

## **Future Trends Report**

### **Based on Analysis of the Team's Chosen Community / Organisation in Mid-Term and Final Evaluation**

**Group ID: 10-27**

**Community / Organisation Studied: Travel industry**

#### STEP 1. Identify Challenges

##### Challenge 1 :

Leisure travel may not be viable anymore, as people are more cautious and may not want to risk getting infected after travelling. After this pandemic, there will be more awareness about hygiene and people may not want to travel abroad for fear that they may contract COVID-19. Especially since the virus is always mutating and forming new strains, vaccines may also require booster dosages or even become useless against the virus. As such, the threat of COVID-19 will always be there, even if its status as a pandemic is no longer the case. Furthermore, for leisure travel to occur, both countries need to have similarly effective measures in place to prevent the virus from spreading again. Even if everyone in a certain country is vaccinated, not everyone in the other country may have been vaccinated, therefore there is always the possibility of the virus spreading again. Travellers would not want to take that risk. As of January 2021, the International Air Transport Association has predicted that passenger volumes are not expected to return to pre-coronavirus levels until at least 2024. This further shows that leisure travel is very problematic, and involves many different moving parts. As such, leisure travel may no longer be a viable option.

##### Challenge 2:

With the rise of telecommunication during the pandemic, business travel may no longer be necessary anymore. Telecommunication saw massive rise in popularity during the COVID-19 pandemic as many countries were forced into lockdown to curb the spread of the virus. People were not allowed to leave their homes for the workplace, let alone travel overseas for business travel. This resulted in people discovering a new way to carry out their meetings without being in the same physical room. New platforms such as Zoom and Google Meet rose to popularity and more people discovered the benefits of telecommunication as we could see and hear others, almost as if in the same room, no matter how far apart we are physically. Especially for schools and business meetings, telecommunication platforms were very useful with their "screen-sharing" features that made presentations much easier. Telecommunication is a free alternative to business travel, which also costs a lot of money and time to travel overseas. Given the

benefits of telecommunication which outweigh those of business travel, business travel may be deemed redundant and replaced by telecommunication.

### Challenge 3 :

A reduction in travel can reduce carbon emissions, thus the rise of telecommunication can replace travel for good and save the environment. Motor vehicles and planes tend to release a lot of greenhouse gases, such as carbon dioxide, with 2% of all human-induced carbon dioxide emissions caused by the aviation industry. Aviation is also responsible for 12% of carbon dioxide emissions from all transport sources. This can contribute to more greenhouse gases in the atmosphere, which will contribute to climate change and global warming, which will have a long-term impact on the Earth. Furthermore, with the introduction of telecommunication, there may not be a need for travelling which will also help to save the environment from pollution and reduce the impact of global warming. This will further discourage people from travelling abroad.

### Challenge 4:

The ability to travel depends on a country's success in dealing with the spread of the virus. If the Virus were still to be present in the said country, then travelling would simply be not only a socially irresponsible behavior, but also possibly a new way of starting a new wave of infections. This is especially possible when factoring in all the new variants that are developing. For example, in Singapore, the most prevalent variant is the Delta variant. As at May 31, a total of 940 local and imported infections have involved a variant of concern. There are four such known variants here. The Delta variant, also known as B.1.1.7, forms the bulk of cases with variants in Singapore, at 550 patients, according to the Ministry of Health (MOH). This variant is responsible for more than 50% of Singapore's new cases. This actually shows just how potent the Delta Variant is. Imagine if it was not taken care of and people start travelling to and fro. Just how many people would end up getting infected?

