

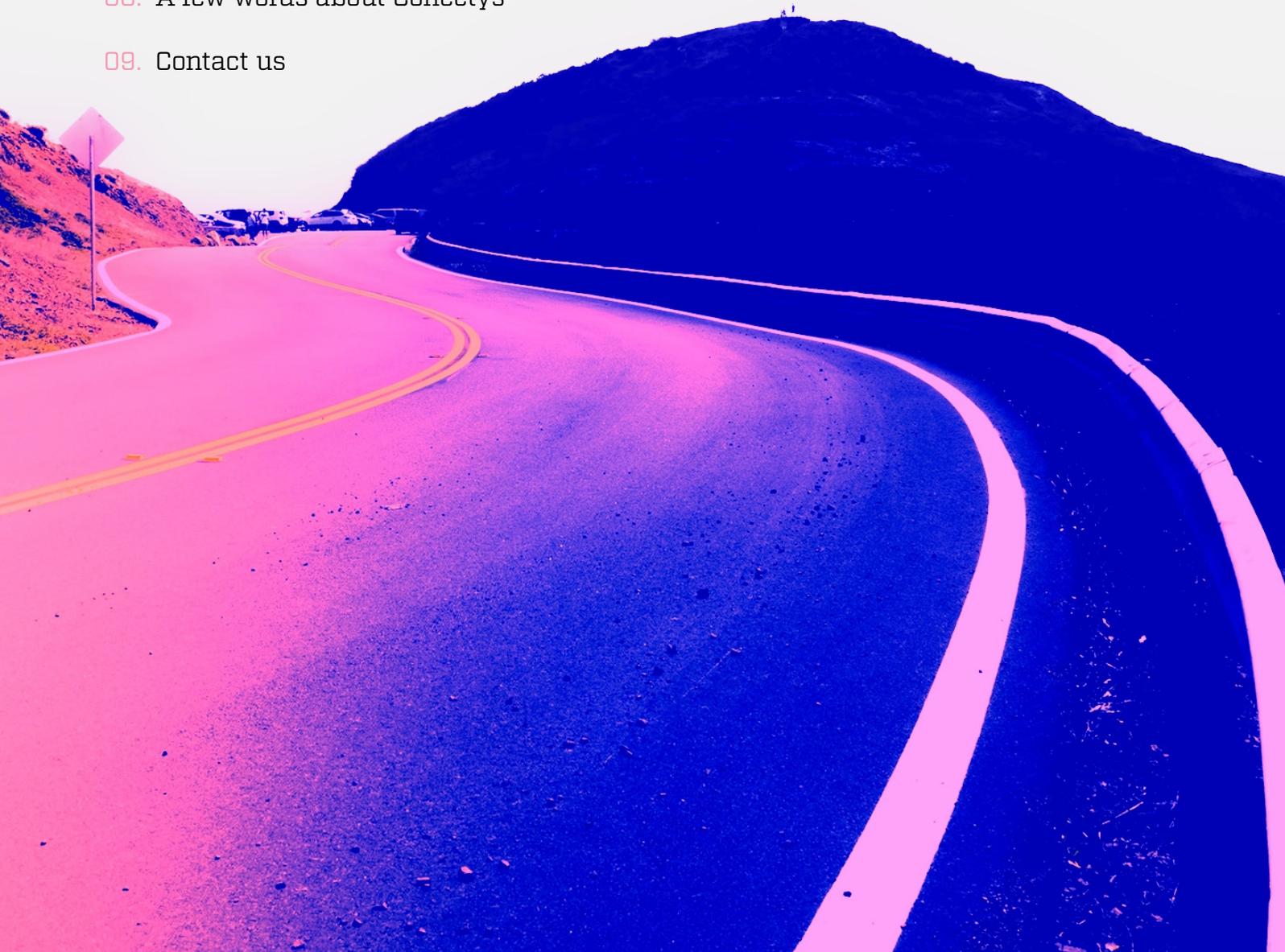


Customer Experience Best Practices for International Travel and Hospitality Companies

