

Databank



The Trouble with Travel Distribution:
Customer Experience

Insight



Digital Innovation and the Passenger
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Leaders in Trade



TripAdvisor: Help Travellers to Be Well
Informed in Their Travels
—An Exclusive Interview with Daniel
Pan, Chief of Staff, TripAdvisor China

City



Houston, the Most Diverse and
Funky City in America



Antarctic Tourism is Booming

“

The white continent, and more specifically its peninsula, welcomed 44,367 tourists during the winter of 2016/17, according to the International Association of Antarctica Tour Operators (IAATO). This represents a 15% increase compared to the previous Antarctic tourism season.

”

Further rise of 5% is anticipated for 2017/2018 – some 46,385 passengers – surpassing the historical record established during the winter of 2007/2008 (46,265 persons). Just for the record, after this season, visitation numbers dropped sharply after the enactment in 2010 of more stringent regulations for vessels wishing to navigate within this zone. Only 20 out of the 49 vessels which had been traveling to Antarctica were able to continue offering cruises in the region, which restricted Antarctica tourism to only 15,000 passengers.

(read more please turn to page 3)

Orders for New Ships

However, the increasing demand has led many ship-owners to acquire new vessels and to place orders for new ships, which has allowed for a significantly increased capacity these last few years. And the trend is set to continue since around thirty new expedition vessels are on order or being planned now. This will basically double the number of ships in the fleet during the next decade.

All of this is being done with capacity constraints in mind since the regulations forbid the disembarkation of cruise ships carrying



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500 passengers or more and impose a maximum limit of 100 to the number of people who may go ashore in one location for those ships carrying fewer than 500 passengers.

Increased Air Transfers to the Peninsula

According to the IAATO, the vast majority of tourists (98%) visit the peninsula via the South American port – Ushuaia being the region's principal boarding location. While the number of people who opted to take the voyage by departing from Argentina or Chile aboard small vessels increased by 20% in the past year, the segment of passengers who chose to navigate in these waters aboard cruise ships with more than 500 occupants (no possibility of going ashore) decreased by 8%.

The IAATO also noted another significant phenomenon of the Antarctica tourism: a sharp rise in the direct conveyance of passengers to and from the peninsula by air. It seems that more and more tourists are seeking to avoid the often tumultuous Drake passage which separates the extreme southern most point of South America from Antarctica – a mandatory transit on both departure and return voyages which takes around four days.

Some tour operators are therefore developing cruises which depart directly from the peninsula in addition to offering transit to and from the continent via airplane. For the season which has just ended, some 3,202 persons opted for this solution – which represents 7% of total visitations; more significantly, this represents a 36% increase compared to the previous season and a doubling as compared to the 2012/2013 season.

The number of people choosing this option is sure to grow during the next season (more than 3,400 passengers are expected), a trend which is beginning to worry certain environmental protection agencies who fear the consequences of a too significant development of air links with Antarctica.

The Chinese Are Second

In terms of the nationality of visitors to Antarctica, Americans are still on the first place (33% of visitors, +7% relative to the 2016/2017 season), however the most spectacular rise within Antarctica tourism has been revealed with respect to the Chinese tourists (12% of all visitors), which represents an increase of 25% in the space of one year and which henceforth places Chinese visitors on the second place.

The number of Chinese visitors coming to the peninsula is expected to reach 5,000 this year. Annually, Antarctica is visited by 40 times more Chinese than it was 10 years ago; going up

from 99 in the 2005-2006 season to around 4,100 in the 2015-2016 season.

After these two countries, the most dynamic markets in terms of expeditionary cruises to Antarctica are to be found in Germany (9% of tourists, +45% in one year), the United Kingdom (9%, +19%) and Australia (10%, +5%).

Argentina to Offer Antarctic Tourism Experience

Starting in January 2018, Argentinian government plans to offer flights to Marambio Base, the permanent Argentine Antarctic base. The aim of the initiative is to boost the Antarctic tourism. The flights will be organized by the State Airlines Company (Líneas Aéreas del Estado) owned by the Argentina Air Force.

The project first needs to get international approval for the aerodrome of that facility to be considered suitable for civil aviation. Because of that the trans-Andean Ministry of Defense reported that a medium-range radar will be installed next year at Marambio Base, along with other electronic systems to ensure airworthiness.

Travelers who join the flight will spend a week on the icy continent sharing the base with 40 servicemen and 100 scientists working there in the summer months.

"It will be only small groups of visitors, not exceeding 10% of the population of the base, which is about 14 people," said by Walter Ceballos, Secretary of Logistics, Cooperation in Emergencies and Cultural Management at the Defense Ministry.

"The project is to boost Antarctic tourism from the environmental viewpoint; it is an adventure travel initiative. Visitors will have to comply with the security and the living conditions at the Antarctic base," Ceballos explained.

Other countries, such as Chile, have already established a stake in Antarctic tourism. Marambio Base is the main scientific and military station attached to the Argentina Air Force on the Antarctic continent and it remains active throughout the year. The Argentinian authorities also consider extending the offer of traveling to the Antarctica to other bases such as Esperanza (where 40 people live), Carlini (60) and Petrel (14).

Whale Watching in Antarctica – A Once in A Lifetime Experience

Even though Antarctica is known for its extremely cold climate, it is still teeming with life. It is home to different kinds of animals that have the ability to withstand the harshness of the continent's



climate. Antarctic animals include various species of fish, birds, and mammals. The mammals that live in the Antarctic region include seals and whales. There are indeed various species of whales that can be found in the waters of Antarctica that whale watching is one of the most common activities that the region's visitors enjoy.

Despite their gigantic size, whales prove to be lovable. The way they move gracefully through the water is just fascinating. They are highly intelligent creatures that they are able to communicate with each other over long distances for social reasons. They are mammals, so we share certain characteristics with them, and this is another reason why we are endeared to them.

There are two groups of whales. These are the baleen whales and toothed whales. Instead of teeth, baleen whales have comb-like structures that are used to filter krill and fish from the water. The kinds of baleen whales that can be found in the waters of Antarctica include:

* **Blue Whale.** While it is considered as the largest species of whale, it is also considered as the largest animal on earth. On the average, it weighs 84 tonnes and it is about 24 meters long.

* **Fin Whale.** It is 20 meters long and grows to an average weight of 40 to 50 tonnes, making it the second largest of all the whales.

* **Sei Whale.** They are smaller and more slender than the blue and fin whales. It grows up to 18.5 meters in length and weighs up to 29 tonnes.

* **Southern Right Whale.** It may reach 18 meters in length and can weigh up to 96 tonnes. Its head, which is decorated with callosities, makes up to a quarter of its total length.

* **Humpback Whale.** With a skin covered with warts, bumps, and encrusted barnacles, its average length and weight is 13 meters and 31 tonnes.

* **Minke Whale.** Its average length and weight is 8 meters and 8 tonnes and it lives for about 50 years.

Toothed whales, on the other hand, have sharp teeth that help them catch their prey, such as fish and squid. The kinds of toothed whales that can be found in the Antarctic are the Orca, Southern Bottlenose, Sperm, and Southern Fourtooth Whale. Dolphins can also be seen, which include the hourglass dolphin and the southern rightwhale dolphin. Whales and dolphins are almost the same and they differ only in size. Everything smaller than 4 meters is considered a dolphin.

