

2023 BUYING GUIDE

The Ultimate Guide to Channel Managers



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What is Channel Manager?

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A channel refers to each and every one of the sales platforms a property can send its rates and availability, promote its rooms and get reservations, including online travel agencies (OTA) like Booking.com, Expedia, and Airbnb, metasearch platforms like Google and TripAdvisor, bed banks like Hotelbeds, wholesalers like TBO Holidays, and the property's website as a direct sales channel.

The channel manager gathers all these sales channels in one single platform allowing you to centrally manage your rates, availability, and reservations. With a channel manager, you no longer need to keep track of every booking, every availability, and every piece of information on each platform manually. The channel manager updates these automatically and in real-time when a booking is made, thanks to a pooled inventory model. This allows a hotel to maximize occupancy and reservations with almost no risk of being double booked. The channel manager enables you to create, update and manage everything about your property's sales operations through one single dashboard online! So you don't need to allocate your time to managing hundreds of different platforms.

What's inside this buying guide?

- ▶ Introduction
- ▶ Key Benefits
- ▶ Trends & Developments
- ▶ Key Features
- ▶ Critical Integrations
- ▶ Pricing & Implementation
- ▶ Questions to Ask Vendors
- ▶ Curated Resources

Channel Manager Benefits and Business Value

What it does

1

Increase Occupancy

Hotels can be visible and attract guests on the channels that target the most relevant guest profiles. Opportunity to broaden reach across business, domestic, and international travelers, all for no extra cost.

2

Stay in Control & Save Time

Distribute your room availability and rates to hundreds of sales channels and travel agencies from one central application and repository with a pooled inventory model. Leverage yield management to maximize occupancy rates while avoiding double bookings.

3

Drive Profitable Revenue

The most efficient way to drive profitability is using a channel manager with central reservation management (or CRS) features along with a booking engine for direct bookings to help ensure a hotel website is kept at the forefront of the guest acquisition strategy and commissions kept under control. Rate automation and rules can maintain the pricing strategy with little effort in real-time.

Promoting your property on 7+ more channels can increase your bookings by up to 60%

How it adds value

- **Drive profitable indirect revenue.** Millions of travelers book every day using third-party OTAs and other sales channels. Without a channel manager, you can only reach a fraction of those potential guests without managing connectivity as a full-time job.
- **Prevent double bookings.** There's nothing worse for a guest than to finish an exhausting journey only to find out the hotel they booked is sold out even though they have a confirmation email in their pocket. Channel manager uptime and connection is critical to prevent overbookings.
- **Save time.** Logging into multiple OTA extranets is time-consuming, managing them is near impossible. Then try adding a dozen more channels and you're way over your head. Ultimately a channel manager helps you seamlessly sync and manage all these connections from one single location.

Special thanks to our sponsor for making this guide possible



HotelRunner

Featured Channel Manager

Reviews
75

Recommend
94%

Integrations
150

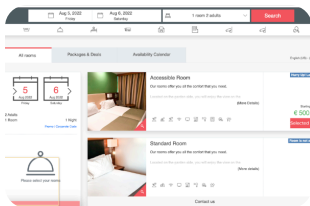
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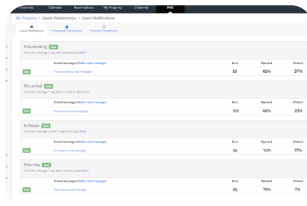
Check out more products in the HotelRunner product suite

BOOKING ENGINE



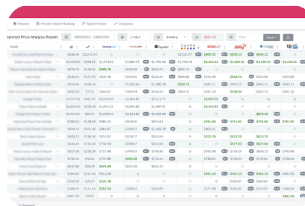
Increase conversion on your direct, commission-free channel

GUEST RELATIONSHIP MANAGEMENT



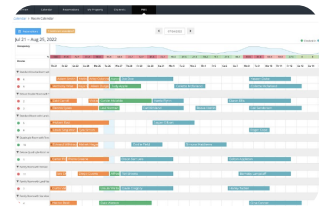
Engage with your guests before, during, and after their stay with automated emails.

