

THE INDEPENDENT ACCOMMODATION BUSINESS OWNER'S TOOLKIT

How to maximise your Revenue & Distribution Opportunities
and Transform Your Business with Confidence through
Covid19 and beyond.



A NOTE ABOUT OUR CURRENT ACCOMMODATION LANDSCAPE

It's 2020 and today, small accommodation owners (Independent Hoteliers and Moteliers) find themselves in the middle of a highly disruptive landscape especially with the spread of COVID-19 across the world causing unimaginable losses with travel bans and economic closures. With easing of alert levels, best case forecast scenarios for most, may not show until well into 2021.

Prior to this our industry was already under threat with new players entering the marketplace daily. One example is Airbnb which was unknown just 5 years ago and today is bigger than the world's top 5 hotel brands put together.

Technology has pushed ahead in such a way that booking a room today in this very crowded marketplace requires intimate, up to date knowledge of revenue management, distribution and marketing. Larger hotel brands such as Hilton, Accor, Marriott & IHG have internal resources which specialise in these skills and can help them facilitate the everchanging landscape.

Independent hotels and motels are left far behind in this respect. We do not have the resources and time to manage the demands of the 'new normal', revenue management, distribution, sales and marketing, employment laws and admin, while focussing on the operational requirements of working in the business.

Independent hoteliers and moteliers are usually the last to find out about major events, changes in Industry practices and generally have the smallest voice in lobbying and affecting change. 80% of employment in this country comes from small businesses and very little is being done to upskill and support this large majority.

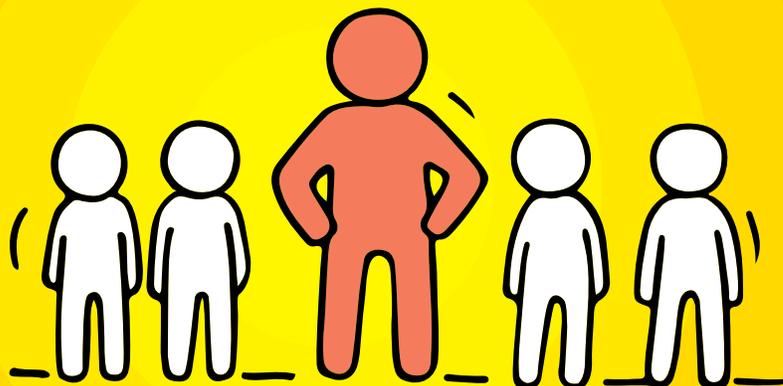
As we are small businesses, independent hoteliers and moteliers ourselves we understand that the heartbeat of our entire economy is you. We understand the sacrifices you make daily to make sure others are looked after. We appreciate your efforts.

Thank you!

Suresh Subramaniam

Katrina Suresh





This e-book is a quick reference toolkit for independent hoteliers and moteliers who want to refer to and optimise their processes in key parts of their operations.

It is laid out in 4 main sections addressing crucial areas of operations in most accommodation businesses. These 4 areas are broken down to:



LEADERSHIP AND VISION



REVENUE, DISTRIBUTION, SALES & MARKETING



TECHNOLOGY AND OPERATIONAL EXCELLENCE



NETWORKS AND RESOURCES

Section-1

LEADERSHIP & VISION



TIME TO TAKE CONTROL



INCREASE YOUR KNOWLEDGE IN KEY AREAS



INCREASE YOUR BOTTOM LINE



TRANSFORM YOUR BUSINESS

Independent hoteliers are usually hamstrung by doing most jobs in their operations and now more so with the advent of COVID-19 with possibly having to reduce staff hours until things improve. Before moving onto the technical aspects of the operations, it's good to analyse the motivations and mindsets of owning and running your accommodation business.

