

10 Digital Trends in Travel and Hospitality for 2019 and Beyond



When it comes to improving the digital travel experience, it's easy to get caught up in the details.

Sure, it's important to do things like testing and tweaking your CTAs, optimizing your funnel lengths, verifying your page load speeds are competitive, and ensuring relevant up-sells are presented at the right time.

But sometimes, it's also important to step back and consider the broader trends and changes in the industry. It is undeniable that online consumer behavior has changed in the last five years, let alone the last decade.

In 2019, for example, [61 percent of travelers report](#) "nearly always" or "sometimes" using a smartphone app to book airline tickets.

These shifts in behavior and adoption of technology means the projected growth in the online travel industry is expected to [exceed 12 percent in compound annual growth rate](#) (CAGR) between 2017 and 2023.

We may be halfway through 2019, but the trends and changes shaking up the travel and hospitality industry are sure to have a long-term impact.

Here are ten trends in 2019 that we believe will remain relevant for years to come.



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DIY Trip Design & Unified Experiences

DIY bookings and trip design are trends that has been growing in popularity for years.

This has been expanded by more diverse booking options—sites like Airbnb, for example—and the ability of smartphones to power navigation, research and communication from any cafe or street corner around the world.

While this empowers travelers to create more tailored experiences, explore new destinations and diversify the type and nature of their trips, it can also create a planning and management nightmare.

To enable DIY booking, travel websites and apps will increasingly offer journey management solutions that

integrate research tools, recommendation systems, booking opportunities and itinerary management platforms.

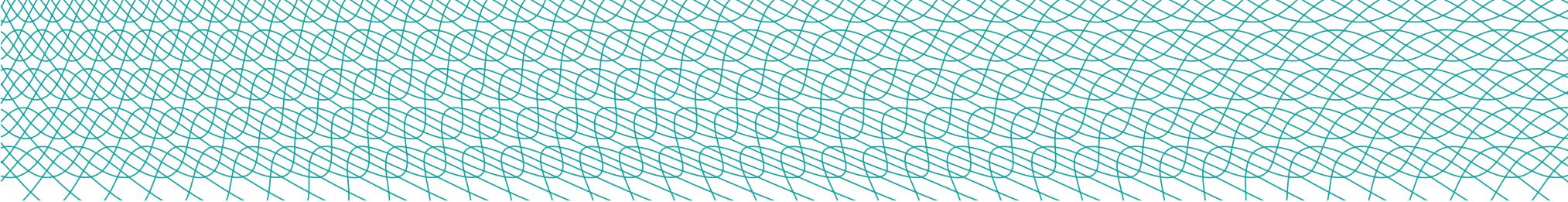
Moreover, these solutions will begin appearing in what are perhaps unexpected locations: a phone's navigation app, for example, or an airline's booking app.

A great example of this is Airbnb itself, which rolled out Airbnb Experiences in 2016, and in June 2019, [launched Airbnb Adventures](#).

Both of these features of the Airbnb platform enable guests to book adventures, activities, tours and classes as an add-on to their Airbnb stay.

This enables travelers to choose and manage their own adventure in an all-in-one, unified experience.





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Leveraging A.I. For Support Channels



Even if services are integrated into more unified systems, travelers still need support throughout the planning, booking and traveling process.

With travel, requests for support may occur at any time—across time zones and continents. And often, customers need their questions answered quickly.

To address this need, digital travel providers are relying more on chat bots powered by artificial intelligence systems. These systems are able to quickly analyze the content of a text or voice request from a customer, classify the problem and retrieve the most-likely solution or response.

Many large digital travel companies like Kayak and Expedia have already brought bots to apps and mobile-optimized websites. Now, they are integrating them with mobile messaging applications used widely by millennials, like Facebook Messenger and Slack.

Fortunately, as the demand for these systems grows, the number and quality of ready-made AI products is also growing.

Among these include:

- Hipmunk. Their chatbot, called Hello Hipmunk, uses AI to learn users' preferences and search the web for the best matching deals.
- SnapTravel is a bot and hotel booking service that can be accessed to users through Facebook Messenger or SMS with no app download requirements.
- HelloGBye aims to solve pain-points of frequent professional travelers who need to book complex business trips or adjust travel plans quickly.

