

GRANT

THE HOTEL MAGAZINE FOR
PROPERTY AND REVENUE MANAGEMENT

#3



I take pride in the words: Wir sind ein Berliner!

Finally, in 2023, the city of Berlin will once again host the ITB, the world's largest trade fair for tourism and the global travel industry. Finally! Just like Berlin, the ITB represents diversity, inventiveness, cosmopolitanism and, of course, a love of travel. No other city in Germany attracts such a large number of tourists every year.

Berlin is more accustomed to change than almost any other city. We experience change and we live it. So the ITB could hardly have found a better motto for 2023 than this: Open for change!

What eventful, challenging years lie behind us! Frankly, it was always clear to me that if any industry would manage to overcome a crisis, it would be ours. At such times, hotels are always the first to take a hit but they're also the first to pick them-

selves up again. The industry is constantly reinventing itself. As a service provider for the hospitality industry, we've always been convinced that future viability is inextricably linked to the openness and adaptability of digital solutions. It is essentially a question of entrepreneurial freedom. Sustainable business decisions require market transparency and sound forecasts in order to secure the best prices and survive the competition.

The future of revenue management

In this special edition of GRANT#3, we've invited thinkers on the topic of revenue management. From A to Z, partner companies and renowned market experts show how the industry is adapting to change and finding solutions that take the topic to a new and much higher level: total revenue management based on future-oriented data, the integration of change management processes, new forecasting methods, the realignment of distribution channels (and the evaluation of OTAs as a distribution channel) and artificial intelligence. These are just a few of the buzzwords this issue of GRANT will bring to life for you.



In this issue, I'm particularly pleased to present the portrait of an industry insider, an outstanding expert from the very beginning on the topic of revenue management. This year the inspiring Bianca Spalteholz celebrates the 25th anniversary of her company, Spalteholz Hotelkompetenz. Actually, quite a few of our readers have been taught by her! She shares some moving insights into her career with our editor Bernd Pohlmann, in an industry that has always been undergoing change.

Towards the end of the magazine we come a complete circle with Ira Vouk's article on 7 must-have attributes of the next-generation revenue management technology. In fact, I'm pleased to see that we share many of the views presented in the article and are already planning or have already implemented the proposed solutions within our services.

Finally, we present 5 special Berlin hotels that show the same features of our city that have been described above: a Berlin that's cosmopolitan, diverse and welcoming.

I hope you enjoy this issue,
Roland Hehn

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A API

How nice it is that we're kicking off this issue of GRANT on the occasion of ITB 2023 with A for API. And it's not just because we're working alphabetically here; API (short for Application Programming Interface) would be also very near the beginning in an historical outline of hotel digitalisation.

Of course, the hotel industry began digitalising much earlier, without programming interfaces: with C for computer, or T for calculator (German: Taschenrechner). P for Parity Check certainly came much later, because that's something that wouldn't be so easy to do without APIs.

API heralded a new era of digitalisation, and one that's of the utmost importance, especially at ITB 2023.

So what is it about programming interfaces that's so important?

APIs enable web services

What does an API actually do?

APIs are frequently described as "docking points" for the exchange of data between different software applications. APIs enable different systems to "talk" to each other.

Here's a simple example: If you're keen to escape a gloomy February in Berlin Tempelhof and looking for a holiday in a place with a cool sea breeze. So it's off to Köpenick! Google Maps shows you a lot

of hotels with their prices and much more, such as photos and reviews by previous guests, the location and route calculation. It's only 40 minutes from the HQ plus office; what's more, traffic jams are also indicated and taken into account in its calculations. Just a quick check of the weather, to make sure that Köpenick isn't too hot as well...

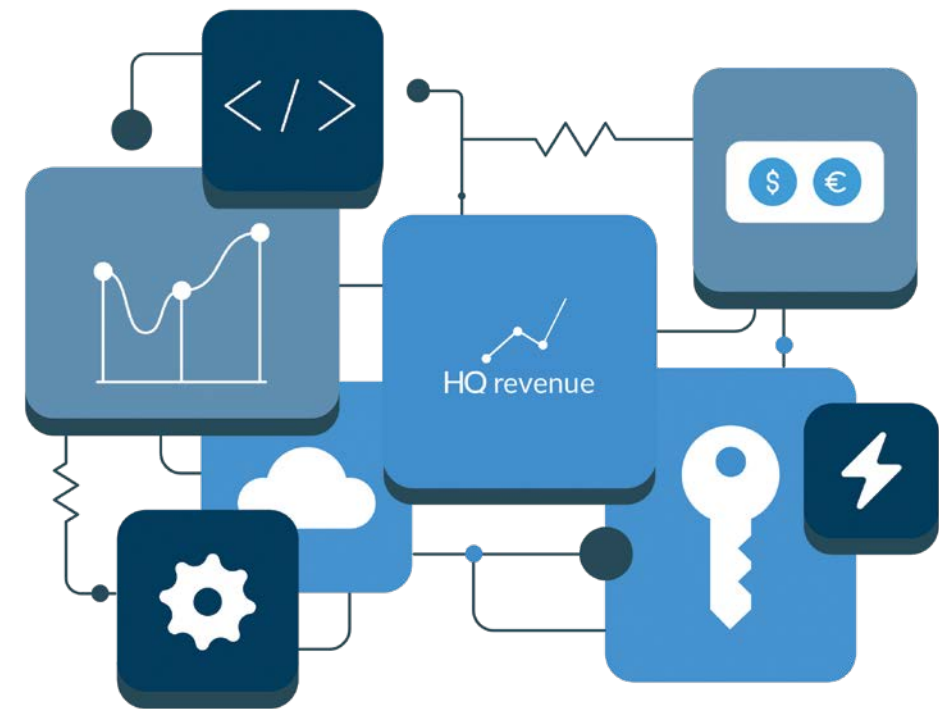
APIs open up defined communication channels

What looks on the surface like a "simple" Google search is in fact a highly complex process that can't function without Big Data and is based on the exchange of numerous systems via (take note) APIs.

The software systems involved exchange the data required for the search, which are then compiled into a comprehensive picture on the terminal as a "search result". Simultaneously, the search query is a metasearch that can include data from other providers and systems, provided they share their data via APIs. Google can also integrate the price databases of OTAs into the search, including ratings from review portals, weather data and much more from the respective data providers or sources.

APIs represent openness and speed

#APIs have given an enormous boost to digitalisation because the API Economy has set an important development in motion. Software is no longer conceived as a monolithic product. The fact that applications communicate with each other creates tremendous added value for users. Thanks to APIs, data providers and different software companies complement each other's offerings to create a dynamic range of services from which new possibilities are constantly emerging.



HQ revenue is used both by cluster revenue management teams and managers at individual hotels. Naturally, teams managing global hotel chains have a different approach than local SMEs. The trick is that each hotel receives exactly the data it needs and that this data isn't left to stand alone, but rather the focus is directed inwards, onto the hotel's own performance in relation to the market. Providing an overview of the hotel's performance and comprehensive market data at all times, which is the foundation for solid revenue management. That's why HQ revenue is open to all systems and service providers that make revenue management for hotels more efficient and easier – via APIs!

Envisioning the future of Revenue Management

HQ revenue is so much more than just a rate shopper. The SaaS application aggregates data, both external and internal, related to the market and performance, almost in real time. Similarly, HQ revenue provides data via API for specialised third-party applications, such as upselling systems, property management systems, automated revenue management systems, and much more. This issue of GRANT introduces you to some of our "partners".

Revenue management is changing. Terms such as "Total Revenue Management" and "Revenue & Profit Optimisation Platform" are doing the rounds. The characteristics of openness and vision, among many other factors, will therefore be decisive for the future viability of a system

P.S.: HQ revenue can connect your legacy PMS even without an API.

Many hotels still have older PMSs that only communicate with OTAs and booking platforms via a channel manager. The corresponding PMS manufacturers charge high rates for interfaces. It's therefore good to know that HQ revenue also has a solution for this. Legacy property management systems can be integrated within HQ revenue at no additional cost (even without running costs!).



You can find us at the ITB in Hall 8.1, Stand 131b and at any time via the QR Code.

And to make sure we're never left behind, we're also continually learning. For example, at the hotel campus (Hall 6.1, Stand 141).

info.hqrevenue.com/hotelcampus

B

Hotel Benchmarking

Hotel benchmarking is the process of comparing your property's or portfolio's performance against the competition, adding a layer of context to what success and failure looks like in your circumstances and environment.

Hotel benchmarking can help you answer questions such as:

- Am I ahead of the competition or can I make gains in occupancy and average daily rate?
- Which days of week, months or seasons provide opportunity for further growth?
- Was focusing on occupancy or rate the right strategy?
- How are F&B revenues trending across the market and among my competition? What may be influencing other revenue sources relative to room revenue?
- What are the underlying factors behind changes in demand and rate? A shift in transient or group demand sources?
- Are my future bookings ahead or behind the market?

With the world's largest hotel data sample, STR enables properties and portfolios across the world to gain an understanding of their performance levels in relation to their market or competition and make confident, informed decisions. More hotels get their insights from STR because of our unrivaled data quality, global coverage, industry relationships, and commitment to confidentiality.

Benefits of competitive hotel benchmarking

Identify opportunity: It's impossible to take advantage of an opportunity if you don't know it exists. Benchmarking shines the light on opportunities from every angle and informs coordinated decisions across all areas of your business.

Understand the health of your business: Hospitality businesses use data benchmarking to track and monitor the competitive landscape, measure departmental efficiencies, and determine if they are on track to achieve agreed upon performance goals. **Make sound financial decisions:** Through monitoring daily, weekly and monthly top-line performance as well as forecasts, monthly P&L and forward bookings, hotels have the necessary information to build and adhere to budgets as well as drive yield and revenue management strategies.

Measure success: No matter which strategy you are grading and adjusting—distribution, revenue management, sales or marketing—success is determined by the insights provided by benchmarking.

Applying benchmarking to your hotel

Understanding how your performance measures against the competition empowers you to make data-driven decisions and create effective strategies. Benchmarking data gives hoteliers an understanding of demand levels for specific offerings as well as the opportunity to test different rates to determine which are most effective in generating demand for each hotel business segment.



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Blue Fin Building
110 Southwark Street
London SE1 0TA
UK

25hours Hotel Bikini Berlin

In Berlin's relaxed living room, lions and giraffes meet city legends and explorers. The listed Bikini building is home to the 25hours Hotel Bikini Berlin with a direct view to the Zoologischen Garten to the north and West Berlin's hallmark to the south. The lobby with a reception, a hammock lounge, a kiosk and the guest rooms with a view of the Kaiser-Wilhelm memorial church ooze the raw, unpolished charm of the Berlin creative scene. The rooms facing the zoo, as well as the jungle sauna with a view of monkeys and elephants, the restaurant NENI Berlin on the roof, and the Monkey Bar with a spectacular roof terrace all offer an excellent view of the tranquil park at the heart of Berlin.

Budapester Straße 40
10787 Berlin

www.25hours-hotels.com/hotels/berlin/bikini-berlin

C

City Demand vs. Cluster Demand

Which Approach Yields Better Insights?

City Demand provides a comprehensive estimate of the market potential for the next 365 days. These estimates are carefully derived from an analysis of numerous forward-looking market data combined with relevant historical data. City Demand is particularly useful for predicting hotel occupancy and developing pricing strategies. This tool is highly robust as it is based on all available properties in the market, ensuring that you receive the most accurate and up-to-date information.

