

# Re-building trust in the 'new anxious guest' is crucial for the survival of the Hospitality Industry

**Findings from ITC Infotech's research on expectations from the Hospitality Industry  
in the wake of COVID-19**

May, 2020



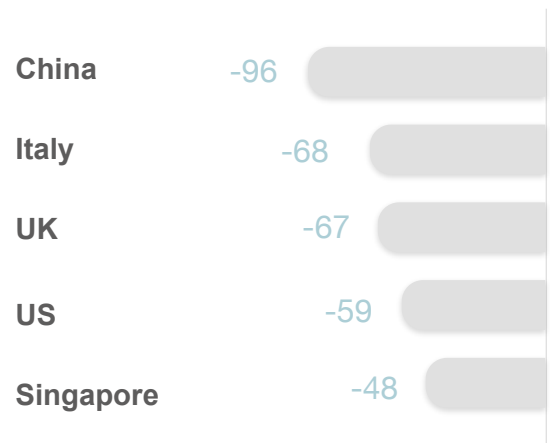
COVID-19 has forever changed the experience of being a customer, employee, citizen and even human. The tough times for businesses have only just begun. Businesses are going back to the drawing board to rethink their models, the way they interact with customers and to redefining their processes and services with an eye on short-term survival. The pandemic has come as a reminder to many about the urgency for Digital Transformation.

The current situation has precipitated an unprecedented change in customer behavior, and its most acute manifestation has been in the travel and hospitality industry. The customer journeys predicated on data-driven customer insights no longer offer the same level of predictability. It has therefore become imperative for businesses to redefine those customer journeys and realign their digital transformation initiatives. There is no better place to start this than with those that matter most – the customers. In this

***new normal,***

the industry that prides itself on leading customer delight needs to assure guests of a safe environment. It needs to re-establish trust by connecting with customers, empathizing with them and managing their anxieties through transparent and meaningful conversations.

**Hotel occupancy percentage decrease compared to 2019**



SOURCE: COVID-19: Hotel industry impact report by STR ; A global hospitality data company (March, 2020)

References:

COVID-19: Hotel Industry Impact | STR. STR. <https://str.com/data-insights-blog/coronavirus-hotel-industry-data-news>. Published 2020. Accessed May 1, 2020.  
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**There is a ‘new anxious guest’ out there and the hospitality industry has the task of re-designing its guest-centric services without delay.**

## **Understanding the new normal for hospitality**

In a bid to understand how the hospitality industry needs to redefine its customer proposition and journey, ITC Infotech’s Experience Design team conducted a contextualized qualitative customer research project. We conducted in-depth interviews with senior executives in some of the leading enterprises across India who traveled more than six times a year for business meetings. Our research was conducted in early May 2020, when travel restrictions had been strictly enforced across the country. The objective of the research was to identify the changed behavioral attributes, pain points and the expectation of the ‘new informed guest’. The research helped uncover new moments of truth and the interventions required to deliver experiences to re-build trust with the guest.

The research provides invaluable clues to the emerging shape of the Hospitality Industry. Our researchers focused on understanding major concerns, fears and anxiety inducing elements in the minds of business travelers; they used the inputs to gauge the awareness of the customer, the brands they thought were doing the right things, and what they wanted brands they loved to do more of.

The research also identified a new set of standards that the hospitality industry would be judged against.

## **Key findings from the research**

The insights from the research pointed to guests wanting hygiene and safety assurances, proof of service and flexibility.

### **1 Health and hygiene assurance re-defines the journey**

Travel until the second quarter of 2021 will be driven by business needs as compared to leisure. There will be a sharp decrease in travel. Business travelers are nervous about travel and even if they do, they expect it to be for shorter durations and with a safer, more holistic experience.

The fear of being in the open was a common emotion shared by participants. These travelers expressed a desire to stay near their work locations, avoid COVID-19 hotspots, use private vehicles to commute (like a hotel taxi instead of commercial taxi aggregators), and wanted to return to the safety of their rooms at the earliest possible.

