# Reinventing the NETWORK

The only constant is change.

**Hospitality Market Solutions** 



# ADIRAN Agenda

- Industry Overview
  - Categories and Definitions
  - Technology Budgets and Priorities
  - Hospitality Objectives
- ADTRAN Positioning
- Solutions
- Certification
- Success Story
- Marketing











# Industry Overview





## Hospitality Industry Categories

- Hotels and motels
  - Resorts
  - Full-service hotels
  - Select-service hotels
  - Limited-service hotels
  - Outside entry hotels/motels





# Hotel Type Definitions

HOTEL AMENITY PORTFOLIO BY HOTEL TYPE										
HOTEL TYPE	BUSINESS	EVENTS	TECHNOLOGY	RESTAURANT	OTHER	FAMILY & REC				
RESORT	<ul><li>Conference</li><li>Trade Shows</li><li>Meeting rooms</li></ul>	<ul><li>Weddings</li><li>Banquets</li><li>Catering</li></ul>	<ul> <li>Luxury –         HDTVs in         bathrooms</li> <li>High speed         internet</li> </ul>	<ul><li>Multiple</li><li>Variety of Food Types</li><li>Cocktail lounges</li></ul>	<ul> <li>Fireplace</li> <li>Views</li> <li>Private balcony</li> <li>Spas</li> <li>Boutiques</li> <li>Luxury Rooms/ Suites</li> </ul>	<ul><li>Golf</li><li>Beach</li><li>Hiking</li><li>Skiing</li><li>Tennis, etc.</li></ul>				
The Inn at Spanish Bay, Pebble Beach, CA ● Tanque Verde Ranch, Tucson, AZ ● Sanctuary at Kiawah Island Golf Resort, SC										
FULL- SERVICE	<ul><li>Meeting rooms</li><li>24 Hr Business Center</li></ul>	<ul><li>Elaborate Banquet Rooms</li><li>Catering</li></ul>	<ul><li>Kiosk check-in</li><li>High speed internet</li></ul>	<ul><li>Extended Room Service</li><li>Cocktail lounge</li></ul>	<ul><li>Spas</li><li>Boutiques</li><li>Fitness Center</li><li>Baby Services</li><li>Comfy Rooms/ Suites</li></ul>	<ul><li>Golf</li><li>Family     Activities</li><li>Pools</li></ul>				
Ritz-Carlton ● Hyatt ● Marriott ● Hilton ● Embassy Suites										
SELECT SERVICE	Business     Center	Less     Elaborate     Banquet     Rooms	High speed internet	Generally one restaurant	Room quality similar to full-service					
Hilton Garden Inn   Courtyard by Marriott   Hyatt Place										
LIMITED SERVICE	Small     business     center		<ul><li>Cable TV</li><li>Internet</li></ul>	Limited     options for     drinking,     dining	<ul> <li>Room microwaves &amp; mini-fridge</li> <li>Guest laundry</li> <li>Basic room quality</li> </ul>					
SpringHill Suites ● Fairfield Inn ● Hampton Inn ● Holiday Inn Express ● Comfort Inn										

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## What's Important to Guests



#### Most Important Hotel Amenities for U.S. Travelers:

- 1. Free In-Room Wi-Fi (89%)
- 2. Free Parking (89%)
- 3. Free Breakfast (84%)
- 4. Free Personal Care Items (72%)
- 5. Free Lobby Wi-Fi (71%)



# ADDRAN Top 10 Technology Trends

- Device and Entertainment Autonomy
  - Hotel guests travel with personal devices, information & entertainment content
- 2. The New Perks
  - Business Bar with iPads and iPad Minis
- 3. Service automation
- 4. Digital signage replacing printed signs
- 5. Meeting spaces go high tech
  - Planners electronically communicate with hotels
  - Facilitating the conversation between planners and the hotel











# ADDRAN Top 10 Technology Trends

#### 6. Free Wi-Fi

• 85% of travelers believe Wi-Fi in hotels should be free (Source: SmartBrief poll)

