



THE ONLINE TRAVEL GROUP

World Travel Market Travel Innovation Summit

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November 5, 2012





With constant industry change, ODIGEO wants to invest in New Technologies and New Business Models

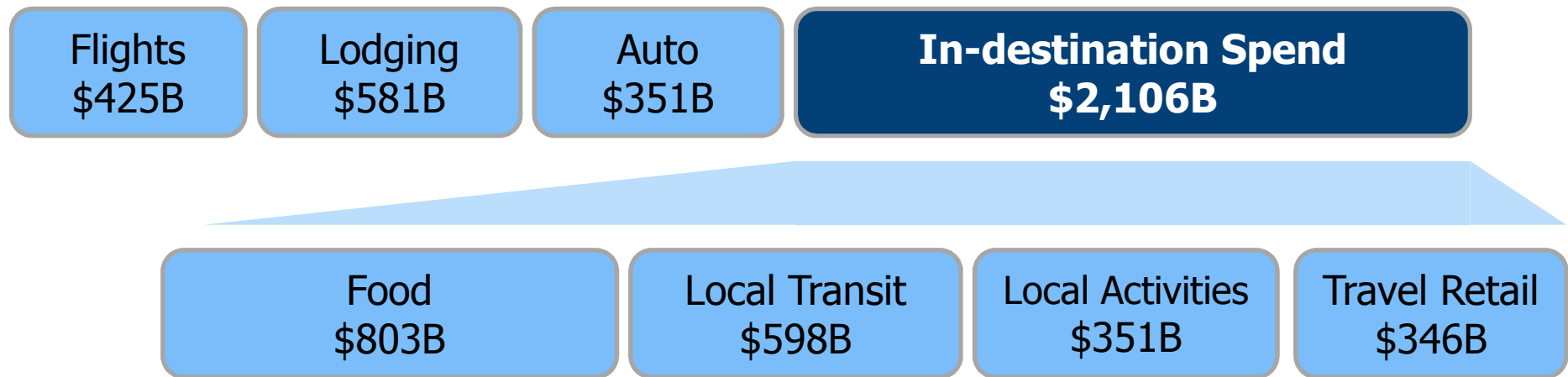


**NEW
TECNOLOGIES**

**NEW
BUSINESS
MODELS**

Global travel is large, growing, and customers' habits are changing

Global Travel-related spend is \$3,463B



- ▶ < 1% of destination travel spending is booked by OTAs (because it is not “planned”)
- ▶ Even when bookable, less than 5% of local activity is booked online in advance
- ▶ Local service providers are extremely fragmented, little publication of offers online, little use of international standards for ease of distribution, and few global players

Source: USTravel.org, WTTC 2010, IATA 2010

Technological evolution is affecting most of the niche segments in the Travel Eco-system

