WORKING GROUP CHARTER
REQUEST FOR APPROVAL

1. Working Group Name:
   Hotel Analytics Group

2. Approval Requested. Check one.
   - New working group (approval)
   - [X] Existing working group (re-charter)

3. Chairperson(s). Name, title and company.
   - Matthew Goulden, Triometric
   - Josh Galun, Excella
   - Nitin Bajaj, NTT Data

4. Board Liaison(s). Name, title and company. May be a chairperson.
   - Audrey Murante

5. Date of Request: January 31, 2019
   Date of submission to HEDNA board for approval.

6. Requested Charter Length: 12 months

   Initial charter is for a maximum of 24 months. Working groups may be re-chartered at the end of the charter term, either to complete their initial objectives, or to progress to subsequent phases. Charter duration begins upon first official posted working group meeting.

   The re-charter proposal is for the group to continue its work over a period of the next 12 month with its particular focus on practical advice on how distribution analytics can be implemented and deliver real and practical value to a hotel and/or hotel group. Work will continue to complete the “Investing in Analytics” white paper (due for presentation in LA) and its later promotion. At HEDNA Madrid work will commence on Best practice & Guidelines deliverables with the schedule of completing and promoting them in 2019 and a likely presentation of the findings and work at HEDNA LA 2020.
7. **Vision.** *Briefly describe the goal (optimal future state) and reason for existence.*

A successful Analytics Workgroup will raise awareness of the opportunities data analysis brings and thereby empower hoteliers to gather, analyse and effectively use their data to make intelligent decisions about their distribution strategies and to ensure these deliver real value to their organisations.

8. **Mission.** *Briefly describe at a high level what the working group will do, for whom, and how.*

Hoteliers, technology providers and consultant members are welcome to join, support and contribute to the working group. The group offers a forum for sharing:

- Reviews on the state of data analysis in hotel distribution/occupancy
- Ideas on current and emerging innovation in data analytics specifically for hotels
- Best practice examples of data analysis and the value it brings in distribution and other key areas.

The group’s mission is

- To increase awareness and adoption of data analytic practices and tools
- To demonstrate how data analytics can be applied to hotel distribution

9. **Business Problem.** *Briefly outline the business problem(s) that the working group will address. Do not describe the solution.*

The perishable nature of the hotel product means hotel distribution is a race against time. The need to manage occupancy to optimise revenue starts by mastering distribution as well as marketing and revenue management practices. Then there is the urgency to keep IT operations optimised with its complex web of APIs and networks with powerful intermediaries, switches and GDSs at the centre. Data is the crucial ingredient to retaining control of pricing, inventory and customer relationships, and being able to compete effectively. But what data is needed to answer key questions, how can it be obtained and how can it be best applied in daily operational and commercial decision making is a key challenge. HEDNA is ideally placed to use the expertise of its membership to address the challenge and identify best practices for industry adoption of data analytics.
The following are four examples, where Hotel chains large or small today do not have sufficient visibility:

1. **Distribution Channel Performance** – Hotels need to fully understand the relative costs of direct and indirect distribution channels and their respective models and costs (i.e. commission or advertising-based). With limited insight hotels have difficulty comparing or benchmarking the different types of channels and identifying those that deliver the best returns in terms of value against the costs involved.

2. **Market Trends** – In a climate of high look to book ratios, hotels can lack insight into the spectrum of which products / destinations are being searched for, by channel and how they convert. This makes it difficult sometimes to spot market trends and opportunities ahead of the competition.

3. **Distribution Supply Insight** – Many hotels are dependent on third parties for the provision of distribution data and this information asymmetry puts hotels at a disadvantage. With reliance on third party channels or the GDSs to provide the data, often historical and not in real-time, many hotels are restricted in their ability to verify the accuracy and understand the effectiveness of channels and to fully understand the complete distribution picture.

4. **Operational Performance** – the travel market revolves around speed and accuracy. Greater visibility is needed in real-time IT operations and connectivity performance to ensure product searches are not missed and booking engines are keeping up with fluctuating demands. Poor responsiveness and errors is the cause of serious lost revenue opportunities. With continuous high look to book ratios, infrastructure monitoring and capacity management are important considerations.

**Objectives.** *Briefly outline the specific objectives of the working group.*

The key objective of the Work Group is to help Hoteliers exploit the commercial value residing in their data. This can be done by helping them apply data analysis in the way they conduct their distribution, revenue management and marketing functions. The group will:

- Raise awareness of what type of data can be analysed, the insights to be gained
Inform about potential analytical processes, tools and innovations that can be deployed
Illustrate how and where data analysis can help achieve real returns (RoI)
Develop best practice insights.

Deliverables. Identify key deliverables and end results, including dates for each. Deliverables may include, amongst other things, internal documentation, external facing progress statements, white papers, best practices and guidelines. Working groups should produce the first deliverable within 6 months, and at least one publication every 12 months.

