

Innovate or Perish

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Disrupting and getting disrupted is a part of the business cycle. The onus of leading disruption lies on business leaders. History is full of examples of industry leaders who reinvented themselves and lead innovation.

– **Tirath Shah**

Disrupting or getting disrupted is the theme of business nowadays. Though it is difficult to imagine, it took just a decade for motor vehicles to replace centuries-old horse-cart transportation. Change is not only constant but can also be that rapid and irreversible. Once humans have discovered a better way of doing a thing, there is no going back. Though it goes unnoticed, smartphones have replaced inventions such as camera, wristwatch, radio, calculator, pager, voice recorder, flashlight and hundreds of similar products that were once disruptors. The crux is simple – disruption happens, and it may happen very rapidly.

It is fairly established that change is constant and leads to efficiency. The real question is how business could lead rather than bleed. The answer to innovation lies with understanding customer's aspiration and applying technology to fulfil an aspiration. Technology itself does not disrupt; it is its application that disrupts it. When Airbnb disrupted incumbent hotel chains, the driver was customer aspiration for local experiences over standardized hotel services. Consumers are at the centre of disruption and hence are a source of creativity. Therefore, understanding customer persona, their aspirations and customer value chain is essential to innovate.

When RezLive.com was conceptualized offline transactions were the usual way of booking hotels. We dared to imagine an efficient system that was not just exhaustive and fast-paced but also transparent. A decade later, online booking tools have become mainstream. The disruption would not stop here, and we are continuously evolving (disrupting) to lead change. For instance, Rezlive's digital payment ecosystem – a first of its kind in the industry – was developed in response to our customer's aspiration to have a seamless payment process. We were also the first to offer INR pricing in India and faced a lot of criticism from traditional B2B players initially, however, this proved to be a norm which is followed by all now.

In the pre-digital era, travel was limited by information arbitrage and connectivity. Travel was a push product and businesses were able to sell products to consumers at their convenience. The friction that was generated by the information gap, visa regulations and connectivity have all disappeared by the digital revolution. Nowadays, customers know what they want and if a business fails to serve the needs, the switching cost is so low that customers shift to competitors. Travel businesses have metamorphosed from a supplier to consultant to a facilitator.

Over the last decade, travel patterns have evolved and are further disrupted by the pandemic. The seasonality of the business, the purpose of travel, preferred destinations, and itinerary planning have changed. This is an era of co-creation in which customers create itineraries with the help of facilitators. Business with static products or mindset is gradually losing relevance. Business needs are shifting from delivering services to creating experiences.

In this dynamic environment, businesses need to understand their role and transform to cater to the need gap. Transformation is risky but getting disrupted is riskier. Innovation comes with multiple failures but then no one gets it right at the first step. It is a constant process of experimenting and adjusting and with this in mind, we launched Rezrewards – An exclusive B2B loyalty program for our travel partners, which proved to be a value addition and is appreciated globally.

Travel houses must dynamically respond to the unprecedented and evolving business conditions the industry is going through. At RezLive.com, we place tremendous emphasis on emerging trends and evolving requirements of our customers to develop products and enable our customers to serve their clients. Agile businesses have not just survived but have grown. Amid digital transformation and personalization lies an opportunity to reinvent our businesses that are more relevant to our customer's aspirations.

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