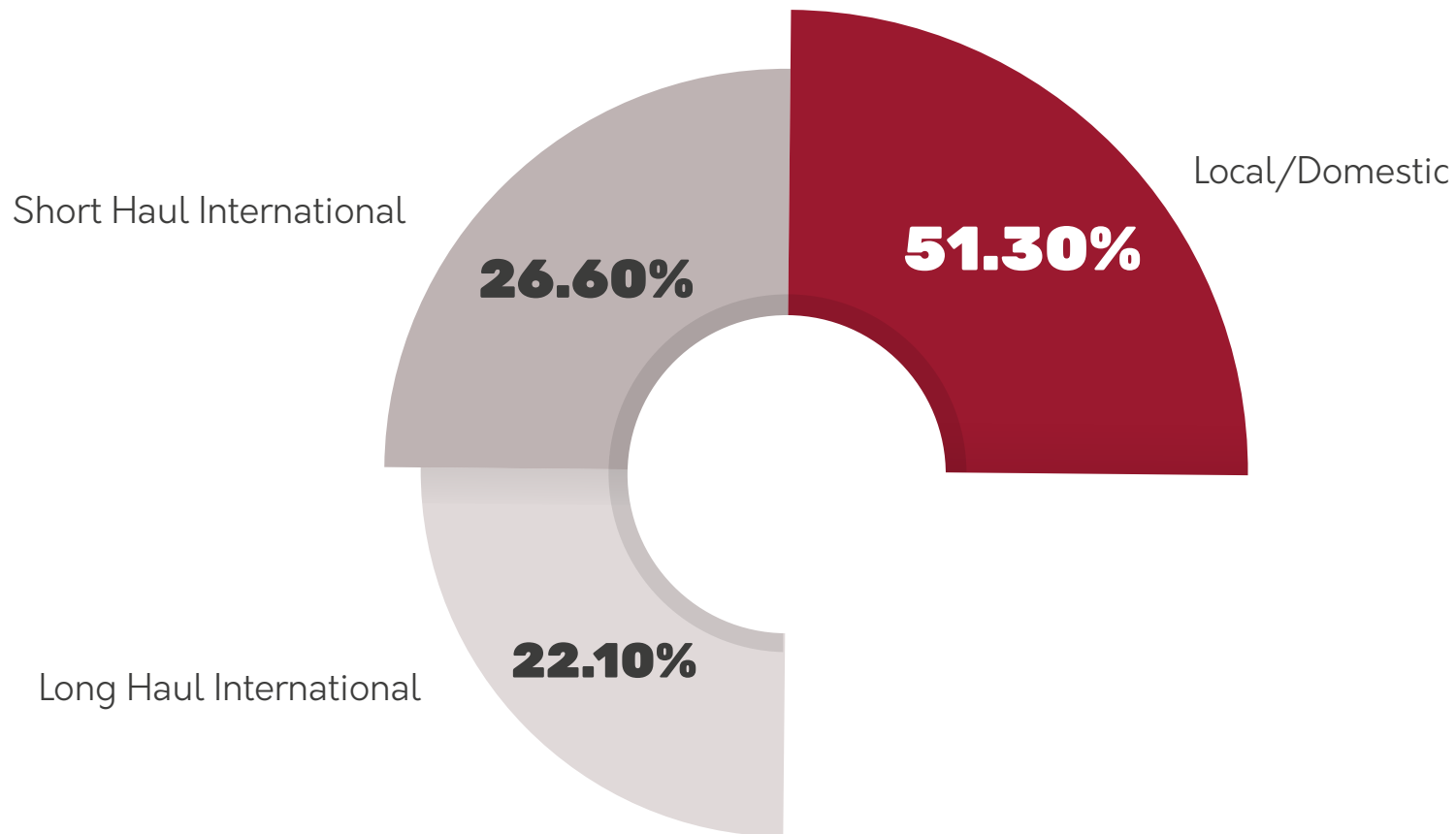


**This was a series of two questions I asked to get a sense of what an operator's typical customer looks like and who they think the customer will be in the future.**

Unfortunately, 58.50% said that their customers are typically those who travel from far distances, something that will be harder to cater for in 2021. Encouragingly, 46.60% welcome local and domestic travellers, which is where most of the demand will come from in 2021, based on travellers' intentions.

The short-haul travel market, at 43.40%, will still be popular, but more likely from mid-late 2021, and only to specific destinations. But take note that 54.50% of worldwide travellers are looking for local and domestic products ([see traveller intent research](#)).

# Who do you think will be your typical customer over the next 2 years? Has Covid changed this?

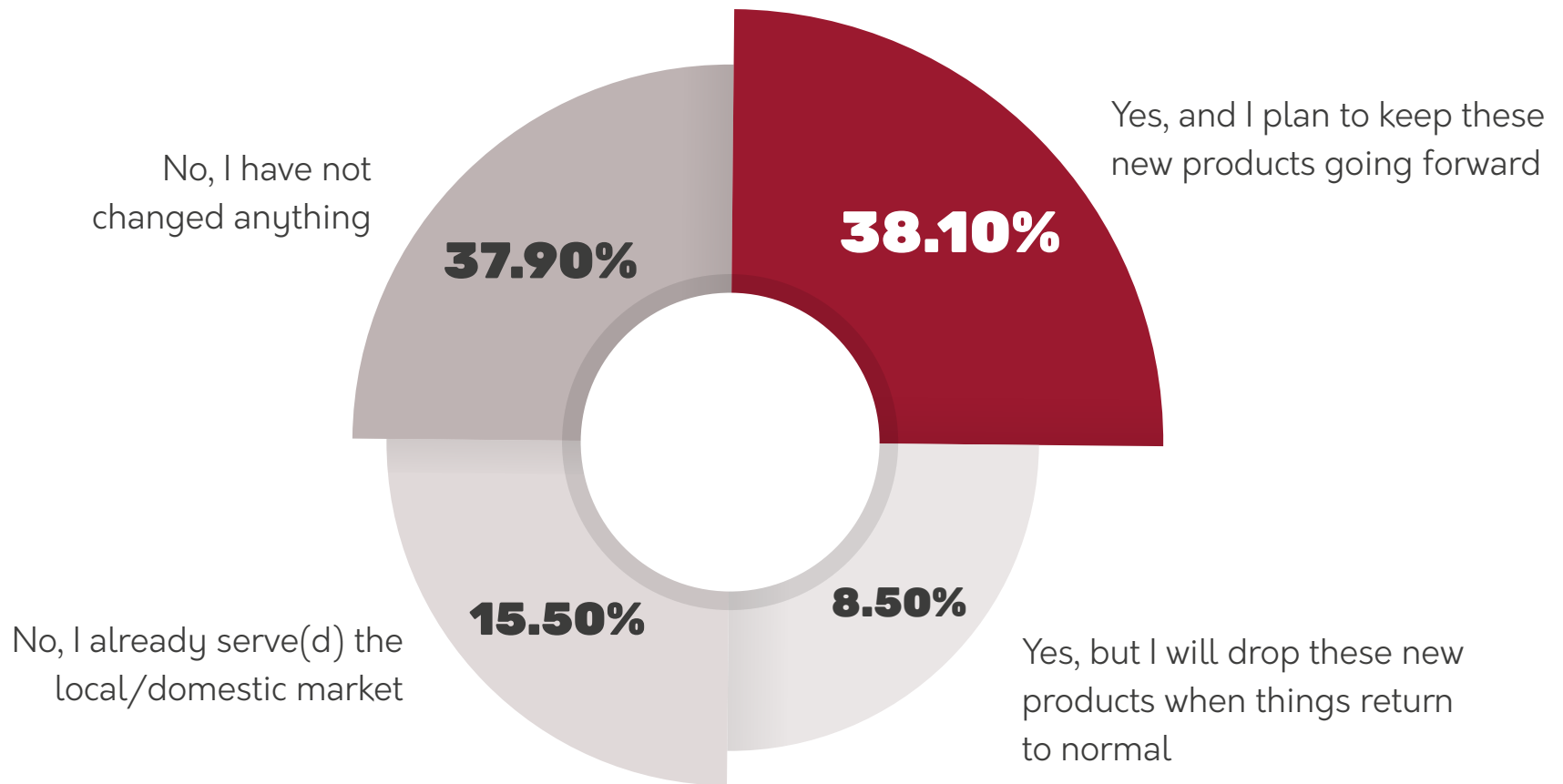


**After asking who their typical customers are, we then asked for predictions for the next two years. Of those surveyed, 51.3% said that their typical customers will be local/domestic. This is promising that the majority already see the likelihood of domestic travel being their primary market for the near future.**

Seeing the predictions of long-haul travellers being the smallest proportion of customers over the next two years, those operators who tended to cater to that market will want to add to or adjust their product offerings to meet the local demand.

