The importance of understanding travelers' motivation

Understanding why people travel to unlock industry opportunities

Contents

Foreword

In this discussion paper, we explore some of the underlying motivations which influence travel preferences.

Human behavior is complex; that's as true of our purchasing decisions as it is of our decisions on how and where to travel. Whether embarking on a journey for business, education, service or pleasure, human beings travel for a rich variety of reasons, but rarely with the sole objective of satisfying a single need or want. Instead, our travel lives are influenced by a range of interconnected factors.

The challenge for the industry is to understand the importance of these underlying travel motivations, and to act upon them.

Traditionally, the travel industry has not been set up to deal with such complexity. Instead it has focused on more linear segmentations such as socio-economic and geographic criteria, or solely on destination-driven or date range search.

This isn't enough today. Motivations for travel, social connections, desire for adventure and spontaneity are all just as important. And if the industry is to cultivate long lasting relationships with customers, it must understand what drives and motivates travelers at a deeper level.

This discussion paper was developed by drawing on the insights and perspectives of a range of industry stakeholders, including representatives from Airbnb, AVUXI, Relay42, StubHub and travel audience. It also includes insight and comment from many experts within Amadeus, working in R&D, innovation and corporate strategy, who have led the discussion around how technology can help achieve this greater understanding of traveler behavior.

Together the views collected here provide a fascinating insight into how — through improved conversion and extended content — the travel industry can better connect with the changing needs of travelers today.

Anna Kofoed
Vice President Travel Content Sourcing, Travel Channels, Amadeus IT Group

Executive summary

Travelers make decisions for many different reasons, some rational and others more emotional. The complex web of underlying social and emotional drivers often collide with the more considered and rational impulses; and that can make it difficult to understand traveler motivations

Due to its fragmented nature, the travel industry is often overly focused on selling products, rather than complete, connected experiences that meet traveler aspirations. But through greater industry collaboration and offering more extensive options, travel companies have an opportunity to build the experiences travelers want.

Unlike many other industries, travel has the ability to inspire people. But to do that requires a sophisticated understanding of travelers' motivations. The challenge is to present travelers with inspiring and personalized offers, in a way that can be easily scaled. But at the same time, travelers want to be spontaneous and unpredictable. This is why, when looking at how to drive conversion and loyalty, the work done by Richard Thaler, the 2017 Nobel Prize winner, around how people can be 'predictably irrational' is so important.

The industry needs to be able to bridge the gap between travelers' motivations and how it offers services, drawing inspiration from other industries. From an innovation perspective, advances in technologies, approaches and techniques — including artificial intelligence and virtual reality — can support the industry to adapt — and cater more effectively to the needs of travelers today and in the future.

The opportunity for the industry is huge. Now is the time to explore and experiment with the new ideas, approaches and technology that can help realize this.

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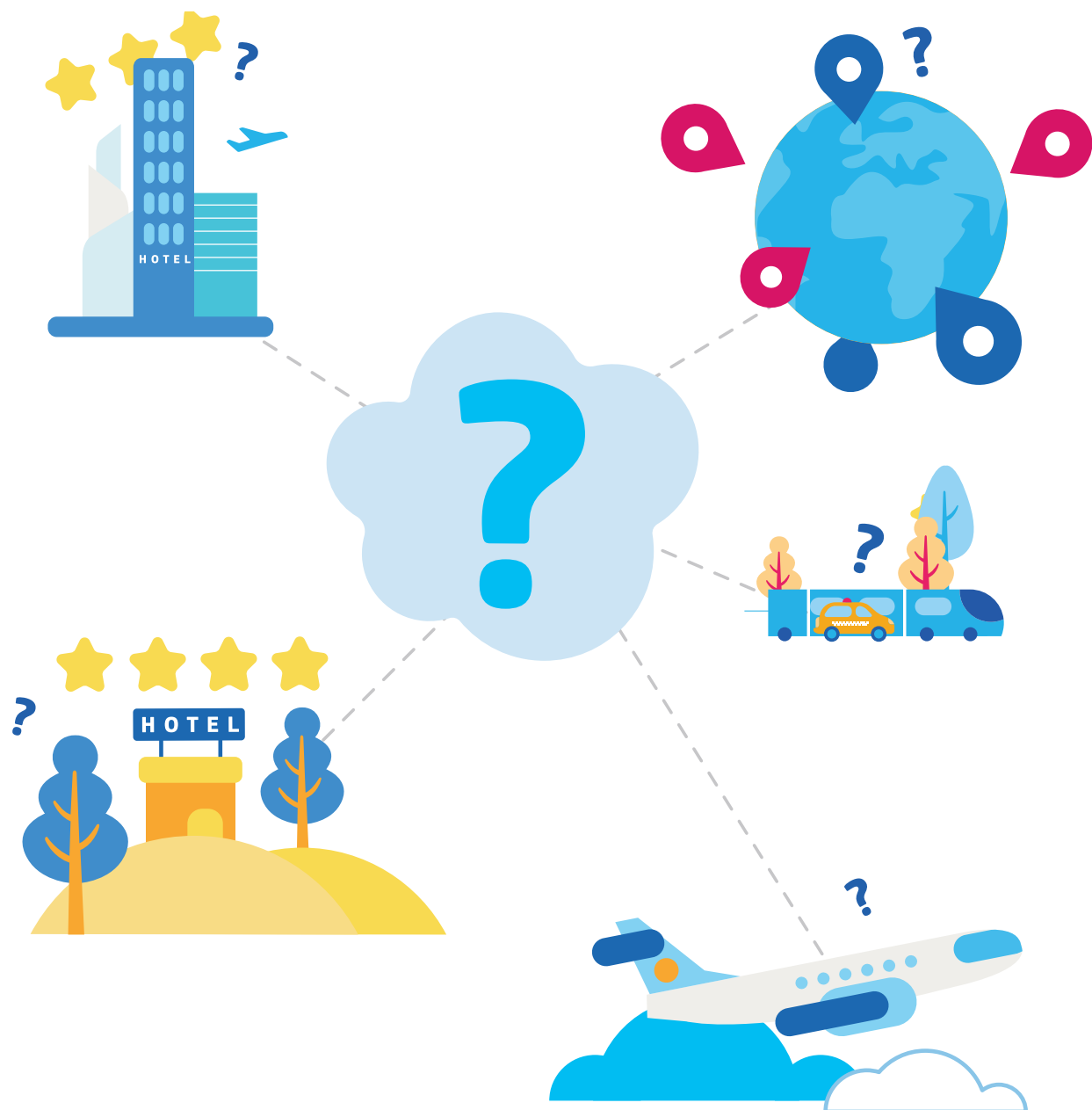
> **"** Human behavior is complex;
> that's as true of our purchasing
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> on how and where to travel. **"**

