



Digital Tourism *Trend Radar*

2024 BY INSIDE LABS IN
PARTNERSHIP WITH
VISIT GROUP

inside labs



visitgroup

Table of Contents

About the Report 4

Geographical Distribution	5
Participant Roles	5
Organisational Types & Size	6
4 Dimensions - Data, Technology, People and Processes	6

Data 7

From Data Collection to Action	8
Challenges in Data Application	9

Technology 10

Orchestrating the Digital Customer Journey	11
Most Relevant Digital Technologies	12
Online Commerce & Availability	13
Embracing the AI Era	14

People 15

Adapting a Data-Driven Mindset	16
The Need for New Skills	16
Areas of Improvement	17
Bridging the Skills Gap	19

Processes 20

Challenges in Establishing a Data Strategy	21
From Strategy to Culture	22
Data-Based Strategic Decision Making	22

Conclusion 23

About us 25

As the digital era fundamentally reshapes how we interact with the world, understanding and leveraging technological advancements and data-driven strategies have become essential for tourism companies to stay competitive.

Based on an online survey with more than 80 industry decision-makers, the Digital Tourism Trend Radar 2024 provides valuable insights for tourism companies to understand and navigate the complexities of digital transformation in the tourism industry better. This report offers actionable insights and strategies for tourism organizations to thrive in the digital age by focusing on the four dimensions of Data, Technology, People, and Processes. As we continue to embrace technological advancements and data-driven approaches, we look forward to seeing how these trends will shape the future of tourism, enhancing guest experiences and driving sustainable growth.



We hope this report serves as a valuable resource for tourism companies on their journey towards a digital, data-driven future.

Best regards,

A stylized, handwritten signature in black ink, consisting of several sweeping, connected strokes.

