



Invent the future:

the new normal for hotels in 2010 and beyond

Trends. Technologies. Transformation.
A look inside the future of hotels.

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2010: a year of transformation

Foreword



There has been much ink dedicated to the impact of the global recession, which is why in this report we wanted to fast forward to the future.

Everyone, regardless of whether they work in the hospitality sector or not, is well aware of the impact of the downturn on reducing confidence, increasing volatility and testing operational resilience. It is clear the return to prosperity will only be achieved through thinking differently and renewed business processes.

From an understanding of the past, this paper explores the new normal for hotels in 2010. The new normal will be shaped by business issues, not technology systems. It is therefore through those business issues that we explore technology.

At Amadeus, we are optimistic. As we move beyond the difficult year that was 2009, there exists an opportunity for us to invent the future we want by embracing transformation amid signs of greater stability.

Adapting to this new normal will be the signature of successful hotel chains. This paper explores key factors making 2010 the year of transformation for hotels. It explores areas such as future business models, operational effectiveness, approaches to customer service and growth strategies.

The objective of this paper is to begin a discussion about the challenges facing the hotel sector, the business drivers shaping the market and the role of technology in driving innovation.

We hope it provides some valuable insights as we all navigate the future and step up to the challenges of the new normal. We look forward to continuing the conversation with you over the coming months.

Jérôme Destors
Director, Hotel IT
Amadeus



1 Introduction: Turbulent Times



The hospitality industry has never been a static business environment. Over the last 18 months, it has seen unprecedented change.

But the turbulent economic conditions of the last 18 months have simply brought into focus the fundamental changes the industry has experienced throughout the last decade.

Satisfying guests, property owners, property developers, shareholders and staff has become steadily more complex. So too, has selling and delivering services in emerging markets, adapting swiftly to Web-based sales channels, and gaining brand-wide views of activity in near real-time and then acting effectively on that knowledge.

And achieving targets has never been more difficult, from engaging staff to meet guest performance expectations, to achieving revenue and profit goals.

Against these changes, the limitations of crucial portions of the systems infrastructure that brands depend on are becoming increasingly, alarmingly, apparent.

Part 2 of this discussion paper aids hotel executives in understanding how the business environment has changed, in the last 18 months and then, in part 3, over the last 10 years.

Part 4 looks at four broad categories of change — guest experience, globalization, brand value and speed to market — and the challenges each change represents for the future.

Part 5 then looks at the responses of industry leaders successfully confronting and capitalizing on this industry evolution. And it considers the role of technology in gaining and maintaining that leadership. In a time of turbulence, it looks at how brands can embrace the challenge of change.

2 The Previous 18 Months: 2009 Changes the Game

In 2009, everything changed. The global economic crisis which began in the fall of 2008, and which persists to this day, totally reshaped the hospitality industry. No area of the industry was immune and fundamental trends were brought into sharp relief. Among these trends:

- > Traveler numbers declined, especially in the corporate, meetings and conventions and incentive travel market segments
- > Travelers became hypersensitive to value
- > Steep discounting of room rates became widespread, resulting in much thinner operating margins
- > Revenue fell substantially in rooms and non-rooms, as every major hospitality business indicator declined
- > Profitability pressures on hotel properties and hotel brands intensified, especially on those with private equity group owners, as investors' returns from other investments dwindled
- > Operational budgets were cut, resulting in staff layoffs and purchase deferral or even cancellation
- > Information technology enhancement and maintenance projects were curtailed or cancelled due to funds withdrawal and staff layoffs
- > High-value staff and internal IT development competence was lost
- > Guest loyalty programs and CRM initiatives took on new importance in retaining the patronage of frequent travelers
- > Emphasis grew on understanding guest behavior — at macro and micro levels — to understand how to attract guests, and then how to maximize their on-property expenditures, requiring improved data collection and data mining
- > Activity reporting became more important as managers at every level strove to understand what activities were profitable, why, and how they could be further enhanced
- > Enterprise-scale business activity intelligence, including on-demand reporting and data mining, assumed a higher priority
- > Internal limitations became increasingly apparent to hotel executives, prompting reconsideration of how to allocate activities between brand personnel and outsourcing to business partners
- > Hotel development and financing capital abruptly and dramatically contracted; foreclosures became more frequent, and risk aversion grew



