

Trends Elevating the Customer Experience in Travel & Transportation

Insights from thousands of customers and professionals worldwide



salesforce research

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Executive Summary

Today's customers are empowered with more choice, more information, and less incentive to be loyal than ever before. No industry is immune. To understand the disruptive impact on travel, transportation, and hospitality, look no further than Airbnb and Lyft.

Rather than fearing disruption, pioneering companies can fend off the threat by offering not just differentiated products and services, but also superior customer experiences that foster loyalty across the entire customer journey. But what do these experiences look like, and how do companies in the industry stack up against others in cultivating them?

This report examines data from studies of thousands* of customers, marketers, salespeople, and customer service professionals to explore how travel, transportation, and hospitality companies that focus on personalized, contextualized, and proactive engagement can thrive in this new customer era.

* See [Methodology](#) for sample sizes.

01 | Elevated Customer Expectations Take Flight (See page 4)

Connected and empowered, today's customers have more choice, more information, and higher standards than ever; winning and keeping them takes a whole new approach. **Fifty-eight percent of customers and 77% of business buyers say technology has significantly changed their expectations of how companies should interact with them.**

02 | Data Paves the Way for Smarter Marketing Journeys (See page 6)

Bombarded with messages across devices and channels, customers need personalized, highly relevant engagement tailored to their individual needs, preferences, and journeys. **Fifty-three percent of travel, transportation, and hospitality marketers have adopted a customer journey strategy.**

03 | Selling Adapts to the Mobile, Self-Service Mindset (See page 10)

Although they need someone available for complex transactions, today's customers expect easy-to-navigate, self-service buying experiences across any device. **Forty-seven percent of travel, transportation, and hospitality sales teams have increased focus on providing self-service buying options.**

04 | Proactive, Omni-Channel Service Becomes Table Stakes (See page 12)

Reactive customer service across a couple of legacy channels no longer cuts it. Today's customers demand proactive service with seamless connections across any channel they choose. **Only 36% of travel, transportation, and hospitality service teams rate their omni-channel capabilities as excellent or very good.**



01. Elevated Customer Expectations Take Flight

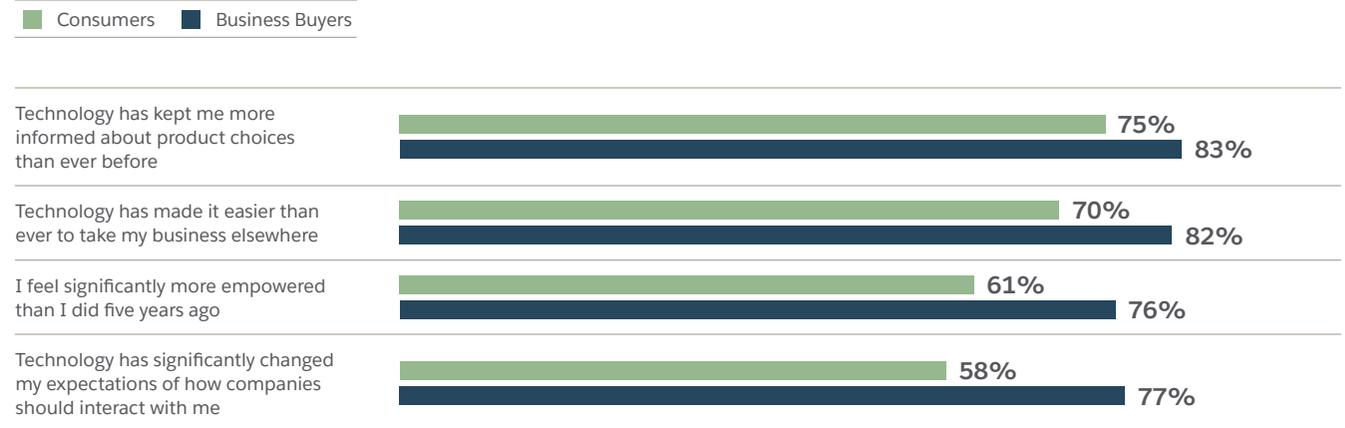
Today's connected customers have more choice, more information, and less incentive to be loyal than ever before. The implications for *all* industries are massive.

Companies must provide not just superior offerings, but also differentiated experiences that elevate them above the competition. Communication is at the heart of these experiences; a majority of customers say technology has significantly changed their expectations of how companies should interact with them.

While this trend may not be a surprise when it comes to consumer expectations, B2B companies should take note that business buyers – those purchasing on behalf of their employers – are even more discerning.

TECHNOLOGY EMPOWERS CUSTOMERS

Percentage of customers who agree with the following



Source: "State of the Connected Customer," Salesforce Research, October 2016.

