

Lodging Market Intelligence Tools Lead to Sales Success

By Bradly J. Sax

Market intelligence simply put, tells you where your revenue opportunities exist. Gathering intelligence on your competitors and your hotel's performance compared to theirs need not be a burdensome and challenging task. We used to call it "knowing your competition." How they stack up in terms of product and service, who they are, how they operate and who are their customers were some of the facts we needed to find out. The tools used to uncover this information used to be a combination of gut instinct, interviewing their client base, poaching their staff and years of getting to know their hotels and those in charge. In today's data-filled environment there is significantly more market intelligence that is more accurate, timelier and much easier to come by. If someone had told me when I was a junior sales person with Hilton more than 20 years ago that I could easily get reports like the ones below, I would have jumped at the chance, even if I had to pay for the information myself; on my \$11,000 a year salary!

Of course the "Grand Daddy" of all market intelligence tools has got to be Smith Travel Research's STAR reports. Creating an industry that didn't exist, Randy Smith has become the go-to guy for market data. Is there any hotel out there that is not getting this information on their monthly to year-to-date hotel performance in the areas of rate, occupancy and RevPar as compared against their competition, price points and market area? A must have to understand where you are so that you can plan where you need to be. [Click here for more information on STAR reports.](#)

Remember the days of sending out the junior sales manager to scope out the competitors' reader boards? Driving from hotel to hotel to conference center... well, for hotels seeking groups to fill rooms and meeting space these trips are a thing of the past! INSIGHT from the Knowland Group launched in September of this year. The company promises to "dramatically alter the way sales managers find group business". INSIGHT is a simple computer application combining Google's search engine and mapping technology with a searchable database tool that provides sales managers with qualified targeted sales leads on hundreds of thousands of events, groups and meeting planners every day, across every hotel brand, type, shape and size including freestanding conference centers. This market intelligence is currently available in over 70 markets within the United States and Canada. [Click here for more information on INSIGHT.](#)

Do you know how well your hotel performs against the competition through the various Global Distribution Systems (GDS)? The Hotelligence report from TravelClick is an outstanding example of how to gather this type of market intelligence. It provides historical information on your local market's hotel bookings made through the GDS's (which are used by over 98% of worldwide travel agents) and through the major Internet sites. The report allows hoteliers to analyze the success of their direct sales effort by monitoring market share as well as review the impact of your rate and inventory decisions. The report demonstrates the number of room nights and average rate on a monthly basis of all reservations through these channels and where they booked (your hotel or your competitors'). It identifies the booking travel agent and often even the corporate source of the business. This report will help you learn if and how much your accounts are "sleeping around", who is doing the philandering and who hasn't slept with you yet! It's worth every penny unless your sales team does not do anything with it... ask your sales team how they are utilizing this invaluable tool to book more business. For more information on Hotelligence and TravelClick [click here.](#)

Knowing what has happened through such reports as STAR and Hotelligence is good but predicting the future is even better. TravelClick also offers a sister report to Hotelligence called FuturePACE which provides data on the actual future bookings from the GDS channels on a day-by-day basis so that hoteliers can improve revenues through advance insights into the performance of current rate strategies and marketing efforts for their hotel and those of the competition. Providing revenues, room nights, average rates and market penetration information for the current and next two months out, you can count on this report to be invaluable to identify unusual demand or shoulder days so that they can be addressed before they happen. Click here for more information.

With some hoteliers still believing that discounting increases profits (how many times are we going to have to prove this myth wrong) and bouncing their rates up and down like a schoolyard basketball, you may need to identify these culprits so that you can drive to their hotel and deliver a copy of the Cornell report “Why Discounting Doesn’t Work” by Linda Canina Ph.D., Cathy A. Enz Ph.D. and Mark Lomanno.

To check out your competitors pricing and what rates they’re really selling on their website, on internet sites and on the Global Distribution Systems (GDS) try on-line search tools like TravelAXE, TravelZoo, Orbitz and Expedia. TravelClick also offers a very comprehensive to-the-industry report called RateVIEW that includes rate data from Internet Sites, brand web sites as well as the GDS.

It is now known that about one-third of all hotel bookings are made on the Internet. Of these Internet users, more than half will use a search engine such as Google, Yahoo or Ask.com to research hotels and nearly 70% will check rates from at least three websites prior to booking. The growing trend towards the internet booking channel is dramatic. How does your hotel stack up on the web? Web analytical tools (web market intelligence) can capture the buying behavior of your guests and measure your website traffic origination points that have the best conversion rates, detail which online or print ads produce revenues and track down the success of search engine pay-per-click campaigns by identifying exactly how much revenue was booked. Overall they allow you to understand how today's consumer sees your hotel from rank on the search engines to third party sites.

An even more important emerging area of the web, the “social media” or what is also known as “Web or Travel 2.0” can also track online consumer reviews of your property and can assist you in maximizing this exciting new opportunity in hotel marketing. In short, knowing how you stack up on the web is vital to today’s sales success. Tools for measuring your web success are available through Merlin Metrics from A Couple of Chicks Marketing and SearchVIEW™ from TravelClick.

There are many things hoteliers especially those in the sales functions should know about their local markets. How much does *your* sales leadership know about their success against the competition; where their revenue opportunities lie; the groups staying in competing hotels; their GDS market share; what corporations are staying at the competition; what upcoming periods represent surprise peaks or valleys in revenues; what rates your competitors are really selling or your hotel’s success in selling through what will become the primary booking channel, the Internet? If these questions go unanswered, you’re not sure how your hotel measures up or worse yet, there is no action plan around the market intelligence you have gathered, it may be time to assess and seek assistance from experts.

Call us NOW if your hotel needs help to be running closer to full?

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