

Optimizing Sales Systems: Revenue Management and Sales & Catering Automation

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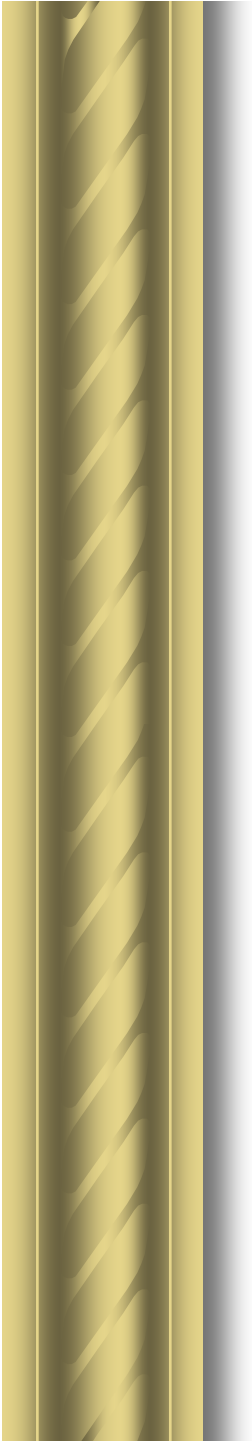
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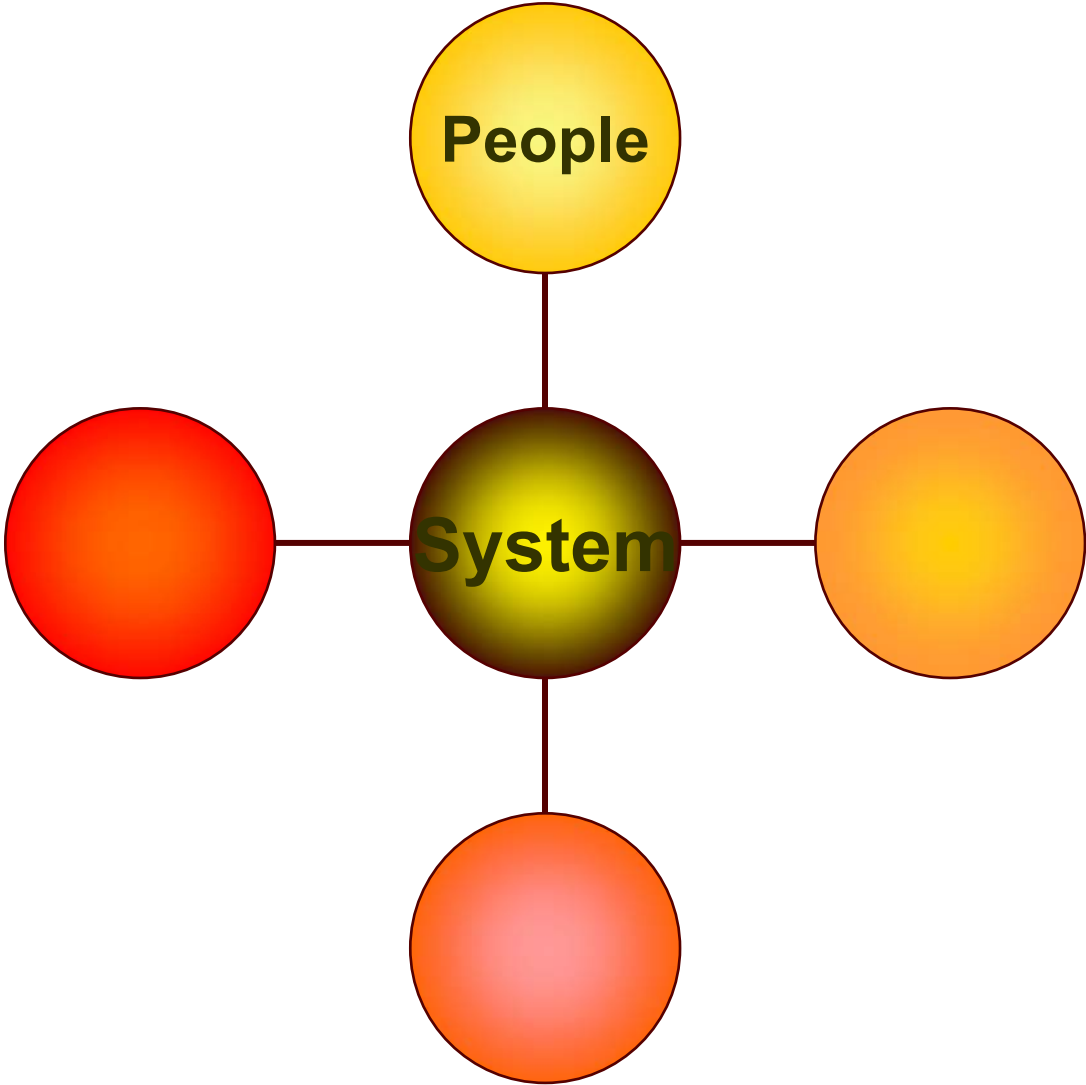
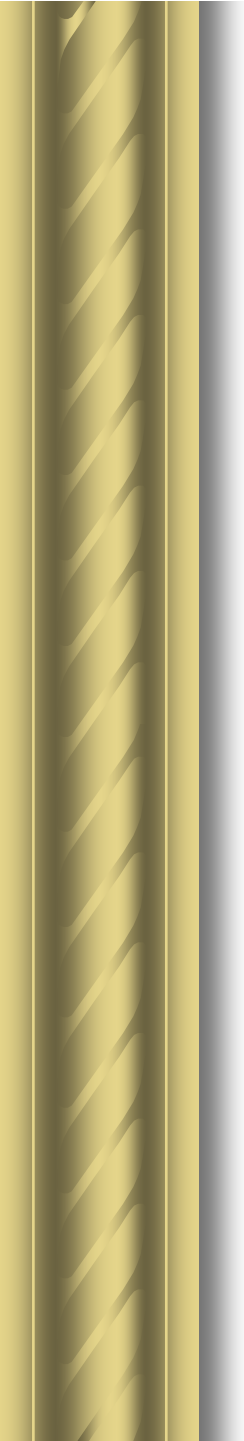
Setting The Foundation

