

# Where should DMOs spend their marketing budget?

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**International Seminar  
on Knowledge Sharing  
for Tourism Destinations**

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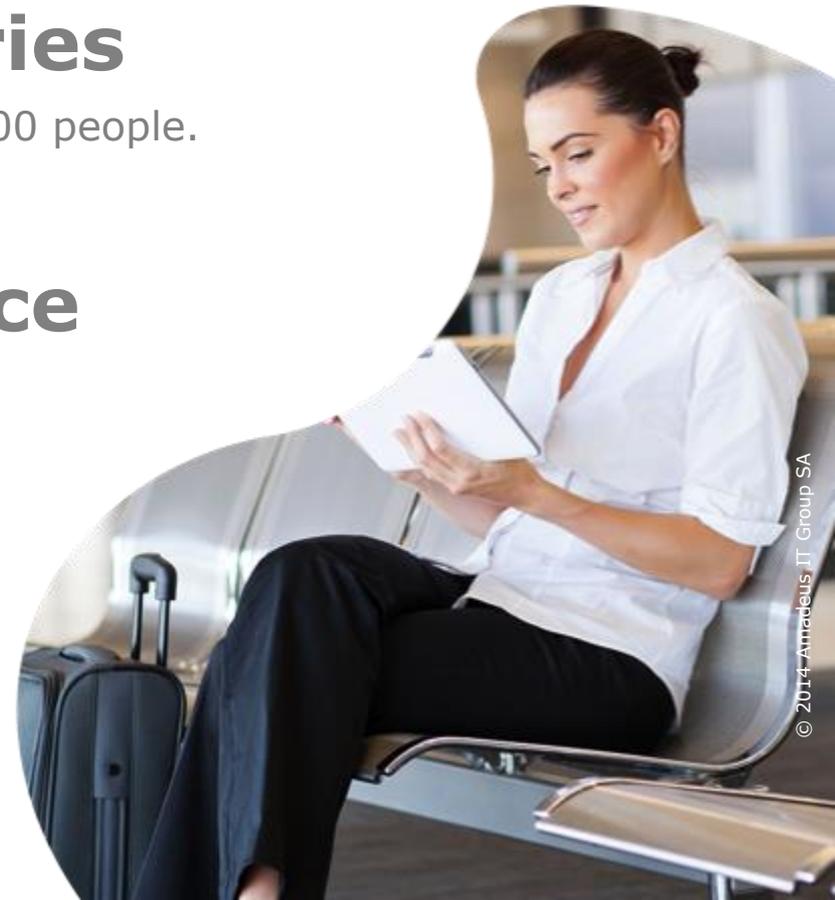
Travel Intelligence  
Vienna  
12 September 2014

# 1 Amadeus in a few words

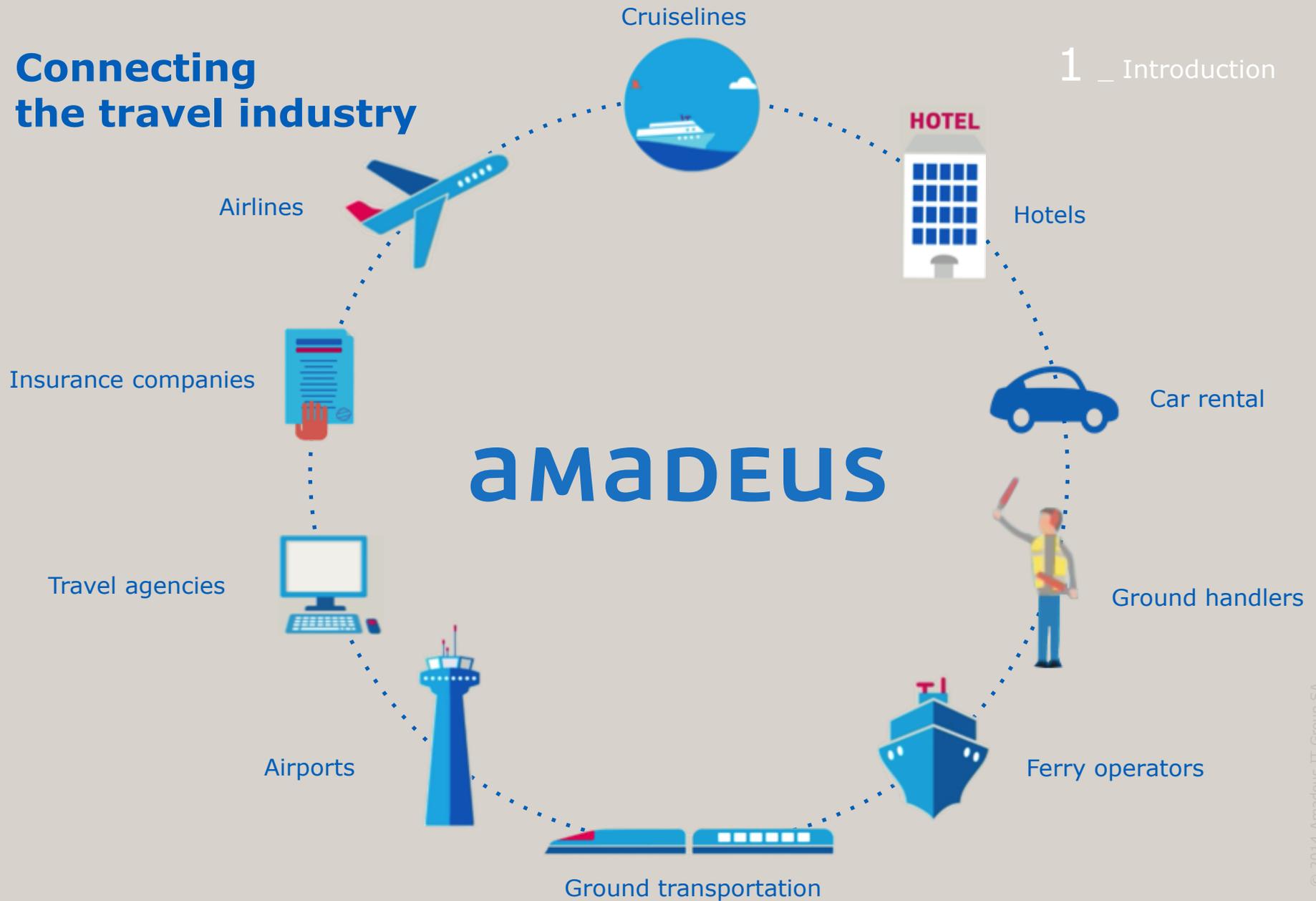
Amadeus is a technology company dedicated to the **global travel industry**.

We are present in **195 countries** with a worldwide team of more than 11,000 people.

Our solutions help improve the **business performance** of travel agencies, corporations, airlines, airports, hotels, railways and more.



# Connecting the travel industry



# We support the traveller life cycle



Our solutions facilitate journeys and enrich the travel **experience** for hundreds of millions of people every year.

We are working together with our customers and partners

**to shape the future of travel**



# 2 — Destination Marketing



VisitSweden skapar i samverkan med partners en attraktiv Sverigebild internationellt för att attrahera Sverigebesökare och skapa affärsmöjligheter för svenskt näringsliv.





**YENİ UFUKLARA DOĐRU TÜRKİYE TURİZMİ Vizyonu:**  
*Sürdürülebilir Turizm yaklaşımı benimsenerek  
istihdamın artırılmasında ve bölgesel gelişmede  
turizmin öncü bir sektör konumuna ulaştırılması ve  
Türkiye'nin 2023 yılına kadar, uluslararası pazarda  
turist sayısı ve turizm geliri bakımından ilk beş ülke  
arasında önemli bir varış noktası ve uluslararası bir  
marka haline getirilmesinin sağlanmasıdır.*

*Turkey*  
**HOME**

**amadeus**

Osnovana je radi stvaranja i promicanja identiteta i ugleda hrvatskog turizma, planiranja i provedbe zajedničke strategije i koncepcije njegove promocije, predlaganja i izvedbe promidžbenih aktivnosti u zemlji i inozemstvu od zajedničkog interesa za sve subjekte u turizmu, te podizanja razine kvalitete cjelokupne turističke ponude Hrvatske



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Als nationale Tourismusorganisation ist es zentrales Anliegen der Österreich Werbung, gemeinsam mit allen österreichischen Tourismuspartnern für den Erhalt bzw. den Ausbau der Wettbewerbsfähigkeit des Tourismuslandes Österreich zu sorgen. Damit leistet die ÖW einen essentiellen Beitrag zur Steigerung der Wertschöpfung für die österreichische Tourismus- und Freizeitwirtschaft.



