



Unique Global Identifiers (UGIs) for the Hospitality Industry

Spring 2010

UGI Committee SWOT Analysis and
Proposal for Governance Committee

Executive Summary

Phased Approach and Governance Committee

HEDNA has driven the Universal Global Identifier concept for several years. During the last few conferences the membership has voiced unanimous acceptance of the concept, anticipating the positive impact UGIs will deliver across our industry. The challenge now is realize that impact by creating and broadly deploying the UGI.

The UGI Committee proposes that HEDNA support the formation of a UGI Governance Committee to take over the concept and ultimately be responsible for the scope and launch of UGIs. This Governance Committee should include hotel companies, distributors, payment processors and other industry associations. HEDNA needs to play a leading role in establishing the Governance Committee. The Governance Committee will assume responsibility for identifying funding approaches, engaging development resources, driving broader industry participation and deployment.

The UGI Committee has also studied the strengths and weaknesses of potential launch groups and recommends that the UGI Governance Committee consider focusing first on Hotel Companies, GDS/Switch and Commission Processors.

We agree that by sequencing the launch of UGIs in a phased approach we can evolve the platform and its applications more effectively than attempting a “big bang” implementation involving the overwhelming number of entities and roles in the industry.

In the next few pages we outline our findings and methodology in more detail.

Study Introduction

Scope for the launch of UGIs

This document outlines the results of an analysis done by the UGI Committee during the spring of 2010 to re-analyze the original scope proposed in “Unique Identifier Study Proposal v8.0” and evaluate different options in which UGIs could be launched (i.e. put a system into production to registrar, manage and distribute UGIs), thus using a phased approach with a defined set of “operational units” that correspond to distinct organizations

This launch would not be a proof of concept but rather a production quality solution to a smaller scale than originally proposed with the overall design and system taking into consideration plans for critical mass release.

Originally the launch of UGIs was proposed in two groups.

We would like to develop an open standard numbering system and process that could be used world wide in a manner that supports all sides of the reservation flow process both pre-stay, during-stay, and post-stay activities and which would thus allow for the increased trade, revenue and harmonization of the reservation processing functions, and eventually become the identification standard for the industry.

To maintain scope and project manageability, entities within the industry have been divided into two groups. Group A are the entities that are required for this project. Group B are other travel related entities that will highly benefit from the results of this project, but will not be directly included into this work group. However, all attempts during this initial project will be to include requirements of Group B so that the end result will truly be a global solution that can address all entities within the travel industry.

This prioritization would allow the project to move forward and reap benefits from the priority entities, which in turn would generate interest and momentum to complete the group B entities. (NB. This priority may be subject to minor changes from the membership during the standards committee review)

Group A	
Travel Agents	On-line or off-line retailers and TMC's
Hotels	Hotel accommodation suppliers
Online Booking Engines	Internet sites providing secure online reservations systems to intermediaries (travel search engines) and the ultimate buyer (the public)
Commission Processing Service Companies	A type of clearinghouse that track and consolidate commissions due to travel agents from multiple hotels and provide single payments in local currency accompanied by detailed activity statements. Ex. Pegasus, WPS, TACS.
GDSs	Computerized reservation networks through which travel entities – travel agents, airline employees or travellers – view data on a wide range of travels services, including air, hotel, auto rental and like services. Example: Amadeus, Galileo, Sabre, Worldspan.
Central Reservations Systems (CRS)	Core systems used by hotel, airline, care and other suppliers to centrally manage reservations from various sales channels.

