

Travel Booking - US - May 2016

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"The US travel market is stable and growing. As spending increases, so will the market for travel booking. Booking direct continues to be the norm, though OTAs (online travel agencies) are competing for share. As loyalty to travel supplier brands is in question due to devaluing of loyalty programs, OTAs stand to benefit."

- Fiona O'Donnell, Director, Multicultural, Lifestyles, Leisure and Travel

This report looks at the following areas:

- Online booking dominates, suppliers more likely to win the final transaction
- More important than price, good experiences drive repeat use of travel booking sites
- Lack of differentiation among leading OTAs

The Report covers the US travel booking industry related to how consumers book travel-related transportation, accommodations, and tours/activities; what drives their choice; and attitudes toward travel booking and innovations. Booking methods covered include:

- Online – Direct with suppliers and via OTAs
- Offline – In person, via phone, and travel agents
- Third-party OTAs
- Direct with suppliers

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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- Visual platforms are a powerful influencer for travel booking
- Foreign acquisitions are now norm

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- Challenges remain with mobile booking
- Fast and furious – Travel bookers want instant results
- Need for one powerful travel app
- Brand loyalty up for grabs? Loyalty programs become stricter

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- Tour and activities are important components of the travel experience
- Sharing economy is emerging as a force in its own right
- Smarter travel booking sites
- Personalized offers
- The dust will take some time to settle down before winners emerge
- End-to-end innovation, agile business strategies top priority for OTAs
- Need for creativity in travel booking
- One wallet to bring them together, one wallet to rule them all
- Competition between OTAs and direct travel providers heats up
- Artificial intelligence and travel agents re-invented
- Mobile messaging as a commerce platform for OTAs
- Is Google a threat to the OTAs?

The Consumer – What You Need to Know

- Online booking most common, direct with supplier remains popular
- May the best price win? Or is experience all?
- Desktop/laptops booking is most popular, mobile appeal is niche
- Sharing economy gaining importance
- Travel bookers tend to think OTAs are all pretty much the same
- Judicious email marketing can drive sales

Typical Travel Booking Methods

- Transportation, accommodations essential to TB, tours/activities part of the booking mix
- Transportation
- Accommodations
- Tours/activities
- Cruises

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