

HFTP Bulletin

The Research & Innovation Center @
EAHM



HFTP
Hospitality Financial and
Technology Professionals

THE EMIRATES ACADEMY
OF HOSPITALITY MANAGEMENT
In academic association with Ecole hôtelière de Lausanne



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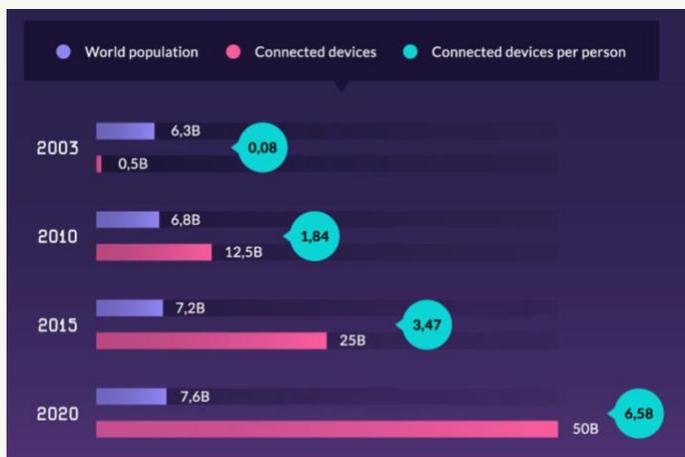
Hello HFTP Dubai Chapter members.

The Dubai HFTP Research and Innovation Center at the Emirates Academy of Hospitality Management has decided to briefly discuss the application of IoT as solutions for the Hospitality Industry following the discussion of the last issue. The HFTP Research and Innovation Center hopes this sparks conversation amongst HFTP Dubai Chapter members.

Internet of Things

By Mercy Kiprotich

Internet of Things or IoT is integration of all mechanical and digital machines along with computing devices on same network. Internet of things is gaining popularity as it helps in making the lives of individuals easier and convenient with just a touch. There is an increased use of IoT based services at homes, to control the temperature and lighting. It is estimated that by 2020, the number of connected devices will reach up to 50 billion. This shows the need and an opportunity to utilize IoT technology.



Hotels have started using IoT based services, to provide guests with enhanced and personalized service. Hotel operators recognize the importance of IoT use and most operators plan to upgrade to IoT platforms. Leading hotel brands such as Marriott and Hyatt have been pioneers in use of this

technology, paving the way for the rest to follow suit. In 2018, it was found that 18% of operators plan to use IoT technology which was twice the percentage of that of 2017.

To better understand how this technology can be utilized, this article will highlight common applications IoTs and its problem-solving capabilities.

Energy Use

To save energy, the hotels are trying to reduce the HVAC run time. Hotels can utilize the IoT systems to reduce this run time and save energy. The data from the heating, air-conditioning and ventilation devices in the hotels can be controlled on a single network. This enables the hotel to track the usage in each room as well as throughout the hotel. The data from these devices can flag maintenance when there are issues detected. This ability of IoT provides the hoteliers an opportunity to identify issues ahead of time, which reduces replacement cost and energy saving.

Utilization of IoT solutions to save energy can save up to 25% of utility costs for hotels. Travelling sustainably is sought after by almost 87% of global travelers. Therefore, to provide guests with a sustainable as well as customized experience, hoteliers should start investing in IoT led systems in their hotels and form a strategy to utilize its maximum potential. Though integration of all devices in a hotel onto a same network can get complicated, it helps in reduction of utility costs, energy saving and providing guests with personalized and unique experience.

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Operation Efficiency

Restaurants are prime opportunities for use of IoT to reconcile operation inefficiencies. Diners expect a seamless service and coordination between the back of house and front of house operations to ensure that they receive their meals on time. In the case of inefficiencies, IoT can be applied to alleviate the problem. Eatsa, a restaurant in San Francisco, applies IoT to track the cycle of an order. It tracks the process from order placement, prep stations the orders go through, to when the order is picked up by the customer.

Tracking the process at restaurants, allows the establishment to analyze workflow efficiencies, identify the weak points, bottlenecks and expand production capacity. According to Tom Young, CEO of Eatsa, the model resulted in an improved throughput, up to 500 orders an hour at a labor cost of 20% of revenue.

Hotel Workforce Inefficiencies

Hotels are constantly battling with uncoordinated workforce, use of unskilled labor and high labor costs. The lack of communication and inadequate training poses a risk to loss of revenue especially when guest needs are not met on time or when their

complaints are not solved within a proper time frame. Viceroy hotels adopted use of IoT to combat this problem. Their approach to IoT was to improve communication among staff members using wearable technology, Samsung watches, outfitted with Alice platform. The smartwatches vibrate, alerting the employees whenever there is an urgent matter that needs to be attended to. Once an employee responds and accepts the task, the watch alerts the other employees. With this function, the managers can easily follow the progress of the task to its completion and allows the employees to carry responsibility for the work that they do.

According to Darren Clark, VP, Global Technology for Viceroy Hotels, with the use of the smartwatch, their response time has gone down to 60 seconds compared to the 3-4 minutes it took them before, increasing their performance greatly.

With the increase in connectivity and interest in IoT, hospitality professions should think about how they can take advantage of the benefits that come with its application. IoT will soon become the standard in the hospitality business and is unavoidable.

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