



Traveler Trends 2016

for small accommodation providers



To stay relevant, it's imperative that small accommodation providers drive occupancy while adapting to emerging trends in the industry.

Here are the top trends small hoteliers should be aware of in the coming year, with comprehensive suggestions for how you can harness the latest trends to boost your bottom line.

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Part 1.

Loyalty Programs



Small accommodation providers are increasingly aware of the need to incentivize direct bookings.

Why? Not only will you reduce the amount of commission that is paid to Online Travel Agencies (OTAs), but when you do win guest loyalty, it's hard to sway.

Whether it's convenience, habit, or features that help to 'win' your guest, the aim is to gain their trust so that they consistently recommend your hotel to friends, family, and even strangers through online reviews.

In 2016, small hotels will increase their focus on how they can drive guest loyalty to get more direct bookings, revenue per guest, and word of mouth referrals.

Millennials are the key

According to Deloitte, millennials may be the key to achieving guest loyalty, because they are certainly worth the investment!



Once a millennial traveler likes one brand loyalty program, they will go out of their way for it! Business travelers will pay up to \$41 more per night and drive up to 15 min out of the way to stay with that brand this figure sits at \$35 more per night for leisure travelers.



The rise in youth spending "vastly outstripped" that of other international travelers (WYSE).



Young travelers now represent 20% of international tourism (WYSE). One in four Millennials are planning more overnight leisure trips this year compared to last year (MMYG Global).



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80 million 18-34 year olds spend \$600B per year in America alone (Deloitte)



By 2025 millennials will make up three quarters of the business travel workforce (Deloitte)

To win them over, it's imperative that you understand who they are and what they want from their stay so that you can customize their experience.

After all, millennials have extremely high expectations of your bed and breakfast, and it can be easy to annoy them.



Convenience

Millennials want things now – including the ability to reserve a room at your property.

They are “fluent and comfortable with booking plans online, as well as on mobile and tablet devices” (HVS). And it’s not just millennials, either – 60% of leisure and 41% of business travelers are making their own travel arrangements, generally via Internet (Amadeus).

Millennials are digital natives - they are always connected to the internet and constantly checking their mobile phones, using it for all aspects of life.

If your website is difficult to use across devices, and they can't check availability or book with you immediately, you will immediately lose points and they will look for an alternative.

Mobile Search Volume Across Categories

	Index Queries ?	% Change YoY ?
Hotel	100	+49%
Tours & Attractions	50	+47%
Air	36	+33%
Car Rental	9	+47%
Cruise	6	+49%

Source: Google Search Data, January - June 2015, United States.

More air queries are coming from mobile, up 32% YoY (as of March 2015).





Authenticity

When [TripAdvisor](#) asked travelers worldwide why they picked a particular destination, many said that local activities, experiences and culture are highly influential. Also, sightseeing, special dining experiences, and activities were all ranked alongside accommodation as the most common things travelers are willing to spend more on as a treat.

Millennials are keen to wander off the beaten path and really experience a local culture. They seek authentic, novelty experiences, deviating from the norm. This is why they are perfect matches for small accommodation providers.

Make sure you partner with the right local businesses (for example, a cooking class, or a walking tour) so you can up-sell and cross-sell what will really strike a chord with them.

Millennials also like affordable luxury - they love to find the best value for money and live opportunistically.

In a Deloitte survey, they ranked free wifi, cleanliness, and comfort as the top three hotel attributes. These were expected basics as opposed to being additional perks.

Promotions

Once you've satisfied them with your service, you can then figure out which kinds of promotions and programs will strengthen their loyalty.

Deloitte reports that millennials like...



Research

On average, a millennial will check 10 online sources before making a purchase.



Soft benefits

For example, VIP treatments and authentic local experiences.



Instant gratification

They want the reward within 3 months.



Advice from online reviews

Strangers online have more credibility than friends and family do!



Using your booking engine to drive guest loyalty

Your hotel booking engine is the top tool available to you to drive guest loyalty, because it...

Allows guests to book themselves in

Today's travelers are familiar with online bookings and actually feel more comfortable entering their credit card details into a secure booking form, rather than over the phone or via email.

Stores your guests' data

Storing your guests' data in multiple spreadsheets is not a good long term strategy. You need to be able to search your database and access their information instantly, when you need it.

Your online booking engine should be cloud-based and have a customer database built into it, giving you immediate access to all the guest information you need. You could be at the golf course on your mobile, or sitting on your couch with your iPad – all you need is internet access to log in.





Allows you to keep in touch before and after

You know that there are certain emails that each guest should receive – for example, booking confirmation, reminder before their stay, tips during their stay, and a feedback request following their stay.

Modern hotel booking engines let you schedule and personalise these emails, applying your brand's colours to each template, and making sure each recipient gets a personal greeting. Otherwise, you are stuck creating templates in word documents, relying on your own memory to send individual emails at the right times.



Part 2.

Health and wellness



Wellness tourism is all travel associated with the pursuit of maintaining or enhancing one's personal wellbeing. The trend has erupted in recent years, and shows no signs of slowing down.



