

BRAIDWOOD'S VIEW



HOSPITALITY MANAGEMENT, INC
Partners in Hospitality



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FROM THE DESK OF:

John Garden, President, BHM

I think we all agree that the job of hotel sales is to sell. Whereas this is obvious and holds no surprise, the average job description of a Sales Manger does. Firstly, there is usually some prerequisite for a hospitality degree or the equivalent of 2-5 years hotel sales experience followed by what would appear to be a somewhat superfluous "must have account development experience, specifically in the generation of new business, posses excellent selling, relationship building and organizational skills" and a long list of other requirements that have more to do with administration than selling. Secondly, this is usually followed up with the dreaded..."and other duties as assigned by management from time-to-time." Note... never sign anything that contains this clause!

I also find wording such as "continually develop and improve standards to ensure the service received is of the highest quality." This is the role of operations not sales and yet this and other operational duties are frequently found to be part of a sales manager's job description.

Successful sales managers inherently have "an ability to communicate" and yet all too often we find this is highlighted as a prerequisite for employment.

Great sales people love to sell...yet so often we create barriers that prevent them from doing so. We insist that they attend meetings, "lurk" in the lobby to meet guests, attend peer-to-peer industry meetings outside the hotel (no prospective clients will be sold at these meetings), help set-up meeting rooms, write reports on their activities (when most CRM systems today can generate these in seconds) and can either be printed or viewed on line by management and sales leaders. The best way to manage sales people is to support, train, motivate, encourage, incent, hold them accountable, ensure that the organization is proactively aligned with their role, install an effective end-to-end sales process supported by effective technology and systems and then get the hell out of their way; making sure that we shield them from activities that are counterproductive and get in the way of selling.

Companies usually promote their top sales managers to sales leaders because of their stellar selling ability. Taking your most productive sales manager off line and burying them in paperwork and meetings does not strike me as a strategy for success. It's assumed that because a sales manager sells well, they automatically have the skills, ability and willingness to manage other sales managers.

Remember, when ability exceeds ambition, or ambition exceeds ability, the likelihood of success is limited.

LOOKING UP

The Canadian hotel industry reported mostly positive results during the week of 8-14 August 2010, according to data released by STR. In year-over-year measurements, the Canadian hotel industry's occupancy **increased 3.4 percent to 76.3 percent**. Average daily rate ended the week virtually flat with a 0.5-percent increase to CAD\$129.74. Revenue per available room for the week rose by 3.9 percent to CAD\$98.95.

Occupancy Increases:

- ↑ Ontario reported the largest increase, rising 9.6% to 76.8%
- ↑ Followed by Quebec with a 5.1% increase to 80.6%.

Occupancy Decreases:

- ↓ Manitoba -9.4% 66.6%
- ↓ New Brunswick -5.6% to 77.7%.

ADR Increases

- ↑ Quebec led the ADR increases, rising 3.1% to CAD\$140.72
- ↑ Followed by Manitoba +3.0% to CAD\$107.85
- ↑ Ontario+2.7% to CAD\$122.99

ADR Decreases

- ↓ PEI -7.6% to CAD\$128.88
- ↓ Alberta -6.1% to CAD\$131.49 posted the largest ADR decreases for the period.

REVPAR Increases

- ↑ Ontario increased 12.4% to CAD\$94.42, reporting the largest increase in that metric...

- ↑ ...followed by Quebec with an 8.3-percent increase to CAD\$113.37.

REVPAR Decreases

- ↓ Alberta posted the only double-digit decrease, falling 10.4% percent to CAD\$89.31.

Dry stuff but looking beyond the statistics it is a sign that perhaps we have put the worst behind us and the light ahead is really the end of the tunnel and not that of the proverbial oncoming train. Stay tuned!

WHERE ARE THE YANKIES

Ypartnership in its recently released 2010 **Portrait of American Travelers** reports the U.S. leisure travel market has finally stabilized.

The report goes on to say: Among affluent households (those with an annual income greater than \$125,000), fully 20 percent plan to take more leisure trips in the year ahead, while only 9 percent plan to take fewer, for a net (positive) difference of 11 percent.