Other than various species of whales, various species of fish and birds can be found in the continent. These species of fish include Antarctic cod, ice fish, dragon fish, crocodile fish, rat-tailed



fish, robber fish, hagfish, and skates. The birds, on the other hand, include penguins and albatrosses. Emperor, Gentoo, Adelie, King, Macaroni, and Rockhopper are some of the species of penguins that live in the continent. Species of albatross that can be seen are Wandering, Gray-headed, Lightly-maned sooty, and Black-browed albatross.

When you visit Antarctica, whale watching is one thing that you cannot afford to miss. Observe these gentle and lovable giants as they elegantly move through the water. These mammals, our fellow mammals, just do not fail to fascinate us. Watching them is one reason why your Antarctic holiday is all worth it, making it an experience of a lifetime and an encounter with nature that you will surely cherish.

What to Do in Antarctica

Besides animal-watching there are other things to do in Antarctica. You can climb the Observation Hill, which allows you to feast your eyes on the views of Mount Erebus and the Ross Ice Shelf. You can also go kayaking up to icebergs for closer views, and if the weather permits, you can even camp on the ice.

The Antarctic is a remarkable continent – remote, hostile and uninhabited. Yet it is of key importance to our understanding of how the world works. For the early explorers Antarctica was the ultimate survival contest. For scientists it remains a place of intellectual challenge whilst for the modern tourist it is simply a wilderness of great beauty.

Antarctica: The Last Unspoiled Wilderness No More

Antarctica has hosted a century of expeditions and exploration, from Roald Amundsen to modern races to the South Pole. These visits have been popularized in books and movies. Long the purview of scientists and adventurers, Antarctica is seeing a new type of visitor – the adventure tourist.

Tourism to Antarctica arguably started in the 1970s. When a New Zealand airplane filled with tourists crashed into Mt. Erebus and all 257 people on board were killed. Tourism was halted for nearly a decade.

In the 1980s, about 2,000 visitors a year arrived in Antarctica. A decade ago, most tourists to Antarctica comprised of retirees resting on cruise ship decks, watching the glaciers, penguins and occasional whale. They rarely set foot on land. The few who did go on land took pictures of the ice fields and penguins.

They visited historic sites like old whaling stations or research stations. McMurdo Station is the largest settlement on the continent. It has been built to handle up to 1,200 people. In contrast, New Zealand's



Scott Base only sleeps 90 people. They are scientific research stations, but both sites host tourists and have gift shops.

Tourism dropped in the years since the 2007 financial market collapse, when the number of tourists peaked at 46,000. The number bottomed out at about 27,000 visitors. Cruise ships still pass through like the two cruise ships that regularly visit Ross Island. About 9,900 visitors travelled through Antarctic waters last year.

However, tourism has rebounded. Furthermore, the nature of the tourism has changed. Tourists are coming onto shore en masse. Flights over Antarctica resumed in the 1990s. And in a growing number of ventures, tourists are scuba diving through the pristine waters and under ice, driving across glaciers and even sky diving and paragliding. You can now go water skiing off Antarctica or take two and three person submarines into the frigid waters. The submarines are owned by Henry Cookson Adventures. However, most tourists stay on the 2% of the continent that is ice free.

International Association of Antarctic Tour Operators estimates that when the November through March tourism season ends, about 35,000 people would have visited Antarctica. Most tourists visit during the 17 week long summer when the sun never sets. Even more visitors are expected next year. In contrast, there are only 4,400 researchers stationed at the 39 different research facilities scattered across Antarctica.

Anywhere else in the world, so few visitors would be described as a slow venue. On a place previously untouched by humans, every visitor has a profound impact on the otherwise unspoiled continent. Exotic species have become a problem to ecosystems as diverse as the coral reefs of the Caribbean to the rain forests of Hawaii.

There are concerns that tourists could bring diseases or seeds that could disrupt the fragile Antarctic ecosystem. Then there are endless horror stories of groups coming closer to animals than rules allow. Tim Jarvis, an adventurer who recreated Ernest Shackleton's journey, filed complex environmental impact statements before making his journey. He is one of the few adventurers to take such care before starting out on his trip.

While the fifty countries that have signed onto the Antarctic Treaty

have decided to set rules to manage tourism, only two rules have been agreed upon to date. And as is often the case with international treaties, neither rule is actively enforced.

Tourism has always had risks. Three skydivers above the South Pole station died in 1997. Hypoxia is the most likely cause of their deaths. However, hypoxia also creates risks for all visitors to the ice shelf.

The South Pole is 9,300 feet above sea level, as high as many mountains. Antarctica is dry, cold and windy. There are many fatalities due to accidents caused by white out conditions. The last known fatalities were in 2011, when a yacht carrying three people disappeared during a squall. These risks are magnified in a land that lacks Emergency Rooms and ready evacuation to intensive care.

A 2004 agreement to require tourism operations to have sufficient insurance to pay for rescue operations has only been ratified by 11 nations. There have been deaths. A Japanese crewman died in a shipboard fire in 2007. Searchers are often delayed until October to be able to recover the dead, such as three Canadians who died in January.

Human visitors also introduce risks to the wilderness itself. Every ship is a possible oil spill. In light of this hazard, the UN prohibited the use of heavy fuel oil near Antarctica. This is one of the two hard rules in Antarctica. Unfortunately, many tour ships dump bilge water into the ocean. Plane crashes cause both toxic chemical spills and a form of litter. This is in addition to the noise pollution ships, vehicles and even aircraft bring, affecting everything from the penguins to the whales.

There is a proposal to limit ships to a maximum of 500 tourists, but only Japan and Uruguay support it. The Polar Code would require all ships in the Antarctic to be strong enough to withstand sea ice, came into effect on 1 January, 2017.

The beauty of Antarctica is its rugged and pristine vistas, wildlife and untamed and barely charted seas. It is not surprising that so many want to see it themselves. Yet we must do more to protect the land so that it remains so, or Antarctica as the last unspoiled wilderness will be no more. ➤

(source: tourism-review)

World Tourism Cities Federation and Shanghai Cooperation Organization Signs Cooperation Agreement



On 15th May, 2017, World Tourism Cities Federation (WTCF) signed the “Cooperation Framework Agreement between WTCF Secretariat and SCO Secretariat” with Shanghai Cooperation Organization (SCO) in Beijing. WTCF Secretary-General Song Yu and SCO Secretary-General Rashid Alimov represented their respective organization and signed the agreement together.

The content of the agreement includes promoting the rich historical and cultural heritages of China and countries along the Belt and Road; jointly hold Open Day event of SCO Secretariat and design tourism souvenirs for SCO; work together to design and prepare the brochures of SCO and its member states, including the promotion of tourism resources;

the activities conducted joint by the two sides within the framework of this Agreement are non-commercial in nature. They are not for profit-making in any form but for mutual benefit, etc.

SCO Secretary-General Rashid Alimov said that the signing of the agreement, adopted during the Belt and Road Forum for International Cooperation, will contribute to the cooperation and mutual benefit of SCO and the tourism cities along the Silk Road Economic Belt. WTCF Secretary-General Song Yu pointed out that the secretariats of both SCO and WTCF are based in Beijing. Additionally, all of the member countries of SCO are situated in the Silk Road Economic Belt. WTCF and SCO have many things in common and are close to

each other in distance. Tourism will deepened the understanding and communication of the countries and residents along the Silk Road Economic Belt.