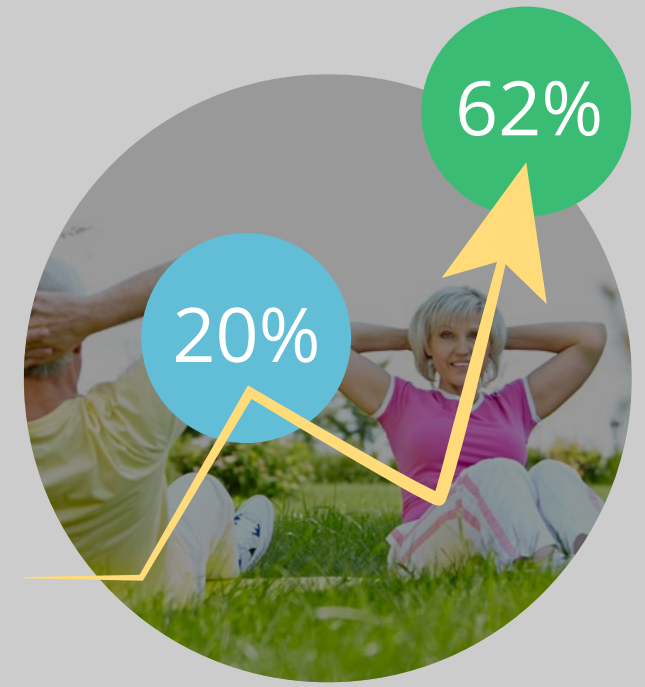
Health and wellness is a \$73B industry (Source) that grows 50% faster than the corresponding growth in the conventional tourism market (Source).



\$1 in every \$7 spent on tourism goes to wellness pursuits, making up a market of about \$480B. This number is predicted to reach \$750B by 2017 (Source).



Wellness tourists spend 130% more than the average tourist (Source).



In a study, 20% of travelers said they took a health focused trip of some sort, and 62% said they would like to (Source).





22% of travelers are hoping to incorporate health and wellness aspects into vacation experiences ([Source](#)).



Health and wellness-focused travel is estimated to reach \$678.5 billion in the next four years ([Source](#)).



An estimated 17 million travelers identify themselves as being 'health and wellness focused', with 40% of them travelling regularly ([Source](#)).

Small accommodation providers should definitely seek ways to capitalize on this continuing trend in 2016.

What health-focused travelers want

Travelers on vacation don't want to feel like they have to compromise their healthy day to day routines simply because they are on holiday.

Health and wellness travelers are generally middle aged, affluent, well educated, and spending more. In fact, they spend 150% more than other traveler segments when they travel.

They want a feeling of restoration instead of blatant over-indulgence. This means that your hotel offers health and wellness options that allow travelers to eat well, and stay active.





What little hoteliers can do

Big hotels can afford to shell out some serious cash in order to please wellness travelers. While your budget and property may prevent you from doing the same, you can still find clever ways to take advantage of this opportunity (and make sure it pays off).

To your guests, healthy travel involves maintaining healthy meals and having access to outdoor healthy activities.





Healthy eating ideas

- › Provide gluten free, sugar-free and vegan menus.
- › Provide nutritious options.
- › Allow guests to control their portions.
- › Harvest your own organic gardens on your property.
- › Buy from local farmers to give guests that 'farm to table' experience.

Fitness ideas

- › Provide jogging or hiking routes and maps to outdoor exercise areas to your guests.
- › Rent out running gear to your guests.
- › Create an in-room workout package which includes instructions and equipment (dumbbells and yoga mat). Some guests might want to fit in a quick workout before sleep or between meetings.
- › Partner with local gyms to create a weight loss program package.





Relaxation ideas

- › Create yoga programs. If you don't have a studio, use your rooftop or garden.
- › Partner with local gyms to offer activities that wellness-focused guests will be interested in (and earn commission). For example, yoga and pilates classes.
- › Partner with local spas to offer massages and beauty treatments.
- › Create an in-room relaxation package to up-sell to your guests, which includes herbal teas, body scrubs, scented candles and lotions.
- › Create a relaxation retreat package.

Your **online booking engine** should allow you to easily up-sell all of your health and wellness packages.

What other hotels are doing to adapt

Hotels are quickly adapting to the desires of wellness travelers. Here are some examples.



1. Hotel Vermont

Hotel Vermont in Burlington uses Lunaroma in-room and hair skincare amenities. Because the products are made just down road, guests are invited to visit the lab, and check out an array of essential natural oils.

Source: [Lunaroma](#)



2. Element

Starwood created an eco friendly brand called Element, which is targeted to environmentally conscious customers. This theme is weaved into the entire way the hotel is run. For example, guests have the option to operate electronic devices through pedal power in its fitness centers! Their target market is 30-45 year olds who travel often, and want healthy food and exercise options.

Source: [Green Hotelier](#)



3. Westin Lake Las Vegas

Westin Lake in Las Vegas offers stand up paddle board yoga and pilates sessions.

