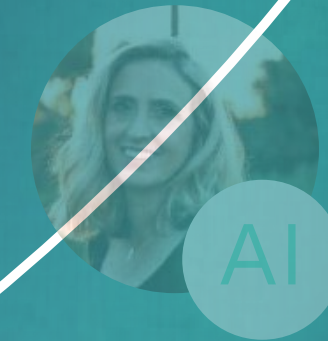# Conversational AI in Hotels

## Transforming the Guest Journey from **Start to Finish** (and Beyond)

HiJiffy

# Introduction

In the context of the hospitality industry, the impact of conversational Artificial Intelligence (AI) continues to grow in significance. It powers hotel chatbots and virtual concierges, providing guests instant, 24/7 responses to their queries. Capable of understanding the nuances of **human language** and **identifying intentions**, it can also learn from interactions to improve its responses over time. Designed to handle a variety of tasks, as explored in this publication, conversational AI empowers hoteliers to streamline and **automate guest communications**, **boost guest satisfaction**, generate **more revenue**, and reduce the **workload on hotel staff**.

As stated in a guide to AI for hospitality leaders by Hotel Operations in 2023:

# "AI is moving out of buzzword territory and into practical applications, and that's going to have big implications for us."

Several factors are accelerating the increase of adopting AI technologies by the hospitality industry:

## Governing bodies advocacy

In 2022, the World Travel & Tourism Council and European Travel Commission made official recommendations for the governments and private sector to address the **1.2 million staff shortages** in the travel and tourism industry in the European Union alone. One of them advocates for "adopting innovative technological and digital solutions to improve daily operations." What followed was a significant investment in hospitality tech companies in Europe (PYMNTS, 2022; EU-Startups, 2023) and further advancement of **technological developments in the field of conversational AI.**

# 1.2 million staff shortages

## Guests' expectations.

Guests are accustomed to using **smart technology in their daily lives** and expect similar convenience during their hotel experience. Oracle's 2022 study revealed that **67% of travellers show interest in hotels using AI for personalised service**, and **36% of guests would opt for a fully digital**, contactless experience with hotel staff available only on request.
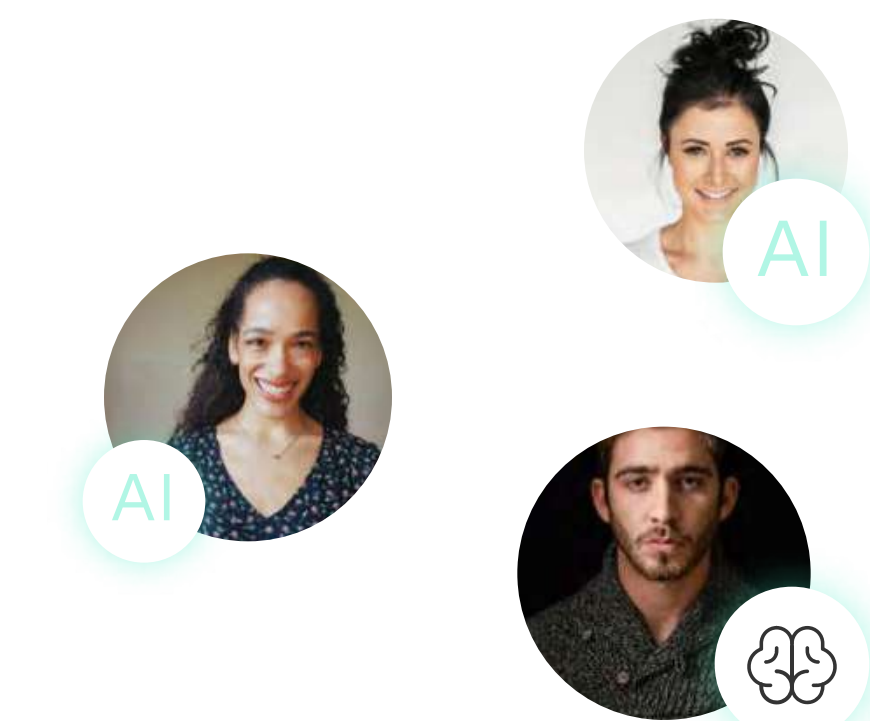
# 36%
## prefer fully digital

# 67% of travellers show interest in hotels using AI for personalised service

**Guest Request** ✕

| Special requests: | The air conditioning in my room is not working, can you fix it asap? |
| Email | jennysmith@email.com |
| Phone | 09999888999 |

✓ Mark as closed

**85%**
AI AGENT
CSAT SCORE

⬆ **17%**
from previous 30 days

## Hoteliers' drive to gain a competitive edge.

Besides the capacity to generate more revenue due to an increase in direct bookings, guest messaging is another area where the **return on investment (ROI)** is clear. **Hotels can significantly reduce the time staff spend on repetitive inquiries** by adopting conversational AI, as this shift allows hotel teams to concentrate on enhancing the guest experience, a critical factor in guest satisfaction and retention (Hospitality Investor, 2022).

This publication examines examples and **benefits of implementing conversational AI** at each stage of the guest journey, aiming to improve the understanding of such **advanced technology's role in guest communications.**

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# What is Conversational AI?

In the simplest terms, conversational AI can be defined as advanced technology able to simulate human-like conversation. The AI technology behind it uses complex algorithms, natural language processing (NLP), and machine learning to understand, process and interpret human language, as well as respond to queries.

The scope and capacity of solutions powered by conversational AI vary as a combination of different technologies powers them. When choosing an AI-powered solution for your hotel, consider the provider's commitment to innovation and continuous improvements, as new developments frequently occur in that field.

Before **exploring conversational AI applications across the entire guest journey**, it is useful to round up a few advanced features and capabilities that enhance performance and open up new opportunities.

machine learning

complex algorithms

human-like conversation

interpret human language

language processing

## Self-learning

An ability to learn about new topics, phrases, terms and expressions to improve its processing content and interpretation.

## Voice assistance

Interpreting natural human speech (using Natural Language Processing) and answering with an AI-generated voice.

## Sentiment analysis

Interpreting the text to understand its sentiment (positive, neutral or negative), which can be useful in prioritising queries.

## Generative AI

Providing tailored, specific answers to questions based on understanding and interpreting data in the knowledge base.

6

# Pre-Booking
## Initial Research and Exploration

For your future guests, it all starts with the idea of travelling. **They decide on a preferred destination and then start to research accommodation options**. The challenge for hoteliers at this stage of the guest journey is to capture attention, spark imagination and resolve any initial doubts and hesitations travellers may have.

