

MEGATRENDS DEFINING TRAVEL IN 2015



LEAPS

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YEARBOOK / ISSUE: 01

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**SKIFT**  
TRAVEL IQ

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# THE MEGATRENDS DEFINING TRAVEL IN 2015

**I**n your hands is the first ever Skift magazine, which is devoted to our annual trends projections for the coming year.

Skift has deep experience identifying and synthesizing existing and emerging trends based on its daily coverage of the global travel industry, its twice-monthly Skift Trends Reports, and its flagship Skift Global Forum event.

Using this expertise, this Skift magazine identifies the key megatrends that are shaping travel in 2015 and beyond.

The following Skift trends make one thing clear: Some of the biggest consumer and tech changes that are playing out in the larger world can best be observed by looking at habits in travel and its sub-sectors. Add to that travel's larger role reflecting the geopolitical realities of the world, and what emerges is a heady mix that continues to make the world's largest industry among the most exciting sectors on the planet right now.

The Big Three key themes emerging in travel in 2015 are: Mobile. Seamless. Experiential.

You will see these themes reflected in the 12 megatrends we have identified in the pages ahead. All of these cut across various travel verticals, and understanding the big picture will keep you on the cutting edge of the future of travel in 2015 and beyond.

As we came up with these megatrends, we also thought deeply about how they intersect with how we built Skift over the last three years. We have used the following three touchpoints, which we believe are essential for any travel brand trying to understand the industry's future.

Build around trendlines, not headlines

Ignore and break the silos

Fanatically focus on changing consumer behavior



**Point 1: Build around trendlines, not headlines**

President Bill Clinton has been talking about this for more than a decade within the context of global affairs. He speaks of the need to go beyond the sensationalist headlines in troubled areas of the world to look at the larger trends happening.

This is what we have built Skift around: finding, following, and deciphering the trends in travel. Not just covering the latest product launch or press release. But this is applicable for anyone building a new brand in travel, or an existing brand that's building for the future of travel.

**Point 2: Ignore and break the silos**

Two separate points, really. First ignore the silos by not having preconceptions and presumptions about what you're getting into.

Who cares what others have historically defined what travel is or isn't, how it is organized, and what the established norms are? We came up with our own. And then, once we got confident in our voice, we broke across the old-school silos in travel, and we talk and live the big picture. Every travel brand new or old needs to rethink the market they're addressing.

**Point 3: Fanatically focus on changing consumer behaviors**

This really is how we broke across silos. We are "consumer in" instead of "silos out." Being fanatically focused on the changing consumer behaviors across all sectors, not just travel — whether because of digital tools or globalization or other generational factors — rather than what silos are doing talking among themselves, and how that affects travel and its future.

The future of travel will be defined by leaders who understand the larger context in which travel operates, not by navel-gazing. That's what Skift is about, that's what we know the future of travel is about.

Let's  
dive in.

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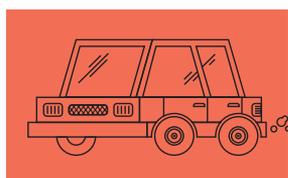
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We are changing how the travel industry looks at itself and how it projects itself to the world.

*Skift is defining the future of travel.*

# HOSPITALITY IS NOW DRIVING INNOVATION IN TRAVEL

For the first time since online travel booking became mainstream, hotels are being rewired and rethought from top to bottom, and every obvious part of hospitality is being turned over, questioned, and retooled.



BY RAFAT ALI



**citizenM hotel in  
New York City**  
citizenm.com

**F**or all the hype that airlines receive as the highest profile sector in the global travel industry, for all the media attention online travel companies and new digital tools and services get, the future of travel – at the intersection of design and user-experience – is being quietly charted elsewhere.

The global hospitality industry – comprised of the organized hotels sector, the vacation rentals sector, and the still-nascent sharing economy sector – is driving all innovation in travel now.

For the first time since online booking of travel became mainstream, hotels are being rewired and rethought from top to bottom, and every obvious part of hospitality is being turned over, questioned, and retooled.

As consumers become self-serve and mobile-dependent, new models and approaches to both customer relations and local discovery are emerging, and hospitality is the big crucible where all of this is playing out.

We see this at every touchpoint in the hospitality industry: From how hotels are building direct links to customers in digital, to how customer service is being rethought through social and mobile tools. Within the confines of a property we see this as hotels reconfigure lobbies and how customers check in, as well as everything about the customer experience inside a hotel room, entertainment inside the hotel, and food & beverage offerings, too. Brands are also questioning customer interaction pre-, during and post-trip, as they examine and rebuild it in new ways.

Most major chains in the hotel industry are figuring out the right mix of digital and human interactions to create guest experiences that are personalized enough while respecting privacy, as digitally-empowered consumers demand a lot more.

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**Hospitality groups are looking way beyond their own silos for inspiration to rethink experiences**

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Hospitality is also leading the charge to make Wi-Fi free, and this unleashes a number of possibilities on all fronts for building on top of pervasive connectivity inside their properties.

As Chris Silcock, SVP of Hilton Worldwide told Skift earlier in the year, “Because of connectivity levels, because of the adoption of the smartphone, because of the data that is available – and people’s willingness to share data, we, right now, have the opportunity to reimagine the hospitality experience, combining the physical and the digital.”

Hospitality groups are looking way beyond their own silos for inspiration to rethink experiences (the Morgans Hotels and Vice dinner party tie-up comes to mind), they’re rethinking how guests move around their hotel properties (the Marriott experiment with beacon technology) to how they access their rooms (Starwood’s keyless mobile entry to rooms), to how hotel lobbies are becoming a portal to the local culture surrounding the property (following Kimpton’s lead, pretty much every hotel group is working on this).

Many hotel groups are completely going against their long-held brand image to develop lifestyle hotels (Best Western moving into the urban boutique area with new Vb brand, among many other examples), realizing they have to cannibalize themselves before anyone else does in order to appeal to different expectations of different generations.

Newer and smaller brands such as Generator Hostels (rethinking hostels), 21c Museum Hotels, Rosewood Hotels, Bunkhouse Group, NYLO Group, CitizenM, and 25Hour Hotels are discarding legacy and rethinking the hospitality experience for the millennial mindset and beyond.

On the digital side, everyone’s thinking about “disrupting” the



**ION Luxury  
Adventure Hotel  
in Nesjavellir,  
Iceland**  
ionisland.is

hotel ecosystem, whether it is consumer booking startups like HotelTonight, top10.com and others trying to make a dent, or big players like Amazon finally entering travel sector through the imminent launch of its curated hotel booking service, or Google continuing to innovate on its hotel search and advertising products and its much-talked about entry into the hotel booking game – possibly through mobile.

While TripAdvisor and online reviews have already completely changed how we choose hotels and give feedback, the hotel industry has learned to live with it and create right feedback loops

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**Hotels are also getting a lot smarter about content marketing.**

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beyond these silos, and social media is at the fore of hotels “fighting” back and creating that direct connection they’ve so desperately longed for since online became the primary feedback channel.

Hotels are also getting a lot smarter about content marketing, whether it is Marriott launching a branded content studio, or Renaissance launching a great new campaign focusing on celebrities.

On the B2B side, startups like Duetto, Checkmate, Nor1, GuestDriven, and many others aiming to disrupt backend and front-end functions of

hotels. Then on the large company side, Priceline Group is buying tech providers like Buuteeq and Hotel Ninjas to move deeper into the tech stack of hotel marketing world and continue to build on its dominant position in hotel booking.

