# Seizing New Opportunities for Video Solutions in Hotels and Hospitality Settings

Designing Video Systems to Renew Customer Confidence and Ensure Security

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# 1. Introduction



While the hospitality sector was undoubtedly hit hardest by the pandemic, the sector began to bounce back in the spring and summer of 2021, with a boom in domestic tourism as Americans enjoyed staycations rather than flying overseas. Increasing climate change concerns are also making long haul and overseas travel less attractive when the United States has a wealth of vacation options from vibrant cities, golden beaches, spectacular national parks and canyons, snow-capped mountains, and luxury desert spa resorts to many of the world's most famous tourist attractions.

The return of international travel will remain uncertain, yet the U.S. already saw how fast the sector can rebound when swathes of Europeans returned to the United States for both business and pleasure once borders reopened for vaccinated travelers in the fall.  This is backed up by PWC reporting a significant lift in average daily room rates during the end of Q2 and Q3; exceeding 2019 (pre-pandemic) levels every month of Q3.

The better news is that with continued global vaccinations rollouts 2022 is expected to surpass comparable 2019 growth, so long as variant infections can be controlled. Statista is predicting an annual growth rate (CAGR 2021-2026) of 16.63%, resulting in a projected market volume of US$117,865m by 2026.

The pandemic has driven changes in customer behavior, and that gives hoteliers and hospitality venues a chance to respond to challenges and seize opportunities.  Trust in health & safety as well as security will be essential, while venues need to reimagine the visitor experience and re-engage with customers.  At the same time, they will need to improve operational agility and resilience to bounce back and thrive.
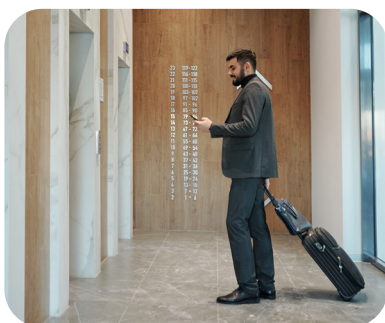
# 2. Safety and Security are Priority Issues for Guests

Safety and security are a top priority for guests, and often a key selection factor for VIP customers as well as corporate travelers when choosing where to stay and where to enjoy



hospitality. Whether it's a luxury boutique destination or a short-stay travel hotel, the minimum expectation for every location is that guests will be safe, feel safe, and that their personal property will be protected.

Cleanliness and consumer safety have always been at the core of the hotel industry, with hotel cleanliness ranking as a top factor when choosing a hotel. Yet as hotels re-opened after lockdowns it is now up 24 percentage points to 62% over pre-pandemic preferences according to the American Hotel & Lodging Association.

Failures can quickly lead to direct losses, rectification costs, reputational damage, and loss of future business.

Of the security and safety technologies widely used in the sector (access control; intruder systems, fire systems; physical measures, etc.) video tech is one of the most powerful and flexible tools to counter these risks.
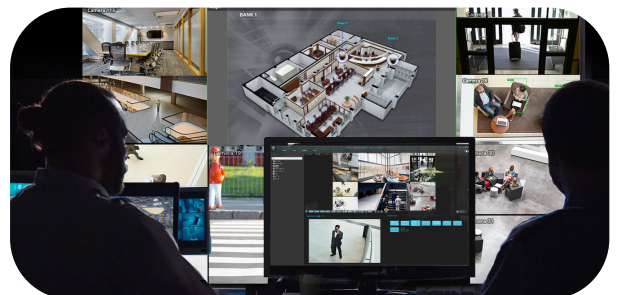
# For Hotel Operators, Video Delivers More Than Security

Today, technology convergence and integration with other core systems allow for more effective centralized monitoring and control, equally for independent single-location hospitality businesses, and for branded chains with multiple locations.

Well-designed video systems are among the most effective management tools available. They allow staff to be better allocated and to work more efficiently and offer benefits that go beyond security to give a rapid return on investment (ROI). For many hotel operators and their on-site management teams video solutions are the foundation for optimized service efficiency, giving extended visibility and control over all aspects of their operations, front and back of the house.

