🌐 Mastering The Distribution Challenge

A New Era for Hoteliers

Joel Pakelén, Hotel Growth Agency

Statistics show that hotels with robust distribution connectivity see a 10-20% higher occupancy rate.

Moi, I'm Joel 👋FI

👨‍👩‍👦 Full-time dad

🤘 I love hospitality

🚀 Co-Founder @ Hotel Growth Agency

👨‍🏫 Hospitality Professor @ Haaga-Helia

🏢 My career is 360 hospitality;
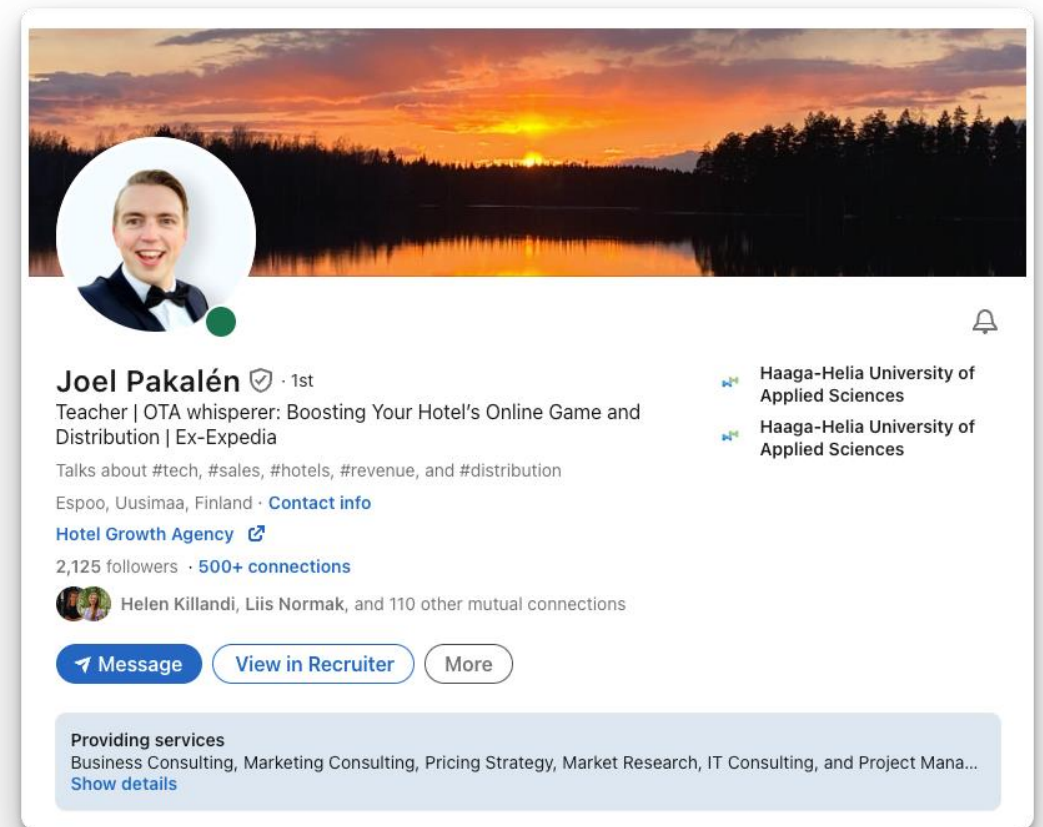*Ex-Expedia, Ex-Bob W, Ex-DigitalGuest*

360 hospitality experience

Expedia – the <u>OTA</u> & distributer side

Bob W – the <u>Hotel</u> side & rapid scaling

**DigitalGuest** – <u>supplier</u> and technological development

Joel Pakalén ✓ · 1st
Teacher | OTA whisperer: Boosting Your Hotel's Online Game and Distribution | Ex-Expedia

Talks about #tech, #sales, #hotels, #revenue, and #distribution

Espoo, Uusimaa, Finland · Contact info

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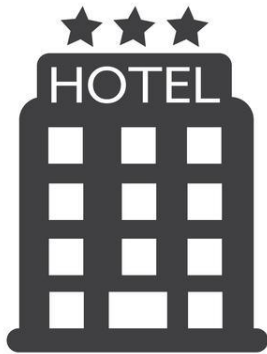Show details

