

TRAVEL AND HOSPITALITY

## Hotel brands need to improve performance of mobile apps: L2

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*Marriott's mobile app. Image credit: Marriott*

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By BRIELLE JAEKEL

High satisfaction rates from guests who interact with hotel brands' mobile applications while on their trips reveal the potential of hospitality apps, according to L2.

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Guests who interact with hospitality apps during their hotel stays report higher satisfaction rates, but L2's findings show that 38 percent of guests do not use these apps during their stay. This demonstrates that hospitality brands have further to go in terms of integration and visibility with their mobile apps.

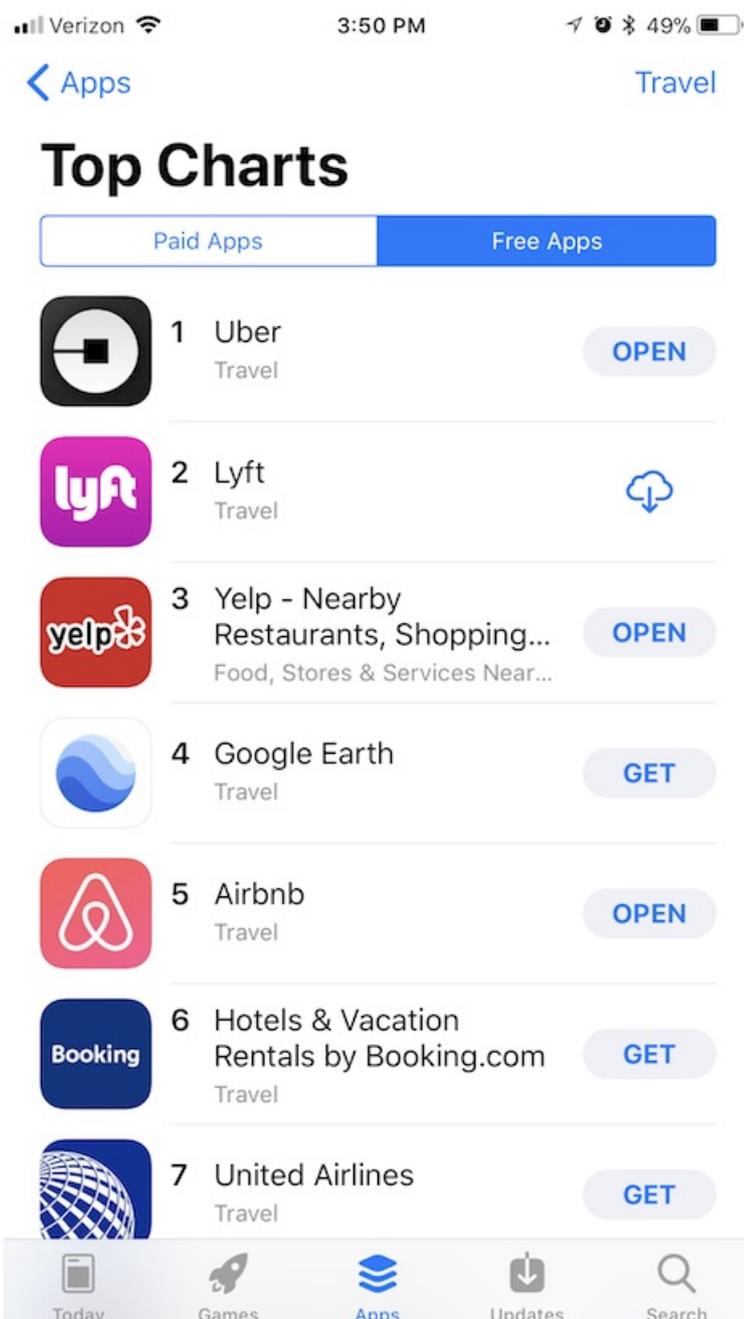
"The travel category is extremely competitive when it comes to mobile apps and hotel brands need to step up their game," said Michael Silverman, senior associate at L2, New York.

"To remain relevant in the saturated travel space, hotel brands should be consolidating their apps into one per brand, updating frequently, and begin buying Search Ads on the iTunes App Store," he said.

L2's Insight Report on Hotels: Mobile Innovation looked a variety of hotel brands and their mobile behavior for its analysis.

### Hotel mobile innovation

While hotel and resort brands have adopted mobile technology and develop their own apps, there is an extreme lack of investment here, as well as performance and visibility.



