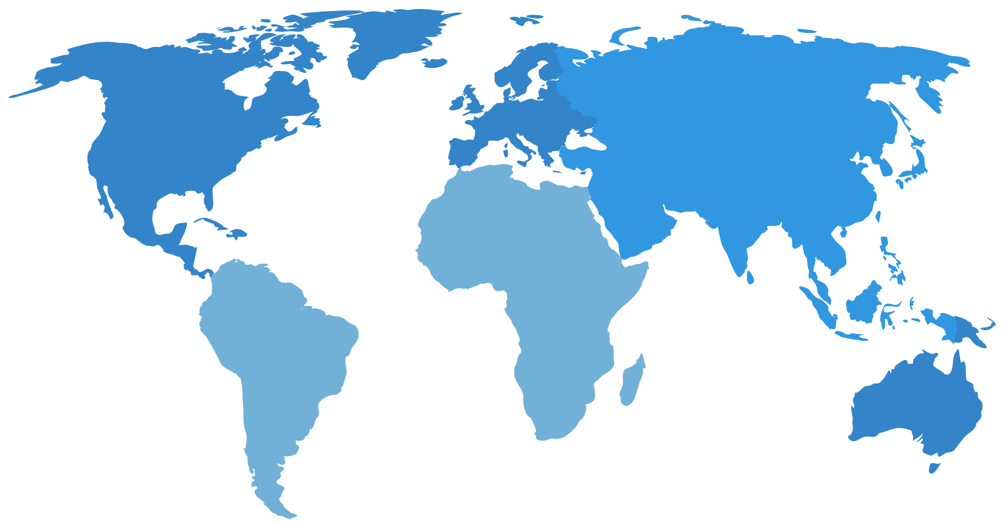
STATE OF TRAVEL

2014

Drawing on data from every sector of the travel industry (and beyond) this new Skift report provides an overview of the ecosystem. From key verticals, such as airlines and hospitality, to focused themes and new ideas — e.g. China's rise as a force in tourism; the emergence of "the silent traveler" — this is the State of Travel, 2014.

Introduction



Marking Skift's second anniversary, welcome to our inaugural annual State of Travel report.

Evolving, in part, from our daily coverage of global travel industry, from our ongoing series of trend reports, and from Skift's popular Daily Travel Stats Twitter-feed — but also incorporating expert research from throughout the travel industry — we've collected and organized dozens of key data points, helping to frame the recent and always changing travel landscape.

From developments and new steps in specific verticals to the wide-ranging and ever-shifting nature of travelers' choices and passions, the following slides represent significant measures of the industry during the past year (and beyond). The report also gives attention to emerging factors, including mobile apps and their role in travel e-commerce, the sharing economy, the rise of the Chinese traveler, and the "silent traveler" — our own model for a digitally savvy consumer who is incrementally pulling away from older models of travel service.

Learn even more about the business of going places by staying in touch with Skift's daily stats at @skiftstats, and find our in-depth considerations of travel news and trends at skift.com.

Written & curated by James O' Brien and Rafat Ali, Skift

About 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.

Based in New York City, 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.

"Simply love you guys. The freshest cogent ideas / POV's come from your team. Thanks."
Christopher Baer, head of innovation, Marriott.

"As a 20 year veteran of technology and travel, Skift has become my must read of the day."
Michael McDowell, head of innovation, Hertz.

"Talk about a gap in the market. Not sure where we in the travel industry got our news, insight & analysis from before Rafat created Skift."
Chris Boden, former head of innovation, Lonely Planet.

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SECTION 1

SNAPSHOTS: TRAVEL 2013–14

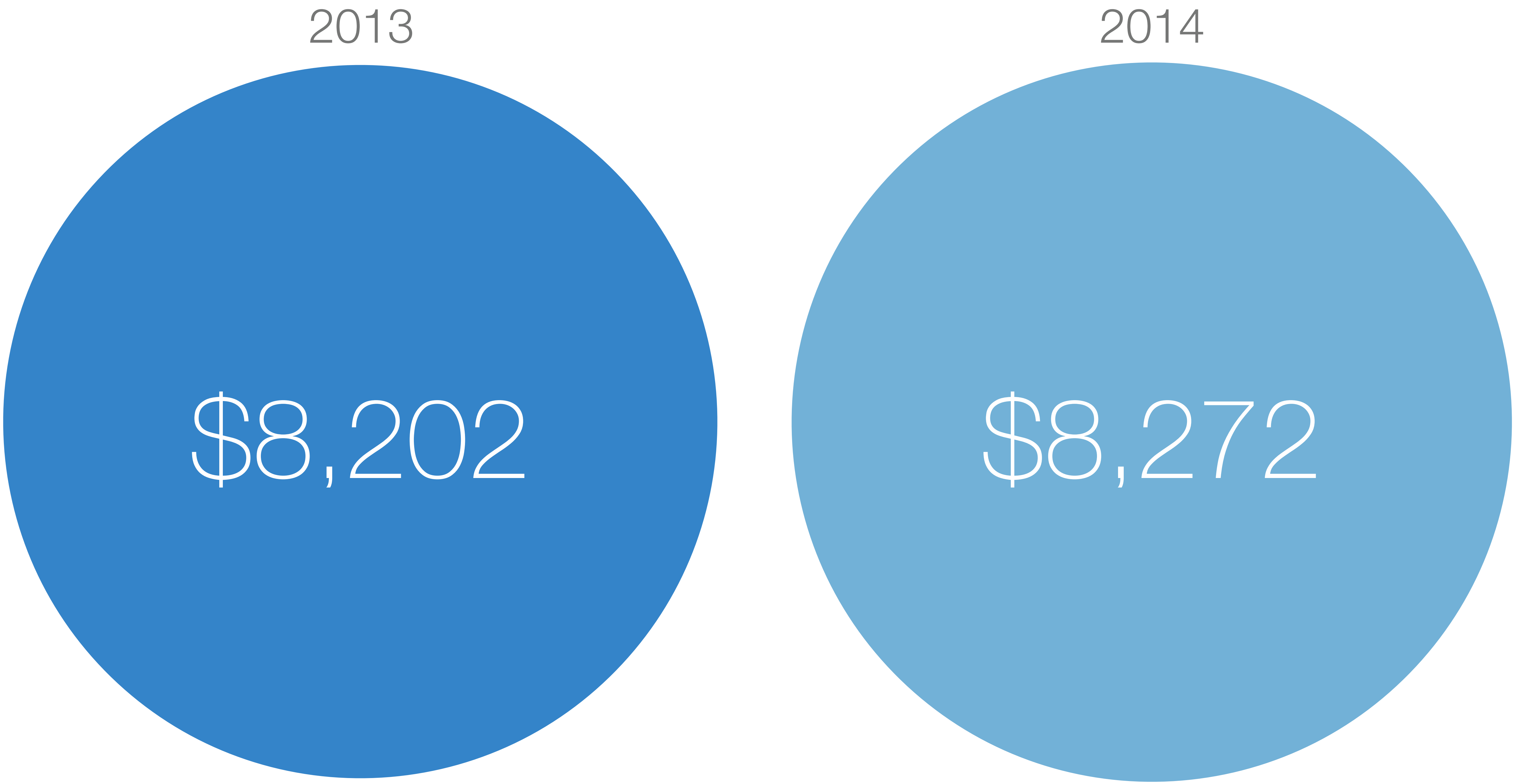
Average Global Traveler Budget (2013–14)

2013	2014
$5,955	$6,136

Percent Change: 3.03%

SOURCE: TripAdvisor: 2014

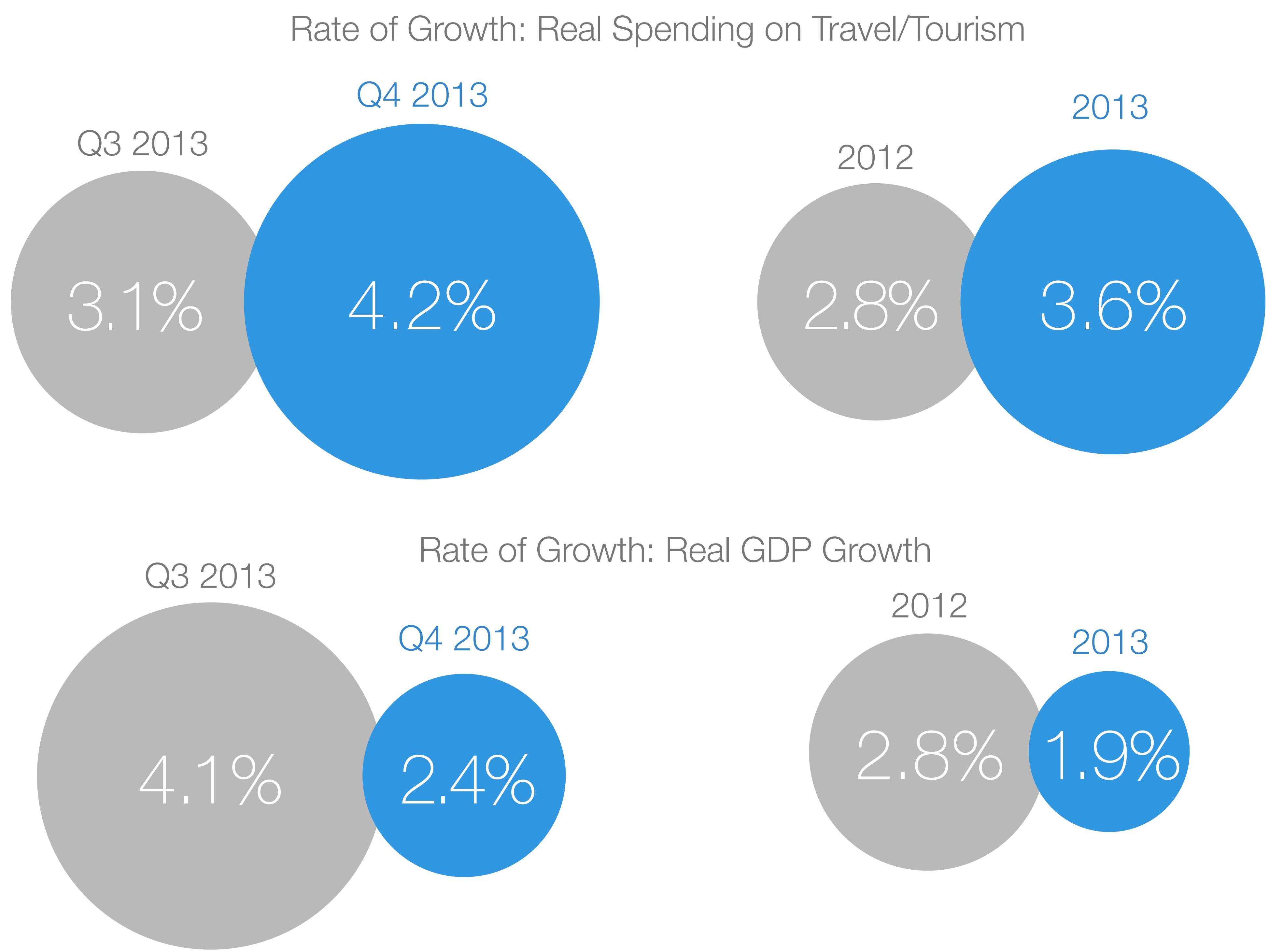
Average U.S. Traveler Budget (2013–14)



Percent Change: 0.85%

SOURCE: TripAdvisor: 2014

U.S. Travel/Tourism Rates of Growth



— Travel ranked as the second-fasting growing U.S. industry sector in 2013, behind agriculture.

— Leading contributors to Q4 travel/tourism growth rate: traveler accommodations (+14.5% Q4); food services and drinking places (+7.7% Q4)

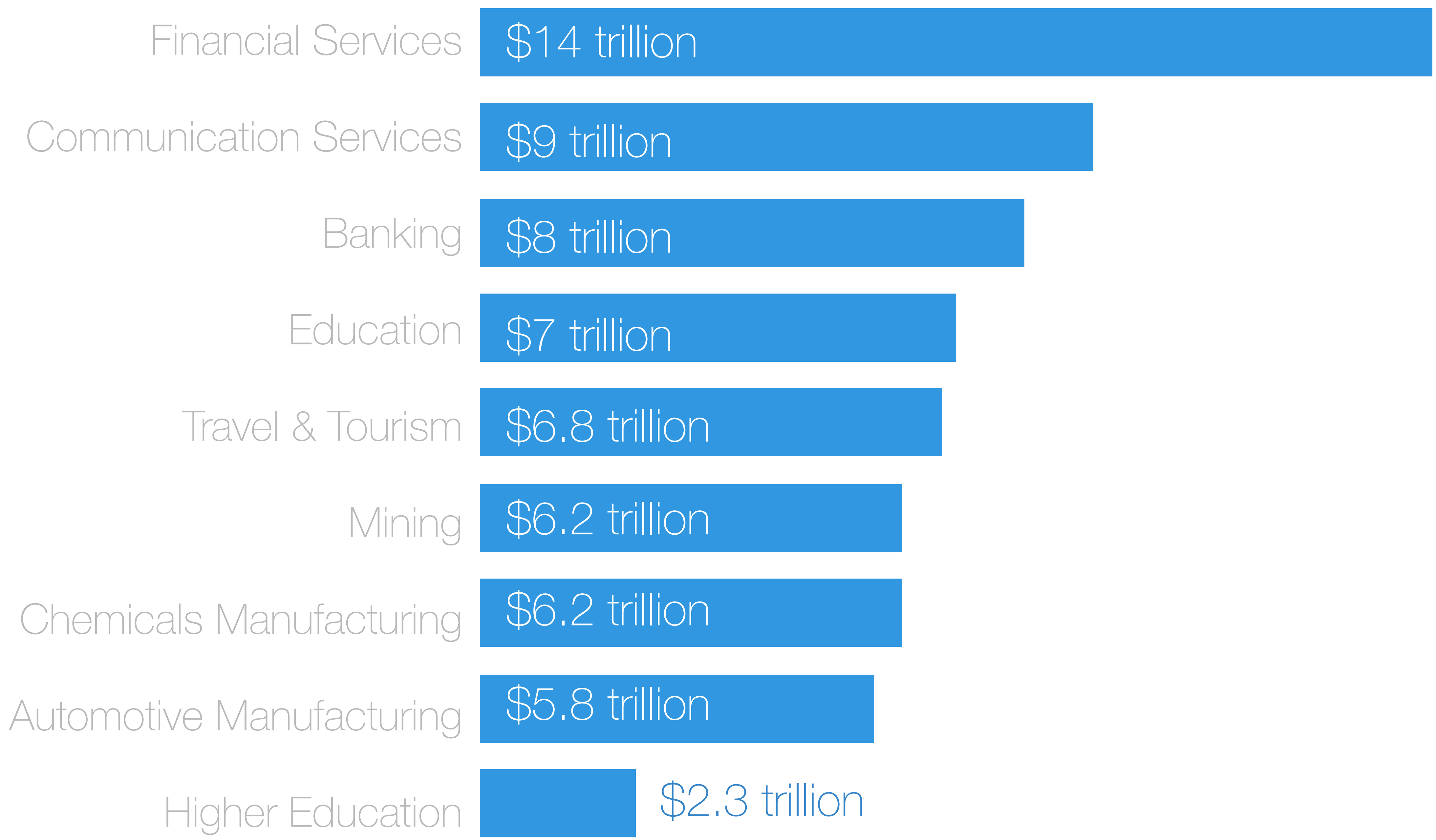
SOURCE: Bureau of Economic Analysis: 2014

U.S. Travel Spending and Visitors

	2011	2012	2013
Visitors	63M	66M	70M
Spend	$149B	$169B	$188B

SOURCE: International Trade Administration: 2014

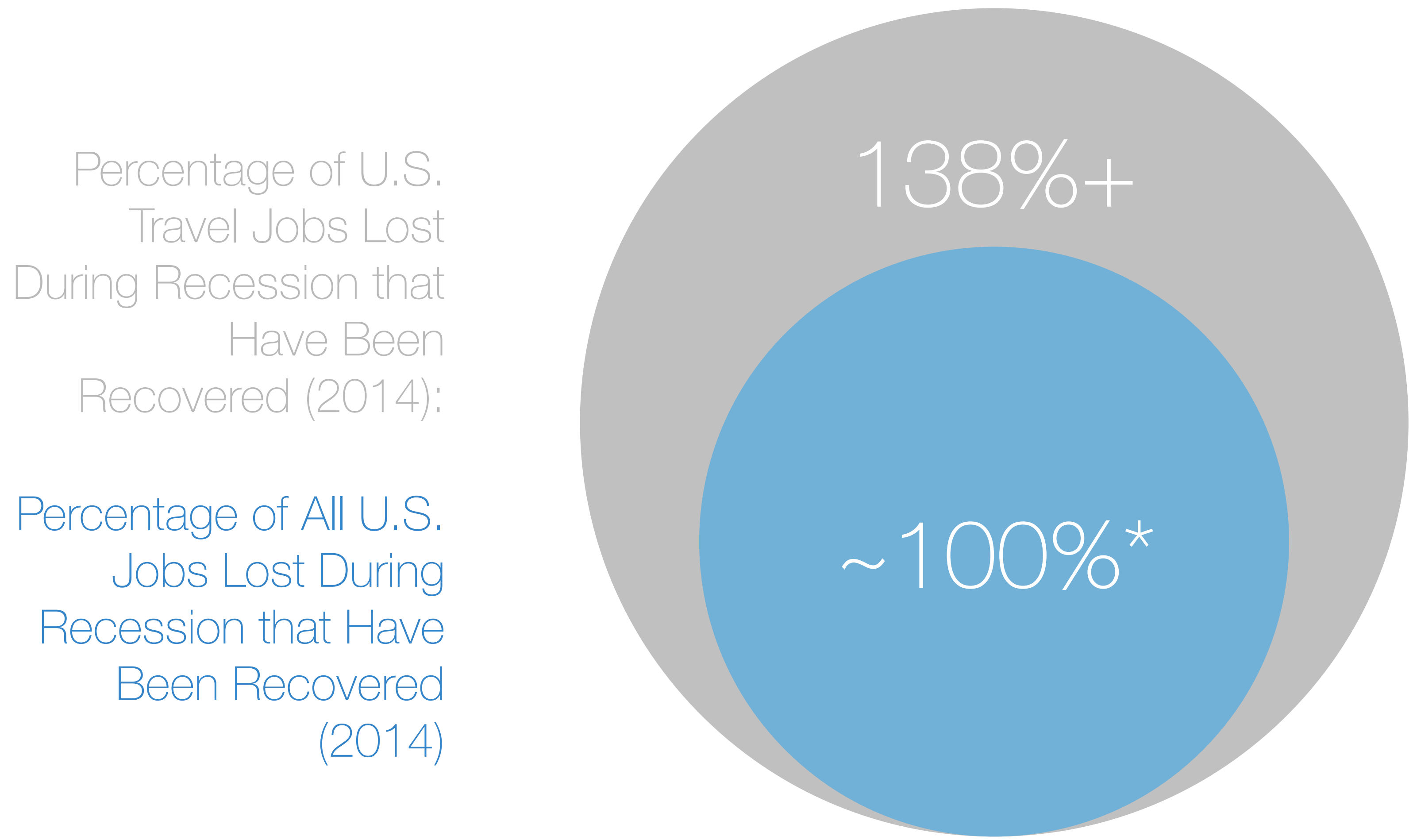
Travel and GDP Impact

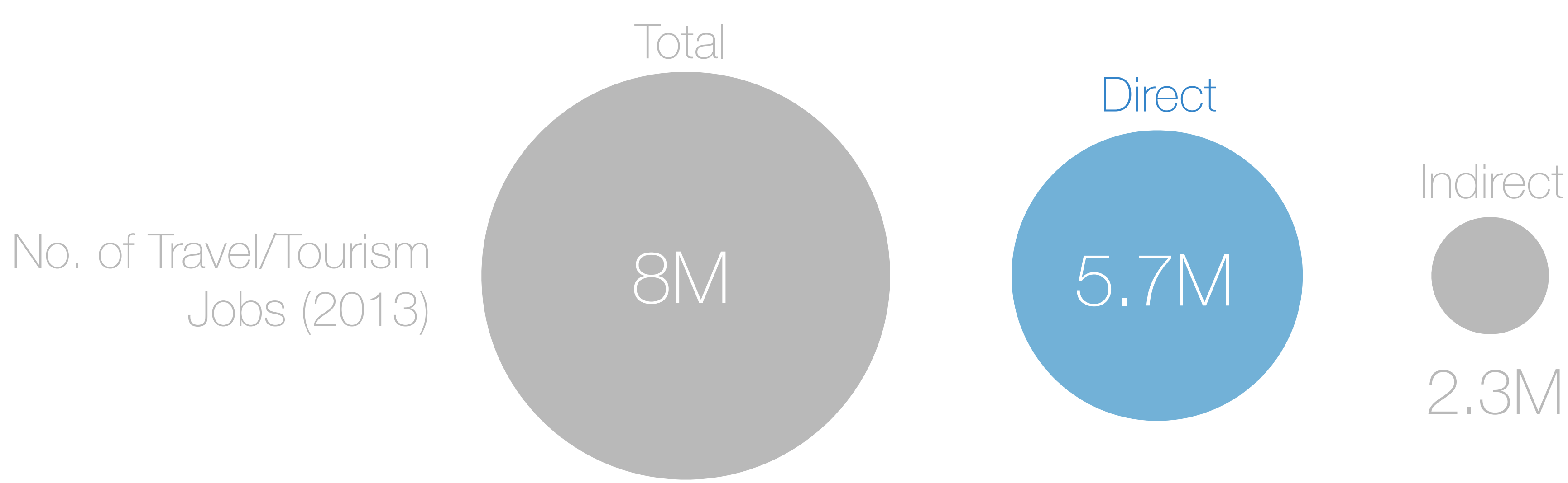


— Amounts include direct and indirect/induced impact (2012 prices)

SOURCE: WTTC: 2014

U.S. Travel/Tourism Jobs Rebound



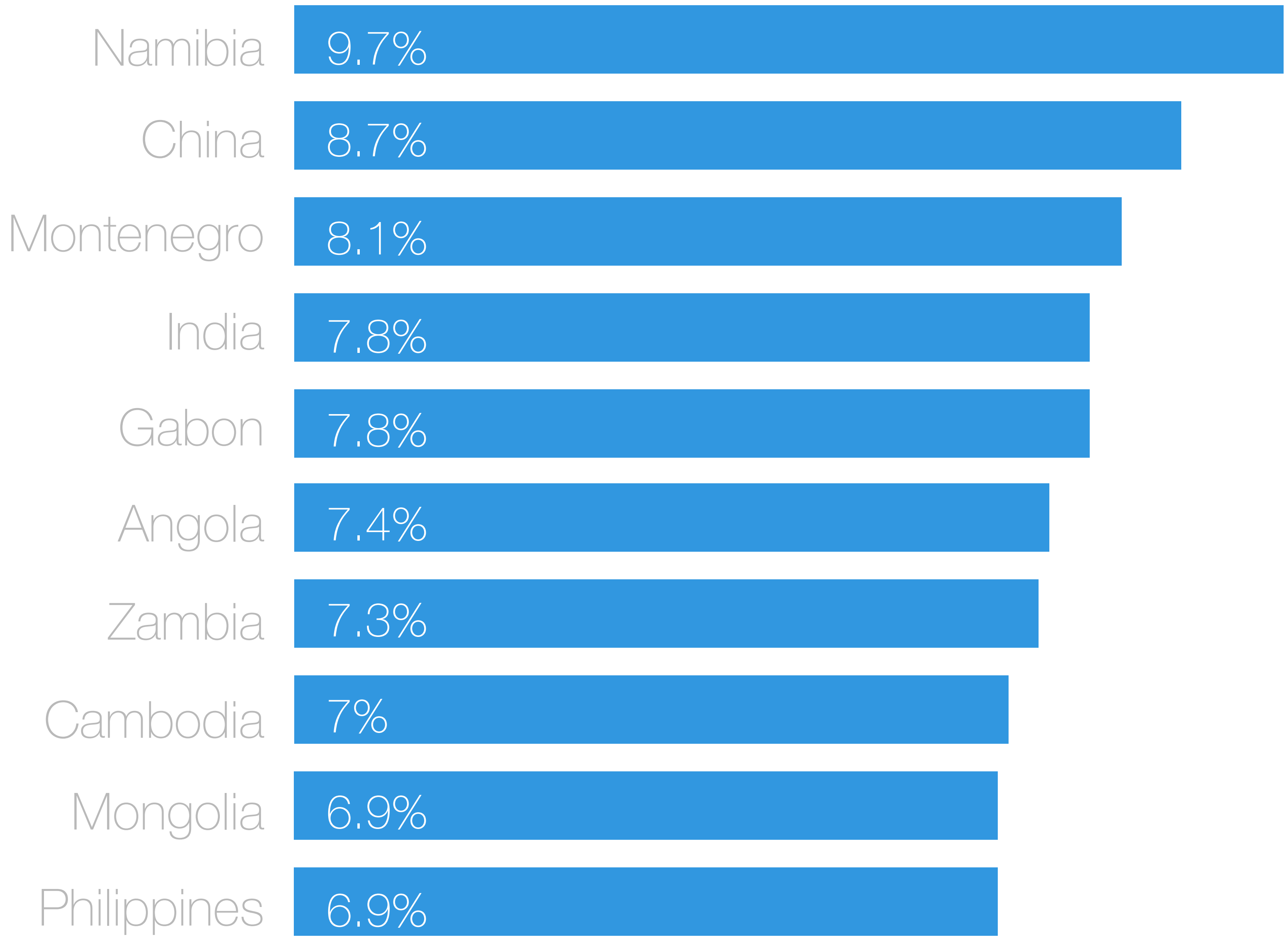


— Key to the boost in travel- and tourism-related jobs: recreation, entertainment, shopping, transportation.

*While the U.S. has recovered at least 100% of the jobs lost in the 2007–2009 recession, the distribution of recovered jobs across states has left some with fewer jobs than before the recession.

SOURCE: Wall Street Journal: June 2014; Bureau of Economic Analysis: 2014; TravelPulse: April 2014; International Trade Administration: 2014

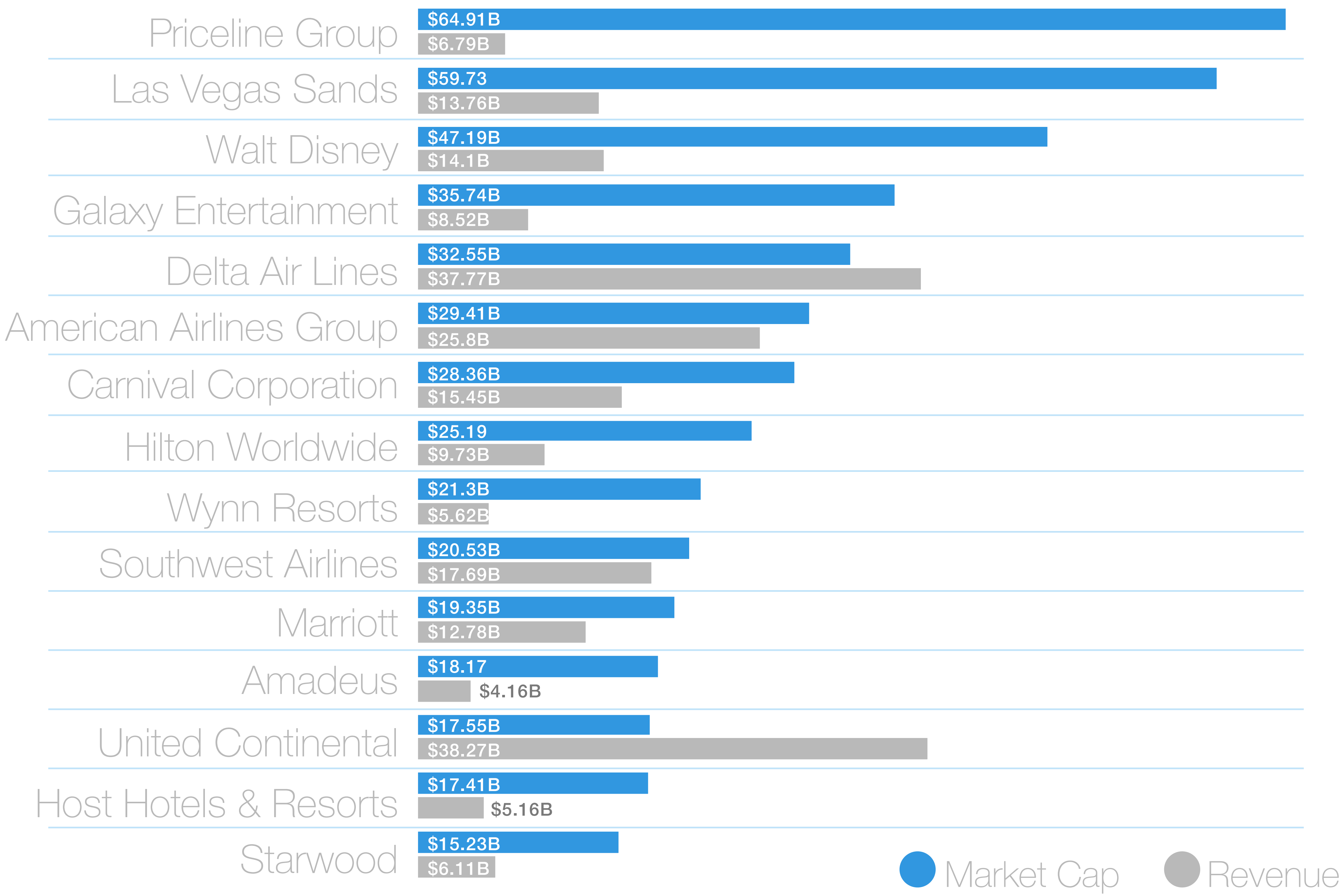
Fastest-Growing Countries in Travel (2013–23)



— Key to these stats: the travel industries of many countries represented are growing from relatively early stages.

SOURCE: WTTC: 2013

15 Largest Publicly Traded Travel Companies



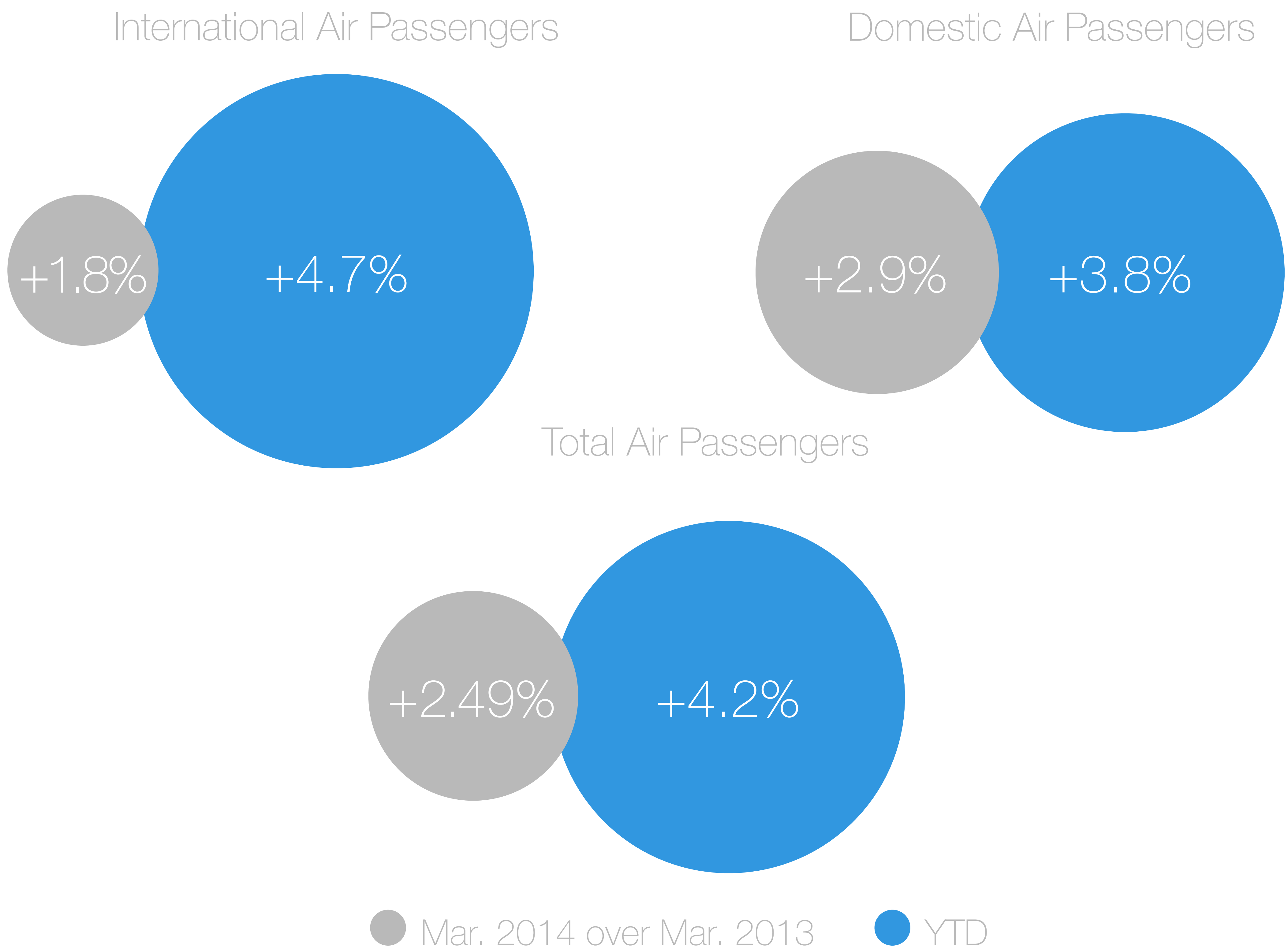
— Disney's total market cap was actually $150.77B, and Skift attributed 31.3% of it, in 2013, to the company's travel business.

