

Introduction

ZS and The Hospitality Sales & Marketing Association International (HSMAI) have partnered to develop this Voice of Revenue Manager (VoRM) study to better understand how Revenue Managers are allocating their time.

Our goal in undertaking this project is to provide relevant and targeted intelligence that will help Revenue Managers and leaders find opportunities to make their work more efficient and effective.

Please note:

- When we refer to "revenue managers" or "RMs" in this study, we refer to all who work in the function. When we refer to a specific level within the organization, we drop the 'revenue' and use the title (for example, directors or managers).
- This report is interactive, including clickable elements in the table of contents and section summary slides to assist with navigation.

If you have any questions, please email us at voiceofrevenuemanager@zs.com





- Methodology
- Executive Summary
- Revenue generating vs. non-revenue generating activities
- Yearly activities
- Non-Stakeholder facing activities
- Stakeholder facing activities
- Revenue strategy meeting agenda points
- Revenue management system interaction
- Internal administration and development opportunities



Methodology

Invitations to participate in the survey were sent to selected revenue management contacts in the hotel industry in the HSMAI members database in the US and Canada. Invitations were also sent to hotel executives and general managers to forward to their property teams. These efforts drew participants from a wide range of hotel sizes and chain scales across the US and Canada.

Participants each completed an online survey that was live from October to December 2020.

The survey was divided into the following sections:

- I. Respondent background: RMs current background & role
- II. Effort allocation: In this section, we asked participants to estimate time spent on activities that occur periodically (e.g., yearly or weekly)
- III. Miscellaneous questions: In this section, we asked participants about the flow of their strategy meetings, their interaction with systems and other similar questions to understand more about their work environment

Profile of the North American respondents (respondent background)

Survey Conducted:

Oct 28th 2020 - Dec 13th 2020

in US & Canada

# Responses Received	145
Total Properties Managed	1732*

^{*}One analyst reported a portfolio size of 624

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Segments	Sub-Segment	n-size	Average no. of properties
Chain scale**	Luxury	14	3
	Upper Upscale	21	4
	Upscale	39	8
	Midscale	16	11
	Independent	7	4
	Casino	3	4
	Multiple	45	25
Role	Revenue Analyst	5	128*
	Revenue Manager	40	7
	Director of Revenue Management	96	7
	VP	3	45
	Director of Sales & Marketing	1	2
Portfolio size	On Property	64	1
	Cluster (>2 properties)	81	20

Q. What is your current job title? Please choose the title that most closely fits your primary job function

Q. Please tell us about the hotel(s) you manage. Enter the number by room count bucket and chain scale

^{**}Respondents were asked to self report the chain scale of properties they manage

Responses were collected from 145 revenue managers

By Job Title, Respondent Sample Size and Average Work Experience (years)

Respondent Job Title	Description	Sample Size	Current Role	Current Company	Overall RM Experience	Average # properties
Revenue Analyst	Assists the leader of revenue management as directed	5	1.0	6.0	2.9	128*
Revenue Manager (On property)	Assists the leader of revenue management as directed at one or two properties	12	3.6	9.8	4.9	1
Cluster/Portfolio Revenue Manager	Conducts revenue management activities in a centralized capacity (typically for multiple properties)	28	4.6	11.0	11.7	10
Director of Revenue Management (On property)	Leads all revenue management activities at one or two properties	48	3.9	9.4	13.8	2
Director of Revenue Management (Portfolio/Cluster of properties)	Leads all revenue management activities at multiple properties (typically 4 or more properties)	48	3.9	8.5	12.0	12
VP	Leads all revenue management activities at multiple properties	3	2.3	10.0	16.0	45
Director of Sales & Marketing	Develops sales strategies and approaches for various products and services, such as special promotions, sponsored events, etc.	1	7.0	7.0	7.0	2
Total Respondents		145	3.9 years	9.3 years	11.7 years	1732*

Q. Please enter your approximate years of professional experience.

Q. What is your current job title? Please choose the title that most closely fits your primary job function.

^{*}One analyst has a portfolio size of 624

Executive Summary



The VoRM study suggests some important opportunities for industry leaders and revenue managers ...

