

Customer-Centric Revenue Management

How putting the customer at the centre of your Revenue Management strategy will help to maximize profits

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The bottom right corner of the slide features a series of overlapping geometric shapes, primarily triangles and quadrilaterals, in shades of blue, teal, and orange, creating a modern, abstract design.

Presentation



Speaker

Neville Isaac

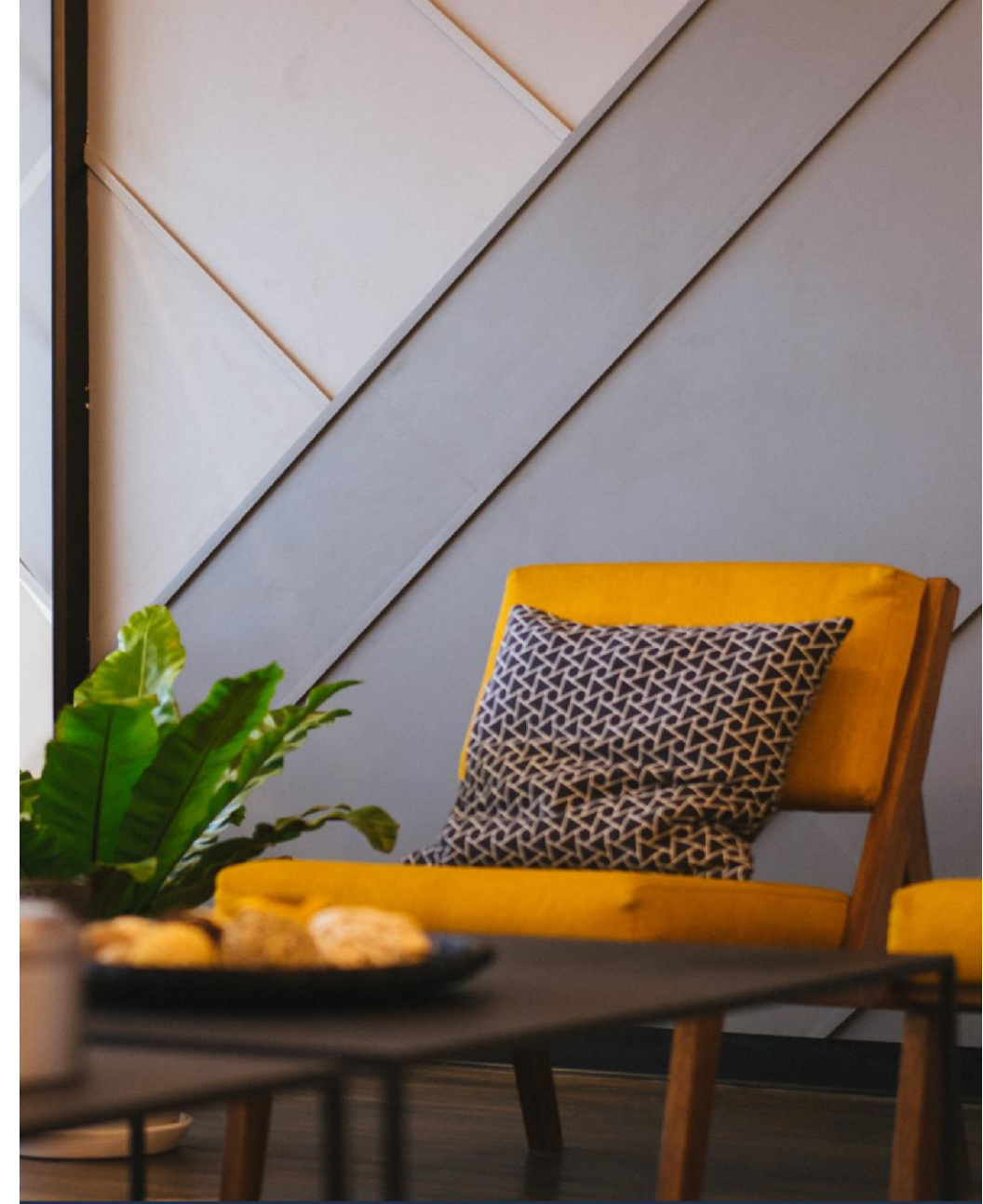
Customer Experience Director

- 26 years experience in the hotel sector
- 10 years in Operations in UK, the last 5 as General Manager in London.
- 15 years in distribution and Revenue Management, including 11 years in global positions within NH Hotel Group.
- Guest lecturer on RM in various universities throughout Spain

