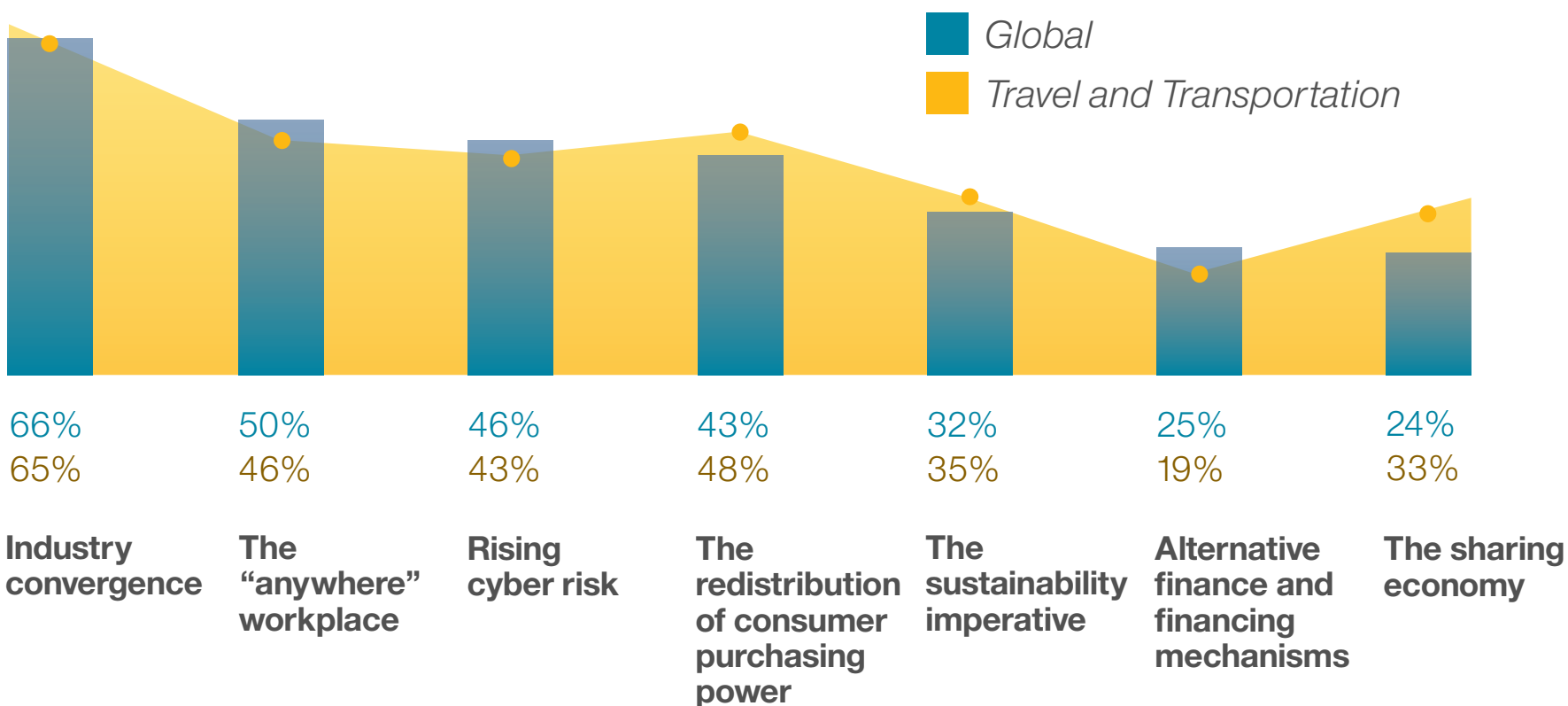


REDEFINING BOUNDARIES
 Insights from the Global C-suite Study

Travel and Transportation Industry

We surveyed 291 top executives from the Travel and Transportation (T&T) industry for our latest C-suite Study. So how do they stand out?

Figure 1. T&T CxOs stress lighter wallets and shared resources



Converging and sharing

T&T CxOs agree with their peers about the key trends reshaping the business landscape and the primacy of industry convergence. But they place more weight on shifts in consumer spending power and the sharing economy than other CxOs. That’s not surprising, given how companies like Airbnb and Uber have stormed into the travel space (see Figure 1). With greater collaboration among retailers to manage the “last mile,” similar models could emerge in the transportation sector.

