



## ***AOT in Action***

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

### **A Message from Director Sherry Henry:**

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Good afternoon,

After careful consideration, AOT has made the decision to close the Painted Cliffs Welcome Center in Lupton. This change will be effective September 11, 2015.

As you can imagine, this was not an easy decision to make. There were myriad reasons contributing to this decision and ultimately we determined it was in the best interest of the overall operations and effectiveness of AOT to close the facility. This decision was not entirely based on "budget issues" as it was more about reallocating efforts to provide marketing services for Arizona as directed by our strategic plan.

We will display signage at the location with our [VisitArizona.com](http://VisitArizona.com) website and call center number (866-275-5816) for visitors to find travel information, along with directions to the first available Local Visitor Information Center (LVIC) in Holbrook. The building will then be returned to the Arizona Department of Transportation who have a repositioned use for it as a part of the area's rest stop.

We want to thank the amazing staff at the Center for their great work and dedication over the past 21 years in helping thousands of Arizona travelers find their way to destinations throughout our state.

Change is never easy, but it often opens doors to many new opportunities. We look forward to continuing our work with our active network of 62 statewide LVICs to provide the valuable travel information visitors need to enjoy their stay in Arizona.

If you have questions regarding the closure, please do not hesitate to reach out to me.

Have a great Arizona week,

Sherry Henry

Director, Arizona Office of Tourism

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## AOT News

### **New Research Updates Available!**

The following reports are now available at [tourism.az.gov](http://tourism.az.gov):

- [Arizona Lodging June 2015](#)
- [National, Regional, Arizona Lodging Q2 2015](#)
- [County Lodging Q2 2015](#)
- [National Park Visitation May 2015\\*](#)
- [Airport Passenger Traffic May 2015](#)

\*Visitation counts for National Parks reflect multiple traffic counter problems from Glen Canyon National Recreation Area. This count does not reflect actual visitation.

Lodging statistics in June continue to show encouraging growth. Statewide occupancy is up 5.6% compared to June of 2013, which is nearly twice the national average growth in occupancy. Year to date, Arizona's occupancy, ADR, and RevPAR growth are still nearly twice the national average. For more information, please visit [tourism.az.gov](http://tourism.az.gov) or contact Colleen Floyd at [cfloyd@tourism.az.gov](mailto:cfloyd@tourism.az.gov).

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## Upcoming Events & Activities

### **Arizona Showcase**

Date: October 1

### **World Travel Market**

Dates: November 2 -5

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## Industry News

### **Uber Overtakes Taxis as US Business Travelers' Ride of Choice**

Just months after research conducted by Certify revealed Uber was winning over more and more business travelers, new data from the expense management company shows that the ride-sharing service has surpassed taxis as U.S. road warriors' preferred means of ground transportation.

Buzzfeed.com reported Uber accounted for 55 percent of the eight million Certify-reviewed travel receipts expensed between April 2015 and June 2015.

By comparison, taxi rides made up just 43 percent.

The figures highlight a notable shift as this past spring taxis accounted for 52 percent of expensed travel receipts reviewed by Certify, compared to 47 percent for Uber.

Certify's new data also shows that Uber is emerging as a popular alternative to rental cars for some American business travelers. While the car rental industry's share of ground transportation expenses declined by 10 percent from 55 percent to 45 percent between the second quarter of 2014 and the second quarter of 2015, Uber's share rose from eight percent to 31 percent over that time.

Meanwhile, taxis' share dropped from 37 percent to 24 percent over that same period.

The reasons for the shift would appear to be cheaper fares and a better overall experience. BuzzFeed.com reported Certify's research shows that the average cost of ride-sharing services like Lyft (\$22.51) and Uber (\$30.03) tend to be cheaper than taxis (\$34.48) in most places, and both companies are rated higher than rental cars and taxis as well.

