

Research Article

Artificial Intelligence-Internet of Things Convergence in Hospitality: A Theoretical Approach on Smart Service Delivery and Customer Engagement

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Abstract

The rapid convergence of Artificial Intelligence (AI) and the Internet of Things (IoT) is reshaping the hospitality industry by enabling intelligent, automated, and hyper-personalized service ecosystems. This study examines how the integration of AI and IoT—referred to as AIoT—enhances smart service delivery and strengthens customer engagement within hotels and related hospitality environments. The research explores key AI and IoT applications such as smart guest rooms, predictive maintenance, automated check-in systems, and personalized service recommendations, highlighting their impact on operational efficiency and guest satisfaction. Findings indicate that AIoT-driven solutions not only streamline service processes but also create immersive, interactive experiences that increase convenience, engagement, and loyalty. Despite challenges related to security, cost, and technological integration, AIoT offers significant potential for transforming hospitality service models. The study concludes that embracing AI–IoT convergence is essential for hospitality organizations seeking competitive advantage in an increasingly digital and experience-driven marketplace.

Keywords

Artificial Intelligence, Internet of Things, Smart Hospitality, Customer Engagement, Service Automation

1. Introduction

The hospitality industry is undergoing rapid digital transformation as organizations increasingly adopt advanced technologies to meet evolving guest expectations for personalization, convenience, and efficiency. Among these emerging technologies, the convergence of Artificial Intelligence (AI) and the Internet of Things (IoT)—commonly referred to as AIoT—has become a catalyst for innovation in service delivery and customer engagement. AI provides hotels with capabilities such as predictive analytics, natural language processing, and automated decision-making, while IoT enables

interconnected devices to collect and share real-time data across intelligent environments. [5]

Individually, AI and IoT have already demonstrated significant value in hospitality operations. IoT devices such as smart thermostats, occupancy sensors, and connected locks support automated room environments and efficient facility management. [3] Meanwhile, AI applications—including chatbots, recommendation engines, and robotic assistants—enhance communication, support personalization, and streamline rou-

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Received: 24 November 2025; Accepted: 6 December 2025; Published: 2 June 2026



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tine services. [6] When combined, AI–IoT systems create dynamic hospitality ecosystems where data-driven insights guide intelligent, real-time decision-making, shaping more responsive and customized guest experiences.

The integration of AI and IoT enables hotels to deliver *smart service* by automating processes such as check-in, room personalization, and predictive maintenance. Smart rooms that learn guest preferences for lighting, temperature, or entertainment exemplify how AIoT contributes to seamless and intuitive experiences. [11] Additionally, AIoT-driven customer engagement tools—such as voice-controlled systems and context-aware service recommendations—enhance guest interaction and satisfaction by making services more relevant and accessible. [8]

Despite its transformative potential, the adoption of AIoT in hospitality presents challenges, including data privacy concerns, cybersecurity risks, integration complexity, and the significant financial investment required for infrastructure. [9] There is also a need for workforce upskilling, as employees must adapt to new systems that automate traditional service roles. [6]

This study examines the convergence of AI and IoT in the hospitality industry, with a focus on how AIoT systems enhance smart service delivery and deepen customer engagement. By analysing current applications, benefits, challenges, and future opportunities, the research aims to provide meaningful insights into how AIoT technologies can support more efficient operations and elevate guest experiences in an increasingly digital service landscape.

2. Methodology

2.1. Research Design

This study adopts a qualitative research design using a descriptive and exploratory approach. Because AI–IoT convergence in hospitality is an emerging domain with rapidly evolving technologies, a qualitative design provides the flexibility needed to capture complex, nuanced developments. This approach also allows the study to integrate diverse forms of evidence and examine them in a holistic manner.

The exploratory and descriptive orientation directly guides the study’s analytical process. By allowing concepts and patterns to emerge from the data rather than imposing predefined frameworks, the research design naturally feeds into the thematic analysis used in the findings section. This alignment ensures that the themes presented later are grounded in the methodological choices made here and that the final conclusions logically reflect the insights derived from this design.

2.2. Data Collection Method

The study relies entirely on secondary data gathered from credible and peer-reviewed sources, including:

1) Academic journals in hospitality, tourism, information

systems, and technology

2) Industry reports from hospitality technology associations

3) Conference papers and white papers

4) Reputable databases such as Scopus, Web of Science, ScienceDirect, and Google Scholar

5) Case studies of hotels and tourism organizations implementing AI–IoT systems

Using secondary data ensures broad coverage of current industry practices and scholarly perspectives. This approach also supports the subsequent thematic analysis by providing a rich pool of contemporary information from which patterns and themes can be drawn.

