

## How Travel Advertising Is Adapting to the Rise of Smart Homes

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With the popularity of smart home systems on the rise, travel brands looking for new ways to reach consumers are experimenting with campaigns centered around non-traditional ad channels via smart media devices.

“We define a smart media device as a smart speaker, smart display, smart TV, or streaming device,” said Megan Maginnis, senior manager of travel at Amazon Ads. “These interconnected devices and systems can be controlled and automated through voice commands, smartphone apps, or centralized hubs.”

In 2022, 90 percent of consumers reported owning and using a smart media device, up from 73 percent in 2021, according to the Kantar and Amazon Ads Connected Consumers Study.<sup>1</sup> This jump in usage is due to a variety of factors, including increased connectivity, improved technology, greater convenience, and the growing trend of home automation.

“No matter where or how these devices are being used in the home — whether in the living room watching TV or in the kitchen listening to music while cooking a meal — there are exciting opportunities for brands to reach and engage customers at meaningful moments,” Maginnis

said.

SkiftX recently spoke with Maginnis to learn more about the smart home audience and understand how travel brands are enticing them to book their next trip.

#### Tapping Into the Smart Home Audience

The smart home audience tends to skew younger, more affluent, and more educated than audiences engaging in more traditional digital channels. For example, the Connected Consumers study found that consumers using smart media devices at least once a month are 7 percent more likely to be ages 18 to 34 compared to general consumers.

“These consumers are three times more likely to be receptive to ads on connected devices or on streaming media versus ads on social media or traditional TV,” Maginnis said. “Customers tend to be less receptive to advertising when they’re on a laptop or phone, as they focus on completing tasks or using social media. Connected devices within smart homes can offer a unique opportunity to engage consumers at moments when they are more relaxed and receptive to brand messages.”

To help illustrate how smart home advertising campaigns can reach the right audience at the right time, Maginnis shared case studies from two recent Amazon Ads clients: American Airlines and Amtrak.

#### Case Study: American Airlines Increases Brand Awareness with Fire TV

With the goal of increasing top-of-mind awareness among leisure travelers and educating loyalty members about the AAdvantage® travel rewards program, American Airlines worked with Amazon Ads to launch an ad unit on the Fire TV Feature Rotator, the first thing customers see on their home screen when they activate their Fire TV device.

“The ad unit allowed us to complement our existing online video strategy,” said a representative from American Airlines. “We collaborated with Amazon to set target campaign goals and create the unit with their creative studio. It was great to see how much unduplicated reach it delivered.”

According to Maginnis, “This can’t-miss placement ensures that the brand is top of mind when travel purchase decisions are being made. It also maps nicely to the ongoing trend of consumers looking to TV shows and movies for travel inspiration.”

#### Case Study: Amtrak Educates Travelers With Alexa

Amtrak recently partnered with Amazon Ads on a campaign featuring Branded Experience With Alexa, a new product that allows audiences to interact with brands through voice, screen-tap, or remote control. The campaign (“Just an Amtrak Away”) highlighted short-haul intercity trips and focused on educating consumers about Amtrak’s ability to deliver on comfort, sustainability, and safety.

“We developed content that consumers could discover by asking Alexa about the train travel experience and responding to voice prompts,” said Darlene Abubakar, assistant vice president

of national advertising and brand management at Amtrak. “They could ask Alexa about a variety of experiences, including on board dining, details about the scenery on particular routes, what to expect in the quiet car, and several other services, amenities, and onboard experiences that we chose to highlight.”

According to a post-campaign brand lift study, overall awareness increased 6.6 percent, with significant lifts in awareness for “comfortable seating with plenty of legroom” (15 percent), “hassle-free journey that feels like an adventure” (6.1 percent), and “multiple dining experiences (6.1 percent). This lift aligns with results from a recent Amazon Ads study with Wondery that found customers view brand messaging delivered through ad-supported content on smart speakers more favorably compared to other smart home devices.

“Amtrak has been a fantastic partner in experimenting with connected devices to drive awareness,” Maginnis said. “As an Amtrak rider myself, I think they did a brilliant job of using Branded Experiences with Alexa to demonstrate how Amtrak is a comfortable and convenient transportation option for travelers today.”

#### Getting Started with Smart Home Advertising

For travel brands unsure about which smart home advertising opportunities to pursue first, Maginnis recommends video ads on streaming TV.

“By next year, 86 percent of U.S. households will be connected TV households<sup>2</sup>, which makes it important to consider this format,” Maginnis said. “Streaming TV advertising is a great first step into the connected home environment. Travel brands are able to reach audiences on the biggest screen in the house.”

As the travel advertising landscape continues to shift, experimenting with a variety of smart home formats may be the best way to reach and engage new audiences. Maginnis agrees: “We love the creative side of advertising and connected devices allow advertisers to tap into this type of creativity. We always enjoy working with brands who are open to experimentation with new formats, and smart home devices are a great way to reach engaged audiences looking for travel guidance and inspiration.”

**Tags:** Advertising, Travel