

The Megatrends Defining Travel in 2014



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Why Skift

Skift is the largest industry intelligence and marketing platform in travel, providing news, information, data and services to all sectors of the world's largest industry.

Skift has deep experience in identifying and synthesizing existing and emerging trends, in its daily coverage of the global travel industry, through its **Skift Trends Reports** and its data insight from **SkiftIQ** competitive intelligence service.

Within a short two years of its existence, Skift has become *the* lingo in the travel industry, and is now a daily tool by the top strategists, technologists, and marketers in travel.

We are changing how the world's largest industry looks at itself, and how it projects itself to the world.



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01.

Rise of the Silent Traveler

The silent traveler is the travel consumer who turns to their mobile devices first, seeking a solution to in-trip challenges that used to be the primary domain of customer- service staff.

These new travelers don't need tons of handholding, and know their way around everywhere they go. At the times when they do turn to on-site staff, they're asking for more complex and highly personalized experiences.

Emerging from this mix of pulling away and drawing close are new models and approaches for both customer relations and local discovery.

P.S.: **Rise of Millennial Mindset**: A strong desire to shift between social and independent travel experiences on a whim.

SKIFT TAKE

Big data and personalization offers that invisible pillar of support. Balancing the inevitable expectation of personalization while simultaneously enhancing the need to remain independent.



02.

Hospitality: Rise of Local & Alternative

Traditionally, hotels have always tried to keep their guests within the hotel grounds to maximize guest revenue. Guests are now arriving to hotels with a wealth of previously researched information and demanding more from their stay, as Internet has enabled the **Rise of the Prosumer**.

In response, and learning from boutiques, many independent and branded properties promote themselves as a “travel experience,” versus merely a place to sleep, to a growing range of travelers defining who they are by where they stay.

Rise of Alternative Accommodation: Hostels are cool again; rise of Airbnb Hotels.

SKIFT TAKE

With the boom in experiential travel, hotels are more and more acting like community portals by introducing guests to popular local experiences, turning themselves into a living exhibit of the local culture awaiting outside their walls.

03.

Curation In Travel: Less is More

Travelers are overwhelmed by choices in booking online, while mobile is creating the need for better curated experience in a small form factor.

The growth of curation-centric startups like Top10.com HotelTonight is symptomatic of what consumers are yearning for to navigate the clutter.

Curation mostly happens algorithmically, as HotelTonight does by displaying a handful of same-day hotel deals in each market. HomeAway turned to Andrew Harper for a more manual curation, to launch an upscale site for vacation rentals.

SKIFT TAKE

Expect a lot more intelligence to come into the listings business. It saves time and angst for users, all with the goal of better conversion for the sellers.



04.

Visuals Are New Language of Marketing in Travel

Visuals are the new language of digital era. The rise and rise of Instagram & others speak to this.

Travel is uniquely suited to visual media. Content marketing has been driven primarily by images, and now brands such as American Express & Air France are adopting visuals as the primary way they speak to their users in digital media.

Brands like Starwood and Tourism Australia are tapping travelers' photos, videos, and social networks for their marketing materials.

SKIFT TAKE

Smart companies are doing smart content marketing campaigns, and moving forward brands' challenges will be to move users from being engaged with visual to transactions.

P.S.: Watch out for Drone Marketing in travel! Check out TravelByDrone.com.



05.

Sharing Economy Is Legit, And Eating Your Share

2013 was the year when Uber, Airbnb and the disruptive sharing economy brands went mainstream, but 2014 is the year they went legit. They've created industry groups and hired top-tier lobbyists.

Beyond legitimacy, now ecosystem players are emerging. Example: Airbnb services startups.

And Airbnb hosts are even becoming the travel agents of the sharing economy. They are a growing resource for travelers curious about where to go and what to see. For tour operators and restaurants, gaining a following among the Airbnb host community could mean hundreds of new customers. Example: MuseumHack+Airbnb Hosts.

SKIFT TAKE

The consumers have already voted, the millennials are using it in droves, with mobile as the first interface for these brands. Where do you fit in?

06.

Moving Tourists Beyond Hubs: Reinventing Tired Brands

Many European countries, Australia and others are increasingly talking about moving tourists beyond the hub/gateway cities.