01. Elevated Customer Expectations Take Flight

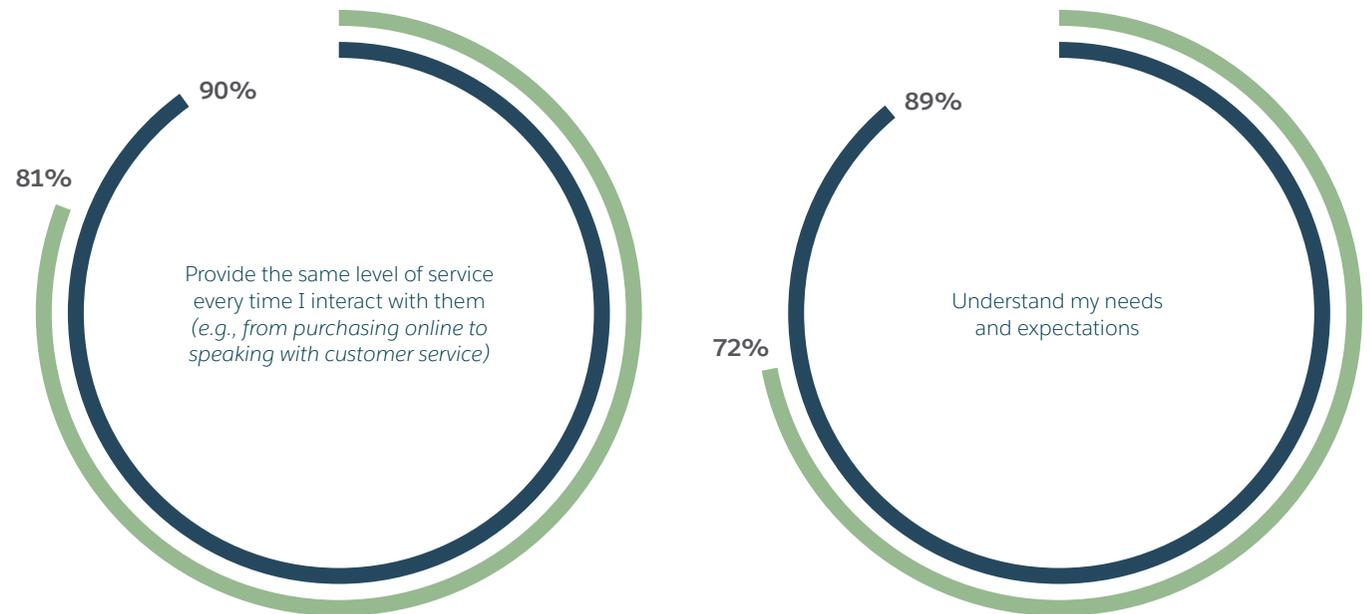
One of the biggest implications is that customers expect consistent experiences across their journeys – from when they first hear of a company to when they request service after a purchase. While previous generations may have tolerated siloed marketing, sales, and service departments, today's savvy customer base expects a unified front that understands their unique needs.

With the spread of everyday instances of artificial intelligence (AI) – from Siri to Amazon recommendations – customers also expect smarter, even predictive, interactions. This provides a whole new set of imperatives and challenges for companies seeking a leg up in an ultracompetitive landscape.

CUSTOMERS DEMAND INTELLIGENT EXPERIENCES

Percentage of customers who expect companies to do the following

■ Consumers ■ Business Buyers



Source: "State of the Connected Customer," Salesforce Research, October 2016.

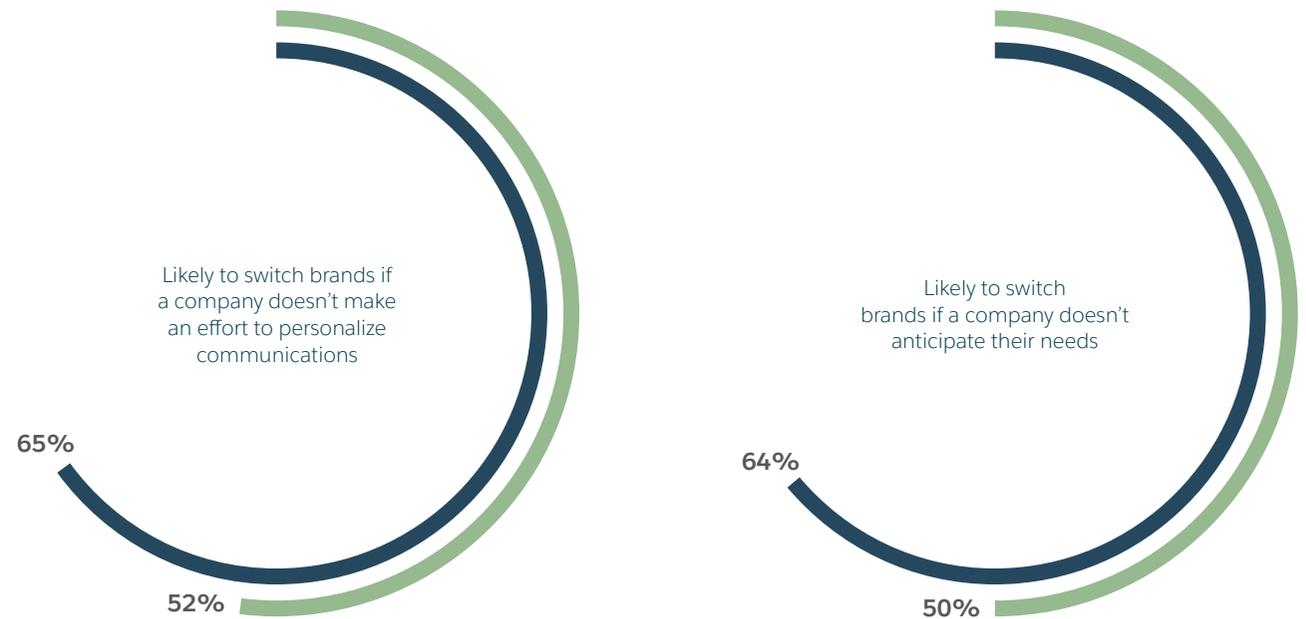
02. Data Paves the Way for Smarter Marketing Journeys

