# GRANT

THE HOTEL MAGAZINE FOR PROPERTY AND REVENUE MANAGEMENT

**#2: POSITION YOURSELVES!** 

HQ revenue



MEININGER Hotels combine perfect locations with fair prices in 33 European cities. Whether for business travellers, backpackers or families, providing doubles to multi-bed rooms for 6 people from Amsterdam to Zurich, MEININGER Hotels are ideally suited to the needs of their guests.

At HQ plus, we understand the needs of our customers. HQ revenue is so much more than a rate shopper. Proactive Revenue Management combines a comprehensive view of your own performance with market data. And we integrate precisely those KPIs our customers need.

In cooperation with MEININGER Hotels, the HQ revenue Performance Board accurately breaks down both room nights and bed nights in real time. And it also integrates up-to-date data from older PMS servers at no additional cost, even when they don't have a programming interface. Now isn't that just what you've always wanted? Well, we've been providing this service for a long time.





Simply scan the QR code and pass on your wishes!

## <u>GRANT #2:</u> Position yourselves!

#### Dear Revenue Managers and Hoteliers, dear Colleagues,

Lately, we've all had to get used to permanent crisis mode. Many of you have already completed your budget planning for 2023, and we're all faced with the same questions: What can we still rely on? To what extent is planning for the future still viable? The fact is that hotels have to do more and more with fewer and fewer employees. There's only one thing we can be sure of; namely that the war, energy crisis, staff shortages, pandemic and higher costs will continue to accompany us in 2023. So how can our industry meet these challenges?

We're devoting our second issue of GRANT magazine to the topic of positioning; not in spite of the fact that we're living in uncertain times but actually because of it. Because the situation is so uncertain, it's important for us to stand out, to be remarkable, to show our faces! Because it's becoming increasingly difficult for hotels to predict developments, it's even more important for them to escape the shackles of the market and become proactive. "Position yourselves!" is therefore the motto of this issue. But what makes positioning so important in times of crisis?

# Prices are rising around the world while ratings are falling

Since the beginning of the year, at HQ revenue we've randomly reviewed more than 100 destinations around the world with regard to their price to rating ratios. And the same picture has emerged everywhere: hotel prices are still rising and are currently higher than ever before. At the same time, rating figures are continually falling and the trend is continuing. This applies equally to 2 and 5-star hotels. What's going on?

Something's brewing. Inflation and the energy crisis are forcing prices to rise and, at the same time, they're also eating into guests' incomes. Those who can still afford a trip now expect a perfect stay. Hotels are also finding it harder to attract experienced staff (due to Covid disruptions). As a result, the level of service is falling and guests are becoming more dissatisfied. My colleague Francesc Gonzales from The Net Revenue in Barcelona (interview in this issue of GRANT) is right in seeing this scenario as a "dangerous cocktail". It's a poisonous mixture that, in the long run, leads to a loss of value even for high-quality premium hotels.



#### It's not a crystal ball that will help you out of the crisis but solid data.

Ratings are a valid indicator of your guests' experience; they rightly expect fair value for their money. So how can hotels increase their service value in the face of staff shortages and rising costs? The answer requires pragmatism, not a crystal ball. Know your brand and your market! Know (and show!) yourself and know where you stand. In this issue of GRANT, we propose some exciting solutions for both perspectives. We show that digitalisation combined with a hospitable face creates trust. Because that's what positioning means: maintaining the value of your hotel and increasing it, even in times of crisis.

Cordially, Philipp Stelzer

> Philipp Stelzer is a revenue management expert who learned his trade from scratch with international hotel brands such as Starwood/ Marriott. Among other things, Philipp is a certified Best Western Revenue Manager and IHG Data Secure Manager. He also holds a Bachelor's Degree in Business Administration. As Head of Sales, Philipp has been in charge of global sales and strategic development at HQ revenue since 2013.

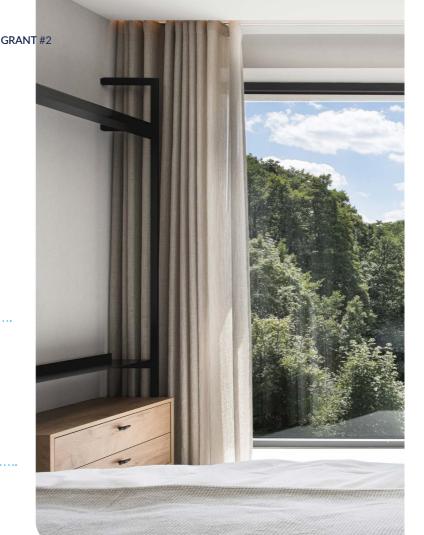
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Page 7: (Kyiv) courtesy of https:/kyiv-city.com/ua/article/103310-andriivskiy-uzviz-scho-podivitis-i-de-poisti; Page 8-9:(Chernivtsi) https://www.ukraine-is.com/ru/vyxodnye-vukrainskom-parizhe-gorode-chernovcy; (Vorokhta) Viktoriia YakovenkoKhokholieva; (Odessa) Viktoriia Yakovenko-Khokholieva; (Lviv) Lieonova Kateryna; (Stari Kodaky) Viktoriia Yakovenko-Khokholieva; Page 10-11: Simon Bernlieger; Page 4-5, 12-15: Anja Hecker-Heimers & Oliver Heimers; Page 28: Francesc Gonzales; Page 29: Casa Bonay; Page 31: Yurbban Hotels; Page 34: Robert Nagel; Page 36-41: Sensoria Dolomites / Brandnamic / Luca Putzer; Page 42-43: happyhotel; Page 44-45: SMARTments business / Sophie von Finck Related Links Look out for this @ symbol and visit our partners online

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A country worth visiting

# Visit Ukraine in the Future

Nobody knows when the war of aggression in Ukraine, which is in violation of international law, will be over. The aim of this report is to portray the image of a country that's truly worth visiting.

Ukraine will once again be Ukraine. Time will tell. A time when Ukrainians can continue on their chosen path in peace. How are the hotels faring in Ukraine? What are the prospects for the Ukrainian hotel industry? To find answers to these questions, I conducted a video interview with Dana Elron. She's Director of Revenue, Operations and International Sales at Amarant and City Park Hotels in Kiev. Frankly, I was unsettled while preparing for the interview because my image of Ukraine has been defined by the news, which I can turn on or off. For my interviewee, however, it's a matter of business survival, of existence.

## What does it mean to run a hotel in times of war?

First of all, when the war of aggression began on 24 February, we were all in shock. The management and owners are Israelis, so they have experience of how to manage a crisis quickly. We reacted immediately and I know other hotels did the same: We invited all our employees, their families, grandmothers, children, cats, dogs... just everyone into our hotel.

