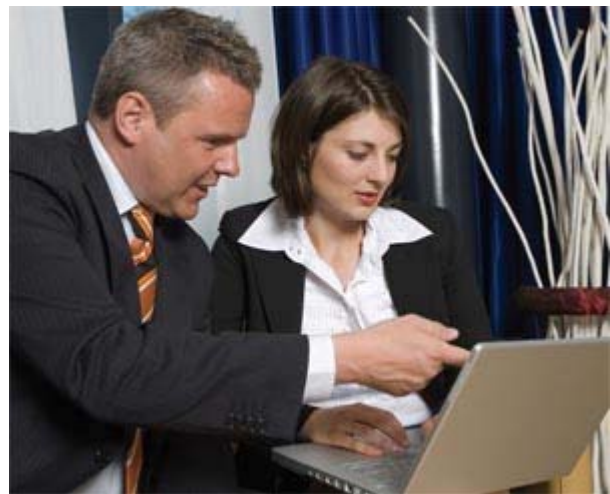


Property Management By Remote

Hoteliers embrace Web applications as the next generation of property management technology.

By Adam Kirby, Associate Editor

Bill Murray knew what he wanted from a property management system—it was just a matter of finding the right one. As president of Integral Hospitality Solutions, a small but quickly growing company managing several brands of hotels primarily in the Southern United States, Murray was intent on having the ability to view data from all his properties on a single screen. He wanted to be able to sort and compare up-to-date numbers across brands and across regions. He wanted the application to be Web-based, so he could access the information from anywhere. And, perhaps most important, he wanted the managers at Integral's various properties to have the same capabilities. The problem was, while plenty of vendor platforms could do most of what he wanted, he could not find the perfect system that did it all. So he built his own.



The ILink extranet tool collects the accounting information, revenue data and sales reports of all 40 Integral properties into a single chart, updated daily. It serves as a way for company executives to keep tabs and address issues at each property, but it also fosters a climate of friendly competition among general managers, Murray says.

ILink is not a true property management system—it does not interface with reservations portals or execute much in the way of customer relationship management—and because Integral manages brands from Hilton Hotels Corp., Inter-Continental Hotels Group and others, the properties themselves are contractually obligated to use myriad other primary property management applications. ILink, meanwhile, works as a central hub, interfacing with the other systems and allowing Integral properties to communicate across brands. “It gives general managers an important piece of structure—running a hotel has so many moving parts,” Murray says.

The online aspect of ILink also has proven invaluable in acclimating Integral's management hires, who can review their property's performance history and exchange ideas with colleagues weeks or even months before assuming the new position. “A new manager could pull up every piece of information they could ever need to know on that particular property, before they even walk in the door,” Murray explains.

Popular PMS Features

What are hoteliers looking for in a new property management system? Here are the top 10 features requested in hotel PMS software, from search data collected by software procurement firm Capterra:

1. Room availability accounting tools (59%)
2. Guest and reservation classification (55%)
3. Reservations manager (52%)
4. Individual and group check-in (47%)
5. Feature classification for rooms (45%)
6. Email booking confirmation capability (42%)
7. Walk-in registration (36%)
8. Online booking (26%)
9. Automated backup (25%)
10. Point-of-sale integration (22%)

Choice Finds Web Advantage

Choice Hotels International launched its proprietary Windowsbased Profit Manager system across its mid-scale brands nearly a decade ago, and it proved extremely popular for its ease of use— too popular, in fact. Franchisees of Choice's economy brands began clamoring for Profit Manager as well, but cost analyses determined the platform was not economically viable for down-market installations. Believing that the Internet is the future of property management, Choice opted instead to take the foundation of Profit Manager and make it a Web application. The result, ChoiceAdvantage, is operative at more than 1,400 economy properties (including all Econo Lodge and Rodeway Inn locations) in North America and eventually will be expanded worldwide, says Gary Thompson, Choice's senior vice president and chief information officer.

The company reports satisfaction ratings of about 90% among users of ChoiceAdvantage, Thompson says. That level of popularity, combined with the ability to forgo on-property servers and technical staff, makes ChoiceAdvantage an inexpensive but high-performing property management option. That it is proprietary, too, is a valuable bonus. "There are a lot of obstacles that our competitors are running into that we are not because we built our own system," Thompson says. "We can do what we want to do and fit what we want to fit because we are doing it ourselves."

