



ZEBRA



HIGH TECH FOR HIGH TOUCH:

2016 Hospitality Vision Study

**HOTELS AND RESORTS TURN TO DIGITAL
TECHNOLOGY TO ENHANCE, PERSONALIZE
AND ENRICH THE GUEST EXPERIENCE**



ZEBRA HOSPITALITY VISION STUDY

Zebra Technologies analyzed the state of the hospitality industry and conducted two research studies. The first study focused on the hotel/resort industry and measured senior executives, IT leaders, guest services and marketing respondents' views on guest needs, their strategic technology and service plans, and vision for the future. The second consumer study measured travelers' preferences, technology requirements and opinions on the factors influencing their overall satisfaction at hotels and resorts. The results of these studies are shared in this 2016 Hospitality Vision Study.

TOP TRENDS



SMART DATA DIVES

49% of hotels/resorts are looking for ways to turn guests' data into enhanced in-stay experiences, retention and profit



AUTOMATING CONVENIENCE

66% of guests have a better experience when associates use the latest technology

68% of guests want to use their smartphone to speed up check in



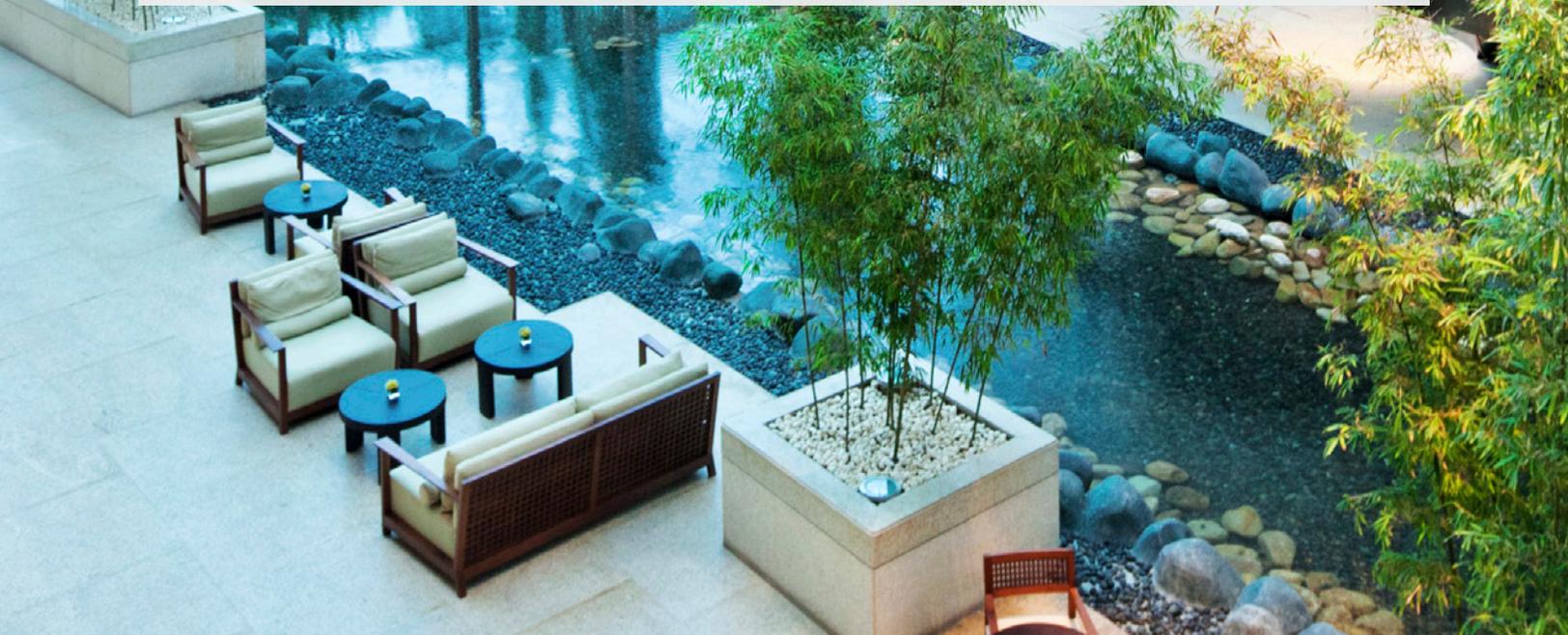
THE PERSONALIZATION EQUATION

74% appreciate hotels/resorts that customize messaging and offers



LOCATION TECHNOLOGIES

74% of hotels/resorts are planning to implement location-based technologies within the next year



STATE OF THE INDUSTRY

Technology is reshaping consumers' everyday lives, including how they travel and what they expect from the hotel and resort experience. The hospitality industry is courting today's smartphone tethered, ever-connected guests with a high-tech-for-high-touch game plan. They're tapping technology to ease, enrich and bring a new level of intimacy to their hospitality experiences, from booking to check out and everything in between.

