

# What does your online future hold?

If you think the internet is playing a big role in your marketing now, wait till you see what is ahead. By LAWRENCE SMITH.

JUST before Easter I attended a travel distribution summit in Singapore that was specifically looking at the way travel is distributed and sold.

With presenters ranging from global distribution system companies to online travel sites such as Expedia.com, predictions of the future varied widely.

Despite this, online distribution was seen as a key component of future travel, and a number of trends were identified. Here are a few.

■ **Offline complements online:** Tourism is a "high touch" product; it's an

emotive purchase, often with complex itineraries which makes online purchase more difficult for some products.

The internet is the primary research tool for most travellers these days, but many still book offline. So, work very hard on your online presence, but don't be afraid of asking people to pick up the phone to call you.

■ **Online Intermediaries will flourish:** Not so long ago we had suppliers, wholesalers, and travel agents on every corner. And sometimes a few more channels in the middle. Then the internet came along and people could buy direct. However that is changing and online travel agencies (OTAs) are gaining power with search engine dominance and online spending power.

Expedia for example is growing at around 100 percent annually, booking 48 million room nights in 2007. Online intermediaries will continue to gain importance in the distribution of your product.

■ **Online as the top marketing channel:** Most travellers now research their trips online, and with aggregators and OTAs dominating search engine positions, it's becoming increasingly difficult to be found. As a result it's being forecast that tourism businesses will have to increase online advertising, leveraging the global reach and qualified audience of larger travel websites.

■ **Personalisation:** In a world of increasing volumes of information, as individuals we are trying to reduce the amount of information we have to digest. Larger travel sites have the ability, via good CRM

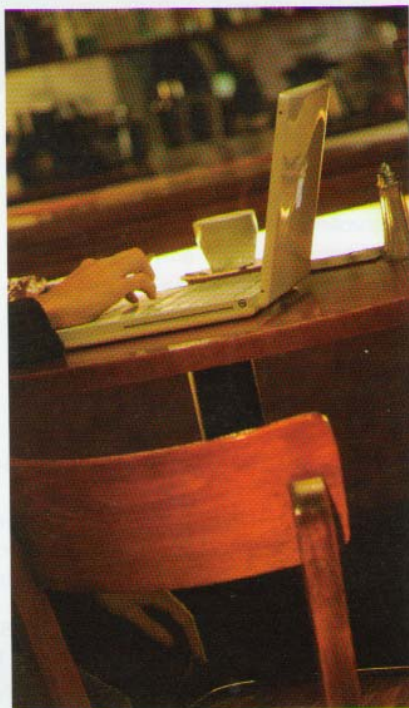
(customer relationship management) systems, to learn about travellers interests over time and tailor content to suit individual needs. Another reason why larger travel sites will gain popularity.

■ **Localisation:** With travel becoming more prevalent in non-English speaking countries (think China) there will be an increased requirement for localised content. This is not just translated text, but a site philosophy and content that resonates with the target audience. For example, Germans might be interested in adventure activities, Chinese in relaxation.

■ **Price Consistency:** On the web it's very easy to compare prices and consumers do. They are, after all, only a click away and sites like [www.kayak.com](http://www.kayak.com) facilitate this. There is a trend towards businesses offering best price guarantees online, and some larger travel sites now demand this. This doesn't mean all prices online have to be the same – with packaging or added value they can and will differ.

■ **Social Media:** Finally, and maybe most importantly, your customers are becoming your marketing department. They are blogging about you, posting images and video, and rating your product on sites like Trip Advisor. Research is now suggesting that for some travellers, their decisions are based entirely on reviews by other travellers. You need to monitor and engage with this media to maintain a positive online profile.

The web and online distribution is critical to your business. Make the most of it, it is your future. ☐



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