

2005 CIO Summit

September 7-9
Omni Interlocken - Denver, Colorado

"It seems like this is where the wealth of experience is."

– Meg McKenna, Aramark Harrison Lodging

"I think that the people that you compiled here are the people making the decisions for the future of technology in the hospitality industry."

– Michael St. Laurent, Gemstone Resorts International

"It's just invaluable knowing other people out there that share a lot of the same challenges."

– Marshall Andrew, Station Casinos

by Kris Burnett

What a great conference. After four years, it just keeps getting better and better. Since 2002 and the creation of the first summit, not only did this year's summit have the highest number of attendees yet, but it received some of the best feedback any organization could hope for. The summit continued to grow internationally in scope with attendees from all across North America including Canada and Mexico, as well as attendees from Europe and Asia.

With the beautiful Rocky Mountains as the backdrop, 40 CIOs met just outside of Denver, Colo., for the fourth annual CIO Summit. The Omni Interlocken proved an excellent venue with a beautiful setting, terrific service and great food. It truly was a great forum for these representatives of the leading hotel, hotel management, timeshare, gaming companies and cruise lines to gain valuable information, and share concerns, problems and success stories.

Program content coordinator Sally Kelly of BearingPoint explained the advantages of this type of setting. "It's small. People have a chance to talk to one another and they have a chance to interact with one another," Kelly said. As a first-time attendee, Jeff Winslow of Accor North America was pleased by the comfortable nature of the conference. He was concerned the schedule might be too rigid and structured when he first registered, but found that even though there was a full schedule, it was in a comfortable setting with many opportunities for interaction with the other attendees. After his experience, like many in attendance, he announced, "I'll be back."

The small number of sponsors decided to get involved with the event for the benefit of not only sharing information, but more importantly, to hear current problems and concerns from clients and potential clients in attendance. "We think it is important to bring together the technology leaders of the hospitality industry to enable them to share ideas, learn about new technologies or methodologies, and to share common problems and/or solutions," said Peter Glynn, vice president systems development of InfoGenesis. "InfoGenesis along with other sponsors (IBM, NCR and HFTP) benefit from this event by learning about the problems and challenges faced by these executives, and what the business-side is driving or expecting in the delivery of solutions and services from their technology providers."

David Barbieri of WestCoast Hospitality Corporation said, "I think this was really the best opportunity that I have ever come across to interact with my peers. You can't pass up an opportunity like that." The main things that keep people coming back each year and certainly have attracted new attendees are the networking opportunities and information that can be shared between peers. BearingPoint's Kelly said, "It's great for them to get to know one another. The industry in many cases tends to be isolated and people have a tendency to work in pockets. I think sometimes they do not understand that other people actually share the same problems that they do."

Nearly every person in the group found the ability to make contacts most important from the gathering. Michael Schubach of



Club Resorts said, "I think that one of the strong motivators besides the program content is the networking. Sometimes you just feel awfully isolated because everybody's organization is different, everyone's infrastructure is different so you know what you have to do, but you do not know in broader scales how your individual efforts compare to larger, more international efforts, and it's always good to hear that."

Many attendees like Schubach return each year because of the information they had received in the past, but many of the first-time attendees came based on the reputation of the event, the networking potential and the agenda content. As a first-time attendee, Meg McKenna of Aramark Harrison Lodging said, "Obviously, *Hospitality Upgrade* and the CIO Summit have a very good reputation. As I came into this role, director of IT, not only was the networking important, but

some of the agenda items were very important to me. Integration issues, distribution issues in particular, and then the return on investment on IT – (these are all) continuous challenges."

Sally Kelly of BearingPoint did another outstanding job of designing an extremely informative and interactive series of sessions. The topics covered in the sessions included: Trends in the guest experience, self service, the value of IT and customer intelligence.

