

How people use mobile to search and book travel

—
New research by Travelport Digital



Methodology

Format: 10 minute questionnaire covering travel app usage

Sample Size: 955

Market: Australia, UK, US, Canada, Ireland, New Zealand

Date: November 2017



Summary

With smartphone penetration at an all time high we wanted to understand how people are using their mobiles, and more specifically apps for travel.

We wanted to find out how critical a role mobile plays in engaging people throughout the end to end travel lifecycle - pre, during and post trips.

In this report we share insights into the role mobile and travel apps play in influencing consumer behaviour when it comes to travel decisions.



Key findings

Apps remain the 'go to' for traveler engagement

App usage is going from strength to strength with travelers installing multiple apps on their phone, giving travel brands a prime opportunity to utilize apps as a marketing platform and drive engagement throughout the end to end travel lifecycle.

Mobile apps are the preferred channel for search and bookings

Overall, travelers prefer to use mobile apps to search and to book their flights and accommodation. Web is the preferred channel for car rental and destination bookings.

User experience plays a key role in brand loyalty

A brand's reputation is defined by the experiences it delivers. If a user has a bad app experience - if it is difficult to navigate or frustrating to use travelers won't hesitate to uninstall it, leading to customer churn.

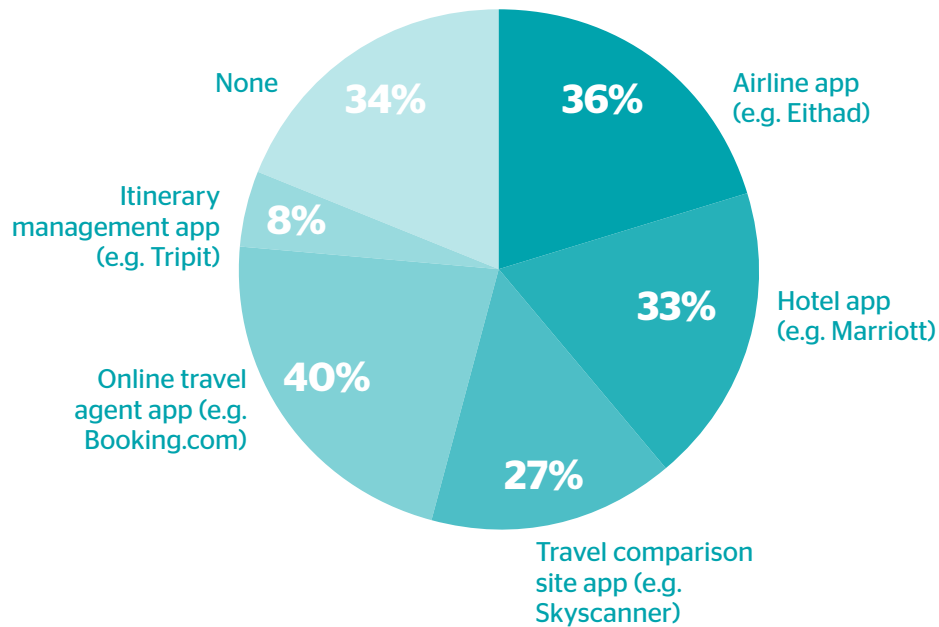
Travel brands who get the user experience right reap the rewards. Conversely if you get it wrong and travelers have a bad experience they will be unlikely to book with that brand again.

Communication at every touchpoint

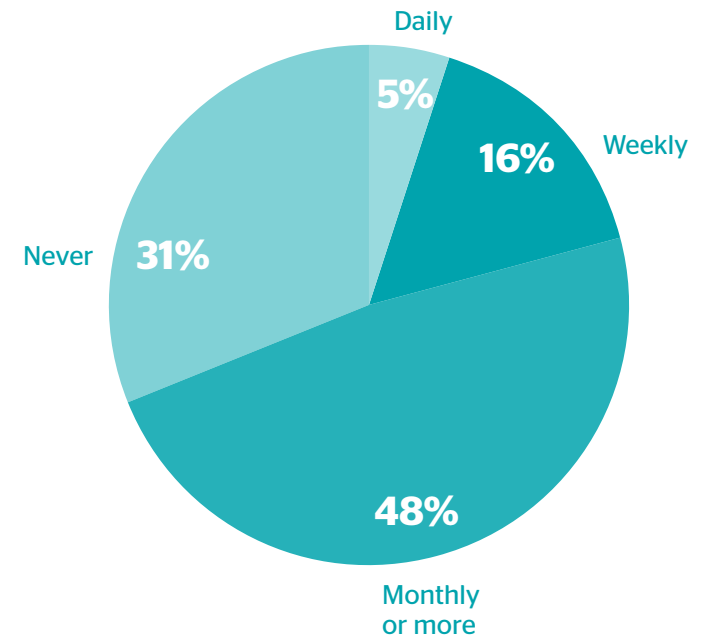
The power of push notifications is not waning, however with the messaging explosion travel brands need to look at every touchpoint through which they can engage their customers. Travelers now expect to be communicated to through whichever channel they choose, primarily preferring apps and messaging platforms.

Travelers are turning to their smartphones for their travel needs, using a wide range of travel apps on a regular basis

66% of travelers currently have a travel app installed on their smartphone

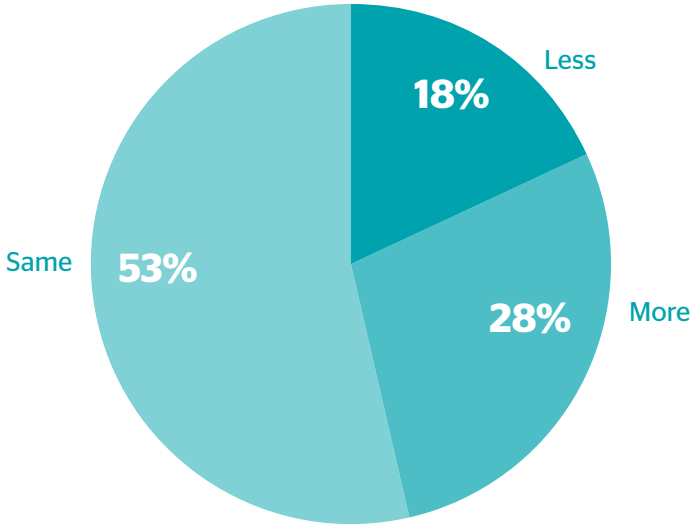


of those, **69%** use them on a regular basis

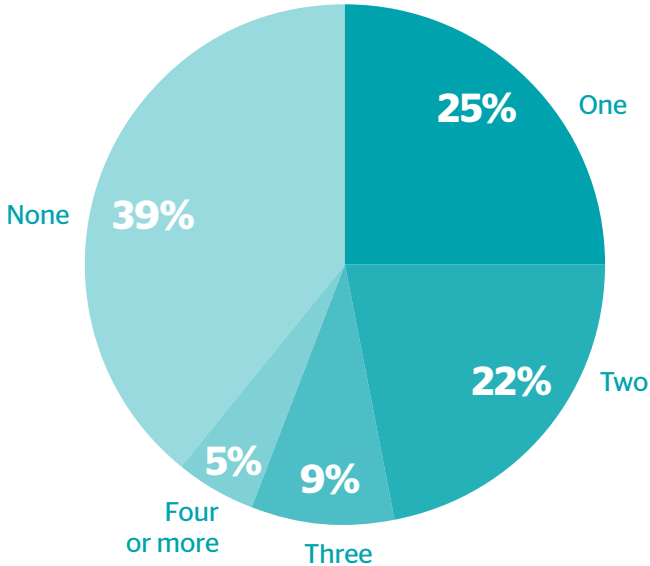


Despite the purported 'death of apps', app usage in the travelsphere is on the rise with travelers still installing multiple airline apps on their phone

82% of travelers are downloading the same or more travel apps than last year



Airline apps have the highest penetration with two out of three respondents having at least one airline app installed on their smartphone



Q7: How many airline apps do you currently have installed on your smartphone? (Base 955) Q8: Are you downloading more or less travel apps than last year? (Base: 943)

Searching for offers, flights and accommodation are the top reasons travelers turn to their smartphone for their travel needs