According to the Zebra 2016 Global Hospitality Study, guests rank personalized interactions and convenience perks like mobile check-in and reward-rich loyalty programs, as top enticements to win their stay.

Hospitality managers have taken note. Enabling self-help technologies, such as smartphone check-in, and implementing location-based technologies ranked as the industry's top investment priorities.

To ignite guest interactions via their mobile devices, the hospitality industry is upgrading to 2D imagers to support QR code applications. The technology solution is designed to ease and enhance the in-stay experience via mobile interactions, so that travelers can simply scan a QR code stored on their mobile device at a hotel kiosk to bypass the front desk check-in line.

And that's just the beginning. Over 75% of hotels are implementing QR code applications within the next year

with the top applications including check-in reservation identity scanning, loyalty points and coupons.

Guests are willing to divulge some personal information in exchange for tailored promotional offers, but are uncomfortable with the tracking of their movements, buying behavior and social media profiles. Hotels/resorts are equally concerned and cite gathering guests' trust as an important priority.

Around the world, in-hotel/in-resort technologies that help custom-design the guest experience are seen as critical to competing amid the proliferation of venues on the market — from new niche hotels to the growing popularity of home rental websites born from the sharing-economy trend.

Although the impact of technology varies by international market, digital disruption is changing the service model at hotels and resorts worldwide.



GUEST PRIORITIES



Personalized interactions



Helpful guest assistants



Loyalty program/rewards



KEY QR CODE APPLICATIONS

- 1 Check-in Reservation Confirmation
- 2 Coupons
- 3 Access to Surveys/Reviews
- 4 Website for Local Events/ Restaurants
- 5 Loyalty Points
- 6 Mobile Payment
- 7 Identity Scanning

TAPPING MOBILE TECHNOLOGY TO SERVE CONNECTED CONSUMERS

Mobile devices from smartphones to tablets, which have become consumers' ever-present portals to the world, are a vital component of the hospitality industry's technology renaissance. A whopping 92% of guests carry a smartphone, and 40% use hotel apps on them, while another 30% are inclined to download one.

70%
of guests want to use technology to speed up getting what they want

Just as smartphones increasingly perform everyday tasks, from shopping to bill paying, travelers want these mobile devices to access hotel information, services and expedite mundane processes.

So it comes as little surprise that both

consumers and hospitality managers surveyed ranked smartphone check-in, and retaining guest preferences for subsequent visits, as a top preference and leading technology goal, respectively.

Hospitality managers cited enabling a process whereby guests select their room via smartphone, and then retrieve room keys from the hotel check-in counter, as a key strategic initiative. Indeed, so-called "smart controls" are gaining steam. Already at some major hotel chains, travelers can use smartphones to unlock their room and access guest-exclusive areas like the gym and spa.

AUTOMATED SERVICES & SELF-HELP TECHNOLOGIES		
CATEGORY	HOTEL/RESORT PREFERENCES	GUEST PREFERENCES
CHECK-IN/ CHECK-OUT 	<ul style="list-style-type: none"> • Smartphone check-in • Room preferences based on profile • Personalized guest greetings upon arrival 	<ul style="list-style-type: none"> • Room preference based on profile • Email of transactions, final bill • Personalized greeting upon arrival • Smartphone check-in • Smartphones/smart watches as room keys
FOOD & BEVERAGE SERVICES 	<ul style="list-style-type: none"> • On-line menu/specials • Tracking guest's room number/name when seated/serving • On-line reservations 	<ul style="list-style-type: none"> • Discounts/points/coupons for loyalty members • Online reservations • Online menus/specials
CONFERENCE ROOM SERVICES 	<ul style="list-style-type: none"> • On-line pre-booking of conference rooms • Tracking guest preferences 	<ul style="list-style-type: none"> • Online pre-booking • Wireless printer availability • Hospitality updates (meals, drinks, snacks) • Email meeting reminders/updates • Tracking meeting invitee status • Printed name cards and pre-ordered group meals • Instant message with meeting coordinator • Tracking guest preferences

WHAT GUESTS ARE SAYING

How can technology improve your hotel/resort experience?

“Anything that speeds the check-in/check-out process would be extremely useful.”

“I don’t think we should ignore the very good service that hotel staff provide their guests. Technology should enhance the experience, not supplant it.”

