



DESTINATION DIGITAL

Six key lessons for the travel industry about hybrid customer behavior

Who could have foreseen 20 years ago that, in 2014, 3% of people would be booking holidays from their bathrooms?

The customer purchase journey is unrecognizable compared to only 10 or 20 years ago. It is now all about omnichannel and multiple devices. People can, if they wish, research their next holiday while waiting in line at the supermarket, commuting to work or even having a bath!

This is an exciting and intensely challenging time to be part of the competitive travel industry. Digitalization and the new technology allow us to understand consumer behavior better than ever before. As travel agencies and holiday companies compete for customers in an increasingly fragmented market, an understanding of hybrid customer behavior is essential in order to make the most of every opportunity.

Lesson Number One: Journeys are integrated online and offline

Imagine that a consumer is buying a new tablet. Research shows that while offline touchpoints still account for 61% of behavior, more than half of customers' searches are generated by search engines. So customers are mixing offline and online activity. Rather than competing, the two channels work in a symbiotic relationship, each relying on the other to assist consumers in their tasks. Brands need to provide a seamless, effortless transition between channels.

Lesson Number Two: More than half of consumers do their research online

Online is as important as word of mouth in terms of reaching customers. Travel related search engines now achieve more than 91% of the reach to consumers.

Not only do consumers love to research holidays online, they don't mind investing a considerable amount of time in this activity. A consumer spends five hours on average online to find the best flight deal. This is a lot of time for a flight that may last less than two hours!

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Here are three important insights into the travel customer's online journey.

- Approximately 25% of travel bookers don't know they are going to book a holiday only three months before purchase.
- Customers who are booking a holiday consider ten times more brands than they expect to consider upfront.
- After making their booking, customers forget two thirds of the brands they considered.

With over 50% of customers now searching for holidays online, travel brands must be present for the online customer from the very beginning of their searches, and make sure their online presence is mobile-friendly, user-friendly and adapted to every new platform and every screen size.

Lesson Number Three: Customer journeys are complex, understanding them leads to increased return on investment

The customer journey has never been more complex. Consumers can carry out research online anywhere, anytime and on multiple devices. When researching and then booking a flight, more than 65% of customers will use more than three devices. Travel companies need to ensure they have a comprehensive knowledge of every stage in the customer journey. By understanding the customer journey they can take advantage of every opportunity to reinforce their brand message, and to reach customers at critical points in their purchase journey.

Lesson Number Four: The much anticipated mobile revolution is happening NOW

Between 2011 and 2013 the sales of mobile devices rose by 269% globally – 48% in the developed world and 164% in emerging countries. 100 million mobiles are now being sold each quarter in the Chinese market. Global mobile transactions are predicted to reach an incredible \$617bn (€520bn) in 2016.

Mobile web access is now the norm for most consumers worldwide. So mobile is the key channel for driving business growth in any industry. Having a mobile optimized website is only the first step. It is crucially important to have a thorough understanding of the mobile/cross-device behavior of your consumers. Simply investing in mobile is not enough, it's important to measure the ROI of all mobile efforts.



It's never been more important for companies to make sure that all of their messages are in place everywhere

Lesson Number Five: Omnichannel is a hybrid approach between online and offline roles. Ensure messages are consistent across the touchpoints and be present everywhere

With customers going truly omnichannel, it's never been more important for companies to make sure that all of their messages are in place everywhere and are consistent. The consumer-brand relationship is changing, and consumers are in charge of how they interact with brands.

When buying motor insurance, 82% of customers conduct their research online, but they are not 100% driven by cost. Almost half of the drivers surveyed (49%) agree that it's worth paying more for a brand with a strong reputation. And renewal letters drive online activity, increasing engagement with the brand. So advertising, customer relations and reminders are all key communications and touchpoints, and they all influence the ultimate purchasing decision.

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Lesson Number Six: If it can be digital, it will be digital

In our technology-enabled, fast-paced world, people have grown used to getting what they want as quickly as they want it, and grow increasingly impatient if instant gratification is not an option. No wonder the digital option is so attractive to consumers.

40% of shoppers will abandon an e-commerce site that doesn't load in three seconds while 80% of users will click away if a video stalls while loading. People associate innovation with speed – in fact 85% of young people (or "Generation Y") would agree that innovation is 'a faster way of doing something'. So people will choose digital, and they want immediate results. Time is becoming the most valuable asset.

The traditional travel agent cannot ignore digital. In order to survive they have to mirror their offline strengths – such as friendly and personalized customer service, reliability, attention to detail and the ability to negotiate great deals – in the digital environment. They need to grow and monetize their loyal user bases, finding innovative ways online to inform, serve, entertain, reward and retain customers.

Taking a holistic view of every step of the online booking journey for best insights

Never has the travel industry faced so many challenges: destructive competition, an ever more fragmented and complex market, customers with short attention spans searching for holidays from multiple locations on multiple devices. To be successful travel companies need to take a holistic view of every step of the online booking journey. They need to anticipate market developments, understand their customers and – most importantly of all – embrace every opportunity both online and offline to engage the consumer and increase profitable growth.

Your contact partner is there for you:

Laurens van den Oever
T +65 6826 8600
laurens.van.den.oever@gfk.com

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