

Worldwide Hotelier example

Imperatives and Challenges

- How do we enhance our flexibility to collaborate with different trading partners (e.g. car rentals, theme parks, airlines, member associations)?
- How can we leverage customer information for business insight and improved customer loyalty (business and pleasure travelers)?
- How do we create innovative business models & processes to reduce operational costs and improve customer experience across all delivery channels?
- How do we maximize our profitability in a global environment of competitors, business partners and customers?

Change Requires a Business Centric View

| Travel Planning and Packaging | Corporate Booking | Reservations and Payments | Additional Services/ Revenue Opportunities | Customer Care | Loyalty Program and Marketing | Check In/Status |
|----------------------------------|--|---|--|--|---------------------------------|--|
| Hotel Search and Rate Comparison | Corporate Booking Policy Enablement | Private Rates | Entertainment Selection | Customer Profile Creation and Management | Program Enrollment | Reservation Retrieval |
| Promotions | | Room Selection | | Special Needs Request | | Online & Device Check in |
| Competitive Comparison | Negotiated Rates | Upgrade Request | Conference / Meeting Services | Customer Survey | Status Updates and Management | Room Selection |
| Advanced Availability | | Waitlist | | Lost and Found | | |
| Dining search and selection | Approval Workflow | Payment Processing (<i>Credit Card, Points Redemption, other</i>) | Internet and Calling Access | Service Recovery | Marketing Campaigns | Upgrade Request |
| Car rental search and selection | | Points Redemption for Other Travel Service | | | | |
| Theme Park Search and Selection | Employee Profiles & Travel Entitlements Management | Reservations/ Changes | Room Service | Personalized Portal | Flexible Date Search | Notifications (device, schedule, type) |
| Packages and Vacations | Contract Compliance Reporting | Cancellation/ Refund Issuance | Shopping | | | |
| Destination Information | | Fulfillment Partner Functions | Lodging Booking Confirmation | Coffee Shop/ Dining | Customer Segmentation Reporting | Book Ahead Services |
| Recommendation Engine | Agent Commission Processing | | Airport Transfer | Internationalization | | |
| Travel Agent Access | | | In-Room Services | Online Chat | | |

Based on our experiences these summarized dynamic portal scenarios result in the greatest benefits

Dynamic Portal Scenarios

- A workspace consolidating access and creating awareness of customer, sales and marketing information and applications for
 - Property and global sales associates
 - Call center personnel
- Access to e-HR functions customized to the user
- e-procurement functionality available to both corporate and property management

Anticipated Hotelier Benefits

- Faster time to market and better coordination of sales promotions, key corporate account management and competitor information
- Improved cross selling of services and property holdings
- Self service capabilities extended to employees will reduce the workload of hotel HR and managers
- Reduced costs via simplified business processes and paperwork handling

Representative Experiences

- Revenue increases of 1-5% due to increase cross selling
- HR costs reduced by 57%
- Ratio of HR employees to total cut from 1:67 to 1:154
- 69% reduction in payroll cost/ check issued
- 91.2% expense report processing cost reduction
- 96.7% reduction in Purchase Order Process time
- Reduction of purchase order cost from \$35 to \$4.00

A large Hotelier and IBM identified Dynamic Portal usage scenarios that supported the enterprise objectives and offered the greatest potential benefits

Dynamic Portal Scenarios

- Role based workspace for hotel management based on function or role
 - Region and hotel performance reporting
 - Dashboard key performance indicators with remedial programs and best practices
 - Application integration of hotel property systems, sales/CRM systems, SPG, promotions, competitive intelligence and local referral sources
 - GSO and property sales team rooms for account planning and collaboration
 - Electronic employee directory supporting expertise location
- Role based portal for call center personnel
 - Electronic forms and workflow processes
 - Application integration across reservations, sales/CRM, SPG, promotions, and localized information
 - Instant Messaging to support supervisor communication
 - Centralized source of relevant content

Revenue Management Benefits

- Superior guest service experience due to all information available in one place
- More effective communication between corporate and property management
- Faster time to market and better coordination of sales promotions, key corporate account management and competitor information
- Improved cross selling of services and property holdings
- Improved account management between GSO and property sales
- Improved performance efficiency limits growth of property headcount

