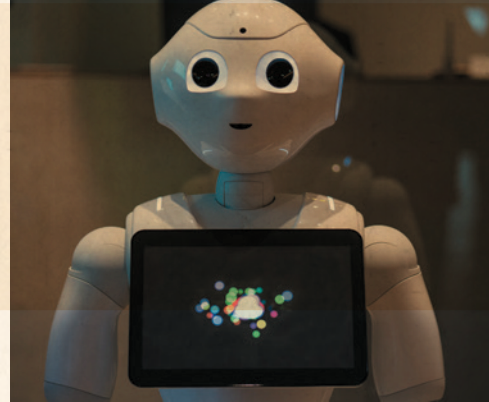


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Using technology to shape the customer experience

Recent advancements in technology are revolutionizing the tourism industry.



'Pepper' – a robot often used to deliver customer service in Japanese hotels

Technological progress has revolutionized the way we think, act and even travel. In tourism and hospitality, we define IT as the technological tools that enable strategic, tactical and operational management. It allows operators to manage information and processes, take decisions, communicate directly with customers and sell their products. Consequently, IT – along with other core functions, such as marketing, finance, HR and operations – has become a major asset for any company in tourism or hospitality. It cannot be left out of the SWOT analysis.

Successfully integrating technology across an operation makes it easier to run a tourism business. Organizations big and small often now depend on social media to promote their services, on search engine optimization to be found by the potential customer, and on big data to understand the market and react to its trends. But despite the fact that IT systems have become more and more complex, travelling has never been easier. Go to any travel site these days and you will be offered the opportunity to book hotels, flights, cars, catering and entertainment, creating exactly the experience you want – demonstrating that integration of information technology tools is paramount to travel organizations.

IT can play a role in all business activities, both primary and support. In tourism, most of the primary activities are called 'front of house' because they are visible to the consumer – for instance, advertising, reservations, check-in and payments. Most support activities are called 'back of house' – for instance, accounting, pricing and marketing. IT applications exist for all these activities. For front-of-house activities, there are touchscreen terminals and facial recognition software to allow customers to check in more swiftly; IoT (internet of things) technology that allows hotel guests to control lights, heaters and air conditioning remotely from a smartphone; and artificially intelligent robots with speech recognition technology, which are used by large hotel chains like Hilton. For back-of-house activities, there are a range of state-of-the-art management information systems (MIS), decision support systems (DSS) and strategic information systems (SIS). Although all these applications are interconnected and seem to work well together in many cases, the tourism distribution channel

has become a complex system involving travel agents, tour operators, retailers, managers of attractions, providers of accommodation and catering, and many more players.

There are many advantages to integrated systems for a tourism operator. They can offer information on destinations, events and attractions, facilitate interaction, establish clubs for customers and provide special offers and deals. In addition, they can offer a range of extra services through partnerships with other companies. In short, they add value to the industry – and that is what it's all about. However, there are also some disadvantages in the explosive growth of IT in the tourism and hospitality industry. One is the fact that some parties in the value chain seem to have become unnecessary. Tour operators and travel agencies, for example, primarily act as booking offices. As a result, it looks as if they are not adding much value. As travellers become more informed and more independent – especially young, experienced and educated travellers – they want to decide for themselves where to go, how to get there and what to do. Tour operators and agencies will need to re-establish their position and realize that they are service providers who possess knowledge and information their customers want. Perhaps this should be seen as an opportunity. Their niche could be providing the human touch in what many travellers are coming to see as an impersonal industry.

Tourism operates in an environment undergoing great transformation, and new technological developments, such as augmented and virtual reality, are growing fast. Augmented reality enhances the experience at the destination, providing relevant information about a landmark when you point your smartphone at it, for instance, while virtual reality can take these advancements a step further and allow people to 'visit' a destination without even leaving the comfort of their home. Is this perhaps the ultimate answer to the environmental constraints on global tourism?

Source 1: Hitchins, M. (2019). Using technology to shape the customer experience. *Hotel Monthly*, 12, 39–42.