5 Ways 5G Will Help Power the Return of Travel

The future of guest engagement and experience is hyper-connected and frictionless, requiring robust network technology.

Among hospitality, tourism and transportation (airline) companies:

50% **have increased 2021 budgets** to address areas for 4G, 5G, and other cellular connectivity services.

Source: IDC's *Future Enterprise Resiliency and Spending Survey, Wave 4,* May 2021

40% **believe that connectivity programs** (investments in enterprise network infrastructure, such as 5G, Wi-Fi, mobile applications, and mobile devices to better connect workforce, operations, and partners) **will be key to ensure business resiliency.**

Source: IDC's *Future Enterprise Resiliency and Spending Survey, Wave 1,* February 2021

22% **consider using technology** to better leverage data a top strategic area to remain competitive.

Source: IDC's *Future Enterprise Resiliency and Spending Survey, Wave 1,* February 2021

Demand for travel is returning and with that comes increased needs from guests and employees for support and service. Experiences will need to be mobile, contactless, and connected, heightening the need for robust connectivity. Guests want personalized, real-time, frictionless experiences and to deliver this, organizations are looking to leverage new approaches to connectivity, such as 5G and advanced technologies to enable more pervasive reach, a strategic area of interest for 37.5% of hospitality and travel organizations' boards of directors *(IDC's Future Enterprise Resiliency and Spending Survey, Wave 1, February 2021).* The advanced connectivity guests are seeking will require low-latency network support and massive compute power. Here are 5 ways that 5G has the potential to deliver on those demands:

1. Guest demands for contactless and self-service options

According to IDC's *Consumer Experiences Survey* (September 2020), 38% of U.S. consumers reported that they feel "more safe" or "much safer" when contactless technology is in place, specifically citing preferences for contactless payment (46.3%), contactless check-in (45.7%), and contactless customer service (44.6%). Guests want these conveniences to continue post-pandemic, with 30% saying that will continue to use contactless payment, 25% seeking to make mobile orders or use personal devices for service, and 21% being willing to utilize kiosks.

2. Immersive experiences

The use of conversational AI to enable food and beverage ordering and service requests, and virtual reality (VR) and augmented reality (AR) to allow travelers to experience local attractions while still on property before deciding on an excursion are two examples of immersive experiences. Virtual concierges can also offer human-less interactions/service with a human-like touch. Virtual gaming and streaming capabilities are also key to offering guests a variety of experiences and service options. These will require low latency and compute power provided by 5G MEC.

3. Increasing labor efficiencies

With a labor shortage, employees need solutions that can help them execute on tasks from anywhere on property. Additionally, offloading and automating some tasks can allow employees to focus on more value-added guest interactions. An increasing number of hospitality companies are enabling robots for common area cleaning and deliveries. While many of these uses need to function autonomously without a network connection, incorporating a 5G connection can add value by facilitating interaction with employees throughout the facility, offering real-time translation services, and more efficient, adaptive routing within the property. These increased demands are part of the reason that 35% of hospitality, tourism, and transportation (airline) companies say 5G devices and connectivity services are priority investments for employee-facing technology. *(Source: IDC's Future Enterprise Resiliency and Spending Survey, Wave 4, May 2021)*

4. Safety

Employees and guests are concerned with enhanced safety and security protocols as they return to properties. Video monitoring software and IoT sensors are two solutions that can be utilized to enhance security and deliver on enhanced health protocols. In addition to use as staff alerting applications, these technologies can be part of solution sets for crowd monitoring and contact tracing.

5G's improved connection density will support greater use of sensors without overwhelming existing networks. Additionally, higher capacity connections and lower latency can drive greater use of real-time video analytics and facial recognition for safety automation and guest behavior analytics, not to mention improved video security quality.

5. IoT

An ecosystem of connected devices paired with guest and operations analytics will offer both predictive and real-time business insights for organizations. Access to such rich data will help offer unique experiences and personalization at scale to guests. Properties are seeing a massive expansion of the number of devices (sensors, phones, robots) needing a connection. One benefit to having such connectivity is the ability to leverage technology (including IoT, AI, and machine learning) to better utilize data and improve decision-making. One of the less heralded, but equally important, traits of 5G is the ability to support an exponential increase in the number of simultaneous connections without sacrificing performance.

Hospitality and travel organizations are seeking to expand the use of IoT in their organizations, with 45.7% planning to increase spending in IoT, according to IDC's *Future Enterprise Resiliency and Spending Survey* (May 2021, Hospitality & Travel n=76). Ensuring the connectivity can support that increased investment is essential.

As hospitality and travel organizations continue their digital transformation journey, 5G's enhanced speed, latency and connection density will enable a slate of services and functionality that deliver a high-quality, enjoyable customer experience and operational efficiencies needed for long-term agility and growth.

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