

Featured Stories

Revenue management meets social media

08 December 2009 9:11 AM

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Do you ever contemplate the dizzying catalog of online travel agencies and deal aggregation sites and throw up your hands up at the very prospect of getting a handle on the whole thing?

I suspect this happens (perhaps when no one else is looking) to revenue managers in hotels everywhere. With this hypothesis in hand, I asked revenue management expert Bonnie Buckhiester, principal of [Buckhiester Management](#) and HotelNewsNow.com columnist, what she thought of [Yapta.com](#). The site has an established foothold with consumer airline price tracking and started tracking hotel prices in April of this year.

Their newest feature, [Frugal Travel Flaunts for Facebook](#), allows customers to post to their Facebook profile when they find a good deal. Or as the press release put it, travelers can “flaunt their airfare or hotel savings” given “the viral nature of travel planning.”

Bonnie immediately replied to my inquiry. It seems Yapta.com is just one example of how social media is moving rapidly—almost too fast to keep up with. She identified Yapta.com as one of the biggest revenue management challenges at the recent International Society of Hospitality Consultants conference. The big deal here is that a hotel’s low rate is being publicized by the consumer rather than a particular planned marketing promotion put out by the hotel.

“It’s a really interesting turn of events, and it’s going to open up things quite widely,” she said. “I’m really intrigued—how it will impact the deals that are out there, how quickly you would want to put a deal out.”

Bonnie said viral marketing in travel planning is a key issue in how people are researching and booking deals.

“This is where revenue management is meeting social media,” she said. “That means the revenue manager has to think about things differently.”

Bonnie also mentioned Farecast from Bing.com and Inoqo.com, which collects lowest fares for the 48-hour booking window, as sites worth watching, but the plan for managing these demand drivers has yet to be perfected. And the job of a revenue manager can’t encompass all of the social media, she said.

“There is no way they have the time to do the tracking of what’s going on in this media frenzy,” she said. “A lot of hotels are just nowhere near this. Most hotels don’t have a Web 2.0 strategy. Where are they going to find the manpower?”

Has anyone found a way to keep their sanity amid these online/social media developments? As long as they don’t include strong sedatives, we’d like to hear your ideas!