While the technology is impressive, many of these companies stand to have their technology acquired and incorporated into larger digital brands—not just limited to travel.

For instance, in 2018, American Express purchased Mezi, a virtual travel assistant app.

"Mezi's AI-powered experience opens up exciting new ways for us to connect with and serve our Card Members and creates opportunities for us to build more meaningful relationships with them" Phil Norman, Vice President of American Express Digital Labs, said in [the company's press release](#).

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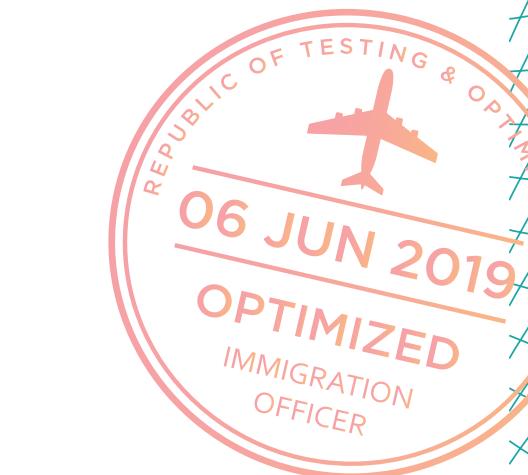
Sparkling Discovery

It's relatively easy to find a standard list of the "Top 10 Best" at any destination.

However, today's travelers have different needs: they're looking to discover the new, the hidden, the unknown and the fresh. They want to identify the experiences they hadn't anticipated, and they want to do so before anyone else.

Thus, it's increasingly important for travel brands to help their users spark discovery wherever they go.

This can be very difficult to manage directly, but by integrating other services—promoting content according to a user's location, for example, or emailing travelers with targeted recommendations according to current weather conditions—can make it easier and somewhat automated.





Tailoring Recommendations

In a similar vein, travelers are now looking for recommendations at every stage of the planning and traveling experience, and they expect them to be specific and personalized.

According to a [2017 study](#) by Google and Phocuswright, 57% of U.S. travelers feel that brands should tailor their information based on personal preferences or past behaviors.

Compounding this, 36% of U.S. travelers are likely to pay more in exchange for a more tailored experience.

This is especially important considering trips will be planned by the travelers themselves.

But improving the number and specificity of recommendations is not an easy task. While there are technologies with [ready-made algorithms](#), many travel companies want their own custom solutions.

Building these systems requires a broader personalization strategy, [clean data](#), an understanding of machine learning algorithms and an ability to implement them at scale.

Keep this in mind when considering expanding your analytics and development teams.

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[How To Plan & Launch Profitable Personalization Campaigns](#)

Sharing the Joy

When travel plans, whether for business or personal trips, come together seamlessly, it creates joy. And frequently, travelers take to social media or other channels to share that joy.

This may not be the most complex trend on which to capitalize, but sharing the joy of travel experiences continues to be important for travelers and service providers alike.

Making it easy to share these experiences and amplifying them will help you maximize the value of this earned media.

Here are some tactics for doing so:

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- When asking for reviews, enable users to upload images from their trip.
- Unify user-generated content by encouraging and rewarding users for using a unique, branded hashtag or tagging a location when posting content on social media. For example, Norwegian Cruise Lines cruisers have posted [#cruiselikeanorwegian](#) over 33k times.
- According to [Crowdriff](#), 30% of U.S. travelers turn to social media for travel inspiration. This is why it's critical that you post aspirational imagery and leverage social media influencers to raise awareness of your brand.
- Pinterest, Facebook and Instagram continue to be the top social media platforms for travel brands and can be used to reach customers at differing stages of the travel customer journey.



Creating Immersive Experiences

The improvements in augmented and virtual reality technologies, and increased adoption among consumers provides the perfect opportunity for travel brands to leverage these technologies to improve their digital experience.

Virgin Holidays, for example, [used VR technology](#) to promote one of its key destinations, Riviera Maya in Mexico.

Participants were able to experience an authentic Mexican adventure complete with dolphins, exploring ruins, viewing hotels and relaxing on the beaches.

