KAYAK

MOBILE TRAVEL REPORT

— 2017 —

Artificial intelligence technology is rapidly advancing, and fields such as natural language processing have allowed a range of businesses to start utilising such programs, which allow their customers to shop online or arrange an entire trip solely through communication via text messages or speech.

While still in its early stages, machine learning allows chatbots to become more sophisticated in their interactions with customers as expectations about their abilities and capabilities evolve over time. These expectations, combined with the increasing demand for around-the-clock information and customer service, represent the next era and evolution, not only of the travel booking process, but also the customer experience for decades to come.

Travel search engine KAYAK.co.uk has asked Brits what they know about chatbots and what they expect from them. The travel experts have also crunched KAYAK's data to find out how their users interact with its very own chatbot on Facebook Messenger as well as the voice operated service, Alexa. This information, in conjunction with data about KAYAK's mobile Apps usage, provides insight into the latest trends for the British mobile traveller.

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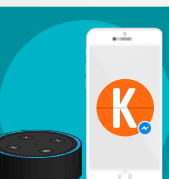
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  - Brits search most for flights to London and New York
- Alexa searches are dominated by American cities

What British people think about chatbots
- 57% of people in the UK don't know what a chatbot is, while only 18% have used one before
- The majority of the UK population prefer to book travel online, but remain sceptical over potential for using chatbots in holiday planning
- Brits see largest benefits of chatbots in their ease of use, but only 5% would consider them more reliable than a human
- Data security is the main concern British people have when talking to a bot

Travel Trends:

what Brits are looking for

Most popular destinations:

Bangkok, New York and Barcelona are Brits' favourites across all devices

The research has shown that British travellers' favourite holiday destinations depend on the device they are using, but there are also many similarities. New York and Bangkok are consistently the most popular destinations searched for by iOS, Android and computer users. While Bangkok ranks first for Android users, it is New York that scores first place amongst iOS and computer users, with Barcelona taking third place for British users across all devices.

Long-haul routes in general are popular amongst Brits, with sunny Dubai and Orlando ranking highly for users on all devices, and Los Angeles making the top 10 for iOS and computer users but not Android users. They instead have a higher number of European destinations on the top of their travel list.

British travellers' penchant for holidays in sunny Spain is also noticeable across all devices, with Malaga appearing amongst the favourite destinations for all users, while Madrid and trendy Lisbon in Portugal are popular with Android users.

Bangkok is also very popular in other European countries: it is the favourite destination of Poles and is also very popular with German, Swiss, Irish, Russian and French users. Spaniards appear to prefer short-haul flights, perhaps explainable by a smaller travel budget.

iOS	✈ Average flight price (£)	★★★ Average price per night (£)	★★★★ Average price per night (£)
01 New York	475	171	218
02 Bangkok	525	30	52
03 Barcelona	140	90	125
04 Dubai	400	62	84
05 Amsterdam	112	109	138
06 Orlando	569	71	141
07 Los Angeles	606	127	200
08 Malaga	161	62	90
09 Paris	110	83	132
10 Dublin	68	84	117

Android	✈ Average flight price (£)	★★★ Average price per night (£)	★★★★ Average price per night (£)
01 Bangkok	501	26	50
02 New York	463	150	214
03 Barcelona	131	82	104
04 Dubai	386	58	80
05 Amsterdam	109	94	117
06 Paris	106	62	126
07 Orlando	557	63	141
08 Malaga	167	48	85
09 Lisbon	159	48	74
10 Madrid	111	58	79

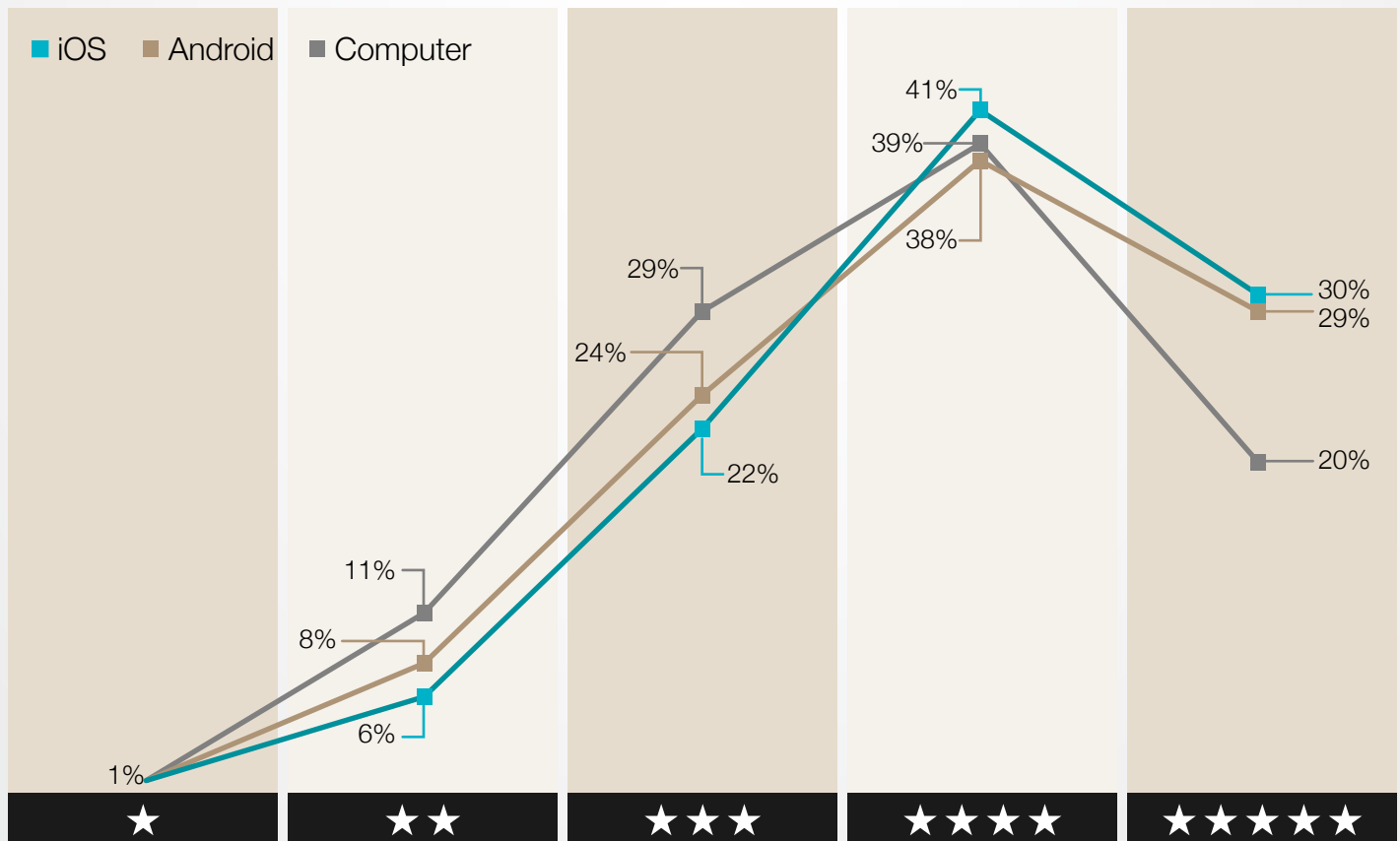| Computer	✈ Average flight price (£)	★★★ Average price per night (£)	★★★★ Average price per night (£)
01 New York	470	168	226
02 Bangkok	518	29	55
03 Barcelona	134	86	119
04 Amsterdam	110	102	144
05 Dubai	357	58	90
06 Orlando	569	71	163
07 Dublin	75	114	144
08 Malaga	154	56	101
09 Paris	107	79	147
10 Los Angeles	577	141	198

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Hotel star ratings:

Brits favour 4-star hotels

British travellers generally prefer to search for mid or high-end hotels, with less than one in ten searches looking for hotels ranked 2-stars or below. The most popular hotel category is 4-star hotels, accounting for 41% of searches on iOS, 38% on Android and 39% on computers.

