



Rethinking Rail: Disruption and Digital Distribution in Europe's Online Travel Market

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The company is headquartered in the United States with Asia Pacific operations based in India and local analysts on five continents.

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Contents

Table of Contents

Introduction	1
Objective	1
Methodology	2
Key Findings	2
Market Size Matters	3
How Travelers Book Rail	7
Operator Landscape: Highly Fragmented, Competitive and Regulated	9
Competitive Landscape: Air, Rail and Road	10
Intermediary Landscape: Consumer vs. Industry-Driven Demand	11
Conclusion	13

Table of Charts

Figure 1 European Rail Gross Bookings and Online Penetration Projections, 2014-2020	4	Figure 7 Have you traveled by rail or air for leisure in the last 12 months?	7
Figure 2 European Rail Distribution Footprint, 2015	4	Figure 8 How many times did you book the following in the last 12 months?	7
Figure 3 Mobile Share of Online Supplier-Direct Rail Bookings	5	Figure 9 How did you book your rail ticket for your last trip?	8
Figure 4 Mobile Share of Total Rail Gross Bookings	5	Figure 10 How do you typically book these travel components?	8
Figure 5 European Rail Operator Gross Bookings and Distribution, 2014	6	Figure 11 Price and Duration for Air and Rail Travel on Busiest Routes	11
Figure 6 Gross Rail Bookings and Compound Annual Growth, by Market, 2014	6		

Rethinking Rail: Disruption and Digital Distribution in Europe's Online Travel Market

Introduction

Every year, more than a billion Europeans travel long distance by train. Drawn by thousands of miles of high-speed track and the convenience of city center connectivity, travelers in Europe frequently opt for rail over other ways of getting around – often by a wide margin. In 2014, rail bookings in Europe's key markets topped €31 billion, approximately double the amount spent on low-cost airline tickets.

Despite being a favorite among travelers, rail has until recently seemed isolated from the rest of the European travel market, particularly in terms of online distribution. In contrast to the air and hotel segments – which feature a plethora of dynamic online search, shop and buy options – about two thirds of rail tickets in Europe are still booked offline, typically with the rail provider directly. Lack of competition among rail operators in individual countries has deterred innovation, while the complexity of schedule and pricing information has been a barrier in integrating rail into the broader online travel shopping landscape.

But all that is changing now – and quickly. Liberalization and deregulation, as well as increased competition with air and motorcoach services have driven rail operators to introduce mobile-friendly websites and apps, spurring online bookings. Rail suppliers are much more open to third-party distribution through online travel agencies (OTAs), metasearch companies and other intermediaries, as they seek to attract customers who might not otherwise consider rail travel. The prospect of integrating rail travel options alongside air and bus alternatives is key to providing travelers a flexible, one-stop solution for getting from point A to point B.

The European rail opportunity is massive, and evolving rapidly. For rail operators – and the third parties they choose to work with – the key to success lies in understanding the unique market and distribution dynamics. That means never losing sight of what travelers ultimately want: a fast, flexible and cost-efficient platform for travel planning and booking.

Objective

This Spotlight, *Rethinking Rail: Disruption and Digital Distribution in Europe's Online Travel Market*, analyzes Europe's rail market in the context of online distribution and mounting competition among travel intermediaries to integrate

rail. The market is massive and growing, but rail has taken a back seat to flight and hotel search when it comes to online travel. Service fragmentation and data complexity have slowed the pace of integration of rail into mainstream online travel shopping channels. However, market competition, liberalization, and advances in digital distribution are steadily pulling rail deeper into Europe's online travel ecosystem. Rail-centric OTAs and multimodal startups are gaining momentum. Likewise, technology companies are working to make rail schedule and pricing data more digestible to various third parties. Above all, the almighty consumer is looking to trusted online brands that incorporate a range of transport modes. As rail goes digital to compete with air and motorcoach (bus) services, the potential for disruption to operators and intermediaries is very real. This Spotlight examines the challenges, opportunities and risks associated with these changing market realities.

The vast number of rail stations in relation to the number of airports compounds the challenge of online distribution. As a result, some rail operators may be moving out of the technology and distribution business altogether, instead choosing to focus on providing excellence in service and experience. The legacy of air search and the profit potential of hotel search turned many of the major online travel brands away from rail. But accessing rail data is getting easier, just as demand for rail travel is growing. Established OTAs built around air and accommodations search will have a difficult time fully integrating rail products across their complex service offerings. This has exposed a considerable opportunity for online travel shopping brands that already have rail built into their digital DNA. Select local and rail-centric OTAs are capitalizing on this growing market, both at the national level as well as for cross-border rail travel. As other brands weigh the risks and opportunities associated with investing in rail products, alternate transport modes including bus services (particularly in Germany) as well as ride-sharing platforms across Europe (e.g., BlaBlaCar) are also impacting the competitive transportation landscape.

