AMADEUS

Amadeus Hospitality

Over $100 million in cost savings delivered by Service Optimization in 2015!

The United Nations World Tourism organization data for 2015 shows that 1.18 billion tourists traveled in 2015, growing for the sixth straight year. That is an increase of 4.4 % in international tourists from 2014 and an increase of 256 million more tourists since the recession of 2009.

In the United States alone, travel revenues reached $341 billion[1] in 2015 and are expected to reach $381 billion by 2017. Lodging alone increased by 8% in 2015 to reach $144 billion, becoming the biggest revenue generating segment of the travel industry, exceeding air travel.

Today, travelers are often directly interacting with third parties "OTA" to book, modify, and confirm hotel bookings. They continue to use these channels, as well as social media, to share reviews and seek out opinions of friends and coworkers. As a result, these behaviors are directly diminishing guest engagement with hotels.

A recent study by Gallup[2] shows that only 22% of hotel guests were engaged in their last trip to a hotel. This study also showed that an engaged guest spends on average $588 per stay at their most visited hotel over the course of 12 months, while a disengaged guest spends $403 per stay on average. A little bit of simple math will tell us that a hotel loses $185 per guest by not engaging them or turning them into a loyal customer.

As such, hoteliers are realizing the importance of hotel technology to their daily operations in enhancing the guest experience, rather than replacing the human factor; transforming it from a 'nice to have' to a necessity.

Global hospitality organizations have invested over $500 million in guest facing mobile applications to engage guests on a variety of different fronts. Whether it is choosing their room type and location, requesting early arrival and late check-out, performing mobile check-ins, or even unlocking guestroom doors, technology is more and more pervasive throughout the typical guest stay.

Hotels are furthering engagement by encouraging their guests to interact directly with staff members through 2-way texting, allowing guests to text requests and receive notifications on room readiness, as well as personalized offers and promotions tailored to their interests.

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[1] Phocuswright's U.S. Online Travel Overview Report

[2] John Timmerman, Ph.D., is Chief Scientist, Customer Experience and Innovation, at Gallup

But all of this advanced guest facing technology comes the challenge of delivering these requests in a timely manner, and customizing it to the guest's needs!

Today, hotels are investing more and more in back-of-the-house technology to automate and streamline their daily operations to deliver these promises. This type of automation reduces hotel employee's involvement with day to day tasks like check-ins, answering calls, and dispatching requests, allowing them to spend more time focusing on personalizing the guest experience. Hospitality organizations are getting onboard with integrating service optimization solutions to streamline their workflow of operations in an effort to increase efficiencies, reduce costs and engage their front end staff to deliver the brand's promise to their guests.

Hoteliers worldwide are trusting HotSOS to streamline their daily operations and personalize staff engagement with guests, while they focus on making the impossible possible and deliver the Wow effect.

Amadeus Service Optimization Solution - HotSOS, is now powering over 75% of leading hotel brands in over 70 countries worldwide.

In 2015, HotSOS generated over 92 million service orders to help hotels automate operational deficiencies, guest requests, and maintenance of hotel's physical assets. Employees' engagement with technology generated 18 million digitized deficiency requests in guestrooms to avoid guest incidents or complaints. This resulted in a global saving of almost $90,000,000 in guest compensations and negative guest reviews for the customers that are adopting HotSOS globally. .

Hotels are also engaging their guests to interact directly with staff members through text. HotSOS took this process further since its partnership with Zingle texting technology to transform these texts into actionable requests. The integration between HotSOS and Zingle automates these texts to actionable and personalized orders in HotSOS to be performed and tracked by staff members.