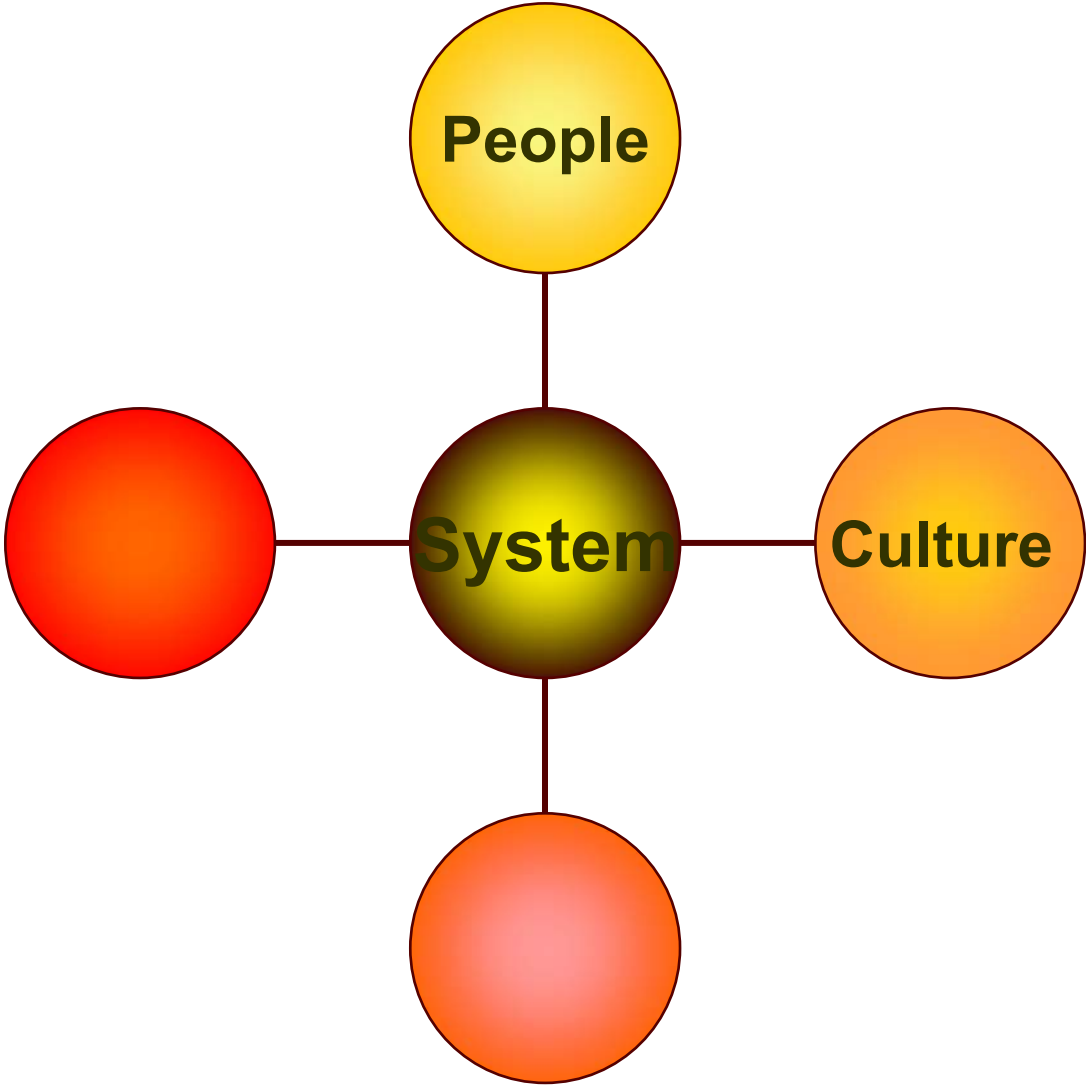
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