

# **Future-Proofing Your Hospitality Business with AI:**

Essential insights and actionable steps



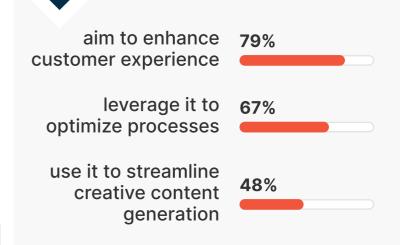
Imagine a hotel where every guest feels understood, every process is optimized, and every opportunity for revenue is maximized. This is the promise of AI in hospitality.

### Recent data underscores its swift adoption and the profound impact it's set to make:

Within the next three years, <u>78%</u> of hoteliers anticipate boosting their tech investments. And over <u>60% of</u> <u>executives</u> see a fully automated hotel experience as a likely adoption in the next 3 years.



### The adoption of Gen Al in the hospitality sector is driven by:



- 3⁄4 of travelers in the USA ran into travel-related problems, such as poor customer service, difficulty finding availability, or even canceled plans. Moreover, 4 in 5 upcoming travelers worry about experiencing similar issues during the trips.
- <u>33%</u> of users express a strong desire to apply digital assistants for making reservations at hotels or restaurants. Furthermore, <u>2/3</u> of people find bots useful for managing their arrangements.
- **76.9% of customers** now show a preference for amenities that utilize bots for client care.
- Chatbot integration is imperative as AI is expected to handle
   <u>95%</u> of client service interactions by 2025.

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### 9 WAYS GEN AI IS TRANSFORMING HOSPITALITY

### → LLM-Powered Virtual Assistants

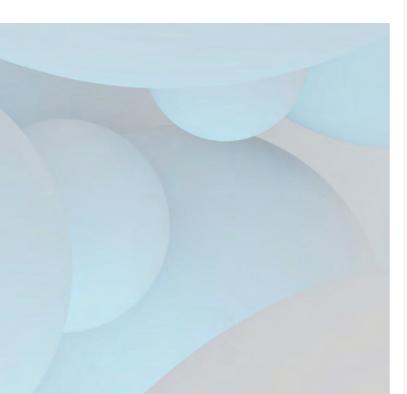
Empowers intelligent companions capable of handling complex requests, offering bespoke tips, and managing bookings for an enhanced client journey across various services.

### Personalized Travel Suggestions

Crafts unique itineraries by assessing traveler preferences, suggesting relevant destinations, and generating distinctive <u>recommendations</u> <u>tailored to individual interests</u>.

### → Al Endorser

Produces captivating representatives that resonate with target demographics, increasing brand awareness and customer loyalty.





### Targeted Ads and Customized Offers

Develops effective marketing tactics by studying consumer data and creating individualized promotions that cater to specific needs and enhance engagement rates.

### → Language Translation

Facilitates clear communication by instantly translating spoken and written language, ensuring effortless interactions between staff and international businesses across the hospitality sector (restaurants, airlines, tours, etc.).

### → Streamlining Booking Process

Simplifies reservations for different services (hotels, flights, tours) by guiding consumers through available options and automating the procedure for a seamless experience.

### Demand Trend Analysis and Predictive Analytics

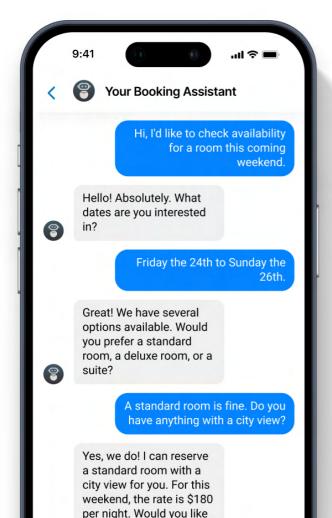
Forecasts future tendencies by examining historical evidence and identifying patterns to optimize resource allocation and pricing strategies.

### → Virtual Tour Guides

Creates immersive experiences with Al-driven virtual displays that offer location-based information, historical context, and custom advice for attractions, restaurants, and sports.

### → Itinerary Builder

Designs comprehensive travel plans that include transportation, accommodations, activities, and dining choices, saving users time and enhancing their trip by incorporating diverse aspects.



