



Tendências Internacionais Distribuição no Turismo

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Outubro 2016

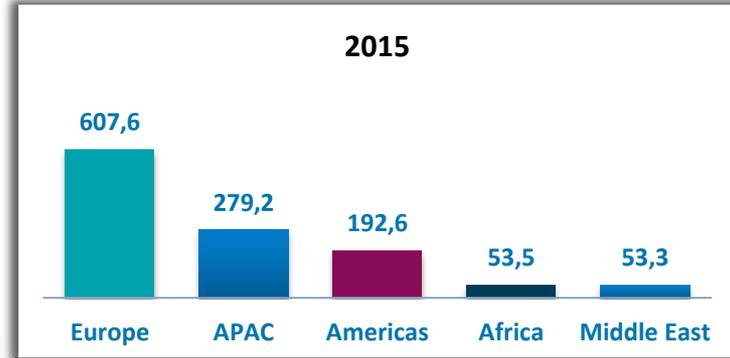
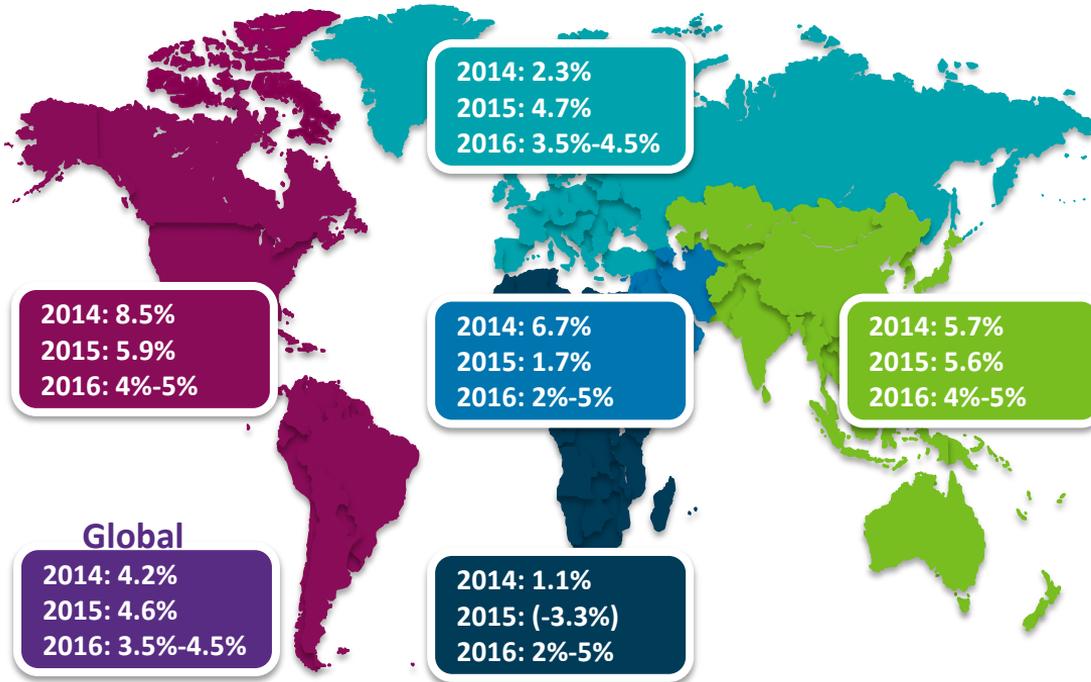
ESTRATÉGIA
TURISMO
2027^{PORTUGAL}

Agenda

- Economic overview
- Air growth
- Hotel & Car growth
- Mobile & Technology disruption
- What does that mean for us?