Methodology

This analysis evaluates market size, distribution and marketing trends, consumer booking behavior, pricing, local market characteristics, and other factors to better assess the future of digital distribution and platforms in rail travel. Various proprietary sources of information and data were tapped to validate these conclusions, including market sizing data from Phocuswright's *European Online Travel Overview Tenth Edition*, and consumer data from Phocuswright's *Search, Shop, Buy: The New Digital Funnel*. In addition to existing datasets on gross bookings and consumer behavior, numerous interviews with industry experts were conducted to gain deeper insights into the market.

Key Findings

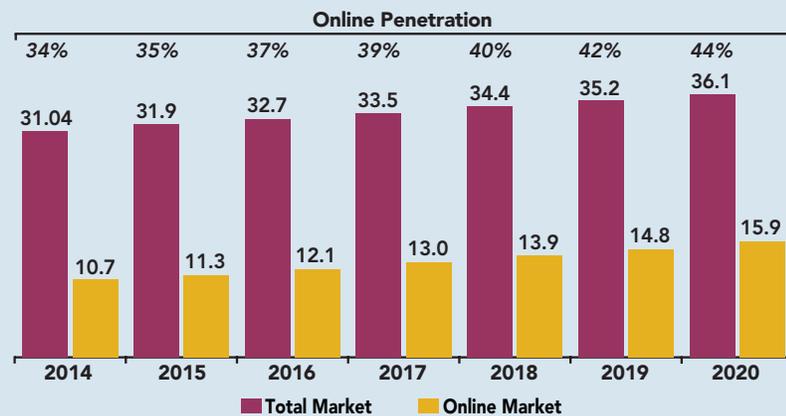
- **Europe's rail market is roughly twice the size of the low-cost carrier market.** Total rail gross bookings in Europe's key markets reached 31 billion in 2014, approximately double the total transaction value of the low-cost carrier (LCC) market in the air segment.

- **Online channels could capture up to half of rail volume by 2020.** Online rail gross bookings will grow more than 7% annually at least through 2016. By 2015, total transaction value will reach 11.3 billion in online bookings. Projected online penetration will reach 44% across Europe's major markets by 2020. But as new data streams and customer platforms embrace rail, online share could surpass these projections.
- **Digitization is likely to boost rail ridership.** More than a billion Europeans will travel long distance by rail in 2015. At the current pace, long-distance ridership is expanding at about 1.3% annually. New digital search options could increase ridership by putting more customers in touch with rail as a direct competitor to air and motorcoach services.
- **Competition between rail, air and road transport is intensifying.** National rail operators (particularly high-speed rail) compete with airlines and, increasingly, bus services. Deregulation of Germany's bus market in early 2013 is putting significant pressure on Deutsche Bahn (DB) to compete on price. Car rental and ride-sharing services are also emerging as direct competitors to rail.
- **Rail operators' attitudes toward data sharing are shifting.** Deregulation and increased competition between rail operators, motorcoach services and airlines is incentivizing rail operators to open their doors to more third-party distribution. This is critical to integrating rail into the broader online travel ecosystem.
- **Direct price comparison with flights: the holy grail for rail operators.** Putting rail alternatives side-by-side with online airfares would significantly boost ridership. With limited information on rail options, many travelers tend to stick with flying. Rail operators should support efforts by multimodal and metasearch brands that can drive public awareness. Here, technology companies such as SilverRail Technologies, Amadeus, as well as consumer-facing brands such as GoEuro, Loco2, and Rome2Rio, will play a critical role in helping to make rail content more digestible for the travel industry.
- **Integrated mobile ticketing will grow online bookings.** By 2016 mobile will account for about 8% of total rail gross bookings. In addition to strong mobile web penetration, improved mobile ticketing functionality is incentivizing consumers to book on mobile, as they grow to expect seamless booking experiences for both long-distance and short-distance rail travel.
- **Lack of rail could be an Achilles' heel for traditional OTAs.** Traditional OTAs will be challenged to pivot on rail, which could ultimately undermine their competitiveness in the market. The challenge of incorporating rail products into third-party distribution is immense; the effort extends beyond providing access to accurate schedule and pricing data. Mobile apps, marketing, social media, public relations and other functions must also shift to incorporate rail.

