

BUSINESS INTELLIGENCE WITH MICROSTRATEGY



Creating Value with Business Intelligence in Hospitality

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Darrel Kammeyer is the Vice President of Industry Solutions for Hospitality, Travel, and Entertainment. With over 22 years of strategic and executional experience, Darrel's specialties include all aspects of casino, hotel, and airline marketing; including frequent flyer, hotel loyalty programs, casino player clubs, yield management, and retail/event promotions.

Darrel has served as a senior level corporate executive and has over 15 years of experience at large publicly held companies including **United Airlines** (Mileage Plus), **Thai Airways International** (Royal Orchid Plus), **Westin Hotel & Resort** (Westin Premier Program), **Trusthouse Forte's** (Business Break Club), **Argosy Gaming**, **Ameristar Casinos**, and the second largest and the world's most profitable casino: **Mohegan Sun**.

Before joining MicroStrategy, Darrel was a Corporate Officer and Vice President of Direct Marketing and Marketing Technologies for **Isle of Capri Casinos**.

Strategic Challenges within the Hospitality Industry:

- Enormous amounts of data in multiple, disparate systems
- Revenue management is dynamic and constantly changing – pricing optimization and forecasting strategies are complex and difficult
- Tremendous challenge in meeting customers' expectations and preferences
 - Constant pressure of capturing, analyzing, and creating the right message/offer using the right medium and at the right time

Business intelligence is simply the people, processes, and technologies that turn data into information. It is the key strategic opportunity for successful hospitality corporations.

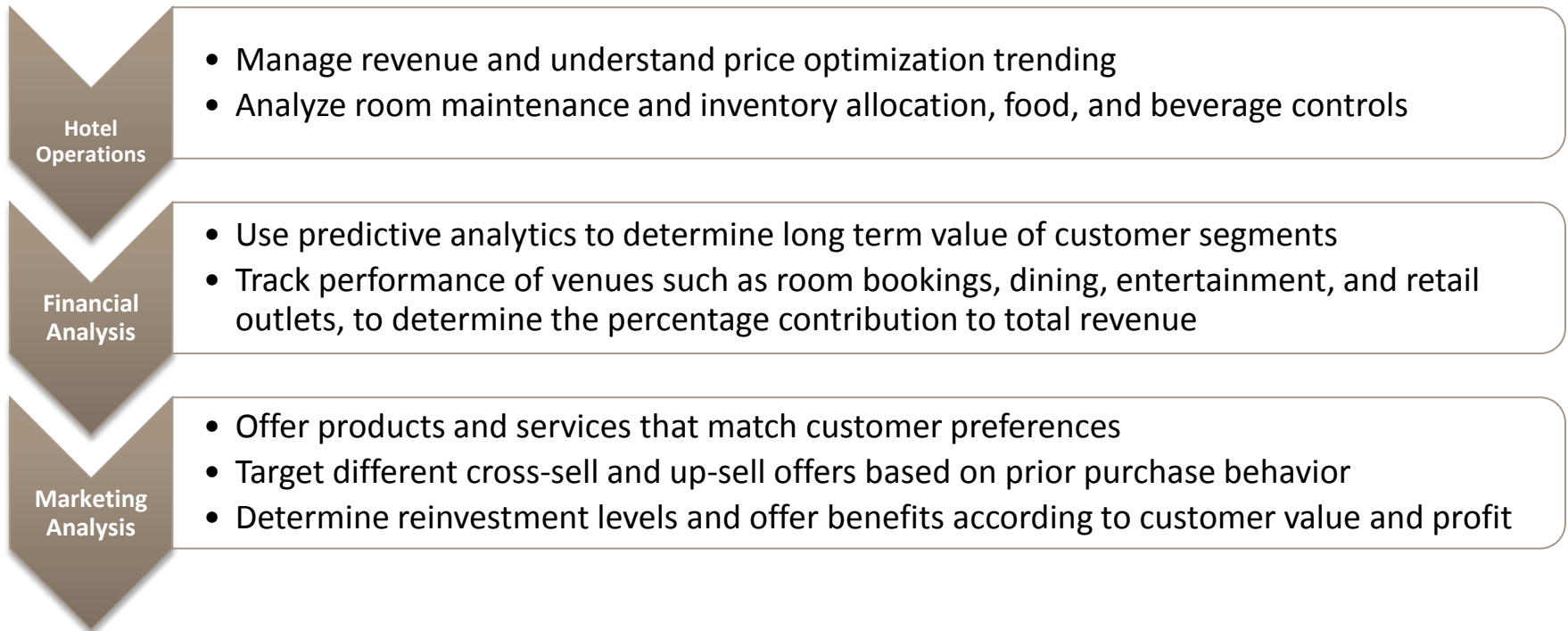
MicroStrategy is Integrated with all Core Processes

