



The COVID-19 impact: what the road to recovery looks like for travel and tourism

The COVID-19 pandemic has caused an immeasurable level of disruption to the travel and tourism industry. To contain the virus, global travel restrictions and many border closures have resulted in a massive fall in international customer demand.

The first ten months of 2020 saw 900 million fewer international tourist arrivals compared to the same period in 2019, translating into \$935 billion lost export revenues from international tourism¹.

Many hotels were forced to close temporarily or operate at a fraction of their available capacity. Airports have taken a big hit on revenue due to flight cancellations and grounded fleets, such as Heathrow who experienced a 97% decline² in passenger numbers. In 2019, UK residents took 93 million trips abroad with more than 50% of travellers using airlines to reach their destinations. The aviation sector has faced sporadic changes caused by the pandemic, with flight cancellations, employee redundancies and furlough schemes. This resulted in airline financial losses accumulating to \$370 billion according to the International Airport Review.

Such sudden change in customer behaviour has undoubtedly shaken the travel and tourism industry, forcing organisations to adapt and pivot in response to external global factors. Overall, the global tourism industry has been reported to have lost £935 billion due to the Covid-19 pandemic. To survive, recover, and reposition themselves for the post-pandemic market, every organisation must re-evaluate their approach to business operations. Activating a new strategy with the ability to make faster, data driven decisions will play a crucial part in creating and capturing demand from a new kind of travel customer; and meeting a new set of expectations and preferences.

Using data to aid sector recovery

As one of the most affected sectors, the travel and tourism industry has the challenge of rebooting both during and beyond the pandemic. With many failed businesses and job losses since the pandemic started, it may take a while for the once booming sector to bounce back across the globe.

The aviation industry specifically has seen some of the biggest transformations it has ever experienced with how passengers travel.

With new health security measures put in place to ensure safety and protection such as social distancing, temperature checks and frequent sanitisation, this is now an unavoidable protocol. However, the implications and problems caused by COVID-19 are still being uncovered, creating many complexities when it comes to strategic planning. Experts have predicted that in the future there could be a travel boom in domestic travel. In addition, there has never been a greater need for accurate and timely data to be fully visible and provide insight, for example to:

- Aid the reopening of borders and destinations.
- Drive tourism policy improvements.
- Provide insights for fast evidence-based decisions.
- Help understand the market, including the COVID-19 impact.
- Design economic recovery policies and plans.

Insight will not only inform an organisation, but will also accelerate how quickly a business can respond to its market. With swift strategic responses, insight-driven organisations are able to confidently make decisions on whether they have innovated, or failed to adapt. "Insight has to be actionable," says Adatis Commercial Director Martin Philpott. He adds that many organisations have data, but data only becomes actionable insight when it allows the business to understand transactions or a business process.

While some countries are emerging from lockdown, others are taking two steps back. Nobody knows what the new normal will bring; whether widespread vaccinations will dictate a more stable outlook permitting more people to travel more freely. Or whether continually mutating variants signal a new era of ongoing uncertainty, and a world constantly pivoting between lockdowns. What we do know is that for the travel and tourism sector to adapt and survive, a new approach will be needed when it comes to data utilisation and data management. Data processes, skills development and the right infrastructure must be in place to ensure all areas of an organisation can use the data effectively. This will then benefit both customers and organisations.

An inability to adapt to the changes will result in organisations falling victim to revenue shortfalls, losing competitive advantages, ineffective business models, economic downturns and rises in job redundancies.



¹ UNWTO ² Heathrow

Heathrow Airport uses COVID as a time to transform

In the case of Heathrow Airport, with the sharp fall in passenger numbers, 2020 has been a time to reflect and reform. In doing so the organisation has been able to define what was needed to recover with more resilience and become better equipped to survive an uncertain future.

A complete organisational change played a key part in allowing Heathrow to re-evaluate its approach to data transformation. Like many other airports, the organisation had huge amounts of data scattered and siloed across multiple departments and systems. To bring data together and gain valuable insights that would support its recovery strategy, Heathrow selected Adatis, a Microsoft Gold Partner for DevOps, Data Analytics and Cloud Platform, to build out a new comprehensive data platform using Microsoft technology.

