

Enriching customer experience with **hyper-personalization**

Harness AI and data analytics to
transform the travel industry



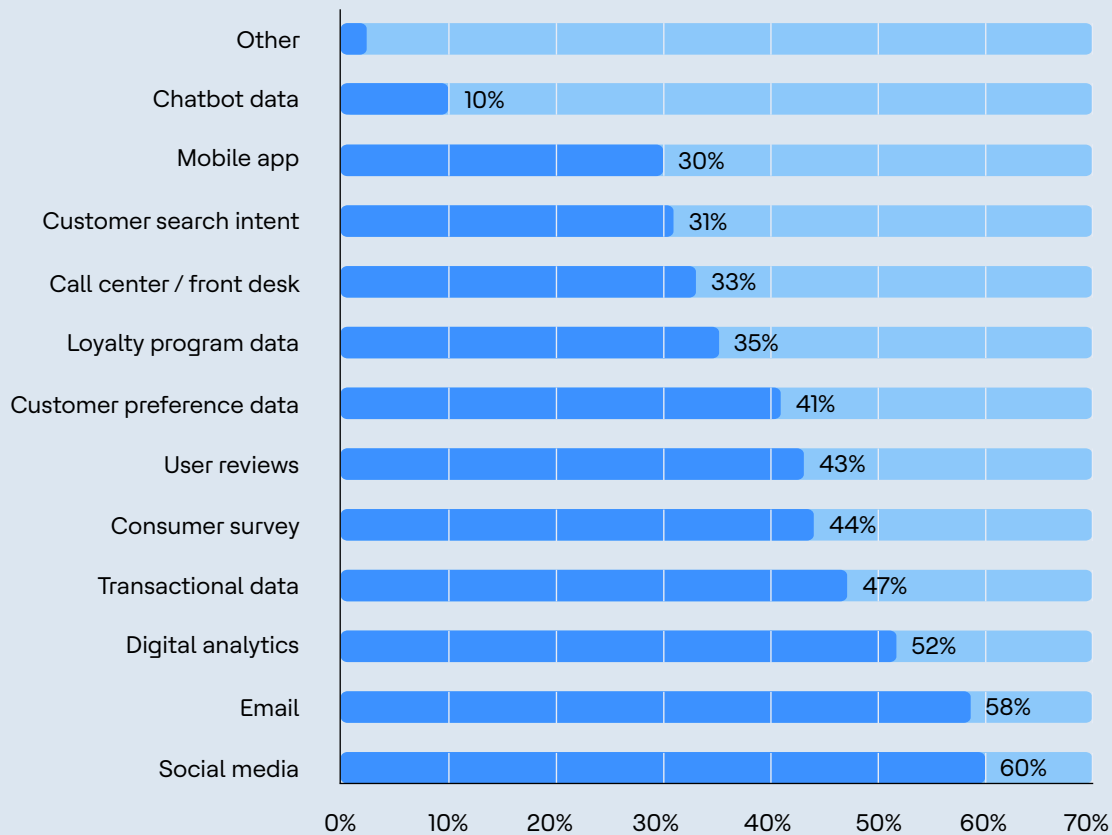


Introduction

Hyper-personalization is defined as “the use of data analytics to provide more personalized and targeted products, services, and content.”

Today, travelers are savvier and better informed than ever before. They no longer want standard products and services marketed or communicated to them throughout their travel journey. They expect brands to convey just the right message every time without crossing the lines of online privacy.

Trends



Sources of customer profile data

The above image from Skift and Adobe personalization forum highlights the various platforms (social media and suppliers' platform), that play a key role in building a unified profile and personalized end-user-touch points.

Industry challenges

Travel and hospitality industry works on thin margins. There is a continued focus on increased yield at a minimum cost of sales. Multiple sales channels and complex commercial agreements with each channel needs to be monitored from a cost of sales standpoint. We can categorize industry challenges broadly in two categories.



