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Travel Megatrends 2018: Travel Brands Want to Be Experience Platforms

Earlier this month we released our annual travel industry trends forecast, **Skift Megatrends 2018**. You can read about each of the trends on Skift, or download a copy of our magazine [here](#).

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It used to be that airlines simply got you from point A to point B. Hotels offered you a place to rest your weary head at night. Tour companies herded tourists onto buses and drove them around to see the sights. Cruises gave you a sea-level view of the world. Online travel agencies allowed consumers to begin booking their own flights and hotel accommodations.

But all of that is, bit by bit, changing today. While it's still very true that, fundamentally, hotel companies run hotels and airline companies run airlines, it's also become increasingly clear that more travel brands want to expand beyond what they're known for doing in travel and into new segments of travelers' experiences.

This erosion of traditional silos in travel is transforming travel brands into true experience platforms, or channels through which we, the travelers, can have our vacation and business trip experiences shaped and guided not by a multitude of companies, but by just a handful — and soon, maybe only one.

The online travel agencies, which disrupted traditional travel agencies, were the first to empower consumers to take more control over their own travel experiences, letting them book their own flights and hotels. Gradually, as these companies began to buy up more businesses, from restaurant reservations systems to tours-and-activities platforms, they became the precursors to the experience platform model that nearly all travel brands now aspire to have. Today, on Priceline or Expedia or Ctrip or even TripAdvisor, a consumer can book almost every facet of his or her travel journey.

However, those companies still have some distance to cover in owning every facet of the traveler experience, and other brands are catching on as they seek to become the new channels by which we not only book our travel, but how we actually experience it too.

Take Airbnb, for instance. When the company announced in November 2016 that it was launching its own tours and activities division, called Airbnb Trips, it was a clear signal of a

larger objective: to not only be a platform where you can pick a place to stay but also where you can book in-destination experiences, access curated destination content, and eventually even find flights, restaurants, on-demand transportation services, and much more. Earlier this year, CEO Brian Chesky said that by 2020, he expects more than half of Airbnb's revenue to come from businesses that the company currently isn't operating in.

Simply put, Airbnb wants to position itself as the only brand a consumer would ever need, for every part of his or her journey, whether on the road or not. And it isn't alone in that pursuit.

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It's another reason why global hotel companies like Marriott International, Hyatt Hotels & Resorts, and AccorHotels are trying to expand beyond what they've always been known for — and no doubt trying to develop more direct relationships with their customers by encouraging them to book direct and bypass the Expedias and Pricelines of the world.

Earlier this year, Marriott invested in PlacePass, a metasearch platform for tours and activities. Hyatt scrapped its old loyalty program and debuted a new one entirely focused on the concept of experiences, acquiring wellness brands and investing in alternative accommodations along the way. AccorHotels is using its properties to not only serve travelers but locals, too, with hyper-local services, all in an effort to keep the brand ever-present in the minds of consumers, whether or not they are traveling.

Airlines are also trying to play a larger role in the overall travel experiences of their passengers. Take SAS Airlines, which created the SAS Dreams program. As part of the program, the airline invited some of its most loyal frequent flyers to accompany the airline's head chef on a five-day trip to Japan. And Southwest Airlines recently announced a plan to bring more surprise in-flight concerts to the skies.

In addition to owning the travel experience by being the conduit for travelers to have their experiences, brands are also concerning themselves with trying to solve the multitude of friction points and challenges that still take place in travel.

Cruise operators, including Carnival Corp. and Royal Caribbean Cruises, are building out their technology to better personalize cruisers' experiences and make them more meaningful and frictionless. Marcie Merriman, an executive director at professional services and accounting firm EY covering brand strategy and retail innovation, said: "A lot of different companies, from cruises to theme parks, are doing in-depth analysis around those friction points and trying to hack away at reducing those. It's not just about getting consumers to book a cruise or go to a theme park — they're building on that with great experiences."

That's really where all companies are headed, too, as they aspire to be true experience platforms. In addition to being intermediaries, they want to be channels through which you not only have a good travel experience, but a truly great one. And they're doing that by curating content, and harnessing big data and artificial intelligence to personalize the experience and make it that much faster, better, and smarter.