



# CASE STUDY: 10 ROOM MOTEL OAMARU



*Rooms Online have been amazing to deal with everything has been actioned and responded to pronto, Alicia is very easy to speak with and the communication has been amazing.*

*The sorting out of the OTA listings was amazing, we did not realise how many things needed updating, Rooms Online have done an amazing job.*



## GOALS

1. Full audit and update to optimise online presence with key third-party booking agents
2. Carry out a well overdue review of pricing
3. Increase online room revenue through effective yielding
4. Increase average rate without sacrificing guest feedback and reputation

## CHALLENGES

This client was new to the industry in 2016 and came from a retail background prior to owning the motel.

The fixed room rates were inherited from the previous owners and the client had not changed them since taking over. She came to us for help with pricing, dealing with online travel agents, creating an events calendar and marketing the motel to best of her ability. Prior to Rooms Online, the client was not doing dynamic pricing and made pricing decisions based on what her competitors were doing, which quite often meant dropping rates when others did.

The clients main goal was to start working smarter, not harder. She admitted she needed help with managing her online channels, knowing when to run promotions, and with her overall revenue plan. However, like many of our clients, she lacked the time to do this by herself.

As an independent property, she felt she had no support network or anyone to go to for guidance on where to pitch rates.

## RESULTS

This client had been working with Rooms Online for a period of 6 months (June-November) at the time we analysed these results. The comparisons are reflective of the same time of year prior to working with Rooms Online vs. the same 6 months of working with Rooms Online, i.e. year on year (YOY) data.

This property does not use a cloud-based property management system (PMS), so figures shown are purely from bookings made across all online channels only and do not account for any direct bookings revenue.

Prior to Rooms Online (01 June – 30 Nov 2017)		With Rooms Online (01 June – 30 Nov 2018)	
Room Revenue (online bookings)	\$22,432.79	Room Revenue (online bookings)	\$39,263.86
Average Daily Rate (ADR) (online bookings)	\$130.42	Average Daily Rate (ADR) (online bookings)	\$140.23
Online Room Nights	172	Online Room Nights	280

- Room revenue growth for time contracted with Rooms Online vs same time last year: \$16,831.07
- Cost of Rooms Online services during these three months: \$2,483.00 inclusive of GST
- Average rate growth YOY for the same time period: \$9.81
- Increase in online bookings YOY for the same time period: 108 room nights

## REVENUE MANAGERS COMMENTS

*"When this property initially came on board with us, they relied heavily on walk-ins as they virtually had no base/forward bookings. Therefore, they would always offer low rates in the hope they would get more last-minute bookings. By using dynamic pricing and OTA promotions, we have been able to build in a lot more base and forward bookings, so they no longer need to worry about selling their rooms last minute anymore!"*

ALICIA SCARF, ROOMS ONLINE REVENUE MANAGER



**\$16.8K**

Online Revenue Growth

**\$9.81**

Average Online Rate Growth

**108**

Room Night Growth (6 months YOY)