SOURCE: Skift: 2014

SECTION 2

AIRLINES

Air Passengers: Global Volume Growth 2013–14



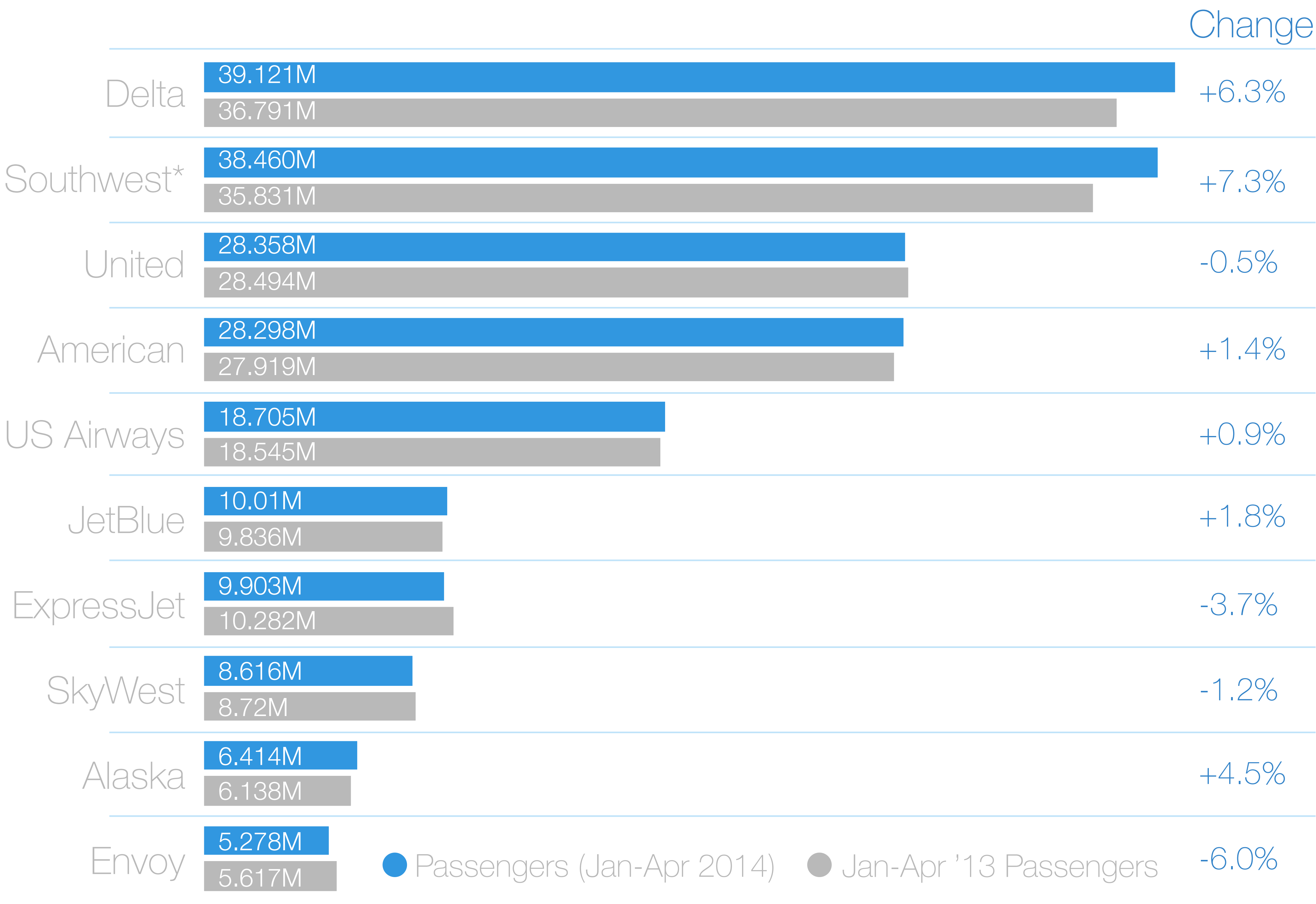
SOURCE: ACI World Report: June 2014

Systemwide Airline Travel, U.S. 2013–14

	2013	2014	Change
Passengers	233.9M	237.7M	+1.6%
Flights	2.9M	2.8M	-3.9%
Revenue Passenger Miles	260B	266.2B	+2.4%

SOURCE: Bureau of Transportation Statistics: April 2014

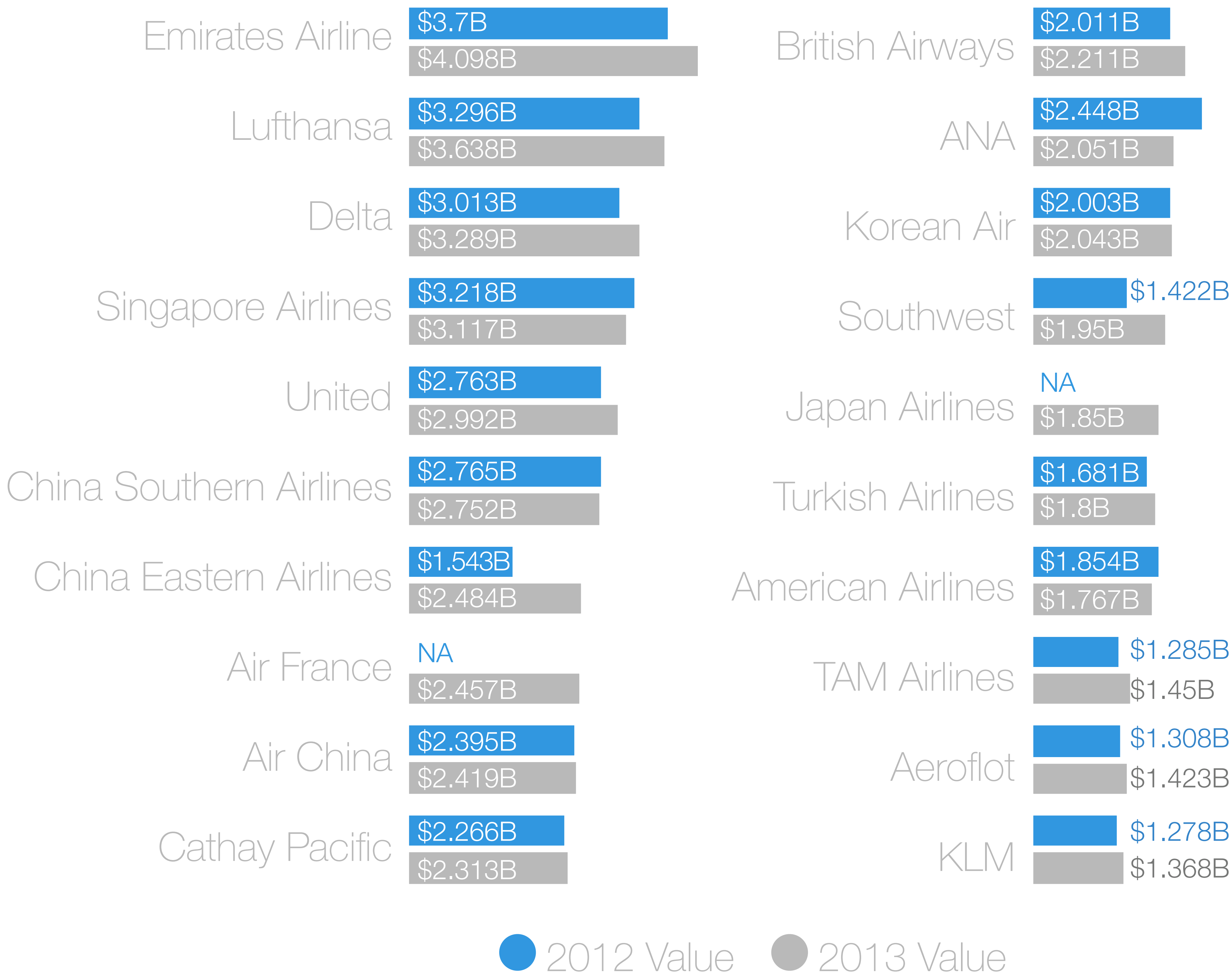
Top 10 Airlines by U.S. Domestic Scheduled Enplanement



— *The merged Southwest and AirTran are now reporting separately although operating under a single certificate.

SOURCE: Bureau of Transportation Statistics: April 2014

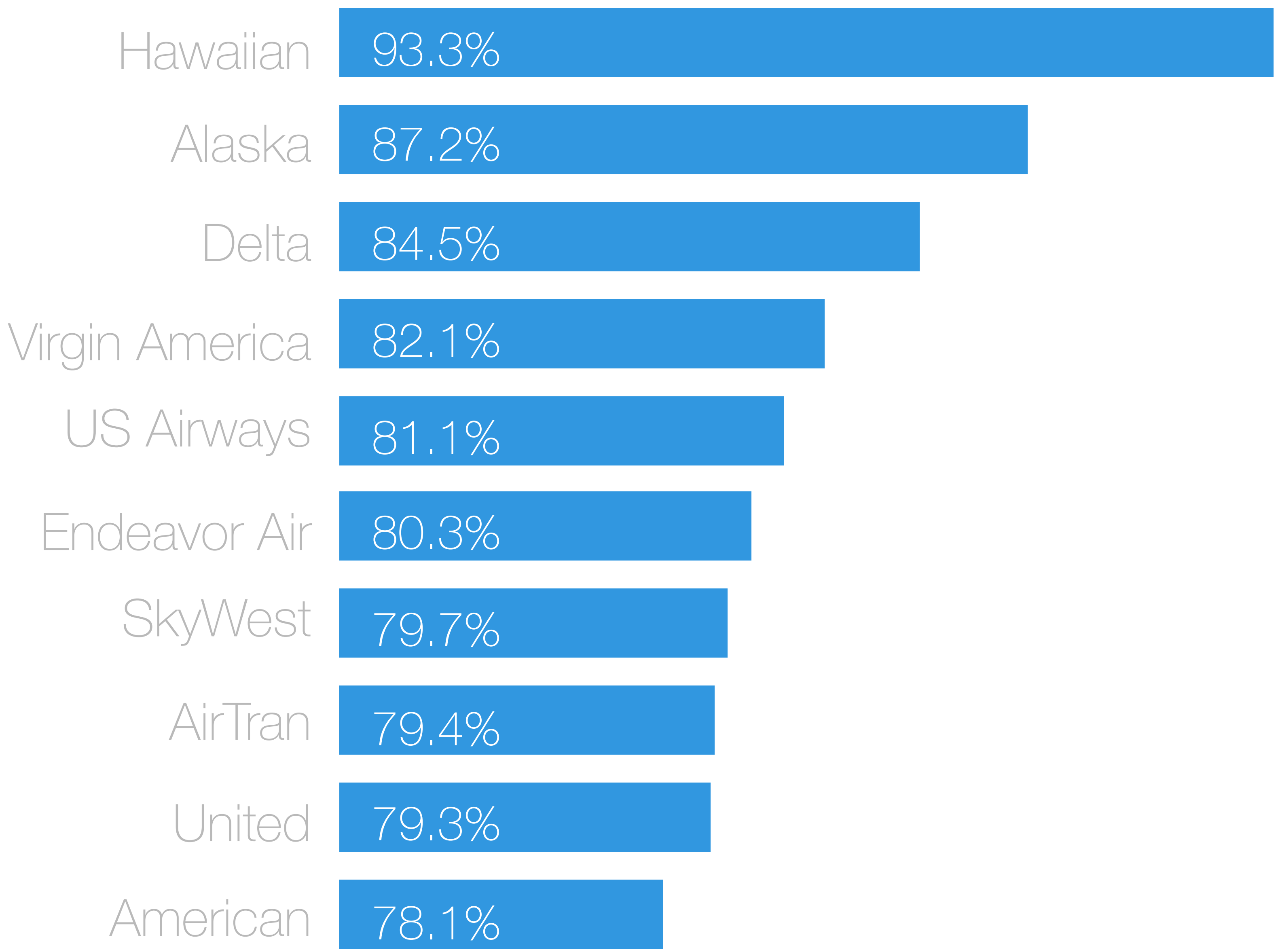
Most Valuable Airline Brands (2012–13)



— Methodology: net present value of estimated future cash flows attributable to the brand in question (Brand Finance).

SOURCE: Brand Finance/Skift: 2013

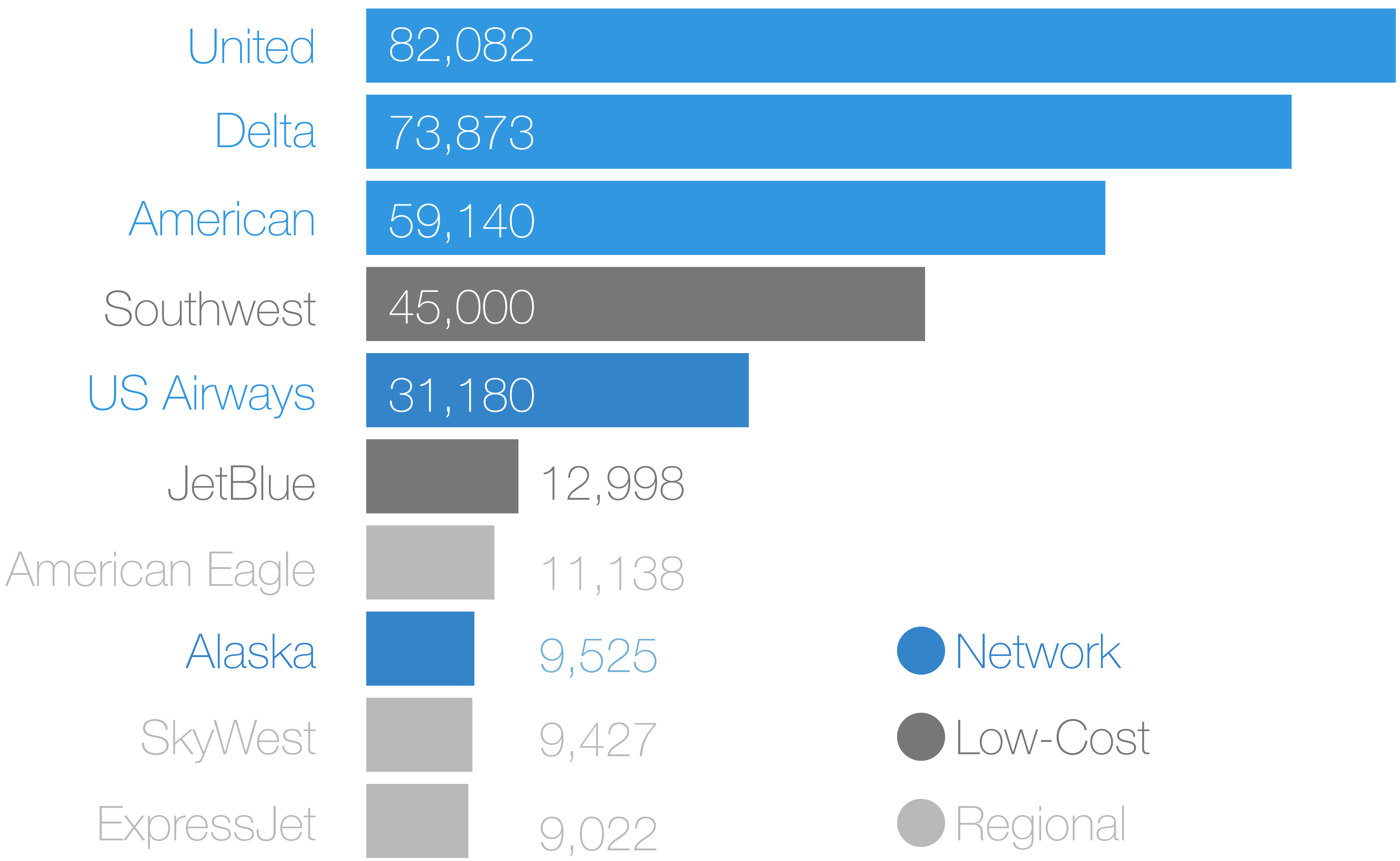
Top 10 Airlines by Annual On-Time Performance (U.S., 2013)



— Industrywide annual on-time percentage: 78.4%

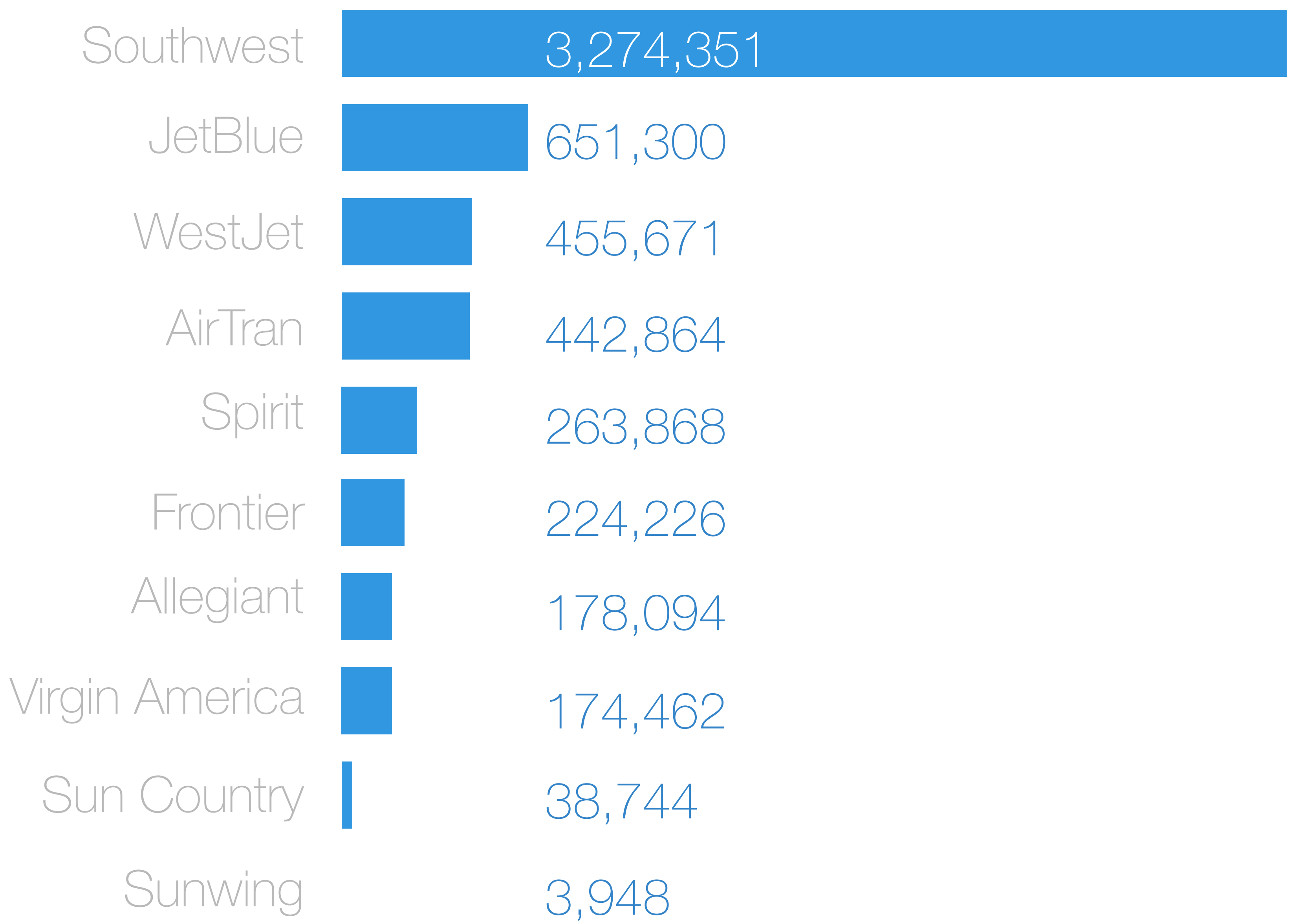
SOURCE: Embry-Riddle Aeronautical University: 2014

Top 10 Airlines by Full-Time Employees (U.S., 2013)



SOURCE: Bureau of Transportation Statistics: 2013

Top 10 North American Low-Cost Airlines, by Seats (2013)



— Consolidation in U.S. marketplace, accompanied by route reductions and higher fares, is opening up a broad spectrum of opportunities for quality hybrid carriers and the new breed of ultra low-cost carriers (ULCCs).

— Three distinct business models: full-service network carriers, hybrids, and ultra low-cost airlines.

SOURCE: Skift: 2013

U.S. Average Domestic Itinerary Fares (2011–13)

U.S. Average Domestic Fare

Q4 2011	Q4 2012	Q4 2013
$380.42	$379.85	$381.05

Percentage Change 2012–13

+0.3%

Percentage Change 2000–13

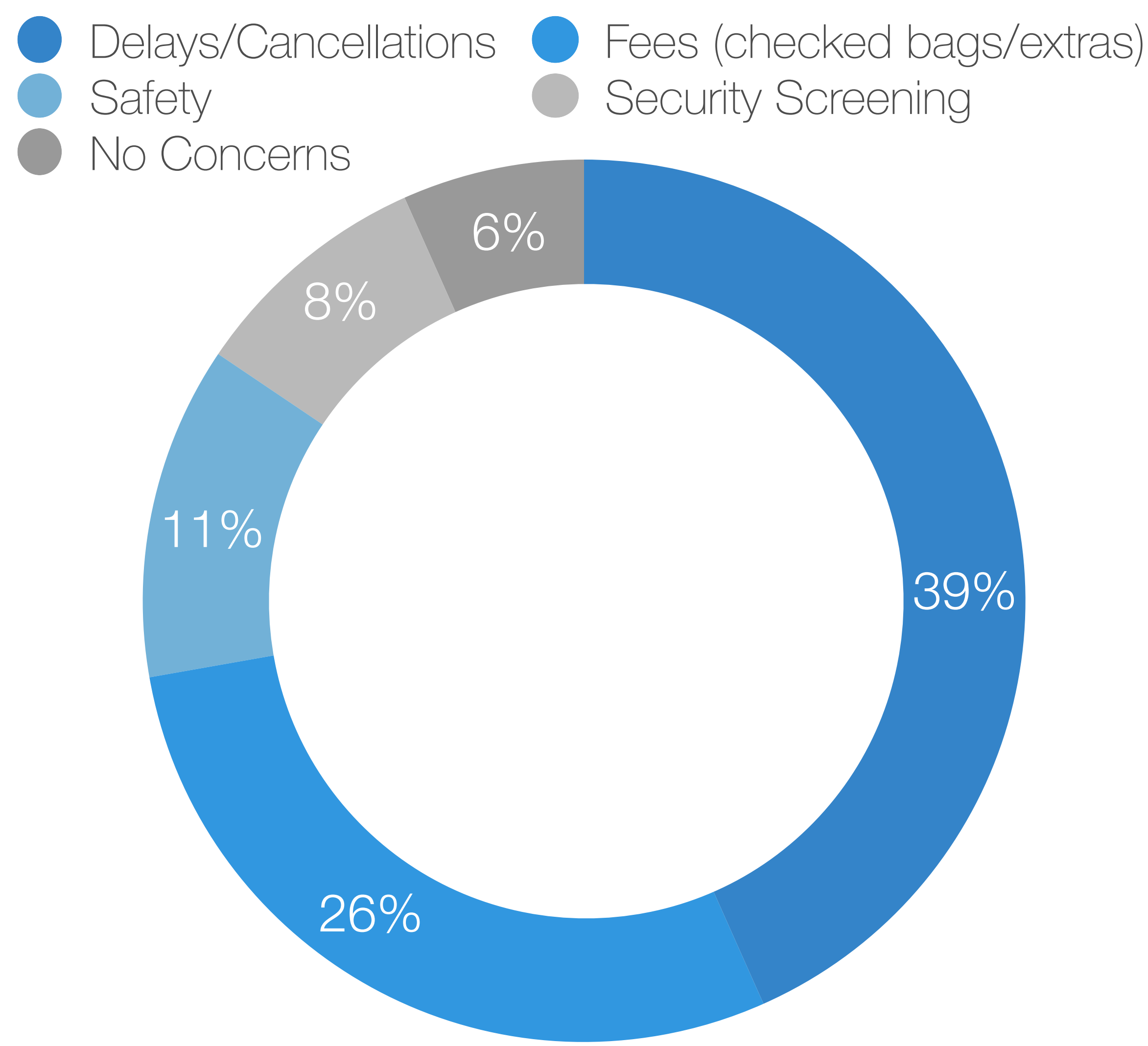
-16.3%

— Dollar amounts are adjusted for inflation.

SOURCE: Bureau of Transportation Statistics: 2014

Top Concerns for Airlines (U.S., 2013)

Top responses to a U.S. Travel Association survey of travelers:



— Additional responses, those representing percentages lower than 6%, account for 10% of the respondents.

— The U.S. Travel Association measured some 38 million domestic flights that passengers avoided due to "air travel hassles", in 2013. The impact of that suppressed activity, according to the Association, is as follows.

Airfare: Spending Loss (2013): **$9.5B** Hotels: Spending Loss (2013): **$5.8B** Recreation: Spending Loss (2013): **$5.7B**

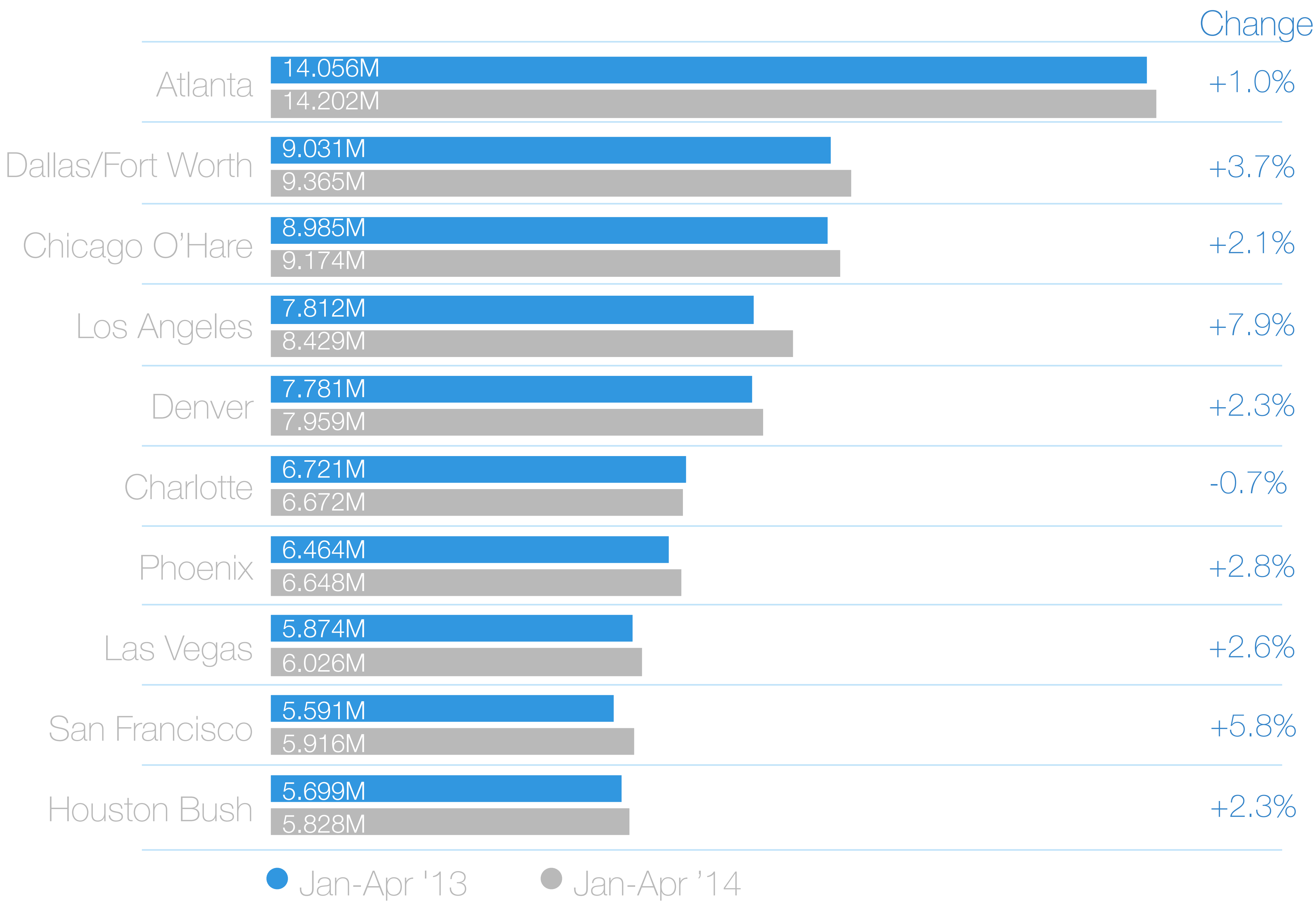
Food Services: Spending Loss (2013): **$3.4B** Car Rentals: Spending Loss (2013): **$2.8B**

SOURCE: U.S. Travel Association: 2014

SECTION 3

AIRPORTS

Top 10 Busiest U.S. Airports by Enplaned Passengers (Jan–Apr 2014)

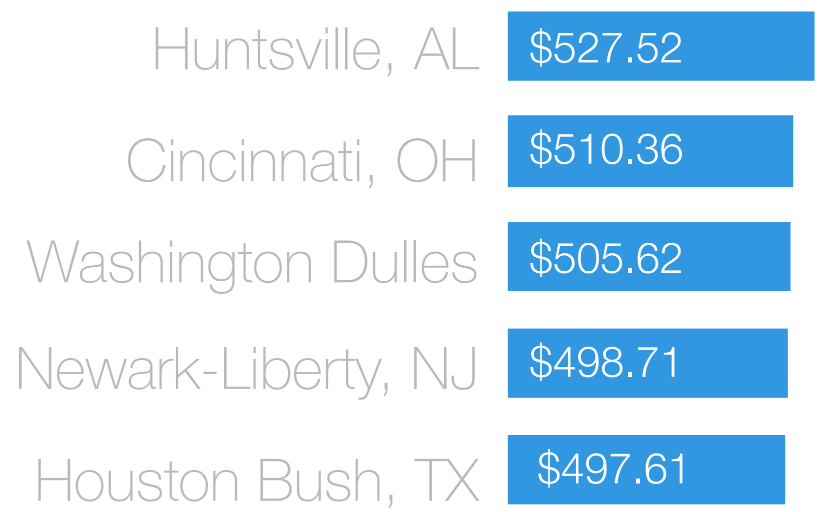


— Ranked by January-April 2014 Systemwide (Domestic and International) Scheduled Enplanements on U.S. Airlines.

SOURCE: Bureau of Transportation Statistics: 2014

Most/Least Expensive Points of Origin (U.S., 2013)

Top 5 most expensive points of origin, Q4 2013



Top 5 least expensive points of origin, Q4 2013

— U.S.-originating domestic passengers, ranked by average domestic itinerary fare.

— Amounts include taxes, but not fees for checking bags, boarding early, or other extras.

SOURCE: DOT: Bureau of Transportation Statistics: 2014

Top 10 Most- and Least-Connected U.S. Airports (2013)

The top 10 most connected airports by percentage of passengers getting online via gogo:

1. San Francisco International Airport, San Francisco, CA
2. John F. Kennedy Airport, New York, NY
3. John Wayne Airport, Santa Ana, CA
4. Los Angeles International Airport, Los Angeles, CA
5. Washington Dulles International Airport, Sterling, VA
6. Newark-Liberty Airport, Newark, NJ
7. LaGuardia Airport, New York, NY
8. O'Hare International Airport, Chicago, IL

9 Seattle-Tacoma International Airport, Seattle WA

10. San Jose International Airport, San Jose, CA

The bottom 10 by percentage of passengers getting online via gogo:

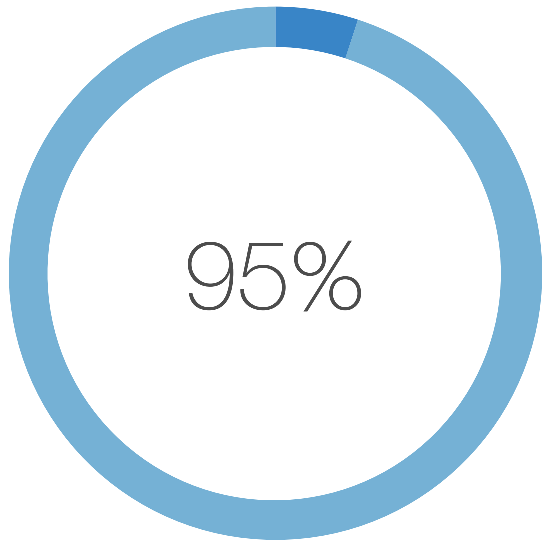
1. Pensacola International Airport, Pensacola, FL
2. Savannah/Hilton Head International Airport, Savannah, GA
3. Akron-Canton Airport, Akron, OH
4. Birmingham-Shuttlesworth International Airport, Birmingham, AL
5. Buffalo Niagara International Airport, Cheektowaga, NY
6. Wichita Mid-Continent Airport, Wichita, KS
7. Colorado Springs Airport, Colorado Springs, CO
8. Piedmont Triad International Airport, Greensboro, NC
9. Greater Rochester International Airport, Rochester, NY
10. Charleston International Airport, Charleston, NC

— Context: San Francisco handled 16.8M passengers and more than 16.4M enplanements in fiscal 2012, the latest statistics available. By comparison, Pensacola International Airport handles 72 daily arrivals, on average, has a 5,610 daily-seat capacity, and operates out of a single terminal.

