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Automatyzacja w strategii RM - case study Price Optimizer RMS

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Agenda

- Introduction to PO RMS
- 15 cases
- GIFT

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Price Optimizer

RMS + CHM = algorithms & distribution:

- Automated Revenue Management
- Manual control at one screen
- Optimized prices, availabilities and restrictions
- Near real-time recalculation & distribution
- Boosted RevPAR

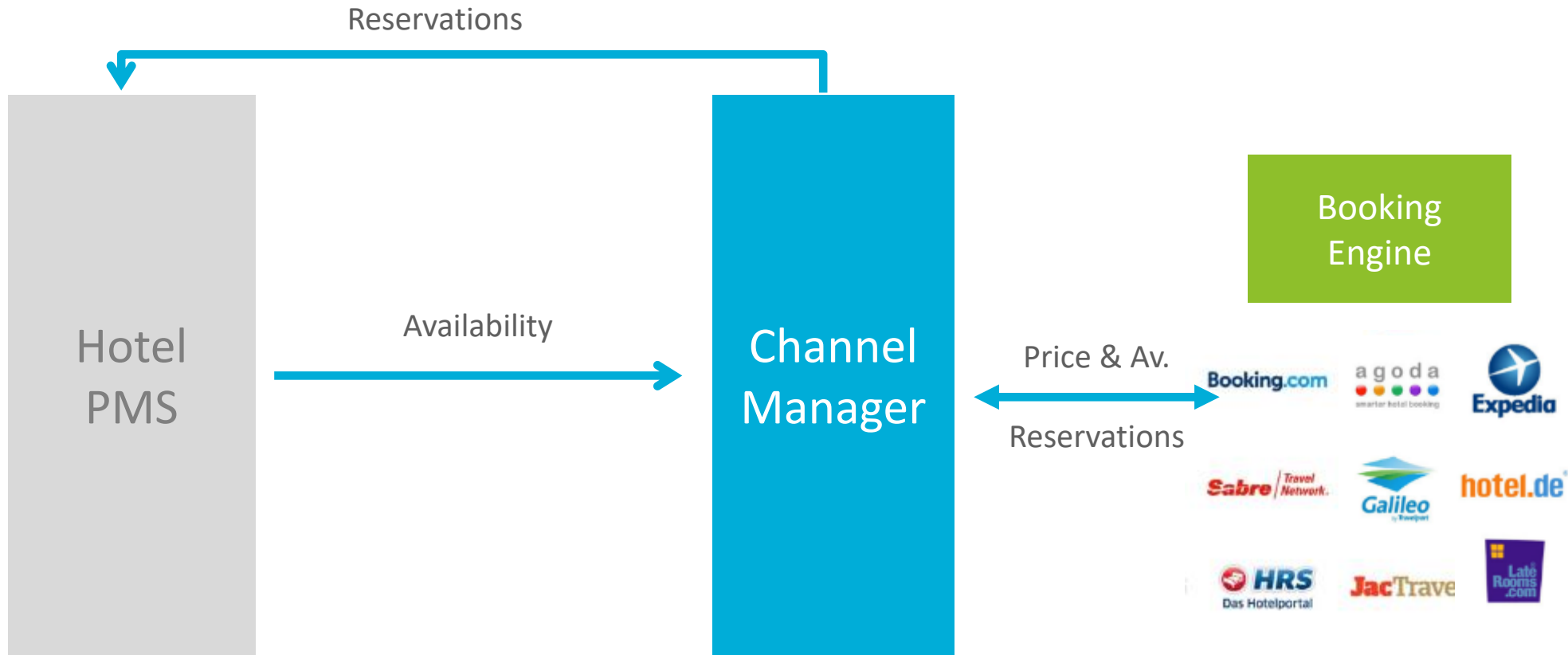yieldPlanet

Price Optimizer

For whom?