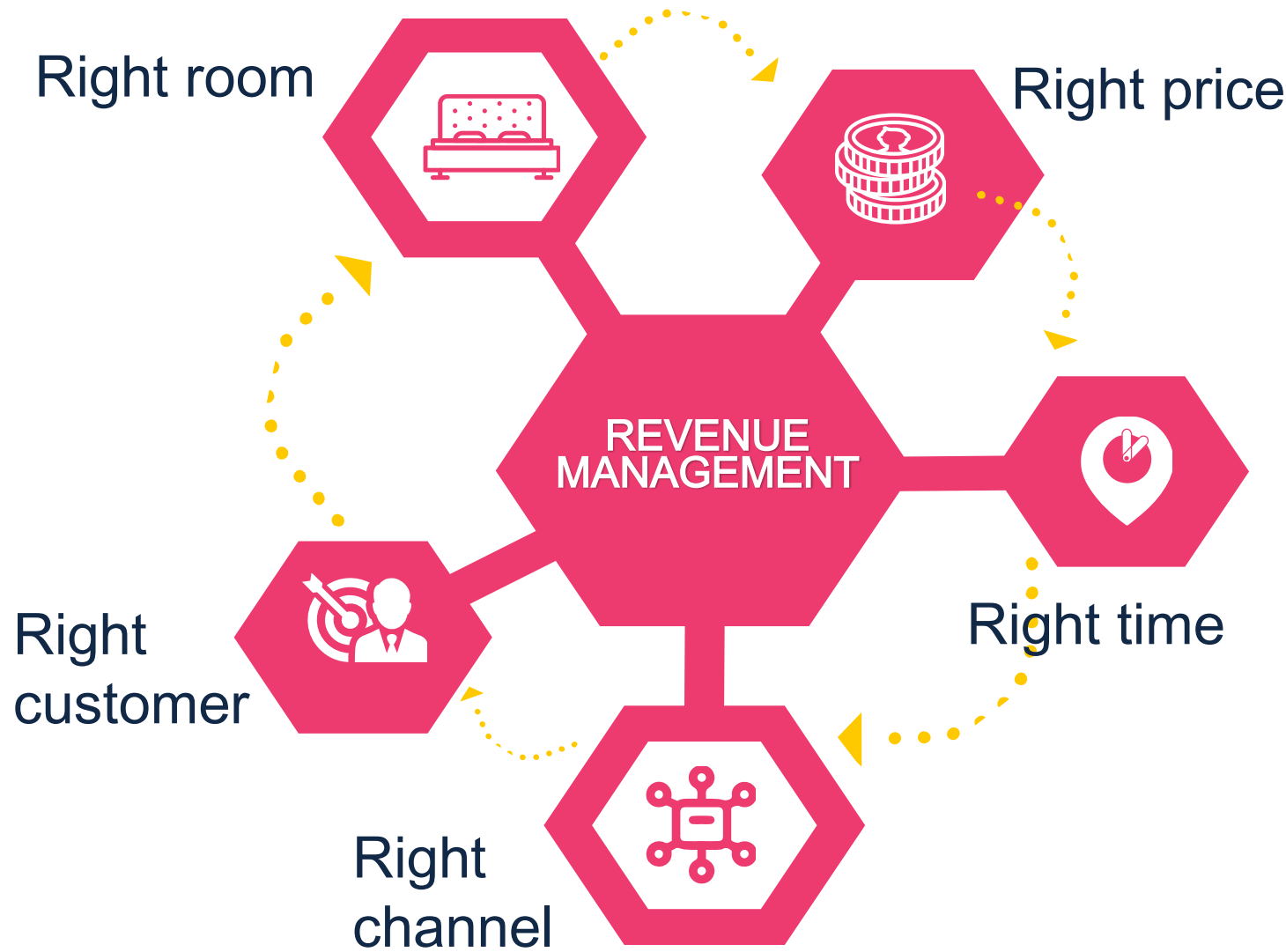
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2. **Customer Centric** Revenue Management
3. What does **Customer Centric** RM take into account ?
4. Behaviour in the purchase process
5. Expectations of each customer **segment**
6. **Customer Centric** RM in BEONPRICE
7. Digital Transformation
8. Transform your decision making
9. ROI



The “classic” definition of Revenue Management



Customer Centric Revenue Management will help to align the commercial and development strategy of your product with the needs of the most profitable clients, to maximize your profits in the long term.



Customer Centric Revenue Management

Adopt the clients
point of view



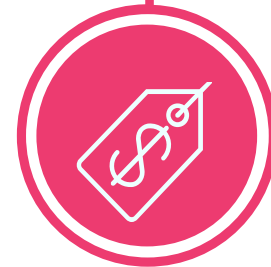
Analyse their behaviour
during the purchase process



Know the expectations of
each type of client



Know the price
elasticity of the
market



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Decision making process : Compare hotel prices

Know your competitors and review your positioning

The screenshot displays the Booking.com interface for a hotel search in Sevilla. The search criteria are: Destination: Sevilla, Dates: July 8 to July 15, 2015, Duration: 7 nights, Guests: 2 adults, 0 children. The search results show 264 available accommodations out of 360 total. A warning banner indicates that Sevilla is a highly requested destination (26% reserved) for the selected dates, suggesting that prices might be higher than normal. The results are sorted by recommended order. The top result is Hotel Fernando III, a 5-star hotel with a rating of 8.0, located in the historic center of Sevilla. It features a pool and is currently offering a star offer. The price for 7 nights is €706,86. The second result is Sevilla Central Suites Apartamentos, a 3-star hotel with a rating of 9.7, also offering a star offer. A tooltip提示 suggests that using filters can help find the desired accommodation faster.

Booking.com

Inicio → [españa](#) (40.210 alojamientos) → [andalucía](#) (6.801 alojamientos) → [sevilla](#) (360 alojamientos) → resultados de la búsqueda (Sevilla, 2 adultos, 7 noches (8 jul - 15 jul)) [Modificar fechas](#)

Buscar

Destino/Nombre del hotel:
Sevilla

☐ Trabajo ☐ Ocio

Fecha de entrada: mié 8 julio '15

Fecha de salida: mié 15 julio '15

Estancia de 7 noches

Huéspedes: 2 adultos, 0 niños

Buscar

Tus preferencias:

▼ **Precio (por noche)**

- ☐ € 0 - € 50 (106)
- ☐ € 50 - € 100 (104)
- ☐ € 100 - € 150 (23)

Sevilla es un destino muy solicitado por los viajeros en las fechas que has seleccionado (26% reservado).

