

# Technology: Enabler for revival

The pandemic has accelerated the acceptance of technology in the traditional space

Murari Mohan Jha

The second wave of the COVID-19 totally shattered the travel, tourism, and hospitality industry in the country. The green shoots that started appearing during last two quarters before April 2021 totally faded away. With Covid-19 infections touching an all-time high, the domestic passenger traffic crashed to around 1.9 to two million in May 2021 from around 5.73 million in April 2021. The average number of flights departed daily came down to around 900 in May compared to 2,000 in April this year. Also, the average number of passengers per flight during May was 72 against an average of 93 passengers per flight in April 2021. Data indicates that nearly 90 per cent of the booking is for travel within the next seven days of booking and nearly 80 per cent of the travel is one-way.

Various reports suggest that the hotel occupancy levels successively dipped from 45 per cent in March 2021 to 32-34 per cent in April 2021 and further to about 25-27 per cent in May 2021. Even the weekend travel has been totally halted due to the lockdown across pan India.

Meanwhile, lessons from the first wave have helped the industry ramp up its

preparedness and response to handle the brutality of this wave. The peak summer season has been a clear washout. Many of the businesses in the first wave, when faced by the first blow of disruption, engaged in planning for a future in which pandemic posed a major part. With the second wave, there has entered an urgency in matters of executing those planned advancements. Naturally, declining economy and shock from loss of fellow comrades is distressful, however, with it has risen the instincts of survival and agile approach among all commerce and industries. The industry continues to remain optimistic and hopeful of recovery returning, slowly yet gradually in the second quarter of FY'22.

As the country emerges out of the second wave and states ease travel restrictions, essential travel that was limited to medical or emergency purposes over the past two months will see a surge with people taking to the skies or a road journey to visit family and friends.

With all these, technology and innovation will emerge as powerful change enablers on the road to recovery with stakeholders focus on digital transformation.

## Role of technology

Today, technology adoption and its implementation across the entire travel and hospitality chain is seen as a critical enabler towards building personalized, seamless and connected travel for the future. "The pandemic has only helped in hitting a fast-forward button in bringing various technology trends mainstream in the industry," Vipul Prakash, Chief Operating Officer, MakeMyTrip, says.

According to Sandeep Dwivedi, COO, InterGlobe Technology Quotient, "Our dependency on technology is here to stay considering the interim, undying need for physical distances in the face of pandemic. Psychologically, this is molding consumer behavior and making them more prone to using technology for booking and managing travel, even experiencing travel. Furthermore, the ease of operations and management afforded by technology saves both time and money, making the experience swifter, simpler and cost-efficient," Dwivedi adds.

Technology is the hospitality industry's biggest bet during the current circumstances. "Innovation and data science have the power to fundamentally reinvent the customer journey. Today, independent hotel and homeowners require the support of tech players

to increase discovery beyond geographical boundaries, enhance SOPs to meet the standard requirements of social distancing, and at the same time, optimize revenues on their perishable inventories. The pandemic has accelerated the acceptance of technology in the traditional hospitality space," Ankit Mathuria, Chief Technology Officer, OYO, says.

Rakesh Bansal, CEO, Amadeus Indian Subcontinent, opines that technology and innovation will emerge as powerful change enablers on the road to recovery as corporations focus on digital transformation. "In the near future, we expect airports in India, to introduce new technologies and a greater level of automation to all of their processes. Although COVID-19 pandemic has impacted the flow of air travel, airports in India are adhering to stringent safety measures to provide proper protection to the passengers. From mandatory web check-in, completely contactless security checks to proper markings on the seats at the boarding gates, airports have ensured passenger safety at every stage. Contactless technologies are in the process of becoming commonplace, so that passengers can move from check-in to boarding in a more safe and seamless way," Bansal opines.

