

Service through Technology

Dr. Auliana Poon, managing director for Caribbean Futures Ltd. in the West Indies, is leading a conference on "A Match made in Heaven? Providing Quality Service through Technology - Enhancing the Human Element of Tourism". Asia Hotel & Catering Times interviewed Dr. Poon regarding her forthcoming seminar at Food & Hotel Asia, Singapore in April.



Dr. Auliana Poon

By increasing technology, is there not a danger of de-humanising the service aspect?

The easy answer is yes. And it will happen. However, for those firms and suppliers that want to be competitive and stay ahead of the game, and indeed stay in business, they will be forced to take a new look at the role of technology in their businesses. Those companies that view technology as a pure tool to exploit and eliminate labour in the service industries will not be around for very long. Unless technology is seen as a tool to eliminate mundane, repetitive tasks of an organisation and to facilitate the release of valuable 'human hours' to satisfy customers, the benefits of technology will be missed.

Does the customer today want to have less dealings with people and why?

The general trend is for people to want to have more contact with human beings. We live in a very technology-driven world; the pace of life and work is hectic; we are always on the go; the mobile is never turned off; we have no contact with our neighbours and there is a general trend toward the de-humanising of our home and work environments. In activities in which leisure time is used (if indeed there remains such a division!), there will be an increasing search for balance - more human contact and more humanising experiences (I suspect that this is why technology will have so little impact on the sex trade!).

How can technology help to 'customise' the service better than the human factor?

Technology is an indispensable tool for customisation. Without technology, it will be virtually impossible to deal with individual preferences.

Technology allows us to be surgically precise in defining our target markets; it allows us to use the most appropriate tools to reach our client base; it allows us to know our customer better by tracking their preferences; it allows us to satisfy them better by knowing

precisely what will make them happy. Technology, however, is far less useful in delivering the services.

To understand the impact of technology, we need to see businesses not as homogeneous entities, performing homogeneous tasks. Once we dissect the production process of a service organisation, we will immediately see that technology impacts differently on different aspects of the business. In some areas there are greater impacts, in some areas the impacts are less.

Technology will have greatest impacts in marketing, distribution and sales; technology will impact on the management of operations, but this impact will be less; technology will also have an impact on the production and packaging of services although the impact here will be even less; and technology will have the least impact in the delivery of services (the human content).

How does one use technology to monitor demographics and lifestyle?

Information and Communications Technology, with its power to store, process and manipulate data is critically

important for this activity. First, a database has to be created with current customers - their demographics and preferences. The database will need to be updated as preferences change. For research houses that track this information, surveys will need to be designed, launched and data processed and the survey needs to be done at regular intervals so that changes are monitored.

But all of these activities are really tools for wealth creation. For having the data in an information system creates no wealth. It is how the data is used. At the end of the day, it is whether your front line staff remembers the guest's name or the type of newspaper they like to read, that will really count! No employer can afford to pay an employee who remembers all the names of all the customers every day of a hotel's existence. That is the job of the computer - to remind the staff of the customers' names and preferences - to make the staff more efficient, to satisfy your customers and therefore add more value to your business.

Where do untapped market niches exist at the moment?

In the imagination! I'm just kidding here, but really, the imagination is the only limit to new market potential and new product opportunities. The fact is that everything can be done better. We must stop thinking just of new products and new markets and also focus on how we can do the old, traditional, time-tested things even better. We have to break the rules of the game. Look at a hotel lobby, for example. Who says that this is the way they must look or must work. Why do guests not check into the hotel when they check into the airline? So the answer to your question is really "everywhere"!

By 'freeing human hours' does this infer that staffing levels will be reduced, as less staff are needed?

I believe that using technology to free human hours and not use these human hours released to create more wealth is a missed opportunity.

First of all, we should not look at staff simply in terms of numbers. The technology necessitates more intelligence and more competence to add value to an organisation. Old staff will need to be trained and re-trained; new staff will need to be hired; and indeed, some staff will need to be let go.

So when we look at the impact of technology, let us not just look at numbers or the persons who had to be let go. We have to look at the net effect. Training and re-skilling staff adds value to both people and productivity. Are the fewer skilled persons better than the large number of

unskilled persons? What will eventually decide is competitiveness? A business may not innovate, not use technology, not train workers, rely on a bunch of unskilled workers. When this business can no longer survive and is closed down, who benefits?

Second, we also have to look at competitive strategy. Here it is best to give an example. Let's take the example of Sandals Resorts International.

Sandals is one of the most successful hotel chains in the Caribbean. The company perfected the club holiday that Club Med invented by created a completely cash-less and bead-less holiday experience - airport transfers, all meals, drinks, anytime snacks, entertainment, sports equipment & instruction, government taxes and tips are included in the price of their room. This approach uses less technology as there was no need to communicate information on what guests ate and drank from the bar to their bills at the front office. Not only did they eliminate technology, but they eliminated an entire transaction or process in the hotel (the exact same effect that some technologies tend to have). But did they use less staff? No. In fact they have one of the highest staff to guest ratios in the Caribbean. Why? Because they offer more services. They have even introduced new categories of employment - play makers, sports instructors and reggae dancers. Further, because they are so successful (they operate at over 90% occupancy year round, effectively eliminating the 'low season'), they create more employment because staff are not laid off in the low season and more farmers are employed because they have to supply more food.

The lesson here is not to get trapped in the technology. Technology is a means for wealth creation. It does not replace the need for people or for competitive strategies (which incidentally humans create).

Is the aim simply more profit for shareholders, rather than creating employment for people?

I think that we will be fooling ourselves if we believed that the aim of a business is to create employment. Of course the motive is profits and this will not change. However, the successful businesses will increasingly realise that it is happy people and happy employees that bring them the profit. At the end of the day, it is the quality of the service and the satisfaction of the customer that determines success in business and profits to shareholders. Technology has a vital role to play. But it is only a vehicle. It is the partnership between people and technology that will lead to success.

Dr. Auliana Poon will be leading "A Match made in Heaven? Providing Quality Services through Technology - Enhancing the Human element of Tourism" on April 16, 1998 at 9:45am, Singapore Suntech Centre.

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