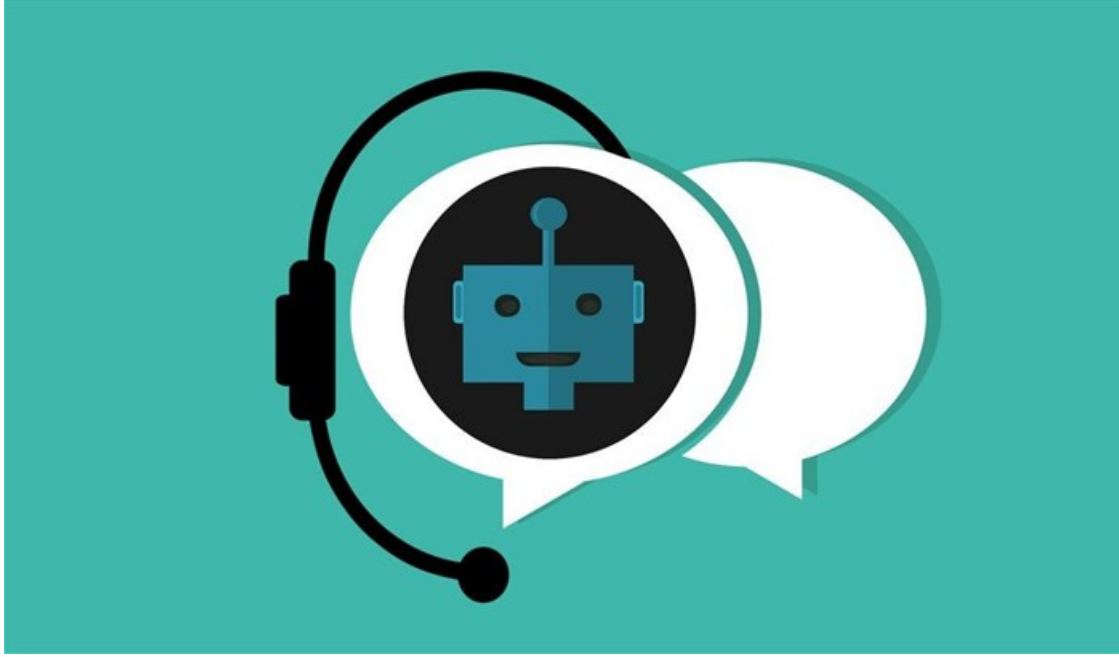


How can technology revive the travel industry?

By  [Greg Cooke](#)

15 Feb 2021

The travel industry is in a dire straits. It's no secret that the COVID qualm we've all felt has materialised into detrimental knock-on effects, leaving a substantial segment of the travel ecosystem weak at the knees.



Mohamed Hassan via [Pexels](#)

“ The industry now has a unique opportunity to reevaluate, restructure and create robust structures better suited to roll with the pandemic punches. ”

The travel industry is a behemoth of complex, convoluted and often fragmented systems and players, all competing for various parts of the travel itinerary.

Unfortunately, many of these systems are clunky, often archaic, and not conducive to the integration required to iron out the creases of often overly complicated user journeys.

Discovery, booking, payment, and customer support are frequently siloed, bridged only by a multitude of intermediaries, each taking a slice of the travel commission pie. **This myriad of 'middle-men' has played its part historically, due in part to:**

- A lack of fast internet and mobile phones used to discover, research and book all aspects of a travel itinerary

- Language and cultural barriers between traveller and destination
- Limited integration between search, booking, and payment systems across the Global Distribution System (GDS), Property Management Systems (PMS), and tour and activity suppliers.

Relatively recent advances in technology have started breaking down these barriers. **Duffel** and **Impala**, two examples of travel tech startups tackling these issues, are creating modernised API layers for flight and hotel bookings respectively.

- Impala is helping agents and startups connect to hotel inventory, efficiently and fast, by creating a suite of APIs that provide up-to-the-minute Availability, Rates & Inventory (ARI) and Property Management System (PMS) data.
- Duffel allows travel businesses to search, book, and sell flights from a network of the world's leading airlines, in minutes.

There's great potential for travel tech startups to tackle additional issues around distribution and payments, particularly in the tours and activities sector. This is particularly important as tours and activities are what drive most travel bookings. People don't plan to travel so they can fly on a certain airline or stay at a specific hotel, they travel because they want to experience something new in a novel country; they travel to see the gorillas in Rwanda, the Northern Lights in Norway, to experience the great migration in the Serengeti, or to soar across the Turkish skyline in hot air balloons.

Tours and activities are the driving forces behind destination. Being able to tap into new distribution channels to use "top of the funnel" tours and activities to spearhead accommodation and ancillary bookings is a valuable tool for answering the call of the experience economy.

So, what's the answer?

If I knew that, I'd be building not writing! However, I do see great value in the adoption of automated technologies. Chatbots are not a new thing. Most of us have had some form of chatbot engagement or another. What is new, however, is the rapidly evolving technology behind chatbot capability, and the opening up of application programming interfaces (APIs) within the travel industry that these bots can leverage off. With modern APIs, tech-savvy retail agents and tour operators can access and sell accommodation, tours and attractions in a single, AI-assisted conversation, cutting out the inefficiencies of traditional agency models.

“ Marketing, sales and support, and entertainment can now work together to build loyalty and drive sales through one seamless conversation, not three separate efforts. ”

Conversational commerce

'Chatting' is second nature to us. It's part of our daily lives. It's easy, convenient, and everyone knows how to do it. Importantly, it's optimised for mobile and works perfectly with existing performance marketing frameworks. Sure, there's value in marketing for 'brand', but with the technology available to us, there's no real excuse not to track digital spend from top of the funnel marketing efforts, through to enquiry and booking processes, and ending in post-purchase, customer support interactions. Automating this end-to-end process, yet allowing human interaction should a user need additional assistance, allows 24/7 streamlining while maintaining that 'personal' travel planner touch.

The rapidly evolving technology behind chatbot capability, and the opening up of APIs within the travel industry that these chatbots can leverage off (think Duffel and Impala), is incredibly exciting.

“ *I believe the winners of the next generation of travel are going to be those who can effectively funnel users ‘exploring’ social platforms into conversational interfaces.* ”

Chatbots are an easy click-through from the inspirational and engaging content users consume during the exploration of such social platforms.

The capability is there, and I think we’ll soon see a lot more automation via chatbots in the form of direct to consumer and business to business interactions, as well as internal reporting and automation of workflows as independent travel suppliers seek more control over direct bookings, larger travel companies look to optimise return on marketing spend, reduce unnecessary frictions and inefficiencies of manual workflows, and the industry as a whole looks towards maximising efficiency and user experience through human touch and tech hybrids.

Can beleaguered players look towards travel tech startups as a light at the end of the travel industry tunnel?

It’ll take time to regain some level of ‘normality’, but I’m optimistic that through the combination of age-old industry knowledge and technical breakthroughs, historic players can work alongside technical startups to create novel, integrated and innovative solutions towards a robust a restructured travel ecosystem.

ABOUT GREG COOKE

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