

Ensure Higher Revenue Flow & Better Return on Investment at Your New Hotel

A successful entry to market can establish a hotel and its revenue generating ability for years to come. If done correctly, the hotel will be able to position itself effectively in the market and ensure revenue optimization at the highest possible level. If a hotel is incorrectly launched into a market, from a revenue management perspective, it has the potential to result in a significant underperformance of the asset and a substantial amount of money can be left on the table.

IDEAS Advantage for Hospitality, a consulting and strategy implementation service designed for the hospitality industry offers Hotel Pre-Opening RM Support specifically formulated to assist in the successful launch of your hotel into market. The focus is not only on ensuring that your hotel is priced correctly, but also covers a wide-range of pricing, forecasting and optimization related processes, structures, tasks and tools that safeguard sustainability of the revenue management of your hotel and establishes a solid foundation towards continued and market leading Revenue per Available Room (RevPAR) performance.

Our IDEAS Advantage Consultants will guide your hotel through the pricing, forecasting and optimization process from pre to post-launch, ensuring that the relevant activities are kept on track at all times. IDEAS Advantage for Hospitality proposes a structured, standardized pre-opening path, covering all relevant areas ranging from market segment strategies, Property Management System (PMS) configuration, competitor evaluation and pricing.

To achieve this, the revenue management path begins with setting a strategy and establishing an action plan. This will be carried through to the pre-opening phase, followed by launch date and post opening, to be concluded with a final audit of recommendations and remaining action plan items.

Throughout the entire process and where applicable, the corporate revenue management team will be briefed at regular intervals, providing status updates, feedback on critical milestones and potential “red flags” at the hotel property.

Setting the Strategy – 6 Months Prior to Opening

Establish a pre-opening revenue & marketing strategy and action plan.

- Hotel SWOT and micro market/economic factors that will affect performance
- Finalized competitor set, including competitor value/benefits positioning
- Finalized pricing structure, based on market conditions and hotel positioning
- Finalized channel strategies according to product positioning and market environment
- Finalized product positioning through all channels (i.e. hotel descriptions, room type descriptions, etc.)
- Together with the Sales & Marketing department develop Market Segmentation strategies and action plans; with a particular focus on business with long lead times (i.e. wholesale/groups, etc.)
- Assist with the pre-configuration of the Property Management System (PMS) and Central Reservations System (CRS) to ensure it is “revenue optimized”

**Download IDEAS Free
On-Demand Webinar:
Creating a Revenue “Advantage”
in your Organization**
<http://go.ideas.com/wn5>

Pre-Launch – 0-3 Months Prior to Opening

Ensure the hotel is ready to open - all stakeholders fully trained and equipped with the tools necessary to optimize revenue from day one.

- Revenue management certification for Revenue Manager (2 days)
- Revenue management overview for Operations, Food & Beverage and General Management (1 day)
- Final check that all systems are “revenue optimized”, including PMS, CRS and all channels
- Implement tools and processes to start tracking key competitor performance data:
 - Daily competitor performance (Average Daily Rate (ADR), Occupancy, etc.)
 - Pricing strategies by competitor (forward looking)
 - Key accounts & major group by competitors
- Implement key tools to be used to support daily revenue management processes
 - Tracking of actuals by segment (Room Nights & Revenues)
 - Tracking of “on the books” by segment (Room Nights & Revenues)
 - Development of 365 day Demand calendar
 - Tracking of channel performance (through external supplier where available and appropriate)

Post Opening Support – 0-2 Months Post Opening

Provide guidance and support for the hotel during the crucial first 60-90 days after opening.

- Provided through off-site Yield Meetings
 - Twice a week, weekly and/or bi-weekly
 - Virtual using WebEx™ & conference call facilities or VoIP
 - Set agenda and supported templates to ensure the most relevant information is captured and translated into actions plans

Final Audit – 3 Months Post Opening

Revisit the hotel for a final audit of the Revenue Management processes.

- Provide hotel and corporate team remaining action items to reach revenue excellence



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For more information on the benefits of Pricing, Forecasting and Optimization visit IDEAS online at

www.ideas.com

