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smart ways to say hello

Hospitality Trends: Internet usage and Wifi deployment

INTRODUCTION

This report summarizes the current landscape of internet usage and Wifi deployment in the Australian hospitality industry. Trends, challenges and opportunities are identified and a snapshot of hotel chains and their current Internet bandwidth is provided.

CONTEXT

Today's guest at a hotel arrives with an average 3 devices – laptop, mobile, tablet and many of these devices can only use data when connected to Wifi e.g. 3G not enabled.

Hotels therefore are in a position where what was once a feature offered typically to business users needing to access emails on their laptops whilst travelling is now expected from the majority of hotel patrons.

Data use has become increasingly varied and complex ranging from online gaming, to video streaming, social media to app downloads to software updates. Usage no longer only consists of just web browsing and email.

Hotels have had to cater for increase in usage and simultaneously a decrease in revenue as more guests expect bandwidth for free.

PAST, PRESENT AND FUTURE TRENDS – INTERNET USE

PAST	• Internet was used for web surfing, emails, and IM\skype chats • Mainly on computer devices
PRESENT	• Mobility devices and computers used simultaneously • Video calling and streaming servies commonly used • Social Media is used everywhere
FUTURE	• Most devices to be mobility type of device (phone, tablet) • Storage not on device but "in cloud" needing constant access to internet • Major Streaming services like Netflix or Hulu will become popular in Asia Pacific • Map and Store Listing access on mobility devices to be interactive

RECENT TRENDS AND CHANGES – BANDWIDTH

In recent years society's reliability on technological devices has increased exponentially. What started off as majority of hotels having ADSL2+ and only a handful of symmetrical premium connections – has now transformed into "must have" high speed bandwidth for every hotel from 2 star to 6 star.

Fibre is now the best overall option as it provides future growth of speed and the minimum average deployment of dedicated bandwidth to a hotel is 50Mbps. In the United States at a recent HiTEC seminar hotel chains and owners in the USA recommended minimum of 100Mbps for most sites, with many areas needing 500Mbps. This trend is spreading out of America and becoming equally prominent in the Asia Pacific region.

HD Video streams at approximately 4Mbps so hotels now have to allow for this speed per user to be available on their top level internet access plans.

RECENT TRENDS AND CHANGES – WIFI DEPLOYMENT

Wifi was once only available in hotel lobbies. Today it's expected that wifi covers 100% of hotel property including pool area, tennis courts, restaurants, conference and guest rooms, and in some cases even inside the lift.

When installing Wifi into hotels there are various hardware, security and logistical variables that must be taken into consideration. In deploying hardware for example there are numerous methods and types of hardware dependent on the hotels individual needs. Security must be a priority and logistics must take advantage of different platforms for example a simpler login portal page for small screen phones must be effective as most users only attempt to connect once before filing a complaint. Core servers must communicate with Hotel's PMS not only to ensure once visitors have checked out they do not have access but also to identify rewards members and VIPs.

Hardware, security and logistic challenges facing the industry are as follows:

HARDWARE	• High throughput, multi device Wi-Fi hardware must be deployed • Hardware can handle 50-100 simultaneous clients per single wifi access point • Different deployment methods allows wall mounted, or ceiling • Handle high powered computers and low powered mobile devices so user experience is even across all platforms • Deployments are either 'N' or 'AC'networks
SECURITY	• One Wi-Fi user should not be allowed to see or network with another Wi-Fi user • Must protect users from unsuspecting network attacks
LOGISTICS	• Networks must show an 'easy to log in' portal page • Each account 'login or purchase' must be able to log in on their other devices without excess fees • Core servers must communicate with Hotel's PMS to ensure room check-ins and outs are received and actioned

SNAPSHOT OF INTERNET BANDWIDTH IN HOTEL CHAINS

Broadband Solutions analysed the bandwidth of over 600 Australian hotels throughout 2013 - 2014.

Some key findings of the analyses are:

- Overall highest ranking hotel group for bandwidth capacity is Marriott
- Average bandwidth in 5 star or above hotels is 80Mbps e.g. Marriott and Hyatt
- Average Bandwidth in 4-5 star or higher hotels is 50Mbps e.g. Crowne Plaza, Holiday Inn, Rydges
- Average Bandwidth in 3-4 star or higher hotels is 20Mbps e.g. Mantra
- More than half of Broadband Solutions' hotel customer database plan to increase their bandwidth annually

When comparing the results it is also evident that bandwidth requirements are not only reflective of star rating but also on guest demographic and conference facilities. Larger conference facilities and hotels catering for a high percentage of guests travelling on business for example must allocate for higher bandwidth in comparison to some 5 star resorts and luxury hotels.

KEY FACTS/STATISTICS

- Today's hotel guest arrives with an average 3 devices
- Wifi was once only available in hotel lobbies. Today however it's expected that wifi covers 100% of hotel property
- Hotels have had to cater for increase in usage and simultaneously a decrease in revenue as more guests expect bandwidth for free
- Minimum average deployment of dedicated bandwidth to a hotel is 50Mbps
- What started off as majority of hotels having ADSL2+ and only a handful of symmetrical premium connections – has now transformed into "must have" high speed bandwidth for every hotel from 2 star to 6 star
- Fibre is now the best overall option providing future growth of speed minimum
- Mobility devices and computers used simultaneously
- Video calling and streaming services commonly used
- HD Video streams at approximately 4Mbps
- Hardware can handle 50-100 simultaneous clients per single wifi access point
- Hardware must handle high powered computers and low powered mobile devices so user experience is even across all platforms
- Deployments are either 'N' or 'AC' networks

ABOUT US

Broadband Solutions is one of Australia's most successful business internet providers, offering innovative, tailored, reliable IP networks for Australian businesses. Founded in 2005, we experienced 53% growth over the last 3 years, and have been profitable for 9 years running. Australian-based and privately owned, Broadband Solutions is operated by an experienced team of industry veterans, with a dedicated business network and truly national coverage.

Our proven, reliable network carries the Internet and telephony traffic for some of Australia's largest companies and schools, as well as more than 85% of Australia's hotels.

Broadband Solutions' SmartPABX™ system has been developed in-house using open source Asterisk technology. The system is capable of operating in the cloud or on-site and we have already rolled out over 1000 of our PABX systems to the SME and Corporate sectors.

Broadband Solutions' commitment to service excellence and customer support, built on significant investment in infrastructure, means we're the smart way to say hello – with an impressive network uptime of more than 99.95% for the last 8 years running. We take the stress out of managing telephony and internet networks.

For more information about how Broadband Solutions can tailor a solution to suit your business, call 1300 683 000 or visit broadbandsolutions.com.au