Navigating Post-Pandemic Recovery and the AI Revolution

Table of Contents

01. Introduction
02. A state of global Travel and Hospitality before and after COVID-19
03. Customer experience components in Travel and Hospitality
04. CX best practices for international Travel and Hospitality companies
05. The future of CX in the post-AI revolution era
06. Summary
07. Resources
08. A few words about Conectys
09. Contact us



Introduction

Within the dynamic landscape of the global travel and hospitality industry, each interaction impacts how travellers perceive and stay committed to brands. Whether it is a dream vacation for young globetrotters, a luxury trip for world explorers, a comfortable haven for business professionals, a cherished family getaway, or an important stay for pet owners with beloved companions, each moment presents an opportunity for service providers to create memories and foster lasting connections.

However, winning customers' hearts while maintaining loyalty is a core challenge nowadays, influenced by two significant factors. On one hand, travel and hospitality organisations are still recovering following the unprecedented disruptions, travel restrictions, and uncertainties brought about by the COVID-19 pandemic. On the other hand, the AI revolution and the growing importance of digitalisation have triggered a transformational shift in how travellers engage with brands while expecting personalised and tech-driven experiences.

Whether a hotel, airline, restaurant, travel agency, booking operator, car rental service, cruise line, or any similar entity, customer attrition can happen on short notice—a single negative interaction can steer an individual to competitors. Therefore, the significance of customer experience remains unwavering, with a strong emphasis on industry-specific innovations and meeting consumer expectations. Exceptional customer experiences can drive remarkable success and foster brand advocacy, while poor CX can result in reputational damage, customer churn, and a diminished market presence.

To address these, international travel and hospitality companies should continually enhance customer-centric initiatives and services, provide personalised omnichannel interactions, integrate digital transformation, enable exceptional human-touch experiences, ensure a safe and welcoming environment, and deliver top-notch support.

How to make it all happen? Delve further into our white paper to explore impactful solutions and uncover game-changing CX strategies tailored for international travel and hospitality businesses. Discover how to create a customer experience that truly makes a difference.



A state of global Travel and Hospitality before and after COVID-19

Historically, the travel and hospitality sector has been dynamic, experiencing consistent growth and poised for success. This expansion has been driven by the development of organisations offering relevant services and the increasing number of individuals actively engaging in tourism. Over time, it has evolved into a robust and influential sector within the global economy, substantially contributing to the worldwide GDP. For instance, in 2022, it accounted for 7.6%.

A remarkable growing trend can be illustrated by a stark contrast, reaching back to the early travel and hospitality beginnings. In 1950, there were a mere 25 million tourist arrivals, but by 2019, this figure had surged 56-fold to a remarkable 1.5 billion, as the United Nations World Tourism Organization (UNWTO) reported.

At that moment, this 'well-oiled machine' appeared to keep moving forward without interruption, driving further growth in travel and hospitality. Then, the COVID-19 pandemic, which primarily affected 2020-2021, disrupted this once-thriving industry, leading to a near-complete halt for many months.

Based on Pew Research Centre analysis and UN population data, over 90% of the global residents faced the pandemic travel restrictions, with 39% living in countries with wholly closed borders, introducing a turbulent period and an uncertain future for the sector. According to Statista, inbound tourism arrivals worldwide declined to approximately 407 million in 2020, marking a 73% decrease, the lowest figure recorded since 1989. Additionally, there was a 71% drop in revenue in 2021.

Luckily, 2022 brought about a positive change, and the situation slowly started returning to normal. By the end of the year, the global number of international tourist arrivals reached approximately 963 million. Furthermore, recent data from UNTWO reveals that international arrivals in the first quarter of 2023 were at 80% of the pre-COVID level. Although these figures remain below the pre-pandemic peak, the data presented highlights the industry's recovery and a positive trend towards further growth.

