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On the Road to Multichannel Travel

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Introduction

According to Adam Weissenberg, vice chairman and global leader of the Travel, Hospitality and Leisure segment at Deloitte & Touche LLP, "With heightened competition and eroding customer loyalty, hotels and airlines, now, more than ever, need to focus on enhancing and personalizing the customer experience."

In what Forrester Research describes as the "Age of the Customer," travel marketers today understand that an enjoyable experience leads to higher customer engagement and loyalty. Conversely, they are also becoming more aware of the dangers and cost of a poor, impersonal experience. However, when travel brands employ strategies to accomplish this objective, they are often formulated around optimization of a single digital channel - desktop users. That is no surprise, as it was the only digital channel for a long time. But all that has changed today. With new technology and the rapid adoption of mobile devices comes greater opportunities for consumers to interact with travel brands in meaningful and relevant ways.

Hence, travel brands must recognize that a multichannel customer experience strategy is not simply about delivering access to "on-the-go" or "always connected" travelers. It should be focused on how to best represent and extend your brand as a whole across all devices and all channels. As you explore the findings of our research, it will become clear how consumers use each device at each stage of the travel process as well as how each single digital channel relates to the larger already connected multichannel digital world. These are the types of questions your organization should strive to answer.

Objectives & Methodology

In order to gain insight into the behavior of technology savvy US adults, Maxymiser conducted a research study to understand how consumers use online and mobile devices to browse, research and book travel plans, inclusive of flights, hotels, car rentals and vacation packages. In addition, the study examines the impact of a personalized and optimized customer experience on customer loyalty, engagement and revenue. The study was fielded from September 25 – October 1, 2013 and garnered 1,000 responses. It targeted a random sample of consumers, 18 years or older, who own at least one laptop/desktop computer, smartphone and tablet.

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Web and Mobile Research Go Hand-In-Hand

In today's hyper connected environment, it's common for desktop/laptop and mobile device usage to complement one another. This is further evidenced by the Maxymiser study, which revealed that nearly half of the respondents (45 percent) use a combination of desktop websites, mobile sites and apps to research travel plans.

Because web and mobile research go hand-in-hand, travel marketers cannot afford to approach their marketing as siloed, one-off projects. Instead, they must look at each customer from a 360-degree view, test to understand the role each device plays in the unified customer experience, optimize the experience across the entire booking funnel, and ultimately, use real-time data to power more sophisticated forms of personalization.

Which channel do you most commonly use to research travel plans?

Channel	Percentage
DESKTOP WEBSITES/ MOBILE SITES/APPS	18%
DESKTOP/ MOBILE WEBITES	27%
DESKTOP WEBSITES ONLY	46%
APPS ONLY	9%

