

RUSSIAN TOURISM MARKET REPORT: TRENDS, ANALYSIS & STATISTICS 2021

How to impress Russian
tourists and attract them to
your country

Edition 2021





RMAA Travel

Marketing to Russian Traveller

Introduction

RMAA Travel team has done our own research of the Russian tourism market and written this study for tourism ministries, foreign companies engaged in the travel industry, airlines, hotels and foreign advertising agencies which deal with promotion of tourism and travel-related services in Russia.

Why is this study unique? Most tourism market researches cover only one of the aspects. For example, they are studying the behavior of tourists and eTravel market tendencies. We've tried to cover everything: from overall review to key players, from behavior of tourists to the marketing strategies of entering the Russian market.

RMAA Travel

RMAA Travel is a Travel Marketing agency whose mission is to make it easy for global travel and tourism brands to access the Russian outbound travel market. We help destinations, tourism boards, airlines and hotels to reach Russian travellers. We are experts in travel communications and marketing in Russia and the CIS. We work with world-class travel brands like Indonesia, Philippines, Finnish North Karelia, Thailand, and many others to advise, build and execute travel marketing strategies.

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Overview of the Russian outbound tourism market

RUSSIA IN THE WORLD

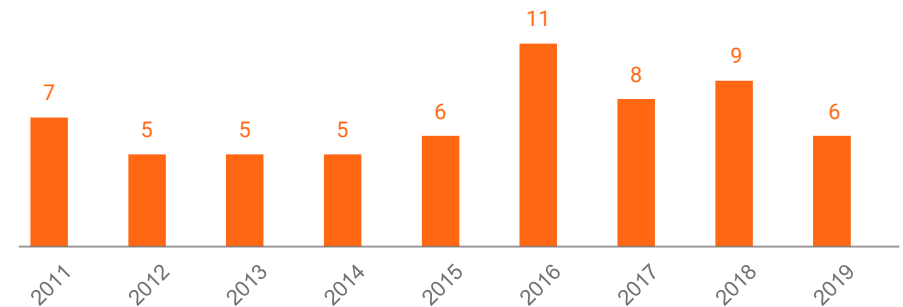
TOP 10 COUNTRIES BY GDP BASED ON PPP

	2019, billion \$*	2020, billion \$**	2020, in %**
CHINA	23.523	26.657	18,78
USA	21.433	22.675	15,97
INDIA	9.560	10.207	7,19
JAPAN	5.504	5.586	3,94
GERMANY	4.783	4.744	3,34
RUSSIA	4.433	4.328	3,05
INDONEZIA	3.338	3.507	2,47
BRAZIL	3.229	3.328	2,35
FRANCE	3.420	3.232	2,28
UNITED KINGDOM	3.337	3.175	2,24

According to the International Monetary Fund, Russia's economy is in the sixth place in the world and is growing faster than the economies of France and the UK.

RUSSIA IN THE WORLD TOURISM

Place by the amount of the expenditures of citizens on holidays and travel abroad



Russia plays a significant part in the world tourism. In 2012 Russians spent for holidays abroad 43 billion US dollars enabling Russia to be included in TOP 5 countries in terms of expenditures of their citizens on holidays and travel abroad. In 2013-2014 Russia held the 5th place, but in 2015-2016 it disappeared from the TOP 10 countries due to the currency crisis. In 2017 (+13%) Russia raised from 11th to 8th place and get into TOP 10 again.

In 2019, tourists from Russia spent \$36.3 billion, which let her maintain the 6th place in the rating. However, already in the first quarter of 2020, the drop in expenses was 15.4%, and in the second quarter - 89.3%.

RUSSIAN OUTBOUND

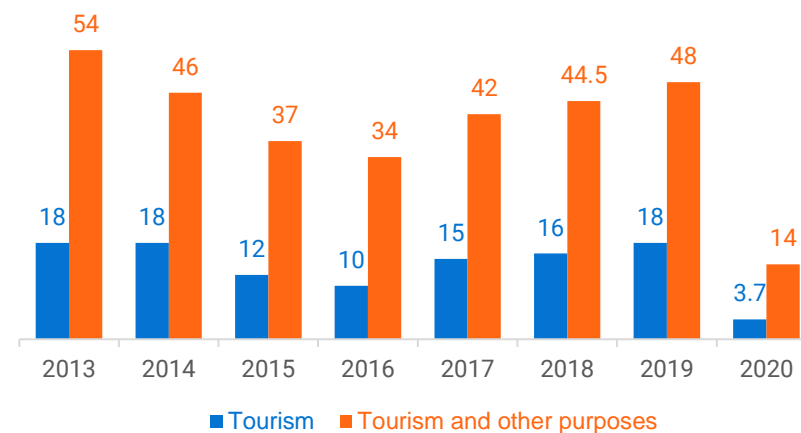
TOURISM MARKET

In 2014-2015 Russia passed through the currency crisis, which occurred due to the drop of oil prices and also economic sanctions over the conflict with Ukraine. As a result, the ruble went down against other currencies, and the economic climate deteriorated, which adversely affected the tourism market.

However, in 2017, the market began to grow. According to the government statistics 42 million people left abroad in 2017, including 15 million – for tourism purposes. The outbound tourism market finished the year of 2018 with a humble (compared to growth rates of 2017) growth in the number of tourists. At year-end 2018, the outbound tourist flow grew only by 6.1% (in 2017 – by 35.9%). In 2019, the outbound flow continued its positive dynamics and grew by almost 8%.

The year 2020 put the travel industry into extreme conditions and radically changed tourists' approach for selection of a country to vacate in. In 2020, according to the Border Guard Service of the Federal Security Service of the Russian Federation, citizens of Russia made a bit more than 14 million trips to foreign countries. This is -71% as compared to 2019 when Russians made more than 48 million trips. Moreover, we should keep in mind that more than half of trips happened in the 'pre-quarantine' 1st quarter of 2020—almost 54% of the outgoing flow accounted for the first three months of the last year.

OUTBOUND FLOW, MILLIN PEOPLE

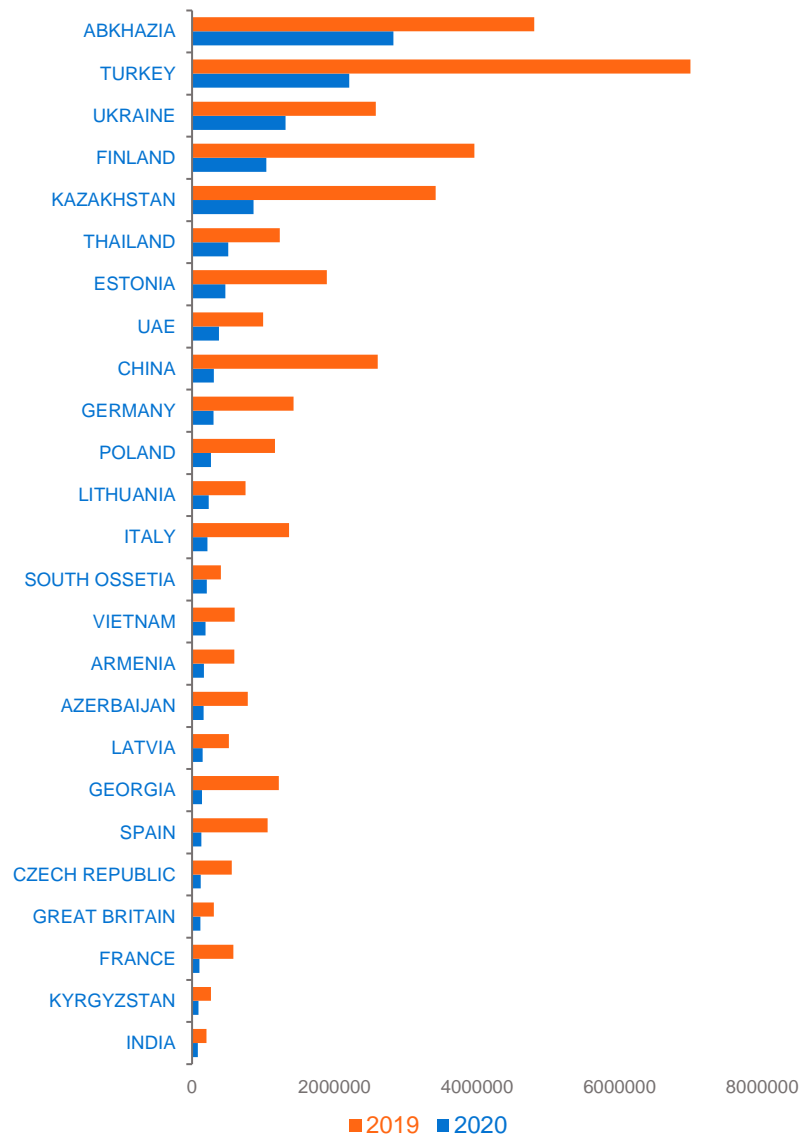


14 million

Russians went abroad in 2020. Outbound tourism decreased by 71% (by 34 million trips) compared to 2019.

WHAT COUNTRIES RUSSIANS PREFER TO VISIT

TOP-25 COUNTRIES IN TERMS OF OUTBOUND FLOW FROM RUSSIA

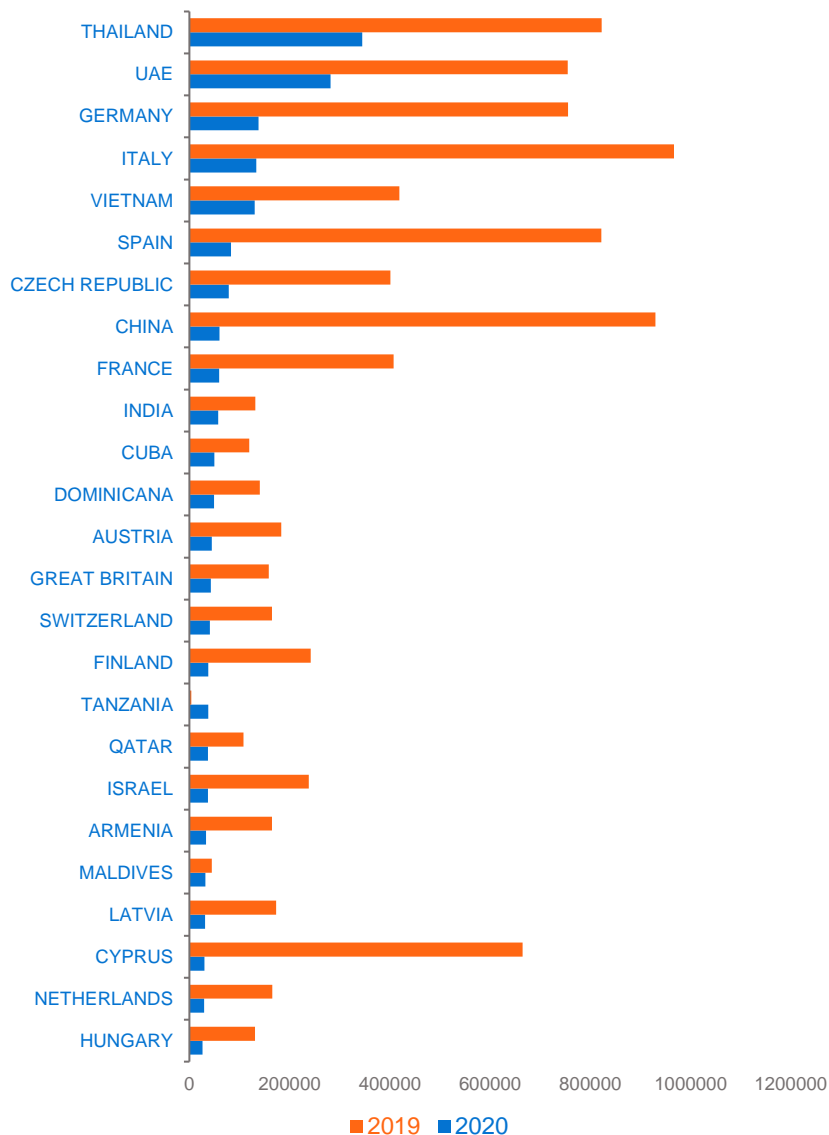


At year-end 2020, Abkhazia became a leader in the number of trips (2.8 million); the outgoing flow to the country decreased by 41% as compared to 2019. The second place is taken by the leader of the previous year, Turkey (2.2 million trips, -68%); the third one is taken by Ukraine (1.3 million trips, -49%). This data includes not only tourist trips, but trips overall.

