



GUIDEBOOK



The Biggest Challenges Facing Multi-Day Tour Operators in 2025 and Beyond

And How to Overcome Them

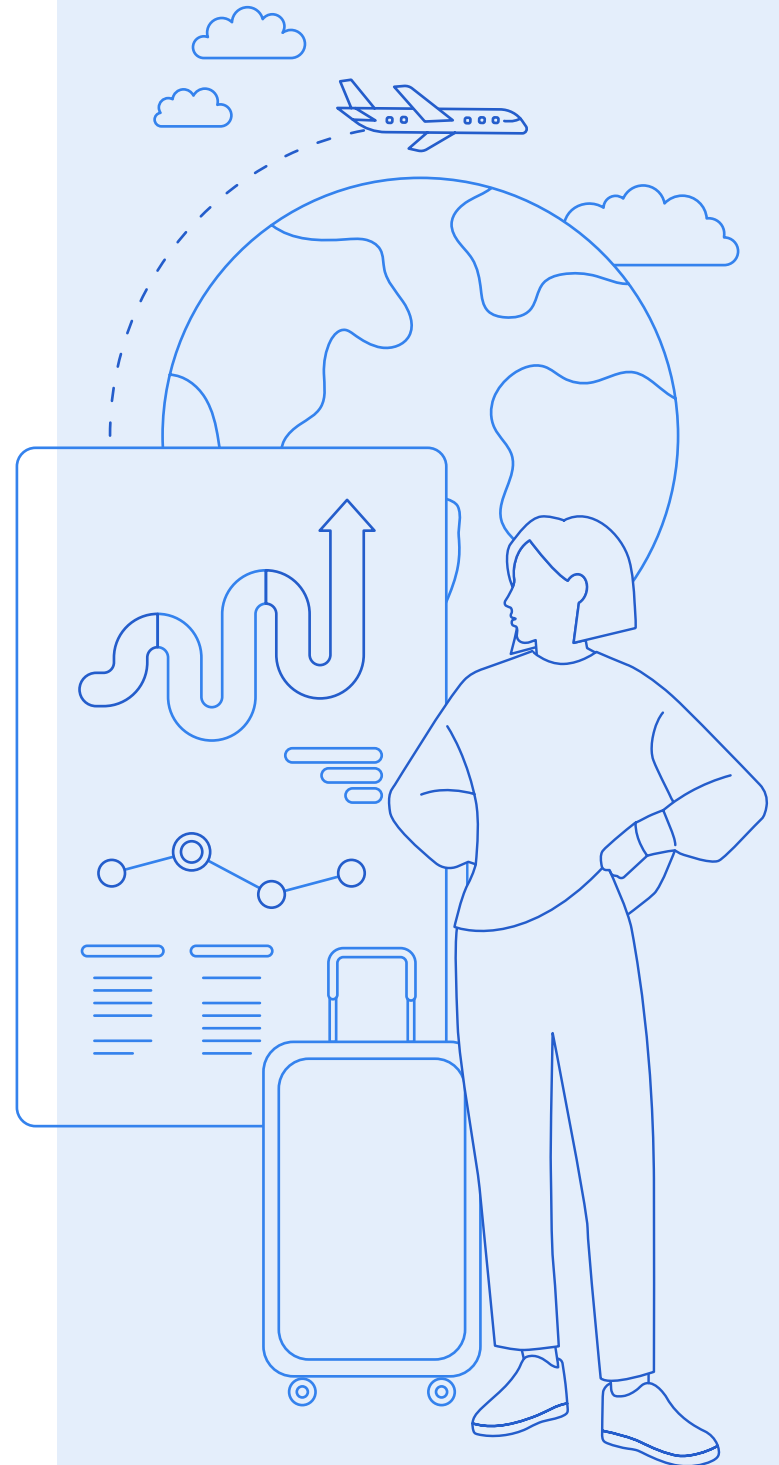
“Everything will be better after the pandemic,” they said. “People will start traveling again and the industry will flourish,” they said.

