How to engage with the modern traveler.

Tips for the travel and hospitality industry.
It’s all about the experience.
Travel and hospitality is one of the fastest growing industries as consumers gravitate toward purchasing experiences rather than products. For companies in this industry, customer service is key to providing that sought-after experience. The nature of doing business with travelers and vacationers is serving them the best possible way and giving them the ultimate in customer experience, and the industry’s livelihood depends upon the satisfaction their customers receive. Based on its history working with a wide variety of companies with an ecommerce presence, Nuance, the innovative leader in omni-channel engagement solutions for market-leading brands, has developed a set of best practices for companies in a variety of industries to effectively use online engagement to maintain a competitive advantage in the omni-channel world. This white paper addresses the unique situations experienced by online travel customers.

Introduction
Providing quality transportation, lodging or entertainment is the travel/hospitality enterprise’s specialty. However, how do they fare when it comes to acquiring new clients and serving them throughout their journey, from beginning to end and afterwards? In times past, customers were captured through travel brochures, magazine ads, and travel agencies. Their questions were answered by their travel agent. Then they may have been invited to return via marketing mailers. And that’s all the customer expected.

Today, customers expect transportation and hospitality services to be at their beck-and-call with highly personalized online engagements. Why? They have the means to connect with any company 24-7 – most likely not through their personal computer, but through their tablet or smartphone when on the go. The customer is no longer the passive object of the marketer; they are now the pursuer – they are in control of their journey.

The online channel has given customers this control and has become the preferred method of planning trips. A 2014 Forrester report, Building a Digital Travel Business, found that in 2013, 76% of US online adult leisure travelers who had taken at least one trip in the past twelve months booked it online.

This white paper examines:
- How to determine the travel customer’s Moment of Truth when engaging with a brand
- The best placements for Calls-to-Action on their Website, whether on desktop, smartphone or tablet
- The most effective way of making their presence known to their customers, and the most common touchpoints of the on-the-go travel customer
- How to keep loyal customers with consistent branding
- How to instill trust in customers as they interact with the travel/hospitality brand
- How to make an emotional connection with travelers, whether with live chat or self-serve
- How to continuously improve omni-channel engagement in order to meet the unique needs of travel/hospitality customers
- How to stay relevant to each customer, depending on their travel goals and timeline

Travel Facts:
- Nearly 80% of travelers book travel online.
- 84% say a positive online experience is important when booking travel.
But this doesn’t refer to only desktop. A 2013 Google study found that 82% of smartphone users research travel info online. This demonstrates that travel companies must reach customers across all engagement channels, all the time, on the channel of their choice.

When engaging with their omni-channel customers, the travel and hospitality industry has the challenge of seamlessly providing the same experience from channel to channel. In addition, they must provide the same level of personal experience online as their flight attendants or concierges do in person – even before the travelers book their flight or reserve a room.

A company that is able to rise to the challenge of their omni-channel customer experience has the potential for higher revenue, better overall customer experience, and ultimately higher profits. Lifting site conversion is an important area of growth for companies in the travel and hospitality industry.

The key to increasing conversion and average order value (AOV) is knowing and understanding consumer behavior that is unique to one’s business and being present to engage the consumer at the right time with the right message in the right place.

This white paper details the best practices for omni-channel customer engagement in the travel and hospitality industry that will enable these businesses to improve conversion rates, reduce abandonment and overhead costs, increase revenue, and grow their loyal customer base.

The channel focus of a travel/hospitality business’ customer engagement depends on the service that company provides. For example, modern-day taxi services such as Uber or Lyft understand that the majority (97%) of their customers are going to be requesting their services via smartphone. On the other hand, companies who provide higher-priced services like lodging or long-distance travel know that their customers are more comfortable making their purchases on desktop. Airbnb gets 56% of its traffic from desktop. However, they must consider that once the main purchase has been made, their customers will want to communicate with their brand while on the go. So these companies must not ignore the demand for mobile engagement.

— Stats from Mobile Strategies 360

Why engage with customers online?

