

6 Online Travel Myths Unmasked at PhoCusWright Analyst Forum

2008-09-18

Myth #1: The number of online travel buyers in the U.S. is declining. In fact, that number is on the rise, as documented in The Consumer Travel Trends Tenth Edition recently published by PhoCusWright Inc. In 2007, approximately 70% of online travelers (that is, adults who have taken a commercial air trip and stayed at a hotel for leisure in the past year, and used the Internet in the past 30 days) bought travel online, compared to 63% in 2006.

PhoCusWright dispelled this piece of misinformation-and debunked five additional online travel myths-at its first-ever Analyst Forum, held September 10 in New York City.

In addition to the misconception that online travel buyers are declining, The PhoCusWright Analyst Forum corrected these five other online travel myths:

Myth 1. The number of online travel buyers in the U.S. is declining. In fact, that number is on the rise, as documented in The Consumer Travel Trends Tenth Edition recently published by PhoCusWright Inc. In 2007, approximately 70% of online travelers (that is, adults who have taken a commercial air trip and stayed at a hotel for leisure in the past year, and used the Internet in the past 30 days) bought travel online, compared to 63% in 2006.

Myth 2. More and more online travel shoppers use supplier sites than online travel agencies. While this belief is widespread in the travel industry, it is simply untrue, according to PhoCusWright, the travel industry research firm. In terms of popularity, online travel agencies are making a comeback (source: The PhoCusWright Consumer Travel Trends Survey Tenth Edition or "CTTS10").

Myth 3. Travel agencies are experiencing a resurgence as travelers return to traditional purchasing channels. Not so. In reality, even many formerly exclusive offline buyers are migrating online for travel shopping and buying, according to CTTS10.

Myth 4. The next generation of travelers prefers to do everything online. The truth is, less than half of what 18-28 year olds spend on travel is spent online, according to The NEXTgen Traveler(TM) report, jointly published by PhoCusWright and Ypartnership.

Myth 5. Social networks and travel reviews have the greatest influence on travel decision-making. The NEXTgen Traveler(TM) report reveals that while social media is widespread, destination Web sites and online travel agencies are favored by nearly half of next generation travelers during the travel shopping process.

Myth 6. Online travel markets need high credit card and Internet penetration to succeed. The structure and ambitions of the travel marketplace are even more important drivers than infrastructure. Case in point is India, one of the most dynamic online travel marketplaces today, where roughly 98% of the population does not use credit cards or have access to the Internet.

The sold-out Analyst Forum provided attendees with a clearer understanding of the realities of the online travel marketplace, offering facts, figures and insights for strategic planning and decision-making, especially as attendees find themselves engaged in 2009 budget planning.

"Nobody wants to make strategic errors based on bad information," said Lorraine Sileo, vice president, research for PhoCusWright. "Through this Analyst Forum, we were able to educate attendees about online travel myths and the realities in consumer behavior and to paint a picture of the new distribution landscape so that they can better assess their channel partners, such as travel agencies."

PhoCusWright's Analyst Forum will continue to take place on a quarterly basis in New York City featuring research and analysis on a variety of travel, tourism and hospitality topics.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article34666.html>

© 1998 - 2008 Nevistas and the author.

Brought to you by Hotel News Resource

Distribute your news on our Network

See what all the buzz is about at:

http://www.hotelnewsresource.com/Info-news_account_info.html