



BEYOND COVID-19: TOURISM TRANSFORMED

T^x1 Tourism
Transformation
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Singapore
TOURISM
BOARD

“NECESSITY IS THE MOTHER OF ALL INVENTION”

Through history, adversity has served as an impetus for change. External stressors behave as stimuli for creative ideas and innovation to compel organisations to reinvent their businesses and organisation practices.

When the SARS epidemic struck, like COVID-19, people were confined to their homes and were urged to stay out of public spaces. Alibaba, a four-year-old infant company, jumped at this opportunity. Traditionally a B2B business, Alibaba launched Taobao – a B2C e-commerce platform that offered homebound individuals the option of online purchasing. This move to B2C, driven by a rising consumer need, was the key factor for Alibaba’s exponential growth¹. In 2008, during the global recession, people were looking for ways to better utilise their assets in the US. This new trend spurred the advent of the ‘sharing economy’, and companies like Airbnb and Uber were propelled onto the world stage for their peer-to-peer service offerings². These are examples of companies that quickly tapped into an emerging consumer need arising from two very different crises. This quick-thinking innovation eventually led these companies to be pioneers in their respective industries.

Needless to say, COVID-19 has had severe implications for tourism throughout the globe, including and especially Singapore. Learning from the likes of Alibaba and Airbnb, tourism companies are urged to reimagine the tourism experience. How might we come back bigger, better and stronger?

Earlier this year, STB launched the Learn-Test-Build framework of transformative initiatives to enable tourism companies in Singapore to cultivate the necessary capabilities to thrive in a digital age. The first step of the Learn-Test-Build journey is the Tourism Transformation Index (TXI) – a self-assessment tool for organisations to identify their strengths, hone in on their weaknesses and understand the opportunity areas to fill in the transformation gaps. The TXI is the first stepping stone on the industry’s journey toward recovery and resilience.

This is an invaluable opportunity for the industry to reimagine what the path moving forward is to look like. Tourism stakeholders will need to make fundamental shifts in their ‘status quo’ operating models to address emerging needs. In fact, STB has identified five essential thrusts for the new normal –

- *Create contactless experiences*
- *Provide new experiences for products and offerings*
- *Manage crowds real-time*
- *Redesign workplaces for staff safety*
- *Maintain high sanitisation and hygiene standards^{3,4}*

These essential thrusts require sweeping transformation as opposed to small changes for them to be effectively realised. Through these forward-looking endeavours, the aim is not only to inculcate a digital-first mindset, but also make health and safety, and customer experience a key priority in a post-pandemic ‘normal’.

From where we stand right now, the road to recovery may appear to be an uphill one, but with the power of collectivism and every member doing their part, we can expect positive outcomes. The onus is not on individual tourism players, but the industry to embark on this journey toward transformation. Given the investments that STB has made in the areas of self-assessment, technology and training, the Singapore tourism industry is in a better position to do so, but tourism stakeholders are urged to make intentional, collaborative and collective efforts to remake the industry.

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It is anticipated that leisure travel is unlikely to return in any substantial way any time soon. In fact, the International Air Transport Association (IATA) projects that air travel is likely to make a slow recovery for the next five years³. While international Revenue Passenger Kilometres (RPK) (indicative of the number of kilometres travelled by paying passengers) may not recover to 2019 levels until 2023 or 2024, the upward turn of the curve gives impetus to tourism companies to rethink, reinvent and re-strategize⁵.

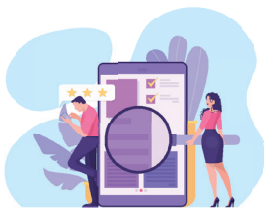
While the industry is set to rebound in the near future, the landscape as we know it will be transformed forever. As previous demand prediction models are likely to be rendered irrelevant, tourism companies are going to have to rethink who their customers might be, and how to manage traveller volume. For one, the pandemic has had severe economic implications, leaving many prospective travellers less well off than before. As such, many travellers may seek out vacation options closer to home, instead of spending extensively on grand, international adventures. For Singapore, this means that for the near to mid-term future, a majority of visitors will constitute travellers from the region itself. Additionally, travellers are likely to be far more fiscally conservative and look for more 'value for money' options as opposed to grand luxury. This in no way entails a deterioration in the quality of tourism offered in Singapore but urges tourism stakeholders to identify means of optimising the traveller experience for every dollar spent. Travellers are looking to deviate from standardised 'one-size-fits-all' experiences toward more empathetic, personalised journeys.

