



Mobile Devices:

The ultimate travel companion

Introduction

by Marcos Guerrero, Chief Retail & Product Officer

It has been 10 years since Apple introduced the iPhone and began a revolution in the way that we use mobile devices. Consumers around the world are increasingly reliant on their mobile devices to help manage every aspect of their lives, including travel. As wireless internet and 4G networks become more widespread, smartphones have become a true travel companion transforming the way travellers discover the world.

Smartphones, tablets and other mobile devices play a key role in the whole travel experience: from the initial inspiration that leads to making a booking until travellers get home from their trips. At eDreams ODIGEO we have one of the largest mobile development teams of any European Online Travel Agency (OTA). As the leading OTA for mobile bookings, we're constantly challenging ourselves to find new ways to use mobile devices to make travel easier, more convenient and better value for consumers.

In recent years, mobile hardware innovation has slowed, but software and services continue to develop at a rapid pace, and that's where we in the travel industry can make a huge difference to our customers. We know that mobile devices are already well integrated into the travel experience, but we've only just scratched the surface of what they can do.

Here's what we know today:

1. People are more mobile than ever before
2. Different platforms are used for different types of travel booking
3. Smartphones are the new sunscreen
4. Top destinations for mobile customers
5. What's next for mobile travellers

Of course nobody can know for sure what the next ten years will bring, but we have many predictions and we're excited to help shape the next decade of travel innovation.



Marcos Guerrero

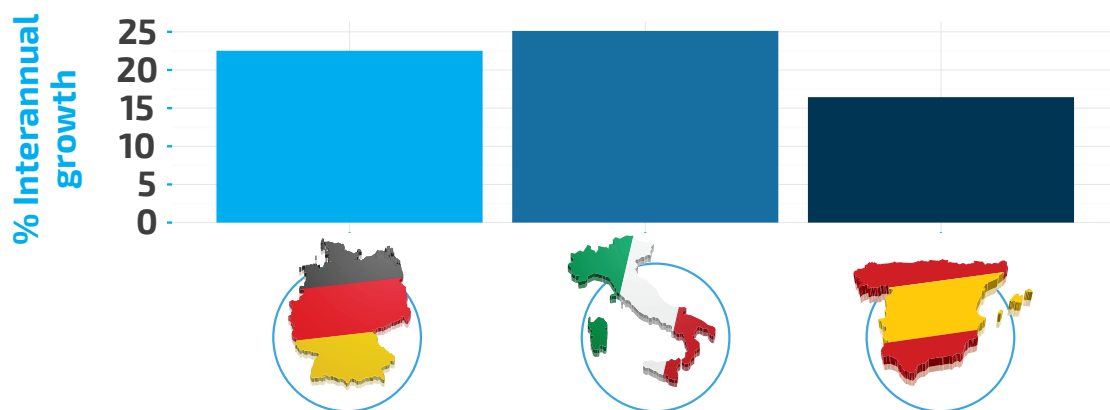
Chief Retail and Product Officer

1 People are more mobile than ever before

Consumers are mobile first. With 1.45 billion smartphones sold globally in 2016¹, smartphone penetration is growing worldwide, as an example, Europe has reached 64.7% and is projected to surpass 67% in 2018². And the same can be said of our eDreams ODIGEO customers. They are researching, getting inspiration and booking their travel using smartphones, whether on our eDreams, Opodo, GO Voyages and Travellink mobile sites or on our apps.

Across all countries we have seen a trend towards mobile in the last 12 months, with our global average for mobile visits showing double digit growth Year over Year. Even in countries like Germany, where smartphone penetration is traditionally lower, mobile sessions (browsing) has still increased by 24%.