– Increase conversion
– Reduce abandonment
– Increase incremental revenue
– Increase average order value (AOV)
– Lower cost per acquisition
– Increase call center deflection
– Improve customer satisfaction and loyalty

Online activities carried out when planning a holiday

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Researching destinations</td>
<td>95%</td>
</tr>
<tr>
<td>Comparing prices</td>
<td>91%</td>
</tr>
<tr>
<td>Searching for feedback &amp; comments by other people on holiday companies or travel agents</td>
<td>69%</td>
</tr>
<tr>
<td>Booking the holiday or elements of the holiday</td>
<td>61%</td>
</tr>
<tr>
<td>Researching options for holiday companies or travel agents</td>
<td>47%</td>
</tr>
<tr>
<td>Buying other services or products related to your holidays</td>
<td>23%</td>
</tr>
<tr>
<td>I don’t use the internet for holiday planning</td>
<td>10%</td>
</tr>
<tr>
<td>Don’t know/Not applicable</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Deloitte analysis of BTA Travel Vision data, July-September 2014
Base: UK holidaymakers 16+ (n=27, 146)
Best practices for omni-channel engagement in the travel/hospitality industry

Below are the tried and true best practices when serving customers in the omni-channel world of travel and hospitality. Nuance has proven results using these practices when partnering with market-leading enterprises to deliver personalized, optimal customer experiences.

Best Practice #1

Engage the customer at the "moment of truth."

When, where, and how often to engage the customer are critical components of an effective omni-channel strategy. First of all, it is important to proactively engage the customer when he or she is likely to need help the most. And when is that? There are a number of customer-critical moments, but the most common and critical for the travel and hospitality industry is when a prospective customer begins to book a flight or reserve a room. That is a "moment of truth"—when the site visitor attempts to become a customer. At that moment, the company should help them purchase and keep them from leaving.

Just how is that done? By developing a system of business rules that allow the brand to proactively reach the customer with various engagement methods before he or she abandons the site. For example, offering click-to-chat in the purchasing process may help to improve conversion rates and increase average order value (AOV) by ten percent—or more—when combined with the recommendation of related items or upgrades prior to checkout. Plus, making assistance available will help improve customer satisfaction scores and brand loyalty at the same time.

To make sure that proactive engagement, whether automated or live, is introduced at the crucial points of the customer journey, the business should thoroughly analyze its site to understand where and when its visitors are getting lost in their research process or abandoning their cart. When the business can identify when and where customers are confused, then it can provide assistance before their frustration is so great they can't be saved. Some crucial points in the customer journey can produce sticker shock. For example, the most common point of abandonment for airlines is when the customer sees the price, which triggers them to shop around to find the best deal. That's when the airline should step in and actively engage with them in order to make a personal connection. This mentally impresses them and draws them back to the airline's site. The travel/hospitality business should also be present to communicate at critical times in which error messages are generally delivered. Examples are when the customer chooses a flight, when the customer enters provisions preferences, or when the customer enters a method of payment. Being there to provide help when and where the customer needs it can dramatically improve error resolution time—and increase conversion rates.
**Best Practice #2**

**Location, location, location.**

Everyone knows that in real estate, location is the key factor in determining a property’s value. The real estate on a business’ Website is no different. Where a Call-to-Action is placed on the site is a key to how likely a customer will be to engage.

Based on extensive experience with their customers, Nuance suggests that click-to-chat graphics always be placed “above the fold” of each webpage so they are visible without the site visitor having to scroll. In the case of a mobile site, the chat button should be placed on the bottom right corner. (Imagine a traveler pulling their luggage with one hand as they rush through the terminal. They only have one available hand to hold and use a smartphone, and that hand can best reach items near the bottom of the screen. - Forrester)

In addition, graphics should be seamlessly integrated near other contact methods like email or telephone contacts, in order to encourage customer interaction. Forcing customers to scroll down to the bottom of the page or search for the click-to-chat option are sure-fire ways for an engagement strategy to get lost on the page.

Wherever a travel/hospitality business decides to place its call-to-action buttons, it should be consistent throughout the whole site, making it easier for the customer to have access to help when they need it.

**Best Practice #3**

**Chat early, chat often**

This doesn’t mean that a business should pounce on visitors as soon as they reach the site, but, based on Nuance research, if chat is used effectively during the users’ initial site visits, they are more likely to convert and to use chat for assistance on return visits.

By engaging customers at the right time—after they demonstrate intent to purchase—a business is more likely to see an increase in conversion rates. Alternatively, if it offers chat invitations too soon, it runs the risk of cannibalizing natural sales and, frankly, annoying customers. If a business can identify the average number of visits users make prior to completing a transaction, it can reset or re-evaluate intervals based on that frequency.

So how does a travel/hospitality business know when to engage its visitors? By observing user behavior. Tracking visitors on its site gives a business a solid grasp of where they are having the most difficulty understanding the offering, navigating the site, or completing a transaction. Or perhaps the customer is having difficulty checking in to their flight or room reservation on their mobile device. This is where a business should proactively engage visitors, making the process simpler for them and assisting them in completing a task.

