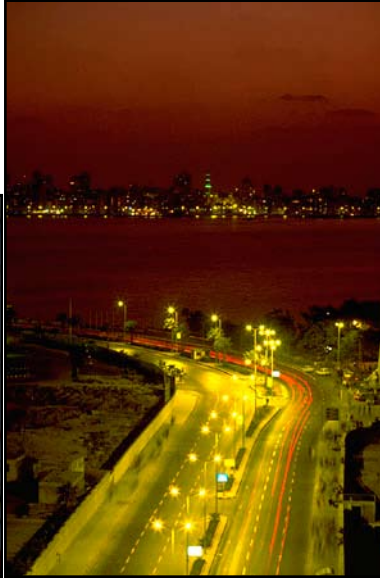
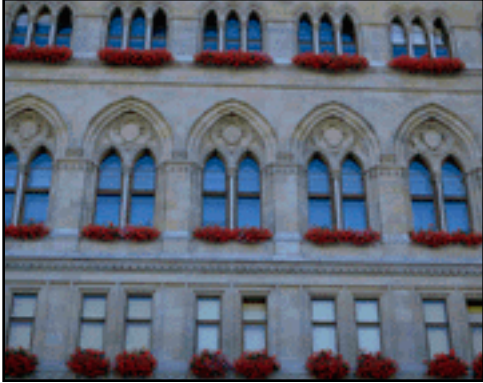


Special Report



Hotel Revenue Management in an Economic Downturn: Results from an International Study

by Sheryl E. Kimes

March 2009

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ABOUT THE AUTHOR



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Revenue management (RM) has been practiced in the hotel industry for over twenty years and has been adopted by nearly all of the major hotel chains and many independent hotels. With the recent economic downturn, many hotel revenue managers have been struggling with how best to manage declining demand and the pressures to reduce rate. I was interested in finding out what RM professionals consider to be the most important issues facing RM, how they have changed the one in which they manage revenue and what they view as the future of RM. Although a similar study was done in September 2008 (Kimes 2008), the economic situation has changed considerably and it seemed that a follow-up study was warranted.

Hotels in nearly all segments in most parts of the world have experienced drops in occupancy, ADR and RevPAR. I wanted to see how the economic downturn was affecting the practice of RM. In order to do this, I conducted an on-line survey of hotel RM professionals throughout the world. I then analyzed the results and drew on past research to develop specific suggestions on how hotels should approach RM during low demand periods.

The Survey

Eye for Travel, a large organization which sponsors conferences on RM and distribution throughout the world, agreed to assist with the distribution of the survey and sent personalized email invitations to all hotel RM professionals on their distribution list. The survey was posted on February 4, 2009 and by the end of March 2009, 291 completed responses were obtained.

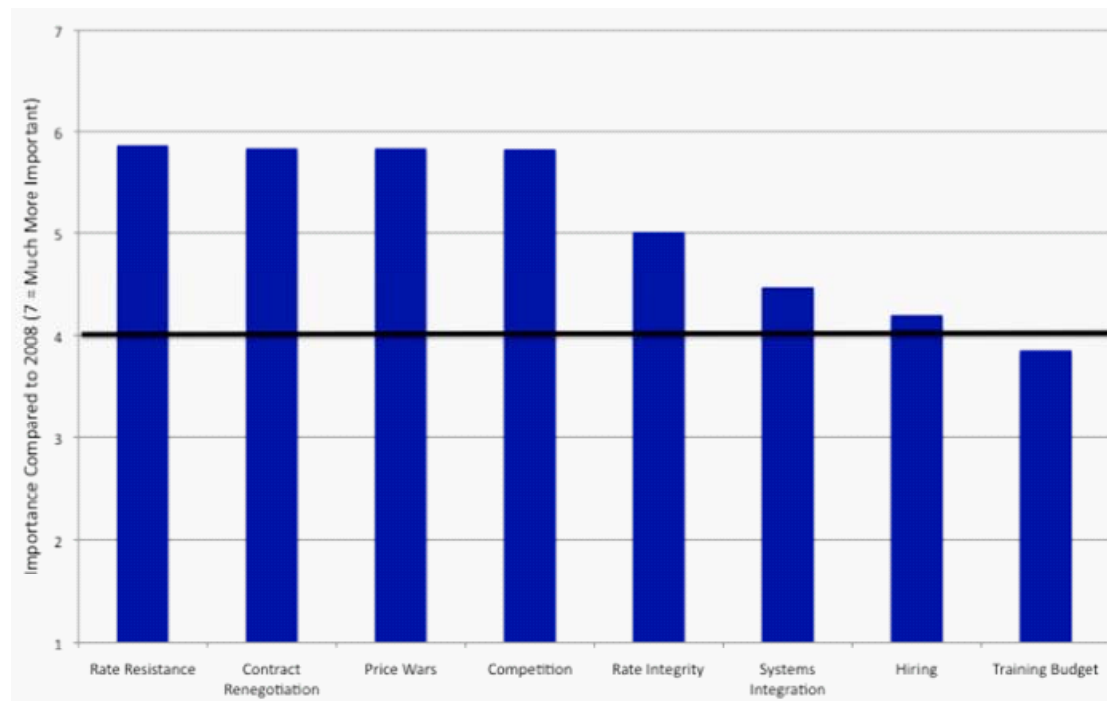
Survey respondents were asked to evaluate eight different issues and assess how the importance of those issues had changed from the previous year. In addition, respondents were asked several questions on how occupancy, ADR and RevPAR performance had changed at their hotels during the previous year. In addition, the survey posed three open-ended questions on major issues, changes and the future of RM. Finally, the survey recorded various demographic statistics including each respondent's job position, amount of RM experience, level of education, and geographic location.