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# A few objectives of the most successful DMOs

2 \_ Destination marketing



# DMO VS Expedia marketing spending

2 \_ Destination marketing

**1,5**

**Billion USD**

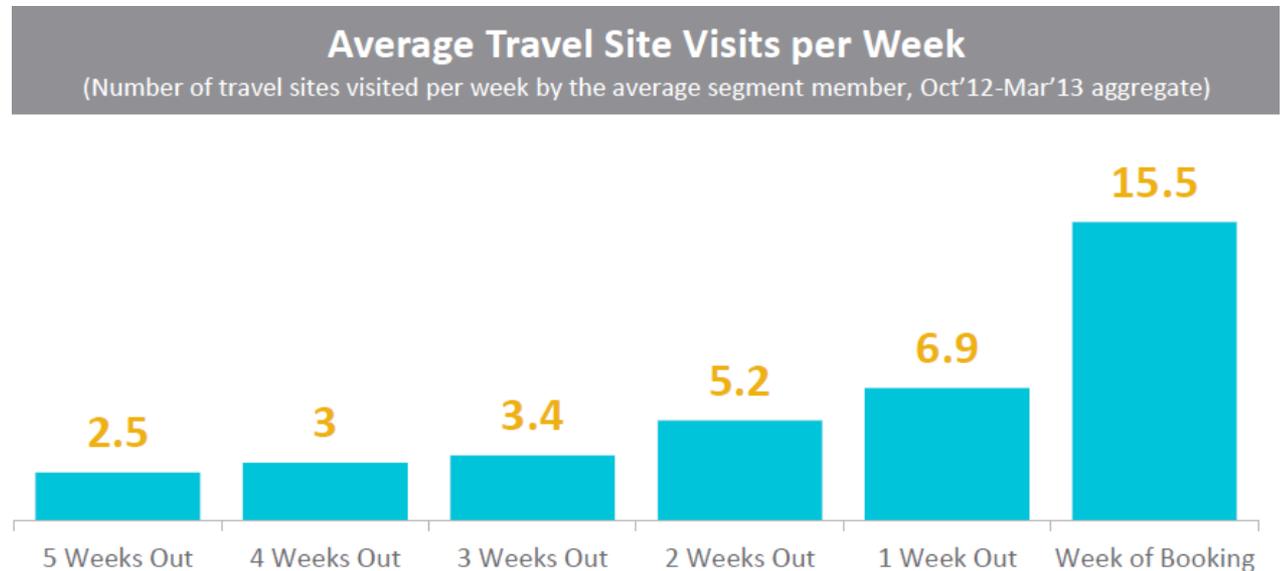
**2,2**

**Billion USD**

# Bookers consume a lot of travel content

## Especially the week of booking

Number of visits to travel sites made by package bookers 45 days before booking

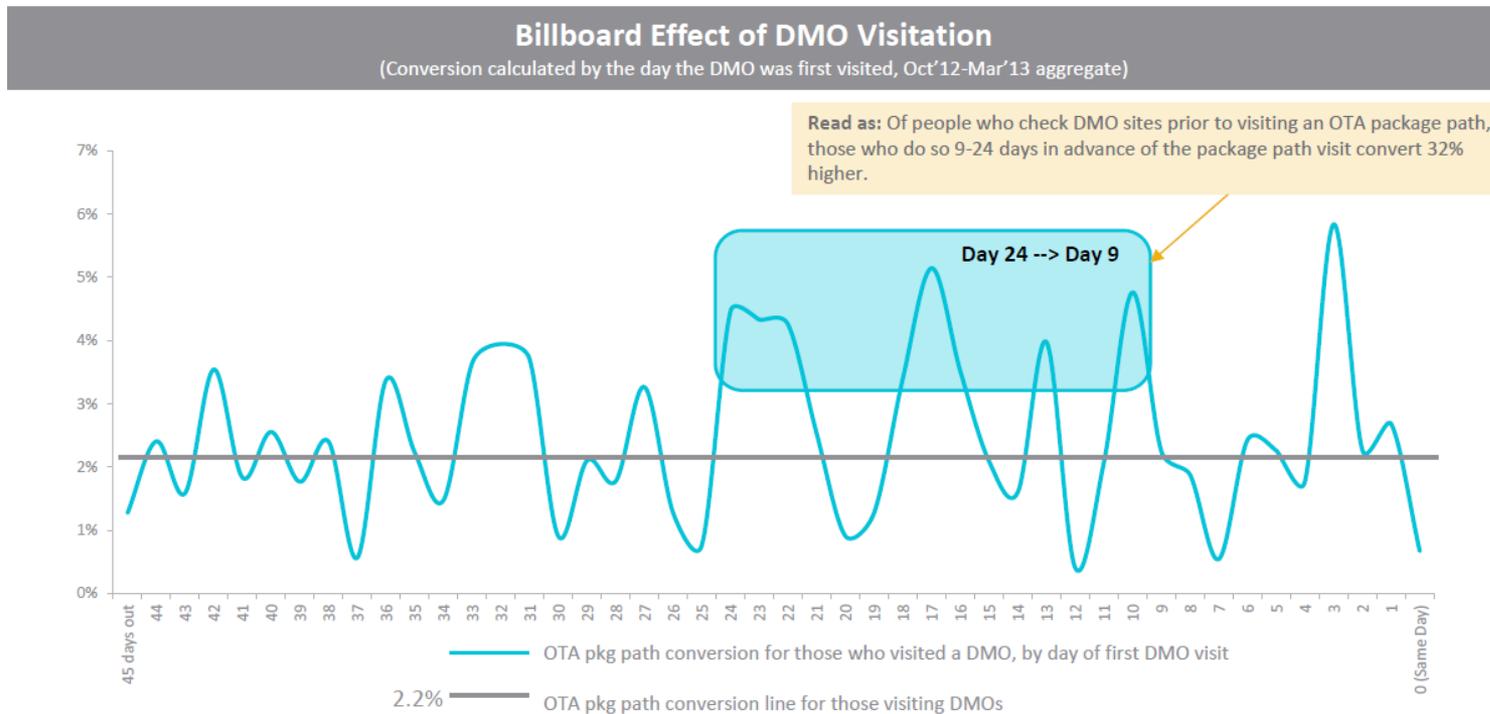


# DMOs have a positive impact

If they advertise at the right time

## Billboard Effect of DMO Visitation

There are periods within the 45 path to purchase where DMO visitation seems to positively impact conversion.



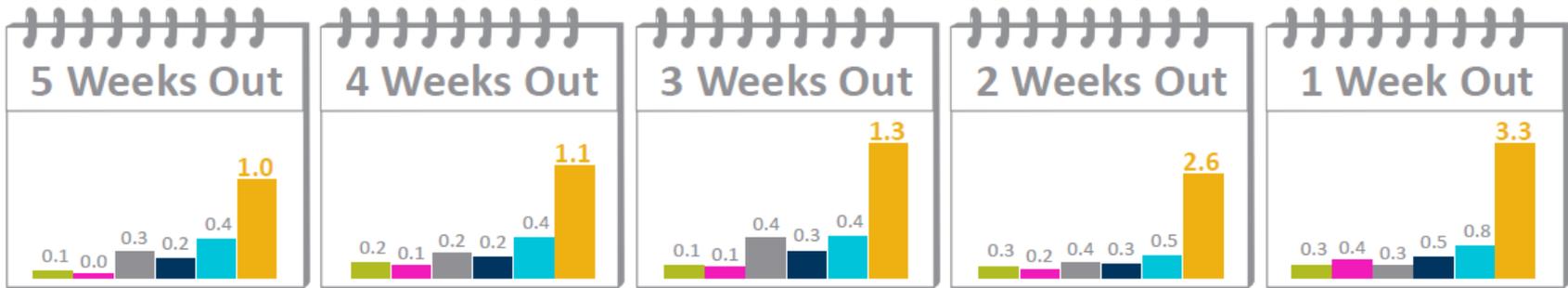
# It is key that DMOs are present right from the start

But when is this moment?

The gap between OTA & other Travel categories exists from the beginning, but increases significantly the closer you get to the booking

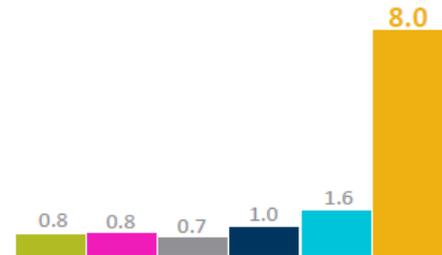
## Average Visits to Travel Categories per Week

(Average visits per visitor to sites within each category, by week, Oct'12-Mar'13 aggregate)



Meta: Kayak  
 Lead-Gen: Travelzoo, BookingBuddy  
 Planning/Review: TripAdvisor

## Week of Booking



- Meta
- Lead-Gen
- DMO
- Planning & Reviews
- Airline Supplier
- OTA

# Tourism organizations ask very good questions: are these also your questions?

Are we attracting travelers from all the relevant origins?

