

Technology in the Hospitality Industry – Have We Gone Too Far?

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The hospitality industry is changing, and is rapidly becoming super high-tech. While we can argue that this benefits guests—and it certainly benefits vendors—how much is it taking away from the guest’s personal experience? Theoretically, it should improve the customer experience, particularly through the use of data collected by using the various technologies. Let’s look at how guests actually feel, especially the Baby

Boomers who look set to remain the most prolific travelers for the next two to three years, and see if the numbers support the theory that technology has improved the hospitality experience.

Since the early days of hospitality, the industry has operated on the principle of customer service before everything else. The warm welcome afforded by the Maitre 'D on arrival at a restaurant, the personal service provided by a friendly concierge, and a rapid check-in from the Reservation Desk have all helped make guests' experiences unique and fulfilling.

With the advent of technology, however, many activities previously performed by live humans have been replaced by automated methods, mainly in the attempt to streamline functionality and improve service. But is it *really* an improvement, or has the industry gone too far? Do these changes enhance the guest's experience, or have we forfeited the true meaning of the word "hospitality" in the process?

How Times They Have a-Changed

The changes wrought by technology are far-reaching, and affect every aspect of our 21st century lifestyles. Hospitality is one industry where this is dramatically true, in so many more ways that the man in the street realizes. From start to finish, the experience is now facilitated by technological factors, many of which go relatively unnoticed. Here are some of the ways times have changed through the incursion of technology.

With the rising popularity of online reviews, hospitality guests now have the ability to research any venue to see what others have posted. Both review websites and social media platforms have become active gateways to global opinion, and travelers use these extensively to help them decide where to book. **Research from Search Engine Land** shows the reviews for companies in the hospitality industry are considered 48% more important and valuable than in other industries, which indicates the target audience takes online reviews exceptionally seriously.

Once a traveler has made their choice of destination, they can now search for the best hotel deals at the click of the mouse. Technology is shaping how lodgings and restaurants are found and booked, and aggregator sites such as Hotwire, Expedia, Bookings.com and Reservations.com are just a few of the digital platforms available for making online reservations. These have taken off extensively, with **research showing one half of millennials, 26% of Gen Xers and 12% of Baby Boomers** consider themselves "travel hackers," which means they believe they know all the best ways to use technology for good deals. Chatbots on booking websites enable the user to ask questions without even getting up from the sofa.

On arrival at their destination, guests no longer need to wait in line for the key to their room. They can now check in and out using electronic kiosks, online and mobile check-ins. Automated payments and the **use of smartphones for keyless entry**, making requests, online purchases, or even placing room service orders makes self-service an attractive option. For anyone who thinks this is overkill, just try manually checking into a Las Vegas hotel on a Saturday at noon! The benefits of automation will soon become crystal clear.

Summary

With the advent of technology, many activities previously performed by live humans have been replaced by automated methods. Is it really an improvement, or has the industry gone too far?

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One of the more remarkable technological disruptions hotel guests have had to deal with in recent years includes the introduction of smart appliances. Just as homes have been revolutionized through the implementation of smart technology, high-end accommodations are expected to have all the bells and whistles available. In 500 “connected” Hilton hotel rooms, for example, **guests can now control all the functions of the room** from a single device. Connectivity operates primarily through the chain’s mobile app, and manages the room’s lighting, temperature and TV. Guests can stream SHOWTIME shows for free through the app, without needing to input credentials or create a subscription. Anyone who prefers not to download the app can operate the same controls using a simplified, in-room remote device.

Apps are big in every way at present. A well-designed app can combine every aspect of the guest experience, from notifications about special deals to managing their loyalty program account. When a guest uses an app to book a room using a group conference rate, for example, the system can automatically send the conference itinerary and a map of the meeting spaces to his or her device.

In theory, **hotel rooms equipped with Alexa, Siri** or the like could enable guests to make voice-activated requests for room service, place an order, call housekeeping to ask for more towels, or request their car brought out of Valet Parking. And, of course, there’s the use of robotics and artificial intelligence to do things like handling the vacuuming of the room, preparing meals, and restocking the courtesy bar. Chowbotics is one company that has led the way in pioneering a whole new industry, through the creation of “Sally the Robot.” These robots can be located in a hotel lobby or guest-accessible kitchen area, and prepare meals such as salads, bowls and ethnic cuisine. While doing so, they also count calories, deliver precise portions, and serve up great food—all at a press of a button.

Many new smart-technology companies like **Handy** are taking Asia by storm in the hotel segment, by offering a complimentary device that provides 24/7 connectivity to hotel guest services and other travel information from any location.

We have also seen the emergence of cost-saving technologies that not only focus on guest loyalty but also reduce fixed costs and overheads. Newspapers, for example, have always been a “thorn in the side” of hotels and hotel companies, in terms of wastage and the challenge of importing these papers, especially for international guests. One unique company that has utilized technology well in this field is UK-based **Gold Key Media**, which offers a unique way of delivering newspapers and magazines. The company does this by offering a choice of options, including downloading direct from the hotel site itself. It also provides a customized, white-labelled platform for every venue, which offers value-added features such as restaurant booking and concierge requests.

Realizing the Benefits Offered by Technology

It’s easy to assume guests prefer the “human” touch, but we should be careful of making such assumptions. In addition to the statistics that show an undoubtedly positive response to technology, there are other benefits to be gained from the shift.

Security, for instance, is of paramount importance in the digital age, in terms of guest identities, address information, and financial data. Biometric authentication offers the most secure method of proving identity that’s currently available, and the hospitality industry has been quick to realize the need for this level of safety. With the use of fingerprint-activated room entry and facial recognition methods such as those used by the Nexus, **Global Entry and TSA Pre-Check** programs, this technology is still in the early stages, but future hospitality application is likely to include behavioral biometrics. Even if some guests don’t have a particularly positive reaction to the introduction of more stringent security measures, they mostly understand the critical need to have them, and they appreciate hotels paying attention to the matter.