Demographic Profile

About a third of the respondents (34%) served in an executive position in RM while more than half (55 percent) worked as a revenue manager. About 10 percent of respondents worked as analysts or consultants.

EXHIBIT 1

Revenue management issues



About a third (32 percent) of the respondents worked in Europe, 37% worked in Asia and the Middle East and 29% were from the Americas. Only 5% worked in Africa or Australia. The respondents had considerable revenue management experience, with 58 percent having more than five years of experience (and 20% having more than ten years). At the other end of the scale, only 13 percent had been working in RM for less than two years. The respondents were highly educated, with 80 percent reporting that they held a college degree. About 30 percent of the respondents held a post-graduate degree.

How Has Performance Changed?

Respondents were asked to compare current hotel performance to the previous year's on a 7-point scale (1 = much lower, 7 = much higher). Not surprisingly, performance was down significantly from the previous year. Occupancy received an average rating of 2.49; ADR, 2.73 and RevPAR, 2.68. Occupancy ratings did not vary by region of the world, position level, education or amount of experience, but North American and Asian respondents rated ADR and RevPAR as significantly lower than did respondents from other parts of the world.

Respondents were also asked to assess average length of stay and booking patterns. Guest length of stay was down significantly (2.95) and respondents reported that customers

were booking their reservation much closer to their arrival date (average rating of 2.28). Length of stay and booking patterns did not vary by region or education, but respondents with 3 – 10 years of RM experience rated current customer length of stay as significantly shorter than the previous year, and more experienced revenue managers considered the booking window to be significantly shorter.

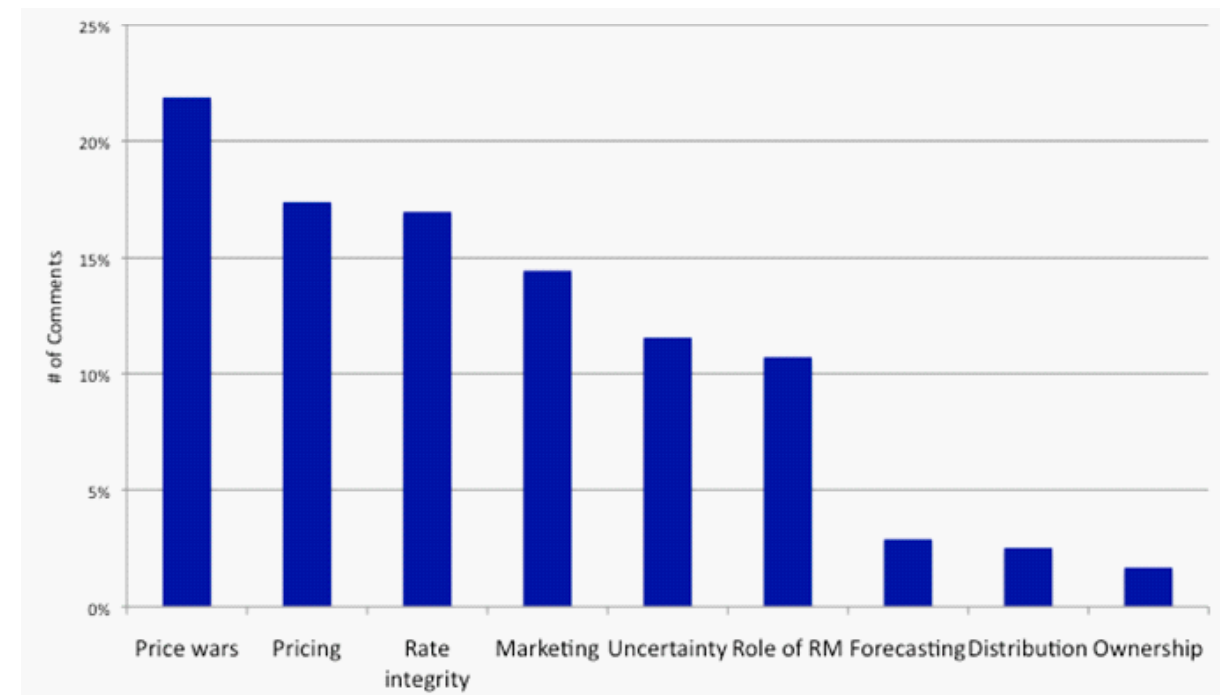
Change in Importance of Issues

Respondents were asked to assess how the importance of eight different issues had changed since the previous year on a 7-point scale: 1 = much less important, 7 = much more important. Issues considered were competition, contract renegotiations, customer rate resistance, price wars, rate integrity, RM hiring, systems integration and training budget.