Key Findings

- Less than half of RMs time is dedicated to revenue generating activities (49% on average)
- RMs spend on average 5 weeks of full-time effort on RFPs and 6 weeks of full-time effort on budgets (between 8-17 weeks total on just these two activities across chain scales)
- RMs spend about 76% of their weekly time on non-stakeholder facing activities and only 18% of time with stakeholders. 13% of their week is spent updating the many systems they interact with, and only 5% in revenue strategy meetings.
- Revenue strategy meetings are still focused on past performance and very tactical
- Revenue managers struggle to influence stakeholders to accept recommendations
- Price recommendations from the RMS are overridden on average 39% of the time. This is both the system and the RMs fault and responsibility

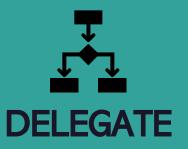
Opportunities for the Hospitality Industry

- Delegate, automate, reduce or eliminate any tasks that are non-revenue generating or highly manual and time consuming
- RFPs and budgets are complex, cross-functional activities, and they take up a disproportionate amount of RMs time. Work collaboratively with other functions to streamline these tasks, and you'll get DAYS back for revenue generating
- Just because RMs know the reservations systems doesn't mean they should be responsible for them. Delegate or automate system related tasks
- Elevate the conversation in revenue strategy meetings. Keep past performance out by automating access to performance reports in formats that are easy to consume by stakeholders
- Keep pressure on your RMS providers to improve system recommendations while ensuring your teams are continuously trained in how to properly interact with systems



...and it's time for leaders to DARE to focus RMs on revenue!





Manual, operational or routine tasks to other staff, freeing up RMs to generate revenue. As you staff-up postpandemic, take non-value add tasks back off RM's plate



AUTOMATE

Everything. The RMS is only one example. Use techniques like Robotic **Process Automation to** automate manual workflows or "smart reporting " to guide RMs to insights





As many "non-revenue generating" activities or the time it takes to execute them as possible. Be relentless in your pursuit of dedicated, efficient rev – gen time!





Non-productive stakeholder interactions. Provide training in communicating with influence. Empower RMs to push back when they are pulled into the weeks. Build easy to use performance reporting



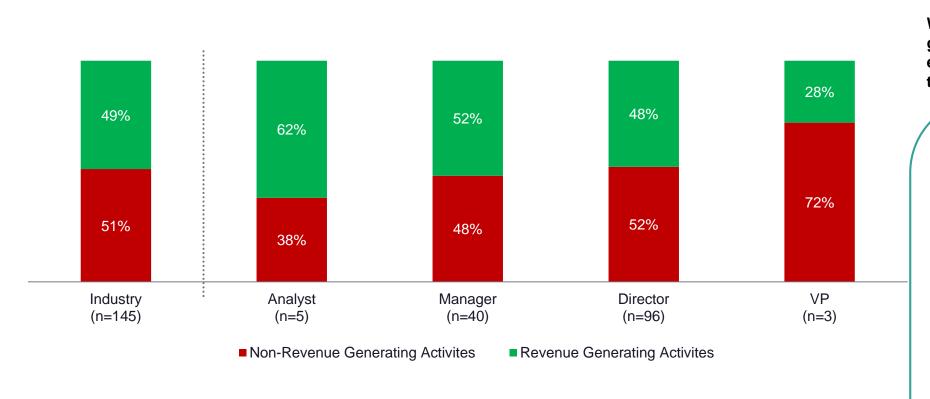
Revenue generating vs. nonrevenue generating activities

- RMs spend less than half their time on average on revenue generating activities, and that time decreases with title
- The time analysts spend on RFPs is the bulk of their revenue generating activity time
- Internal administrative work was highlighted as the most time-consuming non-revenue generating activity across all roles
- Independent RMs spend less time on revenue generating activities than other chain scale RMs
- Across chain scales, the revenue generating activity that RMs spend the most time on is responding to RFPs
- Across chain scales, internal administration and collecting data & reports are among the most time consuming non-revenue generating tasks
- On-property RMs spend more time responding to RFPs, and so have slightly more revenue generating time than Cluster RMs



RMs spend less than half their time on average on revenue generating activities, and that time decreases with title

Time allocation across revenue and non-revenue generating activities by role, % hours



When asked which non-revenue generating tasks can be eliminated, respondents shared the below responses:

We need to review past performance with different sources requiring different formats of the same data. very repetitive and time consuming.