The hospitality industry faces a significant challenge: Effectively managing and optimizing distribution and connectivity.
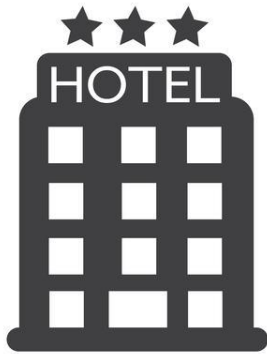
Hotel A: mid-size hotel in a popular tourist destination
- Issue: Poor visibility on online travel agencies (OTAs)
- Impact: Lower occupancy rates
- Problem: Inefficient Distribution

Hotel B: renowned for its excellent service
- Issue: Inconsistent room rates across channels
- Impact: Guest confusion and reputation damage
- Problem: Rate Parity Complexities

These stories highlight a core issue in our industry:

the need for a streamlined, efficient distribution and connectivity strategy that works for hotels of all sizes.

Inefficient distribution = a BIG threat

We have seen this multiple times.

Inefficient distribution & connectivity is and will be the slow and silent demise of your business.

I'm going to share our exact blueprint 🧭

This is how we help hotels improve their distribution and connectivity

=

100% for free

The Distribution Blueprint Research

Understanding the Core Issues:
We first delved into identifying the root causes – from technological gaps in smaller hotels to the lack of unified distribution strategies in larger chains. Recognizing that one size doesn't fit all was crucial.

1

Exploring Industry Best Practices
Our team researched global best practices in hotel distribution and connectivity, looking for successful models that balance digital visibility with operational efficiency.

2

Technology as a Key Player
We quickly realized the pivotal role of technology in resolving these challenges. However, the obstacle was not just in adopting technology but in making it accessible and usable for all, regardless of the size of the hotel.

3

The Human Element
Amidst the focus on technology and strategy, we never lost sight of the human element – the staff, the guests, and the community. Our solution had to enhance, not replace, the human touch that is at the heart of hospitality.

5

Involving Stakeholders
Input from various stakeholders, including hotel owners, technology providers, and guests, was instrumental. This collaboration helped us to understand the diverse perspectives and needs within the ecosystem.
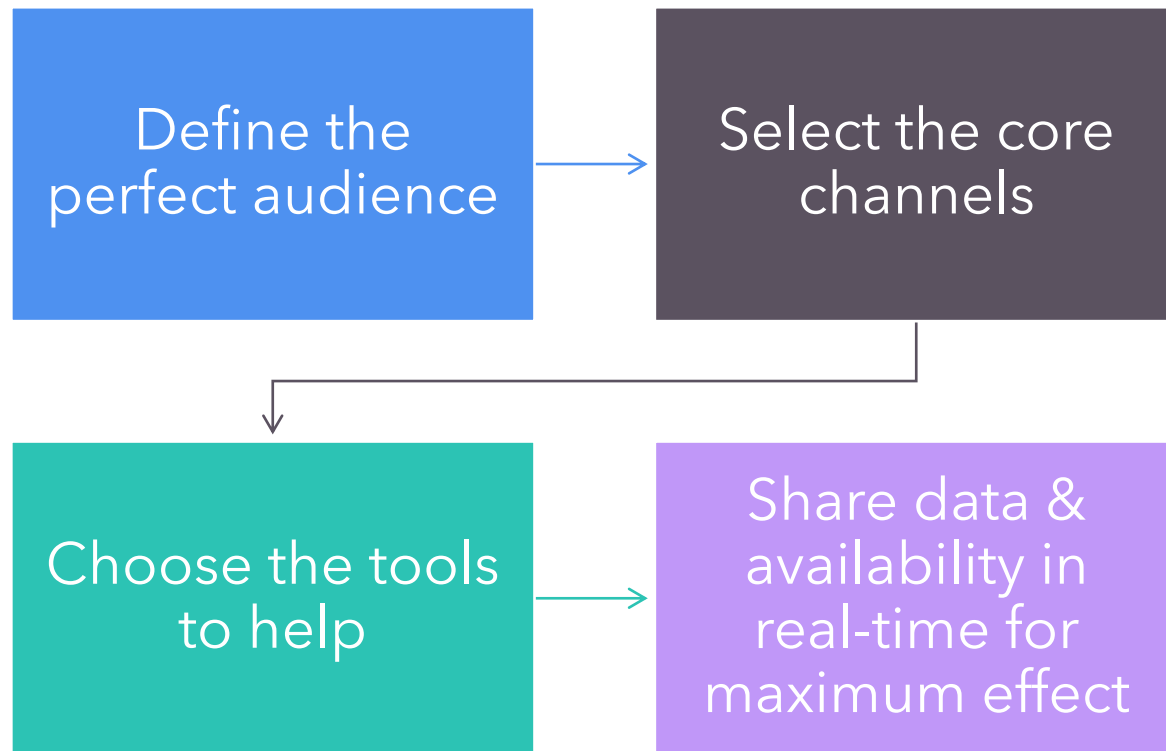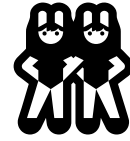
4