Exercise:

**ASK YOURSELF THESE QUESTIONS
AND WRITE DOWN YOUR ANSWERS:**



8 QUESTIONS TO ASK

1. Before COVID-19 what was the biggest factor holding back my business? Eg. knowledge in revenue management, social media management, digital marketing, use of technology etc.
2. What's my current state of mind? eg. Stressed/anxious/ worried/ optimistic /confident?
3. What are 3 skills that have allowed me to be successful? Technical skills, communication skills, finance and budgeting skills, forecasting knowledge, networking skills etc.
4. What skills am I missing?
5. What 3 steps am I going to take to immediately to upskill?
6. Who is my ideal client?
7. Do I know where to find my ideal client?
8. Am I ready for change?

Answering these questions honestly will give you a sense of where you are now and what steps you will need to get to take to ensure your survival in this highly disruptive landscape. Are you willing to do what it takes to get there?

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LEADERSHIP & VISION



WHY IS LEADERSHIP IMPORTANT?

Leadership is an important part of any business which helps align behaviours to maximise efficiency and achieve organisational goals and objectives. You may be displaying many leadership roles in your business sub-consciously by going about your day-to-day life but it is good to take a moment and assess if your vision for your business is aligned with the outcomes.

What type of leader are you?

The true test of leadership is how well you function in a crisis.

During times of crisis, your team and community look for leaders who will be able to provide direction.

1. Do you know what your leadership style is?
2. What are your strongest qualities and how do you apply these daily?
3. Do you know what you need to work on so that you can be the best version of yourself?

Having sound knowledge of this will help you better communicate and connect with your team and identify how to best respond to your team's working style.

Take the time to write down the answers to these questions:

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WHAT TYPE OF LEADERSHIP SKILLS DO YOU PRACTICE?

There are many skills that make leaders who they are. Some of these include communicating clear goals, being a good example, leading from the front, giving recognition, having integrity, showing vision, supporting, inspiring etc.

- 1. What are your core leadership skills?
- 2. Are you self-aware of your behaviour's impact on organisational outcomes?
- 3. Do you effectively communicate goals and inspire trust?
- 4. Influence – are you comfortable persuading, promoting, and delegating?
- 5. Are you agile enough to know when to change course and helping others to do so with you?

Having awareness of these essential skills is key in ensuring positive change happens in your organisation.

Take the time to write down the answers to these questions:

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WHAT IS THE CULTURE OF YOUR ORGANISATION?

You work in the business and much of the time is spent running around getting operational activities completed. Some examples include getting rooms cleaned, looking after breakfast, getting meeting rooms set up, attending to maintenance challenges, reservations, invoicing etc.

- 1. Do you meet regularly with your team?
- 2. If so, what do you discuss with the team?
- 3. Does the team have autonomy to add to certain parts of the operation?
- 4. Do you link behaviours to business objectives?

Understanding this could help you gain a competitive advantage quickly.

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These questions are designed to help you look deeper into your business culture and how you interact within this environment. Your staff, guests, suppliers and community are responsive to changes in culture and this could have a lasting impact on the longevity of your business. Take some time to honestly answer these questions as it will help you identify the areas of opportunity that may exist.

Section-2

REV UP YOUR SALES AND DISTRIBUTION



ALIGN EFFECTIVELY



SELL STRATEGICALLY



MAXIMISE REVENUES



An essential part of any hotel/motel is how it makes its revenue and the different distribution channels that contribute to this pot of revenue. And yet, many business owners dislike selling, do not understand the power of distribution, do not work on pricing strategies or understand rate profitability and market segmentation. If you fall into some or all of these categories, then don't despair! We have identified 8 strategies that you can implement and transform your business both in bottom line and in your attitude to revenue, distribution, sales, and marketing.

TOP 8 REV STRATEGIES



Anticipate Through Forecasting

Try to forecast regularly covering short-term and long-term periods is important as it serves as an educated guess as to how much money your business will bring in over a period. This allows the business to make decisions around expenses, justify hiring decisions, managing cashflows and more.



Focus on Pricing Strategies including rate parity

Try to set prices based on anticipated demand and maintaining consistent rates for the same product across all online distribution channels. This allows parity across online sites which in turn helps rate integrity.



Optimise Distribution Channels

Make your hotel as easy to find as possible and assess your distribution mix by reviewing your online content regularly.