Silvan Schuppisser
Head of Marketing, Inside Labs

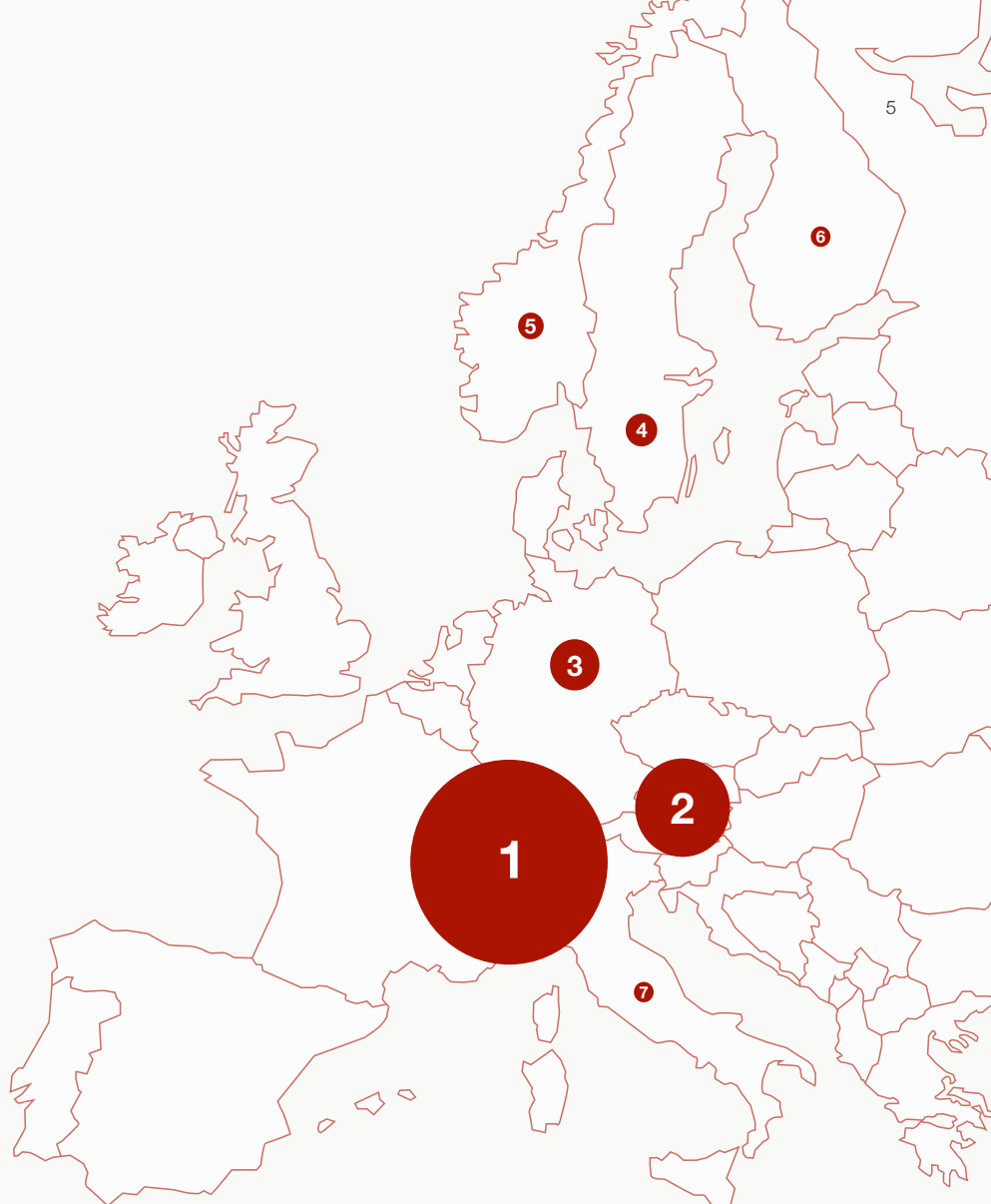
About the *Survey*



This report presents a comprehensive analysis of the current and future impact of data and technology on the tourism industry. The study, conducted by Inside Labs in collaboration with Visit Group, gathers perspectives from over 80 different European tourism leaders. In a structured online questionnaire, the participants could share their views on the transformative effects of technological advancements and data on their organization.

Geographical Distribution

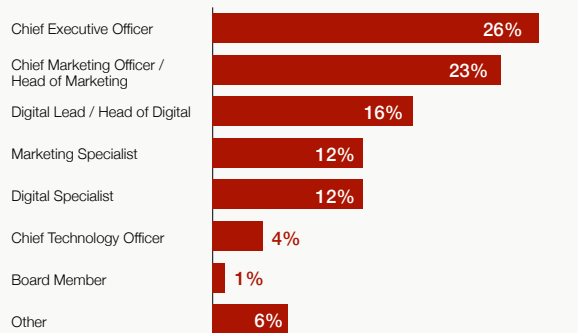
The survey's geographical focus was predominantly on the Alpine region, with a majority of participants coming from Switzerland, Austria, and Germany. The remaining participants were from Scandinavia, Finland and Italy, adding valuable diversity to the findings.



1	Switzerland	47.5 %
2	Austria	22.8 %
3	Germany	11.9 %
4	Sweden	7.9 %
5	Norway	5.9 %
6	Finland	3.0 %
7	Italy	1.0 %

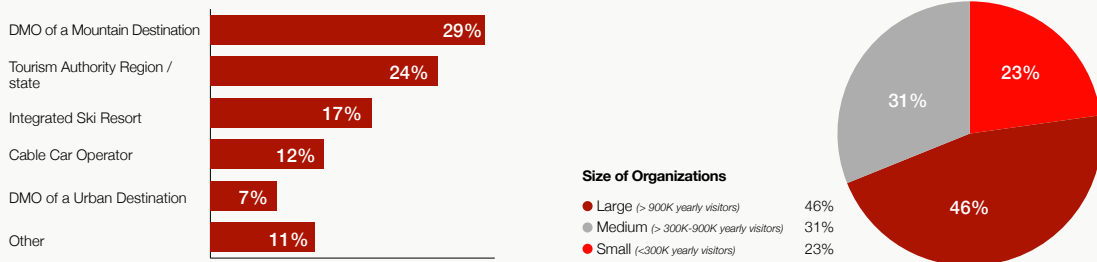
Participant Roles

To capture a holistic view, the survey included participants from various leadership roles related to digitalization and marketing. The roles represented in the survey were as follows:



Organizational Types and Size

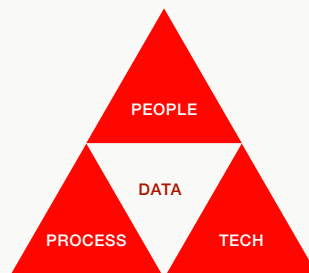
The survey also categorized respondents based on the type of organization they represent to provide a nuanced understanding of how different sectors within the tourism industry are leveraging data and technology. The following types of organizations were included:



With 46%, the majority of organizations represented in the survey are large-sized organizations with more than 900,000 yearly visitors. The rest of the responses came from medium-sized organizations (300,000-900,000 yearly visitors) and small organizations with less than 300,000 yearly visitors. This classification helps to understand how different operational sizes influence the adoption and impact of digital technologies.

4 Dimensions – Data, Technology, People, and Processes

The PPT framework is a frequently used model for digital transformation. It is characterized by the dimensions People, Processes, and Technology. For this report, we expanded the PPT framework to include Data as the fourth dimension. This adaptation to the existing framework provides a comprehensive model for understanding and addressing the various facets of digital transformation within tourism companies.