Consejo: puede que los precios sean más altos de lo normal en las fechas que has seleccionado. ¿Por qué no pruebas con estas fechas alternativas?

7 jul — 14 jul 9 jul — 16 jul 6 jul — 13 jul

Sevilla: 264 alojamientos de 360 disponibles, ordenados por recomendados

Las 3 razones para visitar este lugar: **cultura, tapas y monumentos**

Hotel Fernando III ★★★★★ **Muy bien 8,0**
Puntuación basada en 1152 comentarios

[Centro histórico de Sevilla, Sevilla](#)
Hay 19 personas mirando este hotel.
Última reserva: hace 37 minutos

Precio para 7 noches
€ 706,86

Reserva ahora

Sevilla Central Suites Apartamentos ★★★ **Excepcional 9,7**
Puntuación basada en 164 comentarios

Reserva más rápido
Con los filtros, nuestros clientes tardan menos en encontrar lo que buscan. ¿Tú los has probado?

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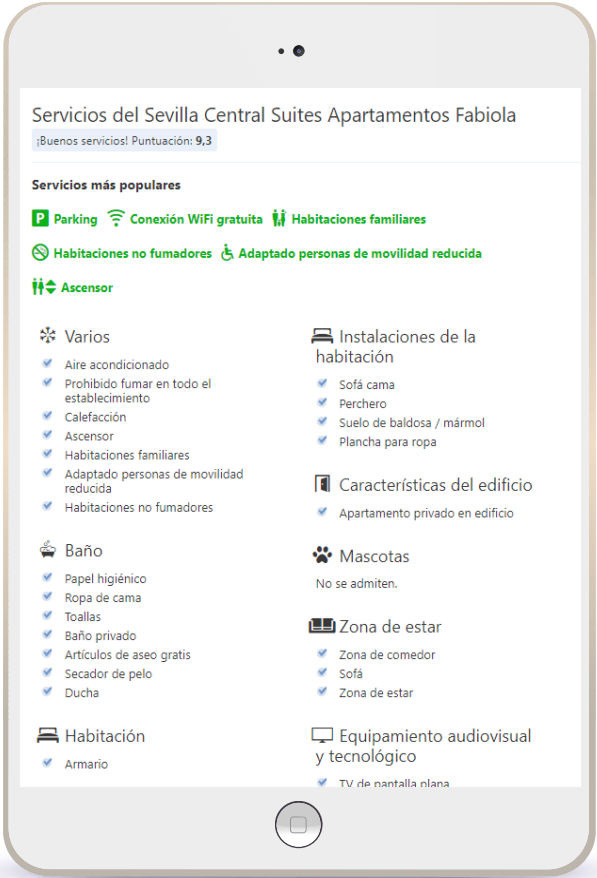
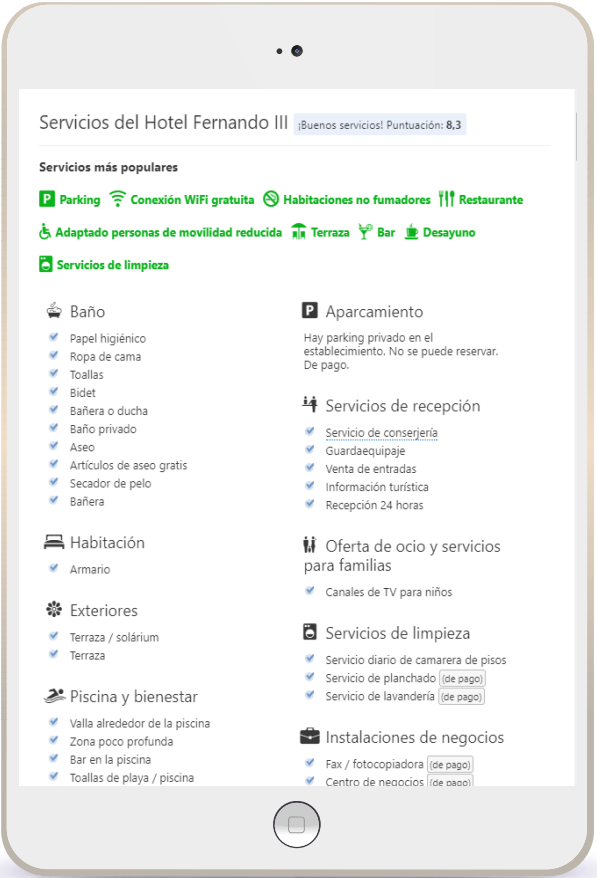
Decision making process : Consult opinions

Work with the whole team to improve your reputation



Decision making process : Compare services

Review the information on your hotel and your competitors



Decision making process : Find the best price for the same product

Control your distribution

The screenshot displays a hotel booking interface. On the left, there are filters for 'Estrellas' (stars), 'Valoración' (ratings), 'Precio' (price), 'Distancia desde' (distance from), and 'Lo más buscado' (most searched). The main area shows a hotel listing for 'IMG Fernando III' with a 3-star rating and a price comparison table. The table lists prices from various providers: TravelRepublic (71 €), Expedia (72 €), Hoteles.com (72 €), and Amoma.com (118 €). A 'Ver ofertas' button is visible. Below the main listing, a 'Comparación de precios' section shows a detailed comparison of prices and amenities for different room types across various providers.