The agreement is one of the most important achievements of the Belt and Road Forum for International Cooperation. The Cooperation between WTCF and SCO will promote the construction of the Belt and Road tourism corridor and strengthen communication and enhance mutual benefits between the member countries’ tourism cities.

The Shanghai Cooperation Organization (SCO) is a permanent intergovernmental international organization, the creation of which was announced on 15 June 2001 in Shanghai (China) by the Republic of Kazakhstan, the People’s Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan, and the Republic of Uzbekistan. The SCO’s main goals are as follows: strengthening mutual trust and neighbourliness among the member states; promoting their effective cooperation in politics, trade, the economy, research, technology and culture, as well as in education, energy, transport, tourism, environmental protection, and other areas; making joint efforts to maintain and ensure peace, security and stability in the region; and moving towards the establishment of a democratic, fair and rational new international political and economic order.

WTCF Forges Close Ties With SCO to Promote Tourism Along the “Belt & Road” — — Interview WTCF Secretary-General Song Yu



According to the World Tourism Cities Federation (WTCF) and China Tourism News on May 11th, WTCF Secretariat and Shanghai Cooperation Organization (SCO) Secretariat plan to sign a framework agreement regarding tourism cooperation.

The mutual cooperation agreement covers a wide array of topics including publicizing China and historical and the cultural heritage of the countries and cities along the Silk Road Economic Belt, co-hosting SCO’s Secretariat Open Day, and co-planning promotional brochures for SCO and its members. It is agreed that the nonprofit collaboration between WTCF and

SCO will be conducted on the principle of mutual benefit.

Song Yu, WTCF Secretary-General, said that the cooperation between WTCF and SCO will enhance communication and understanding among the member countries' tourism cities by building collaborative platforms such as the Belt and Road tourism corridor.

Recent years have witnessed the WTCF's continuing efforts in promoting sustainable development and cooperation among the tourism cities along the Belt and Road.

During the WTCF Rabat & Fez Fragrant Hills Tourism Summit 2015 held in the Kingdom of Morocco, the topic "Diversified Development in the Tourism Cities Along the Belt and Road" was tailor-made for the WTCF members in the West Asia and the North Africa. Additionally, a special program with the theme "Thousands of Chinese Tourists to Magnificent Morocco" was officially launched.

In January 2016, the International Forum on "One Belt One Road & Tourism Cooperation" was held in Altay, member of WTCF. In March 2017, the WTCF Asia Pacific Tourism Conference was held in Penang,

the famous Malaysian tourism city, with the theme "One Belt One Road: Development of Tourism Corridor and City Hub."

The Belt and Road Initiative that links China with Asia-Pacific and European economic zones is of strategic importance. It covers more than 60 countries, benefits a total of 4.4 billion individuals or 63 percent of the global population, and registers a collective GDP of 23 trillion U.S. dollars that accounts for 29 percent of the world's wealth.

Statistics suggest that tourism consumption in the countries along the Belt and Road accounts for over 70 percent of the world's tourism consumption.

In 5 years, some 150 million outbound trips along with around 200 billion U.S. dollars of tourism consumption will be made to countries along the Belt and Road region and 85 million tourists from the Belt and Road countries are expected to visit China.

According to Song Yu, WTCF is expected to boost world tourism by enhancing cooperation among its members worldwide, developing a batch of boutique tour packages, and building key node cities along the Belt and Road Tourism City Corridor.



To achieve this goal, WTCF will further develop its Node Cities members, develop new tourism products and routes, and build efficient innovative collaborative platforms for cooperation, market standard, and tourism promotion.

So far, 57 city members of WTCF are distributed along the 19 Belt and Road countries, among which 28 are in China, and 29 are in Europe and other parts of Asia.

Ernest Wooden Jr., Vice-Chairman of WTCF Council Arrives in Beijing for Belt & Road Forum



On May 14th and 15th, the Belt and Road Forum for International Cooperation was held in Beijing. Mr. Ernest Wooden Jr., WTCF Vice-Chairman of the Council and Pres. and CEO of Los Angeles Tourism & Convention Board (LATCB), was invited to attend the forum for further substantial cooperation under the Belt and Road initiative.

The theme of the forum is "strengthening international cooperation and co-building the 'Belt and Road' for win-win development"

and is by far the largest-scale and highest-level international meeting initiated by China. It features an opening ceremony, a round-table summit of global leaders, and a high-level conference.

More than 1,500 delegates attended the forum, including a total of 29 heads of state and government leaders from 130 nations as well as representatives from more than 70 international organizations.

Recent years have witnessed the WTCF's continuing efforts in promoting sustainable development and cooperation among the tourism cities along the Belt and Road. During the WTCF Rabat & Fez Fragrant Hills Tourism Summit 2015, held in the Kingdom of Morocco, the topic "Diversified Development in the Tourism Cities Along the Belt and Road" was tailor-made for the WTCF members in the West Asia and the North Africa. Additionally, a special program with the theme "Thousands of Chinese Tourists to Magnificent Morocco" was officially launched.

In January 2016, the International Forum

on "One Belt One Road & Tourism Cooperation" was held in Altay, member of WTCF. At this Forum, attended by delegates from Kazakhstan, Russia, Mongolia, and Latvia, the "Cooperative Action Plan of China-Mongolia-Russia Cross-border Tourism Promotion Alliance in China" was signed. In March 2017, the WTCF Asia Pacific Tourism Conference was held in Penang, the famous Malaysian tourism city, with the theme "One Belt One Road: Development of Tourism Corridor and City Hub." These forums were well received by WTCF members.

Mr. Ernest Wooden Jr. told the correspondent that it's an honor to attend this Forum on the behalf of WTCF, and it's also a privilege for Los Angeles, for American tourism, and the world tourism cities to be involved in the great forum. He also highlighted the importance of city connectivity in strengthening people-to-people connectivity. Impressed by the quality service and unrivalled hospitality during the forum, Mr. Ernest Wooden Jr. said that the fast-growing China had set an

excellent example for Los Angeles, host of 2024 Olympic Games.

Los Angeles joined WTCF in 2012. As one of the five Vice-Chairman Cities of WTCF Council and one of the initiative member cities, Los Angeles will be the host the WTCF Fragrant Hills Tourism Summit 2017 in September 2017. Mr. Ernest Wooden Jr.'s attendance at the Belt and Road Forum will further enhance the cooperation in WTCF, and promote tourism development in its member cities.



Ernest Wooden Jr., Pres. and CEO of Los Angeles Tourism & Convention Board and WTCF Secretariat Discuss the Preparatory Work of Fragrant Hills Tourism Summit



On May 15th, 2017, while representing WTCF as an international organization participating in the Belt and Road Forum for International Cooperation, Mr. Ernest Wooden Jr., Vice-Chairman of WTCF Council and Pres. and CEO of Los Angeles Tourism & Convention Board, conversed with WTCF Secretary-General Song Yu and WTCF staff.

The 2017 World Tourism Cities Federation Los Angeles Fragrant Hills Tourism Summit will be held in Los Angeles from September 19th to 20th, and will adopt the theme of "Globalization and Tourism City

Development." During the summit, many activities will be held including keynote speeches, council meetings, forums, a tourism investment fair, a tourism trade fair, and a tourism exhibition.

Both parties exchanged ideas regarding issues of the summit preparatory work. This will be the second time that the Fragrant Hills Tourism Summit to be held in a WTCF member city outside of China, and also the first time that it will be held in a city in Americas. This proves that WTCF is gradually growing into a more influential international organization.