Top 3 countries by mobile session growth:



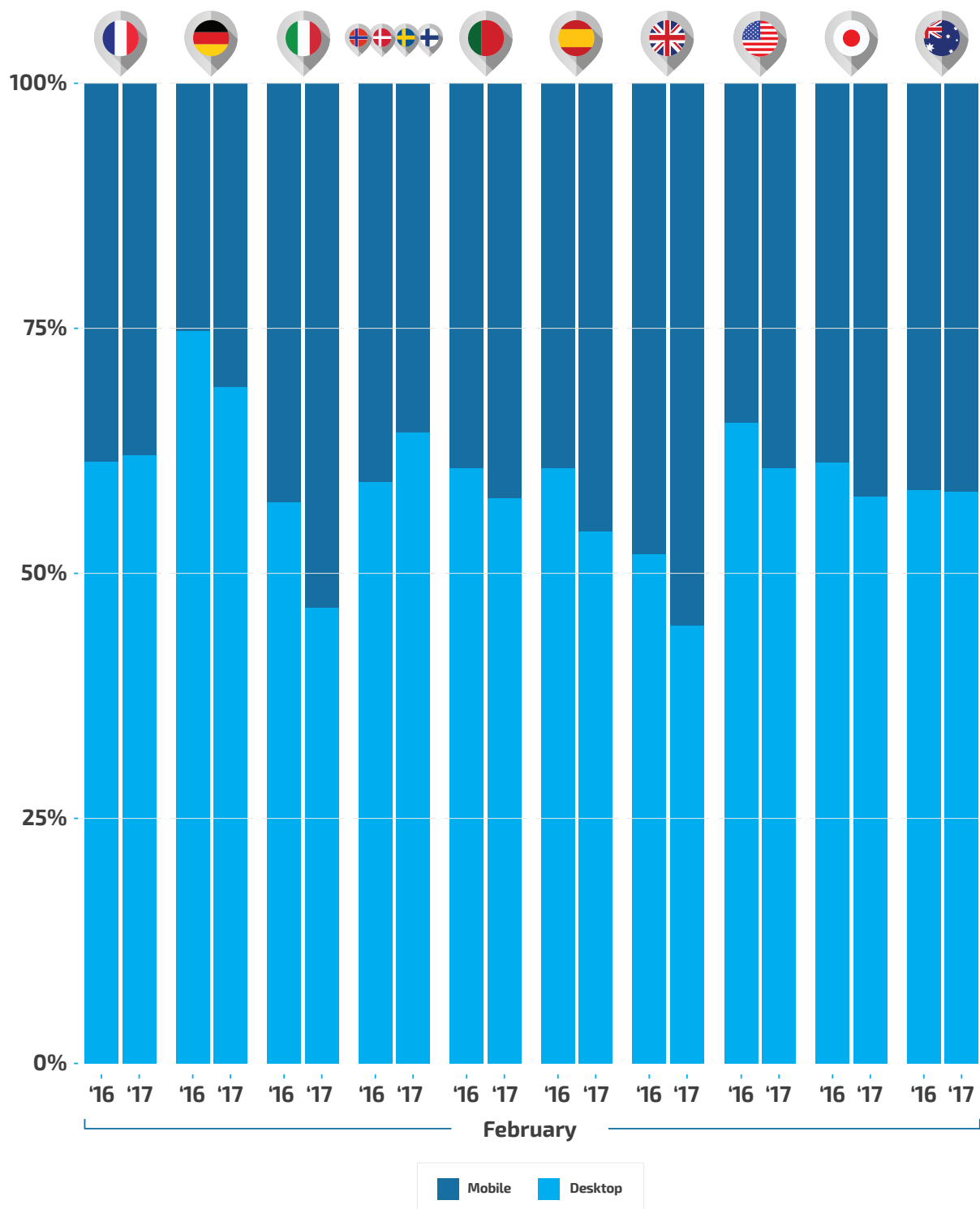
The most interesting increase can be seen if we look at our customers in the UK and in Italy. In 2016, for the first time, mobile sessions in those countries actually surpassed desktop sessions.

We also saw steep increases in Spain and Portugal which increased by 18% and 11% respectively. In France however, mobile sessions have actually declined slightly (by 1%).

¹ International Data Corp via Wall Street Journal 'What's Next for Smartphones?'

