

**TRAVEL FOCUS:**  
UK TRAVEL RETAILERS ARE  
LOSING £2 BILLION A YEAR  
DUE INEFFICIENT WEBSITES

October 2011

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## EXECUTIVE SUMMARY

# UK TRAVEL RETAILERS ARE LOSING £2 BILLION A YEAR THROUGH WEBSITE ERRORS

In this dynamic and changing environment, the second QuBit Whitepaper on the travel industry presents some key data that estimates online travel retailers are losing more than £2 billion a year as a result of simple website inefficiencies. This report will be valuable to anyone concerned with decision making in the online environment and covers both pure-play and trans-channel travel retailers.

The research analysed feedback data from more than 7,900 online travel buyers and found that errors in areas such as pricing, search and functionality were directly contributing to lost travel sales. The figures are all the more worrying in an era when more than 60% of travel buyers now research their journeys online<sup>1</sup> whilst more than 50% book their travel online<sup>2</sup>.

The research was compiled using QuBit's Exit Feedback technology, which captures user feedback at the point of exit from a site and transforms this into insight through categorisation. Feedback is categorised using machine learning algorithms, giving each individual piece of feedback a sentiment score and one or more category labels.

<sup>1</sup> Boston Consulting Group / Google - Connected Kingdom report, October 2010

<sup>2</sup> IAB / PwC spend figures for 2010

# INTRODUCTION

## INDUSTRY BACKDROP

The UK online travel industry is one of the most developed worldwide, accounting for over half of all travel bookings in 2010<sup>3</sup> and leading the European market in travel category penetration at 66.5%, up 8% points from a year ago<sup>4</sup>. 2010 was an eventful year for the travel industry: there was mass disruption caused by the Icelandic ash cloud bringing flights around the world to a standstill, and the collapse of over 10 firms.

Political unrest in the oil producing countries of the Middle East has put increasing pressure on travel providers, forcing margins to decrease as discounts offered come at the expense of profits. UK consumers are also being hit financially, faced with lower disposable incomes due to a combination of inflation, low pay rises and the rise in VAT.

2011 sees the closure of firms continue, with both small and large providers struggling to operate in an increasingly competitive marketplace. Niche service providers such as Holidays4u and HotelConnect were not the only casualties within the sector - Thomas Cook suspended dividend payments in their most recent trading update, whilst investor confidence is at an all time low, affecting the share price which has collapsed by more than 80% in 2011 alone, and by nearly 90% since 2007.

Despite facing a challenging economic climate, consumers are continuing to book online with the number of European visitors to the travel category growing 11% in the past year<sup>5</sup>, as spending priorities shift from physical goods towards experiences. This in turn, leads to adjustments in user behaviour and raises expectations of suppliers within the travel sector.

<sup>3</sup> Boston Consulting Group / Google - Connected Kingdom report, October 2010

<sup>4</sup> ComScore, April 2011

<sup>5</sup> ComScore, April 2011

## TRENDS WITHIN THE INDUSTRY

Over the last 18-24 months, customer booking journeys have become more complex, with the average travel customer spending over 63 days doing research, comprising of 60 site visits over 27 web sessions before they made their first purchase<sup>6</sup>. This makes the travel retailers' job that much harder with regards customer acquisition, and means that travel businesses must listen to what their customers are saying about their web experience.

A new breed of websites (such as Hipmunk and the launch of Google Flight Search in September this year) challenging more traditional formats has emerged, so it is more important than ever for existing travel providers to offer the highest level of user experience in order to differentiate themselves from the highly competitive market and foster customer loyalty

## A REFLECTION ON PREVIOUS WHITEPAPERS

Previous QuBit Insight (source: *Customer Lifetime Contribution to Value*) (released January 2011) rounded up a complete view of a user purchase journey, ranging from being visible and relevant in search results through to retaining users to the site - whether they were simply researching or had converted. This whitepaper seeks to expand on the onsite journey in particular and sees a continuation of the need for flexibility, nurturing customer loyalty to retain business and supporting users in comparing prices - transparency is more crucial than ever before.

In our first QuBit Travel whitepaper (source: *Make Your Online Travel Profit Take Off: Conversion is Key*) (released Autumn 2010), we identified a number of areas of focus for the travel industry including better search flexibility around dates and locations, the delivery of real time content to instill a sense of urgency and the reduction of hidden charges to stop users abandoning the checkout, and we will look to revisit these topics to see how things have evolved over the last 12 months.

<sup>6</sup> Google's customer journey study 2010

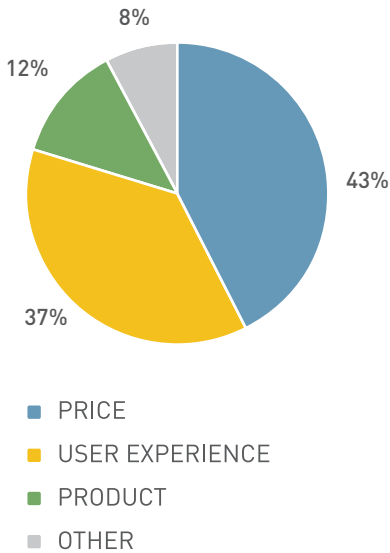
# FINDINGS

## OVERVIEW

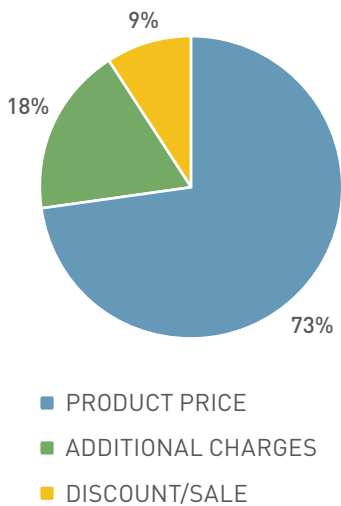
The three primary topics raised by visitors to travel sites related to price, user experience and product. Price (43%) and user experience (37%) dominated the feedback, featuring in 80% of total responses. Product related issues accounted for a further 12%.