Depending on the location of the operator, short-haul international travel could happen in 2021, but I suspect that those still looking for long haul may have to wait longer.

# Have you changed your products or services to cater to a local/domestic market because of Covid?



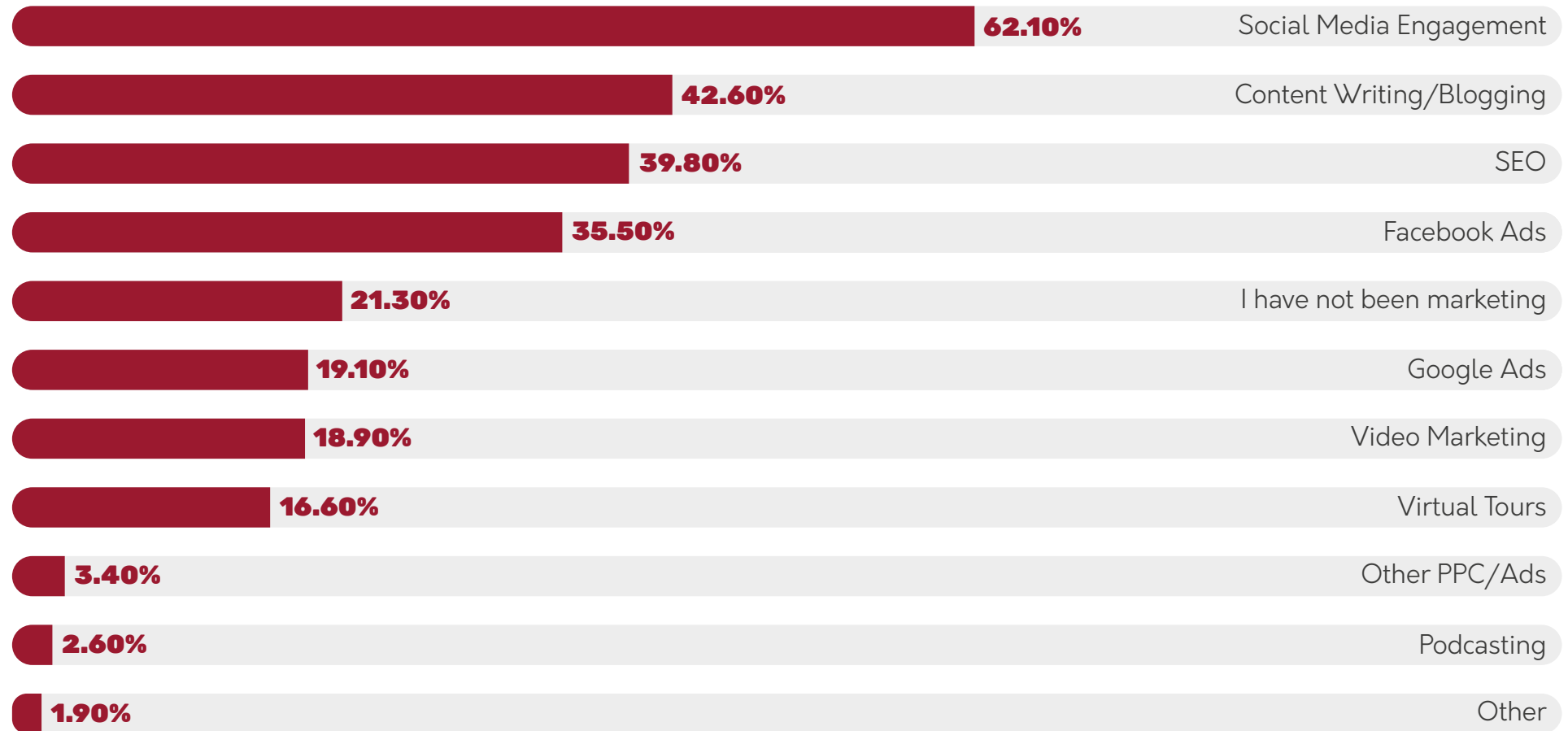
**Local and domestic tourism was something I recommended operators focus on at the start of this pandemic and I see this remaining the case for many operators in 2021.**

Many operators have changed their products to cater for this market and plan to keep them going forward. Interestingly enough, 37.90% have not changed any aspect of their product offering, which is a little worrying for me. It could mean they are some of the operators who are waiting until things improve, or they feel their product offering is fine for the local markets, but I suspect some have simply not changed because they do not know what to change, or how to change.

In our [traveller intent survey](#) of 2,000 potential travellers, you may find some nuggets of information that will inspire those still unsure of how to create tour and activity products that appeal to locals.

We suggest you start with your domestic market region and see the types of tours desired by those travellers, as well as the length and style of tours they prefer for 2021.

# Which marketing initiatives have you been trying during the pandemic? (Tick all that apply)



**As I have said from the very start of this pandemic, you must not stop marketing as you may as well tell your potential customers your business is dead. With many free ways to market your business, apart from time, there really is no reason not to.**

And it is these ‘free’ marketing tools that most operators have embraced, with many turning to social media, content marketing, and SEO. Interestingly, Facebook Ads is within the top 5 tools being used, so some of you have been willing to spend a little on this platform to gain some form of awareness, or perhaps even future bookings.

What I find worrying is that a massive 21.30% have not been marketing at all. Remember: those who said they have closed permanently did not get this far in the survey, so these are operators who are looking for bookings in 2021 or 2022.

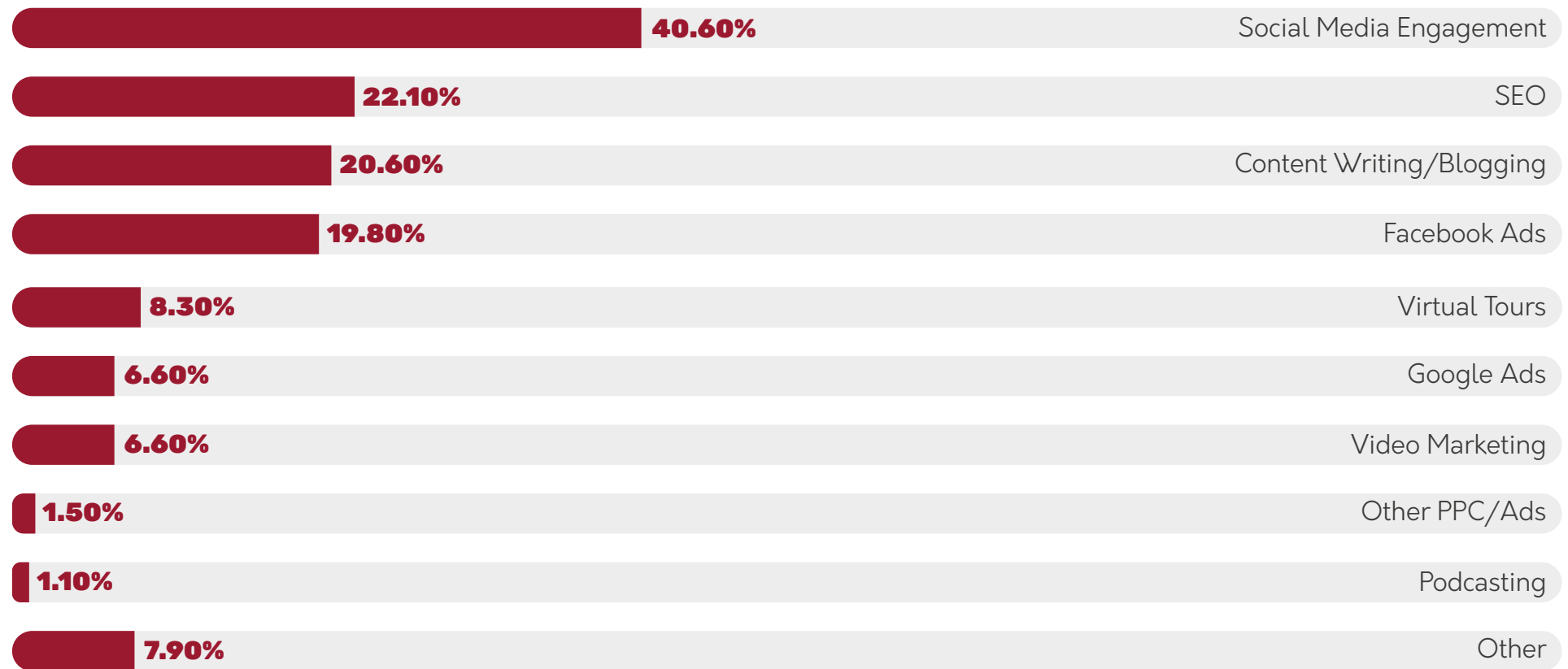
Although we can not travel, we are still looking for places and activities we wish to go to or participate in when we can finally escape. You need to inspire these travellers during lockdowns and restrictions to persuade them to book with you in the future. This means you can ‘hit the ground running’ when the doors do open up again. Competitors who have been marketing will have a huge portion of this influx of

travellers if you do nothing during this time to raise your online presence.

