

HOSPA

TRANSCRIPTION: RECOVERY MASTERCLASS

ATTENDEES

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NOTES

[JP]: Hello, good morning everyone, welcome to today's masterclass which is all about recovery.

I'm so pleased to be joined today by Ali Powell. I'm Jane, CEO of HOSPA. Thank you for joining us.

[AP]: Hello everyone, I'm Ali and I have a company called Commercial Acceleration. I work for a lot of the big players like Hilton and Premier Inn. I now have my own company so I can have a variety of players.

[JP]: This is where to find all the information on our website: hospa.org/recovery

As you scroll through these you'll see lots and lots of short pieces of advice from our partners and sponsors so please do feel free to have a look at that. It's constantly being updated so please do keep an eye on it.

I thought I would start today by talking about how much easier it is for rural and coastal areas to pick up reservations for the summer.

City centres and town centres aren't finding it anywhere near as easy. Ali told me a great example of a hotel in London. Ali can you explain?

[AP]: Thanks Jane. Yes, I was very impressed with The Lanesborough. There is a popular series called Bridgerton. Very creatively, the hotel thought about how they could bundle something together that could be a win commercially. They have put this clever experience together - 'Live like a Bridgerton'. They have put together 4 or 5 components and it adds value and stands out.

[JP]: I thought that was really inspiring. At our hybrid conference last year they took the whole of the ground floor and turned it into a studio for us to use. We were able to have 30 people in the room. It was a great use of the space by Royal Lancaster. They have sold that room to someone else over the summer but I believe they will have it for a long time. Other venues are converting small rooms into meeting rooms and this is one way of increasing revenue in cities and towns. And larger meeting rooms are being turned into co-working spaces.

[AP]: They have a very impressive coworking space at Village Hotels. They have fixed desks and offer a lifestyle experience, such as a swimming pool. There's a lot of money to be made.

[JP]; I think it's universally accepted that meeting rooms will be the last to come back. There are all sorts of great ideas. We are getting questions already which is great. There's one here from someone in south west Cornwall. They say that they are concerned about 2022. It's very wise to keep an eye on the future for those that are having a good time this summer. Do you have any tips for the longer term?

[AP]: Yes I'm hugely passionate about retention. Right now are you able to capitalise on that demand? How can you create a way that your customers are so delighted with you that they start becoming a repeat customer? How do you keep getting them again and again that they start turning into loyalty advocates? Put in some form of a loyalty rewards programme. Using a CRM you can get a good idea of your customers. Start building a relationship so that next year, they will want to come back to you. If you've got something that works, familiarisation, there's no risk in that - you can go back to your hotel and you've built up engaging content.

[JP]: Brilliant. And you did a rather nice video for us.

[AP]: Yes, on average, 20% of customers slip away every year. They drip out of the leaky bucket because they are not focused enough on retention. If anything it's all about plugging your leaky bucket and sealing it throughout so you know everyone is happy at every touch point.

[JP]: The ones that aren't benefiting from the demand so much are hopefully reaping the rewards of work they've previously done. The role of the revenue manager has changed significantly over the past year. Those in other areas of the country, with less demand, were trying to create demand. That has flipped completely, as London hotels are trying to create demand. The lucky coastal hotels are cherry picking.

On 'data / CRM', it reminded me that we have a couple of videos on the recovery page about data. I think we are all aware of GDPR but a reminder doesn't hurt and BDO have some important information on this. Tierneys have advice about data breaches and scams too, so they are definitely worth a look at.

Need to ensure more free flowing cash into the business and upsell whenever they possibly can. Ali you did another one where you had your top 5 tips?

[AP]: Yes, unfortunately 90% of the time I'm not upsold to. It's about experiences in my eyes, e.g. if someone wants a steak, do they want a glass of red wine with it? How do you maximise the customer experience by selling the experience? How can you make sure you're cross-selling? I sometimes do upsell in training, and I feel it's the whole end-to-end experience that should be considered.

[JP]: Absolutely, which reminds me of another video about weddings at hotels. Ciara started with a very key point: 'Make them feel special from the get go' - adding a more personal touch and communicating with guests. It's really important to upsell everything - people will have more money in their pockets this year because they haven't had as many opportunities to spend. Disposable income should be quite free this year.