Russians often go to the countries bordering with Russia such as Finland, China, Poland on business trips, and they also go to the countries of the former USSR (Kazakhstan, Ukraine, Georgia) to visit their relatives and friends.

WHAT COUNTRIES RUSSIAN TRAVELLERS PREFER TO VISIT

TOP-25 COUNTRIES IN TERMS OF OUTBOUND TOURIST FLOW FROM RUSSIA (EXCLUDING TURKEY)



However, if to take only tourist flow, TOP countries will change. All CIS countries will lose their leading positions where people go for work and communication with relatives, and Turkey will be in the first place by a significant margin.

The tourist flow in 2020 dropped by 79%. 3.7 million Russian tourists in total went to foreign countries last year, with Turkey remaining the leader of the outgoing flow at year-end. The lowest drop was demonstrated by tourist flows to China (-94% as compared to 2019), Spain (-90%), and Italy (-86%). At that, Top-25 most popular travel destinations among Russians included India (-57%), Cuba (-58%), Maldives (-29%), and Tanzania (+887%) for the first time ever.

THE IMPACT OF THE PANDEMIC

ON THE TOURIST FLOW

As the pandemic made substantial corrections to numbers of travellers due to border closures and travel restrictions, the tourist flow to some countries reduced to nothing.

Under the new conditions, tourists began selecting travel destinations in a very different way. Now not everything depends on the tour price and tourist's preferences. An opportunity to go to a country that is open for Russian tourists, as well as quarantine requirements for foreign comers come to the forefront.

Precisely because of this advantageous turn of events Tanzania (the only one out of Top 10 leading countries) managed to increase the tourist flow from Russia almost 12 times and move up on the second ranking spot.

Another region, for which the 2020 season was not worse than the previous one, is the Maldives. In September 2020, Russia became a leader by the number of tourists in the Maldives for the first time, while in December 2020 70% more tourists came to the Maldives than in December 2019. In January 2021, Russia became a leader by the number of tourists in the Maldives again. According to the Maldives Ministry of Tourism, the tourist flow from Russian increased by 67.4% (as compared to January 2019) and equaled to 20,973 tourists.

TOP-10 COUNTRIES BY TOURIST FLOW Q2-Q4 2020

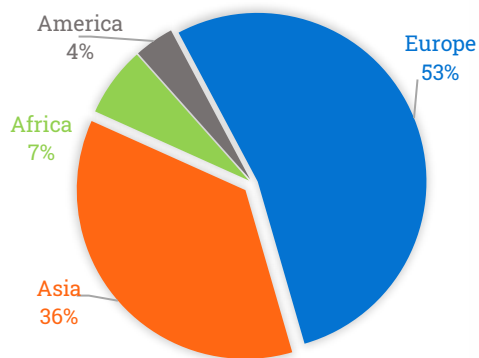
	2020	2019	2020, в %
TURKEY	1279794	5097793	-75%
TANZANIA	35061	2718	1190%
UAE	30953	506700	-94%
MALDIVES	17950	31522	-43%
GREAT BRITAIN	9360	124593	-92%
CUBA	7428	88892	-92%
EGYPT	4496	11551	-61%
USA	3295	96932	-97%
ARMENIA	1999	139330	-99%
ABKHAZIA	1939	38884	-95%

WHAT COUNTRIES ARE VISITED FROM WHAT REGIONS

Russia is a huge country. It occupies 1/9 of the Earth's land and its length from West to East is about 10,000 km. The immense distances affect the tourist market, which is heterogeneous and varies from region to region. From the Far East tourists travel mainly to the countries of the Asia Pacific Region, and from St. Petersburg they mainly go to European countries. Otherwise, it's long and expensive to travel there.

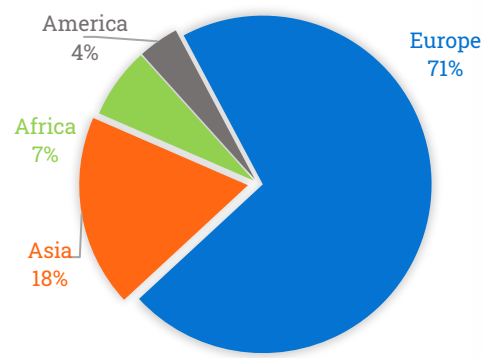
DIFFERENT REGIONS – DIFFERENT DESTINATIONS

TOURISM FROM MOSCOW



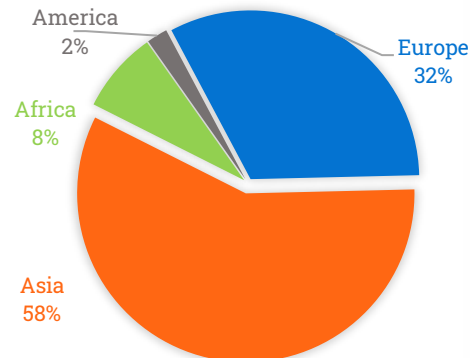
- | | |
|----------|----------|
| Europe | Asia |
| Greece | Turkey |
| Italy | Thailand |
| Bulgaria | |
| Spain | Africa |
| Germany | Tunisia |

TOURISM FROM ST. PETERSBURG



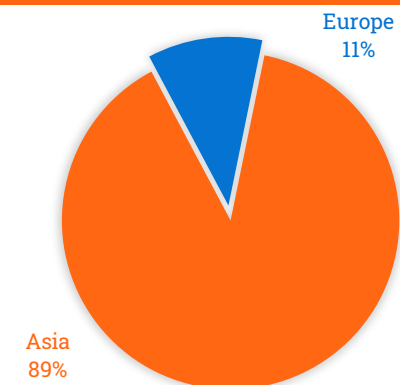
- | | |
|---------------|----------|
| Europe | Asia |
| Finland | Turkey |
| Baltic States | Thailand |
| Greece | |
| Spain | Africa |
| Germany | Tunisia |

TOURISM FROM THE VOLGA, URAL, SIBERIAN FEDERAL DISTRICTS



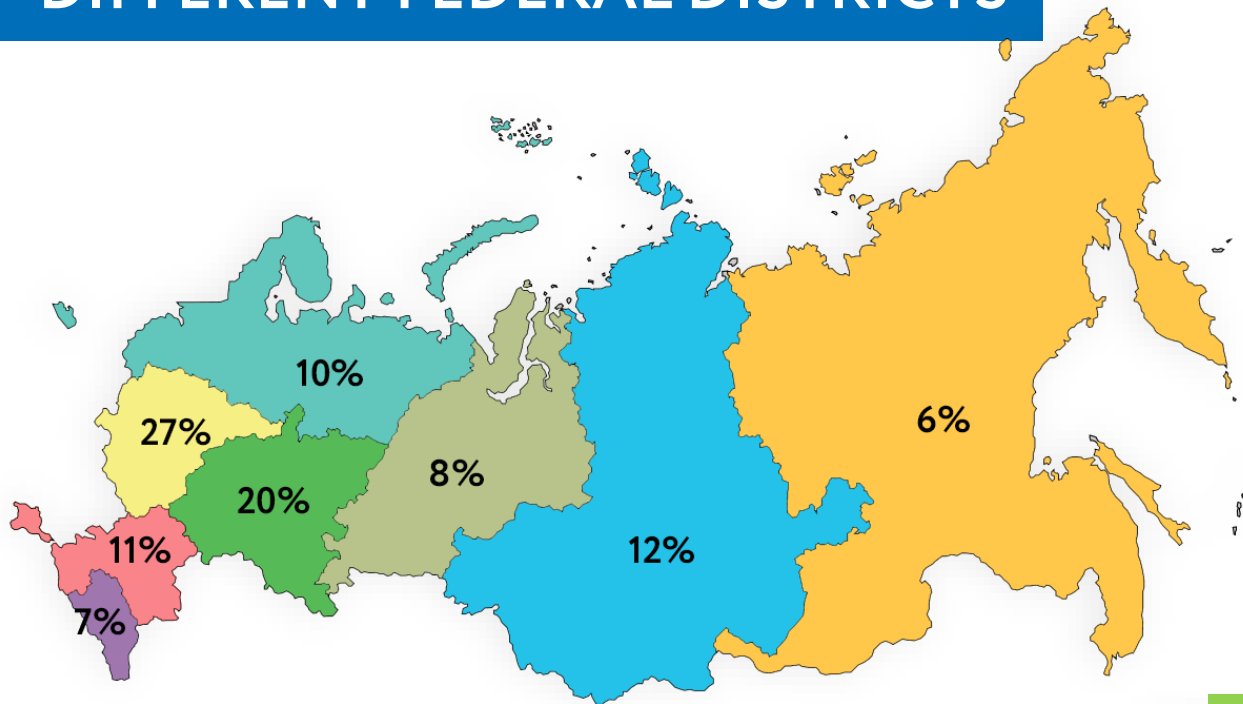
- | | |
|---------|----------|
| Europe | Asia |
| Greece | Turkey |
| Spain | Thailand |
| Germany | Africa |
| | Tunisia |
| | Egypt |

TOURISM FROM THE FAR EASTERN FEDERAL DISTRICT



- | | |
|--------|----------|
| Europe | Asia |
| Italy | China |
| | Turkey |
| | Thailand |

PREFERENCES OF RUSSIANS FROM DIFFERENT FEDERAL DISTRICTS

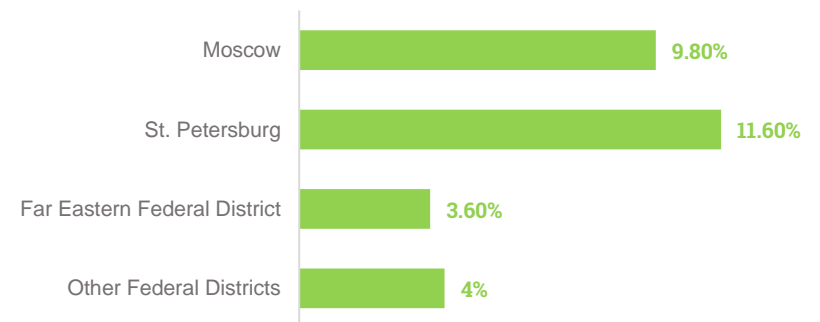


RUSSIA'S POPULATION IS
146,2 MILLION PEOPLE

Russia's population is distributed unevenly. For example, 27% of the population live in the Central District where Moscow is located, and only 6% live in the Far East.

The studies show that the residents of Moscow and St. Petersburg are traveling more readily than the residents of other cities of Russia. 10% of Moscow residents and only 4% of residents of other Federal Districts travel abroad.