Everyone moved to our hotel because we could offer them more safety there. For over two months we had 80 people staying with us. Here they were safe and had food, water, internet and electricity. We're currently working with the government on a plan to take in refugees who no longer have a place to return to. We are ready.

## What support do hotels in Ukraine receive, including internationally?

The Red Cross helped us a little. We received food donations to help feed our 80 guests. We also used these donations to bake bread and cakes and cook meals that were sent to the army. Beyond that, there are no plans to help the hospitality industry as the country is focusing all its resources on the war effort. We're hoping for funds to be made available to restore the industry but we realise that it may take a while. In the meantime, all hospitality businesses are exempt from paying corporate tax, which is only reasonable as we don't expect any positive revenue in the near future. I'd like to venture a cautious look into the future: what will happen when, hopefully in the near future, Ukraine is liberated from Russia's aggression?

Historically, the hotel and catering industry is the first sector to be affected by crises like these, also by COVID-19. But we're also the first to get back up again. If there's one thing I believe in, it's that tourism and the hotel and catering industry in Ukraine will come out of the crisis stronger than the 2019 figures indicate. But a lot of things have to happen before that. Much of the infrastructure is badly damaged. It will take a while for everything to be rebuilt

#### How will tourism recover?

I think we'll first see "dark tourism"; a kind of disaster tourism. The kind of people who visit Chernobyl, for example. Places where tragedies have happened.

The next kind of tourism we'll see will be business tourism. The infrastructure has to be rebuilt and shops will have to reopen. International corporations will reopen their branches. Businessmen, engineers and architects will all travel to Ukraine again.

Only after that, when everything is rebuilt, will we see leisure tourism again.

Is there a risk that Russian capital could gain too much power in the market?

That won't be a possible scenario under the conditions I mentioned. And, by the way, this has been the case since 2013. Since the Euromaidan, there's been a cold war between Ukraine and Russia. Russians are not allowed to fly to Ukraine; only very few Russian companies have remained in Ukraine, and those are mostly registered as Belarusian companies.

## What kind of support will the Ukrainian hotel industry need in a free Ukraine?

When you think of the outstanding efforts made by the hotels in wartime conditions that are housing families and soldiers ... Personally, I'd like to see that remembered and the government invest in campaigns. When everything's over, Ukraine will need campaigns to attract tourists. Israel had a huge campaign across Europe — with great impact! That has to happen in Ukraine as well. Ukraine is beautiful. There's so much to do here and so much to see. I'd like to see money made available to raise awareness of our beautiful country.

*"What kind of support will the Ukrainian hotel industry need in a free Ukraine?"* 

# Visit Ukraine in the Future









#### **1** Vorokhta, Bopoxta

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The village is surrounded by wonderful Ukrainian Carpathians with their mountains, gushing waterfalls and ancient castles.

#### Chortyzja, Запорозька Січ

Zaporizhzhia is the homeland of the Cossacks. On Khortytsia, the largest island in the Dnieper River, the first of a series of fortresses was built around 1550 to fight against the Tatars. Here lies the cradle of an independent Cossack state in the 17th century.

#### 2 Czernowitz, Чернівці

Chernivtsi is situated on the Pruth, a tributary of the Danube. The city has many names: Little Vienna, Babylon of south-eastern Europe, Jerusalem on the Pruth and the Alexandria of Europe. Nora Gray wrote in her travelogue stories: "Chernivtsi is not merely a city, it is the whole world".

#### 3 Odessa, Одеса

The city of a million inhabitants experienced its boom as Ukraine's most important port city in the first half of the 19th century; it was built by the best European architects.

#### 4 Lviv (Lviv), Львів

Lviv can be thought of as a city redolent with the smells of coffee and chocolate. People come for the romance, the medieval and fairy-tale atmosphere of the old town and the numerous historical sights. No tourist should leave the city without a visit to the cafés of the old town, such as the "Kryivka" or "Matzoh".



#### Pink Lake, Рожеве озеро.

Ukraine has its own Dead Sea near Kherson, called Lake Lemuria. The water is pink in hue. The higher the air temperature, the more intense the colour, which is caused by microalgae that prefer the salt water. It's recommeded to come here at sunset because the evening light brings out the best of the beauty.

#### The "Ukrainian Maldives" near Vilnohirsk, "Українські Мальдіви", Вільногірськ

This picturesque resort was created from a former mining area for titanium-zirconium sand. After decommissioning, underground springs filled the pit, and the azure blue lake is surrounded by white sandy beaches.

#### **5** Stari Kodaky, Старі Кодаки

The village of Stari Kodaky is located on the Dnieper River and grew out of the Kodak Fortress built by the Poles in 1635. The quarry next to the village offers an exceptional view of the city of Dnipro.

#### 6 Kiew, Київ

Kiev is the capital of Ukraine and secretly the most beautiful city in the country. There are too many sights to list here but we should point out the legendary Ukrainian hospitality. And there's no need to say much about the richness of Kiev's history: you have to experience it for yourself in Kiev. GRANT #2

Hotel photography: Branding through attention to detail

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# It doesn't get more beautiful than this

A good portrait invites you to take a closer look and makes you curious to get to know someone for the first time, to have a sparkling conversation. Portrait photography therefore focuses on the face because it's the attention to detail that reveals the character. And what applies to interesting people also applies to the presentation of hotel interiors. If you're picturing your hotel offering on OTAs and your website – why not do it properly right from the start? Here we introduce you to three hotel photographers and show you how to put your brand in the right light.

IT DOESN'T GET MORE BEAUTIFUL THAN THIS

#### **Simon Bernlieger**

A perfect photo is worth a hundred bookings. Austrian photographer Simon Bernlieger even compares the first photo on OTAs or websites with the photo on a dating website. "You fall in love at the first click". At the same time, Simon also adheres to the philosophy "Less is more!" It's not the mass that makes it, but the "right" image. This principle also guides him in the selection of the frame: "It's a mistake to believe it's important to show the whole room", Simon explains. "It's not about getting everything in the picture. That just produces boring and, above all, distorted photos!" With his photography, Simon concentrates on the essence of the room, resulting in compositions that make the hotel experience tangible.



@ Simon Bernlieger Ferndorf (Carinthia, Austria) simonbernlieger.com

# Hotel photography: Branding through attention to detail

#### Anja Hecker-Heimers

GRANT #2

STIL.

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For Anja Hecker-Heimers from Windeck in North Rhine-Westphalia, what counts is the best possible photographic staging of the room. Together with her husband Oliver, she runs "HOTELFOTO-GRAFIE | Interieur Fotografie".

"Presenting rooms and interiors naturally and authentically is what we live for", Anja stresses. Because it's their special eye for detail and creative perspectives that tell stories and spur people into action.







## Hotel photography: Branding through attention to detail

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#### **Oliver Heimers**

For Oliver, it's all about aesthetics. "Opening up perspectives on what really good and emotive photography can do for the hotel brand; that's our vision".

