The Hotel Yearbook 2023
The Uncertainty New Normal

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Are hotels ready for their tech-destined future?

Prince Thampi
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Synopsis

The global COVID-19 pandemic has accelerated the need for the adoption of technology in the hospitality industry, leading to an increase in the deployment of contactless and self-service solutions in the guest journey and the automation of business processes. However, the industry's readiness for technology investment and transformation, and the guests' readiness for use and adoption, is still in question. The role of technology in transformation goes beyond automation and optimization and requires a rethink of how hotels operate, restructure teams, and leverage technology. The process of readiness is a shared responsibility between hotel operators, owners, vendors, and consultants, and requires collaboration and interoperability.

Technology has long been identified as a core driver of transformation in hotels, but is readiness holding us back?

The global COVID-19 pandemic has accelerated the need for the adoption of new technologies in the hospitality industry. The resulting sharp rise in the deployment of contactless and self-service solutions in the hotel guest journey, and the automation of business processes to drive efficiency, was largely a response to the uncertainty and deep impact the pandemic had on the sector.

With uncertainty as the new normal, what is the industry's readiness for technology investment and transformation and the guests' readiness for use and adoption?

As a tech entrepreneur coming into the hospitality industry right before the pandemic, one of my biggest observations was the keenness of hotels to transform their guest journey and make their operations more seamless and efficient for both guests and staff.

On a surface level, we see the deployment of technology drive the digital guest experiences in hotels with the relatively rapid adoption of services such as mobile check-in, digital room keys, online restaurant ordering and digital concierge services. This is encouraging, and evident from the rising demand for hotel guest technology we're witnessing as the industry recovers post-pandemic.

On a deeper level, I sense that as an industry we haven't yet fully grasped the significance and potential of the business processes and workflows behind the hotel services. Rethinking and reengineering those are integral to the transformation of the digital guest and employee journey.

Also, I haven't seen the same drive to learn about the latest technology innovations, trends and best practices as in other industries I've operated in. This is where the question of readiness comes in. In our pursuit of digital transformation and an enhanced guest experience, how ready are we as an industry - as vendors, hotel operators and owners - to fully embrace the task at hand, and how ready are our guests?

Digital transformation is dynamic and ever-evolving and needs to consider the many interdependencies and connections between and within the different parts of the hotel operation.

Looking at the guest journey and its many touchpoints - from discovery, booking, arrival and check-in, to requests, activities, check-out, payment, and loyalty – it's important to ask ourselves what opportunities we have to truly transform these processes without looking at just automating what's in place right now. Besides cost savings, increased productivity and sustainability, we should also ask ourselves what completely new guest services and employee experiences we could develop powered by digital.

The answers to these questions will not just determine the type of technologies a hotel may need to drive its digital transformation. More importantly, it will define what and how business processes and workflows can be redesigned to add more value, differentiate hotels from their competitors and drive guest satisfaction.

Digital transformation is not just about technology investment. The role of technology in transformation goes way beyond automation and optimization. It's about how hoteliers rethink the way they operate, restructure their teams, adapt to a culture of innovation, leverage technology, and even redesign spaces, to take their hotels to new heights. For example, a front-desk-less check-in experience that allows guests to go straight to their rooms when they arrive after being automatically checked in by linking their identity documents to their loyalty profile. Not only does the lobby look much more welcoming, but guests will enjoy a seamless and frictionless arrival experience.

This will also free up screen time for staff which can be used to engage with guests. Also, by offering an omni-channel experience to guests, they can choose how to engage and communicate during their stay, both offline and online, all designed to deliver a truly connected experience.

I see this process of readiness as a shared responsibility in our industry, between hotel operators and owners, vendors and consultants, for several reasons:

1. If we don't collaborate now, a big tech disrupter may rise and make many of the independent technologies hotels use today, obsolete in a very short period of time

2. Hotels need to be able to operationalize technology effectively and efficiently and this requires strategy alignment, strong leadership and change management as well as training to develop the right skills, mindset and working culture. For example, having digital menus without the buy-in of the restaurant team is a recipe for failure

3. Going digital is only half the battle. Getting guests to use the technologies is as important, if not more. Hotels need to get creative in increasing their guest adoption – involving all divisions of the hotels – from operations and marketing to learning & development. For example, if your guest segment is reluctant to use mobile keys, adoption will be hard!

As vendors, I see our role as far more than just the technology we sell, the platforms we offer and the solutions we deliver to hotels. We are an integral part of the hospitality ecosystem and need to contribute to technology readiness on the part of hotel operators, owners, hotels teams, guests, and yes, the technology vendor community at large. Collaboration and interoperability is vital; we should join forces and efforts and act as digital transformation leaders and agents of change for our industry.

There are thousands of us around the world that work hard to develop the latest and most innovative solutions to help drive digital transformation in hotels and elevate the hotel guest experience. To do so, we all need technology readiness to succeed and whether that's through open and free APIs, industry standards and certifications, training & development programs, thought leadership or industry professional organizations. At Hudini we will do our part, we're ready.

Apart from creating a world-class, seamless guest experience platform, we work closely with our hotel partners in developing strategies to increase guest adoption. We use our rich experience in working with nearly 400 hotels across the world in sharing the best practices with our clients – from marketing inputs to suggestions in changes in their SOPs.

After all, we are in the business of transformation, not just automation.

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Prince Thampi — Founder & CEO, Hudini
Hudini is the leading digital transformation platform for the hospitality industry. Powered by a proprietary middleware and an omnichannel (App, Web, TV) guest interface that leverages data + AI to increase guest engagement and hotel revenues Hudini delivers an enhanced guest experience. Through its 100+ pre-built integrations across all functionalities, Hudini delivers personalised, immersive guest experiences that enable guests to communicate, control and interact with hotels closer than ever before. With over 300 hotels across 25 countries, Hudini is fast becoming the industry benchmark for digital transformation in the hospitality industry.

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