Travel Tomorrow
Appendix
# Table of contents:
What you will find in this appendix

The appendix contains the following elements:

**Chapter 1:** Macro analysis 3

**Chapter 2:** Trend analysis 50

**Chapter 3:** Customer insights 96

**Chapter 4:** Case studies on disruption 104

**Chapter 5:** Workshop impressions 108

**Chapter 6:** Planning 112
Appendix:
Table of content

Macro analysis

Trend analysis

Customer insights

Case studies on disruption

Workshop impressions

Planning
## Contents of macro analysis

Table of contents

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Demographical</td>
</tr>
<tr>
<td>2.</td>
<td>Economical</td>
</tr>
<tr>
<td>3.</td>
<td>Social</td>
</tr>
<tr>
<td>4.</td>
<td>Technological</td>
</tr>
<tr>
<td>5.</td>
<td>Ecological</td>
</tr>
<tr>
<td>6.</td>
<td>Political &amp; Legal</td>
</tr>
</tbody>
</table>
KEY DEMOGRAPHICAL FACTORS FOR FUTURE TRAVEL

- The global population is estimated to grow to 8.1 billion in 2025, while Gross Domestic Product is increasing rapidly in the developing economies.
- The population in The Netherlands is expected to increase with 2% towards 17.5 million in 2025.
- The age segment of 65-80 in The Netherlands is estimated to represent 17% of the total population in 2025, increasing the amount of people who have time for travel.
- After years of recession, the total amount of travel trips will show a moderate growth again between 2014 and 2018, while growth is expected to further increase after 2018.
- 79% of outbound trips from The Netherlands is leisure related and 21% is business related.
- Travelling by car and airplane remain the most popular modes of transportation in 2018, although a small shift is expected to occur in favor of air travel.
Demographical

Implications for Dutch travel industry (1/2)

Offer total travel solutions for the aging Dutch population

The age segment of 65-80 will show the largest growth in the next decade. As this segment has time and money for travel, it becomes an increasingly attractive target group for travel companies. Engage this segment by offering them a total travel package, as this generation of people values peace of mind, trust, and transparency, as well as having everything ‘arranged properly’.

Differentiate brands and offerings in the saturated travel market

Although the amount of outbound trips is expected to show positive growth again due to economic recovery, the Dutch travel market will remain to be highly saturated with intensive competition. As such, differentiation of brands, products and services will be key in capturing future market share.

Offer more flexibility and independence in travel transportation

Train and flight transportation providers should try to incorporate the benefits of car travel (e.g. flexibility, independence) into their own offered mode of transportation in order to attract more travelers. For example, start thinking of the possibilities of ‘demand-driven flights’.
Seize global opportunities

As the global population is quickly rising in numbers and wealth, the ‘global customer’ becomes a new target group for travel companies with an international market perspective. The Dutch travel industry should consider to broaden its horizon and take advantage of this massive growth opportunity.
The global population is estimated to grow to 8,1 billion in 2025, while Gross Domestic Product is increasing rapidly in the developing economies.

Global population growth

A heavy growth in global travel is expected due to increasing wealth of the global population.

The population in The Netherlands is expected to increase with 2% towards 17.5 million in 2025

**Population growth in The Netherlands**

Growth until 2015:
- The Dutch population has grown at a CAGR of 0.4% between 2009-2014.
- Total population of The Netherlands was 16.8mn in 2014.

Future estimation:
- The growth momentum of the population is expected to be below 1% in the coming decade.
- The Dutch population is expected to grow at a slower rate and will be 17.5mn in 2025.

Year on year growth will moderately decrease in the next 10 years

Source: Euro monitor, World Travel & Tourism Council, NIPO, CBS
The age segment of 65-80 in The Netherlands is estimated to represent 17% of the total population in 2025, increasing the amount of people who have time for travel.

**Aging population of The Netherlands**

**Age distribution of population in The Netherlands (mn)**

**Growth until 2015:**
- The population is ageing with number of people in the age group above 45 increasing each year.
- Currently 45% of the population is in the age group above 45 years.

**Future estimation:**
- The trend of the ageing population will continue with population above 45 years estimated to constitute 49% of the total population by 2025.
- The population above 65 years will increase by 32%.

The 65-80 age segment is expected to show the largest grow rate in the next decade.

Source: Euro monitor, World Travel & Tourism Council, NIPO, CBS
After years of recession, the total amount of travel trips will show a marginal growth again between 2014 and 2018, while growth is expected to further increase after 2018.

### Travel trips in The Netherlands

**Business versus leisure trips**

- **Business**
  - Business travel comprises 21% of the total trips made in 2013. This will remain equal in 2018.
  - The total amount of business trips was 3.7mn in 2013 and is estimated to be 3.9mn in 2018.

- **Leisure**
  - Leisure travel comprises 79% of the total trips made in 2013. This will remain equal in 2018.
  - The total amount of leisure trips was 14.3mn in 2013 and will grow to 14.4mn in 2018.

79% of outbound trips from The Netherlands is leisure related and 21% is business related.

Source: Euro monitor, GFK
Travelling by car and airplane remain the most popular modes of transportation in 2018, although a small shift is expected to occur in favor of air travel.

Preferred transportation modes in The Netherlands

**Outbound travel in 2013**
- 18 Million outbound trips:
  - 9.3 million by car
  - 6.9 million via air travel
  - 1.8 million via other ways of transportation

**Outbound travel estimation for 2018**
- 18.3 Million outbound trips:
  - 8.6 million by car
  - 7.5 million via air travel
  - 2.1 million via other ways of transport

Source: Euro monitor, GFK
Contents of macro analysis

Table of contents

1. Demographical

2. Economical

3. Social

4. Technological

5. Ecological

6. Political & Legal
KEY ECONOMICAL FACTORS FOR FUTURE TRAVEL

- After years of recession, the Dutch economy is expected to recover, showing a moderately positive effect on the number of travelers, travel frequency and travel spend in 2020.

- The leisure segment spends substantially more money on travel than the business segment and this difference is expected to become even more apparent in 2018.

- The majority of Dutch outbound travel expenditure is accommodation and food related.

- Most Dutch people purchase short trips in the period between May and October, and purchase long trips in the period between November and April.

- Despite internationalization and the appeal of other continents for authentic travel experiences, the highest travel spending still occurs in Western-European countries.

- Dutch travelers show different spending behavior across continents with a clear preference for total package deals in Africa and ‘accommodation only’ in Europe.
Economical

Summary (2/2)

KEY ECONOMICAL FACTORS FOR FUTURE TRAVEL

- In the next decade, **online spend will continue to increase** in favor of offline spend for Dutch retail in general.

- The travel industry has one of the highest online market shares of all retail categories and **online spend in travel is expected to show a further increase of 23% in 2020.**
Implications for Dutch travel industry (1/2)

- **Provide data-driven, personalized offerings to increase share of wallet**
  
The average spend per trip of leisure travelers will show a positive increase in the future. Companies should provide personalized offerings that are based on a deep understanding of customer behavior to increase the share of wallet of leisure travelers. Data-driven insights will help them to achieve this.

- **Promote seasonal offerings at the right time of the year**
  
  Companies should tailor their offerings in line with seasonal customer desires. As most customers tend to book their summer holidays in the period November – April, this is a good time to stress total package deals. Instead, during the period May – October, companies should promote city trips and last-minute deals.

- **Extend business models by providing additional travel services**
  
  The biggest travel spending categories are accommodation and food related. As such, travel companies should consider to broaden their current portfolio by selling additional travel services outside of their core business or extend their service model by starting new partnerships.
Tailor offerings and value added services to geographical locations

Travelers tend to show different spending behavior across continents, which should be taken into account when making offerings and providing value added services. For example, in the US, many travelers tend to go on a road trip and are interested in complimentary car rental services and insurance.

