

# A HOTELIER'S GUIDE TO WINNING AT 'UPSELLING'

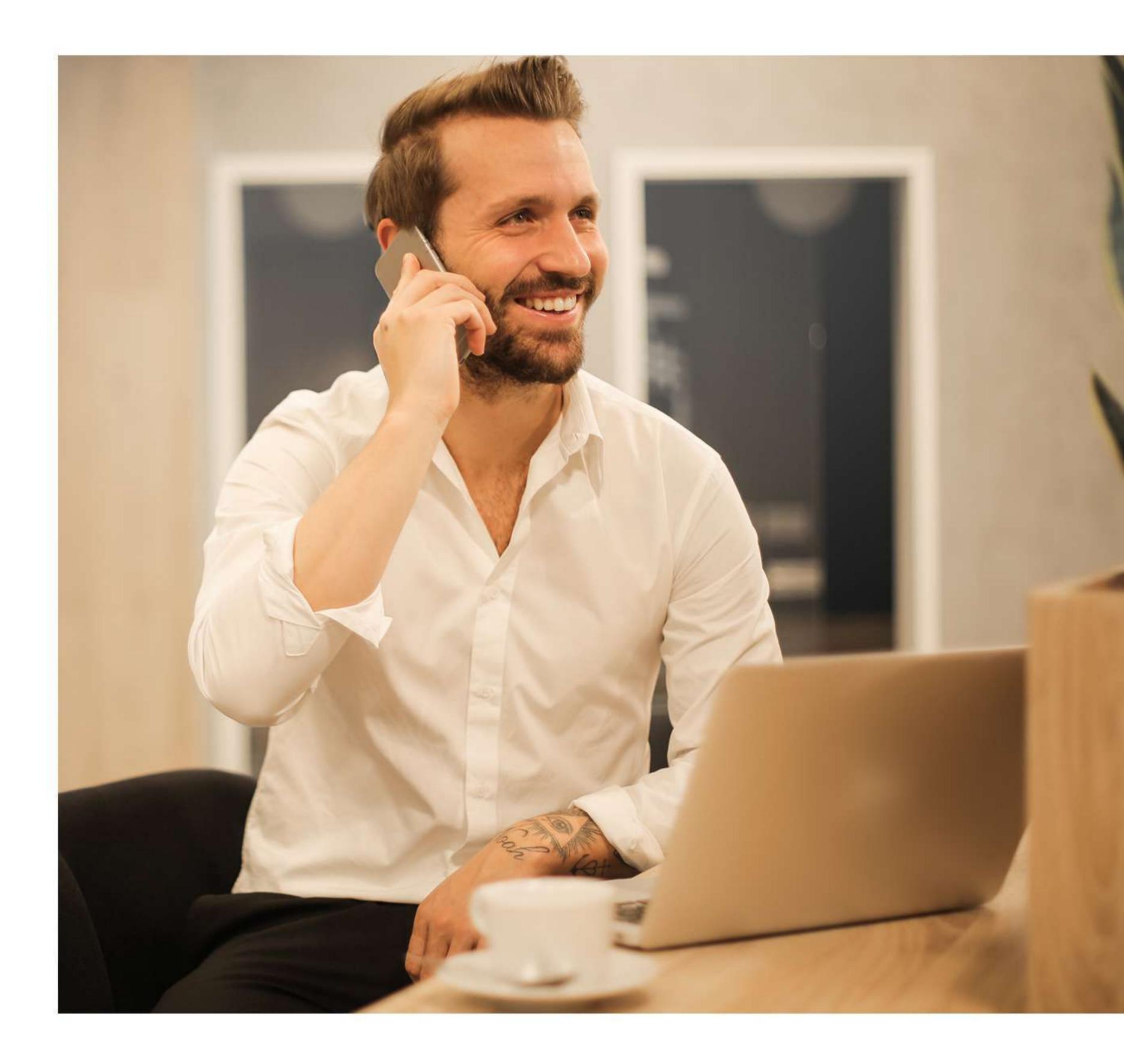




## LET'S GET STARTED

For a hotel to succeed in the long-run, several factors need to work in tandem, like clockwork or even like cogs in a wheel. And each of these cogs needs to perform efficiently for the wheel to stay functional. One such cog, that every property type needs to look into, is 'upselling'.

