

Can hoteliers cross-sell guests ancillary services before they even arrive?

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We all know that nowadays many hotels are looking to become retail platforms and lifestyle brands, selling their guests anything and everything – but few are even close to achieving this dream.

An obvious area for increasing sales that hotels have been doing for years is selling guests ancillary services such as a transfer or entrance ticket. An easy sale with high-margins.

However, many hotels are now looking to do this before the guest even arrives in destination. How realistic an objective is this? And have many hotels perfected the technique?

Many other areas of travel are already very successful at doing this. Take for example the success of the airline industry, which in 2018 registered 100 billion dollars in revenues from ancillary sales. Take note, this includes selling transfers, car hire and hotel bookings! Or Airbnb's recent expanded focus in the tours and activities business, under the label 'Airbnb Experiences – discover local things to do'.

Taking examples such as these their inspiration, hoteliers need to make their ancillary offering more relevant to travellers via more advanced digital techniques.

First up would be personalizing the offering to predict the needs of a guest according to their profiles. By catering for the likely needs of the guest a hotel is much more likely to succeed in cross-selling them a service, and by extension gaining their loyalty.

And next up would be the opportunity to attract hotel bookings via an ancillary purchase. Hold on, is that right? Very much so! The ancillary portfolio could act as the principal sales point for some customers, who then go on to be cross-sold the accommodation.

Additionally, one important opportunity that many hoteliers are missing out on, particularly those with ambitions to become a bigger 'retail platform', is the possibility to sell ancillaries via points redemption. How does that work? Basically the hotel's loyalty scheme could include ancillaries as one of the options when redeeming points.

Yes, that could mean that someone who does not even have a current booking for a hotel could nonetheless be buying from them. This has the added benefit that the hotel doesn't have to limit its ancillary portfolio to products near to the destinations they have hotels in: they could literally sell products for the world over!

At Hotelbeds we have been working with our hotel partners for many years to help them cross-sell ancillaries to their guests pre-arrival via offering solutions such as white-labels, widgets, plug-ins and email campaigns.

We offer a very wide ancillary offering – via our Beyond the Bed portfolio – such as transfers, tours, activities, theme parks and car hire. In fact we have the largest B2B portfolio available anywhere in the world.

If you would like find out how your hotel can become more profitable by becoming a dynamic travel retailing platform we'd be pleased to share our insights with you today.

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