45% of respondents use a combination of websites, mobile sites and apps to research travel plans.
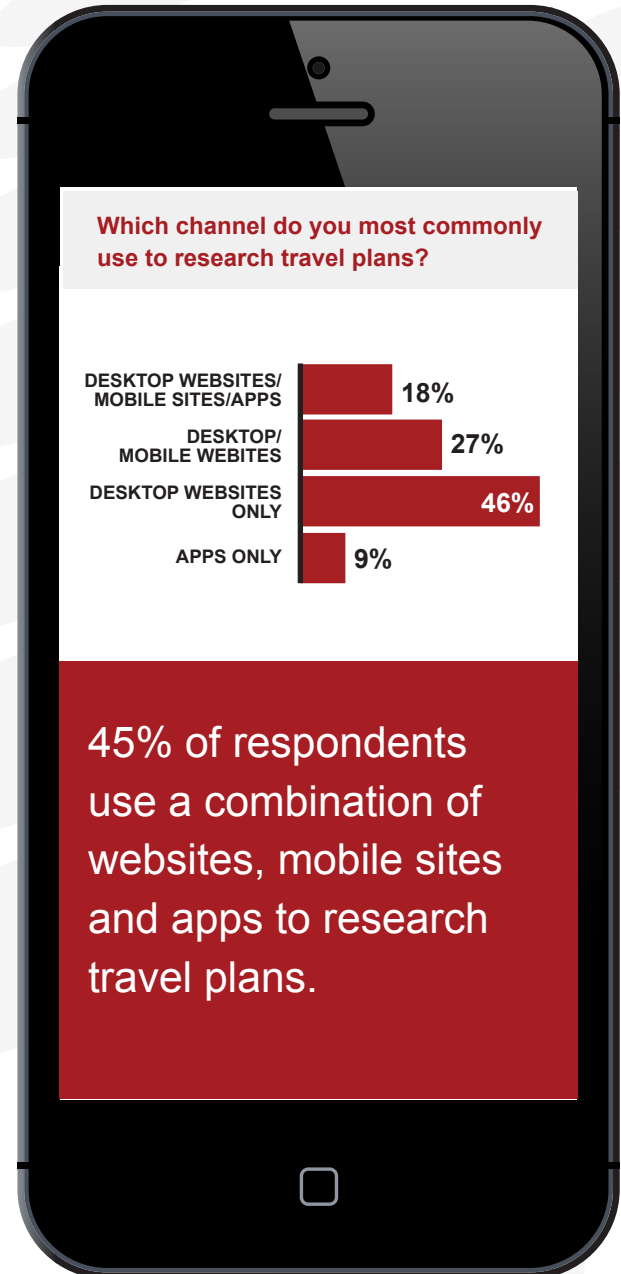
When it comes to booking your travel plans, what device are you most comfortable using?

83% ■ COMPUTER

12% ■ SMARTPHONE
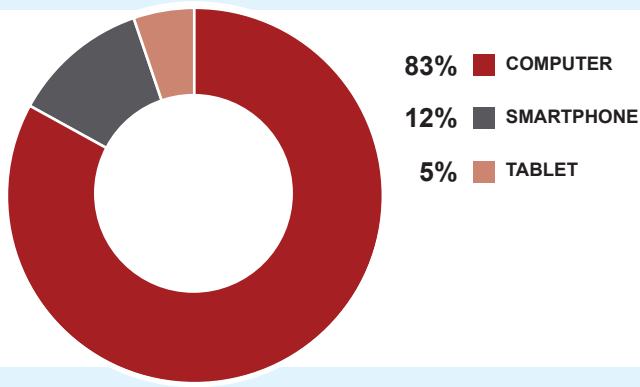
5% ■ TABLET

17% of respondents are most comfortable using their mobile devices to book travel plans.

Mobile Bookings On The Rise

One of the more surprising findings of the Maxymiser study is that travel booked on smartphones and tablets is becoming more common. In fact, 17 percent of respondents are most comfortable using their smartphones and tablets to book travel plans.

These findings reinforce why travel brands can no longer approach mobile as an afterthought or one-off project. The primary objective of a multichannel strategy must be to reinforce and strengthen comfort when it comes to making reservations via the mobile channel. Testing the strategies employed for the desktop channel are essential areas of opportunities. By doing so, travel brands will see a dramatic uplift in multichannel conversions and loyalty program engagement.

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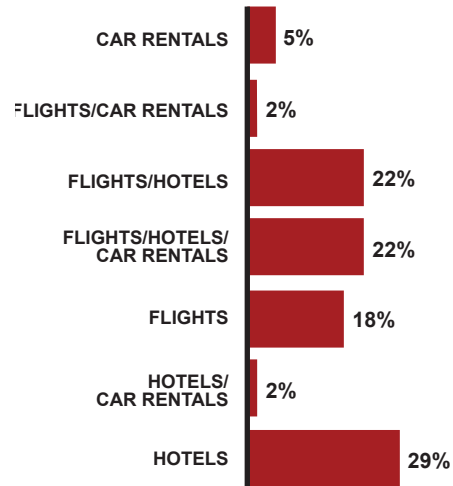Optimizing Every Customer Experience

