MARKET REPORT

Hotel Sales Teams: 2020 is Behind Us but Not the Pandemic. Now What?

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You Can’t Just Stay in Your Lane

Most Sales Managers have been conditioned to sell within their assigned market segments. The different policies, needs,

and strategies to solicit, negotiate, and convert business make it difficult for some Sales Managers to pivot and sell outside of their market segment specialty. A SMERF (Social, Military, Education, Religious, Fraternal) Sales Manager requires experience in multiple segments, so those Sales Managers tend to be more flexible but it is still a very different sell strategy than that of corporate and association travel managers or event planners.

As the industry ramps up post-pandemic, we may not see Sales teams organized by market segments given the reduced demand within each segment and the delayed return of large group, meeting and event business. Sales teams may also remain smaller (although with a few people restored) and expected to multi-task including completing the entire booking process from contracting to execution. This can be a difficult transition for the experienced Sales Manager and will require the leader of the sales team to prepare, educate, and motivate the sales team to adapt. Training the team can be enhanced with training tools provided by the brand (if branded) or with professional sales training consultants. These organizations would focus on returning to the basics and proved training in finding new business, regaining lost business, and maintaining/growing existing business. Hotels should also consider contracting with sales shopping service companies to secretly shop your sales team to identify each Sales Manager's skills and processes needing improvement.

Sales 101: Pick up the Phone and Call

An effective sales team has never been successful sitting in the office answering the phone or sending emails. Proactive tactics have always been the most effective in maximizing revenue but we still hear Directors of Sales asking their Sales Managers when they last spoke to their client and they responded with "I emailed them today". In the late 1990s, we determined that it could take at least 10 calls to a client before you receive a response or reach them. Technology hasn't reduced the need for strategic persistence, in fact, it has escalated it. Has the Sales Manager done the research about the company, the group, the contact, and any other aspect that can be a tool to connect? Are they leaving the correct message? When a client is confident that you understand their needs and you can provide a solution, they are more likely to answer your call or respond to your email. More than ever, today's Sales Managers need to focus on their client's requirements, conducting more in-depth research, networking and building relationships with key contacts. None of this is new, in fact, it is decades old but in order to be heard or seen through the increased clutter, creating some connection is even more important.

We Need Both Hunters and Farmers

The idea to create a sales team with people in roles of either Hunters or Farmers has been around for roughly 30 years. Hunters are motivated to find new leads, work those leads, and close new business. Hunters seek out various research and data tools, such as LinkedIn, Hotelligence, Knowland, to uncover new opportunities. These Sales Managers are out in the field, uncovering new business, and understanding market conditions to find new leads. Hunters are also the most difficult Sales Managers to recruit and retain because they tend to be most motivated by to their compensation potential than the hotel. If your budget cannot support hiring a great Hunter, there are services that provide lead lists and data, including the critical analytics, to reduce the need for some of a top Hunter's skills on staff. However, these tools cannot fully replace having a Hunter on staff because someone still needs to take the information and seek out the booking. Someone still needs to be motivated to make the sale.

What are sales Farmers? Farmers are most effective at nurturing relationships to secure repeat bookings and grow existing business and are needed because often the Hunters are on to the next conquest. Farmers are more apt to use email and social channels to communicate with their clients to build strong relationships, but they must know how to use those tools in ways that the clients seek. These Sales Managers could more easily adapt to taking on different market segments and therefore, execute a complete booking cycle (from booking to execution). They are people-pleasers and tend to be more motivated by praise then compensation. They tend to be more stable and committed employees and stay longer at one location.

What Should Your Sales Team Look like Now?

Have you reevaluated the staff's deployment in terms or geography and market segment? Do you have the right mix of Hunters and Farmers who can collaborate their skills to understand the business in a variety of market segments, identify the targets/opportunities, close, and then both protect and increase the business? Success – even survival - will depend on both strategic and tactical adaptation to industry shifts. Your hotel cannot return to business as usual – at least not for several years while the hospitality industry's recovery ramps up.

HVS Asset Management offers tools to help identify opportunities to increase sales productivity. Our proprietary Revenue Maximization Analysis is an extensive sales and marketing review of a hotel, resort, or conference center to identify opportunities in Sales, Marketing, and Revenue Management. This tool that can provide unparalleled specificity of the critical components and steps needed to improve the property's profitable revenue.

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