

TECHNOLOGY DRIVING HOTEL'S PERFORMANCE

Technology is emerging as a key differentiator for the hotel industry

Akshay Kumar

In the recent years, hotels have evolved from being just a mere lodging or accommodation for travellers. With the entry of technology into the hospitality industry, the demand of traveller has increased manifold. Some of the trends in industry are leading to great improvements and savings for hotel companies; while some are changing how hotel developers plan their buildings, infrastructure, management structure and staffing requirements. Today, technology has become a key component of the overall hotel experience.

According to a recent report by Cognizant, by 2025, many technologies that are just emerging today will have moved into mainstream operation. Robotic process automation (RPA), for example, will disrupt hotels' booking and loyalty processes in positive ways. Chatbot services will integrate with booking and purchasing, forming a new notification channel for guests. Biometrics will keep us more secure, robots will bring us breakfast, and drones will deliver us hamburgers. Loyalty and streamlined rewards redemption will be another key focus. Hotels will actively partner with other providers as they expand their role in the travel experience, leading to loyalty networks among hotels, airlines, restaurants and retailers.

Speaking about the importance of technology in hospitality industry Jan Tissera, President International, Travel Click said, technology has brought in convenience for guests. One challenge

that hotel industry is facing is that 80 per cent of the customers are first time customers. How do they start getting to know before they come to the hotel? Hotels have long amassed data but underused it. Data is the most valuable asset for many brands, and tapping into it will be a priority to deliver the personalisation that travellers want. It is very important to understand the use of big data. Offering right price, right product at right time is very important. Hotel needs to know from where demand is coming in. Localisation is extremely important. Hospitality industry is the second largest employer in the world. Technology is the enabler and human touch is very important for personalisation aspect. The aspect of touch points with consumers is very important."

Personal data is fast becoming the number one commodity for organisations. With all this data comes a wealth of insights, which can help hotel operators deliver a personal touch for every guest. Technology can play a huge role in the effort to make the stay as easy and hassle-free as possible. Social network data can take personalization to the next level. Social networks such as Facebook and Instagram may be the key to achieving true personalization. Every day, users of these networks reveal intimate information about themselves that could give hotel companies a better lens into customer travel preferences.

Currently trending

Presently majority of the hotels are investing big time into enhancing the technological aspects of their existing hotel. Technology such as Wi-Fi and keyless entry has now become a basic feature for most of the hotels. In 2017, there were a lot of new features which is now being added such as Big Data, eConcierge, Virtual Reality. All these features further adds towards personalisation.

Speaking about the trends in the last couple of years, Nilesh Patel, Director of IT – AccorHotels India said, "The major trends hospitality industry saw in terms of technology were; there was a surge in direct bookings through brand websites. Websites were also improvised for seamless functioning both for the teams as well as the guests. There was an increase in presence and interaction on social media platforms by new campaigns and contests. Big Data – Data consolidation or sharing between hotel technologies in use viz. PMS, POS, CRM, MIS, BI Tools, Door Keys, Concierge, Marketing Tools for promotional campaigns, etc. Mobile PMS – PMS on mobile devices; In-Room Technologies to use in room controls and other equipment like TV, AV devices, In-Room Dining ordering, Guest Requests, Key through Mobile devices, etc. eConcierge- Large format touch screen kiosks



situated in a prime location in the hotel lobby and accompanying mobile applications on iOS and Android to provide guest details about the hotel, the city and other details and improvised platform for guest satisfaction feedback and scores."

Smartphones has played an extremely important role in linking the customers to various features of the hotel. More hotels

are now looking to provide personalised mobile apps. According to a recent research study conducted by Travelport, The Indian Digital Traveller Research, Indians rank one by combining the main indicators of digital usage by travellers in each country. The findings reflect overall smartphone, fixed-line and mobile internet penetration levels locally. The study found that in India 67 per cent use voice searches, 87 per cent use videos and photos and 91 per cent use review sites as part of their travel research, 75 per cent choose hotels with free Wi-Fi, 71 per cent use smartphone to research and book their hotels, 58 per cent look for best priced rooms and so on.

Speaking about the use of smartphones as a key hospitality technology Sandeep Dwivedi, Chief Operating Officer, InterGlobe Technology Quotient said, "The key trend that demarcated 2017 as an excellent year of ubiquitous growth for the travel industry are: the rampant use of technology, booming digitalisation, and the burgeoning of the middle class. Due to the internet revolution, we have perceived a huge shift of device preference: from desktop to laptop and now from laptop to the mobile. The use of digital is also quite high for the Indian travellers who like to remain connected while travelling, use their mobile for passes and e-tickets and

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prefer airlines that offer good digital tools. Most importantly the traveller now uses an average of 19 different categories of apps are used while travelling. Therefore, today's travel industry and especially the technology needs to gear up and start taking note of this new gen traveller in order to provide what they are looking for."