Mr. Ernest Wooden Jr. said, "It's a great honor to represent WTCF to have participated in the Belt and Road Forum for International Cooperation. We are very happy to hold the 2017 Fragrant Hills Tourism Summit in Los Angeles." Mr. Ernest Wooden Jr. also mentioned that the "Belt and Road" proposed by the Chinese government will better boost the interconnection and

intercommunication between different countries on issues such as economy, trade, culture, tourism, and other fields. WTCF has done lots of positive and pragmatic work for its member cities. As the Vice-Chairman City of WTCF Council, Los Angeles will help WTCF's "Belt and Road" member cities to positively develop the tourism industry into their backbone industry in the future.

Secretary-General Song Yu expressed his gratitude to Mr. Ernest Wooden Jr. for his support of the work of WTCF, meanwhile using this opportunity to introduce the recent principal activities of WTCF.

He said that WTCF will continuously build up the service platform for its members, through which its members from different regions and with different levels of development can learn from each other.



About 400 individuals will participate in the 2017 World Tourism Cities Federation Los Angeles Fragrant Hills Tourism Summit, where a number of government leaders, world tourism cities' top leaders, and important members of international organizations are expected to gather.

Additionally, leaders of the world tourism industry, famous media, financial capital and investment fields, and internet media platforms will also participate. This will be an exciting and wonderful summit.





The Trouble with Travel Distribution: Customer Experience



In the 2000s, most travel suppliers, aggregators, and service providers focused on managing transaction costs rather than improving the customer experience.



The landscape of travel distribution has been shifting. Until the mid-1990s, distribution was a straightforward mix of brand call centers, travel agencies, and in-person bookings at the hotel front desk, airline ticket counter, or car-rental outpost.

The launch of online booking gave companies a new way to engage with customers and also opened the door to new business models such as online travel agencies (OTAs). However, in the 2000s, most travel suppliers, aggregators, and service providers focused on managing transaction costs rather than improving the customer experience, with serious implications. In 2012, we wrote about the "trouble" with

travel distribution, noting, "The game is now about delivering a superior customer experience."

Since then, the pace of change has accelerated due to three factors. First, the competitive bar continues to rise. Among OTAs, three leading players—Ctrip, Expedia, and Priceline—have achieved global scale and relevance. And suppliers are seeking a competitive edge through several levers, including loyalty partnerships; building on the foundation set by Delta and Starwood, today's major travel partnerships include those between Starwood and Uber, United and Marriott, and Qantas and Airbnb, among others. Second, travel technologies—especially mobile platforms—have continued to evolve as customers alter how they

browse for and purchase travel. Expedia reports that 40 to 60 percent of its leisure-travel-brand traffic is through mobile devices, and about half of bookings on some brands comes from mobile. Third, potential sources of disruption are on the horizon. For example, business travel currently accounts for 10 percent of Airbnb bookings—but that number is growing, thanks to the company's integration into the platforms of several leading travel-management companies.

The shifting conditions make it more important than ever to put the customer at the center. But despite some examples of progress, we continue to see companies solve for business requirements over customer needs. Many suppliers are

falling short of their potential because they focus on transaction costs instead of lifetime value. And for many intermediaries, earnings expectations, contentious supplier relationships, and an onslaught of digital newcomers have eroded the ability to test, learn, and "fail fast" that helped them identify and solve unmet needs in the first place.

The good news? The path to success is likely more straightforward than it seems. In fact, we see examples of companies implementing some or all of the strategies we will discuss:

1. Harness advanced analytics to understand the customer better.
2. Adjust mobile offerings to capture, secure, and serve the customer.
3. Safeguard against future disruption.

What's the catch? Unless executives focus relentlessly on solving for customer needs, we will continue to see ineffective promotions, lackluster apps, and uninspired pivots and product launches. Companies that can solve real customer needs, including through partnerships with other members of the travel ecosystem, will position themselves at the vanguard of travel distribution.

Suppliers are Emboldened to Innovate Product Development, Marketing, and Distribution

Intermediaries connect suppliers with consumers, but such bookings come at a cost. Thus, suppliers are pursuing strategies to drive more direct bookings:

Launching large-scale marketing campaigns. For example, Hilton's "Stop Clicking Around" campaign, along with other initiatives, contributed to a 60 percent increase in HHonors enrollments and a shift toward direct channels in the third quarter of 2016.

Enhancing direct-channel offerings. AccorHotels has begun distributing independent hotels through AccorHotels.com at up to 14 percent commission and plans to reach more than 8,000 properties over time.

Providing disincentives for indirect bookings. In September 2015, Lufthansa implemented a €16 fee for bookings made through global distribution systems (GDSs). While Lufthansa and third parties differ in their assessment of the fee's impact, the move helps enable a longer-term shift to more dynamic pricing.

Consolidating to achieve scale. Among US airlines, mergers over the past ten years have led to four clear leaders with combined 80 percent domestic market share (and Alaska Air recently became the fifth-leading carrier, with 6 percent share, after the acquisition of Virgin America).

While the specific strategy varies by supplier,

the trend is clear: suppliers throughout the travel industry are willing to go further than ever to convince customers to book directly.

Intermediaries are Consolidating and Expanding Their Footprint

Three leading OTAs—Expedia, Priceline, and Ctrip—also own (at least for now) the world's leading metasearch players. Each continues to assume, in its own way, an expanded role in the customer journey:

Expedia (which recorded \$61 billion in 2015 gross bookings) acquired Orbitz and Travelocity in 2015. It is the clear leader in the United States, with approximately two-thirds OTA market share. It is present in many travel verticals, including metasearch (Trivago), vacation rentals (HomeAway), and corporate travel (Egencia).

Priceline (\$56 billion in 2015 gross bookings) is the largest player by revenue and market value, given strength in hotels through Booking.com. The clear leader in Europe, it is also present in many travel verticals, including metasearch (Kayak.com), vacation rentals (Booking.com), and restaurant bookings (OpenTable). It owns a 9 percent stake in Ctrip.

Ctrip (\$27 billion in 2015 gross bookings) is the fastest-growing global OTA, with a growth rate of 58 percent in 2015 alone. It is the clear leader in Chinese domestic and outbound travel and is a mobile leader, with an estimated 70 percent of bookings via app. It is consolidating its position in Asia through stakes in Qunar, eLong, and MakeMyTrip. It also has an expanding presence in many travel verticals, including metasearch (Skyscanner) and tour operators.

These giants, along with Google and TripAdvisor, will continue to play a major role in shaping the future of distribution. In many cases, the relationship between these intermediaries, and between intermediaries and suppliers, is multifaceted. As recently as 2014, analysts estimated that Expedia and Priceline accounted for up to 5 percent of Google's total ad revenue. Marriott partners with Expedia to sell dynamic travel packages through Vacations by Marriott. And Southwest Airlines' hotel offerings are provided by Priceline's Booking.com. The continued evolution of intermediary business models will be critical to watch.

Customer Behavior is Maturing and Shifting to Mobile

Mobile is increasingly the customer's channel of choice: by 2019, nearly 80 percent of US travelers who book online will do so via mobile, up from 36 percent in 2014. "Mobile

first" has become a favorite catchphrase, but given the massive shift in behavior, travel companies must develop a deep understanding of why and how customers are using mobile. Consider, for example, the following trends:

Mobile search is on the rise. In 2015, mobile flight and hotel searches on Google increased 33 and 49 percent year over year, respectively.