Certify's data also revealed that the top three cities for Uber are currently San Francisco, Dallas and Los Angeles, accounting for more than half of total rides in each destination. (*Travel Pulse, July 16*)

### **TripAdvisor Transformed: The Booking Site Is Now in Full Swing**

Almost overnight and ahead of TripAdvisor's second quarter earnings report July 23, TripAdvisor has made the transition into a true booking site with a majority of its hotel listings on the first page for cities from Chicago to New York and Miami touting options for travelers to Book on TripAdvisor without leaving the site.

On TripAdvisor's first page of listings for hotels in Chicago, 26 of the 31 listings have a Book on TripAdvisor choice. On the first New York page, 23 of 26 listings enable user to Book on TripAdvisor without leaving the site.

TripAdvisor now says that one-third — 235,000 hotels — viewable on its site can now be booked right on TripAdvisor.

Many of the Book on TripAdvisor options come through partnerships with Accor hotels, Best Western, Mandarin Oriental, Choice Hotels, Carlson Rezidor Hotels, and Preferred Hotels & Resorts, as well as, individual properties or independents, including The James Chicago, Citizen M and Row NYC Hotel in New York City, and Trump International Hotel Las Vegas. Some of these partnerships have been previously announced; others are believed to be new.

Some of the new hotel direct-booking partners, including Mandarin Oriental, Langham Hospitality, and AmericInn, were not announced until TripAdvisor released its earnings this afternoon.

TripAdvisor has announced that Marriott is waiting in the wings to be implemented as a partner for Instant Booking, as the program is formally known in the travel and hospitality industry, and a Hyatt partnership will soon be announced, as well.

For some hotels that aren't directly partnering with TripAdvisor, online travel agencies such as Getaroom and TripAdvisor's own Jetsetter are providing the customer service when consumers book directly on TripAdvisor sites.

The TripAdvisor transformation is category-changing as it has become a booking site without all the heavy lifting of having to become the merchant of record or hiring customer service staff because the partner takes care of these tasks. TripAdvisor becomes a pseudo online travel agency along with a media and user-review site.

For hotels participating in Book on TripAdvisor, they are accumulating bookings at 12 or 15 percent commission, which is considerably less than what they would otherwise have to pay to sites such as Expedia and Booking.com.

This head-spinning transition of TripAdvisor takes it from primarily a promoter of pop-up windows for booking sites in its infancy to a metasearch provider of pay-per-click leads to hotels and online travel agencies a couple of years ago, and now to a booking site featuring Book on TripAdvisor as a dominant alternative among third-party booking options for users.

It is great news for the still-pending Expedia-Orbitz merger as TripAdvisor will be seen by the U.S. Department of Justice as an emerging and viable alternative to Expedia Inc.'s Expedia.com, Hotels.com, Travelocity and Orbitz, as well as The Priceline Group's Booking.com-Priceline.com. Although it took TripAdvisor awhile to get these partnerships going, it is now scaling Book on TripAdvisor rapidly.

For TripAdvisor, the changes mean it can get higher rates of conversion of lookers into bookers because it is more convenient for customers to complete the transaction on TripAdvisor than to have to navigate to third-party sites of varying quality. This will be especially true on mobile, where conversions usually lag the desktop.

Similar Book on TripAdvisor options are now available in the TripAdvisor app although these booking choices appear to tilt heavier toward online travel agency partnerships than direct hotel relationships for now. Two of the biggest online travel agencies — Booking.com and Expedia — participate in TripAdvisor metasearch but are boycotting Book on TripAdvisor out of competitive concerns.

#### *Partners Now Getting More Prominent Branding*

TripAdvisor's transition into a booking site comes with higher-profile branding for its partners than TripAdvisor initially offered. The new branding includes verbiage such as "TripAdvisor With AccorHotels" on the first search results page.

On the room-selection page you'll see the hotel brand's logo and the words, "We have teamed up with AccorHotels.com (or Radisson Blu or Mandarin Oriental etc.) to find you the best room."

