Destination: Connected Travel
5 Big Ideas to Master Digital in Hospitality
Welcome to Connected Travel

The modern hospitality industry has weathered many changes through the years. But nothing has transformed the industry as broadly or as swiftly as the digital revolution has. Its impact is reinventing the entire customer lifecycle—from booking and the on-property experience to checkout and beyond.

Customers are in control like never before. From peer-to-peer to metasearch and more, customers have countless choices in how to search for and book a stay. Information about properties, prices and performance is at their fingertips on their mobile devices. Digital technologies constantly push the boundaries of guest expectations.

Disruption and disintermediation are everywhere. From niche virtual hotel brands to some of the world’s most powerful digital players, new entrants with inventive business models are vying for hospitality and travel market share—and guest mindshare. It is an unprecedented and evolving landscape.

Only the savviest players can win the battle for the guest in this environment. They focus on the essence of hospitality—the guest experience. Nothing matters more. Think of it as the evolution of white-glove service for the digital age. Innovating with digital is not an end itself. It is a means to transform the guest experience and work more efficiently.

These are the players who make the digital business case. They know that return on investment is not about the latest cool gadget. They see the bigger picture, prioritizing digital investments to deliver business value—acquisition, retention and profitability—while developing a flexible infrastructure and entrepreneurial culture to stay ahead of change.

Achieving this is a complex undertaking. But it does not have to happen all at once. As traditional industry players set their digital itineraries, they must be willing to break from the status quo. What follows are five big ideas to get started today.

Check out the New Hospitality Landscape

The digital revolution has unleashed a convergence of forces that are transforming hospitality fast—from the moment people dream of a travel destination through their stay on property to long after their trip is complete. Those who fail to adapt risk losing out to both established and emerging competitors.

**Disruption**

**More players > Less market security**

From mobility to analytics and digital platforms, emerging technology is continually extending the art of the possible in hospitality—and customers know it. Market dominance is up for grabs as business models evolve, deep-pockets players like Google continue to make inroads into hospitality and travel, and existing players such as Expedia, Priceline and TripAdvisor consolidate to shore up their positions.

In June 2015, Airbnb closed a $1.5B funding round, and is expected to top over $900M this year alone, with a $25.5B valuation rivaling those of Marriott and Hilton.

In July 2015, Google began offering a direct booking service for some hotels on Google Search, Google Maps and Google +8

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**Fragmentation**

**More options > Less loyalty**

Customers have many more options for shopping, booking and managing their hotel stays, and as such, are less likely to be loyal to one brand, independent or OTA.

- 50% of travelers consider shopping for a better hotel deal important.¹
- 66% of customers consider several providers before booking.²

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**Transparency**

**More information > Less control**

From social media to price comparison apps, customers can get a full picture of facilities, customer service, inventory and rates before they even set foot on a property.

- 49% of travelers will not book a hotel room without a review.³
- 93% of travelers say their booking decisions are impacted by online reviews.⁴

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**New technology**

**More technology > Less excuses**

From mobility to analytics and digital platforms, emerging technology is continually extending the art of the possible in hospitality—and customers know it.

- 82% of guests say that in room Wi-Fi is important—
- 72% of guests say that free property-wide connectivity is important—
- 64% are satisfied with this service today.⁵
- 55% are satisfied with this service today.⁶

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5 Big Ideas
Stop being digitally disrupted—and start becoming a digital disrupter.

1. PROPERTY
   - Win the stay with digital.

2. WAYS OF WORKING
   - Use digital as an efficiency multiplier.

3. OPERATIONS
   - Raise the digital bar on the inside.

4. CORPORATE TRAVEL
   - Unleash digital to redefine corporate travel.

5. LOYALTY
   - Keep guests coming back with digital.
Digital is part of people’s daily lives at home and at work. So they expect digitally-powered customer experiences in room and on property during their hotel stays, whether they are traveling for business or for pleasure. While guests’ digital appetites run the gamut from digital-savvy to traditional, on-property digital options are increasingly non-negotiable and will become the norm sooner than many realize. Hotels will increasingly need to collaborate and integrate with an ecosystem of companies to provide guests with so much more than a traditional room stay.

