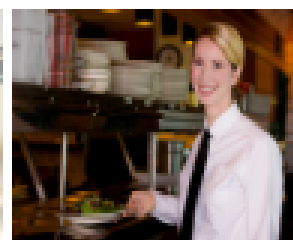
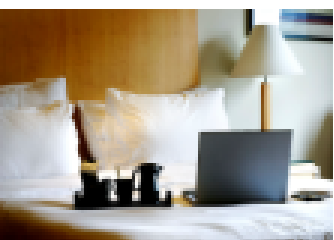


Practical ideas for hoteliers you can use today to drive up your spend per person and get your guests booking again

"How To Boost Sales & Get More Repeat Bookings From Your Existing Customers To Generate Maximum Profit For Your Hotel"

57 tips, tools and simple strategies to put into practice today

Caroline Cooper



Introduction

So you want to learn the strategies and techniques you can apply on a day-to-day basis to drive up guests' spend per head and get them booking to come back time and again you've come to the right place. Listed here are here are 57 practical ways to earn more profit from your hotel, which you can put into practice today.

As you read through this report I'm certain you'll read of things that aren't new to you. And you'll read of things that you are already doing, or have tried in the past. The thing is that it's often little things that make a big difference, so unless you are doing everything listed here already, there'll be some ideas you can implement. And even if you've tried them before, if it was a while ago, why not have another go, but with a different theme.


The good news is there are only three things you need to do to increase sales. These are:

1. Increase the number of customers
2. Increase the average sale per customer
3. Increase the numbers of times customers return and buy again

Here we are going to focus on 2 & 3: how to increase spend per head, and how to get existing customers and their friends back time and again. Why have I started here, and not with increasing the number of customers? Well it is considerably easier to increase business through existing customers who already know you, and hopefully trust you, than it is to win business from new customers who don't have first hand experience of who you are, and what you offer. Often the best way to reach these people is through your existing customers, so we'll look at some of the ways to encourage this too.

Don't assume once you've got your customers through the door that your job is done, far from it! Aim to increase the lifetime value of each customer, to gain the maximum return on all your efforts to win them in the first place.



1. Be clear on who is your **target market**. Who is your perfect customer? Hotels that try to appeal to everyone, end up satisfying no one. Are you best suited to families, businesses, exclusive get away from it all breaks,...? What are their needs, likes, dislikes, their priorities, what do they value when they stay with you? Everything you do to market your hotel needs to be done with **your** perfect customer in mind.
2. **Make your hotel inviting**. After a long journey your guests want your entrance to be well sign posted and well lit. Check how easily they can park and get to the front door without getting drenched or their shoes dirty. Is it easy to get bags through the front door? All these have an impact on the customer and how they feel at the point they start spending money in your hotel.
3. What's the first thing your guests see? A welcoming smiling face, or a cluttered reception area, out of date signage, or a frayed carpet? Ensure your customers get a **first class welcome** the minute they arrive. First impressions do last, and have a dramatic impact on their willingness to spend.
4. **Identify what to promote**; promoting your loss leaders is not a wise strategy! Ensure front of house staff understand the products or services that make the biggest margin, and where you have a particular service you want to promote to encourage follow-up sales.
5. Use **descriptive language** on your promotional material, tariffs and menus. Make things sound irresistible. Not just 'Afternoon Tea, but 'Jan's Freshly baked scones. Served with a selection of our own delicious jams and a generous serving of thick Devon clotted cream'
6. **Train your team how to upsell**, to recognise when it is appropriate to do so, and what items or services to sell. This needs confidence in their knowledge of the products and services on offer, and a good understanding about the customers' needs or how to ascertain these. Note: Up selling is not all about trying to sell the most expensive service or product. It's about selling the most **appropriate** one to meet the guest's needs.
7. **Update on site promotional information daily** to get guests' attention. Advertise promotions in advance and promote today's specials. For example, let people know what's on your restaurant menu **before** they get into the restaurant; it could just be the dish that entices someone into the restaurant rather than going to eat elsewhere.

