

Always-on a must for South African digital travellers

By Claude Schuck 11 Dec 2017

We are currently amid an industrial revolution which is transforming every sector of business. While the travel industry is arguably ahead of the curve right now, for how long will it remain in front? In <u>South Africa</u>, almost 3.5 million travellers passed through the country in August this year alone. The economic impact of not staying up to date with the latest technologies can, therefore, be considerable.



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Thanks to the growth of mobile technology across Africa, consumers are more connected than ever and expecting information to be available to them irrespective of the device used or physical location. According to <u>statistics from the GSMA</u>, mobile technologies and services are expected to amount to more than \$210bn of economic value to the continent by 2020.

Technology has permeated all facets of travel with young people interacting and engaging using different platforms to book flights and hotels, perform online check-ins, upgrade their seats, and write reviews. In fact, the travel industry in South Africa is quickly catching up to international developments and moving from the traditional office space and travel agent to a more evolved DIY-style experience.

This digital traveller experience lets consumers take full control over all aspects of their holidays. Much of this digital transformation is driven by the consumer's desire to make bookings around the clock from anywhere in the world, rather than be limited by the opening hours of an office-based travel agency, and the subsequent cost savings of cutting out a 'middleman' that took a commission for selling you the trip.

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Embrace digital transformation

So, just imagine the impact if one of these new digital travel services is inaccessible or unavailable. For example, not only will travellers risk not finding the accommodation they need, but they won't be able to book a seat before arriving at the airport, ensuring the whole check-in process is a lengthier affair once more. With so many competitors in the travel sector, chances are good that the customer will simply move on to the next travel service that offers the same kind of value for money and is available to take an online booking. Therefore, it stands to reason that to truly embrace digital transformation, those involved in travel need to implement availability of data and digital services as the foundation for their digital offerings to customers.

While terms like 'business continuity' and 'disaster recovery' might not be familiar to those outside of the ICT sector, they are challenges that business leaders across industry sectors are acknowledging and addressing to ensure they deliver an improved level of customer experience. Without these, downtime can be the difference between business growth and a business existing in six months' time. Consider how much potential business a travel agency could lose during peak periods if its site crashes and becomes unavailable for any significant length of time.

The importance of being more digital-savvy is evident just by looking at developments in the travel industry on the continent. Recently, AirBnB announced that it will invest \$1m through 2020 to promote and support community-led tourism projects in Africa. In just the past year, it welcomed 1.2 million guests to the continent while earning a combined \$139m in host income. Look more widely and AirBnB is on course to have accommodated more than 100 million leisure and business guests this year globally, up from 80 million in 2016. While that's still small compared to the \$550 billion global hotel industry, it's staggering for a business that began in 2014.



Airbnb announces \$1m investment in community-led tourism projects in Africa 17 Oct 2017



Instant gratification

The customer profile is changing. Today, the expectation is all about instant gratification. Business hours are not just 9-to-5, but rather when the consumer wants it to be. This means the travel agency is now a 24-hour operation that needs to be available to serve customers at 1am as effectively as they do at 10am.

Consumers are expecting the travel industry to meet these availability requirements as they are becoming increasingly reliant on an 'instant' digital experience. For some, if a website doesn't load in the blink of an eye, is it even worth doing business with? Whether or not you subscribe to this thought, it is clear that if you offer digital services or plan to, availability is an essential business requirement.



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According to Travelport <u>research</u>, 86% of South African travellers use travel booking sites while 82% consult review sites to help with ideas on which destinations to visit next. It also indicates that mobile is a growing (and important) aspect of the booking experience with 35% of respondents using a smartphone and 38 percent a tablet to do their bookings.

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This points to exciting new times for consumers, but worrisome ones for businesses not able to meet these demands. Globally, only 12% of the Fortune 500 companies from 1955 still exist. Most of these disappearances are due to market disruption. Right now, there is no greater disruption than that of digitisation – where technology advances are providing the competitive difference for businesses.

But these can only be effectively realised if operators embrace an always-on approach that is cognisant of having adequate measures in place should disaster strike. Instead of gifting your revenue to a competitor by not having a disaster recovery or business continuity strategy in place, travel agencies in the digital area need to take responsibility for being always on, always available, and always ready for processing purchases.

Going on a digital journey

So, what can a travel agency or tour operator do? It is more than just a case of migrating to an online platform or developing an app. Being available and being digital mean these companies must adopt a completely different approach to their business.

The focus needs to be placed on how customers are engaging and using their platforms, what kind of data is stored, and how that is used to create a more integrated user experience. As mentioned, customers want to be in charge of their own travel experience. Empowering them with the tools to do so must be a prime directive.

Online booking platforms and mobile-friendly travel services around the world and across Africa are starting to become standard business practice. These kinds of digital disruptions can and will happen again at an increasing, almost exponential pace. But by taking the right next steps, leaders can use availability to their advantage and reap its extraordinary potential.

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