# HOSPITALITY Tech Advisor

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# Technological facelifts: Wingate adapts kiosk to meet guest needs

There's a lot of talk in the hospitality technology industry about the reluctance of hoteliers to invest in the latest technology offerings, but what happens when hoteliers plunge into the technological tide, and the guests don't come along for the ride? That's exactly what happened at Wingate Inns International when they installed self check-in/check-out kiosks during the launch of the brand in 1995 and 1996. Now, in an attempt to save a neglected, but potentially useful, technology, Wingate is endeavoring to increase the value and use of their kiosks and trying to bring guests in line with technology by bringing the kiosks online.

Originally, Wingate intended the Express Desk kiosk, or ED, to be an extension of their property management system, both of which were supplied by MultiSystems International Inc. ED exists as an extension, or node, of the property management system, allowing guests with advance reservations to enter the hotel and use the kiosk to pull up their reservation, check in with their credit card and confirmation number, and receive a room number. Through the TESA Entry Systems-constructed key encoding system, a room key is encoded and automatically dispensed through ED's cabinetry. When the guest is ready to leave the hotel, he can visit ED again and use the credit card of his choice to pay the room bill. When the transaction is complete, the guest's receipt is printed out at a dot matrix printer located at the kiosk. Thus, guests can complete their stay at Wingate without ever having to wait in line at the front desk, saving both guests and front desk staff valuable time.

Unfortunately, the guests did not flock to the new technology. Says Keith

Pierce, president and chief executive officer of Wingate, "We found that when guests came into the hotels, they typically weren't waiting in long lines. So guests chose to go to the front desk and have a front desk agent process their transaction versus having a piece of technology do it. They always gravitated toward the human." As a result, Wingate's franchisees demanded that the kiosk get a facelift: either enhance it and drive users to it, they said, or eliminate it from the amenity offerings within the Wingate concept.

And management listened. "ED was slipping into a coma," says Pierce, "and it was our job to revive him." Andrew Kraemer, director of technology and revenue enhancement for Wingate, and his co-workers embarked on a strategic mission to improve the value of the kiosk for guests and for franchisees. The solution they came up with: bringing ED online through Wingate's existing T1 lines and turning him into a virtual concierge and valuable information resource for guests. *Continued on page 3* 

## WHAT'S INSIDE

# Wingate adapts kiosk

...page 1

News Briefs: Shilo chooses Ramesys ...page 2

HITEC 2001 preview ...page 4

Visitor-based networking ...page 5

# **News Briefs**

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Comments, suggestions or observations are always welcome. Please address correspondence to Lori Runkel, Managing Editor, at Irunkel@cynterpubs.com.

### Shilo chooses Ramesys

Ramesys Hospitality Inc. announced an agreement with Shilo Inns to install MPOWER in Shilo's 45 properties in nine western states. MPOWER was developed as an enterprise tool to work with Ramesys' ImagInn property management system (PMS) and has been enhanced to incorporate data from various PMS and point-of-sale (POS) systems, delivering site-level and corporate information. The automatic transfer of data extracted from one or multiple properties is done through dialup, LAN, WAN or the Internet.

## STSN secures funding

STSN, provider of high-speed Internet access and broadband services to hotels and conference centers, announced the closing of its round D funding, in which it secured \$66.5 million in equity and debt financing. New investors include Siemens and On Command, who join previous investors including Marriott International Inc., Intel Corp., Vantage Point Venture Partners, APV Technology Partners and Thom Vest Holdings Inc., who also participated in the round. Concurrent with the equity financing, STSN closed senior secured debt financing with GATX Corp.

# OpenGrid offers free wireless presence

OpenGrid Inc., provider of mobile solutions to the travel and conference industries, announced an offer to launch a wireless presence for hotel brands. OpenGrid studies show that most hotels have yet to establish a wireless presence, creating unfavorable experiences by users of wireless devices. OpenGrid is offering to develop and host one wireless page for each hotel brand that will welcome customers and direct them to visit the hotels Web-based URL. HTA

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Wingate... Continued from page 1

### Mission accomplished: Solution in action

This month, Wingate brought their first kiosk online at the Wingate in Gordon City, N.Y. Gordon City's ED, which originally had only the check-in/checkout functionality and a guest comment card, has now been equipped, through existing T1 lines, with go2.com, an online service that allows guests to find local information on everything from restaurants, to activities, to movies, to bars, to local events.

Once the guest finds what he's looking for, go2.com offers a mapping feature that provides easy-to-follow, printable directions to help guests navigate to where they want to go. The new kiosk also features a USA Today national information module, from which guests can access weather forecasts and local and national news. Wingate's reservation page is also accessible from the kiosk. The information is easily accessed from the kiosk touchscreen, is available to guests free of charge and doesn't require a membership to use.