Balancing Cost and Benefit
A significant consideration was how to make these solutions cost-effective. We had to ensure that the return on investment would be viable for hotels, particularly smaller establishments with limited budgets.

The Distribution Blue Print 🗺️

A custom solution, requires us to reverse engineer the normal process

Define the perfect audience

Select the core channels

Choose the tools to help

Share data & availability in real-time for maximum effect

Define your audience 👬

🔑 A hotel has a fixed location

📊 Use data to define who travels to your area

👦 Figure out who is your ideal customer and what their booking behaviors are

This is KEY – this defines everything

Select the channels that your audience uses

📝 Make a list of channels, where your audience is

Select your Custom Tech Stack

❓ What do these channels need? And what's important for your audience?

🛠 Research & select your tech stack

🤟 Select the best for them, and <u>you</u>

PMS, Channel Manager, (Direct) booking engine, RMS, CRM, Rate parity tools, Digital Marketing tools, BI Tools, Feedback & reputation management
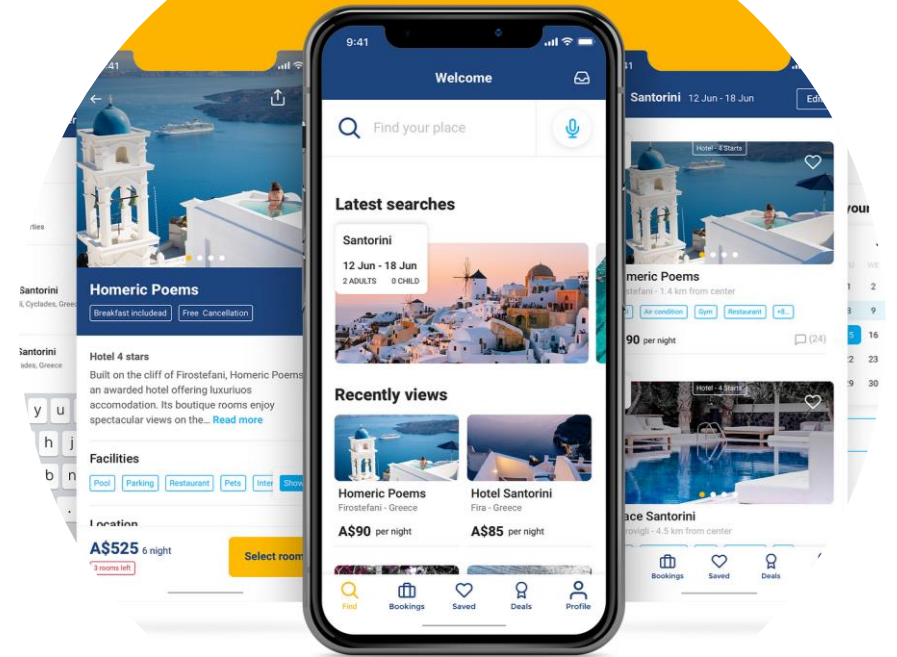
Now comes the hard part, share data in real-time

