Video capabilities can increase productivity and profitability

Hotel operators are beginning to understand the benefits of video in a context other than pay-per-view. Many hotels, like most other public and private facilities, have long had video cameras installed in various locations throughout their properties. The reason for having these cameras was simple; for security. Operators put up cameras in case something happened or to provide their onsite security officers with an extended view of the premises. Today, innovative operators are realizing video isn't just for security and loss prevention anymore; it has become a strategic management tool that can be used to improve customer experience, employee and management productivity, and operational efficiency.

Specifically, what several hoteliers are doing is using the Internet to remotely view live or recorded video from cameras that are located at strategic points within their hotels. By examining this video, general managers, security personnel, operations managers and even owners can all gain a better understanding of what is happening or what happened at any of their properties, anywhere in the world.
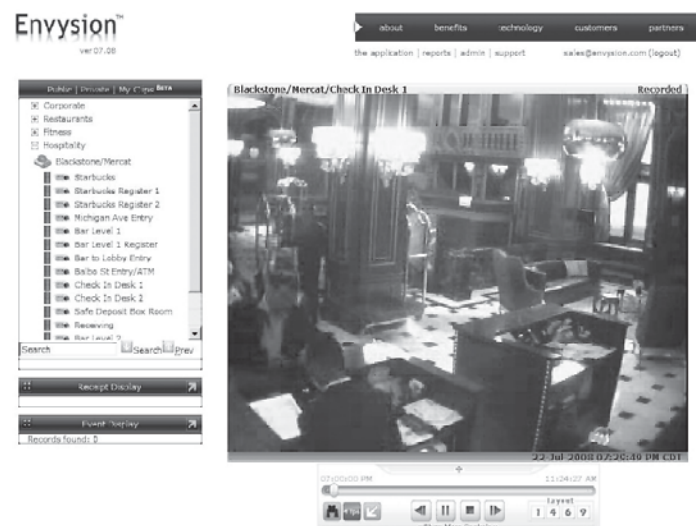
How can video improve operations?

The concept is simple. If a hotel or hotel management company can better understand what is going on at all of their remote locations, they can use that information to improve how they operate, increase their profitability, and improve their guests' experience.

How are hotels using video in practice to improve their operations? Here are a couple of examples:

Improved security. By providing remote access to video from any camera in any location, hotel operators can centralize some of the security functions and will save time and money by eliminating travel to and from different locations for investigative purposes. Parking lots and other locations can be monitored remotely while staff is alone in those areas for added security.

Better resource allocation. Keeping an eye on the front desk, bell stand, concierge desk and hotel entrances to ensure appropriate staffing levels at key time periods during the day enables managers to assess staffing levels and alter their team's schedules as appropriate.

Enhanced loss prevention. Loss prevention groups can improve their effectiveness by tying video to specific transactions at the hotel bar, a restaurant, or at retail locations, remotely examining video of every drink, comp or void that occurred during a given period.

Consistent customer experience. Managers can further ensure their customers are receiving the experience that is intended. They can remotely assess the lobby, the front desk, and other critical areas of the property to ensure they are clean, the lines are not too long, and that the appropriate greetings are taking place. Management can also evaluate customer traffic and flow to identify ways to improve the customer experience.

Increase impact of general managers. Area or regional managers likely spend all of their time visiting each of their locations to coach and train new managers and employees and to assess the customer experience. The traveling managers can increase the number of locations that they can oversee and magnify their impact by augmenting these in-person visits with remote tours to provide feedback on a more frequent basis.

Use data to drive attention to the hotel's most critical events. Video can provide the appropriate context behind the data. By integrating video with business applications, such as point-of-sale or access control systems, operators can see exactly what happened behind any event in their business. Whether it is verifying that an exception transaction is legitimate or checking adherence to standard practices, video provides the context and eliminates the guesswork.

Progressive hotel managers have utilized video in these and other ways as part of their standard operating procedures to drive 1-2 percent of revenue improvements in profitability.

Why haven't hotels already leveraged video in this way?