You have a hotel, you build a website, diversify your sources of bookings, get in a fair amount of bookings depending on seasons, etc. But by just honoring bookings and offering nothing more to guests, you cannot aspire to build guest loyalty. You need to offer them something unexpected and wonderful, so that they go create a few more customers for you when they leave your property. And this is where upselling will work wonders for you.

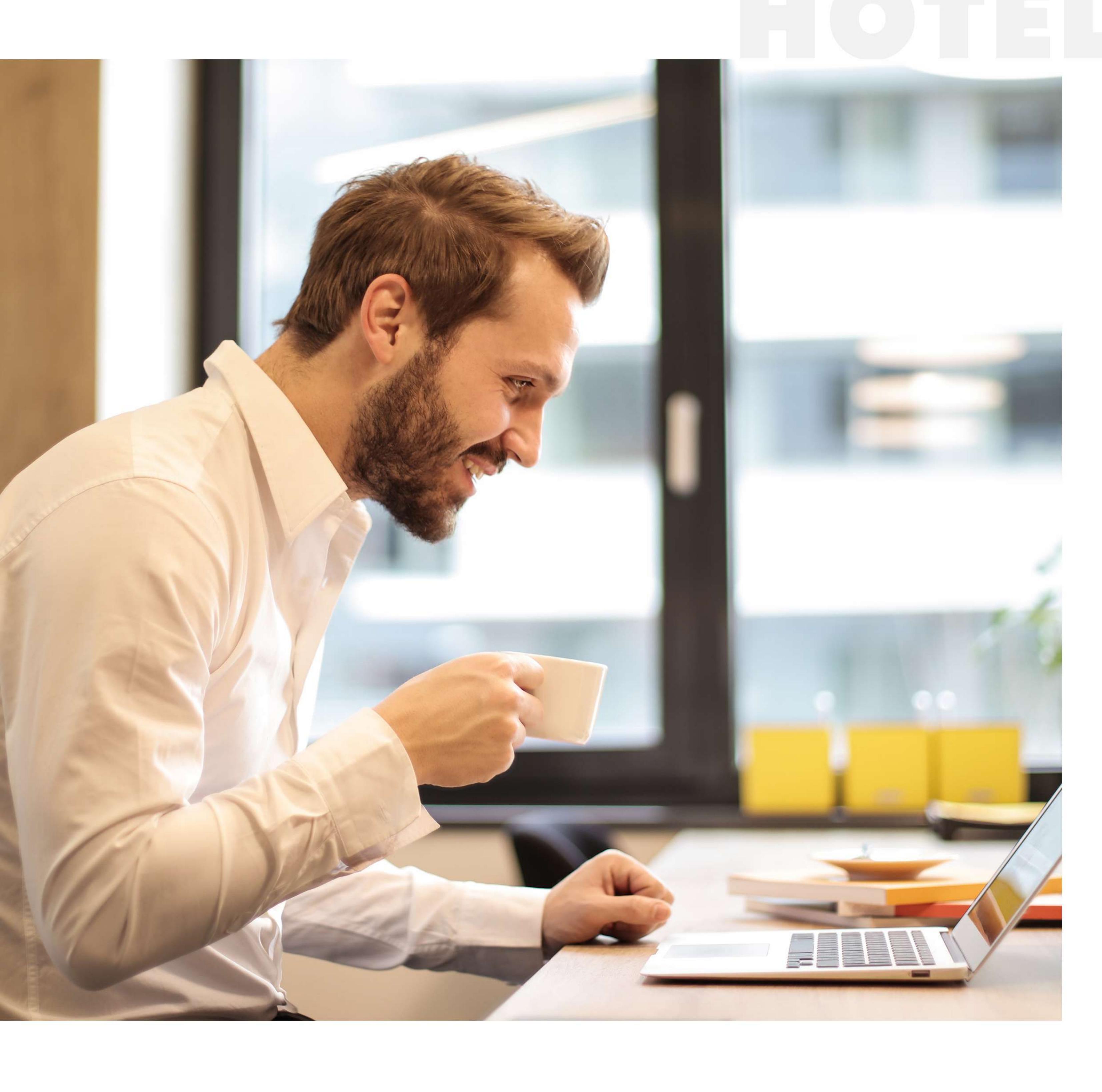


#### WHAT IS UPSELLING?

Upselling is when a hotel prompts additional services to guests, such as a session at the spa, a breakfast buffet, etc. Whether you are a small, family-run hotel or a multi-property brand, upselling is a common way for hotels to generate more revenue. But hotels can also upsell rooms (otherwise known as room upgrade) to guests with the same intention as with upselling. Both of them not only help improve guest experience but also contribute to the hotel's revenue. While there are several hotel upselling strategies, in this ebook, we will only discuss ways to upsell hotel rooms with the help of a Property Management System.

But first, let's understand how to approach a guest with an upselling suggestion. How to determine which guest will prefer what type of an upsell? The simple trick is to use the guest history feature of your hotel's PMS. A robust PMS will allow you to look up all the details of guests who have stayed with you in the past. When they revisit your property, you could easily upsell a hotel room to them by looking into the preferences listed in their guest history data.

Let's say, the guest is a smoker and opts for a room with a balcony. This detail is recorded in the PMS and will come in handy, in case the guest revisits your property in the future! Or if the guest prefers a room with a garden view and has always opted for one, you could upgrade them to one of your best garden view rooms without them having to mention it.