2.3. Sampling Technique

A purposive sampling strategy was applied to select studies and industry cases that specifically address AI, IoT, or AIoT applications in hospitality contexts. Only recent literature was included to ensure that the analysis reflects up-to-date technological developments. This targeted sampling strengthens the relevance of the findings and ensures that the themes generated later accurately capture current industry realities.

2.4. Reliability and Validity

Reliability was reinforced by selecting only peer-reviewed sources, reputable industry publications, and evidence-based case studies. Triangulation was applied by cross-checking insights drawn from multiple types of sources, ensuring consistency and reducing bias.

Validity was enhanced by using clearly defined inclusion criteria and prioritizing recent literature, which together ensure that the findings accurately represent the current state of AIoT adoption in hospitality. This methodological rigor strengthens the credibility of the themes identified and supports robust conclusions.

2.5. Ethical Considerations

The study uses only publicly available secondary data, eliminating the ethical risks associated with human participants. All sources are appropriately cited to respect intellectual property and maintain academic integrity. The transparent handling of secondary data further supports the trustworthiness of the findings and the conclusions derived from them.

3. Defining Key Terms and Concepts

Understanding the convergence of Artificial Intelligence (AI) and the Internet of Things (IoT) within the hospitality industry requires clarity on several foundational concepts. This section defines and contextualizes the key terms used in this study to establish conceptual coherence and support the analysis of smart service delivery and customer engagement.

3.1. Artificial Intelligence (AI)

Artificial Intelligence (AI) refers to computer systems or algorithms designed to perform tasks that typically require human cognitive abilities, such as learning, reasoning, problem-solving, and decision-making. [10] In hospitality, AI encompasses technologies such as chatbots, recommendation engines, language processing systems, facial recognition tools, and predictive analytics. These tools enable hotels to provide personalized interactions, automate guest services, and improve operational efficiency. [6] AI serves as the “intelligence” layer that processes data and generates insights to drive automated decision-making in smart hospitality environments.

3.2. Internet of Things (IoT)

The Internet of Things (IoT) refers to a network of interconnected physical devices—such as sensors, smart thermostats, RFID tags, and mobile devices—that collect, exchange, and transmit data through embedded software and internet connectivity. [1] In hospitality, IoT devices power smart rooms, energy management systems, occupancy detection, and keyless entry services. IoT enables real-time monitoring and remote control of hotel resources, enhancing convenience and operational responsiveness. [3] IoT provides the data infrastructure upon which AI operates.

3.3. AI–IoT Convergence (AIoT)

AI–IoT convergence, commonly termed AIoT, describes the integration of artificial intelligence algorithms with IoT device networks to create intelligent, automated ecosystems capable of learning from real-time data and responding proactively. [4] AIoT goes beyond simple automation by enabling predictive behaviors, personalization, and autonomous decision-making. In hospitality, AIoT facilitates smart rooms that adapt to guest preferences, predictive maintenance systems, voice-activated services, and frictionless check-in processes. The synergy between AI and IoT is essential for transforming hotels into responsive, data-driven environments.

3.4. Smart Service Delivery

Smart service delivery refers to service processes enhanced or automated through digital technologies that improve efficiency, responsiveness, and personalization. Such services rely heavily on real-time data and interconnected systems to offer seamless guest experiences. [5] In hospitality, examples include automated check-in kiosks, mobile concierge applications, energy-optimized rooms, and AI-driven customer support. Smart service delivery aims to reduce human workload while increasing service speed, accuracy, and guest satisfaction.

3.5. Customer Engagement

Customer engagement refers to the emotional, behavioral,

and cognitive connection between a customer and a service provider, influenced by interactive and personalized experiences. [2] In hospitality, customer engagement is shaped by how guests interact with digital systems such as chatbots, mobile apps, smart devices, or AI-powered platforms. AIoT enhances engagement by delivering personalized content, proactive service suggestions, and interactive interfaces that create a more immersive and meaningful guest experience. [8]

3.6. Smart Hospitality

Smart hospitality is a concept describing the technological transformation of hotels and tourism organizations through advanced digital systems that enhance efficiency, sustainability, and guest experience. [9] It integrates AI, IoT, robotics, big data, cloud computing, and mobile platforms to create digitalized service environments. Smart hospitality underscores the shift from traditional service models to data-driven, automated operations that better accommodate modern traveler expectations.