1

Why understanding travelers' motivation matters

The needs and desires of travelers are changing. By seeking to understand and act upon travel motivations, the industry has an opportunity to foster greater loyalty with a more personalized and creative proposition.

Don't expect travelers to be rational

It is widely acknowledged that human beings are not wholly rational. A range of emotions and competing needs influence our behaviors, actions and outlook. Taking these factors into account is vital for the travel industry to make better informed merchandising decisions and richer customer interactions.

In recent decades, technology has unlocked a deeper understanding of how people search, book and experience travel. Big data analytics and machine learning are allowing the industry to absorb and utilize more data than ever before. The ability to 'anticipate' and 'predict' what travelers want is now a reality.

However, insights based on algorithms and the assumption that travelers are solely rational, are insights flawed with limitations. Travelers have individual idiosyncrasies and subtle personal motivations that need to be carefully understood if travel companies are to foster deep, lasting and authentic customer relationships.

Underlying motivations matter when it comes to purchasing

Travel tends to be an experience-led and discretionary purchase, much like the luxury goods sector. One of the standout brands, Louis Vuitton (LV), sells a lifestyle and aspiration, far beyond baggage, luggage and accessories.

LV emphasizes heritage and 'savoir-faire'; it places products on the global celebrity circuit; it creates trophies for prestigious sporting events. LV understands what drives and motivates its customers and what they value. Importantly, it goes beyond traditional segmentation based on socio-economic status, gender or location.

But it isn't just the retail sector that embraces this approach. Many financial services brands do too.

MasterCard is a good example. The brand isn't just about transactions and payments, it is about delivering 'priceless' experiences. This taps into people's desires for excitement and freedom. At the same time, MasterCard focuses on safety and simplicity which connects to people's innate need for reassurance and comfort.

In the travel sector, brands such as Airbnb have also built their businesses upon their understanding of what motivates and drives their customers.

> " At Airbnb, we believe in 'magical' travel, where people can pursue their passions wherever they are. Those in our people-powered community want to feel that they belong anywhere in the world. "
>
> **Gloria Molins, Head of Global Launches, Experiences, Airbnb**

Motivations are complex

When considering a trip, many people instinctively think about how to satisfy their basic physiological needs. For example, the parents of a gap year student embarking on a world-wide trip may worry first about food, water and basic comforts. However, the student may place a higher value on the feeling of adventure and accomplishment gained from such a trip.

Travel companies targeting the gap year market may want to consider some of these drivers. If they focus only on the price of a low-cost round-the-world flight ticket, or hostel accommodation, the true purpose and motivation for travel could be overlooked.

However, despite the complexity of traveler motivations, eliminating or reducing consumer choices can also greatly relieve shoppers' anxiety. 'Autonomy and freedom of choice are critical to our well-being, and choice is critical to freedom and autonomy,' writes psychologist Barry Schwartz in *The Paradox of Choice.* 'Nonetheless, though modern Americans have more choice than any group of people ever has before, and thus, presumably, more freedom and autonomy, we don't seem to be benefiting from it psychologically.'