Virtual tours were also making waves during the pandemic, with 16.60% of operators dabbling in this area. This is a little higher than I expected, but it’s encouraging to see businesses getting creative.

Those who selected ‘other’, also tried virtual conferences, TV and Radio, and email marketing, amongst others.

# Which marketing initiatives have worked the best during the pandemic?





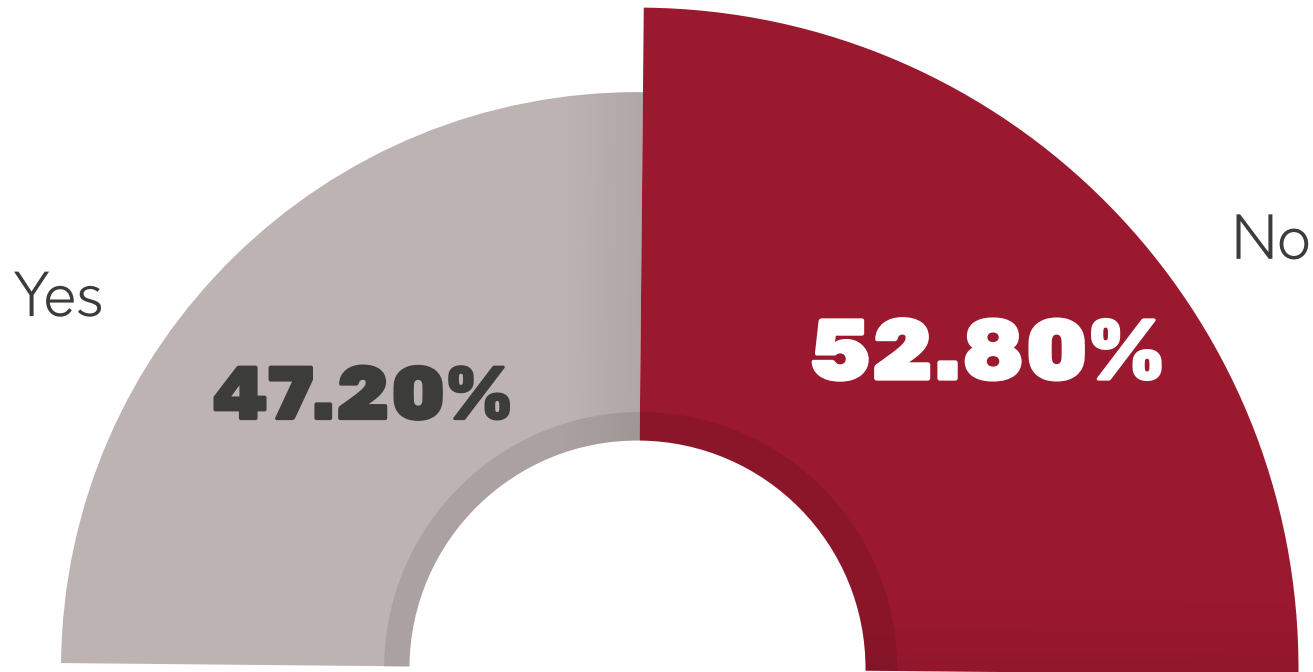
**I was interested to hear about the successful marketing strategies operators have chosen during the pandemic, hoping that we could all learn from each other's successes.**

Social media, SEO, content marketing, and Facebook advertising were again all at the top of the selected initiatives. I was surprised that video was not further up the successful strategies as this is normally an effective marketing tool. Interestingly, 8.30% thought virtual tours worked well. More on this later, as we asked what these operators deemed a success.

Social media wins hands down, which is not surprising as this is the marketing tool most people are comfortable with. It's often easier to engage with customers on social media, and it's free.

Those who selected 'other' found that emailing past customers, word of mouth, networking, and email campaigns worked well.

# Do you feel like you have the necessary digital skills to market your business yourself?

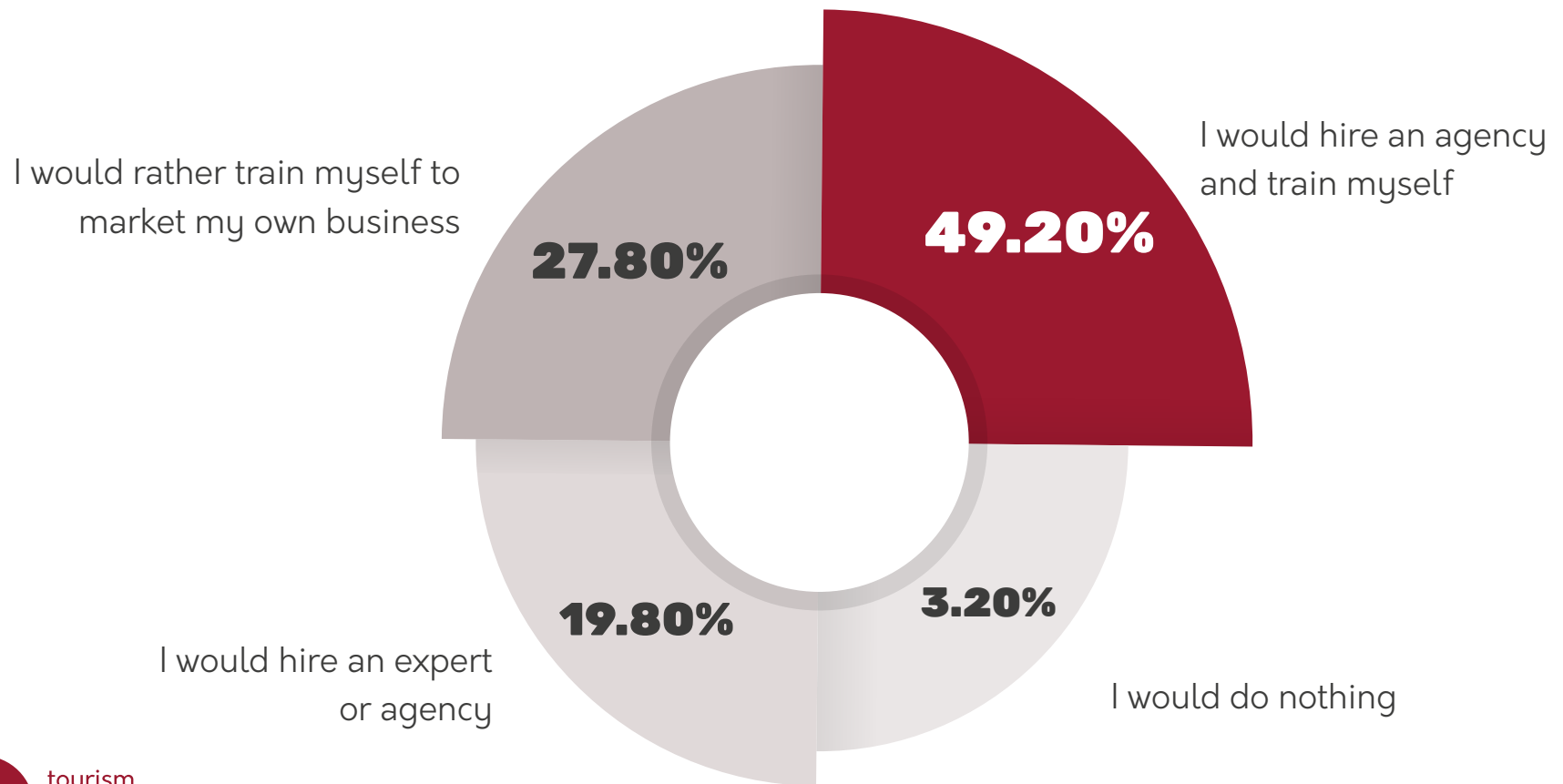


**This was an important question to ask as it helps determine the skill level of the operators we surveyed, which in turn allows me to ascertain any knowledge gaps they may have.**

In a near split down the middle, 52.80% felt that they do not possess the digital skills to market their business effectively, with 47.20% saying they have the necessary skills. This highlights, to me, that despite the many books, webinars, e-Learning solutions, and workshops out there, they are either not getting in front of these operators, not really providing the knowledge they require, they aren't engaging enough, or that the operator is simply not interested in learning digital marketing.

