

Ontario ski resort better serves boom with integrated, one-view IT system

Overview

Country or Region: Canada

Industry: Tourism and hospitality

Customer Profile

Blue Mountain is an all-seasons resort in Collingwood, Ont., best known for its ski hills. Drawing 1.5 million visitors annually, it boasts 60 shops and restaurants, 140 acres of lodging and extensive conference facilities.

Business Situation

When Intrawest Corp. bought a 50 per cent stake in Blue Mountain in 1999, a robust expansion plan was deployed. The resort soon began looking for an IT solution in a bid to both to keep up and to better serve its guests.

Solution

Blue Mountain became the first North American property to deploy Cenium's one-view customer-management relationship (CRM) solution in late 2009. Built on the Microsoft Dynamics (NAV) platform, Cenium eliminates dozens of disparate and legacy-based systems for the hospitality industry.

Benefits

- Comprehensive guest view as best practice
- Streamlined efficiency and cost-savings for a complex business
- Better use of resources for future growth

“Being able to get a global view of your business without having to wait days or weeks is huge. Blue Mountain really took a first step that a lot of people were afraid of taking; to adopt a new strategy in the (hospitality) industry.”

Melissa Sloan, Cenium Inc.

The Ontario-based Blue Mountain is a far cry from the three-trail ski club first founded in the small community of Collingwood in 1941. When Intrawest ULC bought a 50-per-cent stake in the company in 1999, a robust expansion plan was deployed and management was faced with the challenge of how to efficiently manage the boom. With the help of Microsoft Gold Certified partner Cenium Inc., Blue Mountain became the first North American resort to deploy Cenium, an end-to-end hospitality solution for Customer Relationship Management (CRM) that aims to eliminate dozens of disparate and legacy systems for the hospitality industry. Two years later, Blue Mountain now boasts strong customer service, streamlined efficiency, cost-savings and more potential for future growth.

Situation

How do you grow your business by 30 per cent in two short years?

Located in Collingwood, Ont., about an hour's drive north of Toronto, Blue Mountain has grown to be much more than the three-trail ski club first founded in 1941. Although it expanded quickly, adding lodging, ski lifts and food facilities, it wasn't until the mid-1970s that founder Jozo Weider realized Blue Mountain could be a destination resort. Following a three-decade period of heavy growth, the family-owned business was transformed into an all-seasons regional resort.

But when Intrawest ULC bought a 50-per-cent stake in the company in 1999, an even more robust expansion plan was deployed, transforming Blue Mountain into what it is today: a true destination resort featuring an award-winning golf course, an indoor tennis dome with five courts, top-notch mountain biking trails, a seven-acre private beach, more than 60 shops and restaurants, 140 acres of lodging and 36,000 square feet of conference facilities.

Though winter remains Blue Mountain's busiest season – sales of daily lift tickets jumping by 60 per cent in that 10-year period – more than 1.8 million guests come annually to visit the cozy town nestled in the Niagara Escarpment. And while the team was clearly doing something right, management was faced with the challenge of how to best serve this boom, brought about by Intrawest's history of success in drawing a destination-resort crowd.

One key consideration for Blue Mountain was the resort's IT needs.

"We had a long-established resort, but at the same time we were in a heavy-growth environment," says John Gowers, Blue Mountain's Director of IT, who came on board soon after the Intrawest acquisition. "One of the things we could never really do was create that unified guest experience ... There were all these disjointed transactions."

For example, Gowers explains, if one guest came and wanted to do 20 different things – like book a room, buy lift tickets, sign up for ski school, reserve childcare and go for a spa treatment, followed by dinner – they may have had to go through 20 different departments.

"Basically, we really didn't have an understanding of what a guest would look like and we had a hard time delivering our services to the guest under that environment."

Solution

When Gowers first took over Blue Mountain's IT department, the resort was using a "best-of-breed" model, a siloed but standard approach for the hospitality industry that relies on different, non-integrated systems for finance, online booking, payroll, food services, property management and so on.

Blue Mountain had a total of 26 systems mainly operating independently of each other, so Gowers set out to find a better way.

"I really started with the intent of finding an all-in-one, encompassing solution – and I didn't," says Gowers. "There was simply nothing out there. After some time, I gave up looking."

So when Cenium – a Microsoft® Gold-Certified partner offering a one-view hotel property management solution—approached him, Gowers was skeptical. “We’ve had 30 vendors come to us over the years that said they had an all-encompassing solution and the reality was that every time we starting drilling into it, it was feature-poor or missed pieces or was only integrated; not really a platform environment.”

It took an hour to convince Gowers that Cenium’s product had “potential,” and Blue Mountain undertook a year-long research effort into the product.

Built on the Microsoft Dynamics® (NAV) platform, Cenium is an end-to-end hospitality solution for Customer Relationship Management (CRM) that aims to eliminate dozens of disparate and legacy systems for the industry, rolling together financials, central reservations systems, PMS, POS (restaurant and retail), sales and catering, workforce management and much more. While the Norway-founded Cenium is popular in Europe and operates in more than 250 hotels, Blue Mountain was the first North American property to deploy the brand.

Cenium also leverages Microsoft’s Hyper-V™ server, which allows businesses to consolidate workloads using flexible and scalable cloud-based storage on a single server. That is important in complex operations where multiple departments are sharing information, because it can improve server utilization and reduce costs.