I need to run a city breaks campaign: in which countries and cities should I concentrate my marketing budget? And when is the right moment?

How many Russians will fly to Vienna for the Christmas holidays? How many will choose Berlin?

Why every 100 people searching for Vienna, only 12 book a trip, while on every 100 people searching for Budapest, 14 book a trip?

3

City breaks study

**VIENNA**

**BERLIN**

# Vienna VS Berlin

3 \_ City breaks



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**“We now create as much information in two days as we did from the dawn of man”**

**Eric Schmidt**

**amadeus**

New Generation Data Platform

+

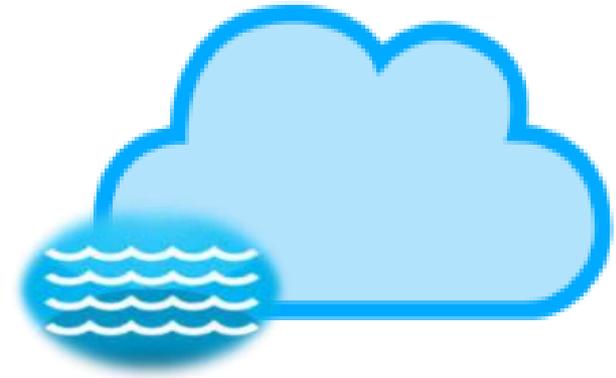
Services team including  
Consultants & Data Scientists

+

Deep  
Expertise in  
Travel Data

+

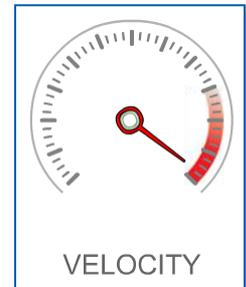
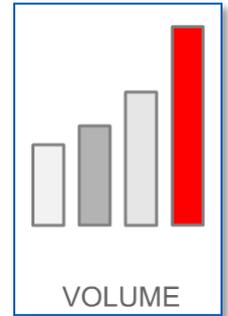
Technical  
Scalability



# What data are we about to see now? Amadeus Travel Intelligence...

3 \_ City breaks

- ... processes one year of inventory files (**365 files**) for a large airline in **20 minutes** to calculate RPK and ASK.
- ... processes **840GB** of fare search data in **42 hours** every week.
- ... 600 million price searches/day processed in 20 hours
- ... 9 million bookings processed daily
- ... only 2 hours to process 3 years of booking historical data for the three main GDS'



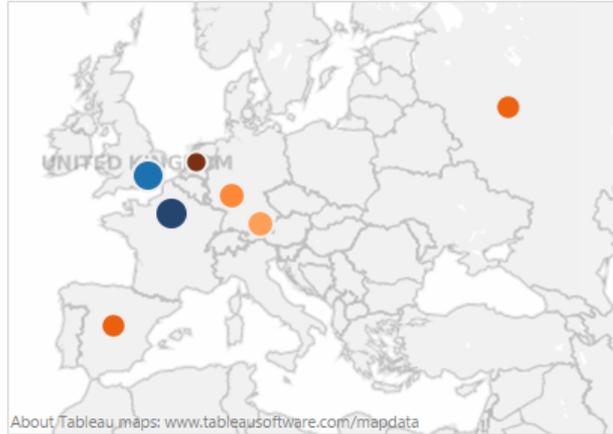
# Top 7 departure cities in Europe.

## The European leading departure city is Paris

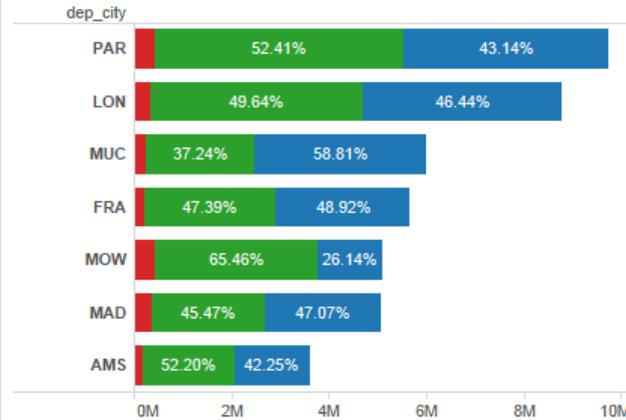
3 \_ City breaks

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Map departure cities



Top departure cities



**totalpax**

- 3,614,915
- 6,000,000
- 8,000,000
- 9,751,481

**totalpax**

3,614,915 9,751,481

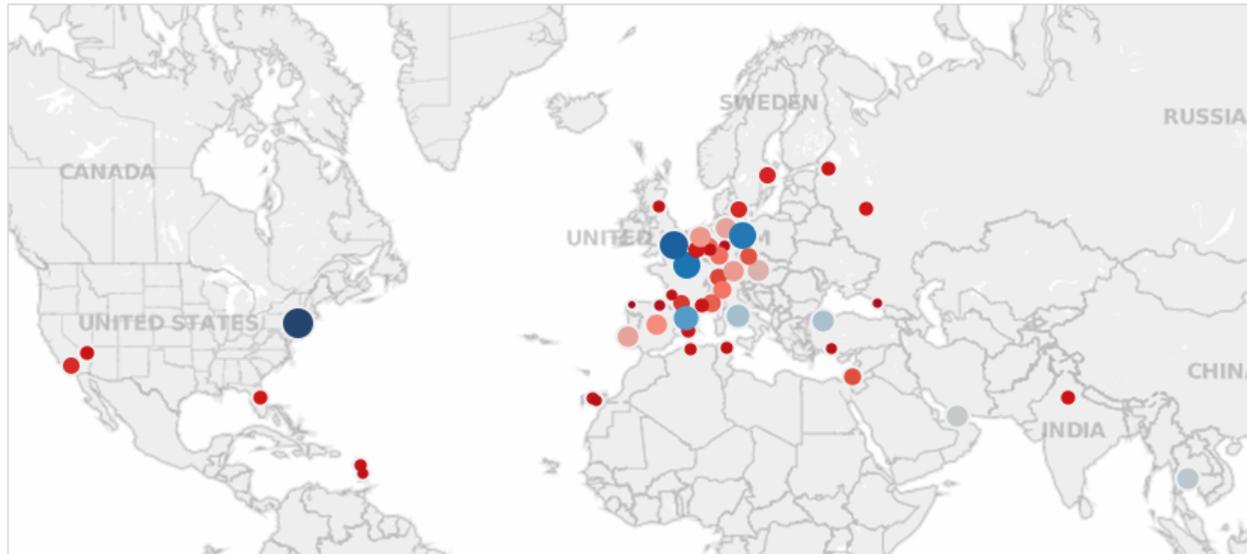
**Business Leisure**

- Business
- Leisure
- Unknown

**Trip in Week**

- (All)
- Different Week
- Same Week

Map arrival cities



**Weekday of departure**

- (All)
- Sunday
- Monday
- Tuesday
- Wednesday
- Thursday
- Friday
- Saturday

**Weekday of return**

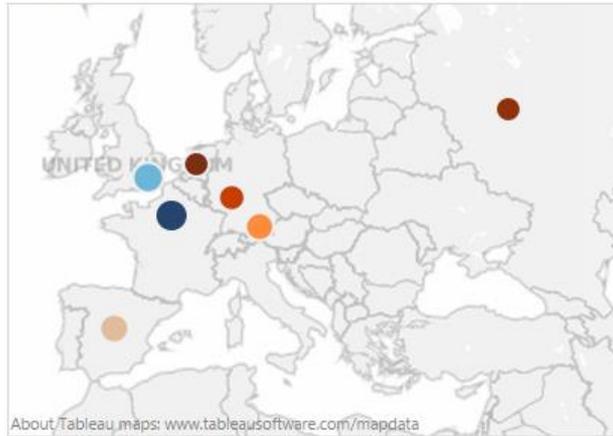
- (All)
- Sunday
- Monday
- Tuesday
- Wednesday
- Thursday
- Friday
- Saturday

