

# Automatic SmartRate





## **Yield & Revenue Management**

**is the practice of achieving the highest possible income from the sale of perishable articles by controlling price, inventory and improving service.**

### **YRM Objective**

**To increase the production of the different departments and the service to the clients, using the information, historical and current, in combination with a correct policy of prices, procedures and statistical models.**



# Automatic SmartRate

## Context



Price approach based on supply and demand.

To higher demand, higher prices

If we have a basis on which to set the strategy, we should try to fill the last ones, but of course, at higher prices.

At lower demand, offers on prices and marketing actions.

Setting prices according to market needs

It is preferable to increase services, if required by the market, and maintain prices, rather than reducing services and prices.

The decrease of services and prices, leads us to a deterioration of the image of our establishment.

Targeting micro segments, not just mass tourism

Search and commercial action on micro market segments, to diversify our offer and not rely solely on wholesalers and tour operators.

Professional Colleges, Incentives, Companies, Internet users, etc...

Distribute availability for different customer types and rates

Establishment of a correct rate structure depending on the market segments to which they are directed.

Establish an occupancy forecast for each market segment and/or rate.

Make decisions based on knowledge, not assumptions

To have an information system on the behaviour of our target segment, in terms of the current situation and the development of previous years.

How and why the previous year's offer worked, what occupancy volume was reached, what dates or periods are optimal for issuing offers, etc.



# Automatic SmartRate

Context



## Be always vigilant to consumer trends

Our customers' preferences change over time, their expectations are not always the same and their purchasing levels are not always the same.

Be always attentive to the possibility of having to design new products or modify existing ones to meet the expectations of our customers.

## Continuous evaluation of the possibility of increasing our income

Follow up the segments we target and the type of client we host in our establishment.

To be always attentive to possible changes in conjunctural or socioeconomic situations.



# Automatic SmartRate

Context



**Sell the correct product, to the  
adequate customer, at the right  
time, for the best price.**

**In short, with Smart Rate Seven Stars, the aim is for the system to  
automatically calculate the best prices based on certain algorithms.**



# Automatic SmartRate

Class One

## Previous

For the automatic calculation of prices, what we are going to do is to define a RATES whose calculation is done automatically and at certain times.

These RATES in turn may be related to OTA's, GDS, Channel Manager, Reservation Engines, TTOO's, Reservation Centres, ..., which will also update the inventories (prices and quotas) in them according to the new Smart Rate Seven Stars robotic policies.

The screenshot shows the 'Edit Rate' form with the following fields and values:

- Code: BAR
- Description: BAR AUTOMATICA
- Tax incl.: ☒
- Profile:
- Segment:
- Non refundable: ☐
- Restricted: ☐
- OTA-styled: ☒ (highlighted with a red box)

The rates must be previously defined in the section Normal Menu . A.1. SmartRate, and must have the OTA Style feature.

We can have as many automatic rates as we want

For a given OTA, for a given Company, for a given Segment and/or Channel, ...



# Automatic SmartRate

## Alternative Menu Configuration . 1.2. Setup Automatic SmartRate

We must give one of the tariffs that we have previously created, for it the system identifies which have the characteristic of style OTA

Once the tariff has been decided, we proceed to give the algorithms on which the calculations are based.

**It will change based on the occupation that we have**

	% Occupancy	From	to	Percentage ?	Color	
<input type="checkbox"/>	Strech 1	90	120	0		<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 2	75	90	0		<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 3	50	75	0		<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 4	20	50	0		<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 5	0	20	0		<input checked="" type="checkbox"/>
	Strech					<input checked="" type="checkbox"/>

We must mark some sections as we have the occupation and based on these sections the system will vary prices, according to lower / higher occupation.

We can give a percentage to increase or to decrease (-), the calculations that we do of the prices.

We will mark with a colour for greater visibility in subsequent price tests.

**It will change based on the anticipation in which the reservation is carried out**

	Lead time	From	to	Percentage ?	
<input type="checkbox"/>	Strech 1	0	15	0	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 2	16	45	0	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 3	46	70	0	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Strech 4	71	100	0	<input checked="" type="checkbox"/>
	Strech				<input checked="" type="checkbox"/>

As in the previous case, some sections and a percentage increase/decrease are marked.



**Rates**

	Days1	Days2	Days3	Days4
%Occ. 1	NUOF	NUOF	NUOF	NUOF
%Occ. 2	NUOF	NUOF	NUOF	NUOF
%Occ. 3	TODOS	TODOS	TODOS	TODOS
%Occ. 4	TODOS	TODOS	TODOS	TODOS
%Occ. 5	TODOS	TODOS	TODOS	TODOS

Simulation

According to the sections marked generated, we will put those tariff calculations.

