Interview
Julian Bish, Managing Director, Biko Technologies and Martin Chalmers,
Director of Sales and Rooms at Royal Pines Resort, Queensland.

Julian:
I'm joined today by Martin Chalmers who is Director of Sales and Rooms at Royal Pines Resort on the Gold Coast. Royal Pines Resort is using Netroomz as their web booking engine.

Martin thanks for making the time to talk to us today.
Perhaps to kick off it would be handy to get a bit of an introduction about Royal Pines Resort in terms of the style of property, the size, the markets you operate in.

Martin:
Certainly, we are a 330 room resort, and also a convention centre – first class convention centre, with a main ballroom. We are able to take up to 1800 people -style or 1000 people for a sit down dinner.

Our primary market niche is our conventions and meetings business which represents about 60% of our total business.

We do however obviously being a golf resort as well, we have a 27 hole golf facility, we do obviously then quite depend on the golf leisure component, and also on the weekend escapes.

We have 4 restaurants and a number of dining options and we also do very well from the romantic type interludes and people wanting to escape the rat race and come to a tranquil environment, and whilst our primary focus is the meeting industry the leisure component is very important.

Julian:
Sure so it's a mix of the conventions, meetings, and the individual traveler – the FIT type business.

Martin:
Sure, look at those conventions as generally bits and chunks of business as coming for 2-3 days then they leave, then there'll – apart, then there'll be a gap day where we've got a very low occupancy.

We need to be able to be even better at managing the yield in those low periods and offering an attractive rates to get FIT's in to help fill some of those gaps…

Julian:
So you recently implemented Netroomz as a web booking engine. What was the main reason or reasons why you decided to do that?

Martin:
The main reason is the simplicity is how the site looks – its very simple to use, its format is very successful with wotif, and is very similar with the wotif type feel.

I think clients will be familiar with wotif and therefore feel comfortable using the website.
Our previous booking engine was very cumbersome you had to go through too many fields before they told you the information you wanted to know, in terms of the rates, people felt threatened by that.

Where, with Netroomz, people can see what they are buying, and it's a very simple process.

Julian:
So the fact that the system presents all the rates on offer and room types on offer upfront for them to make a choice is more consumer-friendly.

Martin:
Very flexible, very consumer friendly.

Julian:
What are some of the initiatives that you've implemented at Royal Pines, both to drive traffic to your website, and then to encourage conversion, to encourage website visitors to make a booking once they get there?

Martin:
To drive people to the website, we, about 2 yrs ago, changed our mode of operandum, did away with the tradition that we had, was a traditional person would knock on travel agents doors and try encourage the travel agent to book our property via Qantas – or the wholesaler.

We decided to replace the position with an ecommerce person and that person's role is to maximize our potential online and obviously to get people coming to our website, through SEO and e-marketing and whole lot of different initiatives.

So there's quite a bit of background stuff we do do, to get people to come to our website.
We also have other e-marketing campaigns we decided to roll out fairly heavily using some software that allows us to target our previous clients with offers and keep track of those and keep track of the response mechanism.

And we then obviously want to drive them to the website where they've got a booking engine and using a conversion tool for us to then measure.

This campaign had so many hits, from e-marketing campaign we sent out and here's the conversion in terms of the bookings that have come through.

Julian:
Are you doing offline promotion of the website as well?

Martin:
In all of our print mediums and billboards in anything we do, we have reference to our website encouraging visitation to the website.

Julian:
Some of the customers I talk to as well are also going even one step further which is talking to, even educating guests, at point of check-in, check-out and when they phone, to let them know they can get instant confirmation through the hotels website?
Is that something you're doing at Royal Pines?

Martin:
What we're doing is on check-in and also at the reservation stage is getting the people's email addresses, and communicating with them before arrival with offers.

So even once they've made their booking, we'll communicate with them and do suggested selling, in terms of our restaurants, and our golf.

And post arrival we'll use email to send out information to ask them to give us feedback, and then we send them offers for their next stay driving them to the website as well.

Julian:
In terms of pricing and inventory that you put upon your own website, what's your policy or your approach with that, in terms of, are you offering best rate guarantees?
Or are you matching parity of rate and availability with the other online websites?

Martin:
What we've done obviously, before we had Netroomz, it was difficult for us to do that because people couldn't visibly see rates until they'd gone through a lot of stages.

So we have implemented, with Netroomz, our best rate guarantee.
We are basically offering parity in terms of the rates with third party websites, or a couple of third party websites that are the primary ones that we use.

But in saying that we offer the guarantees there are no booking fee as there is with Wotif or all these other sites. So the client is slightly better off, even if it might be only a couple of dollars they are slightly better off.

Julian:
I think research also indicates that consumers do prefer to deal directly with the accommodation provider, all things being equal.

Martin:
For a long time, we've had people saying, "why do I have to go to Wotif to get the cheapest rates, why can't I book it direct with the hotel?"
This is giving us the opportunity to do that, and to manage through - we want to do.

We've also decided to start to look at the opposite to that, which is to implement a 'book-well-in-advance' rate, to focus on times like our Christmas period, to say, "if you book 6 months prior to arrival, we'll give you a discount, If you book at the last moment, during our peak periods, you're going to be paying more. Book now and pay now and you'll get the best rate that there is available."