The top four issues were customer rate resistance (5.86), contract renegotiations (5.84), competition (5.83) and price wars (5.80). Issues that had not changed much in importance during the previous year included training budgets (3.91) and RM hiring (see Exhibit 1). There were no significant differences based on amount of experience, education or position. European respondents indicated that systems integration had a significantly higher increase in importance during the previous year; there were no other significant differences by region.

EXHIBIT 2

Issues facing revenue management professionals



Open-Ended Questions

Respondents were also asked three open-ended questions on the most important issues facing RM, the changes in RM practice that they had observed over the previous year, and their vision of the future of RM. The responses were sorted into eight to ten categories for each question.

Specific issues. The majority (77.5 percent) of respondents answered the open-ended question regarding the issues that they viewed as the most important facing them as revenue managers. By far the most frequent comments had to do with pricing (please see Exhibit 2). A number of the respondents also commented on marketing issues (11.6 percent) and on the increased uncertainty facing them (10.7 percent).

Price wars (21.9 percent of comments) was the most frequently mentioned issue. Respondents commented on price wars and about the pressure they felt to reduce price to maintain market share and stay competitive. Many also talked about how price wars can ultimately affect the grand image of a hotel. Please see Exhibit 3 for representative comments.

Pricing (17.4 percent of comments) was also commonly mentioned. Respondents talked about the increased price sensitivity of their guests and how price negotiations with certain market segments had increased. They also discussed the difficulty with determining the best price to offer and

EXHIBIT 3

Representative comments on price wars

- Hotels that still haven't learned that dropping rates will not recover enough revenues to cover the discounting. These just cause price wars in the long run.
- Price War issues—how low does one go? As well as with that a "rates versus perceived services" issue. If one sells too low this may cause damage to a brand's perceived image. Having new or creative ways of "yielding" or selling the property and stimulating "limited" and uncertain demand.
- I think the world economic crisis is really making life difficult for the revenue managers. Especially with the price wars happening in all the major segments. Till mid 2008, it was a seller's market, at least for the major markets like Dubai & Maldives, which has changed in these last six months. With the world economy going down, people are afraid of spending money on travelling and companies have reduced their travel expenses. This has forced us to go for lower rates, and at the end of the day if you do not lower your rates, you are the loser. It's a challenging time and whoever can pass through these times will be a winner.
- Price wars! Keep your cool and be a price leader **also** in rough times. Your comp. set will follow (eventually).

EXHIBIT 4**Representative comments on pricing**

- Currently people are more and more price sensitive; the reason is the crisis but in general RM will become more and more important in all type of hotels and all revenue generating departments within that structures. RM is important during tough times—because you have to react and apply changes quicker and during good times to maximize REVPAR during the peaks or even GOPPAR in general
- Media educating consumers to shop and call the hotel direct to negotiate a better rate. Hotels are desperate for business and even though they know it is not our company policy, they are in many cases doing just that—giving rate lower than what is in the reservation system. —Oversupply of luxury hotels. —The AIG effect on group business.
- Revenue Managers will have less opportunity to yield the business that comes in to hotels. Pricing will become more aggressive to drive volume and occupancy and we will “take what we can” in the future. —The trends that are forming are taking from short or limited data so the accuracy of using them moving forward can be questionable, and the market mix is something we have never seen before which makes forecasting more challenging.
- The continued dropping of rate by the competitor in the negotiated and leisure segments have created pricing challenges.

EXHIBIT 5**Representative comments on rate integrity**

- Firstly, to continue Rate Parity policy vs. external sources of reservations. Secondly, to keep or improve service level at our hotels to win loyalty of the guests and their high notes on various Internet booking tools. Thirdly, not to panic, not to dramatically drop the prices of contracted corporate agreements nor best available rates of the day due to lowering demand. Fourthly, to scan and focus more this year on e-commerce, might be to create new position. And last but not least try to keep last year results in terms of revenues and RBE.
- Rate integrity—so many tactical offers in different market and it's hard to control. Also negotiation for contracted rate or group takes much longer and even for clients ask to review rates again although contract is signed already. —Also, RM system does not adjust the reality quick enough and it's hard to predict the future pattern and plan for long term strategy.
- Maintaining rate integrity and resisting the urge to discount with the misconception that it will increase volume
- Ability to convince owners and GM's to hold rate ton protect current and future integrity.