Your marketing and distribution teams need to ensure the properties are attractively displayed on the **official website and across social media channels and OTAs platforms if you use them**. Once you capture their interest - with multimedia materials and unmissable offers - most travellers will move on to do some further research.
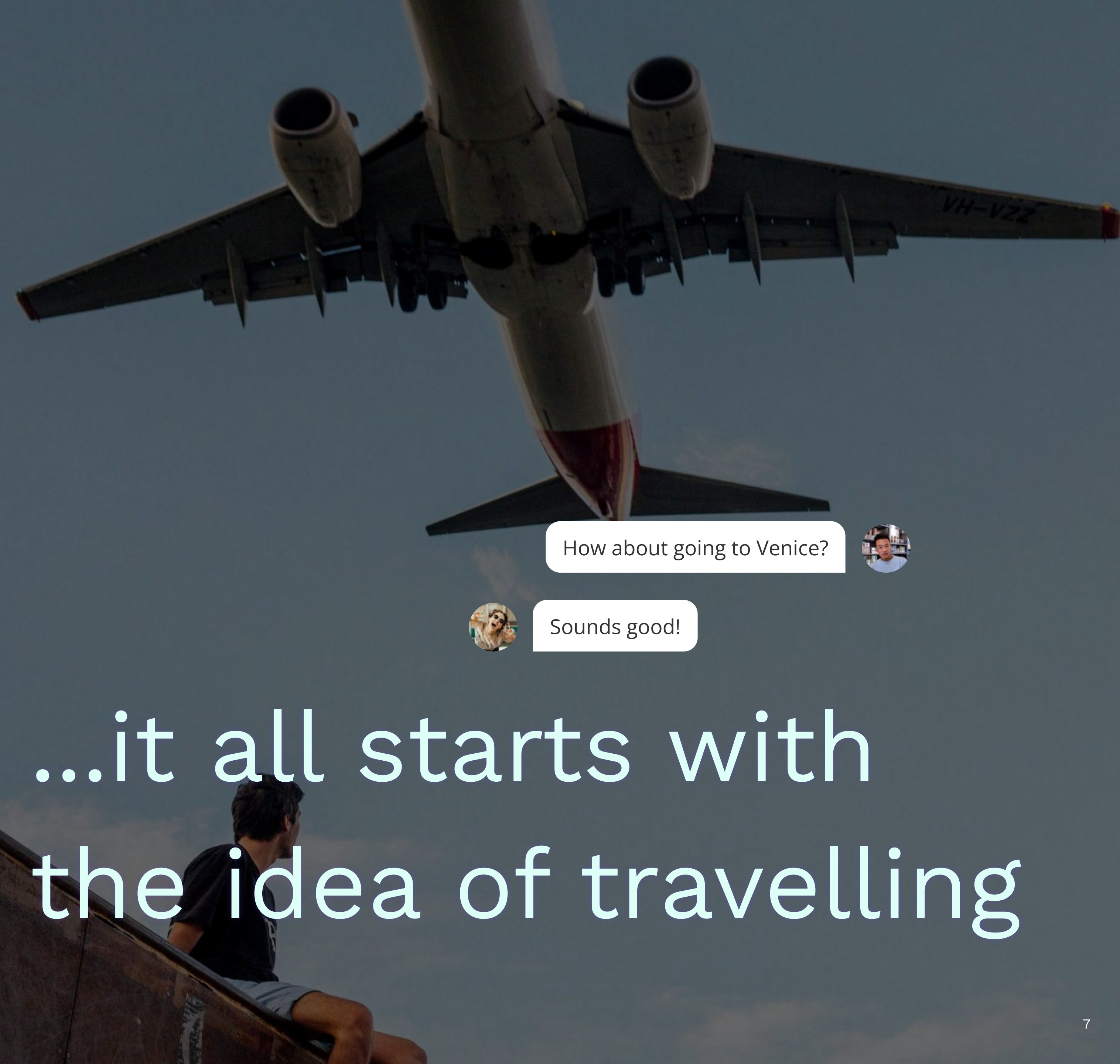
How about going to Venice?

Sounds good!

…it all starts with the idea of travelling

As they read previous guests' reviews and analyse room amenities and hotel services, they will likely ask for clarifications and have follow-up questions. As identified in HiJiffy's report from 2023, analysing over 1.7 million guest queries processed by their conversational AI, there are five key question categories:

Reservations and bookings

Good morning! What are your plans for today? Would you like to book a restaurant, spa or other service? We can help you with that

What does the all-inclusive include?

Amenities and facilities

Policies and procedures

Reservations                    + Add new
347                                    30/07/2023
423                                    12/09/2023

I need to book a transfer.
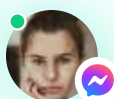
Services and special offers

General information

What's included in the half board?

This is a prime example of how conversational AI can be efficiently implemented in your guest journey - to answer frequently asked questions (FAQs). HiJiffy reports the conversational AI powering their Guest Communications Hub successfully resolves more than **80% of guest queries autonomously**.

Best chatbots powered by such technology can be installed not only on your hotel website but also on social media, messaging apps, and other platforms. Look for a solution that streamline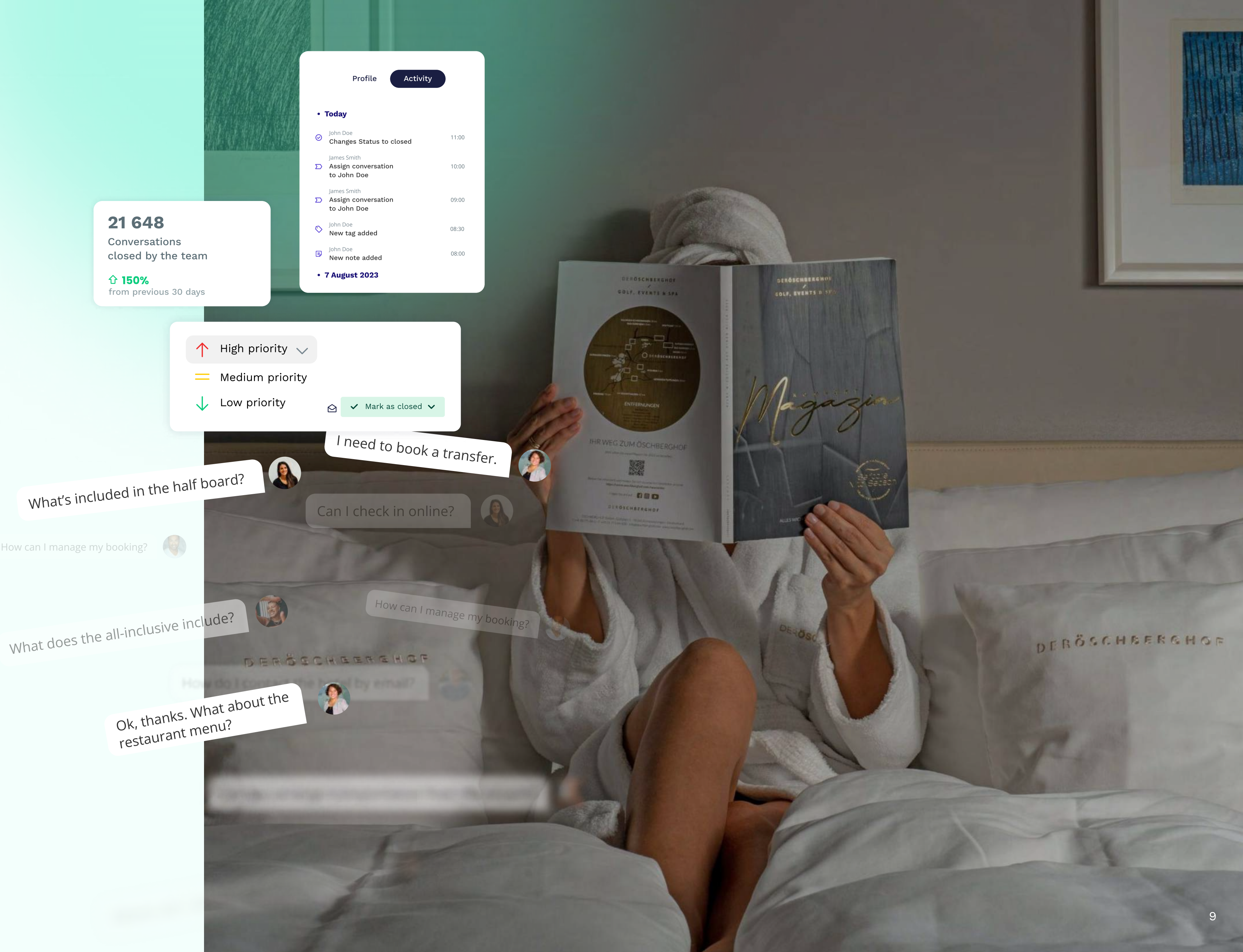s all guest communications in one place, **like an omnichannel inbox**, to **reduce the workload for staff** and **enable browsing queries** and **collecting guest data quickly and efficiently**.

Conversational AI can **analyse information presented by travellers** in the chat and use it to **offer attractive personalised recommendations** aligned with their preferences. Nurturing the interest increases the likelihood of progressing onto the booking state.

