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CASE BASED ON
***DIGITAL
TRANSFORMATION
IN BLISS HOTEL***

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PROBLEM STATEMENT

To improve occupancy rates and enhance customer experiences and brand loyalty of the bliss hotels by adopting digital transformation at various points in the value chain leading to retaining customers and business growth.

ASSUMPTIONS

- Focus only on the US travel and hospitality industry
- Market Share for Bliss is declined 10% due to home Away
- Bliss is a traditional incumbent and has not undergone any digital transformation so far and Currently, it is not on any travel aggregator sites such hotels.com
- Services it offers are unmatched vacation, business travel and leisure experiences

REASON FOR THE DECLINE IN CUSTOMERS

- M&A by traditional hotels in the fragmented industry
- Emergence of new digital players like Booking.com, hotels.com
- Recommendation are driven by competition sites such as Tripadvisor.in
- Emergence of sharing economy P2P business model such as AiRBNB, Home Away
- Covid-19 has a major impact such as changes in company travel policies, consumer sentiment and willingness to travel, and structural changes to demand such as videoconferences instead of in-person event

DIGITAL MATRIX

	Experimentation at the edge	Collision at the core	Re-invention at root
Industry Incumbents		★	
Tech Entrepreneurs			
Digital Giants			

APPROACH

• Industry & Problem

• Buyer Persona

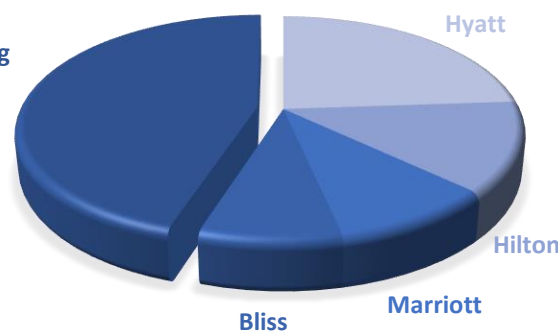
• Customer Journey

• MVP & Agile Delivery

• Change Management

COMPETITOR ANALYSIS

Other including Home Away, AirBNB

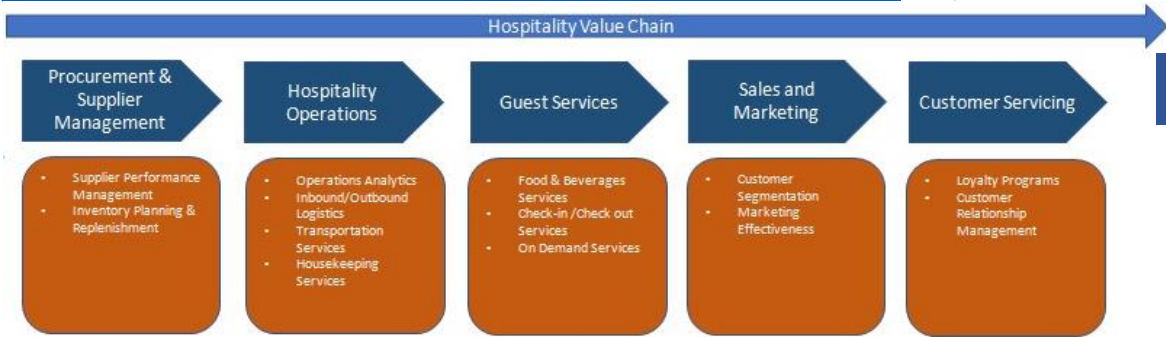


	Home Away	Bliss Hotels
Business Traveller	<ul style="list-style-type: none"> ▪ Partnership with corporate travel bookers leading to increase in business people exposure ▪ Central Billing System, HR Representative and Billing and Reporting Tools 	<ul style="list-style-type: none"> ▪ Luxury and flagship Hotels provide premium experience ▪ Majorly worked on brand image as most business people would prefer similar locations ▪ High service provision and rich customer experience (Hotel Services)
Leisure Traveller	<ul style="list-style-type: none"> ▪ Launched as market place for leisure travellers (usually young travellers) ▪ Authentic Experience was provided (live like local) ▪ Sharing Economy mindset which made it cheap alternative to hotel room 	<ul style="list-style-type: none"> ▪ Customer-centric experiential hospitality. It provide Facilities available (e.g. Sports, nearby visits, spa etc.) ▪ Moving towards technology oriented to bring in more leisure customer experience

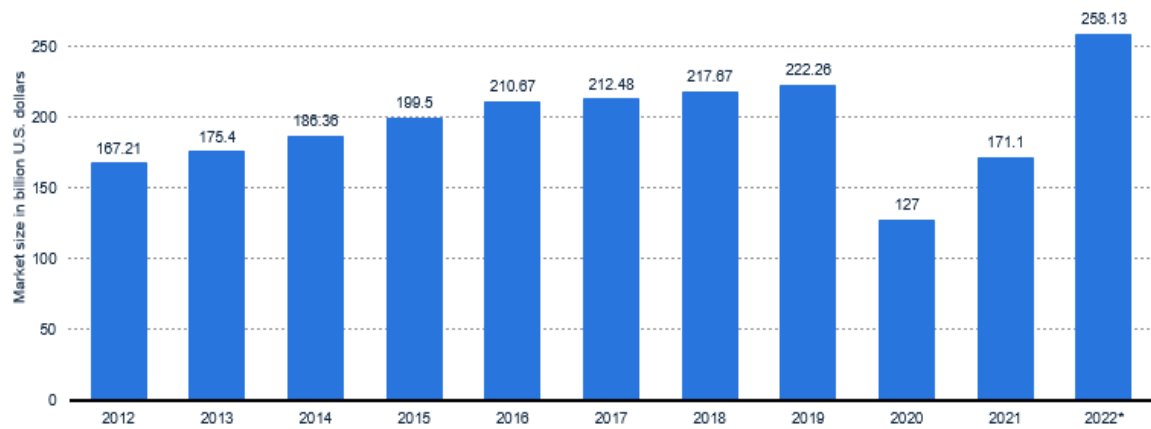
CAGR Hospitality Market



Business Model



Sizing of Hospitality market (US)



Key Trends

- Analytics driven customer engagement and personalized digital advertising
- Enlisting in multiple channels for service
- Omni-Channel
- Hospitality venues are being used as make-shift offices for bleisure travelers and for locals seeking a change of work environment.

