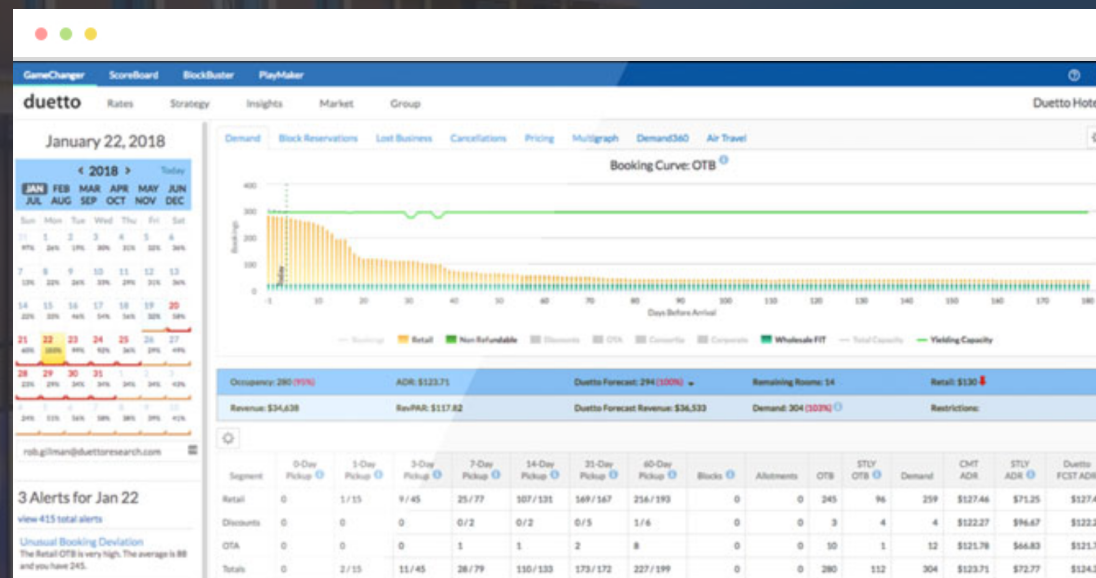


THE ULTIMATE GUIDE TO REVENUE MANAGEMENT SOFTWARE

2019 Edition

Underwritten, in part by:

duetto



Buyers guide created in collaboration with Duetto

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WHAT IS REVENUE MANAGEMENT SOFTWARE?



Revenue management software automates the process of using analytics to determine the right price for hotel rooms to maximize revenue and profitability. The primary goal is to sell the right product to the right customer at the right time for the right price on the right channel. Revenue management software ingests historical and market data, combines this with forward-looking demand signals and recommends a rate for each segment and room type at your hotel, specific for each channel on which you are selling. Recently, modern software has moved from on-premise to cloud-based applications that are delivered as Software-as-a-Service, meaning multiple users can login to the applications from anywhere they have an Internet connection.

WHAT ARE THE KEY BENEFITS OF REVENUE MANAGEMENT SOFTWARE?

“

“GameChanger adds 5 to 10 points of RevPAR Index in the hotels where it has been implemented. Honestly, I don’t know of any other single thing management could do to bump the Index like that.”



Leland Pillsbury

Thayer Lodging – a Brookfield Company
Chairman

1

DRIVE MORE REVENUE

A revenue management system helps hotels determine how much to charge for their rooms each day. By accurately pricing hotel rooms based on real-time supply and demand data, hotels can drive average daily rate, revenue and most importantly RevPAR Index.

2

ACCURATE FORECASTING

An accurate forecast looks at all of the available data -- past history and forward-looking data -- to help hoteliers determine what their demand is going to be for every single day as far as 365 days into the future. Forecasts help each department in the hotel make smarter operations, marketing and sales decisions.

3

CREATE OPERATIONAL EFFICIENCIES

Automating your revenue management with a revenue management system means hoteliers no longer have to build spreadsheets and reports, calculating the demand by hand every day, and then entering those numbers into a spreadsheet and reporting system. This frees employees up for more strategic thinking around positioning their hotel in the market.