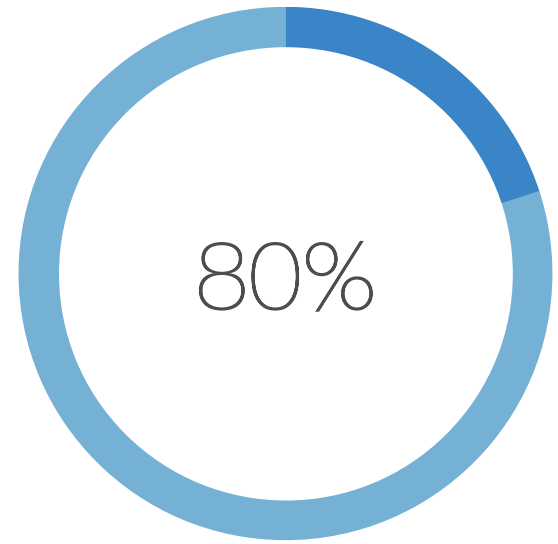
SOURCE: Gogo: 2013; Global/Skift: 2013

Apps and Kiosks in Airports (2014–16)

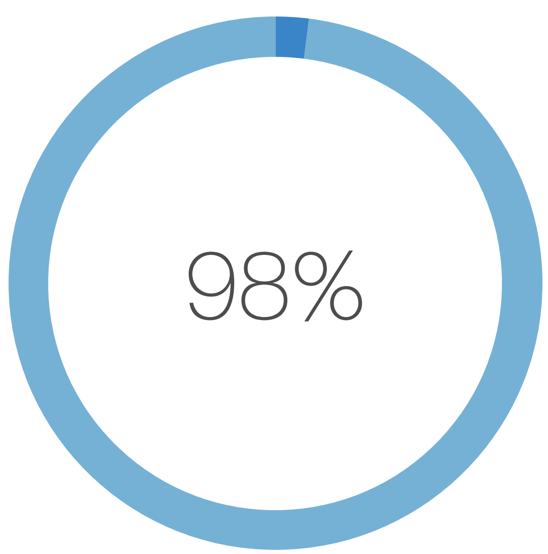
% of airports investing in mobile apps for flight info/navigation/retail



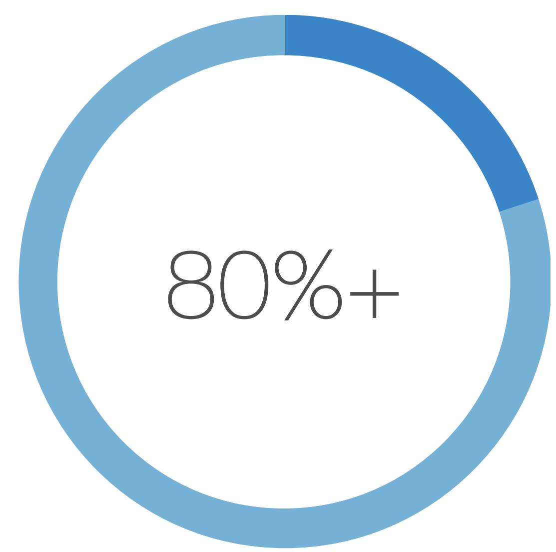
% of airports with kiosks for self check-in



% expected to have kiosks for self check-in by 2016



% expected to have self-tagging and baggage drop by 2016



SOURCE: Cisco Blog; Future Travel Experience

Like What You See?

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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Skift Inc, 115, W 30th Street, #1213, New York NY 10001

SECTION 4

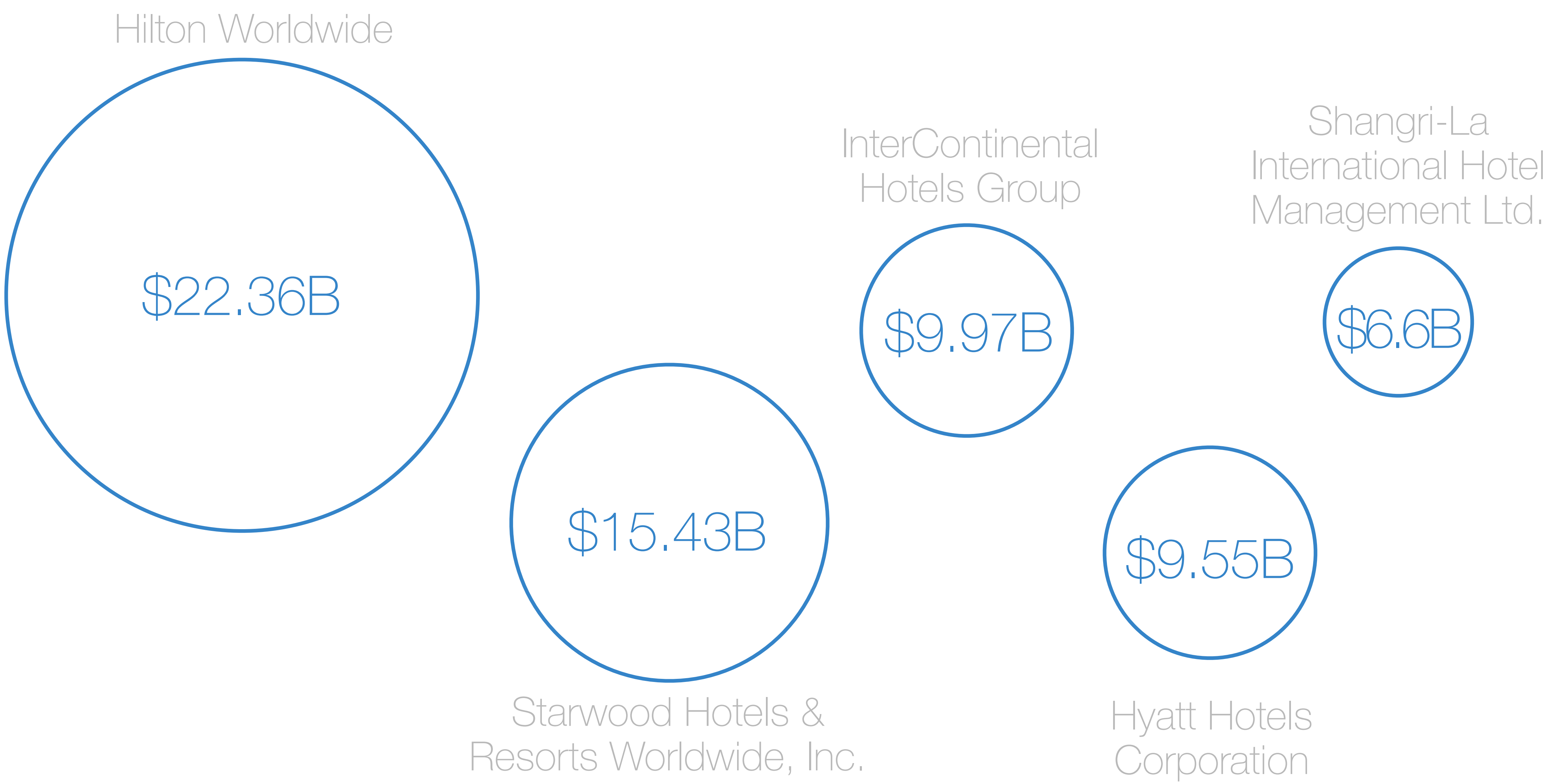
HOSPITALITY

U.S. Hotel Performance (2014)

	June 2014	Change YTD
All Hotels Occupancy:	63.7%	+3.3%
All Hotels Avg. Daily Rate:	$114.06	+4.1%
All Hotels Revenue Per Available Room:	$72.64	+7.5%

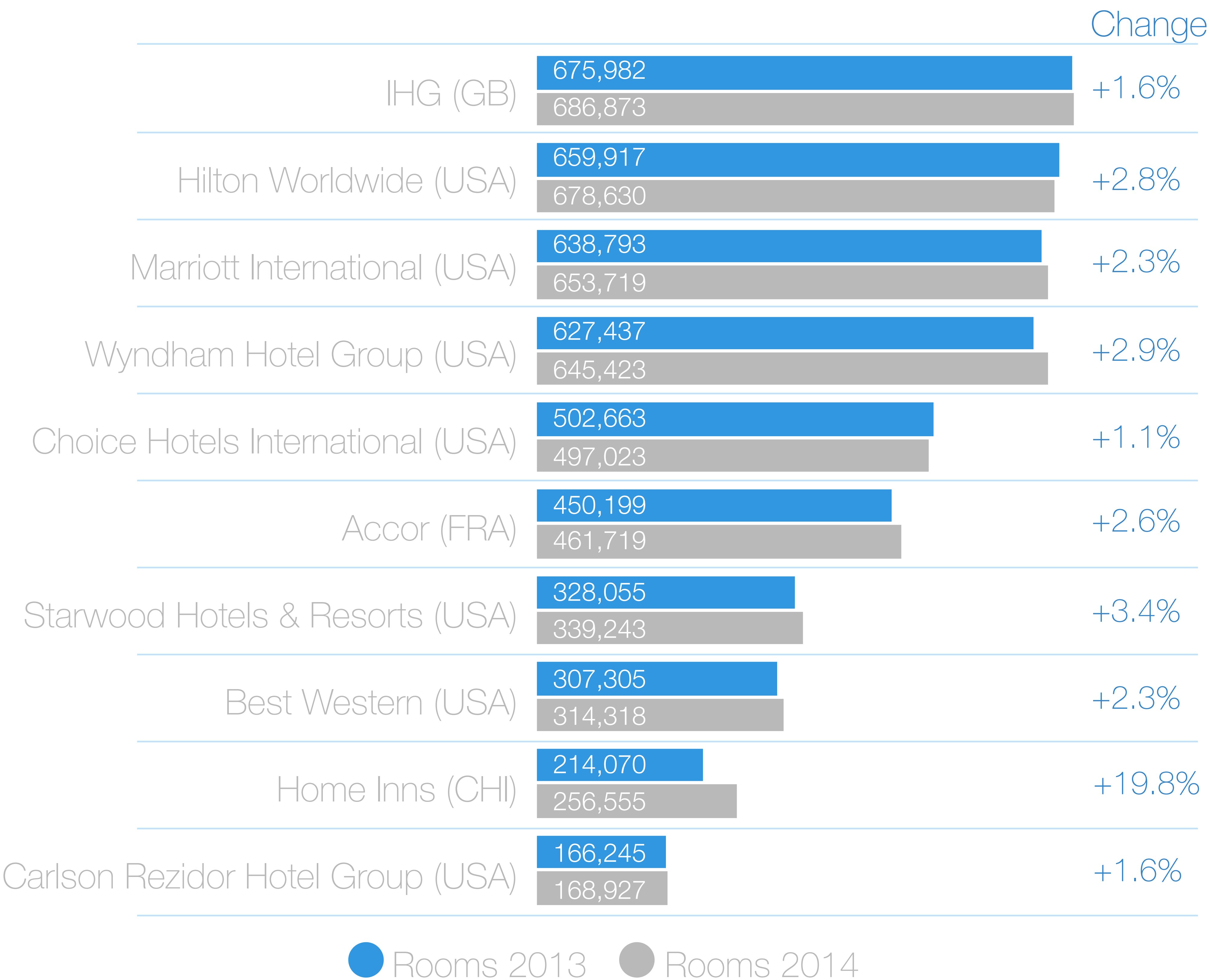
SOURCE: Hotel News Now

Five Prestige Hotel Brands by Market Capitalization/Valuation (2014)



SOURCE: L2 Think Tank Digital IQ Index: 2014

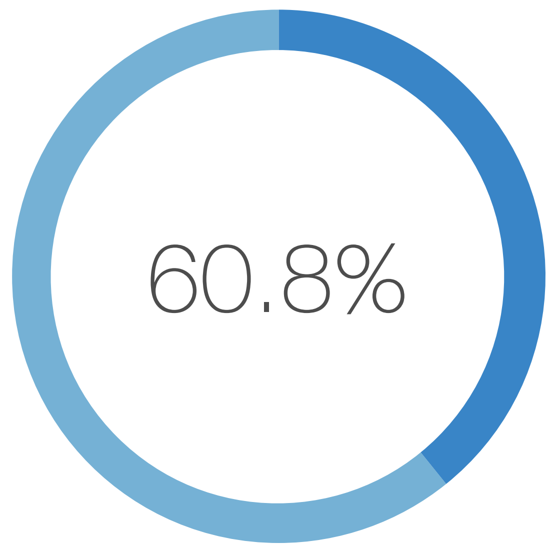
Top 10 Hotel Groups by Room Inventory (2014)



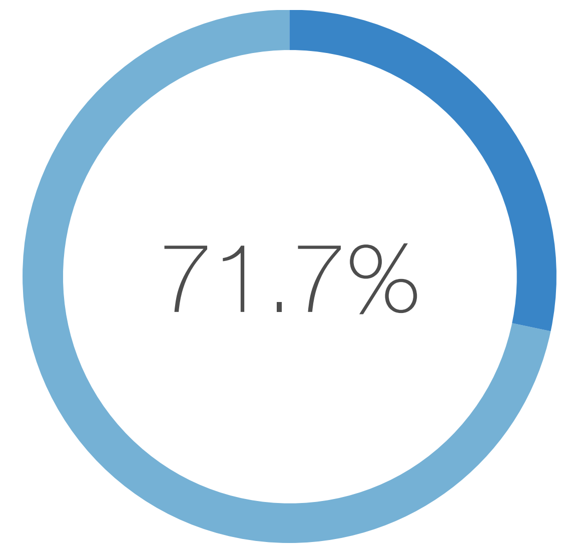
SOURCE: Hotel Online/MKG Hospitality Database: 2014

Airport Hotel Performance (2014)

U.S. Average Occupancy



Airport Hotel Occupancy



Percentage Difference
(Occupancy: Airport to Average U.S.) +10.9%

— As investors look for new opportunities, a location type with below-average supply growth is attractive, which makes airports targets for new development.

SOURCE: STR/SkiftStats: Jun 28 2014

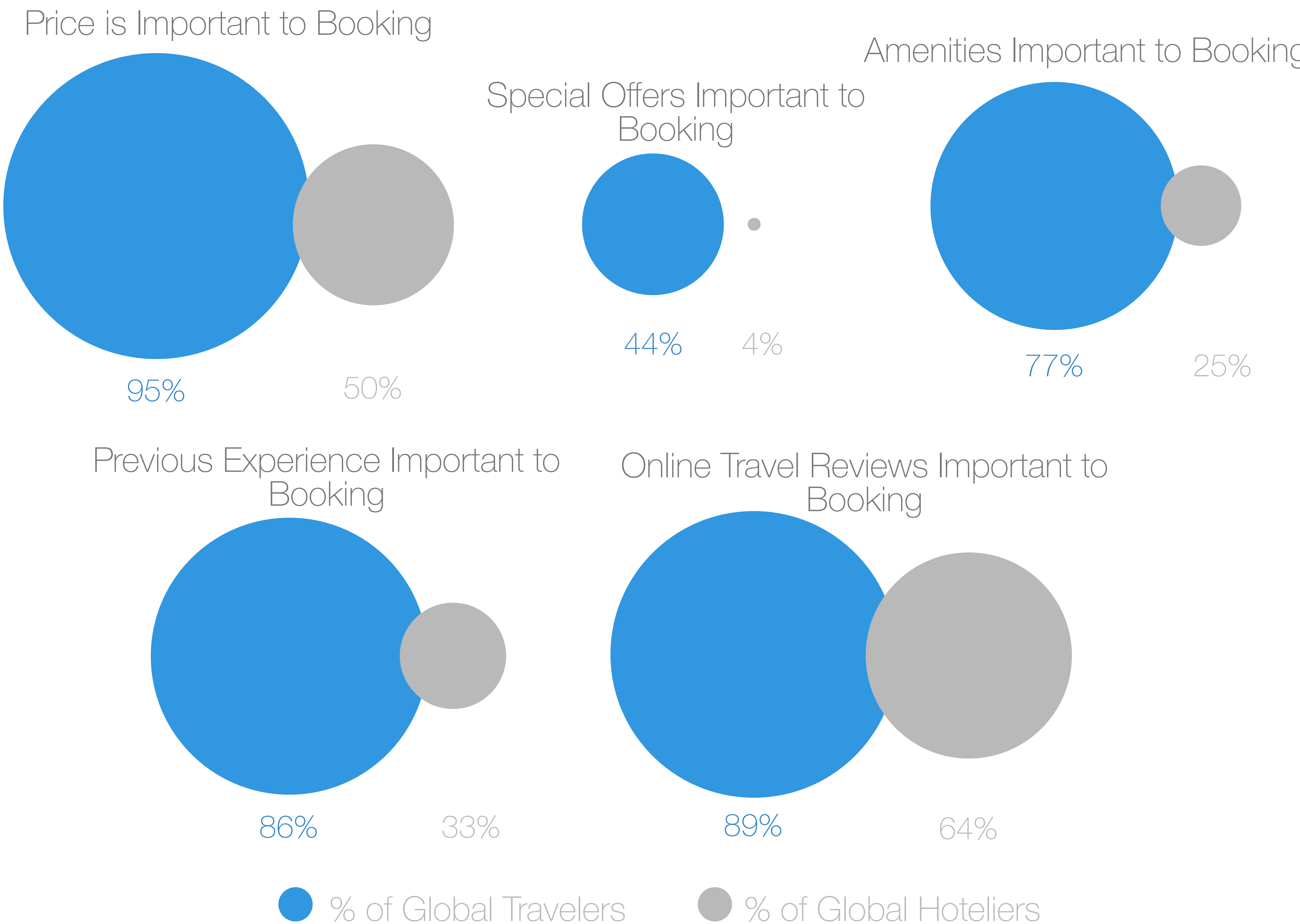
Traveler Types and Hotel Rates/Occupancy (2013-14)

	Average Daily Rate	Reserved Occupancy
All Travel Segments:	+2.6%	+5.7%
Group Only:	-1.1%	+2.8%
Transient Only (Business & Leisure):	+4.7%	+7.2%
Transient Business:	+3.8%	+4.3%
Transient Leisure:	+5.7%	+9.6%

— Percentage Growth: Apr 2014 compared to Apr 2013.

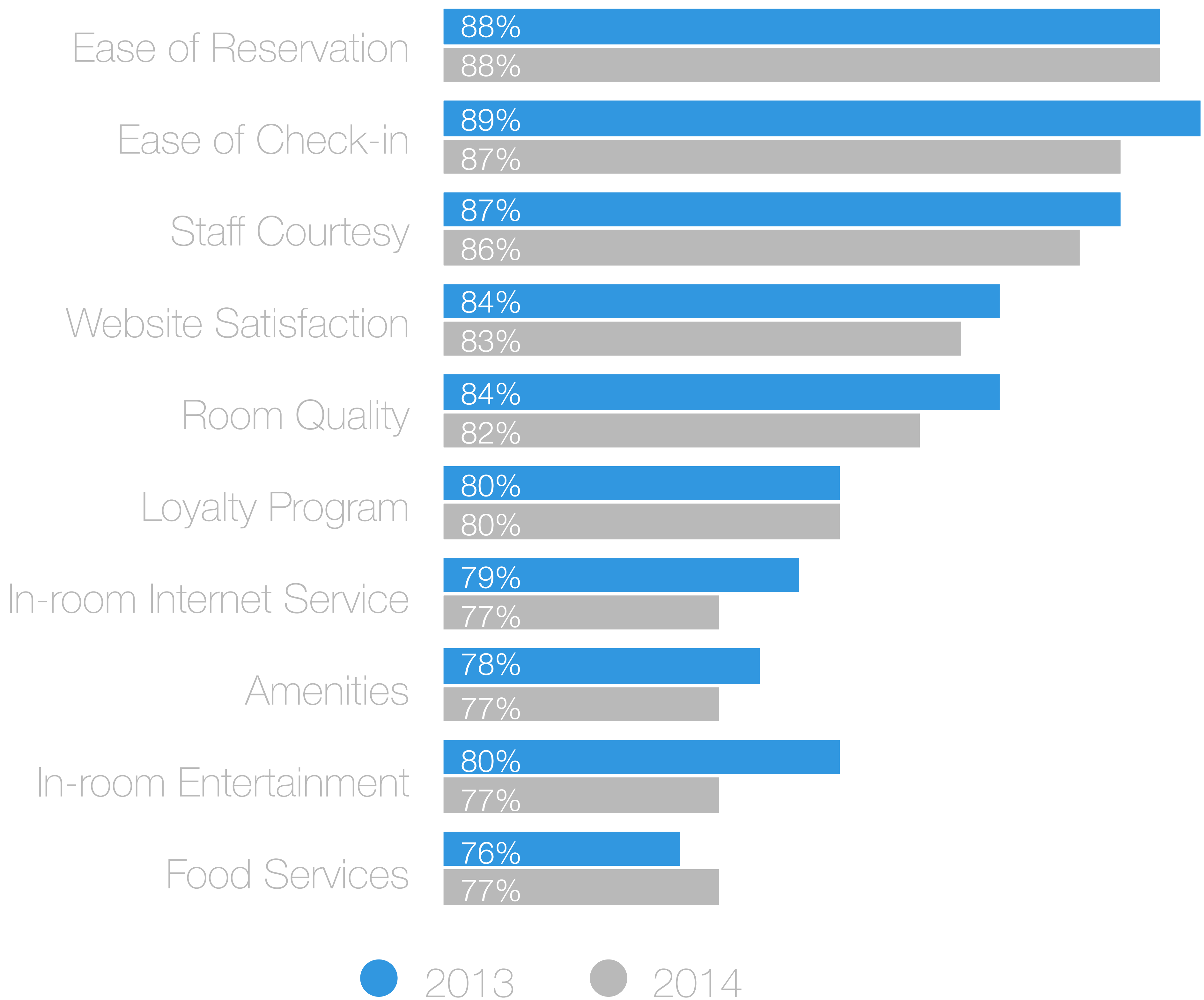
SOURCE: TravelClick/SkiftStats: Apr 30 2014

Perceptions of Service (2014)



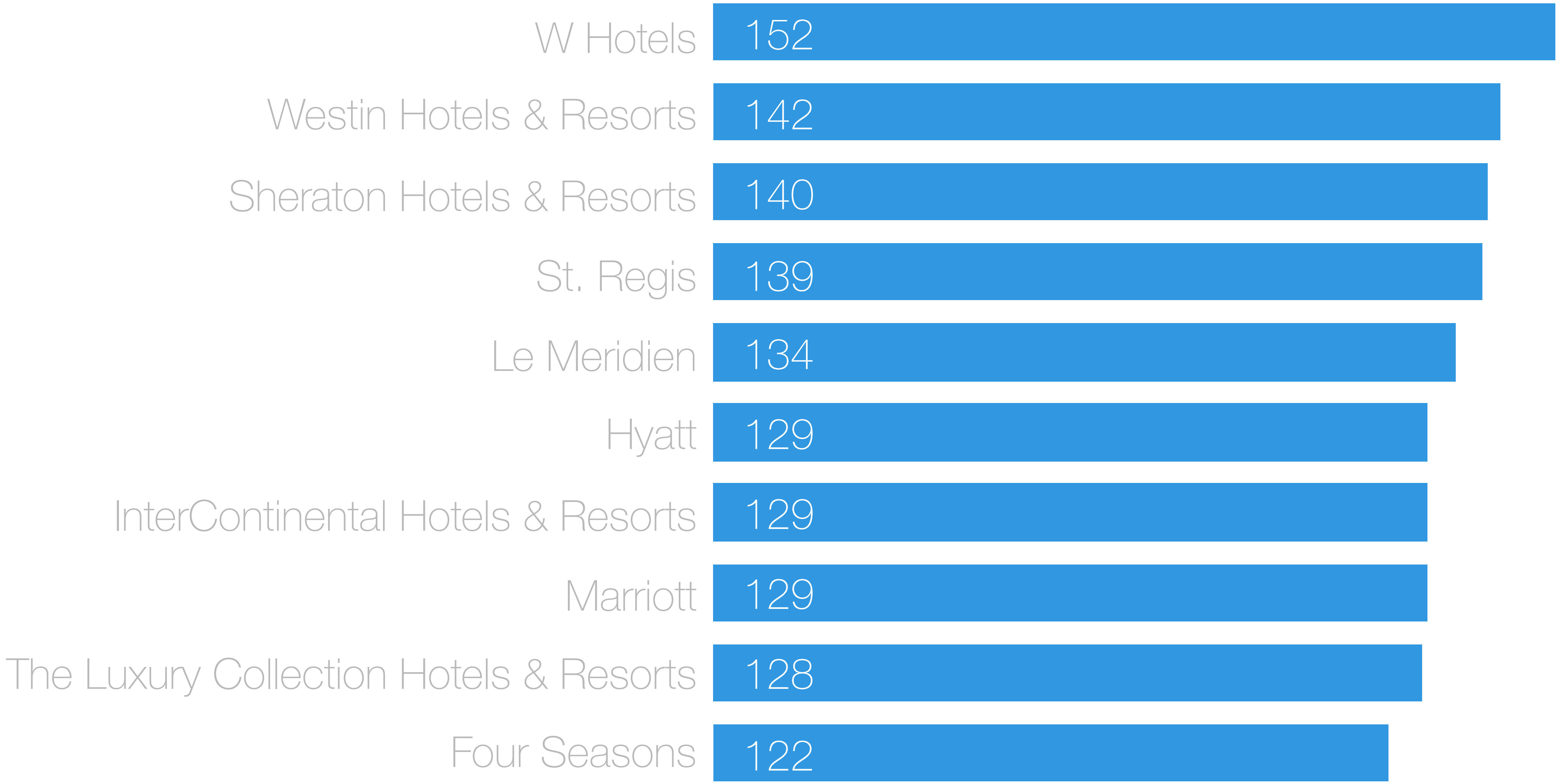
SOURCE: TripAdvisor/SkiftStats: Apr 25 2014 (1), (2)

Hotel Customer Satisfaction Benchmarks (2013–14)



SOURCE: ACSI/SkiftStats: Apr 23 2014

Top 10 Digitally Savvy Hotels by Digital "IQ" Score



— Scores are a "digital IQ" number created by L2 Think Tank in their 2014 Digital IQ Index.

— Ranked by site/ e-commerce; digital marketing; social media; and mobile efforts/effectiveness.

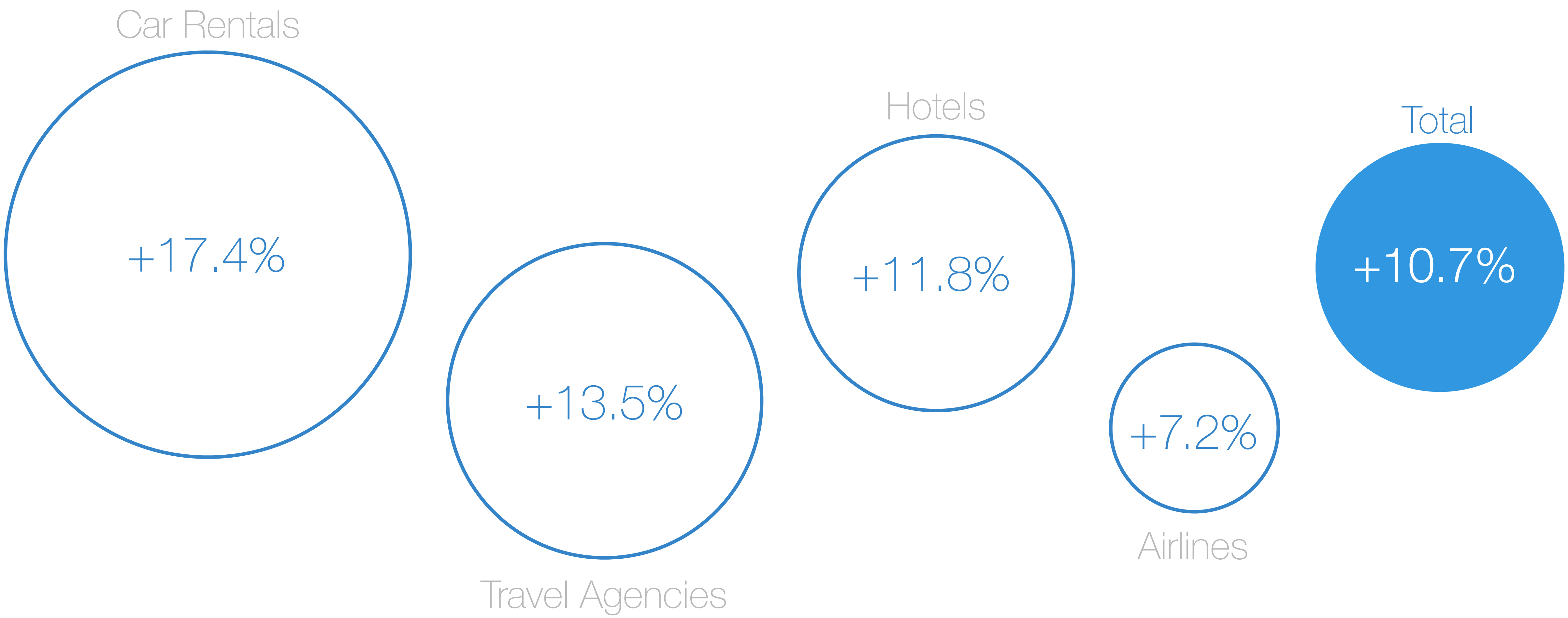
SOURCE: L2 Think Tank Digital IQ Index: 2014

SKIFT TRAVEL IQ

SECTION 5

BOOKINGS AND RESERVATIONS: METHODS AND MOTIVATIONS

Online Bookings Growth (Q3 2012–13)



— Slower rate in the airline category correlates with its lead position in overall online bookings.