This digital skills gap is something that must be addressed if we are to give every tour and activity provider the best opportunity to grow their business in an ever-increasing digital world. This is something I am personally taking on in an effort to help all tour operators in the near future; I'm working on a digital marketing resource that will work for people who need marketing expertise but can't afford to hire an agency. If you are interested in knowing more, please [register here](#).

# For those who feel they do not have the necessary digital skills, would they hire a marketing expert or seek training to better their skills?



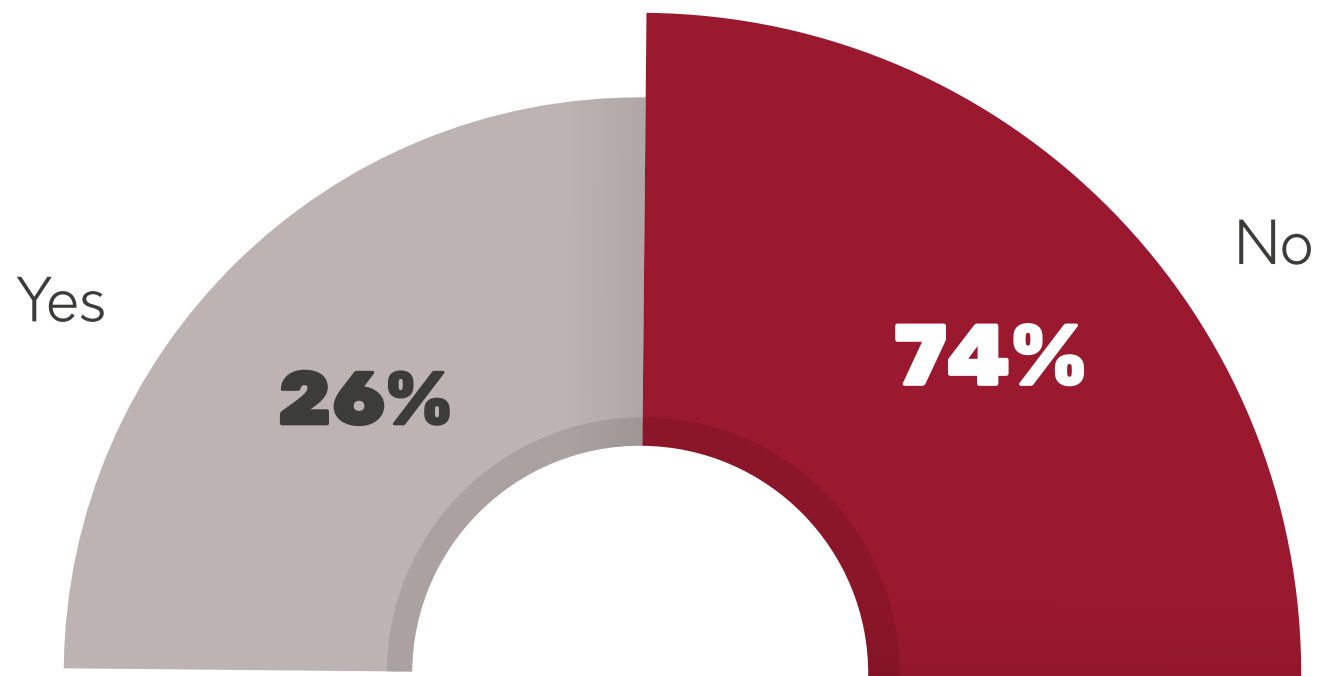
## **With so many operators stating that they do not possess the necessary skills, how many of them were willing to do something about it or leave it to an expert?**

It is very encouraging to see that 49.20% of operators wish to extend their own knowledge of digital marketing while also hiring an agency to assist them. A further 27.80% wish to learn digital skills by other means. This shows us that a combined 77% wish to do some form of training to expand their digital skills. This is great to see as it shows there is an appetite for this within our industry.

A combined 69% also desire the help of an agency, which, as a marketing agency owner is great to see, but I also understand that training is very important. This is why I put so much focus and effort into not just helping tour operators but trying to educate them through the video and podcast series, [The Digital Tourism Show](#), amongst other initiatives.

What I do find odd is that 3.2% of those who said they don't feel they have digital skills also plan to do nothing about it. It is incredible to think that any business owner would not wish to grow their business through training or by taking advantage of another's expertise.

# Have you tried virtual tours?



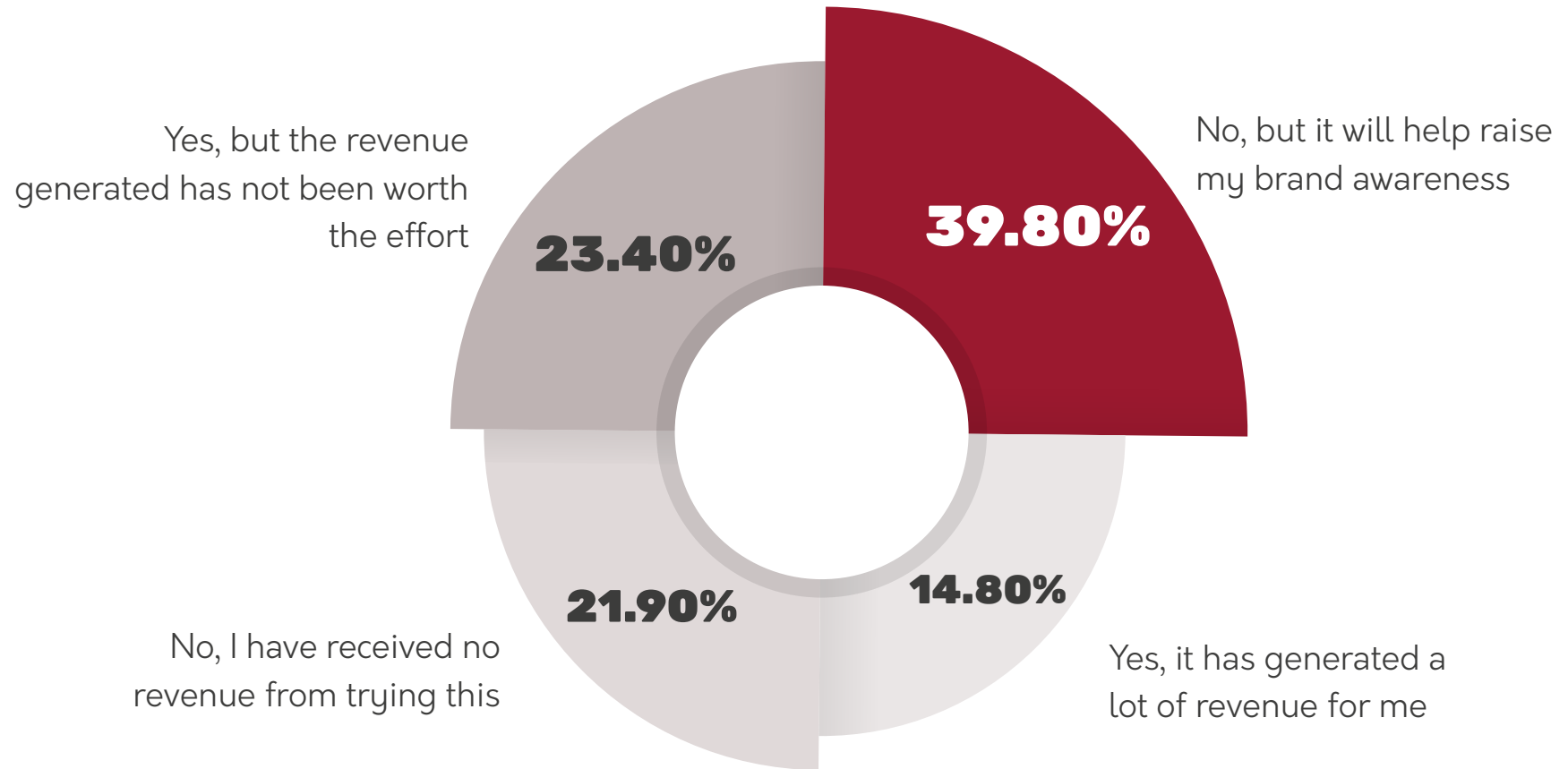
**During the early stages of the pandemic, there was a lot of buzz around virtual tours as it was seen as a way to generate some revenue while the world was in lockdown. As such, I felt it was important to ask how many of those surveyed tried this strategy.**

From those surveyed, just over a quarter of operators have tried their hand at virtual tours, which is higher than expected given the effort required to produce this type of product and the fact that more than half said they did not have the necessary digital skills to market their business.