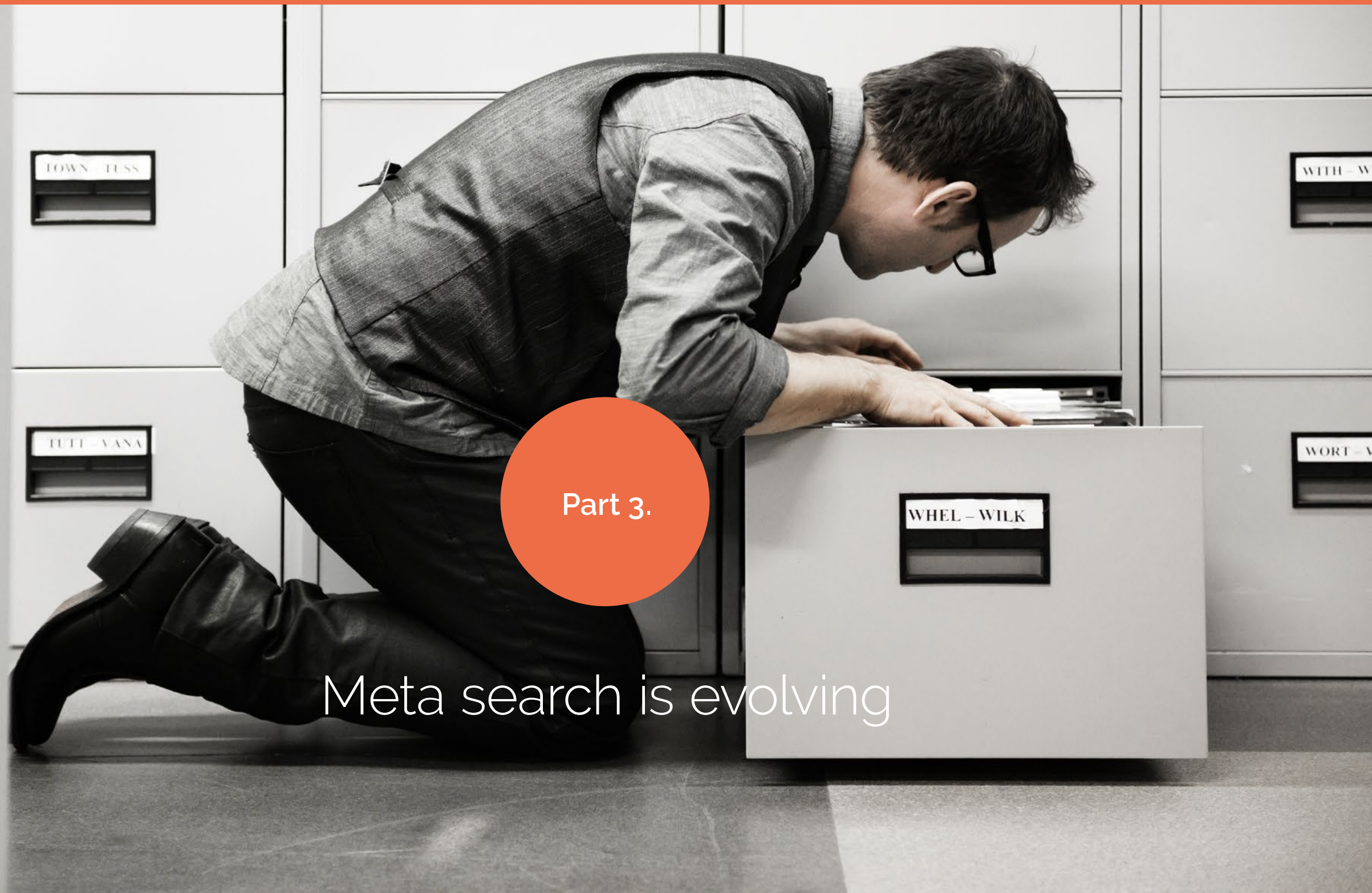
Source: [SUPLV](#)



4. Kiawah Island Golf Resort

Kiawah Island Golf Resort offers a surf kayaking rodeo. The challenging waves make for an effective workout.

Source: [Kiawah Resort](#)



Part 3.

Meta search is evolving



If meta search engines aren't a big part of your online distribution strategy in the coming year, then they certainly should be!

Main players TripAdvisor and Google Hotel Finder have made monumental changes this year that will affect any small accommodation provider's meta search strategy in 2016.