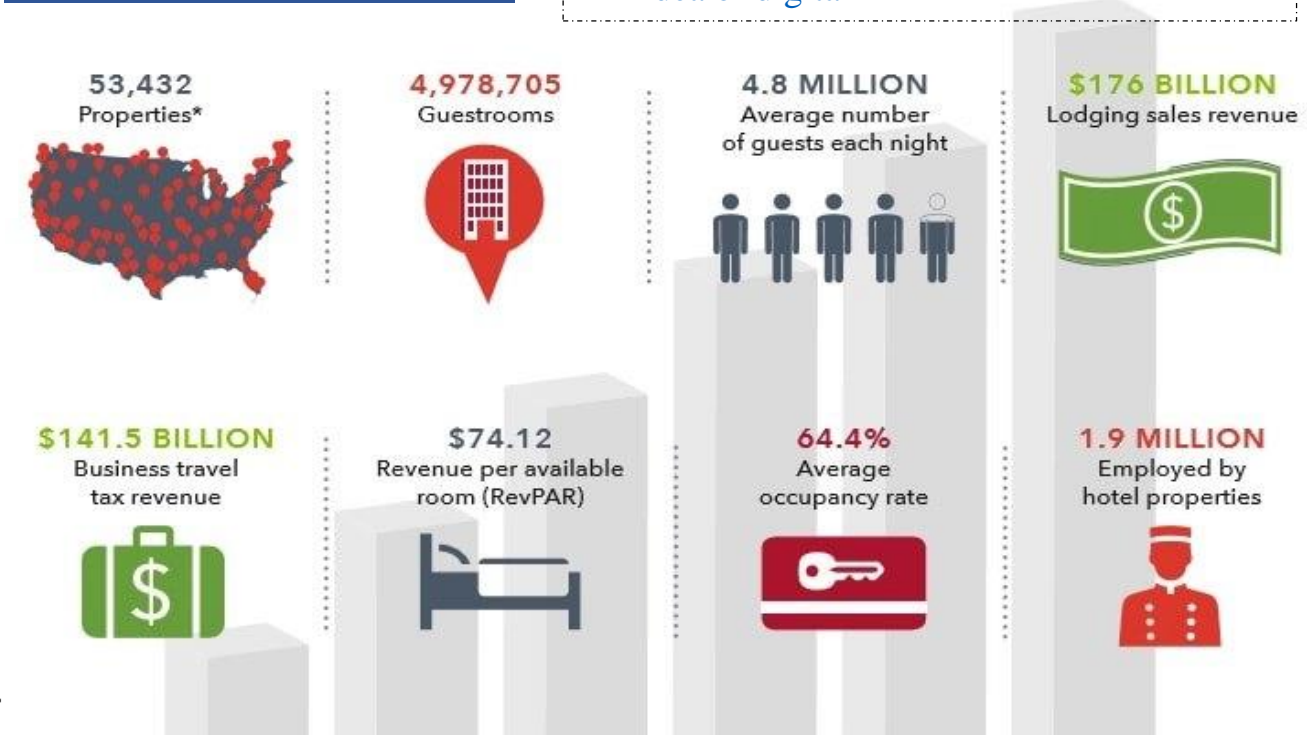
Strengths

- Vast portfolio of hotels providing all sorts of accommodation option based on budget and purpose of travel
- Brand value is established

Weaknesses

- Needs to divest from some of its traditional ventures to make capital available for digital growth.
- Entire organization needs to accept the idea of digital

US Hospitality Market



BUYER PERSONA

Biggest Challenges

Goals and Objectives

Features helpful



Software Engineer

Name: Jessica Jones.
Age: 32 years
Education: Software Engineer
Experience: 10+ years
Purpose of travel: Vacation
Type of traveler: casual

- Research recommendations and travel tips and know what to expect when they arrive at their destination
- Judging the safe environment
- Local schemes knowledge like bus pass, student discount card and metro card etc

- Leisure and exploration with friends and family
- Decent amount of money to spend but selective about where they spend it
- Value driven premium experience in hotel
- They like to hit all the destination's main attractions enjoy guided tours and other group activities, as well as plenty of time to relax

- Guide of the local area at check-in and maybe a map with all the top attractions
- Travel Tip and recommendation with bus pass etc.



College student

Name: Rebecca. Dsouza
Age: 24 years
Education: Graduation
Experience: NA
Purpose of travel: Explore
Type of traveler: Upper-class Backpackers

- Hostels and cheap hotels are the primary target.
- No brand loyalty
- They're budget-aware but often won't sacrifice on certain amenities, such as fast WiFi, on-site laundry, central location and well-designed spaces

- Backpackers are typically price-sensitive and only require the necessities
- Several trips a year, typically to different destinations rather than the same locations
- They are interested in seeing their destination like a local, want to taste authentic food, stay in local neighborhoods, and experience the nightlife.

- Subscription model to make it affordable
- Arrange Regular parties and Social gatherings expose them to the local environment and local connections
- Sponsorship for Wifi

CEO
CEO

Name: Damon Salvatore.
Age: 45 years
Education: Management
Experience: 20+ years
Purpose of travel: Business-trip
Type of traveler: Formal

- Expect attractive and modern accommodations with all the comforts of home and amenities such as cab service and Wifi
- No brand loyalty
- Networking opportunity for sales/business

- Business travelers are less price-sensitive
- They have tight schedules and to value efficiency
- Several trips a year, typically to different destinations rather than the same locations
- They're not to visit the local sites, but good restaurants for personal/business and seamless transition from work to hotel is the necessity

- Restaurant and other business service information (FedEx, Kinkos, etc.)
- Services such as laundry and pressing services
- knowledge of transportation



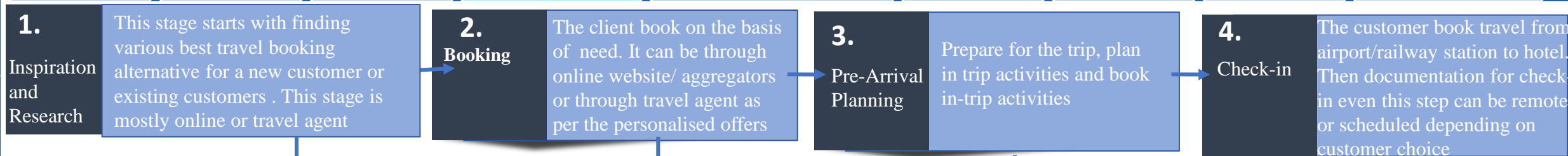
Couple

Name: Katherine
Age: 35 years
Education: Post graduation
Experience: 10+ years
Purpose of travel: Leisure
Type of traveler: Luxury

