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**Case Study #8: Tourism Holdings Limited (*thl)***

Tourism is one of the fastest growing industries across the world. 2012 marked a new record as the one-billionth tourist travelled the world (Risi). Tourism Holdings Limited (***thl***) is one of the premier operators in the New Zealand travel industry. Their holdings span car and camper rentals to tour operations (Holland). ***thl***’s history is one of acquisition, mergers, and sales. They have used technology to merge the information systems of travel companies they acquire, while streamlining and maintaining their current information systems. Successful companies like ***thl*** must integrate information systems, competitive strategies, Web 2.0 applications, and social media to survive and succeed in the technological world.

**Q1. This case implies that the frequent acquisition and disposition of tourism brands poses problems for information systems. Summarize what you think those problems might be. Consider all five components of an information system. To what extent does standardizing a single development platform solve those problems? Which of the five components does such standardization help the most?**

Acquisition of any company causes an initial unbalance in the information system structure. The acquired company may have different hardware, software, or data and will definitely have different procedures and people. ***thl*** found software to be their challenge in acquisition as “technologies created excessive software maintenance activity and costs” (Kroenke 282). Data may also be compromised when integrating information into one main database. The last two components of an information system, procedures and people, are increasingly difficult to change (Kroenke 11). Standardizing to a “single development platform” streamlined ***thl***’s procedures, and enabled the company to reduce costs. This standardization allowed development and training, the procedures and people components of an information system, to integrate much easier into ***thl***’s business process.

**Q2. Summarize the ways in which IS gives THL a competitive advantage.**

Product Implementations: Process Implementations:

1. Create new product of service 4. Lock in customers and buyers

2. Enhance products or service 5. Lock in suppliers

3. Differentiate products or services 6. Raise Barriers to market entry

7. Establish alliances

8. Reduce costs

***thl*** continues to create and enhance products and services through every acquisition it makes. In 2010 they expanded to the United States with the acquisition of Roadbear RV Rentals and Sales (Holland). This provided a new market outside of New Zealand and Australia for ***thl*** to grow their sales and rental business. Each acquisition requires the company to integrate and enhance their information systems, products, and services. By offering different products and services such as camper rentals as well as tours, ***thl*** gains competitive advantage over other travel operators. ***thl*** implements processes such as locking in buyers by direct selling to the customer, aided by the Google tools: AdWords and Analytics (Kroenke 283). Because ***thl*** owns so many brands of products and services, they are able to exert more influence over suppliers that result in barriers to other travel operators, alliances and reduced costs for the company.

**Q3. Visit** [**www.kiwiexperience.com**](http://www.kiwiexperience.com) **and click “Design Your Own Trip.” Select a variety of locations in the Adrenalin, Nature, and Kiwi Culture menus. Select several locations in each category and then select a pass that fits your destinations.**

**a. Evaluate this user interface. Describe its strengths and weaknesses.**

**b. Evaluate the Map Instructions. Do you find these instructions to be adequate? Explain why or why not.**

The kiwi experience website, [*www.kiwiexperience.com*](http://www.kiwiexperience.com/) is an easy to use internet tool. There are many different activities and tourist sites accessible through the interactive map which provides a sample of what the area has to offer. By following the map instructions, a user is able to click which activities or places they would like to visit by adding them to a “favorites” column. Once selected the site recommends which travel pass would be most suitable for visiting all of the areas selected. However, while you may see by notation of a blue line on the map where the pass takes you, it does not reveal how much it will cost, or where the overnight stops are. This weakness can lead to confusion and the purchase of the wrong bus ticket.

**c. Summarize the ways in which this site uses social networking.**

The site uses multiple social networks as a way to advertise. The top right-hand corner of the homepage shows how the user can spread the word about the site via Facebook, Twitter, and YouTube. A user may also subscribe to the Kiwi Experience website and post on that wall. All these outlets provide networking opportunities that advertise the company.

**d. Explain why this site is an example of a mashup.**

Mashup’s combine the content of two or more websites into one internet encounter (Kroenke 254). This site is an example of a mashup through the combination of map customization and modifications such as highlighting favorite spots or places.

**Q4. Consider the Kiwi Experience site in the context of social CRM.**

**a. Identify customer touch points.**

www.*kiwiexperience.com*, provides several touch points, or contact points, for potential customers. In addition to the traditional address and telephone number contact, Kiwi Experience also offers an electronic contact form, an interactive wall, Facebook and Twitter links, and an online booking system.

**b. Which of SLATES elements does it contain?**

The website incorporates four of the six McAfee's SLATES characteristics which are: (S) search, (L) links, (A) authoring, (T) tags, (E) extensions, and (S) signals. Specifically, Kiwi Experience contains the (S) search function, (L) links to social media outlets, (A) authoring through an interactive wall, and (S) signals by providing a sign-up membership subscription.

**c. Consider which SLATES elements it does not contain. Which ones might be appropriate?**

**d. Explain one way to implement elements of c.**

The use of SLATES tag and extension function is not immediately obvious. For customers who buy a travel package, their information may be funneled into an extension characteristic that would send a prompt like "Customers who bought the Top Dog Bus Pass also enjoyed Swimming with the Dolphins." This would allow the company an "up-selling" option to sell more activities to a tourist.

**e. Describe how your recommended social CRM would help generate a trusted relationship.**

The customer relationship management, or CRM could be strengthened through further social touch points. ***thl***’s CEO, Grant Webster, remarked about advances towards video online chat, (Kroenke 283), however no such outlet is currently available. Links to reviews on acknowledged websites like Trip Advisor or travel articles would also lend credibility to the quality of a trip taken with Kiwi Experience.

**Q5. Does your experience working with the Kiwi Experience site cause you to believe that either it or THL is a hyper-social organization? Explain why or why not.**

Investigation of the Kiwi Experience website led this team to conclude ***thl*** is a hyper-social organization. The website uses social media to share traveler experiences, which subscribers can then “Like” on the website’s Facebook page as well as follow them on Twitter. Tourism videos of the Kiwi Experience are also available on YouTube via the website. By creating interactive functions, the customers perceive a friendly media-oriented relationship. This also influences more people to check out what the website is offering when the information from the site is being shared through news feeds and tweets. It is satisfying for both parties when social media is used to gain value.

Technology and social media have enhanced the accessibility and appeal of tourism to a world-wide audience. The rise in the number of international travelers is a direct result of such enhancement. Providers of travel products and services have also evolved through the prominent use of Web 2.0 technologies like Google and Amazon. They are able to integrate their information systems with social CRM’s and reach out to more customers and travelers. Through ***thl***’s long history of acquisitions, they have learned the importance of embracing technology to improve business processes and information systems.

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