But what if you would like to gain insights into the more granular, local situation?

Perhaps you're interested in the demand solely for hotels in your district, or for hotels with a particular star classification or rating. Fortunately, HQ revenue offers extensive configuration options, allowing customers to tailor clusters to their unique requirements.

To illustrate, let's consider an example.

The figure below shows Berlin's demand and demand for several clusters in March 2023. Of the clusters, Exhibition Berlin and Mercedes Benz Arena are of interest, as they are located far apart, in the western and eastern parts of the city.

On March 1st, demand around Mercedes Benz Arena (84%) is much higher than the average Berlin demand (71%) and demand around Exhibition Berlin (64%). However, on March 7th, demand for Exhibition Berlin (99%) is significantly higher than the Berlin average (93%) and demand around Mercedes Benz Arena (88%). This can be attributed to Chris Brown's long-awaited concert at Mercedes Benz Arena on March 1st and the opening of ITB Berlin 2023, one of the largest travel and tourism trade shows in the world, on March 7th.



Dr. Ivan Abakumov, physicist and data scientist, is the head of a Data Science team at HQ revenue, where he conducts advanced analytics, and provides consultations on machine learning and digitalization. Ivan's expertise helps HQ revenue achieve significant breakthroughs, including daily forecasting for city demand, real-time occupancy forecasts, and analyzing millions of rates daily.

Dr. Ivan Abakumov
Data Scientist
HQ plus



HQ revenue also overlooks the impact of thousands of smaller events

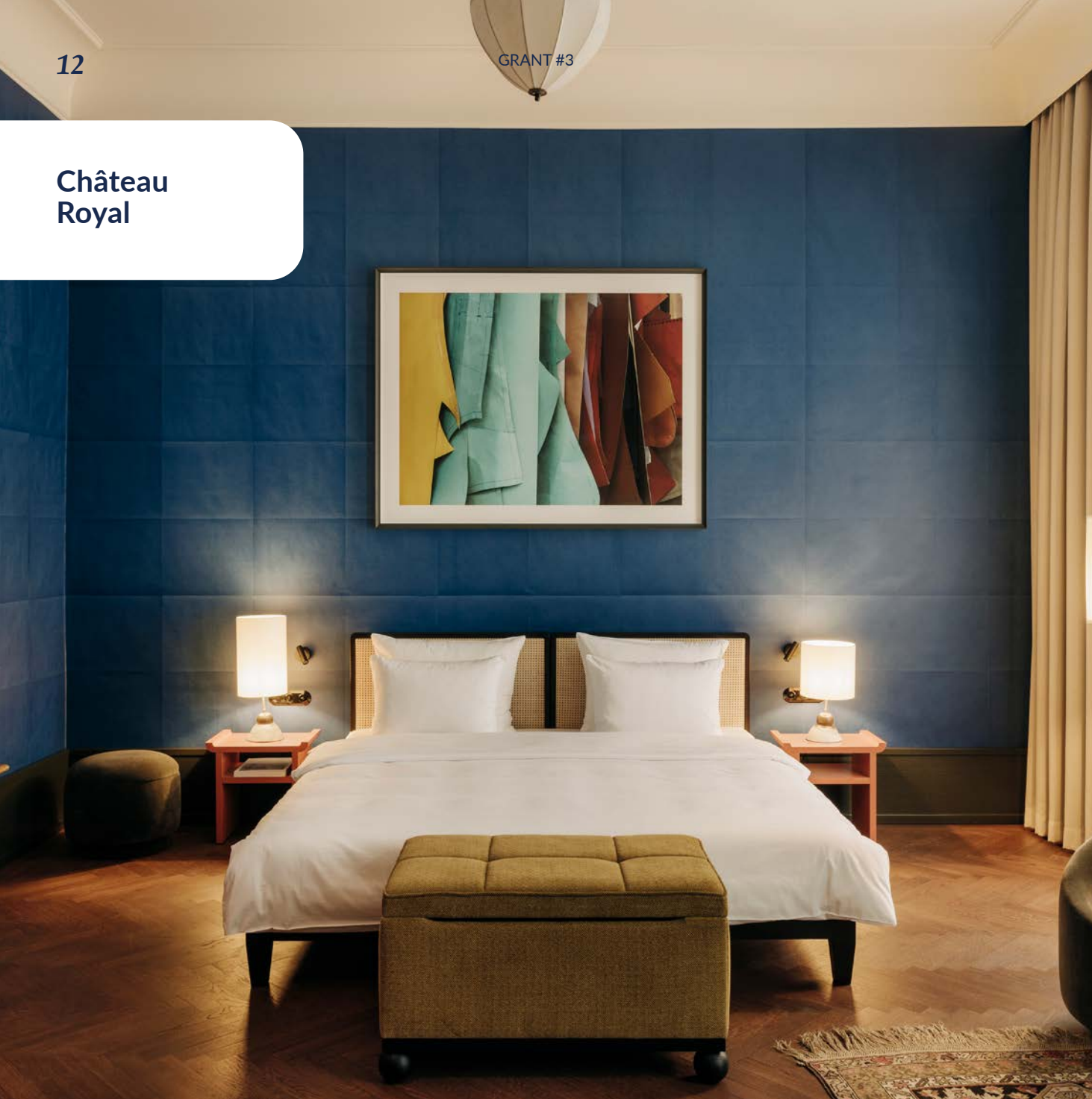
Although these observations may seem obvious, as every revenue manager plans for such events years in advance, the daily reality is often complicated by the impact of hundreds or thousands of smaller events.

Therefore, when the demand for a specific cluster exceeds the average demand for the city, it may indicate opportunities for generating additional revenue. However, it's important to note that since cluster demand only assesses a portion of the market, its results tend to be less reliable and more volatile than city demand. As a rule of thumb, it's recommended to use:

- city demand as a comprehensive estimate of the market potential when building a pricing strategy;
- cluster demand to identify opportunities for generating additional revenue.

When the demand for a specific cluster significantly exceeds the average demand for the city, it may indicate opportunities for generating additional revenue.

Château Royal



A long-awaited hotel made so individual that it can really only be found in Berlin. Crafted by Berliners who know the city, who unite all that they love with in its storied walls. 93 rooms span over five floors, of which 26 are suites and one is an apartment. Public areas such as the lobby, hotel bar, restaurant, private dining room, fireside lounge and winter garden complete the ensemble, consisting of two listed buildings dating from 1850 and 1910, and a new construction and roof extension, designed by

David Chipperfield Architects. The striking corner building is located parallel to Unter den Linden; just a few minutes' walk from the Brandenburg Gate, easily spotted by the distinctive bronze dome, enthroned with a weathervane by artist Cyprien Gaillard.

Mittelstrasse 41-44
10117 Berlin
www.chateauroyalberlin.com

Duetto

Embracing Change in 2023: New Guest Habits, New Revenue Streams



Change has become the new normal: change in market demand, change in guest behaviors, change in macro- and micro-economics. The results of Duetto's latest Trends & Predictions survey show that hoteliers intend to continue investing in building their technology stack in 2023.

As hotels continue to deal with staff shortages and recruitment challenges, automation helps teams to compete in a highly variable marketplace. "It looks like 2023 will be another year of increased tech adoption, as hotels continue to look for ways to drive efficiency, boost profitability and adapt to the challenges of the year ahead," said Chris Crowley, Chief Revenue Officer, Duetto. "Automation is critical to the efficiency of any business. Having a workforce that is stuck at running business insights in Excel worksheets, cleaning and migrating data between systems, and running manual processes around all of this, is a waste of time, which ultimately is a waste of money," said Jordan Hollander, Co-founder, Hotel Tech Report.

This tech investment aims to optimize every revenue opportunity. Total revenue management is not a new trend, but it is one that hoteliers and revenue experts from around the world seem to be embracing for the year ahead. Despite all the disruption and uncertainty we have seen in the past three years, the guest has not changed – they still want great experiences. However, what has changed is how guests book hotel rooms, and hoteliers need to be aware of this, stresses Erik Tengen, Co-Founder, Oaky.

D



Sarah joined Duetto in 2015 as a contributing editor covering Europe, Middle East & Africa (EMEA).

Duetto's revenue solutions simplify hospitality revenue decisions and allow hoteliers to work smarter, increasing organizational efficiency, revenue, and profitability. More than 4,000 hotel and casino resort properties in more than 60 countries have used Duetto to leverage real-time dynamic data and actionable insights into pricing and demand.

Duetto Research
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San Francisco, CA 94104

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E

Event data

Reliable event data in HQ revenue

Concerts and congresses play a crucial role in the hotel industry. They bring guests to the hotels and both national as well as international visitors expect a good experience. Concerts and congresses are an important driver for the tourism industry. People from all over the world come together to attend these events and take advantage of other activities in the area. Hotels benefit by renting rooms, running restaurants and providing other services. Events of all sizes contribute significantly to increasing hotels' occupancy rates and thereby revenues.

Location	Zeitraum	Event-Name	Info	Smart Views
Februar 2023				
März 2023				
Mercedes-Benz Arena Berlin	03.03. — 05.03.2023	ABGESAGT...Country2Country	ANSEHEN	
Mercedes-Benz Arena Berlin	03.03.2023	Celine Dion	ANSEHEN	
Metropolis Halle Potsdam Germany	03.03. — 05.03.2023	Podiumbau	ANSEHEN	
Mercedes-Benz Arena Berlin	06.03.2023	MANESKIN	ANSEHEN	
Berlin	07.03. — 09.03.2023	ITB Berlin Convention	ANSEHEN	
Messe Berlin	07.03. — 10.03.2023	ITB	ANSEHEN	
Berlin ExpoCenter City	07.03. — 09.03.2023	ITB Berlin	ANSEHEN	
Berlin Ahrenshöfde	08.03. — 10.03.2023	Bananas	ANSEHEN	
Mercedes-Benz Arena Berlin	18.03.2023	MICHAEL BUBLÉ	ANSEHEN	
Mercedes-Benz Arena Berlin	25.03.2023	Roland Kaiser	ANSEHEN	
STATION Berlin Luckenwalder Strasse 4-6	25.03. — 26.03.2023	VeggieWorld Berlin	ANSEHEN	
Mercedes-Benz Arena Berlin	30.03.2023	DARTS	ANSEHEN	
April 2023				
Mai 2023				
Juni 2023				

Kürzlich hinzugefügte Events

Event	Ort	Datum	Check	Star	Link
Bananas	Berlin Ahrenshöfde	Mi, 08.03.2023 — Fr, 10.03.2023	<input checked="" type="checkbox"/>	☆	🔗
DMEA 2023	Berlin	Di, 25.04.2023 — Do, 27.04.2023	<input checked="" type="checkbox"/>	☆	🔗
ESMO Breast Cancer 2023	Berlin	Do, 11.05.2023 — Sa, 13.05.2023	<input checked="" type="checkbox"/>	☆	🔗
European Microwave Week 2023	Berlin	So, 17.09.2023 — Fr, 22.09.2023	<input checked="" type="checkbox"/>	☆	🔗
IFA 2023	Berlin	Fr, 01.09.2023 — Di, 05.09.2023	<input checked="" type="checkbox"/>	☆	🔗
ILA Berlin Air Show	Berlin ExpoCenter Airport Schönefeld Ger...	Mi, 05.06.2024 — So, 09.06.2024	<input checked="" type="checkbox"/>	☆	🔗
ITB Berlin Convention	Berlin	Di, 07.03.2023 — Do, 09.03.2023	<input checked="" type="checkbox"/>	☆	🔗
IUGG Berlin 2023	Berlin	Di, 11.07.2023 — Do, 20.07.2023	<input checked="" type="checkbox"/>	☆	🔗
IVS Industrial Valve Summit	Messegelände Exhibition Centre	Mi, 15.05.2024 — Do, 16.05.2024	<input checked="" type="checkbox"/>	☆	🔗
Maison & Jardin	Schloss Diedersdorf Großbeeren Germany	Fr, 14.04.2023 — So, 16.04.2023	<input checked="" type="checkbox"/>	☆	🔗

Alle Veranstaltungen durchsuchen

The hospitality industry relies upon event data that's global, reliable and timely. Trade fairs, congresses, concerts and sporting occasions are among the classic events that are especially important in urban areas whereas, at leisure destinations, "events are created", for instance, simply by the right snow depth or temperature; i.e. by the weather. There are countless factors that have to be taken into account for the months and years to come. If, as a hotelier, you overlook a "bridge day" that creates a long weekend in an important country of origin, for example, or the country's vacations and public holidays in general, you're missing out on an opportunity to boost your turnover. You'll lose out on sales or fall far short of your own potential and your rivals will grab the business.

