Demographical Research on Travel Behaviour and Key Online Booking Patterns

Helena Egan, Global Director of Industry Relations
Let’s rewind to 1999
When rewind was still a word we regularly used

Dial-Up Networking enables you to connect one computer to another computer and to the network by using a modem.

Connecting 8320 to Internet...

Dialing *99#...
This is what a brochure promised.

VISIT MEXICO!

Hotel Casa del Mar Cozumel is a charming Mexican Hideaway facing the magnificent Caribbean Sea. Situated across the main boulevard with 98 comfortable rooms and eight recently restored Deluxe Cabasias, the property is surrounded by beautiful and exotic garden area with a Mexican town feeling.
This is what the traveler got…
AND SO...

THE IDEA FOR

tripadvisor®

WAS BORN
MISSION
HELP TRAVELERS
PLAN AND BOOK
THE BEST TRIP

tripadvisor
TripAdvisor headquarters in the year 2000
A small office above a pizza shop in Needham, Massachusetts
TripAdvisor website in 2000
Content was sourced from guidebooks and industry experts
A lot has changed since 2000…
TripAdvisor Highlights

- First ever traveler review is posted on TripAdvisor
- Restaurants added to the site for the first time
- TripAdvisor launches first iPhone app
- TripAdvisor acquires Viator and lastfourchette
- TripAdvisor reaches 350 million unique monthly users
TripAdvisor Today

- Over 6.6 million businesses listed
- Over 135,000 destinations
- Over 110 million members
- 385 million reviews & opinions
- Over 255 user contributions every minute
- 350 million** unique visitors a month
- 48 markets in 28 languages

Source: TripAdvisor log files, Q2 2016
TripBarometer background – results released this week!

33 countries
36,444 participants
21/6 – 8/7 2016

Age Groups

18-34
- 45% male
- 55% female

35-54
- 56% male
- 44% female

55+
- 69% male
- 31% female

Base: All respondents (36,444); Age groups: 18-34 (7,173), 35-54 (16,540), 55+ (12,731)
Travellers research well in advance of travel…. However, the research to purchase journey is fast

Almost half of travelers spend less than a week in active research before purchase.

How far in advance did you begin researching your last trip?

- One week prior: 12%
- One month prior: 28%
- 2-3 months prior: 31%
- 4-6 months prior: 17%
- More than 6 months prior: 9%

59% of research takes place between one and three months before traveling.

CQ7. For your most recent trip, when did you start researching your trip? CQ8. For your most recent trip, how long did you spend researching your trip from start to finish?
Base: All respondents (36,444)
Most trips are destination-led

74% of travelers begin by researching and choosing their destination

How did you start planning for your trip?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Began comparing destinations</td>
<td>30%</td>
</tr>
<tr>
<td>Decided on a specific destination</td>
<td>45%</td>
</tr>
<tr>
<td>Researched flights or transportation</td>
<td>7%</td>
</tr>
<tr>
<td>Researched hotel or accommodation</td>
<td>5%</td>
</tr>
<tr>
<td>Booked flight or transportation</td>
<td>4%</td>
</tr>
<tr>
<td>Booked hotel or accommodation</td>
<td>3%</td>
</tr>
</tbody>
</table>

CQ6. In which order did you book each of the following items? Base: All respondents (36,444)
Travelers demonstrate four booking patterns

“Flight Bookers”
- Booked their flights
- and then plan the rest

“Hotel Bookers”
- Start by organising
- their accommodation

“Balanced Bookers”
- Research flights
- and hotels before
- booking either

“Mavericks”
- Skip the research phase
- and make bookings

CQ6. In which order did you book each of the following items? Please rank from first to last, with ‘last’ being the most recent part of the holiday that was decided.
Base: All participants (36,444)
Flight Bookers book flights **before researching** accommodation

Longer holidays, where flights are likely to be more expensive than for short breaks

For those taking shorter trips, their accommodation comes earlier in the path to purchase

<table>
<thead>
<tr>
<th>Trip Type</th>
<th>Flight Bookers</th>
<th>All trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekend break (2-3 nights)</td>
<td>50%</td>
<td>37%</td>
</tr>
<tr>
<td>A weeklong trip (7-10 nights)</td>
<td>16%</td>
<td>18%</td>
</tr>
<tr>
<td>A long vacation (15-21 nights)</td>
<td>3%</td>
<td>4%</td>
</tr>
</tbody>
</table>

**Hotel Bookers** choice of destination is based on accommodation price

More likely to select a family friendly destination or to attend an event

CQ6. In which order did you book each of the following items? Please rank from first to last, with 'last' being the most recent part of the holiday that was decided. CQ9. What were the main reasons for choosing where you went on your last trip? CQ4. How many night, in total, did you spend away from your home during your most recent trip? Base: All participants (36,444); Flight bookers (8,684).
For **Balanced Bookers**, it is not the length of trip that drives booking behaviour, but a characteristic of this group of travelers. Their extensive research is both focused on destination and getting a good price.

**52%** of all Mavericks are business travelers.

Almost double the number of Mavericks are on vacation for more than 21 days compared to other travelers (7% compared to 4%).

**Mavericks** book quickly with limited time spent researching and are likely to be creatures of habit. Business travelers and long term holiday makers are in this group.

**Top reasons choosing a destination**

1. Experience the culture
2. Accommodation had good price
3. Flight had a good price
4. Recommended by a friend
5. For the weather

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Top reason to choose a destination: Culture and People

- **31%** of travelers select a destination for its culture
- Almost half (47%) of travelers choose a destination because of price
- One in five travelers state that weather was an important factor in choosing their destination

### Top ten reasons for choosing a destination

- Experience the culture/society/people: 31%
- Accommodation had a good price: 22%
- For the weather: 20%
- Recommended by a friend/relative: 16%
- Flight had a good price: 16%
- Family-friendly: 15%
- Cheap holiday/vacation option: 14%
- Great for my age group: 12%
- Family ties: 11%
- A good price for a luxury destination: 10%

CQ9. What were the main reasons for choosing where you went on your last trip? Base: All respondents (36,444)
Mix of online and offline channels are used when travelers select their destination

73% of travelers use online sources when deciding on their destination

62% of travelers look offline when deciding on their destination
76% of travellers said they were willing to pay more for a hotel with higher review scores.

Given equal prices, travellers are 3.9 X more likely to choose a hotel with a higher review score.

Source: 2015 TrustYou/Accor Study “How to present review content for more conversions”
The Anatomy of a Good Response

FairmontPacificRim, General Manager at Fairmont Pacific Rim, responded to this review, 3 days ago

Thank you for taking the time to share your experience and feedback on your recent stay with us. We are glad to hear you enjoyed our guestrooms, the fitness centre, and our complimentary BMW bikes for a ride around Stanley Park. We do, however, regret to hear we may have missed any opportunities to ensure your check in was smooth and seamless. I would welcome you to contact me directly at Philip.Barnes@Fairmont.com should you wish to discuss your experience in further detail. We look forward to the opportunity to welcome you back to experience the high standard of service we have become known for.

Sincerely,
Philip M. Barnes
General Manager Fairmont Pacific Rim & Regional Vice President, Pacific Northwest

THANKS
REINFORCES POSITIVE
FOLLOWS UP
APOLOGIZES
INVITES BACK
DEMONSTRATES IMPORTANCE OF GUEST FEEDBACK
Sometimes Negative Reviews Can be Prevented

1. “We brought the issue to staff’s attention, but they did nothing.”

2. “They said they would try to fix it, but they obviously didn’t care.”

3. “They couldn’t fix it, but they really tried their best.”

4. “They resolved it right away and apologized profusely.”