

# TOURISM INDUSTRY STAKEHOLDERS USE ONLINE ADVERTISING IN VARIOUS WAYS



In a study entitled "State of the Industry: The 2019 Report on Travel Advertising", Sojern looks at the players in the tourism industry and their digital advertising campaigns. 600 tourism marketers were interviewed to determine their main challenges and to see the future of marketing.

For tourism industry companies surveyed around the world, the main challenge this year is to be able to broadcast personalized ads and offers in real time. **Next comes the fact of being profitable after investing in campaigns, targeting travelers at a specific time in the buying process and offering advertisements that are always in the era of time.** In Europe, the most important challenge is to understand how to better use the customer data.

## Where do brands spend their budgets?

In 2018, display advertising accounted for 47% of investments. This is followed by paper (16%) and television (13%). This year, the cruise sector is the one that plans to invest the most in online advertising, followed by the airline sector and destination marketing organizations.

Brands invest half of their marketing budget in digitization. More specifically in Facebook and Instagram (23%), in search engines (19%) and in independent marketplaces (12%).

"One of the best things about digitization is, of course, the ability to measure and personalize. Thus, we don't do anything without performance expectations," says Peter Giorgi, Chief Marketing Officer of Celebrity Cruises.

## How do brands advertise on social media?

Tourism industry marketers consider Facebook and Instagram to be the best place to build your brand image and get feedback. Search engines and videos are in second and third place. Airline players are the ones who plan to invest the most in social media in 2019.

The study explains that online advertising opportunities are becoming more and more connected with social media. Through Facebook, it is possible to target specific internet users. Instagram is useful as a showcase for tourist establishments or experiences.

On these platforms, video is getting stronger. Especially because of its more engaging nature. Facebook and YouTube are the most used websites to distribute this content. But Instagram is not far away. Almost half of the companies surveyed plan to broadcast videos on Instagram in 2019.

## How do brands measure their performance?

Among the ways to measure their performance, tourism brands focus mainly on their site traffic, cost per booking and click rate.

"The biggest challenge right now is to measure our marketing performance on multi-channel. In particular, we are testing an approach that consists of establishing rules on what each channel is

supposed to represent for each market," says Marina Suberlyak, Head of Marketing, North America, Norwegian Airlines.

### **Personalization, the biggest challenge in the future**

For Sojern, understanding its data allows us to deliver more qualitative ads and optimize them in real time. **Customization is the biggest challenge for the tourism industry in the coming years according to the study.** With this information, brands can target travelers based on their buying attention, better understand their behavior and know when they are losing potential customers in the shopping tunnel.

The study notes that tourism marketers will invest more in emerging technologies in 2019 than before. One in three companies plans to work on audio streaming, connected TV, chatbots and voice research. While augmented and virtual reality are considered by the brands, only one brand in four plans to work on these topics by 2020.

Marketers believe that Facebook and Instagram are the most likely to disrupt the tourism marketing market in the next 5 years. Behind it, we find Amazon and then Google Ads.

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