

HYB25

Annual Edition

Navigating New Dynamics in the
New Year



The Hotel Yearbook

Foresight and innovation in the global hotel industry

HYB



7 Actionable Revenue Management Trends for 2025

RM Trends

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1 BUILDING BETTER ALIGNMENT BETWEEN RM, SALES, AND MARKETING

We've been big proponents of breaking down silos and building alignment among commercial teams, and really that thinking should be expanded to include marketing. By tapping into the sophisticated granular demand forecasting capabilities of advanced revenue management systems, hoteliers stand to benefit from better timed and tailored marketing campaigns and promotional efforts that ultimately drive better business. This will undoubtedly require a shift in how these teams go about their business as usual, but the potential benefits are tremendous. Now's the time to take a step back from siloed functions and start aligning on shared big-picture goals. **Tip:** Consider the communication channels between revenue leaders and marketing teams, as well as the tools and systems that can facilitate greater collaboration.

2 KEEPING THE BOTTOM LINE IN FOCUS WITH GROUP BUSINESS OPPORTUNITIES

Strong group business and events performance has been a boon for many hoteliers of late, and there's likely more hay to be made. Those who keep a close tab on group business servicing costs and the impact of group opportunities on transient guest room revenues are equipped to make better decisions for overall profitability. **Tip:** Consider if sales and revenue leaders have an efficient way to gauge impact of displaced business when weighing opportunities.

3 STAYING NIMBLE THROUGH UNCERTAINTY

A mixed bag of market conditions paired with several tense geopolitical situations across the globe adds a degree of worrying uncertainty to 2025, and it is critical revenue teams can pivot their strategies quickly if needed. **Tip:** Evaluate how your property may fare and adapt to ideal, average, and worst-case budgeting scenarios. Ask if your teams are well-equipped with plans and tools to quickly adapt as needed.

4 GETTING MORE OUT OF YOUR EVENT SPACES

With limited prospects of room revenue growth for many hotels, revenue leaders will be looking to open up new avenues of growth—and M&E is an area where many properties can find a lift. We expect more hoteliers to put a sharp eye on how effectively their available space is being used, how it is being merchandized, and the overall revenue impact of event-driven room bookings. **Tip:** If you haven't, work to establish and align on KPI metrics for M&E performance to establish a baseline and identify areas of opportunity.

5 CATERING TO EXPERIENCE-DRIVEN LEISURE TRAVELERS

Millennial and Gen Z travellers represent a growing share of the leisure travel market, and it's clear many are seeking out more authentic ways to experience the world around them. This represents an opportunity for hotels and outdoor accommodations providers to revisit their strategies for attracting new business—and the technologies needed to cater to this guest segment's personalized preferences. **Tip:** Think local when developing experience packages and partnerships. There may be opportunities to develop memorable, authentic and sustainable experiences that check many of the boxes for younger travelers.

6 EXPANSION AND MATURATION OF REVENUE MANAGEMENT PRACTICES

The global hospitality industry is making huge strides in the adoption of revenue management technologies and practices—and we don't see that slowing down in 2025. More hoteliers understand the value of sophisticated revenue management strategies, and it's now easier than ever for them to find the tools that enable them in a package that's a good fit for their properties' needs. **Tip:** Consider the technology needs of your property and when you've last evaluated them, as recent new solutions, technology integrations, and more may have changed the calculus on what's viable for your organization.

7 PUTTING A LASER FOCUS ON RESORT PROFITABILITY

Less favorable financial terms due to inflation-fighting elevated interest rates are still on the table for 2025, and resort properties will certainly scrutinize the profitability of their offerings. With improved data connectivity between technology systems, hoteliers can uncover opportunities to improve margins and ultimately adapt their strategies to prioritize attracting their most profitable business. **Tip:** A holistic view of guest spending and servicing costs is the ideal, so it's time to ask where gaps in this information may be, and how technology can help paint a more complete picture of your guests.

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