Innovative Startups in Tourism – The Way They Influence Travel

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Abstract
The focus of the publication is set on startups and their influence on travel and tourism industry. As innovation in technology and business is considered to be the leading accelerator in organisation's development, the author is attempting to analyze the effects of startups' use and their implementation in tourism. The research goal is: by making a theoretical review of the term startup, to examine its nature and describe the business process, to reveal some good practices and emphasize on innovative examples. The contribution of the publication results in providing qualitative analysis and evaluation of their overall importance to the travel sector, travel professionals and customers as well.

Keywords: startup, innovation, tourism, good practices

JEL Code: Z320

Introduction

Innovation, by definition (Merriam-Webster), is described as introduction to something new and is inevitably identified with novelty. In business, innovation is generally related to advanced ideas and organizational methods, original (often, unusual) thinking and implementation of unique technology and state-of-art activities. In this way of speaking, the contemporary innovative business ideas are regularly laid down in the startup organisations. Whether they plan to offer a new standard in the industry, they operate in or propose a diverse business vision, startup founders dream of giving the society something unusual. Economy experts state that startup businesses have another attractive feature – sky-high valuations that could lead to a successful public offering with huge returns on investment. This is the exact point at which tourism, innovation and startup bond. Tourism business, that suffered various crisis during the past few years, is in constant seek of secure ground gaining. The travel industry has been through disruptive pandemic months; however, this challenge became a precursor to innovation. In the short to medium term, COVID-19 changed the way tourists travel and where they traveled to. Some national borders stayed closed longer than others did and tourist travel was entirely forbidden. In the long term, the travel and tourism industry may still need to deal with post-pandemic turbulences and potential transformation in consumer behavior and needs, for example - health and safety concerns or cancellation policies. Moreover, every year, a new trend or change in travel behavior or preferences come along to reshape the industry. The ICT sector and startup entrepreneurship step in to reveal wide scope of ingenuity in travel services' supply to respond to all kind of consumer demand.

The focus of the current publication is set on tourism startups and their influence on the travel industry. *Based on analysis of versatile start-ups,* considering interviewed marketing experts' opinion, by making a theoretical review and revealing some good practices, **the research goal** embedded by the author is to assess and evaluate their importance to the sector. *To accomplish the goal*, the following research tasks have been implemented: defining the term start-up, analysis of the influential and leading factors in their nature and growth, their evolution in the tourism systems. By studying the specifics in the business model, the author aims to debunk myths and discover working solutions to benefit both industry and customers**.** Some restrictions that may occur result in scarceness of scientific publications, as per range (scope) and content, about startups in tourism. The current publication is an attempt to transfer the focus on the topic, to convey and enrich further scientific

research, as well as contribute to managerial knowledge of the utility some startup solutions bring to the industry.

1. **Literature and theoretical review - Nature, characteristics and specifics of the business process**

Over the years, companies have been looking in every possible niche to find the right skills for their business. Part of the process includes acquisition (e.g., the acquisition of Skype by Microsoft, Whatsapp by Facebook or Waze by Google) and corporate venture capital (e.g., Google Venture, Intel Capital) to improve their innovation capabilities. Another way to improve business ideas relates to startups. The maturity of the startup approach with the constant growth of investment and proven business models have attracted corporations who look for new ways to expand their business development. According to Kaczam et al. startups have the important role to perform as "innovation drivers" and a resource for leveraging competitiveness. Almeida and Daniel, confirm that it is crucial for this type of companies to be capable of adjusting their resources and react quickly in a very dynamic reality.

To reveal the nature and specifics of startups, leading question to ask is: *What exactly a startup is?* The Small Business Association states, ***"In the world of business, the word 'startup' goes beyond a company just getting off the ground".*** The term is more often related to generally tech-orientated business that appears to have high growth potential. However, their strategy is different from traditional businesses', primarily because they are designed to grow fast. One of the reasons is they have to fight extremely high financing challenges. Another reason is that by design, they have to invent or create business idea, a product or service to sell to a very large market.

