



Article Title

The managerial flash sales dash: Is there advantage or disadvantage at the finish line?

Citation

Berezina, K., Semrad, K. J., Stepchenkova, S., & Cobanoglu, C. (2016). The managerial flash sales dash: Is there advantage or disadvantage at the finish line?. *International Journal of Hospitality Management*, 54, 12-24.

Abstract

The central intent of this qualitative inquiry is to investigate the benefits, drawbacks, and performance measures of hotel room inventory distribution via flash sales websites. Key advantages and disadvantages of using such a distribution channel fall within the categories of inventory management, revenue management, brand marketing, customer relationships, and operational challenges. The significance of the study is in providing a comprehensive review of the flash sales phenomenon in the lodging industry that may assist hotel managers with the performance evaluation of this distribution channel. Using grounded theory methodology, a flash sales evaluation framework was developed based on 46 phone interviews with hotel managers from different segments of the American hotel industry.

Methods

In order to assess hotel managers' experiences with flash sales, interviews were selected as the data collection method for this study.

Results

Thirty-one (67%) hotel managers indicated that they have had an experience of running flash sales promotions, while 15 (33%) of the study participants reported that they considered flash sales, but decided not to use them as a distribution channel. The study results indicated that managers from independent hotel properties were happier with the flash sales experience than managers from branded properties.

Conclusion

The current study investigated hotel flash sales as a new room inventory distribution channel from managers' perspectives of advantages, disadvantages, performance measures, and revenue-generating abilities. The description of the flash sales phenomenon was constructed through the lens of hotel managers who either have participated in such a distribution channel for room inventory distribution, or evaluated the channel, but decided not to adopt it. The findings of the study revealed that flash sales websites present a unique electronic distribution channel that may contribute to effective revenue management practice while simultaneously enhancing marketing capabilities.