



# Champions Trophy

## Case Competition 2013



### Case 3: Triptrotting.com

1 February 2013



Case prepared by Ms Kylene Jones and Mr Kyung-il Min under the supervision of Mr Sunny Gu. This case has been prepared solely for the Champions Trophy Case Competition. All data in this case has been obtained from publicly available sources and Triptrotting.com. This case is not intended to serve as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Portions Copyright © 2013 The University of Auckland Business School. All rights reserved.

The support of Ms Aigerim Shorman, Co-Founder of Triptrotting.com, in the preparation of this case is gratefully acknowledged.

**Minion Jones**

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**From:** Minion Jones  
**Sent:** Friday, 1 February 2013 3.21am  
**To:** Triptrotting Project Teams  
**CC:** Jane Margo; Alysha Agnes  
**Subject:** Triptrotting Strategy Presentation

Hi Team,

This morning we have an interesting company for you! Our client, Triptrotting ([www.triptrotting.com](http://www.triptrotting.com)), is an online platform that has been in operation since 2010. Triptrotting is a worldwide network made up of travellers and locals collectively known as "Triptrotters". Travellers can connect with and meet Triptrotters across the world through one-on-one meet ups and by engaging in local activities.

Triptrotting is unique as it connects people using a personality matching algorithm based on the traveller's interests, their personality and the type of holiday they are looking for.

Triptrotting has facilitated in-person meet ups for tens of thousands of people and the company has raised US\$1.8 million from investors. Triptrotting has approximately 100,000 members from over 2000 cities in over 150 countries.

Co-founder Aigerim Shorman has asked for your views on how to further expand and grow the Triptrotting user base. She would like you to think outside the box and not be limited by the existing strategy and direction. Aigerim would be open to recommendations ranging from small changes to the current strategy to potentially taking a complete 180-degree change, including removing existing features, product offerings and markets or introducing new ones. In addition, she would also like to receive ideas on other potential revenue streams that Triptrotting should explore.

You will have ten minutes to present to Aigerim and her team who have flown over from their Los Angeles headquarters. This will be followed by a ten minute question and answer session to clarify any issues.

Our research team has put together some relevant information and I have attached it to this email.

Kind regards,

**Minion Jones**  
**Senior Vice President**  
**SYG Consulting Group**



# Background



## Background

Tripotrotting is an online platform which connects travellers and locals around the world to help the traveller see a city from the local's perspective. Tripotrotting connects people using a personality matching algorithm based on the member's interests, their personality and what type of holiday they are looking for. This algorithm was developed with the help of the former chief scientist from the online dating website, eHarmony. Travellers are then able to contact the local hosts to ask them for suggestions while in the planning phase of their trip or to arrange to meet up with them personally when they arrive. These personal meetings might involve going to a local restaurant or being shown attractions in the city. The local host benefits by being able to share their culture with a tourist and expand their international networks.

Tripotrotting also collaborates with local businesses around the world so they can offer purchasable activities for travellers. Activities include biking through Beijing, deep sea fishing in California and wine tasting in the Italian countryside.

The key problem Tripotrotting attempts to address is that of travellers finding themselves as clueless tourists in a strange city. This inevitably results in them joining large group tours that only provide a limited experience of the city. Tripotrotting wishes to change this to allow travellers to enjoy a unique trip where they can really experience the city from a local perspective and develop a greater understanding of the culture. Examples include being invited to a Singapore apartment for a home-cooked Singaporean meal, being taken to the best pizzeria in Rome or being given a tour around private beaches in New Zealand. The idea is that the traveller and local host will remain friends even after the trip is complete.

Tripotrotting's goal is to allow travellers to gain an understanding of the world and also to experience and learn about different cultures first hand through meeting and developing relationships with local people.

Tripotrotting currently has approximately 100,000 members signed up. 30% of the community are from Europe, 30% from Asia, 20% from North America, 10% South America and the rest from other parts of the world. 95% of people who use Tripotrotting speak English. The most active users on a daily basis are from North America.