There are thousands of events not listed in every calendar. HQ revenue makes them visible and presents them clearly wherever hoteliers need to see them for their daily work.



F

Forecast

Beyond Crystal Balls: Forecasting in a Post-Pandemic World

Forecasting is a vital element for the hospitality industry as it is a cornerstone of the range of activities, including pricing strategy, sales and marketing campaigns, and overall operational activity.

The Covid-19 pandemic has highlighted the urgent need to move away from traditional forecasting based on internal historical data. Forecasting methods, which relied on long historical time series and were highly accurate and reliable in the past, have become non-relevant in the current environment. The pandemic has disrupted past trends and patterns in a way that conventional forecasting algorithms cannot account for. As a result, the hospitality industry must seek new approaches to business intelligence to cope with the challenges presented by the pandemic. But what alternatives can be offered?

As historical data is no longer applicable, forward-looking market data has become more valuable than ever. Such comprehensive market data can be obtained from various sources, including competitors' rates across different distribution channels, aggregated rates for different segments or clusters, information on the availability of properties, customer activity on OTAs (website demand), data on events and holidays, and even weather forecasts. Fortunately, this information is readily available to HQ revenue customers and can be easily accessed through the web application or uploaded for more detailed analysis using a convenient API.

Of course, daily processing of such a vast amount of data is not feasible for humans. Fortunately, HQ revenue aggregates these diverse data sources and provides their customers with an accurate measure of market potential: market demand. HQ revenues' market demand is not only based on the latest data but also incorporates dynamic trends for each day together with relevant historical data to account for price expectations and price elasticity. The demand value ranges from 0% for low demand to 100% for high demand and is intuitively interpretable.

Of course, market demand can also be conveniently incorporated into forecasting algorithms. HQ revenues' findings show that market demand is the second most important feature (after the hotels' price) for occupancy forecasting. Market demand can also be directly used in pricing optimization algorithms.

Data quality is just as important as quantity

Finally, we would like to dispel one myth about big data. While the slogan „the more data, the better“ is often heard, we would like to remind you about another fundamental principle of data science: „garbage in, garbage out.“ This principle suggests that the quality of the forecast is directly related to the quality of input data. Therefore, it is vital to recognize that data quality is just as important as quantity.

In this light, using unrelated to the hospitality industry data in forecasting is a scary trend. Such data sources may have misleading correlations with the hospitality market. Moreover, their impact on the forecast cannot be properly evaluated, as most modern forecasting algorithms work as „black boxes“. This is especially dangerous in hospitality, where inaccurate forecasts can have serious consequences

HQ revenue provides forward-looking market data

In conclusion, we must admit that traditional forecasting methods based on time series data are no longer applicable. They are gone and will not return in the foreseeable future. Instead, more dynamic forecasts based on forward-looking market data are becoming possible. HQ revenue provides the necessary forward-looking market data. With these powerful data sources, it is possible to focus on the future instead of the past, enabling hoteliers to develop winning pricing strategies.

Fact or fiction: do you think it's possible to use past sales data of air balloons to forecast the hotels' demand?



G

Geomand

Geomand enables the highly accurate and future-oriented identification of demands

Geolocation and demand combined; that's what the Berlin start-up Geomand stands for. The company has set itself the task of informing companies of all sizes and from all sectors about events while conveniently providing the data via API.

The team is made up of data scientists and IT experts who calculate and provide demand forecasts based on the wealth of event information.

In its analysis, Geomand includes events of all kinds, such as concerts, congresses, trade fairs, flight data and natural events in general, such as weather, volcanic eruptions and snow depths. Furthermore, international public holidays and vacations are factored into the calculation of the demand figures.

Events and geolocations are essential for expert demand forecasting

"This information can be used to calculate demand for a specific day or a product, especially in tourism", emphasises Jamie Hartmann, Interim COO of Geomand. "With Geomand, our clients such as hotels and hotel chains are among the first to know what's going on and where and when demand will increase for them".

This leads, for example, to dynamic demand-driven pricing in the hotel industry. Geomand helps hotels to know what's "coming up" in their environment so they can plan their resources, availability and pricing more efficiently.



Jamie Hartmann, Geomand Interim COO, represents nearly ten years of hospitality industry experience in revenue management and product development.

Millions of events and happenings. No research required. Hotels, restaurants, logistics providers and many other industries make their planning, forecasting and budgeting a snap with Geomand by always knowing exactly what's happening around you. Smart and on time.

Geomand GmbH
www.geomand.com



HQ plus

HQ revenue

Making business and pricing decisions based on the most reliable data for each hotel



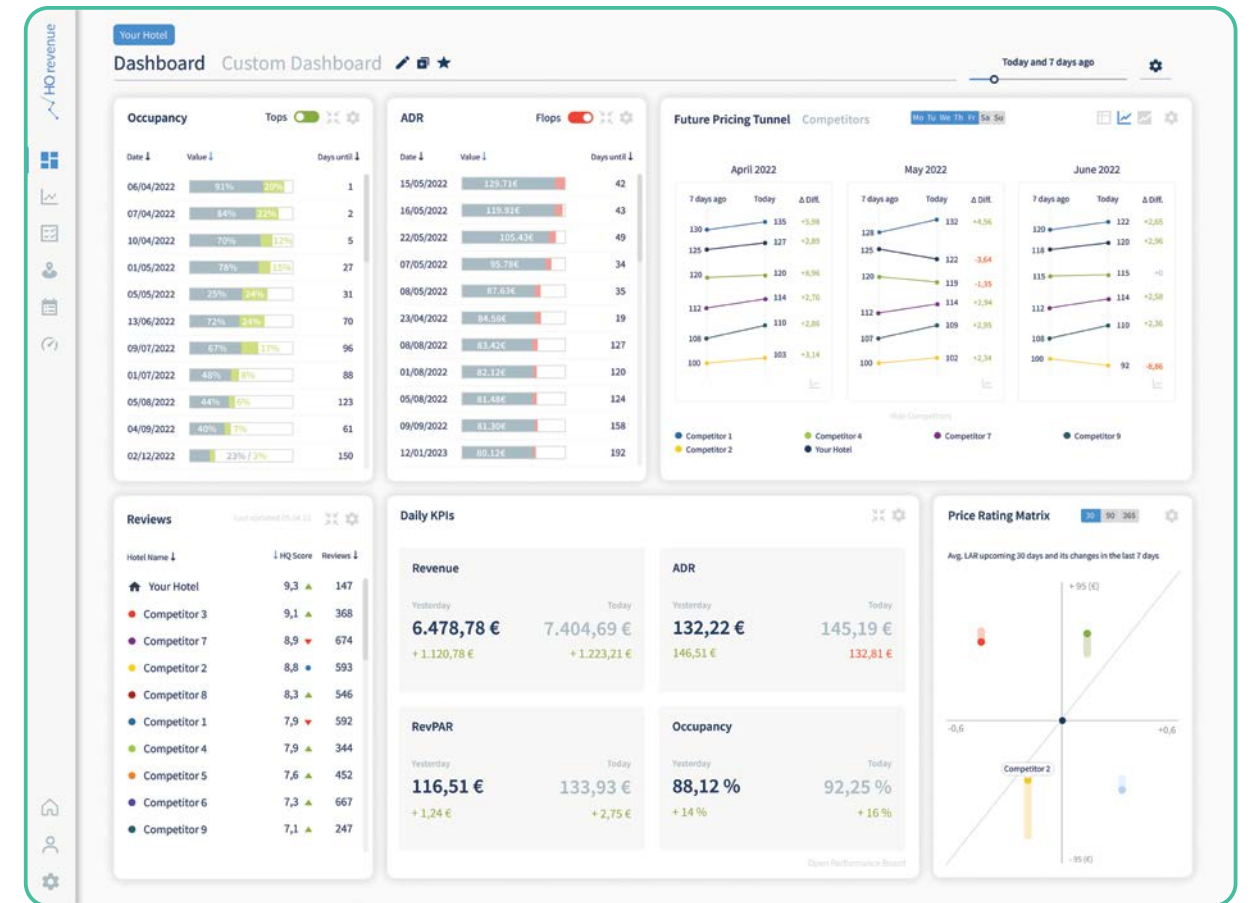
The technology company HQ plus aggregates and analyses real-time global market data and relates it to the performance data of its individual clients. Hotels and hostels, from boutique properties to global chains, use the browser-based HQ revenue app to increase their revenue, save time on monitoring the market and analysing their business, and make reliable business decisions.

This Berlin-based company's HQ revenue app lies at the heart of every hotel's successful revenue strategy. With well over 10,000 satisfied users around the world, the SaaS and hotel market data provider HQ plus is one of the global market leaders. The team led by founder Roland Hehn combines sound hospitality industry experience with technical excellence in theory and practice. Numerous strategic international partnerships enhance the company's own portfolio, for instance with state-of-the-art services in the areas of upselling, forecasting and marketing.

By hoteliers for hoteliers

HQ revenue was developed by hoteliers for hoteliers. This cloud-based app provides and graphically presents the highest quality real-time data on the market and competition in combination with the hoteliers' own performance. It also integrates data from all online sales channels, OTAs and meta-searches, in which the focus on Google as a marketplace and sales channel plays a special role, not least because of the increasing vertical integration of direct sales channels!

HQ plus has been using artificial intelligence (AI) and machine learning (ML) to gather and analyse data for more than three years, a forward-looking policy decision that has proven to be fundamentally correct in light of the various crises in recent years. Forecasts based on purely historical data are becoming less important, as are forecasts whose data set has no connection to the hospitality industry at all.



Partnerships for joint growth and learning

HQ plus enables maximum market transparency in the service of its clients, both as a supplier of data on the market and rivals to third-party companies and through its HQ revenue software service. Its concise overview of the competition, events, holiday density, weather, ratings, distribution channels and OTAs makes it possible to create highly effective marketing, sales and pricing strategies for optimal market positioning.