THE INSIDE SCOOP

Cut through the noise and find out what real hoteliers are saying by reading in-depth reviews.



VERIFIED USER REVIEWS

[Read reviews →](#)

duetto

Director of Revenue Management from Seattle

"I continue to be amazed at how fast the system works and the accuracy of the information it provides. Also, the willingness and efficiency of the partners at Duetto, when it comes to questions, advice or solutions, only amplifies the value of Gamechanger. In today's ever-changing pricing environment, Gamechanger sets the standard for true, real-time, open-pricing..."

Read the full review on [HotelTechReport](#)


IDEAS™
A SAS COMPANY

Senior Revenue Manager from Singapore

"System is robust and easy to use. For properties with limited human resources IDEAS will be very helpful when it comes to forecasting and recommending rate strategies. Sophisticated optimization that is refreshed a few times a day to ensure that the rates are always competitive."

Read the full review on [HotelTechReport](#)


ATOMIZE
AUTOMATIC REVENUE MANAGEMENT

General Manager from Sweden

"They increased our RevPAR with almost 17%! I also like the new overview page where you can see forecasted RevPAR/occupancy/Revenue..."

Read the full review on [HotelTechReport](#)


duetto

Global Revenue Manager from Amsterdam

"Duetto is extremely Intuitive, has easy connection with our PMS, great development capacity, easy configuration and excellent support. Strong product and constantly improving."

Read the full review on [HotelTechReport](#)

TREND WATCH

Read predictions from domain experts and learn about the state of the category.



WHAT'S NEW AND INTERESTING IN THE SPACE?

OPEN PRICING

Open Pricing allows hotels to independently yield all segments, channels and room types in real time with new and better insights into demand. Rates are no longer adjusted in lockstep based on a single BAR rate, allowing for a more surgical approach to pricing.

Duetto Prediction: Key integrations between all property management systems and revenue management systems will pave the way for better out-of-the-box pricing.

PERSONALIZATION & AUTOMATION

Based on dozens of data sets, hotels can present rates and packages tailored specifically to each guest that visits their website. Rates and offers are based on an individual's total value, or worth, to your hotel.

Duetto Prediction: Personalization will be the key factor in simplifying the hotel booking experience, making booking your hotel as easy as calling an Uber.

CLOUD ARCHITECTURE

Rather than housed on a server at the hotel, today's revenue management technology is hosted in the cloud and served in a SaaS environment. This means users are always operating on the most recent version of the software and receiving feature updates as they are available.

Duetto Prediction: Systems will connect in a plug and play environment, meaning hoteliers can swap systems and rely on seamless, real-time integrations.



Having the right information
— like web shopping
data, insight into price
sensitivity and
unconstrained
demand — makes it easier
to do my job. Rather than
running reports and
manually making
rate changes, I can focus on
developing strategies
that generate more revenue.

BUYING ADVICE AND RECOMMENDATIONS



Critical
Features



Top rated providers
& comparisons



Key
integrations



Questions to
ask vendors

WHAT ARE THE MOST IMPORTANT FEATURES TO CONSIDER?

✓ Integrations

It's important that your RMS integrates with your PMS, CRS, CRM and booking engine with a reliable, two-way connection so that the systems can share the right data.

✓ Open Pricing

Your RMS must be able to price room types and channels independently of each other, rather than in lockstep with a set BAR price. For example, on some days you want your AAA rate to be 10% less than BAR, on other days you may want it 1% less than BAR.

