

THE NEW HOTEL SALES TEAM

How hotel management company sales teams are becoming smarter, and more focused, in the face of shifting industry dynamics

Throughout the pandemic, hotel companies adapted to the new dynamics of customer feedback. During recovery, they're applying the lessons they learned — and implementing solutions that are increasingly responsive, adaptive, and data-driven.



The New Hotel Sales Team

By Katie Kervin

Hotel sales teams are changing, moving from an overreliance on inbound leads to a renewed commitment to hunting and data-driven selling. That's changed the relationship between hotel management companies and owner groups — including the types of sales data they need and how they use it.

While the COVID-19 pandemic has disrupted the hospitality industry dramatically, decimating revenues, spurring furloughs and layoffs, and creating a level of uncertainty not seen since the Great Recession, sales teams — particularly those within hotel management companies (HMCs) working with owner groups — were already facing challenges before this crisis. Overly reliant on a strong economy and the resulting abundance of inbound leads, many sales teams had become too large and were not implementing a proactive sales approach. “As sales teams are rebuilt, they are looking much different than pre-pandemic,” said Jeff Bzdawka, CEO of Knowland, a leading provider of data-as-a-

service insights on meetings and events for hospitality. “Not only are they smaller, but as they start coming back, it’s not necessarily the same people returning. For example, individuals who may have been very good order takers are not being hired back as salespeople for obvious reasons. There’s a higher-level skill set required today.”

The pandemic has forced a reality check. With necessary personnel cuts based on hotel closures and an extended pause on travel and group for most segments and markets throughout much of 2020 and 2021, properties simply haven’t had enough business to support previously sized sales teams. Within individual properties that may have been operating fairly

autonomously, there is now greater HMC oversight. “We’re really challenging our teams to be creative and find efficiencies to take on more responsibilities,” said Sunny Brewer, senior director of revenue management for Ashford Inc., which provides advisory management services to two publicly traded REITs, Ashford Trust and Braemar Hotels & Resorts, and also includes property management company Remington Hotels. “We’re partnering with our managers to ensure, and develop to an extent, strategies both in the short and long term, and then making sure that they’re pulled through at a tactical level within each hotel.”

To do so, teams need to be able to get granular with the data they are parsing to source the business they want — groups that don’t have restrictions on meetings and are

booking corporate events, for instance. “The data has to be very tailored to the audience and customer segment that is a good fit for the hotel and that market,” Brewer said.

Indeed, the pandemic has actually created an opportunity for hoteliers to shift revenue strategy and reconfigure their sales teams in a way that may not have been a priority during the previous levels of economic boom and oversupply of RFPs. Making these changes permanent and setting now-

smaller sales teams up for overall success requires more than an everyone-do-more-with-less ethos. Sales teams need to be equipped with strategies and data tools to pivot from a reactive to a proactive approach as demand returns.

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HITTING THE RESET BUTTON

Shifting business demands require a change in the sales dynamic — one that is rooted in proactive selling, and that will be necessary for teams to retain moving forward. “Owners are looking to do a bit more clustering of their operational model,” Bzdawka said. “We’re seeing more sales individuals getting into different markets that they might not have sold into before, but we’re also seeing the salespeople have to cross brands.” These changes ultimately are an opportunity for teams to hit the reset button and help to not only optimize business during the recovery, but also set hotels up for future growth.

Ashford’s Brewer agreed. “For example, if we have a standalone sales team at a hotel, where in the

past the director of sales was kind of a figurehead — the leader of the team, but not responsible for booking group — today that may be different,” she said. “Generally, our sales structures, even when we stabilize and normalize, will be a reduction in FTEs overall.” In the select-service segment, Ashford has

also found ways to be more efficient above the property-leadership level. Some properties outsource inbound lead management to a partner, freeing up the director of sales role, which has transitioned to

an area director of sales who supports three or four different hotels. This allows them to be primarily focused on direct selling, rather than responding to inbound leads — a less effective use of their time.

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*Dan Surrette, Chief Sales Officer
for Omni Hotels & Resorts*

For some hospitality companies, this is a substantial shift. “As an organization, we went from 22,000 associates to 1,800,” said Dan Surette, chief sales officer for Omni Hotels & Resorts, which has properties in 45 U.S. markets and relies on group for about half of its business. Omni’s strategy has been to slowly add back associates as business started to pick up in select markets in the summer of 2020 and customers began to return that fall. While Surette now estimates Omni’s global sales organization to be at approximately 65 percent of pre-pandemic levels, “We’ve had to think differently about how we sell and service,” he said, “including retaining salespeople who can fulfill multiple functions, such as taking a difficult conversation with a customer, moving space, taking a catering walk-in, or servicing a group.”

