

"wyndham" case study essay



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In order to deal with ways to sustain Wyndham's competitive advantage built by the ByRequest initiative, we first need to get acquainted with its business values; Wyndham's ByRequest program created a comfortable and memorable upscale guest experience and shaped recognition in the industry from a customer service standpoint. Being still a relatively new program, the company was limiting its focus on analysis and thus conducted limited historical study and no collection of a typical demographic data like age, income etc. But while its impact on revenues was still small, it was a success in defining Wyndham's brand. In order to keep and even extend this current competitive advantage over time, the company needs to leverage its growing membership base and better utilize customer service.

The hotel guest of the future will be far savvier and discerning; with the world at his feet and a world of information at his fingertips, the challenge for hotels to sustain connections with guests will only increase. Wyndham is an example to a company where IT is tightly intertwined with business operations and strategy. The adoption of the ByRequest program proved recognition for the dual role of IT in creating operating efficiencies while also driving business insight, innovation, and proprietary advantage. But, the way to achieve and also sustain the business value mentioned above will be based on a combination of management capabilities, assets, expertise and technology.

Technology itself usually cannot provide the required competitive advantage over time given the fact it can be replicated easily. Using even the simplest and cheapest form of Customer Relationship Management (CRM) software mechanisms will help in attracting and keeping customers. Many of these

CRM packages have facilities that help to acquire, retain and grow profitable customers and also maintain healthy, measurable business success. They help to monitor real-time results of marketing campaigns and track action on leads while also controlling external distribution channels. In terms of support, they provide every customer-facing employee access to a complete integrated customer history that is currently missing in ByRequest.

Managers who doubt this financial IT investment should ask themselves if they can afford losing a customer on the grounds of not satisfying his needs. Since the rare resource of a company is its capabilities that create value with the technology, while actively implementing the CRM technology, on top of all the current capabilities and expertise already employed byWyndham, it would be beneficial to add additional supporting business processes such as Newsletters, that can be published weekly or monthly, making sure not to bore the reader with regular issues of nonsense, but highlight the special program services and the company's new moves in the field, Regular follow up calls to identify with the customers and find out how they are doing and regular market/satisfaction surveys that can be sent by e-mail, post online and most important, reviewed regularly by the company. An online guest feedback system can be implemented to help track customer service levels. Believing that taking care of the hotel's employees will result in them taking care of the guests, a natural extension would be to implement an online employee opinion system as well, where employees can complete an online survey to measure their satisfaction and provide an immediate feedback.

A key driver of guest satisfaction is how well employees handle issues that arise during a guest's stay. It is important to keep track on the level of these soft skills; how satisfied employees are with their jobs and whether they feel trained and empowered to resolve guest issues. Many of the enhancements should be Web based, taking advantage of the existed centralized IT infrastructure. Investment in reusable infrastructure will lower costs, decrease risks and improve asset efficiency.

While planning on using web capabilities for building Wyndham's lifecycle management, Web collaboration can be expanded to manage new hotel projects as well (using Autodesk tools for example). The entire design processes for Wyndham's new hotel could be done through the Web; architects, contractors, property managers, and accountants can use the Web to exchange critical information in a number of different formats (Microsoft Excel, Access, Word etc.). This Web collaboration would save costs of shipping documents, would reduce spending on travels to project sites and improve quality of data.

The Web has a simple user interface and there is no need to teach the employees a whole new system. I expect that it will help manage the inventory more effectively, help members understand better the breadth of Wyndham's property and thus, sustain Wyndham's brand value. It will also be beneficial to form a strategic alliance with a premier provider of online distribution of properties. This kind of agreement will increase the online presence of property inventory via new channels, including online travel agents such as Travelocity, Orbitz and Expedia and would help in attracting customers. Some additional capabilities to support the technology could

include workforce assistance in gathering property and area information that will be populated into the brand's Web site, or maybe team members who work closely with Expedia, Travelocity, Orbitz, Priceline, Sabre, Galileo and others to develop and implement strategies that maximize revenues through these channels.

Once participants are locked in and enjoy the benefits from their network participation, it can become difficult for a competitor to induce these participants to switch to a follow-on platform. Besides a technology platform, a competitor would have to commit to changing not only the technologies that carry out the program, but also the underlying business processes and together it definitely creates a significant barrier to imitation.