#### MUST-HAVE PMS FEATURES

TO HELP YOU WITH 'UPSELLING'

Now getting back to the topic - How does a Property Management System help you with upselling? On the other hand, is a Hotel Reservation System powerful enough to enable hoteliers to upsell? We'll find out very soon but before that we've handpicked a few of the most reliable ways to upsell, with a Hotel Property Management System in place:

#### RESTRICTIONS

When we say restrictions, what we mean is that hotels can set restrictions on the minimum bookable nights or minimum bookable rooms. In other words, a cloud-based Hotel Property Management System can help you upsell rooms based on the number of nights a guest intends to stay with you (the length of stay) or based on the number of rooms a group of guests wish to book. An upselling opportunity is presented in such cases. Let's take a closer look at each of them:



#### Minimum Bookable Nights:

This is a great strategy for hotels to upsell rooms to guests who stay for more than one night. If a guest books a room for 5 nights, then you can upgrade him to a better room for the sixth and seventh night. You could throw in an offer around this and run a promotional campaign too. Afterall, who doesn't like a freebie or an upgrade!

The approach is the same as for the above strategy except that in this case the factor that will present is the upselling opportunity is the number of rooms booked. If a group booking comes your way for 10 rooms, you could upgrade them to better rooms for a nominal price. This is a lovely way to delight multiple guests in one shot. And honestly, it wouldn't cost you an arm and a leg, but it could fetch you a dozen of amazing reviews!

Hotelogix gives hotels complete flexibility in defining your restrictions based on your hotel's needs and target audience. Your front desk staff will have access to all the restrictions on their dashboard, as these can be pre-defined in the background.

