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AI Everywhere



The Hotel Yearbook

Foresight and innovation in the global hotel industry

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The Future of Distribution Isn't Passive Connectivity. It's Agentic Execution.

Pre-Stay

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Sankar Narayan argues that connectivity alone is no longer enough to solve hospitality's revenue problem. The real gap, he says, is execution. With 45% of hoteliers identifying revenue opportunities every week they cannot act on in time, and nearly four in five spending over 11 hours on manual tasks that should be automated, he makes the case that the industry's next competitive frontier is not smarter insights, but faster action.

For the past twenty years, the hotel industry has sought to address the fragmentation that's grown alongside the introduction of new tools into the tech stack.

The answer: connectivity.

APIs have replaced manual contracting.

Distribution has shifted from static to real-time.

And, applications, from those providing revenue management to guest engagement, payments, business intelligence and every capability in between, have all become increasingly integrated.

Yet despite this progress, hoteliers today continue to miss critical opportunities to generate the revenue their businesses need.

Not because they lack the data. Even a 100-room hotel with 1.5 guests per room and 65% occupancy has data on more than 35,000 guests every year.

Not because their systems can't communicate, as connectivity has made sure they can.

But because acting on what they know still requires too much manual effort, coordination and time.

The challenge facing hospitality, therefore, is no longer connectivity alone. It's execution.

THE HIDDEN COSTS OF CONNECTIVITY WITHOUT ACTION

A recent study of 700 hoteliers worldwide finds that 45% identify revenue opportunities every week that they can't act on in time.

One example of these opportunities is distribution channels that hotels are yet to connect to, even as new source markets emerge. Another could be times when occupancy is running hot for a hotel while its rates remain too low. Or they could be failures because properties do not appear in AI-powered search results.

Whatever the opportunities may be, they aren't being identified occasionally or during peak seasons.

Hoteliers are identifying missed revenue opportunities every week.

Just as concerning, nearly four-in-five hotel teams (79%) are spending more than 11 hours every week on manual tasks that could be automated between systems. This bridging work is the hidden cost of a tech stack that isn't yet truly integrated.

It's not just costing hotels time, either. It's costing potential sales and revenue.

At least one in two hoteliers (58%) have foregone adding a distribution channel that they actually wanted their property to be on. Not because the channel wasn't right for them, or that connectivity wasn't technically possible, but because the setup was too complex and time-consuming. Their team simply couldn't absorb it.

THE NEED FOR LIGHTNING SPEED-TO-MARKET

At a time when LLMs can process immeasurable volumes of data in seconds, connecting to a new distribution channel should be an easily executable decision, not a weeks-long project.

It's clear that hoteliers remain paralysed by technology that can't keep pace with the speed they need. And herein lies the opportunity.

The same study found that 65% of hoteliers expect that the ability to take immediate action in response to demand changes would unlock at least 6% more revenue each year. Across the \$1.2 trillion global accommodation sector, this opportunity represents billions of dollars in potential revenue.

As technologists, it is on us to address this billion-dollar pain point, and that means enabling speed of execution.

Not merely integrating.

Not merely capturing data and surfacing insights and recommendations.

But enabling execution of all the above, at speed.

It's this capability that makes the language of "connected" no longer enough.

LOOKING BEYOND ASSISTANCE, TO EXECUTION

As with many industries, we are witnessing AI reshaping how hoteliers work. As for what the future holds, I believe we can expect more agentic workflows to operate seamlessly across connected hospitality platforms.

And that's exciting.

A future where agents no longer work in silos and, instead, sync with each other on behalf of the hotels they support.

A future where hoteliers feel empowered to make rapid decisions, based on contextualised recommendations, and then act on them just as quickly.

It's a future where distribution doesn't end after the point of connection. Instead, distribution becomes the new, dynamic form of revenue management – an ongoing journey of connectivity, rates and content management, intelligence analysis and rapid execution, moving at the pace the AI era demands.

While the rate of adoption could, of course, be faster, I am encouraged to see many hotels moving away from disconnected workflows toward more integrated operating environments.

It's no secret that hoteliers want to manage fewer systems and enjoy more native workflows. They want capabilities such as distribution, intelligence, pricing, and other revenue-performance workflows within the core environment they operate in.

In this way, what is becoming as valuable as the source of truth itself is the execution system.

We're operating at a time when AI assistants are exploding. Using these, hoteliers can now be guided on performing tasks such as interpreting data, distributing inventory and establishing the right channel mix.

But while AI assistants are a major leap forward for the hotel industry, they are only as good as their ability to perform the tasks required.

Suggestions are great, but can they open or close a hotel's availability, or update room rates? Can they adjust restrictions, select distribution channels, respond to demand patterns and optimise commercial workflows?

In short, they can't. Only a system of execution can turn intelligence into action, demand into bookings, and potential into performance.

Whether bookings are looking rosy or not, it is hitting the fan, hoteliers need the ability to act quickly.

FROM SINGLE SYSTEMS TO ENTIRE ECOSYSTEMS

The key to unlocking this future capability lies in APIs.

Over the last two decades, we have seen the travel industry move from manual contracting to API-first distribution.

It's a movement underpinned by a less visible shift: from system-to-system to ecosystem-to-ecosystem.

The future of distribution will see PMSs, RMSs, CRSs, CRMs, payment systems, guest applications and business intelligence all interacting underneath AI layers, enabled by a unified view of data.

Put another way, the future will see the rise of agent-to-agent conversations, turning manual processes into automated ones.

Why? Because the complexity of distribution has never been greater. AI has created new opportunities for hotels to gain visibility, but these opportunities mean hoteliers must make faster decisions.

The agentic future of distribution makes it possible to work at speed.

IT COMES BACK TO ACCESS AND CHOICE

Without doubt, system silos have been one of the biggest barriers to hotels making material changes.

But we've arrived at an inflexion point where connecting siloed systems is no longer adequate.

The opportunity ahead lies in helping hotels execute with a deeply unified commercial tech stack in which distribution, intelligence, and revenue optimisation work together in real time.

As an industry, I believe we should welcome the agentic future of distribution. Not only will it further democratise technology for hotels, but it will also increase every hotel's speed-to-market, making it simpler for those hotels to generate the revenue they need.

Because even if hotels aren't seeking out this future, their guests are. SiteMinder's Changing Traveller Report 2026 reveals that four in five travellers now want AI assistance at one point during their booking journey. Additionally, consumers are now using AI to search for places to stay nearly four times more often than they did in 2025.

These numbers are only set to grow.

In the future, it will be the hotels with accurate, rich and accessible data that tomorrow's guest will find.

History shows us that major events will increasingly drive booking decisions. Emerging markets will open new revenue potential. Geopolitical forces will continue to accelerate the pace of change.

As for how these will manifest, we can expect a demand signal to become a distribution decision. A performance dip will soon become a pricing adjustment. A traveller's question will culminate in a booking.

This is the future of distribution, where connectivity has shifted from an ideal to a requirement, and speed of execution is the new commercial advantage.