✓ Cloud technology

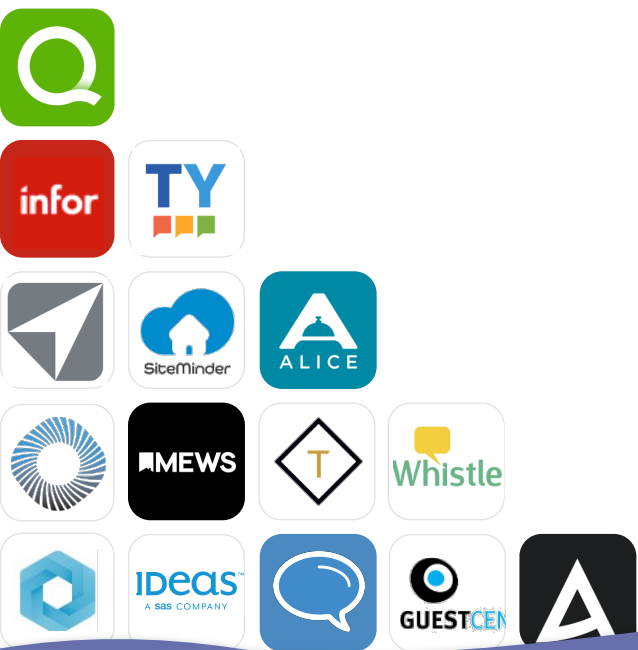
An RMS that runs on multi-tenant cloud architecture allows your systems to integrate and share data more seamlessly, and allows developers to push updates to your software in real time. No more purchasing new versions of software just to get the latest features.

✓ Intelligent reporting

It's important that your RMS be able to build, export and share your most critical reports. Revenue teams must be able to share reports at the push of a button with management, ownership and other departments within the hotel.

✓ Data Visualization

A good RMS not only presents your data in tabular reports, but allows you to visual your data and reports in graphical form. This allows revenue teams to better understand trends, outliers and patterns in data.



WHO'S WHO...

See which players are trending in the market and launch Hotel Tech Report compare to compare them side-by-side.

duetto **Duetto**
[View profile >](#)

Duetto is hospitality's only Revenue Strategy Platform. Our cloud applications address the industry's complexity in distribution and technology, providing powerful solutions that increase efficiency, revenue and profitability.

IDEAS **IdeaS**
[View profile >](#)

With more than 1.5 million rooms priced daily on its advanced systems, IDEA S Revenue Solutions leads the industry with the latest revenue management software solutions and advisory services.

ATOMIZE **Atomize**
[View profile >](#)

Atomize offers hoteliers the opportunity to increase their RevPAR by automatically setting or recommending the optimal price at any given moment, for every room type.

infor **Infor**
[View profile >](#)

With EzRMS revenue management software—specifically designed for the hospitality industry—you can sell the right product to the right customer, at the right time, and for the right price.

BEONPRICE
[View profile >](#)

Strategic hotel Revenue Management solution focused on personalized pricing to help sales, marketing, financial and distribution departments make better decisions.

rainmake **Rainmaker**
[View profile >](#)

guestrev® provides decision-makers and stakeholders with the tools they need to forecast demand accurately at the finest level of granularity, detect unexpected events and demand patterns often missed by human analysis, and strategically...



Want to compare products side-by-side with screenshots, reviews, features and more?

[Launch comparison tool](#)

“



Duetto review verified by Hotel Tech Report

I continue to be amazed at how fast the system works and the accuracy of the information it provides. Also, the willingness and efficiency of the partners at Duetto, when it comes to questions, advice or solutions, only amplifies the value of Gamechanger. In today's ever-changing pricing environment, Gamechanger sets the standard for true, real-time, open-pricing.

Regional Director Of Revenue Management

Seattle (United States)