☑️ Up to date information, visuals, pricing, availability **on all selected channels**

◍ Share and optimize data in real-time **on all selected channels**

☆ Best in class review, reputation and feedback management **on all selected channels**

🤘 Analyze and use the potential of the algorithms **on all selected channels**
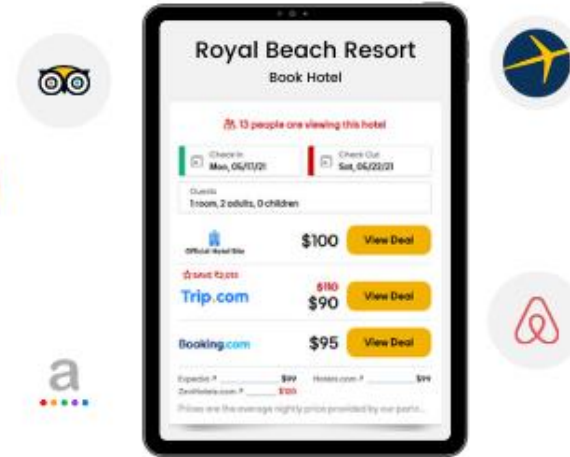
Less = More

Be the best, on all selected channels

DIRECT BOOKINGS   OTA BOOKINGS

V/S

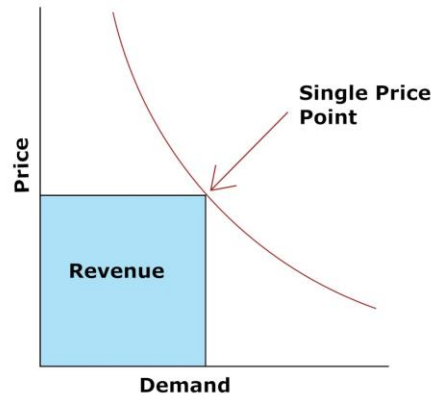Royal Beach Resort
Book Hotel

Balance Direct & Indirect

⚙ Optimize Online Presence and Direct Booking Channels

🏢 Leverage Relationship with OTAs Strategically

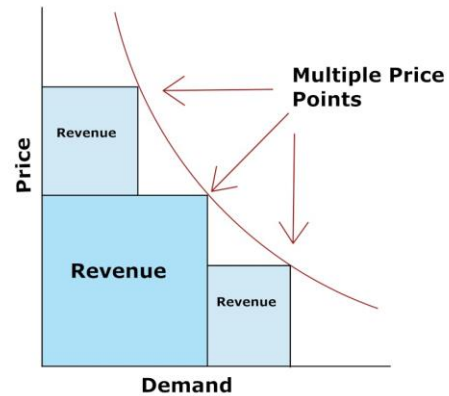♡ Focus on Customer Relationship and Loyalty Programs