Finally, having a chat agent present and available when the business says one will be available is a very important factor in maintaining a stable, ongoing relationship with the on-the-go traveler. After all, they don’t care what time zone a contact center is in. They may be on the road when that business is in bed! If no agent is available to help, it is better to hide the buttons on the site for that period of time than to allow the customer to click for assistance and receive no reply, or to wait in a queue for an extended period. If a business does decide to put its online visitors in a queue— which is not the best practice—it must be certain that its engagement technology enables advance queuing that allows the visitor’s behavior to adjust their position in the queue, similar to initial business rule engagement.
Remember, fully engaged hospitality industry guests spend 46% more per year than those disengaged, (Gallup Business Journal). Therefore, online engagement must be available and proactive around the clock.

**Best Practice #4**

**Branding is everything**

Like everything else in a travel/hospitality business’ online strategy, its online engagement graphics should adhere to the company’s brand guidelines. This includes buttons and chat skins or windows that mirror the size, shape, and clarity of the site as a whole. Consistency of the experience is even more important to the visitor who is using several devices throughout their journey with a brand. Thus, branding should have an omni-channel presence. Interestingly, while most companies are strict in their adherence to brand standards in their terminals, lobbies, and advertising, the “brand police” often disappear when online engagement software is concerned. Often, this is a result of out-of-the box software templates that restrict a company’s ability to customize graphics and the user experience.

However, customers are typically wary and distrustful of using a live support option if it appears to be an external link, uses a third party’s logo, or has broken links or graphics. The travel/hospitality business must remember that travelers are paying for an experience with that particular brand, and consistent branding promotes the trust they are seeking in the company. For these reasons, branding is a critical element in influencing user interaction.

In short, it is a best practice to completely integrate the user experience supported by omni-channel engagement software into the company’s online strategy so that it mirrors the rest of its Website. Forrester brand research shows that “having a consistent experience across all brand touchpoints is a key driver of brand trust.” By branding click-to-chat buttons and windows with the company’s color scheme, logo, tagline, and messaging, customers will get the needed visual clues to know that they will get the help they desire from an entity they trust.

**Best Practice #5**

**Don’t disappear**

Travel and hospitality services are just that – services. Not only are travel customers served during the purchase process, but they continuously need assistance during the trip (e.g. - checking in, checking flight status, etc.) and after (e.g. - making plans for their next journey). Therefore, online engagement can - and should - be applied to the service and support areas of the business in addition to its sales process. With this extended reach of chat support, a persistent chat window is required. Because a persistent chat experience “follows” the site visitor as he or she navigates the site, even after the customer’s concern or question has been addressed, the agent can offer to stay online with that user while he completes his task. Think of it as being a virtual concierge, always available to answer questions.

Another way to always be available to customers is by providing a mobile app in which the traveler can have easy access to account information, special deals, or important announcements while on-the-go.

Additionally, if a company implements co-browsing technology that allows the agent to observe how the user navigates through the site, it can reduce confusion and improve the purchase process. This improves customer service and helps with loyalty. For example, if the customer veers off-track or has additional questions, the customer can continue the conversation with...
the same agent, allowing the agent to monitor behavior and keep any need for clarification in context.

**Leisure travelers vs. business travelers – where they book**

<table>
<thead>
<tr>
<th>Method of Booking on Smartphone</th>
<th>Leisure Travelers</th>
<th>Business Travelers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online (Net)</td>
<td>71%</td>
<td>86%</td>
</tr>
<tr>
<td>Via the Website using a browser</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>Used mobile apps (applications)</td>
<td>40%</td>
<td>63%</td>
</tr>
<tr>
<td>Phone call</td>
<td>44%</td>
<td>44%</td>
</tr>
</tbody>
</table>

**Reasons for downloading/using travel-related Smartphone apps**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Any</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better than mobile site (Net)</td>
<td>53%</td>
</tr>
<tr>
<td>Easier to reserve or book than on mobile site</td>
<td>42%</td>
</tr>
<tr>
<td>Mobile site for the brand not meeting needs</td>
<td>20%</td>
</tr>
<tr>
<td>To save persona information/settings</td>
<td>39%</td>
</tr>
<tr>
<td>Plan to access information from the brand frequently</td>
<td>37%</td>
</tr>
<tr>
<td>For a brand with which I have rewards/loyalty membership</td>
<td>36%</td>
</tr>
<tr>
<td>Recommendations from friends, family or colleagues</td>
<td>31%</td>
</tr>
<tr>
<td>Ratings/recommendations in an app store</td>
<td>28%</td>
</tr>
</tbody>
</table>

Source: thinkwithgoogle.com June 2014 - The 2014 Traveler’s Road to Decision

Forrester gave an example of this persistent engagement, even when the traveler is away from the Website: one airline chose to proactively engage with their customers through push notifications that reminded travelers of their check-in times or flight changes. By continuously keeping the customer informed of important information, this airline sends the message that the customer is their top priority.