# 51.5%

of executives plan to use Al technology for tailored marketing and offers

48.3%

of business leaders aim to leverage artificial intelligence and analytics for customer service enhancements



### TOP 9 APPLICATIONS OF CONVERSATIONAL AI

### Voice-Activated Room Controls

Enables hands-free control of space settings (lighting, temperature, entertainment) using voice commands, ensuring a personalized and convenient experience.

### Automated Check-In and Check-Out Assistant

Expedites the arrival and departure process by enabling guests to check in/out, access data, and organize their stay through voice interactions or chat.

### Real-Time Flight and Transportation Updates

Keeps travelers informed about travel changes by presenting timely status warnings on flights, train timetables, and other transport options through automatic notifications.

# Smart Concierge for Local Recommendations

Offers tailored suggestions for nearby attractions, restaurants, and activities based on one's preferences and interests through interactive conversations.

### Multilingual Customer Support Bot

Delivers **instant aid to clients in their language**, answering questions, resolving problems, and offering guidance 24/7.

### Dining Concierge and Ordering Assistant

Facilitates effortless order placements and reservations by permitting individuals to browse menus, place orders, and book tables through preferred channels.

### Housekeeping andMaintenance Request Handler

Simplifies service requests by allowing visitors to report issues and invite housekeepers or other staff through voice commands or chat.

### Loyalty Program and Rewards Tracker

Helps clients manage their memberships, track bonus points, and redeem benefits through <u>Al-</u> <u>powered agents designed</u> <u>specifically for the hospitality</u> <u>sector.</u>



### Al-Based Hospitality: Enhancing Every Touchpoint

### 01 Accommodation & Lodging

- Personalized room environment control based on guest profile and preferences
- Predictive room maintenance system using analytics for proactive repairs
- Virtual concierge for real-time guidance and event bookings
- Smart housekeeping request handler with estimated service times
- Al-powered inventory and occupancy forecasting for optimal resource use

 Automated guest feedback analysis for targeted service improvements

### 02 Food & Beverage

- Custom menu adapted according to dietary restrictions and preferences
- Food demand projections to reduce waste and optimize inventory

AI-powered nutritional and allergen

 examination for transparent menu labeling

Dynamic pricing and menu suggestions

1.

 taking into account seasonality and trends

### **03** Transportation

- Real-time transportation delay
   notification with alternative options
- Adaptive route optimization for scenic or efficient travel choices
- AI-fueled baggage tracking and proactive lost item recovery
- Anticipatory demand analysis for flight and transit scheduling
- Automated trip rebooking bot during disruptions or cancellations
- Contextual conversational agent for intransit location-based recommendations

**81%** of business leaders in hospitality believe that AI tools will benefit their organizations



Most Common Travel-Related Challenges:

52% high prices
25% long waits
24% poor customer service
23% hard to find availability

### 04 Travel Services & Booking Platforms

- Adaptive itinerary planner with real-time activity and weather adjustments
- Al-powered destination and experience recommendation engine
- Smart booking modification assistant with live availability updates
- Trip budget planner with customizable expense tracking
- Intelligent virtual travel agent for package customization and upselling
- Sentiment evaluation for curated marketing and loyalty engagement

### 05 Wellness & Leisure

- Individualized activity recommender guided by health data
- Dynamic spa and treatment scheduler to optimize booking flow
- Al-driven proactive maintenance for fitness equipment
- On-the-spot mood-inspired meditation and relaxation content generator
- Al-enhanced progress tracker for guest wellness and fitness goals
- Health and dietary recommendation
   chatbot for tailored self-care plans

### THE ROLOF AL: MEASURING THE VALUE OF INTELLIGENT HOSPITALITY

#### **Boosted Booking Conversions**

By presenting custom-fit recommendations and captivating dialogues, AI transforms casual browsers into loyal buyers, driving revenue growth.

### **Elevated Guest Loyalty**

Cultivating enduring connections through individualized and prompt attention ensures visitors will return and endorse the establishment to their network.