Data – The Foundation of *Great Digital Experiences*



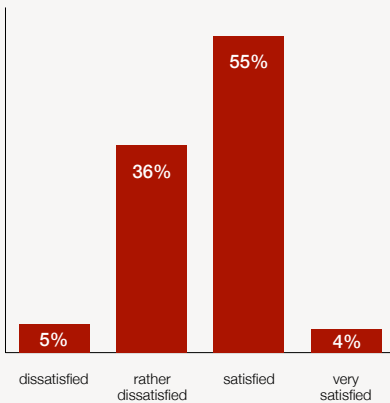
In the rapidly evolving digital tourism landscape, data is the cornerstone for creating remarkable guest experiences. While customer data collection has become a relatively straightforward task for most tourism companies, the main challenge lies in effectively utilizing data to enhance marketing efforts and ultimately improve guest satisfaction.

From *Data Collection* to *Action*

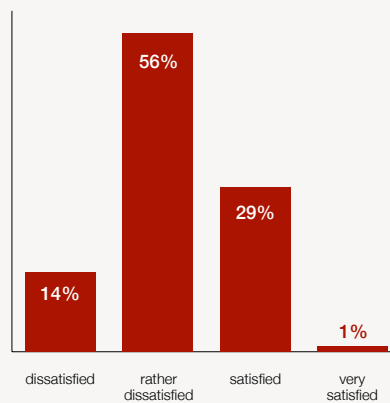
The survey reveals a strong contrast between tourism companies' ability to collect data and their capacity to use it effectively in their marketing efforts. Only 5% of tourism companies express dissatisfaction with the amount of customer data they are collecting. This indicates that most organizations have well-established mechanisms to gather data from various touchpoints.

However, the survey results also show that the real challenge lies in transitioning from data collection to actionable use cases that create value. A significant 70% of decision-makers report dissatisfaction with the extent to which their organizations utilize data to improve the results of their activities. This gap between data collection and usage underscores a critical area for improvement in the industry. Reasons as to how this gap comes about are further discussed in the next chapter. A direct comparison with the Digital Tourism Trend Radar 2023 shows slow progress in this area. Compared to last year, the age of participants who stated dissatisfaction only decreased by 5%.

How satisfied are you with the amount of customer data your organization is currently collecting?



How satisfied are you with the amount of customer data your organization is actively working with or utilizing?



Challenges in Data Application – Several key challenges prevent the effective application of data in marketing campaigns within the tourism industry. The survey identifies the following major obstacles:



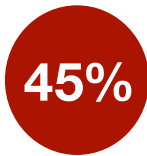
Missing Skills to Analyze Data

A majority of respondents cite a lack of analytical skills as a main barrier. The ability to interpret and derive actionable insights from data is crucial for making informed marketing decisions. Without these skills, vast amounts of collected data remain underutilized.



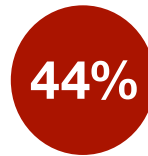
Fragmented Data Landscape

The tourism industry often deals with data silos, where information is stored across disparate systems and databases. This fragmentation makes it challenging to get a comprehensive view of customer behavior and preferences, limiting the effectiveness of marketing efforts.



Data Privacy Concerns

With increasing regulations around data privacy, such as the General Data Protection Regulation (GDPR) in Europe, companies are cautious about how they handle and use customer data. Concerns about compliance and protecting customer privacy can impede data utilization. It is interesting to observe that tourism companies from the Alpine region see data privacy issues as a greater challenge than the representatives located in the Nordics. In this subgroup, only around 30% saw them as a major challenge.



Limited Access to Valuable Data

While data collection is robust, access to truly valuable data remains a challenge. Factors such as data restrictions, dissatisfactory data quality and the cost of acquiring high-quality data contribute to this limitation.



Lack of Digital Tools & Software

Some organizations struggle with outdated or inadequate digital tools that do not support advanced data analysis and integration. Investing in modern digital platforms and tools is essential for transforming data into a competitive advantage.

Technology – The *Enabler* and *Multiplier*

By integrating advanced digital tools and platforms, tourism companies can streamline operations, enhance customer engagement, and drive revenue growth. This chapter presents the perspectives of industry leaders regarding the relevance of different digital marketing channels and technologies, the role of online commerce availability, and how artificial intelligence (AI) is transforming the industry.

Orchestrating the *Digital Customer Journey*

In today's digital age, tourism companies interact with their guests across several digital channels, ranging from email and websites to social media platforms, mobile apps, and messaging services like WhatsApp. This multi-channel approach is crucial for engaging with customers at various stages of their journey, from initial awareness to post-visit interactions.

Current Focus on Awareness

The survey reveals that the majority of tourism companies currently focus heavily on the awareness phase of the customer journey. The most commonly used channels include websites (98%), social media (94%), and newsletters (92%). While these channels are effective for reaching potential customers and building brand awareness, they are less frequently leveraged to enhance the guest experience during their stay or to foster long-term relationships.