Today, quality surveillance solutions are affordable to install, maintain, and offer a low total cost of ownership. They can be adapted to every location thanks to a wide choice of video management software and a range of cameras that will suit each site's aesthetic requirements and guest expectations, maintaining the desired balance between a hospitable welcome and assurance of security. And dynamic privacy masking tools allow video to be retrieved for evidential purposes, while protecting and respecting the identities of guests, to ensure compliance with local and international regulations.

Looking at these issues in more detail, this guide is written to give systems integrators a better understanding of the hospitality sector and the key challenges faced in it, and an insight into how the needs of the sector can best be met. It is also designed to help hotel owners, managers, and security consultants understand the latest developments in video technology, its uses, and value.

# 3. A Diverse Sector With Multiple Challenges

The hotel segment of hospitality is a diverse sector offering a range of guest experiences and services, and as a result, facing equally diverse risks. The sector includes full-service and limited-service hotels that include multiple branded and franchised hotel chains, with the franchises (i.e., branded hotels which are run by the independent owners or, on their behalf, by third-party operators) making up the majority of this segment of the market. Other significant segments include independent and family-run hotels, motels, boutique hotels, spas, and wellness retreats.

The key decision-makers in the sector include the brand owners, brand chief engineers, branch-level security and general managers, and independent business owners – it is they who weigh up risks and try to make the best choice between the many technologies on offer.

And the role of security managers in the sector is much broader today than it used to be. The focus is not just on preventing theft and protecting property, but on planning for threats that range from fraud and cybersecurity to major disruption to business caused by terrorism, gun violence, civil disorder, supply chain pressures, staff retention, extreme weather events, and recurring pandemics. As a result, even for major chains that have dedicated senior security planners, that function is increasingly integrated with the overall business strategy.

# 4. Tech Vulnerabilities and Tech Opportunities

## Understanding Competitive Advantage

A key vulnerability for hospitality businesses is the reluctance to deploy what are becoming transformative technologies, and failure to remain competitive.

In hospitality settings, video – especially systems with AI-enabled analytics designed in and continually updated - is starting to give a competitive edge. This is a rapidly changing market that is increasingly global and subject to pressure from online competition and customer reviews. Those who don't keep up risk being disadvantaged.



For businesses to stay up-to-date, and to realize the growing benefits from the latest generation video technology, it's important to understand their full value. For competitive hotels, video is no longer just used to reduce costs and cut risks, but to improve service delivery and efficiency in a way that is adding competitive value to the customer offering.
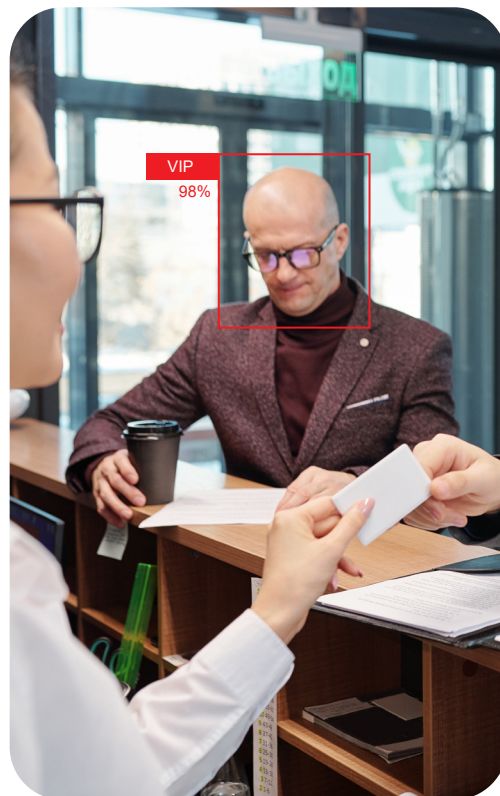
## Ensuring Long-Term Value