Overall, British iOS users are more likely to book luxury hotels than both Android and computer users, with 30% of bookings being made for 5-star hotels, making it their second-most sought after rating. This is also true of

Android users, who searched for 5- star locations 29% of the time. Computer users, on the other hand, prefer 3-star hotels, with 29% choosing these compared with 20% opting for 5-star lodging.

Across Europe, 4-star hotels are the most popular hotel category across users on all devices, with Russians especially keen on upscale accommodation. Their 68% of searches looking for hotels of 4-stars and up makes them Europe's biggest lovers of luxury.

Legend: ■ iOS ■ Android ■ Computer

Rating	iOS	Android	Computer
★	1%	1%	1%
★★	6%	8%	11%
★★★	22%	24%	29%
★★★★	41%	38%	39%
★★★★★	30%	29%	20%

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Purchasing Power:

how much British travellers are prepared to spend on their holidays

Spending on popular destinations:

British iOS users are the least price sensitive

British computer users spend 5% more than their mobile counterparts, with an average ticket price of £307 spent for the top ten most-searched locations compared with £293 on mobile. Between mobile users, iOS users tend to spend 18% more than Android users on average. When booking a trip to the top three destinations of New York, Bangkok or Barcelona, iOS users spend slightly more on average than those on a computer, and significantly more than Android users, £380 as compared to £374 and £365 respectively.

Average spending on a flight to the 10 most popular destinations
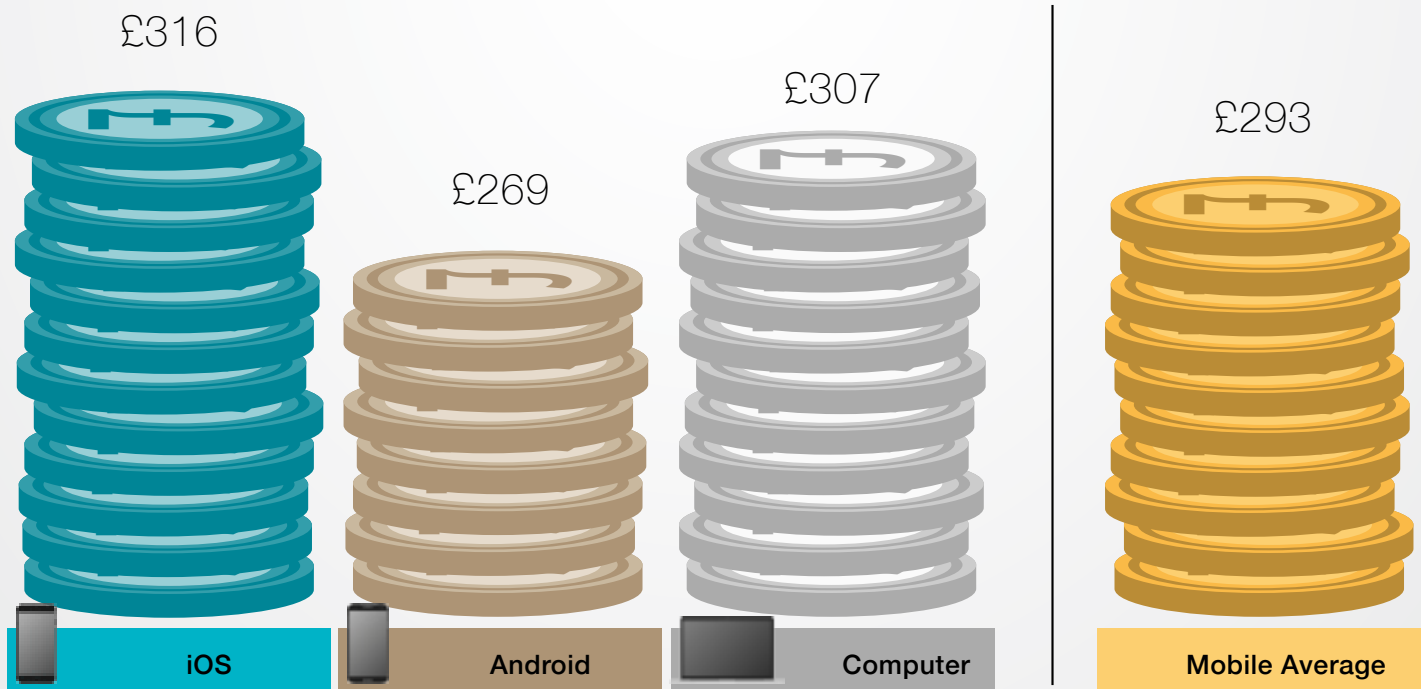
£316

£269

£307

£293

| iOS | Android | Computer | Mobile Average |

Spending on hotels:

British computer users are willing to spend more on accommodation than mobile users

When it comes to hotels, British computer users seem to be willing to spend more than their mobile counterparts, spending an average of 16% more on 3 and 4-star hotels in their favourite destinations, with an average price per double room per night of £115 , compared to £99 on mobile. Comparing mobile users, iOS users are far less sensitive to price than Android users, spending on average 24% more than Android users.