"HOTELFOTOGRAFIE | Interieur Fotografie" has been showcasing hospitality locations in its very own style for over 10 years and has been a successful factor in the branding of hotels in numerous projects.

Anja Hecker-Heimers & Oliver Heimers Windeck (North Rhine-Westphalia, Germany) interieur-hotel-fotografie.de



Hotel VierJahreszeiten Iserlohn (North Rhine-Westphalia, Germany) vierjahreszeiten-iserlohn.de

@

#### Business with a casual look

Since opening in August 2022, the new Hotel Vier-Jahreszeiten on the Seilersee lake offers a total of 130 hotel rooms and suites, 2 à la carte restaurants, a new hotel bar and a total of 8 event rooms for 4-200 people in a fresh, new design. A spacious pool and sauna area completes the range of services for guests who make their way to the "Gateway to the Sauerland" in Iserlohn either for business reasons, for conferences and events or for a relaxing weekend.

# <u>The Beauty</u> of Data

# How the beauty of data visualisation can provide new insights.

Do you remember the first issue of GRANT? There was this unimaginable number in our section on the beauty of data that we were asked about several times. Whaaaat? Are there really sixty-three billion, three hundred and seventy-seven million, three hundred and twenty thousand room rates all over the world that go into calculating reliably comparable room types? The answer to that question is yes! And now there are even more. For the high-quality determination of your optimal room rates, HQ revenue does not simply compare apples with pears with oranges with mangoes with persimmons (etc. etc.). Therefore, in this issue, we'll give you a little insight into Room Type Mapping.

This is basically about the process that overlays the individual products from the inventory with those from the comp set – in ALL the variants that exist and have been displayed on OTAs and websites worldwide.

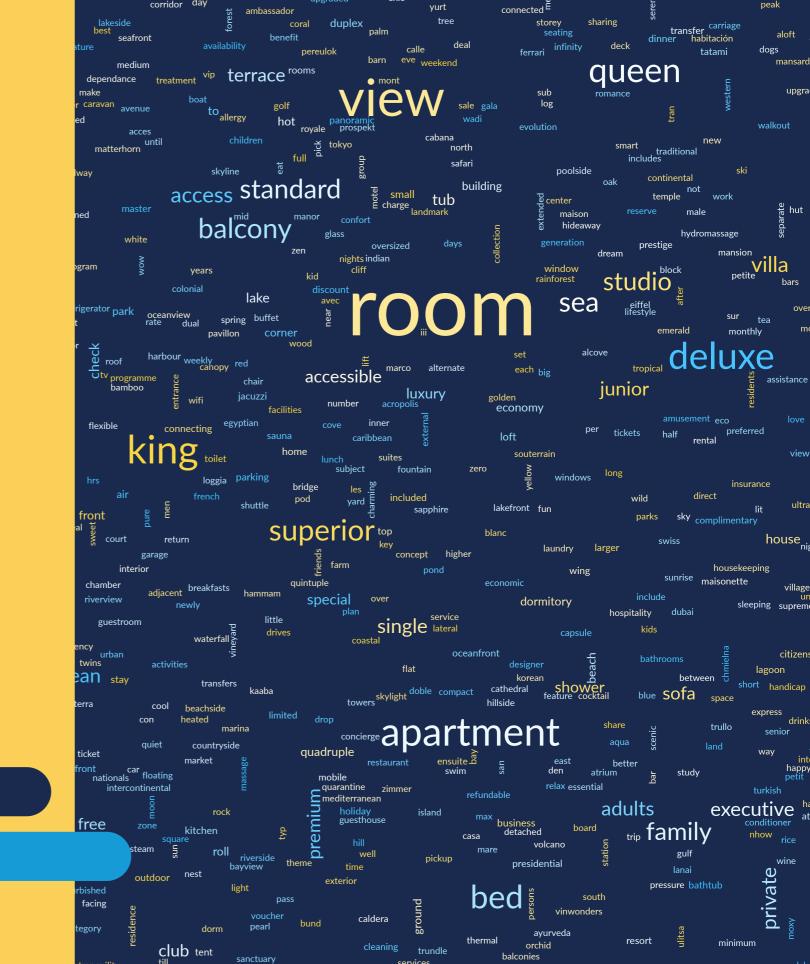
The HQ revenue algorithm extracts the attributes of the room names, called "tokens", and their usual room rates and occupancy from the 11-digit set of room rates. The extracted results are combined to form Room Type Groups, which are assigned to common room types.

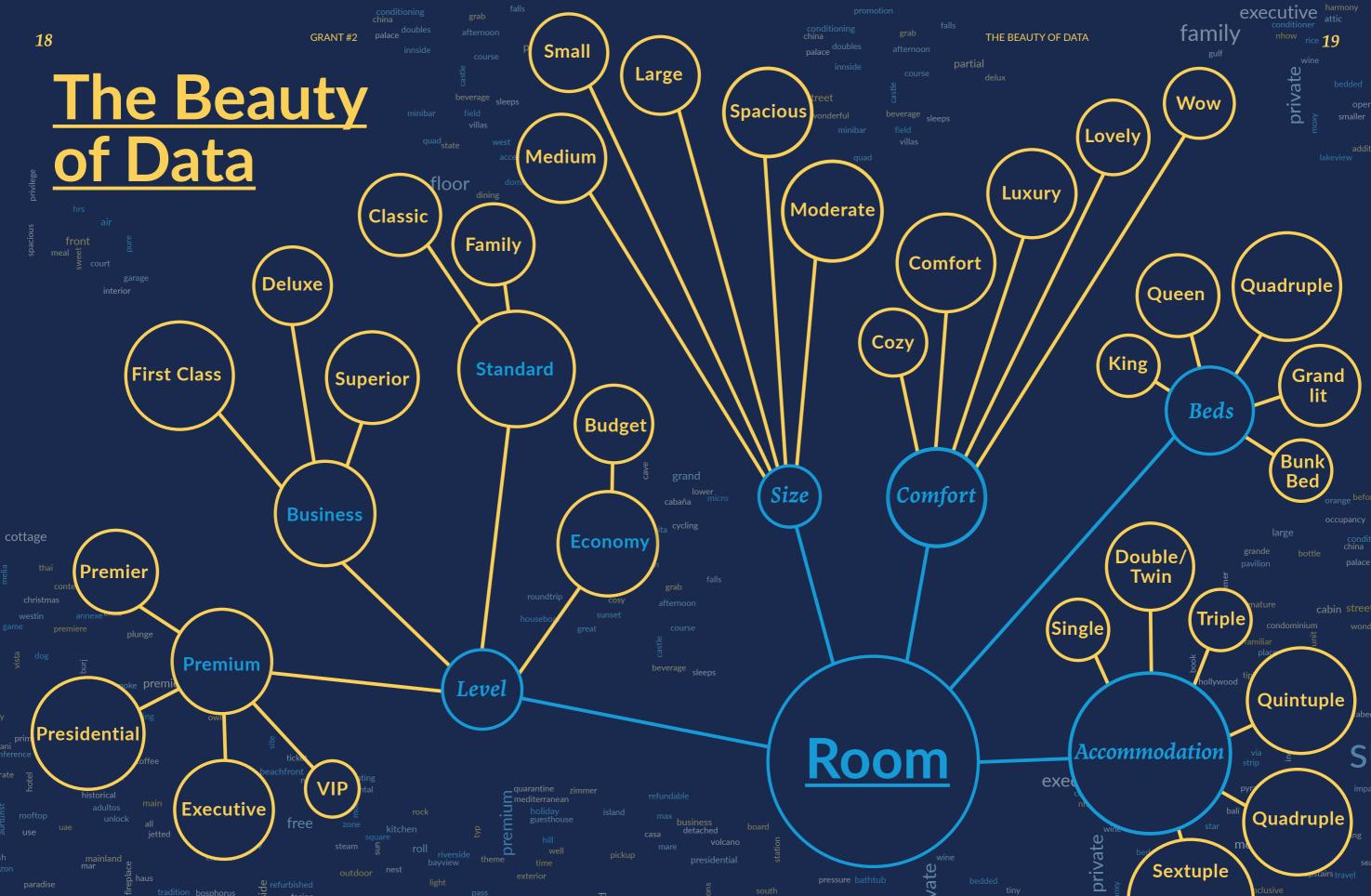
The picture shows a colourfully visualised section of our "token" database, which you can imagine as a gigantic dictionary. The German Duden dictionary, however, only contains a paltry 150,000 keywords ;-)

