

# Amadeus Traveller Trends Observatory: **Destination Services**

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Understanding the end  
consumer (and traveller)  
August 2015



# Overview

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## The Amadeus Traveller Trends Observatory zooming in on Destination Services

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# Understanding why \_\_\_\_\_



# Why the traveller?

## Understanding the travel industry from start to finish

In any industry, understanding how the work of an organisation affects every other aspect is imperative for success.

**In travel, one of these key components is the **traveller**.**

Whilst Amadeus does not directly work with the end consumer, to better serve their customers, travel providers, Amadeus has a requirement to know exactly what the consumer wants.

By understanding the consumers' needs, Amadeus can:

**Provide all components in the travel chain:**

- Better products
- More effective services
- More insightful consultation




**Create even more value by supporting**

- Cutting-edge innovation
- More in-depth research & development
- Forward thinking ideas



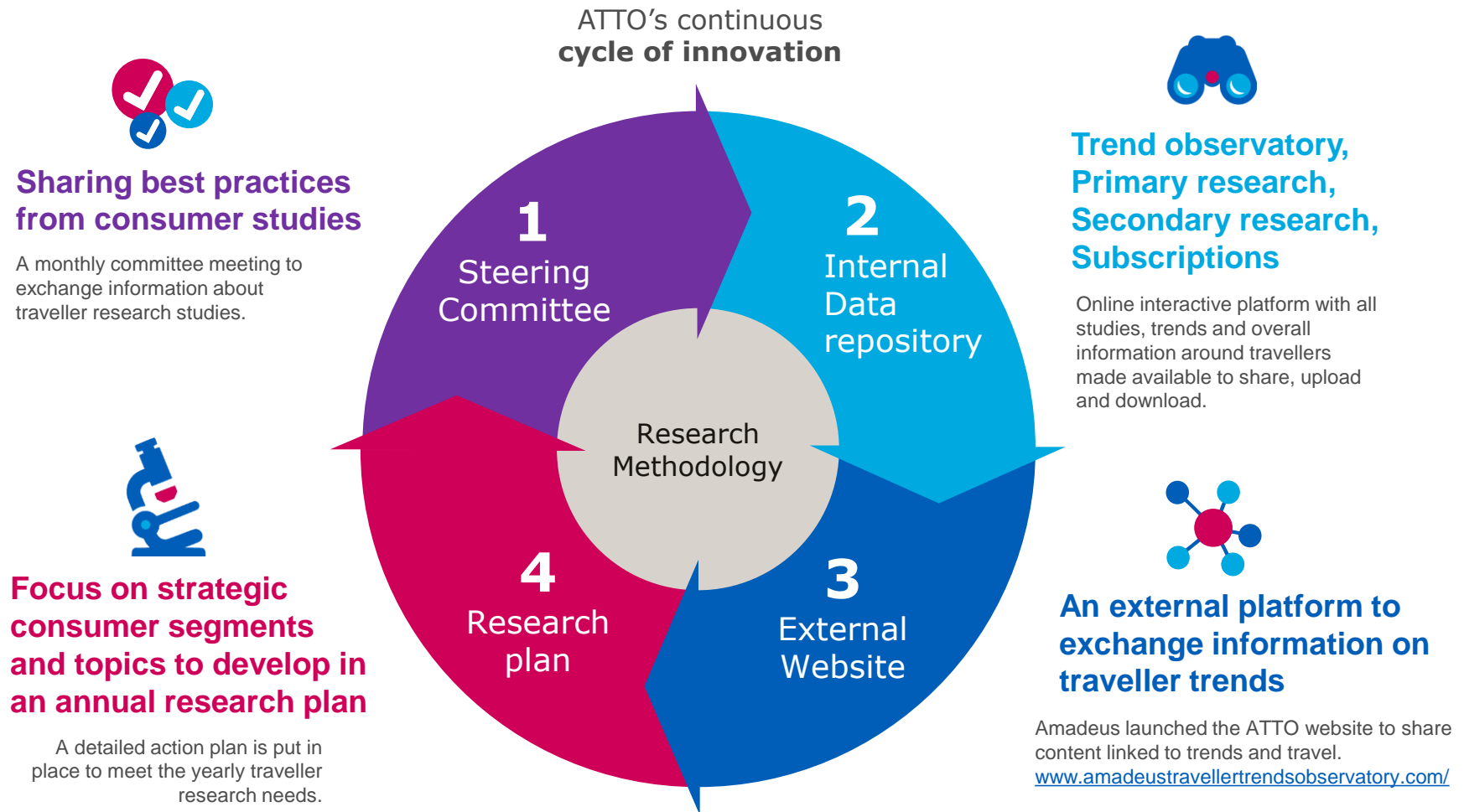
Through taking the time to research and understand travellers, Amadeus aims to support and improve the overall travel eco-system and to help shape the future of travel.

