

Hotels vs. Guest Satisfaction

Emily Esposito

Student

University of Delaware

emilyspo@udel.edu

Sheryl F. Kline, PhD

Deputy Dean of Alfred Lerner College of

Business and Economics and Aramark

Chaired Professor in the Department of

Hospitality and Sport Business Management

University of Delaware

skline@udel.edu

ABSTRACT

To succeed in the hotel industry, one must look for different ways to satisfy guests and improve their experience. This is a challenge for many hotels, but one way to meet and even exceed guest satisfaction is by using technology. Technology can change so much for guests during their stay; it can make the possibility of guest satisfaction increase. Attempting to analyze whether a guest is satisfied with a hotel and their service is what hotels should do to keep their business successful, and that is where technology becomes essential for hotels. Different technology aids in personalizing guests' experience, using revenue management to attract guests to your hotel property, allowing self-service technologies to get more attention, and ensuring the technology is better than what guests have in their homes. Looking into technology from a guest's perspective and whether these different methods make their stay pleasurable comes into consideration; many hotels are trying these other methods. As hotels attempt these methods to achieve this goal of guest satisfaction, a deep understanding of whether these methods do justice to a hotel's success is essential.

Keywords

Technology, Guest Satisfaction, Hotel

INTRODUCTION

One of the essential rules of the hospitality industry is ensuring you are giving guests the best service you can offer. Whether in a restaurant, catering, or event planning, you must always keep an eye on the customer and ensure you are serving their every need while making sure they are as satisfied as possible. This is a challenging thing to accomplish. Many companies need help to meet customers' needs and demands, especially in the hotel industry, one of the biggest and most demanding industries within hospitality. Technology can help improve the guests' experience. Although it sounds like an easy solution, the hotel industry needs to catch up regarding technology. Any current and future technology in a new hotel will depend on its infrastructure (Russ, 2008), so the problem hotels should attempt to address is how to use technology to keep guests engaged and satisfied.

INDUSTRY CONTEXT

Hotels can have trouble keeping up with customers' demands. Customers are used to having everything they want at their fingertips because of growing technology. This seems especially hard for hotels because guests expect their hotel to be just like their home, and it is up to the hotel to keep up with that constant and evolving expectation. The hospitality industry started adopting technology in the early 1970s, and this process has been proliferating ever since (Brochado et al., 2016). Hotels use technology to promote guest satisfaction and loyalty, improve service quality, and to increase profitability and competitiveness (Tavitiyamen, 2020). Demands for good hospitality grow alongside technology. Different technologies such as artificial intelligence, robotics, and service automation are introduced in hotel operations and management to create personalized and memorable experiences for customers, and these new technologies increase the need for hotels to have them to meet guests' needs (Tavitiyamen, 2020).

Technology is becoming so important that it is shown that the implementation of in-room technology has improved not only in-room services but also provided new forms of entertainment. A study of hotel managers found that in-room entertainment systems are ranked second, with wireless internet ranked first, among the technologies that hotel guests care about the most (Brochado et al., 2016). With this increasingly high level of guest expectations, hotel companies seem to be gradually introducing up-to-date entertainment technology into rooms (Brochado et al., 2016). Hotel companies experience this competitive demand for technology. The need to upgrade and improve reliance on legacy technology is rooted in how hotels are built and operated. Misled by the "*we have always done it this way*" mindset, some hotels have favored tradition over technological progress (Talasila, 2022). There will always be some demand and appreciation for traditional services. Still, today's guests want a new level of convenience and personalization that can only be achieved with the help of new technology. Recognizing the wants and needs of guests, hotels seem to have had no choice but to slowly break free from the platforms of the past to embrace the platforms that will lead the way to the future (Talasila, 2022).

DISCUSSION

It is difficult for hotels to identify precisely what guests would like to see in terms of technology because of how fast technology changes. There is so much that could be done because "technology" is such a broad topic. Still, some suggestions found based on research could keep guests satisfied and engaged when staying in hotels, so this problem will hopefully not be persistent.

