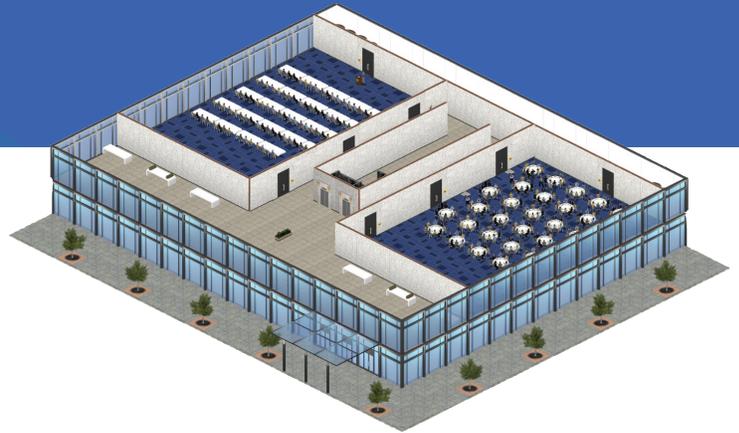


Case Briefing

Sales



The Situation

The Blake Hotel is well behind last year's pace of group sales and needs a new Group Sales Manager. In the hotel business, a group sale is when an organization books a large block of rooms. The organization may also book meeting space and banquet services at the same time. A hotel's Group Sales Manager is responsible for generating this business. She must not only be a persuasive advocate for the hotel, but also smart with pricing and capacity management.

Your Role

You've been named the Group Sales Manager for The Blake Hotel. Your assignment is to get group sales back on pace with last year for this month.

Learning Phase

In this phase, you will practice selling for a hotel named Practice H. Step-by-step instructions will guide you through tracking sales, learning where you have excess capacity (rooms), reviewing groups that want you to bid on their business, creating a bid, and discovering whether you won the business. You'll then refine your bid and look at groups from other industries with the help of a Group Sales Research Report. Finally, you'll watch your staff deliver on one of the banquets you sold.

Challenge Phase

You have taken over group sales at the Blake. Your challenge is to exceed a specific group sales revenue target for the month. You will use a Pace Report to monitor your progress. You will need to determine when you have excess rooms to sell and what outside demand looks like. By bidding and pricing strategically, you can maximize occupancy and revenue to meet your goal.

At the option of your Professor, you may be able to retry the Challenge Phase multiple times. Only your best grade will count.

Sales in the Simulation

The potential guests in the simulation are made up of individuals (transients) and large groups. Large groups have particular needs: number of rooms, possibly meeting space, possibly banquets -- all on specific dates. Rooms, meeting space, and banquet preparation are limited resources for your hotel. Each large group has a particular sensitivity to price. In general, leisure travel groups are more price sensitive than business travel groups. Businesses from some industries may be less price sensitive than those from other industries.

Discussion Questions

How big of a "pipeline" of potential sales did you need to achieve the sales goals you set?

Why might hotels like to sell to large groups even if they get normal discounts on room rates?

What are the advantages and disadvantages of selling to a few large groups versus many smaller groups?

Why might it be bad business to book a group over a weekend when a major home football game is happening at the local university?

Describe the attributes of an ideal group sales target for a hotel?