They were right, to some extent. In 2024, we saw travel spending return to pre-pandemic levels, and business travel spending was actually above pre-COVID numbers. However, nobody warned multi-day tour operators that, even though travel spending *will* rise, the post-pandemic travel world will be a different landscape with entirely new challenges.

We don’t have to tell you that multi-day tour operators are still facing nearly all of the traditional challenges they faced in the pre-pandemic marketplace, combined with a fresh set of new ones. And that list of new ones seems to grow by the month, not by the year.

This has never been a set-it-and-forget-it industry. Tour operators have always needed to evolve their tactics and technology to keep up with trends and changing customer behavior. But they’ve never had to rewrite their playbook as often as they have over the last few years.

With that in mind, here are some of the most pressing concerns tour operators will face in 2025 and some suggestions for overcoming them.



A blue vertical sidebar on the left contains white line-art icons. At the top is a pie chart with one slice separated. Below it is a cloud icon. Further down is a computer monitor icon showing a webpage with a line graph. Below the monitor is a person icon. To the right of the person is a list of four person icons, each followed by horizontal lines representing text. Below this is another cloud icon. At the bottom of the sidebar is a large bar chart with seven bars of varying heights. At the very bottom is a person icon holding a magnifying glass, looking at a cloud icon that contains a person silhouette.

Big Data. Big Headaches.

Balancing the problems and the potential that big data presents is a problem facing businesses in every sector right now. We can now collect an unprecedented amount of customer data... but we can't seem to do a thing with it.

When we hear the term "data is trapped in silos," we typically envision a scenario where an employee working in marketing in Chicago can't access the data he needs from the sales office in Denver. However, siloed data problems aren't reserved for big companies. Small teams can struggle with trapped data too! Even a 1-person team can struggle with it.

Multi-day tour operators will typically have siloed data for two reasons:

You are using multiple programs

You don't have a single software or central hub. Your data is scattered in 4 or 5 different programs, maybe behind 2-3 people's logins/ accounts.

You don't have time to sort/analyze it

Because the data is so scattered, and your days are already so full, you don't have time to sort the data you actually have. Or it's old and stale by the time you find the time.

As a result, you don't have access to the data you need to make informed decisions about the future. You have no visibility into the profitability of departures or trips, and you may miss opportunities to grow and expand as a result.

Solution

As daunting as it may seem, you need to consolidate your tech stack. Ideally, you want a single robust tool that can act as your single source of truth, even for multiple team members.

When your data is more accessible, it's more actionable.

A Growing Demand for Personalized Services

Customers have never expected more personalized services, yet you've never had less time to provide the personal touch.

According to a report from Mastercard titled **The Power of Personalization in Travel: Going Beyond Digital**, "90% of consumers expect organizations to know their interests and anticipate their needs."

At the same time, **a report from Salesforce reveals that:**

- 73% of customers across every sector will expect better personalization as technology advances
- Another 65% expect companies to adapt to their changing needs.
- But sadly, 61% say they feel they're treated like a number most of the time

