



Travel Brands Ready To Rock The Emerging Tech Boat

by *Todd Wasserman* . Contributing Writer . *CMO.com* | August 3, 2017



U.S. consumers are of two minds about travel and hospitality (T&H). On the one hand, they increasingly want to cultivate authentic experiences, whether that means a farm-to-table meal or navigating the back streets of Saigon on bicycle.

On the other hand, consumers want that access with a minimum of friction. Accustomed to the ease and convenience offered by brands such as Amazon, Netflix, and Starbucks, consumers expect mobile check-ins for their hotel rooms and brands that recognize them when they walk into their lobbies.

Like other industries, T&H has been working to employ digital interfaces to help streamline interactions and offer consumers more control over such experiences. This

year, industry players continue to integrate mobile while taking early steps to assimilate the internet of things (IoT), robot-manned front desks, virtual reality, and other [innovative, emerging tech](#) into the experience.

Let's take a look at their efforts.

Improving The Customer Experience

Imagine the next time you check in to a hotel and the hotel figures out you're traveling for leisure, not business, and books you a room with two double beds. Without having to ask, the hotel also remembers that you're allergic to feathers and gives you a foam pillow and has a bottle of pinot noir—your favorite—waiting for you. Such is the magic of predictive analytics. Yet most hotels are still far from that level of implementation.

“Integration is always the barrier,” said Alan Young, president and co-founder of Puzzle Partner. “There are systems in place that have been there for 20 years and systems that were born last month. There really is not definitive standard for integration.”

T&H brands realize that much of the friction consumers experience is wrought by the fact that brands don't recognize them. Checking in to a hotel can be a pain because the employee behind the desk needs to find you in the system and verify your identity. “When you get to the front desk, they say hello and ask you for your identification and credit card, and then they stare at the screen for 20 minutes,” Young told CMO.com.

Brian Hopkins, an analyst with Forrester Research, said that harnessing the internet of things (IoT) can help travel brands address this shortfall. “If you think about the travel and hospitality industry, it goes on everywhere,” he said. “It's in airports, it's on airplanes, it's in hotels, it's in cities.”

Hopkins told CMO.com that in the near future, marketers in the industry will use IoT devices such as beacons to recognize consumers in such locales and use that data to inform their customer service. Using such data, hotel staff will know when a customer has landed and when he enters the hotel.

Getting to that level means shifting from siloed campaigns to always-on multichannel experiences, said Andy Kauffman, VP of digital marketing for Marriott International.

“It starts with shifting the mindset from only thinking about what we as marketers want to tell consumers to what we can offer consumers that they really want to hear,” Kauffman said. “While technology and data, in part, is driving this shift, it's really about having a deep understanding of guest behavior and having content—lots of content—to scale the experiences.”

Various hotels have also been [experimenting with eliminating the front desk](#) since 2010 or so. The Henn-na Hotel in Japan even has a [robot manning the front desk](#).

Another option is to avoid the front desk entirely by checking in on a mobile app. In 2014, Starwood Hotels & Resorts Worldwide (which has since been bought by Marriott) began offering [mobile-based check-ins](#). Instead of getting a key at the front desk, guests could use a virtual room key and enter by using their smartphones.

Hyatt, Hilton, and InterContinental Hotels Group have also [experimented](#) with keyless entry, despite concerns that the technology might be vulnerable to hacking.

Consumer Outreach

Mobile now accounts for an average of [three hours, 17 minutes](#) a day of consumers' time. As mobile itself keeps evolving, T&H brands are trying to keep up. One newer example is voice-based mobile search.

Last year, Google reported that [20% of mobile searches were voice-based](#). Travel companies have been working to increase their visibility on voice searches. While an Android-based search, for instance, will bring up Google results for some queries, Greg Abbott, SVP and head of the Travel & Hospitality Practice at DataArt Solutions, said that T&H companies are looking to accommodate more specific searches.

“If you’re looking for the hotel that’s nearest you, that’s fine,” he told CMO.com. “But if you’re looking for the hotel that has the best spa facilities near you, that hotel is competing with 20 other companies that have similar spa services. How are they making the first move to have their results populated to the top of the fold?”

Messaging is another example in which brands are trying to reach consumers on their mobile platforms, added Jean Noel Lau Keng Lun, senior director of product marketing at Egencia. “We believe this is going to be the new touch point,” he said. “What we’re seeing is that where people hang out is on messaging.”