Embrace digital transformation

The vast majority of travel bookings are purchased online, while online spend is expected to even further increase by 2020. As such, it is essential for travel companies to offer a compelling digital customer experience with efficient underlying digital operations. Both should be based on a business model that intelligently makes use of the increasing importance of digital.
After years of recession, the Dutch economy is expected to recover, showing a moderately positive effect on the number of travelers and travel frequency in 2020.

The growth of the travel industry is expected to further increase after 2020.

The travel industry contributed 5.9% of total GDP in 2013. The industry’s contribution to total GDP is expected to further increase to 7.3% in 2024.

A marginal growth is expected in the amount of Dutch people who participate in travel related activities.

A marginal growth is also expected in the frequency of travel among the Dutch population.

Source: World Travel & Tourism Council, NBTC NIPO

*This data excludes business travel*
The leisure segment spends substantially more money on travel than the business segment and this difference is expected to become even more apparent in 2018.

**Leisure versus business spend in The Netherlands**

- Leisure spending by Dutch travelers is estimated to increase to EUR37.9bn in 2025, posting a 3.8% CAGR (2013-2025)
- Business spending by Dutch travelers is estimated to increase to EUR7.3bn, posting a 3.3% CAGR (2013-2025)

- Average leisure spending by Dutch travelers is estimated to show a 18% growth (2013-2018)
- Average business spending by Dutch travelers is estimated to show a 9% growth (2013-2018)

The average spend per trip is noticeably higher for leisure travel in comparison to business travel.
The majority of Dutch outbound travel expenditure is accommodation and food related

Outbound tourist expenditure by category, 2013

- Food: 24%
- Accommodation: 34%
- Excursions: 13%
- Shopping: 8%
- Travel Within Country: 10%
- Other Outgoing Tourist Expenditure: 4%
- Entertainment: 7%

100% = EUR14.6bn

Preferred method of payment 2013

- Cash: 28%
- Credit card: 24%
- Charge Card: 12%
- Debit Card: 12%
- Prepaid Cards: 24%

- Most money is spend on accommodations, food and excursion related offerings.
- Cash and (prepaid) credit cards are the most popular payment methods.

Travel companies should consider to extend their portfolio to capture a higher amount of travel spend

Source: Euro monitor, World Travel & Tourism Council
Most Dutch people purchase short trips in the period between May and October, and purchase long trips in the period between November and April.

**Short versus long trip spend per period**

**Dutch outbound expenditures per period**

<table>
<thead>
<tr>
<th>Period</th>
<th>1-4 nights</th>
<th>5-7 nights</th>
<th>8-14 nights</th>
<th>more than 14 nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>May-Oct</td>
<td>24%</td>
<td>31%</td>
<td>16%</td>
<td>29%</td>
</tr>
<tr>
<td>Nov-Apr</td>
<td>20%</td>
<td>33%</td>
<td>20%</td>
<td>26%</td>
</tr>
</tbody>
</table>

**Outbound tourist expenditure by category, May - October 2014**

- Total package deal: 41%
- Accommodation: 29%
- Transport: 24%
- Other: 6%

**Outbound tourist expenditure by category, November – April 2013-2014**

- Total package deal: 47%
- Accommodation: 20%
- Transport: 27%
- Other: 6%

- More money is spent on booking separate accommodation and transport in the period between May and October.
- Dutch travelers spend more money on total package deals in the period between November and April.

Most Dutch people seem to book their annual, longer vacation during autumn and winter time, whereas they book a more spontaneous city trip during spring and summer time.

*This data excludes business travel*
Despite internationalization and the appeal of other continents for authentic travel experiences, the highest travel spending still occurs in Western-European countries. Despite internationalization and the appeal of other continents for authentic travel experiences, the highest travel spending still occurs in Western-European countries.

Geographic spend of Dutch population

The highest Dutch travel spend occurs in Germany, France and Belgium, consisting of both end-destination and transit travel.

Outside Europe, the USA is the most popular country in terms of travel spend.

Most Dutch people still spend their money in surrounding countries, making these countries interesting to include in travel offerings.

Source: Euro monitor, GFK
Dutch travelers show different spending behavior across continents with a clear preference for total package deals in Africa and ‘accommodation only’ in Europe.

Expenditure and additional reservations per continent

### Dutch outbound expenditures abroad per continent (2012)

<table>
<thead>
<tr>
<th>Continent</th>
<th>Total package deal</th>
<th>accommodation only</th>
<th>transport only</th>
<th>Transport only &amp; accommodation only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>60%</td>
<td>19%</td>
<td>21%</td>
<td>16%</td>
</tr>
<tr>
<td>Europe</td>
<td>34%</td>
<td>40%</td>
<td>9%</td>
<td>17%</td>
</tr>
<tr>
<td>America</td>
<td>31%</td>
<td>5%</td>
<td>32%</td>
<td>33%</td>
</tr>
<tr>
<td>Asia</td>
<td>28%</td>
<td>5%</td>
<td>35%</td>
<td>32%</td>
</tr>
</tbody>
</table>

- Total package deals are most popular in Africa.
- ‘Accommodation only’ is most popular in Europe.
- ‘Transport only’ is most popular in America and Asia.

### Additional reservations on outbound travel per continent (2012)

<table>
<thead>
<tr>
<th>Continent</th>
<th>Car rental on location</th>
<th>Insurance</th>
<th>Activities on location</th>
<th>No additional reservations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>11%</td>
<td>26%</td>
<td>13%</td>
<td>58%</td>
</tr>
<tr>
<td>Europe (rest)</td>
<td>8%</td>
<td>20%</td>
<td>12%</td>
<td>65%</td>
</tr>
<tr>
<td>America</td>
<td>39%</td>
<td>23%</td>
<td>20%</td>
<td>41%</td>
</tr>
<tr>
<td>Asia</td>
<td>7%</td>
<td>27%</td>
<td>22%</td>
<td>59%</td>
</tr>
</tbody>
</table>

- Car rental reservations are most popular among Dutch people who visit America.
- On all other continents insurances are most popular.

Source: GFK
In the next decade, online spend will continue to increase in favor of offline spend for Dutch retail in general.

- It is estimated that consumer spending will increase from 2013 to 2020 with +12% to €73.6 Bn, off which offline expenditure will decrease with 15% and online expenditure will increase with 145%.
- Offline expenditure will decrease with €5.4 billion between 2013 and 2020, whereas online expenditure increased with €14.3 billion.

The percentage of online shoppers in the Netherlands is relatively high compared to other countries.

Percentage of online shoppers in Netherlands as part of total population is higher than the EU average and leading e-commerce countries.

In 2013, 83 percent of internet users between age 12 to 74 reported that they have shopped online.

Source: How The Dutch Shop 2020, Shopping 2020
The travel industry has one of the highest online market shares of all retail categories and online spend in travel is expected to show a further increase of 23% in 2020.

Online growth and market share across categories

Incorporating “digital” into daily operations will be essential to capture future market share.

Source: How the Dutch shop 2020
Table of contents

1. Demographical
2. Economical
3. Social
4. Technological
5. Ecological
6. Political & Legal
KEY SOCIAL FACTORS FOR FUTURE TRAVEL

- In the leisure segment, **short hotel visits and city trips are becoming increasingly popular** among the Dutch population in 2020.

- Travelers no longer rely on professional expert advice when considering different travel options, as **user generated content is increasingly leveraged during travel orientation**.

- Digital platforms that enable **crowd sourcing and peer-to-peer collaboration** are expected to conquer an even an bigger part of the future travel market.
Implications for Dutch travel industry

Be part of a digital platform with relevant offerings for short trips

The Dutch population will travel more frequently, but the length of the trips will be shorter. Companies need to be part of a digital, self-service platform in order to be top of mind when travelers are orientating for short trips. They often use such platforms when comparing and booking separate tickets for transport and accommodation.

Include peer-to-peer content in professional travel advice

Customers trust the opinion of their peers and are increasingly making use of peer-to-peer content when looking for travel inspiration. Companies need to leverage and build on such content as part of their professional travel advice in order to make a compelling case. The Tripadvisor ‘certificates of excellence’ are a good example of doing this.