Director (Upper Upscale)

Fewer internal meetings, [cancel meetings] that aren't revenue generating

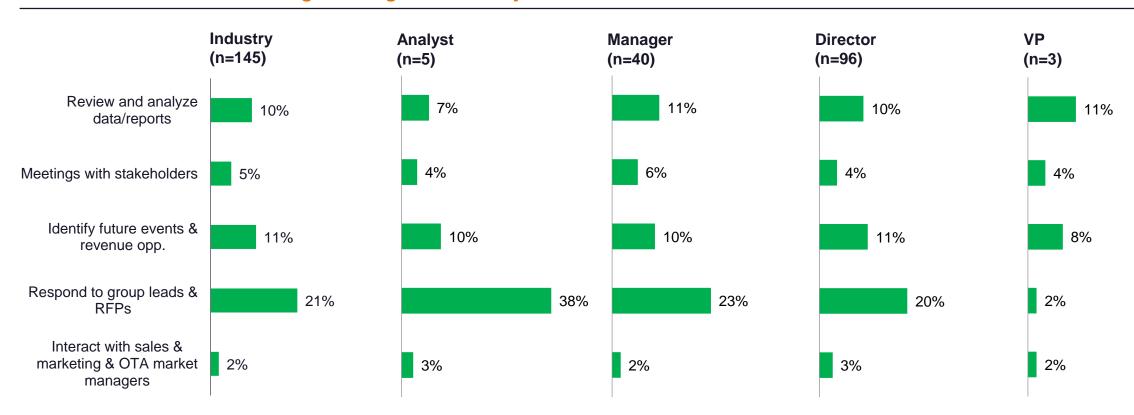
- Director (Midscale)

Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties Segments with n-size < 3 are not represented.



The time analysts spend on RFPs is the bulk of their revenue generating activity time

Time allocation across revenue generating activities – by role

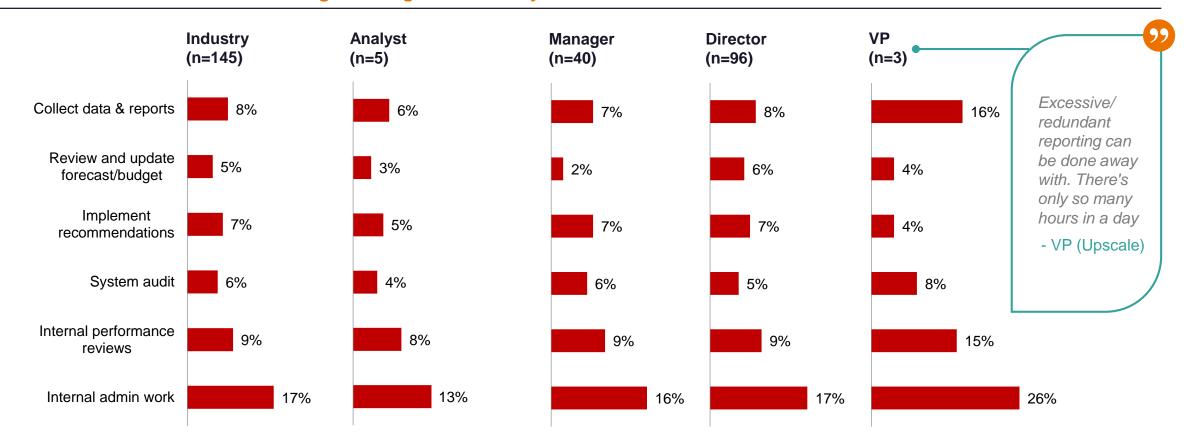


Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties Segments with n-size < 3 are not represented. 1 Analyst, 1 Managers and 2 Directors have reported that they spend >200 days a year responding to group leads/RFPs.



Internal administrative work was highlighted as the most time-consuming non-revenue generating activity across all roles