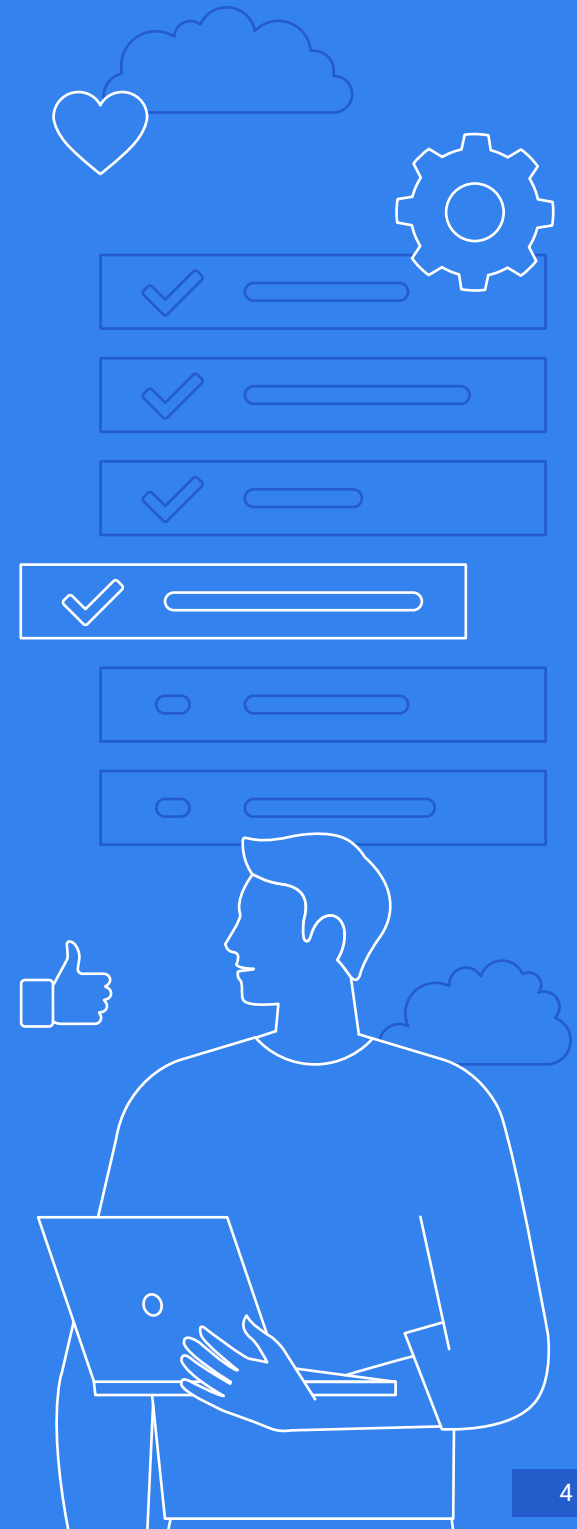
The message is clear: If you treat existing customers like a number, your customers will cease to exist.

Solution

You would love to provide more personalized experiences, but you're probably spending all your time on "other" tasks, so you automate/templatize your customer interactions. But consider what would happen if you switched things around. What if you automated those "other" tasks?

If you look closely at those other tasks, you will probably see that they contribute to revenue, but don't directly create it. Make no mistake about it, personalized service directly contributes to revenue. So you need to free up the time and resources to provide it.

If you automate as many non-revenue-generating tasks as possible, you can focus more on the customer without hiring new staff.





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Changing Customer Behavior

This challenge will be on every list for years to come because, simply put, customer behavior will never stop changing.

If you're a small tour operator, you have probably heard that your size is your advantage— you're small, agile, and able to adapt to new trends quickly. But it often doesn't feel that way.

Smaller multi-day tour operators might quickly find themselves pigeonholed into one segment. Let's say you have success with tours to Morocco. That becomes your unofficial specialty. The good news is you're booking tours, and money is coming in. But the bad news is you're not getting any repeat business because most people only go to Morocco once.

You may also feel too busy to do anything else. You would love to expand, but you don't want your existing customers to feel underserved.

If you had the time, you would look into TikTok because you've heard it's a major purchase driver for the younger generation. And you heard correctly!

According to a [report from Deloitte](#):

- More than 75% of all TikTok users (predominantly Gen Z and millennials) credit the app for influencing their recent travel purchases
- 35% Of US TikTok users traveled to a specific destination after they saw a video on the platform
- 45% of TikTok millennials traveled to a new destination due to the platform's content



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It's also worth noting that those TikTok-influenced Gen Z buyers are spending more on trips. A recent study reveals that in 2024:

- The average Gen Z trip costs \$11,766, which is up almost 40% from last year
- The average Millennial trip costs \$9,670
- The average Baby Boomer trip costs \$10,680

You want to capitalize on these numbers and open yourself up to a whole new clientele. But you feel like that will take time and attention that you simply don't have right now.

