

RUSSIAN TOURISTS ALTER BOOKING PLATFORMS AMID MARKET TRANSFORMATION



Russia's economy is undergoing drastic changes during its invasion of Ukraine. Inevitably, this has also affected the tourism market, consumer behavior, potential summer destinations as well as prospects.

While many potential destinations have virtually closed for Russians, stakeholders in the industry remain somewhat optimistic, mainly with regards to domestic tourism, despite the massive problems in the aftermath of the war.

Local Booking Platforms on the Rise

In this context, MTS analyzed depersonalized data on the number of unique visitors to travel accommodation booking sites from February 14 to March 10 this year.

After March 5, the number of users on foreign websites for hotel reservations and short-term rentals dropped sharply because of limitations for the Russian market.

The number of visitors to TripAdvisor's website decreased by 19% compared to the February 2022, while Booking.com traffic fell by 18%. Agoda and Airbnb decreased by 15% and 12%, respectively, but the most notable drop was registered by Trivago - 59 %.

Users have shifted to Russian booking platforms to search for hotel rooms and apartments. In the period from March 5 to 10, the number of users on bronevik.com quadrupled, while traffic on ostrovok.ru tripled. Demand for services kvartirka.com (59%), sutochno.ru (38%) and 101hotels.com (24%) also increased.

Experts see this development as an opportunity to improve Russian online sales services, technologies and IT projects in the field of tourism.

At the same time, however, the ban on popular social networks such as Instagram and Facebook will lead to a narrowing of advertising opportunities, and Yandex, the only remaining large advertising platform, will inevitably increase prices.

Domestic Tourism an 'Island of Stability'

However, this is not the only inevitable consequence of Russia's invasion. With the closure of many destinations, experts believe that domestic tourism will once again be the anchor of Russia's tourism sector.

Outbound tour operators are in particularly difficult situation, having been dealt yet another blow after the Covid-19 pandemic. Therefore, they will also need to shift their focus to the domestic market in order to be able to survive.

Experts consider domestic tourism an 'island of stability' which will provide tour operators and travel agencies with an opportunity to earn money in a time when Russia finds itself more isolated than ever.

In this sense, the renewed cashback program launched by the government could stimulate sales, but at this point, some experts understand that even demand for tours in Russia is 50 % lower than a year ago.

All in all, there is an atmosphere of great uncertainty among Russians. Very "reserved consumer behavior" is being observed, as people are currently more focused on essential products rather than tour vouchers and trips.

Date: 2022-03-21

Article link: <https://www.tourism-review.com/russians-turn-to-local-booking-platforms-news12454>