AI agents inside the airline and the hotel

What they can read, what they can change, and who decides

IN BRIEF

01 Airlines, airports and hotels have put AI assistants to work, and most began with the customer. One airline says its assistant has handled “nearly 4 million customer queries, 97% of them with full automation”. One hotel software company says its assistant “answers 80% of routine questions instantly”.

02 The record is mixed. A tribunal ordered an airline to pay a passenger after its website chatbot misinformed him about a fare. Another airline had to tell senators that its pricing tool was “a decision-support tool”. The suppliers are moving in different directions: one says its product “can recommend an action for human approval or execute it automatically”, and a published hotel template sends compensation offers to guests. None of the vendor pages we read offers on-premises or customer-cloud hosting.

03 This paper is about the company’s own work: the reading, checking and drafting done by staff in guest service, reservations, claims, sales, revenue, operations, loyalty and finance. It is not about anything that answers a guest unseen, sets a price or directs staff. It sets out what an agent can read, how it reaches a travel company’s systems, what it may change without a person, and what the rules already say about a company’s own words, passenger rights, prices, reviews and workers. It ends with seven questions to put to any supplier, and with a place to start.

04 The position throughout is simple. An agent prepares. A named person decides. Nothing reaches a guest, a passenger or a partner unseen, and no agent changes a booking, issues a refund or sets a price. The agent runs on infrastructure the company controls.

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PART 01

Where airlines, hotels and travel companies are today

97%
of one airline's customer queries handled with full automation, by a published account

Two
warnings, both from airlines

One
supplier page we read says the company can require a person's approval

None
of the vendor pages we read offers on-premises or customer-cloud hosting

Airlines and airports began with the customer. A Microsoft account of Air India's assistant says: "To date, AI.g has successfully handled nearly 4 million customer queries, 97% of them with full automation." When it cannot help, "it automatically escalates to contact center staff" [1]. Salesforce said in 2025: "Heathrow will soon be deploying Agentforce" [2].

Hotels began there too. Mews said of its guest messaging: "Mews AI, trained on the property's own data, answers 80% of routine questions instantly" [3].

Two warnings, both from airlines. In February 2024 a tribunal in British Columbia "ordered Air Canada to pay Jake Moffatt $812" after the airline's website chatbot gave him wrong information about bereavement fares [5]. The tribunal's reasoning, as a lawyer's note reproduces it: "It makes no difference whether the information comes from a static page or a chatbot" [4]. In 2025 three United States senators questioned Delta Air Lines about AI in its pricing. Delta replied: "There is no fare product Delta has ever used, is testing or plans to use that targets customers with individualized prices based on personal data" [6]. No agent in this paper answers a passenger unseen or sets a fare.

The suppliers disagree on how far an agent acts. Accelya says its disruption product "can recommend an action for human approval or execute it automatically", depending on policies the airline sets [7]. Amadeus says of its own tests: "Trials show an airline AI agent can identify booking, understand verbal change request, propose new options, articulate the fare differential and initiate payment" [8].

Where they run is rarely said. Accelya's product is "Built on Amazon Web Services (AWS) using Amazon Bedrock AgentCore" [7]. Cloudbeds says it "runs on Amazon Web Services (AWS)" [9]. None of the vendor pages we read offers on-premises or customer-cloud hosting. So the buyer has to ask where it runs, which tools it may call, and with whose approval.

Two kinds of work in one company. The published examples answer the guest and the passenger, and both warnings come from there. Behind them sits the work this paper is about: the claim checked, the contract summarised, the handover note written. A travel company holds both kinds, and needs one set of rules for both.

What the published accounts leave out. Of the supplier pages we read, one says the company can require a person's approval before an action.

None describes who approves a change to a booking, a refund or a rate.

PART 02

The work nobody has packaged

Both

hotel templates we opened send to guests

Hosted

services are what both are built from: form, model, mailbox, spreadsheet

We listed the jobs done around a journey and a stay and looked for each in the template libraries and prebuilt agents of the agent and workflow platforms. They cover guest questions, complaints and rebooking. They thin out wherever a named person checks, approves or pays.