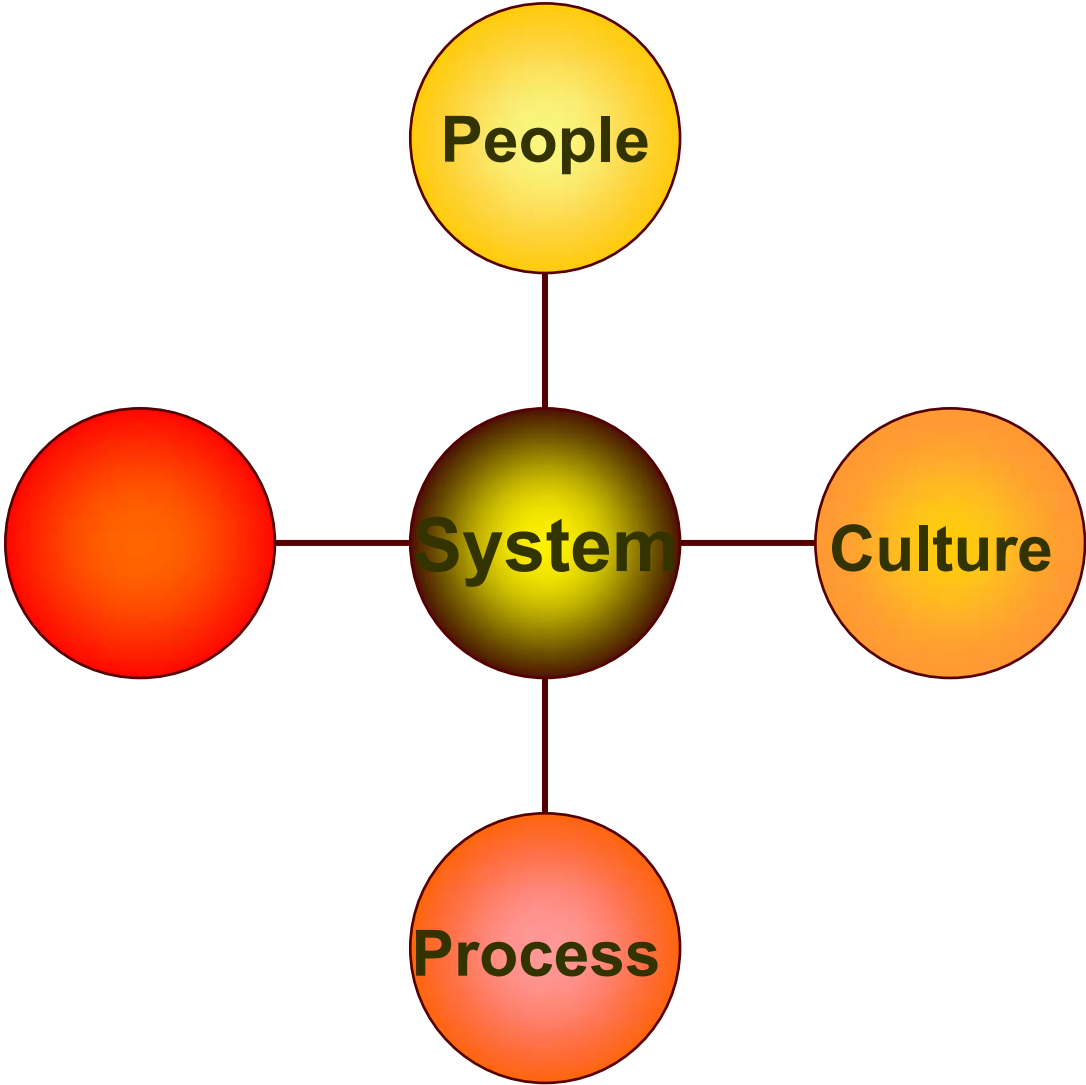