Average spending on a 3/4 star hotel in the 10 most popular destinations
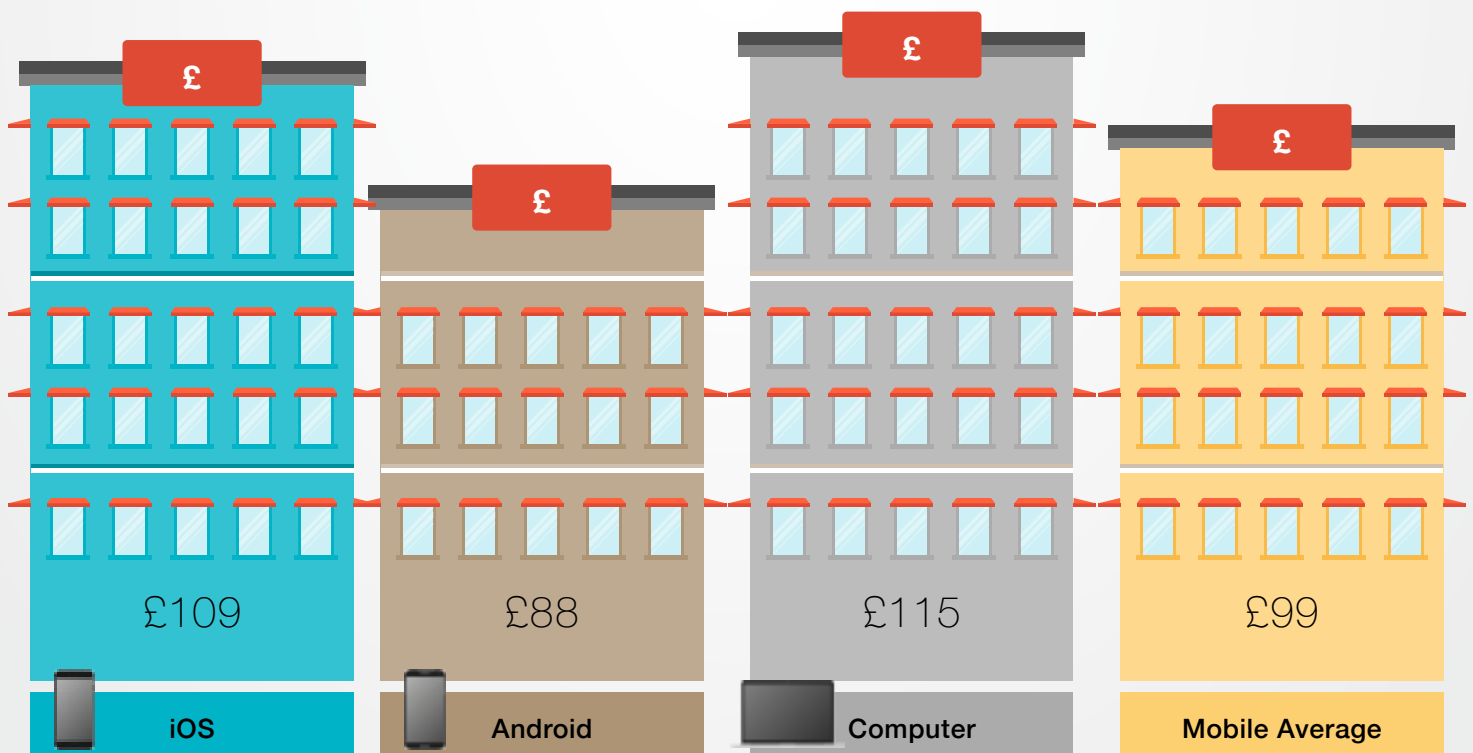
£	£	£	£
£109	£88	£115	£99
iOS	Android	Computer	Mobile Average

Time:

how much time Brits dedicate to searching and booking their travel

Flights:

Android users are the fastest bookers in the UK

When it comes to booking flights, Android users need less time than users of other platforms to make a decision, requiring only three minutes to find a deal and choose the flight ticket they want to book, compared with four minutes for iOS and computer users. The fastest bookers in Europe are Polish mobile users, who only need on average two and a half minutes to book their flight.

Average time to book a flight

04:00 min
iOS

03:00 min
Android

04:00 min
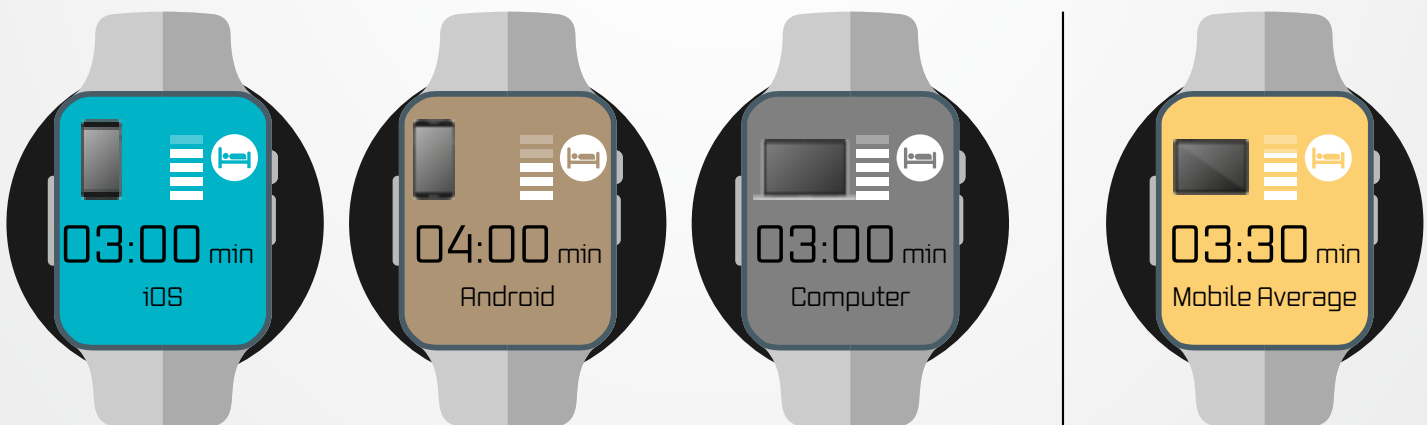Computer

03:30 min
Mobile Average

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Hotels:

Computer and iOS users find hotel deals fastest

Contrary to flights, for hotel bookings, it is Android users who lag behind. Computer and iOS users need an average of three minutes to lock down a deal for their hotel, while Android users spend one minute more on average.

This puts British users on a par with other users around Europe, where computer users need on average between three and four minutes to make a booking decision for a hotel, except for Austrians, who require much more: an average of seven minutes. On mobile, Italians are the fastest, with an average of three minutes needed on both Android and iOS devices.