Adatis and Heathrow shared a vision to add new business intelligence (BI) functionality in two key areas:

1. **Cargo:** leverage cargo data to drive efficiencies across the delivery of cargo
2. **Retail:** utilise EPOS and shop data to maximise revenue at the airport

"We found in Adatis a partner that can share a vision and a way of working... There was a very open culture right from the beginning. It is about confidence, maturity, and the ability to listen. It is all about the partnership, from a holistic set of packages to the lunch-and-learn sessions, which provide some great lessons to the business." - Andy Isenman, Head of Technology: Cloud and Data at Heathrow Airport



Driving cargo and retail revenue through intelligent data insights

The first phase of the project was focused on Heathrow's cargo division. Despite suffering a decline in passenger numbers, cargo demand remained strong - requiring a major change in its operating

Adatis worked with Heathrow to firstly understand the incumbent Heathrow Insights Platform (HIP). The team were able to use their professional service expertise combined with the Adatis Data Platform Framework to provide a flexible delivery model tailored to Heathrow's objectives, dedicating an overarching architect and a DevOps team to deliver all the backlog items. Adatis also provided the flexibility to spin up delivery squads when Heathrow needed, to support the organisations goals and deliver at pace.

The Adatis Data Platform Framework has been extensively used on hundreds of client projects, to underpin and fast track the development of enterprise data platforms. Developed over many years based on industry best practices, it is constantly updated and enhanced to make the most of the technology developments released by Microsoft.

As cargo levels continue to increase Heathrow can offer partners improved access to cargo data, with increased flexibility from the Adatis developed platform.

The HIP is also allowing Heathrow to understand its own operations, so it can discover and manage a diverse range of demands. The airport can plan the surface access points for Heathrow staff based on where they live and how they travel to work, and access retail insights that can be used to maximise revenue generated from its stores.

By combining this with flight departure intelligence, Heathrow can determine the best positioning of gates. With these insights, gates can be strategically re-positioned to ensure maximum footfall from the right customers at the right stores.

Adatis is supporting other airports in a similar way. By using non-critical intelligence (AI) and machine learning (ML) the team can develop comprehensive and complex data science models that can for example, look at generating best pricing options for package holidays.

"In the cargo operations of Heathrow, we are now able to calculate the value of the cargo held, as Heathrow is the largest port in the UK and air cargo became more important to the UK economy as a result of the pandemic." - Andy Isenman, Head of Technology: Cloud and Data at Heathrow Airport.



The importance of data in a post pandemic world

There’s no denying that the travel industry is going through a seismic shift. Revenues from traditional business models have disappeared overnight and are not expected to return any time soon – with some organisations uncertain whether they will recover to pre-pandemic levels.

What we do know is that for those that can harness data in the right way, there are huge opportunities. For example, speeding up the customer journey, digitising and streamlining operations, and developing highly targeted advertising campaigns that drive new growth. We also know that the pandemic has brought about dramatic changes within a short space of time, a time that many forward-thinking travel organisations have used to reassess, learn from old ways, and evolve. Data has never played such an important role, with the potential to help businesses react faster, adapt to ever-changing policies, and make better decisions based on actionable insight.

With the number of travel bookings growing, industry experts predict an unprecedented travel boom within the next several years⁵. Now is the time for organisations to implement a data strategy and platform capable of helping them assess scenarios and prioritise actions accordingly. And most importantly, to become more resilient, and fully capable of building a sustainable future for the industry as they begin their post-crisis recovery.

To learn more about how Adatis helped Heathrow drive cargo and retail revenue, and shape its data strategy of tomorrow, listen to our podcast or head to our case study.

Or for more information on how to unlock the power of your data and drive faster, more informed decision making, get in touch with one of our team today.



Adatis offer professional services specialising in data analytics, from data management strategy and consultancy through to world class delivery and managed services.

With offices In London, Farnham an Sofia they have been delivering innovative and successful solutions for clients since 2006.



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