Scholars (Almeida, & Daniel, 2020) usually state that despite its different definitions, a startup is mainly seen as any company in the early stage of its lifecycle and operation. It is supposed to present unique characteristics regarding their sector, asset structure, organisation type or growth orientation (Salamzadeh, & Kesim, 2017). Most startups' lifecycle starts with an entrepreneur(s)'s vision of how to exploit a gap in the market (Almeida, & Daniel, 2020) and come with the right decision to fulfil this gap. Some distinguished challenges that may occur, especially nowadays, refer to the human factor. Human capital availability, team management, high reactiveness and flexibility, high time-pressure, uncertain conditions and tackling fast-growing markets (Paternoster, Giardino, Unterkalmsteiner, & Gorschek, 2014; Salamzadeh, & Kesim, 2017) affect both ways (either positive or negative) each organizational structure.

According to marketing experts, a startup is a young company founded by one or more entrepreneurs who aim to develop a unique product or service and, accordingly, to launching it on the market and make it irresistible and irreplaceable for customers (Forbes Advisor, Baldridge, & Curry, 2020). The companies register high level of uncertainty related to its business model, which focuses on short-term survival. The process includes activities to diminish or avoid risks, since a wrong decision can have a harmful effect on the company's future (Almeida, & Daniel, 2020).

By its very nature, the typical startup is usually cash-strapped, with initial funding provided by the founders or their relatives. No wonder why, one of the first tasks is to raise a significant number of investments to further develop the product. To do so, entrepreneurs must present strong arguments, and/or a prototype, to support their claim that their idea is truly unique or represents a major improvement on an already existing product or service. The process goes through a stage called iteration, where entrepreneurs continually improve products through users' feedback and data collection reports. While improving their idea, companies also aim to rapidly expand their customer base and establish larger market shares. Very often, they use digital marketing contrivances as a leading strategy in order to lower costs, due to the easiness to use, readiness and perceived benefits (Teixeira et al., 2018). Gaining popularity through digital platforms paves the way to be able to raise more funds in order to further develop the product or service. All this rapid growth through innovation

is in the service of one ultimate goal, and that is to go public. When a company opens up to public investment, it creates an opportunity to compensate early investors.

Investors keep looking for the highest potential return on investment, while balancing the associated risks*. Grant (Investopedia, 2022) considers the term startup refers to a company in the first stages of operations founded to develop a product or service for which their entrepreneurs believe there is ***demand***. These companies generally start with high costs and limited revenue. Typically, they don't have a fully developed business model and, most importantly, lack adequate capital to move onto the next phase of business. For that exact reason, their founders look for capital from a variety of sources such as venture capitalists[1]. Startups can use seed capital[2] as well, to invest in research and improve their business plan. Market research is used to determine the product/service demand, while a comprehensive business plan outlines the company's mission statement, vision, and goals, as well as management and marketing strategies. Many companies are in seek for collaborating ones of similar profile, to meet their business goals. Most of the partnerships they establish are made through personal contacts and networking activities of startups' promoters (Almeida, & Daniel, 2020).

Based on the research of Tkalich, Edison, and Klotins and considering their overview of the business process embedded in the startup organisations, some basic characteristics can be outlined:

*1) **lack of resources and dependency on external sponsors:*** a startup's economic, human, and physical resources are extremely limited. Especially in the early stage, it needs external funding;.

*2) **time pressure: the environment often forces startups to release fast***, they operate under constant pressure (terms sheets, demo days, investors' requests, etc.;

*3) **innovation:*** given the highly competitive surrounding, startups need to focus on highly innovative segments of the market;

*4) **rapidly evolving new company:*** a startup is a newly created company, which aims to grow and scale rapidly;

*5) **lack of experience***: startups start with a small number of individuals. The basis of organisational culture is not present initially;

*6) **highly risky entrepreneurship:*** startups deal with extremely uncertain ecosystems under different perspectives, including market, product features, competition, people and finance. Thus, failure rate of startups is extremely high.

Main principle laid in the startup organisation is creating an unusual and innovative idea/product/service. At the most general level, the company operates like a regular one - a group of employees working together to create a product for customers to buy. What sets a startup apart from other businesses is the way the processes evolve. Typical companies *duplicate what has been done before*, they work on an existing template of how a company should work. A startup, on the other hand, aims to create an entirely new business template. In turn, this provides scale that ordinary companies cannot reach. Startups have to choose what legal structure best fits their organisation. A *sole proprietorship,* for example suites a founder who is also the key employee of a business. *Partnerships,* on the other hand, are a viable legal structure for businesses that consist of several people who have joint ownership, and they're also fairly straightforward to establish. Personal liability can be reduced by registering a startup as a limited liability company (LLC, Grant, 2022).

