

# In-room entertainment options influence guest experience

By CHRISTINA TRAUTHWEIN

**NATIONAL REPORT**—As many travelers feel their hotel room is, in effect, their home away from home, it's no surprise that in-room entertainment providers are continuously launching product to support that notion. Moreover, properties are stepping up their technology game to create personalized and convenience-focused environments to keep their guests satisfied. "Technological trends and consumer demands over the past several years have changed how the industry markets its properties and services the guests," said Paul Wood, VP of revenue management, Greenwood Hospitality.

We all remember the days when hotels would proudly advertise "free cable TV" on their signs, hoping to attract travelers to their destination. Even today, hotels boast tech features to draw guests in and keep them coming. "If guests find the technology helpful, they will come back," said Naveen P. Kakarla, president and CEO of HHM. "You become competitive by how you can put technology into your room."

Added Wood, "Today, business travelers and leisure guests are looking for a new experience. In fact, the guest's expectations for the newest technology continue to grow. The pressure on hotel brands and operators has increased to a point where, in many cases, a key metric of Guest Satisfaction Surveys (GSS) is measured by the overall technological and entertainment experience of the stay." Kakarla noted where the lion's share of the dollars has gone. "For years now, our primary technology investment in the room has been the TV." To that end, it's essential to provide in-room technology that relates to what is out there now, what people are currently using. And, according to Kakarla, those entertainment options can take on many forms.

"First and foremost, mobile is here to stay," said Kakarla. "And while everyone has said that, I don't think that most hotel companies have made all the adjustments they need to make sure they're in sync with the tastes and preferences of those travelers."

Another component of in-room entertainment that is trending right now—and is sure to continue its climb in importance—is how guests interact with their televisions. "We're looking at how people use their TVs," said Kakarla. "It's important for them to be able to



Naveen P. Kakarla  
HHM



Paul Wood  
Greenwood Hospitality

put their own content on." But, according to Kakarla, the next wave for that will be wireless: Why install a connectivity panel that has USB and AV running through the walls when most of us are able to use, for example, Apple TV to stream media? Kakarla believes that wireless interface with TVs is something that people are expecting. As a side note: While not specifically categorized as "in-room entertainment," rooms keys, an essential element of a guest's experience with their room, plays into this. Kakarla explained, "With most other travel applications, you're able to book online and get the equivalent of a boarding pass. And a room key is as interesting to most of

our guests as that boarding pass. It's required, but it's not an innovation. I think we're going to start seeing more people, either through a dedicated app or an Internet connection, get the equivalent of their room key to be able to use RFID to access a room that's earmarked for them." Added Wood, "RFID locks and ease of the check-in and check-out experience will be hot topics in the coming years."

As with many hotel companies, HHM has invested primarily in LCD TVs but is moving toward LCD-LED models for its properties. "We

have flatscreen LCDs across our portfolio, but are replenishing with LED," Kakarla said. More energy-efficient with a brightness that is compelling, as compared to standard LCD units, LCD-LED TVs are dropping

significantly in cost, becoming more price-competitive and, quickly, becoming the standard. "It's getting harder to find a [standard] LCD at the right price point," he said. As for 3D TVs, "While they are becoming more popular with the general consumer base, the demand has not been within the industry...yet," said Wood. And when it comes to deliv-

ering content, the focus is on high-definition. "The worse thing is having a state-of-the-art TV that has the wrong content being pushed into the box," said Kakarla. "And if you don't have enough HD channels and you have an HDTV, it's frustrating. It's not okay for guests, and it defeats the purpose." For HHM, the top priority has been offering HD channels at its properties; the second, ensuring that there is enough diversity of channels to meet guest preferences. For example, "Our hotels in Miami might have a higher demand for Hispanic-focused television," said Kakarla. "You expect content in high-definition that you would otherwise have at home." HHM looks at the demographics available

through its property management systems to see what channels people would prefer and puts its money there. "To some, that might be considered a low-tech investment, but I will tell you it has a higher ROI than finding a new gadget," said Kakarla. "A high-def signal of the station you want is more celebrated than trying to show off what, effectively, is a leading-edge technology in a hotel room with a very diverse knowledge base among the guests."

The ante for being competitive in the market has included more technology than it did a few years ago—and technology can set one brand apart from another. "It's really more about how you use the technology," said Kakarla. "Less about marketing and more about discovery within the hotel." He cited an example: HHM started implementing KoolConnect at some of its hotels, meeting its pay-per-view need, while also allowing guests to have a virtual concierge on their TV. "It's important to keep current technology in use, to have a television that not only becomes a place where you can display images from your laptop or mobile device, that shows high-def content, that allows you to learn about the surrounding neighborhood in real time, but to place orders and make housekeeping and maintenance requests. You then have a more functional box. In the end, it's not about making the TV bigger, having a fancy-looking gizmo in the room, but about taking one remote control and meeting all of those needs in a box that already exists."

"Historically, our industry has not led the charge in the area of technology, but now we need to begin to move towards being ahead of the curve so that we can add value for the guest and, thereby, increase revenue and ancillary business," said Wood. "Everything in the industry is based on revenue generation and we know that the cheapest guest is the return guest. It's for that reason that the spend on in-room technology and entertainment can deliver a significant ROI when quantified by an ROE (return on engagement) metric."