ITM Bachelor 6. Sem. 9672 Seminar Arbeitswelt und Tourismus

"The Customer as Employee" and Tourism Labour Market Development



Handing over jobs to the customer

"Employees are often treated terribly these days and there are scattered signs that consumers are growing antsy with having so many tasks once handled by employees **offloaded** onto them (i.e. scanning their own groceries, checking themselves in at the airport and planning their own travel).

On the other hand, the idea that customers, trained by technology to demand choice, customization and control, would be sucked into a **deeper relationship** with a company if given more of a role in producing the end product they will eventually buy seems credible (not to mention the fact that customers might enjoy such a product more).

The trick seems to be **involving** customers more **without** making them feel **exploited**." (Stillman 2011)

How do self-service technologies decrease jobs offered to labors?

- 1. From the service provider's perception, it is cheaper to let the customer do the job; by that, the employer will not need hire someone to provide the service to the end customer.
- 2. Technology has given a chance to offer a customized service for a lower cost.
- In tourism consumption and production is always connected anyway.
- However, customers, like employees, must be conscientiously selected, trained, empowered, praised, promoted or kicked out like real employees.

Self-service technologies before internet

Categories and Examples of SSTs in Use

Interface Purpose	Telephone/Interactive Voice Response	Online/ Internet	Interactive Kiosks	Video/CD*
Customer Service	•Telephone banking •Flight information •Order status	Package tracking Account information	•ATMs •Hotel checkout	
Transactions	•Telephone banking •Prescription refills	•Retail purchasing •Financial transactions	Pay at the pumpHotel checkoutCar rental	
Self-Help	•Information telephone lines	•Internet information search •Distance learning	•Blood pressure machines •Tourist information	•Tax preparation software •Television/ CD-based training

Video/CD is typically linked to other technologies to provide customer service and transactions.

Source: Self-Service Technologies: Understanding Customer Satisfaction with Technology-Based Service Encounters, Matthew L. Meuter, Amy L. Ostrom, Robert I. Roundtree, & Mary Jo Bitner; Journal of Marketing Vol. 64 (July 2000), 50–64

Handing over jobs to the customer – three levels

Level 1: Offloading

Level 2: Market Research

Level 3: Big Data

Level 1: Offloading

Self-service technologies (SSTs) are technological interfaces that enable customers to produce a service independent of direct service employee involvement.

Examples of SSTs include automated teller machines (ATMs), automated hotel checkout, banking by telephone, and services over the Internet, such as Federal Express package tracking and

online brokerage services.





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Level 1: Offloading

In addition, as some SSTs have become commonplace (e.g., ATMs, pay-at-the-pump terminals), more innovative SSTs continue to be introduced.

For example, the Internet not only enables shoppers to purchase a wide variety of products without having to visit a retail outlet or converse with a service employee, but also let you build your customised product:

https://www.mysuit.com/

and use avatars to try on dresses etc.:

http://memorymirror.com/

Even hardware can be replaced by customers-owned devises: http://www.lufthansa.com/us/en/Lufthansa-In-flight-entertainment-by-app

Tour guides can also be replaced by apps:

https://www.detour.com/

Level 2: Market Research

Selling basically unnecessary products, tourism, hospitality and event service providers especially in the leisure sector need to spend a lot of time and money on market research to understand and influence the latest trends of their different customer market segments.

Online and mobile technologies help to understand the customers, if possible better than they understand themselves, by using data produced not by market research companies via interviews, questionnaires, focus groups etc. but given freely by the customers themselves.

Level 2: Market Research

Facebook has managed to convince 1.86 billion monthly active users (as of December 31, 2016) to prostitute themselves offering not only their virtual bodies but also their diary, likes and dislikes and many other data for the free use of a service which would cost otherwise something like 2,99 US\$/month, making its owners (http://whoownsfacebook.com/) rich from selling all relevant data.

Google is getting similar levels of information from the creation of search profiles (remember the movie Ex Machina: "It is not about What they are searching, but about How they are thinking").

Level 2: Market Research

In tourism tripadvisor.com and similar platforms are getting customers to provide more extensive and up-to-date quality checks than any mystery shopper programme could provide.

Telephone companies are quickly catching up.

Example: *outbound tourism.pdf*

Level 3: Big Data

Travel and leisure behaviour can be good indicators of personalities as they are not based in the same way on objective needs and information than other industrial products.

Collection of Big Data, as has been discussed already in "market research", uses the customer as employee without his/her knowledge and often without disclosing the real goal of business transactions.

Example Zalando – pretending to sell shoes: http://t3n.de/news/zalando-chef-spotify-mode-800676/

https://www.youtube.com/watch?v=ueEp9E4H92A

How will the trend of changing Customers into employees continue and what will be the consequences for the labour market in the tourism industry?

What do you think?