SOURCE: Adobe Digital Marketing Blog: 2013

Choices of Online Travel Reservations by Site Type (2010–13)

	2010	2011	2012	2013
Online travel agency (e.g. Expedia, Travelocity, Orbitz):	66%	62%	60%	58%
Brand travel-service supplier (e.g. American Airlines, Hilton, Hertz):	48%	46%	45%	45%
Comparison-shopping site (e.g. Kayak or Dealbase):	15%	14%	18%	28%
Traditional travel-agent site:	8%	9%	7%	6%
Collective-buying website (e.g. LivingSocial):	NA	5%	7%	6%
American Express Travel Services online:	5%	6%	6%	5%
Private-sale/invitation-only deals site (e.g. Jetsetter, Vacationist):	NA	5%	4%	4%
Other:	7%	7%	13%	15%

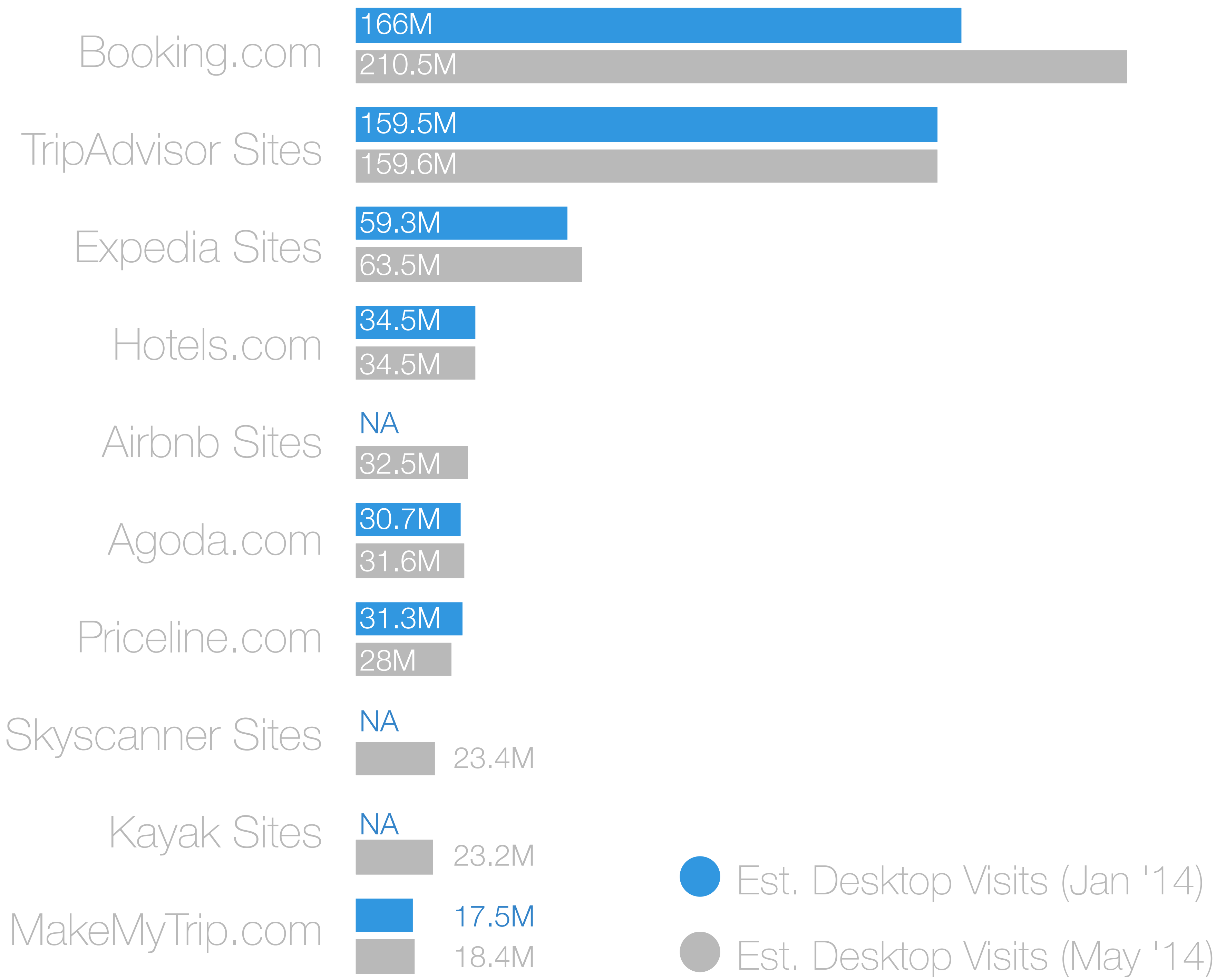
SOURCE: MMGY Global/Skift: 2013

Choices of Online Travel Reservations by Age Group

	Millennial	Gen X	Baby Boomer	Mature
Online travel agency (e.g. Expedia, Travelocity, Orbitz):	64%	61%	53%	41%
Brand travel-service supplier (e.g. American Airlines, Hilton, Hertz):	41%	42%	50%	55%
Comparison-shopping site (e.g. Kayak or Dealbase):	39%	25%	23%	14%
Traditional travel-agent site:	7%	6%	6%	1%
Collective-buying website (e.g. LivingSocial):	7%	4%	6%	12%
American Express Travel Services online:	6%	5%	4%	5%
Private-sale/invitation-only deals site (e.g. Jetsetter, Vacationist):	6%	4%	3%	1%
Other:	6%	14%	22%	26%

SOURCE: MMGY Global/Skift: 2013

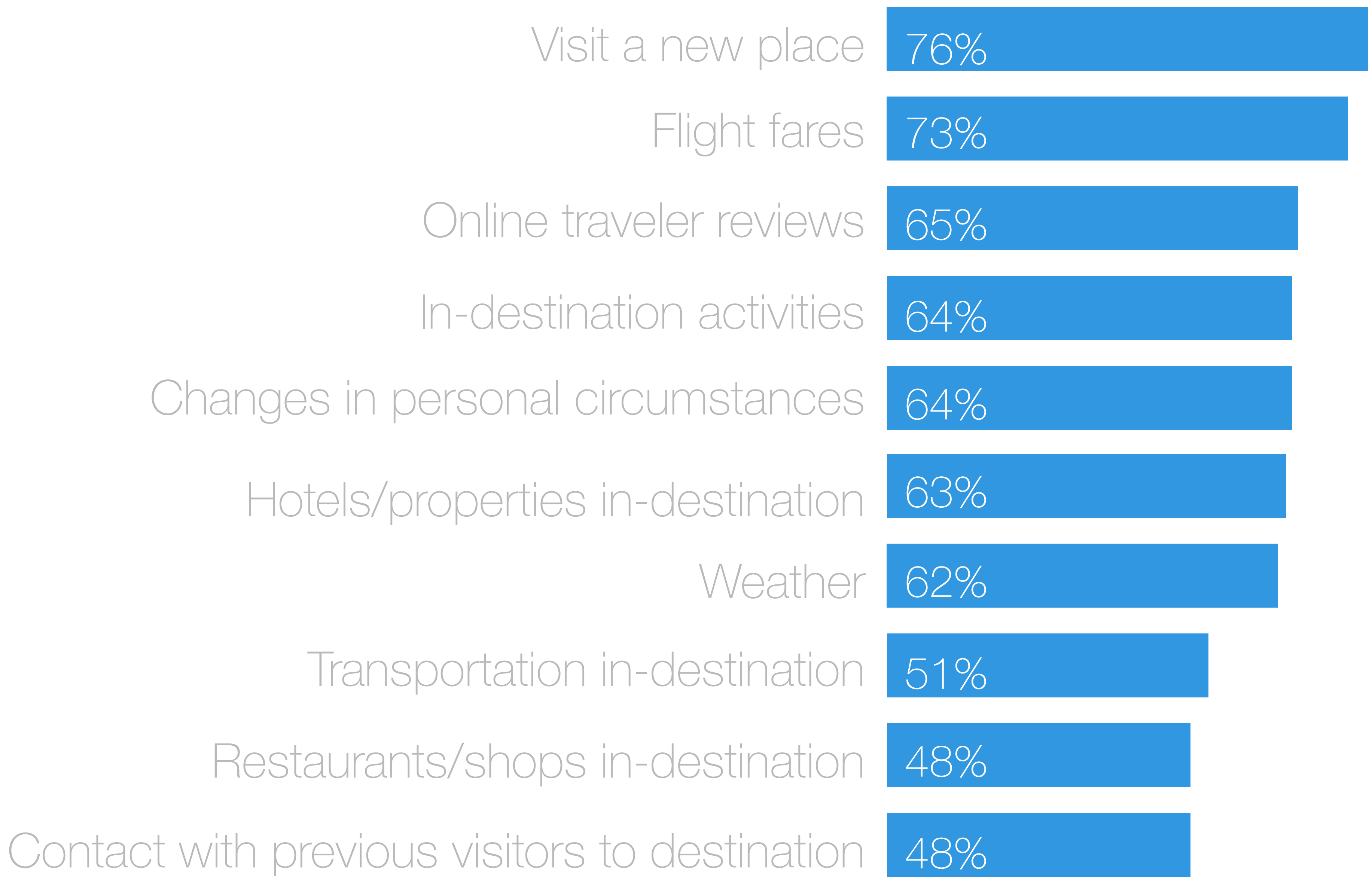
Top 10 Popular Online Travel Booking Sites (2014)



— "Sites" groupings do not represent all companies under one rank (as in, all Priceline Group components or all Expedia Group components). Sites groupings represent one-brand-specific country-based sites (brand sites), taken together (hence all of TripAdvisor's individual country-based sites appear under one ranking).

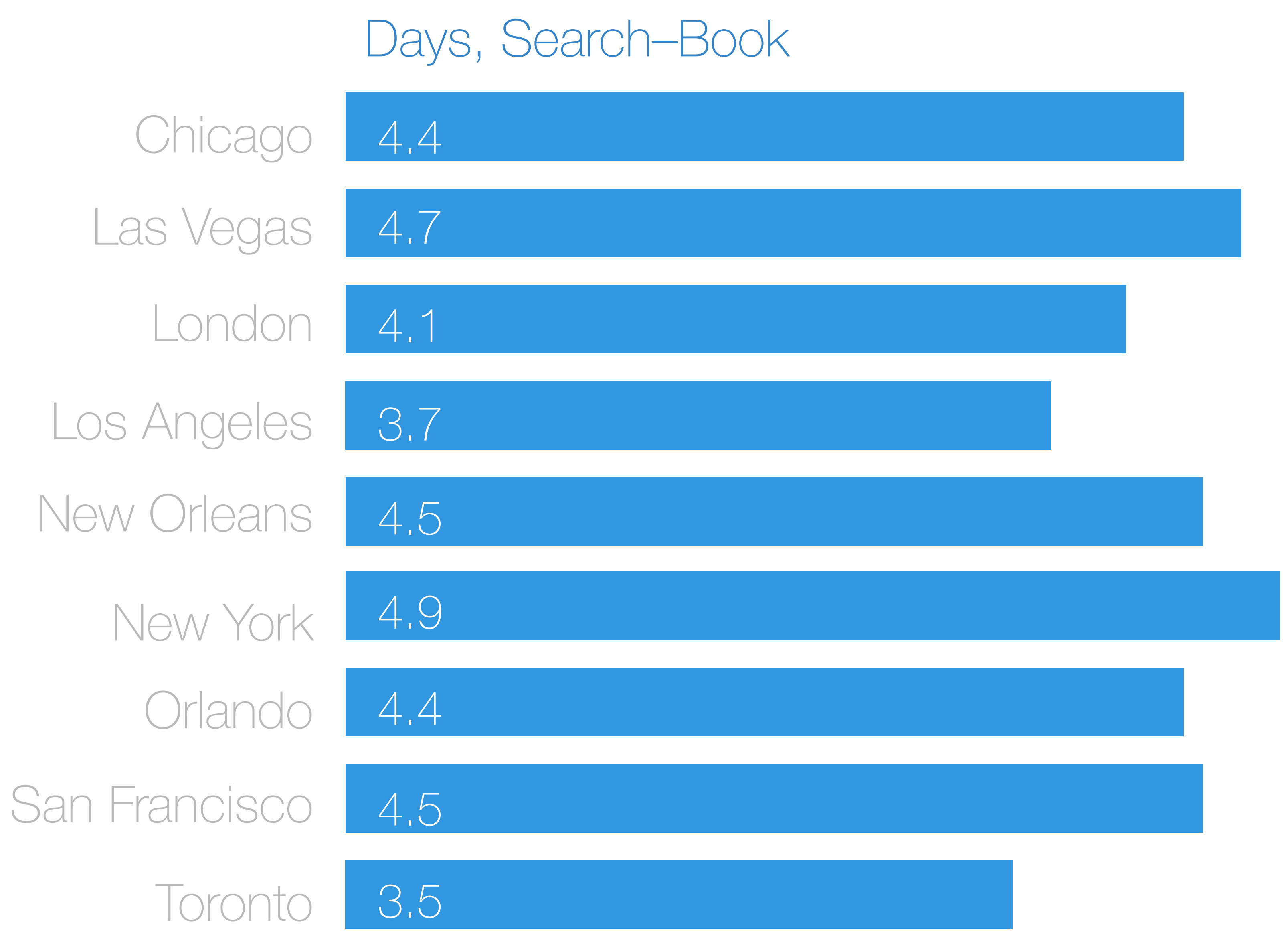
SOURCE: SimilarWeb/Skift: 2014

Key Influences on Travel Bookings



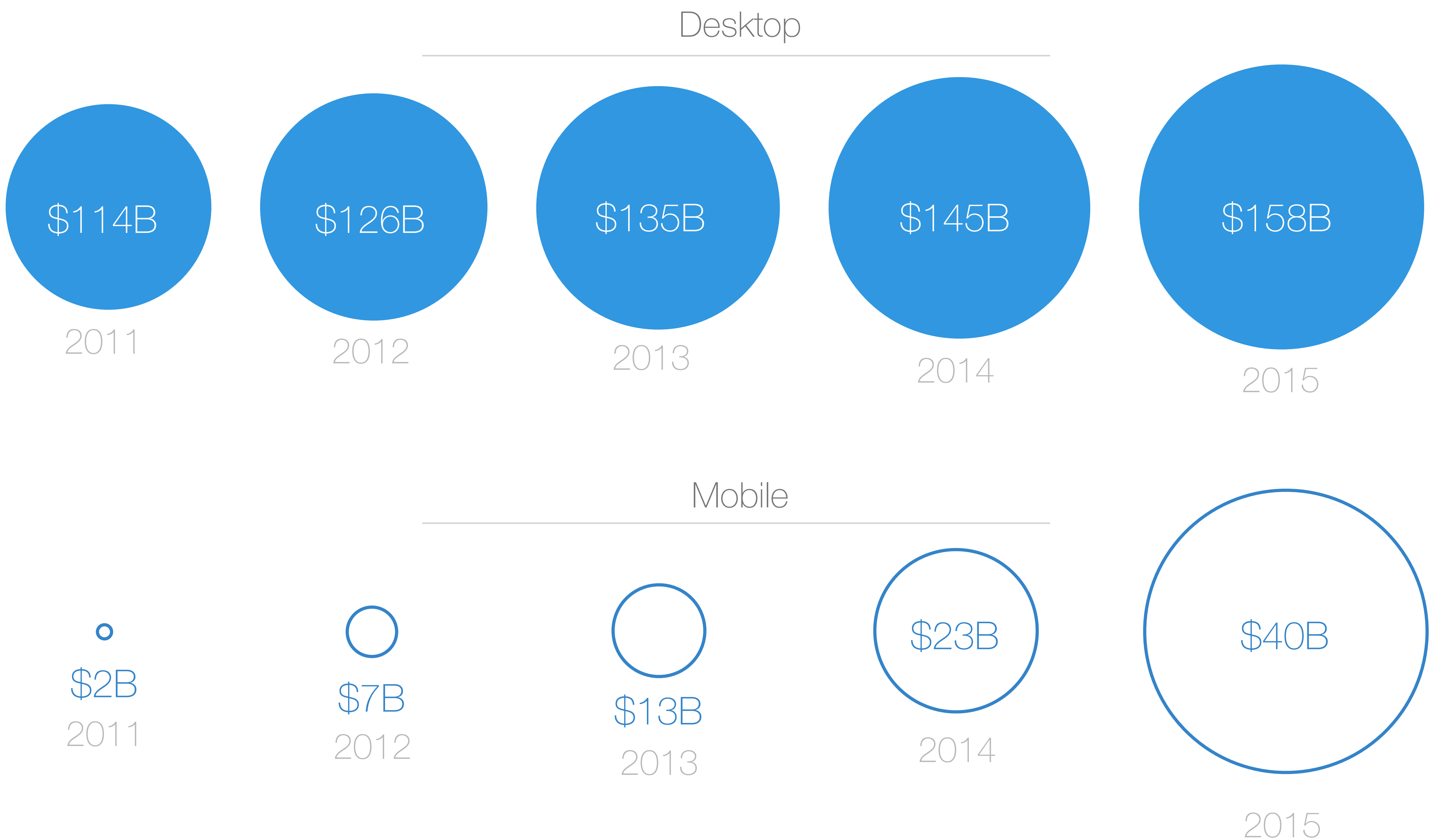
SOURCE: SkiftStats: Apr 29 2014

Search-to-Booking Lag Times



SOURCE: Adara/Skift Report #14: 2014: "Evolving Strategies in Travel Ad Tech Bookings"

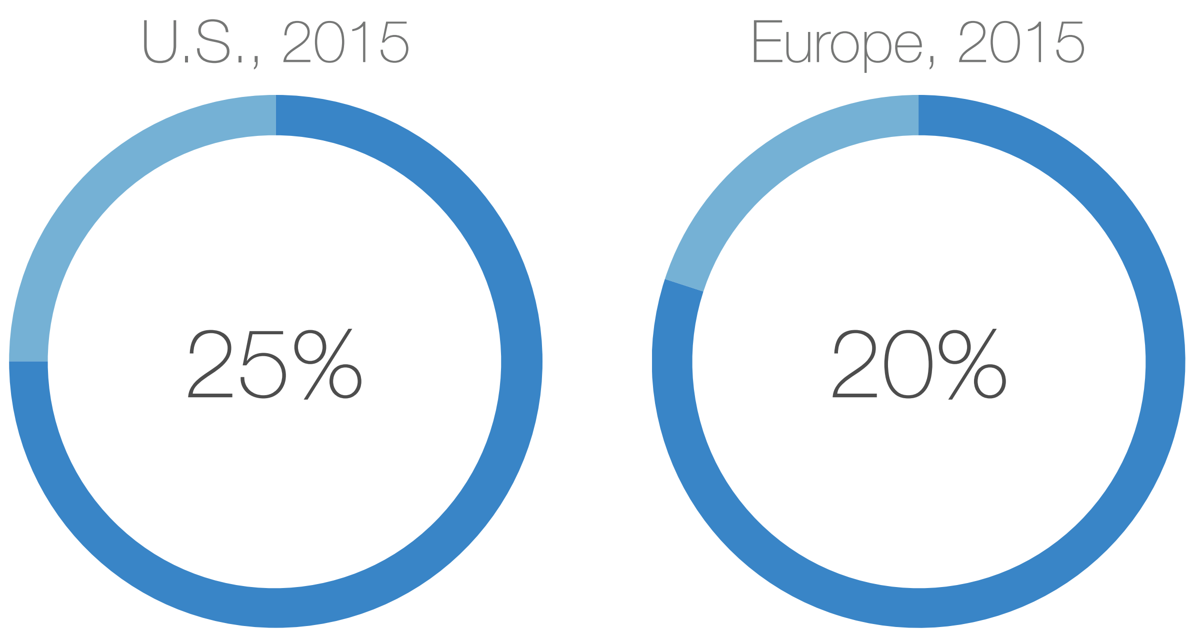
U.S. Mobile and Desktop Travel Bookings (2011–15)



SOURCE: Business Intelligence/WYSE Travel Confederation: 2014

U.S. and Europe Mobile Bookings, Market Penetration (2013–15)

Est. Mobile Bookings Market Penetration



Est. Average Annual Growth Rate, Europe, 2013–15 **+8%**

SOURCE: WYSE Travel Confederation: 2014

Top 5 Online Booking Sites by Mobile-App Reviews (Global, 2013)

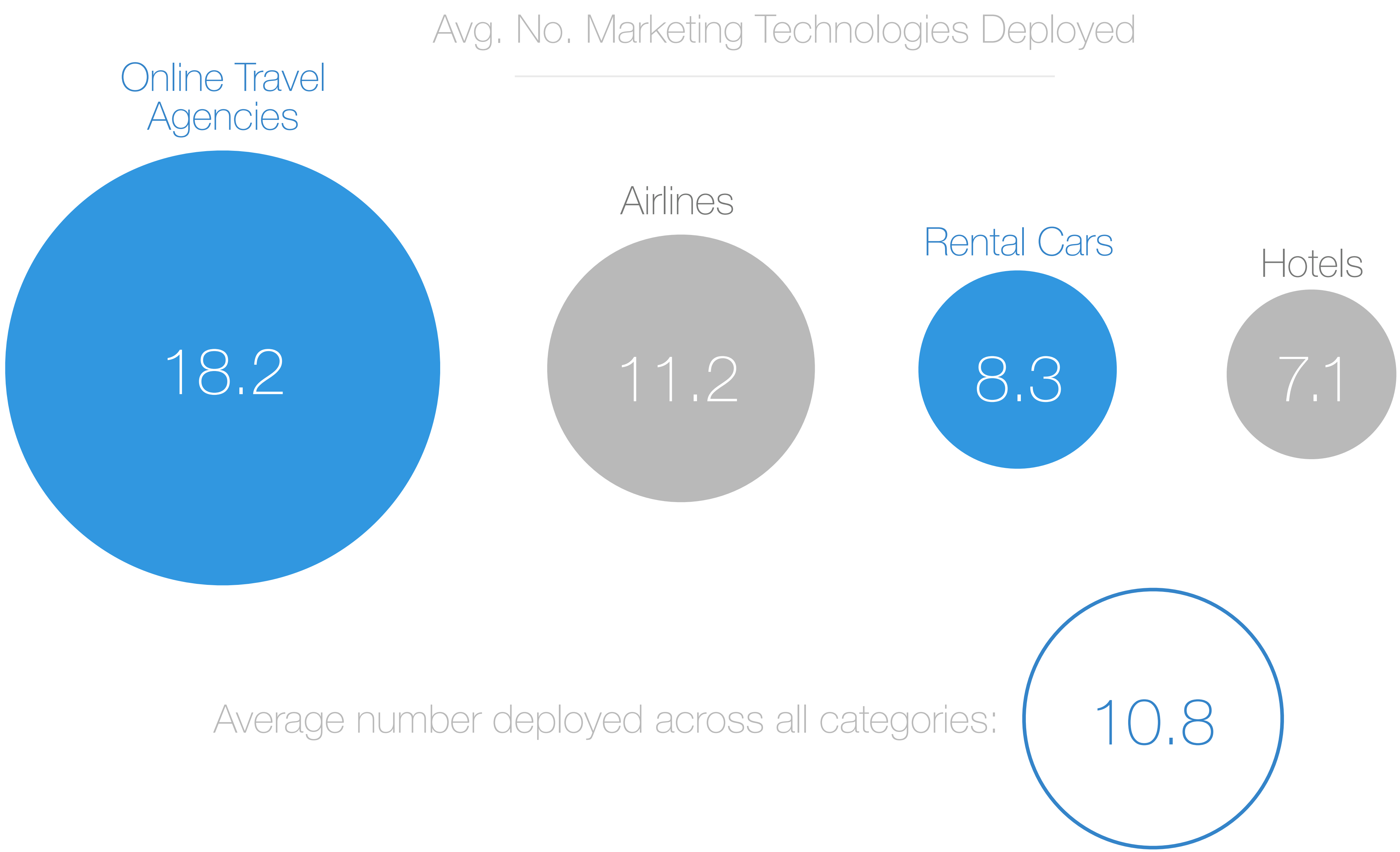
	iTunes	Google Play	Total App Ratings
TripAdvisor:	161,214	425,856	587,070
Booking.com:	154,028	136,825	290,853
Hotels.com:	156,206	70,013	126,219
Expedia:	11,157	34,190	45,317
Airbnb:	12,390	23,258	35,648

SOURCE: Skift: 2013

SECTION 6

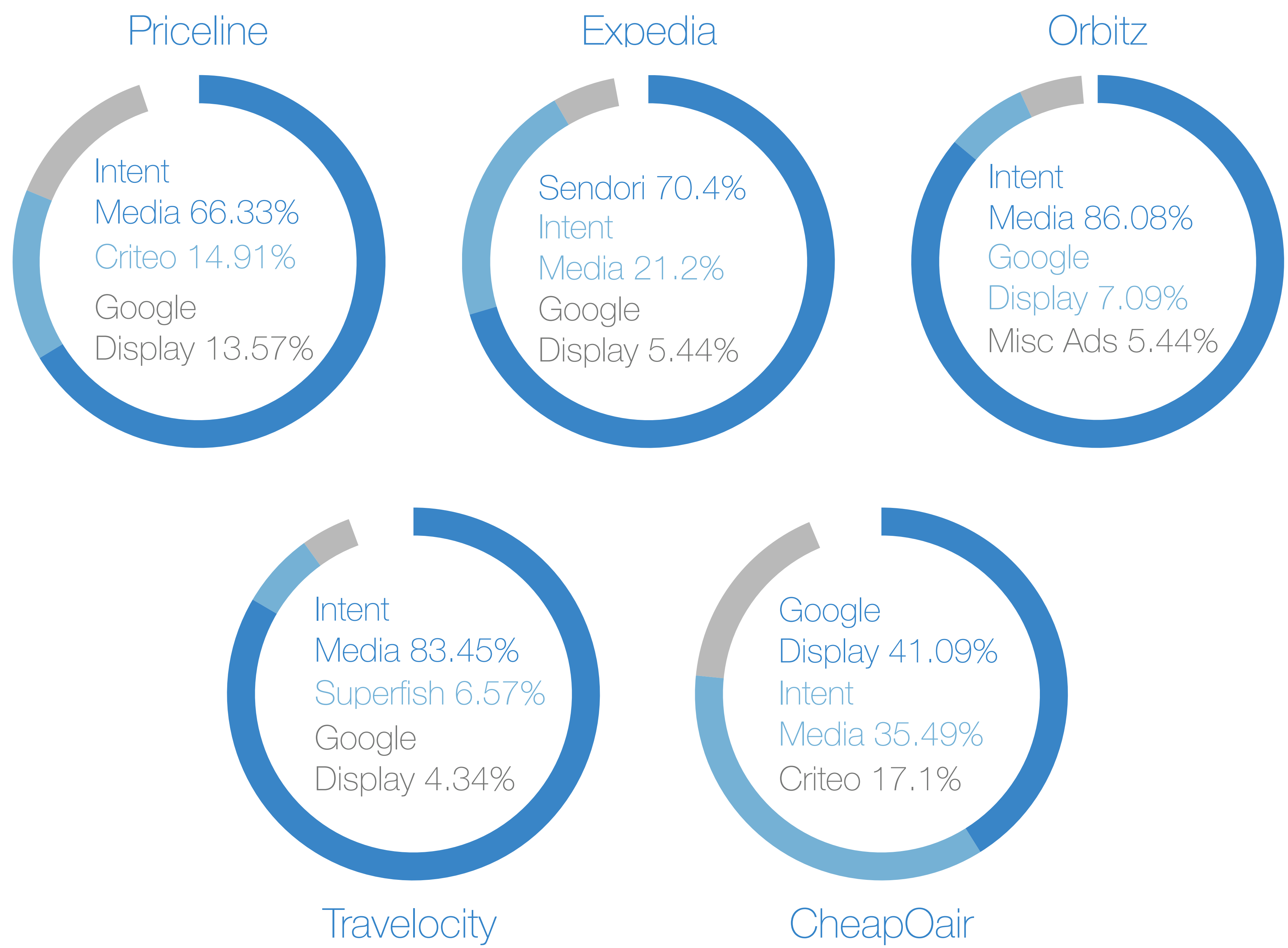
TRAVEL MARKETING AND TECHNOLOGY

Marketing Tech by Travel Categories



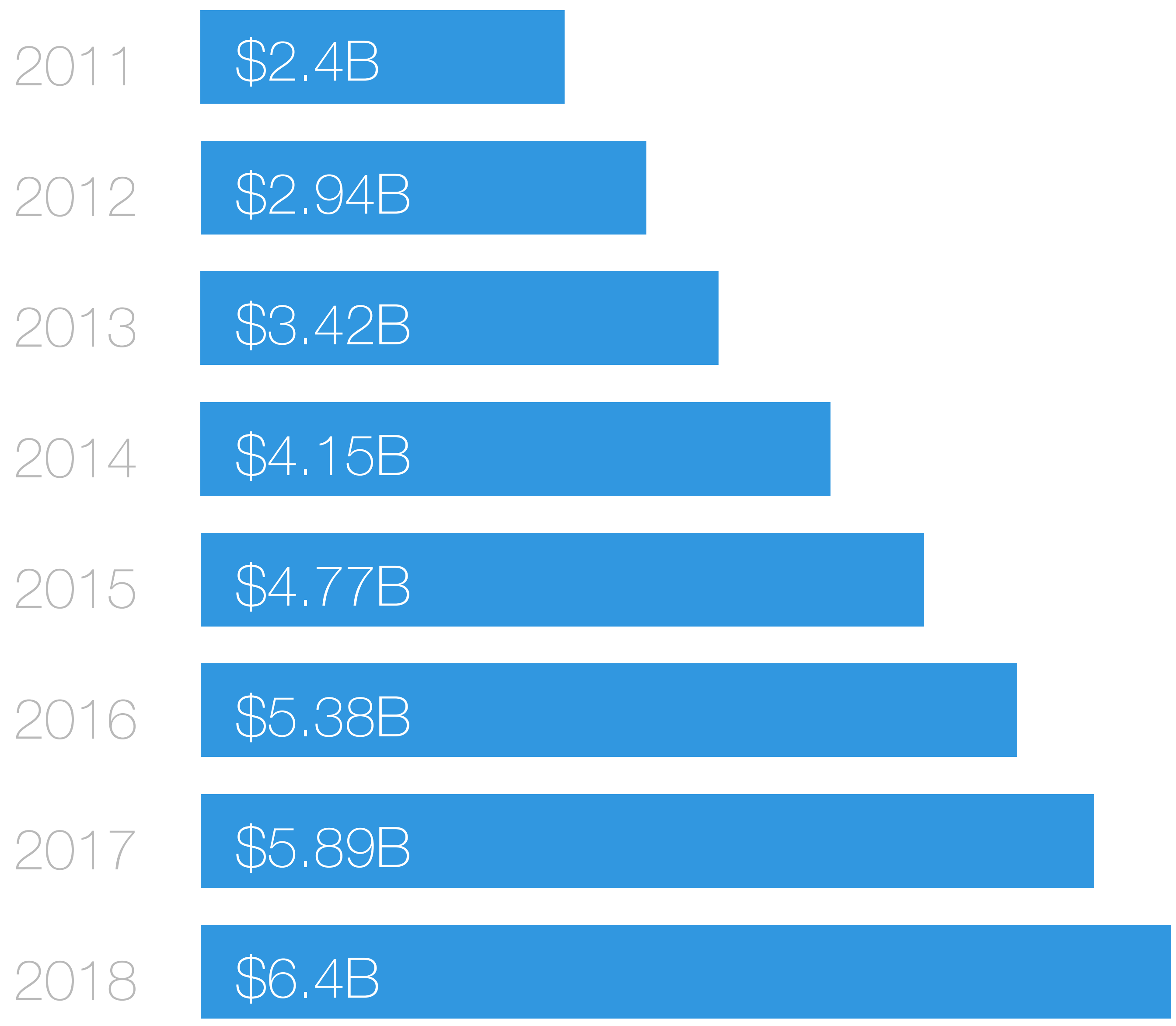
SOURCE: : Lima Consulting: 2014

Ad Networks and 5 Major OTAs



SOURCE: Skift Report #14: 2014: "Evolving Strategies in Travel Ad Tech Bookings

Travel Digital-Advertising Spend (U.S. 2011–18)

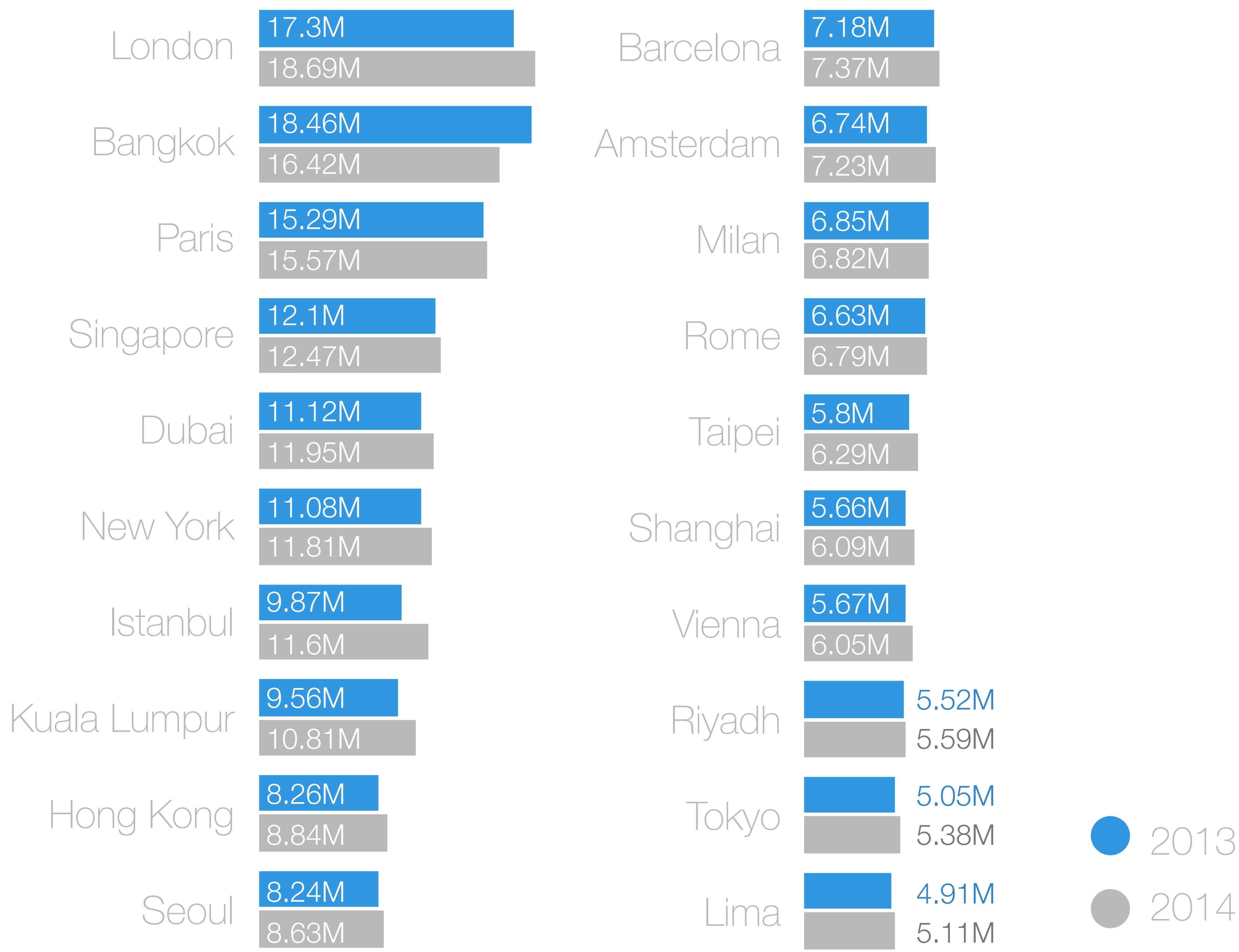


SOURCE: Statista: 2014

SECTION 7

DESTINATIONS

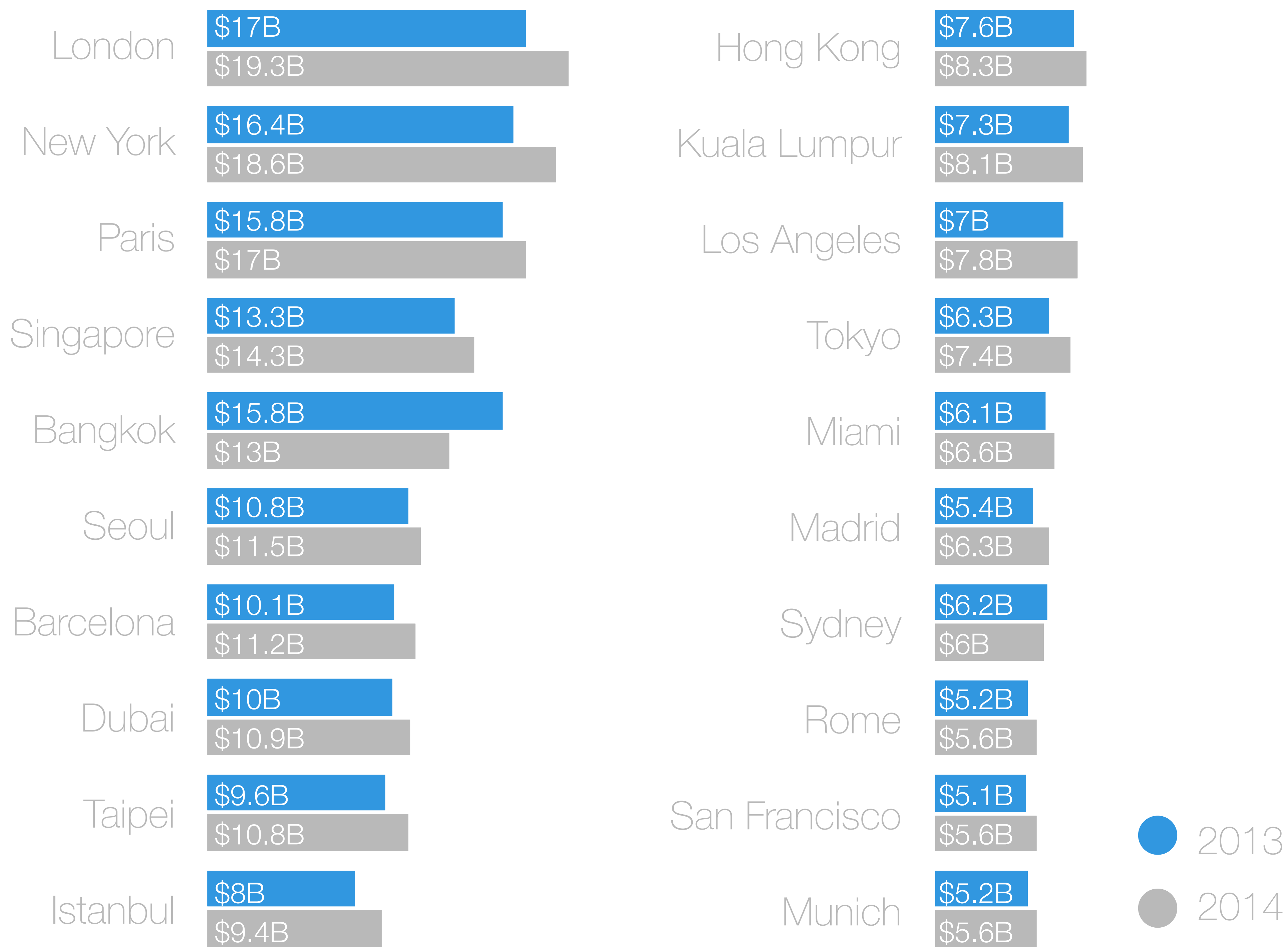
Top 20 Global Destinations by Visitors (2013–14)



— Measured by international overnight visitors.

