

Virtual Reality Is The Sizzle, Digital Transformation The Steak For Best Western

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Best Western Hotels and Resorts is a global network of over 4,100 independently owned hotels in more than 100 countries worldwide. This venerable hospitality brand recently completed a \$2 billion brand refresh that has driven its digital transformation.

The most exciting part of this effort: a 360 degree virtual reality (VR) experience across all its North American Hotels. “If you look at our images through virtual reality, they’re so much more vivid,” says Best Western CEO David Kong. “It allows the user to do so much more than just look at a plain photograph.”

Customers will be able to view a three-dimensional view of each hotel’s pool, lobby, fitness, center, parking lot, and one room of each room type using the Google Cardboard viewer or simply a smartphone. “It’s a significant game-changer,” explains Dorothy Dowling, CMO at Best Western. “Customers will pre-qualify experiences.” Dowling was number 18 on Forbes’ *The World’s 50 Most Influential CMOs Study* for 2015.

Best Western is partnering with Google, a relationship that successfully rolled out an earlier version of the offering. “We’re a first mover with Google Street View technology,” Dowling says, “Which we’re leveraging for next-generation virtual reality.”

The VR application is only one aspect of Best Western’s digital efforts. “We just launched our new global digital platform and enhanced BestWestern.com, enabling us to offer a gated discount rate to the Best Western loyalty members,” says Kong. It is also in the process of preparing to launch an all new responsive BestWestern.com, due out later this year



The Hard Work of Digital Transformation

Virtual reality tours of hotels and a revamped digital platform are the parts of Best Western's digital transformation that are most visible to customers, but rolling out such capabilities depends upon years of hard work behind the scenes.

When Best Western Chief Digital Officer Greg Adams took over as Vice President of eCommerce in 2013, he realized that the necessary transformation was systemic. "When I started, we were outsourcing mobile development and working on human resources software internally, for example," Adams explains.

His first move: focusing on customers as the starting point – an essential move for any digital effort. "I asked, what can we do for customers?" Adams says. "That flipped the model. We shouldn't be an HR software company."

This new focus on customers, however, didn't change the fact that Best Western relied on older, legacy technology – and unlike some of its larger competitors, Adams had a tight budget. "We're focusing on migrating the legacy system to be more agile," he explains, in spite of the fact that "we have much less money to spend than the competition."

The result: carefully planned modernization that focused on simplicity. "We created an environment to react more quickly to respond to customer demands," Adams says. "We identified and removed complexity that didn't provide value."

An important facet of this transformation was the move from a traditional waterfall approach to Agile development (see my recent article *Has Agile Outlived Its Usefulness?*). "When I got here we were using waterfall. It took 149 days to roll out a single project," Adams recalls. "In 2014 we rolled out Agile in part, reduced that to 97 days in 2015. In 2016 we're now down to 63 days."

As with most digital transformation efforts, the human side of change was more challenging than the technology. "The hardest part of my role is the cultural change," Adams says. "Changing from waterfall to Agile is tough. We had to prioritize and focus."

Top Priorities: Omnichannel and Performance

The BestWestern.com digital platform along with the mobile app and the VR tours are all critical parts of Best Western's digital strategy – but the bigger picture is omnichannel.

Omnichannel refers to the fact that from the customer's perspective, all the touchpoints with a brand, including web, mobile, call center, and in person, all must form a single, coherent interaction channel. "We need to have omnichannel now," Adams insists. "We need to do mobile first without leaving anything behind."

Once again, the focus of digital is on the customer. “How to create best experience through all customer channels, for example voice and the call center,” Adams explains, adding a warning: “Be careful about making bets on technology until customers tell you what they want to use.”

Regardless of the technology Best Western puts in front of its customers, the performance of that technology is paramount. “Being fast is important from the customer perspective,” Adams says. “But, if our site isn’t available, it doesn’t matter how fast it is.”

Best Western, in fact, has award-winning performance, as the Dynatrace 2016 Best of the Web recognized Best Western as a top performer for having the most reliable and responsive web experiences in the hospitality industry. “If you look at our performance numbers, they’re great,” Adams says.

Accolades notwithstanding, Adams’ work is never done. “We’re focused on making our site more available,” he says. “As we move to Agile, we can’t bring anything down. How do we use the Cloud, how do we make sure our databases are available.”

Digital Disruption

In the final analysis, digital transformation is all about disruption – how changing customer preferences and behavior are disrupting enterprise technology decisions to be sure, but also how digitally savvy organizations can disrupt their own markets.

The disruption in today’s hospitality industry weighs heavily on the mind of CEO David Kong. “I think, in some ways, we need to think more like the disruptors, whether it’s Airbnb or any one of these people that are disruptors in this industry,” Kong says. “We need to start thinking like a disruptor. How can we positively disrupt the industry?”

Whether it be an omnichannel customer experience or virtual reality tours, Best Western is doing its best to disrupt its industry, rather than allow the Airbnbs of the world to do the disrupting.

Yet with all this talk of disruption, the digital mandate must put the customer at the center. “The one thing that I really want everyone to think of when they think of Best Western is trust,” Kong continues. “They can trust that the brand will provide a right experience for them when they go and stay there.” Best Western’s digital efforts are well on their way to reinforcing the trust customers have in its brand.