Navigating consumer connectivity trends in hospitality in 2024

Following a challenging pandemic period, the hospitality industry is showing signs of recovery and positioning itself for potential growth in the coming years. As more travellers make their way abroad, hospitality companies need to deliver what they desire so they return. A robust, high-speed, resilient network is at the top of every traveller's priority list - as well as it being a key business enabler.

In 2023, the global hospitality market was valued at $4.7 trillion. The numbers are projected to grow at a CAGR (Compound Annual Growth Rate) of 16.13% and reach $9,950 billion by the end of 2028[1].

Network connections are an increasingly vital component for these companies. Recently, perceptions surrounding the purpose and value of the technology shifted, so now it has worked its way to the top of the priority list. While guests demand reliable internet accessibility, there are several reasons why hospitality providers benefit from it as well:

Guests want to stay connected on vacation

In today's fast-paced, digital world, people increasingly rely on network connections to simplify their lives, connect with others, and be entertained, especially when they're on vacation. Hospitality companies need to respond to that demand.

No one wants to fumble about with paper. Instead, they prefer connecting via their own device, which streamlines traditional manual interactions. For instance, the expectation of contactless check-in and check-out is growing in the hospitality industry. No more long waits at the check-in desk; swipe a few times and proceed directly to the room.

Another change involves visual entertainment. Interest in traditional Pay Per View on-demand services is waning and being replaced by streaming services. Visitors want to access their own Netflix, Amazon Prime, or other service on the very large TV in their rooms or wherever else they roam on site: the lobby, the pool, the restaurant.

With the rise in remote work, digital nomads often seek out hotel lobbies or pools as temporary offices. Their goal is to log on, do what the boss wants ASAP, and get back to enjoying themselves.

Ubiquitous, reliable connections

The changes are forcing many hospitality businesses to take an honest and critical look at their network services. A relatively reliable consumer-grade Wi-Fi network was sufficient to meet clients' needs a few years ago - no more. Expectations have grown dramatically. Increasingly, consumers feel that they should offer higher internet speeds. It is almost standard for modern internet usage to require speeds ranging from 12 to 25 Mbps, and digital nomads expect a minimum of 25 Mbps[2].

Assuming each guest uses two devices and streams HD content for two hours per day, approximately 10 Mbps of bandwidth will be needed per guest. Extended to accommodate a hotel with 100 rooms, the potential required internet speeds could be as high as 1 Gbps and beyond. This is just a rough estimate, as actual guest usage and behaviour varies widely.It does, however, illustrate the need for flexibility in bandwidth planning to account for fluctuations while providing seamless productivity. In essence, the hotel network has become more critical than ever. Bandwidth delivery and availability are vital to how travellers remember their trips.

Company networks need to expand

A hospitality organisation's network drives not only the customer experience but also its business communications, marketing activities, bookings, front-of-house, and back-office operations.

In many cases, hoteliers contend for bandwidth, with guests bringing more devices and performing more rigorous online activities than ever before. As hotels adopt IoT-based solutions to address guest demands for an even more personalised and faster service, contention for bandwidth will rise.

Leveraging technology to address labour shortages

Another trend born during the pandemic is an industry-wide labour shortage. Many resorts and restaurants laid off staff in order to survive the pandemic but have struggled to refill those positions now that they are back operating as normal. As a result, many hospitality operators must find ways to deliver the same level of guest services with fewer staff members. Technology, such as self-service systems and process automation, offers them the potential to offload routine tasks and have staff focus on fulfilling clients' other wishes.