## Past to the present

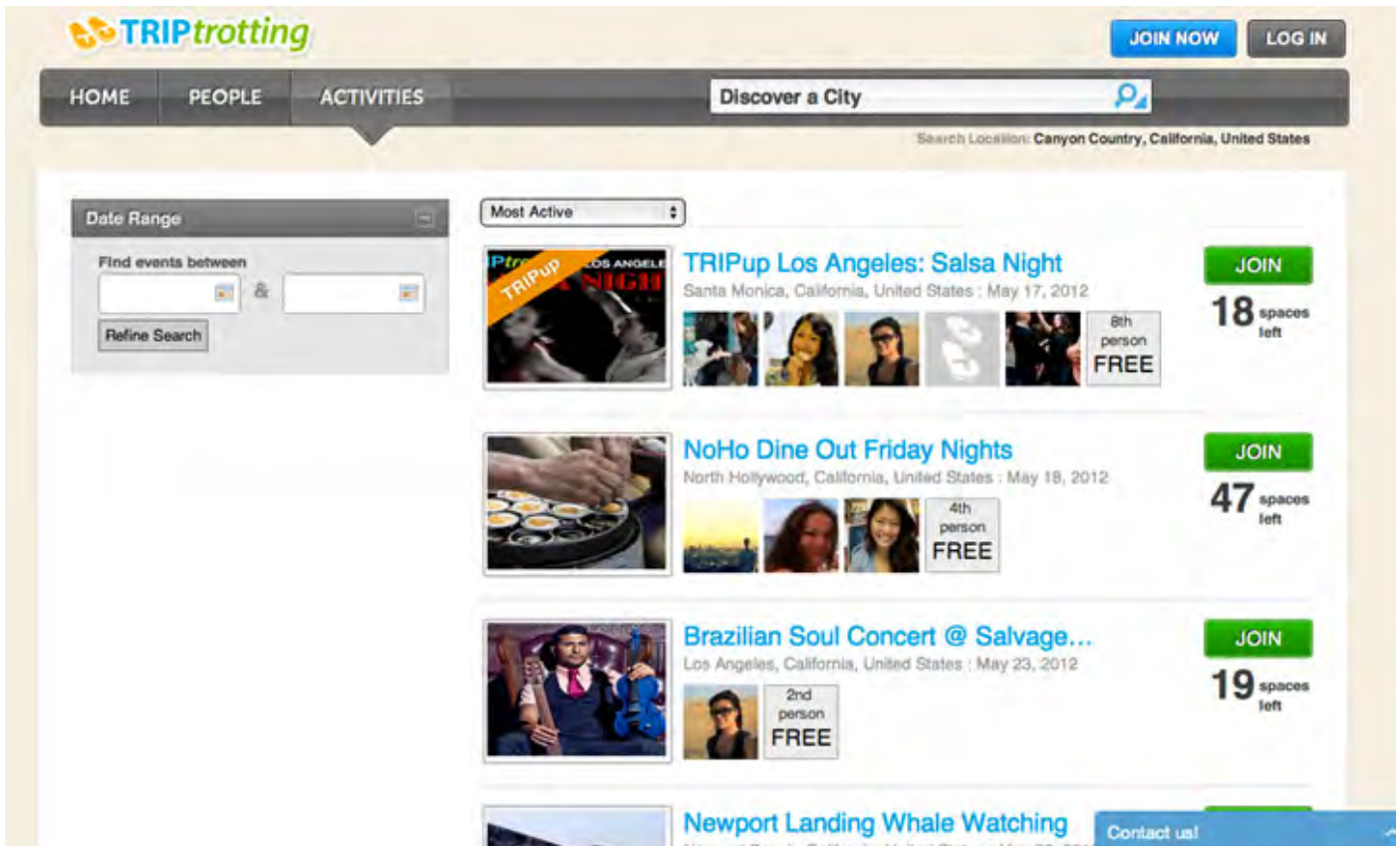
The Tripotrotting idea was developed from the co-founders' personal experiences, particularly a trip to Bangkok, Thailand, in 2007, but also from the travelling they undertook through their participation in business case competitions and other programmes at the University of Southern California (USC). They experienced the same problem everywhere they travelled: it is extremely hard to connect with locals who share your interests. Through travelling, the co-founders found that while you could meet people on your tour group or travellers at the hostel and people in bars, it was actually quite difficult to engage with local people. They wanted a holiday which went beyond socialising with fellow travellers and taking photos of tourist attractions such as Big Ben in London.

The first version of the website was launched in 2010 with an aim to connect USC and Thammasat University students. A group of USC students was going to Thailand for winter break, so through their connections the co-founders reached out to students and business case competition advisers at Thammasat. This was successful and they managed to connect 100 local college (university) students from Thammasat with the 30 USC students who were travelling.

In January 2011, Tripotrotting secured a round of funding totalling US\$330,000 from Idealab's New Ventures Group. Idealab is an incubator in the United States which aims to create and operate pioneering technology companies. With this money, Tripotrotting was able to hire software engineers in order to get the first "Tripotrotting.com" website launched by May 2011. The idea behind this website was matchmaking travellers with local Tripotrotters who could help them with their travel planning or arrange a potential meet up. For example, if a traveller was looking at going to Los Angeles, the traveller would search people in Los Angeles who have a profile on Tripotrotting.com and message them.

Some Tripotrotters soon became "super users" as they were very active on the website and started enquiring about how they could help spread the word and extend the user database. Tripotrotting therefore created local ambassador roles whose tasks included marketing through word-of-mouth and organising Tripotrotting events called "TRIPups". Both locals and travellers can attend TRIPup events and meet new people. So far TRIPups have taken place in China, Russia, Cambodia, Hungary, the United States, Italy and Brazil. These ambassadors are currently located in Spain, Germany, France, the United Kingdom, the Czech Republic, Argentina, Hong Kong and others. Examples of TRIPup events are provided on page 10.





In May 2012, Triptrotting closed a new round of funding which raised US\$1.5 million from Google Ventures, Mark Suster (LaunchpadLA), Dave McClure (500 Startups), Bill Gross (Idealab), WI Harper Group, Safa Rashtchy, Eric Chen and other angel investors.