Underutilized Owned Channels for Personalization

Channels such as mobile apps or direct messaging channels like WhatsApp and text messaging are less commonly used despite the fact that they can significantly improve guest experiences through personalized interactions. Only 34% of organizations utilize native mobile apps, and even fewer use web apps (27%) or WhatsApp (10%). This gap represents a missed opportunity, especially as guests increasingly expect personalized, event-triggered experiences and content throughout their entire customer journey.

Also, with the impending shift to a cookie-less future, the importance of owned channels—such as websites, native apps, and newsletters—will further grow. These channels allow tourism companies to gather zero and first-party data and gain deeper insights into guest behavior, which is essential for delivering personalized experiences. The ability to identify guests through logins and track their interactions across different touchpoints and phases of the customer journey will be crucial to staying competitive.

Most Relevant Digital Technologies – Today and Tomorrow. The relevance of various digital technologies in the tourism industry is evolving rapidly. The survey provides a snapshot of these technologies’ current importance and how their relevance is expected to change over the next two years.



Content Management Systems (CMS)

91% of respondents rate CMS as highly or very highly relevant, reflecting the importance of managing digital content effectively.



E-Mail Marketing

With a relevance rating of 73%, email marketing remains a critical tool for direct communication with guests.



Ticketing / Booking / E-Commerce

72% of respondents highlight the importance of robust e-commerce solutions for online sales and bookings.



Customer Relationship Management (CRM)

Surprisingly, only 58% of respondents consider CRM systems crucial for managing customer interactions and data.

Anticipated Changes in Relevance

Looking ahead, the survey participants foresee significant shifts in the relevance of several technologies.

These trends highlight a clear shift towards data-driven strategies, automation for personalized messaging throughout the entire customer journey, and the use of advanced analytics to enhance marketing and operational efficiencies.

Data Analytics and Business Intelligence Expected to become even more critical, with 85% of respondents predicting increased relevance.

ChatGPT and AI Tools AI technologies like ChatGPT are expected to see a substantial increase in relevance, with 83% of respondents predicting greater importance.

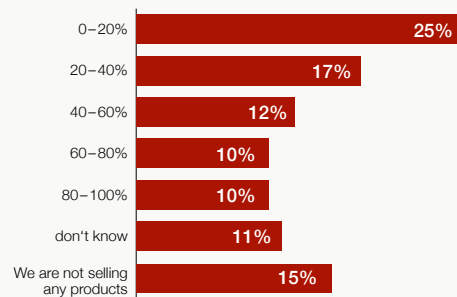
Marketing Automation and Personalization Set to gain prominence, with 77% of respondents indicating higher relevance in the future.

Customer Relationship Management 68% of respondents anticipate a growing importance, underscoring the need for effective customer relationship management.

Online Commerce and Availability

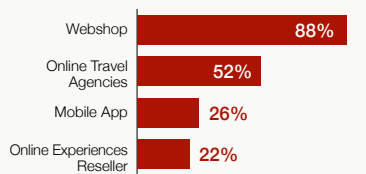
The digital availability of products and services is a basic element for revenue growth in the tourism industry. The survey results show a wide variety of revenue generated through digital channels. While some organizations generate more than 80% of their revenue online, every fourth company still sells 20% or less through online channels.

Percentage of Online Revenue



The most utilized digital commerce channel remains the webshop, used by 88% of respondents, followed by online travel agencies (52%). However, only 25% of respondents sell products through a mobile app, which is notably low given that over half of global travel bookings are now conducted via mobile devices. In 2023, according to the [Travel App Report](#), approximately 43% of global travel bookings were made through mobile apps, with an additional 10% completed on mobile web browsers. This underutilization of mobile platforms represents a critical area for improvement in tourism, especially considering the growing consumer preference for mobile transactions.

Online Booking Channels



Embracing *the AI Era*

AI is set to revolutionize tourism marketing, with its impact already strongly perceived by industry players. When asked about the impact of AI over the next two years, survey participants anticipate significant effects across various areas:

84%

Campaign Management

AI will revolutionize campaign management in tourism marketing organizations by enabling highly personalized and targeted marketing efforts. 84% of tourism leaders see a high or very high impact.

83%

Marketing Automation

83% of decision-makers believe that AI will significantly enhance marketing automation in tourism companies by streamlining processes such as customer segmentation, personalized content creation, and automated campaign flows.


86%

Content Creation

According to 86% of participants, AI will have a high or very high impact on content creation in tourism organizations by generating customized, high-quality content at scale based on detailed analysis of customer preferences and behaviors. This will result in more engaging and relevant storytelling, enhanced customer experience, and higher conversion rates.

