

# Impact of Technology in Hospitality sector

Prof. Gautam Kamble

Prof. Saurabh Chandel

Bharati Vidyapeeth College of Hotel & Tourism management Studies

CBD Belapur, Navi Mumbai

## Abstract

Services play a very crucial role in boosting the economy of any developing nation, has evolved Innovative technologies in running the hospitality businesses that have transformed the Hospitality industry. As innovation always introduces something new into the organization in terms of the way it works, being time effective, ease of doing things, etc. The number of tourists traveling nationally as well as internationally is increasing each year. Research conducted on the demands and psychology of guests has brought in several new trends. Following are some e.g. of innovation in Hospitality Sector. Guests to filter hotels by location, price, and proximity to the airport & other factors. The objective behind this research is explore the merits and few de-merits of innovation in Hospitality Sector & how to make best use of this in upgrading the Hospitality Sector. Objective of the paper is to analysis various technology used to meet demand and aspiration of the guest. Secondly to find out the need or potential need of satisfying the guest with regards to service /product. Research is purely based on secondary data and exploratory method However, it is the blend of human and technology that is the ideal norm in Hospitality and Tourism industry. In brief, hospitality, must acquire the impact of technology in all various sectors of hospitality

**Keywords: Technology, Hospitality, Tourism, Innovation.**

## I. INTRODUCTION

The efforts to improve hotel service & to increase its quality and efficiency require a variety of technological innovations. The process of their practical realization and implementation should be well understood. At the same time, customers, thanks to their experience and mass use of technology, are becoming increasingly demanding and informed about the supply of various hotel companies. The possibilities of the internet increase the comprehensiveness of data, accelerate its distribution and personalize the information. The role of the individual customer in the demand for hotel services is increasing. Passive customers yield to proactive ones who define criteria for choosing accommodations themselves by combining information, comparing prices and product Features in real time and generating more online bookings.

Technological innovations have a significant impact on the traditional hotel service process, on the one hand by changing the role of the customers in it, and on the other by modifying the behaviour, functions and tasks of hotel managers and service staff. The requirements for the level of service and the quality of the experience during the stay are increased. Their satisfaction is determined to a considerable extent by the management decisions about the type and ways of application of technology in the process of providing hotel services. Technological innovations are now widely used in the hotel industry. It is evident that information technology investments & their role for the development is very important.

Will increase hotels' productivity, reduce their costs, and at the same time add value to the services and products offered to their customers (Belgian et al., 2011). The service process is transformed in response to changes in consumer behaviour, their new requirements and needs of modern technology before, during and after the hotel stay. Adaptation of technological innovation to the specifics of hotel services is a source of opportunities and challenges both for hotel managers and employees as well as for customers themselves. Barriers and difficulties might hinder successful implementation of information technology in a hotel organization. Such barriers include employees' willingness, ability and managers' support, customers' attitude and expectation (Koi et al., 2016). The cost of innovation, resistance from owners, resistance to change, training issues, pace of advances in new technology, time and budget constraints are some of the other barriers (Belgian et al., 2015). Avoiding and overcoming the difficulties in the guidelines requires complex management decisions. In order for the decisions to be effective, it is necessary to study the various influences and forecast the various impacts of the implementation of certain technological innovations in the stages of hotel service. The goal of this publication is: on the ground of evaluating the role& significance of modern technologies in hospitality industry to define conceptual framework for studying the impact of technological innovations on hospitality service. For achieving the formulated goal, the following research objectives have been completed: presenting the technologies in hospitality that are relevant and used most often; defining the impacts of applying the technologies, as well as the effects on hebetation of staff and clients. Innovation in tourism is a multifaceted phenomenon, particularly in terms of information and communication technology and the internet (Alembert et al., 2010). The field of tourism is constantly expanding and diversifying and it has become one the most sustainable growing sectors of the global economy (Dabekar et al., 2016). According to UNWTO (Tourism highlights, 2016) international tourism represent 10% of world GDP. The number of international tourist arrivals has reached 1186million for 2015. Many factors contribute for these results, one of them being the development and implementation of new technologies. They can be found in almost every aspect of tourism, including hospitality services.

On the one hand the use of technologies, increases the tourist's satisfaction, by providing faster and more personalized service, it is also used to provide customer data which provides useful information needed by the owners and contributes to gain more profits and recognition in the market.

## II. RESEARCH & METHODOLOGY

### Role of technologies for the hospitality service sector

The internet era has played significant role in the change of tourists at the same time

Consumer behaviour. A "new type" of traveller is emerging. He is interested in the global and regional products in order to satisfy their different needs such as personal socialization, thrilling emotional experiences, entertainment, hobbies and interests. In order to achieve his goal, he is using more and more the advanced technical tools. These technology advanced tools help him to travel and spend his vacations more efficiently. Millennials or youth are considered as the first & majority global consumer group. The ones who are born between 1980s and 2000s are really dynamic & have the urge to spend in quality. Millennials represent over 25% of the global population, and are becoming increasingly wealthy as they start to move up the career ladder. The youth now is very tech-savvy & they constantly want to be updated & well versed with the upcoming technological advancements. Internet in recent times is much faster with the advent of 4G technology & is more widely & cheaply available, resulting in the change in which way the tourists use their phones as they follow live maps, use applications as travel guides, find and book hotels, choose restaurants for dining seeing the reviews in food related apps & possibility to learn about their destination far more in advance.

