

Cloud Computing: The Post-Pandemic Hospitality Elixir?

By Nadhirah Rosli | July 21, 2021, 2.00pm

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With an increase in global vaccination rates and the gradual reopening of international borders, the light at the end of the tunnel appears to be shining brighter for the travel and tourism industry.

However, this raises a number of concerns for both hoteliers and travelers.

What can we expect next? What impact has the pandemic had on service, and what are the main concerns that travelers have when traveling to a foreign destination? Is exceptional service enough to give a competitive advantage, or are consumers more price sensitive as a result of the recent global economic downturn?

During the pandemic, there has been an undeniable increase in the need for hotels to digitalize in order to keep up with the growing market trend. In this new era of technology, one of the most important ways for hotels to streamline their operations is through the use of a data storage system.

Cloud-based alternatives are transforming the hotel industry. Just as databases in the early 1990s enabled hotels to efficiently manage large numbers of reservations and requests, cloud solutions offer the opportunity to eliminate common grievances and frictions across the entire ecosystem.

The magic of Cloud for Hoteliers:

Reduce costs: Cloud services enable the hospitality industry to pay only for the services that are required. Cloud computing also makes smart building management an actuality, while making projects and maintenance easier.

Improve experiences: Cloud services, for example, provide leeway in services by allowing employees to work from wherever. Guests have the same freedom to manage their needs from just about anywhere.

Construct a resilient infrastructure: Disruption can have far-reaching consequences. Assume that hotels must telecommute, close or reopen certain operations, change supply lines, or otherwise alter operations. In that particular instance, cloud services facilitate a smooth transition by providing a centralized communication channel.

Customize guest offers: Data capture provides a wealth of information. Cloud computing enables hoteliers and other hospitality organizations to provide personalized experiences as well as responsive, reliable services.

Moving to the cloud allows the hospitality industry to scale as well. It enables businesses to work with various software solutions if necessary, removing the friction required to build upheaval operations.

The following is a breakdown of cloud computing in hotel operations:

Cloud computing can provide a seamless experience for customers while reducing service barriers on the staff side. This life-changing experience can occur in stages.

Pre-arrival: Cloud services collect data from the moment a customer interacts with a company or service. The hotel, for example, can keep track of which services or rooms the customer viewed and make recommendations for upgrades.

Arrival: When guests arrive, their information is saved and made available to all members of the staff. This provides personalization from the start.

The stay: Knowledge of previous stays provides insight into customer preferences. A hotel may address mistakes from the start or identify missed opportunities. Personalization continues with upsell offers that appear as the customer interacts with the hotel.

Departure: The cloud not only enables a frictionless checkout experience with no surprises, but it can also follow up afterward to continue to nurture relationships and reward loyalty.

Preparation: Following guest stays, businesses can enable targeted follow-up. Cloud computing can also handle things like predictive maintenance to reduce downtime, especially during peak seasons.

The cloud offers a true end-to-end solution for hospitality, restoring the thrill of travel. This type of solution could be a differentiator for success in an industry with fierce competition.

Though cloud computing appears to be the elixir of this fast-changing industry in theory, the practical aspects of it create a double entendre in practice. The key challenge for many Hotel Owners and General Managers remains in *perception*.

The dependability of the Cloud

The hospitality industry wants to know that they are not implementing yet another solution that will be obsolete in a matter of years. Rigidity in older systems causes problems with connectivity and service. When the internet or a system fails, operations come to a halt.

This will be critical following the pandemic, as data collection will be the primary indicator for studying consumer trends, as historical data will be rendered irrelevant.

Cloud Security

Shifting to cloud storage, understandably, raises concerns about where the information is stored and who has access to it. Fortunately, security is built into the right cloud services.

On-premises solutions necessitate frequent updates and an in-house team that is well-versed in all security best practices. This can be difficult in an ever-changing tech landscape for companies that do not have a primary tech focus. And in certain cases, there are different company requirements in data security standards that might differ from the cloud services provider.

Perception = Education

Though this may come as news to some, most hoteliers are unfamiliar with the concept of cloud computing for work. A sizable proportion of hoteliers has been in the industry for decades and, suffice it to say, does not fit into the digitalization era. The challenge of educating and adapting things to move to a cloud system can be difficult and time consuming.

Trainings may take longer for this older generation, and it may not be the most lucrative move for hotels, which are expected to catch up with the surge in demand following the pandemic.

Developing cloud-based solutions for the hospitality sector

Despite growing concerns in some areas, it is not a matter of if, but of when, companies in the hospitality industry will adopt these solutions. Companies can reap the benefits of an end-to-end experience by selecting a provider who is familiar with the nuances required for hospitality excellence.

Even though cloud reliability concerns have been raised, cloud services reduce the number of ways in which interruptions can derail operations. Employees can work from any location, switch devices as needed, and reduce the risk of data loss or unauthorized access. If the internet goes down, connectivity via 4G-enabled devices can take over.

Cloud services can provide the full security expertise, as well as automatic updates, that the hospitality industry requires to keep data secure.

The market is evolving, with new methods for ingesting, processing, and protecting customer data being introduced. And it is the free flow of data that will allow the hospitality industry to enter a new era.

References:

- Elizabeth Wallace. *Cloud Computing Continues to transform Hospitality*. RT Insights. <https://www.rtinsights.com/cloud-computing-continues-to-transform-hospitality/>

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