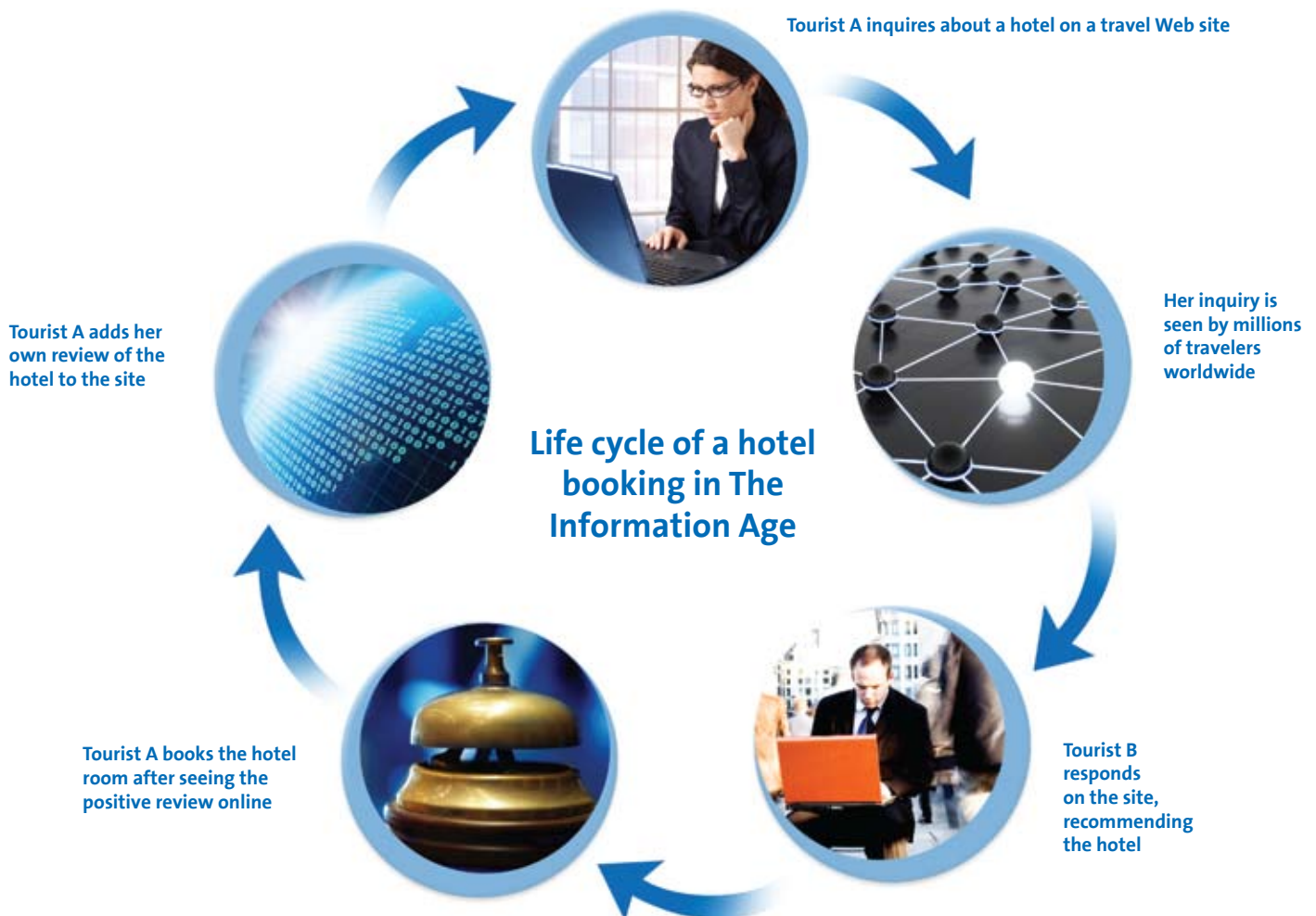
The Previous 18 Months: 2009 Changes the Game

While it was the main driver of change, the financial crisis was not the only force. Other market-shifting developments — trends that directly and forcefully impacted hotel brands' marketing, operations and bottom line results — also stood out.

They included:

- > Proliferation of social media Web sites and awareness of how they impacted hotel selection
- > Soaring Web traffic creating dangerous loads on reservation systems and allied technologies, so diverting funds towards servers and network expansion
- > Expansion to the Middle East and Asia, requiring urgent funds for system, infrastructure and process adjustments
- > Increased demand from leisure travelers (who have a new importance as corporate travel lags) on hotels to create or enhance value, and hotel brand Web sites to describe and sell their services
- > Rising guest expectations for flat-screen televisions, high-definition (HD) content, entertainment device connectivity panels and other high-tech amenities in their hotel rooms
- > Increasing awareness of 'green' commitment, with hotel operators becoming more sensitive to utility costs
- > Further pressure in hotel brand organizations for rapid action in implementing promotions, understanding trends, and analyzing data

2009 was a year of change for hotels, with increased pressure for improvements across the landscape



THE PREVIOUS 18 MONTHS IN NUMBERS

- › Travel & Tourism Economy GDP contracted by 4.8% globally in 2009. It is expected to grow by 0.5% in 2010 and 3.2% in 2011
(Source: IATA)
- › Overnight visits to European destinations fell 6% in 2009, erasing the growth of the previous two years
(Source: European Travel Commission)
- › The United States welcomed 54.9 million international visitors in 2009, a decrease of 5% compared to 2008
(Source: The U.S. Department of Commerce, Office of Travel and Tourism Industries annual Year in Review report for 2009, published 2010)
- › Total international visitor spending in the United States (\$121 billion) dropped significantly in 2009, resulting in a record-setting yearly decline of nearly \$21 billion (-15%)
(Source: The U.S. Department of Commerce, Office of Travel and Tourism Industries annual Year in Review report for 2009, published 2010)
- › In the United States, the industry lost nearly 400,000 jobs in 2009, essentially eliminating all employment gains since 2004
(Source: The U.S. Department of Commerce, Office of Travel and Tourism Industries annual Year in Review report for 2009, published 2010)

