

How Savvy Hoteliers Are Preparing for the Road Ahead

By [Clifford Ferrara](#) Executive Vice President of Sales & Revenue Generation, Chesapeake Hospitality | June 14, 2020



In just a few short weeks, everything changed. The coronavirus pandemic has been responsible for consequential shifts in social and economic structures across the country and around the world. Virtually every business in almost every industry has had to adapt and evolve to new and different circumstances in a remarkably short amount of time. Not only is the hospitality sector no exception to that rule, it's has perhaps been the hardest hit industry of all.

For hotel management professionals, the first few days and weeks of the crisis were largely characterized by a

period of professional triage-working hard to make sure facilities were maintained safely and securely and taking care of urgent logistical priorities ranging from guest cancellations to minimizing hotel expenses.

It was not long before forward-thinking owners and operators began to do just that: to look forward to what is next and to beginning preparing and planning for a safe and successful reopening. That pivot requires much more than just masks and hand sanitizer. It encompasses a whole host of philosophical and operational changes that impact every part of the sales process, from staffing to staying connected with guests.

What follows are just a few of the ways that savvy hotel management professionals are preparing today for the brave new world of a fast-approaching tomorrow:

Sales Staffing

Staffing models will need to directly correlate to occupancy levels, and the pace at which business picks back up. This means they will most likely remain small for a while. For now, it makes sense to be keeping a close eye on the data, tracking and projecting 90-day occupancy numbers daily, evaluating what segments are booking, and using that context to inform decision-making about determining the right time to start building the hotel sales staff back up. Some hotel management companies have maintained corporate staff (most notably regional directors of sales) in order to be able to hit the ground running when things start to open back up.

While sales professionals will be brought back from furlough in the near future, the staffing situation at most hotels will necessarily look different based on forecast occupancy. The goal should be to bring back the best salespeople possible, with less regard for segment specialization. Most teams will consist of a Director of Sales and Sales Manager at first, and they will have to be able to source targeted leads and mine for business based on market-specific data.

It will be critically important to "fish where the fish are" to make the best possible use of time and resources. Sales versatility and cross-training by segment will be critical. The most successful sales teams will be those who understand how to effectively sell different segments of business and how to use all the resources and tools available for each.

The best Directors of Sales in this environment are sales first multi-taskers, leaders who are market-segment driven and understand the goals for each market segment. That said, sales professionals will likely be expected to handle a lot of their own administrative work for the foreseeable future. The end goal is to have sales teams that may be leaner, but are more knowledgeable, more flexible, capable of faster response times, and equipped with valuable new skills.

Training and Continued Growth

While the past weeks and months have been challenging, they have also presented leading hotel management teams with a rare opportunity to take meaningful steps forward in education and training, to evaluate current systems, and to ask important questions about what they can do differently and how they can capitalize on untapped opportunities. Now is the time to be reviewing and streamlining all processes, procedures and reporting to ensure they are valuable efficient and effective, to ensure all brand/industry/discipline-specific training is completed, and to increase expertise in all facets of sales, marketing and revenue management.

Ideally, hotel management teams have been working hard to make the best of the quarantine-related closures and downtime to stay current on the latest industry developments, while continuing to expand their overall knowledge of various systems, tools and resources. Leading teams have been listening in on webinars, reading articles and collaborating frequently to ensure they are able to stay ahead of the industry curve and remain ready to adjust strategies as demand increases.

Messaging

Hotel management professionals understand that guest priorities have evolved. Safety, security and cleanliness will remain at the forefront of client and guest concerns. From a sales and marketing perspective, transparency and consistency across all platforms will be absolutely essential. Messaging should be focused on communicating clearly to clients and guests everything that is being done to ensure their safety. Effectively showing not just the steps that are being taken, but how important these areas are and how seriously management teams are taking them can be a potential difference-maker.

For guests who will be looking for peace of mind, a hotel's willingness to demonstrate flexibility, clear communication, and the ability to operate confidently, responsively and with empathy will be enormously important.

Which is why there cannot be any confusion or inconsistency. Operations, Sales & Marketing, e-Commerce and Revenue Management will all need to work closely together to ensure that messaging stays the same and is applied to all necessary collateral, channels, sites and social media platforms.

