

HYB25

Annual Edition

Navigating New Dynamics in the
New Year



The Hotel Yearbook

Foresight and innovation in the global hotel industry

HYB



Merchandising Trends to Watch in 2025: Elevating the Guest Experience

AI-driven Merchandising

Jason G. Bryant

Vice President, Nor1 GTM - Oracle Hospitality

ORACLE
Hospitality

As the hospitality industry focuses on maximizing revenue and personalizing guest experiences, AI and data security are becoming indispensable tools. For years, online retailers have successfully used AI-driven merchandising, and now hotels can follow suit to provide tailored offers beyond the guest room. With the application of AI and machine learning, hoteliers can engage guests coherently throughout the reservation life cycle, improve operations, and boost revenue, marking a shift from generic offers to personalized experiences.

1 AI-DRIVEN PERSONALIZATION

Predictive AI and generative AI are the intelligent building blocks of personalization, each providing a critical component for any successful merchandising strategy. The application of AI, particularly predictive AI, helps unlock personalization by identifying patterns in data and using those to make predictions on what to offer a specific guest, the optimal price, and at the right time. This may include the recommendation of room upgrade offers for individual guests, providing a tailored experience. **Tip:** *Explore AI solutions that are embedded within your current functional solutions that offer both operational efficiency and a comprehensive set of capabilities for powerful personalization.*

2 SECURE CLOUD HOSPITALITY PLATFORMS TO HELP MAINTAIN GUEST TRUST

To manage guest data responsibly, consider secure cloud-based platforms for merchandising. Investing in robust security architecture is essential to prevent data breaches, comply with governance standards, and maintain guest trust. This not only safeguards sensitive information but also fosters a culture of reliability that guests appreciate and expect. **Tip:** *Cloud platforms offer the security and scalability hoteliers need to align with its merchandising strategy's growth.*

3 OMNICHANNEL GUEST ENGAGEMENT ONLINE AND IN-PERSON

Guests appreciate options when booking, using various channels like online travel platforms, hotel websites, and phone reservations. This preference extends to merchandising, as guests engage with offers across their travel journey. Every touchpoint, from booking to check-in, is an opportunity to implement a successful merchandising strategy. **Tip:** *Ensure your digital marketing partners support your merchandising initiatives across all channels.*

4 COHERENT GUEST COMMUNICATIONS

Providing merchandising opportunities across their travel journey isn't enough – hotels need to understand the guest's interactions with those opportunities, including the offers they didn't take. Repeating the same offer, even after the guest has already accepted the offer, creates a disjointed experience that degrades conversion. Coherency, or knowing the guest's interactions from booking to check-in, is key to a successful merchandising strategy. **Tip:** *Coherent, targeted communication across all touchpoints shows guests that your strategy is both personalized and intelligent.*

5 REAL-TIME MERCHANDISING

Real-time capabilities are a fundamental feature that drives value for merchandising success. The ability to analyze various signals and data sets, including current rates and availability, allows for instant, relevant offers. Dynamic market conditions require adaptable strategies, unlike static offers and pricing that remain unchanged. **Tip:** *Adopt technologies that automate the presentation of real-time merchandising offers directly to front-line staff.*

6 EMPOWER CUSTOMIZATION

Give your guests what they want! While offering specialized or premium rooms is essential and always sells, so do value-added services like lounge access or top-floor rooms. Maximize your property's already available facilities and offerings, ensuring no money is left on the table. What makes your property unique can also generate revenue. Allow guests to select from several offers to curate their perfect stay. **Tip:** *Make sure your merchandising strategy includes the capability to monitor and analyze guest choices, which can help identify the preferred guest products and services.*

7 SOLVE FOR THE PARADOX OF CHOICE (OR 'SIMPLIFY CHOICES FOR BETTER CONVERSION')

Contrary to popular belief, more merchandising options don't lead to more sales. Too many choices reduce conversion and can overwhelm guests, causing anxiety, dissatisfaction, and ultimately inaction, as guests are too overwhelmed to make a selection. A curated selection of personalized options improves conversion rates and revenue. **Tip:** *Tailor merchandising choices to align with your guest-centric philosophy and revenue goals.*

8 STREAMLINE STAFF OPERATIONS

Effective merchandising requires data and computation, which can be challenging for staff during guest interactions. Embed merchandising capabilities into the critical business platforms so that staff does not have to toggle between applications while engaging guests. Less effort for staff will garner more revenue for you. **Tip:** *Adopt a platform that embeds merchandising recommendations within apps, enabling your employees to contribute to your merchandising strategy.*

9 AUTOMATION, FROM DEMAND GENERATION TO FULFILLMENT

With the technology available to hoteliers today, there is no excuse to continuing to use manual processes. Leverage predictive AI and integrations to help automate merchandising offers across all your digital channels, ensuring reservations and guest profiles can be updated in real-time. **Tip:** *Utilize property management systems, hotel apps, and on-site kiosks that can deliver targeted merchandising offers during guest interactions.*

10 DON'T FORGET THE HUMAN TOUCH!

While AI is transformative and exciting, the hospitality industry thrives on human connections. Technology works best when it is selectively deployed to assist staff, because at the end of the day, it is direct interactions that ensure a property stands out, leaving a lasting impression and unique guest experiences. **Tip:** *Always include human reviews for AI-generated content to maintain a personal touch.*





HOSPITALITY'S LEADING DIRECT BOOKING PLATFORM



Get Revinate. Get **superpowers.**



REVINATE
GUESTS



REVINATE
MARKETING



RESERVATION
SALES



GUEST
FEEDBACK



REVINATE
IVY

REVINATE.COM