After operating for a year Triptrotting found that many users did not just want to meet on a one-on-one basis but wanted to meet up with larger groups in order to meet more people. As a result of this discovery, Triptrotting added an activities platform to the website as an additional service in June 2012. Users can now search for local activities and events worldwide based on location, time, date and price. A feature of the Triptrotting website is that a user can view who else is attending the activity or event. The user can then look at the profiles of those attending and, if they wish, message them to meet up beforehand. Users can also share details of events with their friends on social media platforms such as Facebook, Twitter and Pinterest. This development has led to more connectivity and greater social networking. Activities include speakers, trips to historical sites, museums, meals, parties, concerts and more.

Triptrotting has collaborated with local vendors in order to offer these activities. For example, Triptrotting has developed a relationship with a local surfing business in Santa Monica, Los Angeles in order to list the activity on the website. In return, the surfing business will receive the profit from the people attending the surfing class and Triptrotting will receive a 20% cut of this, plus any mark-up. The first Triptrotter to join the surfing class will pay the lowest amount (for example, \$50). This is based on the theory that it is hardest to be the first person to join an activity. However, if the Triptrotter is the tenth person to join the activity, the price will be marked up so they will end up paying \$60.

Although the activities platform got some traction and Triptrotting was able to generate enough revenue to cover the marketing expenses associated with the sales of the activities, the slow growth in bookings and revenue did not justify the level of both financial and human resources needed to maintain the function. Whilst trying to understand lack of interest and traction, the Triptrotting team conducted target market and user research interviews between October and December of 2012. Through these interviews, Triptrotting learned that (i) even though they love the idea of meeting locals, most travellers do not usually do this due to factors including safety, time, and compatibility and (ii) almost 99% of travellers do not like booking activities ahead of time, as they do not know when and where they will be during their trips.

Currently Triptrotting employs three full-time staff (Co-founder Aigerim Shorman, the Tech Co-founder and a Marketing Director). Their focus has shifted toward finding new opportunities in the travel space outside of activities and one-on-one connections.

## Mission

“Our mission is to expand cultural understanding. At the end of the day we are all the same; regardless of your background, regardless of what country you’re from, we’re all people. And what we want students (and young professionals) to realise from the Triptrotting experience is that when you meet a person from another culture, someone you’ve never spoken to, and you become friends, that creates a special relationship across the world.”

Triptrotting wants to be the go-to site for people when they are travelling or even dreaming about trips they want to take.

## Value proposition

Triptrotting’s value proposition comes in three key parts:

1. Personalised: You are matched with Triptrotters you are actually interested in meeting / who share the same interests as you.
2. Exclusive: It is a verified community of students, alumni, and professionals. In order to meet up with other Triptrotters you must be a verified member.
3. Community: You can make friends, have fun and expand your global network.

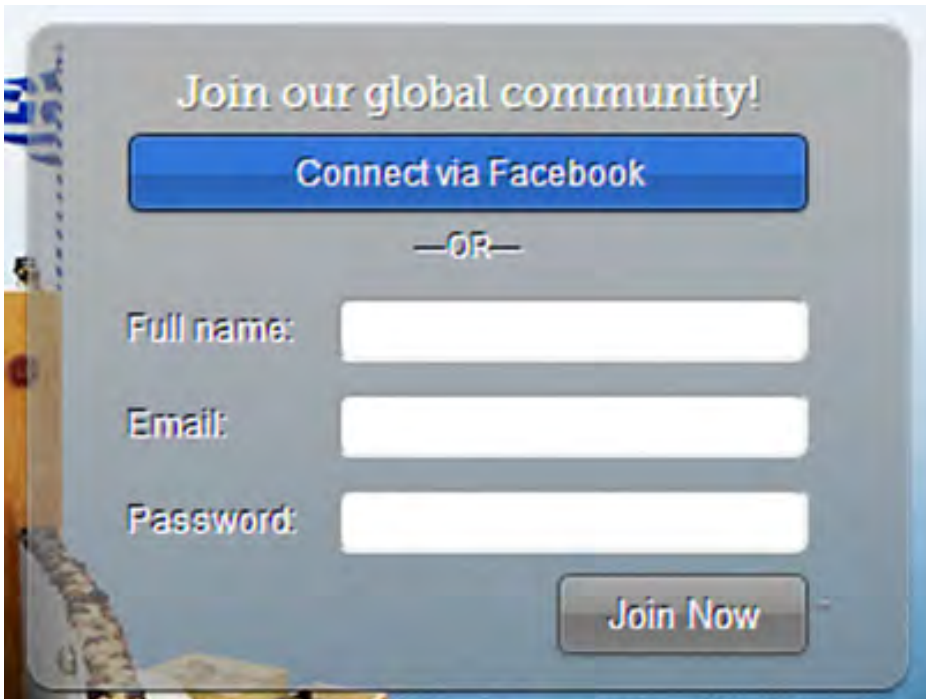


# Tripotrotting.com



## How to become a “Triptrotter”

Signing up to become a Triptrotter is an easy process. On the home page of the website, a user can quickly join via their Facebook account or by providing their full name, email address and a password.



Join our global community!

Connect via Facebook

—OR—

Full name:

Email:

Password:

Join Now

Once this is completed the user can edit their profile to include their current location, basic information, languages they speak, English proficiency, a brief biography and their education / profession profile. Then in order for the personality matching algorithm to work, users fill in an “interests” section. This “interests” section includes four travel preferences (incredible culture, relaxing, parties or being active). Users fill in their favourite countries and then select as many interests that apply to them (meeting friends, dining out, museums, going to the beach, watching television, dancing, partying at night, professional networking, active sports, going to movies, taking short trips and cultural learning).