Market Size Matters

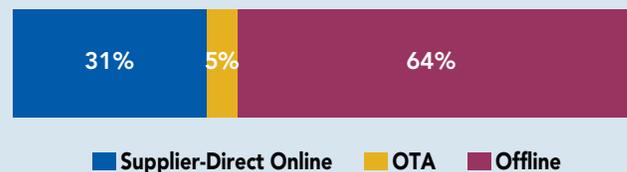
Combined ticket sales across Europe's key rail markets reached 31 billion in 2014 (see Figure 1), roughly twice the amount booked by low-cost air carriers.

Figure 1: European Rail Gross Bookings (€B) and Online Penetration (%) Projections, 2014-2020



Source: Phocuswright Inc.
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Figure 2: European Rail Distribution Footprint, 2015

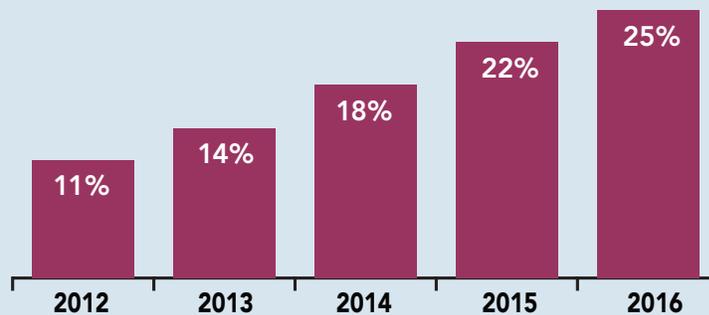


Source: *European Online Travel Overview Tenth Edition*.
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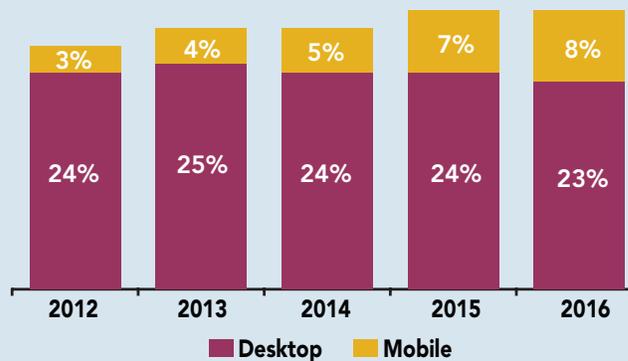
Approximately [1.3 billion Europeans](#) will travel long distance via rail in 2015,¹ 31% of which will ride on dedicated high-speed track. Over the last 25 years, Europe has [added 6,000 kilometers of high-speed rail](#), on top of the 1,000 it already had. Online bookings are expanding faster than the total market, at about 7% annually through 2016. By 2020, online penetration is projected to reach 44%, largely as a result of suppliers improving and promoting their online platforms, but also as they leverage new distribution and marketing channels including OTAs and metasearch.

Still, Europe's rail distribution footprint remains heavily skewed toward offline distribution. In 2015, offline bookings will account for nearly 65% of total gross bookings (see Figure 2). Since the vast majority of rail journeys (around 90%) are short-distance routes and are scheduled at frequent and regular intervals, there is little need for travelers to pre-purchase tickets online prior to arriving at the station. Therefore, a significant share of rail bookings will remain offline. Prices and scheduling of rail service is also less dynamic compared to air, which further reduces the need to purchase tickets in advance.

1) ["The Rail Journey to 2012,"](#) Amadeus (2013).

Figure 3: Mobile Share of Online Supplier-Direct Rail Bookings

Note: Mobile bookings include smartphones and tablets.
 Source: *European Online Travel Overview Tenth Edition*.
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Figure 4: Mobile Share of Total Rail Gross Bookings

