



When Only the Best Will Do: Sokos Hotels chooses IDeaS V5i Revenue Management Solution

With over 40 hotels in their current portfolio, Sokos Hotels is the largest and most prestigious hotel chain in Finland. With an international presence of properties that has expanded into Russia and Estonia, Sokos Hotels is committed to providing world-class service to leisure seekers and business travelers from all over the world.

Traditionally, Sokos Hotels has operated with a manual revenue management system which had proved to be both time-consuming and labor intensive. In an increasingly competitive industry, the hotel chain needed an automated revenue management solution that could meet their unique business needs. In 2007, Sokos Hotels evaluated four different revenue management systems before unanimously deciding to begin the current process of gradually implementing IDeaS V5i across all of their hotels.

According to Revenue and Sales Development Manager Markku Mäkipää, when compared to other systems, Sokos Hotels found the forecasting functionality and ease of use of IDeaS V5i far superior to competing systems offered by other vendors.

“The IDeaS V5i platform is implemented via Software as a Service (SaaS) deployment and operates on an intuitive user interface, providing a spectrum of valuable data, easy-to-read graphics and information on key hotel performance indicators. The system helps Sokos Hotels to organize market data and ultimately stay ahead of the competition”, he said. The hotel made the first installation of the IDeaS V5i solution in November 2008, specifically utilizing the Group Pricing, Centralized Control, Budgeting and Custom Reporting modules, as well as the New Hotel Success Service Package (NHSSP). Today, the system has been rolled out across 21 Sokos Hotels, with another 19 hotels to follow.



Clarity.
Confidence.
Control.

FAST FACTS

Hotel - Sokos Hotels

Geography - Finland

Solution - IDeaS V5i™

- Group Pricing Module
- Budgeting Module
- Custom Reports Module
- Centralized Control Module
- New Hotel Success Service Package (NHSSP)

Challenges -

- Automate revenue management strategies across multiple properties
- Focus time and energy on strategic planning instead of consolidating data from different spreadsheets
- Streamline and automate strategic forecasting and rate quotation

The IDeaS V5i platform acts as a key differentiator for Sokos Hotels. Veli-Petteri Korpi is the internal IDeaS V5i and OPERA Reservation System Business Manager for Sokos Hotels and stresses the importance of having a revenue management system that can “make accurate forecasts, as well as making all the decisions and uploads that gives Sokos Hotels a much better chance and opportunity to optimize rates across the whole market.” Because 55-60 percent of the business mix for Sokos Hotels is based on corporate business, “the Group Pricing module was an especially important feature for us and other vendors did not have this functionality” added Mäkipää. In order to maintain their competitive capabilities, Mäkipää added that “these days it is imperative to have a revenue management system, otherwise it is almost impossible to stay ahead in an extremely competitive global marketplace.”

Time is of the essence

Sokos Hotels benefited enormously from the Group Pricing module, as it essentially streamlined the revenue management decision making process. “Group pricing is extremely important in many senses actually, because currently we have 21 properties which are all now able to use one system with IDeaS V5i. Whenever the group reservation office wants the rate for a certain kind of group, they can check rates from several properties at the same time. Otherwise they would have to send an email to all the revenue management departments and it takes days to gather all that information” said Korpi. “Sometimes it can take so long that the customer has already chosen another chain, so the speed of this whole process with group pricing is very important”.

The IDeaS V5i platform allows revenue managers to spend “more time doing the analytical work and concentrating on what’s actually going on in the market” said Mäkipää. “We are much more aware of what is happening around us. We can simply log onto the system at any time and follow different properties; how much revenue we are going to get and how closely that relates to our budgets. As well as the added functionality, the speed of service and the practicality of an automated revenue management system means new revenue managers joining Sokos Hotels can easily take over, as it is IDeaS V5i that is making the forecasts.”

A beneficial partnership

Throughout deployment, and during subsequent use, of IDeaS V5i, the Sokos Hotels revenue management department has developed a strong partnership with the IDeaS Revenue Optimization team, resulting in efficient troubleshooting and effective training throughout the hotel. “The training sessions have been valuable because we’ve been able to take other senior directors to participate if they are interested, so they can get a better understanding of what is involved in revenue management” said Mäkipää. “It really helps to build up the culture and practice of revenue management throughout the organization”.

Despite current market conditions, the utilization of IDeaS V5i has helped Sokos Hotels remain competitive in an increasingly tough marketplace. “Because of IDeaS V5i, we have not experienced the loss of business that has become common amongst many of our competitors” said Mäkipää. “I actually do know from experience that it is the best fiscal system for hotels currently available in the market. So whenever it is used the correct way, it will bring you more revenue. And that is a fact” adds Korpi.

Due to the excellent performance of IDeaS V5i at Sokos Hotels, the hotel is currently installing the IDeaS platform across their entire operation.



For more information visit, www.IDeaS.com

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