3.7. Predictive Maintenance

Predictive maintenance is the use of AI and IoT sensor data to predict equipment failures before they occur, enabling proactive repairs and reducing operational disruptions. [7] In hospitality, predictive maintenance ensures the smooth functioning of HVAC systems, elevators, lighting, and other critical infrastructure. This concept is central to AIoT’s contribution to operational efficiency and guest comfort.

3.8. Personalization

Personalization refers to tailoring services, recommendations, or interactions to individual preferences based on user data, behavioral patterns, or contextual cues. [11] AIoT enhances personalization by integrating sensor data, user profiles, and AI algorithms to adjust room environments, suggest activities, and customize service offerings in real time. Personalized service delivery strengthens customer satisfaction and loyalty.

4. AI and IoT Applications in Hospitality

The hospitality industry is undergoing a profound digital transformation driven by technological innovations such as Artificial Intelligence (AI) and the Internet of Things (IoT). These technologies are reshaping service delivery, guest interaction, and operational efficiency. As hotels strive to meet rising customer expectations for personalized, seamless, and convenient experiences, AI and IoT have emerged as powerful tools for creating smart, responsive, and data-driven service environments. The integration of AI and IoT—known as AIoT—enables hotels to automate routine tasks, enhance personalization, optimize resources, and strengthen customer engagement. This essay explores the major applications of AI

and IoT in hospitality, highlighting their role in achieving smart service delivery and improved guest experiences.

4.1. Smart Guest Rooms and Intelligent Environments

One of the most prominent applications of AI and IoT in hospitality is the development of smart guest rooms. IoT sensors, smart thermostats, connected lighting, and automated curtains work together to create adaptive environments that respond to guest preferences. When combined with AI, these rooms can learn behavioral patterns and adjust settings for comfort, energy efficiency, and personalization. [3] For instance, smart rooms may adjust room temperature upon detecting occupancy or personalize lighting according to previously stored guest preferences. Voice-activated assistants and AI-based conversational interfaces further enable guests to control room features seamlessly, contributing to a more intuitive and personalized stay. [11]

4.2. Automated Check-In, Check-Out, and Smart Access

AI and IoT also streamline front desk operations through automated check-in and check-out processes. IoT-enabled mobile keys, facial recognition systems, and digital kiosks allow guests to bypass traditional reception queues and access their rooms conveniently. [9] AI enhances these systems by verifying identities, detecting anomalies, and offering real-time support. This not only reduces waiting times but also supports contactless hospitality—a feature increasingly valued in the post-pandemic era. Smart access systems improve operational efficiency by enhancing security, minimizing human errors, and ensuring accurate guest authentication.

4.3. Service Automation and Robotics

AI-powered robots and IoT-connected devices are increasingly being deployed to automate routine hospitality tasks. Robots assist with room service delivery, cleaning, concierge services, and luggage handling. [6] These robotic systems rely on IoT networks for navigation and communication, while AI enables them to interpret requests, engage in basic interactions, and perform tasks autonomously. Automated service technologies increase efficiency, reduce staff workload, and enhance consistency in service delivery. They also add novelty and enhance the overall guest experience, particularly in technologically advanced hotel environments.

4.4. Predictive Maintenance and Energy Management

Predictive maintenance is another significant AI-IoT application, helping hotels reduce operational disruptions. IoT sensors monitor equipment performance in real time, detecting

vibrations, temperature changes, and energy usage anomalies. AI algorithms analyze this data to predict potential failures before they occur. [7] This proactive approach helps hotels avoid costly repairs, reduce downtime, and maintain consistent service quality. Furthermore, AI-IoT integration supports energy management by optimizing heating, ventilation, lighting, and water consumption. Smart energy systems reduce operational costs and support sustainable hospitality initiatives, which are increasingly important for environmentally conscious travelers. [5]

4.5. Personalized Marketing and Guest Interaction

AI enhances guest engagement by analyzing data generated from IoT devices, social media interactions, booking histories, and mobile app usage. AI-powered recommendation systems deliver personalized suggestions regarding dining, activities, and promotions. [8] IoT devices further supplement this by capturing real-time behavior, enabling context-aware recommendations. For example, a guest returning to the hotel after a workout may receive AI-generated suggestions for spa treatments or healthy menu options. Chatbots, virtual concierges, and voice assistants provide continuous support, ensuring quick responses and improving communication. Together, AI and IoT help hotels build meaningful, personalized interactions that strengthen loyalty and overall satisfaction.