# What happens if we focus on the City Breaks?

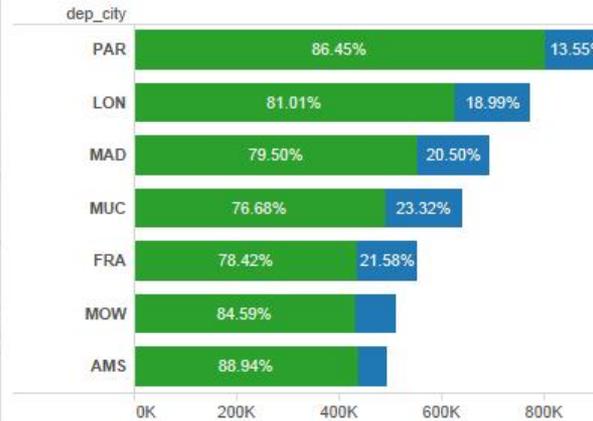
Leader is still Paris

3 \_ City breaks

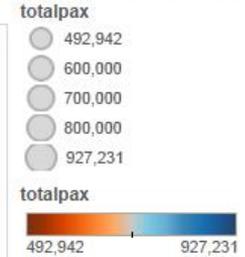
Map departure cities



Top departure cities



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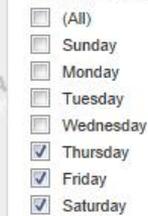
Business Leisure



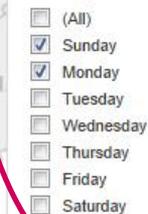
Trip in Week



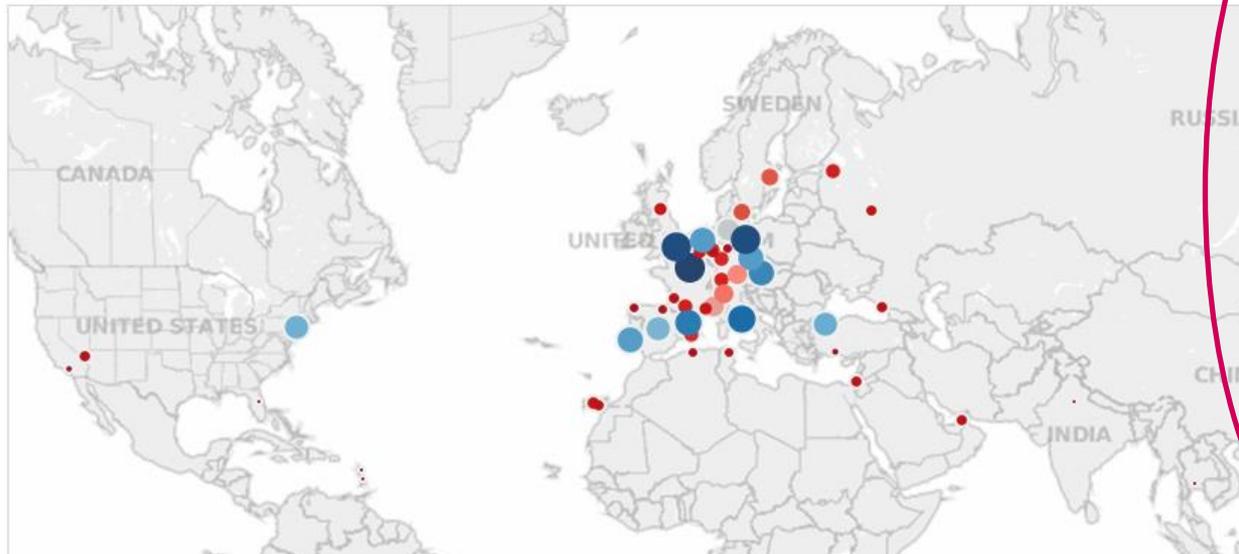
Weekday of departure



Weekday of return



Map arrival cities

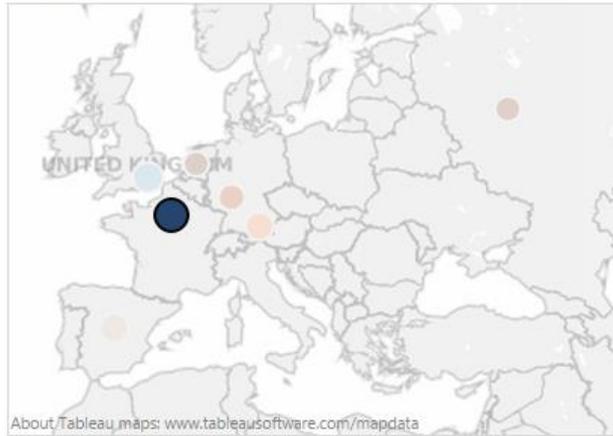


# Let's focus on Paris only, as departure city

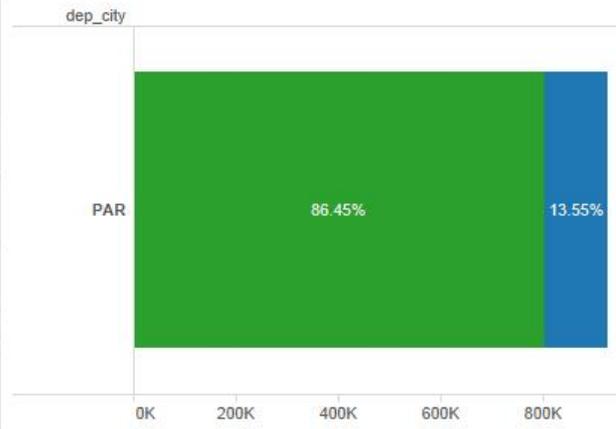
## Paris as one of the top origins

3 \_ City breaks

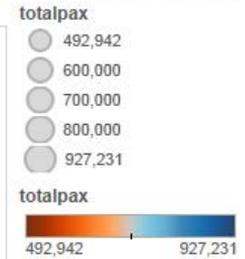
Map departure cities



Top departure cities



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Business Leisure

- Business
- Leisure

Trip in Week

- (All)
- Different Week
- Same Week

Weekday of departure

- (All)
- Sunday
- Monday
- Tuesday
- Wednesday
- Thursday
- Friday
- Saturday

Weekday of return

- (All)
- Sunday
- Monday
- Tuesday
- Wednesday
- Thursday
- Friday
- Saturday

Map arrival cities



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# Parisians favorite destination for city breaks is Prague. Their favorite domestic destination is Nice.

3 \_ City breaks

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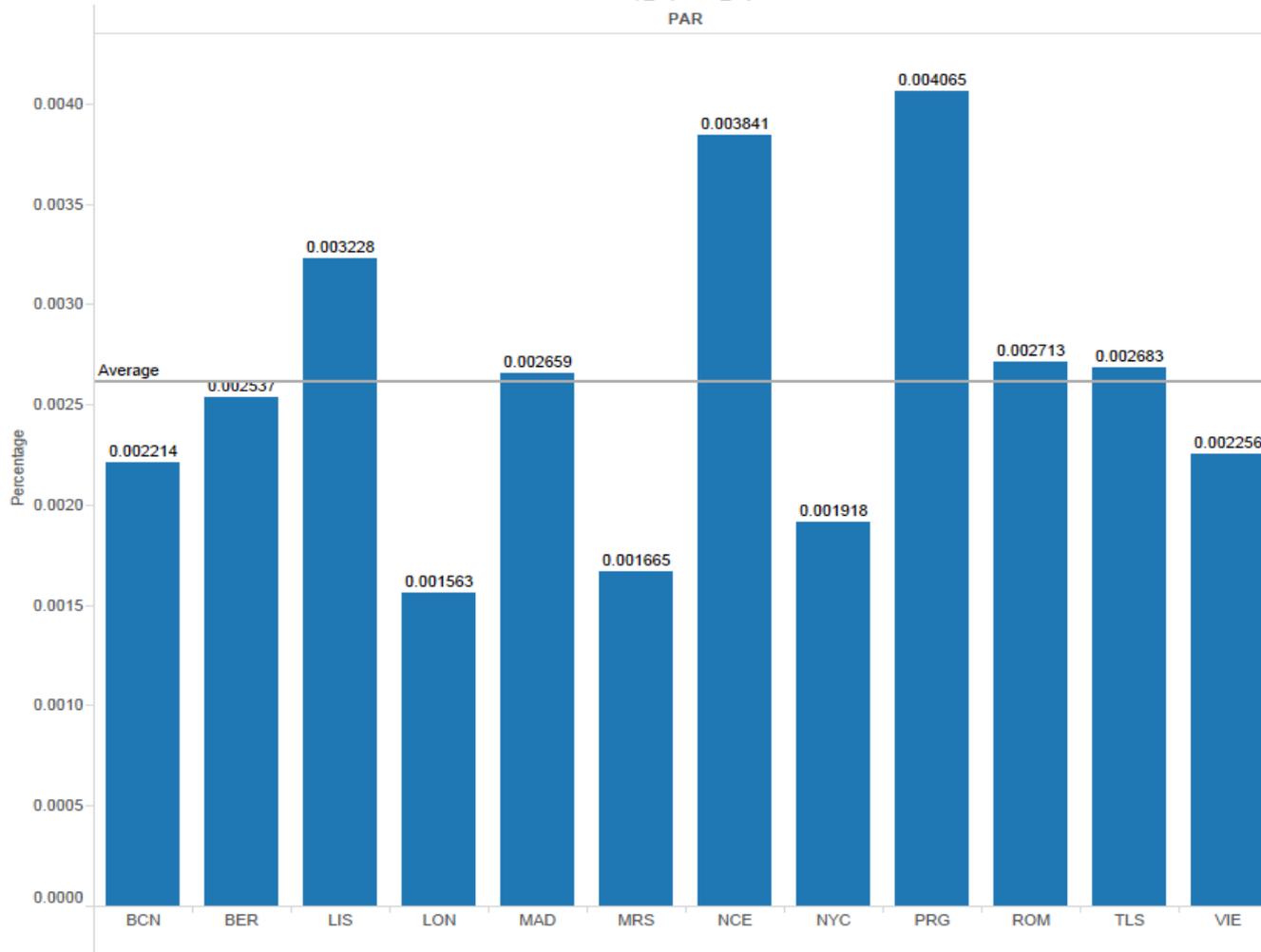
dep\_city  
PAR