To call personalized experiences important would be an understatement. They're now a critical factor for customers deciding whether or not to do business with a company. Beyond expecting personalized engagement, customers increasingly expect interactions that are *proactive*, too. This ups the ante for marketers to send the right offer or message at precisely the right time.

In this spirit, customers may expect their hotel to suggest local activities and attractions that align with their interests as their trip approaches. Customers may also anticipate special offers from the hotel's ground transportation partners.

PERSONALIZATION IMPACTS LOYALTY

■ Consumers ■ Business Buyers



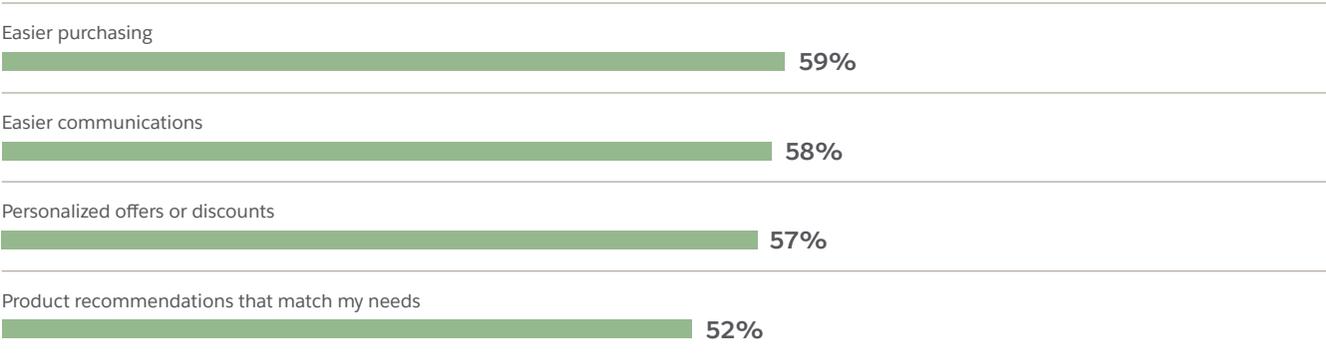
Source: "State of the Connected Customer," Salesforce Research, October 2016.

02. Data Paves the Way for Smarter Marketing Journeys

The key to providing these highly relevant, proactive experiences is rich understanding based on data – a fact that’s not lost on today’s technologically savvy customers. Many consumers, in particular, are willing to trade personal data for better experiences.

CONSUMERS WILL TRADE DATA FOR BETTER EXPERIENCES

Percentage of consumers who are willing to share personal data with companies in exchange for the following



Source: “State of the Connected Customer,” Salesforce Research, October 2016.

02. Data Paves the Way for Smarter Marketing Journeys

To meet elevated customer demands for contextualized experiences, many marketers have adopted customer journey strategies across channels and touchpoints. With customer journeys, marketers can use data from web searches, social media posts, and abandoned carts to serve up relevant offers that convert leads.

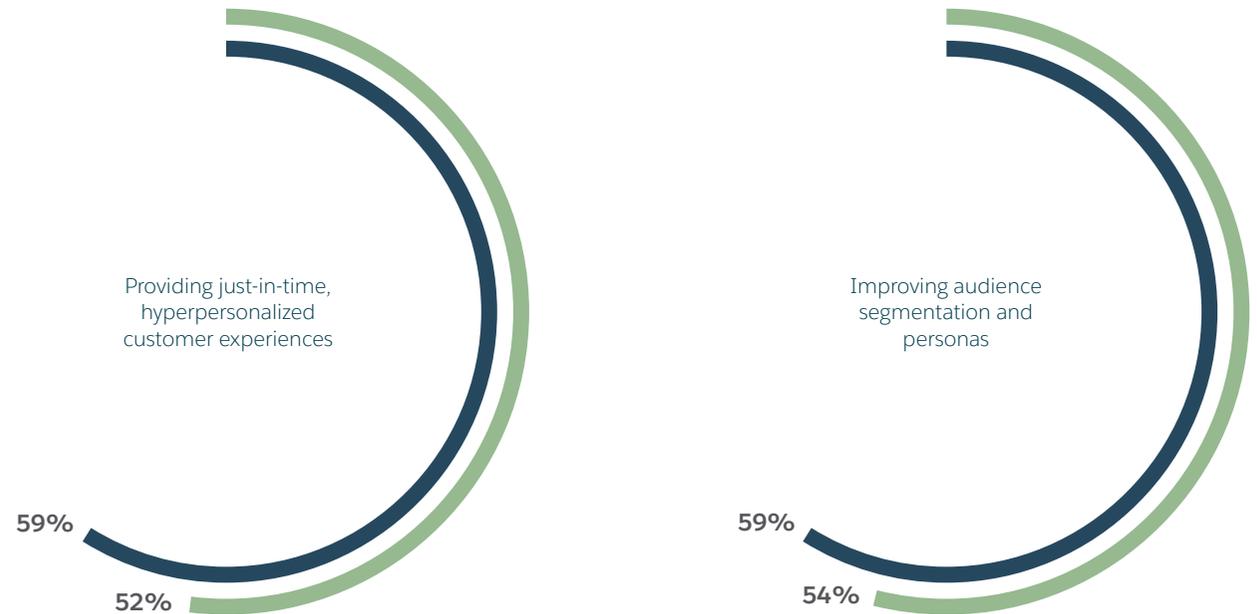
Fifty-three percent of travel, transportation, and hospitality marketers have adopted a customer journey strategy, compared to 63% of marketers in other industries.