² statista.com

Change in share of viewing sessions on desktop and mobile from 2016 to 2017



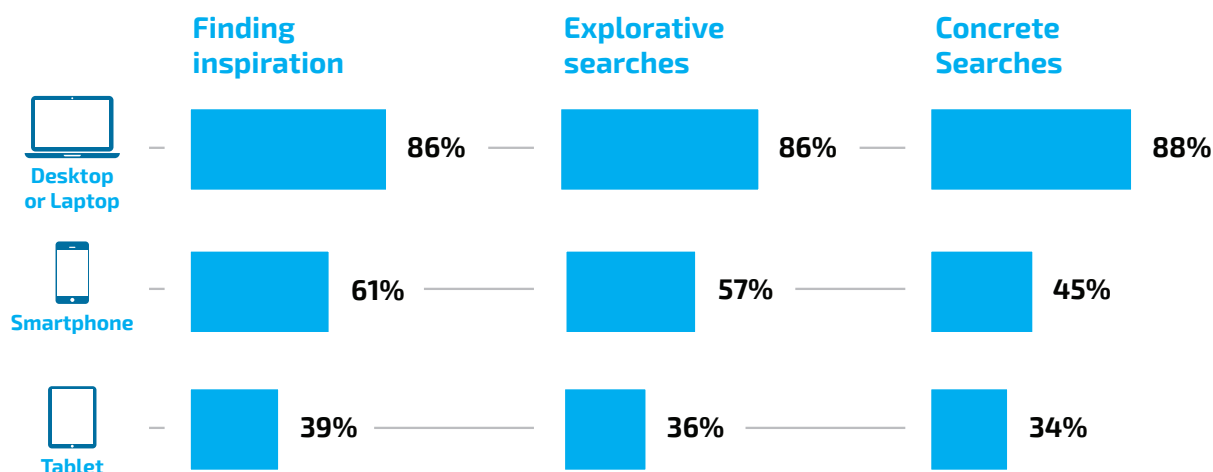
Worldwide, among the markets where we operate, the countries with the greatest mobile usage are the UK, USA, Australia and Japan with an average of 40% of their travel bookings made via mobile.

Speed is a deciding factor. In an age where competing demands for people's time are increasing, customers not only expect to be able to book their travel on any mobile device, anytime, anywhere, but also to do it quicker than ever before. Studies have shown that the younger you are, the quicker you scroll through your news feed – so the expectations of speed are rising.

Our data shows it takes just one and a half minutes for a customer to book a direct flight on a mobile through one of eDreams ODIGEO's apps, less than half the time it takes through a traditional airline website or metasearch engines³. For multi-leg trips and flights with hotel bookings the contrast is even more dramatic, with some mobile bookings on eDreams four times faster than metasearch and airlines, allowing customers to spend time focusing on other aspects of their holiday.

However, when drilling down into our data, we can see that while mobile is playing an increasingly important role in finding travel inspiration and exploring travel options, desktop is still the most commonly used platform for final transactions – bookings.

An internal eDreams ODIGEO survey⁴ on traveller trends shows the following behaviour:



Just like with using mobile for browsing and inspiration, the use of mobile devices to book flights varies significantly by market with the Americans, British and Spanish much more willing to book via mobile.

³ eDreams, metasearch and airline mobile apps accessed in October 2016

⁴ Finding inspiration: users who browse the Internet to find inspirations for their trips

Explorative searches: users searching trips and comparing different destinations

Concrete searches: users who have already decided their destination and search for the most convenient flight



With our focus on mobile behaviour and customer needs, it's no wonder that data from our travellers shows eDreams ODIGEO is far above the industry average for flight bookings on mobile. **For flight bookings the industry average is 21%⁵ and eDreams customers on average use mobile 30%⁶ of the time.** We know that customers want a seamless experience from inspiration to purchase so we're constantly optimising their end-to-end mobile experience to make it as smooth as possible.

