OTA INSIGHT DerbySoft IDeaS A SAS COMPANY MARINA BAY Sands aMaDEUS REVINATE

REVENUE OPTIMIZATION CONFERENCE

A Commercial Strategy Event

hsmai

11th-12th May 2023

MARINA BAY SANDS **SINGAPORE**

Total Revenue Forecasting (TRF) AT

REVENUE OPTIMIZATION CONFERENCE

Pallavi Nirula Nath
Founder and Managing Director
Revmax

11th-12th May 2023
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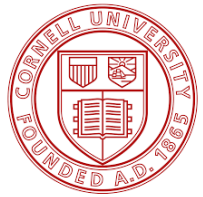
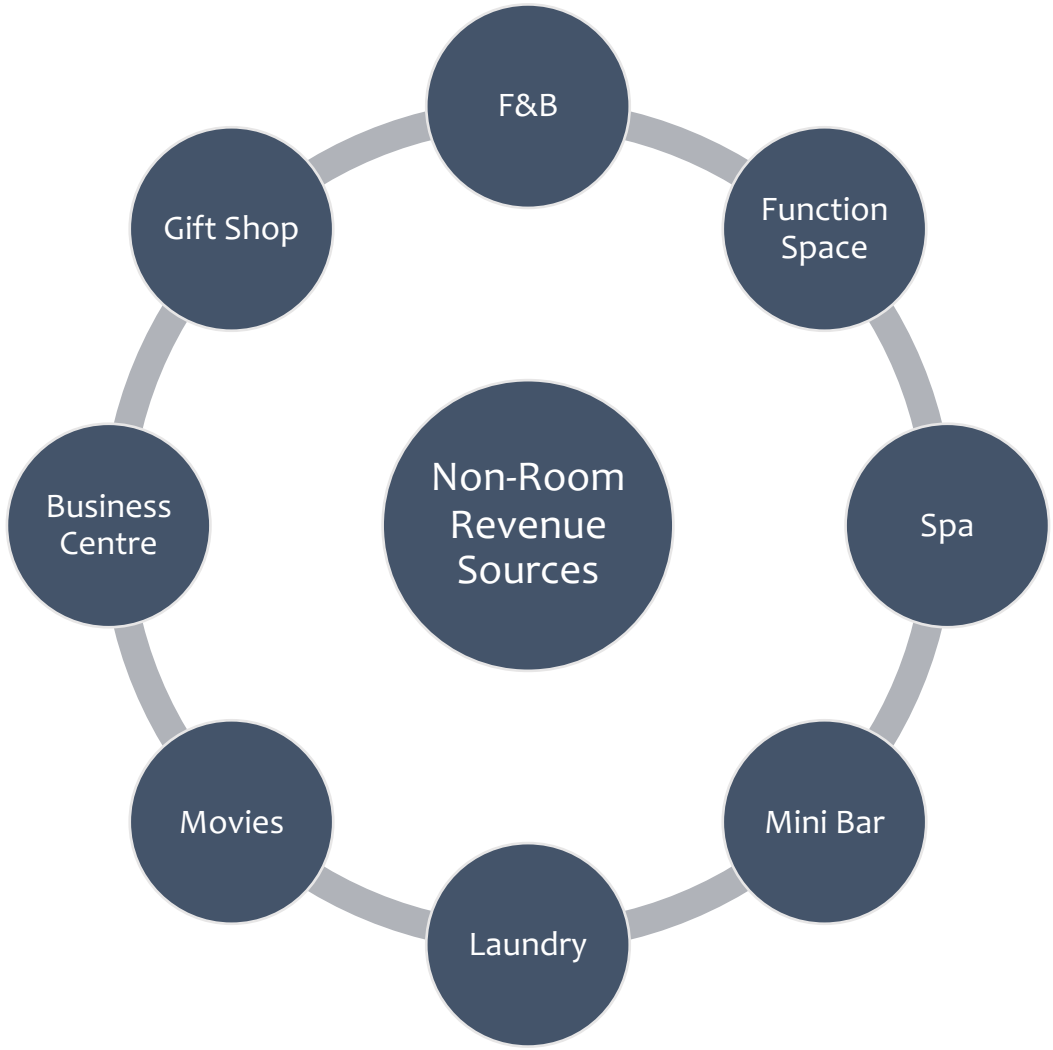


Life isn't about waiting for the storm to pass, its about learning to dance in the rain.

TRF – What and Why?

