RapidScale

White Paper
Cloud for Hospitality

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Great customer service used to simply rely on friendly phrases and efficient service. As long as the team was polite and accommodating, guests likely had a happy experience. Today, that's no longer the case, as the growth of technology has affected businesses in all industries. Now, customer service depends on so much more and its success is based on the technology made available to guests. The hospitality industry is quickly realizing its need for greater operational efficiency and improved customer service that acknowledges this increased use of technology. Not only do Wi-Fi needs have to be met, but guests are also expecting extra online tools and personalized services.

Many hospitality organizations have already made the move to cloud computing, as they've realized it can improve the end-user experience while also improving spending and overall internal efficiency. The hospitality industry has never before had a solid, scalable solution that helps businesses avoid spending too much initially on equipment that soon becomes inadequate.

Cloud solutions provide an agile computing environment and services that can be quickly changed to adapt to the needs of hospitality providers.

What's considered "hospitality"?

Hospitality is a broad category of fields within the service industry. These include lodging, event planning, theme parks, transportation, cruise lines, and other fields within the tourism industry. These units include extensive staffs, from facility maintenance to direct operations, which might include servers, housekeepers, porters, kitchen workers, bartenders, management, marketing, human resources, etc. They rely heavily on the availability of customer leisure time and disposable incomes. Hospitality units might include:

Hotels / Motels / Inns / Hostels	Nightclubs
Resorts	Travel Agencies
Amusement Parks	Tour Operators
Restaurants / Bars / Cafes / Pubs	Airlines

The State of Hospitality and Technology

Exceptional customer service and top-quality food tend to be the fundamental pillars of the hospitality industry. And while technology plays an increasingly important role in the industry, it's currently there to enhance, not replace, these core offerings. The tech-driven world has raised guest expectations, and subsequently, the guest experience.

Today, hotel guests are digital natives and owners of multiple Wi-Fi enabled mobile devices, which tend to be a key part of their daily routines. Personalization is huge driving force of new technology adoption for the hospitality industry. In hotels, for example, guests want to be able to connect their own data and log into their own entertainment systems in their room. They want to remain connected to their world and their lifestyle, as well as the hotel and its facilities and offers. A benefit of this is that it provides these businesses with more data on customer behavior and preferences than was previously available.

Unique Challenges for the Industry

• Technology and digital marketing developments are causing these businesses to reevaluate their strategies and approaches

• Social-political events around the world are forcing hotels to respond to loss of markets and drop in demand

• Hotels must ensure that rates for the long-view and short-view support their overall operations

• Guests have heightened expectations for technology and hospitality services

• Hospitality businesses need to find new ways to engage consumers and encourage them to become a guest, establish loyalty, or share their experience

• The pace of change has increased, leaving hospitality questioning how to keep staff trained as new releases are rolled out faster than ever before

The Benefits of Cloud Computing

Customer Service

Guests are used to always being connected – and they expect this connectivity in hotels or restaurants as well. It's important for them to be able to provide online feedback, make reservations or even order food quickly online. These abilities are the differentiating factors between competing businesses – who's taking advantage of the technology available to improve the guest experience?

Specifically regarding guest-facing applications, like spa bookings, room service or entertainment services, businesses can impress guests by simplifying the process. Guests can use any mobile device they have, including laptops, smartphones or tablets, to access these services online. This simply requires Internet access, giving guests the ability to make bookings, offer feedback or order room service anywhere, at any time. With an increasingly tech-savvy society, this will certainly impress customers. Cloud computing improves customer service by making operations easier on the business end. Overall services will be faster, as the IT system will receive immediate upgrades. This means customers will experience decreased waiting times and more personalized service and attention at the business location. Appointments can be booked quicker and administration tasks can be simplified.

Staff Flexibility

Similar to how guests can experience great mobile flexibility, a business' staff will find it easy to access business information and software from anywhere, as long as they have Internet access and a computing device. This helps in unpredictable situations, like when the hotel owner is called away for a last-minute meeting. He can maintain communication with the team and access to any information he needs, while hotel operations continue uninterrupted. This flexibility is a popular aspect of cloud computing, and it's continuing to develop.

Reduced Training

Traditionally, when businesses switch up in-house software and systems, the staff has to get used to new, complex, technical procedures. This requires training, which uses valuable time and money. By moving to the cloud, though, businesses can eliminate these hassles. The cloud provider deals with the technicalities, while the staff and guests experience a familiar, easy-to-use, intuitive system. This helps avoid staff training, while also allowing less tech-savvy employees to easily gain access to the information they need, quickly.

Cost Efficiency
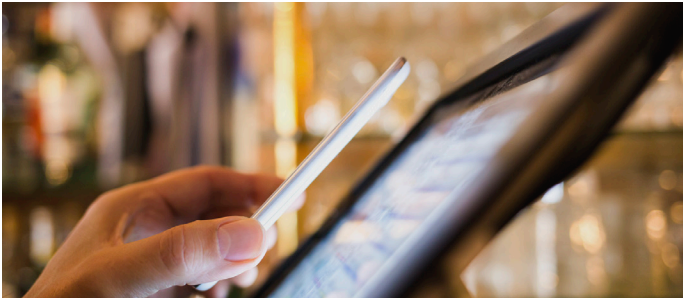
It's especially important in the hospitality industry to be cost efficient in order to remain competitive against other businesses. Luckily, cloud computing for hospitality can save hospitality organizations a lot of money. It actually has the potential to cut 50% of operational costs.