Hotels must mix digital basics and digital cutting edge for such unique and unified guest experiences. At a minimum, travelers expect free access to a modern Wi-Fi network and in-room technologies. Guests’ desire to bring their own technologies and the warp speed that these technologies evolve up the ante on the high performance technology infrastructure. The quality and availability of digital on-property options can make or break future bookings. Good and bad experiences fuel the vast social media machine and can instantly damage brand reputation. Any weakness is magnified a hundred times.

Hotel can take advantage of new technologies to enable a unified guest experience

- Lighting devices using IoT standards controlled via the device gateway with commands from smartphone app
- Room devices are accessed from the guests smartphone, using the device gateway and hotel digital hub, giving full control to interaction in the room
- Client smartphone is the primary interface to the connect room experience
- Alarm clock controlled via device gateway with commands from smartphone app
- Temperature controlled via device gateway and energy management with commands from smartphone app
- TV controlled via device gateway using smartphone content personalized by smartphone app
- Keyless entry with smartphone communicating with lock and controlled via device gateway
Digital tools on the property are not just for guests. Hotels can harness digital to make hotel associates who serve guests more productive. There are opportunities at every corner of the property. For instance, front desk associates can ease peak-time bottlenecks by using tablets for remote guest check-in. Or housekeeping managers can send mobile alerts to staff members when rooms are ready for cleaning after guests check out.

But realizing new efficiencies from digital takes more than distributing tools to on-property staff. Hotels cannot assume that all hotel associates are digital-savvy and must help them build their digital IQ. The right training can help hotels transform hotel associates into digital ambassadors. This way, hotel associates build guest relationships by helping them make the most of all available on-property digital services.

Open the door to digital

**Smart shift preparation**

Mary, a housekeeper, arrives for her shift, and collects an available SmartWorker device from the docking station. She securely fixes it into her preferred accessory, a wrist strap. She touches her NFC-enabled employee badge and the device downloads her current schedule. Mary is then able to go straight to her first task.

Dynamic scheduling eliminates the need for initial shift planning, enabling the supervisor to focus on higher value tasks. Dynamic scheduling enables flexible working patterns, reacting to the needs of both the property and workers.
**Smart problem reporting**

Mary notices a broken room lamp. By pressing the report key, she is able to create a damage report using her SmartWorker device.

She selects the type of report and attaches a short audio recording. She continues with her work.

Maintenance automatically receives the report on their tablet via the PMS and can listen to the audio at their convenience.

John in maintenance has enough information to repair the lamp. The PMS ensures the task is completed.

**Combined categorized, and verbal reporting, alongside location tracking reduces risk for error in housekeepers reporting.**

**Automatic report processing reduces the supervisor’s load and ensures completion.**

**Task tracking ensures the breakage isn’t forgotten about, improving guest satisfaction.**

**Smart “do not disturb” rescheduling**

Mary, a housekeeper, knocks and enters a guest’s room to find out that the room is occupied.

She discretely reports that the room is occupied and continues to her next assigned task.

Janine is notified by the PMS of the schedule change and Mary’s new location, via her Management Portal.

Mary’s schedule is updated to incorporate the earlier postponed task at the optimal time.

**The housekeepers’ front-line knowledge is fed into the PMS enabling real-time optimisations**

**The system dynamically optimises the cleaning schedule and minimises impact on guests with minimal supervisor input**

**Smart early guest check-in**

As a guest tries to check in early, reception logs the request in the PMS.

During a room clean, Mary is discreetly notified that her next scheduled task has changed.

Mary follows the change of schedule and makes up the waiting guest’s room.

Once completed, reception is able to notify the guest that their room is ready.

**Real-time communication and scheduling enables reception to give an exact time when their room will be ready, allowing our guests to plan their day.**
Digital evolves at the blink of an eye—from the latest app to the development of an entire digital ecosystem. Many companies in the hospitality industry are struggling to keep up with this rapid-fire change. When it comes to their internal digital capabilities, they are often failing to meet customers’ digital expectations.