Go to **www.menti.com** and use the code **3378 0109**

Non-Room Revenue Sources



etcetra…

Total Revenue Metrics

TRevPAR

- Calculated by dividing total revenue (incl all ancillary revenue) by total number of available rooms

TRevPSF

- Calculated by dividing total revenue (incl all ancillary revenue) by total sqft

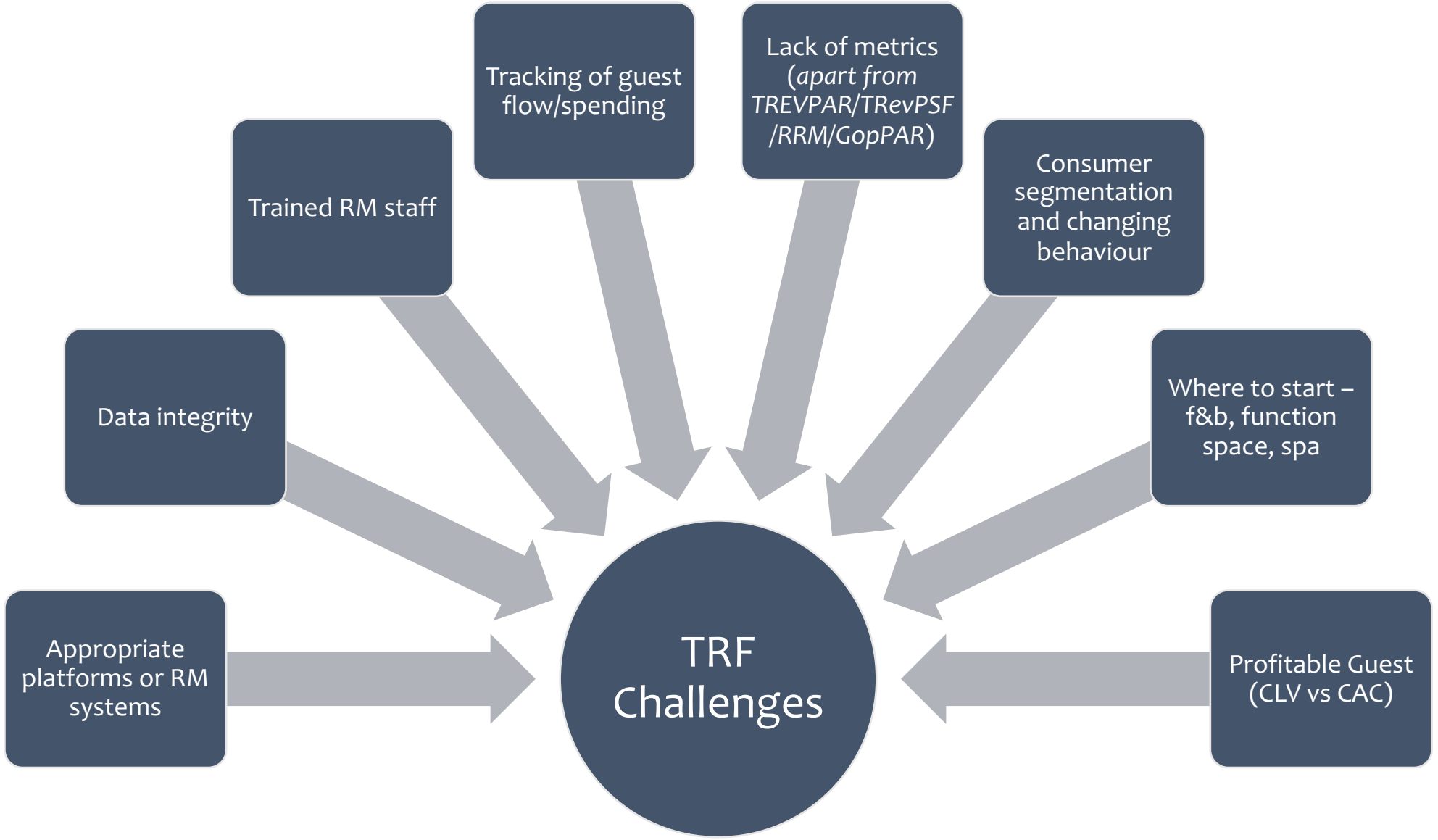
RRM (Room Rate Multiplier)

- Total revenue divided by room revenue
- Eg 1.36 = For every $1 spent on rooms revenue, another $0.36 is spent on ancillary

GoPPSF

- Gross Profit per available sqft

TRF Challenges



GiGO

Current Forecasting Method

Rooms

- Rooms forecast

F&B

- Inhouse guests
- Local guests

Function Space

- Inhouse guests
- Local guests

Spa

- Inhouse guests
- Local guests - Packages?

Synergies across systems - Challenges on who owns data - Syncing of data?

