EXPLORING UNCHARTED TERRITORY
Innovative technologies transforming travel in real-time
# TechVision2018

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Introduction

TRAVEL TODAY

is characterized by a series of transactions and discontinuous experiences that each traveler must navigate to get from A to B. But does it have to be like that?

We live in a world that’s more connected and integrated than ever. Data flows, at ever greater volumes and speeds, around the world. AI technologies that can use this data to sense, predict and act on our behalf are evolving all the time. And it’s this combination of data, advanced technologies and interconnectedness that increasingly holds the promise of delivering truly real-time travel experiences. By placing the traveler at the heart of all this, travel companies have an opportunity to remove unnecessary barriers and transform every customers’ journey.

Technology will empower travel businesses to achieve their key goals. From reaching more customers to improving loyalty and lifetime customer value, to innovating for competitive differentiation and working with others in new ecosystems to enhance brand strategies.

But travel companies can’t simply cherry-pick a single technology and choose to excel in that alone. They need to embrace and integrate them all if they’re to go to market with a unique selling proposition that is easy, good value and, just as important, fun. Providing that has to be the goal for every travel business. It’s what they know their customers want, but for most travelers it’s a long way from the reality they experience today.
DATA VERACITY
The Importance of Trust
By transforming themselves to run on data, businesses have created a new kind of vulnerability: inaccurate, manipulated, and biased data that leads to corrupted business insights and skewed decisions with a major impact on society.

Data—from customers, ecosystem partners, smart sensors and so on—is at the core of the real-time travel experience. Travel businesses—from airlines to hotels, and from cruise lines to car rentals—already gather a wealth of rich data about each of their customers. Of course, inaccurate, false or misleading data can lead to consequences such as missed flights, lost luggage or any number of challenges that will create unwelcome problems for travelers. But in today’s world, companies must also earn the right to use the data they gather about customers. That’s particularly true for any business (wherever they may be) serving European customers. Compliance with the GDPR by May 25th 2018 is non-negotiable. And that drives the requirement for far higher levels of customer consent to use their data, which most companies are still a long way from being able to satisfy.

Travel companies are already placed in a position of great trust. But at the moment, many are failing to realize the value of this privileged relationship. According to Accenture Technology Vision, 75 percent of travel industry executives agree that organizations are basing their most critical systems and strategies on data—yet many have not invested in the capabilities to verify the truth within it. And for the traveler, that’s a particularly irksome reality. Most travel experiences will involve repeated requests from providers to produce and verify almost identical data.

Instead, imagine embarking on a journey where you only need to input your personal details once, at the very start. Or even simply by providing permissioned access. From then on, everything that happens flows smoothly from one experience to the next. Using this verified and secure digital identity, travelers would be able to move almost friction-free from taxi, to airport, to plane, to resort.

Creating a secure and verified digital identity is the promise of technologies like blockchain, which travel companies should be investigating now. However, at the moment only just over half of travel executives say that blockchain will be critical or very critical to their organizations over the next three years.2

It’s a challenge that Lufthansa, for example, is addressing. Rather than seeking to monetize every possible interaction with its passengers from reservation to touchdown, the airline is instead reconfiguring all its digital interactions through a US$5 billion program called ‘Balance’.

By thinking carefully about the changing context of each of its customers, the airline is crafting a way to use data and digital to provide contextually relevant messages and services that matter at a particular point in a customer’s journey. For example, they have developed an app that allows transfer passengers to track their luggage. By alleviating small points of friction like this with the right message at the right time, the airline is creating human-first experiences that can really enhance the passengers’ overall experience.3
Being able to access a secure, trusted digital record also changes the potential for communicating directly with passengers. Instead of being bombarded by the undifferentiated communications that are currently the norm—at every step of their journey passengers would receive personalized, relevant recommendations and advice tied directly to their location and context.
INTERNET OF THINKING
Creating Intelligent, Distributed Systems
Businesses are making big bets on intelligent environments via robotics, AI and immersive experiences. To bring these intelligent environments to life, leaders must extend their infrastructures into the dynamic, real-world environments they want to reach.

