With You

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With You

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Meet Our Analysts

Global primary research on travel, technology, innovation, distribution

35 +

globally positioned, in-market subject-matter expert analysts

Concierge client services:

• On-demand access to live support
• Training for your team
• Data visualization tools
• Creative services
• Customized marketing
• Librarian services

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By the numbers

- 100% travel
- 275+ travel experts
- 8+ year average client relationship
- 100+ destinations & travel brands
- $33+ million in industry participation
A few of our clients
In Association with:

SOUTHEAST TOURISM SOCIETY

DMAwest
destination marketing association of the west

DESTINATIONS INTERNATIONAL
Webinar Resources

Research, slides and other resources will be available at www.milespartnership.com/phocuswright
How to participate

- Use your link to rejoin the webinar in the event you are disconnected.
- A Q&A session will be held at the end of today’s presentation.
- Today’s webinar is being recorded and will be available in follow up.

Choose to use computer audio or dial in by phone.

Have a question? Ask it here.
1. Destination Known or Destination Unknown
2. The Rise of the Chinese Traveler
3. Multi Device World
4. David vs. Goliaths
5. Personalization that Works
6. Smart Data & Mobile Payments

Agenda
Destination Known or Destination Unknown
Travelers don’t always get to pick their vacation destination

**Question S7:** For the total leisure trips you took in the past 12 months, what type(s) of destination(s) did you visit?

**Base:** Leisure travelers: AU (N=2,575), BR (N=3,173), CH (N=6,460), DE (N=2,659), MX (N=2,775), U.K. (N=2,448), U.S. (N=2,516)

**Source:** Phocuswright’s *Destination Decision: How Travelers Choose Where to Go*

---

**Type of Destination Visited in Last 12 Months**

- A destination where you visited friends or family casually (not driven by a social event such as a reunion or wedding)
- A destination that you selected independently (excluding all the above)
- A destination where you attended a social event, such as a reunion or wedding
- A destination where you, friends or family own a vacation home
- A destination where you added a leisure stay as an extension of a business trip, and did not change destinations

[Diagram showing percentage distribution by country for each type of destination]
Travelers from mature travel markets are more likely to know where they want to go.

**Already Have the Specific Destination in Mind and Did Not Research Other Options, Share (%)**

- U.S.: 63%
- Australia: 60%
- U.K.: 57%
- Germany: 55%
- Mexico: 45%
- Brazil: 43%
- China: 4%

Question D2: When selecting your destination, did you. Select one.

Base: Global leisure travelers who selected a destination independently: AU (N=865), BR (N=817), CH (N=811), DE (N=862), MX (N=863), U.K. (N=875), U.S. (N=882)

Source: Phocuswright's *Destination Decision: How Travelers Choose Where to Go*
33%

Of U.S. travelers visited an international destination in 2018

Question: Of the N leisure trips you took in the past year, how many were to international destinations (to places outside of the United States where a passport was required)?
Base: U.S. Travelers:
Source: Phocuswright's U.S. Consumer Travel Report 2019
Overwhelmingly, Chinese travelers are most likely to have visited a new destination on their last leisure trip, while in the U.S. and Australia, most travelers returned to a destination they had previously visited.
Question C4B: Why did you begin to consider this new destination? Select all that apply.
Base: Global leisure travelers who selected a destination independently: AU (N=374), BR (N=543), CH (N=691), DE (N=521), MX (N=524), U.K. (N=455), U.S. (N=412)
Source: Phocuswright's *Destination Decision: How Travelers Choose Where to Go*

“I always wanted to visit.”

Travelers keep a list of places they would like to visit.

Travelers are also likely to visit a new destination if it was recommended by friends or family, or if it provided a good value for money.
FEEL LIKE A FINN

WATCH THE VIDEO
GEEMANJI ADVENTURE

GEELONG AND THE BELLARINE

BOOKINGS CLOSE FRIDAY 6TH JUNE 2019

GEEMANJI

ADVENTURE

The White Rabbit has done his dash, but now our region and the jungle clash!

This will not be an easy mission, lions and monkeys slow the expedition.

Your business is invited to host tiki's and clues, plus games, prizes and tools to use.

Slowly but surely we’ll win back our claim, as thousands join to play the game!