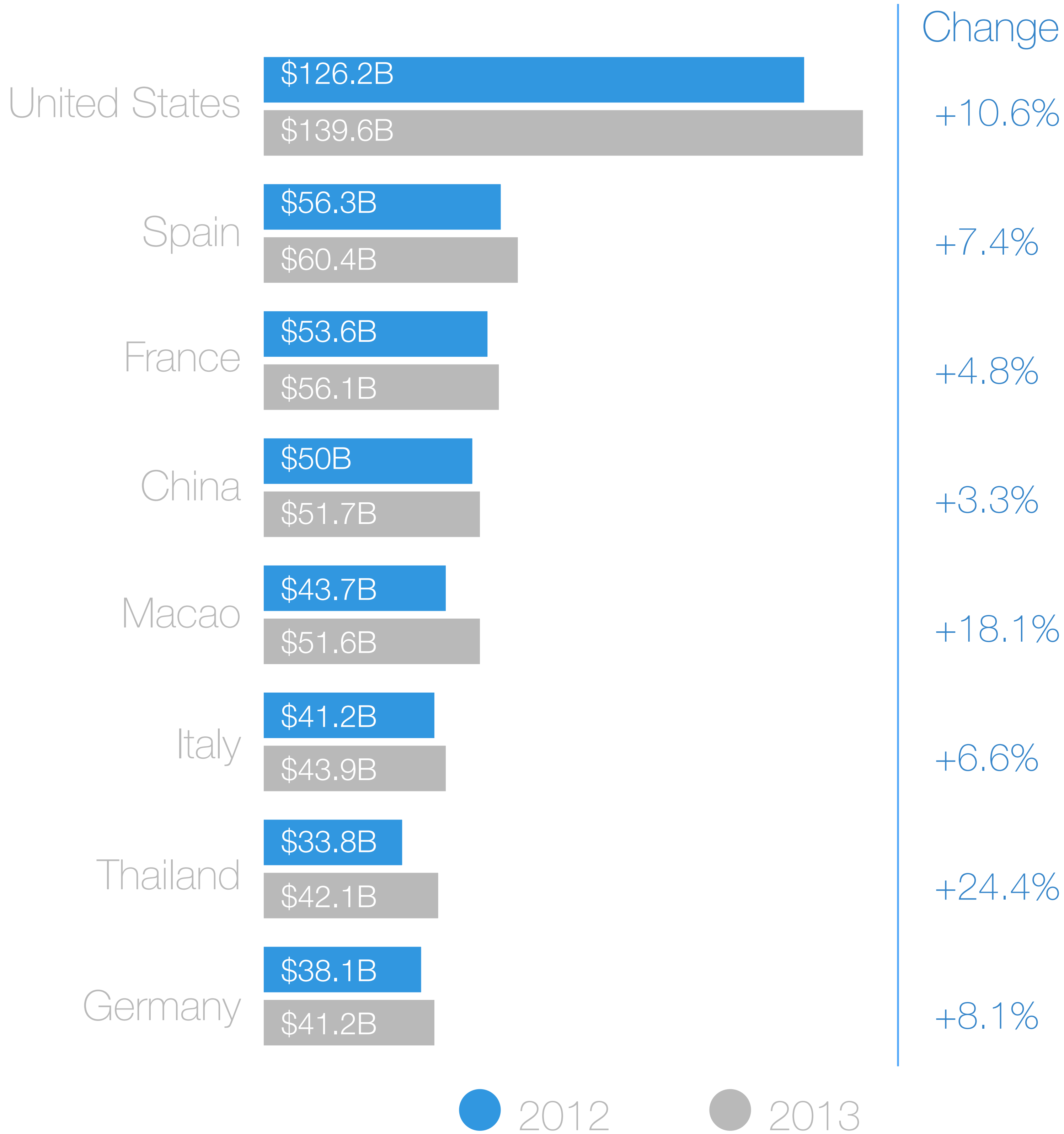
SOURCE: Mastercard GDCI: 2014

Top 20 Global Destinations by Visitor Spend (2013–14)



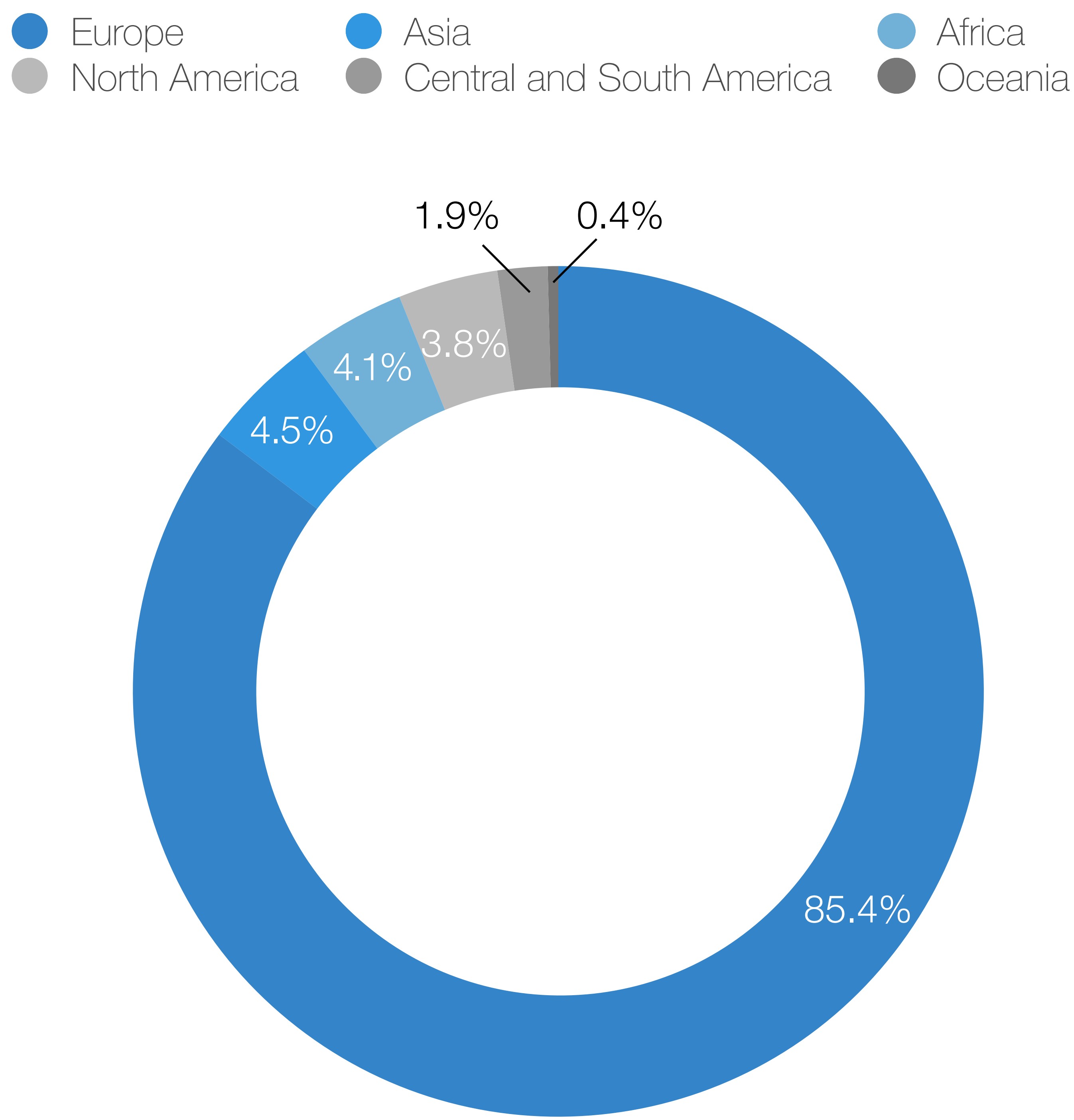
SOURCE: Mastercard GDCI: 2014

Top 8 Destination Countries by Total Tourism Receipts (2012–13)



SOURCE: World Tourism Organization: 2014

Global European Tourist Destinations (2012)

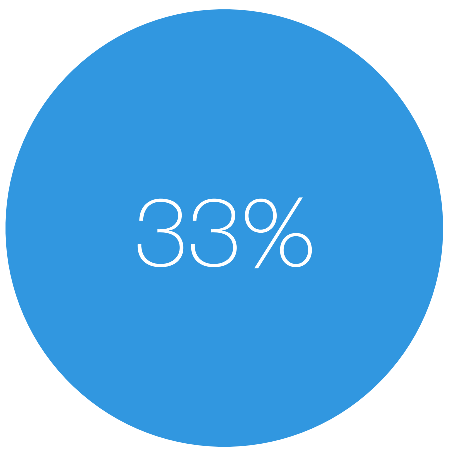


— Of Europeans picking a destination in Europe, **75.3%** visit an EU country; **6.3%** visit another European country; **3.7%** visit an EFTA country.

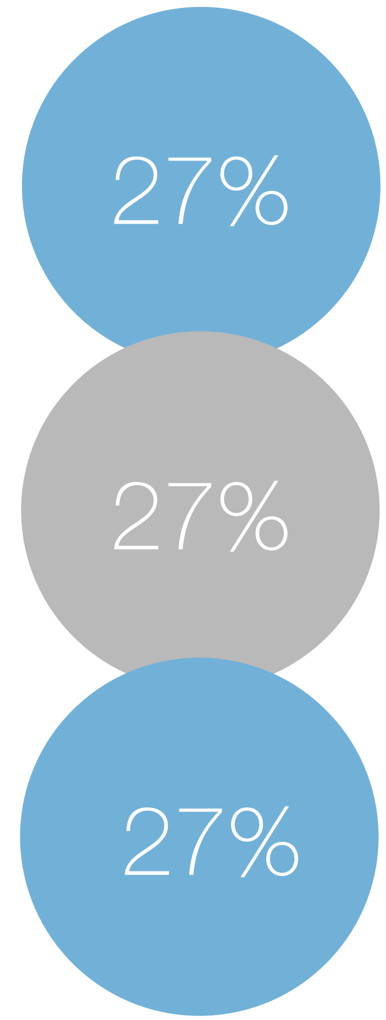
SOURCE: Eurostat/SkitftStats : June 30 2014

Destinations for Tourists Originating from Pacific & Asian Countries

33% of **Indian** tourists said New Zealand was their first pick for a destination.



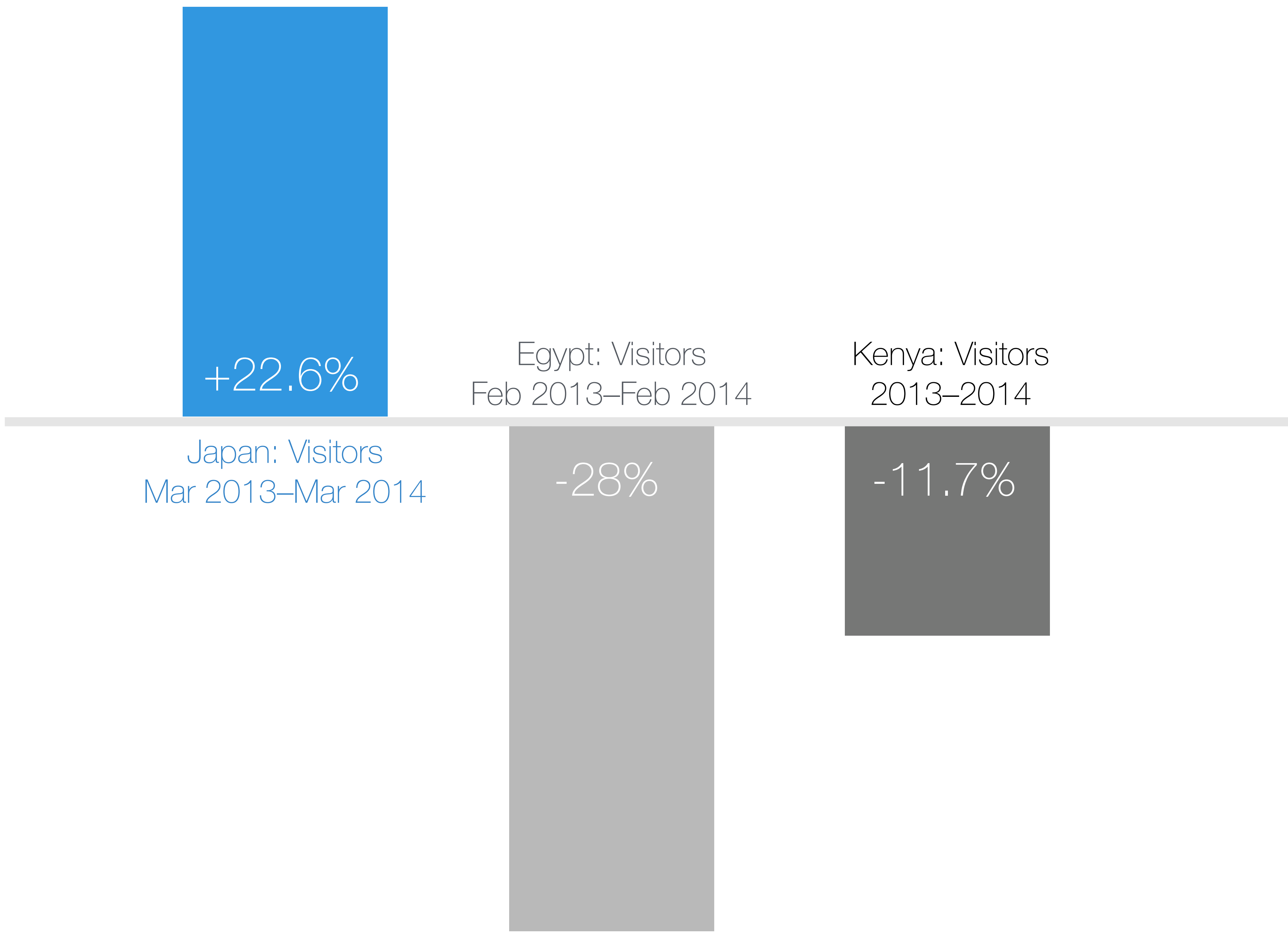
29% of **Chinese** tourists polled indicated that destinations in China topped their list.



27% of **Malaysian, 27%** of **Thai,** and **27%** of **Indonesian** tourists ranked Japan at top of their destinations list.

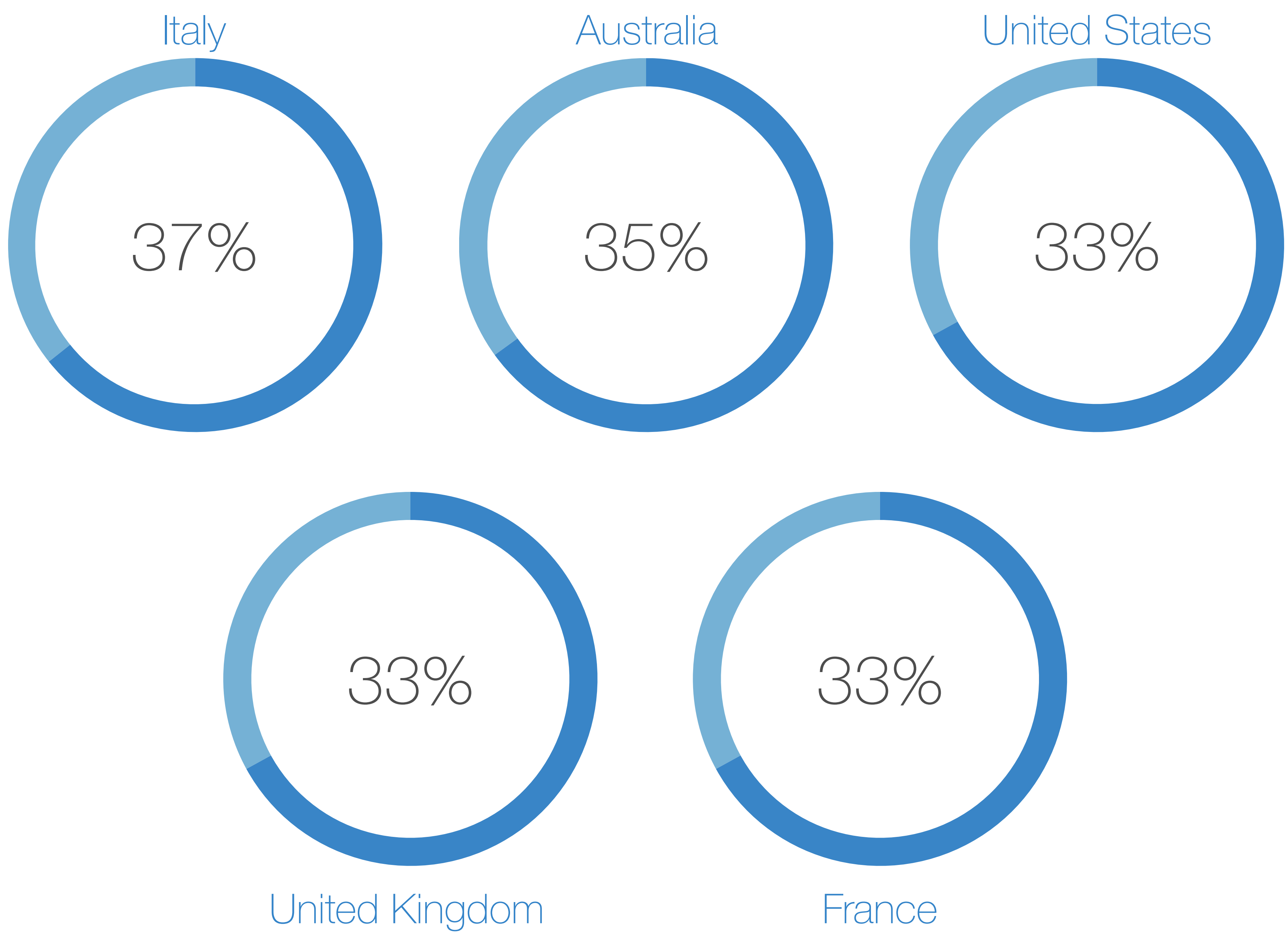
SOURCE: TripAdvisor/SkiftStats: April 27 2014

Other Global Destinations



SOURCE: ETN Global Travel Industry News: 2014 (1), (2)

5 Destinations for Millennials

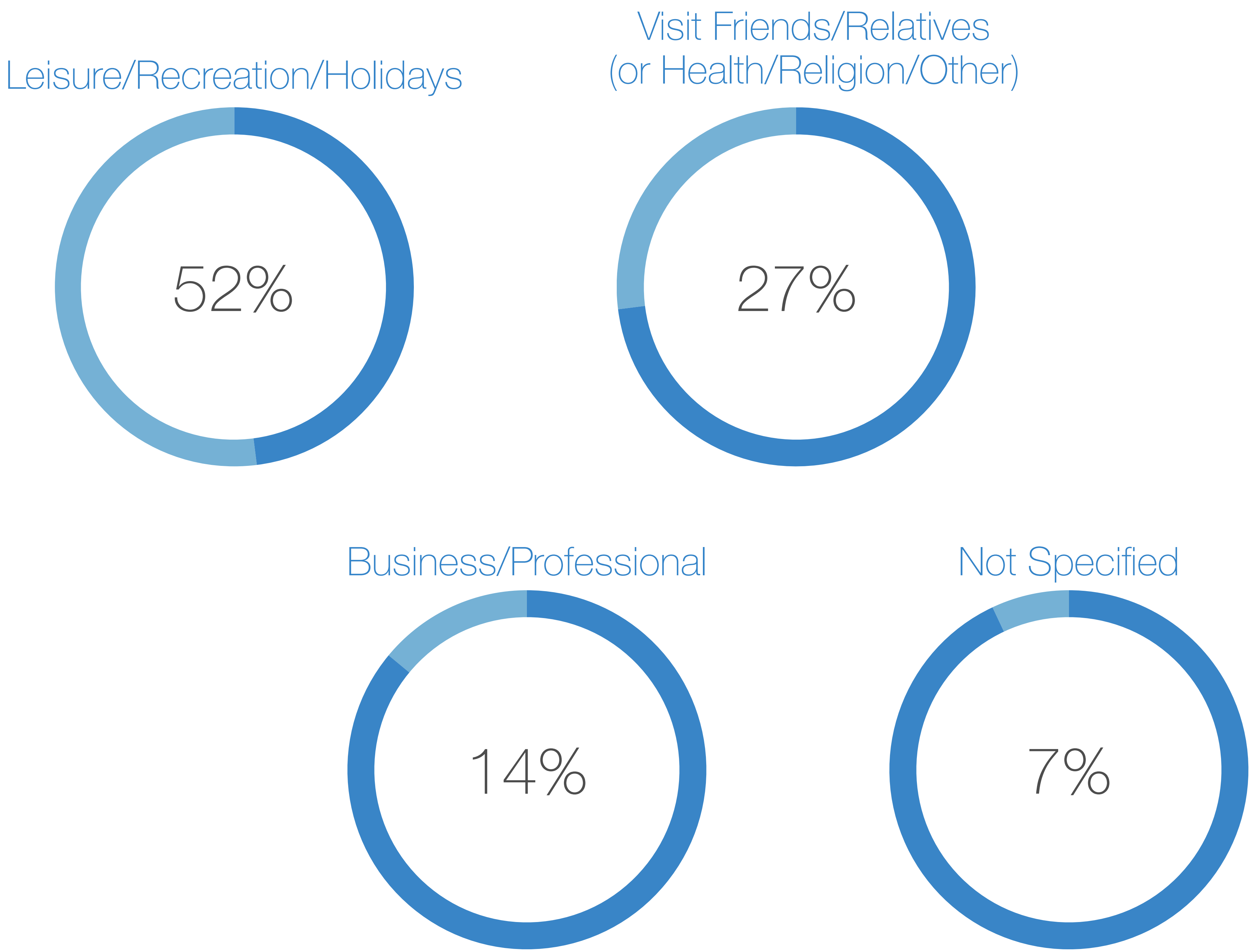


SOURCE: TripAdvisor/SkiftStats: Apr 27 2014

SECTION 8

TOURISM

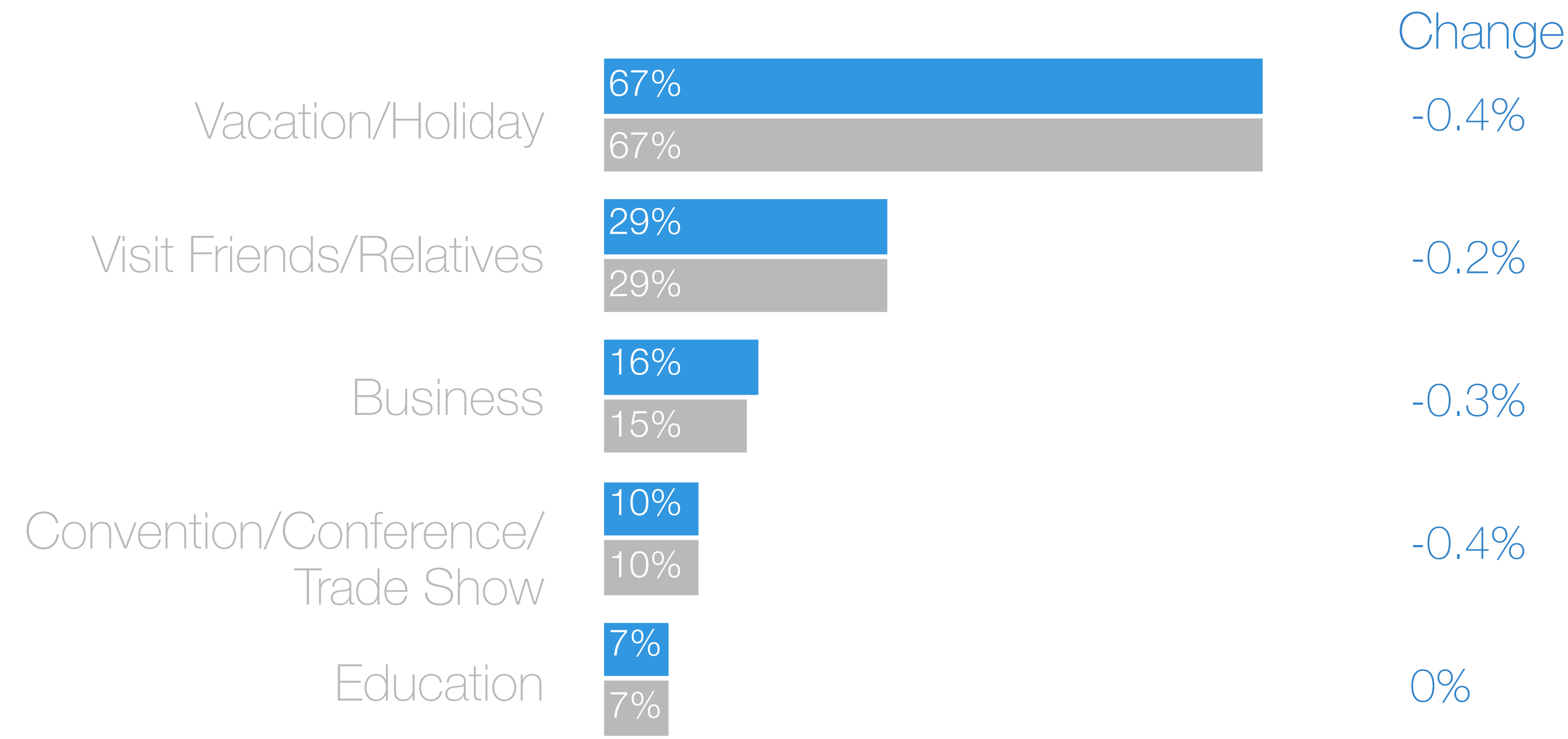
Global Inbound Tourism by Purpose (2013)



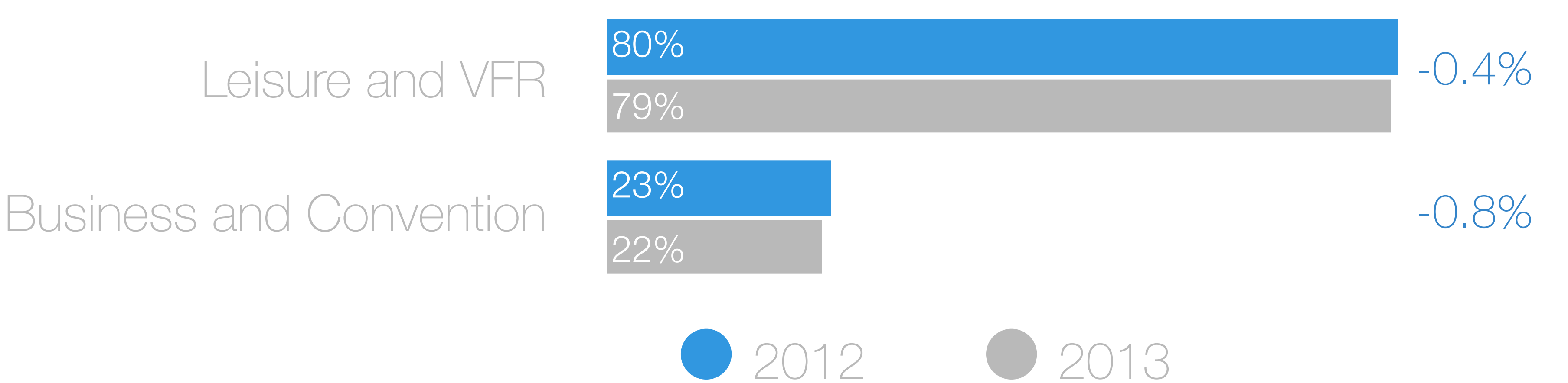
SOURCE: World Tourism Organization: 2014

U.S. Inbound Tourism by Purpose (2013)

The following statistics represent respondents who gave multiple purposes for a trip.

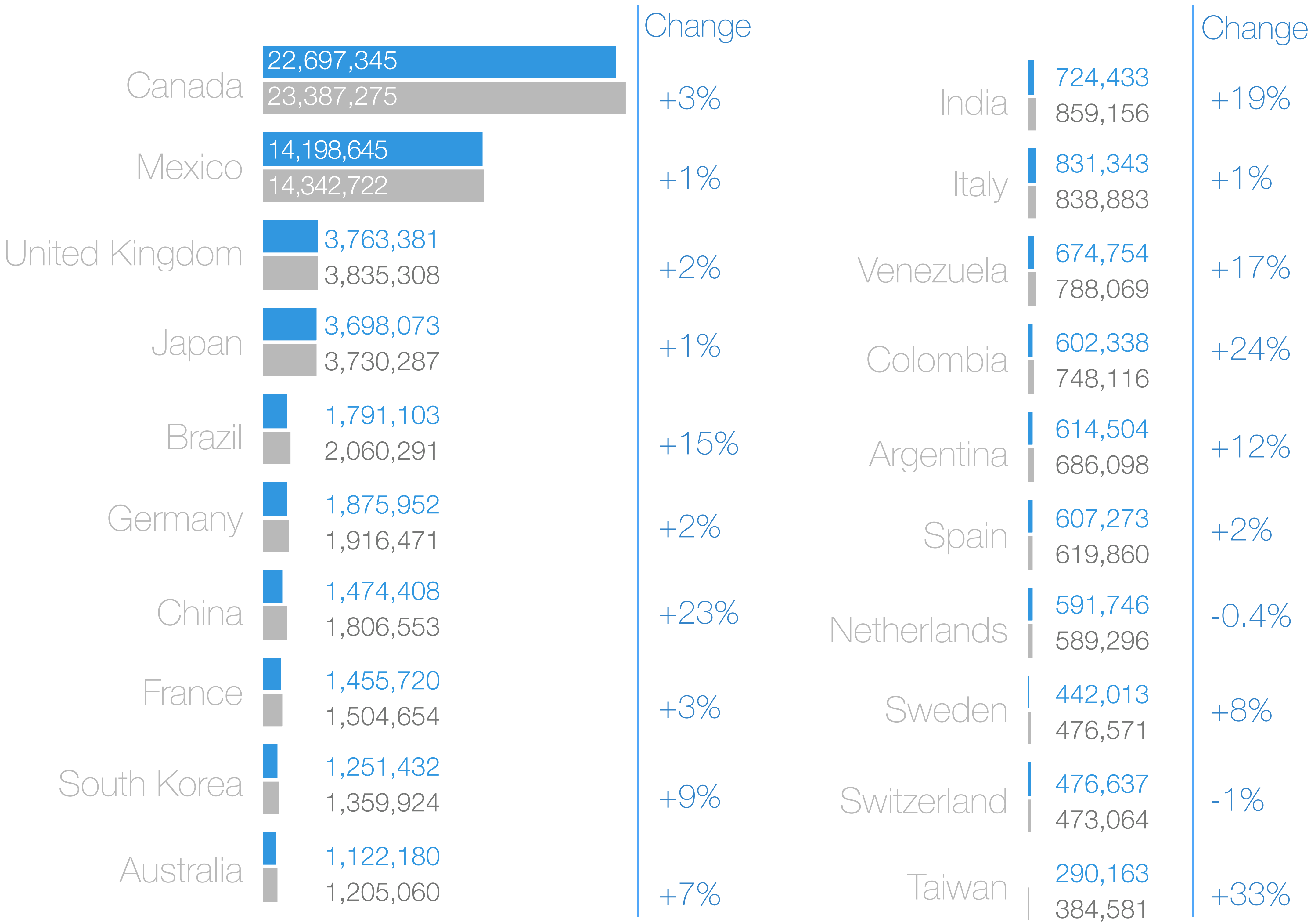


The net results for trip purposes, as given by the same respondents, are expressed in the following statistics.



