

TOP 10 HOSPITALITY INDUSTRY TRENDS



The year 2011 was a great one for the hospitality industry. Moreover, the year 2012 is predicted to be even brighter year for hotels. Tourism-Review.com presents the top hospitality industry trends for 2012, released by hotel guru Robert Rauch, president of R.A. Rauch & Associates.

Hoteliers will invest in reinvigorating properties to take advantage of the market.

Over the past few years, hotels have been putting on hold their renovation plans as they do not see the need for it. However, 2012 will be the mark of the beginning of more modification and transformation for hotels. There will be a lot of renovation that will transpire. Every facet will be looked into and consumers will be very pleased. A lot reconstructing will take place to improve dining areas, lobbies, bars, fitness centers, rooms, and more. Hotel owners will invest on top of the line furniture as tourists, now a days, know that creating a luxurious aura is imperative.

There will be little to no new development dollars on the debt equity side.

This prediction is not so much on the encouraging flank but staying optimistic is a must. Developers with sites to die for are, without a doubt, working on every aspect to make this prediction turn around. This has happened so many times before but everyone managed to pull through.

3

Online booking will continue to grow with modest rate.

As statistics show, more and more U.S. travelers use the internet as a means of seeking the best hotels for accommodation. Over 114 million people are predicted to use the internet for hotel booking purposes this year. 94 million out of the 114 million will actually book reservations. Online strategies proved its power and booking is certainly made easier with hotel websites. Since most hotels are already practicing this system, only a modest growth is predicted. However, no decrease in numbers will be seen.

There will be more mobile bookings and research.

Travelers and potential hotel guests have become mobile ready. They use their phones to search and view hotels as well as to book or cancel reservations. In fact, Google has predicted that mobile will overtake PC and will become the most common device utilized to surf the internet for such purposes.

Demand and average rate are up in most markets, but not equally distributed.

Demands are hitting the ceiling for the past years and have been part of hospitality trends. Since the US recession, primary markets including hotels were able to bounce back big time. Recovering and still being one of the primary industries is such a commendable acquisition.

Revenue management will make the art of managing a hotel more of a science.

Revenue management has been used since the 1970's. However, it only worked its magic on managers who knew how to implement it. Little by little, revenue management morphed into a science. It has become a process of maximizing revenues. The success of a company is no longer attributed to good fortune but to the hard work of people who are assigned to this vital responsibility. It is no longer a simple strategy of basing prices on supply and demand. Hotels are able to regulate their prices because of scientific forecasts and the use of data such as market demands via market intelligence applications. For instance, TravelClick has reports on numbers regarding future bookings for a year ahead.

Proliferation of distribution channel management will largely impact pricing.

Channel management strategies will grow in excess as hotel operators and owners will be grabbing every opportunity they can to sell their rooms and services. However, it is vital that each hotel owner knows how much each medium is alongside how much each medium of channel management will generate. Thus, using the most cost effective distribution channel is imperative.

8

Brands will put more money into deals to expand market share.

In the hotel business, no matter how large you are, you will still be looking for something better. Hotel brands such as Hyatt, Starwood and Intercontinental are pursuing the Hilton and Marriot steamroller. It is a dog eat dog world out there in a more positive mode.

Prepare for growth.

As demand is expected to stabilize this year, there will be numerous opportunities for activity for hotels. Expect this to happen until 1026. Caution must be used 2017 and the succeeding years. It is predicted that hotels will grow and rates will grow yonder inflation. Hotel owners must be keen in all activities to make sure that they maximize the year of expected increase in profit and value.

Social Media will continue to transform connections with travelers.

As per hospitality news, there are currently 22 % of the hotel industry population who are using

social media as a means of generating revenue and profit. This is predicted to grow in the next five years. Several social networking sites emerged like Facebook, Bing, Twitter and the like and are thus integrated into Google search. In turn, hotel websites gain more traffic and eventually more customers.

Date: 2012-04-23

Article link: <https://www.tourism-review.com/top-10-hospitality-industry-trends-news3212>