Cloud services are purchased on an "as-needed" basis – also often referred to as a pay-as-you-go plan. This means an establishment can avoid huge upfront costs in hardware, maintenance, power, storage, software and more. Instead, they get these resources as they need them. This scalable service perfectly molds to the ever-changing needs of a business. And as the business saves money, it will also be saving time. Deployment is easier than ever, as it doesn't take weeks to deploy new software or other cloud services. It can truly take a matter of minutes. This means that a hospitality business can operate uninterrupted and constantly use the best technology. Staff members will be able to concentrate on looking after guests, while the provider takes care of the behind-the-scenes work.

Strong Security

Many businesses hesitate to make the move due to fears about data security. There have been endless debates over this topic, but recent studies are showing that the majority of fears are unfounded. Clutch found that 64% of enterprises agreed that cloud infrastructure is more secure than legacy systems. Gartner predicts that through 2020, 95% of cloud security failures will be the customer's fault. And a Thales e-Security study indicated that the majority of organizations plan on transferring sensitive data to the cloud in the next few years. Think about it this way: cloud providers, like RapidScale, must invest seriously in security if they intend to hold customer data. That's the only option! A great provider protects data via multiple layers of both psychical and network security with an expert staff to manage it all.

RapidScale, for example, stores and protects infrastructure and data within geographically diverse and redundant Tier 3 Class 1 data centers that feature both network and physical security measures, including firewalls, encryption, around-the-clock monitoring, and so much more. These layers of cloud safeguards exist to protect data and eliminate threats, and a reliable provider should actually provide greater security controls than an organization could put in place itself.

A Modern Guest Experience

Cloud computing allows businesses like hotels, restaurants or transportation organizations to improve their guest experience. Former Marriott CTO, Barry L. Shuler, said "All major hotel chains will be moving to an infrastructure environment that is as centralized as possible, in terms of application software."

And this is exactly what's happening. Some practical uses include reservation systems and loyalty programs, which directly face the customer. Guests can experience the efficiency of the cloud from the beginning of their stay to the end. For example, a guest can check into her hotel room from her mobile device before even arriving, via an online system. If she wants to book a spa appointment, she can do so online, also

prior to arriving. These benefits expand to ordering room service, booking transportation, viewing special promotions or offers, logging preferences for future visits and more. And of course, at the end of the trip, the guest can simply check out on her smartphone and be on her way. Cloud computing caters to the need for increased access, as guests now expect this type of connectivity from multiple devices, wherever they are.

And personalization of services is key. See how consultant and customer satisfaction lecturer Jonathan Barsky described it: "Imagine you leave your hotel with the lights dimmed half-way, your favorite news station on the television, and the thermostat set at 68 degrees. Then, two weeks later

you return to the same hotel, and you find the room exactly the way you left it, except the room number is different." This personalized model of customer service is the direction the industry is heading, and guests will soon have greater control over their stay and accommodations.

And as these establishments improve the services offered to guests, they gain real-time insights. Cloud computing helps gather data that allows businesses to adapt to ever-changing technology and customer behavior. With these constant updates, an organization can easily enhance its customer interaction and deliver personalized services to guests.

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An Efficient Staff Experience

Internally, cloud computing can reduce overall costs and resource needs, as well as enhance management system capabilities. The clear opportunity of the cloud on the back-end is centrally managing reservations and bookings, inventory, accounts and billings. In addition, the cloud improves time to market of new systems and creates competitive advantages, quick. Better yet, it's easier than ever to analyze all these things.

Software as a Service adoption by the hospitality industry will also greatly increase in coming years. Hospitality organizations can subscribe to software that's ultimately delivered via the Internet. This means that these businesses don't buy the software. They simply rent the applications from a cloud provider and pay for the amount needed. Overall, the upfront investment is lower within the cloud.

When it comes to costs outside of software, cloud is still the clear choice, as there is no hardware or software to purchase upfront. The cloud provider, like RapidScale, purchases the necessary infrastructure, as well as manages the computing resources. The organization's IT team doesn't have to deal with patches, upgrades, performance tuning and other maintenance tasks. Instead, it can focus on delivering business value. Additionally, cloud services are acquired on an as-needed basis, or through a pay-as-you-go plan that leaves the business in control of its spending. These savings can either trickle down to customers, or can be refocused on improving services.

Cloud computing is also adaptable – scalability is one of its most popular features. If a business' computing needs grow due to seasonal demand, it can easily scale the solution up for that period of time, and then scale back again.

About RapidScale

RapidScale, a managed cloud services provider, delivers world-class, secure, and reliable cloud computing solutions to companies of all sizes across the globe. Its state-of-the-art managed CloudDesktop platform and market-leading cloud solutions are the reasons why RapidScale is the provider of choice for leading MSOs, VARs, MSPs, Carriers and Master Agents throughout the United States. RapidScale is not only delivering a service but also innovating advanced solutions and applications for the cloud computing space. RapidScale's innovative solutions include CloudServer, CloudDesktop, CloudOffice, CloudMail, CloudRecovery, CloudApps, and more.

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