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## Delayed K-Curve Action Plan

Your hotel performance is pacing behind the market in its recovery from the COVID-19 disruption. This means you will need to take immediate remedial action to see if you can stabilize your hotel's performance before you can begin your Action Plan. For most hotels, we believe there are two possibilities causing this:

1. Your hotel has been hit harder than expected by COVID-19. As a result, you have lost your loyal customers to local competitor hotels and have fallen behind the market rebound.
2. Your hotel has been closed for the past few months and is now reopening or has not reopened yet.

Recovery from this position will take longer as you need to build your business base and recapture the attention of customers before you can begin the recovery process. Your recovery plan will cover 120+ days.

### Assumptions:

In this scenario, your hotel is performing **below the market** and is struggling to recover. Either your hotel and/or your market have not entered the crucial **35-45% occupancy range**. Knowland considers this to be the first step in the recovery process. Chances are your market has stabilized but your hotel is still experiencing volatility that is inconsistent with the performance of the market as whole. This type of performance will require remedial action to resolve issues before you can start building business.

We have identified two sections of the Delayed K-Curve Action Plan – (1) Remedial Steps that vary for Closed Hotels versus Open Underperforming Hotels, and (2) Recovery Action Plans. Once hotels address their Remedial Steps, their Recovery Action Plans will be similar.

### Remedial Steps – Underperforming Hotels

1. Analyze your business down to the rate plan to see where you were losing business even prior to the pandemic. You will need to understand what accounts were on the decline both from a group and transient perspective. This analysis should cover a minimum twelve months to understand if this trend started before the pandemic.
2. Utilize external Business Intelligence tools to understand if the business, as a whole, contracted or if you lost the business to a competitor(s).
3. Create a SWOT analysis, by account, to tackle how to win back each account. Be brutally honest with yourself in this process. Is your hotel inferior to competitors? Are you priced too high for the market? Have you neglected the account and they've gone elsewhere?

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4. Create a SWOT analysis for all competitors comparing them to your hotel. Be sure to include unlikely competitors such as like-market hotels, this is not the time to narrow your scope.
5. Evaluate your pricing strategies relative to the competitive set SWOT analysis. This will help you understand your position relative to the competition and if pricing might be contributing to lackadaisical recovery.
6. Assess your sales team to understand if you have the right mix of staff to drive business to your hotel. Stepping into recovery, hunters will be even more vital to the process. Before you enter the action plans, you want to have the right personnel to get there.

## **Remedial Steps – Closed Hotels Ready to Open**

1. Announce the re-opening date as far in advance as you can. This should go through every available channel: web, OTAs, social, email, phone calls, etc.
2. Communicate what your team is doing to prepare for the re-opening date. This could be across a variety of channels and ideally should be spaced over the period between your announcement and the actual opening date. The point is to show progression. This should be informative and illustrative of changes you have made to protect guests as they return.
3. Document your new Duty of Care processes. Some of these might be dictated by your brand and others might be dictated by governmental authorities. All of it should be documented and communicated.
4. Clearly document all social distancing policies you have in place for the public areas of your hotel. Visual images to remind guests can be helpful.
5. Revise and publish your new capacities for banquet space. This might be in line with local restrictions but it's likely customers will have their own requirements. You might need to be prepared for a variety of options: 6 feet, 7 feet, 12 feet. What are the capacities of your meeting space in the new social distancing spectrum? Documenting those capacities in advance will help you guide customers better as they book or rebook.
6. Develop new pricing rules for meeting space related to your new capacity. You might need multiple versions of this to effectively optimize space. Be prepared to pivot as you put these into action and clearly understand where you have room to give.
7. Revise menus to reflect new standards in food and beverage. Buffets are probably not acceptable anytime soon.

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8. Train your staff comprehensively for all new Duty of Care standards. They should be fully versed on all brand standards and any additional standards you have in place so if they are questioned by guests (and they will be), they can clearly explain those standards.
9. Create a virtual celebration for your re-opening. Chances are social distancing won't allow for the type of event you would normally host for an opening or re-opening. It doesn't mean you shouldn't celebrate in some way. Create a theme, pop a cork, and don't forget to share it with the world.

## **Recovery Action Plan**

### **30 Days**

For both hotels that have been closed and those who are recovering poorly, the next phase is roughly the same.

