Embracing disruption:
The true value of social, mobile, analytic, and cloud technology in the post-digital era
Hospitality in the post-digital era

The technology forces driving change

TODAY, THERE ARE
2.9 BILLION
INTERNET USERS WORLDWIDE.¹

OF THAT POPULATION,
62% HAVE A SOCIAL NETWORK ACCOUNT.²

AND
79% OF THESE USERS ACCESS THE INTERNET USING A MOBILE DEVICE.³

The numbers don’t lie: Disruptive technologies, like mobility and social media, are so pervasive, they are now the norm. Simply put, the post-digital era is here. And for the hospitality industry, that spells change.

TODAY
57% OF TRAVEL RESERVATIONS ARE BOOKED ONLINE.

THE AVERAGE NUMBER OF ONLINE REVIEWS FOR A HOTEL IS
238.

AND, NEARLY
2/3 OF ONLINE BOOKINGS THAT ARE MADE THE SAME DAY ORIGINATE FROM A SMARTPHONE.⁴

Soon, the integration of disruptive technologies into the hospitality business model will not be an option, but rather a baseline requirement. Why? Because the industry is more recommendation-driven than ever before. Guests scour travel sites and social networks for reviews—and they contribute to the discussion with summaries of their own experiences. At the same time, they expect connected onsite interactions, personalized offers, and faster, more coordinated service.

In short, the post-digital era has set a new experiential benchmark. To thrive, you must rethink your strategies and harness trends to better manage your reputation, streamline operations, and build improved, digitally-driven guest experiences.
The high cost of inaction
Why change, why now?

Have you done enough to prepare your properties for the post-digital era? If not, your inaction could be costly. In fact, according to a recent survey of senior management professionals, 52% of respondents predict not adopting disruptive strategies will result in losing customers to competitors that do.

However, it’s not just about what you stand to lose; it’s also about what you stand to gain. Studies indicate that companies in the hospitality industry are better positioned to overcome the challenges of the post-digital era when they embrace—not resist—the disruptive trends of social business, mobility, cloud services, and data analytics.

The challenges and opportunities of the post-digital era

**Consumers own the brand**

Social media has the power to permanently damage a brand. Negative experiences are communicated quickly, but happily, so too are positive reviews.

*By harnessing the power of social media, you have the opportunity to open a dialogue with consumers and act on feedback to improve the guest experience.*

**Expectations are on the rise**

The modern, tech-savvy guest expects to travel the way they live. This entails leveraging the digital conveniences to which they have become accustomed—from booking reservations online to ordering room service from a mobile device.

*Your ability to meet these demands by infusing mobile experiences before, during, and after check-in will become a source of competitive differentiation.*

**Technology empowers but also segments**

Over time, you’ve built up business applications to support day-to-day operations. But in the end, you’re left with an assortment of technology silos that are not in harmony operationally. As a result, departments have little ability to share, coordinate, or leverage data within a property or across chains.

*By breaking down the barriers between departments and functions, you can view customer data and efficiently act on it. For this, integrated cloud services, employee-facing social collaboration tools, and business analytics are key enablers.*
Challenges defined
Consumers own the brand

The hospitality industry has always been recommendation-driven. In the past, travelers consulted brochures and paged through guidebooks written by trusted, third-party authorities. Today, the reality is quite different. Your customers—including corporate clients—largely base their booking decisions on online reviews. In fact, a recent survey of consumers revealed 53% won’t make a reservation until they’ve read reviews.7

The result? You no longer own your brand; your consumers do. What this means is that the outcome of every guest interaction, from initial online bookings to post-stay communications, could hit the social channels and play a role in the market’s perception of your overall brand quality. This transparency drives you to deliver consistent, high-quality experiences that compel your clientele to share recommendations.

70% of global consumers say online reviews are the second, most trusted form of advertising. The first is direct word-of-mouth recommendations from friends and family.8
So, what constitutes a high-quality guest experience? Beyond the fundamentals of in-room amenities and consumer services, there’s the challenge of rising mobility expectations. Today, your travelers anticipate accessibility to mobile applications that enhance their relationship with your establishment. This may include confirmation and pre-arrival texts, mobile check-in and checkout, interactive way-finding maps, as well as post-stay surveys.

Additionally, the modern traveler desires personalized communications and services based on his or her expressed likes and dislikes. For example, a guest who previously enjoyed spa services may wish to receive notifications of upcoming promotions and packages. Also, a guest with allergies will feel catered to if, upon arrival, down pillows were replaced with hypoallergenic, fiber-filled alternatives.

But providing these mobile interactions and personalized touches before, during, and after a stay is near impossible without an IT infrastructure that is agile and interconnected.
Challenges defined
Technology empowers but also segments

Technology empowers but also segments
Unfortunately, the likely reality for most hoteliers is IT segmentation. To power the diverse operations of numerous departments, you’ve leveraged a host of disparate applications—from CRMs to HCMs. Though you may have extensive capabilities, these features exist in silos. As a result, you struggle to coordinate activities, share customer information, and leverage data across departments. What’s more, inconsistent IT technologies from location to location breed the opportunity for variances in performance. And that’s a dangerous risk to a brand’s overall image should a property within your chain underperform.

The price of IT segmentation can be costly
Case in point: A lack of coordination between the marketing and revenue management teams can lead to decreased margins if a promotion is aligned with a period of high occupancy. Additionally, inadequate transmission of customer preferences across departments may lead to missed connections and opportunities to provide stellar service.
The path forward

So, how do you protect your reputation in this increasingly connected social world? And how do you meet your guests’ rising expectations for more connected and personalized services? Lastly, how do you break down the barriers between IT silos to achieve faster, more coordinated operations?