Sources of customer profile data



There are 90+ available sales and engagement channels



The travel ideas are majorly influenced by these 70+ channels



Rest 70+ channels are search engines, blogs, and social media platforms



Travel industry only owns 20+ of these channels which are mostly ecommerce and mobility



The likes of Twitter, Instagram, and Facebook can build a 50-million strong social media audience in a year

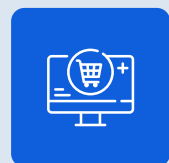
Commercial challenges



Online advertisement costs an average of USD 0.50 per click for US market

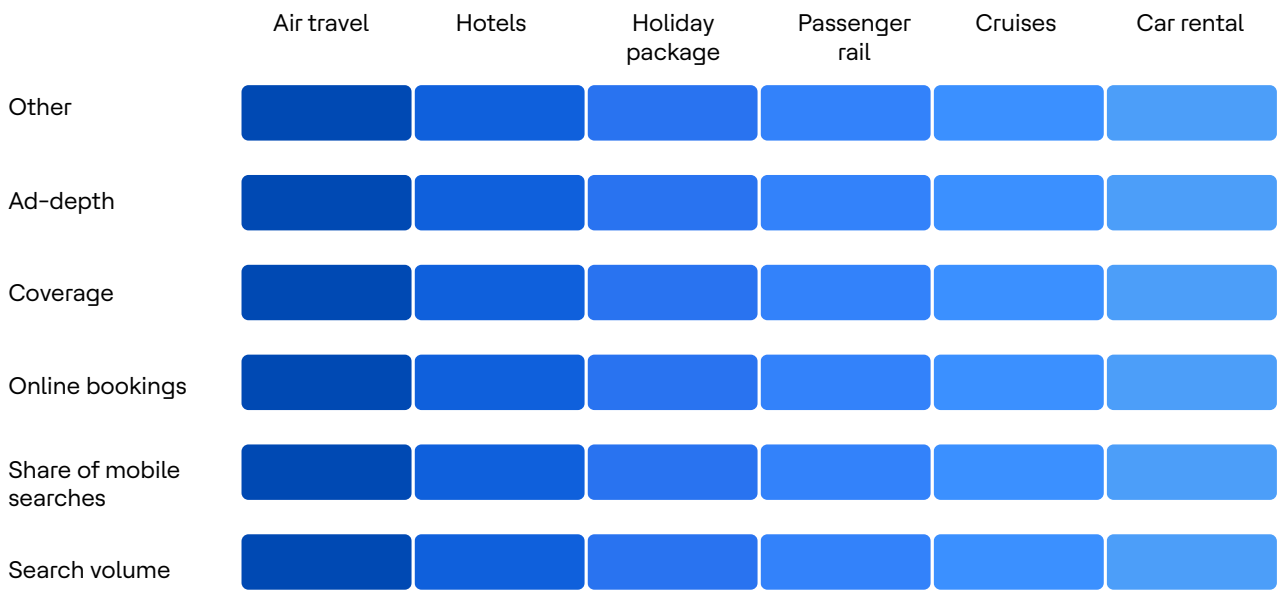


Search online to purchase offline ratio stands at 87:42



Complexity in some of the travel products leads travelers to consult agents

Industry online marketing maturity



*Ranked on a scale of 1 to 6, where 1 is high

McKinsey Digital Quotient research shows the maturity of the travel industry in online engagement and sales. This covers the complete cycle of search, advertisement depth, and look-book-pay, etc.

Hyper-personalization, HCLTech way



The travel industry has always been concerned with a clear view of the traveler profile and their behavior pattern. The complexity of the product bundled with distribution channels leads to duplicate or missed traveler information in their profile.

- The unified profile is a merger of activities performed by specific individuals during their previous travels and mapping the current PNR details with specific ancillary and special services
- Geo-fencing allows airlines to understand how users access their content (i.e. social media and physical device)
- Dynamic content enables travel marketing teams to edit template to suit the viewer's methods and interests

The artificial intelligence and machine learning layer between integrated data platform and customer data platform helps structure and map the exact data values. Continuous learning helps keep this key data link healthy. The experience platform helps the marketing team achieve timely and relevant communication with their customers. This also helps them to plan online advertisement expenses on the basis of traction.

