

The changing face of the hotel sales person



a white paper by
HT Training
and Coaching

The changing face of the hotel sales person

a white paper by HT Training and Coaching

Executive Summary

Traditionally, the hotel sales person has been a mixture of “walking, talking human brochure” and targeted order taker, but with the fast-paced evolution of technology offering web-based booking, feedback and user-generated recommendations, are hotel sales people an unnecessary expense and a dying species?

This paper takes industry research alongside feedback from corporates, travel management companies (TMCs) and agencies, as well as our own experience in training and working with hotels to demonstrate that hotel sales people are still a valuable and integral component of any hotelier’s success – but that they must evolve alongside technology and in line with today’s customer expectations.

Hotels that embrace this evolution are likely to develop meaningful – and most importantly more profitable – relationships with their clients. Those who don’t embrace the evolution may start to see a decline in profitability.

Introduction

Technology has changed the business model of pretty much every sector in existence, from retail to online gaming, and travel, tourism and hospitality are no different. From booking systems to consumer opinion sites and online travel agents, hoteliers must keep a finger on the pulse of every platform – yet still market for repeat and new business, whilst countering appropriately any negative feedback that has been posted for all the world to see.

So are hotel sales managers still required? What value-add do they bring to the business case, and how must they evolve in order to not just justify their salaries and training fees, but become essential contributors to hotel-client relationships, revenues and growth?

We believe that the hotel sales manager is still an invaluable part of any hotel’s senior management team, but the role has changed into one of effectively becoming an engaging “ringmaster” who dovetails his or her hotel’s service departments to meet the complexities of each client’s requirements.

The Challenge

For years, corporate and agency customers needed a sales person to take them through what a hotel could or could not offer, trawling through the brochure, calculating occupancy levels for varying types of room layout, and matching delegate numbers to availability. The sales manager would then depart, notepad tucked firmly under his or her arm, return to base and then submit a proposal and hope to convert to a sale. The client would be passed on to the conference and banqueting department to flesh out the requirements and the sales manager would move on to the next appointment.

These days, the majority of the technical information formerly imparted by the sales manager, and much more, is available online and as such can be accessed at the touch of a button from a computer, tablet or smartphone. There are comparison sites to contrast and compare venues, and feedback sites such as Tripadvisor to gauge how service, food and beverage, cleanliness and overall helpfulness are delivered, all written by past customers with first-hand experience. Like them or loathe them, Tripadvisor and other user-generated content sites are trusted by your customers, so ignore them at your peril!

The changing face of the hotel sales person

a white paper by HT Training and Coaching

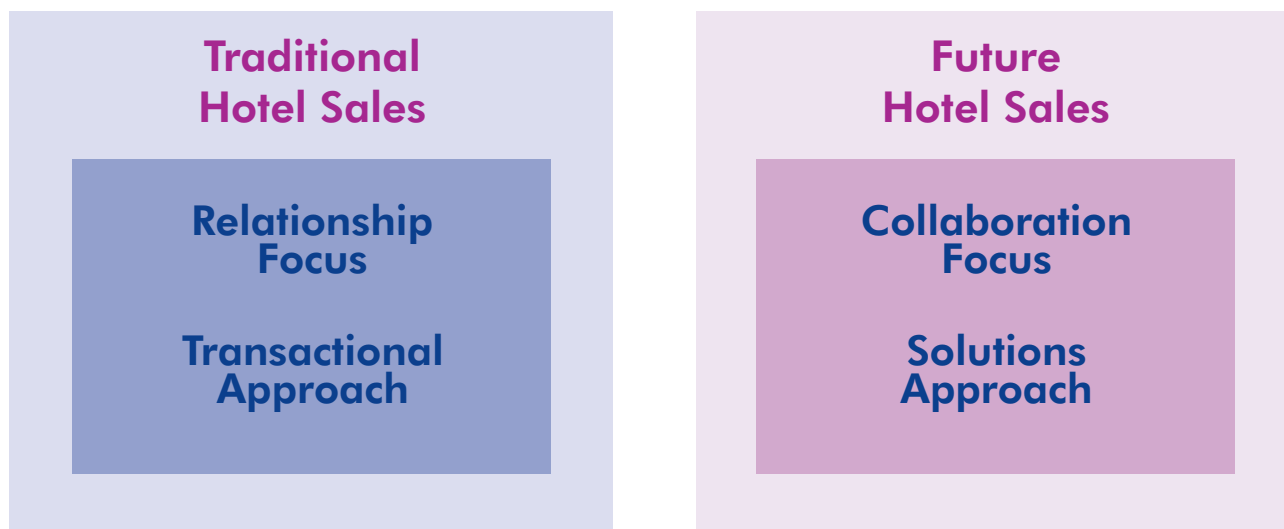
Moving on to the order-taking stage of the process, again, this is no longer the remit of the sales manager. Hotels have established online systems and highly competent reservations departments, often kept on their toes by the likes of BDRC Continental, a market leader in research and providing insights into the hospitality sector. In addition, according to Marketo 2011, 93% of B2B hotel booking sales start online, with sites such as laterooms.com using sophisticated technology to establish and match a customers' requirements to availability on a wide range of venues.