- Hotels and aparthotels
- Focused on yieldable segments
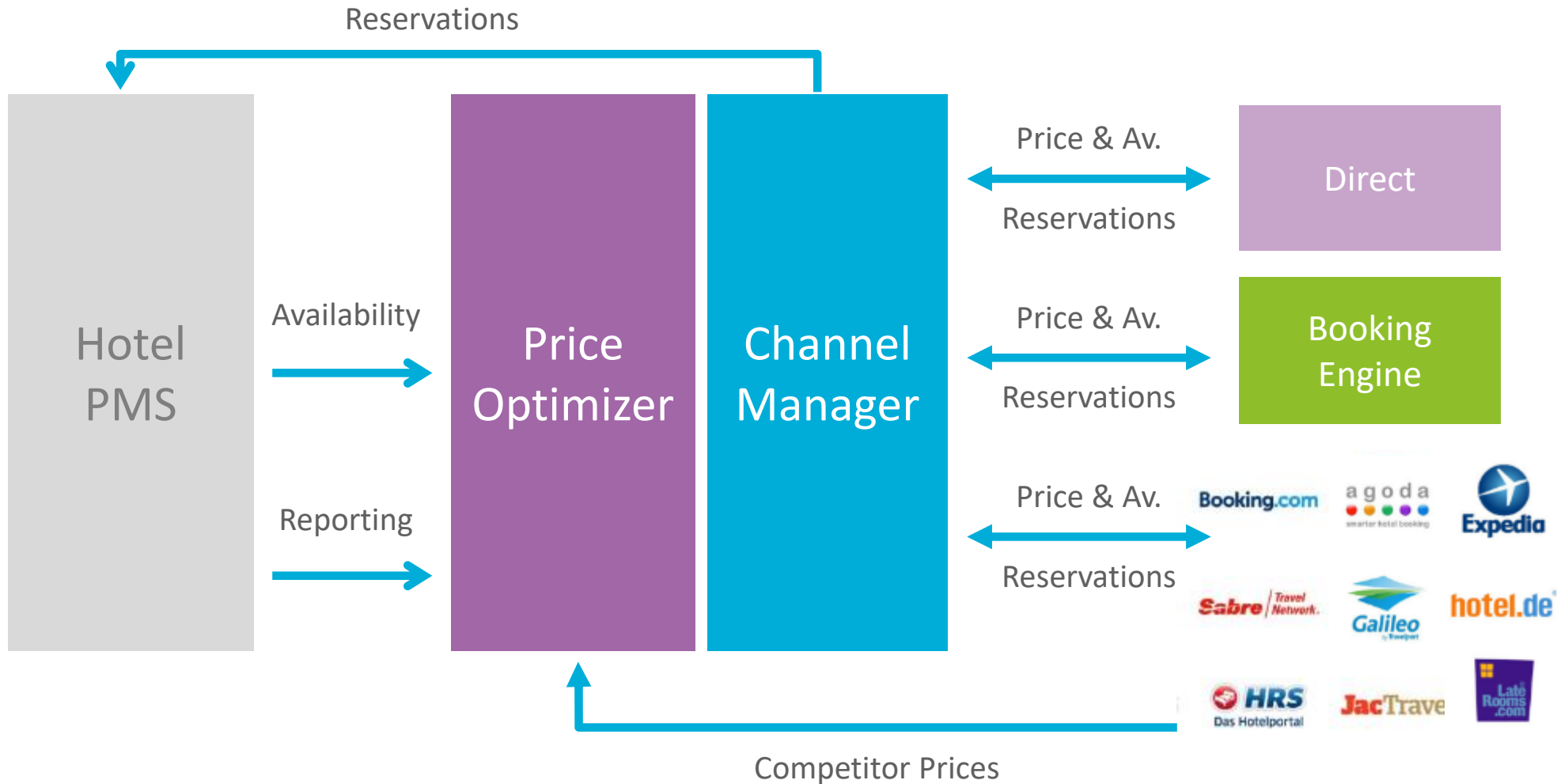- City or resorts
- Independent or small chains, 3-5*

(PMS)

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CHM-only information flow

Reservations

Hotel PMS

Availability

Channel Manager

Price & Av.

Reservations

Booking Engine

Booking.com · agoda smarter hotel booking · Expedia

Sabre Travel Network · Galileo by Travelport · hotel.de

HRS Das Hotelportal · JacTravel · LateRooms.com

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Price Optimizer information flow

Reservations

Hotel PMS

Availability

Reporting

Price Optimizer

Channel Manager

Price & Av.

Reservations

Direct

Price & Av.

Reservations

Booking Engine

Price & Av.

Reservations

Competitor Prices

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Use cases!

(disclosure)