5 REASONS

WHY YOU NEED TO GET ON BOARD

1. This is the biggest VFR campaign and budget for Geelong & The Bellarine - ever!
2. If customers make a purchase at your business, they’re rewarded in the game and can unlock special clues and prizes!
3. Customers will be incentivised to visit businesses more than once to unlock even more clues and fun!
4. With public activations and more fun added to the list, 2019/20 hosts the most amount of business opportunity to date!

LITTLE CREATURES
WERRIBEE ZOO
SUPATRAMP
YOUR BUSINESS
“OVERTOURISM”
DMO Destination Management Survey

Destination Management issues are Important or Very Important to their DMO

83%

Destination Management issues will be more important or far more important to their DMO 3 years from now

85%

Preliminary Results of the DMO Destination Management Survey, Destination Analysts n=110
KEY TAKEAWAYS & ACTIONS

1. Visiting friends & relatives (VFR) drive important parts of your industry
2. Develop a long-term relationship with locals who host VFR
3. Managing the visitor experience is critical
4. Invest in developing your capabilities in destination management
The Rise of the Chinese Traveler
Quick Facts

- **99%** of Chinese travelers engage with travel online
- **58%** of online travel population 18-34
- **98%** own a smartphone
- **$5,108** average annual travel spend
- **70%** of Chinese adults with online access purchased a flight

*Base: Online travelers
Source: The New Global Traveler: Discovering the Impact of Technology*
Chinese travelers were most likely to research their destination, which is consistent with them being the most open to new destinations for this trip.

### Time Spent Researching Destination, Share (%)

<table>
<thead>
<tr>
<th>Country</th>
<th>1 day or less to 6 days</th>
<th>1 to 4 weeks</th>
<th>1 month or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>12%</td>
<td>57%</td>
<td>31%</td>
</tr>
<tr>
<td>Brazil</td>
<td>10%</td>
<td>29%</td>
<td>33%</td>
</tr>
<tr>
<td>Mexico</td>
<td>9%</td>
<td>31%</td>
<td>37%</td>
</tr>
<tr>
<td>U.S.</td>
<td>18%</td>
<td>35%</td>
<td>25%</td>
</tr>
<tr>
<td>Australia</td>
<td>19%</td>
<td>32%</td>
<td>27%</td>
</tr>
<tr>
<td>U.K.</td>
<td>18%</td>
<td>38%</td>
<td>27%</td>
</tr>
<tr>
<td>Germany</td>
<td>16%</td>
<td>43%</td>
<td>29%</td>
</tr>
</tbody>
</table>

**Question D3B:** How much time did you spend researching the destination (e.g., activities available, climate, culture/customs)?

**Base:** Global leisure travelers who selected a destination independently: AU (N=865), BR (N=817), CH (N=811), DE (N=862), MX (N=863), U.K. (N=875), U.S. (N=882)

**Source:** Phocuswright's *Destination Decision: How Travelers Choose Where to Go*
Online destination researchers use social media to choose their destination

FEWER THAN 1 IN 5

15%

ALMOST HALF

44%

Question: What type(s) of websites/apps do you recall using while selecting the destination for this trip? Select all that apply.

Base: Research Destination Online

Source: Phocuswright's Destination Decision: How Travelers Choose Where to Go
Chinese Travelers Book On Non-travel Platforms

> Half have used Meituan to purchase travel products

About 2 in 5 have used Taobao or WeChat to purchase travel products

Question:: Of the following apps please indicate if you have used either to research or book your travel.
Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
INSIGHTS & RESOURCES

RISE OF THE CHINESE TRAVELER
<table>
<thead>
<tr>
<th>40%</th>
<th>95%</th>
<th>9+%</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="#" alt="American flag" /></td>
<td><img src="#" alt="British flag" /></td>
<td><img src="#" alt="Chinese flag" /></td>
</tr>
</tbody>
</table>
KEY TAKEAWAYS & ACTIONS

1. Chinese visitors will drive much of the world’s growth in tourism
2. Have a long-term perspective on developing this market
Multi Device World
Traveler Device Ownership