- Privacy & Safety: These guest want to spent most of the time with each other only
- Late night/early morning food availability
- Explore with similar couples only

- Travel in pairs/groups with no money constraints
- Accessibility to extreme sports, off-the-beaten-path, and reputable global brands like the Four Seasons
- They will seek out luxury independent properties, inns, and B&Bs that offer unique experiences, beautiful accommodations, and excellent service. They lean towards hotels, bed, breakfasts & cruises

- Private/app-based tour guide and knowledge of local restaurants will be helpful to this type of hotel guest
- Couple events



Activities

- Searches for flights, hotels, car rental
- Compares offers
- Reads reviews



- Picks the best price + itinerary
- Books flight
- Creates user account
- Books hotel



- Prepares for trip
- Plans in-trip activities
- Books in-trip activities



- Books tours and experiences
- Looks for restaurant recommendations
- Views itinerary



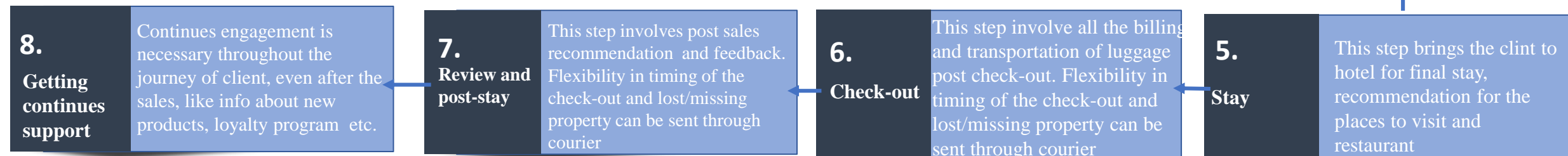
Channels

- OTAs
- Supplier websites
- Metasearch

- Uses 1-3 supplier websites and/or OTAs to book trip (e.g. flight, hotel, in-trip activities)

- Traveler review websites
- OTAs
- Tours + excursions sites
- Supplier websites (ancillaries)

- Traveler review websites
- Chat messaging
- Social media
- Supplier sites/OTAs (in-trip activities)



RECOMMENDATION

The foundation of a digital business is rooted in five SPEED capabilities: **strategy, product, experience, engineering and data**

Strategy

Ecosystem for travel needs to be created. Digitalization should be at the core of it. Customer should be able to plan and book it's complete travel. It should be mid-premium to premium with best user experience

Product

Customer should just need an app/website of bliss to book flights, hotel, site-scene tickets, transportation passes and even recommendation for places to visit.

Customer should make the product more desirable with recurring revenue stream or at least retain the customer using subscription and loyalty program

Experience

- Enhance customer experience by creating ecosystem
- Personalize product, incentives/offering & promotional strategies
- Virtual Chatbox,
- Metaverse to capitalize on features such as virtual tours, conjuring up a digital environment for consumers to picture themselves in. to make an establishment stand out this year

Experience

Apps are increasingly important in the way hoteliers manage the services they provide to their customers and can now control many aspects of the guest cycle and experience. The more widespread use of technology-assisted options, such as mobile check-in, contactless payments, making VR accessible on variety of device, voice control and biometrics.

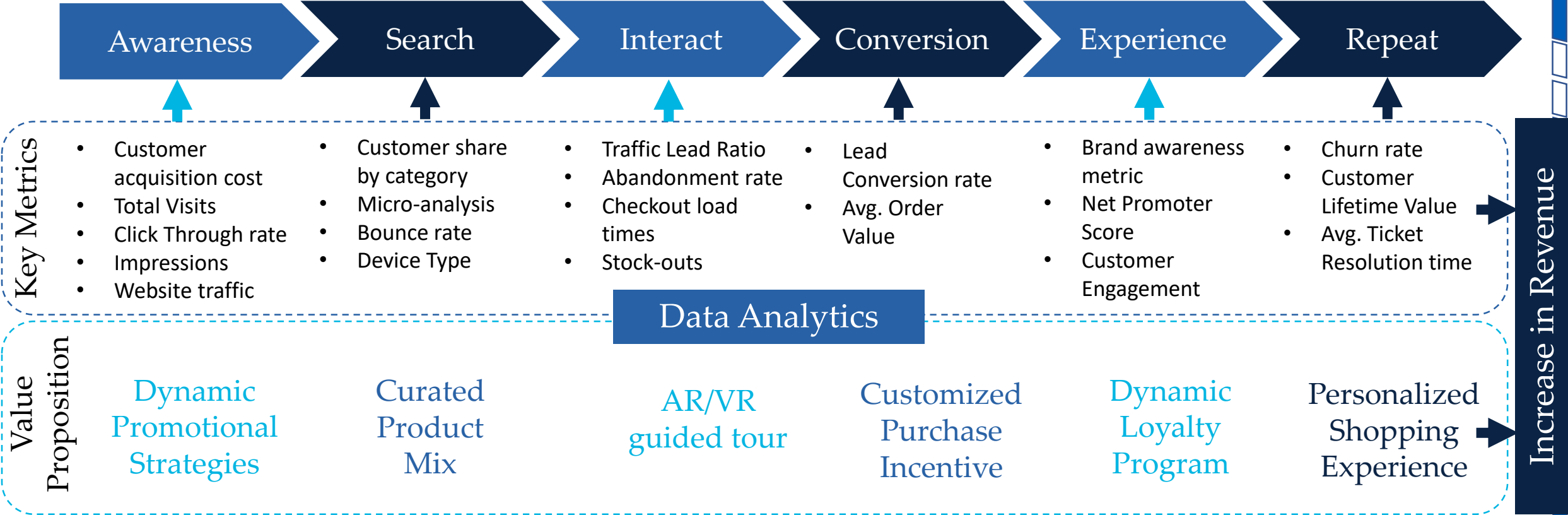
Unfortunately for the establishments looking to welcome them, these upgrades may be costly to install and maintain requires engineering

DATA Usage

- Dynamic Promotional Strategies
- Curated Product Mix
- AR/VR guided tour
- Customized Purchase Incentive
- Dynamic Loyalty Program
- Personalized Shopping Experience

RECOMMENDATION

Enhanced Customer Experience while booking using DATA



Identified points in the Hospitality value chain where we can introduce Digital Transformation.