“In hospitality, it’s all about sharing the information about the guests and about what’s going on on the property to serve those guests. This is where best-of-breed takes a beating because disparate systems aren’t designed to talk to each other;

they’re developed and implemented by different vendors,” says Melissa Sloan, Cenium’s Vice President of Marketing. “By having everything in one system, the amount of simplicity is much greater, ten times greater than what it would normally be.”

Sloan acknowledges that Blue Mountain took “a big leap of faith” in going with a solution not yet used on this continent, but she says the partnership has been “impressive” to date, with Cenium and the resort working closely together to optimize the platform.

“Being able to get a 360-degree view of your business without having to wait days or weeks is unheard in our vertical,” says Sloan. “Blue Mountain really took the first step that a lot of people were afraid of taking; to adopt a new strategy in the (hospitality) industry.”

Benefits

Two years after partnering with Cenium, Blue Mountain is still noticing efficiencies and optimization across its entire business. While implementation is ongoing – the sales and ski tickets are one of the final pieces expected for fall 2011 – Gowers says he expects to see a “substantial” return on the resort’s investment.

Not only can Blue Mountain offer guests a more unified, streamlined experience than ever before, but they have also eliminated redundancies and are more adaptive to any customer-focused changes, culminating in the biggest benefit of all: The ability to take on new, exciting projects which will expand profit margins.

Comprehensive guest view as best business practice

Blue Mountain's switch to Cenium's integrated solution is now apparent from the moment a guest first contacts the all-season resort.

"A few years ago, if you called in and wanted a room, a ski lesson and maybe childcare, we likely keyed you into three different systems, asking for the same information three different times," says Gowers. "We'd have you on the phone a long time while we're booking your reservation; there's not a lot of efficiency there."

Also, Blue Mountain couldn't track some key metrics: The resort caters to a variety of people – including day guests, overnight renters and condo owners – and trying to figure which groups were using which services was near-impossible. "We really didn't have an understanding of what our guests looked like and as a result, we had a hard time delivering our services (to them)," says Gowers.

The benefits of the new system are then two-fold: Guests get an amped up experience and Blue Mountain knows who to target. For example, if a group of executives were at the resort for a conference, many might be good targets for the sale of new condos and season's ski passes. Now with Cenium's solution, the sales team will be alerted about their visit and is able to cross-sell or up-sell to realize additional revenue opportunities, whereas before they would have been completely in the dark.

Streamlined efficiency and cost-savings for a complex business

The resort has also experienced internal improvements in such areas as staffing, IT updates and daily operating activities.

That starts at employee training. Since Cenium runs on a Microsoft platform, most employees benefit from a familiar user interface, since the resort already uses Microsoft Office and SharePoint®. That's huge for an organization that employs 2,300 full-time, part-time and seasonal staff. Better yet, instead of training a new employee on as many as 10 systems over a two-week period, Gowers said a new hire can be productive in their new position in only a couple of days.

The time to book a reservation has been cut in half, and the night-auditing process, which used to take three to four hours each evening, is now down to a mere four minutes since the information is tabulated throughout the day. These time savings mean staff can perform other duties that benefit the resort's bottom line.

As a result, Gowers estimates the company was able to reduce staffing levels in the revenue management department, saving as much as \$200,000 annually. "On an application that you spend half a million or a million dollars on, that's a pretty quick return."

And, of course, the IT department is breathing a little easier. Gowers says support fees have been reduced by about 40 per cent since Blue Mountain is dealing with just one vendor instead of as many of 20, which previously each had their own maintenance agreements and timelines for updates. But perhaps the biggest change for his team has been in IT infrastructure. A mere two clustered servers now run the

majority of the resort's operations, compared to the previous 12 cabinets worth of servers.

"When people arrive at Blue Mountain, they see a beautiful ski resort, numerous retail and restaurant offerings and several hotel towers. And then they enter (the resort's) data-centre and see two boxes running the entire thing – and they're astonished," says Sloan. "It's just so much more simplified."

Better use of resources for future growth

Best of all, the new system has Blue Mountain very excited about its future. Gowers says the resort is now taking on initiatives that would have previously been thought impossible.

"There are just so many things that would have been too cost-prohibitive to even consider in the past," says Gowers. "We'd get a request from marketing aimed at growth ... and you couldn't make a business case for it. Each of our vendors wanted money to do that (customization)."

For example, Blue Mountain has three major projects it will be moving forward with over the next couple of years: an expanded e-commerce system for online sales and bookings; loyalty cards to be used at businesses and services in Blue Mountain Village; and improved in-room technology and advertising, which will give guests a fuller view of the resort – all resulting from the better resource allocation that comes attached with Cenium.

Gowers says Blue Mountain is moving quickly on the first two projects, while the latter is for down the road. But each initiative is aimed at growing the business by offering frequent and potential visitors an improved, integrated experience.

"What we're now offering is a full Blue Mountain experience," he says, noting that the resort will be transformed by these exciting initiatives. "I truly believe it's going to be world-class."

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For more information about Cenium Inc., Hospitality ERP products and services, visit the website at: <http://cenium.com/>

For more information about Blue Mountain Resort products and services, visit the website at: <http://www.bluemountain.ca>

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