Hospitality Industry Global Performance

Region	Occupancy Rate (Occ %)	Occupancy Rate (Occ %)	% change in occupancy from 2008 – 2009	Occupancy Rate (Occ %)	% change in occupancy from 2009 - Mar2010
Asia Pacific	65.5%	60.7%	-4.8%	67.7%	7.0%
Americas	60.7%	55.3%	-5.4%	58.2%	2.9%
Europe	65.7%	61.1%	-4.6%	60.8%	-0.3%
Middle East/Africa	70.2%	62%	-8.2%	67.6%	5.6%

Region	Occupancy Rate (Occ %)	Average Daily Rate (ADR)	Revenue Per Available Room (RevPAR)	Occupancy Rate (Occ %)	Average Daily Rate (ADR)	Revenue Per Available Room (RevPAR)	Occupancy Rate (Occ %)	Average Daily Rate (ADR)	Revenue Per Available Room (RevPAR)
	Year-end 2008 (in Euros)			Year-end 2009 (in Euros)			Year-end 2010 (in Euros)		
Asia Pacific	65.5%	93.91 €	61.55 €	60.7%	85.64 €	51.95 €	67.7%	130.56 €	88.39 €
Americas	60.7%	73.43 €	44.58 €	55.3%	70.76 €	39.14 €	58.2%	100.57 €	58.53 €
Europe	65.7%	107.01 €	70.32 €	61.1%	94.23 €	57.59 €	60.8%	126.51 €	76.92 €
Middle East/Africa	70.2%	107.47 €	75.41 €	62%	109.9 €	68.16 €	67.6%	161.75 €	109.34 €

Source: Smith Travel Research

3 Shaping the Future: Looking Back Before Moving Forward



2009 was a tremendously significant year for the hospitality industry globally.

However, this was just one year at the tail-end of a decade of profound change. Long before the economic crisis, some issues had been perplexing hoteliers and straining corporate resources.

These changes could be summed up as “doing more, with less, and doing it faster.” The relationship between guests and hotels became more complex and demanding; globalization took hotels into new regions and new ways of working; brand value required every process to be examined; and IT teams buckled under the pressure.

Guest Experience

Over the past decade, hotels and guests alike became much more sensitive to the fluid and complex relationships between them.

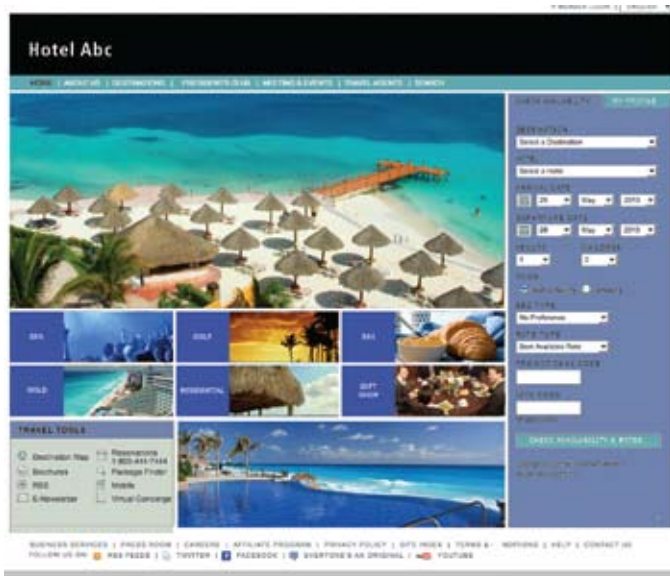
From the hotel companies’ point of view, the goal was to achieve a “cradle-to-grave” relationship that moved beyond utility to enduring brand loyalty. So, they made efforts to develop new hospitality-specific customer relationship management programs (CRMs), or to adapt the tools used in other industries. Through these hotels developed guest activity and preference profiles, frequent guest programs and guest recognition while on-property.

These initiatives challenged technology. In some cases the available technology was just not sufficient. Guest tracking/recognition and entertainment delivery in particular suffered from inadequate and disparate databases and from antiquated on-property telecommunications infrastructure.

The increased sophistication on the part of hotel companies was matched by their guests. As the decade progressed, guests expected to examine and reserve their rooms through an array of travel shopping channels. They demanded greater descriptive detail, supplemented by multimedia. They also wanted coherent room rates, giving rise to the hotel industry imperative for rate parity.

Guests also wanted technology and facilities that equaled or surpassed those in their own homes. This became an expensive game for hoteliers to play as guests demanded to use their own entertainment devices and bandwidth-hungry personal technologies, while on property.

It became clear guests were increasingly sensitive to value. As room rates oscillated, guests continued to seek comfort, convenience, security, confirmation of the wisdom of their hospitality choice and what they judged to be good value for their expenditure.