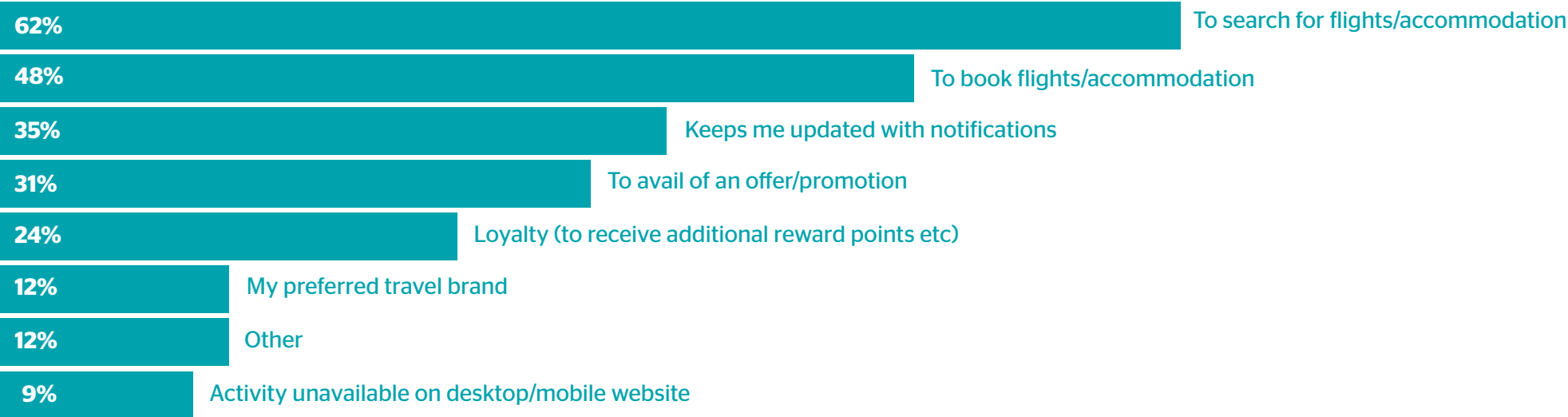
Reasons why travelers turn to their smartphone for travel needs



Q12: Thinking back to your last trip, which of the following did you do on your smartphone? (Base 945)

Travelers are turning to travel apps to search and book a trip with the added benefits of relevant, timely alerts and notifications making the pull even stronger

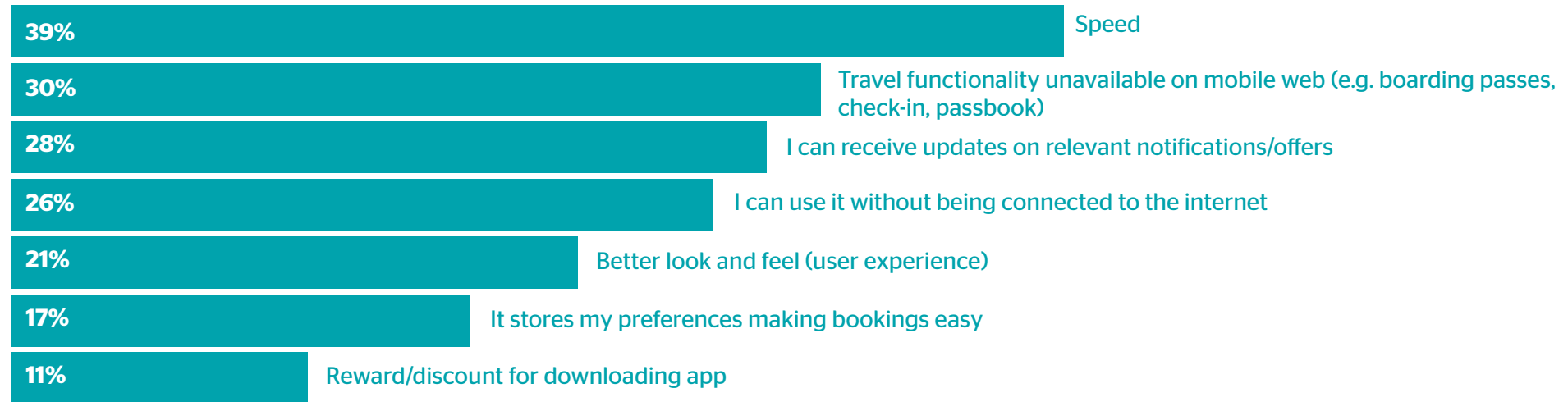
Top reasons for downloading a travel app to a smartphone



Q9: Which of the following best describes your reasons for downloading a travel app to your smartphone? (Base 945)

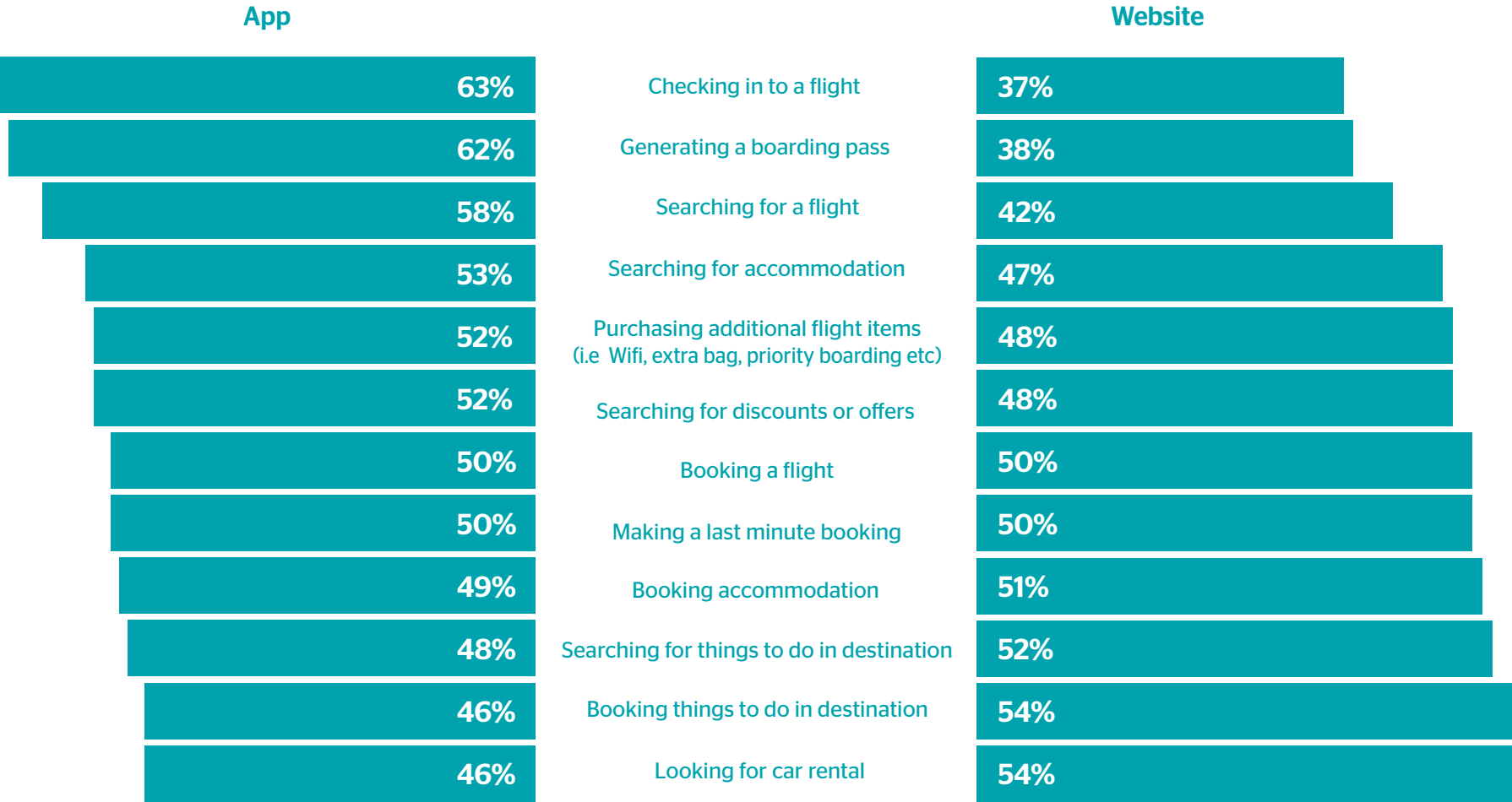
App specific functionality, great user experience and personal preferences play a key part in why travelers prefer to use a travel app over mobile web

Reasons for downloading a travel app over using mobile website



Apps preferred channel for check-in, search, bookings and ancillaries; web preferred for car rental and destination bookings

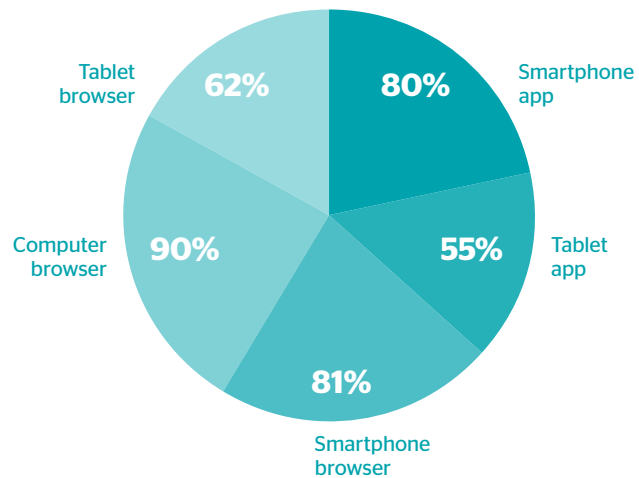
App or mobile web preference for travel related activities