*The top apps in travel for free on iOS.*

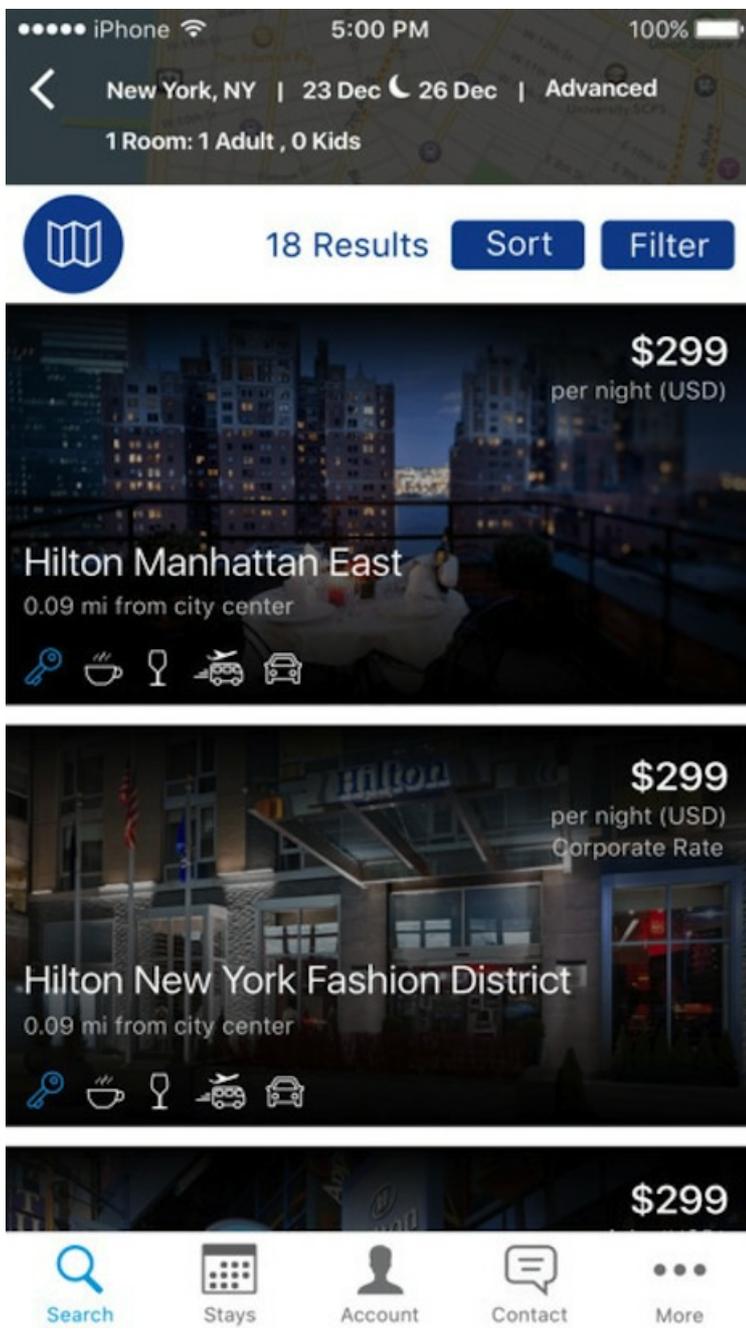
L2 shows that more than 90 of brands it looked at had apps available on the App Store for iOS, but only 14 percent of these apps made it within the top 1,500 apps in travel.

Based on L2's analysis by how popular each app was, an app's update frequency has a direct correlation to general popularity. The more it is updated, the more popular the app will be.

The potential for paid search with App Stores is extremely lucrative for luxury hotel brands, as App Store Search Ads appear against 94 percent of unbranded luxury hotel queries. However, these brands are not yet investing in paid search.

When it comes to hotel apps, brands need to think about creating an app that distinguishes itself from the brand's mobile Web site and creating download incentive while also supporting in-app bookings.

While many of the 10 percent of the apps L2 looked at were new saw immediate adoption, this is not always the case. Updates correlated much greater with rank in the App Store no matter what age.



*Hilton Honors app in iOS. Image credit: Hilton Worldwide*

Hilton Honors and Marriott International are the only hotels to have made it to the top 30 apps and both are updated an average of 13 times a year.

#### Additional insight

Chatbots for travel brands will also soon likely go beyond something that is simply unique and interesting, but will be a necessity that consumers will come to expect.

According to "Are bots worth the bother?", a new report from EyeforTravel, the cost of creating chatbots is lowering, which means it will be more accessible for brands and become more of a standard. Travel is a sector that could be significantly impacted by chatbots in a positive manner, as they can make booking and other tasks much simpler ([see more](#)).

During Forrester's CXNY 2017 New York on June 21, a discussion with an editor from Fortune magazine revealed how the growth of Airbnb has disrupted the luxury hotel business by solving a problem from an outsider's perspective.

During the interview with the assistant managing editor at Fortune and an executive at Tumblr, the two discussed how Airbnb was able to not just build a new business, but construct a new way of life by looking at customer behavior. The home sharing network was able to disrupt the hotel industry by changing the way consumers behave, and in turn shifting the way hospitality brands need to behave ([see more](#)).

"L2 research found that the majority of hotel apps don't crack the list of the top travel apps in the App Store, nor have they even been updated in 2017," L2's Mr. Silverman said. "Only 14 percent of apps reviewed ranked in the top 1,500 apps in their native categories in the past year.

"Thirty-four percent of apps haven't been updated since 2016 and 20 percent haven't been updated since 2015 or earlier, which we call left for dead," he said. "Further, very few hotel brands have apps that handle booking, in-stay experiences and loyalty management all in one.

"There are a lot of interesting, in-stay experiences that some hotels apps offer – from keyless entry, to ordering room service and streaming Netflix on your TV – but currently most hotel apps with in-stay functionality only allow you to book your hotel restaurant reservation or message the concierge."

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