- 8.** Demonstrate you can **cater for special diets and needs**. Let your customers know in advance if you're able to provide special diets or meals, before they decide to eat elsewhere. With the growing number of people with food allergies and intolerances to foods, you are missing out if you don't.
- 9.** **Offer other products**, which are unique to your hotel that they can take home or share with others? Could you offer home grown or home made produce, branded bathroom accessories or toiletries, or celebration cakes? Anything with a high margin, novelty value or that adds that personal touch.
- 10.** **Add value** to attract attention, set you apart from the competition, and stimulate sales. Give people an incentive to try something new, buy something different, or make a return visit.
- 11.** **Avoid cutting prices**. This can be copied by any of your competitors, devalues your offer, and it can be very difficult to put prices back up again at a later date.
- 12.** Allow guests to '**Try Before You Buy**' to encourage them to try something new or entice them away from another venue with no risk to them. Hold taster evenings for your new menu, invite locals to try out your facilities and experience what you offer first-hand, invite existing customers to bring a friend with them for free.
- 13.** **Offer free upgrades** on availability. It is said once you have flown first class you'll never want to go back to economy! Giving people a taste for your best offers, services and products can encourage them to upgrade at their own expense next time around. Plus it leaves them with a better experience than they expected which promotes a talking point and a great way to prompt testimonials and referrals.
- 14.** Add to your standard offer **to create upgraded or deluxe versions** to sell at a premium price. Maybe combining some of the products or services discussed above. Make your best room the bridal suite; include a chauffeur driven car from the station or airport; offer champagne, flowers, fruit or chocolates, make afternoon tea a feature and a real treat.....
- 15.** **Gift vouchers** are an easy product to sell online or on site. Not only a sale, but a great way to introduce you to new customers. They're great for your cash flow too.



- 16. Be flexible and give your customers choice.** This does not mean that you have to have 100 options, but are you able to offer a choice of rooms, different sized portions, mix and match menus, extended check out times. Yes, have systems and standards, but don't be bound by rules at the expense of guests needs.
- 17.** Ensure any promotional material is **visible and eye catching**. No point having it tucked away out of view! What are your high traffic areas - by reception, entrance to the restaurant, in lifts?
- 18.** Make sure your **promotional material conveys the right message** and is consistent with the product or service, as well as your image and values. Remember that much of what you are selling is based on the senses and emotion, so use these in your promotional material. If what you are promoting is exclusive and luxurious, ensure the wording, the style and quality of the promotional material also looks exclusive and feels luxurious.
- 19. Become an 'expert'** in something that you are interested in, and attract the type of customers with whom you can build up a good rapport and a better prospect of repeat business. Stand out from other hotels. Host meetings or club/group dinners, and general social events; run educational weekends and breaks; invite topic experts, celebrities or people of specific interest or host quizzes and workshops.
- 20.** Set up **Joint ventures** with other businesses or individuals to either share resources or help each other out. What other businesses have lists of people you would like to attract as customers? They might be suppliers, clubs or organisations, or other businesses that sell complimentary services, such as local attractions, exhibition and show venues,, etc.
- 21. Collaborate with competitors.** What other hotels or restaurants may have complementary offers, or can you refer people to when you are full and vice versa. Recognise that your guests won't necessarily want to eat with you every night, so where do you recommend? Can the restaurant offer a discount for your guests, and in return you give a preferential rate to their customers?
- 22. Recruit the right people** to help you sell more. You can't do it alone, so choose your team wisely. Be clear about what you are looking for, and differentiate between minimum requirements and those skills that can be learnt. Whilst people can be taught how to take a reservation, how to serve wine, or how to clean a room; it is far more difficult to teach someone how to be welcoming, to use their initiative, or stay calm under pressure. And even more difficult to instil your values on people.