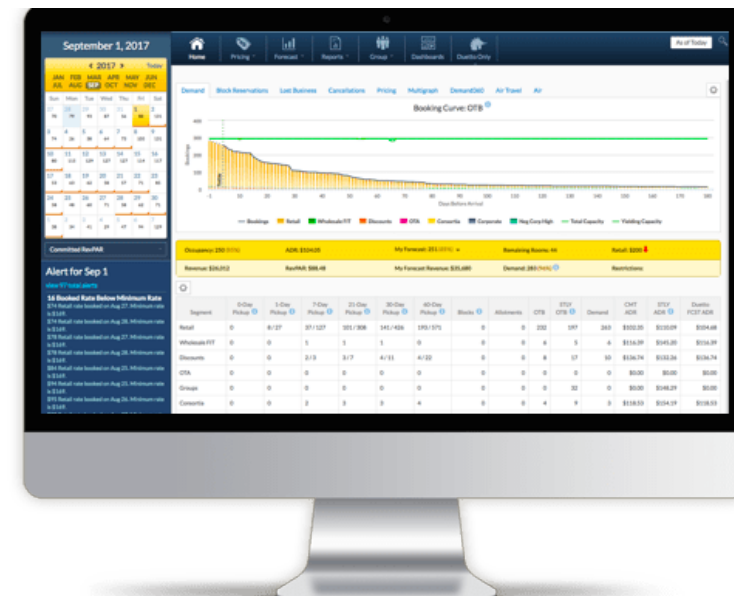
Branded Hotel

READY TO CONNECT WITH A TOP RATED PROVIDER?

Learn more about Duetto >

duetto

Optimize every booking by independently yielding all segments, channels and room types in real time with new and better insights into demand. Forecast and analyze performance across your entire company and deliver actionable insights to key stakeholders in real time.



CHUMASH
CASINO RESORT

nh
HOTEL GROUP

INTERSTATE
HOTELS & RESORTS

THAYER
LODGING GROUP

PESTANA
HOTEL GROUP

STAY CONNECTED

- **PMS**— A strong two-way integration with the Property Management Systems allows Duetto to pull historical information on rates and revenue, analyze the data and then return an accurate matrix of pricing recommendations for each segment and room type.
- **CRS**— A strong connection between the RMS and the CRS helps hoteliers avoid failed updates, lost reservations and bad reports when data and files are not transferred accurately between the two systems.
- **CRM**—An RMS-CRM connection is critical when hoteliers want to price based on a guest's value to your property. Without this connection, hotels cannot price based on loyalty or past purchase behavior.
- **Booking Engine**— Without a connection between the RMS and the booking engine, the right recommended rates cannot be pushed to the guest at the time of booking.

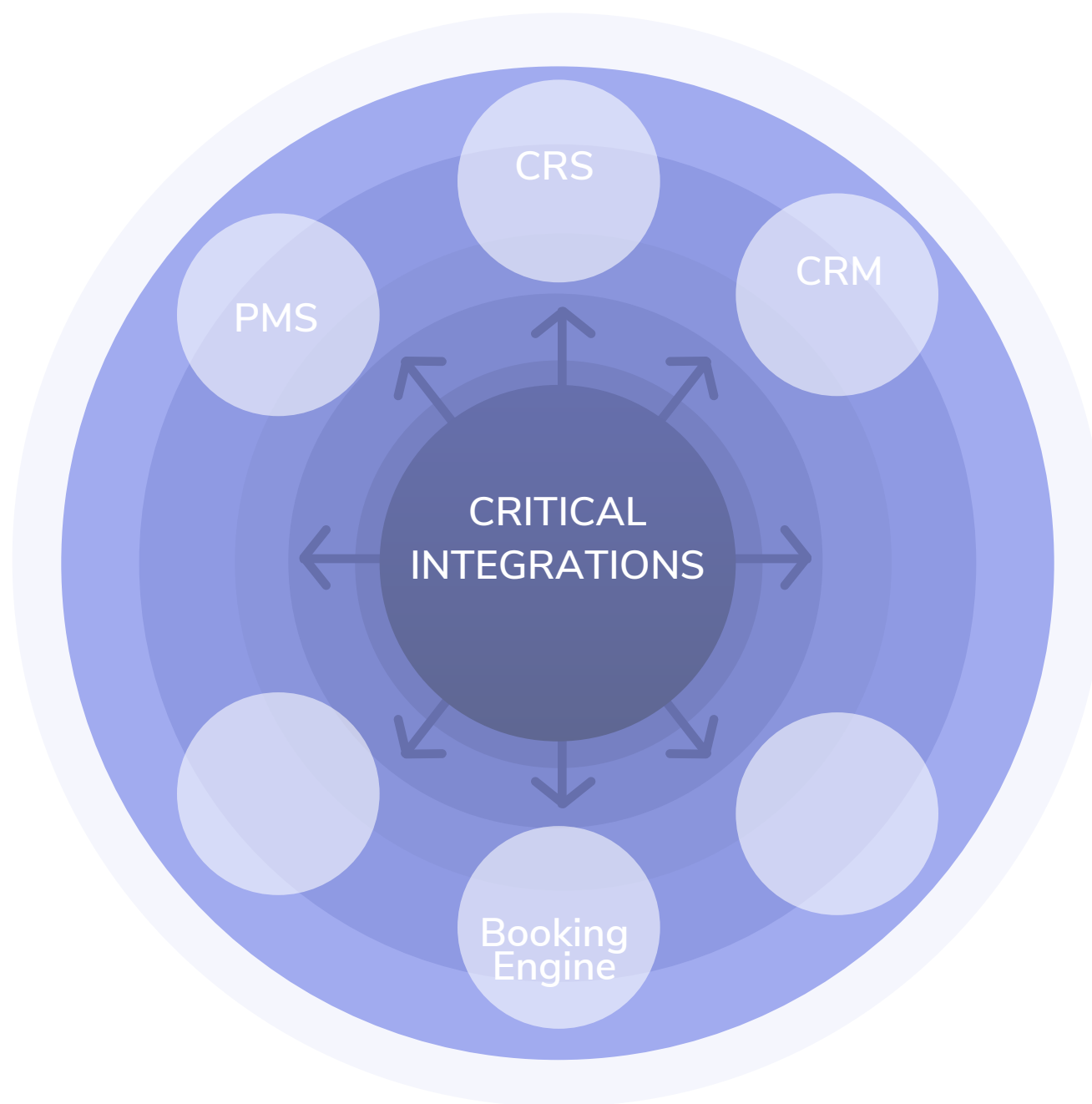
Without the right integrations even the best product can add complexity and cost. Make sure any vendor you consider has the integrations you need to set your team up for success.

