Keeping Pace in Hospitality Means Delivering Technology that Makes Guests Feel at Home

In-room video and entertainment options, robust Wi-Fi, sound security, and effective apps all come together to deliver a superior experience to business and vacation travelers.

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Technology is everywhere in the hotel experience and is fundamental to delivering on the amenities that build customer loyalty. Those amenities include in-room entertainment systems that mimic what guests have at home. Ubiquitous Wi-Fi and fast Internet access are also crucial, including the ability to stream video content. Hotels are also rolling out an array of apps aimed at improving the customer experience, driving those repeat visits.

Back-office systems likewise need fast, reliable connectivity both within the facility and to outside resources, including cloud offerings. They need to be partitioned from guest networks, to prevent unauthorized access to sensitive data. Indeed, security must permeate all aspects of the network, including in-room, in common areas, and in the back office.

Hospitality Trends

It's an interesting time for the hospitality industry, as a long period of steady growth may be losing steam.

"Hotel owners need to think about how they can continue to stay a step ahead of ever-evolving guest requirements to drive value," says Donna Cobb, Executive Director, Enterprise Marketing for Comcast Business. **"Technology can help them by personalizing the guest experience, delivering a home-away-from-home environment and increasing revenue per room."**

According to the Deloitte 2019 US Travel and Hospitality Outlook, from 2009 to 2017, U.S. hotel gross bookings grew from $116 billion to $185 billion, a compound annual growth rate (CAGR) of 6%—approaching 10 consecutive years of growth. [1]

Key metrics are expected to slip in 2019 vs. 2018, according to Deloitte forecasts. The average daily rate and revenue per available room are each expected to be up just 2.4% while occupancy is expected to climb only 0.2%. [2]

In such a challenging climate, it becomes critical for hotels to deliver on everything guests expect, and even exceed expectations to drive the repeat stays that are crucial to property profitability. And with softening demand, the pressure will be on to maintain rates.

Effective strategies used in the last downturn included **"competing on the basis of quality, leveraging loyalty programs, managing costs, and developing additional revenue sources and market segments,"** the Deloitte report says. [3]

Technology underpins all of those strategies, making it crucial to delivering guests a world-class hotel experience.

The Hospitality Response

When it comes to competing effectively in this climate, hospitality companies face several challenges, Comcast Business' Cobb says.

One is to focus on creating the best customer experience, which will help increase revenue per available room and drive repeat visits. **"That's the challenge they all need to work through,"** she says.

Similarly, hotels need to create personal connections with customers in order to enhance their brand loyalty. That's crucial to better compete in digital marketplaces like Expedia and Travelocity, where the pressure is great to simply go with the lowest price option.

Creating a home-away-from-home experience is another challenge, one that can be met by providing robust in-room video services, with options similar to those customers are used to at home. That includes voice commands and lots of movies and shows to choose from, both live and on-demand. It also means Wi-Fi that's easy to connect to, reliable and, most of all, fast—to satisfy both business travelers who may be working from their rooms and families with kids who want to stream games and movies to their portable devices. **"Hospitality companies need to address the expectations of both millennials and 'digital natives,'"** Cobb says.

Finally, the entire environment needs to be secure, from both the physical and cyber perspectives, in rooms, common areas, and the back office.

Innovative Applications

Mobile apps that hotels are rolling out play a big role in addressing many of these challenges—and they all rely on a fast, reliable network being in place in order to perform as expected.

A recent survey from the American Hotel & Lodging Association (AHLA) shows the idea of using mobile apps to access hotel services is increasing in popularity, cited by

40% of respondents in 2018, up from 35% in 2016. [4]

The ability to check in to the hotel using a mobile device is a key feature, with 80% or more of mid- or higher-priced hotels saying they support the feature. The use of mobile devices as room keys also took a big jump, from 6% in 2016 to 17% in 2018, the survey shows. [5]

"It's easy to lose perspective on just how much technology has shaped travel in such a relatively short time. In 2009, the first hotel and airline apps were just hitting the market. Instagram and iPads didn't exist," the Deloitte report notes. **"Taxis were hailed by hand, and small luxury hotels were among the only businesses that could attempt to create a personalized experience for every guest—and even then, mostly in the physical realm. Perhaps even more remarkable, ten years of travel innovation could be dwarfed in the next three or four."** [6]

Adopt Technology to Keep Pace

It's clear hospitality companies need to put an emphasis on adopting a range of technologies.

Mobile applications are at the root of delivering a personalized experience. On top of mobile check-in, the apps can also allow guests to select their room and take advantage of in-room smart technology, such as to control lighting and temperature.

Emerging chat concierge services enable travelers to seamlessly order room service, make a housekeeping request and connect with various third-party service providers, such as ride-hailing apps and reservation services for area restaurants and attractions.