#### 7. The lobby as a tech hub

 No more waiting in line for answers to simple questions

#### 8. The role of social media

 Hotels keeping up with reviews, comments, reactions

#### 9. Technology as luxury

 High-definition TVs embedded in bathroom mirrors

# 10. The office away from the office

 Half-day, full-day meeting spaces









# Technology Budgets by Hotel Type

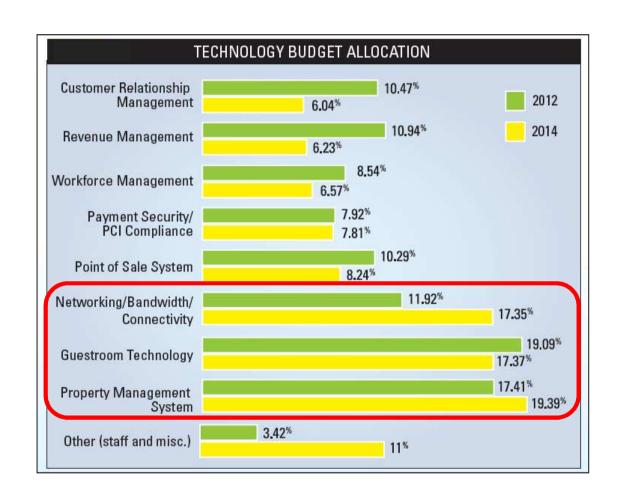
TECHNOLOGY BUDGETS IN THE LODGING INDUSTRY										
INDUSTRY SEGMENT	MEAN	MEDIAN	MINIMUM	MAXIMUM	OORPORATE- LEVEL MEAN	CORPORATE- LEVEL MEDIAN				
LUXURY	\$592,000	\$300,000	\$110,000	\$2M	\$22M	\$7.5M				
UPSCALE	\$286,000	\$250,000	\$20,000	\$700,000	\$1.5M	\$325,000				
MIDSCALE	\$148,000	\$18,000	\$1,000	\$900,000	\$450,000	\$30,000				
ECONOMY	\$135,000	\$135,000	\$20,000	\$250,000	\$250,000	\$250,000				
INDUSTRY- WIDE	\$290,000	\$175,000	\$38,000	\$962,500	\$7.9M	\$2M				

Mean: per property, per year

Source: Lodging Technology Study: Hotel Technology in 2014: Funding a Hyper-Connection

# **Technology Budget Allocation**

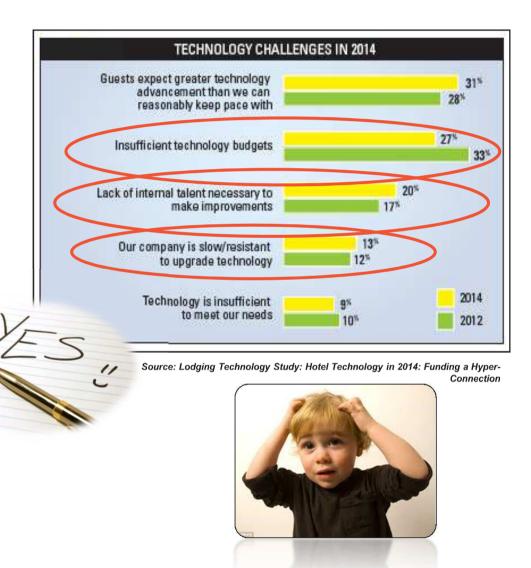
- Top Drivers of Hotel Technology Spend
  - Networking/Bandwidth/Connectivity
  - Guestroom
     Technology
  - PropertyManagementSystem



Source: Lodging Technology Study: Hotel Technology in 2014: Funding a Hyper-Connection

# ADIRAN IT Challenges

- Need to expand/upgrade the Wi-Fi network to support more devices
- Support high-bandwidth applications
- Migrate to VoIP to enhance guest experience and cut costs
- Enhance cabling infrastructure
- Working within technology budgets and determining priorities
- Lack of sufficient IT staff





## Top 5 Hospitality Objectives



1. Increase Revenue



2. Enhance Guest Experience



3. Improve Operational Efficiency



4. Reduce Costs



5. Gain Competitive Advantage

Source: Lodging Technology Study: Hotel Technology in 2014: Funding a Hyper-Connection

# **ADTRAN Positioning**





## **ADTRAN** Positioning



ADTRAN is reinventing hospitality networks enabling a Gigabit future.

