Orbitz: Mobile searches may yield better hotel deals

Readers: This is the fourth post from Orbitz Worldwide CEO Barney Harford, who is guest blogging this week. Here’s Harford, in his own words:

May 10, 2012:

Mobile commerce on smartphones and tablets is a really hot area right now, particularly in travel. And within travel, the hotel segment is the hottest. A recent study by comScore found that 51 percent of iPhone, Android, Windows and Blackberry users had accessed travel-related sites, and that one in five smartphone users had actually used their device to make a hotel booking or airline reservation.

At Orbitz Worldwide, we’ve invested significantly in building out support for mobile. We’ve developed both mobile-optimized version of our websites that can be accessed from any web-enabled mobile phone as well as native apps that are designed specifically for iPhone, iPad and Android.

Mobile devices obviously have a smaller screen, and our designers and engineers take this different form factor into account when designing for mobile. They also build in support for different types of user interaction such as touch-sensitive screens and swiping, and incorporate mobile device capabilities such as GPS. Our teams have been able to streamline our mobile website to make it easy for consumers to book hotels, flights, car rentals and even vacation packages on their mobile phones despite what is still a relatively small screen size.

Given our hotel focus, we’ve invested particularly heavily in the hotel side of things when it comes to mobile, releasing our "Hotels by Orbitz" apps for iPhone and iPad, which immediately show you hotels available tonight near your current location upon launch, provide verified traveler reviews, and allow hotel bookings in just three taps.

In the first quarter of this year, 12 percent of our hotel searches were executed by customers using a mobile-optimized version of our website or a native app. And that figure doesn't even include searches executed by iPad users accessing our regular site through their browser. In December 2011, consumers visited Orbitz mobile sites more than 2.5 million times. Just three months later in March 2012, that number had doubled to more than 5 million.

We’re seeing some interesting differences between how travelers book through mobile compared to the desktop version of our websites. While we typically see same-day reservations hovering around 14 percent of total hotel reservations made through a desktop computer browser, that number surges to 65 percent when you look at bookings made through mobile devices! In the past last minute travelers had to "walk up" to a hotel's front desk and inquire about the rates available at that particular hotel tonight – making it very tough to compare options. Now travelers can easily search across properties available nearby, compare prices, check out photos and consult reviews before finalizing their decision and making their booking.

There’s another reason for travelers to consider "going mobile" when planning travel: We're able to offer "Mobile Steals" – exclusive mobile-only rates – to users who search from a mobile device. Many of our hotel suppliers recognize that the heavy skew towards same-day reservations provide an opportunity to fill rooms that they know will otherwise go unsold, and they are willing to offer significant discounts of up to 50 percent off the rates available through other channels to consumers accessing our sites from a mobile device. Just this week for example, we were offering a great four-star resort property in Scottsdale, Ariz., on Orbitz.com for $129, already a highly competitive rate, but the resort provided an additional discount for mobile users as part of our "Mobile Steals" offering, bringing the rate down to $83 per night. Bottom line: If you are not shopping for travel on a mobile device, you could be leaving money on the table, or in this case, the nightstand.