



**Hotel Technology Next Generation (HTNG) Workgroup Charter**  
**Workgroup Name: Property/Distribution Solution**  
***Version 1.0, Distribution for Participation***  
**August 1, 2004**

**Background:** Distribution systems represent the principal revenue pipeline for most hotels. Software systems involved in the distribution process reside can reside at the hotel, management company, or brand, or can be operated by a third-party application service provider. Other systems are part of the broader travel distribution network, operated by Global Distribution Systems, wholesalers, tour operators, retail Internet sites, corporate travel managers, and various intermediaries.

Within the hotel environment, integration among these systems is difficult. While standards (such as those published by the Open Travel Alliance) exist, they are not widely used, particularly among systems operated by or for hotel companies. The lack of integration makes it expensive and time-consuming for hotels to manage their distribution channels effectively.

The lack of integration creates a particular challenge for the hotel industry because individual hotels often owe allegiances to several unrelated masters, each playing a specific role in the acquisition and management of various systems involved in managing distribution. Hotels are often forced to use suboptimal, poorly integrated sets of systems because the standards of their ownership group, their management group, and their branding group can make each hotel's "solution set" unique.

To be sure, interfaces exist between many distribution players. However, there are dozens of different business processes that need to be interfaced, and many of the interfaces, particularly between and among PMS (property management), CRS (central reservations), CRM (customer relationship), and RMS (revenue management) systems, address only a small subset. Terminology is vague, using terms such as "one way," "two way", or "one-and-a-half way," but there is no agreement about "what" information flows should be supported by any of these three terms, and one vendor's two-way interface may support completely different transactions than another's. Further, existing interfaces are often designed around the business process of a particular hotel customer, and may be unsuitable for other hotel companies.

A vision of seamless data transfer and a hotel dashboard to manage distribution is a long awaited dream.

**Objective:** This workgroup will achieve integration of the key systems that manage distribution for hotels, including property management systems, revenue management systems, central reservations systems, customer relationship management systems, content management systems, external distribution channels (GDS, Internet, and other), and intermediaries (switches, caches, representation companies, and the like). The objective will be to create one or more methods of interoperability, and to implement

them among major vendors in each of these spaces. The end result is intended to eliminate the need for manual data transfers or re-keying among systems, and seamless extension of rates and availability into distribution channels, under the control of the hotel.

**Scope:** The goal of the workgroup is to implement detailed interface approaches, according to specifications that can be adopted by other system vendors who which to comply with each such approach. The specifications are a byproduct of the process by which the interfaces are implemented, and should have applicability to the broadest possible set of customers and vendors.

Building on standards developed by the Open Travel Alliance, extending them as required, and utilizing messaging architectures established by prior HTNG workgroup efforts, this workgroup will create and implement XML-based messaging to accomplish specific business tasks within the distribution process.

The defined interface specification should respect the necessary data exchange between PMS, CRS, RMS, CRM, RFP tools, and external channels, and meet the following objectives:

- Create a common nomenclature for describing the kind of data that is being shared and their semantics, the direction of flow for the data, and the breadth of information for each data grouping
- Be usable across a variety of systems, vendors, and business processes
- Be reasonably broad (though not all-inclusive), and extensible
- Precisely define which information is delivered by a message and how a receiving system can interpret it
- Incorporate well defined error handling

The working group will select and prioritize from among the following interfaces, based on the interests of specific customers and vendors who participate.

- **CRS & PMS:** Today the interfaces between these systems are piecemeal and highly customized to the particular version of each system being connected. In addition, we suffer from a host of vague naming conventions like “one-way” and “one and a half-way” to describe the kinds of data that are being shared. The need is for a full specification that provides connectivity in both directions for a reasonably complete set of common data elements.
- **CRS/PMS & RMS:** As RMS become more important to the middle tier of hotel companies, it is increasingly important to provide a standardized set of data elements that flow between either the PMS or CRS to the RMS and back.
- **CRS & RFP:** RFP systems represent a significant source of data resulting from the negotiated rate solicitation process. Moving those rates and property descriptive data from the RFP package to the systems where they will be utilized represents a sizable (and often manual) effort. An automated interface between the RFP systems and the other systems that use the data would speed up the

- exposure of those rates to the distribution endpoints and reduce the high error rates characteristic of the rate loading process.
- **CRS & CRM:** Getting all of the appropriate customer information into one place where it can be processed both for improving customer experience during booking and for mining further revenue generating opportunities is a key concern of hotel companies. Although this interface might have the most variability in terms of the information that can potentially be passed, the workgroup should look at a reasonable subset that can be exchanged to enable basic CRM functionality.
  - **CRS/PMS/RMS/CRM & external channels.** While more extensively represented within the OTA standard, there is a need to provide better visibility, control, and automation support from the hotel into the GDS and Internet channels. There may or may not need to be no specific “new” interfaces created to support this business requirement, provided that other interfaces support hotels that want to manage some or all external channels directly from their primary inventory system (PMS or CRS) rather than through intermediaries.