Purchase Activity Differs Across Websites and Mobile Sites

Interestingly, the Maxymiser study found that in the first half of 2013, 48 percent of the respondents used their desktop/laptop computer to reserve more than one travel product. Meanwhile, 77 percent of respondents used their mobile device to reserve a single travel product. These findings reinforce why travel brands can no longer take a "one-size fits all" approach when it comes to developing a multichannel strategy. They must be willing to incorporate and adopt personalization within their multichannel strategy and adequately leverage the positive behaviors of each channel's customer type to increase revenue. If your customers book flights via their desktop/laptop computers, but prefer to rent cars at physical kiosks when they arrive at the airport, then focusing your mobile strategy around selling flights will not be an effective strategy. Offering a one-size-fits-all digital experience will only cause irreparable damage to your relationship with customers and, in turn, will turn them away to engage and spend their dollars with your competition.
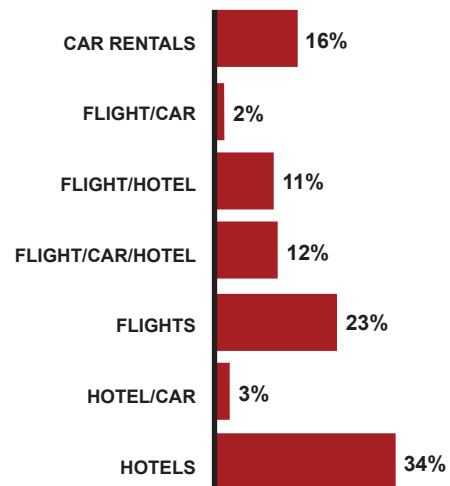
48% of desktop/laptop users purchase multiple products/ packages

77% of mobile users purchase a single product

Which types of travel products did you purchase most frequently using a laptop/desktop computer in the first half 2013?

Category	Percent
CAR RENTALS	5%
FLIGHTS/CAR RENTALS	2%
FLIGHTS/HOTELS	22%
FLIGHTS/HOTELS/CAR RENTALS	22%
FLIGHTS	18%
HOTELS/CAR RENTALS	2%
HOTELS	29%

Which types of travel products did you purchase most frequently using a smartphone and/or tablet in the first half of 2013?

| Category	Percent
CAR RENTALS	16%
FLIGHT/CAR	2%
FLIGHT/HOTEL	11%
FLIGHT/CAR/HOTEL	12%
FLIGHTS	23%
HOTEL/CAR	3%
HOTELS	34%

Figures may not add to 100, due to rounding.

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Loyalty Programs Influence Purchases

Loyalty programs are the cornerstone of the travel industry and play a pivotal role in decision making and fostering brand equity in the minds of travelers. In the Maxymiser study, 68 percent of the respondents indicated loyalty program incentives influence their final decision when making a reservation, regardless of the channel. This is a big opportunity for travel marketers to curate insights from visitors' past purchases as well as tap into real-time data points. By creating travel reward programs that are personalized, meaningful and useful to the traveler based on real-time data and insights, travel marketers will create a deeper and stronger connection with customers.

