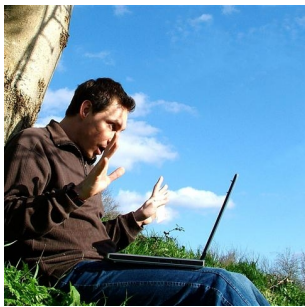


The Online Travel Market: Interesting Emerging Trends

The rise of the Internet is undeniable and when it comes to marketing and selling travel, it is the ideal tool. This can be attributed to its growing infrastructure, interactive nature and accessibility. That, and the fact that the internet is one of the primary means through which consumers research and book both business and leisure travel. New Media Trend Watch reported recently that travel marketers are planning to increase their eMarketing budgets by between 11% and 50% in 2010. And with good reason; of the 12,600 people surveyed by TravelMole in 2009, 55% claimed to regularly research their holiday and compare prices online while a massive 73% had visited travel related blog sites to read fellow travellers' feedback around holidays and destinations. Keeping a finger on the pulse of trends will allow marketers to anticipate change in the industry and adapt their strategies accordingly.



Woman & Oldies Are Leading the Online Travel Race

Late last year OrangeSmile.com published a report on internet trends in the online travel market. While acknowledging that overall 2/3 of bookings in 2009 were influenced by the Internet, the share of female and senior populations were growing with unprecedented speed. The online booking share attributed to women increased from 48% to 50% between 2006 and 2009 while in the seniors (55 years and over) group increased from 13.9% to 18.5% in the same time period.

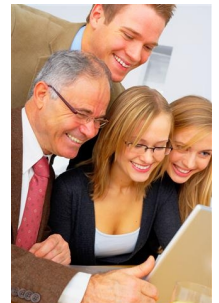
Dealing with the women first, this trend can be attributed to a number of factors. OrangeSmile conducted a survey that revealed that at least in part, this can be attributed to the fact that a growing number of women are in powerful positions in the workplace and increasingly travel alone for business. In addition, while women on average still earn less than their male counterparts, their salaries are increasing faster and a large proportion of their increasing disposable income is being spent on travel. Thirdly, women are closing the gap when it comes to awareness and understanding of technology. Finally, in an increasing proportion of families, women are responsible for organizing the family travel arrangements.

When it comes to the more senior citizens, there are a few possible explanations. The most obvious one, according to the same study is the one that argues that while seniors may have been underrepresented in the early days of the internet, exposure to it is increasingly unavoidable so it is

logical that more senior citizens have access. In addition, there is the fact that in general, the world population is aging and by this year the expected percentage of adults aged 55 and over was expected to have grown from 24% to 31.5%. This will directly affect global internet usage statistics and will reflect in travel.

The Rise of Mobile

There's little doubt in the minds of savvy marketers that Mobile Marketing is the next big thing in many industries. When it comes to travel, mobile devices offer a unique but enormous opportunity for travel providers to leverage Mobile Marketing solutions. Already, an ever increasing number of consumers are using mobile travel sites to access information, book flights and hotel rooms and rent cars. Travelocity reports 1,263 million unique visitors a month to their mobile site. If the Internet caused a wave of change in the travel industry, it's doubtless that mobile devices will cause a second one.

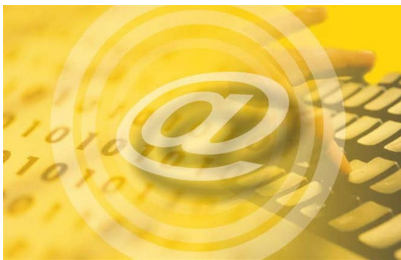


The reasons for this are fairly obvious. Phones are increasingly advanced technologically. In addition, even those who don't carry them day to day are more likely to do so when travelling so as to enable them to stay in contact with friends and family while giving them mobile access to resources, to their email and importantly, to the Internet. In the developed world, smartphones are swiftly becoming a commonly used tool for managing activities post booking. Of the travellers surveyed, more than 2/3 had a smartphone and of these, nearly half were 40 or older. This shows an interesting trend, explored in greater detail later on, that highlights that age stereotypes when it comes to the adoption of emerging technology are often inaccurate. Some smartphones, like the Apple iPhone, offer applications specifically designed to facilitate travel bookings. Accor's iPhone app is personalized and in addition to giving users access to booking facilities in 3000 hotels from their phone, also memorises reservations, favourite hotels and can synchronise with your contacts. Hostelworld.com's offering is even more advanced. Their application (for iPhones), offers, in addition to the Accor features, city maps of hostels in relation to the user's current location. Other groups, including hotel.info, Best Western International and Ebookers (among others) have done much the same thing.

This type of system will change the way in which people make travel arrangements. Jeffrey Boyd, the CEO of Priceline argued that more and more travellers will only book accommodation once they reach their destinations. This is because of the geolocationing, ease of information distribution and the built in and secure mechanism for payment offered by mobile devices.

The Rise of Social Media & Video

When it comes to online travel, the social media, web PR and online reputation management web is a tangled one that is as dangerous as it is powerful. Tripadvisor reports that 20 new travel or destination reviews are added to it every minute. Something else to note is that consumers are turning to online videos to help them make decisions. Moreover, increasing number of travellers is starting to post videos in the same way as previously they posted reviews. YouTube features as the most popular site on which to post and view these clips. Travel providers aren't unaware of this; 60% of travel marketers purport to be increasing budget allocation to marketing in this area and 90% of hoteliers surveyed for an Avalon report feel that online reviews should be monitored. However, of that 90%, the majority only check for online comments once every two weeks.



Essentially though, it isn't the fact that the internet provides consumers with a voice with which they can share their travel experiences, so much as whether these opinions influence the purchasing decisions of other potential visitors. Recently studies have shown that while Facebook and MySpace travel reviews have little or no impact on bookings, 88% of Trip Advisor visitors are influenced by what they read on the site.

People Are Weighing up Their Options: The Importance of Usability

With a great deal of competition in the market and people weighing up their options, usability comes into the spotlight as an increasingly influential barrier to conversion. The research to travel window has expanded in the last few years with people holding out until the last minute for the best deal. In addition to this is the fact that 52% of potential travellers will look at three or more websites before making a booking. With hospitality sites losing up to 50% of potential bookings, according to iPerceptions Inc. as a result of price sensitivity and usability issues, hospitality providers need to start paying more attention to the ease with which potential customers can get information and make bookings. The truth of the matter is that while consumers are increasingly internet savvy, they still have trouble completing basic tasks like making payments and bookings. It is key to note that 1 of every 2 visitors to the 100 hospitality sites surveyed reported being unable to fulfill their goal of making a reservation. The organizations and websites who fix this first will reap the rewards.

Trends in online travel marketing are diverse and vary according to the geography of both the consumer and the tourism provider. That said, globally trends seem to be moving in the same direction, particularly in the developed world. The variance thus is the rapidity with which things are changing on different

sides of the globe and that should not drastically change how marketers respond to and leverage these trends.

By Lyndi Lawson

Date: 2010-03-29

Article link:

<http://www.tourism-review.com/travel-tourism-magazine-the-online-travel-market-interesting-emerging-trends-article1157>