WHERE TEMPLATES OR PREBUILT AGENTS EXIST	WHERE NONE WAS FOUND
A guest's enquiry classified and answered by email	**A compensation claim checked against the passenger rights rules**
Guest feedback scored, with a compensation offer sent	**A refund request checked against the fare rules before the refunds team decides**
Routine guest questions answered from the property's own data	**A disruption notice drafted with the rights it must state**
A passenger's questions answered on the airline's own channels	**A group booking or a rooming list checked against the contract**
Wayfinding and airport information for passengers	**A partner contract summarised with each rate, allotment and release date**
Disrupted passengers rebooked and told	**A commission statement checked against the bookings**
A flight change taken by voice, with payment started	**A night audit's exceptions listed for the auditor**
A ticket raised in the property system from a complaint	**A ground handler's licences and training records checked against the requirements**

Two findings matter more than the list. First, both hotel templates we opened send to guests. One "Sends recovery offers to unhappy guests", with compensation the model proposes, and lists an "Optional manager approval step for high-value recovery offers". The other says it "Automatically replies if the guest prefers email contact", and posts a summary to the team afterwards [10].

Second, both are built from hosted services: a hosted form, a hosted model, a hosted mailbox, a hosted spreadsheet. That settles where guests' data goes before anyone has asked [10].

The gaps sit where the reading is slow and the decision already belongs to a named member of staff. That makes them the safer place to begin.

PART 03

Three doors, one gate

An agent is only as useful as what it can reach. In a travel company that means three kinds of thing.

Documents.

Fare rules, conditions of carriage, cancellation policies, brand standards, operating procedures, partner contracts. These are indexed once as knowledge sources, with each reader's permissions kept, so an agent answers with the clause it relied on and says when the documents are silent.

Systems of record.

Reservations, guest profiles, room status, flights, work orders, loyalty accounts. Most are reached through an interface the company already runs. The company gives the platform the description of that interface, chooses which operations become tools, and decides which of them need approval.

Booking and operations data for analysis.

Pickup, pace, delays, claims, feedback and audit data, held in the data warehouse or a reporting database, and read only. Payment systems and departure control are not one of the doors.

All three pass one gate: every tool call is checked against the company's policy, which can allow it, record it, hold it for a person, or block it.

Where the company's interface checks the caller, the agent acts as the person using it and cannot claim another.

SIX WAYS INTO A TRAVEL COMPANY'S SYSTEMS

	ROUTE	WHAT IT REACHES	WHAT TO KNOW
01	**A file the user uploads**	A guest's letter, a claim, a partner contract, a banquet order	Nothing is connected. The safest start
02	**A knowledge source**	Fare rules, conditions of carriage, policies, brand standards, procedures	Permissions are kept per reader
03	**An imported description of an interface**	Reservations, guest profiles, room status, flights, work orders	You choose the operations. Changes wait for approval
04	**A reporting database**	Pickup and pace, delays, claims, feedback, night audit data	Read only
05	**A server from the tool catalogue, run in your cluster**	Databases, web search, document conversion	It runs inside; check what each tool does
06	**Public sources**	Passenger rights rules, regulators' guidance, published rates	Reads only, from the publisher

PART 03 · CONTINUED

102
public interface descriptions read; the importer refused none

Three
publishers: two hotel platforms and a travel distribution programme

3,942
operations in those descriptions

2,286
of those operations are sent as changes

What is published. We read 102 public interface descriptions from three publishers: a hotel property management platform, a travel distribution developer programme and a hotel platform. The importer refused none. Together they carry 3,942 operations, of which 1,656 read and 2,286 are sent as changes. The hotel property management platform alone carries 3,614, and 2,112 of those are sent as changes. The distribution programme's 54 are mostly searches: 40 read [11].

What that exercise taught us. The open interfaces are built to do things, not only to read. Nearly three in every five operations are sent as changes.

What is not published. Passenger service, departure control, airport operations and revenue systems, and most channel and booking platforms, publish no description a file address reaches. Where nothing is published, the company supplies its own description, or the agent reads from the data warehouse.

Cards and the gate. The safe design keeps the agent on the office side. It reads no card numbers, and it denies boarding to no one.

So choose the operations at import, start with the ones that read, and add nothing that books, cancels, refunds or changes a rate until the approval step has been seen working.

PART 04

What an agent may do

One rule runs through every agent in this paper: it prepares, and a named person decides.

