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Room at the Inn The lodging vertical is ready to host VARs

By Julie Ritzer Ross

While many VARs in the hospitality vertical exclusively target the restaurant side of the business, there's money on the table for those who are willing to explore another sub-category of the market: lodging and entertainment. Admittedly, channel players who take the plunge typically endure a sales cycle that spans a minimum of 18 months — wrought by an often drawn-out wait for the appropriate juncture in prospects' budgeting cycles, as well as a need to sell not only end users, but corporate higher-ups on the technology in question.

Nonetheless, toughing it out reaps big rewards. "Hotels, theme parks, stadiums, and entertainment venues are just as ripe for technology implementation as their restaurant [counterparts]," says Ian McMillan, executive vice president, sales and marketing at Cygnus eTransactions Group, an independent software vendor (ISV) and integrator headquartered in Orlando, FL. Cygnus recently joined NCR's RealPartner VAR program and, as such, will bundle its ceStation POS and ceOsk self-service ticketing applications with the latter's RealPOS POS workstations and EasyPoint self-service kiosks.

Lining up for kiosks

Of all technologies that currently appeal to hotel and entertainment venue operators, check-in/check-out kiosks indeed rank at the top of the list. Consumer acceptance has been a major driver, with an ever-growing distaste for standing in long lines inducing increasing numbers of individuals to embrace the concept of using self-service kiosks to tally up their own purchases in the supermarket and to print their own boarding passes at the airport. "Once they've had a taste of the convenience these applications provide, they're more than ready to give kiosks a try elsewhere," states Clyde Dishman, director, hospitality industry marketing, NCR.

However, VARs must keep in mind that consumer demand notwithstanding, hotel operators have become very selective where kiosk hardware is concerned. Hotel check-in kiosks should integrate touchscreens, credit card scanners, key encoders, key dispensers and printers for maximum functionality. Durability and reliability are critical; casings must be sturdy in order to protect the units from luggage carts, rolling suitcases and other hazards peculiar to the environment.

On the software front, sources say, almost all hoteliers want kiosks to interface with their property management systems, and some wish the units to offer guests the option of printing out airline boarding passes at checkout. Many operators are gravitating toward applications that include kiosk management software, with which all kiosks in a single hotel or group of hotels can be remotely monitored by one person to ascertain how they are performing, whether they are out of paper, how much they are being used and how long each transaction takes. IBM has a remote kiosk management solution, while other companies, including NCR, partner with outside ISVs to develop software of this ilk.

What's more, no matter how many bells and whistles VARs talk up when promoting check-in kiosks in the hotel sub-vertical, positioning them primarily as labor-saving devices may not be the best idea. "Every operator thinks about labor savings in looking at kiosks, yet the key benefit [afforded] by the technology is redeploying staff resources to assist guests and improve customer service and satisfaction," Dishman notes.

Cygnus recently deployed four ticket-purchasing kiosks at the Six Flags Great Adventure theme park in Jackson, NJ. The kiosks run Cygnus' ceOsk application, which McMillan claims was chosen by park management in large part for its simple user-friendly guest interface. "(Clients) in this market want applications that logically guide ticket buyers through a menu of choices — such as how many of each category of ticket they want — while clarifying vital information, like prices," he says. "If people must stand there and figure out what to do or what the machine is 'asking' them, the purpose of the technology investment is largely defeated."

McMillan counsels fellow channel players to watch for the next wave in kiosks for entertainment venues. "We're noting considerable interest in kiosk-based ticketing for live events, such as concerts, ballgames, car races and car auctions, and we're pursuing that market," he reports. Cygnus also plans to promote the use of kiosks to sell tickets when venues' box offices are closed. "There's a growing realization [among] operators that some consumers want to buy tickets for events in person instead of ordering them by mail or phone, to avoid the service charge," he says. "This is a way to cater to them, round-the-clock."

Cutting the Wire

Designing wireless infrastructures intended for use in hotels constitutes an equally lucrative opportunity for VARs. "Whereas hotel operators initially considered wireless a convenience for themselves and their guests, they now view it as a must," asserts Jeff Kunst, vice president of marketing for wireless network provider MobileAccess

Networks. “For one thing, customers demand it as a component of world-class service. For another, operators themselves need it as a productivity enhancement tool.”

Acela Technologies, a Frederick, MD-based integrator, recently deployed MobileAccess’ Universal Wireless Network solution throughout the entire 1,332,700 square foot Grande Lakes Orlando resort in Orlando, FL. Like most hoteliers, Grande Lakes wanted to make it possible for guests to communicate via their cell phones, PDAs and other wireless devices, whether from their own rooms, the meeting rooms, the fitness center or anywhere else on the property, explains Daryl Boffman, Acela Technologies’ president and CEO. At the same time, it was essential that staff and management be able to perform, in untethered fashion, tasks ranging from accepting payment for food and beverages ordered poolside to tapping into the property management system. Accordingly, Acela designed the infrastructure to support a wide range of wireless voice and data services, including cellular/PCS from multiple wireless service providers, wireless high-speed Internet services, voice over Wi-Fi (VoWiFi) and wireless point of sale (WPOS).

Boffman believes that besides expanding their technology menus to satisfy hoteliers’ ever-louder cries for pervasive wireless coverage, it behooves VARs to deliver wireless infrastructures as part of turnkey systems that encompass design, engineering, installation, activation, commissioning and maintenance services alike. Allowing for at least a degree of scalability to accommodate future wireless requirements — whether anticipated or not — is critical, too, especially as it keeps the door open for snagging additional revenues down the road.