Personalized Promotional Strategies

Every customer has unique interests, and unique browsing history in our website. By personalization using conversion funnel we can inspire the customer to next purchase



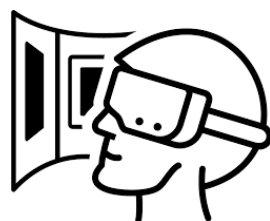
Curated Product Mix

Techniques like collaborative filtering can be used to develop recommendation engine based on age, gender, and geographical preference



Customized Purchase Incentive

Each user will have certain elasticity to decide on purchase. ML algorithms can be used to determine visitor specific size and time of discount



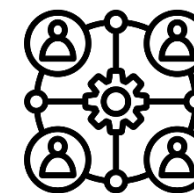
AR/VR guided tour

Hotels can use the benefits of the metaverse to **create virtual hotel experiences both for guests and for potential guests**, providing new ways to interact with your hotel brand without leaving their homes



Dynamic Loyalty Program

Based on purchasing pattern and using loyalty rewards software programs, personalized rewards can be offered to ensure best customer experience and retain existing customers



Personalized Shopping Experience

Using AI/ML algorithms, customers can be provided with value-added services like budget planning, cross-selling and up-selling within the website to minimize customer churn rate

Identified points in the Hospitality value chain where we can introduce Digital Transformation.

Marketing Plan

V-log: An powerful video blog - a kind of video where people documented their journey and experience

Forum (Reddit, Quora, Kaskus): The place where people ask for advice for future reference and discuss their experience.
Social Media Post: The place where people share their thoughts about their experience

B-log: A review that is usually long and informative about the writers' experience.

Short Video (Facebook, Instagram stories): Short message in a form of video to tell people about their experience.
Photos: Visual documentation of people's experience.

Subscription model

1. Improving affordability
2. Flexibility
3. Increased and larger user base
4. Better customer retention
5. Predictable Revenue
6. Optimize cost using data
7. Feedbacks at multiple touch points

Product / Service

Subscription Cycle



Company



Customer



Loyalty Program

Late Check-in & Check-out

Room Upgrade

Free Extra Night

Discounted Rental Cars

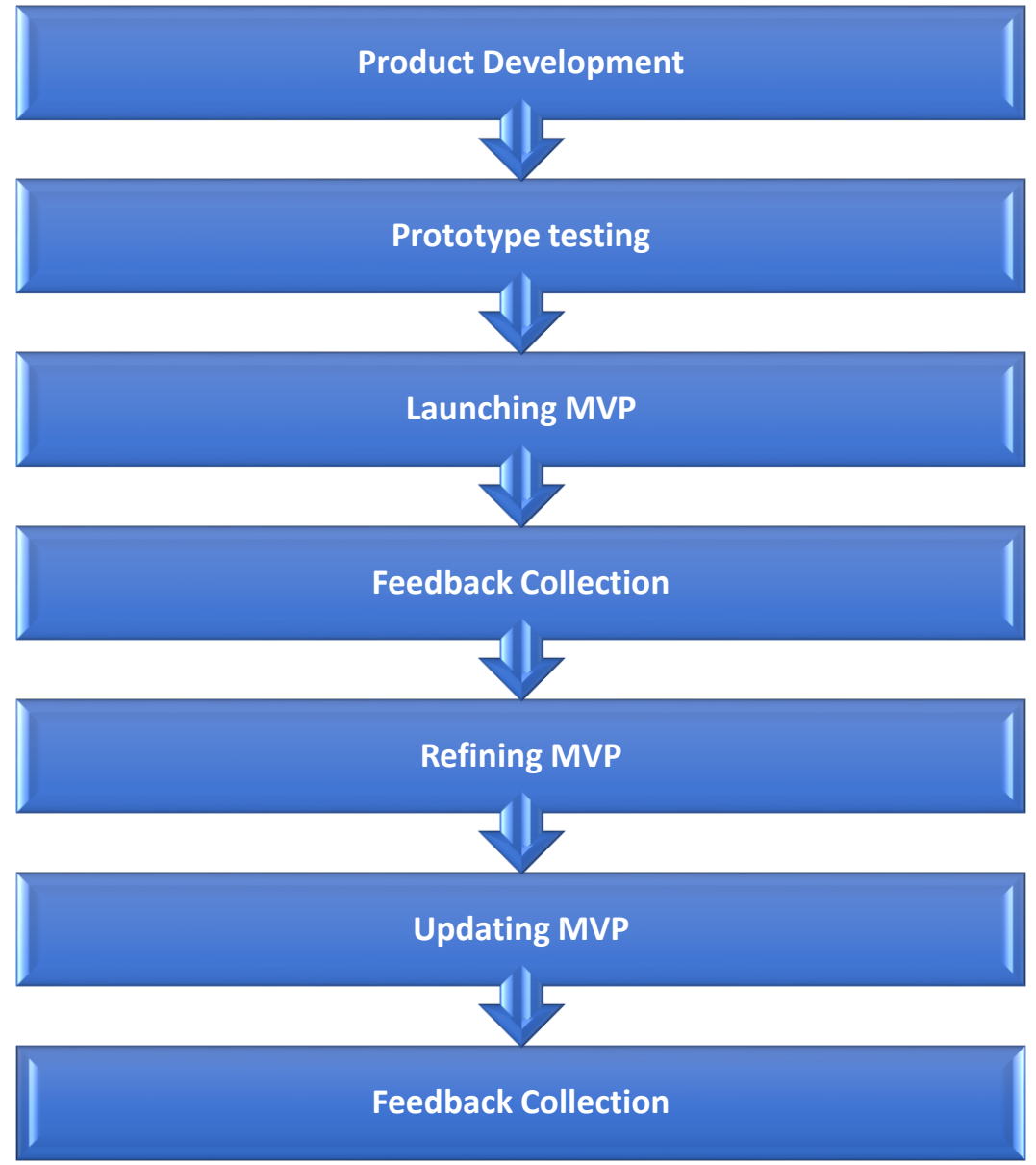
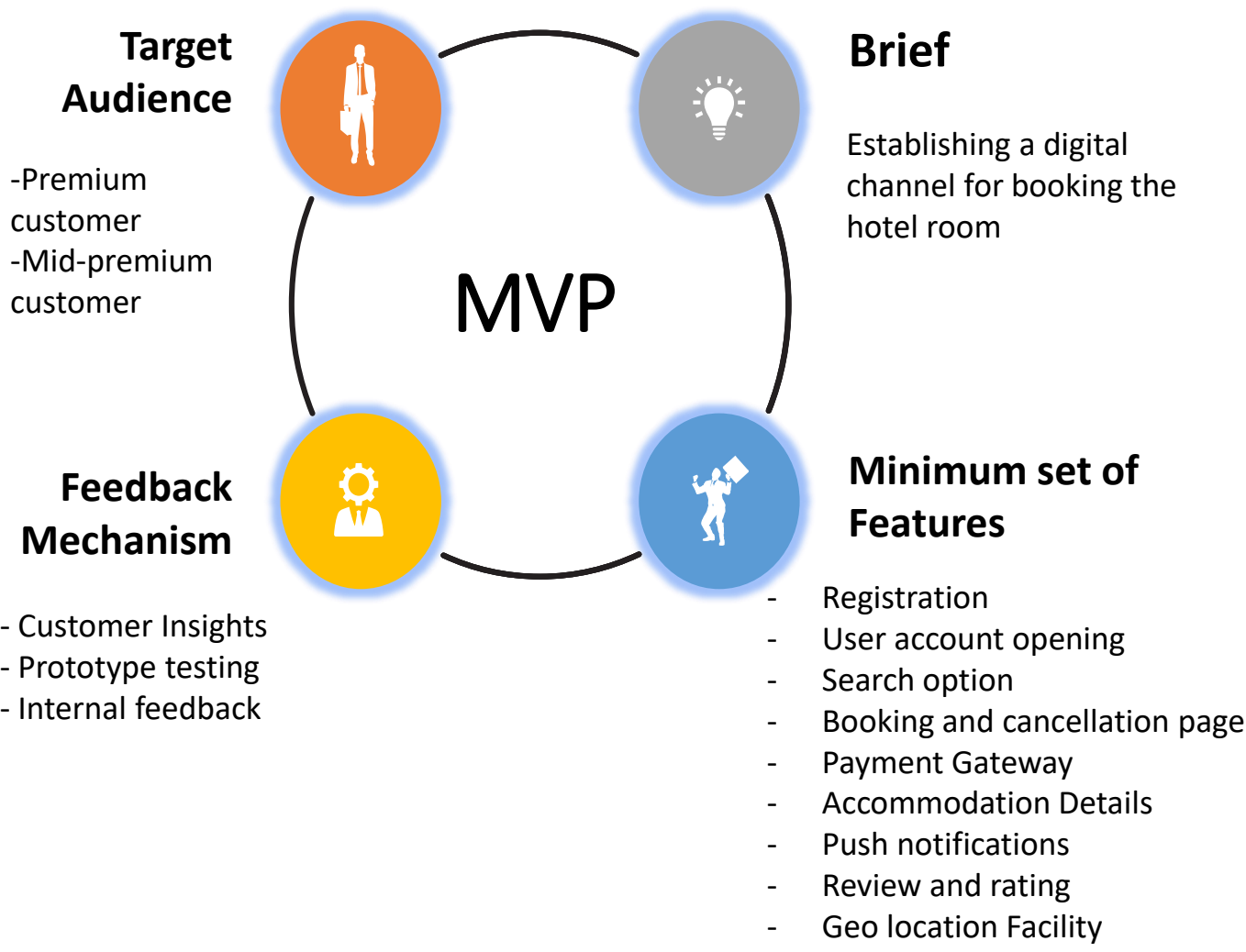
VIP Access