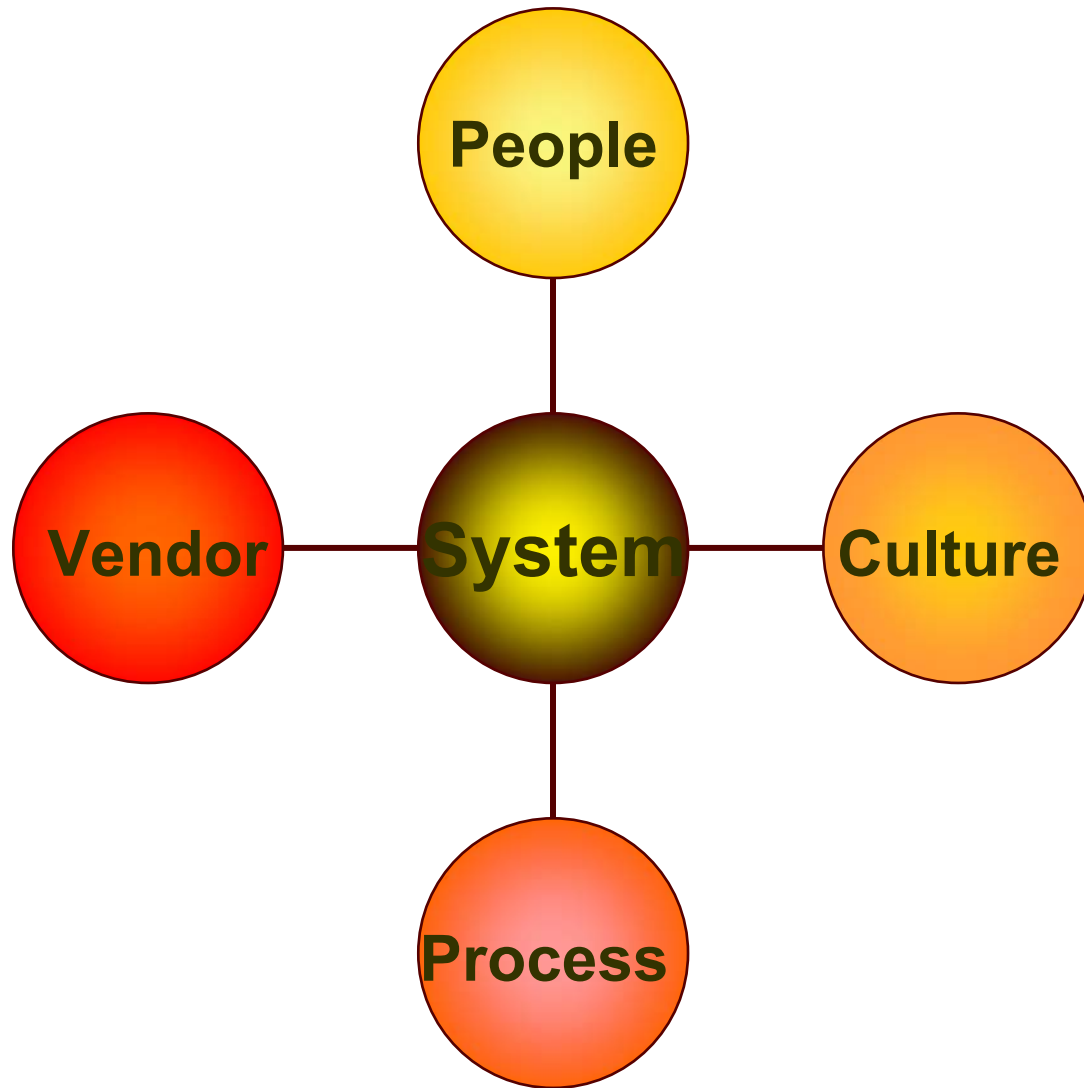
System














How well do people in
your organization
understand revenue
management?