Challenge #1

→ Attract small groups (families) in High season

→ Attract pairs in Low season

Price (pax)
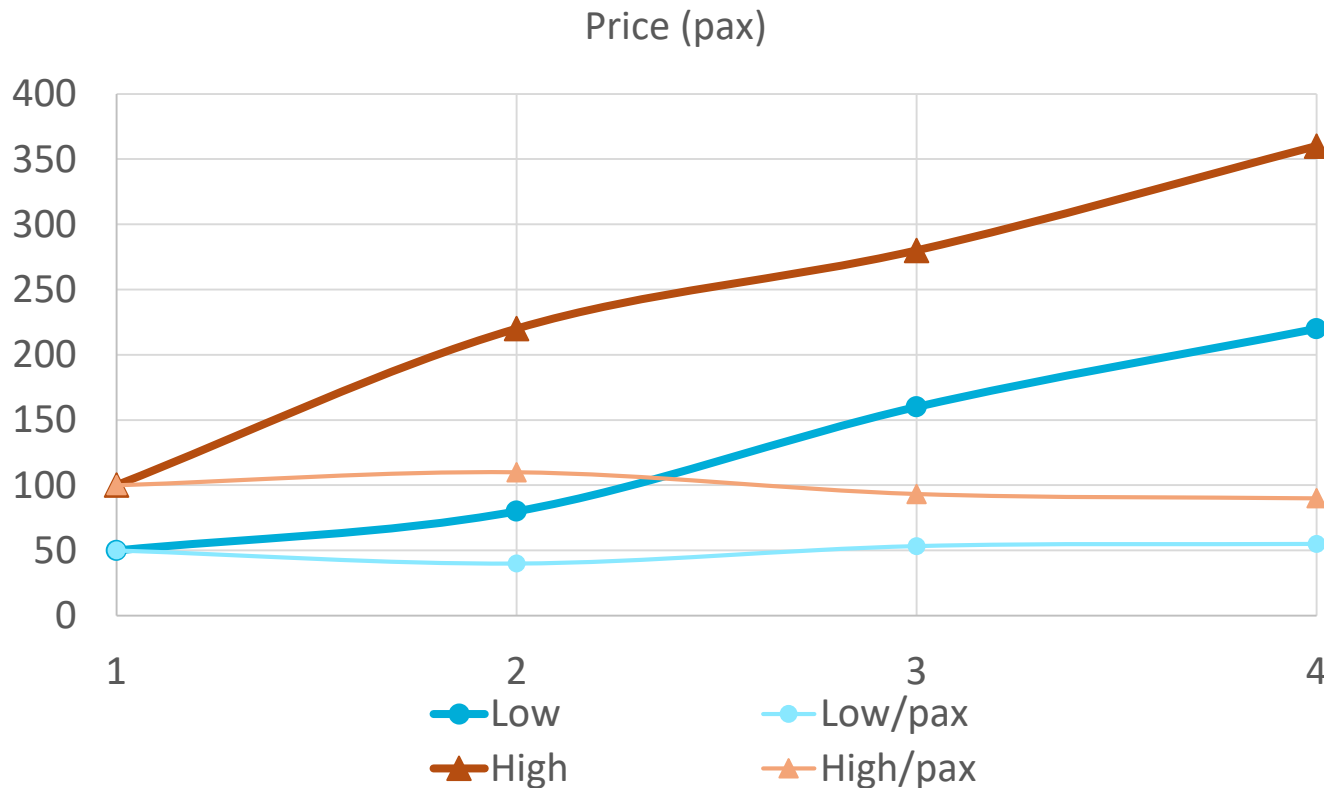
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Challenge #2

→ Attract pairs at high occupancy

Price (price level)

