

Keyless Room Entry & the Guest Experience

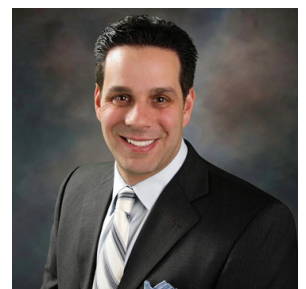


Mobile technology is an incredible business resource. It has the potential to impact nearly every way that hotels have traditionally operated, the way they market, and most importantly, the way they provide service. The question right now is how can hotels use this tool, and what will be the short and long-term effects of incorporating mobile? Most importantly, how will guests react? We see a variety of brands making announcements that will provide answers to these questions and are leading to a new chapter for the industry.

Intelity is the creator of the most widely used guest services platform for the hospitality industry on the planet, and our goal with this series of reports is to provide hoteliers with the knowledge they need about the ever-changing digital landscape in order to select the best options for their staff and guests. Through our partnerships with several of the leading hospitality technology providers, we're able to integrate new, cutting-edge features, such as keyless room entry and mobile-to-TV streaming, into our products that keep our clients on the forefront of the mobile revolution. And we've witnessed the impact this has on their relationship with guests. There truly is a direct correlation between staff efficiency, guest satisfaction, and digital innovation.

We look forward to continuing to serve hotels as they look to embrace mobile technologies and the new needs of global travelers.

David Adelson
Founder/CEO
Intelity



KEYLESS ROOM ENTRY

& the Guest Experience

The hospitality industry has actively been searching for and investing in various methods of modernizing the guest experience as guests have increasingly begun to place value on more personalized stays. The check-in process has been of particular interest for innovation because of its significance as one of the first interactions between the hotel and the guest.

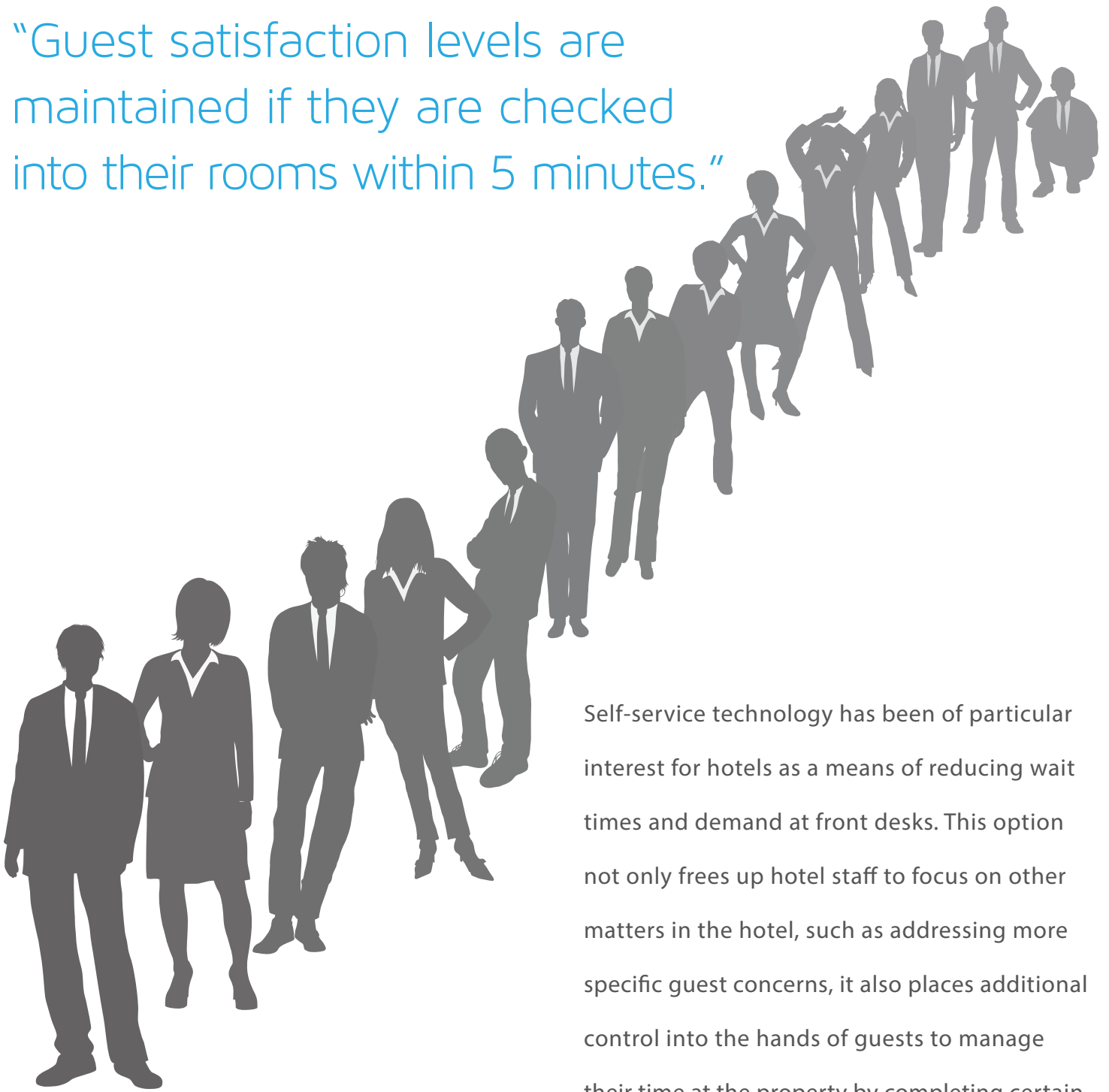
Longer front desk wait times impact guest satisfaction.