EXHIBIT 6**Representative comments on marketing concerns**

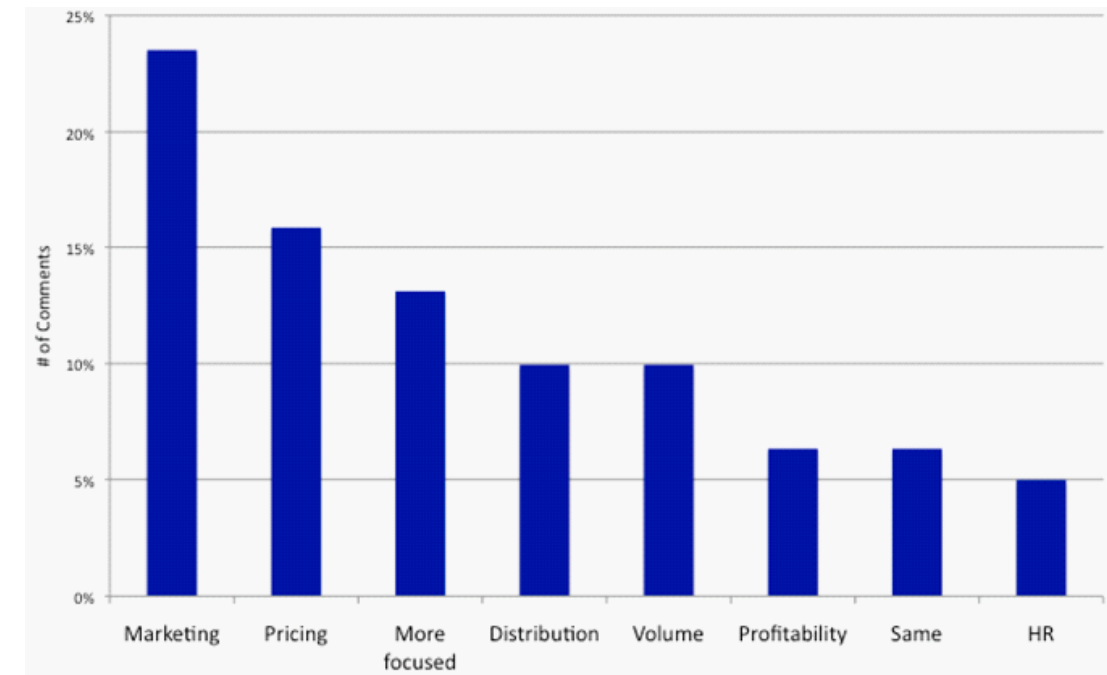
- Given the current and expected economic situation, a major issue will be how to maximise revenues in situations where properties are not always full. Of course looking for new channels will be important and perhaps introducing new very low rates. Just as important at least will be the ability to determine what price or prices to charge to maximise revenue on any given night whether or not this price is one that fills the property.
- Now with the Economic Crises, we see a drafting for small meetings, less time and money spent in hotels. So as RM we must be very careful on how and when changing rates, and always keep a very close eyes on the competitive set. As we are experience less demand in the market we can afford losing our market share.
- In the past 2 quarters or increase in group business has made up for our decrease in leisure business (almost one to one). This trend is slowing now, and the group business is now also slowing. We see the upcoming year as being a challenging one for both group business and leisure. We are focusing our attention on business less affected by the economy i.e. government groups. For leisure guests, we are focusing specific campaigns by season or segment more so than ever before.
- Maintaining market share. We understand travel is going to be down in all markets, our biggest or most important challenge is making sure we still capture our high market share. In YVR our December REVPAR/market share was 170 percent in our comp set.

the impact that those prices would have on driving demand. Please see Exhibit 4 for representative comments.

Rate integrity (16.9% of comments) was another area of concern. Respondents were concerned about the impact of discounts on the long-term rate integrity of the hotel and the difficulty that the hotel might face with increasing rates again after a prolonged period of offering discounted rates. Please see Exhibit 5 for representative comments.

Marketing concerns (14.5 percent of comments) were also mentioned along with the need for hotels to identify new market segments and new distribution channels to help maintain volume and market share. Please see Exhibit 6 for representative comments.

Changes in the past year. Respondents were also asked to comment on the changes that they had noted in the practice of RM during the previous year; 70.2 percent provided feedback. The most frequent comment had to do with the increased role of marketing-related activities (23.5 percent). Pricing was identified as the second most important change (15.8 percent). Other important changes included an increased focus required for revenue managers (13.1 percent) and the increased role of distribution channel management

EXHIBIT 7**How revenue management has changed**

(10.0 percent) (Exhibit 7). Please see Appendix, Table 1, at the end of this report for representative comments.

