ALGER 60 YEARS

AI, What Have You Done For Me Today?

Consumer Discretionary: Your AI Travel Assistant Is Here

While many are familiar with Artificial Intelligence (AI) through chatbots and virtual assistants, the impact of AI extends far beyond these familiar applications. In fact, AI has become an intrinsic part of our daily lives, often in ways not immediately visible to the public. Today, in industries as diverse as agriculture, transportation, energy, and healthcare, AI is often behind the scenes, quietly revolutionizing business processes, and enhancing efficiencies and accuracy.

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AI Travel Assistant

AI is quietly transforming the travel industry, reshaping how travelers plan, book, and experience their journeys. For most of us, travel planning involves significant effort—selecting and comparing flights and accommodations—and often requires multiple hours per trip. However, with the integration of AI, virtual travel assistants can streamline this process, offering travelers curated recommendations based on their preferences and past behavior.

Imagine you are planning a dream vacation to Hawaii but are overwhelmed by the choices of flights, hotels, and activities. AI travel assistants today can quickly analyze millions of data points, including flight schedules, accommodation reviews, pricing trends, and traveler preferences to offer tailored itineraries.

These AI systems don't just aggregate data; they enhance decision-making through advanced machine learning algorithms. For example:

- **Personalized Itineraries:** AI evaluates a traveler's history, budget, and interests to suggest activities like snorkeling, hiking, or attending a luau.
- **Dynamic Pricing Insights:** AI monitors real-time price fluctuations and suggests optimal booking times for flights and hotels, ensuring travelers can secure the best deals.
- **Instant Support:** Virtual assistants, integrated into apps or websites, can provide 24/7 assistance. Whether answering queries about visa requirements or rescheduling bookings, these assistants can deliver immediate responses, reducing stress for travelers.

Sample Holdings

Trip.com is a global online travel agency offering comprehensive services, including flight bookings, hotel reservations, train tickets, car rentals, and tour packages, available in 24 languages across 39 countries. Their AI travel assistant, TripGenie, assists users in real-time, guiding them through the entire booking process. TripGenie's all-in-one interface integrates tourist spots, shopping destinations, booking links, images, and city maps into a single chat. By leveraging the company's extensive user database with Generative AI (GenAI), TripGenie delivers curated itineraries, insights, and booking options, continuously refining its recommendations as it learns more about your preferences.[1]

MakeMyTrip is an Indian online travel company offering services such as flight bookings, hotel reservations, holiday packages, and bus and rail tickets. The company uses AI to personalize the travel experience by analyzing user data to recommend flights, hotels, and packages tailored to individual preferences. Their AI assistant, Myra, provides real-time assistance for queries, cancellations, and refunds, and has been expanded to handle hotel and homestay bookings.[1]

The Future of AI in Travel

While AI-powered virtual travel assistants can streamline trip planning today, we believe these companies have the potential to offer **agentic AI**—autonomous systems that act on your behalf. Unlike reactive AI systems, which only respond to specific inputs or commands, agentic AI would function as a personal travel agent. Upon receiving your request to book a vacation, it would design a detailed itinerary and, once you approve, book everything from flights and transfers to dining reservations and activities. By integrating real-time data and predictive analytics from your prior travel interactions, these systems may even plan a trip better than you! With this level of AI advancement, we believe travel companies can truly take the stress out of planning, allowing you to focus on enjoying your trip while they handle the logistics.

▶ **For more information on how AI is impacting you on a daily basis, please visit www.alger.com.**

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[1] Trip.com Group Ltd. 2Q 2024 Earnings Call.

[2] MakeMyTrip Ltd. 3Q 2024 Earnings Call.