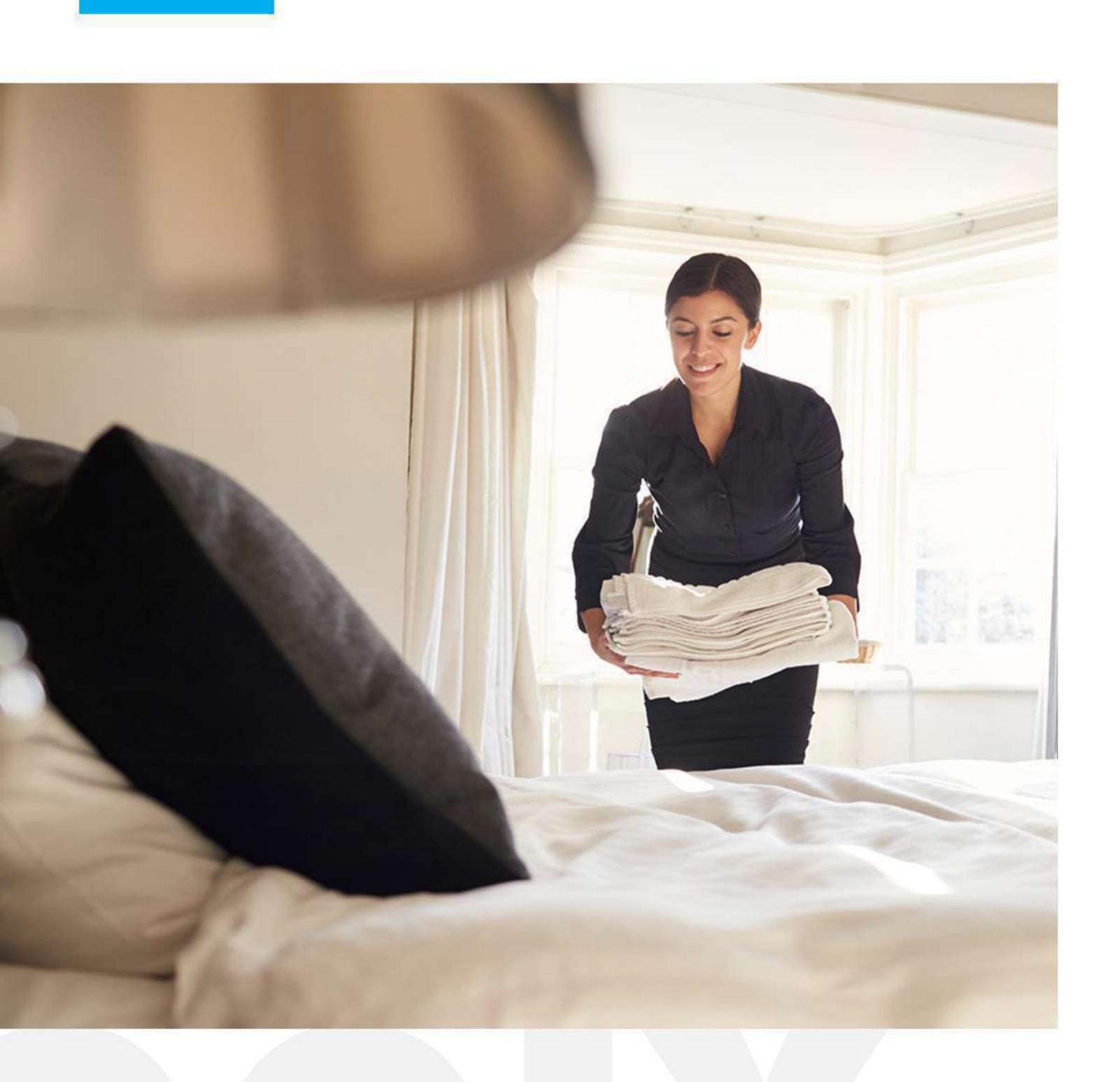
#### PACKAGES

With a Hotel Management System in place, not only can you pre-define as many packages as you want, but also customize them as per need. While designing a package, you will have to keep in mind the season, your target audience, their spending capacity, your hotel's offerings, etc. Taking into consideration of all these factors will help you get closer to your guests' expectation and delight them. You should, ideally, have separate and unique packages for your corporate guests, your leisure guests, your millennial guests, etc. Make them as focused as you can to deliver maximum delight.

Now, how can a package help you upsell your room? We'll tell you. Consider a couple who wants to spend their anniversary at your property. The most obvious option is for them to book a room and then add on whatever services they wish to avail, during their stay. The other way of doing things (the clever way) is by offering a couple's package or an anniversary special package
to such guests. No, we aren't asking you to offer them added services for no cost and incur losses! What this means is, simply give them the experience that they don't even know they want, and they will pay you.

This couple, who earlier knew no better than to simply book a quiet, serene room now has a booking with you for a package that gives them a much better, cozier room, a spa session, a candle-lit dinner (and what have you!) for a tad bit more. It's not that they don't want to spend that much more, it is simply that they weren't aware of all the offerings at your hotel. By designing a package, you encourage guests to not just upgrade rooms but also to give you more non-room revenue, thanks to the services and activities you will include in the packages! So, it isn't simply upgrading rooms, but also an upselling activity overall for your hotel!