"It's really just to support the industry and see what we can learn from each other. And as we begin to develop some of these programs, (we try to) make sure that we are developing things that really are of interest to the people who are attending," said Kelly. This was the first year a steering committee was involved in the session planning, and based on attendee feedback, it was a great way to make sure all content was

timely and useful. This also was the first time that a few of the attendees themselves served on some the panels, providing some real insight into actual experiences and systems they have installed.

The event began the afternoon of Sept. 7 with the highly anticipated golf tournament. New friendships were made while others were challenged on the fairways. The competition was stiff. However, one team brought its big game this year and dominated the tournament. It hasn't been admitted to, but one may wonder if the home property advantage won out at the Omni Interlocken golf course. Richard Tudgay of Omni Hotels, James Lingle of John Q. Hammons Hotels, Ken Barnes of White Lodging Services Corporation and Jack Alton of Wayport won with the lowest score, while Ken Barnes earned closest to the pin honors and James Lingle took home the prize for the longest drive.



Many of the group enjoyed the Omni Interlocken golf course with the beautiful Rocky Mountains as the setting.

Once the tournament was completed and the remaining attendees arrived, it was time for the annual cocktail party and barbecue with the expected pre-dinner surprise activity. If you have ever wondered what speed dating is like, well it just can't be nearly as fun as speed-getting-to-know-you with the CIOs and sponsors from this year's summit. From favorite foods to pets to first jobs and favorite vacation spots, this group revealed it all. David Sjolander of Carlson Hospitality reminded us of his home state's fair and that his favorite food was in fact state fair food. Marshall Andrew was quick to remember his first baby sitter's name, and Scott Gibson of Best Western International was able to contribute some of his favorite music choices. Aside from the fun activity, guests were treated to a barbecue feast including buffalo from the area.

The sessions began Sept. 8 with Trends in the Guest Experience. One of the highest compliments for the first session aside from attendees being on the panel to fill in real-life experiences, was that attendees were able to hear directly from experts who design and wire properties. Mike Leiboff, a partner at Shen Milsom & Wilke, provided design and technical expertise in the areas of multimedia/audiovisual, IT/telecommunications, building security and acoustics. Ted Brumleve, a partner at Brennan, Beer, Gorman, provided architecture and interior and graphic design expertise. Both described the needs of varying properties and ways to tackle important technology decisions. One of the points both made was that it is best to be proactive. All of these technology needs are built directly into the present and future guest experience.

Brad Iverson of IBM examined more of the service side of the guest experience. He looked at self service check in versus front desk personnel and the service oriented factors that are key to the guest experience. He said that effectiveness tracking is also key to CRM as well as direct guest interaction and marketing. He said, "If you improve your guest experience, you grow your business." But Iverson added, when you grow your business, it gets harder to deliver consistent service.

One of the challenges also discussed was that guests used to come to a hotel to experience what they did not have at home, but now, with all of the gadgets and emerging technology, hotels are truly challenged to provide a room where the guest feels they are experiencing something new and are being treated to something special. Tim Stanley of Harrah's Entertainment and Glenn Bonner of MGM MIRAGE were able to show the other side of the guest experience through their own properties' current and past practices.

Stanley described how Harrah's main goal is to develop IT powered growth strategies. He discussed in great detail the success Harrah's has experienced through CRM. Harrah's uses its IT capabilities to motivate customer loyalty. He explained how Harrah's like many other properties and property groups integrate current and historical data to serve its customers and understand the customer experience themselves.

Both Harrah's and MGM MIRAGE are known for their high-end approach to customer service and setting. While Stanley explained Harrah's approach to the service side of the guest experience, Bonner described some of the trends MGM MIRAGE was using from extensive attention to property detail and design as with the Bellagio and its beautiful interior, to individual room design and in-room facility planning like that used in the construction of the Skyloft Suites at the MGM Grand Hotel/Casino.

After an extensive question and answer period, the group was forced to break even though they could have discussed guest experience trends for hours. Now it was time for the



Team two, the Hotel Splendide team hard at work during the Battle of the Builders session.