Stakeholders have also implemented new tech-based services during the pandemic. "At

MakeMyTrip, we continue to remain focused and committed towards enriching the overall, end-to-end travelling experience of the customers through tech-enabled products & solutions. A year since the pandemic changed our lives, we have made significant progress in rolling out many new, innovative tech-enabled offerings that promise to make planning, booking and en-route travelling experience safe, easy, flexible and connected," Prakash says and adds that our customer-first strategies with tech at its core have helped us in successfully integrating new, advanced technologies across various line of businesses.

Similarly, Oyo also rolled out innovations such as Sanitised Before Your Eyes, Contactless Check Ins, Yo! Chat to help customers resolve queries, Traveller Assistance. "Recently, we rolled out VaccinAid, a feature that shows customers the vaccine status of the hotel staff. This is in line with our effort to drive a vaccine visibility initiative, awareness and social reinforcement among small and medium hotels and homes to get vaccinated against COVID-19. Such strategic tech interventions will in the short term, Fastrack the recovery of the hospitality industry, while in the long term, help offline businesses embrace the digital way of life, thereby, building a future-ready industry," Mathuria, informs.

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Rakesh Bansal

Bansal informs that Amadeus' global program Safe Travel Ecosystem is working to help restart travel by bringing together travelers, governments and travel providers to meet challenges posed by COVID-19. "Amadeus' Traveler ID which digitizes and automates traveler identification and document validation contributes to the safe travel ecosystem. Industry-wide collaboration and open technology is needed to deliver connected solutions to facilitate a smooth traveler journey and strengthen traveler confidence again. Star Alliance and the Lufthansa Group are already key partners of Amadeus, and Amadeus is exploring options to provide services as part of the Safe Travel Ecosystem. Further partners including airlines, hotels and airports will be announced later this year," he adds.

## Enhancing digital experience

According to Dwivedi, the key phrase we use here is 'digital in disruption'. "The more the disruption the better we fare on digital grounds, be it booking travel, managing it or experiencing it. With second wave, the disruption has leveled up and so has the dependency on digital. We are a witness to the new evolving trend – 'phygital', where digital at the young and affluent consumer level is steamrolled by physical at older, gen-x and less affluent consumer band. While this ferries on, there is evolution in operations at various touchpoints, including digital screening of passengers at airport, digital flight bookings via NDC, mobile apps for storing travelers COVID-19 negative reports and vaccine certificates, among other developments. In future, when ongoing advancements like robotic and AI assistance at various touchpoints becomes common sight, the exclusion of physical from phygital will be observed, somewhere towards the late twenty-twenties," Dwivedi says.

Bansal opines digital transformation will be key for organisations to better serve their customers in the future, and there are some simple approaches which the travel

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industry can put into place to rebuild and restart travel. The airport of the future will need to create a seamless, digital experience for travellers at every stage of the journey. In an age of reduced workforces, this is best achieved with fit-for-purpose, modern IT systems.

"Travellers need to be able to cancel and rebook easily, and do as much as possible on their own, without the need for personal interaction, which allows staff to free up their time to deal with more critical matters. Digital systems can allow for this to be largely automated, and only escalate issues in particular instances," Bansal says adding that airline apps are key in the digitisation of travel and need to be designed to allow for a seamless and frictionless customer



experience. "The more that customers are able to do on their own device, the less physical contact is required in shared spaces, something which many customers will be keen on after at least a year of concern around transmission and avoiding public spaces," Bansal adds.

Cleartrip, a product first company, have always been leveraging technology and digitization in its quest to make travel simple.

"Customers have started placing higher emphasis on flexibility and safety and we have therefore introduced and continuously upgraded products such as Flexify and TravelSafe which address the twin needs of flexibility and safety. We continue to take a customer centric approach to understand customer needs and bring out new products to meet these needs," Rajiv Subramanian, Vice President, Cleartrip, informs.

## Business travel?

Dwivedi says that this segment is still volatile considering market conditions and vast dependency on work-from-home, especially amidst the recently elevated pandemic condition. "Historical data further reinforces its slower recovery in the face of crisis and beyond it. It is only fair to say, we are expecting a phased recovery, depending in major parts on the employee's willingness to travel, safety policies and government regulations. Between the recurring instances from corporates of maintaining a buffer of one to three months post government guidance to ensure safety and uncertainty of pandemic, business travel appears to be the segment last to recover, Dwivedi adds.