#### LONG STAY DISCOUNTS

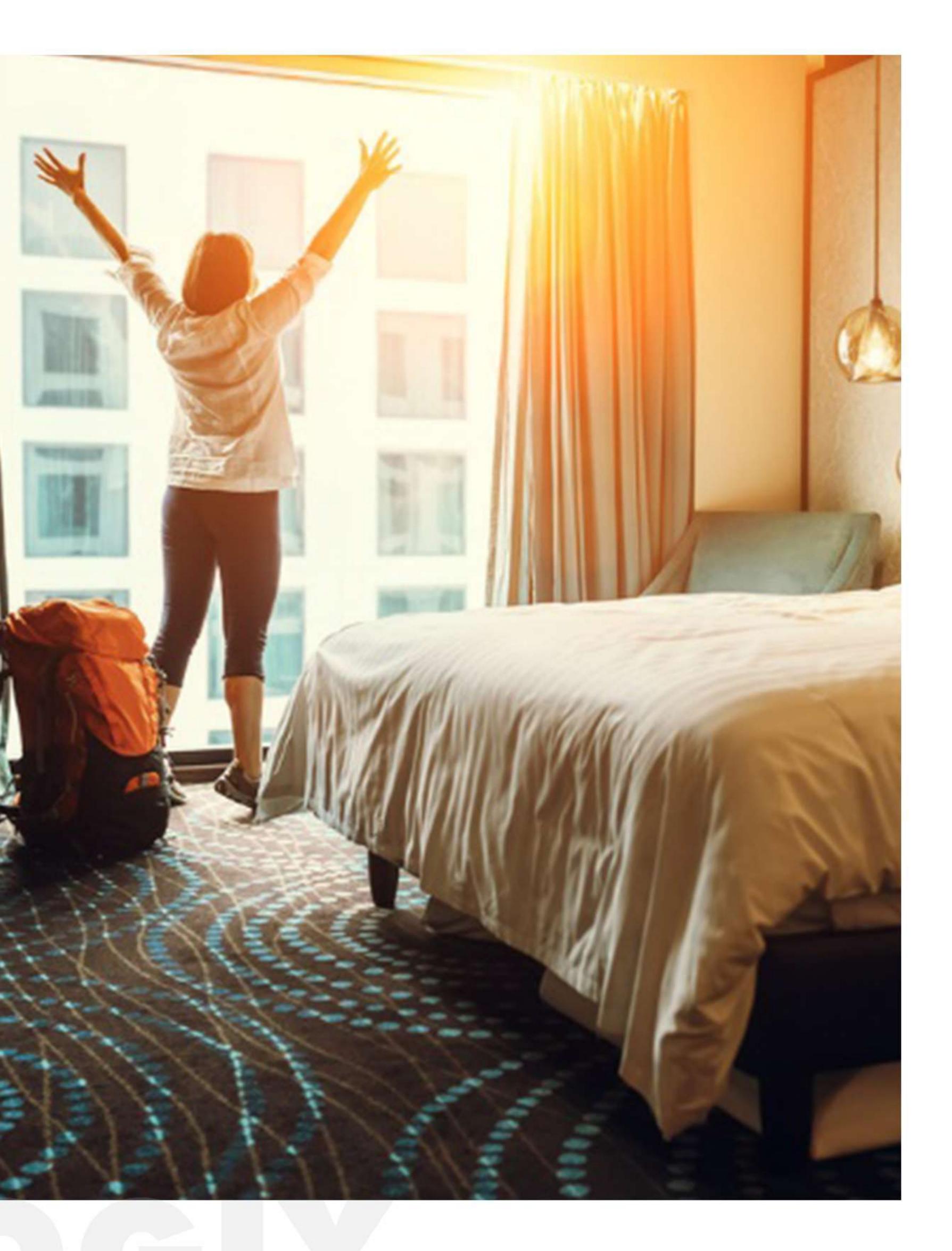


Hotels can also increase chances of upselling, and thereby their revenue, when they offer long stay discounts. When a corporate guest or a leisure traveler makes a reservation that runs into weeks, you could use that to lure them to upgrade rooms. When such a reservation comes in, you could offer them a better option of a room for a nominal extra charge. This could work wonders because long-term guests take comfort more seriously than vacationers. Shelling a few extra bucks wouldn't be as big a deal as living in lesser comfort!

