

# Discussing Wi-Fi

## — no free lunch

Free internet - is it really the way to go? **Mark Teasdale**, managing director of RIEO Communications shares his thoughts

**H**otels offering free internet access are unlikely to be willing to absorb the increasing and on-going costs associated with the provision of a high quality, high speed internet solution.

Guests now expect more than basic internet access. They require a reliable, robust, high band width service, so the question to ask is, should this premium service really be free of charge? A service such as this will cost the hotel more to provide, maintain and support, and the revenue opportunities founded through charging are proven.

Generation 'Y' or 'iGen' – the up-and-coming Internet users – has grown up with the internet and data networks, using numerous band width hungry applications such as video streaming, Slingbox, Joost, iTunes, YouTube, Skype.

As we move forward, the 'iGen' room occupancy rate will continue to increase and with this will come an overbearing load on many internet access systems. This shouldn't present too much of a concern as technology is always evolving to deliver more data at greater speeds, in the most effective way possible – but this comes at a cost.

The old revenue share model is history, and for good reason.



Granted, the revenue share model meant that hotels did not have to spend on systems to provide internet access, however the hotel and guest were then at the mercy of the provider as to what the guest would have to pay to access the internet, as well as having no guarantee of the standard of service levels they received, particularly as usage increased and continues to do so.

The move away from revenue share is understandable given the history, but hoteliers really need to consider how they are going to cover the costs of necessary future upgrades if they are offering the service free of charge. Can 'free of charge'

**"Can 'free of charge' really be a favourable model?"**

How are you responding to the demand for Wi-Fi? Is there such thing as a free lunch? Let us know. E-mail [sophie@hospitalitymagazine.co.uk](mailto:sophie@hospitalitymagazine.co.uk).

really be a favourable model? Why should a beneficial guest service deplete hotel profits? Surely, now as hotels are breaking free of revenue share contracts, it is acceptable to at least cover the associated costs?

A common perception in the industry is that guests expect HSIA (High Speed Internet Access) for free. This needs to be seriously reconsidered. What guests expect above all is that the system works. If they have to pay to get a working service they will happily do so. However, guests are not so happy if they are at a hotel that offers an unreliable, poorly supported and creaking HSIA service for free. ■