Funding is a very important issue for each company, but for startups, maybe the most. ***Forbes*** experts outline four stages for the startups to get financing:

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[1] Venture capital (VC) is a form of private equity and a type of financing for <u>startup</u> companies and small businesses, considered to have long-term growth potential. Venture capital generally comes from well-off investors, investment banks, and any other financial institutions. (GANTI, A. - Forex expert)

[2] Funding is provided by private investors—usually in exchange for an equity stake in the company or for a share in the profits of a product. Much of the seed capital a company raises may come from sources close to its founders including family, friends, and other acquaintances. (Kopp. C. - Business and financial expert)

1. *Seed Round (or preliminary)* – Also known as "bootstrapping", a seed round is when the founders and their relatives invest in the business.

2. *Seed investors* – funding from so-called "angel investors" – high-net-worth individuals who invest in early-stage companies.

3. *A, B, C, and D* – These are series funding rounds led primarily by venture capital firms that invest tens to hundreds of millions in startup companies.

4. *Going public* – Startups can decide to go public and open up to outside funds through an IPO[3], acquisition by a special purpose vehicle, or direct listing on a stock exchange.

In addition, as anyone can invest in a public company, and startup founders and seed-ers can sell their shares to realise a large return on their investment. Startups are eligible to ask for credit to commence their operations. A perfect credit history is a must and the option carries significant risk, particularly if the startup doesn't gain quick expansion. Other companies choose small business loans to support growth, where a detailed business plan is necessary to prepare. Experts also comment that early stage funding for startup companies is more often limited to individuals called accredited investors, as their high incomes and net worth assist in protecting potential losses. Dyankov (a chief ass. professor and member of the Economics and Tourism Department, University of Economics, Varna), shared in an interview, that to some extent the entire process leads to imperfect results. Startup developers create artificial persuasion of necessity thus stimulating economic growth or at least attempting to do so. The practice reveals there is actually high percentage of startup downfalls (about 90% of registered startup companies). However, every year, a new trend or change in the travel behavior or preferences come along to reshape the industry and taking a research on travel startups could answer to some future turbulent situations.

2. Research methods

The research is based on theoretical exploratory approach and close survey of distinctive tourism startups, recognized by travel society and business experts. With the help of 3rd year university students, the author tested some of the specifics and characteristics of the distinguishable examples. The purpose was to collect opinion by users who tend to spend quality time online; who have specific interest in digital innovations thus approving or disapproving basic functionalities. The choice of the approach is defined by the status and character of data collected with regard to the nature of the topic.

In order to provide the publication with critical and up-to-date information, the author interviewed a number of marketing experts, university professors, lectures and researchers. The following research methods have been combined and applied:

- Systematic review of academic journals, articles, conference proceedings by the (EU Commission and World Economic Forum, WTTC, UNWTO) and statistical data, in order to collect substantial and quality data and information;

- Retrospective analysis and chronological approach – to make an objective follow up of the logically interconnected processes, events and actual facts, which brought to the need of startups in tourism;

- Analysis of documentary and travel professionals' reports – to make an objective overview of actual use and effectiveness of tourism startups;

- Analysis of good practices in travel startups aiming to gain in-depth understanding about the strategies travel industry is about to plan and follow, implementing innovative examples.

- To obtain more detailed and insight information regarding the object of research, the total sum of top startups was narrowed down to 34. They represent some leading proposals, and the selection criteria focused is in terms of growth, impact, technology development, funding raised and new investors.

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[3] the first moment that a company offers shares (or 'floats') to the public on a stock exchange.

Some important restrictions regard the following: relatively small number of scientific publications and research background. The sources examined mostly date back to the past two-to-three years, in order to provide utmost up-to-date information. The interviews with travel business representatives, marketing experts and end-consumers could be interpreted as subjective, though bringing light on the general intensions for startup use and implementation. The list of the proposed good examples is narrowed, which may lead to involuntary highlighting of specific company or organisation.

3. **Startups in tourism**

The travel and tourism industry has passed through some turbulent periods because of the pandemic. Recognized **travel corporations and startups** faced some sharp and unexpected declines in demand at pivotal stages of their business, most notably Airbnb and TripActions. The industry as a whole quickly realized that this pandemic would have lasting effects and change the way people travel for the foreseeable future. The ones that kept positions on the market have quickly adapted to meet the *ever-evolving needs* of travellers, proposing some innovative and up-to-date tools. Innovation has always been the accelerator of any business activity; in tourism business, it proved to have great effect as well. This is of no wonder, as travel and tourism has proved to be a flexible phenomenon. Its adaptive character - to be able to synchronise to general "shock situations", as well as to apprehend unusual approach, kept business vital. Scholars (Gössling, et al., 2020) state the crisis can become an *opportunity* - the reason for new tendencies in the economic landscape to be established.