Understand Market Segmentation and Rate Profitability

Determine who is your ideal guest, week-day vs weekend business, low period markets and calculate rate profitability to make the right decision.



Optimise your Marketing and Advertising Strategies

Address different market groups with different messages effectively while having active promotional and advertising plans. For eg. The weekend promotion could be focused on destination and families and content like photos and messaging to attract this market specifically as opposed to weekday promotions which could be more corporate focused.



Prioritise your Hotel's Unique Proposition and Reputation Management

Identify what makes your hotel different from your competition, your local standing, community alliances and how this is communicated by guests on different review sites.



Increase Direct Business and Package Offers

Create multiple rates and sharp package offers to entice direct business. Social media like Facebook can be a good way to communicate your offer as well as articles on your website to improve organic Google search.



Upsell to Boost Revenues

Drive incremental revenue per room, encourage extra spend per guest, value adds, and promotions.

Some of the above points could be confusing as they may sound technical to those new to this subject of revenue management, distribution and marketing.

We are happy to offer a no obligation 45 minute review of your business and goals. Just click on the following link to book a chat:

<https://www.innov8hospitalityolutions.com/book-your-free-consultation>

Remember, low season and other periods of low or no demand like COVID-19 represent a major challenge, as fewer rooms being booked means less revenues which could lead to huge cashflow issues. Therefore, it is so important to optimise and implement revenue strategies.

FOCUS QUESTIONS & QUICK ACTIONS

At this point in time it is important for us to focus on the current climate specifically with COVID 19 and some questions relating to each part.

What Revenue/pricing strategies have you adopted?

1. Has your strategy focussed on dropping rate to meet the market and/or have you included any value adds such as upgrades, breakfast, transfers?
2. Are your rates in parity across all sites?
3. Have you amended your cancellation policies to make them more flexible?

Take the time to write down the answers to these questions:

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When was the last time you did an audit of your presence on Online Travel Agents (OLTA) sites and on your own website?

We expect that online agents will be quick to get back to pushing product when alert levels lift, so it's important to ask yourself how well you are represented on these sites. Now is the time to conduct a quick audit to check that all property, room and photo information online is correct and shows you in the best possible light. Check that the room types online have the correct bedding and the number of people that the room can accommodate and lastly ensure that all policies reflect your current policies. Check that the first 10 pics are your best 10 pics of your property.

Have you updated your COVID-19 response on your website's FAQ section?

Your website visitors will be interested to find out your COVID-19 duty of care as this will be of primary importance for their safe stay. Use your FAQ page to answer any COVID-19 related concerns or if you do not have an FAQ page then do a pop up when the site opens so that visitors are aware of your actions.

Have you considered engaging with guests that have stayed with you in the past?

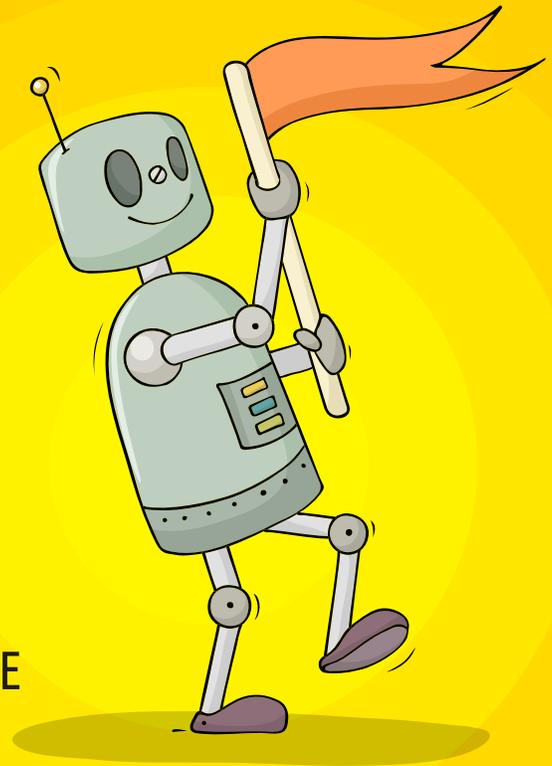
Your Property Management System (PMS) will have an email and/or phone database of all guests who have stayed in the past. If you are not sure as to how to extract this information, then contact your PMS provider. Use this database to connect with guests who have stayed in the past and write them a genuine email to let them know that you are open for business with an offer to book direct and your COVID-19 duty of care actions to them. They may not book you immediately, but you will stand out when they are ready to return. Do the same with all guests who have cancelled bookings because of COVID-19. This will ensure loyalty and recognition.