- Across the industry
 - From hotel and revenue management, point of sale systems to regulatory agencies, asset managers, credit card and mortgage companies
- Throughout the enterprise
 - Front, middle, and back office operations including hotel revenue management, POS, and CMS systems
- Via various applications
 - Revenue management, patron worth and profitability, guest satisfaction, market analytics, customer segmentation, campaign management



MicroStrategy is the Solution for Hospitality

MicroStrategy is being used by international hospitality corporations to make more effective business decisions



MicroStrategy helps gaming corporations increase efficiency, enhance revenue, retain customers, consolidate businesses, improve productivity, lower operating costs

MicroStrategy Customers in Hospitality & Gaming

MicroStrategy Supports Hospitality & Gaming Companies Worldwide



- Bluegreen Corporation
- Churchill Downs
- Classic Residence by Hyatt
- Codere Argentina
- Codere Spain
- Silverton Casino, LLC
- CryptoLogic
- Horse Racing Ireland
- Trust International
- Starwood Hotels & Resorts
- Marcus Corporation
- Marriott International
- Quadriga Italia
- Quadriga Worldwide
- Resort Condominiums Internacional de Mexico
- RIU Hotels & Resorts
- Wyndham Hotel Group, LLC

MicroStrategy Customer Applications in Hospitality

Sales & Product Analysis

- Customer Spend Analysis
- Service Analysis
- Service Placement Analysis
- Product Bundling
- Service Bundling
- Revenue Analysis
- Revenue Management
- Product Pricing
- Service Pricing
- Product Comps
- Service Comps

Market & Brand Analysis

- Brand Identity Awareness
- Customer Segmentation
- Campaign Analysis
- Campaign Management
- Promotion ROI Analysis
- Customer Reactions
- Promotion Reach
- Promotion Utilization
- Internet Sales Analysis
- Travel Agent Promotion

Revenue Management and Accounting

- Revenue Management
- Occupancy Optimization
- Service Revenue Mgmt
- Service Pricing
- Room Pricing
- Billing Analysis
- Accounts Receivable
- Accounts Payable

Customer Analysis

- Customer Analysis
- Customer Segmentation
- Customer Profitability
- Reinvestment Planning
- Customer Service Analysis
- Customer Up & Cross-Sell
- Customer Spend

