



Revenue Management to the Management Team

Demonstrating "Thrill of the Fill" Leadership

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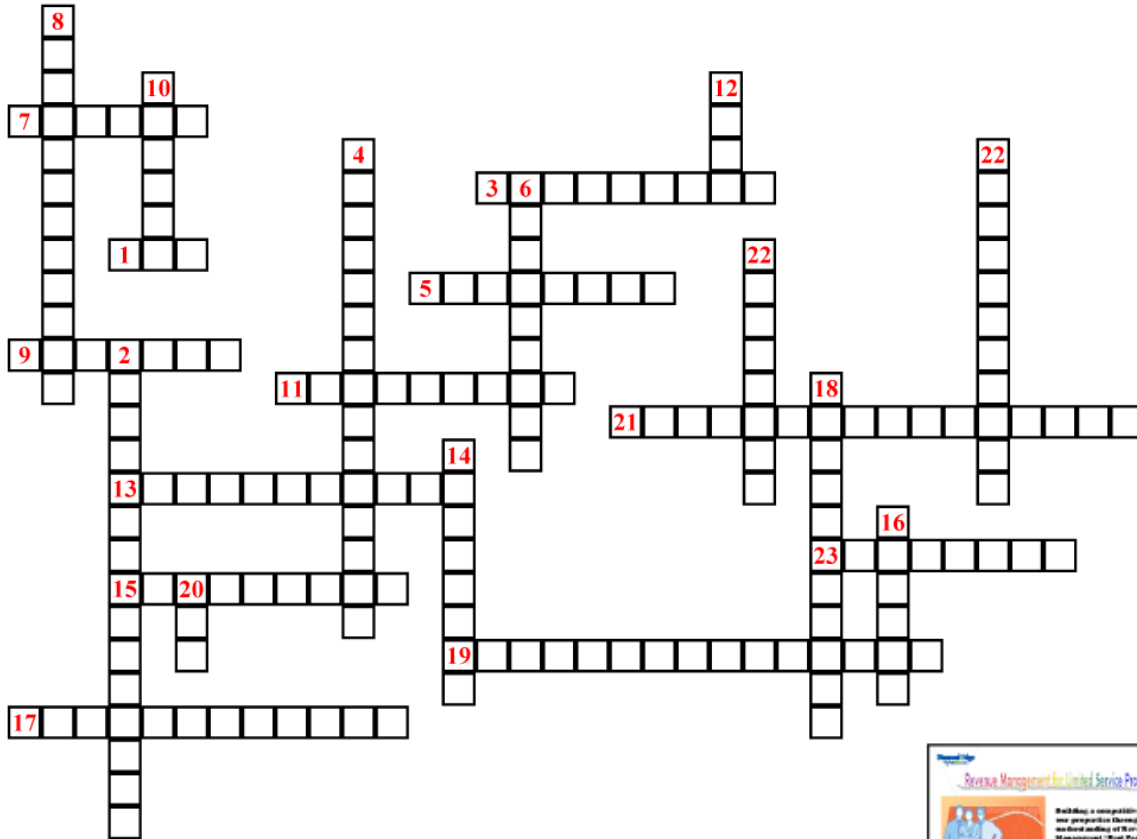
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Revenue Management Crossword



Across

- 1 Sabre or Apollo
- 3 Credit card...
- 5 Backbone of revenue management decisions
- 7 Rate with restrictions
- 9 10% off rate of the day
- 11 Guest who is not flexible
- 13 Average rate x rooms sold
- 15 Non-contracted guest
- 17 The most expensive item in the hotel
- 19 Restriction
- 21 Regulate length of stay
- 23 An industry using Yield Management

Down

- 2 Minimum length of stay, close out, etc.
- 4 Rooms on the books
- 6 Front desk opportunity to increase rate
- 8 Best available rate or...
- 10 Part of forecasting
- 12 How quickly a market segment books
- 14 The most important step in the revenue mgt process
- 16 Formula for rate and occupancy
- 18 To know your market, you need to know your...
- 20 The rate paid over a given day
- 22 Will not pay the rate
- 24 Revenue above and beyond what was planned

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Introduction

Introduction

The methods used to determine hotel room rates have changed drastically over the last few years. We have gone from opaque, static rate sheets format (as recently as 2005) to transparent, dynamic rates being driven by the web.