In January 2023, HQ plus launched hotelcampus: the network for partnerships and learning in the hospitality sector. hotelcampus offers training, workshops and online courses for revenue managers and hotel employees to improve their skills and career opportunities. hotelcampus is the place where everyone is invited to experience the most up-to-date revenue technologies for hotels. hotelcampus brings international providers of software solutions for hoteliers and revenue managers together.

info.hqrevenue.com/hotelcampus



HQ plus

HQ revenue

How did an innovative start-up founded in the beverage store of a small Berlin hotel turn into a successful tech company? HQ plus with its core product, HQ revenue, has grown to become a global market leader in revenue management systems. Company founder and CEO Roland Hehn and Sven Blaurock, Head of Product and one of the original employees, chat with GRANT about the early days and Excel spreadsheets. And, of course, about the challenges facing them in the future.

Where did you get the idea to develop a product like HQ revenue?

Roland: I'd become a hotelier at that time and was suddenly faced with the task of finding the right room rates. The right orientation and positioning on the market was essential. Back then, I had to spend a lot of time finding out when and where an event was taking place, what my competitors were charging for a room, and what was happening on the international reservation portals. The questions then were the same as they are today. In the meantime, however, considerably more complex issues have been added.

It's hard to believe that you can answer questions like that from the beverage store of a hotel.

Roland: It all started there with an Excel spreadsheet that grew out of control ...

Sven: ... and with the night shift officers on the reception desk! Their job was to search for the competitors' prices manually at night and to save them in an Excel spreadsheet ... Roland and I discussed how to automate this. That's how the prototype was born. The two night shift officers were relieved; they were called Harald and Quentin: HQ. And because the new prototype was faster, we called it HQ plus.

Roland: The question we asked ourselves was how can we collect all the information a hotel needs as efficiently as possible and also make it available to the hotel industry.

Sven: We were already discussing forward-looking issues back then. For example, what happens if the car rental companies in a certain area raise their prices, or if there are no more rental cars available? The connection is immediately apparent; there must be guests on the road!

Roland: Such questions were an incentive for us; being able to "translate" the confusing interactions of the market and make them comprehensible and clear for hoteliers. Our goal was to combine expertise from the hotel industry with data science and sophisticated design.

Sven: The development of the web app was therefore also a major and important step. Our clients don't have to spend time setting it up; they can get started straight away. The functions and data are always up-to-date whenever they start up their browser.

HQ revenue became the first global rate shopper to perform data analysis supported by artificial intelligence (AI).

Roland: We've been using AI for three years; not simply driven by the crises of recent years. We enable our clients and partners to make good business decisions based on good forecasts. To do this, we find exactly the data that's relevant for the future.



Roland Hehn
CEO HQ plus

Roland places particular emphasis on user and customer-oriented solutions. As a former hotelier, he's particularly interested in improving the processes of companies in the hospitality industry through high-quality products.



Sven Blaurock
Head of Product
HQ plus

Sven loves developing visions for products. He's particularly skilled at identifying technical and sustainable solutions and inspires his team as well as himself to achieve perfection.

I

Intelligence

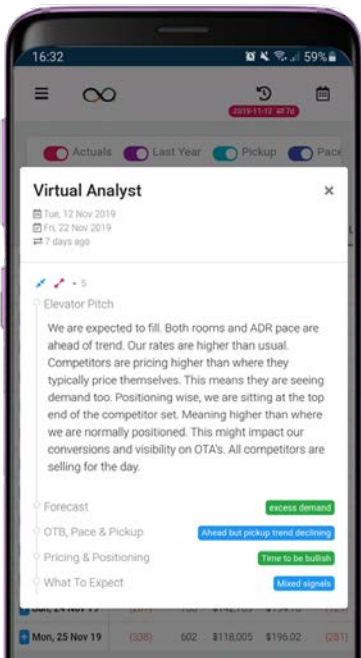
The Future of Revenue Management is Human Optimization

As the founder of Infinito, a company that specializes in human optimization in revenue management, I believe that the future of intelligence lies in the enhancement of human potential. In the past, intelligence was defined as the ability to learn, understand, and apply information. However, with advancements in technology and the growing importance of EQ and AQ, it is becoming increasingly clear that there is much more to intelligence than just cognitive abilities. Great Revenue Management therefore starts with you!

The future of intelligence in revenue management is about optimizing the human behind the machine and to work with the intelligence inside the machine. By utilizing new technologies and techniques, we can help individuals optimize their brain function, improve their productivity, enhance their emotional intelligence to create a more optimized, intelligent version of themselves. An upgrade so to speak!

I believe that human optimization is the key to unlocking a better revenue performance. By enhancing our own intelligence and revenue capabilities, we can unlock our own unique flavor of intelligence. The result: more fulfilling lives, better personal performance and as a result higher impact on the business performance.

In conclusion, the future of intelligence is not about replacing human beings with artificial intelligence or robots, but about enhancing human potential in the optimization cycle. The goal is to create a symbiosis and an individual, capable of unlocking their full potential that creates a better revenue performance for the businesses they work for and better lives and careers for themselves.



Infinito Solutions is a full-service revenue optimization company that makes hoteliers better at generating revenues regardless of skill set, revenue knowledge, title or hotel size. IVI – our virtual analyst specializes in the hardest, most subjective, most time-consuming part for the user; the part where it can go wrong: The Analysis.

Fabian Bartnick
 Infinito Tech Deutschland GmbH
www.infinito.solutions

Junior suite or single room?

Intelligentes Room Type Mapping

Room type mapping is basically the process of overlaying different products from the inventory with those from the comp set, and doing this for all the variants that are and have been displayed on OTAs and websites worldwide (and that's an 11-digit number of room rates!).

HQ revenue is trained for each specific account based on the client's individual price data. Assigning room types used to take a little time in terms of setup and maintenance, with the result that some users neglected the settings or only paid lip service to them. However, correct room type mapping is very important for an accurate comparison with the competition.

Manual settings are now no longer required to compare individual hotel room rates in Smart View. Mapping between your own room categories and those of your competition is fully automatic, ensuring your junior suite really does correspond to your rival's junior suite

This new intelligent mapping of room categories is fully automatic and produces the best results. All users have to do is determine the number of their room categories and the HQ revenue algorithm does the rest, making the individual setup of HQ revenue even easier.

	Your Hotel, Berlin	Your Competitor 1	Your Competitor 2	Your Competitor 3
Single Room	Single Room 58€	Einzelzimmer 48€	Einzelzimmer 58€	Einzelzimmer 52€
Junior Suite	Junior Suite 248€	Junior Suite 238€	Junior Suite 228€	Junior Suite 278€
Double Room	Doppelzimmer 88€	Doppelzimmer 82€	Doppelzimmer mit Balkon 78€	Doppelzimmer 88€
Executive Suite	Executive Suite 308€	Suite 298€	Executive Suite 318€	Premium Suite 288€
Presidential Suite	Presidential Suite 378€	Premium Suite 368€	Presidential Suite 388€	Deluxe Suite 348€

Junior Suite

Junior Suite 243€

BRA BOK

Junior Suite with Balcony 248€

HRS

Junior Suite mit Balkon 252€

EXP



K

Hotel KPIs

Ensure Your Property's Success



Silvia A. Mayer is a Certified Revenue Manager Executive (CRME) and Sales Director for the DACH region of IDEaS for over ten years.

IDEaS, a SAS company, is the world's leading revenue management software and services provider. Combining industry knowledge with innovative data analytics technology, IDEaS provides precise, automated decisions users can trust. With 30+ years of expertise, IDEaS delivers revenue science to more than 22,000 properties worldwide.

Discover greater profitability at [ideas.com](https://www.ideas.com).

IDEaS[™]
A SAS COMPANY

A key performance indicator (KPI) can measure the financial health of a particular area of a hotel's operation – or the entire property. There are now more KPIs to pick from than ever. Keeping track of KPIs allows revenue managers to make effective decisions based on previous performance. Comparing past data to current metrics provides a clear view of a hotel's progress. When revenue managers find the right mix of KPIs, they can determine clear goals to optimize profitability. KPIs are not only insightful, they're also a great learning tool for hoteliers.

Knowing which KPIs to monitor can be hard because the list is constantly changing. Here are some of the top KPIs – established and new – that can help hotels drive better business decisions.

- Average daily rate (ADR) - Actual daily room revenue/total rooms sold.
- Revenue per available room (RevPAR) - Daily room revenue/total rooms available.
- Market penetration index (MPI) - hotel occupancy % / market occupancy % x 100
- Average length of stay (ALOS) - total occupied room nights/number of bookings
- Average room upgrade - total room upgrade revenue/number of room upgrades sold to guests
- Revenue per upsold reservation - average amount of revenue generated from reservations that are upsold
- Late departure upgrades sold

Regardless of which KPIs you choose, understanding your hotel's current and past performance is key to ensuring your property's long-term success. To help gather and analyze all that data, hoteliers are turning to revenue management systems to speed up their decision-making and helping get to profitability faster than ever.

Loreca

The crucial aspect visibility plays in an optimized revenue strategy.

L

You've probably heard of SEO, but what about BEO? Loreca's specialization is Booking Engine Optimization. BEO is providing a hotel, for example, a higher rating on an OTA like Expedia or Booking.com so that clients may locate it and book it faster. The BEO algorithm uses the visibility coefficient as a primary aspect of revenue management. As visibility has a direct positive correlation with pick-up, there is no sense in offering the best rate on the market (based on market parameters) if you are nowhere to be found on OTA's or direct channels.

The importance of visibility in modern revenue management can only be overseen now. Visibility positively correlates with pick-up (and business on the books) as visibility can shift demand from one hotel to another.

The industry has done sufficient and thorough research towards the price elasticity of hotels and operators. But due to the rising dependency on OTA's, the visibility aspect has become as crucial. Visibility optimization on OTA's are boosting the performance, revenue, and, yes, direct bookings (due to the billboard effect, of course).

The visibility coefficient is where Loreca is excelling; we created an algorithm (Booking Engine Optimization; BEO) which maximizes the visibility on the given OTA's (and most relevant OTA's); to, based on data, maximizes the turnover of a hotel. Loreca is proud to announce that its algorithm boosts revenue by an average of 24% in the examined cases.



Loreca is a Belgian start-up based in Bruges. Loreca is specialized in revenue management, where the visibility aspect is crucial. Starting from the visibility coefficient, Loreca created an algorithm to maximize the visibility on OTA's. This leads to an optimized revenue structure.

Bart-Jan Leyts
CEO at Loreca

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www.loreca.be

BOOST YOUR BOOKABILITY

LORECA

www.loreca.be

LORECA

M

Data-Driven Marketing – in the future there'll be no other alternative

As managing directors of the successful South Tyrolean marketing agency for hotels and destinations, Hannes Gasser, Michael Oberhofer and Matthias Prader are well aware that it is only by keeping a constant eye on technological developments that companies can avoid losing out on the versatile market; as consultants, they're also close enough to the day-to-day work of their clients to be thoroughly familiar with the growing demands placed on the luxury hotel industry.

Their agency, which is one of the most important in its sector in the Alpine region, specialises in full service with a focus on branding as well as positioning and communication concepts. While this modus operandi is largely about consolidating the brand identity of the primarily family-run establishments in the region, a task made easier by analogous qualities such as the traditionally strong hospitality and the resulting close ties to the guests, this aspect alone no longer solves the problem of occupancy rates and comparability with competitors.