Nevertheless, the new reality brings changes and challenges, and businesses must adapt to new situations. It involves re-shaping their strategies, reevaluating processes, boosting digital technologies, and gaining new capabilities to foster loyalty. Many of these efforts should be centred on customers and their needs, driving a comprehensive approach to enhance CX and deliver exceptional value that truly resonates with buyers. For travel and hospitality companies, it is a matter of survival.

The paradigm is backed by industry experts, such as McKinsey & Company, which emphasises that post-COVID travel revival hinges on a solid foundation of customer experience. The insights from this are clear: In the after-pandemic world, delivering outstanding CX has become imperative for travel professionals.

Yet, it is about more than just helping consumers to reach a destination. It is about creating enduring memories when the ultimate goal is to leave travellers delighted. Given the emotional impact of travel-oriented toward relaxation, stress relief, and cultural exploration, which are profoundly personal and valued attributes of people's lives, it is even more crucial to prioritise experiences than in other market segments.

Key CX challenges travel and hospitality companies face in the post-pandemic era

However, as businesses navigate the ever-changing landscape of escalating costs, they encounter primary challenges that must be overcome. A profound understanding of these issues can empower companies to efficiently address these obstacles, dispel stereotypes, alleviate fears, and foster a resilient environment for sustained growth. Among these, the most critical challenges related to an inflation crisis encompass the following:

To ensure top-notch experiences, international travel and hospitality companies must confront various challenges that are vital for their success, including:

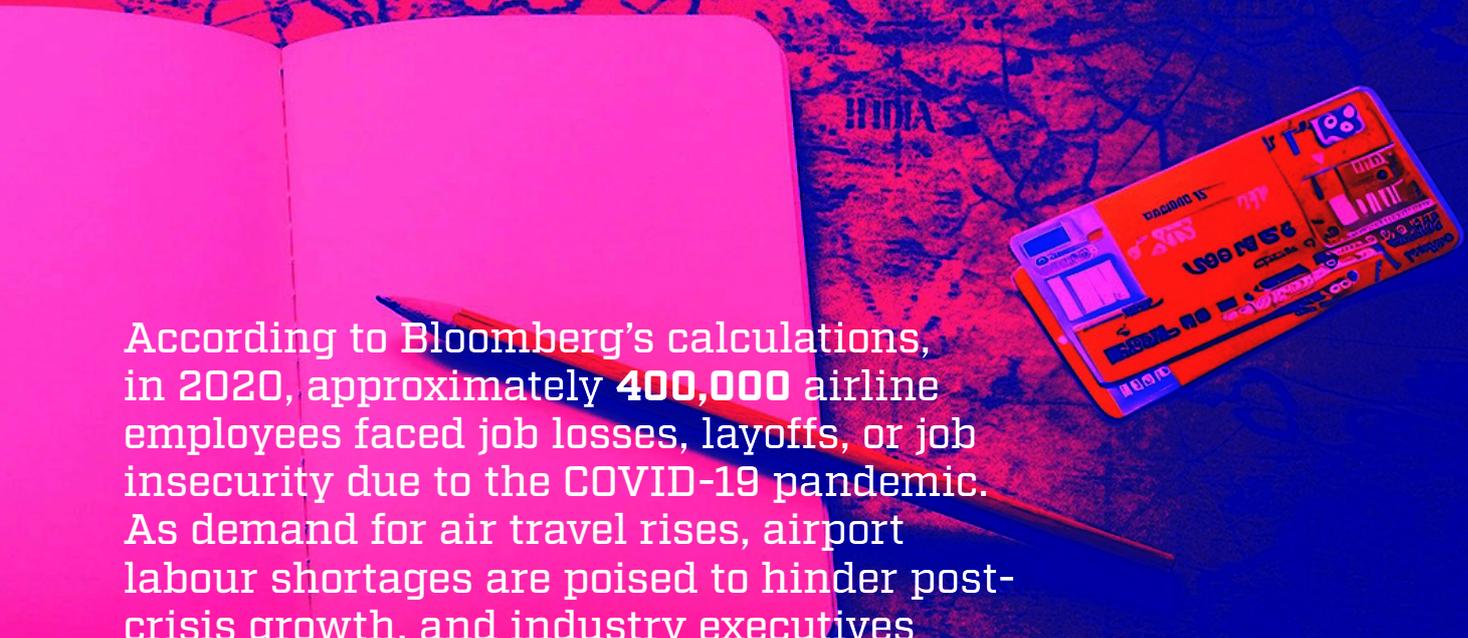
- Managing unpredictable shifts in demand as travel patterns, behaviours and expectations change in response to evolving circumstances.
- Accelerating the adoption of digital technologies for contactless services, reservations, and communication with customers whose preferences for virtual services have significantly increased.
- Efficiently managing global inflationary pressure while balancing rising costs and maintaining high CX quality.
- Understanding the necessity of making relevant CX investments despite any financial instability caused by COVID-19.
- Attracting and retaining skilled talent despite substantial workforce churn between 2020 and 2022.
- Providing effective customer onboarding and efficient ongoing support to meet the increasing demand.
- Keeping pace with the competition by innovating and offering unique travel experiences.

