



# Revenue Maximized and Profitability Enhanced at Firmdale Hotels Thanks to IDEaS V5i Revenue Management Solution

## Customer Overview

Comprising of seven luxurious properties located throughout London, each Firmdale Hotel is characterized by a unique look and style, mixing the modern with the classic. The hotels include The Pelham and Number Sixteen in South Kensington, the Knightsbridge Hotel just a block from Harrods, the Covent Garden Hotel, the Charlotte Street Hotel and the Soho Hotel, located in London’s West End. The newest venue in the Firmdale portfolio is the Haymarket Hotel, which opened 1st May 2007 and is situated in the heart of London’s theatre district. Each property houses approximately 50 individually designed rooms, with the Soho Hotel being the largest at 90 rooms.

Firmdale’s next project is the Crosby Street Hotel due to open in New York’s SoHo district in early 2009.

Recognizing its business success, Firmdale Hotels won the Queen’s Award for International Trade in both 2000 and 2006, while in 2007 the Haymarket Hotel was awarded the Crown Estate’s prestigious Urban Business Award. In 2006 the Soho Hotel won Cateys “Best Hotel of the Year - Group” and Firmdale Hotels has recently won the Springboard Award for Excellence for “Best Career Progression.”

## The Challenge

In the past, Firmdale Hotels, a pioneer of the boutique-luxury hospitality concept, determined its pricing strategy on a manual basis and wanted to improve by growing the average room rate and practice better yielding.

Firmdale Hotels therefore decided to investigate new ways to balance its need for strategic forecasting and better capture more valuable, longer staying guests. Therefore, it decided to look for a technology-based solution to provide more tactical management of the demand.



Clarity.  
Confidence.  
Control.

## FAST FACTS

### About Hotel Group

Comprising of seven luxurious properties located throughout London, each Firmdale Hotel is characterized by a unique look and style, mixing the modern with the classic.

### Solution – IDEaS V5i™

- Group Pricing Module
- Centralized Control Module

### Challenges

- Grow the average room rate and practice better yielding.
- Automate revenue management strategies across multiple properties.

## The Solution

IDeaS V5i On-Demand Revenue Management system was the solution that best met Firmdale Hotels' requirements which was chosen over other solutions because while competitors offered individual components which each met a part of Firmdale's needs, IDeaS' solution combined them all in a single, ready to use package.

IDeaS V5i also appealed to Firmdale Hotels' employees who found it highly intuitive to use, and appreciated the fact that it still allowed users to override the system in exceptional circumstances. It was very important to Firmdale Hotels, who boast a repeat guest figure of up to 50%, to maintain a personal contact with their guests. "Many of our employees had first-hand knowledge of V5i, having used it previously at other hotels, and so they were enthusiastic about the implementation," said Clinton Campbell, then Reservations Manager, at Soho Hotel.

V5i, which is now deployed in five of the seven Firmdale Hotels, was first implemented at Soho Hotel at the beginning of 2006, with decisions automatically being updated into both the hotel's Property Management (PMS) and Central Reservations (CRS) systems.

IDeaS V5i provided a 2-day onsite training workshop for Firmdale Managers.

The implementation process took only three months from start to finish. During these three months historical data was gathered and analyzed and data extracted three times a day in order

to monitor how the bookings and reservations progressed. IDeaS V5i after educating itself for three months went live, and compared to other revenue management software where users often need to wait for a full year or even longer for control data to be gathered, the reduced implementation period improved ROI significantly.

The V5i On-Demand Revenue Management solution was implemented at Soho Hotel with the following modules: IDeaS Multi-Property, which allows authorized users to view data from multiple properties, and benefit from reporting; CRS decision deployment in addition to sending decisions to the PMS, which ensures that the customers have rate parity, and IDeaS Group Pricing, which was found to be particularly beneficial, as it is specially designed to support decision making for enquiries including both bedrooms and event/meeting needs. In particular, it evaluates group requests, analyzes displaced revenues, finds alternative dates and includes additional revenues and produces a total value assessment.

Due to the performance at Soho Hotel following the installation, Firmdale Hotels installed IDeaS V5i in their other properties. The Haymarket Hotel opened in May 2007 with IDeaS V5i already installed. Firmdale Hotels plan to install the system in the two remaining properties.

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## The Results

Following the deployment of IDeaS' V5i On-Demand Revenue Management solution, average length of stay, room rate, and occupancy increased at all Firmdale Hotels. The group succeeded in its desire to deploy strategic guest optimization, increase room occupancy rates and give a significant boost to revenue growth.

"Once V5i went live at Soho Hotel, our managers were a bit skeptical as its recommendations sometimes conflicted with our traditional pricing strategies and booking decisions," said Campbell. "However, significant improvements began to be seen almost immediately, and the software produced good results that it paid for itself within a few months."

IDeaS V5i Revenue Management system is used by over 50 hotels in London today. In such a highly competitive and fast-moving market place it is now essential to deploy an automated and scientific revenue management system to ensure that estates are not left behind. IDeaS unique auto corrective forecasting ensures that hotels react to changes in market conditions immediately, and that optimal rules are in place.

Firmdale Hotels can now be confident that it is always optimizing its business, and is not counting missed opportunities.