Expect social media and social travel to play a key role in future travel

Social media have build valuable personal profiles of travelers and are expected to play a key role in the future travel industry. Facebook could leverage its knowledge to offer direct leisure travel offerings, while LinkedIn could do the same for business-related travel services. They might also integrate with other digital platforms in order to provide a full-scale travel solution.
In the leisure segment, short hotel visits and city trips are becoming increasingly popular among the Dutch population in 2020.

**Popularity of leisure travel types**

Camping and winter sports are expected to be less popular in 2020 in comparison to 2015, although a great deal of travelers will continue to make use of these travel types.

*This data excludes business travel*
Travelers no longer rely on professional expert advice when considering different travel options, as user generated content is increasingly leveraged during travel orientation.

User generated content

“Social travel will become an increasingly formalized part of the travel industry within five years. Social media tools will be used to aid collaboration between travelers and people on the ground in their destination of choice.”

Daniel Burrus - business advisor & technology futurist

Peer-to-peer reviews and social media are expected to play an even bigger role in future travel.

Source: Skyscanner
Crowd sourced travel and services are successful, because we trust our friends and family. The voice of the crowd has credibility. It’s an amazing part of the way that we make our decisions and discover new travel possibilities”

Filip Filipov- Director B2B at skyscanner

Travelers will increasingly collaborate on digital platforms to communicate with trusted peers and arrange their travel plans accordingly
Contents of macro analysis

Table of contents

1. Demographical
2. Economical
3. Social
4. Technological
5. Ecological
6. Political & Legal
Technological

Summary

KEY TECHNOLOGICAL FACTORS FOR FUTURE TRAVEL

- The Dutch population is increasingly using mobile devices in daily life.
- Desktop computers, laptops and tablets are currently the most important travel orientation and booking types, while traditional travel agency’s are decreasing in popularity.
- Nearly 75% of Dutch smartphone users browse the internet every day, and over 70% have used them to make informed shopping decisions.
- Mobile commerce is expected to show substantial growth rates in the future, as an increasing amount of contents and payment methods will be optimized for mobile device usage.
- iDEAL is the preferred online payment method in the Netherlands.
Implications for Dutch travel industry

**Ensure a seamless experience & be omni-present**

As mobile devices are increasingly used for information seeking and making purchasing decisions, customers need to be able to switch channels without any problems. Travel companies should offer them with a seamless experience across all interaction moments. Being omni-present is the solution to satisfy customer needs in an increasingly digital and fragmented world.

**Prepare for 100% mobile commerce**

Mobile commerce is expected to become more important in the future, as an increasing amount of contents and payment methods will be optimized for mobile device usage. Companies should anticipate on this future scenario and start thinking about ways to ‘win over the mobile customer’.

**Have a multi-device strategy that ensures responsive design**

As customers use different devices to orientate and book travel products, it is essential to ensure that online contents look good on all devices and browsers used. Companies should therefore have a multi device strategy in place that ensures a responsive design.
The Dutch population is increasingly using mobile devices in daily life

Technology adoption in The Netherlands

- The share of Smartphones of total mobile phone penetration in The Netherlands has well passed the 50% mark.
- In 2016, it is estimated that there will be approximately 24 million mobile connections in the Netherlands, up from 23 million in 2013.

Source: How the Dutch Pay 2020
Desktop computers, laptops and tablets are currently the most important travel orientation and booking types, while traditional travel agency’s are decreasing in popularity.

Travel orientation and booking types

- Dutch people mostly use the desktop computer, laptop and tablet to orientate on travel.
- Nearly 75% of Dutch smartphone users browse the internet every day, and over 70% have used them to make informed shopping decisions.
- Presently, mobile shopping is held back from the lack of widely adopted payment methods that are designed for smaller screens.

Mobile commerce (purchasing through mobile devices) is expected to show substantial growth rates in the future, as an increasing amount of contents and payment methods will be optimized for mobile device usage.

Source: How the Dutch shop 2020
iDEAL is the preferred online payment method in the Netherlands

- The number of electronic payments in Netherlands has increased by 8% in 2012 compared to that of 2005.
- iDEAL, a Dutch online payments system, recorded a 21% growth in the number of transactions in 2013.
- As more non e-commerce businesses are also starting to use iDeal, the number of mobile iDeal transactions will increase.
- The number of iDeal transactions is expected to grow with another 20-25% and exceed 172 million payments in 2014.
- Other international digital payment methods are introduced to make mobile payments more convenient.

iDEAL has the potential to further increase the amount of digital payments, but only if it is able to implement a standard for mobile payment.

Source: How the Dutch pay 2020
Contents of macro analysis

Table of contents

1. Demographical
2. Economical
3. Social
4. Technological
5. Ecological
6. Political & Legal
Ecological

Summary

KEY ECOLOGICAL FACTORS FOR FUTURE TRAVEL

- The *share of renewable energy* in the total energy consumption in The Netherlands has increased since the early 1990’s and is estimated to be 16% in 2020.

- The Dutch population is becoming **increasingly aware of environmental issues**.

- **Social support for sustainable policy measures** is expected to further increase in the next decade.

- **Ongoing climate change** is expected to increasingly affect global weather conditions, impacting the popularity of specific travel destinations during certain seasons.

- Although hard to predict, **natural disasters** will always have an impact on the travel industry.
Implications for Dutch travel industry

Prepare for the age of renewable energy

Traditional resources are still relatively inexpensive, but renewable energies are becoming more mainstream every day. Travel companies should start thinking about including renewable energy into their transportation and accommodation offerings in order to prepare for the future.

Communicate positive contributions to the environment

Society values are shifting in favor of environmental-friendly concepts and travelers are becoming increasingly aware of environmental issues. They will increasingly expect companies to make an effort to reduce their carbon footprint and environmental impact. Companies who make environmental-friendly achievements will strengthen their brands and customer loyalty.

Acknowledge the risk of climate change and natural disasters

Climate change is increasingly impacting global weather conditions and causing more natural disasters. These phenomena affect the popularity of certain travel destinations at specific times. Companies should take this risk into account and apply geographical diversification to their portfolio.
The share of renewable energy in the total energy consumption in The Netherlands has increased since the early 1990’s and is estimated to be 16% in 2020.

- The Netherlands has a leading position in wind energy at sea, biomass processing and greenhouse farming.
- The share of renewable energy in total energy consumption rose from 1% in 1990 to 4.2% in 2012.
- The European Renewable Energy Directive has set the target of 14% renewable energy by 2020.
- To stimulate renewable energy production, the Dutch government has earmarked an annual sum of €1.4bn from 2015, which represents a major step towards achieving the 2020 target.
- The share of renewable energy in total energy consumption in Netherlands is estimated to be 16% in 2020 (Eurostat).

Source: CBS Netherlands / Eurostat

PI: petajoule, TJ: terajoule
The Dutch population is increasingly becoming aware of environmental issues.

**Perception of the environment**

### Society values
- 66% of the Dutch consumers state: as a society we need to consume a lot less to improve the environment for future generations.
- People are becoming more aware of the need for eco-friendly and healthy lifestyles. As a result, social support is growing for sustainable policy measures, such as reflecting CO2 emissions in pricing.

### Eco Friendly travel
- Sustainable transport, accommodation and entertainment is currently being promoted in customer communication.
- Sustainability issues are included in customer satisfaction surveys, or integrated into the questions.
- For 2025, it is expected that customers will be informed on which transport option causes the least environmental burden.

### Eco Friendly destinations
- Hotels and other places of accommodation will focus on energy efficiency and will produce their own energy, including solar energy.
- The accommodation suppliers need to be encouraged to use tools such as ‘Travelife’ for accommodation in order to promote their sustainability performance.
- For 2025, it is expected that customers will be informed on how to make a positive environmental contribution at the destination.

Social support for sustainable policy measures is expected to further increase in the next decade.

Source: ANVR branche vision 2025, Skyscanner review
Ongoing climate change is expected to increasingly affect global weather conditions, impacting the popularity of specific travel destinations during certain seasons.