#### Apples ≠ Pears ≠ Oranges ≠ Mangoes ≠ Persimmons

For each individual account, HQ revenue is additionally trained on the basis of the customer's individual price data. This process only takes a few minutes.

The image on the following double page relates the "tokens" to the most common room types worldwide. The symbolic representation gives you a glimpse of the complexity that HQ revenue bundles clearly to enable revenue management on the basis of solid data.





Winning your target group with the right price

# **Position yourselves!**

Every hotel would love to be ranked first on Booking.com or Expedia. But low prices and a great profile alone are not enough.



Another discount for the launch of the new OTA app? Push the next special offer on OTAs? So it's up to Booking Genius or Expedia Travel Ads to do the trick? And what's the result? More distribution costs! The national league table of hotels is passé. Google and OTAs compile different, personalised lists for each user with the help of opaque algorithms. What can hotels do to improve their performance on digital distribution channels?

#### Subjective criteria

An appealing and complete profile with attractive images, good guest reviews, available inventory and a solid click-to-book ratio are essential for digital distribution channels. But there are also "subjective" criteria:

- The individual search behaviour of prospective guests and the cookies on their computers (i.e. past bookings or interests)
- as well as preferences and search criteria stored on the OTA and much more.
- Even the device used (e.g. which laptop, smartphone, tablet), along with
- the IP address (i.e. characteristics of origin) all play a role.

#### Solid positioning instead of Christmas crackers

The price-performance ratio is key to sustainable profiling. If the world around you is becoming more and more volatile, counter it with stability. Don't just show any face, show your face. Show a clear profile. In other words: Position yourself!

A small example from the digital world will illustrate this. The algorithms of Booking.com or Google, for example, "remember" exactly which prices guests are looking for. According to these search queries, the social media channels of these guests are individually flooded with images of the corresponding price categories. If you undercut your prices with discounts, you'll no longer be able to reach your own target group via Instagram and the like. Your hotel ends up on the wrong social media timelines. Premature discounts are therefore only a stopgap solution. It's all too easy to overlook the fact that they undermine your own positioning. And that has consequences. You can always be cheaper but does that correspond to the essence of your brand?

# Focus on the market, not on the noise of the market

At best, market noise is attractive to a target group that likes it loud. That's why a good price-performance ratio determines how well you will ultimately do with your guests and whether they'll recommend you to others. Three tips for positioning:

- 1. What does your hotel offer in contrast to the competition? What sets you apart positively?
- 2. Observe or ask your guests exactly how they feel about the price-performance ratio of your hotel services. (Take note of the digital feedback channels such as ratings and the evaluation of your CRM).
- 3. Keep a close eye on the price-performance ratio of your comp set and don't let discount promotions put you under pressure. Price alone is not the deciding factor for guests.

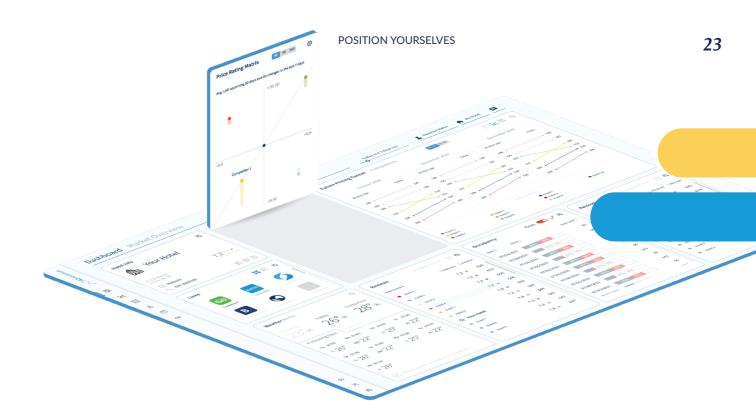
Stephan Kohl has a particular passion for the hotel industry and for all the crazy people who work in it. He joined HQ revenue in 2019 as Business Development Manager for Germany and the Nordics. Every day he helps hoteliers develop their business and pricing strategy. He specialises in supporting the opening of new hotels and in launching hotel brands. Stephan has a broad range of experience in the hotel industry, from front desk to revenue management for brands such as Hilton, 25hours Hotels and Fraser Hospitality, making a name for himself there.

# Winning your target group with the right price

#### Keeping an eye on the price rating ratio of the competition: Price Rating Matrix

The decisive factor is the price-rating ratio. The ratings given by your guests make a statement about the "perceived" range of services offered by your hotel. The price-performance ratio can therefore be related to the price-rating ratio. (Here, we're not referring to individual ratings, but the average

ratings from all channels). Evaluating digital hotel ratings enables a meaningful presentation of the price-performance ratio. By the way, this doesn't only apply to your hotel services, but also to those of your competitors (comp set).



**Price Higher price with a lower rating** If you see competitors who are charging a higher price with the same or even a lower rating, then you should find out why! Moving your mouse over the widget will show you the competitors and you can find the causes in just a few clicks.