### Challenge 5:

Vaccine passports may not be as viable as they seem. Although only having vaccinated individuals travelling can reduce the spread of the virus, the feasibility of getting everyone vaccinated is uncertain. According to our interview with Ms Amy Kong from NATAS, it will be difficult to ensure that everyone in the world is vaccinated, because it depends on many governments' ability to increase vaccination rates. Especially for many poorer countries who may not have had access to the vaccine, travel to and from these countries will be impossible. Furthermore, not everyone is medically fit for the vaccine, and not allowing them to travel may seem unfair. For a vaccine passport, there has to be standardisation between different vaccine brands and their respective efficacy rates. With the virus also constantly mutating, vaccines may increasingly lose their effectiveness, and booster shots will be required, which will further complicate countries' vaccination programmes, since new requirements will have to be met for a vaccine passport. For a vaccine passport, there must be international cooperation, and with

different countries developing and favouring different vaccines with different efficacy rates, cooperation seems very difficult.

## **STEP 2. Craft the Underlying Problem**

### **Incorporating Challenge(s) # 1&4**

**Underlying Problem:** Given the impact that the pandemic has had on the travel industry, how can we help both airlines and tour companies mitigate the economic impact caused by the Covid-19 pandemic while also satisfying travellers who wish to visit other countries?

## **STEP 3. Produce Solution Ideas**

Generate solution ideas to the Underlying Problem in Step 2. Choose the 5 most effective solutions and write the elaborated ideas in the space provided. Include applicable research with appropriate in-text citations.

Solution 1:

Travel agencies can resort to promoting local tour packages. Travel agents can promote local tourist destinations and organise tours to these places for the locals, since international travel is restricted. In Singapore, this can be used together with the SingapoRediscover vouchers. This will help travel agents to maintain a source of income from these local tours, and travel guides can also earn work and money from this. This will help to mitigate the impact of the restricted international travel as a result of the pandemic. For example, travel agencies can organise tours around Sentosa Island to the tourist attractions, or organise tours to other more remote parts of the country, such as the numerous other islands surrounding the mainland.

## Solution 2:

Travel agencies can also partner with hotels and roll out staycation packages. This will allow customers to stay at hotels and enjoy the amenities and facilities of the various hotels at discounted rates. This will attract more customers as they can stay at many luxurious hotels and can also enjoy many of the amenities that may not usually be available to them. Since many hotels always have different events and programmes that usually require additional administration and additional fees, most people would be hesitant to try them, especially if they are expensive. Including these additional services in a staycation package will attract more customers who are looking to enjoy these services at a discounted rate, or those looking to make the most of their money.

## Solution 3:

Travel agencies can start to roll out cruise packages, where customers can take cruise trips that have no destinations. These packages allow customers to enjoy the same activities and enjoy themselves out in the sea. It provides them with the opportunity to take a break from their daily hustle whilst enjoying various forms of entertainment and ocean scenery. This can be a way for travel agencies to provide services despite restricted international travel. These deals can also be offered at a discounted rate, which would be more attractive to customers who are just looking for a short holiday. Although it might not be the same as overseas trips, it is still a way for people to enjoy themselves and also helps travel agencies financially.

## Solution 4:

Travel agencies can develop points and membership systems to encourage more people to sign up for the current travel packages, be it domestic travel, cruises or staycations that may be available. The points can be accumulated such that once more travel options are available, the points can be cashed in for discounts when they travel anywhere. This will encourage more people to sign up for current tour packages so that they can enjoy benefits in the future. This will boost the income of the travel agencies even when the pandemic restricts people's travel options, hence mitigating the financial impact of the pandemic on these agencies

## Solution 5:

Travel agencies can develop VR travel packages to help people experience overseas landmarks in the virtual world. Since VR technology is very advanced, with things such as VR games, VR technology would be much better in the future. Travel agencies can use such VR technology found in the interactive VR games, to create a more interactive experience in the VR world. Although not physically there, travellers can still be transported to these locations and find themselves immersed in the experience. Tour guides who are overseas can also provide the footage or visuals required for the virtual tour. This provides the tour agencies and tour guides with money to mitigate the impact of the pandemic on their income.

### **STEP 4a. Select Criteria**

Criterion 1. How much will it cost to implement?

Criterion 2. How feasible is it to implement the solution?