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Challenge #3

→Attract long stays in Low season

Season	Long stay RP reduction
Low	15%
Medium	10%
High	5%

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Challenge #4

→ Avoid too many cancellations in high season

	Non-Ref	Ref
Low	-	+10%
Medium	-	+20%
High	-	Close

Formula #1 substract ▾ 15 percent ▾ per room ▾

Crop the price Min: none Max: none ⓘ Delete

Valid in weekdays ☑ Mon ☑ Tue ☑ Wed ☑ Thu ☑ Fri ☑ Sat ☑ Sun

Valid in seasons Wkday ✕

Formula #2 substract ▾ 10 percent ▾ per room ▾

Crop the price Min: none Max: none ⓘ Delete

Valid in weekdays ☑ Mon ☑ Tue ☑ Wed ☑ Thu ☑ Fri ☑ Sat ☑ Sun

Valid in seasons Winter ✕ Wknd ✕ WkndLOW ✕ WinterLow ✕

Formula #3 substract ▾ 5 percent ▾ per room ▾

Crop the price Min: none Max: none ⓘ Delete

Valid in weekdays ☑ Mon ☑ Tue ☑ Wed ☑ Thu ☑ Fri ☑ Sat ☑ Sun

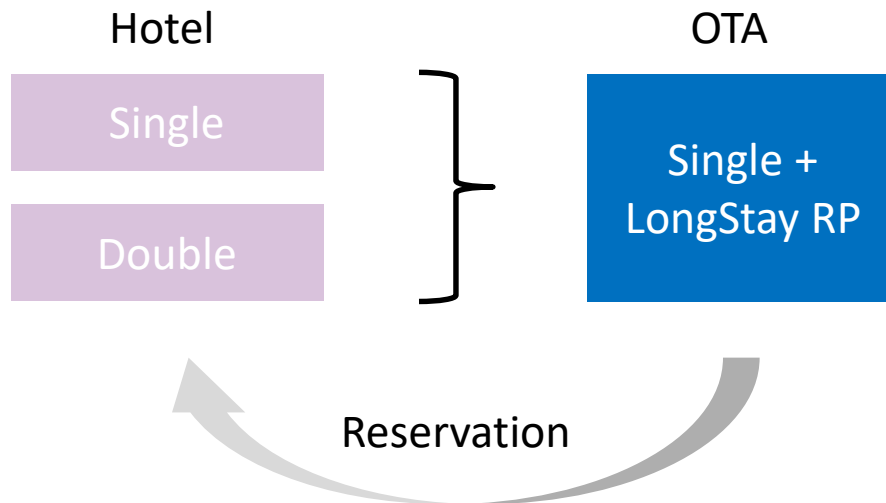Valid in seasons Hi ✕ HiNoUpgrade ✕

Add new formula

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Challenge #5

→ Sell all double-occupancy rooms as Twin

→ Transfer reservation to the PMS

→ Avoid overbooking on hotel level

Hotel

Double
Double New
Double East
Double West

OTA

Twin

Reservation

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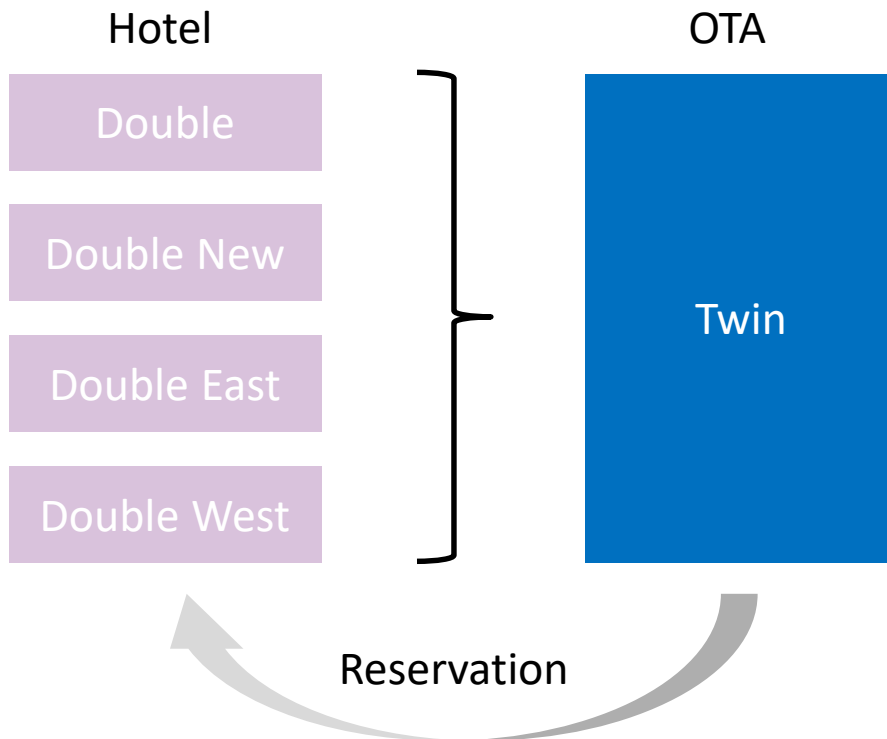
Challenge #6

→Allow more availability for longer stay
(long rental in apartments!)

Hotel	OTA
Single	Single + LongStay RP
Double	

Reservation

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Challenge #7

→Sell remaining rooms but do not threaten your OTB clients with a lower price

Hotel

Double Std
Double Del
Double Suite

OTA

Econ Double

RP -15%
DTA: 2

Reservation

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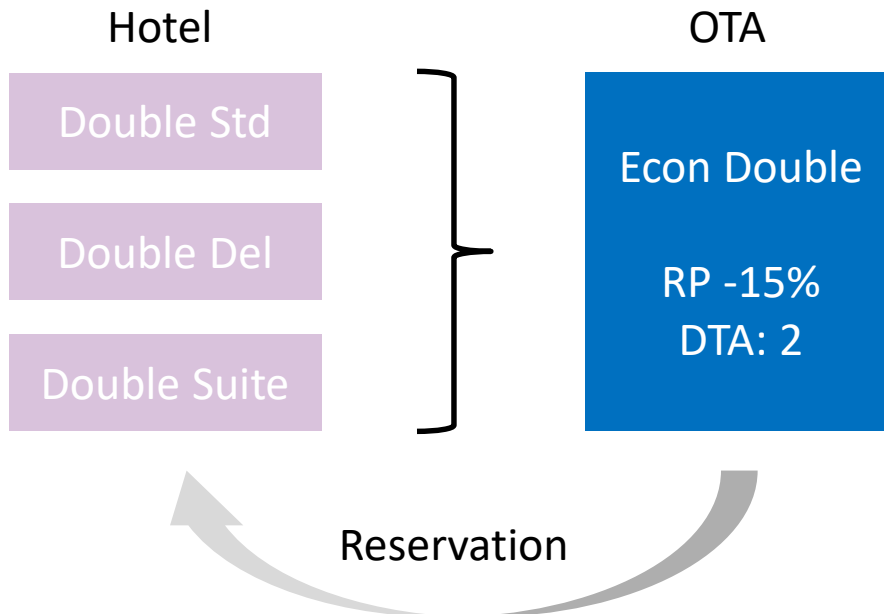
Challenge #8