#### Your own services (red) in the centre

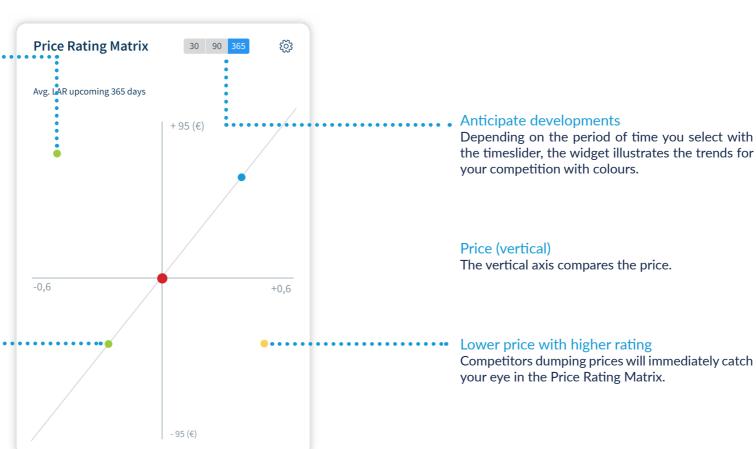
Your own hotel is always right in the middle of the matrix. The other hotels are better or worse in price and/or rating.

#### Rating (horizontal)

The horizontal axis shows you who has a better or worse rating.

#### Same price-performance ratio

You don't have to worry about the competitors who are positioned along this ascending line. They may be cheaper but they also have a lower rating.



#### Keep an eye on positioning

With the Price Rating Matrix, HQ revenue provides you with a powerful tool to keep an eye on your own positioning at all times. The new HQ revenue dashboard offers you a comprehensive overview of hotel and market events through individually configurable apps (widgets).

The illustration shows the Price Rating Matrix widget. The matrix graphically presents your current positioning compared to the competition. From the HQ revenue dashboard, you can switch directly to a detailed analysis of the competition. Make informed price adjustments to offer your guests the best possible value for money and receive correspondingly good reviews on your sales channels and social media.

## Winning your target group with the right price

**Positioning: Social media and reviews** 



#### Get more direct bookings!

ou can certainly do something to help you achieve this goal should you decide to advertise your offers on social media. A social media presence can have a great influence on your positioning, both positive and negative:

- through your self-promotion on your channels,
- through the (dis)likes and comments by guests, followers or (due to search behaviour or
- certain preferences) passing users,
- through your ability to engage with your users,
- through algorithms that (for reasons that are more or less obscure to you) push your offer into the timelines of social media users (or not).

Our small scenario shows, in four stages, how social media can establish and accompany a relationship with a customer — and what can go well or very badly wrong in the process.



#### Using "my" channels

Today anyone planning a trip finds out more on the internet: this task (and the target groups) is shared by social media, OTAs, comparison portals, blogs and special interest newsletters. Certain age groups favour certain media. Other groups favour influencers on social media. Those who want to position themselves meaningfully must therefore prioritise, as using all channels involves a lot of work and it takes months to achieve any relevant success. Position your offer in particular on those channels where your target group is on the move.

#### Ensure good ratings

So only promise what you can deliver, then you don't have to fear reviews. On the contrary, reviews will be your best advertising. As a team, think about a target group-oriented concept for managing ratings!

- Who will take over the direct, digital dialogue with the reviews and comments that are submitted? (This may require a regular sign-off process with the hotel management).
- When (at check-out, after or during the stay ...) and how (digital or analogue guest service directory, email, etc.) do you ask your guests for a review?
- Who will be responsible for carefully evaluating the ratings and relating them to the statistics of your distribution channels?



#### Attract the right guests

And when things are up and running and you've successfully positioned your offer on the social media channels? How do you actually become aware of this? After a while, you'll notice an increase in the number of interactions with your content. This obviously happens through likes or by your posts being shared. Comments are an indication that your target has taken the bait. Even if the speeches are not always positive, respond appropriately to every comment and keep up the dialogue! Remember to devote enough time to the insights that can be gained from your social media channels. You should also analyse the matches with your existing analytics tool: Is the share of direct bookings growing? Are more and more people coming to your website from your social media channels? Then you're on the right track.

#### Avoid disappointments

Now your guests have left again ... Hopefully they had a good time! By now at the latest, you'll have realised that social media activities are not like a radio or television programme. You're in a social scenario on the Internet, because not only your fans and "brand ambassadors" will leave reviews. Especially those people who are dissatisfied with life in general and with your offer in particular will leave reviews on hotel and review portals and on your social media channels. Don't give your guests a reason to be disappointed! Disappointment is caused by excessive expectations or broken promises. And that has a lot to do with your positioning, your visual presentation and your brand promises!

# 6 Social Media Tips for Hotels

by Svenja Kassner, Junior Social Media & Online Managerin at TORTUE HAMBURG

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TORTUE HAMBURG is the world in miniature. A refuge, home, sanctuary, coffeehouse, private room, living room, hideout, theatre, catwalk and grand opera all at once. It's a unique venue for hospitality, diversity and the French way of life, it's "savoir-vivre" in the heart of Hamburg. This privately run Design Hotel in the middle of the historic Hanseatic city of Hamburg is located between Jungfernstieg, Große Bleichen, Stadthausbrücke and Neuer Wall among the historic city courtyards.



tortue.de Instagram: @tortue\_hamburg

#### 1. Use your own voice!

Who are you and how do you want to appear to the outside world? Your brand identity and personality should also be reflected in your communication. Your credibility depends on the values you stand for and openly represent. Position yourself. Even if you're active on several different platforms that require different tones. It's the only way to remain authentic.

# 2. Get to know your target group!

Who already follows you on your social media platforms and who would you like to add? A follower isn't always a potential hotel guest but could become one at any time. Bear this in mind when communicating with them. It's always useful to take a look at Insights, which shows you the exact demographics of your social media target group.

#### 3. Set goals!

What do you want to achieve with your social media presence? Do you simply want to draw attention to your brand and reach a certain audience, or are you using social media to acquire targeted bookings? Set a concrete goal that you want to pursue in order to clearly define what you're communicating.

#### 4. Keep up the dialogue!

How does your community react to your content? What messages and comments are you receiving? Keep in touch with your followers and respond to their comments and questions. Ask questions about your followers' wishes and interests and adapt your content accordingly. But also respond promptly and appropriately to any complaints.



#### 5. Be consistent!

Once your audience has become a fan or follower of your brand, they want to see regular content and consistency in your messages. Don't just post sporadic items and promotions. Always make your followers feel part of your world and offer them continuous incentives to remain there. To do so, set an editorial schedule that enables you to specifically plan your posts in advance and ensure continuous communication.

#### 6. Don't forget to evaluate!

Are your goals being achieved? Regularly analyse your insights, post reach, click numbers and follower growth. Which topics are well received and which are not? Respond to any developments and adapt your communication to the observed trends in order to continue providing your community with relevant topics.