Profile        Activity

• **Today**

John Doe
Changes Status to closed        11:00

James Smith
Assign conversation
to John Doe        10:00

James Smith
Assign conversation
to John Doe        09:00

John Doe
New tag added        08:30

John Doe
New note added        08:00

• **7 August 2023**

**21 648**
Conversations
closed by the team

⬆ **150%**
from previous 30 days

↑ High priority ⌄
▬ Medium priority
↓ Low priority        ✉ ✓ Mark as closed ⌄

I need to book a transfer.

What's included in the half board?

Can I check in online?

How can I manage my booking?

What does the all-inclusive include?

How can I manage my booking?

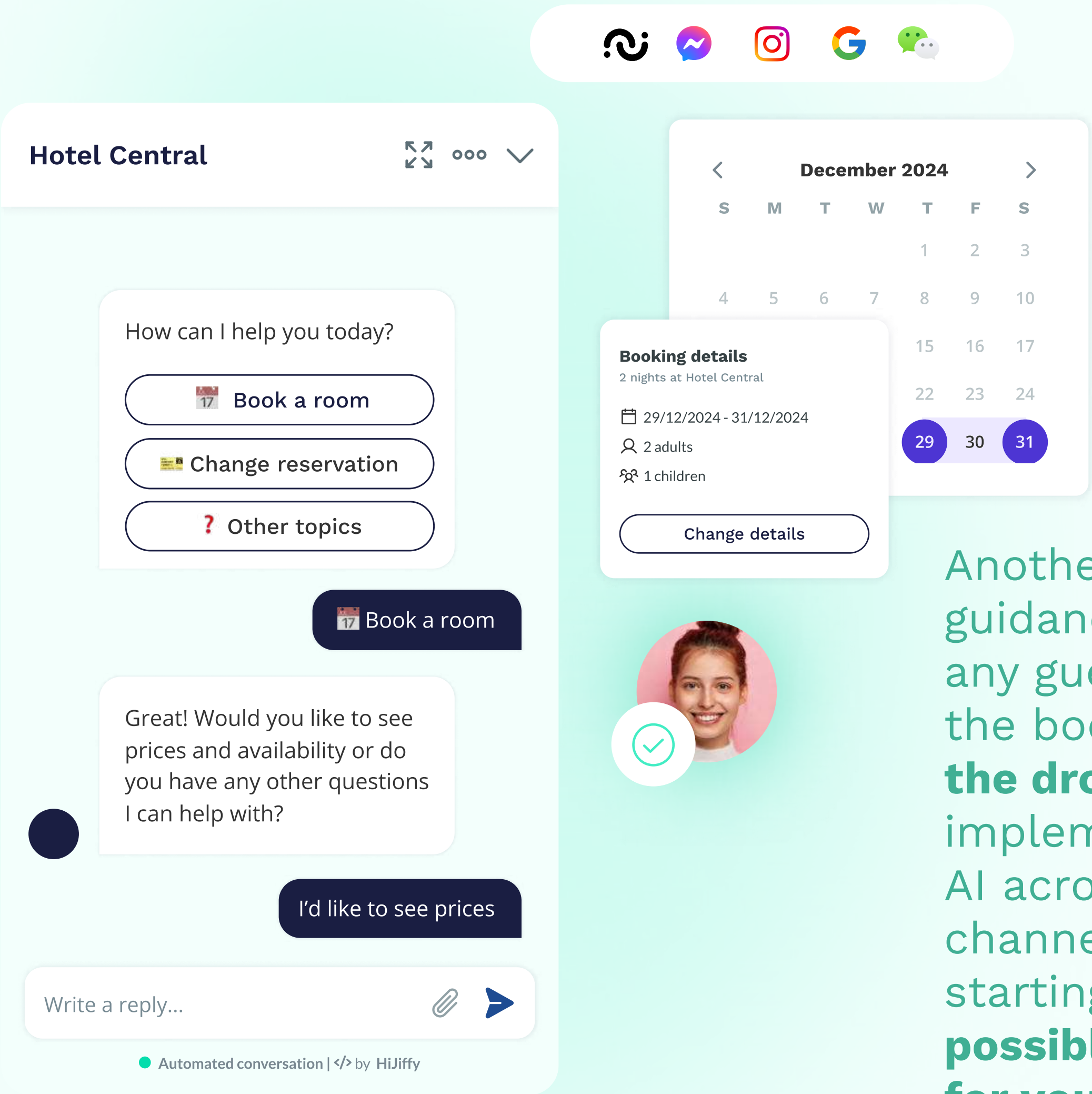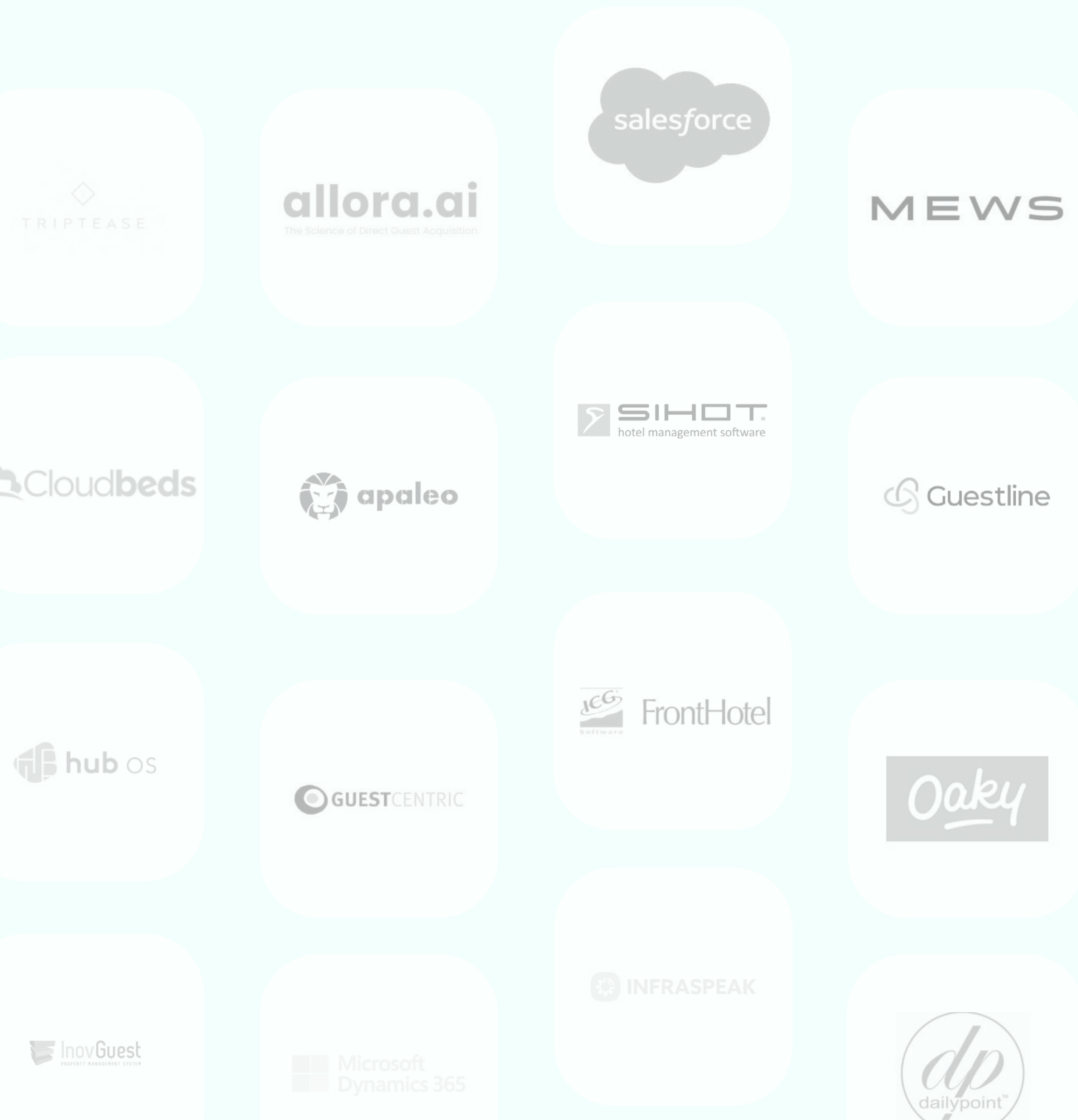Ok, thanks. What about the restaurant menu?