4.6. Safety, Security, and Operational Monitoring

IoT-enabled surveillance systems, smart locks, and occupancy sensors enhance hotel security by enabling real-time monitoring of guest areas and equipment. AI improves these systems by analyzing video feeds, detecting suspicious behavior, and alerting staff to security risks. [4] Additionally, IoT sensors provide real-time updates on air quality, hygiene levels, and crowd density—helpful for maintaining hygiene and safety standards in high-traffic hotel environments.

4.7. Real Life Examples - AI Applications in Tourism & Hospitality

4.7.1. AI-powered Customer Service

Chatbots & virtual concierges - Hotels use AI chatbots on websites, apps, and messaging platforms (e.g., WhatsApp) to answer questions, make bookings, and handle complaints 24/7. Virtual concierges such as Hilton's "Connie" (powered by IBM Watson) provide personalized recommendations.

Voice assistants in hotel rooms - AI voice systems (e.g., Amazon Alexa for Hospitality) allow guests to control lighting, temperature, and entertainment through speech.

AI call-center automation - Natural language processing (NLP) triages guest inquiries, improves response times, and

reduces operational load.

4.7.2. Personalization and Customer Engagement

Recommendation systems - AI analyzes guest profiles and behavior to suggest restaurants, attractions, or room upgrades. Hotels send personalized promotions based on predicted preferences.

Dynamic pricing - Revenue management systems use machine learning to adjust room prices in real time based on demand, seasonality, and competitor data.

Sentiment analysis of guest reviews - AI analyzes social media and review platforms (TripAdvisor, Google Reviews) to extract insights and guide service improvements.

4.7.3. Robotics and Automation

Service robots - Delivery robots (e.g., “Relay” by Savioke) bring towels, amenities, or food to guest rooms. Reception robots handle check-in/check-out (e.g., Henn-na Hotel in Japan).

Cleaning & maintenance robots - Autonomous vacuum cleaners and UV-C light robots sanitize guest rooms and public spaces.

IoT Applications in Tourism & Hospitality

4.7.4. Smart Hotel Rooms

Connected room controls - IoT sensors and smart devices adjust lighting, climate control, curtains, and entertainment based on guest behavior and preferences.

Energy management - Occupancy sensors, smart thermostats, and automated HVAC systems reduce energy usage when rooms are unoccupied.

Smart locks - Mobile key entry via smartphones or wearables enhances convenience and reduces physical touchpoints.

4.7.5. Operational Efficiency

Predictive maintenance - Connected appliances (HVAC, elevators, boilers) use IoT sensors to detect malfunctions early and schedule repairs automatically.

Inventory tracking - IoT RFID tags track linens, cleaning supplies, and minibar contents to reduce loss and optimize housekeeping operations.

4.7.6. Smart Tourism Environments

Location-based services - Beacons and GPS allow tourism apps to guide travelers through museums, airports, and cities with real-time navigation, queues, and wait times.

Crowd management - IoT sensors track foot traffic in attractions or airports to avoid congestion and improve visitor flow.

Smart transport integration - Connected public transport systems provide real-time arrival data, reducing waiting times and improving tourist mobility.

AI + IoT Convergence (AIoT)

4.7.7. Integrated Applications

Smart check-in/check-out systems - Cameras, facial recognition AI, and IoT door locks enable seamless, contactless entry without human intervention.

Context-aware room personalization - IoT sensors collect data (movement, temperature preference), while AI predicts and adjusts room conditions automatically.

Guest behavior prediction - AI analyzes IoT-generated data (usage patterns, occupancy, preferences) to anticipate needs such as: preferred housekeeping time, typical room temperature and amenity usage.

Smart destination management - Cities integrate AI analytics with IoT sensor networks to optimize tourist flows, reduce overcrowding, and enhance safety.

Health and safety monitoring - IoT air-quality sensors and predictive AI models monitor cleanliness and environmental conditions in hotels and airports.