MOSCOW AND ST.PETERSBURG RESIDENTS TRAVEL MORE THAN
OTHER RESIDENTS OF RUSSIA



WHEN RUSSIANS GO ON

TOURIST TRIPS

**1 868 250
TIMES**

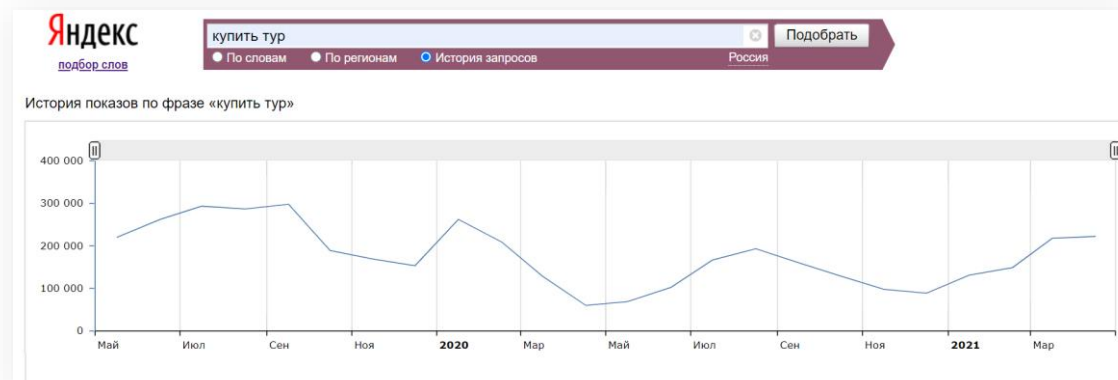
Russian users entered in Yandex search query «купить тур» («book a tour») in 2020. Number of queries decreased by 37% compared to 2019.

In 2020, the demand for tours has dropped significantly due to the pandemic. However, already at the beginning of 2021, we can see positive dynamics.

The demand for tourist trips depends on the season. It's at the lowest point in November – early December. Then it begins to grow. Many people go abroad for the New Year holidays which last from January 1 to January 10 in Russia. In February, the demand is getting steady or slightly falls, and it starts to grow from the spring reaching its peak in July.

Source: Yandex Wordstat, 2021

DYNAMICS OF THE QUERY "КУПИТЬ ТУР" ("BOOK A TOUR")



TOP 10 COUNTRIES IN SEARCH QUERIES "КУПИТЬ ТУР В..." ("BOOK A TOUR TO...")

NUMBER OF SEARCH QUERIES, 2020

TURKEY (1)	228 589
VIETNAM (6)	21 838
UAE (3)	17 343
MALDIVES (22)	16 748
CYPRUS (24)	14 868
CUBA (12)	12 147
DOMINICAN REPUBLIC (13)	10 950
THAILAND (2)	7 672
ITALY (5)	6 520
CHINA (9)	6 291

* The country's position on the volume of Russians leaving for tourism in the 2020 is shown in brackets. Countries from TOP 30 were taken for analysis.



Portrait of a Russian tourist

HOW MUCH TOURISTS FROM RUSSIA

ARE READY TO PAY FOR A TRIP

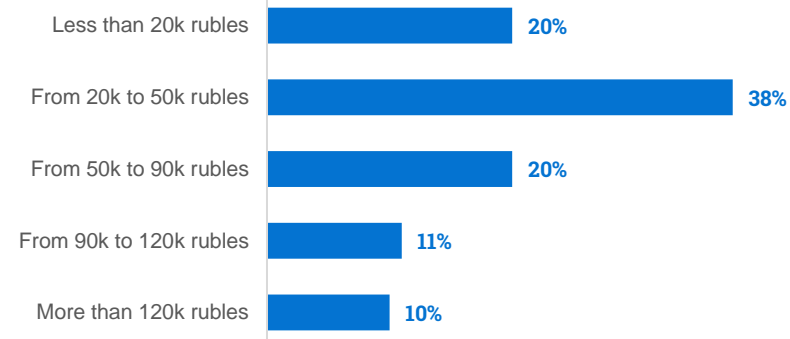
Most often, Russians stay within a budget of 20 to 50 thousand rubles. This is the average spend of 38% respondents. Every fifth tourist tries to travel as sparingly as possible, spending fewer than 20 thousand rubles. The same number of respondents are ready to pay from 50 to 90 thousand rubles.

11% service users budget for 90 to 120 thousand rubles per tour. Only nearly ten percent respondents spend more than 120 thousand rubles on one trip.

For most respondents (70%), travel time varies from 4 to 14 days. Only every tenth respondent travels for more than two weeks, while every fifth one prefers short trips.

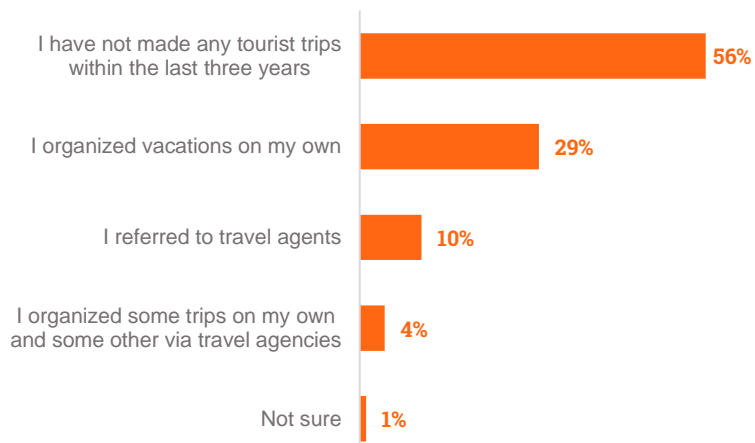
At that, major tour costs account for transportation. As the poll showed, one quarter of the vacation budget goes on payment for tickets or petrol and car rental. Tourists spend nearly the same amount of money on catering and 22% more on accommodation. As for leisure and entertainment activities, vacationers budget for some 20%.

HOW MUCH ARE YOU READY TO SPEND ON VACATION?



INDEPENDENT TRAVELS VS ORGANIZED TOURS

IF YOU HAVE MADE ANY TOURIST TRIPS ACROSS RUSSIA OR ABROAD WITHIN THE LAST THREE YEARS, DID YOU ORGANIZE YOUR VACATION ON YOUR OWN OR REFER TO A TRAVEL AGENCY?



Today, Russian tourists quickly make up their mind about the travel destination and come with a ripe plan. They plan their travels on their own and address to the Internet to choose a vacation spot and make up an activity plan three times more often than to travel agencies.

Within the last three years (until January 2020), 44% Russians made tourist trips across or beyond Russia. Out of them, 29% fully organized their vacations of their own, while 10% sought assistance of travel agencies.

In their plans for coming holidays, 44% respondents will probably be looking for and buying tickets on their own, without any assistance of tour operators, and 43% do not rule out that they will be looking for and booking accommodation on their own. 29% Russians consider using tour operator services.

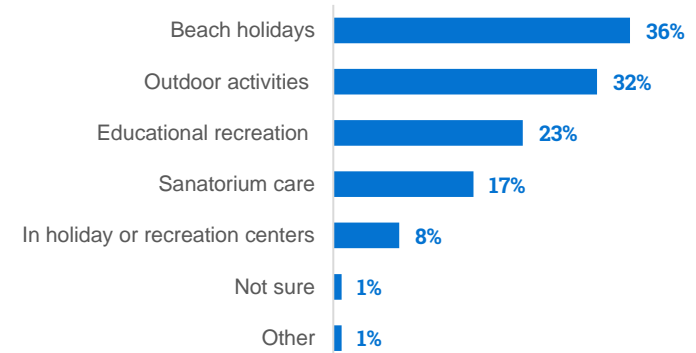
PREFERABLE LEISURE

TIME ACTIVITIES

When it comes to preferable leisure time activities outside their region, Russians primarily mention beach recreation (36%), active tourism (skiing, snowboarding, hiking etc.), and educational trips including historical site excursions and sightseeing (32% and 33% respondents respectively).

That said, male travellers show a preference for outdoor activities almost twice as often as women (43% respondents vs. 23% women), while women choose educational trips and sanatorium care much more often than men (26% and 22% vs. 18% and 12% men respectively).

WHAT LEISURE TIME ACTIVITIES DO YOU PREFER?

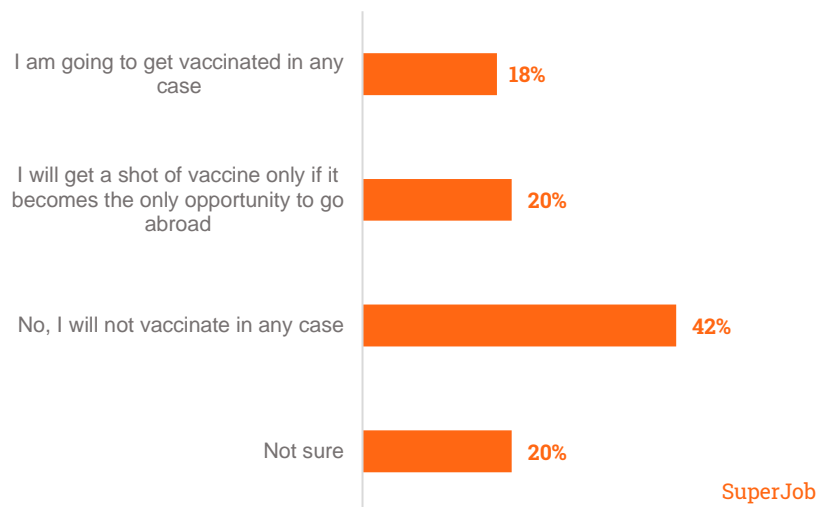


WHAT LEISURE TIME ACTIVITIES DO YOU PREFER?

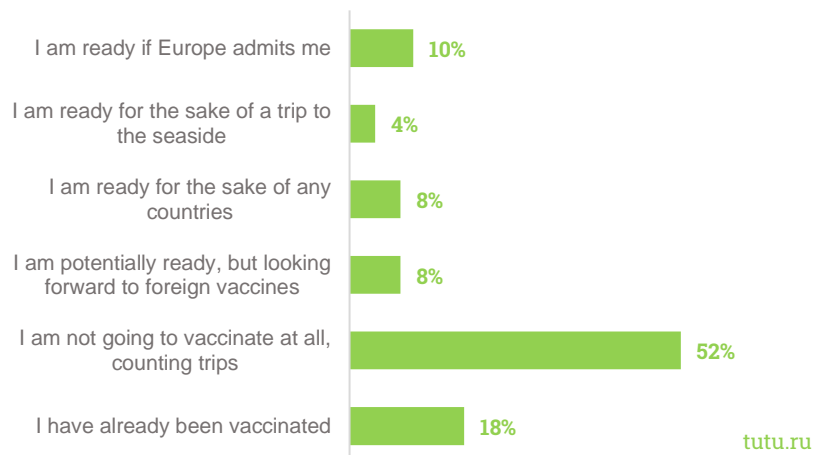
	Men	Women
Outdoor activities	43	23
Staycation	38	35
Beach holidays	35	36
Vacation in the countryside	34	39
Educational recreation	18	26
Sanatorium care	12	22
In holiday or recreation centers	5	10
Other	1	1
Not sure	1	1

VACCINATION FOR TRAVELLING

WILL YOU RECEIVE COVID-19 VACCINE IF THIS IS THE ONLY OPPORTUNITY TO GO ABROAD?



ARE YOU READY TO RECEIVE COVID-19 VACCINE FOR THE SAKE OF TRAVELLING ABROAD?



After the news that Greece is going to accept tourists vaccinated with Sputnik V, a Russian vaccine, every fifth Russian told that they are ready for vaccination if this is the only opportunity to go abroad.

According to a poll by SuperJob, a well-paid job search service, 20% residents who have not been vaccinated against COVID-19 say that they will receive the vaccine if this becomes the only chance to go abroad. 18% are going to get vaccination in any case. 42% do not want to be vaccinated under any circumstances. 20% are not sure.

A poll conducted in March 2021 by tutu.ru, a travel service, found that 30% Russians are ready to receive a shot of COVID-19 vaccine for the sake of travelling.