Average time to book a hotel

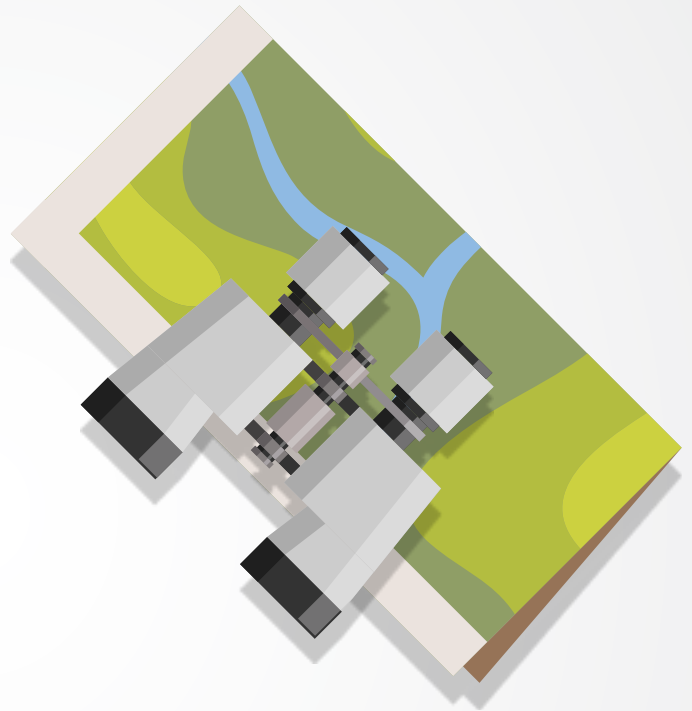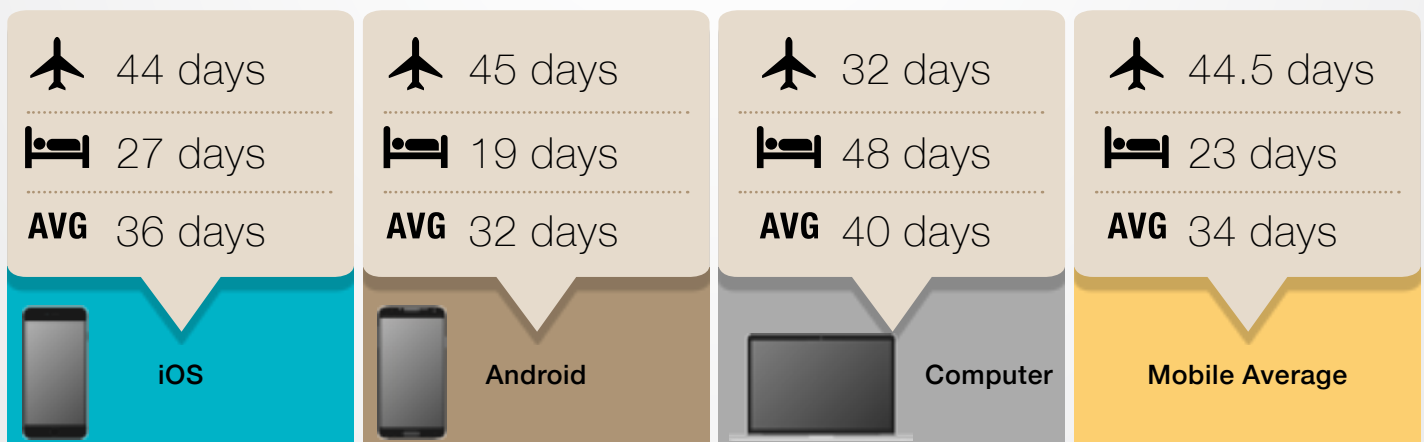| 03:00 min	04:00 min	03:00 min	03:30 min
iOS	Android	Computer	Mobile Average

When Brits book:

Mobile users are more spontaneous than computer users

British mobile travellers prefer to leave it closer to the date of travel to search. They book hotels and flights on average six days sooner than those booking on their computer. While iOS users book hotels an average of 27 days in advance, and flights 44 days in advance, Android users average 45 days before their trip for flight bookings, while only booking hotels 19 days in advance.

At the European level, the Germans book the furthest in advance, reserving flights almost 45 days in advance on mobile, and 51 days on their computer. The Swiss are more spontaneous; 39 days on mobile and 41 days on computer.

Book in advance

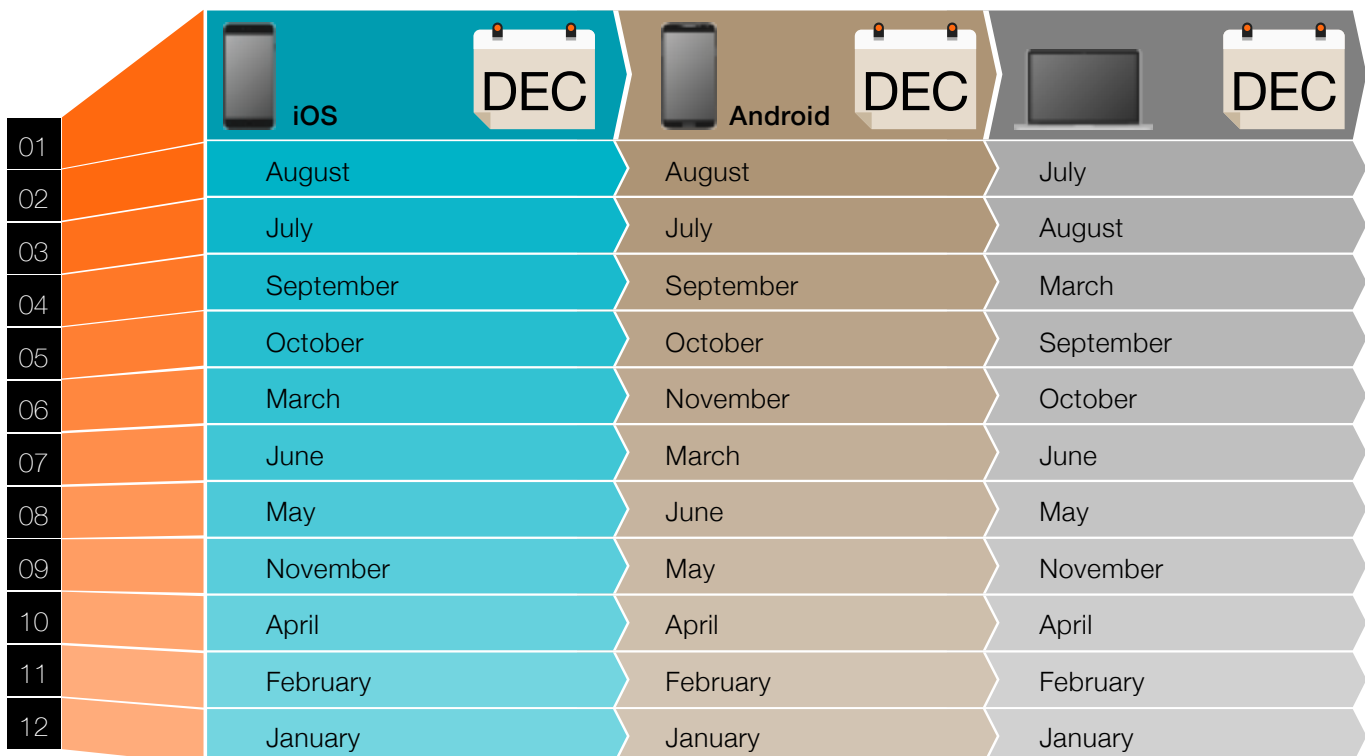|	iOS	Android	Computer	Mobile Average
✈	44 days	45 days	32 days	44.5 days
🛏	27 days	19 days	48 days	23 days
AVG	36 days	32 days	40 days	34 days

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When Brits travel:

December and summer months are the most popular times to go on holiday

Brits' favourite month to travel is the winter month of December, to escape the cold and spend their holiday somewhere warm and sunny. The summer months are another popular time of the year for Brits to get away - August and July are in second and third place respectively for mobile users, while the ranking is the other way around for computer users.