1. Determine the target accounts with offices near your hotel: Identify businesses within concentric circles around your hotel – 2 miles, 5 miles and 10 miles.
2. Understand the meeting history of these local accounts: Look at both activity at your hotel and within your market. Has the account used your hotel or others like yours in the past? If not, they are likely not a good fit.
3. Know your relationship with these accounts. This goes beyond just bookings to the depth of your local relationships. When is the last time you talked to anyone at that local office?
4. Source contacts for those accounts. Account contact data could come from within your own hotel CRM, the company website, or a third-party source.
5. Segment your forecast and not just by market. Your forecast should be broken into smaller increments, so today's pricing doesn't impact tomorrow's rates. Rates should only be managed 30 days into the future. Past that your rates should be more reflective of where you would have been before the disruption. This will help protect groups on the books as well as help your sales team price as group demand returns to the market.
6. Define your Duty of Care standards and train your employees so they can discuss it easily if questioned by customers. Make sure all your cleaning and sanitizing practices are well documented onsite and online, and instilled in your staff.
7. Work with your food and beverage staff to reimagine your banquet menus to reflect the new normal. Buffets will likely need to be removed. Trays of cookies and muffins are still viable, but they will need to be individually wrapped. This might mean pre-packaged items or simply freshly baked items locally wrapped. All of this will need

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to be reflected in your menus and your pricing. Don't forget to update any online menus you have saved so customers can find the new menus easily.

## 60 Days

1. Prior to moving on, revisit the [Knowland Recovery Dashboard](#) to see if your hotel has upgraded its status. Move forward with the appropriate plan.
2. Begin calling all key accounts. The goal is not to sell but to maintain and deepen those relationships. These initial calls should be around how they are doing, how their companies are doing, and where there are from a recovery perspective. The answers you get here will inform when your next call should be and when you can start selling to them.
3. Reclassify your meeting space to understand the capacities based on varying distancing requirements. You should determine what the new capacity would be if you had to adhere to a 6, 7, 8, or 12-foot social distancing guidelines. This should be documented in formats that will allow you to share this information freely with customers.
4. Work with your revenue management team to understand how you will price and optimize meeting space with social distancing guidelines. You will need a plan for each social distancing protocol (6, 7, 8, and 12-feet). How many rooms will be required to waive meeting space? Will you need to require meeting room rental on all groups? Understanding this in advance will make it easier for your salespeople to sell without friction from the beginning.
5. Adjust all meetings still on the books to your new capacities. Will the new capacity require a shift in the meeting space? If so, now is the time to block the new space as necessary.
6. Reach out to those customers on the books and confirm they are committed and discuss new space requirements. This step is two-fold. One it will tighten your booking commitment while also solidifying available space for when groups and meetings return.

## 90 Days

1. Prior to moving on, revisit the [Knowland Recovery Dashboard](#) to see if your hotel has upgraded its status. If not, review the last 30-days and make the appropriate adjustments.
2. Revisit all of your key local accounts with a mind to sell. Let them know about your new Duty of Care standards. Invite them to visit the hotel to see them in practice where possible.
3. Communicate your new cleaning standards to all groups still on the books. Also share your new Duty of Care standards.

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4. Update your forecast to reflect changes to meeting space. Create a “hot dates” quick sheet for your teams to work from showing days when occupancy is very high or very low. This should be updated weekly. Additionally, you might contemplate creating a version of this document to share with customers.
5. Start bringing back staff where appropriate as occupancy levels continue to climb. You'll need to ramp up sales and service teams to stay ahead of your recovery curve.
6. Re-evaluate meeting room pricing. As bookings begin, determine if your new meeting room pricing protocols are appropriate. This should be review at least once per month.
7. Relaunch digital marketing especially for the leisure market. Chances are individuals are looking for getaways as shelter in place protocols are lifted. They might be looking for a staycation or escape within a 3-4 hour drive.
8. Don't be picky about where the business originates. Recovery will come from all channels. Understand you may have to rebalance your distribution mix.

## 120 Day

1. Prior to moving on, revisit the [Knowland Recovery Dashboard](#) to see if your hotel has upgraded its status. If not, review the last 30-days and make the appropriate adjustments.
2. Amp up your sales efforts. Expand beyond the key accounts where you have relationships to all local accounts who have booked in your market in the past that you don't have an active relationship with.
3. Expand to accounts outside of your market who have utilized your hotel in the past. This communication will be similar to what you did with your local accounts. Inform them about the changes you've made, update them on new menus, meeting room capacities, etc.
4. Reassess your new meeting room pricing protocols as appropriate once booking begins and you have market feedback. This review should be conducted at least once per month.
5. Revisit your forecast to see if you should combine your increments or segment the forecast even more. Forecasting will be tricky for the next 12-18 months as the recovery fluctuates. So, review and update your plans often based on changes in the virus status and your market “open” status.

The next 120 days will be critical. While it might seem logical that you will progress through the steps and keep moving forward, you should pay close attention to see if you are able to bring your occupancies up to or above the market. If your business level dips, you will need to go back and revisit steps from the prior action plan or stay within a specific period for longer.

For information on Knowland solutions to help navigate your recovery, [contact us here](#).