THE OVERVIEW

HOSPACE Review

A whistle-stop review of HOSPACE 2019

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The Art of Personalisation: Your Key to Competitive Differentiation

With the average consumer being exposed to sometimes hundreds of advertisements each day, business success in such a highly competitive market requires hoteliers to be flexible and to adopt new strategies. Across the industry, at properties small and large, the guest experience is the product and, for those who are in-the-know, managing that experience is a strategic differentiator.

A recent study carried out as part of research into industry opinion on the state of hospitality infrastructure questioned 300 senior hospitality professionals across 184 properties. For approximately 25 per cent of hoteliers, delivering a relevant experience is paramount to exceeding guest expectations and yielding repeat business. Guest Experience Management (GEM) is not a new concept; nevertheless, it requires striking a balance that combines the latest technologies with existing infrastructure. A successful GEM strategy depends on the organisational culture and supportive processes, placing the guest at the centre of every decision and breaking down information silos to achieve a holistic view of each guest. Armed with guest profile data, operators can offer services that are most appealing to each guest.

Is guest personalisation really that important? An independent survey revealed that consumers expect timely, knowledgeable and personal content, with 72 per cent saying they are frustrated when they receive generic advertising offers that do not relate to their interests or past purchases. Furthermore, the survey indicated that consumers are four times more likely to respond to an offer if the offer takes their personal preferences into consideration.

Getting Started: How well do you know your guests?

Do you know your frequent visitors? How much they spent during their last stay? What amenities they prefer, or which services they used? Hoteliers who demonstrate such knowledge about the guest comes across as authentic and will stand apart from those who employ rudimentary practices. We all enjoy being acknowledged by name when ringing the concierge for a dinner recommendation and, in fact, we tend to desire more as time goes on. When it comes to meeting guests' overwhelming desire for personalisation, it requires them to share some amount of data with hoteliers. Data is the fuel that powers truly a personalised interaction.

Is your data strategy guest-centric?

Without question, data privacy is a top priority. But that doesn't mean hoteliers are sacrificing data collection altogether – or that guests must forego personalised attention. Firstly, guests should not have to provide all their personal information. It falls squarely on hotel operators to use the data that is shared with them responsibly and wisely. Secondly, hoteliers must be transparent about the intended use of the data. Communicate the choices guests have when it comes to how their information will be used and managed. Creating this sense of trust is a great starting point

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for a data collection and management strategy that protects privacy rights while still being guest-centric. Typically, people who provide their data and consent to its use understand why it is being requested, and most will appreciate that it helps brands uncover personal preferences, ultimately, delivering a desired guest experience.

What are the emerging trends?

A recent report indicated that millennials will account for as much as 75 per cent of all hotel guests by 2020. Not surprisingly, 1 in 4 of those surveyed as part of the GEM study said more in-room services and technology are essential in ensuring their property's competitiveness, followed by predictive analyses of guest information. Accommodating this market shift while remaining relevant requires brands to have a strategy. Consequently, they can turn toward technology to ensure that guests of all demographics feel appreciated and valued.

The challenge of software integration is equally critical, as most guests expect hospitality environments to be technologically-savvy. Indeed, over a third (37 per cent) of hoteliers see integration with existing technologies as the most desirable attribute of any property management system (PMS), highlighting the growing importance of technology inclusiveness in managing the guest experience. A further 31 per cent of those questioned agreed better integration capabilities would be the top area they'd most like to see improved, while a quarter identified the need to integrate multiple platforms as their property's main strategic goal for technology investments. From apps to social media, integration of technology is essential for engaging guests where they spend much of their time – online. However, it's important to note that technology alone cannot deliver the desired outcomes. Personalisation, optimising staff productivity, and data integration are also essential differentiators – ultimately, successful GEM and strategic differentiation depend on creating and implementing a guest-centric culture across the property.

Finally, the ever-increasing popularity and guest demand for tech-based amenities, such as free Wi-Fi, no longer sets it apart as a differentiator. Instead, mobile and self-service technologies offer the promise of innovative guest experiences. Younger, digitally-driven generations expect greater conveniences, like direct SMS communications with a brand, placing F&B orders from their devices, and of course, property interaction over social media, all of which are becoming the standard in everyday life when travelling and dining out.

Hospitality technology is continuously advancing, so it's no surprise that the ability to integrate it is a leading choice among hoteliers. This reflects the understanding within the hospitality industry that delivering guest-centric engagement requires not only the real-time combination of data from disparate systems but also analytics that reveal anticipated behaviours and actionable guest expectations. Guests are paving the way for more inclusiveness when it comes to digital interaction. As personalisation becomes ever more standard, we're likely to see technological developments continue pace in this area.

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