



It's all in the DETAILS...

August 19, 2009

FreemanGroup Quarterly

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A Word from Bill...

Recently, my wife Pat and I took a road trip from Dallas to Toronto to pick up my youngest son and his belongings for his permanent move back to Texas from Canada. I love driving and have done this particular trip many times; on this trip however I noticed and experienced a few changes from my previous excursions.



There was more traffic overall, perhaps the result of a shrinking economy and rising airfares; there were more people taking picnics at rest stops than I recall in the past and the rest areas we stopped at were much cleaner than I previously remember. People seemed to be driving faster and the roads seemed to have less construction than in the past. The biggest difference I saw though was in the advertised rates of the hotels along the journey and it got me wondering about a favorite subject of mine....value. We finally stopped and I learned a lesson.

The stop I am referring to was the first night in Bowling Green, Kentucky. We were presented with a range of alternatives and as we always give FreemanGroup clients first dibs on our potential business, we decided to stay at the Microtel, conveniently situated on I40. The room was small but clean, the bed was incredibly comfortable, and the bathroom clean and efficient and the shower had plenty of pressure, more than I have seen in certain luxury hotels. Microtel offers complimentary WIFI, a complimentary newspaper, complimentary continental breakfast and at this particular unit, the staff we encountered were friendly, efficient and obviously aware of the importance of establishing proactive relationships with their guests. We checked in at 7:00pm, checked out at 8:00am and paid the princely sum after a AAA discount of \$45.00 including tax.....\$45.00!!!!!! I have paid five times that in city center hotels and not had the cleanliness, the friendliness; or as comfortable a bed. I also usually pay for breakfast and WIFI.

After we had checked out, Pat and I talked about the discussions in service we at FreemanGroup typically get involved in: training and setting standards to comply with 4/5 star ratings, amenities quality, table top finishes, design of room, ambience in lobby, design of uniform, garnishes on dishes, service from left to right etc. How about looking at service standards from one perspective onlyvalue? The Microtel, Bowling Green is probably a one/two star facility, it has no ambience in the lobby, limited amenities, minimal finishes and uniforms that I cannot remember, but as far as experiences go, relative to costs paid, it is the best value hotel I have stayed in for years.....and, I have stayed in a few.

Learning points? Of course the rate I paid at this hotel is being driven by the economy, of course I am not suggesting that the service received was anywhere comparable to a \$400.00 a night luxury hotel; but the Microtel exceeded my expectations both in terms of

Continued Below

New FG Clients

All of us in the FreemanGroup family would like to extend our sincerest appreciation and a warm welcome to our new clients.



FreemanGroup In The News



Grand Cayman, Cayman Islands Deliver PRIDE



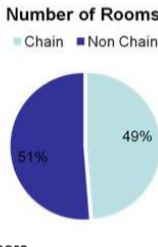
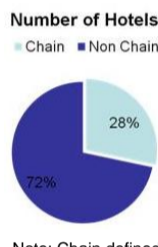
Keep on 'TRAC' LODGING, June 2009



Serving Notice Sports Business Journal, June 2009

Creating a Level Playing Field for Smaller Hotels Through Technology

Hotel Supply



Note: Chain defined as 5 hotels or more
Data source: TRI Hospitality Consulting Estimates, Delta Squared Hhotel distribution analysis

Although the hotel industry can appear to be dominated by a relatively small number of large brands, in reality the majority of hotels in the UK are small independent businesses with less than 60 bedrooms. These smaller hotels are by their nature, less adept at organizing themselves to use technology effectively. As the increasing sophistication and use of technology in the larger chains positively impacts hotel operations, then the gap in performance between chain and independent hotels widens.

The small independent community is not well served by technology providers, who historically have found this a fragmented and expensive market to sell into and support.

How can the 70% of hotels in the UK that are not associated with a brand compete with large brands?

A key example of this is the issue of hotel distribution.

Typically the smaller independent hotelier, knowing that technology is important and wishing to invest will find:

- The cost of technology appears to be prohibitive and poor value relative to the business
- There appears to be a level of complexity that is not appropriate to small businesses
- Access to hotel distribution is via expensive 3rd party agreements is complex to manage effectively

Why is Hotel Distribution important?