Users can also update their status from one of three options: “Yes, I want to host!”, “No, I can’t host right now”, and “Maybe”.

There are three different types of local host options that the user can select from. The local host options are indicators of



the time and commitment hosts are willing to spend with the visitor. This helps the traveller to decide on which Triptrotter (local host) to contact.

1. “Super Ambassador” – This local host option has the greatest commitment and this host offers the most time to help a Triptrotter. They are the most active in the Triptrotting community.
2. “Active Ambassadors” – This local host option is for those who are interested in helping out and have time to meet up with travellers when possible.
3. “Ambassadors” – This local host option is for those who have a limited time to meet up due to constraints such as study or work but they still wish to be contactable to help fellow Triptrotters who are visiting their city.

The user is able to state what services they can provide to Triptrotters visiting their city. Examples include meeting up for dinner, picking them up from the airport and taking them for a night out in town. Users can then indicate whether they are willing to provide accommodation for the Triptrotter with “yes”, “no” or “maybe” options.

Based on all this information provided, Triptrotting will use their personality matching algorithm to match the user with Triptrotters with similar interests. It can also recommend local activities which that traveller might find of interest.

## Security measures

An added component to registering on Triptrotting.com is that users can become verified if they are associated with a college (university), a company or if they know a current member. Users can also request to be verified by the Triptrotting staff. Triptrotting has put these security measures in place in order to maintain the quality of the users in the community and to maintain safety.

After Triptrotters have spent time with a host, both parties are required to give a review and rating which is visible to other Triptrotters.

## Connecting with travellers

### Meeting up one-on-one

Triptrotting provides a platform for travellers to meet new people from all over the world and create lifelong friendships. The personality matching algorithm matches people with similar personalities and shows in percentage terms how close a match they are. Triptrotting has currently facilitated meet ups among over 10,000 members.

Connecting with people via Triptrotting is easily done following these three steps.

1. Search the city you are travelling to or your own city.
2. Message Triptrotters that you wish to meet up with or that you want help from.
3. Create plans with them and meet up one-on-one offline.

## Activities

Triptrotting offers a wide variety of local and authentic activities and events worldwide. The term “activities” encompasses both the activities and events that Triptrotting provides. Triptrotters are able to see ahead of time which other Triptrotters are attending the event and they are able to connect with them beforehand. Currently around 12,000 events and activities are listed on the website.

Finding activities and events is easily done following these five steps.

1. Search the city you are travelling to or your own city.
2. Select an activity to join.
3. Look at which other Triptrotters are attending.
4. Join the activity on the website.
5. Invite your friends through word of mouth or via social media.

## **Examples of TRIPup events**

As stated previously, local ambassadors around the world have organised and hosted TRIPup events. Some of these events have had crowds of over 1000 people. Here are three examples:

### **TRIPup Phnom Penh, Cambodia**

On 9 September 2011, the Phnom Penh chapter organised and hosted a networking event for Triptrotters. The event was held at The FCC Phnom Penh.

### **TRIPup LA, USA**

TRIPup LA was held at Hotel Hollywood and was an event organised by Triptrotting. The evening included free wine and food and many people from Los Angeles attended, along with exchange students and other travellers from around the world.

### **TRIPup Sofia, Bulgaria**

On 17 October 2011, Triptrotting and Free Sofia Tour organised the TRIPup Sofia party at Club Culture Beat. Many foreign and local travellers attended. It included welcome drinks (Sangria) for the first 70 guests who attended, a presentation on Triptrotting and Free Sofia Tour, then an after-party with a DJ.



# The Triptrotters



## Target market

Tripotrotting's current demographic is college (university) students and young professionals who are aged between 18 and 35 years. However, it is not exclusive to this particular target group. The majority of the users are aged between 25 and 35 years of age.

Research has shown that the 18 to 35 age group tends to travel the most, are most open to meeting new people and would rather explore when travelling than just sit at the beach. Today's generation of young people are more informed, more mobile and more adventurous than ever before. They are looking for ways to discover new cultures and develop their own knowledge.<sup>1</sup>

Having gained the means to travel themselves, they will aim to experience and appreciate their travels as much as possible. This is done through new and unique experiences such as ways of life, eating and sleeping, understanding new cultures or joining other young people for large-scale events.<sup>2</sup> Activities need to be varied and as physical as possible.<sup>3</sup>

A key difference compared to the average tourist is that younger travellers tend to reach remote destinations and stay for longer periods of time. Also, there is year-round demand as they are unconstrained during holiday periods and the ability to travel off-peak gives them more competitive rates, allowing them to stay longer.<sup>4</sup>

The UN World Tourism Organisation (UNWTO) states that out of the 990 million international tourists travelling around the world in 2011, 20% of them were young people. The rate of growth amongst this group is faster than global travel overall and is expected to be almost 300 million per year by the year 2020. From these trips younger travellers generated US\$185 billion for the tourism industry in 2011, a rise from US\$165 billion in 2010, despite the economic downturn.