Mobile Payments

Local Aggregation

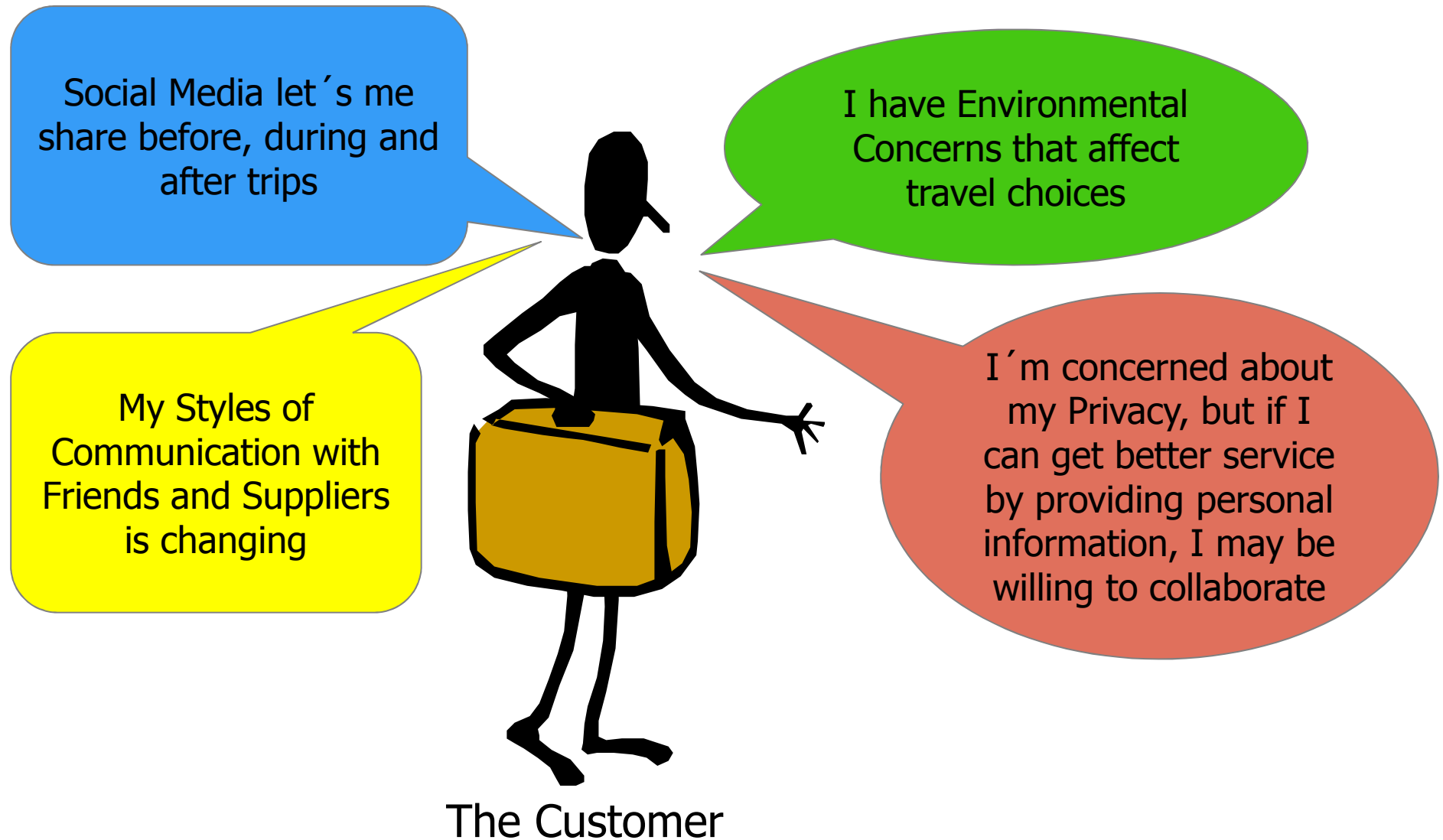
Big Data

Mobile Access

Connectivity



Cultural and Social Changes are also accelerating, with a profound impact on how brands interact with each other and their customers



Technical and Cultural changes will likely affect the traditional 6 phases of travel

Travel Spending Today – by Phase of Travel



- 20 years ago, these phases of travel were integrated – as a *human* travel agent in a brick & mortar Travel Agency provided ideas and services.
- During the past 15 years, the phases have not changed, but simply migrated online with technical advances.
- Unfortunately, the degree of fragmentation enabled by technology does not serve the traveler's primary objectives of simplifying the process and having access to someone for help when there is a problem.

Changes in Consumer Behavior create opportunities for suppliers who can present compelling offers during Inspiration/Planning and engage travelers during their trip

Travel Spending Today – by Phase of Travel



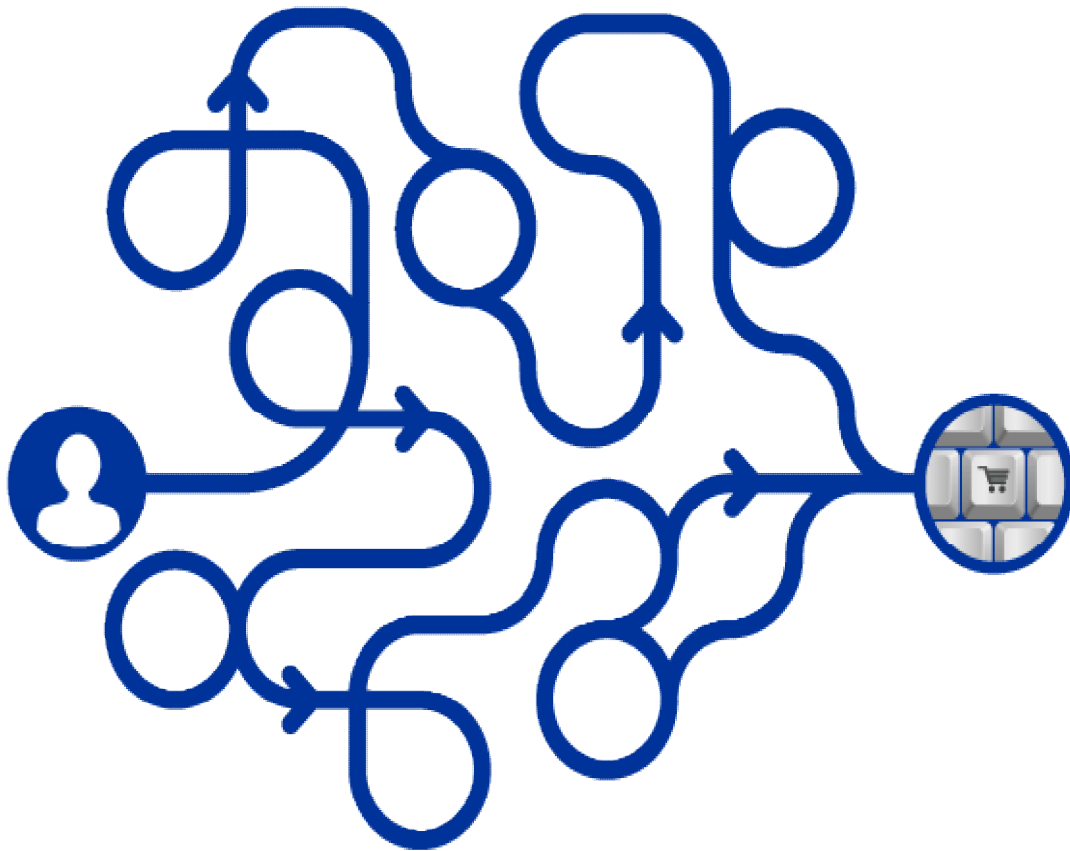
Travel Spending in 2-5 years based on new Aggregators & Smartphones



Google, Apple, Facebook, and others will fiercely compete for the attention of customers

Mobile booking on the smartphone will be the transaction vehicle of choice

Many changes enabled by technology actually confuse the customer.
The bigger challenge in coming years is to simplify services



- ▶ There is an impressive array of innovation in Local, Social, Mobile
- ▶ Too many start-ups are trying to create new consumer brands
- ▶ Inspiration is not generating much new revenue
- ▶ More innovation is needed in helping customers find travel solutions and optimize selection
- ▶ With extensive fragmentation, innovative methods for suppliers to collaborate with intermediaries is required to increase benefits for all

Thank You !!



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