Revenue Management

Maximize Revenues from All Available Sources

- Identify relevant sources
- Develop pricing strategies
- Determine distribution strategy
- Forecast Demand
- Apply yield filters
- Measure results

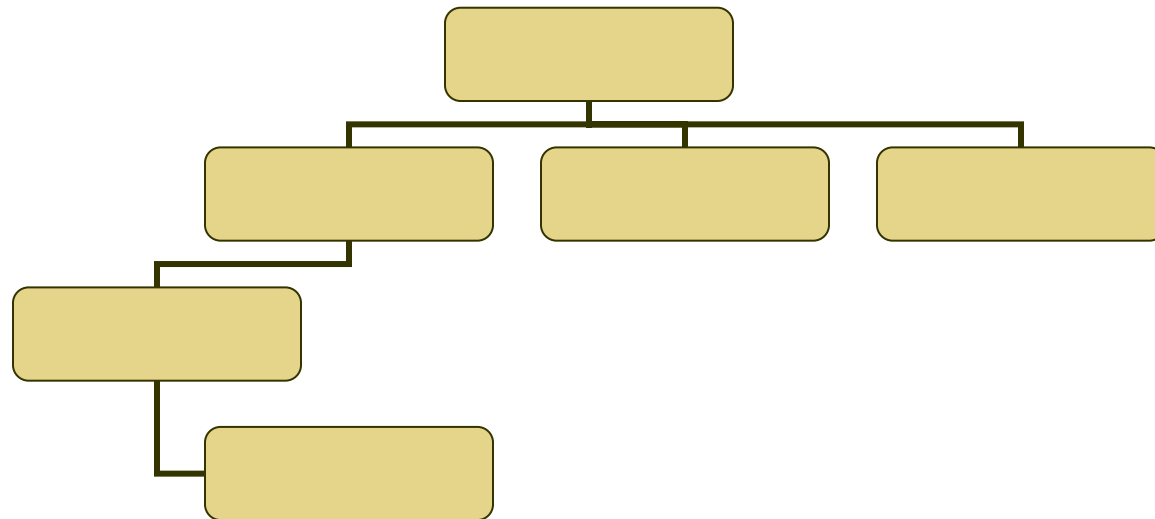



What are your objectives?

- **A. ADR?**
- **B. Occupancy?**
- **C. RevPAR?**
- **D. RevPAC?**
- **E. All of the above**
- **F. None of the above**

Revenue Management Culture

- **Develop organizational understanding**
- **Involve key influencers**
- **Evaluate organizational chart**



- 
- **Develop and deploy a strong revenue manager**
 - **Evaluate and communicate opportunities**
 - **Deliver consistent and meaningful information**
 - **Be honest - - - develop trust**



Purchase Decision & Installation

- **Involve key influencers & users**
- **Don't over- or under-promise results**
- **Train more vs. less**
- **Set realistic expectations of results**



System Optimization

- **Know when to question decisions**
- **Know when to trust decisions**
- **Determine appropriate level of system manipulation and human interface**
- **Empower Revenue Manager**
- **Beware of behavioral regression**
- **Ensure integrity with customer sales process**


Integrate the Marketing Element



Sales Team
Converts
Demand

Marketing
Generates
Demand

Revenue
Management
Filters
Demand

- 
- **Identify periods of opportunity**
 - **Interface marketing & revenue management teams**
 - **Synergize objectives**



Measurement

- **What Benefits will you derive from installing a revenue management system?**
 - **Intangible Benefits**
 - **Difficult to measure exactly but have a direct impact on the hotel's success**
 - **Tangible Benefits**
 - **Measurable and provable**



Measurement

- **Intangible Benefits**

- **Automated deployment of decisions several times each day**
 - **Allows the team to focus on sales techniques and strategies**
- **Management information from the User Interface**
- **Demand Monitoring**
 - **Allow the team to focus attention on days that need attention!**