Most popular month to travel

	iOS — DEC	Android — DEC	(Computer) — DEC
01	August	August	July
02	July	July	August
03	September	September	March
04	October	October	September
05	March	November	October
06	June	March	June
07	May	June	May
08	November	May	November
09	April	April	April
10	February	February	February
11	January	January	January

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Mobile
Traveller Profiles

iOS Traveller Persona

Spends
£316
on flights to the top 10 destinations

Spends
£109
on 3/4 star hotels in the top 10 destinations

Books flights and hotels **36** days in advance

Most popular destination is
New York

Most likely of all users to book a
4 or 5-star hotel

Takes **04:00** minutes to book a flight

Most popular travel month is
December

DEC

Takes **03:00** minutes to book a hotel

Android Traveller Persona

Spends
£269
on flights to the top
10 destinations

Spends
£88
on 3/4 star hotels in
the top 10 destinations

Books flights
and hotels
32
days in advance

Most popular
destination is
Bangkok

Most likely of all users
to book a
4-star
hotel

Takes
03:00
minutes to book
a flight

DEC
Most popular travel
month is
December

Takes
04:00
minutes to book
a hotel

Computer Traveller Persona

Spends **£307** on flights to the top 10 destinations

Spends **£115** on 3/4 star hotels in the top 10 destinations

Books flights and hotels **40** days in advance

Most popular destination is **New York**

Most likely of all users to book a **3 or 4-star** hotel

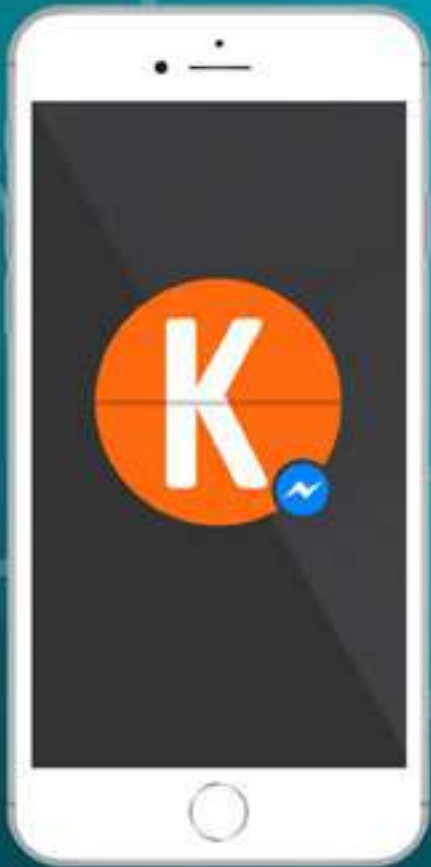Takes **04:00** minutes to book a flight

DEC Most popular travel month is **December**

Takes **03:00** minutes to book a hotel
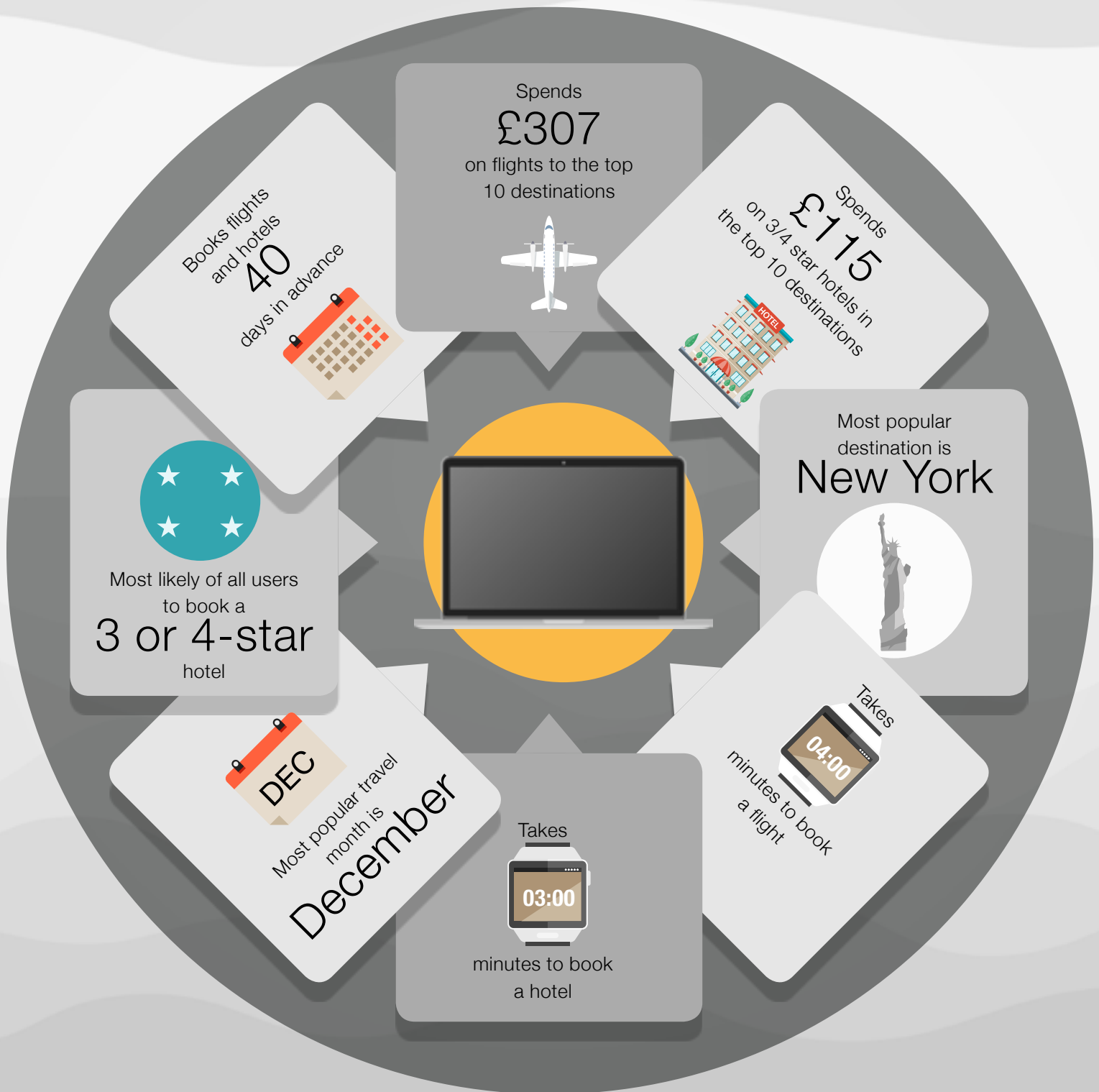
Chatbots

Travel Trends on KAYAK's chatbots

KAYAK is increasingly exploring ways to bring chatbot technology to places where people spend their time, from text-based search tools such as Facebook Messenger (available in three English speaking countries, including the United States, United Kingdom and Australia, along with local language bots operating in South Korea, Brazil, and Germany) to voice-activated systems including Alexa and Google Home (available in the United States only). Integration also exists within group messaging application Slack, where individuals and teams can collaboratively search for travel options.

With more languages on the way, and more expansion planned for the near future, KAYAK is placing an emphasis on finding innovative ways to engage with its users via emerging technology platforms.

New York is the favourite destination of KAYAK chatbot users on Facebook Messenger

New York is the number one choice for KAYAK's users in both flight and hotel searches when interacting with the chatbot on Facebook Messenger. It is apparent that flight searches are dominated by American cities, with San Francisco, Las Vegas and Los Angeles all in the top five, and London and Paris the only destinations outside the US to rank in the top ten. However, several other European capitals number amongst the most searched-for cities for hotels, including Rome, Berlin and Barcelona.