To foster cohesive customer journeys, the majority of the industry's marketers are leveraging tactics such as improved segmentation and personas to look beyond simple demographics and paint a vivid picture of niche markets. Already, about half of them are rewiring their focus on turning deep customer understanding into hyperpersonalized experiences, although this rate is lower than in other industries.

MARKETERS FOCUS ON HYPERPERSONALIZATION

Percentage of marketers who have increased focus on the following over the past 12–18 months

■ Travel, Transportation, and Hospitality ■ Other Industries



Source: "State of Marketing," Salesforce Research, June 2017.

02. Data Paves the Way for Smarter Marketing Journeys

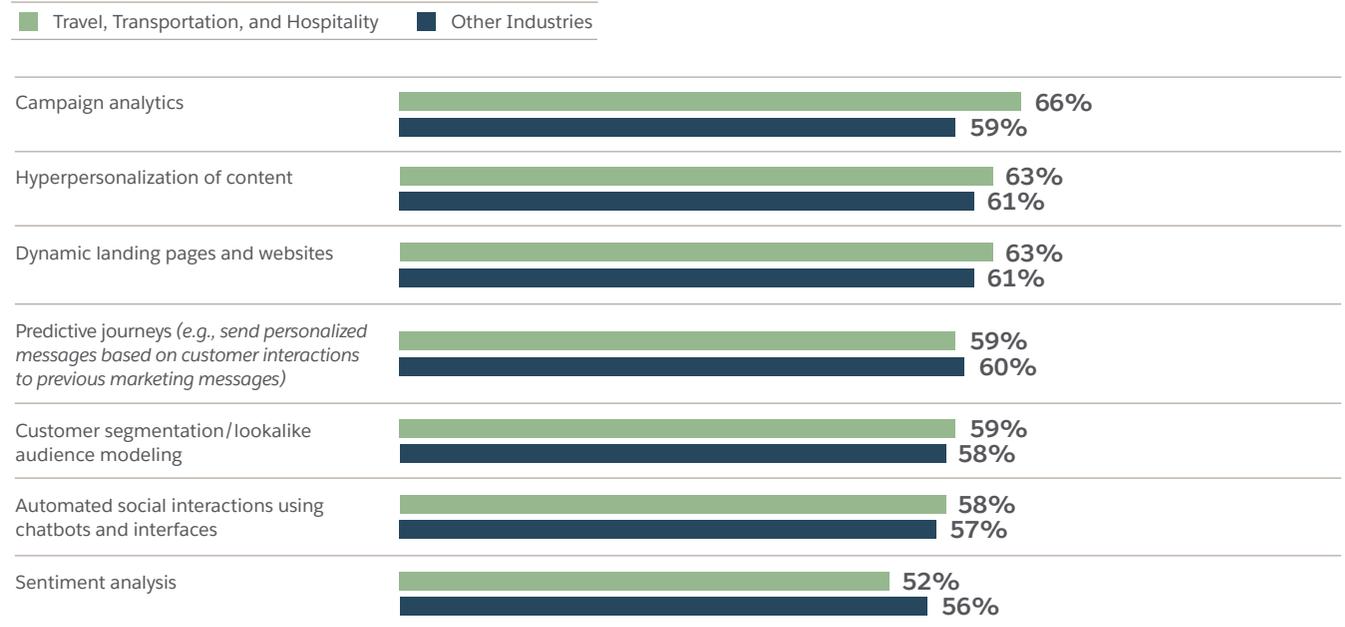
Marketers across industries recognize that fostering customer journeys requires a new approach to data management. AI and its power to help elevate data insights and automate their application is at the forefront of this shift to true 1-to-1 marketing.

Travel, transportation, and hospitality marketers are relatively in line with other industries when it comes to AI's expected role over the coming years. They foresee AI having a particularly transformational or substantial impact on front- and back-end use cases: campaign analytics (66%) and hyperpersonalized content (63%).