4.8. Recent Examples of AIoT in Major Hotel Chains

Hilton (2023–2024)

- 1) In 2023 Hilton rolled out a cloud-based “Property Engagement Platform (PEP)” to over 1,000 properties, with a plan to scale across its 7,000 hotels globally. The platform integrates on-property technologies to streamline operations, speed up transactions (check-in/out, billing, requests) and free staff time for personalized guest interactions.
- 2) Through the PEP and associated tech ecosystem, Hilton supports a “Connected Room Experience”: guests can use the Hilton Honors app to control in-room settings, streaming preferences (e.g. Netflix, Spotify), and personalize stay experience. By 2023, more than 135,000 tech-enabled rooms had been made available across Hilton’s global portfolio.
- 3) To improve guest–hotel communication and enhance convenience, Hilton expanded its mobile messaging platform (via the app, SMS, WhatsApp, etc.) across all properties by end of 2024, enabling guests to request services (late checkout, housekeeping, amenities) via simple text — a frictionless, mobile-first engagement aligning with IoT/digital service trends.

Accor (2023–2025)

- 1) In 2023, Accor began pilot programmes in many of its hotels to deploy AI-driven food-waste management solutions (e.g. using technologies from AI start-ups) — the goal being to cut food waste significantly. Some properties reportedly achieved substantial waste reductions (e.g., reductions of 16% and 39% in certain hotels), reflecting how AI + data analytics + hotel operations (F&B) integration are used for sustainability.
- 2) As of 2025, at a major European tech and innovation event (VivaTech 2025), Accor showcased multiple

startup collaborations that merge guest-services, sustainability, and technology (including smart in-room technologies aiming at energy/water savings, guest comfort, and holistic guest journey enhancements).

- 3) The broader “digital factory / innovation lab” approach of Accor indicates that they are systematically exploring and scaling “connected” solutions — combining IoT, AI, and sustainability goals — across their global portfolio.

Marriott International (2024–2025)

- 1) As of 2025, Marriott is implementing a multiyear digital transformation, focusing on “cloud-native platforms,” AI-driven “agentic mesh” architecture (i.e., infrastructural layer to support reusable AI capabilities), and maintenance/automation of high-cost, manual back-of-house processes across its portfolio.
- 2) Under this transformation, Marriott has started beta-launching advanced systems (central reservations, property management, loyalty) at a few properties, with phased roll-out planned over 18 months. The company aims to leverage generative AI, unified guest data, and automation to deliver “smarter” hotel operations and more personalized guest experiences.
- 3) Historically, Marriott had developed an experimental “IoT Guestroom Lab” (in partnership with external vendors) — a prototype smart hotel room where guests could control room functions (lighting, shower temperature, housekeeping, entertainment) via app or voice. While this original lab dates earlier, Marriott’s 2025 digital transformation seems to inherit the ambition of integrating IoT-like guestroom functionality into a broader, scalable AI-enabled architecture.

5. Impact on Service Delivery and Customer Engagement

The convergence of Artificial Intelligence (AI) and the Internet of Things (IoT)—often referred to as AIoT—has significantly reshaped the operational landscape of the hospitality industry. Through interconnected devices and intelligent systems, AIoT enhances service delivery, improves operational efficiency, and strengthens customer engagement. As hotels evolve from traditional service models to smart, data-driven ecosystems, the impact of AIoT becomes increasingly evident in both guest-facing interactions and back-end operations. This essay examines how AI–IoT integration transforms service delivery and customer engagement within the hospitality sector.

5.1. Enhancing Service Delivery Through Automation and Intelligence

The hospitality industry is traditionally labor-intensive, relying heavily on human staff to manage guest interactions and operational tasks. AI and IoT technologies have introduced

automation that improves the speed, accuracy, and consistency of service delivery. AI-powered chatbots, virtual assistants, and service robots provide immediate responses to guest queries, assist with bookings, and handle routine tasks around the clock. [6] IoT sensors further enable real-time monitoring of hotel environments, allowing automated systems to adjust lighting, temperature, and energy usage based on occupancy and guest preferences.

These enhancements contribute to what scholars refer to as “smart service delivery”—a system where services are proactive rather than reactive. [5] For example, predictive maintenance powered by IoT devices and AI analytics allows hotels to address equipment issues before they disrupt guest services, thereby reducing downtime and maintaining service quality. [7] Automation also reduces human error and ensures that services are delivered with consistency, ultimately boosting operational reliability.

