DIGITAL TRANSFORMATION IN THE HOSPITALITY INDUSTRY

A.M. HUMENIUK, postgraduate student of International Tourism and Hospitality Department
West Ukrainian National University, Ternopil, Ukraine

Accelerated technological innovation, globalization, and digitalization have become one of the most defining features of human development. In such circumstances the hospitality industry, which usually responds quickly to radical changes in all spheres of social, economic and cultural life, was one of the first that felt the impact of the fundamental changes caused by the fourth industrial revolution, or Industry 4.0. The hospitality industry, for which digitalization processes have become particularly relevant, have the opportunity to expand the target audience, improve the quality of service, and thus develop at an accelerated pace, using an increasing number of high-quality digital platforms. There are dozens of tech startups in the hospitality industry that seek to digitalize the operations of hotels and restaurants by bringing innovative ideas into the industry.

No doubt, digitalization in the hospitality industry is an irregular process across the world. Therefore, the analysis of key modifications and trends will provide insight into the challenges facing the hospitality industry.

Today, the hospitality industry is not just a powerful service industry, but a global computerized business involving hotel and restaurant complexes, major airlines and travel agencies around the world. Due to information technology, the hospitality product is becoming more individual, accessible and flexible for each consumer. For example, virtual reality technologies allow you to travel without leaving your home. Many tour operators offer to visit digital landmarks. In virtual tours, the user is accompanied by a personal guide who tells about the sights.

In addition to virtual, augmented and mixed reality technologies, other applications, services and technologies are used in the hospitality industry. Thus, in many European cities, hostels with automated check-ins/check-outs have appeared recently.

There are services for tourists that help them plan their trips. Applications, based on artificial intelligence, such as "Travel Genome" and others, are becoming personal pocket travel agents. They accumulate information from various search systems with photos, videos, reviews, guides, offers from airlines, hotel and restaurant chains. The user enters queries according to interests, and the program generates a personalized offer. The neural network remembers the user's preferences, takes into account financial aspects, and offers an individualized travel, food, and accommodation plan. In such services, you can compare fares for flights, rent accommodation, pay for excursions, and view lists of entertainment or current events.

The Internet of Things is closely related to personalized service. The Internet of Things makes it possible to collect data on customer preferences and optimize environmental conditions for these parameters (temperature, noise level, lighting, water temperature).

Chatbots are also becoming popular among travellers. Chatbots help to select and book a tour. Chatbots are based on artificial intelligence technologies and are able to conduct a relatively simple dialog with customers. For example, "Hyatt Hotels" has been using the Facebook Messenger chatbot since October 2015 [1, p. 237].

It's worth mentioning such important and widespread information systems in the hospitality industry as computer reservation and booking systems. The most popular in the international tourism market are "Sabre", "Amadeus", "Worldspan", and "Galileo". Travellers buy airline tickets using the "SkyScanner" service and book hotels on "Booking.com".

Thus, hospitality management software makes it possible to solve various tasks. They can be divided into six type, depending on the functions they perform: customer service, tour management, directory support, payment processing, preparation of outgoing documents, and service modes.

New solutions for supplying the hospitality companies with multimedia content are provided, in particular, through the NDC – New Distribution Capability. It is a technology standard, which is already being implemented by airlines, hotels, restaurants and other travel service around the world. The main expectation of modern tourists is maximum choice with minimum effort. At the same time, high requirements for the result remain. The personalization and reliability of the source play a crucial role.

It should be mentioned, that the factors hindering the development of digital technologies in the hospitality industry include [2, p. 110]:

• financial and economic (it is quite difficult for small and medium-sized businesses in the hospitality sector to invest in digitalization. There are no benefits and programs to support and stimulate them in this area);

• regulatory and legal (lack of clear regulatory and legal legislation to regulate the interaction of entities during the transition to the digital space);

• general instability (differences in the financial and political capabilities of regions to integrate into the country's digital space).

In general, the use of digital technologies in the hospitality industry allows to strengthen customer relationships (inform and manage customers), sell more services and increase their price; improve the quality of services (smartphone as a room key, hotel check-in via the app, exchange of notifications with hotel staff via the app), improve emotional perception (marking where you have been and sorting photos by visited places, reminders, directions and instructions at the airport, train station, port and on board the ship); create new opportunities to find customers (messages, advertising, reviews).

It follows that the introduction of digital technologies can be effective if they take into account the specifics of the hospitality industry. The experience of developed countries that have achieved positive results in the digitalization of the hospitality sector shows that in order to realize the country's tourism potential, it is necessary to develop a comprehensive strategy for the digitalization of the industry.

Literature:

1. Tuomi, A., Tussyadiah, I. P., & Stienmetz, J. (2021). Applications and Implications of Service Robots in Hospitality. *Cornell Hospitality Quarterly*, no. 62(2), pp. 232-247.

2. Kansakar, P., Munir, A., & Shabani, N. (2019). Technology in the Hospitality Industry: Prospects and Challenges. *IEEE Consumer Electronics Magazine*, no. 8, pp. 101-118.