Each of these areas is then broken down into individual factors which highlight issues of particular concern to online travel purchasers and subsequent actions that can be taken by websites in the travel industry to alleviate them.

### HIGH LEVEL VIEW



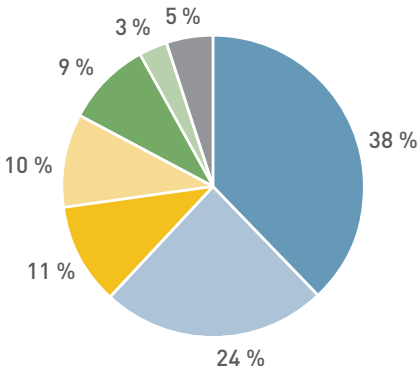
### PRICE ISSUES



## PRICE

Accounting for 73% of the price category, the most significant proportion of issues stemmed from product prices. The remainder of feedback consisted of 18% additional charges and 9% discount/sale. As the largest segment of feedback, this affirmed that the major concerns for users are transparency and consistency of price displays.

### USER EXPERIENCE ISSUES

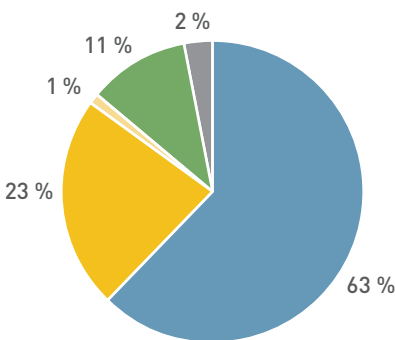


- SITE FUNCTIONALITY
- ONSITE SEARCH
- NAVIGATION
- ERRORS AND BUGS
- LATENCY
- CUSTOMER SERVICE
- SITE DESIGN

### USER EXPERIENCE

User experience was raised in over a third of all feedback left upon exiting the site. Frustrations were centred around onsite functionality with visitors to travel websites looking for broad yet flexible initial search options, as well as sufficient filtering and sorting options to determine the best product. Contributing to the remaining 27% in this category were errors/bugs and latency in addition to the more subjective customer service and site design.

### PRODUCT ISSUES



- PRODUCT DESCRIPTIONS
- AVAILABILITY
- REVIEWS
- IMAGES
- VIDEO

### PRODUCT

Product related topics were mentioned by 12% of all users, with 63% referencing not only the display of existing information, but also supplying visitors with sufficient additional detail with which to drive purchase decisions. 23% were disappointed with the lack of clarity on Availability, whilst valuable sales persuasion tools such as Images, Videos and Reviews were cited by the remaining 14%.

## COMPARISON WITH RETAIL ISSUES

Consumers have the most exposure to making transactions online within the retail industry, with websites offering more sophisticated functionality that in many aspects sets expectations for remaining sectors, including travel.

The top issues in retail were much more focused around visual product merchandising, with both images and videos mentioned in the top 10 issues whereas travel purchasers place greater importance on the functionality of a site. This reflects the fact that there is much less brand loyalty with travel brands - users that persevere with buying from poorly functioning retail websites have already established brand affinity, whilst few such users exist within the travel industry.

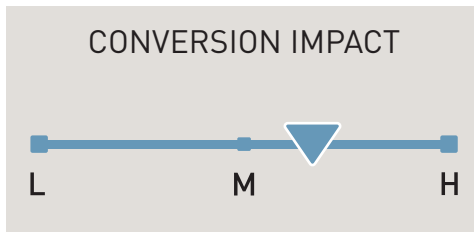
	TRAVEL	RETAIL
1	Price	Price
2	Site Functionality	Product Description
3	On Site Search	Site Functionality
4	Product Description	Stock Availability
5	Additional Charges	Shipping Details
6	Navigation	Product Images
7	Discounts/Sales	Discounts/Sales
8	Errors and Bugs	Navigation
9	Speed	Product Video
10	Availability	Speed



# TOP 10 REASONS WHY TRAVEL WEBSITES DON'T CONVERT VISITORS

1 Price	10
2 Site Functionality	12
3 On Site Search	13
4 Product Description	15
5 Additional Charges	17
6 Navigation	19
7 Discount/Sale	21
8 Errors/Bugs	23
9 Latency	24
10 Availability	26

## REASON 1: PRICE



The main component of this was from customers wanting cheaper prices in general - consumers are constantly searching for good value across any purchase made and travel is no exception, particularly with the common expectation that advance and last minute bookings are associated with discounts.

*Price comparison is the main purpose of online searching and research - 70% of all adults (and all age groups up to 70) say they prefer to book online. Their reason relates to their belief in finding 'the best price' (54%) more than it does convenience (31%).<sup>7</sup>*

Marketing was a secondary consideration within this category as users found differences between prices that were advertised and the actual online purchase price.

### SAMPLE EXIT FEEDBACK

*Cheaper hoildays  
for families.*

*Wanted a cheaper deal  
like the one advertised  
instead found double the  
price available.*

*In your email it said 10%  
discount although the  
price is just the same  
without your offer!!!!*

## ACTION

Although product pricing policy is the main determinant, it is still possible to target price sensitive consumers by displaying options tailored to users with price intent.

Brand trust is difficult to rebuild once a negative experience has occurred so it is vital for businesses to honour prices and discounts displayed in marketing material. The manner in which discounts are applied and calculated should be kept consistent and mirrored onsite to avoid confusion and make it as easy as possible for consumers to understand given the myriad of sites that they are likely to encounter during their research.