Rate parity and dynamic pricing

Static Pricing — Single Price Point, Price, Revenue, Demand

Dynamic Pricing — Multiple Price Points, Price, Revenue, Revenue, Demand

💻 Maintain Consistent Rate Parity Across All Channels

🧘 Implement a Flexible Dynamic Pricing Strategy

🧠 Leverage Data for Informed Decision Making
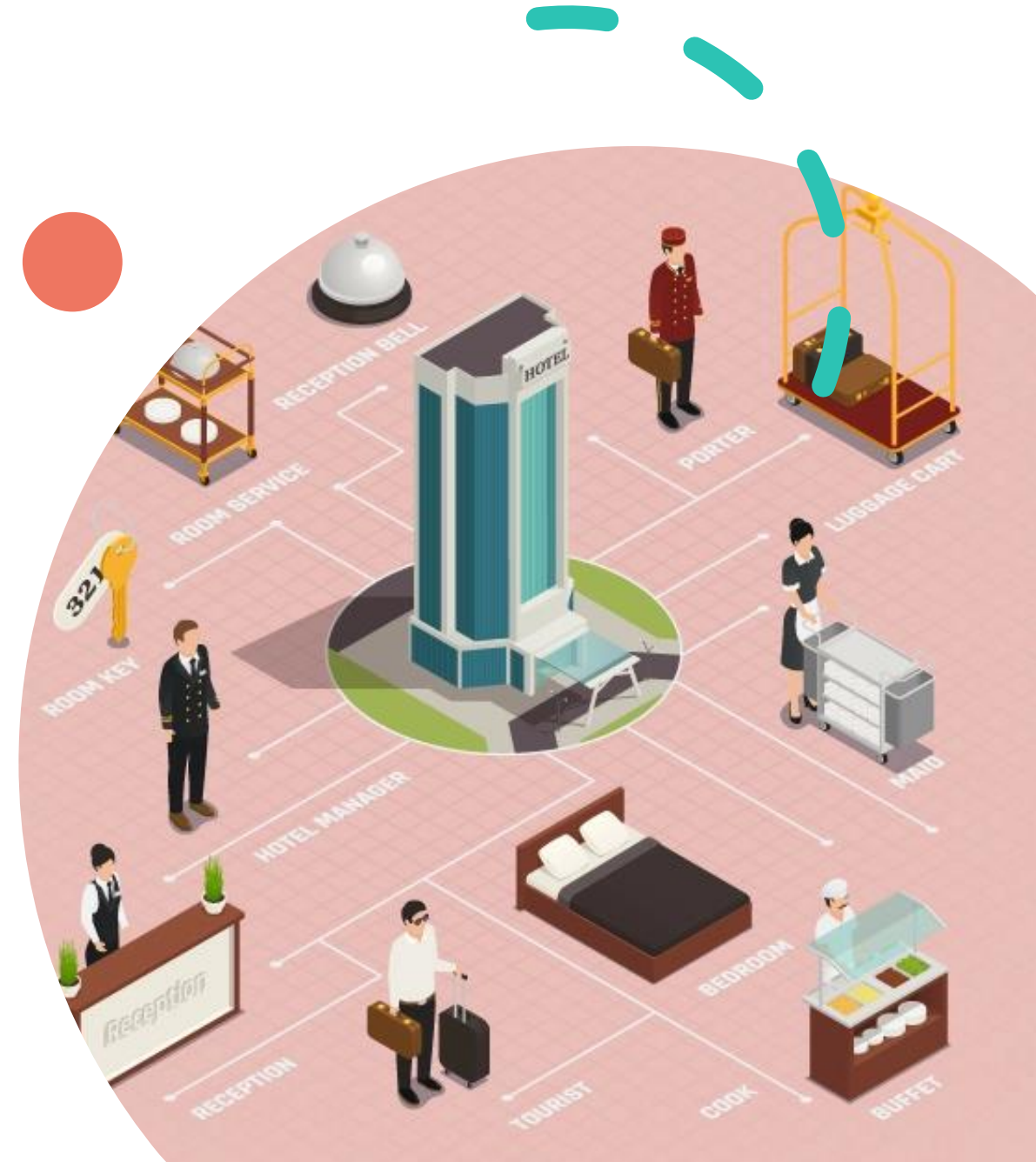
💬 Communicate Value Proposition of Direct Bookings