Battle of the Builders. In this exercise teams were assigned a different hotel of varying size, quality, demographic appeal and location. Using the description given (Mobil rating, average room rates, location and target demographic), each team created the design, technology and infrastructure needed to support its hotel. Teams wrote a mission for their property, designed infrastructure and chose from telecom options, door lock systems, in-room amenities/equipment, lighting, furniture, textiles and all other aspects of creating a hotel.

Two of the teams were randomly chosen to present their plans to the whole group. First was the team lead by Michael Schubach of Club Resorts/Pinehurst. With a name like Dynamite Inn, a Mobil rating of one star and an average room rate of \$59, Schubach's team had a challenge on their hands. Though undaunted by the rating and location of Preston, Idaho, the group chose the conservative route and did not opt for many perks in their small but cozy lodge. Humor and room and guest basics played a key role in the team's presentation.

The second group was a bit more daring with amenities and technology design. RockResorts' Matt Seim's group jumped in with their task

of creating the Hotel Splendide. Even just the name suggested the five star rating absent from the Dynamite (yet not so dynamite) Inn. This San Francisco hotel had an average room rate of \$450 per night – nearly eight times that of the Dynamite Inn.

After the extensive discussion about plasma televisions in the first session on guest experience, the Hotel Splendide chose the TV upgrade, while the Dynamite Inn preferred a more standard model. All seven groups worked as teams, sharing ideas on how to implement standard design and infrastructure capacity planning. Station Casinos' Andrew said, "I think that exercise was excellent trying to think through what you should put in a hotel, and what it's going to cost. And then again I think hearing some of the input from people that are basically from all over the world about what they have done or what they are thinking about was extremely useful." A few attendees even mentioned the thought of adding more layers to this exercise for next year's summit, enabling further and more detailed hotel planning as teams.

Another truly interesting session afterwards that sparked quite a bit of discussion was that on self service. Attendees heard the hotel industry's side as well as the side of an industry that has done self service well – the airlines. This discussion was lead by Scott O'Leary, director of customer service for Continental Airlines, Tracy Flynn, VP of hospitality industry sales for NCR, and David Sjolander, CIO/VP of hotel systems for Carlson Hospitality, the self-described "anti-kiosk guy". This was a chance for attendees to hear about an airline that has successfully turned in a rate of 25 percent for online check in after beginning the year at 6 percent. O'Leary quantified that it didn't just catch on – the company really had to look at it. Sjolander, on the other hand has not seen the same results at Carlson Hospitality. Even though all of his U.S. hotels went live with Carlson's Web check-in initiative "Express Yourself" a year ago at little cost to the company, he has not seen an effective ROI yet.



Xanterra Parks and Resorts' Richard Rabinoff and Marshall Andrew of Station Casinos get a kick out of self service during the first day.

One question posed was even when the self service check-in option is offered, how many guests actually use it. Why do many guests walk right past several available kiosks to the one front desk clerk on duty? The point is, the airlines have been increasingly able to do self service and do it right. The business value associated with self service has immense potential. As Sjolander mentioned, hotel guests haven't changed their behavior, but airline passengers have. That is the difference.



The CIOs weren't being held up... just taking advantage of the yoga break on the first day.

The rates of self service check in have been relatively low. How do hoteliers turn that rate around like the airline industry? Flynn pointed out that self service use at home improvement and grocery stores is on the rise. But are hotel guests ready for it? According to Gustaf Schriels of InterContinental Hotels Group, self service options are a necessary investment, but they may not reap immediate or noticeable return. This is again, a situation where companies require cost justification, and many of the attendees explained that concrete justification just wasn't possible in many cases.

After an afternoon break and some snacks, the group was treated to a special surprise activity. Many tables, trees and dog stances were seen in the audience. No, we did not leave the building, but the group did participate in a yoga activity to keep the juices flowing and minds clear for the remaining session of the day. The attentive group welcomed the break and the invigorating stretching techniques.