Despite their bullish outlook on AI's marketing impact, the industry's marketers are relatively timid in their current use and planned adoption. Only 41% currently use AI, compared to more than half (51%) of marketers in other industries, and 36% lack plans for the technology.

AI TRANSFORMS TRAVEL, TRANSPORTATION, AND HOSPITALITY MARKETING

Percentage of marketers who believe AI will transform or substantially impact on the following over the next five years



Source: "State of Marketing," Salesforce Research, June 2017.

MARKETERS' GET ON BOARD WITH AI

Percentage of marketers who describe their plans for AI as follows



Source: "State of Marketing," Salesforce Research, June 2017.

03. Selling Adapts to the Mobile, Self-Service Mindset

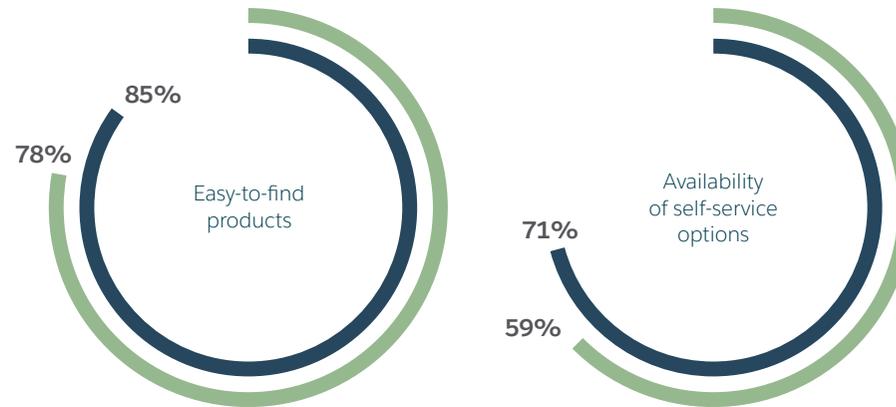
Once they're ready to buy, today's customers expect easy, straightforward, and self-driven transactions. When navigating an airline ticket purchase, for example, customers expect everything from fare class to à la carte upgrades to be easily available with a few clicks. These sentiments ring true with business buyers as well, whose experiences in their personal lives have introduced a B2C mentality as they seal the deal on business purchases.

Beyond table-stake qualities like simple checkout, customers expect an easy-to-use mobile experience that's accessible via any device. But in addition to the seamless, self-service channels they default to, customers still expect 24/7 support from a real person when they need guidance. In fact, 75% of consumers and 82% of business buyers say the availability of someone when they need them is an absolutely critical or very important sales factor.

CONVENIENCE INFLUENCES LOYALTY

Percentage of customers who say the following have a major or moderate influence on their loyalty

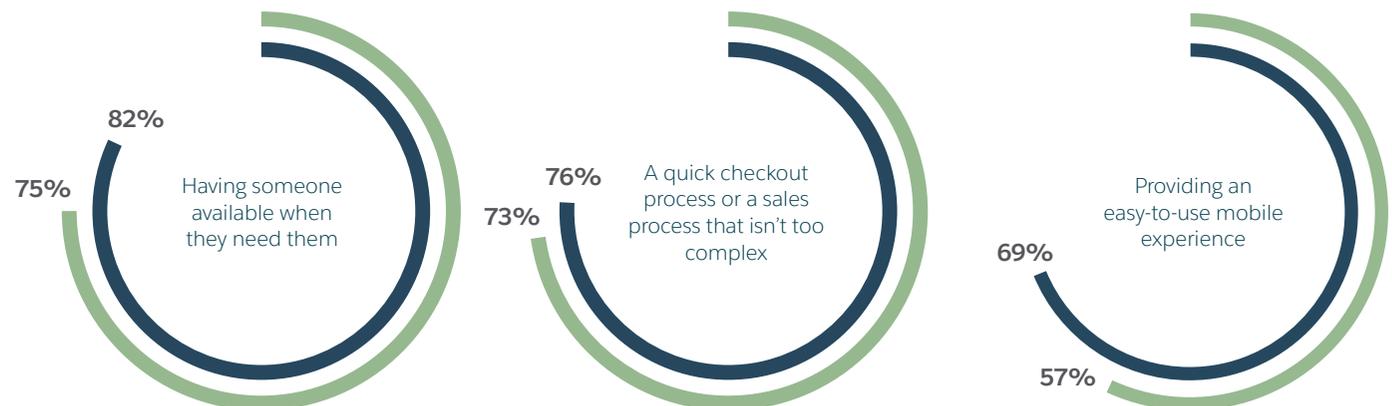
■ Consumers ■ Business Buyers



CUSTOMERS EXPECT ON-DEMAND SUPPORT

Percentage of customers who describe the following as absolutely critical or very important

■ Consumers ■ Business Buyers



Source: "State of the Connected Customer," Salesforce Research, October 2016.

