

CASE STUDY

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Louvre Hotels Streamlines IT Operations with MICROS Centralized Enterprise Solution



Centrally Hosted Innovation Delivers Enhanced Efficiency, Reduced Costs, and Greater Productivity to Large Hotel Chain

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Louvre Hotels is Europe's second largest hotel group, with more than 850 properties and 63,000 rooms. From economy hotels to four-star properties, Louvre Hotels is renowned for providing top-quality service without regard to the type of establishment. The group's luxury market encompasses the Hôtel de Crillon and Concorde Hotels brands, and its economy segment makes up the Kyriad Prestige, Kyriad, Campanile and Première Classe brands. In recent years, the established leader has placed heavy emphasis on strengthening its brands' image and expanding its network of properties internationally. Its existing technology structure directly impacted the realization of these goals; as a result, the Information Technology staff required an all-inclusive next-generation solution that would streamline operations and enable them to refocus their efforts towards supporting the organization's mission. To take on this challenge, Louvre Hotels relied on MICROS Systems, Inc. and its long-standing partnership with Concorde Hotels. MICROS delivered a scalable enterprise solution for the multi-branded organization, wholly based on a centralized network approach to technology management. Since the initial implementation of MICROS's Centrally Hosted OPERA, Louvre Hotels' maintenance support costs have been reduced by 70%.

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*-Thierry Guiraudios,
Director of IT for Louvre Hotels*

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*-Jean-Philippe Dumont, PMS
Project Manager for Louvre Hotels*



ATA

GLANCE

COMPANY:

Louvre Hotels
www.louvrehotels.com

INDUSTRY:

Hospitality

CHALLENGE:

- Need for integrated reservations and property management systems
- Need for centralized IT management to enable focus on key organizational initiatives
- Lack of IT operational efficiency
- Loss of financial controls
- Low productivity

SOLUTION:

Louvre Hotels selected Centrally Hosted OPERA, a highly scalable centralized enterprise solution designed by MICROS Systems Inc., to help them simplify IT operations. The solution includes OPERA Property Management System (PMS) and OPERA Reservation System (ORS).

RESULTS:

- Reduced maintenance support costs by 70%
- Increased reservations in Internet bookings by 300%
- Established solid financial controls
- Raised staff productivity
- Improved employee moral
- Provided stress-free environment

CHALLENGE

In order for Louvre Hotels' IT Management to strengthen the organization's business initiatives, they needed to overcome the obstacles presented by its legacy technology system. "We realized that our current system configuration was becoming more and more ineffective, primarily resulting in loss of financial controls and staff productivity," stated Thierry Guiraudios, Director of IT for Louvre Hotels. "Analysis of our Total Cost of Operations revealed areas that lacked operational efficiency, particularly concerning our reservations system and IT labor management." Louvre Hotels' manual inventory processes often lead its hotels to close reservations. Management desired a central reservations system with real-time single-image inventory, which would increase its global distributions via access to instant Internet booking capabilities. The internal management of the reservations and property management systems within each hotel became exceedingly labor intensive, taking time away from the staff's other projects including its Wi-Fi system and data warehouse. Accordingly, the IT team believed it was not productive to continue managing interfaces between reservations and property management systems; on-site server; maintenance of the back-up system; multiple upgrades; and the customer database. In addition, the legacy system hindered Louvre Hotels in performing on-the-spot audits to track its hotel operations, execute queries, and conduct analysis.

LOUVRE HOTELS APPROACH

"Quickly establishing an innovative, comprehensive, and cost effective solution to replace Louvre Hotels' existing technology system was our top priority," explained Jean-Philippe Dumont, Property Management System Project Manager for Louvre Hotels. "We determined that the best method to conduct an in-depth evaluation of prospective technology providers would be a pilot program. Upon completing our initial assessment, we selected the top two solutions to implement the pilot at four Louvre Hotels properties." During February 2006, the solution was put into action at two hotels with Centrally Hosted OPERA and two different hotels with a local third party PMS solution. Each hotel measured the solutions' value in several key areas; including, ease-of-use, efficiency, and technical support. At the end of the pilot, a side-by-side comparison of the results indicated that the advantages of MICROS's Centrally Hosted OPERA prevailed over the third party PMS solution. Dumont adds, "Above and beyond the substantial data that convinced us to proceed with MICROS, the fact that our pilot participants were much happier and confident with Centrally Hosted OPERA helped to solidify our decision."