The Breakers, a privately-owned, luxury resort, in Palm Beach, Florida is already reaping the benefits of the Amadeus and Zingle partnership. ***"Management has seen an average of 40 to 100 daily texts from guests seeking assistance with basic requests,"* said Darren Hirsowitz, director of finance & business analytics. *"Once a guest becomes comfortable with texting the hotel for their needs, the engagement between our team and guests increases, resulting in a higher overall level of satisfaction with the entire resort experience. The real breakthrough here is the capability to connect with a guest on their terms."***

Service optimization does not only automate operational workflow to achieve better efficiencies, it also plays a huge role in saving the environment. Hotels are saying goodbye to the days of paper printing! HotSOS prevented hotels from wasting over 116 million printed pages in 2015, saving over 8000 trees worldwide covering almost 16 acres!

Automating operations minimizes travel time, human error, and arms employees with a vast knowledge of the guest history of requests, preferences, and current emotional statuses of their stay.

When the service optimization team introduced HotSOS House-keeping in 2008 to automate housekeeping operations, Hoteliers had reservations. Introducing technology to their room attendants and having them carry smart devices versus paper boards was a change, they thought, would not be easily adapted.

Today over 38 thousand room attendants worldwide use HotSOS Housekeeping in 15 different languages to manage the daily cleaning of guestrooms as prioritized by management based on daily operational needs. Stephan Goguely, Director of Finance, at the Hyatt Regency Montreal says: *"One day the Wi-Fi went down at the property and Room Attendants were not happy to go back to using their paper boards."*
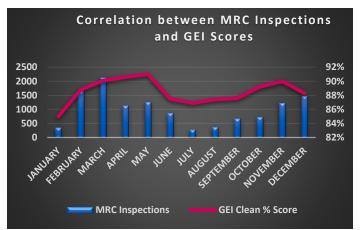
In 2015, HotSOS helped housekeeping departments clean over 34 million guestrooms worldwide. Hotels are starting to quantify productivity through this automation. Eli Brewer, Operations Analyst, at the Waldorf Astoria Resort in Boca Raton says: *"The housekeeping department has seen an increase of almost 14% in room attendant productivity translating to over $136,000 savings in labor cost yearly."*

Moreover, room attendants are now more engaged and encouraged in reporting incidents on-the-go before they impact the guest experience (over 2 million incidents in 2015!). Reporting these incidents has been shown to directly correlate to them receiving higher scores on their supervisor's daily, digitized inspections.

Supervisors are able to manage their day and their room attendants on their tablets without the need to return to the office. This flexibility and time gained allows them to conduct more inspections and increase the inventory of available rooms. Lydie Medley, Director of Rooms, at the W Fort Lauderdale says: *"They are able to reduce the volume of room rushes from 20 per hour to only 5 per hour due to prioritizing guestrooms. Her room attendants are able to start a room requiring cleaning service within 9 minutes versus 29 minutes before automation."*

At the W Resort in Fort Lauderdale, Florida. Management was also able to observe a correlation between the volume of guestroom inspections and room cleanliness guests survey scores. The graph on the right clearly shows that correlation. The GEI room cleanliness scores percent increases with the number of inspections performed and vise-versa over the year.

Correlation between MRC Inspections and GEI Scores

On average, HotSOS Housekeeping can save your hotel $116 per guestroom yearly by automating your housekeeping department. A hotel with 350 rooms can see savings exceeding $40K yearly by increasing productivity and proactively engaging room attendants in reporting deficiencies.

In 2016 we are introducing gamification to engage employees, a program similar to those the hospitality industry has been using to engage g uests with loyalty programs. Our gamification feature is the first of its kind in the industry to provide room attendants feedback on their performance. Room attendants gain a sense of accomplishment, higher engagement, greater ownership and pride in their work. This engagement increases the room attendant's productivity and ultimately guest loyalty for the brand.

In 2016, a study[3] shows that most hotels are expected to spend 54% more on technology than previous years. About 56% of hotels participating in the study will be spending their dollars on guest-room technology, 43% on guest-facing applications and 29% on leveraging their employee facing-applications.

Today, more than ever, hotels need to invest in Service Optimization technology to focus on engaging their guests as well as their staff. Better engagement will increase productivity and enhance delivery of the hotel brand promise, promoting higher guest retention and brand loyalty.

[3] Hospitality Technology 2016 lodging technology Study.