Criterion 3. How does this solution relate to our Underlying Problem

Criterion 4. How long will it take for this solution to be implemented?

Criterion 5. How much of an impact will this solution have on the company?

### STEP 4b. Apply Criteria

Step 3 Sol'n #	Solution Idea	Criteria					Total
		1	2	3	4	5	
#1	Local tour packages	3	5	2	2	3	15
#2	Hotel partnership	4	1	1	5	1	12
#3	Cruise packages	1	2	4	4	4	15
#4	Points system	5	4	3	1	2	15
#5	VR package	2	3	5	3	5	18

## **STEP 5. Develop an Action Plan and Evaluate its Feasibility**

Our VR solution is directed towards travel agencies for them to earn money while physical travel restrictions are still in place. It will take two to three weeks for tour guides overseas to record the videos needed for the VR tour package. Since the VR package would be similar to an interactive game, travel agencies can enlist the help of game developers to develop the VR game. The entire process would take about 2 months, and a possible game engine software used would be Unity or Unreal Engine. While the game developers are busy developing the game, the travel agencies can set up their own studios for the VR game. Possible assisters to the VR travel package would be game developers and possibly the government for the funding of the package. However, after interviews, we found out that possible resistors to the package are overseas hotels since they will not be able to earn money from these virtual tours. However, since domestic travel is very much viable, staycations from locals can still serve to help the hotels earn money. Possible problems faced when implementing this solution would be that customers may not be able to have souvenirs from the virtual tour, but this can be solved by having the tour guides overseas ship some souvenirs over for the customers to have. Another problem that may be faced may be the cost of developing the package itself. However, this problem can be solved with government funding, or through collaboration between multiple travel agencies where they can work together to develop the itinerary and share the cost of the game development itself. All in all, our VR solution can help to solve our underlying problem, because our solution can provide travel agencies with more avenues for income, which will help to cushion the impact that the pandemic has had and will continue to have on these agencies 5 years into the future. Similarly, after 2 years of travel restrictions, and even more to come, many travellers would like to have the opportunity to travel again. With our solution, we can help to satisfy these customers by allowing them to experience other countries and feel the excitement of travelling again, though not being able to travel physically.

### **Bibliography**

Avi Meir TravelPerk Co-founder & CEO, Meir, A., CEO, T. P. C.-founder &, Written by Avi Meir, & Avi Meir TravelPerk Co-founder & CEO. (2021, May 5). *You will travel after COVID-19, but it won't be the same*. TravelPerk. <https://www.travelperk.com/blog/the-future-of-business-travel-after-covid19/>.

Lai, L. (2021, January 22). *Overseas travel to remain difficult even after all in Singapore get Covid-19 vaccine: Gan Kim Yong*. The Straits Times.

<https://www.straitstimes.com/singapore/overseas-travel-to-remain-difficult-even-after-all-in-singapore-get-covid-19-vaccine-gan>.

Pérez-peña, R. (2021, April 9). *Vaccine Passports: What Are They, and Who Might Need One?* The New York Times. <https://www.nytimes.com/2021/04/09/world/europe/virus-vaccine-passport.html>.

Ashley Welch. (2021, April 5). *Vaccine Passports: What They Are and Why You May Need One Soon.* Vaccine Passports: What They Are and Why You May Need One Soon.

Avi Meir TravelPerk Co-founder & CEO, Meir, A., CEO, T. P. C.-founder &, Written by Avi Meir, & Avi Meir TravelPerk Co-founder & CEO. (2021, July 23). *You will travel after COVID-19, but it won't be the same.* TravelPerk. <https://www.travelperk.com/blog/the-future-of-business-travel-after-covid19/>.

Lai, L. (2021, January 22). *Overseas travel to remain difficult even after all in Singapore Get Covid-19 vaccine: Gan Kim Yong.* The Straits Times. <https://www.straitstimes.com/singapore/overseas-travel-to-remain-difficult-even-after-all-in-singapore-get-covid-19-vaccine-gan>.