Shifts in consumer trends have also become imminently apparent. As countries buckled down during the pandemic, organisations and individuals became increasingly reliant on technology as a source of entertainment, as a way of working and an avenue for communicating. Live-streams of concerts and webinars, video conferencing and virtual escapades have become the new norm, giving people access to the world from their armchairs. The digital to physical experience and vice versa is likely to become seamless. Lastly, the pandemic has underscored the detrimental effects of mass tourism, wherein travellers expect more customised experiences as opposed to generic offerings.

COVID-19 has served as a compelling impetus for organisations to digitalise at a rate quicker than ever before. Within Singapore itself, 73% of organisations have expedited their digitalisation efforts since the pandemic⁶. The clear winners have been technology and e-commerce companies due to their digitally-focused business models and are set to emerge from this crisis stronger. Taking a leaf out of their manual, it is imperative that tourism companies adopt a transformation mindset, and to enable that STB has developed the Tourism Transformation Index (TXI) for organisations to kick start their journey. Singapore's tourism industry must work to uplift the entire industry uniformly – it is not about competitive advantage among local peers but coordinated collaboration within the industry. If organisations had already set out on a transformation journey, this is the time to accelerate efforts, and if organisations were waiting for the right time, this is it!



STB'S POINT OF VIEW ON TOURISM TRANSFORMATION



Alignment on direction:

While tourism stakeholders may understand that they need to transform certain areas of their business, the TXI will help provide a vision for what that aspirational state might look like. Having alignment on the 'north star' is key to effective transformation. TXI will provide all stakeholders of the business some common ground to work towards and provide clarity on the company's strengths and areas of improvement.



Measurement of progress:

Once companies identify an aspirational state, they can continue to take the TXI assessment on a year on year basis to gauge their transformation progress. Similar to a diagnostic test, companies will have an objective quantitative and qualitative means to assess their maturity level. This will in turn allow tourism stakeholders to make decisions pertaining to prioritisation and resource allocation, enabling them to pivot if need be.



Continuous change:

It is worth noting that transformation is not simply a one-time effort, but an ongoing one. In an ever-changing landscape such as this one, companies are forced to reinvent themselves to meet changing needs and to continue to stay relevant. Tourism stakeholders might find that what might have been deemed 'leading practice' a few years ago has been disrupted by new business models. As such, companies are urged to continue to take the TXI over time to understand where they stand, but more importantly, where the industry is headed.

INTRODUCTION TO THE TXI FRAMEWORK FOR TOURISM TRANSFORMATION

TXI was developed to help organisations achieve their optimum level of transformation, and in turn benefit not only themselves, but uplift the entire tourism ecosystem in Singapore. It is a self-diagnostic tool that aims to help tourism stakeholders identify their current state of transformation, recognise their improvement areas and prioritise these gaps. Through this self-assessment, organisations can better understand where they are required to invest more resources as opposed to taking a broad-spectrum approach in resource allocation for transformation efforts. The TXI is built on the framework below and it hinges on six key domains which is outlined in the subsequent pages:

FRAMEWORK OF TOURISM TRANSFORMATION INDEX



Driving enterprise growth through
Transformative Leadership



Systematic Innovation



Streamlined Process



Customer Focused



Data Driven



Technology Enabled

ENTERPRISE GROWTH



TRANSFORMATIVE LEADERSHIP: Leading with a purpose

For the transformation agenda to be truly successful, it is imperative that all members of the organisation are fully aware of their role in the transformation efforts, especially the leadership. It is important for the organisation to document the necessary intentions and plans, identify ways to measure outcomes both on an organisational level as well as individual, monitor closely and adapt when needed. Transformation is not solely pertaining to ways of working, but to mindset and culture as well. Employees must embrace the entrepreneurial mentality to fully realize the benefits of transformation.