15%

<u>increase in direct booking</u> <u>conversions</u> can be achieved through Al-driven systems

### **25%**

<u>increase in</u> customer satisfaction results from hotels using AI for personalization

### **Effortless Global Communication**

The multilingual capacity of AI transcends linguistic differences, widening market access and facilitating clear exchanges with a global clientele.

### **Optimized Operational Expenses**

Delegating routine questions and assistance to AI diminishes workforce expenditures and redirects assets toward high-priority activities.

75%

of consumers express a preference for purchasing products or services in their native language

### **Streamlined Reservation Handling**

Reservations, modifications, and cancellations are processed with speed and accuracy through automated management, allowing personnel to concentrate on intricate cases. 12%
reduction in labor costs is achievable through the implementation of Al technologies

### **Maximized Revenue Streams**

The astute recommendations from AI for supplementary sales and crosspromotions unlock fresh avenues for financial gain through pertinent deals.

92%

of hoteliers surveyed reported that guests now expect contactless self-service check-in/out options

10%

<u>increase in</u> hotel profitability can be achieved by integrating Al into revenue management strategies



### **CHATBOTS**



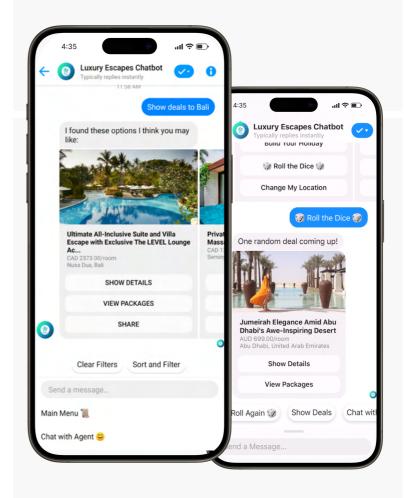
LUXURY**ESCAPES** 

#### The Luxury Escapes Chatbot by

Master of Code Global enabled users to search, book, and customize vacations effortlessly. In just 5-6 interactions, it accurately identified preferences, leading to seamless luxury travel bookings.

#### **Results**:

- **\$300,000 in sales** from only 6,000 users,
- 52.63% engagement rate
- 3 times higher conversion rate than website's.



Case Studies in Al-Powered Hospitality: Lessons from the Front Lines

### Booking.com

Booking Assistant is available on its mobile app, Facebook Messenger, and website. It utilizes AI to swiftly address user inquiries. With the ability to answer 30% of hotel-related questions within 5 minutes, the chatbot enhances user experience. It handles common queries about payment, date changes, transportation, pet policies, and others.



<u>Al-powered chatbot</u> offers a personalized experience by analyzing user intent and context. It adjusts responses based on the ad's page content, suggesting destinations, packages, hotels, attractions, and third-party reviews. This tailored approach led to an 87% increase in engagement during a 30-day trial.

### Trip.com

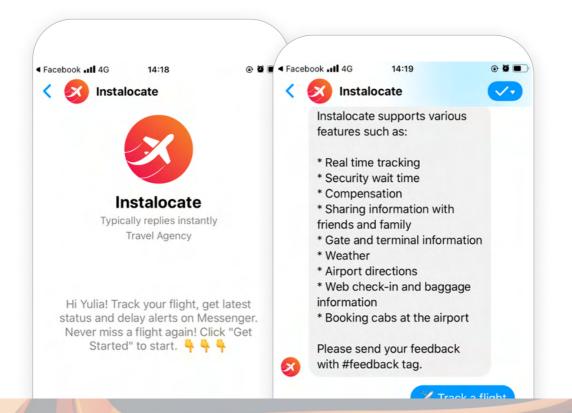
<u>TripGen bot</u> provides users with personalized travel routes, itinerary suggestions, and booking advice directly through the Trip.com app. Using advanced NLP, TripGen helps with pre-trip and in-trip arrangements, answering complex or vague questions instantly to make planning stress-free.



<u>Aerobot</u> integrates the SITA WorldTracer baggage system, allowing passengers to easily track their luggage. By entering basic details, they can check real-time status, eliminating the need for agent assistance.



