



THE EVOLUTION OF THE BUSINESS TRAVELER

Business travel is worth an estimated \$300bn per year in the US alone.

For travel brands, understanding how, why, and when business travelers search and book both holidays and business trips means big business. With a growing number of companies demanding a larger slice of market share, marketers are turning to data-driven insights to accurately assess each individual customer's potential value. This ensures they are targeting the most valuable travelers.

ADARA, the world's travel data co-op, is uniquely positioned to enable a complete view of traveler behavior. It works with more than 175 of the world's largest travel brands to bring together online search, booking and loyalty data to create an unrivaled and holistic view of the travel industry.

ADARA's Magellan Platform, which leverages more than 500 million monthly uniques, 9 billion annual searches and 500 million annual transactions, conducted two deep dive analyses into business traveler behavior in November 2014 and November 2016, and determined key shifts within the market.



+500m
monthly uniques



9b
annual searches



500m
annual transactions



For this research, business travelers were considered those who have taken **two plus flights in the past six months without a Saturday night stay.**

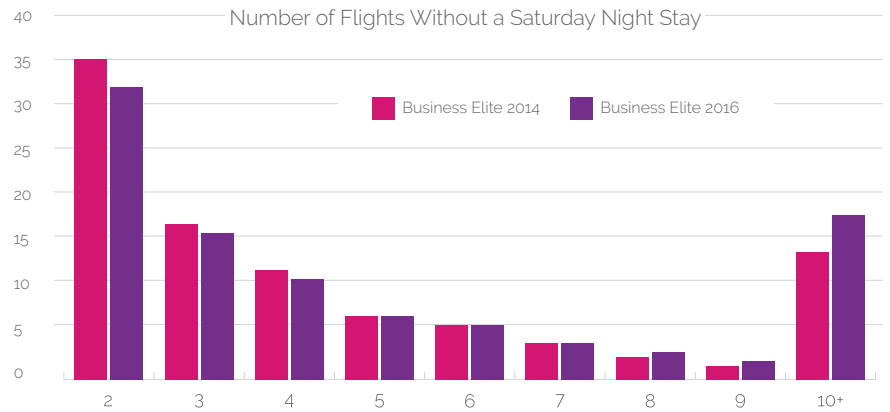
ADARA analyzed over 500 million monthly unique visits across hotel and airline sites, aggregators and more, to identify the shifting behavioral trends of business travelers over the past two years. The combination of booking, search, transaction and loyalty data is not just a crucial way in which businesses can track key metrics over time. More importantly, it helps marketers to make better product and marketing decisions.

Companies must plan and adapt to thrive in competitive markets, and actionable insights into their potential customers give them the greatest competitive advantage. Data that provides discerning travel brands with an ability to measure the effectiveness of their marketing campaigns helps them allocate their advertising spend for best results. Below, we've highlighted the top four trends that travel marketers who need to understand and target business travelers should consider.

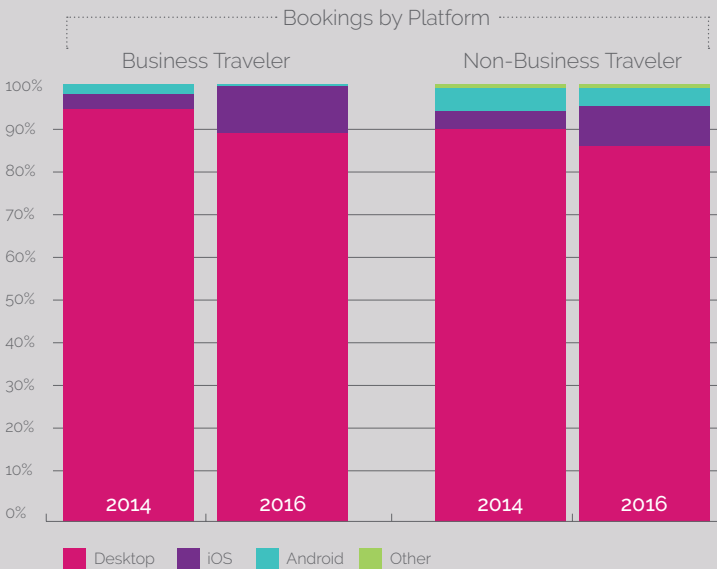


THERE ARE MORE ELITE TRAVELERS

Elite travelers are defined as those who have purchased a business class or first class ticket in the past six months or who have stayed at a luxury class hotel. On average, elite travelers took 6.4 trips without a Saturday night stay in the past six months compared to six average flights in 2016. Furthermore, 18% took 10+ trips in the past six months (vs. 14% in 2014).



