



IDeaS V5i Brings Greater Accuracy and Efficiency to Rapidly Growing Luxury Hotel Group

Dorchester Collection is a rapidly expanding, five-star luxury hotel group, comprising of seven properties that reach across Europe and the U.S. Its hotels are considered icons in their own right, and already boast a world-wide reputation. To ensure continual global growth and remain competitive in the elite luxury hotel sector, Dorchester Collection needed a seamless automated system that could ensure optimal revenue management best practice, the delivery of accurate demand forecasts and ultimately greater efficiency. Launched in 2006 with a goal to become the ultimate hotel management company, Dorchester Collection was also looking for the latest technology able to generate robust outputs and solid pricing strategies. For this reason, Dorchester Collection turned to IDeaS Revenue Optimization for the IDeaS V5i revenue management solution.

“We are a small and relatively new hotel company with a determination to embrace and lead new thinking in revenue management,” explained John Scanlon, Director of Revenue for Dorchester Collection.

In December 2008, the company decided to migrate from their previous revenue management provider and seek a new partner. “IDeaS set up a three-month trial for us, but very early into this trial I remember thinking ‘yes’ this is the right solution and the right company for Dorchester Collection. I could see that their forecasting system was very robust and they had the right support systems in place to handle the demands and needs of each of our hotels, as well as industry-leading resources and knowledge, to lead the way in terms of new developments and meeting our requirements for both today and into future” added Scanlon.



Clarity.
Confidence.
Control.

FAST FACTS

Hotel Group – Dorchester Collection

Geography – United Kingdom, France, Italy, USA

Hotel Group Size

Dorchester Collection has a portfolio of 7 hotels, plus 2 new properties due to open in 2010

Solution – IDeaS V5i

- Best Available Rate (BAR) Module (With Rate Shopper and Channel Management)
- Group Pricing Module
- Budget Module
- Centralized Control Module
- PMS and CRS decision upload integration

Challenges Faced

- Produce more highly accurate forecasts
- Adopt seamless revenue management tools and practices throughout the whole company

Redefining Efficiency: A Culture is Born

Since deploying IDeaS V5i software across the whole Collection, Scanlon acknowledges that Dorchester Collection has radically changed its way of working as IDeaS V5i brought in greater efficiencies and accuracy to a revenue management culture that was being inculcated into the company. “We have been working with IDeaS V5i for twelve months now, and from a corporate revenue management perspective, I can say that all our hotels are very happy with each of the four key out-puts from the system. IDeaS V5i is definitely the most intuitive and robust forecasting system I have worked with.” said Scanlon.

The roll out of the IDeaS V5i solution also reflects Dorchester Collection’s commitment to a fully embedded, company-wide revenue management culture. Prior to the IDeaS V5i deployment, not every Dorchester Collection hotel had a revenue management system in place. Scanlon explained: “During my time with the Dorchester Collection, we have come a long way very quickly, learning a great deal about the way revenue management should work and what we should expect from it. I am proud to say that IDeaS V5i has enabled us to be amongst those at the forefront of revenue management.”

Hotels Experience Concrete Benefits

Dorchester Collection is focused on utilizing the system in its entirety, having implemented IDeaS V5i and all its modules. Scanlon was particularly pleased with the benefits derived from the application of the Last Room Value (LRV) along with the Best Available Rate (BAR) module.

“Last Room Value decisions have a massive impact on the overall management of inventory and achievement of rate. IDeaS V5i’s understanding of demand and booking pace at each of our hotels has benefited us hugely” said Scanlon.

Dorchester Collection has also enjoyed significant returns on investment through the use of the BAR module, which sets the best rate for unqualified guests based on day of arrival and length of stay. “The BAR functionality has been particularly beneficial, for example at Le Meurice in Paris, it has helped us grow our share of business in both revenue generation and market penetration. The Dorchester in London has also experienced substantial success through the use of IDeaS V5i, and it has helped the hotel maintain its number one position for RevPAR in its competitive set. The IDeaS V5i solution does work. It drives exceptional revenue growth while providing strategic decision making support,” concluded Scanlon.

Looking To the Future

The deployment of IDeaS V5i has also instilled a great sense of confidence in the Dorchester Collection, while moving forward with their aggressive expansion plan to become the world’s most prestigious and iconic luxury hotel management company. The IDeaS V5i platform will be deployed in the company’s two newest properties, which are expected to join the Dorchester portfolio in 2010. Coworth Park, Ascot, UK and 45 Park Lane, London will benefit from the IDeaS New Hotels Success Service Package (NHSSP), which allows new hotels to yield from the day they start taking reservations. “We are enormously happy with the IDeaS V5i solution and have over the past 12 months continued to work closely with IDeaS, carrying out full audits and training days so that we continue to derive maximum benefit from the system”