#### Our networking solutions are:

- **Comprehensive**: Include VoIP, wireless, LAN, WAN, and Fiber combined with Full Lifecycle Services
- Carrier-class: High Quality, Reliable, and Secure trusted by leading service providers
- **Competitive**: Feature-rich, cost-effective, industry-leading warranties, world-class technical support, combined with Managed Services and Help Desk



# Addressing the Hospitality Objectives

- ADTRAN solutions are focused on
  - Enhancing Guest Experience
  - Reducing Costs
  - Improving Operational Efficiency
- By helping in the areas above, ADTRAN will help the hospitality industry <u>Gain Competitive</u> <u>Advantage</u> and <u>Increase Revenue</u>
- How do we help? With comprehensive ADTRAN solutions...







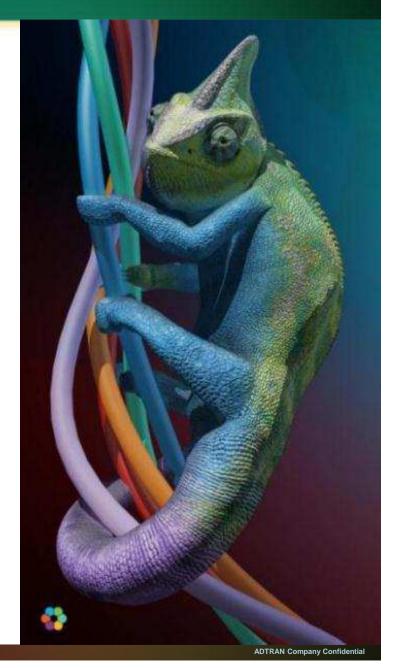
# Hospitality Solutions



#### ADLRAN

## Reinventing Hospitality Networks

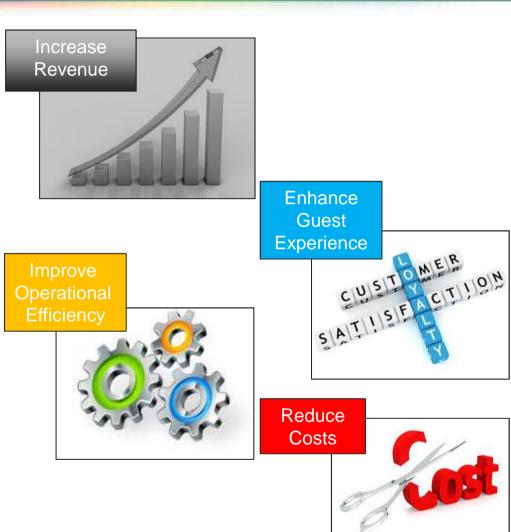
- Cloud-based Wi-Fi
- Fully Managed, Worry-free Wi-Fi
- Enhanced Switch Infrastructure
- High Performance Cloud Connectivity
- Repurpose Existing Cabling
- Moving to a Gigabit Future
- Full Lifecycle Services



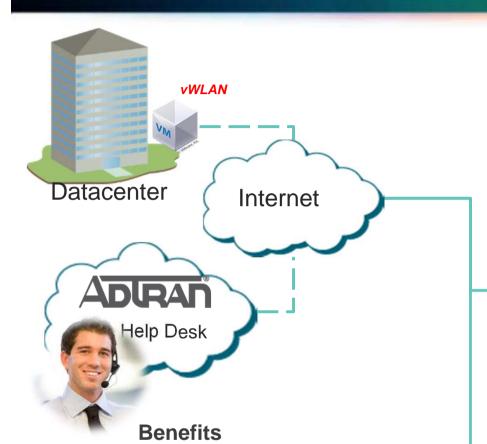
#### Cloud-based, Scalable Wi-Fi

#### Virtual Wireless LAN (vWLAN)

- Quickly and easily scale
- Centralized management for multiple properties
- Built-in Multi-tenant capability
- Business continuity with built-in high availability
- Built-in guest access and wireless IDS
- Portfolio of high-performance APs
- Help Desk to support guests (optional)
- ProServices for full Lifecycle support (optional)