Do you have any destination articles on your site as domestic travel will be the first to come back?

Write destination blogs or articles to make the experience enticing and optimise the content on your website. A 'contactless stay' combined with a destination attraction might be one way to keep guests engaged.

Section-3

TECHNOLOGY AND OPERATIONAL EXCELLENCE



ENHANCE CUSTOMER EXPERIENCE



INNOVATION AND PROCESS AUTOMATION

Technology has changed the landscape of how we operate and interact with our guests. Travellers now expect to communicate instantly and so it is wise to assess if we have the right technology to help them with their decision making. The Property Management System (PMS) connecting to a channel manager (SiteMinder or STAAH) which in turn then talks to website booking engines, guest reputation management systems, revenue management systems and chatbots are the new norm.

TOP 8 TECH AND OPS STRATEGIES



Choose the right Technology Partners for your property

PMS solutions are now cloud-based and allow you to access your property's information remotely. If you are connected to such a solution find out what other integrations (apart from the channel manager) they are partnered with. Doing this will save you time and allow you to focus on delivering guest experiences.



Try before you buy

If you plan to use an integration such as a revenue management system, a hotel app, guest reputation management system or chatbot, make sure you try the technology first and assess the usability before integrating this with the PMS or channel manager solution. Make sure to get references of users of this solution so you can get a real feel from others using it.



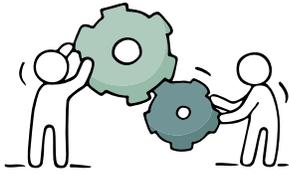
Invest in photography and video

There are many factors that are considered before someone books your property and how you represent the hotel via photographs and videos will help this process immensely. This may cost in the short-term which in this environment could be prohibitive but perhaps a barter deal while rooms are empty or voucher for a later stay or part payment, part voucher could be some ways to get what you need.



Use Guest Reputation to your advantage

Guests who stay have many ways of commenting about their stay. Some of these include reviews via Google, TripAdvisor, and reviews on OLTA sites. Responding to these give confidence to guests who are considering staying at your property. There are software solutions that can consolidate reviews from all platforms that give you a clear idea where you are doing well and areas that need attention.



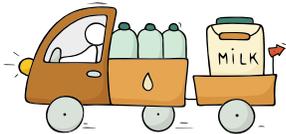
Automate processes internally

COVID-19 has forced some of us to re-think how we operate and connect with each other. In this 'contactless' environment technology can help by automating check-ins, lockbox or key-less entry into rooms, self-service kiosks, digital communication between guests and staff and much more. A chatbot could be a good way of communication for most general queries.



Adapt guest confirmation & pre-arrival emails

An automatic confirmation email is usually sent to the guest when they make a booking. Create a pre-arrival template to send to the guest 1 day before-arrival to let them know that you are looking forward to welcoming them with detailed information of lock-box codes and any operational changes due to COVID-19. Eg. If you have a breakfast room where guests usually go for breakfast you may want to pre-package a breakfast basket and leave this in the guest room before arrival.



Food and beverage deliveries and collaborations

This will be a good time to re-think how we can adapt our F&B with social distancing rules and work in partnership with delivery companies to move product to avoid waste, reduce cash-flow issues and bring in revenues. Another good way to promote community initiatives is to collaborate with other restaurants, cafes and bars in the vicinity with a good value add or a discount so that guests have a choice. Setting up chargeback facilities with select restaurants can be beneficial especially with corporate travellers.