CUSTOMER: Putting the customers at the centre of the ecosystem

Customers perceive overall experience as the end-to-end journey from pre-arrival, arrival to post-arrival. In the service economy where products and services offered become generic and available anywhere, customers seek companies who can provide personalised products and service offerings, catering to their needs and wants. Matching experience and aspiration this way is dependent on a wide range of success factors and requires some deep reflection. Putting customers' experience at the centre of business decisions, making efforts to understand what they need and how they behave, and subsequently delivering distinctive and compelling customer experiences seamlessly across online and offline channel are all imperative for organisations to become the destination of choice.



DATA: Leveraging on data to develop deeper insights

It is essential for organisations to tap into the wealth of data available to them to truly understand their business and the market. Before an organisation can fully leverage on data to derive insights and drive business value, it needs to foster the appropriate culture, develop the relevant competencies, have in place the necessary tools and platforms and establish the necessary infrastructure to effectively manage the data.



INNOVATION: Engendering an innovation culture

Innovation involves deliberate application of knowledge, imagination and initiative, and includes all processes by which new ideas are generated and converted into useful products or services. Innovation is an important driver of growth as it allows organisation to create more efficient processes. superior services and products resulting in better productivity and performance.



PROCESSES: 'Disruption-proofing' the organisation

True transformation is organisation-wide. For an organisation to truly undertake this journey, it needs to have in place processes, policies and systems that ensures the viability of the business. This domain serves to assess whether the organisation has its backbone functions in order and has streamlined its processes to ensure productivity, has optimised its day to day business processes to meet business objectives and has the necessary contingency plans in place to ensure business continuity.



TECHNOLOGY: Taking advantage of technology

A successful transformation requires the enablement of technology, which can be leveraged on with a comprehensive IT Architecture and systems framework. An open and dynamic IT system coupled with stringent cybersecurity best practices ensures and allows the sharing of information across the Tourism industry and government. To stay ahead of the curve, it is important for the organisations to proactively identify emerging technologies, co-develop technology roadmap with partners and measure the success of strategic initiatives. Employees are at the heart of every successful transformation effort, their proficiency in leveraging on technology to enhance business value is crucial.





OPPORTUNITIES FOR TRANSFORMATION IN THE TOURISM INDUSTRY

Value adding to exceed changing customer expectations

The burning question for the tourism industry moving forward is going to be, 'what value proposition will make Singapore the destination of choice?' With information at their fingertips, customers are more equipped to make educated decisions than ever before. In a post-pandemic world, the evaluation criteria for travellers will be heavily influenced by health and safety considerations, as well as the country's credibility in managing the crisis in the first place. These marked changes in evaluation criteria are bound to translate to changes in business practices. Organisations will be presented with the challenge of emphasizing on cleaning and sanitisation policies, while not compromising on the overall customer experience. It is likely that these policies may even become essential for event bookings. As people will start to seek out venues which provide the most safety against disease and infection, cleanliness and hygiene are set to become competitive factors among tourism hubs. Singapore may have all the relevant measures in place, but the key is in communicating and spreading awareness about the same. It is worth considering how tourism stakeholders might share with prospective travellers a slice of the Singapore experience within the comfort of their homes to pique their interest and assuage any concerns they may have.

While health and safety will be paramount, tourism stakeholders should continue to keep experience-related considerations front of mind as well. 'Personalisation' has become a commonly used buzz word about customer experience, but that is not without reason. Far gone are the days of generic itineraries and standard experiences as today's travellers, particularly the millennial demographic, view personalised experiences as an expectation rather than an added value when choosing their travel partners. The current pandemic has not caused a deviation from this rising trend but has created an impetus to get there faster. In a post COVID-19 world, there will be a clear shift from broad spectrum sales to customised customer care. The ask from the industry is not to simply meet customer demands, but to exceed them.

As industries will look into deploying precious man power resources to areas that matter, Artificial Intelligence (AI) can be deployed to automate menial work processes and augment service delivery. For instance, the Shanghai airport already uses facial recognition technology to facilitate and expedite, seamless and contact-free experience for guests. Similarly, the hospitality industry may choose to leverage on Virtual Assistants to welcome and answer common guests queries, while attractions could use the same for ticketing and admissions. Similarly, ChatBots allow

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customers to resolve queries without having to experience long wait times on the phone.