Do loyalty program incentives influence your final decision when booking online/ mobile travel?
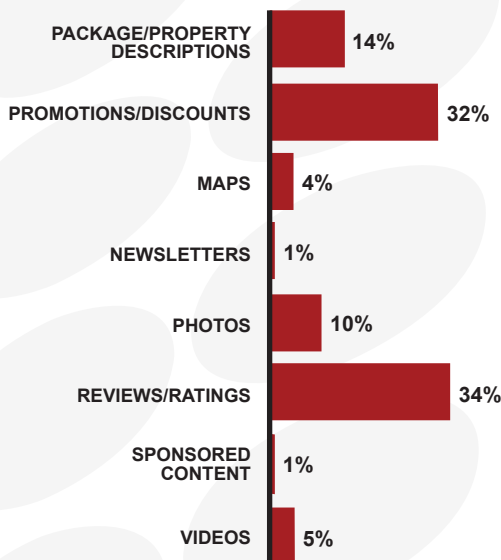
68% ■ YES
32% □ NO
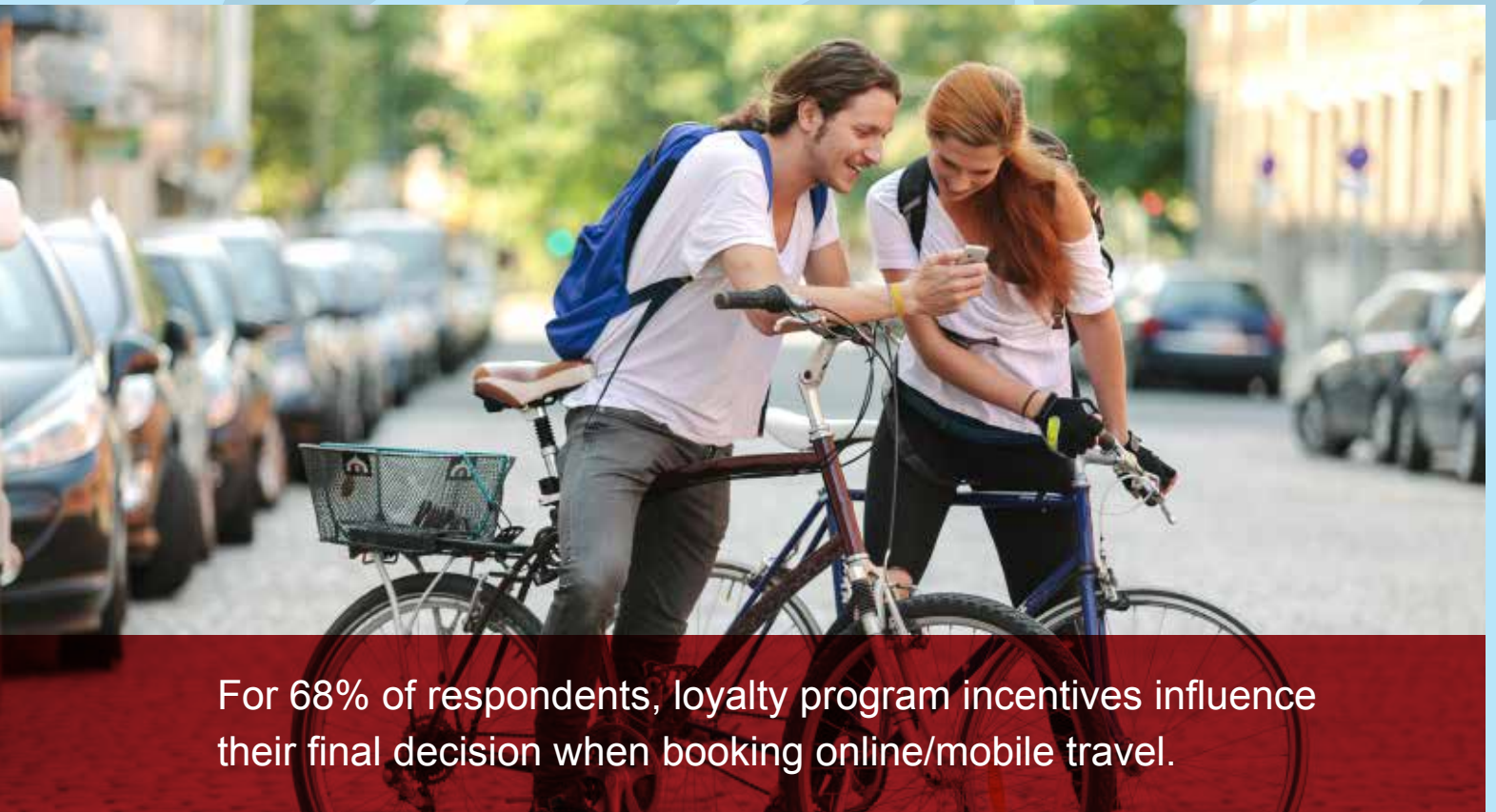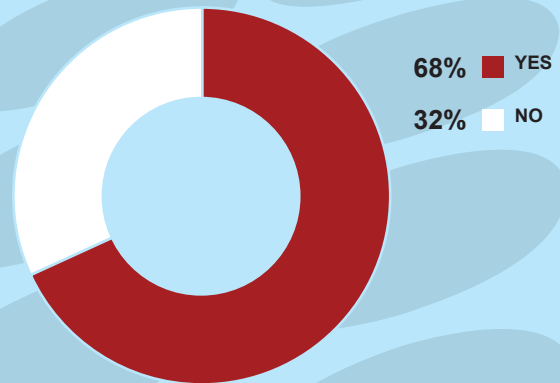
For 68% of respondents, loyalty program incentives influence their final decision when booking online/mobile travel.