"We operate in an extremely competitive tourism region with the highest quality standards", explains Gasser. "It makes no difference how good our clients are, they simply have an extremely large number of rivals who are in no way inferior to them, who are just as convincing. High standards are just no longer enough. In the future, the only way to stand out from the crowd, apart from through clear positioning and impeccable services, will be efficient data-driven marketing such as sophisticated revenue management that enables them to interpret the market situation in real time. That's what we've found with HQ revenue."

Without data-driven marketing, you're groping in the dark; "instinct" alone no longer works under rapidly changing conditions. "Hoteliers need an analytical tool that enables them and us to recognise spot trends at lightning speed, to understand and react to them with appropriate measures. When it comes to dynamic pricing and the creation of dynamic marketing plans, we leave nothing to chance", adds Oberhofer.

© Alex Filz und Brandnamic.

Hannes Gasser, Michael Oberhofer und Matthias Prader - Brandnamic, the full-service marketing agency for hotels and destinations, with its headquarters in Pairdorf near Brixen, specialises in brand positioning; from logo design to targeted employer branding, social media marketing and printed materials to data-driven marketing such as HQ revenue. High calibre and far-sighted visions; these values are shared by the Brixen agency with the Berlin-based SaaS and hotel market data provider HQ plus.



© Brandnamic.

At Brandnamic, all the functions of HQ revenue are used to advise clients. Competitor analysis and the calculation of potential regional occupancy rates have proven particularly useful for newcomers, as has the tracking of daily enquiries in relation to the actual bookings made or the stored historical data. The agency sees great potential in analysing these findings, not only in terms of the individual setting of budget targets, strategies and marketing plans but also with regard to the possible conclusions that can be drawn about brand management and company positioning. "It's essential to know that market and its stats, as well as to constantly monitor data in order to live a brand", says Prader.

This product is of interest to clients of all sizes and the interfaces to numerous common hotel management programmes are an advantage that's highly appreciated by all users; "everything that makes life easier for our clients, who are notoriously pressed for time, is well received."

Along with Brandnamic's full-service marketing approach, this is probably one of the reasons why the agency's clients use HQ revenue primarily in connection with a consultancy assignment. Not only does this analytical tool support well-founded, proactive guidance and advice concerning revenue management, the optimal preparation of data in real time means that the current situation in the target market can be immediately compared whilst also providing a detailed comparison with the competition. This is convincing for consultants and clients alike.

brandnamic
gasser | oberhofer | prader

Brandnamic
Brixen (South Tyrol, Italy)
[brandnamic.com](https://www.brandnamic.com)

N

The Net Revenue



Francesc González is the CEO & Co-founder of The Net Revenue (TNR), the Revenue Management agency for „destination Hotels“, properties which are located worldwide and offer a unique value proposal. The wide range of clients at TNR set the trend in terms of reputation, direct sales and by leading their Revenue Management compset. Founded during August 2017 TNR has helped more than 70 projects with a proven direct sales result of over 40% for each client. The Net Revenue is formed by more than seventeen Revenue Managers with a different skillset to match any market needs such as Barcelona, Madrid or Miami. Francesc is focused in developing new talents by lecturing at FORST, the leading Business School for Tourism in Spain.

Uniqueness in the hospitality industry is usually related to the product positioning or guest experience. A good product, service and reputation does have a great impact in direct sales of a hotel or lodging. However, there is a further reading on the key elements behind a unique value proposal: the strategy.

The art of differentiation consists of a cadence of precise actions and the post analysis of the deeper data, where some pieces may not be quantitative.

“I want to boost direct sales!” is usually the higher aim of our clients at The Net Revenue. Our goal, though, is to find their strategy in order to maximize their uniqueness and boost direct sales. The first step is to define their target or ideal buyer, in order to assess if the property is in the correct channels. The right channels are the ones that offer good visibility for qualitative and quantitative reasons.

After defining the ideal customer, is the time to handcraft a pricing strategy. During this phase, our team revisits the initial value proposal, product, services, and target to maximize pricing. Technology plays a vital role during this phase to ensure reliable data and apply the “fine tuning”. In other words, tech must ensure a high capacity to analyze a big number of information, such as, yearly data, in daily basis and provide updated recommendations.

The role of the Revenue Manager should not be understood as a magician. This position understands data and it is challenged to make the most of the demand. As an example, there is a close relationship between the Commercial and Marketing Department of a hotel with the Revenue Manager. Each department provides valuable insights before deciding the pieces to move.

All in all, finding the right strategy will lead to uniqueness. It will reflect a boost on direct sales, where the gap between Net Revenue and Gross will be tighter: you will be more profitable.



The Net Revenue

The Net Revenue
Barcelona (Spanien)
thenetrevenue.com

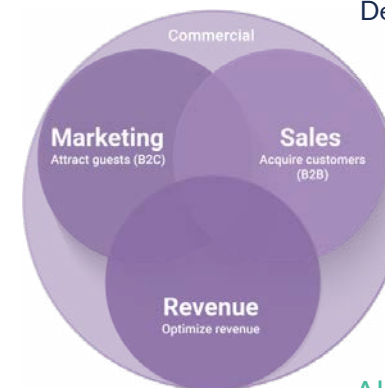
One System

The Advantages of One System for Commercial Teams in Hotels

Working in silos has long been the norm in the hotel industry, with each role having separate goals and responsibilities. However, this approach has resulted in conflicts, decreased profits, and inefficiency. Introducing one marketing, sales, and revenue system containing all the commercial team information solves these issues.

Such a system would allow seamless collaboration between marketing, sales, and revenue, leading to better communication and coordination. The team would be able to work with the same data, ensuring that everyone is working towards the same goals. One system would also provide a complete picture of the customer buying journey and the various touchpoints with the hotel. The information would be invaluable in personalizing the customer experience and optimizing the average revenue per guest.

An aligned team would lead to a more efficient and effective revenue-generating process. In addition, one system would allow for automated data collection saving hours of manual work and making it easier to track performance and make data-driven decisions. Hotels need a system designed specifically for the commercial team to overcome the limitations of siloed working practices. That's where Demand Calendar comes in.



Demand Calendar is an intuitive, insightful, and interactive system that makes it easy for all roles in the commercial team – marketing, sales, and revenue to work together. With powerful data collection and analysis capabilities, hotels can track performance and make data-driven decisions to increase revenue and profits.

Don't miss out on this opportunity to revolutionize your hotel's commercial team and take your business to the next level.

About Demand Calendar

Revolutionize your hotel's commercial work with Demand Calendar, the all-in-one system for marketing, sales, revenue management, and top management reporting. Ideal for small hotel groups, our solution has 100+ functions and has been proven to increase market share and revenue significantly. So say goodbye to siloed systems and automate data collection to save time and focus on growing your profits.

O

 DEMAND/CALENDAR



Anders Johansson
CEO - Demand Calendar
www.demandcalendar.com

P

PMS

The digital solution capable of evolving to support hoteliers in the future



Guests' needs and technological progresses change, adapting is no longer enough, the need is to reinvent and evolve. Tourist flows change, sales needs change, attention to the needs of the guest changes, which management software is ready for all this?

The PMS ready for change and evolution must optimize performance, minimize errors caused by manual operation and reduce the cost of human labor. In Proxima Service we respond concretely to this request with HOTELCUBE WOW - The New PMS. Our PMS accompanies hoteliers in all the evolution processes in a hyper competitive market such as the hotel one.

For a software to be modern, it doesn't have to focus solely on the aesthetics and graphic layout, which certainly satisfy the eye and conquer at first glance.

HOTELCUBE WOW therefore not only has a modern graphic layout, but has redefined the involvement and relationship between operator and software.

HOTELCUBE WOW is intuitive, respects the logic and paradigms of lifelong users of management software, and ensures practicality and usability designed to improve hotel work.

Not only that. The use of innovative Microsoft Azure's PaaS platform ensures the highest worldwide standards in terms of reliability and scalability, for a system that is always online and responsive.

HOTELCUBE WOW is the answer: PMS easy-to-use, flexible, innovative and able to surprise you!

Proxima Service is an independent Italian company that creates a trust relationship with its Customers through listening and analytical skills.

Since 1998, it has been designing, building, installing and supporting integrated and customizable information systems for accommodation facilities.

Thanks to the PMS functionalities and the staff always available, Proxima provides customized and innovative solutions for the digitization and the development of hotel business.

Roberto D'Aquila
Sales
Proxima Service
www.hotelcube.eu

Hotel AMANO



Located on Auguststraße, close to Rosenthaler Platz in Berlin Mitte, Hotel AMANO is the embodiment of urban and stylish living. The 164 rooms have been designed to meet the needs of the modern, dynamic traveler and are complemented by the AMANO Bar, a rooftop bar, a conference center and especially the Israeli restaurant Habet shel AMANO for the perfect stay in the capital.

The hotel group AMANO Group, based in Berlin, now runs 11 hotels in the centers of the cities of Berlin, Munich, Düsseldorf and London.

Auguststraße 43
10119 Berlin
www.amanogroup.de

Photo: Jens Bösenberg

R

Revenue Management

Revenue management as the strategic approach for the modern hotel industry

Revenue management has become a well-known term in the hotel industry. However, only 20%* of all hotels work with revenue management and many of these only „manually“ and based on rules.

It's becoming increasingly easy to work with dynamic pricing, especially for small and medium-sized hotels that often lack the resources and expertise. Thanks to an increasing number of new cloud property management systems, connectivity is improving and the fragmented market is consolidating.

COVID and alternative sources of accommodation such as Airbnb are putting pressure on hotel operators to act and look for systems to optimise their business. This provides a great opportunity to improve prices and processes and keep up with the competition.

Starting with Revenue Management

The first step is to analyse the hotel data: On which days and periods was the hotel 100% occupied? Because on these days demand was greater than supply. On these days, the hotel could have generated more income by using dynamic pricing.

The next step is to look at how fully booked the hotel was at each time and how much in advance bookings were made. Generally speaking, the speed of bookings is a very important indicator! This is because hotel operators can easily see that rooms are sold too early and too cheaply particularly on days with high demand.



Sebastian Kuhnhardt is one of the three founders of happyhotel. Coming from a family of hoteliers, he was born into the hotel business.

That's why he knows, only too well, the problem faced by hoteliers of how to better predict prices for overnight stays. What should prices be based on and how can they be determined? Unfortunately, many hoteliers spend far too little time on these questions! That's why Sebastian has set himself the goal of automating hotel management processes.



It's almost impossible to predict future prices manually

To optimise this is the biggest challenge, because it's almost impossible to predict future prices manually. This is where a revenue management system comes into play.

Systems such as happyhotel use an automated algorithm that constantly learns and anticipates prices and enquiries, with increasing accuracy.

The more data available, the more accurate the forecasts. It's therefore possible to make individual price forecasts with a high degree of precision for each specific day. The results can be used to enable each hotel to determine the best strategy for its own particular situation in terms of pricing, limitations and segmentation.

The future of revenue management systems

Revenue management systems are evolving to take an ever larger number of factors into account in order to optimise profits, under the heading: „Profit Optimisation Platform“. Up to now, the main consideration has been RevPAR and not costs. However, in the long term, revenue management systems will focus on other factors such as these, making a key contribution to increasing efficiency and reducing costs.