# Booking
## Seamless Reservations and Customisation

Once the traveller decides to stay at your hotel, they will want to make the booking. Here, implementing conversational AI can boost the number of **direct bookings** and **increase revenue** from **upselling**.

AI hotel reservation system provides assistance throughout the booking process in a conversational way.
By asking a series of questions in a chat on the **hotel's website or other communication channels**, it collates the necessary information (such as contact details, dates, preferred room options) to process the booking. The data can then be **passed onto the reservation team**.
If your hotel uses a booking engine, the data can be directly transferred if integration with the conversational AI solution exists. This means the guest can **conveniently complete the booking**.

**Hotel Central**

How can I help you today?

📅 Book a room

💵 Change reservation

❓ Other topics

📅 Book a room

Great! Would you like to see prices and availability or do you have any other questions I can help with?

I'd like to see prices

Write a reply...

Automated conversation | </> by HiJiffy

**December 2024**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | | | 15 | 16 | 17 |
| | 22 | 23 | 24 | | | |
| 29 | 30 | 31 | | | | |

**Booking details**
2 nights at Hotel Central

📅 29/12/2024 - 31/12/2024
👤 2 adults
👥 1 children

Change details

Another benefit of AI's guidance is that it can answer any guest's questions during the booking process, **reducing the drop-off rate**. By implementing conversational AI across all communication channels, you also make starting the **booking process possible whenever works best for your guest**.

salesforce

allora.ai
The Science of Direct Guest Acquisition

TRIPTEASE

MEWS

SIHOT.
hotel management software

Cloudbeds

apaleo

Guestline

hub OS

FrontHotel

Oaky

GUESTCENTRIC

INFRASPEAK

InovGuest

Microsoft
Dynamics 365

dailypoint

**Thanks to integrations with other hotel tech solutions**, conversational AI can use the data collected in the chat to suggest personalised hotel deals and targeted **upselling opportunities** (room upgrades, experiences), contributing to **increased conversions** but also generating more **revenue per booking**.

generate more **revenue per booking**

# Pre-Arrival
## Capitalising on Anticipation

At this stage of the guest journey, you should use **AI to build up the excitement of arriving at the hotel.** Continue laying the foundation of excellent guest experience with helpful suggestions to make the arrival as convenient as possible and maximise the opportunities to generate revenue from tailored **upselling** and **cross-selling opportunities**.

Communicate with guests on their **favourite social media** and messaging apps to benefit from better open rates and, subsequently, conversion rates. Send an automated campaign to your guest before their arrival to **establish an immediate and interactive channel, like WhatsApp**, for all their queries.

As conversational AI takes note of guests' preferences **during conversations and interactions**, you can use this data to send them personalised offers ahead of their arrival, such as **room upgrades**, spa passes, **airport transfers**, **activities and experiences**. If your hotel uses a property management system (PMS) that can integrate with conversational AI, you can benefit from a significant improvement in the efficiency of your upselling and cross-selling tactics.



**< 12** ● Hotel Central ✅
online

Hi James Smith!

We are looking forward to welcoming you at Hotel Central on September 21.

To speed up your arrival we are inviting our guests to fill the express check-in form. In case you have not filled yours, please fill here: hotelhijiffy.com/checkin

For any further clarification on your stay, you can use this channel to contact us 24 hours a day.
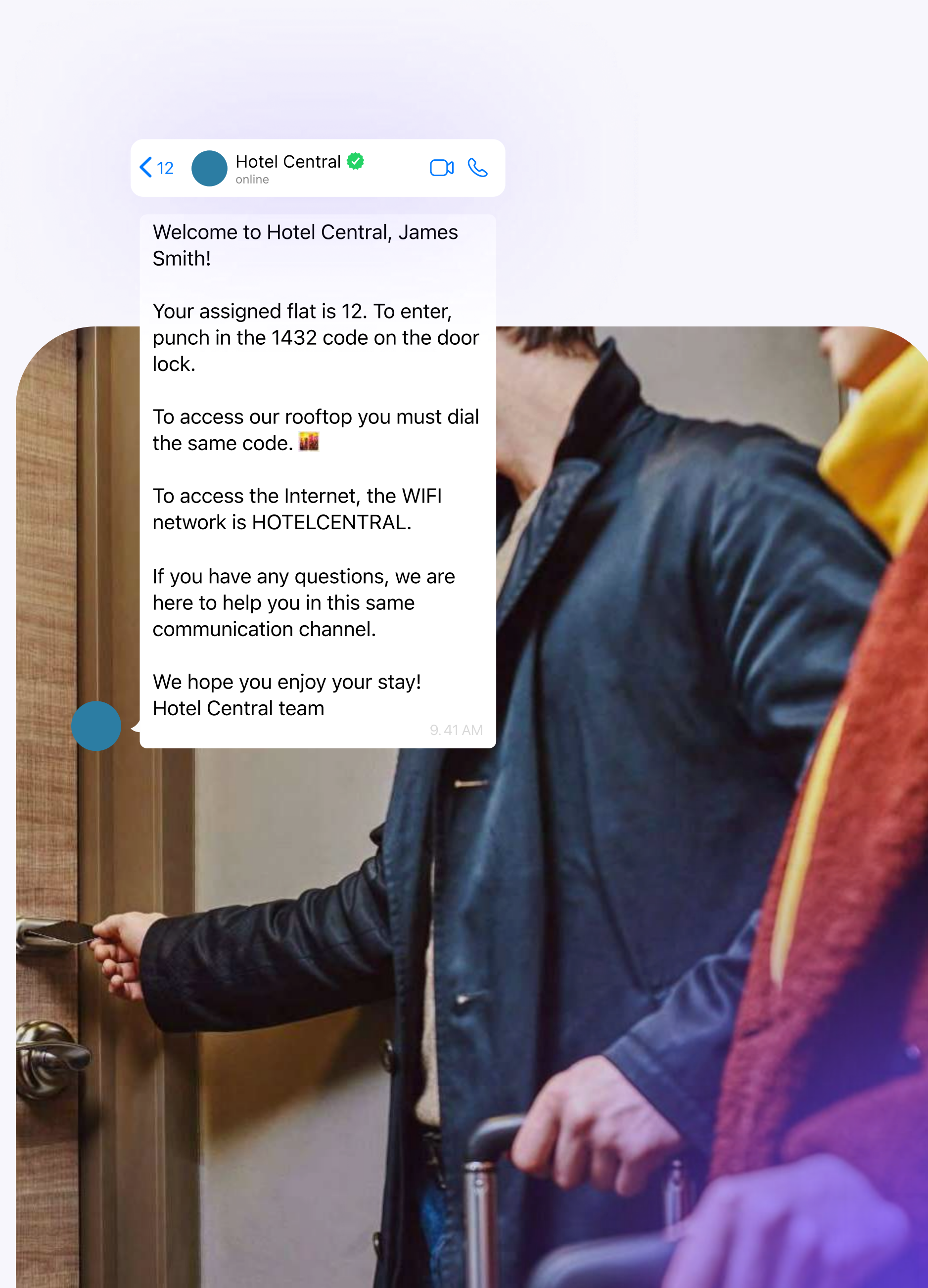
See you soon,
Hotel Central team

9. 41 AM

# Check-In
# Making First Impressions Last

There are two moments that can have a positive and lasting impact on your guests' experience at this stage - the actual operational check-in process and a delightful welcome to your hotel and bringing all it has to offer to the forefront. One of the most significant benefits conversational AI can bring to the check-in stage of the guest journey is streamlining the process and **reducing waiting times at the front desk**.