Content Type Influences Travel Research

For many travel brands, content can play an important role in inspiring, exciting and motivating customers to move throughout the entire booking funnel. According to the Maxymiser study, the three most popular types of online content that influence consumers' choice when researching travel plans are: reviews and ratings (34 percent), promotions and discounts (32 percent) and package/property descriptions (14 percent).

With every interaction with your content, your customers are telling you stories about what influences them. By using every form of available data, travel marketers can transform static content into insights, which impacts both the customer experience and the growth of your business. These findings point to the clear value and benefit of constructing a multichannel content strategy.

What type of online content influences your choice when researching travel plans?

Content Type	Percentage
PACKAGE/PROPERTY DESCRIPTIONS	14%
PROMOTIONS/DISCOUNTS	32%
MAPS	4%
NEWSLETTERS	1%
PHOTOS	10%
REVIEWS/RATINGS	34%
SPONSORED CONTENT	1%
VIDEOS	5%

Figures may not add to 100, due to rounding.

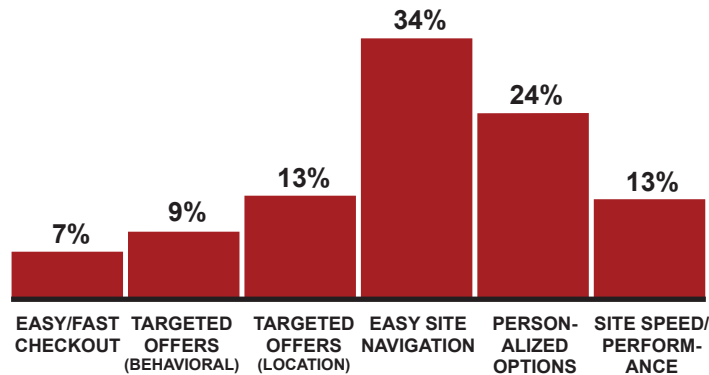# Site Structure & Personalization Top Customer Preferences

When asked to identify the most important aspect of a positive experience when researching or booking online travel, the Maxymiser study found that 54 percent of respondents identified various elements of site structure as important aspects of a positive experience. Misplacement of call-to-actions (CTAs), cumbersome user journeys and inefficient request and response calls can all lead to a poor experience. A multichannel optimization strategy approach will keep travelers engaged throughout the entire process, regardless of which channel they use.

Additionally, the Maxymiser study found that 46 percent of respondents consider personalization to be an important component of both the online research and booking experience. This finding is crucial and should serve as a brazen reminder of the

negative implications that could arise if marketers serve one-size-fits-all, irrelevant experiences to their customers.