Personally, when virtual tours were offered as a way to generate revenue during the pandemic, I felt it was not the right thing to focus on, and I still stand by that statement. While I feel in future there will be a higher demand for this type of product, I think virtual tours were more of a distraction for operators as opposed to a genuine replacement of their previous product offering.

Where it does add value, however, is brand awareness and fostering trust in your brand, so if you are creating virtual tours with this in mind, then this is what you should focus on.

# If you have tried virtual tours, did they generate revenue for your business?





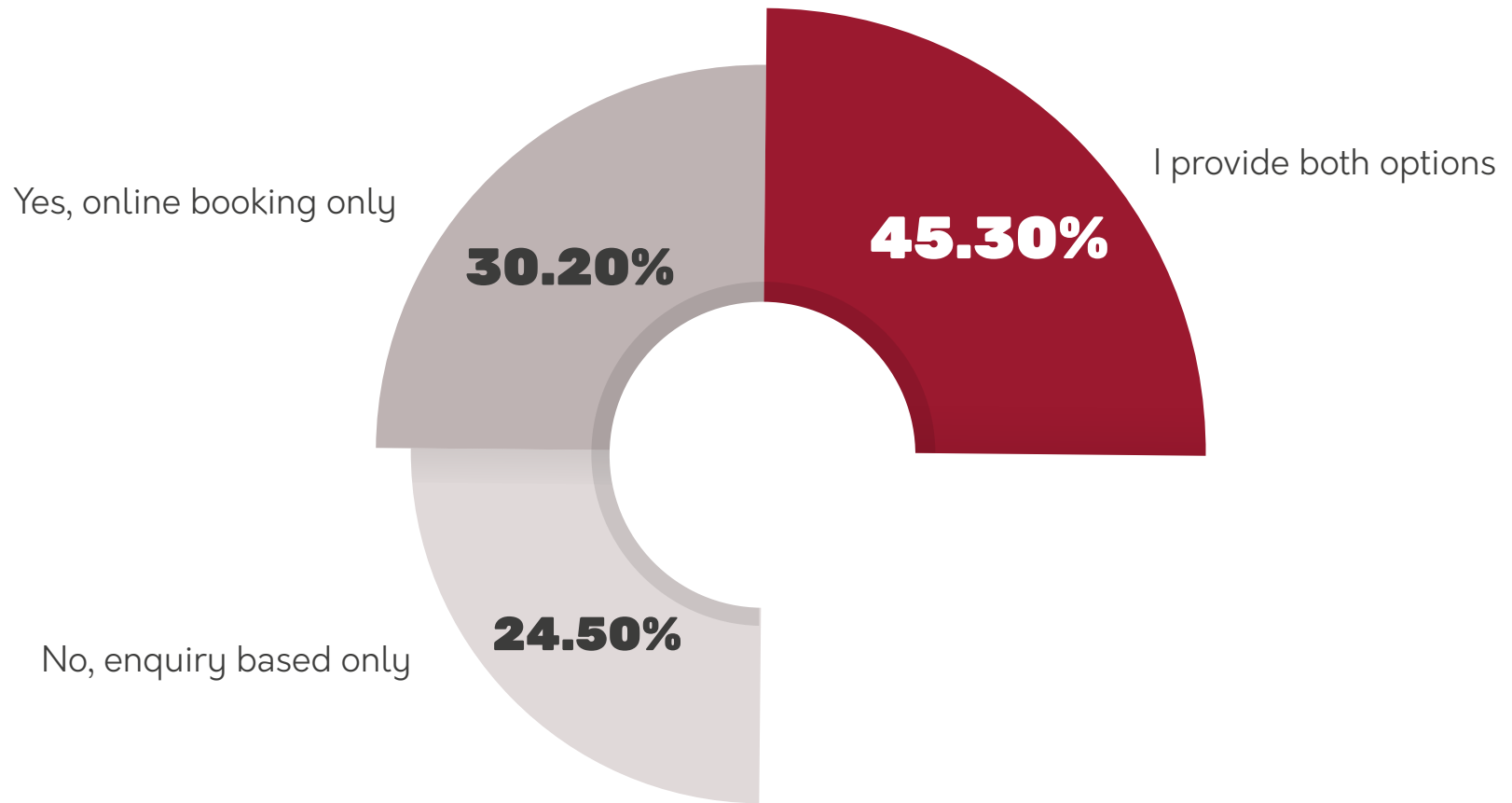
**From all of the operators who tried virtual tours, 14.8% of them said yes, it did generate a lot of revenue for them, which is great for those operators.**

Another 39.3% said that virtual tours did not generate revenue, but did help raise awareness of their brand. As a brand awareness tool, virtual tours are great, but it is clear that — for the vast majority of operators who tried it — it was not a tool to generate enough revenue for their business. So if you are thinking about trying this, make sure you weigh up the ratio of effort-to-result.

Where I would say virtual tours can work well is when they act as part of a physical product. I recently participated in a virtual cocktail tasting, thanks to Zakia Moulaoui of [Invisible Cities](#). The company sent out the ingredients for us to sample while watching the virtual experience. This is when virtual tours can work well as an additional experience.

If you are thinking of shipping items, a domestic market is still the easiest opportunity to avoid long delays and high international shipping rates. But creating unique, memorable combination tours like the virtual cocktail tasting is a great opportunity to encourage repeat business.

# Do you offer online bookings?



## **The advice most experts give is that you should be bookable online. But how many operators actually are?**

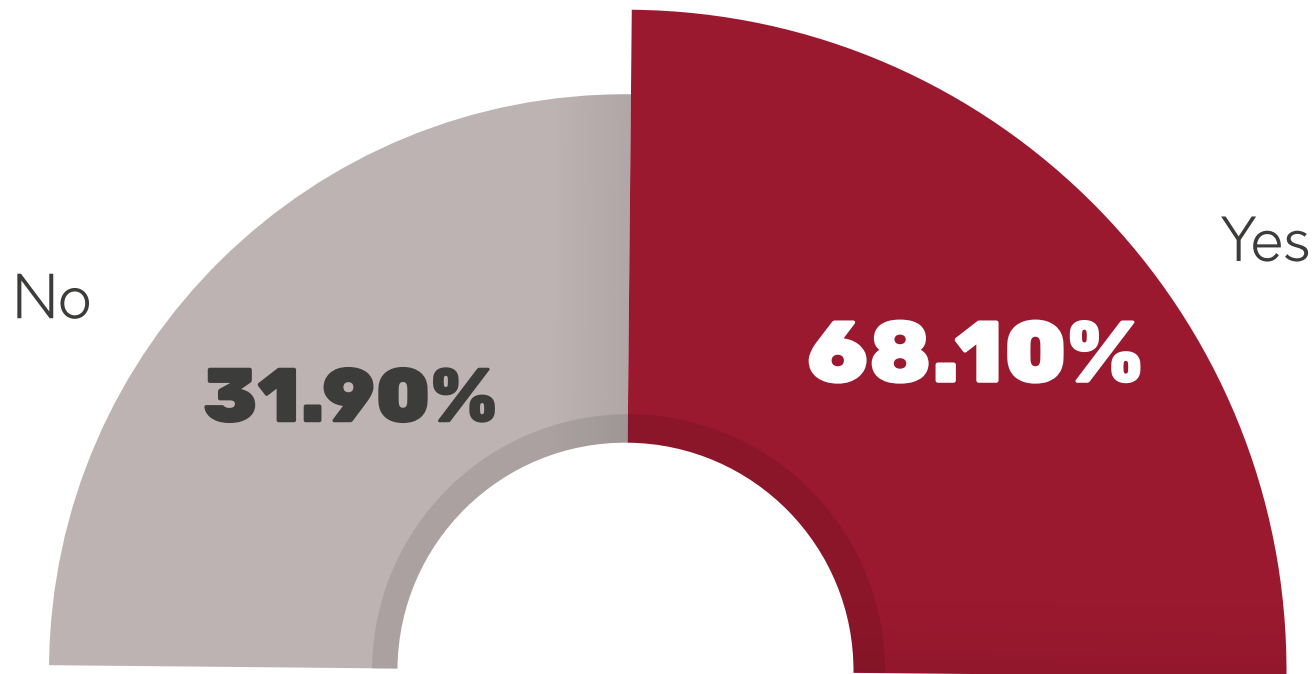
A combined 75.5% of operators say they provide online booking, which is fantastic. The other 24.5% of operators only provide an enquiry-based option, which is not a bad thing. Online booking is harder for some tour operators, especially those who provide fully bespoke itineraries.