<u>Instalocate</u>, flight-tracking chatbot provides real-time updates on flight status, hotel availability, and travel conditions. It also manages legal matters, such as securing compensation for flight delays



### HOTEL

### CHATBOTS

### • Edwardian Hotels London:

Edward chatbot efficiently handles diverse guest requests, from event planning to HR inquiries. Over time, its efficiency has grown significantly; it handled 69% of all requests in 2019. Moreover, it increased room service sales by 10-50%.

### Choice Hotels:

Uses a 24/7 chatbot to improve guest service by reducing wait times and handling multiple requests simultaneously, boosting satisfaction. The AI assistant automates bookings and cancellations, saving time and enhancing the guest experience. Additionally, the technology personalizes offers and optimizes pricing strategies, blending efficient service with revenue growth.

### Kora Living:

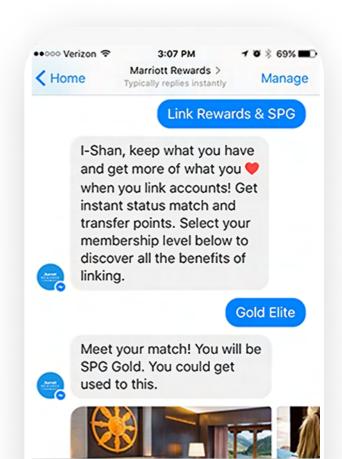
Implemented Conversational AI to enhance guest experiences and automate operations across two properties. The AI-powered Guest Communications Hub facilitates seamless communication from prebooking to departure, significantly reducing front desk queues. Automated WhatsApp campaigns with 80% open rates boosted crossselling revenue by promoting additional services. Furthermore, the chatbot efficiently handled 83% of guest queries, achieving an 85% customer satisfaction score.

### • Thon Hotels:

Their Al-powered assistant automates responses to frequently asked questions, reducing phone calls and emails, and allowing customer service to focus on complex issues. The chatbot offers 24/7 support and valuable features like searching for hotel availability, retrieving membership details, and exploring hotel amenities.

### • Marriott International:

Employ Al-powered chatbots on Facebook Messenger, Slack, and Aloft Hotels' ChatBotIr to simplify travel. Guests can make service requests, access hotel information, and get instant support through text. These tools enhance guest convenience and free staff to deliver more personalized service, with ChatBotIr achieving a five-second response time and high guest engagement.





SOLUTIONS

**GEN AI** 

make *W* trip

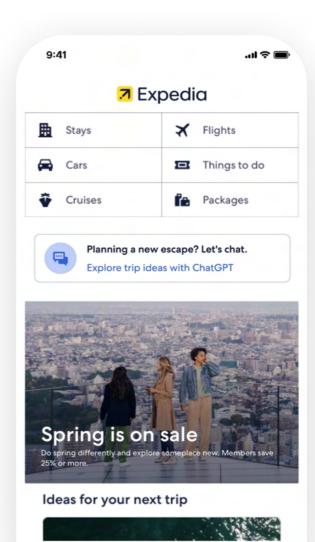
<u>MakeMyTrip</u>, partnering with Microsoft, is launching a voiceassisted booking feature, initially in English and Hindi. This service aims to simplify travel planning for those struggling with digital platforms. Soon, it will include more Indian languages like Bhojpuri, enhancing accessibility.



Tastewise (TasteGPT) uses Gen Al to curate customized menus for restaurants. Through the analysis of consumer data and food trends, Tastewise employs Al algorithms to recommend menu items that are highly likely to resonate with each client. This personalized approach allows establishments to differentiate themselves in a fiercely competitive market.



Expedia introduced a novel feature in their app, a conversational trip planning experience powered by ChatGPT. This integration allows members to engage in open-ended conversations within the app. They receive personalized recommendations for destinations, accommodations, routes, etc. The Al-driven system enhances the planning process by automatically saving discussed hotels to a trip plan. It also simplifies the steps for selecting dates, checks availability, and adds flights or other activities.