But this was back in 2015, when VR technology was relatively new. As such, these experiences were limited to Virgin's stores in the UK.

Today, however, as VR becomes more widely-adopted among consumers, this will present even more opportunities for travel brands to reach their customers and influence their travel decisions.

Augmented reality (AR) has a bit of a different application.

To date, the most common use of AR within the travel industry is found within hotels. By introducing more interactive elements, hotels

are able to provide customers with more information on demand and access data to inform future experiences.

But the information travelers compile while researching their trip doesn't remain in a folder or web browser. Instead, it is referenced continuously during their trip.

Background and historical information, related media and stories from other visitors can all add depth to a traveler's experience. Augmented reality provides an exciting opportunity to layer this information over the destination in real time.

This, of course, has more far reaching effects when you begin to think about potential applications in airlines and tourist destinations and attractions, among many others.



Offering Last Minute Opportunities

While both short and spontaneous trips will continue to be important to the industry as a whole, travelers are increasingly turning to last-minute opportunities not only in an attempt to find deals, but because busy schedules and competing priorities mean that travel plans must sometimes be made in the moment.

[A 2017 study](#) by Google and Phocuswright found that more than 60% of U.S. travelers would consider an impulse trip based on a good hotel or flight deal.

Further cementing this, Google sees this trend reflected in their search data too. "In the U.S...travel-related searches for "today" and "tonight" on mobile have increased by 150% over the past two years," they wrote.

Thus, offering last minute opportunities is important. However, there are two considerations to keep in mind:

First, the way in which these last-minute opportunities are presented is important. Brands should take advantage of direct communication like emails and push notifications to reach impulse travelers.

Second, messaging. Your messaging may be more effective among some audiences when it focuses on the appeal of the destination and the opportunities it presents, rather than simply the discount that is available. It's important that you test your messaging to develop a deeper understanding of your customers and improve your conversion rates.



Placing the Travel Provider in the Pocket



If it hasn't been made clear in the previous tips, it will be after this one: Travelers are looking to make plans on the go.

Whether it's in the middle of a trip, on their daily commute or from the couch in their living room—travelers want to research, plan, and book their trips from a mobile device.

While much of this can be accomplished through a responsive website experience, integrating the services described above may require a more robust platform.

