

Full Stack Yield and Revenue Management

Case Study

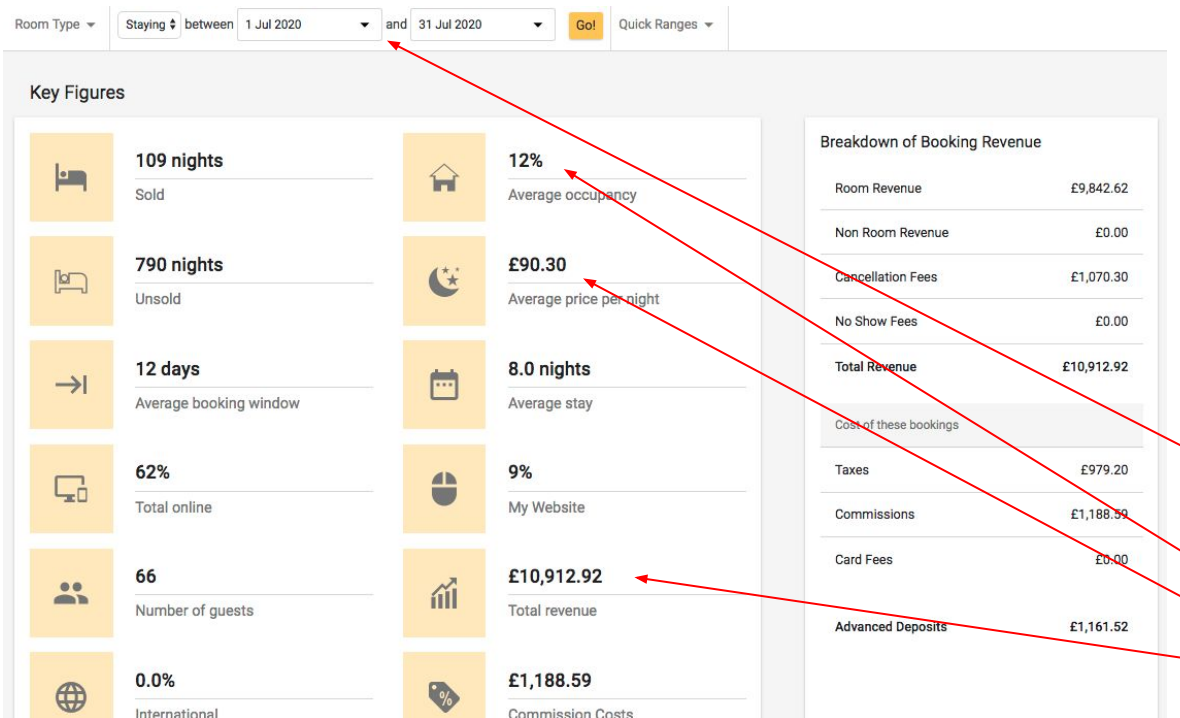
Blackpool Hotel - 29 rooms



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Blackpool Hotel 29 rooms **BEFORE**



This screenshot is taken directly from the hotel PMS / Channel Manager system report for July 2020

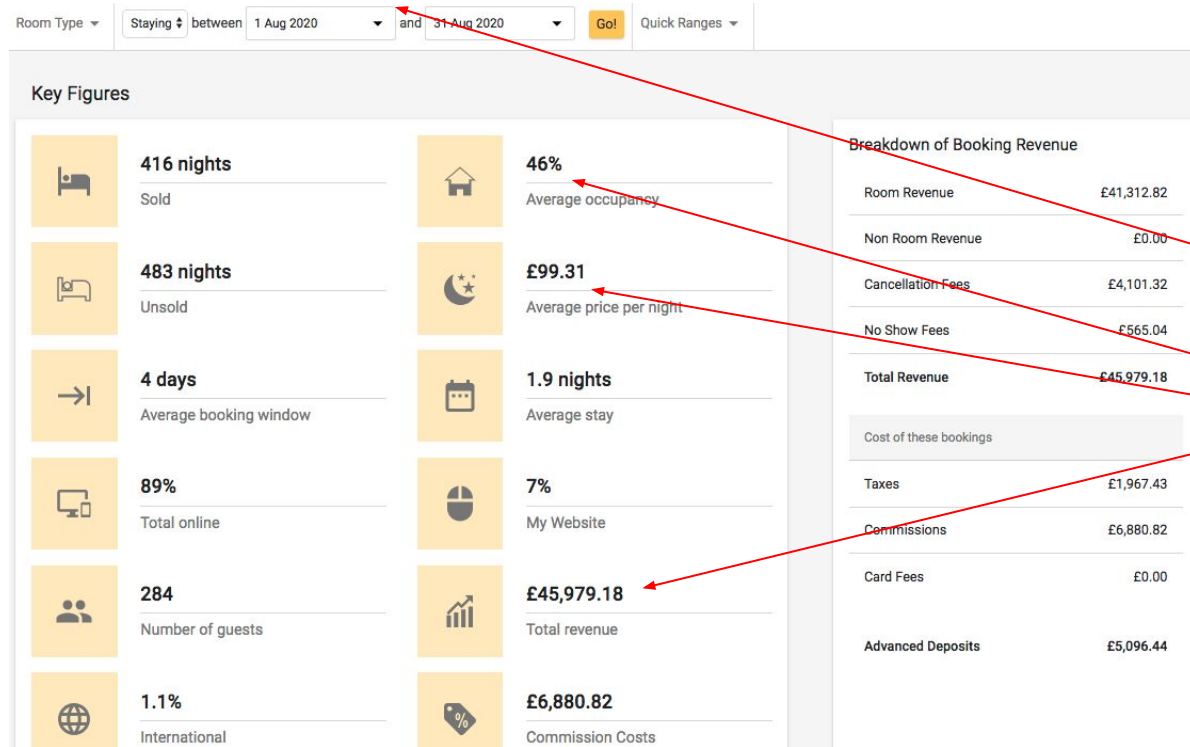
In their first month reopening after lockdown they were in need of help:

July 2020
(stayed room nights)

Occupancy: 12%
Average Daily Rate: £90.30
Revenue: £10,912.92



Blackpool Hotel 29 rooms - AFTER



This screenshot is taken directly from the hotel PMS / Channel Manager system report for August 2020

The Hotel Pro have been managing their rates and inventory from 4th August.

August 2020 (to date)

Occupancy: 46%

Average Daily rate: £99.31

Revenue: £45,979.18

This shows a **+321%** revenue increase month-on-month to date. This is done via their PMS and channel manager - this distribution alone does not cover all online channels.



So how do we do it?

We implemented our own revenue strategy, focused on driving the occupancy and selling every room at the best price possible

We cleaned up all of their promos and made everything flexible (covid and all) to increase conversion, then the rank went up.

Because we got rid of all non refundable rates, we could go down on flexible rates mid-week and target one room type aggressively.

This helped the overall rank even more.
So we used one room type purely for the rank, the remaining rooms - for sales.

**So as a result the ADR is growing.
Now midweek is filling up and all weekends are full.**



Let's look at costs

Unsold inventory costs you money.

The average cost of employing a dedicated Revenue Manager in your property will add around a £3000 fixed cost to your monthly payroll, all year round (even in low periods)

Our pricing plan allows flexibility on a variable cost model, giving you a 365-day rate and yield management solution for a small % of room revenue depending on your property size.

So the plan literally pays for itself.



*In this case study, the owner was set up on a **trial 3% fee** which means for August (to date) their revenue has grown by **£37,500** and their Hotel Pro fees for that month equalled that of only **13 room nights = £1273** which were otherwise left unsold in July.*





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