While many travel marketers have begun to see the benefits of personalization, there is still a great deal of work to be done by travel brands to transition from a single digital channel strategy to a multichannel strategy. For instance, some brands still believe that basic "out-of-the-box" recommendations enable them to speak to their customers' individual interests and buying needs. As a result, these brands often fall short of successfully capturing the benefits of curating behavioral patterns and insights, which promote a personalized experience by sharing the data between multiple channels and providing a 360-degree view of the customer.

What is the most important aspect of a positive experience when researching or booking online travel?

7%	9%	13%	34%	24%	13%
EASY/FAST CHECKOUT	TARGETED OFFERS (BEHAVIORAL)	TARGETED OFFERS (LOCATION)	EASY SITE NAVIGATION	PERSON-ALIZED OPTIONS	SITE SPEED/ PERFORM-ANCE

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Poor Experiences Equal Lost Customers and Revenue

Competition within the travel industry is fierce. Travel marketing and brand professionals have a limited window to convert "lookers" into bookers. So anything that impedes this process will lead to a loss of your ultimate goals and revenue. A combined 79 percent of respondents indicated they would either not likely book again in the future (62 percent) or never return again (17 percent) if presented with a poor experience on a travel website or mobile site.

Travel marketers and brand professionals should use this as their litmus test for the activities they conduct. However, the best way to gauge results is through testing, measuring and gaining actionable intelligence for what is resulting in an enjoyable experience for each customer. Are you transforming customers into loyalists and brand advocates, or are you driving them to your competitors?

If you have a poor experience on a travel website or mobile site, what is the likelihood that you would book again in the future?

NEVER	NOT LIKELY	SOMEWHAT LIKELY	VERY LIKELY
17%	62%	16%	6%
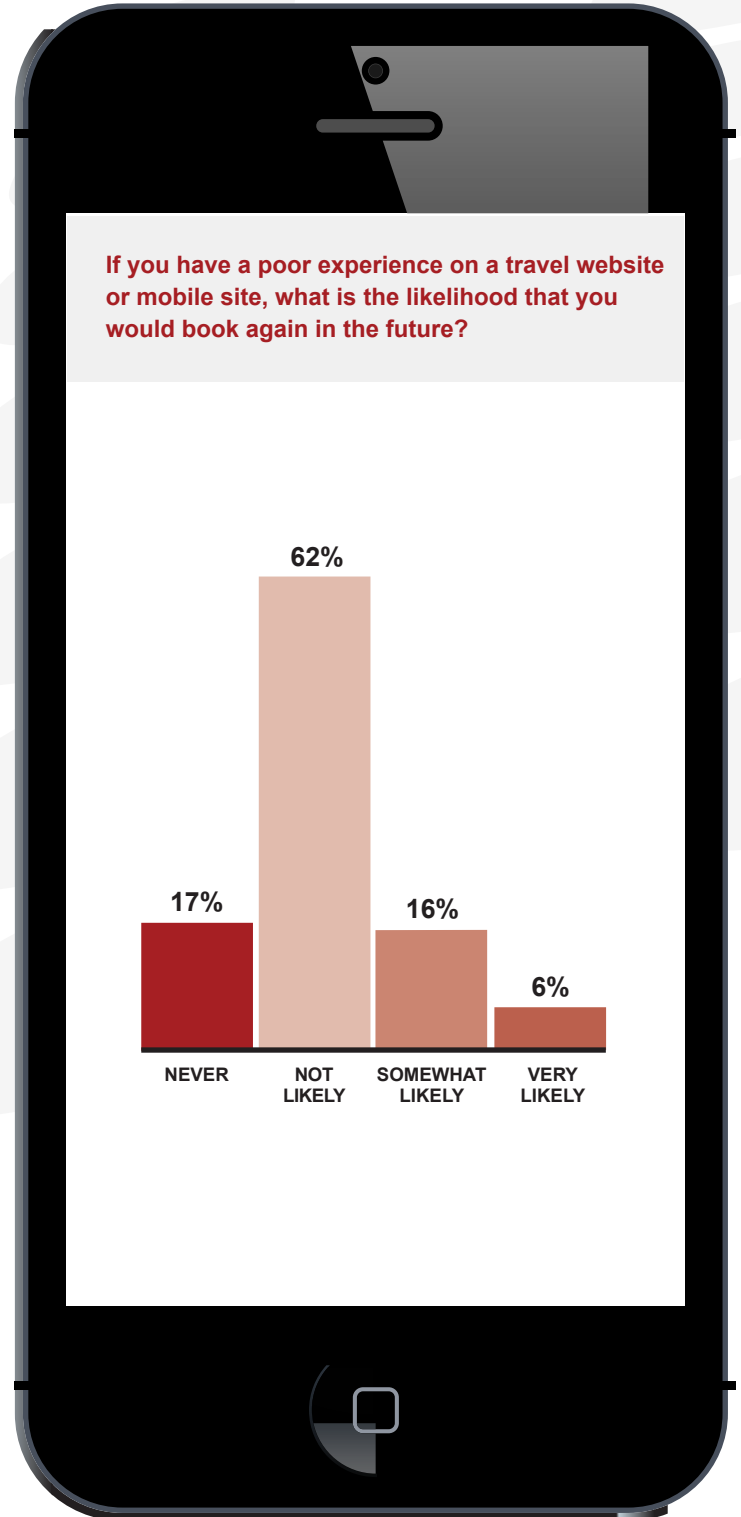
Conclusion

