

# Travel Technology: minefield or goldmine?

Travel technology has exploded in recent years, changing the face of the industry and the way in which we purchase. But which trends should businesses capitalise on?

**Paul Richer**, Senior Partner of travel technology consultancy Genesys, tells WTM Business the companies to emulate and the right direction to take.

**W**hen we look to organisations leading the way in technology, Google is frequently mentioned as a trend-setting, innovating company. It is leading the world in search and the provision of consumer information, introducing advanced technology such as Google Glass, its wearable computing and communications device, and experimenting with technology such as autonomous, self-driving vehicles.

Arguably though, the stand-out organisation that travel companies should be emulating is Amazon, which has developed its business model to become a supremely excellent online sales organisation. Its technology has a big role to play in this, but Amazon is much more than its technology. So what is it that Amazon does so well? In essence it combines small business behaviour with big business buying power.

Amazon has been utilising 'big data' before that term came into common use. It is tracking everything you buy or look at and using this information to make relevant offers on its home page that are personalised to you. The technology used to achieve this is uncannily good – with all the data it is pulling in from its many customers it has a vast information pool from which it can make intelligent inferences about the products you might like to purchase. Interestingly, there seems to be minimal criticism about Amazon's use of its customers' data in this way. Consumers seem to have no objection to their buying habits being monitored, whether it is by Amazon or some of the supermarket loyalty schemes that also utilise data in this way. The ability to second-guess what a customer may wish to purchase is, of course, precisely what a small travel agency would be doing – getting to know its customers, their travel likes and preferences, and then suggesting holidays that customers might like based on this information.

Amazon's customer service can be

considered on two levels. Firstly: the shopping experience. Amazon clearly works hard at ensuring that the product information shown on its web pages is comprehensive and easy to digest. The navigation between pages is intuitive and easily comprehensible, and the process of making a purchase is simple and obstacle free. Menu and navigation options are carefully grouped to make them easier to absorb. New items such as Your Cloud Drive are introduced without spoiling the overall look and feel with which customers are familiar.

Secondly, there is Amazon's post-sales customer service. The organisation is very amenable about returns and refunds and has set up easy ways in which to despatch items back. When you need to speak to someone, it has a helpful call centre. Once again, this is a big business doing its best to act small. It is not technology-driven per se, but technology enables the way in which the organisation operates.

Amazon has embraced mobile technology. As with its website, Amazon has worked hard to make sure its mobile app is easy to use and provides all the functionality and information needed to make the sale. The app is fully integrated with Amazon's other systems to ensure that all the information and utility of its website is available on a mobile platform. Amazon's barcode reader allows customers to scan and reorder products from their smartphones by simply scanning the relevant barcode.

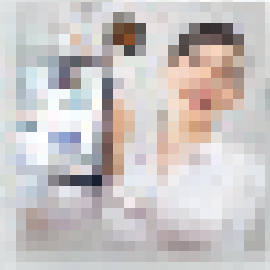
Amazon has reached a size where it has real buying power. In spite of the great shopping experience and customer service, customers would not be shopping on Amazon if its prices were too high.