Benefits

The benefits and overall scalability of hyper-personalization through data analytics come over time. The system learns along with customer behavior and purchase patterns. However, we can clearly list down the measured values as follows:



99% accuracy in customer profile



Increase in trip based information on hotel, car and insurance as a new pre-booking touchpoint by **35%**



Integrating customer journey with profile increases guest experience by 50%; leading to organically increase repeat business by **25%**



15% reduction in marketing budget, as the team would strategically make an informed decision on the channel of online marketing

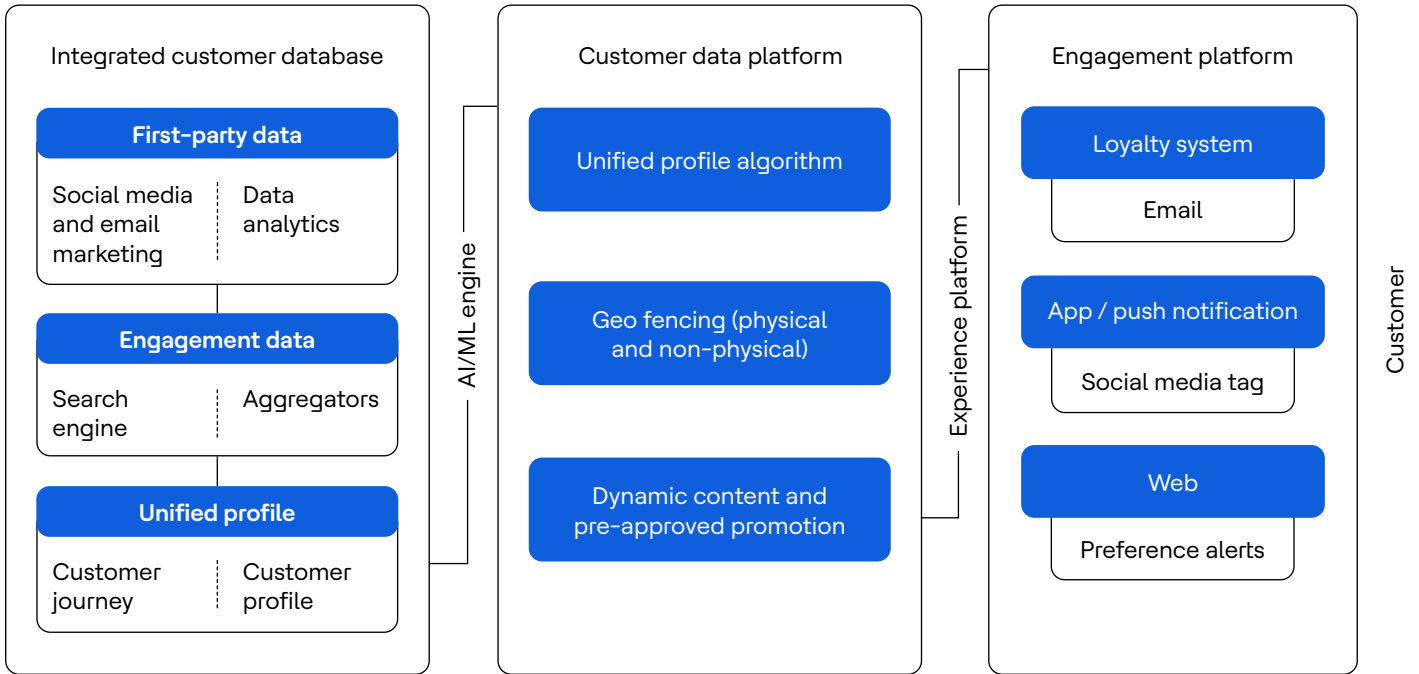


10% increase in revenue per mile yield via reduction in the cost of sale



Our solution not only addresses the challenges of the traveler profile but goes beyond to help the marketing team understand the traveler's behavior. This assists them in aligning budgets, promotions, and communication methodology with a set of or individual traveler accordingly.

High-level reference architecture of the solution is given below:



Sources of customer profile data



First-party data includes all social activities performed at the travel inception stage, either through email marketing or mailers



Data analytics is a merger of demographic behavior and sentiment analytics, which helps in ranking user behavior and sentiment



Engagement data is the information from Google search engine (e.g. Google profile) and point to click information on travel aggregators before getting routed to supplier website

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