SOURCE: OTTI/SkiftStats: 2014

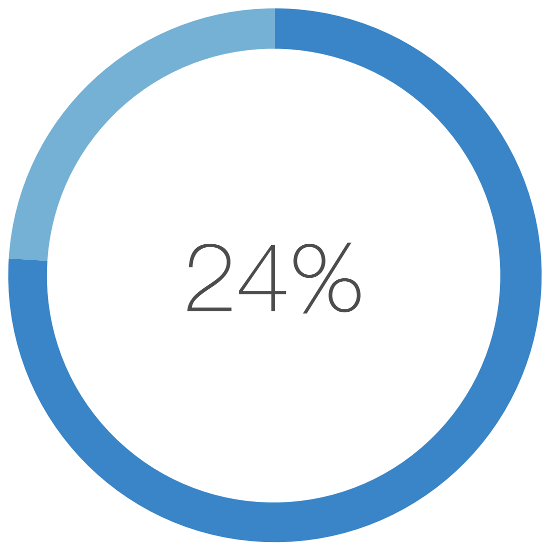
Top 20 Countries Fueling U.S. Tourism, by Visitors (2012–13)



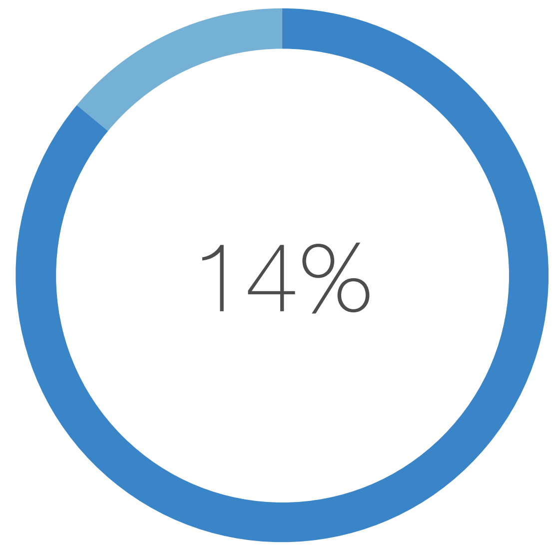
SOURCE: National Travel and Tourism Office: 2013

Millennials and Tourism

Millennials planning more overnight leisure trips in next 12 months

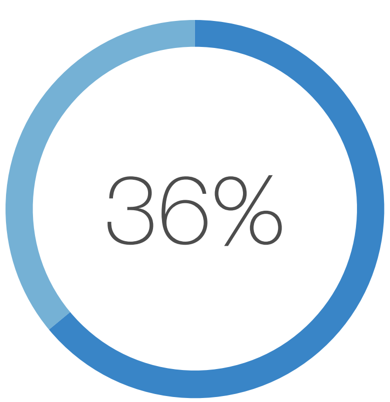


Millennials planning fewer overnight leisure trips in next 12 months

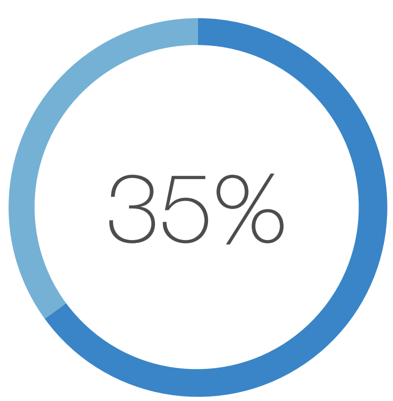


Millennials who prefer...

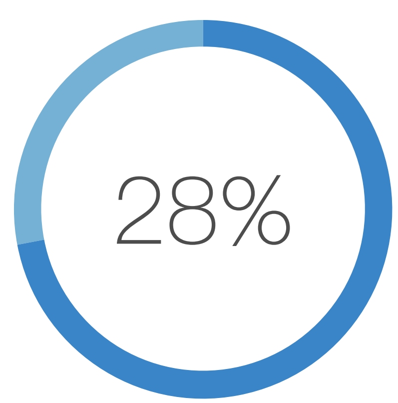
beach-oriented trips



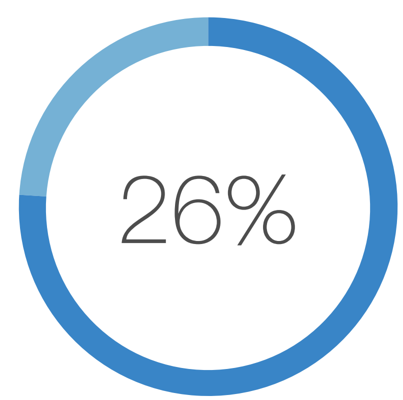
culture-oriented trips



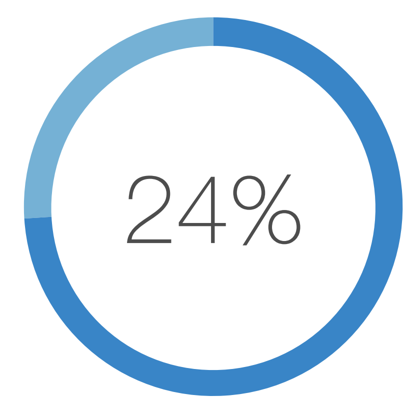
education-oriented trips



group-oriented trips



adventure-oriented trips



SOURCES: MMGY Global/SkiftStats: Jun 25 2014; TripAdvisor/SkiftStats: Apr 25 2014

Tourism and Accessibility

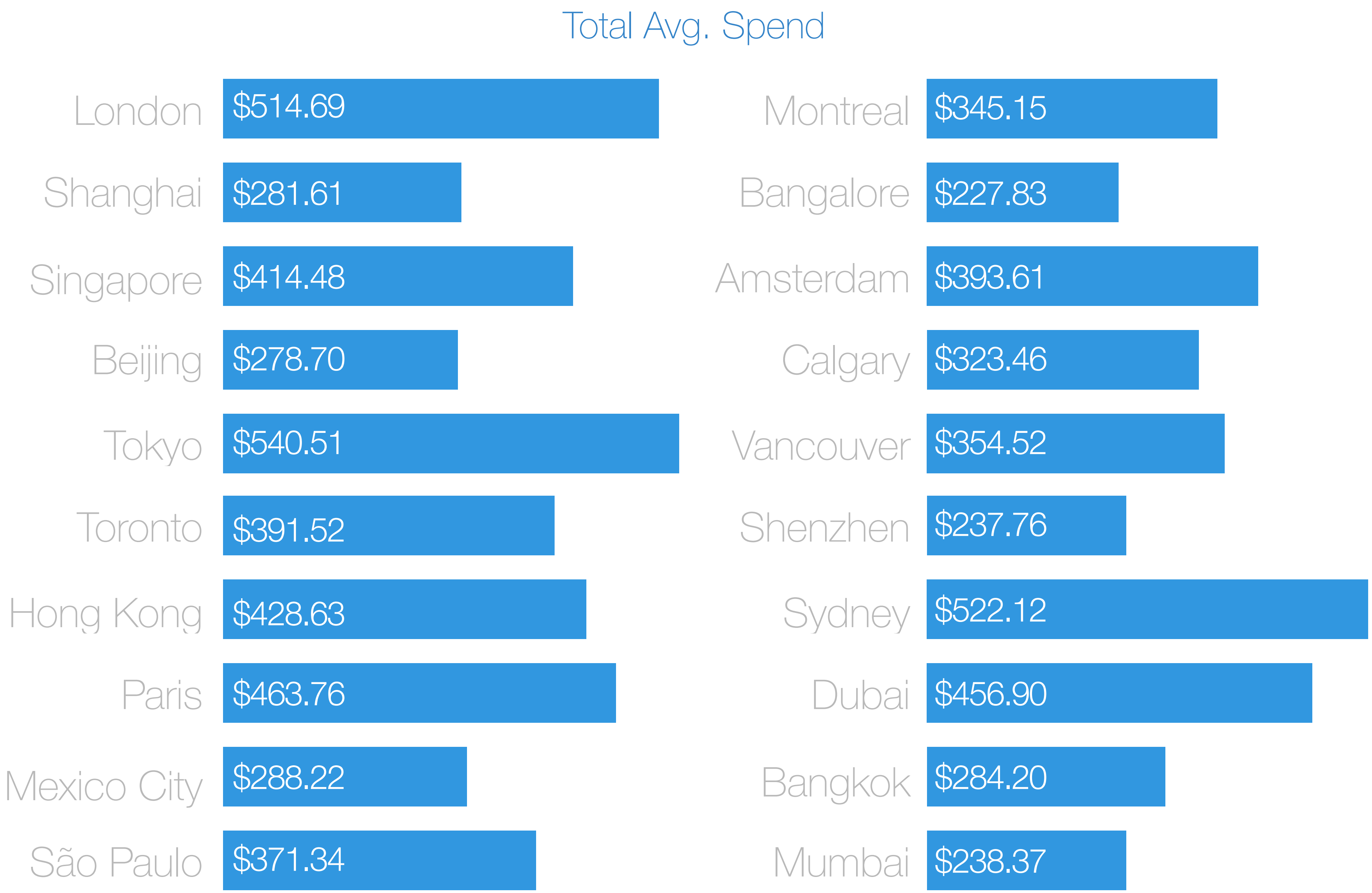
Average annual tourism spend of disabled/reduced mobility American adults	$13.6B
No. of trips special-access travelers took within EU, 2012	783M
No. of euros revenue generated by those travelers, 2012	€394B
Annual euros not captured by European tourism due to accessibility obstacles	€142B

SOURCES: UNWTO/SkiftStats: June 22 2014; Science Daily: 2014

SECTION 9

BUSINESS TRAVEL

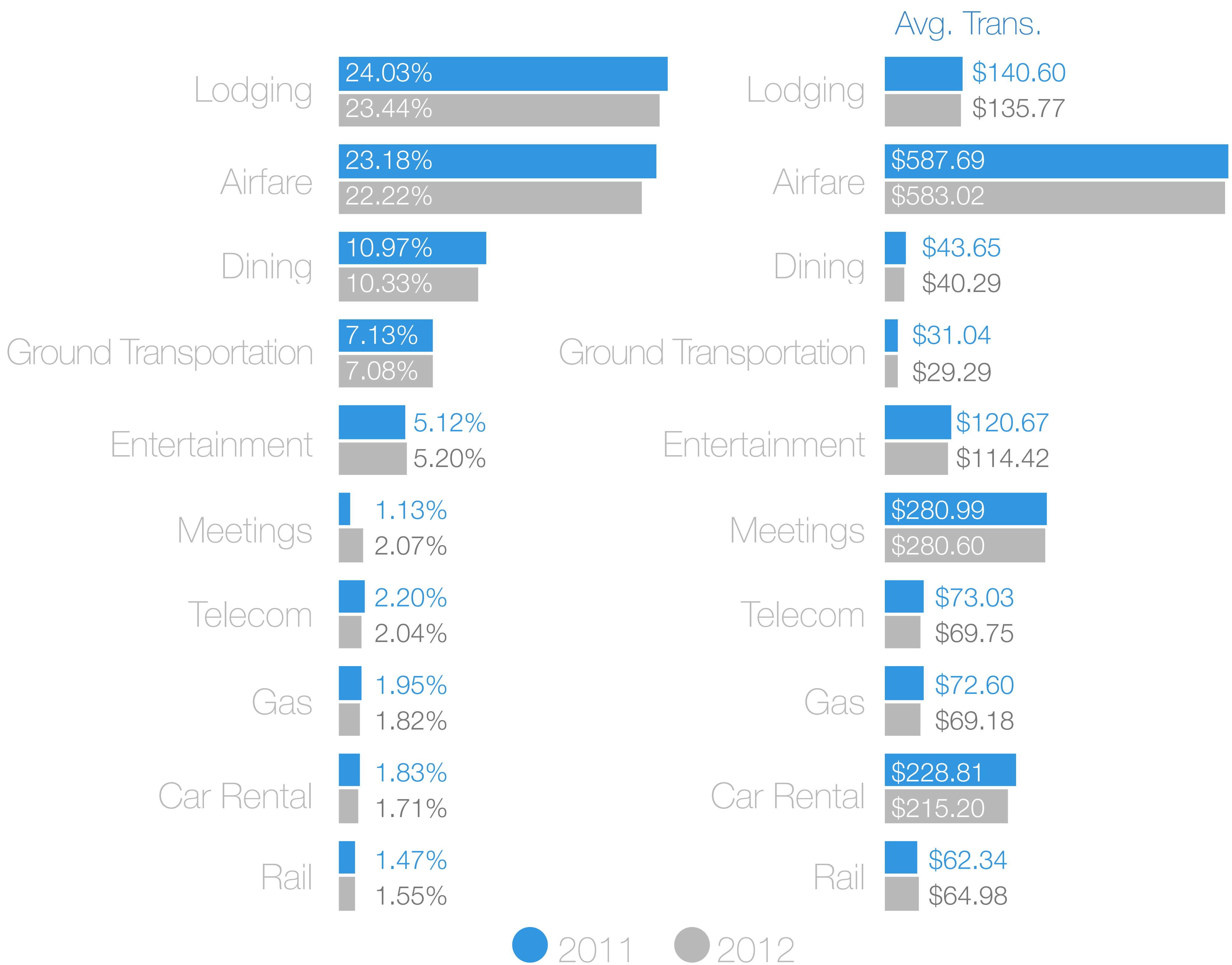
Top 20 International Destinations for Business Travelers (2012)



— Ranked by number of overnight hotel stays ; spend given as total average in USD.

SOURCE: Concur Expense IQ Report 2013

Top 10 International Business-Spend Categories (2011–12)



SOURCE: Concur Expense IQ Report 2013

SKIFT TRAVEL IQ

U.S. Inbound Business Travel Trends (2013)

Estimated no. of business travelers to U.S.

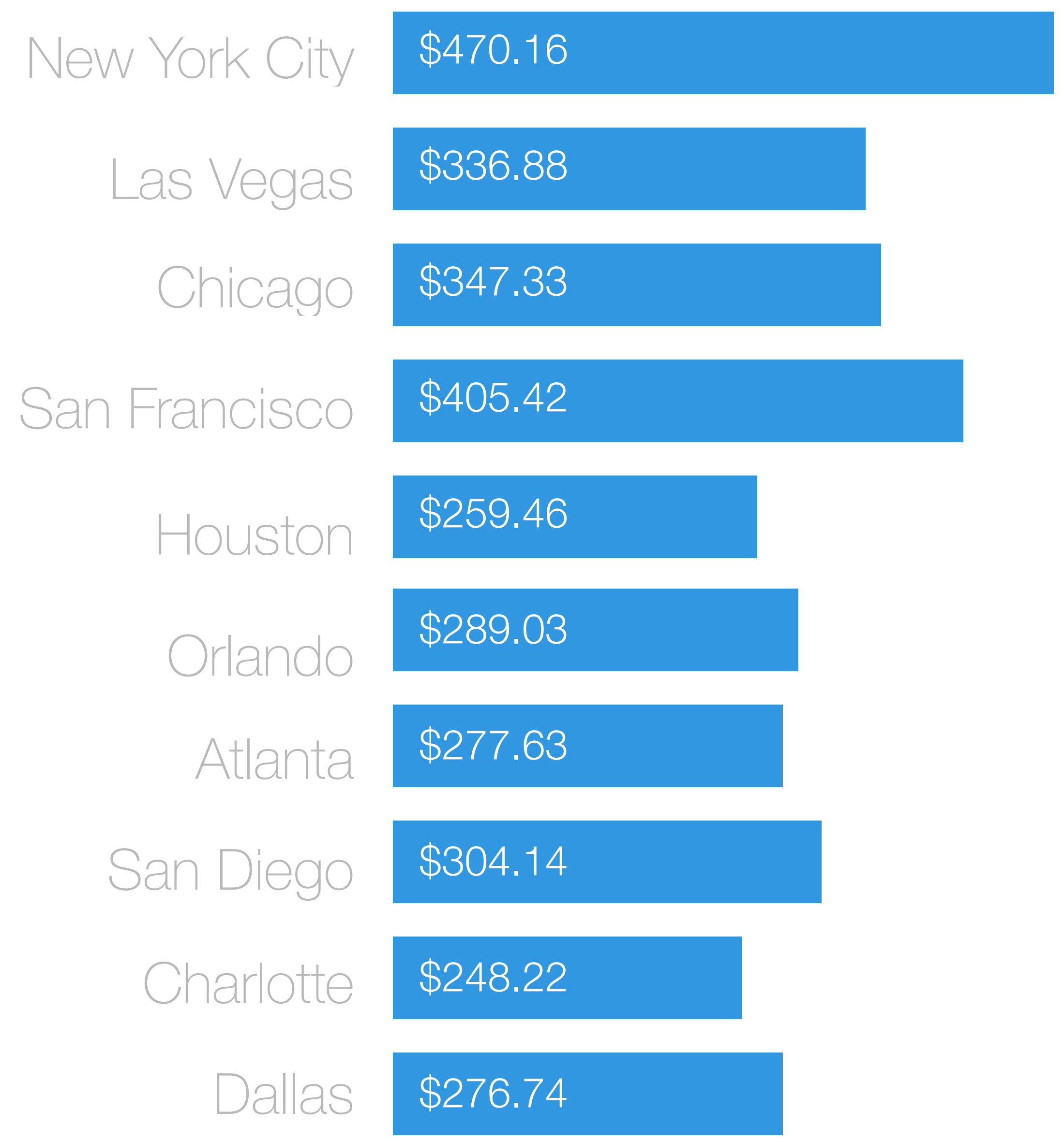
4.9M

Percent change from 2012

+6%

SOURCE: Office of Travel and Tourism Industries: 2014

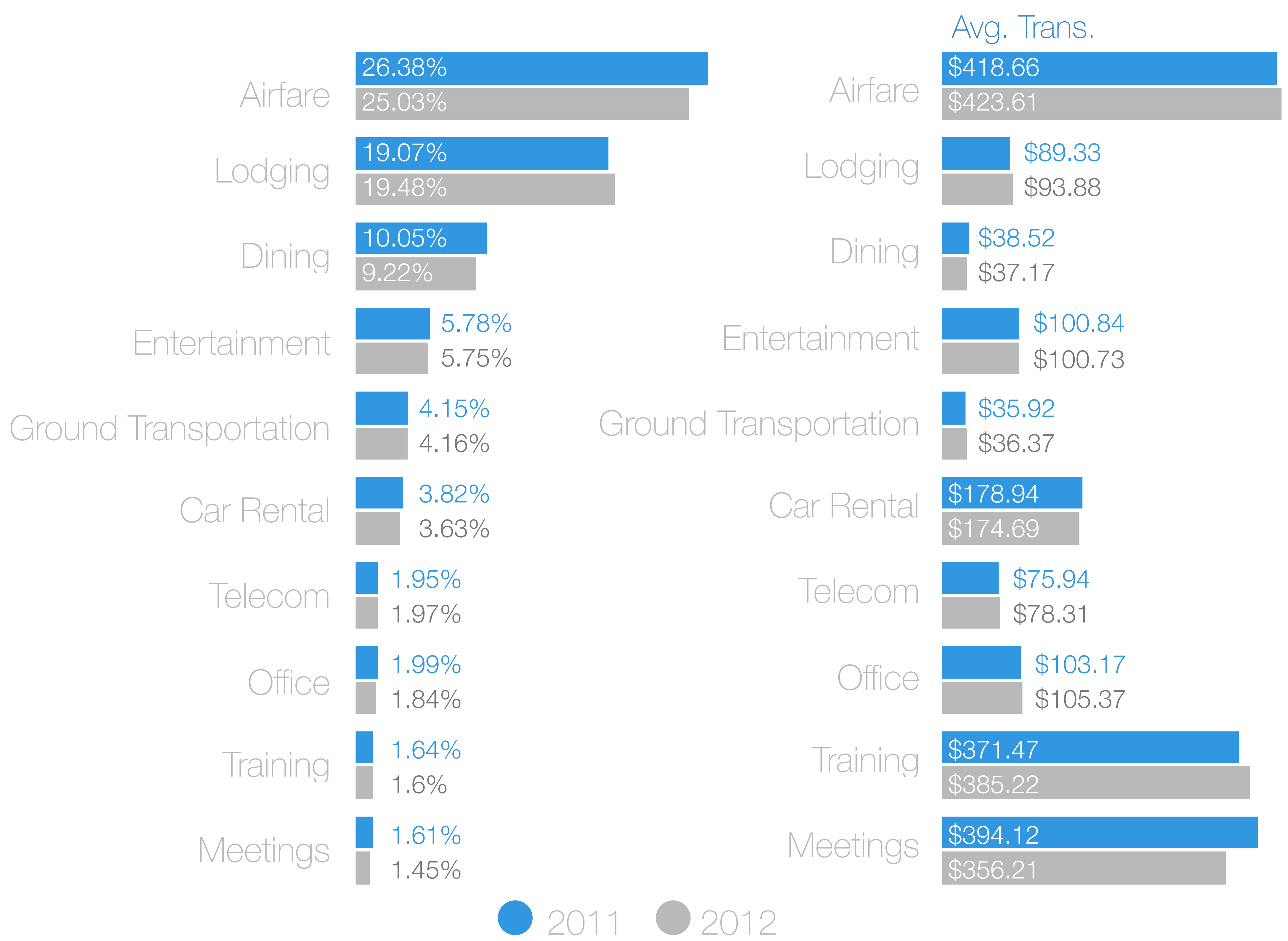
Top 10 U.S. Destinations for Business Travelers, by Spend (2013)



— Ranked by number of overnight hotel stays ; spend given as total average USD.

SOURCE: Concur Expense IQ Report 2013

Top 10 U.S. Business-Spend Categories (2013)



SOURCE: Concur Expense IQ Report 2013

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Founder & CEO, Skift
ra@skift.com
212-564-5830

Skift Inc, 115, W 30th Street, #1213, New York NY 10001

SECTION 10

TRAVEL AND THE SHARING ECONOMY

The Sharing Business Traveler

Affluent business travelers who plan to use peer-to-peer sharing alternatives in next year

48%

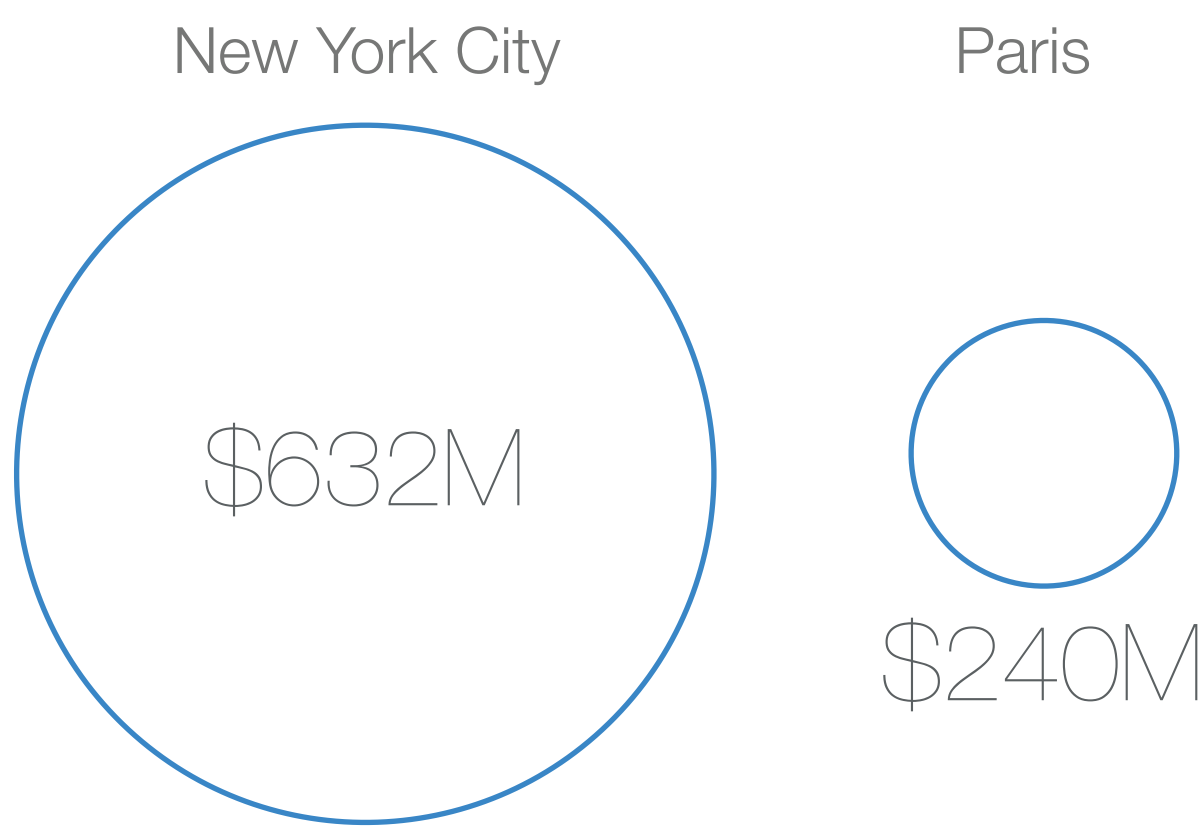
SOURCE: Skift: 2014

Lens on Airbnb (NYC, 2012–13)

Average Airbnb Stay: Nights: 6.4 Average Rate: $145 Citywide Domestic Spend: $880

Average Domestic Hotel Stay: Nights: 3.9 Average Rate: $256 Citywide Domestic Spend: $690

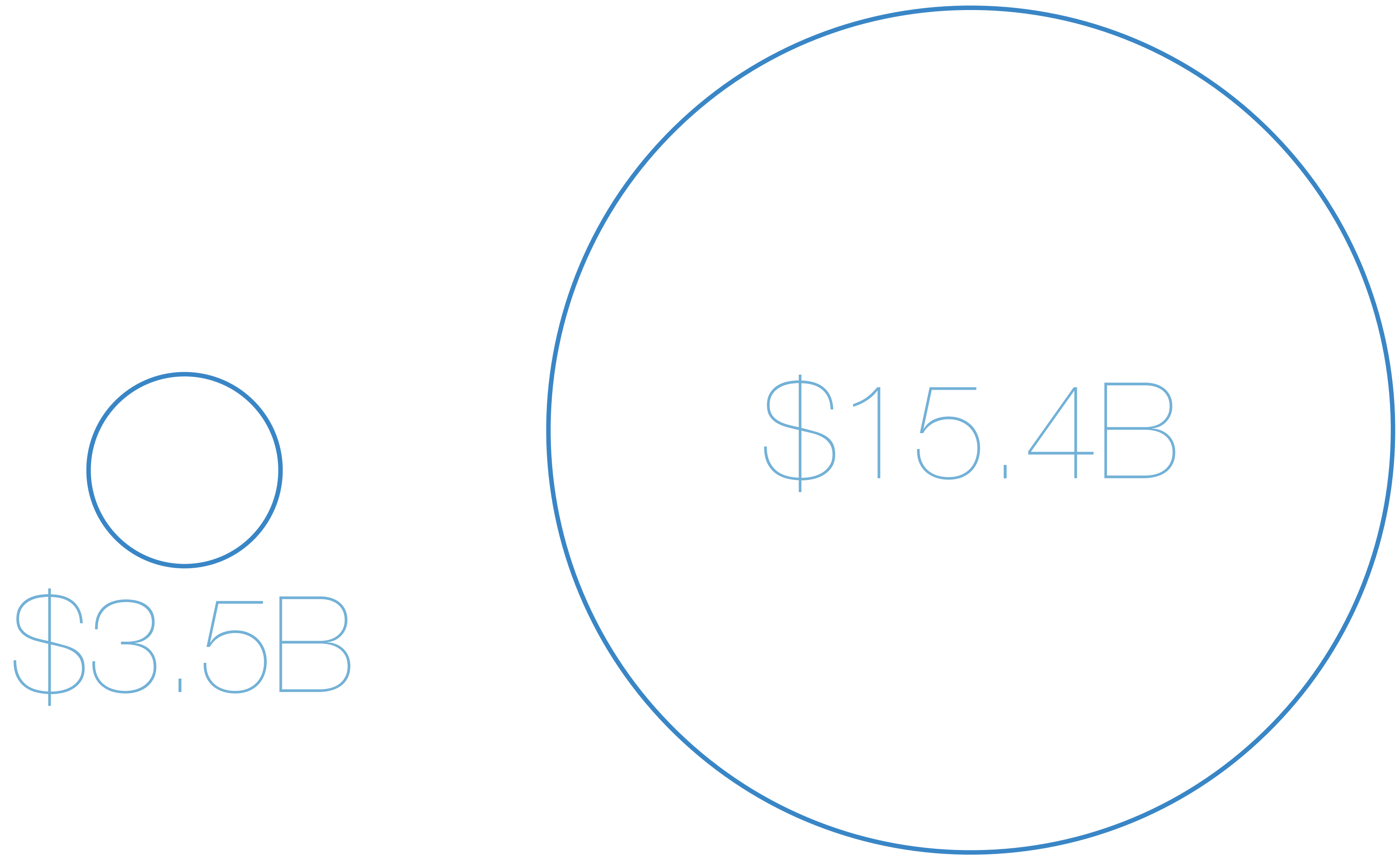
Revenue Generated, 2012-2013



SOURCE: Skift: 2013

Lens on Europe: Sharing Economy (2013)

% Travelers Sharing Accommodation (Europe) 20%

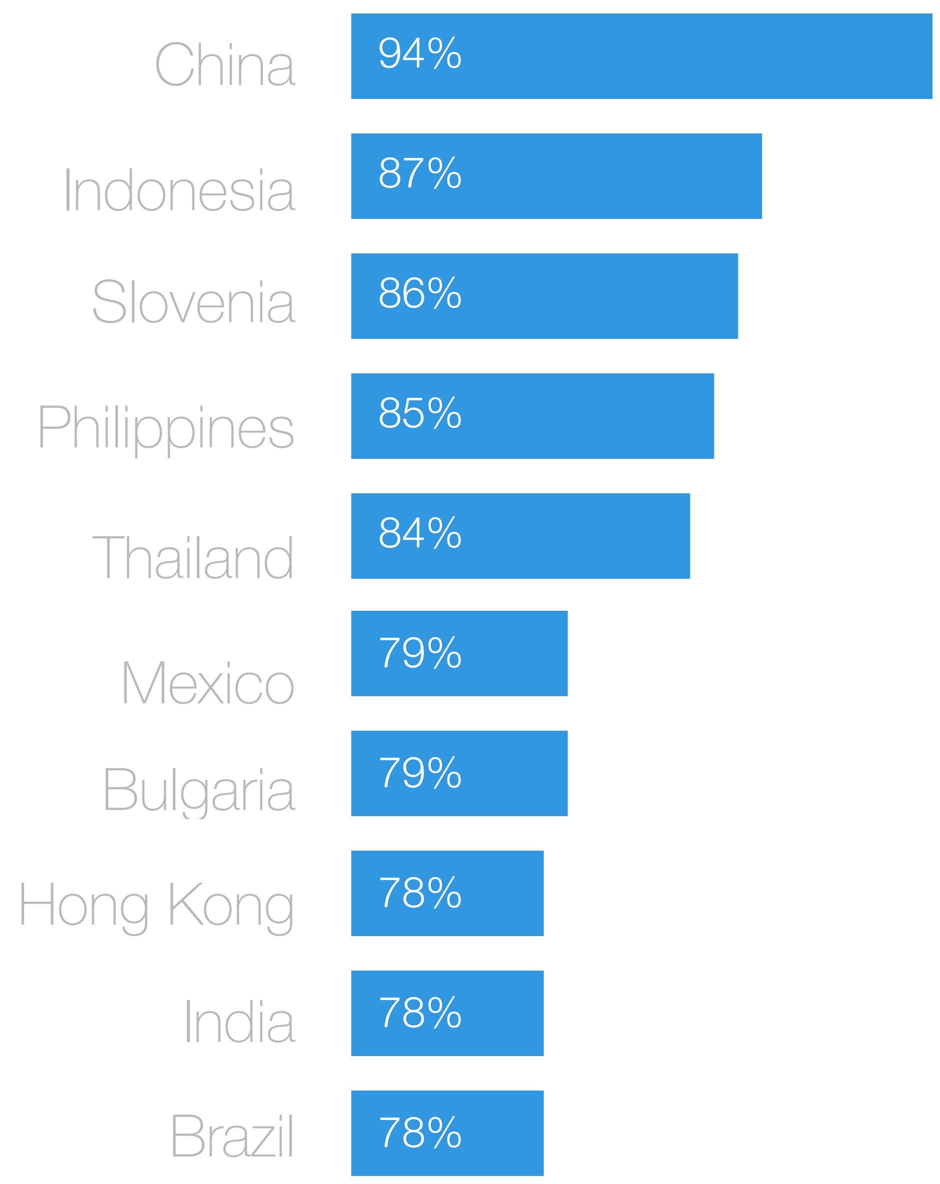


Estimated Value of Share Economy (Europe, 2013)

Estimated Value of Private Travel Accommodation (Europe, 2017):

SOURCE: Skift Report #7: 2013: "What the Sharing Economy Means to the Future of Travel"

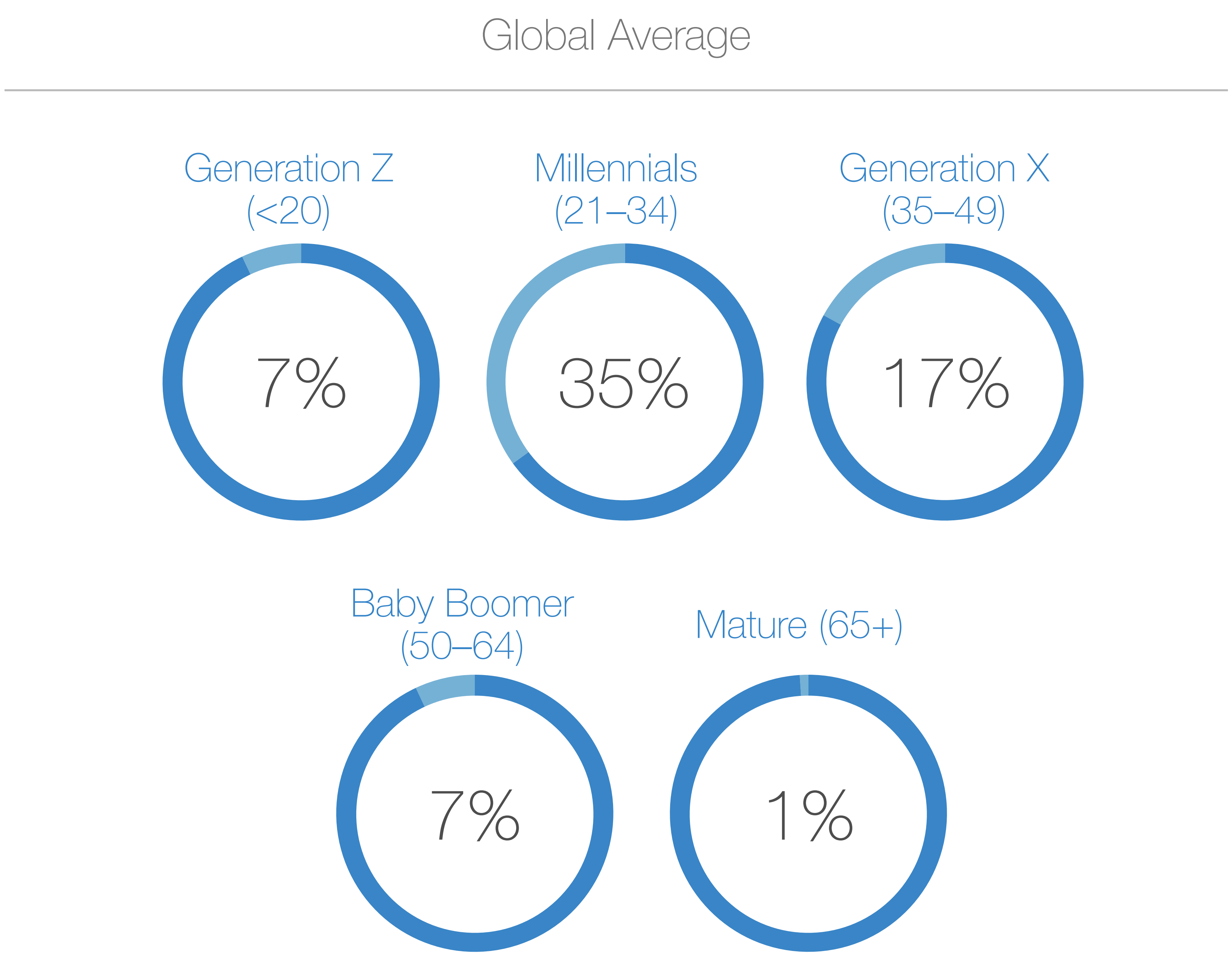
Top Countries Open to Sharing Economy (2014)



— Percentages represent respondents' willingness to participate in a sharing community.