As digital technologies became more and more advanced, travel transformed easily from physical to imaginal event. Innovation redirected tourist flows to another dimension. Virtual tours of destinations and tourist spots contribute to the complex image of the desired tourist journey (McKinsey, 2020). The level of experience often reached highest spots. VR applications that depict tourist destinations in a real world have been called 'VR travel' or 'VR tourism' (Gibson, & O'Rawe, 2018; Kim, Lee, & Jung, 2020). *A new travel trend was established – tourists started experiencing other people's travel.* However, only a few studies (e.g. Kim, Lee, & Jung, 2020; Kim & Hall, 2019; Kim, Lee, & Preis, 2020) have explored some basic mechanisms about the specific techniques and informational tools that contribute to producing positive VR travel experiences and increase visit interest and intention (An, Choi, Lee, 2021).

Intriguingly or not, the moment travel bans and restrictions are vanished the tourist turnover marks significant increase. After months of restrictions travellers actually rushed into holiday trips and family vacations. The World Tourism Organization (UNWTO) marked the third quarter of 2021 as the beginning of the recovery of international tourism. Eventually, The UNWTO announced a *Call for entrepreneurs – launching 4 new challenges to help re-start tourism.* Organization together with Athletic Club of Bilbao and the Provincial Council of Bizkaia have launched the Smart Solutions for Smart Destinations Challenge to drive innovation and promote entrepreneurship in tourism. This new challenge is designed for startups with innovative and intelligent ideas to maximize the visitor experience in stadiums or at events.

All solutions must facilitate the entire tourist experience, including before and after an event not just while in process. Airbnb's long-awaited IPO, for example, gave travel industry partners a positive call, proving that despite a global crisis, "getting away" is not just a luxury, but has rather become a vital necessity. In addition, the growing concept of "working from anywhere" created the travel nomads. Thus, entrepreneurs had to change their comprehension of accommodations offering – to provide something more than just a place to sleep in and get away for the weekend. Moreover, ever-changing identification requirements, different guidelines for every country, complex rules and regulations causes additional insecurity and seek for quick navigation. Travellers, who want to get lost in the landscapes and cultures of the less explored spots, get easily confronted by governmental issues. Their desire to go on a tour and not to miss life's moments is often encountered by new travel realities. This is the exact time where they are in need of assistance and support – during the process of actually consuming the

travel service. The marketing expert in tourism, Dyankov states that innovation, however, does not have to be a purpose to undertake a travel. The tourism industry is the only industry where human-to-human relations are the centre of the business process. Personal touch and empathy to various behavioral situations actually matter and no technological innovation can replace the human presence.

It is not a rare occasion for a startup developer to get inspiration from global headlines and businesses, or economy downfalls. One of the greatest recent crisis was the pandemic of COVID-19. The travel industry was one of the hardest hit industries during the entire period. Through the first half of 2022, global tourism began to recover with arrivals jumping back to nearly 60% of pre-pandemic levels. However the industry as a whole isn't expected to get full recovery until 2027. The listed companies are considered by travel analysers to prompt revitalization of the tourism sector. From the increasing purchasing power in emerging and developing countries, demographic shifts and growing importance of the mobile and online sector, the industry is doing its best to adapt and stay on top of the pyramid. No wonder, most of the researched good examples from the list are companies, headquartered in the US. The purchasing mass and power of the US is significant and this attracted the attention of some big investors. The market is opened to online customers, where traditions are well established and the traveller knows perfectly well what the gold standard is, how to seek and ask for a higher service. In summary, the industry works for the traveller's undiscovered needs and future experience, opting to create flexible and easy solutions, adapting to various customers' habits.