5.2. Personalization and Hyper-Relevant Experiences

One of the most important impacts of AIoT is the ability to provide personalized guest experiences. AI algorithms analyze data collected from IoT devices—such as smart room sensors, mobile apps, and digital behavior footprints—to understand guest preferences. This enables hotels to offer customized recommendations, targeted promotions, and tailored services that enhance guest satisfaction. [8]

For instance, a smart room equipped with IoT sensors may recognize a returning guest’s temperature, entertainment, or lighting preferences and automatically adjust the environment upon check-in. AI-powered recommendation systems also curate in-hotel activities, dining options, and local attractions based on the guest’s interests and past behaviors. Such personalization fosters emotional engagement, making guests feel valued and understood, which in turn enhances loyalty and overall experience quality. [2]

5.3. Improving Operational Efficiency and Resource Management

AIoT contributes significantly to back-end operational efficiency. Real-time data from IoT devices allow hotels to optimize housekeeping schedules, streamline energy usage, and manage inventory more effectively. AI-driven analytics support decision-making by predicting demand patterns, identifying inefficiencies, and guiding staffing and resource allocation. [9]

Smart energy systems automatically adjust heating, cooling, and lighting based on guest occupancy, reducing operational costs and supporting sustainability initiatives. These improvements not only boost the hotel’s financial performance but also enhance service quality by ensuring that resources are used where they are needed most.

5.4. Enhancing Customer Engagement Through Interactivity and Connectivity

Customer engagement is increasingly driven by seamless digital interactions. AIoT technologies facilitate continuous engagement across various touchpoints—before, during, and after the guest’s stay. Mobile apps integrated with IoT devices enable guests to control room features, request services, or communicate with staff at any time. AI-powered chatbots and virtual concierges provide interactive, conversational support that enriches the guest experience. [11]

Moreover, AIoT systems allow hotels to maintain personalized communication even after a guest’s stay. Predictive analytics help tailor follow-up emails, loyalty program offerings, and marketing campaigns based on guest behavior and feedback. This ongoing engagement builds relationships and encourages repeat visits, contributing to long-term customer loyalty.

5.5. Increasing Guest Satisfaction and Trust

AIoT enhances service transparency and reliability, contributing to greater guest satisfaction. Smart systems ensure that service failures are minimized, while personalized and convenient experiences strengthen guest trust. Research shows that guests prefer digital interactions when they perceive them as efficient, accurate, and secure. [3] IoT-based security systems, such as smart locks and real-time surveillance, also enhance feelings of safety and contribute to overall satisfaction.

6. Challenges in AI–IoT Application in Hospitality

The convergence of Artificial Intelligence (AI) and the Internet of Things (IoT) presents transformative opportunities for the hospitality industry. Through automation, personalization, and data-driven intelligence, AIoT has the potential to elevate guest experiences and streamline hotel operations. Despite these benefits, the adoption of AI–IoT technologies is accompanied by numerous challenges. These challenges span financial, technical, organizational, ethical, and regulatory dimensions, creating obstacles for hospitality organizations seeking to integrate AIoT into their service ecosystems. This essay examines the major challenges faced by the hospitality sector in implementing AI–IoT technologies.

6.1. High Implementation and Maintenance Costs

One of the primary challenges associated with AI–IoT implementation is the significant financial investment required. Installing IoT devices, deploying AI software, and upgrading digital infrastructure entail substantial costs that many hotels—particularly small and mid-sized establishments—may

find prohibitive. Additionally, ongoing expenses related to system updates, hardware replacement, and maintenance further increase the financial burden. [9] These high costs create inequalities in adoption, where luxury hotel chains advance technologically while smaller hotels struggle to keep pace.

6.2. Data Privacy and Security Risks

AI and IoT systems depend on large volumes of sensitive data, including guest preferences, behavioral patterns, biometric data, and location information. This reliance on data raises significant privacy and cybersecurity concerns. IoT devices are often vulnerable to cyberattacks due to weak encryption, outdated firmware, or insecure network connections. [3] A single compromised device can expose an entire system to data breaches, resulting in reputational damage and potential legal consequences. Compliance with strict data protection regulations, such as the General Data Protection Regulation (GDPR), adds complexity to the deployment of AI–IoT systems. [11]

6.3. Integration and Interoperability Challenges

The hospitality industry typically uses a wide array of legacy systems for reservations, property management, customer relationship management, and facility operations. Integrating AI and IoT solutions with these existing systems can be difficult due to incompatibility, proprietary technologies, or a lack of standardization. [5] Interoperability issues may lead to system fragmentation, reduced efficiency, or incomplete data flows. Hotels are often required to seek expert technical support to ensure seamless integration, which increases both time and costs.

