

ADAPTING DIGITAL TRANSFORMATION

India is one of the fastest growing travel and tourism markets. Is the travel industry embracing the ever evolving technology with the same pace?

Ashay Kumar

In the age of technological revolution, every industry today is looking for more personalisation and automation. Travel and tourism industry is no different and globally this sector has witnessed immense innovation in terms of technological advancement. Today, the industry is witnessing an increase in the adoption of big data when it comes to the value services, wearable technologies, artificial intelligence, chatbots, voice searches in a number of verticals. These emerging trends in travel technology have effectively been making their mark on the sector.

Changing track

With the emergence of online travel agencies (OTAs) in India, there has been a lot of stir between the traditional player and the online players. A lot of industry players feel that the industry should be on one page and consider each other as partners rather than competitors. But on the flipside, a segment of the traditional players feel online will kill the industry. "We need to consider them as partners not vendors because OTAs work on the ground level and manages all the customer requirements, at the end of the day both have to

work hand in hand. We have to understand the pain or issues that we can provide better working experience together to get the best solutions," Mahant Mitta, Co-Founder & CEO, EasyMyTrip.com explained.

The traditional players also feel that the industry is not in a level playing field with the OTAs getting a lot more benefits. To change the scenario and to set industry standards, the government has recently formulated guidelines for approval of ODL. The scheme is expected to set standards towards accreditation and add value to the dependability and reliability to the

With the growth in internet penetration in India, more consumers are getting connected. There were 332 million internet users in 2016 and this is expected to increase to 650 million in 2020, states the Google-BCG report. "India is number one market in terms of booking on smartphones, followed by Germany, US and China. In India, close to 80 per cent passengers have their digital boarding passes on their mobile phone. Somewhere around 85 per cent of these travellers use digital payment or app based payment to make their travel bookings. Also, 50 per cent of these people prefer to take a backup of all their travel related documents on cloud. This clearly shows how India is generally embracing in terms of technology trends. Somewhere around seven out of 10 travellers feel that they are not happy with their smartphone while travelling," Sandeep Divedi, Chief Commercial Officer, InterGlobe Technology Solutions, said in a report at a conference organised by the magazine.

aggregators in the online space operating in the organised tourism sector.

Today even the most traditional player is keenly looking to adopt technology to drive better yields. The Indian Railway Catering and Tourism Corporation (IRCTC) which sees the booking of more than 4.5 million online tickets, adopted technology almost a decade ago to become more efficient. Despite this, there is a huge demand and supply gap in the railway ticketing systems, with the demand being high and limited supply. IRCTC feels that more than technology it's the deep planning which needs to

be changed to enter more into the online space. "Speaking about their technological advancement, Sandeep Divedi, Group General Manager, IRCTC explained, "technology will definitely playing a major role in defining the future. We have recently upgraded our system and have enhanced our services online. Recently, we have come up with a foreign tourist quota online which one can book a year in advance. This is one of the latest initiatives at IRCTC. With the huge gap in the supply and demand, policy has to be made before implementation of technology for us."

The online business

Today in the age of technology, when players feel the need to evolve with technological aid, the OTAs industry in India is still majorly working offline. A lot of segments in the travel industry still remains offline and will most likely be the case for the next couple of years. According to Anshul Nijhawan, Co-founder and Managing Director, TravelBazaarOnline (TBO), the offline business still dominates the market. "The perception is everyone needs to be online, but it is not very true. US\$200 in goes to the

OTAs out of US\$1.3 billion transaction value of travel across the world. Today, large OTAs employ huge staff as they know business is predominantly offline. Market is evolving, we are one of the fastest growing segments.

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Anshul Nijhawan

Reality is there is still a lot of the business and the travel industry will survive," he said. In terms of the growth story of OTAs in India, he feels that India being a price sensitive market, the discounting is playing the key role. "A travel company now technology company rather offering hotels, but giving of travel. Today a huge are dependent on computer create the click to protect is a very exceptional cost of transactions, are huge because of discounting. Every and apply built world as that everyone is felt. AI, ICE, wallets, QR will remain offline," Nijha

New trends on the block

Today, the entire industry is looking at efficiently integrating the latest technologies like Virtual Reality, Augmented Reality, Robotics, AI and Big Data amongst others. Analyzing 'big data' - the ability to evaluate lots of data points and artificial intelligence (AI), whose machines replace brain power, could be making a difference in predicting a lot more travel behavior, using algorithms to do more listening, talking and even thinking in fact. Many international airports have increased their food and retail sales through the use of AI and 'big data' created experiences that are more seamless and convenient, thanks to a network of IoT devices, double-based biometrics and in-lead screening. Speaking about the trends Nikhil Datta, Country Manager, TripAdvisor, said, "Mobile bookings and social media during travel are very much increasing. There is a whole cloud of information out there and travellers have a lot of data to search and look. Also, there is a lot of clutter in the space. Here comes the

role of the travel planners today to make use of this big data and process this efficiently. The key is to focus more on the customer experience. Technology enhances experience, companies need to leverage both technology and customer experience to create value."

Adopting technology, if not anything else, will give a competitive edge to the player over their competitors. Today, travellers are more evolved globally and are looking out for the almost personalisation. "The travel industry has reinvented itself through these latest trends and technologies, as in travel industry we have high competing players who come out with new and innovative tools to ferry into new segments with an objective of having a competitive edge among the competitors. The technology has completely changed the travel experience for the travellers. Through the wide variety of travel choices and transparency in pricing also, the digital disruption of the traditional travel industry requires the consumers. By

ways to communicate with the consumer, to get their feedback and provide them information that they can easily access across various social platforms and mobile applications." Pritheepriya. Echoing similar opinion Nijhawan said,

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Ni hil Ganju

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The way forward

With a plethora of technology on offer today, players need to pick the right set to be relevant. Digital transformation will surely help the industry to enhance the customer experience but the industry needs to keep evolving with the latest offerings. Speaking about the way forward Anshul Nijhawan, Chief Information Officer, India, stated, "Today, it is important to take a holistic view of the customer and the organisation, before integrating technology. It has to be in the central of the strategy. Otherwise doing things just for the sake will be

hardwork in the long run. If we are catching the expectations and preferences of the customers but are not in a position to service them in that way then technology is of no use. Henceforth, it is very important to harness the data, provide the relevant use into our benefits."

Experts feel that the real need for the traditional players to become relevant. With a little attention on adaptation of technology industry can do much better profits. "The most important point is whether we are relevant in this space or not, whether we are coming up with new technologies around that. As

Travelers have no need to do day we are doing traveller bookings on a cryptic commands, that was when the whole industry was reviving around, how we have moved to go easy based, this is

not a question of strongest who is going to survive, it's the question of whoever adapts will survive. Technology will only enable the growing services and ease of business. Customer service will need to be evolved and

Technology will only enable the growing services and ease of business. Agents have to adapt to the ever increasing demand and changes.

Sandeep Divedi

