MARKET REPORT

HVS Monday Musings: Embracing Contactless Check-in with DigiStay in the Indian Hotel Sector

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Is it time for the Indian hotel sector to proactively embrace contactless check-in with DigiStay? Read on to know more.

Fueled by evolving consumer preferences, the surge in adopting contactless technology across various sectors has been remarkable in recent years. This trend is particularly prominent in the payments sector, which has witnessed a sixfold growth between 2018 and 2021 in India alone. Building on this transformative shift, the Ministry of Civil Aviation in India has partnered with Dataevolve Solutions to introduce the DigiYatra App at select Indian airports. Employing facial recognition software, this cutting-edge app provides contactless passenger validation and has garnered significant traction since its launch in December 2022, boasting over 3 million users as of June this year. The efficacy of the DigiYatra App was vividly demonstrated during the G20 Summit in Delhi, where passengers were actively encouraged to leverage the app for efficient airport management. Despite its current limited deployment in a select number of airports, the app's success not only underscores its potential for widespread adoption but also signifies the nation's willingness to embrace innovative solutions.

While DigiYatra has transformed the aviation sector, there is immense potential for similar innovations in the hospitality industry as well. Leading global hotel chains, including Marriott, Hyatt, Hilton, Accor, and citizenM, have already embraced contactless check-in at their properties. Hilton, for instance, has been utilizing digital check-in since 2015, offering guests the convenience to choose rooms, access digital floor plans, and even use a mobile key through the Hilton Honors App. Marriott, Radisson, IHG, Accor, and others have followed suit, providing guests with pre-check-in facilities, digital room keys, and additional features, such as ordering in-room dining and requesting housekeeping, through their mobile apps.





OYO Rooms, meanwhile, has introduced a virtual front desk solution leveraging GPT-4 for partner hotels in the UK. This solution is expected to not only reduce guest wait time with a 5-minute check-in service and language translations but will also enhance operational efficiency, reducing front desk operations expenses by 60%. citizenM has implemented self-check-in-kiosks at its properties, that allow guests to create their own keycards via QR code scanning or entering booking references. All these features eliminate front-desk lines and free up staff time for more meaningful tasks. Additionally, these innovations improve operational efficiency, especially during peak times or seasons, and engage guests proactively before their stay, contributing to an elevated overall experience. Going forward, hotels may be able to utilize the extra space freed by eliminating front desks for additional revenue-generating purposes such as co-working areas, shops, or pop-up restaurants.

Despite the global trend, the adoption of contactless check-in technology in hotels in India remains limited mainly due to the associated investment requirements. Nevertheless, considering the current manual check-in and check-out procedures, wherein staff relies on physical documents for identification verification, resulting in frequent delays and guest frustration, it is imperative for the Indian hotel sector to proactively incorporate these technological advancements. Introducing a contactless check-in system, DigiStay, akin to DigiYatra could potentially revolutionize the hotel sector, streamlining the entire process and allowing guests to complete formalities well in advance. It is perhaps time for the hotel sector, in collaboration with the Tourism Ministry and relevant state tourism boards, to consider evaluating potential partnerships with DigiYatra or similar service providers for a unified check-in process that encompasses air and rail travel reservations alongside hotel reservations, although revisiting certain state and local regulations may be necessary to facilitate this integration.