



Net Value

Marketing Travel On The Internet

On the move

According to a PhoCusWright report on mobile devices (MDs) such as Blackberrys, see table, 'travel' places quite highly - 11% of MD users research travel, for instance, although that is some way below the 31% who access the internet.

And of those who do not have an MD, 16% said they would use an MD to buy travel, compared with 7% who buy travel among those who actually have an MD.

(IBM believes near-20% of the world's population are mobile phone subscribers - a 70% share in industrialised nations.)

Searching travel

Recent Hitwise findings for top travel-company searches, in August, were (in the top 10 only; excludes sites such as Google Earth, maps), in order:

- In Australia. 2008 - Qantas (1.07% of searches), Jetstar (1.04%), Virgin Blue (0.74%), Wotif (0.55%). 2007 - Qantas, Jetstar, Virgin Blue, Flight Centre, Wotif.
- In New Zealand. 2008 - Air New Zealand (1.58%), Pacific Blue (0.85%), House of Travel (0.74%), Qantas (0.70%), Grab A Seat (0.67%). 2007 - Air New Zealand, Qantas, House of Travel, Emirates, Flight Centre, Auckland airport.
- In Singapore: 2008 - Singapore Airlines (0.95%), Jetstar (0.69%), Tiger (0.67%), Changi Airport (0.55%), SMRT (0.36%). 2007 - Singapore Airlines, Tiger, Jetstar, Changi, Sentosa.
- In the UK: 2008 - Easyjet (0.81%), Ryanair (0.79%), Thomas Cook, Cheap Flights, Expedia, Cheap Holidays. 2007 - Easyjet, Ryanair, Thomas Cook (0.54%), First Choice (0.47%).
- In the US: 2008 - Southwest (0.57%), Expedia (0.49%), Travelocity (0.47%). 2007 - Southwest, Travelocity, Expedia.

Bites

- India's Cleartrip.com has installed QPX from ITA Soft-

Mobile device activities

Action	Share*, %	Action	Share*, %
Activities-1		Activities-2	
Text messaging	53	View directions	64
Access internet	31	Receive flight status	53
View video	17	Receive special offers	35
Research travel	11	Watch podcast on travel destination	20
Buy other-than-travel	10	Buy travel	16
Buy travel	7	Other	13
None	41		

Questions: 1-"What activities, other than making phone calls, have you done on your mobile device?" 2-"Which of the following do you think you might be interested in doing on a mobile device?"

Notes: *Multiple answers. Source: Mobile Travel Technologies, PhoCusWright.

ware, for airfare pricing and shopping. Cleartrip, launched in July 2006, claims a 35% market share in India among OTAs (online-travel agencies).

Mumbai-based Cleartrip projects a turnover of US\$280mn (Rs12bn) in its current fiscal year.

Internet sales share in Switzerland, %

Year	Agency	Internet	Individual*
2004	39	na	26
2005	34	17	29
2006	30	23	30
2007	30	27	26
2008	29	32	22

Notes: *The difference between 'internet' and 'individual' is not clear; 'Individual', started in 1994, has been maintained as a category for comparative purposes. Source: Elvia, Travel Inside; comment Travel Business Analyst.

- In Switzerland, online sales have overtaken those in travel agencies this year, see table.
- Air Pacific reports its best month in online sales, last July. Sales were US\$660,000 (F\$1mn, at US\$1 to F\$1.52) each week.

In an attempt to put this in context -

Priceline results, Jan-Jun

Item	2008	Growth, %	AAGR*, %	2007	2003
Air tickets sold, x1000	2,531	90.9	20.5	1326	996
Roomnights sold, x1000	20,254	53.5	49.2	13197	2,739
Rental car days sold, x1000	5,427	26.8	28.8	4281	1,530

Notes: *AAGR = average annual growth rate, 2003-8. Source: company.

seat sales that month totalled 100,000; the airline's 2007 revenue was US\$367mn, an average US\$7.1mn weekly. That would indicate online represents around 10% of total sales.

- No comparative data for following claims:

-Thai Airways has increased domestic online bookings by 200% over three months and wants to quadruple online bookings by end-2009.

-Air China showed 52% growth in online sales in Q1 2008.

- In France:

-Online sales at Air France now represent 25% of total sales. Growth has been 60% in the year through March 2006, another 17% 2006/7, and 27% 2007/8.

-Travel agency group Selectour sold US\$ 4.2mn (at US\$1 to €0.71) online in 2007, a small but unknown share of its total sales. But it targets a 66% increase this year to US\$7.0mn.

-Voyage Prive reported sales of US\$29.6mn (at US\$1 to €0.71) in 2007, and targets a 143% growth this year to US\$71.8mn. Client travellers are expected to number 160,000, which would mean an average US\$449 from each customer.

(Data calculated from Tour Hebdo reports; comment Travel Business Analyst.)

- Priceline, the opaque online travel agency, is still reporting fast growths.

In the first half of this year, ticket sales increased 91%, see table, and average growth over the past five years has been an annual 21%. Roomnight sales were slower, at 54%, but average annual growth has been almost 50%.

Growth in car rental bookings has been steady - 27% this year, and 29% annually over the past five years.