Percentage  
0.0015 0.009955502

Domestic/International  
 (All)  
 Domestic  
 International

Market Share

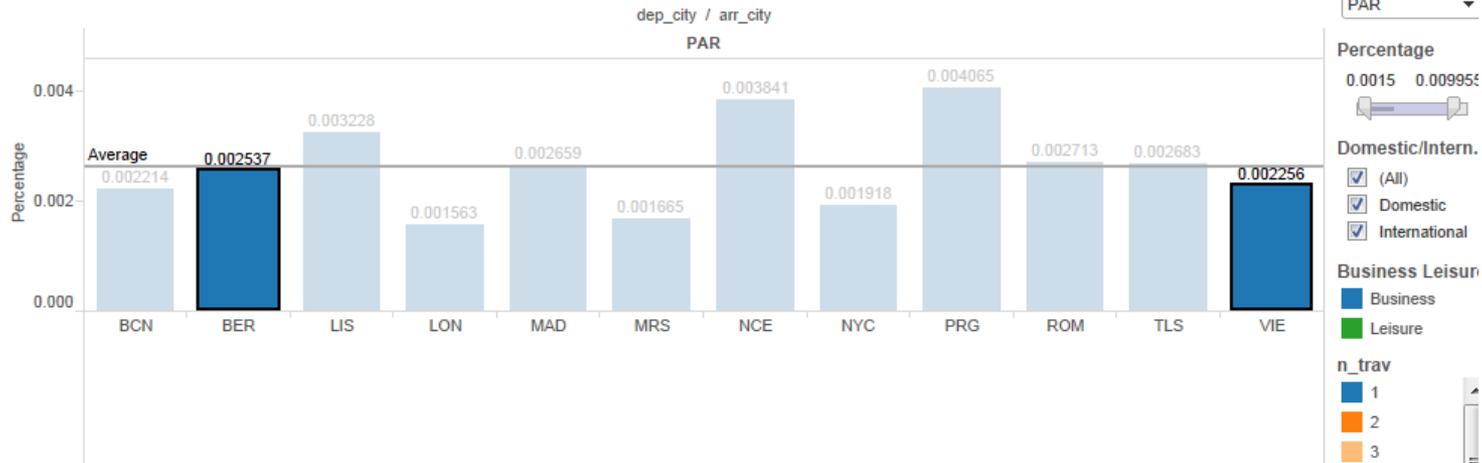
dep\_city / arr\_city  
PAR



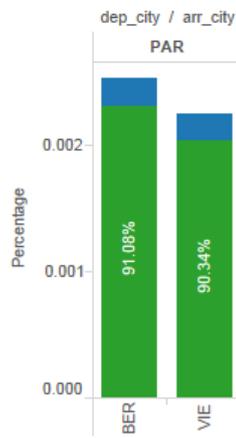
# Vienna and Berlin are clearly competing destinations

3 \_ City breaks

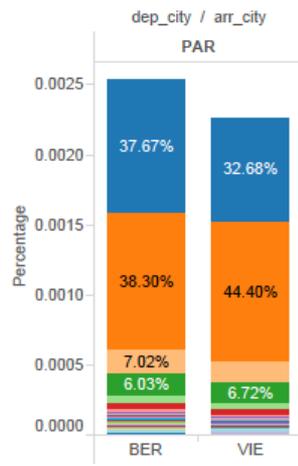
Market Share



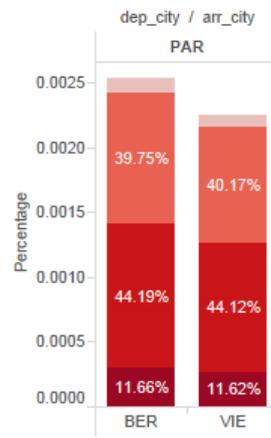
Market Share: Business vs Leisure



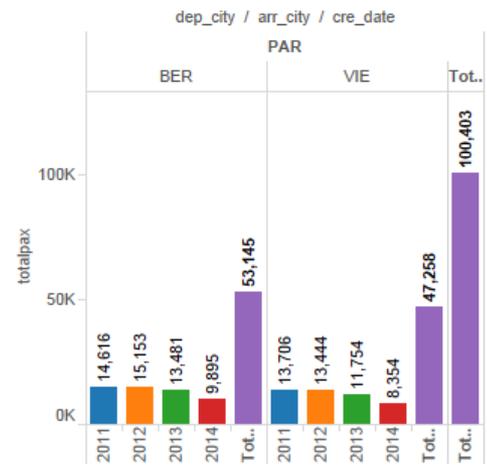
Market Share: # of pax



Market Share: # of trip days



From departure city to arrival city



dep\_city: PAR

Percentage: 0.0015 - 0.00995

Domestic/Intern.:

- (All)
- Domestic
- International

Business Leisure:

- Business
- Leisure

n\_trav: 1-15

days\_stay: 1-4

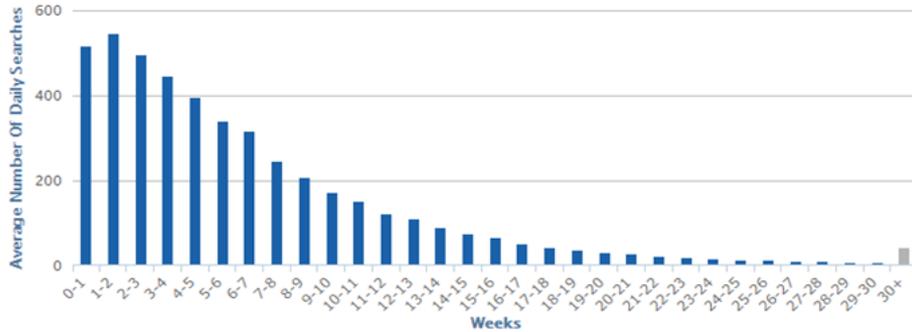
# Search and booking curves for PAR-VIE and PAR-BER are quite alike

3 \_ City breaks

4633

## Searches

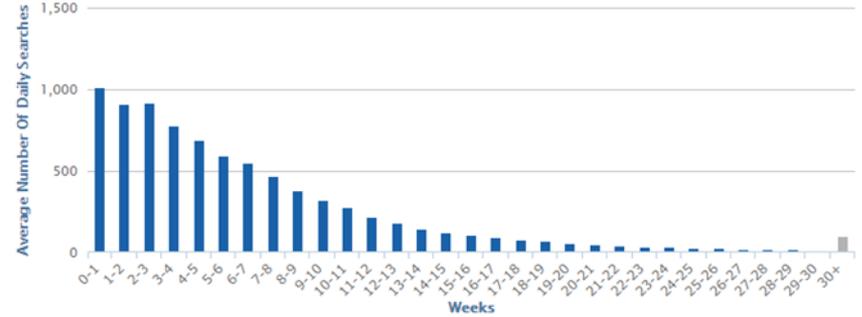
Advance Search Period from PAR to VIE (FR)  
Sources: Fare search - 2011-01-01/2013-12-31 (weekend only)