Channel players hoping to sell hotel operators on wireless infrastructures must also be willing to explore different configurations to suit properties’ highly individualized needs, points out Steve Dobbe, vice president of Hotel Internet Services, a VAR in Clearwater, FL. Not long ago, the reseller was tapped to design a combination wireless and wired Internet solution for the Queen Mary, a former ocean liner that is now moored in Long Beach, CA and serves as a floating hotel, meeting facility and museum. Wireless Internet access was the order of the day for the property’s meeting rooms and common areas, including its expansive deck and its 365 guest rooms.

A site survey of revealed that a single wireless system throughout the ship would be unable to deliver adequate coverage, with the signal incapable of effectively penetrating its thick metal walls, and that a single wireless access point would only deliver coverage to a few rooms. The end user could have opted for voice-over-DSL protocol, but rejected the idea because of the cost and implementation time. Another idea — wiring CAT-5 cable — was dismissed as well, due to the difficulty of running cable through the metal ship and because the client did not want to drill through the ship’s original wood paneling and ornate décor.

Dobbe and his colleagues determined that the Queen Mary’s needs would be best met by iWire, a solution from Telkonet that allows for high-speed Internet access over existing internal electric wiring. A half-day test of the system proved that the signal was strong

and consistent. It also suited the requirement for speed, getting 5 to 6 Mbps from the rooms to the router. The final configuration, which took one week to install, comprises cabling between a Telkonet gateway and 16 of the vendor's couplers to connect the ship's power circuits; together, the latter provide an Internet backbone. Wireless access points (WAPs) were also installed. These are energized by a Telkonet iBridge unit, providing wireless hotspots in various areas of the ship. Utilizing the Telkonet system as a backbone for WiFi reduces the amount of cabling necessary to enable the WAPs, which can be placed anywhere there is an electrical outlet.

Holding Hands

Not surprisingly, lodging operators' escalating interest in wireless technology now also extends to handheld devices, and savvy VARs can capitalize on the trend in several different ways. Mintek Mobile Data Solutions, an ISV and VAR in Dunedin, FL, is targeting the lodging industry with WinTrack PM, a preventive maintenance application that incorporates Motorola's handheld devices equipped with bar code scanners. One property in a major chain employs the system to monitor preventive maintenance activities at more than 700 points. Bar codes are affixed to every item requiring preventive maintenance. When one of the hotel's 12 engineers scans a bar code on a piece of equipment, the system prompts him to answer previously determined questions. Once maintenance has been completed, the bar code is scanned again so that every step may be recorded in the WinTrack PM software.

"The system adds accountability to the preventive maintenance process because managers know exactly when an engineer was at a piece of equipment, what was recorded and how long the engineer was there," explains Ty Abrahams, Mintek's director of marketing. "The solution also automates preventive scheduling and streamlines the work order process, and work orders can be generated automatically through the handhelds based on answers to the questions." Parts information for each item is tracked, as are the costs associated with parts and equipment replacement.

Abrahams notes that although the hotel has reduced radio calls to the engineering department by 50 percent and eliminated an hour of paperwork as a result of implementing the system, the potential to achieve these benefits did not truly seal the deal for Mintek. "Cost reduction and operating efficiency improvements are up there on the scale of pluses, but we've found that if a solution does not ultimately improve guest satisfaction—and this one does because it promotes maintenance to keep things running—no hotelier is going to buy it," he asserts. He adds that developing a working knowledge of hotel engineering departments and how they operate, and applying that knowledge to the solution design process, was equally important.

Meanwhile, ISV and VAR Agilytis in Mayfield Heights, OH, is jumping on the bandwagon with its LMS Guest Express Mobile suite of solutions. In conjunction with the company's LMS property management system, the solutions allow hotels to offer guests immediate check-in and check-out services from any location on the property

served by a secure wireless network. Using a handheld device with credit card reader, staff can locate a guest's name and card number in the LMS system.

Once the reservation is located, the software follows routine check-in procedures, such as assigning the appropriate room, verifying its readiness and obtaining credit card authorization. A portable belt printer encodes guest key cards and prints a receipt.

LMS Guest Express was recently deployed at the 3,000-room Gaylord Opryland Resort & Convention Center in Nashville, TN. John Eslick, the property's MIS director, says integration with the property management system was a major factor in management's decision to move ahead with the rollout.

Paying Up

A third area worth exploring by VARs seeking to get a leg up in the lodging and entertainment arena is payment and payment processing. "Lodging establishments face some very special challenges that can be met with technology," states Mike Emanuel, director of development at Southern DataComm, which offers the ProBase software suite for hotels.

Notably, Emanuel observes, many hotels use several disparate POS systems—one at the front desk, another in the gift shop and a third, in restaurants and lounges. "However, for simplicity and efficiency's sake, they need a common payment processing pipeline," Emanuel notes. "They also want to control payment processing costs by splitting multiple tenders directly to American Express, Visa, etc.—to get the best pricing rather than sending all transactions through a bank card processor. Additionally, properties need to tie in-room systems, such as movies on demand, into their payment systems."

In addition to affording hoteliers these capabilities, Emanuel asserts, VARs must ensure that payment solutions are certified compliant with payment card industry data security standards (PCI-DSS, PABP) as well as with association interchange requirements and regulations. Providing interfaces to major third-party processors and acquiring banks is a good strategy as well. Southern DataComm offers such interfaces as part of its program for VARs and independent sales organizations.