Service Analysis

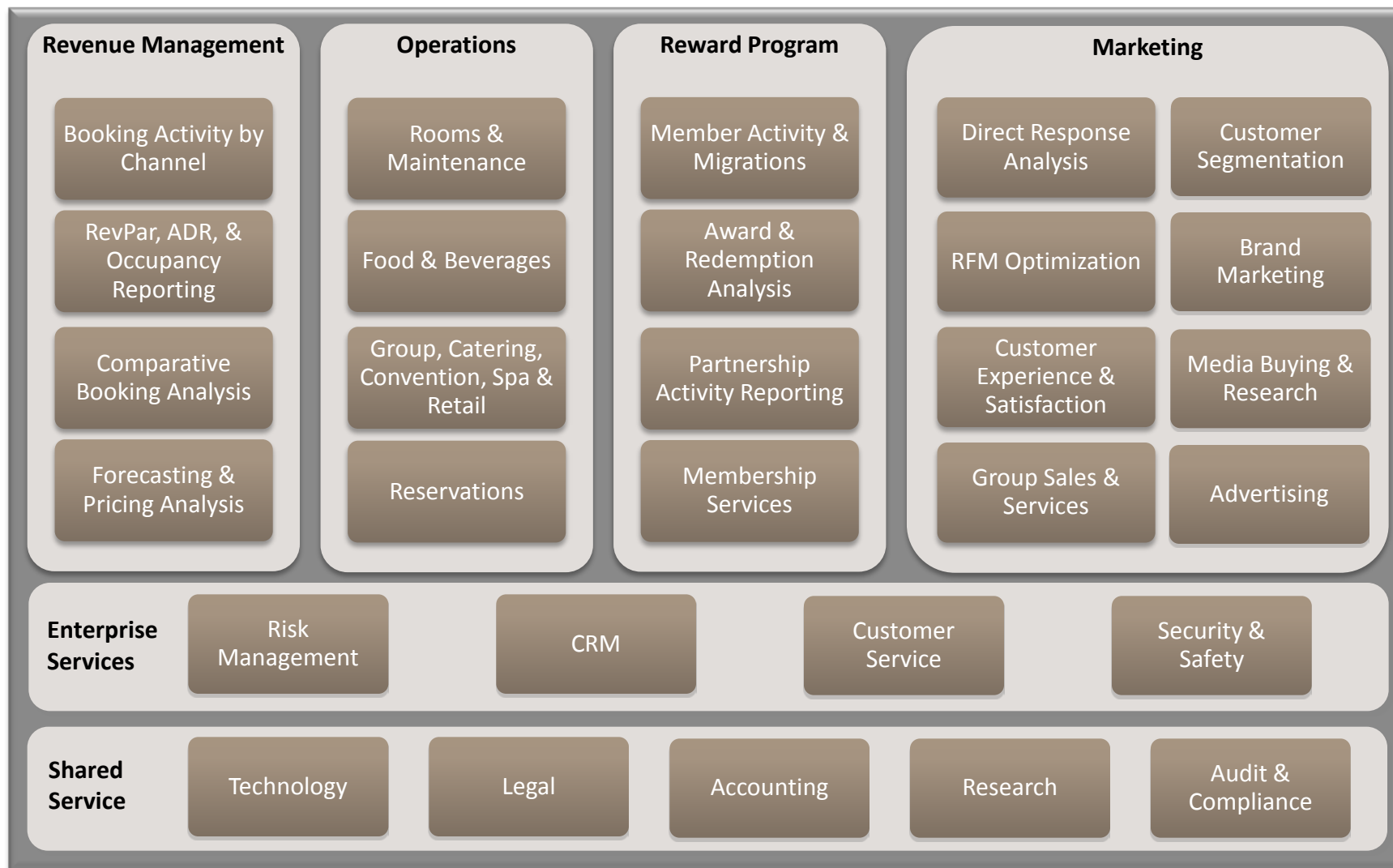
- Service Mix Analysis
- Property Service Offerings
- In-Room Service Analysis
- Customer Preferences
- In-Room Technology
- Service Delivery Times
- Employee Scheduling
- Employee Training



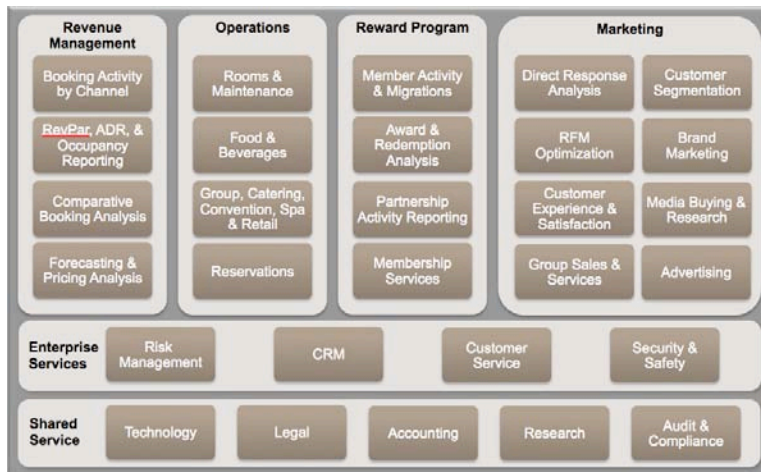
"We are embarking on a significant technology transformation to improve our quality and level of customer service, and MicroStrategy will provide us with important insights to help us build more meaningful, long-term relationships with our guests. With MicroStrategy, our business users can create reports and disseminate them across the organization, enabling us to make strategic, data-driven decisions to improve the guest experience at our properties around the globe."