Source: *BASED ON DATA FROM SKIFT RESEARCH; 16.5% IN 2019.

happyhotel is a revenue management system based in Germany. happyhotel helps you to predict demand or RevPAR completely automatically with the help of machine learning. Our system enables you to run a fully integrated revenue management system. There's also a free version of happyhotel that allows you to analyse your hotel data and never lose track of your hotel's performance.

happyhotel
revenue cloud solutions GmbH
Offenburg (Deutschland)
www.happyhotel.io

S

Strategic Revenue Management

25 Years of Spalteholz Hotelkompetenz

Due to digitalisation, the outsourcing of revenue management has long since found its way into the hotel industry. The increased use of artificial intelligence to assess demand is accelerating the already considerable and also dynamic changes occurring in the RM business model. In times of staff shortages, many hotels cannot avoid outsourcing anyway, because now more than ever it's important to keep a close eye on controlling capacity and managing prices.

Spalteholz Hotelkompetenz pursues a holistic approach that focuses both on total revenue management strategies and strategic change management. One of the hotel consultancy firm's particular strengths lies in its many years of in-depth international experience working with hotel chains and individually managed establishments of all sizes. In fact, leading hotels, hotel groups and technology partners frequently rely on Spalteholz's knowledge and methodological expertise.

Strategic consulting for hotel management and teams since 1998

Since Spalteholz Hotelkompetenz was first set up, it has focused particularly on holistic and strategic consultancy work, both in supporting the management of individually run hotels as well as in the further training of hotel teams. The first RM systems such as IDEaS established themselves in the market during the early stages of the consultancy firm and, around the turn of the millennium, strategic capacity and price management also made inroads into private hotels in Germany.

Founder Bianca Spalteholz was the first consultant in Germany to recognise the head start in knowledge enjoyed by the international corporate hotel industry which, through its US roots, had already discovered revenue management at the beginning of the 1990s. Spalteholz developed an RM concept for private hotels, which she used with great success as a pioneer in the German market.

"My advice is practice-oriented and mercilessly honest. Because the success of hotels is close to my heart!"

Ms Spalteholz, you've been an expert in the hotel industry since the early 80s. What's your recipe for success?

I'm very practice-oriented. I also convey complex issues in a way that hotel employees can readily understand and implement. Plus my experience has made me a universalist; I look at hotels from every angle. Based on my experience, it soon becomes apparent to me which problems need to be addressed at a hotel and at which point.

Clients say you're mercilessly honest ...

Talking things up doesn't help. Success in the hotel industry entails taking a good hard look at your business, directing your attention both internally to all departments and externally towards the market. The inconsistencies visible in the presentation speak volumes, as they often conflict with the product on offer. This creates high expectations on the part of guests, resulting in disappointment when they arrive at the hotel. Different hotel departments might also be pursuing different goals or they might not know their market very well. Since COVID, many hotels have adopted an RMS and therefore believe they no longer need to look closely at their internal operations or their market. That's a big mistake!

Assuming an RMS delivers the „right“ price, what's the mistake?

A simple example can illustrate this. Imagine a holiday hotel which has up to 70 % of its guests returning on a regular basis. If you change from static seasonal prices to dynamic daily prices, then you've brought about a fundamental paradigm shift in your offer and communication. This not only applies to the hotel management and its guests but also to all the employees in all departments! Staff at a spa hotel should also have an answer ready for guests in the changing rooms when they complain about the rising prices for overnight stays and treatments. They should receive guidance on how to deal with these guest's questions appropriately.

Revenue management doesn't only take place „in the back room“ ...

A professional revenue management strategy is developed together with the entire team and also implemented together. Ideally, theory and practice merge. The task of the management or owners is not to save money in the wrong place; training should be included at the very beginning of a project.



Strategic Revenue Management

25 Jahre Spalteholz Hotelkompetenz

The hotel business became my vocation!

You're a highly respected industry expert. How did you personally come across the topic of revenue management?

While I was training in logistics at a forwarding agency in Bremen, I was already fascinated by the most profitable way to load containers with goods. This is by no means trivial. Then I switched to foreign trade in the banking business for 7 years and got to know the financial side even more thoroughly. There I was dealing with securing the movement of goods and the calculation and financing of various transport routes. That way of thinking has now become second nature to me. Years later, when I was running an Italian restaurant in the USA, without realising that revenue management even existed, I was always thinking about how to make sure every seat was occupied and not just every table.

How did you end up in the hotel industry?

It was while I was studying Italian in Italy. I got a taste of the hotel industry while I was trying to earn some money. I fell in love with the country and the people and their way of life, and with the hotel industry as well. What an experience! In Castiglione della Pescaia in Tuscany, my partner and I were hired by a 4-star resort founded by Carlo Ponti and Sophia Loren. The hotel business became my vocation!

You went on to have a very successful career in the hospitality industry. What motivated you to start your own company in 1998?

After 1995, the travel industry, and therefore also hotel reservations, underwent a decisive change. That was when the internet became commercial and it was new territory for everyone. It was an exciting time. Hotels needed marketing advice and training to ensure the revolution in hotel sales could take hold across the board. A niche opened up for me. I wanted to put my practical experience from various management positions into practice in a business idea I'd developed myself. I love challenges.

Career stages in the hospitality industry before 1998

1984 Head of Marketing Services at SRS - Steigenberger Reservation Service (now Worldhotels).

1990 Director of Project Development for Steigenberger Reservation Service. Establishment of a department for worldwide hotel acquisition, quality control and brand implementation for the new brands of the Steigenberger Hotel Group. This period saw the rapid worldwide expansion of the SRS hotel portfolio.

1993 Moved to the world's leading reservation and distribution service provider Utell International (Pegasus) as Managing Director for Germany, Austria and Eastern Europe responsible for development, sales & marketing, PR and expanding relationships with the travel agency community.



Spalteholz Hotelkompetenz

In 1998, Bianca Spalteholz founded the first highly specialised consulting and training company in marketing, sales, e-distribution and pricing. Initial requests for proposals (RFPs) for reservation and distribution software systems (CRS, GDS, IDS, IBE) and their optimisation made her the first independent and neutral specialist for reservation systems. Almost all Germany's hotel co-operations hired her as a service provider to train the employees of their affiliated hotels in the promotional distribution of hotel data via CRS systems to globally operating travel agencies.

Bianca Spalteholz particularly values her work as a guest lecturer at various universities. She's been sharing her know-how regarding electronic distribution, revenue management and online sales and marketing for the past 25 years, subjects which had not been available at universities for a long time. The topics of total revenue management and change management consultancy are currently attracting particular interest.

Bianca Spalteholz is also qualified as a systemic master coach and, together with her team, takes on complex challenges in the hotel industry.

T

TRevPAR

Total Profit Revenue Management: The Key to Unlocking the Full Potential of Your Hotel

In the world of hotel management, revenue streams are no longer limited to just room sales. As a result, traditional metrics such as RevPAR (Revenue Per Available Room) may no longer provide a complete picture of a hotel's performance.

Total Revenue Management (TRM) is the process of analyzing and optimizing all revenue streams in a hotel, including room revenue, food and beverage sales, and conference and event bookings. By taking a more holistic approach to revenue management, hoteliers can identify new opportunities for growth and maximize profits.

One of the most important steps in implementing TRM is benchmarking. This involves comparing a hotel's performance against industry standards and similar properties in the same market.

Benchmarking Alliance is the leading benchmarking provider in the Nordics, with more than 2,500 hotels contributing daily data. By subscribing to their service, hoteliers gain access to an interactive dashboard that visualizes key performance indicators such as TRevPAR (Total Revenue Per Available Room), RevPAR, ADR (Average Daily Rate), Occupancy, and Total Revenue per square meter. In addition, they provide reports for benchmarking the conference and restaurant departments separately. But it's not just hotels that benefit from this data. Investors, banks, destination marketing organizations, and consultants all use the same data trends to make informed decisions.

In the restaurant department, analyzing data such as Revenue per Available Seat and Revenue per Guest can help identify areas for improvement, such as menu engineering, better staffing control, and upselling opportunities. By understanding customer demand through data analysis, restaurants can optimize their offerings and maximize revenue.

Similarly, for conference and event bookings: By leveraging data on trends and demand patterns, hotels can strategically price and market their conference facilities, leading to increased revenue.

It's time for hotel management teams to set new goals and bonus schemes based on TRevPAR. The restaurant and conference facilities have the potential to be significant money makers.



With a head office in Stockholm, Sweden, Benchmarking Alliance is the leading benchmarking provider in the Nordics. Subscribing to the service is easy and affordable. You can easily dig down to see which department is working or not, all while having access to anonymized, aggregated data that can help you better understand your position in the market.

Per-Anders "Perra" Pettersson
Co-founder & Business Development
Benchmarking Alliance Nordic AB
www.benchmarkingalliance.com

Berlin Gorki Apartments

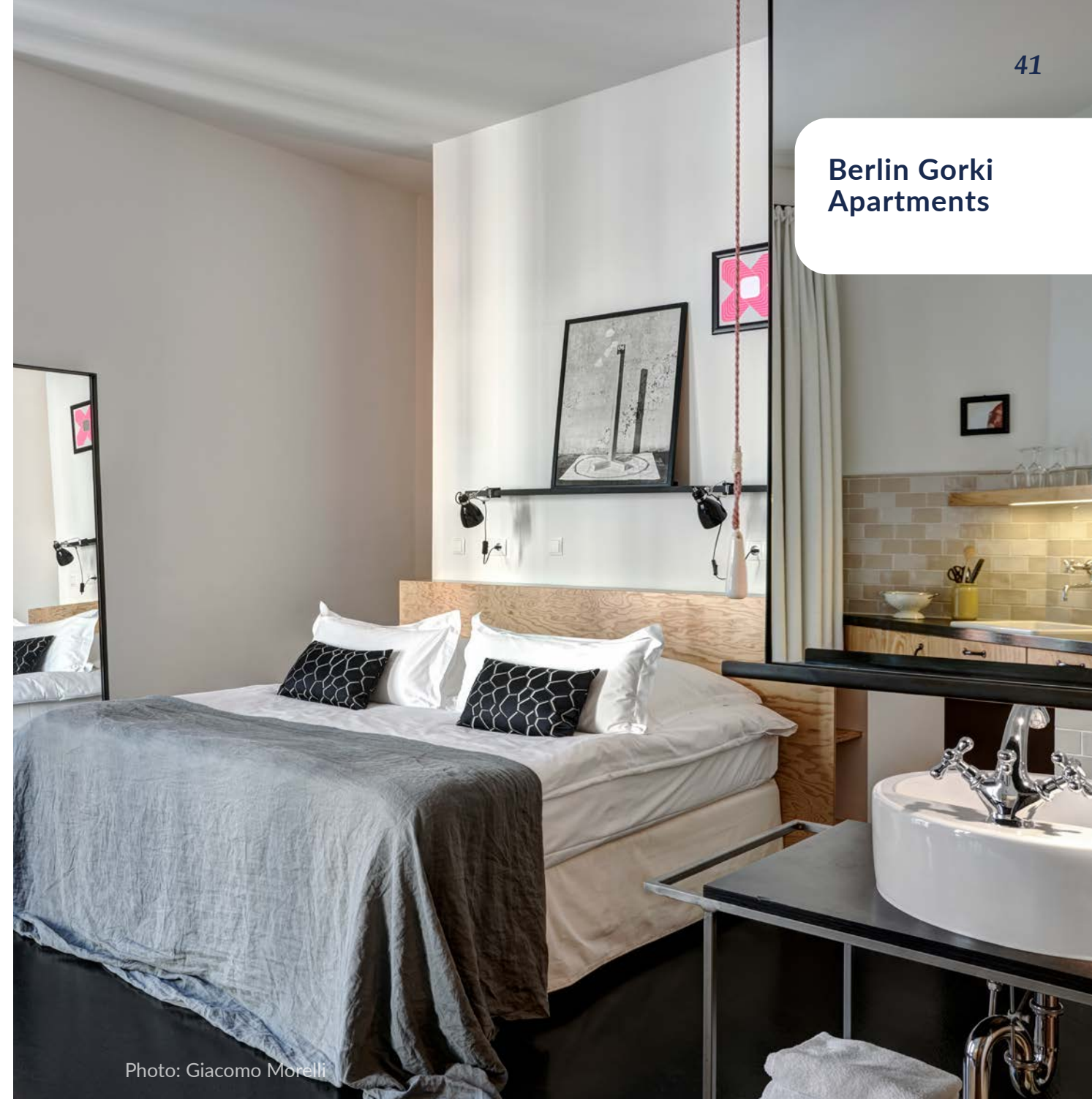


Photo: Giacomo Morelli

Under the roof of a Gründerzeit building on a tree-lined street, 36 apartments gather to represent an unconventional and decidedly Berlin-esque concept of luxury. Just a few steps away from Rosenthaler Platz, in the heart of Berlin-Mitte, the Gorki offers its guests a glimpse into the "Berlin of Berliners".

