

BRAIDWOOD'S VIEW



HOSPITALITY MANAGEMENT, INC

Partners in Hospitality



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FROM THE DESK OF:

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The "net additional sale" is skilfully practiced in the retail industry. Simply put; it is the art of selling the customer "more than they intended to buy" when they walked through the door. When buying a new suit or sports jacket I rarely leave without a purchasing a new shirt and tie. In this scenario the cost of operation is covered by the sale of the suit, their profit lies in the sale of the shirt and tie. In fact, it is 100% profit as it has cost the store nothing to sell me these additional items.

When I book a hotel room, my decision is influenced by many factors. When on business or attending trade shows it is location, when on vacation it is price. However; whatever the occasion may be, there is rarely any attempt made to "sell me more than I had intended to buy" when I walked through the door. When we view this in the context of the retail experience this is a missed opportunity.

One of the most common mistakes the front office manager can make when implementing an up-sell program is to establish "higher revenues" as the ultimate goal. That is when a guest's experience is almost always diminished. Instead, the focus must be placed on the guest and their comfort. When the agent is trained and incentivized to enhance the guest's experience, the up-sell progresses naturally.

The front desk agent is usually the guest's first contact with the hotel and therefore it is important that the front desk agent "consult" the guest about the hotel - topics such as comfortable accommodations, appropriate packages, or guest room types, etc. Most frequent travelers report that front desk agents rarely make an effort to recommend any accommodation other than the one booked. The first step to successful up-selling is establishing a keen awareness of the guest by recognizing and anticipating their latent needs and then suggesting a more comfortable room option that meets those needs.

For example, if someone is traveling with children and has booked a standard room, the agent could point out that the guest may be more comfortable being in a room type with a separate area or connecting room, so that the parents do not experience a 6:30am wake up call. Alternatively, someone staying for an extended period of time would find value in a room that has extra room with a microwave and refrigerator for late evening snacks. Guests remember the 'experience'. Whereas the immediate goal should always be to maximize the guest's experience the residual outcome is a positive impact on revenue, ADR and RevPar.

The secret of our success resides in our insight into the moods of our guests, and our tact in dealing with them."

NOT EASY BEING GREEN

Do people really care if your hotel is green or not? Do you sometimes wonder why you are spending time and money ensuring that you respect the environment? The goal of a recent study by MindClick, SGM, was to understand the interest in green hospitality and what role sustainability plays in the travel procurement decision? Respondents were U.S. and Canada-based corporate travel executives representing a range of industries.

The **Location and service, condition and quality** of the hotel property were still the most important attributes in the hotel procurement decision however; more than half of all respondents indicated their company has, or is planning, a program to "green" business travel.

More importantly, 72 percent of green travel buyers have, or are in the process of, implementing purchasing policies and are requiring hotels and other travel suppliers to provide sustainability information during the RFP process. Corporations are serious about this issue and appreciate that hospitality industry is one-step ahead of the crowd.

DON'T "DOLLAR OFF"

Lately, we have heard a lot about discounting rates that "**the other guy**" is doing and that price is the key to our guests' decision-making. That may be true in some cases, but not in all.

Many prospective buyers give the impression that price is their only criteria, even when they are satisfied with the price quoted. Trying to buy cheaper is a natural thing to do and in most cases, it works. Chances are however; that by holding out for the original rate while stressing the advantages and value of having the event held at our property the prospect would have recognized the value and paid the price.

LISTEN..... THEN CLOSE

One of the biggest complaints meeting planners have is that some sales people are so aggressive about making a sale they forget to find out if the meeting planner is really a prospect.

One characteristic of great sales managers is their **ability to listen intelligently**. They ask specific questions to determine needs and wants, looking for clues and "hot buttons." Next, they relate to the responses by providing specific information that meets those needs or wants.

Asking questions that make a prospect analyze, speculate, evaluate, and that stimulate emotion helps draw out feelings from the prospect. These feelings provide clues to the prospect's interest in the benefits of booking your property.

Consultative selling is all about asking **open-ended questions**. "Tell me what is most important to your group in the selection of a property," or "Please let me know what you liked best about your last meeting?" This keeps the prospect talking and by listening, you are better able to identify their needs which, in turn, allow you to better sell to those needs. **We learn more by listening than we ever will by talking.**

Helping to solve the prospect's problems can help them reach those important decisions. This also makes them feel more comfortable about having us around and by letting them know they can call on you anytime for advice, even if they are not booking your hotel, will help to build a lasting relationship that can be maintained over a long period of time.

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FOLLOW-UP... FOLLOW-UP... FOLLOW-UP

The number one issue many meeting planners have with hotel sales managers responsible for booking group business is that they do not respond in a timely manner, and sometimes never at all.

Today, even with electronic messaging, things seem to be worse than ever before in the area of sales people responding to inquiries. Although the issue still remains with telephone calls and email messages eating up precious time, the problem is most prevalent when dealing with the Request for Proposal recognizing that some properties receive a number of RFP's on a daily basis and that the problem can be exacerbated by a lack of staffing.

Hoteliers are recognizing that working with outside providers who can help them and their sales teams follow up and respond; is a cost effective and **sustainable solution to the problem**. In addition, these providers, who, unfettered by "in-house distraction", are able to focus on uncovering other revenue opportunities from sources that would not otherwise have considered the hotel.

One of the reasons given for lack of response is that many of these RFP's are "just a waste of time because the information requested doesn't fit my meeting space or I do not have availability over the requested dates...so, why bother to respond?"

The answer to that question is that the inquiry may be from a prospect that could have potential for other business in the future. Common courtesy dictates that all inquiries should receive a response; it is just a good business practice.

During a time when all hotels are in need of business, it is unbelievable this would happen. There is so much group business going down the drain because of lack of response to inquiries and there are far too many voicemails not being returned.

The three best tools for booking business are: **follow-up; follow-up; follow-up.**

ONE RINGY~DINGY

Ironically, for many hotels, voice channels are still holding their own against website, OTA and other online channels.

Take a moment to run the numbers by starting with your transient average rate times the transient average stay. That, plus the average ancillary revenue per transient guest if you are a full service property, tells you the potential of each inquiry received.

Then calculate the results if every reservations or front desk agent could capture even just one more reservation per shift. This number alone will get your management team's attention.

Today's callers are asking questions about the multitude of rates and rate options they have seen online at third party channels. What is more significant is that many of them practically hand-deliver an opportunity to convert them from these costly third party channels.

For proof, just ask any agent how often they are asked the question, "Should I book that online or book it with you?"

With all the budget cuts over the last few years, many hotels have allowed training to fall by the wayside. By focusing your team's attention on maximizing reservations sales effectiveness, you'll also be ensuring that potential guests are able to not only reach someone who is polite, knowledgeable, efficient, but who presents a positive first impression of the overall hotel experience they will receive on arrival.

There's nothing greater in the world than when somebody on the team does something great, and everybody gathers around to pat them on the back. Remember; people buy only when someone is selling!