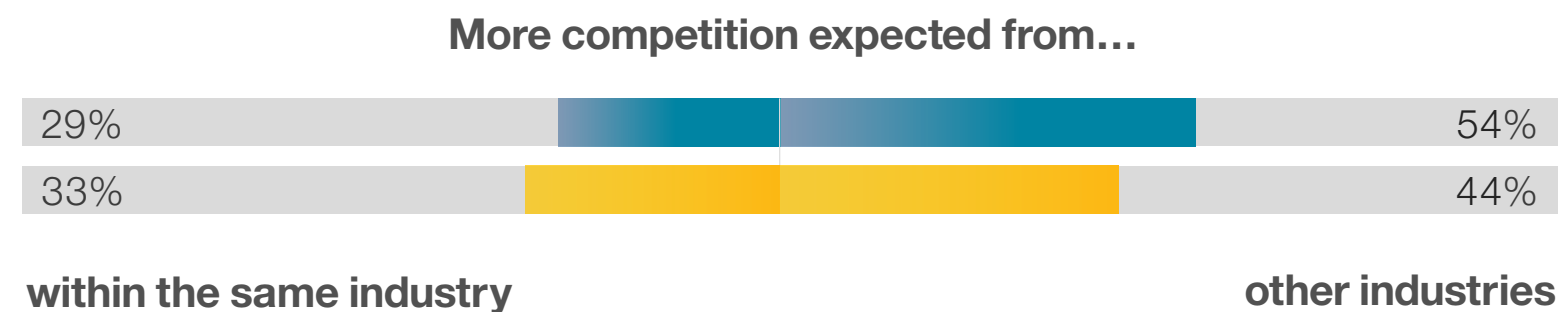


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Travel and Transportation – Industry Point of View

Yet, even though T&T CxOs recognize that the boundaries between industries are blurring, they're less worried about outsiders invading their patch than CxOs in most other sectors (see Figure 2). This seems remarkable, in view of the many new digital players with “killer apps” now making a bid to disintermediate established providers.

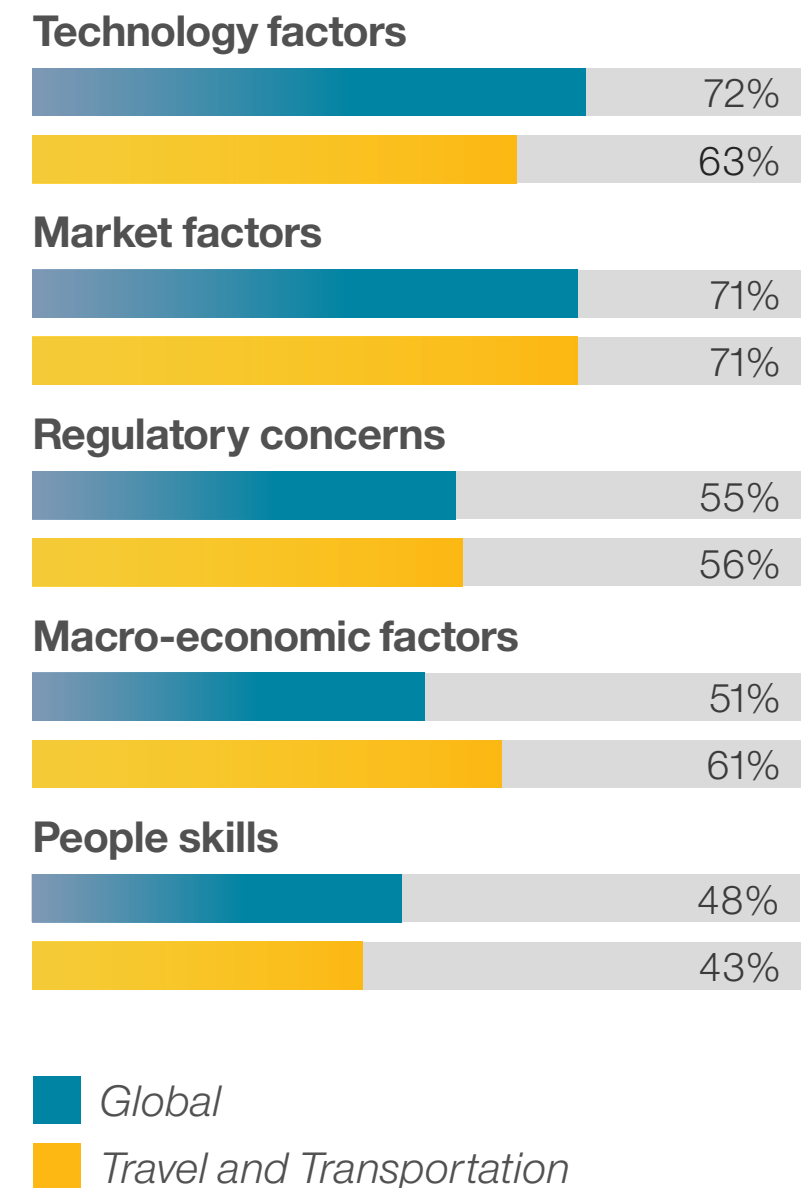
Figure 2. T&T CxOs are less worried about a land grab than other CxOs