Respondents showed a clear preference for a home-like ambience, on-demand sanitization, health checks and immunity boosting food and beverages during their stay. These appeared to have become their new priorities.

Hotels are expected to go the extra mile in addressing hygiene-related anxieties of guests. This spells a clear opportunity for hotels to curate experiences that help guests relax. Hotels that provide thoughtful health and wellbeing related services stand a better chance to be the preferred choice for customers. A concerted effort to create a safe and healthy environment, followed by flawless execution, will pay rich dividends in establishing trust and generating repeat business.

## 2 Increased need for proof of safe and hygienic services

Respondents in our survey expressed the need for tangible and intangible evidence of health and safety process implementation. In continuation, participants also spoke of

being able to see some hygiene protocol such as:

How many hands did the towel in their room go through? How many travelers are staying at the property? Some participants also expressed the need to have separate zones for international and domestic travelers on the property along with the need for hotels to maintain transparency about occupancy rates and rules.

The study suggests digital technologies will be required to help guests with a touch-less, self-reliant and safe stay. The new customer doesn't want concierge or porters to carry the luggage to their rooms anymore. They would prefer to carry their luggage themselves after sanitizing it at a dedicated kiosk.



*In a hotel, I would want to see proof of services now; like fresh blankets and towels in a sealed cover, more antibiotic soaps; maybe Vitamin C welcome drinks as well to let me feel that I'm being looked out for.*

- Quote from a participant



Our research indicates that a COVID-19 free certification from an independent body assuring compliance with these re-defined best practices will be the new gold standard for

### **3 Mindful consumption of services to prepare for the unexpected**

Participants expressed a common fear about the forthcoming economic crisis and the growing imbalance in the global economy. They spoke about their fears of being unable to afford luxuries/needs.

Parallel to the ask on hygiene, most participants spoke of hotels providing flexible booking/ stay options, discounted services to help them tide over these unprecedented times and provide visible safety and security measures. Participants also spoke of fears such as increase in the crime rate, non- availability of daily essentials, and so on. This fear is making them seek assured travel wherein hotels are expected to come forward and take visible protective measures to ensure safety and security. Customers are foreseeing an economic crisis, increasing crimes and diminishing resources. They are preparing themselves mentally for unexpected scenarios.













*I have prepared my own COVID-19 safety kit which I will take along with me during any travel in the future. It has extra face masks, gloves, sanitizers, etc., and will also have packaged water. You never know if healthy drinking water will continue to be available.*

- Quote from a participant



## Engagement considerations for the new anxious guest

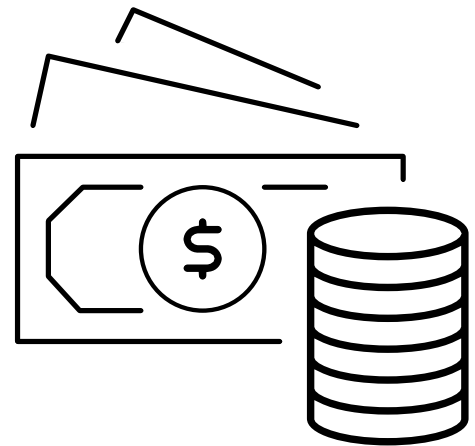
Given below is a comparative view of how the guest considerations and behaviors have changed in the new normal. The emphasis is now on safety, hygiene, preparedness, transparency and flexibility.