For example:

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A camera and lens are positioned on a background of a world map. The camera is a mirrorless model with a black body and a lens cap removed. The lens is placed to the left of the camera. The map background is in shades of blue and green, with white lines indicating continents and oceans.

Per the report “A Data-Driven Look at Hospitality’s Recovery”, prepared by Skift in partnership with Oracle, customer demands are evident in the recovery phase – most expect a seamless and tech-enabled experience. For instance, approximately **80% of consumers**, as revealed in the report, seek contactless services, while 64% prioritise quick access to services for future hotel reservations.

An open notebook with blank white pages is in the foreground. A smartphone is lying on the right page of the notebook. The phone screen displays various app icons and a news article snippet. A pen is resting on the notebook pages.

According to Bloomberg’s calculations, in 2020, approximately **400,000** airline employees faced job losses, layoffs, or job insecurity due to the COVID-19 pandemic. As demand for air travel rises, airport labour shortages are poised to hinder post-crisis growth, and industry executives have highlighted this issue gathered at a summit in Doha, which Reuters has noted. To get into the details, insufficient employees cause frequent flight delays and cancellations, leading to increased traveller complaints and negatively impacting the overall travel experience.

Understanding the contemporary travellers

To fully leverage the CX initiative in travel and hospitality, it is crucial to understand contemporary travellers' preferences, behaviours, and needs, as well as anticipate potential scenarios and their implications. This is the starting point for all further actions related to CX strategy development.

First of all, there is a notable surge in global optimism. According to a Booking.com survey, 73% of travel and hospitality customers declared feeling more positive about their travel prospects in 2023 compared to 2022. The 'catch-up consumer' trend emerged, with travellers eager to make up for missed experiences during the pandemic while expecting excellent services and support from travel agents and experts, as highlighted in one of the ABTA reports.

Nevertheless, the current traveller experience evaluation, as outlined in the McKinsey & Company and Skift Research report titled "Rebooting Customer Experience to Revive the Magic of Travel", reveals mixed findings. While overall satisfaction scores remain high, there is a growing prevalence of negative sentiment, and buyers tend to be less inclined to compromise their expectations than before. As McKinsey explains, this shift in opinion may have been influenced by the health crisis, leading to more critical views on cleanliness, food standards, and service.

When combining these insights with Tripadvisor's analysis of reviews from the United States, Europe, and Asia, which reveals that the emotional intensity of customer online reviews increased considerably from 2019 to 2021, a serious risk emerges - negative opinions can be spread with more engagement and intensity, having an amplified impact on a business's reputation. This especially should serve as an alert for travel and hospitality companies to prioritise traveller satisfaction and find efficient ways to address negative feedback, safeguarding their brand image and customer loyalty.

Below are the selected key characteristics of contemporary travellers and suggested ways to cater to their evolving preferences:

What defines modern-day tourists?

How to adapt efficiently?

They prioritise experiences over material possessions, valuing moments and memories.

Companies must align with travellers' desires for memorable experiences at each possible journey stage without compromising the CX quality.

