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The Future of Hospitality Depends on Human AI Literacy

Pre-Stay

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Ian Millar argues that AI has already taken control of the pre-stay guest journey and that the hospitality industry's most urgent challenge is not technological adoption but the development of genuine AI literacy among its leaders. Rather than treating AI as an IT concern, Millar makes the case that understanding data, prompting systems, exercising critical judgment, and maintaining human oversight are now core leadership competencies. The hotels that will thrive are not those with the most automation, but those with the organizational discipline, shared accountability, and cultural mindset to teach machines well and know when to override them.

The three main phases of the pre-stay journey are already forms of human-to-machine interaction. Future guest searches are AI-curated, booking decisions are heavily influenced by algorithms such as those used by Booking.com, and the first interactions are often no longer human. So this human-to-machine interaction is already a reality. The real question is whether we are managing it correctly or getting it completely wrong.

Examples are everywhere. Inconsistent room descriptions lead to poor recommendations, bad tagging creates irrelevant upsell suggestions, and generic responses expose chatbot failures. Machines are only as good as the operational discipline behind them. And this is where human AI literacy becomes critical. Staff need to understand what AI can and cannot do. They need to know how to prompt systems, supervise them, override them when necessary, and, more importantly, critically interpret AI outputs. The real risk is not that AI replaces humans, but that humans become passive operators of systems they no longer understand.

Revenue managers blindly trusting pricing tools, marketing teams over-automating guest communication, and front office staff unable to explain AI-driven offers. I recently worked on a project where a hotel sent 8 emails between the booking confirmation and arrival.

The pre-stay reality is simple: AI is already in control.

Discovery: Google, OTAs, and social platforms are increasingly AI-driven, meaning hotels no longer control visibility directly; they only influence it indirectly.

Consideration: AI chat assistants answer guest questions and summarize reviews, shaping perception before a human interaction ever happens.

Booking: Dynamic pricing engines and personalized offers influence purchasing decisions in real time.

Hotels are no longer simply selling rooms. They are competing inside AI systems that they do not control. And this changes everything. Hospitality leaders now require an entirely new skill set.

THE NEW SKILL SET FOR HOSPITALITY LEADERS

- **Data Awareness** - Understanding what data exists, where it comes from, and how it is used.

- **Systems Thinking** - Seeing the entire guest journey as an interconnected system rather than a collection of isolated silos.
- **Prompting & Interaction** - Knowing how to "talk" to AI systems effectively is becoming an extremely practical operational skill.
- **Critical Judgment** - Challenging AI outputs instead of blindly accepting them.
- **Operational Discipline** - Ensuring processes generate clean, structured, and usable data.

We need to start thinking differently. Understanding data is becoming foundational. One of my favorite phrases is: "data does not care about your feelings." But hospitality has historically been built around instinct and gut feeling. That mindset increasingly needs to evolve. Silos that have existed for decades between departments can no longer survive in an AI-driven environment. And the one thing hospitality professionals consistently say they lack is not technology, but time.

And this is precisely where AI should help.

At the same time, trusting AI 100% is dangerous. There will always need to be a human in the loop.

My biggest focus right now is mindset. Technology and AI are ultimately just tools. What matters is how hospitality leaders think about those tools. For too long, the industry has been obsessed with finding solutions before fully understanding the underlying problems. One of the most important shifts is learning to "fall in love with the problem, not the solution."

Traditional Mindset	AI-Literate Mindset
Technology supports operations	Technology shapes decisions
Tool-focused	System-focused
Reactive	Experimental
Delegates to IT	Owns cross-functional impact

AI LITERACY IS NOT A TECHNICAL SKILL. IT IS A LEADERSHIP CAPABILITY.

This is why AI literacy should not be treated as a narrow technical competency delegated to IT or digital specialists. In hospitality, it is fundamentally a leadership issue.

Hospitality leaders shape how technology is interpreted inside the organization. If leadership sees AI merely as a cost reduction tool, the conversation quickly narrows to automation, headcount pressure, and short-term efficiency. If leadership understands AI as a new layer of decision making, communication, and guest influence, then the conversation becomes strategic.

At the same time, AI is evolving so quickly that it is genuinely difficult for people to keep up. Combined with the daily operational pressures of running a hotel, it is understandable why many organizations adopt AI in a fragmented, unstructured way, simply experimenting to see what sticks. Leaders today need frameworks, governance, and shared accountability across departments for quality, risk, and purpose.

This reminds me of Phil LeBrun's story: a chicken and a pig decide to open a restaurant together. "Great idea," says the pig. "What should we serve?" "Bacon and eggs," replies the chicken. The point, of course, is that the pig carries a very different level of responsibility. Not all involvement is equal.

Without shared ownership, adoption becomes inconsistent. One department may use AI creatively and effectively while another avoids it entirely. One manager may understand the limitations of generative AI while another assumes that anything produced by a machine must automatically be efficient and correct. The result is fragmented adoption and uneven outcomes.

The hotels that will succeed in the future are the ones that get the mindset right.

First, data will be treated as a strategic asset rather than leftover operational exhaust. These hotels will understand that poor data hygiene creates downstream problems, and they will implement frameworks and processes to address it.

Second, they will invest heavily in onboarding and training. And this may actually become one of the industry's biggest challenges. Many hotels already struggle with onboarding staff into relatively simple operational roles. AI requires a much deeper shift: not only understanding where to click, but also learning how to refine, supervise, and challenge AI systems effectively.

Third, human checkpoints will become essential. AI outputs will need to be reviewed, refined, and controlled. Not everything should be left entirely to automation.

Fourth, departmental silos will need to disappear. No single department owns the pre-stay funnel anymore. Marketing, revenue, e-commerce, sales, and operations are now deeply interconnected.

Finally, success itself will need to be measured differently. The objective will not be maximising automation for its own sake, but using AI where it improves relevance, clarity, speed, and confidence without eroding the humanity of the brand.

THE NEXT CHAPTER OF HOSPITALITY LITERACY

Hospitality has always been described as a people business: understanding people, reading situations, anticipating needs before guests themselves articulate them. None of this disappears. If anything, it becomes even more valuable as systems and processes become increasingly automated. But leaders also need to understand how AI "reads" their business. This requires better data, clearer thinking, stronger judgment, and far more intentional leadership.

AI and data can no longer be viewed simply as tools. They must be treated as part of the business strategy itself. The real shift is not technological, but cultural. And the biggest challenge remains the human element.

People will naturally worry about their jobs when automation enters the workplace. They may question their value when machines begin handling tasks previously done by humans. But AI is not meant to replace people. At its best, it should remove repetitive tasks, reduce operational friction, and give people back the one thing hospitality professionals never seem to have enough of: time. For that to happen, however, people need to embrace change, step outside routine behaviors, and challenge many of the long-standing assumptions this industry has operated under for decades.

The most successful hotels will not be the ones with the most AI, but the ones that teach machines best. Speed alone will not win. Accuracy, clarity, discipline, and genuine human understanding will.

