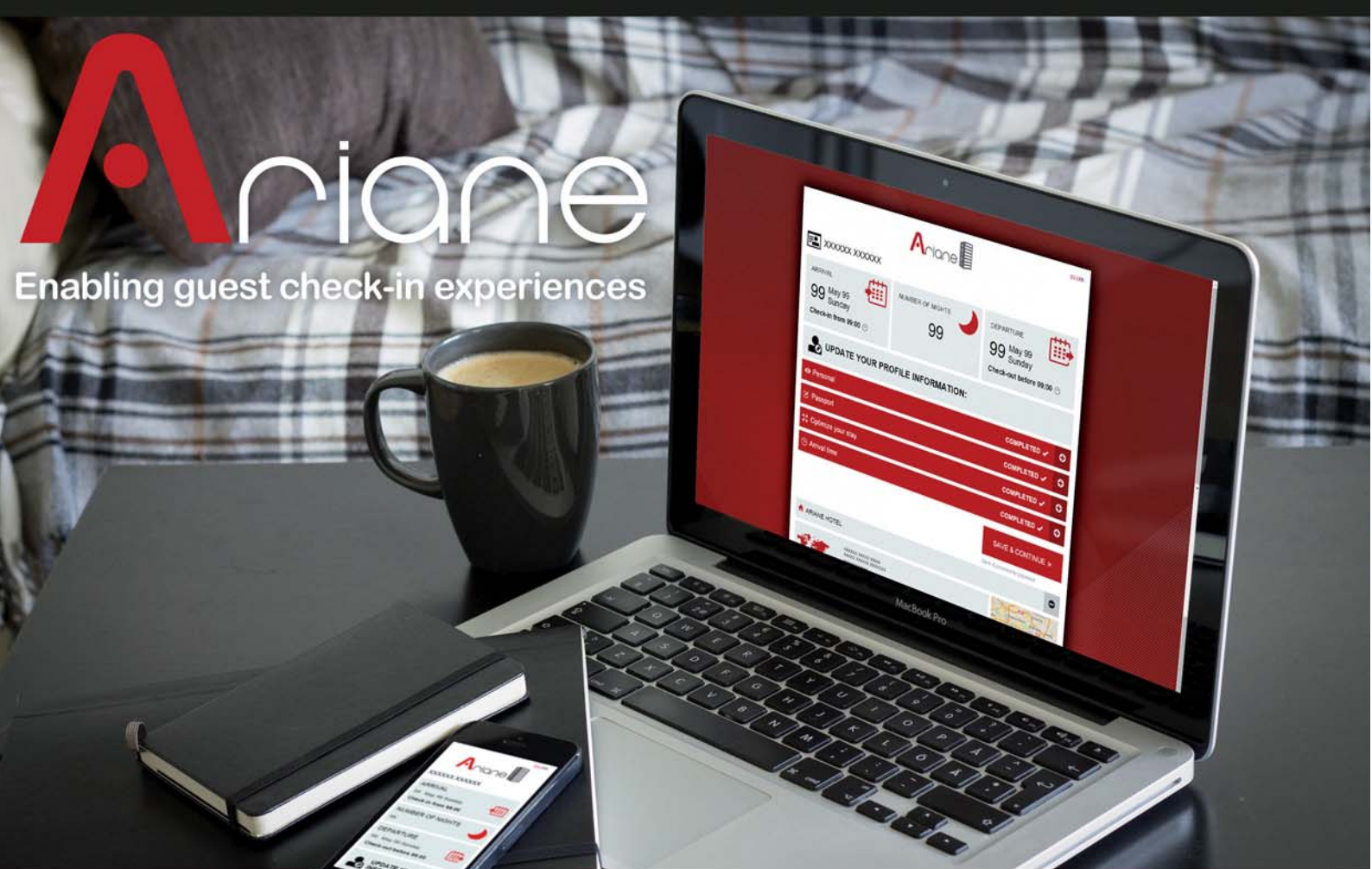




Enabling guest check-in experiences



# Build or Buy your hotel online check-in solution?

ARIANE WHITEPAPER SERIES 2015

## Part 1 : To build or not to build: the pros and cons

Self-service solutions are quickly becoming a standard amenity in the global hotel market, as mobile-savvy travelers increasingly demand solutions that enhance the guest experience, save them time and leverage new technologies. The decision to build or buy your next solution is often a difficult one to make, but can have a direct long-term impact on the performance and success of a property.