[View integrations >](#)



Need an integration built for your hotel?

[Connect with Hapi](#)



WHAT QUESTIONS SHOULD A SMART BUYER ASK VENDORS



CAN THE SOFTWARE PRICE ROOM TYPES, SEGMENTS AND CHANNELS INDEPENDENTLY OF EACH OTHER?

An RMS should allow hoteliers to flex their rates and discounts independently based on demand. For example, on high demand days, hotels should be able to lower a discount channel to 1% or even 0% without lowering the BAR rate.

WILL THE SOFTWARE INTEGRATE WITH MY PMS, CRS, CRM AND BOOKING ENGINE?

An RMS won't work properly unless it is connected with a two-way integration to the PMS, meaning the system can pull rates and availability, analyze the data and then return a recommended rate to the PMS. Without a connection to the CRM, rates will not factor in loyalty or past purchase behavior.

WHAT KIND OF DATA SHAPES THE PRICING ALGORITHM?

All revenue management systems will pull in historical data, plus factor in pace and pickup, but advanced systems are able to react quickly to changes in market conditions with real-time pricing data, such as website activity, competitive rates, reputation scores and air traffic.

DOES THE SOFTWARE SIT ON PREMISE OR DOES IT OPERATE IN THE CLOUD?

A SaaS model is beneficial in many ways: it means less cost up front, it usually comes from an OpEx budget rather than a CapEx budget, it allows multiple users to login from anywhere there is an Internet connection, and it allows developers to be more agile, pushing feature updates to all users as they are available rather than releasing new versions of the software.

WILL I NEED A DEDICATED STAFF TO OPERATE THE SYSTEM?

Modern RMS technology will automate much of the process, but most still require acceptance of the recommended rates. Users can override the rate recommendations should they know something about the market that the system doesn't.

DOES THE SOFTWARE PROVIDE FORECASTING BY SEGMENT AND ROOM TYPE?

To price appropriately, hoteliers must understand the supply and demand dynamic of each segment and room type independently, rather than making blanket statements that apply to the entire hotel.