→Sell one physical room as different products

Hotel

Junior Suite

OTA

Luxury room 2pax

OTA

Spacious Suite 3pax

OTA

Comfort Family 4pax

Reservation

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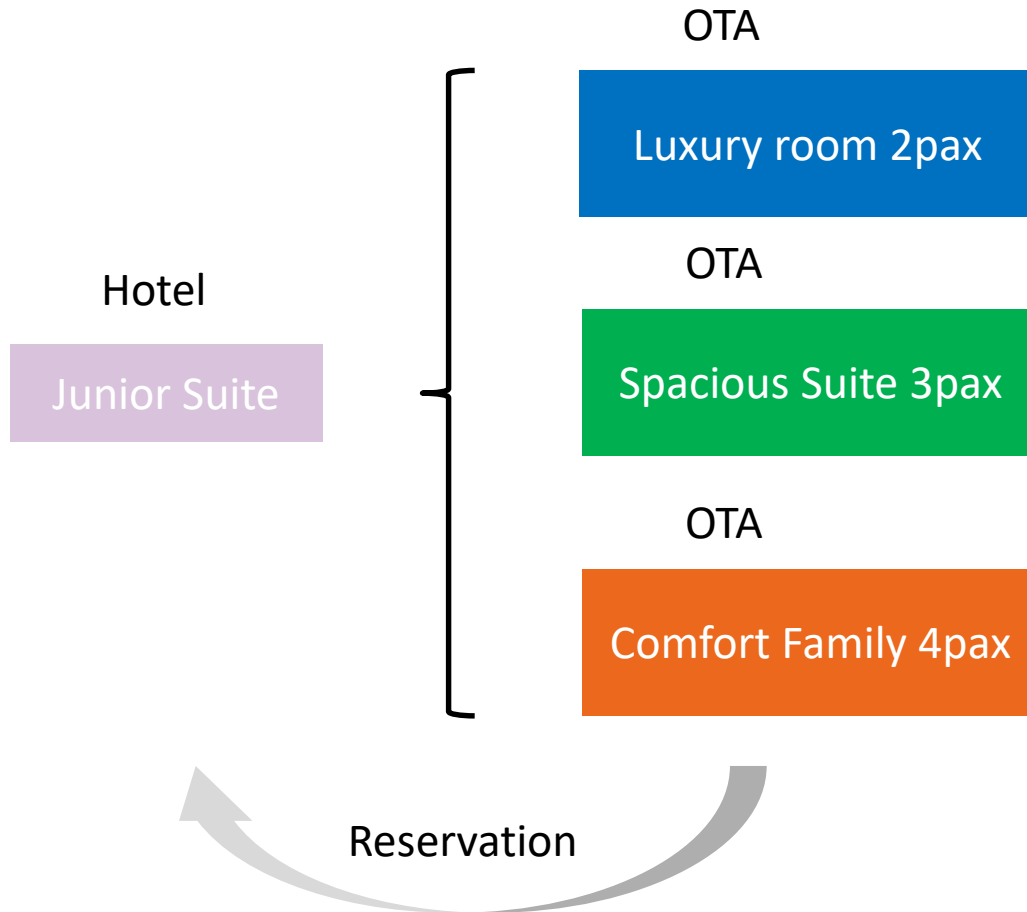
Challenge #9