This is an important consideration for the travel sector as choice is so abundant. This ranges from which ancillary service to choose on the airplane, to the wide range of options when it comes to trips, tours, experiences and accommodation. Giving travelers 'meaningful choice' can help simplify the experience and also reduce their stress.
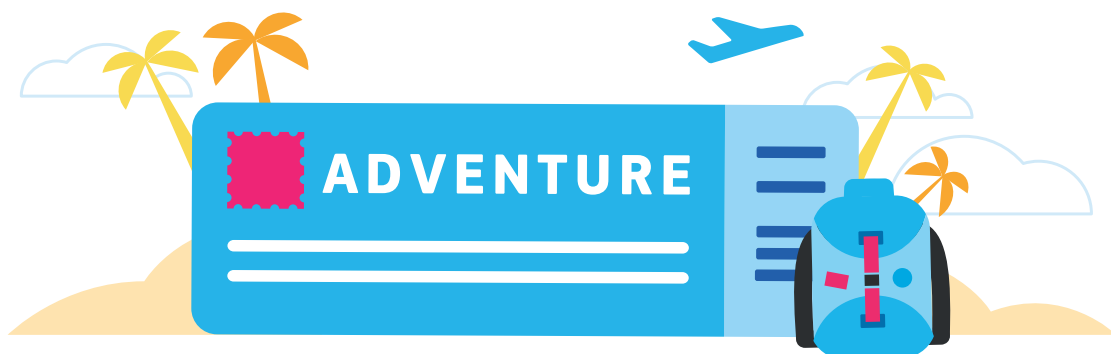
> **"**
> With artificial intelligence (AI), companies in the travel industry can utilize data more effectively to personalize offers and build more loyal and trusted relationships. AI algorithms can spot character traits and trends in ways marketers never could, which travel companies can use to offer personalized services. From a traveler's perspective, this means that if you are the type of person to book spontaneous weekends abroad, AI will pick that up. If, on the other hand, you are the type to do your research first, it would offer one trip containing all the necessary information about the holiday and destination. **"**

**Tomas Salfischberger,
CEO and co-founder of Relay42**

YOUR
PERFECT
TRIP
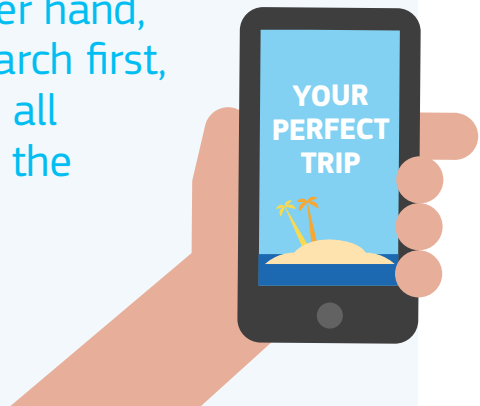
Behavioral economics and cognitive bias

Behavioral economics offers many practical insights for the sector. Richard Thaler, the 2017 Nobel Prize winner, explores how people can be 'predictably irrational' in ways that defy traditional economic theories and models. By recognizing that people make decisions based on psychological, emotional and social factors, and by building rules and algorithms that take account of these, the industry can more effectively upsell products and services.

The role of cognitive bias is important to consider in travel, precisely because it overrides rational considerations. Individuals create their own sense of 'subjective social reality', leading to faster, easier decisions. For example, at a basic level, some people may be drawn to a specific destination if it is seen to reward them with greater social capital. Even, if rationally, that destination may not offer all the amenities they would typically seek.