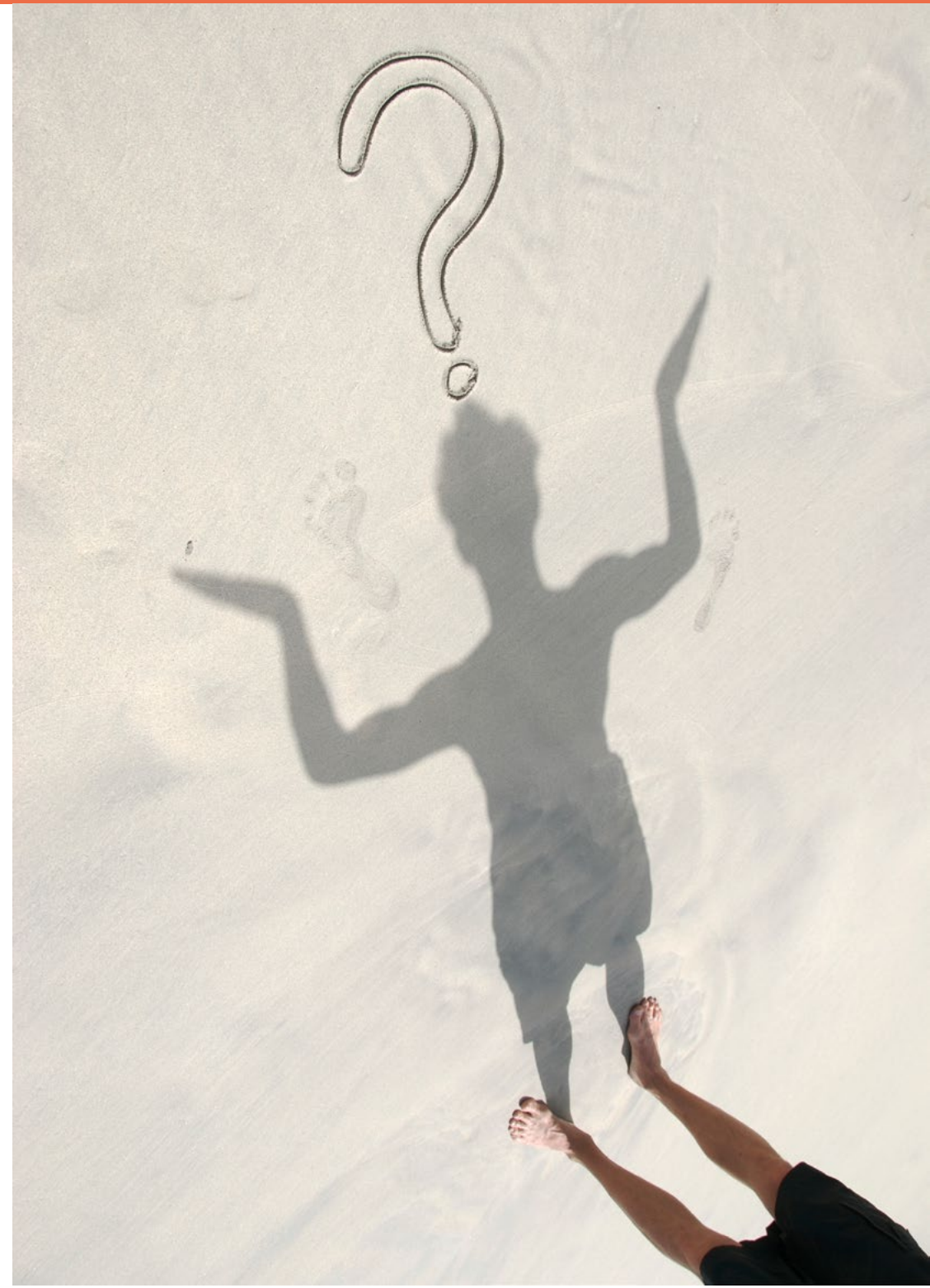
With a view to the future, here's how you can harness meta search engines to drive occupancy at your small hotel.

Recap: What is a meta search engine?

A meta search engine is a type of online distribution channel that small hoteliers can use to promote their business. Small properties build up their profile, and display live rates and availability to people using the sites.

Meta search giants include TripAdvisor and [Google's Hotel Finder](#), which allow your potential guests to book directly with them, while displaying guests' reviews of your property.

[Click here](#) to list your property with TripAdvisor and [click here](#) to learn how to get listed on Google's Hotel Finder.





How is a meta search engine different from an OTA?

A meta search engine is almost like an OTA, but not quite. Meta search engines actually allow consumers to compare the OTAs and hotel's direct pricing themselves.

They are similar in that:

- › They have the same goals in terms of attracting travelers and getting them to book something in.
- › You push your live rates and availability to their websites, so that their users can search and make a reservation with you.

They differ in their business model:

- › OTAs mainly operate off a commission percentage per reservation. The booking and transaction is made on their site. OTAs sell their own inventory and are the point of contact for the consumer making the booking, should they want to amend or cancel it.
- › Unlike OTAs, meta search engines simply facilitate the booking - they do not sell their own inventory, and are not the point of contact for people who book through their site. They may have a listing fee, but they usually operate off a pay-per-click bidding model (similar to Google Adwords) for the referrals they make.

What's changed in the meta search landscape?

TripAdvisor and Google now offer instant booking options, so that guests do not have to leave either of the sites in order to secure a booking with you.

This behavior is much more in line with that of an OTA - however, neither will actually service the booking as OTAs do.

Both companies are now toeing the line between meta search and OTA.



TripAdvisor

Previously, TripAdvisor's TripConnect only operated on a **pay-per-click** model ([click here](#) for more on how that works). Instant Booking is a new way to seamlessly generate instant reservations from guests, who can now book with you directly on the world's largest travel site, TripAdvisor.

TripAdvisor has come up with a simple and easy way for travelers to book your small property on their website. Once travelers find you on their search listing, they can browse your rates and availability and instantly click "Book on TripAdvisor". It's really that quick and easy.

The direct booking goes to you and you own the relationship with your guest from the very start! The booking details of each guest that makes a reservation with your small property on TripConnect Instant Booking goes directly to you.

TripAdvisor offers a pay-per-booking commission model for TripConnect Instant Booking, with a choice of two different rates, as traveler views occur.

A prospect guest view occurs when the "Book on TripAdvisor" button appears on your property's search listing page.



The different rate options available are based on the views:

1. **15% commission** – your small property will get half of all "Book on TripAdvisor" traveler views and the bookings you receive from the views.
2. **12% commission** – your small property will get a quarter of all "Book on TripAdvisor" traveler views and the bookings you receive from the views.

The best part is, you only pay for the bookings that turn into stays! The commission only needs to be paid once guests leave your property, after their stay at your small hotel.

Google

Similar to [TripAdvisor's Instant Booking](#) setup, Google is now allowing travelers to book and pay via Google, instead of sending them to an OTA (online travel agency) website, or directly to the hotel's branded website.

This means that travelers enter payment and contact details directly onto Google.


Right now, it's unclear whether Google is going to take a higher booking fee or will charge this as a lead. This is a controversial move, because Expedia and Priceline contribute to about 5% of Google's advertising income.


For your small hotel, this new strategy means that you could potentially get more [direct bookings](#), because travelers won't be directed to another site to complete the booking. Instead, they can complete the transaction on Google's familiar, minimalist interface.