In 2005, over 25% of all bookings were first being sourced on the internet. In 2006 this was 50% and the forecast for 2007 is for over 70%. The final booking may be on the telephone but the guest has done internet research before placing the call. Prices now change month to month, week to week, day to day, and hour to hour.

Where quotes to consortia were fixed, the industry is rapidly changing to a dynamic model so that this important rate set will reflect rates being set by our properties.

Revenue Management is all about having the right room (product), at the right time, for the right guest, at the right price, for the right length of time. In other words, Revenue Management is about maximizing the hotel's revenue opportunities.

To help you in your quest to maximize your opportunities in this new world, you need a frontline team that is attuned to your needs.

- Guest Service Representatives (GSRs) need to know how to respond to:
 - Positive/Negative reaction by guests to a particular package
 - Information about the marketplace
 - A client of the hotel or a client of another property who is unhappy
 - A guest who has the potential to provide substantial business
- Your objectives should be to:
 - Charge the room rates that conform to best Revenue Management practices
 - Give the GSRs the tools they need to support your Revenue Management practices

Program Focus

This program focuses on Best Revenue Management Practices for your Management Team. It will provide them with a working knowledge of the goals of Revenue Management, an understanding of Revenue Management restrictions (definitions, implementation) and how to support restrictions to maximize the success of the hotel.

Introduction

Support Material

We are providing you with this leader's guide and a customizable participant's guide to maximize the effectiveness of this program. This training will teach your management team the steps to increased revenue. A little support from you is all that it takes to keep the program alive and working on your property.

Here's what you will find in this guide:

- A complete operational foundation to revenue management. From gaining an understanding as to what revenue management is to individual case studies to apply what you have learned.
- Revenue Management definitions (pg 43).
- Strategies for launching the program at your property and keeping your team motivated to continue to follow best Revenue Management practices long after they have completed the program.
- Tips for completing the customizable Participant's Guide.
- Questions to ask your staff as they move through the program. By testing them on the knowledge they are gaining, it sends a clear message to them: the program is important to you... and to the property.

Launching the Program

Like a movie blockbuster, the release of a new CD or book, a launch sets the tone for what is to come. If Diamond Edge Revenue Management for the Management Team increases RevPAR by as little as 1%, what would this mean to the property's bottom line? How about 2 or 3%? How successful do you want the program to be? Try using these steps to realize the full potential of Diamond Edge Revenue Management for the Management Team at your property:

1. **Determine what the benefit is of a program focusing on increasing RevPAR.**

To be successful, hotels need to invest in their service teams. Such an investment has two major benefits to the owner/manager.

First, a staff that feels they are valued will stay with the team which greatly reduces employee turnover (a Cornell study put the value of this at over \$5,694 per employee¹). The Business Week first-ever ranking of Customer Service Champs² noted that "despite their differences, most of the names on our list share a few important traits. They emphasize employee loyalty as much as customer loyalty, keeping their people happy with generous benefits and perks." We should be proud that there were three hotel chains in the top 25 of this first ever list, Four Seasons Hotels (2), Ritz-Carlton (11) and JW Marriott Hotels (22).

And second, it is easy to quantify the value of adding 1% to RevPar. For each \$1,000,000 in room sales, this would generate \$10,000 in additional revenue. Since there is virtually no additional cost, all of this would drop to the bottom line. Think then of adding 2% or 3% to RevPAR. Can you afford not to?

Order Form

Please complete this form to order your copy of **Revenue Management for the Limited Service Property**. This includes:

- The Leader Guide
- The Participant Guide
- Support Materials: PowerPoint Presentation
- Support Materials: Revenue Management Forms

\$149.00*

All guides will be delivered as a PDF Document. The PowerPoint Presentation will be delivered as MS PowerPoint. And the Revenue Management Forms will be delivered as a MS Word Document which can be customized for your property. If a DVD is required you will be quoted on the additional cost mailing and handling charges.

Please fill out this form.

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