Future of RM. Respondents were also asked to identify future trends in RM; over 60 percent (62.6 percent) provided comments. The most frequent comments had to do with pricing (20.3 percent), followed by distribution (17.1 percent), total hotel RM (13.4 percent) and marketing (13.4 percent). A number of respondents also commented on the increased role of RM systems (9.1 percent) and how they believed that RM would be integrated with other departments within the hotel (8.6 percent) (Exhibit 8, next page). Please see Appendix, Table 2 at the end of this report for representative comments.

What Should Hotels Do?

Given the concern that revenue managers have about pricing-related issues, let's talk about how hotels can manage price during an economic downturn.

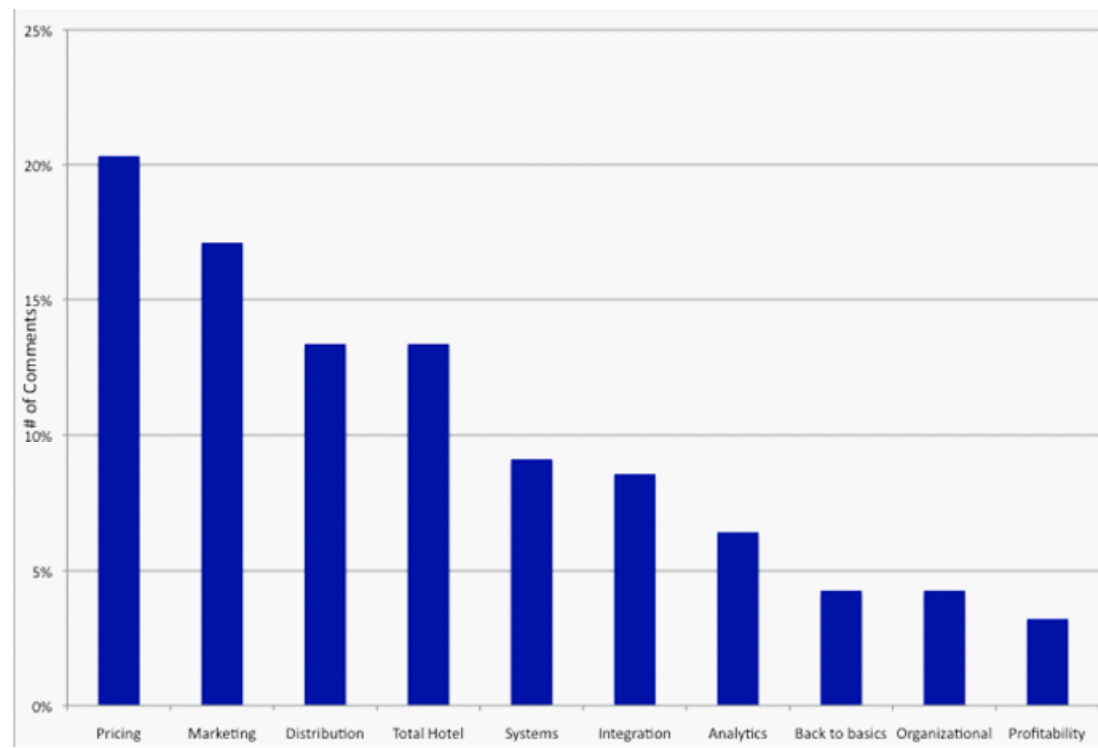
One of the keys to success in a down market is to not offer across the board price cuts, but to instead focus on particular market segments and distribution channels. An ADR is just that, an average, and care should be taken to keep your ADR at near or above the average of your competitive set.

Research has shown that hotels with an ADR significantly lower than that of their competitive set have an inferior RevPAR performance (Canina and Enz 2008; Enz and Canina 2004). This relationship has been shown to hold true across all hotel market levels. For example, in the luxury market, hotels that have an ADR that is higher than their competitive set have the same or slightly lower occupancies, but have a 8- to 14-percent higher RevPAR than their competitive set. Conversely, hotels that have a lower ADR than their competitive set have about the same to slightly higher occupancy levels, but report a RevPAR of 3- to 9-percent lower than their competitive set (Canina and Enz 2008).

When developing a response to a price war, you should assess three factors: (1) your current and potential guests, (2) your hotel and your competitors and (3) your distribution channels.

(1) *Your customers.* Customer issues that need to be assessed are the price sensitivity of certain market segments and the possible emergence of new segments if new rates are offered. Discounted rates should be targeted at price-sensitive market segments and rate fences should be built to prevent less price-sensitive customers from availing themselves of the discounts. In addition, the hotel should identify

Future trends in revenue management



other potential market segments which might be attracted by a selected discount and determine whether it is a market segment that fits in with the hotel image.