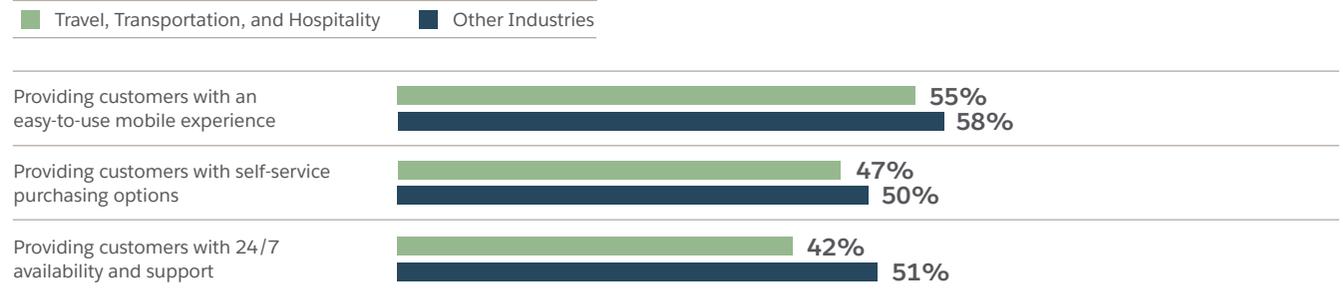
03. Selling Adapts to the Mobile, Self-Service Mindset

When it comes to meeting customers' sales experience expectations, the travel, transportation, and hospitality industry has work to do.

While easy-to-use mobile experiences may be top of mind for a majority of industry sales leaders, the same can't be said for self-service purchasing options and 24/7 support. By contrast, a majority of sales teams in other industries have pivoted their strategic vision toward providing customers with all of these qualities.

SALES TEAMS GO MOBILE

Percentage of sales teams who have increased focus on the following over the past 12-18 months



Source: "State of Sales," Salesforce Research, November 2016.

04. Proactive, Omni-Channel Service Becomes Table Stakes

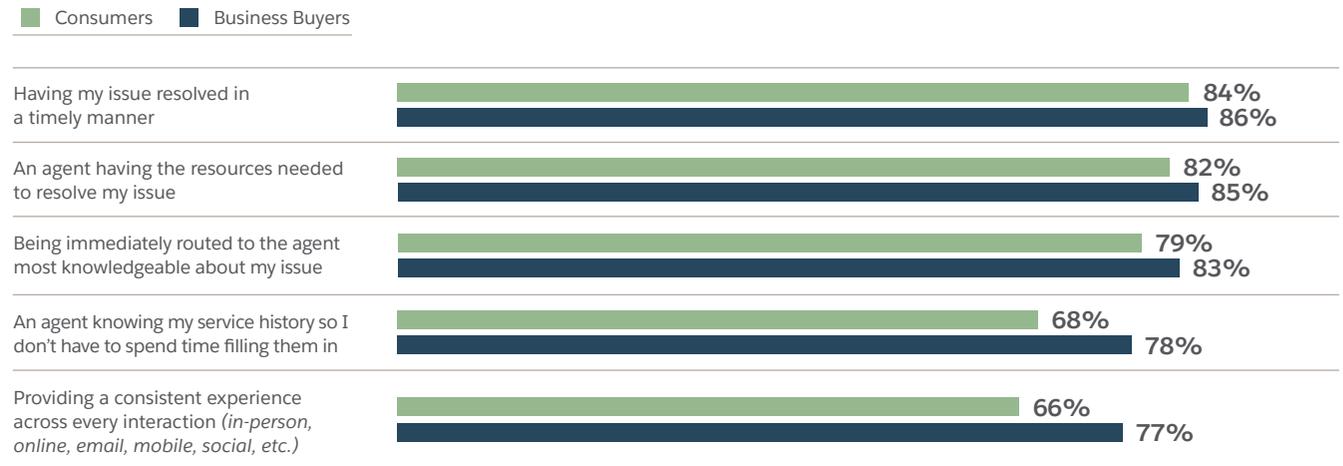
Although intelligent marketing and simple sales processes can win customers, differentiated service is what keeps them coming back. Across industries, 80% of executives with service oversight say customer service is the primary vehicle for customer experience improvements.

Customers demand personalized, quick, and seamless service via *any* channel they choose. They also expect service that understands their *entire* relationship with a company – not just the issue at hand.

What's more, customers increasingly expect *proactive* service that happens before they even realize they need it – and their standards are on the rise. By 2020, the majority of consumers and business buyers believe companies will already know who they are when they contact customer service, and even make relevant suggestions before they reach out.