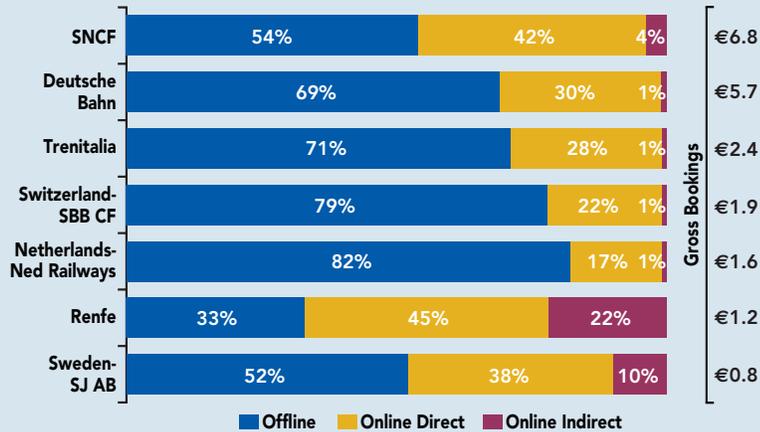
Note: Mobile bookings include smartphones and tablets.
 Source: *European Online Travel Overview Tenth Edition*.
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Nevertheless, operators recognize the value of online distribution. While long-distance travel represents 10-20% of total rail journeys, it can account for more than one half of total revenue for certain operators. When considering all European operators, around three in 10 bookings come from direct online channels (operator websites and mobile apps). Certain operators, including Deutsche Bahn, hope to capture 50% of revenue through online channels by 2020.

Integration of mobile-friendly websites and apps is a recent and central catalyst of online bookings. By 2016 up to a quarter of rail operators' online sales are expected to come through mobile channels (see Figure 3). Desktop bookings as a share of total ticket revenue have flattened since 2013, while mobile bookings are gaining significant momentum (see Figure 4). The mass adoption of smartphones and tablets has driven much of this growth. Improved mobile ticketing technology has also spurred mobile bookings, as consumers look for a seamless experience both in booking and in-destination.

The online share of gross bookings also varies considerably among rail operators (see Figure 5). Various factors impact the overall distribution footprint of a

Figure 5: European Rail Operator Gross Bookings (€B) and Distribution, 2014

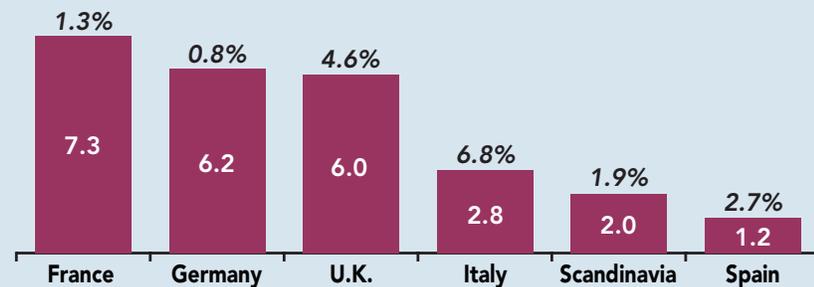


Note: SNCF Voyages doubles as a direct channel for SNCF as well as on OTA in other markets.

Source: *European Online Travel Overview Tenth Edition*.

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Figure 6: Gross Rail Bookings (€B) and Compound Annual Growth (%) by Market, 2014

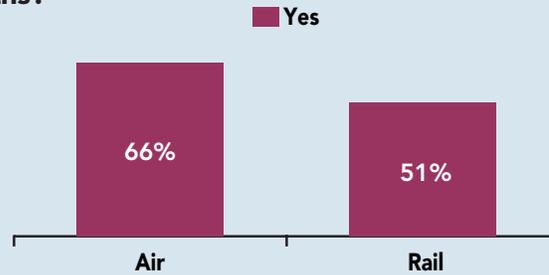


Source: *European Online Travel Overview Tenth Edition*.

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given rail network. Route frequency, trip duration, and the overall popularity of rail as a mode of transport all influence how and where travelers book tickets. Overall, France has the largest rail network in terms of gross bookings (see Figure 6). The four largest EU member states – France, Germany, Italy, and the U.K. – [accounted for more than 70%](#) of all 2013 rail travel (national and international combined) within the EU. France and Germany accounted for 44% of national rail travel within the EU, and 64% of international rail travel. France accounted for the largest share of international passenger kilometers traveled, twice as much as Germany. Less than 5% of the total European rail market (by gross bookings) is captured by OTAs. Those offering rail tend to be either local market or rail-centric brands such as Rumbo and Atrápalo in Spain, Voyages SNCF in France, Loco2 and Trainline.com in the U.K. These OTAs can have a significant impact on operator sales as evidenced by Renfe in Spain, where OTAs account for over one fifth of

Figure 7: Have you traveled by rail or air for leisure in the last 12 months?



