



Hotel Brokers International hbihotels.com

Back to the Basics

Written by: Jennifer Church, CHB

It seems in times of economic uncertainty we are reminded to get back to the basics. One of the fundamental principals is to live within our means and that, too, needs to be applied to our business operations.

The goals are, as they have been in the past, maximizing your revenues while watching carefully your expenses. Preparing and adjusting budgets are necessary to allow your profits of the high season to carry you through the off season.

You have to ask, "What can I add or provide to someone staying at my property that will keep them coming back while keeping costs as low as possible?" A basket in your lobby with clipped coupons from local newspapers and magazines for food, attractions, or shopping might be appreciated in these hard economic times. Also, look to your local community for marketing partnerships. Would a local candy company provide a sample of their chocolate to your arriving guests in return for the opportunity to have their business card or a promotional piece accompany the candy? What about a local restaurant providing your guests with a free beverage or dessert with a purchased meal, a theater giving a small popcorn with a paid admission, or a gas station offering a discount on gas, or cup of coffee for the road?

Be sure to let your area restaurants, attractions and shops know when you referred someone to them. Simply printing up some business card sized notes that say, "I was referred to you by the Americas Best Value Inn" and asking your guests to present that card with their payment can go a long way to having those businesses refer people back to stay at your property.

On the expense side, as a hotel broker, I can't tell you the number of times I have walked into guestrooms where the air conditioning or heating is running at uncomfortable levels which obviously increases the utilities for the property. Reminding staff of the impact of something as little as setting the heat or air to a certain level can make a big difference to your bottom line. Further, as guests checkout assigning someone to simply visit the room and ensure that all lights have been turned off and the temperature is set per your standards can mean saving the energy that would have run until the housekeeping staff arrives to clean the room.

Look at your business from a consultant's eyes. What else should and can you do to increase the revenues and decrease the expenses yet provide a comfortable guest experience? Taking these steps now help ensure that if and when you do decide to sell your hotel property, you have a stronger performing property attractive to buyers and their respective lenders.

About the Author: Jennifer Church is vice president of Milmark Hotel/Motel Investments, LLC, a Wisconsin-based hotel brokerage company, and member of Hotel Brokers International where she serves as an officer on the Board of Directors.