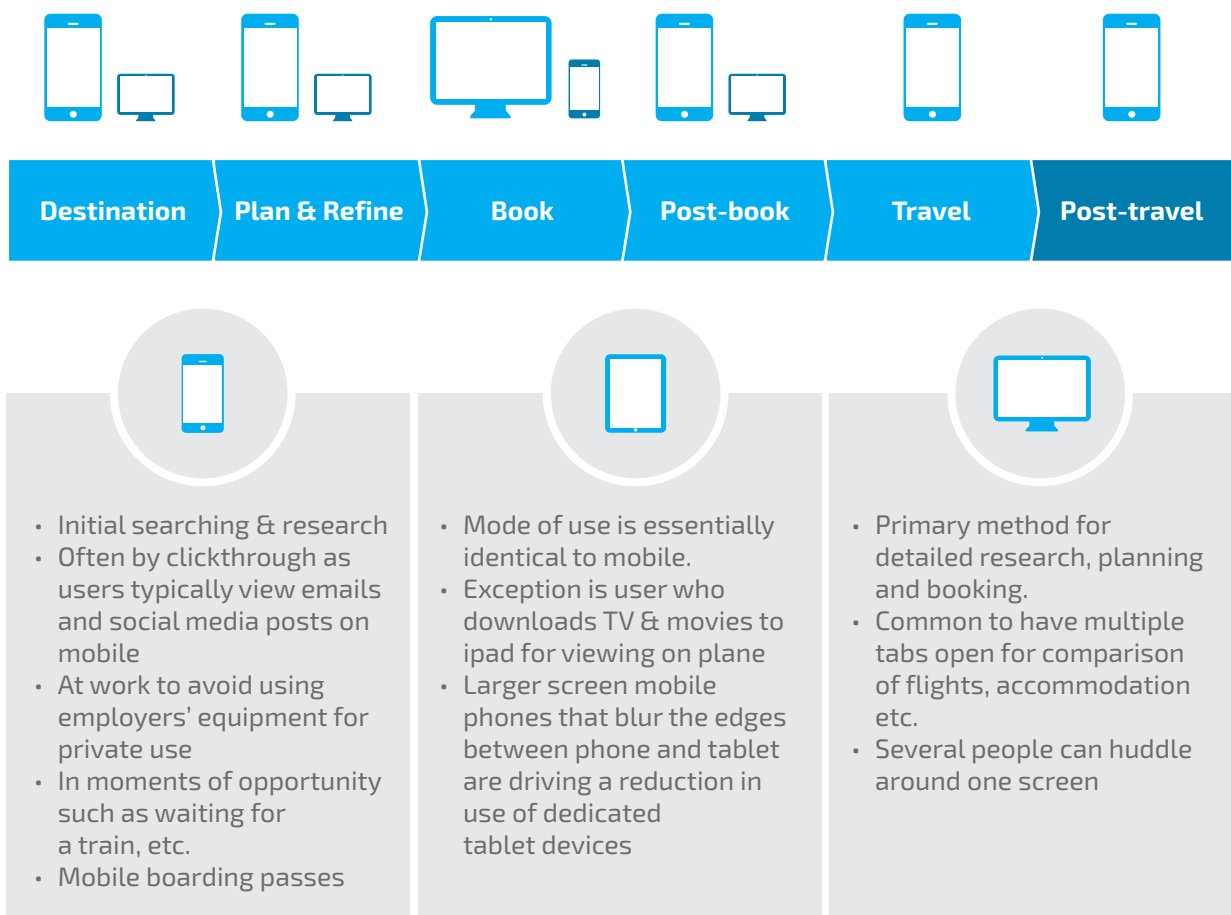
Converting mobile browsers to buyers is one of the biggest challenges for all eCommerce companies. The technology and infrastructure is always improving to make it simpler and quicker for customers to carry out more complex transactions on their smartphones. And as a business we must tirelessly innovate to make sure we're not only on top of, but ahead of, these trends to give our customers the option to book on the platform of their choice.

