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By Dennis Schaal

Why Are Airline Websites So Bad at Inspiring Travel?

This article is based upon a report issued by IdeaWorksCompany.

Airlines have a problem: They are pretty good at selling flights, but they fail again and again when it comes to inspiring travel, and selling related products, from hotels to vacation packages, and bottles of booze.

Enter Jay Sorensen, a former director of marketing at Midwest Airlines, a consultant, and the president of IdeaWorksCompany, which recently published Finding the Path to Fix Airline Retail.

Describing it as “typical,” Sorensen said among all travelers who book flights directly from JetBlue, only about 1.4 percent add a JetBlue Vacation. And easyJet gets merely 2.5 percent of flight bookers tacking on a hotel, he says.

“Airline websites are great at conducting transactions; they simply are lousy salespeople,” Sorensen says.

Allegiant and Jet2.com are exceptions to the rule.

Both position themselves as travel companies rather than airlines per se, sell a high percentage of vacation packages, and “are fully devoted to the sale of accommodations and services by going above and beyond merely having these items available for sale,” Sorensen says.

Jet2.com has “hundreds” of staff located in resort destinations to deal with passengers at the airport and hotels, and to sell them more services. Allegiant flies planes but also acts as a tour operator, contracts for hotel rooms, and is building a Florida resort, he says.

STORYTELLING AND INSPIRATION

Sorensen argues that “to compete online, airlines should establish a presence at every step in a travel storytelling process from choosing to travel, inspiration and taking action.”

Sorensen takes his point of view a step further, and advocates that the websites of airlines, which to a great extent excommunicated Main Street travel agents a couple of decades ago, should emulate and woo their castoff former partners. Travel advisors recognize, he says, that the origins of a vacation may bubble up years before a trip, and they can help guide that dream because they tend to really know their customers.

“While their storefront locations have certainly decreased, travel agents survived by doing what they have always done — help people discover how travel can delight, engage, and refresh the soul,” Sorensen writes.

He likens airline websites, though, to cash registers that make “no meaningful attempt to operate stores that inspire and engage.” Sorensen characterizes airline attempts at personalization as mostly pathetic.

Much of the discussion around advances in “airline retailing” these days revolves around the New Distribution Capability, an airline industry standard geared to enable carriers to get more personality into their products, and to distribute them more widely.

Sorensen doesn’t dismiss the new technology, but believes there needs to be more in the form of a fundamental shift in the way airlines view themselves and sell their own products, and related items and services.

INTERESTING TIMING

Sorensen’s pitch comes at an interesting time because there are a number of efforts under way — some severely challenged and others with the jury still out — to add more inspiration to travel websites, and to widen product-selling among airlines and beyond them.

AirAsia, for example, is hellbent on becoming an Amazon-like seller of products ranging from L’Oréal skincare treatments and waterproof backpacks to hotels, holiday packages, and activities.

Sorensen said AirAsia likely wants to take advantage of its scale in the region, but will end up seeing sub-optimal results unless it includes flights and fares from rival airlines, something AirAsia has pledged to do. “This is the element that switches the consumer from believing the airline merely wants to sell more stuff to believing the airline seeks to provide travel solutions,” Sorensen said.

Adding flights from competitor airlines would be a bold move for AirAsia, and turn it toward becoming an online travel agency, but it's risky and could backfire. In the hotel arena, Accor added independent hotels to its platform several years ago, but dropped the effort when it couldn't generate enough demand for them.

On the online travel agency side of things, venture-backed Culture Trip is trying to pivot from a content business toward becoming a transaction site, and is burning through cash without much of anything to show for the effort.

The travel startup arena is littered with an untold number of businesses that attempted to offer travel inspiration and trip-planning, and to combine them with travel transactions.

Even TripAdvisor, which describes itself as “the world's largest travel platform,” with close to 500 million monthly visitors, struggled mightily to transform itself from a review to a booking site. TripAdvisor's homepage currently meshes together personalized recommendations and inspirational content in yet another test of the worth of travel inspiration.

