Oregon Parks and Recreation Commission

September 18, 2008

Agenda Item: 15   Information

Topic: Reservation System Evaluation

Presented by: Trygve Larson and Lisa VanLaanen

Background:
The current system (due for replacement) dates back to the late 1990s, and is made of a complex set of interconnected parts: a phone center operated by OPRD, a field component, and a private vendor's online service. Services are provided by Reserve America under contract to OPRD augmented by OPRD call center and support staff.

The attached report provides a discussion of the current system and the potential for providing improved customer service and operability as consider the options to bring the system up to date. Considerations are: an examination of the purposes of the reservation system; and, role of technology in support of reservations and broader agency needs.

Staff anticipates presenting a more detailed discussion of the options, including costs, at a future meeting.

Prior Commission Action: None
Action Requested: None
Prepared by: Trygve Larson

Evaluating the Oregon State Park Reservation System

Background

The mission of the Oregon Parks and Recreation Department is to provide and protect outstanding natural, scenic, cultural, historic and recreational sites for the enjoyment and education of present and future generations. People today expect government will use computer technology to be responsive and provide a seamless, smooth experience. For many park customers, the reservation system is their first contact with OPRD services. As the current reservation system software is nears the end of its useful life, OPRD set aside funds in 2005-07 to upgrade the system, but the move was deferred to allow the department more time to evaluate software of potential commercial vendors and build a better field communication system. As these two issues are moving toward resolution, OPRD is developing courses of action to meet its future needs.

The purpose of this paper is to ask and answer three key questions: What role *does* the central reservation system play in serving customers? What role *could* it play? What are the possible *options* for the future?

OPRD's principles set the stage for this evaluation:
- **Deliver world-class experiences to park visitors.** OPRD fulfills its mission by providing top quality recreation services to Oregonians and others. The agency delivers these services by developing and managing recreation opportunities, letting people know about them, and making access to those services easy.
- **Be responsive and responsible to Oregonians and the resource.** Good stewardship means listening to what people need and want, and accommodating those needs within the long-term capability of the resource.
- **Be cost effective.** Delivering high quality services, whether at a park or online, comes at a cost. OPRD's long-term success requires an understanding of how to strike the balance between money for project development versus the resulting money and staff time needed to maintain and operate a permanent program. To be cost effective, the solution must continue to deliver a high level of service.

Technology's Potential Role

Information technology plays an increasingly important role for the agency and for our park system customers. The technology commonly available in the market, and the speed with which customers adopt and rely on those technologies, is staggering. People willingly rely on the Internet to make more and more of their decisions—from planning their daily commute, to staying on top of local news, to deciding when and where they play outdoors. Experience to date at the 2008 Oregon State Fair indicates that nearly 50% of fair goers checked the information on the fair website prior to attending. Oregonians are far more connected to the public Internet than ever before; they typically exceed statistics on national Internet use, which currently shows more than 72% of the population has Internet access. To more fully exploit this movement and provide increased customer service, OPRD *could* use technology to achieve the following goals:
- **Connect people to the recreation services they desire.** OPRD manages a significant portfolio of recreation and heritage services. Most people already have well-defined

preferences. From a pure information-delivery perspective, technology can organize our services and make it easy for people to understand what we can do for them.

- **Help people explore new horizons.** Some people limit themselves to the comfort of what they already know. Properly applied, technology can help OPRD staff expose people to new healthful, enjoyable outdoor and cultural experiences.
- **Improve marketing of under-used resources.** Some OPRD programs, services and resources have a greater capacity to serve. Technology can empower staff to promote these services to the current and potential recreation market.
- **Maintain open communications with customers.** If we let them, our customers will tell us instantly when we're falling behind, or missing the mark in some way. Technology can build an always-open channel between OPRD and its customers to keep small concerns from growing into large ones, and to give the agency insight into emerging trends.
- **Boost the bottom line.** Planned well, technology can reduce daily costs and streamline productivity. When systems become outdated, their costs increase and benefits fall. A well-designed system is affordable to operate and helps promote under-used programs (both increase net revenue). Ultimately, the ongoing costs to run an online system far exceed upfront licensing and development costs; controlling ongoing costs saves the most money.
- **Improve field efficiency.** Field staff need to focus on customers, not on the technology required to get the job done. Systems should be easy to use, help frontline staff serve customers quickly, and efficiently produce documentation required by agency accountants.