Time allocation across non-revenue generating activities – by role

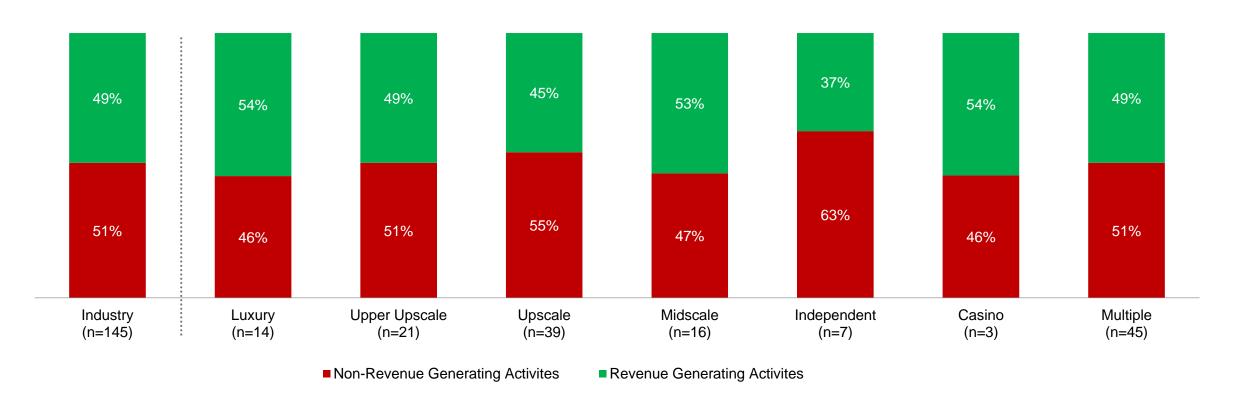


Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties Segments with n-size < 3 are not represented.



Independent RMs spend less time on revenue generating activities than other chain scale RMs

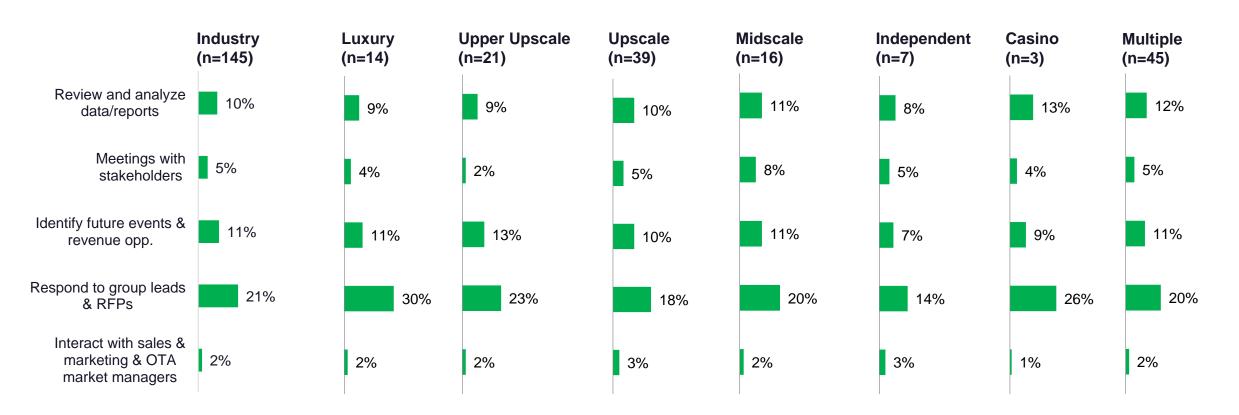
Time allocation across revenue and non-revenue generating activities by chain scale, % hours



Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties

Across chain scales, the revenue generating activity that RMs spend the most time on is responding to RFPs

Time allocation across revenue generating activities – by chain scale



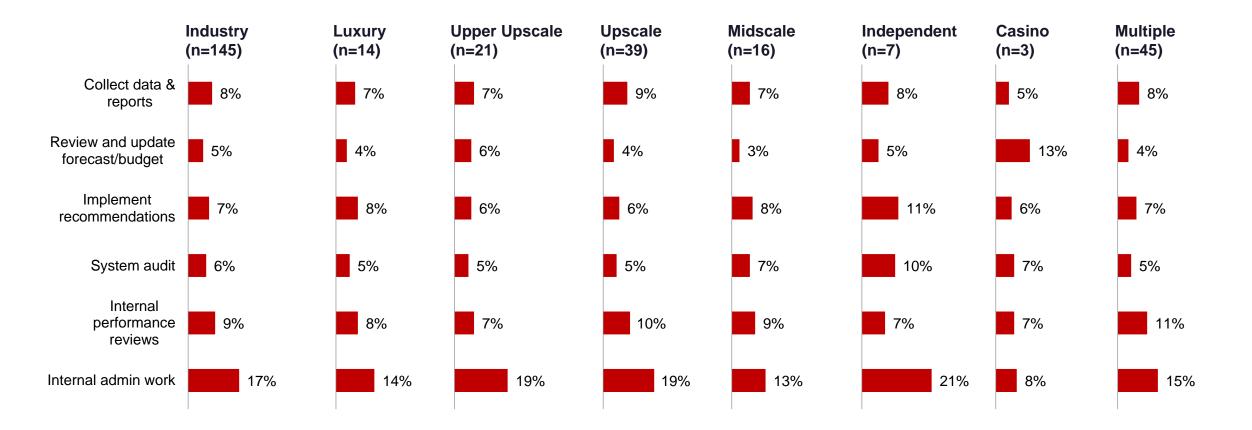
Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties



