



# Delivering Customized Experiences in Travel and Hospitality

Engaging customers and partners in the digital world

**apigee**



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Whatever role you play in the travel and hospitality industry, the route your customers take to your products and services is changing fast. With virtually unlimited information at their fingertips, the way travelers research their options and make decisions has evolved in a big way, as have their expectations of how they interact with you.

Global hotel group Accor, for instance, reported a 71% year-over-year increase in the number of reservations made at its properties via mobile devices in 2014. And research from BCG found that for a four-day leisure trip, the average consumer spends 42 hours online—researching, booking, and sharing experiences.

In a highly competitive market and with so many opportunities for information gathering, providing customers with an exceptional and engaging experience is a critical challenge. Doing so in a way that keeps customers coming back and helps improve your business' look-to-book ratio has become essential, not only to compete, but to survive.

But it's not just the processes and modes of interaction that are evolving. One of the biggest challenges—and opportunities—facing the travel and hospitality industry is the changing face of the average customer. No longer are your highest-value clients baby boomers; increasingly, they're the hyper-connected generation you know as millennials.

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In this eBook, we discuss the new agility required to win the business of these travelers. It requires developing a deep understanding of your customers and the ability to anticipate and quickly respond to changes in their preferences. It requires the capability to easily join the various digital ecosystems that drive the travel and hospitality industry. And it leverages the huge amount and new varieties of data and the systems that power your business.

Offering a mobile app is important, but that's not enough if your business is to stand out among the many other choices at the fingertips of your potential customers. You need a broader digital strategy to engage customers, partners, and even employees, personalize their interaction with your organization and brand, and pleasantly surprise them. If you don't accomplish this, your competitors will.



# Play by the new rules of customer engagement

Unpredictable. Instant gratification junkies. Difficult to sell to. Millennials have been labeled in many ways. Between the ages of roughly 22 to 32, this generation is notoriously hard to foster brand loyalty with, and presents a particular challenge to sales and marketing organizations.

Millennials are hyper-connected, self-service oriented, highly reliant upon mobile devices, and influenced by information gathered via social networking channels. They're writing new rules of engagement with your brand.

**"Millennials make their own  
rules of commerce—and it's time  
for brands to catch up—  
or perish." - Bazaarvoice**

But millennials are also hitting their peak spending years, and, as such, are set to become your most important customers. In fact, by 2030, the number of millennial travelers will climb to 78 million and outnumber baby boomers by 18 million, according to hospitality consulting firm HVS.

So how do you ensure that your brand is relevant to buyers with these expectations? Step one is understanding them, and step two is figuring out how to prepare your business to meet their expectations—quickly, before your competitors do.

The millennial generation is significantly more interested in traveling abroad than older generations—by a margin of 23%, according to BCG. They will book travel via mobile devices, expect instant confirmations via email or text, and want the option to check in to flights with a smartphone. They expect hotels to have an app with which to make a reservation, check in, or, at least, gather information.

## Craft engaging experiences from context

Presenting customers with relevant, timely offers and customized experiences is a daunting challenge. After all, each of your customers is unique; each has a unique history with your brand, a specific set of preferences, and a distinct online persona.

You must be able to quickly and easily leverage data from transactional systems in order to present customers with offers and services that are relevant and timely. It's also critical to incorporate data from social channels, where your customers express their preferences and discuss your and others' products and services. This confluence of transactional and contextual information is a powerful place to develop a deeper understanding and improve your ability to tailor recommendations and offers.

But there's even more to your customers' context than their preferences. For example, millennial customers are more inclined than predecessor generations to make the most of their business trips. A traveler might attach some leisure travel onto the end of a business trip.

This switch of "persona" can be tricky for a service provider to understand, manage, and seamlessly take advantage of without duplicating efforts and annoying the customer.

An executive from a hotel customer of ours described how the company needed to recognize whether the business traveler of last week and family vacationer of this week were one and the same person. The ability

to uncover this customer context and share it in a way that empowers all of the moving parts of the business—property management, guest services, and hotel staff—enables the delivery of tailored service offerings and exceptional guest experiences.

"This requires one proxying point; a platform to design for a holistic view, to provide capabilities—whether to our event planners, our guests, our front desk managers, or property managers—seamlessly," this hotel executive said. "APIs are a very natural enabler for this."

APIs not only let you quickly and easily leverage customer data from within and outside of your enterprise, they also enable data to be easily shared across an organization. APIs enable an organization to provide a consistent experience to different constituents and across different channels; they vastly improve the ability to meet customers wherever—and whomever—they are.

## Deliver apps and experiences fast

With nimble competitors vying for your potential customers, it's critical to adjust quickly to changing customer needs and expectations.

LateRooms.com, the U.K.'s leading online hotel booking company, understands the need to nimbly tailor outstanding experiences for users, no matter who they are, where they are, or what device they use. To do this, the company is constantly making improvements to its offerings via the work of small teams of developers and partners who can quickly make changes to meet new customer expectations. APIs are key to this agility.

"Simply put, APIs have dramatically quickened the process of delivering new services and features," said LateRooms.com CTO Stuart Hughes. "We can now build mockups of services in matter of days, enabling us to trial a feature without building an entire app."

By sharing data and services securely and easily via APIs, companies enable their own developers to move faster and leverage innovation from outside the confines of the organization. APIs enable developers hungry to build the next new thing to create new services, features, or apps quickly and easily, while allowing the business to keep company assets secure and controlled.