Tourism companies are advised to invest in the necessary skills, tools, and data infrastructure to fully leverage AI. Adopting AI-driven solutions will undoubtedly be one of the key indicators to create a competitive advantage in the upcoming years.

People – Driver on the Way Towards a *Data- Driven* Future

A man and a woman, both wearing winter hats and jackets, are looking at a smartphone together. The man is wearing a black beanie and sunglasses, while the woman is wearing a white beanie with goggles on top. They are standing in front of a snowy mountain range under a clear sky.

As organizations strive to leverage the power of data to enhance their marketing strategies and overall operations, the development of a new, data-driven mindset and the acquisition of relevant skills become paramount. This part of the report delves into the critical role of people in driving the digital transformation of tourism companies, highlighting the need for new skills, the current state of capabilities, and areas for improvement.

Adapting a Data-Driven Mindset

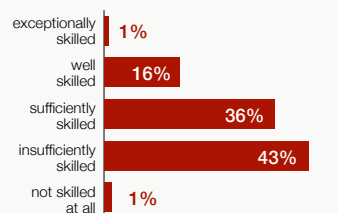
Digital transformation is not solely about adopting new technologies; it fundamentally requires a shift in the organizational culture and mindset. A data-driven mindset involves recognizing the value of data as a strategic asset and integrating data-centric thinking into all aspects of decision-making. This cultural shift is essential for tourism organizations to remain competitive and innovative in an increasingly digital world.

To cultivate a data-driven mindset, organizations must encourage continuous learning and foster an environment where data literacy is prioritized. Employees at all levels need to understand the importance of data, how to interpret it, and how to use it to inform their actions. Leadership plays a crucial role in setting the tone, providing support, and championing data-driven initiatives.

The Need for New Skills

The journey towards a data-driven future calls for a new skill set within tourism marketing teams. The survey results highlight a significant skills gap in the industry. When asked about the proficiency of their marketing teams in using data and technology, nearly half of the participants indicated that their teams had insufficient skills or no skills at all. Only 16% believed their teams were well-skilled in these areas. This underscores the urgent need for comprehensive training and education programs to upskill the workforce.

Digital and Data Skill Level of Team



Areas of Improvement

The survey responses pinpoint several critical areas where skills improvement is necessary to drive digital transformation effectively:

1. Data Analytics

A remarkable 80% of survey participants identified a strong or very strong need to improve data analytics skills. The ability to analyze and interpret data is fundamental for data-driven decision-making. Proficiency in data analytics enables teams to uncover insights from large datasets, track performance metrics, and measure the effectiveness of marketing campaigns. This skill set is essential for optimizing strategies and achieving better outcomes.

Suggested Areas for Data Analytics Training

Understanding data collection methods and sources

Proficiency in using data analytics tools and software

Ability to interpret data trends and patterns

Predictive analytics and machine learning

80%
of survey participants identified a strong or very strong need for improvement in data analytics skills.

68%

of participants emphasized a strong or very strong need for skills in planning, creating, and executing personalized cross-channel campaigns.

3. Digital Commerce

Digital commerce skills are also in high demand, with 55% of industry leaders recognizing a strong or very strong need for improvement in this area. As more consumers turn to online platforms for their travel bookings and purchases, the ability to manage and sell products through digital channels becomes increasingly important.

Suggested Areas for Digital Commerce Training:

Understanding e-commerce platforms and technologies

Managing online product listings and inventory

Optimizing the user experience on digital commerce sites

Utilizing digital marketing techniques to drive online sales

2. Personalized Cross-Channel Campaigns

Personalization is a cornerstone of effective digital marketing. 68% of participants emphasized a strong or very strong need for skills in planning, creating, and executing personalized cross-channel campaigns. With consumers expecting customized experiences, the ability to deliver relevant content across multiple touchpoints is crucial. This requires an in-depth understanding of customer behavior, preferences, and journey stages.

Suggested Areas for Personalized Campaign Training:

Techniques for segmenting audiences based on data insights

Crafting personalized messages at scale

Coordinating campaigns across various channels (email, social media, mobile apps, etc.)

Measuring the impact of personalization on customer engagement and conversion rates

55%

of industry leaders recognizing a strong or very strong need for improvement in digital commerce.

Bridging the Skills Gap

Addressing the skills gap requires a multi-faceted approach. Here are some strategies tourism organizations can adopt to develop the necessary capabilities:

1. Comprehensive Training Programs

Organizations should invest in structured training programs. These programs can be offered as workshops, online courses, and certifications. Partnering with industry experts and agencies can enhance the quality and relevance of the training.