Hotel distribution is the process and activity associated with ensuring room availability and prices are easily accessible both to existing and potential customers.

The hotelier needs to manage the channels through which business is captured to maximize rate and occupancy, while taking into account the very different costs associated with each. The cost of these channels can vary between 30% of room revenue for the more expensive intermediaries, to 3% to 4% for the hotels' own web sites.

The secret is using these channels to market selectively and wisely.

The key attributes needed for this are:

- Seamless and real-time connectivity to each channel with specific channel controls (price and availability) where required
- Managed and consistent display of price and availability across all channels
- Last room available for sale in preferred channels, (particularly the hotel's own web site)

Distribution is an area which really should not be ignored. The diagram opposite illustrates some of the components and key measures of effective channel management.

What is changing?

A few suppliers are now offering integrated solutions, targeted to the smaller hotels. These solutions can be implemented on a 'pay to play' basis, so called Software as a Service (SaaS). This not only avoids the capital outlay for equipment and licenses but also the need to operate and manage what can be a complicated area.

The key components of such integrated solutions comprise:

- A Property Management and Distribution System that, with a seamless communications link, allows the user to manage the following areas through a simple user interface:
 - Reservations
 - Check-In
 - In House Guest Functions
 - Check Out
 - Rate Management
 - Rooms Management
 - Availability Management

A real-time distribution system for managing rooms and price availability to chosen online distributors which:

- Empowers hotels to control and distribute hotel inventory in all channels from one single point of entry,
- Enables consumers to conveniently book hotel reservations online through the hotel's website
- Has links to a number of important international travel agencies or ADS travel websites (Alternate Distribution Systems); Expedia, Travelocity or Orbitz are examples
- Provides direct access to the international travel agency community via the major Global Distribution Systems (GDS) Amadeus, Sabre, Galileo and Worldspan.
- Enables hotels to seamlessly update rates, inventory, restrictions, blocks, making the daily update of data possible from one single point of entry.
- Does away with the need for manual processes, including the need to support inventory allocations in multiple channels

A set of Web Services which:

- Provides a single-image inventory system.
- Provides the tools to maximize bookings and increase revenues and links guests, corporate accounts, and travel agents directly to the hotel.
- Integrates seamlessly with the hotel or chain website
- Automatically promote unsold rooms
- Provide a range of on-line marketing such as e-mail campaigns, affiliate programs and frequent guest programs

This is an opportunity to level the playing field. The smaller hotel is now able to increase 'marketing reach' into new areas with appropriate controls, in a way which can be effectively managed.

The big brands should not continue to enjoy a monopoly over distribution channel expertise, and the revenue advantage that goes with it.



Mac Smith & Keith Bryant
Directors of Delta Squared Performance Improvement

Delta Squared is a partner company of FreemanGroup within the WorldWide Resource network. Information concerning their area of expertise can be found on their website www.delta2rd.net. The enclosed article is brought from a uniquely European point of view and we thought that it would be of interest.

A Word From Bill Continued...

rate paid and experience received. It would have exceeded my expectations if I had paid \$70.00 and right there is the key to surviving in a downturn economy..... You can discount all you like, telling the world that you are the most economical in your market... but..... provide less than average service; nickel and dime on WIFI, telephone usage, late check out, newspapers and 'service charges' and they will never darken your doorstep again, in good times or bad.

Discount less, give more and literally exceed your customers' expectations for service against rate paid, eliminate the nickel and dime charges, seek out ways of capturing data that encourage customers to give feedback on the experience and constantly review rates, looking for the right opportunity to reset up, but only when the experience is set right.

Time and space prevent me from recounting a couple of other scenarios on the trip... maybe next time. Here is the customer point, in the unlikely event that I again travel from Dallas to Toronto and back by car, the Microtel at Bowling Green, Kentucky on Interstate 40 will certainly feature as an overnight rest stop again.

As always, FreemanGroup wishes all our clients and fellow vendors good fortune, see you here again soon.

