Casting a Wide Net for Revenue

7 KEY STRATEGIES

By **Trevor Gardiner** | Proprietor | Johnson Road Motel & CEO Centium Software

It is easy for a motelier to fall into the trap and think "I have a website and I've listed with some online sales channels – I'm covered online". However, this is far from the truth and has "missed revenue opportunities" written all over it. The ways motels make revenue has changed significantly over the last few years, and continues to change. Running my own motel, I find it essential to keep up to date with web trends to make sure I am marketing my motel in places that will attract bookings. Who takes a colour ad in the Yellow Pages anymore? It is important to understand, at a broad level, where the market is moving and adjust your marketing strategies accordingly.

I have listed **7 key strategies you should try and adopt to ensure your motel is casting the widest possible net for revenue. Your customers are out there, you just need to find them.**

1. **Create an effective website geared to generate sales**
   You don't need to spend a lot of money on a motel website. Typically, a website has approximately 10-15 pages and should not cost more than $1,500. You do, however, need to make sure the website is visually appealing (people searching for accommodation spend less than 10 seconds evaluating a website before investigating further or moving on), and the site must be optimised for Search Engines (SEO). If your website is old and basic, you are doing your motel a great disservice. Make it a priority to get a modern website that promotes your motel properly and will be picked up by search engines.

2. **Get a Mobile Website**
   The traffic to motel website by people using smart phones (e.g. iPhones) is increasing significantly each year. Currently,
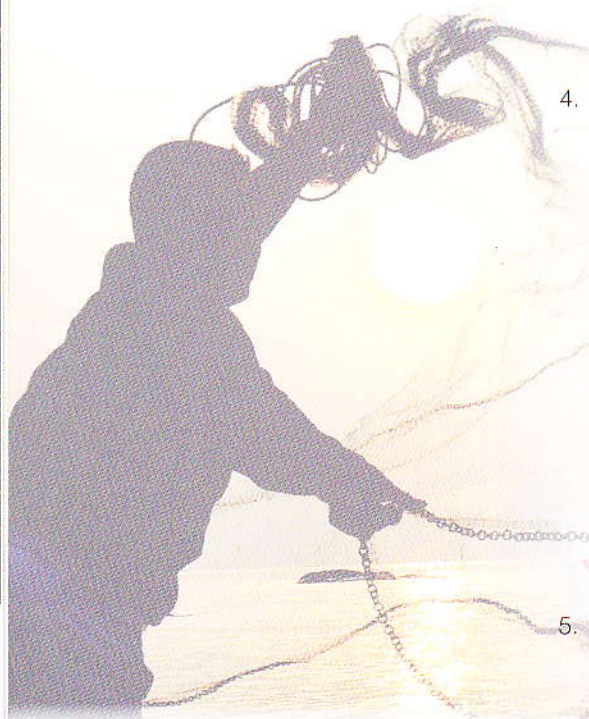
page of your website and wait for those commission-free bookings to come in. My motel averages over $15,000 a month in direct commission-free bookings.

a typical motel will get over 25% of all visitors via a mobile phone. To really promote your property, your website should reformat itself to fit a mobile phone screen. This means big buttons, less text and smaller photos, without the need for the user to constantly zoom in and out. A website that automatically reformats for mobile phone users has a much greater chance of securing a booking. If you are getting a new website, the mobile website should be part of the package.

3. Take Commission Free Online Bookings

A lot of people visit your website, so make it easy for them to book direct with you by having an easy to use booking page that shows up-to-date inventory on your website. Taking commission free bookings from your own website is an absolute must and is simple to implement. Either your property management system will have a free online booking page you can link to your website, or there is a number of booking button services you can purchase for a fixed monthly fee.

Once you have an online booking page, just get your web developer to add a "Book Now" button on every

4. Sell accommodation in the Facebook world

There are over 1 billion Facebook users worldwide and over 50% of adult Australians use Facebook. Whether you use Facebook personally or not, you can't avoid this massive market. To exist in the Facebook world, all you need is to create a Facebook site for your business (free) and add an online booking page. It is much easier than most people think. Also, a very effective strategy to generate sales via Facebook is to offer a small discount to Facebook users who vote to "Like" your motel.

5. Integrate a Channel Manager

to your Property Management SystemChannel Managers (such as ResOnline and SiteMinder) are great services that save motel operators a lot of time by automatically updating each online sales channel (e.g. Wotif and booking.com) whenever rates and inventory change. To really streamline this operation, you should connect your property management system directly to your channel manager. This means that your online inventory is always up-to-date and you never need to remember if you have updated your online sales channels. Motels that do not have a direct connection run the risk of overbookings and lost sales for the periods of time that real inventory is out of sync with online inventory. At my motel, once we implemented this we saved significant time each day and completely eliminated the overbookings and more importantly the worry whether someone had remembered to update the channel manager.

6. Create Online Promotions

Creating online promotions is a great way to fill rooms in quiet times. You need the ability to easily and quickly target past guests and email them a special promotion with a link to 'Book Now'. Going back to your repeat guests, who are already familiar with your property, is a great way to top up dips in occupancy. Some successful

motels generate tours or special events around quiet times.

7. Take advantage of real-time rate updates

One of the greatest benefits of the Internet for motel businesses is the ability to instantly update your room rates across all your online sites. As occupancy increases, you can take advantage of limited supply and increase your rates. The big boys call this Yield Management. For motels, where there is no team of analysts to calculate the optimal rates, your property management system should automatically increase your rates when occupancy is up and potentially discount rates slightly when occupancy is down. The system should also automatically cut off your more expensive online sales channels when occupancy is high (no point paying commission on rooms you can sell direct). By constantly tuning and optimising your rates and what online sales channels you appear on, you could potentially add thousands of dollars to your bottom line each year. If this process is completely automated, is working 24/7 to get you an extra $5 here, and saves $15 commission there; it quickly adds up.

Combining all seven of these strategies is easier than you might think. For motels that want to grow their revenue, these seven steps are a very good start. I have seen these implemented at small and large motels in the cities, tourist areas and country towns. Quite often the effect has been dramatically positive.

If you are not moving forward with technology as the buying patterns of consumers change, you run the risk of your property slowly disappearing off the radar of potential guests. If you are adopting new sales channels such as Facebook, and techniques to automate your revenue optimization, you will be ahead of your competition and position your motel to be very successful moving forward. ■

Trevor Gardiner is a motel proprietor and also the CEO of Centium Software, producers of the award winning GuestPoint® property management system. For more details www.centiumsoftware/guestpoint/intro