Considerations	Post COVID-19	Pre COVID-19
 Booking Journey	<b>Hygiene assurance &amp; transparency</b>	Personalized recommendations & journey
 Location	<b>Distance from containment areas</b>	Closer to workplace
 Benefits	<b>Booking flexibility</b>	Corporate tie-ups & memberships
 Arrival at the property	<b>Certified local &amp; airport conveyance</b>	Commercial cabs or pre-booked taxis
 Preferences	<b>Temperature screening, baggage sanitization facility &amp; social distancing norms implementation</b>	Personalized welcome & guest recognition
 In-room services	<b>Service evidences</b>	Cleanliness & customized facilities
 Infrastructure	<b>Self-service in addition to existing offerings</b>	Business centers & technology
 Services	<b>Low touch/ contact-less experiences</b>	In-room & property inclusions
 Ancillary	<b>On-call doctors &amp; COVID kits/ check-up on demand</b>	Food, gym, spa other services
 Post check-out	<b>Health monitoring</b>	Loyalty rewards & membership points

## Redefined guest journey to embed safety and transparency and enhance trust.

### ***Hygiene assurance is the new loyalty currency***

Hotels need to ensure the safety and security of the guests on their property through a transparent and visible mechanism against infections. A positive experience will no longer be defined by only the comfort and services provided on the property. The attention to detail that delivers well-being at each stage will become an important criteria for guest comfort. Keeping communication lines open right from booking to well after check-out and sharing information proactively with transparency will drive the journey.

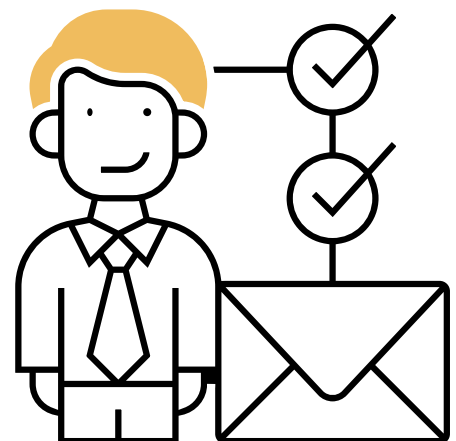


The critical touch points and moments of truth in a traveler's loyalty journey will be more driven by health and hygiene. The "hygiene" metric is now the primary

### ***Re-defining personalization for the new anxious guest***

Hotels need to contextualize their services to the new anxious guest's expectations. Past transactions and activities can no longer be the only inputs to drive personalization. Hotels must take a fresh look at what customers are saying, enable two-way conversations to better understand specific needs and anxieties, and tailor services and experiences.

The core of personalization must be strengthened through increased digital engagement providing low-touch experiences. Contactless interactions through a digital intelligent concierge, on-demand remote assistance by staff and increased self-service options will enable a personalized experience that will be both appreciated and remembered by guests.



# Reimagined guest journey for the Hospitality Industry

Based on the user research findings and solution themes we reimagined the guest journey (see Figure 1).