Efficient distribution

Today, distribution of rooms has also evolved to an advanced stage. Traditional travel distribution in which high brick and mortar agencies played a dominant role was revolutionised with online travel agencies and direct distribution through airlines and hotels' websites acquiring a key role. This space has witnessed a lot of disruption.

Rajesh Magow, CEO, MakeMyTrip said, "The first level of disruption came around 2005 followed by internet economy. Internet was basically disrupting the old conventional brick and mortar model business. This, literally, changed everything. With internet, the structure and functioning of the market saw a disturbance. Over last decade or so, there has been massive introduction of new technology and there was different kind of disruption that was happening. Now, there is second phase of disruption where within the technology space where even the existing businesses were disrupting. The first disruption was in supply side. Technology has not only changed the way travel is distributed, it has also affected the way travellers experience it. Travellers are getting more comfortable with accessing services and conveniences online. Today, customers are fairly confident of purchasing travel-products online from their preferred portals, or through mobiles."

In the new age distribution era, Big Data will play a major role. Today even small function like saved unique hotel messages and personalised functionalities have become important.

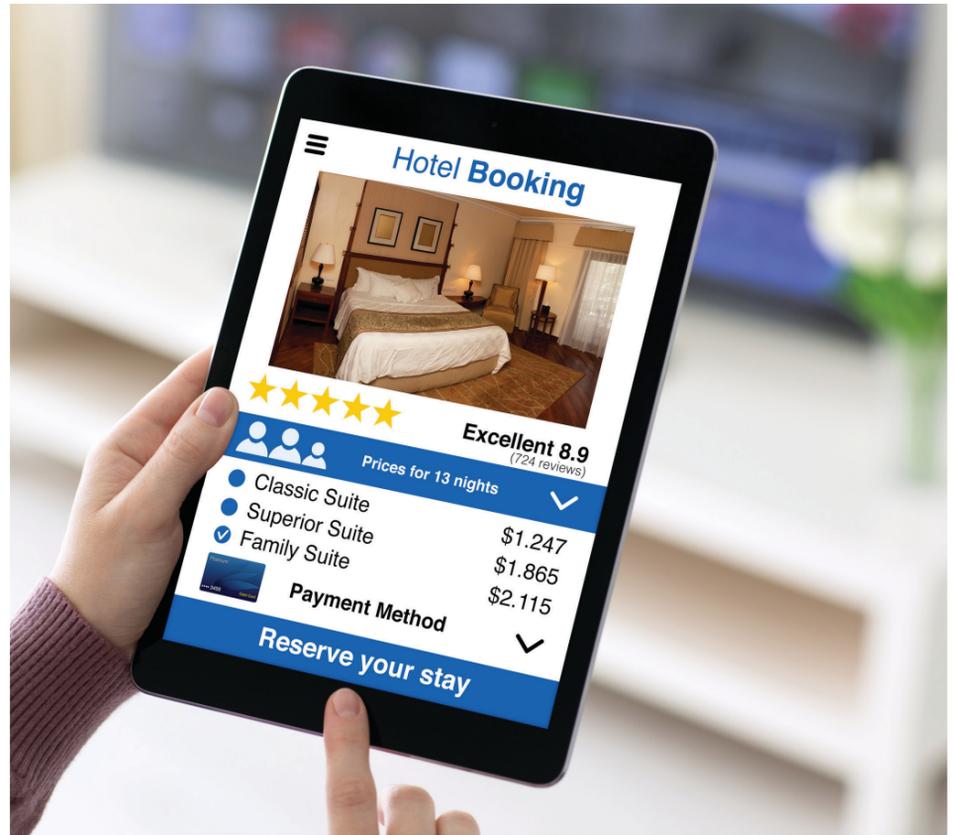
Speaking about the GDS systems Dwivedi said, "Although being one of the earliest distribution model entrant GDS has kept evolving itself with the changing times. We

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no longer resemble just as the aggregator of content. We stand now as the effective means of helping travel agents transform their business model. No longer does a traveller want, just a low cost airlines option or a room booked for a few nights. Now he has to be offered complete packages as per his preferences and we are the means to understand and offer, best fit options through our technology. In addition, with changing preferences we have come up with point and click technology for our GDS which helps travel agents to do away with cryptic commands and straight away search travel through easy search options.

Along with the enhancement of



technology, one of the downside is the increase in digital attacks. Enhancing security is also a key issue for the hotels. As the hotel has sensitive data stored on the server, an attack can damage an entire ecosystem.

Implementation of Security device at entry / exit point of internet is the most important thing, which we have to look upon. "We usually keep our Internet secured

and safe by regular upkeeps and updating our network infrastructures for safety and security of our critical and sensitive data. Thanks to PCI-DSS process, which is a great help in providing stringent guidelines, which supports us to plan more secured platform. We have a dedicated team which monitors our network and any anomalies, if detected, are raised with the concerned team to take immediately counter measures," Patel said.