Guests are demanding complex, rich Web sites from hoteliers

Globalization

As brands expanded across the globe, they had to review every aspect of their operations, and this was expensive. They found their adaptability severely tested, both in terms of organization and systems.

The demand for growth came from shareholders, corporate leadership and attractive new markets. This challenged operators to construct hotels in locations new to them, and new to western-style hospitality facilities, business processes and management technologies.

For example, hotels found they had to work in languages such as Chinese, the so-called “double-byte” languages that affect systems fundamentally, like accepting the guest’s name and address as it is locally written. They also had to introduce processes that could handle new forms of reservation, guarantee and payment.

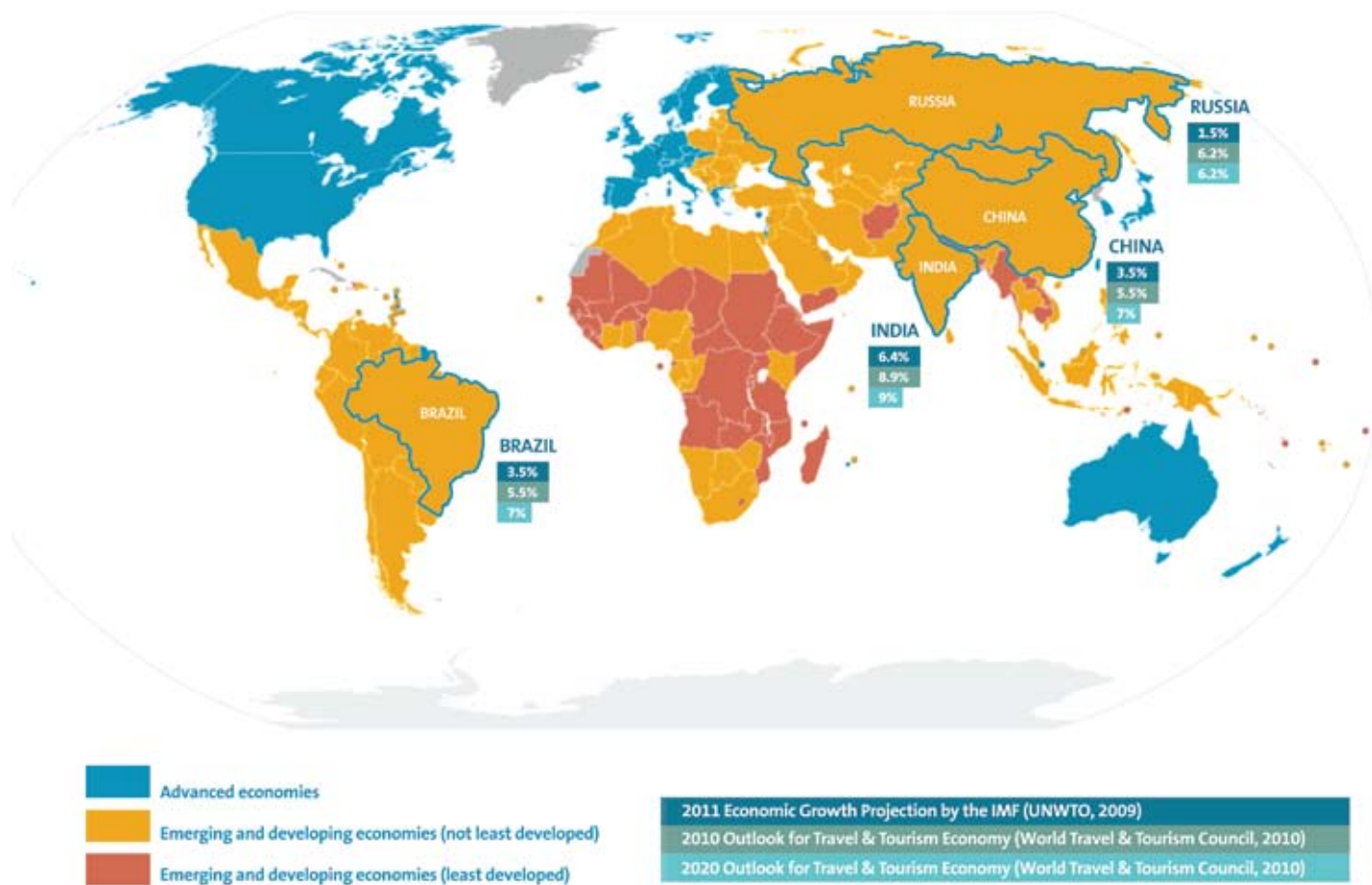
Hotels also needed to accommodate the lower levels of education in some regions and the communications styles in non-Western cultures. This included regional sensitivities relating to gender or religion.

These challenges could be exacerbated by local constraints. It was not unusual to find that electricity, communications services, computer systems or even transport were inconsistent, or expensive, or both.

As hotel brands expanded, their marketing and sales programs had to diversify with regional nuances. This gave rise to region-specific Web sites in the language, promotional messages and visual content, and highlighted the importance of customizing e-mail marketing to address regional preferences.