While most tourism players in Singapore may be present in multi-channels today, the next step is in understanding how they can move toward omni-channel and subsequently opti-channel. In light of COVID-19, many organisations are compelled to up their digital presence. While this is a step in the right direction, organisations need to assess whether these digital channels work seamlessly with the analogue ones and vice versa, ensuring vital information flow between the two. Customers should have the ability to interact with organisations through the channel of their choice - anytime, anywhere - and provide accurate information through one avenue and have it reflected consistently everywhere else.

Technology implementation or transformation efforts are futile, unless driven by a clear purpose. One can only speculate as to what customers are going to desire from their travel experience in the new normal, and these needs may be ever-changing as well. Having a robust Voice of Customer program, to create a feedback to action loop, will allow organisations to stay ahead of the curve and make iterative changes in real time, as opposed to one-time overhauls. Additionally, real time feedback will allow organisations to better understand the customer experience at specific points within the customer journey.

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Voice of Customer program that gave them real-time data on visitors' sentiments.

A mid-size attractions company *Singapore Heritage Museum (SHM)** had not invested much in transformation efforts, but had high aspirations to be transformational. Although the museum had a good flow of tourists and local visitors due to good content, they were unable to provide the desired visitor experience. Despite having a good flow of visitors, the museum was not seeing any growth in visitorship over the years. Since they had no view of who their customers were, they were unable to customise the visitor experience, nor improve the marketing and customer engagement. Due to this, visitors tended to leave negative reviews online, which was tarnishing the museum's reputation.

Upon doing the Tourism Transformation Index (TXI) assessment, SHM found that they were far behind industry benchmarks with regard to customer experience. As a follow on to the TXI, SHM worked to develop a three year roadmap for their customer experience

transformation efforts. Over time, they developed a Voice of Customer program that gave them real-time data on visitors' sentiments. Through social media listening, they were also able to better curate their galleries in line with their visitors' preferences. Not only did SHM begin to feature in renowned travel blogs, but became a case study for other museums around the world. When SHM took the TXI assessment again a few years later, they found that they had made significant progress in the areas that they had set to improve.

A SHIFT FROM REACTIVE TO PROACTIVE THROUGH DATA

Singapore attracts approximately 19 million visitors on an annual basis, who leave a digital footprint in one way or another - be it through online bookings, digital payments or search engines to name a few. Customer intelligence is not just a key differentiator among competitors anymore, but a hygiene factor for organisations. Insights from customer data can not only help to manage day-to-day running of the business more efficiently, but also identify opportunities to delight customers and seek gaps to innovate. Tourism organisations can leverage on data and analytics for the following purposes -

- *business optimisation*
- *customer experience management*
- *innovation*^{7,8,9}

All organisations strive to make their businesses more efficient, drive down costs and increase revenue. When done right, data and analytics can play an invaluable role for all three business outcomes. Using organisational data from the past and present, organisations can forecast future business trends and in turn run a more efficient business. For instance, by analysing visitor data, tourism players can be nimbler in staffing resources through a dynamic resourcing model that is synchronised with the fluctuations in tourist density throughout the year. As such, organisations need only be staffed as per the workload in any given season. Similarly, analytics enables organisations to constantly keep a pulse on different parts of the business

and proactively make amendments to the business in accordance with changes to the market and customer needs.^{10,11} By leveraging on IoT-connected devices, hotels can easily monitor guest experience and identify areas of improvement while streamlining the management system for staff through improved maintenance processes, automated check-in or even robotic room service. Therefore, data is a powerful asset to keep organisations in Singapore's Tourism sector sustainable and resilient.

On a daily basis, a wealth of customer data is generated with every click, search and download. Organisations have a better picture of who their customers are now than ever before, so they would be quite remiss in not leveraging on the information and analytics tools available to harvest some of this for their own purposes. Data enables organisations to generate patterns, effectively analyse trends, curate experiences and put out well targeted marketing content. Intelligence also allows companies to work in an agile fashion and meet their customers' needs in real time. One of the best examples of a company with a robust data strategy is Netflix. The streaming platform is able to personalise the content to its users down to the thumbnail of the shows and movies. Netflix uses all the data collected through its platform to push curated recommendations, boost brand messaging and optimise every single users' experience.¹² If similar strategies were to be applied in Singapore's



Tourism sector, every single visitor would be subject to a unique experience especially curated for their predilections. In order to stay competitive and stay relevant, tourism stakeholders need to have a current understanding of what travellers are seeking, their behaviour and their preferences.