Understanding shifts in customer behavior is actually two problems in one:

Learning where customers are, what they want, and how they buy

Making sure you're in a position to pivot when needed

You can have fresh data and new insights into trends, but they don't do you any good if you can't act on them.

Solution

Ensure you're not too busy working *in* your business to work *on* your business.

As mentioned in the previous section, the odds are good that you're spending hours on several tasks that can be automated or simplified with new tools. Investing in those tools gives you the time to work on your business. This would free up time to research current trends and set up campaigns to take advantage of them.

Research takes time. Implementation and measurement take time. And we don't have to tell you that time is the most valuable currency in this business.

Authentic Experiences & 'Detour Destinations'

A new wave of travelers is opting for smaller, less crowded, and more authentic locations. These intimate spots have been called Detour Destinations, as travelers opt for Brescia instead of Milan, or Cozumel instead of Cancun.

People who travel to Detour Destinations want to have authentic experiences with real locals and eat real local food.

Last year, **Hilton's 2024 Trends Report** revealed that:

- 85% of modern travelers prioritize authentic experiences
- 81% look forward to exploring the unknown
- 64% want to try the local cuisine
- 48% actively seek to learn about local customs and traditions

As for 2025:

- **Expedia reported** that 63% of travelers want to visit an "off-the-beaten-track" destination.
- **Booking.com** reported that 67% of adult travelers said they want to visit less crowded places.
- **Hilton reported** that 73% of travelers seek out authentic experiences when traveling with children.
- **McKinsey reported** that 18% of their surveyed travelers were classified as "Culture and authenticity seekers," who are high-budget travelers and typically spend more than \$150 per day on a holiday.
- **Thrillist reported** that 77% of Gen Zers and Millennials choose travel experiences based on their passion points instead of the destination, and 84% prefer destinations "off-the-beaten-track" that will help to define who they are.



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How does the modern multi-day travel operator provide those authentic adventures, while still ensuring a simple and easy experience?

Solution

This younger demographic places a high level of importance on user-generated content (reviews, travel blogs, travel influencers) when making their buying decision. They're going to do a deep Google dive on both you and the destination. So, your web presence needs to show that you're well-positioned to give them the authenticity they want.



