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Is an ‘up’ market leading to mediocrity in hotel sales?

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Hitting high demand can make sales and marketing much easier, but that’s no reason for hoteliers to rest on their laurels.

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As a hotel sales trainer, I often conduct pre-training sales assessments during which I dig deeply into the client’s hotel sales tracking processes and look for a) response times and b) personalization. More often than not, I find significant gaps in what the sales director and sales people say they are doing as compared to what they actually do.

Sometimes the findings are shocking when I come back and show hard evidence that some salespeople do little more than respond to inquiries in the same manner in which the lead arrived. In other words, for CVENT leads they reply only in CVENT, for leads from apps, they are only responding in the app, and the same for leads from CVBs and other destination marketing groups. Also, their responses are very generic and not personalized beyond inserting the names of the contact and group. Instead, the same templates are used again and again. What’s more, these templates look nearly exactly like what the competition is sending out. With all of the tools for pricing and revenue management, chances are the rates are also the same as everyone else too. This entire approach lends itself to securing a hotel’s fair share of the market. As I often say in my training programs, “If you want to get just as much business as everyone else gets, then just do what everyone else does.”

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Of course most hotel owners and asset managers want more than their fair share of the market, and I'm pretty sure in their heart of hearts the sales leaders and also the sales managers desire that too.
Based on my experience, I believe the root cause of all of this prevailing mediocrity in hotel sales is obvious, which is years and years of expansion and an upward tick in demand in most hotel markets.

Referring back to my pre-training assessments, it's always a little awkward when presenting the findings to a salesperson who has just been rewarded for achieving his or her latest quarterly goal, and in some cases, for blowing it out of the water. I recently conducted a sales assessment for a catering sales manager who literally doubled her goal for the number of weddings booked for the year—and it was only November—yet who had done little more than respond with a generic template.

Now having been in the hotel sales training business for at least three downturns, I have seen the other side of this equation, which is when hotel salespeople are following-up relentlessly, with highly personalized responses, and when they are still not able to sales goals meet unrealistically lofty sales goals.

So regardless of whether demand is tracking high or low, whether it's an up or down market, today's sales leaders (and the asset managers) should be digging deeper into hotel sales performance rather than just looking at the ultimate outcome.

The following is an overview of the action steps for conducting a hotel sales processes assessment, based on what I do for our own KTN clients.

While sitting with each sales manager, have them randomly pull 10 or so inquiries, roughly representative of the various lead channels. (This can be done by searching their email folders for the notifications sent by various systems, and/or sent by a sales admin, that a new lead is available.)

Next, sit with each salesperson and ask them to show you the documentation of any follow-up they have done for each respective lead. Depending on how they organize themselves, this might be by having them search their sent messages, by looking into the contact records if they use an automated lead tracking/CRM system, or if they use a manual system, then by looking into their folders, binders or paper trails to see what notes they have written on their print-outs.

Create your own "scorecard" to use as you review these details. Here are some criteria to include:

- Timeliness and medium of response. For electronic leads, did the salesperson respond same day or next? Did they reply only in the app or portal, or did they also respond directly in order to stand out from the others and to make sure a response was received? Did they also call when it was appropriate "Just to clarify a few details on what was needed"?
- For voice leads, was someone available to speak with the caller? If not, when did we call back?

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- Lead details. When connections were made via phone, did the salesperson take copious notes showing that they fully investigated "the story" behind the group/function? Or if the inquiry came in electronically and did not have detailed information, did the salesperson respond with questions?
- Timeliness of proposal/contract. Did the salesperson respond with a proposal and/or contract within standard timeframe? (Typically 1 business day.) If they needed more time, did they let the prospect know that a response would be forthcoming?
- Personalization of correspondence. Was the correspondence personalized? (Such as did the correspondence include references to what was stated in the original voice or electronic inquiry? Example: "Since you mentioned that your group is looking for X, you will find that our hotel is excellent at providing Y.")
- Confirmation of receipt. Did the salesperson confirm and document receipt of the follow-up correspondence?
- Reinforcement follow-up. Did the salesperson follow-up after the proposal was received to express interest in securing the opportunity and to offer to work through any special needs or concerns?
- Tenacity and method of follow-up. Did they alternate between phone calls and emails? Did they follow-up at least three times unless they heard "no?"
- Long-term follow-up. If a sale was not secured, but the prospect could potentially generate future business, was the sales lead re-traced for an appropriate future follow-up action step?

By conducting a sales process assessment based on the criteria outlined here, you will ensure that your team is doing all it can to capture more than its fair share of group business by out-selling the competition at every step in the sales cycle. This will allow your sales leaders to focus on "process" and "personalization" as well as the sales goal. The time to make assessments like those above part of the process is right now when demand is high, so that salespeople will develop good sales habits now and will therefore be prepared not if—but when—the economy swings the other direction.

Doug Kennedy is president of the Kennedy Training Network, Inc. a leading provider of hotel sales, guest service, reservations and front desk training programs and telephone mystery shopping services for the lodging and hospitality industry. Kennedy has been a fixture on the industry's conference circuit for hotel companies, brands and associations for more than two decades. Since 1996, Kennedy's monthly training articles have been published worldwide, making him one of the most widely read hospitality industry authorities. Visit KTN at www.kennedytrainingnetwork.com or email him directly doug@kennedytrainingnetwork.com. He is the author of "So You REALLY Like Working With People? - Five Principles for Hospitality Excellence." (https://www.createspace.com/6608751?ref=1147694&utm_id=6026)