Futuristic approach

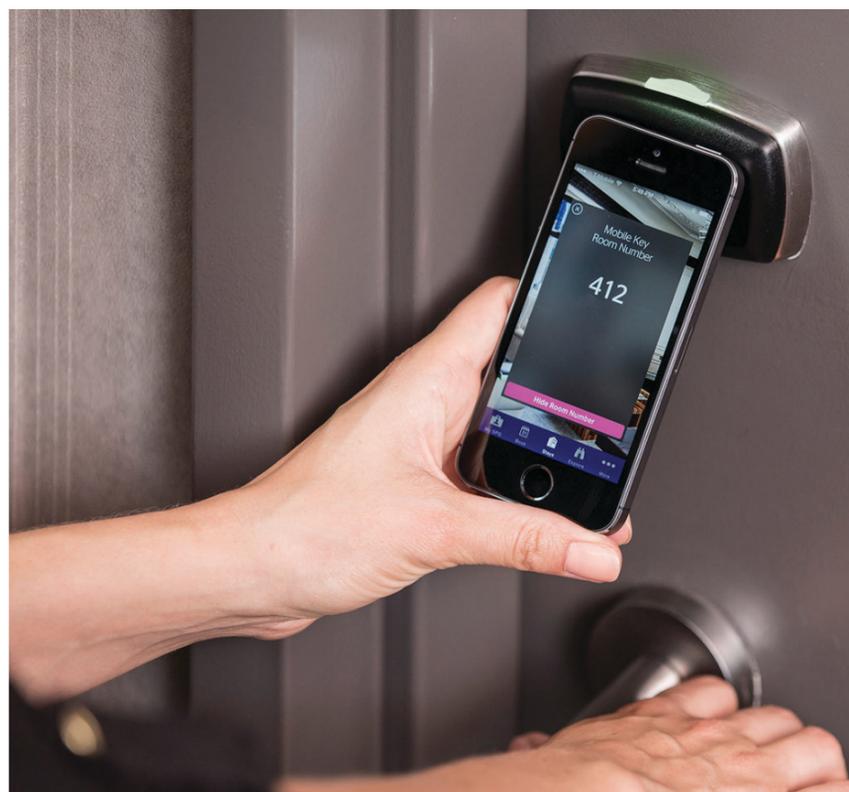
Is faceless concierge or staff-less hotel the future? Is one question often asked to the hospitality industry. One of the most important points which the industry believes is that despite the rise in technology, human touch is a very important part of the personalised experience. Technology only helps to fill the void.

Patel said, "Faceless concierges and receptions are increasing with pace in hotels, where the guest movement is very high and there is not enough human resources, technological resources and physical spaces available, where these digital faces helps a lot, which are very much accepted by guests. Of course human touch is very much required to have a feel of personalisation, but this can be achieved by the team members by helping and assisting guest while they are using technology and also they can talk more with guest on points apart from the hotel routine questionnaire without using standardised phrases."

Speaking about the future trends he further added, "In coming years, we see the major trends in technology which will enter in Hospitality sector would be IoT - Fueled by the breakneck pace of innovation, the latest must-have technologies would be on the Internet of Things (IoT). Though it would take some time to adopt and deploy but few hotels already have virtual voice assistants in guest rooms which actually marks the IoT-driven shape of things to come. Virtual Reality will be used for virtual tours and also using it as a marketing tool. Robotics – for guest assistance and POS outlets; More and more application and data over Cloud instead On-Premise; Secured and robust architecture for handling guest information and other data; and eConcierge."

"If high speed internet was the defining

factor in the disruption of the offline travel market, Big Data and Artificial Intelligence surely looks the next phase of the disruption in future. In the initial phase until now, the online travel sector required human intelligence to perform tasks in the online travel operations. But the kind of evolution



computation is seeing, we are gradually inching towards a new level of automation that would require little or no supervision. Artificial intelligence (AI) and machine learning are reaching a new level of maturity and are poised to transform how consumers plan travel, as well as offer travel businesses a way to slash operating costs," Magow said.

Many technology players have geared up themselves and have come up with futuristic products for the industry. The use of Big Data and Internet of Things will play a crucial role in the future investments.

Dwivedi said, "With the new age travellers wanting more choices, we offer

developers can no longer work in silos and these technology trends are giving them the opportunities, tools and solutions they need to create memorable experiences that can lead to positive change and growth in the industry.

Experts are of the opinion that there is

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no doubt that technology has a huge role to play in shaping the hotels of the future but there are some things it can never completely replace: the human touch. The reality is that whilst human interactions are becoming less and less common, when they do take place they are more precious than ever before. Hotel operators must remember to still provide a positive human interaction.

Marketing, management and hotel