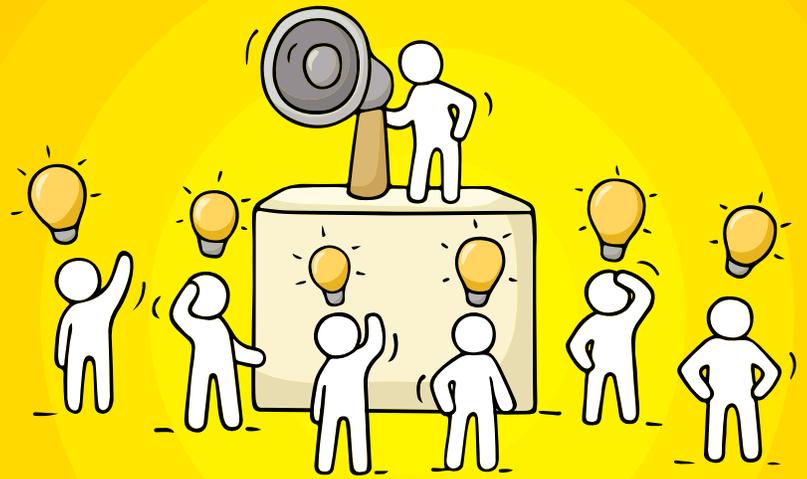


Use Guest Reputation to your advantage

Gift Vouchers – Can be a great way to increase short-term cashflows by having offers for rooms, meals in the restaurant or a spa offer etc. Gift Voucher could be sold independently with a manual system or by using a gift voucher app. Some channel managers have this capability, and this may be a quick way to get things moving quickly. Regardless which way you decide to go you will need to promote this on social media and other platforms, so people are aware

We can save your time by assessing your technology and operational needs based on the type of operation you are. To book a no obligation 45 minute review of your needs just click on the following link to book your chat: <https://www.innov8hospitalityolutions.com/book-your-free-consultation>

Section-4



NETWORKS AND RESOURCES - BUSINESS COACHES, LANDLORDS, FINANCE AND LEGAL



PLANNING FOR GOOD AND NOT SO GOOD TIMES.

Outside of the usual hotel and hospitality support community there are other partnerships of importance that can make a difference to your success. Some of these include business coaches, landlords, banks, finance companies, accountants, and lawyers. These support partners could be the reason you survive over tough periods and having an honest & open relationship with these partners could be beneficial in the long run.

TOP 8 RESOURCES



Business Coach

We do not know everything and need assistance with getting our strategies and goals prioritised, especially if we are working in the business and not on the business. Business coaches are an unbelievably valuable resource who can quickly help you refocus on your goals and to hold you accountable to implement your actions. A monthly meeting (face to face or zoom) and follow-ups can be beneficial and they are usually an excellent source to recommend other partners such as accountants, lawyers, finance companies, agencies and much more.



Landlords

Many businesses lease their premises as they do not own the land and buildings. A regular meeting with the landlord could prove valuable especially in times of hardship. Commercial landlords generally operate their real-estate businesses as a running business and have costs and obligations that they are responsible for. Being well versed with the lease agreement is the first step to understanding the obligations of both parties and meeting regularly (face to face/zoom) to address pertinent issues could save time and stress especially during a crisis.



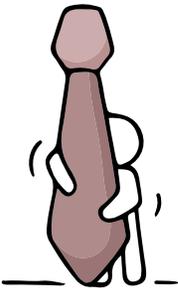
Bank and Finance Companies

Who we borrow from and how we borrow can have a big effect on our longevity. If you regularly keep your lenders informed of industry trends and what you are doing to service loans, there is a good chance your lender will support you through periods of difficulty. These could include interest free periods, repayment holidays, reduced/partial payments, or other initiatives to help you through low periods. Business plans are another good way to help lenders understand your goals and they in turn, can provide help with valuable partner networks and opportunities.



