The Fast-Forward Tech Stack for 2024

The Hotel Yearbook Technology 2024

HYB

Hotel vs. Machine: Looking beyond the Hype to find true value

Tech Stack

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Synopsis
Guestline CTO and hotelier, Andrew Metcalfe asserts that technology in the hospitality industry should prioritize ease of use, reliability, and hotelier-focused innovations. Metcalfe advocates for intelligent technology that improves guest experiences and optimizes operations, highlighting the promise of pre-payment systems for smoother check-ins and direct bookings for more control and better guest experiences. He envisions a more integrated, user-friendly approach to technology that allows hoteliers to focus on core hospitality tasks. He underscores that the future of the hospitality industry lies in the hands of hoteliers themselves.

As a CTO and a hotelier, myself. I strongly believe that hoteliers are the only ones who can change the hospitality industry. While the benefits of technology in the hotel industry are undeniable, hoteliers often lack the technical expertise (which in fairness isn't their fault, they went to school to become hoteliers not tech wizards!) required to navigate the rapidly evolving landscape of hospitality technology. Many, with no IT department, simply want technology that works, even if it's not the best in the market. As technology continues to evolve, it's becoming more critical for technology companies to do more for hoteliers, ensuring that they have the right tools and resources to stay competitive in a fast-paced industry. Ultimately, it's a battle between the hotel and the machine and it's my job as CTO to be at the forefront of driving innovation to help hotels win. To win in guest experiences, to win at optimising operations and to win at driving business growth.

It's not particularly favourable to say this but I think hoteliers are being let down by providers. What we need to be focusing on is how we have fewer consolidated vendors who do things well and are really well connected, rather than open chaos which hospitality thinks is right, right now. Everyone seems to be starting a start-up and expecting it to just grow and being grumpy with PMS's for not integrating to the hundreds and hundreds of products available now. That isn't hotelier focused. It is unrealistic to assume that hoteliers possess the necessary technological expertise to assess the superiority of any of the 30+ available Guest Experience apps. Moreover, their time is limited due to ongoing staffing difficulties, making it impractical for them to undertake such evaluations. Another reason of hesitancy from hoteliers to switch their existing legacy systems could be lack of trust in the vendor market. Even if the 'promised' gains of a new solution sound really tempting, in first instance they fear to compromise on the functionality they already have and need. It's hard to believe that in 2023, hoteliers still think going cloud means compromising on quality and functionality, however, this is not the case. As the CTO for a pioneering cloud PMS vendor, we proudly assert that our cloud solution offers unparalleled performance and functionality without any compromises.

In 2023, hoteliers are demanding more intelligent technology that can remove frustrations and deliver a seamless experience for guests. But for me, it's about helping hoteliers to understand what truly is valuable and necessary, it's not about following the latest trends in digital marketing or revenue management systems, it's about looking beyond the hype. I walk into hotels and say, 'You don't need to hire an IT Director' and they say 'Fantastic!' However, you can sense their fear of 'But, how do we compete with the big guys?'.

It's about having less stress as possible through tech integrations and hosting, moving to the cloud, ease of use and above all it's about being able to phone someone up outside the company and asking, 'Please can you fix this problem, and I don't want any excuses.'

Hoteliers are smart, most hoteliers know what they really need to get on with and do because they feel it on the ground. The key for me is to try and be one step ahead, looking on the horizon as to what hoteliers are likely to want and to need. As technology suppliers, there is a requirement for us to be flexible to changing demands, to architect our systems in a way that can create new solutions, to train our developers with a hotelier focused mindset, to interview our customers about their needs and above all to be innovative. However, we need to make it as easy as possible for hoteliers and if that means we need to decide whether we prioritise adoption and ease of use over functionality, we will take that approach and in time we can build on that. A standard platform feature is often enough, and the real value is about how all these pieces start to join together.

I understand that technology is not the top thing hoteliers worry about when they walk into their hotel, so it is likely that change or transformation is going to take slightly longer than anyone likes in this industry but as long as it is happening and is discernible, they'll get there in the end. If Ryanair can switch from being one of the worst perceived airlines to being one of the most popular, as a case study, there is hope for hoteliers! When Ryanair revolutionised airline travel, the public were outraged. With online check-in, a limited-service airport journey, priority boarding, hand luggage only, first come first served seating and extortionate 'at-gate' fees, the list goes on. However, when our attitudes changed and we embraced this new way of travel, we adopted a faster, more seamless, affordable and a better organised approach to short distance travel. While in the past personal service was standard and digital experiences were "special", today, we live in digital world, and it seems that personal service is becoming somewhat "premium".