Weinbergsweg 25
10119 Berlin
www.gorkiapartments.com

U

Upselling

How and when should hotels upsell their rooms and services?

How and when should hotels upsell their rooms and services? A question which I have debated with hundreds of hoteliers over the past 6 years. Should it be done through an online tool prior to arrival, in person at check-in, or a combination of both?

Upselling at the front desk can be highly effective when done correctly. Who hasn't been swayed into upgrading their stay by the welcoming smile of the front desk staff?

But to be honest, I can't remember the last time I was offered a hotel upgrade. Also, the prospect of a 'room with a view' does not sound particularly attractive when I'm checking in at 11pm after a long flight. „Would you like a bottle of champagne?“ – „No thanks, I'm more of a beer drinker.“

It is essential to be timely, consistent, and personalized in order to be successful; unfortunately, there is no shortcut for this.

At the risk of appearing to favor one online upselling solution over another, the most efficient way to ensure timing, consistency, and personalization is to automate the process. This can be done during the pre-arrival stage of the guest's journey with the help of UpsellGuru. However, front-desk upselling also has its advantages – and of course we have you covered here too with our front-desk upselling solution.

UpsellGuru is a leading hospitality upselling company that helps hotels and resorts increase revenue and guest satisfaction by providing personalized and timely upsell offers. With our AI-powered platform, hotel staff can easily offer guests upgrades, add-ons, and other enhancements to their stay, resulting in higher revenue and happier customers.



Karl Schmidtner
Co founder
www.upsellguru.com



UpsellGuru runs completely autonomously

Let's look at some facts before I spend all day talking about upselling. Let's put our pre-arrival solution heads up against our front-desk upselling solution so we can finally put the debate to rest:

The Pre Arrival system from UpsellGuru runs completely autonomously and does not require any manual input – point in favor of pre-arrival, 1:0.

A smile and the personal touch of a charming front office agent is hard to resist – point in favor of the front-desk, 1:1.

A system is very consistent; it does not have days or moods that are unsatisfactory – pre-arrival in the lead again, 2:1.

A well-trained front desk agent can better understand the guests' needs and demonstrate the advantages of the product by emphasizing them – point in favor of the front-desk, 2:2

No training of the staff is needed for pre arrival, which is especially beneficial for hotels that experience large fluctuations – point in favor of pre-arrival, 3:2.

Providing training and an incentive program will motivate your team, increase satisfaction, and potentially make your organization more attractive to prospective employees. Point in favor of the front-desk, 3:3.

With a pre-arrival system, you can improve the visual appeal of products by adding highly attractive photos – point in favor of pre-arrival, 4:3.

On the other hand, not all bookings have the customer's contact details; however, every guest will come to the reception in person – front-desk ties again. 4:4.

In conclusion, there are no winners in the competition between online and offline upselling. The true victors are the hoteliers (congratulations for becoming proficient in upselling!) and, of course, their guests.

Online and offline upselling are both beneficial when used independently, but when brought together, they lead to greater success.

V

Vouk, Ira

7 must-have attributes of the next-generation Revenue Management technology

There's a lot of potential for existing RMS vendors to improve their products in order to catch up with the real needs of a modern hotelier. Most aspects of their functionality (forecasting, pricing, segmentation, etc.) are built in the pre-covid era. But do those strategies still work?

Hoteliers are starting to understand that all answers are in the data, not in Tarot cards.

Revenue Management technology will become the centerpiece of the hotel tech stack once it gains the necessary amount of functionality described further in this article. It will have to be reimagined and possibly also renamed. Something like Revenue and Profit Optimization Platform seems like a more suitable term. Further I explain why.

1. Profit optimization

As a result of the pandemic, proper cost control became a matter of survival for many. The industry was also forced to start innovating by developing new sources of revenue, improving efficiencies, while at the same time, it also incurred additional costs related to employee and guest health concerns.

Whether we like it or not, every single decision Revenue Managers take on a daily basis has an impact on the bottom line. That dictates the need for the Revenue Management discipline to not just concentrate on optimizing the room revenue stream. Revenue Management has to solve the problem of profit maximization.

Here are major gaps that exist in the current Revenue Management technology pertaining to profit optimization (or lack thereof):

Algorithms target RevPAR maximization, not profit. It is a huge problem because those are 2 very different metrics and they can actually go in opposite directions.

Variable costs are not taken into account during pricing and inventory optimization decisions (this pertains to both: operating and distribution costs)

Ancillary revenues are also ignored

In summary, the way RMSs were built and have been functioning is not yet adapted to the profit optimization needs of hotel owners.

2. Collaboration between departments

You might recognize a typical scenario in a traditional hotel company: RM department targets RevPAR, Marketing drives room nights for stay dates that don't correspond to need dates, Sales team books groups over high demand periods without checking with RMs, Operations worry about cutting costs, while the owner cares about cash flow. Everyone is pulling the cart in their own direction and there's no synergy whatsoever. This has been happening in many organizations in our industry for many, many years.

Revenue and Profit Optimization technology of the future needs to help hospitality businesses to solve the problem of departmental misalignment and aid in collaboration of those departments by becoming a Platform instead of just another siloed piece of the puzzle. Revenue and Profit Optimization Platform. Revenue Management technology needs to help "glue" everything together and feed the information and decisions to other parts of the organism (where in most cases, profitability is the ultimate goal) with all departments working towards the same metric. Another major missing link is between RM and Operations. For some reason, existing RMS systems don't incorporate functionality to assist with optimal staff scheduling, optimizing occupancy that would lead to maximum profits by minimizing operating costs.

3. Intelligent automation of meta CPC/CPA/CPS bids

In line with the overall trend of different departments merging and starting to work closer together, directors of revenue management, are starting to take on more tasks that previously were delegated to marketers. Here's how MSEs (metasearch engines) fit in this picture, with Google of course being the most prominent player.

As you know, metasearch works with a number of different models: CPC (cost-per-click), CPA (cost-per-acquisition), and recently – CPS, aka PPS (commission-per-stay or pay-per-stay).

Today, as Google's share in the search engine market reached about 92 percent, making it an absolute leader (travel sector included) – Revenue Management technology vendors can't continue ignoring the fact that it will soon become our main distribution channel.

While Google is not ready to crawl down the reservation funnel and start handling transactions between the consumer and the supplier (like traditional OTAs do), their main goal is to have "the best place for travelers to make their booking decision". And the way they're planning to achieve that is by having the best, most comprehensive, most up-to-date, and most accurate information about the availability and prices in the market on those vertical search pages.

With that ambition in mind, Google is actively reaching out to hotel companies and independent booking engine providers asking for direct integration and bypassing OTAs. As more and more of them get connected directly to Google Hotel search, the more the scale will lean towards this MSE giant and away from OTAs. →



Ira Vouk is the author of a top industry publication "Hospitality 2.0", a hospitality consultant and technology innovator who brings two decades of practical industry experience, predominantly championing the role of revenue management and the use of data and technology to provide hospitality companies with insight to lead their business strategy better. She is a published author, speaker and educator on revenue and profit optimization, distribution and hospitality technology and currently teaches Hospitality Technology at Payne School of Hospitality and Tourism Management at SDSU.

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Vouk, Ira

7 must-have attributes of the next-generation Revenue Management technology

It won't be long before we start noticing the change. Google has a very strong potential to start helping hoteliers funnel more traffic to direct channels in the very near future. Listing a hotel on Google Hotel or Google VR vertical search page is FREE. And for those who would like to boost visibility and increase conversion, Google offers an option to pay for ads via CPC/CPA/CPS. The main difference between Google's commission (or any other meta channel for that matter) and that of an OTA is that it is flexible and is fully controlled by the bidder. It means that intelligent fluctuation of meta bids will become part of the next-generation RMS optimization decisions.

Google will become the ultimate travel decision-making platform, and nobody will be able to compete. Google will own metasearch, because they own the search, period. Other metasearch engines like Tripadvisor and Trivago still rely on search traffic coming through Google.

We need to start considering how we can bring the Revenue Management discipline and the marketing discipline together as Hotel Ads become a part of our revenue and profit optimization strategy in the same way Revenue Managers have been overseeing OTA distribution for the last two decades.

4. Forward-looking destination data incorporated into forecasting

Being able to anticipate demand levels for every day in the future (365 days out or even further) is the basis for any revenue and profit optimization strategy and budget planning.

Travel demand has always been uncertain, and history never repeats itself. Recent events just highlighted this fact for all of us and have been pushing the industry towards more innovations in the areas of forecasting and optimization. But very few RMS vendors seem to be able to catch on with that.

Now that the industry has come to this understanding, it's time to rebuild our forecasting methods altogether.

The traditional method of constrained and unconstrained demand forecasting estimates the quantity of rooms to be sold, using historic reservation data. There is a major problem with this approach: It's not about predicting true demand, it's about predicting occupancy. But Forecasting occupancy irrespective of pricing is irrelevant in today's world.

We have to realize that we need a new way to forecast that reflects our new reality:

1. First of all: demand measurement and demand forecasting need to take into account price expectations and price elasticity. So we need to move from measuring "my hotel's booking volumes" to "all hotels' booking volumes and customers' price expectations".

2. Second: true market Demand measurements are only possible when external forward-looking market data is available.

External destination data is the upper funnel, forward-looking data that is gathered from the market, outside of the hotel. And it's not just compset rates. What I'm talking about here is comprehensive market data that allows you to get as close to measuring market potential (and as far away from internal booking curves) as possible.

There is a lot of potential to use MSE (metasearch engines) upper funnel search volumes for proactively and dynamically measuring forward-looking market demand. Those who get their hands first on Google hotels' search volumes will have a significant competitive advantage.

