

BUSINESS GUIDE

NetSuite Cloud ERP: The Perfect Fit for the Hospitality Industry





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NetSuite Cloud ERP: The Perfect Fit for the Hospitality Industry

NetSuite Alliance Partner CTR, Inc. puts the power of enterprise resource planning into the hands of hospitality companies that rely too heavily on spreadsheets and aging on-premises systems.

Consumers love shopping, dining, gambling and enjoying live entertainment all under one roof. Add lodging, conference facilities, recreational vehicle (RV) facilities and a fun outdoor pool area to the equation, and the hospitality operator's value proposition expands even further. The convenience of staying at one venue for all of these activities is just one reason why tourists, locals, conference-goers and other visitors enjoy spending time at resorts worldwide.

To enrich the customer experience and differentiate themselves in a competitive marketplace, resorts are continually adding new amenities to their

product offerings. This allows them to maintain a captive audience while encouraging more on-site spending, be it in a restaurant, at a pool bar, at the gaming tables or in the gift shop.

Managing aspects of the business like finances, accounting, marketing and customer service usually takes a lot of labor and many different business systems. These organizations typically rely on separate point of sale (POS) systems, accounting programs and spreadsheets to run their complex operations.

This business guide explores the key challenges that hospitality operators are facing in the current marketplace, details the intricacies of running a business in this sector and explains the benefits of replacing aging, disparate technology systems and spreadsheets with a unified cloud ERP.

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Stay, Dine and Play

Collectively, the U.S. leisure and hospitality sector employs over [14 million people](#) and brings in anywhere from [\\$800 billion to \\$1.2 trillion](#) on annual revenues depending on search parameters. Some of the biggest players in the sector provide a combination of short-term lodging, on-premises casinos, restaurants, entertainment and conference facilities (among other amenities).

Seeking a one-stop-shop for their lodging, entertainment and restaurant-bar needs, customers gravitate to these multifaceted resorts in droves. Operating in an industry that was hit hard by the COVID-19 pandemic, resorts and related businesses began recovering in early-2021 and are now growing past pre-pandemic levels.

In April 2021, for example, the U.S. hotel industry recorded its highest monthly performance levels since the beginning of the pandemic. The [average occupancy rate was 57.5%](#) and revenue per room (RevPAR) was \$63.46, up from 54.6% and \$57.87, respectively, the prior month. This is a positive trend for resorts that generate their revenues from lodging, dining, gaming, events, spas and other leisure activities.

In most cases, the activity and revenue for each of those services are tracked using software programs that don't communicate with the rest of the company's technology. Technology found in the hospitality sector generally includes a mix of on-premises legacy solutions, industry-specific POS systems like Oasis for gaming, hotel reservation systems like Opera, Red Rock for procurement, SpaSoft for spa management and RDP for managing RV park admissions.

Installed on-premises, these systems are mostly disconnected from one another. Reports are limited to specific operational segments (e.g. lodging, restaurant or gaming), which means resort operators have no easy way to get a complete picture of their organization's financial progress and viability.

NetSuite Alliance Partner CTR, Inc. recently worked with a \$100 million casino resort that was stuck on an old version of a legacy ERP system that was limiting the organization. "They hadn't maintained the system or really ever learned how to use it properly," said Pankaj Mundra, President and Managing Partner at CTR. "They were several versions behind on their upgrades."

Working with hospitality organizations that have anywhere from \$20 million to \$1 billion in revenues, CTR helps these companies bring all of their industry POS and reservation systems into a single platform that integrates directly with NetSuite's cloud ERP system.

By effectively replacing and integrating numerous systems to a single unified platform, CTR helps its clients leverage the cloud, simplify their operations management and obtain the reporting they need to be able to make informed business decisions.

“Big Picture” Thinking

Developing enticing new amenities to keep up with changing customer preferences is an ongoing challenge for the hospitality industry, where it's difficult to consolidate finances across an expanding array of departments, each of which likely uses its own software system. “Multiply this across numerous properties and the end result is a very complex business that's difficult to manage,” said Mundra.

Too often, these organizations resort to spreadsheets. “With the organic growth that's common in the hospitality industry, the easiest way to capture financial data is manually,” Mundra explained, “whether that is just by using a spreadsheet or by entering it into a simple financial system.”

And while reports can then be generated from the function-specific software, obtaining company-wide financial results is manually-intensive.

“As expected, manual entry is error prone and leads to reconciliation challenges which takes away time from being able to analyze the data to identify new opportunities.”

Pankaj Mundra, President and Managing Partner, CTR

To help the hospitality industry solve these and other pain points, CTR provides expert NetSuite implementations that allow companies to consolidate revenue input, improve financial oversight and take advantage of new business opportunities.

CTR helps organizations realize goals like:

- Automating manual processes to reduce costs.
- Easily identifying potential areas of improvement that add business value.
- Enhancing employee productivity to increase efficiencies and improve job satisfaction.
- Gaining access to and oversight of real-time financial and accounting data.
- Improving business processes that support growth strategies.

To reach these goals and ensure that accounting data is automatically captured accurately in NetSuite, CTR developed a standard method of capturing revenue input from specialized systems that track these and other metrics for companies:

- Event tickets
- Golf courses
- Restaurant revenue
- Rooms and amenities
- Spa treatments and retail
- Tables and slot machines
- Venue or other rentals

For hospitality providers, CTR also provides custom forms in NetSuite for each and every source of revenue input data. “This helps with visibility,” said Mundra, “and understanding of the source system data.”

CHAPTER 3

The Click of a Button

With all of their financial data in one place in NetSuite, hospitality companies have the company-wide reporting that they need at the click of a button. Users can easily compare different revenue sources and reconciliation is handled automatically. Finally, NetSuite's configurable dashboards and reports can be customized for users that are interested in different components of the data. The solution can report on revenue and statistics by gaming, rooms, spa and restaurants on a daily basis.

"With a standard methodology for bringing in hospitality business data, a company can easily add new services and know that revenue data can be brought into NetSuite to improve visibility," Mundra

explained. "With real-time data always available, enabling strategic growth opportunities becomes part of the company's day-to-day operations."

CTR is an Oracle and NetSuite partner that serves clients in North America and around the globe, delivering implementation in five to eight months on average, depending on the individual company's needs. Founded in 1998, this SuiteSuccess-certified, Oracle Platinum Cloud Select partner maintains an ownership position in several hospitality organizations. By leveraging its hands-on experience in the field, the company brings a native understanding of the industry to the table when implementing NetSuite for resort establishments.



CHAPTER 4

A Solid Footing for Hospitality Providers

An industry expected to grow by \$82.09 billion between 2020 and 2024, the casino and gambling market is currently experiencing a 10% compound annual growth rate (CAGR). With 44% of people expected to take more trips in 2021 than they did in 2020—and with younger generations traveling the most overall—the hospitality sector is poised for growth in the coming years.

To effectively harness this positive momentum, hospitality providers will need business systems that can run their front- and back-end operations while also providing valuable, company-wide operational insights. Held back by manual processes, disconnected and outdated systems, more organizations are looking for end-to-end technology solutions to run their operations.

“Many hospitality companies are at the point where the work required to handle manual processes is just too cumbersome,” said Adam Cohen, Sales Director at CTR. “For others, their aging on-premises systems are slowing their entire businesses down and preventing them from grabbing new business opportunities.”

Armed with firsthand industry knowledge and an understanding of its natural resistance to change, CTR makes the transition easy by providing a high level of expertise and support on every new NetSuite implementation. It develops the direct integrations between existing POS and industry applications, and gives hospitality providers a solid footing in their competitive industry.





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