- *Starwood Hotels*

MicroStrategy Solutions Map for Hospitality – Creates Value Throughout the Industry



Benefits of the Solutions Map for Hospitality



Our value propositions assist in the development of a compelling business case for our hospitality clients

The MicroStrategy Solutions Map:

- Provides focus points to discuss within the vertical
- Promotes an enterprise strategic perspective
- Identifies gaps in the BI application architecture
- Highlights ways of extending existing applications
- Rapidly identifies the pain points within a department
- Presents an overall vision for what could be done

Key Performance Indicators – Hospitality

Hotel

- ADR and Occupancy History
- Seasonal Patterns and Trends
- Current Competitive Fare Positions
- “Look-to-Book” Ratios
- Hotel Revenue
- Margin and Expenses
- RevPAR
- REVPOR
- Win Per Occupied Room
- Hotel Gaming Theo by ADT and ADW

Marketing

- Recency, Frequency & Monetary Value” (RFM)
- Share-of-Wallet
- “Trips” (# of gaming visits)
- Patron Theo
- Customer Churn percentage
- Retention Percentages of Members by Segment or Player Club Tier
- Incremental Revenue Achieved (from event proformas)

Corporate & Property Performance

- Net and Gross Revenues
- Operating Income
- EBITDA
- GGR
- Earnings Per Share
- Depreciation and Amortization

Food & Beverage

- Number of Covers
- Avg Check Per Patron
- Cost PerCover
- # Table Turns

Value Proposition of MicroStrategy for Hospitality

1. Maximize revenue and yielding of rooms

- Better insight of customer route activity and pricing
- Understand the impact of competitive schedule data and new product offerings
- Improve demand forecasting models

2. Enhance operating efficiency

- Move operational systems toward an integrated EDW
- Prioritize operational projects by revenue impact and customer satisfaction

3. Increase customer profitability

- Enhance customer segmentation & campaign management breakeven reporting
- Reward more customers to use efficient technologies to lower operating costs (e.g., online reservations, hotel kiosks, and IVR bookings)

4. Improve customer satisfaction

- Better target offers to the right segments, at the right time
- Encourage and reward profitable behaviors
- Deploy real time customer service applications to improve convenience