International arrivals growth will be driven by APAC and the Americas

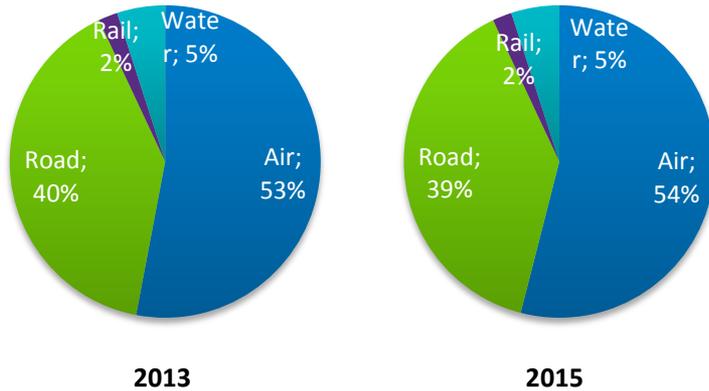
International tourist arrivals (m) and growth (%) by region



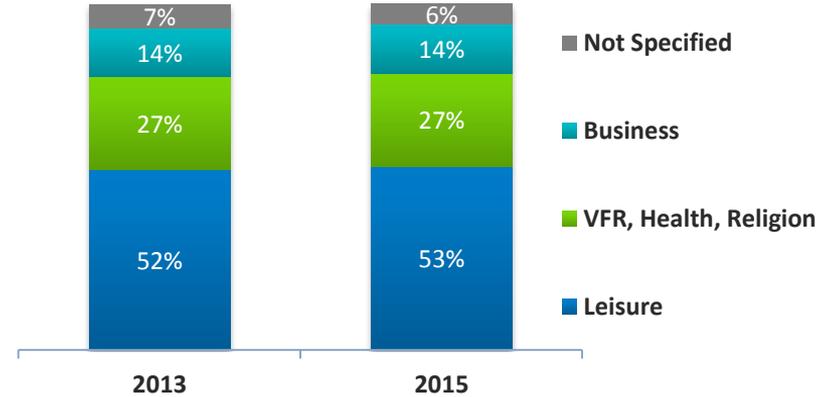
- International arrivals are expected to continue to grow at a sustained rate of 3.5% to 4.5% worldwide in 2016
- In 2015, the Americas and APAC regions gained the most in terms of tourist arrivals, closely followed by Europe and estimated to continue into 2016
- Results in the MEA region were mixed, whilst Africa saw a decline of 3.3% mostly due to weak results in the N.Africa (limited data), the Middle East saw a growth of 1.7%. Although projections are more positive for 2016

Visitors travel mostly for leisure purposes and use air as the preferred mode of transport

Inbound Tourism by mode of transport (%) share



Inbound Tourism by purpose of visit (%) share



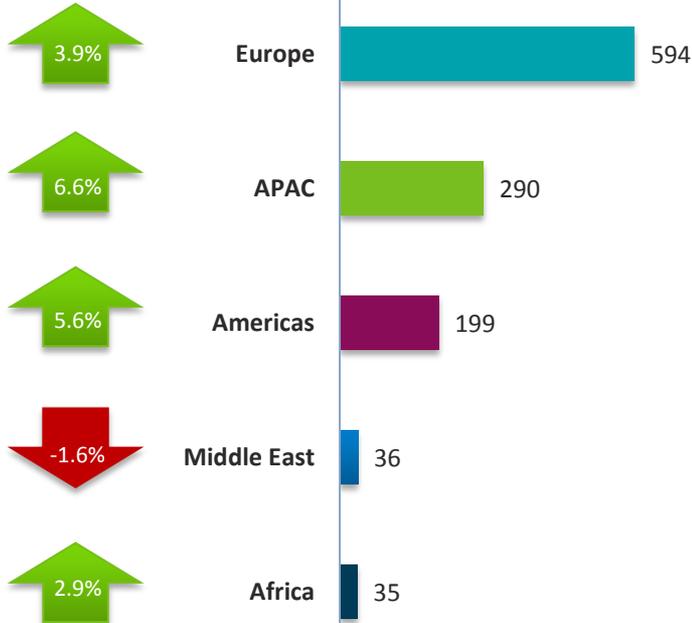
The trend over time has been for air transport to grow at a slightly faster pace than ground transport, increasing its share to just over half of all modes of transport

In 2015, leisure travel continues to be the main purpose for travel with just over half of all international tourist arrivals travelling for holidays, recreation etc.