Part one of this comprehensive 3-segment white paper explores the respective merits and challenges that hotels face in determining whether to build their own online self-service solution or implement an existing solution from a technology provider.



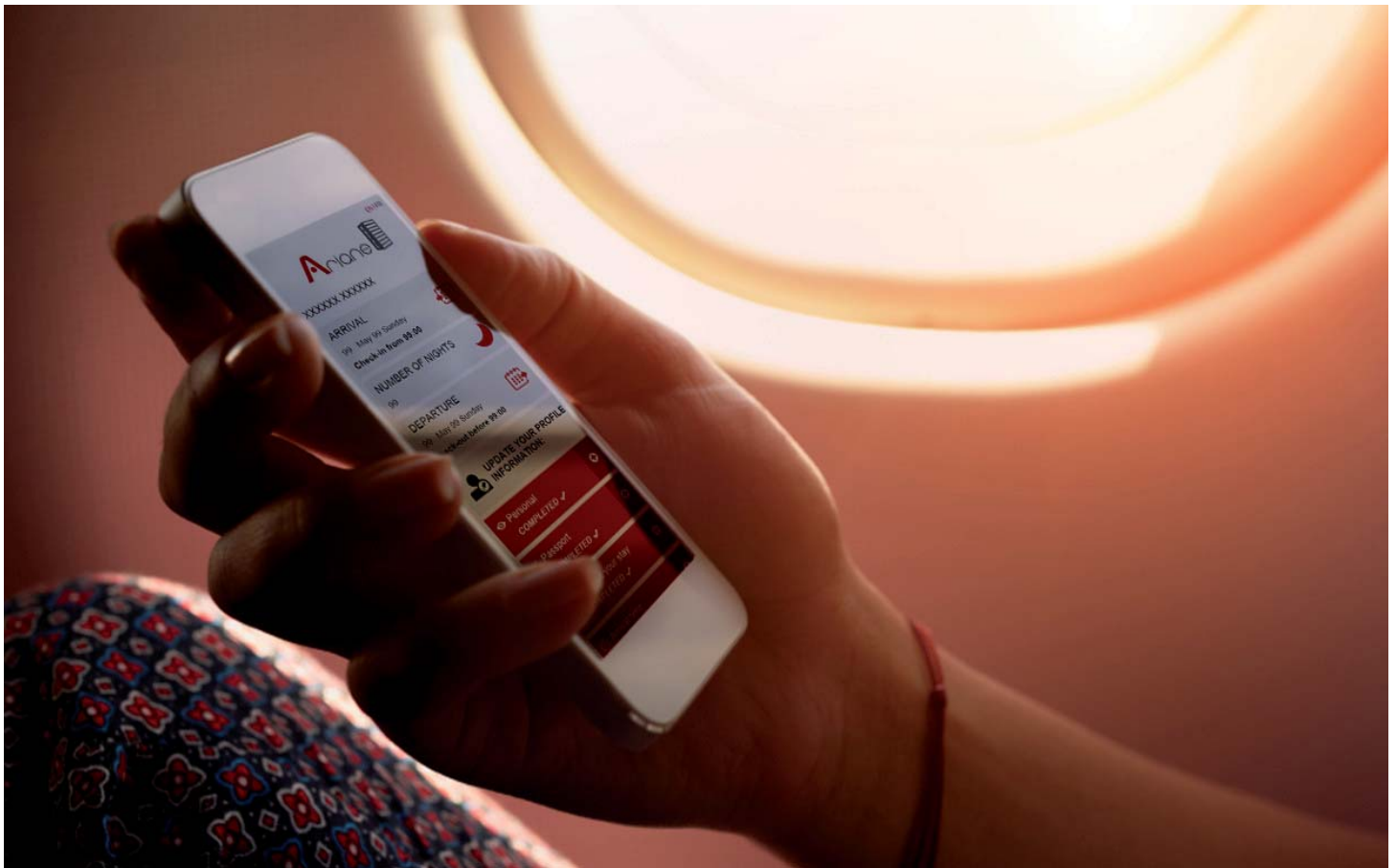
## Executive Summary

Many companies, including those in the hotel industry, choose to build their own software solutions because they are of the belief that the end product will be faster, cheaper and better tailored to their individual needs. For limited ad hoc applications, there is truth to this axiom. However, for more complex applications, the time, effort and expense of building software and keeping it current can far exceed both the expectations and the benefits.