2. Continuous Learning and Development

The digital landscape is constantly evolving, making continuous learning imperative. Organizations should encourage a culture of lifelong learning by providing employees with access to ongoing education opportunities. This can include attending industry conferences, participating in webinars, and subscribing to relevant publications.

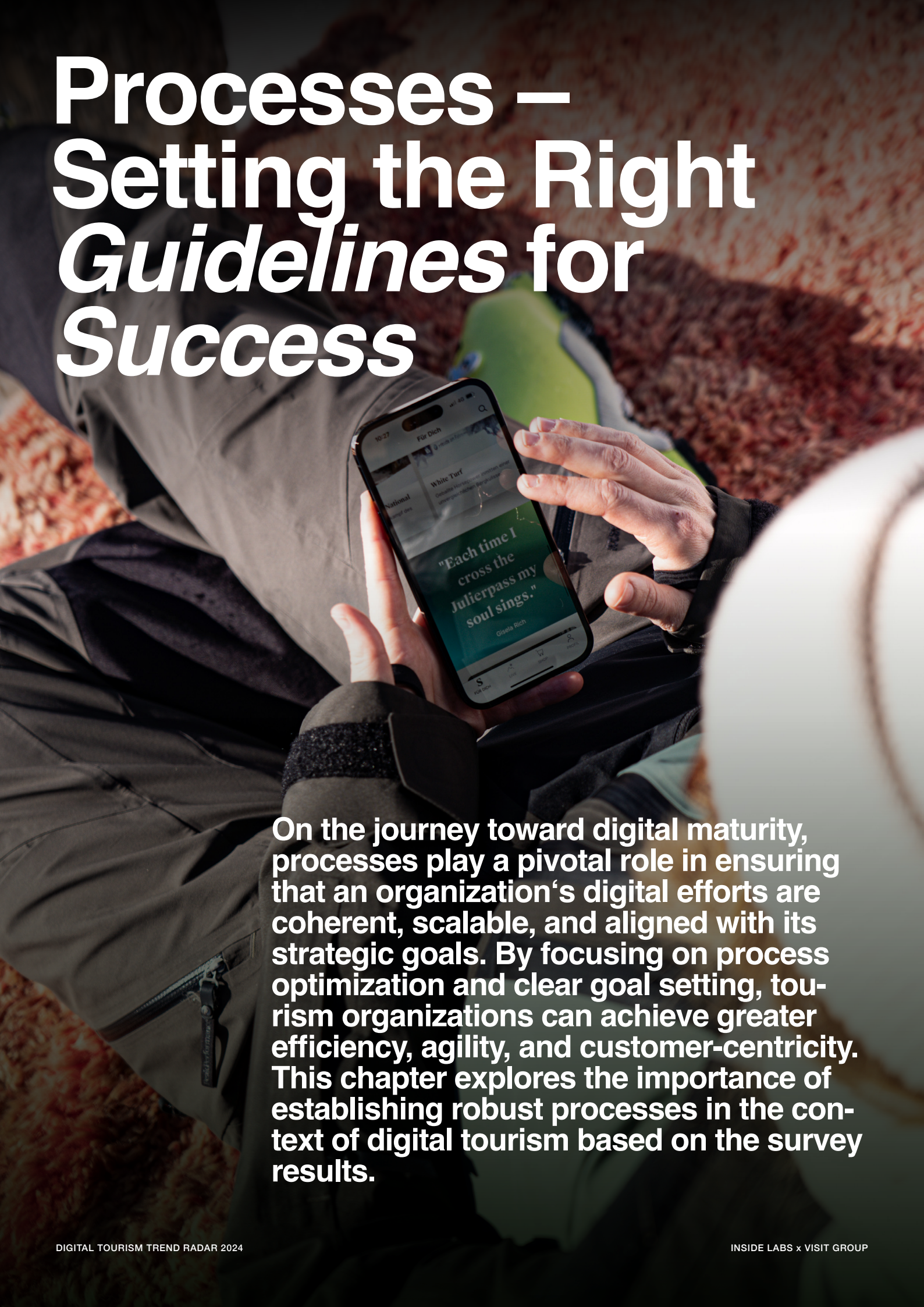
3. Cross-Functional Collaboration

Encouraging collaboration between different departments can facilitate knowledge sharing and skill development. For example, marketing teams can work closely with data analysts and IT professionals to gain a better understanding of data tools and techniques. Cross-functional projects can also provide practical experience and foster a more integrated approach to digital transformation.

4. Leveraging Technology

Modern learning management systems and digital platforms can support skill development by offering flexible, on-demand learning solutions. These platforms can track progress, provide personalized learning paths, and deliver content in various formats to suit different learning preferences.

