

Ray F. IUNIUS

HOSPITALITY

TODAY AND TOMORROW

Editorial

As a wise man once said, “*Don’t worry about what you don’t know. Be worried about what you think you know, but don’t.*” Regarding different ways “hospitality” is understood, the root of the problem lies in part in the different interpretations that hospitality has in different cultures and languages. In American English, for example, when we speak about “hospitality” we first think of it as an industry and only secondarily as an attribute of an individual or community. In other cultures, the primary meaning of hospitality is more a characteristic of people, or of a country or city, etc., and encompasses such ideas as welcome, reception, amiability, generosity, etc. – not an industry! Even in American English, other words are sometimes used to describe the same economic activity: lodging, accommodation, etc.

The first evidence of hotels and the hospitality industry was recorded as far back as biblical times. Since the earliest days, people have traveled for reasons of commerce, religion, family, health, immigration, education and recreation. The first “hotels” were nothing more than private homes opened to the public. Under the influence of the Roman Empire, inns and hotels began catering to the pleasure traveler in an effort to encourage visitors. Definitions of hospitality range from codes of etiquette to the ethical treatment of strangers to the provision of food and drink.

Traditionally considered a duty and an act of ritual worship in different religions, or the friendly and generous reception and entertainment of guests, visitors or strangers in general (Oxford English Dictionary, 2014), hospitality referred, at the beginning, to a relationship between the guest and the host, or to the act or practice of being hospitable.

It is a big paradox that today, when we speaking about hospitality as an industry, we can no longer assume that the critical relationship in the hospitality business is the one between host and guest. Hotels, restaurants, bars and the other hospitality venues are businesses, where the critical relationship is between seller and buyer. The buyers are not guests, they are customers. The relationship is not philanthropic, it is economic. Applying the host-guest relationship from the social and private domains misses the point of the difference between a business and a home. This way of thinking was the engine of the hospitality industry for many years. The more we tried to increase the profitability of this sector, the more we favored the economic aspect over the social one. “Provision of hospitality activities is chiefly driven by the need to extract surplus value from the exchange. That commercial ‘capitalistic’ imperative creates a number of tensions and contradictions that become apparent when we develop a better understanding of the ‘social’ and ‘private’ domains of hospitality activities”. (Lashley and Morrison 2000).

Enhancing the package and improving the logistics of its delivery are thus important commercial aspects of the hospitality product, but they do not answer the fundamental question, “What is the product?” Does the “guest-host” relationship stand in opposition to the “seller-buyer” commercial interaction in some way?

For any enterprise, a key success factor is the quality of the product it delivers. In the service sector, this “product” is the delivery process itself, while in the hospitality business, the customer – i.e. the guest – actually takes part in the process as a “co-producer”. This interactive aspect of the service delivery has a significant

consequence for us as hospitality providers, namely that any time guests fail to engage with the hospitality process, they suffer a kind of “loss”, i.e. they experience a diminished product, while at the same time the business suffers a “loss” of its own: it fails to score the success that it could have potentially achieved.

What is it that we propose to our customers, when they are already part of this mostly intangible process? Is our product simple, or is it in fact complex, nuanced... best delivered only by trained professionals? How often, as hospitality executives, do we find ourselves in a conversation with someone who honestly believes he has a solid understanding of the hospitality business because he travels a lot and frequently stays in hotels? Is it possible he is right? Or is this analogous to a patient claiming an insider’s understanding of dentistry because he has spent a lot of time in the dentist’s chair having cavities filled and teeth cleaned?

The future of hotel technology has arrived: robot butlers, digital concierges and apps that let you choose your own room are just the beginning. They’re here, they’re speaking and serving you, they are now being deployed as receptionists, banking assistants and even prison guards. Technology allows amateurs to do what professionals once did. The use of artificial intelligence is also being introduced to more forward-thinking properties. Smart mirrors and smart carpets are on the horizon. Guests are already able to use their smartphones to customize their stay. The incorporation of robots and artificial intelligence into the hospitality industry is a reality.

The progress of technologies in Hospitality Industry was really slow and gradual and then, suddenly, it’s right now. Robots will be able to engage in intelligent conversations with human guests. The hotel will also employ four service and porter robots, and others engaged in menial tasks such as cleaning. The hotel will have various other high-tech features, such as facial recognition in place of key cards. Guests will also be able to request additional amenities through a tablet computer provided by the hotel. In the future, more than 90 percent of hotel services will be operated by robots.

The question that remains to be answered, however, is *what the post-digital economy will look like in an era where digitization has become an integral part of all aspects of life?* In hospitality, automation is on its first wave, based on the availability of information, cyber-physical systems and data analytics. Other more advanced industries are already on their third wave of automation. Technology, processes, business models and knowledge will have an unknown impact on our lives, on guests and on service providers.

Since robotics and artificial intelligence are just beginning to be adopted across industries, there’s still time for policy and training to adapt to new technologies. Automation will provide higher production rates and increased productivity, more efficient use of materials, better product quality, improved shorter workweeks for labour, and reduced factory lead times. This technology also provides opportunities for efficiency benefits, as staff can spend less time delivering items and more time interacting with guests in other capacities. But when you switch from a traditional to a “machine-learning” way of doing things, you increase productivity and scalability by so many orders of magnitude that the nature of the challenges your organization faces totally changes because hospitality will still remain a people business.

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Biography

Prof. Dr Ray F. Iunius is the author of various academic and professional articles published by journals in the management of services, technology, and innovation. He is also the author of a number of books such as « Industrie de l’accueil », « Hôtellerie de Luxe », « La gestion des spas », “Un Hôtel, un modèle ?” in de Boeck editions and co-author of the “Lausanne Report on the future of Hospitality Industry.” He is the founder of the Ecole hôtelière de Lausanne Institute of Technology and Entrepreneurship (EHLITE), the Institute for Innovation and Entrepreneurship (INTEHL), the Students Business Projects (SBP), the EHLITE magazine, and the Chair of Innovation Paul Dubrue. Ray earns a BSc, MS and PhD in Technical Sciences from the University of Transylvania Brasov and an MBA and PhD from the Faculty of Business and Economics (HEC) of the Lausanne University. He is currently Director of Business Development at Lausanne Hospitality Consulting, an Ecole hôtelière de Lausanne and Swiss Hotel Association company.