As discussed in an expert panel on Revfine (2022), the pandemic has accelerated digital transformation in hospitality and contactless and self-check-in options are expected by an increasing number of guests as a standard. Hotel tech solutions like digital keys enable a fully autonomous check-in process for guests and significantly reduce hotel reception's workload.



Hotel Central
online

Welcome to Hotel Central, James Smith!

Your assigned flat is 12. To enter, punch in the 1432 code on the door lock.

To access our rooftop you must dial the same code. 🎪

To access the Internet, the WIFI network is HOTELCENTRAL.

If you have any questions, we are here to help you in this same communication channel.

We hope you enjoy your stay!
Hotel Central team

9. 41 AM

If your hotel already uses such solutions, they can be integrated with conversational AI to **collect and verify necessary information from guests before their arrival**. Alternatively, you can also put conversational AI to work and automate sending a campaign to your guests asking them to fill out a pre-check-in form, so your staff only has to verify their data and issue a key upon arrival.

Once your guests arrive at your hotel, you can also **send an automated welcome message** including useful details like a WiFi password, introducing hotel facilities, and recapping key policies. Take this opportunity to make guests aware of the immediate multilingual virtual concierge service you offer 24/7, thanks to conversational AI. The best conversational AI solutions will have integrations with a range of property management systems to enable the inclusion of personalised information and offers in such campaigns.

# In-Stay
# Elevating the Guest Experience

You can offer guests an **AI-powered virtual concierge service throughout their stay at the hotel**. Conversational AI facilitates a real-time feedback loop, identifying any issues or special requests your guests may have. Being proactive and able to address them immediately, either by resolving their queries independently or by bringing them to the attention of hotel staff, **boosts the overall guest experience and streamlines operational efficiency.**

For example, instead of calling the reception, a guest can send a WhatsApp message to the hotel letting them know about needing extra towels or requesting to change a lightbulb. Conversational AI platforms specialising in hospitality offer a range of integrations with popular hotel tech solutions, such as hotel maintenance systems. The virtual concierge would ask the guest necessary follow-up questions, combine all information and seamlessly pass it directly onto operational systems or alert a relevant staff member.
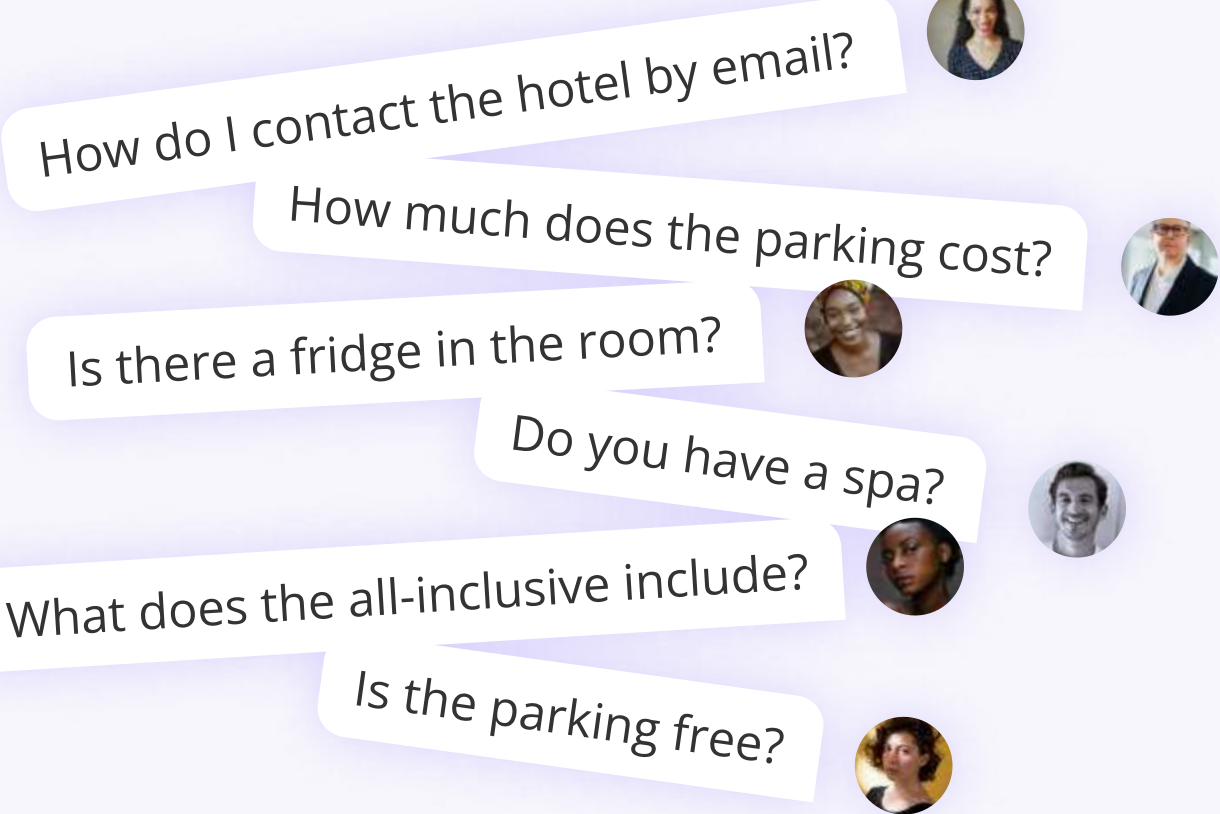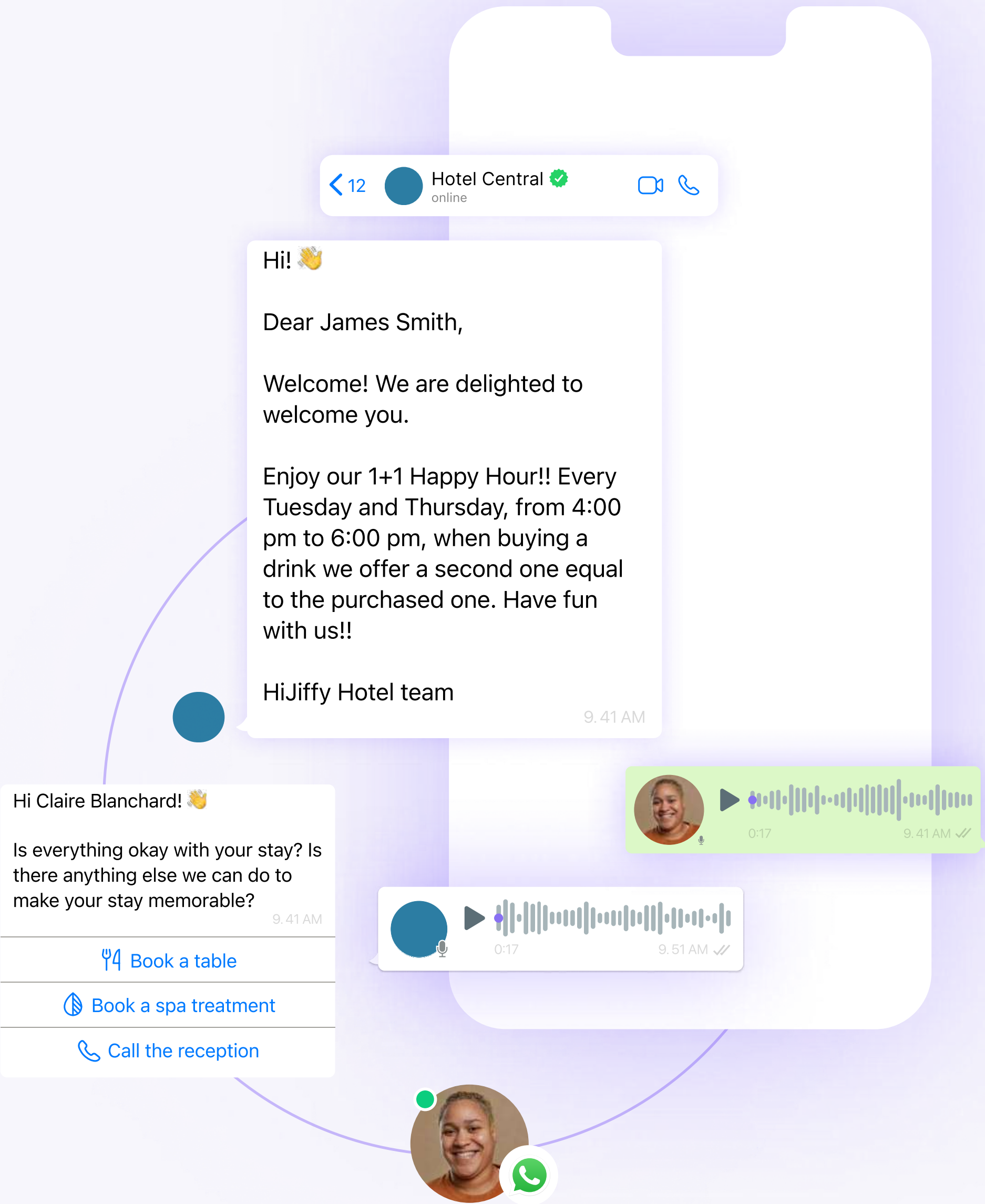
Another benefit is increasing RevPAR and cost per available room with upselling and cross-selling (American Hotel & Lodging Association, 2023). The AI-powered virtual concierge can recommend personalised activities and special offers to hotel guests by leveraging data from previous conversations, enquiries, or data available in a PMS. Such a tailored and attentive service strengthens the connection to the hotel brand and boosts loyalty, resulting in potential returning customers.



