

The Tech Connection (or How important is technology to hotels?)



How important is technology to hotels?

Like in any other industry, technologies have a key role to play in the hotel industry. They can help hotels rationalize their operations, reduce costs, lower staff workload and improve guest experience.

Some of the top technology trends in the hospitality industry^{1,2,3} include:

- **IoT** (Internet of Things). The term IoT was first used by Kelvin Ashton in 1999⁴. By IoT Ashton meant that computers, and therefore the internet, were dependent on human beings for information. Having computers that could use data without human interference would allow us to track everything and reduce waste, loss and cost. Today, the IoT enables different devices to connect to the internet and be managed by a single technology, like a phone or tablet. Digital key cards, smart locks and personalized TV content (e.g. Prime Video, Netflix, etc.) are a few examples of IoT applications.

¹ <https://restaurant.eatapp.co/blog/technology-in-hospitality-top-trends#>

² <https://www.bu.edu/hospitality/2023/01/26/technology-trends-in-hospitality/#:~:text=Video%20Analytics%20and%20Virtual%20Reality&text=In%20the%20hospitality%20industry%2C%20video,the%20same%20room%20through%20VR>

³ <https://www.revfine.com/technology-trends-hospitality-industry/>

⁴ <https://www.itrco.jp/libraries/RFIDjournal-That%20Internet%20of%20Things%20Thing.pdf>

- **Cashless Payments** speed up payments and improve customer satisfaction. Even if guests lose their wallets or credit cards, they can still make mobile payments or tip hotel staff through electronic solutions like **Tip&Go**.
- **Predictive Analytics**. A lot of data is produced by hotels. Business intelligence tools provide the analytical capacity to make sense of this big data and improve hotels' profits. For instance, by making information on housekeepers available, an e-tipping solution like **Tip&Go** allows managers to better track staff performance and client satisfaction.
- **Cybersecurity**. Hotels are increasingly reliant on data and use IT systems more than ever before. However, this potentially leaves them vulnerable (to ransom or phishing attacks for instance). For this reason, they need to invest adequately in cybersecurity. A tipping solution like **Tip&Go** keeps customer and staff data secure by encrypting it.

Why should technologies be user friendly?

Successful technologies are designed by people for people. Steve Jobs (co-founder of Apple) was a big fan of design. To Jobs, design *'is not just what a product looks like and feels like, it is also how it works'*⁵. Jobs' design thinking focused on simplicity and accessibility. In the hotel industry, e-tipping solutions like **Tip&Go** fulfill both goals by making it much easier for guests to tip staff quickly and efficiently.

What is the impact of digital transformation on revenue?

According to Forbes, companies that embrace digital transformation are 26% more profitable than their peers. This finding is especially relevant for the hotel industry where millennials, a demographic expected to account for half of all hotel guests in coming years⁶, are avid users of technology. It is such a key part of their lives that they expect it to be available wherever they go including the hotels they visit⁷.

⁵ <https://think360studio.com/blog/know-why-ux-is-so-important-for-steve-jobs>

⁶ <https://www.mews.com/en/blog/millennial-hotel-travel-trends>

⁷ <https://www.getwebee.com/en/resources/trends-and-insights-for-hotel-industry/what-can-hotels-do-to-satisfy-the-demands-of-millennials>

A technology as efficient and easy to use as **Tip&Go** makes life easier for clients, hotels and employees. **Tip&Go**: the face behind your comfort.

Francis Léonard, CEO



www.tip-go.com