On the alternative accommodations side, the world of vacation rentals is fast colliding with the sharing economy – expect to see some fascinating results from this over the next few years. One big result of all this frenzied activity is the mainstreaming of the whole ecosystem, as consumers become more and more aware of creative options to stay and spend time, and real-time availability of inventory – a huge hurdle for the sector at large – becomes a reality.

On the front end of this, companies like Airbnb, HomeAway, Luxury Retreats, and other new startups will continue to drive the market, while on the backend side, a whole new layer of software and price optimization is professionalizing the sector fast. Expect mobile to change the sector in more ways in the next few years than anytime in its history.

#### SkiftTake

A huge appeal of disruption in hospitality is its size, diversity and ability to innovate with a mix of virtual and physical realms, something that other sectors of travel lack, or are unable to do for various legacy reasons. For us at Skift, it is a great ride where we have a vantage seat watching, documenting and defining all these changes.

# THE CONFERENCES AND EVENTS INDUSTRY IS GOING THROUGH A CREATIVE RENAISSANCE

There's an unprecedented systemic shift in the global conferences and events industry.



BY GREG OATES

**T**here's an unprecedented systemic shift in the global conferences and events industry. TED/TEDx, South by Southwest, C2MTL, OpenWorld and a slew of new innovation/tech summits are leading the event industry renaissance, and more and more planners are taking notice and reworking their events.

The rise of new event technology is affecting every stage of the event planning process. The traditional methods of learning and networking are no longer effective because everyone is so easily distracted by their digital devices within close reach.

Event planners are building more interdisciplinary events by bringing new voices from new sectors into the experience to deliver more layered meaning and context. Next-generation attendees crave a creative mashup of global perspectives and



**TOP Web Summit 2014 in Dublin, Ireland**  
websummit.net

**RIGHT C2MTL 2014 in Montreal**  
Jimmy Hamelin

intelligence pathways connecting thought leaders within and without their specific industry.

Even physical meeting setups are being deconstructed based on increasing realization that informal learning and networking are driving as much business as formal meetings.

Also, audience response apps and web-based platforms are shifting delegates from passive observers into active participants, delivering more immersive and targeted discussions. Beacons, wearable tech and virtual/augmented reality could further push these trends.

Event apps have evolved beyond just being add-on components to the meetings and event experience. Today, they are the experience. Modern apps are now sophisticated knowledge hubs hosting schedules, speaker/attendee profiles, session content, in-app messaging and social



media, user generated content, polls and rating functionalities, destination information and more. Planners are also using event apps to deliver a full suite of event metrics to meeting owners.

Event websites are evolving to create hybrid events marrying face-to-face and virtual experiences with content posting months before and after the physical event, to extend attendee engagement and expand participant reach. Planners are using these platforms to crowdsource new ideas and empower attendees to virtually co-create events.

Every major event will eventually be considered hybrid when planners no longer think of them as a specific time and place. Instead, the event of the future is an integrated, open-source, international knowledge-sharing ecosystem.

Destination marketing organizations

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**Next generation attendees crave a creative mashup of global perspectives and intelligence pathways connecting thought leaders within and without their specific industry.**

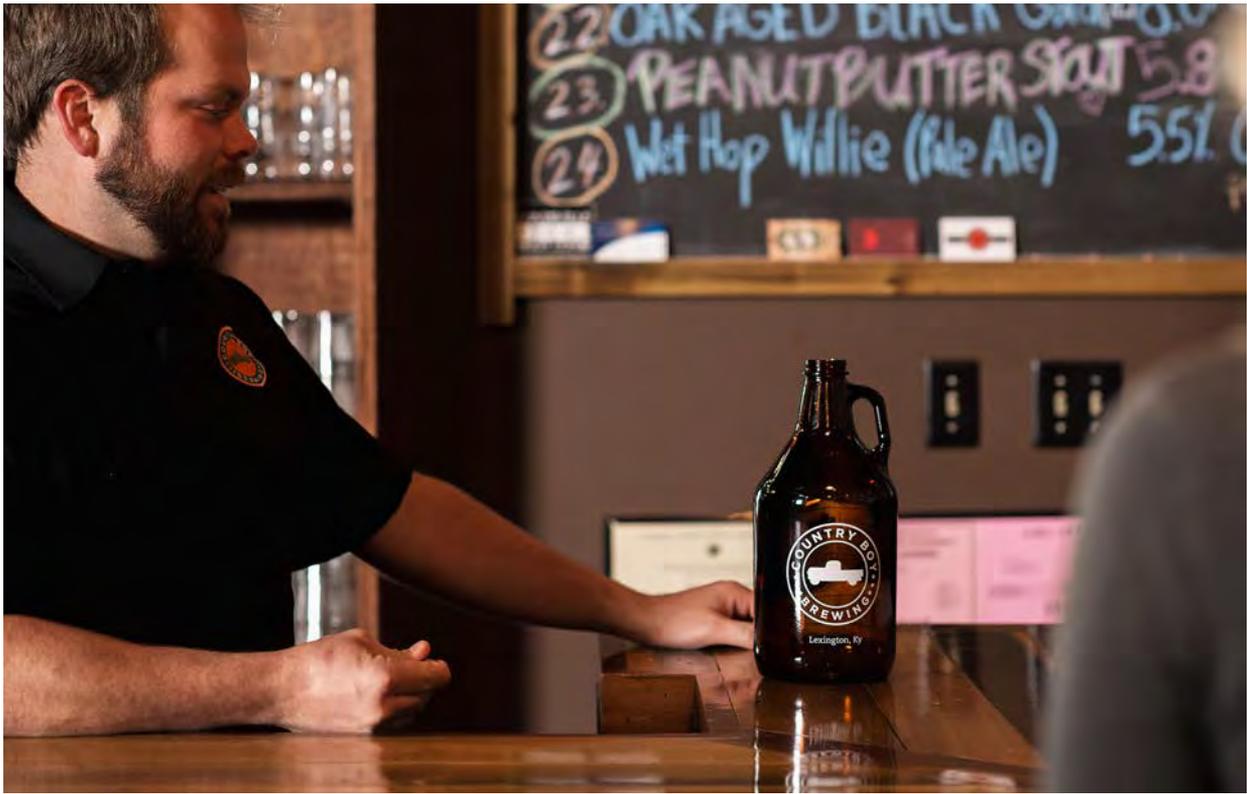
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are trying to adapt by transcending their traditional roles of tourism promotion into proactive roles as economic and product development accelerators. Those at the very leading edge are bringing their local business, academic, creative and cultural influencers together with visiting groups to add more value and build long-term business relationships.

“For our clients, we don’t see them in the tourism space,” says Lyn Lewis-Smith, CEO of Business Events Sydney. “We’re in the business and innovation space.”

 **SkiftTake**

The event of the future is a co-created hybrid mechanism of live and virtual engagement, fluidly connecting more people through more channels over longer periods of time to leverage the collective knowledge of the community.



## THE RISE OF THE BOUTIQUE DESTINATION

For these destinations, it's not about big campaigns on billboards or glossy magazines. It starts on digital, and if the experience is good, it continues there once the traveler has returned.