SOURCE: Skift: 2014

The Sharing Economy Across Generations (2014)



— Percentages represent individuals who said they are likely to participate in a sharing community.

SOURCE: Skift: 2014

SECTION 11

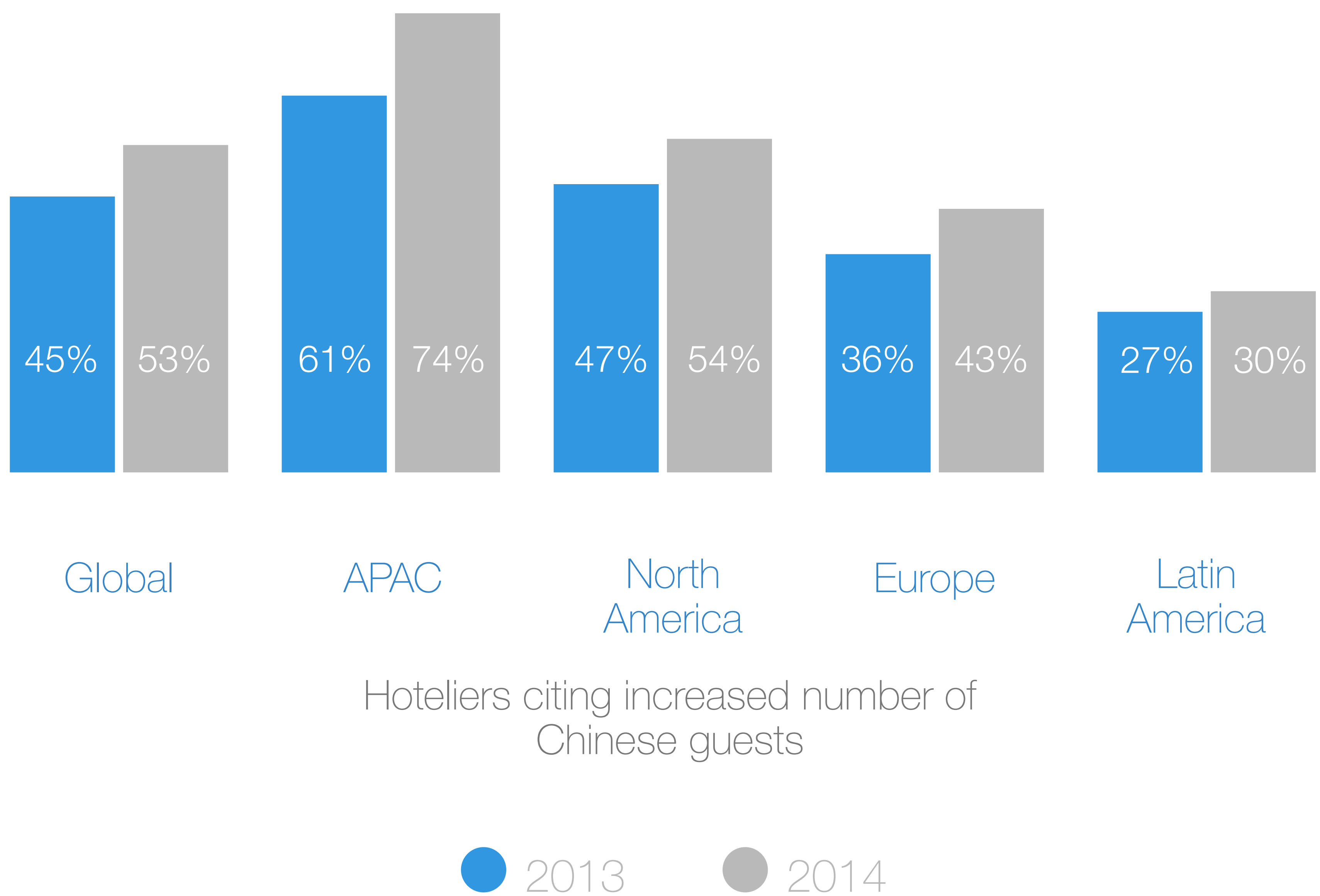
THE CHINESE TRAVELER

The Chinese Traveler

No. of Chinese Outbound Travelers:

2012: 83M 2013: 97M Change: +16.8%

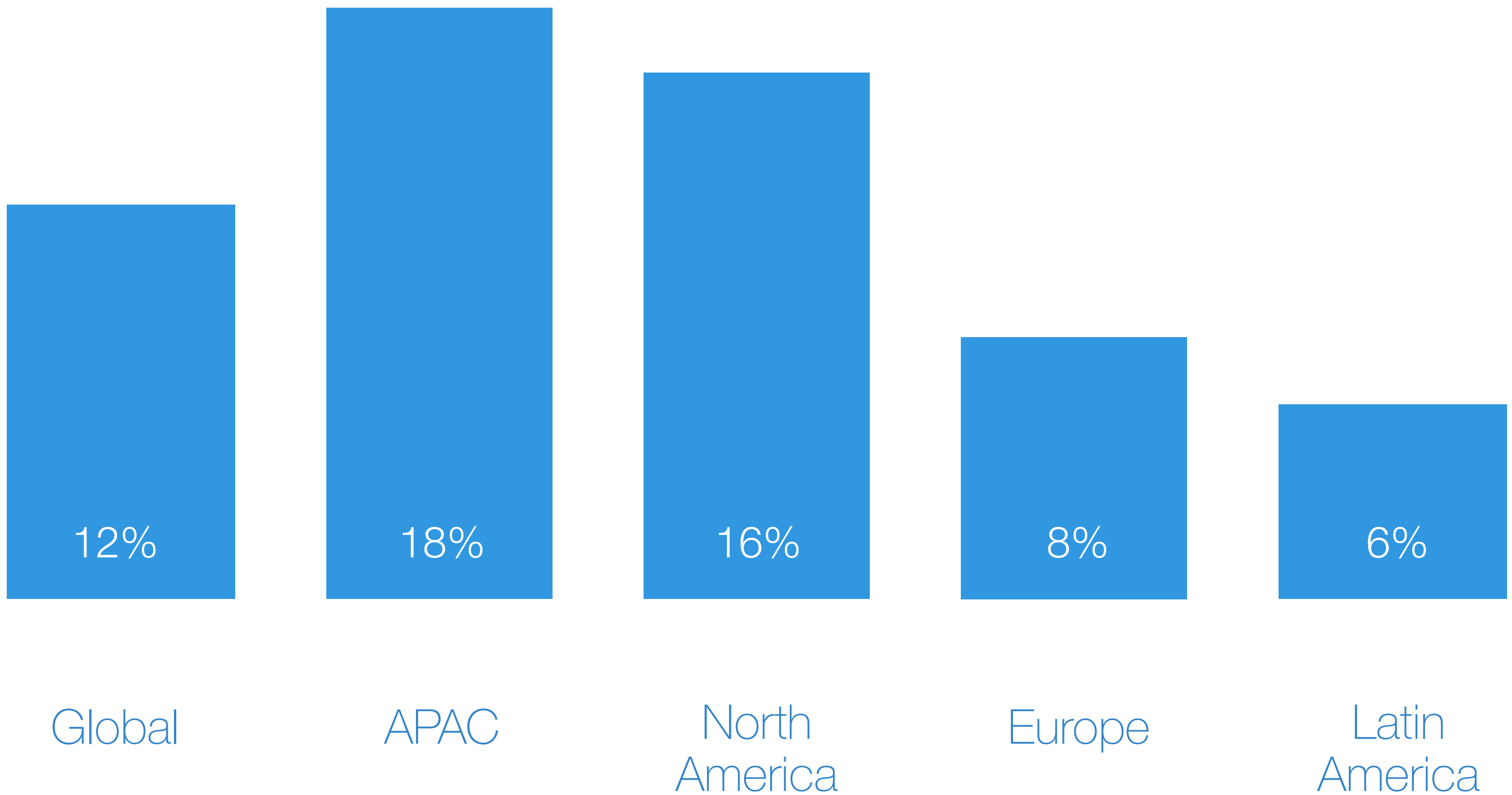
Q1 2013: 22.5M Q1 2014: 26.49 Change: +17%



SOURCE: Hotels.com: Chinese International Travel Monitor 2014

Chinese Outbound Tourism Spend (2013–14)

Overseas Tourists: 2012: $102B   2013: $129B   Change: +26.4%



Hoteliers attributing 6–10% of business to Chinese guests

SOURCE: Hotels.com: Chinese International Travel Monitor 2014

China Expands Travel Horizons: Infrastructure (2013–15)

Airports

2010	2015
175	230

Percent Change: +31.4%

No. of new Boeing-made aircraft delivered to China in 2013: 143

No. of Boeing long-range 787 Dreamliners delivered to China in 2013: 14

No. of Airbus SAS aircraft delivered to China in 2013: 133

% of Airbus SAS global deliveries that went to China in 2013: 20%

SKIFT TRAVEL IQ

SOURCE: Hotels.com: Chinese International Travel Monitor 2014

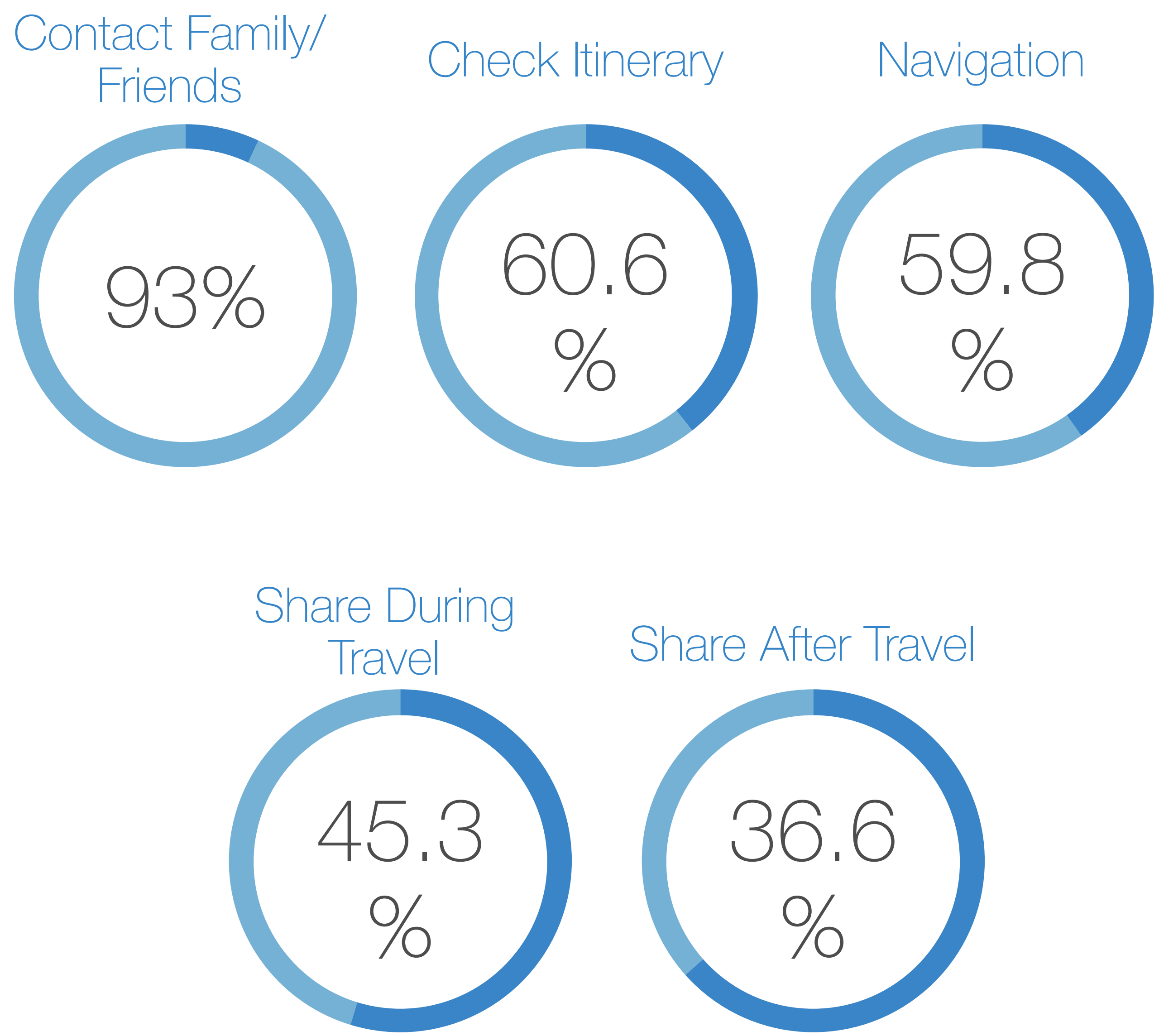
China: Travel and Mobile Search/Reservations (2012–13)

Mobile Search Users (China):	**2012:** 291.38M	**2013:** 365.03M	**Change:** +25%
Mobile Payments (China):	**2012:** 55.31M	**2013:** 125.48M	**Change:** +126%
Mobile Travel Reservations (China):	**2012:** 5.9%	**2013:** 9.1%	**Change:** +54%

Mobile Travel Search incl. bookings (China, 2013):
Desktop: 50.4%
Mobile: 41.0%

SOURCE: Incitez China: 2014 China Internet Insights Report

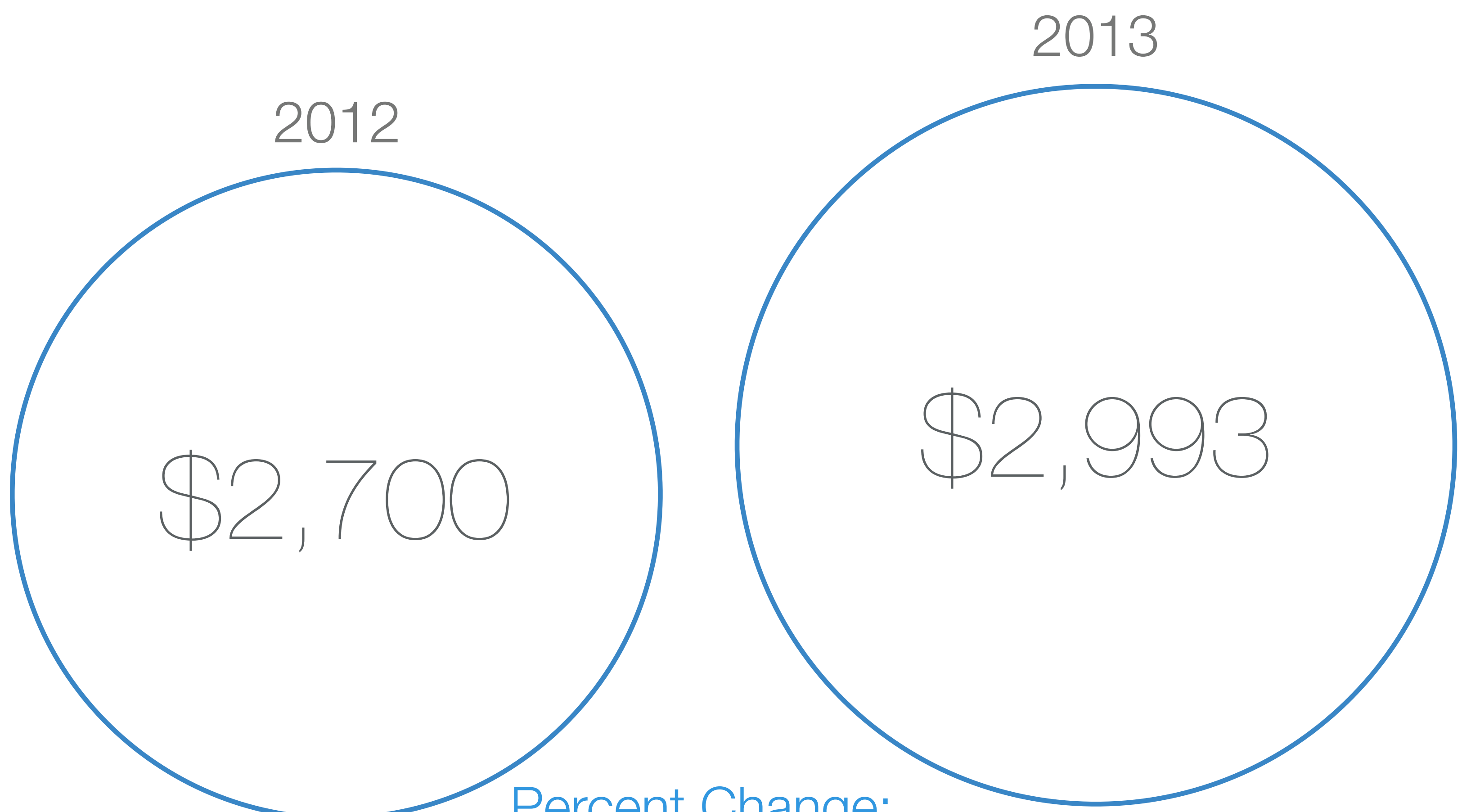
Mobile Usage and the Chinese Traveler (2013)



SOURCE: Incitez China: 2014 China Internet Insights Report

The Passport Percentage

Per Capita Disposable Income



Percent Change:
+10.9%

Population of China: >1.36B

Population w/ Passport: ≠5%

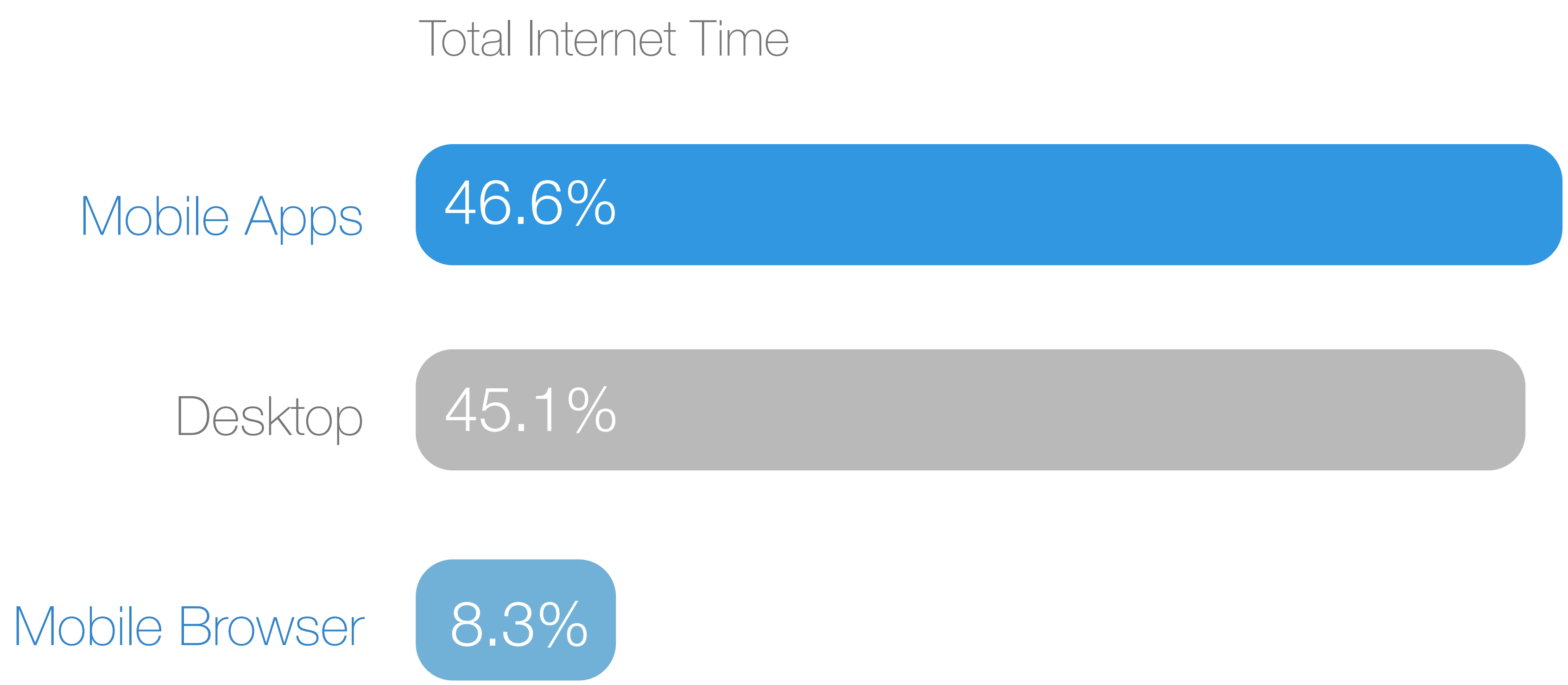
— The figures surrounding the growth of the Chinese outbound market are highly notable; the potential for future growth (especially regarding the number of Chinese who could possess a passport but don't yet have one) is more notable still.

SOURCE: Hotels.com: Chinese International Travel Monitor 2014

SECTION 12

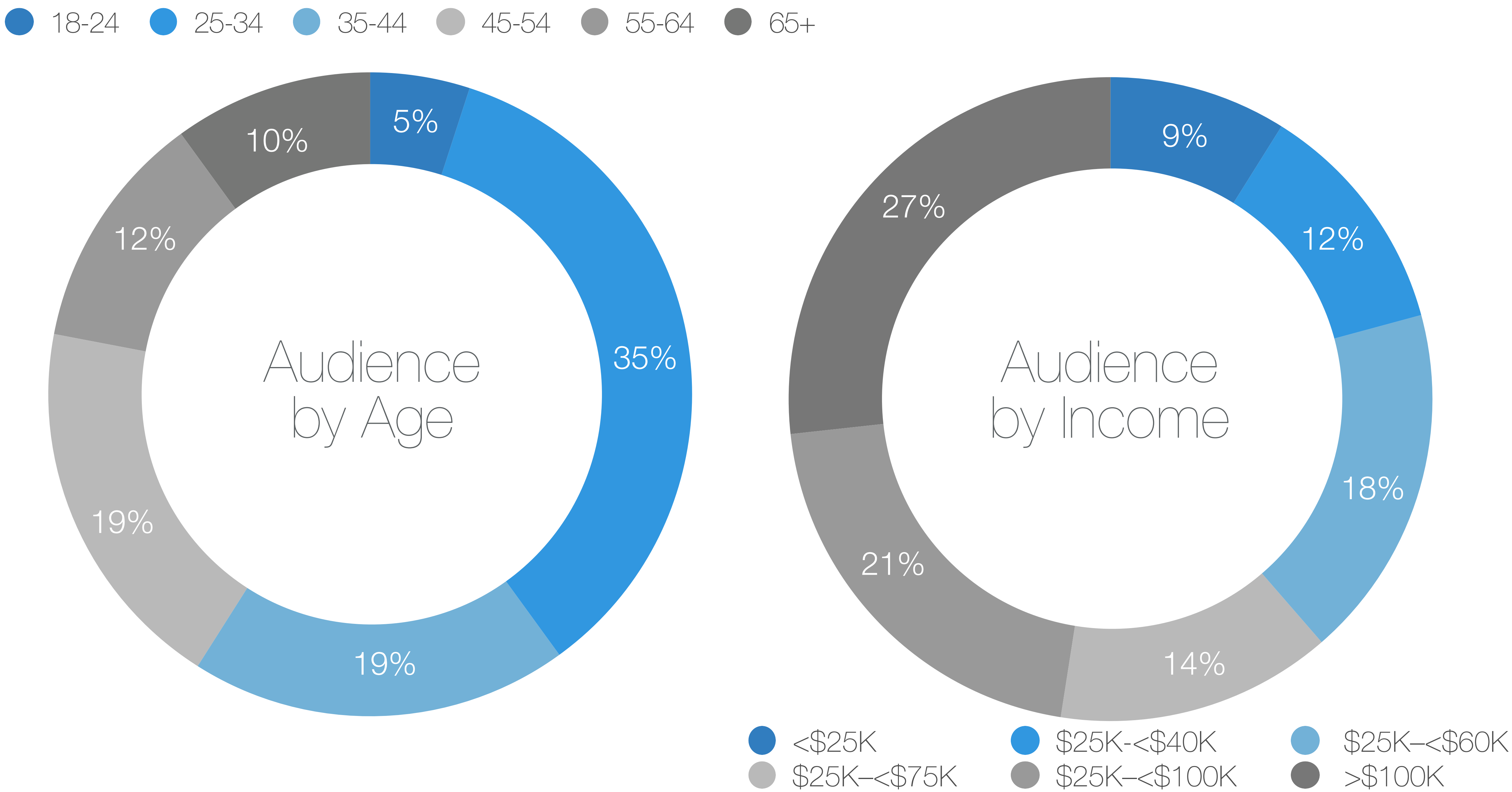
THE MOBILE TRAVELER

U.S. Mobile-App Usage and Travel (2014)



SOURCE: Marketing Charts: 2014

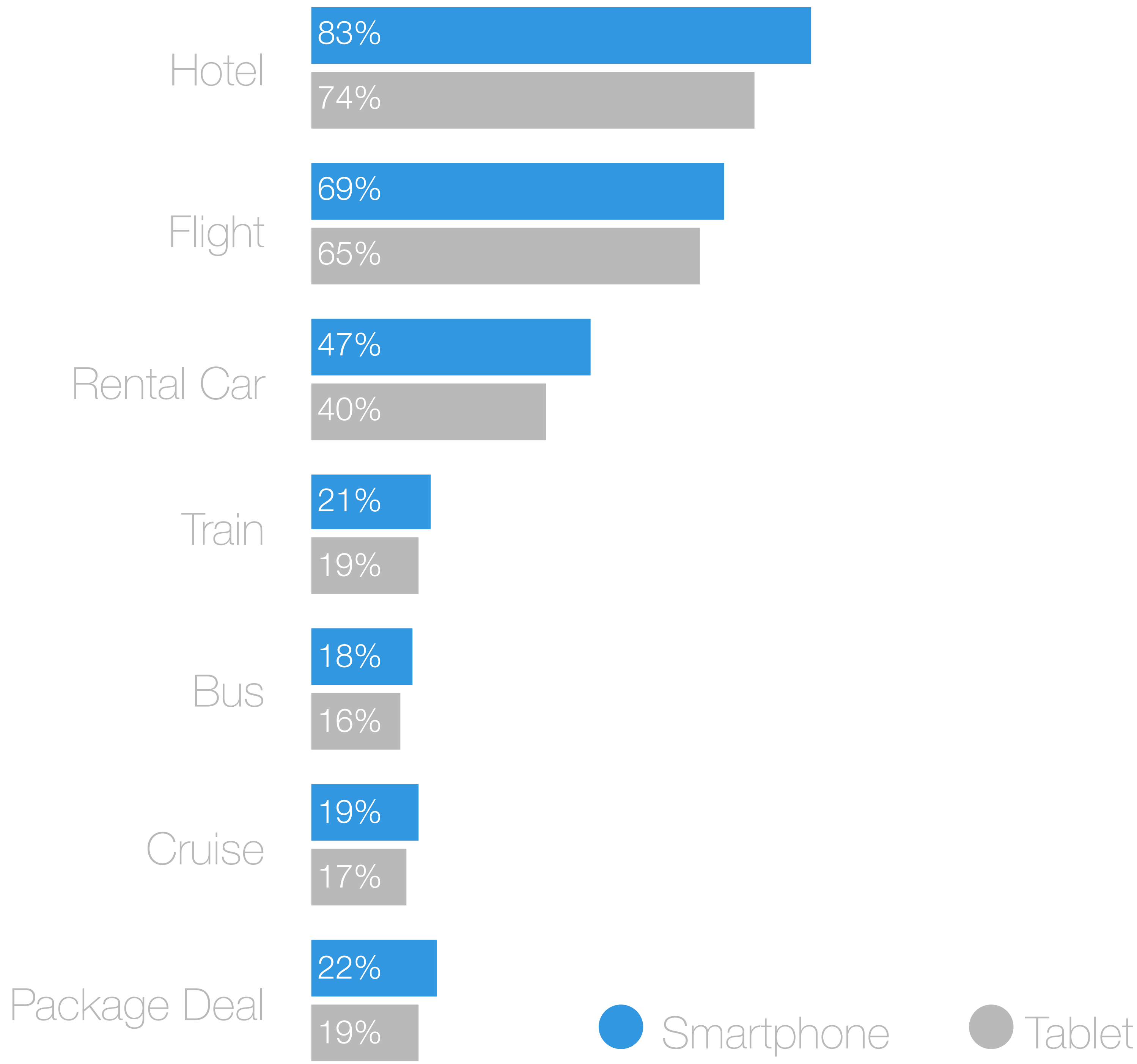
The Mobile Travel Audience



— The mobile travel audience is 60% male overall and 62% male among smartphone users.