Proveedor	Producto	Precio
TravelRepublic	Consulta la web de reserva para ver más detalles. Desayuno no incluido	71 €
Booking.com	Habitación Doble Estándar (1-2 adultos) - 1 o 2 cama... Desayuno no incluido	71 €
HOTUSA hotels	DOBLE STANDARD Desayuno no incluido	71 €
HOTUSA hotels	Twin (doble 2 camas) Desayuno no incluido	71 €
Expedia	Habitación doble estándar Desayuno no incluido	72 €
Hoteles.com	Habitación doble estándar Desayuno no incluido	72 €

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Decision making process : Consult the hotel website

Be different, make sure your product shines on your web



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Summary of decision making process



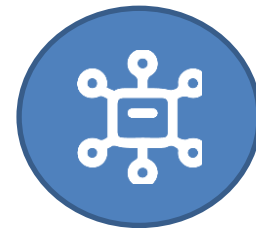
Search by
Price



Compare
Services



Compare reputation



Price
Comparison
by channel



Consult website

Traveller Life Cycle



The Life Cycle of the Traveller



- More than **60%** of travelers start researching their trip more than four weeks out from the day of booking

Source: Comscore Consumer Path to Purchase – December 2014



Package Bookers Consume a Lot of Travel Content, Especially the Week of Booking

- Travel content consumption the week of a package booking more than doubles the prior week's volume

Number of visits to travel sites made by package bookers 45 days before booking

38



Expectations for each type of customer

- › A previous experience in the category
- › Global personal experience
- › Requirements in each situation
- › Different options available (substitute products)
- › Experiences of other customers (Opinions)
- › Budget available
- › Profitability or pleasure obtained

↓

EXPECTATION OF QUALITY

↓

**MAXIMUM PRICE RANGE THAT A CUSTOMER IS
PREPARED TO PAY**



**Different for
each type of
client**

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Customer Centric RM in Beonprice

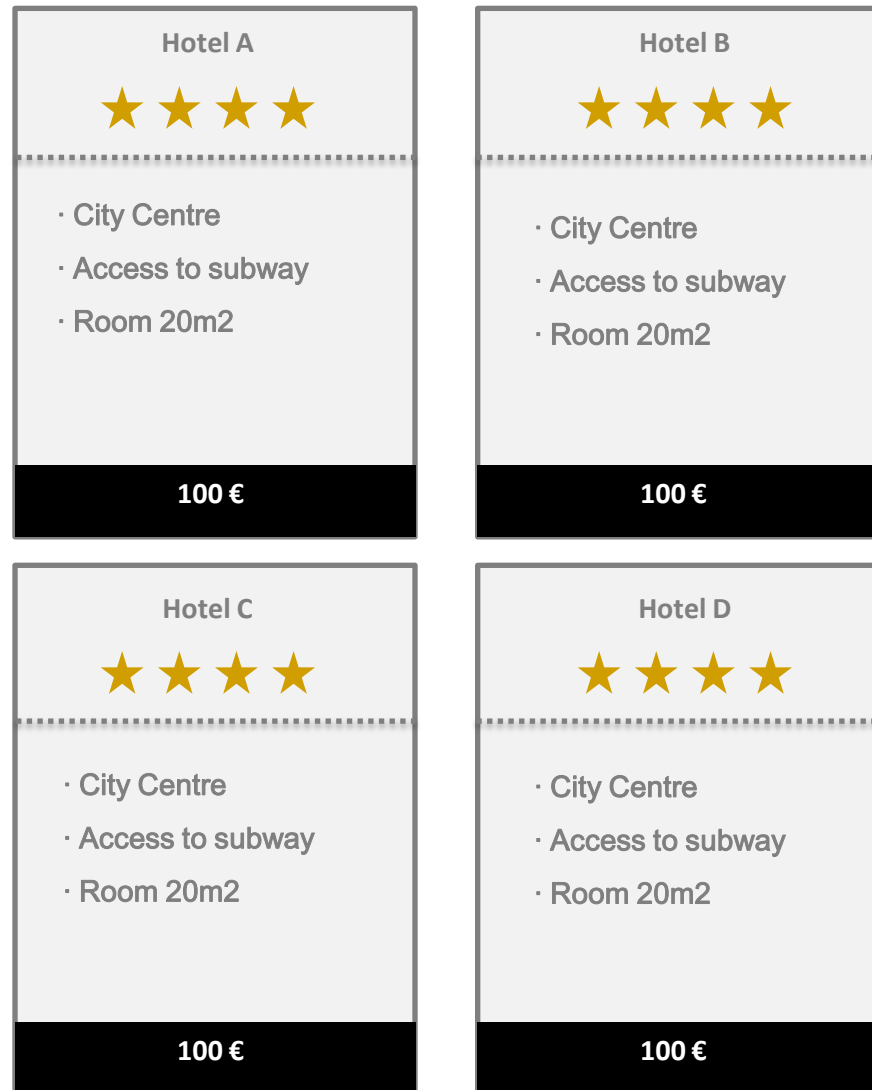
BEONPRICE has created BQI® : the only index in the hotel market which measures the all round quality of a hotel in order to understand the **competitive positioning** and the **price elasticity** in the Marketplace.