<i>Property Management Systems (PMS)</i>	<i>Computer systems in a hotel which contains information about available and occupied guestrooms, future reservations and guest charges.</i>
<i>Switch Companies</i>	<i>Provide communication connections, data communication and data reformatting services connecting a hotel chain, representation companies and consortia reservation systems to each of the GDSs . Examples: Pegasus Solutions & WizCom*</i>

Group B	
<i>Air</i>	<i>Air transport providers (airlines)</i>
<i>Car</i>	<i>Car hire companies</i>
<i>Tour operators</i>	<i>Wholesale travel agents who provide combined travel packages including such items as air, hotel, car, excursions, etc.</i>
<i>Travel Software Companies</i>	<i>Industry-related entities that may or may not be involved in the reservation process, but who figure by providing a function of support or process to a hotel function (e.g. content supplies, brochure suppliers, translation services)</i>
<i>Representation Companies</i>	<i>An organization that provides reservation services, including processing of voice reservation requests and/or GDS connectivity for hotels or small hotel companies that prefer not to operate these services and systems themselves.</i>
<i>Travel Search Engines</i>	<i>A site or service that searches a range of other travel sites or search engines for the best price or value for a travel product or a customer.</i>
<i>Third Party Service Providers</i>	<i>Provides private label services – processing of voice reservation requests, GDS connectivity or data processing services for hotel companies which prefer not to operate these services and systems themselves. Examples: VIP International, Lexington, Unirez & Trust International.*</i>
<i>Next Generation GDSs</i>	

** The GDS Trainer's Guide HEDNA 2002*

The HEDNA Board feels that the size of this project may be an intimidating factor and they have requested that the UGI Committee review and propose alternative options that could be considered.

The following companies were present during this study:

Choice	<ul style="list-style-type: none"> • Mike Best
Hilton	<ul style="list-style-type: none"> • Marsha Roach • Jama Ball
HIT Consult	<ul style="list-style-type: none"> • Anton Hell
North Star Travel Media	<ul style="list-style-type: none"> • Beth Koesser
Starwood Hotels	<ul style="list-style-type: none"> • Duncan Kennedy
Prism	<ul style="list-style-type: none"> • Mark Haley
WPS	<ul style="list-style-type: none"> • Laury Behrens
Amadeus	<ul style="list-style-type: none"> • Vishal Arora
Helicopter	<ul style="list-style-type: none"> • Charles Seiheimer
Pegasus	<ul style="list-style-type: none"> • Jennifer Simpson
Worldwide Payment Systems	<ul style="list-style-type: none"> • Laury Behrens
Giata	<ul style="list-style-type: none"> • Andreas Posmeck

With this in mind and due to the nature of this project it was decided to address each grouping using the SWOT analysis tool to evaluate each option's strengths (S) and weaknesses (W) and examining the opportunities (O) and threats (T) the UGI committee identified during this analysis.

After reviewing the original group of segments proposed the UGI Committee has selected the following options to analyze.

- Option 1: Launch Group includes :
 - o Hotel
- Option 2: Launch Group includes :
 - o Hotel
 - o Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
- Option 3: Launch Group includes:
 - o Hotel
 - o Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
 - o GDSs/Switch
- Option 4: Launch Group includes:
 - o Hotel
 - o Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
 - o GDSs/Switch
 - o Commission Processors
- Option 5: Launch Group includes:
 - o Hotel
 - o Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
 - o GDSs/Switch
 - o Commission Processors
 - o OTAs
 - o Publishers/Content
- Option 6: Launch Group includes:
 - o Hotel
 - o Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
 - o GDSs/Switch
 - o Commission Processors
 - o OTAs
 - o Publishers/Content
 - o Travel Agents

UGI Governance Committee

Body to launch UGIs

HEDNA has been the catalyst in launching the concept of Unique Global Identifiers. The UGI Committee recommends that a UGI Governance Committee is formed, for whom members would ultimately be responsible for scope and launch of UGIs and be part of a future non-for-profit alliance to serve as the governance body of UGIs for our industry. This governance committee could contain principal and allied HEDNA members, industry associations such as HEDNA, HTNG, OTA etc and other entities outside of HEDNA membership.

The key in successfully launching UGIs is to create a UGI governance committee both capable of providing resources (capital / human) and achieving critical mass quickly at launch.