Regarding customer experience, the companies revealed in this study, represent a substantial field for easy-accessing tools to hunt for cheap holiday offers, numerous great-value-for-money packages, do-it-yourself airline tickets and all kind of gadgets to facilitate a journey, stay or travel plans. The previously stated "actors" (actual customers) participate with big shares in the enormous scene of the online market and are often referred to as "new players" in the tourism sector. It can be assumed, the travel startups introduce an entirely new structure in the process of supply and sales, adding new value to the customer (Kazandzhieva, 2014). If the industry starts identifying consumer needs and develops the right product, pricing, distribution and promotion as effectively as possible, the result will be – attractive product and satisfied tourist (ad. Kotler et al, 2014). Travel startups prove that they are often born from personal experiences - either positive or more often negative ones, during travel planning or actually making bookings. They attempt to propose easy-going solutions to various customers' needs.

4.Discussions

In the contemporary world we are witnessing how from work retreats to staycations, innovation became the inevitable companion. Successful travel companies are promoting services by making them more convenient, more flexible, more eco-friendly, ***and simply more fun*** (Startup Savant 2022-2023). International startup practices reveal many opportunities for any entrepreneur, particularly as the travel demand stood back and resumed exploring tourism options. Some good examples of innovative travel startups outline basic customer behavioral directions as well as shed light on future academic research on tourism development.

Table 1. Good practices in travel startups

Citycatt, facilitates travel planning providing customers with a personalized itinerary based on recommendations from local travel influencers known as "Catts."
Airalo is providing flexible phone alternative no matter geographical location. Their eSIM store is the first of its kind, offering affordable, local rates for eSIM compatible phones, tablets, or PC computers. Customers never have to worry about carrying several SIM cards, changing their phone number, or losing communication capabilities.
Hitlist travel app assists users in finding the best deals on flights and travel expenses. However, their bargain-priced flights and travel deals are only one aspect of the travel app's offerings.

Users can also build and share lists of places they would like to go and build their dream trip right on the app.

Luxury Travel Hackers The company is utilizing the power of influencer marketing to create Instagram-friendly vacations. The travel content is available to customers to view their dream vacation, which is then bookable through social media.

YouTravel.Me The app matches people with the right trip based on everything from their interests to their budget. The company compares the algorithm to that of a dating app, taking into account values, past experiences, goals to match people with a travel expert via text or phone call. Travel experts in turn help travelers officially confirming their bookings, assisting travel etc.

TravelPerk - The travel platform helps business travelers manage their travel and expenses as well as book business trips. It suits businesses of all sizes and streamlines the process of finding, booking, and planning business travel

Scott's Cheap Flights - The startup is designed to help travellers save money on flights. After signing up for a membership, Scott's Cheap users are able to receive deals on airline tickets straight to their inbox, with the company promising to save its members up to 90% on ticket costs.

Port travel-tech app provides users with an easy way to attend events remotely. Users are equipped with live, interactive video tours and experiences to see new places across the globe and even preview a destination before booking an in-person trip.

The Hotels Network platform serves as a method of growth for hotels. The technology attracts and converts online visitors to paying customers, creating a unique, personalized, and predictive user experience. The platform compares reviews, pricing, and analytics in order to create impactful marketing campaigns.

Butler Hospitality on-demand platform reinvents room service by offering high-quality, gourmet amenities delivered right to your hotel. For limited-service hotels, this startup provides an offsite room service alternative that increases customer satisfaction.

The Elude platform matches travelers with bookings based on their budget, travel date, preferred location, and other pertinent information. After entering this information, travellers are then matched with a selection of bookings that meet their requirements.

LOVU startup offers an app marketplace for romantic travel needs, from hotels to cruises and more. All-important romantic events in life, such as proposals, destination weddings, and honeymoons, can be planned in beautiful, memorable locations using the LOVU app.

Duffel - The online platform is for air planning. Working in tandem with airlines to provide a better customer experience, Duffel provides travelers with real-time pricing and availability to make booking a trip easier than ever.

The **Troop** startup utilizes data to help corporations plan in-person meetings. Leveraging the power of science and technology, Troop makes planning in-person meetings for their Fortune 500 companies sustainable, safe, and secure.

The Roadsurfer company rents RV campers to outdoor lovers in Europe and America. The company stands for freedom and offers benefits to its customers, including unlimited mileage, a free second driver, road assistance, and flexible rebooking options.

India's largest online holiday booking platform **Pickyourtrail** for DIY travellers. Users customize their vacations by building unique itineraries, taking into account people's interests, timelines, and budgets before crafting travel matching individual's tastes. The company also works with a number of tourism boards in popular locations, such as Iceland, Japan, and New Zealand, to create experiences that are more streamlined.