As organisations grow, the penchant for innovation tends to take a back seat, and businesses face difficulty in understanding which customer gaps to address next. Tourism players need not go this journey alone when there are innumerable partners out there brimming with opportunity. Information collaboration serves as the first step toward service and product innovation. By analysing collective data, players in the tourism industry may find that some problems are not unique to their organisations and may require a more integrated solution involving an ecosystem of stakeholders. It is worth noting that information collaboration need not solely stem from ownership.

In summary, there is no lack of information available to tourism companies to work on, but the key is in developing the necessary capabilities and adopting the appropriate tools for making sense of it. With the rise of 5G and IoT, most digital platforms are likely to be interconnected within the next decade, so the question remains – how will organisations choose to ride the data wave in the new normal?

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Reliant on Business Intelligence to make informed business decisions.

A large MICE company called *Events & More (E&M)**, specialising in trade events, had already taken some steps to invest in transformation efforts on a need-be basis, but the organisation did not have any transformation ambition. Looking to optimise some of their processes, E&M decided to take the TXI assessment to identify the priority areas within the business. Through the results of the assessment, they came to realise they were far behind their peers in adopting new processes, and especially in leveraging on technology and data. The TXI results gave the senior management a glimpse of what ‘gold standard’ looked like, giving them an end state to aspire for.

In order to best optimise their resources and reduce costs, E&M set forth on a mission to become a more data driven organisation. With the help of STB’s Singapore Tourism Analytics Network (Stan), E&M was able to better forecast for the future – deploying resources corresponding with seasonal needs. Over time, a majority of the company’s

employees, from junior executives to senior management became reliant on Business Intelligence to make informed business decisions. Not only that, the data they collected through their events was anonymised and fed into Stan. The anonymised data when amalgamated with other contributors had generated useful insights on the end to end visitor journey for themselves and complimentary tourism companies to use as well. What started off as a hygiene exercise went on to become a competitive advantage for E&M.



REIMAGINING THE WORKPLACE AND WORKFORCE

COVID-19 has been a disruption to the typical way of working like none other before. In a matter of months even economies like Japan that traditionally had no culture of working from home have been forced to adapt to flexible working arrangements.¹³ Organisations throughout the globe have been making quick changes to adapt to these circumstances, and in turn modifying the employee experience. As major tech giants such as Google publicised that they will be allowing all their staff to work from home until 2021, the big question on everyone's minds has been "are these changes here to stay?". It is worth noting that this transition was well underway, although the pandemic accelerated its inevitability. As the association of 'work' with the 'workplace' has diminished, and the social stigma of flexible working has been nearly overcome, employees are likely to avail these working arrangements even long after the pandemic.

These transformations in the way of working are also eradicating the notion that company culture and values are tied to a work 'place'. The manner in which an organisation mobilises in adversity is a testament to its cultural values. To ensure employees are feeling adequately supported through any major change, it is imperative for their feedback to be sought and analysed periodically. A study conducted by Qualtrics showed

that employees who are asked for their feedback during organisational change are likely to be more engaged than those who are not. As such, showing sensitivity and empathy toward employees is key to aligning them to the organisation's desired cultural values.¹⁴

Aside from remote working, there are several other people-related trends being observed by organisations globally. Across different sectors and industries, the past few months have been fraught with furloughs and retrenchments as organisations have buckled down in preparation for a stormy path ahead. In this time of economic uncertainty, which is likely to persist even post pandemic, organisations are increasingly adopting non-standard work models and resorting to a contingent workforce.¹⁵ A contingent workforce - or 'gig' workers - allows organisations a higher degree of flexibility, while reducing workforce management costs. In fact, a study by Mercer claims that 77% of executives surveyed believe that freelance and gig workers will substantially replace full-time employees within the next five years.¹⁶

In the tumultuous, volatile environment that is to follow, organisations must focus on acquiring the relevant skillsets required to achieve strategic outcomes, as opposed to merely filling in certain roles. As the organisation transforms, new responsibilities may emerge, rendering some of the more typical roles

