

News Release

DATE: 8 June 2005

CONTACT: Malcolm Preston, PricewaterhouseCoopers LLP
Tel: +44 1293 56 6665, email: malcolm.h.preston@uk.pwc.com

OR Sharon Stotts, PricewaterhouseCoopers LLP
Tel: +44 121 265 5796, email: sharon.stotts@uk.pwc.com

OR Rohan Hutchings, PricewaterhouseCoopers LLP
Tel: +44 207 804 7509, email: rohan.t.hutchings@uk.pwc.com

Travel companies cannot ignore lifestyle media challenge

Travel businesses can expect challenging times ahead in order to develop business models and processes that support the new consumer-driven era of lifestyle media, according to PricewaterhouseCoopers LLP. Yet surprisingly, few companies are ready.

In this new environment, consumers will demand what content they want and how they want it packaged to create a rich, personalised and social media environment, an approach identified by PricewaterhouseCoopers as lifestyle media in its report 'The Rise of Lifestyle Media: Achieving Success in the Digital Convergence Era'.

Malcolm Preston, UK travel leader, PricewaterhouseCoopers LLP said:

“This is an interesting time for the travel sector. While its businesses aren't traditional media businesses, the opportunity for travel companies to deliver personalised information in the desired format to consumers should not be ignored.

“But they should be aware that competition could now also come from established internet businesses who want to enter the travel arena. An already competitive online travel environment is about to get even more competitive in the battle for consumers.

“If travel companies can change their business models, processes and deliver personalised content to consumers in this new environment they will be at the forefront of this media shift.”

Sharon Stotts, UK performance improvement leader - entertainment and media for PricewaterhouseCoopers LLP, said that to facilitate lifestyle media, companies need to create a media marketplace. This will connect media providers and media seekers through organisational and technical infrastructure that will support consumers, rather than hinder them.

“Knowing their customers' behaviour and providing personalised content in the desired format is critical. Yet, surprisingly, few companies are addressing this.”

More important though is the rapid speed at which the lifestyle media environment is moving and companies need to ensure their business models and project management skills are sound so as not to be left behind by the competition.

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TRAVEL COMPANIES CANNOT IGNORE LIFESTYLE MEDIA CHALLENGE.../2

Sharon Stotts, UK performance improvement leader - entertainment and media for PricewaterhouseCoopers LLP added:

“With the wider offering and bundling of services supported by technology, we will see new entrants in the travel sector vying for position.

“To ensure competitiveness, business models and project management strategies need to become more flexible while still balancing appropriate levels of efficiency and effectiveness. Lengthy development lifecycles are no longer appropriate.

“Also, it will be critical for businesses to develop a workforce with the right M&A and partnership viability skills to effectively deliver value to the business.”

Malcolm Preston, UK travel leader, PricewaterhouseCoopers LLP said:

“It’s a new world where new rules apply and companies will be fiercely competing for the travel customer. To deliver an effective consumer-focussed travel product, companies need to change what they are doing.”

Primary findings of the report include:

1. Consumer needs are expanding beyond mass and segmented media to “Lifestyle Media”.
2. Knowledge of consumer behaviour will become the basis for competition.
3. The media marketplace provides a structure to capitalise on “Lifestyle Media”.
4. Early movers in establishing media marketplaces will have significant sustainable advantage over late entrants.
5. Media marketplaces will be economically viable only if operational efficiencies can be realised through consumer behaviour measurement capabilities and supporting systems.
6. Convergence will require increased collaboration between value chain partners to drive new products and services to consumers.

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Notes to Editor:

1. Press copies of “The Rise of Lifestyle Media: Achieving Success in the Digital Convergence Era” report are available from rohan.t.hutchings@uk.pwc.com
2. Non-press copies are available from Ashley.mulligan@uk.pwc.com.
3. The member firms of the PricewaterhouseCoopers network provide industry focused assurance, tax and advisory services to build public trust and enhance value for its clients and their stakeholders. More than 130,000 people in 148 countries across our network work collaboratively using connected thinking to develop fresh perspectives and practical advice.

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