“Tablet control of the TV, lighting, climate control and alarm would be good. A hotel directory would be better on a tablet as well.”

THE HUMAN TOUCH WITH A MODERN TWIST

Today’s modern guests report a better experience when hotels and resorts use the latest technology to assist them — and the hospitality industry is listening. According to the survey, the use of desktop computers by hotel staff will decline in the coming years and be replaced by mobile devices.

GUESTS RATE IMPORTANCE OF TEXT/EMAIL NOTIFICATIONS

89%

Confirmation of room booking

88%

Issues/changes to booking

84%

Room readiness

82%

New room options available (upgrades, new availability)

Travelers are looking for technology to enhance hotel services such as the concierge desk or housekeeping. They increasingly expect conveniences such as being able to order food online or receiving text alerts on room readiness and possible upgrades.

But while guests value technology that simplifies and speeds up routine, in-stay tasks, they still expect the human touch to anchor their hospitality experience. Survey respondents said they don’t want modern technology to compromise service.

MEETING GUESTS' DIGITAL-ECONOMY DEMANDS VIA PERSONALIZATION

The hospitality industry is in transition amid the rise of vacation rental sites and new boutique hotels that are broadening notions of the in-stay experience for consumers worldwide.

As competition for travelers' mindshare intensifies, hospitality managers have sharpened their focus on differentiating the guest stay via unique and personalized experiences in a bid to strengthen loyalty and encourage repeat visits.

For guests, feeling catered to nowadays means not only hassle-free booking, but also service and offers that reflect individualized messaging and marketing based on their personal profile, activities and preferences.

It's a sign of the times. Like never before, consumers can research countless products and services online in minutes, easily vet quality and price, and rebuff

lackluster options. That transparency and choice has given rise to "the expectation economy," marked by "ever-accelerating customer expectations, applied ruthlessly to every purchase decision, experience and moment of attention," according to the Macro Consumer Picture report from trend forecasting firm TrendWatching.

Hospitality managers are also turning to technology to automate personalized guest experiences, such as pre-setting room temperature to a guest's preference, stocking the mini-bar with their favorite snacks, or for the business traveler, making sure a suite is videoconference ready.

GUEST PREFERENCES FOR PERSONALIZATION



ROOMS/HOUSEKEEPING

Interested in:

- 86%** Room selected based on personal preferences such as room/window location and bed configuration
- 74%** Room pre-stocked with preferred amenities before arrival based on preferences
- 73%** Automatically adjusted room thermostat based on preference
- 71%** Using smartphones, tablets to control in-room needs (TV, restaurant/spa reservations, exercise facility status, local events, room service)



ENTERTAINMENT

Interested in:

- 70%** Location based coupons/specials
- 64%** Location based alerts (free gaming, tables/machines, spa availability, golf course tee times)
- 62%** Sharing preferences for spending and rewards with the hotel



CONCIERGE

Interested in receiving:

- 81%** List of restaurants/activities and directions
- 80%** Online property maps/step-by-step directions
- 79%** Transportation assistance and electronic confirmation
- 77%** Online booking and real-time table availability

THE LOYALTY FACTOR

The hospitality industry is also well positioned to entice guests and keep them coming via loyalty programs. The study revealed the average traveler belongs to three hotel/resort memberships. And along with helpful guest assistants, loyalty programs round out the top factors that sway consumers to stay at a particular hotel.

Now, hospitality managers are looking to enrich their loyalty programs by offering guests personalized offers and emails, be they for events, vacation or business-travel perks. And while offers like a free room with every 10 stays never go out of style, hotels and resorts must up their game to keep step with evolving guest demands.

In the consumer economy at large, experiences are gaining a bigger share of consumers' wallets than tangible things. Buyers are spending more on lived moments like travel and dining out than consumer products, such as the latest designer bag.

That craving for unique experiences is carrying over into what guests want from their hotel and resort stay. Hospitality managers are, in turn, flexing their creative muscles to engage — and retain — guests in new ways via activity-oriented loyalty perks. These perks include everything from cooking classes and personalized in-room exercise equipment to “authentic, local experiences,” like a private surf lesson on the Gold Coast of Australia or a tour for two of Abu Dhabi’s majestic mosques offered by one hotel group.