PORTRAITS OF TOURISTS

We conducted in-depth interviews with Russian travellers to understand better their needs and peculiarities of behavior. In the interview people tell about what is important for them during traveling, why they choose an organized tour or independent travel.

A good understanding of the target audience allows you to build more meaningful, personalized communication with them, get clear insight into the needs of travellers and conduct affective advertising campaigns.

INDEPENDENT, INDIVIDUAL TRAVEL

— Why do you like snowboarding?

— I like snowboarding because it really clears my mind. Up on the mountain no thoughts about work come. There everything is clear - if you are scared little bit, lose the balance, you fall off the track. For me, snowboarding gives me the opportunity to stay alone with myself. There is me, the mountain and there is a concentration, stress which brings enjoyment. Every time it's kind of overcoming. If you withstood the pressure and fear, you can pass some curve extremely well, jump super cool. But you need to overcome yourself every time. I like it. I wish it never ended. I would roll, roll and roll.

— How did you choose a ski resort?

— My father's friends told me that they went to Nagano, Japan for skiing. And when I didn't get to the ski resort Sheregesh near Novosibirsk, I decided to go to Nagano. The flight from Khabarovsk was even cheaper.

— How do you plan your travel?

— My planning is very funny: I plan the route from the airport to the hotel. My task is to reach Wi-Fi at a hotel. After I'll get everything arranged on the way. There is no sense to think about something else. I am a geek, that's why I download maps. I often upload them offline, there is such a mode in Google Maps. I sometimes even print out a piece of a map, the very "last mile" from the bus stop, where I get off, to the hotel. Because I know that I will be on my way at 10 o'clock and my phone can run out of charge by that time. I always make a booking in two languages. If we go to Japan, I print out a booking in English and Japanese to show it to a Japanese person and ask: "Where is it?"

Independent traveller

A man, 27 years old. He lives in the Russian Far East. He travels independently. He actively goes into sports. He prefers ski resorts. In 2017 he visited Nagano Ski Resort (Japan).

INDEPENDENT, INDIVIDUAL TRAVEL

— What did you like at the ski resort in Nagano?

— In contrast to our ski centers I liked that you can go without equipment to Nagano. There you can rent a jacket, helmet, gloves, whatever. It's cool! The equipment is divided into three classes there. There are a Baby class, Middle-class, a High performance Class for the pros. This is the first. Second is that there are different ranges of complexity starting for beginners and higher-higher-higher. There are trails for free ride and mogul skiing – just for crazy people. Third is the climate. I've gone skiing at 15 °C above zero for the first time. In Russia I go skiing at 28 °C below zero, but there you sit and drink coffee outside — it's an amazing experience. Fourth is a lot of snow, about three meters, and it's probably soft. Over the last few years we have problems with snow - it's hard and it's not enough. To fall is very painful and you can easily damage a board with stones. And it's so beautiful there. Views are spectacular when you are climbing to the top. What a spectrum! You think: "Somebody made it up!!!" It is very beautiful and the scale is exciting. The mind doesn't get used to it. It's really cool.

Independent traveller

A man, 27 years old. He lives in the Russian Far East. He travels independently. He actively goes into sports. He prefers ski resorts. In 2017 he visited Nagano Ski Resort (Japan).

- ❑ Thanks to the interview with travellers you can understand what inspires them and what their passions are. For what impressions he is ready to rush to the end of the world. It helps create really strong creative ideas, which don't leave those for whom it's intended indifferent.
- ❑ Russians often ask their friends and acquaintances for recommendations. The more people who will speak well of your country, the more likely that you will be visited by their friends.
- ❑ You can collect of experienced travellers that will help other travellers not to get lost in a foreign country and enjoy the leisure time. So you will take maximum care of tourists and create the image of the country welcoming even in small things.
- ❑ Tourists tells what they like best in your country and for which they are willing to pay money. Just use their arguments in advertising. Let those who are crazy about your country, and advertise it to others.

INDEPENDENT JOURNEY TOGETHER

— How do you prefer to travel on a package tour or independently?

The husband: We like to travel ourselves. We buy tickets on the airline website, book through booking.com and airbnb.ru. We rent a car if we need.

The wife: To travel independently is more interesting. To schedule a tour to the country where you haven't been yet is a real creative work. I choose an airline myself, book a hotel myself and decide myself what cities I want to see. You need to read forums for it, think through everything. It is a good brain exercise; I check the limits of my possibilities, my own courage. It's more frightening than to go on a package tour, but it's more interesting. I create our travel ourselves. The tour becomes a product of my creativity, my brainchild, my creation, and I am proud of it.

— Why don't you like organized tours?

The husband: I like when we go ourselves because in this way we are independent and move at our own pace. I don't like excursions due to it. I want to scrutinize something but everyone run already further. Or you have to wait for someone, or someone's children are screaming. When you are on your own, you organize your pace and space. We get up in the morning, spontaneously make a decision to go somewhere, get into a rented car and go. It's very convenient.

The wife: And I don't like organized tours because I understand what everyone is saying. I leave my country and want to immerse myself in another culture. And the presence of tourists who speak my native language, takes me back home, it's annoying. During traveling I like to communicate with locals, learn about their lives, culture, how they live, what they think. I have more impressions about other people rather than places.

Independent travellers

There is a married couple. The husband is 35 years old. The wife is 32 years old. They live in the Central Russia.

They travel independently. They prefer educational tourism. They visited Japan in 2017. They visited Georgia in 2018.

INDEPENDENT JOURNEY TOGETHER

— What else do you like in the independent travel?

The husband: I like to taste local cuisine. We specifically chose the authentic places. In Japan, for example, we tasted business lunches in eateries where there was no English menu. So, besides sightseeing attractions we are interested in alien life, how other people live.

The wife: And also another point. We have nothing to say about beach package holiday. But you can write almost every day in social media about independent travel: where we move, what we do, who we talk with. I filled up all Facebook with photos during my travel.

Independent travellers

There is a married couple. The husband is 35 years old. The wife is 32 years old. They live in the Central Russia. They travel independently. They prefer educational tourism. They visited Japan in 2017. They visited Georgia in 2018.

- ❑ Tourists, referring to their experiences, snatch the strongest impressions and burst out ready slogans for advertising campaigns. "Create your travel" — isn't it a slogan? Take and use it.
- ❑ Tourists not only tell you why they choose independent travel, they explain why they reject organized tours. Sometimes their insights allow investing a new product which is without drawbacks.
- ❑ For modern tourists it's not enough to have a good rest, they need to discuss their impressions with their friends and share them in social media. The more interesting holiday will be, the more people will learn about your offer.
- ❑ Tourists tell the criteria why they choose your country. It's enough just to mention these criteria in the advertisement and they will attract new tourists.
- ❑ Good rest is not only beach and delicious food but also hundreds of little things like a hair dryer in a room and quiet neighbors. If you know these small things, you can create a personalized offer and win the hearts of Russian tourists.

ORGANIZED TOUR, TRAVEL TOGETHER

— How do you prefer to travel on a package tour or independently?

The husband: We have the trusted travel agency through which we travel. We know that we'll fly on time and know that we'll fly back.

The wife: You feel more confident traveling through a travel agency, when you go abroad for the first time. My husband was anxious - he bought a book about Thailand, read about sightseeing attractions, about how to behave to lower a degree of uncertainty.

— How do you prefer to rest?

The husband: I like going sightseeing, doing shopping to buy gifts, exercising in a gym. I don't like swimming, to hang out at the beach is too boring. I like local cuisine; I begin to miss it in Russia.

The wife: In Thailand we like people, their benevolence and kind-heartedness. We like the weather, the sun and the sea. We like food, fruits, and drinks. We relax there and mentally calm down. I like the beach, relax, massage.

— What is important for a good holiday?

The wife: To enjoy my rest, it's important for to feel comfortable in a hotel room. The comfort for me is a view of the sea from the window, large soft bed, good shower from which water flows under normal pressure, hair dryer. It's also important that Chinese don't live in a hotel. They are too noisy, and they litter a lot. And also there shouldn't be violent Russians. I like when it's quiet, when nobody disturbs anyone, everyone is polite and respect other people's sleep and rest.

If we go through a travel agency and we are settled in a room, which for some reason we don't like it, we always change it. My husband always says: "Look at the room, are you satisfied?" If not, for example, with the view of a Chinese eatery, my husband goes to the reception and asks to change the room. They are responsive—they never denied to us.

□ Any tourist product has its advantages. If independent travel is associated with creativity and adventure, the travel through a travel agency is associated with safety and reliability.

Organized travellers

There is a married couple. The husband is 40 years old. The wife is 37 years old. They live in the Far East of Russia. They travel through the travel agency. They prefer a beach holiday. They visited Thailand in 2018.

THE WAY OF A TOURIST: FROM THE INTENTION TO THE REVIEW OF THE TRIP

The center of power and control over information has shifted in favor of the consumer. Now, it's ever more crucial to understand the path to a purchase and track the impressions at every point of contact with the audience.

In order you to visualize how tourists from Russia plan their travels, we reproduced the way of a tourist from the moment he or she felt need to travel until he or she came back and shares his or her impressions. We showed where people seek information, how they make decisions, what emotions they feel, by the example of two portraits:

