## **<u>Attribute-based selling: the future of hotel distribution?</u>**

Submitted by AntoniaAguilo on Wed, 10/07/2019 - 10:17

ABS braking revolutionized car safety decades ago, but could a very different type of ABS be about to revolutionise the hotel industry?

Yes, we are talking about 'attribute based selling', the slightly confusing label that is the latest buzzword in hospitality circles.

In fact, there were several discussions around this topic during the recent <u>HEDNA Conference in</u> <u>Madrid</u> last month, where I participated as guest speaker on stage.

But what does the term really mean? Attribute-based selling is the idea that instead of selling hotel rooms by room category, guests can instead take a 'pick and mix' approach to control their own purchase path.

For example, they could put together features they care for most and not purchase elements they don't really wish to pay for – such as choosing a basic room for  $\notin$ 50with no breakfast included, but adding a king size bed for an extra $\notin$ 50 along with a sea view for another  $\notin$ 20.

This seems nothing short of revolutionary in hotel circles. But is it *really* such a groundbreaking idea? The airline industry shifted to this model well over a decade ago. Low-cost carriers in particular have mastered the art of unbundling services that used to come with the ticket, such as baggage fees, travel insurance, speedy boarding, onboard meals or seat selection.

Whilst at first passenger reactions to this new approach were negative, eventually most of us have grown used to only paying for what we use.

Already some hoteliers are starting to recognize the two core benefits for our industry: offering guests products that better match their individual needs (or 'personalization' as many call it) and the opportunity to further maximize revenue.

But how should hotels adapt to offer consumers such a choice? And how should the hotel distribution chain in turn adapt accordingly?

Right now the hotel distribution ecosystem is beginning a journey of transformation that will fundamentally change the way inventory is mapped, categorized, priced and sold – all in a standardized fashion. This will no doubt require new technologies and protocols, not least for third parties such as travel agents or bedbanks.

At Hotelbeds we are committed to leading the industry through innovation and for some time we have been helping our hotel partners to cross-sell their guests ancillary services such as transfers and activities, via our Beyond the Bed product line; and already we are firmly supporting the important development of ABS, as we know this will help our hotel partners to increase profitability and remain competitive.

To find out more about this and how we can help your hotel increase its RevPAR contact your contracting manager today.

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