



How a Worldwide Hotelier Managed an Aggressive Acquisition Strategy and Accelerated Time to Market

Business Situation

In a fiercely competitive environment, a worldwide hotel company pursued strategic advantage through an aggressive acquisition strategy. With 7,200 hotels worldwide, the company continued to enter new markets and expand its customer base. However, this acquisition strategy posed a significant challenge in terms of technology. Ensuring seamless absorption of the acquired companies into the hotelier's systems and technology was a difficult process with long-term ramifications.

Challenge

At the time, there were no streamlined solutions in place to handle on-boarding and brand integration. Each hotel's data load and integration effort was handled on a case-by-case basis, often utilizing manual methods. Implementations were often time-consuming and lacked reusability to achieve any long-term objectives. This ultimately resulted in a slower time to market and a negative impact on the company's revenue.

Solution

The hotelier engaged ours Travel and Hospitality business unit, recognizing the group's demonstrated hotel industry expertise and past success in solving similar merger and acquisition and challenges (on-boarding/brand integration).

We were hired to provide the hotelier with systems integration, domain consulting, data migration, quality assurance, and application development expertise. More specifically, we partnered to develop a re-usable service framework that would eventually automate the hotelier's on-boarding/brand integration process. This system addressed initial on-boarding/brand integration technology challenges, such as the load of hotel information and rates, as well as inventory and reservations data.

This service framework was essentially a skeletal structure consisting of various layers, with each layer dedicated to perform a specific functionality useful for loading static and dynamic data on a batch and real-time basis. Following the initial data load, we integrated the acquired brand's property systems to the hotelier's corporate systems, including both the central reservations system and the distribution and yield management system for reservation feeds, rate category controls, and oversells.

As the hotelier continued to grow and acquire more brands, we worked together to construct a service framework that simplified the on-boarding/brand integration process for future brand integrations. We created the framework in such a way that 70% to 80% of the components

were re-usable in any acquisition, leaving only a small percentage of customization specific to the type of acquisition and business model involved.

Benefits

By delivering a graceful solution to a delicate situation, we helped the hotelier reduce time-to-market for new brands. As one of the first in the industry to build a system to automate the on-boarding/brand integration process, the hotelier was able to secure a competitive advantage in the market. Time-to-market was accelerated an average of three months with a cost savings of 50% given the shorter time-to-market, allowing the hotelier to remain consistent with its aggressive growth strategy.

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