Airlines, too, over the years, have taken a stab at travel inspiration — but have mostly abandoned it as a focus because it detracts from their core mission — yes, most think it's the main business at hand — of selling airline seats.

“And I don't concur that airlines have been trying inspiration for years,” Sorensen said. “They are afraid of the investment.”

FRESH THINKING BUT LOTS OF SKEPTICISM

It's seldom that you get a lot of candor and original thinking when it comes to the ineffectiveness of airlines in selling related products, everything from hotels to vacation packages, and Sorensen adds to the dialogue.

He even presents a radical idea: Sorensen is incredulous that airlines don't take a captive audience, their passengers, and try to entice their customers when they are at the airport to book a future trip. Cruise lines do this all the time, staffing locations on their ships to persuade cruisers to book their next voyages.

On the other hand, on the plane, some passengers at times resent the pitch for credit card sign-ups or duty free purchases.

There is a ton of skepticism about Sorensen's ideas about the next stage of airline e-commerce.

Paul English, who co-founded Kayak and now is the chief technology officer at Lola, argues that travel inspiration is an unproductive sideshow on travel transaction sites.

“At Kayak, in the early days, we got lots of criticism for all the things we didn’t do,” English says. “I used to say if people want to blah blah blah about travel, let them go to TripAdvisor or some social fad Instagram/Facebook travel app, but when they want to buy (and they know their cities and dates), they come to Kayak. That worked well for us.”

About airline sites, English adds: “Very few people will go to Delta.com to read stories and be inspired.”

Robert Albert, the executive vice president of retailing at airfare pricing and retailing organization ATPCO, says consumers are getting more choice in the airline business because differentiated products are replacing commoditized displays.

“I think airlines should broadly leave travel inspiration to others and instead focus on making their core products excellent, whatever flavor that might be,” Albert says.

But, unlike Sorensen, he adds: “Focus on improving the core business.”

THE WAY FORWARD?

Sorensen, though, sees a path forward for airlines seeking to transition from “a transaction focus to become robust retailers of travel.” His possible steps include:

Consumers should be offered booking paths based on their travel styles, and needs so that everyone is not forced “to squeeze through the same front door.” That entails “different stores” for business travelers, travelers visiting friends and relatives, and both a la carte and bundled offerings.

Offer competitors’ flights on the airline’s website — as AirAsia pledges to do — as well as abundant hotel and car options. The airline’s own flights “will naturally rise above the others. Plus, that’s what a frequent flyer program is supposed to do — to keep people loyal.”

Over the course of months or even years, create relationships with “people, not just your customers.” Find out their favorite destinations and aspirations. “Then deliver content to meet those needs... If you can’t deliver what they are seeking, don’t garbage up the pipeline with junk you just want to sell.”

In short, Sorensen says, these types of things mimic the services that travel agents offer — and airlines have never tried to do them.

“A friend of mine and I exchange the silly emails airlines send out after a booking has been made,” he says. “It’s ludicrous. I can’t point to one good example of personalization.”

AU CONTRAIRE?

Bankruptcy courts, unemployment offices, and venture capital suites are filled with travel companies that attempted to bridge offline schmooze along with maps, video, photo-led search, and Instagram-like stories with book buttons on the way toward all-important transactions.

There are floors full of analysts, marketing folks, and techies at Expedia, Booking.com, United, and American Airlines who are measuring whether consumers click faster on the yellow button or the red banner, whether the book button should be eye-level or higher so the consumer won't get lost for the airline in a Google, Amazon, two dozen website-visits maze.

New models of airline-product selling are emerging, but when it comes to competing online, where attention spans are brief and fleeting, it's doubtful that airlines have the luxury of reverting to the more measured and personalized pace that travel agents often excel at.

What works offline won't necessarily fly online — but it's all inspiring to consider and try.

This article included a link to the report:

<https://www.ideaworkscompany.com/wp-content/uploads/2019/10/Finding-the-Path-to-Fix-Airline-Retail.pdf>