BY JASON CLAMPET

**TOP** **Country Boy Taproom in Lexington, KY**  
VisitLex.com

**RIGHT** **The Lowry theatre and gallery in Manchester, England**  
Shahid Ali Khan

**S**ure you've been to New York City, but what about Lexington, Kentucky? The emphasis on local, unique experiences that's led many consumers to eschew big brands for boutique or bespoke products is having a similar effect on how people choose vacation destinations as well as how cities and

regions market themselves. While destinations once chased the same trends found in big cities – we have a Chanel store, too! – they're now taking a long look at what they have to offer that's different.

It's a reverse of the Bilbao effect where second- and third-tier cities built big showpieces to attract tourists, and



then crossed their fingers and hoped they'd show. What we're seeing now is a search for the authentic in a world that too often seems homogenous and already discovered. The movement is opening more destinations to visitors, and doing so without forcing the places to mimic the charms of top destinations.

Providence, RI doesn't have to out-Boston Boston, it can call on its richer collection of early American architecture, booming culinary scene, and WaterFire attraction to set it apart. Smaller towns such as Bentonville, AK and Louisville, KY have seen small retail establishments pop up around their outposts of 21c Museum Hotels.

In most cases, it's a matter of local tourism boards taking the lead from local businesses that are re-thinking how they can market themselves.

In Europe, where big destinations such as Paris and London are over-

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**In most cases, it's a matter of local tourism boards taking the lead from local businesses that are re-thinking how they can market themselves.**

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touristed, visitors are turning to alternatives. They're checking out the rich sports legacies of a Manchester, England, or hunting down unique shops and one-of-a-kind finds in fashion-focused Antwerp, Belgium. Cities with a history of conflict like Belfast are turning a violent past into a storytelling opportunity while also giving visitors many other reasons to stick around.

Even big destinations like New York City are getting into the boutique game, pushing visitors out into boroughs once completely ignored by the tourism board so that they can marvel at the hipsters of Brooklyn and the ethnic diversity and gourmet pleasures of Queens.

For these destinations, it's not about big campaigns on billboards or glossy magazines. It starts on digital, and if the experience is good, it continues there once the traveler has returned. To reach possible visitors, destinations are turning to content marketing and local influencers to make their case.

We see this in Twitter video advertisements from places such as Visit Myrtle Beach and YouTube videos encouraging travelers to Lexington, KY to #ShareTheLex across social media. As finding something new becomes a challenge, travelers themselves broadcast their unique conquests on Facebook and Instagram, and continue the cycle of discovery and exploration that makes what can make the been-there-done-that nature of traditional travel new again.

#### SkiftTake

Smaller destinations are finding smart ways to market what they are, not what they think others want them to be. And they're finding success reaching visitors outside of traditional media and advertising.

# THE RISE OF UBIQUITOUS BOOKING

The most successful travel companies have always focused on the transaction, and the ability to book is becoming even more ubiquitous, central, flexible and mobile.



BY DENNIS SCHAAL

**T**he most successful travel companies have always focused on the transaction, and the ability to book is becoming even more ubiquitous, central, flexible and mobile.

Driven by mobile's omnipresence, the proliferation of devices from laptops to wearables, and the desire to add elegance to the user experience, new companies such as metasearch players are scurrying to get involved in the booking process. As a result, it is becoming ever more streamlined, efficient and quick.

Hipmunk, TripAdvisor, Trivago, Skyscanner and Top10.com, all metasearch sites that traditionally provided hotel, flight and car rental results from third party-online travel agencies and suppliers, are increasingly giving their users the option of completing bookings on their own websites or within their apps instead of requiring users to navigate to the online travel agency or hotel or airline site.

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**Transactions are getting more nimble and social as the booking revolution gathers momentum in 2015.**

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With the quality of those third-party sites running the gamut from awkward to excellent, too many travelers were getting lost in that meta-to-supplier dance and others were capturing the booking. We're now in an era of convergence with metasearch companies offering the bookings right within their apps, although online travel agency or hotel partners, for example, are processing the bookings and handling the customer service in the background.

Kayak pioneered these in-app bookings several years ago but now, owned by the Priceline Group and having sister booking sites such as Booking.com, Agoda and Priceline.com, Kayak is running away from the practice. Virtually all of the rest of the pack of metasearch players, are hurrying to get on board with these “facilitated bookings”. The metasearch companies are not becoming online travel agencies themselves – they are not building customer call centers, for example – but to the consumer it all looks the same.

Meanwhile, companies such as Expedia and Hipmunk are investing in and developing more seamless search and booking from mobile device to PC and back again to handle consumers' propensity to start their searches on one device and pick it back up again on another.

Transactions thus are getting more nimble and social, too, as the booking revolution gathers momentum in 2015.

HotelTonight led the way a few years ago by offering a hotel booking in just a handful of taps on a smartphone compared with the dozens of taps it took to complete a similar booking through online travel agencies with their legacy technology.

Uber, like HotelTonight, stores customers' credit card information,

making reservations and transactions even easier than the hotel booking app. Customers can find wait times and costs in the Google Maps app and navigate to Uber to provide pick-up location via GPS. The whole thing can also be done directly in the Uber app. Payment, including tip, is directly charged to customers' credit card, no taps necessary.

Twitter is conducting a pilot of a buy button which could one day be used to book a flight or other travel service. Stayful, a travel app focusing on independent and boutique hotels, began taking hotel reservations on Twitter (with an employee handling the booking via the Stayful app in the background), which for now is gimmicky, but points to possibilities. New players you wouldn't have thought of being in the travel booking game, too, are also getting into it.

Yelp, for example, entered into a partnership with Hipmunk so that Yelp customers scouring restaurant and other business reviews can access hotel booking options through Hipmunk.

And OpenTable, which until recently was only a reservation tool for consumers, is now enabling users in certain markets to settle their restaurant checks with the swipe of a smartphone. With the proliferation of Wi-Fi on airlines and increases in their broadband capacity, booking a tour on the plane for your time at the destination or changing a flight will become increasingly more commonplace, as well.

Photo by Jonathan Velasquez



You are, therefore you book. From maps to mobile and wearables, booking becomes ubiquitous, ever-present.



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# NATURAL SEMANTIC SEARCH BRINGS QUALITY CHOICES TO TRAVELERS

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When it comes to search, travelers are no longer satisfied with keyword-matched results. They've come to expect a higher level of sophistication, and a more tailored, personalized trip planning experience.

**W**hen it comes to search, travelers are no longer satisfied with keyword-matched results. They've come to expect a higher level of sophistication, and a more tailored, personalized trip planning experience.

Where page-ranking algorithms once reigned as the best option to match travelers with the seemingly right hotel, a progression towards search based on natural queries, past behaviors, and multiple data points is on the horizon. Semantic search is leading the charge towards seamless travel planning and has been a boon for the travel industry, especially for smaller companies who've set out to compete with the legacy search giants.

It's been working too. According to Carsten Kraus, CEO of FACT-Finder, OTAs who have implemented semantic search on their site have reported a 12% increase in sales conversions. Semantic search technology has grown to understand and respond to natural language. Travelers can phrase questions, like "Where can I go with a beach and nightlife scene that also has things for kids to do?" and expect results that are relevant, in context, and with intent. It's learned to adapt to misspellings, abbreviations, and slang terms.

A search for "Travelers between 25 and 300 going from NYC to London" wouldn't just match keywords in the results pages – it will smartly curate results like hotels, flights, and activities for the age segment, location, and personal data points. It will recognize that NYC means New York City, and find the appropriate airport. It will also recognize that the "300" in "25 to 300" is likely a typo, and instead whittle down the results to reflect options for twenty and thirty somethings.