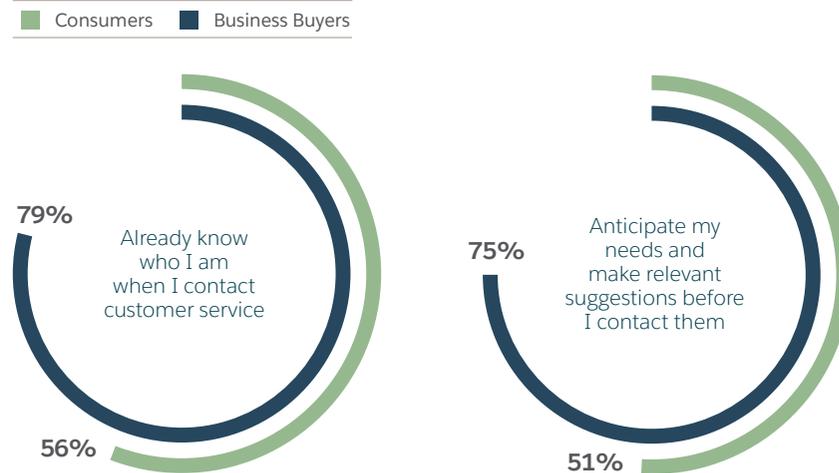
SEAMLESS SERVICE MATTERS

Percentage of customers who describe the following as absolutely critical or very important



CUSTOMERS WANT PROACTIVE SERVICE

Percentage of customers who describe the following as absolutely critical or very important



Source: "State of the Connected Customer," Salesforce Research, October 2016.

04. Proactive, Omni-Channel Service Becomes Table Stakes

While tried-and-true channels like phone and email have near-universal adoption, service teams across industries are ramping up their use of new and emerging digital channels.

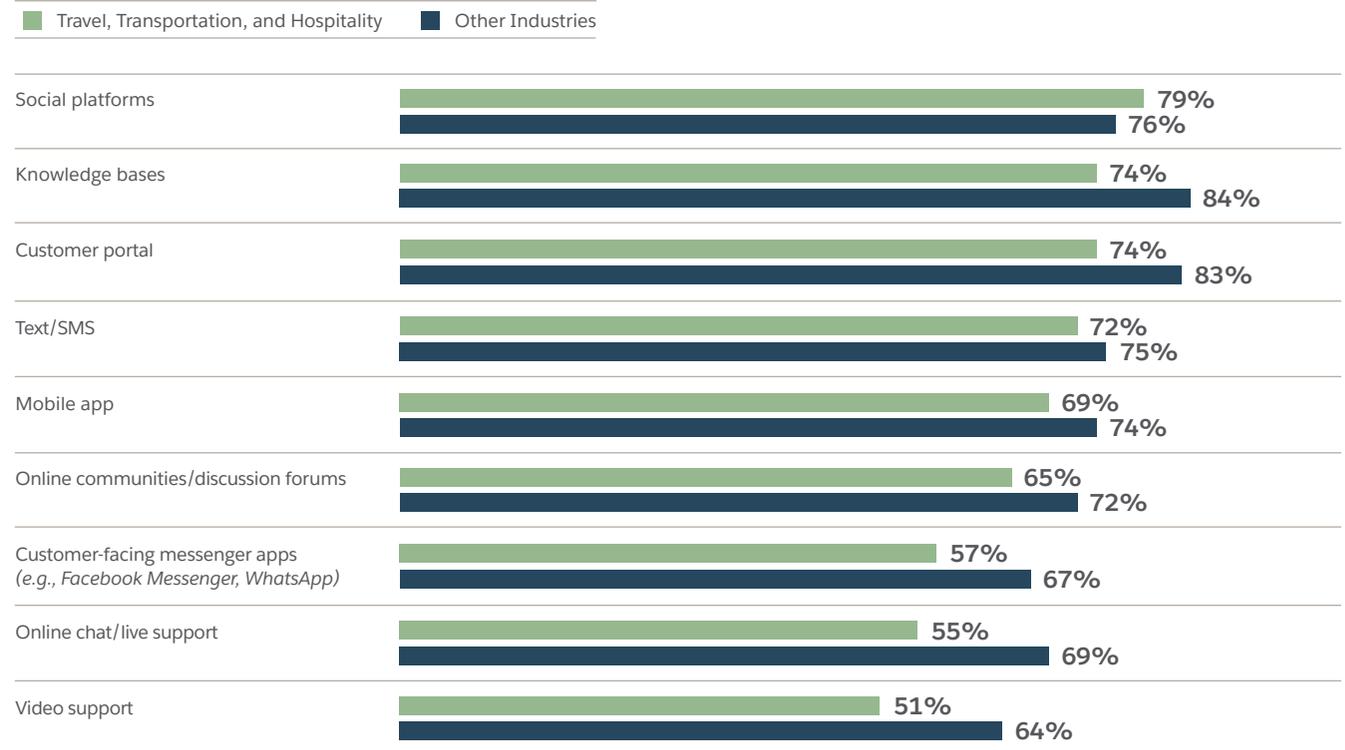
While the majority of travel, transportation, and hospitality teams have embraced channels like mobile apps, customer portals, and online communities, their adoption is notably lower than in other industries (with the exception of social platforms).

The mere availability of a service channel, however, isn't enough. Customers expect the same level of service and capabilities across all channels, as well as the ability to move seamlessly across them. While omni-channel service is fleeting for many businesses, it's notable that in an industry that caters to an audience of people on the move, a minority of travel, transportation, and hospitality service departments rate their capabilities as excellent or very good.

Only 36% of travel, transportation, and hospitality service departments rate their omni-channel capabilities as excellent or very good, compared to 42% of teams in other industries.