Most popular destinations

#	Flights
01	New York
02	San Francisco
03	Las Vegas
04	London
05	Los Angeles
06	Boston
07	Paris
08	Chicago
09	Orlando
10	Miami

#	Hotels
01	New York
02	Paris
03	Las Vegas
04	London
05	Berlin
06	Boston
07	San Francisco
08	Barcelona
09	Chicago
10	Rome

Brits search most for flights to London and New York

When interacting with the KAYAK Facebook Messenger chatbot, British travellers' top destination for both flights and hotels is their own capital city, London, followed by New York, the favourite for all KAYAK chatbot users on Facebook Messenger overall. Brits look closer to home in terms of flights, with European destinations Barcelona and Paris ranking third and fourth respectively, followed by Toronto, Canada. In hotel searches, Bangkok, Berlin, and Dubai round out the top five.

Most popular destinations

01	London
02	New York
03	Barcelona
04	Paris
05	Toronto

01	London
02	New York
03	Bangkok
04	Berlin
05	Dubai

Alexa searches are dominated by American cities

The KAYAK skill on Alexa, the cloud-based voice service that powers Amazon Echo (a hands-free, voice-controlled speaker that allows users to access Amazon's Alexa voice service) helps users to search for travel deals.

With the Alexa skill so far only available in the United States, it comes as no surprise that voice searches made with the service are mainly focused around American cities. London, in eighth position, is the sole non-American city found in the top ten flight searches, while Miami beats New York into first position. For hotels, New York ranks first, followed by Las Vegas. No cities from outside the United States crack the top ten for hotel searches made using Alexa.

Most popular destinations

01	Miami
02	New York
03	Las Vegas
04	Boston
05	Orlando
06	Los Angeles
07	San Francisco
08	London
09	Chicago
10	Denver

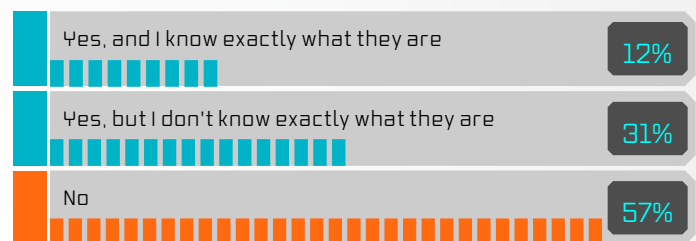|	
01	New York
02	Las Vegas
03	Boston
04	Miami
05	Orlando
06	San Francisco
07	Chicago
08	Seattle
09	Los Angeles
10	New Orleans

What British people think about chatbots

57% of people in the UK have never heard of a chatbot while 31% have heard of them but don't know what they are. Only 18% have used one before
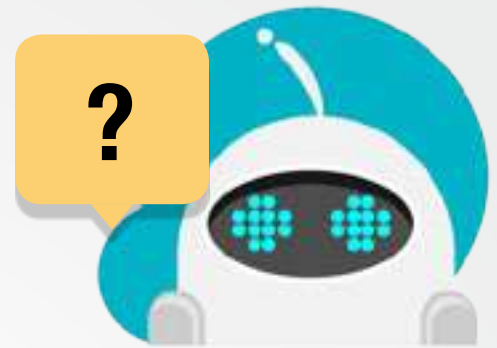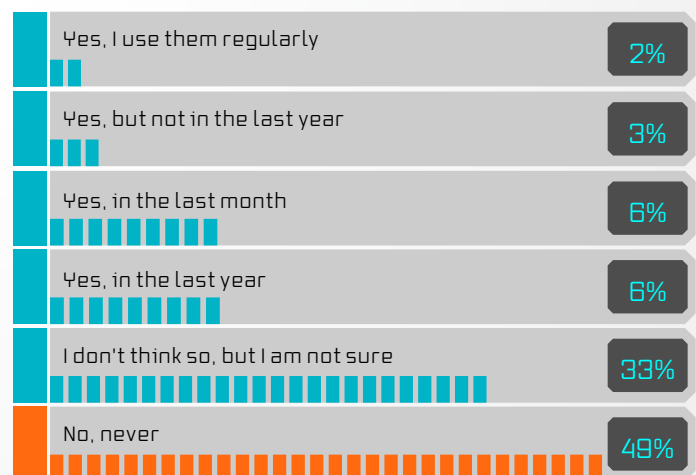
The research shows that the majority of people in the UK (57%) have never heard of chatbots, with only 12% of people able to describe exactly what they do. Men (49%) are more likely than women (38%) to have heard of chatbots. Larger differences can be noted across different age groups, with 30% of those aged 18-34 years old versus only 3% of those of aged 55 and up showing knowledge of chatbots, showing that there is, unsurprisingly, more interest about this new technology amongst the younger generation. The British population lags slightly behind other countries around Europe in terms of chatbot use, especially Russia, where 60% of people are familiar with chatbots. However, the UK is well ahead of Germany, where only 22% of those asked were familiar.

Overall, 18% of Brits say they have used a chatbot before, but only 6% have done so in the past month. Younger users are far more likely to be engaged with the technology, with 13% of 18-34 year-olds compared with only 3% of Brits aged 55 and up having used a chatbot in the past month. Although chatbot usage remains low in the UK, there are signs it is growing quickly. When asked to think back to a year ago, only 3% of British people say they were using chatbots on a regular basis. With double that number having used a chatbot in the last four weeks, it seems that that this is a technology growing in popularity.

Have you heard of "chatbots"?

Yes, and I know exactly what they are	12%
Yes, but I don't know exactly what they are	31%
No	57%

Have you ever used a chatbot?

Yes, I use them regularly	2%
Yes, but not in the last year	3%
Yes, in the last month	6%
Yes, in the last year	6%
I don't think so, but I am not sure	33%
No, never	49%

Thinking back to 12 months ago - did you use chatbots regularly?

