

# Revenue Management - Everything You Need to Know

. . . and the best ways to make it really work for your hotel!

## Part 4

In the previous articles in this series we have covered a basic introduction to revenue management and some simple strategies. We then moved on to looking at revenue management in more detail and by now we hope that you understand what revenue management really is and understand that it is a process that needs to be reviewed frequently rather than just something you do once and then leave it alone in a folder on a shelf.

In today's article we are focusing our attention on the internet. While not traditionally a specific phase of the core revenue management process itself, because so many bookings are made on the internet these days, we believe it should be. It is certainly an extension of the revenue management process and one that needs careful attention.

The great news is that the advice, hints and tips we are giving you today in this article are not only of benefit to those hotels employing revenue management, but it stands on its own as valuable online marketing advice. So even if you have ignored the first three parts of this series there is some great advice right here that you can start to use today to improve your presence online.

Remember that you can still download the previous articles in this series along with all the advice in today's article in a handy ebook format by clicking [here](#).

### Content is King

You have probably heard the statement that "*Content is King*", you may not know where you heard it as it crosses industry boundaries in the world today. Originally it came from the magazine publishing world and has since become a more popular phrase amongst the masses from the proliferation of blogs. It rings true for your online presence as much as it does anywhere else.

In this situation "content" refers to everything you put out in to the world about your hotel. That is everything from room descriptions to pricing, from confirmation emails to cancellation policies. You are aiming to be accurate, clear, concise and transparent.

### What we Mean by Transparent

To clarify what we mean by "transparent", let's look at [TripAdvisor.com](http://TripAdvisor.com) for a minute. The internet has become the great leveller. Everyone now has a voice and they can pretty much say what they like. You can make whatever claims you want about your hotel, but if it is not completely true then there is an army of people out there who will set you straight . . . publicly! So be upfront about everything, don't claim you are 5 minutes walk from the beach if you are really a 20 minute stroll at a reasonable pace. People will appreciate your honesty, it might not secure you more bookings, but if you fail to be honest, if you fail to be transparent, then you will certainly lose a lot of bookings!

### What to do to Stand Out On Line

So let's get right down to the "content" of this article and how to give your hotel the best chance to stand out amongst the crowd online.

1. **Rate Parity** - We mentioned this back in the first article in the series and it is important enough to mention here again. Your customers can now click a button and search multiple websites for a price to stay at your hotel. We all like a bargain, but lots of different rates, options and prices confuse people and as a species we generally avoid making complex decisions if we can help it. Keep your rate selection to a minimum in any one area and practice rate parity so that same

rate is displayed across multiple platforms. Most large channels ([booking.com](https://www.booking.com), [LateRooms.com](https://www.laterooms.com) etc) now insist on rate parity so you could get in to a lot of trouble if you don't stick to this.

2. **Room Descriptions** - Keep these simple, clear and accurate. Promote “benefits” rather than features and if possible make your descriptions experiential. Don't waffle though - put your main descriptive information first and if you are able to concisely add in some experiential detail, then great. Depending on your customers, English may not be their first language so clarity trumps descriptiveness in this instance.
3. **Don't State the Obvious** - Depending on the standard of your hotel your guest will expect certain things like an “en suite” bathroom or tea and coffee making facilities. Only list useful, relevant information. However if there is something that you think your guest would expect that you do not provide then either provide it or point out that you do not offer that facility in your description.
4. **Select the Right Offerings** - If you have lots of room types you don't necessarily need to put all these on every website. See what sells best and focus on these so that the decision for a customer who has found your property online is as simple as “*shall I book this room or that room?*” Don't make your customers choose between 10 different room types where they need a pen and paper to compare the differences.
5. **Review your Images** - An image is great, but make sure it is a great image! Does it show off the room well? It might be worth investing in some professional photography that helps to sell the room rather than ones you may have taken yourself that might make it look small or dark or both. Try to avoid using “*mood*” images in place of images of the rooms themselves. People are suspicious of this and wonder why you have not used an image of the actual room . . . . maybe there is something you are trying to hide? It is fine to use one image of a “*Room Type*” for multiple rooms, but if they are not all identical make sure you have stated that this is an illustration type image and the room you get may not look identical to this one. Remember to be transparent in your descriptions. Clients who feel duped will never come back or recommend you to their friends and they are the most likely to leave a negative review on sites like TripAdvisor.
6. **Clearly Highlight any Restrictions** - Where you are using the yield tactics of *Length of Stay* controls or *Cancellation Policy* restrictions make sure you have included these on the booking details of the website you are using. You don't need to place them at the very top of the description in large red text, but don't leave them off or actively try to hide them. Nothing will annoy a customer faster than if they feel they have been duped, tricked or fooled in to buying something. Even if it is a fantastic deal, people will associate your hotel with negative feelings and you will find yourself again responding to less than complementary posts on TripAdvisor faster than you can type!
7. **Get People to Book on Your Own Website** - Bookings channels are a wonderful creation aren't they? They are great at getting people to their website and helping customers find a range of hotel rooms quickly. However, any booking that is made through a third party website is going to cost you money, sometimes lots of money. The best way to get people to book online is through a booking engine on your own website, assuming that you have your own website and if you don't . . . why not! You need to practice rate parity as we have already