Inventory management on multi channels
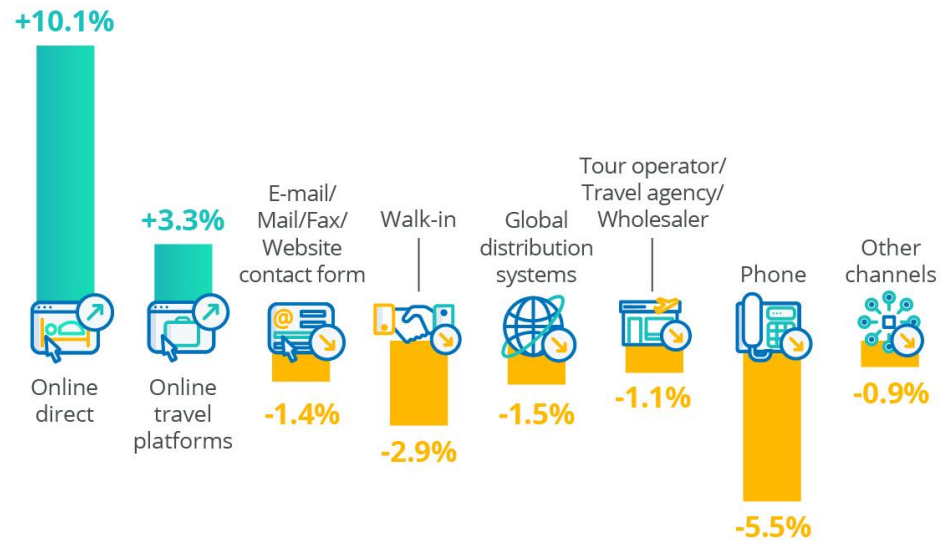
⚲ Implement a Robust Channel Manager

📡 Adopt a Centralized Inventory Management Approach

📊 Monitor and Analyze Channel Performance

ONLINE DIRECT IS THE FASTEST-GROWING HOTEL DISTRIBUTION CHANNEL

Hotel distribution channel growth in Europe, 2017 to 2023

+10.1% Online direct

+3.3% Online travel platforms

-1.4% E-mail/Mail/Fax/Website contact form

-2.9% Walk-in

-1.5% Global distribution systems

-1.1% Tour operator/Travel agency/Wholesaler

-5.5% Phone

-0.9% Other channels

Notes: Europe covers EU15, Switzerland and Norway.
Source(s): Phocuswright, HOTREC

statista

Keep Your Blue Print Up to Date 🎯
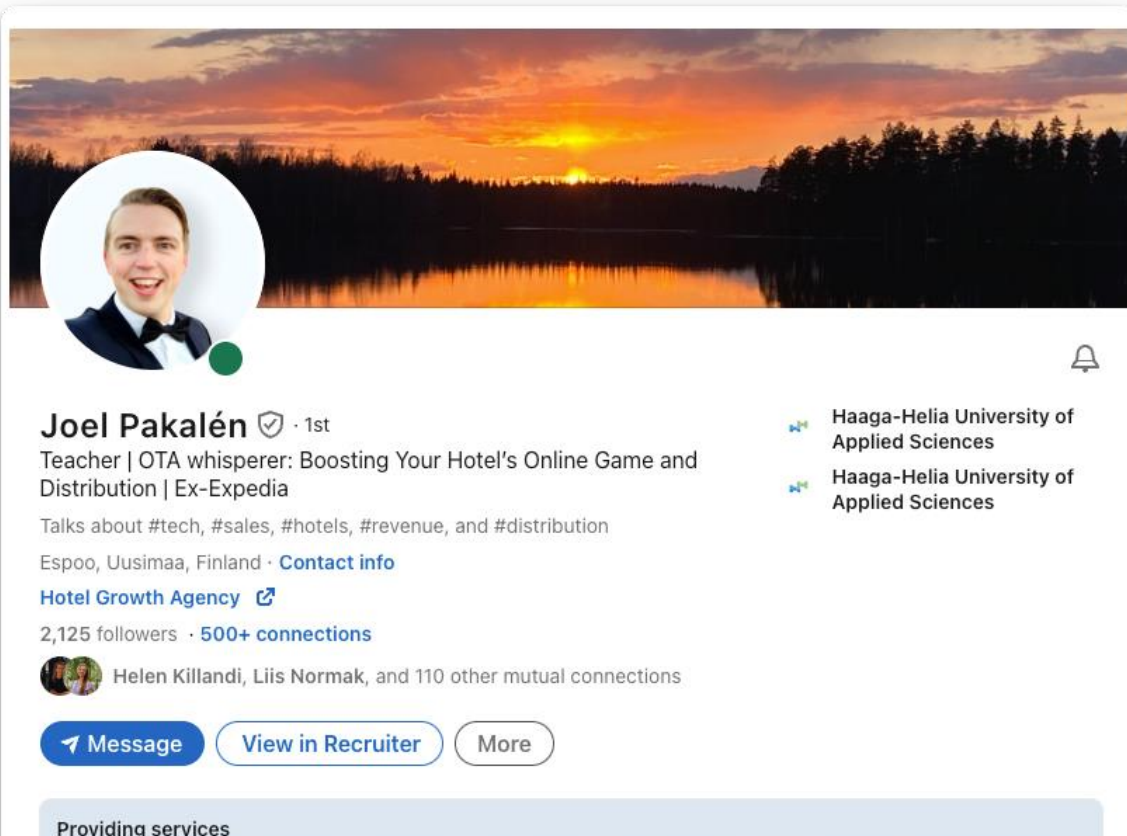
    Doing this can increase your bookings by 10-25%