**Impact of climate change**

**Volcano ash continues to disrupt air travel**

European airports open as ash cloud disperses but transatlantic passengers face long detours

Travellers faced continuing delays today as ash from the Iceland volcano continued to disrupt airline schedules.

Most people heading for European destinations had relatively minor problems despite a few cancellations. But severe disruption continued to hit transatlantic flights as aircraft were forced into long detours around the ash cloud, adding

**Hurricane Iselle: Hawaii braced for direct hit**

Iselle expected to arrive on the Big Island on Thursday evening, bringing heavy rains, 85mph winds and flooding in some areas

Iselle was supposed to weaken as it slowly trudged west across the Pacific. It didn’t – and now Hawaii is poised to take its first direct hurricane hit in 22 years. State officials are assuring the islands are ready and people should prepare but not panic. Tourists wonder whether their flights and activities would be disrupted and tried to get in some last-minute beach time before the surf’s up, but ugly.

Although hard to predict, natural disasters will always have an impact on the travel industry

Source: theguardian.com
Contents of macro analysis

Table of contents

1. Demographical
2. Economical
3. Social
4. Technological
5. Ecological
6. Political & Legal
Summary

KEY POLITICAL AND LEGAL FACTORS FOR FUTURE TRAVEL

- Some international treaties offer guidelines on future pollution and CO2 emissions, although currently there is no binding legislation in place.

- Companies must comply with new EU privacy regulation, which increases the data protection of its citizens.

- Political instability will impact the popularity of specific travel destinations, as regional conflicts are ongoing and unlikely to be solved in the near future.
Political and legal

Implications for Dutch travel industry

**Start thinking about reducing CO2 emission**

Depending on the acceptance of new treaties and legislation, it is expected that the travel industry will have to reduce its CO2 emission in the near future. Companies should already start thinking about ways to incorporate this into their business operations before actual legislation is accepted and a huge transformation will be required.

**Comply with new privacy regulation**

New EU regulation will increase the responsibility and accountability of organizations concerning the data protection of their customers. Privacy and data protection will increasingly become a ‘hot topic’ and companies will have to take this topic very seriously in order to prevent future governmental fines. Non-compliance can lead to fines of up to 5% of annual world turnover.

**Anticipate on political instability of travel destinations**

Political instability will impact future travel, as regional conflicts are unlikely to be solved anytime soon. Companies should make assessments of the political stability of their offered travel destinations and spread their risk based on a geographical diversification of their portfolio.
Some international treaties offer guidelines on future pollution and CO2 emissions, although currently there is no binding legislation in place.

**Environmental guidelines**

- **Kyoto protocol**
  - The Netherlands seems to be proceeding slowly in the direction of its Kyoto target.

- **ACARE goals**
  - The ACARE goals are formulated by the Advisory Council of the Aeronautics Research in Europe. However, these goals are not obligatory.
  - The 2020 goal of ACARE is to have a 50% CO2-reduction per passenger kilometer in comparison to the fleets' average in 2000.

Depending on the acceptance of new treaties and legislation, it is expected that the travel industry will have to reduce its CO2 emission in the near future.

Source: kyoto treaty, Hoe groen vliegen we
Companies must comply with new EU privacy regulation, which increases the data protection of its citizens

Privacy regulation in European Union

**Upcoming EU Data Protection Regulation**

**Individuals:**
- Right to be forgotten
- Explicit consent
- Right of data portability
- The right to refer all cases to their home national data protection authority

**Organizations:**
- EU laws will apply to companies not established in the EU
- Increased responsibility and accountability
- Fines for non-compliance (5% of annual world turn over)
- Unnecessary administrative burdens will be removed
- Notify serious breaches without undue delay
- No more notifications
- A ‘one-stop-shop’
- Impact assessments
- Data Protection

**Future scenario: contextual privacy**

Ideally, privacy practices must respect 5 contexts:
1. Temporal context
2. Spatial context
3. Functional context
4. Identity context
5. Social context

**Principles of contextual privacy**

Three important practices that organizations should employ:
1. Practice the doctrine of "no surprises."
2. Give consumers choices for participating with your service.
3. Treat more data as "personally identifiable."

In the future, contextual privacy will become an increasingly important topic

Source: Forrester research
Political instability will impact the popularity of specific travel destinations, as regional conflicts are ongoing and unlikely to be solved in the near future.

The situation in Egypt has been a recent example of political instability that impacted the travel industry.
Appendix:
Table of content

Macro analysis

Trend analysis

Customer insights

Case studies on disruption

Workshop impressions

Planning
Overview of main trends for Travel Tomorrow

TREND OVERVIEW

- Business Essentials
- Human-Centric Technology
- Omni-Presence
- True Personalization
- Total Data Control
- Rise of a New Generation
- Collaborative Economy
- Experience Economy
- Sustainable Living
- Extended Enterprise
- Next-Level Engineering
BUSINESS ESSENTIALS

Enabling future success
Enabling future success...

TREND DESCRIPTION

Due to ongoing technological advancements, the explosion of new customer interaction channels and changing customer behaviors, companies require a set of essential business enablers that will be vital to achieve future success.

BEST PRACTICE

Nike’s FuelBand allows athletes to track their workouts and share performance online.

KEY ELEMENTS

**BIG DATA**
Translating the rapidly increasing amount of data into insights.

**CLOUD**
Enabling scalable IT systems that can be used as a service.

**INTERNET OF THINGS**
Connecting physical and digital “things” to achieve greater value.

**ANALYTICS**
Discovering meaningful data patterns and communicating findings.
POTENTIAL IMPACT ON FUTURE TRAVEL

PERSONALIZED NEXT BEST OFFERS BASED ON ADVANCED ALGORITHMS
Integrated information systems will determine the ‘next best offer’ for travelers by cross-referencing travel, holiday, hotel and food searches. They will use predictive algorithms to make original suggestions tailored to the preferred price range, peers and gender needs.

PROACTIVE NOTIFICATIONS BASED ON PERSONAL DIGITAL PROFILE
Travelers will receive personalized information during traveling from data aggregation services (such as Google Now). They will tell travelers when to leave, how to drive and where to park in order to be on time for their flight.
Enabling future success...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

EXECUTING PRE-MAINTENANCE ON CARS AND AIRPLANES

Software technology based on the ‘internet of things’ could help to improve transportation safety and efficiency by detecting anomalies in the hardware or software of a car or airplane before the actual problem occurs.

TAKING SHORTER ROUTES BASED ON PLANE-TO-PLANE COMMUNICATION

Advanced software technology could enhance plane monitoring and allow them to take ‘free routes’ outside the predefined air corridors due to improved plane-to-plane communication. This could significantly reduce travel time and carbon emissions.
HUMAN-CENTRIC TECHNOLOGY

Improving our daily lives
Human-centric technology empowers people in their daily lives, as it is designed to meet their specific needs. It empowers them and offers an intuitive experience. It does not expect people to adapt to the technology, as was often the case in the past.

**BEST PRACTICE**

Groupon’s location coupons provide customers with discounts based on their current location.

**SEMANTIC SEARCH**

Understanding intent and contextual meaning of search terms.

**GEO-LOCATION**

Assessing the physical, geographical location of an object.

**SPEECH RECOGNITION**

Translating spoken words into text or concrete actions.

**RFID**

Wirelessly transferring data to identify and track tags on objects.
Improving our daily lives...

POTENTIAL IMPACT ON FUTURE TRAVEL

WHAT WE EXPECT WILL HAPPEN

EASY AIRPORT NAVIGATION DUE TO LOCATION-BASED SERVICES

At the airport, location-based services will provide real-time information to travelers to help guide them through the terminal, telling them where to check in, board and exchange currency, while helping them to track luggage.

