Conference Review

The Revenue Management Club Meeting

The Revenue Management Club held its seventh meeting at TUI's UK HQ in Greater London House. The major presentations were from TUI, Premier Travel Inn and Le Meridien Hotels, and these were followed by updates from both 'Action Groups'.

Peter Jarvis (TUI) gave a very interesting presentation on their Yield Management System and how TUI tackles the problem caused by the enormity of different combinations of flights and hotels. In TUI's case, these result in more than 9 million possible different package, departure and date combinations being on sale at any one time. With this volume, existing manual processes are, by necessity, quite a broad brush, yet providing an automating yield management solution, using price sensitivity in the complex package market, not only requires serious processing power, but is very much at the leading edge. The TUI solution is scheduled to go live in the summer of this year.

Pierre-Alban Guy Premier (Travel Inn) described a wholly different approach, which has been piloted within Premier Travel Inn, where the fixed room rate brand proposition excludes price sensitivity as an option for revenue management. Pierre Alban described his 'Peak Day Management' approach, which is based on the use of minimum length of stay controls. This has been piloted at a number of sites across the estate, to determine whether a manual or an automated solution is the most cost effective.

Carole Tahar (Le Meridien) described their solution to training key revenue management staff at Le Meridien Hotels throughout the world by means

of e-learning techniques using the internet. In these sessions, participants join a virtual, yet fully interactive, 'classroom', to follow a range of courses as part of Le Meridien's Revenue Masters Programme for staff.

Brian Mullen reported on the work of the Benchmarking Action Group. This group has been defining a set of key performance indicators for revenue management, and the subject of the last meeting was the human dimension, focusing on the personality types of those who work in the area of revenue management. Brian invited all members at the meeting to complete a questionnaire, and the results are now available on the Revenue Management Club Website. The personality test was based on Myers Briggs, and the survey results showed a predominance of supervisors, resolvers and realists within revenue management. It does raise a question about what this test would show about marketing departments — it might just explain the all too frequent organisational distance between the two departments!

Feedback from the Training Action Group was presented by Matthew Moody (RCI). This Group is exploring ways to address the lack of recognised affordable broad multi-industry based revenue management training, including the possibility of using the RMC as a vehicle to pool resources in this area.

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