The Journey of a guest in the new normal

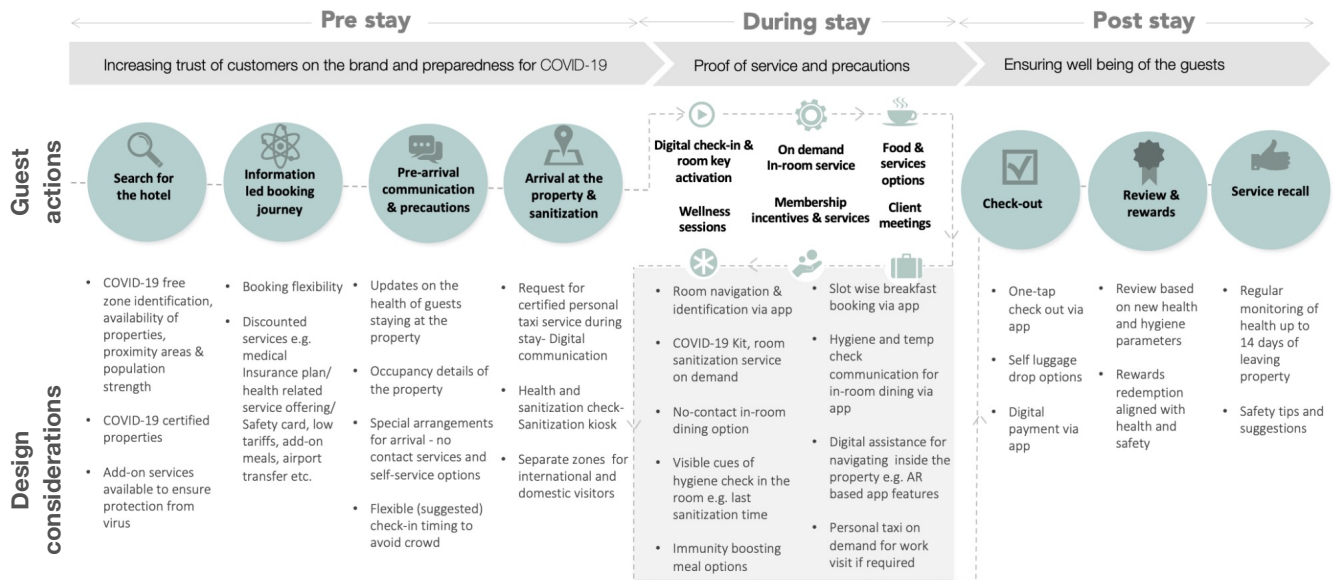


Figure 1

## Engaging with greater flexibility, openness and transparency of information sharing

# 1

Hoteliers should go that extra mile by being flexible, open and transparent in their offerings, processes and policies to adapt to new expectations from guests and reduce frustrations in guest experience across touchpoints.

## Providing service evidences and hygiene metrics proactively across digital media and in person at the property

# 2

The guest needs to see proof of services and hoteliers can use fresh design strategies for effectively communicating these evidences in the customer's journey.

## Enabling digital empowerment through increased self-service option

# 3

Sticking to the new norms of hospitality, hoteliers must re-imagine personalized digital journeys of their customers with a focus on delivering contactless experiences.

## The time to act is now!

The lockdown imposed has led to customers re-evaluating their priorities and differentiating their needs from their wants. Customers are also more digitally connected with each other than ever before. Stories of brands dealing with customers with empathy and sending out a clear message of support are being highlighted and shared on social media. For example, customers are appreciating actions such as BMW delivering cars through touchless interaction. In a subtle but visible transaction, brands like these have earned the customer's respect and loyalty. Customer journeys are no longer about transactional interactions, but more about providing emotional and mental assurance.

While COVID-19 has brought the hospitality industry to a standstill, it is providing hoteliers with an opportunity to step back, evaluate their markets and chart a new course. A strategic investment in developing trust-based relationships with guests will lead to a long-term payoff. Brands that move with agility and embrace a crisis-led digital transformative approach will be the ones that not only survive but emerge stronger on the other side.

**Let us help you create design led intelligent digital experiences in the new normal.**

## Author Profiles



### Tarannum Bano

Tarannum is a Service Design Consultant at ITC Infotech. Having to lead multiple customer engagements across domains like hospitality, travel, agri-tech, and CPG from a design front, she is keen to create holistic end-user experiences with her user centered design approach. As a part of ITC Infotech, she has spearheaded the creation of design-led capabilities and digital solutions.

She has a Master's degree in Strategic Design Management from National Institute of Design, Ahmedabad.



### Udita Chaturvedi

Udita is a User Experience Consultant at ITC Infotech. She has helped render numerous user centric solutions across domains in BFSI, hospitality, educational and other industries. Her knack for funding her Experience Design projects with understanding the users at ground level and supporting the outcome with research has helped the company earn recognition in each sector it ventured in.

Udita holds a Master's degree in Design Space with a major in UX from National Institute of Fashion Technology, Bengaluru.”

### About ITC Infotech's Digital Design Studio

ITC Infotech is a leading global technology services and solutions provider, led by Business and Technology Consulting. ITC Infotech provides business-friendly solutions to help clients succeed and be future-ready, by seamlessly bringing together digital expertise, strong industry specific alliances and the unique ability to leverage deep domain expertise from ITC Group businesses.

Digital Design Studio is powered by a team of design professionals, partnering with customers across domains to curate and choreograph memorable experiences. Driven by a passion for research led user-centric design, we help our customers build winning, innovative digital solutions.