Holidaymakers use the **Holidu** site to book accommodations at the lowest price. The founders discovered that many properties are listed on different sites at different prices. The platform makes it possible to search and book rental properties at no better deal.

Whimstay is designed for last-minute deals, boasting up to 60% savings off the original costs of rental properties. The app and website helps property owners and hosts match their unsold nights with travelers, so everyone can benefit from the search engine.

Origin personalizes vacations with end-to-end planning with the help of travel professionals. The customers do not have to be nomads from site to site as the experts often deliver experiences that travellers would never have without their interference.

The **Boom Supersonic** startup is attempting to cut down on travel time by as much as half with supersonic jets. Customers may fly from Tokyo to Seattle in as little as 4.5 hours (compared to 8.5 hours in a standard passenger plane). The company offers more than 500 transoceanic routes, allowing more people to test their boundaries and explore the world.

Leavy allows people to live anywhere they'd like, if only for 24 hours or less; who might not have been able to afford travel otherwise. Though it was founded before the pandemic, the company embraces the idea of travel and affordability. The platform pairs customers with people willing to share their homes and pays cash to anyone who decides to merge in.

The **Fly Now Pay Later** tool helps travelers spread the costs of their vacation, so they can book it and then pay it off in installments. Customers can download the app, specify their budget, and then choose a repayment plan that works for them. Once the company has all of the information, travelers will get a single-use card that they can use to book it all. They can sort out how to pay for it when they return.

The **Questo** gaming app is designed to help travellers explore cities and towns in an unusual way. They're transferred away on an exciting quest, gathering clues in real time while learning about history at the same time. Games range depend on destination and interests.

Omio - This transportation app gives travellers an easy way to travel long distances. It's not designed for getting around a city but rather suggests nearby airports and train routes that would make it possible to cover serious ground. It helps travelers visualize the best routes to take based on everything from speed to price. Travelers can also access tickets on their phones for trains and planes, adding an extra layer of convenience.

YouLi (YouLive to Travel) is designed for travel professionals who work with group tours. Because each individual will have their own needs, including diet, budget, flight details, and payment preferences, YouLi gives professionals all the software tools they need to support travelers and puts all of the tasks in one single place. From pre-trip agreements to cancellation policies to packing lists, it simplifies everything.

Surf air is an environmentally friendly company's introducing the world to zero-emission flying with the help of electric vehicles. With more than 910 million tons of carbon on the line, the company is starting with existing aircraft. The staff replaces the standard engine with an electric version as a means to decarbonize the travel industry.

SafetyWing describes its products as insurance for nomads, by nomads. The company makes it possible for people outside their home country to get the medical help they need, including treatments needed for COVID-19, should they become ill or injured while abroad. People can even purchase insurance while they're in a foreign country.

Wanderlog is a free travel app that makes it possible for travelers to build and map their vacations. Designed for trips of all kinds, including the open road, it's a way for people to keep all of their details organized so they know where they are, what they're doing, and where they're going at all times. Drive times, reviews, and reservations can all be tracked in one handy place, making it less likely that something will go wrong along the way.

Peek helps tourism businesses book more people by offering handy software to take payments, market their services, and manage reviews. So far, the company has powered more than $1 billion in experiences (e.g., paddleboards, pottery classes, rafting, etc.). Their customers love the easy-to-use platform that makes it possible to both generate and track business.

The **Bach** startup is designed specifically for bachelor or bachelorette parties. It helps the core planner track the details of the trip, so everyone can have a smooth experience. The app accounts for any number of scenarios, making it possible for people to have more fun before, during, and after the trip.
Sēkr is a mobile platform for outdoor lovers, making it easier, safer, and more communal to plan a trip and dig into the Great Outdoors. The company has more than 50,000 campsites, making it the nation's largest database of free spots and local events. People can use it to learn more about what they can really expect at each site, and to connect to virtual friends with similar interests.
With so many different types of airline miles and points out there, it can be difficult for travelers to keep track of all their rewards. As a result, they often end up losing out on their benefits, or cashing them in for a fraction of what they're worth. **Point.me** scours the internet to find the absolute best deals for travelers who want to get the most from each and every point.
AvantStay is a booking platform with unique properties that can be used for personal or commercial use alike. These are luxury rentals that feature unique amenities, including stunning interior design for groups. AvantStay makes it possible for travelers to arrange accommodation details and organize additional excursions as well (e.g., spa treatments, wine tastings, etc.)
Spotnana designs software to connect partners, suppliers, and providers, all in service of improving the booking experience for travelers. The idea is to unbundle travel, making it possible for travelers in the future to get anything they need without the hassle. The core values are freedom and trust, reintroducing choice to the traveler so they feel comfortable making any and all of their arrangements online.
Sonder taps into a growing demand for unique places to stay. The company has a number of luxury properties in popular destinations around the world. What makes the company even more special is that the staff has adapted services based on how people travel today. Travelers can check-in, request towels, and get recommendations on what to do — all from their phones.