Reducing friction in the [online booking process](#) is the key to driving conversions; however, the fact that contact details are entered into Google rather than the hotel's own [booking engine](#) may make this a hard sell for small hotels.

Complete booking your room


 You are booking with **Hotel Rouge** on Google.


Select a room 

Guest details 


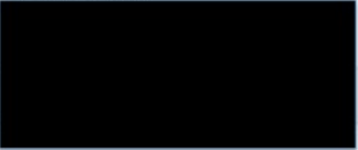
Payment

Room	Queen Queen Deluxe Room
Nightly price	\$256.00
Cancellation Policy	Refundable
Guest Name	Greg Sterling
Check in	Sun, Jul 26
Check out	Wed, Jul 29
\$256.00 × 3 nights	\$768.00
Taxes & fees	\$111.36
Total	\$879.36
Deposit	\$0.00

Secured by Google Payments 



Greg Sterling

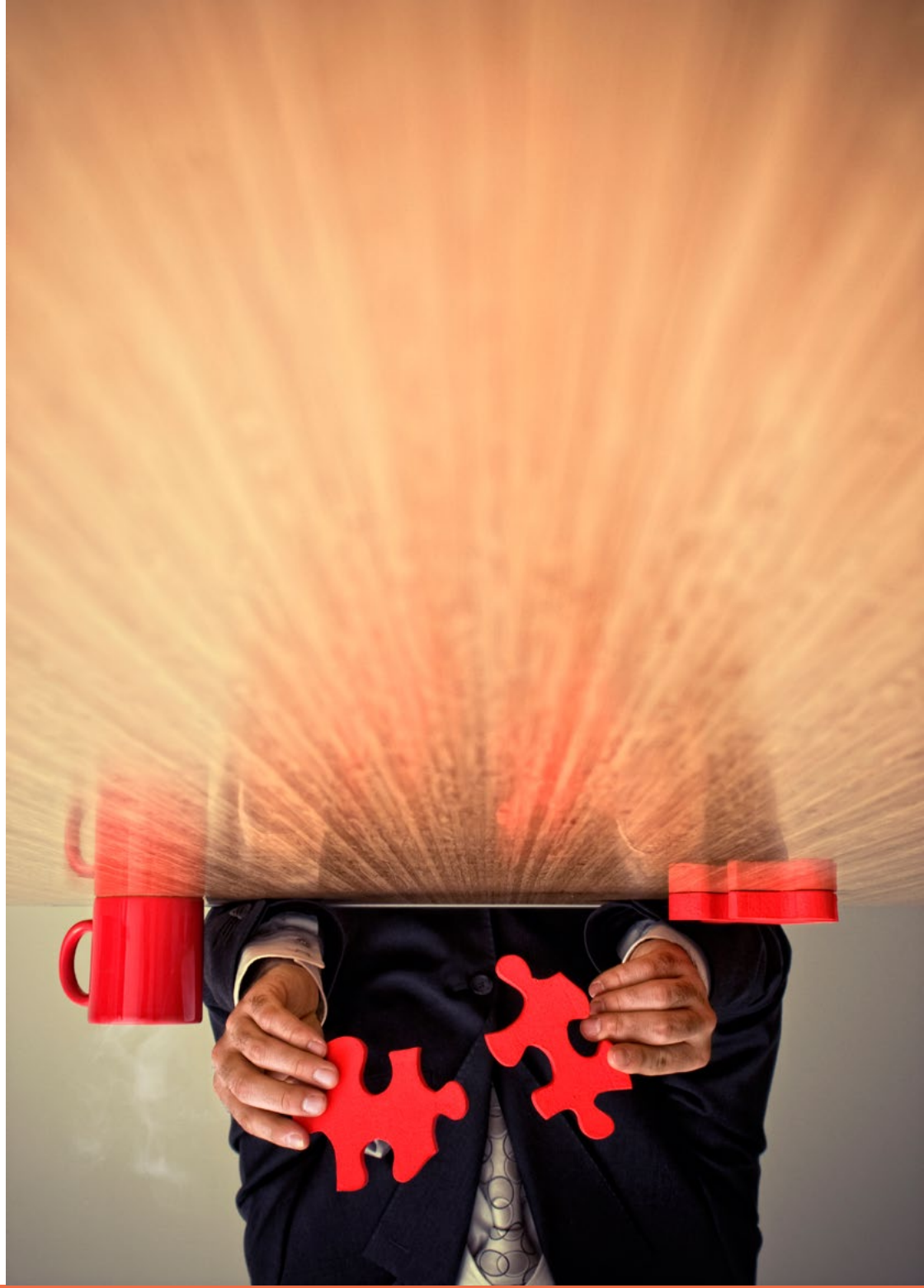


The hotel will charge you \$879.36 for the room, at checkout.

By selecting "Reserve your room", you agree to [Google's Terms and Conditions](#), [Privacy Policy](#) and [Hotel Policies](#).

RESERVE YOUR ROOM

Sources: [Search Engine Land](#) & [Tnooz](#)



What's the best way to work with meta search engines?

To be part of the meta search game, you need your pricing and inventory to be updated in real time. This can be done by partnering with an all-in-one hotel booking system like Little Hotelier.

In 2016, it is absolutely necessary to at least be listed on big meta search sites like TripAdvisor and Google Hotel Finder, if only to add credibility to your company when travelers are doing their research.



Amenities

Part 4.