There were also important new opportunities. For example, extensive brand expansion into new regions such as the BRIC countries (Brazil, Russia, India and China) reminded the hotel industry that out-bound travelers could be a significant source of traffic.

Tourism arrivals and the world economies



Source: Classifications by the IMF and the UN

Brand Value

The central indicator of a brand's value is the return it generates for the brand's owners and the investors who subscribe to the brand — hotel developers, owners and asset managers.

What's a great brand worth?

Brand	Brand Equity Value*	Total Market Capitalization
Apple	\$14 Billion	\$70 Billion
Microsoft	\$59 Billion	\$230 Billion
General Electric	\$53 Billion	\$136 Billion
Coca-Cola	\$67 Billion	\$142 Billion
Nike	\$13 Billion	\$21 Billion

Source: Interbrand, Yahoo Finance

Over the past decade, hotel ownership transformed as private equity investors purchased hotel brands. With this change in ownership came heightened recognition of brand value in creating revenue, operating more efficiently, and becoming more profitable.

Every activity, management tool and system was tested and retested. New thresholds of operational efficiency and cost-effective performance were defined, with bleak consequences for the executives and brands who failed to achieve them.

The following factors became instrumental to both the perception and the financial reality of brand value.

> Sales and Marketing Effectiveness

While messages remained important, the media changed radically. There were dramatically increased options for travel research, review and shopping options, particularly Web-based, as travelers searched for convenience, comfort, security and value in their hospitality.

Concurrently, the industry witnessed expansion of the motivations for travel. To traditional business, convention, tour and independent leisure travel were now added ecotourism, adventure travel, senior citizen travel, medical tourism, reunions, staycations, spa retreats and romance travel.

The hotel brand's marketing and sales teams had to respond to these challenges, increasingly using Web-based facilities. They had to manage more channels, including the brand's Web site, its numerous micro-sites, the online travel agencies, the traditional Global Distribution Systems and the many consumer-generated Web sites.

Brands also increasingly needed a robust, adaptable technology infrastructure. That infrastructure included a central reservation system (CRS), competitive rate shopping and channel management capabilities. It also encompassed pricing and revenue management technology and computerized loyalty programs. These worked together to accomplish wide and tightly-managed distribution of the brand's accommodations.

As emphasis on building brand value grew, results-focused leaders at the corporate and property levels reviewed processes in every area

> Operational Competence

of hotel activity.

And by every area, they really did mean every. A roll call of activities included recruiting, training, purchasing, rooms administration, housekeeping and food and beverage operations. It encompassed general administration and facility maintenance. It covered systems selection and utilization, information management, marketing, internal and external communications. It included retail space management, recreation facility operation, pricing, reservations and distribution. All of these areas were studied, dissected, scrutinized, and reengineered to maximize performance, production and profitability.

They also studied their employees' effectiveness. They developed sophisticated systems to mitigate the challenges of hotel employment, such as high staff turn-over rates and limited labor availability.

Some systems moved from being useful to essential for effective brand administration. These included property management systems, point-of-sale systems and back-office accounting systems.

And, as the hotel industry grew reliant on these technologies, the highest-priority system characteristics became apparent. Systems had to be reliable, secure, easy to use and well supported. They had to connect with other systems to share data. They had to have low cost of operation. And they needed to be adaptable to support new sales promotions, business processes or reporting requirements.

> Information Management

Over the past decade, information collection and management became central to operational competence.

The performance of every staff member, from corporate executives to line level staffers at hotels, was analyzed. It was compared with equally detailed analysis of other activities such as market conditions, labor forecasting, productivity monitoring, supply costs and utility expenses. These analyses became essential if managers were to make effective decisions.