Mobile plays a critical role after arrival. For instance, 85 percent of leisure travelers choose activities after their arrival, and half of international travelers use their mobile devices to search for such activities after their arrival.

Not all mobile experiences are created equal. The average rating of OTA/metasearch apps is 19 percent higher than the average of hotel brand apps.

The industry has seen some recent mobile-focused innovations. These include day-of-travel features such as keyless or app-enabled hotel room entry, in-app passport scanning at check-in, and real-time luggage tracking. Other developments involve context-based design; for example, 24 hours before a scheduled flight, Virgin America's app shifts from emphasizing booking to focusing on check-in. Finally, a growing list of brands across the value chain—including Booking.com, Cheapflights, Expedia, Hyatt, Kayak, KLM, Lola, and Skyscanner—have introduced messaging platforms and bots.

Looking forward, booking may be the function ripest for innovation, as relatively few players have created a compelling, mobile-friendly booking experience.

Proliferation of Big Data and Advanced Analytics

As our colleagues recently wrote, "The data analytics revolution now under way has the potential to transform how companies organize, operate, manage talent, and create value. That's starting to happen in a few companies—typically ones that are reaping major rewards from their data—but it's far from the norm." This truth certainly holds in travel, where a wide range of use cases is emerging:

Enhancing commercial effectiveness. Red Roof Inn used analytics on publicly available weather and flight data to predict and target customers facing flight cancellations.

Refining customer experience. British Airways' "Know Me" program, driven partially by Opera Solutions, mines customer data including loyalty information and buying habits to generate targeted offers and experiences.

Optimizing network and portfolio. Aloft, for example, is piloting a digital hotel

experience, with rooms equipped with Internet of Things-enabled technologies such as intelligent climate control, and using the data generated to support product innovation.

Driving operational and administrative efficiency. Hotels are using platforms such as ALICE (which counts Expedia as an investor) to consolidate, track, and analyze guest requests and interactions to improve the quality and speed of operations.

Before embarking on new big data or analytics ventures, it is critical to ensure adequate data security—particularly given the numerous high-profile, highly damaging data breaches in other industries.

“New” and Increasingly Powerful Business Models Emerging

The sharing or on-demand economy, exemplified by companies such as Airbnb and Uber, is the most significant business model to emerge and scale over the past five years. The numbers themselves are notable—including rapid growth (Piper Jaffray estimates a 10 percent compound annual growth rate for short-term and peer-to-peer accommodations from 2014 to 2025, versus 3 percent for traditional accommodations) and valuations (including Uber at \$68 billion, Didi Chuxing at \$33 billion, and Airbnb at \$30 billion²⁹). But more interesting is the degree to which innovative current players continue to innovate:

Uber's expansion continues not only

into new cities but also into new modes of transportation. In a recently published white paper, the company laid out the potential for vertical take-off and landing (VTOL) aircraft for on-demand transportation, particularly in dense urban networks.

Airbnb's recently announced expansion into Trips (peer-to-peer tours and activities ranging from a few hours to a few days) and Places (including meet-ups with other users, destination guides, local recommendations, audio guides, and eventually, restaurant reservations) represents the latest step in a journey from air mattresses in spare rooms to a "super brand of travel."

While hospitality and ground transportation have been most heavily disrupted, other modes such as air travel also continue to see innovation from models such as Rise, Surf Air, OneGo, and Set Jet. Beyond the sharing economy, specialized models continue to emerge with a focus on capturing an outsize share of specific segments.

For example, Priceline founder Jay Walker's Upside rewards "free agent" business travelers for flexibility in flight and hotel bookings.

What Really Matters

Executives should resist the temptation to be pulled in directions that distract from their top priorities: engaging with customers more effectively, enhancing attraction and retention, and capturing more value

throughout the customer life cycle. To begin the process of thinking in terms of customer lifetime value instead of cost per booking, they must answer some fundamental questions:

How much is a customer worth? In banking and many other industries, analyzing and predicting a customer's lifetime value at acquisition is standard operating procedure.

In travel, we've encountered very few companies that conduct this analysis consistently or at scale, despite the available data on marketing, transactions, loyalty, satisfaction, and referrals.

What can every employee do to secure the next purchase? Customer acquisition and retention can no longer be the purview of marketing and sales groups alone. Everything from back-office accounting to human resources to maintenance must be oriented toward enhancing the lifetime value of each customer.

How do customer needs and booking scenarios influence the choice of booking channel? Companies must identify and exploit the many "micro moments" in the customer journey.

This journey should be mapped starting with the inspiration for the trip and combined with factors such as the customer's location at point of purchase, the device used, historical preferences, and past experiences to deliver the right offer through the right channel at the right time. ➤

(Source:mckinsey)





Digital Innovation and the Passenger Experience – a View from Three Airports



During this year's Passenger Terminal Expo in Amsterdam, airports shared their progress towards a seamless journey eased by automation processes and digital innovations.



Airports are keen to improve the passenger experience and remove some of the barriers for travellers in the process. During this year's Passenger Terminal Expo in Amsterdam, airports shared their progress towards a seamless journey eased by automation processes and digital innovations.

Seamless Walkthrough at Schiphol

Charles Hendriks, digital architect for the Schiphol Group, discussed the benefits and challenges of introducing passenger biometric ID. The airport is in the process of designing a Seamless Passenger Walkthrough,

integrating all travel checkpoints so that passengers only have to identify themselves once.

"What we'll have to do is find a way to implement this new way of handling passengers within our existing classically designed terminals and our classically designed processes. You can't go for a big bang. It won't work. We have to find a more harmonious agile way, an incremental approach [to adoption]."

"With a minimal footprint, and starting with minimal technology you can move slowly in steps."

"This technology works great in the lab. That is why you should put it into a productive environment, with real passengers, to see how it performs in the real world."

"You can start with boarding. Brisbane is starting with check-in and boarding. If you're really not afraid, you can go for border control but you could also go for access control, as Abu Dhabi said it would."

"Once that works, you can start to connect your touch points. Then, you can create a biometric route through your terminal. Either arrival passengers leaving through your gates, or transfer passengers; it all depends on your

services. Then, you should scale up. After you've reached something that you show can work and you can prove your business case."

"For the back-office systems of stakeholders, don't start with all your airlines at the same time. Start with one airline, with one flight, and slowly expand from there."

Standardisation

Schiphol uses facial biometrics, encoded through an algorithm to generate a long numeric ID to identify passengers. It does not capture an image of the face and the code cannot be used to recreate the face. This ensures privacy.

Still, Hendriks believes that there is still a lot of coordination needed between airports and authorities to create a universal standard for this type of identification, both in how it is configured and how the data is protected.

"We would like to have international agreement on how you do this process. We're going forward in the best way we think is possible."

"Privacy should be on the top of the list. We must make sure that our passengers' data are only used in the circumstances that we have agreed with that we will use it."

"We create an architecture with privacy in mind. There are also a couple of agencies in the Netherlands and in Europe and we are closely aligning with them, having audit our systems, but it would be if there were international standards that we can say we adhere to these international standards."

With regulatory and airport groups already discussing the process, Hendriks expects international standards may be available to guide airport adoption of biometric journeys as soon as two years from now.

Streamlining processes at Cologne

Ulrich Stiller, director of marketing and sales at Cologne Bonn Airport, believes airports need to look at eliminating the many manual processes of the airport experience and replacing them with more efficient, automated or digital solutions.