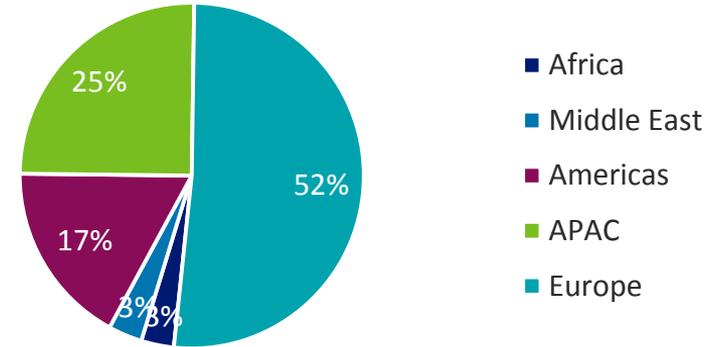
Europe remains the largest source region, generating half of the worlds internationals arrivals

International Arrivals by Region of Origin (m), 2015

% Growth*



% Share of International Arrivals By Region of Origin, 2015



- With rising levels of disposable income many emerging economies have also shown fast growth, especially in APAC, MEA, E. Europe and LATAM
- Europe remains the largest source region, generating half of the worlds internationals arrivals, followed by APAC and Americas
- As a result, the total share of APAC and Americas have risen since the previous year, whilst the other regions saw a slight decline