The diagram below illustrates the four categories of cognitive bias: too much information, not enough meaning, the need to act quickly, and the limits of memory. By recognizing these biases exist travel companies can appeal to buyers through a more tailored and sophisticated offer.
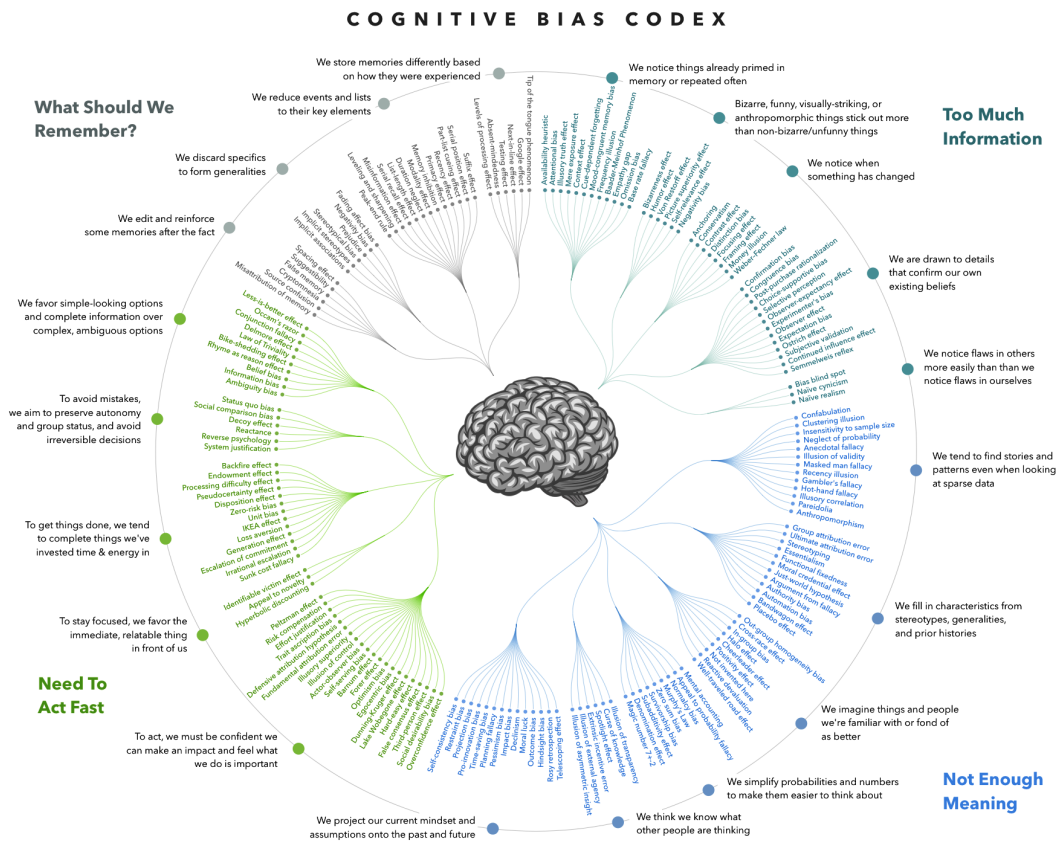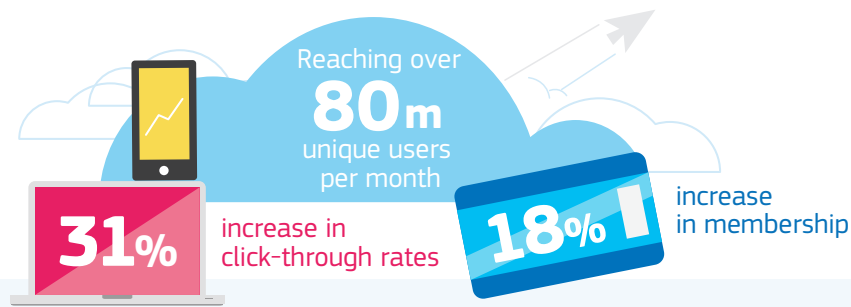
Innovation

Figure 2.0: Cognitive bias codex

Another example is the 'decoy effect', which can be powerful when it comes to making decisions between travel products. If a traveler was presented with two fare options as below, it may be harder to predict which fare they would choose.

| London to New York | Economy (direct) | €650 |
| London to New York | Economy (non-direct) | €550 |

However, when a third option is added, such as the premium economy option at only an additional €50, then it's likely to both be more predictable as well as driving increased spend.

| London to New York | Premium economy (direct) | €700 |

Reaching over
80m
unique users
per month

31%
increase in
click-through rates

18%
increase
in membership

travel audience: delivering what travelers want to drive conversion

travel audience, an Amadeus company, is the world's leading data-driven travel advertising platform. It aims to connect leading advertisers from airlines to online travel agencies to destination marketing organizations, with a large network of publishers, in order to reach millions of travelers worldwide with advertising content that is relevant to them.

Machine learning technology allows travel audience to identify when people are searching for trips, when they are most likely to book and when best to show them offers. Interestingly, clicks and conversion rates aren't always governed by intuitive patterns. For example, travel audience has identified that adverts reflecting real-time prices and graphics drive greater conversion rates, than solely lower prices. It seems that people are increasingly skeptical of being drawn into offers that provide low prices and instead prefer transparency, quality and accuracy.

Reaching an audience of over 80 million unique users per month provides travel audience with deep insights into customer behavior. For example, one of its partner travel agencies was able to achieve a 31% increase in click-through rates, an 18% increase in membership, and a 24% reduction in spend for each lead. These are significant numbers which demonstrate the power of more accurate targeting.

As part of Amadeus' Strategic Growth Businesses, travel audience is committed to the growth of the industry through innovative solutions. Combining machine learning with data produces real travel insights that transform how travel brands interact with customers, inspiring them through personalized and relevant offers, and improves online conversion.

"

Machine learning technology allows us to build destination campaigns tailored to specific segments in exclusive channels, including online travel publishers, social media and metasearch engines — ultimately to generate more incremental visitors. Moreover, it can allow better campaign performance measurement through added visibility into visitor data, and provide insights into traveler intention and behavior, benchmarked against competing destinations. **"**

**Alexander Trieb,
Managing Director of travel audience, an Amadeus company**

There is a lot for the travel industry to consider. However, it's clear that motivation heavily influences traveler decisions. This is why the sector must incorporate deeper understanding of travelers to tailor and upsell its services.

Innovation

2

How can the travel industry adapt

The previous section explored the importance of understanding traveler motivations. The reality is that travelers are both rational and emotional. But this is not always true of industries. The structure of industries, companies and organizations tends to evolve rationally.

In this section, we examine how the industry can become more dynamic, collaborative and connected.

Think beyond what you do

Having evolved over many decades, the travel industry has tended towards fragmentation. Airlines, rail companies, ferries and car rental companies focus on transportation; accommodation providers are in the business of lodging and hospitality; and travel agents, both online and offline, sell.