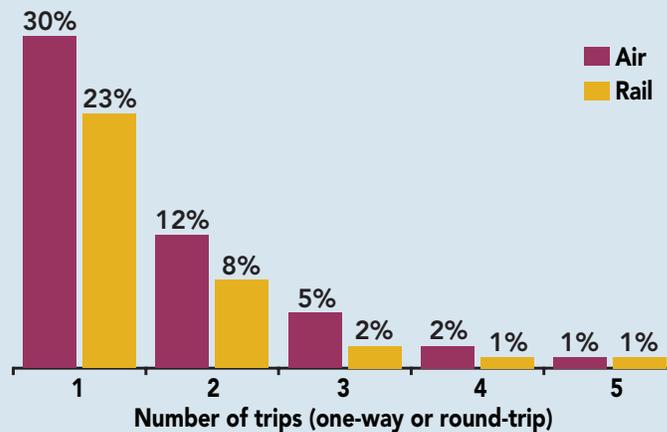
Base: 3,024 respondents across France, Germany, and the U.K.
 Source: Phocuswright's *Search, Shop, Buy: The New Digital Funnel*
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total ticket transaction value. Increasingly, metasearch and multimodal sites such as GoEuro and Rome2Rio are helping to drive traffic and conversions for rail operator websites as well as for rail-centric OTA Loco2.

How Travelers Book Rail

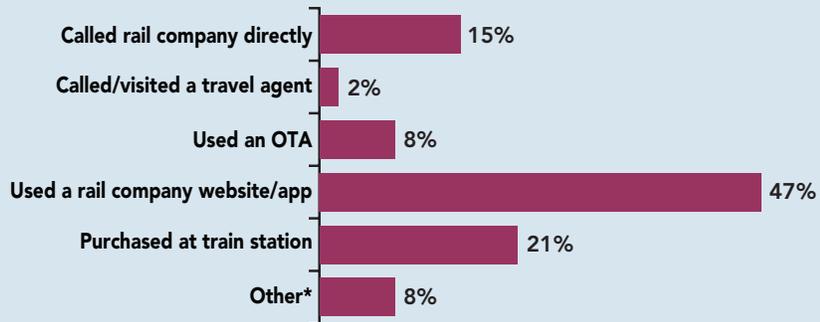
For journeys of four hours or less, [rail is generally the preferred mode of transport](#) over air in Europe. Less security, more space for baggage, room to work, and city center-to-city center connectivity make rail more convenient. Overall, leisure travelers in Europe choose air travel more frequently than rail – but not by much. In a recent consumer study conducted by Phocuswright, data reveal that 66% of leisure travelers surveyed flew at least once in the last 12 months, compared to 51% for rail (see Figure 7). Respondents also booked air more frequently than rail (see Figure 8).

Figure 8: How many times did you book the following in the last 12 months?



Base: 3,024 respondents across France, Germany, and the U.K.
 Source: Phocuswright's *Search, Shop, Buy: The New Digital Funnel*
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Figure 9: How did you book your rail ticket for your last trip?



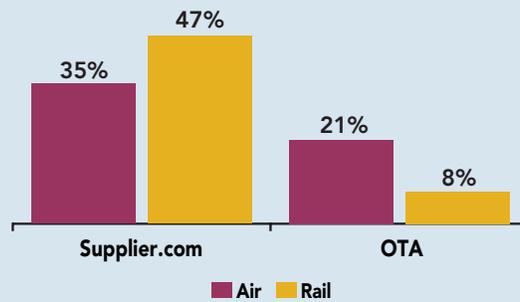
Note: *Other includes calling a tour operator directly, or using a tour operator or travel agency website.

Base: 763 responses across France, Germany, and the U.K.

Source: Phocuswright’s *Search, Shop, Buy: The New Digital Funnel*

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Figure 10: How do you typically book these travel components?



Base: 1,548 (air) and 763 (rail) responses across France, Germany, and the U.K.

Source: Phocuswright’s *Search, Shop, Buy: The New Digital Funnel*

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Limited access to information can also impact decision making when purchasing transport. For the most part, European travelers in today’s online environment still have to visit multiple sites to make accurate price and duration comparisons between air and rail. In the absence of handy information, those who typically fly may not consider rail as an option, even though a cheaper or more convenient alternative exists (and vice versa). This is especially true when shopping for travel in foreign destinations, where rail brands and booking platforms are more likely to be unfamiliar due to language differences and lack of market knowledge.