## Cloud-based, Scalable Wi-Fi



- Reliable and secure Wi-Fi
- Consistent guest experience
- Support multiple brands
- Optimize coverage and costs
- Leverage ADTRAN ProServices



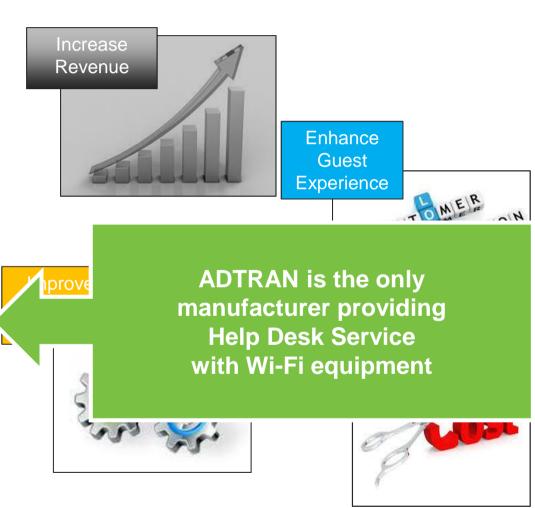


Router

## ProCloud Wi-Fi — Worry-free Wi-Fi

#### Cloud Hosted and Fully Managed, Business-class Wi-Fi Service

- Guaranteed 99.99% uptime
- Secure, reliable Wi-Fi access for guests and staff
- Scale across multiple properties
- No Wi-Fi technical expertise needed on-site
- Optional Help Desk
  - 24x7 support to resolve guest connectivity issues
- Freedom to migrate





## Worry-Free Fully Managed Wi-Fi





#### **Benefits**

- Highly reliable (99.99% Uptime) and secure Wi-Fi
- Exceed guest expectations
- Offload IT burdens
- Reduce CAPEX and OPEX
- Leverage ADTRAN ProServices for planning and implementation



Router



## Increasing Bandwidth

# High-speed Connectivity Router/Firewall Solutions

- Higher bandwidths (up to 1 Gigabit)
- Multiple technologies (Metro Ethernet, Fiber, VDSL2 or Broadband)
- Enhanced Security (stateful firewall, VPN)
- RapidRoute for increased performance

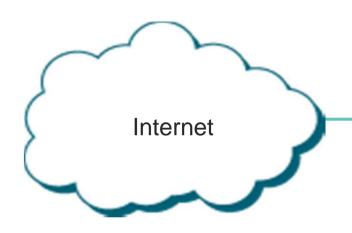








# Increasing Bandwidth





- Improve guest Internet experience
- Higher bandwidths (up to 1 Gigabit)
- RapidRoute for increased performance
- Stateful Firewall



(100 – 750 Mbps)

NetVanta 4430



(1 Gbps)