Julian:
How are you finding the lead times with people who come straight through your website?
Obviously if they're going through a last-minute portal, then it's going to be a last minute booking in terms of lead time.
Are you finding the lead times are longer typically for the people who come to your website, or no different?

Martin:
Obviously with Netroomz it's still relatively early days for us, but looking at the traffic, we've had bookings there for October and November but the predominance is a relatively short lead time of perhaps 2-3 weeks.

But there's also the long term bookings.

That's what we want to try to encourage, is to get the longer term booking, that we've got a base, (all those white–knuckle stuff waiting), for people to wait for distressed inventory so that we can get a platform of business that we don't necessarily need to go as hard on the distressed inventory.

Julian:
With your policy of matching best rates or offering best rate guarantees on your own website, has that presented any challenges for you in terms of managing your channels, and if so, how have you overcome those challenges?

Martin:
No challenges yet. No we haven't faced any challenges yet.

The challenge that we anticipate that might come up is for people that have booked a conference with us and they feel they've been cheated if they see a rate that's lower on our website and we manage that by having different –x-those leading rates and we get by with that, and limited availability.

As yet we haven't experienced any problems. In terms of feedback from our third party website providers we've had no feedback at all.

Julian:
What amount of effort is required on a day to day basis to manage Netroomz, and to manage the website bookings that come through for your resort? (To maintain, manage and administer the system.)

Martin:
Not a great deal at all. It's a very simple back end. That's another reason why we were keen to use it, its back end is simple to use. We are able to do things pretty quickly, to be able to change or close out is very quick.

Julian:
So there's no particular skill that you need to have on staff especially to manage the system, I guess you treat it like another website that you're managing?

Martin:
We treat it as another website, the person who looks after the Wotif, and Rates-to-go and, all the other sites is also responsible for maintaining inventory, now obviously because we have best rates guarantee as well it needs to be that person, he or she makes sure there's parity across what we do.

Julian:
What have the results been for you hotel? I know it's been a relatively short time.

Martin: Yes it's been a relatively short time, if I just look for since we implemented the site in beginning to middle of June.
End of first week of June, we had about 75 room nights for June that came from the site, as well as then bookings for July.

I haven't calculated yet, but I think at last count we had about 23 bookings for July that were made during the month of June.
So for us in comparison to our old website, June is by far the highest month in terms of bookings.
The last time we had anywhere close to that was January which is a peak leisure season and you'd expect it to be high.

So for June which is a quieter winter month we were very pleased with the 75 rooms and obviously it's just the start of us marketing the website as well, actively, to say "don't go to Wotif, come to us and have a look at what we've got to offer."

Julian:
I guess its early days and there is a lot of potential there given the size of the property and some of the characteristics of the market that you described early where you have points, even particular days of the week that you're heavily reliant on that FIT leisure business to try to drive more through it.

What lessons generally have you learned through the process of selling hotel rooms directly through your website?
And what advice would you give to hotels who are perhaps struggling to generate significant volumes of bookings direct from the website?

Martin:
I think the key lesson we've learned is keep it simple – and don't try to overcomplicate the sale.

If I look back at the previous booking engine, we had the ability to book tours, and book this and picnic hampers and all these things with click buttons which we just made it too expansive.

And the client either got confused, or decided 'this is too complex, I just want something simple, I just want to book a room, why do I need to look at all these other options, and wade through them.'

For us, I think the key is find something very simple, something that is very easy to use and visual, the client can see exactly what they're going to get, and - and to get to the process is not a long drawn out process.

Julian:
I guess what you're saying is, "present what's available and what the prices are, up front, in a simple fashion, and let me make a decision and get on with it, very quickly, rather than presenting me with a 101 questions about optional add-ons".

Martin:
Yes, in a sales technique through reservations the reservations sales people are trained to ask questions and deliver a solution.

I think on an ecommerce side of things, you need to deliver the information in the simplest format and let the client make a decision.
I don't think you can inquire and make too many inquiries and narrow the client down too much, you need a much broader approach.

Julian:
I guess the difference is, if you are talking to somebody on an inbound telephone sales basis, you can sense if they're getting a little bit impatience or you've perhaps asked too many questions and you can close the sale and get on with it.

But all it takes is for me to hit the back button on the browser if I get fed up on your website and you don't have that opportunity (to close the sale).

Martin:
Very much so. That is probably the biggest thing we learned.

We really wanted to try to have something that was wiz-bang that could on-sell other facilities for us and do all these things, when all we needed to do was to provide a very simple solution.

Julian:
So, simplicity. I guess the other thing would be your policy of matching rates with the other website, because I'm presuming your customer like most other hotel customers are shopping around the portal sites then checking your website.

But if they see rack rate on your website and 30%-50% discount somewhere else you're not going to get too many bookings.

Martin:
No and you also lose credibility when they say "well, why can't you sell it to me direct, when you're giving it to somebody else via discounted rates."

So its not that you won't get the business via your own website but to the degree that they say what kind of hotel is this… its better for me to go through some body else to actually get rates.

Julian:
sure. Is there anything else you can think of, Martin?

Martin:
That's about it – its early days, we really believe there's a lot more we can do to expand upon where we're at, at the moment, we are certainly very impressed with the flexibility and the ease Netroomz has provided us.

Julian:
Thank you so much for taking time out to have a chat to us.

Martin:
Certainly, a pleasure,