"Manual interfaces at the airport create time-consuming processes. For instance, you have arrival in parking, you have the check-in area, the passport control, the extra security check, the boarding area—all of those things."

"Manual processes create hurdles along the way from the parking area to the aircraft."

The airport has deployed a number of programs which aim to automate or eliminate these legacy hurdles.

Stiller believes ultimately automated

parking could speed the journey, but in the interim, by encouraging passengers to pre-book their parking on-line with a discount, the airport has eliminated the delays of finding a spot and can better predict parking space utilization.

Since introducing the parking reservations scheme, Cologne has seen adoption rise to 50% of passengers who would park cars.

Airlines already encourage passengers to check-in at home, which, Stiller says, has helped Cologne forecast passenger traffic and demand on counters.

Luggage still needs to be checked, but Stiller expects automatic and digital bag tagging coupled with automated bag drops will improve the process in future.

He also hopes the industry will move to standardize baggage loading and unloading, moving away from outdated baggage handling practices.

"We need standardization. All the different suitcases have been handled the same way for 40 years. If you look at the shipping industry, it is all containerized and standardized."

As airlines conform to IATA Resolution 753, this could become easier.

Radio Frequency Identification chips in bags could eliminate the need to scan each bag individually and might allow bags to be identified by proximity, even when stored in containers.

It's not all digital.

Some analogue solutions can also help improve the journey. Cologne is working to reduce queues through a process re-design inspired by the trusted traveler program. It simplifies security for those who travel often.

"We are working on easy security where you can overtake inexperienced passengers. It's on a test-phase at Cologne and the process is much quicker than before."

Mobility as a Service at Munich

Anita Neudeck, senior manager, innovation and partnering for Munich Airport presented a new "mobility as a service" platform which offers door-to-door transport information service to passengers, from the city centre all the way to the gate.

It combines transport services and traffic information with airport way-finding and flight updates and gives passengers a full view of their journey, according to the transport method they select.

"We are implementing a service where you, as a passenger, just type your locations and also put in your flight number, select the mobile transport options: car sharing, or public transport.

"Or, if you go by your own car, we can tell you what the situation is on the road. You can search and you get a list of options to get you to the airport. We include how much it will cost and how long it will take."

Neudeck believes this type of solution will be attractive and very relevant to modern digital travellers who simply want to get there and have little patience to spend time searching.

"Transportation has become intermodal. Seventy percent of Millennials are using multiple ways of getting around cities and the suburbs. People don't want to think about what transport to use. They just care about the destination and they care about time and costs."

Munich Airport is collaborating with Hamburg Airport, Düsseldorf and Münster/Osnabrück to offer passengers a single "Passnger App" which gives travellers all the information they need for their journey.

One of the motivations behind the collaboration is that Neudeck agrees with others in the industry who have questioned the usefulness of single airport apps.

She believes passengers are more likely to download and use the "Passngr App" because it offers something more valuable than terminal information alone.

"The idea is for all of the airports to come a bit closer and provide one service to all passengers. This channel gives us the opportunity to offer real door to door service."

Munich Airport has partnered with Siemens, which supplies the framework of the mobility platform.

"Siemens has all the connections to public transport companies and car sharing, and they also get traffic information from the road. There is one interface to our IT at Munich."

As the mobility as a service digital platform grows and matures, Neudeck believes it could become a revenue builder for airports, offered to airlines as a B2B service. An API would let airlines give their passengers the same door-to-door, multi-modal transport information, and terminal way-finding, all within their branded app.

"For that, we have to make the first step, try it out for ourselves, and gain some experience. If we are able to integrate one more airport to the 'Passngr App', I think it will be important. It would become very relevant. That would be a very good thing for switching to a B2B model." ➔

(source: Thooz)



TripAdvisor: Help Travellers to Be Well Informed in Their Travels

An Exclusive Interview with Daniel Pan, Chief of Staff, TripAdvisor China

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TripAdvisor is an institutional member of the World Tourism Cities Federation (WTCF). Hundreds of millions of verified reviews by travelers are available at TripAdvisor, making it the largest global platform for tourism. In addition, its self-developed ranking for tourist sites and hotels provides travelers with the greatest help in making trip decisions. Recently, TripAdvisor gets even more active in Integrated Transport by cooperating with DiDi in establishing DiDi stations at almost a hundred hotels. In doing so, TripAdvisor has integrated trip with travel. Other moves of the company include a travel map jointly published with SinoMaps Press. All of the efforts have drawn widespread attention in the industry. World Tourism Cities has exclusively interviewed Daniel Pan, Chief of Staff, TripAdvisor China.

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Q: We have noticed that TripAdvisor’s logo is an owl, is there any specific meaning to its red and green eyes?

A: Travelers all over the world easily recognize the TripAdvisor owl logo. The TripAdvisor owl,

whom we call ‘Ollie’, represents the “wisdom” of the millions of traveler reviews and opinions that are on TripAdvisor, which travelers can consult so they can better research and plan their travel and be confident about their

travel decisions. Ollie’s green and red eyes can empower users on where they should go, and conversely, where they may not want to, based on the reviews they read. Our Chinese name, which is also a play on the words “owl” and “journey”, was developed to build on the increasing brand recognition of the “Ollie” logo to help travelers understand that TripAdvisor provides good advice so they are well informed for their travels.

Q: How should travelers use TripAdvisor site or APP, i.e. how does TripAdvisor site or APP benefit its users?

A: TripAdvisor is the world’s largest travel site, with hotels, restaurants, attractions, activities and other places of interest in over 190 countries around the world.

As a global travel site, travelers around the world come to TripAdvisor to share their opinions and details about their unique experiences so other traveler scan TripAdvisor to find information about where they are looking to visit, both when they are searching for popular destinations but also when they want to find experiences that can take them off-the-beaten path. When they are on-the-go and on their trips, they can also use TripAdvisor APP to find great places to eat, things to see and activities they may want to do – The millions of reviews and opinions on TripAdvisor can help travelers unleash the full potential of their trip.

In China, we have tailored the TripAdvisor Mao Tu Ying app to make it easier for the Chinese traveler to get information that can help them with their travel choices. We have thought about everything from how they navigate the app and view information to which popular destinations they can download information to prior to their travels to avoid data roaming costs. There are over 300 downloadable destinations they can put into their device to easily view reviews, photos and city maps offline.

We have also developed special PDF travel guides for Chinese travelers that sit inside our



Daniel Pan, Chief of Staff, TripAdvisor China

app, consolidating travel information for popular destinations, making it easy for them to go through top-rated things-to-do when they get there. Through structured travel blogs on TripAdvisor Mao Tu Ying, Chinese users have also shared some of their experiences and travel plans. We've also developed a feature that helping Chinese travelers reduce language obstacles and the anxiety associated with asking for directions when they are overseas and in a foreign country.

Q: Can you please introduce TripAdvisor Mao Tu Ying's business model? How can Mao Tu Ying fulfill travelers' needs?

A: TripAdvisor makes its money through click-based & transaction and display-based advertising and subscription opportunities that drive bookings. Our rich user-generated content helps millions of users easily compare prices, find great deals and book not only hotels, but also restaurants and attractions. The features we have developed specifically for Chinese travelers also helps reduce travel anxiety or difficulty for travel overseas, so Chinese travelers can have a more enjoyable trip overall.

