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Sitting at the crossroads of tradition and AI: What lies ahead for hotel stars?

Guest reviews & reputation

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Dr. Dimitris Koutoulas, tourism consultant and Assistant Professor of Tourism and Hotel Management, explores what lies ahead for traditional hotel star ratings in an AI-driven world. He explains why official classifications still matter alongside guest reviews, how rigid or outdated criteria can distort hotel development, and how cross-border initiatives like Hotelstars Union point to a more harmonised future.

In an industry defined by constant change, one feature has remained surprisingly stable for decades: the good old hotel stars. I remember that around 15 years ago, when guest-review platforms such as TripAdvisor were becoming increasingly influential, many predicted that official star ratings would soon become obsolete. Then came the “inflationary” pressure from supposedly six-star brands and even hotels that claimed to be worthy of seven stars. Add to that the stance of several major hotel companies, which believe that their highly recognizable and clearly positioned brands render star ratings unnecessary.

Yet hotel stars persist – still firmly anchored within their traditional range of one to five. Even in countries where classification is voluntary, hoteliers continue to see value in paying for receiving an official rating. It is telling that, when given the option to operate without stars, many owners still prefer to provide guests with the assurance that an objective and recognized system stands behind their promise of quality. The market has a very good appreciation of what hotel stars represent and travellers keep relying on these symbols when choosing their accommodation.

The emergence of TripAdvisor & Co. seemed to directly affect the acceptance of official star ratings at that time. However, despite the omnipresence of consumer reviews, most travellers understand that (a) guest feedback is highly subjective – often written by people with an axe to grind or, conversely, by a hotelier’s friends and employees – and (b) that TripAdvisor dots, Google stars or Booking.com scores measure something entirely different from official hotel stars. Review scores indicate how well guest expectations are met, whereas star ratings objectively acknowledge the amenities, services and comfort offered by each property, based on thorough on-site inspections carried out by trained professionals.

Public discussion around hotel stars tends to focus on consumer protection, since ratings provide transparency, ensure minimum quality standards and help travellers understand what to expect. But there is an additional, often overlooked dimension: star rating criteria – especially when classification is mandatory – can shape a country’s hotel sector for years. Hotels need to adhere to requirements such as minimum room sizes, offering function rooms or operating full-service restaurants even when such facilities are not profitable. That’s exactly the point I’ve had the privilege of working on with operators of official classification systems such as national ministries, tourism authorities and hotel associations across three continents while reviewing and updating their star rating criteria. My role was making sure that classification not only reflects current and future guest needs, but also supports hotel profitability and guest satisfaction.

Regularly updating classification standards and procedures is the best way to address frequent complaints that star ratings are outdated.

Removing mandatory requirements for longtime hotel features such as lobbies, room service, minibars or even in-room phones, and acknowledging tech-based solutions such as online check-in and smart TVs are now part of a typical review of a hotel classification system.

An issue also repeatedly mentioned is that classification systems in some countries are too rigid and promote sameness among hotels. These systems cannot easily accommodate the more creative approaches to hospitality. Thus, new projects or refurbishments representing out-of-the-box concepts such as boutique hotels, glamping or repurposed historic buildings are being discouraged or even outright rejected when applying for a star rating or for an operating license.

Another frequent critique is that each country applies its own concepts and criteria, meaning that three-star or four-star hotels can differ significantly across borders. This confusion has prompted calls for harmonization. UN Tourism (formerly UNWTO) has on several occasions started a discussion about a global approach to star ratings, but many experts dismissed the idea at that time, arguing that differences in national hotel markets would prevent a universal system from working.

Such differences should not be underestimated. Just to share a few examples from the national star rating systems I have worked on: Requiring the existence of air-conditioned waiting rooms for taxi drivers in Middle Eastern hotels, who would otherwise suffer waiting in the baking sun; providing dedicated ski storage space within mountain resort hotels for keeping guest rooms clean and uncluttered; or making sure that hotel staff in developing countries has access to shower facilities at work, considering that many homes do not have running water.

Interestingly, while a top-down approach has often been rejected, a bottom-up, industry-led European initiative has proven that a multi-country star rating system can be successfully implemented. The Hotelstars Union (HSU), launched in 2009, unified the national star ratings of Austria, the Czech Republic, Germany, Hungary, the Netherlands, Sweden and Switzerland, which were operated by each country’s hotel association. After gradually expanding to other European countries, HSU now has 21 members including not only national hotel associations representing star ratings that are voluntary for hotels to join, but also ministries or other government agencies operating mandatory hotel classification systems. HSU provides the same set of classification criteria to all its member countries, but also allows for national variations reflecting each country’s situation. Another key feature of HSU is that it regularly reviews its list of criteria ensuring that they reflect the latest developments in the hospitality sector.

Perhaps the time has come to revisit the idea of a truly global hotel classification. With HSU as a highly successful proof-of-concept and several other cross-border cooperation projects underway, a universal star system could reduce traveller confusion, increase transparency and help hotels focus on what guests value now and will value in the near future. Ideally, such a system would maintain consistent core criteria while remaining flexible enough to accommodate distinctive cultural and natural settings of participating countries, from cave dwellings and ice hotels to historic inns and safari lodges.

It should also encourage the industry's inherent creativity as showcased, among others, by boutique hotels and lifestyle concepts.

So what comes next? Hotel classification has always been data-driven. Inspectors have long dealt with extensive checklists, ticking hundreds of boxes and taking lengthy notes during each inspection first on paper and now on tablets. Today, the process is ripe for optimization thanks to the constant flow of guest reviews and the growing power of artificial intelligence.

Many operators already use review-aggregation platforms such as TrustYou, ReviewPro and Revinate to monitor hotel performance. As their AI capabilities expand, these tools are becoming increasingly adept at identifying a hotel's strengths and weaknesses, analyzing trends and predicting emerging issues.

Instead of relying solely on scheduled inspections every two or three years, classification authorities can tap into this continuous stream of crowdsourced data, gaining real-time insight into guest satisfaction. AI tools can automatically flag hotels whose ratings dip below a threshold and trigger earlier inspections. Inspectors can receive detailed, automated briefings highlighting problem areas, allowing their on-site assessments to be more focused and effective. Technology will not only improve accuracy but also empower inspectors to provide actionable guidance to hoteliers on how to enhance both guest satisfaction and to grow their revenue.

In the foreseeable future, I expect that the core value proposition of official star ratings will remain unchanged: providing guests with the assurance that their chosen hotel meets the minimum standards of its category and that these assessments are based on objective, professional on-site evaluations. An additional, if unintended, benefit may be the preservation of certain "old-school" hospitality elements that many guests still appreciate. At a time when traditional features are quickly vanishing from an increasing number of tech-oriented hotels, classification systems can play an important role in safeguarding high-touch hospitality for the next generation of travellers. How? By retaining more traditional elements among points-based classification criteria, such as in-room stationery and writing sets, shoe shining, porter service for luggage delivery or evening turndown. Such flexibility will allow each hotel to freely position itself along the hi-tech/hi-touch continuum in accordance with its chosen concept.

You wouldn't mind a chocolate on your pillow during your next hotel stay, would you?

