UNCHARTED 2019
Disruptive experiences rerouting the travel industry
FORWARD

Travel has always been a collection of experiences. But in today’s experience economy, that’s no longer enough. Experience leaders inside and outside the industry like Uber, Airbnb, Amazon and Apple have raised the stakes: Travelers demand experiences that are authentic, personalized, co-created, precise and immediate.

Competition is fierce and margins are thin. Opportunity abounds, but there’s no room for error. Your next move will make or break your brand and your bottom line. How do you proceed? By ditching the map and discovering new ways of thinking and doing.

Stop following the path—and forge your own.
Eyes on the horizon
Ears on the ground

2019 marks our fourth year scanning the landscape to forecast what’s ahead, and we’ve spotted four new directions that are poised to rock the boat.

This is not your typical trend list built on buzzwords and veiled sales pitches. Our thinking is anchored by experience with travel brands of all sizes and segments across the globe. Real-world insights grounded in data—not esoteric concepts that never land in practice.

UNCHARTED is a labor of love that combines the deep industry knowledge and thoughtful analysis Accenture is known for with our bottomless creativity and passion for travel. We believe that, together, travel and technology will boldly copilot the next wave of experience.
FOUR NEW DIRECTIONS
Epic shifts that are changing the industry’s itinerary
PUSHING BOUNDARIES
Expanding online and extending digital to physical
Traditional boundaries are changing. In addition to selling their own wares online, travel brands will increasingly bring third-party products to the table. Beyond the online offering, this shift will also transform the in-destination experience. But first, brands must revisit their technology architectures.
None of this is possible without the right technology foundation. Travel brands will need to evolve their IT architectures so that they become more flexible and agile. Considering the number of mergers and acquisitions in the industry, this has been an ongoing need. But it will intensify. If ecosystem partners are truly going to work together to distribute travel products and services and co-create new experiences, they will need a digital backbone that can switch on and switch off to support data sharing and collaboration.

The days when travel brands sold only their own product set online are coming to an end. There is an untapped opportunity for travel brands to transform their online presence. After all, less than a quarter of in-destination inventory is currently purchased online. Online will evolve to a grand experience hub as travel brands sell complementary and relevant third-party products and services that enrich the travel experience. Online will become a traveler-centric doorway to a dynamic travel ecosystem. Think of it as a one-stop digital destination inspired by online retail giants. The true Amazonification of travel has arrived.

This new reach of online experiences will extend to physical spaces too. An important part of this will be to identify more touchpoints in the physical space that connect online and offline environments and create new ways for guests to interact with and acquire travel products at the destination. This is about more than connected experiences. It’s about curated experiences that blur the lines between the physical and virtual. Brands will increasingly look to this digital-physical mash-up to maximize experience and revenue per square meter. It’s how spaces with clear boundaries become boundless.

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Travelers have relied on TripAdvisor for reviews and booking for years. The company is upping its game with radical changes to its website and mobile app. The new Travel Feed is part social network and part content hub. In a beta version launched in September 2018, the platform brings together news and information from 500 media partners and enables social sharing. The aspiration? To create an integrated and curated online experience destination that travel lovers check as often as they do Facebook or Instagram. Time will tell if TripAdvisor can capture social networking mindshare from these market leaders.
CONTENT
JET LAG
Consumers need a vacation from vacation planning
As technology progresses, so will the overwhelming number of travel channels, formats and choices. To reach weary travelers seeking a respite from the noise, brands need to sharpen the who, what, where, when and why of their messaging. Precision will be the answer to oversaturation.
Deep Dive

A wild world of content

Travel brands have a world of possibilities when it comes to content. There are countless channels and formats to engage travelers, with new options emerging all the time, making things even more complicated and overwhelming. Take voice assistants, which are quickly gaining a foothold and changing how content is packaged and consumed. Some hospitality leaders are already using voice activation technologies to make it easier for guests to personalize in-room environments. However, what’s happening now in voice is just the tip of the iceberg; in fact, a future where content engages several human senses at once is not so far away.