Hotels also put themselves at a disadvantage if they don't think strategically about the long-term value of video investments and upgrades. When it comes to investing, while the temptation may be to rely on mix-and-match video systems from multiple suppliers or to bolt a new kit onto older legacy equipment, this can cause compatibility issues, undermine

functionality, and increase maintenance costs long term. It is still possible to retain legacy cameras and re-use existing infrastructure – while reducing costs and – but this is best done by using the foundation of a video management software (VMS) from a manufacturer with a proven ability to integrate third-party tech without the traditionally associated price tag of high annual licensing agreements, and costly device connection costs. With this approach it's possible to upgrade to the latest capabilities without waste; the likelihood of compatibility issues is reduced, and a clear line of technology accountability and support – via both the vendor and systems integrator - is maintained.
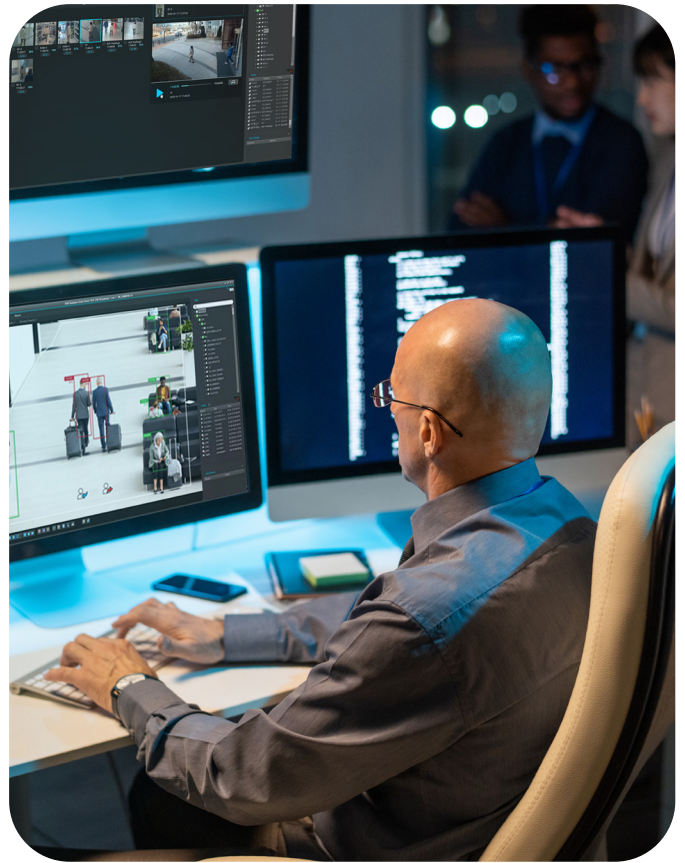
The more suppliers there are in a chain, the harder it is to resolve issues, and corner-cutting often leads to higher costs.

## Factoring-In Legislation and Cybersecurity

Compliance and cybersecurity are the other key risks associated with technology, including video. It is essential not only to comply with current legislation, but to look ahead at the possible impact of future regulations and standards designed to minimize cyber risks – this was seen particularly around the introduction of tighter NDAA regulations and the signing of the Secure Equipment Act that will require the Federal Communications Commission

(FCC) to ban the authorization of new Chinese tech, which highlighted the wisdom of using NDAA-compliant equipment – including HD and UHD cameras, NVRs and PC servers - with trusted chipsets.

# 5. Value Is A Key Factor –
# So Make Sure It's Understood

With the sector under financial and resourcing pressure, it's vital to avoid technologies with unfair pricing structures and ongoing costs such as license fees. When comparing options, these are points for every buyer to check:

- Understand how to calculate TCO (total cost of ownership)

- Verify ongoing expenditure beyond the upfront hardware costs and initial installation such as license agreements and device connection fees

- Ask about the duration of warranties against equipment failure

- Ask what technical support is provided by the manufacturer long-term, how often cameras and other devices are subject to discontinuation, and if vendors offer forward and backward compatibility

- Understand any disruption to business operations during installation and maintenance, as downtime could result in business continuity issues or have a negative impact on the guest experience

- Ensure the solution is futureproof with the ability to adopt new technologies such as intelligent video analytics, federation services, integration with popular databases, third-party cameras and other systems, or ease of connection to a rapidly expanding range of IoT devices.

