DataArt attendees discuss digital future for hospitality

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What do industry leaders think about the digital future for hospitality?

Travel industry leaders met in London last week for <u>DataArt</u>'s fourth annual Travel Question Time and discussed the **digital future for hospitality**. Conference delegates packed out the auditorium to hear the leading lights of travel engage in a panel Q&A which addressed many issues facing the industry today.

"This was our fourth – and the most popular – DataArt QT event. The free-speech-and-dialogue-is-king rule allows industry leaders to go for it, and discuss things candidly. Friendly controversy is what makes it lively and relevant", said Charlotte Lamp Davies, Leader of DataArt Travel and Hospitality Practice, Europe.

The Travel Question Time panel was composed of impressive industry thought leaders Elliott Pritchard, Chief Marketing Officer of Triptease; Greg Abbott, Head of Travel and Hospitality Practice, DataArt; Andy Owen Jones, Cofounder and Chief Executive Officer of BD4 Travel; Suzie Thompson, Chief Marketing Officer of Red Carnation Hotels; and Chris Roe, Accor's Vice President Sales Distribution and Loyalty, UK & Ireland.

Here are some key points that were discussed by the panel... Key Disruptions

- Hotel distribution is being upended by OTAs vertically integrating.
- Look at what the "mad" people are doing on the fringes to know what's coming down the line next.
- The industry must get the basics right before introducing new tech.

Customer Relationships

- · Hotels want to build relationships between themselves and the customers, but airlines are different.
- Hotel relationships alter, i.e. some provide full restaurants, bars and the like, while others partner with local businesses to provide guest experience

Acquisitions – the digital future for hospitality

- Brands now need a portfolio of options Customers going to London aren't all looking for one brand they want choice. Customers of the future will want different things to present day customers. Acquisitions must focus on providing this.
- However, some on the panel said that company partnerships, not acquisitions, were the future. Partnerships
 can create competitive advantage.

Technology - industry must become braver

- The industry must begin to adopt the solutions for better customer experience that already exist.
- The hotel industry is a "great big dinosaur" and needs to change. Only hotels which adapt culture and embrace
 change will succeed. The best tech is built by tech people and not hotel industry people. Customer experience
 really improves when different sectors work together in a collaborative manner.

OTAs and the Distribution Power Game

- Mid-size OTAs will struggle now that the side bar has gone on Google in favour of three large adverts at the top
 of the page. Only the largest players and specalised OTAs have a future.
- OTAs are now effectively becoming tech companies. There is a big drive in the industry to increase direct sales.
 For example, Hilton is offering its best prices to those who come direct.
- Distribution is about power, cost and differentiation. Hotels get power by not giving out email addresses. Hotels need to be aware of the dangers of over-dependence on OTAs.

• The key to success is a mix of OTA, direct, corporate and leisure business. Hoteliers must get this balance right.

Some other interesting takeaways from the discussion included the agreement that in the future customers will look for robots and facial recognition and that hotels should start to use more technology options which will improve the guest experience i.e. WhatsApp style messaging.

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