Restaurants with them (Munford, 2016). The "modern" tourist has the

Technologies play important part not only for the customers, but for the owners of hotels also. They tend to use them for 2 main reasons. First through technologies the managers are obtaining detailed data concerning their consumer behaviour and second, they provide a better and more personalized accommodation and services for their clients. Identifying patterns of current and potential customers and servicing their needs is one way that organizations are attempting to use information as a leverage tool against competitors the volume of data available to companies and its accessibility will grow rapidly with advances in smart technology on smart phones, wearables and the Internet of Things. Combined with artificial intelligence, travel brands will be able to deliver greater personalization to consumers, at greater speed. Hotel managers these days obtain customer data through the main internet reservation platforms, social media sites, and personal sites. They can also use technologies such as tablets, smart phones and other devices in order to obtain information from the tourists by asking them to fill in questionnaires on the spot.

Hotels are focusing on improving their online availability and marketing strategies to respond to changing traveller demands. An increasing number of hotels are implementing technological innovations and mobile applications, which have the potential to enhance the guest experience when staying in the hotel. These tools can be introduced in various forms and places in the hotel. They can be seen and used by the guest in every state of their stay. Technologies in tourism can include a large variety of personalized services. In recent years private *room rentals* are getting more and more popular alternatives to classical hotels, especially preferred by the millennials. Therefore, they pose a threat for the hotel companies. A good way to deal with this problem and attract more tourists is to offer the latest technologies in the accommodation sector. Implementing these tools is still difficult and sometimes expensive task, therefore big hotel chains are more likely to use them in their hotel services. The implementation of new innovations and technologies begun with keyless entry in 2015 and has progressed to 7 wearables Applications which easy, faster & smart options for entering in rooms, controlling lights, controlling Smart TV in the room, ordering food, securing & accessing the safety locker in a better way. Many hoteliers rely on internet and mobile technologies, but according to Euro monitor the newest trend is room alterations through different means like: Custom coffee machines which can make coffee at any time, Digital mirrors, trendy mini-bars, Smart floor tiles which can change colours, remote control for services such as blinds, smart alarm clocks, etc.

The role that technologies play in travel & tourism services is constantly changing & evolving. Customers are getting more and more used to plan & spend their vacations with the help of new technologies. Hotel managers are also implementing them in various creative ways in order to attract more tourists, gather data and improve their services. Technologies, if used right, can make travel & Tourism even more comfortable, unique & interesting.

## Impact of the technology on the guest experience in the Hospitality Sector

As per a report by Oracle Hospitality which surveyed almost 3,000 travellers all around the world in order to understand the importance of technology for a hotel guest experience, its results show that hotels invest in technology to enhance the guest experience and influence the guest online reviewing after their trip. Guests were given questionnaires which would enlist the importance of technology as they suggested what technological advancement they desired from the hotels.

64% of U.S. hotel guests think that it is “very or extremely important” for Experience”. Innovation will enable hotel operators to stand out from the Competition, fulfil every guest’s expectation and attract new custom. A

positive experience will not only impact a guest’s stay but it will also

To fulfil this Managers should try to make an improvement in the areas of sales, guest satisfaction, service quality, and productivity by implementing new & advanced technology using innovative ideas.

Technology to improve efficiencies. Many hotel operators a Starwood’s environmental goals were launched in 2009 and pledge to cu Hotels & Resorts Worldwide us

Online bookings. The emergence of more and more travel sites like

Smart Watches. Another type of us

The robotics trend in hotels. On the Americas Lodging Investment

Getting 54% of innovators’ vote respectively.

For this innovation, delivering technologies faster is the greatest challenge, followed by keeping pace with guest expectations. Having identified that the experience is what will set hotel companies apart, innovators are more likely to feel pressure to keep pace with the digital

Guests’ needs, desires and expectations.

The Hospitality sector nowadays uses the Technology acceptance model which is also known as “TAM” & is based on Theory of Reasoned Action. (The **Theory of Reasoned Action** explains the relationship between attitudes & behaviours within human activity. It is mainly predicting how individuals will behave based on their pre-existing attitudes and their intentions) According to this model each individual has specific intentions and his/her actions are guided by personal attitude and subjective norms in respect to particular behaviour. In addition, there are individual expectations, beliefs and motivation which also interact with the behaviour influencing it. The significance of TAM is that the choice of consumers to use a particular technology is influenced by various factors. Their impact tells us the time of applying the technologies to provide service to the customers. This model is the first to identify that the consumer’s decision for accepting and using computer technologies sin tourism and hospitality is exposed to the impact of various psychological factors.

### III. CONCLUSION

This research has shown a framework which illustrates the influences of technological innovations in hospitality service, determined on the basis of the Guest cycle model. Influences and effects are grouped into three main directions, regarding changes and transformations in:

- ♣ Customer behaviour in the hotel service process;
- ♣ Specific functions and tasks of the service staff in providing hotel Services;
- ♣ Marketing strategies and company policy, defined by the managers

In the hotel companies under the impact of technological innovations. The present study expands the current researches and technological models about information technology adoption in the context of the hotel industry. The study results show, that the strategic management decisions concerning the application of technological innovation in hotel service are defined by the complex and divergent impacts of modern technology on the behaviour of customers, staff and managers.

The relationship between the hospitality industry and technology should be balanced and harmonious. Technology adds value, creates amenities, personalizes the stay, but overtaking can destroy the human relationships with the guests. A challenge for the hospitality and tourism industry is finding the right mix of digital and human interactions to create personalized guest experiences while respecting their privacy. Increasing customer satisfaction with new added value, convenience and comfort by investing in technological innovation should be carefully thought out and analysed.

Its realization should enhance consumer loyalty and the competitiveness of hotel companies.

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