Other companies’ internal sales structures were already set up this way. Over the past decade or so, Caesars Entertainment had pivoted

its sales deployment and strategy to an in-market approach, said Lisa Messina, vice president of sales for Caesars. She oversees approximately 120 sales professionals nationwide who book meetings, conventions, and large groups for the company’s 50-plus properties across the United States. “Our business is one where you want to get into the local community,” Messina said. “You

want to be able to sit down with your customers in person and build that relationship” — one that is predicated on having the right

data, including details about new accounts coming into the market, and bookings in competitive markets. “We haven’t materially shifted anything due to COVID,” Messina said. “We were set up the way everybody else transitioned to post-COVID.”

All of these changes mean that a reactive strategy not only is no longer efficient, but likely is no longer even an option, especially in

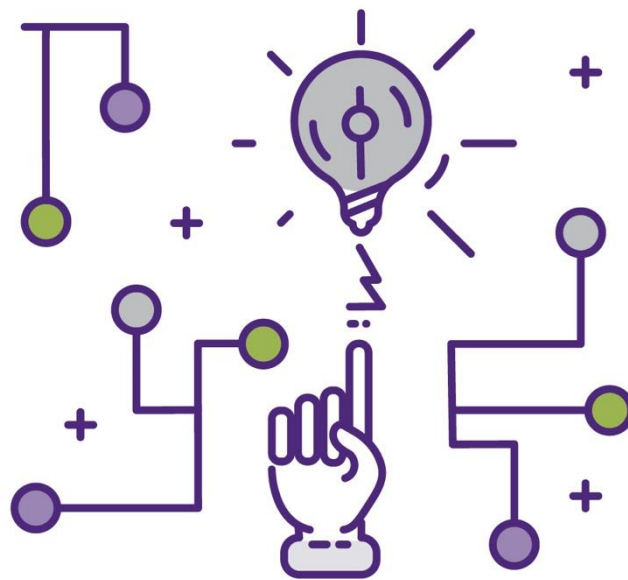
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Lisa Messina, VP Sales Caesars Entertainment

the group segment — as many meeting planners are doing more with less, just as sales teams are. “We’re putting a very high focus on prospecting,” Brewer said, “and not just on the activity, but making sure properties know how to sell the hotel, how to mine for new business, and not just be the order taker, so to speak.”

If sales teams aren’t targeting the customers that are right for their properties, they’re ultimately wasting time and personnel resources they don’t have to spare.

For Kristi White, Knowland’s chief product officer, this means asking questions to start meaningful conversations with potential customers. “Rather than asking, ‘Do you have any meetings coming up?’ [if you are able to say] ‘I know before COVID you were averaging about seven meetings per year in the Chicago market. Are you starting to think about what meetings will look like in 2022?’” White said. “That’s a much more meaningful conversation, and you’re talking from a place of strength.”



NEW APPROACHES, NEW NEEDS

In order to have these meaningful conversations, HMC sales professionals need access to the right type of data about their potential customers. “Our belief was always that we’re an outbound direct sales organization,” said Chris Kenney, senior vice president of sales and marketing for CoralTree Hospitality, which manages 22 branded and independent lifestyle hotels and resorts in the United States. This means that Kenney’s teams must be targeted in their approaches, needing to know “who is that customer that will, or will have the propensity to, do business with us and why?”

To create experts, CoralTree’s sales teams — which often include one person selling multiple properties — deploy against vertical industries rather than geographically. They must have access to data to understand details about the groups that are coming to their markets, so they can research each specific industry and its behaviors and inclinations around things like

preferred meeting season. This way, teams will be better equipped to proactively approach those groups that have the propensity to do more business in a market than others, or to recognize that the verticals they used to rely on for their business may not be the ones they need to focus on now. “Knowing that,” Kenney said, “I can deploy against that and be more targeted in a market than others might.”

Other helpful data points can pertain to markets where a company doesn’t even operate. Caesars Entertainment’s Messina, for example, looks for information about types of events that are happening in other cities to get a sense of potential customers that might benefit from hosting a meeting or convention at Caesars’ Las Vegas property. She looks for information such as the deliverables that other markets are providing. “The customer may not know that we can serve them better, or more efficiently, at a better price point,” Messina said.

It’s no longer enough to take for granted that your sales deployment is right, or that business is

automatically going to return to normal at some specific point in time. Sales teams also need to know what areas of the country are booking group, business, and leisure travel, and respond accordingly, using the available data to make smart, proactive decisions. “Don’t assume anything right now,” Surette said. “You need to look at what the data tells you, check in with the right customers, and stay close to those markets.”

Despite the change the industry is undergoing, by no means is historical data now irrelevant, nor is a property’s repeat business out the window. Sales teams need access to past data to set a baseline, as groups are certainly looking forward to next year and beyond. “Peer quotes of anywhere from 50 to 75 percent of the requests that are coming in are considered repeat business,” Bzdawka noted. “It’s business that looks and feels like it did pre-pandemic.” In some instances, meetings might be smaller, but others are similar in size to 2019 levels, or even larger. “Arguably, in the case of meetings and events, historical data is even more valuable now when you need

to get out ahead of the curve and do that prospecting,” Bzdawka said.