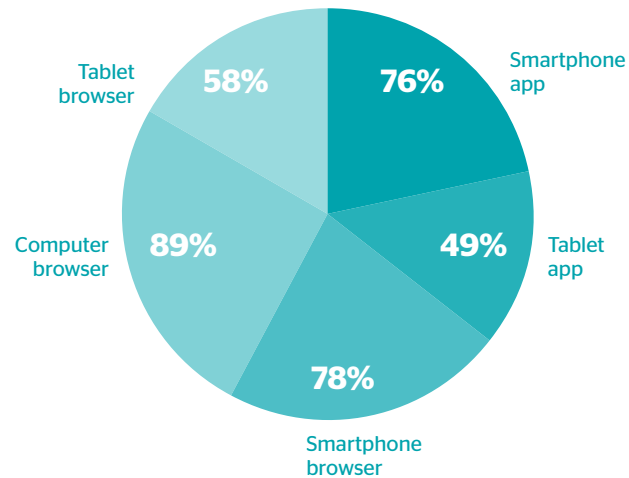
Q17: Would you prefer to use an app or a mobile website for the following activities? (Base 935)

Desktop is the favourite tool to research and book trips, especially when paying for flights, but travel apps follow closely behind, in particular for research

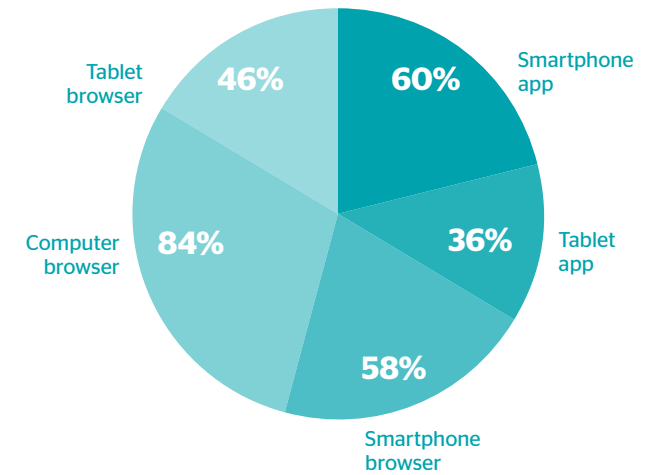
Methods used for researching a trip (flight, hotel, rail, car etc)



Preferred way to research a flight only



Preferred way to book/pay for a flight

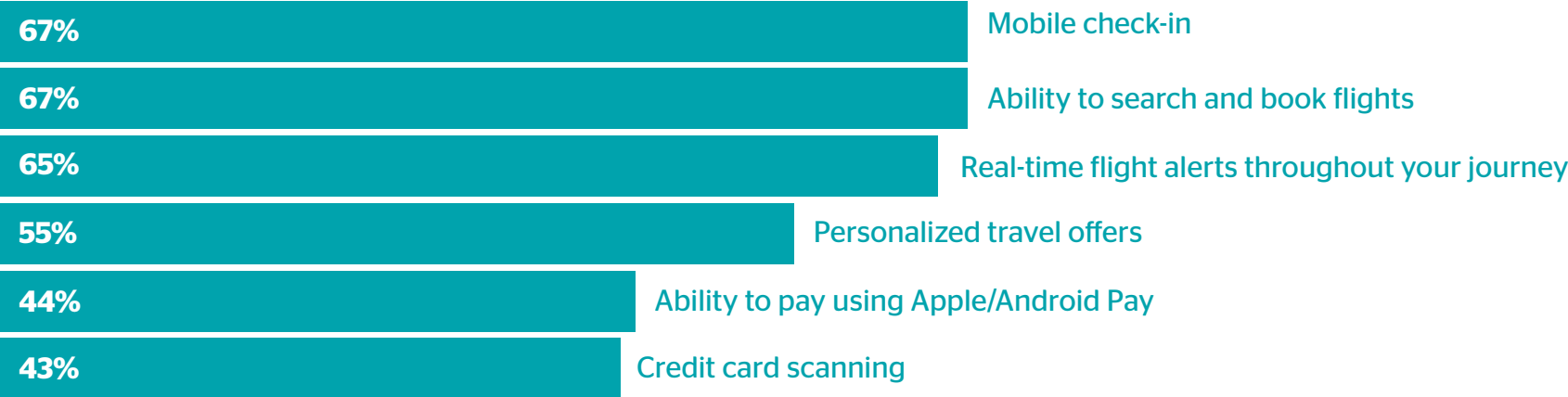


Q13: Which of the following do you usually use to research a trip (eg flight, hotel, rail, car etc)? (Base 945) Q14: Which of the following do you usually use when researching a flight only? (Base 935)

Q15: Which of the following do you usually use to book/pay for a flight? (Base 935)

Keeping people informed with relevant information, personalizing offers and delivering key functionality are essential to successful travel apps

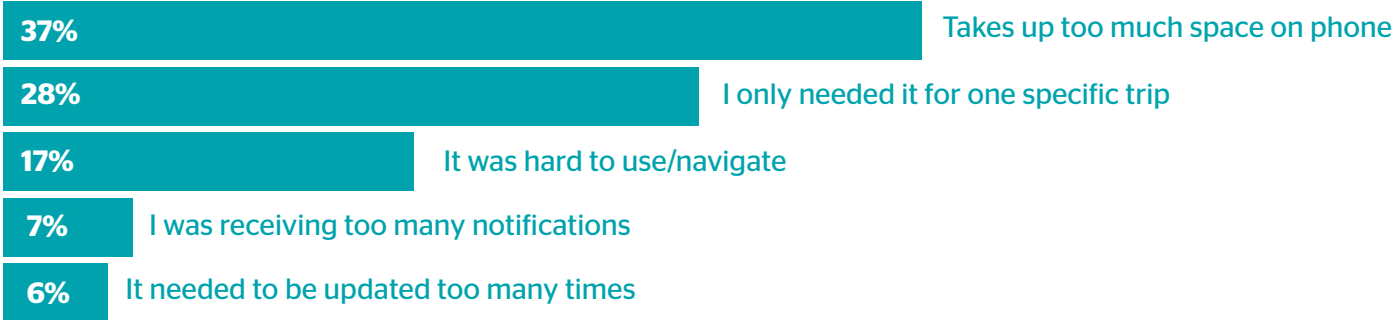
Features deemed 'important' on a travel app



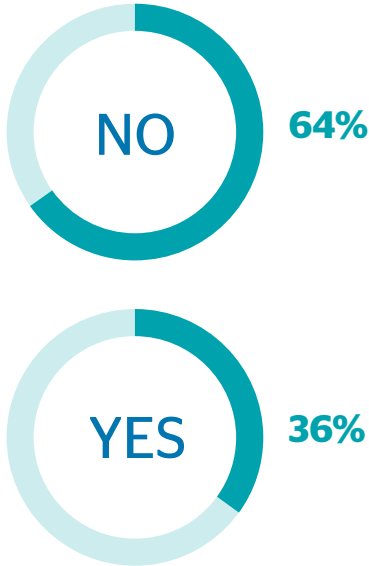
Q18: On a scale of 1-5 how would you rate having the following features on a travel app? (Base 934)