Market pressures outweigh all else

That said, T&T CxOs told us market forces are the biggest external influence on their organizations. Technology comes lower down the list of outside factors they have to contend with, whereas it's right up at the top for the CxOs in our overall sample (see Figure 3).

Figure 3. T&T CxOs say market forces trump other external influences



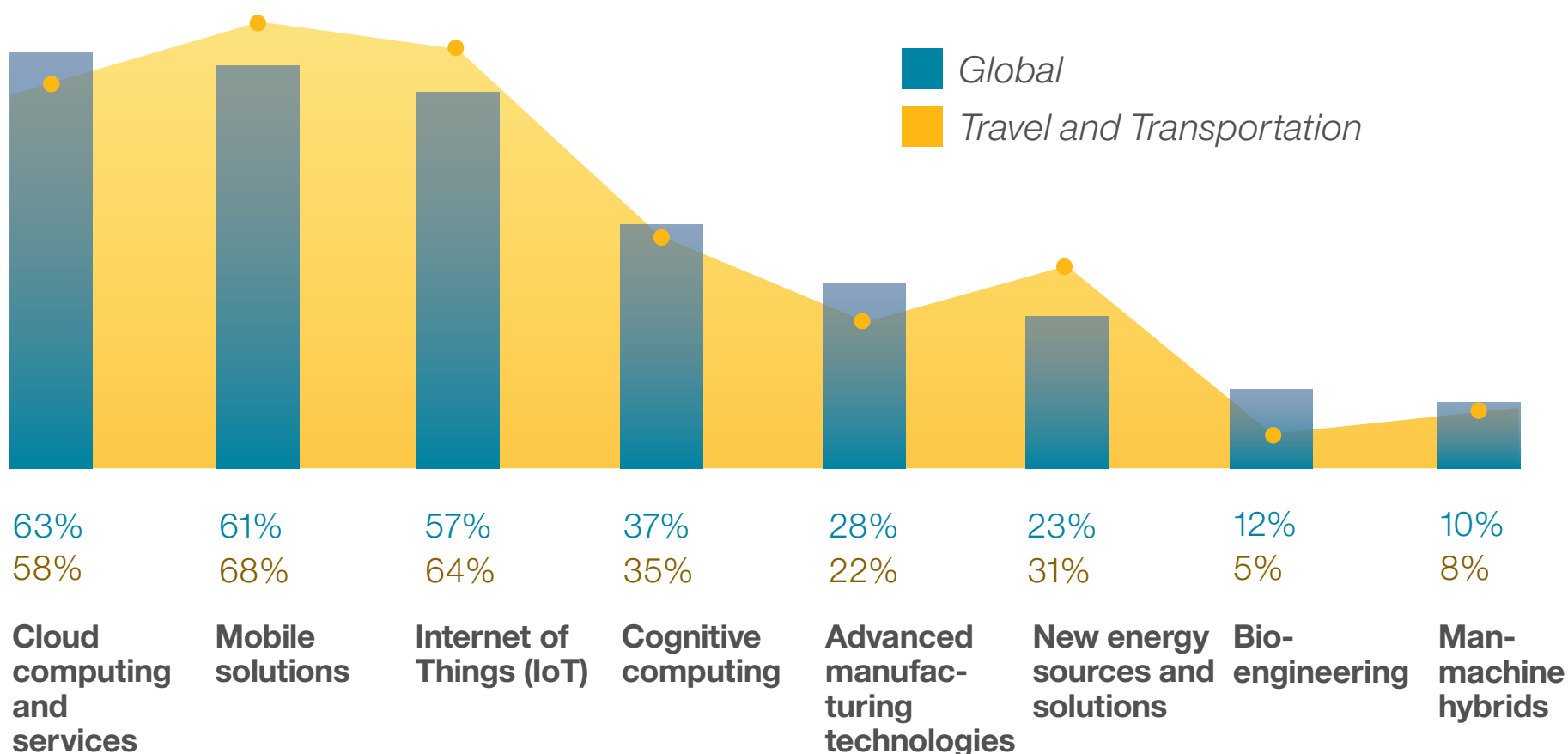
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Mobile and smart