WHAT TO EXPECT



Pricing &
budgeting



Implementation
timeline



Success
metrics



Success stories and
additional resources

PRICING GUIDANCE

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

Pricing depends on the type of property, functionality needed and other factors - but what you pay should be in line with the returns you expect. Some providers offer free or near-free solutions, while pricing for others ranges up to \$20 per room, per month. As this technology is directly connected to how much revenue you capture and profits you earn, it's the one area you don't want to skimp on.

Pricing Range

Freemium to \$20/room/month

IMPLEMENTATION GUIDANCE

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

Hoteliers will first go through a thorough discovery meeting where the vendor will learn and document the hotel's current business processes and goals. Once the contract is signed and discovery is complete, the typical rollout timeline is 8-12 weeks. It starts with a deployment and onboarding stage where the vendor will map out the hotel's system data and activate integrations. Next, the vendor will go through a data quality evaluation process before preparing the hotel to learn the application and activate pricing recommendations. The final step once all integrations are live and data passes quality assurance is on-site team training.

Approximate implementation timeline

8-12 weeks

SUCCESS METRICS





HOW DO I MEASURE SUCCESS?

**1**

REVPAR

Revenue management software is designed to find your hotel's optimal business mix, balancing occupancy and ADR to ultimately drive revenue per available room. Duetto users have seen year-over-year RevPAR increases as high as 30-40%.

**2**

NET REVPAR / GOPPAR

More importantly, a modern revenue management system will place an emphasis on net revenue per available room, or RevPAR after operating costs like labor and acquisition costs are deducted. It's critically important for hoteliers to focus on bottom line profitability (gross operating profit per available room) as well as top line revenue.

**3**

REVPAR INDEX

Perhaps the most important metric, RevPAR Index measures a hotel's revenue versus its defined competitors in the market. If every hotel in the market sees revenue increases, RevPAR Index will show a hotel how its revenue has changed in comparison with the comp set. Duetto users on average see year-over-year RevPAR Index growth of 6.5%.

SUCCESS STORIES AND FURTHER READING

CASE STUDY: HOW GRUPO POSADAS MOVED BEYOND 'MASTERS OF EXCEL'

Mexico's largest hotel company invests in efficiency to capitalize on the country's tourism boom faster than its competitive

CASE STUDY: ADVANCED PRICING CENTRAL TO NH HOTELS GROUP'S TURNAROUND

European hotelier overhauls its tech stack and revenue culture to refocus on its most profitable business.

CASE STUDY: HOTEL PENN DRIVES RESULTS BY THINKING OUTSIDE THE BIG BOX

Management has crafted a unique team of talented industry partners and allowed them to synergize.

CASE STUDY: GREAT WOLF LODGE MAXIMIZES EFFICIENCY AMID STRATEGY CHANGE

Waterpark resort leader realigns Revenue Strategy to optimize total profitability while driving occupancy.

HOW AMAZON AND NETFLIX ARE INSPIRING A NEW GENERATION OF E-COMMERCE IN THE HOTEL INDUSTRY

Following the roadmap of platform-focused businesses like Netflix and Amazon, the hospitality sector is moving toward more comprehensive and personalized online experiences that encompass the broader aspects of travel beyond the hotel walls.

REVVING UP REVENUE STRATEGY

Hotel revenue leaders chart the path of the beginnings of revenue management toward the more holistic approach of revenue strategy, which incorporates technology to navigate distribution, sales and loyalty.

THE ULTIMATE GUIDE TO HOTEL REVENUE STRATEGY

In this first of its kind compilation, learn everything you need to know about revenue management principles like segmenting and forecasting all the way up to advanced Revenue Strategy and the breakthrough concept of Open Pricing.