These six goals produce different benefits, but they are each enabled by the same business practice— a habit to which all successful companies. **OPRD must continually adopt new technologies as they become mainstream.** Buy anything online? Accommodate mobile phones? Allow a fully personalized online experience? As the online culture changes, OPRD must change with it (or **just** behind it), or its past investments in online service decay and deliver less value.

The Current Situation

The current system is a complex structure because the technologies employed were state of the art in the early 1990's, and the system's functions were divided between state- and privately-operated services. By today's standards—dominated as they are by slimmer, more nimble web-based applications—the reservation system is made of too many moving parts spread across too many computer systems. The complexity stems from multiple pieces of software needed to support customer Internet reservations, phone center operations, and park office software used by field staff. A
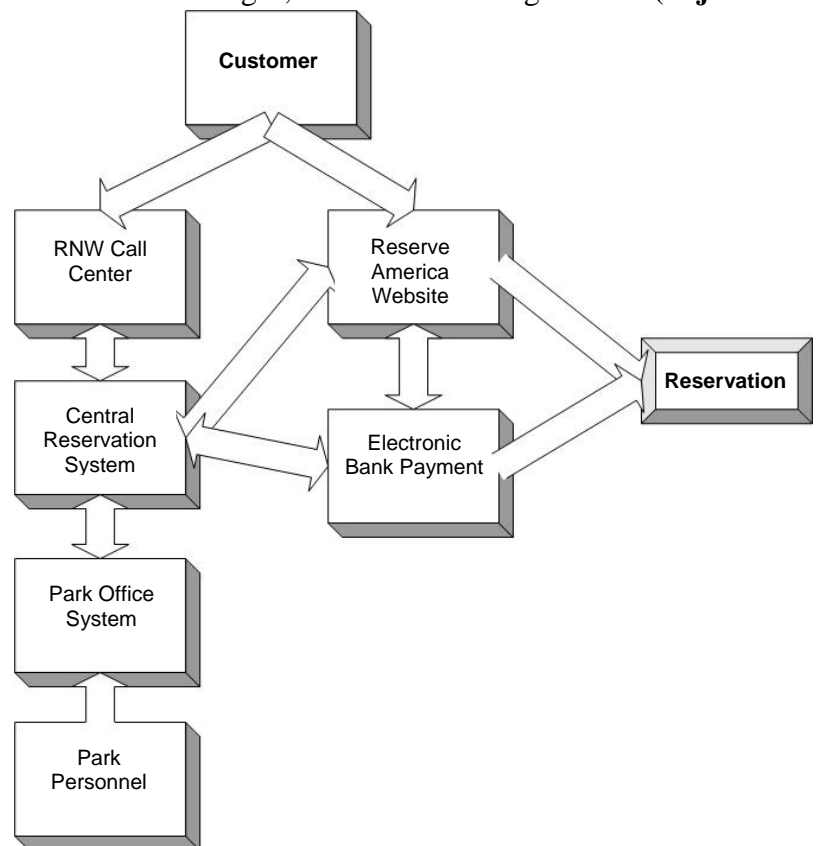
very complex system of synchronization is employed to ensure web reservations, the phone center and changes made at the park are all kept up to date.

The current applications and the Internet web system are provided and maintained by OPRD's vendor, Reserve America (a Ticketmaster subsidiary). Beyond the support provided by Reserve America, the agency also employs network specialists whose daily attention is required to ensure that the communications between the field, Reservations Northwest, and Reserve America have been completed, are accurate, and ensure our customers are always interacting with current information and availability.

OPRD customers make roughly 200,000 reservations per year, half of them online. What role does the current online system play? It allows online reservations for campsites, yurts and cabins. Its features are basic but solid: allow people to look up a park by name or on a map, select a date, and secure a reservation. There has been little movement in the fields of visitor customization, access for mobile devices like smart phones, integrated marketing of reservation and non-reservation services.