# 3 Strategic traveller segments

Traveller segments	Key expectations/needs	Target
 <p><b>NextGen</b> The youngest generation group, the trendsetters and early adopters of new technology and consumption habits, who will also be the consumers of the future.</p>	<p><b>Smart consumption</b> Help me make savvy choices independently</p> <p><b>Unique experiences</b> Help me have real local experiences</p> <p><b>Social interaction</b> Ensure that I am always connected and receive immediate answers 24/7</p>	<p>18-30 years old, frequent travellers, technology and SM savvy</p>
 <p><b>Active Seniors</b> Increased life expectancy and improved life quality makes Active Seniors a segment of growing importance.</p>	<p><b>Self-actualization</b> Be my partner in my journey of enrichment and discovery</p> <p><b>Valuable legacy</b> Support me in sharing my passions with next generations</p> <p><b>Trustworthy relationships</b> Provide me with personalized human interaction and support throughout all travel stages</p>	<p>50+ years old, frequent leisure travellers, high spending power, combination of retired and non retired</p>
 <p><b>Corporate Citizens</b> In 2011 corporate travel represented around 20% of total travel spending. It is a big opportunity as they represent the high end of travel and need more support to cope with travel expenses and management systems in the most effective way.</p>	<p><b>Personalised offer</b> Help me build a flexible trip plan in line with my interests, needs and preferences</p> <p><b>Efficient process</b> Provide me with a seamless, simplified, unique single entry point for all travel related queries</p> <p><b>Caring and reassuring</b> Reduce pain points and elements that generate anxiety, stress or frustration during travel</p>	<p>Frequent business travellers from mid to top positions in managed/non managed companies</p>

# What is ATTO?

The ATTO initiative has a clear objective: to better understand the evolution of traveller behaviour & needs, through the systematic deployment of a proven and focused research methodology.



# Executive Summary

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Our key learnings



# Why are Destination Services important?

- Destination services (including accommodation) account for approximately **half of the travel spend**; they present a **major business opportunity for travel players**, to be leveraged by providing travellers with a **seamless and personalized experience** at their destination.
- Destination services still represent a challenging part of the travel journey; they are key for **leisure** travellers but also for **business** travellers who are willing to explore their destination beyond their professional obligations, thus becoming **"bleisure"** travellers.
- To address this opportunity, it is crucial to understand the market and context of how travellers relate to destination services.





# Executive summary

- Travellers vary widely, and each segment (Corporate Citizens, NextGen and Active Seniors) should be treated according to their specific needs and motivations.
- Destination services (accommodation, transport, activities, etc.) mostly fail to tap into these unique traveller needs and do not deliver the seamless, hyper-personalised experiences sought by travellers.
  - **There is a clear opportunity in destination services**
- Amadeus has identified 3 key business opportunity areas:
  - **Efficient Planning, Budgeting and Payment:** provide a seamless and responsive trip planning experience, and facilitate easier, safer payments, independent of activity or location.
  - **Unique Content:** provide hyper-relevant content to facilitate decisions and exploration, for an “authentic” local experience.
  - **Enhanced Customer Service:** offer more tailored support, delivered in smarter, more relevant ways when travellers are at their destination.