- 23. Involve back of house staff** too. Your kitchen staff's receptiveness to customer tastes, your kitchen porter's appearance, your room maid's discretion, and everyone's attitude towards customer service as a whole will have a major impact on your customers' experience, their perception, their willingness to spend money, their likelihood of referring others and their prospect of returning.
- 24. Train your team in customer service;** provide guidelines for staff to follow in specific situations. This gives your team confidence - which will be apparent to your customers - and provides consistency.
- 25. Give staff authority & skills** to deal with issues. From guests' perspective things will get dealt with more quickly, as staff don't need to find you or a manager. It gives your staff a sense of responsibility, which will normally be rewarded by better use of their initiative and taking responsibility in other areas too. Plus, it means you don't have to be there keeping an eye on things 24/7.
- 26.** Ensure staff **understand all your services and products** so they become an ambassador for your business and are able to spot sales opportunities. The more they know about the facilities in a room, the flexibility and capacity of the meeting room, the ingredients of a dish, the features of each bedroom, the better placed they are to make recommendations and make a sale. And don't limit this to the hotel itself - what about the local amenities, attractions, directions and so on. Ensure they are familiar with everything on your website(s), including all updates, current offers, and promotions.
- 27.** Encourage your team to take **the customer journey**, and see everything from a customer's perspective. The more of your services and products your staff are able to experience first-hand the better. Let staff be waited on in the restaurant, stay a night, and sample the treatments you provide in the spa. Then encourage them to make recommendations and suggestions to improve the products and service.
- 28. Train staff to ask for feedback.** Face to face feedback will always win over a comments form or questionnaire. It needs to be something more than "*I hope you enjoyed your meal*" or "*how did you enjoy your stay?*". Train your staff to ask direct and specific questions, and when it's appropriate to do so.
- 29. Offer staff incentives** to motivate and encourage them to sell more. As well as sales training, be ensure they understand your margins and how these are calculated, then give updates on how well you are performing towards these. This will encourage ownership and puts them in a stronger position to come up with ideas that contribute to your margins.



- 30. Be visible** in your hotel, and talk to your guests. Get to know your customers personally - their likes and dislikes, their routine, their suggestions, their feedback, their network - all this builds rapport and trust, and makes it a lot easier to upsell and tailor your offers to your market. But strike a balance between being friendly and not over intrusive.
- 31. Always ask your customers for feedback first hand.** Talk to them during their stay and on their last day. Capture the good and the bad, then analyse it, learn from it and act on it - whether you agree with it or not.
- 32. Do something exceptional.** Think of the things that are of high value to your customers but low cost to you so you can give added value. Do something unexpected, something they will remember once they get home when people ask how as their trip. Give people a real reason to talk about you.
- 33. Ask for referrals** - it's a great way to build your customer base. The person making the referral has already experienced what you offer and will do the selling for you. Making referrals builds loyalty as well as bringing in potential new business. Make this easy by creating a **simple referral form**, which you include with the guest's bill. Make this prominent, and offer incentives for them to give you names.
- 34. Reward customers** who give you contact details of others. As an absolute minimum, ensure that you thank anyone who makes referrals to encourage them to continue to do so in future. Don't wait to see if this actually leads to business, as what you are looking to reward is the referral process. The more referrals you have the greater the likelihood of gaining new customers.
- 35. Give guests a reason to return** by offering exclusive promotions and vouchers for a return visit. These could be transferable for guests to pass to friends. Impose a limited time period to prompt action.
- 36. Promote forthcoming events** so guests see what you've got coming up in the future - either to prompt a return visit or passing the details onto friends or colleagues. Use flyers or leaflets, which people can take away as a reminder, or pass on to others
- 37. Send thank you notes** (not just a survey!) to all guests who have stayed with you, and restaurant diners too, within a few days of their visit. Great for building rapport, and even if they haven't picked up a business card or a brochure at the time of the visit; they will now have something by which to remember you.