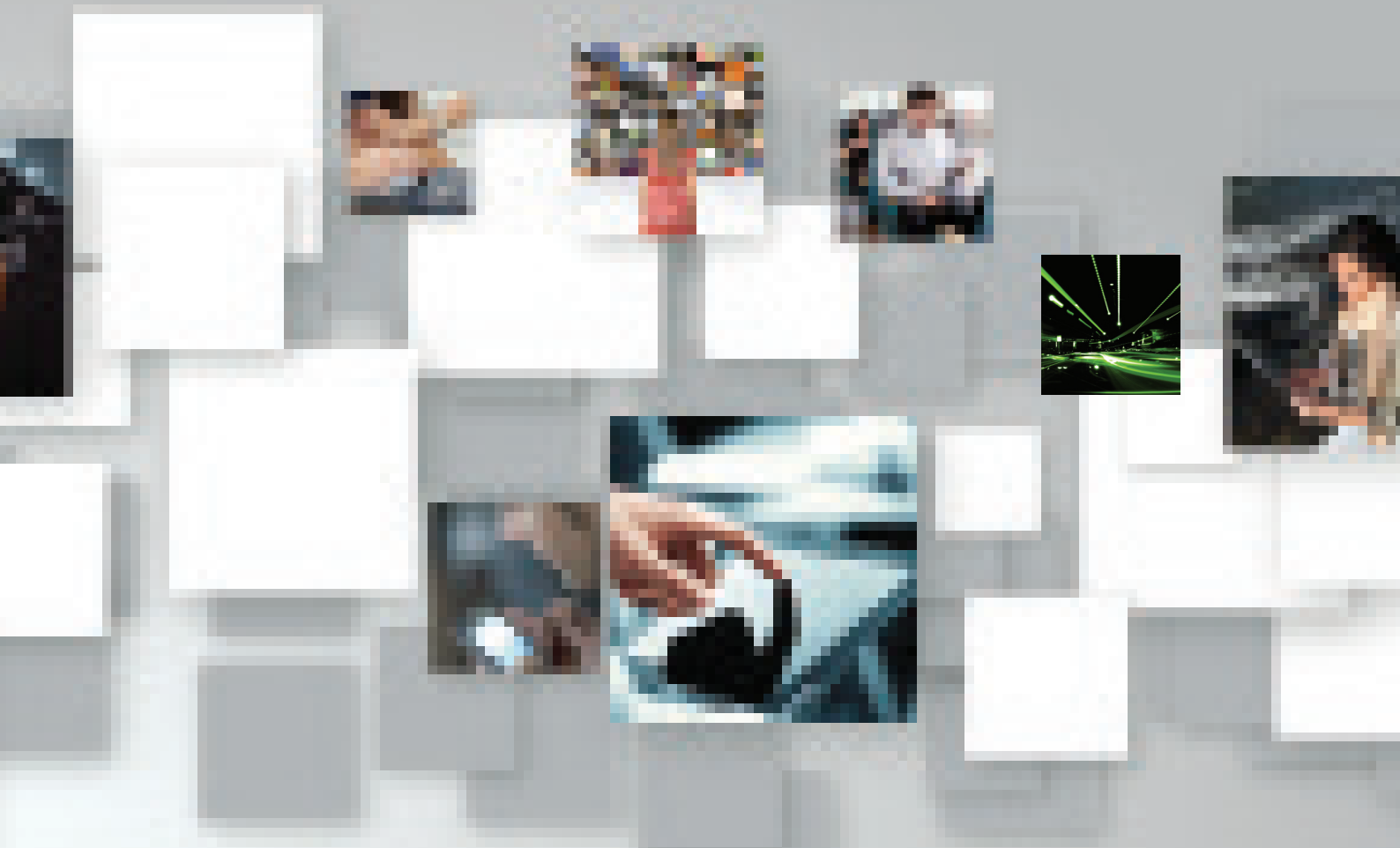
So how does the travel industry shape-up in comparison to Amazon? Are we embracing the technology that Amazon is using? Are we seeing in the latest travel technology trends that we are learning from major players outside of travel?

Big data and personalisation are certainly on the travel agenda, but the technology that allows a company to know its customers and personalise its website for each individual customer does not come cheap. The integration of customer and product databases to display content on a web page that is relevant to the individual is complex. For travel, it requires attributes to be added to the customer and product databases so that they can be matched and for this information to be instantly available to build web pages on the fly. Properly implemented, such technology can give organisations a real competitive edge in the market.

Whilst this type of technology will not be easily accessible to smaller travel companies due to cost and the difficulties of implementation, they will continue to have the benefit of a more intimate relationship with customers.

Another key consideration for travel companies is the quality and design of their





websites. From the smallest to the largest, there is simply no excuse to have anything less than a website that is easy to navigate and has all the information the customer needs to make a sale. Design trends in websites evolve over time. By and large travel companies are on-target with the design of their websites. Testing out new ideas to see whether they improve usability is often key to getting the most from your site.

A customer service technology trend that is being increasingly introduced is the 'My Account' facility, which allows customers to log in and see their bookings, make payments and buy extras. This is a sales opportunity that requires technology to interrogate bookings and send out emails promoting the purchase of extras that have not yet been bought, and should be considered the future of online purchasing. It is being developed by larger travel companies that control their own technology, as well as the technology companies that power medium and smaller sized businesses.

The travel industry is embracing mobile technology. Airlines, in particular those that do not need to show photos of their product, are doing a great job of developing mobile apps for bookings, check-in and other functions. However, there is a trend towards

households using tablets around the house rather than desktop computers. Leisure holiday companies need to jump on this trend and develop their websites so that they look good on tablet displays and have navigation that can be used by pointing and swiping with a finger rather than a mouse. The first few travel companies are using responsive design for their online presence, so their sites automatically adapt to the device being used by the consumer. This is a trend that all travel companies need to address.