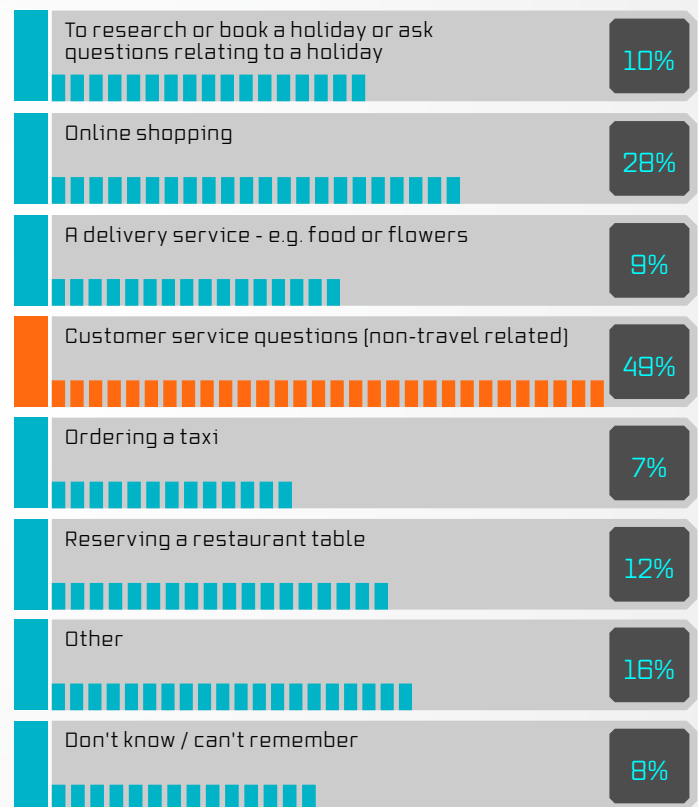|	
Yes	3%
No	57%

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Non travel-related customer service is the biggest factor driving chatbot use so far in the UK
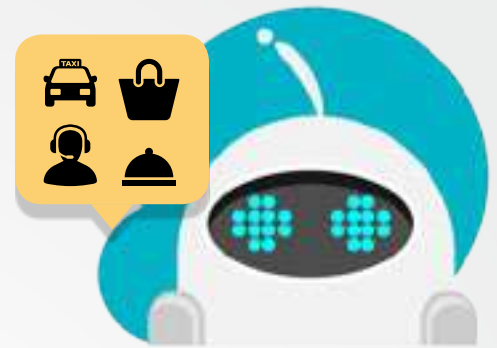
Amongst British people who have used chatbots previously, the most common use by far was for fielding customer service questions unrelated to travel, a service reported by 49% of British chatbot users. Online shopping, accounting for 28% of users, was the second most popular use, followed by restaurant reservations with 12%. Men were more likely than women to make use of a chatbot in nearly all arenas, including online shopping (33% to 23%), and customer service (54% to 44%). One area more popular with women than men was in the realm of holiday bookings, which 14% of female chatbot users had done, compared with just 7% of men.

However, with only 10% of chatbot use in Britain going to holiday planning, it seems this service is still largely untested in the UK.

→ What have you previously used chatbots for?

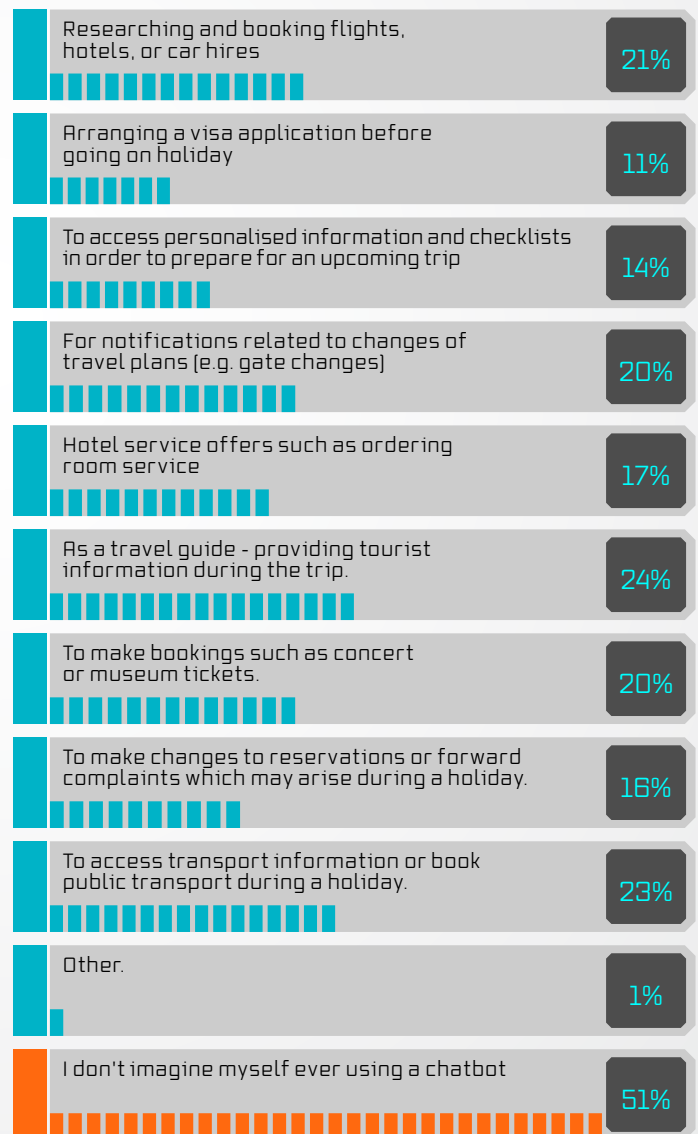| Use	Percentage
To research or book a holiday or ask questions relating to a holiday	10%
Online shopping	28%
A delivery service - e.g. food or flowers	9%
Customer service questions (non-travel related)	49%
Ordering a taxi	7%
Reserving a restaurant table	12%
Other	16%
Don't know / can't remember	8%

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The majority of the UK population prefer to book travel online, but remain sceptical over potential for using chatbots in holiday planning
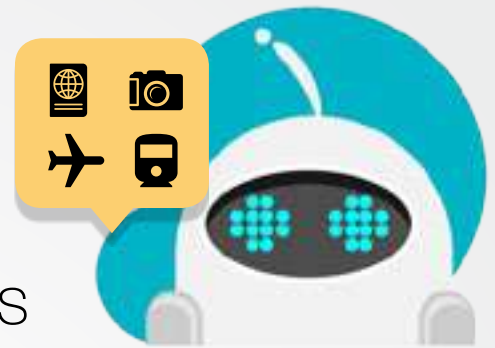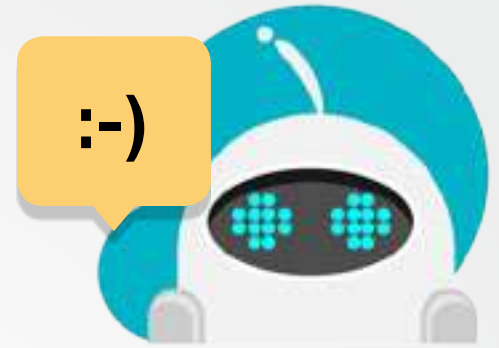
According to the survey, 51% of British people see no situation in which they could imagine themselves using a chatbot while planning for or during their holiday. Where a potential use was cited, the most likely service mentioned was as a travel guide to provide tourist information during the trip (24%) or by accessing transportation information or booking public transportation during a holiday, a response given by 23%. The next most likely use was in researching and booking flights, hotels or car hires, with 21%.

However, the rather low enthusiasm amongst British travel planners for chatbots could simply be related to their unfamiliarity. While only 1% of Brits would currently prefer to book travel through a chatbot, one need look no further than the rapid rise of online travel agencies and search tools to see that this could change quickly: 72% of Brits already said they would rather make a travel booking online rather than at a high street agent, and only 18% of respondents have visited a physical travel agent in person over the last year.