Broadband has been widely available in hotels for several years. Cameras and video have been in place in many of these locations even longer. Video providers have touted many of the benefits above since the late 1990's. With all of the pieces apparently in place over the past few years, why haven't more hotels already embraced video in a more extensive and meaningful way and realized the predicted gains in profitability? The answer is pretty simple; historically it has been hard.

There are a variety of things that have to be in place before a hotel can fully take advantage of video.

- It has to be easy to use the video (and not just for an expert)
- It has to be easy to manage by the hotel's typically small IT staff
- It can't overwhelm the company's broadband network
- It can't overwhelm the IT organization
- It has to have a very quick and compelling ROI

If any one of these is not true, then it is very unlikely a hotel will widely deploy video and take advantage of its full capabilities. If it is not easy to use with minimal training, video will only be used by a few people in the company. Its use will remain limited to a handful of individuals in the IT or security departments. If it is difficult to manage, then IT will be forced to limit who has access to video and what they can do with it. If it consumes the broadband connection, regardless of the needs of other mission critical applications, IT will never let it occupy the company's network. If it requires more IT resources to manage than a company can justify, it will never be rolled out. If it doesn't have a clear and compelling return on investment, it will never make it off the planning list.

The problem with the video industry to date has been that most video service providers have not adequately addressed these challenges. The solutions available in the market had evolved from VCRs, as most vendors were very hardware oriented. Providers were more focused on improving the speeds and feeds of the hardware at the edge than they were about solving the large scale network and management challenges that faced customers wishing to deploy enterprise-wide solutions. These video solutions were fantastic if you were only going to use the video in the location where it was recorded and were only trying to manage one or two video systems at a time.

How can hoteliers take advantage of video?

In recent years a new category of video provider has begun to emerge. Managed Video as a Service (MVaaS) is a subset of the Software as a Service (SaaS) model of software deployment. In the case of MVaaS, video management software is hosted as a service provided to customers across the Internet. Like other SaaS applications, MVaaS eliminates the need to install and run software on the customer's own computers. MVaaS is often used to address the challenges of managing distributed video systems across multiple locations and to reduce the user's burden of software maintenance, ongoing operation, and support. Because MVaaS is hosted on the Internet, it creates a lower cost value proposition when scaled across multiple locations. MVaaS applications are generally priced on a per user, per camera, or per site subscription basis, eliminating the upfront expense typically required for video software.

MVaaS addresses the issues above and ensures that hotels get the benefits of video without having to manage the complexity. MVaaS providers have the ability to either eliminate the complexities raised above entirely or manage them on behalf of the customers, enabling the customers to focus on the business benefits of video without the hassle of managing a large scale video implementation – taking the benefits of video from promise to reality. MVaaS solutions vary from traditional video systems in a number of ways:

- Plug-and-play recorders eliminate much of the networking complexity and IT requirements at each remote location

- Centralization of user and recorder management provides the ability to easily control access for many users across a large number of locations

- A web-based interface provides easy and ubiquitous access to video in any location from anywhere in the world

- The Software as a Service (SaaS) model eliminates software upgrades and version control and protects customers against technology obsolescence

- Real-time monitoring of all devices (recorders and cameras) ensures customers' systems are fully operational

- Strong network security and adherence to industry requirements, such as PCI compliance, ensure customers aren't exposing themselves to new risks

Summary

Video is becoming a much more strategic tool for business, with hotel operators using it to improve their customer experience and their profitability. The increased scope of video means it has to work for more people across more locations than ever before, which introduces a number of challenges for companies wishing to leverage this capability. MVaaS providers enable hotels, restaurants, and other retail businesses to take advantage of this value without getting bogged down in the implementation and management requirements. This increased use of video can then quickly become part of the standard operating procedure for operationally-focused hotel operators. ✧

(Matt Steinfort is President & CEO of Envysion, an innovator in web-based video management that is redefining video surveillance. The Envysion Video service enables hoteliers to leverage remote video and gives them insight to improve performance in every location, every day. For more information please visit: www.envysion.com.)