Accountant

There may be a misunderstanding about the role of accountants as form fillers for the taxman that you can sometimes do without. Apart from preparing, checking, and analysing your accounts, accountants also ensure you are operating within the laws and relevant guidelines. Progressive accountants also advise on cashflows, schemes or benefits that the company may be missing out as well as offering advise on the best way to overcome financial difficulties. Getting the right partner could save you money, time, help you grow and remove worry.



Lawyer/Solicitor/Attorney/Legal Representation

Law is complicated and having proper representation can save you on costs by giving you direction early on your course of action. Whether you require representation for a sale and purchase of business, FHGC, conveyancing, lease scrutiny, trademark application, employment law, health and safety etc., having the right representation will be able to save you time and give you access to experts you will need on your side. They are skilled in negotiations and it is always better to avoid legal problems rather than fix them.



Regional Business Advisory Services

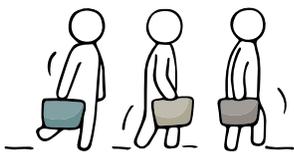
These agencies exist in most cities and assist the economic performance across the region by supporting development, events, regional marketing & communications, and business services.

The New Zealand example is <https://www.nzte.govt.nz/> which works closely with City Councils and may provide businesses grants towards essential services if the business qualifies for this. They organise various business-related trainings and can be a strong networking resource.



Hospitality Associations

A particularly good way to network quickly with 24/7 support for members, advocacy services, partnership deals, Industry updates, training resources, recruitment solutions and networking opportunities. These associations usually work on paid tiered membership programs and organise events which give preference to members.



Part of a Group/Chain

The benefits here include brand recognition, centralised management of marketing activities and bookings, higher visibility, training and SOPs, common reservations systems, possibility of shared resources, common suppliers leading to savings, higher share of loyal customers and higher revenues through distribution and sales and marketing activities. Many of the above points are covered when part of a group or chain.

To book a no obligation 45 minute review of your business goals and objectives just click on the following link to book your chat:
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We hope you have found this toolkit helpful with getting some initiatives going. We, like you, own & operate small hotels and motels and understand the complexities running such businesses. We hope the recovery from COVID-19 is quick and business levels stabilise. Our wish is to see all small businesses thrive. We aspire to visit some of you when the world starts up again. **Stay safe.**

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Suresh Subramaniam is CEO of Innov8 Hospitality Solutions and CEO/Founder of U Hotel Group based in Wellington, New Zealand. His work focuses on helping small accommodation providers be more knowledgeable in revenue management, distribution and marketing while building a respected brand in the small accommodation space. His expertise is in hotel & hospitality, with solid experience in Hotel management in Singapore, Switzerland, Scotland, USA, New Zealand, Australia, India & Thailand.

“My real passion in hotels started at the famed "Les Roches" Swiss Hotel Management School in Bluche, Valais, Switzerland, which led me to complete a Bachelors in Hotel Management at the Scottish Hotel School at the University of Strathclyde in Glasgow.

My professional path in hotels started out at the Breakers Resort in Palm Beach Florida where I learnt the ropes in Revenue Management, Distribution, Sales & Marketing.

Until early 2018 I have been in General Managerial positions for small and large International brands such as the Grand Central Group and Accor, which has taken me to many exotic destinations. My last General Manager role was Accor's flagship Novotel Bangkok Platinum in Thailand with 288 rooms right opposite Central World and the main shopping hub in Bangkok City.

I also held a dual role while working for Accor as the Brand Manager for Novotel for Thailand, Myanmar, Laos, Cambodia, Philippines, Korea and Japan. This helped me realise my passion to start and operate a brand that people could relate to in the small accommodation (Boutique Hotel/Motel/Hostel) sector and I relocated to Wellington to start the U Hotel Group in mid-2018.

I'm now based in Wellington with my wife, Katrina who is also my business partner, and our 2 children. My focus is assisting and empowering independent hotel and motel owners cope with the demands in revenue management, distribution and marketing by providing powerful insights into how they can achieve higher success by sharing the knowledge gained during my many years in the industry”.