They are tech-savvy when planning upcoming trips.

Businesses should go further in digital, mobile and multichannel while providing real-time support 24/7 and quick problem-solving.

They frequently conduct online research, relying on others' reviews.

This can be mitigated by actively managing online reputation, inspiring positive reviews, and providing a consistent and outstanding experience across all possible touchpoints.

They express their opinions with greater enthusiasm.

Companies must address concerns and issues promptly and aim to create positive emotional connections with travellers through personalised and empathetic interactions.

They are educated, informed and conscious of their privileges and rights.

It requires proactive measures, such as honest and transparent communication, data privacy compliance, and responsive customer services.

They exhibit a more flexible loyalty to brands and companies they used to do business with.

This final point should mainly concern industry businesses, signalling that gaining and retaining tourist loyalty requires a new approach to CX strategies.

Customer Experience Components in Travel and Hospitality

Considering the post-COVID-19 circumstances, one is undeniable. Travel and hospitality organisations must provide the highest CX standards to make their customers' journeys unique, safe, enjoyable, and above expectations. Every detail matters, from searching for information through booking to accommodation, transportation, activities, and ongoing support. Therefore, carefully selecting and effectively utilising the right CX components is crucial, as they directly influence CX processes that can be readily identified, implemented, and measured.

Here are some key CX elements where successful businesses constantly excel:

Booking Convenience: This should be a seamless and easy process with services available across different channels, such as a user-friendly website, mobile app, accessible call or in-person. It also requires transparent pricing, straightforward communication, additional guidance, and available human-agent support.

Product Excellence: This extends across various facets, including check-in processes, transportation options, accommodation standards, and catering services. Within this realm, paramount considerations encompass convenience, top-tier quality, operational efficiency, comfort, and a strong commitment to safety.

Consumer Journey Mapping: It is all about crafting more impactful experiences by leveraging data- and insight-driven strategies for planning and optimising the entire buyer's lifecycle. This involves using diverse source customer data and conducting in-depth analysis to understand crucial interaction points throughout the sales funnel comprehensively. The initiative allows companies to stay in tune with evolving consumer needs and preferences, identify valuable opportunities and weaknesses, and create more personalised and satisfying experiences from initial contact to final purchase.

Hyper-personalisation: empowers businesses to tailor interactions at every customer touchpoint using data from each engagement. This means delivering proactive support, customising recommendations, and individualised communication based on user preferences and expectations. With hyper-personalisation, travel and hospitality organisations can create more engaging and meaningful experiences, foster loyalty, boost the brand's image, drive repeat business, increase satisfaction metrics such as CSAT and CES, and ultimately grow revenue by addressing individual needs.

Omnichannel Integration: It helps to elevate travel and hospitality CX by centralising customer data to offer a holistic view of all buyer interactions, regardless of the channels used. This involves implementing multichannel customer support software that empowers companies to harness data effectively, resulting in smoother and more personalised experiences, increased retention, greater agent productivity and better cost control. Utilising a cloud-based Contact Center as a Service (CCaaS), travel and hospitality companies can make well-informed decisions and ensure that travellers receive the proper support at every journey stage.

Customer Service Quality: It stands out among the pivotal CX components that leave a lasting impression on individuals. Customer service must be professional, readily accessible and genuinely helpful. This applies not only to in-person interactions but also to digital channels for assistance and inquiries. Travellers should