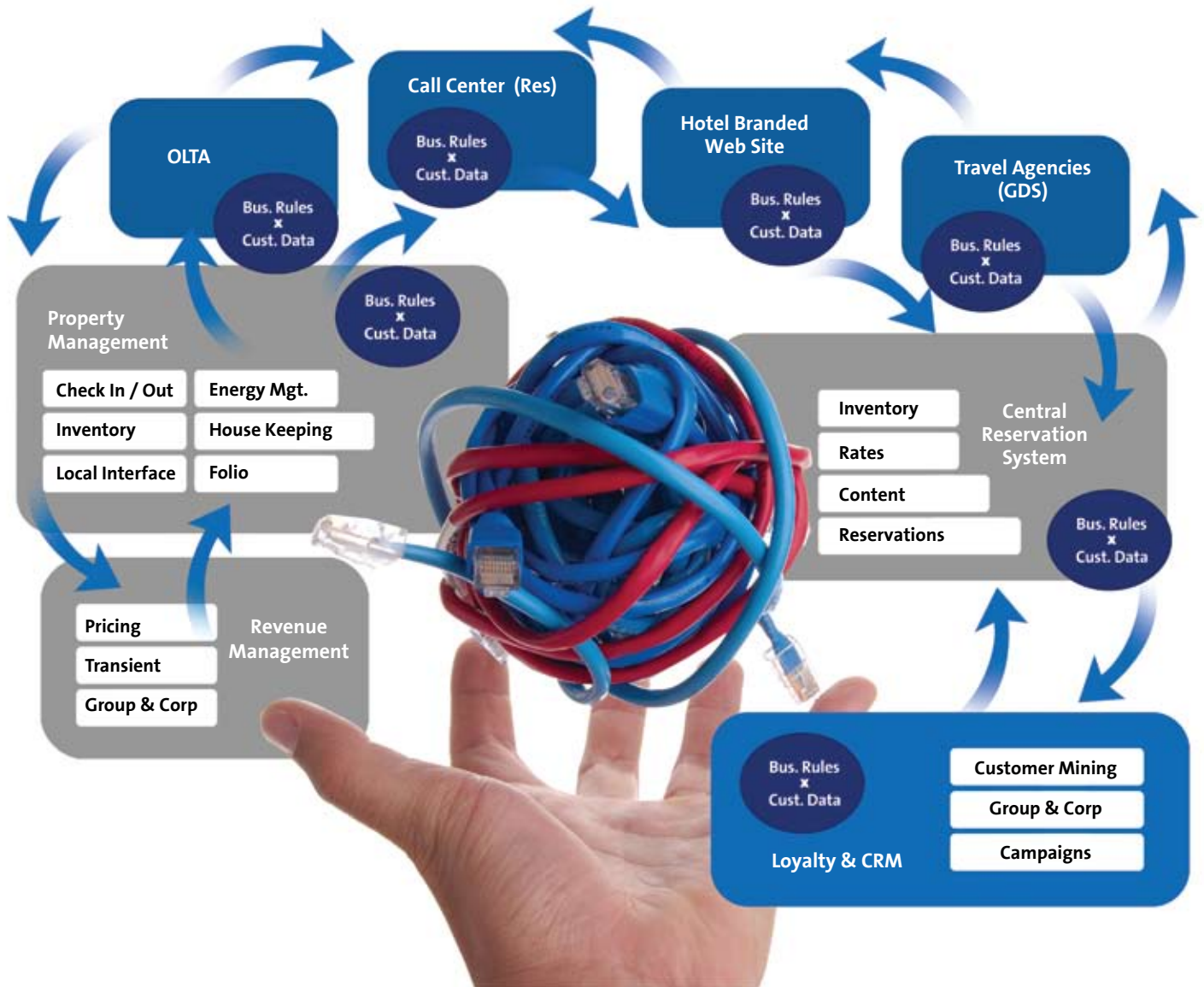
Corporate-level systems evolved rapidly as many of the prime indicators of brand effectiveness were derived from large, complex computer systems. Not least of these were the central reservation systems (CRS), upon which the brand's Web site and booking engines depended.

Indeed, greater demands emerged for the CRS. It was expected to support complex rate tiering, availability control and revenue management processes. It was called upon to deliver multilingual content and rich media such as photos and videos.

The CRS also needed to respond immediately and faultlessly to soaring volumes of inquiries from online travel agencies, meta-search sites and rate polling systems. It had to integrate with loyalty databases and data warehouses. And it had to produce detailed activity reports in printed, display and dashboard formats.



The Current Nightmare:



DOING MORE, WITH LESS, AND DOING IT FASTER

- > Marketing and sales are challenged to devise new promotions, evaluate and utilize new sales channels, and promote to new markets
- > Operations are called on to reduce costs, keep rates competitive, and maintain brand standards
- > Information Technology groups are tasked with processing soaring volumes of Internet queries, integrating systems more fully for a richer guest experience, and producing fuller and more timely operating data

Performance Agility & Speed-to-Market

A brand's ability to devise new initiatives is central to its competitive strength. As the last decade progressed, it became clear this strength was heavily dependent on technology, and that some brands' technologies were simply not agile enough.

Every piece of corporate level technology was given new attention and, whenever possible, used more fully. From enterprise-resource planning (ERP) systems to human resources, from procurement to back-office accounting to the CRS, each was expected to evolve as demands grew, by integrating with peer systems and doing so reliably.

Other systems were also examined. Web-based distribution, revenue management techniques and increasingly complex loyalty and customer relationship management programs were called on to accommodate new, more complex, and higher volume activity.

While it was obvious to those outside the IT department things were changing, it was even more apparent within. CIOs had many challenges to face, including:

- › Increasingly complex needs and solutions, requiring more expertise to set viable strategies and make sound decisions
- › Redefining the CIO's role to a full "C-level" executive, participating more in managing the company, but, as a result, less able to direct IT activities
- › Rapid arrival of new technology options, requiring evaluation
- › Shrinking in-house IT teams, and moves to off-shore programming with associated overheads for requirement specification, project management and around-the-clock communication
- › Continued absence of multi-functional, highly integrated technology platforms that could replace proliferating but poorly interfaced stand-alone systems. The hotel industry proved difficult to sell these platforms to, because of the limited number of major companies, long sales cycles and lack of consensus on functional priorities
- › Unrelenting user support demands as systems became more complex and screens more densely populated
- › New, stringent data security mandates such as Safe Harbor and PCI DSS that needed addressing, often at the expense of other pressing priorities such as fighting potentially debilitating data security threats
- › The surge of new and important technologies to be assessed. Software-as-a-Service (SaaS), Web-based architecture, cloud computing and other new technologies could not be dismissed out of hand, but the time and resources needed to consider them properly was often simply not available
- › Ever growing calls for more of everything – storage capacity, network capacity, speed of data access, enterprise-wide data aggregation, data mining, systems usability and reliability



4

Meeting the Challenges: Brand Differentiation in a Time of Transformation

2009 was a tremendously important year for the global hotel industry, but while there were many changes, many of them extended their roots back through the past decade.