RATE INTELLIGENCE & SHOPPING



Access the room rates of your competitors on the most popular online sales channels and optimize your own rates.

PROPERTY MANAGEMENT SYSTEM



Manage your property's daily operations including front desk, housekeeping, check-in, and outs.

FEATURED REVIEW

"The booking engine is great to drive direct bookings, and being able to create some extras and specific packages is really useful. I also like the easy way to create and publish a website. For many of our small properties, HotelRunner is the perfect solution to have a website, booking engine and channel manager at a really accessible price. We have been able to create OTAs listing in just a few clicks which is really amazing, like with Airbnb, Agoda, Expedia..."

Trends & Future Predictions for Hospitality Channel Management

Brought to you by

 **HotelRunner**



2022-2023 Trends

Speed-to-market beyond connectivity. Long gone are the days when channel management was simply about connecting hotels to an OTA. The long-standing one-sided connectivity experience has now turned into a bilateral relationship where hotels and travel agencies find each other and transact directly in line with their mutual expectations and revenue targets globally. Today, more than ever before, this relationship between hotels and agencies plays a key role while seeking out travelers where they are and using multiple approaches, including a direct booking strategy, distribution platforms, pricing tools, and revenue management systems. It's no longer enough to know where a traveler came from. The rapid changes and unpredictability of demand and new guest segments mean hoteliers need to rapidly shift their revenue strategies to accommodate for new realities and spin up new campaigns and promotions from one day to the next. All known truths have to be questioned and new guest segments have to be identified and proactively targeted.

Shift from occupancy to profitability. In a world where traditional measures have lost relevance, only real-time insights will help to guide hotel strategies today and going forward. Many hoteliers facing a situation with reduced or unpredictable demand need to carefully watch the performance and cost of acquisition associated with each booking and channel. With the guidance, business intelligence, and insights that channel managers provide at the right time hoteliers can frequently assess their distribution strategy and adjust their mix of direct and indirect channels based on demand and acquisition costs in order to maximize their yields.

Integrated and automated, secure payment processing. Payment processing is time-consuming and complex for hotels. The complexity has increased during COVID with the expectation of full flexibility, refunds, and a surge in last-minute bookings. Guests, regardless if they book through a third-party channel or directly with the hotel, have also come to expect a seamless, highly secure, and smooth payment experience.

Hoteliers, additionally, need efficiency, and quick ways to capture and reconcile all their payments, including those from channel partners. An integrated payment solution as part of a channel manager is the way forward allowing hoteliers to set up rules to accept and process deposits and payments from bookings via third parties, including automatic pre-authorization of credit cards. This removes time-consuming manual work and gives hoteliers faster access to cash.



Key features to look for when choosing a channel manager solution

1 **Distribution channels**

It's important the hotel has the opportunity to connect with many new booking sites across new markets to maximize reach and grow revenue.

2 **Deep systems integrations**

The channel manager should be able to integrate with (or preferably should be built-in) other systems such as the PMS, RMS, and CRS.

3 **Real-time channel management**

Manage room inventory, availability, and rate plans across all channels through a simple user interface, in real-time.

4 **Pooled inventory**

It's vital the channel manager operates on a pooled inventory model, to minimize double bookings and maximize the sale of inventory.

5 **Quality integrations**

Hotels will want to make sure the channel manager not only fully supports their preferred channels but also is awarded by those channels for their seamless connectivity and high-end technological infrastructure.

6 **Intuitive & effective reporting**

To manage revenue properly, the channel manager needs to provide the hotelier with a clear view on channel performance for as many channels as the hotel is connected to.

7 **Limitless & affordable platform**

Get the most out of the platform without spending a fortune. The channel manager should offer unlimited integrations, and room and rate plan creation at no extra cost for each.