🕐 Technology moves fast, do an annual check

A lot to gain, but also a lot to lose…

We're here to help

🤝 Let's connect on Linkedin

📫 Join our Newsletter

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Providing services

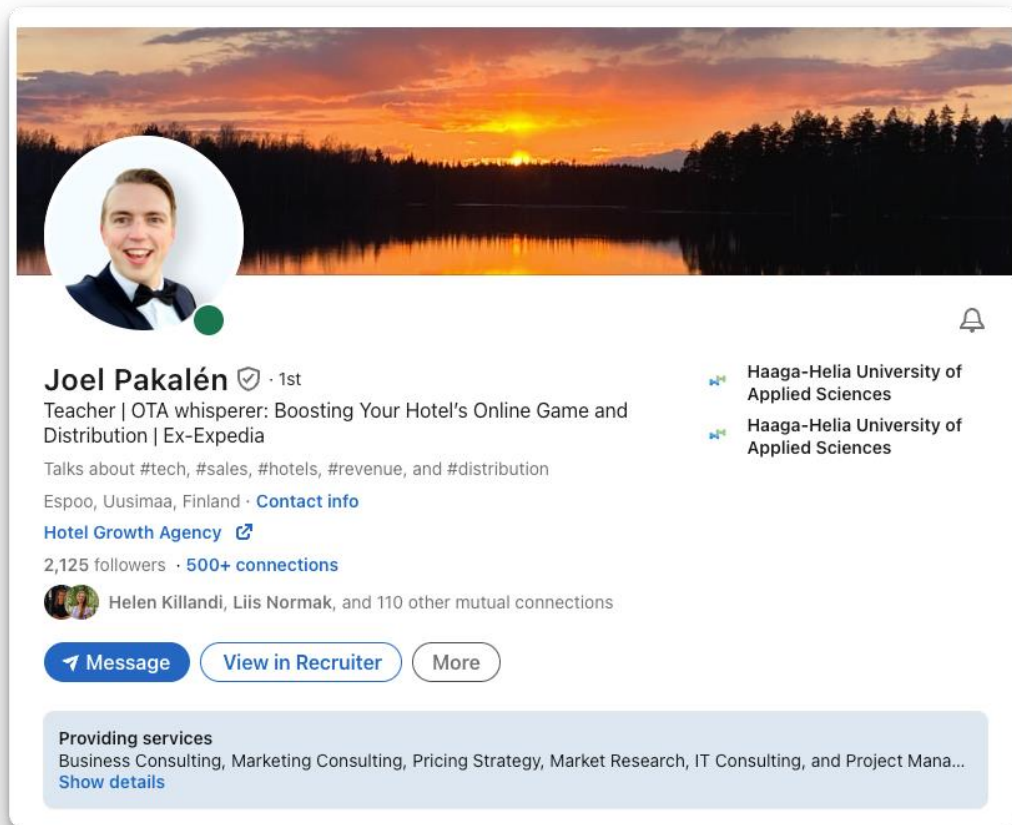The way to get started is to quit talking and begin doing.

Walt Disney

A final word 🏁

Kiitos 👏 Let's connect

- 👨‍👩‍👧 Joel Pakalen

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