

NBTA Hotel Committee White Paper

Rate Loading: Strategies For Buyers & Suppliers

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Rate Loading: Strategies For Buyers & Suppliers

Published in April 2005 by NBTA Hotel Committee and endorsed by HEDNA in August 2005

Available to NBTA members and to HEDNA members on www.HEDNA.org (*Username and Password Required*)

Contents

- Process Overview
- Timeline & Checklist
- GDS Corporate Negotiated Rate Loading Form
- Vendor Resource List

Why a white paper on corporate rate loading?????????

Typical Discussions Not Very Effective!

My rates aren't loaded!!

Did not!!

DID NOT!!!

Yah..well,
You sent the RFP too late!

Did too!!

DID TOO!!!



Travel Manager Vs. Hotelier

Seriously, Why? Because It is Important & Fixable!

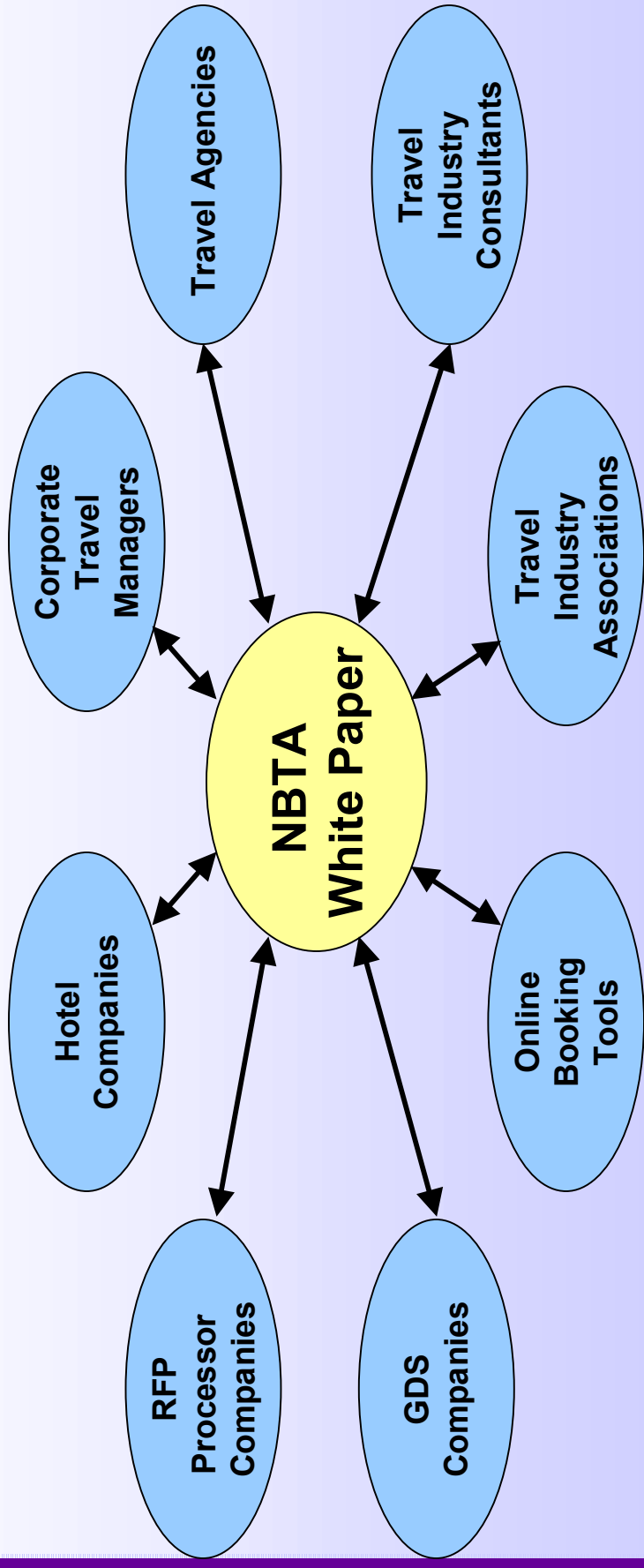
- Increasing adoption of managed reservation channels that rely on the GDS make rate loading critical
- Rate loading process is very predictable on an annual basis
- Majority of the errors are process & communication related and very fixable
- Travel managers and hoteliers can take specific steps in partnership with other stakeholders in the process to improve the outcome

The white paper is written to the perspective of the travel manager, but can be used as a framework for hoteliers to approach their key clients