<sup>7</sup> Mapping the Travel Mind - YouGov, Feb 2011

## EXAMPLE

### ADIOSO:

*Adioso displays cheapest flights by date across months, offering a novel and visually stimulating method for users to select by price.*

The screenshot shows the Adioso website interface for searching flights from London to Amsterdam on November 19, 2011. The search results are displayed in a table format, showing flight details such as departure time, duration, route, and price. A bar chart titled 'Filter results by date' is visible, allowing users to view the lowest prices for each date. The interface also includes a 'Top 5 hotel deals' section on the right side.

**Filter results by date:**

Use the graph to view the lowest prices for each date. Click an orange bar to show the outbound flights for that date.

**Results for outbound flights**

Select an outbound flight below. You'll then be able to find a return flight.

**Sat 19 Nov, 2011** From: £41

Departure time	Duration	Route	Airline	Price
16:10pm	1h15m	Gatwick to Amsterdam One-way Direct	easyJet	£41

Single-segment, single-ticket trip

Carrier	From	To	Flight No.	Price
easyJet	Gatwick (LGW) Sat 19 Nov 16:10	Amsterdam (AMS) Sat 19 Nov 18:25	U28879	£41

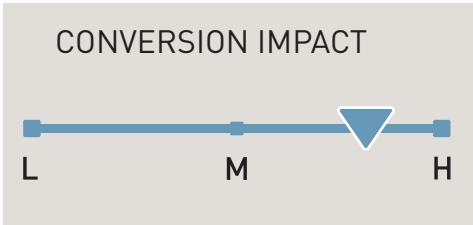
Find out when these prices drop | Book one way | Select and find return trip

18:00pm	1h10m	Stansted to Amsterdam One-way Direct	easyJet	£41
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**Top 5 hotel deals**  
Pay only when you stay

- HEM Hotel Amsterdam £35/night
- Van der Valk Purmerend £50/night
- Hotel Bronckhorst £51/night

## REASON 2: SITE FUNCTIONALITY



Site functionality focused on the ease of access to previous searches and booking information. This is now an assumed level of service for users, as functionality that is readily available within other online sectors such as retail becomes the expected standard. The ability to store such information is dual purpose in that it not only saves consumers time in the long term but builds a repository of data which could be used for behavioural targeting in the future. Applying this information by displaying more relevant products to users would then drive conversions.

## ACTION

**SAMPLE EXIT FEEDBACK**

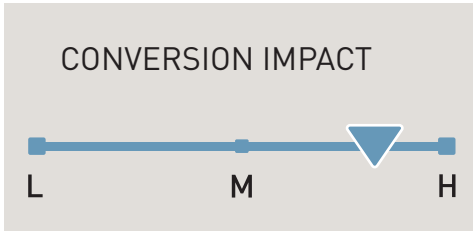
*I make the same trip a few times a year, so it would be good to have that stored.*

Currently, the search process is iterative - within a single session, a user may need to perform multiple searches to find the information they are looking for. Giving users the functionality that they require enhances the experience and means that whilst users are visiting other websites to research and compare, searches previously undertaken on site are used to personalise content upon return.

## EXAMPLE

**VIRGIN HOLIDAYS:**

*Virgin Holidays display extensive functionality in allowing users to view recent searches, save hotels and make notes.*



## REASON 3: ON SITE SEARCH

The majority of the issues cited were based around search flexibility - as the average path to purchase is long with travel purchases with several different stages, therefore search functionality must be able to cater for a broad range of user intent - varying from the initial research stage where users may not have a specific destination, through to entering the conversion funnel where users are carrying out detailed searches.

Price sensitive customers in particular are interested in being able to enter more general search options for departure locations and dates, choosing to narrow the results down according to what represents the best value.

### SAMPLE EXIT FEEDBACK

*Make it easier to change the search without having to re-input loads of stuff, get fed up with having to put my preferences back in each time.*

*To be able to search all holidays and just have to put the date you wish to travel. I find it hard to search your site for holidays going at a particular time. For example we wish to go away in June, we are considering lots of countries, it would be nice to be able to search by date rather than destination.*

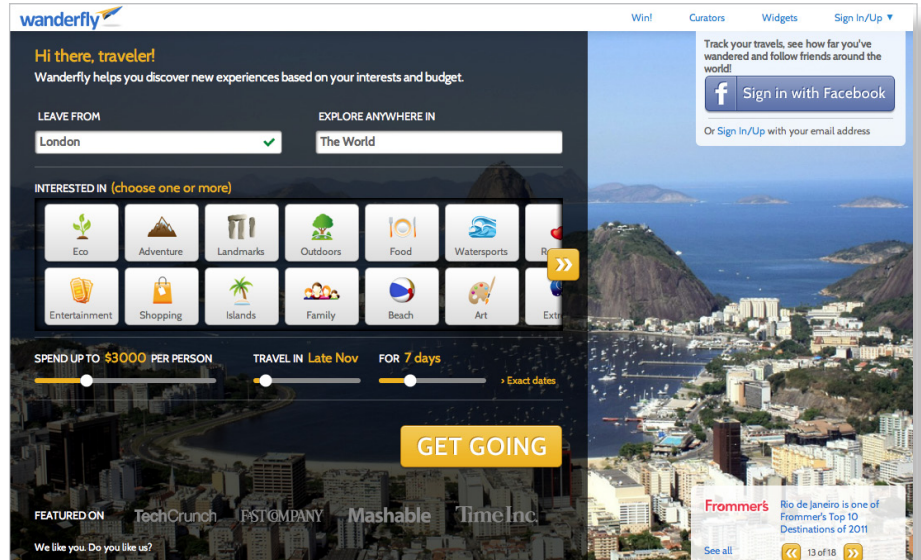
## ACTION

Search results should be structured so as to display a wide range of possibilities to ensure that users still at the research phase are also catered for. There is a trade-off to be made between offering sufficient options at the initial search stage and creating too detailed a form which deters users from completing the necessary fields. Bearing in mind the volume of searches that users will have to undertake, smaller considerations such as having auto suggest features on fields and the presence of preset defaults for dates or locations based on user identification will make a significant positive impact on user experience.