While price, travel reviews and a convenient location are most influential for travelers when booking an accommodation, 77% say amenities are also influential during the decision process (source).

Amenities that travelers find most influential when booking an accommodation are...



Free in-room Wi-Fi

More and more guests are making their booking decisions based on whether or not a hotel offers free or working wifi. In fact, [Hotel News Now](#) reports that 98.4% of guests expect wifi in-room!

Also, websites [Hotel Wi-Fi Speed Test](#) and [SpeedSpot](#) were created for the sole purpose of allowing potential guests to check any hotel's wifi before booking in their stay.

At a bare minimum, guests will expect free wifi in shared areas (such as the lobby), although the bar is slowly being raised by the fact that more hotels are starting to offer free wifi in-room.



Breakfast

[Hotels.com](#) found that breakfast is the most sought after hotel amenity.

A breakfast brings many benefits to guests that accommodation providers may not initially think of. A satisfying breakfast adds ease and comfort to a guest's stay, making it a far more pleasant experience overall.

Breakfast has become so popular that trends have started to take place around the globe, with unique and new ways to offer guests breakfast.

This may be a whole new world for small accommodation providers, and you may be thinking where do I start? To help, we have put together some of the most desired trends to get your imagination rolling.



Ethnic Inspired.

This involves Asian flavoured syrups, scrambled eggs with a spicy chorizo edge, and coconut milk pancakes.



Traditional Ethnic.

This is where the menu options get a little wild for the adventurous traveler. Serve a Moroccan omelette with veggies and cream or whip up a shakshuka, a Tunisian inspired egg dish.



Fresh Fruit & Organic Foods.

Your menu has to be able to cater to the **health conscious** traveler who enjoys fresh fruit baskets, organic breads, organic fruit pastries and oatmeal.



Egg-White Omelettes.

A protein breakfast is ideal for fitness and health minded guests. Provide egg-white omelettes alongside a range of grilled vegetables such as spinach, tomatoes and mushrooms. You can offer to include these veggies in the omelette, or stack them in an omelette sandwich.

Yoghurt.

Different yoghurt variations are the latest craze. Your small hotel could offer Greek yoghurt with honey, berries, mixed fruit, muesli, granola or even nuts.

Breakfast can be served in many different ways – from a buffet breakfast, a la carte to in-room service. It really depends on what direction your small hotel wants to go in, and what would suit your guests the most.

If your hotel doesn't have sufficient kitchen facilities or equipment, a partnership could be formed with a local café or bakery to cater breakfast to your guests.



In-room amenities

Amenities that you offer in-room are equally important to travelers. What's important will differ across segments.

The basics would include...



Bathroom. Is there a bath or just a shower?
Do you have a bathrobe available for them?
Do you have hairdryers?



Dining. Do you have a mini bar?
What are your hours for ordering in-room dining?
Is bottled water provided?



Air-conditioning.
Is air conditioning available to temperature-sensitive guests?



Free shuttle service

Offering a free airport shuttle service could be the perfect way to entice guests to stay at your property.

It also greatly incentivizes booking direct over with an OTA, because you've added more value to your room package than what's available online.

Staff who speak the traveler's language

Having someone with whom your international travelers can communicate easily will help them to feel at home and get the most out of their stay with you.

This is especially true for Chinese travelers. Ctrip reports that to attract Chinese travelers, you can offer Chinese-speaking customer service staff, Chinese TV programs, and Chinese menus.





Part 5.

Chinese travelers



In 2016, Chinese travelers are still the most-wanted segment in the travel market at the moment, and it's no surprise.

- › Chinese travelers rank #1 globally in terms of overseas tourism spending, exceeding \$130 billion ([source](#)).
- › China is poised to overtake the US as the #1 business travel market in the world. It will surpass US in spending by 2017 ([source](#)).
- › China's outbound travel market will number around 200 million people ([source](#)).

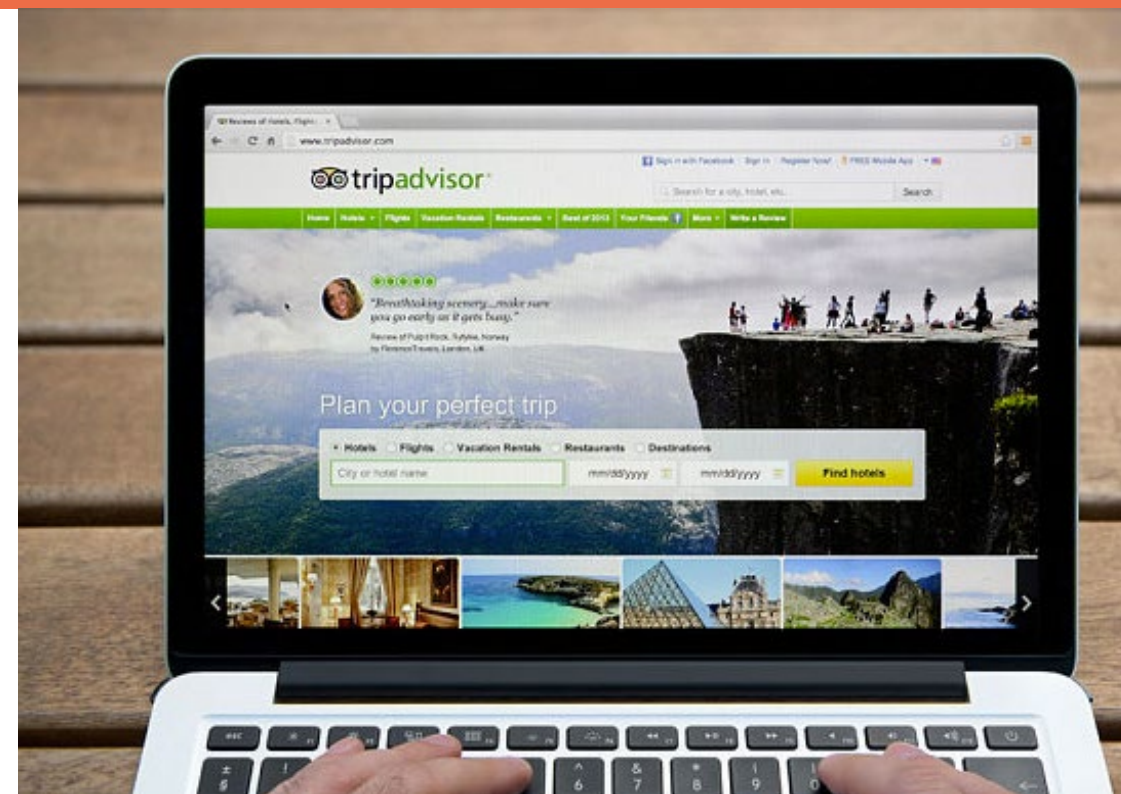
To attract Chinese travelers, your small hotel needs to be listed as one of their options when they're doing their research – whether it's online or offline.