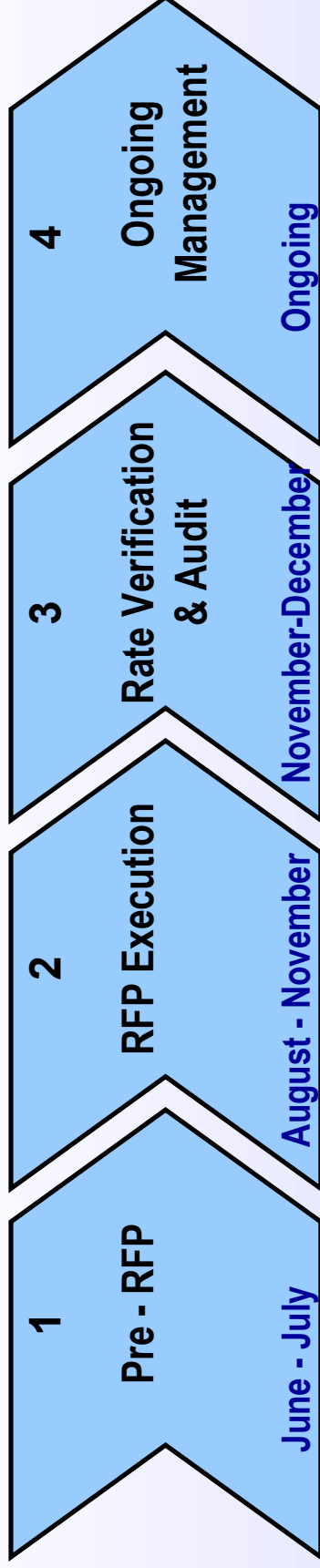


Collaboration of Industry Experts

Creating a meaningful white paper requires multiple perspectives...

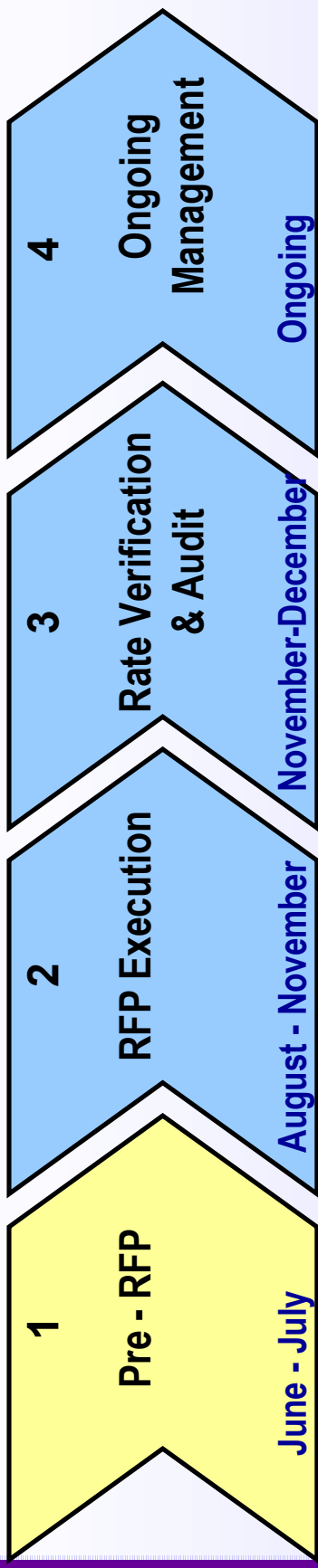


Timeline & Checklist For The Travel Manager



- The rate loading process is **NOT** a stand alone process
- It is the **conclusion** of the RFP process and the **first step** of the hotel program implementation process
- Actions taken or not taken in one process affect the others
- **WHEN** the actions are taken is as important as the actions themselves
- **Start early and finish early!**

Timeline & Checklist For The Travel Manager



Determine internal roles & responsibilities

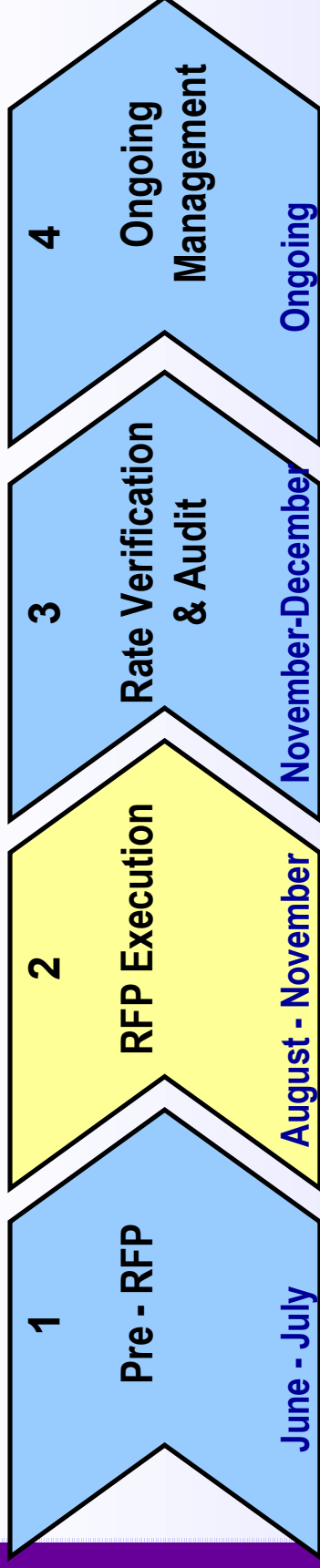
- GDS, travel agency, online booking, consultants
- Initiate appropriate actions with each

Create or update rate loading instructions accurately in a standard format that is easily understood.