- a married couple traveling on a package tour;
- a single man travelling alone



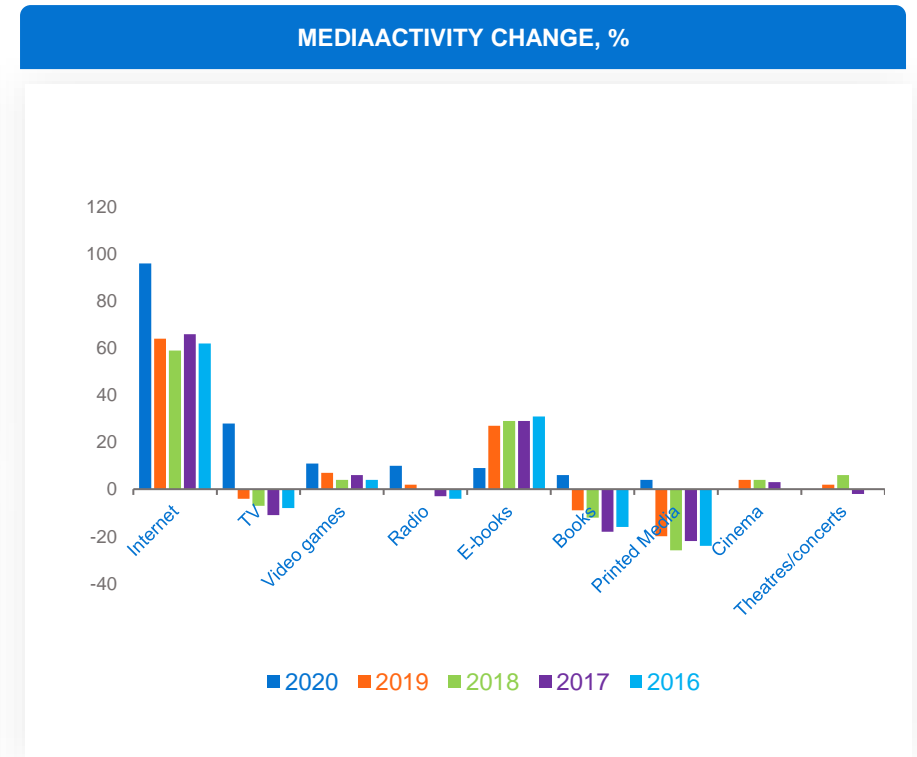
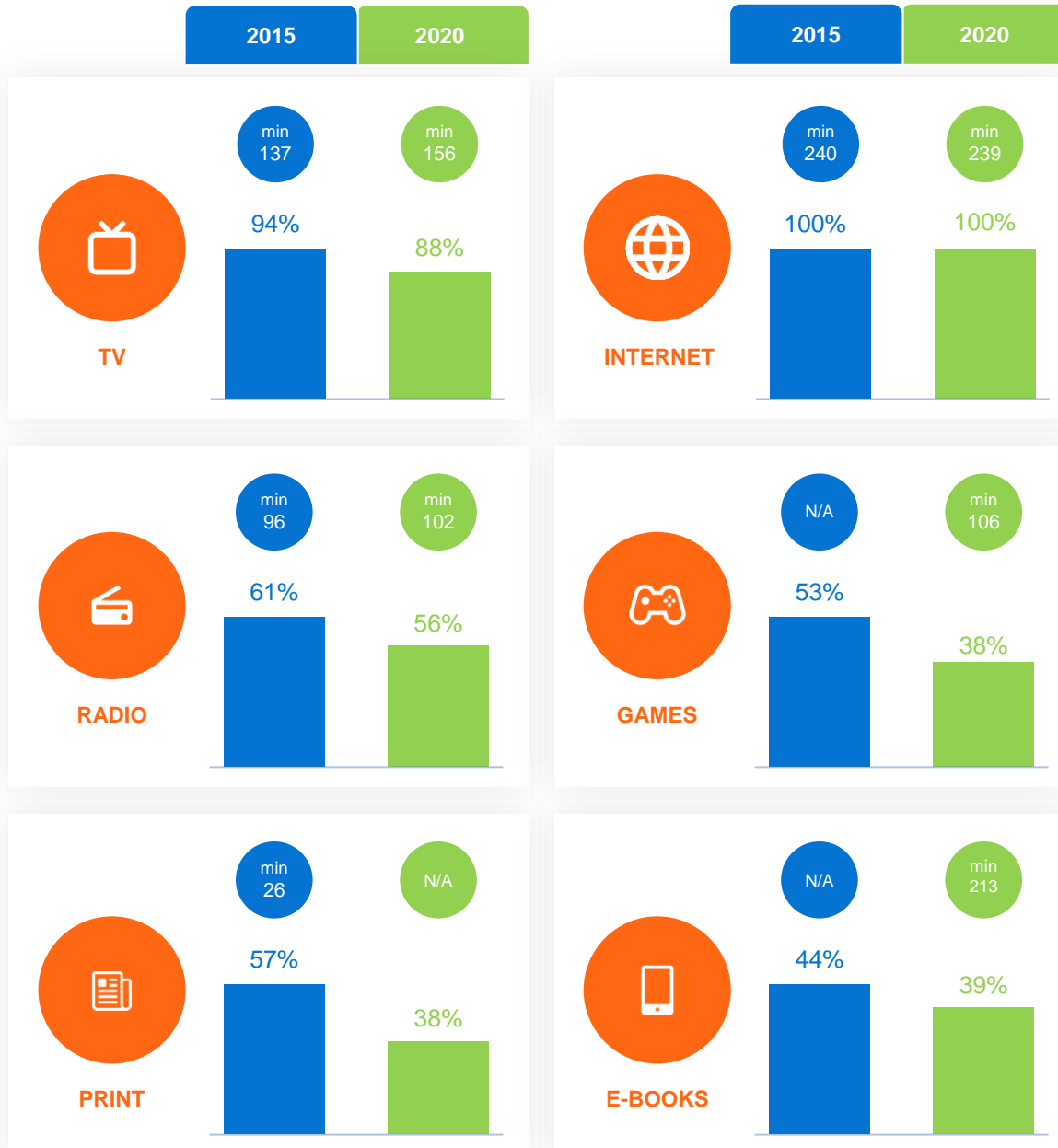
We placed out CJM into the separate PDF-file for you to consider it carefully

[Download](#)



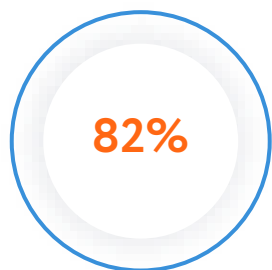
Media consumption in Russia

MEDIA PREFERENCES

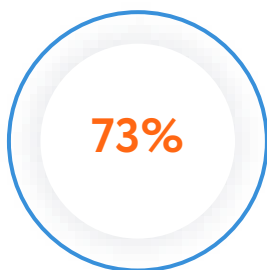


In 2020, there is a decrease in the audience of many media channels (TV, print media, etc.) compared to 2019. At the same time the activity and time spent by consumers of media content on their favorite channels significantly increased in 2020. In 2020, due to the impact of the pandemic, many Russians noted an increase in the consumption of Internet services.

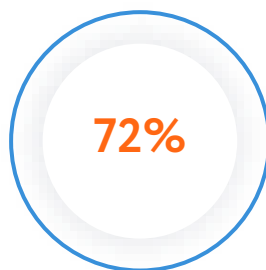
ATTITUDE TOWARDS ADVERTISING



ready to watch ads if it allows them to watch videos for free

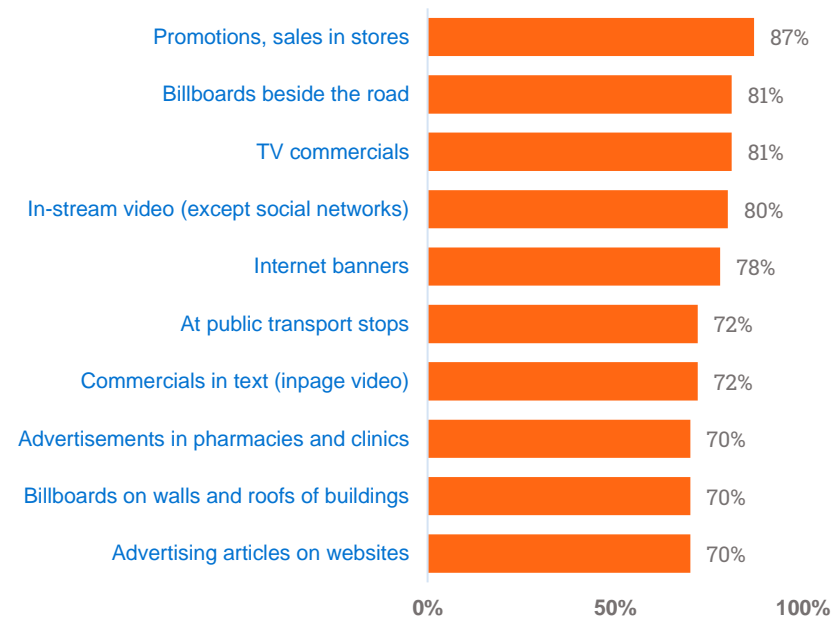


believe that advertising can be useful if it tells about interesting brands and products

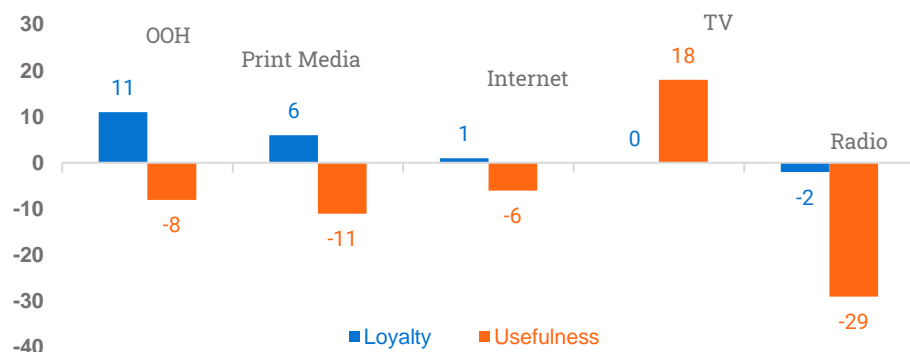


say they like funny or witty ads

WHICH ADS GET NOTICED THE MOST?



DYNAMICS OF THE INDEX OF LOYALTY TO ADVERTISING AND THE USEFULNESS OF ADVERTISING, %



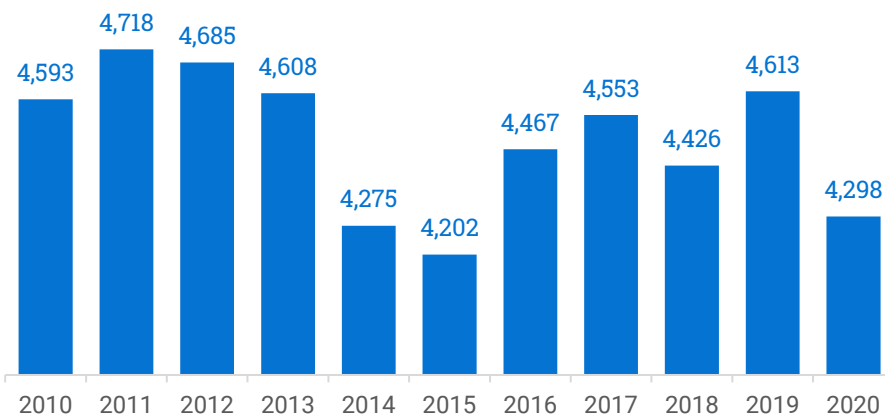
Russians are still the most loyal to outdoor advertising and advertising in print media. Also, compared to 2019, Russians have become more loyal to online advertising (+3 pp). TV ads are considered the most useful.



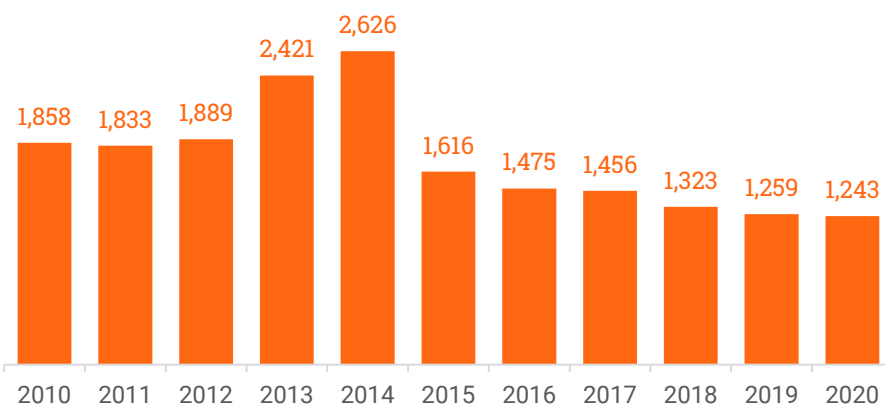
Overview of B2B tourism market

TOUR OPERATORS MARKET STRUCTURE

NUMBER OF TOUR OPERATORS



DOMESTIC TOURISM



According to the results of 2020, the number of tour operator entities has reduced by 278 companies, or just by 6%, from March 2020. With this in mind, 107 out of 278 companies that went out of business or into liquidation worked in the field of outbound tourism (20% reduction).

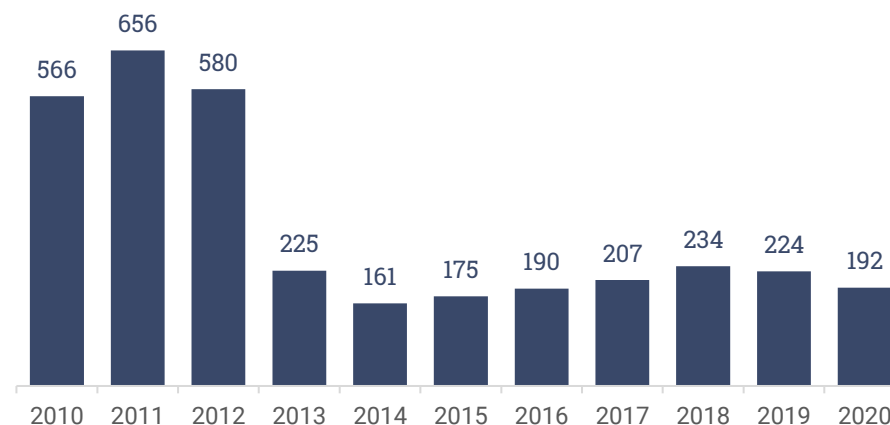
As estimated by ATOR, in 2020 a decline in earnings of tour operators was more than 60% on average in all tourism kinds, as compared to 2019. It is worth reminding that the Federal Agency for Tourism estimates total losses of the Russian tourism industry in 2020 at more than 1.3 billion rubles.