⁵ Phocuswright's European Online Travel Overview Twelfth Edition - December 2016

⁶ eDreams ODIGEO flight bookings for the quarter ending December 2016

2. Different devices are used for different travel booking

Device Landscape



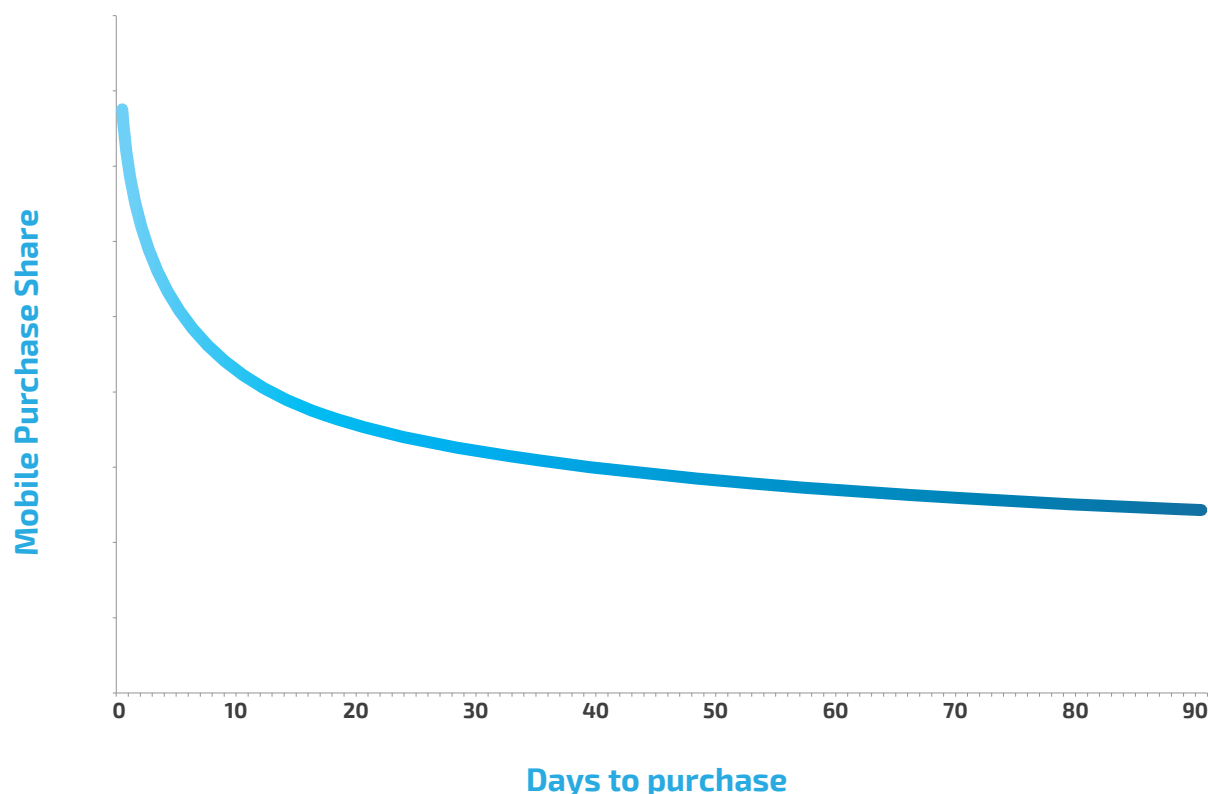
Looking at eDreams ODIGEO data, we can see that **mobile bookings tend to be much more last minute than our desktop bookings.**

On average 40% of eDreams ODIGEO's customers booking flights on mobile are doing so for travel in less than seven days and 52% of mobile hotel bookings are for stays within seven days. Although travel is more last minute on mobile, customers are also more loyal. Data shows that repeat customers are twice as likely to book their travel through mobile apps, which is driving the growth of this channel.

We know that French travellers are most inclined to leave their travel booking till the last minute⁷ and that pattern holds true when we look at mobile bookings, with the French most likely to book last minute trips using a mobile device. At the other end of the spectrum among European nations, even though British travellers are very happy to use mobile devices for their travel planning, they're the least likely to book last minute trips using their mobiles - this isn't surprising as British travellers frequently book their holidays further in advance than their neighbours across Europe.

Interestingly, island nations Australia and Japan show a very different trend to the rest of Europe. Last minute bookings made on mobile devices are only slightly ahead of the desktop figures, particularly for Australian customers, a reflection of how geographical factors can play a role in the trip planning and booking process.

The closer you are to departure date, the more mobile you are!