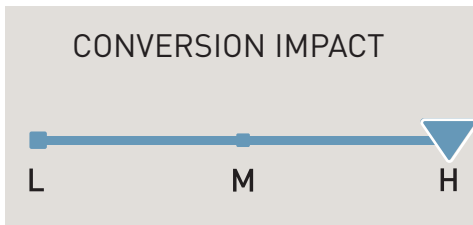
## EXAMPLE

## WANDERFLY:

- *In stark contrast to the traditional constraints of booking engines, Wanderfly act as a travel idea generator focusing on experience led search*
- *Supports broad and open ended searches*



## REASON 4: PRODUCT DESCRIPTIONS



Knowing that the consideration phase of travel purchases is typically long, there is a minimum level of detail to be absorbed before users will commit to buying. Having this information clearly visible has greater significance with online providers as if the user were to purchase offline, they would be able to seek support from staff to receive a complete view on details.

## ACTION

Travel is primarily an experience based purchase and so the remit for providing relevant images and marketing content is much broader than in industries providing a physical product such as retail. Users demand a greater breadth of information with which they can set their expectations.

Online properties need to ensure that the level of detail is sufficient for users to make an informed decision on their purchase, pre-empt queries and incorporate frequently asked questions into content. Language should include terms that are used industry wide and definitions provided if this is not the case. It is worth noting that relevant details could be on the site but would ultimately not hold any value if users are not able to access it.

The structure and display of text is paramount - splitting details with appropriate headings and titles and making use of white space to break up blocks of text should guide users around details.

*Average monthly unique visitors to social travel category websites – travel review sites, traveler review pages of online travel agencies and travel blogs – grew more than 35% from 2008 to 2010<sup>8</sup>*

The increasing use of review sites such as TripAdvisor proves there is an opportunity for implementation or promotion of social elements on travel websites by allowing user generated content to supplement provided details.

### SAMPLE EXIT FEEDBACK

*Please tell us if transfers are in the price. I don't know if we have transfers or not, I will have to phone to check.*

*I'd like to understand what's on offer before I get a credit card out and I can't find any holiday descriptions for fly-drives.*

<sup>8</sup> Social Media in Travel 2011, PhoCus Wright

## EXAMPLE

### THOMSON:

- Thomson provide subsets of information clearly separated with headings
- Quick links allow users to navigate through to required information
- All images are collated with helpful thumbnail previews

The screenshot displays the Thomson website interface for Disney's Animal Kingdom Lodge. At the top, there is a navigation bar with the Thomson logo and various menu items like 'Package holidays', 'Flights', 'Hotels', etc. The main content area is titled 'Disney's Animal Kingdom Lodge' and includes a price breakdown box on the left, a central text description of the lodge, and a 'Hotel features' section at the bottom. A large photo gallery is also visible, showing various scenes from the lodge.

**Disney's Animal Kingdom Lodge**  
in Walt Disney World Resort, Florida

**Per Person £1470**  
Total Price £2,940  
Includes web saving -£582  
Deposit to pay today £150pp

**Price includes**

- ✓ 7 nights accommodation
- ✓ Room Only
- ✓ Return flights from London Gatwick
- ✓ Car hire
- ✓ World Care Donation (Optional)
- ✓ All applicable taxes & charges

[View price breakdown](#)

**Disney's Animal Kingdom Lodge**  
in Walt Disney World Resort, Florida

"Is it Florida? Or is it Kenya? That's the question you'll be asking yourself when you stay at Disney's Animal Kingdom Lodge. It's a hotel with some very special residents..."

- Located in a wildlife reserve
- Excellent dining
- A taste of Africa

Gazelles leaping, giraffes galumphing, zebras grazing - it's like a scene straight out of...

**Read more details below**

**Hotel features**

**Meals**

- Stylish full service restaurant
- Quick-service restaurant open morning to night for pool side dining
- Pool bar serving snacks and beverages
- Saana meaning 'work of art' - African cuisine set in an artistic atmosphere

**Swimming pool**

- Feature pool with slide
- Health club with spa

**For Families**

- Children's water play area
- Playground
- Children's activity centre
- Games arcade



## CONVERSION IMPACT



## REASON 5: ADDITIONAL CHARGES

*Travellers spent £300m on card surcharges in the airline industry alone in 2010<sup>9</sup>*

Although the EU passed a law in November 2008 forcing airlines to increase price transparency by publishing a full breakdown of prices and disallowing opt out insurance as the default choice, other vendors within the travel industry are still relatively ungoverned. As a result, credit card charges, cancellation fees and other such supplementary fees were cited as issues for travel purchasers. With substitutes so readily available from alternative outlets in the industry, sites must be mindful of explaining contributing costs as early as possible within the journey.

## SAMPLE EXIT FEEDBACK

*I would like to see a full list of additional costs, both for optional items and for booking charges, credit card charges, etc. before providing passenger details, etc. This would enable me to see the full price at the beginning of the booking process.*

## ACTION

- Display price range or estimated total price at the product page so users are not surprised by add-ons within the checkout process
- Detail in price descriptions that optional extras are not included
- Increase messaging to indicate that there are additional charges at the necessary stage
- Possibility to negate any negative sentiment towards this by displaying discount through booking online or justifying charges

Researching competitors' charges will also provide your business with a guide on what customers are conditioned to expect within the sector. Keeping site charges to within a suitable variance will ensure that extra costs continue to appear acceptable to purchasers whilst maintaining business interests.

Ultimately this helps users with price comparison which could increase the trust and perception of the brand, building a foundation for a longer term relationship with the customer.