People stop using travel apps if they take up too much space or are hard to use

Why people delete travel apps



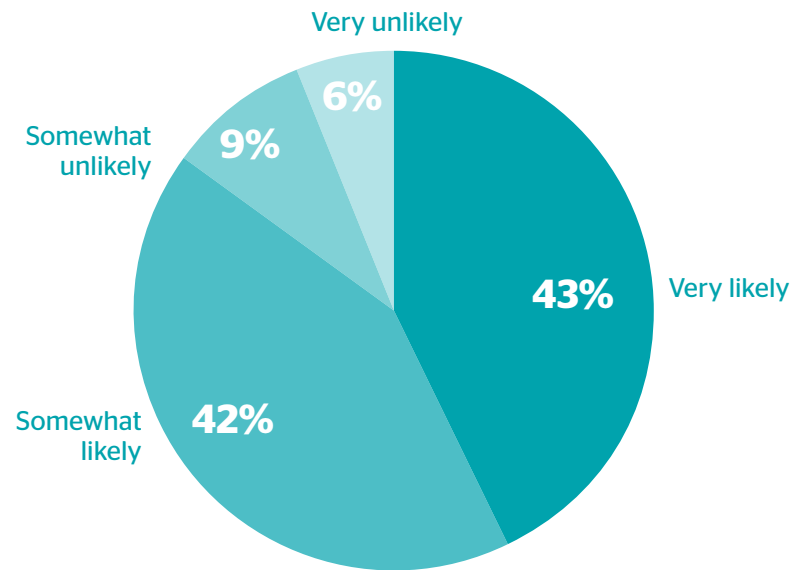
Have you deleted a travel app



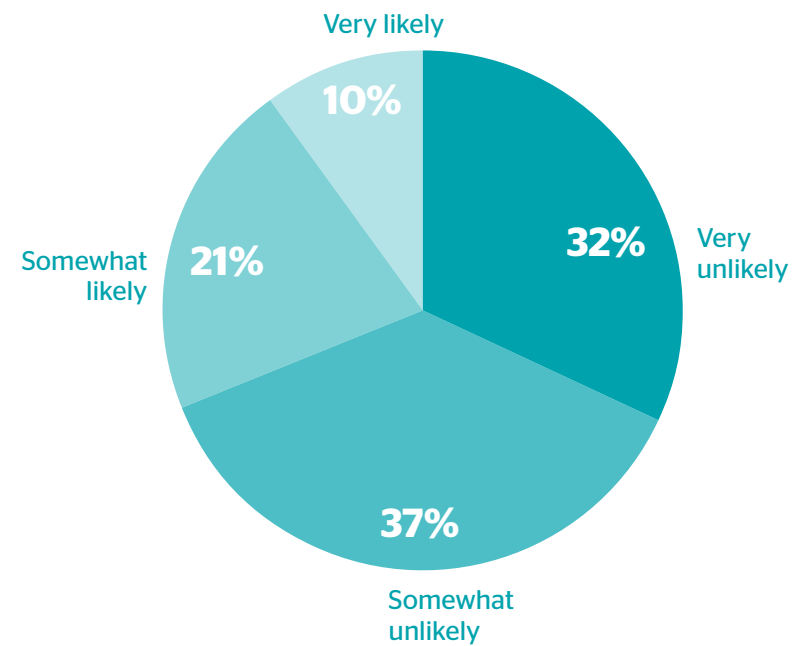
Q19: Have you ever stopped using/deleted a travel app? (Base: 935) Q20: Why did you stop using/delete the travel app? (Base: 355)

A good user experience plays a key role in brand loyalty

Likeliness to book a trip from a brand with a **good** user experience



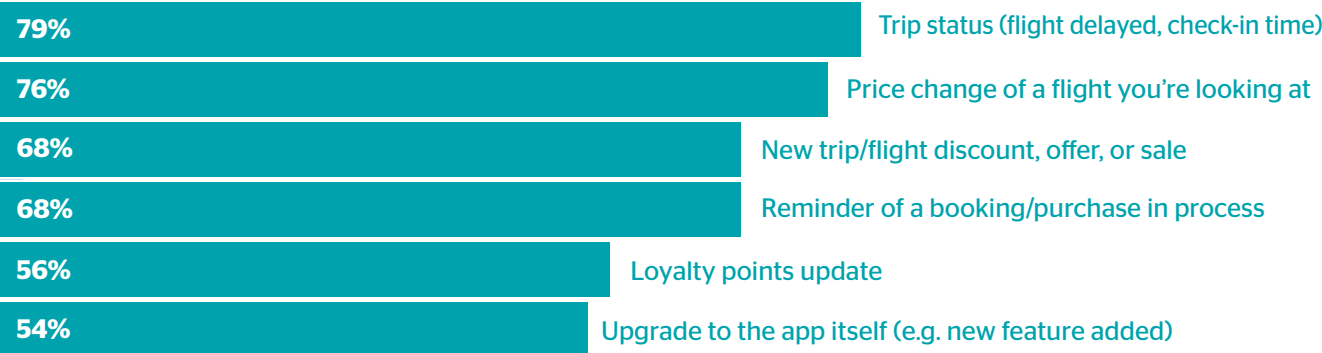
Likeliness to book with a travel brand with a **bad** app user experience



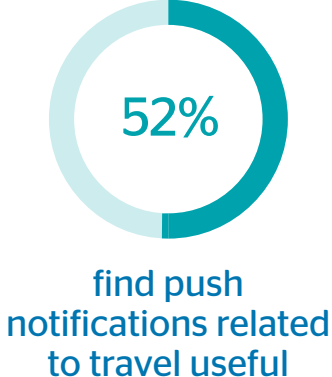
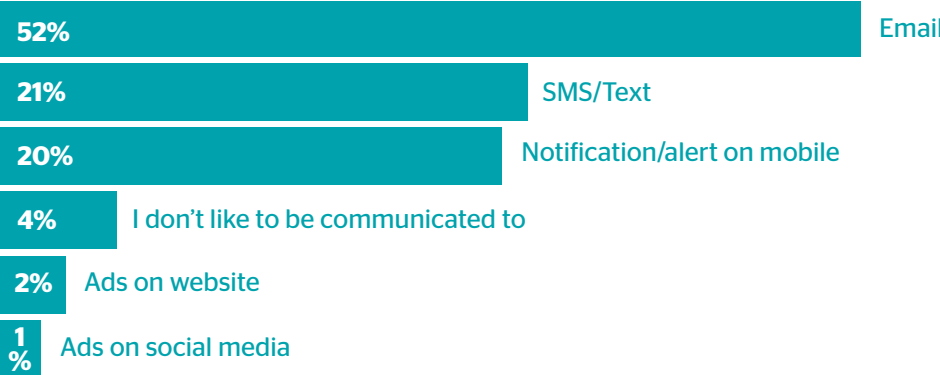
Q21: Would you be more likely to book a trip/flight from a brand that had a good user experience? (Base: 932) Q22: How likely would you be to book with a travel brand again if you had a bad user experience on their app? (Base: 932)

Notifications that provide relevant, timely information are considered useful to travelers

Travel notifications that are considered useful



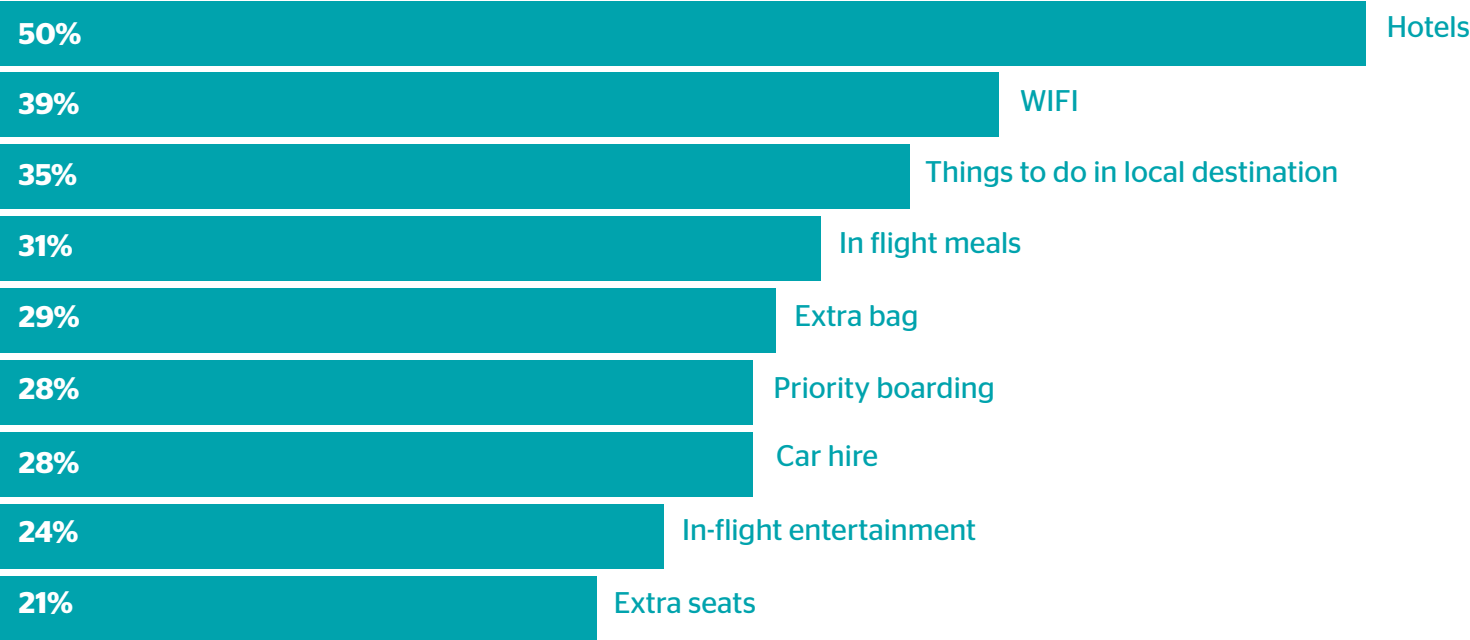
What way do you prefer to be communicated to for offers/updates?