For that reason, organizations that have a need to be leaner and are looking for continuous improvement in functionality, performance and guest service would often benefit far more by leveraging the automation, expertise and proven reliability provided through existing software applications built by trusted suppliers.

**A vital question hotel groups need to ask is:**

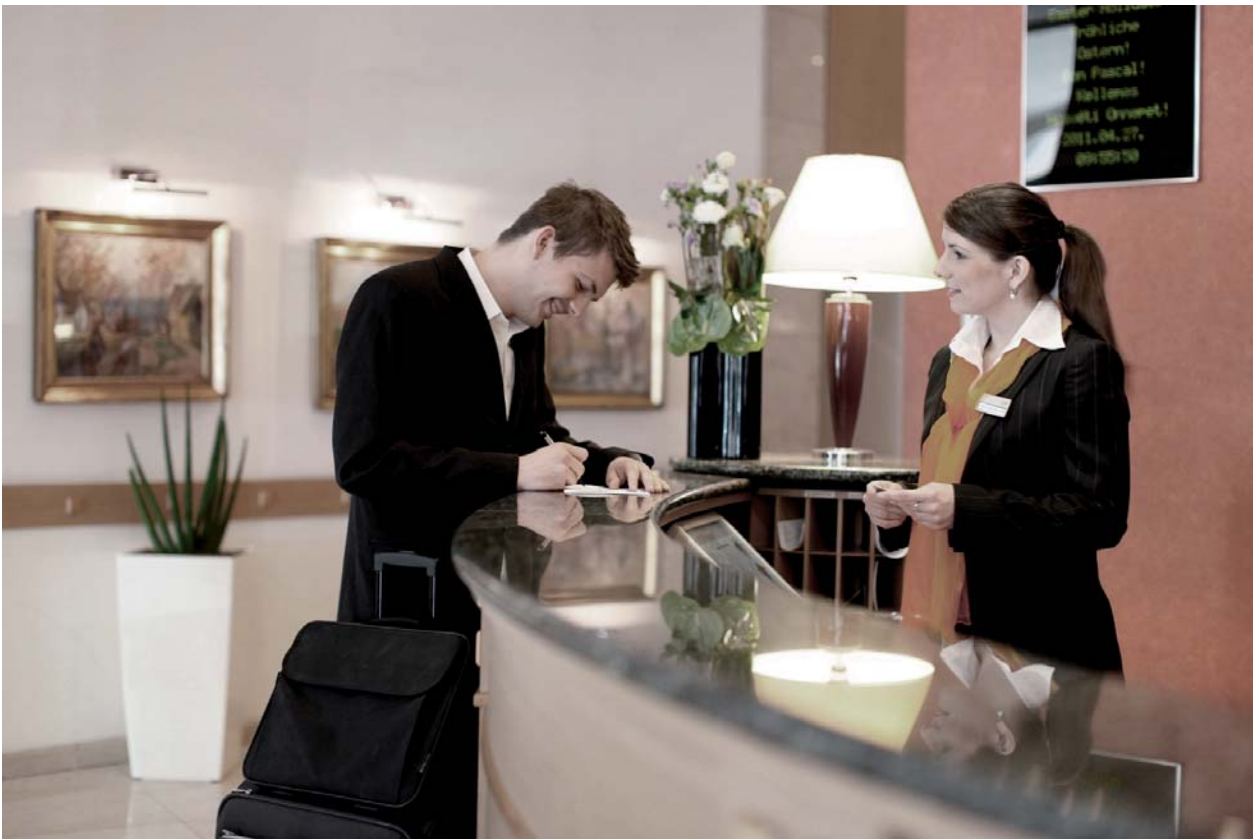
***Do you want to focus on software development, or should you rather use your expertise and resources as a hotelier to prepare your staff, operations and marketing department for the introduction of a completely new guest experience?***



## Overview

Few Information Technology topics have garnered as much sustained interest or opinion as the question of whether to acquire commercial off-the-shelf software packages or build from scratch.

Today's hotel groups are finding themselves considering the same question as it relates to the new ways in which guests can interact with their hotels, which are currently being driven by new technology. The introduction of mature and robust online self-check-in and check-out options for guests that enable greater flexibility and control over how guests choose to interact with hotels is becoming a hot topic in the industry. Many groups are currently considering or actively pursuing strategies to provide their guests with the widest choice possible in this regard. The question is whether to buy or build your own.



