

and greater support from professional staff functions such as sales and marketing, finance and accounting, and human resource management. Marketing synergies are also gained through shared database information on customer preferences and usage patterns, providing opportunities for cross-selling brands.

Strength in Numbers

Can property owners retain operating autonomy and still reap some of the benefits that go along with franchise affiliations or chain ownership? This question may seem like asking for the best of both worlds, but the answer is yes. Membership in referral associations allows property owners to “go it alone” and still share the benefits that come from “strength in numbers.”

Referral associations come in all sizes, meeting many different marketing needs. You may already be familiar with Best Western, but not Utell. Best Western claims more than 4,000 properties in over 80 countries; the Best Western logo can be found on all types of properties ranging from airport and convention center hotels to roadside motels and resorts.²⁶ In contrast, Utell is less well known but represents over 6,400 properties linked to over 450,000 travel agent terminals worldwide. Whereas some referral organizations such as REZolutions, Inc. serve a wide variety of properties, others such as the Historic Hotels of America Association and Preferred Hotels and Resorts Worldwide serve the needs of property owners catering to specific market niches.

There is no need for members to meet standardized design specifications or change time-tested operating procedures. In fact, membership requirements are straightforward and the benefits can be numerous. After meeting established quality standards and paying an initiation fee, the benefits can begin. The marketing power of instant name recognition through coordinated marketing campaigns, a centralized reservation system, and widely distributed membership directories are just the beginning. Additional benefits can come in the form of cooperative purchasing agreements, access to training information, and the ability to share ideas with other property managers.

It All Begins with Marketing

Lodging properties rely on a steady flow of new and repeat guests to remain financially healthy. Even before a property opens for business, sales and marketing efforts often begin and should never end. These efforts may range from simply operating under a recognized brand name and a reservation system to a complete in-house staff dedicated to selling and marketing an individual property or an entire chain of properties. No matter how simple or complex the marketing effort, the ultimate goal is to attract future bookings of both individual and group business.

To generate reservations, hotels have a variety of options. Think back to Chapter 4 and the channels of distribution we presented. Hotel reservations can be made directly by travelers or via travel agents or through other intermediaries such as tour operators. For example, you might pick up the phone and call your hotel of choice directly or click on a website to book a room. Or you could stop in and see your travel agent who could use her GDS to reserve your room. If you were attending a large convention, you might contact the convention and visitors bureau or a convention housing services firm to reserve your room. Table 7.7 provides a list of many of the sources used by hotels to fill their rooms.

Providing a Home Away from Home

Lodging properties are more than just mortar, bricks, and sticks. Once the physical facility has been constructed, a staff must be hired, trained, organized, and motivated