Air Growth

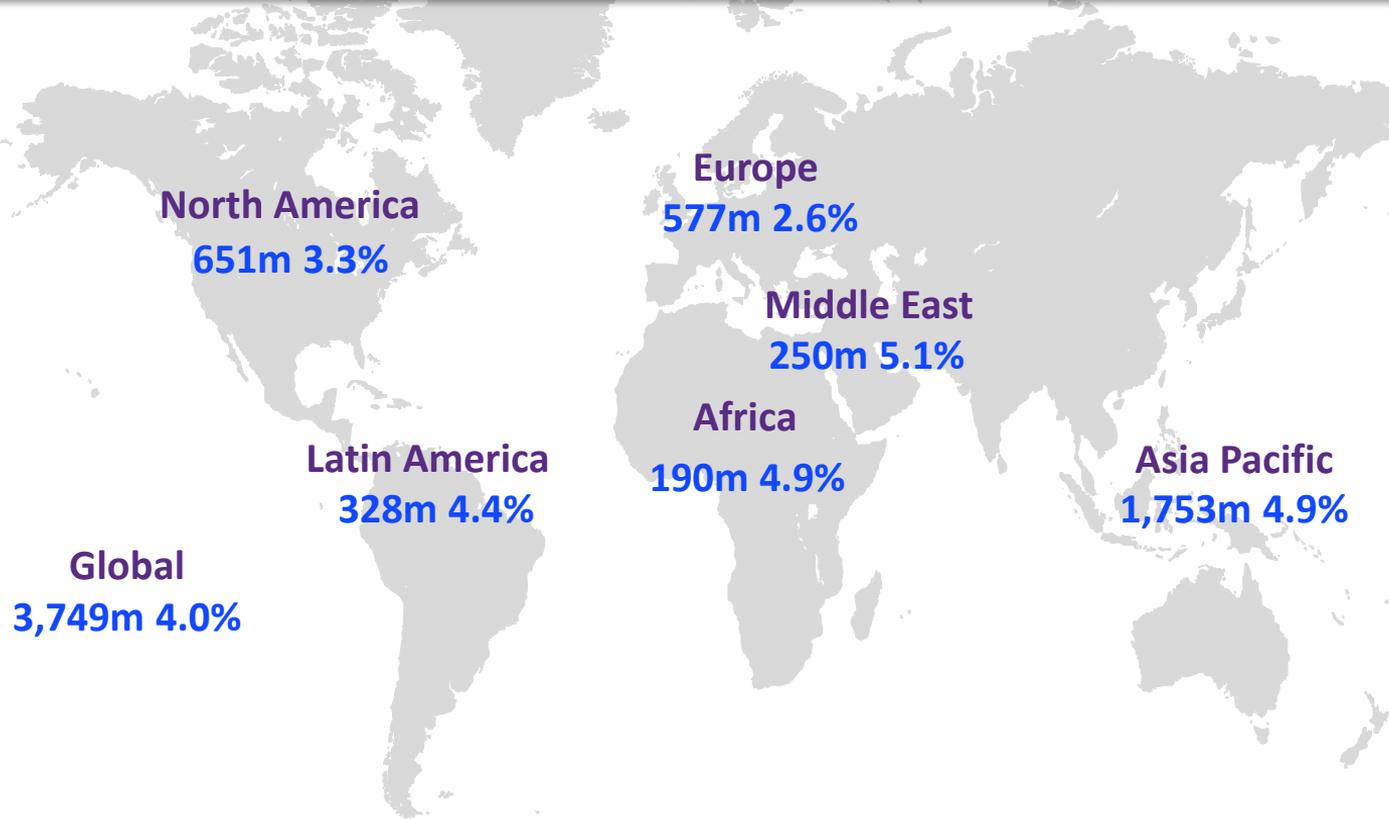
The need to fly continues to grow

Today airlines fly
more than
3.5billion
passengers annually

By 2019
airlines predict
nearly **4.5billion**
passengers annually

Air travel likely to double in the next 20 years

Incremental Passenger Numbers & Average Annual Growth



4.0%

Annual average growth in global air passenger journeys over next 20 years

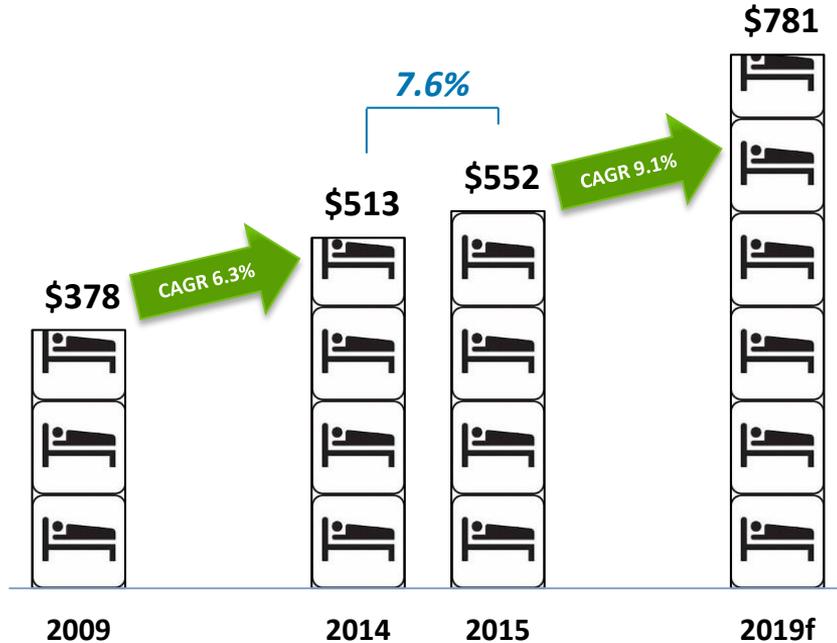