Across chain scales, internal administration and collecting data & reports are among the most time consuming non-revenue generating tasks

Time allocation across non-revenue generating activities – by chain scale

We need less distraction from leaders questioning multiple times a strategy we already discussed and had agreed upon. - Director (Upscale)

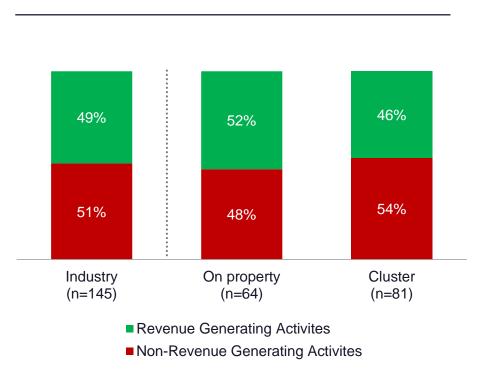


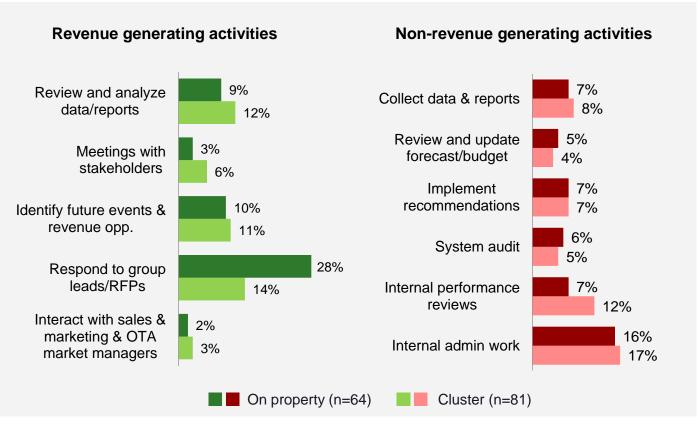
Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder and non-stakeholder facing activities across all properties



On-property RMs spend more time responding to RFPs, and so have slightly more revenue generating time than Cluster RMs

Time Allocation across revenue and non-revenue generating activities by portfolio size, % hours







Yearly activities

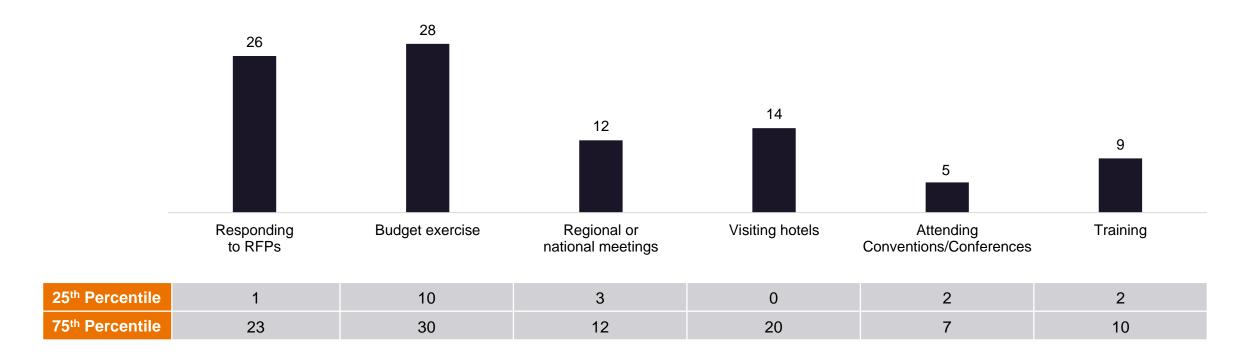
- Budgets and responding to RFPs are the most timeconsuming yearly activities
- Luxury RMs and analysts spent the most time responding to RFPs, independent RMs and VPs the least
- On average, management companies spend more time responding to RFPs than brands, however, there is a lot of variability in time spent on this activity across individual companies
- Luxury & independent RMs and directors spend a lot of time on budgets.
- As with RFPs, Management Companies invest more time on budgets, compared to the brands, however, there is also a lot of variability by company in the time spent on this activity
- On-property RMs spend more time on budgets and RFPs than their cluster counterparts



• 1

Budgets and responding to RFPs are the most time-consuming yearly activities

Average days spent per year on yearly activities (n=145)



Q. Please estimate the total number of days per year (including travel) that you spend on the above mentioned activities across all properties you manage. Respondents spent 31 days on average on other yearly activities such as executive responsibilities, initiatives, reporting and analyses, national association duties, auditing, forecasting, strategizing, meetings, ad hoc tasks.