When the going gets tough, the young keep travelling. Research shows that young travellers are not fazed by economic problems, political unrest or epidemics. In fact, evidence suggests that young people are more eager to travel on extended trips when the economy is poor as there are fewer jobs available.

Despite the fact that young people spend less daily than the average tourist, overall they spend more than other tourists because they tend to stay longer at their destination. The World Youth Student and Educational (WYSE) Travel Confederation New Horizons survey indicates that young travellers spend around US\$2,600 at their main destination compared to the average spend of US\$950 by an average tourist. Total tourism spending by a young person is directly related to their income and in most cases the total is close to their annual income.

<sup>1</sup> UN World Tourism Organisation, The Power of Youth Travel, AM Reports, Volume 2.

<sup>2</sup> Ibid.

<sup>3</sup> Claudia Olimpia Moisa, Aspects of the Youth Travel Demand, *Annales Universitatis Apulensis Series Oeconomica*, 12 (2), 2010.

<sup>4</sup> Anita Mendiratta, CNN's TASK Group, COMPASS – Insights into Tourism Branding, Youth Travel: Building The Future of Tourism Through Back-packs.



The WYSE Travel Confederation research also indicates that around 60% of youth travel budgets are spent at their destination. The other 40% is for transport costs to and from the destination, which is in most cases is the cost of flights. The table below breaks down what the 60% is mainly spent on:

<b>Accommodation expenses</b>	<b>18%</b>
<b>Meal expenses</b>	<b>15%</b>
<b>Recreation / entertainment expenses</b>	<b>12%</b>
<b>Communication expenses</b>	<b>5%</b>
<b>Other expenses</b>	<b>10%</b>

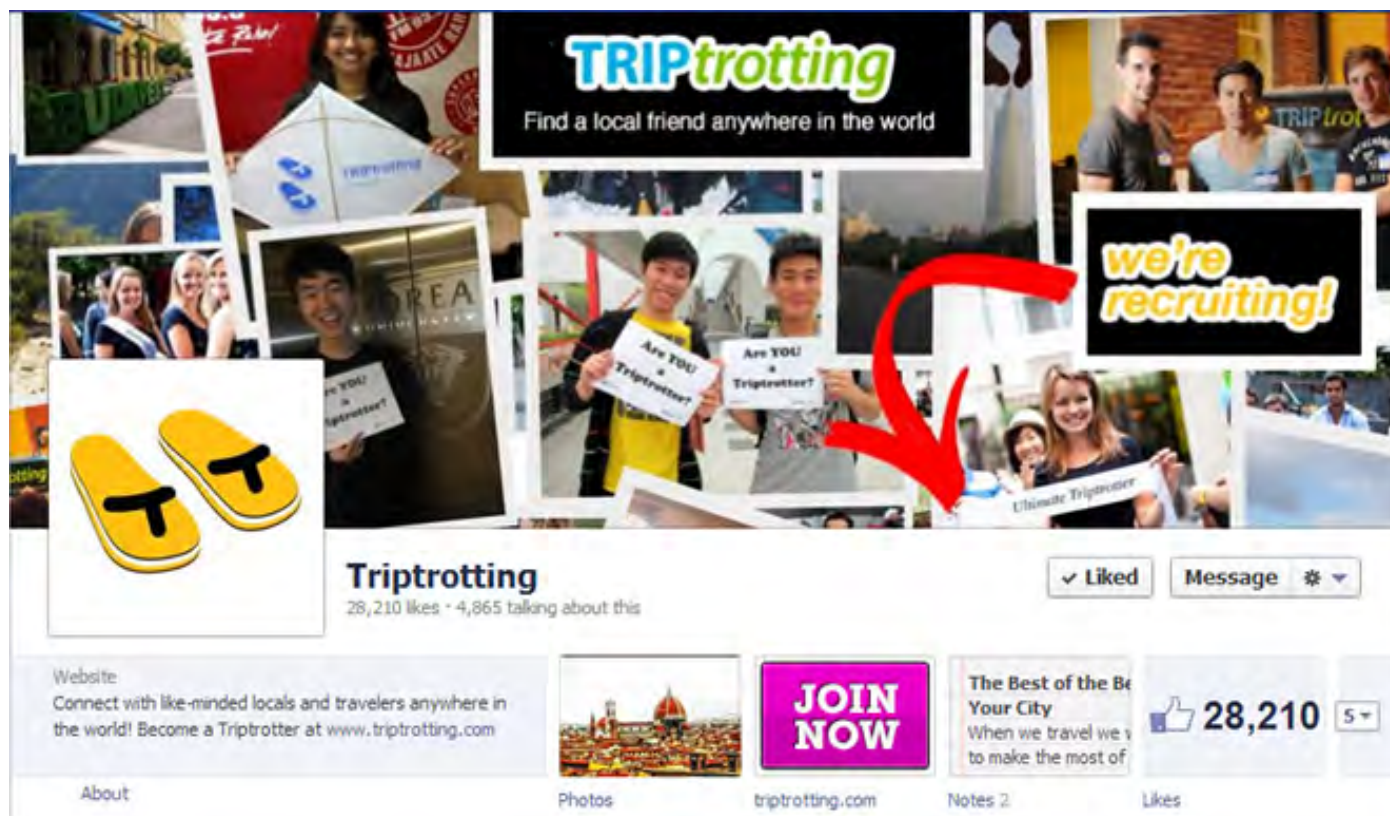
## Marketing

Tripotrotting has two key marketing channels:

Firstly, there are 40 local country ambassadors in different cities undertaking word-of-mouth marketing on Tripotrotting’s behalf. These country ambassadors spend up to 20 hours weekly working for free for Tripotrotting with their only compensation being their official “Ambassador” titles and also recognition for their work on the website. Ambassadors are also in charge of organising the “TRIPup” events.