The burnout problem

The irony is that in this clamor of content, consumers just want peace and quiet. With 2.5 quintillion bytes of data created every day, it’s no wonder people are getting burned out in our hyper-connected, always-on world. They are defending against the barrage by unplugging and opting out—rebelling against the pings, screens and clicks that are cluttering their lives.

A wise strategy wins

This dynamic creates a challenge for travel brands as they develop content strategies. How do you talk to people when all they really want is silence? The secret is content that is hyper-relevant to individual customers and coherent across all channels. In fact, 91 percent of all travelers deem hyper-relevance critical to their experience. Through advanced analytics, psychographic segmentation and listening to customer preferences, brands can leverage the right content in the right channel at just the right moment.
easyJet launched a booking experience made for digital natives. Travelers upload an Instagram screen grab of their destination using its Look&Book app—a breakthrough in predictive content. The app uses image-recognition technology and geotagging to identify locations and automatically fills in booking fields. It’s a revolution in search aligned with younger consumers’ social obsession. As easyJet’s head of digital experience explains, the company wanted consumers to not only be inspired by the photos they like on social media, but to use them as a springboard to realize their travel dreams.
03
TRAVEL GETS TO WORK
B2B’s new DNA
A revolution in how, when and where people work is reinventing business travel. The 9-to-5 no longer has a time zone, and corporate travelers, booking agents and event planners are demanding the same streamlined, customer-centric experiences they get as leisure travelers. Now’s the time to rethink your B2B value proposition.
Deep Dive

Disruption at work

Just like Uber disrupted transportation, shared workspace companies like WeWork are disrupting work environments. Work doesn’t have to be in a traditional office, but doesn’t have to be at home either. It can be social and fun while still staying professional; after all, humans are naturally social creatures. With coworking spaces in cities around the world, the “office” can now travel with people. This will profoundly change the business travel ecosystem.

Work hard, play hard

Savvy travel brands will take a page from industry disruptors and seek out opportunities to disrupt the status quo with breakthrough business travel products and services. This entails taking an active role in shaping the next generation of business travel experiences. As part of this, travel brands should account for the growing popularity of “bleisure” trips where corporate travelers look for ways to make the most of their business trips by fully experiencing the destinations they visit.

Designed for people, not corporations

For exciting business travel offerings to succeed, travel brands have to first face a loud wake-up call from their B2B customers. These customers are demanding the same simplicity they get in the B2C online experience. What this means in practice is that business travel related online tools, services and experiences have to be designed for humans, not corporations. Travel brands that develop solutions with this in mind are in the best position to take advantage of a surging global business travel market. Corporate travel alone is expected to reach $1.6 trillion by 2023.6
Airbnb is the quintessential travel industry disruptor. Now the company has added new features with Airbnb for Work, a site for business travelers and travel managers. Businesses can use the Airbnb Experiences functionality to book special events along with team-building and morale-boosting activities—from surf lessons to cooking classes. They can also search and book Airbnb homes for corporate retreats, off-site meeting spaces or temporary housing for relocated employees. With these moves, Airbnb is seizing opportunities to be known not just as a travel partner, but as an innovative work partner.
SHIFTING TIDES OF LOYALTY
The rewards of trust
Patterns among travel industry data breaches reveal cyber criminals are seizing on loyalty data as loot. To lock in future revenue, brands need to lock up this treasure trove of personal information. The urgent need for security will trigger a major change, ending the era of evolving rewards and redefining how the industry thinks about loyalty—its most precious asset.
Deep Dive

A hacked itinerary

Consider the string of reported cyberattacks in the second half of 2018. Breaches have targeted some of the world’s most established companies. Given the valuable data assigned to loyalty programs, this wave of attacks signals a hard truth: Valued at $200 billion, global travel loyalty programs are among the most valuable targets for hackers. This is devastating news for travelers who fear being victimized by identity theft, which can disrupt their financial lives for years. It’s also devastating for travel brands. If loyal customers don’t trust that their personal data is secured, critical renewals will suffer. So will brand reputations, revenue generation and future growth.