Luxury RMs and analysts spent the most time responding to RFPs, independent RMs and VPs the least

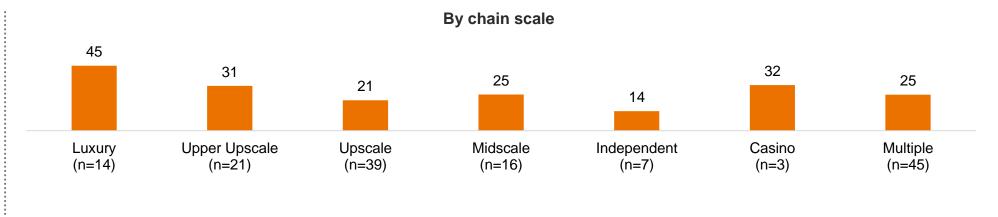
Days spent responding to RFPs

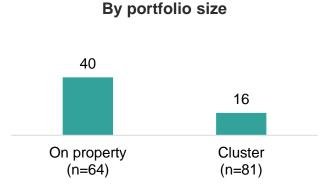


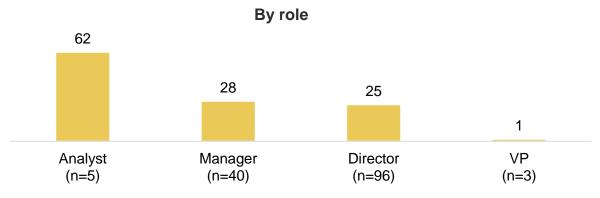


Industry

(n=145)



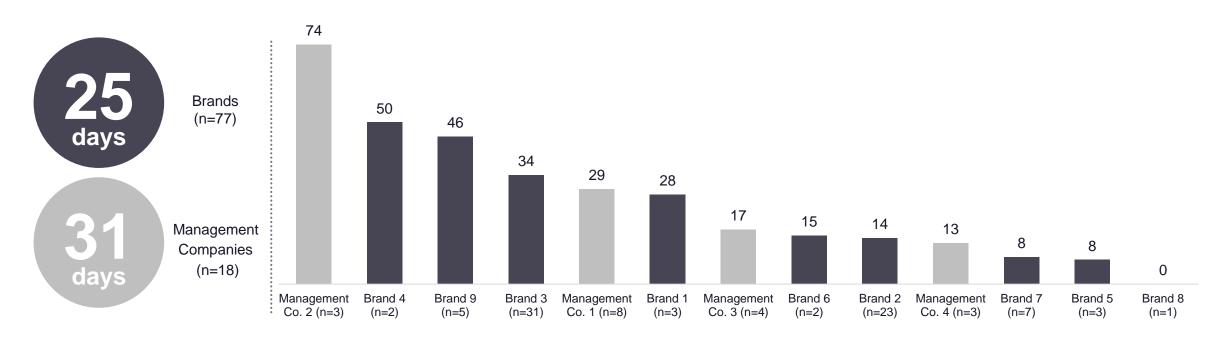






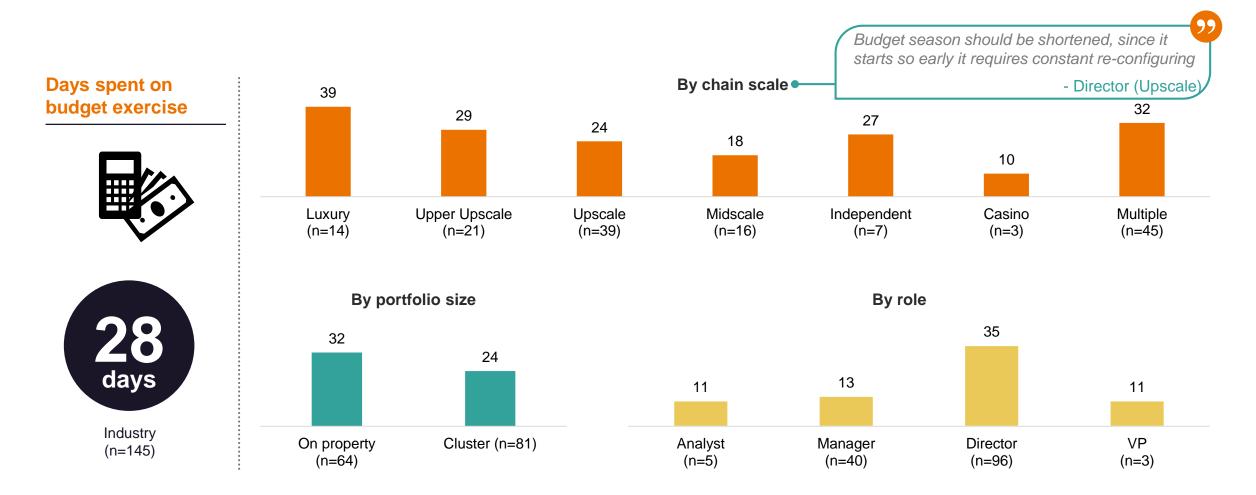
On average, management companies spend more time responding to RFPs than brands; however, there's a lot of variability in time spent on this activity across individual companies