Personalization

To keep guests engaged, hotels should personalize guests' stay so they feel more at home. Setting up something that can tell the hotel what a particular customer wants, such as a questionnaire, can help leverage technology to adjust for customers. Marriott Hotels is attempting some of these practices of moving toward personalization. The company launched artificially intelligent (AI) voice assistant technology for guests to control their rooms quickly and efficiently. AI-based chatbots are one of the most common technologies many luxury hotel brands have implemented to enhance guests' experience. Also, Four Seasons Hotels and Resorts offer instant chat services 24/7 via chatbot. To create memorable in-room experiences, Marriott Hotels also allowed guests to use their smart devices to personalize their rooms with an

augmented reality (AR) art gallery featuring artwork from 18 artists. Marriott Caribbean and Latin American resorts made an AR app for guests to explore their properties with their mobile devices and preview facilities, such as pools and spas (Marriott International, 2018). Marriott Hotels Irvine extended its technology into its bathrooms by installing smart glass in its showers (Shin & Jeong, 2022). An idea like this would take much analysis for a hotel. Still, it would be something unique that would pay off and have guests keep coming back. Keeping track of a guest's profile, especially those who visit frequently, can make guests respect the time hotels put in when personalizing their stay.

Having technology such as chatbots and control of your room is an excellent way for hotels to allow for personalization, for even if analyzing guests or surveys does not work, the hotel has something available for everyone. These ideas put out by Marriott can accommodate anyone, not only the already loyal guests. Hotels that struggle to keep up with high-tech amenities can do something as simple as having the mini bar come preset with a guest's favorites because the room has been pre-blocked. The housekeeper will receive a printout of which items to stock when she prepares to clean the room that morning (Russ, 2008).

Some technological advancements, such as personalization, can be as simple as having surveys ready for loyal guests. As hotel companies collect more data through loyalty programs and customer relationship management (CRM) systems, asking guests for their preferences will become a process of the past. AI-enabled CRM systems will be able to collect the data of past guest preferences, analyze it and prepare hotels to accommodate and personalize future guest stays. Managing the data and providing customized experiences based on guest preferences and past behavior can improve loyalty and customer satisfaction (Kim et al., 2019).

As time passes, hotels can take what the customer likes and use more technology, such as automatic lights, to please the guests and make them feel at home. Independent hotels can consider something like this when competing with chain hotels, for research demonstrates that independent hotels are now using technology not only to cater to guest preferences but to remain a step ahead of the brands with large marketing budgets. Independent operators are leveraging technology to create a more distinctive identity for their hotels, creating a unique and connected experience for their guests that is convenient and memorable (Talasila, 2022).

It is also essential to consider what most guests may want regarding technology during their stay. It would be pointless to have all these extra amenities if the guests end up not using them. A survey asked respondents to rate the importance of 19 technologies and their satisfaction with them during a stay at a hotel. Respondents could select options such as "not available" or "never used" if they did not have any experience with specific technologies in a hotel. The data showed that guests rated movies on demand, in-room TVs in bathrooms, alarm clocks, TV speakers/music in bathrooms, iHome with iPods and radios, fixed and portable telephones, mini bars, LCD TVs, and many other amenities controlled by high technology with a high level of importance and satisfaction (Brochado et al., 2016). The technologies found to be low priority were video games on demand, CD/DVD players, and voicemail, but their associated guest satisfaction was rated high (Brochado et al., 2016). Although hotels may not have to be super high-tech, something as simple as keeping track of a guest's likes in an electronic file could help keep those guests coming back to the hotel.

Today, hotels provide various streaming services and allow guests to log into them through the hotel's in-room entertainment system, adding another level of personalization (O'Connell, 2021). Guests can continue viewing their favorite shows while traveling and staying at different hotel properties. The chains that make this process seamless will improve guest satisfaction and build loyalty.

Self-Service Technologies

Hotels should look further into implementing self-service technologies (SST) to reach a higher level of customer satisfaction. Hotels seem to be introducing SSTs at an increasing pace. SSTs allow consumers to receive a service independent of direct employee involvement (Dzia-Uddin, 2018). The evolution of reservation systems, the internet, the smartphone, and other technologies provides significant convenience and savings for hotel guests in terms of time, money, and energy, often without human contact. For example, hotel reservation has vastly changed, and guests do not need to walk in or make a phone call to book a hotel room. Guests are starting to like this self-service technology a lot more, especially if they are using it to make reservations, so it would only make sense for hotels to expand on this idea, for most customers today prefer to book a hotel room online, retrieve data and navigate around the destination, locating dining as well as entertainment options through an app on their mobile devices because all the activities can be done quickly. Interactive SSTs offer two-way communication and enable users or consumers to move promptly and well-ordered through the interface (Dzia-Uddin, 2018). Hotels should invest in SSTs that can help assist guests with quickness and efficiency, for the ability to perform transactions more quickly in the SST environment compared to the interpersonal service environment increases customer satisfaction.

It has also been found that the efficiency of the SST environment leads to customer satisfaction. The lower the wait times, the more the customers are satisfied (Dzia-Uddin 2018). Hotels have noted this satisfaction because we live in a society that uses various advanced technologies to simplify our daily activities. Previous studies showed that customers depend on current technology, which is needed to make their stay on hotel premises smooth and enjoyable.