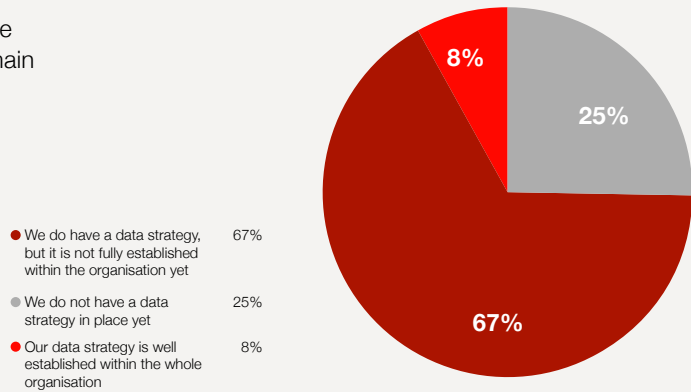
Processes – Setting the Right *Guidelines* for *Success*

A person wearing a dark jacket is holding a smartphone. The phone screen shows a social media post with a quote: "Each time I cross the Julierpass my soul sings." by Gisele Rich. The background is a blurred outdoor setting with a large pile of reddish-brown mulch or wood chips.

On the journey toward digital maturity, processes play a pivotal role in ensuring that an organization's digital efforts are coherent, scalable, and aligned with its strategic goals. By focusing on process optimization and clear goal setting, tourism organizations can achieve greater efficiency, agility, and customer-centricity. This chapter explores the importance of establishing robust processes in the context of digital tourism based on the survey results.

Challenges in Establishing a Data Strategy

Despite the critical role of processes, the survey reveals that only 8% of tourism decision-makers believe there is a fully established data strategy within their organization. Based on our experience as digital tourism experts, we see the following main challenges leading to this result:



1. Lack of Internal Communication Without clear communication, there can be a disconnect between the organization’s strategic goals and the implementation of the data strategy. Employees may not understand how their work contributes to the overall objectives, leading to misaligned efforts and priorities. Effective communication ensures that everyone knows the strategic direction and their role in achieving it.

2. Missing Leadership Buy-In A data strategy needs strong support from top leadership for success. In many cases, senior management may lack an understanding of or appreciation for the value of a data-driven approach, leading to insufficient prioritization and investment. Leadership buy-in is crucial for allocating the necessary resources and driving the cultural shift toward data-driven decision-making.

3. Resistance to Change Implementing a data-driven culture requires a fundamental shift in how decisions are made within an organization. This shift can meet resistance from employees and management who are used to traditional ways of operating. Change management is crucial but can be challenging to execute effectively. Overcoming resistance requires clear communication, training, and demonstrating the benefits of a data-driven approach.

4. Tactical vs. Strategic Use of Data Many companies use data tactically, focusing on immediate operational improvements rather than developing a long-term strategic approach. This limited use of data handicaps the development of a comprehensive data strategy. A strategic approach involves aligning data initiatives with broader business goals and using data to drive long-term growth and innovation.

From Strategy to Culture

A key factor for a successful digital transformation within tourism companies is the alignment of the digital roadmap with the organization’s strategic business goals. In many tourism organizations, the objectives and digitalization efforts are still detached or misaligned with the company’s overall business goals.

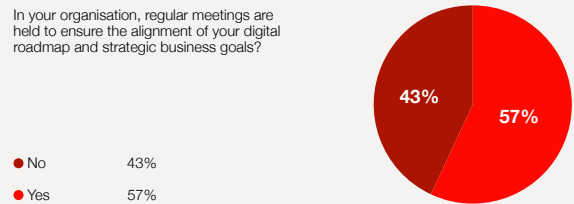
When asked whether regular meetings are held in their organization to ensure alignment of the digital roadmap with strategic business objectives, almost half of respondents (43%) said that this is not the case. In our experience in the tourism industry, this lack of alignment can lead to various problems:

Strategic Misalignment Without regular alignment meetings, digital initiatives may not support the broader business strategy, leading to fragmented efforts and suboptimal outcomes. One effective way of ensuring this alignment is through regular meetings, such as Quarterly Business Reviews (QBRs). A QBR meeting is a strategic meeting held every three months between a company and its key stakeholders, such as top management, clients, or partners.

Inefficient Resource Allocation Misaligned goals can result in misallocating resources, with investments being made in areas that do not contribute to strategic objectives.

Lack of Accountability Regular meetings help establish accountability by setting clear goals and tracking progress. Without them, it can be challenging to hold teams accountable for their contributions to the digital strategy.

In your organisation, regular meetings are held to ensure the alignment of your digital roadmap and strategic business goals?