Collaborate with hotel suppliers

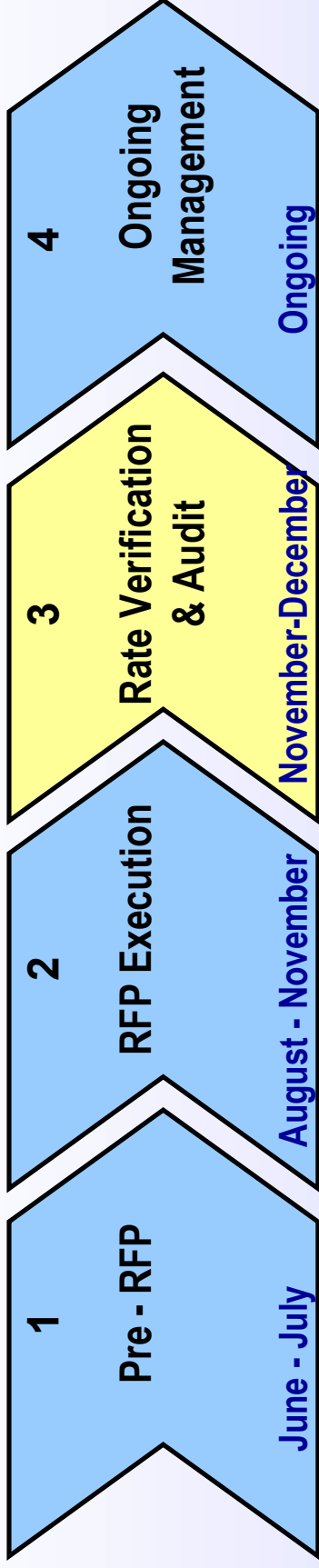
- Sales, RFP processing & rate loading contacts
- Qualify their processes: Centralized? Standards? Validation?
- Establish an acceptable timeline together
- Clarify key issues: LRA, Pre-loading, “squatters”, etc.
- Commit to deadlines and action steps

Timeline & Checklist For The Travel Manager



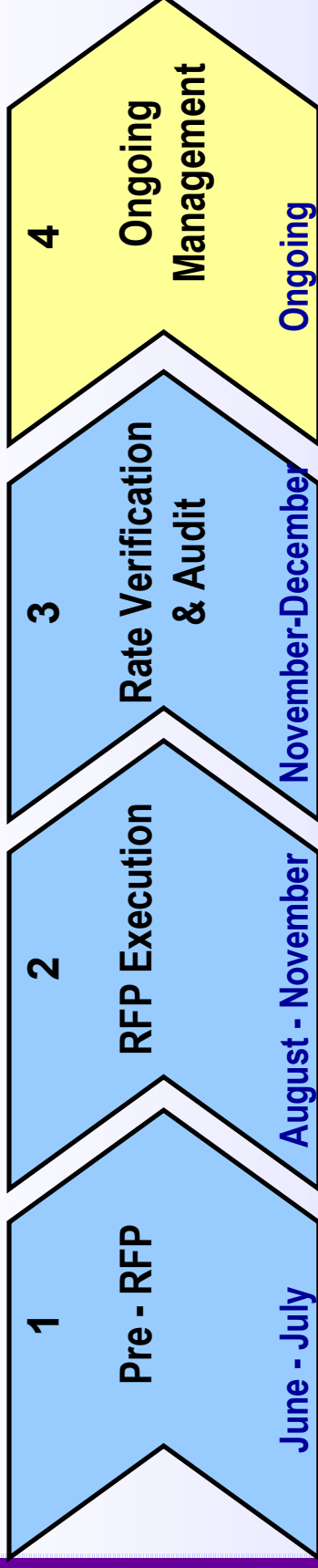
- **Clearly communicate rate requirements in the RFP**
- **Communicate with National Account Managers**
 - All bids including unsolicited bids
 - All negotiations
- **Provide acceptances as EARLY as possible!**
 - Include rates and value-adds for verification
 - Review and validate accepted rates vs. rates in hotel RFP database prior to loading

Timeline & Checklist For The Travel Manager



- The goal of an Audit is to ensure accurate rates are loaded in advance of a deadline, as opposed to finding errors after a deadline
- Components of an effective GDS rate audit
- Report actionable results to hotel suppliers
- Enforce consequences if the mutually agreed upon timeline and deadlines are not met

Timeline & Checklist For The Travel Manager



- Incorporate regular rate audits into hotel program metrics
- Share results with suppliers for resolution and as part of supplier performance reviews
- Implement process for travel agents and travelers to report rate discrepancies
- Maintain and update accurate rate loading information with your hotel suppliers

Key Areas of Focus

- Approach rate loading as part of an overall process of managing a hotel program.
- *Or...From a hoteliers' perspective, approach rate loading with your clients as a critical piece of overall account management.*
- Define roles and responsibilities
- Collaborate & communicate with all key stakeholders in the process
- Measure results and resolve issues proactively
- Start early.....finish early!