

Opinions

Is right-time data more accurate than real-time data?

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What if real-time data is not really accurate? Here's a look at how standardization at the source and accurate data at the right time allows hotel operators to make fact-based decisions they trust.



By Jay Troutman

In a hospitality industry wrestling with artificial intelligence, mobile operations, new brands and current events, owners and operators tell me their business decisions are still based on numbers. I believe the great success stories in our industry are built on numbers generated by countless data sources—and the data better be accurate.

I am a strong proponent of fact-based decisions. Visibility into accurate data at the right time allows hotel operators to correctly forecast metrics like revenue, expenses and labor for decisions they trust.

Life is simple when you have a small number of properties using a common PMS platform. As portfolios grow, by acquisition and/or development, different PMS platforms are added. The challenges emerge, especially if expansion includes new markets, brands and property types.

The focus of this article is the value of right-time data compared to real-time data across a growing diverse portfolio, and how to achieve the most profitable decisions from your data.

What are right-time and real-time data?

I consider right-time data to be accurate information that is available when people need it to make decisions. If data access can be squeezed down to be nearly instantaneous by shortening and disciplining the data lineage from source to insights, you have what you need to make informed business decisions more quickly.

Growth complicates the situation—data from different sources often has to be collected, reviewed and manually normalized before going to decision makers. As we add properties and platforms, we often hear it is just easier to let the accounting department handle all the arriving data, groom it and then release it to the users. This step “cleans up” the data, but adds labor and time.

Real-time data, on the other hand, is streamed instantaneously. Information comes from all the various systems automatically and is available from different sources and different property types. There is no cleansing. It is as it was received. This then proposes us to ask: “How much delay and intervention do you add to the real time data to make it accurate?”

Right-time data is the product of disciplined data gathering paired with human analysis. To streamline real-time data to right-time as efficiently as possible you must:

1. Ensure standardization at the source level to make trusted decisions with right-time data.

Since most data originates from manual input, make staff training a priority. At check-in, the front-desk clerk starts the process with a manual key entry, a step that sets in motion a lot of data within the PMS system, eventually affecting other departments. For example, it is essential that each staff member books a “no show” the same way across all of your hotels and PMS platforms. If this first pass of data from the PMS is categorized correctly, the data hop to the accounting department is avoided. The goal is to avoid as much of the “hop” as possible.

Some of our clients work hard to change their hotel level operating procedures so they can produce a consistent and accurate revenue statement from each of their various PMS systems. The staff is trained to categorize the data correctly in each PMS, avoiding the hop.

We find the best combination for accurate data and actionable insights is automated data gathering paired with human analysis.

2. Accurate right-time data starts with leadership: Ensure the team is looking at the same numbers.



A leadership team can include above-property executives: asset managers, regional operations and the C-suite. From a leadership perspective, a standardized way of looking at the data ensures accuracy and a path to align their teams with a shared vision.

Data collection from a business intelligence tool can support leadership's decisions with standardized data categories and definitions across multiple brands. This helps align management teams for more profitable decisions.

Sometimes operators will not know their data is flawed until they put it into a business intelligence tool and can see the output. This is the important human step after the data arrives—when strange data finally comes out of hiding. If there are bugs in your data, you have to work back to the source and stomp them out. This might call for more training at the front desk, more consistent setup across PMS platforms, or more accounting office training.

Use this period to ensure your data lineage is close to the source, and has a good combination of speed and accuracy. The fewer data hops to different departments, the better. If your lineage is shorter, you are retaining your accuracy.

When hoteliers trust the data, we know how to make strong decisions.

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