

2016 Look Ahead: Phocuswright Senior Technology Analyst (Part II)

To kick off our 2016 Look Ahead interview series, we spoke with Norm Rose, an analyst and consultant focused on emerging technologies and how they impact business practices in the travel industry.

Norm leads Travel Tech Consulting, Inc., a firm that partners with Phocuswright to provide technology consulting to travel companies. He's also been an analyst with Phocuswright since 1999 and is the author of numerous publications and articles including Phocuswright's *Mobile: The Next Platform for Travel*. From 1982-1988, he held sales and marketing management positions at United Airlines and, from 1989 to 1995, was corporate travel manager for Sun Microsystems.

Here's the second part of Norm's interview discussing the impact of self-service and mobile technologies on the hospitality and travel industries.

What advice would you give to hotels that are looking to start embracing mobility or self-service technology?



I think the important thing to keep in mind is that whether you want to deny the change or resist the change, it's happening all around you and you need to come to speed. You need to identify which points during your process have the most friction and look to see how mobility can help ease that friction.

Don't necessarily do what every other hotel does because every hotel may not have the same guest profile you do. I am very much inclined not to say just go and do automated check in, room entry and room service.

The absolute wrong approach is going with a company that says, "Here's our mobile app. Just add your logo." As a consultant, my company says, "What's the problem you're trying to

solve, and how can mobile help,” as opposed to focusing on features, saying mobile can do this or that. You have to ask which are relevant to your guest population. You have to step back and say, “What am I trying to fix?” Everyone is still in a competitive environment.

Speaking as someone who’s traveled a lot, a lot of hotel rooms are the same. What differentiates are the services connected with that. One of my pet peeves on the business traveler side is the whole thing with free Wi-Fi. The hell with free Wi-Fi, I want good Wi-Fi. And I’m willing to pay for really good Wi-Fi in the room and a good Internet connection. Understanding how important something like that is, it’s quite different from, “We have to give away free Wi-Fi because everyone else is doing it.”

Don’t necessarily do what every other hotel does because every hotel may not have the same guest profile you do.

That’s the mentality people have about mobile. “We have to do that because everyone else does.” But you have to ask yourself is that what your customers really want or do they want the ability to book at your spa before they arrive at the hotel because your spa books up? That’s more important than opening up a hotel door with my phone.

You can’t go into the mode that this is the thing to do, or this is what everyone wants. Have you done the research?

How close do you think we are to technology being able to deliver the “total travel experience” that connects the travel journey from end to end?

Everyone is driving toward it but few have succeeded yet.

There’s a lack of total journey integration due to technology barriers, but also because of the silo thinking that the different industries have, such as lack of cohesion between airlines and airports.

Travelers think of it as one experience, not that they’re in the airplane versus in the airport. They think of being at the destination, not just being in the hotel versus at the destination. It’s a function of sharing information and losing silo thinking. We’re a ways from it unfortunately.

What are some predictions you have for where self-service technology will develop in 2016 or the near future?

I think we're moving from an environment where the self-service is "I'm going to reach out and do something" or "I'm searching for something" to an environment where things are going to be delivered to you based on your personal preferences. Things will be brought to you rather than having to search for things. It's a pretty significant shift in the way the environment has been for a few years since the introduction of search and mobile.

We're moving into a hyper local environment where information is targeted based on your micro-location, using Beacons and so forth. Millennials are willing to exchange personal information in order to receive personalized service.

We're moving to an environment where things are going to be delivered to you based on your personal preferences.

Not everything needs to be self-service. I'm referring to the automation of the concierge function and the services outside the hotel property. It's not where you stay necessarily or how you get there; it's also about what you do in the destination. Being able to deliver on that with a combination of high tech and high touch is the challenge because there are a lot of different applications that offer discounts. But really what consumers want is a certain degree of expertise and being able to curate the content to a level that meets their needs. That's what you expect from the concierge. The reality is there needs some curation, which could be electronic if you understand the preferences of the individuals, but could involve some electronic messaging or chat from a person who can deliver knowledge and provide curated suggestions.

I think that believing that you're just going to outsource the concierge role entirely to self-service, I'm not sure that's the whole story. Unless we get intelligence to receive relevant information, it doesn't make sense. I think we need that high touch within self-service, particularly about what to do in the destination, and I haven't seen anyone fully solve that.