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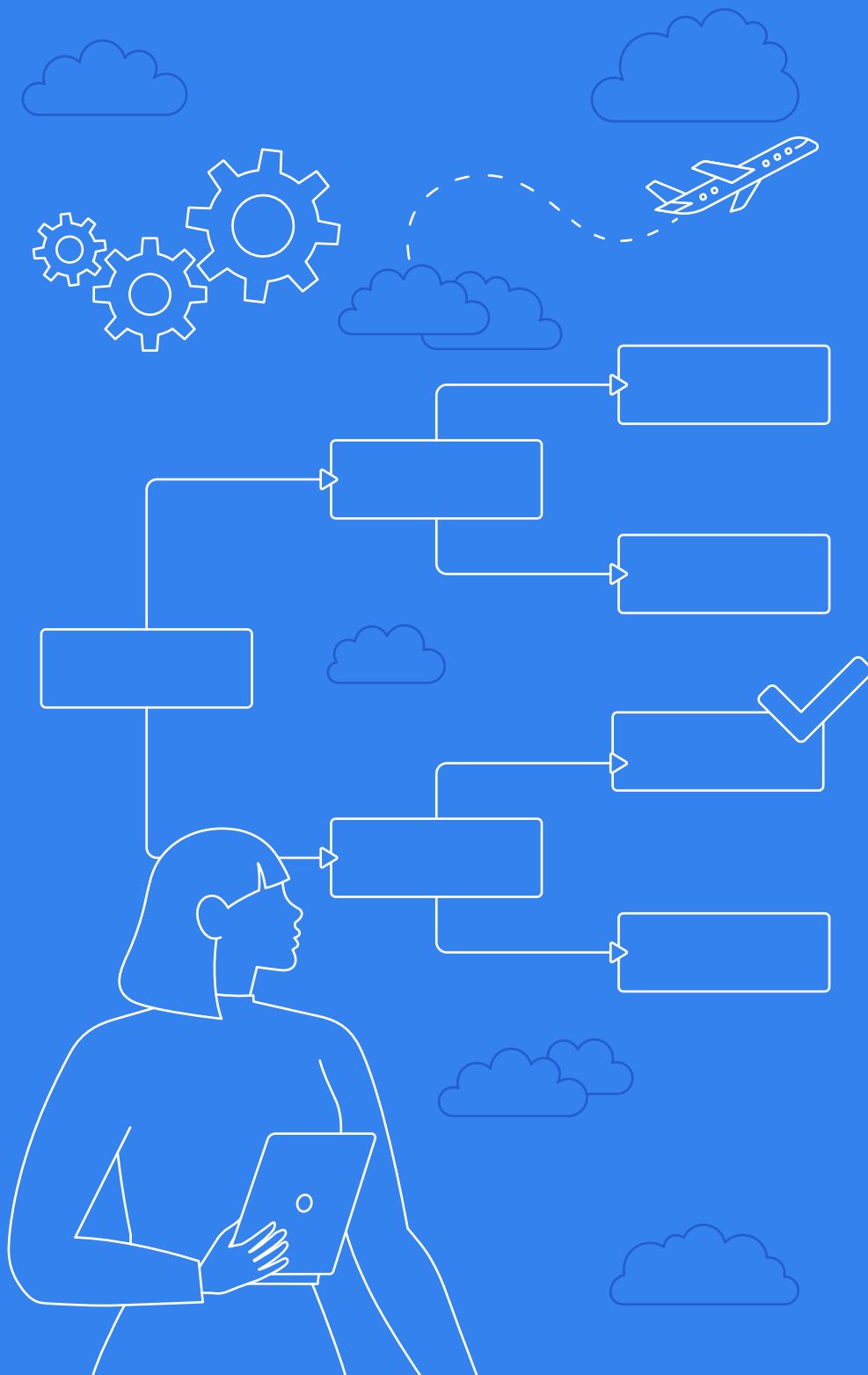


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Aging Technology

You may have felt this already. At a certain point, you start to feel like you're doing more to make your current tech stack work, rather than it doing more work for you.

The technological advances we've seen over the last 5 years in this industry have been absolutely staggering. If you've not upgraded in a while, you might find yourself looking around saying, "Wait. That product does ___? My current software doesn't do that!"

On the other hand, it's often smart to sit back and adopt a "We'll see" attitude to new tech. You don't want to turn your operations over to a tool that's not going to exist in 2027.

But at a certain point, you really start to wonder how much time/money these aging tools are costing you.

How much more could we be doing with automation?

Solution

Even though we're sure you've seen countless ads for tools that promise to make your life easier, we invite you to consider shooting for fewer tools instead of more.

Instead of looking at 3-4 new tools that can each potentially handle a given segment of your operations, look for one solution that can do it all. Look to consolidate your tech stack instead of expanding it.

NDC and the Changing Air Landscape

There is no doubt that the New Distribution Capability (NDC) triggered a seismic event across the entire travel industry almost a decade ago.