Q: It is said that TripAdvisor has more than 300 million reviews, and how are these reviews differentiated with other travel sites? How can TripAdvisor accumulate so many valuable reviews? How can TripAdvisor ensure the reviews are from real travelers rather than business owners' advertisement? How does TripAdvisor prevent business from submitting fraudulent reviews?

A: Today, TripAdvisor has more than 500 million reviews and opinions from travelers around the globe which travelers refer to before making their travel decisions. These reviews and opinions empowers them with knowledge so they know more about the trip even before they book it.

We've been in the business for over 16 years and when it comes to fighting fraud, we are very pro-active and aggressive in our approach. Every single review goes through our tracking system, which maps the how, what, where and when of each review. This is backed up by a team of over 300 content specialists, who work 24 hours every day of the week to maintain the quality of our reviews.

They investigate every review that is flagged for inspection by our system, and act on any reports we get from our community. They also conduct proactive investigations to catch would-be fraudsters, using techniques

similar to those adopted in the credit card and banking sector. We also have strong penalties in place to deter them and because of these deterrents and the detection techniques we use, the amount of fraud attempted is extremely small.

Q: TripAdvisor claims that its reviews help travelers make better choice. How are hotel and attraction rankings determined? Are they completely determined by traveler's reviews?

A: TripAdvisor has a Popularity Index which takes into account a number of factors, including the recency, quantity and quality of reviews. As such, the older a review is the less impact it will have on a property's ranking.

Q: TripAdvisor has come to its 16th year with high popularity worldwide. It is the largest travel site in the world. Can you please share some experience for online tourism?

A: TripAdvisor was built on three key principles: to give travelers a voice, to promote transparency in the travel industry, and to level the playing field for businesses large and small. By staying true to these principles, we believe we have had a positive impact on the travel industry over the course of the last decade. We have helped democratize the industry and made it more transparent. We have helped to drive increasing service standards around the world. And we have given every business, no matter how small, the right to shine. Today, cultural shift with the Internet has given consumers a platform to share their voice and it is more important than ever that brands and businesses embrace these reviews and opinions as feedback they are getting, and to use this to improve.

Q: TripAdvisor Mao Tu Ying has collaborated with SinoMaps on a series of publications for overseas destinations, with TripAdvisor's content and reviews incorporated. Can you please introduce the differences with other tourists maps and how can travelers benefit from this publication?

A: We have collaborated with Sinomaps to ensure that their new publication for overseas destinations will incorporate TripAdvisor Mao Tu Ying content. This means travelers who perhaps aren't as familiar with using TripAdvisor online yet will also have access to rankings, review content and hospitality businesses that have been recognised with the TripAdvisor Certificate of Excellence. Travelers



are able to access and use the TripAdvisor mobile app when they swipe a barcode when browsing the printed map, discovering the most updated travel information for the specific city. No matter what stage of travel planning they are in, or when they are on-the-go on their trip, both the printed maps and TripAdvisor mobile app can be a valuable reference for travelers, enabling them to unleash the full potential of their trip and have a great time!

Q: TripAdvisor Mao Tu Ying has collaborated with DidiChuxing to help enhance mobility and travel offerings for users in the country. Can you please introduce how TripAdvisor would partner with Didi and how it can help travelers?

A: Our plan with DidiChuxing is to help enhance mobility and travel offerings for Chinese users. To start, we'll work together to build designated Didi stations at up to 100 hotels earmarked by us – this will be guided by TripAdvisor ratings, of course – to provide simple car-hailing access to travellers within China. The partnership with Didi is aimed at building a full service ecosystem of services for users, so travelers are not just able to research, plan and manage that they want to do, but also more easily get from one place to another when they are on the go.

Q: How can WTCF help TripAdvisor Mao Tu Ying in its future development?

A: TripAdvisor is honored to be a WTCF member and to contribute to WTCF's mission to "Better City Life through Tourism". TripAdvisor is committed to improving travel for Chinese travelers who want to go overseas and explore the world. We believe travel can facilitate positive cultural exchange and communication between countries, as well as drive economic growth. We look forward to working with WTCF to identify further opportunities in travel so we can continue doing great things for the Chinese traveler whilst having a positive impact on the industry. ➤



Houston, the Most Diverse and Funky City in America

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Think laid-back, pickup truck and boot-scooting town meets high-powered, high-cultured and high-heeled metropolis. During the day, chill out in your flip-flops, take in museums and go shopping, then hit happy hour on a leaf-shaded deck. At night, revel in culinary or cultural bliss – the restaurant and entertainment scene are renowned across the region. Here starched jeans are de rigeur in all but the very fanciest of restaurants.

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Houston, the 4th largest city in the U.S., is an extremely diverse city full of personality. This large city is often overlooked or dismissed for not being eclectic and unique—but don't let your first thought of Houston be the image of a big oil and energy town full of rich cowboys. With that cowboy culture comes some really cool, strange folksiness, and that oil money has helped fund a very rich and vibrant arts scene. Dig deep and Houston has a lot of culture, art, and diversity, and a plethora of the weird and unique.

I don't think you would find a magical folk art structure like The Orange Show in any other city. Jeff McKissack, a postman, bought a lot in the middle of a neighborhood on the East End and turned it into a celebration of his favorite fruit, the orange, simply using found objects, fencing, glass, and concrete. Since his passing, a foundation was established to preserve the space, and it now hosts musical acts such as Afrika Bambaataa and Beach House. This foundation also maintains

another unique treasure, the Beer Can House: the private home of a furniture upholsterer who said, “I just got sick of mowing the grass,” and covered his home in 50,000 cut-up beer cans. They chime in the wind.

In that same DIY folk-artist spirit, Houston is also home to the annual Art Car Parade and Art Car Museum. Each year, a parade filled with the most amazing and funky works of art you have ever seen on four wheels goes down Allen Parkway, a busy main street in downtown Houston. Cars are covered in action figures, mirrors, or tennis balls or are turned into giant metal chickens. You want strange, we have it, and we proudly parade it downtown!

Some of the best art museums in the region are located here in Houston, including the Museum of Fine Arts, Houston, the Contemporary Arts Museum, and the Menil Collection, which is free and houses one of the most impressive collections of

Surrealist works. The Menils also are responsible for the Rothko Chapel and, a personal favorite, the Cy Twombly Gallery. Project Row Houses are another well-respected and revolutionary venue where a series of shotgun houses in Houston's Third Ward, the oldest African American community in the city, are turned into revolving artist installations.

The diversity here makes for very rich cultural scene. There is a very large Hispanic and Latino community that brings in some of the best food and culture; a large Southeast Asian community, specifically Chinese and Vietnamese; a rich tradition of southern rap; and yes, that old cowboy culture does exist, mixed with plenty of eccentricity. Take Texas Junk Company, for example, where you can peruse a selection of over 1,000 vintage and used cowboy boots and buy all kinds of junk (an old door, random metal, pieces of a trophy, a banister) for your new assemblage.

Houston is becoming a hotspot for food with many of its culinary artists recently garnering national attention.

It's only natural with such a diverse landscape of culture and food: authentic Mexican and Tex-Mex, Southern soul food, Vietnamese fare (we love our banh-mi), and, of course, damn good barbecue. Some notable chefs are Monica Pope, Bryan Caswell, Michael Pellegrino, and mixologist Bobby Huegel, many of whom have been nominated for James Beard awards and are featured on the Food Network.