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obsolete. Singapore's tourism stakeholders are encouraged to look ahead and identify some of the core skillsets that will be required given some of the emerging transformational trends. As an industry, Tourism must look to better analyse the skills of the future, identify skill gaps in the current workforce and proactively move to bridge some of these gaps.¹⁷ Organisations may even choose to tap into the numerous digital upskilling resources offered by the Singapore Government to uplift their workforce. This drive toward learning and development serves a two-fold purpose – it not only creates a highly relevant workforce, but a highly motivated one. For example, when two of Hotel Jen's properties in Singapore deployed 'Robotbutlers', the robots supported the staff by taking away repetitive tasks and allowing them to focus on personalised interactions with guests.¹⁸

The future of work will bring with it the ability of employees to curate their own careers, establish their own rules of engagement and move fluidly across and within industries. With job responsibilities in flux, the impetus lies on organisations to shift the focus to skills instead of roles, encourage an environment of learning and continuous education, and to strive to meet employee expectations.¹⁹ In his Labour Day speech earlier this year, Singapore's Prime Minister Lee shared with the public, "Significant structural changes to our economy are likely. Some industries will be disrupted permanently. Companies will have to change their business models to survive. Some jobs will simply disappear. Workers in these industries will have to re-skill themselves, to take up jobs in new sectors."²⁰ Now it is on the Tourism industry to create the workforce of the future.



Digitalisation efforts were being rendered futile due to employees' resistance in using new technologies and processes.

A mid-sized local hotel chain *Comfort Inn** had been under pressure to reduce their reliance on low skilled foreign workers due to tightening government policies. Additionally, they also found through their TXI assessment that some of their processes were inefficient, making them highly resource intensive. *Comfort Inn* was also spending a significant proportion of funds on digitalising, but to no end as the hotel's staff would continue to engage in the old ways of working having been accustomed to them for long.

The hotel's digitalisation efforts were being rendered futile due to employees' resistance in using new technologies and processes. Seeing that, *Comfort Inn*'s leadership thought it would be beneficial for the hotel's staff to attend some upskilling courses with STB's Tech College to acquaint them with some of the technologies being used. As staff became more proficient in their job roles, less personnel were required for given tasks, allowing the hotel chain to repurpose their skillsets. For instance, as the hotel began using robots for room

delivery, the room service staff were reassigned to other duties within the hotel. Not only that, but seeing the variability of seasonal demand, the hotel encouraged some of its staff to take on other jobs in the service industry during off-peak periods, and leverage on those skillsets upon returning to the hotel during peak season. This level of flexibility not only improved staff morale, but also rendered productivity gains to *Comfort Inn* as employees would return to the hotel chain having acquired transferable skills from their time elsewhere.

AN AGILE BUSINESS - A RESILIENT BUSINESS

Since the term was brought to light twenty years ago by Clayton Christensen, a Harvard Business School professor, 'disruption innovation' has referred to the supplanting of existing industry incumbents by new entrants who innovate the status-quo. New technologies and new ways of working are constantly upending the long-revered and established business models. These innovations enable newcomers to strategically target customers, improve operational efficiency, or provide existing products / services at a reduced cost. Although these trends may not be easily predictable, their effects can certainly be mitigated through proactive trend-spotting and planning.^{21, 22, 23}

The circumstances of the past year have highlighted to businesses that disruption may not be innate to the industry and as gradual as earlier imagined, but more radical, universal and extraneous. Even the most forward-looking companies would have been hard-pressed in anticipating an event such as a pandemic that would go on to bring entire industries to their knees.

With the imposed travel restrictions, and fear among potential travellers, the effects of COVID-19 are likely to be long lasting. Although, this event could not have been anticipated, some organisations will emerge from this better than others because of their quick decision making and high degree of adaptability. If businesses were not already sold on the benefits of business resilience planning, there could be no greater stimuli than the events of this past year. As occurrences such

as these are likely to be more frequent and of greater magnitude, it is imperative that Tourism stakeholders adopt rigorous and comprehensive business resilience measures in preparation for the rocky road ahead.