(2) *Your hotel and your competition.* Discounts are affected by the cost structure of the hotel, the capabilities of the hotel and the strategic positioning of the hotel. Hotels with a lower cost structure than their competition can more profitably offer discounts since they may be able to withstand the reduced margins. In addition, the type of hotel matters. Luxury or upscale properties should exercise great care before discounting because of the potential impact that this could have on the hotel's long-term image. Conversely, budget or economy hotels may not be as affected by a price war because they may benefit from customers 'trading down' from more upscale hotels. Their lower prices may appear to offer better value.

The same analysis should be conducted for your competition so as to gauge their potential response to a price war and to determine their strengths and vulnerabilities.

(3) *Your distribution channels.* In addition, the hotel's distribution channels should be assessed to determine which ones are most effective at delivering business and also if the volume sold would increase if the commission or percent-

age paid was increased. Opaque channels and distribution channels that offer packages in which your rooms are bundled with other services such as airfare and rental car become even more attractive because they give you an opportunity to obscure your true rate.

Some Possible Approaches

The question becomes one of how to compete in a price war without suffering long-term damage. Both non-price and price methods are available.

Non-price methods. There are essentially six types of non-price methods: (1) reveal your strategic intentions, (2) compete on the basis of quality, (3) create strategic partnerships, (4) leverage your loyalty program, (5) develop additional revenue sources and (6) develop additional market segments. Each will be discussed in more detail below.

Reveal your strategic intentions. Let your competitors know what you're planning on doing and operate from a position of strength. If you have lower operating costs or if you have deeper reserves that will allow you to withstand a prolonged price war, let them know it.

Compete on quality. If you are operating in the luxury or upscale segment, you may want to emphasize the quality

that your hotel delivers and perhaps even add features (such as personalized stationary, free airport pickup or fresh flowers) that add additional value to your offerings.

Another tactic may be to highlight the performance risks associated with lower-priced hotels. For example, you could mention the lower service levels and reduced amenities that are provided at your less expensive competitors and contrast that to the superior service offering of your hotel.

Create strategic partnerships. Another approach is to create strategic relationships with particular distribution channels. If you give certain distribution channels (whether travel agents or third party intermediaries) a higher commission, they may be willing to deflect a higher proportion of their business to you. Your costs would go up, but you would not need to cut rates.

Leverage your loyalty program. Reduced demand can also provide hotels with the capacity needed to reward members of their loyalty programs. The number of points needed to redeem a free night's stay can be reduced for a limited time or availability or more desirable rewards can be increased. Doing this has two benefits: (1) It brings people into the hotel. While there, they may spend money in other outlets and (2) It keeps loyal guests connected with the hotel.

Develop additional revenue sources. Full service hotels have a variety of facilities that can be used to generate much-needed revenue. While some of these facilities (most notably food and beverage) have lower profit margins than rooms, they can still provide additional cash which can help sustain the hotel during low demand periods. Creative promotions and discounts may bring more local customers into the restaurants and recreation facilities.

Develop additional market segments. An economic downturn is a good time to carefully examine your marketing plan and determine if there are other small or price-sensitive market segments which can be developed for your hotel. While this can bring in additional revenue and customers for your hotel, care must be taken to ensure that the new market segments fit in well with your brand image.

Price Methods

If you must enter the price war, at least do it intelligently! The key is not to institute across the board rate cuts but instead to either camouflage your discounted rates or target those rates at selected market segments or through certain distribution channels. There are several approaches you can take.

Bundle. If you can bundle your room rate in with either additional nights (e.g., stay 2 nights, get another one free) or with other services at the hotel (e.g., free spa treatment, free internet), it will help disguise the fact that you are offering lower rates. Restaurants and cruise lines have successfully used this approach for years. Restaurants offer prix-fixe meals or 'value meals' in which several courses are offered for one price. Cruise lines have also used bundling very effectively and package the cruise in with airfare and hotel. Bundling makes it difficult for customers to determine the prices of the individual components.

The key to developing an effective bundle is to determine what customers want and then delivering it in a profitable manner. Most full service hotels have other facilities that may not be fully used (i.e. a spa, a golf course, restaurants). By including some of the unused capacity in with the room rate, the hotel does not incur a great deal of incremental cost, is able to more fully use other parts of the hotel and has the potential to increase business in these other outlets in the future if guests decide to come back.

Unbundle. Another approach is to base your rate on only your core room product (i.e. a clean room with a bed and bath) and charge additional amounts for any other services that guests might wish to use. Low-cost airlines have used this approach very successfully and some discount hotels have also adopted this practice. By unbundling, you can keep your base rates quite low and allow guests to choose which additional services they would like. Although care must be taken when using this approach because of the potential negative impact it could have on customer satisfaction, unbundling may be a viable option for discount hotels.

