



eBook

10 Tips To Increase Your Hotel Revenue by **2X**





Contents

Introduction	3
Revenue Management	4
Basic Strategies	5
Advance Strategies	7
Conclusion	11



INTRODUCTION

In today's competitive hospitality industry, maximizing revenue is the key to achieving sustainable success. Whether you are a seasoned hotelier or an aspiring entrepreneur, this ebook is designed to equip you with valuable strategies and insights to take your hotel's revenue to new heights.

In an era where customer preferences and market dynamics continually evolve, it is crucial for hoteliers to adapt their revenue-generation tactics to stay ahead. This ebook aims to provide you with a comprehensive roadmap that explores innovative approaches, industry best practices, and practical tips to help you grow your hotel's revenue by an impressive 2x.





REVENUE MANAGEMENT

What is Hotel Revenue Management?

Hotel Revenue Management is the strategic practice of maximising a hotel's revenue and profitability by optimising pricing, inventory, and distribution channels. It involves analysing market demand, forecasting trends, and implementing data-driven strategies to determine the most effective pricing and distribution tactics. The primary goal of revenue management is to sell the right product to the right customer at the right price, ensuring that the hotel achieves the highest possible revenue and profitability

Revenue management for hotels can be wrapped up into 5 R's. It is all about selling:

5 R's for Revenue Management



Right Room

Right Guest

Right Moment

Right Price

Right Platform



BASIC STRATEGIES

1. Offering Early Check-in and Late-Checkout

Charge for certain premium services rather than offering them for free is one of the simplest methods to boost revenue at your hotel. Many hotel visitors like the option of early check-in and late check-out times. These requests are currently being fulfilled for free by an astounding number of hotels.

2. Think Beyond Corporate Events & Weddings

Your group sales staff should be encouraged to expand their horizons beyond the typical corporate and wedding events. Several options include:

- Numerous Town halls
- Alumni Reunion
- Poolside Parties
- Annual General Meetings

Include local organizations in your outreach efforts, or reach out further if your hotel has something special to offer. For instance, Heritage properties build an entire experience which include trekking, club safaris and more. Refer to the examples below:



Here's How Alila, Fort Bishangarh is enhancing the customer experience



Here's How Banjaara Tola if offering the Club Safaris

3. Offer Room Upgrades Before Arrival

One of the typical methods used in the hotel sector to generate extra income is to allow clients to upgrade their basic room to a higher category. Agents at the front desk typically carry it out upon check-in.

However, you can also submit your room upgrades prior to arrival by taking advantage of the guest journey's anticipation stage.

This has a number of benefits:

- It gives potential customers an opportunity to consider your offerings and make reservations at their convenience.
- You can increase occupancy by reselling your lower-category rooms when clients pay for an upgrade in advance. When demand outpaces supply, this tactic is quite advantageous. You can avoid overbooking by selling high-category rooms rather than offering free upgrades. As a result, the more luxurious hotel rooms produce more revenue.



4. Collaborate with Local Businesses to Provide Outings & Activities

It is highly likely that your leisure guests will be seeking and paying for outings and activities beyond your hotel. One effective method to boost your revenue is to establish partnerships with local businesses, enabling you to offer their services to your guests at a reduced price. Subsequently, the businesses will compensate you with a commission or referral fee when your guests avail themselves of their outings or activities.

By referring guests to local businesses, you will foster goodwill with your partners while simultaneously increasing your hotel's revenue. This straightforward suggestion can yield significant benefits.

5. Start Upselling

Research indicates that there are few common upselling avenues that hotels can leverage. If your establishment isn't currently capitalizing on these upsell opportunities, you may be overlooking significant revenue potential.



- **Parking Fees:** Many hotels have introduced parking and valet fees as standard billing practices. By implementing this additional charge, you can generate revenue while covering the costs associated with parking facilities and services.
- **Pet Fees:** Numerous guests are willing to pay an extra fee to bring their pets along during their stay. However, it's important to consider the potential increase in cleaning expenses that accommodating pets may entail.
- **Shuttle Transportation:** Guests value convenience and are often willing to pay for it. Offering a shuttle service to the airport or local attractions presents an excellent opportunity to boost revenue while enhancing guest satisfaction.
- **Retail or Gift Store:** Hoteliers can augment their revenue by providing in-house retail or gift stores, catering to guests' purchasing preferences. By offering products and items that guests desire, you create a convenient and profitable shopping experience within your establishment.
- **Exclusive Access:** Provide exclusive access to facilities or services not available to all guests, such as a private pool area, rooftop lounge, business center, or priority access to amenities like fitness centers or spas.
- **Special Occasion Packages:** Develop packages tailored to specific occasions, such as anniversary celebrations, birthdays, or romantic getaways. Include extras like champagne, flowers, chocolates, or spa treatments to make the occasion memorable.