While traditionally, they use Chinese sites Baidu and Daodao, there's a new trend of savvy, young Chinese travelers booking their stays on international platforms.

To get them to stay with you:

1. Include traditional online channels in your distribution strategy.

Independent tourists are more savvy, and are likely using online channels that are popular where you are – such as TripAdvisor and Airbnb.



2. Increase brand visibility in online and offline Chinese travel guides.

Sometimes, independent tourists use local providers to book travel arrangements. However, they will still use Chinese language travel guides to navigate their way around the city. It's important that your business is listed in these guides and resources.





3. Connect with Chinese OTAs.

It would be a mistake to neglect the OTA market in China.

At the very least, you should connect with Ctrip, as it dominates China's OTA travel market with 54.2% of market share ([China Internet Watch](#)). Its mobile app has been downloaded more than 160 million times.

A modern online reservation system like [Little Hotelier](#) should connect you to Ctrip.

Other OTAs to list with include [Zanadu](#) and [eLong](#).



Tailor your offering

Besides personalizing their experience by welcoming them in their own language, Ctrip reports that you can attract them by offering:

1. Chinese-speaking customer service staff;
2. Chinese TV programs; and,
3. Chinese menus.

Upsell services like shopping tours and Chinese language services, as Chinese travelers are well-known for their interest in luxury shopping while overseas.

Hotels.com also released an infographic detailing what hotels are already doing to adapt, as well as the facilities that are most important to Chinese travelers. ([Source](#))

41%

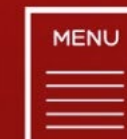


Chinese TV programmes

42%

Mandarin
speaking staff

46%



Chinese food menus

54%

Hotel website
in Chinese

53%

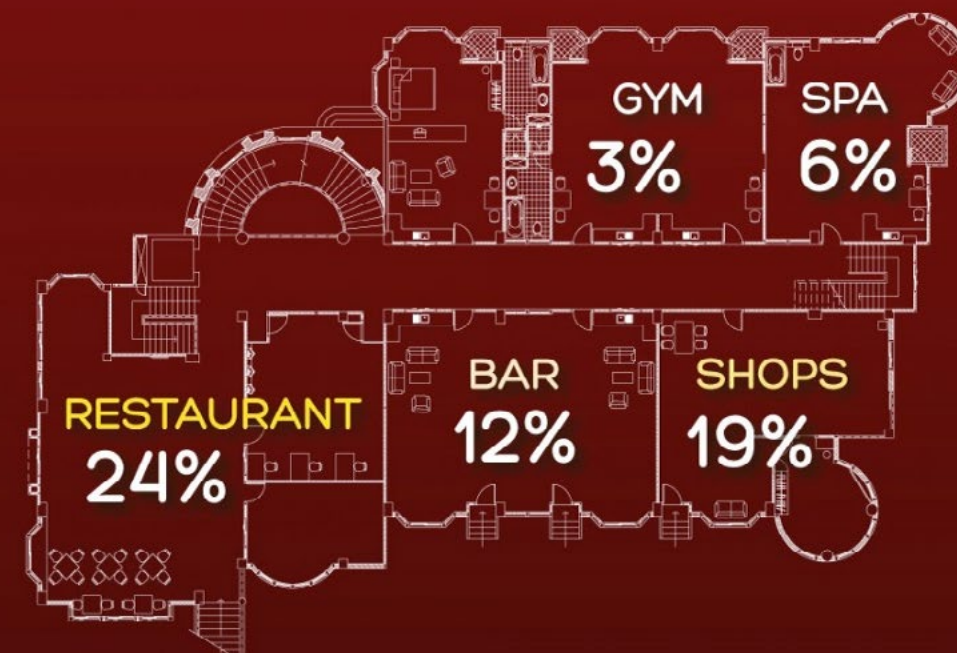


Chinese newspapers

62%

China UnionPay
partnership

Most popular hotel facilities



Looking to tap into the international market? Why not take a free trial of Little Hotelier?