Recently, the Gartner Group reported on a growing trend towards “build,” highlighting drivers that include; the impact of new technologies, the availability of skilled resource and capabilities in-house versus the experience that suggests some packaged solutions are “too cumbersome and expensive.”

Part one of this whitepaper presents a structured set of arguments for both “build” and “buy” that takes into account the nature of the hotel business, the general technology environment and the related complexities of each option. It also outlines the decision criteria that hotels face in choosing one or the other option, with a view to outlining a structured decision process that enables hotels to make an informed decision that best suits their organization.



## Build or Buy?

The choice to build or buy is ultimately driven by a careful analysis of the hotel requirements versus the costs of development, implementation and support. While both choices have merits, the maturing global technology infrastructure known generally as “the cloud” and SaaS (Software as a Service) is changing the calculation of total cost of ownership and upending some long-held assumptions about the acquisition of business software. Let us take a look at the pros and cons of each.

### The Case for Build

Building a custom solution seems like a logical direction for many organizations, and it is certainly the traditional approach of many businesses. In some cases, building a one-off solution may in fact be your only effective choice if your requirements are especially unique. It allows you to design and implement a system to meet specific needs or unique process requirements.

Also, in building your own software, you are in full control of the development and can tailor the solution if requirements should shift. If you decide to go this route, however, several factors have a direct impact on your success. Be certain that you have access to the technical expertise and IT staffing required for developing software. Your team must have and maintain a thorough understanding of current technologies, your existing systems and the intricate interaction between the two.

#### PROS

#### CONS

A good fit for highly specialized requirements	On-going cost of ownership is an unknown risk
A perfect fit with existing software and IT architecture	Scaling and rolling out the solution present additional resource overheads
You can dictate pace of development	Staying current and up to date is not your prime focus
Complete end-to-end control	No training and support
Good for one time developments with a relatively short life span	Not enough focus on management reporting and back office tools
No legacy support required	Full automatization of the whole process is not simple
Can result in a truly unique solution and guest experience	



## The Case for Buy

Buying a customized solution from a vendor is a logical choice when the requirements are relatively straightforward. Purchasing software from a proven and “focused-in-your-industry” supplier provides a solid baseline of “best practices” provided by expertise that has been accumulated over time, for solving specific business issues.

The question of support and maintenance is also better addressed through an existing solution. A custom, self-built system may solve today’s problems, but what happens when there is a problem? When technology, business and regulatory needs change, will the application be able to adapt? Outside software vendors provide a place to turn for implementation, training, and technical support. They are also better equipped to evaluate the marketplace and incorporate the latest technologies to address ongoing change.

### PROS

### CONS

Thousands of hours of research already invested in solution	Selecting the right supplier
Fewer bugs	Ability to adapt the solution to your given set of specifications
Expert support and training	Competing priorities with other clients
Flexibility and adaptability	Finding a fit within your IT architecture
Feature rich	
Continuously enhanced through customer input	
New technologies already tried and tested in the market	
Proven deployment and implementation processes and known costs	
Dedicated 24/7 support and monitoring (and cost shared by multiple clients)	
Existing integrations with external systems	



## What makes up a self-service solution?

A fully automated online check-in and check-out solution enables guests to manage these mundane processes themselves, saving precious time and avoiding delays.

Mobile and web check-in and out is implemented to enhance guest options and the overall experience at participating hotels by reducing queuing times and allowing guests to interact with the hotel at a time and place that is convenient to them.

Upon arrival at the hotel, the guest is able to quickly collect their key from a key dispenser in reception and gain access to their room.

For check-out, the guest has the choice of managing their exit from the hotel in a way that is convenient to them also. For example, they have an early flight and may not want to risk delays checking out that may cause problems arriving at the airport in time. With online check-out, the guest can (if applicable) check their bill, add items from the minibar, pay their bill and leave. They will receive an invoice by email for their records.

For the hotel and staff, it is critical to have a tool to that allows them to check online status for the day or week ahead and make decisions that are right for the hotel. This may mean allocating specific rooms to guests, checking activity or, in the case of an emergency, find out who has collected their key and potentially be already in-house.

Hotel management also requires management and reporting tools to monitor the service and its impact on the business.