If a requirement is somewhat more complicated than a straightforward meeting room, day delegate or overnight rate, surely you must need a sales manager to provide specialist advice? Maybe, but systems such as Cvent and Starcite are forging ahead – again using sophisticated technology and aggressive sales campaigns - to secure their slice of this market. Another option used by corporates is a hotel booking agent – no business manager will want their staff devoting too much time to investigating hotel bookings when they can use a professional agency or travel management company (TMC) to do it for them for free.

Whilst an agency will charge a commission, they are an invaluable part of the cycle, an informed and experienced "route to market", and as such, hotel sales and marketing managers should engage effectively to ensure their hotels are represented and become an integral component of preferred meetings programmes.

So is the hotel sales manager going into extinction? No – there is still a vitally important role to play, but the way in which they work, are managed and targeted has to fundamentally change so that they keep pace with the way in which the customer of tomorrow – and even today – wants to engage.

How does your team measure up?



Today's Savvy Customer – "People still buy People"!

Whilst technology is a key part of the buying process, leading industry trade bodies, agencies and surveys point to the fact that a relationship with a sales manager is still critical – but the nature of that relationship has changed.

To start with, the buying process has developed and leans more towards a team decision-making process, rather than a single decision-maker. A hotel sales manager must therefore reach out to the teams involved and then

The changing face of the hotel sales person

a white paper by HT Training and Coaching

weave this relationship into that with the procurement department of an organisation who will handle bedroom contracting and meetings management.

We spoke to a number of clients who stated that face-to-face communication is going to become even more critical in the future, combined with other communications channels.

Sue Massey, operations director of Grass Roots Meetings & Events commented: "We no longer need sales managers to meet with us on a monthly basis; we are looking for strategic partnerships to ensure that we get the best possible rates, added value and terms for our clients. Presentations to our teams are very important and our venue knowledge is key to our success, but rather than 'death by powerpoint' we want real interaction and innovative presentations. We also need our sales managers to be there when we need support, when problems arise and when we need help in complex situations. It is important that we build trusted relationships and expect them to support us within their own organisations."

This theory that interpersonal relationships are still important is backed up by various social, psychological and neuroscience studies. The Maritz Institute's white paper of 2010 explored the relevance of face-to-face conferences and group meetings, and identified that there are three core business needs that benefit from this approach.

- 1 To capture attention: people's full attention is needed when you wish to initiate something new or different;**
- 2 To inspire a positive emotional climate: this is difficult to achieve when not face-to-face;**
- 3 To build human networks and relationships: this is further supported by the work of Robert Cialdini on the power of influence; the six powerful psychological influences that he identifies are so much easier to apply face-to-face.**

Back as far as 2001, The Chally Group surveyed hundreds of buyers to ask what they wanted from their suppliers.