Then there’s the benefit of data, which is already **transforming the hospitality industry**. Improving a guest’s experience depends on the ability to identify the individual guest’s preferences. The best way to determine these is by collecting data from first-, second- and third-party sources, combining and analyzing it effectively. The use of the various types of technology generates huge quantities of data, which when properly analyzed and managed, enables hospitality companies to personalize their service in a way guests have never seen before. Analysis of voided checks in hotel restaurants and bars, for example, can help management identify the cause of problems and take steps to improve prevent future guest dissatisfaction and losses. Tracking how often individual guests book hotel stays, the average length of a stay, their typical room service orders and the films

they watch gives hotels the opportunity to personalize offers from meal choices to entertainment. This makes the guest feel doubly welcome and valued, and supports the belief that they are more than simply a number to the hotel.

Location-based services can also enhance a traveler's experience tremendously. Remember the days when eager Boomers lined up at the concierge's desk to get advice on places to visit? How much faster and more reliable is an app that automatically delivers a list of local tourist attractions to the device of a returning guest on arrival, based on data about their age, language and preferences?

The issue of climate change continues to hang over our heads like the proverbial Damocles sword, and even the most obtuse guest is aware these days of the need for energy efficiency. The use of **technology such as motion sensors to regulate lighting** and temperature provides a seamless way to ensure guests don't waste resources, and it sure beats having to call down to the front desk and have a concierge come up to the room to change the temperature. While these controls have existed for a fairly long time now, the ability to manage them from a smart device even before the guest reaches the room has undoubted benefits for them.

What the Numbers Say

While it could be easy to convince ourselves that technology isn't everything and hospitality guests really still want a personal experience, the numbers say otherwise. Baby Boomers remain the biggest target market for hospitality in 2018, with statistics from the AARP (formerly the American Association of Retired Persons) showing that this group expected to take 4 to 5 trips during 2018, compared with millennials who typically take 4.2 leisure trips each year, people between 31 and 35 years who take 2.9 trips and 46 to 65 year-olds who take 3.2 trips a year. The Boomers aren't shying away from technology, either, in spite of what we're led to believe by some media. According to the **2017-2018 Portrait of American Travelers Study** from MMGY Global, almost all the Baby Boomers surveyed had used online resources to gather information for travel. AARP research, meanwhile, showed Boomers had used both direct websites as well as online travel agency sites to make reservations.

A **2017 report from Oracle Hospitality** shows two-thirds of U.S. hotel guest respondents felt it was either "extremely important" or "very important" for hotels to continue investing in technology to enhance the guest experience. At the same time, however, almost 60% of guests preferred speaking to a human at the front desk or concierge office.

The Last Word (for now!)

In the final analysis, it seems travelers of all ages are keen to make the most of online hotel reservations and reviews. They understand the need for (and value of) using technology to support the guest experience, and although they are rapidly embracing many aspects of this brave new world, they still need to be able to consult with a human being if required. All of this indicates that while a hotel offering a truly connected experience is likely to be full of very happy, empowered guests, we can't quite replace the human touch completely just yet. While technology will continue to play an important role in all aspects of the guest experience we do need to make sure that we do not bypass the human emotional experience that can get lost in the world of smarter and faster applications of hotel technology.

Hospitable guest interaction by management and staff can lead to a more engaging and emotional experience, however, than technology can ever deliver. Let's hope we don't entirely lose that aspect of our great industry over time.

About Court Williams



Court Williams is Chief Executive Officer of HVS Executive Search based in New York and has over 30+ years of retained Hospitality Executive Search experience within the Hotel, Restaurant, and Travel/Leisure industries. He began his career in the restaurant industry after graduating from Cornell's Hotel School gaining operational experience prior to launching a career track in Human Resources with an international restaurant company. Having gained experience in executive recruitment from the brand side, the desire to work with a broader range of hospitality clients led Court to a career in retained executive search beginning in 1990. Court has expertise in leading senior hospitality executive searches across all functional areas including Board Director, CEO, Operations, Human Resources, Marketing, Finance, Development, Culinary and Supply Chain. His client base includes private equity firms, hotel management companies, restaurant companies, real estate investment firms and leisure venues. Court also leads the global growth strategy for HVS Executive Search and is on the Advisory Board of Shift One. He remains an active Cornell alumnus and is a student coach with Cornell University's Hospitality Leadership Development Institute, as well as The Samuel Curtis Johnson School of Management's MBA Marketing program. Court earned his Bachelor of Science degree in Hotel Administration from Cornell University. For more information contact Court at [\[email protected\]](#).

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Paul Savage is Vice President at HVS Executive Search based in Vancouver, British Columbia. Paul has worked with nearly every major hotel/hospitality brand in North America. He has developed and implemented national web brand and recruitment strategies along with online digital/technology solutions for the likes of IHG, Marriott Hotels, Fairmont Hotels & Resorts, Ritz-Carlton Hotels, Hyatt Hotels and Accor globally. Paul has worked in a variation of key roles at leading niche hospitality technology companies as well as working for IHG directly under Global Talent and Acquisition, having developed and created there internal IHG Global Jobs Portal as part of their people tools strategy. Prior experience includes focusing primarily in Business Development, Software Sales, Digital Media, Social Media and Marketing, Project Management and Recruitment Sales. Paul has a Degree in Hospitality Management from Coleg Glan Hafren College, UK and his business experience ranges across several markets, including the United States, Asia, Australia, UK and Canada. For more information contact Paul at +1 (604) 347-7475 or [\[email protected\]](#)