Deliverables:
The following are proposed deliverables to be agreed and refined with HEDNA Board and Workgroup partners.

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Details</th>
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<tbody>
<tr>
<td>1. Charter Approval</td>
<td>Feb 2019</td>
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<tr>
<td>2. White Paper - No. 2 Investing In Analytics, draft –</td>
<td>Jan, 2019</td>
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<tr>
<td>- white paper documenting key considerations when embarking on analytics projects and investments</td>
<td>NA Winter conference (Jan 2019)</td>
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<td>3. WP #2 Completion &amp; Promotion on social media and webinar</td>
<td>Q2, 2019</td>
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<td>- Completion of WP</td>
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<td>- Sharing workgroup output with wider industry audience, or those not able to attend the conference workshop.</td>
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<td>4. Best Practice &amp; Guidelines</td>
<td>Q2, 2019</td>
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<td>- Focus Group work group interviewing hoteliers on best practice</td>
<td>Work Group session for HEDNA Madrid</td>
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<td>- Development of HEDNA Madrid Focus group session key takeaways</td>
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<td>5. Best Practice &amp; Guidelines</td>
<td>Q3&amp;Q4, 2019</td>
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<tr>
<td>- Interviewing and documenting of Hoteliers experience in their specific Best Practice expert domain</td>
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<td>- Leading to development of Best Practice expert blogs</td>
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<td>- Production of Best Practice blog compendium</td>
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<td>5. BP &amp; G Promotion with social media and webinar</td>
<td>Q4 2019</td>
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<td>6. Best Practice &amp; Guidelines</td>
<td>Jan, 2020</td>
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<td>- Presentation at HEDNA LA</td>
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10. **Future Phases** The initial charter should be identified as future phases that will be subject to extension of the working group charter. To the extent possible, describe any future phases expected for the working group.

TBD

11. **Issues / Concerns.** Identify issues or concerns requiring board consideration, such as potential conflicts of interest or issues that contravene HEDNA’s code of conduct.

No issues or concerns have been identified at this time.

12. **Meeting Plans.** Outline the expected frequency and format of working group meetings, including webex, in-person meetings and conference calls.

Meetings will be scheduled according to HEDNA’s normal Workgroup meeting process and format. We have proposed Workgroup meeting at the next 3 HEDNA conferences as well as Webex presentations for those that cannot attend in person.

13. **Deviation from Working Group Norms.**

We do not anticipate deviation from the norms.

14. **Working Group Composition.** Identify the required and desired companies to participate in the working group. Ideally, specific companies should be identified but participants may also be classified by business type, sector, geography, or other category. To the extent that specific individuals are identified or confirmed, please note accordingly.

**Required Participants:**

- Triometric, Excella Consulting & NTT Data

**Desirable Participants:**

- Hotels
- Distribution Switches (such as DHISCO)
- Channel Managers (such as Siteminder)
15. Project Plan: Outline the project plan for the working group, including timelines for major deliverables. This should be in sufficient detail to enable the board to assess the planned approach, feasibility and timing, and to enable the working group members to see a clear path to completion, understand their role and schedule their time accordingly.

See attached initial Project Plan (PDF), based on the identified Deliverables.

Deliverables and Milestones by Quarter:

2018

Q1 – Analysis of survey results
- Development of survey findings white paper
- Development of survey findings presentation
- Delivery of presentation at HEDNA Austin

Q2 – Recruitment and induction of 2 new co-chairs and new members
- Formulation of the outline of white paper #2 “Investing in Analytics”
- Review and agreement to outline by hoteliers in HEDNA Hotel Analytics Working Group

Q3 & Q4 – Formulation of 3 sub-groups to for development of specific white paper sections
- Creation of drafts of all “Investing in Analytics” white paper sections for cross team peer review

2019

Q1 – Review, sub-editing and completion of “Investing in Analytics” draft white paper
- Development of Investing in Analytics work group presentation for HEDNA LA:
  - White paper presentation
  - Analytics use case group session (forms part of the white paper)
Best Practices & Guidelines group discussion

Q2 – Completion of “Investing in Analytics” white paper
- Promotion of white paper
  - Press, social media, blogs, HEDNA email distribution
  - Webinar for HEDNA and non-HEDNA audience
- Formulation of Best Practices & Guidelines deliverables
- Best Practices & Guidelines Focus group session at HEDNA Madrid

Q3 & Q4 - Development of HEDNA Madrid Focus group session key takeaways
- Interview and documenting of Hoteliers experience in their specific Best Practice expert domain
- Development of Best Practice expert blogs
- Production of Best Practice blog compendium
- Promotion of Best Practices & Guidelines collateral
  - Press, social media, blogs, HEDNA email distribution
  - Q3 - HEDNA Best Practices & Guidelines webinar for HEDNA and non-HEDNA audience

2020
Q1 – Presentation of Best Practices & Guidelines collateral at HEDNA LA