Flexibility

Hotel management professionals understand that clients and meeting planners will be looking for flexibility when booking future groups and meetings. This does not mean that it's wise to employ a blanket setting of less restrictive policies across all hotels. It does mean that listening to each client's specific needs and priorities is going to become more important than ever. It also means that being open to flexible negotiations is going to be something sales teams will need to become more comfortable with for the foreseeable future. This isn't just about policy, but about a mindset.

Going forward, the most successful hotel management sales teams will be those that can empathize with clients and guests and take the time to truly understand what is important to them: adjusting to their needs

and being open-minded to their questions, comments and concerns, and responding with a customized proposal/contract that is beneficial for both parties.

Creative Offerings

Most leading hotel management companies have traditionally employed a rational pricing model when it comes to securing group business and negotiating corporate rates. RevPAR will always be key-and that won't change moving forward-but it makes sense to look to maintain rate integrity by identifying solutions other than simply lowering rate to find ways to deliver additional value for clients and guests. There are myriad ways to achieve this, including upgrades, loyalty points, enhanced amenities or market-specific local value adds.

We will also remain cognizant of changing brand guidelines and will adhere accordingly while staying aligned with management company and owner expectations.

Data Driven

Right now, a lot of the selling is simply data analysis. The best hotel management teams are actively gathering information and intelligence-analyzing and leveraging data, keeping relationships open with online search and analytical tools, and generally working hard to maintain a place on the cutting edge. All of this will help ensure favorable positioning when things start to open back up. In addition to tracking bookings, connecting with clients and guests, and staying in close contact with owners about all ongoing operational and financial details, now is the time to draft action/recovery plans for every property.

With forecasted occupancy expected to rise slowly it's imperative to make sure not to bring back payroll that exceeds revenue. A slow and efficient rollout plan should be a standard approach, with an emphasis on efficiency, cross-training, and roll malleability in an effort to maximize impact and ROI.

Hotel Client Relationships

Staying in touch with clients has always been important. The ability to establish, nurture, and strengthen those connections has long been a characteristic of the most consistently successful hotel management companies. Going forward, those industry leaders will be looking to increase client communications even more through virtual touchpoints and follow-up meetings.

This will allow them to stay engaged with clients and provide consistent face time to stay connected regardless of current business levels. Those communications will remain vital to many ramp-up strategies, as it facilitates trust-building and ensures open communication to understand evolving business needs during turbulent times.

Moving Forward

At one point, online travel searches had dropped off dramatically-as much as 90% by some accounts. In recent weeks, however, there has been a dramatic shift back upward. There is clearly a great deal of pent up demand-but also a lot of uncertainty. Navigating that uncertainty and earning the trust of guests will require less of a mentality shift than a wholesale realignment of priorities, practices and perspectives.

Above all, it will take flexibility and empathy. Hotel management leaders should be willing and able to be flexible with virtually all policies, and to recognize that it's not all going to be about rate. It will be about how you can make yourself unique, what value-adds you can deliver to guests, how you can be sharper and more transparent in your marketing and messaging-making it clear what you are doing to safeguard guest health and safety.

No one knows exactly when things will get back to normal-or what that "normal" will look like. There are countless possibilities, ranging from a gradual return to a very familiar industry landscape, to a hotel business that is fundamentally and permanently changed in significant ways.

One thing that is certain, however, is that hotel management professionals who prepare now for those possibilities, will be best equipped to not just survive, but thrive-no matter what the future holds.



Mr. Ferrara

Clifford Ferrara is an industry veteran with more than 27 years of experience in the hotel business. Mr. Ferrara was promoted from Chesapeake's senior vice president of sales, marketing and revenue management to executive vice president sales and revenue generation in 2017. Chesapeake Hospitality is a leading third-party hotel management company with a proven track record of outstanding financial performance. They offer private equity, institutional and individual hotel investors and owners of full-service hotels a unique opportunity to experience what's possible with a results-driven hotel management partner. As Chesapeake's executive vice president sales and revenue generation, Mr. Ferrara continues the daily management and oversight of advertising, direct sales, catering, e-commerce and digital marketing, and revenue management strategies for the company's expansive portfolio of hotels nationally. In his role, he

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