



## HOW AI IN HOTELS WILL REMODEL THE HOSPITALITY BUSINESS?

Hotels need to incorporate AI when it comes to demand and revenue forecasting for anticipating future performance of the 3 main metrics



Occupancy



ADR  
(Average  
Daily Rate)



Revenue PAR  
(Revenue Per  
Available Room)

Demand specific probability and optimization carried out by AI and ML are built on



SEASONAL  
CHOICES



CURRENT  
TRENDS



LOCAL  
EVENTS



HOTEL  
HISTORY



OTHER CULTURAL  
ATTRIBUTES



McKinsey claims in their research that companies effectively personalizing their services can increase revenue by **10% to 15%** and diminish service cost by **15% to 20%**

Consolidation of total devices in use through IoT implementation leads to reduced cost of maintenance and purchase for hotels. With AI and IoT, hotels can whittle down the chief devices such as



- Wi-Fi access point (in-room)
- SIP telephone
- Hotel alarm clock with bluetooth audio streaming
- Special tablets for guests



The total capital that goes into installing the whole technology set would amount to nearly \$800 to \$900. However, if hotels choose to bundle them together into a single guest room device, the cost could be cut down to almost \$500.