Source: *Adapted after "Top travel startups to watch in 2023", by https://startupsavant.com/*

The listed companies lean on innovation in order to get noticed in a very tech-orientated landscape. Researchers on the matter state that many of the companies on this list have the exact mechanisms that will drive tourism across the world. Some of the attempts include reducing carbon emissions, phone-offered health insurance, others suggest best ways to split costs. All have one thing in common – they are handling the small and big issues that stop travellers from fully committing to a trip and actually have their holiday. Their main purpose is to smooth user experience and enable industry proprietorship. Scholars foresee that the future of the tourism business will be controlled by everything from global emissions to public health. As revealed by the startups from the list, the major trend is based on how people book their travel and how the details are managed. Travel professionals predict it is likely for the travelling process to become more customizable, more affordable, and less damaging to the environment, which is related to the idea of maintaining sustainable tourism (ST) practices. ST becomes more and more related to the image and perceptions of the destination, their actual and digital dimensions that attract visitors and motivate travel plans (Kazandzhieva, 2021). Startup developers foresee that combining ST practices and implementing similar products in their platforms will benefit both customers and providers of such services.

Startups' focus is basically set on technological innovation. However, academics (Dyankov, 2023[4]) state that to try to be innovative for the innovation itself has no sufficient grounds, it is not a compulsory action to simulate consumption. Startups and web-based portals, being part of the e-

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[4] Dyankov, T., Phd and marketing expert, Tourism and Economics department, University of Economics, Varna, Bulgaria, interviewed on 07.02.2023

business environment and online markets, create information channels to assist customers in travel planning, to increase purchasing power and facilitate deals closure among partner companies. Some experts believe the process prompts consumption, further on - accelerates market demand. On the other hand, Dyankov states the abundance of such channels creates overinformation, which in turn leads customers to weightlessness, and the effect is the opposite – consumers lose base of reference. Travel and tourism sector is a specific sphere in which similar ideas can be implemented. Most trends that are shaping the travel ecosystem today existed before pandemics. Tourists want to easily plan and book trips, make transactions online and cut costs. More often, they express the need for a higher level of service personalization as well. Only human-to-human relation can provide this kind of service, says Dyankov, in combination with empathy and attention to each travel detail. If startups aim innovation, he claims, it does not necessary has to be a technological one. Returning to the origins of travel and hospitality models of service has greater potential in gaining tourists to one's business.

Travel customers crave for indisputable stays and service, accessible leisure options. The pandemic of COVID-19 brought another trend - the so called ***bleisure and workations mixed with family travel***. B*leisure,* according to Finances Online's report is the trend when corporate trips mix with leisure activities. The researchers state it will hold leading position in business travel in the future. On average, bleisure travelers take the opportunity to combine work with pleasure, being very popular among millennials. In 2022, Travel Edge Network published a study on the topic, revealing significant interest for workations (vacations with elements of work and leisure) and bleisure trips by over 25 percent compared to recent years. The duration of such trips has tripled within the last three years, exceeding ten days. The study revealed that bleisure travelers tend to bring their partners, families, and friends with them. This requires in turn more spacious lodging options and alternative accommodation. Startup entrepreneurs promote in turn such alternatives, which at their first stages may have been unfamiliar and unreliable to work with according to travel industry professionals (for ex. the Airbnb platform entering the traditional hospitality market in its early years). And nowadays Avantstay and Sonder enrich customer expectation and satisfaction levels, providing outstanding services.