- **Smartphone**
- **Computer/laptop**
- **Tablet**

<table>
<thead>
<tr>
<th>Country</th>
<th>Smartphone</th>
<th>Computer/laptop</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>94%</td>
<td>59%</td>
<td>63%</td>
</tr>
<tr>
<td>France</td>
<td>93%</td>
<td>58%</td>
<td>58%</td>
</tr>
<tr>
<td>Germany</td>
<td>94%</td>
<td>58%</td>
<td>44%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>99%</td>
<td>44%</td>
<td>45%</td>
</tr>
<tr>
<td>Japan</td>
<td>93%</td>
<td>87%</td>
<td>63%</td>
</tr>
<tr>
<td>China</td>
<td>98%</td>
<td>90%</td>
<td>63%</td>
</tr>
</tbody>
</table>

Ownership of multiple devices is now universal among online travelers across markets.

Question A5: Which of the following web-enabled devices do you own/use? Select all that apply.

Base: Online Travelers: U.S. (N = 826), U.K. (N = 820), France (N = 856), Germany (N = 863), Indonesia (N = 730), Japan (N = 804), China (N = 883)

Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
Though mobile adoption is high, smartphones remain a secondary device in most markets.

But it’s mobile first in China and Indonesia.

Question C1: Please indicate how much you agree or disagree with these statements:
Base: Smartphone owning travelers: U.S. (N = 773), U.K. (N = 742), France (N = 797), Germany (N = 810), Indonesia (N = 723), Japan (N = 703), China (N = 866)
Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
Smartphone: The ultimate travel accessory!
Finding directions and general destination research are the most popular digital behaviors once on site.
67% of U.S. online travelers use Google’s “Explore nearby” as a research or booking tool

Source: Phocuswright’s Global Traveler Technology Survey 2019
59% of U.S. online travelers use their smartphone to check in for their flight

Source: Phocuswright’s Global Traveler Technology Survey 2019
Frequent travelers more likely to keep travel apps downloaded at all times

**Travel App Always Present on Phone**

- **1-2 trips**
- **3+ trips**

<table>
<thead>
<tr>
<th>Country</th>
<th>Airline apps</th>
<th>Hotel apps</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>U.K.</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>France</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Germany</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>U.S.</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>U.K.</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>France</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Germany</td>
<td>40%</td>
<td>60%</td>
</tr>
</tbody>
</table>

**Question C5:** Which best describes the presence of the following travel-related apps on your phone?

**Base:** Smartphone owning travelers: U.S. (N = 773), U.K. (N = 742), France (N = 797), Germany (N = 810), Indonesia (N = 723), Japan (N = 703), China (N = 866)

**Source:** Phocuswright’s *The New Global Traveler: Discovering the Impact of Technology*
4 in 5 Chinese and Indonesian travelers always have an OTA app on their phones.

Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology, Ctrip
Satisfying immediacy is often more important than loyalty.

75% of smartphone users expect to get immediate information while using their smartphone.

Insights we uncovered in 2019 that will take you into 2020.
芬兰城堡
© 12:00-16:00
© Pieni Roobertinkatu 8
© www.websitename.fi

芬兰城堡，或称芬兰堡，是建在六座小岛上的防御工事，位于芬兰首都赫尔辛基。是著名的旅游景点。它原来的名字是斯韦

WeChat
In our “Next Generation Mobile” webinar this week we briefly canvassed a commonly asked question from destinations, hotels, activities and others: Should I invest in a mobile app for my visitors or guests?

In general, we believe it is better for most destinations, hotels or activities to invest further in a robust, content-rich and fully responsive website that will work seamlessly across all devices. A mobile app offers additional features and utility, but it will need to be supported.
1. All your content, owned/shared and paid media should be mobile ready
2. Approach apps with caution and build a clear use case
3. Test & refine solutions for Chinese visitors
David vs. Goliaths
First Place U.S. and Chinese Travelers Research Destinations

Question: A8 When first inspired to research a possible vacation destination, where do you first turn for information?