The workgroup will be primarily concerned with the transfer of information between systems and is not concerned with what the systems do with that information once transferred. In some cases, minimal processing requirements may be needed in order to ensure transactional integrity and effective propagation of the target business process, but otherwise, each system vendor will choose how to use the information.

**Deliverables:** Each development of an interoperability spec will occur in tandem with implementation from relevant vendors. The workgroup will prioritize the specific business processes and sequence its efforts according to the interests of workgroup participants. Efforts will be scoped such that deliverables from each effort can be achieved within approximately six months. Subsequent efforts can be sequenced for the workgroup or, if they are too large, can be proposed for a separate, “spin-off” workgroup.

The workgroup will also define a test suite for each specification, suitable for use to certify new interfaces as HTNG compliant.

**Membership:** A minimum of five and a maximum of seventeen members with no more than one voting member from any one company. Workgroup membership priority is given to the HTNG member(s) proposing the workgroup, then to charter HTNG members, and then to all HTNG members, on a first-come, first-serve basis. The HTNG Executive Director may establish classifications, with minimum and maximum participation in each category, to ensure appropriate balance of customers, vendors, and software categories. Participants of that workgroup should be people who are able to make decisions relating their company and also have the technology skills in order to be able to define specifications. Membership in the workgroup may change based on the development phase. Policies are stated at [http://www.htng.org/workgroup\\_policies.htm](http://www.htng.org/workgroup_policies.htm)

**Maximum Participants:** 17

**Chair Person:** To be selected by the initial workgroup membership from among the non-vendor participants.

**Duration:** Maximum of 18 months.

**Meetings:** A weekly teleconferencing meeting and a face-to-face meeting once every 2 months.

**Collaboration process:** Face to face meetings, conference calls, workgroup intranet and email.

**Membership Categories:** Per HTNG's practice, membership in the workgroup will be selected by

- CRS providers – minimum 2, maximum 3. Qualifying criteria – experience with CRS-PMS and CRS-RMS interfaces; senior technical resource. One position will be preferenced to companies with CRS installations in 10,000 or more hotels. (1 slot taken by sponsoring member)
- PMS providers – minimum 2, maximum 3. Qualifying criteria – experience with CRS-PMS and PMS-RMS interfaces; senior technical resource. One position will be preferenced to an applicant with installations in 50 or more countries.
- RMS providers – minimum 2, maximum 3. Qualifying criteria – experience with interfaces; senior technical resource. (2 slots taken by sponsoring members)
- RFP provider – maximum 1. Qualifying criteria – 500 or more properties serviced, senior technical resource.
- Platform provider – maximum 1. Criteria-broad-based, cross-platform, multi-industry integration, design, development, and deployment capabilities.
- Other providers – maximum 2 (rate survey, middleware, etc.). Criteria – experience with CRS-PMS interfaces or with implementation of rate and availability controls in external channels.

(Maximum vendors: 10)

- Hotels- minimum 5, maximum 6. Criteria: senior business or technical resource with knowledge of distribution systems. One slot preferenced to a company with 500 or more hotels and one to a company with 50-499 hotels. One slot preferenced to a company that takes all of its reservations through a CRS (walk-ins, internal, complementary, and similar categories may be excluded). One slot preferenced to a company that does not own or license its own CRS or staff its own CRO
- Other industry participants. The HTNG workgroup supervisory sub-committee will consider applications from other industry participants, such as consultants and media.
- Industry organizations – Maximum 1. This slot has been reserved for OpenTravelSM Alliance due to its unique role in the industry.

Companies and individuals interested in participating may submit materials between Aug 23<sup>rd</sup> and Aug 31<sup>st</sup> to [exec.director@htng.org](mailto:exec.director@htng.org). Application materials should meet the criteria spelled out at [http://www.htng.org/workgroup\\_policies.htm](http://www.htng.org/workgroup_policies.htm).