Subramanian says that business travel has seen a decline since the onset of the pandemic. Industries are at varying level of comfort with the lack of business travel. "We expect revival in business travel to be sector specific with companies in sectors like manufacturing and infrastructure returning back to pre Covid levels of travel once the pandemic eases," he adds.



Bansal says that the past 18 months has changed the way we travel, especially for business customers. While the new normal for corporate journeys is different to before, COVID-19 will undoubtedly accelerate some of the trends we have been seeing in business travel, such as digitalisation and creating

frictionless travel experiences.

"As people start travelling for business again, duty of care should be the primary value-add for corporations to help employees navigate through disruptions quickly and bring back traveller confidence - even for shorter trips. Employee health and safety

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Vipul Prakash

has become the top priority for employers globally. Industry experts predict that this will be a major factor in restoring business travel. The focus on overall health and wellbeing will be key to improve employee satisfaction and talent retention. Organisations will need to focus on implementing traveller wellbeing programmes that counter the stresses of traveling, in their talent acquisition and retention strategies. For example, employees may be given more flexibility when traveling for business – such as a wider selection of hotels or allowing 'bleisure' travel – as a means to address well-being," Bansal adds.

## Way forward

Similar to recovery trends as observed post the first wave last year, leisure travel will see a gradual pick-up and move towards consistent recovery in the latter half of the year, mostly around the festive and winter holiday season. This trend will see further boost as more people get inoculated in the coming months.

According to Prakash, as caseloads reach a manageable level, travel sentiment will only grow strong – with people feeling more confident to travel to nearby destinations and spending their days at properties that allow them to practice enough social distancing and other hygiene measures. Overall, domestic travel demand will continue to lead recovery this year.

Dwivedi opines that the response across industry is still mixed. "Speculation and anticipation have simulated many to acknowledge a slow but gradual recovery and 2023-24 still appears to be the latest timeframe for assured recovery. Between first and second wave, what the businesses have witnessed is not just an uneven development- elevating and declining at intervals, but also an interest in out-

of-the-home activities- an interest that will likely pick up from extensive vaccination drives and more rigorous safety protocols," Dwivedi adds.

He further says that leisure travelers will occupy a considerable space on the consumer pie-chart for travel industry in the next three years. "Even in the face of previous crisis this class was first to recover taking nearly two years. So, targeting this segment and offering special collated packages to leisure travelers shall bring the much-desired boost. Furthermore, exploring cross-sector collaborations to attract consumers and meet their demands shall help greatly. Local governments may prove a catalyst in recovering travel and tourism business for large and small-medium enterprises by becoming an active player in refining destination appeal, offering discounted activities, participating in tourism management and improving safety conditions," he says.

Subramanian expects domestic travel demand to revive as the caseloads come down and vaccination drives gain traction. "International travel may revive in summer of next year depending on how international governments ease travel restrictions,"



Subramanian adds.

Bansal opines that it will take a community response to get the world traveling again. "We're committed to working together with our customers, partners and the wider industry to rebuild travel and reignite traveller confidence, ultimately ensuring it continues to be a key driver of global progress, positivity and prosperity. The success of the travel industry hinges on our collective ability to adapt, innovate, and collaborate to make travel easier, safer and more seamless than ever before. Fortunately, the travel industry is chockfull of

creative thinkers from all over the world, and our technological abilities have never been greater. That's why we are optimistic that we there will be a comeback of travel in the coming times," he says. He further adds that the travel sector – which had already undergone a gradual evolution in the preceding years, largely driven by technology – has reinvented itself in a matter of months. "From bubble resorts and travel corridors to the rise of workations and a new breed of sustainably conscious consumers, the current map is almost unrecognizable from that of 2019 and 2020," he adds.