A lot of operators get hung up on this, but if online booking does not work for your business and you are still generating bookings and revenue, then don't worry about it.

Some operators, however, don't offer online booking because of fees or perhaps because they simply get overwhelmed by the technical aspects. There are plenty of resources out there to help operators set up online booking functionality on their websites, and there are alternative options if you cannot afford the fees. Most booking platforms, however, work via a commission model, so you only pay when you receive a booking.

I am very much in the camp of if it ain't broke, don't fix it — so do what works best for your business.

# Has your business received any online bookings or booking enquiries during Covid?



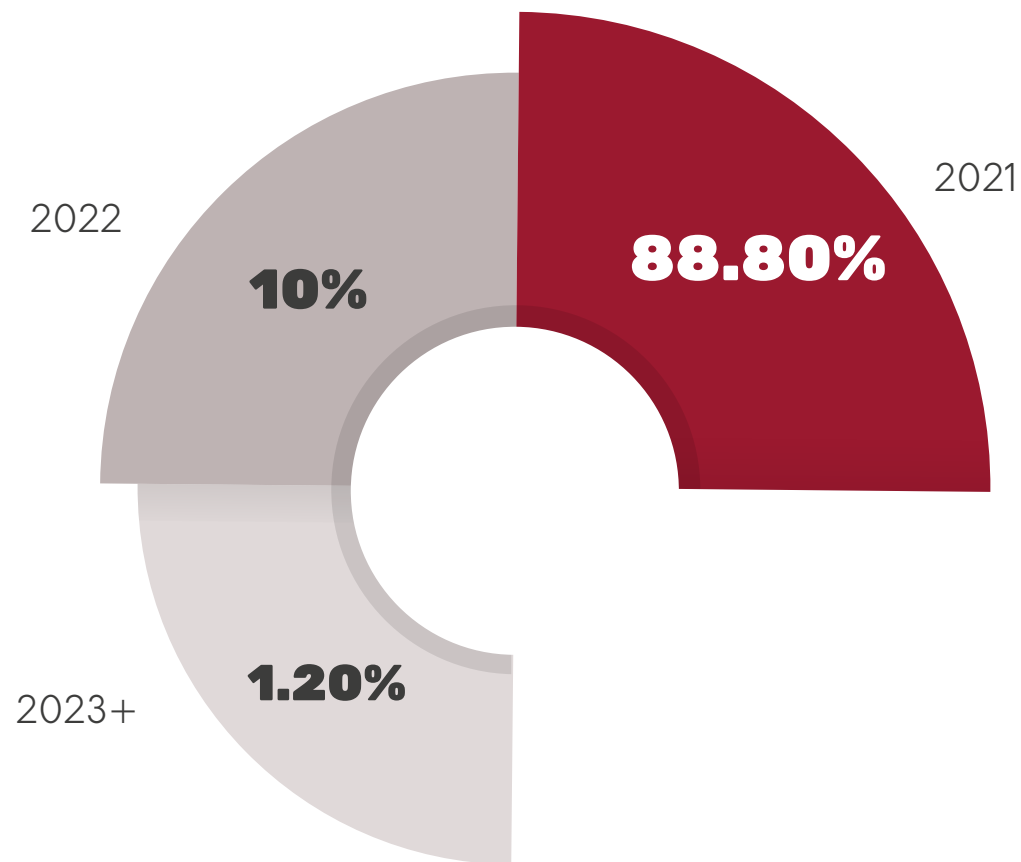
## How many operators have managed to generate bookings and enquiries during the pandemic?

It is very encouraging to see that 68.1% of operators have received either bookings or booking enquiries. In a way, this confirms my advice last year that continuing some form of marketing during the pandemic goes a long way to inspire future travellers to book and enquire.

Don't get me wrong, 31.9% of operators who have received no bookings is still a large number, but marketing your business gives you more opportunities to at least reach some customers. I also suspect some people who said no to this question have gone into hibernation during the pandemic.

As we saw in the Traveller Intent survey results: demand is there. People want to travel, it's just a matter of when, where, and how. This is why it is vital to make sure you tap into this demand however you can. [Studying the results from our travellers' survey](#) should give you plenty of data and marketing advice for doing exactly this.

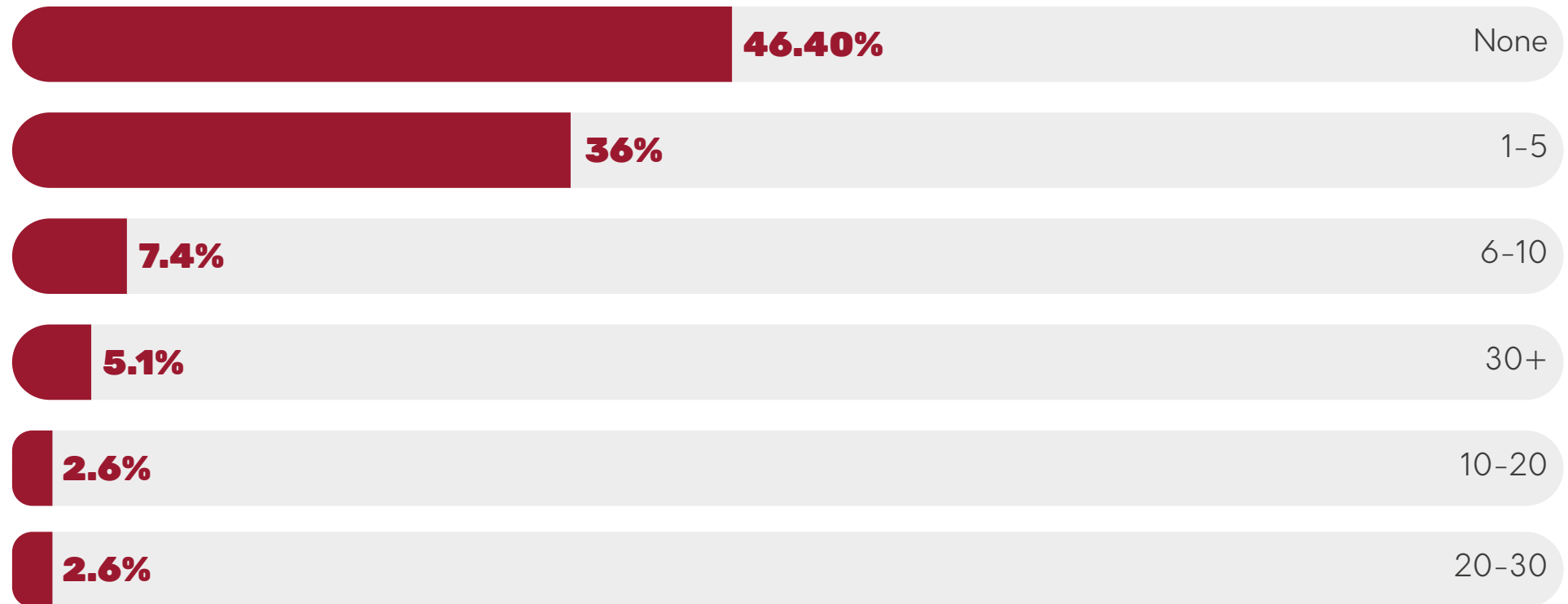
# For those who received bookings or enquiries, are they for 2021, 2022, or beyond?



**Of those who have received bookings or enquiries, a massive 88.8% of them were made for 2021, which highlights a few things worth considering. Consumers expect that the pandemic situation will improve this year, so they are optimistic that they will travel again. This gives much-needed revenue for many tour operators who have been hit hard over the past year.**

If you have not been marketing over the last year, and 21.3% of you said as much, then you must start now to build momentum to stand a chance of tapping into the demand for 2021. Even if the worst was to happen and 2021 shuts down completely again, it gives you a better chance to postpone these bookings to 2022, keeping the revenue generated. This alone may provide a lifeline for some operators.

