

[M205] Hotel Contract Management - Quote to Cash

Monday, 22 October
12:00 – 13:15

Moderator:

Bob Brindley

Vice President - Americas

Advito

Presenters:

**Tim Cummins – CEO and Executive Director,
IACCM**

**“Status of Hotel Contract Management and
Opportunities for Improvement”**

Ralph Colunga – Sr. Director, Oracle

“Global Hotel Program Fundamentals”

Industry Trends

- **Dynamic Pricing**
 - **LRA/NLRA/% off BAR**
- **Hotel Yield Management**
- **Multi-round Negotiations**
- **Decentralized Decision-making**
- **Data Challenges**
- **Capacity Lag**

ACTE Hotel Sourcing Survey

	<u>Buyers</u>	<u>Hoteliers</u>
• Managed hotel programs provide value/worth the time to implement	88%	87%
• Customers business needs should dictate how the hotel sourcing process should proceed	82%	76%
• Hoteliers price their initial bids irrationally high	50%	0%
• Buyers have a clear understanding understanding of how hoteliers value/price their business	32%	5%
• Chain-wide agreements provide significant benefits to managed programs.	51%	62%

More Pain Points.....

		Less Painful	More Painful
Amount of time required	Buyer	19%	81%
To complete procurement	Hotelier	34%	66%
Data Availability	Buyer	18%	82%
	Hotelier	32%	69%
Availability of technology	Buyer	49%	51%
that supports procurements	Hotelier	50%	50%

More Pain Points.....

		Less Painful	More Painful
Implementation (including rate loading accuracy)	Buyer	17%	83%
	Hotelier	71%	29%
Use of standard/consistent definitions	Buyer	45%	55%
	Hotelier	46%	54%
Long term effective relationships	Buyer	60%	40%
	Hotelier	55%	45%