User experience is improving for searchers as well. Using multiple drop-down menus to select individual search criteria is becoming outdated. Instead, travel sites are moving towards a singular search field where customers can enter queries in their own words, keeping simplicity and usability at the core of the trip planning.

Hotels are benefiting from semantic search by being more easily searchable. Before the introduction of Google's Hummingbird, its complete search engine overhaul rooted in semantic, the hospitality industry was plagued with low quality hotels "gaming" the search engine to get to page one – essentially applying gray area tactics like keyword stuffing for rank. Now, with the rise of semantic search, hotels

can be discovered by prospective customers based on quality content, user data and past behaviors.

There is a big opportunity for travel brands to adopt semantic search while it's still in its infancy. While the natural language abilities and contextual awareness are already appealing, semantic search will only continue to become more functional. Consumers will continue to pour data and user-generated content onto the web at a rapid rate, adding more chances for travel companies to cater search results personalized to the individual traveler.

Today Amadeus provides open search capabilities that respond to semantic search queries. Find examples of how Amadeus is currently building and progressing semantic search tools at Amadeus.net.

Consumers are increasingly growing to expect a more simplified travel planning experience. For online travel brands, it's a matter of adapting to game-changing technology like semantic search.

# MOBILE PAY AND WEARABLE TECH MOVE FROM CONCEPT TO REAL-WORLD DISRUPTOR

The travel industry will watch mobile payments and wearable devices newly combine, starting in 2015, creating powerful conversion-driving opportunities for brands.



BY JAMES O'BRIEN

**T**he travel industry will watch mobile payments and wearable devices newly combine, starting in 2015, creating powerful conversion-driving opportunities for brands.

To start, the market for U.S. mobile payments alone will expand from \$52 billion in 2014 to \$142 billion by 2019, according to recent reports by Forrester Research. Meanwhile, U.S. consumers have already undergone a transformation when it comes to mobile tech: only 19% of them owned a smartphone in 2009 but, in 2014, 66% have adopted the devices.

And so, if we can say that a majority of consumers now have a smartphone, and we track an uptick in engagement when it comes to mobile payments, this suggests the first important opportunity. That is, standardizing simple mobile-payment experiences stands to give airports, airlines, hotels, attractions, and other travel verticals



**TOP** The Apple Watch  
apple.com

**RIGHT** Synchronizing smartwatch and smartphone. Photo by Alexey Boldin

new leverage when it comes to increasingly seamless in-trip and in-destination purchases.

Add to that the implications of wearable technology.

Smartwatches and the like have already succeeded in capturing significant territory in the marketplace. Wearable tech is expected to take in some \$50 million by the end of 2014, and at least 83 million units from a variety of brands are expected to ship by 2018.

There's the pending arrival of Apple Watch, in 2015, to consider as well. Forrester Research estimates that 7% of the more than 15 million adults who buy online in the U.S. are likely to purchase one. Equipped with Apple Pay, Apple undoubtedly hopes to stake a claim in the mobile-payment provider space. And they have the track record to suggest they can not only do this, but change the way



consumers think about the process itself.

Similarly, Android Wear is in the works, with as many as 15 devices packing Google's wearable tech system anticipated to hit the market by the end of 2015.

Facebook is rumored to be developing its own payment system, too, poised to deliver it via the social network's iPhone messenger app. On this point, travel brands would do well to note that their products and services represent one of Facebook's largest verticals: 42% of all stories shared on the platform's timelines are travel related. Even more significant, 84% of Facebook's users say travel timeline postings influence their future trip decisions.

For travel leaders that catch on to the trend, the convergence of mobile payments and wearable technology could well rewrite the way brands think



**Standardizing simple mobile-payment experiences stands to give airports, airlines, hotels, attractions, and other travel verticals new leverage when it comes to increasingly seamless in-trip and in-destination purchases.**



about shaping travel experiences. It will certainly change the way they reach consumers – in terms of when and where, especially. And, if they can successfully meet the customer at the point of decision-making, the combination will alter and amplify how brands capture conversions from the mobile-pay connected, wearable-equipped traveler throughout the flow of a trip.

#### SkiftTake

Walking into a travel terminal, beginning a journey and then following it through, is poised to become an increasingly autonomous experience. It may well be marked not as much by lines at a kiosk but instead by the wave of a watch or band at a sensor, followed by an instant interaction in which seamless add-ons and ancillary sales could become a major market factor for travel brands who lean into the convergence of mobile payments and wearable tech.

# TRAVEL BRANDS REIMAGINE THEMSELVES AS LIFESTYLE CONNOISSEURS

The days of travel brands surviving as stark service providers is over. Clean sheets and safe flights are considered standard among customers, especially millennials, who seek deeper connections to brands' values and the lifestyles that they represent.



BY SAMANTHA SHANKMAN



**Canopy by Hilton**  
canopybyhilton.com

**T**he days of travel brands surviving as stark service providers is over. Clean sheets and safe flights are considered standard among customers, especially millennials, who seek deeper connections to brands' values and the lifestyles that they represent.

No sector is better positioned for this than travel but only recently have companies come into their power. As lifestyle connoisseurs, brands are wielding creative content and seductive images to sell a lifestyle and drive customer engagement, loyalty and sales far outside the traditional travel cycle.

The "how" of building a lifestyle brand comes down to marketing. Positioning yourself a purveyor of underground jam sessions for young entrepreneurs or chic cabana getaways for sophisticated urbanites

has never been easier. Social media, content marketing, influencer relationships, and creative events have proven their influence and 2015 will be the year that companies across the travel spectrum commit to a specific lifestyle message with the digital and real-life assets to back it.

“The best brands all command premium pricing. Commodity thinking results in commodity pricing. Every other category in the world gets this. Look at Apple, look at Starbucks. They command premium prices because they create brands that consumers resonate with on an ethos level,” Devin Liddell, Principle Brand Strategist at Teague, Seattle, explains.

“People will pay more for a brand that believes in something.”

Luxury brands were the first to understand the business benefits of selling an image as hard as Land Rover sells adventure or Kate Spade sells casual class. Four Seasons publishes a gorgeous quarterly magazine, delving into travel inspiration and stories of intimate travel experiences. The Conrad invited international influencers, who excel at fashion and digital media, to visit five properties and share their experiences. And Switzerland Tourism aligned itself with Monocle’s global cultured lifestyle with a miniature magazine describing winter holidays.

Today even travel brands that pride themselves on a no-frills experience have started to understand that standing for something, even if it’s fees and cramped seats, can shift customers’ perceptions. Spirit Airlines rebranded in September to a bold yellow and black color scheme and friendly lowercase font in its effort to appear frugal in a young backpacker, not sketchy businessman, way.

Less mercurial, but still budget-minded brands, are also settling into a lifestyle. For example, Generator Hostels shares more photos of young

travelers at late-night parties or exploring a city than it does of beds. And Starwood’s boutique Aloft brand engaged guests in their hometowns with 100 intimate concerts performed in honor of its 100th hotel.

Taking a position as a lifestyle brand often requires changing the core of a product. This can be seen broadly across travel sectors with the increased emphasis on design, wholesome food offerings, and local cultural integrations. For businesses with means, it can lead to the launch of a completely new category of products.