Operating in silos may serve the sector but it's not an approach that always best serves the customer. Especially when trends indicate they are increasingly searching for a 'rounder', more connected and seamless experience. For the travel industry, this means supporting travelers at all stages of their journey, from searching and booking through to arrival at their destination.

Make silos invisible to the traveler

All industries have silos, but consumers are not interested in them. The travel industry should consider how to break down the silos, or make them less visible. Greater collaboration across segments and more connectivity between providers and sellers can make it easier to focus on the experience, and less on its constituent parts.

We are seeing lots of advances in this area with sharing economy brands such as Airbnb bolstering their accommodation offer with 'experiences'. These can range from visiting an antique market with a local guide, cupcake making or wine and tapas tours. While not offering these experiences directly, Airbnb is offering suppliers the opportunity to promote their local experiences to travelers through its website. The value to the traveler is that instead of just going to Airbnb for a bed, they can now aim to live like a local or enjoy new and authentic experiences.

> **"** We provide accommodation, but we also know our customers want authentic experiences. And smaller experiences, not those that cater for large groups. They want to travel to pursue their passions — food, music, sport, theatre — and there are many different versions of the same city so each person can experience it differently. **"**

Gloria Molins, Head of Global Launches, Experiences, Airbnb

When people travel, they take their interests with them. If they enjoy eating out, theatre, culture, beaches, sports or adventure at home, it's likely they will do so when they are away.

AVUXI: helping travelers identify the right neighborhood for them

AVUXI, a London and Barcelona based startup, uses its geo-spatial data indexation technology to rank the popularity of every place on earth. It collects geo-tagged big data from a wide range of sources, then filters and categorizes it, in order to rank the popularity and social activity of each location.

These insights can be then used by travel companies when promoting a location, giving potential customers richer, more enlightened reasons to select a hotel, apartment or destination. Whether they are searching for good food, or excellent shopping opportunities, travelers can filter their search by preferred personal experiences.

For travelers, this also means they no longer need to stick to locations that have been well-documented in guidebooks and can feel comfortable heading further afield, safe in the knowledge they'll still be able to locate the most popular local restaurant or bar in town.

It is a truism that location is everything. And for many travelers — more than 90% according to AVUXI — are willing to pay more to stay at an interesting and suitable location.

Innovation

Focus on 'experiences and motivations' not just 'products and wants'

Taking a more holistic approach to travel merchandising requires travel companies to focus on the subtle, often unexpressed, drivers for travelling. A traveler may desire to visit India. But the Taj Mahal or the Red Fort aren't necessarily all they want to see. Instead they may want to experience the ancient Hindu festival of colors to celebrate the victory of good over evil. An experience like that is new, culturally significant, and very likely to foster a sense of belonging. Travel brands that understand this can provide a richer, more immersive experience and gain a significant competitive advantage.

In order to understand more about these motivations, Amadeus commissioned a research study — *Traveler Tribes 2030* — in 2016. The study identified traveler tribes that are likely to emerge by 2030.

These included, **cultural purists** who treat their travel as an opportunity to remove themselves entirely from their home lives and engage sincerely with a different way of living. They may be self-assured spontaneous adventurers, eager to immerse themselves in a new culture.

> " By taking account of 'motivation-based' thinking to tailor offers to meet our complex needs, the industry can foster greater loyalty amongst travelers and more effective conversion for travel brands. "

Another tribe, **social capital seekers,** are avid users of social media. These travelers recognize that their travel choices will earn them increased social capital so are likely to structure their travel with online audiences in mind.

Then there are the **reward hunters,** luxury travelers seeking a return on the investment they make in their busy, high achieving lives. Their philosophy is that they have earned it.

By taking account of 'motivation-based' thinking to tailor offers to meet our complex needs, the industry can foster greater loyalty amongst travelers and more effective conversion for travel brands.

3

Inspiring the traveler

> " In 5 to 10 years' time, travelers will spend much less time arranging travel and much more time enjoying the travel experience. "
>
> **Rodrigo Acuna Agost, Head of AI Research, Amadeus**

We have looked at the importance of traveler motivations and the cultural challenges they pose to the industry. A common thread, which lies at the heart of both the traveler experience, and the industry imperative, is the theme of inspiration.

Travelers want to be inspired, and those companies that can inspire reap the rewards. Travelers that are inspired are more likely to move quicker from search to purchase. This is especially important online, where innovation has led to abundant choice. Over the next decade, it's likely that a range of areas will evolve including:

① **Inspiration and shopping:** Systems that suggest and predict travel choices will deliver a greater personalized experience, making travel planning speedier and will increase conversion rates for travel providers.

② **Booking:** Artificial intelligence will likely run in the background and help travel providers and sellers, such as airlines and OTAs, better define their offer and price it dynamically.

③ **In-trip:** A future without paper documents and queues, where digital travelers are constantly connected. AI driven travel assistants and biometric identification will become the norm.

④ **Post-trip:** More post-trip review systems will allow people to share their experiences, and AI systems will use these reviews to improve the travel experience for travelers in the future.