Measurement

- **Tangible Benefits**

- **Changes in Occupancy**

- Increased occupancy on 'shoulder' nights

- **Changes in Revenue per Available Room**

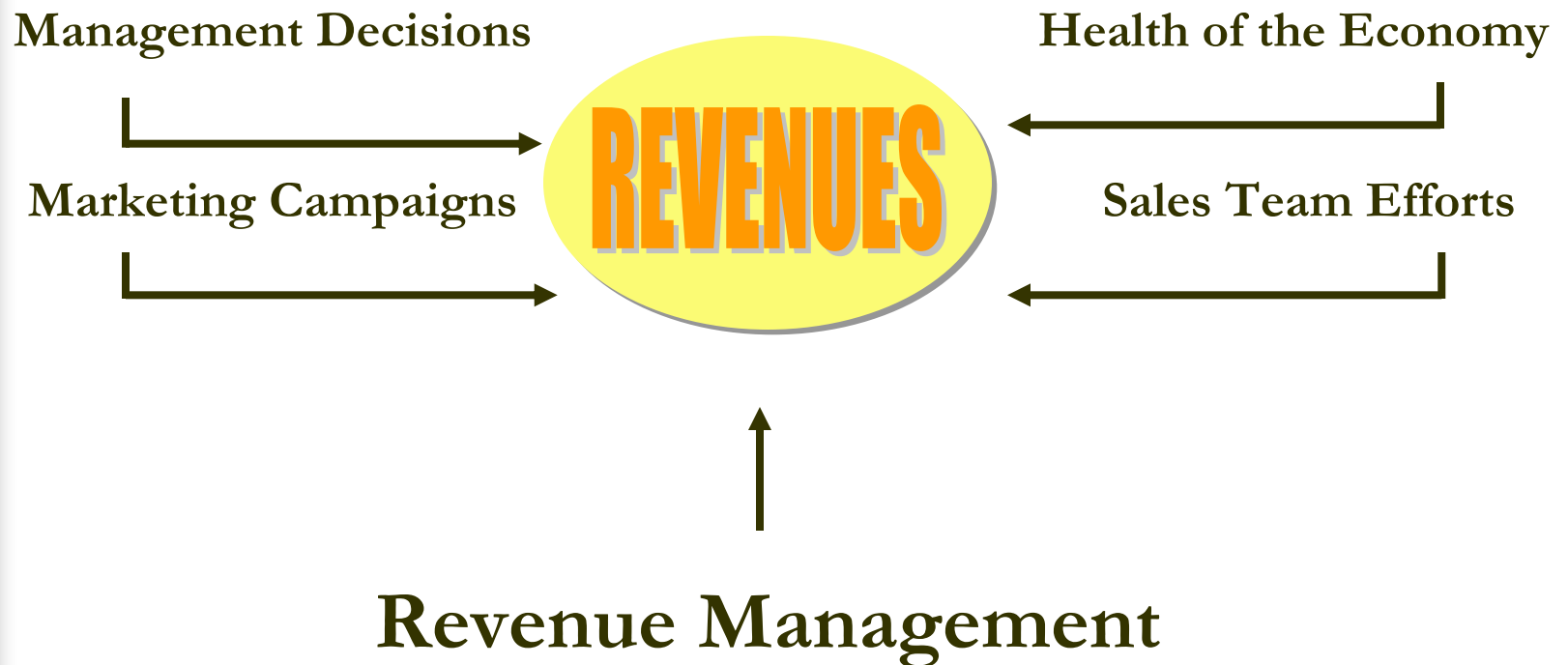
- Increased overall RevPAR

- **Group Evaluation**

- Better pricing & placement of groups

Measuring the Benefit

What factors impact the hotel revenues?





Opus Communications



**Consulting Services
for the
Hospitality Industry**

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Man vs. Machine

Quantum leaps in
technology meet
human inertia for change

Back to basics



The Human Factor

- Relationship driven
- Fluid & diverse
- Inconsistent
- Flexible & adaptable

The Master



Technology

- Data driven
- Standards & consistency
- Accurate if kept current
- Fixed, yet versatile



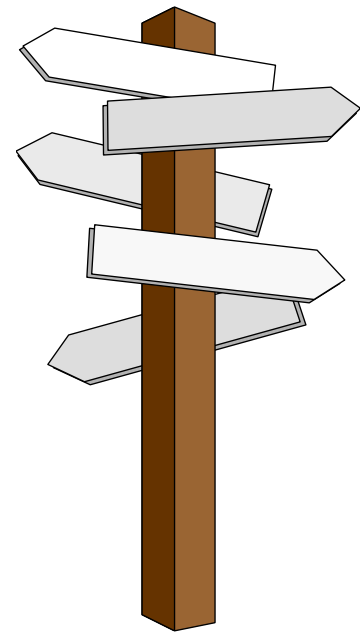
Performance

80/20 Rule

**80% of users benefit from only 20%
of the available technology**

Common Pitfalls

- Lack of direction, time investment & commitment
- Reliance on shelf-product default applications
- System's unfamiliarity
- Insufficient training & maintenance



Management Objectives

- Return-on-Investment
- Meaningful reports
- Business pulse
- Marketing data
- Sales effectiveness



Commitment & Tenacity

Essential Questions

- Who are the sales people calling on and why?
- Who is the most profitable customer?
- What is it that they want to buy?
- When do they want to buy it?
- Who has business for your urgent need periods?
- How much of their business can you expect?