Base: U.S. leisure travelers who selected a destination independently (N=882)

Source: Phocuswright's Destination Decision: How Travelers Choose Where to Go

- **Google/Search Engine**: 25% (US), 15% (China)
- **Friends and family**: 14% (US), 12% (China)
- **TripAdvisor**: 13% (US), 1% (China)
- **Hotel or airline websites**: 12% (US), 3% (China)
- **Destination website**: 8% (US), 5% (China)
- **Online travel agencies**: 6% (US), 6% (China)
- **Social media**: 2% (US), 6% (China)

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Social Drives Awareness In Ongoing Inspiration Stage

Source: Instagram
Travel Decisions Were Influenced by Social Media

Question D4: Which of the following, if any, have influenced any leisure travel decisions you have made (e.g., destinations you visited, or hotels you picked) over the past 12 months? Select all that apply.

Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
INSIGHTS & RESOURCES

DAVID VS. GOLIATHS
ADVERTISING BUSINESS REVENUE

Google
$40 billion+

Facebook
$20 billion+

Amazon
$2+ billion+

US dollars, estimates to 2019, Phocuswright, AdWeek
Google DMO Partnership Program
70,000+
Street View & Image Assets
Loaded by 100+ DMOs

315,000,000+
Street View & Image Asset Views
Reported from Google Maps
KEY TAKEAWAYS & ACTIONS

1. Integrate an open content model into tourism marketing
2. Use free tools & platforms such as the Google DMO Partnership Program
3. Explore other content & brand/marketing partnerships
Personalization that Works
Around 60% of U.S. and European travelers find proactive recommendations helpful.

Source: Phocuswright’s *The New Global Traveler: Discovering the Impact of Technology*
More than one in three travelers from each market find personalized recommendations creepy.

Question F1: Please indicate how much you agree or disagree with these statements:

Base: Online Travelers: U.S. (N = 826), U.K. (N = 820), France (N = 856), Germany (N = 863), Indonesia (N = 730), Japan (N = 804), China (N = 883)

Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
Consumers want relevant personalized offers (e.g., within their budget or about places of interests) and not spam emails.
INSIGHTS & RESOURCES
PERSONALIZATION THAT WORKS
IN LESS THAN 3 HOURS, YOU COULD BE HERE

FLY DIRECT TO THE #1 BEACH IN THE U.S.

Explore Our Beaches
Blue Jays vs. Orioles

VISIT CAMDEN YARDS FOR BBQ, BREWS AND BASEBALL

Learn More
Mail Order Form
Complete this information so we can deliver your brochures and guides by mail. Please expect 7-10 days for delivery.

First Name *

Last Name *

E-mail Address *

You've Selected

Note: Only one of each selected brochure will be mailed.
Family Fun

They call us “America in Miniature,” which makes sense, because Maryland is the perfect place to bring the little ones.
KEY TAKEAWAYS & ACTIONS

1. Have a tightly defined target audience(s) and message
2. Content – Content – Content
3. Start simply & build your capabilities & the business case
4. A job never done – continually test & iterate
Smart Data & Mobile Payments
55%

Of U.S. (U.S. Smartphone Owners) have used a mobile payment platform

Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
Alipay Leads The Way In China Where Mobile Payment Is Typical
Payment Options Used By Chinese Travelers For In-Destination Activities

Question C6: Please indicate which of the following payment options you have used to pay for the following travel products in the last 12 months.
Base: China smartphone owning travelers: (N = 866)
Source: Phocuswright’s The New Global Traveler: Discovering the Impact of Technology
Comfortable Using Mobile Payments for Travel Products (U.S. Smartphone Owners)

**Question C7:** Please indicate how comfortable you are/would be paying with a smartphone payment app (e.g., Google Pay, Apple Pay, Chase Pay) for the following:

- In-destination activities during domestic trip: 47%
- Flight or hotel: 43%
- In-destination activities during international trip: 42%

Source: Phocuswright’s *The New Global Traveler: Discovering the Impact of Technology*
Data is king, but asking travelers to share too much deters app download
Scan to discover!