The brief exercise break proved revitalizing, and the group was then ready to tackle the session on mastering the value of IT. Michael Doane, president of Performance Monitor LLC and Vispi Jilla of BearingPoint discussed the challenges a CIO faces and some of the best methods for quantifying the value of IT. Doane said when done correctly, an ROI analysis can lead to a successful deployment that delivers clear returns to organizations and further ensures provable results from ERP investment. There was much debate over the challenges faced by the hospitality industry as compared to other industries where these practices have worked, but Doane and Jilla were able to show many examples where process implementation could cross industry lines. As both admitted, the measure of IT value is hard and requires the measurement of business results.

Earlier the first day, attendees were asked by BearingPoint's Kelly and Hospitality Upgrade's Rich Siegel to fill out a survey on IT spending. Some sample questions asked about comparative IT spending metrics and the potential study characteristics – all questions that proved very valuable to the attendees. Every one of the attendees, who represent over \$983M in annual revenues, said it would be valuable to have access to the results of a more detailed future survey. Even though Doane and Kelly had these initial results for the discussion, it was clear that the group unanimously supported the idea of Hospitality Upgrade and BearingPoint designing and implementing a more detailed survey. After a vote, it was decided that Hospitality Upgrade and BearingPoint would in fact spearhead a survey and study for use within the group of attendees and other hospitality industry IT professionals with results available for review.

The first day's sessions had come to an end. Attendees all joined for a cocktail reception before dinner, where the now familiar group discussed the day's sessions and who would have to sit next to Rich at dinner. Dinner in the private dining room proved excellent, but the night was not over. After dessert, Rich acknowledged the charter attendees who had been to each of the summits that had been held before. Then, speaker Leslie Becker, the Make It Happen Coach, mesmerized the group with her motivational talk, encouraging each of the guests to find one thing that they really want to accomplish and set out to do it. Mark Hedley of Wyndham International, a summit alum, was encouraged to discuss his own journey and the plans he had for his family in Texas, while Ken Barnes of White Lodging Services Corporation revealed his goal of participating in a half marathon later in the year. Several of the guests lingered and compared notes late into the evening – much longer than the first regular season NFL game that same night.

**"Great content – I think this year was phenomenal."
– David Barbieri, WestCoast Hospitality Corporation**

Rich officially closed the 2005 CIO Summit and it was time to say goodbye. The summit could not have been a success without the willingness of the attendees to actively participate in the discussions and activities. The panelists, whether attendees, invited guests or sponsors, all gave great insight into the trends and challenges in the technology behind many of the properties and its uses across the



The CIOs and sponsors examine the trends in the guest experience.

world. The event was also a success due to the sponsors and sponsor attendees who were willing to share their expertise, but were open to hearing the recommendations and challenges faced by their customers.

One noticeable thing was the number of business cards and professional respect shared at the event. Many of the attendees went ahead and reserved their 2006 summit invitations and committed to return next year... (they just didn't want to commit to playing in Rich's golf foursome). Peter Glynn said it best, "This



Summit creator Rich Siegel tries to get some help from the Make it Happen Coach Leslie Becker.

Breakfast was the start of the final day and the final session. Throughout the customer intelligence session afterwards, the speakers led an extremely interactive discussion on how much information is really known about customers, and whether it can be obtained accurately. The quest of many hospitality IT professionals is that of guest information quality. Don Hinman, aka "Dr. Data" of Acxiom Corporation, Rob Berman, VP of retail industry at Teradata and Stu Ingis, an attorney with DLA Piper in Washington, D.C., all explained that with proper technique, accurate data can be collected, and it can be used for the benefit of the company without crossing the borders of privacy. In the audience, Station Casinos' Andrew brought up an interesting point about how many of the casinos in particular had been contacted in the past by law enforcement authorities for customer information, especially since Sept. 11. Here, the panel also discussed how to get information on customers that attendees could use successfully to brand their properties, but also the security and privacy risks associated with the use of this information. As the final session ended, it was clear that both issues were topics the attendees wanted to revisit and update at next year's summit.