The answer, disruptive technologies—specifically social business, mobile, cloud computing, and data analytics.

By leveraging these next-generation tools, you can gain deep guest and operational visibility to drive high levels of service that increase visitor satisfaction and revenue.
Get social
Engage

What if you could engage consumers in a dialogue that builds brand awareness?

Social media channels have created an entirely new avenue for customer feedback and discussion. By establishing a strong social presence and infusing social media strategies into the heart of your business model, you can effectively measure the sentiments of guests, and immediately respond to issues to preserve the relationship and improve your online reputation.

Social media channels have also become viable outlets for marketers to present targeted offers and promotions. Additionally, using platforms such as Twitter and Facebook, you can answer guest questions, make in-stay recommendations, and post relevant notices about the property and available services.

87% of travelers have an improved opinion of a hotel after reading an appropriate management response to a bad review.⁹
What if you could improve internal productivity through enhanced collaboration?

While the value of social media externally is well recognized for its potential to impact guest relations and generate revenue, the social platform also holds great value as a workplace collaboration tool. Using social business technology, hotels can improve interactions between employees, gain operational efficiencies, and enhance the overall guest experience. And when it comes to attracting and retaining next generation talent for your business, consider that among Millennials, the use of social technologies is a fundamental part of daily life. Therefore, enabling them to perform their job through social and mobile technologies assimilates work into a familiar practice.

Social collaboration in action

A VIP guest checks into the hotel and asks for the same discounted rate he received during his previous visit. The front desk employee creates a post on the social platform and tags the spa manager. The spa manager receives the automated alert. She then reaches out to the guest, confirms the discount, and schedules the appointment.

Advanced social business features, include:

- The ability to follow both people and objects, which enables updates not only on other user activities, but also on the status of accounts, equipment, and entire departments.
- Contextual intelligence that displays real-time data on a single screen based on the employee’s current task.
- The ability to drill back into information to pinpoint sources of error and determine the “why” behind day-to-day operations.
- Automated tasks and alerts that help to speed processes by delivering critical updates to the right stakeholders at the right time.
Look to the cloud

What if you could implement flexible business applications that reduce IT spend and expand your global reach?

Today, 79% of businesses use cloud-based services\(^1\) and their motivations for doing so are clear: Cloud-based services are fast, affordable, flexible, and low maintenance. Because there is no need to procure or install hardware onsite, you reduce deployment time, required IT resources, and cost pressures. And thanks to the elastic nature of the cloud, you have the flexibility to expand and contract business services based on current need. What’s more, as all upgrades are handled by the vendor, your IT staff won’t be sidetracked by the burdens of routine maintenance.

Importantly, cloud-based services remove the limitations of location. Users from your properties around the globe can access the same services and leverage the same data to better manage daily operations from any device. And because information flows more freely, managers can make informed decisions with a comprehensive view of data across properties and departments.
Go mobile

<table>
<thead>
<tr>
<th>Mobility in action</th>
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<tbody>
<tr>
<td>A guest is greeted at the door by a concierge with a tablet. They begin the check-in process. As the exchange continues, the concierge offers the guest an upgraded room, sharing with them pictures and a list of enhanced amenities.</td>
</tr>
<tr>
<td>Once escorted to the room, the guest is notified of a mobile app that can be utilized to navigate the property, order room service, request maintenance, and make reservations at the spa or restaurant.</td>
</tr>
<tr>
<td>On the day of checkout, the guest is sent a summary of charges to their mobile device. Upon review, the guest submits payment and checks out.</td>
</tr>
<tr>
<td>The housekeeper receives an immediate alert on her tablet that the room is vacant and available for access.</td>
</tr>
<tr>
<td>After cleaning, the housekeeper updates the status of the room in the service delivery system on her tablet.</td>
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What if you could enrich every aspect of the guest experience with meaningful mobile interactions?

It’s no secret that mobile devices have become a part of life and accordingly, they have become a part of business. The hospitality industry is no exception. To accommodate the perpetually “switched on” traveler, it is critical that you incorporate mobile conveniences to maximize the guest experience. However, the advantages of mobility go beyond customer-facing interactions. There are benefits to be had when mobility is leveraged internally as well. By opening up core applications to mobile devices, your staff can be productive anytime, from anywhere.
Act on data

What if you could maximize the full potential of your data to increase revenue and guest satisfaction?

According to Deloitte, data analytics is generally the first of the disruptive forces to be addressed and has the highest rate of adoption across all industry segments. In fact, 54% of surveyed senior management professionals state that data analytic initiatives have been implemented or have demonstrated true business value.11

The potential of business intelligence within the hospitality industry is enormous. Through the aggregation and analysis of real-time data, you can maximize every marketing dollar spent, optimize pricing, identify up-sell opportunities, personalize guest services, staff according to need, manage assets, and much more.

Consider this scenario:

A forecast pulled from the revenue management system indicates an upcoming period of low occupancy. In response, your marketing department puts together a promotional package: a stay for two with complementary champagne, a three-course meal, and discounted spa services. Using predictive analytic tools, the marketing team qualifies targets by analyzing guest histories and behavior patterns to identify those prospects most likely to respond. Pricing is set scientifically based on occupancy percentages and the average income of the target audience. Management adjusts staffing schedules based on predicated outcomes, bolstering spa, housekeeping, and restaurant staff in anticipation of the increased bookings and utilization of services.
Thrive in the new norm

Not long ago, it was enough for a hotelier to provide attractive, comfortable, and clean rooms with the right mix of amenities and services.

Today, the post-digital traveler demands more—more ways to interact with your brand, more personalized services, and more digital conveniences. By embracing the disruptive technologies of social business, mobile, cloud, and analytics, you can raise the experiential bar, streamline operations, and thrive.
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References

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