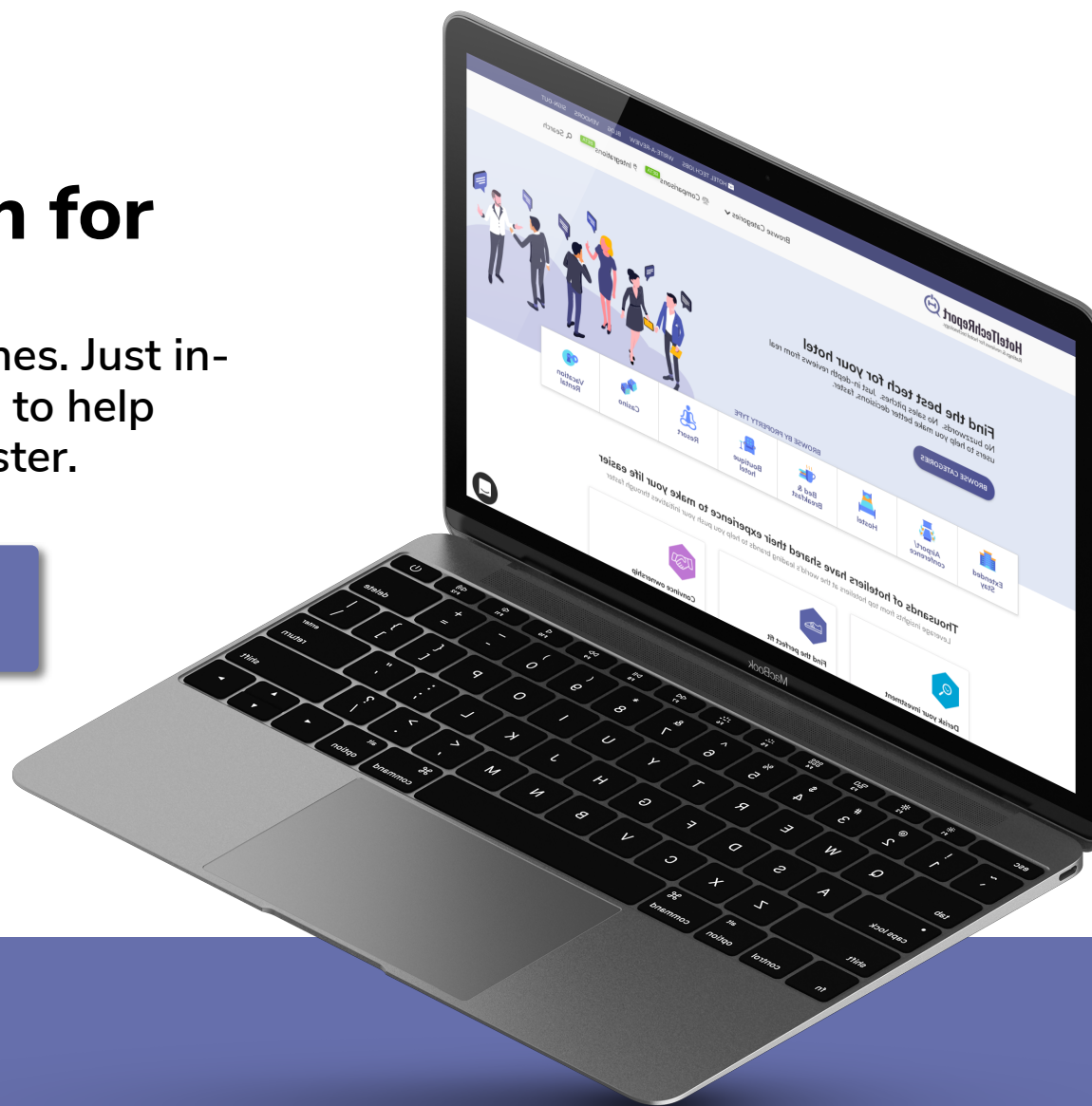
VIDEO: WHY DUETTO: ASH KAPUR, STARWOOD CAPITAL GROUP

"Duetto has un-cuffed traditional revenue management thinking, which at times is an impediment to driving higher ADR and occupancies. That is brilliant."

Find the best tech for your hotel

No buzzwords. No sales pitches. Just in-depth reviews from real users to help you make better decisions, faster.

Go to [HotelTechReport.com](https://www.hoteltechreport.com)



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