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Marriott's CIO Says Mobile Apps Are Changing the Guest Experience

Marriott Chief Information Officer Bruce Hoffmeister on the hotel giant's tech upgrade



BRUCE HOFFMEISTER | 'Mobile revenue was up 25% year-over-year for 2014 to 2015.' PHOTO: EMILY HICKEY/MARRIOTT INTERNATIONAL

By **STEVEN NORTON**

Updated May 27, 2016 9:39 a.m. ET

Hotel giant Marriott International Inc. is working to craft a customer experience that is the right mix of high-tech and highly personal.

The company is rolling out many tech-driven amenities, including the ability to skip the front desk at check-in, order room service via a mobile app and log in to Netflix from the hotel-room television.

Bruce Hoffmeister, global chief information officer and an almost 30-year Marriott veteran, says the rise of mobile has given the company more opportunities to interact with customers before, during and after a stay. His teams must make sure the new

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technology not only works but is easy to use.

As Marriott prepares to merge with Starwood Hotels & Resorts Worldwide Inc., Mr. Hoffmeister also will be tasked with integrating a new set of hotel technologies.

The Wall Street Journal spoke with him about deploying new mobile offerings and building customer loyalty, among other things. Here are edited excerpts:

Before, during and after

WSJ: *What has been the biggest technology shift in the hotel industry over the past five years?*

MR. HOFFMEISTER: In the past, technology was used by Marriott associates to deliver services to guests. Now it's being delivered to guests to consume our services, as well. Technology is much more pervasive in the company than it once was, which allows us to have interactions with our guests at many more touch points during their stay, and not just when they're within our property.

WSJ: *What do you mean?*

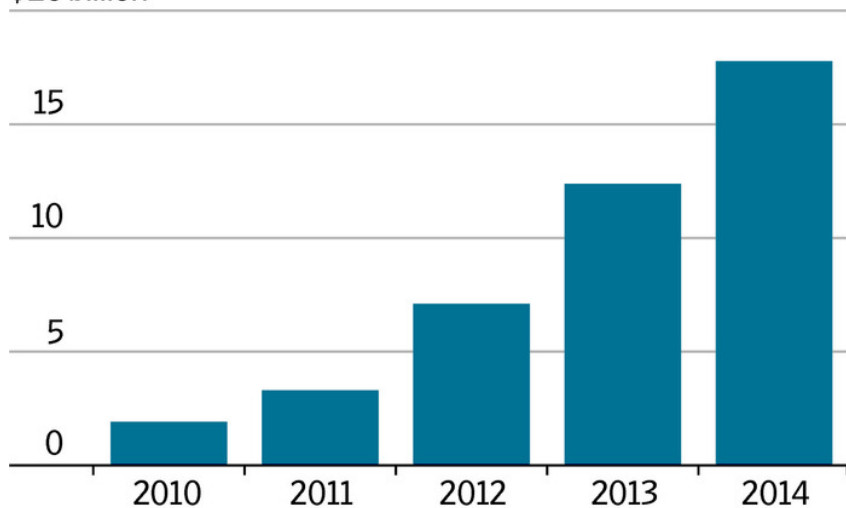
MR. HOFFMEISTER: We can have interaction with them before they get to our hotels, and after they leave. We look at customer experience through the entire journey, from

the very beginning when they're considering a trip and shopping and booking it, to the actual travel and stay, and then the return home. There's a life cycle of a stay that every guest will go through on every single trip. From a mobile perspective, [we ask] how are we able to touch and influence our guests during all parts of that journey to allow them to have a more meaningful experience and an easier experience?

Move to Mobile

Global sales of lodging and other types of travel services made through the websites or apps of hotel companies and other lodging providers via mobile devices have surged since 2010

\$20 billion



Source: Euromonitor International THE WALL STREET JOURNAL.

