

Smart phones change how hotels do business

By Jessica Davies, ehotelier.com

Intercontinental Hotels Group's mobile revenue will overtake web revenue in the next few years, according to VP of web and interactive marketing Michael Menis.

Speaking at Mobile World Congress in Barcelona Menis said the hotel group generated \$40 million in mobile revenue last month, and although it accounts for a small percentage of overall revenue exponential growth in mobile revenue will see it top the hotel group's web revenue in the next few years.

"In 2009 we booked \$2 million through mobile for the year – at the time that was a really big number. Last month we generated over \$40 million just for that month and I'm sure in five years we will look back and think that is small," he said.

"It already represents 30 percent of our web traffic and we anticipate mobile will overtake web revenue in the two to three years," he said.

The rapid evolution of mobile technology provides more opportunities for IHG to connect with its guests across their entire journey, according to Menis.

"The phone of yesterday is becoming extinct. Today's smartphone can do almost anything. In the hotel space people expect to be able to research their hotel, check prices, check reviews, a hotel's location, check-in and make bookings – they want to be able to do everything.

"We are exploring the role the smartphone can play within the guest journey. We must figure out the right ways to market and communicate with them via mobile and enhance the travel

experience and overall customer satisfaction,” he said.

Part of its strategy to provide guests with a seamless mobile customer journey will include developing mobile check-in services. “One of the big things for us is how to bypass the front desk and enable guests to check in on mobile and go straight to their room. We are also looking at integrating in-hotel services like food and drinks and room service,” said Menis.

It is also exploring how to incorporate its loyalty schemes into its guests’ mobile experience. This includes a service it calls “micro burn” which lets customer redeem loyalty points for small purchases such as drinks they may order at a hotel bar, according to Menis.