In my opinion, technology should support digitisation in areas where it reflects reality. However, staff are still necessary where technology cannot fully replace their tasks, such as preparing rooms for guests. The Covid 19 pandemic and staff shortages have changed the perception of technology such as online check-ins and kiosks, which were previously seen as a budget option or a way to avoid interacting with receptionists. Now, people have grown accustomed to the convenience of online services, but they still value quality (rather than just transactional interactions) conversations with human staff.

One area that is going to see huge growth in the sector is the wider adoption of pre-payment for hotels, it's becoming increasingly important, particularly for corporate deals where check-in and checkout times need to be adhered to. Queues often build up due to balance errors or staff needing to make changes to reservations. With airlines, because everything is prepaid, it's automated, so they don't care if you turn up or not. If a guest has prepaid for their room, it reduces the stress of no shows and now the conversation between the hotel and the guest is 'trust', it's all dealt with before the guest arrives, people trust the 'machine' a lot more, prepayments for me is a

massive step forward for the industry and has proven to be successful.

If pre-payment details are accurate and reflected on balance information, it reduces the workload for reception staff and leads to a faster, smoother check-in process. This allows for value-added conversations with guests and potential upselling opportunities. Its why PMS companies are working on products like virtual credit cards, and other aspects to make the guests perspective on the reservation accurate and understandable, not just to the hotel staff etc. The ultimate goal is to have a flawless check-in process where guests feel valued and satisfied.

If you think back, we did find it difficult, and it didn't always work when airlines went digital. With Ryanair as an example, you don't book through a third party, you book direct meaning Ryanair are in control of everything from start to finish. You as the booker, use their website, you use their app, their kiosks at the airports, you have been interacting with Ryanair as a business throughout the entire journey. One of the challenges hotels have is with OTA's, it makes a hotel's tech stack less efficient as it has to work around it and the payment challenges etc, however with a direct booking, it goes straight into the PMS so the system immediately gets the details and knows the balance and we, the tech, has the control and the guest who books direct automatically starts to get the better experience. One of the goals I'd like to see more of in the industry is that the hoteliers offer the better price and makes more money by getting people to book direct. It's not new but hotels are getting punished for not solving that problem themselves.

WHAT DOES THE FUTURE HOLD?

The number of PMS companies will consolidate down because the economies of scale of technology are as such, people who don't have enough customers can't invest enough, there is a reason there aren't as many different word processors anymore, there are a few good ones, because that's the only way you can achieve the technical depth and breadth of product at a price that people can afford, that's inevitable.

I think within that you'll see platforms emerge, integration will still exist for sure, but it will be a lot more intelligent and a lot less spasmodic, much more targeted with first class partnerships, like Microsoft have with salesforce and amazon have with ERP systems.

It will come down to making the guest experience and the hotel user experience much less of a separate thing and more part of the journey, it will be like having a pen, you'll have a PMS, the processes will start to drift away leaving the hotelier to focus on the stuff that matters and it will be much more joined up.

Technology should be taking a backseat not the forefront really, it should be your key to more revenue, more control, more automation, more satisfaction and more of what you wish for your hotel. The only people who are going to change hospitality are the hoteliers. Because I am a hotelier too, I fully appreciate how difficult it is to run a hotel across revenues, tax, staffing as one of the biggest and hardest challenges. Hotel software needs to help hoteliers in an incredible difficult industry.

You don't want to be the Pan Ams that didn't want to adapt. Ryanair left them on the runway...

Hoteliers can be a lot nimbler if they look beyond the hype to find true value.

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Andrew Metcalfe — Chief Technical Officer, Guestline
Andrew Metcalfe was appointed the first ever Chief Technical Officer (CTO) of global hospitality software business, Guestline, in June 2017. He is responsible for ensuring the business maintains its position as one of the hospitality industry's innovative driving forces and leads product management, development, infrastructure, technical support and IT functions. In particular, the Guestline Labs function has been implemented under Metcalfe's tenure to drive the company's innovation through daily code releases and ongoing customer engagement. Metcalfe owns a boutique 5-bedroom B&B, restaurant and event venue in Essex, Downham Hall. He holds a degree in Mathematics from the University of Bath.

Guestline Ltd — guestline.com
Established in the UK, Guestline provide innovative property management and distribution software to the hospitality industry. Founded on cloud-based technology, Guestline's revenue generating solutions enable hotel groups and independents of all sizes to achieve maximum occupancy at the most profitable rate. Fully integrated into the Guestline distribution and central reservation platforms, the property management software is currently growing revenues in businesses in ten countries across four continents. The range of products include Rezlynx PMS, online booking manager, CRS, channel distribution manager, PCI compliance and EPoS systems.