SOLUTION

MICROS's solution was selected for the centralized benefits it offered over the competing provider. "At a comparable cost, MICROS was able to provide Louvre Hotels a scalable contract supported by a single data center located in Frankfurt, Germany," stated Kaweh Niroomand, President for MICROS EAME. "The MICROS-Fidelio Data Center could house all of the MICROS applications in a multi-property and integrated environment, allowing Louvre Hotels to use a secure, private network connection to access OPERA. Since OPERA's reservation and property management systems would be integrated on one database, all reservations could be distributed down to each hotel in real-time providing single image inventory." With an integrated Central Reservation System interfacing to the global travel agency community, all data could be accommodated in one single database securing single image guest records and hotel inventory. Thus traditional interfacing between central and hotel systems would become obsolete. Furthermore, direct sales via Louvre Hotels' corporate hotel websites using the OPERA Web Suite, would dramatically increase web presence and direct bookings.

Other key reasons Louvre Hotels selected MICROS had to do with its ability to place multiple departments on the same platform; centralize MIS installation; ease administration, upgrades and policies; and provide economies of scale in MIS and administration. In addition, MICROS was able to use one unique Data Center telephone number for all hotels, enable deployment of several hundred hotels in a short timeframe, and align with Louvre Hotels' international operations via its strong global presence. "While meeting our critical requirements, MICROS was also able to tailor the OPERA solution for Louvre Hotels' unique environment," stated Guiraudios. "A kiosk system was specially designed for our premier class hotel line to facilitate convenient check-in and check-out for our guests. In addition, a report that we were accustomed to generating for hotels using pre-pay at check-in was built into Centrally Hosted OPERA."

IMPLEMENTATION

Deployment of Centrally Hosted OPERA began in 2005 with migration from Fidelio Technologies Central Reservation System to OPERA Reservation System. This accompanied the upgrade of the Global Distribution Systems to Seamless Next Generation. The latter allowed travel agents to view and search directly in Louvre Hotels' central database. At the same time, Louvre Hotels developed its own Internet Booking Engine based on the OPERA Web Suite. Intensive testing was performed daily as Louvre Hotels corporate websites became a strategic part of its direct sales policy for all brands.

Deployment of Centrally Hosted OPERA Property Management Systems began in June 2006 and within eight months MICROS had installed over 500 Louvre Hotels establishments. MICROS worked closely with Louvre Hotels to speed the deployment pace and meet important milestones prior to sending the installer on site. A key practice involved complete staging of hardware before it was sent to the hotel to minimize the level of effort on-site. The length of each deployment averaged two and a half days. Several weeks before the installation, end-users were able to utilize a customized e-learning tool developed by MICROS and Louvre Hotels to streamline the training process. Following a week to 10-day specific Louvre Hotels solution training period, a MICROS representative was available onsite for an additional two days to help supervise the launch. To fulfill its change management requirements, Louvre Hotels' put a Q&A Helpdesk in place to assist hotels during the two weeks prior to cut over.

During the first phase, Louvre Hotels recognized that the current deployment process required modifications in order to meet its tight schedule. The need for a faster-paced deployment and certain unforeseen challenges required MICROS to upgrade to a larger and more powerful 64bit Oracle environment. Due to effective communication and a positive approach, MICROS was able to tailor the deployment speed for Louvre Hotels and successfully deploy over 30 hotels simultaneously per week, which provided valuable time and costs savings.



RESULTS

RESULTS

"Our return on investment is measured by the positive benefits we've reaped from Centrally Hosted OPERA", stated Guiraudios. By consolidating all OPERA applications to the MICROS-Fidelio Data Center and including both support and hardware on a "1 contract, 1 contact" centralized solution, MICROS has helped Louvre Hotels to reduce its maintenance support costs by 70%, which in-turn has improved financial controls. IT Management especially values its cost savings from the simultaneous upgrade process. Reservations in direct Internet bookings have also increased by 300% for the 500 hotels deployed. Interfacing work with global portal partners is easier to manage due to the direct link between the portal partner and Louvre Hotels' database and application. Productivity is higher, now that the IT team is able to redirect its focus to other IT projects. For instance, the team was afforded the time to implement a free Wi-Fi service for its customers through the secure DSL network required for OPERA hosting. Employee moral has also improved since the staff currently feels a part of a real network and are able to share information within the same system. "Among the many benefits that we've realized, achieving a stress-free environment was a pleasant bonus," stated Guiraudios. "Thanks to MICROS, we have freed our IT operations of its previous challenges, allowing us to concentrate on impacting Louvre Hotels' primary business goals. Our long-term partnership with MICROS has strengthened since we deployed the innovative Centrally Hosted OPERA and we are proud to be one of the first large hotel chains in the world to employ a fully centralized enterprise solution."

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Maintenance support costs reduced by 70%

