



# Two Success Stories

BEYOND BENCHMARK



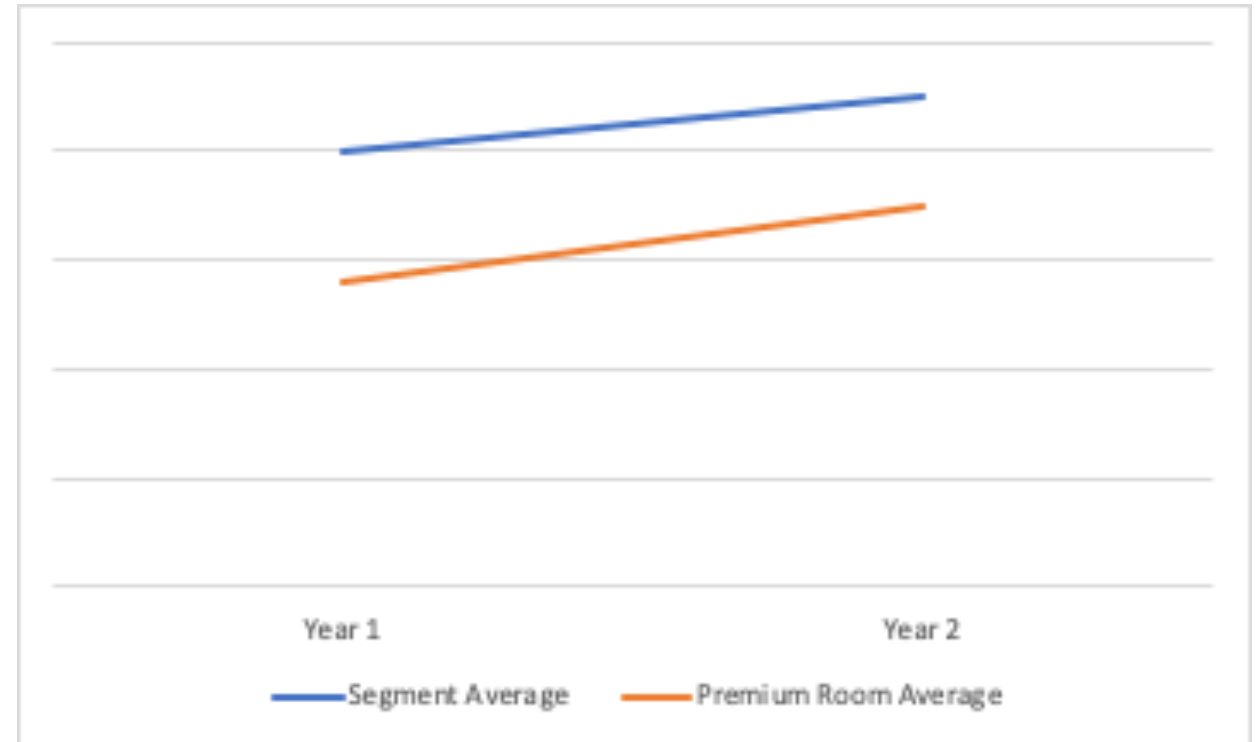
# Pricing

- Price Elasticity of Demand
  - For Different Room Category
  - For Various Segments
  - Removing human barriers
  - Menu engineering of all products
- Testing, Measuring, Improving
- Barriers revisited
- Marketing, sales messaging tested

# Results

A 1% improvement in Price leads to 10% improvement in profits

- 7% improvement achieved YOY
- Led to creation of new products



# Revenue Growth Index

- The hotel is No.1 in its primary competitive set
- The revenue growth index is at 1.75 (quite high by all benchmarks)
- Consistent market demand (75%) at high ADR
- Guaranteed 20% long-staying business at hotel past 2 years
- Estilo proposed the hotel can do more?

# Results



Estilo optimized segment mix model



Sub-Segment ADR  
range was \$400-\$900

Estilo increased occupancy target  
Activated several new  
segments/contracts at medium rate



Efforts took 8 months of work to show results



8.5% RevPAR Growth in high ADR market



Hotel could accommodate 10% more  
occupancy annually



Owner had no clue more money could be made