EXECUTIVE LETTER

The long tail of hotels are still in the early phase of being bookable online

Presented by **HotelRunner**

The digital transformation, which the tourism industry has been going through for more than ten years, witnessed a profound change after the pandemic of 2020. It has become imperative for hotels to move their operations to digital, as well as interact with travel agencies and their customers online.

However, knowing that of the 15 million accommodations worldwide, more than 14 million are not available online, and 60% of the biggest online travel agencies' inventory is still not connected in real-time, HotelRunner's end goal remained the same: connecting the travel industry and creating a bigger travel economy.







Our platform which brings a large network of hospitality industry players together allows all parties to participate fairly, and trade seamlessly with each other by finding, contracting, connecting, and transacting online. The award-winning technology provides hoteliers with a complete set of tools to digitally transform their business making them more efficient, more visible, and more profitable. With the help of our B2B network, hotels become directly accessible to the travel industry players including global and local travel agencies, payment systems, metasearch platforms, and so on.

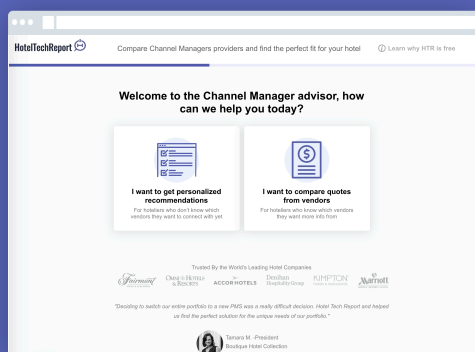
During the pandemic, HotelRunner's efforts in building AI-driven products and services to maximize the revenues and profits of its partners have also gained great momentum. To improve our suite and maintain smooth connection quality, we have grown our team by over 200%. We are the trusted technology partner of over 60,000 properties from 193 countries and over 150 travel industry players worldwide for over a decade.

Ali Beklen and Arden Agopyan
Founders & Managing Partners @ HotelRunner



Top Rated Channel Manager Products

Product	Rank	Reviews	Recommend	Integrations
 HotelRunner #6 Rated Channel Manager	SPONSORED	75	94%	150
 SiteMinder #1 Rated Channel Manager		1036	91%	60
 Cloudbeds #2 Rated Channel Manager		819	91%	57
 RateGain #3 Rated Channel Manager		346	94%	15
 Profitroom #4 Rated Channel Manager		218	88%	35
 eRevMax #5 Rated Channel Manager		78	89%	38



Want to find out which channel manager solution is best for your hotel in under 2-minutes?

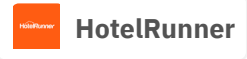
Take the quiz →



What hoteliers are saying about their channel manager providers



Review of

**Managing Director from B&B in Marrakesh**

Easy handling

"You can manage all your sales channels from a single website. Overbookings are avoided. Allows efficient sales management. They give you a very concise training to use the program without problem since the first moment."

Sales Manager
City Center Hotels in Marrakech



Management simple and easy

Receiving updates by sms and email really adds great value. The ease of creating a website and the summary of visits on the website. Doing bulk updates as well as individuals room by room updates is very convenient.

Director of Operations
Hostel in Cape Town



Excellent channel manager

We have been using Hotelrunner for the last 1,5 half years in order to manage about 50 rental properties. The channel manager is reliable and easy to use, enabling us to easily sync prices and availability across the various channels and to avoid any doublebookings...

Property Manager
Vacation Rental in Greece



Very good channel

The system is working good platform for hotels. HotelRunner for 4 years HotelRunner!

General Manager
Serviced Apartments in

[Read more reviews on www.hoteltechreport.com](http://www.hoteltechreport.com)

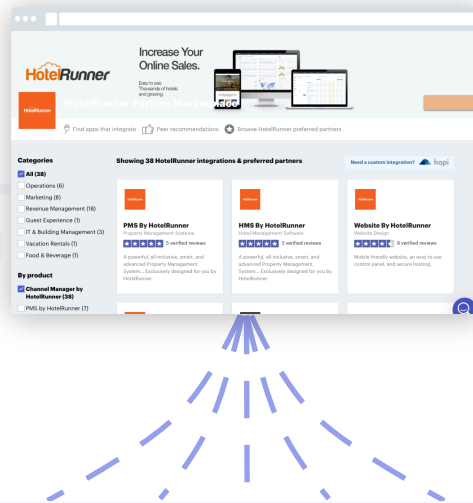


● Want to save time and money on integrations?

