

ALLURE OF ARTIFICIAL INTELLIGENCE

Artificial Intelligence (AI) is having a moment under the sun with technologies like ChatGPT coming into the limelight, and hospitality is not far behind.

BY BINDU GOPAL RAO

→ Hotels are using data analytics and machine learning algorithms to analyse vast amounts of guest data to predict guest preferences, anticipate their needs, and deliver personalized services, offers, and recommendations

The emergence of Artificial Intelligence (AI) has brought about a significant transformation in the operations of hotels, restaurants, and other businesses in the hospitality industry. AI has not only improved the overall efficiency of these establishments but has also enhanced the guest experience by providing accurate information in their preferred language.

HOTEL TECH

While the adoption of AI is essential for any hospitality business, it is important to ensure that the technology is used in a way that preserves the essence of hospitality. The emergence of AI tools like ChatGPT (Chat Generative Pre-trained Transformer or ChatGPT is an intelligent chatbot and an app that can answer queries and hold a conversation apart from helping draft mails and simulate a human-like conversation with users) have many use cases across so many sectors including hospitality.

"We, at Seclude, in fact are already utilizing ChatGPT to aid us with research and brand collateral development to the extent that this response has been developed with the use of AI. Taking that into context within the hospitality industry, individuals in sales, revenue management, guest analytics marketing, design, customer service, IT-related jobs connected to hospitality may be enhanced or affected depending on the role and its integration. Open AI platforms such as Dall E 2 and ChatGPT 4 can be amazing assets to improve productivity. However, tools such as an AI-powered customer service bot, servers, or front desk robot can never replace actual human connection in terms of personalized service and truly understanding guest needs. We are already seeing the



→ Gavin Jeddo, Founder & Director, STAAH



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use of AI-enabled voice assistants in rooms and they are changing the way operations are conducted today in terms of automation and repetitive tasks," says Ramit Sethi, Founder, Seclude Hotels.

CHATBOT CHATTER

While some smart Chatbots have had a positive impact, others have had a negative effect. Fortunately, the release of ChatGPT and its simple API tools have made it possible to educate bots effectively, thereby changing the way hospitality websites are built.

"This innovation promises to take guest experiences to a whole new level, and I believe it's something that all businesses in the hospitality industry should consider. ChatGPT will certainly see enhancement of guest experiences. Chatbots powered by ChatGPT can provide accurate information to guests in their preferred language, thereby improving the overall satisfaction of guests. This technology also enables businesses to offer 24/7 customer support, which is a crucial aspect of the hospitality industry. ChatGPT will certainly optimise operations by automating routine tasks such as handling guest queries. Bookings made through ChatGPT will be the new way going forward. New technologies like ChatGPT, have a significant impact on the hospitality industry. ChatGPT and similar AI-powered chatbots and virtual assistants are transforming the way hotels and other hospitality businesses interact with guests and handle customer inquiries," says Gavin Jeddo, Founder & Director, STAAH. One of the key impacts of ChatGPT in hospitality is enhanced guest engagement and improved customer service. ChatGPT can handle a wide range of guest inquiries, such as room reservations, service requests, and general information, providing



→ Ramit Sethi, Founder, Seclude



→ Rajit Shetty, COO, Ramee Hotels

quick and accurate responses 24/7.

"Another impact of ChatGPT in hospitality is its ability to provide valuable insights and data. ChatGPT can collect and analyse guest inquiries and interactions, generating data on guest preferences, needs, and feedback. This data can be used by hotels to identify trends, gain insights into guest behaviour, and make data-driven decisions to improve services, tailor offers, and enhance overall guest satisfaction," adds Jeddo.

ADVANTAGE AI

AI-powered revenue management systems are helping hotels and resorts optimize pricing and maximize revenue by automatically adjusting room rates based on demand and other factors.

Rajit Shetty, COO, Ramee Hotels, says, "AI algorithms can analyse guest data, such as previous bookings and preferences, to provide personalized recommendations for dining, activities, and local attractions. Facial recognition technology can

be used to streamline check-in and check-out processes, as well as enhance security by identifying potential threats or unauthorized access to restricted areas. AI can analyse data from sensors installed in equipment, such as HVAC systems and elevators, to predict when maintenance is needed. This can prevent downtime and improve guest satisfaction. AI algorithms can analyse historical booking data and market trends to optimize pricing and maximise revenue.”

