



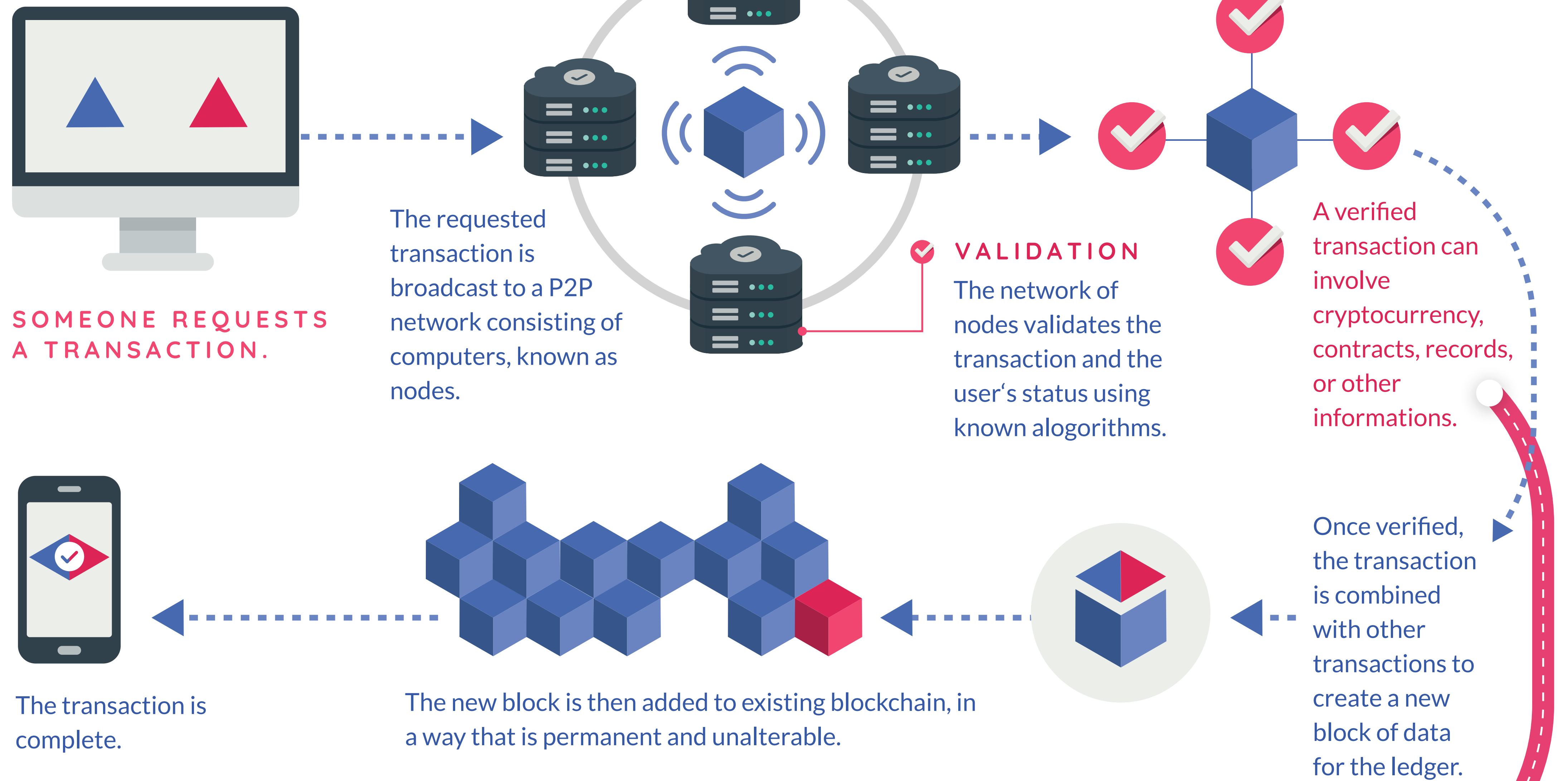
A LOOK AT

Blockchain technology

The blockchain is a decentralized ledger of all transactions across a peer-to-peer network. Using this technology, participants can confirm transactions without the need for a central certifying authority. Potential applications include distribution, loyalty programs, payments, storage & access and data privacy.

What is it ?

How it works:



Benefits

- Increased transparency
- Accurate tracking
- Permanent ledger
- Cost reduction

Unknowns

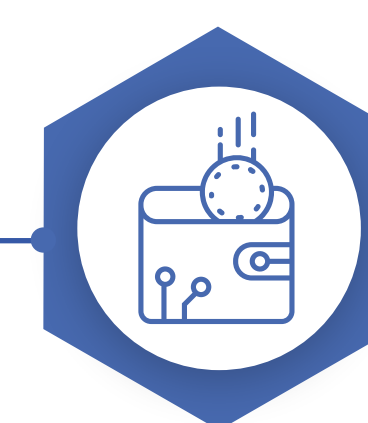
- Complex technology
- Regulatory implications
- Implementation challenges
- Competing platforms

Cryptocurrency

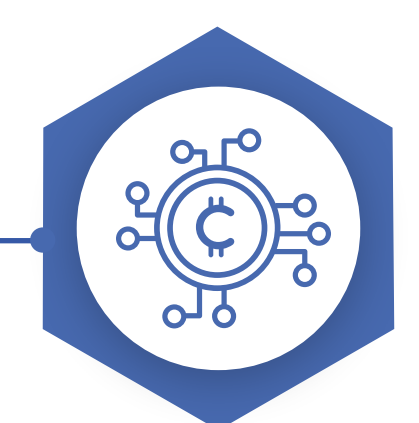
Cryptocurrency is a medium of exchange, created and stored electronically in the blockchain, using encryption techniques to control the creation of monetary units and to verify the transfer of funds. Bitcoin is the best known example.



Has no intrinsic value in that it is not redeemable for another commodity, such as gold.



Has no physical form and exists only in the network.



Its supply is not determined by a central bank and the network is completely decentralized.

Potential applications

Distribution

Blockchain could disrupt the current environment we're all familiar with today. As blockchain moves more into the technology incorporated into our means of distribution, third parties such as the OTA's are at risk of possibly having their profit model disrupted.

Payments

Blockchain could have a vital role to play in simplifying actual payments. At present, this can be somewhat complicated, especially when dealing with overseas settlements. With the use of blockchain technology, the entire process can potentially be streamlined and made more transparent, increasing trust.

Loyalty Programs

Blockchain could manage loyalty program transactions, connecting hospitality industry business partners together. Processing and reconciling of transactions could happen in real time. Points transfer and redemption would be simplified, and smart contracts could also combine offers across airlines, hotels, car rental agencies, restaurants and all other partners. This cross pollination of loyalty programs across industries is very relevant as the major programs are all trying to find ways of offering greater value. Not just the typical earn and burn type of ecosystem.

Data Privacy

Blockchain would enable personal information like addresses and social security numbers, as well as documents, such as driver's licenses, passports and birth certificates, to be stored in a network that offers optimum data privacy, greatly contributing to the prevention of identity theft. Hotels could continue to acknowledge and know their customer, while still protecting their customers' personally identifiable information.

Storage & Access

The travel industry relies upon information and even personal possessions being passed between multiple different companies. The blockchain can make both accessing and storing of information much easier, allowing for enhanced collaboration and ultimately improving the overall travel & lodging experience for customers.