

IN 2022 TRAVELERS WANT HIGH-TECH AND TO PAY ONLY FOR WHAT THEY USE



A recent survey by IT giant Oracle reveals that international travelers want more high-tech, contactless holidays and simple hotel stays.

Hoteliers are looking for technologies that take the hassle out of their staff and offer free or paid services based on usage.

Of the 95% of people who plan to travel in the next six months, 29% are aiming for an epic, unforgettable trip - yet expect to minimize or eliminate "touching." Nearly three-quarters (73%) of travelers want to use their mobile devices to manage their hotel experience, including checking in and out, paying, ordering food, etc.

This is good news for hoteliers looking to use technology to address staffing shortages without impacting guest engagement and service.

In the coming years, travelers also want to personalize their journey even more by choosing their exact room and floor and paying only for the amenities they want - and even want to pre-select properties in the metaverse (68%). In addition, 74% want hotels to use AI to better tailor services and offerings, such as room rates or food suggestions and discounts. Almost 40% of hotel executives see this "unbundled" model as the future of hotel revenue management.

"The pandemic revealed the role of technology in the guest journey, and the industry will never go back," said Alex Alt, senior vice president and general manager, Oracle Hospitality. Whether a hotel organization has two properties or 2,000, guests are looking for a personalized, highly digital experience, just as they expect in other areas of their lives, from banking to ordering meals.

The report "Hospitality in 2025: Automated, Intelligent... and More Personal" surveyed 5,266 consumers and 633 hotel executives around the world in the spring of 2022 to better understand how guest expectations have changed and how hotels are adapting. Consumers and executives were surveyed in the US, UK, Germany, France, Australia, Japan, Singapore, Brazil and Mexico.

Travelers Want to Escape

Two years of restrictions have created a pent-up desire to travel, with 29% of people planning a bigger and more expensive trip than before. But the pandemic has also made jetsetters feel less social and many want contactless technology:

- 92% of travelers are not afraid of being around other people when staying in a hotel.
- 73% agree that they are more likely to stay in a hotel with adequate technology to minimize contact with staff and other guests.
- 38% want a fully self-service model, with staff only available on demand.
- 39% want to order room service from their phone or via a chat box.
- 49% are also looking for contactless payments (only 5% want to pay in crypto).

The staff is still small, but technology is changing the game.

Labor shortages remain a major issue in the hotel industry, but hoteliers are working to integrate new technologies to ease the pressure on guests and staff:

- 65% of hoteliers said that integrating new technology for staff best describes their strategy to address labor shortages and attract new talent.
- 96% are investing in contactless technology, with 62% noting that a "completely contactless experience" is likely to be the most widely adopted technology in the industry over the next three years.
- 54% added that their highest priority is to adopt technologies that improve or eliminate the need for reception by 2025.

Travelers are divided on this:

- 39% said they wanted a contactless experience for all basic hotel transactions (check-in/out, food and beverage, room keys, etc.)
- 34% said that a shortage of staff, and the resulting slow service, would be their number one deterrent to changing hotels. However, only 23% indicated that a lack of daily room cleaning was a problem, showing that consumers accepted (and 17% were happy!) that this pre-pandemic pillar would never return.

People seek the comfort of home, even when they are away from home.

From ordering room service to connect to Netflix, travelers want the ease and convenience of home when they travel:

- 45% say that access to on-demand entertainment, which seamlessly connects to their personal streaming or gaming accounts, is their top requirement during their stay. Similarly, 45% of hotel managers said this type of in-room entertainment facility is what they are most likely to implement by 2025.
- 77% of travelers are interested in using automated messaging or chat boxes for customer service requests in hotels.
- 43% want voice-activated controls for all the equipment in their room (lights, curtains, door locks, etc.).
- 25% want room controls that automatically adjust temperature, lighting and even digital art based on previously shared preferences.

Hotel Pricing à la Carte

Consumers are interested in a hotel model that allows them to pay only for what they use. Hoteliers, on the other hand, are looking for new service models that sell everything from amenities to adventures:

- 81% of hoteliers expect a significant change in the service model by 2025.
- **49% strongly agree that "special amenities and upgrades" are critical to their revenue strategy.**
- 36% predict that the future of hotel revenue management will be based on unbundling of room rates, similar to the "basic economy" model versus the "economy plus" model for airlines.

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