

Net Value

Marketing Travel On The Internet



From Travel Business Analyst

Skyscanner in Germany

The first destination-search target for Germany-based visitors to the Skyscanner travel search site was Spain for both summer and winter, see table. Second in summer was Turkey, leading Skyscanner to make its now-common misinterpretations of its own data.

It presumes Turkey's position (indeed, the position of all destinations) is related to its attraction as a leisure travel destination. Skyscanner ignores the business element in travel and travel searches, and in the case of Germany-Turkey, the visiting-friends-or-relatives element.

Flight searches from Germany via Skyscanner

| Summer | Winter | Climber | Growth, % |
|----------|----------|-------------|-----------|
| Spain | Spain | Netherlands | 99 |
| Turkey | UK | Hungary | 73 |
| UK | Italy | Taiwan | 62 |
| Italy | US | Thailand | 60 |
| US | Turkey | Cambodia | 56 |
| Greece | Thailand | Sri Lanka | 55 |
| France | France | Jordan | 47 |
| Thailand | Germany | Belarus | 47 |
| Russia | France | Iraq | 45 |
| Portugal | Portugal | Indonesia | 44 |

Source: Skyscanner.

In summer there were two longhaul destinations in the top-10 - the US and Thailand. The same two were also the only ones in winter searches; both were higher ranked than in summer.

UK-based Skyscanner, which now counts 30mn visits month, has offices in Beijing and Singapore, but it also has a site in German.

PhoCusWright reports

On mobiles:

- Moving target.

Of US travellers who are active on online social networks, 31% have posted comments/photos in the past 12 months on a social network whilst travelling. And 27% have posted travel-related comments/photos at home or work.

These numbers are increasing as more own a smartphone and more use a social network. 64% of US online travellers now own a smartphone; it was 52% in 2011. And 83% of travellers are

active on social networks; 79%.

- 69% of France-, 57% of Germany-, and 69% of UK-based travellers, accessed the web via **mobiles** in the past year, up 10%. 50% in France, 33% in Germany, and 50% in the UK, log on at least daily.

- Some **mobile** measures:

-70% of mobile bookings are last-minute.

-US mcommerce is 8% of e-commerce.

-Mobile check-ins for North American airlines is 11%.

PhoCusWright reports

On travel:

- The **China travel market** is expected to double between 2009 and 2013, to US\$105bn, and the online travel market will more than quadruple over the same period, to exceed US\$15bn.

(Sino Market Insight forecasts US\$51.0bn online travel in 2015, see below.)

- The total **US travel market** is expected to grow 8% this year to US\$303bn, but then slow to 6% growth in 2013 and 5% in 2014.

PCW believes the US online leisure/unmanaged business travel market, projected to jump 11% this year, will slow to 7% in both 2013 and 2014.

Supplier websites increased 14% this year, against only 6% growth for OTAs. PCW forecasts that by 2014, two-thirds of online bookings will be made via supplier websites.

We believe the future will favour OTAs - unless the difference between a supplier and OTA site becomes indistinct.

Bites

- Research company IPK International says 54% of travel bookings worldwide take place on the internet (it says travel agencies represent 24%).

To us, this looks too high, and may re-

flect certain hidden qualifications in IPK's research. That could be asking respondents if they have 'ever' booked travel over the internet, or whether they have booked online in the past 12 months - but not whether all their bookings are made online, or only at-least-one.

- Facebook news.

-**Emirates** launched its FB page on March 25 this year and counted 500,000 fans after four months. It now has 1mn - although that means the pace is slowing.

-**Jet Airways** has reached 1mn fans on FB. It launched on FB January 19, 2010.

- Research and Markets, a company, has produced an **online China** study, with Sino Market Insight. It expects online "tourism" (which is not defined, but we understand to mean all travel not just leisure travel) will be worth US\$51.0bn (at US\$1 to Y6.23) in 2015.

(PhoCusWright forecasts US\$15bn in 2013, see above.)

It was US\$21.1bn in 2011, which would mean an annual average growth rate of 24.7%. The all-world rate is 10.6%.

By segment in 2011, flight tickets was 61.2%, hotels 25.6%, and vacation trips 10.7%.

- **Priceline** - once an opaque, name-your-price, OTA (online travel agency) but now a regular OTA - is buying **Kayak**, a travel search site.

An IPO (initial public offering) for Kayak in 2012 valued the company at US\$1bn, but the Priceline bid values it at US\$1.8bn.

- **GLM** has bought events group **Vertical Web Media**. This controls three e-events in the US - Internet Retailer Conference & Exhibition, Internet Retailer Mobile Marketing & Commerce Forum, Internet Retailer Web Design and Usability Conference.

IRCE has 600 sellers, MMCF 40, IRWD 60.

VWM provides business intelligence for the ecommerce market, with 75,000 publication subscribers and 280,000 monthly web visitors.

An annual subscription to Net Value, costing €100, is delivered via email in PDF format. A small extract from Net Value may be included in the Asia Pacific and Europe editions of Travel Business Analyst. ISSN-1998-6289.

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