

# HOW THE ROLE OF THE REVENUE MANAGER IS EVOLVING

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AS HOTELIERS COME TO GRIPS WITH REOPENING HOTELS DURING a global pandemic, all roles within the hotel structure have been readjusted. Flexibility and adaptability have become the most valuable attributes for any job, and the position of revenue manager is one of the most affected during this time. The role itself has been shifting over the past decade to be supported with more automated and structured technology. This automation and data-led shift have allowed hoteliers to leverage sophisticated algorithms to develop forecasting and pricing strategies. COVID-19 seems to have reoriented this approach entirely as revenue managers now look at how they can add another layer of humanity to their technology. Automation will always be key, especially during times of limited resources, but what we're seeing is an increased need to add that human touch on top of their usual systems.

Here, we look at some of the ways the revenue manager role is changing and how technology must evolve with this change to support the new normal we will see for the foreseeable future.

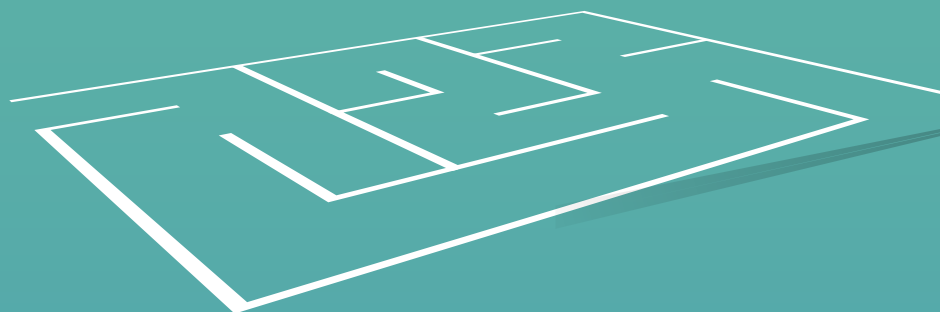
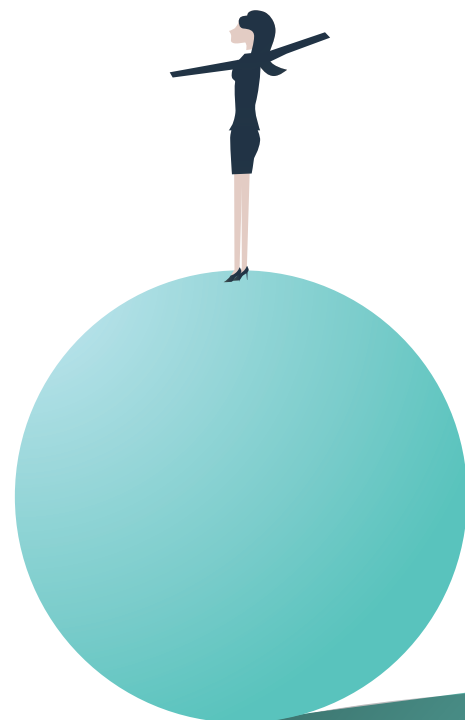


# THE HUMAN COMPONENT OF REVENUE MANAGEMENT

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HISTORICALLY, REVENUE MANAGERS HAVE USED their technology platforms' automation and algorithms to support their revenue success. However, during this uncertain time, the human element of revenue management has become even more critical. Revenue managers must be more engaged with the recommendations created by their systems and be prepared to tweak and shift strategies based on additional factors.

With no historical data of relevance, technology systems that focus on rigid automation have struggled to adapt without human intervention. So far, we have seen that revenue managers who can adapt, interpret data, and make quick decisions are the most likely to succeed.



## CHANGE EXPECTATIONS

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IN AN INSTANT, ALL OUR PARADIGMS SHIFTED. Hotels seeing 30% occupancy feels like a great achievement - something that would have never been conceivable a few months ago. With this change in goal strategy, expectations have changed too, which means that revenue streams that were once a given are no longer available. While the world waits for consumer confidence and governmental guidelines to ease, revenue managers must collaborate with their peers and other departments to shift expectations and leverage additional revenue streams.

# RENEW THE IMPORTANCE AND UNDERSTANDING OF DATA

NONE OF THESE ADAPTATIONS WOULD BE POSSIBLE if the data required were not available at our fingertips. With more data available than ever before, hoteliers can get a true understanding of where the demand is and leverage it as best as possible. By adjusting revenue streams, hotels can drive demand for different aspects of the hotel that may have never existed.

Using guest data for this shift is critical. While the current demand is focused on leisure, business travel will slowly return. In the meantime, hoteliers must keep their finger on the pulse and embrace all data points including flight details, search, length of stay, arrival dates, the number of guests, and other factors to paint a clear picture of the current situation.



## BE FLEXIBLE, ADAPTABLE, AND INNOVATIVE

FLEXIBILITY, ADAPTABILITY, AND INNOVATION have become our most valued skills. As our world turned upside down with COVID-19, so did the way we manage and run businesses around the globe. More than ever, revenue managers need to look closely at how they can be flexible, adaptable, and innovative with their resources. Repurposing or reevaluating projects will help drive the bottom line and shape how each business is run. We can also take this opportunity to rebuild systems from the ground up, so that when we come out of this, hotels are in the best position to recover as quickly as possible.

Change can be difficult, but as we work through this together, revenue managers can evolve their role and drive success for the business using the technology and human expertise laid before them. With a main objective of achieving total revenue management in a time of deep crisis, revenue managers can leverage their data, adapt their revenue streams, strive to achieve profit optimization with what they have, forecast as best they can, and utilize both their human intuition and the flexibility within their technology systems to continue pushing forward.