8300

## Searches

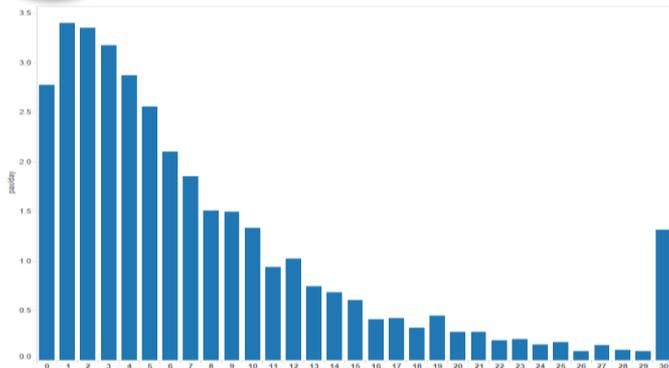
Advance Search Period from PAR to BER (FR)  
Sources: Fare search - 2011-01-01/2013-12-31 (weekend only)



36

## Bookings

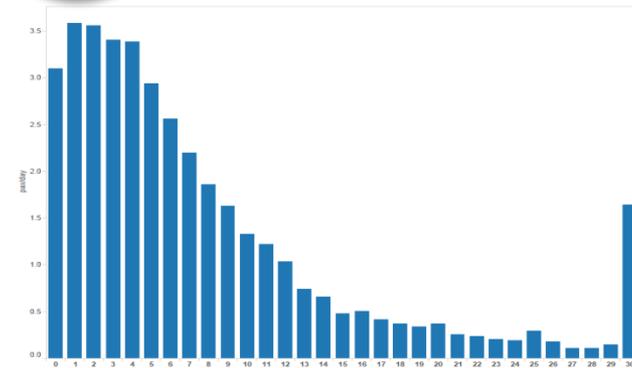
amadeus  
dep\_city  
PAR  
arr\_city  
VIE



42

## Bookings

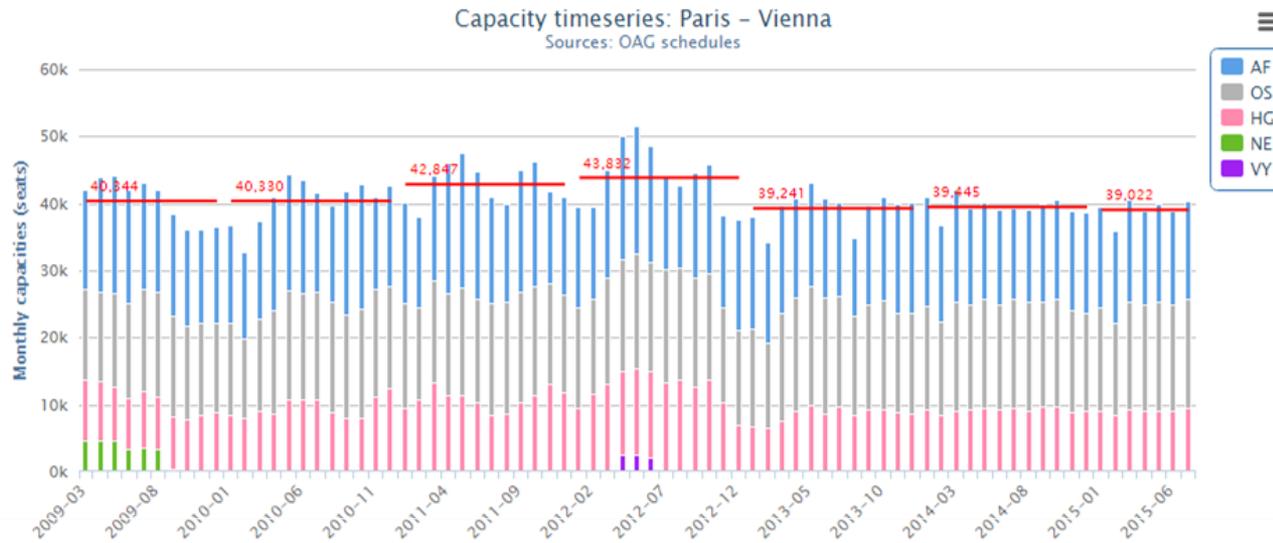
amadeus  
dep\_city  
PAR  
arr\_city  
BER