The pandemic has exposed how woefully unprepared even large businesses are in the face of volatility and uncertainty. In efforts to be reactive, organisations resorted to band-aid measures, resulting in layoffs and depressed staff morale. In a time of uncertainty, there is only so much an organisation can draw from past experience, which is where businesses must turn to strategic foresight. The Dutch oil company Shell exemplifies the importance of such strategic foresight. Since the 1970s, Shell has been undertaking rigorous scenario planning exercises on an annual basis, so when the Middle Eastern countries began competing against the incumbents in the oil trade causing price shocks, Shell emerged relatively unscathed as compared to its competitors. By articulating and imagining possible future scenarios, business managers are forced to think about the implications to their business and how the organisation may weather these tribulations.²⁴ With the rising volatility, Tourism stakeholders are urged to take a leaf out of Shell's book and adopt periodic scenario planning exercises as opposed to reaction to one-off events.

Another good practice for organisations is to view change as the norm. The e-Commerce conglomerate Alibaba's founder Jack Ma considers change, instead of



stability, to be default. This view keeps the organisation constantly evolving through incremental change as opposed to a reactive overhaul.

Adopting an Agile approach, enables businesses to innovate, test and reiterate continually. The Agile approach need not just be limited to technology adoption, but process optimisation and business model renewal as well. 'Agile' is not just adopted, but carefully embedded within the organisation – it is a way of working that must be translated across all levels in order to achieve optimal outcomes.^{25,26} For instance, while COVID-19 brought most tourism businesses to a standstill, some organisations used the opportunity to introduce new digital-physical hybrid business models to reach their customers. Sentosa identified a way of bringing their experience to the homes of travellers through 'Sentosa Crossing'. This gamified version of the recreational destination was inspired by Nintendo Switch's Animal Crossing and allows customers' avatars to experience the rides and attractions that are available at Sentosa.²⁷

There is an overarching shift from risk management toward business resilience. The Tourism sector must look to transforming the business model towards one that allows the business to thrive through adversity, as opposed to simply survive in volatility.

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Travellers were seeking more personalised experiences as opposed to prescriptive ones.

A small Singapore based travel agency 'Travel Around'* had been in the market for nearly twenty years. They had a loyal customer-base comprising middle-aged to older customers seeking packaged tours. Travel Around had legacy systems and did not make any significant investments to upgrade or integrate new functions. Similarly, their employees had been with them for a number of years and were accustomed to the way of working. Most processes were quite manual, and therefore turnaround times were far below industry standards. The travel agency suddenly found itself competing with travel websites that had digitalised the entire travel planning and booking experience. Travel Around's customer-base began to diminish at a rapid rate as people moved to these online platforms, and increasingly deviated from packaged tours to free and easy holidays. Travellers were seeking more personalised experiences as opposed to prescriptive ones. Soon, Travel Around found itself completely disrupted and faced an urgent need to reinvent its business.

The agency's TXI results showed that the agency was in fact ill-equipped for change and adversity as it did not have a comprehensive business plan. Additionally, employees and systems were set in old ways, inhibiting the company from adapting to the landscape. With this information in hand, Travel Around unfortunately decided not to act on it, widening the gap between them and their peers. The business continued to struggle to stay relevant in a rapidly changing landscape and soon went out of business.

REDEFINING WHAT IT MEANS FOR CONSUMERS TO 'TRUST' THE COMPANY

Globally, Singapore has been lauded for its ability to control the spread of the virus through rigorous measures such as contact tracing, self-check-in and an emphasis on health and hygiene measures such as temperature checks and availability of sanitisation materials. These efforts have not been conducted in isolation by a singular agency or organisation but are a cumulative effort of industries working with the government to put necessary measures in place. This level of coordination has required extensive sharing and management of sensitive data including individuals' geolocation information, travel history and personal health records. Emerging from this crisis, data and technology will continue to play a pivotal role in the management and prevention of such crises in the future.

It would be inadequate to talk about data without addressing the inherent data governance and privacy risks intertwined with it. Collection and storage of personal information such as geolocation and personal identity is bound to raise concerns among patrons regarding privacy. Zoom, which surged to popularity but encountered numerous cases of data breach earlier in the year, is a testament to the notion that data and privacy concerns may as well be two sides of the same coin.²⁸ On the other end of the 'trust' spectrum, as South Korea embarked on the aggressive use of digital contact tracing methods, the Centre for Disease Control and Prevention simultaneously published new guidelines for patient data collection and disclosure, which included policy pertaining to time limit of logs, range of contacts traced and personally identifiable information.²⁹ As such, it is imperative that in order to bolster trust among visitors, industry stakeholders should incorporate robust data governance policies and practices to allay such apprehensions.