Q24: What sort of travel notifications do you find useful? (Base: 925) Q25: Do you currently have push notifications activated on any of the travel apps you use? (Base: 925) Q26: Do you find push notifications related to traveling useful? (Base: 925) Q27: What way would you prefer to be communicated to for offers/updates? (Base: 925)

More and more travelers are turning to mobile to make ancillary purchases such as WIFI, priority boarding and extra seats

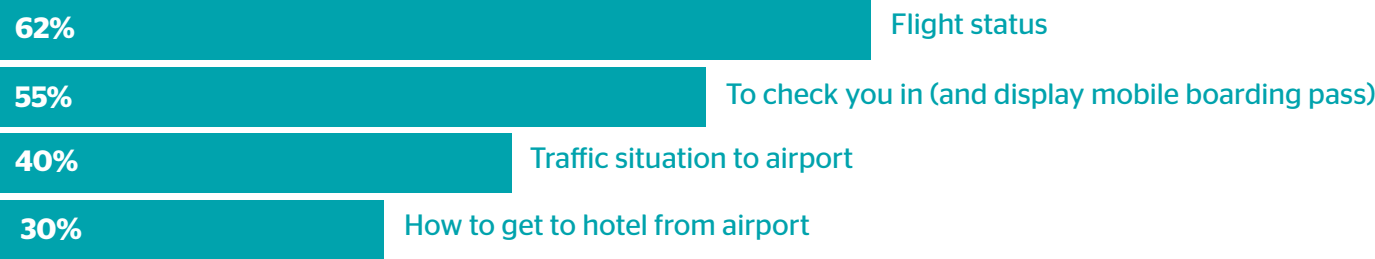
Have you bought any of the following on mobile?



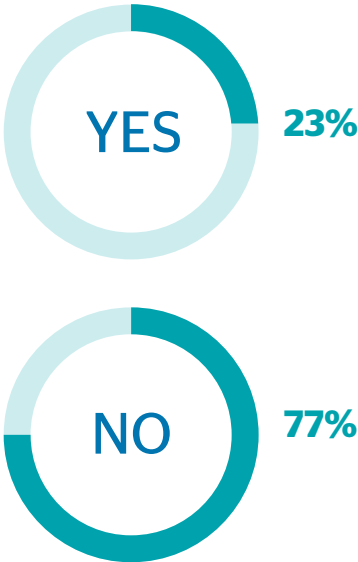
Q28: In the past have you bought any of the following on mobile? (Base: 925)

Voice powered travel search is on the rise for flight check-in and travel information, with 1 in 4 travelers using it to search or book a trip

When travelling, what would you like to ask using voice?



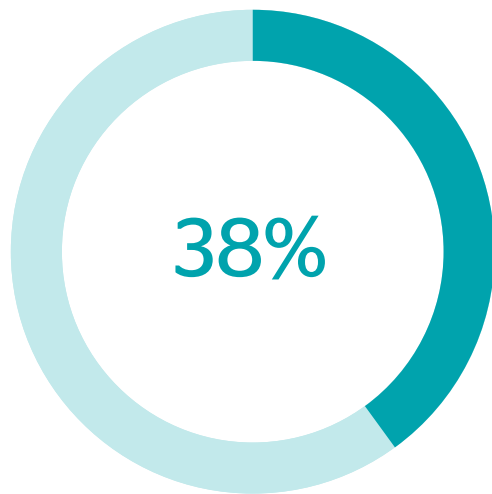
Have you ever used voice search to research or book a trip/flight?



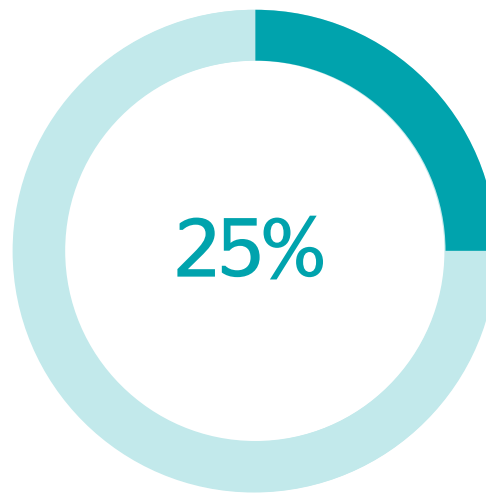
Q29: When traveling, what would you like to ask using voice (if the functionality was available from an airline or travel provider)? (Base: 925) Q30: Have you ever used voice search to research/book a flight/trip? (Base: 925)

Chat is becoming more important to the overall app experience with two thirds of travelers open to using it to search and book trips

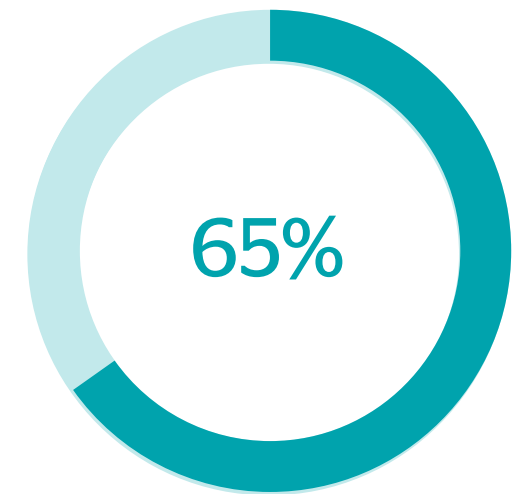
38% of travelers rank chat important in the overall app experience



25% have used a chat platform to book a trip

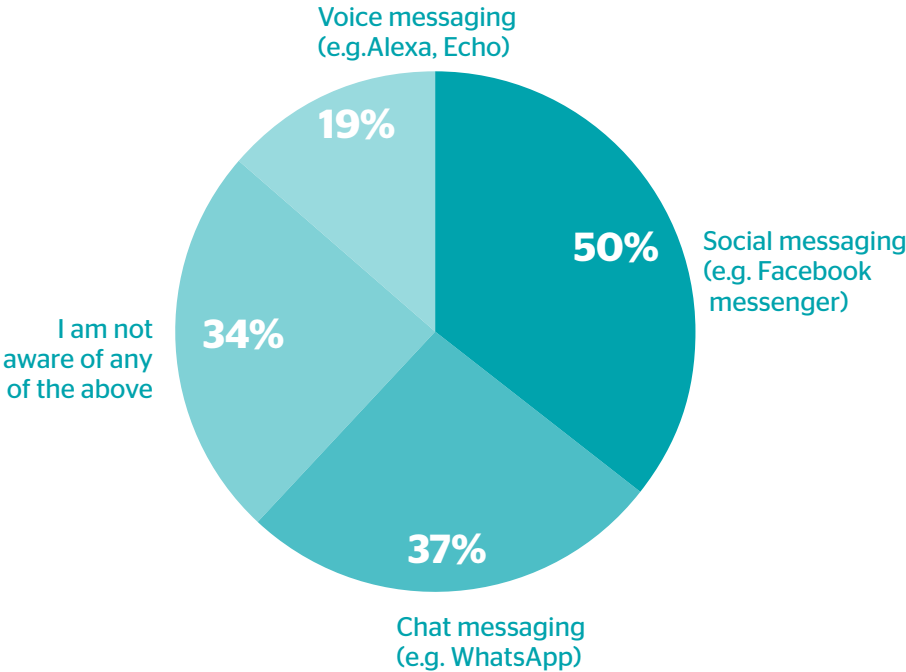


65% would be open to using a chat platform to research or book a trip in the future

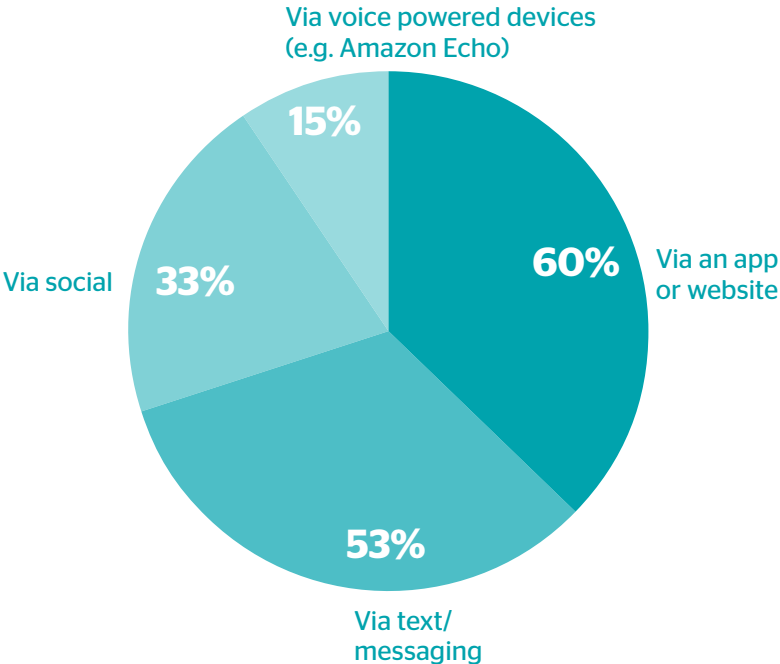


Engagement is no longer just about apps anymore, the future of travel is wherever the customer chooses it to be

How aware are travelers that they can communicate with a brand via messaging?