⁷ eDreams ODIGEO's European Traveller Insights Report 2016

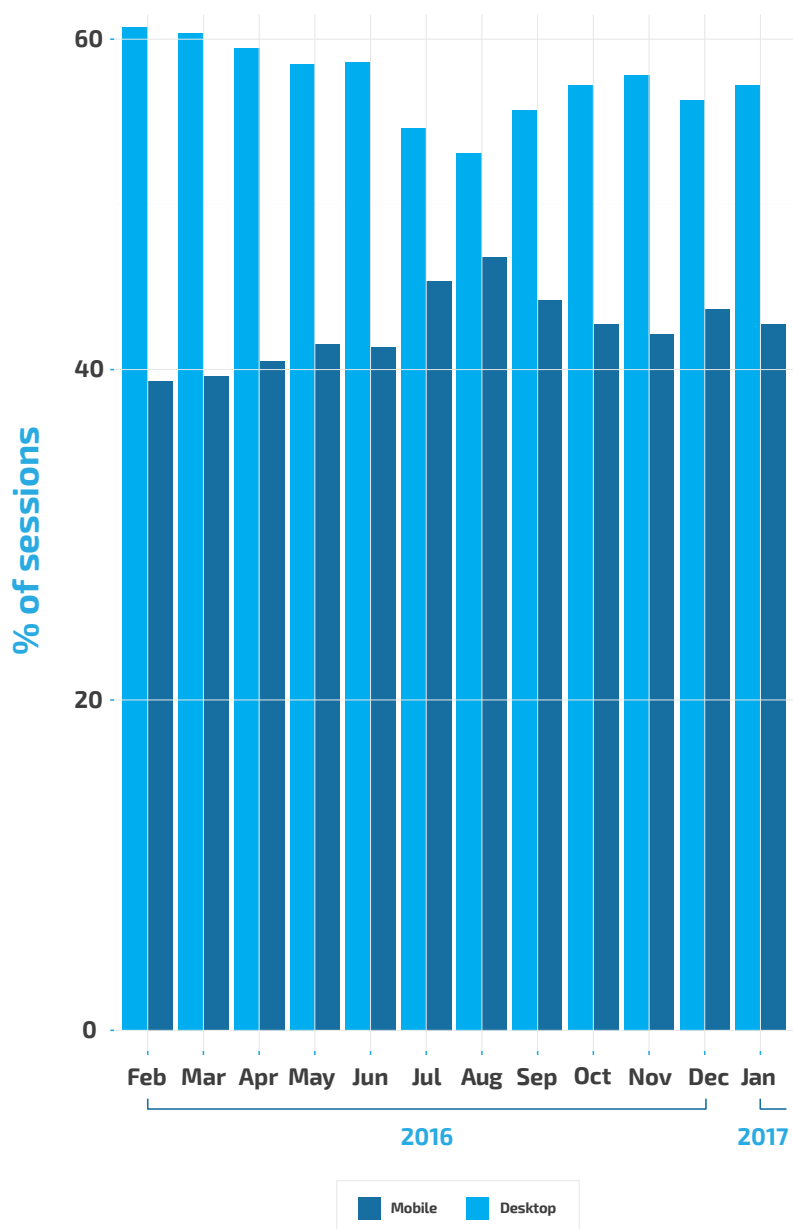
3. Smartphones are the new sunscreen

We've seen a steady increase in people using their mobile devices for travel research and bookings over the last year, but the summertime is when mobile devices really come into their own.

More people use mobile for browsing and booking during the summer **with August the peak month** for both. This is the point in the calendar when people are spending the least amount of time indoors – in an office space or by desktop computers – so we see a shift in the way consumers choose to visit our sites and apps with use of mobile devices going up 8% from February to August 2016, and computer usage decreasing by a corresponding amount.

People are also more likely to be travelling, so in addition to using their mobile device to browse or book travel, **consumers need to access on-the-go information about their trips**. It used to be that all you needed for a great summer holiday was sunscreen, sunglasses and a folder full of airline tickets, hotel confirmations and travel insurance paperwork. That is no longer the case.