Forecasting Non-Rooms Revenue from Inhouse Guests

- Behaviour of different market segments
  - Groups vs Transient
  - Corporate - Transient vs Group
  - Family/Leisure
  - Long stay
- Seasonality
  - Month
  - Day of Week
  - Special Events

Forecasting Non-Rooms Revenue from Inhouse Guests

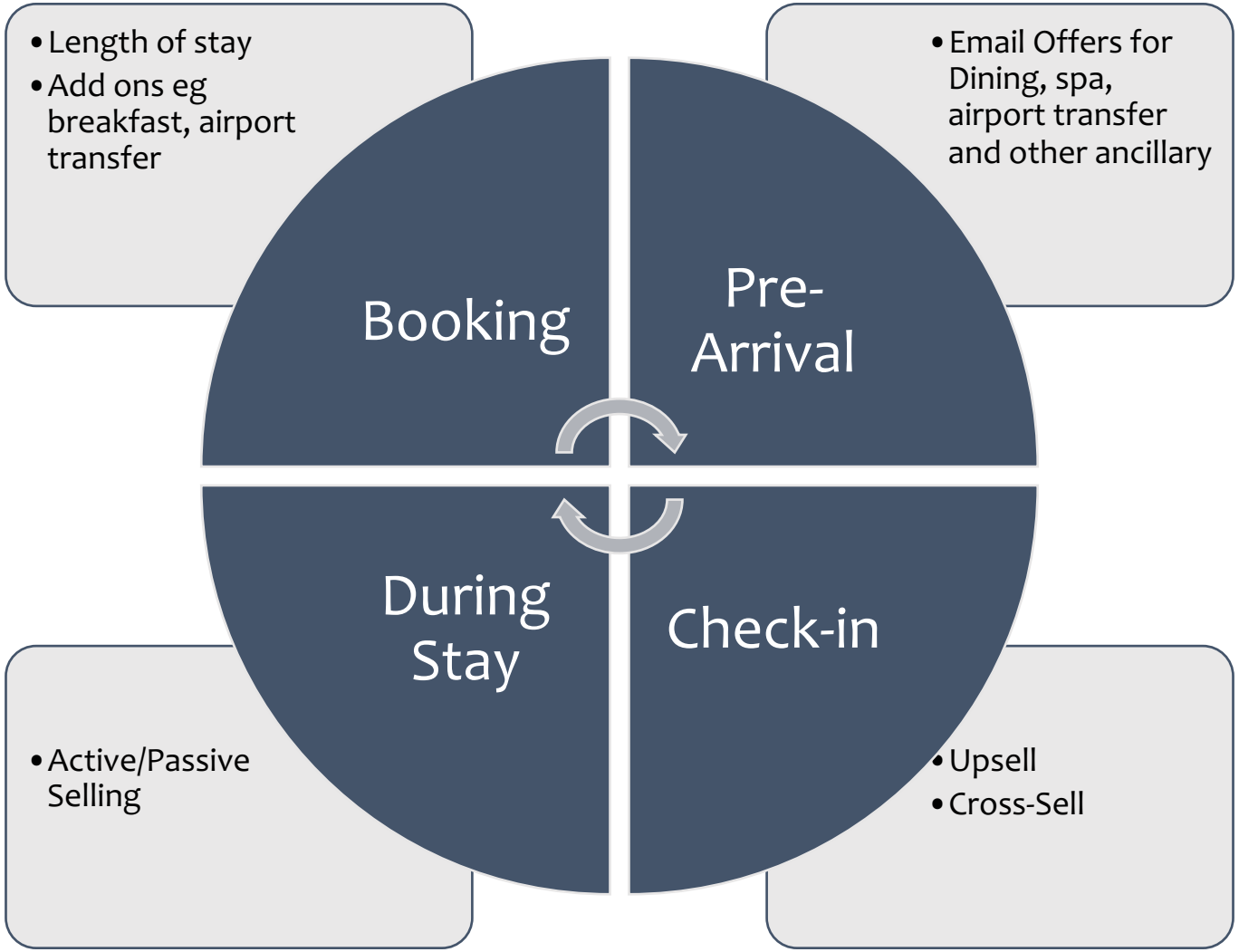
- F&B (By Restaurant)
  - Breakfast/Lunch/Dinner Covers * Avg Check
- Function & Meeting Space
  - Space Requirements * Avg Amount
- Spa
  - Number of Treatments * Avg Check
- Mini Bar/Laundry/Movies/Business Centre/Gift Centre
  - Avg per room

By Market Segment/Day of Week/Month of Year

Activity

- You have a 200 room hotel.
- You forecast room sold by market segment on a monthly basis.
- You are aware of your room rate multiplier by market segment.
- How would you calculate your total revenue forecast?
    - Eg Breakfast covers, spa usage, meeting space usage

Enhancing Total Revenue Spend



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