- 38. Build a list** of existing customers (and prospects). Train staff to capture the contact details of anyone who enquires. Collect any information that would help you segment your customers, e.g. interests or hobbies. Record birthdays and anniversaries, dates of booking, dates of visit, to time your offers. Note source of initial contact (e.g. via website, advert in local paper, travel agent, etc) what newspaper and/or magazines they read on a regular basis, and so on so you know how to reach them.
- 39. Keep in constant contact**, to maintain your relationship; remind your customers you are still there. Let them know about promotions, seasonal events and any other newsworthy information relevant to your niche. By keeping you in their mind they are more likely to come back or refer you to friends and colleagues. Note: Always get permission to e-mail, and include opt out options.
- 40. Write about what interests your guests.** Adopt different themes to maintain that level of interest. Let them know what others think of you; when you've been in the media, any awards you've won, testimonials from VIP's. Recommend places to go or do whilst in the area, your own account of visits to these places with photographs. Ask your head chef to write something about dishes on the menu with a recipe. Ask other guests to share experiences of their visit. All of these things remind guests of what you have to offer.
- 41. Use direct mail.** Don't stop at e-mails - this is the least you can do. Sending letters, brochures, flyers and post cards provide a physical piece of paper in front of someone, which has longevity, and can be referred back to when the time is right. Postcards are more eye catching than a letter, and more convenient to file (or better still stick on a notice board or the fridge door) than a brochure or leaflet.
- 42.** Make people **want to open and read your mail** by writing compelling subject lines and eye-catching envelopes. Use a variety of formats to appeal to different people. A handwritten envelope these days will always get attention. And if sending e-mails, make it clear who the e-mail has come from to avoid suspicion and landing straight in their spam folder, or being automatically deleted.
- 43. Use fax, telephone, text**, too, as a follow up to other mediums; these are a great way to promote last minute offers or to remind people when an offer is about to expire. But remember to always have permission to contact people these ways.
- 44. Keep your website up-to-date.** Promotions that are out of date or events that have already passed are not only unhelpful but make it look as if you don't care. Going through a web designer every time you want to make a change or an addition can be a chore (as well as adding additional cost), so ensure you (or

someone in your team) are able to update the content easily in-house. This flexibility allows you to add local events, last minute promotions, update availability, tariff changes, travel bulletins, seasonal messages, and so on. If your current website doesn't allow you to do this - seriously consider getting a new one (it will pay for itself in time saved and the opportunities it gives you very quickly).

- 45. Target your promotions** to specific customer profiles. Then ensure anything you send is targeted and personalised to that target audience. Don't just tell them about it once, build up a bit of suspense - a sort of drum roll to the launch of a promotion, refurbished rooms or new menu. Then once it's launched send more details, giving updates of how it's going, to let them know what they're missing.
- 46.** Make use of **social media** sites such as Facebook, Blogs or Twitter, according to your customer profile, to continue to build your profile and notify customers of promotions or special events.
- 47. Get your name in the media** to remind your existing customers and rekindle their interest in you. Think from the editor's perspective; what is going to make a compelling and newsworthy article, and one which his or her readers will be interested in? Talk to the media about the type of stories or articles they want more of. Or write a letter to the editor - something topical or respond to a previous article. And invite the media to your events. Even if they don't attend the event itself it may present an opportunity for you to be interviewed. Then post clippings on your website, to add to your credibility and reputation.
- 48. Get creative with your promotions;** don't just copy what your competition is doing, as it won't stand out. Promotions need to stimulate activity; they need to give people an incentive to come and visit you so it needs to be exciting, worthwhile and enticing enough that your customers feel compelled to come back.
- 49. Use Price promotions sparingly.** Slashing your room rates to get increase occupancy is not the answer to generating higher sales margins. Instead offer promotions on a limited period or on specific services to get attention. *Buy One, Get Second Half Price* or *Three for the Price of Two* promotions still offer additional value, but leave you the flexibility to offer these only on certain items, at certain times, or to a specific target customer, whilst still selling other services at full price.
- 50. Help people celebrate.** Use your list to check for birthdays and anniversaries. Send an invite or an exclusive offer or gift to redeem at the hotel. Send your business users lunch menus, and make a note of their important dates to offer special deals for meetings, AGM, awards dinners, etc.