% of customers using mobile devices vs computers



Today, consumers are increasingly used to their mobile device being able to store all their information and no longer want to carry around paper travel documents. Customers who have created an account can **use eDreams ODIGEO's mobile apps to check the status of their flight and know which luggage carousel their suitcase will appear at once they land.** Whereas travellers used to need to call the airport to find out about last minute flight changes before setting off, now 93% of our app users who have created an account use our flight status notification service to stay up to date with any changes to their travel plans. eDreams ODIGEO is the world's leader in offering these innovative type of services to customers for free covering 90% of worldwide flights flown.

A well-created app can not only make travellers' lives easier and improve the quality of their journeys, but in doing so, it can also increase brand loyalty.

4. The top destinations for travellers on mobile:

When looking at our customers' top destinations, our data shows that **travellers are more inclined to book short-haul flights using mobile devices**, but still pick up their laptop to book long-haul trips.

As we know that **most mobile bookings take place during the summer months and are more likely to be for last minute trips**, it's probably not surprising that those living in Southern Europe are much more likely to stay within their own country with Portuguese and Italian travellers choosing domestic destinations for the majority of their top mobile booking destinations.

Those in Northern Europe are much more likely to head further afield, possibly in search of a sunny get away, with the Brits and Swedes only including two domestic destinations in their top lists, a trend they share with the Japanese. In contrast, the Australian and Americans are fonder of home, with four of their top five mobile destinations in their home countries.

Top five destinations for mobile flight bookings



1. Amsterdam



2. Paris



3. Bucharest



4. Belfast
5. London



1. Istanbul



2. Palma
de Mallorca



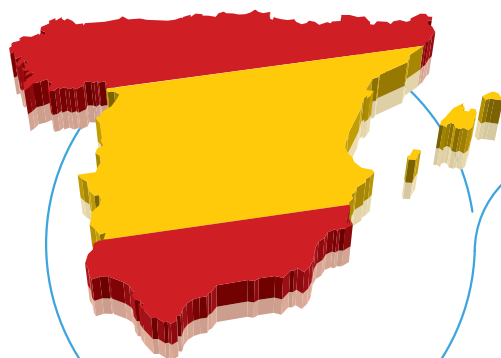
3. London



4. Berlin



5. Paris



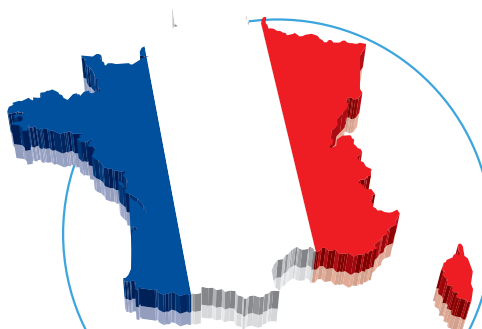
Spain



1. Madrid
2. Palma de Mallorca
3. Barcelona
4. Ibiza



5. London



France



1. Algiers
3. Oran



2. Tunis



4. Istanbul



5. Paris



Italy



1. London



2. Barcelona



3. Paris



4. Milan
5. Rome



Portugal



1. Lisbon
3. Porto
5. Faro



2. Paris



4. London



Sweden



1. Stockholm
4. Gothenburg



2. London



3. Paris



5. Barcelona



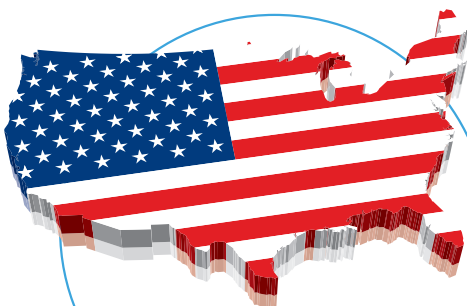
Australia



1. Sydney
2. Melbourne
3. Brisbane
4. Perth



5. Auckland



USA



1. Las Vegas, NV
2. Orlando, FL
3. Fort Lauderdale, FL
4. Los Angeles, CA



5. Guadalajara



Japan



1. Taipei



2. Seoul



3. Tokyo
4. Osaka



5. Honolulu, HI

5 What's next for mobile travellers?

Our team of travel and product experts unveil our focus on new feature development and innovation based on their predictions for the next big mobile travel trends.

