



KAIHAN'S TRAVEL & HOSPITALITY

INSIGHTS AND PERSPECTIVE

CONTEXT

- In the five years leading up to the pandemic, the short-term vacation rental industry saw 300 percent growth ([Forbes](#)).
- Safety and sanitation are key elements of focus for hospitality organizations as travelers recover from the effects of the pandemic.
- Tech-savvy millennials are expected to comprise 50 percent of travelers to the United States by 2025 ([Cornell](#)).
- Millennials travel more than any other age group, globally and locally, and this trend should increase with more disposable income ([Smart Meetings](#)).

TRENDS

1. Smart Accommodation

- During the pandemic, companies that outfitted their hotels, rentals, and other destinations with contactless technology excelled. As consumer safety and sanitary expectations grow, companies must rise to the challenge by innovating upon normalized accommodations.
- Remote check-in is already growing globally ([Forbes](#)). IoT-driven hospitality elements integrated in mobile devices allow devices to behave as keycards, thermostats, and television remotes, among other potential applications ([Fast Company](#)).
- Additionally, biometric implementation as a form of authorization, privacy, and security for travelers is a potential growth area. Smart accommodation strategies must simplify the travelling process by eliminating stress points and increasing privacy and security.
- Airbnb's "Arrival Guide" gives travelers a short, interactive checklist for travel and arrival at their rental in a convenient, intuitive way ([Airbnb](#)).

2. Technology

- Personalized hospitality is becoming more important than ever, but productivity is still highly important in the industry.
- Organizations should seek ways to reduce redundant tasks assigned to hotel staff in order to expand their ability to offer personalized experiences to guests ([Forbes](#)). A new generation of travelers adventure independently, and with travel agencies on the decline, hospitality services must accentuate personalization ([EHL](#)).
- The hospitality robot "Relay," made by Savioke,

performs mundane, repetitive tasks such as delivery of drinks and clean towels to guests, freeing hotel staff from tasks that normally would take 10-15 minutes of their time ([Smart Meetings](#)).

- The "smart hotel" concept—with examples including the FlyZoo Hotel by Alibaba in China ([Fast Company](#)), Fast Hotels in Norway, and Place to Sleep Hotels in Finland ([Place to Sleep](#))—capitalizing on automatable tasks and other technology applications, can effectively reduce active hotel staff to zero while still ensuring meaningful hospitality and accommodation is provided to guests.

3. Responsibility

- The pressures caused by the pandemic raised awareness on the side-effects of work and leisure travel. These changes were most notably seen in younger generations; millennials travel with a sense of minimalism, being keenly aware of how and where they spend money and how it impacts themselves and communities. Lavish travel is declining in this demographic.
- Travel and hospitality organizations should continue to develop sustainability initiatives in their hotels and locations. Avoiding single-use plastics, and reducing paper usage and food waste are just a few efforts organizations can make towards a more environmentally-friendly travel experience for guests ([EHL](#)).
- Redesigning living spaces with items made from responsibly sourced materials can increase guest satisfaction. Increasing options for the vegan population can attract a wider customer base. Enhancing accommodations with wellbeing in mind invites travelers who seek innovative wellness features ([Smart Meetings](#)).



4. Traveler Behavior

- Because of COVID restrictions, domestic tourism rates have accelerated. Perhaps due to the movement towards remote work, travelers seem to plan, purchase, and travel within a shorter time frame (Forbes).
- It is expected that vacations may be longer on average due to less constraints from conventional office-based work life.
- Travelers currently seek out local options due to the environmentally-friendly and budget-friendly nature of reduced-travel trips (EHL). Airbnb has capitalized on this shift by expanding its “Experiences” feature, which connects travelers with “local things to do,” whether they are travelling or at home (Airbnb).
- Hipcamp is a camping booking site which expanded its reach by developing its booking platform to allow local landowners to rent out land to campers and even act as vendors for camping commodities such as food, rentals, and firewood (Fast Company).

8PS

Leverage Point	“8Ps” of Strategy	Opportunity for Disruption	Recommended Leverage Points
<u>Position</u>	The travelers you are targeting and their need that you seek to fulfill.	8	<ul style="list-style-type: none"> • What kind of travelers does your brand attract? • How can you position to meet the needs of new segments? • How is your brand viewed in lieu of shifting traveler behavior?
<u>Product</u>	The experiences you offer and the characteristics that give them value.	6	<ul style="list-style-type: none"> • How can you enhance guest experiences through personalization? • What elements of your experiences add value beyond the moment itself? • How soon can you implement IoT to enhance seamless, contactless accommodation? • How are you moving towards environmentally-friendly experiences?

Leverage Point	“8Ps” of Strategy	Opportunity for Disruption	Recommended Leverage Points
<u>Promotion</u>	How you connect and communicate with current and potential guests.	4	<ul style="list-style-type: none"> How can you communicate about your environmental vision and mission to those who care? How do you foster loyalty through personalized interaction before, during, and after stays?
<u>Price</u>	How travelers pay to experience, stay, and go	3	<ul style="list-style-type: none"> What elements of value comprise your pricing? How do each of those elements satisfy the varying needs of your customers?
<u>Placement</u>	Where and how travelers can view, research, and reserve	5	<ul style="list-style-type: none"> Through which channels are travelers able to discover more information about you? How can you expand interactivity across the Web? What touchpoints can you develop to appeal to a tech-savvy generation of travelers who discover, research, and reserve online?
<u>Physical Experience</u>	How the experience meets the needs and expectations of the guest.	9	<ul style="list-style-type: none"> How do you meet environmental and sustainability expectations of your guests? How can you implement IoT and automation to enhance hospitality experiences for guests? Are your experiences vegan-friendly, inclusive, and environmentally responsible?
<u>Processes</u>	The front-end and back-end operations that affect the guest experience	8	<ul style="list-style-type: none"> What opportunities do you have to implement IoT and automation to reduce task redundancy for staff? What operational shifts can you make to implement environmentally-friendly processes and products in your facilities? How can you adapt your reservation system to prioritize guest needs over downright efficiency?

Leverage Point	“8Ps” of Strategy	Opportunity for Disruption	Recommended Leverage Points
People	The choices you make regarding hiring, organizing, and incentivizing your people and your culture.	4	<ul style="list-style-type: none"> How do you equip your staff to provide personalized hospitality for guests? How can automation assist in this process?

OUTTHINKERS



- Airbnb Experiences, which originally launched in 2016, was a \$100M service pre-pandemic and is showing growth once again ([Fast Company](#)).
- The Experiences platform connects travelers with “local things to do,” whether at home or away, and capitalizes on shifting travel behaviors post-pandemic.
- The company has diversified its homesharing business in such a way that no single city accounts for more than 2.5 percent of revenue ([Fast Company](#)).
- During the pandemic, Airbnb also expanded its Online Experiences feature, which connects customers to video sessions ranging from virtual escape rooms, to live-streamed circuses, to bingo ([Airbnb](#)).