**2015 will be the year that companies across the travel spectrum commit to a specific lifestyle message with the digital and real-life assets to back it.**



Global hotel corporations simultaneously realized the need to build lifestyle brands. Unable to shift branding on their familiar business or leisure brands, they invested millions in starting brands from scratch. What resulted was a flood of press releases in which Hilton launched

Canopy, Best Western unveils Vb, and InterContinental Hotels Group opened EVEN in celebration of a wellness lifestyle. Marriott International went so far as to drill down into specific lifestyles with Moxy, an urban boutique brand, and Renaissance, a brand built around art and discovery.

Few of these hotels have yet to open their doors, but an outpouring of digital media campaigns, innovative events with local cuisine and musicians, and branded products from shoes to bags – all claiming a particular lifestyle – are no doubt in development for when they do.

As companies tap into their underlying story and create long-lasting connections with customers, they’ll be able to better communicate via mobile apps and social feeds to become a part of aspirational travel from the start.

There are virtually no barriers left to developing a lifestyle brand. Creating a beautiful Instagram account costs nothing but a good eye, there are plentiful influencers with enormous followings happy to post and hashtag in exchange for a unique experience, and creative events are being produced more than ever.

This is why no matter the company, no matter the message, travel companies can’t afford to establish and align themselves with a lifestyle.

#### SkiftTake

Amid increased competition and more sophisticated marketing tools, a lifestyle brand that connects to travelers’ ideals of themselves and the world has become the one vehicle left for building a long-term meaningful relationship with customers. It will be the key differentiator for future generations and a staple of product development moving forward.

# THE REAL AND LITERAL DISRUPTION OF TRAVEL IS A REAL THREAT

Despite the appearances from tourism brochures and websites, travel doesn't exist in a vacuum.



BY JASON CLAMPET

**RIGHT Protest in Bangkok**  
Athit Perawongmetha  
Reuters

**F**or many travelers, the world has lost its mystery thanks to globalization of commerce, real-time Instagram uploads, tweets from distant lands, and the access that digital technology gives us to information around the world. Want to see a 360 view of Machu Picchu? There's an app for that.

But the world is not as simple as the 1s and 0s of the digital world.

Despite the appearances from tourism brochures and websites, travel doesn't exist in a vacuum. Armed conflict, economic uncertainty, labor unrest, and political turmoil can turn a sunny paradise or historic site into a no-go zone in moments. On the flip side, once off-limits destinations can turn into overnight tourism hotspots, as we've seen in Myanmar.

In 2013, the Arab Spring shut off tourism in a number of north African states, from Tunisia to Egypt. While

some countries have bounced back (good job, Tunisia) others still struggle amidst political uncertainty (we're looking at you Egypt), while others are constantly on the edge of descending into conflict (we're rooting for you Lebanon). This summer's conflict between Israel and Hamas fighters in the Gaza Strip restricted tourism in both Israel and Egypt.

Southeast Asian tourism has seen a remaking as Thailand's political battles turned to a military takeover and trampling of human rights and press freedoms for many. And despite the tourism board's attempt at poorly thought-out plans like a plastic surgery competition, or its attempt to sway the world's opinion by hosting impressionable bloggers, it hasn't seen a return to its pre-junta days. China's crackdown on corruption has led to record losses in luxury destinations such as Las Vegas and Macau, while the focus on more independent travel has aided Japan and other Asian destinations.

 **SkiftTake**

When things go bad, people look to new destinations. We're looking forward to seeing which places take this frown and turn it upside down.



In South America, Colombia is now considered a safe destination, as opposed to Argentina, where currency woes have led to ridiculous restrictions on outbound travel and a rise in violent crime. Brazil weathered its World Cup this year with relative success and is preparing for the 2016 Olympic games with the wind at its back, despite regular flare-ups by anti-development protests. And don't get the airlines started about Venezuela.

Thanks to mass unemployment and Russian aggression, European tourism is suffering Spain to Crimea. Outbound Russian tourism has plummeted, even to places in occupied Ukraine where Russia is paying people to travel. Switzerland is looking to Asia and North America to make up for the missing Europeans that aren't hitting the slopes this winter. If nothing else, Europeans are working on mastering the staycation this year.

The continent of Africa was hard hit



**As much as travel can be about escape, we can't always escape the realities of the world we live in.**



this fall, thanks to both Ebola and the world's ignorance of geography; no, you won't get Ebola in Namibia. Meanwhile, Kenya's promising tourism sector has been upended by lethal attacks by religious extremists at beach resorts and in shopping malls. It's truly telling that Kigali, Rwanda is seeing more tourism growth than Nairobi.

Airlines and hotel brands are not immune to being used as pawns. When InterContinental Hotels opened a property in Lhasa, pro-Tibet protesters disrupted World Travel Market in London and hijacked the event's Twitter hashtag. During this summer's Gaza conflict, airlines such as Delta became a pawn in the pro/anti-Israel campaign when they cancelled flights due to nearby rocket attacks.

As much as travel can be about escape, we can't always escape the realities of the world we live in.

# THE ONLINE TRAVEL DUOPOLY WON'T REIGN FOREVER

The Booking.com-Expedia duopoly in online travel is solid at the moment, but trends are coalescing that could knock one or both off their perches, or at least change the current lineup.



BY DENNIS SCHAAL

**P**riceline's Booking.com and Expedia Inc. clearly dominate the global online hotel business, but it is easy to envision this changing. After all, at the start of this century Travelocity was the leading online travel agency, and it is now a shell of its former self, having outsourced most of its operations to Expedia, which overtook Travelocity more than a decade ago and in turn was left in the dust by Booking.com.

Can the Priceline Group keep up its torrid growth pace? FBR Capital Markets & Co., in a research note, forecasts that Priceline's booking growth would fall from more than 32 percent in the 2012-2014 period to 16 to 17 percent in the 2014 to 2016 time period.

New players inevitably emerge and could nip at the heels of the duopoly.

TripAdvisor, the world's largest travel website in traffic, according to comScore, is no slouch and is in the initial stages of building out its hotel-metasearch business.

As Skift exclusively reported in

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**There are a lot of hungry players out there with plenty of cash that will take on the duopoly over the long term should Booking.com and Expedia stall in their huge ambitions. The seeds are already being sewn.**

”

November, Amazon is upping its game in the hotel arena, and although it has light years to travel to catch up with Booking.com and Expedia, Amazon's envisioned 15% or 20% commissions could put pressure on the current leaders' margins.

All of this is great for the hotel industry, which could take advantage of the emerging alternatives to the duopoly.

Whether it's Amazon, Google, TripAdvisor, Ctrip, Qunar, Alibaba, Apple or Facebook, new players will arrive on the scene and change the pecking order.

The Priceline Group has tremendous scale on its side, but could always get too cute with its strategy. For example, it remains to be seen whether the Priceline Group has increased its power or will see it diminished through two initiatives: Its move into the restaurant space with the acquisition of OpenTable and Booking.com's drive to be a B2B tech provider to hotels through the acquisitions of Buuteeq and Hotel Ninjas.



LEFT **Darren Huston, CEO, Priceline**



RIGHT **Dara Khosrowshahi, CEO, Expedia, Inc.**

Will hotels contract their back-end operations to Booking.com while relying on Booking.com to drive their bookings, or will they turn to up-and-coming players to diversify their partnerships?

Expedia, for one, so far isn't taking the bait and hasn't followed the Priceline Group's lead into these new businesses, leaving open the possibility that if Priceline stumbles and loses its focus, Expedia and others can make gains.