01	**It reads** what the person using it could read, and no more.
02	**It drafts** the reply to a guest, the check of a claim, the summary of a contract, the handover note, with each statement tied to its source.
03	**It lists** what is missing, what does not match, what falls due and when.
04	**It stops** before anything that changes a record or reaches a guest, a passenger, a partner or an authority. A tool that changes something waits for approval.
05	**It decides nothing about a person.** It does not refuse a passenger or a guest, does not score a colleague, and does not infer anyone's emotions.

PART 04 · CONTINUED

Four lines are drawn tighter than the rest.

What the company tells a guest or a passenger.

An agent may draft the reply to a question from the booking, the policies and the conditions, with the clause it relied on. It sends nothing unseen: a service agent reads and sends every reply. The company is held to what it says, so a person says it.

Bookings, refunds and compensation.

An agent may set out the options for a change under the fare or rate rules, and check a refund request or a compensation claim against the rules and the operational record. It confirms, changes and cancels no booking, and it issues no refund and no compensation. The reservations agent makes the change. The refunds team and the claims handler decide and pay.

Prices and rates.

An agent may prepare the pickup and pace report, or list where published rates differ across the channels. It sets no rate and no fare, and it prices by the person for no one. The revenue manager draws the conclusions and sets every price.

Staff.

An agent may draft a handover note from the log, or a training note from a procedure. It allocates shifts to no one and scores no one. The duty manager signs the note and directs the work.

PART 05

What the rules already ask

This part needs a lawyer's read before it is relied on. It reports what the texts say; it is not advice.

What a company is held to

A chatbot's words were the airline's words. In Moffatt v. Air Canada, a small claims tribunal in British Columbia found the airline liable for what its chatbot told a passenger. A lawyer's note reproduces the reasoning: "It should be obvious to Air Canada that it is responsible for all the information on its website." And: "the applicable standard of care requires a company to take reasonable care to ensure their representations are accurate and not misleading" [4]. It is one tribunal's decision, not a rule for every market.

People must be told. The European Union's AI Act asks that people who deal directly with an AI system "are informed that they are interacting with an AI system", unless that is obvious [13].

Passenger and traveller rights

The duty to inform is written down. Under Regulation 261/2004 an airline must show at check-in a notice that begins: "If you are denied boarding or if your flight is cancelled or delayed for at least two hours, ask at the check-in counter or boarding gate for the text stating your rights" [12].

The amounts and the care are fixed in the text. The regulation sets compensation at "EUR 250 for all flights of 1500 kilometres or less", with two higher bands. It gives a choice that includes "reimbursement within seven days", and a right to "meals and refreshments in a reasonable relation to the waiting time" [12].

Decisions about a person stay with a person. Under the GDPR, a person "shall have the right not to be subject to a decision based solely on automated processing, including profiling, which produces legal effects concerning him or her or similarly significantly affects him or her", with stated exceptions [14]. Whether a refused refund or a refused claim falls under these words is for counsel.

PART 05 · CONTINUED

Prices, fees and reviews

A personalised price must be disclosed. Directive (EU) 2019/2161 adds to what a trader must tell a consumer who buys online: "where applicable, that the price was personalised on the basis of automated decision-making" [15]. The duty sits in a directive that covers a hotel stay booked online and leaves out most passenger transport and package travel, so how far it reaches fares is for counsel.

The American dispute ended in letters, not a ruling. Delta described its technology as "a decision-support tool that simply provides informed insights for our analysts, who oversee and fine-tune the recommendations" [6]. We found no enforcement action.

Reviews must be real. The same directive adds to the list of unfair commercial practices: "Submitting or commissioning another legal or natural person to submit false consumer reviews or endorsements" [15].

Workers and data

Travel is not on the European Union's high-risk list. Work allocation is. The AI Act lists as high-risk systems used "to allocate tasks based on individual behaviour or personal traits or characteristics or to monitor and evaluate the performance and behaviour of persons in such relationships" [13]. A rostering system would be read against this text.

The dates have moved. Regulation (EU) 2026/1744 says the date of application of the high-risk duties "is set to 2 December 2027 for AI systems classified as high-risk pursuant to Article 6(2) and Annex III, and to 2 August 2028 for AI systems classified as high-risk pursuant to Article 6(1) and Annex I" [17]. Employment sits in Annex III, so its date is 2 December 2027.