Sources:  
Amadeus Fare search  
MIDT

# PAR-BER has more seat capacity (scheduled flights) ...

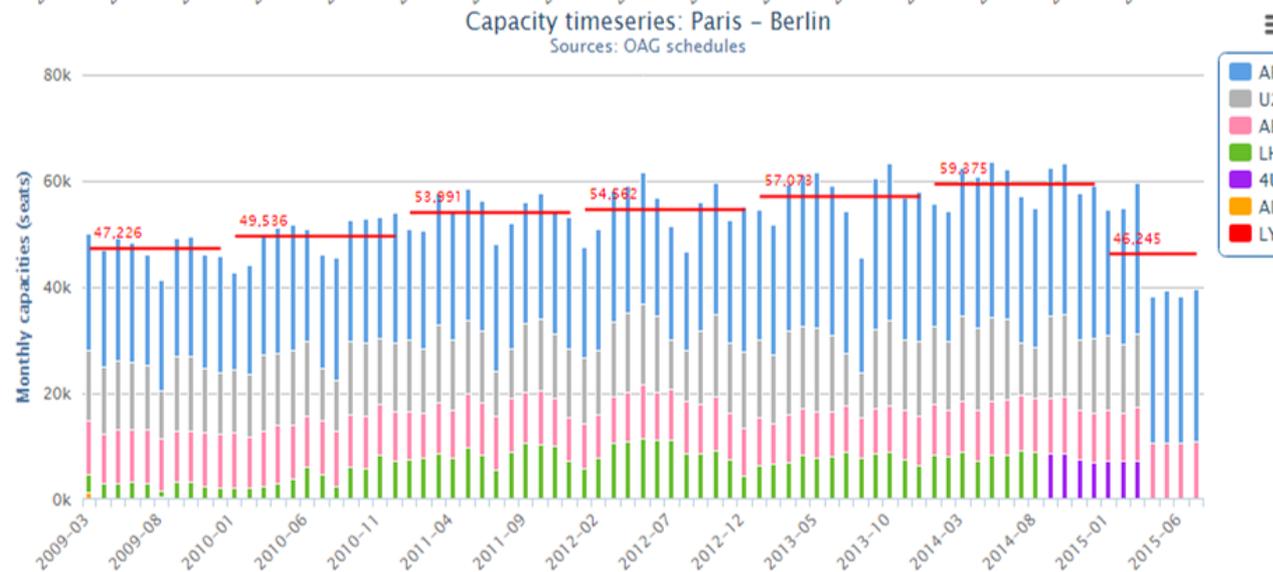
3 \_ City breaks



**Vienna**

**41k**

**Seats/month**



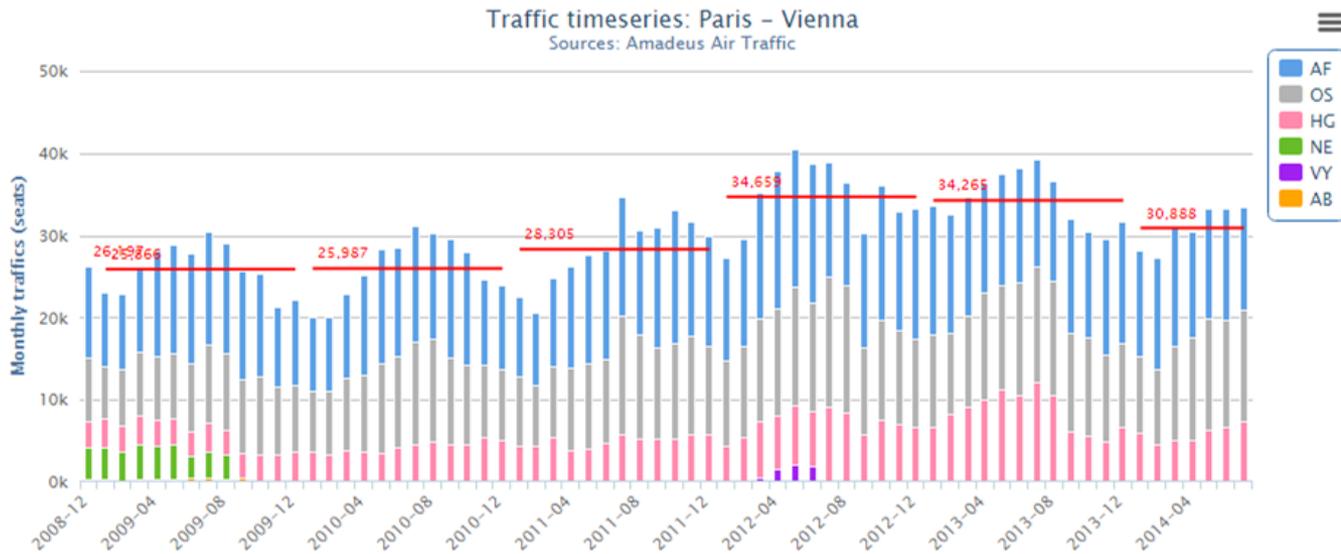
**Berlin**

**56k**

**Seats/month**

# ... and this reflects in higher traffic

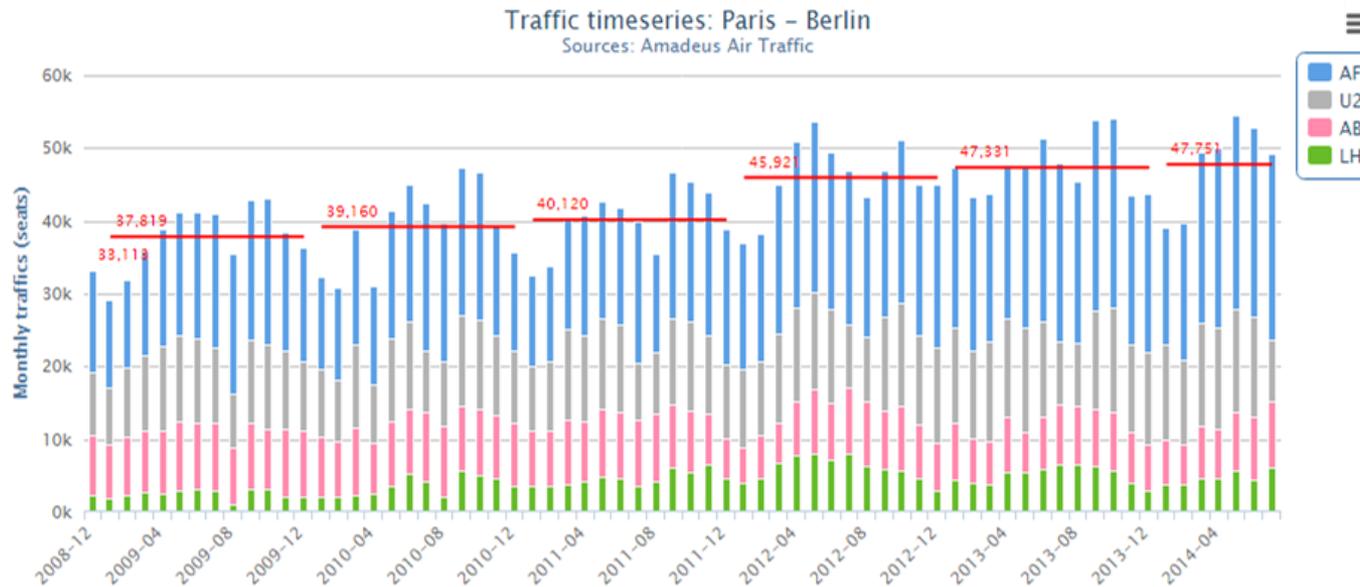
3 \_ City breaks



**Vienna**

**32k**

**Pax/month**



**Berlin**

**45k**

**Pax/month**

# Vienna vs Berlin (1/2)

3 \_ City breaks



PAX (*)	37,318	<b>41,641</b>
Bookings/day (**)	36	<b>42</b>
Searches/day (***)	4633	<b>8300</b>
Ratio (x 1000)	<b>78</b>	51

(\*) Number of passenger from MIDT for 2011, 2012 and 2013, city breaks, from Paris

(\*\*) Number of bookings from MIDT for 2011, 2012 and 2013, city breaks, from Paris

(\*\*\*) Number of daily searches from Fare Search for a period of travel from 2011 to 2013, city breaks, from Paris

# Vienna vs Berlin (2/2)

3 \_ City breaks



Schedules (*)	41,973	<b>55,242</b>
Traffic Estimation (**)	32,410	<b>44,457</b>
Price (***)	<b>165</b>	<b>146</b>
Hours	<b>2 h</b>	<b>1h 45'</b>

(\*) Average of monthly schedule coverage from OAG schedules for 2011, 2012 and 2013, , city breaks, from Paris

(\*\*) Average for monthly Traffic estimation from Amadeus Traffic for 2011, 2012 and 2013, , city breaks, from Paris

(\*\*\*) Average price of 1 to 4 weeks of searching in advance for a city break from Paris starting on Friday and returning on Sunday. The searches have been run in Kayak on September 9th with tourist cabin class

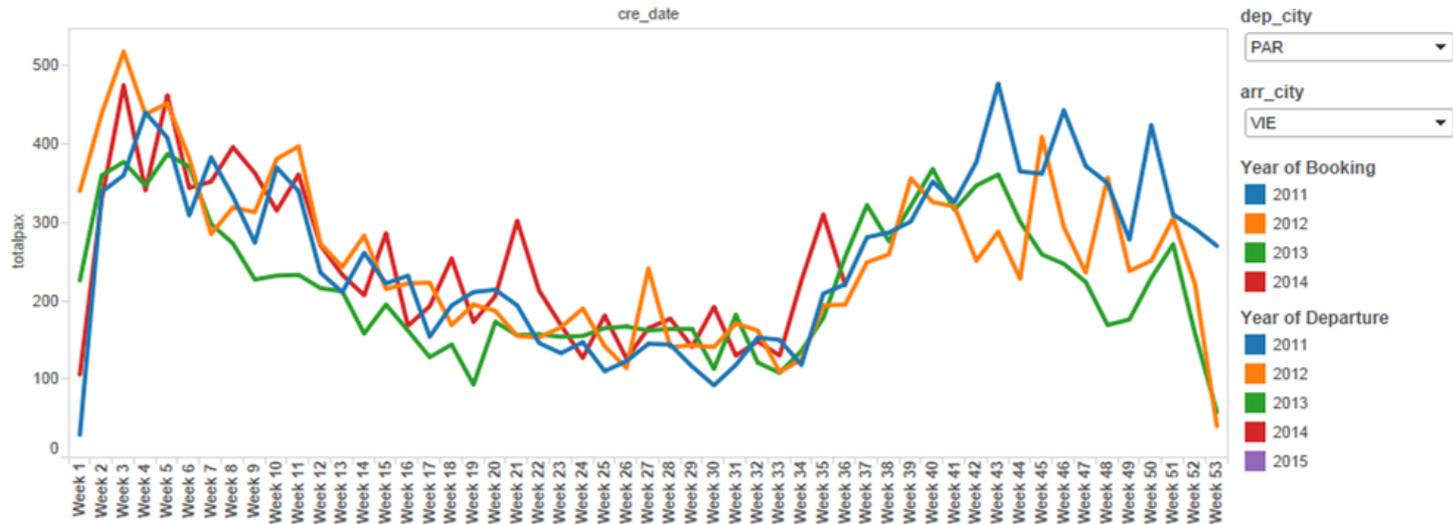
# Booking Behaviour and Departure Dates

When do Parisian book for Vienna? When do they travel to Vienna?