51. Create packages by bundling a number of your services or products together, which offer exceptional value for money, and encourage your customers to try something that they might not otherwise buy. Don't be scared off by what, on paper, looks like a small margin when you cost everything in; your objective is to get people to sample other offers. Talk to suppliers and Joint Venture partners to create combined packages. The key is to make the offer excellent value for money, irresistible and prompt a booking.

52. Create a sense of scarcity and urgency to prompt an immediate booking. For example, limit your offer to the first 10 customers who book; state the maximum number of people you can accommodate for a particular event; let people know when you only have three rooms left for a popular date. Impose a deadline on your offer or a deadline for booking. The shorter the time frames the better to prompt action.

53. Reward your loyal customers, by offering bonuses or exclusive deals; even a simple card, stamped each time they visit works. Make a point of contacting customers when they are nearing a reward level to encourage a visit. Give bonuses that are high value to your customers and qualifying levels are within their reach. But at the same time ensure the rewards level is such that it promotes sufficient business (and profit) for you to allow a reward that does not diminish your margin in one hit.



54. Cost all your promotions before launching to make sure you know your breakeven point. A 20% reduction in your selling price on a 30% margin equates to a 66% drop in profit margin, and a 40% reduction in selling price @ 30% margin means a **10% loss** on each sale. You must know your numbers!

55. Make a plan. Trying to do everything without some kind of structure or objectives in place is likely to lead to frustration, wasted time and wasted money. Devise a strategy to promote your sales and get repeat business. Have clear objectives. Is it part of a longer term marketing strategy (remember the lifetime value of each customer), or does it need to be profitable in its own right. They don't have to be costly. Have you an oversupply of stock; can you purchase a product when in season for a very reasonable price; can your suppliers or Joint Venture partners donate towards your promotion, if they are set to gain from it? Then ensure you have the infrastructure in place to support the promotion.

56. Delegate or Outsource if you don't have the time or the expertise to do everything yourself. If your time is worth £100 per hour to the business, and you can find someone who can do the task for £17 per hour, or even £70 per hour, and in less time, then get them to do it. If you don't have the expertise in our own team look externally for someone who has. Chances are they will not only do it in less time, but if they have the right experience they will probably give you ideas on how to maximise your return on investment.

57. Test & track everything. Don't throw away your hard earned profits on marketing, promotions or training that does not deliver. You must know what works and what doesn't (and do more of the former!).



Summary

None of these ideas will have any impact on your sales or profit unless you take action! So make a plan today. What can you action straight away?

We've focused here on 2 aspects of increasing sales: increasing the average sale per customer, and increasing the number of times customers return and buy again. If you increase either of these by 10% you will get a 10% increase in income.

But if you increase each of these, plus the number of customers by 10% i.e. **all three** by 10%.....

This would equate to a **massive 33.1% increase** across the board, opposed to just 10% if you were to only focus on the number of customers.

Whilst working with only one of the actions only gives you linear growth; looking at all 3 simultaneously can give you exponential growth.

And assuming your fixed costs stay the same and that variable costs go up proportionately this can have a **massive impact on your profit margins.**

So, what are you waiting for? Start today.
Make a plan and take some action. **Now.**

About Caroline Cooper



Caroline is the founder of Zeal Coaching, which specialises in helping independently run hotels, conference centres, spas and restaurants to be more successful and profitable.

Caroline has over 26 years' experience in the hospitality industry and is supported by an equally experienced team of professionals who between them are able to coach, advise and mentor on all aspects of running a highly profitable hospitality business. Her team includes specialists in strategic & business planning, finance, marketing, website design, operational management, food production & service, health & safety.

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