AUTOMATED BAGGAGE TRACK & TRACE USING RFID TECHNOLOGY

Personalized, smartphone-activated, digital bag tags will eliminate paper tags, tickets and boarding cards entirely and will help find a traveler’s bags at any preferred moment with the help of radio-frequency identification (RFID).
What we envision might happen

FUTURISTIC CONCEPTS

ARTIFICIAL INTELLIGENCE

The science and engineering of making intelligent machines, which can perceive its environment and take actions that maximize its chances of success. Imagine them at the airport to assist you.

NANOTECHNOLOGY SENSORS

Manipulating matter on an atomic and molecular scale. Imagine people carrying on-body devices powered by microchips of seven nanometers in length. Biological threats will be instantly detected at border controls.

COGNITIVE COMPUTING

Offering synthesis based on information sources, as well as influences, contexts and insights. This way it is able to respond to the fluid nature of people and their problems. It could be your future travel muse.

HUMAN-CENTRIC TECHNOLOGY
OMNI-PRESENCE

Ensuring seamless interaction
Ensuring seamless interaction...

TREND DESCRIPTION

Omni-presence is all about providing customers with a seamless experience through all available channels. It puts the customer at the centre of attention and allows them to switch channels without any hassle or limitations. Online and offline are fully integrated.

KEY ELEMENTS

**(E)STORE**
Choosing a physical shop experience or the convenience of online shopping.

**MOBILE & APPS**
Performing activities in a focused application environment, anytime and anywhere.

**WEARABLES**
Receiving notifications and communication on miniature electronic devices (e.g. smartwatch).

**SOCIAL MEDIA**
Creating, sharing or exchanging information in virtual communities and networks.

WHAT WE KNOW IS HAPPENING

PowaTag’s beacon platform enables customers to pick up promotional messages with any mobile device.

OMNI-PRESENCE
Ensuring seamless interaction...

**POTENTIAL IMPACT ON FUTURE TRAVEL**

**MOBILE APPS THAT PROVIDE AN END-TO-END TRAVEL EXPERIENCE**

All-encompassing mobile apps will provide a comprehensive end-to-end customer experience. From booking, checking-in and boarding to navigating to hotels and buying additional services, future mobile apps will offer travelers a seamless experience.

**BAG DROP AT DIFFERENT LOCATIONS**

Automated bag drop-off points located across the terminal or close surroundings will make the life of future travelers a lot more convenient. Imagine the ease of selecting the drop-off point that is closest or most convenient for you on the way to catch your plane.
Ensuring seamless interaction...

**WHAT WE ENVISION MIGHT HAPPEN**

**FUTURISTIC CONCEPTS**

**SMART CABIN**

A combination of a personal flight entertainment system and a virtual office, connected to a fast 5G network throughout the entire flight. Imagine all the work you can get done while traveling to your next destination, using your own personal preferences and files.

**INTERACTIVE WALLS AND MIRRORS**

A revolution in entertainment and public space advertising, simplifying information transfer. In an airplane, passengers will be able to use the window screens to examine particular sights, surf the internet, or simply turn them off. In a hotel, travelers will watch a movie on the wall.
16:43
Good afternoon, Nicholas.

TRUE PERSONALIZATION
Offering one-to-one service
Offering one-to-one service...

True personalization is the art of providing tailor-made and authentic offerings to one individual in line with the person’s needs and wants. In a world of busy schedules, indefinite choice and information overload, customers are ready to receive personalized offers.

**Key Elements**

**Information Overload**
- Processing too much information, leading to a reduction in decision quality.

**Personal Profiles**
- Building personal data profiles to understand and customer behavior.

**1-to-1 Targeting**
- Providing personalized offerings based on available data.

**Service Economy**
- Offering an increasing amount of services as part of product offerings.

**Best Practice**

Amazon’s recommendation engine offers alternative products based on customer’s online behavior.

**What We Know Is Happening**

TRUE PERSONALIZATION
Offering one-to-one service...

**WHAT WE EXPECT WILL HAPPEN**

**POTENTIAL IMPACT ON FUTURE TRAVEL**

**FLIGHT CABINS WITH DIFFERENT ZONES**
Flight cabins will be divided into different zones to cater for different kinds of travelers. Separate areas are created for those who want to relax, mingle with other passengers, sleep, or eat food in a restaurant setting.

---

**CONTINUOUS AND REAL-TIME VIDEO LINKING TO FINETUNE TRIPS**

Continuous and real-time video interaction with travel agents will increase flexibility and solve any problem during traveling. Services are instantly available and at reach wherever travelers are in their journey.
Offering one-to-one service...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

DIGITAL TRAVEL ASSISTANT

Each traveler will have an individual ‘e-agent’ that goes with them wherever they go, for example inside a watch or a small piece of jewelry. Travelers will be able to continuously engage and interact with their digital travel assistant to fine-tune their trip on the go.

“EVERYWARE” PERSVATIVE COMPUTING

Technological devices are getting smaller and are virtually everywhere, helping society at any moment in time without getting in the way. It will be placed in clothing and even in contact lenses. Travelers will not be aware of their presence, but can always rely on it.

TRUE PERSONALIZATION
TOTAL DATA CONTROL

Deciding what to share with whom
Deciding what to share with whom...

**TREND DESCRIPTION**

Companies are seeking to obtain and make sense of customer data more than ever before. Customers will only entrust their personal data to companies if it provides value-adding products and services to them, while providing transparency and solid protection.

**BEST PRACTICE**

Apple Pay enables paying on all digital devices with the ease of a single touch.

**KEY ELEMENTS**

**DIGITAL IDENTITY**

Identifying individuals for authentication and authorization purposes.

**MOBILE PAYMENTS**

Using a mobile phone to pay for (digital) services or hard goods.

**DATA PRIVACY**

Sharing data while protecting personally identifiable information.

** HACKER ARMIES**

Seeking and exploiting weaknesses in a computer system.

**TOTAL DATA CONTROL**

5
Deciding what to share with whom...

WHAT WE EXPECT WILL HAPPEN

POTENTIAL IMPACT ON FUTURE TRAVEL

AUTOMATED BORDER CONTROL
WITH E-PASSPORTS
Biometric data cards known as ‘e-passports’ will replace traditional passports and allow border control to be automated. As a result, travelers will be able to pass through security quickly, making the travel experience more convenient.

PEER-TO-PEER E-PAYMENTS
USING NFC TECHNOLOGY
Picture yourself in a small local market in a far, distant place, paying for your groceries with just one simple click on your mobile phone. Queues are avoided and expenditures are easily tracked.
Deciding what to share with whom...

**WHAT WE ENVISION MIGHT HAPPEN**

**FUTURISTIC CONCEPTS**

**BIOMETRIC FACIAL RECOGNITION**

Border controls will operate a biometric immigration system that uses facial recognition to identify travelers. This technology will massively increase airport efficiency and reduce waiting times, as passports will no longer have to be checked when crossing borders.

**ON-BODY MICROCHIPS CONTAINING PERSONAL DATA**

On-body microchips, with all personal data securely saved, allows the recording, storing, processing and transmitting of data to and from designated devices. This technology makes immigration clearance more convenient and secure by only scanning the on-body microchip.

**TOTAL DATA CONTROL**

5
RISE OF A NEW GENERATION

Setting a new standard
Setting a new standard...

TREND DESCRIPTION

The rise of the millennial generation will change the way we live and work. They will set a new standard by being tech-savvy, connected and strong multi-taskers. Companies need to find ways to appeal to the new millennial values, such as a healthy work life balance, collaboration, transparency and career advancement.

BEST PRACTICE

Virtusa’s V+ internal social business platform leverages social technology to drive collaboration and engagement in business.

KEY ELEMENTS

MILLENIAL MINDSET

Setting a new society standard due to a different set of values and intentions.

TRADING UP & DOWN

Focusing on low prices, while choosing selected ‘high-end’ offers to experience luxury.

GLOBALIZATION

Integrating world views through accessibility of transport and rapidly evolving technologies.

TECHNOLOGY SAVVYNESS

Adapting and embracing new technology faster than ever before.
Setting a new standard...