In fact, the hotel check-in and out processes were found to be significant contributors to overall guest satisfaction levels in eight different global markets, ranking above food and beverage quality and hotel services in nearly each. Longer front desk wait times were shown to be able to impact guest satisfaction by up to 50 points within only a few minutes. North American guests were shown to reach this 50-point decline in the shortest amount of time, at an average of 5 minutes.*¹

1. Cornell Hospitality Industry Perspectives, Vol. 3, No. 2: "Lost in Translation: Cross-country Differences in Hotel Guest Satisfaction." 2013.



“Guest satisfaction levels are maintained if they are checked into their rooms within 5 minutes.”



Self-service technology has been of particular interest for hotels as a means of reducing wait times and demand at front desks. This option not only frees up hotel staff to focus on other matters in the hotel, such as addressing more specific guest concerns, it also places additional control into the hands of guests to manage their time at the property by completing certain processes, such as check-in, even before they arrive.

Keyless room entry is one such innovation that hotels have recently begun to invest heavily into. The technology has been used for private residences, but since 2010, various hotel brands and properties have been testing it out for use with guestrooms.



It allows hotels to benefit from the recent advancements of mobile technologies and the BYOD trend that sees travelers carrying an average of two or more mobile devices with them.

The concept of keyless room entry itself is not exceptionally complex. Hotels can enable a guest to use their mobile device in place of a traditional keycard to lock or unlock the guestroom door through several communications technologies.

Third-party enhancements are required to the physical door lock before the technology can be used. Wireless receivers are installed into each lock and are activated by the guest's mobile phone. These receivers have the capability of running on battery, so that they are impervious to power outages or other hotel crises.

Hotels can enable a guest to use their mobile device in place of a traditional keycard to lock or unlock the guestroom door.

A mobile keycard is transmitted to the guest's device by the hotel once the booking process is complete and can allow them to skip the need to stop at the front desk to receive a key, reducing the overall check-in process time.



CAC



Radio-Frequency Identification (RFID)



Near Field Communications (NFC)