TRADITIONAL VS. MOBILE LOYALTY PROGRAMS

50%
use traditional
loyalty cards



25%
use mobile
loyalty programs



LOYALTY PROGRAM RANKINGS



HOTEL/RESORT USES FOR LOYALTY PROGRAMS

- 1** Conduct online customer satisfaction surveys
- 2** Deliver personalized messages/emails based on stored preferences
- 3** Award points/rewards for social media likes

GUEST PREFERENCES FOR LOYALTY PROGRAMS

- 85%** Coupons, discounts, specials
- 72%** Online customer satisfaction surveys
- 70%** Online local event calendars near hotel/resort
- 67%** Personalized messages/emails based on preferences
- 58%** Points/rewards for social media likes



UNLOCKING LOCATION-BASED TECHNOLOGY OPPORTUNITIES

Savvy hospitality managers are tapping into the DNA of a guest's profile for actionable insights to enhance the hotel experience. That's because they're increasingly serving a range of idiosyncratic tastes and needs, offering everything from in-room yoga mats for fitness junkies to gluten-free meals.

To take personalization to new heights, the industry is investing in location-based technologies that track guests' movements, the on-site facilities they use and their preferences. The goal is to sharpen guest recognition and deliver highly personalized, geo-targeted mobile offers and special promotions for food, beverages and other hotel/resort amenities.

That means a hotel, knowing where a guest is on the premises at any given moment, can send them a text message with a personalized dinner recommendation, for example. Some venues have also started to allow guests to earn points when they share their in-stay experience on social media.



LOCATION SERVICES ENHANCE THE GUEST EXPERIENCE

Make special offers based on preferences and locations, provide step-by-step directions, remind of dinner or show reservations, to name just a few.

TOP USES FOR LOCATION-BASED TECHNOLOGY

- 1 Guest recognition
- 2 Geo-targeted mobile offers
- 3 Special promotions/upgrades
- 4 Notification of arrival/check-in
- 5 Customer/guest analytics



PLANS TO IMPLEMENT LOCATION-BASED TECHNOLOGY WITHIN THE NEXT YEAR

- 74% Check in using smartphone
- 72% Pushing coupons or discounts
- 69% Tracking guests' location, facilities used and preferences
- 69% Knowing when a guest enters/leaves their location
- 68% Mobile wallet for payment
- 62% Electronic baggage tracking

SHIFTING PRIVACY DEMANDS

For the hospitality industry, navigating the path to peak personalization means easing guests' privacy concerns.

75%
of guests are willing to share personal information in exchange for tailored promotions

The hospitality study found that 75% of travelers are willing to share their personal information, such as gender, age and email address, in exchange for tailored promotions, coupons, priority service or loyalty points, like a discount on their next stay or restaurant and entertainment perks.

Among Millennials surveyed, 44% are comfortable in sharing their social-media profiles with hotels, compared to 15% of 50 to 64 year olds. And 34% of Millennials are comfortable allowing their current location to be tracked, compared to 13% of 50 to 64 year olds.

That merits attention, as Gen Y, also known as Millennials, have displaced the Baby Boomers as the biggest consumer-buying group. Unlike previous generations, the lifestyle and consuming habits of these tech savvy, digital natives are influencing those of older demographic segments.

At the same time, the survey also revealed that most travelers are not comfortable sharing their location or social-media presence. But that's poised to change, as a new generation of travelers continues to enter the market. Generation Y, born between 1980 and 2000, are much less concerned about sharing their location and social-media profiles than their older counterparts.

Hotels and resorts are taking steps to engender trust among guests, including: highlighting privacy policies; ensuring consumers their personal information is protected by third-party privacy and security compliance verifiers; and expressly asking consumers what data they want or don't want shared.



GUEST PRIVACY CONCERNS:

80%
Want to control how personal information is used to tailor experience

74%
Appreciate hotel/resorts that customize messaging and offers

60%
Are concerned about having their location and behavior/movement tracked, as well as sharing their social media profile



HOTEL/RESORT CONCERNS:

74%
Gathering guests' trust to share personal data (such as contact, credit card, passport and other information the staff might usefully keep for the guest's check-in convenience)

63%
How best to use guests' location information (how to make data available, to whom and in what circumstances)

57%
Deciding on which personal guest data to collect (what they buy, click-on or otherwise do and consume on property and off)

THE GLOBAL PICTURE

As technology upends the hospitality experience worldwide, the nature of how digital disruption is altering hotels, resorts and their guests' preferences varies by region. But no matter the point on the globe, survey respondents agree that the role of technology at hotels and resorts is not to replace, but to complement and enhance, face-to-face service.



NORTH AMERICA

Guest recognition is the top driver for location technologies in North America but ranks number three globally. North American consumers are:

- Less concerned about sharing their location and social media profiles, and more willing to use self-serve technology than their global counterparts.
- Influenced more by loyalty programs to stay at hotels/resorts and collect loyalty points than other regions.
- More willing to use self-serve technology (via printed/electronic signs or kiosks).