POTENTIAL IMPACT ON FUTURE TRAVEL

WHAT WE EXPECT WILL HAPPEN

FOCUS ON ENVIRONMENTAL FACTORS DURING TRAVEL

Millennials are typically more concerned with the environment and make conscious choices in favor of environmentally-friendly concepts. Showing corporate social responsibility and leveraging durable energy is increasingly valued.

SHARED COMMUNAL AREAS IN HOTELS

Millennials differ from their previous generations in the way they like to spend time, as they enjoy being in a communal and shared environment. Hotels will start reshaping their buildings to create such environments.

RISE OF A NEW GENERATION
Setting a new standard...

FUTURISTIC CONCEPTS

WHAT WE ENVISION MIGHT HAPPEN

THE NEW DIGITAL STANDARD OF FUTURE SOCIETIES

Upcoming generations will be raised with digital all around them and have no sense of a world without information and communication technologies. As a result, digital will be at the very foundation of future societies.

MISSION-DRIVEN JOB SEEKING & VOLUNTOURISM

Besides career advancement and challenging work, millennials expect to get personal meaning and satisfaction from their jobs. They want to make a positive contribution to society. In line with this trend, ‘voluntourism’ will gain grounds.
Sharing is caring...

**TREND DESCRIPTION**

Sharing access to products and services will further increase in popularity in favor of having individual ownership, often enabled by technology and peer communities. Examples are digital marketplaces and peer-to-peer travel advising & accommodation.

**BEST PRACTICE**

Airbnb offers a digital platform, on which travelers can book accommodation from a local resident.

**KEY ELEMENTS**

**SHARING ECONOMY**

Shifting from owning to sharing things, both physically and online.

**BELIEF OF COMMUNITY**

Being part of a (online) community that shares common values.

**SOCIAL MEDIA**

Creating, sharing or exchanging information in virtual communities.

**BLOGS & VLOGS**

Expressing opinions and sharing experiences by publishing content.

**WHAT WE KNOW IS HAPPENING**
Sharing is caring...

**POTENTIAL IMPACT ON FUTURE TRAVEL**

**WHAT WE EXPECT WILL HAPPEN**

**LOCAL CROWD SOURCING**
Travelers will increasingly support local projects at their travel destination and get “travel perks”, such as a free place to stay in return. This kind of behavior provides new opportunities for local businesses, who could benefit from people visiting their local community.

**PEER-TO-PEER TRAVEL BECOMES A MAINSTREAM WAY OF TRAVELING**
An increasing amount of travelers will discover peer-to-peer review and accommodation platforms. Anyone can share their experience online, offer a place to sleep (couch surfing), rent out his house or offer guided tours.

**COLLABORATIVE ECONOMY**
Sharing is caring...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

ASSET LIGHT LIFESTYLE

In the future, people will have less possessions, as asset-sharing becomes mainstream. Sharing things with friends or even strangers will become a common thing to do.

COMMUNITY-BASED PLATFORMS

Community-specific, peer-to-peer platforms that integrate brand preferences, social media, user-generated content, peer reviews and selected contents (e.g. interactive video’s, travel wiki’s, blogs, etc) will allow future travelers to get inspired on travel destinations, hotels and other travel aspects.
Looking for authentic moments
Looking for authentic moments...

**TREND DESCRIPTION**

As travelers are increasingly looking for authentic moments, companies will start to orchestrate memorable events for customers, so that memory itself becomes the product. They will charge for the value of the transformation that an experience offers.

**BEST PRACTICE**

Singapore’s Changi Airport is equipped with numerous, leisure options, ranging from a pool to cinema’s.

**KEY ELEMENTS**

**CHANGING VALUES**

Obtaining social status based on experience rather than possession.

**AUTHENTIC INSPIRATION**

Looking for authentic experiences to find personal growth.

**CAPTURE THE MOMENT**

Capturing the moment is an essential part of sharing & remembering.

**VISUALIZATION**

Visual contents provide inspiration due to emotional triggers.
Looking for authentic moments...

**WHAT WE EXPECT WILL HAPPEN**

**POTENTIAL IMPACT ON FUTURE TRAVEL**

**VISUALIZATION VIA 3D DEVICES**

3D technology has large potential when it comes to creating travel experiences. Just picture yourself on a city trip using a 3D device as your personal tour guide, providing you with real-time information about the sights around you.

**EXPERIENCE LIFE AS A LOCAL WITH HOME-TO-HOME EXCHANGE**

What would it be like to be a New Yorker? With increasing value placed on authenticity and sustainability, home-to-home exchanges will provide a solid travel alternative. Think like a local, act like a local, live like a local.
Looking for authentic moments...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

VIRTUAL REALITY

Virtual reality will give travelers the opportunity to experience all the aspects of travel before they even step out of the door. Travel orientation will be much more visual than it is today, with people comparing alternative based on ‘seeing’ the difference.

3D HOLOGRAMS

A Skype-style, visual communication system will allow the future traveler to have real-time chats with his friends, family or travel assistant using 3D holograms. It will be the closest thing to literally having them in the room with you.
### TREND DESCRIPTION

People are becoming increasingly aware of environmental issues and are starting to make more conscious decisions to protect the planet. Ongoing climate change will put sustainable development on the global agenda and demand a future-proof solution.

### BEST PRACTICE

Velib’s bicycle sharing system decreased the number of cars in downtown Paris.

### KEY ELEMENTS

<table>
<thead>
<tr>
<th>ECOTOURISM</th>
<th>RENEWABLE ENERGY</th>
<th>EMISSION LEGISLATION</th>
<th>CORPORATE SOCIAL RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offering a low-impact, small-scale alternative to mass tourism.</td>
<td>Using energy resources which are naturally replenished.</td>
<td>Reducing the carbon footprint to have less environmental impact.</td>
<td>Engaging in actions that contribute to social good beyond business.</td>
</tr>
</tbody>
</table>
Saving the planet...

WHAT WE EXPECT WILL HAPPEN

POTENTIAL IMPACT ON FUTURE TRAVEL

SOLAR-BASED AIRPLANES
Solar-powered airplanes have already been developed and will trigger new developments in mainstream air travel. Flying on solar power instead of kerosene would lead to a great reduction of CO2 emissions.

PURPOSEFUL TRAVELING
Traveling while giving something back to the local community will increase in popularity. Future tour operators will increasingly integrate seeing or contributing to local projects as part of the complete travel package.

SUSTAINABLE LIVING
Saving the planet...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

AEROVILLES WILL BECOME THE AIRPORT OF THE FUTURE*

The departure hall surroundings are intelligently designed to make transit a pleasurable part of the holiday experience. The airport of the future will contain plenty of ‘green’ and fresh air in order to provide a natural and relaxed atmosphere for travelers.

SMART DESTINATIONS

Smart destinations will no longer just pursue an increase of travelers. Instead, these destinations will match different traveler types to suitable areas and communities in line with their needs. As such, economic benefits will be maximized, while social and environmental costs are kept to a minimum.

*Sky scanner, 2015 (the future of travel 2024)
EXTENDED ENTERPRISE

Preparing for a new way of working
Preparing for a new way of working...

**TREND DESCRIPTION**

The extended enterprise contains a loosely coupled, self-organizing network of companies that combine their efforts to provide products and services to the market. It leverages the power of innovation, digital capabilities and partner collaboration.

**BEST PRACTICE**

**Burberry** offers a unique fashion platform by blurring the physical and digital world and providing new services.

**KEY ELEMENTS**

<table>
<thead>
<tr>
<th>BUSINESS MODEL INNOVATION</th>
<th>DIGITAL PLATFORMS</th>
<th>ADDITIONAL SERVICES</th>
<th>PARTNERING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rethinking business models to prepare for market disruptions.</td>
<td>Being part of a platform that intelligently fulfills customer needs.</td>
<td>Providing additional services to increase share of wallet.</td>
<td>Meeting market demands creatively using cooperation.</td>
</tr>
</tbody>
</table>
Preparing for a new way of working...