Most travel companies are engaged with social media, having Facebook pages, Twitter feeds and YouTube video channels. Travel is a visual industry - there are many variables to be discussed, the size of the swimming pool, the closeness of the beach, the quality of the food, and so on. Social media channels are perfect for this, so if your travel company is not engaging on social media, it needs to be.

As new entrants come into our industry, they are using technology to gain customers. A prime example being Airbnb, an intermediary business that acts as a go-between for travellers and accommodation provider that is taking a significant share of the holiday stay market. Google Field Trip also has the potential to take a significant share of the destination services and guide market. It provides

information on points of interest that are close to you - art gallery openings, restaurant openings, shopping, nightlife and music - all local and tailored to your specific location.

The travel industry needs to keep moving forward, embracing new technology and riding the trends to stay ahead of the game. In an era where technological innovation in driving success, we should all be asking - what can technology do for my business?

## Paul Richer

is Senior Partner of Genesys, a management consultancy specialising in providing advice on technology for the travel, tourism and hospitality industries. He has co-authored several reports examining the impact of technology on the distribution of travel, has chaired many online travel conferences and has also made several TV. For further information, please visit [www.genesys.net](http://www.genesys.net)



# You say...

We asked a number of WTM Buyers' Club members how technology has helped them.

**Andrew Grieve**, Managing Director Discover Travel and Tours

**Q Technology is playing an increasingly big role in the travel market – as a buyer, can you tell us what technological systems are most crucial to your business, and why?**

Reservations, accounts systems, sales management, HR & performance management systems, pay-per-click management systems and survey software are all key. They strip our admin staff cost and give us real-time results and management info. Perhaps most importantly, our tech systems enable us to sell and deliver our product, and to service our customers' needs.

**James Jones**, Asia and Africa Product Manager, The Lotus Group

**Q What changes has your business undergone as a result of new travel technologies?**

The new travel technologies of the past 15 years have helped us provide a quicker service to our clients, tailor make more complicated travel arrangements than previously and also source a wider range of products. The rise of online booking directly by clients has presented a challenge, but also an opportunity. We've had to be more proactive about where we source our accommodation products and use a wider range of suppliers, particularly those providing XML booking links.

The opportunity has come from providing a better service and customer experience than when clients book directly, we can prove to clients that we're better than technology alone. New travel technologies and the flexibility they provide have definitely given us a competitive advantage over companies that lack efficient booking systems.

**Carole Cooper**, Owner/Director Small Families Holidays

**Q Technology is playing an increasingly big role in the travel market – as a buyer, can you tell us what technological systems are most crucial to your business, and why?**

We have an in-house reservations system, but as a group organizing tour operator we don't

use CRS – we go directly to the airlines for group bookings for flights and the same with hotels. The Internet and web are our biggest and most useful tools.

**Q What changes has your business undergone as a result of new travel technologies?**

It's eased our workload in as much as we now have in-house systems for all of our bookings and accounting needs. Making contact with suppliers is much easier via the web.

**Adil Qayyum**, Founder and CEO, SME Promotions

**Q What do you feel have been the most significant global trends for your sector of the travel industry this year?**

Online interactive technology nowadays is in really great demand by the industry. We have to take serious note and meet relevant experts. The world can be just a single click away if the correct technology can be adopted.

**Q Technology is playing an increasingly big role in the travel market – as a buyer, can you tell us what technological systems are most crucial to your business, and why?**

Online hotel booking systems, transfers, destination e-commerce and social media are really workable these days and we are keen to develop more viable contracts with them. The future of travel and tourism is in the hands of e-commerce technology.

**Helen Greenhow**, Product Manager and Stella Photi, Founder of Wellbeing Escapes

**Q How do you use technology to help inform your buying decisions?**

We use the web for research regarding reviews and client satisfaction and also distribution of the product in our market and among the larger market place. If the product is widely distributed in the general travel market we are less likely to add it to our portfolio.

**Q What changes has your business undergone as a result of new travel technologies?**

We have been able to introduce an online booking engine and become more accessible with pricing and bookings to our clients.

Andrew Grieve



Carole Cooper



Adil Qayyum