Nevertheless, when booking rail, consumers tend to look toward direct channels – either online, via phone or at the railway station itself. More than eight in 10 respondents said they typically book rail directly with rail operators through one of these three channels (see Figure 9). A relatively small share of consumers used OTAs to book rail. Not surprisingly, given the current OTA environment, air is booked much more frequently through OTAs. More than one fifth of respondents indicated OTA as a typical booking method, compared to just 8% for rail travel (see Figure 10).

Operator Landscape: Highly Fragmented, Competitive and Regulated

Europe's rail network is highly fragmented along national and even regional lines. In addition, it continues to be a polarizing issue, as the European Union aims to liberalize the market by encouraging competition and implementing uniform standards on rolling stock to promote cross-border travel. The proposed fourth railway package toward greater liberalization was submitted by the EU in January 2013. Met with mixed reaction, these proposed shifts in local and international policy have kept rail operators busy planning and strategizing over their service delivery. The changes are also impacting how operators sell and market their brands to their customers. Ultimately, each of the core markets is unique in terms of the competitive landscape. This has a profound impact not only on how operators approach digital sales and distribution, but also on the risks and opportunities for third parties.

The U.K. rail market is unique, with service spread across 16 different franchises currently operating under individual terms and conditions with the U.K. Department for Transport. In the absence of competition between franchises, technology such as mobile ticketing has lagged markets like Italy, where competition between multiple carriers running on the same tracks has prompted innovation.

In Germany, online bookings are a priority for Deutsche Bahn. Direct online sales accounted for 26% of rail revenue in 2013, and will reach 31% by 2016. Online bookings became the company's largest sales channel in 2013, representing 29% of all revenue. By 2020, traditional counter and kiosk bookings are expected to drop to 41% of sales, from 57% in 2013. In 2013, the company sold more than 300,000 mobile tickets per month on mobile devices – a 100% jump over 2012. DB executives estimate that half of the company's website traffic comes from mobile devices, and that share is expected to climb to 60% by 2015.

For both SNCF and Eurostar, boosting online distribution and improving customer service through digital channels remain key priorities. Print-at-home tickets have become the norm, while true electronic tickets – enabled by loyalty cards or smartphones – are accepted on many routes. Although the market is now open to competition, most online sales occur through subsidiary Voyages-sncf.com, which has been particularly successful at driving sales through web and mobile channels.

By 2016, six in ten Renfe bookings – including regional, long-haul and high-speed rail – will come through online direct channels. Mobile bookings were expected to skyrocket by 71% in 2014, albeit from a smaller base. Renfe launched a new version of its mobile app complete with booking functionality in early 2014. The app was downloaded over 800,000 times during its first year of operation.

Travelers are rewarding Italian rail operators for their investments in high-speed routes, which have greatly improved travel times and passenger comfort. Trenitalia, Ferrovie dello Stato Italiane's passenger division, forecasts that by 2017, the Milan-Rome journey will take just two hours and thirty minutes. The railway also predicts that its share of that route will grow from 52% to 57%.

Boosted by new routes and innovative packages (such as rail and cruise trips), revenue for Italian rail operators was projected to leap 7% to 2.7 billion in 2014. For example, a new door-to-door partnership between Costa Cruises and Trenitalia enables cruise guests to book train and cruise tickets together, travel in reserved coaches, and enjoy other services such as door-to-cabin baggage transport.

Although regional bookings have declined, Trenitalia is benefiting from its highly diversified Freccie high-speed routes, which are boosting revenue on medium- and long-haul routes. Plans are underway to build out additional high-speed rail service over the next three years that would serve three of Italy's major airports in Rome, Milan, and Venice. ProntoTreno, Trenitalia's app for smartphones, tablets and the Samsung Smart TV, allows travelers to check timetables and train punctuality, purchase tickets, change reservations and request refunds.

Competitive Landscape: Air, Rail and Road

Competitive pressures are shaping the European rail market. Competition between operators is mounting, as the market liberalizes and big names such as Deutsche Bahn in Germany, Renfe in Spain and SNCF in France fight off newcomers in their core markets. In addition, the leading players are increasingly seeking new opportunities across Europe and even beyond the continent to grow their businesses. As travel speeds increase and new lines open up, rail is competing with air travel, particularly along high-traffic domestic routes.

Across Europe, more people traveled long distance by train than by plane in 2013. Some 842 million passengers were carried by air within the EU-28 in 2013, while long-distance (over 100 kilometers) rail passengers topped 1.2 billion. Much of this traffic is contained within national borders; less than 10% of long-distance traffic is international. High-traffic national routes are the battleground in the escalating competition between rail and air travel.