#### SHOULDER NIGHTS

This is a very commonly used hotel reservation strategy where hotels don't make their inventory as transparent, in order to lure guests to spend an extra day or two.

For example: Let's say a guest wants to make a reservation for a deluxe suite for two nights, a Tuesday and a Wednesday. The hotel front desk realizes that this is a great opportunity for the hotel to upsell, as midweeks are when they get least amount of reservations.



So, in order to increase the number of reservations, they implement the shoulder nights strategy. The front desk staff gets in touch with the guest saying they will not be able to honor the booking for that particular room-type for those exact nights, unless the booking included a day or two before or after. The staff would, of course, add that they would offer the additional nights at a lower price than what the guest was to pay originally. The guest, normally, would accept the offer and agree to add an additional night or two as it works out to be a good deal for them too!

#### ROOM UPGRADES

This is the most commonly used strategy to upsell. In this case, the front desk staff or even a social media ad would inform the potential guest that the hotel would upgrade their regular room for a luxury suite (or whatever upgrade the hotel offers) for just a few extra bucks.

You can define the upgrade in whatever manner you choose, either depending on the season, or on the guest preference, or even to a certain amount. As in, you can get a free upgrade for rooms in a certain category and should you wish to be upgraded to a higher category than what is offered, you could charge them a certain amount of money.

The options and possibilities are really endless, but so are the benefits. So feel free to experiment, and understand by trial and error what works for your hotel, your region, your target audience and your budget!