The coming together of machine learning and artificial intelligence will drive greater inspiration for the traveler. But how will this benefit conversion?
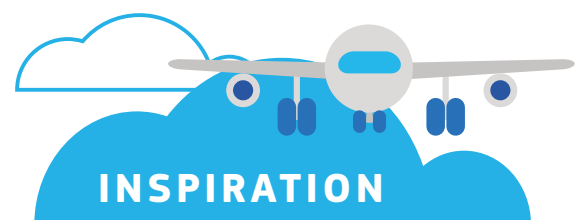
INSPIRATION

Improving online conversion through better inspiration

In an environment where digital transformation is reshaping travel, there is a corresponding need to acquire, convert and retain travelers. Typically, a traveler's digital journey breaks down into four stages: Reach, Search, Booking and Retention.

However, customers can enter at any pre-purchase stage; do not usually flow through these stages in a linear fashion and the experience can vary significantly from customer-to-customer.

> "
> Banks and airlines have a lot in common, as both profit from repeat business and building long term client relationships. The airline becomes a customer's travel partner just as the bank is his or her financial partner. Yet, the typical airline customer interacts with an airline company two to four times a year, whereas banks tend to have four interactions per week. In order to improve conversion, airline companies need to work harder to drive the relationship with the customer whenever he or she starts the interaction. "
>
> **Tomas Salfischberger, CEO and co-founder, Relay42**

Improving conversion is about placing the customer at the heart of what you do.

New technology advances, changing traveler expectations and fresh market dynamics mean 'digital conversion' is more important than ever for the travel industry. Customers today are accustomed to advanced digital experiences offered by the likes of Amazon, eBay and ASOS. Competition is fierce among peers and the competitive threats posed by internet giants such as Google and Facebook is huge. As a result, expectations of an end-to-end, tailored experience are becoming the norm amongst travelers.

With digital channels continuing to proliferate and mobile seeing enormous growth, it's crucial for travel companies to 'know' their customers as they move between devices and channels.

Technology to unlock improved conversion

The travel industry faces a wave of ongoing digital disruption from sharing economy brands such as Uber and Airbnb, as well as new and emerging entrants and big technology firms. To adapt, travel companies can look to advanced artificial intelligence algorithms to accurately predict the needs and preferences of travelers. In doing so, they can increase conversion using dynamic pricing and more sophisticated merchandising techniques.

Machine learning allows travel companies to reach travelers with more sophisticated advertising and messages. It's now possible to know in advance if the traveler you present with your digital advert fits your target profile, even before the ad is served. This reduces the reliance on costly traffic acquisition methods such as Google AdWords, whilst still being able to utilize platforms like Google and Facebook to reach travelers.

The trend towards personalization continues unabated with companies like Relay42 using natural language processing to speak with customers in their own language. Personalization at scale is becoming a reality; and in an era where differentiating on price is no longer enough, that advancement is leading to improved conversion. Ultimately this means the industry can increase revenue by offering better, more inspiring content.

Artificial intelligence (AI) and user interface redesign can have a major impact on conversion. Below provides an indication of the level of impact:
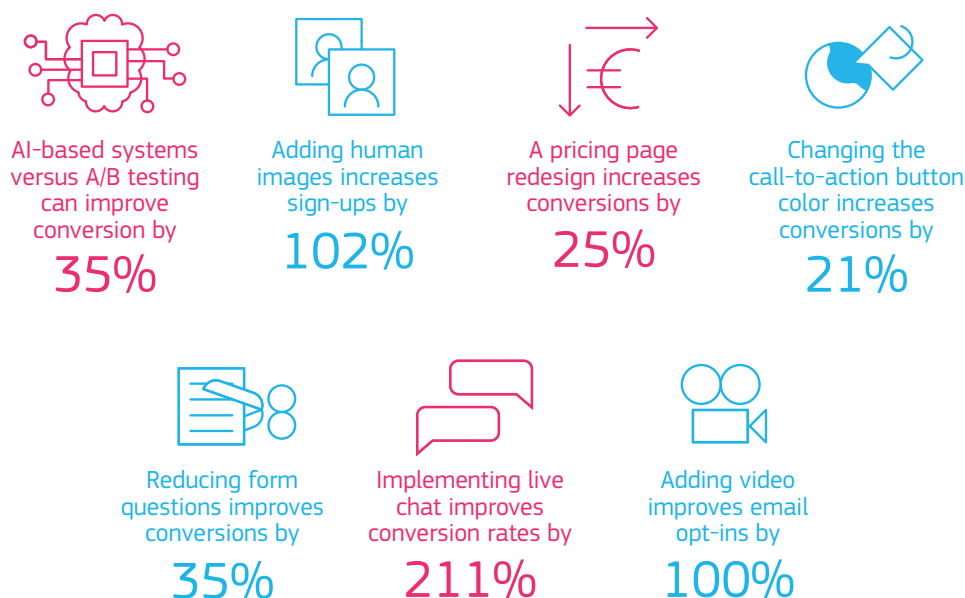
AI-based systems versus A/B testing can improve conversion by
35%

Adding human images increases sign-ups by
102%

A pricing page redesign increases conversions by
25%

Changing the call-to-action button color increases conversions by
21%

Reducing form questions improves conversions by
35%

Implementing live chat improves conversion rates by
211%

Adding video improves email opt-ins by
100%

Figure 3.0: Impact on conversion rates of different techniques
Source: www.impactbnd.com/blog/conversion-rate-optimization-case-studies

" Destination marketers need to address all relevant touchpoints throughout the traveler's digital journey to succeed. By using meaningful data to identify and convert visitors, they can push campaigns where it matters the most. "

Alexander Trieb, Managing Director of travel audience, an Amadeus company

Innovation

Considering travel beyond flights and hotels

The 'destination economy' is increasingly important to travelers as they seek out new places to visit, experiences to enjoy and ways to have a fulfilling trip.