The companies agreeing to participation in this governance committee should understand that over time their involvement will change and that for this start-up there will be a need to provide both capital and human resources. and that these human resources would need both strong business and system development profiles (potentially one of each from each company would be necessary during the design phase).

It is the UGI Committee's recommendation that the governance committee should begin with the following tasks:

1.) Solicit core group to establish a 'start up' governance committee

and

2.) Process with the following tasks:

- Knowledge transfer between UGI Committee to UGI governance committee
- Educate and recruit participation.
- Define governance and ownership of UGI
- Define business model(s) and link back to ROI for organizations participating in governance committee.
- Evaluate and define hosting platforms
- Evaluate and define Vendor selection.

SWOT Analysis

The details

Below is a detailed analysis of the different options selected by UGI Committee to analyze.

Option 1: Launch Group includes : <ul style="list-style-type: none"> ○ Hotel ○
<p style="text-align: center;">STRENGTH</p> <ul style="list-style-type: none"> • N/A
<p style="text-align: center;">WEAKNESS</p> <ul style="list-style-type: none"> • Only one segment participating • Not enough critical mass to generate the anticipated benefits
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • N/A
<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> •
<p style="text-align: center;">OTHER NOTES</p> <ul style="list-style-type: none"> • Implies independent hotels stand-alones.

<p>Option 2: Launch Group includes :</p> <ul style="list-style-type: none"> ○ Hotel ○ Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western) ○
<p style="text-align: center;">STRENGTH</p> <ul style="list-style-type: none"> • Others can use property UGI to identify their relationship, brand affiliation to hotel chains, current contact and other information included in attributes. (ex. building up property lists with a new unique hotel identifier, taking into consideration this eventually becomes standard.) • Rep-companies (connect to switches) such as SynXis if when included here critical “in-Between” data may missing, would pass on their UGI through to necessary information for all to benefit • Properties could associate themselves to representation companies.
<p style="text-align: center;">WEAKNESS</p> <ul style="list-style-type: none"> • Not enough critical mass to generate the anticipated benefits • For a hotel company this is just one more identifier where they already have one
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> •
<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> • Commercial risk of failure because the system does not deliver the proposed efficiency effects

<p>Option 3: Launch Group includes:</p> <ul style="list-style-type: none"> ○ Hotel ○ Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western) ○ GDSs/Switch ○
<p style="text-align: center;">STRENGTH</p> <ul style="list-style-type: none"> ● Certain leverage by launch participants to motivate other players to adopt more quickly ● Quick adoption by others can be assumed as it becomes the industry standard ● With GDS's Uniform source of business tracking, especially with Direct Connects. ● With Switch, Uniform source of business tracking starts to really reflect all critical links of data being passed between the sources. ● Others can use property UGI to identify their relationship, brand affiliation to hotel chains, current contact and other information included in attributes. (ex. building up property lists with a new unique hotel identifier, taking into consideration this eventually becomes standard.) ● Rep-companies (connect to switches) such as SynXis if when included here critical "in-Between" data may missing, would pass on their UGI through to necessary information for all to benefit ● Properties could associate themselves to representation companies. ● Others can identify transactions generated by one GDSs
<p style="text-align: center;">WEAKNESS</p> <ul style="list-style-type: none"> ● If not all major hotel chains participate, not seen as an emerging industry standard.
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> ● GDS could use property UGI to manage switch-over process, ROI benefit measurable. ● The Participants would eventually push this solutions into other segments as a requirement ● Reduction of time and effort to manage and maintain different hotel numbering systems. ● Available Business Reports
<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> ●