In addition to having access to relevant, responsive data, HMC sales teams need to know how to parse and utilize what’s most relevant to their properties. This becomes especially crucial as markets are bouncing back differently. “Recovery is uneven market to market,” Brewer said. “Therefore, the sales strategy — people and processes — must be designed to fit each market and not a one-size-fits-all approach.” Teams must therefore look at data geographically, she said, assessing the state of recovery in a particular area, to ensure that the information is relevant — not only to solve for today’s challenges and opportunities, but also to set up next year and 2023 for success.

Indeed, while everyone has access to data, teams must know how to use it. This is where having both the right tools and the right training becomes crucially important. It’s not enough just to provide a platform login and teach the user how to set up search parameters. Sales professionals must be trained

on how to access information and analyze the data. Hospitality companies should connect with vendor partners and spend time getting their sales teams the proper training to ensure they're getting the most out of the tools they have available. "If you've got a vendor partner that's not willing to help your sales team get better," White said, "it's time to find a new vendor partner."

FUTURE FORWARD

While HMCs and ownership groups will continue to add back personnel to their teams

as post-pandemic booking and travel ramp up, strategies should not look the same as they did in 2019. "We will rebuild our sales organizations to fit the needs of today and for the future, and this likely will look very different than it did pre-COVID," Brewer said. Sales teams are going to be challenged to find efficiencies and cut out activities that aren't productive. This includes implementing sales

team clustering — already happening at many companies pre-pandemic — at even greater levels. For some segments, previous sales structures may not return at all. Select-service hotels may not need a director of sales but rather someone who can focus on inbound leads that come from OTAs and other online sources. Across hospitality organizations, sales

team must elect not to respond to mass RFPs that drive low win rates, instead turning to data-driven proactive selling that result in better outcomes.

The future of hotel sales also relies on the further integration of digital marketing and sales teams, because prospecting isn't solely about in-person outreach. "There's a lot of opportunity for that convergence of sales, digital marketing, and revenue management," said Jeremy Murray, vice president of digital marketing for Apple Hospitality REIT, which owns approximately

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Jeff Bzdawka, Knowland



215 properties across the Marriott, Hilton, and Hyatt brands, plus some independents, and works with upwards of 16 different management companies. Ensuring that these teams are working together, rather than in silos, maximizes efficiencies and helps keep things lean during ongoing periods of uncertainty.

Ultimately, your sales organizations must be prepared for group and business travel to come back, even if sales teams don't return to 2019 numbers anytime in the near future. Don't wait for the business to actually return to prepare your teams — by then it will be too late and other properties will have beaten you to it. "I think as we get

past '21, people are going to feel more comfortable traveling; companies are going to release the purse strings a little bit more," Messina said. "They're going to release their internal company and organizational restrictions on travel. And so, '22 will pepper it back in. And then in '23, you'll start to see the momentum happen again."

A laser focus on proactive selling is critical. With pent-up demand for group business, sales team members who retained their positions, or are returning, must be prospecting to find the right clients for their properties. "Don't wait for the phone to ring, or the RFP to

come in,” Bzdawka said. “If you really want to be bullish about the explosion of demand, you’ll have to take control of the business you end up booking.”

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ABOUT HSMAI Hospitality Sales & Marketing Association International (HSMAI) is the hospitality industry’s leading advocate for intelligent, sustainable hotel revenue growth. HSMAI provides hotel professionals and their partners with tools, insights, and expertise to fuel sales, inspire marketing, and optimize revenue through programs such as HSMAI ROC, Marketing Strategy Conference, Sales Leader Forum, and Adrian Awards. HSMAI offers organizational and individual membership, with more than 7,000 members in four global regions — the Americas, Asia Pacific, Europe, and the Middle East. — hsmail.org.

ABOUT KNOWLAND Knowland is the world’s leading provider of data-as-a-service insights on meetings and events for hospitality. With the industry’s largest historical database of actualized events, thousands of customers trust Knowland to sell group smarter and maximize their revenue. Knowland operates globally and is headquartered just outside Washington, DC. — knowland.com.

Leveraging Data Insights to Empower Your Hotel Sales Team

Group business continues to be a key driver for profitability in the hospitality industry, especially in this year of unprecedented challenges. As the world’s leading provider of data-as-a-service insights on meetings and events for hospitality, Knowland empowers hoteliers in their recovery efforts.

Powered by the largest database of historical events, Knowland’s platform enables users to target prospects that match a hotel’s specific needs quickly and easily with actionable, immediate results. By leveraging the system’s unique insights including account booking history, account preferences, and top opportunities, sales teams become more productive.

Industry experts from Knowland’s account management and customer success teams help guide sales prospecting efforts. By leveraging a personalized and consultative approach to proactive selling, hotels can take advantage of this knowledge at a time when they are required to do more with less.

In addition, to ensure its content-rich platform is used to the fullest extent, the Knowland Academy provides easily consumable training modules to help hotels with fast onboarding and upskilling of new and returning sales teams.

Learn more at knowland.com.