Business model changes, too, could gum up the works for the Big Two. Consider that rate parity provisions, which are the bedrock of online players' relationships with hotel chains and limit hotels' flexibility in offering different rates or products to specific distributors, are under pressure in the UK, and competition authorities in 10 other European countries and China have opened investigations into the power of the dynamic duo.

Television advertising can be a factor in the changing rankings of online travel leaders. Priceline Group CEO Darren Huston recently

said the company had achieved a "breakthrough" in reducing its reliance on Google search, and that Google isn't growing fast enough to handle Priceline's needs. Many of the online players, including Booking.com, Kayak, Hotels.com, Trivago, Expedia, TripAdvisor and others have turned to TV as an equalizer to spread brand awareness and fuel growth.

The mobile revolution is also chipping away at rate parity as companies such as TripAdvisor, Expedia and Google offer special rate-parity-breaking deals to travelers using mobile devices. Amazon could potentially offer special hotel rates to its 20 million Amazon Prime members with ostensibly not violating rate parity provisions because Amazon Prime is a private group.

Digital-marketing specialists, from Buuteeq (now owned by the Priceline Group), to Duetto are now giving hotels new options for generating demand. More options mean less reliance on the Big Two, which is welcome news for both chains and independent hotels.

OK, the online travel kingmakers

aren't precisely a duopoly when you view things from a global perspective. In the massive and undoubtedly growing travel market that is China, for example, Ctrip, with a Priceline Group partnership and investment, is the online travel leader there. Qunar, which is controlled by the leading China search engine, Baidu, is growing at a torrid pace.

And then there's Alibaba, which has played around in travel for nearly a decade and is cash-rich with its recent IPO. Alibaba has rebranded its travel service as Alipay, and is making big investments in hotel technology.

There are a lot of hungry players out there with plenty of cash that will take on the duopoly over the long term should Booking.com and Expedia stall in their huge ambitions. The seeds are already being sewn.

#### SkiftTake

It would be prudent for the established leaders in online travel not to get over-confident. They are going to have to work extremely hard to maintain their positions, which will undoubtedly be altered.

# The Maxims of the New Business Traveler

In an always-on culture, we're constantly looking for an edge. So how do those ahead of the curve find ways to work smarter? With over a million business trips taken daily, travel's an opportunity for an advantage. Virgin Atlantic launched a survey to see how the savvy business traveler excels in life on the go.

**44%** are risk takers and



**They live by the rules they break**

**66%** are willing to bend or break the rules



**They look forward to the airport**

Half arrive over an hour early to maximize their time in the lounge

**Even when they're off, they're on**

Travellers use over **3TBs of data** a month in our US Clubhouses to stay connected



That's nearly **650 DVDs**



or over **2 billion** pages of text



or over **17 miles** of shelf space

**They find inspiration in the clouds**

1 in 4 said they get their best ideas when traveling—that's over 300,000 brilliant ideas born inflight each day

**It's a networking scene at 35,000 feet**

1 in 5 has done business with someone they met on a flight

**Do what you love and you'll never work another day in your life**

**61%** said they have the best job in the world

- 11% Catch some sleep
- 57% Check out inflight entertainment
- 14% Order something from the bar
- 13% Read a book
- 3% Get right to work

**They value time well spent**

From stimulation to rejuvenation, they make every moment count

**They blur the lines between business and pleasure**

9 in 10 mix pleasure into every business trip they take

# BUSINESS TRAVELERS ADOPT NEW RULES FOR TRAVEL

SPONSORED BY



The merging of business and leisure has created a new breed of sky warriors whose expectations and behaviors have shifted towards a culture that combines productivity, opportunity, and new experiences.

**T**he line between business and leisure is well past blurred. The “Bleisure” trend has created a new breed of sky warriors whose expectations and behaviors have shifted towards a culture that combines productivity, opportunity, and new experiences. Business travel is quickly emerging as a lifestyle.

We’re entering the age of the new business traveler. Workers are realizing that travel yields a huge opportunity to positively impact their careers and their lives. Travel time between destinations, in the air, and at the hotel, is no longer lost business hours, but an opportunity to expand horizons. Tech advancements and time-saving amenities like e-boarding passes, in-flight WiFi, and mobile hotel check-in apps are enabling business travelers to be more efficient and use the time saved more effectively.

According to a survey by Virgin Atlantic\*, more than half of travelers enjoy arriving at the airport up to an hour early as more services are being created to help travelers make every moment count. Free Wi-Fi and iPad docking stations make it easy for travelers to get work done pre-trip or research their destination. Airport lounges are providing quiet spaces and

the tools to work, not to mention extras like complimentary salon services to help them look their best on the way to a big meeting and cocktail bars to toast achievements on the return journey.

The new business traveler is used to always being on – and not just in the traditional connected sense. Even on the go, the new business traveler remains open to making new connections. They see travel as an opportunity to network, find inspiration, and close business deals on the fly – quite literally – one in five people have done business with someone they met on a plane ride. Travel brands are providing new ways for travelers to meet and interact in flight to create more of these opportunities. For Virgin Atlantic, that means built in ottomans that double as a seat for colleagues and new acquaintances to chat. Onboard bars are doubling as meeting places and social areas. Hotels, on the other hand, are experimenting with new co-working lounge spaces and developing apps that let business travelers book meeting spaces on-demand and on the go.

The new business traveler isn’t all work and no play. They may be increasingly more productive, but they are also putting more time aside to immerse themselves in their travel destinations. They’re experience

seekers who use business travel as an excuse to explore something new and expand their horizons.

Sixty five percent extend trips to check out a new country, and more than half\*\* of business travelers bring a family member or significant other with them. According to the Bleisure Report, a report which examined the intersection of business and leisure, nearly half of business travelers add personal days to “every trip” or “most trips.” Eighty percent of business travelers are in favor of mixing more leisure into trips, while only 25% claim they don’t have enough time to.

The amount of travelers subscribing to the new business travel lifestyle will continue to grow. Six out of ten respondents are more likely to mix business and pleasure on trips than they were five years ago and 61% of business travelers claim they have the best job in the world, largely due to the travel culture integrated with the position.

**Travel companies will be faced with a slew of new opportunities to innovate and design products and services that make business travel more seamless, more productive and more inspiring.**

\* 2014 SURVEY OF FREQUENT BUSINESS TRAVELERS  
\*\*THE BLEISURE REPORT

# ALTERNATIVE TRAVEL IS NOW A REALITY ACROSS THE WORLD

The sharing economy – once an indie endeavor questioned by discerning adults – has gone mainstream.



BY SAMANTHA SHANKMAN

**B**ook a room at big box Marriott. Sign up for a packaged double-decker bus tour. Wait as the hotel concierge hails you cab to his restaurant recommendation. Isolated from reality, wonder about the lives of people who actually live in this city.

This experience, a byproduct of limited access and awareness, was once the only way to explore a new city. A frustration that's birthed a second option taking travelers into quaint East Village apartments, on intimate walking tours led by local professors, and to community meals shared with strangers in Williamsburg lofts.

The sharing economy – once an indie endeavor questioned by discerning adults – has gone mainstream and made peer-to-peer transactions available at every step of the travel experience in cities large and small around the world. Its scope in both the kinds of experiences offered and where they are available is expanding daily. Services have spread outside of major launch cities both by nature of the platform and demand from travelers who now consider brand-name hotels and packaged tours taboo. Its growth is fueled by the marketplace model, which has taken the best of online, mobile, and social to create travel

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**Its growth is fueled by the marketplace model, which has taken the best of online, mobile, and social to create travel products that allow people to find rides or alternative accommodations with previously unheard of ease.**

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**Airbnb** has listings in more than **34,000** cities.