# Research Plan

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Destination Services



# Research objectives

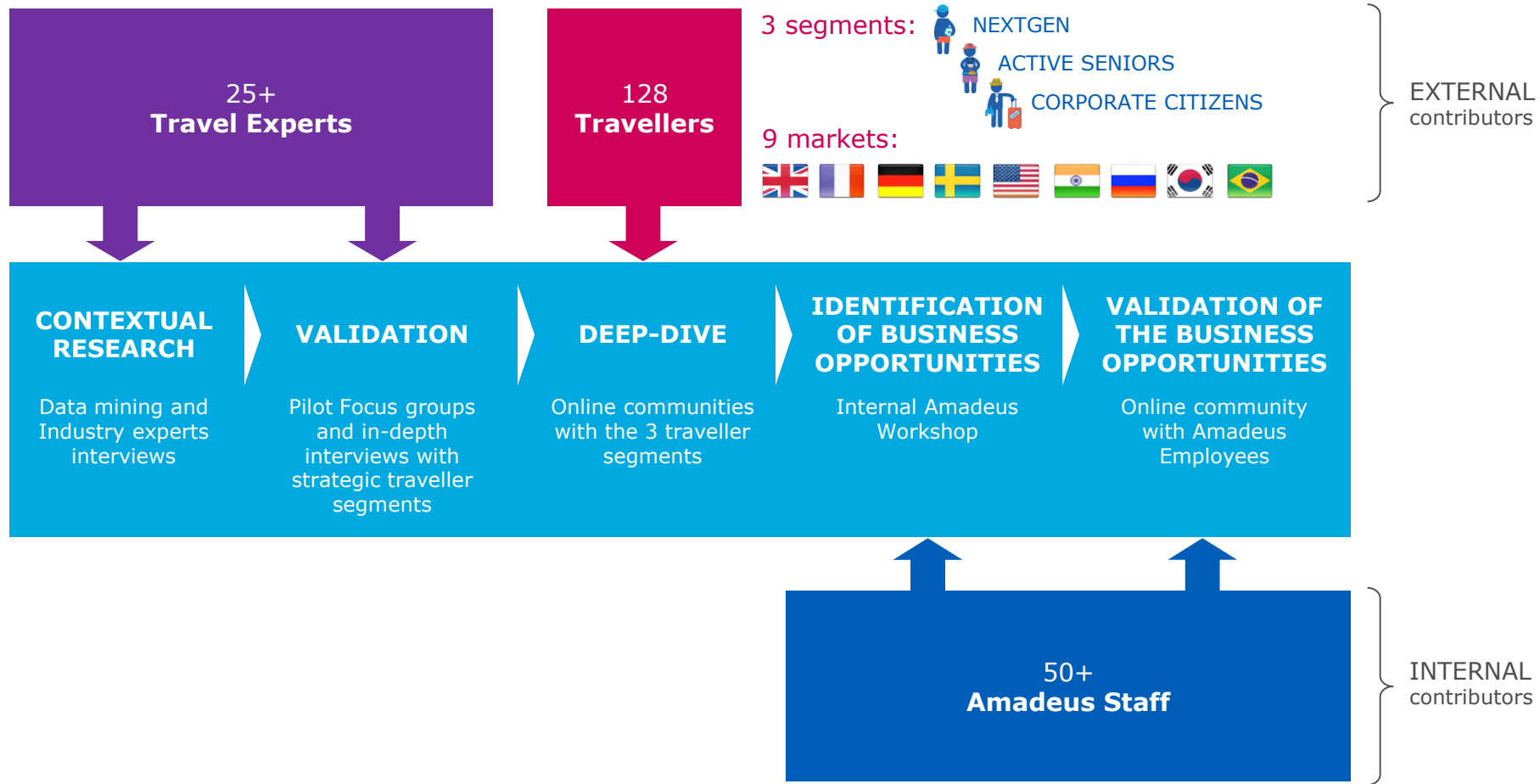
Main objectives:

- Analyse **travel components at the destination**: assess the current situation, areas for improvement, relative importance, and expectations of service evolution in order to reach a perfect trip experience.
- Explore the real-world experiences, pain points and future needs of **3 strategic traveller segments**.

## Travel stages



# How research was conducted, from start to finish



# The results: Destination Services on 3 strategic traveller segments

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Destination Services



# Key traveller motivations

Motivations can be mapped across **4 main areas** which help understand unfulfilled needs and behaviors. Product and service innovation should be driven by these key motivations.