"Our reputation is based on giving customers a fantastic experience, no matter where they are or what device they are using to browse the site. We seek to make constant improvements to the site, the service, and to the experience of our users. We have small teams of agile developers, testers and business owners and work on the quickest ways to deliver incremental change."

Stuart Hughes, CTO, LateRooms.com



## Extend reach and capacity through partnerships

In travel and hospitality, many businesses depend upon partnerships around the globe, from small bed-and-breakfasts to multi-national travel firms to price-comparison sites. Enabling access to a company's data extends its services and brand, and is a key part of making these partnerships successful. In a digital world, they're increasingly built and maintained via digital ecosystems.

This is particularly important because prices, availability, and schedules change quickly and frequently—consider that the price of a Las Vegas hotel room can change every 20 seconds.

In light of that kind of rapid change, the practice of hotel operators manually sharing pricing and availability spreadsheets with booking partners—something that's common today—seems impossibly cumbersome, to the extent that it could distract an organization from booking new business—and, consequently, generating revenue.

It's also critical that hotels distribute accurate information (photographs, rates, and addresses, for example) about each of its properties to partners and aggregators. But doing so can be labor intensive and costly, as many hotels pay intermediaries to handle this process.

Wouldn't it be simple if third parties could easily and securely tap directly into the most accurate and up-to-date source of all this information? APIs enable this. LateRooms.com, again, is a great example. The company makes it as easy as possible for partners to integrate

its functionality—such as its hotel rooms feed—into the partners' sites and apps. LateRooms.com considers this ease of interface a differentiator.

Similarly, Gogo, a leading provider of in-air internet connectivity, has used APIs to let partners join and contribute to its ecosystem. Virgin Airlines, for example, uses a Gogo API to power its in-flight social networking app.

**"It's not just about technology—it's about enablement. Through digital leadership, we can capitalize on partnerships and technologies to create enabling opportunities for our partners and our customers."**

Brad Jaehn, vice president of product, Gogo



# Enable personalization with data and APIs

A recent survey by Forbes and Turn found that 74% of marketers developed a competitive market advantage in customer engagement and loyalty as a result of data-driven marketing.

What if a customer, upon checking into a hotel, received an SMS with a personalized offer, tailored specifically to the facility's locale? What if a guest could request a wake-up call or room service, manage reward points, and even book a room via a mobile app?

These individualized experiences are not “what ifs”—they are happening today at leading companies in this industry that employ innovative tools as part of a data-driven mobile strategy. At the core of this strategy are APIs.

“APIs (but perhaps more so the API management function) will help hotel chains take better control of existing distribution channels while providing opportunities for activating new business models. In effect, we can better compete with the online travel agencies and other niche offerings.”

API program manager at a major international hotel company

APIs enable a company to tap into and leverage the enormous volume of data that's generated through new digital channels. They connect applications to each other and to the data and services that power them. As such, they can glean insights that a company can leverage to deliver the right experience, at the right time, on the right device.

As companies like [Gogo](#), [LateRooms.com](#), other travel sites, and many hotel companies increase the number of partners, channels, and APIs they interface with, scaling to manage all these connections becomes a challenge.

To that end, API management platforms, such as Apigee Edge, provide the speed, scale, and agility that a business needs to operate in the digital economy. Edge is the foundation of Apigee's Intelligent API Platform. It serves the entire digital value chain, including the apps and digital experiences, the developers who build them, and the APIs that they use (all of which need to work together seamlessly). Edge enables organizations to control traffic on their APIs, enhance performance, enforce security, simplify customer self-service, and minimize risk and time-to-value by eliminating the need to integrate disparate point solutions.

“APIs (but perhaps more so the API management function) will help hotel chains take better control of existing distribution channels while providing opportunities for activating new business models,” an API program manager at a major international hotel operator said. “In effect, we can better compete with the online travel agencies and other niche offerings.”





# Be Exceptional

Competing with the biggest hotel chains—many of whom have established API programs that enable individualized, digital experiences that their customers rave about—or with major travel sites that were born as digital companies, is a daunting notion for a company just starting off on a digital journey. But the cost of doing nothing is even more dire.

Retaining labor-intensive processes of yesterday, for example, not only puts a company behind the curve in the market, but robs employees of time that could be spent selling and innovating—and boosting revenue.

Modernizing your business, keeping pace with your new kind of customer, and outpacing your competition requires unlocking your existing assets to create new products, exceptional experiences, and unprecedented value for your customers. It requires understanding your customers' context, the agility to quickly adjust to what you've learned to personalize digital experiences, and the ability to form partnerships to extend your reach and capacity.

As the keystone of a digital strategy, APIs help you compete now, but they also future-proof your business against whatever developments may come. Becoming a digital company grants you the agility necessary to quickly create new experiences that you might not have imagined yesterday, but your customers are demanding today.



## About Apigee

Apigee provides the intelligent API platform for digital business acceleration.

Through Apigee Edge API management and Apigee Insights big data analytics, we help businesses move at the new pace and scale of digital, and enable them to predict and continuously adapt to change. APIs and predictive analytics create a powerful adaptive cycle of continuous improvement—and the faster an enterprise goes through this cycle, the faster it becomes a digital business.

Many of the world's largest organizations select Apigee to enable their digital business, including 20 of the Fortune 100, five of the top 10 Global 2000 retail brands, and five of the top 10 global telecommunications companies. Apigee customers include global enterprises such as Walgreens, eBay, Burberry, Shell, Live Nation, and First Data.

For more information, visit [apigee.com](https://apigee.com).

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