



# Revenue manager

Dear Owner,

I need help! My job is not the same as it was five years ago. The stuff I must deal with day in, day out is driving the best of us crazy. I know you don't want to be bogged down in the details, but I need you to listen and see that the benefits outweigh the risks.

You are the owner; it is your asset. I understand that. I am one of the team members you employed to drive your topline. To do that I need technology, I need to be agile, I need to be on the ball, I need to be automated. I cannot do that without technology. And yes, using technology and algorithms to get the price right: Yes, a need, not a want!

**You understand numbers so let's run a quick mind-game on our retail pricing only:**

- We have 365 days in a year.
- Guests can book anything from a length of stay of 1 to Length of stay 30.
- We have 5 rooms types.
- We have 2 different rate plans (advance purchase and flexible).

That's a whopping 100,000+ pricing decisions we need to take. Even if just 10 days need changes that means 3000 decisions / calculations to be looked at. How do you want me to calculate all that accurate right then and there? In the moment, right then and there? You add the rate shopping data; the market data and you are out there for days on end before you can decide.

**Here is another way of looking at it: See it as automation and analytics. For me, it should do one of the three things, if not all:**

1. Drive revenue (e.g. Optimization)
2. Reduce Risk (e.g. Fraud detection, anomalies)
3. Enhance productivity (e.g. Automation)

**An automated real time pricing system will give me and you all three.**

1. If it has one purpose it is to drive your revenue through optimization.
2. Me manually trying to capture everything and missing something – bigger risk.
3. Heavy work load done, now I can focus on strategies that have impact.

And before you ask, no, this does not mean that now you get a system and get rid of me. This would be counterproductive. You trust me enough to run your revenue discipline, then trust me enough that I do require automation and algorithms in real time.

I guess the question is, do you want to be part of the 16.5% that benefits from price optimization in real time or do you prefer being the part of the 83.5% that does not?

Regards,

**Your revenue team**