SERVICE TEAMS COVER AN UNPRECEDENTED NUMBER OF CHANNELS

Percentage of service teams who use the following service channels to connect with customers



Source: "State of Service," Salesforce Research, January 2017.

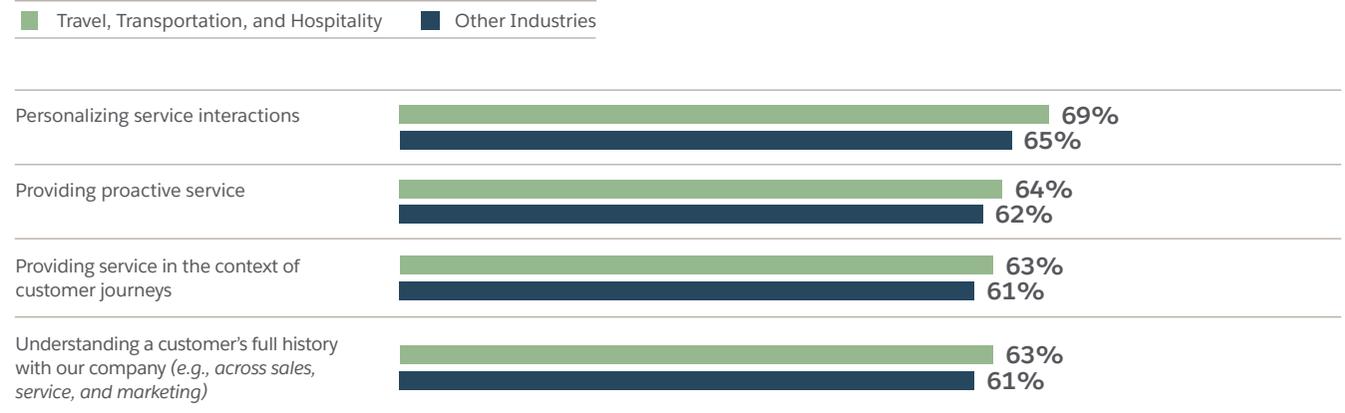
04. Proactive, Omni-Channel Service Becomes Table Stakes

While their adoption of modern channels is relatively low, travel, transportation, and hospitality service teams are in line with, or even slightly ahead of, peers in other industries when it comes to focus on personalized, contextualized, and proactive support.

Nearly seven in 10 service teams in the industry, for example, have increased their focus on personalizing service interactions, while 64% have pivoted toward proactive service.

SERVICE TEAMS GET PERSONAL

Percentage of service teams who have increased focus on the following over the past 12–18 months



Source: "State of Service," Salesforce Research, January 2017.

Last Look

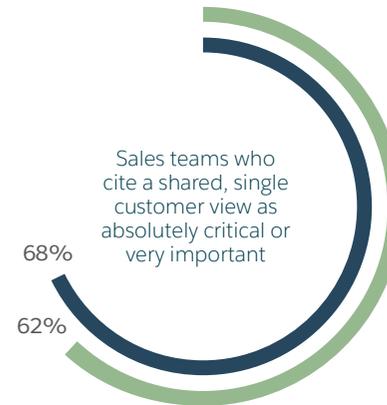
While marketing, sales, and service each have important roles to play in meeting customer demands, none can win the customer experience battle in isolation. Creating differentiated, cohesive customer experiences takes a single, shared view of the customer's entire relationship with the company. Teams across the customer journey agree by-and-large that this holistic view – and the culture it fosters – is key to delivering top-notch experiences.

COLLABORATION IS CRITICAL

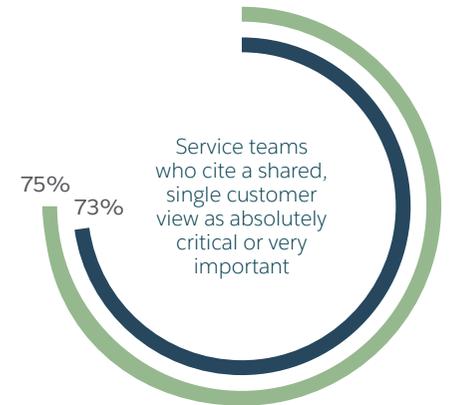
■ Travel, Transportation, and Hospitality ■ Other Industries



Source: "State of Marketing," Salesforce Research, June 2017.



Source: "State of Sales," Salesforce Research, November 2016.



Source: "State of Service," Salesforce Research, January 2017.

Related Reads

Learn how a diverse array of travel, transportation, and hospitality companies are blazing a trail to customer success.

[READ THE STORIES](#)

Methodology

Data in this report is derived from the following Salesforce Research studies. Detailed methodologies can be found in each of the full reports.



Based on 4,730 consumers and 2,307 business buyers worldwide. Published October 2016.



Based on 3,500 global marketers worldwide, including 129 in the travel, transportation, and hospitality industry. Published June 2017.



Based on 3,173 sales representatives, managers, and executives worldwide, including 170 in the travel, transportation, and hospitality industry. Published November 2016.



Based on 2,636 customer service agents, managers, and executives worldwide, including 206 in the travel, transportation, and hospitality industry. Published January 2017.

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