Travelers today increasingly value the quality and variety of content on offer given that they are used to booking different elements of their trip independently. Non-bookable content such as social media reviews, local tips on fairs and festivals or cultural information is now available to travelers during the booking stage to help with their decision-making process.

Non-bookable content has become fundamental to securing bookings. To better support decision-making, trusted reviews, user generated content, pictures and videos can help to inspire the traveler, improve conversion and deliver a richer travel shopping experience.

Travelers, in particular millennials, simply don't book without consulting reviews. The millennial demographic seek standout and unique experiences that help them 'shine' amongst their social networks. Extended content can help the industry deliver on this requirement.

> **"** StubHub's vision is to offer the customer as much as is possible, from one place. If a customer is browsing for a holiday and flights, we should be able to offer them extended services, experiences and products, such as entertainment options and tickets for concerts. The customer should not have to visit a myriad of websites to look for everything he or she needs. The psychology of travel and why customers choose specific experiences is extremely valuable for deciding which service to provide them. **"**

Giulia Chiari, Head of Supply Europe, StubHub

There is significant opportunity for the industry to capitalize on this; whether it's a hotel proposing an opera ticket with a backstage tour, or a travel agency recommending a private shopping event in New York's Barneys.

This ability to retail and package offers in a more personalized way to travelers ultimately relies on the availability of extensive content, which is the foundation of travel search, shopping and booking. Travelers spend over 45 percent of their travel budget at destination on tours, entertainment, retail and dining, representing a huge opportunity for the industry.

Innovation in the area of content is about industry collaboration and partnerships that deliver value. By doing so, the industry can seek to inspire and deliver on travelers' motivations and desires.

Today's heightened focus on data privacy means travel sellers will need to be transparent and accountable about how personal data is processed, give consumers control over information and ensure personal data is processed securely.

But balancing personalization and privacy by design is possible by considering privacy from the outset in the design process.

Personalization to unlock inspiration

By providing new, innovative ways to search, players in the industry are able to facilitate this demand for destination content, ensuring they will be well placed to grow revenues and capture travelers' imaginations.

> "
> We offer over 5000 experiences on the Airbnb platform, 90 percent of them have been given five-star reviews which matters a lot to our customers. Our trips and experiences must have an element of 'insider knowledge' and be valued by those who choose them. This people-centred approach creates the magic moments that make travel special, and ensure that we can offer customers more than just somewhere to stay. "
>
> **Gloria Molins, Head of Global Launches, Experiences, Airbnb**

> " The psychology of the traveler matters, but it is not just that. The psychology of the specific trip is important too. We all have temporary personas, so what we need to reach for is psychological understanding combined with context. It's also important to recognize humans are humans, we are not always predictable. "

Alexis Batlle, CEO and founder, AVUXI

The combination of channels, such as mobile or ambient interfaces with rich data sources, is opening new opportunities to serve travelers along their journey — depending upon when and where they need it. When you consider that 70 percent of destination content is booked onsite at the destination, and that the vast majority use offline methods, it's clear that mobile has the potential to transform this aspect of the industry.

Technology and techniques to inspire the traveler

In an age of mass travel, it remains an industry challenge to focus on each traveler in a way that is personal and considers both stated desires and wants, as well as deeper and unexpressed needs and motivations.

There are an increasing number of technologies and techniques which have the potential to truly inspire tomorrow's travelers.

Artificial Intelligence (AI)

AI is a term which refers to machines capable of carrying out tasks that we regard as 'smart', or requiring intelligence. Big data and complex algorithms allow machines to answer questions, source information or solve problems. Deep Learning is a further iteration of AI; advancements which develop from giving machines access to a pool of data and allowing them to learn patterns for themselves. AI is being used by the travel industry today in a number of ways. For example, chatbots enable consumers to search, book or request information about trips in a direct, conversational style.