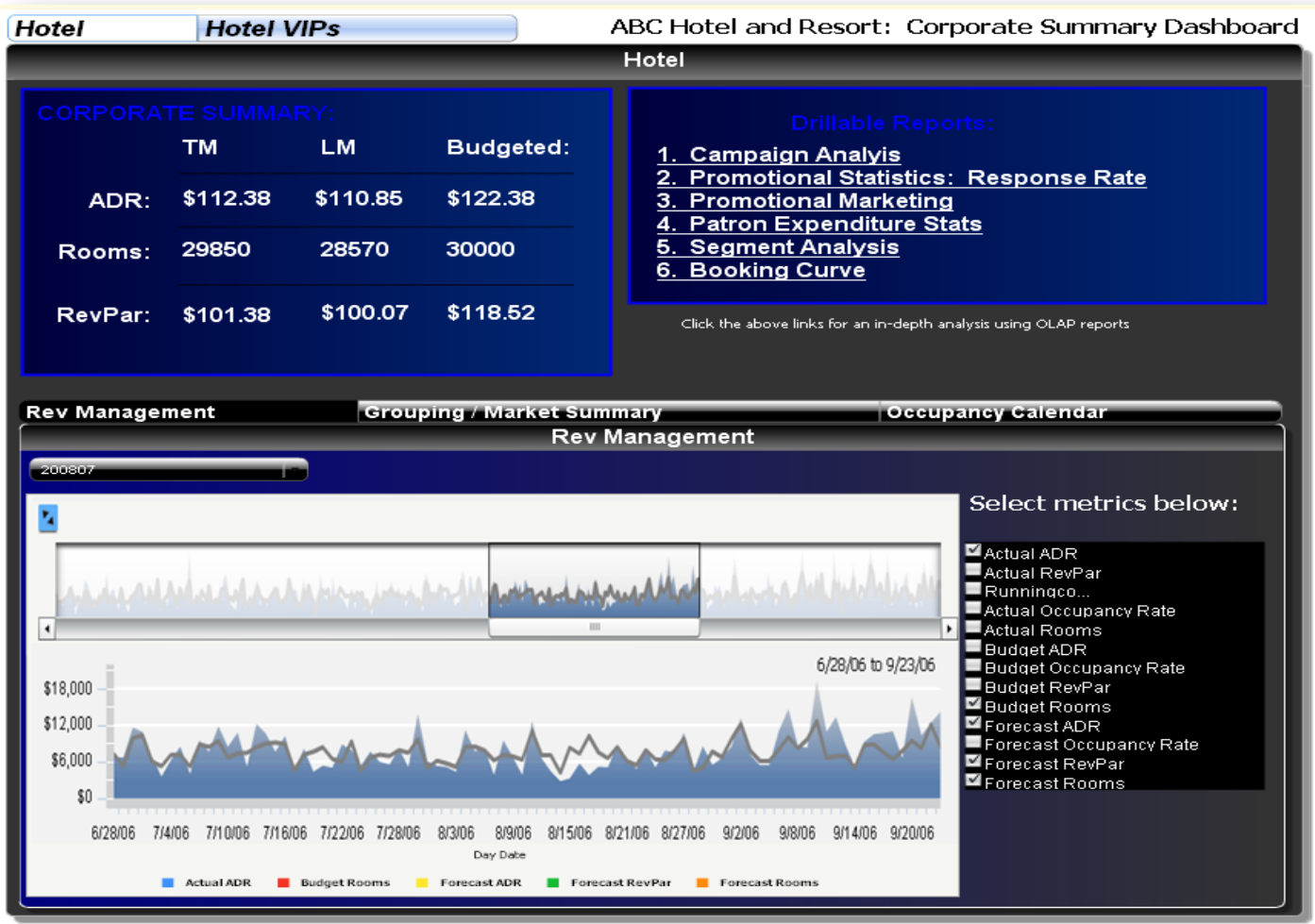
5. Satisfy safety, maintenance, and regulatory requirements

Revenue Management Reporting Example – “Before” MicroStrategy

As of: X	EXAMPLE	Today = 0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
THE OLD WAY OF DOING RM	Date	8/8/2008	8/9/2008	8/10/2008	8/11/2008	8/12/2008	8/13/2008	8/14/2008	8/15/2008	8/16/2008	8/17/2008	8/18/2008	8/19/2008	8/20/2008	8/21/2008	8/22/2008
"Let's Bang Some Rocks Together"	Day of Week	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Week# 22																
Events		Carol Merryll	AGY	Jonny Carson	Piasa	The										
Bar performer		Bob Ubanks	David Young	Daniel Boone	Town	Osmonds	Cats	Rats	Ducks	Grease	Chicago					
			Boxed													
Rates		99	299	200	200	155	102	210	99	499	499	100	220/220/304	220/300	249	189
Rooms	Left	x	TC539	TC490	TC1050	TC5150	TC5150	TC5150	DD5150	DD6540	CDD108		TC5105	TC4010	TC1020	LXLOW
HOTEL X		3000	3300	3300	3300	3300	3300	3300	3300	3300	3300	2209	999	999	999	99
Out-of-Order		20	19	19	19	0	5	0	0	0	0	0	0	5	0	5
Off-the-Markets		10	12	12	12	0	0	16	0	5	0	5	0	0	0	0
Available		2170	2167	2167	2167	2210	2210	2210	2210	2210	2210	2210	2210	2210	2210	2210
Previous Day Occupied Rooms		2170	2167	2167	2167	2219	2100	2100	2100	2100	2100	2100	2100	2100	2100	2100
		975	1162	951	942	908	809	760	752	684	782	634	770	816	622	348
Arrivals		5	75	75	75	75	75	75	229	220	900	800	600	600	638	788
Res		822	1209	668	962	686	609	712	798	833	927	853	865	678	755	789
Depart		807	907	847	744	578	483	367	410	470	374	557	337	233	602	490
Vacancies		19	0	0	93	0	14	0	0	0	0	150	0	0	0	80
Offers of	x	700	900	900	750	850	400	1000	1000	1000	1000	1000	900	700	600	600
Decliner	x	-	-	5	-	7	2--	3	55	8-	99	16	22	4--	646	3
Room	comparisons	700	500	400	300	200	100	700	600	500	292	430	700	5000	300	700
		50	40	300	0	4	3	9	77	8	0	557	0	0	602	0
		844	975	838	956	927	859	642	844	975	838	956	927	859	642	844
		99%	100%	100%	92%	100%	99%	100%	100%	100%	100%	87%	100%	100%	100%	93%
Forecast -		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Occupied Rooms		11.5	12.3	13.9	2200	2240	600	300	500	600	700	800	900	1000	200	300
Walk ins		5	20	30	40	50	60	70	80	90	100	200	300	400	500	600
Transient		120	85	152	78	155	130	132	92	83	151	54	64	76	74	91
		50	-4			-20			-20	20	-75	40	-23	-30		
Totals		185	89	194	101	195	185	186	143	134	166	143	130	122	159	200