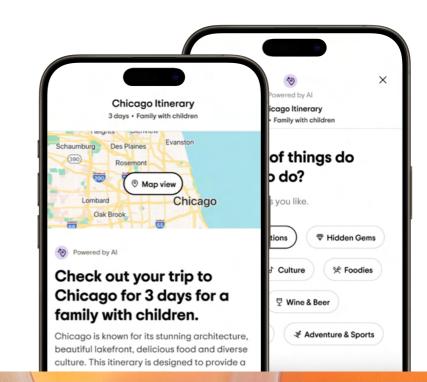
Profile

Notification

A

### o Tripadvisor

<u>Tripadvisor</u> has enhanced its core trip-planning product, Trips, by introducing an AI-powered itinerary generator. Utilizing OpenAI's technology, this new feature crafts personalized itineraries. It analyzes over a billion reviews and opinions from the organization's extensive database. Travelers input their destination, dates, company, and activity interests, then AI quickly generates daily plans.





<u>Virgin Voyages</u> introduced 'Jen Al,' an Al-powered virtual version of Jennifer Lopez, for their latest campaign. Such an inventive application of Gen Al allowed consumers to create custom invitations. The ad humorously revealed Jen Al's digital nature, initially presenting as J-Lo but then shown to be a creation of the new technology. The strategy highlights the innovative use of Al in advertising.



#### NORWEGIAN CRUISE LINE HOLDINGS LTD.

Norwegian Cruise Line Holdings improved its booking process by leveraging AI tools. The business achieved a 255-day reservation window, 51 days longer than in 2019. AI and ML have also doubled leads without increasing marketing expenses. The success is also evident in their occupancy rate reaching 105%, and a robust forward booking position, with most demand for 2024 sailings.

### A ROADMAP

### for Safe and Ethical AI Technology Implementation

### WHAT ROADBLOCKS TO WATCH OUT FOR

Incorporating artificial intelligence into existing systems poses challenges, often causing **compatibility issues**. This can impede deployment and escalate expenses. Failure to modernize may leave organizations with outdated infrastructure, hindering competitiveness.



Implementing the technology necessitates new skill development, potentially triggering resistance or delays. Insufficient training may hinder **employee adaptation**, reducing overall efficiency. Mishandling this transition could diminish morale and productivity.

## 3

GAI presents <u>risks regarding privacy</u> <u>infringements and regulatory non-</u> <u>adherence</u>. Mismanaging these problems causes penalties, litigation, and reputational harm. Additionally, biased algorithms could produce unfair financial decisions.

Al models rely on high-caliber information; subpar **data quality** can yield unreliable results. Inconsistent or incomplete datasets may cause flawed predictions and choices, undermining confidence in Al-driven processes and diminishing effectiveness.

#### Models can perpetuate prejudices

present in training data, leading to discriminatory outcomes. Such biases might affect loan approvals, credit evaluations, and risk assessments. Unchecked partiality can impair an institution's reputation and expose it to legal challenges.

Large language systems may generate incorrect or irrelevant outputs, known as <u>hallucinations</u>. In finance, this could result in misinformed decisions or erroneous reports, potentially rendering costly mistakes or significant losses.

# Processing sensitive info with such tools introduces heightened **cybersecurity threats**.

A successful breach could compromise customer data, inducing severe monetary and reputational damage. Consequences may also include regulatory sanctions.

#### Without proper oversight, Al

initiatives may lack clear direction and coordination. This might bring about inefficient resource allocation and unmet strategic objectives. Poor management increases the likelihood of project failure and wasted investment.

### Expert Recommendations for <u>Responsible Al</u> Adoption

### 01 Leverage Zero-Party and First-Party Information:

To boost accuracy, originality, and confidence in language models, firms should prioritize training them using voluntarily shared customer data and info collected directly.

### **O2** Collaborate with Reputable Vendors:

Evaluate potential providers' expertise, ethics, and support capabilities. Teaming up with established companies ensures that deployed solutions are accurate, dependable, and compliant.

### Maintain Current and Well-Labeled Datasets:

Al model performance hinges on the quality of training material. Organizations should frequently update and correctly tag their data to prevent errors as well as review sets for biases, toxicity, or inaccuracies.

### 04 Implement Human Supervision:

Human oversight provides contextual understanding and catches potential flaws or harmful outputs. Plus, involving people in reviewing Algenerated content guarantees precision and proper system functioning.



### 05 Conduct Rigorous, Ongoing Assessments:

Automated reviews and metadata analysis help spot issues, but manual checks are vital for evaluating accuracy and biases. If resources are limited, focus on testing high-risk models and invest in ethical training for staff.