The potential business benefits of such changes are evident in many ways. For instance, restaurant staff can serve more customers without compromising the quality of the experience if the resort takes mobile orders and payments.
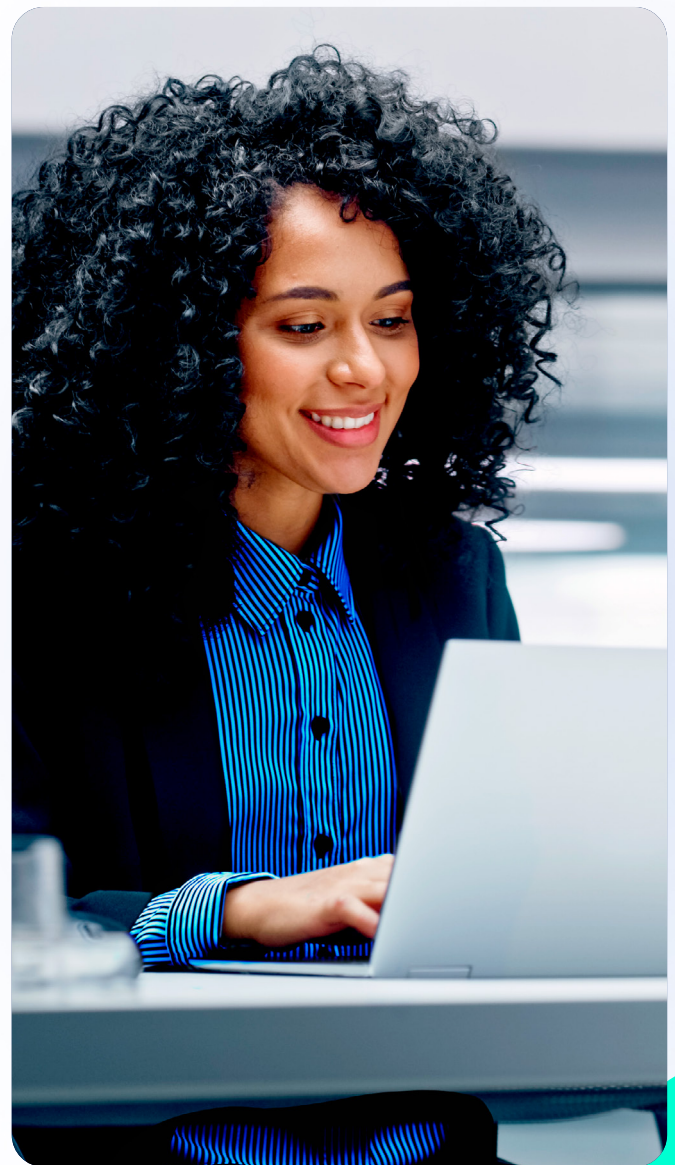
The case for managed network services

Many companies may face challenges due to a lack of staff with in-depth knowledge of networking and the related issues. What's needed is help from a Caribbean network partner, someone not only familiar with the technology but also the locality.

Managed services allow them to offload the heavy-duty technology evaluations, deployment, and maintenance to an outside party. Since networking is their business, they understand what is needed, the process of moving from the old to the new, and how to mitigate any potential problems.

The pandemic was a catastrophic period for hotel operators. They now are at a point where they must welcome back their much-missed guests. Consequently, they need to take a close look at their network infrastructure and decide if upgrades are needed.

A third party can help hoteliers not only determine what is required, but also take on part of the responsibility of installing and managing the network so hoteliers can concentrate on serving their growing number of guests.

The good news is that the hospitality industry is poised for significant growth, and C&W Business understands the unique challenges currently faced by hospitality enterprises. Our managed network services can provide the solutions your business needs to meet these challenges head-on. We can help you upgrade network infrastructure and deliver a seamless guest experience so they can focus on growing their business in 2024 and beyond.

Hotel chains suffered from some high-profile data breaches in recent years. So, the network has to have the right infrastructure, one that not only serves customers but protects information against hackers and other cybersecurity threats.

In the post-pandemic landscape, it is paramount for hospitality businesses to leverage technology to enhance customer experience. As the demand for comfort, convenience, and high-quality service grows, hotels need to turn to technology tools and systems, like booking systems, property management systems, AI-powered chatbots to enhance operations and improve customer service, or even the Internet of Things (IoT) to meet these expectations. All these platforms require reliable connectivity to be able to perform at their best.

The need to invest becomes clear

The end result is an even greater reliance by hospitality providers on their network, in order to meet this positive turnaround in bookings, and an increasingly savvy consumer who demands always-on connectivity. With up to 81% of travellers frequently reading reviews before booking a place to stay, and 78% focusing on the most recent reviews, online reputation management is more important than ever.

This is particularly true when the top reason (87%) for people writing reviews is simply to share good experiences with fellow travellers. Now, any disruption or congestion means a potential loss of revenue, a decrease in productivity, or damage to the customer relationship[3].

Preparing for a more connected guest experience tomorrow begins by examining what's in place today. In many cases, they find ageing cable plants that were installed to support a simple task. As a result, they need to determine how to manage a mishmash of equipment that was deployed autonomously. Now, they must evaluate what they have and address any limitations.

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