

Online Travel Review Sites Encourage Increased Spending And Longer Stays In The UK New Research from TripAdvisor and Tourism Economics also reveals that the site was associated with an estimated £1.7bn of UK tourism spend in 2011

London, 19 JULY 2012 – TripAdvisor, Inc. has released insights from a new study on the impact of online user review sites on consumer behaviour and the UK tourist and hospitality industry. Commissioned by TripAdvisor and conducted by Tourism Economics, a leading provider of economic analysis in this field, the findings show that consumers using User-Generated Content (UGC) sites such as TripAdvisor are more likely to increase both their time and spending on tourist accommodation and locations in the UK.

The report estimates that:

- Page views of TripAdvisor content were associated with bookings worth a total of £1.7bn in tourism spending in the UK, 2.2% of total tourism spending in 2011
- This spend supported an estimated 20,000 jobs within the tourism industry and a total of 42,000 jobs were associated with TripAdvisor in 2011 including indirect effects through the supply chain and the induced effects of employees earnings.
- A significant proportion of these jobs would not exist apart from TripAdvisor while other supported jobs and economic activity involve some redistribution of resources.
- A survey shows that over 25% either stayed longer, spent more or undertook more activities as a result of using the site
- Average domestic spending per trip by an UK TripAdvisor user is estimated to be over 20% higher than the average online booking
- UGC sites levels the playing field - with more than half of survey respondents reported finding on TripAdvisor hotels not part of a chain
- TripAdvisor and sites like it tend to provide reassurance, build trust and provide more information which leads to an increase in bookings and spending by consumers
- Consumers using user-generated sites are also more likely to have a better travel experience as a result of having greater insight and expectation management of locations visited

One of the report's authors, David Goodger, Director of Tourism Economics (an Oxford Economics company) said: "Sites such as TripAdvisor have fundamentally changed the way consumers both research and shop for their holiday and leisure activities, to their benefit. Travel consumers can now afford to be more selective in their purchasing decisions which has really seen those providing a quality product or service in this industry rise to the top. The great thing about UGC sites is that in addition to building consumer confidence and increasing spending prior to travel, they have levelled the playing field for businesses big and small.

"This democratisation of reviews and travel information has also shown to generate real commercial value with TripAdvisor alone, as the leading travel site, supporting £1.7 billion in tourism spending in the UK. We estimate that over 7,000 new jobs have been generated in the economy as a result."

Christine Petersen, president of TripAdvisor for Business, commented on the study: "The travel industry has long been ahead of the curve in adopting UGC and really tapping into this to benefit both consumers and businesses alike. Property and site owners that have been truly embracing and engaging with this content not only benefit through the consumer feedback they receive but they have also raised the quality standards of the industry as a whole in the UK.

"We knew that our community of over 56 million unique users contribute great consumer insight to each other and the industry but now we see that sites like ours can also drive real economic value."

The Tourism Economics research was carried out in May 2012. Data on UK page views and booking conversion were provided by TripAdvisor as inputs to Tourism Economics' existing economic models of the UK tourism industry. A survey of TripAdvisor users was also carried out to inform the analysis. The report was an independent study commissioned by TripAdvisor to

research the economic and consumer behaviour impacts UGC sites have had on the travel and tourism industry***.

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Notes to editor

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About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of tourism dynamics with rigorous economics in order to answer the most important questions facing destinations, developers, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, tourism forecasting models, tourism policy analysis, and economic impact studies.

Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics enjoys a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of highly-experienced professional economists; a dedicated data analysis team; global modeling tools; and a range of partner institutions worldwide. Oxford Economics has offices in London, Oxford, Belfast, Paris, the UAE, Singapore, New York, Philadelphia, and San Francisco.

<https://tripadvisor.mediaroom.com/2012-07-19-ONLINE-TRAVEL-REVIEW-SITES-ENCOURAGE-INCREASED-SPENDING-AND-LONGER-STAYS-IN-THE-UK>