# Four Trends Revolutionizing the Hospitality Industry

## Abstract

The focus of this paper is on the four revolutionary trends that are transforming today's hospitality industry. The trends discussed below are virtual reservations, high tech meeting and public spaces, catering to guests who have more than one mobile device, and online reviews. This paper will provide concrete examples of where these trends exist and the positive effects they have on the hospitality industry.

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## Introduction

The technology world is constantly changing and growing rapidly. With these constant changes it can be difficult for the hospitality industry to keep up. Therefore, it is extremely vital that hotels, restaurants, casinos, cruise ships, and other hospitality sectors pay close attention to revolutionizing technologies that will give their business competitive advantage. The four leading technology trends revolutionizing and positively affecting the hospitality industry are virtual reservations, high tech meeting and public spaces, catering to guests who have multiple mobile devices, and online reviews.

## Virtual Reservations / Positive Effects

In today's society, consumers don't want to wait on hold with a restaurant or hotel operator to book their upcoming vacation or dinner reservation.  Instead they want a fast and convenient reservation process, which is why virtual reservations have become extremely popular in the hospitality industry. According to a recent SmartBrief survey, 57% of travel reservations are made on the Internet (Social Hospitality, 2014). Travel booking websites such as Expedia, Travelocity, Orbitz, and Kayak are not only making reservations a simple process but also helping travelers find the most affordable deals in airline tickets, hotel reservations, car rentals, cruises, vacation packages, and much more. With travel booking websites giving users affordable deals and a simple booking

In the restaurant industry the OpenTable website and app has won over restaurant owners and customers (Social Hospitality, 2014). It is a hassle free, online, real-time restaurant reservation service. Open Table provides reservations for about 31,000 upscale restaurants around the world and seating about 15 million diners a month (Social Hospitality, 2014). It positively affects the restaurant industry because it does more than help customers secure a place to eat. It also provides marketing for the restaurants that use it, provides reviews, and helps restaurants boost business and manage flow (Baltazar, 2012). Darren Tristano, executive vice president of research firm Technomic in Chicago even states that, "Many restaurants through the recession have struggled with keeping tables filled and have reached out to OpenTable and others like it to list their tables to keep them filled" (Baltazar, 2012). This statement proves that without the help of online booking restaurants wouldn't be filling tables to their fullest potential. Overall, online booking is the most convenient, efficient, and beneficial way to book reservations.

**High Tech Meeting and Public Spaces / Positive Effects**

In recent years, business travelers have become a targeted market for the hospitality industry. In 2013, a total of $266.5 billion were spent on business traveler's, demonstrating that business travel is steadily increasing (U.S. Travel Association, 2014). With this increase, hotels are investing a considerable amount of money in providing modern high tech boardrooms (Rock, 2014). Hotels such as the Pfister Hotel in Milwaukee, Wisconsin are creating the unlitmate experience and space for meetings to be held. The Pfister Hotel, which is owned and managed by Marcus® Hotels & Resorts has recently completed renovations on a revolutionized high tech boardroom (Pfister, 2013). "This creative and dynamic boardroom offers guests revolutionary technology—the first meeting space of its kind in Milwaukee—allowing for interactive and engaging presentations," stated Chris Anderson, senior vice president of sales, marketing and brand development for Marcus Hotels & Resorts (Pfister, 2013). The upscale boardroom includes 3-D, gesture recognition, immersive technology, and mapping capabilities allowing business meetings to be completely revamped. The positive effects of these high tech boardrooms are that it reassures business travelers that the hotel will be equipped and prepared with all the modern technology that the traveler will need. Additionally, having numerous technology capabilities allows the boardroom facilitator to present his or her presentation in a variety of different ways, making it more interactive and engaging. With modern technology the possibilities are endless and it is important that all hospitality sectors follow this trend in order to create the ultimate experience for business travelers.

Not only are hotels concentrating on modernizing private boardrooms, they are also beginning to reinvent lobbies and hotel rooms so they may be used for working spaces for business travelers. Hotels such as the Courtyard Marriott at the University of

Delaware have implemented communal tables, charging stations, and digital information centers to achieve a social yet productive atmosphere. These types of areas allow guests to work productively, host impromptu meetings, and also be near a lobby café for a coffee or quick snack.  Additionally, hotel rooms are becoming popular working areas for business travelers as well. Matthew Von Ertfelda, vice president of insight, strategy and innovation for Marriott International, says it the best, "Business travelers want flexibility. They want to work where they want to work, when they want to work. Sitting in the middle of the lobby, or on their beds, they want to be able to work comfortably. They don't always want to rely on the desk" (Mohn, 2010). Fairmont Hotels and Resorts even recently introduced connectivity media panels so business travelers can display and listen to media content from laptops, cameras, and iPods in their rooms (Mohn, 2010). This enables them to see their presentation on the TV just as they would in a meeting room. This demonstrates that the traditional office environment is a trend of the past and reinvented lobbies and comfortable hotel rooms are the new workplace.  The positive effects that these new working environments have on the hospitality industry are that it keeps business within the hotel and more areas of the hotel are being utilized.