In particular they covered the guest experience, globalization, brand value and speed to market. It is now time for the hotel industry to look towards the future. Brand differentiation will come from doing things differently. Here are some examples of how the industry can begin to negotiate the often conflicting demands of these four key areas.

Guest Experience

Hotels are the travelers' hosts. But hotels are also businesses. So they must optimize the balance between service delivered and revenue received.

Initiatives to maximize the quality of the guest's shopping, reservations, arrival, stay, and departure experience – and indeed the guest's ongoing relationship with the brand – will include:

- > Expanding the brand's Web site to upgrade the shopping and booking experience.

For example, sites will have to be upgraded. They will need to include rich, multimedia descriptions. Sites need to allow personalization, such as welcome messages to returning visitors and guest preference profiles and landing pages for corporate accounts, travel agencies and events. They must enable advanced features such as property comparisons, the ability to book non-room add-ons such as spa treatments and meal reservations and pre-arrival and post-departure communication.

These services will only be made possible by integrating systems across the brand, such as the Web site hosting software, the Internet booking engine, CRS, secondary reservation systems and specialty software that configures and distributes e-mail messages to guests.

- > Upgrading guest room entertainment systems to match or even exceed the guests' own homes.

Hotels will need to install large, high-definition flat screen TVs and enable guests to use their own technologies. Guests will be able to do this through connectivity panels that link their entertainment devices to the TV or the room's sound system or through units containing iPod docking stations, replacing conventional clock radios. While these entertainment devices will be externally sourced, they will rely on specifications, design and installation led by the brand's IT staff.

- > Upgrading telephone systems to Internet Protocol (IP) and fiber-optic technology for converged network service to the telephone and other in-room devices and high-speed Internet access. Again, the brand's IT staff will design and manage the external components and Internet Protocol network.

- > Using smart, networked thermostats that sense the presence of guests to prompt automatic heating, ventilating and air conditioning (HVAC) adjustments, and give guests the option for a "green," energy-conserving mode.

While much of the guest-facing technologies such as smart thermostats will be supplied by vendors, they will be the result of the brand's sustainability vision and commitment.



Globalization

Globalization has taken hotel brands to new regions, where they have needed to understand and take on new ways of interacting and doing business. As this trend continues, initiatives to aid globalization will include:



- › Showing a visitor the Web site in the language of their choice, with the text and illustrations customized to reflect that region's preferences and sensitivities. In some cases, push-to-chat or push-to-talk service will be available in the local language as well.

A third party might host the substantial multilingual content of the brand's Web site. However the brand's own IT staff will maintain the booking functionality, provided either by an Internet booking engine or via an Application Programming Interface with the CRS. This is why the internal IT staff and external vendors will both need new and fast-changing programming skills, so they can maintain and steadily advance a cutting-edge Web presence for the brand.

- › Optimizing communications network options and stand-by alternatives, to achieve the highest practical reliability in communications and on-property system operation in that specific geographic location.

Network design and maintenance expertise, relating to both on-property and external communications, will be maintained by the IT group. That competence, combined with the knowledge and skills of specialized consultants and vendor engineers, will deliver the needed network capacity, reliability and cost effectiveness.

Brand Value

The rise of brand value has led to a deep and broad inspection across all hotel activities to ensure that absolutely the most is being of of them. Looking ahead, initiatives to increase brand value will include:

- › Recognizing the importance of inventory control. This will include rates and sales channels, the value of highly granular occupancy forecasts and the need to understand competitor rates, channel costs and potential channel productivity.

Hotels that manage their inventory with surgical precision have been and will continue to be rewarded with markedly higher Average Daily Rates and RevPAR than those achieved by their competitors.

- › Ready access to complete and timely activity data.

The past decade saw this take on a still higher priority for the hospitality industry. Monthly or even weekly aggregation of individual property operating results became increasingly untenable. So, in the future, hotel companies will have to either upgrade their own internal data collection processes, or bring in third-party solutions, to shorten the reporting lag.

Dashboards, displaying the user's preferred selection key results indicators and equipped with drill down capabilities, will enable on- and above-property managers to understand recent activity and accurately forecast future performance and trends.

New levels of timeliness and accessibility will also drive innovations elsewhere, such as automated facilities for recurring preparation and e-mail distribution of reports and generation of SMS alerts to hotel staffers' mobile devices.

Technology, and each brand's technologists, will be key to upgrading data access both on property and within the corporate structure.

