

LodgeNet Conference Manager

Recently you may have read that the LodgeNet Conference Manager (LCM) and supporting Meeting Room Solutions was adopted and installed by the newly opened Loews Atlanta property, as well as the other Loews locations in North America. With a reputation for service at the highest level and extreme attention to detail, the Loews team was instrumental in the fine tuning of the LCM product.

During the course of business, LodgeNet Meeting Room Solutions was called on to present a solution for a large hotel in a major metropolitan area that was experiencing challenges of provisioning, delivering, and monetizing their conference room broadband services. The following is an outline and ROI calculation for that property.

Overview

LodgeNet was called to present the LodgeNet Conference Manager (LCM) to a prominent hotel with 16 meeting rooms comprising more than 250,000 square feet of meeting space. The solution will allow hotel staff, through a simple Web based interface, to maximize the hotel's high-speed circuit to a granular level and deliver reports to their customers along with full traffic analysis. Along with the LCM, LodgeNet's Meeting Room Solutions team worked with hotel management to generate ROI-driven sales strategies and a pricing model that demonstrates the potential to drive more than \$250,000 of HSIA sales revenue to the hotel's bottom line in the first year.

Hotel Needs

The hotel was experiencing two primary issues with their broadband services:

1. The high cost of resources required to configure customized and *ad hoc* networks for each event customer, and
2. The lack of a simple way to measure, report and quantify the broadband service sales to effectively gauge profitability.

In assessing the hotel's situation, the LodgeNet Meeting Room Solutions team discovered:

- Limited network support for wireless capability and customization
- Lack of integration between the property's wired network and wireless overlay
- Lack of minimum dedicated bandwidth or rate-limiting capability
- Lack of gateway server authentication and control on the wired network



- A limited HSIA product offering and limited network capability overall
- Additional resources required to configure solutions

Solution

Based on the hotel's needs, the LodgeNet Meeting Room Solutions team proposed they unify their wired and wireless networks with the LodgeNet Conference Manager (LCM), providing:

- Easy accessibility through a Web-based user interface
- Intuitive design geared towards non-technical as well as technical staff
- The ability to provide critical event information (such as IP addresses, access codes, etc.) to customers before they arrive on site
- A significant reduction in the time and resources required to implement a meeting event
- Automatic setup and removal of highly complex network configurations
- A highly customized Web experience for each event customer, including:
 - Personalized splash page event description and message
 - Vanity access code
 - Custom SSID (wireless broadcast signal)
- A comprehensive broadband services offering including:
 - Custom splash pages
 - Multiple-room custom VLAN (private network) creation

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- Flexible access codes
- Flexible wireless options including custom SSID
- Per-user rate-limiting and dedicated bandwidth
- Advanced wired port configuration
- Public static IP assignment and dedicated bandwidth
- Event usage reporting (available via Broadband Director)

Return On Investment

LodgeNet also worked closely with the hotel's management to define customer pricing that would deliver a quantifiable and achievable ROI. Among the suggestions were:

- Sell by users/connections
 - \$50-\$1,000/connection
 - Tiered bulk discounts for larger groups
- Sell by bandwidth utilization
 - \$100-\$300 per Mb/day (average)
 - Dedicated minimum amount of bandwidth/reporting
- Sell packaged IP products (wired and wireless)
 - Webcast/Videoconference
 - Web Café
 - Custom private network
 - Dedicated bandwidth
 - Public IP configuration

By utilizing the LCM network hardware and configuration, and implementing LodgeNet's local and remote support program, the following ROI map was developed.

- 250,000 sq ft
- 16 meeting rooms
- 48-month term
- Target revenue: **\$1.00** per square foot projected annual HSIA sales revenue
 - \$250,000/year annual HSIA sales revenue
 - \$20,834/month HSIA sales revenue
 - \$5,209/week (\$744/day)
 - Average of 15 HSIA requests per week
 - \$347 average revenue per event
- \$250,000 projected HSIA revenue first year @ \$20,834/month projected revenue

Event space HSIA sales – sample pricing

- Access code – standard connection - \$150/day
- Standard dedicated bandwidth fee - \$200/Mb/day
- Standard public IP assignment and VLAN package - \$500
- Custom event network configuration - \$1,000
- Web Café package (25 users) - \$350/day
- Webcast/Videoconference Package - \$500

Business volume estimation

- Average 15 HSIA event requests per week
- (10) standard codes @ 2 days each
- (1) Web Café/week (1-day)
- (1) videocast/week
- (1) 3 Mb dedicated bandwidth per week (1-day)
- (2) custom event network configurations/month
- (4) public IP packages/month

According to the above sample, which is very typical of today's event requirements, the event space would generate the following revenue:

- (10) codes for 2 days each (\$300 x 10) - \$3,000 weekly
- (1) Web Café for one day - \$350
- (1) videocast - \$500
- (1) 3 Mb dedicated bandwidth - \$400
- Custom event network configurations (\$2,000 monthly) - \$500 weekly
- (1) Public IP packages - \$500 weekly
- **TOTAL WEEKLY RETAIL HSIA REVENUE - \$5,250.00**
- **TOTAL MONTHLY RETAIL HSIA REVENUE - \$21,000.00**

With the LodgeNet Conference Manager and the assistance of LodgeNet's meeting room and broadband experts, the hotel is providing its customers with customized, quality conference services and maximizing the revenue from its meeting space, without involving a dedicated network administrator.



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S1430/A10