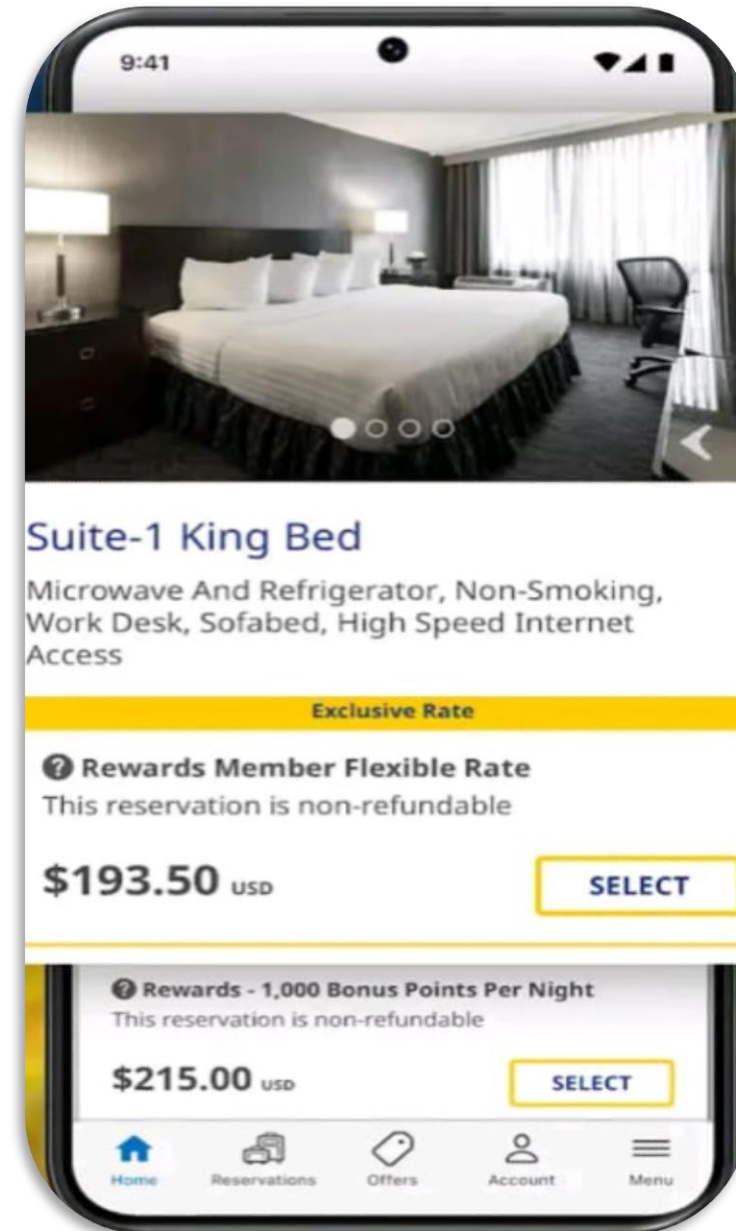
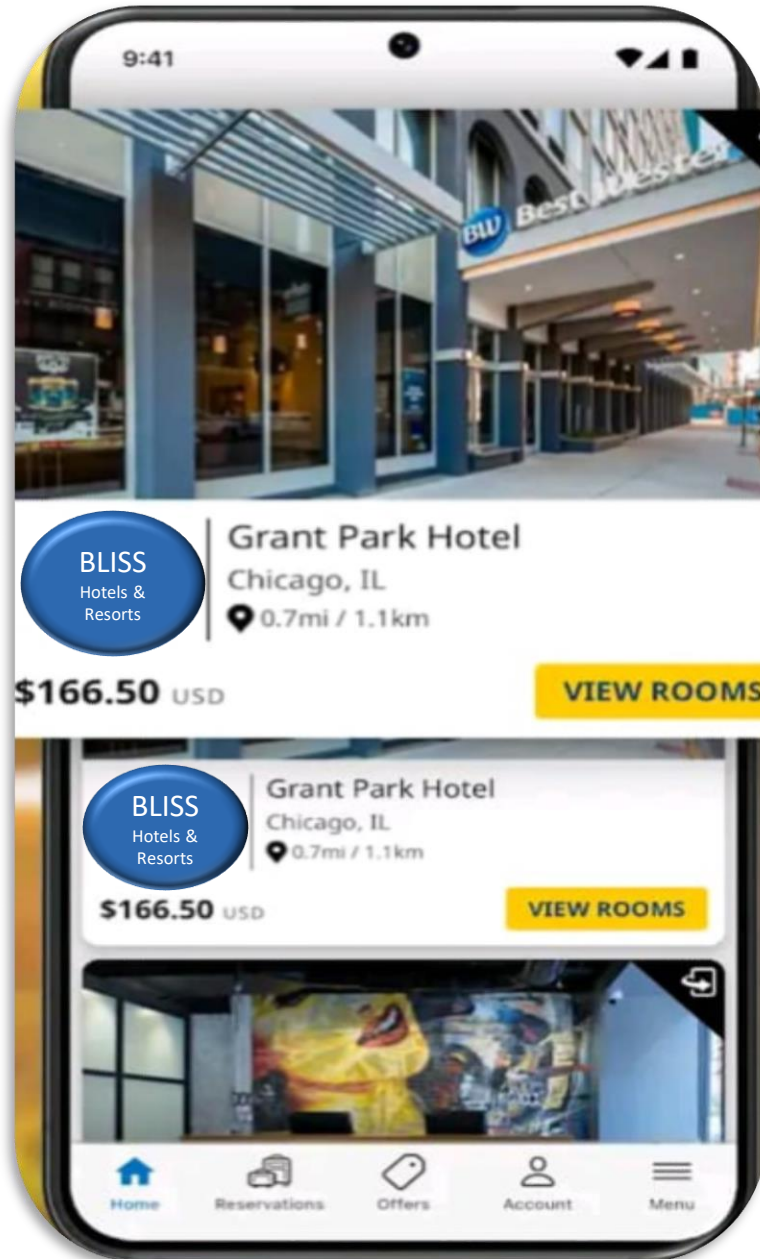
Discounted Rates