Protecting the cache

Travel brands must face reality here. If loyalty program data is cybercrime’s most valuable prize, travel companies must protect it accordingly. They must view it as a strategic asset. Doing this will require structural changes. Developing a new kind of technology foundation based on security is non-negotiable, but it’s not enough. Travel brands need to elevate loyalty program data security to an urgent enterprise-wide priority, complete with executive support and sufficient and ongoing investment.

Loyalty reinvented

This new emphasis on security will change how loyalty programs are created, not only from a technology perspective, but in terms of overall program structure. In this way, security will redefine what loyalty means via the value proposition to travelers. Think of it this way: Travel brands have been searching for the ultimate in loyalty for years. They have rolled out point systems, exclusive perks, cash-back rewards, personalized experiences and more to keep guests coming back. Now, everything in loyalty must be viewed through a security lens. The reward that every loyal customer must receive? Peace of mind knowing their personal data is protected.
Security is a critical part of Carnival’s Ocean® guest experience platform. This breakthrough, high-touch guest service and crew enablement tool collects, stores, analyzes and secures massive amounts of guest data associated with digital identities to give guests the personalized cruise experience of a lifetime. The platform encrypts and protects personal data as it journeys through a complex physical and digital landscape of rooms, ports, satellites, Wi-Fi and the cloud.

Digital trust is everything. As Carnival Corp.’s chief innovation officer explains, “Guests are increasingly demanding experience personalization enabled by individual information to create higher experiential value. This elevates the intrinsic consumer brand trust relationship to the next level.”
Travel with a Moral Compass

INNOVATION
FairBnB was launched as a “fairer” alternative to Airbnb. Its core values include transparency, collaboration with governments around rental property policy, and community-oriented benefits. Half of the commissions will go toward community projects. Rentals will begin in four cities this year.⁹

IMPACT
Travelers are increasingly making decisions with a moral compass—even disruptors are getting disrupted by ethics. There’s a move toward companies that are authentic, transparent and conscious about the impact they make in the communities and regions where they are located.
**Destination: Wellness**

**INNOVATION**
Hyatt hired a global head of well-being at the senior vice president level. In addition to shaping Hyatt’s well-being strategy globally, she has responsibility to connect loyalty members with Miraval and Exhale. These are two wellness resort brands acquired by the company in recent years.¹⁰

**IMPACT**
Wellness may be en vogue, but it’s more than traditional spas, mindfulness retreats and healthy menu choices at hotel restaurants or aboard flights. There’s a move toward companies that make wellness an intrinsic part of their culture by acting to embrace guest and employee well-being as core values.
A New Revolution in Transportation

INNOVATION
Elon Musk’s brainchild Hyperloop technology is not just a flight of fancy. This high-speed passenger and freight transport that uses an innovative vacuum tube system is moving toward reality. SpaceX offers open source hardware to innovators, entrepreneurs and academic institutions to advance its technology.11

IMPACT
From super trains and smart roads to autonomous helicopters, transportation is going places. There’s a move toward travel players take a driving role as changes in transportation start to impact how people think of travel, including new concepts of distance, affordability and the travel experience itself.
WHERE TO?

Travel is not just about the destination. It’s about the journey. Taking advantage of these game-changers will be a journey for travel brands too. In addition to a sound strategy to guide the effort, it will require innovation that touches operations, technology, business models as well as leadership, talent and culture. The companies that make the boldest moves first will be in the best position to up their game in tomorrow’s travel landscape. The travel experience will never be the same again.
References


About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions — underpinned by the world’s largest delivery network — Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 469,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.


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