6.4. Workforce Skills Gaps and Resistance

AI–IoT adoption requires hospitality employees to possess technical competencies necessary to operate, manage, and troubleshoot smart technologies. However, the workforce often lacks the training required for these roles, leading to skill gaps. [6] Furthermore, employees may fear job displacement due to increasing automation, resulting in resistance to technological change. This human factor challenge underscores the importance of organizational support, training programs, and change management initiatives to facilitate smooth technology adoption.

6.5. Reliability and Technical Limitations

Technical reliability is critical in hospitality because service interruptions directly affect guest satisfaction. AI–IoT systems depend on constant connectivity, functional sensors, and accurate algorithms. Failures—such as malfunctioning smart locks, inaccurate chatbot responses, or connectivity issues—can disrupt service delivery and create negative guest experiences. [8] Hotels must invest in robust network infrastructure, regular technical audits, and system redundancies to minimize

these risks.

6.6. Ethical Concerns and Loss of Human Touch

As AI-driven automation increases, concerns about reducing the human element in hospitality services arise. Hospitality is traditionally defined by personal interaction, warmth, and emotional engagement. Overreliance on AI-driven tools such as robots, virtual assistants, and automated check-ins may undermine these human-centered service values. [2] Ethical challenges also include AI bias in decision-making processes, lack of transparency in data usage, and concerns regarding consent in data collection.

6.7. Regulatory and Compliance Constraints

AI and IoT technologies operate within complex regulatory frameworks governing data protection, consumer rights, cybersecurity, and digital transactions. The rapid evolution of AI and IoT often outpaces the development of relevant legal frameworks, creating uncertainty for hospitality organizations. [9] Hotel operators must remain vigilant regarding changing policies and invest in compliance systems and legal consultation to avoid violations.

6.8. Guest Acceptance and Trust Issues

Not all guests feel comfortable using AI-driven or IoT-enabled services. Some may distrust automated systems, prefer human interaction, or feel uneasy about the level of data collection involved. [11] The success of AI-IoT technologies in hospitality therefore depends on transparent communication, reliable performance, and offering guests the option to customize or opt in to certain smart features.

7. Future Trends in AI-IoT Convergence in Hospitality

The rapid digitization of the hospitality industry continues to accelerate as Artificial Intelligence (AI) and the Internet of Things (IoT) converge to transform service delivery and customer engagement. As hotels shift toward smart, connected, and automated environments, AIoT technologies are expected to play a central role in shaping the next generation of hospitality experiences. Future trends indicate deeper personalization, enhanced automation, sustainable operations, and data-driven decision-making. This essay explores the emerging trends that will define the future trajectory of AI-IoT convergence within the hospitality sector.

7.1. Hyper-Personalized Smart Environments

Personalization has long been a strategic priority in hospi-

tality, but AIoT will enable a new level of hyper-personalization. Future hotel rooms will automatically adjust lighting, temperature, entertainment, and room settings based on guests' historical preferences and real-time behavior. [8] Voice recognition and biometric systems will allow seamless room access, personalized greetings, and tailored recommendations. AI-driven analytics will anticipate guest needs even before they are communicated, creating highly individualized service ecosystems. This shift toward anticipatory hospitality will significantly enhance customer satisfaction and loyalty.

7.2. Expansion of Autonomous Service Robots

Service robots—already used for deliveries, cleaning, and concierge services—are expected to become more intelligent, autonomous, and capable of complex tasks. Advances in AI will allow robots to interact naturally with guests using emotion recognition, natural language processing, and adaptive learning. [6] Robots may assist in restaurants, manage luggage, conduct room inspections, or provide multilingual guest support. These innovations will not only improve efficiency but also offer novel and memorable guest experiences.

7.3. Predictive and Preventive Operations Through AIoT Analytics

Predictive analytics will become a central component of hotel operations. IoT devices embedded throughout hotel facilities will monitor equipment, energy consumption, and guest activity, while AI models analyze these data streams to predict failures, demand patterns, and resource needs. [9] Predictive maintenance will reduce equipment downtime, minimize service disruptions, and optimize operational costs. This shift toward digitally intelligent operations will enhance reliability and streamline workflow across departments.

7.4. Contactless and Touch-Free Technologies

The COVID-19 pandemic accelerated the adoption of contactless technologies, a trend that will continue to shape the future of hospitality. AI-powered mobile check-ins, virtual concierges, facial recognition systems, and IoT-enabled sensors will reduce physical contact and enhance convenience. [3] Guests will be able to control room functions, order services, and interact with staff through mobile apps and voice-activated systems. Contactless service models will not only improve hygiene but also increase efficiency and align with guests' expectations for seamless digital interactions.