# 6. How to Deter, Detect and Defend Without Creating a Fortress
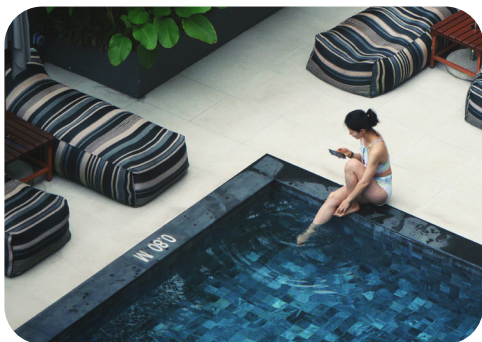


While hotel owners and operators are not subject to regulatory compliance, the sector is designated by the U.S. Department of Homeland Security (DHS) as critical infrastructure and key resources (CIKR). This is because the hospitality industry is essential to the nation's economic stability and way of life. So, it's important that hotel owners and their chosen systems integrators conduct risk assessments at each individual property to determine appropriate protective measures. They should use their knowledge of the property's operations and vulnerabilities, as well risks posed by the local environment, be that a location subject to criminal activity, an area prone to natural disasters, or a quiet or rural location with relatively few problems.

This also means contemplating how to balance a positive guest experience with enhanced surveillance measurements.

For internal locations the best choice of cameras includes full HD IR dome cameras equipped with varifocal lenses, true WDR and IR LED capability, guaranteed to deliver high-quality footage in low-light settings; discrete units; and fisheyes giving wide area coverage. The best of today's 360-degree panoramic cameras, including ultra-HD 12MP fisheye cameras, deliver evidence-quality images right to the periphery of the scene and provide panoramic coverage equivalent to three or four conventional fixed lens cameras.

**Restaurants, dining areas and bars:** discreet and compact cameras can be used to verify payment activity and detect any potential fraudulent activity both at-table or at cash desks; to monitor customer safety real-time and rapidly investigate alleged safety incidents; remotely check staff are thoroughly cleaning and disinfecting tables and other surfaces; to allow rapid investigation and resolution of disputes between customers and staff, or between customers; and to verify consistently high service standards.

**Conference and meeting room facilities:** locations where high-value IT and AV equipment is used, commercially sensitive information may be under discussion, senior VIP guests may require tailored protection, and thorough sanitization is required after each event.





**Kitchens:** video can be used to increase the operational efficiency back-of-house staff; monitoring hygiene practices; deterring and detecting theft of high-value food and other catering supplies; allowing smooth and rapid investigation of inventory discrepancies, hygiene incidents or allegations; and monitoring and verifying workplace health & safety.
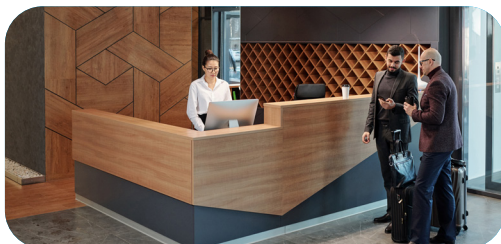


**Front desks:** low profile cameras have value for security, theft prevention, and receptionist and guest safety, and to assist staff working in lobbies, at self-checkout kiosks, luggage storage, and cloakrooms.

**Entrances and exits:** a range of IR and true WDR will be essential to monitor people, including guests, entering, and leaving the hotel and help monitoring staff to detect suspicious behavior such as bulky clothing signaling a visitor might be concealing a weapon or a guest taking an unusually large amount of luggage to their room.

For **exterior locations,** targeted deployment of rugged and vandal resistant bullets and PTZ cameras around building structures, perimeters, and hotel grounds should provide a clear line of sight and give staff reliable situational awareness in all light conditions – including 4K cameras that can provide night time image capture at distances of over 650 feet using built-in IR - providing early warning of potential threats.





**Back of house:** video helps in protecting delivery areas and stores: preventing unauthorized access; reducing shrinkage; monitoring and verifying deliveries; protecting rear entrances, parking lots and guest vehicles; and ensuring staff safety, especially out of hours.

**Parking:** LPR streamlines parking management, with pre-designated approved vehicle lists automating park spots, and speeding up entry and exit to improve customer first impressions and consistency of experience.

# **7.** The Transformational Value of AI-Enabled Video analytics



Camera performance has long been enhanced by analytics functions - including active tampering alarms, motion detection, auto-tracking, and trip zones – and analytics are becoming increasingly accurate, useful, and affordable thanks to developments in deep-learning algorithms.