They identified seven key issues:

- 1 for their key contact to be personally responsible for the customer's desired results;**
- 2 for them to understand the customer's business;**
- 3 for them to be on the customer's side;**
- 4 for them to design the right solutions;**
- 5 for them to be easily accessible;**
- 6 for them to solve problems;**
- 7 for them to be creative in responding to the customer's needs.**

The changing face of the hotel sales person

a white paper by HT Training and Coaching

Des McLaughlin, managing director of Grass Roots Meetings & Events recently commented: "Grass Roots handles over \$350 million spend on behalf of our clients annually, but rarely do I or my colleagues come across a sales person who makes a material difference to our view of a property and the way we present it to our clients." He continued: "Rarely do we see much preparation ... we need people who can do more than invite you out to lunch and show you pictures of their hotel!"

HT Training & Coaching's own experience reflects the above, and a number of our clients commented that so often, sales people fall short of this ideal. Targeting sales staff with making 10-15 appointments per week simply is not relevant. Clients do not want to see them that often and sales managers do not need to visit or even call a prospect to do initial research. And if the customer does not book through the sales manager, there isn't even a sales report to indicate how effective a sales manager is.

The Solution: the "Ringmaster" Sales Manager

Feedback from our own customers indicates that the successful sales person of the future uses a mix of communications channels – including face-to-face – and that they should fully embrace the seven points identified by the Chally Organisation. He or she is a vital component in developing effective and mutually beneficial relationships, and when they recognise and deliver on this basis, they are viewed by the customer as being their spokesperson and advocate within the supplier environment.

Here at HT Training & Coaching, we believe there are a number of key steps required to maximise the potential of a sales manager and as such the sales opportunities that are on the table.

- 1 The senior management must decide which customers the sales manager is to be responsible for.**
- 2 The sales manager becomes the account manager for those specific customers and is responsible for all activity and engagement with them, regardless of channel.**
- 3 As a result he or she must focus on developing closer working relationships with in-house departments, including reservations, revenue managers and marketing.**
- 4 The sales manager decides on allocation of his own resources to each client; this may include planning, online communication, phone calls, meetings and entertaining.**
- 5 The sales manager receives credit for the full amount of business placed by the client, irrespective of channel.**
- 6 Once the correlation between invested resource and the return (ROI) has been established for all customers, any spare time can be allocated to new business development. Larger organisations may split this function.**

The changing face of the hotel sales person

a white paper by HT Training and Coaching

Conclusion: the “ringmaster” sales manager has an exciting career ahead!

The evidence – both anecdotal and researched – suggests that face-to-face human relationships are as important as they ever were – they simply need to be aligned to today’s customers.

At HT Training & Coaching we firmly believe that the “ringmaster” sales manager – the one that takes personal responsibility for his accounts and develops all stakeholders be they within the customers’ organisation, with agencies or the departments within his or her own hotel – is the model of the future. As such, we’ve developed and registered our brand new Total Account Management (TAM) programme to help hoteliers start the journey.

Chris Parnham, chair of the Hotel Booking Agents Association (HBAA) and managing director of Absolute Corporate Events commented: “The best hotel sales people are those who take the time to get to know their agency clients, as well as their direct corporate clients. In this unique three-way relationship, the agency recruits, nurtures and retains the client, whilst the hotel sales person makes sure the agency is equipped with the right information to enable them to point the right clients at their venues at the right time. The venue must respect the role of the agency and not create an environment of competition or threat; it’s a win-win collaboration. If time is invested in the relationship between venue and agency, then the agency becomes a satellite sales team for the venue. This relationship has to be tailored to suit each agency, as they are all different. A standard template approach won’t work. Time invested in the relationship will deliver more sales.”

If we implement the above, and review how we target and manage our sales personnel we will have sales teams fit for the future – and who deliver those all-important revenue margins!



The changing face of the hotel sales person

a white paper by HT Training and Coaching

About HT Training & Coaching

HT Training & Coaching are specialists in learning and development for the global hospitality and tourism industry. We have been delivering inspiring training, development, mentoring and coaching programmes since 2008.

Directors, Nina Lovatt and Rosemary Bannister, have both worked within the industry as senior operators and executives, and believe that for organisations to flourish they must be run efficiently, offering the highest standards of customer service and professionalism every single day.

To enquire about our Total Account Management programme please call us on 01865 471777. To find out more about our programmes visit www.httraining.co.uk.

Published December 2013