<sup>9</sup> OFT 2011

## EXAMPLE

### BRITISH AIRWAYS:

- British Airways dedicates a page towards transparency of pricing
- Offers comparison with budget airline pricing policy

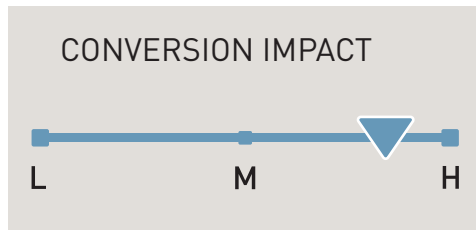
The screenshot shows the British Airways Value Calculator page. At the top, there's a navigation bar with options like 'Home', 'Other languages', 'Search by.com', 'Google', 'Go', 'United Kingdom', and 'Change country'. Below this is a 'Value Calculator' section with a banner that says 'HIGH VALUE FLYING IS A WHOLE LOT NICER' and lists benefits like 'bargain flight', 'allocated seats', 'central airports', 'drinks and a snack', '23kg baggage allowance', and 'great punctuality'.

The main content area is titled 'With British Airways, the price you see is the price you pay' and includes a comparison table. A red button at the top right says 'Flights to Europe from £49'. The table compares three airlines: EasyJet, Ryanair, and British Airways. The base price for British Airways is £00.00\*, while EasyJet is +£153.20\* and Ryanair is +£282.90\*.

	EASYJET	RYANAIR	BRITISH AIRWAYS
<b>LOW COST FLYING</b>			<b>HIGH VALUE FLYING</b>
			<b>BRITISH AIRWAYS</b>
			<b>£00.00*</b>
<b>Charges based on year-round return flights departing from the UK</b>			
<b>Payment</b>			
Pay with standard debit card	£8.00	£10.00	NO EXTRA CHARGE
Pay with Visa Electron debit card	No extra charge	£10.00	NO EXTRA CHARGE
<b>Check-in</b>			
Airport check-in	No extra charge	£40.00	NO EXTRA CHARGE
Online check-in	No extra charge	£5.00	NO EXTRA CHARGE
<b>Allocated seats</b>			
Priority boarding bought at airport	£10.00	£10.00	SELECT SEAT 24HRS IN ADVANCE – NO EXTRA CHARGE
Priority boarding bought online	£10.00	£8.00	
Standard boarding	No extra charge	No extra charge	
<b>Baggage allowance</b>			
23kg checked bag	£120.00	£210.00	NO EXTRA CHARGE
20kg checked bag	£36.00	£90.00	NO EXTRA CHARGE
15kg checked bag	£36.00	£70.00	NO EXTRA CHARGE
No luggage	£0.00	£0.00	NOT APPLICABLE
<b>Hand luggage</b>			
Hand luggage allowance and dimensions	1 piece only Maximum dimension 56x45x20cm	1 piece only Maximum dimension 55x40x20cm	2 PIECES 1 BAG MAX 56x45x25cm PLUS LAPTOP BAG OR HANDBAG
<b>Drinks and snacks</b>			
Breakfast or snacks	£3.00 min	£3.00 min	NO EXTRA CHARGE
Coffee/tea	£5.00	£4.20	NO EXTRA CHARGE
Beer/wine/spirits	£7.20	£5.70	NO EXTRA CHARGE
<b>Passengers</b>			
	+£153.20*	+£282.90*	£00.00*
	<b>EASYJET</b>	<b>RYANAIR</b>	<b>BRITISH AIRWAYS</b>

\* Based on a round trip

At the bottom right, there is a red button that says 'Flights to Europe from £49'.



## REASON 6: NAVIGATION

Purchasers' approach to search varies greatly as they face different constraints upon entering the user journey. It is imperative that travel properties attempt to cater for all different intents by offering users flexibility to sort and filter across factors such as price, season, or size of party.

It is of utmost importance to make finding results convenient for users, bearing in mind that the definition of convenience itself varies between users - ranging from date specific, location specific, type of holiday or price sensitivity.

## ACTION

Allowing users more options to set parameters when filtering and ordering their results increases the ease of navigation and helps to pinpoint the products of interest. Making the process of editing and refining initial searches as easy as possible by offering a full set of sorting and filtering options would guide users through sites in the method that they wish.

### SAMPLE EXIT FEEDBACK

*When starting from the home page it is really difficult to navigate to the holiday I wanted! Also it is difficult to get to an option which displays prices.*

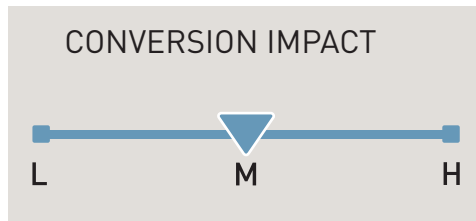
EXAMPLE

LATEROOMS:

Laterooms offers wide ranging sorting and filtering options, showing the number of available products within each category for the filters.

The screenshot displays the Laterooms website interface for searching hotels in London. The search criteria are set for 02 November 2011 for 1 night, with 57 of 59 hotels shown. The results are sorted by price, showing a list of hotels with their respective locations, guest ratings, star ratings, and current prices. A sidebar on the left provides various filters such as star rating (5 Star to 1 Star), guest rating (6 to 1), distance (0 to 50 miles), and facilities (Smoking, Air con, etc.). A 'Featured Hotel' section highlights the 51 Buckingham Gate - A Taj Hotel. The bottom of the page includes a disclaimer about distance calculations and a list of other London hotels.