Performance Agility and Speed to Market

Hotel brands have examined their technology systems in minute detail and realized that, to respond to markets, they need to be flexible and connected. This will continue, and so initiatives to aid agility and speed to market will include:

Doing more with less. Brands will need to enhance their Web sites. They will upgrade their CRSs and Internet booking engines to enable new promotions such as third or fourth night free. They will install new entertainment systems, and design converged networks for on-property communication. Their systems will support post-reservation up-selling, flash e-mail marketing and expanded dynamic packaging options (to name just three). And they will have to do much of this under significant time pressure.

Modifications are needed as budgets and headcounts shrink, technology requirements change and numerous external mandates demand performance speed unseen in previous decades.

Changes will incorporate systems modifications, new interfaces or addition of new technologies by the brand's IT group. They will see structurally rigid and functionally unextendable components of the CRS replaced with specialized external modules. They will involve evaluation and implementation of third party solutions. New options – server virtualization, OTA- and HTNG-proposed connectivity – standards, SaaS architecture and cloud computing (to name just four) will be quickly evaluated and either embraced or rejected with unprecedented and essential rapidity. Competitive positioning will depend on the speed of the IT group performance, all the while maintaining unrelenting quality commitments

The new normal:

New guest segmentation Ecotourism **Brand value**
 Adventure travel Senior citizen travel Social media Staycations
 Guest experience **Global expansion** Occupancy Spa retreats
 Brand value Medical tourism Average Daily Rates Asset managers
 Revenue **Social media** Global Distribution Systems **Loyalty**
 Investors Hospitality CRM Reunions **Above property**

NEW TECHNOLOGIES:

- > Server Virtualization
- > OTA- And Htng-Proposed Connectivity Standards
- > SaaS Architecture
- > Cloud Computing

5 Conclusion: Opportunities for Advantage and Urgency for Action

In the last 18 months, the global hotel industry has been confronted by a host of significant new service challenges that also offer tantalizing opportunities.

Meanwhile, it has been subjected to competitive pressures from all quarters. No brand is immune to these forces and not all have responded with equal success. There are however global leaders that display clear hallmarks of their brand's corporate preparedness and operating competence.

New Technology:

Above property Loyalty databases **Single database**
Data warehouses Meta-search sites Rate tiering Network capacity
Revenue management **Guest centric** Data security mandates
Cloud computing Storage capacity **Business intelligence**
Speed of data access Double-byte languages Software-as-a-Service
Data aggregation Systems usability Availability control Web-based
ASP Speciality software programs **Single view of guest**
Push-to-chat **Open architecture** Connectivity standards
High speed internet access Fiber-optic technology Data mining
Revenue optimization Server virtualization Push-to-talk
Internet booking engine **XML** Application Program Interface

> Hallmarks of Success:

- > Ability to implement brand values and brand programs across all operations
- > Adeptness at recognizing and then satisfying the needs of their guests, from those with longtime relationships with the brand, to those in new guest segments
- > Quick globalization, as they move into new, emerging economies and fulfill the needs of travelers from those regions with great success
- > Expectation of challenges, from anywhere, affecting every area of their operations
- > Flexibility to deal swiftly with new challenges
- > Recognition of the crucial role of technology – a combination of in-house systems and those services supplied by vendor partners – in differentiating their brand and preparing the organization to meet constantly emerging requirements and demands

Hotel brands are striving — and sometimes struggling — to do more with less, and to do it better and faster than ever before. The stark reality is that today's pace of change is straining, indeed threatening, the future operating success of some hotel brands and the vendors on whom they rely.

Increasingly, in-place systems are becoming legacy technology, incapable of supporting the transaction volumes, complex storage and retrieval requirements, system-to-system interoperability needs,

and offering the vital design agility needed to deliver on enhancement imperatives.

They are increasingly insufficient and incapable of protecting and expanding the brand's competitive position.

It is clear therefore that hotel companies cannot address these challenges without expertly designed, functionally complete, highly powered and outstandingly reliable information technology.

About the author



John Burns is a well-renowned hospitality expert who has held top leadership positions at some of the world's most recognized travel brands, including Hyatt, Ramada and Pegasus Solutions. He was named one of the Top 10 hospitality experts changing the travel industry by Lodging Magazine.

Founder & president of Hospitality Technology Consulting, John specializes in helping hotels and travel companies meet the demands of an increasingly complex world of electronic travel distribution.

He is active in many travel industry organizations, including HFTP, HSMIAI, ISHC and HEDNA. Burns is also co-founder of HTNG and is an AH&LA Certified Hotel Administrator (CHA). In 2006, he was inducted into the HFTP Technology Hall of Fame. That same year, he also received the ISHC Pinnacle Award.

John speaks frequently to hotel, technology and travel industry audiences. He is the author of several HEDNA training programs, as well as numerous articles for hotel and travel industry publications—many now used as course materials by the Cornell University School of Hotel Administration.

He lives in Scottsdale, Arizona, with his wife Judy.

The new normal for hotels

The Future



Invent the future:

the new normal for hotels in 2010 and beyond

For more information: <http://www.amadeus.com/hotelit/white-paper>

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