TOUR OPERATORS MARKET STRUCTURE

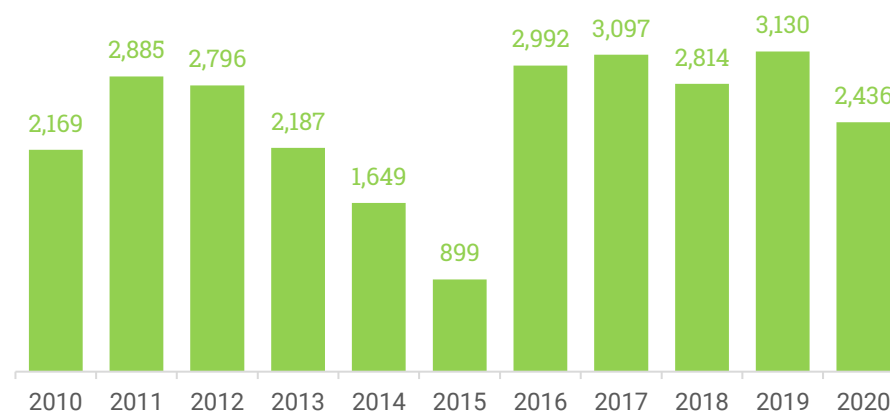
The most serious blow of the pandemic took tourism retail sales. So, according to expert reviews of tour operators, the number of their retail partners, which are travel agencies that went out of business after March 2020, equaled to nearly 5-6 thousand countrywide in 2020.

Therefore, nearly 30% of the total number of travel agencies went out of business in the Russian Federation as compared to February 2020. At a rough guess, the largest decrease of the number of operating agencies is registered in Moscow, regions of the Central Federal District and the Far East.

INTERNATIONAL INBOUND TOURISM













INTERNATIONAL INBOUND AND OUTBOUND TOURISM



TOUR OPERATOR RELIABILITY RATING



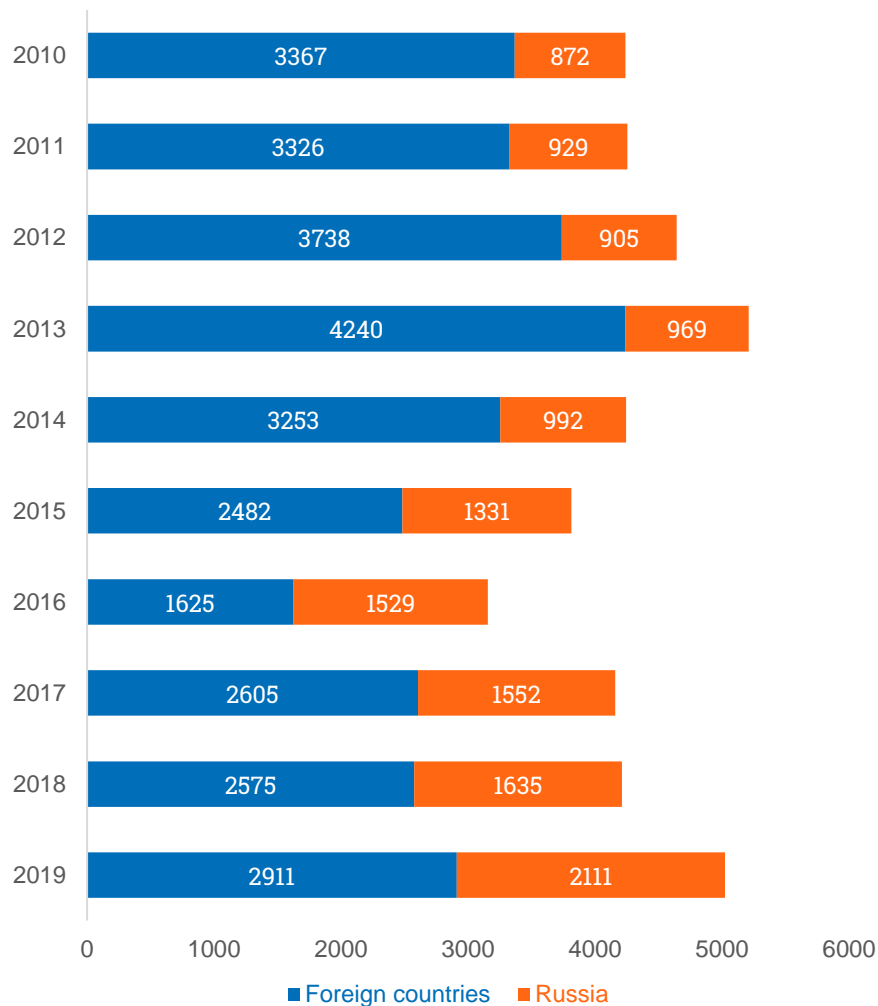
Tour Operator	The basic facts	Overall Rating
	Year of foundation: 1996 Thailand, Tunisia, Turkey, Dominican Republic and others	98/100
	Year of foundation: 1995 Cyprus, Turkey, Bulgaria, Spain and others	96/100
	Year of foundation: 1992 Thailand, Vietnam, UAE and others	92/100
	Year of foundation: 1994 Greece, Cyprus, Turkey, Spain and others	92/100
	Year of foundation: 1994 Thailand, Tunisia, Turkey, Spain and others	92/100
	Year of foundation: 1929 Greece, Thailand, Turkey, Italy and others	88/100
	Year of foundation: 1994 Greece, Cyprus, Turkey and others	88/100
	Year of foundation: 1992 Cyprus, Israel, Italy and others	86/100
	Year of foundation: 2005 Turkey, Thailand, Bulgaria and others	84/100
 VEDI TourGroup	Year of foundation: 2002	82/100

The rating of tour operators was prepared by online tour hypermarket Travelata.ru based on data of 10 key criteria which affect the credibility of a tour operator and its position on the tourism market.

Counting system: The maximum possible total rating of a tour operator on the sum of all criteria is 100 points. The rating covered 24 largest tour operators which were evaluated by 10 key criteria characterizing a tour operator in regards to its credibility.

SALES OF PACKAGE TOURS TO RUSSIANS

NUMBER OF PACKAGE TOURS SOLD TO RUSSIANS, K

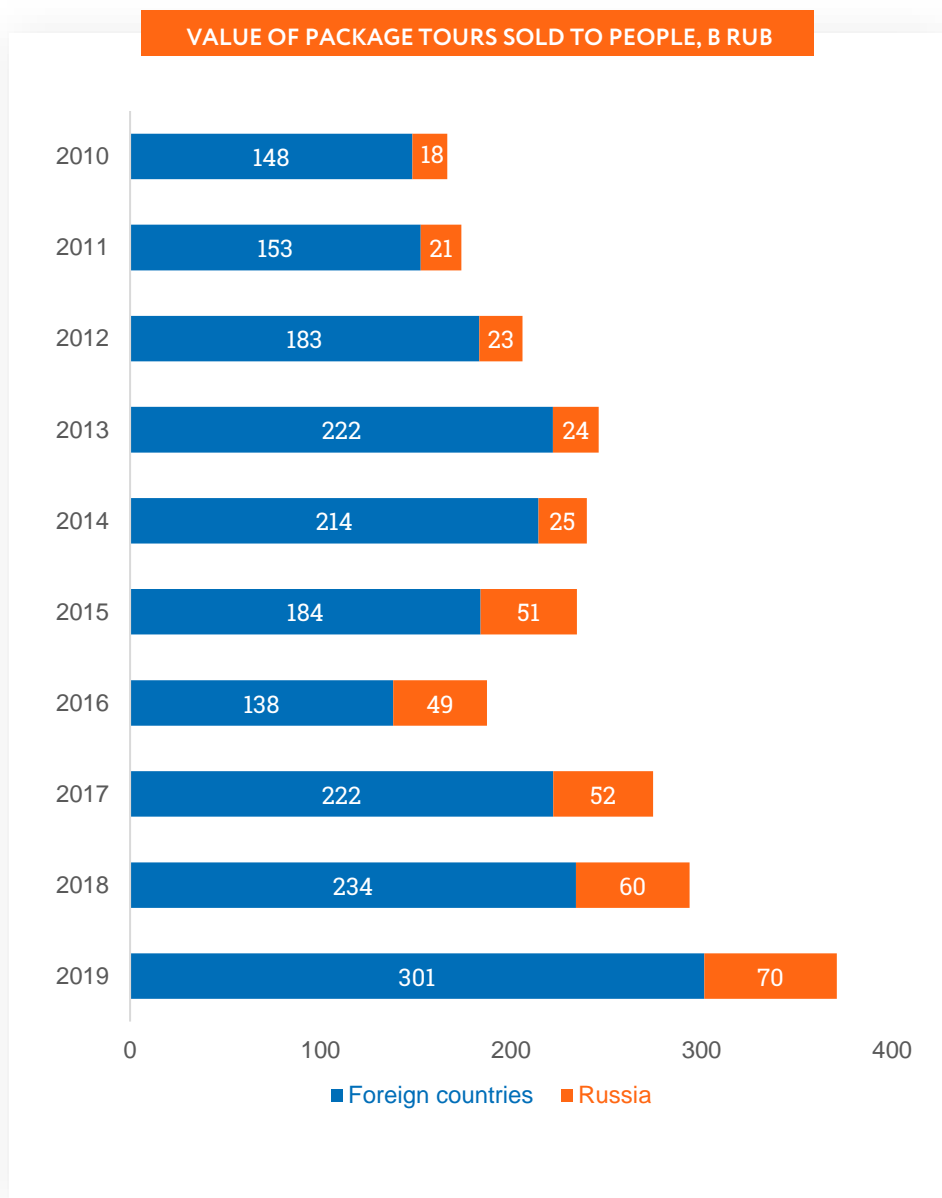


Within 10 years (from 2010 until 2019), the number of package tours to foreign countries sold to Russians has dropped by 14%. That said, the number of organized tourists travelling across Russia has increased by 142% and exceeded 2 million.

After the 2014-2016 downfall, the market of organized tours to foreign countries began growing. However, it never reached the pre-crisis level.

The dynamics of domestic organized tourism in Russia is well ahead of outbound one. According to ATOR, in 2020 the share of organized tourism increased by nearly 1%, as compared to 2019, and equaled to 21% in the domestic market.