WHAT WE EXPECT WILL HAPPEN

POTENTIAL IMPACT ON FUTURE TRAVEL

SOCIAL ENTERPRISE

Applying commercial strategies to maximize improvements in human and environmental well-being. Social enterprises do not aim to offer any benefit to their investors, except where they believe it will expand their capacity to realize their goals.

CO-CREATION

Viewing markets as platforms for companies and active customers to share, combine and renew each other’s resources and capabilities to create value through new forms of interaction, service and learning mechanisms.

EXTENDED ENTERPRISE
Preparing for a new way of working...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

OUTSOURCING ANALYTICAL JOBS TOWARDS DEVELOPING ECONOMIES

An increasing amount of analytical-based jobs will be moved to developing economies due to the highly educated and low-cost personnel. The great shift of economic power to the East provides a huge opportunity for the workers of the world.

SMART COMPANY

As work and life will start to blur together and companies will want to retain their talents, companies will make work conditions as comfortable as possible. This includes offering a variety of mobile offices at convenient locations, such as airports and trains.
NEXT-LEVEL ENGINEERING

Establishing true efficiency
Establishing true efficiency...

**TREND DESCRIPTION**

An increasing amount of industries will be disrupted by technological innovations. Next-level engineering will bring together various novel ideas in a way that has true societal impact. Better solutions will meet new requirements, inarticulated needs and existing market needs. The possibilities are endless.

**BEST PRACTICE**

Google Nest offers an app controlled thermostat that learns heating and cooling preferences over time.

**KEY ELEMENTS**

<table>
<thead>
<tr>
<th>DRONES</th>
<th>3D PRINTING</th>
<th>CONNECTED CAR</th>
<th>SMART HOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivering payloads via an aerial vehicle that flies autonomously.</td>
<td>Printing 3D objects based on an electronic data source.</td>
<td>Sharing internet access to other devices inside and outside the vehicle.</td>
<td>Enabling occupants to remotely control or program home devices.</td>
</tr>
</tbody>
</table>
POTENTIAL IMPACT ON FUTURE TRAVEL

SOLAR-POWERED CITY-TO-CITY ELEVATED TRANSIT SYSTEMS

Future trains will get a lot faster, whether it’s based on hyperloop, steel tube or air-tight vacuum tube technology. Traveling from one city (and even continent) to another has never been easier or faster.

SPACE TRAVEL

Commercial flights to outer space will become reality in the near future, as Virgin Galactic plans to launch its first commercial space trip in 2016. Space travel technology will also show potential to shorten intercontinental flights.
Establishing true efficiency...

WHAT WE ENVISION MIGHT HAPPEN

FUTURISTIC CONCEPTS

SMART CITIES

Smart cities will use digital technology to enhance performance and wellbeing, reduce costs and resource consumption and engage more effectively and actively with its citizens. Key ‘smart’ sectors include transport, energy, health care, water and waste.

AEROMOBIL

Door-to-door aerial transportation without the need for roads, runways or other operating areas. True ‘flying cars’ will lack any visible means of lift, which allows them to be operated in urban areas and close to buildings, people and other obstructions. It sure sounds like science fiction, but progress is already being made.
Appendix: Table of content

Macro analysis
Trend analysis
Customer insights
Cases on disruption
Workshop impressions
Planning
Travel insights:
Key needs and pain points of leisure customers

- Entertainment
- Price/quality
- Reliability

- Hidden costs
- Lack of communication
- Long waiting times

*Capgemini research, 2015*
# Outbound leisure travel

## Overview of common customer needs

### Customer corridor

<table>
<thead>
<tr>
<th>Become aware</th>
<th>Orientate</th>
<th>Book and pay</th>
<th>Prepare</th>
<th>Travel</th>
<th>Stay</th>
<th>Do (activities)</th>
<th>Get help</th>
<th>Return &amp; Evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Get inspired on possible travel destinations</td>
<td>• Get details on off season and peak season of a destination</td>
<td>• Travel cost &amp; accommodation within budget</td>
<td>• Plan route and transportation</td>
<td>• Prefer packages: Appreciation for the extras that hotels offer to their guests</td>
<td>• Good internet connection</td>
<td>• Explore the city, enjoy local food, shopping, have fun, rest and relax</td>
<td>• Easy to create photobook</td>
<td></td>
</tr>
<tr>
<td>• Find information about different countries</td>
<td>• Authentic reviews: Relies on friends &amp; family member’s recommendations</td>
<td>• Determine period of travel</td>
<td>• Medical vaccines</td>
<td>• Location the tourist information desk</td>
<td>• Location the tourist information desk</td>
<td>• Give reviews and feedback on social media, blogs and network sites</td>
<td>• Give reviews and feedback on social media, blogs and network sites</td>
<td></td>
</tr>
<tr>
<td>• Get interesting offers</td>
<td>• Investigate type of people at travel destination</td>
<td>• Look at different tickets and accommodation options and compare prices and quality</td>
<td>• Travel insurance</td>
<td>• Good and quick communication in case of delays</td>
<td>• Get local currency</td>
<td>• Get personal assistance</td>
<td>• Get personal assistance</td>
<td></td>
</tr>
<tr>
<td>• Get personal assistance</td>
<td>• The presence of culture in a certain country.</td>
<td>• Availability during public holidays</td>
<td>• Seek information on Visa/transit policy/passport expire dates</td>
<td>• Affordable domestic transport options (taxi’s)</td>
<td>• The presence of fellow travelers</td>
<td>• Affordable activities at the location</td>
<td>• Get the possibility to bring souvenirs from your holiday back in the transport</td>
<td></td>
</tr>
<tr>
<td>• Invite travel exhibitions</td>
<td></td>
<td>• Short time weather forecast for destination</td>
<td></td>
<td></td>
<td>• All inclusive vs. back-pack holiday</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Overview of common customer needs

- Get inspired on possible travel destinations
- Find information about different countries
- Get interesting offers
- Get personal assistance
- Invite travel exhibitions
- The presence of culture in a certain country.
Outbound leisure travel

### Overview of common customer pain points

<table>
<thead>
<tr>
<th>Customer corridor</th>
<th>Become aware</th>
<th>Orientate</th>
<th>Book and pay</th>
<th>Prepare</th>
<th>Travel</th>
<th>Stay</th>
<th>Do (activities)</th>
<th>Get help</th>
<th>Return &amp; Evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lack of online skills for the elderly</td>
<td>Unable to find budget accommodations</td>
<td>Cost factor: Expensive hotels, car rentals and train fares</td>
<td>Confusion about the visa/transit policy</td>
<td>Confirmed hotel bookings found to be cancelled upon reaching the destination</td>
<td>Fake information: Fake hotel room pictures displayed on online portals</td>
<td>Bad customer services at the hotel</td>
<td>Websites not providing the option to leave a review for public reference</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Authenticity concerns regarding information available online</td>
<td>Too many accommodation options - selection problem</td>
<td>Refund and cancellation issues with booking website</td>
<td>Confusion about the mandatory vaccinations</td>
<td>Waiting times at the airport</td>
<td>Cost factor: Expensive hotels, car rentals and train fares</td>
<td>Airline check-out: delay in getting the cabin baggage at airports, baggage damage, lost baggage, stolen goods</td>
<td>Posting reviews in region specific hotels might be a challenge due to language barrier</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Information not available in English – region specific hotels</td>
<td>Poor customer service – no response to phone calls/emails/posts on web forums to support the booking process</td>
<td>Poor customer service – no response to phone calls/emails/posts on web forums to support the booking process</td>
<td>Confusion about the mandatory vaccinations</td>
<td>Poor customer service in case of delays</td>
<td>Expensive activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lack of transparent pricing</td>
<td>Expensive hotels, car rentals and train fares</td>
<td>Booking website/App not responsive or making incorrect booking</td>
<td>Confusion about the mandatory vaccinations</td>
<td>Expensive activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Expensive hotels, car rentals and train fares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Travel insights:
Key needs and pain points of business customers