Property Name	Miles	Location	Guest Rating	Star Rating	01 Nov	02 Nov	03 Nov
51 Buckingham Gate - A Taj Hotel	0.9	London	★★★★★	5*	£378.00	£378.00	£378.00
BEST WESTERN PREMIER Shaftesbury Piccadilly Hotel	0.8	Soho	★★★★★	4*	£199.00	£199.00	£199.00
Kingsway Hall	0.8	Covent Garden	★★★★★	4*	£238.80	£238.80	£238.80
The Royal Trafalgar - A Thistle Hotel	0.5	Trafalgar Square	★★★★★	4*	£262.80	£226.80	£190.80
The Cavendish London - Piccadilly	0.8	Piccadilly	★★★★★	4*	£249.00	£279.00	£249.00
Mint Hotel Westminster	0.7	Pimlico	★★★★★	4*	£228.80	£226.80	£274.80
St Ermin's Hotel	0.7	Westminster	★★★★★	4*	£310.80	£310.80	£286.80
Charing Cross - A Guoman Hotel	0.4	Charing Cross	★★★★★	4*	£224.80	£244.80	£220.80
Royal Horseguards	0.3	Westminster	★★★★★	5*	£360.00	£360.00	£330.00
Thistle Piccadilly	0.7	Piccadilly	★★★★★	3*	£298.80	£298.80	£250.80
Radisson Edwardian Leicester Square	0.7	Leicester Square	★★★★★	4*	£226.80	£226.80	£202.80
Chesterfield Mayfair - A Red Carnation Hotel	1.0	Mayfair	★★★★★	4*	£240.00	£240.00	£240.00
Radisson Edwardian Mercer Street	0.8	London	★★★★★	4*	£340.20	£340.20	£302.40
Radisson Edwardian Hampshire	0.7	Leicester Square	★★★★★	5*	£270.00	£270.00	Full
The Stafford London - By Kempinski	0.9	Piccadilly	★★★★★	5*	£400.18	£400.18	Full
Park Plaza Westminster Bridge	0.2	London	★★★★★	4*	£250.80	£190.80	£214.80
Crowne Plaza Hotel London - The City	0.9	London	★★★★★	4*	£342.00	£342.00	£321.60
Crowne Plaza London - St James	0.8	London	★★★★★	4*	£234.24	£234.24	£234.24
Plaza on the River	0.8	Vauxhall	★★★★★	5*	£382.80	£394.80	£394.80
Strand Palace Hotel	0.5	Covent Garden	★★★★★	3*	£162.00	£162.00	£162.00
St James's Hotel and Club - Athlone Hotel Collection	0.9	Piccadilly	★★★★★	5*	£354.00	£354.00	£354.00
Brown's - A Rocco Forte Hotel	1.0	Mayfair	★★★★★	5*	£444.00	£444.00	£444.00
Grange Rochester Hotel	0.9	Victoria	★★★★★	4*	£182.00	£182.00	£182.00
Novotel London Waterloo	0.6	Waterloo	★★★★★	4*	£200.00	£190.00	£160.00
Holiday Inn Express London - Southwark	0.7	Southwark	★★★★★	3*	Full	£209.00	£189.00
Days Hotel Waterloo	0.6	Waterloo	★★★★★	NC	£169.00	£169.00	£149.00
Park Plaza County Hall	0.2	Waterloo	★★★★★	4*	£250.80	£250.80	£226.80
St Martins Lane - A Morgans Original	0.6	Leicester Square	★★★★★	5*	£306.00	£354.00	£306.00
Hazlitts	0.9	London	★★★★★	4*	£264.00	£264.00	£264.00
SACO London - Fleet Street	0.9	London	★★★★★	4*	£178.00	£179.00	£289.00
The Trafalgar London	0.5	London	★★★★★	4*	£306.00	£342.00	£342.00
The Waldorf Hilton, London	0.6	London	★★★★★	5*	£334.80	£334.80	£250.80
Sanctum Soho	1.0	London	★★★★★	5*	£216.00	£216.00	£216.00
Lombard Lane - Fleet Street EC4	0.9	City of London	★★★★★	3*	£169.00	£169.00	£169.00
Chancery Court Hotel, London	1.0	Holborn	★★★★★	5*	£420.12	£420.12	£420.12
Wellington Hotel	0.9	Victoria	★★★★★	2*	£73.00	£73.00	£85.00
3, Ryder Street Chambers - St James's - Piccadilly Serviced Apartments	0.8	Piccadilly	★★★★★	4*	£260.00	£260.00	£260.00
Mad Hatter Hotel	0.7	Southwark	★★★★★	3*	Full	£155.00	£155.00
The Sanctuary House Hotel	0.6	Westminster	★★★★★	3*	Full	£170.00	£170.00
Fielding Hotel	0.7	London	★★★★★	4*	£108.00	£108.00	£108.00
Citadines Trafalgar Square London	0.3	Trafalgar Square	★★★★★	3*	£168.00	£168.00	£168.00
Le Meridien Piccadilly	0.8	London	★★★★★	4*	£322.80	£322.80	£310.80
The Wellington by Marston's Inn	0.4	Waterloo	★★★★★	3*	£93.95	£93.95	£93.95
The Bridge Hotel	0.7	Southwark	★★★★★	3*	£59.00	£59.00	£59.00
Softel London St James	0.6	Piccadilly	★★★★★	5*	£402.50	£402.50	£402.50
H10 London Waterloo	0.6	London	★★★★★	4*	£175.00	Full	£145.00
LSE Bankside House	0.9	London	★★★★★	2*	Full	Full	Full
University of Westminster Wigram House	0.9	Pimlico	★★★★★	3*	Full	Full	Full
Mercure London City Bankside	0.9	Southwark	★★★★★	4*	Full	Full	Full
LSE Grosvenor House Studios	0.8	London	★★★★★	3*	Full	Full	Full



## REASON 7: DISCOUNT/SALE

Research from Google's Summer Whitepaper indicates that there is a rising "last minute" market of consumers who are due to book their holidays and are searching more to find the best value. Users are willing to take more time to research in order to uncover the best deals and take advantage of late deals.

Expectations from consumers are higher than ever before and as booking online has gained traction, it becomes a necessity for the level of service to match that received in person in order for online providers to become a viable alternative to booking offline. Loyalty schemes were also raised within this category - there are no shortage of outlets with which to purchase from so users demand more than a simple transaction if they are regular buyers.

