

Where Innovation Will Lead The Vacation Rental Industry

31/10/2018

Company News



While some would argue introducing the internet to the industry would make things easier – which it did, eventually – initially, it actually made the process of renting out homes harder because it turned the vacation rental industry into the Wild West. That's what happens when you take the reliability of a largely face-to-face transaction and, almost overnight, make it digital. Behind a computer screen, anyone could be anyone – on either side of the equation.

Travelers would have to question, “Does the home actually exist?” and “Am I sending my money to a real person?” At the same time, homeowners were wondering, “Is this traveler who they say they are?” and “Will this check arrive in the mail and actually clear?”

So maybe there weren't any outlaw posses or duels at high noon, but there was a lot of discontent among guests and homeowners alike. When vacation rental listing site VRBO emerged in the late '90s, the industry was forever changed. Property managers, FRBO (for rent by owner) properties and listing sites had to change with it. Essentially, the industry was created all over again. It was a race to the top, and over the next two decades, technology was the key to getting ahead.

Fast forward 20 years, and technology is more important than ever. Homeowners want to be sure their home is secure,

provides a good experience for guests and generates the best financial returns. Guests want standard amenities like they would find in a high-end hotel — including great Wi-Fi, easy and secure access and 24/7 customer support. For vacation rentals today, it's no longer enough to just leave a key under the mat.

Google, Amazon And AI In Vacation Rentals

With recent moves into travel and hospitality, some argue that Google and Amazon, with artificial intelligence (AI), are the future of the vacation rental industry. I argue they're wrong. Sure, Google can show vacation rentals in search, and Amazon can make it easier to mass-order toilet paper to stock your rental home. But these are just technology companies, not specialized hospitality organizations. The future of the vacation rental industry is with home service providers who can offer vacation rental homeowners and guests consistency, value and privacy by utilizing technology to provide the utmost customer service.

Think about it this way: When you stay at a Hilton or Marriott, you always know you can expect clean sheets, 24/7 service, convenient locations, etc. As founder of one of the largest vacation rental property management companies in the U.S., a travel industry veteran and a vacation rental homeowner, I know that the vacation rental industry needs that, too. And property managers like us are working toward that — a vacation rental hospitality brand guests can trust to provide a consistent, high-quality vacation rental experience in every home, every stay, every time. A home service provider, or property manager, can offer a level of expertise and precision that most folks renting out their homes by themselves could not, plus the kind of hands-on service that Amazon Alexa could never provide.

Vacation Rental Technology Alone Has Limitations

In 2018, technology integrated with personal service is crucial from the very moment a guest considers renting a home.

With telltale signs of fraud becoming more apparent, guest screening is now a requirement for every property. Having the process in place to screen guests is step one, and having a team in place to analyze the screening is step two. Today, homeowners can be more secure than ever in knowing who they're renting to.

Guest screening is just the beginning. Digital locks are now installed on front doors with single-use door codes, Nest thermostats allow house temperatures to be controlled remotely, noise monitors can detect parties and more. When coupled with local service, both guests and homeowners can feel safer and more comfortable. The more successful the integration of technology with personal service, the better the experience.

Not only does upgraded technology give guests a better vacation rental experience, but it also allows property managers to compete on the level of fine hotels. This is key to building the experience people expect after decades of staying in hotels and hearing vacation rental nightmares.

Technology Is A Tool, Not The Destination

However, it's not enough just to have the technology; it also has to be secure, noninvasive technology that protects the interests of homeowners and guests. This is part of the reason why the future of the industry doesn't rest in AI devices. Few guests would complain about a noise-monitoring device, but many would certainly object to a security camera inside of a home or a device that records their private conversations. That's why it's critical for the industry to establish clear, enforceable and balanced boundaries around guests' and owners' rights.

Technology offers the vacation rental industry an opportunity to shape its image and its place in local communities. Being able to show how vacation rental homes can coexist positively within their neighborhoods, and how they can be an equivalent or preferable option to staying at hotels, will give short-term rentals more clout and place them under less

scrutiny. Elevating the vacation rental experience – both what it means to own one and to stay in one – will offer communities a more positive view of the industry, building greater local support and supporting a huge revenue booster for local economies.

Conclusion, after all is: investing in the right technology for the vacation rental industry – and how it integrates with the comprehensive guest or homeowner experience – will make this future very, very bright.