Not only does consistency serve the travel customer better, but it benefits the company as well. Providing consistent, continuous support throughout the Website helps reduce call center volume and costs.

**Best Practice #6**

**Earn the customer’s trust**

In order to create an emotional connection with customers, the travel/hospitality company must establish trust by being transparent and consistent. It must let the customer know up front what the final cost will be – no hidden fees – and possibly implement a shopping cart calculator that stays with them throughout the check-out phase.

The business should make customers feel special through a relationship based on goodwill and credibility. One of the least amicable or productive actions a company can take is to ask the customer to rate the online experience before completing the transaction. A premature customer satisfaction survey may damage conversion by distracting users during the purchase process - exactly the thing a business doesn’t want to do! By waiting until after it has established some credibility and trust with the travel customer, the company will enjoy better response rates, higher satisfaction scores, and customer feedback that is more relevant to the actual user experience.
The travel/hospitality business should also strive to not begin an online engagement or chat with a battery of questions. If the intent is to direct the visitor and his questions to the appropriate area, his browsing patterns and site data can be used to guide him.

Using this same information, self-service guides can put the customer in charge of his own discovery; the visitor who needs to feel like he’s in control will respond well to this and place his trust in the company more readily.

**Best Practice #7**

**Analyze, optimize and satisfy**

The travel and hospitality business changes regularly, and so should its engagement strategy. Every aspect of omni-channel engagement, from placement and graphics to scripts and business rules, can—and should be—modified based on data gathered by analyzing customer behavior and results. By analyzing the data with respect to an overall marketing plan, the company can optimize its solution to improve site conversion and customer satisfaction.

However, all the data in the world won’t do a bit of good if the data sources work independently of each other. TNooz, a global provider of travel industry news, says that merging data across the scope of the company will create a more personalized, meaningful customer experience while giving all departments a unified customer-centric goal. This omni-channel view of customer data will allow a travel/hospitality business to make more relevant improvements that the traveler desires, not what the company desires—which leads to Best Practice #8.

**Best Practice #8**

**Use real-time analytics to improve relevance**

As previously mentioned, the travel and hospitality industry is constantly changing, always on the move. A business’ acquisition and support strategies must adjust accordingly on a regular basis. Business rules based on real-time behaviors and actions of users on the site help ensure that every chat conversation is as relevant as possible. The first step is to build business rules based on program goals coupled with site metrics that reveal user behavior and abandonment.

One example of providing a relevant experience using the customer’s real-time data is when the customer is traveling with a child. By observing their search data or purchase preferences, a hotel can proactively offer the customer child-friendly accommodations or promote special hotel family events. An airline can take this data and intuitively suggest a more accommodating seat for small children.

Fortunately, the mobile invasion has made it possible to track where (or when) a travel customer is when interacting with a business. This observance of true real-time behavior allows the business to provide the appropriate content (e.g., flight delays or changes in check-in time), making it a personalized experience that gives the traveler a sense of assurance in an unfamiliar environment.

Analyzing data and leveraging mobile customer behavior is not a one-time deal! Travel and hospitality businesses should continually be evaluating their business rules and key metrics, testing changes, and optimizing chat to improve online conversion rates to meet their customers’ needs as they change from day to day.

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**Web self-service stats:**

- **76%**

  Web self-service use by US online adults increased from 67% in 2012 to 76% in 2014.

- **70%**

  Among those who use it, this channel also has a 70% satisfaction rate.

  – Forrester

“Many companies are deploying analytics tools to gain insights about consumer preferences — and deliver a differentiated experience — which could eventually motivate customers to visit frequently, stay longer and spend more.” 2014 Travel, Hospitality and Leisure Outlook, Deloitte

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**References**

Conclusion

Leading-edge, sophisticated companies in the travel and hospitality industry know that implementing an omni-channel engagement strategy that enables them to engage the customer at the right time with the right message is a critical part of their marketing program. By applying key, high-touch customer service tactics typically used at the front desk or in the aisle, and by following the best practices set out in this white paper, these companies experience significant increases in conversion and AOV metrics.

To improve conversion rates, reduce abandonment and overhead costs, increase revenue, and grow your loyal customer base by matching their omni-channel preferences, connect with Nuance today.