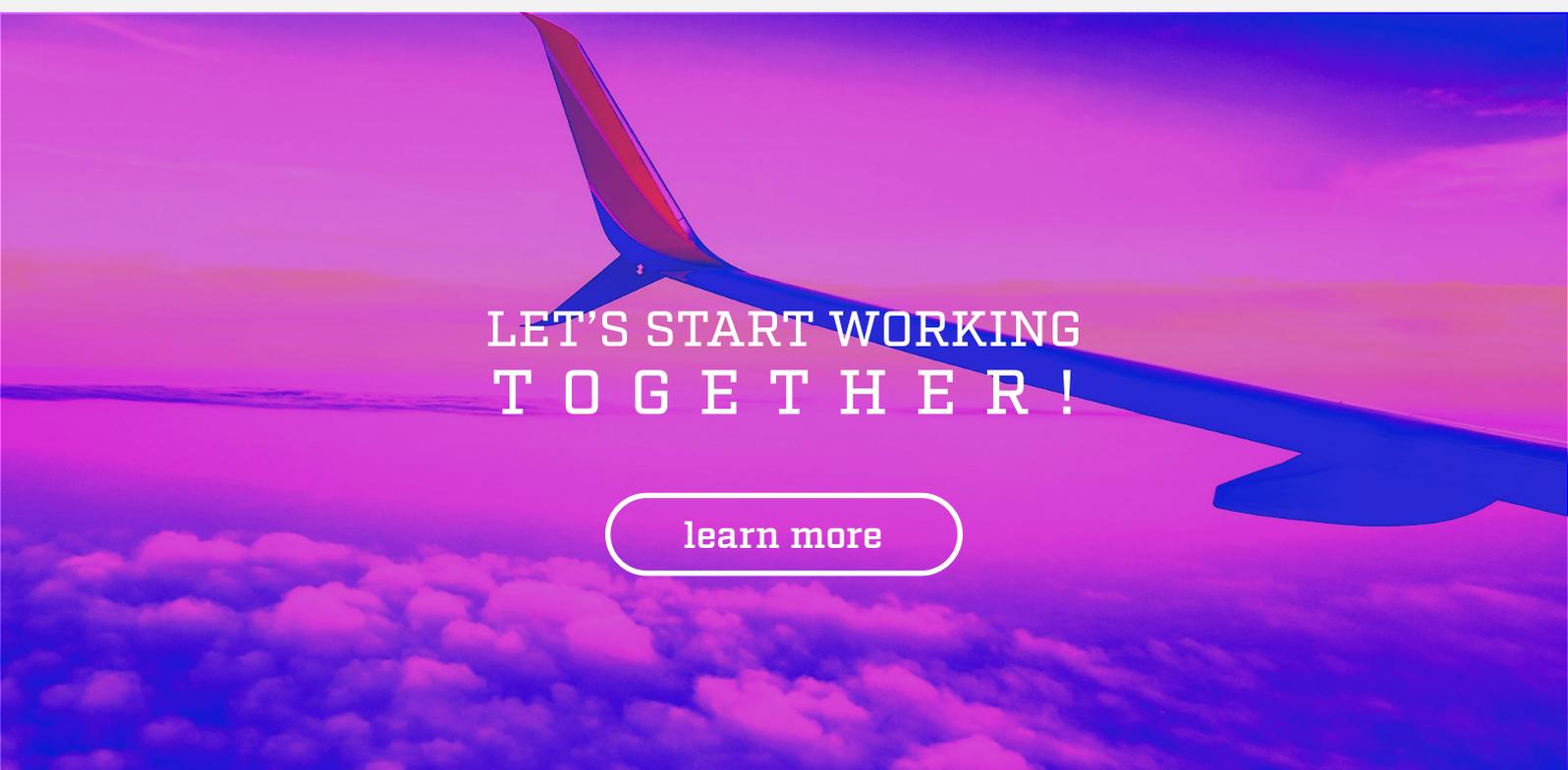
feel supported in their preferred languages, irrespective of time zones, with a profound understanding of local cultures and a grasp of specific regulations. With such excellent services, inquiries should be addressed quickly and efficiently, creating a deep emotional connection.

Speed-to-customer: It involves deploying technology that automates processes and increases their efficiency, for instance:

- Routine task automation solutions enabling streamlining activities such as data entry, order processing, and customer inquiries. This allows support teams to respond quickly and provide personalised care, freeing them from repetitive tasks while focusing on more important issues.
- Ticketing systems, helping to sort inbound issues based on urgency and relevance, and simplifying the customer support process.
- AI-driven chatbots that offer 24/7 self-service support and swiftly resolve basic inquiries without immediate human intervention.