## ACTION

Catering for all users by dedicating a section of the site to seasonal offers or discounts, and placing them in a prominent location aids users in beginning a search if the predominant constraint in their decision is budget. Benefits also extend to the business by reducing otherwise unsold inventory.

Travel companies also need to take into consideration the lifetime value of customers - long distance commutes are increasingly common and retaining business by offering price incentives or a method of giving back makes users feel valued.

### SAMPLE EXIT FEEDBACK

*The site should have a section to show the latest discounted deals. I look for a group and as a couple. So I like to check the best new deals.*

*Have a bigger discount for regular customers. i.e. 5% for your first holiday. 10% for the next 15% for the third. Within the same year. We have booked four with you this year.*

## EXAMPLE

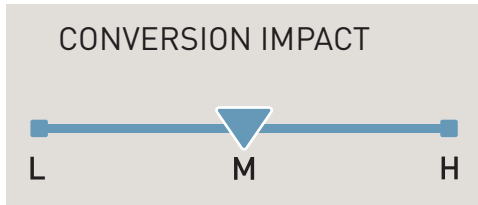
### HILTON:

- *Hilton's homepage displays multiple links to direct price led users to special offers category page*
- *Once at the offers page there are further sorting and filtering options to encourage entry into the purchase funnel*

The screenshot shows the Hilton Hotels & Resorts homepage. At the top left is the Hilton logo. A navigation menu includes 'Offers & packages', 'Meetings & conferences', 'Special occasions', 'Leisure', 'eBrochures', and 'Destination guides'. A large banner for a '3 DAY SALE' is prominent, with a countdown timer showing 01 DAY, 06 HRS, 08 MINS, and 01 SECS, ending at midnight on 12th October. Below the banner is a 'BOOK NOW' button. To the right is a 'Find a hotel' search form with fields for location, arrival/departure dates, and room/occupancy details. Below the banner, there are sections for 'Email specials' (with a sign-up form), 'News and updates', and 'Change in UK VAT rate'.

This screenshot shows the 'Featured Offers' page on the Hilton website. On the left is a sidebar with 'Browse offers' and 'Search offers' tabs, listing categories like Family Plan, Park & Fly, Special Rooms, Flash Sale, Special Travel Packages, City Breaks, and Culture & Entertainment. The main content area features a 'Featured Offers' section with a large banner for the '3 Day Sale' (over 50,000 nights from £50, ending 12th October) and a 'Find Out More' button. Below this is a detailed offer card for the '3 Day Sale - Book by 12th October', including a 'Book an unforgettable weekend away' description, a 'Multiple hotels' note, and a 'View participating hotels' button. A second offer card is partially visible at the bottom, ending on 31st December 2011.

## REASON 8: ERRORS/BUGS



Site errors are not only a barrier to conversion but can dent trust for further visits. Users are reluctant to re-enter any details lost from technical glitches due to the repetitive nature and volume of searches necessary when researching travel products.

## ACTION

**SAMPLE EXIT FEEDBACK**

*Tried twice to book but bizarre error message kept appearing. Cannot get past it to book!*

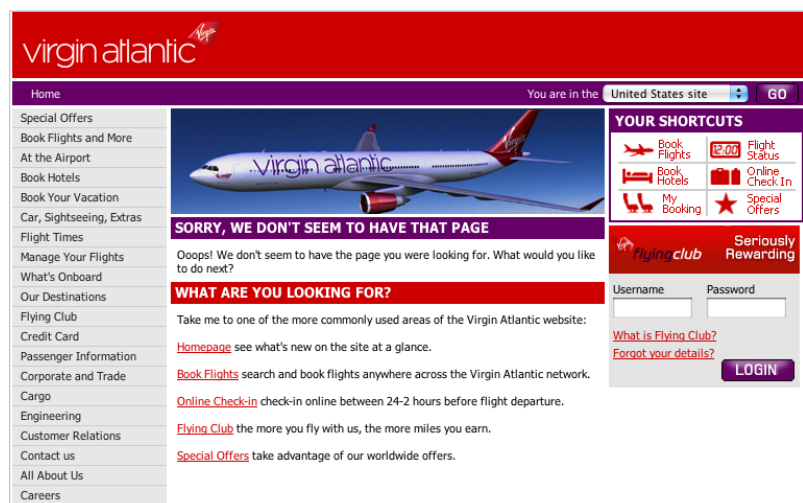
Effective communication of errors by minimising use of technical language and having a clearly labelled point of contact for any problems helps to negate customer unease as issues can then be resolved immediately. Combining the use of error identification codes alongside a support link in a prominent location ensures that the customer service team can identify issues with minimal input from users as they get in touch for faster trouble shooting.

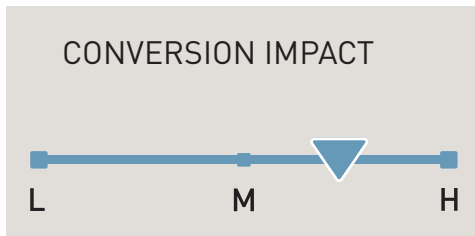
Offering alternative actions or paths to the user keeps them on-site and encourages a continuation of the research or purchase process.

## EXAMPLE

**VIRGIN ATLANTIC:**

*Virgin adheres to best practice by directing users to commonly visited sections of the site*





## REASON 9: LATENCY

Slow return of search results predominated the feedback. Given that users will not only be visiting multiple sites but are also likely to be performing several searches with each visit, comparison between general site performance within the industry is inevitable.

*The average number of different sites visited before a travel conversion is 9.4<sup>10</sup>. User experience is greatly impacted by site speed, which not only drives revenue but potentially reduces costs to the business.*

*A year-long performance redesign resulted in a 5 second speed up (from ~7 seconds to ~2 seconds). This resulted in a 25% increase in page views, a 7-12% increase in revenue, and a 50% reduction in hardware.<sup>11</sup>*

A single instance of delay would be sufficient to affect users' long term behaviour, altering their perception of the site or even driving them to a competitor site for an improved user experience.