Learn more about  hapi

Critical integrations

Without the right integrations even the best product can add complexity and cost. Make sure any vendor you consider has the integrations you need to set your team up for success.



- **Travel Agencies.** # of online (OTAs) and offline travel agencies connections is important but having the right connections is also critical. If you get 60% of 3rd party bookings from a channel, you'll want to make sure the provider you select has strong reliable connectivity
- **Online payment integrations.** Payment systems are your gateway to receive online or on-site payments, fast and securely. You'll need your channel manager integrated with real-time and reliable payment collection systems.
- **Property Management System.** In order to prevent double bookings and effectively manage cancellations you'll need your PMS and channel manager in complete real-time sync.

What questions should smart buyers ask vendors?



#1 Does it offer 2-way channel connections?

The short answer should be yes. Two-way connection is essential for automation and time-saving.

#2 Does it offer comprehensive reporting?

Knowing which channels deliver the most bookings, which provide the most revenue, and which are the most profitable is paramount to successful hotel management.

#3 Can it ensure an optimal rate from our direct channel?

Have the ability to set rules for your direct channel to ensure it delivers the best value.

#4 Is pooled inventory available?

The only way revenue can be maximized is if all rooms can be advertised across all channels at the same time, which requires pooled inventory.

#5 Can your channel manager offer derived rates?

Saves time and reduces the risk of errors by controlling multiple rates from a single base rate.

#6 Do your favorite channels recommend your channel manager?

Channel managers that are recommended by the channels offer the best connectivity experience which helps you save time and effort while increasing your performance.

What success metrics (KPIs) should you focus on?

- ▶ **Total Reservations & Revenue.** With more visibility into more new channels and channels that are more optimal to broaden the hotel's reach in new markets, hotels can expect to attract more reservations than ever before. Even a small increase in occupancy rate from the channel manager should have a very positive effect on monthly and annual revenue. Results will vary according to occupancy.
- ▶ **Occupancy Rate.** It depends on the size of the property and the number of connected channels. Most hotels can expect an increase in occupancy after implementing a best-in-class channel manager that gives them easy access to dozens (if not hundreds) of new distribution channels to acquire guests.
- ▶ **Profitability.** By setting direct pricing rules in the channel manager, hotels ensure the direct channel always offers the best value. Other approaches to maximize profits prior to a guest's arrival are to offer packages, apply stop-sells, or set a minimum number of days a booking can be made for.

Pricing & implementation guidance



PRICING

What are the typical pricing models and ranges that I should budget for?