How do I contact the hotel by email?

How much does the parking cost?

Is there a fridge in the room?

Do you have a spa?

What does the all-inclusive include?

Is the parking free?

**Hotel Central** ✓
online

Hi! 👋

Dear James Smith,

Welcome! We are delighted to welcome you.

Enjoy our 1+1 Happy Hour!! Every Tuesday and Thursday, from 4:00 pm to 6:00 pm, when buying a drink we offer a second one equal to the purchased one. Have fun with us!!

HiJiffy Hotel team

9:41 AM

Hi Claire Blanchard! 👋

Is everything okay with your stay? Is there anything else we can do to make your stay memorable?

9:41 AM

🍴 Book a table

💧 Book a spa treatment

📞 Call the reception

0:17    9:41 AM ✓✓

0:17    9:51 AM ✓✓

14

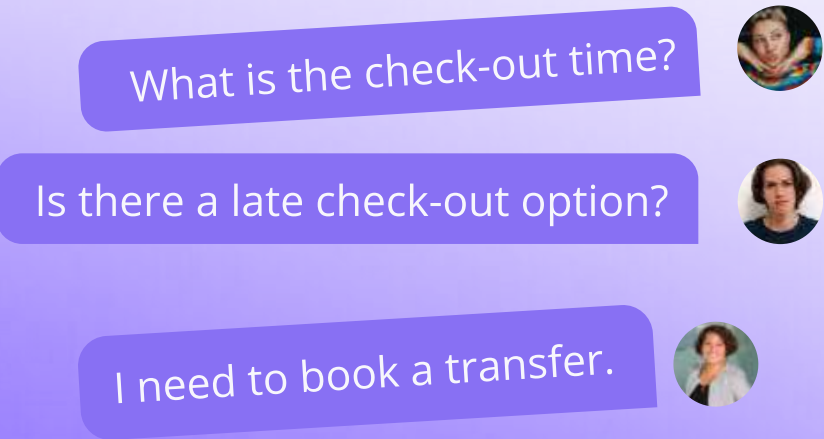# Check-Out and Beyond Ensuring a Memorable Farewell

As your guests' stay at the hotel is approaching, ensuring the final moments at your property are as convenient as possible is essential. Those last few interactions can determine the guests' **overall impression that they may be inclined to share in an online review**.

**Use conversational AI to simplify the check-out process**. You can send an automated message to your guest on their penultimate day at the hotel to fill out any necessary information and notify them about any outstanding balance on their bill with instructions on how to settle it in advance to avoid waiting time at the reception. If your guests have any questions, the AI-powered assistant should be able to answer them or otherwise connect with the front desk staff.
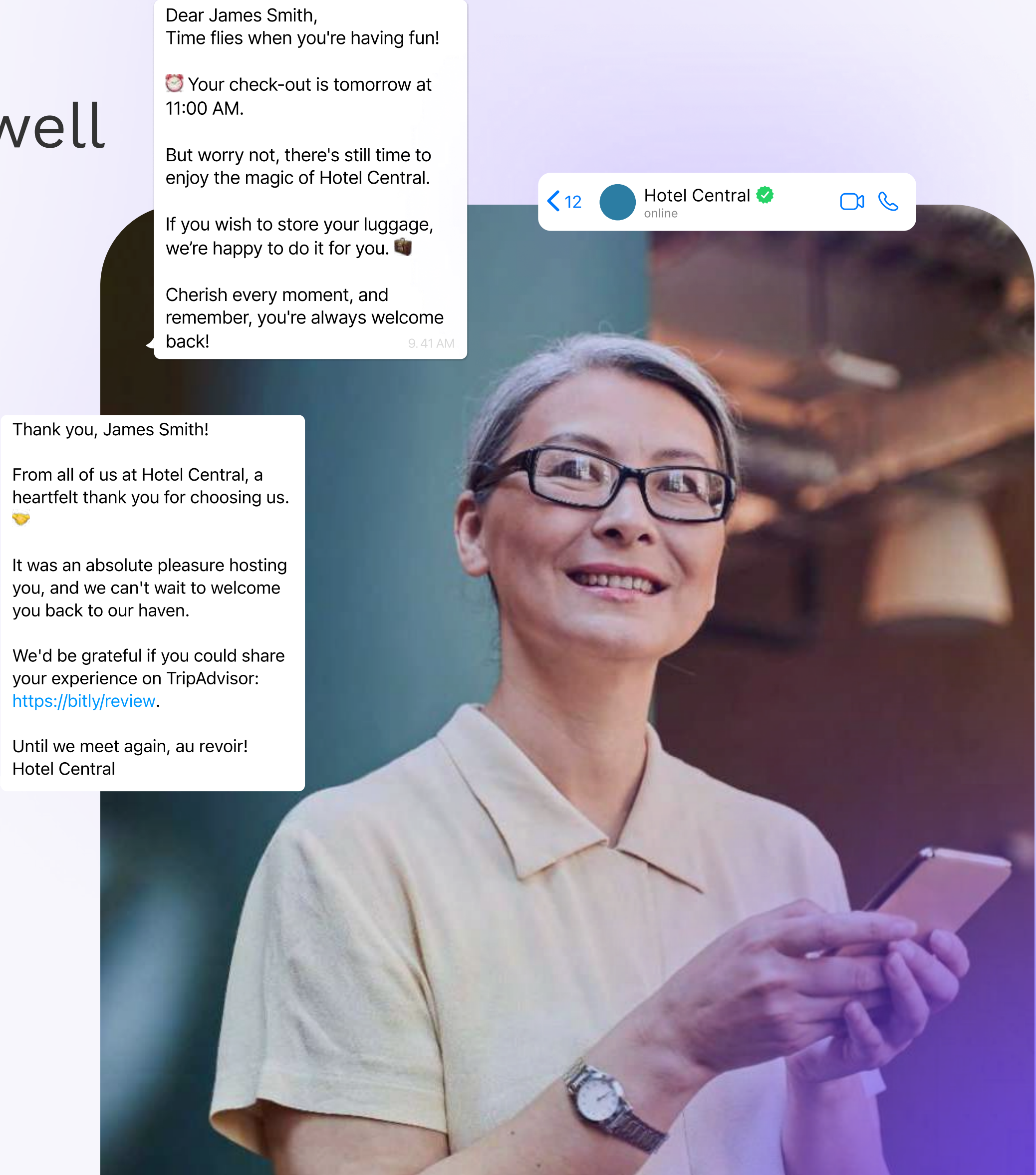
**Using available guest data**, the AI can suggest potentially useful services such as **airport shuttle**, **late check-out** or **storing luggage** at the reception. It can generate revenue with any cross-selling offers, but most of all, it is one more opportunity to delight your guests with excellent service.