支付宝
ALIPAY

微信
WECHAT
MOBILE PAYMENTS IN TRAVEL & TOURISM:
UNLOCKING THE POTENTIAL
MARCH 2019
SMART DATA
GEOLOCATION DATA

Travelers to Cleveland - Weekdays

Heat map shows concentration of CELs of travelers to Cleveland on **weekdays only** (M-F)

Top 5 Source Markets

<table>
<thead>
<tr>
<th>DMA</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbus, OH</td>
<td>20.56%</td>
</tr>
<tr>
<td>Youngstown, OH</td>
<td>11.36%</td>
</tr>
<tr>
<td>Detroit, MI</td>
<td>10.19%</td>
</tr>
<tr>
<td>Toledo, OH</td>
<td>10.13%</td>
</tr>
<tr>
<td>Pittsburgh, PA</td>
<td>7.72%</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>7.02%</td>
</tr>
<tr>
<td>New York, NY</td>
<td>5.56%</td>
</tr>
<tr>
<td>Cincinnati, OH</td>
<td>5.09%</td>
</tr>
<tr>
<td>Dayton, OH</td>
<td>4.47%</td>
</tr>
<tr>
<td>Washington, DC</td>
<td>3.58%</td>
</tr>
<tr>
<td>Wheeling, WV</td>
<td>3.02%</td>
</tr>
<tr>
<td>Indianapolis, IN</td>
<td>2.97%</td>
</tr>
<tr>
<td>Atlanta, GA</td>
<td>2.92%</td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>2.77%</td>
</tr>
<tr>
<td>Buffalo, NY</td>
<td>2.71%</td>
</tr>
</tbody>
</table>

**Philadelphia Tourism**

What were the top neighborhoods?

<table>
<thead>
<tr>
<th>Rank</th>
<th>Neighborhood</th>
<th>% of Devices</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Northeast Philly</td>
<td>27.21%</td>
</tr>
<tr>
<td>2</td>
<td>Center City East</td>
<td>23.89%</td>
</tr>
<tr>
<td>3</td>
<td>Center City West</td>
<td>22.28%</td>
</tr>
<tr>
<td>4</td>
<td>South Philly</td>
<td>19.59%</td>
</tr>
<tr>
<td>5</td>
<td>University City</td>
<td>17.01%</td>
</tr>
<tr>
<td>6</td>
<td>University City</td>
<td>17.62%</td>
</tr>
<tr>
<td>7</td>
<td>Old City</td>
<td>15.13%</td>
</tr>
<tr>
<td>8</td>
<td>North Philly</td>
<td>15.33%</td>
</tr>
<tr>
<td>9</td>
<td>Fairmount Park</td>
<td>13.22%</td>
</tr>
<tr>
<td>10</td>
<td>Spring Garden/Fairmount</td>
<td>12.39%</td>
</tr>
<tr>
<td>11</td>
<td>West Philly</td>
<td>11.99%</td>
</tr>
<tr>
<td>12</td>
<td>Navy Yard</td>
<td>11.91%</td>
</tr>
<tr>
<td>13</td>
<td>Southwest Philadelphia</td>
<td>11.40%</td>
</tr>
<tr>
<td>14</td>
<td>Chestnut Hill/Germantown</td>
<td>8.12%</td>
</tr>
<tr>
<td>15</td>
<td>Reberough/Manslelfs</td>
<td>7.37%</td>
</tr>
<tr>
<td>16</td>
<td>Stadium</td>
<td>7.11%</td>
</tr>
<tr>
<td>17</td>
<td>Museum District</td>
<td>6.05%</td>
</tr>
</tbody>
</table>

Tourism Visits by Neighborhood

- **Low Density**
- **High Density**
KEY TAKEAWAYS & ACTIONS

1. Facilitate mobile payment technologies in your industry
2. Alipay & WeChat pay are essential for lifting Chinese spending
3. Build capabilities with data sourcing, analysis & reporting
4. Develop & share best practices in how to use & report on data
Phocuswright

Research & Upcoming Events 2020

Cees Bosselaar
Vice President, Business Development and Destination Marketing Specialist
Phocuswright Inc.
Data Points & Reports Used Today

Reports used today:
1. **Destination Decision: How Travelers Choose Where to Go** For purchase

Free Downloads:
1. **Asia-Pacific Tourism 2019: Market Trends, Opportunities and the Challenges Facing Tourism Organizations**
2. **Escaping the Sidelines: Tours & Activities Get Going**
3. **Phocuswright Gender Equity Study 2019 Highlights**

For more information, contact Cees Bosselaar at cbosselaar@Phocuswright.com
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In our “Next Generation Mobile” webinar this week we briefly canvassed a commonly asked question from destinations, hotels, activities and others: Should I invest in a mobile app for my visitors or guests?
Thank you