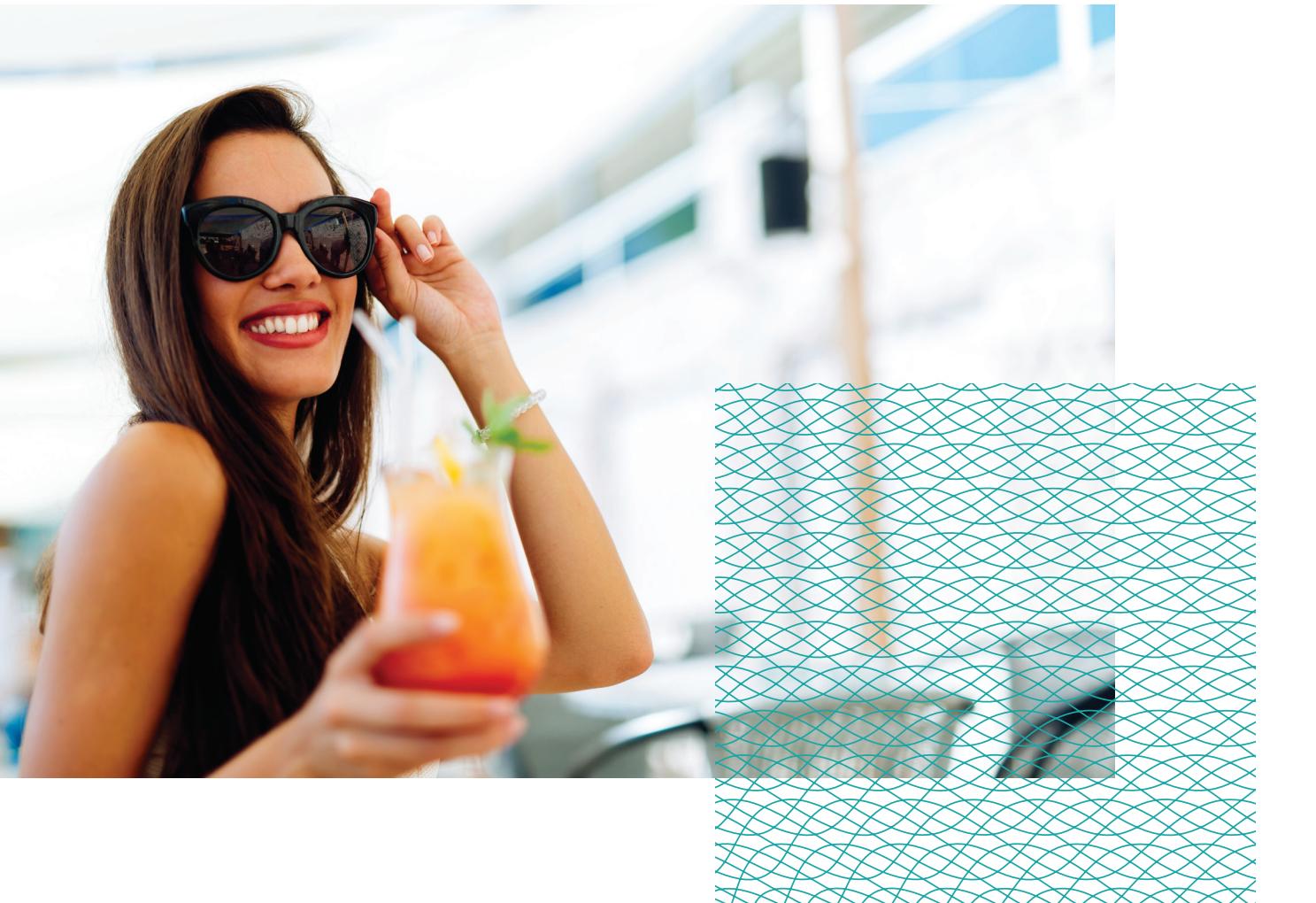
This is why travel providers must focus on improving and expanding their mobile app offerings.

This includes adding features addressing many of the things we've already covered: unified journey management, social sharing and enriching travel experiences through AR.

It also includes more mundane improvements like optimizing the speed and performance of the app, especially on spotty or legacy networks.

These apps have the opportunity to become hubs for travelers across the entire travel experience, if executed well.

Diversifying Payment Options



Consumers from different countries around the world have differing preferences for making online payments.

For instance, according to [World Pay's 2018 Global Payments Report](#), mobile wallets—like AliPay or WeChatPay—dominate Chinese payments unlike anywhere else on the planet.

As more people around the world are looking to travel, travel providers may also serve customers with a variety of bank, credit card and payment preferences. This is why it's important to consider your customer's country of origin and payment preferences when building your booking funnel.

In order to decide which options to offer, analyze your customers based on their country of origin. Be sure to consider the sizes of each group, as well as growth rates.



Protecting Privacy & Security

In the last year, protection of privacy and security online has become a major concern for consumers.

While the conversation has focused on certain social networking and media platforms, the concerns over transparency, data sharing and protection are relevant for all online services.

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As travel providers integrate recommendation systems, AI chat bots, sharing utilities, payment systems and more, it will become increasingly important that you operate in a transparent and secure way.

This should be an operational priority for businesses moving forward, as violations of trust may be impossible to repair.



In Conclusion

Travel is perhaps one of the oldest human activities, but in recent years technology has dramatically changed the way people plan, pursue, and engage with travel planning and the destinations they visit.

Some of these changes are sure to be fads. But the ten trends outlined in this report are likely to persist, and businesses in the digital travel industry should work to integrate each into their service offerings.

Deliver a *Five Star* Digital Experience

Brooks Bell is a consulting firm focused exclusively on building world-class experimentation programs for enterprise brands.

We help companies better leverage their data, technology and workforce to solve digital challenges and deliver a better customer experience.

Our services for travel & hospitality companies include:

- Program building and strategic consulting
- Advanced customer segmentation
- Customer journey mapping and experience optimization
- Booking conversion rate optimization
- Personalization strategy and execution

...and more

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