BLOCKCHAIN AND NFT BOOST TRAVEL AND HOSPITALITY INDUSTRY

The digitalization of the interaction processes of social actors, accelerated by the pandemic, has made it possible to give continuity to economic activity despite the long confinement and social isolation, creatively replacing the way in which we have been building vital links in modern society.

Within this digital environment, there are concepts that have the potential to exert enormous influence on the ways in which we engage in transactional ties. Although some of them are not completely new, **they have undoubtedly become innovative developments with great evolutionary horizons in the way of doing business in the travel and hospitality sector - Blockchain and NFT.**

What is Blockchain? Also known as a "chain of blocks", it is a technology that allows data to be recorded in partitions within a public or private, decentralized and shared network to which its participants have access 24 hours a day, 365 days a year. This chain is operated by an infinite number of computers distributed around the world and is made up of Blocks (transactions and alphanumeric codes), Miners (verifying computers) and Nodes (storage or distribution of the chain).

The information is organized with a chronological structure and linked in a chained manner, which confers outstanding characteristics in its handling: The data is completely secure, protected, synchronized, unalterable, distributed and verified by internal validations, without the need for peripheral elements. This open and programmable technology enables transparency and efficiency in countless administrative and transactional processes.

NFTs (non-fungible tokens) refer to assets that cannot be replaced or exchanged for similar ones of the same value due to their unique properties; they are singular and immutable elements with data that prove ownership in a digital format stored in a standard way.

The word token refers to a digital representation within the Blockchain environment; it has a certain contextual value and is issued by corporations and private entities. Within these pieces of code, we can mention cryptographic tokens, cryptocurrencies, Altcoin and numerous subdivisions that perform specialized tasks.

They are represented through pieces of code that contain exchangeable information that brings the connotation of money or digital asset. They can be used as a form of payment, personalization of gifts, creation of art galleries (Metaverse), access to virtual environments (video games) and events, stocks and shares of companies, financial investments, operations in cryptocurrencies or cryptocurrencies, guarantees and certificates of ownership, collectable entities or anything can be represented in the real world.

In the hospitality environment, Blockchain technology has a myriad of applications (some are yet to be discovered) whose common denominator is evolutionary innovation focused on the quality and efficiency of existing or emerging business models.

One of the main potentialities of this technology in the travel and hospitality sector is that it allows

the opening of the sector to massive investment and co-investment. In the past, this activity was limited to a select number of large capitals or corporations, that jointly owned the buildings and projects around the world. Through the tokenization of the value of the real estate, it is possible to make partitions (high liquidity) accessible to many investors who can access them with low amounts of money.

Another way of using this development in the tourism sector is the certainty of payment or non-payment in room reservations. One of the main characteristics of the segment is the dynamism in purchasing decisions; this blockchain technology brings ease and security in all existing chargeback scenarios or itinerary modifications.

Individualized reservations and amounts paid instantly are guaranteed through tokens that individualize transactions and validate the existence of available spaces without intermediaries. An example is the direct process of digital checking, resale of reservations, luggage tracking, GPS mapping of location, etc.; this provides certainty to travelers and gives competitive advantages in the administration of daily operations.

All of the above makes it possible to create individualized and meaningful experiences with high levels of satisfaction through data management. This provides relevant information to re-evaluate, design and implement effective marketing strategies such as Revenue Management (with all its indicators) and marketing intelligence. In the case of customer loyalty, it enables the implementation of loyalty programs, satisfaction surveys, value interactions and membership clubs that are truly functional and attractive to customers.

The current conditions of high competition, coupled with the digital boost caused by the pandemic, imply the imperative need for the agile adoption of innovative technologies in all sectors. **Travel and hospitality, as one of the economic activities most affected by confinement, will have to be at the forefront of these evolutionary processes;** the aim will be to close this gap or gap analysis, through effective responses to new customer needs and efficient management of all available resources.

The utility of these technologies will be the achievement of optimal levels of profitability for all involved. The endless possibilities of creating business will result in unlimited profits and benefits for entrepreneurs, customers, intermediaries and suppliers. There is still much to be developed, but there is no doubt that in the short and medium term we will see how these technological advances will bring about radical changes in the market.

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