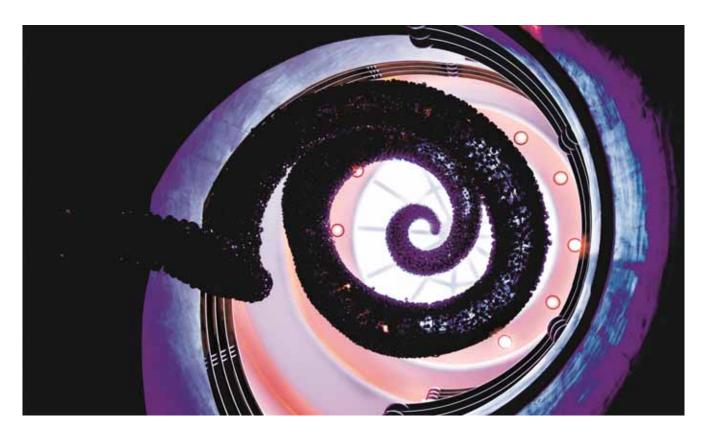
## OUR GUESTS

## A New Age of Innovation

66 Innovation distinguishes between a leader and a follower 99



The Hongkong and Shanghai Hotels is one of the world's best luxury hotel groups, renowned for our luxury hospitality and personalised service. We are a brand with an established history, but in today's fast-paced world we recognise that we need to keep our vision firmly set on the future.



HSH has set up a dedicated team, the Technology Steering Committee, committed to exploring the latest developments in the technology world and to seek to understand and answer some of these questions:

- How do we achieve a "360-degree view" of our guest"?
- How can we personalise each and every guest's stay and exceed their expectations, while maintaining strict privacy regulations?
- Who are our guests of tomorrow and what are they seeking?
- What can people expect from the hotel room of the future – look, feel, scent, ambience, virtual reality experiences?
- How will guests feel when they arrive and when they leave a hotel?
- How is technology shaping the future of hospitality in the trillion-dollar industries of wellness and sleep, and how can hotels play a role?

The Technology Steering Committee is led by our CEO Clement Kwok and Group Director of Information Technology Shane Izaks, who are responsible for driving technology transformation across the group. There are five departmental pillars that shape the committee – Operations, Sales & Marketing, R&T, Finance and HR. The ambition is for our company to transition from current best practice into a truly data-driven company where the guest and operations experience is enhanced by digitisation and data analytics.

As Mr Izaks notes, "Our objective is to embark on a journey that allows us to prepare for the needs of tomorrow. It is a journey where we will use the latest technology and business data tools to enhance the service we offer our guests, as well as understanding more deeply which areas of our hotel activity and retail services are most valuable to guests."

"Today's real luxury is time and we want to give our customers back their precious time. We are asking ourselves the question of how we can help our staff to serve our customers even better in the future. We all know that it is only through innovation that we can transform our operations and secure our future. Smart hotel rooms, voice recognition, personalised service and customisation are fast becoming a part of the luxury hotel room offering. We are planning to take the very best of contemporary best practice, combining digital technology and deploying it to enhance the way we work and create a better guest experience."

## Our Guests

In 2016, the TSC established a five-year roadmap to meet its goals and to bring cohesion to our tech development and strategies.

All of these factors require more than just introducing the power of data and analytics and computing into our operations or e-commerce; it is about how we use technology to enhance how we work: not by replacing people, but becoming more efficient and by facilitating a better guest experience.

Through the implementation of changes behind the scenes, we aim to be able to dedicate more time for our concierges, housekeeping staff and front desk personnel to attend to our guests in the most personalised way possible.



2016/17 Putting the initial business tools in place for Data Analysis – BigDATA; Uploading our data into contemporary cloud-based services

2017/18 The start of Digital Transformation, looking at Business Intelligence software, data analytics & adapting organisational structure to fit.

2018/19 Enhancing Customer Relationship Management (CRM)

2019/20 Roll out to all operations with multiple levels of users. Continue enhancements to refine the data

With ten operational hotels and three under development, the group is small enough to remain nimble and agile, designing bespoke solutions for our hotels. Some exciting future possibilities include:

- Back-of-house autonomous delivery robots, with the ability to shift heavy loads of bed linen or furniture
- Robotic cleaning solutions with 24/7 usage
- In-room hands-free help from a virtual assistant
- Voice activation for the guestroom technology, including room controls, in the guest's chosen language
- A "digital butler" to anticipate guest preferences –
  even before they arrive at the hotel or who could
  take guests on a virtual tour of the shopping
  arcade, complete with personalised offers



Our hotels are the perfect testing ground for much of this new technology. Al (artificial intelligence) or VR (virtual reality) devices and applications are already becoming mainstream. We are working towards the following:

- Staff using wearables or smart watches to assist in back-of-house communications
- By integrating data from every touchpoint in the hotel we could improve service, reduce cost and tailor personal services
- A new generation of in-ear technology ("hearables") that could give instant translation for housekeeping or front desk to communicate more easily with guests
- Robotic Process Automation to bring efficiency to back-of-house

These enhancements to operations will be matched on the digital side of our business in our e-commerce and Customer Relationship Management (CRM):

- Personalisation with features based on a single customer view
- Personalised direct booking experience
- Identify new guests and target audiences

The result is one that we hope will improve our guest experience, while enhancing the service values that are at the heart of what HSH promises.



As part of HSH's ongoing investment in hospitality technology, in the summer of 2018, the group launched the Kaleidoscope Lab ignition programme – the latest component of the TSC's five-year roadmap which it will deliver across HSH group businesses.

This is the world's first bespoke luxury hospitality project of its kind, developed in conjunction with SRI International (Stanford Research Institute). With the objective of discovering, nurturing and accelerating new innovation for the luxury hospitality sector, the project also marked the first collaboration for SRI International in Hong Kong. The Kaleidoscope Lab programme initially attracted over 70 applicants and six shortlisted finalists subsequently pitched their ideas to a panel of HSH executives and industry experts in February 2019. Following the pitches, ASA Innovation & Technology Ltd and Neoma were announced as the joint winners.

They will also be connected with venture capitalists, industry experts and legal advisors in order to ensure that they have all the tools that they need to build and manifest their respective products. At the end of the programme, the startups will then be given the opportunity to pitch their product to HSH to secure a pilot or commercial deal with the group.