# How many members of your staff and contractors have lost their jobs with your business due to the pandemic?





**This pandemic has affected all businesses, with many having to downsize, hibernate, or close completely. It was important to ask how many individuals have lost their jobs over the last year as this may shed some light on what the sector will be like on the other end of this pandemic.**

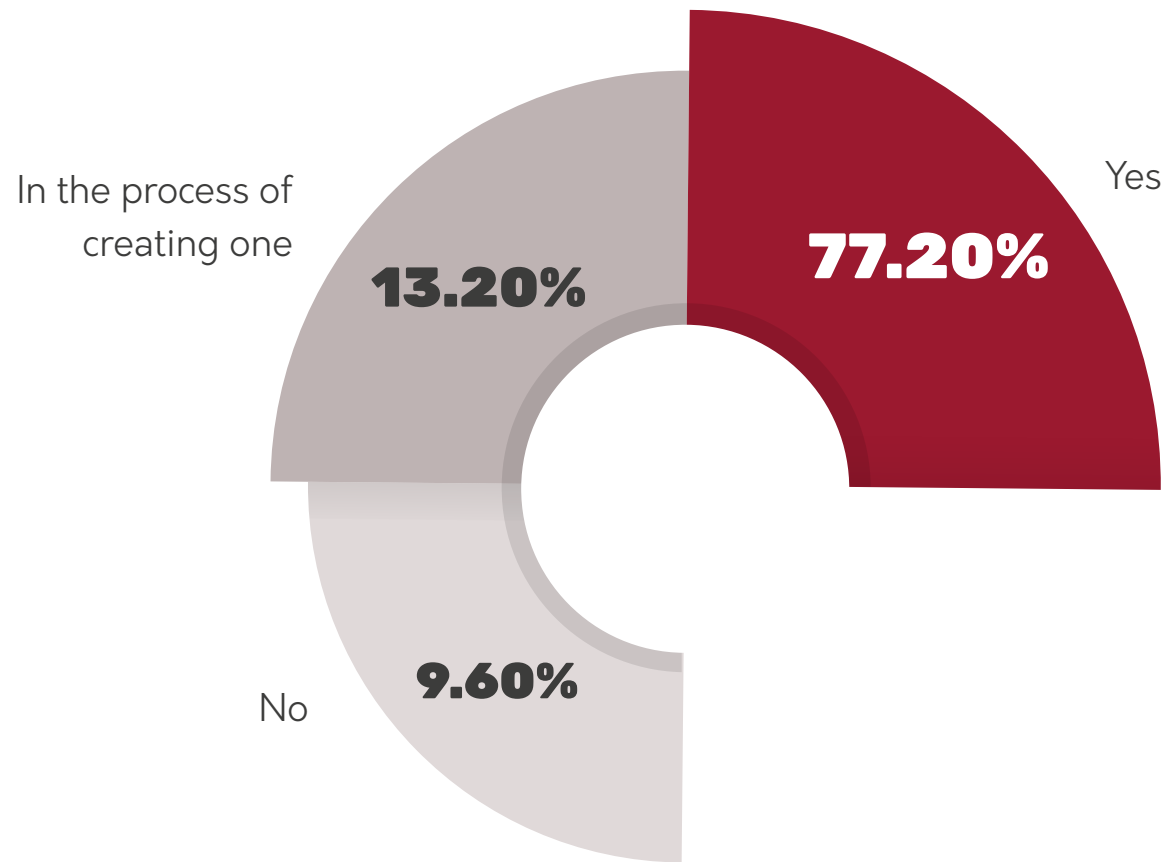
The most important point to remember is that these results are only from businesses that have not permanently closed. This data is from businesses that have the intention of staying open or reopening when they are allowed to do so. The jobs lost from permanently-closed businesses are not even accounted for here.

With that said, I am ecstatic to see that 46.40% have managed to keep their teams and not let staff or contractors go. Some of these will of course be small businesses with just one employee, but it is still a higher figure that I expected.

Another 36%, however, did have to reduce up to five staff members; another 7.4% let go between 6-10 people, and 5.1% of tour businesses had to release 30 or more individuals. As a business owner who employs a team, it is one of the worst feelings you can go through, so my heart goes out to these business owners making such difficult decisions and to the people losing jobs.

For those who are still standing, there is hope. There is a light at the end of the tunnel and hopefully, in time, we can all grow again and re-employ those we had to let go.

# Do you have a Covid flexible booking/ cancellation policy?

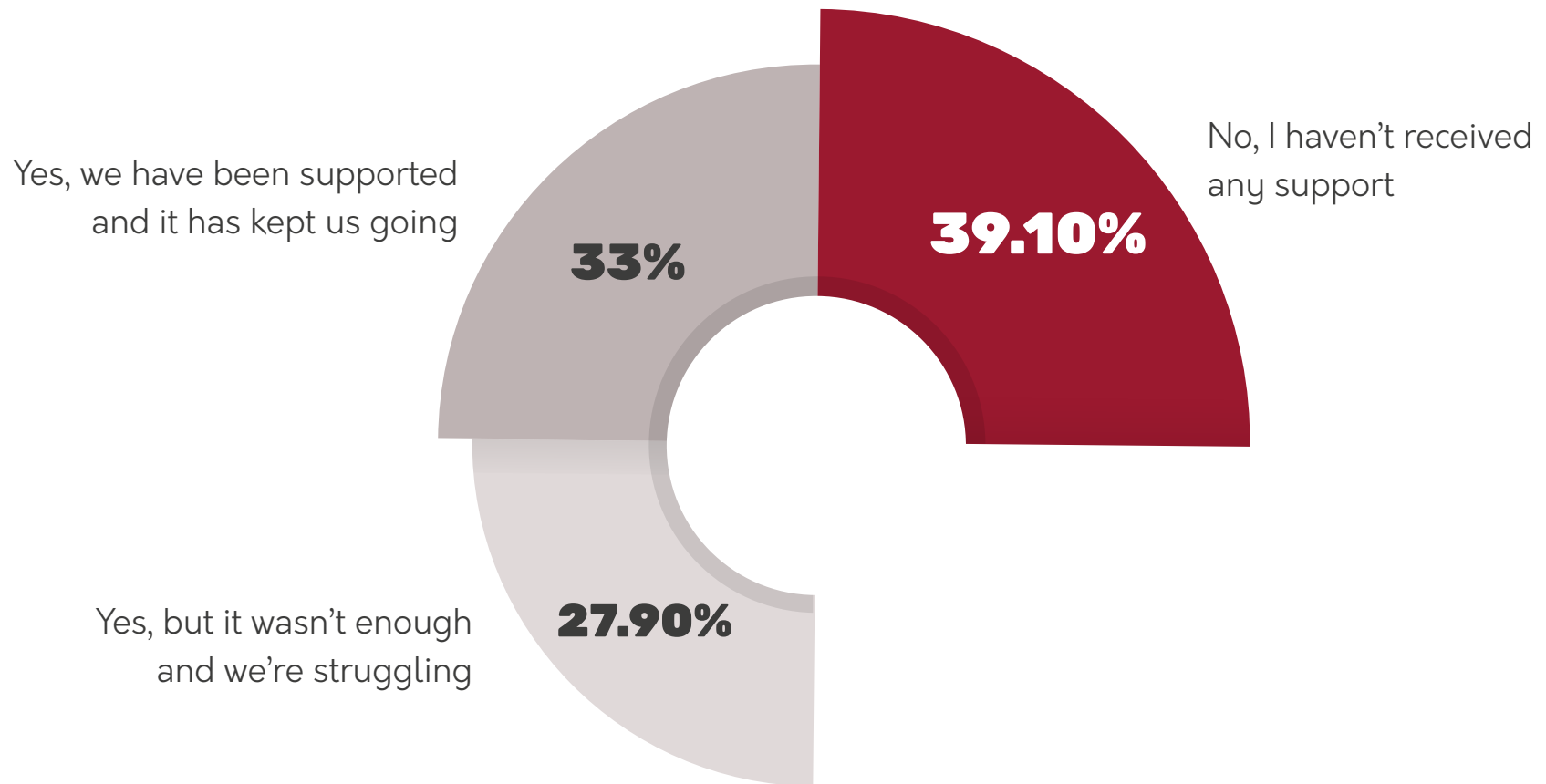


**Going by the responses in our [traveller intent research](#), a Covid Cancellation Policy or some form of flexible terms is an absolute must for tour and activity providers.**

It is great to see so many operators, 77.20% of them, have a policy in place with a further 13.20% in the process of creating one. This is essential if you are to give consumers enough confidence to book with your business without the fear of losing deposits and being able to move a date if they need to. Yes, it adds more admin time for you, but it is what consumers are now demanding, which was obvious given the results of our traveller surveys.

For the 9.6% who said no to creating a flexible booking/cancellation policy, you may find your business being left behind as nervous travellers in 2021-22 and beyond will always choose a business offering sympathetic, flexible policies over one that does not. They will select the one that provides the most guarantees every single time.

# Have you received financial support from your government during the Covid crisis?



**Many governments across the world have offered financial support to help businesses through the pandemic, but many also have not. How will this affect our sector?**

It is unbelievable to think that 39.1% — the majority of those asked — did not receive any financial support from their governments. This is frightening and I feel for these operators. I can only hope those in this situation can and will survive. Another 27.9% did receive financial assistance, but they said it was not enough and they are still struggling.