Average days spent per year on RFPs by brands & management companies



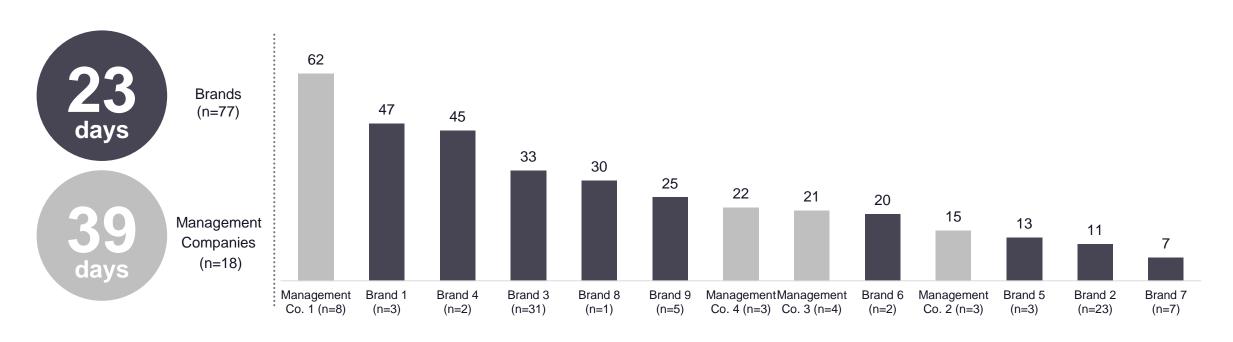


Luxury & independent RMs and directors spend a lot of time on budgets



As with RFPs, Management Companies invest more time on budgets, compared to the brands. However, there is also a lot of variability by company in the time spent on this activity

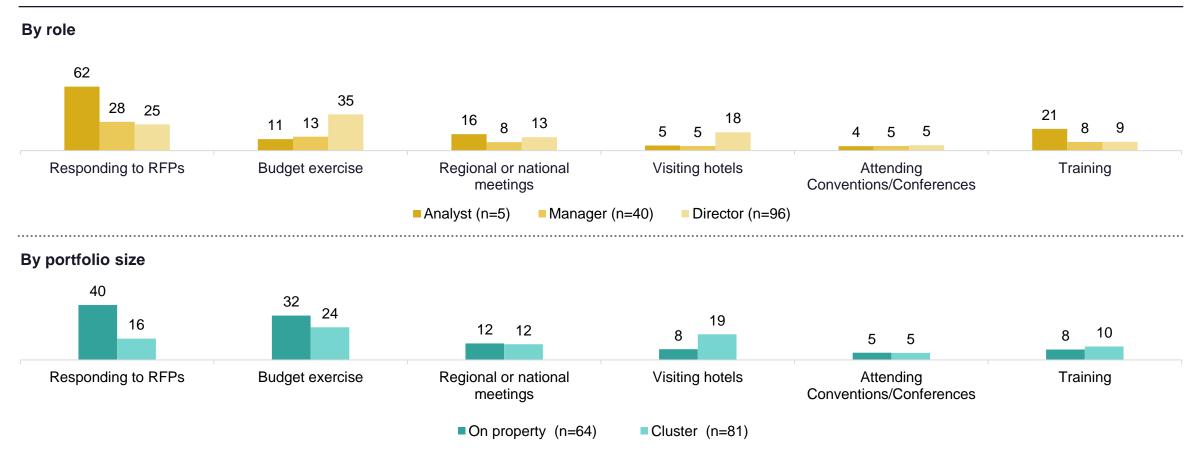
Average days spent per year on budget exercise by brands & management companies