Greater Than Home

When guests stay at a hotel, hotel management wants that stay to be better than home. Technology plays a big part in that. Having the incorrect levels of technology compared to a guest's home can easily make them dissatisfied (Beldona et al., 2018). Data were collected from guests in a study to test the hypothesis that the higher the standard of technology in a hotel compared to what a guest has at home, the greater the guest's satisfaction with those technologies and the overall hotel experience. Respondents were asked to consider hotel technologies compared to at-home ones, such as TVs, alarm clocks, thermostats, and internet connectivity. They were told not to consider attributes such as furniture and other non-electrical/electronic items/services when responding to questions in the survey. Guests rated hotel and home technologies using descriptors such as high or low, outdated or futuristic, and low or high quality (Beldona et al., 2018).

Rate-Setting Technology

The technology behind the scenes of a hotel is just as important as that used by guests. Setting room rates is one of the most crucial functions of any hotel. The rates charged by a hotel directly affect its competitive position, occupancy, and revenues daily (Lim & Kimes, 2013). Rate policies also influence a hotel's brand image and customers' perceptions of fairness. Because of the many tangible and intangible consequences, hotel managers view rate-setting as complex and challenging (Lim & Kimes, 2013).

Hotel managers set room rates using different types of data-driven, technology-enabled tools known as revenue management (RM) systems. Human input when setting room rates seems to be just as crucial as technology. Some hotels are both highly technology-intensive and highly human-intensive. These hotels use IT systems to generate rate recommendations but also use their judgment to override the recommendations if they do not think the rates are workable (Lim & Kimes, 2013).

Here, these two systems, the human and technological, complement each other. Human insights can complement the technological focus on pricing tools, techniques, and computerized applications to enhance the commercial soundness of pricing decisions. By sharing insights within rate-setting teams, managers are likely to understand the subtleties of market requirements better and gain more significant insights into the causes of price movements, the pricing tactics of competitors, and the psychological impact of price changes on customers (Lim & Kimes, 2013). So combining analysis with technology and incorporating human interaction is said to impact room rates, ultimately impacting guest satisfaction. At the same time, technology-intensiveness can help focus the internal communication and tacit routines of human-intensive processes on financial accountability, enhancing the economic effectiveness of pricing decisions. More specifically, data from RM software can help reduce unnecessary experimentation in finding appropriate prices to charge. Using a systematic rate-setting framework should facilitate discussions of pricing issues among department managers, supplying a common technical vocabulary of pricing terms and providing a basis for quantifying pricing impacts, thereby adding precision to the financial assessments made by managers (Lim & Kimes, 2013). Having these technological systems in place makes communication more manageable and more organized between colleagues, especially when discussing or researching something like room rates, and as mentioned, having an easy and proficient way of deciding room rates positively affects the hotel and the loyalty of its guests.

The main idea of combining technology and face-to-face human insight is that the presence of technological aids will not eliminate groupthink tendencies that may occur in any committee-based human decision-making process, and incorporating technology eliminates the chances of human error when analyzing the data to determine room rates. Human judgments can be susceptible to biases, but the committee-based nature of the forecasting process enables mutual error checking and increases task motivation and satisfaction, improving the quality of forecasts (Lim & Kimes, 2013). According to this research and theoretical reasoning, the combination of the science of data analytics and real human judgment will result in the most reasonable room rates, which will eventually maximize financial performance for hotels, which will benefit the guests, who will be more attracted to the hotel because of the room rates, which were well

managed by the hotel management because of the use of organizational technology and analysis, combined with human interactions.

CONCLUSION

Hotels must meet the demands of their guests. Advancing technology should be the main contributor to determining issues hotels might have when they want to satisfy guests and attract new ones. This can be achieved by personalizing a guest's room with technology that makes them feel at home but also using tactics such as surveys or loyalty systems to keep track of guests who want these exceptional amenities. Another way is for hotels to be more in synch with technology behind the scenes, especially when making decisions on room rates, for that is one of the most prominent aspects that guests look into when booking a hotel. Appropriately setting these rates requires careful analysis, and it is shown that technology plays a big part in making the best decisions, combined with human interaction. Additionally, incorporating self-service technologies has great potential to be successful, primarily if they are used in everyday life and can help customers in making reservations, navigating locations, and finding dining options nearby. Finally, hotels should be trying to offer in-room technology that is even better and more significant than what guests have at home.

Some of this research has shortcomings. With regard to personalization, hotel chains such as Marriott seem to be constantly pushing out ideas to keep guests engaged via tactics such as chatbots, but who is to say only that idea would work? Some guests, such as those of older generations, may not know how to use chatbots, so having a more automatic personalization tactic that can be simple and easy to use would be essential.