SALES OF PACKAGE TOURS TO RUSSIANS



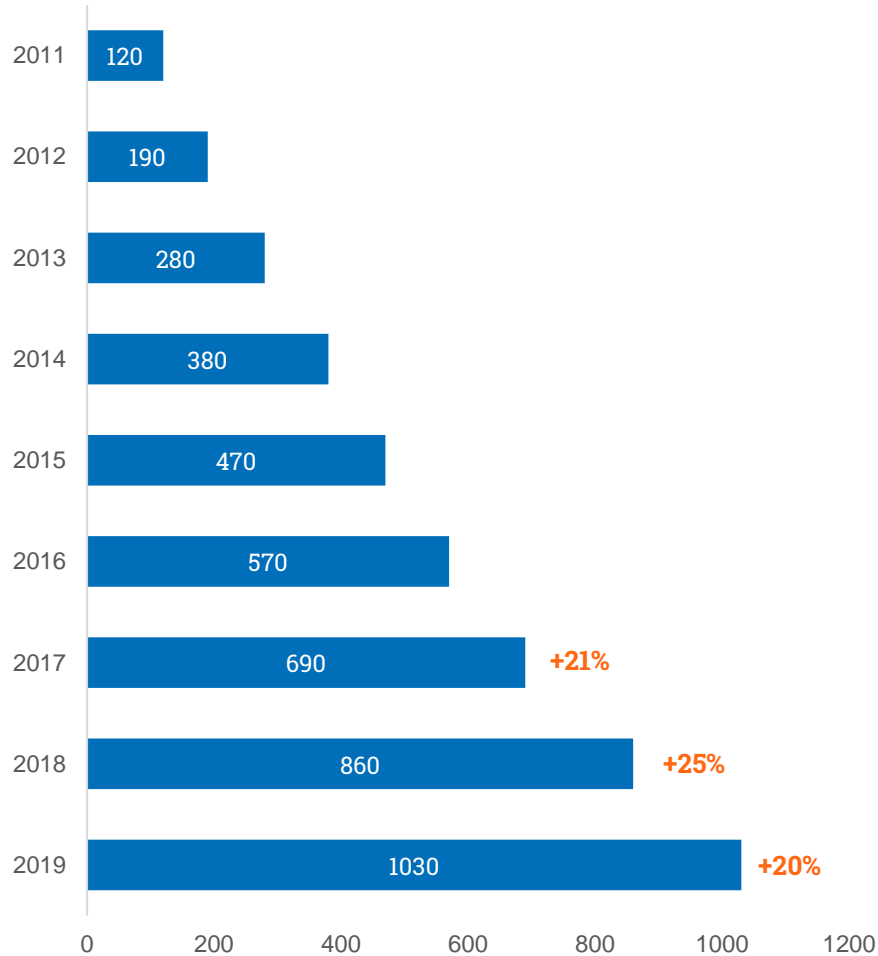
Within 10 years (from 2010 until 2019), the revenue from package tours to foreign countries sold to Russians has increased twice in rubles, but a harsh ruble depreciation that happened in 2014-2015 should also be taken into account.

The earnings of domestic organized tourism have increased almost 4 times (by 279%) within 10 years.

As estimated by ATOR, in 2020 a decline in earnings of tour operators was more than 60% on average in all tourism kinds, as compared to 2019. It is worth reminding that the Federal Agency for Tourism estimates total losses of the Russian tourism industry in 2020 at more than 1.3 billion rubles.

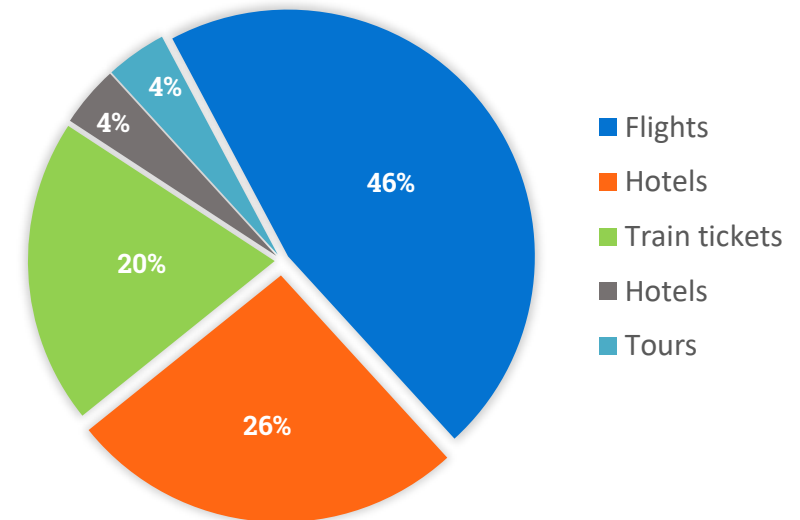
ETRAVEL MARKET VALUE

ONLINE SALES OF TOURISM SERVICES TO RUSSIAN BUYERS, B RUB.



The volume of online purchases in the Russian travel market accounts for a slight share of the total travel market, although it is actively growing. According to a 2019 study by Data Insight, almost half of the market by value is air tickets. The second place is taken by hotel booking (26%), while tour online sales account for 4% only. The eTravel market in Russia exceeded 1 trillion rubles. The market is sustainably growing by 20% per year on average.

ONLINE SALES BY SEGMENTS





Trends for the travel industry

5 TOURISM INDUSTRY TRENDS AFTER THE COVID-19 PANDEMIC



*Growing popularity of local tourism

According to Mastercard, in Q2 2020, the share of car rentals in total transportation expenses almost doubled from 9% in 2019 to 17%. In some countries, the demand for scooter and bicycle rentals has increased.



*Travellers choose mini-hotels

Travellers are increasingly opting for smaller accommodations. Recently, the recovery rate of small hotels outstrips large hotels by more than 50%.



*Private trips are recovering faster

An analysis of individual card expenses compared to corporate cardholders' expenses shows that personal air travel and car rental expenses recover faster than business travel ones.



Development of local excursion tourism

So in Russia, after removal of most of the "pandemic" restrictions, demand for city and sightseeing tours has significantly increased. Increase in the volume of applications for sightseeing tours in July 2020 in a number of destinations ranged from 60 to 100% compared to the same period in 2019.



Development of ecotourism sites

Allocation of additional state funding for development of natural parks and natural monuments.

5 TRENDS IN POST-COVID MARKETING IN TOURISM



MICE-market is on hold

Tourist events, like most large-scale events, are canceled or postponed to a later period. There is also a trend of switching events to an online format.



Emphasis on geo-targeting

Development of local tourism makes use of point-to-point tools for displaying advertising campaigns even more important.



Going into virtual and augmented reality

Until now, the borders of many countries are closed, and the thirst for new experiences among travellers remains. This trend will now stay with us for a long time, so think about how you can use AR/VR to promote the region.



Growing role of streams in video marketing

Unlike simple videos, streams allow engaging users in real time, entertaining them, and building a loyal audience.



Content in the context of events

When conducting an advertising campaign, remember that today for tourists, the most important factor and motivator for buying a tour is not just opportunity of visiting a destination, but of traveling as safely and openly as possible.

3 CASE SCENARIOS OF SITUATION DEVELOPMENT IN THE TRAVEL MARKET IN 2021

1

In the worst case scenario, vaccination will show poor effectiveness, the COVID-19 pandemic will be on, and new virus strains will arise. The international tourism restrictions will continue to persist at the 2020 level.

2

In the average case scenario, countries and air connections will be opening throughout 2021, depending on results of vaccination and mutual recognition of its effectiveness.

3

In the best case scenario (which is, however, becoming less and less probable), global restrictions will be gradually removed, starting from April 2021, and there will be a step-by-step recovery of flight connections between countries.



CASE SCENARIO 1

In the **worst case scenario**, vaccination will show poor effectiveness, the COVID-19 pandemic will be on, and new virus strains will arise. The international tourism restrictions will continue to persist at the 2020 level.

As a result, the share of independent tourism will be growing, but organized tourism will gain ground in mass and premium segments. That said, the dynamics of the premium class tourist flow growth will be higher than in the mass one. Tour operators and travel agents will not run out of customers, but there will be a polarization in the organized market—small and medium companies will be closing, and only large diversified and niche ones will survive. The share of direct sales made by tour operators will be significantly growing.

CASE SCENARIO 2

In the **average case scenario**, countries and air connections will be opening throughout 2021, depending on results of vaccination and mutual recognition of its effectiveness. That being said, domestic tourism will still be absolutely dominating in the travel industry in all countries, but its levels will be lower than before the pandemic.

In this case scenario, mass tourism and the premium segment will become the most profitable and stable segments of the travel industry. It may happen that in this scenario Russia will get a sufficient number of winter outgoing destinations for the mass flow in autumn or winter.

The Russian e-visa will contribute to the recovery of incoming tourism, but the beginning of this process should not be expected earlier than in summer.

Nearly 40% tourists as compared to the 2019 numbers will be ready to go on tourist tours actively. Guaranteed safety of transportation and recreation of tourists will be at the forefront. Active development of auto tourism will become one of the priorities at the domestic level. An opportunity to quickly decline/change the paid service with a fixed refund will take priority, too. There will be an apparent increase of the share in online sales of all types of tourism services.





CASE SCENARIO 3

In the **best case scenario** (which is, however, becoming less and less probable), global restrictions will be gradually removed, starting from April 2021, and there will be a step-by-step recovery of flight connections between countries.

If the best case scenario comes true, sales in all tourism kinds will have been roughly equivalent to the summer 2017 level by September 2021. In the absence of new threats, anti-COVID-19 restrictions will have been removed almost completely and air communication of Russia with major winter travel destinations will have been restored by December 2021. With this in mind, at year-end 2021 the demand in outbound, domestic, and inbound tourism will correspond to the 2017 level (9 million clients of tour operators in outbound tourism, nearly 3 million foreign tourists, nearly 48 million domestic trips).

All three case scenarios will be accompanied with price rises.



**How RMAA Travel helps destinations to enter
the Russian tourism market**

PROMOTION OF THE FINNISH NORTH KARELIA AMONG RUSSIAN TOURISTS

Challenge:

To put Finnish North Karelia on the world tourist map in the eyes of a tourist from Russia

Scope:

- Russian market study
- Marketing strategy planning and launching
- An interactive [Map of the Crazy Acts](#) in North Karelia creation
- Post-campaign report

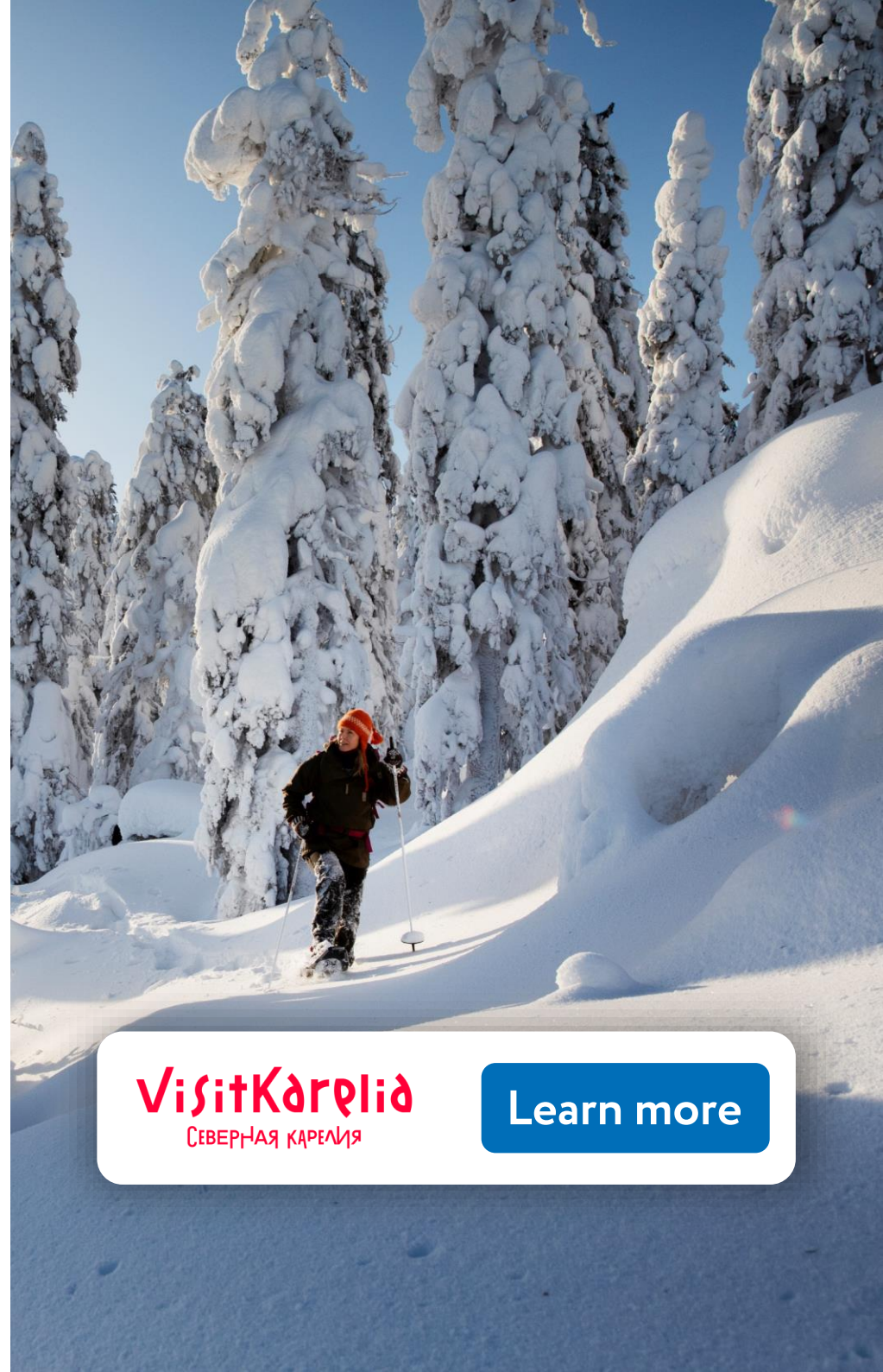
Result:

The total number of impressions on the Runet amounted to 11 mln

The number of unique visitors to the visitkarelia.fi - 45 597

The number of published articles in the media - 93

The demand for the tourist region in the Internet increased by 1.5 times



VisitKarelia
СЕВЕРНАЯ КАРЕЛИЯ

[Learn more](#)

PROMOTION OF THE FINNISH NORTH KARELIA AMONG RUSSIAN TOURISTS

In 2020 the project for the Finnish region of North Karelia took

- **Silver** Award of the festival Silver Mercury for creativity - BEST NEW BRAND BUILDING AND/OR REBRANDING AND/OR AWARENESS CAMPAIGN & BRAND PLATFORM
- **Bronze** Award of the festival Silver Mercury for strategy - TRAVEL & LEISURE

[Silver Mercury](#) - one of the largest advertising and marketing communications festivals.

VisitKarelia
СЕВЕРНАЯ КАРЕЛИЯ

Video



INTEGRATION OF INDONESIA IN THE 2018 FIFA WORLD CUP

Project:

Out of home campaign in Moscow, Saint Petersburg, Novgorod, Rostov-on-don and Samara

Scope:

- Channels selection
- Campaign planning and launching
- Help in the adaptation of creative materials
- Third party independent post-campaign report

Result:

Audience over 60 million people

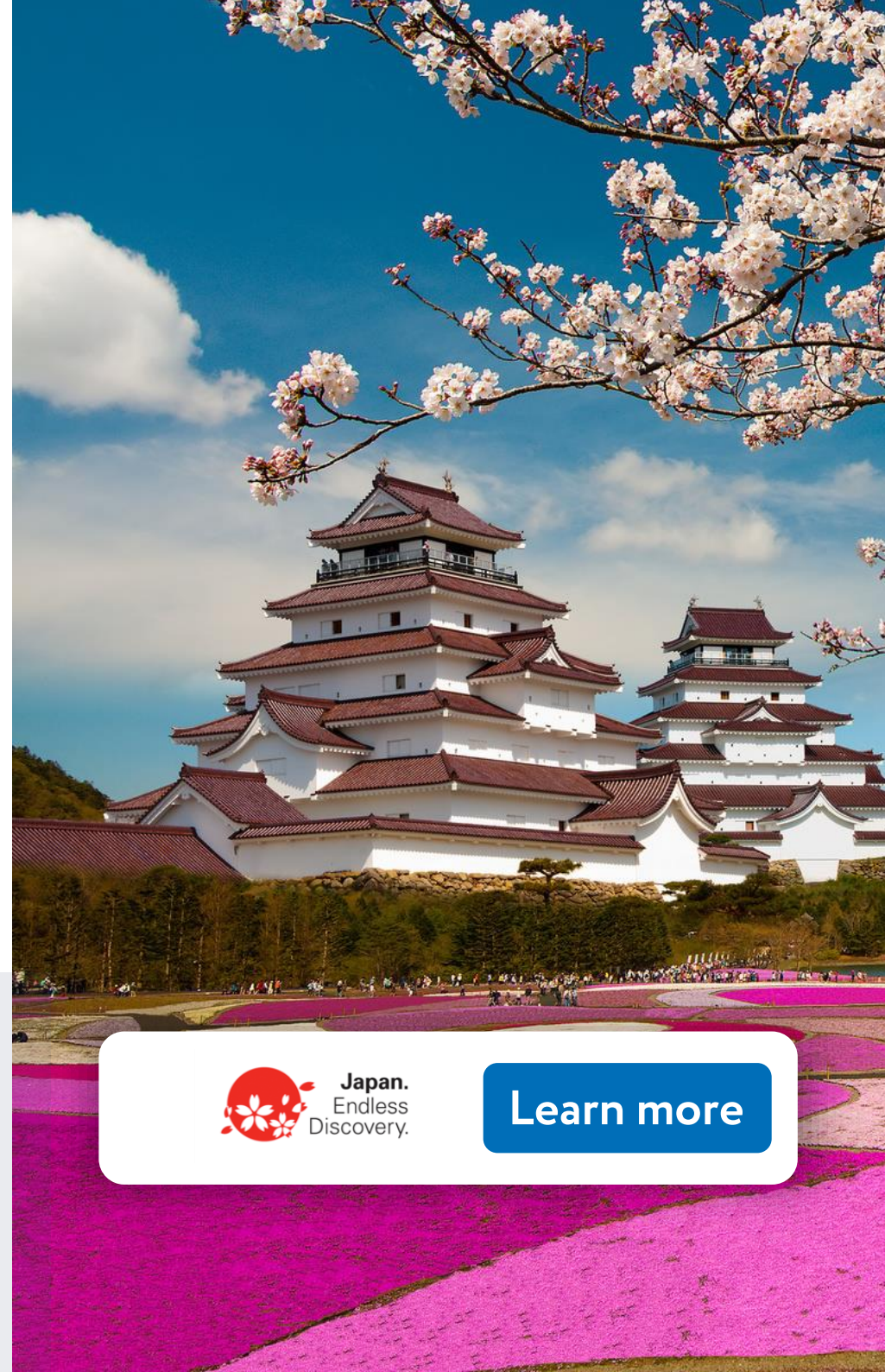


[Learn more](#)

IMMERSION INTO JAPANESE CULTURE

The main task was comprehensive assistance in organization of the Tea Ceremony held in the Botanic Physic Garden of the Moscow State University as part of 2018-2019 Year of Japan in Russia.

The area of responsibility covered a wide range of functions, from mounting of the Tea House, the key element of the event, to water delivery. The major requirement was that that project should be implemented timely and without one single groan.



[Learn more](#)

ADVERTISING CAMPAIGN FOR THE PHILIPPINES

Scope:

- TV Channels selection based on affinity indices
- Campaign planning and launch
- Help in the adaptation of creative materials
- Third party independent post-campaign report

Result:

Audience more than 90 million people
Reach 50%



It's more fun in the
Philippines



[Learn more](#)

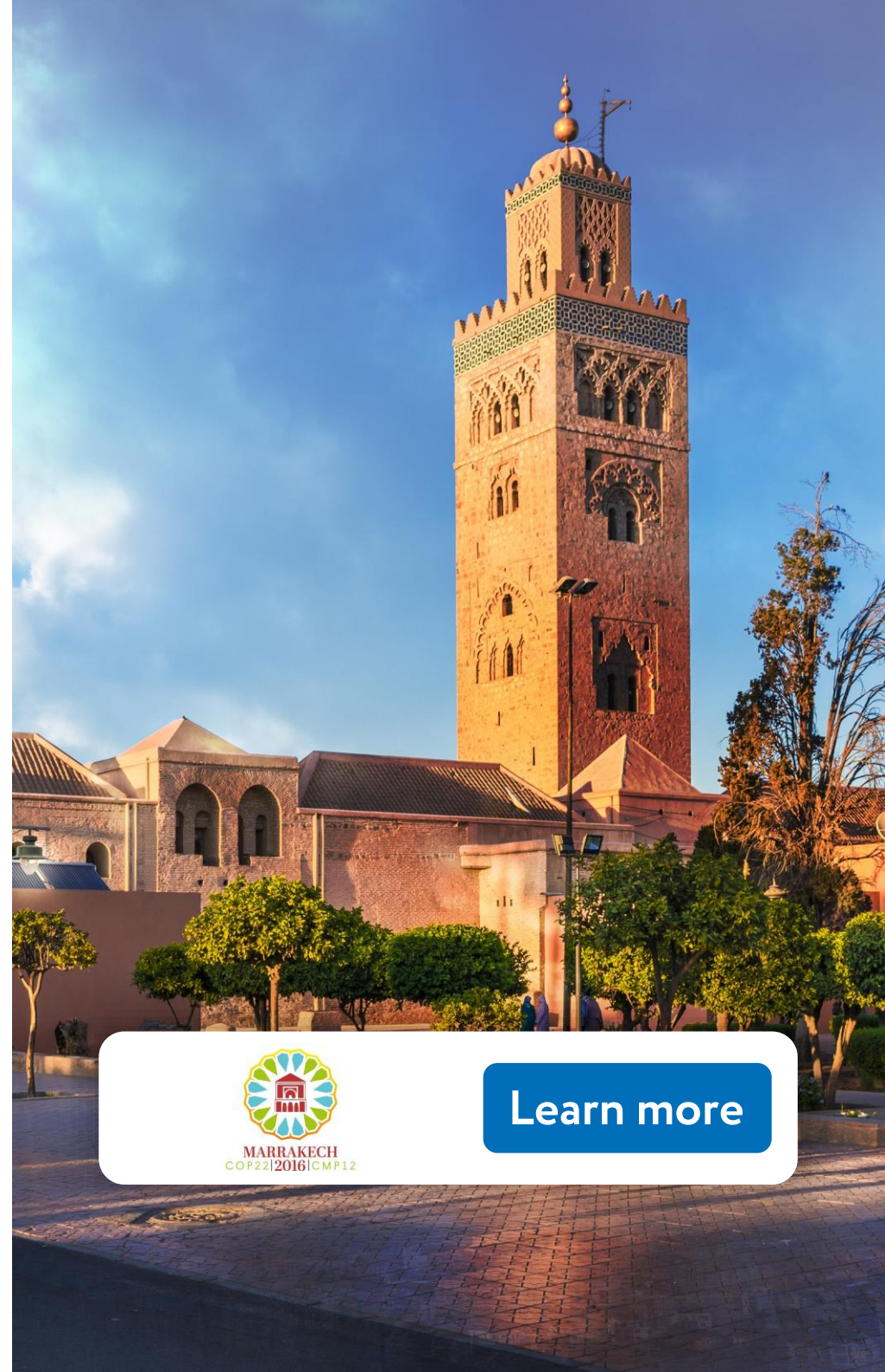
ADVERTISING CAMPAIGN FOR MOROCCO

Scope:

- TV Channels selection based on affinity indices
- Campaign planning and launch
- Help in the adaptation of creative materials
- Third party independent post-campaign report

Result:

Audience more than 47,5 million people
Reach 68%



MARRAKECH
COP22|2016|CMP12

[Learn more](#)

We help tourism boards to reach
Russian travellers

office@rmaa.agency



RMAA Travel

Marketing to Russian Traveller