A successful multichannel travel strategy must start with the notion that every digital channel adds intrinsic value to the brand. Once that is established, marketers must adapt the strategies already deployed for a single channel across multiple channels. The travel marketers who will be successful in driving bottom line growth will be the ones who offer relevant, well-timed and perfectly delivered products and services that inspire, delight and cultivate loyalty, regardless of their device of choice.

RECOMMENDATIONS

• Shift away from siloed/individual team based approaches to online and mobile optimization. Instead, develop a strategic, unified multichannel customer experience optimization program that looks at the customer from a 360-degree point of view.

• Identify aspects of your digital channels which result in a poor customer experience and develop a customer experience optimization program to address them. Conducting online testing campaigns to validate and invalidate each hypothesis will not only save you a significant amount of your marketing spend and resources, but it will also provide accurate direction to boost your customer engagement and loyalty.

• Develop loyalty incentive programs to best leverage all of your digital channels. Utilize customer data from these programs, combined with real-time data, to power your brand's personalization strategy.

• To create an enjoyable experience which, in turn, boosts customer loyalty and LTV, modify and personalize the customer experience based on deep behavioral patterns, multichannel data and in-session browsing behavior.

• Once a campaign is complete, the customer experience optimization program doesn't end. It's an iterative process. Never stop testing, never stop personalizing and never stop listening to and acting on data.

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About Maxymiser

Maxymiser empowers brands to transform every digital interaction into seamless, relevant and engaging customer experiences with its cloud-based testing, personalization and cross-channel optimization solutions. Known for serving billions of individual experiences across every device, Maxymiser leverages customer data to dramatically boost engagement and revenue, while also driving long-term business value. Recognized by Crain's New York Business as a 2013 Fast 50 company, Maxymiser serves nearly 10 billion experiences each month worldwide. Combined with a team of vertically focused digital experts, Maxymiser's Customer Experience Optimization suite quickly delivers measurable results to every client through A/B and multivariate testing, segmentation, behavioral targeting and product recommendations for the web, mobile, social and email.

Maxymiser works with some of the world's most iconic brands, including Progressive, Office Depot, Alaska Airlines, Harry & David, LIDS, Sovereign Bank, Teleflora and Wyndham Hotel Group. Founded in 2006, Maxymiser is headquartered in New York with offices in Chicago, Edinburgh, Dnipro-petrovsk, Dusseldorf, London, Munich and San Francisco. To learn more about Maxymiser, please visit www.maxymiser.com and connect with us on Facebook, Twitter and LinkedIn.

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