On the final booking page TripAdvisor informs customers that “AccorHotels.com will provide customer service for this reservation.” With the TripAdvisor and hotel logo serving as bookends, the message then appears: “TripAdvisor has partnered with AccorHotels.com to bring you this deal.”

Other metasearch sites, including Kayak several years ago and Hipmunk, have offered booking options on their respective sites. Like TripAdvisor, the much smaller Hipmunk is aggressively going down this road.

But while Kayak and Hipmunk partnered predominantly with online travel agencies as booking partners on the metasearch sites, TripAdvisor is aggressively becoming more of a channel for hotels as booking partners.

Hotels that choose to be the powers behind Book on TripAdvisor are creating an alternative to distribution through the currently more expensive online travel agencies but in doing so they are making the already powerful TripAdvisor even more of a force. (*Skift.com, July 23*)

### **Survey Shows Business Travelers Are 'Practical, Health-Conscious'**

Employees are surprisingly practical and health-conscious when traveling on the company dime, a new survey of business travelers shows.

Certify, an online travel and expense management software provider, conducted the 2015 “What Business Travelers Prefer” survey and results are based on 495 responses from employees in a wide array of functional roles at small to large companies nationwide.

Many business travelers said they stick to the same diet (40 percent) or indulge a little (35 percent) while traveling, with very few saying they took advantage of the company expense account (3 percent).

“Our survey shows that when traveling for work, employees prefer convenience and efficiency,” says Robert Neveu, CEO of Certify. “They choose vendors based on availability of service and lifestyle factors and they also make purchases based on value, as if the expense came out of their own pockets.”

Some highlights of the survey:

- Frequency: Most travelers take 2-4 business trips per year (45 percent), followed by once per year or less (29 percent), 5-9 trips (15 percent), and 10 or more trips (11 percent).
- Ground transportation: Travelers prefer rental cars (41 percent), hotel shuttles (25 percent), and licensed taxis (20 percent) over ride-sharing and limousines (7 percent and 6 percent respectively).
- Hotel preferences: The most important factor when choosing a hotel for business travel is proximity to client or meeting (54 percent), followed by quality accommodations (20 percent), room rate (11 percent), and rewards program (8 percent). Less than 1

percent of travelers choose a hotel based on its proximity to the airport. The hotels business travelers feel have the nicest amenities are Marriott (33 percent), Hilton (27 percent), and Hyatt (21 percent).

- **Airline preferences:** Travelers choose their airline carrier based on scheduling needs (41 percent), followed by price (27 percent), company policy (17 percent), mileage rewards (10 percent), and connecting flights (6 percent). Delta and Southwest were tied (24 percent) for carriers based on respondents' answer to the previous question. American (16 percent) and US Airways (12 percent) are the next two airlines preferred by travelers. The airline carrier with the friendliest service is Southwest (40 percent), followed by a not-close second of Delta (21 percent), and American (10 percent).
- **Meals on the road:** Employees say they frequently stick to the same diet (40 percent) or indulge a little (35 percent), while 14 percent rely on convenience and fast foods. Restaurant with the healthiest options according to travelers are Panera (47 percent) and Chipotle (27 percent) with 20 percent citing other choices. Only 3 percent of travelers chose Starbucks as a healthy option, even though the coffee chain is the most frequently-expensed restaurant two years running, according to Certify.
- **Purchases on the road:** Business travelers primarily make purchases based on value, as if the money were their own (46 percent) followed by convenience (31 percent), and price (20 percent) with a small percentage citing they make a purchase as a reward for traveling (3 percent).
- **Top post-travel concerns:** Upon returning home from a trip, employees are most concerned about: catching up on email (27 percent), followed by catching up with family (24 percent), and tracking down receipts and submitting expenses (17 percent). (*Travel Pulse, July 30*)

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### **Calendar of Events**

Visit [www.visitarizona.com](http://www.visitarizona.com) to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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