TECH TIPS TO CUT OPERATING COSTS OF TOURISM BUSINESS

To run as they used to before the pandemic, tourism businesses must improve operational efficiency to cut costs and optimize processes that allow them to be more competitive and increase profitability.

Tourism is one of the industries that has been involved the longest in the digital transformation and that has recognized technology as one of its greatest allies. Today, technology has also become the backbone of many companies because processes can be automated while allowing them to adapt to a more sustainable model.

Tourism Review brings technological tips that can help travel and hospitality companies reduce operational costs:

Self-service Software

Self-service is increasingly important when it comes to satisfying self-sufficient consumers. According to global research company Gartner, in 2022, 85% of customer service interactions will start at self-service, something that is already considered an essential approach to improve customer experience.

The hotel industry is also going through this transformation, which can be seen at check-in/out and communication with guests, among others. Here, the aim is to strike a balance between health guidelines and quality service thanks to the automation of many tasks in the tourism business.

Blockchain

This technology provides one of the greatest advantages for the tourism business thanks to smart contracts, which work through programmed tasks, lowering costs and reducing time while providing greater security than traditional contracts and eliminating intermediaries in the end-to-end process.

With blockchain, customers and owners can contact each other from the platform of a third party, without the platform keeping data in its systems, thus ensuring privacy. On the other hand, this technology could also be used for certain digital identity processes that would make the work of tour operators easier, since all the information on the same user would be available.

Blockchain technology applied to tourism brings security and transparency, giving it the potential to become an essential tool in the future.

Artificial Intelligence (AI)

The amount of data handled at the different points of user interaction is a huge source of information that allows a better understanding of what tourists value most and, at the same time, offer them services based on preferences.

Artificial intelligence helps to automate many of the tasks carried out using this data while generating forecasts about future situations, improving predictions of traditional statistical systems, and saving costs. This, together with the many uses that AI has, makes it a great technology for the recovery of the industry, adding more value in an ever-changing scenario and at a very competitive cost.

Chatbots

Thanks to AI, chatbots have been created to address customer problems and demands with speed, precision and in a personalized way. They have become so important that more than half of tourism services companies admit that they will implement chatbots in the next year.

Not only do they help by answering questions with an immediate response, but chatbots also cut costs since companies can use them throughout the entire cycle while still offering the best service.

The use of chatbots in the industry makes it possible to be available 24/7 to answer questions through apps, instant messaging, the web, or virtual assistants. Improved techniques for designing chatbots based on AI can help the understanding of natural language, making communication more human and automating a good part of the dialogues. The result is that user experience is closer and closer to talking with real people.

Robotization

The aim of robotization is to relieve employees of administrative burdens so that they can spend more time on interaction and customer service.

These days, robotic tourist guides based on AI have been seen in many tourist sites. Such technologies, for example, are able to explain in detail all the monuments/attractions. Many restaurants already use robot waiters that carry dishes to the tables, while the human staff is in charge of drinks and paying more attention to the customer's needs.

Robotization is also applied with RPA (Robotic Process Automation) systems, which allows data entry tasks to be autonomous in the systems, just like administrative staff would do, but with the cost savings that it entails.

Cloud

Cloud services have become mandatory when it comes to help a tourism business gain efficiency and improve customer experience.

In addition, cloud services offer a huge potential for cost savings of up to 60% without losing quality since it cuts on expenses by removing the need for hardware and provides 360-degree visibility by updating user data in real-time. In addition, it is possible to reduce costs in security while offering more flexibility than local services.

Internet of Things (IoT)

IoT makes it possible to connect the physical world with the digital world. Right now, it is one of the technologies that can influence the competitiveness of tourism companies the most.

With the implementation of IoT systems, those in the industry can collect a large amount of data instantly and automate its analysis, which leads to savings at work and time.

The main goal of creating a smart tourist destination is the interaction between the user and the destination in real-time. In addition, everything related to the IoT is designed to help tourism be more sustainable by, for example, measuring basic environmental parameters such as air quality and noise at the destination.

Apps

There has been a surge of apps ever since phones became a necessity. The use of mobile apps has increased by 30%, generating a large demand for new apps in addition to being an essential tool for leisure and work, providing a wide range of possibilities when offering personalized services and improving customer experience.

Apps can provide tourists with information for planning and organizing the trip as well as having the ability to influence the decision-making of users.

Additionally, technologies based on augmented reality allow apps to be equipped with the capabilities to place tourists in environments that simulate real places that they can visit, easing their decision-making when it comes to hiring services, and speeding up the sales process. The pandemic has also pushed the use of mobile data terminals for payments using NFC technologies, and as a mechanism for reading QR codes, thus reducing the use of paper in places such as restaurants, hotels, etc.

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