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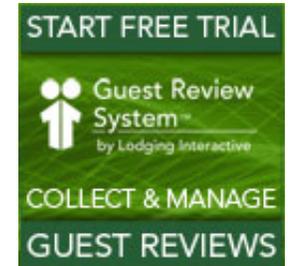
The Connectivity Dilemma | Be careful what you ask for... | By Craig W. Cooley

To be certain, the hospitality industry does indeed have a 2,000 pound gorilla in their lobby. We all know it well and I feel we have, unfortunately learned to live with it.... What is that gorilla you ask? Its name is "connectivity", or the lack of it that compromises our selling and marketing efforts, and unfortunately to a considerable financial degree, it penalizes us. But there is hope and fortunately the gorilla's days may be numbered; let me explain what the lack of simple connectivity is all about, and why it is important.



Look at it first, from this point, we can connect with our family, friends, business associates, as never before... on a huge assortment of integrated platforms and social media, including, MySpace, FaceBook, YouTube, LinkedIn, Skype, Vonage, Etc. Etc., using e-mail, text messages, photos, video images and global conversations; but will our PMS, (Property Management System), talk to our CRS, (Central Reservations System), will our 3rd Party Resellers connect to our Revenue Managers? **NO!**

And further, while I am on my rant, why can't we modify our inventory from one repository, one bucket, across ALL systems, all channels, simultaneously; without the process taking many days, maintaining duplicate inventories / systems with many keystrokes, and considerable labor expense? All this, then to realize somewhere in the mix we lost track of our progress... left ourselves open without inventory; over booked, or undersold at too low of a rate.... To see our



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RevPar plummet! Sound familiar?

I feel that the industry has been saddled so long with revenue models laden with high commission and fee structures that are no longer valid. You say you have a solution in place at your property / hotel group? Don't be so certain that you are not operating with an old model of multiple layers all laden with expensive commissions and fees for just about everything you can imagine. And often these fees are paid for after you receive the revenue. The revenue looks good, but the fees can be crippling, especially in our new economy.

At the end of 2005 I made the bold prediction that 2006 would be all about connectivity. Not simple connectivity, but "REAL" connectivity. Not just passive one-way, but an active real-time bi-directional, last room availability, and some new nomenclature I coined, VFI, (virtual full inventory), type of connectivity. (See original article "Connectivity, Connectivity, Connectivity").

I was optimistic that someone would quickly step forward with a new solution, one I described in great detail; as the varied solutions that were available at that time, were typically unlicensed "screen scraping", and when there was direct connectivity it was often with multiple pass through layers and fees, and the standard of the day was "one way passive" connectivity. I characterized it as a quagmire of offerings, none being a "total solution" but certainly many pseudo solutions. Here we are, the first quarter of 2009, three plus years later, and what comes to mind is the common used phrase, "Be careful what you ask for..." **This is good news!**

It has taken some time, but the idea of a connectivity solution, a new industry standard, that would allow all the hoteliers equal access and all resellers a fair opportunity has hit the drawing board with new companies and some of the major long term players.

But first things first, our standards of communication needed to be identified. They had to be clearly defined and refined, and most importantly embraced by the industry at all levels. The OpenTravel Alliance, www.opentravel.org, has arrived on the horizon; communicating the new standards. These new OpenTravel standards of connectivity are positioned to permanently change the revenue dynamics of our industry. I am glad it is finally getting the attention it deserves. Thankfully, and perhaps most importantly for the hotel / accommodation providers of all sizes and flavors, the industry has embraced the new standards. From major Distributor/Distribution Services Providers such as Amadeus, Galileo, Sabre, and Worldspan, to Industry Associations such as HEDNA and HTNG. For a full OpenTravel member list go to: www.opentravel.org/Join/Members.aspx



So with the OpenTravel Alliance standards set and functioning, who has the new “solutions” that can connect everything together? Of the lot, who are worth looking at and performing due diligence, giving a thorough test run?

There are two, the first, www.aboutanywhere.com is from the reseller side of the connectivity issue, listing and selling hotel inventories / guest rooms with NO commissions and processing fees; that operates outside the GDS.

A second one, www.allotz.com, is from the hotelier side offers a free, again NO commissions and fees, state of the art booking engine application, complete with dynamic yielding and inventory management component. It is also available with full connectivity integration options to transfer data back and forth with bi-directional real-time data, VFI, (Virtual Full Inventory) and last room availability to most 3rd Party Resellers, true connectivity, absolutely no “screen scraping”, and can be also connected to most any PMS, (Property Management System), or CRS, (Central Reservations System).

Both are very important to our industry; as they offer models and enterprise solutions that when combined truly empower you, the hotelier, the operator, the investor; to operate likely for the first time, on a level playing field. A new playing field that allows you to chart your own course while stepping away from the many confusing and expensive models of the past; allowing you to minimize operating expenses, take advantage of many new marketing opportunities, and ultimately realize a better **ROI**.

Check them out, as at a minimum, they both offer “no risk and no cost” solutions, ones that I feel likely may change how we do business on a grand and very pleasing scale. Certainly, there will likely be more options as new dynamic solutions continue to be developed / evolve, and old models fade into sunset; I will do my best to keep you informed!

As for me, I say it is about time! I would much rather be spending my resources taking care of the guest and providing a pleasant hospitality experience assuring that they will spread the word and be repeat customers; than I would be worrying about staffing concerns and tactical management of inventories using outdated, complex and expensive methods of operation.

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