

STUDY: TRAVEL TECHNOLOGY INVESTMENT IS UP IN 2024



Korea.

A recent global study, named Travel Technology Investment Trends and conducted by Amadeus, found a strong interest in investing in the travel industry in 2024. The study was conducted in the fourth quarter of 2023. It included an online survey completed by 1,253 travel technology decision-makers worldwide, including those in the UK, France, Germany, UAE, US, Mexico, Brazil, India, China, and

The respondents have expertise in various travel industry sectors, including airlines (full-service and low-cost carriers), travel distribution (online travel agencies, corporate travel agencies, and leisure travel agencies), hotels, airports, corporate travel management, and travel payment.

The travel industry is expected to increase travel technology investment by 14% in 2024, accelerating its transformation pace.

The study provides insights into the investment intentions and technology priorities of conventional and low-cost airlines, airports, hotels, travel sellers (online, business, and leisure), and corporate and payment travel departments worldwide. It also explores their future aspirations.

According to the study, almost all (91%) employees of travel companies expect "moderate to aggressive" increases in investment in their organizations by 2024.

The right technology is crucial for connecting and unlocking the value of the travel ecosystem. Hoteliers, airlines, and all industry customers are justified in their ambitions for the next generation of technology. Travel providers can achieve significant growth and control by investing in a better customer experience.

All Tourism Sectors Are Investing in Technology

Tourism businesses are shifting their focus from the health crisis to the future. To do this, they need to develop new technologies. According to the survey's data, 67% of senior decision-makers in the tourism industry plan to increase their investments in technology this year compared to 2023. In terms of sectors, airports plan to increase spending by 17%, companies by 15%, hotels by 14%, airlines and travel sellers by 13%, and travel payments by 12%.

Ambitions behind the Travel Tech Development

According to a study by Amadeus, the retail industry aims to improve personalization and digital efficiency to boost its growth in the next four years. Modern retail is expected to increase revenue by 18% in the airline industry, and airlines are optimistic about transitioning to "supply and order" systems. Biometric technology will be implemented throughout airports, with 60% planning to use it for check-in, baggage drop-off, lounge, and boarding.

The hotel industry is also pushing for personalization, with 85% of hospitality respondents predicting it could generate more than 5% incremental revenue growth. NDC technology is the best technology to implement in leisure travel agencies, according to 40% of the agents surveyed. In business travel, one-third of professionals plan to fully digitize the expense management process in the next 12

months. Lastly, one-third of travel payment managers plan to implement payment orchestration to manage global payment flows better.

Priority Travel Technologies by 2029

The study focuses on the technological advancements that will emerge by 2029. **The leaders of the travel industry have recognized machine learning as the most significant technology for the current year and the next five years.** All industries consider data analytics and cloud computing to be substantial investment priorities. Biometrics, an existing technology, is making travel more personalized and relevant. The rise of generative AI is expected to accelerate the pace of change further.

According to Decius Valmorbidia, president of Amadeus' Travel Business, travelers will soon enjoy a better travel experience with increased engagement, investment, and collaboration across the travel ecosystem.

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