Data Privacy: It is related to collecting personal data to streamline operational processes, facilitate reservations, enhance security measures, efficiently manage customer interactions and payments, and personalise communication and target offerings. The initiative, however, requires ensuring privacy, transparency, and accountability in handling the data. Complying with these practices can enhance the overall experience for travellers, building strong, enduring relationships based on trust.

Measuring CX for Continuous Improvement: It enables the analysis of customer satisfaction, loyalty, feedback, and other relevant factors, allowing travel and hospitality businesses to gain valuable insights into buyer behaviour and preferences, as well as process and employee efficiency. This understanding and consistent evaluation through relevant KPIs help identify areas for improvement, estimate growth potential, and make data-driven decisions to enhance CX where it matters most.



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TOGETHER!

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CX best practices for international Travel and Hospitality companies

CX best practices, on the other hand, are specific strategies, actions, or guidelines that international travel and hospitality businesses should follow to make CX work well, enabling its optimisation and promoting ongoing enhancement. These practices are typically informed by industry standards, research and buyer expectations, providing companies with a structured framework for delivering exceptional experiences and achieving their CX goals.

In other words, CX best practices serve as a roadmap in which the components act as tools, offering the methods and data necessary to inform and execute CX strategy effectively. They enable businesses to navigate the path towards exceptional experiences with clarity and precision.

Among the most powerful best practices, having potentially the most considerable impact on travel and hospitality CX efficiency and quality, are:

A Customer-centric Approach: By placing travellers at the heart of decision-making, from their first inquiry to post-trip support, companies can ensure that every aspect of their CX strategy meets customers' actual expectations and desires.

Consistency Above All: A consistent message delivered across channels is critical for trust-building and maintaining a brand's integrity, especially when aligning with its values and promises. Such an approach helps ensure that customers receive a coherent and reliable experience, regardless of how they interact with the company. These refer to touchpoints, such as websites, mobile apps, social media, phone calls, in-person contact, and more.

Proactive and Efficient Communication: It is a 'must-have' of an excellent travel experience, covering all phases, from planning through preparation to the actual event and the follow-up. This usually includes such directions as providing customers with timely information such as confirmations, reminders, and notifications about changes, disruptions in travel plans, unexpected events, etc. It is also the capability to ensure easy access to consultant support before and after the service is realised.

Technological Empowerment with Focus on Digitalisation: Technology's importance is vital in travel and hospitality, as it aligns with customer expectations and business needs. Therefore, adopting a strategic investment approach and effective tech stack management should be a standard practice. This enables businesses to offer faster, more efficient services, optimise interactions, reduce operational burdens, minimise errors, and gain a competitive advantage in the long term. Becoming digital-first is nowadays a key to winning the hearts of travellers.

Empathy and Human Touch: While technology speeds up processes and offers self-service support, maintaining a human touch will remain vital. Empathy and compassion from real agents are invaluable. Having skilled, caring and empathetic staff to address problems swiftly leaves customers emotionally satisfied, fosters loyalty, and turns travellers into trusted advocates. What is worth mentioning here is that many customers still expect human contact, especially when having more complex requests or needing more personalised support. In addition, the best practice should include the behaviour and ethical code on how the company's employees interact with consumers and handle sensitive situations, focusing on maintaining trust and delivering exceptional services.

Keeping Promises: By implementing effective CX control processes, travel and hospitality companies can stay on top of their customer experience. This involves conducting regular assessments and continuously enhancing CX initiatives to ensure that every interaction with the travellers aligns seamlessly with the brand promise, whether in person or online.



The future of CX in the post-AI revolution era

The artificial intelligence transformation in CX travel and hospitality is a natural progression driven by technological advancement. All businesses looking to grow market share should consider utilising AI-powered technologies, allowing them to enhance traditional automation methods, such as large language models (LLM), robotic process automation (RPA), machine learning (ML), and natural language processing (NLP).