Shivam Juneja, Market Director of Revenue Strategy – MP & UP Cluster, Indore Marriott Hotel, adds, “AI-integrated revenue management software helps hotels in anticipating demand, which enables hotels to price themselves optimally and make informed and profitable business decisions. AI-enabled marketing tools help analyse the performance of all the booking channels and come up with smart recommendations on marketing investments, enabling hotels to tap into business maximizing opportunities through various channels such as Google, Meta, and social ads.”

USE CASE

Recent breakthroughs in Generative AI have had a revolutionising and factious effect across all facets of life and industry, including the hotel and lodging industry as well. This development in artificial intelligence tools, which create new content, such as images or text from simple prompts has been likened to the invention of the search engine or even the internet.

Murlidhar Rao, COO, Araiya Hotels & Resorts, says, “We have al-



➔ Shivam Juneja, Market Director of Revenue Strategy – MP & UP Cluster, Indore Marriott Hotel



➔ Murlidhar Rao, COO, Araiya Hotels & Resorts



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ready made inroads into applying AI to the customised brand KPI dashboard, where we have inputs from all our related tech stack applications such as the finance, HR, Online reputation management, Energy and our Social media endeavours to delve deeper into the trends and provide corrective/ remedial actions to improve effectiveness or cost benefit. AI will certainly play a key role in Building Management Systems allowing for better energy utilisation and conservation. It also allows for rationalisation of stock inventory levels by analysing the demographics and occupancy and seasonality trends along with occupancy. This is also applicable for HR planning and staffing. The biggest leap I see is in revenue management where Predictive Intelligence recommendations based on real time and potential future trends depending on the time frame being considered, will be more effective than just historical data analysis.”

The ROI would be typically in more efficient operations, effective time and resource management, higher ADR through revenue management, higher Guest Satisfaction indexes and eventually through better bottom-line due to more efficient operations.

CONTEMPORARY CUES

There are several emerging trends in the AI space that are transforming the landscape of hospitality. One such trend is the use of voice-based AI technology in guest rooms, allowing guests to control room settings, request services, and obtain information using voice commands. This trend is enhancing guest convenience and providing a seamless and personalized experience. Another trend is the use of AI-powered predictive analytics to forecast guest preferences and behaviour. Hotels are using data analytics and machine learning algorithms to analyse vast amounts of guest data to predict guest preferences, anticipate their needs, and deliver personalized services, offers, and recommendations. “With the help of AI technologies, hotels can offer personalized experi-



➔ AI can also assist in automating and optimizing the booking process, enhancing the overall sales process.

ences to their guests. AI can analyse guests’ past behaviour, preferences, and demographics to offer tailored recommendations and services. Natural Language Processing (NLP) advancements involve enabling AI to understand and interpret human language, written or spoken. The latest advancements in NLP are making it possible for machines to learn and interpret human natural language better than ever,” says Gautam Khanna, Director of Operations, Raffles Udaipur.\

TECHNOLOGY PUSH

The COVID-19 pandemic has accelerated the adoption of contactless technology in hospitality, and AI is playing a crucial role in enabling touchless interactions. Robots and automation are also being increasingly used in hospitality for tasks such as room service delivery, housekeeping, and concierge services.

“AI-powered robots are equipped with advanced sensors, computer vision, and natural language processing capabilities, enabling them to navigate through the hotel environment, interact with guests, and perform tasks autonomously, improving operational efficiency and reducing labour costs. AI is also being used to optimize energy management, waste reduction, and sustainability practices in hospitality. AI-powered systems analyse data on energy consumption, waste generation, and other sustainability metrics to identify areas of improvement and implement strategies to reduce environmental impact, lower costs, and improve sustainability performance,” says Jeddo.



➔ Gautam Khanna, Director of Operations, Raffles Udaipur

“The latest advancements in Natural Language Processing (NLP) are making it possible for machines to learn and interpret human natural language better than ever.” — Gautam Khanna

LOOKING AHEAD

AI-powered staff training programs can lead to improved staff skills and performance, while AI can also enhance guest data security by identifying and mitigating potential security risks. The use of AI technologies can promote innovation and futureproofing in the hospitality industry, allowing hotels to continuously adapt to changing guest preferences, market trends, and technological advancements. Hotels can target and personalize marketing campaigns, offer customized promotions, and optimize pricing strategies. AI can also assist in automating and optimizing the booking process, enhancing the overall sales process.

“AI is a very exciting future trend but with hospitality and the travel and trade, where, humans play a non-negotiable role, it is best to optimise the AI exposure to allow and assist the operations’ team to focus on enhanced guest experience,” concludes Rao. ■