



## Up to 20% Increase in RevPAR at Protea Hotels Thanks to IDeaS V5i Revenue Management Solution

From an original portfolio of four hotels in 1984, Protea Hotels has expanded rapidly and is today the largest hotel group in terms of numbers of hotels in Africa, with over 100 properties spread throughout the continent.

The Group comprises a full and diverse spectrum of outstanding hotels and resorts ranging from small country hotels in the Eastern and Northern Cape, sea and lakeside resorts along the Garden Route, Durban and Cape coasts, to mountain retreats in the Free State, the prestigious portfolio of Premier Protea Hotels and Safari Lodges and bustling city centre hotels in Cape Town and Johannesburg.

With its 230 rooms, and situated on the green belt of Johannesburg, just a few minutes away from the major attractions of the city, the four star Protea Hotel Wanderers is one of the top performing properties of the Group.

### The Challenge

Protea Hotels utilized revenue management for about three years. However, because of the current uncertainty of the market, the Group felt that restructuring the revenue management department with a new, technology-based solution, would help them make a positive turn.

“We needed a solution able to provide strategic forecasting and rate quotation, to help us focus on a more tactical management of the demand and revenue optimization” said Bryan Mulliner, Revenue Director at Protea Hotels.

With a view to upgrade their revenue management process throughout the chain, Protea Hotels decided to reconsider what tools the market was offering to enable more efficient processes. After undertaking trials of different products, they settled on the IDeaS V5i On-Demand Revenue Management solution.



Clarity.  
Confidence.  
Control.

### FAST FACTS

#### Hotel

Protea Hotels

#### Geography

Protea Hotels has over 100 properties spread throughout 9 countries in the continent of Africa (South Africa, Ghana, Kenya, Malawi, Namibia, Nigeria, Tanzania, Uganda & Zambia)

#### Solution - IDeaS V5i

- Best Available Rate (BAR) Module
- Budget Module

#### Challenges

- Focus more on the tactical management of demand and improve process efficiency
- Streamline and automate strategic forecasting and rate quotation

## The Solution

“We were looking for a provider able not only to supply a fully integrated solution, but to show a deeper understanding of the issues hoteliers have to face every day. IDEaS V5i ability to understand channel and channel pricing was really impressive, and their forecasting and optimization capabilities are far superior to the ones we were using before.” comments Mr. Mulliner.

Determining pricing levels utilizing market intelligence, was one of Protea Hotels’ main priorities. IDEaS V5i On-demand Revenue Management solution has provided the perfect answer to this requirement through the Best Available Rate (BAR) module which, by incorporating Competitor Pricing Data, allows hotel owners to tune to the dynamics of the market.

“What rate to quote to unqualified guests is the daily challenge of any hotelier. This module proves fundamental in that it helps us make the right pricing decision and respond quicker and better to our competitors’ moves.” adds Mr. Mulliner.

Besides the BAR module, Protea Hotels also implemented the Budget module, as a simple method to assess their performance against financial goals, particularly intuitive to use thanks to its easy to navigate charts.

What also appealed to Protea Hotels was the fact that IDEaS V5i is an Application Service Provider (ASP) based application, and data can therefore be accessed 24/7 via the web. This allows decision upload into the hotel’s Property Management System (PMS), making for an easier and less expensive implementation process. In fact, no software need to be purchased or maintained, so that the solution can be deployed with very little infrastructure thus allowing for a reduction of upfront costs.

The implementation process took about 10 days in total.

“IDEaS’ world-class support service was what made the difference for us. IDEaS’ set-up consultants went through the complete training process with us and their support specialists provided us with a ‘blueprint’ of instructions to make sure we were able to get the most out of the system.” comments Mr. Mulliner. “It was a clever and thorough service. I have never seen anything like it!”

## The Results

Despite the current market conditions, IDEaS V5i solution brought evidence of a noticeable growth in revenues. “Thanks to IDEaS we were able to put the right BAR in at the right time, which helped us to achieve better performances than our competitors” says Mr. Mulliner. “Since its installation 22nd October 2006, Wanderers Hotel witnessed an increase in its Revenue per Available Room (RevPAR) of 15 -20%”.

“Considering that booking pickup has fallen since this time last year, we find this to be an outstanding result, which proves that IDEaS’ intelligence is a great help in generating strategic forecasting. Its unique auto corrective forecasting enables us to react immediately to changes in market conditions and by modifying our promotions accordingly, we are sure we are not missing opportunities” concludes Mr. Mulliner.

Due to the excellent performance of IDEaS V5i at Protea Hotel Wanderers in Johannesburg, the Group is currently installing the IDEaS system in a number of their other properties as well.



For more information visit, [www.IDEA5.com](http://www.IDEA5.com)