→At lower demand sell double to fill up the hotel

Hotel   OTA

Double   ⟶   Economy
                                    Double

Reservation
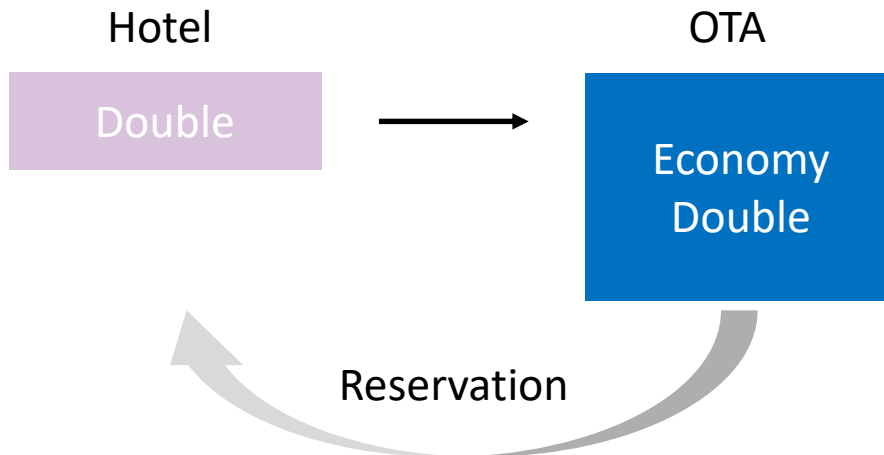
| Condition 1 | Availability ▼ | for | Hotel ▼ | is | > ▼ | 15 | Absolute ▼ | Delete |

Add

| DTA Condition | ☑ Dta to arrival (DTA) is after | 7 | Days, Time | 12:00 🕐 |
| | ☐ Dta to arrival (DTA) is before | | Days, Time | 🕐 |

| Formula 1 | Close ▼ | at | 0 | ***Virtual Double ▼ | Delete |

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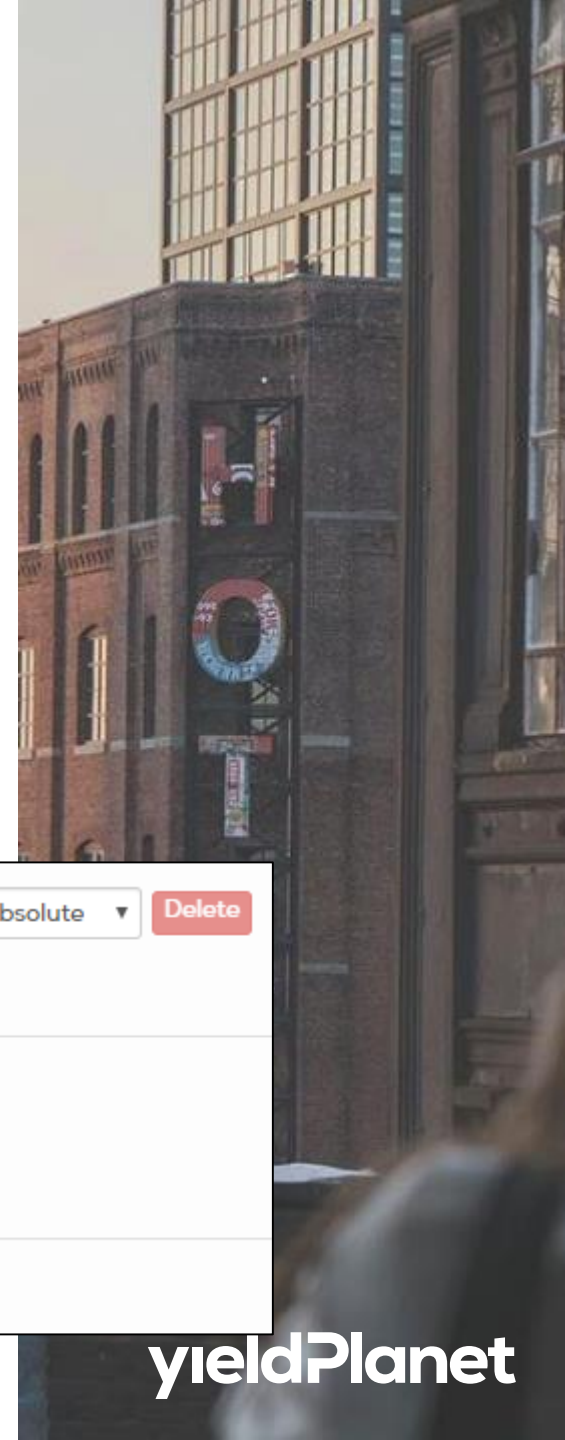
Challenge #10

→Close the selected room at the most commisionable channel at high occupancy/forecast

Hotel

| 1pax App |

BE

| 1pax App |

OTA

| VR: 1pax App at OTA1 |

| Condition 1 | Availability ▼ | for | APT ▼ | is | < ▼ | 5 | Absolute ▼ | Delete |

Add

| DTA Condition | ☑ Dta to arrival (DTA) is after | 0 | Days, Time | 12:00 | 🕐 |

☐ Dta to arrival (DTA) is before | | Days, Time | | 🕐 |

| Formula 1 | Close ▼ | at | 0 | Virtual JS (JS) ▼ | Delete |

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Challenge #11

→ Avoid booking all rooms at the same price (dynamic pricing applied)