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Francesc Gonzalez has a particular passion for the hotel industry. With The Net Revenue, he can increase direct sales by up to 60%.

#### Interview: Francesc Gonzales from The Net Revenue

# More than 40% direct bookings

#### What does positioning mean for hotels?

There are about 190,000 hotels worldwide (source: HotelTechReport). In my opinion, they're divided into two large groups. One group simply wants to sell beds, while the other group tries to differentiate themselves from the vast array of hotel offerings. A large number of independent hotels, as well as small chains, stand out due to a specifically customer-oriented strategy. They differentiate themselves by means of a remarkable customer experience, starting with the design, the furnishings, the service and the staff.

#### What are the goals of good positioning?

Being remarkable increases your chances of being noticed. And that's the central aspect of positioning. You need to find out who your target group actually is. Once you know that, then you can align your entire strategy, your communication and your distribution channels to attract attention selectively.

#### What's the value of this attention? Can you express it in numbers?

We know that hotels increase their share of direct bookings by 45% to 50%. This is a goal of good positioning in the market: as many direct bookings as possible. In order to achieve such a goal, hotels have to keep track of large amounts of data. They need to know all the factors that influence their respective markets in order to compete. Such as where do my guests come from and what do they expect? When are they coming and what are they willing to pay? This is the other side of the coin in the hotel business. Positioning depends on solid revenue management.

INTERVIEW: THE NET REVENUE

#### **Casa Bonay**

Casa Bonay Barcelona (Spain) casabonay.com

#### Interview: Francesc Gonzales from The Net Revenue

## What role does revenue management play in positioning?

Revenue managers are the link that connects all the pieces. Revenue managers understand the hotel and market data and specifically ask the individual departments what they need to maximise the hotel's profit. Unfortunately, I still see a large number of hotels in my work where the one hand doesn't know what the other is doing: Sales, Marketing, Operations ... they're all doing their job well, but they're working independently. Only those hotels that bring all the variables into the big equation will be winners.

What does this "big equation" look like? What can you do for your customers with "The Net Revenue"?

We follow a customer-centric strategy: Know your brand and your market! That's how to get your customers into the hotel and ensure customer satisfaction. That's how you build your reputation and sell more and better. And that's what we do at The Net Revenue. We take a close look at every hotel and I can tell you that this has proven to be a huge success for our clients. I'm not just talking about trends specifically for 3-star hotels, for 5-star hotels or luxury rentals or just for city hotels in Madrid, Barcelona or Palma de Mallorca. This strategy works for everyone: for holiday homes, city hotels, seasonal hotels, ski and beach hotels, in Europe and in the United States of America.







Hotels sind sehr unterschiedlich. Wie finden Sie die richtigen Tools, um den spezifischen Anforderungen Ihrer Kunden gerecht zu werden?

We're industry experts. We research carefully and are constantly learning about what's available on the market and who provides the best data. This is another reason why we're hired by our clients, to provide them with reliable figures based on the latest technologies. There are hundreds of tools and not all of them are suitable for every hotel. However, there is one tool that we use for all our projects. The data that HQ revenue provides us with help to identify more quickly all the trends in the markets we're developing.





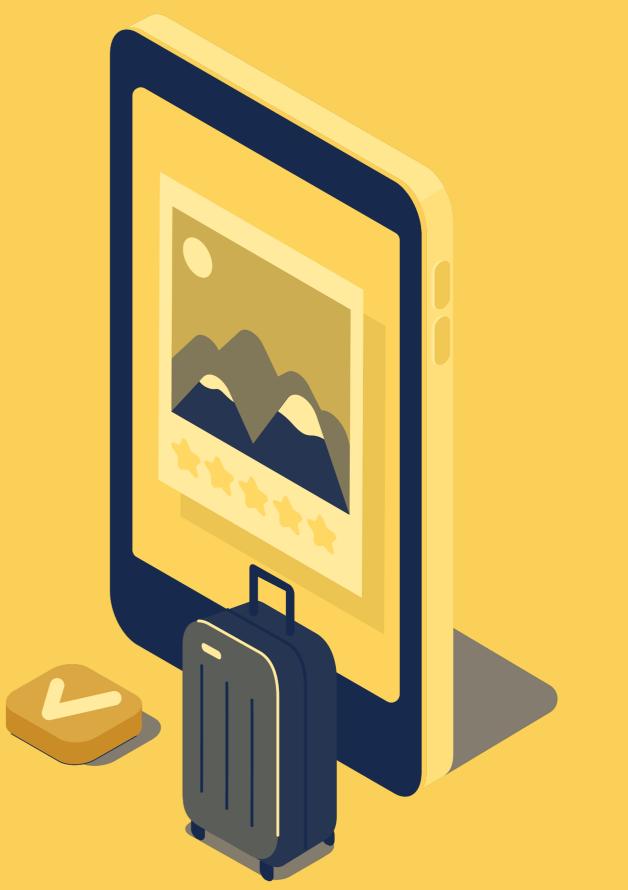
Yurbban Hotels & Apartments Barcelona (Spain) yurbban.com How digitalisation works for hotels

# Positioning requires a roadmap

General managers or financial controllers have a keen sense of when something needs to be improved.

Often, day-to-day business doesn't leave them enough space to initiate or implement improvements. This is because there are often plenty of other important areas requiring attention in the ongoing running of the hotel. Individual hotels in particular have enormous untapped revenue management and cost optimisation potential when it comes to implementing digital processes.





#### **Positioning requires a roadmap**



# "Hotel operators are constantly spoilt for choice".

Robert Nagel advises hotels on all aspects of digitalisation and cost optimisation. Prior to founding Revard Digital, he spent 10 years as a Revenue Manager in well-known hotel chains and individual companies, as well as working in a revenue management consultancy firm with clients from over 70 individual hotels in German-speaking Europe.

Hotel operators are constantly spoilt for choice: There are plenty of tools available for digitalisation and (hopefully) the accompanying improvement of processes. The market is so diverse it's easy to lose track. The hotel should be made more attractive, both for the guests and for the staff. Which of the many systems and tools will lead the hotel into the much-vaunted digital future? On the other hand, existing systems overlap in terms of functionality, don't "talk" properly with each other or are simply superfluous. Annual subscriptions are "forgotten", cancellation deadlines are missed. In the end, you think you've done all you can for digitalisation, but there doesn't really seem to be any added value. And if, on top of that, the employee who was specifically responsible for this or that system is lost through staff turnover, the company is continuously paying for the digital equivalent of nothing.

It seems absurd. Hotels calculate their ADRs and OTA commission costs down to the last penny. But the costs proliferate for many different tools, some of them unused. At the end of the day, no-one is thinking of more efficient and cheaper alternatives. In an interview, Robert Nagel from Revard Digital explains which mistakes should be avoided when digitalising in a hotel and explains the importance of a good roadmap.