**Uber** currently has drivers available in 53 countries.



products that allow people to find rides or alternative accommodations with previously unheard of ease.

Transactions are easier, discovery is faster, and feedback is transparent. Many times the middlemen are rendered obsolete and global access to Internet makes their geographic reach unlimited.

These tools allow travelers to approach immediate geographies as locals would, with information and opportunity for immersion at their fingertips. The success of alternative new players has shown the historical errors of regulation and proven that disregard for local laws is not necessarily a hindrance to success.

Lodging has undergone the



**NYC bike share system, used by residents and tourists alike.** Photo by Pisaphotography/Shutterstock.com

most disruption as a result of the sharing economy's growing ubiquitousness. Airbnb has become the poster child of the movement given its brand awareness, breadth of inventory, and fight for legitimization worldwide. There are; however, dozens of home rental and exchange platforms catering to different customers.

In addition to the apartments and tree houses offered on Airbnb, a guest can choose to stay in a luxury villa or apartment prepared and stocked by Luxury Retreats or OneFineStay, an entire home for one or two weeks via HomeAway, a couch for free through CouchSurfing, or a tent in a local's backyard with the help of Campinmygarden.com.

Guests can forgo airport car rentals and rent out an individual's car via RelayRides and FlightCar or get from point A to point B with on-demand car services Uber and Lyft. Others looking for a less traditional ride can rent RVs on RVShare or bikes

on Spinlister. Outside of traditional tours, platforms including SideTour and Vayable promise local-led tours that share insights on everything from architecture to zeppolis and give travelers a chance to chat and explore with local residents. It's become easier than ever to find local, top-rated restaurants with tools like Yelp and Foursquare; however, there's still nothing like a home-cooked meal in a new place. Travelers can book at a seat a local dinner party through EatWith and Feastly or hire area chefs for home-cooked cuisine through KitchenSurfing.

Geographically, dinner parties via EatWith are taking places from Lisbon to Tel Aviv, bikes on Spinlister are available from Jakarta to Porto Alegre, and Lyft's pink mustache can be spotted in Albuquerque and Spokane. Airbnb and Uber, with their multi-million valuations, are on another level with listings and drivers available in more than 34,000 cities and 50 countries, respectively. As the listings

and opportunities for this kind of travel widens in both scope and location so do the opportunities for danger and corruption from fake listings, quick cash schemes, and guests who just won't leave. Combatting this takes increased surveillance from companies who often pass the responsibility of discretion off to their communities.

This coming year will see high-growth platforms investing in their customers' protection and safety on both sides on the transaction.

#### SkiftTake

The sharing economy has spread to every sector of the travel industry and every corner of the globe pushing it from a small community of global explorers to a full-fledged industry needing regulation and customer protection like the traditional market it sought to complement.

# Downsizing on Design & Moving Towards Simplicity

The changes that digital innovation have brought about in consumers' lives are perhaps most apparent in the absence of clutter in the physical world as travelers move from car to train to plane to hotel room and even on to a convention floor.



BY DAN PELTIER

**T**ravel brands are responding by downsizing, from slimline seats on planes to smaller desks in hotel rooms, and using the extra space to either pack in more passengers or make room for new things travelers need. Bring-your-own-device means that travel providers with a solid Wi-Fi network can radically rethink how they use space and what they offer their guests.

The airline seat is one of the more contested fronts in this tussle over simplification. The rise of the slimline seat reduces the bulk of airline rows, which allows airlines to add a handful of seats per plane. Slimlines are possible because of safety advances, and airlines are also cutting out the bulky in-flight entertainment systems that crowded seatbacks, placed bulky units beneath seats, and added weight and wiring to a plan. In the place of traditional in-flight entertainment, passengers access entertainment via streaming service to their own laptops, tablets, or smartphones. On U.S. airlines such as United Airlines and Delta passengers can stretch out their legs with less obstruction than before (unless the airline has decided to squeeze a few more inches out of

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**The best designs are the ones which don't require the guest to do any problem solving.**

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pitch) and choose from hundreds of movies and TV shows.

The airport terminal is expanding in a way, too, with restaurants that were once clogged with rollerboard suitcases and duffel bags being replaced with tables and seating throughout the terminal that are connected to restaurants via iPads. At Newark Liberty Airport, United Airlines has distributed 6,000 iPads spread throughout gate areas and chef-inspired restaurants give guests the convenience of keeping tabs on their flight, ordering food from their gate and mobile pay.

Perhaps the most radical rethinks are happening in hotel rooms. The evolution of televisions at the beginning of the 2000s from fat boxes to wall-mounted flatscreens allowed

## SkiftTake

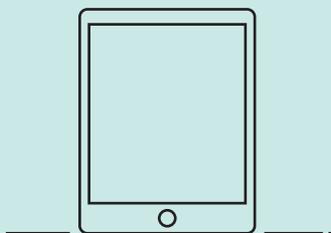
Hotels, airlines and airports who aren't trying to simplify their guest experience are now in the minority, but more importantly the simplification of their designs better reflects how guests actually travel and behave on trips today.

properties to clear out big armoires and dressers, but hotel brands are just now beginning to rethink how rooms can function in a world where laptops and TVs aren't so huge, and travelers don't need the property to provide them with a tangle of cords or a clock radio to stay ahead of the game.

The best designs are the ones which don't require the guest to do any problem solving. This means putting enough outlets -- ones with USB plugs are even better -- next to beds so phones, tablets and laptops can be charged and used where the guest wants to use them, and where it makes sense to use them. The standard desk and chair still help the average business traveler, but smart hotels are abandoning your father's desk for smaller size that actually makes sense for the laptops and tablets travelers place on them.

As more hotels try squeezing as many

# 6,000



**United Airlines has distributed 6,000 iPads spread throughout gate areas and chef-inspired restaurants at Newark Liberty Airport so guests can order food and keep tabs on their flight.**

rooms as possible into a property, guests are looking for other spaces where they can spread out, socialize and relax. Many hotels now realize that it's smart to position--and design--themselves as places where people who aren't even guests are welcome.

Transforming lobbies into open spaces with ample seating and creature comforts encourage rendezvous, which in turn shows guests how simple it is to make the lobby your larger base. Marriott's Greatroom Lobbies, for example, encapsulate how hotel lobbies are turning into living rooms and re-centering the nucleus of the hotel to the lobby and lounge areas. At the Crystal City Marriott in Arlington, VA, the restaurant and bar were moved to the ground level to show off the gathering space that the hotel had to offer. And we can't neglect the free Wi-Fi and plenty of electrical outlets these lobbies have either.

**A rendering of the revamped Terminal C at United's Newark hub**  
United/OTG



# SHINING LIGHT ON THE DARK PERIOD: MOBILE IS MOVING IN-MARKET

The impact of mobile is poised to be even more profound in what was traditionally a dark period for travel companies: the period after bookings have been done, before actual travels happen, and during the in-situ travel phase.



