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# HOTEL MANAGEMENT

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## WINDY CITY WORRY

CAN CHICAGO  
OVERCOME OVERSUPPLY?

### DEBT DEBATE

Tighter lending imminent

2017 LIMITED-  
SERVICE SURVEY

#### ONE-ON-ONE WITH EXTENDED STAY AMERICA'S GERRY LOPEZ

For three decades, Gerry Lopez frequented hotels as an executive for companies such as Procter & Gamble, PepsiCo and AMC, so he has no illusions about being a hospitality expert. Now, he's brought his branding expertise and outsider perspective to lead Extended Stay America.

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### 3 QUICK STATS

## 94%

Improving guest satisfaction and the quality of the experience is what 94 percent of respondents said is the biggest benefits one can expect to gain with the right property-management system. Ninety-one percent said streamlining hotel operations and reducing operating costs was the biggest benefit while 84 percent said increasing hotel occupancy, revenue and profitability was the biggest benefit. Finally, 74 percent said improving performance reporting and business intelligence was the top benefit.

Source: *The 2016 Smart Decision Guide to Hotel Property Management Systems*

## 96%

Hotellers view integration with different technologies to create a "command and control center" (with a 360-degree view of operations across the organization) as important or very important.

Source: *The 2016 Smart Decision Guide to Hotel Property Management Systems*

## 92%

92 percent of hotellers say using guest profile information to improve the overall guest experience and increase retention through loyalty and rewards programs is important or very important.

Source: *The 2016 Smart Decision Guide to Hotel Property Management Systems*

## PMS

# Is a cloud-based PMS a safer bet for hotels?

BY ESTHER HERTZFELD  
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**A** good cloud-based property-management system should be more secure than the typical server-based systems located on property because it is hosted in an environment that is managed by people whose sole job is to keep it secure. "The monitoring and oversight is done by professionals," said Jos Schaap, CEO and founder of StayNTouch. "There are appropriate firewalls and professionals making sure there are no breaches, with spot checks to prevent hacking."

The level of administration and management is higher for a system that is powering hundreds or thousands of hotel operations, said Charlie Green, SkyTouch's director of product management.

"A team of professionals are managing the system and monitoring 24/7," he said. "The systems are generally located in a purpose-built data-center facility that incorporates high levels of physical access security, backup power, backup network access and enhanced air conditioning with air filtration."

With a purpose-built software-as-a-service solution, whether open or closed, security is always taken into account during the development process, said Patrick van der Wardt, SVP international sales of PMS for Amadeus Hospitality. "All systems need to have the ability to talk to one another through open, published APIs in order to have the best user experience across multiple systems and platforms," he said.

Scalability is a key benefit of the SaaS model. By utilizing services on a subscription model, the user doesn't need to worry about finding additional server space, hosting, bandwidth, etc. Instead, there is a fee for the use of the services, and the services are delivered to the user, van der Wardt said.

Ultimately, operators need to choose the best technology for their individual properties, said Trisha Littlejohn, director of PMS

Top left: A good cloud-based PMS provider can be more secure than the typical server-based system located on a hotel property.

Top right: By integrating the PMS with service-optimization solutions, hotellers will have a centralized guest profile.

at Agilysys. While hotellers shouldn't expect their service provider to handle their compliance and governance responsibilities, the powerful encryptions most reputable cloud-based solutions use can play a role in streamlining and improving these efforts, she said.

Littlejohn suggested that hotellers could take some steps to ensure security:

- Take the time to validate the security of cloud providers. Cloud-based data centers should be tested and audited to ensure they meet certain standards adopted by the business.

- Consider hiring in-house technical talent or a third party to provide guidance and ensure the contract with the cloud provider includes a service-level agreement and indemnification to protect the business, guests and investors.

- Research a provider with a multilayered security protocol, which provides more failsafe measures that enhance the overall security of the property and its guests.

- Consider a cloud PMS that removes liability from the hotel by using tokenization for payment processing.

But overall, security is about vigilance and compliance, not whether a system is on-premises or hosted in the cloud, Maestro PMS President Warren Dehan said.

"On-premises and cloud-based systems are susceptible to the same security issues if not properly managed," Dehan said. "What cloud-based systems offer is offloading some, but not all, of the security considerations and responsibilities to a third party, but that does not imply that a diligent local IT staff would provide any less security." **HM**



### PMS PROVIDER QUESTIONS

HOTEL MANAGEMENT asked several property-management system experts what are the top three questions hotellers should be asking of their PMS providers. From driving revenue, comprehensive support and whether they have the same vision for success, visit HM's website to see what they think is most important.



**ONLINE EXTRA:** FOR MORE ON PROPERTY-MANAGEMENT SYSTEMS, VISIT HOTELMANAGEMENT.NET