And although Wingate supplies other methods for guests to access the Internet, such as free in-room Internet access for laptop users and television access through a pay model, they feel that ED offers another valuable tool. "Guests don't carry their laptops in the lobby," says Pierce. "The kiosk is really the only place where a guest can walk up and very quickly, through a couple of finger strokes, get into local information." Additionally, it is very easy for the front desk staff to direct guests who have questions about local information to ED, rather than having to spend

time looking for phone numbers and giving out directions.

The biggest difference between the kiosk Internet offering and the in-room Internet offering is the amount of access guests have, which is limited as opposed to open. "We want to keep the kiosk penned up a bit right now," says Kraemer. "We want to find out what the customer's reaction is to the information we're serving up right now before we add more functionality."

However, that doesn't mean that ED won't eventually enable guests to access the entire Web and perform tasks such as checking their e-mail from the kiosk. "I don't want them to be able to free surf yet. Surfing the Internet from the kiosk is something I'm taking cautious steps into. It's something that we could look into in the future," says Kraemer.

### A coming out party

So far, ED has received a good reception. Introduced at the Wingate annual conference, many of the Wingate franchisees had an opportunity to see the new-andimproved ED firsthand. "We're getting positive results because the franchisees see that the local content information is an important thing to provide to guests. They see that it has value," says Pierce. As time goes on, Wingate plans to monitor ED's success by tracking guest usage monthly. They will also look at feedback from guests and staff to see if the new functionality is enough to keep ED alive.

After the beta testing in New York has completed a 30-day trial to make sure all of the bugs are worked out, Kraemer and his team will continue the installation in Wingate's 99 properties throughout the U.S. They anticipate that the rollout will begin in early July, and should be complete within five months.

### Coming full circle

In addition to the master plan of creating a valuable amenity for guests and resource for licensees, Wingate's hope is that the introduction of the online information resource will eventually lead guests back to the original technology the kiosk enables: the checkin/check-out feature which could prove to be a real time saver to the front desk staff. Says Pierce, "We're anticipating that once consumers are directed to use the kiosk for local information, for USA Today information and for reservations, and once they become comfortable with the equipment, they will see that there is a check-in/check-out functionality, and they'll start to use it."

ED's technological facelift may not be quite finished yet. The future possibilities for ED are immense, and Wingate is keeping their options open. Over the next year or two, they may be adding laser printers to the kiosk so that guests can have Internet materials sent to a printer at the kiosk rather than to one behind the front desk, as in the current system.

Additionally, Wingate hopes to redesign the cabinetry of the kiosk to simplify maintenance. And there is the possibility of adding links to local points of interest, such as amusement parks, or allowing broader access to the Internet. "We want to provide valuable services and amenities to our guests," says Pierce. "And those will translate into a perceived value for our franchisees." ED, a virtual front desk agent and now a virtual reservations agent and concierge, certainly seems to hit that mark.

— Allison Hearn нта

# Hot at HITEC: More uses for Internet, improved connections, high-speed access

Summer is right around the corner, and with it comes HITEC 2001: From a space odyssey to a high-tech reality. The Hospitality Industry Technology Exposition and Conference, produced by Hospitality Financial and Technology Professionals, will be held June 26-28, and has sold out its exhibit space of 760 booths, representing 333 companies. More than 6,000 participants are expected to attend. Located at Orlando, Fla.'s Orange County Convention Center, the show promises to be a hot one, with targeted executive briefings, a wide variety of educational sessions covering the latest technology trends and a chance to be a part of the technology think tank that will shape the future of technology in the industry.

A number of topics will be discussed and debated at this year's show, including using the Internet as an enterprise-wide management tool to link all properties to the corporate headquarters, control cost and improve efficiency; providing products that allow business travelers to seamlessly connect to their networks; using technology and alternate distribution channels to lower distribution costs; and developing VPN-compatible highspeed Internet access.

On the tradeshow floor, a number of vendors have already announced that they will be unveiling new products to attendees. Video conferencing is one of the new tools presented by STSN this year, including IP video conferencing services and bridging for ISDN, Webcasting and satellite uplink and downlink services. STSN will also be offering Voice Over IP to hoteliers, allowing them to leverage existing equipment and the associated cost advantages to the hotel while adding features for the guest. In addition, wireless Internet is on their menu of products and services, and both 802.11b and Bluetooth technologies have been deployed or are under development.

• Passkey.com Inc. and TravelCLICK are introducing their new product, Passkey HotelDirect, for single property group reservations management.

Using the product, hoteliers and meeting planners can realize opportunities for enhanced revenues and efficiencies that will reduce costs. Passkey HotelDirect provides instant, shared information between hotel and planner; accurate reporting of block pickup; customer relationship building tools: and automated data transfer of group reservations to hotel property management systems (PMS), for qualified chains, franchisees and properties. Passkey will also be announcing a new project, in conjunction with Sabre Inc., to co-develop a product for automating data transfer from Passkey into central reservations systems and down into the PMS.

▶ NXTV is premiering a new interactive digital technology that provides all-digital content to hotel room televisions. Features of the product include a selection of 200 movies, full Internet service with a wireless infrared keyboard, real-time interactive gaming, and more.