How do you expect to be able to communicate with your travel brand/airline now?



Q32: Are you aware you can communicate with a travel brand via messaging? (Base: 923) Q34: How do you expect to be able to communicate with your travel brand/airline now? (Base: 905)

Industry Take

How mobile travel will impact
travel brands in 2018

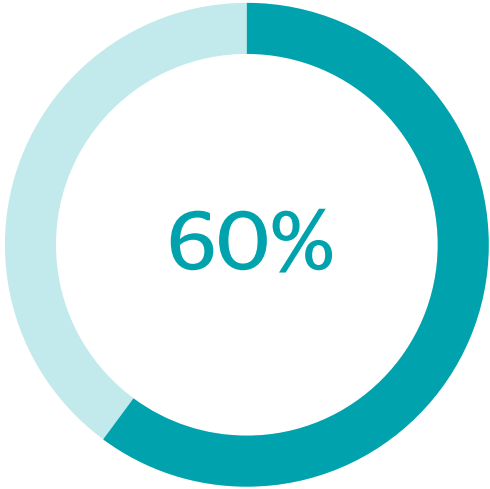
55 senior airline
and travel industry
professionals

6 continents

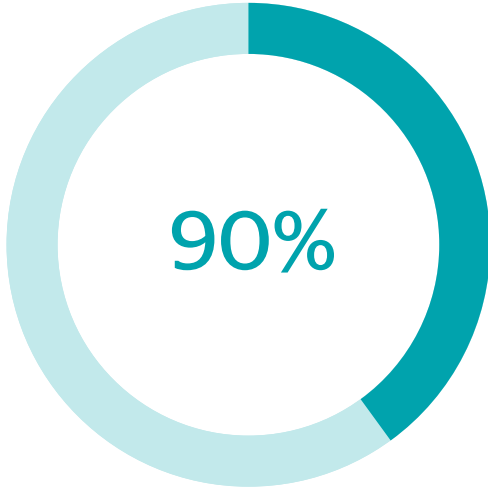
14 questions

Mobile is a top priority that continues to be at the heart of investment and business strategy

60% of travel brands are looking to enhance or replace their app in 2018



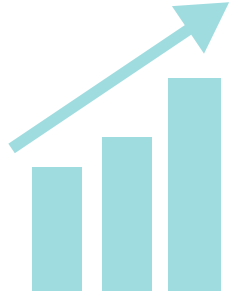
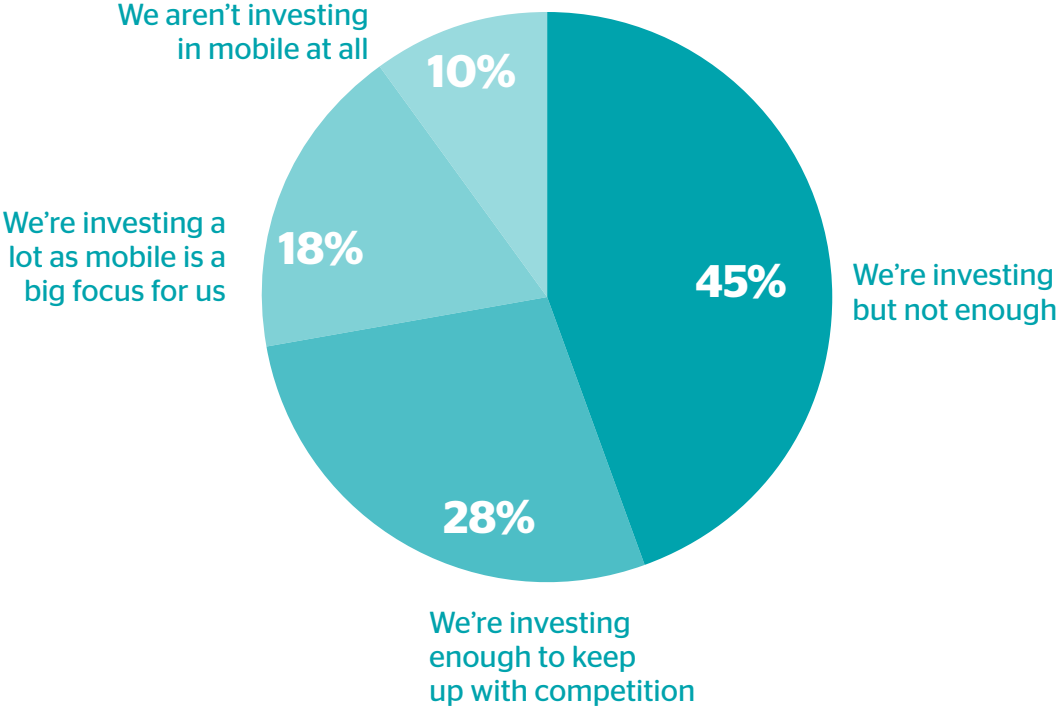
90% of travel brands said that having a mobile strategy is 'critical' or 'very important' to the success of their organisation



Q5: Which of the following most accurately reflects your mobile strategy for 2018? Q6: How important is having a mobile strategy to the future success of your organisation? Q7: Do you intend to increase your investment in mobile in 2018?

90% of travel brands are investing in mobile in 2018

How do you feel about your organizations level of investment in mobile?



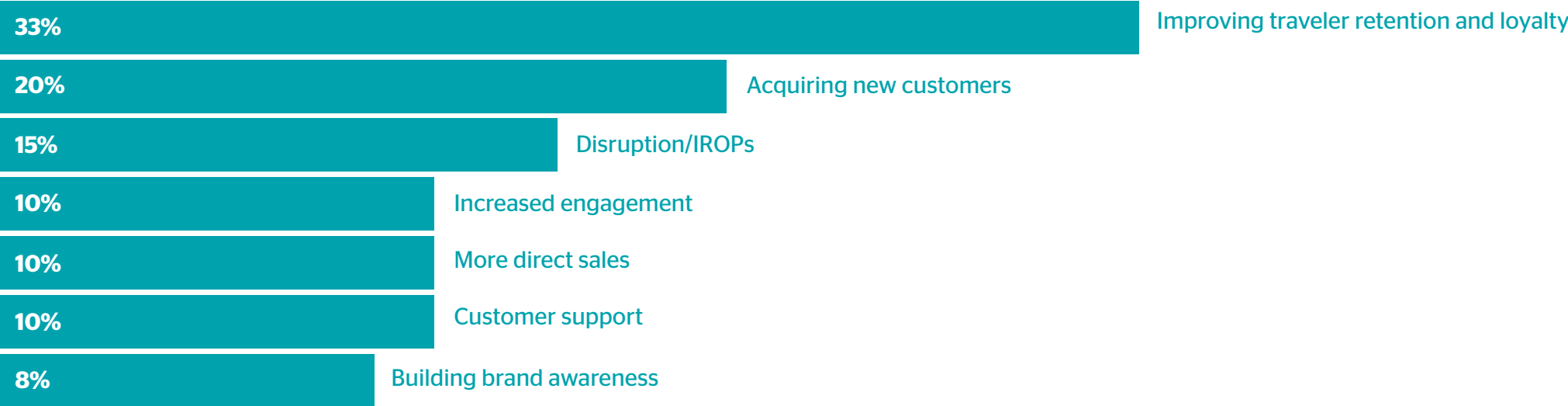
84%

of travel brands intend to increase their investment in mobile in 2018

Q11: How do you feel about your organisations level of investment in mobile?