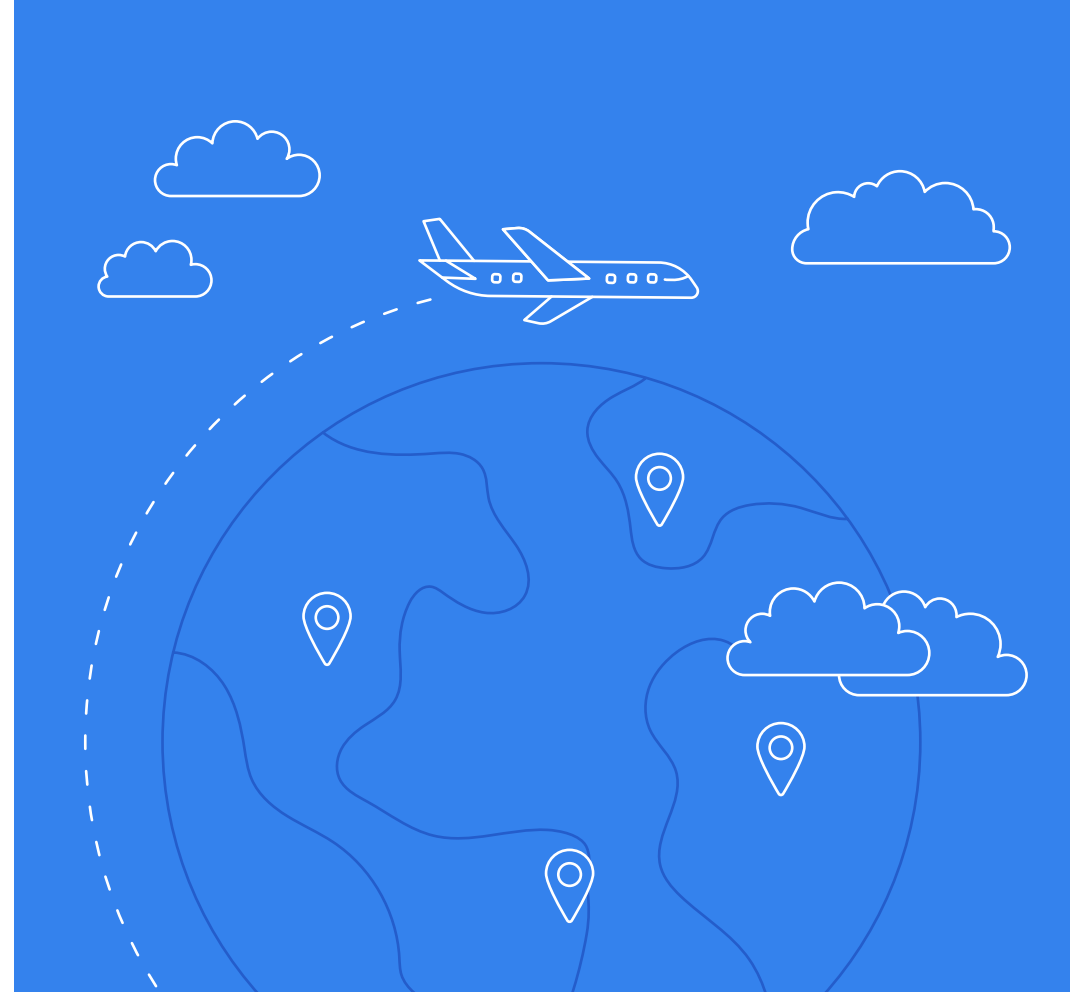
On the one hand, NDC strives to help you:

- Provide a more customer-centric way of booking flights
- Promote ancillary services
- Offer more dynamic and competitive prices
- Improve your overall booking experience

However, like any major update or innovation, it comes with a list of challenges. For the average multi-day tour operator, NDC also comes with:

- Integration and migration barriers/ issues, which can lead to...
- Downtime and a lack of support when issues do arise
- Data security concerns

The travel industry is full of legacy tools that were obviously not built with NDC in mind, and this is an industry that can be resistant to change.



Solution

Transitioning your business to NDC is a whitepaper unto itself.

The good news is that things are easier than they were when the NDC was first implemented in 2015. Substantial updates have been made across the board. September 2021's "Golden Release" of an NDC standard (21.3) was a major step forward in industry alignment.

For more information, The International Air Transport Association (IATA) has provided **an amazing free resource** that walks you through the most important questions to ask and the most important steps to follow.

The NEED for Optimized Front-end Booking Experiences

In every industry, the brands that offer the best user experiences are winning the business. And poor experiences are being left for good ones in record time. In today's marketplace, the average user will decide whether your site/app is worth their time in **50 milliseconds**, which is 0.05 seconds.