> Revard Digital 030 GmbH Berlin (Germany) revard.de

## What role does clear positioning play in a hotel's digital strategy?

Here's a simple example. If your hotel's target group is rather conservative, it makes little sense to spend time on digital check-ins via an app or to use prestay emails when a very good front office team can perform this task much better in person. The digital strategy must fit both your corporate culture and your guests.

### What scenario do you find with your customers? Where do you normally start?

System providers are naturally trying to bring their services into hotels accompanied by great promises of added value. With this new implementation, existing systems become partly redundant and individual services are now duplicated and triplicated. The high implementation costs, which are only recouped over the entire contract period, are also easily underestimated!

## So instead of added value there are more costs?

If you don't have a common thread in your digitalisation, you create expensive digital clutter. On the other hand, a sustainable digital strategy reduces costs! It aligns the individual systems with each other. It improves the guest experience and takes into account the specific staff situation, integrating the employees.

## How do you engage with your clients? What are the first steps?

First of all I ask myself where the hotel is at present and where it wants to be? A good roadmap means long-term planning. To achieve this, the positioning must be clear. This step of analysis and conception forms the basis for identifying the tools that generate real added value for the hotel and for the guests.

## Which selection criteria are often decisive when identifying tools?

This is easy to visualise in the area of revenue management. Here, high quality data and their rapid availability are particularly important in order to achieve the best possible room rate and increase profit. HQ revenue is a very good example. This can be seen through its integration capability via interfaces. What's more, it can also be connected to legacy systems at no extra cost in order to compare your own performance data with market data. That's very important when predicting price and market developments. A good and intuitive user experience is equally important. The HQ revenue dashboard adapts to the individual user's needs and shows me immediately the data I need, here and now.

# How does practical cooperation with Revard Digital work? Can you make a big difference "from the outside"?

An outside perspective is often required to overcome one's own operational blindness. In digital project management, you can achieve quite a lot in just a few hours per week. It's important to pick up all the participants, both in and outside the hotel, to allocate tasks sensibly and, as the project manager, to maintain an overview at all times and to mediate.



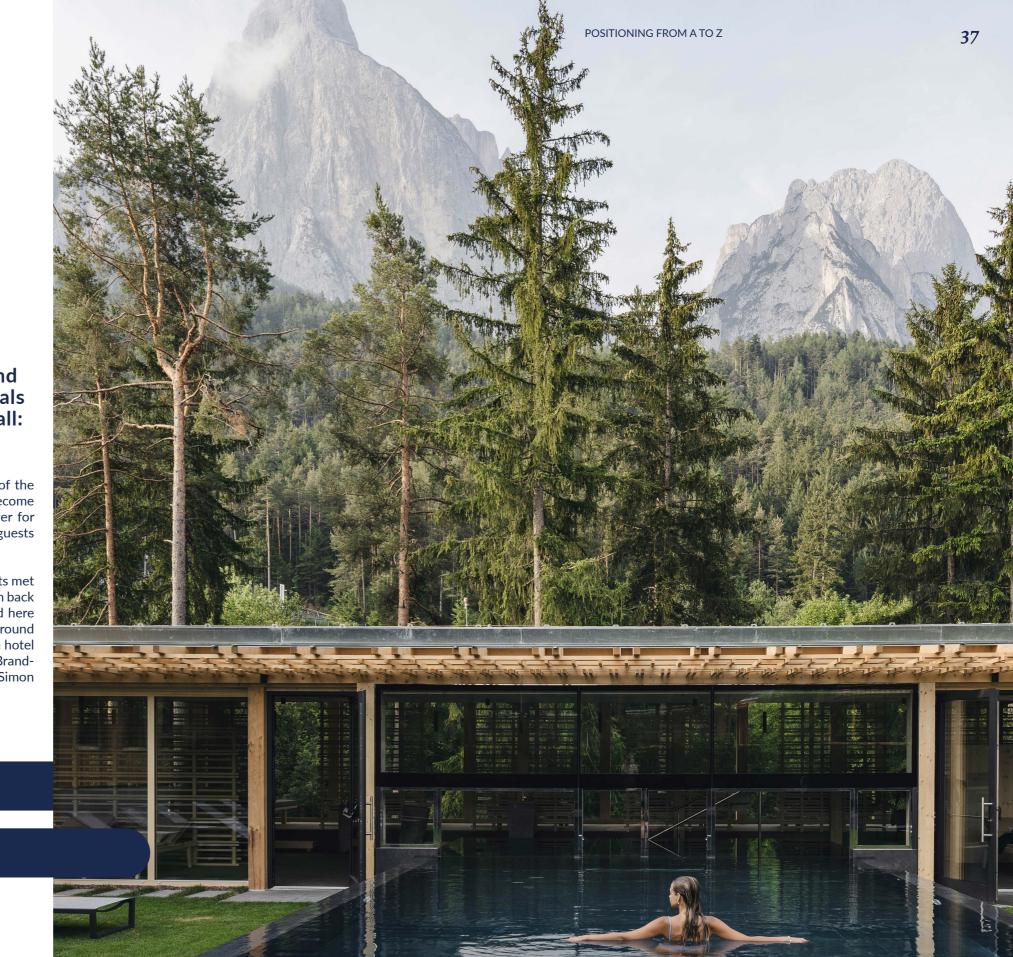
Branding case study Sensoria Dolomites in South Tyrol

# Positioning from A to Z

Surrounded by the intoxicating panorama of the Dolomites, Lea Oberhofer and her husband Simon Leitner have created a place that appeals to and affects their guests. The name says it all: Sensoria Dolomites.

Situated right at the foot of the Schlern, a mighty peak and landmark of the South Tyrolean Dolomites, the traditional Knight's Farm or Ritterhof has become "a place for great and small moments of bliss, a place of spiritual power for encounters", as Lea Oberhofer proudly tells us. "Sensoria: Because our guests experience, they feel, they're touched through their senses".

Sensoria Dolomites is a hotel with a long tradition. Lea Oberhofer's parents met and fell in love at the Ritterhof. Her mother Hanny worked at the reception back then, her father Leo as a cook. The next generation of children returned here and transformed their (family) tradition and experience into a unique all-round occasion. Consequentially, the hoteliers found a partner in Brandnamic, a hotel marketing agency that shares and embodies their values. "Marketing by Brandnamic affects the senses and moves the soul", is how Lea Oberhofer and Simon Leitner describe their experience with this agency from Brixen.



#### Brand management in the hotel industry thrives on a holistic approach.

Brandnamic laid the foundations for a 360° positioning and communication concept that focuses on an all-round experience that affects all senses equally. Brandnamic's holistic approach is decisive for brand management in the hotel industry.