7.5. Integration of Smart Sustainability Solutions

Sustainability will increasingly drive AIoT innovation in hospitality. IoT sensors will monitor energy consumption, wa-

ter usage, and waste levels, while AI optimizes building management systems to reduce environmental impact. [5] Smart energy management—such as automated HVAC control and intelligent lighting—will become standard features in eco-friendly hotels. Additionally, AIoT will support sustainable supply chain management by optimizing inventory, reducing food waste, and improving resource allocation.

7.6. Enhanced Cybersecurity and Data Governance Systems

As AIoT adoption grows, cybersecurity will become a top priority. The future will see stronger encryption, blockchain-based security solutions, and AI algorithms designed to detect anomalies and prevent cyberattacks. [11] Hotels will also implement stricter data privacy protocols to comply with international regulations and protect guest information. The development of ethical AI guidelines and transparent data governance frameworks will be essential to building guest trust.

7.7. AI-Driven Customer Journey Mapping and Experience Design

Hotels will increasingly rely on AI to map every stage of the customer journey—from pre-arrival to post-stay. AI-powered systems will analyze guest feedback, behavior, and sentiment to design personalized service flows and targeted marketing strategies. [2] IoT devices will provide real-time insights, enabling hotels to adjust services dynamically. This data-driven approach will transform experience management into a continuous, adaptive process that enhances engagement and loyalty.

7.8. Smart Tourism Ecosystems and Connected Destinations

Future hospitality environments will extend beyond hotel walls into smart tourism ecosystems. AIoT will connect hotels with transportation hubs, local attractions, restaurants, and city infrastructure to create seamless and integrated travel experiences. [5] Guests may receive real-time information on traffic, weather, events, and personalized travel routes. These connected systems will promote efficient tourism planning and elevate destination competitiveness.

8. Conclusion

The convergence of Artificial Intelligence (AI) and the Internet of Things (IoT) marks a transformative shift in the hospitality industry, redefining how services are delivered and how guests engage with hotels. This study has shown that AIoT technologies enable a transition from traditional, reactive service models to proactive, personalized, and highly ef-

ficient smart service ecosystems. Through features such as automated check-ins, smart rooms, predictive maintenance, and intelligent recommendation systems, hotels can deliver seamless and tailored experiences that enhance guest satisfaction and loyalty.

AIoT not only contributes to improved customer engagement but also strengthens operational efficiency by optimizing resource management, reducing human error, and enabling data-driven decision-making. The integration of intelligent devices, sensors, and analytics ensures that services are consistent, timely, and aligned with guests' expectations for convenience and digital connectivity.

However, the study also highlights several challenges that hospitality organizations must address to successfully implement AIoT solutions. Issues such as high installation and maintenance costs, data privacy concerns, interoperability limitations, workforce skill gaps, and ethical considerations must be carefully managed. Addressing these challenges requires strategic planning, investment in staff training, robust cybersecurity frameworks, and transparent data governance.

Looking ahead, AI-IoT convergence is expected to play an even more significant role in shaping the future of hospitality. Emerging trends—such as hyper-personalized smart environments, autonomous service robots, predictive analytics, and smart sustainability solutions—promise to further enhance service quality and guest engagement. Hotels that embrace these innovations strategically will be better positioned to remain competitive in an increasingly digital and experience-driven market.

In conclusion, AIoT represents a powerful catalyst for service innovation in the hospitality industry. By leveraging the synergy of AI and IoT technologies, hospitality organizations can create smarter, more adaptive, and more customer-centric environments. While challenges remain, the potential benefits for both guests and service providers underscore the importance of AIoT as a key driver of the industry's future transformation.

Abbreviations

AI	Artificial Intelligence
IoT	Internet of Things
AIoT	Artificial Intelligence of Things (integration of Artificial Intelligence and Internet of Things)
COVID-19	Coronavirus Disease 2019
GDPR	General Data Protection Regulation
GPS	Global Positioning System
HVAC	Heating, Ventilation, and Air Conditioning
NLP	Natural Language Processing
RFID	Radio Frequency Identification
UV-C	Ultraviolet C (short-wavelength ultraviolet light used for disinfection)

Conflicts of Interest

There is no conflict of interest in this study.

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