By actively embracing these upselling opportunities, your hotel can unlock additional revenue streams while meeting the needs and desires of your guests.



ADVANCED STRATEGIES

6. Encourage Sales Staff to Promote Upselling for Increased Revenue

Motivating and incentivising your hotel sales team to actively promote upselling has proven to be a successful method for boosting revenue. As your staff interacts extensively with guests, they are well-positioned to capitalize on upsell opportunities.

A positive and motivated staff is crucial for a hotel's success, and one way to achieve this is by offering financial rewards for upselling your services. You can also introduce friendly competitions among employees, with a monthly prize for the team member who achieves the most upsells.

It is essential for your staff to fully embrace the upselling strategy for it to be effective. They can also contribute valuable insights and ideas for increasing revenue since they have firsthand knowledge of what guests desire.

By involving your staff in revenue-related discussions, providing incentives for upselling, and fostering high morale, you can effectively increase your hotel's revenue.

7. Maximize your Operations with Automation

In an era of staff shortages faced by numerous hotels, automation has become a valuable ally for hotel managers. Embracing automation allows your existing team to accomplish more with limited resources, enabling you to maintain a superior guest experience while navigating through staff vacancies.

Routine tasks such as check-ins, check-outs, addressing frequently asked questions, or soliciting reviews from departing travelers often consume your team's time. Fortunately, advancements in hotel technology have revolutionized these processes. Modern solutions offer innovative ways to streamline operations and automate numerous manual tasks.



By leveraging automation, you can enhance efficiency, improve productivity, and alleviate the burden on your staff. This allows them to focus on more valuable and guest-centric responsibilities, contributing to an elevated guest experience overall.

Use tools like:



OPERA Cloud provides an intuitive user interface, extensive features encompassing all aspects of hotel management, secure data storage, and a wide array of partner integrations to cater to the diverse requirements of hotels, regardless of their scale or nature.



Operto is a comprehensive automation platform that offers a range of features to enhance both staff management and guest experience. With a user-friendly dashboard, you can efficiently coordinate your teams, maintain seamless communication with guests, and more.



Spalba is a sales enablement tool designed for hotels, resorts, clubs etc to scale their banquet revenue by 2X through VR enabled Digital Twin - that allows you to sell your venue anytime and anywhere, Event Mockup Builder - to create wedding mockups, corporate event mockups and more.



SkyTouch Technology has been offering the most popular hotel property management system (PMS) software, effectively addressing a wide range of property management requirements.



8. Spice Up your Food and Beverage Offerings

Unleash the revenue-boosting potential of your F&B department through captivating upselling deals. It's time to make your menus sizzle and your breakfast options tantalizing.

Experience jaw-dropping results! Some Radisson Blu Hotels have witnessed a staggering 70% sales increase by upselling their breakfast offer through Oaky.

In a world where F&B trends and consumer preferences are ever-evolving, staying ahead of the game is essential. Keep your offerings fresh and exciting by regularly testing new deals that appeal to your discerning guests.



9. Take advantage of quiet days

Days with less activity can actually be advantageous if you know how to utilize them effectively. Conduct research to identify the specific group of guests to target during slow periods and create attractive offers tailored to their preferences. To stand out from your competitors, prioritize providing value rather than simply offering discounts.



10. Supercharge your Online Presence & Revenue with Strategic Optimization

In today's digital world, travelers and tourists rely heavily on online advertising and review platforms to discover their perfect hotels and resorts. Don't miss out on potential guests - it's time to optimize your online presence and cater to those actively seeking your unique offerings.

Enhance your online reputation by boosting positive reviews and captivating guests with engaging social media content. Make an impact and create a buzz that resonates with your target audience.

But optimization is a journey, not an overnight miracle. It requires time and effort to identify your ideal customer profile and unlock the full potential of your website's content to drive organic traffic

Forget about simply raising prices to increase revenue - it's all about optimizing your room rates. Tailor your pricing strategy to different times and various online platforms, strategically attracting the right customers to your hotel.

Don't settle for ordinary. Transform your online presence, captivate your audience, and maximize revenue by mastering the art of optimization. Your hotel deserves to shine!



CONCLUSION

In conclusion, the hospitality industry requires a proactive and adaptive approach to maximize revenue and secure long-term success. This ebook serves as a valuable resource for both experienced hoteliers and aspiring entrepreneurs, offering strategic guidance and insights to elevate your hotel's revenue to unprecedented levels.

As customer preferences and market dynamics constantly change, it is essential to stay ahead by evolving revenue-generation strategies. The ebook provides a detailed roadmap that encompasses innovative approaches, industry best practices, and actionable tips to empower you in achieving remarkable revenue growth for your hotel.