ROI & Performance Measurements

- Business volume, flow and yield improvements
- Preservation of intellectual capital
- Marketing enhancements & savings
- Lead source effectiveness
- Booking conversion ratios
- Data accuracy monitors
- Sales force longevity



User Objectives

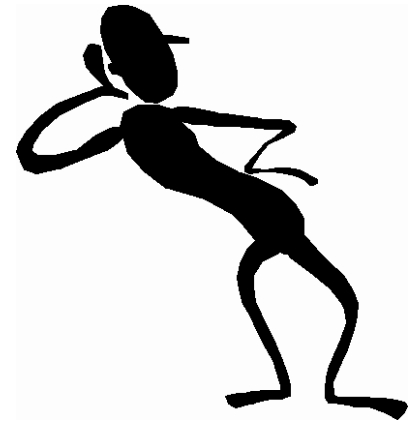
- Ease & efficiency
- Informed communication
- Territory management
- Sales funnels
- Custom mailings
- Accountability



Professionalism

Sales Process Integration

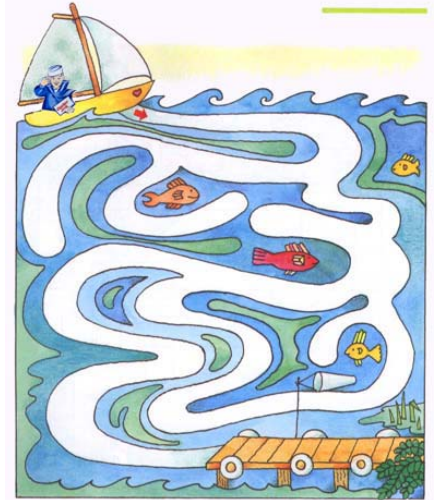
- Info gathering sequence
- Focused listening
- Mapping & profiling
- What, when & where
- Opportunity & quality rating
- Follow-up communication
- E-mail, merging & tracing features



Time Investment & Discipline

System Set-up

- Systems integration
- Designate a strong system administrator
- Establish clear standards
- Maximize merge & link features
- Customize optional features
- Provide support equipment

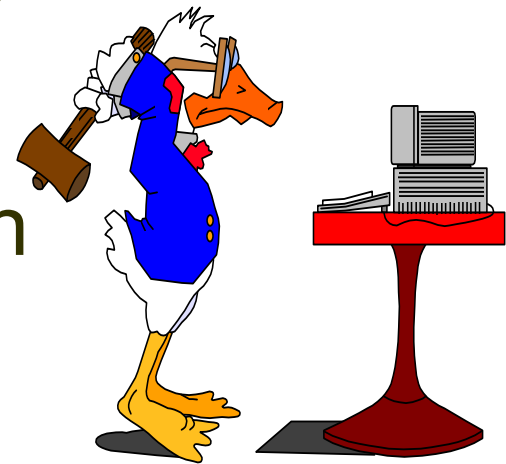


Forethought & Planning

Data Collection

Mindset & Culture

- Information capture vs. data entry
- Overcoming reluctance
- What's in it for me
- Performance evaluation
- Incentives



If it isn't entered – it didn't happen !