#### HOW

# EFFICIENT IS A PROPERTY MANAGEMENT SYSTEM TO

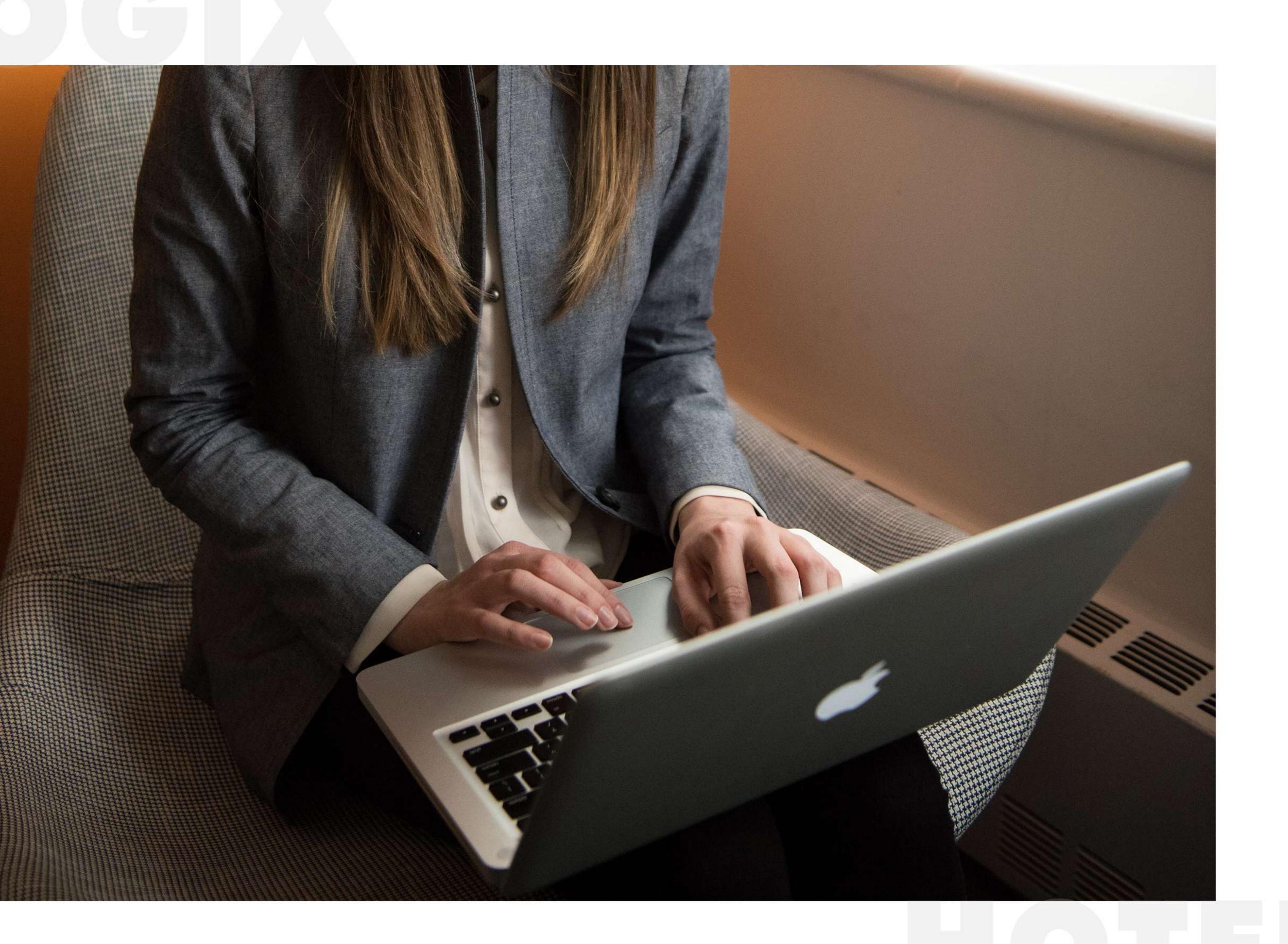
## HELP WITH UPSELLING

Here's the real deal. Many hoteliers make the mistake of confusing a Hotel Reservation System for a Property Management System. The offerings of both these systems are very, very different as is the impact they have on your business. Here's how:

The purpose of a Hotel Reservation System is quite self-explanatory. An HRS isn't as feature-loaded, nor as dynamic. You could use the HRS as a dashboard to gather how many rooms are booked, vacant, available, etc. But the nuances that make a hotelier's life easier are only available in a PMS.

Think of it this way - A Hotel Reservation System is a subset of a Property Management System. It does not come equipped with all the other features that can support the upselling process. Only a <u>Property Management System</u> can do that.