AI-powered analytics will now reliably spot activity including loitering in target areas and give early warning of potentially suspicious behavior – for example loitering in lobbies, parking lots, delivery bays, high-value storage areas, near entrances and internally in corridors, near unmanned counters or food preparation and display areas.

Analytics can send warning notifications if emergency exits are blocked; they can provide highly accurate line cross detection around perimeters; and alert operators to prohibited parking, or if areas such as reception lobbies become overcrowded.
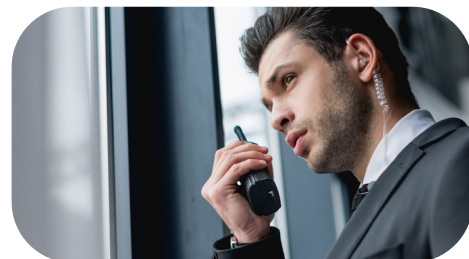


## Faster Verification and Response

Analytics have proved their value in multiple settings, enabling faster detection verification and response. They enable staff – security or general operations teams – to deal with incidents more efficiently, in line with standard operating procedures, from accidents to criminal activity. And they support faster escalation to emergency response, from evacuations or sheltering-in-place to area lockdowns.

## Improved Service

Highly accurate analytics now also makes it easier to search recorded footage for specific persons of interest – from a lost child to a suspected intruder for example – allowing hotel staff to retrieve relevant footage in minutes rather than hours, so that they can trace movements and last sightings of any targeted individual. These tools, once the preserve of maximum-security operations, are now easy-to-use, affordable, and can make a significant contribution to improved customer service, whether that's through rapidly locating a vulnerable missing person, or investigating and resolving the loss or alleged theft of valuables.



## Infection-Safe Operations

More recently analytics have been developed for infection-safe operations, to make it easier for premises to continue operating during pandemic conditions, with functions including automated detection of building occupancy, social distancing, and mask-wearing. These simple but effective tools can be used to trigger reminder announcements, including for staff in-service and food preparation areas, and help hotels to adapt quickly and demonstrate compliance with regulations.



Video analytics are also being used to provide increasingly useful business intelligence around guest movements and activity, and the way visitors interact with staff and use hotel facilities. It can provide automated operational alerts – notifications to duty managers when queues and waiting times become problematic – and allow the analysis of longer-term trends and patterns of activity.

# 8. Getting The Most From Video – Maximizing Benefits

Video technology now delivers multiple benefits, when systems are designed well so that they are easy to use and affordable to maintain and run. Key benefits include:



- Protecting guests and staff and meeting duty of care obligations.

- Increasing situational awareness and preparedness for emergency incidents.

- Reducing insurance premiums and liability.

- Reducing vulnerability to bogus claims including slips, trips, and falls.

- Resolving disputes quickly and with confidence.

- Protecting the hotel's reputation, supporting the brand, and encouraging repeat custom.

- Strengthening key corporate accounts with business customers that also have a duty of care towards staff and that will give preference to safer locations.

- Ensuring that operations run smoothly, front and back of the house.

- Empower management teams with real-time visual awareness of activity from grounds and parking lots to lobbies, from corridors to service areas.

- Changing and refining staffing and procedures; directing resources more efficiently.

- Identifying risks and operational challenges pre-emptively.

Crucially, video is being used by hotels to increase competitiveness and deliver better customer experiences. Its value is increasingly being understood and capitalized on – for example, allowing both remote and local visual checks regarding tidiness, service standards, and maintenance issues – and video is also underpinning consistency of guest experience from first arrival.

Through integration with emerging technologies, including a new generation of powerful visitor management systems, video is enabling seamless or frictionless access, and giving reception staff real-time advance notice of arrivals and alert them to likely spikes in demand at front desks.

As a result, hotels and hospitality businesses are making ever greater use of the functions that video provides. Most importantly, it's a technology that gives them the opportunity to stay ahead in increasingly competitive markets. By giving them a more accurate and complete picture of activity across their premises and grounds - from parking lots to stairwells, interior corridors, pool areas, gardens, and lobbies - empowering managers to make more informed decisions and to target their resources. In short, video solutions are helping to reduce risks, streamline operations, and create the best guest experience.

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