Unlike many retail industries, travel professionals have to keep the digital experience going after the sale. Your customers need to feel fully-taken-care-of at every stage of the buying journey, and every step of their actual journey.

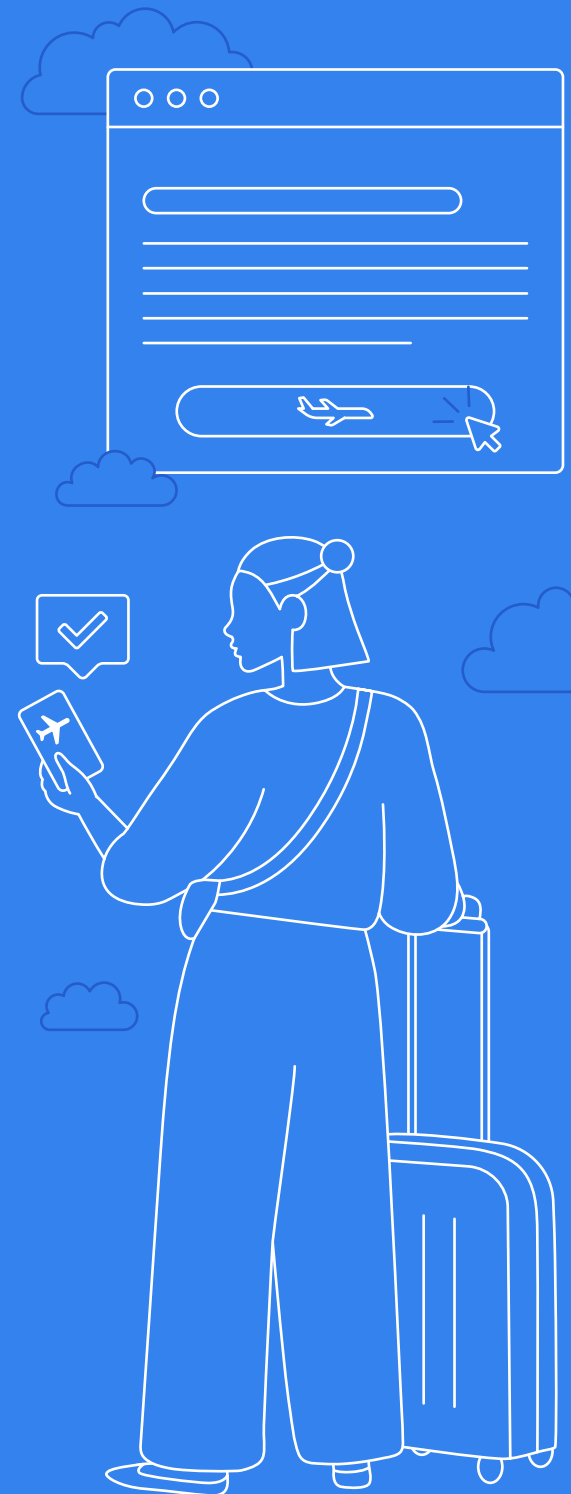
Today's traveler wants to feel like they're in a different world, but they still want their old world to feel like it's just a few clicks away. And they want to feel like **you** are just a click away.

Solution

Make your user experience your top priority. When properly done, it is your competitive advantage.

Statistics show us that a well-designed user interface (UI) can increase a **website's conversion rate by up to 200%**, and a better UX design can boost conversion rates by up to 400%.

And don't forget about mobile! The younger generation is buying more from their mobiles than previous generations, and they're getting pickier about the experience. Right now, the average mobile **bounce rate across all industries is 67.4%**, while the average desktop bounce rate is less than half that at only 32%.



