



NOIE

The National Office for the
INFORMATION ECONOMY

Advancing with eBusiness



Flinders Ranges Online Reservations

C A S E S T U D Y

Information Technology Online (ITOL) Program

The *Flinders Ranges Online Reservations* project received an ITOL grant of \$25,000 under Round 5 of the ITOL Program. The project focused on the tourism accommodation industry in the Flinders Ranges and enabled operators to have their computerised reservation system sit behind their web site allowing customers to book and pay for accommodation and/or tours over the Internet in a secure manner and receive immediate confirmation. With the advent of the Internet, customers can now transact with businesses twenty-four hours a day, seven days a week. Hence international customers in different time zones can now do business with Australian businesses round the clock.

The project was managed by Northern Regional Development Board (NRDB) in collaboration with the consortium partners, Flinders Ranges & Outback South Australian Tourism Marketing Committee, South Australian Tourism Commission, Information Economy Policy Office and participating Flinders Ranges tourism accommodation businesses.

Introduction

Online reservation systems and eBusiness presents tourism businesses in regional areas with an excellent opportunity to capitalise on the rapidly emerging way of business in the future. It allows small to medium-sized enterprises (SMEs) in remote locations to collect payments efficiently, provides a simpler booking system with instant confirmation, better management of package deals and a marketing edge.

All tourism accommodation businesses, whether large or small, need to complete four main activities each time they communicate with a potential customer. These activities are:

- Amenities – provide information on product offerings
- Availability – advise on whether requested dates are available
- Booking – make a confirmed booking with documentary evidence
- Payment – collect an advance deposit from the customer.

Regardless what mode of communication takes place the above four activities are always necessary.

Traditionally the customer has contacted the business by phone, fax, face to face, post or via a booking agent such as a travel agent or visitor information centre. Each of these activities required a physical presence.

Tourism accommodation businesses receive requests and enquiries via email daily. It takes time to review these emails, type replies offering suggestions for accommodation and availability and generally liaise with the customer until a reservation is made. Small tourism accommodation providers often have telephone calls diverted to various phones and the business owner or staff could be in any location when they receive a booking request, therefore making it difficult to use a centralised system and avoid double bookings.

Objective

The primary objectives of the project were to:

- Provide a range of economical and practical solutions to online reservation systems and eBusiness for small tourism accommodation businesses in the Flinders Ranges
- Provide an implementation strategy and associated mentoring and technical support.
- Promote the solutions to the tourism industry particularly throughout northern South Australia and Australia wide through the media.

The *Flinders Ranges Online Reservations* Project sought to use the Internet to automate the process so the operator did not have to be personally available 24/7. In addition, the solutions suggested by the Project needed to be both affordable and easy to implement by small businesses which commonly operate on a tight budget, with few resources, little time and only basic IT skills. Another element was to ensure the online systems integrated seamlessly and in real time with back office systems to avoid double bookings.

Challenge

The initial skills and system analysis revealed that there were varying levels of eBusiness readiness within the businesses in the region. Some operators had a basic website and email facility but the time lag to respond to customers caused significant delays and resulting inefficiencies. The challenge was to develop affordable solutions that built on existing systems and were tailored to meet the needs of individual tourism accommodation businesses.

The project was focused on regional businesses who initially did not have broadband Internet access. A typical business had one telephone line that was shared between phone calls, fax, merchant facility and Internet, dial up modem Internet access and being regional the

dial up cost was charged at STD rates. Consequently operators would connect to the Internet as little as possible for as short a time as possible.

In September 2002 Telstra rolled out 2-way satellite to The Ranges Extended Zone which allowed businesses in the Flinders Ranges to access the Internet in a reliable and speedy manner. Broadband access to the region provided the infrastructure necessary for the development of the project.

Project

The proposed solution of the project was to use the web based eLodging online reservation system integrated and synchronised in real time with RezBook front-desk reservation management software. The five participants used variations of the solution based on their needs and budget.

Project participants included:

- Prairie Hotel www.prairiehotel.com.au
- Wilpena Pound Resort www.wilpenapound.com.au
- Rawnsley Park Station www.rawnsleypark.com.au
- The South Australian National Parks and Wildlife Service www.environment.sa.gov.au/parks/seasonal_events
- Flinders Ranges Accommodation Booking Service www.frabs.com.au

The solution identified by the project to be implemented by each tourism accommodation business was:

- Telstra 2-way Satellite – increased speed (broadband), 24x7 Internet access
- Web site
- Front desk software - RezBook by Rubbertree Software
- eLodging by Rubbertree Software – web based system that links with the web site and communicates in real time with RezBook software
- Camtech Internet Payments system to process credit card payments in real time
- Access using browser – Anywhere! Anytime!