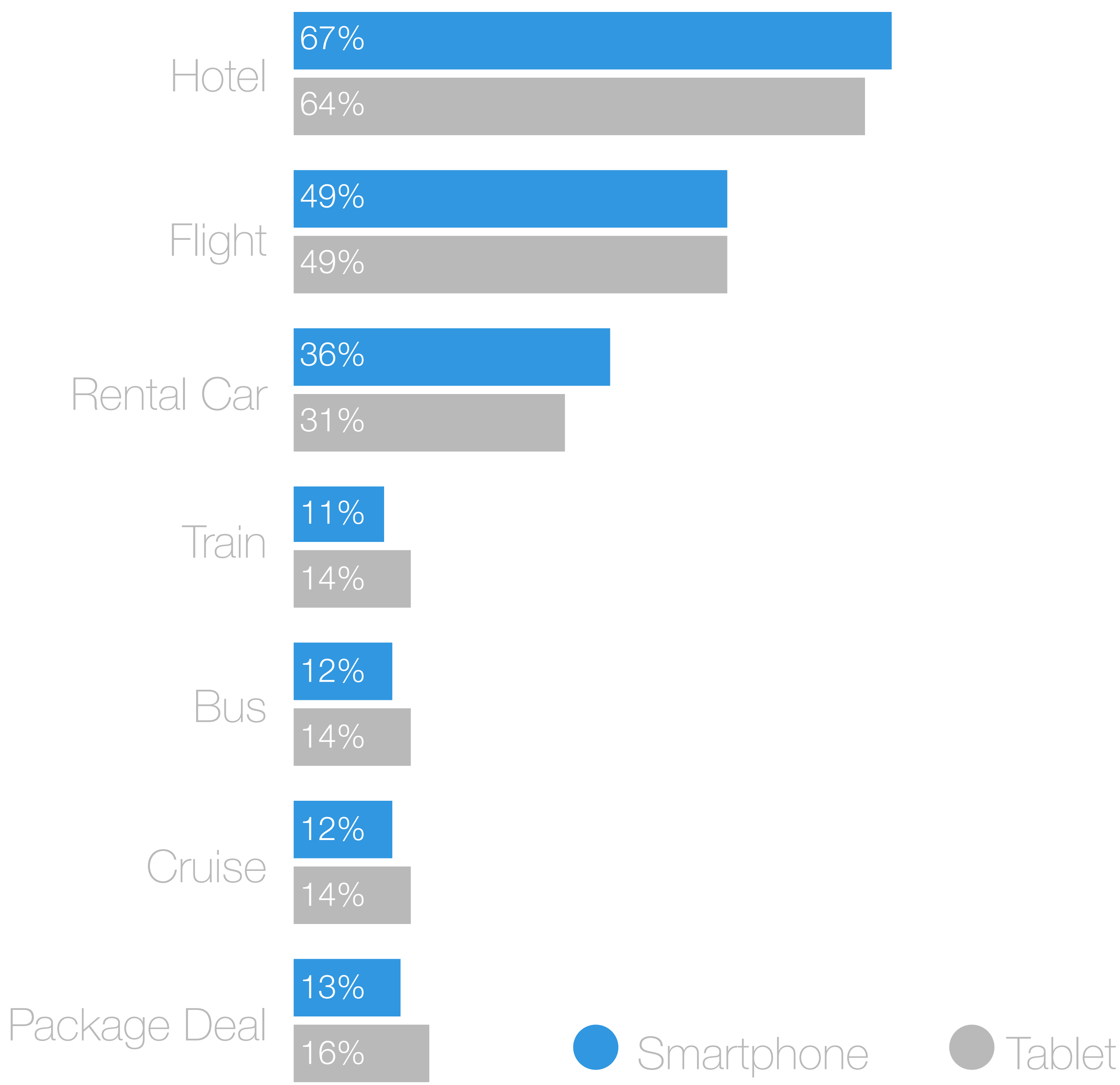
SOURCE: Millennial Media/comScore Report: 2014

Mobile Travel Research by Device (2013)



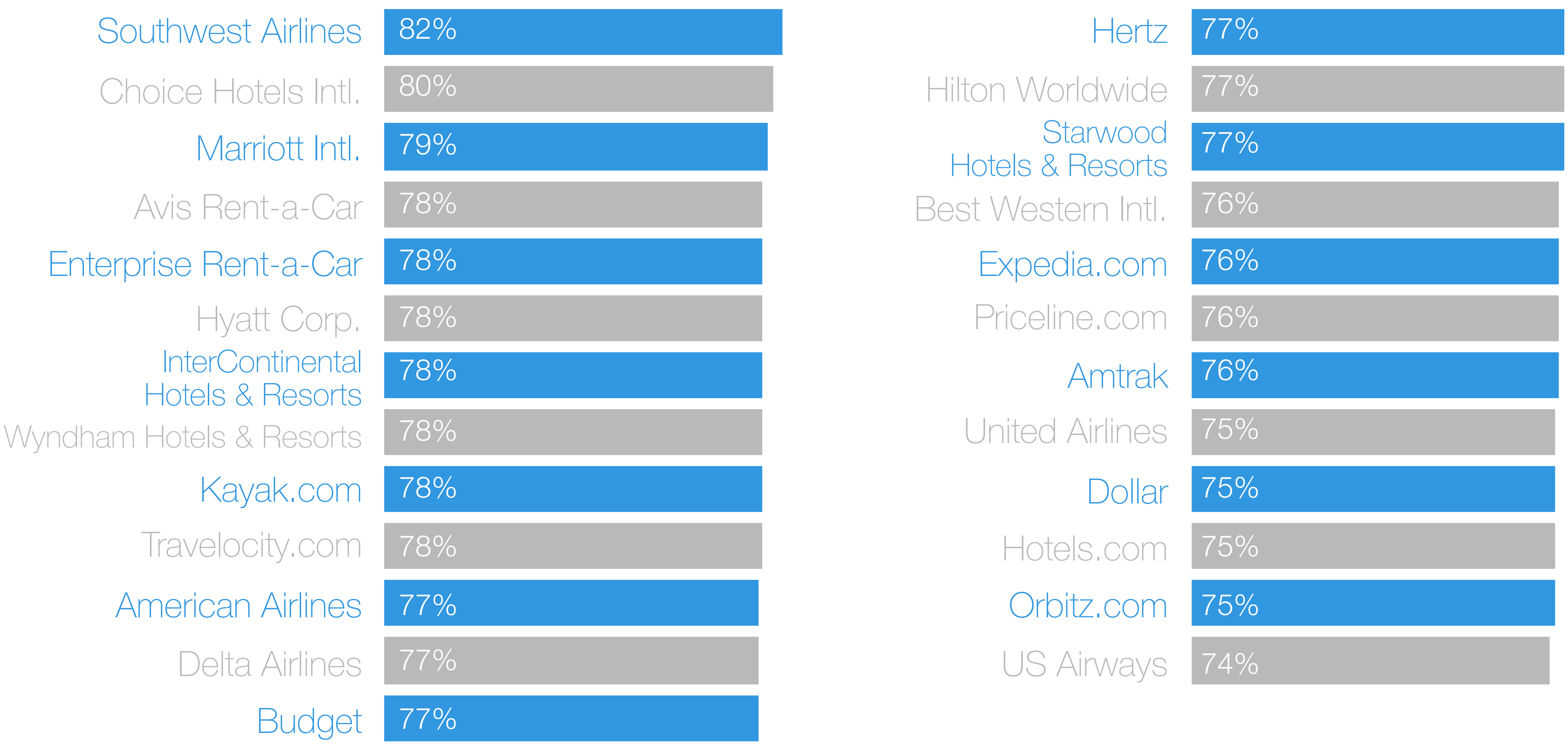
SOURCE: Millennial Media/comScore Report: 2014

Travel Purchases by Device (2013)



SOURCE: Millennial Media/comScore Report: 2014

Top Travel Mobile Experiences, by Customer Satisfaction (2013)

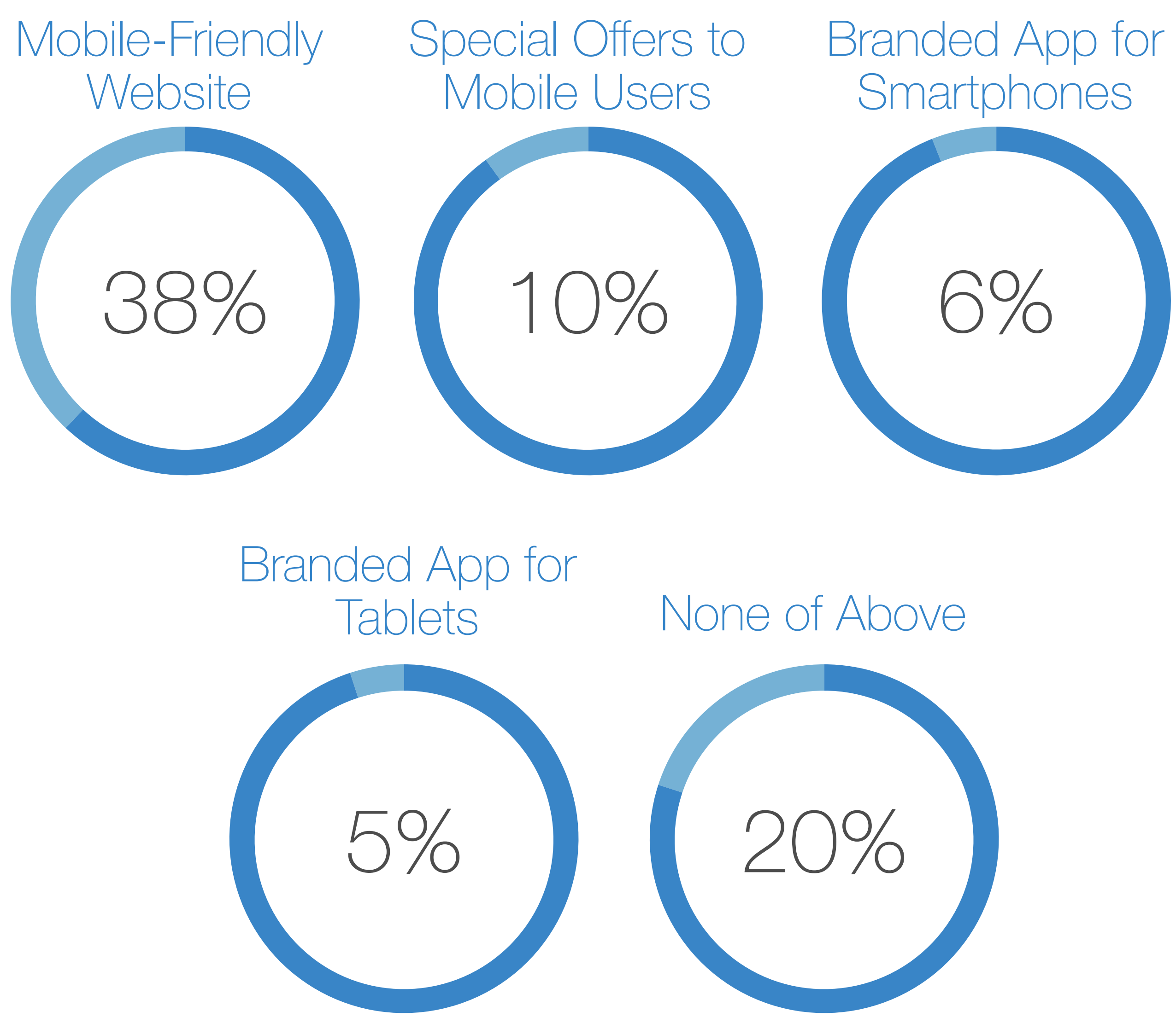


— Scored on 100-point scale.

— Industry average: 77.

SOURCE: ForeSee/Skift: 2013

Travel-Related Businesses and Mobile Buy-In



SOURCE: TripAdvisor/SkiftStats: Apr 26 2014

SECTION 13

THE SILENT TRAVELER

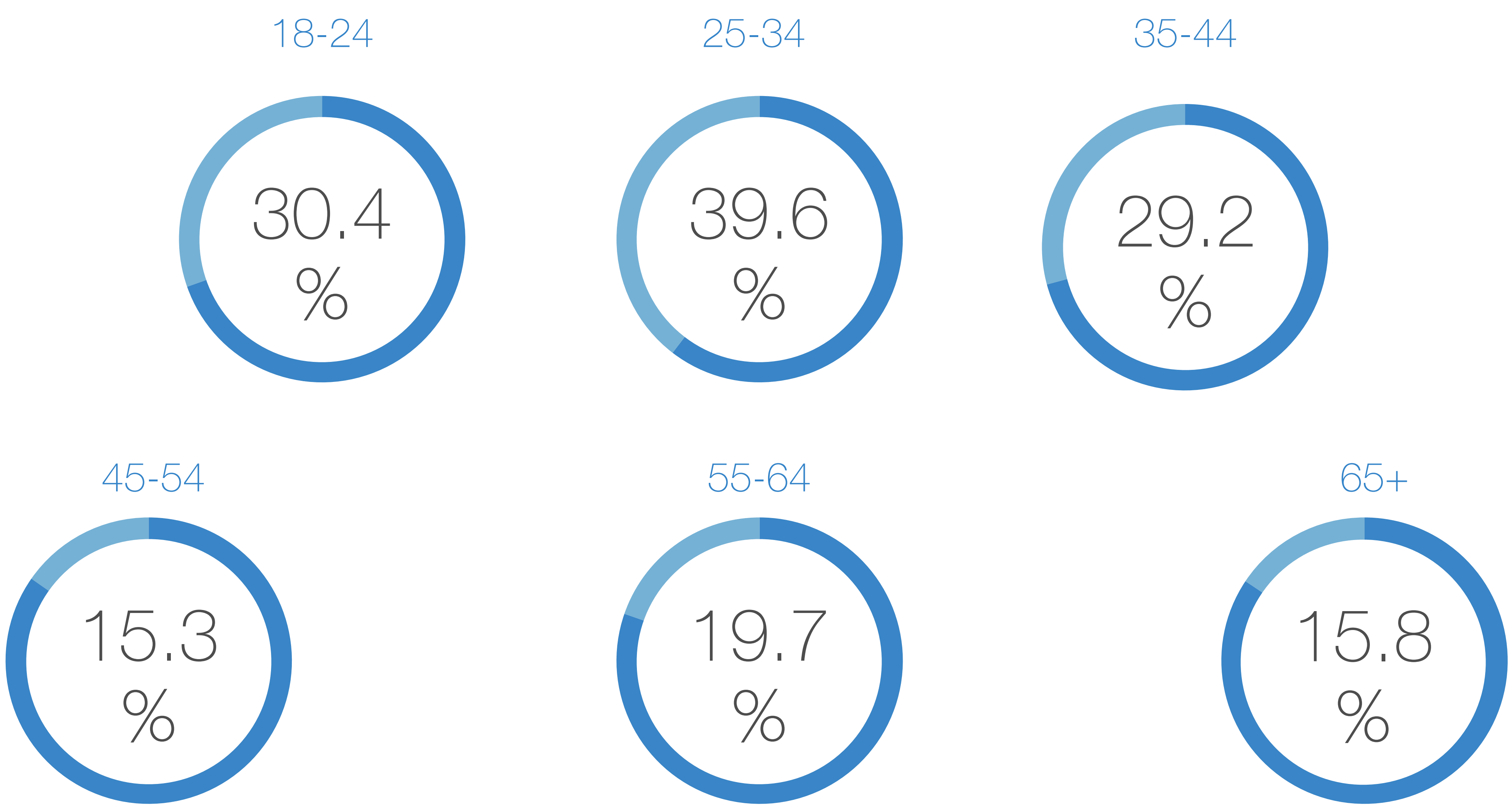
Who is the Silent Traveler?

The silent traveler is the travel consumer who turns to their mobile devices first, seeking solutions to in-trip challenges that have traditionally been the domain of customer-service staff.

Research suggests that these travelers are not simply using their mobile devices to keep tabs on work, or read e-mail, or download a film to watch for the evening. Rather, they are looking for flight information and the ability to check in and out without waiting in a line at either the airport or their hotel. They are looking for restaurant reservations. They are looking to discover what to do at the places they visit.

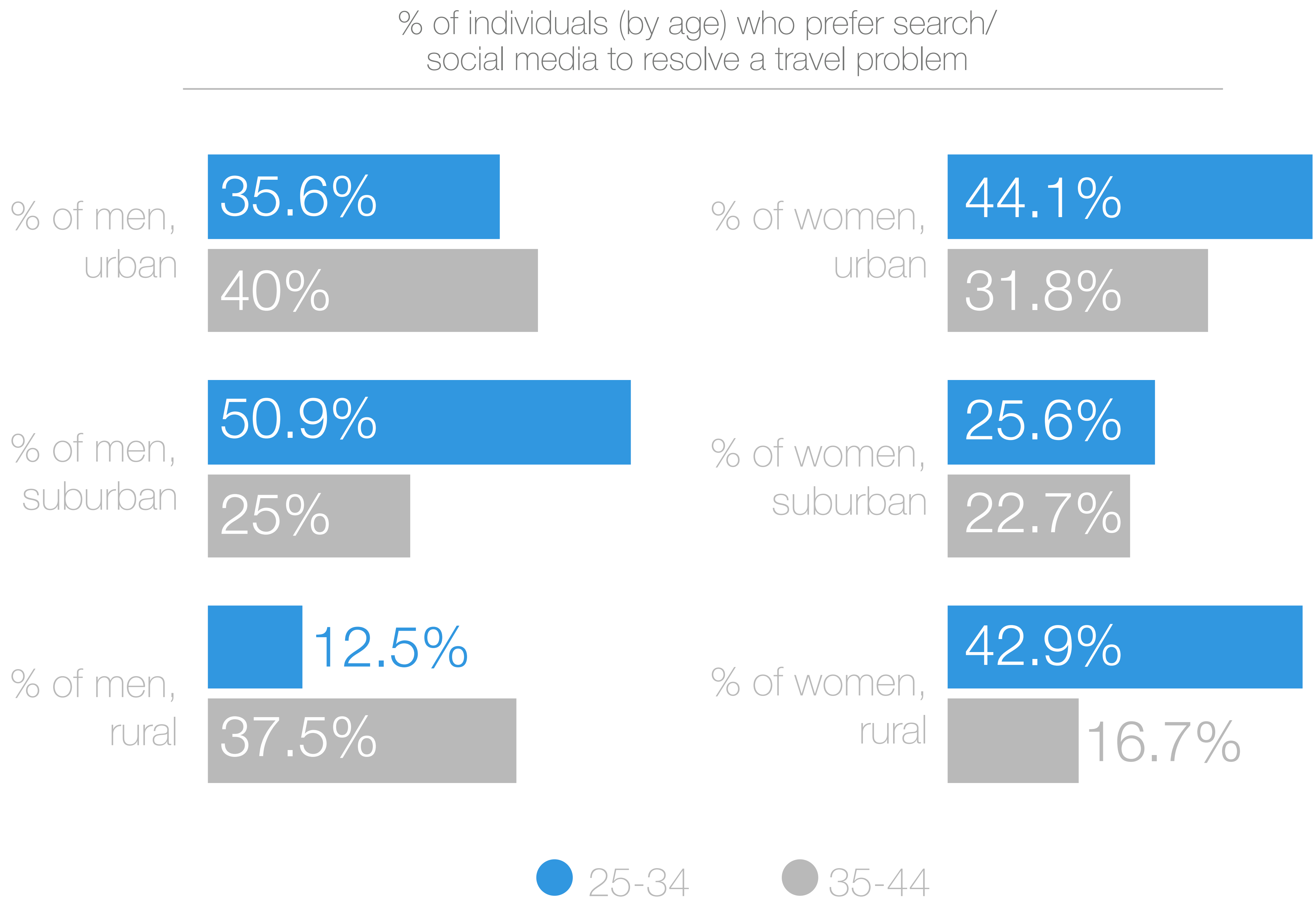
Silent Travelers Solving Problems

% of individuals (by age) who prefer search/ social media to resolve a travel problem



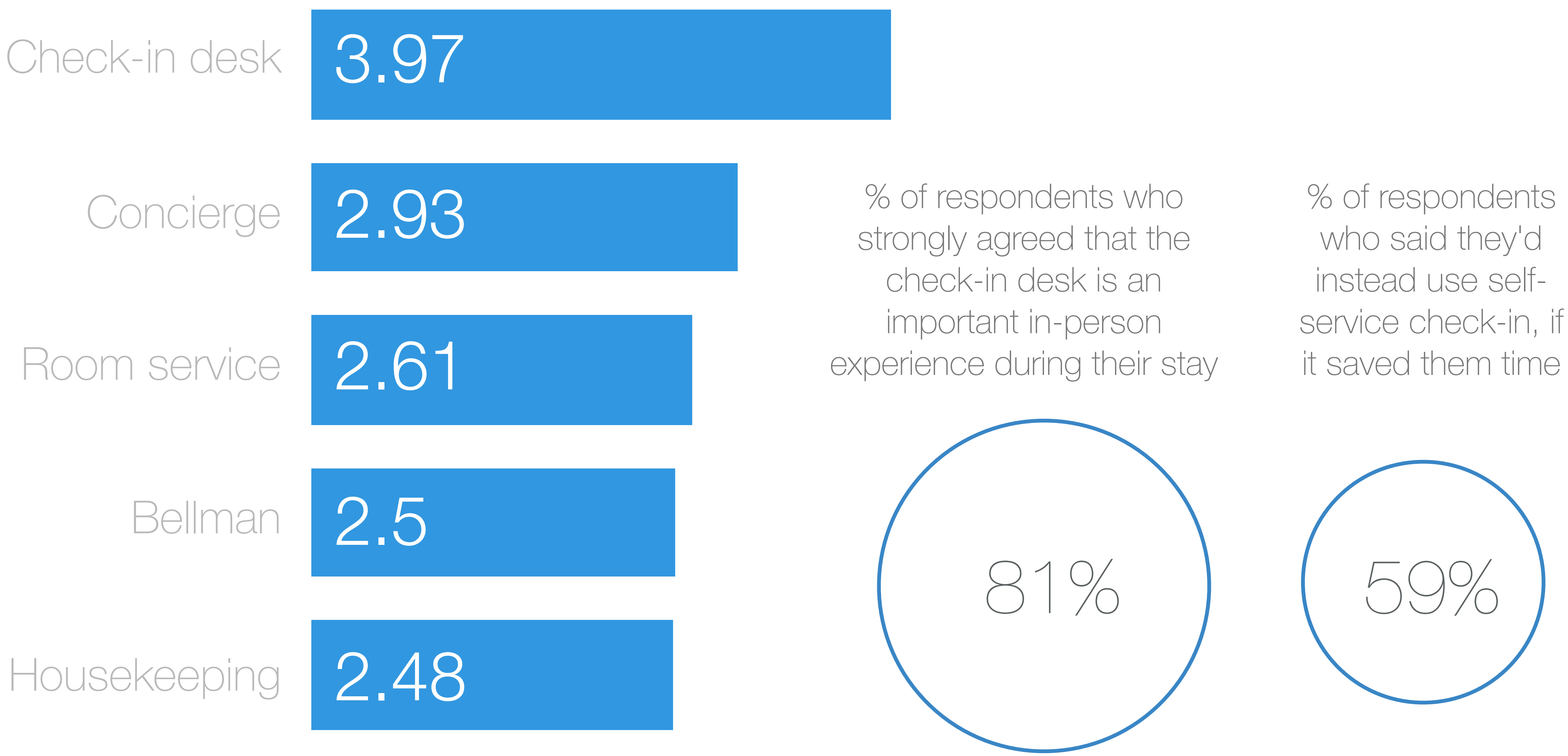
SOURCE: Skift Report #20: "The Rise of the Silent Traveler"

Silent Travelers: Gender and Points of Origin



SOURCE: Skift Report #20: "The Rise of the Silent Traveler"

Changing Ideas, Changing Behaviors



Egencia posed the following question to more than 200 hotel consumers: how did they value certain in-person assistance at a hotels? Answers were based on a score of 1–5.

SOURCE: Skift Report #20: "The Rise of the Silent Traveler"

SECTION 14

HORIZONS

Top Emerging Global Destinations (2013)

1. Havana, Cuba

2. La Fortuna de San Carlos, Costa Rica

3. Kathmandu, Nepal

4. Jerusalem, Israel

5. Cusco, Peru

6. Ambergris Caye, Belize

7. Sapporo, Japan

8. Hanoi, Vietnam

9. Corralejo, Spain

10. Fortaleza, Brazil

— Criteria: destinations have seen the “greatest increase in positive traveler feedback and traveler interest”, based on millions and millions of searches and reviews.

SOURCE: TripAdvisor/Skift: 2013

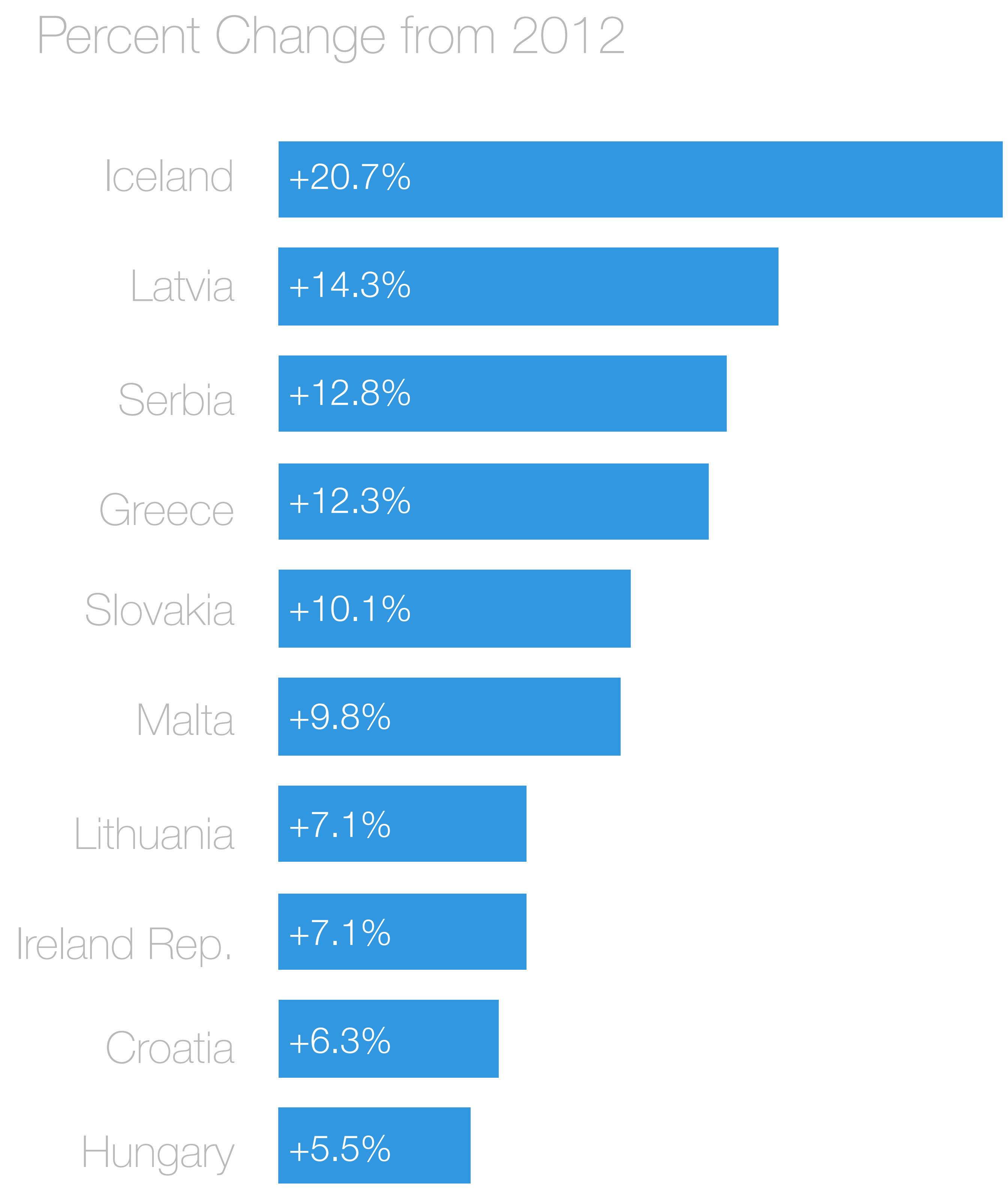
Top Emerging U.S. Destinations (2013)

1. Kailua-Kona, Hawaii
2. Anchorage, Alaska
3. Destin, Florida
4. Bar Harbor, Maine
5. Santa Fe, New Mexico
6. Jackson, Wyoming
7. Galveston, Texas
8. Brooklyn, New York
9. Moab, Utah
10. Gettysburg, Pennsylvania

— Criteria: destinations have seen the "greatest increase in positive traveler feedback and traveler interest", based on millions and millions of searches and reviews.

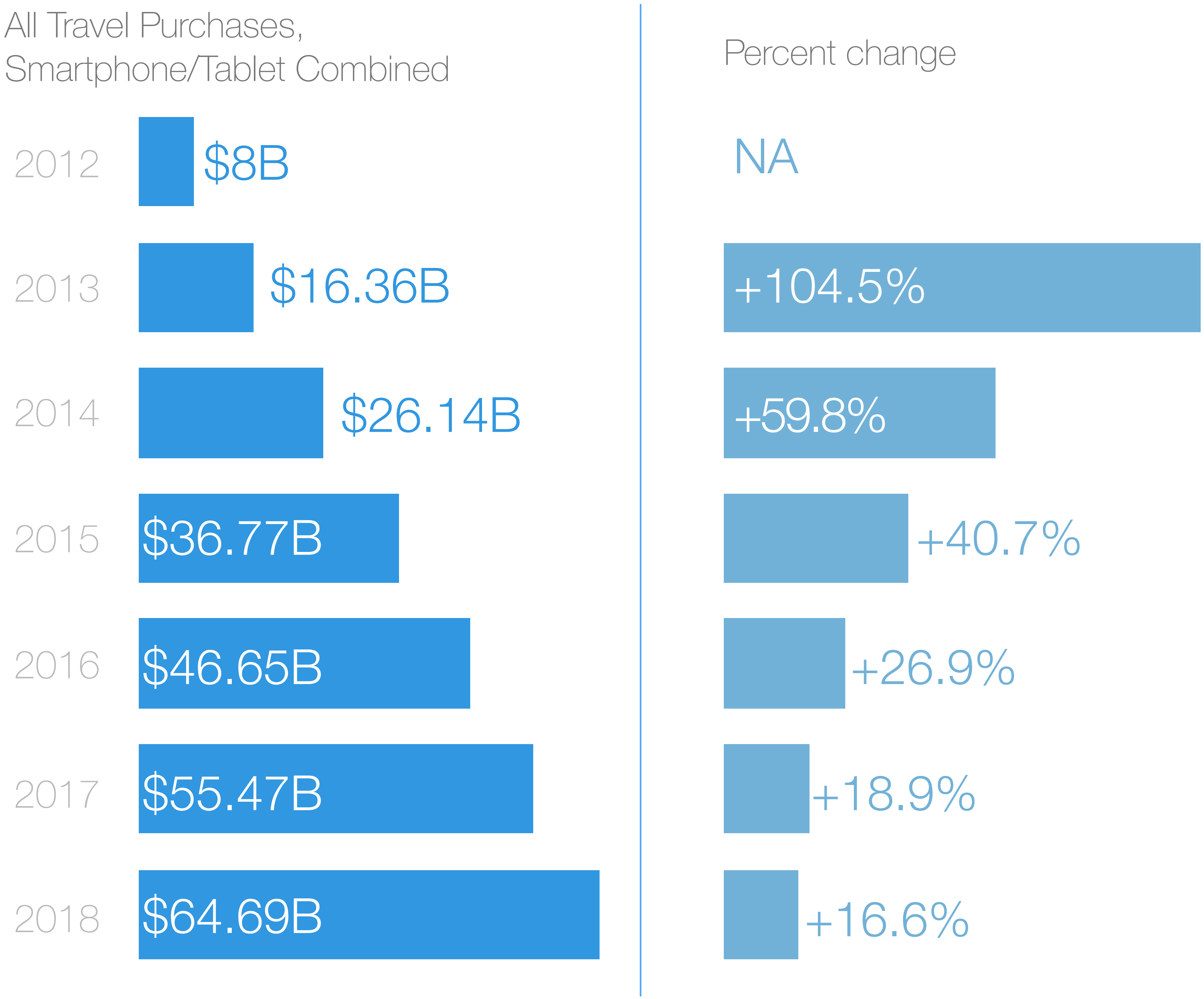
SOURCE: TripAdvisor/Skift: 2013

Top 10 Fastest-Growing European Destinations (2013)



SOURCE: European Travel Commission: 2014

U.S. Mobile Travel Sales (2012–18)



SOURCE: eMarketer: 2014

Toward 2030: Tourism in the Long View

International tourist arrivals worldwide are expected to increase by +3.3% per year, from 2010 to 2030, to reach 1.8B by 2030, according to UNWTO's long-term forecast, *Tourism Towards 2030*.

Between 2010 and 2030, arrivals in emerging destinations (+4.4% per year) are expected to increase at twice the rate of those in advanced economies (+2.2% per year).

The market share of emerging economies increased from 30% in 1980 to 47% in 2013, and is expected to reach 57% by 2030, equivalent to over 1B international-tourist arrivals.

SOURCE: World Tourism Organization: 2014

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