Secondly, Tripotrotting is active on the following social media channels: Facebook, YouTube, Twitter, Pinterest and Tumblr. The Tripotrotting Facebook page receives the most traffic and with the administrative team posting daily on the page, this has led to more engagement from the Facebook community.

Here are screenshots of the social media channels:



Tripotrotting Facebook page



Tripotrotting Twitter page

## Marketing campaign 2011 – “Ultimate Tripotrotter”

In May to June 2011, Tripotrotting held a competition called the “Ultimate Tripotrotter”. In the search for the “Ultimate Tripotrotter”, individuals from around the world submitted information about themselves including travel photos with the aim of securing as many votes as possible. The 50 finalists with the most votes then had to create a two to three minute video convincing a panel of judges why they are the “Ultimate Tripotrotter”. Over 6,000 people entered the competition.

The grand prize, worth over US\$ 10,000, was an once-in-a-lifetime “Ultimate Summer Experience” providing the opportunity for the winner to travel to another continent for two to four weeks, visiting at least ten different cities or countries and meeting up with local host “Tripotrotters” in all destinations. All accommodation and transport was included in the prize package. In return, the “Ultimate Tripotrotter” had to create video diaries and write regular blog posts to share with the Tripotrotting community.

This competition was sponsored by Air Berlin, Tripfilms, Urban Adventures and The Travel World. To make this happen, Tripotrotting also partnered with HousingAnywhere.com, The WHL Group and non-profit organisations including The Network for Teaching Entrepreneurship (NFTE), Teach for America (Los Angeles), Wokai, Flying Kites, B1G1, Give Running as well as universities and professional organisations.





# Competitors



## CouchSurfing International

CouchSurfing International, a corporation in San Francisco operates an online platform which allows social networking as well as hospitality exchange services amongst users. As Triptrotting's biggest competitor, Couchsurfing.org boasts 3.6 million users. It has recently raised US\$23 million of venture capital funding. Members can search for hosts who offer them sleeping space (from a bed, floor or couch) in the city they are travelling to. On arrival they can stay there for a couple of days before moving onto another host's house. CouchSurfing also offers activities as well as forums on their website. As of January 2012, CouchSurfing had over 3.6 million members who came from 80,000 towns in 250 states and territories.

CouchSurfing's guiding principle is "we envision a world where everyone can explore and create meaningful connections with the people and places they encounter. Building meaningful connections across cultures enables us to respond to diversity with curiosity, appreciation and respect. The appreciation of diversity spreads tolerance and creates a global community." CouchSurfing allows travellers to experience travel from a local point of view from staying at their house to meeting other travellers and locals at activities.

Becoming a member is free, however, there is a fee if a user wishes to become a verified member. Being a verified member is not compulsory. When members sign up they can update their profiles with information about themselves including pictures and also the accommodation they can offer to other CouchSurfers if they have any.

Additional services that CouchSurfing offer include editable travel guides, forums on their websites where members can find advice on their travel planning and they can also find travel partners. CouchSurfing members also organise different events such as bar crawls, networking, sports events and camping trips. The website has a database of hundreds of events. An example is the annual Berlin Beach Camp, which over 1,000 people attended last year.

Similar to Triptrotting, CouchSurfing has ambassadors. These ambassadors also volunteer their time to update the website, answer queries, perform other administration tasks and also undertake word-of-mouth marketing.

## Other smaller competitors

Below is a sample of small companies and start-ups that are in the industry and are potential competitors for Triptrotting.

### Competitor A

Competitor A is a marketplace for users to find activities and authentic experiences. Its goal is to give travellers a local experience by offering activities and experiences that are unique such as cooking classes hosted by professional chefs or a trek by a local guide. Competitor A allows users to invite friends to join the community and they are also able to host activities.

### Competitor B

Competitor B is a hospitality network that focuses on connecting travellers with locals in the city where they are travelling to. Competitor B currently lists places to stay in 18,000 cities around the world and the community includes many local people from 175 countries. Competitor B prides itself on offering the widest selection of home rentals in the world which includes access to over 850,000 homes. Examples include castles, Fijian bungalows and lofts in New York City. The community allows travellers to connect with each other in order to be shown the local places in each city. It also provides travel tips and details of homestays. Competitor B's focus is all about making the world a better place through cultural exchange.

### Competitor C

Competitor C gets users to sign up via its social networking sites such as Facebook, thus providing access to the member's entire social network. Through this, Competitor C can find out where your Facebook friends are currently travelling or where they are currently residing. Through the connections with your social network, you are able to get valuable travel advice and planning assistance from friends who have visited or are residing in the location you are planning on visiting.