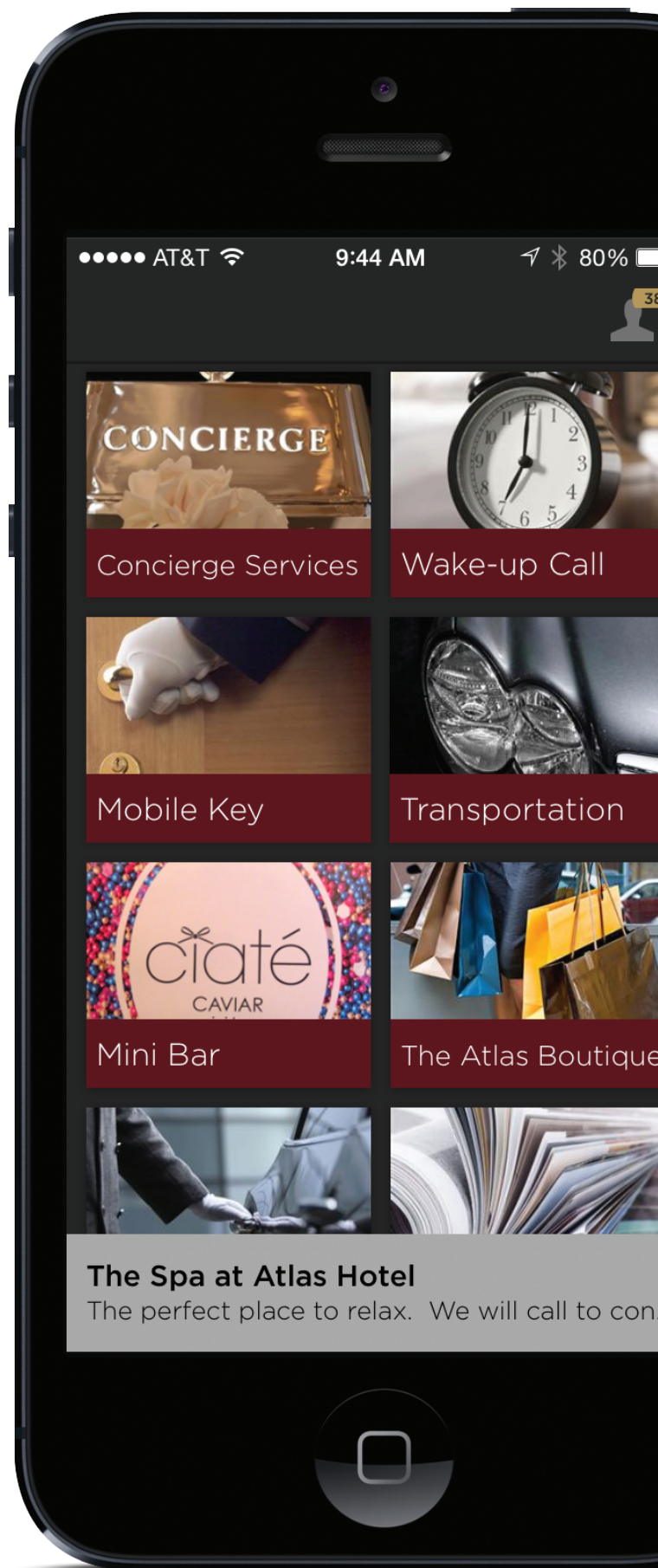
Bluetooth

Presentation of the mobile key to the guest is a significant consideration for each hotel. Many hotels find it more advantageous to incorporate the mobile key function into a multi-faceted application that offers a variety of services.

it is important to make sure to consider an app's purpose.

With so many apps competing for the time of a mobile phone owner, it is important to make sure to consider an app's purpose and increase the opportunities for engagement. The chance that a mobile user will reuse an app increase when guests can access other functions and features, such as:

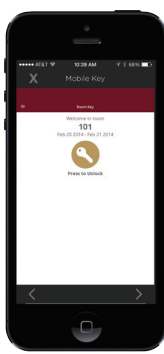

- **Mobile check-in and out**
- Reservation booking and room specials
- **Loyalty program login**
- General hotel information
- **Digital guest feedback and comment cards**



“These improvements to the guest experience have direct benefits to the hotel’s revenue.”

A complete guest services app allows hotels to provide practical self-service tools through mobile devices while also leveraging the technology to maximize guest interactions before, during and after a guest’s stay.

74% 
of travelers want digital involvement with hotels

 **64%** 
of travelers would like to use their smartphone as a room key

Reasons behind opting for keyless room entry vary from hotel to hotel, but one of the primary motivators is the potential increase in guest satisfaction.

Seventy-four percent of travelers have indicated that they want substantial digital involvement with hotels to improve their experience, while 73 percent of travelers said they would be likely to use mobile technology for automated check-in to bypass the front desk.

More specifically, 64 percent of travelers said they want to use their smartphone as a room key.*²

2. Magnani Caruso Dutton. “Seeing Returns: Building Loyalty at Hotels Through Digital Customer Experience.” 2013.

These improvements to the guest experience have direct benefits to the hotel's revenue. Travelers have begun to rely heavily on digital social channels to research lodging options before booking and are highly likely to put trust into peer reviews found on websites such as TripAdvisor. The guest experience mentioned in online customer reviews is actually the top factor that impacts those looking to select a hotel.*³

Staff and operational efficiency also are impacted by use of keyless room entry. Fewer staff members are required for the check-in process, making them available to focus on other aspects of improving guests' stays. There are significant improvements to master-key management, and the cost of maintaining or replacing standard keycards is reduced, if not entirely eliminated.

“Another benefit is the ability to provide added security measures regarding room locks.”

Another benefit is the ability to provide added security measures regarding room locks. Hackers have long targeted hotel keycards, which has resulted in room break-ins and theft at various properties. Unlike with traditional keycards, if a guest loses their mobile phone, the phone can be deactivated or tracked instantly. Locks are not required to be reprogrammed, but rather they can be deactivated from the hotel's server. Encryption technologies used on the mobile keycards themselves can also heighten technology.

3. Cornell Hospitality Report, Vol. 12, No. 15: “The Impact of Social Media on Lodging Performance.” 2012.

CONCLUSION

Keyless room entry in hotels is just one example of the many ways hotels are trying to creatively increase engagement with guests through mobile devices. As advancements continue to be made in the realm of mobile technology, the hospitality industry will have to intensify its ability to adapt to and accommodate guests' digital needs.

About Intelity

Intelity is the creator of the world's first and most widely used integrated guest services platform, ICE (Interactive Customer Experience). With certified integrations to nearly all hotel back-end management systems (POS, PMS, Ticketing, Spa and Room Controls), Intelity's ICE is a centralized property-automation system that delivers concierge-level services, guest request tracking and fulfillment, business intelligence analytics, marketing/messaging capabilities, and a full content management system. Intelity has gained a reputation as a leader in hospitality technology with the installation of ICE in hotels across six continents, including nearly all major brands and many celebrated independent properties.