The BQI® takes into account **more than 21 objective parameters** such as location, hotel services, restaurants, room size etc, as well as the online reputation.

BQI imitates the customer booking behaviour taking into account the expectations of quality of the property both before and after the reservation.



Competitive Set A



- 4 hotels with the same quality
- Same services
- Similar product
- Identical Price




**SAME PROBABILITY OF
SALES**

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Competitive Set B

Hotel A
★★★★★




- City Centre
- Access to subway
- Room 20m2

Muy bien 8,5

100 €

Hotel B
★★★★★




- City Centre
- Access to subway
- Room 20m2

Fabuloso 8,6

100 €

Hotel C
★★★★★




- City Centre
- Access to subway
- Room 20m2

Fantástico 9,0

100 €

Hotel D
★★★★★



- City Centre
- Access to subway
- Room 20m2

Fantástico 9,3

100 €


- 4 hotels with the same quality
- Same services
- Similar product with different styles (image)
- Identical Price
- Different reputation



ONLINE REPUTATION WILL
DETERMINE THE
PROBABILITY OF SALE

Competitive Set C

Hotel A
★★★★★




- City Centre
- Access to subway
- Room 20m2

Muy bien 9,0

100 €

Hotel B
★★★★★




- City Centre
- Access to subway
- Room 20m2

Fabuloso 9,0

110 €

Hotel C
★★★★★




- City Centre
- Access to subway
- Room 20m2

Fantástico 9,0

106 €

Hotel D
★★★★★



- City Centre
- Access to subway
- Room 20m2

Fantástico 9,0



120 €



- 4 hotels with the same quality
- Same services
- Similar product with different styles (image)
- Identical Reputation
- Different price



**PRICE WILL DETERMINE
THE PROBABILITY OF SALE**

Competitive Set D

Hotel A	Hotel B
	
<ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2	<ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free Wifi
Muy bien 8,5	Fabuloso 8,6
100 €	100 €





Hotel C	Hotel D
	
<ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free Wifi	<ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free WifiSpa & Pool
Fantástico 9,0	Fantástico 9,3
100 €	100 €

- 4 hotels in the same category
- Same characteristics
- Similar product with different styles (image)
- Different services available
- Identical Price
- Different reputation



PROBABILITY OF SALE WILL
BE A MIX OF SERVICES AND
REPUTATION

Competitive Set E

<p>Hotel A</p> <p>★★★★★</p>  <ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2 <p>Muy bien 8,5</p> <p>100 €</p>	<p>Hotel B</p> <p>★★★★★</p>  <ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free Wifi <p>Fabuloso 8,6</p> <p>108 €</p>
<p>Hotel C</p> <p>★★★★★</p>  <ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free Wifi <p>Fantástico 9,0</p> <p>113 €</p>	<p>Hotel D</p> <p>★★★★★</p>  <ul style="list-style-type: none">· City Centre· Access to subway· Room 20m2· Free WifiSpa & Pool <p>Fantástico 9,3</p> <p>125 €</p>

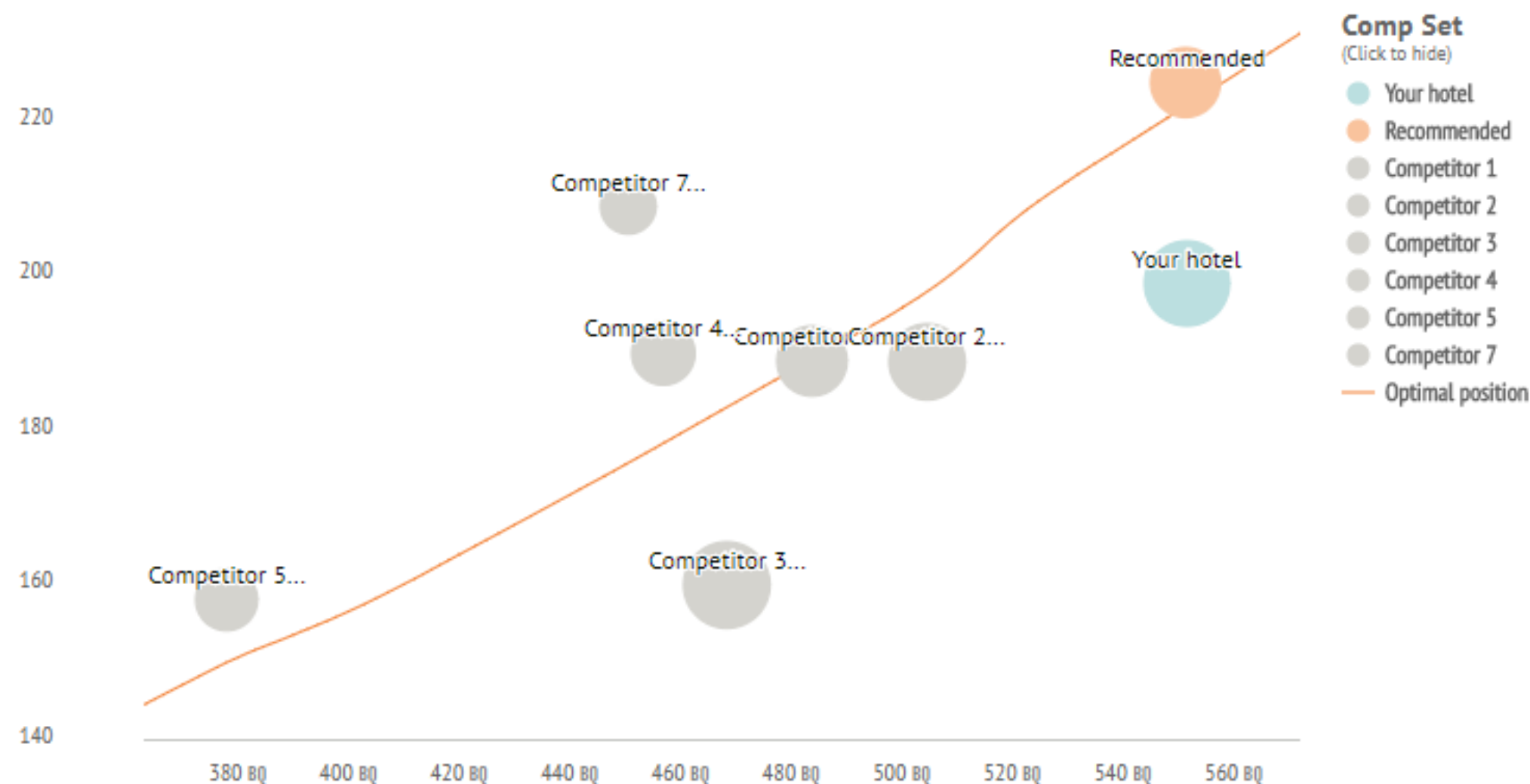
- 4 hotels in the same category
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- Different reputation