Common rate fences

	Rate Fences	Examples
Room-related	Basic product	• Room type
		• Room location or view
		• Room furnishings (e.g., linens, bed, ipod player)
	Amenities	• Free breakfast, airport pickup
		• Toiletries
		• Valet parking
	Service level	• Priority check-in
		• Dedicated service hotlines
		• Personal butler
Transaction characteristics	Time of booking or reservation	• Discounts for advance purchase
	Location of booking or reservation	• Guests booking rooms from different countries are charged different prices • Customers making their reservation on-line are charged a lower price than those making a reservation by phone
	Flexibility of reservation	• Fees or penalties for canceling or changing a reservation • Non-refundable reservations fees
Consumption-related	Time or duration of use	• Minimum length of stay • Saturday night stayover
	Location of consumption	• Price depends on departure location, especially in international travel • Prices vary by location (between cities, city centre versus edges of the city)
Guest-related	Frequency or volume of consumption	• Member of certain loyalty-tier (e.g., platinum member) get priority pricing, discounts or loyalty benefits
	Group membership	• Child, student, senior citizen discounts
		• Affiliation with certain groups • Corporate rates
	Size of customer group	• Group discounts based on size of group
	Geographic location	• Local customers are charged lower rates than tourists
• Customers from certain countries are charged higher prices than those from other countries		

Conclusion

Use opaque distribution channels. Opaque distribution channels such as priceline.com and hotwire.com represent a way in which a hotel can offer discounts while hiding the discount from the customer. They allow hotels to sell additional rooms while still protecting the image of the brand and the rate.

Offer selected rate cuts. Discounted rates should be provided to only selected market segments. Building effective rate fences that limit the discounts to specific customer segments is key to a discounting strategy. Efficient rate

fences prevent other less price-sensitive customers from taking advantage of the lower rate and also help protect the hotel against potential cannibalization.

There are essentially four types of rate fences: room-related, transaction-related, consumption-related and guest-related. To be able to develop good rate fences, a hotel must know its customers well and understand what rate fences will be effective in attracting particular market segments. In addition, fairness and rate parity issues must be considered. Common rate fences are listed in Exhibit 9.

Appendix, Table 1

Representative comments on changes in RM

Marketing	Yes. We've changed our approach to be a lot more blatant in communicating the value we offer. It's not enough to simply use the pricing to communicate the value and positioning. The market is receiving a flurry of messages now from hoteliers, and it is ever more important to communicate our brand and value in a direct and simple manner. // Hoteliers have been more receptive towards lowering rates. Although that is not an ideal reaction from a yield management point of view as the argument that once you lower it's difficult to increase. But it's more important to ensure that despite lowering rates, you maintain a premium against your comp set rates to communicate your positioning and value. RM professionals are more flexible and trying to be more nimble across channels and market segments. Previously, was a lot more complacent as market was growing and could ride the upward wave.
	I still maintain that I can grow ADR and endeavor to do this, by strategically targeting specific segments. I have 30 hotels, the challenge is that there are still those properties within our respective comp sets that feel they can steal share through rate reductions - (it's value -stupid!) But to remain competitive we need to be cognizant of how the market is changing around us.
	YOY comparisons are not as meaningful in forecasting and goal setting so we have shifted focus on pace as compared to budget rather than last year. Conversion through all channels and demand capture are looked at daily now and mix management and rate efficiency are not.
	Continuous focus on market development and competitor rate changes
Pricing	Direct Consumer pricing policy has been changed for our properties. Basically, with the demand going down & with price wars happening, we had to restrict ourselves from selling lot of Rack & Rack discounted High yield rates & make the Best Available Rates available for direct consumers. I think with the current economic situation, we need to be more proactive than one year back specially with the competition rates as customers are becoming more and more price sensitive and the worst part is you are not even competing with high end hotels who are going for price reduction. You are also competing with low-end hotels which are becoming a preferred choice for many consumers booking hotels based on lower rates.
	Important to keep pricing integrity and not lower prices in public pricing to prepare for bounce back. Go after Opaque OTAs to tap into other markets. Diversify and go after segments not considered before. Go after group business at price points not considered before to build base critical for yielding. Negotiated more corporate accounts and lower price points to secure contracts
	Yes. Introduced dynamic pricing as opposed to brochure price with discount. / This has been the fruit of a two year evaluation into changing our approach to rev man to prove that best available rate works - one price available to all at one point in time.
	We practice flexibility in picking up business between various price points now. // Laying emphasis on cost based pricing for ancillary areas and tightening revenue leakages. //
More Focused	Analyzed booking pace and stats show that Corp is booking on a much shorter lead-time. CEO & Presidents are booking lower categories compared to previous stays, where they at least stay in Jr Suites. Hence, I take measures to ensure I am able to capture these requests to max occ.
	2008 was a record-breaking year for us, one that will be hard to top. It was our first year with a dedicated revenue manager and this proved valuable. This year, we will focus on the balance between rate and occupancy and we have re-vamped our yield system in order to make the most of every opportunity (yielding by room type occupancy rather than over all occupancy).
	What I used to review on a weekly basis, I now review almost daily. I am constantly looking at how my competitors are positioning themselves across all channels.
	Bask to basics - focusing on competitors pricing strategies, more focus on proactive sales and guidance to sales teams.
Distribution	Yes, we have had a strong market share, we are now more open to lower rated travel business e.g.; Priceline and hotwire, We've NEVER worked with them before. I'm working with sales to be more aggressive to help us capture market share. In previous years I would work with sales to sell more higher rated room categories in their groups to get more revenue now we look closely at what they need the rate to be to get the business.
	Revenue Managers have been given much more intense training on managing Distribution Channels and inputs to help in Demand Generation via E-Distribution Channels
	Stronger reliance on OTA: as a 4* with no brand recognition and product inconsistency (+old), with a new ownership, I need to have a different strategy per channel of distribution, hence display lower pricing (+amenity in) on OTA, and a different strategy per OTA as each of them has a particular competitive advantage. I am much more focused on groups.
	More integration with other websites, bigger spread of distribution networks, more focus on electronic marketing.