WSJ: *What kinds of technology have you released to improve customer experience?*

MR. HOFFMEISTER: We now have mobile check-in and mobile check-out. We are in pilot stage now with digital entry, using your smartphone as a key to open your hotel room. That's going to grow very rapidly. We also have the ability to do mobile service requests, so guests can interact with staff at the hotel through their mobile devices, whether they want a different kind of pillow, or some kind of service. We're doing some

work with mobile dining, so you can order food through your mobile device.

WSJ: *How do you choose what new services to deploy?*

MR. HOFFMEISTER: We need to make sure we have something that is scalable and reliable. If the technology is going to work for 50 or 100 hotels, that isn't as interesting to me because we have over 4,000 hotels and are going to be getting bigger very soon. Guests need to know that the technology works for them and that it is intuitive. I was joking with someone the other day that we don't have the opportunity to send our guests to training classes, so the technology has to be something that's easy to use, intuitive and just works. And that's one of the challenges that all CIOs today face.

WSJ: *How do you ensure that?*

MR. HOFFMEISTER: A recent example is our rollout of Mobile Requests. On average, a quarter of our guests have a question or request during their stay. Mobile Requests gives them another touch point for communicating with on-property associates, from wherever they are, whether it be before, during or even after their stay, in a way that is seamless and intuitive through their mobile device.

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technology deployments at Marriott, we tested three things before scaling Mobile Requests: customer adoption, technical complexity and operational feasibility. In mid-2015, we piloted Mobile Requests at 20 properties. As the responses from these pilot properties ramped up, we were soon getting very high engagement. During this pilot phase, we looked at what services or amenities guests were requesting the most through the Mobile Requests platform, which allowed us to modify the pick-lists and our scripts to be more relevant to our guests' needs and preferences. Soon, we were handling hundreds and then thousands of requests weekly at our pilot properties. In November 2015, we successfully expanded the deployment of Mobile Requests to 700 hotels across five brands. Guests who use Mobile Requests can pick what they need from a pick-list or use the chat feature to engage directly with an associate on property, which 20% of guests [using the app] choose to do. Forty percent of users like to start engaging with the hotel before they even arrive.

Mobile-revenue growth

WSJ: *What other challenges do you face when thinking about new guest technology?*

MR. HOFFMEISTER: A lot of the new unique things come from smaller startup companies, so that's kind of interesting. How do we take a chance on a smaller startup that has something that we like? What we've done in the past is partner one of these smaller startups with one of our larger partners that is much more tenured. We had the benefit of the entrepreneurial thinking out of the smaller company, but we had the

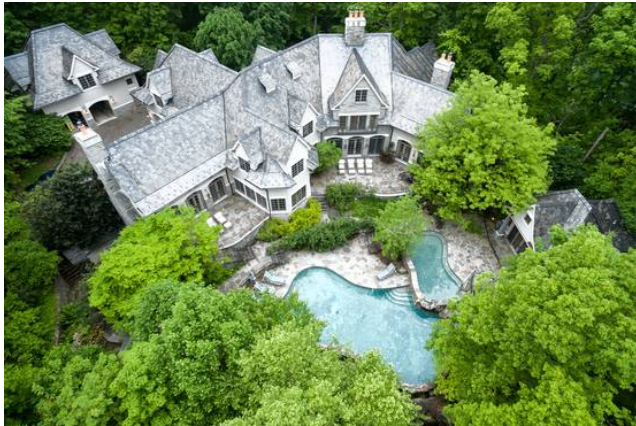
maturity and reliability of the larger company. We'll do something like that to try to mitigate our risk.

WSJ: *What results have you seen after rolling out new mobile apps?*

MR. HOFFMEISTER: Mobile revenue was up 25% year-over-year for 2014 to 2015, and we're expecting another large increase this year. More customers are going to mobile channels, and our websites are the same way. Those channels continue to grow, and even if a guest doesn't book on the Marriott.com channel, 75% of all guests use Marriott.com to get some information about their stay. Whether it's to shop, to book, get directions on how to get to their hotel, or get information about what they can do in the area.

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