Last year, Egencia parent company [Expedia introduced a Facebook Messenger bot](#) that lets consumers book hotel rooms. Expedia also lets consumers book via Amazon’s Echo platform. “Usage rates are rather low for the moment,” Lau Keng Lun said, referring to both touch points. “[People] play with it, but will they use it naturally? We’re not there yet. It’s early days.”

That hasn’t stopped others from trying to colonize messaging. In May, Las Vegas’ Venetian Hotel [became](#) the first hotel in the city to offer bookings via Facebook Messenger. The brand uses a Facebook-based chatbot named Luis. Luis, which was created by Microsoft, lets potential guests check room rates and get other info without leaving Messenger.

Another area of focus is the way consumers book. “When you look at how people book or buy things in other industries, I see people book in an ad hoc fashion,” Puzzle Partner’s Young said. “You’ve got an environment where you can pick and choose.”

In the hotel industry, those options are called “features” or “amenities.” Young said that in the near future, consumers will be able to book by amenity. “That means, ‘I

want to be on a high floor on a balcony overlooking a lake' before they get to the room they want," he added.

Creating and Sharing Experiences

Savvy marketers in the segment realize consumers are their best brand ambassadors and that providing unique experiences is what creates such evangelism. If you can create an experience that's easy to share on social media, that's even better. That's why in June, [Royal Caribbean introduced "SeeSeekers,"](#) a scuba mask with built-in Snapchat Spectacles. Royal Caribbean CMO Jim Berra told Adweek that the brand is looking to patent the product and start renting them to guests this fall.

Though Millennials aren't Royal Caribbean's primary audience—Gen Xers and Baby Boomers are—the demo is growing, and the brand is looking to attract young Millennials who might already have kids. The SeeSeekers launch came after the brand [introduced wearable technology in January](#) that is designed to help personalize each consumer's cruise experience with wristbands that use Bluetooth and NFC.

Virtual reality (VR), on the other hand, is more about experience than sharing. Though the install base for VR is still small, some, including Marriott, see it as a vehicle for highlighting experiences. Marriott's ["VR Postcards"](#) give guests a taste of locales, such as the Andes mountains in Chile, an ice cream shop in Rwanda, and the streets of Beijing.

"Hoteliers are seeing that as a potential differentiator," Lau Keng Lun said. Destination marketing organizations, meanwhile, see VR as a vehicle for creating excitement and interest around their locales.

Proponents of VR say it can act as a "test drive" for locales and hotels. YouVisit, one of the first backers of the Oculus platform, offers a library of virtual tours and has created rich VR experiences for Visit Houston, the Red Roof Inn, and the Renaissance Hotels, among others. YouVisit gives web and Oculus users a 360-degree view of its hotels, and it provides a similarly immersive 360-degree experience for [Visit Houston](#). Such experiences have been likened to a "test drive" for destinations and hotels. Everyone from Tourism Australia to the Tourism Authority of Thailand to the Las Vegas Convention and Visitors Authority have dabbled in using 360-degree video for this purpose. Travel agencies can also use VR to train employees. In addition some have also begun to advertise on VR content that's directly or indirectly related to travel.

Augmented reality (AR) is another area of interest for the segment. Following the success of Pokémon Go, T&H marketers in the segment [began to experiment with AR](#). The [Discover Moscow Photo app](#), for instance, lets visitors to the city take selfies with Peter the Great and A.S. Pushkin.

Forrester's Hopkins said AR is too awkward and bulky right now, but in a few years, "It could transform customer service because if I'm working customer service in a

hotel and I'm supported by AR, I'm going to be able to meet customers' needs the moment they walk in."

One comparative laggard in the industry is the airlines. In an industry so driven by pricing, airlines have limited tools at their disposal and limited incentive to improve their offerings. "It's war between the operations guys who want to squeeze every dollar out and the customer experience guys who want to increase their Net Promoter score," Hopkins said.

Happily for the industry, consumers aren't fazed by whatever difficulties they encounter en route to their destinations. In a [2017 report](#) on the industry, Deloitte noted a shift in the past 12 years among consumers in which the relative proportion on spending for goods fell while spending for services rose.

According to the report, this trend reflects a consumer mindset that prizes experiences over stuff. In particular, consumers are using travel less as an escape than as a means to collect authentic experiences as a vehicle for self-growth. Brands in the segment now have a unique opportunity to enhance those experiences. Often they do that by getting out of the way, but if they are particularly smart about engineering those interactions, they can also become the consumer's ally.

Original article can be found here:

<http://www.cmo.com/features/articles/2017/7/20/travel-brands-rock-the-boat-with-emerging-technologies.html#gs.CjnwzaY>