<p>Option 4: Launch Group includes:</p> <ul style="list-style-type: none"> ○ Hotel ○ Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western) ○ GDSs/Switch ○ Commission Processors ○
<p style="text-align: center;">STRENGTH</p> <ul style="list-style-type: none"> ● Commission Processors can pass through UGI information about suppliers, GDSs / Switch and in addition introduce their own UGI as further reference about payment information. ● <i>Certain leverage by launch participants to motivate other players to adopt more quickly</i> ● <i>Quick adoption by others can be assumed as it becomes the industry standard</i> ● <i>With GDS's Uniform source of business tracking, especially with Direct Connects.</i> ● <i>With Switch, Uniform source of business tracking starts to really reflect all critical links of data being passed between the sources.</i> ● <i>Others can use property UGI to identify their relationship, brand affiliation to hotel chains, current contact and other information included in attributes. (ex. building up property lists with a new unique hotel identifier, taking into consideration this eventually becomes standard.)</i> ● <i>Rep-companies (connect to switches) such as SynXis if when included here critical "in-Between" data may missing, would pass on their UGI through to necessary information for all to benefit</i> ● <i>Properties could associate themselves to representation companies.</i> ● <i>Others can identify transactions generated by one GDSs</i>
<p style="text-align: center;">WEAKNESS</p>
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> ● Problem management improved with information being passed back to Travel Agents.
<p style="text-align: center;">THREATS</p>

Option 5: Launch Group includes:

- Hotel
- Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
- GDSs/Switch
- Commission Processors
- OTAs
- Publishers/Content
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STRENGTH

- A strong test case with measurable results
- As a good portion of Transactions would be covered, benefits of the system would promote wide spread adoption
- *Commission Processors can pass through UGI information about suppliers, GDSs / Switch and in addition introduce their own UGI as further referece about payment information.*
- *Certain leverage by launch participants to motivate other players to adopt more quickly*
- *Quick adoption by others can be assumed as it becomes the industry standard*
- *With GDS´ s Uniform source of business tracking, especially with Direct Connects.*
- *With Switch, Uniform source of business tracking starts to really reflect all critical links of data being passed between the sources.*
- *Others can use property UGI to identify their relationship, brand affiliation to hotel chains, current contact and other information included in attributes. (ex. building up property lists with a new unique hotel identifier, taking into consideration this eventually becomes standard.)*
- *Rep-companies (connect to switches) such as SynXis if when included here critical “in-Between” data may missing, would pass on their UGI through to necessary information for all to benefit*
- *Properties could associate themselves to representation companies.*
- *Others can identify transactions generated by one GDSs*

WEAKNESS

OPPORTUNITIES

- Building a test case for promotion and a clearer cost/benefit

THREATS

Option 6: Launch Group includes:

- Hotel
- Hotel Companies, Representation Companies and Marketing Corporations such as (Best Western)
- GDSs/Switch
- Commission Processors
- OTAs
- Publishers/Content
- Travel Agents
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STRENGTH

- Origination source recorded in the transaction.
- Others can use travel agent UGI to identify their relationship, brand affiliation, to travel agency groups, current contact and other information included in attributes.
- *A strong test case with measurable results*
- *As a good portion of Transactions would be covered, benefits of the system would promote wide spread adoption*
- *Commission Processors can pass through UGI information about suppliers, GDSs / Switch and in addition introduce their own UGI as further referece about payment information.*
- *Certain leverage by launch participants to motivate other players to adopt more quickly*
- *Quick adoption by others can be assumed as it becomes the industry standard*
- *With GDS’s Uniform source of business tracking, especially with Direct Connects.*
- *With Switch, Uniform source of business tracking starts to really reflect all critical links of data being passed between the sources.*
- *Others can use property UGI to identify their relationship, brand affiliation to hotel chains, current contact and other information included in attributes. (ex. building up property lists with a new unique hotel identifier, taking into consideration this eventually becomes standard.)*
- *Rep-companies (connect to switches) such as SynXis if when included here critical “in-Between” data may missing, would pass on their UGI through to necessary information for all to benefit*
- *Properties could associate themselves to representation companies.*
- *Others can identify transactions generated by one GDSs*

WEAKNESS

- Engineered (and maybe over engineered) towards the needs of the participants
-

OPPORTUNITIES

- Available Business Intelligence
-

THREATS

-