

## ***Even smaller hotels must plan their work and work their plan***

*David M. Brudney, ISHC, September 2012*

I just returned from teaching a class on sales and marketing to a representative group of franchisees, independent owners and GMs of U.S. properties with fewer than 200 rooms.

Although most of my consulting practice over the years has focused mostly on full-service, upscale and heavy group-oriented hotels, I've always managed to keep an eye out for how business is conducted at the smaller properties.

Besides, when Karen and I travel on leisure trips and we're not patronizing some historic small inn or a charming B&B, we very often stay at Holiday Inn Expresses, Hampton Inns and Best Westerns.

The sheer numbers alone demand my keeping current with these smaller hotels. According to AH&LA (excluding properties less than 15 rooms):

- ❑ 75% of all 52,000 U.S. hotels are 150 rooms or less
- ❑ The average size of all current U.S. hotels is only 96 rooms
- ❑ Nearly 65% are located in the suburbs and small towns

The topics that resonated best - - and prompted the most spirited class participation - - were social media, revenue management and OTAs.

What surprised and alarmed me the most, however, was the lack of awareness, experience and even basic interest in topics such as marketing planning, marketing plans, direct sales in general, and neighborhood or backyard marketing in particular.

I came away with the impression this group thought marketing plans were something done only on Mars.

### ***"Failing to prepare is preparing to fail" – John Wooden***

Marketing plans are an industry standard - - every successful hotel has a written/detailed marketing plan that is signed off on and used periodically throughout the year as a benchmark to help measure progress and make necessary revisions.

Given today's market dynamics, larger hotels have begun replacing the traditional marketing plan with "strategic conversations" where an executive committee revisits marketing and sales activities weekly - - at times even daily and hourly - - making necessary and timely adjustments.

Despite the impact of online travel reviews and ratings, OTAs, and brand website booking pages, an argument can still be made that 80% of all hotel reservations are either made from - - or influenced by - - a 20-block or 20-mile radius of every hotel.

Successful hotels plan on how to penetrate that 20-block or 20-miles radius. And that requires a commitment to producing a detailed and measureable marketing plan.

This will require some work and effort on the part of the hotel, to be sure. Researching who the customers are is part of the market analysis component. Equally important is the product analysis and the competition analysis - - two pieces of any plan that enable owners and operators to understand and accept their property's strength and weaknesses, and what differentiates their product from the competition.

One of the most important elements - - again, for those smaller hotels with less than 200 rooms - - is to put in writing and commit to a detailed plan for overall direct sales.

If a smaller hotel has no dedicated sales department, no staff member charged with direct sales responsibilities, then the GM or owner must assume that vital role.

Direct sales primary action steps include:

- ❑ Identifying local/area KGBs (key generators of business)
- ❑ Identifying targeted audiences (business travel, leisure and group)
- ❑ Identifying potential local/area alliances and collaborating partnerships
- ❑ Conducting a S.W.O.T. test for property and primary competition
- ❑ Establishing goals and measurement metrics
- ❑ Scheduling regular outside sales calls
- ❑ Making those calls!
- ❑ Recording vital information into a sales software/contact management tool
- ❑ Follow up appointments and prospect site inspections

Without a formal written plan, any outside sales call program becomes hit-and-miss and very difficult to track. Far too often the program leads to the GM announcing, "I think I'll go make some sales calls today." Not a good idea.

Direct sales is just one component of a sound marketing plan and must be fully integrated with other elements that include advertising, promotion, merchandising, pricing, distribution channels along with social media platforms, travel and trade shows and budgets, of course. But I'll stop at direct sales for now.

There are dozens of marketing plan samples online if your property does not have a formal plan or if you are interested in creating one. In addition, most franchise companies offer marketing plan templates to franchisees. Templates may also be found on my colleague John Hogan's HospitalityEducators.com site. And experienced hospitality marketing consultants are available to help both in person and online.

Plan your work; work your plan. Measureable results will follow. And you will have more confidence along the way.