On the day of their departure, it is worth **automating sending a feedback form or a request to submit a review on popular platforms like Google or TripAdvisor**. You may also use this opportunity to promote loyalty programmes for returning guests, capitalising **on the positive experience your guests have had at your property**.

Dear James Smith,
Time flies when you're having fun!

⏰ Your check-out is tomorrow at 11:00 AM.

But worry not, there's still time to enjoy the magic of Hotel Central.

If you wish to store your luggage, we're happy to do it for you. 🧳

Cherish every moment, and remember, you're always welcome back!

9. 41 AM

← 12   Hotel Central ✓
        online

Thank you, James Smith!

From all of us at Hotel Central, a heartfelt thank you for choosing us. 🤝

It was an absolute pleasure hosting you, and we can't wait to welcome you back to our haven.

We'd be grateful if you could share your experience on TripAdvisor: https://bitly/review.

Until we meet again, au revoir!
Hotel Central

What is the check-out time?

Is there a late check-out option?

I need to book a transfer.

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# Summary

Conversational AI enhances every touchpoint between the hotel and its guests: from pre-arrival questions and streamlined booking assistance to instant responses during the stay and simplified check-out procedures. Implementing this technology across the entire hotel guest journey offers a range of benefits contributing to providing a seamless, efficient and personalised experience:
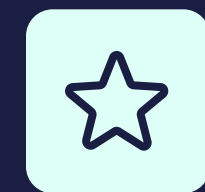
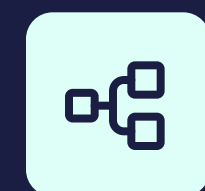Multilingual assistance and instant responses 24/7

Automated yet personal guest communications

Elevated guest experience and increased revenue due to tailored upselling

Improved customer retention and loyalty

Efficient operations due to seamless integrations with other hotel systems

Convenience for the guests and reduced workload for hotel staff

Taking into consideration governing bodies' recommendations for adopting smart technologies to address staff shortages in the industry, as well as guests' expectations of hotels incorporating AI-powered conveniences, hoteliers should reimagine and transform their guest communications with conversational AI.

# Sources & Further Reading

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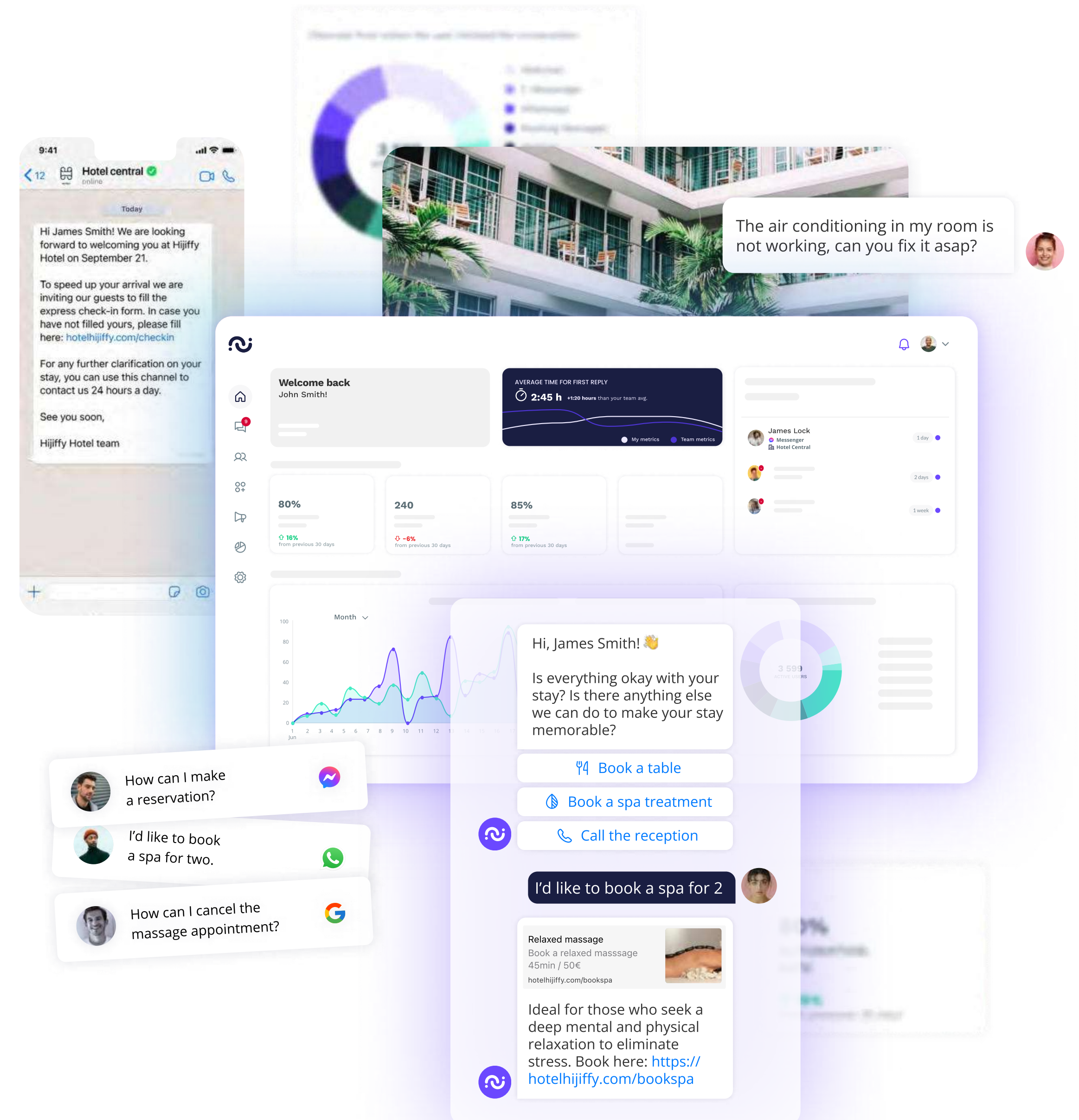
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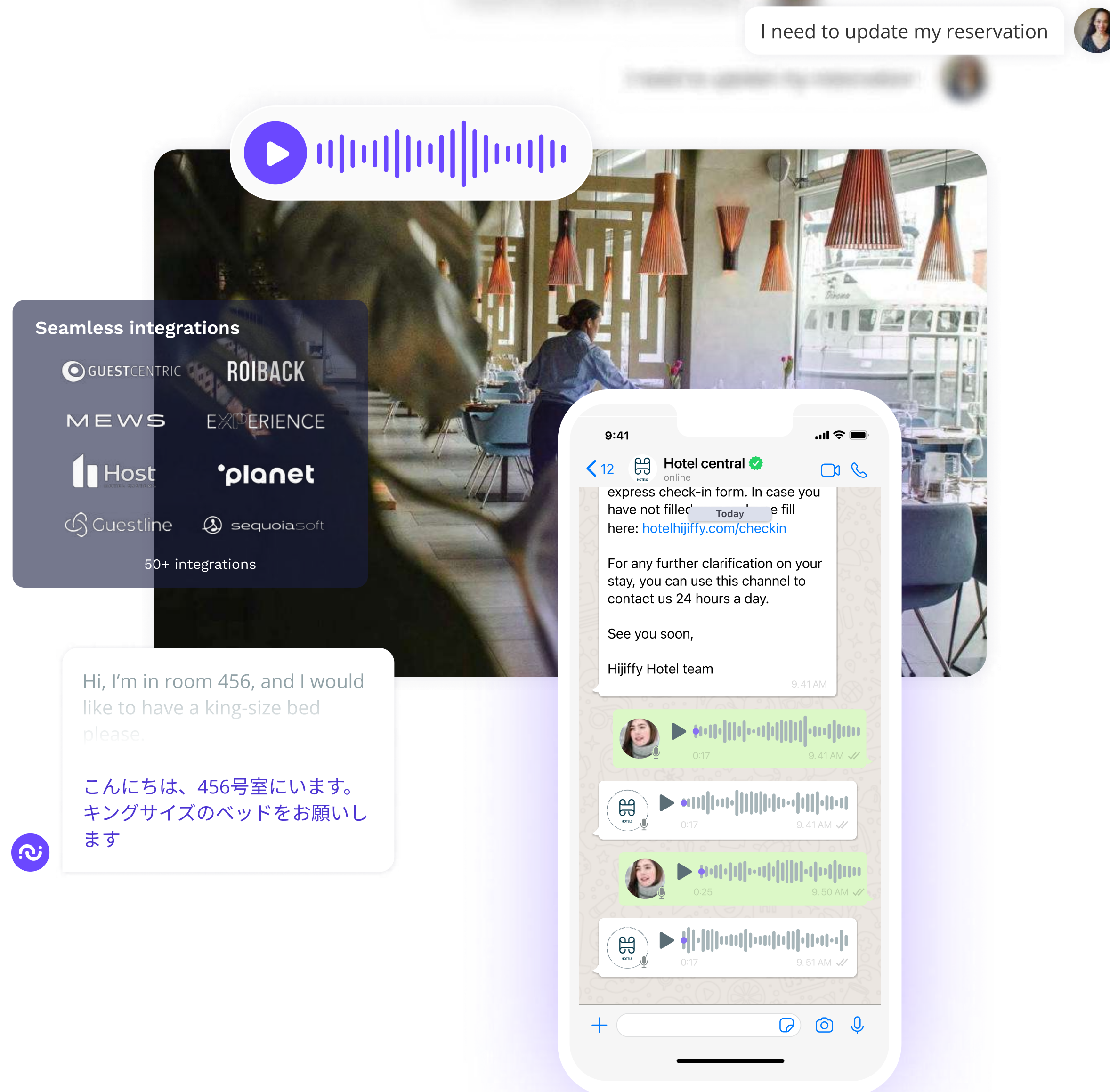
# About HiJiffy

