

How The Future of Hotel Revenue Management Is Changing

A world where Revenue Optimization, Marketing, Distribution, and Digital Teams all work under one umbrella for all revenues.

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EINPresswire.com/ -- Traditionally, hoteliers have operated their businesses with departments working separately towards varying goals. While more reservations and a positive guest experience have always been the end goal in the hospitality industry, for separate departments, that's where the commonalities ended.

In the past, marketing, distribution departments, revenue optimization divisions, and digital teams worked diligently to complete complimentary goals within their department with little thought of working together. To continue revenue growth, this must change.

In a post-Covid world, where travel habits are constantly evolving, the need for increased use of technology and rapid data compilation is driving these teams together under a single banner of revenue generation.

The Dangers of the [Silo Effect](#)

The Silo Effect occurs when a team or leadership members do not share common goals, have aligned strategies, exchange information, or use collaboration tools. Not only can the Silo Effect hurt employee morale, but it can damage the bottom line as well.



Traditionally, marketing, revenue optimization, and digital teams have worked as separate entities within a hotel's corporate structure, often with little collective communication. While each department or individual might think they're working to contribute to the common goals of the organization, without collaboration and communication between departments, they could be working towards opposing end goals.

Building a brand and maximizing revenue have been viewed as two distinct, unrelated goals. This narrow way of thinking harms hotel guests, who ultimately suffer when departments don't communicate, and messaging differs across different divisions.

Why Departments Need to Work Together Now More than Ever

The rapid advancement and adoption of technology in the hospitality industry has increased the importance of cross-division teamwork. Typically, a revenue professional spends upwards of 40% of their time compiling data. As the data becomes more readily available, the revenue professional will engage the Marketing, Digital, and Distribution teams in designing the right strategies and execution timelines to ensure peak revenue and profit performance. This can, and ought, to happen from property, regional and corporate levels to ensure all revenue streams realize their greatest capture.

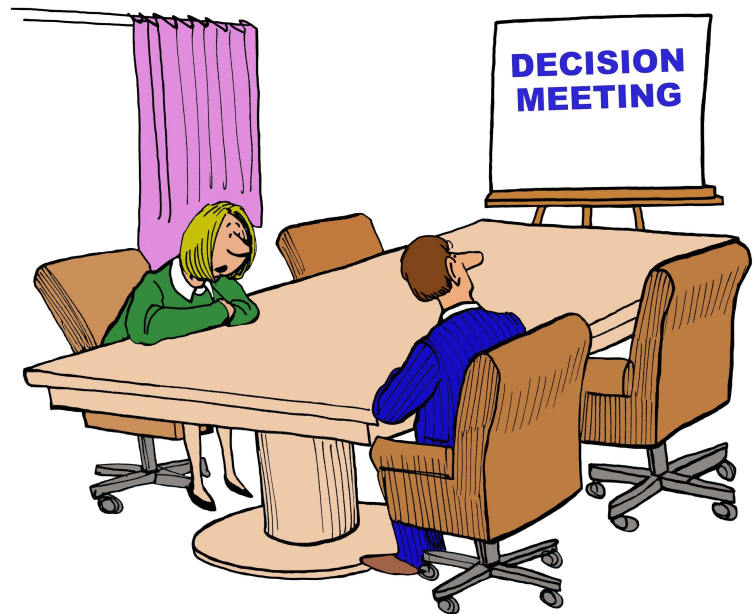
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The hotels that embrace data harvesting from all revenue streams rolled into quick, informative analysis dashboards will stay in touch with ever changing trends in the travel landscape.”

*Suzanne Swafford, CRME,
Managing Partner at Revenue
Tree, LLC*

According to Suzanne Swafford, CRME, Managing Partner at Revenue Tree, LLC and Associate Partner at Strategic Solution Partners, “The hotels that embrace data harvesting from all revenue streams rolled into quick,

informative analysis dashboards will stay in touch with ever changing trends in the travel landscape. Hotels that have a clear understanding of the data and the ability to create and



“Quick, let’s make the decision before everyone else shows up!”

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implement data-based strategies across departments will lead their market.”

Now that technology allows us to instantly capture and evaluate data from past, prospective, and current guests, all departments must work together to act on the current data models. The last eighteen months have been dynamic, to say the least. The need for data compilation has increased multifold over the last year and a half, as trends no longer follow norms and must be evaluated and acted upon quickly.

How to maximize the collaborative effort

Teamwork between departments cannot happen without clear communication between every team member involved. In traditional, independent cooperate structures, communication between departments tends to only occur when something goes wrong. Communication, however, should be constant between departments during successes and failures. Through reliable communication, departments can get on the same page about guests’ needs, which at the end of the day is the most important.

Patrick Harrington, CRME, High-Touch Client Advocate for Travel Outlook, says “understanding the customer and sharing that information across all departments is vital for a hotel’s success.” To maximize communication between departments, encourage efficient collaboration.

According to a collaboration study titled Collaboration Trends and Technology, researchers found that 98% of connected employees collaborate, and - 94% say collaboration is important. Additionally, the study found that 48% of employees preferred collaborative communication to occur in the morning and 24% preferred the early afternoon.

The study also found that 83% of surveyed employees use technology to communicate across departments. To maximize the inter-team effort, make communication social, foster a collaborative culture, seek input from employees, and use the technology that's available.

Collaborative efforts promote efficiency

Collaborations between teams and lean, efficient teams that work together towards a common



Suzanne Swafford, CRME, Managing Partner at Revenue Tree, LLC and Associate Partner at Strategic Solution Partners

goal cut through the red tape of typical cross-department efforts. By working together from the compilation of the data through the implementation of the data-based strategies, teams invite new structure changes without the pain of changing the old guard or garnering buy-in as much as pre-COVID.

Doug Kennedy, President of Kennedy Training Network and the founding Board Advisor to what is now known as the HSMAI Revenue Optimization Advisory Board, has watched the industry change over the years. He states, "it's clear that interdepartmental communication is key to increasing revenue. Messaging must be united through all departments from marketing, sales, and digital to revenue optimization and distribution."

Simplify team's collaborative effort by outsourcing reservation department

With new, lean efficient teams working together to unify messaging and increase revenue, reservations must keep up their share of the workload as the final piece of the puzzle.

Outsourcing hotel's reservation department to an [independent hotel call center](#) will allow other departments to focus their collective efforts on increasing revenue and ensuring continuity in the brand's messaging. [Professionally trained call centers agents](#) will aid teams to work effectively to increase hotel's profitability and overall guest satisfaction. And they'll work tirelessly to ensure all call center agents know the ins and outs of a property and can sell its best features.

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