The supporting business objectives were used to identify the required portal capabilities that represented the functionality in the scenarios

Dynamic Portal Scenarios

- Access to HR functions customized to the property, region or user based on ID
 - Benefits program descriptions, enrollment, changes and current status
 - Access to employment policies
 - Electronic job applications pending review and link open positions with application process
 - Linking of individual development plans to competency training
 - Electronic PMP process with status notification to employees or managers prompting action
 - Electronic reporting of PMP and talent review rollup summaries
 - Web based interactive hotline response (replacing phone hotline)
 - Electronic team rooms for regional HR managers to work with and share information with property HR managers
 - Extension of e-HR functionality to Franchisees as a service

Cost Savings or Cost Avoidance Benefits

- Managers will have ready access to both HR policies and status of HR responsibilities relating to PMP, talent review and employment applications pending review
- Property HR managers will have more ready access to information, regional support and HR hotline
- Self service capabilities extended to employees will reduce the workload of hotel HR and managers
- Periodic HR responsibilities of property managers will be electronic and reduce the time requirement

The scenarios addressed the specific issues and concerns expressed by the Hotelier's management team

Dynamic Portal Scenarios

- e-procurement functionality available to both corporate and property management
 - Access to purchasing catalogs of globally sanctioned suppliers supported by negotiated pricing based on regional specifications
 - Complete requisition-to-payment accounting integrated to SAP for global suppliers
 - Electronic accounting and payment processing integrated to SAP for local suppliers
 - Availability electronically of purchase contracts and other important vendor documents
 - On-line access for vendors to check account and payment status

Cost Savings or Cost Avoidance Benefits

- Reduced spend via
 - Reduction in the number of suppliers and by-passes to purchasing policies/contracts
 - Leveraging global purchasing power
- Reduced costs via simplified business processes and paperwork handling
- Reduction in the number of inquiries to corporate sourcing and procurement
- Improved performance efficiency allows property and corporate headcount management

The dynamic portal scenarios provided a roadmap to more clearly identify and measure the business case to extend the existing portal

Dynamic Portal Scenarios

- e-learning capabilities available to all audiences based on user role
 - Electronic based courses available to support targeted key competencies, career enhancement and skills reinforcement
- Broadcast communications management
 - Global communication to all portal audiences
 - Targeted broadcast and presentation of electronic communications based on audience or user role
 - User subscription to allowable electronic communication based on role
 - Web-casting
- e-meetings
- Employee directory and expertise location

Cost Savings or Cost Avoidance Benefits

- Anytime learning capability will drive improved skills in the workforce and develop management competency
- Cost savings due to reduced travel and time away from job responsibilities
- Reduce information glut by enabling providers to target content and users to select that which is relevant to the job role
- Cost savings due to elimination of printed newsletters such as “Field in Focus”
- Keep communications dynamic and fresh therefore increasing impact and absorption
- Reduced travel costs and time spent associated with meetings
- Time savings involved with finding the right person with the answer

The scenarios and related capabilities presented in the implementation waves provided the basis to develop business case analysis to finalize the implementation sequence

Dynamic Portal Scenarios

- Enterprise content and document creation and management system allowing decentralized creation with centralized control where desired
 - Authorized users can perform creation and management with proper approval processes
 - Standard creation and delivery templates assure standards compliance and consistent presentation
 - Minimize multiple, duplicate or outdated versions
 - Deploy content in multiple forms at minimal incremental costs
- Enterprise standards and web services based application development and application connector architecture
 - Reusable and shared components and knowledge
- Enterprise security and access control systems that support single sign-on and content level access control
 - Enterprise wide LDAP supporting a single person reference object, directory synchronization and robust access management tools

Cost Savings or Cost Avoidance Benefits

- Lower costs of controlling and managing the content life cycle of critical content
- Decrease of employee time spent looking for information
- Minimize support costs of sites and application connections
- Free up and better leverage IT resources
 - Common, standards based platforms reduce complexity and support costs
 - Common platforms allow faster deployments (repeatability)
 - Minimize the instances of software - consolidate licenses
- Lower costs of support and maintenance of access control structure
- Enterprise and property level systems single sign-on capability