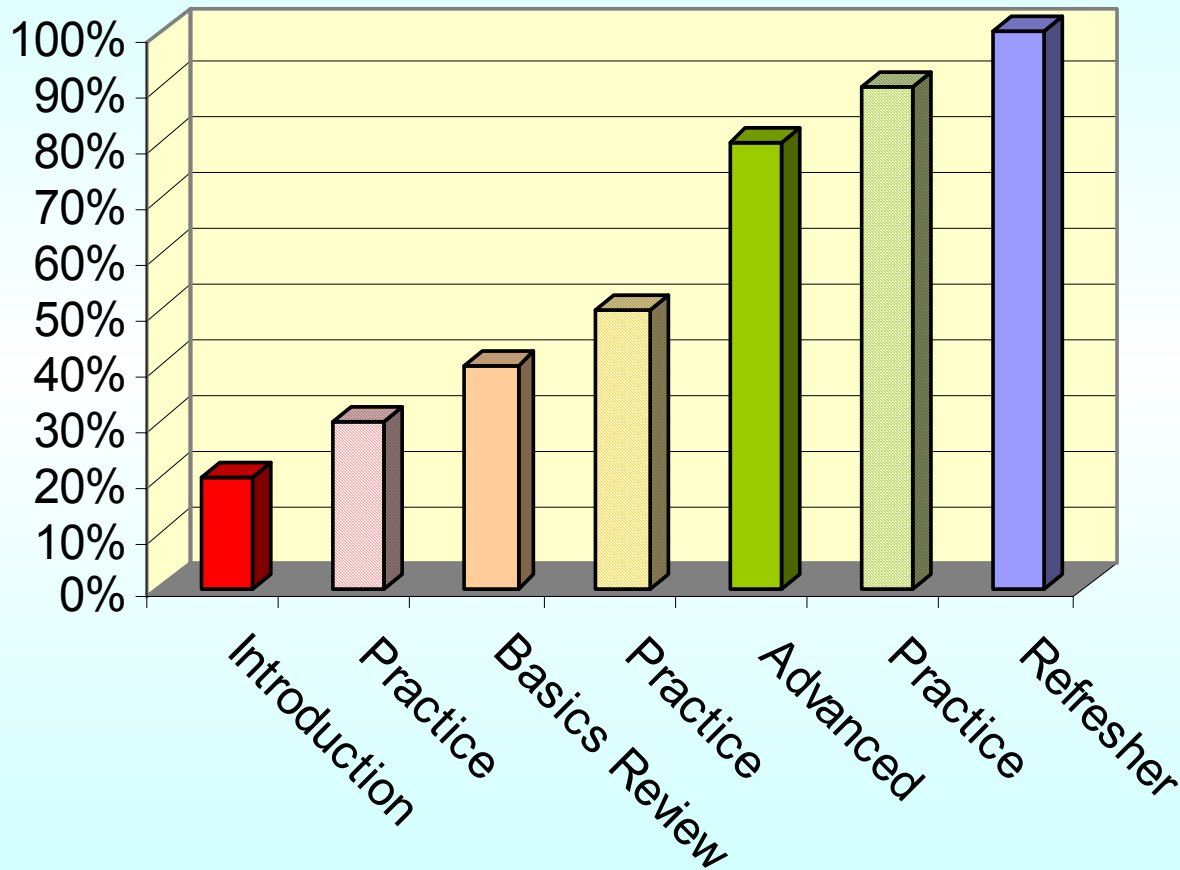


Training

An Ongoing Process

- Paced in reasonable increments
- Learning curve & retention rate
- CD based and personal training
- Practice intervals and reviews
- Advanced training & short-cuts
- Annual refresher courses

Training Retention & Proficiency



Applications Summary

- Knowing the customer
- Historic data
- Trends & opportunities
- Inventory management
- Direct mail lists
- Inter-departmental communication
- Reports & measurement tool



Information is Power



GAYLORD HOTELS™

Created With You In Mind



Yield Management Integration Techniques

Bridging the Gap between
Group Sales &
Conference Services
Yield Management

John Eslick, Director of Information Technology
JEslick@gaylordhotels.com



Yield Management in a Sales Environment

- **Group Histories Analysis**
- **Market Segmentation Analysis**
- **Forecasting - High Demand versus Opportunity Periods**



Existing Group Yield Techniques

- **Transient Demand**
- **Group Ceilings**
- **Seasonal Rating**
- **High Demand/Special Events Rating**



From Standalone to Integrated Yield Management Systems

- **PMS – Group Blocks, Remaining Transient Demand; Distribution Channel Yield**
- **Sales & Catering Systems – PMS to Yield integration**



Sales Re-Engineering Preparedness

- **Key Factor – Operational Management**
“Buy-In” on Yield Philosophy, both yield concepts & specific vendor approach
- **Sales Incentive Programs**
- **Integrate into the Selling/Approval Process and Compensate**



Emerging Integration - Futures

- **Enhanced Group Services**
- **Lead Delivery to Prospect Contract Negotiations**
- **Room Rating – Available & Alternate Dates Analysis**
- **Impact of Ancillary Revenues Factor**



Emerging Integration – Futures

- **Conference Management Events Management – Automated Suggestive Selling Strategies**
- **Guestroom to Function Space Ratios**
- **Upgraded Banquet Menu Offerings**
- **Increased Pre - and Post - Function Events**
- **Influence Delegate “Free Capacity” Behavior**



Emerging Integration - Futures

- **Room Sets & Rotation/Utilization Ratios**
- **Guest Traffic Flow Analysis – Anticipate, Service & Sell**
- **Seize Opportunity - “Captive” Audience into a more aggressive self promotional tool**
- **Convert the Group Experience into a Personalized Delegate Experience = Return Transient Guest**



Enhanced Group Services

- **Marketing Messaging**
- **Additional Event Promotions**
- **Group & Facilities Management Integration**
- **Extended Stays Incentives**
- **Promote “Next Special Event” Calendar**
- **Monitor & Modify Conference Services Scheduler**



Conclusion

- **Yield = Capacity versus Capability Management**
- **Emphasis on Group Sales Conversion to Individual Guest Experience via enhanced yield of Conference Services management**



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Questions & Answers

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