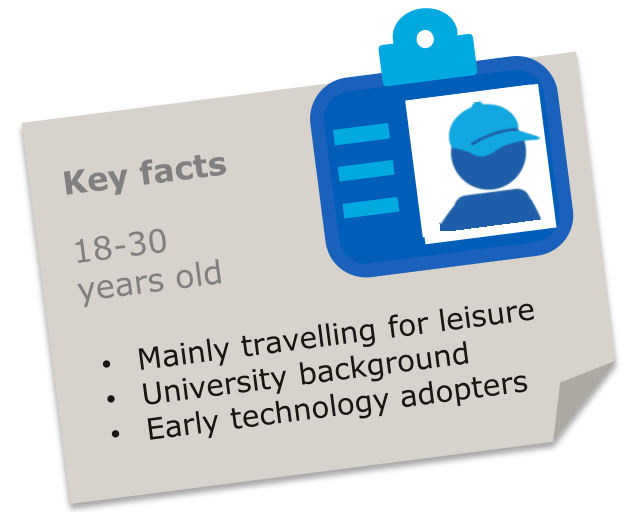
- **NextGens** seek **adventure**, **individuality** and **wisdom**. They want better ways to express themselves and differentiate themselves from the crowd. Comparing themselves to their peers is crucial, and they want help in making the best travel decisions in order to come across as seasoned travellers.
- **Active Seniors** seek **safety** and **wisdom**. They are looking for support in making the best possible decisions in order to fulfil their trip goals without risk.
- **Corporate Citizens** seek **spontaneity**, unplanned activities, and **diversity**; this desire can be fulfilled by obtaining a wide range of personalized information about the places they visit.





# NextGen profile

"All my friends will look at my Facebook album when I come back so I want to have some great pics in it!"



## Lack of experience

On the surface, NextGen travellers **seem adventurous**: they like to go to **new destinations**, experience **local life** and **explore foreign cultures**.

However, they are less confident than what they project, and when problems arise, they **lack self-reliance**, and must call on others to address the situation.



## Quest for authenticity

NextGens are all about experiences.

They want to have **authentic experiences**, but find it hard to gauge this authenticity and often realise later to their dismay that the activity they engaged in was in fact very 'touristy'.

NextGen travellers are also faced with limited budgets.



## Social pressure

NextGens are tourists who want to **feel successful** in having visited the key sites of their destinations and taken part in their most emblematic activities.

Finding out what to see or do is primarily done via the internet, both before and during the trip.

NextGen travellers are supported by their friends in their quest for memorable, remarkable and **shareable experiences** which can be displayed on social networks.

# NextGen highlights

"Give me unique experiences that do not cost the world!"



## Efficient Planning and Budgeting

A key area for travellers who are willing to explore but lack confidence, and who need to control and monitor budgets closely. Potential improvements should cater to the following needs:

- Search functionalities that suggest itineraries based on destination, season, companions and interests to plan the trip from door to door, with transportation being the priority. Planning and personalization go together.
- Intuitive budgeting tools which help understand normal prices through comparisons and help find affordable accommodation. Features should include responsive budget monitoring and expense tracking.



## Unique Content

Destination services should be easily searchable through planning tools, and be seamlessly integrated with transport and lodging on the trip timeline. Offering local, non-touristy activities options is also a growing need/expectation.



## Enhanced Customer Service

Service should offer trusted and real-world travel reviews and photos. Mobile devices should allow travellers not only to search but to buy and book unplanned activities during the trip.



"I want to know I'm not being ripped off. It's fine when you've been somewhere for a few days... but at first, you don't know what a fair price is"



"There are loads of boutique hotels popping up these days, and that's exactly what I want, but they're expensive. I don't want super luxury – I just want something cool and creative"



"I want to be able to have lots of options, lots of opportunities to do things. There isn't really a resource out there to help me"





# Active Seniors profile

"I print out everything!  
There's nothing more  
irritating than not being  
able to find a booking or  
reference code"

## Key facts

50+  
years old

- Travelling for leisure
- High spending power
- Retired recently or about to retire



## Controlled adventure

Active Seniors express a willingness to explore, but within their comfort zone, which is different for each Active Senior and needs to be respected.

While they want memorable and enriching experiences which teach them about local culture and history, they also want to be made aware of possible risks beforehand.