▶ Aptech Computer Systems will demonstrate its latest advances in business intelligence when it unveils handheld-compatible software. The new handheld software is modeled after Execuvue, a business intelligence software developed by Aptech which compiles and analyzes property information to allow users to drill down specific measures while monitoring key performance indicators (KPIs). Like Execuvue, the handheld software monitors KPIs, then notifies the user if the property's performance falls below the predefined threshold so that he can act on it immediately. The software gives hotel executives the ability to stay in tune with property performance even while traveling.

▶ Pegasus Solutions Inc. will debut their Web-based propertylevel system and associated services. This enterprise system includes a full suite of Internetdelivered applications, such as general property management functionality, sales and catering, central reservations services and point of sale. The system will also feature interactive, online training modules, a centralized data center, 24/7 system monitoring and transaction-based pricing.

Sun Telecom International c. will release the Wireless Data Management System, a dining room management system designed to enhance communication between restaurant staff, provide better management tools, provide detail reporting capability, increase efficiency by reducing labor and increasing productivity and increase sales.

A complete list of exhibiting companies, online registration and detailed educational schedule is available at the HITEC Web site, www.hitecshow.org.

— Allison Hearn HTA

# Visitor-based networking: A worthwhile investment?

Visitor-based networking (VBN) is becoming an increasingly attractive option for hospitality enterprises seeking to maximize their return on investment. According to the International Data Corp., the VBN market is expected to grow at an annual rate of 74 percent for the next five years. Services and equipment sales to the multi-tenant unit (MTU) broadband market are expected to grow from \$3.4 billion in 2000 to \$8.3 billion in 2005 (Cahners In-Stat, 2001). With the hospitality industry generating approximately 20 percent of MTU broadband revenues last year, VBN represents a lucrative opportunity for hotels to maximize their investment in this technology. To gain a clearer understanding of VBN's potential, it is wise to examine how property owners can both minimize the initial cost of their investment and evaluate their return on investment (ROI).

### Minimizing Investment Costs

1. Defining the customer base Although the use of broadband Internet access in the hospitality industry is growing, the greatest demand for the service clearly emanates from one source: business travelers. A recent American Express survey found that 87 percent of business travelers were taking their laptop computers with them on the road, primarily to access e-mail and their corporate networks. Properties with a high proportion of business travelers are thus particularly wellsuited to offer VBN to their guests.

2. Selecting cost-effective technology

Broadband Internet can operate over a variety of platforms, including dedicated Category 5 (Cat. 5), Shared Cat. 5 or Cat. 3, DSL, coaxial and wireless 802.11b. In selecting the best option, property owners need to compare key factors such as installation time required, cost per port, maximum bandwidth potential and the projected lifetime of the solution.

The latter in particular can vary dramatically. "Some solutions, such as DSL, may only last a couple of years, while Cat. 5 cabling may have a life expectancy of 15 years or more," says Mike Rawling, vice president of operations at Guest-Tek Ltd., a North American provider of VBN technology and services. The wide variance can be attributed primarily to DSL's comparative bandwidth limitations and poor equipment endurance. These types of considerations must be taken into account when evaluating the technology's start-up costs and its potential ROI.

3. Staged deployment Minimizing initial investment costs may be attained through staged deployment of the solution. For example, rather than beginning widespread installation of broadband Internet immediately, the property may begin with a limited number of meeting rooms and guestrooms. As those rooms begin to generate revenue, the property may expand the solution.

## **Evaluating ROI**

Increased revenue. Revenue generated through broadband Internet in meeting rooms and/or guest rooms provides the most obvious indication of the ROI property owners may gain. In many cases, that ROI comes sooner rather than later. James Simkins, general manager of a high-end, 88-room lodge near Seattle, had broadband Internet installed in six meeting rooms in October 2000. "We're currently generating approximately \$1,200 per month through the meeting room connection, and anticipate this will grow four-fold in the near future," asserts Simkins.

**Increased take rates.** One way of determining whether broadband Internet is helping property owners attract and retain more clientele is the "take rate" or usage rate of the service. If the service shows a steady increase in usage, and/or a consistently high usage rate, the service is clearly valued by guests and helping property owners gain a competitive edge.

Bob Marando, general manager of the Georgian Court, an upscale hotel in Vancouver with a large business traveler customer base, had broadband Internet installed in his property in January 2001. Just a few months later, take rates have been consistently high, and he is confident he is already receiving a positive ROI. "Highspeed Internet has helped us maintain our existing clientele, and we're confident it will help us attract future guests," he says.

VBN offers hospitality enterprises lucrative opportunities to enhance their profitability through increased revenue and increased guest attraction and retention. Minimizing the initial investment cost is possible by assessing basic considerations in advance, including the hotel's customer base, its most viable technology solution and the potential for staged deployment. Based on this foundation, hospitality enterprises can determine which technology provider will offer them the best technology and the most fully-integrated, fully-supported solution for their organization. HTA

— Karin Holmgren,

Marketing Communications Specialist Guest-Tek Ltd.