

BY DIANE SNYDER



WestCoast profits from WestCoast profits from state-of-the-art MICROS CRS

HOSPITALITY SOLUTION

When WestCoast Hospitality Corp. doubled in size, then doubled again through acquisition, its central reservation system couldn't keep up. But when they replaced it as the beta tester of MICRO'S OPERA Reservation System, they got far more than a CRS that could accommodate their growing size. The new system helped boost alternate distribution channel reservations volume by 217 percent and RevPAR by 6.2 percent, streamline call center operations and enable the launch of an aggressive room rate guarantee program.

"This project yielded one of the most high-capacity, feature-rich CRS systems currently available," says David Barbieri, VP, Information Technology for WestCoast, which operates 70 mid-scale, full-service hotels under the WestCoast and Red Lion brands. "We took the opportunity of installing a new system to rethink the way we operate this part of our business."

AN OPPORTUNITY TO STEP UP

As an owner, manager, developer and franchisor, Spokane,

Wash.-based WestCoast is motivated to improve its own operations as well as create an infrastructure that makes it appealing to potential franchise partners and acquisition targets. An aggressive growth plan made scalability an essential element in a new central reservation system, which the company began seeking in 2000 following its Red Lion acquisition.

Searching the market, Barbieri and his staff found "most solutions were still based on legacy platforms. MICRO'S was the only fully functional system available on a next-generation platform, built from the ground up on new technology." The application is Windows-based and distributed via a Java-based thin client. "The architecture is designed very well, using an Oracle database and running on inexpensive Dell servers. It can scale to a very large size with relatively little expense," says Barbieri.

Another must-have for WestCoast was a single-image inventory, a holy grail for hotel operators needing to integrate reservations coming through the hotel itself as well as via call

centers, branded Web sites, global distribution systems (GDSs) and alternate distribution systems (ADSs) such as Travelocity and Expedia. WestCoast is very close to attaining that, already interfacing directly to the 12 largest ADS services, and dozens of smaller sites. The tools provided by the OPERA CRS and the Pegasus switch enable WestCoast to manage substantially all rates and availability in its central reservation system with no manual management of third party links or allocation of inventory to any given GDS or ADS.

A third priority was easy access to data for reporting and analysis, enabling WestCoast to examine its business at a granular level to discover new ways to enhance guest service and boost both the top and bottom line.

Seeing the great potential, WestCoast agreed to work with MICRO'S on the development of the application from beta to final release. The system went live at all properties in February 2003.

DRAMATIC IMPACT

Ease of deployment was among the benefits of OPERA CRS' architecture, enabling

WestCoast to deploy CRS and other integrated MICROS modules as it saw fit.

"There is no need for a flash cutover," says Barry Hughes, VP, marketing and distribution for WestCoast. "You can set your own migration strategy based on the needs of the business." Some WestCoast properties are also migrating to OPERA Property

pancy by 5.8 percent compared to a 3.6 percent improvement in the industry overall. Together with an overall increase in ADR, this meant a 6.2 percent increase in RevPAR.

"We're now recognized in the industry as a leader in online distribution," says Hughes. "Because we're

WestCoast will also save 25 percent to 50 percent of the cost of a planned revamping of its branded site, thanks to OPERA CRS' OTA-compliant XML interfaces, which help developers avoid data extraction issues.

- WestCoast used the implementation as a chance to rethink its call center operations and enact changes enabled by the flexibility of the CRS. Highlights of the transformation included a 53 percent reduction in the cost per call and the ability to support twice the number of hotels with only a 10 percent increase in costs.

- The hotelier also enhanced its attractiveness as a brand by increasing the delivery of reservations to its franchisors from its central reservation system, up from 25.4 percent in 2002 to nearly 30 percent the following year.

Barbieri and Hughes are ecstatic about the impact the OPERA Central Reservation System has already had on WestCoast's business, and the framework it has established for the company's future growth.

"We have no delusions of grandeur," says Hughes. "We're 70 hotels. But our infrastructure and distribution puts us at the same level as a Hilton, Marriott or Starwood. To attain this nimbleness, within our budget, has been extraordinary." **SS**

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Management and OPERA Sales and Catering Systems, which are fully integrated with OPERA CRS, eliminating the need for future interfaces among these modules. "This level of integration is unequaled in the industry," says Barbieri.

Training was eased by the intuitive, graphical user interface, common across MICROS modules.

In the year since its deployment, the MICROS OPERA Central Reservation System has delivered on WestCoast's high expectations:

- Reservation volume from alternate distribution channels rose 217 percent year on year, with WestCoast capturing more business from transient travelers and boosting its ADS average daily rate by 29 percent, or \$11.45. In the first quarter of 2004, WestCoast improved occu-

somewhat of a regional chain, we're not as well known on the East Coast, and exposure on online third-party travel sites is an important distribution benefit that drives incremental business. The OPERA tools have allowed us to centralize our ADS participation which in turn has allowed us to negotiate agreements that provide better Web site screen placement and more favorable terms."

- WestCoast was able to grow its promotional transient segment through programs such as "We Promise or We Pay," guaranteeing to guests booking on its branded Web sites rates as low as those found on hotel-identified travel sites. This has increased traffic and bookings through its branded site.