"I also took home some great insights in self service and operational CRM that are relevant to our future vision." – Peter Glynn, InfoGenesis



Ken Barnes of White Lodging Services Corporation and John Q. Hammons Hotels' James Lingle take advantage of a break at the end of the first day.

was a well run and entertaining event. I cannot think of anything I would change other than making sure we get to meet everyone in the event for the next zany idea that Rich comes up with!"

We want to thank Richard Tudgay and the staff at the Omni Interlocken for being such gracious hosts. A special thank you goes to our overall event sponsors this year, NCR, IBM and InfoGenesis as well as HFTP. We appreciate their support of the industry and their input during several of the sessions. For transportation, we thank our additional sponsors, Wayport and Acxiom. And, last but not least, thank you to Sally Kelly for planning such a great series of discussions and activities, and Charlotte Somers for her dedication and organization.



Top left: Glenn Bonner remembers his first job with enthusiasm while Adams Mark Hotels and Resorts' Tim Rand, Brad Iverson of IBM and Millennium Hotels and Resorts' John Edwards wait their turns. Bottom left: The Marcus Corporation's Jane Durment and Mike Leiboff of Shen Milsom & Wilke rebash the day's events. Above: Rodney Thiel of Benchmark Hospitality International and Glenn Bonner of MGM MIRAGE Management Information Systems discuss plans to return next year.

The CIO Summit 2005 Attendees: Jeff Winslow, [Accor North America](#); Tim Rand, [Adams Mark Hotels and Resorts/HBE Corporation](#); Meg McKenna, [ARAMARK Harrison Lodging](#); Rodney Thiel, [Benchmark Hospitality International](#); Scott A. Gibson, [Best Western International, Inc.](#); David (Dave) Sjolander, CHTP, [Carlson Hospitality](#); Michael Schubach, CHTP, [Club Resorts](#); Ron Hardin, CHTP, [Davidson Hotel Company](#); Shannon Knox, [Destination Hotels & Resorts](#); Nelson F. Garrido, CHTP, [Dolce International](#); Michael Hwu, [Four Seasons Hotels and Resorts](#); Michael St. Laurent, [Gemstone Resorts International, LLC](#); Bob Bennett, [Ginn Clubs & Resorts](#); Rajiv Castellino, [Great Wolf Resorts](#); Eduardo Llaguno, [Grupo Posadas](#); Tim Stanley, [Harrah's Entertainment, Inc.](#); Brian Garavuso, CHTP, [Hilton Grand Vacations Company](#); Steve Murphy, [Hyatt Gaming Management, Inc.](#); Gustaaf Schrijs, [InterContinental Hotels Group](#); James A. Lingle, [John Q. Hammons Hotels & Resorts](#); John Novak, [La Quinta Inns, Inc.](#); Jim Lamb, [Le Meridien Hotels & Resorts](#); Tony Del Mastro, [Loews Hotels](#); Jeffrey Stephen Parker, CHTP, [Magnolia Hotels](#); Nick Price, [Mandarin Oriental Hotel Group](#); Jane Durment, [The Marcus Corporation](#); Glenn Bonner, [MGM MIRAGE Management Information Systems](#); John Edwards, [Millennium Hotels and Resorts](#); Dan Garrow, [Mohegan Sun](#); Richard Tudgay, [Omni Hotels](#); Joe Durocher, [Outrigger Enterprises, Inc.](#); Ken Gay, [Premier Resorts International](#); Matthew Seim, [RockResorts](#); Mike Suttan, [Royal Caribbean International & Celebrity Cruises](#); Ian Cole, [Starwood Vacation Ownership](#); Marshall Andrew, [Station Casinos, Inc.](#); David Barbieri, [WestCoast Hospitality Corporation](#); Ken Barnes, [White Lodging Services Corp](#); Mark F. Hedley, CHTP, [Wyndham International](#); and Richard Rabinoff, CHTP, [Xanterra Parks & Resorts](#).