MARKET	WHAT WE READ	WHAT IT ASKS
European Union	Regulation 261/2004, Article 14(2)	An airline that denies boarding or cancels a flight "shall provide each passenger affected with a written notice setting out the rules for compensation and assistance" [12]
European Union	AI Act, Article 26(7)	Before a high-risk system is used at work, "deployers who are employers shall inform workers' representatives and the affected workers" [13]
European Union	GDPR, Article 32(1)	Controllers and processors "shall implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk" [14]
United Kingdom	Competition and Markets Authority, 7 April 2025	The new consumer law "includes an explicit ban on the posting and commissioning of fake reviews", and "the CMA can fine them up to 10% of their global turnover" [16]

We did not open the refund and fee rules of the United States, the package travel rules, or the rules in the Gulf, India, Singapore or Australia. A company there should ask its own counsel.

PART 05 · CONTINUED

What the rules have in common

01	**A company answers for what it tells** a guest or a passenger, whoever or whatever said it.
02	**A person decides** a refund, a claim and anything that judges a worker.
03	**People are told** when they deal with AI, when a price is personalised, and what their rights are.
04	**Guest, passenger and worker records need protecting,** which is easier where the company controls the system.

PART 06

A worked example: one airline and hotel group

Take a made-up travel group: one airline, 22 hotels and about 9,000 staff. Nothing here is a customer's story, and every figure is illustrative; it is section 4 put to work.

01

In the contact centre, a passenger asks whether a ticket can be changed. The agent drafts the reply from the booking and the fare rules, with the rule cited. A service agent reads it and sends it.

02

On the claims desk, 340 compensation claims follow a cancelled flight. The agent sets each against the passenger rights rules and the flight record and says which condition it meets or fails. The claims handler accepts or rejects every one.

03

In the groups team, the agent checks a rooming list of 180 names against the group contract and lists seven missing names. The groups desk corrects and confirms.

04

For the revenue manager, the agent prepares the pickup and pace report for the next 90 days and lists the twelve dates that depart most from forecast. The revenue manager sets the rates.

05

At a hotel's front desk, the agent drafts the handover note from the night's log: 14 late arrivals and two complaints. The outgoing duty manager checks and signs it.

06

In finance, the agent sets a travel agency's commission statement against 2,600 bookings and the contract rate and lists 41 differences. Accounts payable approves or disputes the statement.

Every one of these reads documents or records the company already has, changes no record by itself, sends nothing to a guest, a passenger or a partner, and leaves a record of who asked and what was shown.

PART 07

Seven questions before an agent touches a booking

01 **Where does it run?**
On our infrastructure, in our private cloud, or in the supplier's service? Where is the model? Can it run with no connection to the internet?

02 **What can it read?**
Does it act as the person using it, with their permissions, or as one all-seeing account? Can it reach card numbers?

03 **What can it change?**
Which tools change a booking, a guest profile, a rate, a refund or a loyalty account, and does each wait for a person?

04 **Can it speak for us?**
Show us that no reply, notice or offer reaches a guest, a passenger or a partner before a member of staff has read and sent it.

05 **Who decides?**
Show us the step where a named person approves, and what the agent does when nobody has.

06 **What is recorded?**
Who asked, which tool ran, what was decided, and for how long is that kept?

07 **Can we stop it?**
One agent, one tool, or all of them, at once, by us.

PART 08

Where to start

Pick work where reading is slow, the decision stays with a person, and no guest or passenger waits on the agent.

Policy questions and answers

Colleagues ask what the fare rules, the conditions and the policies say and get the answer with the clause cited. No booking is touched.

Compensation claim check

The agent checks each claim against the rules and the operational record. The claims handler decides.

Commission statement check

The agent lists each difference between a statement and the bookings. Accounts payable approves or disputes.

One property, one station, invented data first. Then beside the manual process, measured against it.

About Katonic AI

Katonic AI builds the platform that organisations use to build, run and govern AI agents on their own infrastructure: in their own data centre, in a private or sovereign cloud, or with no connection to the internet at all. The platform is in production with governments, banks, telecom operators and utilities. Katonic is certified to ISO 27001.

KATONIC.AI/SOLUTIONS/TRAVEL

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Read on 22 November 2026. Figures are the publishers' own and were not audited by us.

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