## The devil is in the details

Ease of use requires a complete, automated and well-tested solution, and the “devil” is in the details.

The task of creating a complete end-to-end self-service solution might look relatively simple at first glance. All you need to do is to connect the PMS to the web, allow the guest to complete online check-in and create keycards to bypass the front desk.

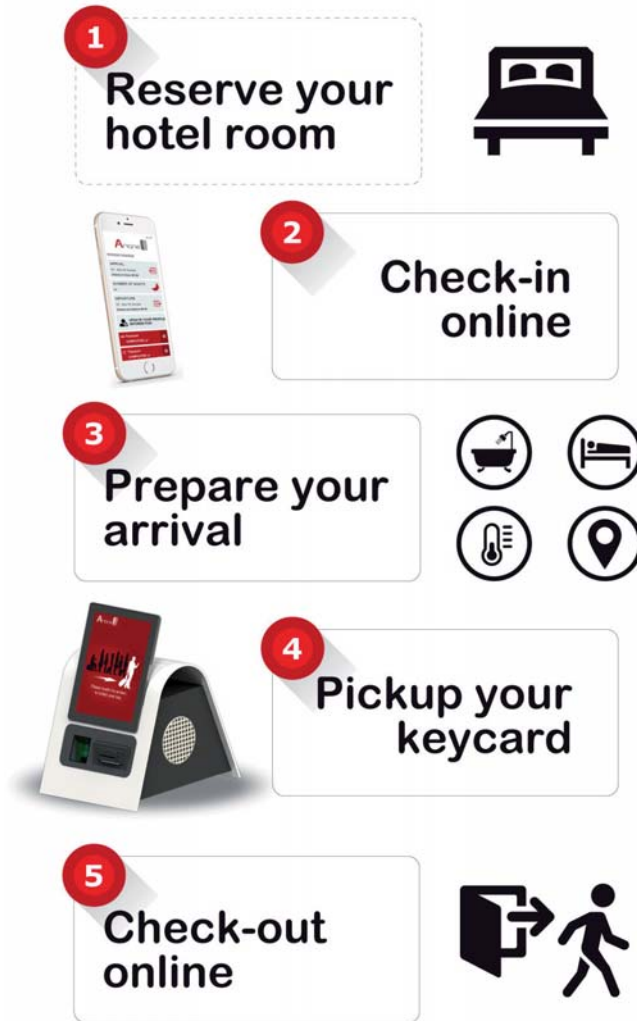


Figure 1 - Perceived guest experience when using self-service

In reality, a fully automated self-service solution contains a lot of hidden complexity that must be considered when making the decision to build or buy. Customer specific requirements and the scope of the project change the exact specifications for every project, but the basic features remain the same.



## A Checklist for Self-Service

Learn what needs to be taken into account when building or purchasing new technology in part two of this whitepaper. For more information, please visit [www.ariane.com](http://www.ariane.com).



Ariane Systems is the world's leading provider of self check-in/out technology solutions for the hospitality industry. Founded in 1998 by Michel Lavandier and Laurent Cardot, Ariane now has more than 2,500 installations running at hotel properties in over 20 countries. Numerous hotel chains utilize Ariane's electronic kiosk, mobile and web solutions to streamline the check-in/out process. These include B&B, Lindner, Mövenpick, Choice, Scandic, Park Inn, Radisson Blu, and Louvre Hotels, among others. With corporate headquarters based in Paris, France, Ariane Systems maintains regional offices in North America, UK, Germany, Spain, Benelux, Scandinavia, and the Middle East.

For more information, please visit [www.ariane.com](http://www.ariane.com).



[www.ariane.com](http://www.ariane.com)



**Michael Zetterlund**  
*Product & Marketing Director*

Michael Zetterlund has been working with hotels and technology for the past 20 years. Innovation and general improvements of systems and solutions for both hotel guests and hoteliers is on top of his agenda. He believes that the hotel industry needs to change in order to compete in the 21st century and wants to help lead the way.



**Miles Gaudoin**  
*SVP Sales EMEA*

Miles Gaudoin has been helping hotel groups and chains thrive in an era of technological change since 2005. Most recently with mobile as the central hub facilitating a wider choice and better experience for guests which in turn has been instrumental in ensuring his hotel clients differentiate themselves in the market as innovators providing exceptional service to its guests.