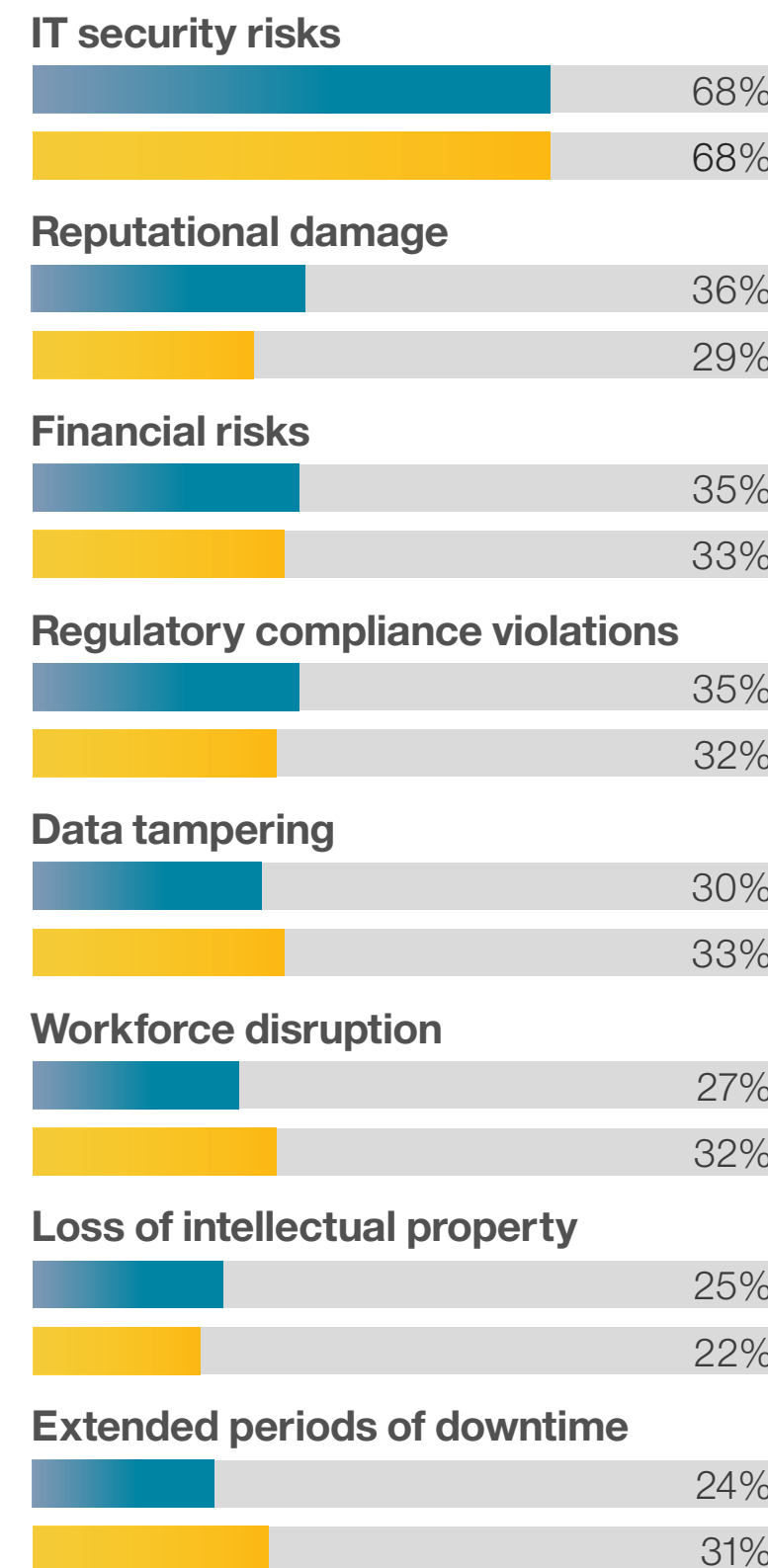
So which technologies are T&T CxOs betting on? Like most of their peers, they're focusing on cloud computing, mobile solutions and the Internet of Things. They see particular potential in these last two technologies; mobile apps and smart tracking will help them create more personalized customer experiences and fend off digital upstarts (see Figure 4).

