

Hilton hotel essay sample

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To arrive at a Value proposition, the proper elements of Customer Relationship and Product Leadership must be achieved. For Hilton the value of the Customer Relationship had been increased through its Hilton Honors Web Site: ([www. HHonzors. com](http://www.HHonzors.com)). Through this Web Site, customers can register for their rewards points, room preferences, hotel reservations, and so on. Product leadership is shown by features of the Hilton Honors Web Site. The reservations portion of the site allows search of any or all brands by proximity to city, address, attraction, or airport to enable the guest to choose the location, brand, and pricing preferred. The guest can also specify specific amenities desired.

Performance effectiveness is the blend of elements of Product leadership and of Operational excellence. The preceding paragraph describes the elements of Product leadership. Operational excellence is shown, in part, by the savings realized by the hotel, as previously noted.

Process customization is the mix of factors from Operational excellence and Customer relationship. In terms of Operational excellence, Hilton has invested substantial funds into the development of its proprietary OnQ System to make available the same technology to all brands and all properties world-wide. Along with this they have invested in staff training programs to enhance the ability of staff to meet customer needs. From the Customer relationship side, the customers that the hotel calls it's " most valued" Schwartz: Impact of IT on Hilton Hotels Page 11

has substantially increased spending at the hotels, as noted earlier. This increased spending is, no doubt, due to the customers seeing an increased value in their relationship with the hotel.

Conclusions

Hilton Hotel Corporation has demonstrated that the “right” IT System and Strategy can make a difference in the operations of the hotel. It has shown increased customer satisfaction, and significant cost savings, in addition to other measurables not discussed here.

Clearly, Hilton Hotel Corporation has “lead the way” for IT in the hotel industry, with implementation of a consistent IT system throughout all of its properties. Hilton has enhanced its operations and level of competence in each of the dimensions in Figure 1. This has lead to increased customer satisfaction and improved profits by way of cost reductions. In order to maintain this lead, Hilton needs to continue, and expand, its efforts by monitoring key metrics, such as:

- 📊 Customer feed back/Customer satisfaction levels
- 📊 Operating expenses
- 📊 Profit margins
- 📊 Return on investments, and
- 📊 Inventory turns on consumables.

This paper shows that an IT System that is properly designed for the application where it will be used will result in increased customer satisfaction and improvement in operational effectiveness. Schwartz: Impact of IT on Hilton Hotel Online Special Report advertisement

Hilton's Customer-information System, Called OnQ,
Rolling Out Across 8 Hotel Brands; Seeking Guest
Loyalty and Competitive Advantage with Proprietary Technology

BEVERLY HILLS, Calif. – Aug. 31, 2004 — Hilton Hotels Corporation (NYSE: HLT) announced today that having completed deployment of its proprietary technology platform called OnQ(TM) across all of its more than 2, 200 Hilton Family Hotels, including Hilton(R), Conrad(R), Doubletree(R), Embassy Suites Hotels(R), Hampton Inn(R), Hampton Inn & Suites(R), Hilton Garden Inn(R), Hilton Grand Vacations Club(R) and Homewood Suites by Hilton(R), the company continues to utilize technology to enhance guest recognition and efficiency, rolling out or expanding the following cutting-edge programs: Remote, Web-based check-in 24 hours prior to arrival enables guests with password-protected online account to select their room type and features based on preferences and history and print their confirmation document; Electronic folio access enables individual business travelers to review online and print their hotel folios (hotel receipts) following their stays at any of the 2, 200+ Hilton Family of Hotels; for all guests with password-protected online preferences, a first for a multi-brand hotel company; Expansion of automated check-in kiosks to 100 kiosks within 45 Hilton Family hotels by year-end with an emphasis on metro and airport markets, enabling self-service check-in, room selection, check-out and a variety of other automated services; and High-Speed Internet Access now is available to guests at more than 1, 995 of its 2, 200 hotels, bringing the Hilton Family closer to 100 percent completion than its top competitors.

“ We are passionate about taking care of our guests, providing them with more choices and flexibility through effective use of technology. Being the only hospitality company utilizing a single, common technology platform across all brands and sharing real-time information across every guest touch point — the hotel front desk, reservations, the HHonors Service Center and our brand websites — enables us to take better care of guests at every single point of contact while ensuring their privacy,” said Tom Keltner, president – brand performance and franchise development group. “ Through better inventory management and enhanced recognition of returning guests at all points of interaction, we’ve achieved a rare feat in our industry of dramatically increasing guest recognition and loyalty scores within the past year across all brands.”.

“ The name, OnQ (pronounced “ On Cue”), supports the Hilton Hotels Corporation ‘ Customer Really Matters’ (CRM) strategy and represents information that is available to team members on demand, prompting them to act on guest ‘ cues’ — preferences and service-recovery alerts — that will delight customers and create a bond of loyalty to the Hilton Family of Hotels,” said Tim Harvey, chief information officer for Hilton Hotels Corporation. “ OnQ also represents an integrated suite of tools that ‘ cue’ hotel operators to respond decisively to current market conditions and make informed business decisions based on historical trends and competitive data.” .