Among the price-tiered application's big pluses is a fully synchronized central reservations system inventory, comprehensive revenue management reporting capability and easily accessible marketing tools for walk-in up-sell—particularly important for budget brands, which tend to have higher staff turnover.

Similar to Choice's system, Accor continues to expand on its proprietary Front Office Light System, which is now in operation at more than 30 properties in North America after its initial rollout in France.

The Web-based system, known as FOLS, more closely emulates a retail system than a traditional property management system, and its Web functionality enables properties to more easily share guest profile information than Accor's legacy DOS-based applications.

'Who Does Not Know How To Use The Web?'

Customized proprietary property management systems are nothing new, of course, particularly among the big brands. But as skeptics of the Internet's usefulness disappear and Web security becomes more reliable, the Web-based property management system format is slowly emerging over traditional server and DOS systems due to enterprise capabilities, worldwide accessibility, and above all, dramatically lower startup costs. "Webbased PMS applications are becoming more popular, and will become even more and more popular in the next couple years," says Mike Ortnier, CEO of Capterra, a software procurement company. "We're seeing a lot more requests for [those] over the last year or two, that's for sure."

The five-property Enclave Inn chain in New York's Hamptons region adopted the Web-based innCenter system from innRoad Inc. last year as a way to centrally streamline its housekeeping and reservations operations. innCenter provides Enclave properties a one-stop overview of property, room, inventory, guest and corporate account data online. Managers on property and at central headquarters can instantly access the data in real time, with no on-property implementation required.

innRoad touts its start-up simplicity and its low cost of entry—as a Web application, there is no equipment to buy, and the monthly fee is US\$10 per room per month—as being a viable property management option for independents and small chains. And innCenter's Web browser interface means a relatively shallow learning curve and minimal staff training, says innRoad founder Murat Ozsu. "Today, who does not know how to use the Web?" he asks. "So, let's benefit from that."

California-based Larkspur Hotels and Restaurants earlier this year implemented the Epitome PMS from SoftBrands Hospitality— which, like innCenter, leverages intuitive Microsoft .Net framework—at its three properties in San Francisco's Union Square district. Working off a single centralized server, The Cartwright Hotel, Monticello Inn and Villa Florence Hotel are able to share guest data without unnecessary duplication while also reducing the required tech support and the security burden.

"The time we used to spend managing separate hotel PMS systems can now be spent maximizing the availability of the multi-property Epitome system, located in our data center, which has redundant power, Internet access and proper cooling systems," says Todd Maxwell, Larkspur's vice president of technology.

The conversion to Epitome's Internet browser format took an adjustment period for the front desk staff, of course. Additionally, load times have proven a minor issue, since a Web-based program is only as fast as its Internet connection. But on the whole, consolidation is proving to be efficient, Maxwell says. New property acquisitions will be migrated to the central server, although three other Larkspur hotels will remain on individual Micros Opera systems.

Like many vendor solutions, however, Opera does have a Web-based version of its own. Louvre Hotels desired an all-inclusive nextgeneration PMS to increase efficiency across its more than 850 properties, so it turned to Micros' centrally hosted Opera system. Since deploying the solution a year and a half ago, Louvre has seen maintenance support costs drop some 70%, with job redundancy of information technology staff diminished exponentially. Meanwhile, Opera's real-time, singleimage inventory controls—part of the integrated customer reservations system—helped Internet bookings jump about 300%.

Despite technical gains, concerns over Web security and Internet connectivity remain among many hoteliers, and the worries are not entirely unfounded. Internet connections do go down from time to time, and much like electrical grids, require a backup generator. Hotels operating on Web-based property management systems would be wise to install redundant Internet networks from separate providers—an added expense, but one that is in many cases still cheaper than a serverbased system, which also is not foolproof. As for data security, innRoad's Ozsu disputes the notion that encrypted online information transfer is any riskier than storage of sensitive material on property, as printed material also can be stolen and servers can be hacked.