FreemanGroup Is A Member Of WorldWide Resource

WorldWide Resource is an innovative, informed and international strategic partner dedicated to the performance improvement in, and across, the world of travel and hospitality.

Five respected firms, owned and managed by specialists and international industry experts, have integrated their respective services and industry knowledge to create an unparalleled offering in a 'one stop' global consortium, WorldWide Resource.

For more information visit www.worldwideresource.com



About FreemanGroup

"Providing customer service solutions to the hospitality and tourism industry since 1985"

FreemanGroup offers an entirely integrated consulting service, a comprehensive range of service solutions, and exceptional quality support to the hospitality and travel industry worldwide. The firm's clients include major hotels and resorts, restaurants, casinos, destinations and ports of entry worldwide. FreemanGroup services are comprised of hospitality management and line level training, mystery shopping, guest/employee feedback, customization of standards of performance/job description templates, and new property openings.

Founded in 1985 by Bill Freeman, FreemanGroup is based in Dallas, Texas. The firm also has offices in London and Costa Rica. For more information, contact the Dallas office at 972-479-1345 or visit www.freemangroupsolutions.com.

To remove your name from our mailing list, please contact awoodall@freemangroup.org.
Questions or comments? E-mail us at awoodall@freemangroup.org or call 972-479-1345

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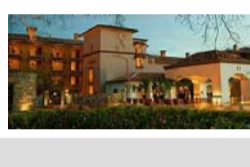
Terranea Resort Rancho Palos Verdes, CA

After ten years and \$480 million, Destination Hotels and resorts celebrated the grand opening of Terranea Resort on June 12th. The 102 acre oceanfront property includes a 360 room hotel; residential bungalows, casitas and villas; The Links at Terranea golf course; The Spa at Terranea; three ocean-view pools and eight restaurants, bars, and lounges.



Bristol Buenaventura Buenaventura, Panama

Bristol introduced their second luxury offering in Panama with the opening of Bristol Buenaventura in Mid-2009. Luxurious accommodations include 126 guest rooms and eight villas. The property, built to resemble a Spanish colonial city features a Nicklaus designed golf course, the Bristol Spa (opening November 2009), a fitness center, five dining experiences, and two bars.



W South Beach Miami Beach, FL

On July 15th, W Hotels opened the W South Beach. Boasted as a global flagship for the brand and a local landmark for the infamous beach, the first all condo hotel offered by W features: W's signature Whatever/Whenever® service promise; the W Living Room and Bar; the Grove, a luxurious garden; The Wall, an ultra-lounge; the legendary Mr. Chow restaurant; Solea, a contemporary Mediterranean cuisine; Wet, a pool experience, and SWEAT® fitness center.



FG Happenings

FG Training Center

FreemanGroup has just wrapped a summer series of Foundations™ Train The Trainer Workshops in our on-site Training Center. Participant feedback has been exceedingly positive, and we are working to expand our workshop offerings with the Hotel Association of North Texas. If you are interested in participating in a future Foundations™ workshop, please email Amanda at awoodall@freemangroup.org.



Wyndham Hotel Group

FreemanGroup is happy to announce that our partnership with Wyndham Hotel Group has expanded to include Quality Inspections for the Baymont, Knights Inn, Ramada, Wingate, Super 8, and Howard Johnson brands.



Speaking Engagement

On May 19th, Bill Freeman spoke to the members of the Hospitality Financial and Technology Professionals Association's North Texas Chapter. Bill was privileged to lead a discussion concerning challenges in the current economic climate.

FreemanGroup is now on Twitter!

Visit FreemanGroup's Twitter site for updates from Bill Freeman. Click here to view our Tweets.



FreemanGroup Products and Services

- ◆ Standards of Performance Manuals
- ◆ Job Descriptions
- ◆ Train The Trainer Seminars
- ◆ On-The-Job Skills Training
- ◆ Customer Service Workshops
- ◆ Internal Trainer Certifications
- ◆ Mystery Shopping
- ◆ Guest/Visitor Satisfaction Tracking
- ◆ Employee Opinion Surveys
- ◆ New Property Opening Programs
- ◆ Tourism Management/Destination Programs
- ◆ TRAC (Train, Retain, Assess and Certify)



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