Integration, Integration, Integration

To compete in the current marketplace, you need to seamlessly shop and book with hotel consolidators and tour/service providers such as:

- HBSi
- Synxis
- HotelBeds
- Dingus
- TravCo

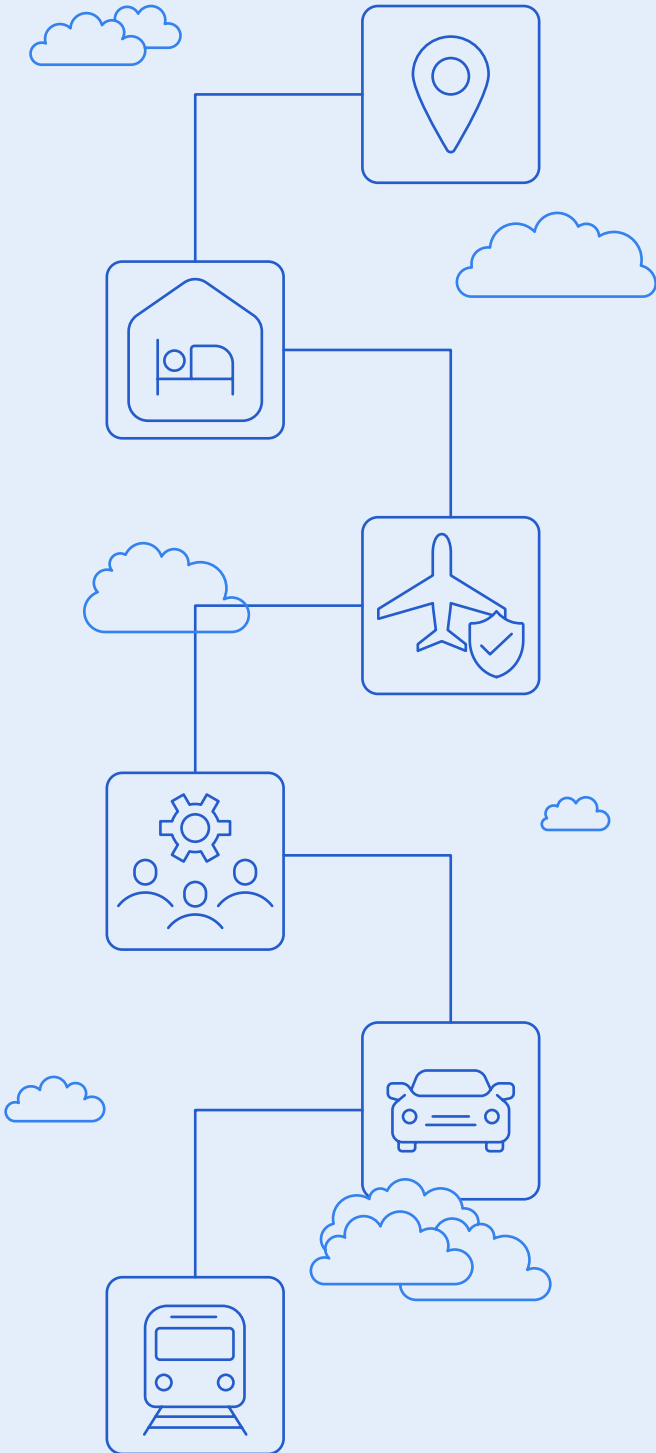
You also need to sync with:

- Travel insurance providers (Travelex, Arch, TravelGuard, Allian)
- CRM solutions (Hubspot, Salesforce, ClientBase)
- Rail/train services (RailEurope)
- Car rental services (Avis, Hertz)

Now take all that and add it to whatever calendar/task planner, accounting program, and marketing CRM you're currently using.

How many programs do you have running right now?

How many tabs do you have open?



Solution

Softrip can help you do all of this.

From endless integrations with every platform you need, to providing better and more bespoke customer experiences, to accessing the fresh data you need to make smarter decisions, Softrip is the end-to-end business software for tour operators worldwide.

Want to make 2025 the year you finally reduce operating costs, secure margins, and free up the time you need to grow your business? **Book a demo today!**



“ Softrip has simplified all of our back-end processes... Everything is there, everything is noted...it is very centralized and a significant time saver for anyone touching the reservation. ”

– **Caradonna Adventures**

a pioneer in the scuba diving and adventure travel industry