## ACTION

The benefits to your site extend beyond increasing positive user sentiment towards the site - Google started to use site speed as a signal in their search ranking algorithms in April 2010.

Free tools are available such as Google's Page Speed and Yahoo's YSlow which will provide generic best practice recommendations that webmasters can then tailor towards their own site.

Although it is likely that there will be some element of delay displaying initial results (particularly with travel aggregators), the perception of this waiting time is also important. User frustration can be appeased by inserting progress bars to show time to completion and displaying messaging either to re-iterate pricing deals or brand proposition.

### SAMPLE EXIT FEEDBACK

*Make the times and prices page come up quicker on the computer I often have difficulty with this where it will just freeze.*

*Pretty web site but much too slow.*

<sup>10</sup> The Online Purchase Path - Google/Clickstream, 2011

<sup>11</sup> Velocity-Shopzilla 2009



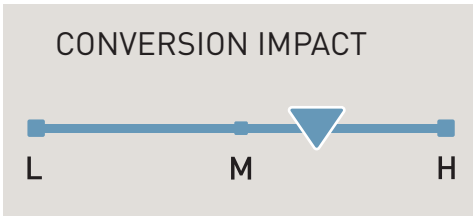
## EXAMPLE

## STA:

*STA makes use of the time while users wait for search results to re-affirm brand messaging, stating benefits of booking with the site.*



## REASON 10: AVAILABILITY



Users become frustrated having invested time into searching for products only to find that these are not available to purchase and are demanding more options than ever before in order to tailor experiences according to personal preference. The shift in popularity from traditional inclusive tour packages towards trips with more customised elements reflect the fact that users expect to be able to pick and choose as they please.

## ACTION

**SAMPLE EXIT FEEDBACK**

*Do not put up details of holidays that you can not supply.*

Equally important to showing availability when products are limited is to keep the product range as up to date as possible and not allowing users to select items that cannot be purchased.

## EXAMPLE

- BOOKING.COM:**
- Booking.com displays only the number of available hotels in results
  - Quantity of products by geographical area shown in breadcrumb trail
  - Availability key for each product, with limited availability highlighted prompting a sense of urgency

## METHODOLOGY

QuBit conducted an extensive Exit Feedback survey across the online Travel Industry covering holiday providers and travel and transport vendors alike in order to understand the opportunities for travel websites to increase efficiency through addressing the key reasons that prevent customers from converting. Using our unique Exit Feedback technology, we are able to capture user feedback at the point of exit and transform this into insight through categorisation.

Feedback was categorised using machine learning algorithms, giving each giving each individual piece of feedback a sentiment score and one or more category labels. The feedback labels are then clustered into three overarching categories.

Topic categorisation relies on a series of rules based on syntactic construction and pattern matching from a knowledge base of known terms. The category labels are devised by a team of analysts in advance and have been developed specifically to ensure relevance for the travel industry.

## CATEGORY LABELS

Additional Charges	Payment Method
Availability	Product Descriptions
Currency	Product Price
Customer service	Product Reviews
Discount/Sale	Returns
Errors and Bugs	Security
Images	Site Design
Latency	Site Functionality
Navigation	Video
Onsite search	Voucher/Coupon

Feedback that does not contain an identifiable topic is then passed to a system which analyses the statistical significance of all words used. From this analysis the concepts that are most commonly mentioned are dynamically constructed into additional categories, providing a more bespoke approach.

The use of our proprietary technology was then augmented with an in depth usability evaluation of the Top 20 online travel sites from which industry standards could be established and allowed identification of best practice sites from comparison to the benchmark.

# CONCLUSION

## FLEXIBILITY IS PARAMOUNT TO SUCCESS

Travel spending has not been curbed but instead has simply evolved with the economic environment. The flexibility of users is proven, as we have seen, the popularity of EU countries as destinations decline as visitors from the UK opt for either 'staycations' or non Euro countries such as Turkey due to an unfavourable exchange rate. As consumers adjust behaviour to form requirements around external constraints, the expectation is that this will be matched by vendors in product offering.

Travel providers must constantly strive to support users from the research process all the way through to purchase by attracting users into selecting products with a flexible initial search process, assisting decision making with a broad range of filters and sorting options whilst maintaining price transparency for the duration of the journey. Additional site functionality such as being able to share research information easily and the inclusion of social and calendar integration serves to enhance the user experience.

Customer loyalty and brand advocacy is built on the foundation of a positive experience - ensuring that these vital basics are in place not only optimises conversions for the current user journey, but also places sites in good stead to increase the lifetime value of users.

## ABOUT QUBIT AND AUTHORS

Founded in January 2010 by four ex-Googlers, QuBit works to improve the efficiency of businesses by driving online profitability through the development and implementation of data models designed to understand and harness web user behaviour.

QuBit aims to help businesses own and understand their data making it your most powerful asset. Our technology solutions combine best practice and analytical techniques, with an in-depth knowledge of digital practices that drive key business levers.

QuBit builds and licenses market-leading technology to collect and process web data. By approaching big data problems with machine learning, distributed computing systems and algorithms, QuBit finds patterns in data that can turn website inefficiencies into profitable solutions.

### **Ian McCaig**

Co-founder and Strategy and Marketing Director: Ian worked at Google for five years prior to founding QuBit and, in that time, gained experience in marketing, product and sales, as well as a vast knowledge of the digital industry.

### **Phoebe Woo**

Phoebe has a broad background in the media industry having previously worked in the strategy department of a major UK media owner and is now responsible for understanding the dynamics affecting online firms.

### **Advait Patil**

Advait is an experienced consultant having gained a solid financial analysis background from first working in a UK M&A team and then advising corporate entities across a variety of sectors, including several online travel companies, on their information and technology risk.