Connections between major metropolitan areas – Madrid-Barcelona, Berlin-Munich and Rome-Milan, for instance – are among [Europe's busiest air travel routes](#). Here, competition between rail and air is most intense. Figure 11 displays price and duration comparisons between rail and air along the busiest air travel routes. On price, fares for the two modes of transport are similar. This excludes additional costs for transport to the airport or terminal, or fees for additional baggage. Likewise, duration excludes the time required to travel to the airport or terminal, security and boarding. Here, rail is more competitive than air.

From the other end, the rail market is under increasing attack from motorcoach services, particularly in France and Germany. Over the last few years, policies aimed at protecting national rail services have regulated intra-regional bus services. These restrictions have been significantly overhauled in the last few years. In France, the government is [targeting 5 million](#) inter-regional bus passengers per year, up from just 110,000 in 2014. If [proposed deregulation](#) passes as expected in May 2015, global transportation company [Transdev plans to open](#) some 40 new bus routes throughout France, implementing a hub-and-spoke model modeled after SNCF aimed at connecting secondary cities to Paris. Germany liberalized the inter-city bus market in January 2013. In just one year, the

Figure 11: Price and Duration for Air and Rail Travel on Busiest Routes

	Price (One-Way)*		Price (Round-Trip)*		Duration** Hours:Minutes	
	Plane	Train	Plane	Train	Plane	Train
Madrid-Barcelona	€65	€70	€107	€132	1:25	2:50
Toulouse-Paris	€55	€79	€116	€164	1:20	5:37
Nice-Paris	€61	€79	€118	€225	1:30	5:37
Frankfurt-Berlin	€127	€52	€139	€108	1:10	4:09
Munich-Hamburg	€92	€71	€171	€152	1:20	6:00
Berlin-Munich	€91	€56	€140	€123	1:15	6:32
Frankfurt-Hamburg	€170	€30	€140	€78	1:05	3:37
Milan-Rome	€50	€28	€80	€101	1:20	3:10
Munich-Dusseldorf	€97	€71	€147	€119	1:15	4:53

Notes: *Prices may or may not include additional baggage fees. **Duration includes flight time only, and does not include check-in time and travel within airport.

Source: Search executed in April 2015 for journeys two weeks in advance. Airfare search conducted on Expedia.com. Rail fare search conducted on Loco2.com.

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number of bus links throughout the country almost tripled to 221. According to a report published by the Federal Association of German bus and coach operators, there are 5,100 long-haul bus journeys operating in Germany each week.

In addition to bus services, carpooling apps also have potential to disrupt traditional transport modes. The market is showing signs of momentum, with France-based BlaBlaCar [recently acquiring](#) carpooling.com (its largest competitor in Germany) as well as AutoHop in Hungary. The company also raised \$100 million in funding in 2014 to create a global long-distance ride-sharing platform. Following the two acquisitions, BlaBlaCar has 20 million members, mostly in Europe. Rail companies have begun to recognize the real threat of carpooling. In April 2015, TGV in France launched a 29-euro fare from Paris to Brussels, in part as a way to compete with BlaBlaCar.

These various layers of competition demonstrate that Europe's entire transport ecosystem is evolving toward a more free-market model. The impact on rail service usage remains unclear. With more efficient road transport through bus and carpool services, government subsidies for rail could be affected. At the same time, this competitive environment will likely push rail operators to focus on cost reduction and excellence in service, as a way to stay competitive with air and road. In this context, rail will look increasingly toward third-party distributors and marketing channels.

Intermediary Landscape: Consumer vs. Industry-Driven Demand

The viability of an intermediated marketplace for rail is becoming a reality. Two

unique demand drivers are pushing mainstream online brands to integrate rail products alongside air and accommodations: consumer-driven demand and industry-driven demand.

As Europeans increasingly shop online for travel, demand for digital rail and access to digital booking platforms is growing. This is particularly true in a multimodal world where air, rail and road travel compete directly. Rail customers are already purchasing tickets online. Travelers have more and more options to choose from, both in terms of transport modes as well as online platforms. Niche online travel brands are creating unique experiences and options for travel, but also confusion and frustration when it comes time to book. From this perspective, the one-stop-shop model – whether meta or merchant – is growing in popularity. Travelers want to easily compare travel modes based on price and schedule, so they can choose the most sensible option. At the same time, consumers are looking for that one-stop travel site that can consistently generate the lowest prices. They also want a seamless process in which search and booking functionality work in tandem to help well-informed consumers process their travel needs.