LATIN AMERICA

Hotels and resorts in Latin America are moving faster in implementing location-based technologies than the rest of the world. (Followed closely by APAC). Latin American consumers surveyed:

- Expect to receive personal attention from hotel/resort assistants compared to other global regions. And that attention is considered a key benefit of a mobile loyalty program.
- Are more concerned about sharing location, social media information and mailing address.

EUROPE

Maintaining current guests is the top priority in Europe, while enhancing the customer experience is the top priority globally. European guests are:

- Less concerned about sharing their location and social media information.
- Less likely to use hotel applications or electronic payment on their smartphones.
- Belong to fewer loyalty programs.

ASIA PACIFIC

In the technology sophisticated Asia Pacific (APAC) region, offering special promotions and geo-targeting mobile users are the top drivers behind implementing location technology. The APAC consumer study revealed travelers are:

- More willing to use online smartphone searches than their global counterparts.
- Influenced most by “helpful guest assistants” to stay at a hotel/resort.

ABOUT THE STUDY

HOTELS & RESORTS

HOTELS/RESORTS BY GEOGRAPHY



NORTH AMERICA	19%
Canada	2%
U.S.	17%
LATIN AMERICA	21%
Brazil.	9%
Colombia.....	6%
Mexico	6%
EUROPE	29%
France	6%
Germany	6%
Italy.....	6%
Spain	6%
U.K.....	5%
ASIA PACIFIC	31%
Australia.....	3%
China	5%
Hong Kong	1%
Indonesia.....	6%
Japan	3%
New Zealand	2%
South Korea	5%
Taiwan	1%
Thailand.....	5%

HOTELS/RESORTS BY SIZE

300 to 599 Rooms.....	67%
600 or More Rooms	32%
100 to 299 Rooms	1%

HOTELS/RESORTS BY JOB TITLE

Senior IT Leader (CIO, CTO, COO).....	25%
Operations: VP/Director/Manager	16%
Executive Line of Business/Operations (SVP Hotel Operations, Marketing)	14%
Hotel Staff Sales, Marketing or Customer Service .	12%
Senior Business Leader (Owner, President, CEO) .	12%
IT VP/Director/Manager	11%
Guest Services/Player Development VP/ Director/Manager	6%
Marketing/Loyalty Programs VP/Director/ Manager	4%

CONSUMERS

CONSUMERS BY GEOGRAPHY

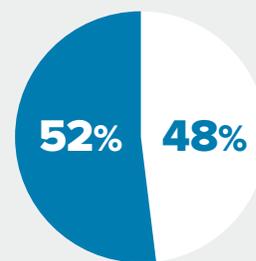


NORTH AMERICA	17%
Canada	3%
U.S.	14%
LATIN AMERICA	17%
Brazil.	5%
Colombia.....	6%
Mexico	6%
EUROPE	30%
France	7%
Germany	6%
Italy.....	6%
Spain	6%
U.K.....	5%
ASIA PACIFIC	35%
Australia.....	4%
China	4%
Hong Kong	1%
Indonesia.....	6%
Japan	6%
New Zealand	1%
South Korea	6%
Taiwan	1%
Thailand.....	6%

CONSUMERS BY GENDER AND AGE



MALE



FEMALE

GEN X (35-49)	37%
GEN Y (18-34)	36%
BOOMERS (50-64)	22%
PRE-BOOMERS (65+)	5%

DIGITAL TECHNOLOGY HAS CATALYZED AN INSTANT-GRATIFICATION ECONOMY

From smartphones, tablets and desktop computers, consumers can shop around the clock for a limitless selection of products and services — be it sushi, silverware or streaming video — and have it delivered at the click of the button.

The unprecedented choice afforded today's connected travelers has upped their expectations for goods and experiences that are personalized to their idiosyncratic tastes and needs — including what they want from their hotel and resort stays.

Faced with heightened competition, the hospitality industry around the globe, is trading up to in-hotel/in-resort technologies that heighten convenience and produce curated experiences for today's modern travelers. These range from offering smartphone check-in to a sous-vide cooking class for that bistro-loving foodie guest.

And guests want to help hoteliers to give them what they want. In the Internet era where most people can claim some sort of public profile online, guests are willing to share their personal information with hotels in exchange for customized offers and discounts.

ABOUT ZEBRA TECHNOLOGIES

Zebra offers the hospitality industry knowledge, consumer insight and mobile technology solutions to help hotels, restaurants and casinos create memorable experiences that connect with guests and keep them coming back.

For more information visit www.zebra.com/hospitality

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