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Challenge #12

→Close high commision channel if the forecast is high enough

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Challenge #13

Make full use of the booking windows:

→Close Expedia at 60 DTA if OTB > 60%

(avoid commision)

→Reopen Expedia at DTA 30 if av. < 4

(fill up the hotel)

→Close all OTAs if av. < 2

(leave the last room for direct bookings)

→Open b.com at 0 DTA

(higher chance to sell the last room at this channel)

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Challenge #14

→Ensure no sales at channels with guaranteed allotment

Zero availability prevention:

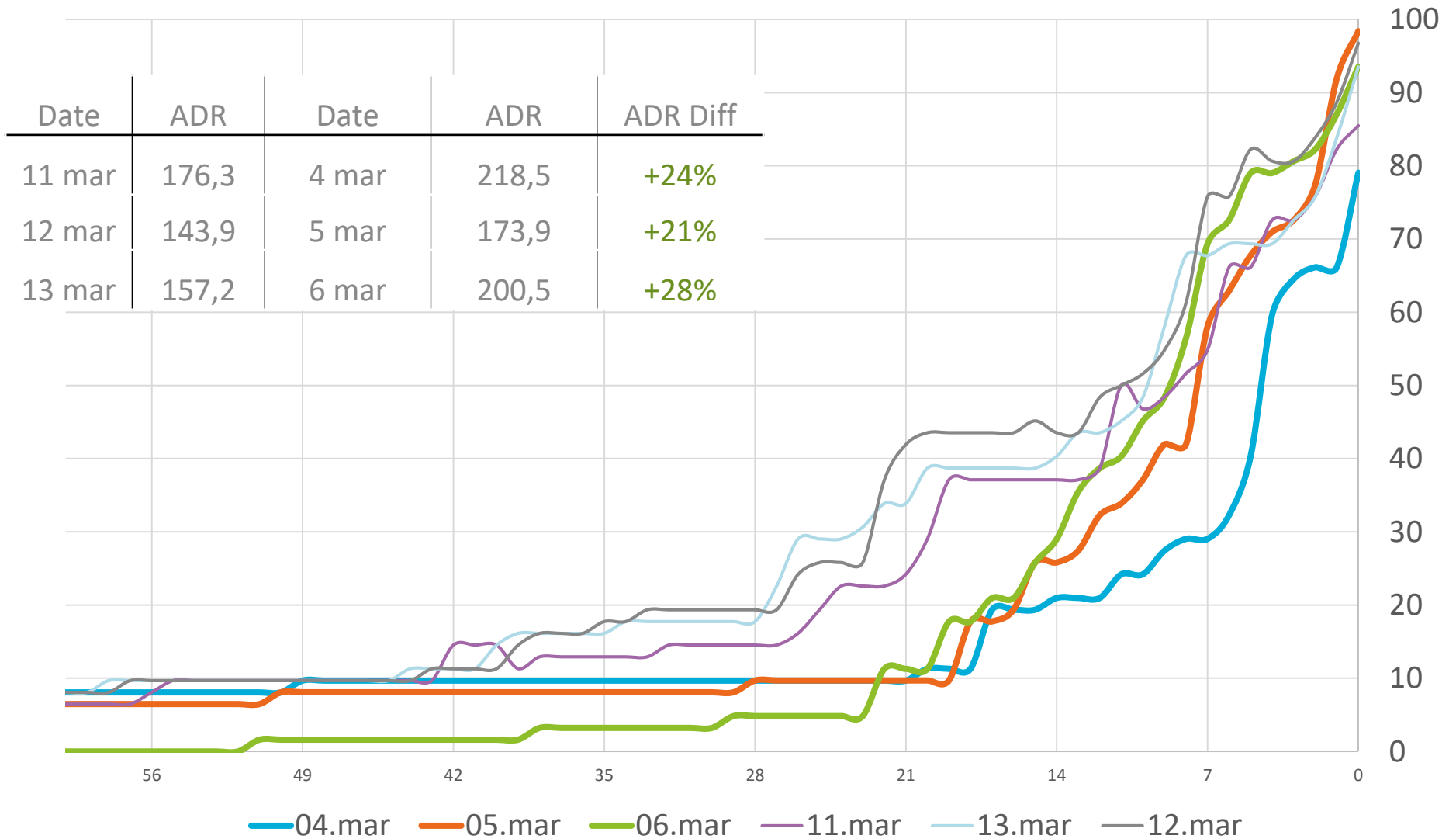| YP Room Name	Close Out Max Price	Close Out Min Length Of Stay
Standard single	500.00	10
Standard double for 2 persons	500.00	2
***Eco Single Room (virtual EZ...)	343.00	2
***Eco Double Room (Virtual DZ S)	434.00	2
Superior	500.00	2
Junior suite	500.00	2
Apartment	500.00	2