Mobile is seen to help drive loyalty, engagement, acquiring new business and reducing costs

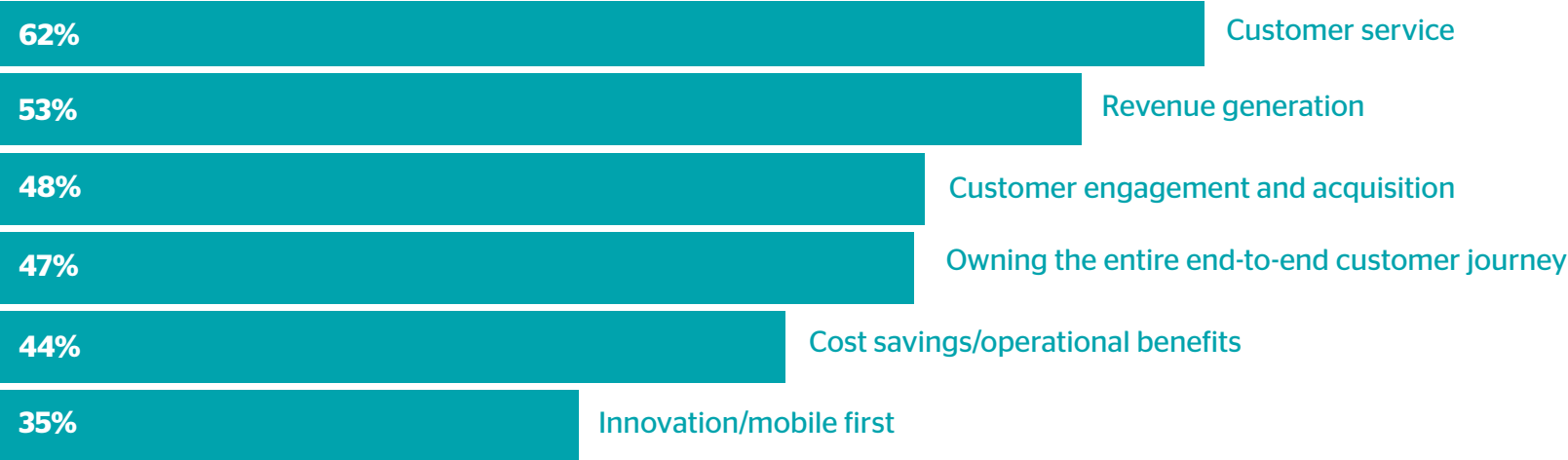
What is the biggest challenge you feel mobile could help your organization address in 2018?



Q13: What is the biggest challenge you feel mobile could help your organization address in 2018?

Customer engagement more important than innovative features

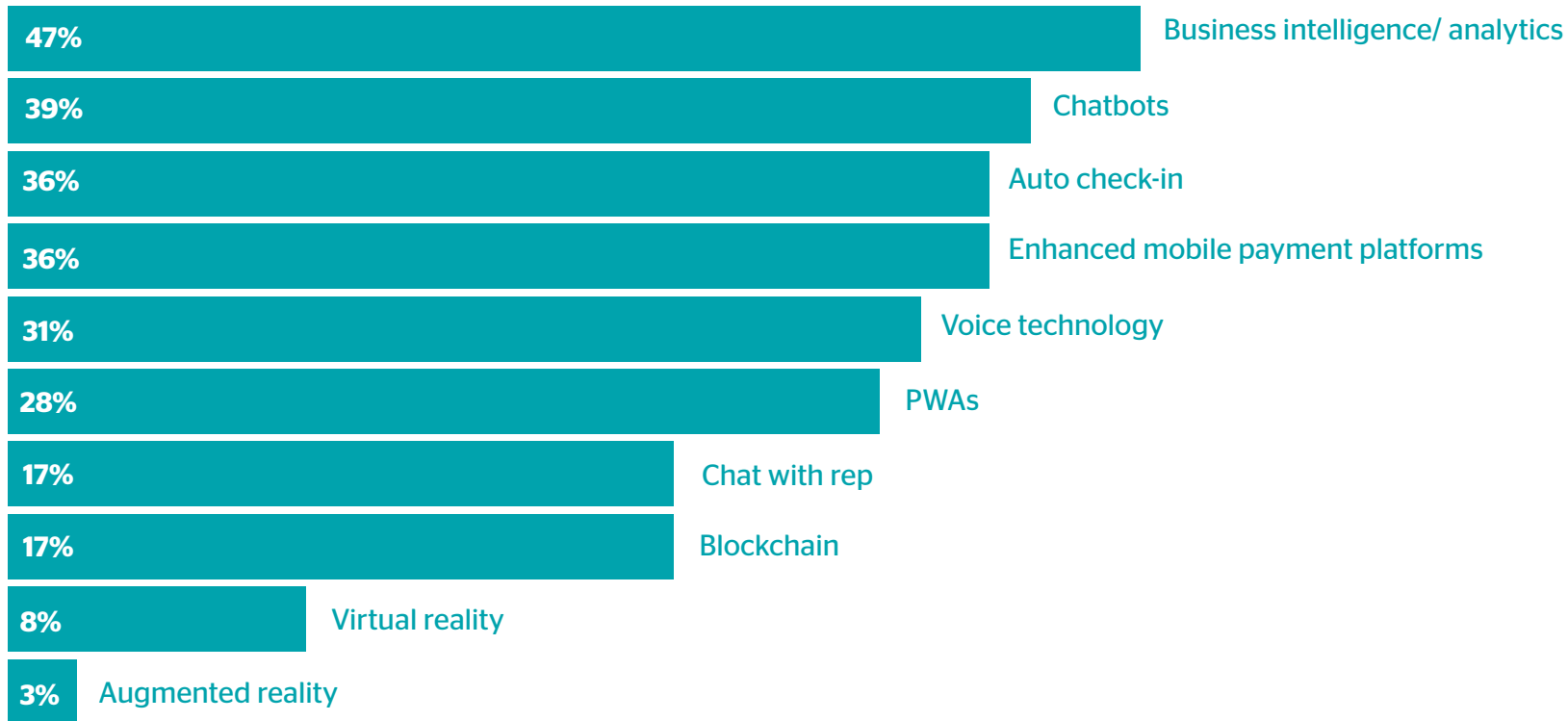
What mobile goals are important to your organization in 2018?



Q12: Please rank the following mobile goals in order of importance to your organisation?

BI, bots, voice, payments and PWAs are hot topics in 2018, AR and VR of less interest

In 2018 what areas of mobile development do you intend to invest in?



Q14: Do you intend to invest in any of the following areas of mobile in 2018?

Influencer Take

Industry influences



Bobby Healy
CTO
CarTrawler

“Mobile commerce will be the key trend for the next 3 years as the rest of the world catches up with China and Southeast Asia in mobile adoption and channel shift.

With that comes the need for high-class native and mobile web storefronts and airlines will lag the intermediaries in that regard; creating space for further intermediation – and turbo-charged by Google’s taking over the top of the trip planning funnel.

Optimizations within mobile will be largely driven by technology investment and underpinned by algorithmic (mostly machine learning based) product curation and pricing. Additionally, voice and chat will emerge as important sales and support channels and will be powered by now off-the-shelf natural language processing (NLP) and machine learning (ML) platforms from Amazon and Google mostly - with a little bit of Facebook for good measure. Disruption will come with new entrants on these channels.”



Gordon Wilson
President & CEO
Travelport

“Travelport’s recent Global Traveler Survey highlighted how one in three travelers now books on a mobile device. We believe 70% of all OTA bookings will be via mobile by 2020, with global smartphone ownership forecast to rise by 50% from 3.8bn in 2016 to 5.7bn in 2020.

“Apps enable levels of engagement which are not possible through other media”

The mobile networks’ improved connectivity will help drive this with 3.6bn 4G users, two-thirds of the mobile base, expected by 2025. Apps are still very much the way to go, enabling levels of engagement with the consumer which are not possible through other media. Mobile enables the creation of a whole new raft of players specialized in this channel and deploying different cost models for customer attraction which are not reliant on either metasearch or search engine fees for traffic.”



Norm Rose

President & Founder
Travel Tech Consulting

“Location is easy, but context is challenging. Mobile technology has permanently changed the travel experience. Whether it’s airline passengers checking their smartphone immediately upon arrival, or a traveler looking for a great authentic Greek meal in Athens, mobile technology has become the indispensable, go-to device for travelers.

The key to a successful mobile strategy is understanding the context of the traveler. What does the traveler need at that very moment? Location-based technology, such as beacons, can provide a platform for communication with the on-the-go traveler, but what should be the message?

If a travel company is serious about mobile communication, determining the context of the traveler is critical. The best strategy is simply to know your customer. Any marketing or service message needs to be personalized to the individual traveler’s needs. This is easier for frequent travelers, but infrequent travelers may lack the data to understand their context. Before any message is sent out, the travel company needs to use whatever information is available (e.g. past trip behavior, social media content, location) to anticipate the traveler’s immediate need.”



Bob W. Mann Jr.