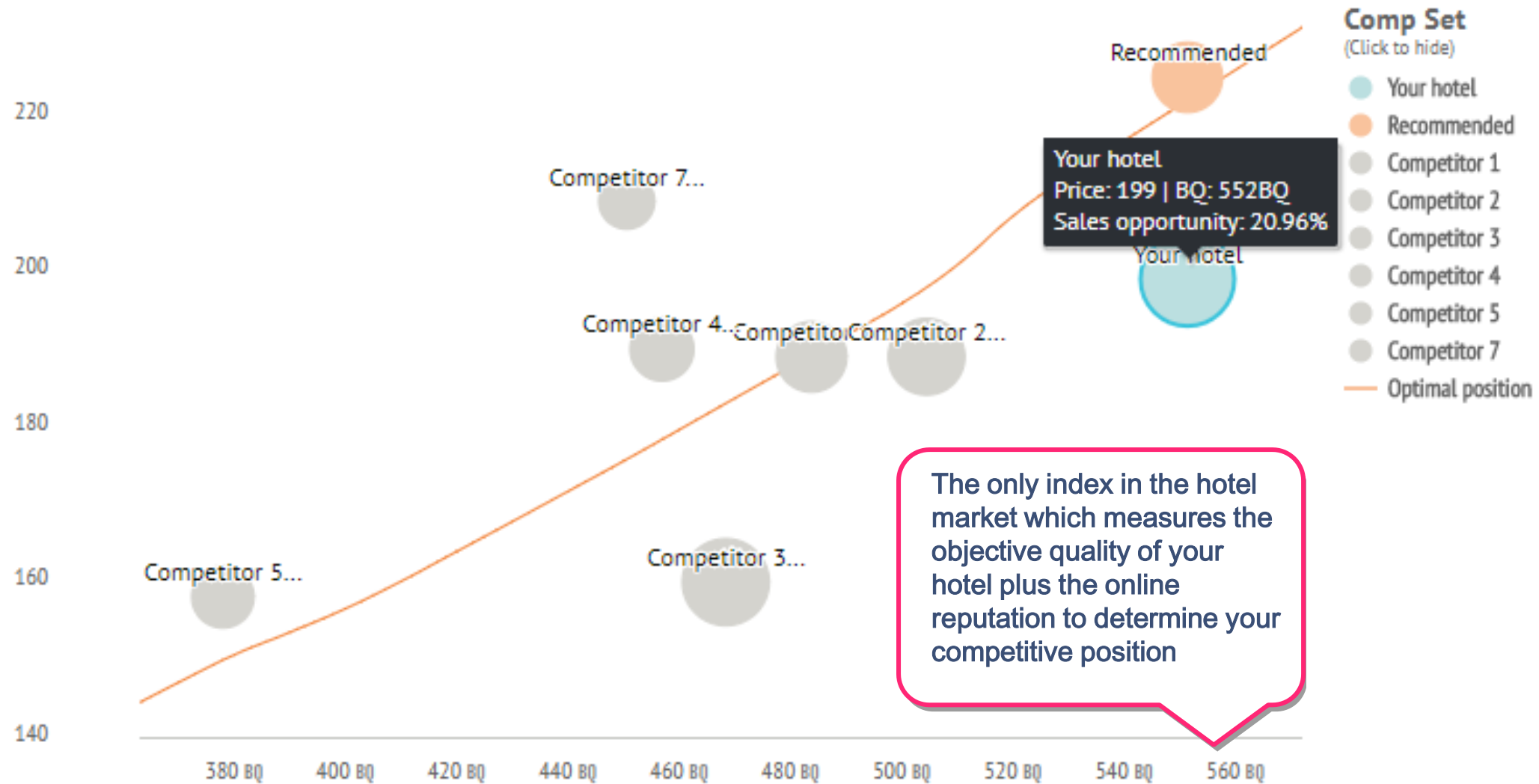
PROBABILITY OF SALE WILL BE A
MIX OF OBJECTIVE QUALITY,
REPUTATION AND PRICE

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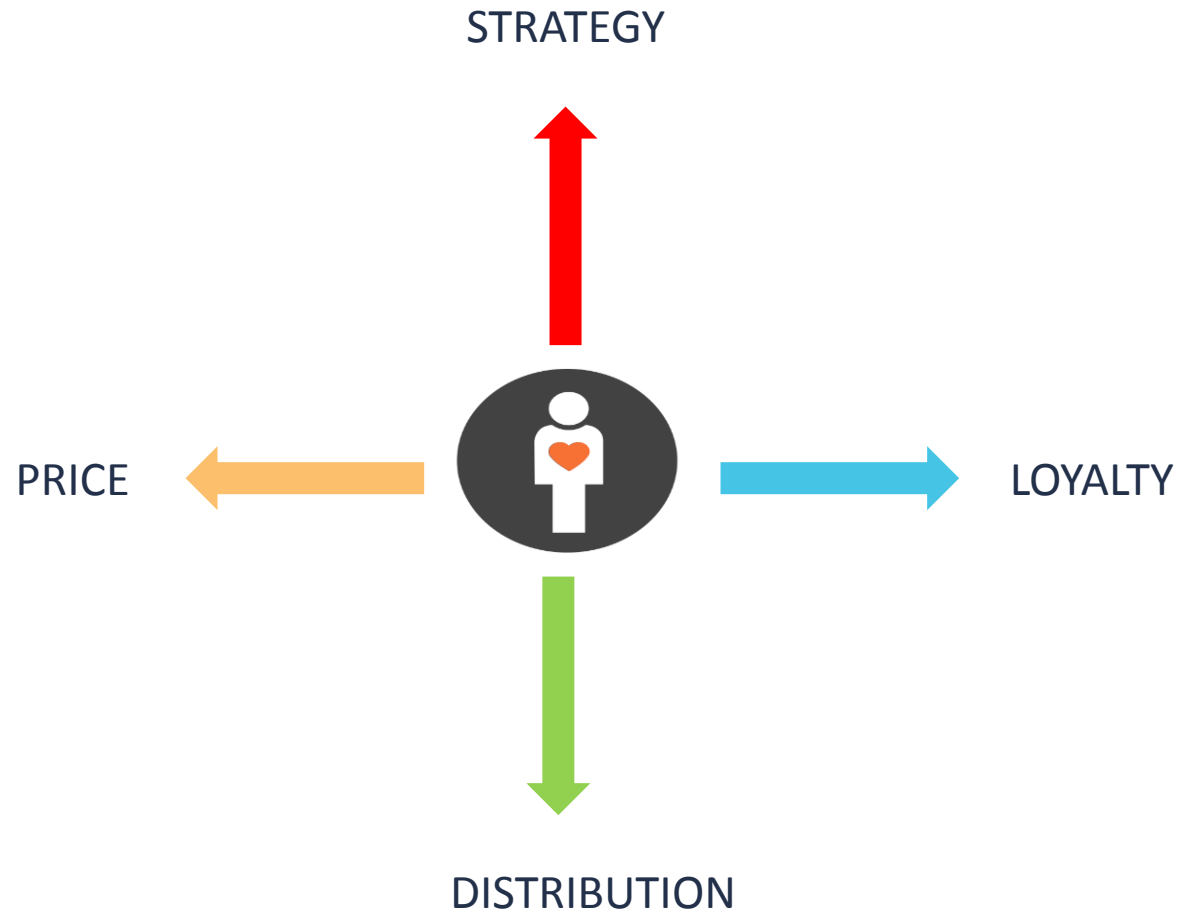
The relationship between Quality & Price is fundamental



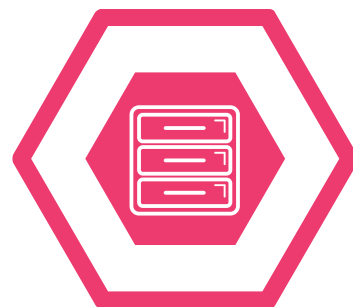
The relationship between Quality & Price is fundamental