mentioned so you can't go offering lower prices on your own website than everywhere else, this will quickly make you unpopular with the larger booking websites. You might find that number of bookings from these sources drops to zero if you attempt to undercut them. A booking on your website for the same price as one from [booking.com](http://booking.com) is still going to make you more money because you don't have that commission to pay. But how do you get people to book on your website rather than on the big booking sites if there is no price benefit? The key here is to offer a better "package" through your website. Careful how you do this so you don't run in to dodgy ground, but a packaged offer of Dinner, Bed and Breakfast for only £10.00 more than Bed and Breakfast rate to book through your own website is going to get noticed. Just make sure your offer and the benefits are clear!

8. **Finally . . . Test!** Test, test and test some more . . . that is the key to marketing your hotel online. If you feel your on line bookings are not performing as well as they could be, change something and then monitor the difference - make sure you only change one thing at a time so you know what made the difference. You would be amazed to see how changing a room description, even adding or removing information can have an effect on bookings. Yes, this might take time, but over that time you will develop the best performing on line presence you can have and your hotel will be fully booked . . . all the time.

Hotel Perfect is a leading provider of hotel and hospitality management software throughout the UK. We are the preferred choice for hundreds of hotels throughout the UK ranging geographically from the Isles of Scilly to the Highlands of Scotland.

Our software systems are designed, developed and supported here in the UK by our highly skilled support and software development teams based in Cornwall.

The latest generation of our popular Hotel Management Software can help you with your Revenue Management. Our NEW Dynamic Pricing capabilities combined with our Channel Management solutions and our own On Line Bookings engine give you the best platform to start implementing revenue management in your hotel today!

### **Feature Highlight: On Line Bookings**

Item 7 on the list above advises you to get people to book on your own website, but we noticed that one of the reasons customers chose to book on the larger booking channel websites like [booking.com](http://booking.com) is because their booking process is much easier to use and quicker than this can be on a hotel's own website.

Hotel Perfect have recently released our revamped On Line bookings engine designed for your own website. Our new 2 step process allows a customer to quickly check availability, see the rooms available and the prices and complete the booking. What's more is that we make the whole process painless.

We style your booking pages to match the main elements of your own website, we host the booking pages for you and simply drop them in to your existing website and we give you the ability to Up Sell to your clients with options to allow them to book dinner, a round of golf or a treatment in your spa.

On top of the above we make no charges for each booking you take! We simply charge one low fixed monthly cost for the web bookings and hosting and that is it. You are then free to capture as many bookings as you would like. What's more is that you can practice each of the points in the above advice to maximise your booking potential and drive more bookings through your own website.

If you would like to know more about what Hotel Perfect software can do for your hotel please contact [info@hotelperfect.co.uk](mailto:info@hotelperfect.co.uk) or call us on 0843 309 1601.

Well that is it folks! We hope that we have given you a better understanding of what revenue management is, what exactly you need to do and how it can be applied in your hotel. As we have said all along, this was a good introduction to the subject, there is still a lot more to learn, but you should now know how to get started.

If there are any other subjects like this that you would like more information on please let us know and we might use them for our next series of articles.