Bun B, of the group UGK from Houston, once said to the famous clothing designer Johnny Cupcakes when he made a stop here, "We live in a red state so we try even harder to make people see our identities out here. We fight very hard to make sure we are represented in a real way and stand out as individuals."

Space Center Houston

Space Center Houston is the



official visitor center of the Lyndon B. Johnson Space Center—the National Aeronautics and Space Administration's (NASA) center for human spaceflight activities—located in Houston, Texas.

At present, the facility is operated by the nonprofit Manned Spaceflight Educational Foundation Incorporated with design input from Walt Disney Imagineering and designed by award-winning experience designer Bob Rogers (designer) and the design team BRC Imagination Arts.

NASA Tram Tour and Rocket Park

A tram tour of JSC includes Building 30 (location of the Historic and Chris Kraft Mission Control Centers), Building 9 (location of the Space Vehicle Mockup Facility), and Rocket Park with its restored Saturn V.

This Saturn V rocket is made up of first stage from SA-514, the second stage from SA-515 and the third stage from SA-513, which was unneeded after it was replaced by the Skylab workshop.

The restored Saturn V, on loan from the Smithsonian, is on display after it sat exposed to outdoor elements from 1977 through 2004, leading to exterior weather damage and plants, molds, and small animals inside the stages. In 2004 the Smithsonian took over and began efforts to restore the vehicle through a grant from the National Park Service's Save America's Treasures program and the National Trust for Historic Preservation along with private contributions.

Independence Plaza

Independence Plaza, the Space Center is also the home of the Space Shuttle Independence mockup. And Formerly known as Explorer, Independence was previously located at the Kennedy Space Center, but was moved to make way for a new permanent attraction hall for Space Shuttle Atlantis. Independence is now displayed atop the retired Shuttle Carrier Aircraft, NASA 905. On August 14, 2014, a heavy lift was completed to place Independence on top of NASA 905, which had been moved to Space Center Houston from Ellington Field on April 30, 2014. The center plans to open the combined exhibit in 2015 at an estimated cost of US\$12 million. ➤

(Source: designsponge)



The Market in Moscow is Still Riding Strong



“The market in the Russian capital is still riding strong, gaining volume of rooms sold in most segments and rates in some. Overall, the weighted market average occupancy of the quality hotels in the Russian capital had risen 2.6 ppt, and reached 62.1%, the highest Q1 YTD number in at least 5 years. Average marketwide ADR has dropped by mere RUB 44, representing a 0.6% loss, to RUB 7,450. RevPAR still managed to climb a healthy 2.2% - to RUB 4,480” Tatiana Veller, Head of JLL Hotels & Hospitality Group, Russia & CIS, says.

Surprisingly, the segment in this quarter that lost a little bit on all fronts first time in at least 4 years was Luxury. Occupancy here dropped by 3 ppt (to 55%), rate by 1% (to RUB 17,250), and as a result the revenue per available room was 6% less, RUB 9,450. “This is probably because the segment has been riding high and making large gains in many previous periods or maybe because the ruble had been appreciating further against hard currencies, and splurging on unreasonably high-end accommodation became less affordable for foreign traveler” Tatiana Veller comments.

The segment that recorded the largest RevPAR gain was, of course, Midscale. “We say ‘of course’ because the market has been fueled by domestic business and leisure travel and group tourist business for a while, and that’s high-volume, relatively inexpensive demand” Tatiana Veller notes. “The occupancy growth was very large here, by 7 ppt, to 66% - this is higher than any other segment this quarter, and higher than this segment has been in at least 5 years! So, even with a few rubles’ loss in ADR, the RevPAR managed to bring additional 11% to the bottom line for the owners.”

The suburban resorts in the Moscow Region also had a good start to the year. Here RevPAR grew by 6% – to RUB 2,500 – due to an increase in the average rate by 11%, to almost RUB 5,500. At the same time, the occupancy dropped by 2 ppt, to 46% amidst growing prices.

JLL presents also the Q1 2017 Kiev quality hotel market results. “Compared to what we forecasted for 2017 when reporting on 2016 results, quality hotels in the Ukrainian capital

are meeting the expectations. The occupancy grew healthily in the first 3 months of the year, actually surpassing the YTD results of the last stable year, 2013 (39%). 40% of quality room stock was occupied in Jan-March this year, vs. 34 last year, and 31 in 2015” Tatiana Veller, Head of JLL Hotels & Hospitality Group, Russia & CIS, says.

In terms of rates, average quarterly ADR results continue to give mixed feelings – still growing in UAH terms (probably a result of continued weakness of the national currency, rather than a real market condition change), and still falling in USD terms (to an absolute figure of USD 141 vs. USD 148 last year and USD 151 in 2015). In local currency, quarterly average ADR remained relatively stable compared to a year before (grew by a meagre 7,5 hryvnia) but increased by over UAH 600 compared to 2015, reaching UAH 3,203.

Milan's Tourist Signage

Milan has a long history. It has often been at the center of national events and different historical periods have left important traces throughout the city. This explains the richness of Milan’s heritage and the abundance of monuments, precious works of art and impressive architecture.

Milan was built over time, increasingly taking on a more important role at the national and international level. In recent years, it has also grown as a tourist destination.

But how many tourists, not to mention residents, know the city really well? How many have been wondering what else they should visit apart from the major obvious attractions, like the Sforza Castle, La Scala, the Duomo, Palazzo Reale? Is there anything else as interesting and valuable?

Milan hides its beauties carefully, only to reveal them to those who are really interested and passionate about it. And it is almost impossible to have enough time for a comprehensive search.

So the City of Milan has decided to make it easier for all those who are interested in



exploring the city, better if on foot, tracking down the less well-known attractions, which are often but just as significant and rewarding.

Those who have visited Milan in the past will now easily run into tall dark grey metal panels, slightly bent backwards, with a red vertical stripe on the left side and the city’s logo. In the official, elegant typeface they will read a description in Italian and in English of whatever it is that they are in front of: churches, buildings, monuments, museums, city districts. Almost 300 tourist information panels have been placed all over the city, describing all the significant attractions.

Bridging tradition and technology, the panels are equipped with a QR code. You can scan it with tablets and smartphones and access the translation of the descriptive text in 7 additional languages (Arabic-French-Japanese-Chinese-Russian-Spanish and German). You will sometimes browse through further information and detail in Italian and English as well.

You can find the list of the panels at the link here below: <https://goo.gl/hSeZaF>

So you are now free to create an itinerary of your own, following your personal interests. Discover your Milan, and have fun while doing it!

HNA Becomes Largest Shareholder of Deutsche Bank with 9.92% Stake



HNA’s holding in Germany’s biggest bank rose to 9.92%, according to a regulatory filing Tuesday by investment entities acting on HNA’s behalf.

The conglomerate initially reported a 3% stake in Deutsche Bank in February, saying at the time that it may increase its holding, while intending to remain below 10%. It disclosed a stake of almost 4.8% in March.

Led by billionaire Chen Feng, 63, HNA has been on a buying spree, acquiring stakes in Swiss duty-free operator Dufry AG, Singapore-based logistics provider CWT Ltd. and hotel operator Hilton Worldwide Holdings Inc.

HNA’s holding surpasses BlackRock’s 5.9% investment, which had been the largest stake in Deutsche Bank according to data compiled by Bloomberg. The Chinese conglomerate has spent USD 30 billion on deals over the past year.