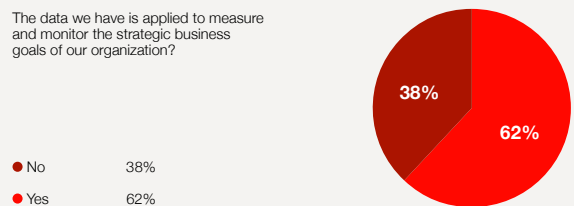


Data-Based Strategic Decision Making

According to the survey results, 62% of participants said that data is applied to measure and monitor their organization’s strategic business goals. This supports the trend towards a more data-driven approach in tourism marketing. Additionally, the Technology Section of this report indicates that more than 80% of participants believe that data analytics and business intelligence will become more relevant within the next two years.

However, what remains unclear is the extent to which data is actually used to inform strategic decisions. While data application is increasing, the depth and consistency of its use can vary. Ensuring that data insights are systematically integrated into strategic planning and decision-making processes is essential for realizing the full benefits of a data-driven approach.

The data we have is applied to measure and monitor the strategic business goals of our organization?



Conclusion

The Digital Tourism Trend Radar 2024 underscores the transformative potential of data and technology in the tourism industry. As the industry continues to evolve, those who successfully implement strategies to improve across the dimensions of data, technology, people, and processes will be best positioned to create exceptional guest experiences, drive operational efficiencies, and achieve sustainable growth. By addressing the challenges and opportunities highlighted in this report, organizations can build a solid foundation for the future, ensuring that they remain at the forefront of the digital tourism revolution. The journey may be complex, but with the right strategies and a commitment to continuous improvement, the rewards are immense. Based on the discussed areas in the report, we recommend tourism companies to focus on the following areas of action:

Enhance Data Utilization and Analytics

Objective

Bridge the gap between data collection and actionable use.

Recommended Actions

Conduct a comprehensive data audit, looking at data quality and data richness.

Invest in advanced data analytics tools and platforms.

Upskill staff in data interpretation and analysis.

Establish centralized data systems to reduce fragmentation and improve data accessibility.

Implement robust data privacy measures to ensure compliance with regulations.

Leverage AI and Marketing Automation

Objective

Utilize AI to transform marketing efforts and improve operational efficiencies.

Recommended Actions

Adopt AI tools like ChatGPT for personalized marketing campaigns and customer interactions.

Implement marketing automation platforms to streamline processes and improve campaign effectiveness.

Train staff on how to use AI tools for content creation and campaign management.

Continuously monitor and evaluate the impact of AI on business activities.

Develop Skills and Foster a Data-Driven Culture

Objective

Cultivate a data-driven mindset and bridge the skills gap within the organization.

Recommended Actions

Launch comprehensive training programs focused on data analytics, personalized marketing, and digital commerce.

Encourage continuous learning and professional development through workshops, online courses, and industry conferences.

Promote cross-functional collaboration to enhance knowledge sharing and integrated digital strategies.

Use modern learning management systems to provide flexible, on-demand learning solutions.

Optimize Digital Commerce Channels

Objective

Increase revenue through enhanced online sales and mobile commerce.

Recommended Actions

Expand the use of mobile apps for bookings and sales to meet growing consumer preferences for mobile transactions.

Use data to provide personalized recommendations based on guest preferences.

Optimize e-commerce platforms for user experience and conversion rates.

Utilize digital marketing techniques to drive traffic to online sales channels.

Regularly review and update product listings, ensuring accurate and appealing presentations.

Strengthen Process Alignment and Strategic Integration

Objective

Ensure that digital initiatives align with strategic business goals and enhance process efficiency.

Recommended Actions

Conduct regular alignment meetings like Quarterly Business Reviews to synchronize digital roadmaps with business objectives.

Develop a comprehensive data strategy with clear communication and leadership buy-in.

Implement change management practices to overcome resistance and foster a culture of innovation.

Use data insights to inform strategic planning and decision-making processes systematically.

About *Inside Labs and Visit Group*

inside labs

Inside Labs is a leading Swiss Software company specializing in digital solutions for different actors in the tourism industry. Their Omni Suite, a Software-as-a-Service (SaaS) product, empowers organizations to leverage data to enhance guest experiences and increase monetization. The Omni Suite is a comprehensive solution that includes a customer data platform, marketing automation, segmentation, personalization, and customer loyalty.

August 2024
© Inside Labs AG and Visit Group International AB

 **visitgroup®**

Visit Group is a leading hospitality SaaS company in Northern Europe dedicated to empowering businesses across the industry. The future-proof platform seamlessly integrates both operational and collaborative commerce systems, supporting a wide range of businesses—from hotels and ski resorts to amusement parks and tour operators. Serving over 2,000 clients in more than 25 countries and connecting with a network of 10,000+ travel agents, Visit Group enhances operational efficiency while enabling in-destination experience vendors to sell both their own and third-party products effortlessly. Visit Group's mission is to build the leading digital ecosystem for the travel and hospitality industry.