Such apps give guests autonomy, Deloitte says, **"giving travelers the freedom to experience the core hotel product as they want to."** [7] They also give the hotel the opportunity to capture data around guest preferences—what type of room they prefer, temperature settings, and important dates such as anniversaries and birthdays.

Effective data collection requires "ecosystem integration," Deloitte notes. Over the course of their stay, guests leave clues to their preferences all over: at restaurants, from room service orders, spa services, at the golf course. Integrating a hotel property management system (PMS) with all of hotel's own services as well as neighboring properties and other brands in the hotel's portfolio can help hotels build a clear picture of guest preferences and tendencies.

Increased visibility into these guest preferences provides the ability to offer timely upgrades and perks that result in repeat bookings. An ability to integrate with other providers can also help reduce hotel operating costs, Comcast Business's Cobb says.

Rather than operate its own fleet of shuttle vans, for example, a hotel could partner with a ride-sharing service. And with the personalization information it has on hand, it could make the service highly customized. **"We know you have two young kids with you, so we'll offer you a vehicle with two child safety seats,"** she says.

"Today's luxury travelers want customized, personal experiences with fantastic and intuitive amenities."

Ben Shank, General Manager of Four Seasons
Hotel Philadelphia at Comcast Center

Building the Technology Base

In-room Entertainment

Starting with in-room offerings, that base includes television with the same channels and video options guests have at home. It needs to include options for everyone from the solo business traveler to a family with toddlers.

When it opens in mid-2019, the Four Seasons Hotel Philadelphia at Comcast Center, for example, will have Comcast Business X1 for Hospitality available in all 219 guest rooms. The hotel sits 60 stories above the city, with soaring views and world-class restaurants—making for a real luxury experience.

"Today's luxury travelers want customized, personal experiences with fantastic and intuitive amenities," says Ben Shank, general manager of Four Seasons Hotel Philadelphia at Comcast Center. **"With the voice remote, finding a channel, show or movie is now as easy as the click of a button and a simple voice command. We believe X1 will help elevate our guests' in-room experience and create a truly world-class visit."** [8]

Flexible WAN Options

For wide-area connectivity, hotels need options that are reliable, scalable and secure.

Software-defined wide-area network (SD-WAN) services address each of these requirements. By abstracting network control functions from the underlying network, SD-WANs enable hotels to choose the WAN service option that most closely matches the requirements for each application. Some may require the performance and

deterministic characteristics that private lines provide while others may be served by lower-cost Internet links. SD-WAN also makes it simple to configure backup links, using Internet or even wireless services as secondary options to ensure reliability. And security services such as firewalls and intrusion detection/prevention are typically built in to the SD-WAN appliance at each hotel location. The physical or virtual appliances also make the service simple to deploy, which is important for hotel chains that are not likely to have IT personnel at each location.

Robust Wi-Fi

Fast, reliable Wi-Fi service is also a must in guest rooms and in common areas. It's also crucial for back office apps—and must be partitioned from the guest network from the guest networks to prevent unauthorized access to sensitive data.

Security all around

Physical security systems are required to protect guest rooms and hotel grounds, including security cameras and monitoring systems or services. Cybersecurity tools must also be in place to protect the Wi-Fi networks, mobile apps, and all the back-office IT resources.

Add it all up and it amounts to a significant amount of technology infrastructure to deal with. For hotels with numerous locations and limited IT staff, managing technology can be a daunting task. In many instances, managed services will be a good option, enabling the hotel IT group to stay focused on strategic tasks that bring value to guests and to the hotel alike. That may include building those integrations with PMSs, customer relationship management systems, and implementing analytics to extract more value from customer data, to drive personalization efforts.

Using Technology to Win the Loyalty Battle

Technology can help hotels get to know customers better, tracking their preferences to provide personal touches that make them feel welcome. It's also behind the in-room entertainment options that make guests feel at home, and the robust wireless network infrastructure in rooms and throughout the property that guests have come to expect.

Such personalization capabilities are an important component in the ongoing battle among hotels for customer loyalty. Technology can help hospitality firms win the battle, if it's implemented with customers in mind.

Those that effectively implement technology to personalize the guest experience and meet or exceed expectations will be rewarded in the best possible way: with return visits.

[1] "2019 US Travel and Hospitality Outlook," Deloitte.
[2] Ibid.
[3] "2019 US Travel and Hospitality Outlook," Deloitte.
[4] "AHLA survey highlights focus areas for hoteliers," HotelNewsNow.com, March 15, 2019.
[5] Ibid.
[6] "2019 US Travel and Hospitality Outlook," Deloitte.
[7] Ibid.
[8] "Comcast Business Launches X1 for Hospitality," Comcast.com, June 18, 2018.

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