



New Revenue Management strategies for new market conditions

There is a myth which says that Revenue Management as a discipline will only work during times of high demand. However, in this challenging market, now is the time to ensure strong Revenue Management processes are in place to make sure no opportunity is lost.

During this economic downturn you need to:

- Increase your revenues by making more informed decisions
- Avoid last minute panics and rate dumping allowing the guest to cancel current reservations and re-book at lower rates
- Improve your market and competitor knowledge so your staff are better prepared to deal with rate resistance
- Improve your channel management and understanding of e-distribution so you maintain control of your inventory and selling rate, to avoid guests calling saying "I've seen a lower rate on line"

Here are our key guidelines to working in these challenging market conditions:

Forecast, forecast, forecast. Be realistic. Last years figures may not be as useful but people are still travelling and staying in hotels. Identify the latest trends and how they really affect your property.

Learn more about your customers buying behaviour. Where do people prefer to book, what influences their decision, how are they choosing where to spend their money? Direct customers to your own website and reward their loyalty.

Manage your distribution channels. Give allocation only to those who produce and are cost effective. Ensure tactical promotions are fenced and protected so you keep parity and integrity

Add Value rather than discount wherever possible. Customers looking for a "deal" have no loyalty. Build loyalty by recognising guests with relevant added value

Invest in Sales training to ensure all opportunities are taken Even with the growth of the internet more than half our business is handled by Voice. Ensure Reservations staff are given all the tools to convert sales

Communicate the strategy. Make sure this filters down to the front line staff. Incentivise up selling in all departments. Do not be the only person who is aware of the plan!

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About IFH®



IFH[®] develops proven customer-focused programmes designed to monitor and manage hotel performance across all sales and distribution channels and generate incremental revenues

The Programmes cover Sales Management, Revenue Management, Training and Quality Performance Management across all hotel departments. These programmes can be applied individually to address specific needs or synergistically combined to produce powerful long-term revenue generating programmes
See - www.ifh-worldwide.co.uk