2.2x

The number of air passenger journeys in 2034 compared with today

Hotel & Car Growth

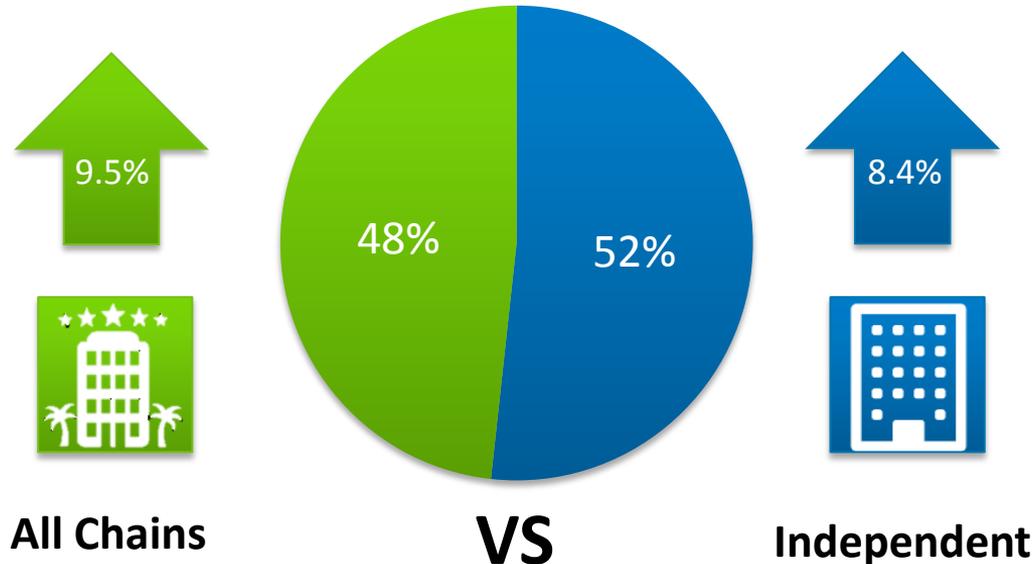
Hotel industry is expected to grow at 9% CAGR to reach US\$781bn by 2019

Hotel Gross Booking Value (US\$bn), % growth 2015-19



Chains are growing fast, however market will remain highly fragmented

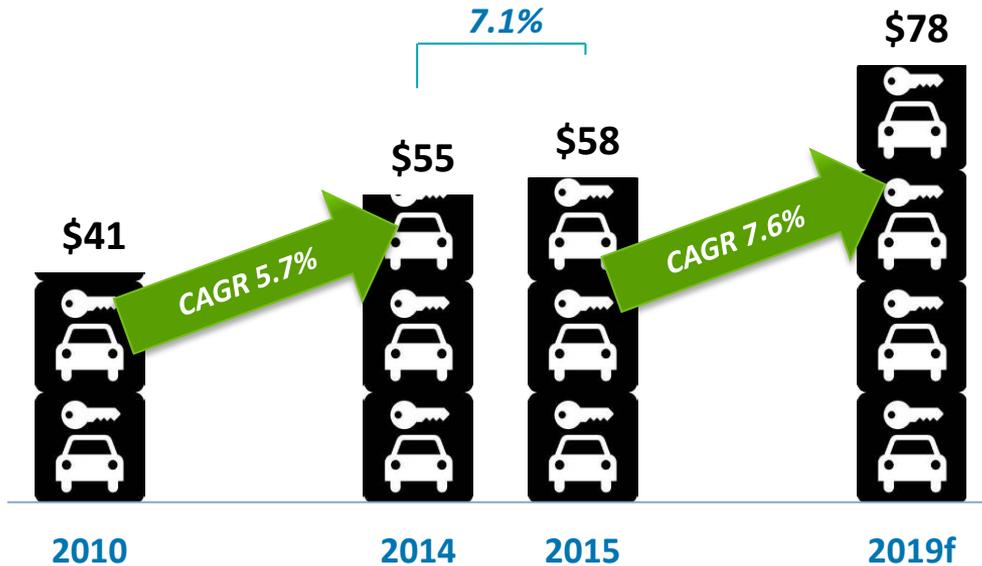
Hotel Gross Booking Value Share, % growth 2015-2019f