Implementing AI elements empowers companies to offer cutting-edge digital CX, regardless of their size or scope of operation. The strengths of artificial intelligence lie in its ability to rapidly and comprehensively interpret data throughout the customer journey and promote context-specific experiences by understanding human intentions and replicating behaviour unbiasedly. Consequently, travel and hospitality companies can deliver highly relevant and personalised self-service assistance through real-time text and voice messages. For customers, this translates into reduced waiting times, faster issue resolution, and overall satisfaction with the brand's customer service.

Additionally, leveraging AI-driven analytics capabilities makes it possible to move beyond traditional analysis to predictive models, estimating the likelihood of future outcomes, providing accurate forecasts and enabling well-informed business decisions and strategic CX investments. All in all, travel and hospitality organisations can address weaknesses more precisely, mitigate potential risks more effectively, and prioritise activities with the highest likelihood of success while creating a cutting-edge CX.

AIRBNB USE CASE

Airbnb, a leading platform for vacation rentals and travel experiences, has upgraded its customer experience with an automated support system driven by task-oriented conversational AI. This solution streamlines the cancellation process, enabling Airbnb users to resolve certain issues independently, saving time and reducing frustration. It also allows Airbnb support agents to concentrate on more complex matters, enhancing the overall CX efficiency.

Source: Airbnb



Summary

ACHIEVING A HIGH-TOUCH CUSTOMER EXPERIENCE IN TRAVEL AND HOSPITALITY CAN BE CHALLENGING, PARTICULARLY DURING THE POST-PANDEMIC RECOVERY. AS THE TRAVELLERS' EXPECTATIONS HAVE SIGNIFICANTLY SHIFTED, COMPANIES MUST RECOGNISE AND ADAPT TO THESE EVOLVING CIRCUMSTANCES. TABLE STAKES IS A WELL-CRAFTED STRATEGY ENCOMPASSING RELEVANT COMPONENTS AND FOLLOWING CX BEST PRACTICES.

IT CAN BE DONE THROUGH DIGITAL TRANSFORMATION, DATA-DRIVEN INSIGHTS, AGILE DEVELOPMENT, STAFF TRAINING, PERSONALISATION, AND PROACTIVE SAFETY MEASURES. THE FINAL SHAPE OF THE CHANGE MUST BE ALIGNED WITH THE BUSINESS PROFILE, SPECIFICITY, MARKETS, GOALS AND CAPABILITIES.

THERE IS NO NEED TO WAIT.

ACCORDING TO MCKINSEY'S INDUSTRY INSIGHTS, "PRIORITISING CX CAN HELP BUILD LOYALTY AND ENSURE BUSINESS RESILIENCE, AND IT IS HIGH TIME TO START ACTING. A WISE INVESTMENT IN CX MAY BE KEY TO THE INDUSTRY'S SURVIVAL AND FLOURISHING IN A POST-PANDEMIC WORLD".

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A few words about Conectys

Conectys is a digital-first firm specialising in Customer Experience and Trust & Safety solutions. We excel at delivering cost efficiencies and expediting implementation for companies navigating challenges such as hypergrowth, market disruption, and global expansion. Through flexible, strategic, and digitally inclusive approaches, Conectys collaborates with clients to overcome extraordinary obstacles.

Key Conectys' services are:



Multilingual Customer Experience

24/7/365 customer service and tech support across 35+ languages.



Hybrid Trust & Safety

Ensuring brand-aligned content moderation across platforms, social media, gaming, and the metaverse.



Digital Transformation services

RPA, NLP, Chatbots, automatic translation chatbots, sentiment analysis, voice-to-text, etc



BlueTweak

An agnostic BPaaS platform that enhances clients' CRM capabilities.

Globally disseminated in top BPO locations and with 18+ years in the industry, Conectys is large enough to be a safe partner and experienced enough to be a specialist yet of the right size to be flexible, dynamic and entrepreneurial.



Contact us

Would love to connect with you to discuss how our team at Conectys can help enhance your Trust & Safety and Customer Experience services.

[Let's talk](#)

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