Web-Based Check-In Provides Greater Convenience

Available within the fourth quarter 2004 at selected hotels across all brands,

Web-based check-in will enable Gold and Diamond Hilton HHonors(R) members with password-protected online accounts to check into their hotel rooms in advance of arrival, regardless of how they made their reservation. Guests simply access their reservation via one of the brand websites, select a room with features that best meet their needs, and print the confirmation. Since guest information is stored within the online personal account, the hotel does not need to collect the same information at check-in. Once the guest checks in remotely via the Web, the hotel is notified electronically of the pending arrival. The hotel front desk then completes all pre-arrival and check-in processes so that the guest's key card and registration packet are ready and waiting for the guest's arrival.

Upon arrival at the hotel, guests exchange the check-in receipt for their prepared room key and welcome packet, which will be waiting for them at the hotel front desk. “ OnQ takes customer loyalty to a new level within the hospitality industry, most significantly because it enables us to continue to launch new, innovative technology that caters specifically to our guests' needs and aspirations,” said Tim Harvey, chief information officer for Hilton Hotels Corporation. “ Demonstrating our passion for taking care of our customers, our most recent and ongoing technological innovations are putting our guests more in control of their hotel experience, from pre-reservations to post-stay.” Guests easily can create a personal profile by visiting any of the Hilton Family brand sites and click on “ Create an Account.”

Electronic Folio Service Eases Travel Management & Expense Reporting By September 1, 2004, guests who create a password-protected online account with the Hilton Family will be able to access, view and print hotel folios (itemized descriptions of hotel charges) for an unlimited number of stays at the past five hotels across all brands, through an online feature made possible by the company's OnQ technology. At program launch, guests will be able to access three months of folio history, which will be expanded to a longer period of time in early 2005. " While we have provided electronic folios in the past to groups and corporate clients with negotiated rates, the Hilton Family is the first multi-brand company within the hotel industry to make E-Folio available to individual business travelers, across all of our brands," said Harvey.

" Further easing the travel ordeal, saving time for frequent travelers, providing the convenience to facilitate expense report back-up, E-Folio is just one of the many ways we can provide peace-of-mind to our guests through their password-enabled online personal profile." Kiosk Check-In/Check-Out Saves Time

Utilizing the OnQ technology as an enabler, Hilton developed, tested and deployed pilot kiosks in only three short months and is accelerating installations in more hotels in additional cities. Thirty kiosks now are deployed within seven hotels in Boston, Chicago, New York and San Francisco. The company is planning to install check-in kiosks in a total of 45 hotels and 100 kiosks across all brands by year-end. Deployment will focus on its company owned and managed metropolitan-area and airport hotels.

Kiosks are designed to provide guests with more choices, convenience and control. Self-service kiosks currently are being used by 10-12 percent of guests on average within the hotels that offer the service. In some hotels, as much as 35 percent of the eligible guests are utilizing the convenient technology, far exceeding company expectations.

Guest services staff assigned to the kiosk area are available to assist guests who have questions. Current enhanced-service applications for the kiosks include room check-in (ability to select the room, disbursement of room keys, and printing of registration information), check-out (printing of folio), personalized messaging to guests, and coupons for hotel services in selected locations. Upcoming enhancements include expanded ability to: offer visual room selection, hotel services such as bundled high-speed Internet access and phone services; up-sell to executive floors; and review resort package options.

Hilton Family Nears Complete Installation of High-Speed Internet Access in All Hotels In one of the most aggressive efforts within the hotel industry to complete installation of simple, fast and reliable high-speed Internet access within all hotels across all brands, the Hilton Family is targeting the end of the fourth quarter to install HSIA in all of its 2, 200+ hotels. Leading the industry in deployment progress, the company has achieved installation in more than 1, 995 hotels, or roughly 90 percent installation throughout all of its hotels, including wireless in most public spaces. OnQ Technology Resonates with Guests

OnQ improves guest recognition at check-in and provides more enhanced levels of service based on real-time access to guest preferences, information about Hilton HHonors guest reward program membership status, and past and future guest stays across all brands. “ With the award-winning OnQ system, everyone benefits,” said Keltner. “ Because of increased guest recognition and enhanced service levels across all guest touch points, the Hilton Family is ensuring guest loyalty, which is increasing each brand’s market share among its competitive set.” Once a guest creates a password-protected account, front desk team members can recognize him or her at check-in and provide more personalized, enhanced service, including:

Welcoming a guest back when he or she typically stays at another of our hotels in the Hilton Family and is staying for the first-time at one of the sister brands;

Delivering a guest’s top four guest preferences, including smoking or non-smoking room; type of bed (king or double/double); floor level; and room location relative to the elevator, among other preferences; Accessing real-time information about an HHonors member’s reward status; Making requested adjustments to a guest’s personal profile; and Changing a future reservation from the hotel in which a guest currently is staying. Since the launch of OnQ, the Hilton Family has been recognized among Computer World’s 100 Best Places to Work in IT; within the Information Week Top 5 and 1st place within the Hospitality and Travel Category; and has received the Chain Leadership Award in the Category of Technology from Lodging Hospitality and as a result of being nominated by one of our technology

partners, has received the Black Business Association award for Support of Minority Businesses. About the Hilton Family of Hotels

Hilton Hotels Corporation is recognized internationally as a preeminent hospitality company. The company develops, owns, manages or franchises more than 2, 200 hotels, resorts and vacation ownership properties. Its portfolio includes many of the world's best known and most highly regarded hotel brands, including Hilton(R), Conrad(R), Doubletree(R), Embassy Suites Hotels(R), Hampton Inn(R), Hampton Inn & Suites(R), Hilton Garden Inn(R), Hilton Grand Vacations Club(R) and Homewood Suites by Hilton(R).