5. AI and ML-based algorithms

Believe it or not, only a very small number of existing RMS vendors' algorithms are truly AI-based, and those are mostly the newest ones. But for the most part, true AI is still very much underutilized in our Revenue Management technology. Utilizing modern machine learning science should be imperative for any modern RMS (RPOP).

What's also worth noting is that RMS algorithms should never be considered fully done. They're living and breathing things and they always need to get better. Once AI is implemented, it needs to continue being tweaked, and ML needs to continue learning.

The reality is that many legacy RMS solutions are refusing to invest in upgrading their "brains" while taking advantage of the fact that it's practically impossible for the consumer (a hotelier) to verify the quality of the algorithm before the system is actually installed.

6. Real-time integration with the system of record (PMS or CRS)

Currently, there is only one Revenue Management System vendor that claims to have real-time integration with the system of record (which is normally PMS). Everyone else operates on a set schedule where data exchange happens either once a day or a few times a day. The limitations of existing technologies that result in slow processing of data (on both ends: RMS and PMS) is the main reason for this.

In addition, the limitations on the PMS side can also impact the accuracy of the data used by revenue management systems.

7. ChatGPT

It is clear that ChatGPT or similar AI tools have the potential to completely revolutionize the Revenue Management discipline and our industry altogether. The possibilities are infinite and the first RMS vendor to figure out how to utilize this disruptive force will have a huge competitive advantage. And yes, a portion of this article was written with ChatGPT. Ideas are all mine.

W

Weather

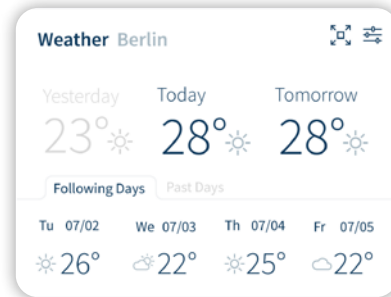
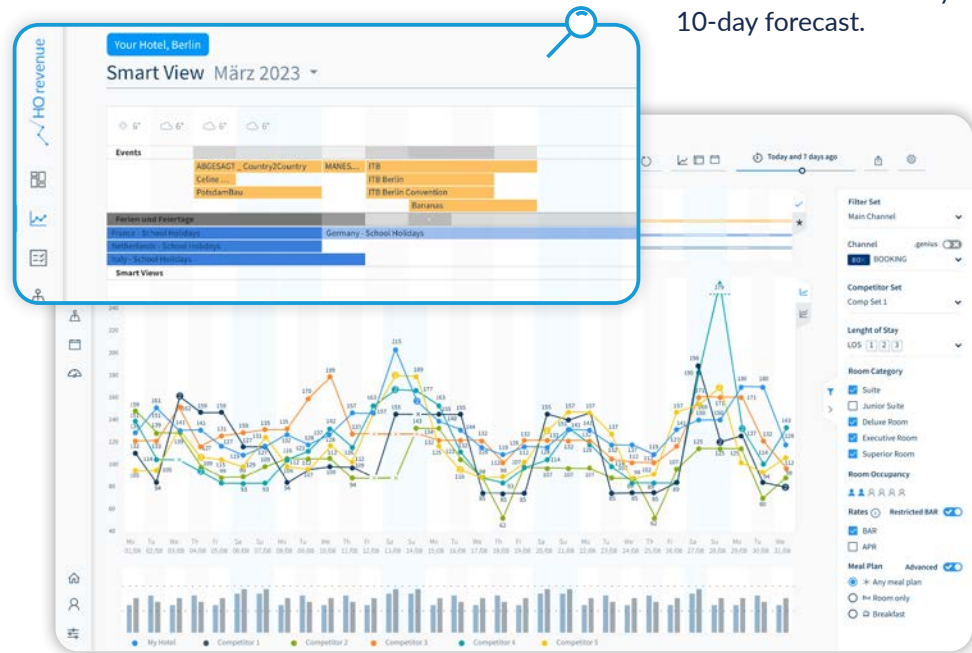
Keeping an eye on the weather and business development at the same time

Tools need to suit the task, and also the people who use them. HQ revenue was designed with this in mind.

The weather naturally plays a particularly important role for hoteliers. Accordingly, the weather forecast is clearly integrated into the user interface at various points, so that users can relate the weather situation directly to what's happening at the hotel and draw their own conclusions.

Synchronised weather forecast in Smart View

The timeline in HQ revenue's Smart View displays the weather situation synchronised at all times with the calendar of holiday density; i.e. all the relevant events, vacations and public holidays, and with your own price development as well as that of your comp set.



Weather dashboard widget

In HQ revenue, users can freely customise their dashboard with a large selection of widgets. The weather widget is of course a must on every dashboard.

The HQ revenue weather widget can be used to display the weather for today, the next 10 days and the previous few days, switching between views via the corresponding tabs. Clicking on the widget's header switches to the compact weather forecast. Plus the number of days can be specified, up to a 10-day forecast.

x- and y-axes in the Price Rating Matrix

Keep an eye on your own price-rating ratio at all times in comparison to your comp set.

The HQ revenue dashboard offers a comprehensive overview of hotel and market events through individually configurable widgets. Users can keep an eye on their own positioning compared to their competitors at all times using the **Price Rating Matrix**; the x-axis shows the rating's difference to your own hotel rating, while the y-axis shows the price's difference to your own price.

Price (y-axis)
The vertical axis compares prices.

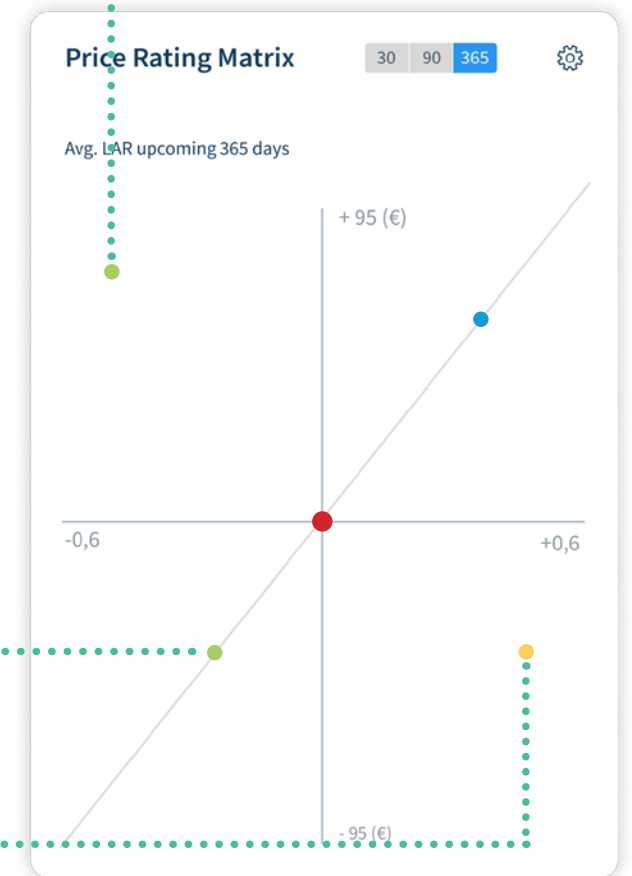
Higher price with a lower rating
If you see some competitors charging a higher price although they have the same or even a lower rating, then you should find out why! Moving your mouse over the widget will show you which competitors these are and the reasons are just a few clicks away.

Your own services (red) in the centre
Your own hotel is always right in the middle of the matrix while the other hotels are either better or worse in terms of price and/or rating.

Rating (x-axis)
The horizontal axis shows you who has a better or worse rating.

Same price-performance ratio
You don't have to worry about the rivals placed along this ascending line; they may be cheaper but they also have a lower rating.

Lower price with higher rating
Any competitors dumping prices stand out immediately in the Price Rating Matrix.



X

Hotel Oderberger Berlin



Hotel Oderberger Berlin is a boutique hotel under monumental protection with pool in Berlin Prenzlauer Berg. The historic hotel was formerly a city pool and was designed in 1898 – since 1986 it was closed, since then no one has swam here. In February 2016, Hotel Oderberger Berlin opened after extensive renovation: the result is a historic boutique hotel with 70 rooms, two apartments and 5 tower suites. The highlight is the historic swimming hall in neo-Renaissance style.

Oderberger Str. 57
10435 Berlin
www.hotel-oderberger.berlin

GRANT #3

Photo: Martin Nicholas Kunz

Yielding

Maximum revenue – minimum effort: RateBoard's software simplifies the life of every hotelier with data driven decisions.

Dynamic pricing strategies are a crucial factor in revenue management for hotels wishing to remain competitive in the long term. Due to the ever faster changing market as well as high inflation, automated revenue management has become even more attractive for hoteliers.

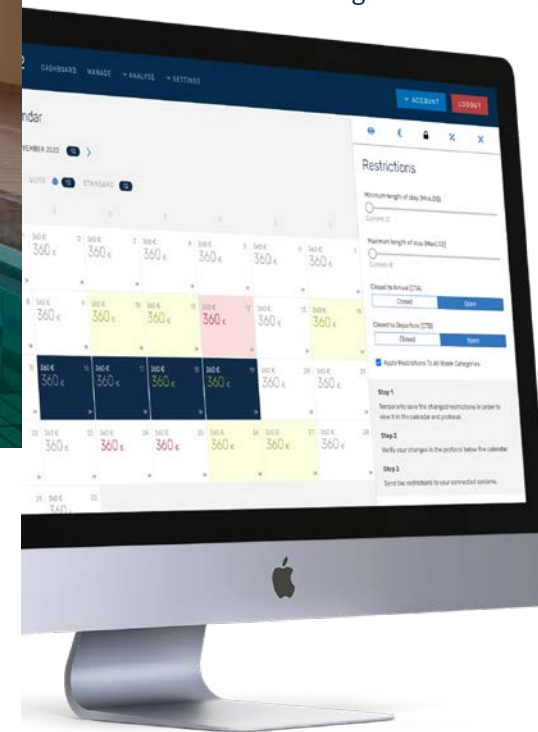
RateBoard is an intelligent revenue management system which, thanks to its intuitive interface, enables a hotel's pricing strategy to be optimised quickly and simply. The software not only optimises price management, but also significantly increases revenue and maximises occupancy rates. Dynamic pricing is no longer a topic solely for the hotel chains; more and more smaller establishments are also recognising revenue-boosting potential of this technology.

Quickly installed and user-friendly

It takes only a few days to be able to work with the app as the system is easy both to learn and operate. The intelligent algorithm includes internal and external data in the pricing process, thereby integrating the most time-consuming task.

The right room rate at the right time for the right guest

Based on intensive data analysis, the optimal price is forecast for the next 365 days. Directly connecting with existing hotel software and external data sources, the established price is automatically and immediately distributed across all sales channels. RateBoard provides information on trends, updated on a daily basis, and processes them in its rate algorithm. In addition to calculating the proposed prices, it also identifies those days and periods with increased demand, enabling hoteliers to offer the optimum price in good time and thereby maximise their revenue.



Y



Martin Maneschg has over 10 years' experience of working for the Hilton chain and several more years at a variety of individual hotels. He's particularly passionate about Revenue Management and Distribution. At RateBoard, he's been successfully responsible for Business Development and Sales since 2017.

www.rateboard.io

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The Hotel Magazine for Property and Revenue Management



GRANT

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