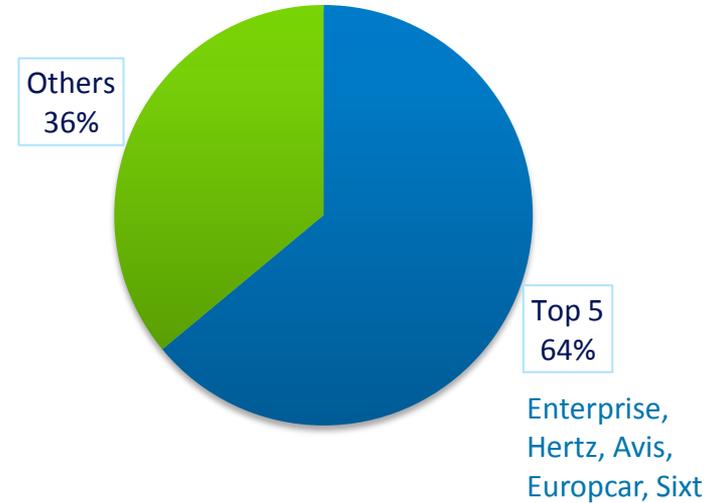
Top 20 hotel chains account for a third of total hotel market share

Car rental industry is expected to grow by 7.6% to reach \$78bn by 2019

Global car rental retail value US\$bn in 2015 and % growth



Car Rental Share



Mobile & Technology Disruption

Travellers want a unique experience...

**72% would rather spend money on experiences,
than on things**

Demand grows for adventurous and personalized travel, attuned to local culture driving niche travel

...and a hyper-personalized service

56% are comfortable with companies using their data if it makes shopping easier
26% more likely to respond to tailored messages

Consumers continue to share data and user-generated content onto the web, and expect travel companies to use it to offer curated personalized services

Digital is the top source of travel inspiration

Over 60% of travelers are inspired by online sources, most via social, video sites and search



Video uploads have grown by 190% and OTA video views alone have grown by 176% from 2012-2013

Tech giants making in roads...



Amazon

- Launched Amazon Destinations in Apr 2015 offering weekend breaks in three regions in the US only
- Terminated service in Oct 2015



Google

- Google has streamlined its metasearch process, with it now taking potentially only two clicks to get to the booking site, but as yet has not taken the plunge to direct bookings



Tripadvisor

- Launched Instant Booking feature late in 2014
- Enabled customers to book directly on its site as opposed to directing them to an OTA or travel provider site



Facebook

- Announced the launch of a Siri-like personal assistant tool call “M”, which will have travel booking capability

We need to adapt to the “change and disruption that is ever-present” in the travel industry... “companies that didn’t do the same would become irrelevant” ... “We believe that in the next decade the winners will be global power brands that are recognizable across the world” Co-CEO of Tui

Virtual reality... virtually here



Thomas Cook

Trialling in stores



Marriott Hotels

Selling Honeymoon
Destinations

- The mobile augmented reality market is expected to grow to \$5.1 billion by 2016 (e-strategy/Juniper)
- Travel companies now have the opportunity to give consumers searching for a hotel or holiday destination on the web the ability to go inside
- Google has acquired start-up Digisfera which offers 360-degree photography

What does that mean for us?