### **Competitor D**

Competitor D is all about connecting locals and travellers on the same platform. Locals are able to offer their unique knowledge about their city and culture. They can offer activities, promote their services and even accept bookings from travellers and get paid to offer their activity. For travellers they are able to feel like a local when they travel. They can plan their trip with the locals, connect with them and even make special requests. Once a traveller has found a local whom they wish to connect with, together they will plan their trip on Competitor D's website complete with a personal trip calendar including maps.

### **Competitor E**

Competitor E helps its users to find tours which are customised and hosted by locals in different cities. Currently the community consists of 907 local hosts in 159 cities. Users are connected to these local guides who are just regular people who show travellers around their city and share their knowledge while making money at the same time.

### **Competitor F**

Competitor F is a marketplace where users can find activities and tours for when they go on holiday. These activities are offered by independent guides and local experts. Currently Competitor F has activities and tours in over 600 cities and lists around 3,000 experiences online. Competitor F is trying to help move travellers away from large impersonal group tours. Users can search for the type of trip they would like to undertake, the place they would like to go to or experiences they wish to enjoy. Competitor F also promote the ethical aspect of their business with the money from the activities goes straight to the community that the local guides come from. All these local guides have been pre-screened through interviews, reference checks and evaluations and are also recommended by Competitor F's community. All the experiences and activities are hand-picked as well. An extra feature of this marketplace is a feature called "Concierge". Concierge allows users to request an experience/activity that is not listed on the website and the amount that they are willing to spend. Competitor F will then find someone who can deliver that experience/activity.

### **Competitor G**

Competitor G is a website and mobile application which allows users to share travelling information and advice, so that other users can benefit from it. This information and advice is linked with photos, maps and links to other websites. Users benefit from Competitor G as all of the advice can help them with planning their holiday and also help them to explore their own city. Competitor G has information on over 60,000 destinations. It allows users to plan their trips and book hotels. They can also create photo postcards of their travels and share these on social media websites such as Facebook and Twitter and users write reviews and tips on the places they have visited. Users of this website are generally well travelled, which allows users to take full advantage of their advice. The objective of Competitor G is to try and make the information available to travellers more personal and trustworthy.





# Conclusion



## Conclusion

In its short history, Triptrotting has been very successful in making a name for itself in the travel industry. It has attracted many users and has grown its community over the past two years. The goal moving forward is to become a household name for travellers, so that when people next travel they will always check Triptrotting first. As a young company, there are many paths that it may take. Triptrotting is open to new ideas, especially in terms of growing the community and exploring potential revenue streams.





# Appendices



## Financial information

		2012			
<i>(in USD)</i>		Q1	Q2	Q3	Q4
Sales		\$ -	\$ 500	\$ 3,000	\$ 6,000
COGS*		100	750	2,700	5,000
Gross Margin		0%	(50%)	10%	17%
<b>Operating Income</b>		<b>\$ (100)</b>	<b>\$ (250)</b>	<b>\$ 300</b>	<b>\$ 1,000</b>
<b>Expenses</b>					
	Payroll	45,000	45,000	20,000	20,000
	General & Admin	5,000	5,000	3,000	3,000
	Marketing expenses	-	-	-	-
	Rent & Utilities	-	-	3,000	3,000
	Miscellaneous	1,000	1,000	1,000	1,000
	<b>Total Operating Costs</b>	<b>\$ 51,000</b>	<b>\$ 51,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>

\* Cost of Goods Sold consists of mostly technology costs and some marketing costs associated with sales of activities.

The revenue-generating part of the business was only introduced in June 2012 and all revenue comes from the 20% cut of the activities.

## Travel industry information

On 13 December 2012 the tourism industry hit its high when, for the first time in history, one billion tourists travelled around the world in a single year. This number has more than doubled since 1990, where around 435 million crossed borders. The industry accounts for one in every 12 jobs and 30% of the world's services exports.<sup>5</sup> Tourism cements itself as one of the world's largest economic sectors accounting for 9% of global GDP sitting at a value over US\$6 trillion in 2011. Out of that total, direct contribution spending by international tourist accounts for US\$1.2 trillion and domestic spending is around US\$2.8 trillion. This is estimated to rise at a staggering rate of 4.2% p.a. over the next 10 years.<sup>6</sup>

Europe is the place where most people come from and where most people go to for a holiday. 53% of all travellers currently depart from a European state and 51% of all travellers arrive in a European state as their destination. 22% are from the Asia Pacific region, 17% from the Americas, 4% from the Middle East and 3% from Africa. 1% is unspecified. The table below shows the split on the destinations of tourists around the world.

Europe	51%
Asia-Pacific	22%
Americas	16%
Middle East	6%
Africa	5%

The reasons why people travel is dominated by the want of a holiday or leisure. 51% of all travellers will go for this reason. 27% travel to visit family and friends or for health reasons, 15% for business and 7% is left unspecified.<sup>7</sup>

Although it is easy and correct to assume that those who are more financially well-off will travel more, research has given a surprising result that the type of holiday taken by the different income groups are remarkably similar. Sun and beach holidays are the clear preference.<sup>8</sup>

Travel is now no longer dependent on infrastructure such as airline seats, hotel beds and travel agents. In the past, the tourism industry could be seen as a value chain; however, more recently it is moving towards a value web, as value is increasingly created through linking actors inside and outside the tourism sector. The new way to create value is through finding different and new combinations and exploiting these new opportunities.<sup>9</sup>

The biggest change to the travel industry in recent years is the increased use of the internet. The World Travel Monitor shows that the internet is now the world's favourite place to book travel. Online bookings now account for nearly half of all bookings, while travel agents account for less than one-third of total bookings.<sup>10</sup>

Another major development has been from social networking sites and smartphones.