One Aldwych was doing an Italian chocolate factory style afternoon tea - any ideas like that just to give people an excuse to come and visit your hotel.

This is something that a lot of people have mentioned: We are reopening with a lot less staff. Any tips on how to work smarter? Key to that I believe is having your marketing and Revenue management people in place and working their magic way before the hotel opens. Getting your staff working together as a team. Ali, teamwork and leadership is a key part of your sales and getting people together isn't it?

[AP]: Absolutely, you're always looking at what's the culture and leadership? It's all about collaboration. It's more critical for people to get on and communicate. When your team is tight it can be magical, they can do more.

[JP]: There is one question here about measures that one needs to put in place. Most people will be aware of them with hotels reopening after lockdown. Just use technology - tech that's available for less physical contact. Things like mobile keys are difficult to put in quickly but worth keeping top of your To Do list. You don't need to touch your key card anymore. QR codes left, right and centre - room service menu, restaurant/bar to make orders and settle accounts. As you know we have to be table service, so all the best if you can use QR codes. The user can be directed to the menu, etc.

Don't forget the basics of having hand sanitiser around the place. I don't think you can shout too loudly about the new hygiene routines. Numbers of vaccines are significant here in the UK, but that is not enough. The more you shout about hygiene may just sway someone to come to your hotel.

A big buzz at the moment is on sustainability. It seems to be really gathering pace. It is really important to let people know that you are actually doing something to be sustainable. It can be good for staff retention as well as encouraging guests to stay.

[AP]: Sustainability is a massive topic and I think it's about getting one level deeper. It's the community aspect and the mental health of your staff and customers.

[JP]: Lots of people are making suggestions on length of stay. Length of stay is obviously key to getting people to fill your rooms. Book an event, whether that's including a package - such as Madame Tussauds etc. Make it easy for guests to book.

[AP]: I think up to this point the only hospitality I've seen doing this is Centre Parcs. Hotels up to now, a lot of it is doing a separate booking for room, restaurant, spa etc. It's not ideal for the user experience. Something I've been impressed with is the company called One Journey who is an e-commerce platform, where users can book all of those experiences and it builds an itinerary. The hotels are loving it because you're optimising your revenue. Even if you don't have that platform some hotel staff are calling to try and offer other things at the time, such as horse riding. It's

constantly trying to reduce churn. We want everyone coming and locking people in more is about building in the opportunity for experiences.

[JP]: There are some great initiatives from places like Lucknam Park. They are running outdoor events and childrens' day outs in the grounds. You can offer take-away food and drinks as well.

Someone picked me up on no-shows, restaurants specifically. It's becoming more and more acceptable now to either take a prepayment or a guarantee and make it clear that they will be making a charge if people don't turn up. They are lucky to be reaching break-even at the moment, even if all the tables fill up, given the pandemic restrictions. I think it's ok to ask for prepayments and let people know why you're asking for it.

If they don't want to book on that basis, you probably will have demand elsewhere.

Someone else is talking about club memberships. On the loyalty topic, they have created a new club that enables them to communicate better with those people. It gives them that sense of belonging. That's got to be the way forward?

[AP]: Totally. I'm hot on memberships and customer lifetime value. I think it's brilliant and I'd love to hear how you could maximise that model. There are lots of tiers: For a higher level they could get extra benefits like a light lunch. I'm speaking to a few hotels at the moment about how they could put those in place. It's a total win-win. Working in a hotel is a pleasure and an amazing experience to get memberships.

[JP]: And it will enable hotels to reach out to that local community of members who probably won't use the property to stay in, but just to say come to lunch, we've got a special offer on - just to get people along. From a local perspective there's a lot to say from a community aspect.

[AP]: Look at your database and see who you've got locally. Now is the time to reach out to locals - you could put on an event.

[JP]: There's so much - may be worth asking someone else what they love about your hotel, which you can then start shouting about.

Thank you all for listening and for your questions, and to the contributors.

Thank you Ali for joining me today, there have been such valuable suggestions. Thank you all for listening and we look forward to hopefully seeing you all soon.