Sustainability and environmental awareness are other issues that matter to contemporary tourists. What people and economy branches do actually is taken into account. Social impact, and sustainability aren't just "nice-to-have" anymore, they have turned into an object of global consideration. According to the 2022 Sustainable Travel Report held by Booking.com, 71 percent of worldwide population seek sustainable travel options for next holiday. 38 percent respondents already mind over whether a property makes efforts to reduce impact on the environment. At the same time, many tourists still experience difficulties finding eco-friendly lodgings, and 31 percent even don't know about their existence. The data provided brings startup entrepreneurs the opportunity and idea of fulfilling the niche. Companies in the sphere attract broader audiences by providing them with transparent information and making sustainable travel options easier to find, to promote zero-travel emissions (Surf air). The climate is changing, so is the world and such companies try to have a direct, positive impact on the environment, providing mindful customers with mindful travel solutions.

Along with the need for sustainable options, many tourists crave to get to know better the residents of their destination. Immersing in the life of local communities helps them to have more meaningful journeys, while discovering the world. Another study on local experiences travel published in August 2022 revealed that almost two-thirds (63 percent, more precisely) of global tourists prefer to subsidize local communities through their trips. Startups such as Questo, bring gamification along to contribute to better travel experience and provide socializing effects for users. They enrich travellers' knowledge and general overview of the surroundings by implementing funny games and quests in their product mix.

The coronavirus pandemic divided the timeline of the travel industry into periods before and after, forcing travel companies to adapt to new health concerns. Even after governments lifted COVID-19 restrictions, many tourists continued to worry about possible health risks and limitations

related to them. This resulted in increased demand for strict hygiene measures, contactless experience, easy access to medical and travel insurance, actual information on epidemic situations, and more. In March 2022, the statistics portal for market data Statista revealed a survey on travelers' opinion on accommodations' use of latest tech 2020. According to it, over 60 percent of respondents agreed technological advancements, provided by some startups can make them feel safer when traveling. Companies such as Safetywing contribute to travellers' seamless trips as they make it possible for people outside their home country to get medical help and treatments whenever necessary.

Digital nomads are part of a specific travellers' niche. They combine work with traveling around the world and add yet another nuance to the global economy. Before the coronavirus pandemic, there were approximately 65 million digital nomads worldwide. According to forecasts by 2035 their quantity will rise up to one billion. Countries like Germany, France, Spain, and Portugal are already creating digital nomad visas that permit travelers who are already employed to work remotely abroad. Governments and companies are aware of digital nomads' importance to modern economics and society and contribute to the idea of creating comfortable establishments to assist their familiarization. Spontana, Peek and Troop become useful tool for such travellers who need to stay connected with the headquarters and in the meantime have the freedom to change location and time zones at any time.

The University of Economics in Varna, Bulgaria undertook series of events to support the entrepreneurial spirit of students and the creation of their startups through a business accelerator. From the position of a marketing expert, Prof. Dr. Evgeni Stanimirov stated[5] that proof of success is the fact that so far more than 150 students have started their own business during the training process with the help of the Careers, Entrepreneurship and Marketing Center at university. Emphasis is placed not only on the generation of innovative ideas, but also on their development and practical implementation. Common feature set is to co-create efficient business organisations that participate in the economy ecosystem, aiming to solve all kind of problems in a more intelligent way.

Travel startups aim to accommodate several trends of the listed above, working towards satisfying demands for personalization and simple online booking. Additionally, some of these temporary organisations are designed to find a unique business model that may change or adapt repeatedly. Their flexibility is the core to which customers and investors keep constant interest and makes their business process still vital.

Conclusion
Travel and tourism are a uniquely "human" industry. All kinds of travel exist because of our personal necessity to form live connections with other people and with nature. Flexibility and innovation became major prerequisites for the new model of work and in the "new normal". Startup business process lies on the flexibility as a benefit – benefit to customers, partners, even travel industry professionals. The main algorithm set isn't a one-size-fits-all approach to running a company as the status quo destroys any organisation. Survival and success of travel business initiatives, travel startups including, consider constant change in conditions and newly occurred circumstances. The pandemic of COVID-19 brought tourism professionals to the point of roadmap transformation at a high-speed, matching their customers' needs and offering them a solution. Information and innovation are the best friends of any company that is why it is of crucial effect to stay aware of, track and analyze clients' actions and behavioral transformation. These steps can partly guarantee to get business back in the game and react to what's going on in the market. Examples given and lessons learned can be used to start all over again, to create something unusual and adaptable to turbulences at the same time.

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[5] https://ue-varna.bg/bg/news/postavihme-nachaloto-na-ueva-startup-initiative/1996

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