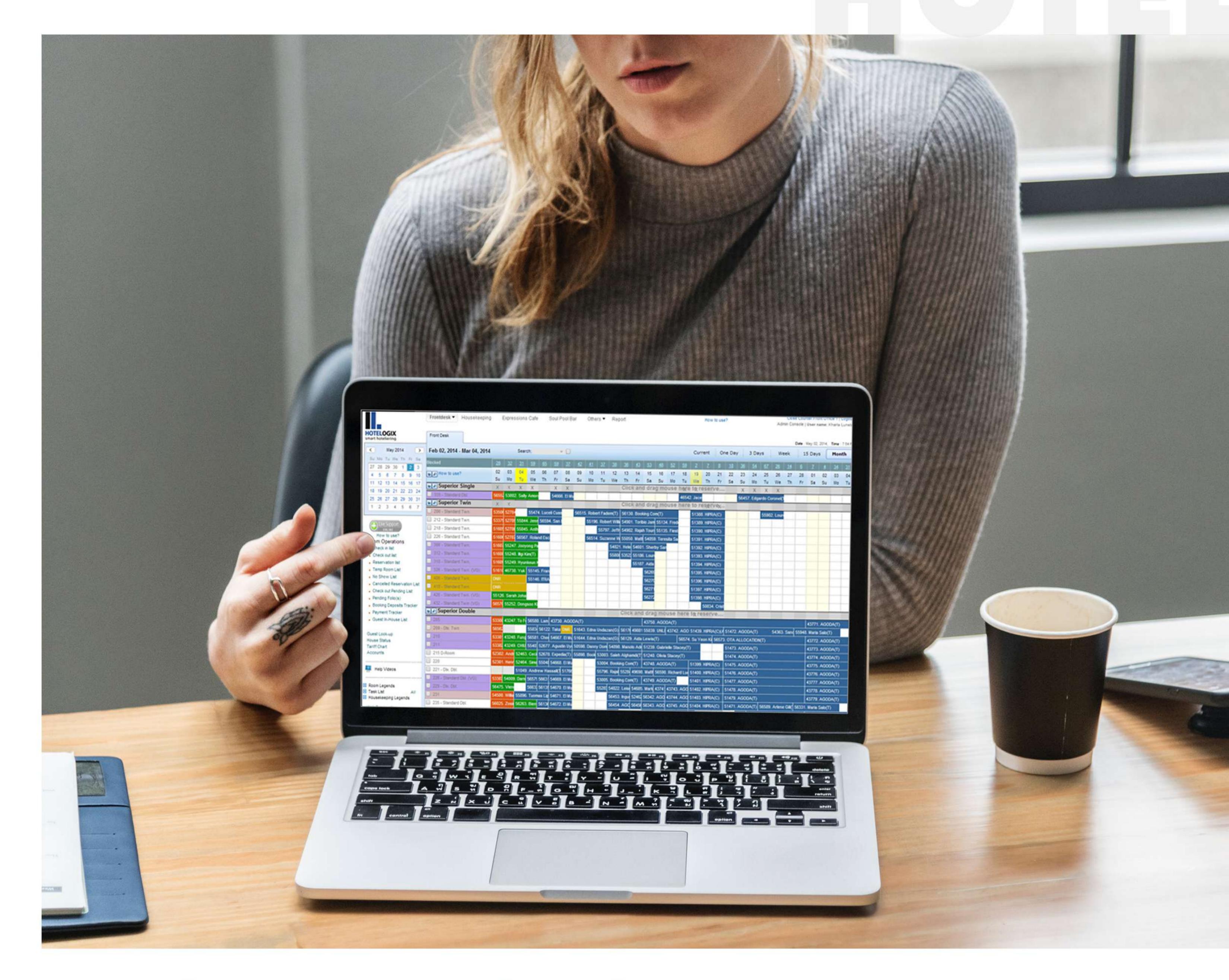


# WHY YOUR HOTEL NEEDS A PROPERTY MANAGEMENT SYSTEM

#### LIKE HOTELOGIX

The general myth surrounding small and mid-sized hotels is - that they do not need the advanced features of a cloud-based Property Management System. I would even go to the extent of saying that small and mid-sized hotels need a PMS more than chain hotels. Simply because they need the online visibility more, as they lack the luxury of a brand name, the marketing budget and so on. Smaller hotels need a PMS to not only upsell their rooms but also to connect with potential guests online.

So how does one go about creating restrictions, designing packages, long stay discounts, promo/referral codes etc. for guests on an online hotel reservation system? How can a Property Management System help you upsell your rooms through packages? Almost everything related to upselling can be predefined in the back-end which the front desk can access with a single click. Customizing restrictions, packages, etc. as per your requirement can bring in immense benefits to you.



### HOTELOGIX

## IS THE BEST CLOUD PMS FOR YOUR PROPERTY

Hotelogix cloud-based hotel management system helps you out with your reservation-related tasks but it is also capable of so much more than that. From guest management to nurturing guest loyalty, from expanding your sources of bookings to integrations with revenue management systems, business intelligence tools, reputation management, accounting, POS management, etc.Hotelogix is the PMS your hotel needs.

We've transformed the lives and businesses of several thousands of hoteliers across the globe in the last ten years, and we would love to show you how.

Get in touch with us at <a href="mohammed.azam@hotelogix.com">mohammed.azam@hotelogix.com</a>
to learn more.

## ABOUT HOTELOGIX



Hotelogix provides a robust cloud-based Hotel PMS that helps hotels to automate and manage their end-to-end operations with ease. It also assists hotels to drive growth, increase revenue and enhance their online reputation. The PMS is hosted on Amazon Web Services, and thus offers the much-needed stability and security to hoteliers.

The company has rich experience in serving global markets with customers in 100 plus countries.

Free Trial

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