According to the sections marked in the previous sections in the matrix that is generated, we will put those tariffs that we consider BASE for the subsequent calculations.

**Horas calcular**

**Factor eventos** ☐ **No aplicar Reg.** ☐ **No aplicar Ext/Men** ☐

**Redondeo [0-10]**

The calendar of Events has a correction factor, if this bullet is marked will apply to prices on the dates of that event

No Price Change for Meal regimens

### No Price Change for Extras and Children

Rounding to be applied in the final calculated prices





# Automatic SmartRate

## Simulation SmartRate

Class One

Menú Principal / Revenue Management / 1.2. Setup Automatic SmartRate Usuario: adminc1

Simulación SmartRate

Tipo de habitación: A Fecha desde: 16/03/2019 Fecha hasta: 24/06/2019

Fecha	%Ocup.	Release	Tarifa	Precio Habitación	Precio Ocup.1	Precio Ocup.2	Precio Ocup.3	Precio MEN1	Precio MEN2	Precio MEN3	Precio PER3	Precio PER4	Régimen Ai	Régimen As	Régimen HD	Régimen Mp
2019-03-16	82.89	0	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-17	80.75	1	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-18	81.28	2	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-19	80.21	3	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-20	81.82	4	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-21	79.68	5	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-22	82.89	6	NUOF	31.00	15.00	31.00	62.00	0.00	0.00	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-23	70.05	7	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-24	69.52	8	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-25	68.98	9	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-26	68.45	10	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-27	68.98	11	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-28	65.24	12	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-29	61.50	13	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-30	59.89	14	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-03-31	59.36	15	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-04-01	48.66	16	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-04-02	42.78	17	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-04-03	41.18	18	TODOS	31.00	15.00	31.00	62.00	0.00	0.62	10.00	10.00	0.00	42.00	0.00	0.00	20.00
2019-04-04	40.11	19	TODOS	35.00	20.00	35.00	70.00	0.00	0.70	12.00	12.00	0.00	42.00	0.00	0.00	20.00

20

< 1 2 3 4 5 6 >

adminc1



# Automatic SmartRate

## 1.1. Test Automatic SmartRate

Menú Principal / Revenue Management / 1.1. Test Automatic SmartRate Usuario: admin1

Tarifa: DIROS Tipo hab.: A Pax: 3 Habs.: 1 Fecha entrada: 16/03/2019 Fecha salida: 23/03/2019

**Reserva / Factura**

	sáb 30 MAR	dom 31 MAR	lun 01 ABR	mar 02 ABR	mié 03 ABR	jue 04 ABR	vie 05 ABR
Tarifa	TODOS	TODOS	TODOS	TODOS	TODOS	TODOS	TODOS
Precio	93.0	93.0	93.0	93.0	93.0	105.0	105.0
% Ocupación	71.61	48.06	48.06	48.06	48.06	48.06	48.06
P.Medio	51.40	61.01	61.01	61.01	61.01	61.01	61.01
Rev. PAR	36.81	29.33	29.33	29.33	29.33	29.33	29.33
Hab. Bloq.	0	0	0	0	0	0	0
Hab. Ocup.	3	1	1	1	1	1	1
Hab. Res.	219	148	148	148	148	148	148
Hab. Lib.	88	161	161	161	161	161	161

  

Tarifa	30/03/2019	31/03/2019	01/04/2019	02/04/2019	03/04/2019	04/04/2019	05/04/2019
DIR	7	57.43	2	90.06	2	90.06	2
EXPE	1	26.45	1	26.45	1	26.45	1
NUOF2	2	44.63	0	0.00	0	0.00	0
NUOF3	25	44.15	18	52.49	18	52.49	18
TODOS	107	51.50	77	62.19	77	62.19	77
TUI	80	53.47	51	61.79	51	61.79	51

Menú Principal / Revenue Management / 1.1. Test Automatic SmartRate Usuario: admin1

### Reserva

Tipo hab.: A Habs.: 1 Pax: 3 Régimen: HD **Pre Factura**

Fecha	En concepto de	Habs.	Precio	Importe
2019-03-16	A 3 Pax	1	93.00	93.00
2019-03-17	A 3 Pax	1	93.00	93.00
2019-03-18	A 3 Pax	1	93.00	93.00
2019-03-19	A 3 Pax	1	93.00	93.00
2019-03-20	A 3 Pax	1	93.00	93.00
2019-03-21	A 3 Pax	1	93.00	93.00
2019-03-22	A 3 Pax	1	93.00	93.00
Total:			651.00	

Tipo de cliente: A - Agencia  
Código/Nombre:   
Voucher:   
Canal:   
Segmento:   
Descuento: 0.00  
Huesped:   
País:   
Observaciones:   
**Reserva**