President
RWMann

“For the airline, the ability to identify via mobile, facility-located beacons and displayed avatars, the location of passengers as they start their journeys to and through the airport will continue to be built on. The ability to select, pitch up-sells/ancillaries and notify travelers near/in the airport, during and post-flight, and development of analytics that identify incipient service failures and pain points for real-time remediation will continue to trend.

There will also be opportunities for integration into the manpower and service planning cycles, across shifts, stations, and the entire airline.

For travelers and travel managers, the ability to fuse all aspects of their itineraries, and to resource mapping and real-time communication when at risk or there are service failures is a huge advantage of constant digital engagement via mobile. In addition real-time travel expense capture and ‘after-action’ report writing, could be rolled up by the travel management organization to rate and give feedback to individual airlines and other vendors.

We believe the benefits of digital engagement to airlines easily exceed \$1 billion annually for each of the largest four U.S. airlines.”



Mark Lenahan
Travel Technology
Specialist
CJ Ignition

“We are no longer really talking about smartphone or mobile internet penetration, most of the world’s markets are nearly saturated and the vast majority of travelers are ‘always-on’ or, more importantly, have that expectation. Mobile usage is increasing, customers assume mobile connectivity and expect brands to be relevant everywhere.

Two parts of the travel customer journey which highlight this always-on expectation are in-flight and in-destination. We are probably 3 to 5 years away from in-flight connectivity being the norm rather than the exception, but airlines are investing heavily in different ways to interact with passengers onboard, especially when it comes to in-flight products and services.

In-destination has some catching up to do, but maybe 2018 is the year it will start to emerge. Even though destination activities are the fastest growing sector in the industry (according to PhoCusWright), many traditional travel retailers like airlines and OTAs essentially turn silent during this part of the journey. Hotels are still struggling to find compelling reasons for guests to download and use their apps. Local discovery is being ceded to Google and TripAdvisor.

All travel brands need to consider the entire customer journey, not just the parts they are engaged in today. As a brand, if you are just there for the initial sale, and then ignore the customer don’t be surprised if there’s no loyalty and you face all the same customer acquisition costs all over again for their next trip. This is one area where consumer travel brands are just too complacent.”



Raymond Kollau
Founder
Airline Trends

“In 2018, airlines will further evolve their apps to ‘digital travel companions’ in order to extend their service offering beyond just flying passengers from A to B.

By integrating third-party functionality into their own mobile apps – be it airport transfer (for example, JetBlue x Moxio, or Singapore Airlines x Grab Taxi), pre-ordering food at the airport (e.g. American Airlines x Grab Food), or providing real-time flight tracking (e.g. EasyJet x FlightRadar24) – airlines are building their own travel platforms, which makes their offering more relevant to passengers as well as a way to generate ancillary revenues.”



Thomas Husson
Vice-president &
Principal Analyst
serving B2C Marketing
Professionals
at Forrester

“I think most players in the travel space are fully aware of the importance of mobile moments throughout the entire customer journey.

“The ability to automate mobile moments and deliver real-time contextual engagement”

What will differentiate leaders from laggards is their ability to automate these mobile moments at scale when they engage clients and consequently to change the mindset, organization, processes and IT infrastructure of their organizations to be able to deliver real-time contextual engagement.”



John Hale

Head of
Marketing and
Communications
Travelport
Hotelzon

While consumers are already used to paying for their lattes with mobile, the world of business travel still relies heavily on decades-old plastic credit cards to settle bills. Hotel payments, in particular, are a major pain point in corporate travel, with hotels being paid in different ways depending on the person booking it.

With the widespread acceptance of alternative payment methods, such as mobile payments, corporate travel programs are poised to catch up with more convenient and secure payment options. While not entirely new, virtual credit cards should become the norm to guarantee bookings and settle hotel payments in business travel.

Automated, end to end solutions, such as Travelport Hotelzon's, help companies streamline their hotel payment flow, from booking to book-keeping. Soon enough, travelers can forget about carrying credit cards or collecting receipts altogether."



Jason Rabinowitz

Aviation Expert
& Influencer
AirlineFlyer

"Mobile and alternative payment systems have become widely used enough where airlines will be able to streamline the arduous payment process. Passengers will be exposed to booking travel quickly and securely with their phones."



Stephen Joyce

CEO
Rezgo

"I believe we will see an increase in the number of mobile applications that will use a combination of location, previous purchase history, and demographic trends to push relevant offers to travelers while they are in destination. Most of this innovation will come from the large brands that have multiple trip histories for their customers.

The best positioned sites for this would be TripAdvisor and Expedia since they are focused on the full trip lifecycle and have worked on building cohesion between their units.

"Combine location, purchase history and demographic trends to push relevant in-destination offers"

This mobile push however is also going to require that the underlying plumbing work is in place to support last minute offers, which means that initial efforts on this front will most likely be limited to popular destinations that have a large set of connected local providers."



Glenville Morris
Director, Consulting &
Digital Insight,
Travelpport Digital

“Travel brands need to take their digital experience to where the user is and that’s not just in app folders anymore, they need to start thinking outside the icon box. Now don’t get me wrong apps aren’t going anywhere (yet) but they are becoming an increasingly niche part of the digital journey, a journey that is now multi touchpoint and now more so than ever, multi-platform.”

So my prediction is this - Engagement in 2018 is not just going to be about mobile apps, we’re going to see the dawn of a bright new age - the age of the customer. And in this new age the customer will want to engage with travel companies on whatever platform they choose to be on and if that brand isn’t on that voice/messenger/mobile platform then don’t expect that demand for your brand to still be there come 2019!”



Rob Weisz
Head of Marketing &
Communications
Airline Trends

“Simplification will be the most important trend in mobile travel in 2018. It is vital for technology to help simplify a trip for a user, for example, by recommending the best itinerary and timing. Not having to endlessly shop dates and routes will save the traveler time and money. As an industry, we need to move from offering a mobile version of a legacy solution to offering a killer mobile solution. Start-ups like Hopper, Rocketrip, Upside, Traxo and others are doing some great things and our Travelpport Labs Accelerator and regular Hackathons are also very exciting - so watch this space.”



Sebastian Juarez
CTO & Co-Founder
eTips

“The most important trend in mobile travel for 2018 will be tickets and bookings distribution, as 2017 cleared the path to, with Trip.com and Via.com acquisition, that will lead the biggest travel operator to fight for it.

“The most important trend in mobile travel for 2018 will be tickets and bookings distribution”

Also, GDS changes to internet APIs, and blockchain distribution will leverage mobile software game, overtaking web’s place, for multi-search engines and recommendation engines.”



Bayram Annakov
CEO & Founder
App in the Air

“I think we will see more AR applications that help travelers and airlines: checking luggage size requirements and looking into an aircraft. I believe we will see some specific improvements in using traveler’s data to simplify and speed up search and book part of the customer journey.

I hope we will see more companies applying subscriptions business model to travel.”



Dr Addison Schonland
Founder & Partner
AirlInsight

“Mobile devices are doing so much more but battery technology is not keeping up with usage. Drivers and mobile users need to ‘top up’ with gas and power. Anything that prolongs battery life is a dream. More important is to provide power sources for that necessary top up.

“To capture mobile users prolonging battery life is a dream”

To capture mobile users, it would seem to be a great idea to offer easy power sources. Not under the airplane seat in front of you, that is unreachable. Or on the floor under the table when you’re dining.

Put the power up where people are, and the charging cable can reach so the user can stay active and charge simultaneously.



Roy Scheerder
Managing Partner
Fjom

“I have witnessed some interesting developments at Schiphol last year, which drives me to predict the following trends: The use of airport mobile channels will gain traction over the use of other mobile channels when passengers are preparing and fulfilling their travel journey.

Airport mobile channels increase in value due to worldwide adoption of indoor wayfinding, enabling real-time journey planning, location based service and sales offers and expectation management on how to behave for the best possible experience. Airports become smarter with predictive waiting times, mobility advise and personal digital propositions.

The available data from points of interests, flights, airport assets and processes drive valuable features that overcome the lack of customer insights. Airlines and airports jointly will radically improve the passengers’ airport experience in 2018, especially in times of service disruptions.”

About Travelport Digital

At Travelport Digital we deliver innovative digital travel solutions for airlines, TMCs and travel agencies to meet the expectations of today's ultra-connected travelers. We create superior, end-to-end travel experiences across multiple devices and channels with the latest in mobile technology, great UX and design, a travel focused product set and close collaboration with our clients. Our work enables airlines and travel companies to leverage 'every moment in travel' with mobile and digital services that transform how they interact with their customers.

- **40+** million app downloads (as of February 2018)
- **100** number 1 travel apps in App Store / Google Play
- **775** App Store promotions in the last two years
- **4.5** average app star rating
- **330+** mobile experts dedicated to travel
- **34** industry awards for our apps (2014 - Present)

travelportdigital.com