

Accommodation set for revolution

By Allan Leibowitz

ACCOMMODATION BROKER, THE Lido Group, is working with Sydney's University of Technology to develop a new hotel distribution system. The federally funded project hopes to revolutionise the way corporate and government buyers shop for accommodation.

Armed with more than \$250,000 in Australian Research Council Linkages grants, Lido and its university partner are attempting to develop an "electronic accommodation clearing house" for hotels.

"It's time for a new way to distribute rooms and rates," says Dr Robert Steele, the senior UTS academic leading the research. "The growing demand by the market requires the industry to improve its efficiency levels by minimising manual duplication in the process of accommodation sales and distribution."

Matthew Tyler, managing director of accommodation specialist, Lido, says the current accommodation distribution system is far from efficient.

"At present, procurement and delivery interactions are carried out either manually by humans using IT systems to communicate, or using broker systems that provide limited access and coverage, and have embedded technical and commercial limitations," he says.



The collaborative research aims to create a clearing house, similar to the ASX or any other financial exchange.

"The idea of creating a centralised marketplace has been attempted before, but has not proved successful," he explains. "Existing systems require centralised data and control and thus cannot be considered to be electronic clearing houses with real-time data and access."

"In the accommodation booking domain, there are a number of current booking systems, but these are all non-comprehensive. Current systems do not provide automated uploading of pricing and availability data, are not integrated with each other, and impose a heavy toll for listing. As a

result, many providers of accommodation services are not listed at all."

He says Lido is committed to overcoming these issues to create a non-centralised, comprehensive, fully-integrated and accessible online infrastructure to revolutionise the accommodation procurement industry and to enable TLG to leverage the commercial opportunities that exist for such a tool.

"This project aims to achieve this goal through the development of novel ontology-based technologies to create an electronic clearing house for government and corporate procurement of services."

An ontology is a description or

formal specification of concepts and relationships, and the research aims to provide a conceptual framework that dictates how information should be organised, whilst still allowing participants to view and express parts in their own familiar terminology.

This conceptual framework will provide a way for all parties to make their information available in a usable format, thus creating a non-centralised, comprehensive, fully-integrated and accessible online infrastructure to revolutionise the accommodation procurement industry, researchers say.

The UTS team will fit this framework into Lido's Columbus online collaboration tool, which will be upgraded to enable further integration.

Researchers describe their target clearing house as a 'network of

networks'. Each member site in a clearing house network is called a 'node'.

"The main characteristic of a clearing house is that searches can be initiated from any of its nodes but it is transparent to users in that data may be discovered and collected from other nodes.

This differs from a collection of websites in that it allows structured queries and searches to member sites, while a typical website is only discoverable from general web searches which can provide many results which may or may not be entirely relevant," according to the research brief.

Tyler likens the clearing house to a stock exchange, which forms a central point for the trade of dynamically priced shares.

In the same way, he envisages buyers, sellers and intermediaries

engaging in the procurement of accommodation.

Already, the partners have completed a detailed business plan and scoped the overall project planning.

Tyler says once completed, the electronic clearing house will be available to all buyers and sellers.

Tyler believes there is strong demand for such an accommodation procurement tool, due to the deficiencies of existing systems, and he's confident that the results of this research and development investment will yield substantial financial rewards.

While some may see the clearing house as competition to existing distribution channels like the GDSs, Tyler insists that eventually GDS players, like TMCs and corporates, will be able to gain access.