Travellers expectations have evolved

I expect fare and product parity between channels

I want a smooth ,safe and trustable booking process

I choose my booking process according to the trip circumstances

I want to be able to book additional products and ancillary services

My agent should know my travel preferences

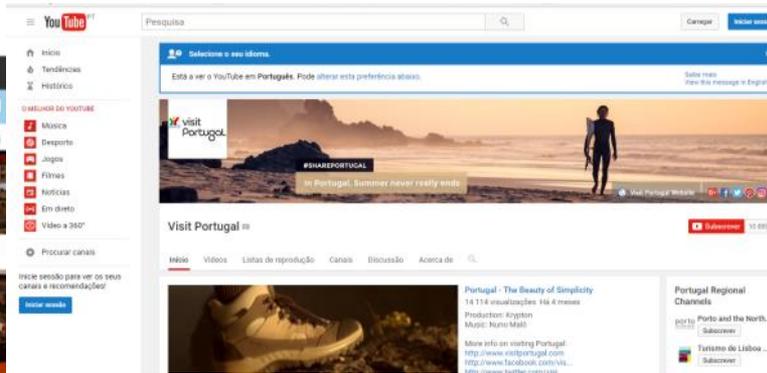
I want to experience the destination

... Destinations have to become unique

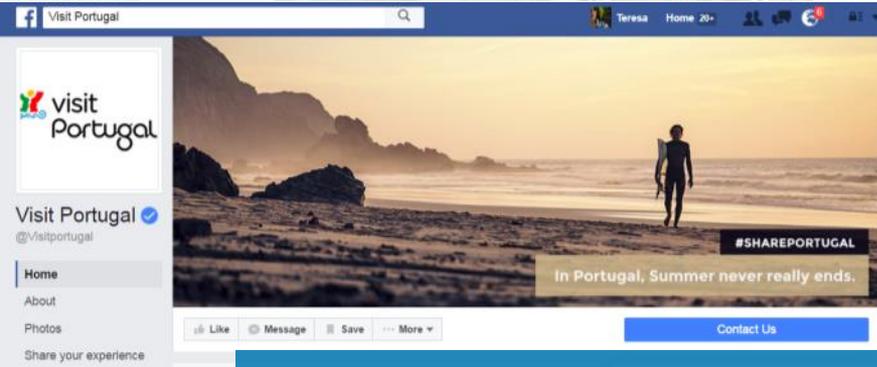
Differentiation , betting on unique experiences , involving local population,
grant mobility within destination



... Destinations have to become unique



Rich &
Dynamic
Content



Active presence on line (instagram, facebook , blogs ,search engines) and off line (TV shows , Press , Events)

...Travel companies need to differentiate

73% of airlines intend to have a customer relationship app by 2017
64% intend to personalize the trip via app options



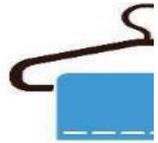
Companies invest in personalization to be proactive when engaging with customers

Priorities include improving the customer shopping experience...

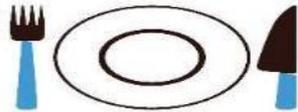
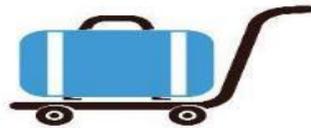
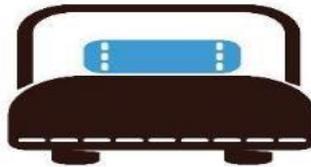
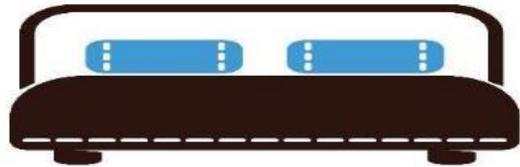
**Rich content click-through (to booking engine)
rates 5x more than static images**

Search technology continues to evolve the consumer shopping experience using historic and real time data, integrated from multiple sources and richer content

... and offering ancillary services



Over 50% of hotels are making ancillaries a priority for 2015



In 7 years airline ancillaries have grown more than 19x from 2007 to be worth \$50bn in 2014, whilst the hotel ancillary market is estimated to be worth US\$130bn in 2013



So have travel agents...



Access to all
content to remain
competitive

Easy access to
detailed product
and price
information

Improving customer
loyalty is the single
most important
priority for me

Productivity is
essential as
profits continue
to be squeezed

Help me manage
the complexity

Last but not least...



reality



Stay focused , and work hard



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