- Hard to comprehend
- Difficult, if not impossible, to forecast
- Limited Information
- Can't drill for details
- Can't see patterns or trends

BI Revenue Management Dashboard Example – “After” MicroStrategy



- Consume information easily
- Evaluate trends quickly
- Drill for details
- Customize metrics per division/department
- Automatically update
- E-mail out to colleagues

Shifting BI to the Front Lines is Revolutionizing the Hospitality Industry



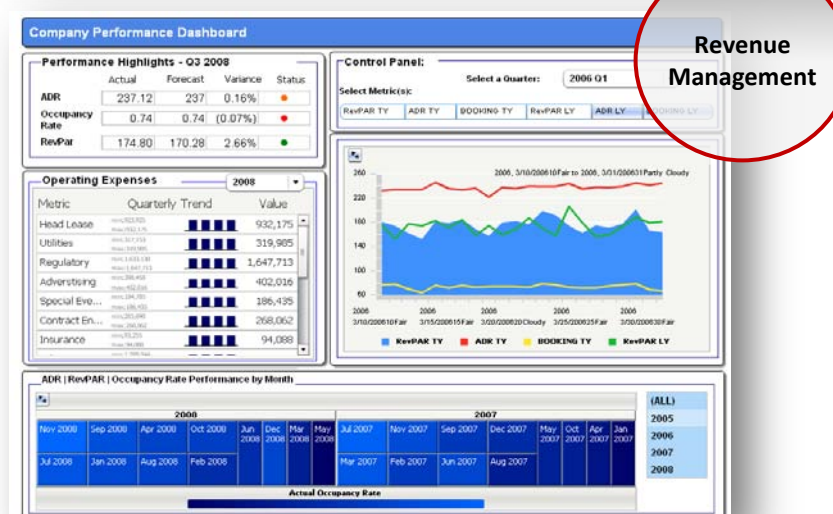
Market Penetration



Game Analysis



Corporate Performance



MicroStrategy is Uniquely Suited for Hospitality

Why invest in MicroStrategy?

Successful operators must be able to track, trend, and predict corporate and property performance while maintaining customer profitability. MicroStrategy is the best strategic decision your company can make for your investment dollar, enabling better business decisions through new insights, directly impacting your bottom line.

To learn more about
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Hospitality Solutions,
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MicroStrategy provides:

- Dynamic dashboards and easy-to-use analysis for hotel and casino operations, revenue management, marketing, sales, catering, and corporate
- Alerting, proactive notifications, and instant reports for front line staff, player development, call center, hotel, room service, retail, and customer service
- Deep analytics and advanced ad hoc query and reporting tools for revenue management, database marketing, and financial analysis