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Challenge #15

→Earn more during the biggest event/fairs in the city (or around)
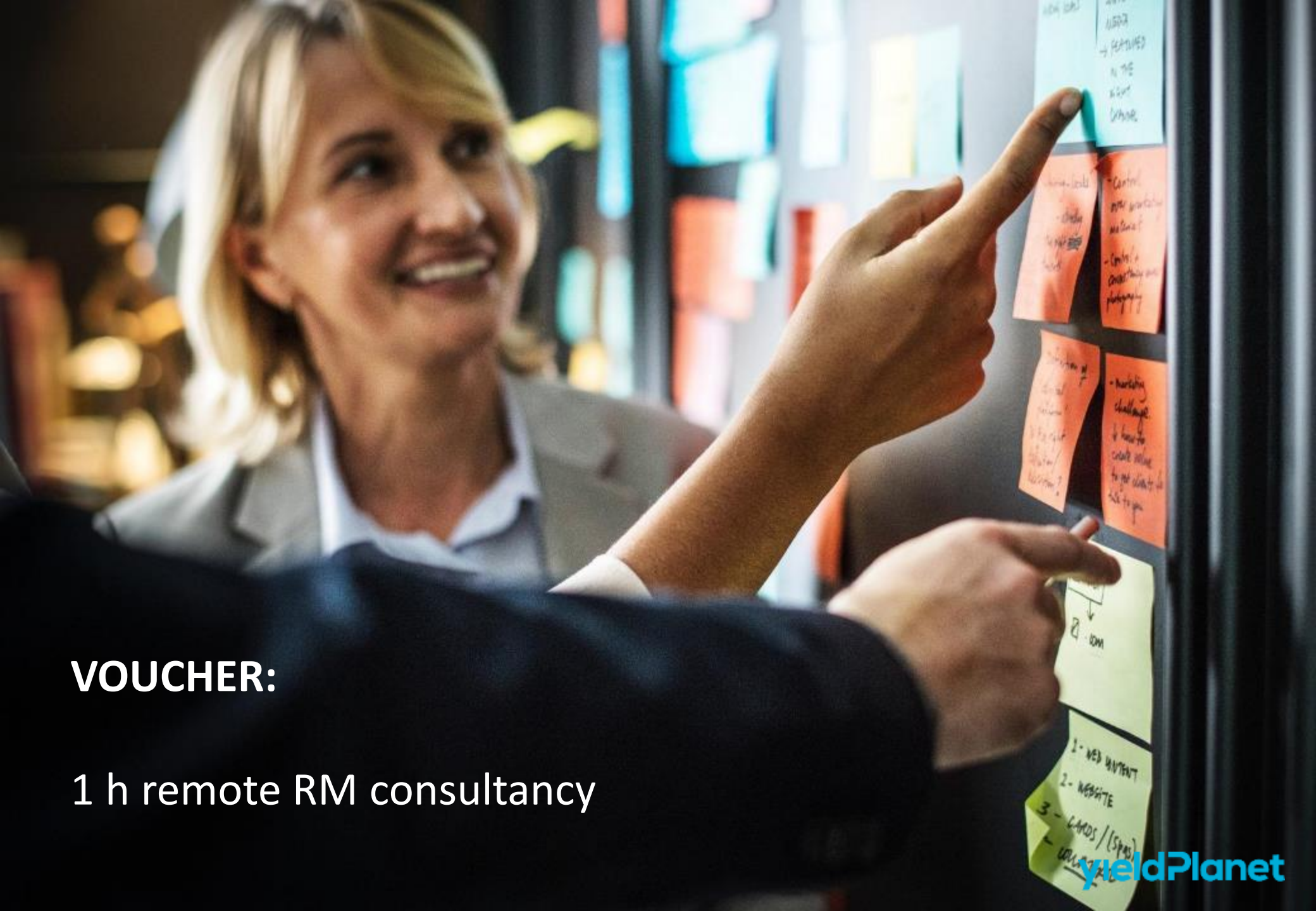
Geneva International Motor Show case

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Occupancy [%] (DTA)

Date	ADR	Date	ADR	ADR Diff
11 mar	176,3	4 mar	218,5	+24%
12 mar	143,9	5 mar	173,9	+21%
13 mar	157,2	6 mar	200,5	+28%

Legend: 04.mar · 05.mar · 06.mar · 11.mar · 13.mar · 12.mar

Implementation process

- Technical setup
- Strategic workshop
- System set-up
- Switch

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VOUCHER:

1 h remote RM consultancy

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