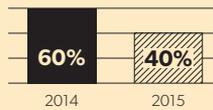
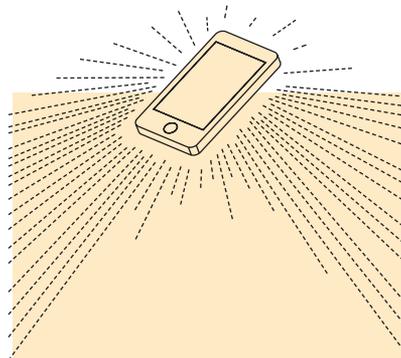
BY RAFAT ALI

**2** 014 has been a seminal year for travel booking, the first year in the U.S. when desktop online bookings have peaked and will expect to see a slow decline of 1-2 percent every year for the next five years, according to data from Emarketer. Meanwhile, mobile booking is poised to grow exponentially over the next 5 years, with 60 percent estimated growth from 2014 and 40 percent in the coming 2015.

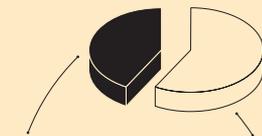
But the impact of mobile is poised to be even more profound in what was traditionally a dark period for travel companies: the period after bookings have been done, before actual travels happen, and during the in-situ travel phase. Most travelers spend 42 percent of the money they'll budget for a trip in the period before departure, which means a majority of spending, full 58 percent of it, still happens in-trip, and that's where the big opportunity for disruption lies.

There are a few intersecting trends driving this:

Pervasive connectivity is on the



Mobile booking is poised to grow exponentially over the next 5 years, with 60 percent estimated growth from 2014 and 40 percent in the coming 2015.



42 percent of the money they'll budget for a trip in the period before departure

Which means a majority of spending, full 58 percent of it, still happens in-trip, and that's where the big opportunity for disruption lies

Source: Emarketer

horizon. Data plans for mobile phones are becoming all-inclusive, not just inside a country but also international as well, driven primarily by T-Mobile in the U.S. and Europe, that is all inclusive, globally.

Wi-Fi is finally becoming free, and hotels are leading the way, but it is also beginning to happen onboard ships, planes, and within attraction spaces.

Mobile tech is changing the timeframe of traveler decision-making. OTAs and other sellers are able to promote offers under conditions of same-day, next-day, and last-minute scheduling.

Consumers are becoming much more comfortable using mobile for the hitherto-complex task of booking, and with booking windows shrinking, the usage of mobile in-travel is a natural extension of it.

This presents opportunities for particular types of companies, including OTAs, which are now looking to move beyond traditional

**Tokyo's Sumida  
Hotaru Festival.**  
Les Taylor/Flickr



travel booking - which helps explain why Priceline bought OpenTable. It also helps online review sites closing the loop between reviews to transactions, and move into other adjacent categories driven heavily by reviews - that explains Tripadvisor's acquisitions of Viator and Lafourchette, moving into in-trip services.

Tours and activities also get unlocked, as mobile becomes the de facto means of discovery, with an emphasis on in-destination bookings with real-time availability. This presents opportunities for tour operators, attractions and local events and entertainment companies, startups aiming for these markets, and even hotel companies looking to upsell customers before they arrive or even during the stay. Expect companies like Yplan, which helps travelers

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**The best designs are the ones which don't require the guest to do any problem solving.**

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and locals alike to make last-minute social plans, to become part of a larger company arsenal as mobile becomes the conduit to reach them.

For tourism boards, it also means a way to reach customers in-market, primarily through social media on mobile, using Twitter and Facebook as a real time concierge in answering visitors' queries, or promoting specific events and attractions.

 **SkiftTake**

That dark 58 percent of in-trip travel budgets are getting unlocked due to mobile, and presents opportunity for old and new players alike. The question is: will it reinvent or kill old intermediaries, and will it give rise to a new set of intermediaries as well?



## TRAVEL BRANDS LOOK TO INSTAGRAM FOR THE INFLUENCER BUMP

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Lots of things are shared, but what that translates into is still to be determined.

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Photo by Mia Domenico



**BY JOYCE MANALO**

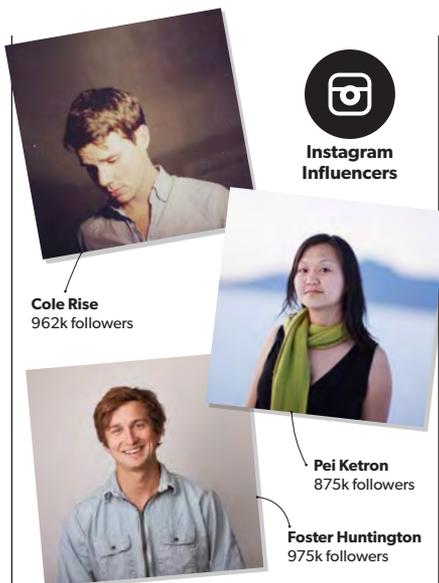
**H**otel brands and destination marketing organizations once saw travel blogs and social networks - especially Twitter - as the best new source of un-filtered insight into their hotel or destination. That didn't turn out to be the boon everyone hoped. From SEO setbacks to viral hashtags that never translated into boots on the ground, the price of bringing a gaggle of bloggers and telling them what to write and how to market it has never quite achieved the return on investment hoped for.

So now many travel brands are embracing the promise of Instagram influencers and what they have to offer. More viral than bloggers and more immediate, this new breed of travel sharer promises to hit all the marks social media managers need: millennials, smartphones, in-market, visual, and, hopefully, viral.

They're looking outside of travel, too, to Instagram personalities with followings that extend far beyond travel to family, food, sports, fashion, and design. Yes, content is still king, but visuals reign.

When Instagram launched in 2010, it was popular with a creative community that was dominated by both professional and amateur photographers. The combination of having a highly visual community and simple mobile user experience of uploading and liking photos made it an app fit for the masses. In April 2012, it was acquired by Facebook and its user base grew exponentially. Simultaneously, early adopters like Cole Rise, Foster Huntington, and Pei Ketron gained notoriety and a larger following. In turn, agencies like Niche, and Stay & Wander, and Tinker popped up to represent these content producers.

How brands find and measure success is, as it was with blogging, still up in the air. We've seen brands such as British Airways or the



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**Content is still king,  
but visuals reign.**

”



Bermuda Tourism Authority mimic old methods of inviting a handful of Instagram influencers to an event or destination to snap pics, hashtag, and upload them to hopefully be liked and shared. Dubai's iconic Burj al Arab invited Instagrammers for a weekend of high-end events and pampering in return for sharing it all with followers. These "Instameets" aim for maximum impact through a combination of volume and focus; if nothing else they're fun for the attendees.

Lots of moments are shared, but what that translates into is still to be determined.

On the flip side, some brands and destinations are keeping the Instagram focus, but ditching the influencer in favor of the mass of users who don't need to be feted. Tourism Australia is the undisputed leader here, with a rate of sharing and liking of user images that is unparalleled by any other travel brand. Walt Disney World Resorts mixes professional content with user uploads that encourages users to share as much as possible in hopes of getting additional followers themselves after a Disney "bump."

One of the most successful travel brands on Instagram, though, is a U.S. government agency that spends very little money, but has excellent content to work with. The U.S. Department of the Interior is the voice of the U.S. National Park Service. Like Tourism Australia, it shares Instagram user images from across the country. The only influencer here is the visitor who's captured a great shot of the Grand Canyon or a national seashore.

### SkiftTake

We're still in the early days of the Instagram Influencer, but the one thing we do know is that great visuals will catch on no matter who's doing the sharing.

You deserve to be  
the smartest person  
in the airport.



## Introducing Egencia® **TripNavigator**

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