Despite all the pandemonium, the one benefit this pandemic has brought with it is a heightened sense of hygiene. Throughout this period, people have become extremely cautious about cleaning their hands, touching their nose and mouth and avoiding physical contact to a great extent. These marked changes in customer behaviour are bound to translate to long-term changes in business practices. It is likely that cleaning and sanitisation policies may even become items in legal contracts for event bookings. As people will start to seek out venues which provide the most safety against disease and infection, cleanliness and hygiene are set to become competitive factors among businesses. Hotels, F&B establishments and other venues are now seeking to obtain an SG Clean mark in an effort to raise confidence among travellers through an independent audit of cleanliness standards.³⁰ In a survey conducted by Qualtrics, 21% of the respondents indicated high trustworthiness of brands during COVID-19 times if they go above and beyond the safety standards and recommendations.³¹

Across the globe, establishments are taking a variety of measures to safeguard the health of their patrons. Marriott, which has been highly regarded for

its impeccable standards of cleanliness with robust processes and training in place, has created the Marriott Global Cleanliness Council. This council is set to address the dangers and the 'new normal' engendered by COVID-19. In the upcoming months, they will be rolling out new technologies such as electrostatic sprayers with hospital grade disinfectant to clean surfaces, and ultraviolet light to sanitise keys and other devices shared by guests.³² As airports have increasingly become breeding grounds for the virus, Changi Airport set out to clean and disinfect all those surfaces which experience high human traffic (e.g. touchscreens, handrails, buttons and play areas) up to four times a day. Additionally, the airport has also introduced ozone-infused water, which has found to be more effective than chlorine.³³ In the F&B sector, restaurants in Hong Kong are making efforts to separate diners using physical barriers to minimize physical contact and in turn the risk of transmission.³⁴

As is evident through some of these initiatives, 'trust' is likely to be a critical factor for travellers in choosing their travel destinations. Building trust is not simply a compliance checkmark exercise, but an ongoing process initiated by leadership and permeated through the organisation. In taking a customer-first approach, tourist stakeholders need to consider factors over and above the immediate experience considerations and take steps to instil a sense of comfort and safety among their patrons.

It would be inadequate to talk about data without addressing the inherent data governance and privacy risks intertwined with it. Collection and storage of personal information such as geolocation and personal identity is bound to raise concerns among patrons regarding privacy.



STEP INTO THE NEW NORMAL AS ONE

Across Singapore's tourism landscape, companies are at different levels of maturity, different levels of transformation and have been impacted by this year's turn of events in an innumerable variety of ways. The path that lies ahead is not simply of rebuilding, but of 'redefining'. In the new normal, business models are expected to change in light of changing customer needs and changing customer segments. Although the aim is for the industry to step into the new normal as one, each individual player will require do their part to aid in this collective progress. Understandably, every tourism stakeholder is at a different point in the journey and has a unique path ahead, but initiatives like the TXI aim to articulate a common goal to strive toward, unifying the industry in its vision. How might we strengthen Singapore's collective competitive advantage?

The TXI will enable companies to quantify their levels of transformation and chart the path forward through actionable initiatives. Initiatives such as STB's ThreeHouse will enable tourism stakeholders to collaborate with relevant partners and innovate new solutions, while Tech College will aim to hone industry players' technology and data skills to address new challenges. TXI will also enable STB to deploy specialised tools such as the Data Transformation Programme as well as the Data Analytics Shift (DASH) Programme to address specific gaps in the company. As a first step, do the TXI assessment and speak with an account manager from STB about the results and the tools at your disposal. With these resources at hand, tourism companies are urged to adopt a transformation mindset and commence planning for the mid to long-term future.

Although no single individual has the answer to what the future for Tourism may look like, it is certain that it will be vastly different from where we left off in 2019. Singapore is uniquely positioned in that unlike other Tourism industries that can rely on domestic tourism, we are almost wholly reliant on international travellers. While others embrace themselves for the 'new normal', we must ask ourselves, why should we return to normal at all?

“ *While others embrace themselves for the 'new normal', we must ask ourselves, why should we return to normal at all?* ”

Start your transformation journey with TXI today!



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