HiJiffy was founded in 2016 with the mission of developing the most advanced conversational AI for hospitality. Seeking the perfect connection between hotels and their guests, HiJiffy created a powerful Guest Communications Hub.

Powered by its proprietary AI - Aplysia OS - across the full guest journey, HiJiffy allows hoteliers to **increase revenue** from **direct bookings** and **upselling** while **automating repetitive tasks** to **reduce operating costs** and **mitigate staff shortages**.

I need to update my reservation

**Seamless integrations**

GUESTCENTRIC  ROIBACK
MEWS  EXPERIENCE
Host  planet
Guestline  sequoiasoft

50+ integrations

Hi, I'm in room 456, and I would like to have a king-size bed please.

こんにちは、456号室にいます。キングサイズのベッドをお願いします

9:41

**Hotel central** ✓
online

express check-in form. In case you have not filled _____ e fill here: hotelhijiffy.com/checkin

For any further clarification on your stay, you can use this channel to contact us 24 hours a day.

See you soon,
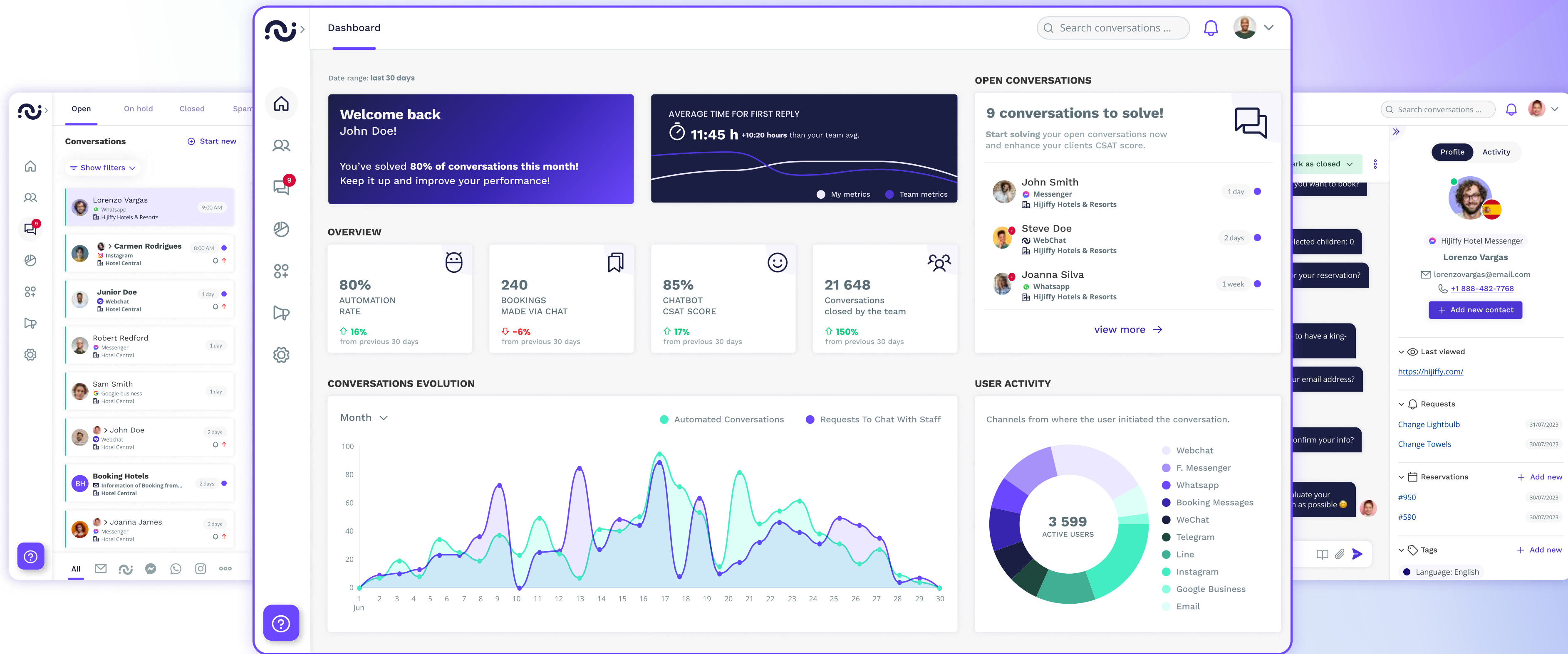
Hijiffy Hotel team
9.41 AM

In 2023, more than 1,800 hotels in over 50 countries reimagine guest communications with HiJiffy's omnichannel solution featuring cutting-edge tech innovations like self-learning AI, sentiment analysis, voice assistance, GPT-4, and more.

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# Customer experience managed **in one place.**



**Centralise**, **automate** and **measure** your customer care and communications in a single powerful platform.

# Connect with us

info@hijiffy.com     +351 21 123 0217     hijiffy.com

**HiJiffy**

Hotel Tech Report     #workatHiJiffy

Book a demo