The development of ever-more connected, pervasive smart environments should play to one of travel businesses’ strengths—the spatial relationship with the customer. Here, technology’s promise is to operate in the background, getting out of the way to maximize the value of human interactions. And the technology to make it happen is becoming more accessible and cheaper, lowering the barriers to entry. But to date, few travel companies have taken real advantage. One notable exception is Carnival Cruises. They’re using distributed intelligence in combination with smart sensors worn by passengers to deliver whole new levels of differentiating personalization.

With its advanced technology platform, Carnival offers every guest their own personal digital concierge that knows what they like and can customize their experiences to cater to their individual preferences. Crew members are empowered to respond to and even anticipate each guest’s preferences, and in that way, they can deliver the level of customer service that’s usually reserved for only the highest rollers.

Being contextually relevant is inherent to providing a real-time travel experience. And it’s a capability that travel companies should excel at. After all, they typically have a unique locational relationship with their customers, whether that’s a hotel room, an airline seat or a cruise cabin.
FRICITIONLESS BUSINESS
Built to Partner at Scale
Businesses depend on technology-based partnerships for growth, but their own legacy systems aren’t designed to support partnerships at scale. To fully power the increasingly embedded enterprise, companies must first re-architect themselves.

Delivering a real-time experience for travelers won’t happen without travel companies themselves breaking down the considerable silo walls between them (and even within their own organizations). Travel agents, for example, often rely on manual processes and even faxes to share information. Far from frictionless.

However, our research shows that travel executives are among the least likely across all major industries to report a drive toward greater collaboration: just 32 percent of them report working with double or more partners than they were two years ago.\textsuperscript{5} By contrast, almost double that number is the norm in healthcare. For an industry in which there are so many moving parts that need to be brought together to deliver a satisfying experience, that finding for travel executives is perhaps surprising.

It’s all about opening the enterprise using new digital technologies (APIs, blockchain, microservices and so on) to enable real-time data exchange with other key players. The frictionless business is the pathway for the virtual, AI-processed, IoT-sourced data to make a real-world impact. And all for the customer’s benefit. The threat they face if they don’t take action? Digitally-savvy platform operators becoming ‘everything orchestrators’. That’s not an inevitability, however. Airlines, hotels, car rentals and others have uniquely strong relationships and data resources that they could be making far better use of, starting now.

Harnessing such vast quantities of data will be more than a match for humans alone. It’s where even existing forms of AI will prove to be a real game-changer (and the ‘super AIs’ that will become available in the coming years even more so). Smart algorithms, trained by people, will be able to spot patterns, preferences and behaviors that can pave the way for much more personalized and highly targeted experience creation. Take just one example: AI handling flight bookings would be able to rebook passengers following adverse weather reports, ensure they have enough time at stopovers, keep them fully up to date with developments and even automatically reserve rooms for them in hotels when lengthy delays look likely.
EXTENDED REALITY
The End of Distance
Virtual and augmented reality technologies are removing the distance to people, information, and experiences, transforming the ways people live and work.

The frictionless journey needs to extend beyond getting from A to B. What happens at the destination should be just as important for delivering a compelling and memorable experience. New technologies and smarter environments point the way to delivering location-specific information and services that enhance what travelers do when they reach a destination.

Only 31 percent of travel executives say it is very important for their organizations to be a pioneer in extended reality (XR) solutions. They should think again. For example, one hotel group in Asia Pacific generates 40 percent of its food and beverage revenues from weddings. Much of this comes from upselling decor and other options. By using augmented reality to get customers immersed in the possible experiences they could have, being able to see the space and customize it to their tastes could be an enormously effective sales tool.

But just as data underpins the entire real-time travel experience, so the interconnection between advanced digital technologies is essential for delivering new augmented reality experiences. Without AI to analyze data and orchestrate functions out in the real world, augmented reality experiences won’t be possible. Everything has to be in place, or nothing happens. But as XR becomes pervasive, immersive experiences will help to eliminate the most important distance of all: the distance between where travel businesses are today and where they want to be in the future.
With an app using their smartphone’s camera, travelers could ‘see’ an overlay of useful information and directions on local sights, restaurants, shops and more that would otherwise only be in limited supply or hard to find. Hotels could even start to think about providing new XR experiences for business travelers using real-time avatars for them to attend meetings and conferences as a virtual presence. The technology is maturing fast, exemplified by companies like Mackevision (a recent Accenture acquisition) that is a world leader in computer generated imagery.8
References

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