Appendix, Table 2

Representative Comments on the Future of RM

Pricing	Bundling of rates with other services in the hotel - i.e. not just the usual bed and breakfast deal but having 1 package price for everything the guest may need during his stay.
	More of our market is doing everything they can (pricing/promotion/etc) to help incent early booking behavior in customer segments that in the past generally had a very narrow window. They're doing this because there is no reliability in the strength of the group business that has been contracted and this causes great uncertainty in pricing/yielding. Also, due to the weakening economy, competitors are spending a tremendous amount in opaque channels and other areas (bundling, etc) to help disguise rock bottom rates and/or create the perception of value in the eyes of the customer. All of these circumstances will continue for the majority of the year.
	Zero brand loyalty, customers buy on price.
	Lots of discounting, whether it's a super low rate or buy so many nights and get so many more for free, and other value adds -all actions eroding ADR's built up over since 2001. While group business have slowed sales teams for forced to look into other markets that may not bring as many room nights or require a loser type on contract with less penalties and more giveaways.
Distribution	I still think the web is the latest trend. I know a lot of rm's talk about it, but now I truly think rm's are getting a better understanding of e-marketing, ppc campaigns, and search engine positioning and rm's are turning into "e-revenue managers"
	Use RM systems to enhance RM professional capabilities. / Use a multi-channel strategy - in particular moving to the online arena - to gain yield. Receptiveness towards online channels is increasing as they are more reactive then wholesalers. / Greater move towards channel aggregators to facilitate ease in inventory availability - many IMMs moving to Pegasus or being compatible to EZ Yield. They have stopped resisting using these tools.
	Greater focus to Online distribution along with Rate & Room Parity now being a requirement from Channels rather than a request
	Third party Channel Wars (promotions—heavy discounting) ***getting deeper in bed with the Devil (Third party Channels)***.
Total Hotel	Total Revenue Management, instead of main focus on room revenues only. But also including all customer touch points (more marketing, than RM, but each touchpoint has the opportunity to either create awareness of product/service, or make a sales)
	- Total Revenue Management, i.e. not just rooms but maximizing revenues from all possible areas. And valuing customers and customer segments based on their overall worth/value and not just based on the room rate they pay for their next stay. Understanding the enterprise value of a customer or customer segment. / / - CRM and Revenue Management - Being able to market to individuals. Customized products and talking to the right consumer in the "language" he/she knows.
	Total revenue management encompassing all revenue streams, rate fencing, website optimisation
	Total Hotel Yield. It's about trends, data, charts, numbers. e-SOB and finally the strategies. / / I personally think the market is sometimes going in the wrong direction and hence, I lead my team, at times, against "latest trends ". / / Sorry, I am not too much influenced by latest trends and hence, may not know enough about it to comment.
Marketing	Revenue Management trends are focusing on the enhancement of the value and away from pure price. From a CRM perspective, we are moving our loyalty program away from behavioral loyalty to attitudinal loyalty and rewarding the guests with status rewards rather than pure discounts.
	Personalization - Guests want to feel special, and for the first time in a long time have the power to demand such. Products, services, and marketing must be more personalized. / Social Media - ...is the future of hotel marketing. Twitter, FaceBook, etc. must be properly utilized to set hotel apart from the crowd. Simply having a Twitter page isn't enough. You need to properly use it. Generation Y is at the forefront of technology...who will win in the quest for their business?
	Value adding appears to be a very popular trend within our comp set. This helps us all to maintain rate.
	Online Internet Marketing & its significance contributions to the hotel's long term advantages, more personalized touch required besides the Rate @ Occ considerations and towards a more total revenue management concepts particularly on Spa & others promo tying-up e.g. with shopping complexes @ major attractions incentives.