



Xn HOTEL SYSTEMS TRANSFORMS BUSINESS INSIGHT FOR HOTEL INDUSTRY USING QLIKVIEW

"The analysis that QlikView delivers allows hotels to be more profitable, more service driven and more cost-effective."

– Greg Spicer, CEO, Xn Hotel Systems



Xn Hotel Systems is a global provider of business-critical applications for the hotel and leisure sector. Since its formation in the UK in 2002, Xn Hotel Systems has expanded rapidly and now employs some 75 people in local offices in the UK, Australia, Singapore, Hong Kong, China, Vietnam, India, USA, Taiwan, Thailand and Malaysia.

Xn Business Intelligence (Xn BI) is a flexible business intelligence tool, which can be deployed as an on premise or cloud-based management reporting solution. By connecting Xn BI to any PMS or POS system and by rolling up data into one executive dashboard, a powerful analysis platform is generated. Other hotel management systems can be progressively connected, all leveraging the same application and permitting the linkage, blending and aggregation of data from multiple sources.

The challenge – mounds of disparate data, spreadsheet bottlenecks, no time for analysis

According to Greg Spicer, CEO of Xn Hotel Systems, "The hotel industry is one of the most automated industries in the world, with fifty or more independent applications being used to run property operations. It's a bit like running a large ship. Managers rely on department reports, with spreadsheets used as the core data consolidation tool. Significant time is spent compiling KPIs and little time is left to do analysis."

The core system of all hotels is the Property Management System (PMS), used to manage check-ins, guest billing and check-outs. Xn Hotel Systems identified the need to develop a BI solution that could leverage and integrate key hotel subsystems into one manageable, synthesized dashboard that would allow a hotel to "steer their ship properly." Spicer states, "Even if we didn't supply the core systems to a hotel, we knew we wanted a solution that would work with any hotel PMS so that we could attract a global user base."

After an attempt to build a BI solution in-house became expensive to maintain and did not provide the flexibility they needed, Xn Hotel Systems turned to QlikView, which was recommended by a partner who had "raved about using it," according to Spicer.

Following an intensive development process, which ran concurrent with its first customer installation, Xn BI powered by QlikView, was deployed. Xn delivered its first 20 industry standard panels and have continued to expand those. Spicer says, "QlikView delivered a low cost, agile, development structure that allows hoteliers to extend the boundaries of what would otherwise be a fixed BI solution." Spicer goes on to say, "Development with QlikView was way simpler, more agile, way faster – hence way cheaper which was critical for an industry where IT budgets are tight. Today, we are able to turn around requests quickly and at relatively low cost. It's a more efficient, more agile technology. It's that simple."

PARTNER OVERVIEW

Xn Hotel Systems

Global provider of business-critical IT applications for the hotel industry

Headquarters

United Kingdom

Opportunity

Improve decision-making by providing analytics from the hotel Property Management System (PMS) and other mission critical systems

Challenge

- Existing BI solution expensive to manage, technical limitations
- Inefficient manual report building and spreadsheets
- Lots of data and little time for analysis

Solution

After an intensive development process, Xn BI powered by QlikView was deployed, delivering industry-specific business insight to hoteliers

Strategic Benefits for Xn

- Opened access to new global user base
- Completed vendor promise of better technology
- End-to-end offer made Xn Hotel Systems a strategic vendor

Operational Benefits for Users

- Increased profitability
- Improved service levels
- Significant cost savings for hotel based on visibility into trends and customer mix

Data Source Systems

- Connects to multiple hotel systems e.g. POS, Purchasing, Reservations

Visibility of forecast trends – unique data discovery only with QlikView

Since launching Xn BI over a year ago, 8 hotels are now using the solution to run their operations, and that number is growing. According to Spicer, Xn BI users interact with the data on daily basis. The increasing dependence on BI data is facilitated by the powerful mobile and collaborative working capabilities provided by QlikView, allowing users to access Xn BI via their smartphone or tablet.

“Every morning, hotel management meets to set daily objectives. With Xn BI powered by QlikView, they have immediate analysis of what is happening during the day to make the best decisions about hotel operations.” Spicer compares the hotel Revenue Manager to a stock trader. “They spend all day watching their competitive set and the constantly changing market rate dynamics to ensure their price point for best available rate (BAR) is in line with their competitive set.”

According to Spicer, the decisions made during the morning meeting have an immediate and potentially significant impact on the day's revenue. “There's money to be made in using QlikView to refine the forecast market mix. And forecasted data is the most critical in determining rate and yield strategies.”

Spicer points to some unique and valuable insights their customers have made. Using QlikView to blend and analyze credit card commission costs per revenue stream from the Food & Beverage (F&B,) Rooms Division and Retail departments, hotel management can see which credit cards have been used. Given that the hotel pays different merchant rates for each credit card, the whole hotel can now run targeted offers to encourage customers to pay with the lowest merchant fee credit, resulting in potentially major savings to the hotel. “A 1% difference can have a significant impact to the hotel's bottom line,” states Spicer.

Revenue Managers also use data from Xn BI to forecast and determine the optimal reservations mix, which is made up of segments such as groups, corporates, allotments, bookings by online travel agent, fully independent travellers (FIT) – who all have different average rates. The Revenue Manager uses data from Xn BI to ensure they don't fill the whole hotel with lower margin or low yielding segments.

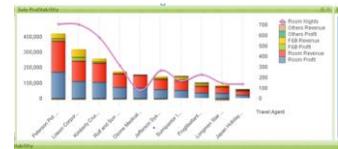
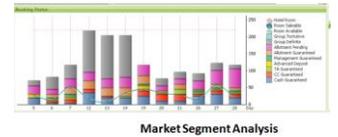
Insight into booking commission areas can also provide great value to Xn BI customers. Between commissions paid to online travel agents (OTA), credit cards, and frequent flyer programs, hotels may be easily losing over 30% in external commissions. By not monitoring the forecast trend of travel agency bookings, credit card utilization and frequent flyer card utilization, hoteliers are at risk of operating at a loss. Spicer likens the QlikView dashboard as an early warning panel. “By studying 3 panels of multidimensional data across all of their systems, hoteliers can make critical decisions about their hotel current operations and future booking mix that allows them to operate more profitably and become more service-driven and cost effective.”

Partnering with QlikView– access to new global user base, strategic level relationships

According to Spicer, their partnership with QlikView has now opened the door for Xn Hotel Systems to enter the global market, where they have not historically sold Xn products. For customers who already have a PMS solution but require BI, Xn now has a solution to sell as well as the potential to sell some of their other solutions and services. It also enabled Xn to sell at a higher level, as Spicer says, “Now we can enter an account at the management level with a strategic relationship, providing high-end applications and service – at a relatively low cost with an impressive solution adapted specifically for the hotel industry.”

Continued development and expansion – integrating QlikView with complete Xn product line

In addition to its BI solution, Xn Hotel Systems has also built QlikView connectors for its POS system (Xn POS), purchasing system (Procure.net) and Leisure Spa system (Reservation Assistant). Currently they are building a connector for their enterprise central reservation system (Xn CRS). The next project is to build a data warehouse solution using QlikView (Xn DW), which will allow Xn to address the multi-site on-premise market that covers a significant portion of the hotel industry.



To learn more:
www.xnhotels.com

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