With regard to setting room rates, it is suggested that hotels would have the most success by using technology to properly analyze and select the correct rates to attract and satisfy guests, but what is hard to tell from this research is if using technology and human interaction to set room rates is not exactly what guests want from the hotel. Again, it is hard to tell if this is a total solution for there is such a wide range of guests to consider. You have guests who want to pay as little as possible to stay in a hotel, but also guests who wish to have a great hotel experience and would be willing to spend extra money to achieve that. So using technology in that regard is not 100% guaranteed to satisfy guests of all kinds.

Self-service technologies suffer some of the same pitfalls as those for personalization, for particular guests may not want to deal with complicated technology. This also raises a question on the business side: If everything in a hotel is replaced with self-service tactics, where does that leave the employees? Would there be fewer jobs available for them to do? This can significantly impact guests' stay, for as much as quickness and efficiency impact a guest's satisfaction, it would be essential to take note of the employees' enjoyment as well, for if they find these self-service amenities are affecting the way they work, it could make them dissatisfied, which can ultimately translate to the image of the hotel, impacting the guests' overall stay.

Lastly, the strategy of making technology more impressive than what a guest may have at home assumes that guests would be more satisfied with more impressive technologies. Nevertheless, a shortcoming of this idea could be pricing. How much would a customer be willing to pay for this

supposedly better experience? Again, it is a question of the type of guests who arrive, for you cannot satisfy every guest.

The only way to see whether any of these solutions would work is for hotels to try them. However, after analyzing guests' likes and dislikes and what they prioritize when staying in a hotel, it seems that these solutions could address the enduring issue of keeping guests satisfied and engaged within the hotel industry.

REFERENCES

- Beldona, S., Schwartz, Z., & Zhang, X. (2018, May 14). Evaluating hotel guest technologies: Does home matter? *International Journal of Contemporary Hospitality Management*. Retrieved December 12, 2022, from <https://www.emerald.com/insight/content/doi/10.1108/IJCHM-03-2017-0148/full/html?>
- Brochado, A., Paulo, R., & Margarido, A. (2016). High tech meets high touch in upscale hotels. *Journal of Hospitality and Tourism Technology*, 7(4), 347-365. doi:<https://doi.org/10.1108/JHTT-07-2016-0038>
- Dzia-Uddin, D. (2018). SELF-SERVICE TECHNOLOGIES INFLUENCING GUEST SATISFACTION IN THE HOTEL INDUSTRY. *Journal of Hospitality and Networks*. Retrieved December 12, 2022, from file:///C:/Users/19148/OneDrive/Documents/SELF-SERVICE%20TECHNOLOGIES%20INFLUENCING%20GUEST%20SATISFACTIO N%20INDUSTRY.pdf
- Kim, M. J., Kim, S. S., & Lee, G. (2019). The effect of customer relationship management on the customer experience: A study of luxury hotels. *International Journal of Contemporary Hospitality Management*, 31(3), 1308-1330. doi: 10.1108/IJCHM-06-2018-0459
- Lim, L. K. S., & Kimes, S. E. (2013). Technology- and human-intensiveness in room rate-setting: A study of four styles among Asia-Pacific hotels. *Journal of Revenue and Pricing Management*, 12(2), 177-200. doi:<https://doi.org/10.1057/rpm.2012.29>
- Munyan, R. (2008). Technology in the next generation of hotels. *Lodging Hospitality*, 64(8), 28-30,32,34,36,38,40,42. Retrieved from <https://login.udel.idm.oclc.org/login?url=https://www.proquest.com/trade-journals/technology-next-generation-hotels/docview/236458978/se-2>
- Shin, H. H., & Jeong, M. (2022, January 28). Redefining Luxury Service with technology implementation: The impact of technology on guest satisfaction and loyalty in a luxury hotel. *International Journal of Contemporary Hospitality Management*. Retrieved December 12, 2022, from <https://www.emerald.com/insight/content/doi/10.1108/IJCHM-06-2021-0798/full/html>
- Talasila, K. S. (2022, May 18). Why leading independent hotels are turning to tech to stay competitive: By Krishna Sasank Talasila. *Hospitality Net*. Retrieved November 29, 2022, from <https://www.hospitalitynet.org/opinion/4110568.html>
- Tavitiyaman, P. (n.d.). How tourists perceive the usefulness of technology adoption in hotels ... Retrieved December 12, 2022, from <https://www.tandfonline.com/doi/full/10.1080/19388160.2020.1801546>