## Digital should serve the guest, not take over

Jun 17.2016

"Digital hospitality" can cover everything from robots and reputation management, but technology is the servant, not the master, of the guest experience.

This was one of the themes which emerged from the latest DataArt Question Time event held in London this week, produced in conjunction with Tnooz. Chris Roe runs sales and distribution for Accor UK and when asked about the hotel of the future responded with the idea that the hospitality industry "needs to get the basics right first," from making sure the wifi works across the property to addressing the time taken and processes around check-in and check out. Digital can play a role in helping to deliver the basics, such as Accor's Mercure brand introducing mobile check-in and check-out at hotels where the data shows a lot of guests have booked on mobile . And digital then helps the guests to spread the word.

Suzie Thompson, chief marketing officer of Red Carnation Hotels said that "digital reputation" was a natural benefit of "prioritising the customer experience" and that, generally, Red Carnation's approach was to concentrate on the guest experience and to partner with specialists for the tech and digital side of the business.

"OTAs vs direct" is never far from the surface when hospitality people talk shop. Thompson acknowledged that booking.com was a big source of business for the chain. "Intermediaries need to be respected, she said, "and there is a cost to direct distribution which is often hidden because it doesn't show on the balance sheet as a big OTA commission line."

Another guest on the panel was Elliott Pritchard from Triptease, who has a vested interest in direct as its what the business does. It is organising what he claims is the first industry conference with an exclusively hotel direct agenda. His take is that at the same time as hotels are looking for more direct business, the OTA market will consolidate further as the big players not only add hotel IT services to their portfolio but also squeeze out the medium-sized OTAs. The challenge from the OTAs therefore will be broader and bigger.

Another advantage the mega-OTAs have over the middle ground is their datacrunching expertise – they have the traffic to get the data and have the cash to employ the expertise. Andy Owen Jones frombd4travel suggested that mediumsized OTAs can aggregate data; big ones can analyze it.

Meanwhile, he shared some analysis of his own around how decent images can help improve conversion rates, saying that hotels could do (even) better on the OTAs if they paid more attention to the images they supplied.

The enormous digital marketing budgets of Priceline and Expedia mean that it is hard for anyone really to compete with these behemoths on Google. But other options are available, with Thompson seeingFacebook ads as highly successful, particularly around location-based food and beverage promotions as much as room nights.

And if hoteliers' conversations inevitably trend towards OTAs, then there is another line on the interest graph which is trending towards Airbnb. Owen Jones admitted that five years ago he thought Airbnb was "a mad idea" – it was basically a couchsurfing portal at the time – and used this as an example to the panellists and audience that the "crazy stuff happening today around the fringes" is where the next big thing will emerge from.

Greg Abbott from DataArt realises that the hotel sector is being disrupted at every level, and that maybe digital's biggest role for hotels was to improve the efficiency of its operations via virtual concierges and the Internet of Things. He pointed out that not everyone wants a conversation with the hotel receptionist, a lot of people just want to get to the room.

It is a different case with Airbnb, where meeting the host is part of the experience, "I can't remember the last hotel receptionist who checked me in but I can remember my last Airbnb host."

The event showed the different ways that hoteliers, their tech partners and the wider industry are coping with the many and varied disruptions taking place across the accommodations sector. Hospitality is no longer just about hotels. But it does seem as if "OTAs versus direct" and Airbnb are the main areas of interest and concern for the hospitality industry.

Original article — <u>https://www.tnooz.com/article/digital-should-serve-the-guest-not-take-over-hospitality/</u>