NetVanta 5410

Router

# Repurposing Existing Cabling

#### ActivReach on the NetVanta 1235P/1535P

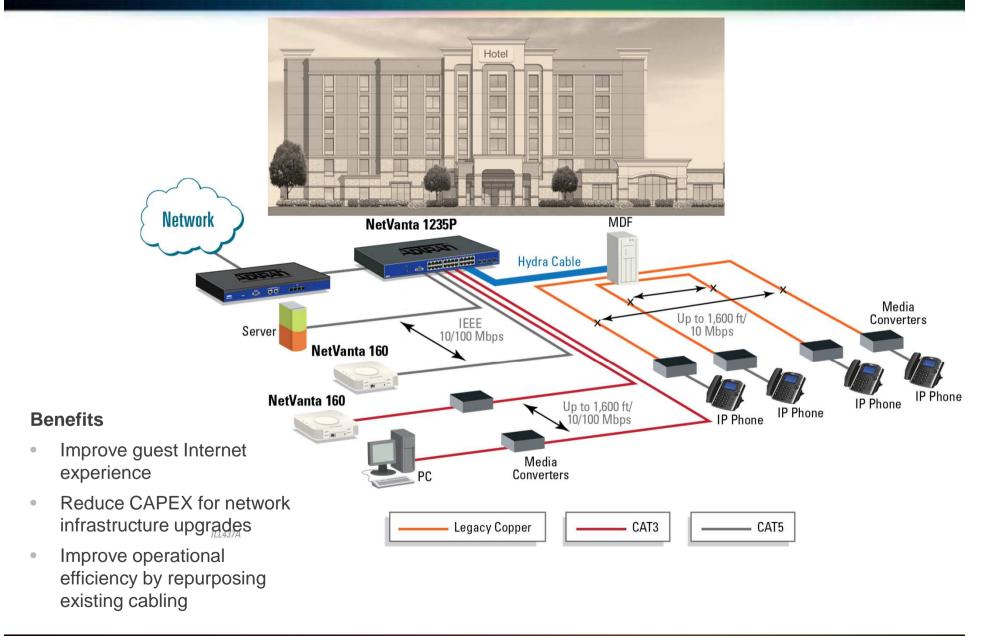
- Provide high speed data and VoIP service using in-building cabling (CAT3 or Legacy Copper)
  - High speed data for video streaming
  - Unified communications features
- Connect and power access points and/or IP cameras at extended distances up to 1,600 feet
  - Provide Wi-Fi coverage for convention and large meeting areas
  - Connect IP security cameras in outdoor spaces and/or long hallways
- Avoid re-cabling costs
- Eliminate need for repeaters, more fiber and additional switches for extended runs







# Repurposing Existing Cabling



#### **Enhance Switch Infrastructure**

# ActivChassis on the NetVanta 1600s

- Stack and manage up to eight Gigabit Ethernet switches as a single logical switch
- Add port capacity on demand up to 400 ports
- Increase backplane capacity for providing IP video, IP TVs, video streaming, etc. up to 128 Gbps
- Manage distributed switches across a campus up to 10 km apart (6 miles)
- In conjunction the NetVanta 1131 RPS/EPS (redundant power supply), helps deliver an always-on network