The 33% who did receive financial support from their government are apparently the lucky minority.

If you combine those who did not receive funding with those who did but who say it's not enough, we are looking at a whopping 67% of operators who may not make it through this crisis.

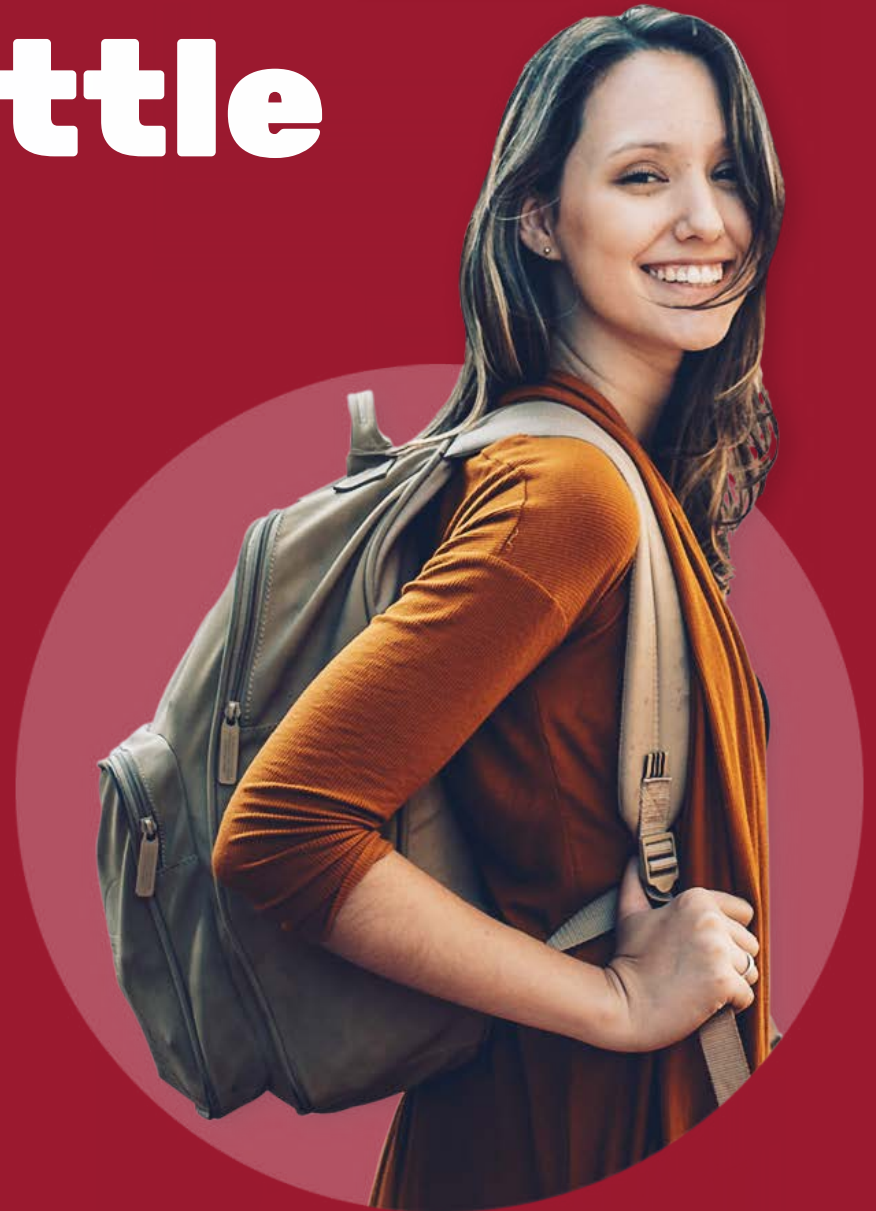
This will have a devastating effect on our industry. Competition can, of course, be challenging for tour operators and activity providers. But, at the end of the day, our industry thrives when travellers have options and independent operators can share their passions with visitors. We should all be supporting each other through this crisis so there is still a place for independent operators after the dust settles.

# Tours & Activities Marketing Battle Plan 2021

**Marketing Through the Crisis.**

Over 200 pages of in-depth market research  
& statistics of real traveller intent within  
North America, UK & Ireland, Europe & Oceania.

**Chris Torres**  
February 2021



This document is not all speculation and theory; the focus on surveys and statistics allows us to provide facts about how your potential customers perceive the threat of COVID-19 and their travel intentions for 2021 and beyond.

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From, Chris Torres, the author of *Lookers into Bookers*

# Tours & Activities Marketing Battle Plan 2021

“Even professional guides need a guide in chaotic times. This is the definitive guide to not just dealing with the challenges we all face but grasping the opportunities that abound.

If you plan to do more than just survive and want to thrive, \$49 is a no brainer”

**Pete Syme**  
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# About Chris



Chris is an author, podcaster, and brand & digital tourism expert with over 26 years' industry experience. Chris speaks at many tourism events worldwide, offering his advice and guidance on how travel, tourism, and destination businesses can gain brand recognition and increase bookings.

Chris has focused his business, the Tourism Marketing Agency, on tour operator marketing with over 90% of his client base coming from outside the UK, working with some of the biggest players in the industry.

Chris is the author of the best-selling marketing book, *How to Turn your Online Lookers into Bookers*, a 400-page book full of practical marketing advice dedicated to the tours and activities sector.

Chris also produces a video advice series called *The Digital Tourism Show* which you can watch on his Facebook Group, YouTube channel, or listen via Google or Apple podcasts.



Chris is also the leader of Travel Massive Glasgow, in which he runs a monthly event for tourism businesses in Scotland. He has grown this chapter to the second-best chapter in the world, out of approximately 150 chapters.

Chris has won numerous awards over the years, such as the Best Tourism Website, Best Digital Agency, and the Scottish SME's Businessman of the Year 2018.

### **Linked In Profile**

<https://www.linkedin.com/in/torreschris>

### **Tourism Marketing Agency**

<https://tourismmarketing.agency>

<https://www.facebook.com/tourismmarketingagency>

### **The Digital Tourism Show**

YouTube Channel:

<https://www.youtube.com/c/DIGITOURSHOW>

Podcast Platforms:

<https://audioboom.com/channels/4990262>

### **Facebook Group:**

<https://www.facebook.com/groups/digitaltourismshow>

### **Travel Massive Glasgow**

<https://travelmassive.com/chapters/glasgow>

<https://travelmassive.com/leaderboard>

### **Touriosity - Commission free OTA**

<https://touriosity.travel>

# Join our family

Would you like to have our team conduct research for your own business or do you want help marketing your business more effectively?

We have many options for small and large tour and activity providers to aid you in defining your target audience, creating content, writing a Covid Guarantee Policy or managing paid advertising or social media.

If you would like to know more, please do [click here to submit your enquiry](#) or email [chris@tourismmarketing.agency](mailto:chris@tourismmarketing.agency).





## TURNING LOOKERS INTO BOOKERS

“We worked with Tourism Marketing Agency to complete some market research and strategic analysis regarding our new website launch and company expansion plans. The audit and report they completed was very thorough with actionable insights. They also took the time to meet with us for a call to discuss the insights, provide additional background information and clarify all the items.”

### **Alicia Ward - SeeSight Tours**

“I started working with Chris and his team just recently, but their advice and insight have been invaluable. They are very responsive and easy to communicate with, which is crucial in these challenging times. The amount of free advice that Chris generates is astounding and especially valuable for small tour business operators like myself.”

### **Manuela Dimitrova - Excedo Travel**

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Scotland

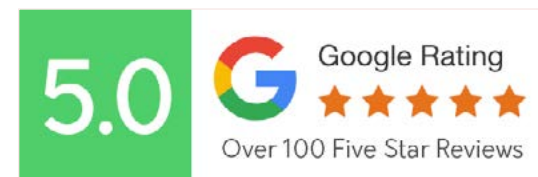
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+44 20 3920 9135

“Chris and his team go above and beyond to give advise and provide the best marketing services that will help any business in these tough times. His insight and knowledge of the tourism industry is second to none. I highly recommend the Tourism Marketing Agency.”

### **James Thomas - Rosehill Tarvel**

“Chris, Cameron and the team have been greatly supportive from start to finish, especially during the Covid-19 crisis, helping to maintain our marketing needs during this time. Chris responds quickly with every question we have and assists with new ideas to grow our business. We are extremely thankful and hope to work with the team for many years to come. Thanks TMA!”

### **Nicola Holland - Horizon Sail**



[tourismmarketing.agency](https://www.tourismmarketing.agency)