UK has started a major effort beyond London to reinvent its “tired” brand, Netherlands has started its effort to move tourists beyond Amsterdam, and even France, which has a well established tourist circuit outside Paris, is trying to educate Asian travelers to go beyond Paris. Iceland will see a huge crunch as its tourist numbers rises if they don't figure this out.

SKIFT TAKE

As digital makes the cost of marketing to tourists cheaper and more effective, smaller non-hub destinations stand a chance. Also travelers increasingly want deeper, local experiences, so this plays well into that as well.



07.

Mobile Is Moving In-Market In Travel

In U.S., for the first time, desktop online bookings will decline in 2014, while mobile will grow over next 5 years!

Mobile is moving in-market, data plans becoming all inclusive, internationally and in-travel mobile usage is rising.

How do you target visitors on mobile, in-market? Social media is one way: DMOs have been using Twitter as a real time concierge, answering visitors queries and offering suggestions.

TripAdvisor's acquisition of Viator suggests that as mobile becomes the defacto means of discovery there will be a burgeoning emphasis on in-destination bookings with real-time availability.

SKIFT TAKE

OTAs are going beyond their core focus on air/hotel booking and want to be solution of choice throughout the entire travel cycle, including in-destination activities such as restaurants and tours.

Will they encroach into your space?



08.

Rise of Mindfulness in Travel

Mindfulness is having a moment, as the casual tyranny of pervasive connectedness, constant virtual stimuli and hyper distractedness have taken over our lives. Slow and simple is in, lo-fi is in.

Mindfulness is about becoming more conscious of what you're feeling, more intentional about your behaviors and more attentive to your impact on others. It's about presence.

And as travel is moving beyond “what is there to see” and “what is there to do” to “how will this make me feel”, travel brands are adopting mindfulness and introspection as a marketing mantra.

Example: Travel Alberta's “Remember to Breathe” and Newfoundland and Labrador Tourism's “Find Yourself” campaigns.

SKIFT TAKE

Building a business around helping travelers connect to their immediate surroundings and the people around them, rather than digital connectivity.



09.

The TED-ification of Travel Experiences

The TEDification of travel – the increasing priority placed on rubbing shoulders with influencers and experts, is a fast growing trend.

At Nihiwatu Resort in Indonesia, they're creating a “guru village”– a resort-within-a-resort where visiting artists, academics and assorted creative types -- professional yoga instructors, surfers, photographers, dancers – are invited to stay for free. The only requirement is that they meet and mingle with guests, and contribute.

The new Gateway Canyons Resort in Colorado has launched a series of Curiosity Retreats that offer travelers access to scientists, scholars and other experts in small, classroom-like settings. In Peru, luxury tour company Aracari is matching rich tourists with sophisticated elite of intellectuals, writers, journalists and business people in their tours.

SKIFT TAKE

The popularity of TED, TEDx, SXSW and other creative conferences is now moving beyond those confines into travels



As Goes Iceland, So Goes The World

Iceland is the perfect crucible of global travel trends, converging in the tiny country. Tourism is now the biggest foreign exchange earner, and the whole country is being retooled around deeper, experiential travel: remote yet accessible, mainstream yet individualized.

Trends playing out:

- Using digital tools to create a whole new image of a destination.
- Using films as an effective way to brand a destination
- Airports as destinations
- Airlines as a marketing extension of the country and rush for routes and effect of low-cost carriers
- The blurring of business and leisure travel
- The rise of affordable, local and smart design in hospitality
- Creating the right eclectic retail and food experience in the tourist district
- The rise of independent Chinese travelers
- The rise of millennials
- The rise of sharing economy
- Climate change and its effect on tourism
- Creating sustainable tourism practices
- Pushing tourists beyond the gateway hub

Two other countries with similar trends playing out: New Zealand and Oman.





Thank You

Like What You Heard?

Skift's new content studio **SkiftX** helps brands such as Amadeus, American Express, Egencia, Hilton, Peak Adventure Travel and others create thought leadership in the global travel industry, through trends reports, research, branded content, social media audits and other content marketing initiatives, and helps distribute through its industry marketing platform.

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