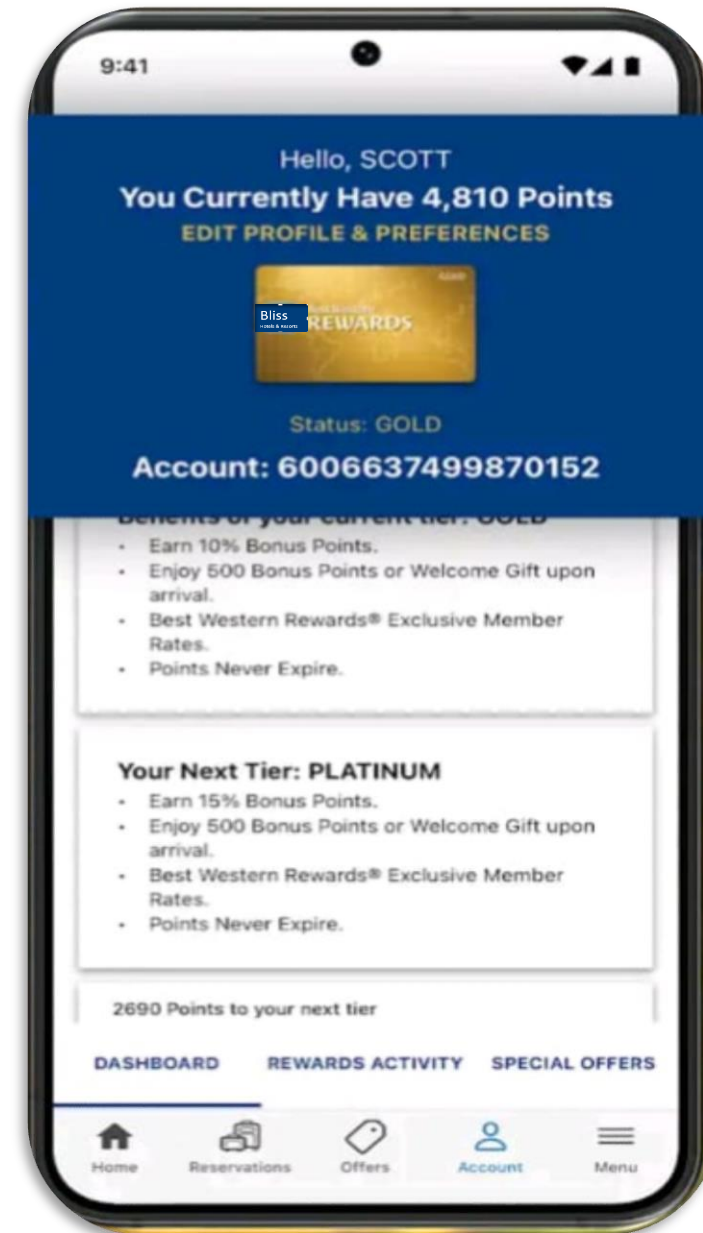
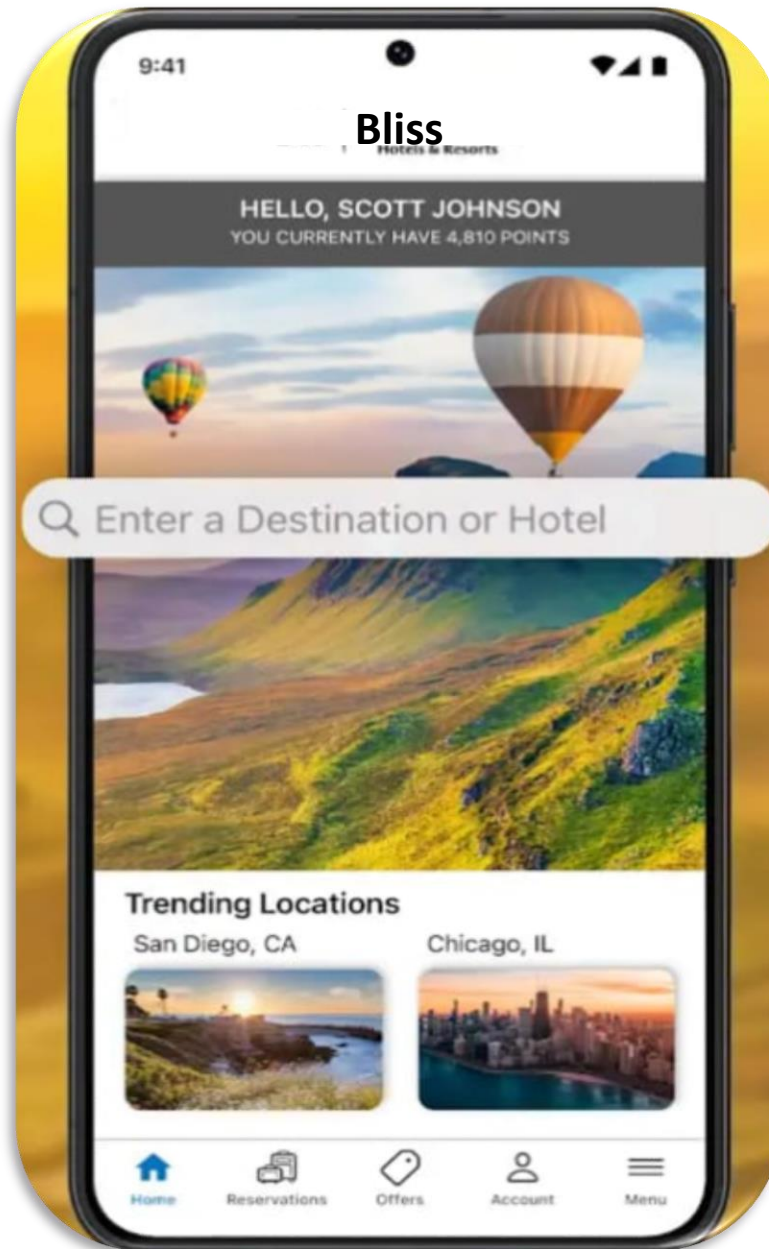