Full service encompasses all aspects of a brand. "Marketing with heart", explains Brandnamic's Managing Director and hotel consultant, Michael Oberhofer, "is an essential part of the creation and success story of Sensoria Dolomites".

#### High calibre, and far-sighted visions

Positioning is the keyword. "Luxury for the Soul" is the result of customised branding that's designed to be recognisable and unique. The positioning of the brand encompasses all aspects, such as the design of the hotel logo, targeted and brand-oriented recruiting, social media and online presences, the creation of printed matter of all kinds - all the way up to dynamic pricing and the promising tools that make it possible to readjust plans for success at any time on the basis of solid market data: HQ revenue perfectly complements the Brandnamic offer. 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.

#### HQ revenue supports solid, proactive support and advice for clients.

In revenue management, HQ revenue enables the targeted optimisation of occupancy rates and optimal pricing strategy. "HQ revenue means enormous time savings for us," asserts Hannes Gasser, Brandnamic Managing Director in charge of the consulting and hotel coaching division. "HQ revenue provides us with optimally prepared data in real time. These data allow us to directly compare the current and historical situation in the target market and at the same time make detailed comparisons with the competition".

Another area where HQ revenue has great potential for agencies is in the field of customer service. This is because the creation of dynamic marketing plans requires solid data in order to individually set budget targets and track potential.

Positioning is a living process. A brand wants to be experienced, lived. To live a brand, knowledge of the market is essential.



#### **HQ** revenue

Are you a full-service agency or service provider for revenue management and online sales?



with us here!

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#### **Sensoria Dolomites**

- 47 rooms as retreats that are full of harmony and offer views of the Dolomites
- High-quality all-day inclusive deals
- Bathhouse with indoor and outdoor pool
- Spa area bathed in light
- Fully equipped gym
- Gourmet studio and library
- "Luxury for the Soul" with heart and soul



DOLOMITES

Seis am Schlern (South Tyrol, Italy) sensoriadolomites.com



GRANT #2

"As one of the leading marketing agencies in the Alpine region, we're taking revenue management in hotel and destination marketing to a new level in cooperation with HQ revenue", says Hannes Gasser, the owner, Managing Director and person responsible for consulting at Brandnamic, confidently looking forward to our joint path towards the future.



Brandnamic Brixen (South Tyrol, Italy) brandnamic.com

#### Stop missing peaks in demand:

# Be smart

With a smile, Sebastian Kuhnhardt tells a story from the early days of happyhotel, when he presented his revenue management software to the hotels in his area. "In the Black Forest, the hotels had different prices for the summer season and winter season. And nothing else!" Sebastian remembers. He explained the benefits of dynamic room rates to a sceptical hotel manager at the time. The hotelier promised to test happyhotel free of charge; installation isn't required in a browser-based system anyway.

The promise: "happyhotel will tell you your best possible room rate at any time, which you simply confirm with a click of the mouse. Higher room rates, more profit!" And thereby automated revenue management! Is it supposed to work? A few days later, Sebastian called his contact's hotel and was met with the enthusiasm that laid the foundations for a customer relationship that has lasted to this day. This is because "the problem was me, myself!" says Sebastian's contact cheerfully. "At first, I didn't dare charge the higher room rate estimated by happyhotel. But for the guests it was no problem at all!".





#### Knowing your own market value

Since then, happyhotel has become an integral part of the hotelier's life. And this isn't an isolated case. Sebastian, now COO of happyhotel, explains: "What should room rates be based on and how can they be determined? Unfortunately, many hoteliers spend far too little time on these questions! They frequently only trust their gut feeling and just look at the prices of the competition. Others spend half the day creating and updating complex Excel tables".

Market demand and prices are different for every night and every room type! happyhotel makes sound, automated price proposals. Large hotels as well as small hotels, holiday hotels as well as trade fair hotels can benefit from this. happyhotel customers generate 20% more sales on average. The principle is simple: If market demand is high, then you can also charge higher prices. Of course, to do so, you need to know the big picture: What's the current state of the market? happyhotel receives this information in real time from the data provider HQ plus in Berlin.

> happyhotel revenue cloud solutions GmbH Offenburg (Germany) happyhotel.io

#### Planning security based on your own performance and market data

The happyhotel service is aimed at hotels that want to automate their revenue management. The browser-based system is set up in minutes. The only information happyhotel requires from the user the first time are its direct competitors, so that it can place the hotel in comparison with them. Linking to the hotel's existing PMS is carried out via standard interfaces using API keys and also only takes a few minutes. And then it's all go! The transfer of all prices confirmed by the hotel in happyhotel to the PMS is fully automated.

The link to the PMS also gives an overview of the entire hotel data. happyhotel provides clear evaluations of pick-up, ADR, RevPar, occupancy rates, occupancy and turnover. A dynamic pickup calendar shows the bookings received. Finally, this view of the hotel business in the future also enables much more precise planning — as well as being a basis for marketing campaigns. With happyhotel, hotels increase their sales through dynamic pricing! Stop missing peaks in demand:

GRANT #2

Be smart



SMARTments business Berlin (Germany) smartments-business.de

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#### Ecological and social sustainability is a top priority at SMARTments.

#### SMARTments business believes in automated price control with happyhotel

Sophie von Finck is Revenue & Reservation Manager at SMARTments business for Germany and Austria. As she explains: "Price control and monitoring is a daily process that used to take a lot of time — including overtime! With happyhotel, the average daily rate is directly adjusted to a changing market using digitalised processes, allowing the members of our teams to focus on important projects".

This is because digitalisation is not an end in itself but helps both staff and guests. The goal is to organise the processes in the eight hotels so efficiently that the teams at the service centre and reception have as much time as possible to deal with the individual concerns of their guests. "We don't want to waste time on administrative routines which are much less prone to digital errors anyway", Sophie points out.

Digitalisation also supports the efficient use of energy and resources, something that's particularly important at this time of rising costs and an issue of paramount importance for the operation of the SMARTments properties.



SMARTments business, a subsidiary of the GBI group of companies, is a chain of serviced apartment houses with locations in Germany and Austria. The first house opened 10 years ago. In the eight existing buildings and three projects currently under construction, the focus is on digitalisation, as well as on ecological and social sustainability.

Stop missing peaks in demand:

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# <u>Smart View(s)</u>

# HQ plus provides partners such as happyhotel with the data for a full market overview.

This includes all the events that bring guests near hotels. The core competence of the Berlin SaaS and the data provider HQ plus lies in the provision of market transparency for the hotel industry. But what does that mean exactly?

HQ revenue seeks out all relevant events well in advance!



## The Hotel Magazine for Property and Revenue Management



# GRANT

THE HOTEL MAGAZINE FOR PROPERTY AND REVENUE MANAGEMENT



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