The current system exists in an online environment characterized by:
- **Online market growth.** The agency has experienced explosive growth in the Internet reservations, with some decrease on the call center usage. The reservation center has reduced hours and staff, but the agency pays a significant transaction fee for each Internet-based reservation, and these costs have escalated anticipated budgets.
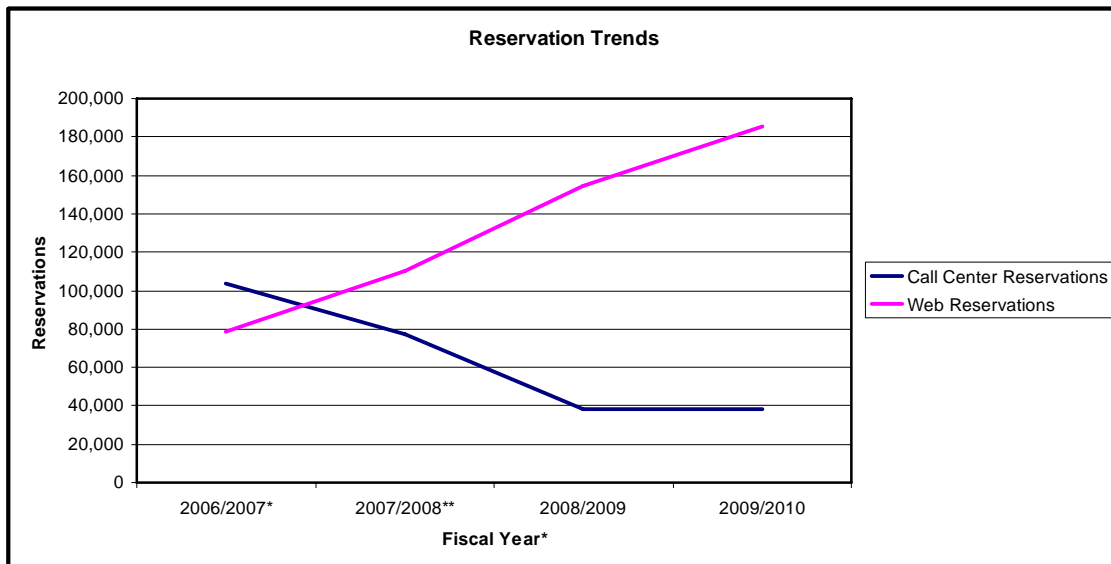
- **Constant pressure to adapt to customer needs.** We have received a small number of complaints about the quality of the current vendor's online service. Of larger concern is our ability to a) respond to our customer's desires for added functionality, b) expand the service, and c) focus on Oregon-specific marketing needs. It is very difficult for our vendor, who provides these services to numerous agencies nation-wide, to support the unique needs of Oregon customers, since a nationwide vendor understandably focuses on the entire market's demands. Some of the basic functions of the vendor's online system are 5-10 years old.

- **A vendor-government relationship.** While the working relationship between Reserve America and OPRD is quite good, the contractual and financial relationship raises some concern. OPRD is charged for software support and use of their intellectual property, and pays a transaction fee for reservations performed over the Internet. As mentioned above, the explosive growth in this area breaks the reservation system's budget.

Discussion

Online features are key to any modern service-oriented business. The central reservation system's current role is: it performs its basic function—making reservations—adequately, though costs are growing rapidly as more customers go online. By design, the online system combines information from all the vendor's clients into a single product, meeting their common needs and promoting their common use, but going no farther.

What role could this technology play? Ideally, online reservations and other agency web services would work more in concert to encompass several key features:

- **Integrate marketing:** seamlessly incorporate all aspects of an e-commerce system. Customers should be able to purchase any service or good produced by the department, barring insurmountable practical or legal limitations.
- **Increase revenue:** encourage repeat visits and market under-used facilities leading to higher revenue.
- **Contain costs:** control costs for hardware and software development and maintenance, and reduce per-transaction charges. As volume increases, total transaction costs per unit should fall.
- **Let technology evolve:** adopt communication and information presentation technologies nearly as quickly as they become mainstream. Comply with consumer privacy protections as dictated by the Payment Card Industry standards and the Oregon Identity Theft Protection Act.
- **Serve customers:** listen to them. Use technology to establish a direct channel to the hearts and minds of our customers. Give them what they know they want, and show them new experiences and services they had not previously considered.
- **Be stable over the long haul:** give the program a stable foundation, and manage the service so it delivers regular, increasing benefits for as long as it is maintained. The software, hardware and people who manage both should be sustainable.
- **Improve business processes:** Provide a platform to build better internal processes for field, RNW, and headquarters staff. Examples: cash management, customer service, camper management, facilities utilization, and communications.

Options

As stated earlier, current reservation system software is nearing the end of its useful life and our contract with the vendor expires in June 2009. Staff are evaluating the general courses of action to maintain functionality of the current system while developing options for procurement of a system with enhanced capabilities. Possible courses of action include:

- Solicit proposals from commercial vendors to provide enhanced capabilities
- Develop a system with in-house resources that provides enhanced capabilities
- Solicit proposals from commercial vendors to provide software to continue to operate with current system capabilities.