Prioritization of Ideas							
Scoring: 0 - No impact, 3 - Low, 6 - Medium, 9 - High		Impact on:			Internal Costs & Resources	Speed of execution	Total Score
Sr. no.	Opportunity	Customer's time	Customer's cost	Customer's Emotions			
Weightage		40%	20%	20%	10%	10%	100%
1	Design a smartphone app for Bliss Hotels	9	3	9	6	9	7.5
2	Enlist Bliss hotels in the aggregator App	9	3	6	3	9	7.2
3	Improve marketing Awareness and use SML to improve e-reputation	9	6	6	9	3	6.9
4	Improve customer experience using data for personalized offering, promotion and curated products	9	6	6	9	3	6.9
5	Create a loyalty program to retain the customers	6	0	9	6	6	5.4
6	Enlist the features for building ecosystem such as travel pass, recommendation of travel places, booking of local cab, train and flight	6	0	6	3	6	4.5
7	Incorporate AR/VR for showing hotels and rooms	6	0	3	6	3	3.9

To improve customer experience and provide them a 360 degree high end service across the entire value chain







2023

2024

JANFEBMAR

MAYAPR

JUNJUL

AUGSEP

OCTNOV

DEC

JANFEB

MARMAY

APR

JUNJUL

AUGSEP

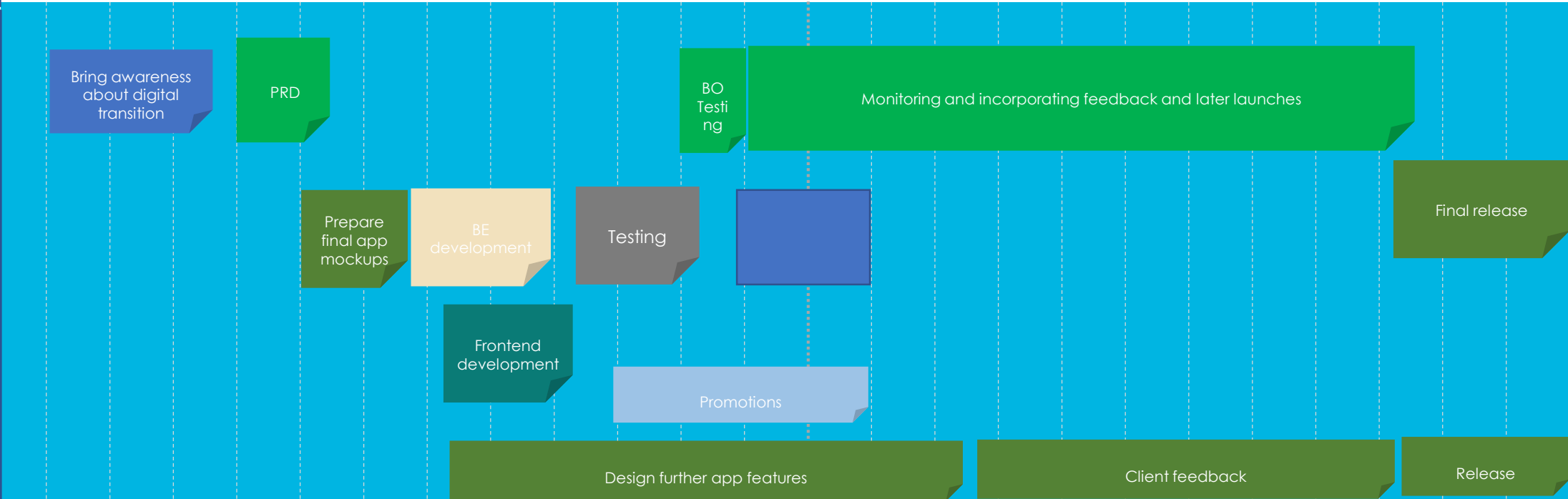
OCTNOV

DEC

Awareness

New App Development

Launch and sustain



The plan considers & assumes:

- Client User Requirements** – initial step of planning and Assessment
- Client User Feedback** – after each sprint release
- Elongated Timeline for app releases** – can be modified as per scope, scale and client requirements

The plan incorporate following teams: front end team, back end team

TEAMS

Backend

QA testing

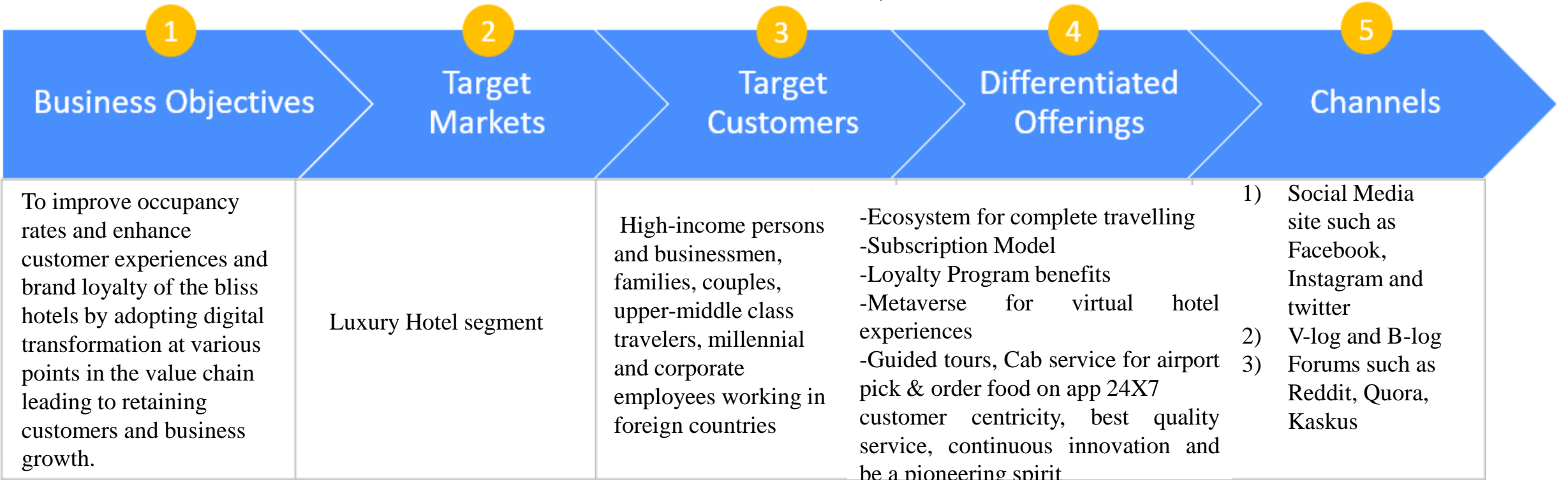
Product

HR and leadership

Frontend

Marketing

Design



Marketing Strategies

1) Short Video (Facebook, Instagram stories): Short message in a form of video to tell people about their experience.

2) Photos: Visual documentation of people’s experience

3) V-log: An powerful video blog - a kind of video where people documented their journey and experience

4) B-log: A review that is long and informative about the writers’ experience.

5) Social Media Listening(SML) activities should be used effectively to increase its e-reputation

Key Metrics

• Net Promoter Score

• REVPAR

• Average Daily Usage (ADU)

Key Success Factors

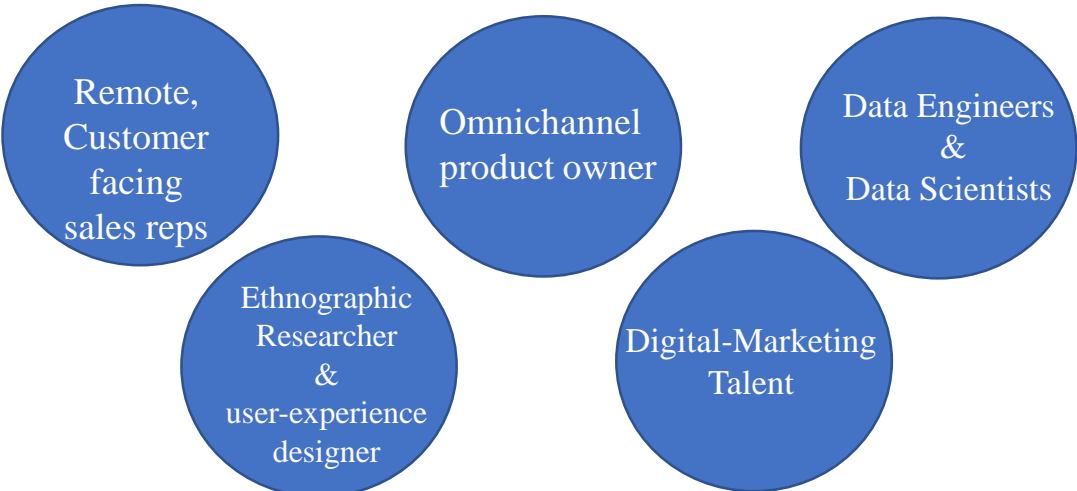
• Increase in Occupancy rate

• Revenue and market share increase

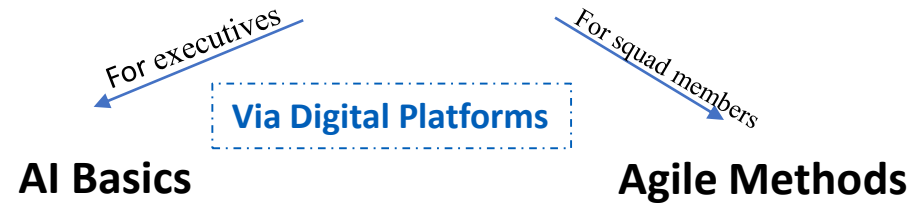
Front line/Direct Field Team

1 Address Omnichannel Specific Talent Needs

By recruiting



2 Build In-house Capabilities of Hotel



Commercial Leadership

1 Repeatable Process Models (The Omnichannel Playbook)



- Constantly updated set of options for codifying learning and scaling up
- Playbook serves as a guide to setting up and running squads
- Engaging with the cross-functional teams that support the squads

Expectation is for the squads and supporting teams to follow the playbook & improve it continually through a test-and-refine approach

2 Robust Performance Management System

Impact of Omnichannel initiatives

Progress towards scale-up



THANK YOU !
Nishant Mundeja| IIM Kozhikode