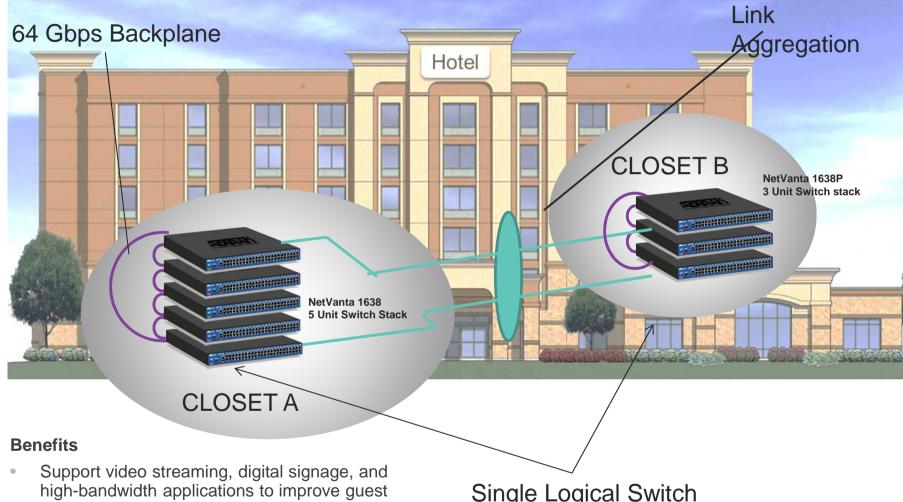
Enhance Guest Experience



Reduce Costs



#### **Enhance Switch Infrastructure**

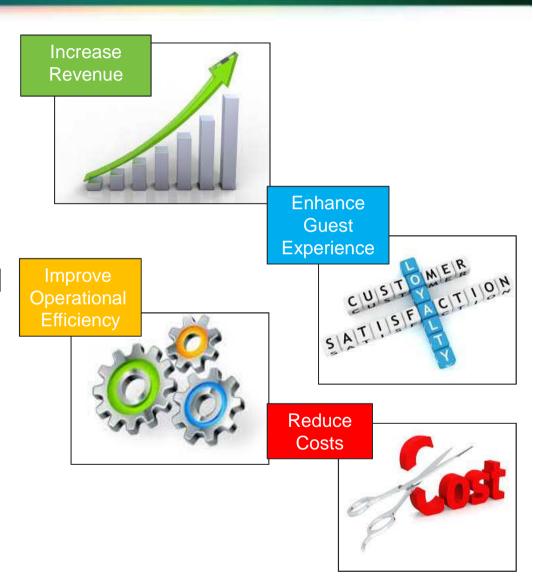


- experience
- Improve operational efficiency by centralizing switch management
- Enhance switch capacity on demand to optimize CAPEX

Single Logical Switch

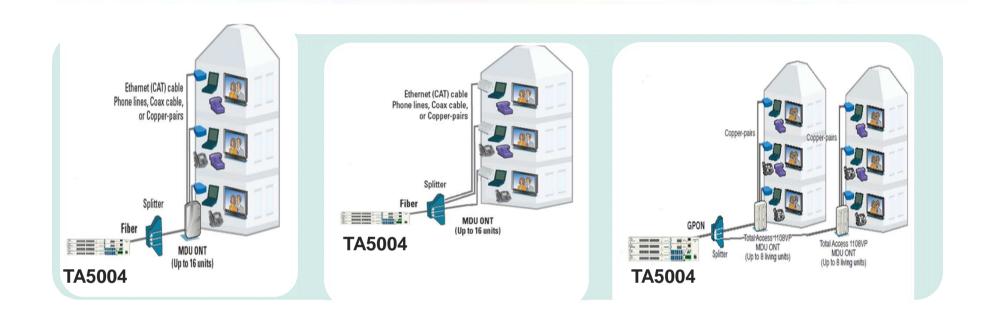
## Roadmap to Gigabit

- Option 1: GPON termination in closet / basement Ethernet used to distribute service per floor
- Option 2: Media
   Converter style ONT used to terminate PON in each room.
- Option 3: Campus deployment utilizing GPON aggregation to the building and VDSL intrabuilding distribution





## Roadmap to Gigabit



GPON termination in closet / basement
Ethernet used to distribute service per floor

Media Converter style ONT used to terminate PON in each room. Campus deployment
utilizing GPON
aggregation to the
building and VDSL intrabuilding distribution

## Full Lifecycle Services

#### **PROSERVICES**SM

- ProStart<sup>SM</sup>
  - Covers PLAN AND IMPLEMENT
  - Site Surveys
  - Remediation Plans
  - Assisted, Express, Remote, and Onsite Implementations
- ProCare<sup>SM</sup>
  - Covers Support
  - Maintenance offerings, Basic through 7x24x4 onsite
- ProCloud<sup>SM</sup>
  - Covers Manage
  - ProCloud Wi-Fi



# Certification



## Certification Requirements

#### What does Certification mean in hospitality?

- Many hotel brands have a testing process in order to certify network equipment used by their hotel brand(s)
- Specific certification processes and requirements will vary by brand

#### How is the Certified list used?

- Corporate-Owned Hotels
  - May be mandatory to use certified products
- Franchise-Owned Hotels
  - Certified product list may be a guideline, not mandatory
- Note: Starwood properties are stringent and require a waiver process to seek solutions other than those included on the certified list





#### How does ADTRAN address certification?

- Working with Marriott and Hilton testing labs
- Engaged with Choice Hotels International
  - Qualified Vendor Program

NV1535P (ActivReach) is certified for all Marriott properties

# Success Story



#### ADTRAÑ Value Place

#### **Extended Stay Hotel**

Wichita KS based company that offers the best guest experience for an affordable, clean and safe hotel.