Small luxury hotels should concentrate on enhancing the “**perceived value**” of their particular experience rather than marketing primarily on price.

So don't be fooled by all the media hype about “**The New Normal.**” Don't throw out a perfectly good marketing plan if you have one – just fine tune it. The New Normal is the same as The Old Normal – which simply means you have to provide a good product at a fair price.

It's time to be creative, understand what motivates your guests and develop a marketing program designed to deliver a high level of perceived value which will help make those reservations phone lines ring.

WHAT WERE THEY THINKING

There are many things about the hospitality industry that are odd.

A For example, what message are hotels sending when referring to themselves as “**limited service?**” If looking for limited service one only has to drive to a self-serve gas station or a restaurant with a buffet style menu. Why would anyone want to stay in hotels that promote limited service? Surely the traveling public expects to receive exceptional service!

B Why do Front Desk Agents ask you if you are “**checking in**” when you have just spent 5-minutes unloading the car and are standing in front of them with your family and several suitcases...what other reason would you have for being there?

C Why, when asking for a **black coffee** does one always get asked if you would like cream and sugar with it?

D Why, on average, does it take 4 months to prepare a **hotel budget**, and another 3 months to get it approved?

ON-LINE STRATEGY

VFM Leonardo, Inc. has just released the results of its first **Hotel E-Business Survey** which was conducted from March 1, 2010 through April 30, 2010. The key goals of the survey were to identify and analyze what hotel e-business professionals are currently doing and what they plan to do in the next year to enhance the online presence of their hotel(s), the travel shopper experience and drive online booking conversions. The results were compiled based on responses from 590 companies across the world representing hotel interests and e-business responsibilities.

The survey unveiled some fascinating trends. Interestingly, the features that many e-business professionals are currently using do not align with those that they believe to be most effective. For example, 64% of respondents believe that “hotel tours (combinations of guided spin, zoom imagery, videos or animation)” are very effective yet only 41% have deployed this tactic.

Highlights from the survey include the most popular planned and deployed features and their effectiveness across two categories: rich media/merchandising and social media. At a glance, the top five most effective rich media merchandising and social media tactics include:

- 📊 User ratings and rankings: 67%
- 📊 Hotel tours (combinations guided spin, zoom imagery, videos or animation): 66%
- 📊 User comments and reviews: 64%
- 📊 Videos for merchandising, advertising and demonstration: 60%
- 📊 360 degree spins/panoramas: 49%

This analysis of e-business professionals' merchandising tactics offers valuable insights for online hotel merchandising and validates current online trends. Importantly, the results, across the board indicate that e-business professionals with rich media in their online merchandising strategies are finding great success.

Creating an online presence can be a lot of work. Defining your web strategy means planning what you want to do, building your site, promoting it and maintaining it while revisiting your plans on a regular basis to ensure the strategy is still in line with the business needs, and that you are meeting your expected goals.

THE TIMES 'THEY ARE A CHANGING'

In 2009 we were beset with challenges never experienced, stretching our resources, and shaking our sensibilities. It was primal reaction time. We were all out, trying everything to survive.

Our progress has been slowed by a global economy with mixed signals. Disasters have torn apart Destinations and Regions, threatening land (Haiti), waters (Gulf Coast, Pakistan) and even our skies with volcanic ash (Europe). Whole societies have reassessed how they go about their daily lives – new routines, spending and future aspirations.

However; we all still look at that glass of water and wonder if it is half full or half empty?

Many of us have done very well – working harder with fewer resources, more attentive to the marketplace, constantly reviewing our internal systems and approaches.

We are more flexible and adaptive. We are also more open to innovation, learning, as **Thomas Freidman** of the New York Times pointed out that “To be creative requires divergent thinking (generating many unique ideas) and then convergent thinking (combining those ideas into the best results.)”

We are not out of the woods yet and must invest to meet the priorities noted above, even during a most tumultuous time. Meeting those will position us for growth, prosperity and leadership going forward. It is all about the Customer Experience.