- Efficiency
- Reliability
- Loyalty programs
- Travel time
- Inconvenient hotel locations
- Itinerary changes (e.g. delays)

*Capgemini research, 2015*
### Outbound business travel

#### Overview of common customer needs

<table>
<thead>
<tr>
<th>Customer corridor</th>
<th>Become aware</th>
<th>Orientate</th>
<th>Book and pay</th>
<th>Prepare</th>
<th>Travel</th>
<th>Stay</th>
<th>Do (activities)</th>
<th>Get help</th>
<th>Return &amp; Evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Become aware</strong></td>
<td>- Request form business partners</td>
<td>- Finding hotel at a convenient location</td>
<td>- Advance reservations for transport</td>
<td>- Get medical certificate as per country specific requirements</td>
<td>- Learn about local laws and customs</td>
<td>- Good internet connectivity at hotel</td>
<td>- Prompt and effective customer service</td>
<td>- Surrender of unutilized traveler’s checks/per-diems</td>
<td>- User friendly tool for claim reimbursements</td>
</tr>
<tr>
<td><strong>Orientate</strong></td>
<td>- Face to face appointments abroad</td>
<td>- User friendly mobile app</td>
<td>- Secure payment portal &amp; different payment options</td>
<td>- Visa approvals/Imigration formalities</td>
<td>- Ensure to carry important travel documents</td>
<td>- Good flight experience</td>
<td>- Share travel experience with fellow colleagues and HR</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Book and pay</strong></td>
<td>- Look out for possible travel dates</td>
<td>- Complimentary breakfast option</td>
<td>- Purchase an affordable travel insurance plan</td>
<td>- Good customer service at airport and in flight</td>
<td>- Good internet connectivity at hotel</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Prepare</strong></td>
<td>- Personal assistance to book and prepare</td>
<td>- The use of a loyalty program</td>
<td>- Collection of international travel card</td>
<td>- Location of hotel near the business meeting/conference venue</td>
<td>- Prompt and effective customer service</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Travel</strong></td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Transport facility</td>
<td>- Information about culture differences</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stay</strong></td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- The use of internet during flights</td>
<td>- Information about culture differences</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Do (activities)</strong></td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Get help</strong></td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Return &amp; Evaluate</strong></td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Information about culture differences</td>
<td>- Adequate desk/work space in room</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Finding hotel at a convenient location
- User friendly mobile app
- Look out for possible travel dates
- Personal assistance to book and prepare
- Advance reservations for transport
- Secure payment portal & different payment options
- Complimentary breakfast option
- Purchase an affordable travel insurance plan
- Collection of international travel card
- Information about culture differences
- Get medical certificate as per country specific requirements
- Visa approvals/Imigration formalities
- Good customer service at airport and in flight
- Good internet connectivity at hotel
- Adequate desk/work space in room
- Prompt and effective customer service
- Surrender of unutilized traveler’s checks/per-diems
- User friendly tool for claim reimbursements
- Share travel experience with fellow colleagues and HR
- Launch a portal which serves as a single point of reference to all the travelers providing them with all flight related information (delay in flight, cancellation, etc.) at one place
Outbound business travel

### Overview of common customer pain points

#### Customer corridor

<table>
<thead>
<tr>
<th>Become aware</th>
<th>Orientate</th>
<th>Book and pay</th>
<th>Prepare</th>
<th>Travel</th>
<th>Stay</th>
<th>Do (activities)</th>
<th>Get help</th>
<th>Return &amp; Evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Familiarize with culture diversity</td>
<td>Difficulty in finding a hotel at a convenient location during busy periods</td>
<td>Company restrictions on budget</td>
<td>Difficulties when rescheduling flight and hotel bookings</td>
<td>Feeling unsafe and not secure with their surroundings whilst travelling</td>
<td>Poor internet connectivity/Non-functionality of the Wi-Fi at hotel impacting work post business hours</td>
<td>Hassles in extending and making fresh bookings in case of travel extension</td>
<td>Stack of receipts and expense reports to be completed upon return</td>
<td>Exhaustion post travelling</td>
</tr>
<tr>
<td>Difficulty in finding a hotel at a convenient location</td>
<td>Finding hotel at a convenient location</td>
<td>Inability to quickly and easily book air or rail when last minute itinerary changes occur</td>
<td>Booking office who make wrong bookings</td>
<td>Flight delays consuming productive time of corporate travelers</td>
<td>Flight delays – no adequate care of passengers</td>
<td>User unfriendly tool for claim reimbursements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finding flights early in the morning and late in the evening</td>
<td></td>
<td>Discussion on bookings for accommodation including comments on affordability, refund, cancellation features of rooms etc</td>
<td></td>
<td>In-flight experience – bad food, cramped seats</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix:
Table of content

Macro analysis
Trend analysis
Customer insights

Case studies on disruption
Workshop impressions
Planning
Case studies on disruption
Disruption that transforms an entire industry

CASE STUDY: THE MUSIC INDUSTRY

Before:
Global music market: $28 billion in 2000

Disruption:
Consumer demand for singles and downloads is met by piracy and iTunes

After:
Global music market: $15 billion in 2010

Disruption is able to decrease substantial market volume
Case studies on disruption
Disruption that makes companies struggle

CASE STUDY: NOKIA

Before:
Nokia phones were once a consumer favorite, delivering the greatest phone products on the market.

Disruption:
Other companies (such as Apple & Samsung) have captured consumers’ imagination with superior devices.

After:
Consumers realized that Nokia was not reacting appropriately and left. They might never come back.

Disruption is able to shift market positions
Case studies on disruption
Disruption that destroys companies

CASE STUDY: KODAK

Before:
Kodak invented the first digital camera in 1975, but feared that investing in digital film would cannibalize their business.

Disruption:
Other companies embraced new technology and reaped the benefits.

After:
Kodak experienced decades-long decline as digital photography destroyed its film-based business model.

Disruption is able to destroy companies who are afraid of change
Appendix:
Table of content

Macro analysis
Trend analysis
Customer insights
Case studies on disruption
Workshop impressions
Planning
The experience of the first ASE workshop

Taking a quantum leap into the future
Best practices
Trends, developments & customer insights

Envisioning the future of travel

Inspiration on singularity & customer experience
Working in groups
Reporting back the findings
The experience of the second ASE workshop

Disruption and sense of urgency

Inspiration on Big Data

Uncovering why personas travel

Envisioning the future of travel

Building future business models for the travel industry

Establishing industry (un)learning's

Working in groups & reporting back the findings
The experience of the third ASE workshop

Strategic positioning based on persona needs

Inspiration on sense of urgency and industry challenges

Working in groups & reporting back the findings

Defining industry issues and solutions based on the business model canvas

How to change: what is indispensable, necessary or desirable?

Personal takeaways from Travel Tomorrow

Envisioning the future of travel
Appendix:
Table of content

Macro analysis
Trend analysis
Customer insights
Case studies on disruption
Workshop impressions

Planning
Planning

Our journey...

- **March 17**: ASE Workshop at Capgemini Consulting
- **April 9**: Executive Dinner
- **April 14**: ASE Workshop at Capgemini Consulting
- **May 12**: Executive Dinner
- **May 19**: ASE Workshop at Capgemini Consulting
- **June 16**: Travel Tomorrow Congress (location TBD)

Travel Tomorrow Report
Travel Tomorrow:
Overview of participants

The following companies have made an invaluable contribution to the contents of this report. We thank you for your expertise and enthusiasm!
Travel Tomorrow: Overview of core team

Hikmat Mahawat Khan
Aviation, Industrial & Consumer Markets
Capgemini Consulting

Frank Oostdam
Director
ANVR

Gerard van der Voort
Senior Consultant Digital Customer Experience
Capgemini Consulting

Frank Radstake
Manager Consumer Affairs and Social Policy
ANVR

Veronika Snijders
Consultant Digital Customer Experience
Capgemini Consulting

Franc Haerkort
ASE Center Lead and workshop facilitator
Capgemini Consulting
The end