Travellers can already access a variety of chatbots. In which scenarios could you imagine you might use a chatbot?
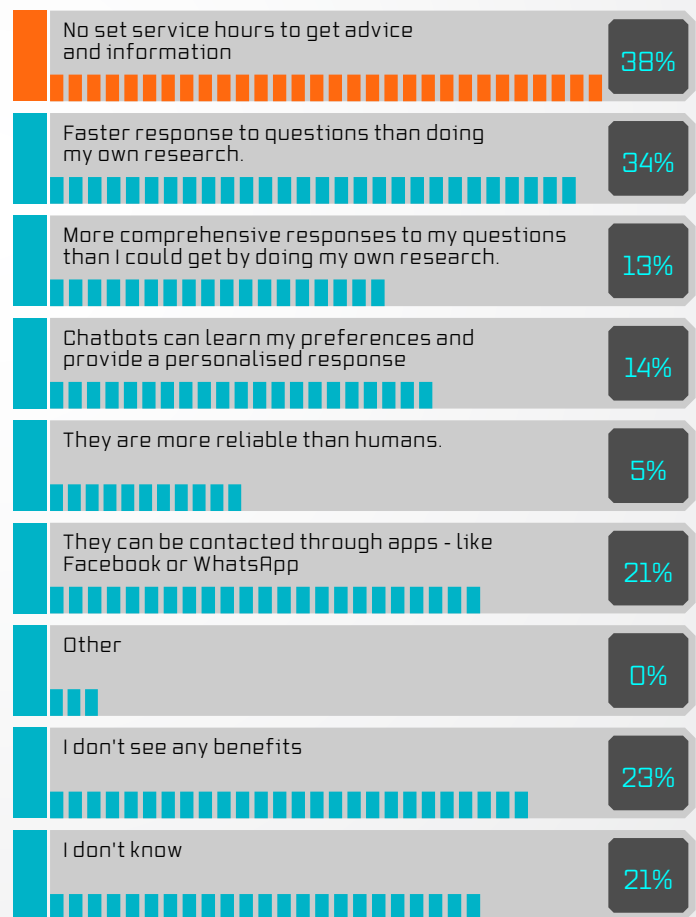
Scenario	%
Researching and booking flights, hotels, or car hires	21%
Arranging a visa application before going on holiday	11%
To access personalised information and checklists in order to prepare for an upcoming trip	14%
For notifications related to changes of travel plans (e.g. gate changes)	20%
Hotel service offers such as ordering room service	17%
As a travel guide - providing tourist information during the trip.	24%
To make bookings such as concert or museum tickets.	20%
To make changes to reservations or forward complaints which may arise during a holiday.	16%
To access transport information or book public transport during a holiday.	23%
Other.	1%
I don't imagine myself ever using a chatbot	51%

Brits see largest benefits of chatbots in their ease of use, but only 5% would consider them more reliable than a human
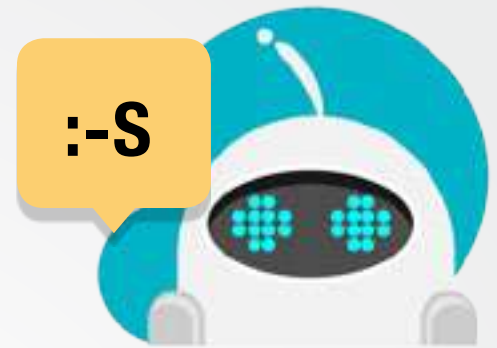
:-)

Brits see the biggest advantages of chatbots in their availability and response time. Thirty-eight per cent of respondents indicated that chatbots' lack of set service hours are beneficial, while 34% mentioned their quick response time. Chatbot integration in messaging apps such as Facebook messenger and WhatsApp is also of interest, as noted by 21% of British respondents. However, British people as a whole remain fairly unreceptive to the idea of using chatbots, with 23% of them seeing no benefits at all and 21% stating they didn't know what the benefits could be. In total, only 5% see them as more reliable than humans.

Across Europe, it seems that the countries with more exposure to chatbots are more receptive to them and see more potential benefits in using their services. According to international research, Germans are least familiar with chatbots and least likely to use them (22%), while Italians, Spanish and Russians are more likely to see benefits - unsurprising given they are already more likely to have used one.

➔ **What benefits do you think there are / could be to using chatbots?**

No set service hours to get advice and information	38%
Faster response to questions than doing my own research.	34%
More comprehensive responses to my questions than I could get by doing my own research.	13%
Chatbots can learn my preferences and provide a personalised response	14%
They are more reliable than humans.	5%
They can be contacted through apps - like Facebook or WhatsApp	21%
Other	0%
I don't see any benefits	23%
I don't know	21%

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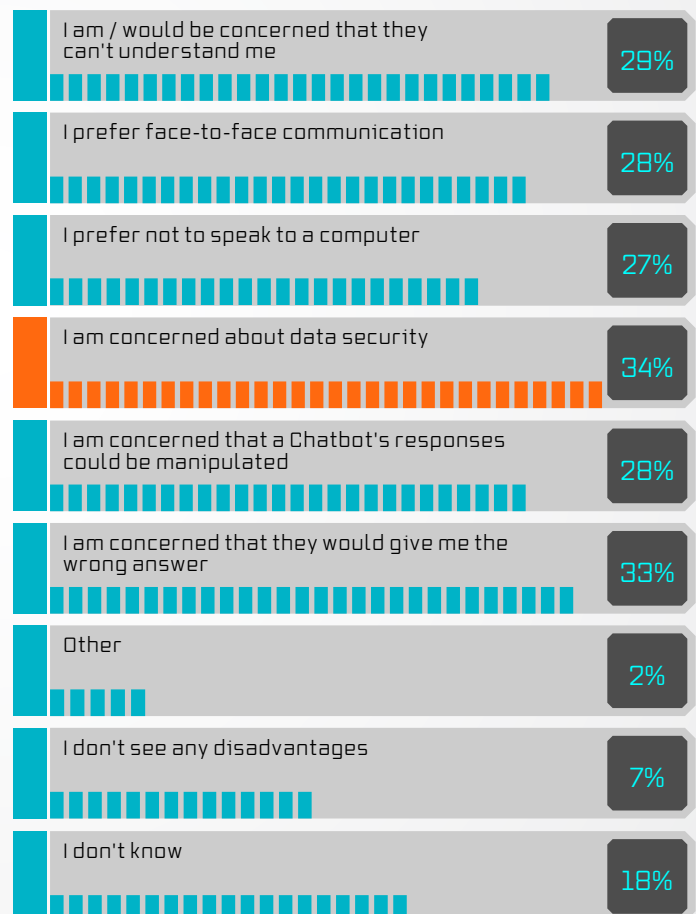# Data security is the main concern British people have when talking to a bot

The biggest concern British people have when using a chatbot is data security (34%), with women (36%) being slightly more concerned than men (32%). Other concerns raised include receiving incorrect responses (33%), being misunderstood (29%) or the possibility of the bot's responses being somehow manipulated (28%).

Perhaps unsurprisingly, concerns related to a preference for face-to-face communication increased with age, with 23% of 18-24 year olds compared with 27% of 35-54 year olds and 30% of the 55+ group citing this as a possible disadvantage. Younger respondents were, in turn, more worried about receiving inaccurate responses from the bot (46%).

However, with only 7% of respondents seeing no possible disadvantages in using chatbots, the British population was in agreement that the technology, though it shows potential, has a long way to go to gain its trust.

→ Do you have any concerns regarding chatbots?

Concern	%
I am / would be concerned that they can't understand me	29%
I prefer face-to-face communication	28%
I prefer not to speak to a computer	27%
I am concerned about data security	34%
I am concerned that a Chatbot's responses could be manipulated	28%
I am concerned that they would give me the wrong answer	33%
Other	2%
I don't see any disadvantages	7%
I don't know	18%

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