More scanning, less typing

We know that travel booking can involve entering lots of information, which consumers often find difficult to do on a mobile keypad. Better data capture tools will soon allow travellers to scan important documents like passports and ID cards and extract that data to automatically complete booking forms. For consumers who use a secure app, like all our apps, that information can be stored to make the booking process even quicker in the future.

My phone is my credit card, my boarding pass and more

Smart wallets already exist and allow consumers to store boarding passes, train tickets and credit cards on their devices. As more integration takes place in both the payments sphere and with travel infrastructure, consumers won't need anything more than their mobile device to research, book and take their trip. That familiar airport vision of a traveller with a wallet full of reservation documents will be a thing of the past.

The seamless handover

Already, our customers can search for travel options on their mobile devices, and then find all those searches recorded when they log back in on their laptop or any other device. In the future, we'll see more integration not just across different devices, but also across different platforms. There are over 154 million #travel posts on Instagram, and too many Pinterest travel boards to count. People are increasingly using social networks to get travel inspiration. As software becomes more adept at extracting information from imagery, it will only take a couple of clicks to go from looking at a picture of Central Park to having a flight and hotel itinerary for a long weekend in New York available to fit the next available slot on your calendar.

Everyone has a Personal Assistant

Artificial Intelligence (AI) is changing how consumers interact with their devices, and by 2019 20% of consumers' interactions with their smartphones will be via Virtual Personal Assistants (VPAs) like Apple's Siri or Amazon's Alexa⁸. For travellers, this could be like having a personal travel agent, tour guide and concierge in your pocket at every moment of your trip, unlocking a host of local information about your destination, and helping you find the best places to travel to and the most convenient and best value travel options.

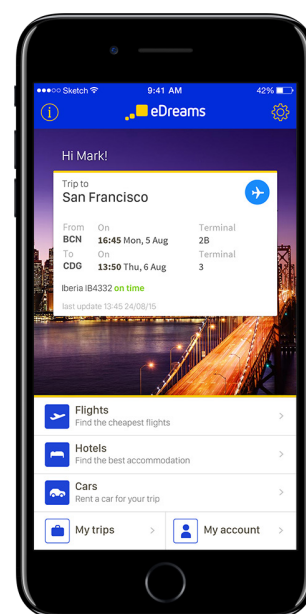
A new kind of reality

Pokémon Go introduced the concept of Augmented Reality (AR) to the world, but its applications to help travellers get the most out of exploring new places are just beginning to be considered. The removal of mobile roaming charges across Europe later this year will provide much more opportunity for travellers to use these data-heavy location based services. In the travel researching and booking space, the growth in low-cost virtual reality smartphone headsets (sales of which are expected to reach 76 million by 2020⁹), provides opportunities for hotels to really let travellers experience their properties before they commit to booking.

Mobile apps

Our mobile apps allow customers to research, save and book flights, hotels and cars from wherever they are. Once users have created an account, their personal information and payment details are securely stored to make booking their trip as simple as possible. Our apps provide a personalised travel booking experience, integrated with mobile search functions, third party services like Paypal, and make it easier for travellers to share trip information with their travel companions. Once they reach their destination, users can download our city guides to help them get the most from their trip.

Our iOS and Android apps are downloaded by millions of travellers, and they're getting more popular! Apple users have given our app a 4+ stars rating, and now it is promoted in the App Store as one of the top 3 travel apps in the world.



⁸ Gartner, via Wall Street Journal 'What's Next for Smartphones?'

⁹ IDC, via Wall Street Journal 'What's Next for Smartphones?'

About eDreams ODIGEO

eDreams ODIGEO is one of the world's largest online travel companies and one of the largest European e-commerce businesses.

Under its four leading online travel agency brands – eDreams, GO Voyages, Opodo, Travellink, and the metasearch engine Liligo – it offers the best deals in regular and charter flights, low-cost airlines, hotels, cruises, car rental, dynamic packages, holiday packages and travel insurance to make travel easier, more accessible, and better value for the more than 17 million customers it serves across 44 markets.

eDreams ODIGEO is listed in the Spanish Stock Market.

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