External Analysis: AI, a key enabler to improve conversion

AI: Machines can **act and think** like humans

MI: a main area of AI **Machines can learn** (automatically) from **DATA**

DL: State-of-the-art in ML algorithms. Today, **models can do BETTER than humans** in many tasks: face recognition, play Go, recommend movies, …
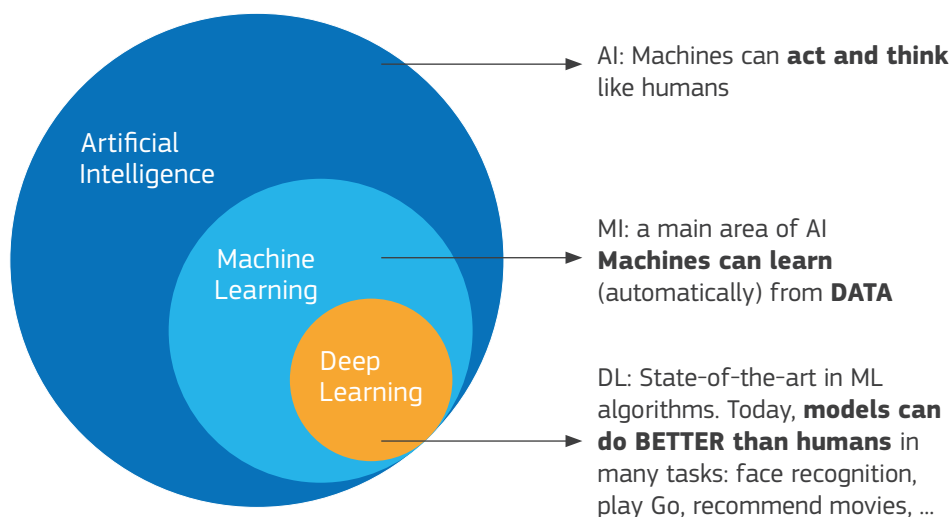
Figure 4.0: Key elements of Artificial Intelligence

It's inevitable that AI will help travel companies better predict traveler decisions.

The travel industry has traditionally predicted the demand for its products by analyzing historical data. However, by using choice modelling techniques, which examine the factors impacting customer behavior, and combining this with historical trends, travel providers can make more accurate, precise and reliable forecasts. Once a customer-choice model has been calibrated, it can be applied to any future scenario, meaning travel sellers also benefit from a more flexible process which can account for unforeseen changes to routes, plans or availability. This means they are able to offer customers more products, at attractive prices.

Techniques like this offer profound potential if implemented more widely through AI.

'Extreme search'

Currently, when most travelers search for a flight or hotel they are often bound by the prescriptive drop-down menus that appear on most websites. This can be limiting, especially if the traveler is unsure where to visit, or have specific requirements. Extreme search engages consumers at the beginning of their travel planning, before they have even made decisions on where to go. The solutions range from inspirational maps, to open search criteria which can answer questions such as, 'where can I go for a three-week adventure in Africa at a cost below $1500?' This solution can be fully-integrated into the booking flow, meaning travelers don't have to visit another website in order to research options, benefiting both the online travel agent and the customer.

Innovation

Continuous experimentation

Traditionally, if a brand wanted to test the effectiveness of their website or online advertisements, they would have to conduct A/B testing in order to understand if more sales or clicks are made in one scenario than another. However, new technology enables travel providers and sellers to continuously test their booking tools and adverts. This gives them the ability to glean vital information to better understand how to best market and sell their products.

Virtual reality (VR)

Virtual reality (VR) describes a computer technology, either using headsets or projected images, to create immersive environments that simulate real-life or imaginary scenarios. When applied to travel, VR can be coupled with other technologies such as 360-degree photo or video capture, to allow consumers to experience a destination from home. This has potential to influence travelers before they buy, allowing them to explore exotic or far-flung locations. Some tools doing this are already on the market. For example, HTC Vive and Oculus Rift created a virtual tour of The Grand Canyon or an airplane interior.

> **"** Ideally, the travel industry would make use of these AI algorithms not only to inspire travelers, but also to guide them through the checkout phase. Once on the checkout page, the algorithms would still know how the traveler got there; if it's a holiday, it would tell the customer how great the destination is and give them a travel guide, whereas for business flights a quick checkout is more pressing. **"**
>
> **Tomas Salfischberger,**
> **CEO and co-founder, Relay42**

4

Recommendations for the travel industry

> **"** The psychology of travel and why customers choose specific experiences is extremely valuable for deciding which service to provide them. **"**
>
> **Giulia Chiari, Head of Supply Europe, StubHub**

Below are five steps that companies can take which will help to shift mind-set, culture and action.

① **Look at what drives your existing customers to come to you.**
The answer is likely to be different depending on what services you offer. Consider both the rational reasons (price, ease of booking) as well as the more emotional or underlying reasons (adventure, comfort, trust). Look at how your offer across all customer touchpoints reinforces these strengths.

② **Bolster your offer by offering additional content.**
Deliver more of an experience to your customers to inspire their imagination and strengthen your proposition.

③ **Think beyond the usual data.**
Look at additional datasets that will help to get a rounder picture of your customers, or potential customers, that may give insights into their wider behavior and motivations.

④ **Explore new and emerging technologies and techniques.**
Whether it is virtual reality, augmented reality or AI, be imaginative about how to incorporate new innovations into your offer. Identify potential pilot projects to gain insight on how better to relate to customers.

⑤ **Focus on improving digital conversion.**
Being better targeted and delivering more personalized offers is an indication that you understand your customers and what motivates them. It will help to build trust and loyalty and help you to reduce costs and drive increased revenues. Use experiments to hone and perfect this.