

"Is That the Best Rate You Have?" How to Train Your Voice Reservations Agents to Handle Today's Deal-Seekers by Doug Kennedy 02/25/09

How interesting it has been as an industry veteran to see the Internet website emerge as a major distribution channel over the last decade. For years we saw website bookings increase dramatically while reservations call volume declined, leading some to wonder if the hotel of the future would still need a reservations department. We then watched as these trends balanced out as the growth in online bookings has slowed while declining call volume has leveled off. According to most lodging experts, for most full service hotels it's safe to say that there are at least two "lookers" for every "booker" at their website. My personal prediction is that given today's economic conditions and the proliferation of news stories about hotel and travel deals being there for the asking, voice reservations agents will be more important than ever before for revenue optimization as we move ahead.

It is of course difficult if not impossible to completely and accurately track this interplay of web and voice, as we cannot always identify whether a caller has first been online unless they tell us; nor can we tell whether those who book online have first placed a call, or if they do so after booking but prior to arrival. Even when a different 800 number is placed on the website, website visitors often dial the main local or 800 number used to track voice calls vs. the one we want them to dial.

The real story is told when you actually listen-in on the reservations calls you are receiving every day from real callers (not mystery shoppers). As a hotel trainer and consultant I've frequently had this always enlightening opportunity. In just the last few months I've listened in on reservations inquiry calls to all types of hotels and lodging facilities ranging from mid-market/economy through boutique, five-diamond, and ultra-luxury. Whether it's a call to a top-tier casino resort in Las Vegas, a historic beach and golf resort in Palm Beach, a 90 room boutique hotel in Manhattan, or a traditional mid-market franchised hotel in any city, there are definitely some common themes to be heard in what callers are asking these days.

My regular readers have heard me talk about today's over-informed callers who have way too many choices online and who are multi-tasking while they are on the phone, and these trends still continue to emerge with the explosive growth in online guest reviews, consumer generated media and social media.

Yet in listening to real calls circa Q4 of 2008, there also appears to be a new trend emerging which is certain to have an impact in 2009 and beyond: The growth in rate-conscious deal-seekers who are increasingly aggressive and well rehearsed.

From what I've observed, the most common caller behavior is to simply give the agent their dates, not mentioning they've already seen an online quote, just to see how prices compare. If the rate turns out to be the same many of them say next, "That's the same rate I see online. Should I book that with you or through the website?" Other callers respond to whatever rate is quoted initially by saying "Is that the best rate you have?" or "Don't you have any specials at that time?" Many callers more aggressive in negotiating and refer to competitors by name who are offering lower rates. Some even say things like "Are you sure that's the best you can do? It's out of my price and if it's not occupied you won't make anything."

It is a true story that I recently met a business traveler in a bar at LaGuardia airport in NYC who told me whenever he has to visit a new city he goes online to find the name of a major corporation in the area; he then calls local hotels directly to ask for and book his "special corporate rate." He added that he's been doing this for years and has never once been asked for a business card or ID. (By the way, his attire and successful business demeanor indicated that he didn't need to work that hard to save the money!)

If you're looking to give your frontline reservations agents the tools they need to handle today's over-informed, multi-tasking callers who are more rate and value conscious than ever before, here are some points to review at your next meeting:

- When callers ask "Should I book online or with you?" make sure your reservations team knows the correct answer is not. "Whichever you prefer." This is especially true of the caller is looking at a third party website, such as online travel agencies which charge commissions often ranging from 18%-30%. Even if the caller is referring to your own website, there is still likely a reservations fee paid to your brand or distribution provider. Worse yet, once we refer a caller back to the Internet we cannot control which website they will go to nor where they will book.
- Make sure your agents know your rate strategy and how to respond when callers ask for rates lower than the initial quote. If you always quote the "BAR" (best available rate for dates shown) then agents should reassure callers this is the best option out there and then reiterate the value received and sell the experience. If your strategy for overcoming rate objections is to first quote a published rate, and then if there's an objection to have agents drop to a promotional rate, make sure they present it as "Helping the caller qualify" for a lower rate program with statements such as, "Let me check further for you..." vs. automatically dropping to the lower rate without a reason.
- If your strategy is to offer a universal promotion or program, such as the growing trend to offer resort or hotel "credit vouchers" or "gift cards" which can be used for incidental charges, make sure your agents mention this offer up front in the call to create value. (During calls I often hear this is only mentioned at the end as a reservations booking detail.)
- When callers mention specific competitors by name who are offering lower rates, avoid comparing in a negative way by saying what they don't have. Instead, bring the attention to what your hotel or resort does have that distinguishes it from the others.
- When selling rate categories of mid-tier or below, reference the top-tier rate as being the "normal" rate to position the actual rate as a good value already.
- Train your staff to maintain rate fences first by mentioning restrictions and ID requirements during the call and then by politely validating eligibility at registration.
- Downselling. If your hotel offers a "last sell" room category at an extra low rate, such as room with an obstructed view or inconvenient location, position these as a good value by reiterating that it otherwise is still a great value, has all the same features and amenities, and still allows you to experience the hotel services and facilities.

Besides the above suggestions, make sure your agents are continually trained to have real conversations and to sell emotional experiences versus just re-stating the same list of basic features the caller has likely just seen online. Real conversations start with good investigative questions that enable the use of alluring and emotionally appealing descriptions.

In addition to reviewing these tips with your team, take time to listen to them talk through the issues they're dealing with these days. Even better, spend 30 minutes each week listening to your agents in action either in person or via remote technology. Remember the reservations inquiry call is your potential guest's first glance into your hotel's "storefront window" to all the "hotel shoppers" who are still out there.

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