The solution for the guided tour businesses partnering with the National Parks & Wildlife service was FlexeGate. FlexeGate provided the Online Store customized guide for tour businesses which integrates seamlessly with Camtech Payment gateway for credit card processing and back office accounting packages used by small business such as MYOB and QuickBooks.

The diagram shows the optimum solution the project identified to meet the needs of the tourism accommodation businesses, online customers, booking agents and other supply chain businesses.

eLodging and RezBook update each other every minute. This allows the tourism accommodation business to



continue to make bookings via phone, fax etc and enter the details into RezBook which then automatically updates eLodging so that online customers always know that latest availability. Similarly when an online customer makes a booking, eLodging updates RezBook. So both packages work together seamlessly and in real time. If the business owner or staff are not at their desk with RezBook, they can make a booking on behalf of a customer from any location by connecting to eLodging through the Internet.

Outcomes

The *Flinders Ranges Online Reservations Project* has demonstrated that there are affordable, easy to implement and use solutions available now for small tourism accommodation businesses and guided tour providers which allow a centralised online booking and payments system to be integrated with their front desk management systems.

The consortia was very important in providing support and encouragement to the project participants who were all taking their first steps forward in the automation of their business systems. The members played a vital role, particularly in ensuring that the solutions for reach participant suited the requirements of the industry supply chain. Most of the participants were going directly from a paper based reservations system to a state of the art automated and online reservation system.

This project was successful in bringing the benefit of eBusiness to a diverse range of targeted tourism accommodation businesses in the remote Flinders Ranges of South Australia, allowing them to interact more efficiently with the supply chain. The project identified and overcame the barriers to eBusiness business entry, created a platform for eBusiness growth and met the supply chain needs of SMEs in remote areas of South Australia.

Confirmed bookings are now available for customers 24/7 via the Internet as well as the ability to pay an advance deposit securely using a credit card. A confirmation letter is automatically emailed to the customer and within a minute or so the reservation appears in the front desk system. Confirmed bookings can now be made by customers, booking agents and staff using a centralised system that is available 24/7 without the need for staff to be personally available. Double bookings are avoided by having the web based system synchronised in real time with the front desk system. The solutions have enhanced the ability of participating businesses to serve their customers 24/7 and provide the online experience that is expected by customers and booking agents from interstate and/or overseas.

The main benefits achieved by using the project's optimum solution is that the four main activities for the tourism accommodation sector are automated:

- Amenities – customers can view an unlimited number of images of the accommodation or tour
- Availability – customers can search for availability by their preferred dates in real time
- Booking – customers can make a confirmed booking and receive an immediate confirmation by email
- Payment – customers can make a secure credit card payment that is processed automatically.

The solution now allows small operators to complete the four activities without personally having to communicate with the customer – the system is fully automated and runs itself. It provides seamless real time integration of the web based front end with the back office system of the operator. In addition, maintenance of the system by the operator is easy and undertaken via a browser.

The cost of the optimum system is affordable to small tourism accommodation businesses when compared to the cost of wages.

eLodging online booking engine

Setup fee	\$250
Monthly	5% booking value (no bookings, no payment)
RezBook	Front Desk software \$1,995 (Less 20% discount if bought with eLodging)

Future

The *Flinders Ranges Online Reservations* Project has effectively demonstrated low cost solutions for SMEs in the tourism accommodation sector to establish secure 24/7 integrated online reservations and payment systems.

The NRDB and the South Australian Tourism Commission (SATC) will now promote the wide spread adoption of these solutions in the Flinders Ranges throughout the state.

The NRDB is now planning to assist the City of Port Augusta and the District Council of Coober Pedy to establish real time online tourism accommodation reservations portals operating through their respective Visitor Information Centres.

Future innovations will facilitate the development of regional online reservations through centralised online booking portals which will include enhancements to further meet the needs of the supply chain such as automatic calculation and payment of commissions for booking agents.

Additional Comments

"These SMEs were seeking to go to an area which was regarded as only the province of big business and implement business systems that twelve months before they would have regarded as impossible."

Andrew Eastick, Chief Executive Officer,
Northern Regional Development Board.

"The Project demonstrated that the promises of the information technologies and eBusiness can be delivered – helping small business to be successful and overcoming remoteness in being able to do good business".

Andre Kuys, Chairperson,
Northern Regional Development Board

"The Flinders Ranges Online Reservations project has taken a significant number of tourism accommodation providers in the Flinders ranges to the forefront of ebusiness practice in the tourism industry. The capacity of the participating businesses to conduct a complete sales transaction in real time through their web site demonstrates an improved service to customers and especially agents, some of whom will be purchasing accommodation from Europe or America in the middle of the Australian night".

Bill Spurr, Chief Executive Officer,
South Australian Tourism Commission

Need Further Information?

More information about the ITOL program is available at:

Website: <http://www.noie.gov.au/itol>

Email: itol@noie.gov.au