## Information and simplicity

Active Seniors have a huge thirst for information and they endeavour to validate every single trip detail – a time-consuming and complex process.

Many have a lot of experience in life and are seasoned travellers, but they still prefer not to let anything to chance.

There is a real opportunity to guide them in this process.



## Self-actualization

Active Seniors see travel as a way to self-actualize themselves.

Travel providers should embrace this aspiration and empower them to fulfil their trip goals by helping them make the best decisions.

There is an opportunity to do this across all areas of destination services.

# Active Seniors highlights

"I want to explore safely!"



## Efficient Planning and Budgeting

Active Seniors want and need an intuitive and comprehensive experience planning tool to build end-to-end trip packages, in particular for multiple destination itineraries, advance ticket purchase and transport.

Simplicity is important when offering real-time budgeting information and planning as well as recommendations for personalized itineraries.



## Unique Content

For Active Seniors, unique content means providing them with clear and in-depth information about all the trip components.

They are concerned about safety and accessibility conditions.

They want to be active players in all aspects of their trip, in order to build memorable and meaningful experiences to them.



## Enhanced Customer Service

Enhanced customer service could be provided through personal interaction with a trustworthy expert capable of helping them make reliable travel choices.

Active Seniors would also benefit from proactive support all along their journey; tour guides as well as advice on accessibility or queue bypass would be very valuable to them.



"How do I gather enough reliable info to squeeze as much 'value' as possible out of my experiences?"



"I love the far East, the culture, the nature, the food and the people!"



"If somebody could just work all of this out for me, or at least give me a really good starting point, that would be great"



# Corporate Citizens profile

"I see business travel as an opportunity to see new things. I always try to explore a bit"

## Key facts

- Mainly travelling for business, often combined with leisure
- Working for mid-large companies
- Combination of managed and unmanaged business travel



## Exploring is challenging

Corporate Citizens want to explore but find it challenging. They have limited awareness of places to visit at destination, and limited visibility on their own schedule and availability.

In addition, they are not aware of local activities and events.



## Unplanned time pockets

They only have small pockets of time - mostly in the evenings - and their schedule is likely to change at the last minute.

Planning activities with a shifting schedule adds a layer of complexity which needs to be addressed in a dynamic and efficient manner.



## Travelling with companions

Travelling with colleagues, customers or family is an additional challenge in terms of planning.

Needs and interests may vary widely within the group, and these differences need to be taken into account and addressed accordingly.

# Corporate Citizens highlights

"I want to explore spontaneously!"



## Efficient Planning and Budgeting

The key pain point to address for Corporate Citizens in terms of planning and budgeting is the lack of information about the duration of activities. The high probability of unforeseen free time means that planning and budgeting must be able to accommodate last-minute changes.

Corporate Citizens are waiting for a user-friendly planning tool which would also support them when planning activities with customers, partners or family.



"Free time always comes unplanned"



## Unique Content

Corporate travellers can be offered personalized content linked to company policy if needed.

The range of activities should be diverse so the traveller is able to choose those most relevant to them.

This traveller segment could potentially be more inclined to look for premium experiences.



"I've been here a lot, but still no clue where to find a good Thai restaurant"



## Enhanced Customer Service

Travel disruption is a key issue for this segment – they expect a painless and seamless experience, and in the event of a disruption, they need a fast solution that would allow them to still meet their travel objectives efficiently.

Safety is also a critical point: where and when to go to specific locations at their destination would be a high added-value information.



"I don't like wasting my time standing in queues"

# The series continues

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With new questions  
for travellers



# The next stage of the ATTO project

## Looking into strategic customer segments and topics

**The journey to understanding the traveller continues this year, as we develop our insights by monitoring emerging consumer trends.**

This year we will see new challenges that the industry will have to face and overcome. And, as an industry leader, we at Amadeus want to ensure that we remain at the forefront of new developments through innovation.

We will continue to learn and pre-empt information about all customer segments, driving forward research and new ideas for the foreseeable future. You can stay connected with each of our developments through our [website](#) or the Amadeus Blog, where we will provide a platform for discussion about the traveller for our customers, the travel providers.

Look out for our other reports on travellers and trends.



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## Thank you

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