### 06 Solicit Stakeholder Input:

Actively gathering feedback from users and customers interacting with tools is essential. Promoting open dialogue helps identify improvements, address concerns, and build user trust.



### How Master of Code Global Can Empower Your Journey

Our team specializes in both Al development and consulting and we ensure smooth integration and ongoing optimization for your brand. Here is what we bring to the table:

- **Designing custom models** tailored to your unique needs.
- Integrating Al into internal communication platforms and productivity tools seamlessly.
- Developing conversational applications rounded in your data for accurate and relevant responses.
- Offering strategic consulting on language models to <u>optimize</u> <u>customer experience</u> and operational efficiency.
- Fine-tuning and <u>training LLMs</u> on your domain-specific records to maximize performance and minimize risks.
- Providing continuous maintenance and monitoring to keep your smart apps up-to-date and effective.
- Helping your teams with Al training to ensure effective adoption and maximum impact across the organization.





Master of Code Global offers <u>customized Al</u> <u>solutions</u> to boost innovation, productivity, and ROI in your financial operations.

Take advantage of our expertise in AI let's make your vision a reality.



# Uncover the secrets of Al adoption in hospitality from our experts:

Generative AI in Hospitality and

- Travel: How to Boost Guest
   Experiences and Multiply
   Revenue
- Top 6 Travel and Hospitality Generative Al Chatbot Examples
  - Travel Chatbots: How is the Art
- of Journey Reimagined in the Digital Age?
- AI Hotel Chatbots: Use Cases & Success Stories for Booking
- How Generative AI Revolutionize the Aviation and Airlines Industry
- The Best Airport Chatbots
  Examples
- Airline Chatbot: Benefits, Use Cases & Examples
- Don't Let Your Al Turn into Trojan
   Horse: A Practical Guide to LLM
   Security



### Ted Franz

VP of Sales & Partnerships

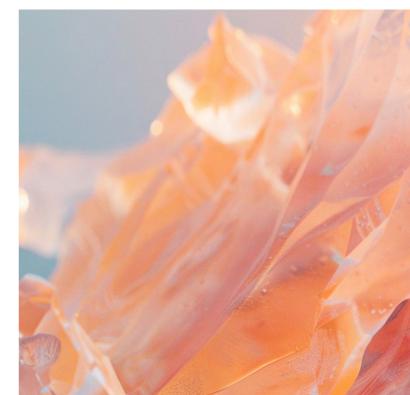
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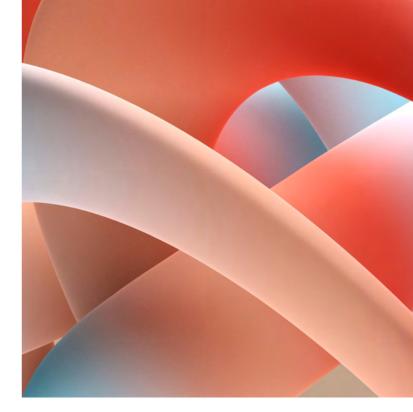


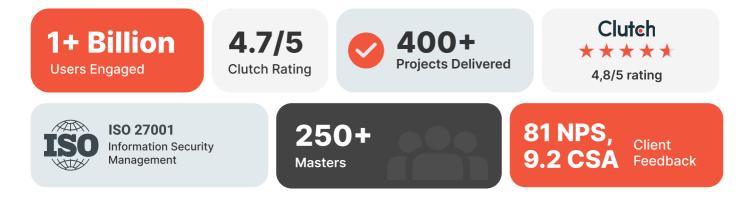
### ABOUT

### MOCG

### At Master of Code Global

we are a team of experts developing custom worldclass digital experiences for web, mobile, as well as conversational chat and voice solutions empowered by Al.







#### Work in partnership with

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Quiq	🍘 nylas	VONAGE	LIVE PERSON °
<b>Q</b> ada	chatfuel	S botpress	Voice flow

#### **Trusted by leaders**

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# We're helping businesses redefine and elevate customer experiences with Al

**Contact our team** 

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Learn more: masterofcode.com