Where should Customer Centric RM be applied



Part of a Digital Transformation



BIG DATA

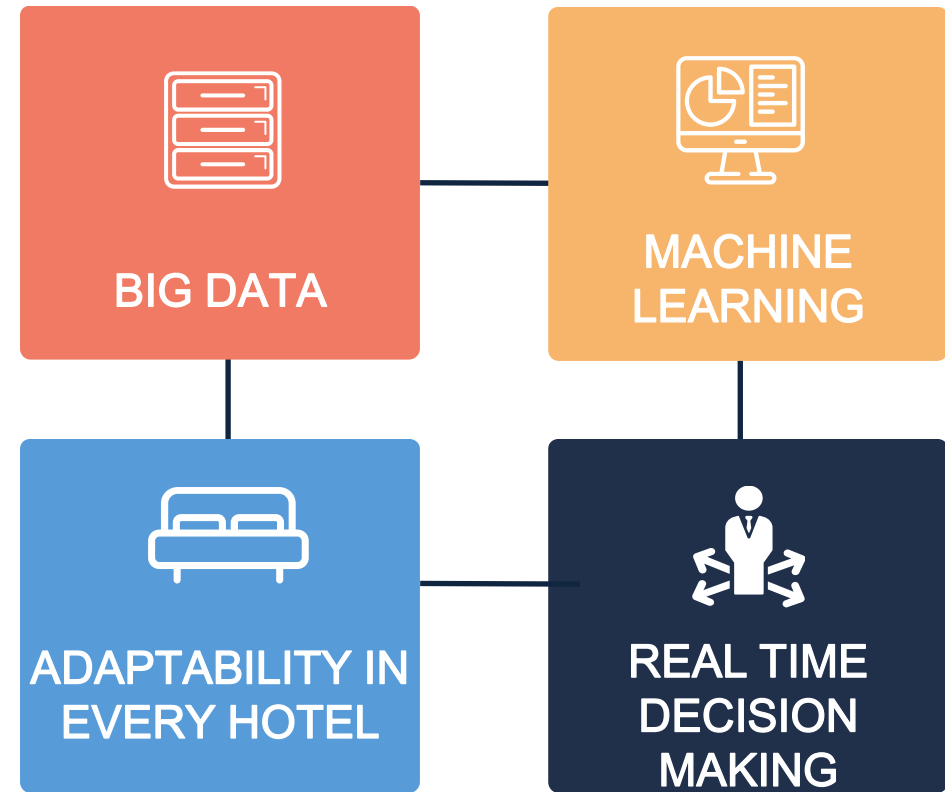


SMART DATA





Technology transforms the way we work



REVENUE MANAGEMENT SYSTEM



Less time spent on
extracting data



Better information



More time to think
about strategy

NET RevPAR

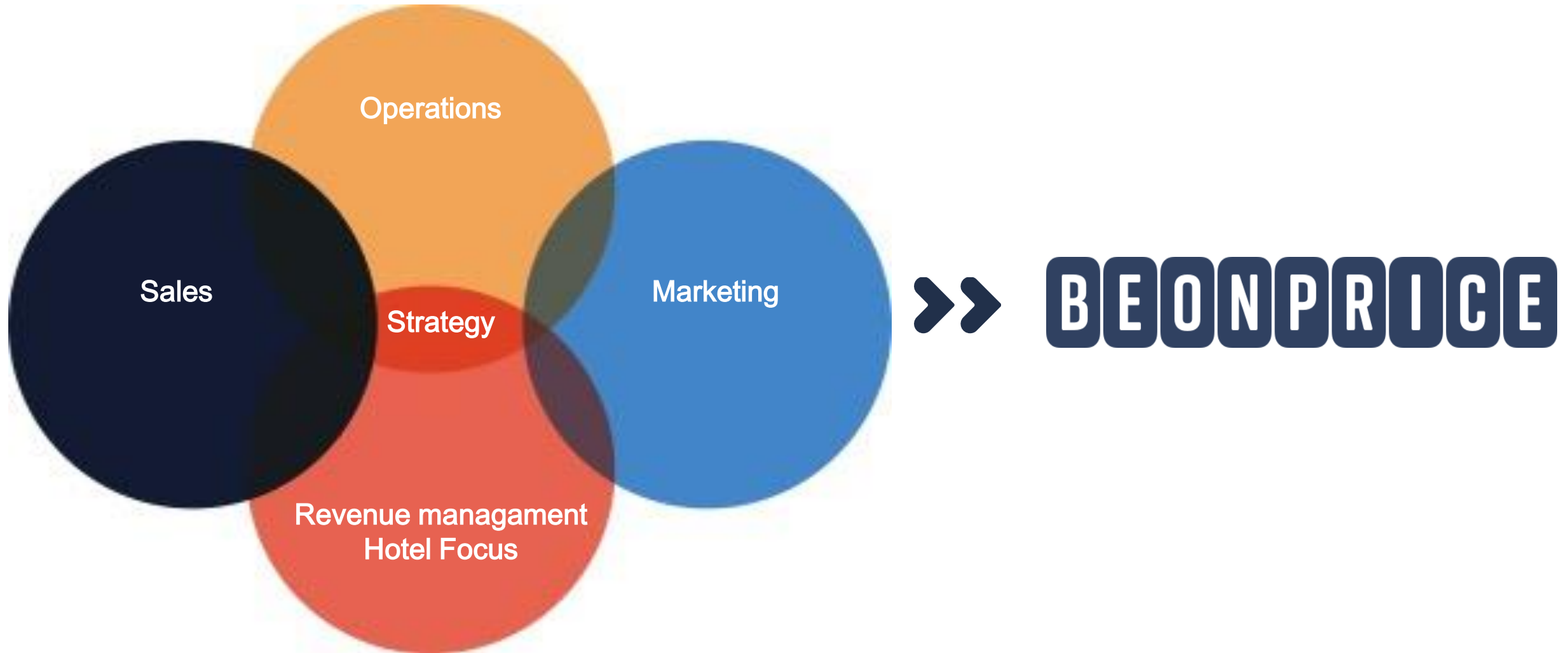
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Transform decision making



Transform the decisión making process



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Provide all the data to all *stakeholders*



One tool for all departments

All data on the same platform



More efficient meetings

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2 TYPES OF ROI

“Financial” ROI



Increase in RevPAR

“Organizational” ROI



- + Agile
- + Efficient
- + Strategic

Do you want more info?

info@beonprice.com

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Data-driven RevPAR People-driven service