We will connect you to over 250 booking sites, including [Ctrip](#), [eLong](#) and [Zanadu](#). Little Hotelier can manage your inventory across all of them, so seek partnerships with each one.

Additionally here is a basic check list that may help you before you start seeing Chinese travelers at your front door.

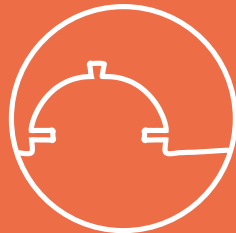
- | | |
|---|--|
| <input type="checkbox"/> Are there any Chinese travelers already visiting your area? | <input type="checkbox"/> Appropriate dining utensils eg. chopsticks? |
| <input type="checkbox"/> Do you have Chinese translations of any informational material? | <input type="checkbox"/> Is there a smoking area? |
| <input type="checkbox"/> Do you have a Chinese speaker on staff or in your community? | <input type="checkbox"/> Are there globally understood symbols in place? |
| <input type="checkbox"/> Are Chinese language menus available? | <input type="checkbox"/> Where can currency be exchanged? |
| <input type="checkbox"/> Are menu items Chinese friendly? | <input type="checkbox"/> Is there a local doctor who speaks Chinese? |
| <ul style="list-style-type: none">- Rice option- Asian veggies- Chili sauce (Chinese not Heinz)- Soy sauce- Tea | |

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Everything you need to run your property like a pro

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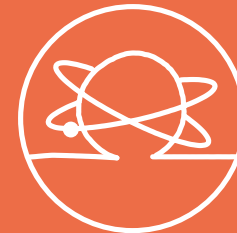
30 DAY FREE TRIAL



+



+



Front Desk System

Manage your guests stay from
reservation to check out
and everything in between

Direct Booking Engine

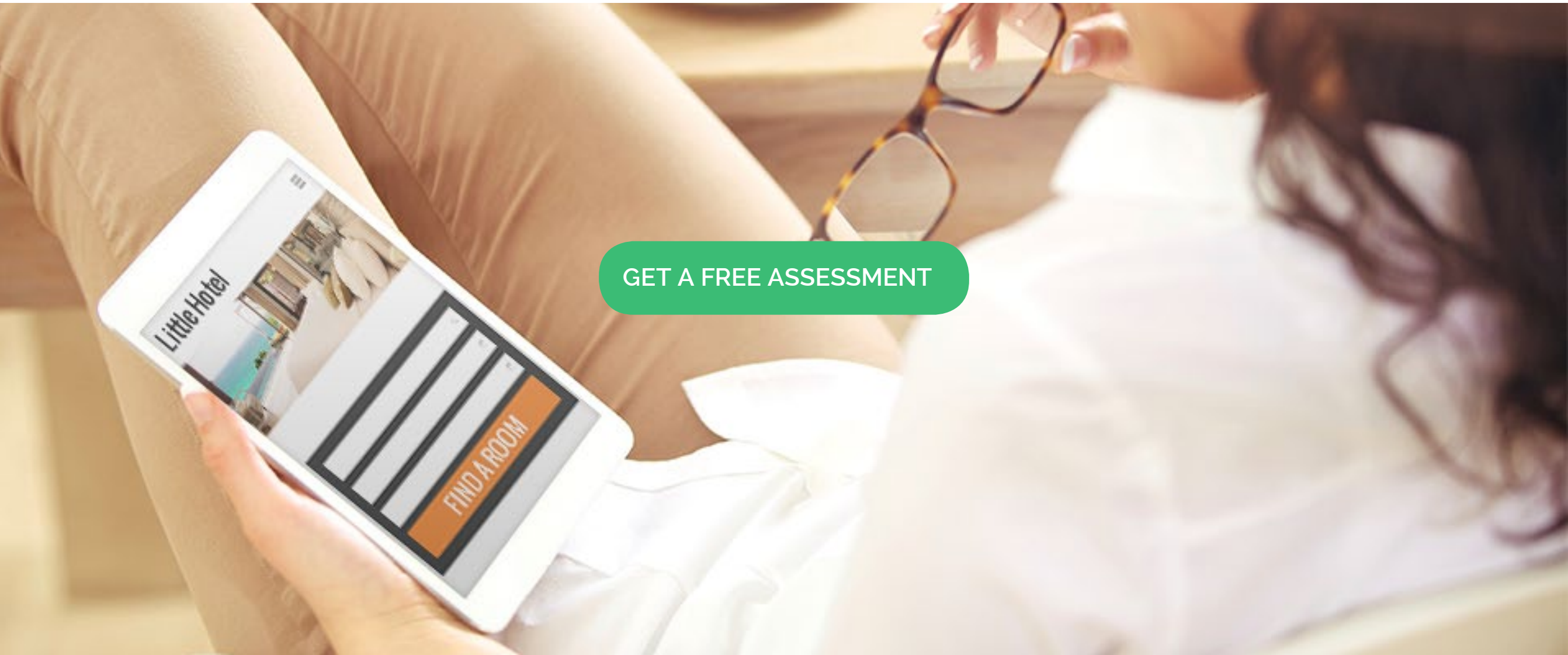
Take reservations
directly from your website,
commission-free

Channel Manager

Give your property maximum
exposure on the world's
leading online booking sites

Get a free assessment of your online profile!

One of our online experts will take a look at your property's online profile and offer you helpful tips.



GET A FREE ASSESSMENT

The logo features a stylized orange line above the word "Little", which loops around the letter 'l' and extends to the right.

Little Hotelier

www.littlehotelier.com