

Disruptive technology:

seamless booking in serviced accommodation



Advances in technology and changing customer expectations are disrupting the serviced accommodation industry, placing new demands on corporate travel managers and global mobility teams. **Philipp Morawietz**, managing director of Homelike, discusses with **Marianne Curphey** what this means for corporate clients and relocation specialists.

Technology is driving positive changes in the serviced apartment sector and rental industry by offering transparency, real-time information on prices as well as availability and convenience. In an industry where setting up tenancies for long- and medium-stay accommodation can be time-consuming and opaque, this will be welcomed by both corporations and globally mobile staff. The demand for faster and more open booking platforms is being driven by the success in the B2C market. It is now crossing over into the business travel world.

NEW DEMANDS FOR FLEXIBILITY – HOW SHOULD TRAVEL MANAGERS RESPOND?

Instant booking options offering a state-of-the-art interface and user experience, as well as digital payment solutions that avoid annoyances like deposits or invoice collection, are reducing uncertainty in the rental process.

Generations Z and Y are at the forefront of driving this change, having become accustomed to booking hotel rooms for leisure trips from the convenience of their mobile phones. They now expect the same flexibility in



long-stay bookings that they have experienced in their personal lives for short-stay and leisure bookings.

“Relocation companies and serviced apartment providers are also having to meet the standards and facilities that people expect from their B2C private life and their short-stay rental booking experience,” says Philipp.

However, while this increases flexibility for customers, it can be problematic for corporations who have a duty of care for their staff moving and living abroad and who may have strict company policies around budgets, location and safety.

“Employees often prefer using consumer platforms like Airbnb or Booking.com for business travel, leading to issues like ‘leakage’ where corporations lose control over bookings, have employees staying in disparate locations, and potentially miss out on negotiated rates,” Philipp says.

His comments follow the recent merger between Homelike, a German long-stay B2C platform, and experienced B2B corporate accommodation provider Q Global Network, a subsidiary of Qatari Investors Group. The resulting entity, operating under the Homelike brand, has emerged as a significant player in the long-stay serviced apartment sector, boasting a vast portfolio of approximately 180,000 beds across 70 countries. The merger is opening up markets not only in Europe to instant

booking, but also globally including North America, South America, Asia, Australia and Africa.

“It’s not only Generation Z and Y who are used to booking hotels online and who expect certain standards,” he says. “A lot of people are familiar with using technology and platforms to book and this now extends to business travel as well.”

Homelike is facilitating this change by helping landlords to digitise their offerings so they can reach a wider audience of potential clients. Homelike’s cutting-edge technology also provides international assignees and business-user tenants with the opportunity to see prices and availability in real time. This enables corporate clients to make better decisions around budgets, location and pricing.

HOW THE GENERATIONAL SHIFT IS AFFECTING LONG-STAY ACCOMMODATION

Younger people entering the workforce are also more open to flexible living arrangements and are less tied to long-term commitments. Unlike previous generations, they prefer furnished apartments and are willing to pay a premium for this convenience.

“When I was younger, I rented unfurnished apartments and I would buy my furniture from IKEA and sell it when I moved on after three or four years,” says Philipp. “Now a lot of people don’t want

the hassle of selling their furniture because they know they will only be staying for six or 12 months.”

The definition of short stay has also changed, he says, with the rental period shifting from 30 days to 14 days or more, based on market demand.

HOW CAN TECHNOLOGY SOLVE PAIN POINTS FOR CORPORATIONS?

Changing work habits, increased mobility and the demand for transparency in accommodation choices are shaping the global mobility sector, with technology playing a pivotal role in addressing these trends and challenges.

Greater digital connectivity can also provide users with the information they need to make informed decisions about their accommodation. Platforms can offer features like maps, location, proximity to workplaces and schools.

Corporations are having to adapt to the changing landscape of remote work and global mobility, especially for senior executives. New work-from-anywhere policies are being introduced to attract and retain talent. However, this means that organisations face a greater administrative burden in finding accommodation for an increasingly disparate network of employees.

There are a number of ways in which technology can help businesses with globally mobile staff manage these trends:

- **Transparency:** One of the key benefits of using technology and platforms like Homelike is transparency. Users can see various accommodation options with details on pricing, amenities and location.

- **Seamless transactions:** While the complexity of the rental process can vary by region, technology can be a potential solution to simplify and streamline these processes.

- **Duty of care:** Corporations have to balance cost pressures, security, regulatory compliance and location when approving accommodation requests. Technology can be used to ensure that landlords and properties meet corporate standards and hygiene protocols.

- **Budget management:** Homelike provides real-time data on pricing and availability, allowing corporations to make informed decisions about when and how to book accommodation.

- **Transparency and data-driven insights:** Homelike can help forecast availability and pricing trends and alert corporations to upcoming busy periods or how the market rate might vary in specific cities or locations.

- **A wider choice of accommodation:** Co-living spaces with shared bathrooms and kitchens can offer cost-effective alternatives for corporate travellers and are particularly appealing to young professionals.

- **Customisation for corporate clients:** Homelike can tailor its offerings for different corporate clients based on their specific requirements and standards. Alternatively, companies can choose to have a white-label solution that shows employees only the accommodation that aligns with company preferences and policies.

- **Insights and recommendations:** By analysing data from the first year of a corporate’s engagement, Homelike can suggest programme improvements, identify pain points and suggest cost-saving measures.

- **Payment solutions:** The platform provides a global payment solution with various payment options, including credit card payments.

WHAT DOES THE FUTURE HOLD?

Philipp says there is more demand than supply in the serviced apartment market, leading to price increases. However, this is expected to balance out over time as more supply becomes available as investors build new accommodation.

In terms of growth, there are still several global factors contributing to economic uncertainty, including the situation in Ukraine, developments in China and Taiwan, and the upcoming US election.

While many industry observers anticipate a significant comeback and high growth in the coming year in business travel, some big corporations, particularly in the digital and tech sector, have laid off employees, which has affected the need for new apartments.

Despite technological advancements, Philipp believes that there will always be a need for relocation providers, especially for complex cases and when employees are going abroad for extended periods.

“While technology can handle many aspects of the rental process, the human touch and trust remain essential, especially for high-value, long-term rentals,” Philipp says. “People often seek assurance and support, particularly when

committing to substantial expenses and longer stays.”

In the future, business travellers and international assignees will benefit from the easy-to-use platform, choice and instant booking they crave, while corporate clients can maintain control, standards and embrace transparency. This will enable clients to compare costs – something which has been difficult to do previously. Whether the global mobility industry embraces or resists this innovation remains to be seen. ◦

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