Industry-driven demand will also pull rail deeper into Europe's online travel ecosystem. The current marketplace is completely different from a decade ago. Online platforms have empowered consumers to make informed decisions. While rail operators have been slow to react, there are signs that they are beginning to embrace online, particularly with pressure mounting from other transport modes. With growing competition, rail operators are seeking access to new markets through partnerships with OTAs and rail-focused metasearch brands. As operators in France and Germany slowly lose their monopolistic hold on rail and ground transportation more broadly, they will look to bring their products to the markets where travelers are shopping. Better technology is also enabling operators to put their products directly in front of air-loyal shoppers.

At the same time, OTAs and other online players are beginning to look at rail as a competitive differentiator. In discussions with leaders of major online brands that have yet to incorporate rail, they acknowledge that the natural course of the online travel marketplace is moving towards greater integration of different travel modes, including rail, into their product mix. In confidence, at least one of these brands expressed that they would "deepen their commitment to rail products."

Newcomers are coming online with rail products already built into the DNA of their technology and core business model. Companies like GoEuro, Rome2Rio, and Loco2 are gaining momentum with consumers. While this has yet to directly threaten the likes of Expedia and other global full-service brands, the competitive environment is nonetheless seeded, and will likely grow more intense.

Consolidation in the OTA market could stall rail's progress in the online space. At the same time, local players such as Rumbo and Atrápalo in Spain are having success with their rail products. To what extent rail helps them compete directly with the large, full-service OTAs is yet unknown. What is known is that incorporating rail into an already established platform can present a big challenge. Schedule and pricing data for rail is becoming easier to access, as companies

like SilverRail and Amadeus work to consolidate rail content under a unified API. But access to content is just the tip of the iceberg. Companies must invest in additional staff on the technical side, but also work to augment marketing, management, and implementation of a new service offering. Established companies are also less nimble when it comes to implementation, further compounding the challenge of adding new products. For intermediaries, therefore, this becomes a question of cost-benefit. Is the rail market big enough to warrant the investment? Will adding rail help me gain position against my competition as a value-add to my customers? Is there a real opportunity to generate significant revenue and profit from brokering rail tickets, or even cross-selling with other products such as accommodations? These questions will ultimately be addressed on a market-by-market basis.

Conclusion

Fragmentation in the European rail market has slowed the pace of digital sales and distribution channels within the segment. Various rail providers have maintained proprietary IT systems, making it expensive and difficult for OTAs and other intermediaries to aggregate scheduling and integrate direct booking on a larger regional level. However, efforts to consolidate rail data are beginning to pay off, as rail providers have warmed up to working with third parties.

Consumer-facing platforms such as Loco2 are proving there is a place for intermediaries in a potentially lucrative market. Other aggregators and technology platform providers such as SilverRail and Amadeus are taking on the difficult task of aggregating rail data, so that other intermediaries including global OTAs and tour operators can experiment with adding rail to their overall service offering. These shifts will also likely benefit rail providers, as more Europeans opt for train (instead of air) travel between key destinations. Likewise, cross-selling rail with other travel products including accommodations will become more commonplace, as intermediaries use rail content to bring in higher returns on other products. In the near future, the overall landscape will begin to look similar to what we currently see with air, where customers can book rail in their native languages, and booking routes transcend national lines.

About the Author



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Mr. Bujarski oversees Phocuswright's European travel industry research initiatives and is a leading authority on distribution within the region's complex online travel ecosystem. His most recent research efforts looked at pan-European OTA market sizing and forecasts, the future of Spanish hotel distribution, Europe's ecommerce regulatory climate, rail distribution trends, and the evolution of metasearch in online travel. Luke also heads up Phocuswright's growing Latin America research practice coordinating custom research projects, partnerships and sales activity in the region.

Prior to joining Phocuswright, Luke worked for a B2B media and industry research group dedicated to the global IT services outsourcing industry. In previous positions, he worked in London, England and Barcelona, Spain in sourcing consulting and sales roles. Luke has a B.A. in Spanish and International Affairs from the University of Illinois at Urbana-Champaign, and a Masters in Regional Planning with a concentration in applied economic development and industry research – also from the University of Illinois. He speaks fluent Spanish and Polish and has a good command of Portuguese.

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