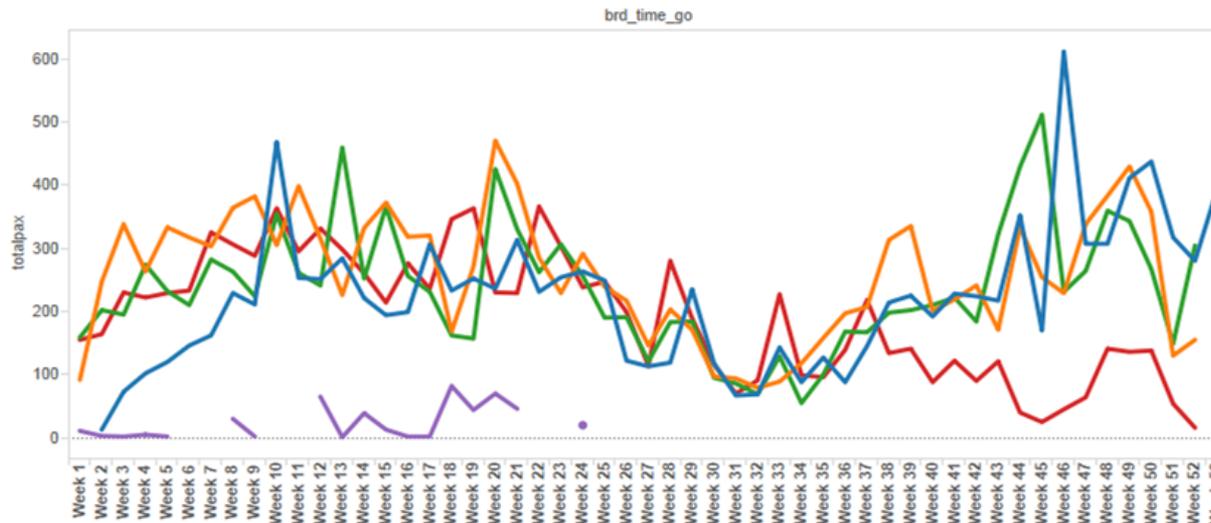
3 - City breaks

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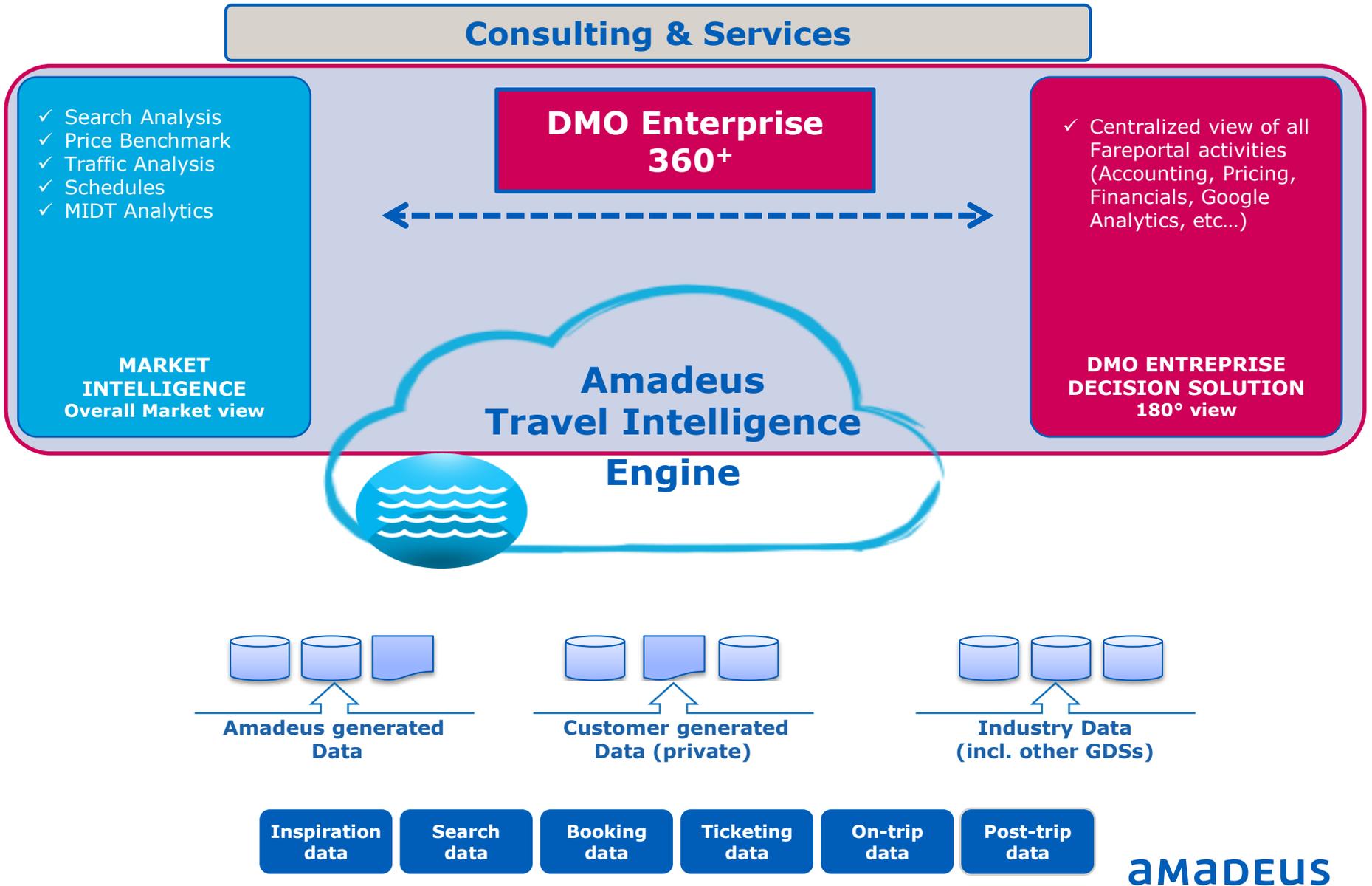
Weekly booking behaviour



Weekly departure date



# Amadeus DMOs Insight



# Let's make tourism objectives happen!

Thank you



sandro.cuzzolin@amadeus.com

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amadeus.com

AMADEUS

# Amadeus Travel Intelligence

Move from guessing to knowing, from approximate to reliable by leveraging the Data Scientists, Solution Engineers & Consultants available via our Center of Excellence



## Market Intelligence

Travel data from Amadeus to evaluate your market position

+



## Enterprise Intelligence

Thorough views by integrating Amadeus & DMO data

+



## Travel Intelligence Engine

Fast visibility & understanding to develop your best offers

## Amadeus Travel Intelligence



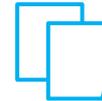
Consultants  
Solution Engineers



Data Scientists



Joint teams  
Amadeus + Client team



Operational dashboards

Refine Search Engine  
Marketing

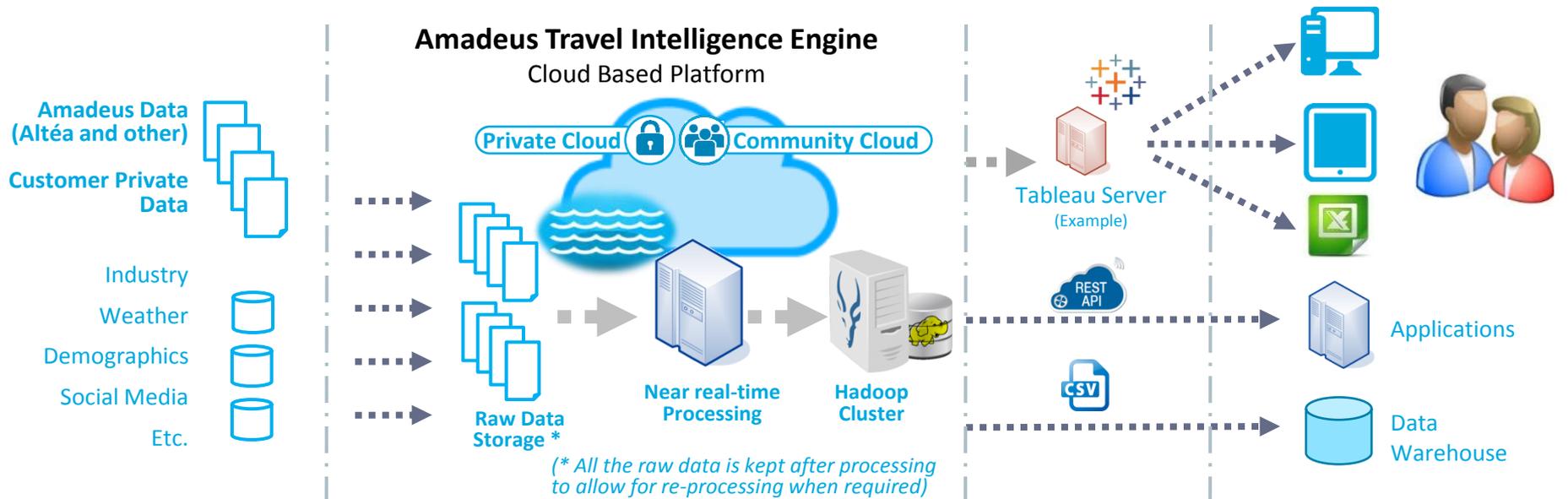
Online Display  
optimization

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# The Amadeus Travel Intelligence Engine

## Technology enabler for cost effective, high performance BI

- Scalable Cloud-based platform based on proven Apache Hadoop eco-system
- Handling of structured and unstructured data
- Captures data from Hotel IT systems, Amadeus distribution platform, and external sources
- Standard and ad-hoc reporting functions through built-in portal and external BI tools
- RESTful Web Services for “anytime” data access from external applications
- Simple CSV feeds for existing Data Warehouse or other databases
- Vast historical raw data storage, allowing re-processing as business needs change
- Standard Community Cloud or optional Private Cloud



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