#### The Challenge

- Provide Wi-Fi for 7 properties each with 121 rooms
- Offer reliable Wi-Fi for guests
- Limited technical resources
- Support mobile devices
- Bill for Wi-Fi service

#### Solution

- ADTRAN/Bluesocket vWLAN
- VAR Hosted/Managed Wi-Fi solution
- Differentiated guest access
- Help desk support for guests

#### Benefits

- Revenue stream bill for Wi-Fi service
- No longer worry about managing the platform
- Network performance and availability are guaranteed in the SLA
- Easy to expand Wi-Fi service to other properties
- Reduced company expense by not having to employ IT support personnel onsite 24/7
- Lower CAPEX & OPEX investment



#### JW Marriott San Antonio

#### Challenge:

- Upgrade Wi-Fi
- Integrated network for back-office, digital signage, guest access, PoS kiosk, voice, etc.

#### Solution:

- Deployed Bluesocket 1800 series
   APs
- 300 APs throughout guest rooms, public spaces and conference center





#### What's unique:

- 1002 rooms (85 luxury suites)
- 265,000 sq ft of meeting space
- 36-hole TPC golf course
- Onsite spa, walking trails, family entertainment and fitness center



# Auberge du Lac à l'Eau Claire Resort, Québec, Canada

#### Four-season property resort located on a lake in Québec

- Had a legacy Nortel system
  - Ageing phone infrastructure unreliable
  - Lack of support from manufacturer
  - Phone system deployed over legacy CAT3 cabling
- ADTRAN partner, Sogetel, deployed NetVanta 1535P with ActivReach
  - Resort upgraded to state-of-the-art IP PBX, saving thousands of dollars in re-cabling costs
  - Implemented IP data and VoIP utilizing the same switch infrastructure
  - Extended reach of ActivReach enabled seamless connectivity to remote locations across the resort





"Each time we sell an ADTRAN product, we know that we are delivering a rocksolid product that will allow our customers to grow their business and meet their telecommunications needs." Christophe Durieux Sogetel, Director, Business Solution.

# Marketing





#### **Enablement Tools**





#### **SALES** ENABLEMENT KIT



Marketing Campaigns

#### Vertical Market Initiatives Hospitality

#### + Hospitality Market Collateral

- · ActivReach for Hospitality Solution Flyer (pdf) New!
- · Bluesocket for Hospitality Solution Flyer (pdf)
- · Hospitality Solution Overview (ppt) New!
- · ProCloud Wi-Fi for Hospitality Solution Flyer (pdf)
- · NetVanta Switches Solution Flyer (pdf) DRAFT





ProCloud Wi-Fi Worry-Free, Fully Managed Wi-Fi







#### ActivReach Switches Extend Ethernet Reach over any Wiring



#### High-Performance LAN Infrastructure

NetVanta Switches



ADIRAN



#### Awareness / Lead Generation

- Thought-leadership
  - Hospitality Solution Brief
  - 10 Keys to Hospitality Wi-Fi
  - Webinar
- Email/social media campaign
  - Hospitality publications
  - LinkedIn, Spiceworks











#### **Tradeshows**

- Choice Hotels International Convention (May 14-15)
- HITEC 2014 (Jun 23-26)
- HFTP Annual Convention & Tradeshow (Oct 22-25)

#### Applicable Promotions

#### Q2

- Fast Track to ProCloud
  - Submit a Prospect (\$50)
  - Close a ProCloud Deal (\$25 per AP)
  - www.adtran.com/fasttrack
- Time to Switch
  - Partner price reduced in Distribution by
     15%
  - \$25 Reward/SPIF for VAR Salesperson
  - www.adtran.com/timetoswitch

#### 2014

- More Bandwidth for Your Buck
  - 50% discount off Bluesocket 1940 AP
  - Available at point-of-purchase in Distribution
- Free AP for End-users
  - With download of Free Virtual Controller
  - http://reinvent.adtran.com/freeap
- ADTRAN IP Phone Promotion
  - Most In-demand IP Phones
  - 35% discount across all partner levels







# Questions?

www.adtran.com/hospitality