Companies need to extend their digital capabilities so that they can quickly and effectively strengthen and defend their positions against external disruptors—and meet evolving customer expectations. When enhanced to their fullest potential, several operational, organizational and analytic capabilities can drive competitive advantage and grow revenue potential.

Open the door to digital

CORPORATE TRAVEL
Use digital to redefine corporate travel.

Business travelers are increasingly taking advantage of the choices travel provides. From booking a spa visit after hours to adding personal days to a business trip, business travelers want more ways to personalize their travel decisions. This expectation impacts hotels, OTAs, sharing services and corporate travel managers too. They must balance accommodating employee requests while controlling costs and compliance.

While digital is evolving the nature of business travel, digital can bridge all stakeholder needs and interests too. While it is challenging for hotels to personalize individual travel at scale, it is often less complex to personalize the corporate experience. Groups of travelers working for the same company are likely to have common interests, which gives hotels a springboard to personalize on-property meeting and events experiences for starters. Digital tools made just for corporate travel managers and those approved for use by employees can limit compliance challenges.

Open the door to digital

- Mobile apps designed for corporate travel managers
- Mobile apps for business traveler that track compliance
- Technology integration with partner companies
- Online bill review and distribution to ease expense reporting
- Customized trip planning portals for large corporate clients
Loyalty today is being disrupted by digital. The proliferation of loyalty programs from suppliers, OTAs and others gives customers endless choices. Points are no longer the prime loyalty differentiator. Guest experiences and personalization are.

Hotels or any third parties are not in the best position to personalize the experience. Guests are. It is simply too complex and costly for both hotels and OTAs to consistently deliver significant personalization either on property or in the booking process—especially as customers’ needs constantly change. But the industry can still meet guests’ expectations for “just-for-me” experiences. They can use analytics to empower people to personalize their own experiences.

Accenture surveyed 23,600 customers in 33 countries about their preferences, levels of satisfaction and switching rates in relation to hotel loyalty for leisure travel.

- 37% stated they are very satisfied with their providers
- 25% participate in Loyalty programs
- 24% do not feel loyal to their providers

Open the door to digital

- Break down the guest lifecycle at every stage to provide the best options based on data input and analysis of past preferences.
- Expand capture and integration of a broader set of guest preferences.
- Use analytics targeting engines and algorithms to suggest options to guests.
- Surprise and delight guests with targeted offers, leaving them with the perception that “they really know me.”

.Book Your Digital Future

What does the future look like in the era of connected travel? Explore some predictions of how hospitality will continue to evolve in the next two to three years:

The digital war rages on.

The hospitality industry will see the digital war for customers intensify—and there will be casualties. Traditional hotel brands, online travel agents and even players from outside the industry such as Amazon, Apple and Google will vie for digital supremacy, continually raising the bar on the digital experience across the customer lifecycle. There is no end to disruption. In fact, it will likely increase and become even more significant when the next inevitable downturn hits the industry.

The digital property thrives.

Hotels today understand the digital imperative, and are using pilots to roll out digital on-property options for guests. This hospitality industry momentum around digital on-property options will speed up. And it will only lead in one direction. In the near future, being in the game will mean that the entire property is digital.

Digital investment is hyper focused.

With the next downturn looming, it will be critical to demonstrate return on investment from desired digital marketing investment to leaders who hold the purse strings and make spending decisions. Providers will need to deliver digital marketing efficiently and effectively, focusing on outcomes, not just activities. Doing this means targeting digital marketing strategies and tools to increase traffic, conversion and retain loyal members. It also requires incorporating agile platforms to develop and deliver digital content fast, at scale and at the right cost.
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1. Accenture Global Consumer Pulse Research 2014
5. Accenture Millennial Hospitality Survey 2015
6. Accenture Millennial Hospitality Survey 2015
7. http://www.slate.com/articles/business/moneybox/2015/07/airbnb_disrupting_hotels_it_hasn_t_happened_yet_and_both_are_thriving_what.html