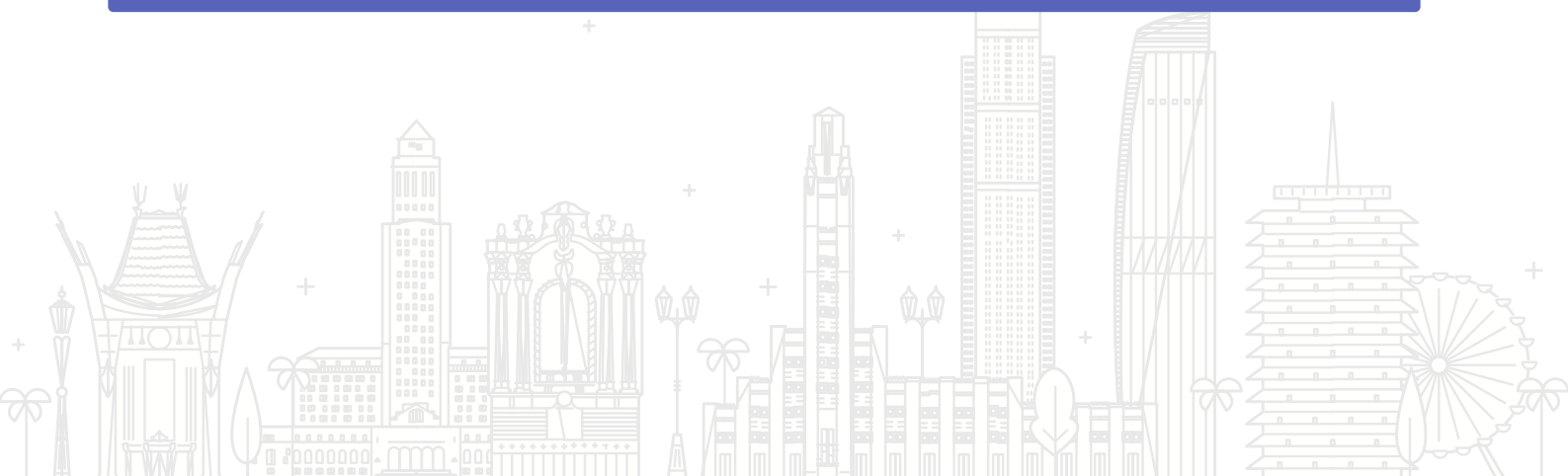
- **Implementation Expense.** For most of the channel manager and PMS implementations, a fee is incurred during setup as they are mostly on-premise solutions; however, many vendors waive these fees.
- **Monthly Subscription.** Pricing methodologies varies as percentage or fixed fee. Percentage fees start at 1% and fixed fees range from \$9.95 to \$300 per month.



IMPLEMENTATION

What does the typical implementation timeline and process look like to go live?

- **Less Than A Week.** There are five key steps to run through on the path to going live with a channel manager. These include an introduction, training, setup, and engagement. At HotelRunner, this process can be as short as 3 days. Demo account trials typically last about 2-weeks where the hotelier can test out the full feature set and upon completion can immediately activate their subscription.



Furthering Reading & Success Stories

Watch and read real stories from hoteliers like you about how they leveraged channel managers to grow their business.

SUCCESS STORIES



HotelRunner Experiences: Barbera Boutique Hotel



HotelRunner Experiences: Riad Les Trois Palmiers El Bacha

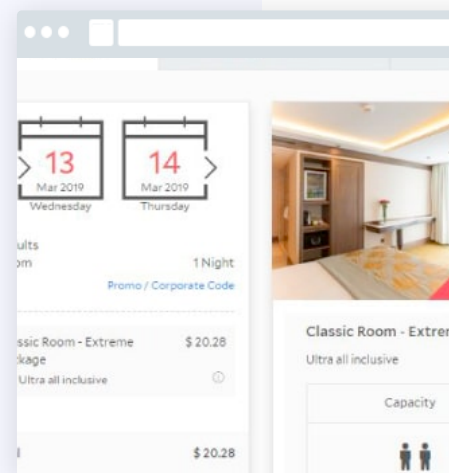
FURTHER READING

- [What is a Channel Manager? How Do You Choose the Right One?](#)
- [Google Hotels is the Elephant in the Room, Is it Good or Evil?](#)
- [Hotel Technology: 8 Trends to Watch in 2023](#)
- [What is Overbooking in Hotels?](#)

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HotelRunner is a SaaS-enabled unified sales, operations, and distribution management platform and B2B network for accommodations, travel agencies, and payment providers. HotelRunner has thousands of accommodation and travel agency partners globally. HotelRunner is a Booking.com Premier Connectivity Partner, Expedia Elite Connectivity Partner, Airbnb Software Partner, Agoda Innovative Supplier, Oracle Gold, Hotelbeds, and Google Hotel Ads strategic partner.



About Hotel Tech Report

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Each month 230,000+ hoteliers across 150+ countries research and discover new ways to leverage technology to drive revenue, increase operational efficiency and improve the guest experience.

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