

## **Harnessing the power of Social Media and AI: A Case of Klook**



Source: pixabay (2020)

### **Background**

Headquartered in Hong Kong, Klook is Asia's leading travel and leisure experience platform founded in 2014 (Klook, n.d.). Partnering with suppliers around the world, the company offers a wide range of services including accommodation, transportation, activities, F&B, events, and even travel insurance. With Klook, customers can now choose from over half a million products and services in more than 2,700 destinations worldwide (Klook, n.d.). To stay ahead in the competitive travel market, the company has made several strategic investments in recent years.

According to Klook Travel Pulse Survey (2024), over 80% of travelers in the Asia Pacific region made travel decisions based on recommendations from content creators, underscoring the pivotal role of digital influencers in shaping travel choices. Thus, the company launched the JOY Kreater programme in 2023 to drive travel bookings. Through collaboration with over 300 influencers with a combined follower base of over 6 million, Klook Hong Kong has produced more than 1,600 pieces of content since the program's inception (Hong Kong Business, 2024).

Social media continues to be a dominant source of travel inspiration, with 96% of travellers sharing their travel experiences online (Klook Travel Pulse Survey, 2024). To capitalize on this trend, Klook enhanced its E-social commerce capabilities by introducing in-app purchases on platforms, such as TikTok (Klook, 2024). This feature enables users to discover travel experiences and book directly within the social media app, streamlining the customer journey from inspiration to transaction.

On the other hand, Klook has partnered with Google Cloud to integrate AI technology into its operation (Klook, 2024). Leveraging generative AI, the platform can now summarize online reviews for customers and generate constructive feedback for merchants (Klook, 2024). This can provide valuable insights for both the customers and service providers, thus helping them achieve more sensible and confident decisions. Moreover, the company has recently succeeded

in creating and localizing content for their travel pages using generative AI and is planning to use AI to optimize operation and marketing strategies (Klook, 2024).

### **Challenges**

Despite its proactive digital strategies, Klook faces several challenges. The decision to develop in-app purchases through TikTok remains controversial, as TikTok is banned in Hong Kong, and China uses a different version of the app (Douyin). Consequently, this feature is currently limited to Southeast Asian markets such as Singapore, Indonesia, and the Philippines. As a result, the number of users who can benefit from this feature will be significantly limited. To maximize its reach and impact, Klook should consider expanding the in-app purchase function to other social media platforms accessible in its core markets.

On the other hand, the heavy reliance of AI services on operation and marketing may take away the employees' critical thinking ability and affect decision-making at the managerial level, which will harm the company in the long run.

### **Discussion Questions**

1. How effective is the JOY Kreater programme in driving travel bookings for Klook, and what metrics should be used to evaluate its success?
2. What are the potential benefits and drawbacks of enabling in-app purchases on social media platforms like TikTok for Klook, especially considering the regional limitations?
3. How can Klook balance the use of AI technology to enhance customer experience and operational efficiency without diminishing the critical thinking and decision-making skills of its employees?
4. How might the trends in influencer marketing and AI integration shape the future of travel and leisure experience platforms like Klook?

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## **Keywords**

- Online Travel Agents
- E-commerce
- Influencer
- Social Media
- In-app purchases
- Generative AI
- Content Creation

## **Acknowledgement**

This case study is based on and adapted from the work of undergraduate students CHUNG Ho Lam, Venus; CHIM Man Hoi, Ariel; HO Chun Ming, Spencer; WONG Sze Ho, Stefano; WAI Sze Wing, Sussana from the School of Hotel and Tourism Management at The Hong Kong Polytechnic University.