### Catering to Guests with Multiple Devices / Positive Effects

The third trend that is reforming the hospitality world is catering to guests who have multiple mobile devices. A SmartBrief survey reported that 99% of hotel guests travel with at least one mobile device, 45% travel with two devices, and 40% travel with three or more devices (Social Hospitality, 2014). It was also reported that 85% of travelers believe that Wi-Fi should be free (Social Hospitality, 2014). Therefore, hotels have needed to accommodate guests' wants, needs, and electronics. This has resulted into many hotels within the past 5 years providing guests with complimentary Wi-Fi as well as implementing more easy-to-reach outlets and ergonomic furniture (Social Hospitality, 2014). Hotels have acknowledged that younger travelers tend to work more in bed due to the fact that devices are smaller and lighter. As a result, Sheraton Hotels have recently redesigned its nightstand, equipped with a power panel built into it (Mohn, 2010). Erin Hoover, vice president for global brand design for Starwood Hotels & Resorts' Sheraton and Westin brands, comments on the nightstand saying, "It's visible when you are in bed, but not in your face when you walk in the room. People got tired of crawling around on their hands and knees looking for a place to plug in" (Mohn, 2010). Other alterations that have been made to hotel furniture are desks and desk chairs becoming more comfortable. This caters more towards the aging baby boomers that tend to work at their hotel desks. It is important for the desk and chair to be comfortable because aging baby boomers typically have bad backs (Mohn, 2010). The positive effects of hotels accommodating guests and their electronics are that it gives guests convenience and a comfortable experience. With these accommodations hotels are attracting consumers of all ages, which in return will increase revenue for the hotel.

**Online Reviews / Positive Effects**

The last rising trend that is booming in the hospitality industry is online reviews. In today's society people want to know what to expect before they pay money to stay at a luxury hotel or eat at the new restaurant down the street. Now having online review websites, such as Yelp and TripAdvisor, consumers are able to research ratings about certain businesses before actually visiting them. Online reviews significantly influence the attitudes of consumers towards businesses, which is why it should be a top priority for businesses to provide customers with exceptional service at all times so they can receive positive reviews (Anderson, 2014). According to the Local Consumer Review Survey 2014, nearly 9 in 10 consumers have read online reviews to determine the quality of a local business, and 39% do so on a regular basis (Anderson, 2014). Additionally 88% of consumers trust online reviews just as much as personal recommendations (Anderson, 2014). This demonstrates how much consumers rely on online reviews for truthful and honest ratings and how businesses need to actively manage their online reputation. To help businesses monitor all of its reviews and protect its reputation, the Reputology website and app is a review monitoring and management platform that helps businesses take control of their online reviews from sites like Yelp, Google+ Local, and TripAdvisor (Miller, 2013). Ruputology also assists businesses with tracking performance, keeping tabs on competitors, and identifying improvements (Miller, 2013). This is a useful app that business owners should utilize in order to maintain a positive reputation and boost business.

Online reviews have also become a strong form of social media advertising (Marentis, 2014). Online reviews websites allows customers to interact with other customers as well as business owners. Having this interaction allows users of these websites to feel heard and acknowledged. It is important that business owners remain professional when responding to reviews that they may see as unfair (Marentis, 2014). Businesses owners should take the extra step to make amends with a dissatisfied customer, because a bad first impression does not mean that a business has lost a customer forever (Marentis, 2014).  The positive effects of online reviews are that it provides strong social media advertising for businesses, which boosts its popularity, and provides helpful and reliable reviews for users, which in return creates a loyal customer base.

**Conclusion**

It is evident that times are changing and so is technology. The businesses that choose to adapt to these technological changes create competitive advantage and set themselves apart from its competitors. The trend of virtual reservations has enabled businesses to fill tables to their highest capacity as well as ensure customers a secured reservation. The trend of high tech meeting and public spaces allows travelers to work in a variety of different ways and locations. The trend of catering to guests with multiple mobile

devices attracts consumers of all ages, which in return will increase revenue for the hotel. Lastly, the trend of online reviews provides strong social media advertising for businesses and helpful and reliable reviews for users, which in return creates a loyal customer base. Overall, all four trends have positive effects on the hospitality industry and should be implemented in all areas of hospitality.

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