Figure 4. T&T CxOs expect great things of mobile, the IoT and cloud



But new technologies bring new risks – as T&T CxOs know. Like other CxOs, they're chiefly concerned about IT security, although they also worry more about data tampering, workforce disruptions and extended periods of downtime than the CxOs in our overall sample (see Figure 5).

Figure 5. T&T CxOs say security is top risk but they also worry about workforce disruptions and downtime



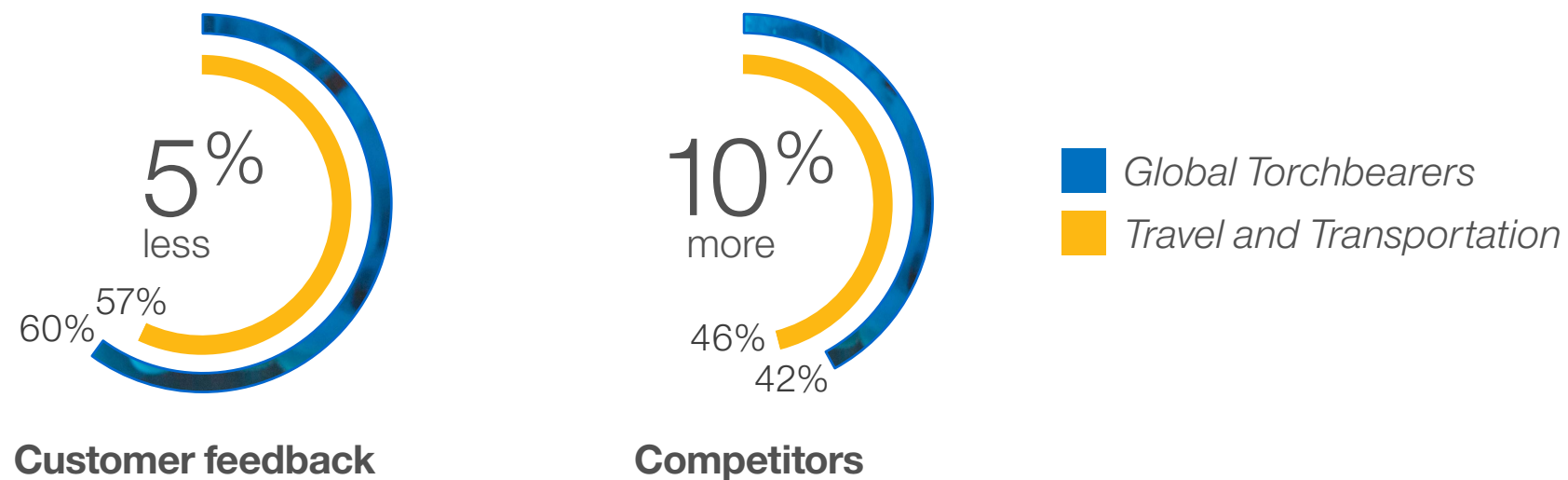
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Focus on customers

T&T CxOs are closely aligned with the majority of CxOs in our study, then; however, there's one area where they excel – using customer feedback to identify new trends and technological developments. We identified a small group of highly successful enterprises in our total survey population. Torchbearers, as we call them, pay much more attention to their customers than their competitors. T&T CxOs do, too (see Figure 6).

Figure 6. T&T CxOs, like Torchbearers, look to their customers for insight



Unfortunately, some T&T firms are slow to act on what their customers tell them. Whereas 80 percent of Torchbearers aim to reach the market first when they're launching new business models or offerings, only 53 percent of T&T CxOs aspire to be market pioneers. Yet, in an era of disruptive innovation and intense competition, it's essential to dominate the market before your rivals do.

You can see the various installments of our latest Global C-suite Study at ibm.com/csuitestudy



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IBM Global Business Services
Route 100
Somers, NY 10589
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