USE OF MOBILE DEVICES FOR BOOKINGS IS INCREASING



Among the flights booked within ADARA's data co-op, the majority (88%) of trips booked by business travelers were booked through their laptop/desktop computer. However, to put this into context, in 2014, 94% of flights were booked through desktop, meaning that the share of trips booked on mobile devices has doubled in the past two years (from 6% to 12%).

This trend isn't limited to business travelers. Among non-business travelers, the share of flights booked through mobile has increased by 50% (from 10% of bookings in 2014 to 15% in 2016).



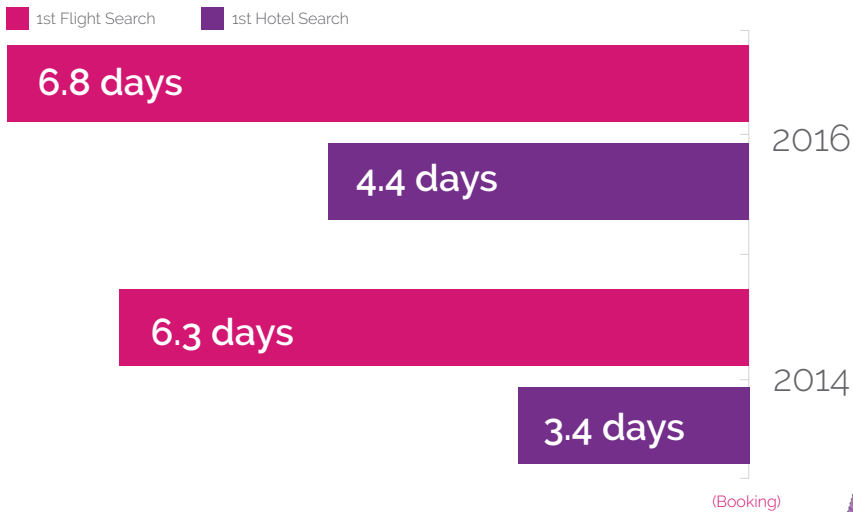
INTERNATIONAL BUSINESS TRAVEL IS GROWING

Among every segment of business travelers, the number of those who have booked an international flight in the past six months has increased. More than half of ultra-business travelers (those who took 10+ trips in the past six months) traveled internationally. Conversely, fewer non-business travelers took an international flight in the past six months (17% compared to 19% in 2014).





BUSINESS TRAVEL PLANNING TIMELINE IS LONGER



ADARA has unique access to 175 data partners and an average of one billion unique impressions. It allows a holistic view of the travel booking cycle. When looking at the average travel planning timeline for business travelers between 2014 to 2016, travel brands can see that this has increased: on average, in 2016 business travelers started their flight searches 6.8 days prior to booking their flight (vs. 6.3 days in 2014). Hotel searches are also longer - 4.4 days prior to booking in 2016 compared to 3.4 days in 2014.

In addition, on average, business travelers are purchasing flights 19.3 days prior to travel in 2016 (vs. 17.7 days in 2014).





Key takeaway:

This amounts to 26 days in which marketers can reach business travelers from the time of their first flight search to their flight departure date.



CONCLUSION

So, how do these insights impact travel brands? Below we've summarized four key takeaways that can help travel brands target high-value business travelers more effectively.

-  **More Elite Travelers** – Business travelers appreciate the finer things. Although many companies are being cost-conscious about business travel, there is an increasing number of business travelers who book premium airline tickets and accommodation.
-  **Growth of Mobile Booking** - Travelers (both business and leisure) are becoming increasingly comfortable with mobile bookings. Travel brands and operators therefore need to ensure that both websites and apps are optimized to provide a seamless user experience across all platforms and marketing functions are connected and silo free.
-  **International Travel is Growing** - US business travelers are more likely to travel internationally than they were two years ago, which is linked to a higher consumption of luxury travel.
-  **Timeline Has Expanded** - Marketers have almost an entire month to reach business travelers from the time they make their first search until they depart on their trip. This allows ample time to reach and engage with them with personalized and tailored offers, at the right time and with the right message.

DEFINITION

ADARA is the world's travel data co-op that provides marketers with real-time traveler data, enabling better targeting and an improved understanding of traveler behavior. As none of this transactional data is personally identifiable, for the purposes of this research the following definitions have been used to separate between business and pleasure travelers:

- **Non-business travelers** - Those whose flights only include weekend stays (except for one flight in the past six months). So, if all or all but one of your trips includes a weekend stay you are considered a non-business traveler.
- **Business travelers** - Conversely, those who have two plus flights in the past six months without a Saturday night stay are considered business travelers.

Within the business traveler segment the following terms need to be further defined:

- **Elite travelers** - Business travelers who have purchased business or first class airline tickets in the past 6 months OR booked a five-star hotel (e.g. Four Seasons, Ritz Carlton).
- **Ultra-travelers** - These are the frequent travelers who have flown at least ten times in the past 6 months.