For many years, the way we travel has remained the same: book a flight, find a hotel, join a guided tour, take a few pictures and go home. Social networking has shaken the industry and is creating the new norm. Each social travel start-up is working to develop its own unique method in revolutionising the travel industry. However, most are classified into two categories: recommendations from friends on social networking sites or marketplaces. A problem with the recommendation model is that it is difficult to obtain local information for all the places you wish to travel to, unless you have an extensive and diverse group of friends from across the world. As for the marketplaces, although useful to book tours and accommodation, they do not go far from the old model and do not allow you to meet people who have the same interests as you.<sup>11</sup>

<sup>5</sup> UN World Tourism Organisation.

<sup>6</sup> World Travel & Tourism Council, Travel & Tourism: Economic Impact 2012 – World.

<sup>7</sup> UN World Tourism Organisation.

<sup>8</sup> IPK International, ITB World Travel Trends Report 2011/2012.

<sup>9</sup> UN World Tourism Organisation, The Power of Youth Travel, AM Reports, Volume 2.

<sup>10</sup> IPK International, ITB World Travel Trends Report 2011/2012.

<sup>11</sup> Abe Garver, Travel: The #1 Place To Go In 2012, Forbes.

## Testimonials

Source: <https://www.triptrotting.com/info/testimonials>

*"Triptrotting is a very good culture exchange. Meeting Triptrotter is fun and rewarding, would even be better when they stay longer."*

Jacki L.

Hong Kong University of Science and Technology, Hong Kong

*"It was great fun! I would recommend those with free time to try it out as it gives you the knowledge about how people think differently, act differently, and the best of all, self-confidence to use a language that wasn't your first one."*

Gamonpat S.

Chulalongkorn University, Thailand

*"Triptrotting is a great way to connect with a local who can show you some of the best spots in the city for food and entertainment and offer great insights about the country from a local perspective."*

Dan M.

University of Southern California, United States

The following two Triptrotters "just did it" and used the platform. Magdalena, a host in Santiago, Chile, shares that:

*"My Triptrotting experience has been awesome so far. My first Triptrotters were Ramona Jhunjhnuwala and her friend Poulami Jagtap was assigned to another good friend of mine, Javier Juanet, so the 4 of us hung out and we had a blast!! We still keep in touch, and are also making plans to visit (either I go to California or they come back to Chile) but we know we're gonna eventually see each other again!! (I totally miss them!!) And I've also hosted other girls from California and exchanged some emails with another guy from Spain. I'm grateful to be part of the Triptrotting community because it has been a good platform to meet people from other countries and culture, and that's an amazing experience. I also love my country, so it's amazing to be able to share it with other triptrotters, and take them out to know the city, and the beaches nearby, the clubs, parks, etc. And the best thing: PISCO (with coke, it's "piscola", kind of our national drink). Just ask Poulami how much she liked pisco!! It doesn't matter where you're from or how different our cultures can be... in the end, we're all the same."*

Denisha Brekke, a student at the University of Southern California, enjoyed being hosted:

*"How didn't Triptrotting enhance my experience abroad? Within five hours of landing in Budapest, I had eaten lunch cooked by my hosts' mom, talked politics with the locals, and had a sip of the traditional Hungarian liquor: Palinka. In the crazy city of Bangkok I didn't have to worry about a thing - my Triptrotting host was waiting for me at the airport with a list of activities to do. In Lima, Peru, my host pointed out the best Peruvian cuisine in the city where all of the locals eat. Because of Triptrotting I got past all of the tourist traps and made lifelong connections with people and places I never thought I would visit."*



Source: <http://www.vagabondish.com/triptrotting-promises-new-way-to-travel/>

Here are the first impressions from one member of their growing community:

*"My name is Peter and I am a Triptrotter! I am originally from Hungary and the first time I heard about Triptrotting was when a friend reached to me to say that there is a group of students from University of Southern California coming to visit Budapest, who are interested in meeting local students/young professionals there. I jumped on the opportunity to meet my peers from the states! I thought it would be cool to learn more about their culture and how they view life, while also being able to show them Budapest from the local's perspective! The rest is history..."*

*I've been using Triptrotting since as both a traveler and a host. I am a 20-something entrepreneur, who graduated from a top business school in Budapest and everyone I have met so far from Triptrotting has been either an entrepreneur, a business student or both. I've always had something to talk to them about beyond the small talk of "what's the weather like in your city". I have had some of the most thought provoking discussions and debates ranging from politics and business to what is the best type of camera to shoot lake in the moonlight (photography is my hobby).*

*Thanks to Triptrotting I've not only had fun meeting my peers from all over the world, but also have been able to make long lasting friendships, created partnerships and even acquired new customers for my business! I think it is such a great combination of fun, cultural exchange and professional networking in a very friendly environment. It helps to "break the ice" and learn more about another person from completely different background. I've been able to meet people I would have never met without Triptrotting."*



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