On-property RMs spend more time on budgets and RFPs than their cluster counterparts

Days spent on yearly activities

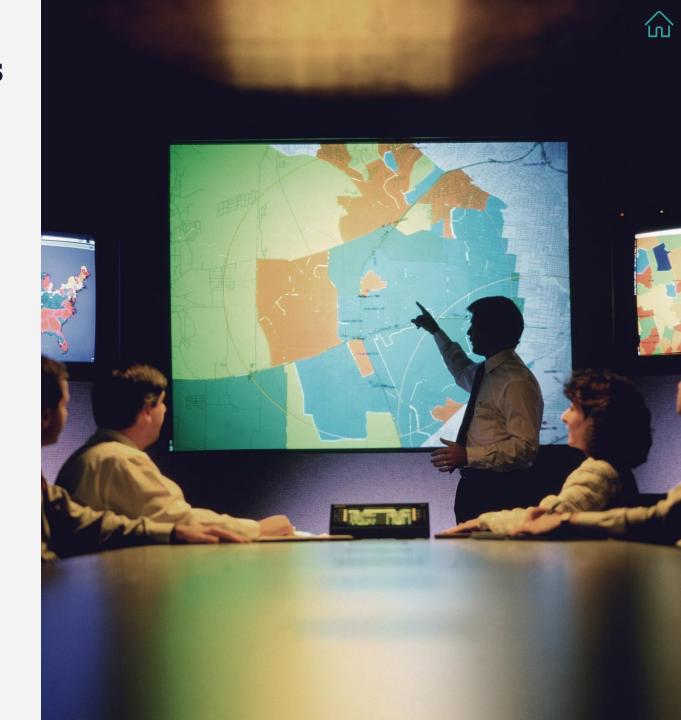


Q. Please estimate the total number of days per year (including travel) that you spend on the above mentioned activities across all properties you manage. Segments with n-size < 3 are not represented.



Non-Stakeholder Facing Activities

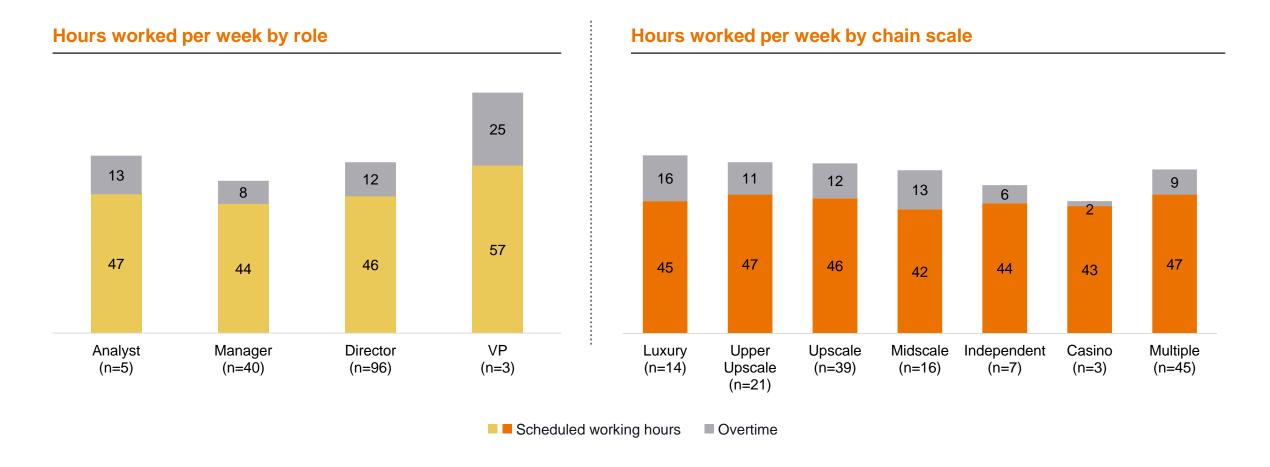
- Revenue managers reported working far more than their scheduled working hours
- Across roles and chain scales, RMs report spending the majority of their time on non-stakeholder facing activities
- Analysis and system related activities were the top two weekly non-stakeholder facing activities, followed by research
- This pattern of time allocation generally holds across roles and portfolio sizes
- Midscale RMs spend the most time on analysis, independent RMs least, with cluster RMs spending more than on-property
- 6 Independent and midscale RMs spend more time on system activities, and on-property RMs more than cluster RMs
- All chain scales, portfolio sizes and roles spend similar time on research, including data collecting, report creation and market research





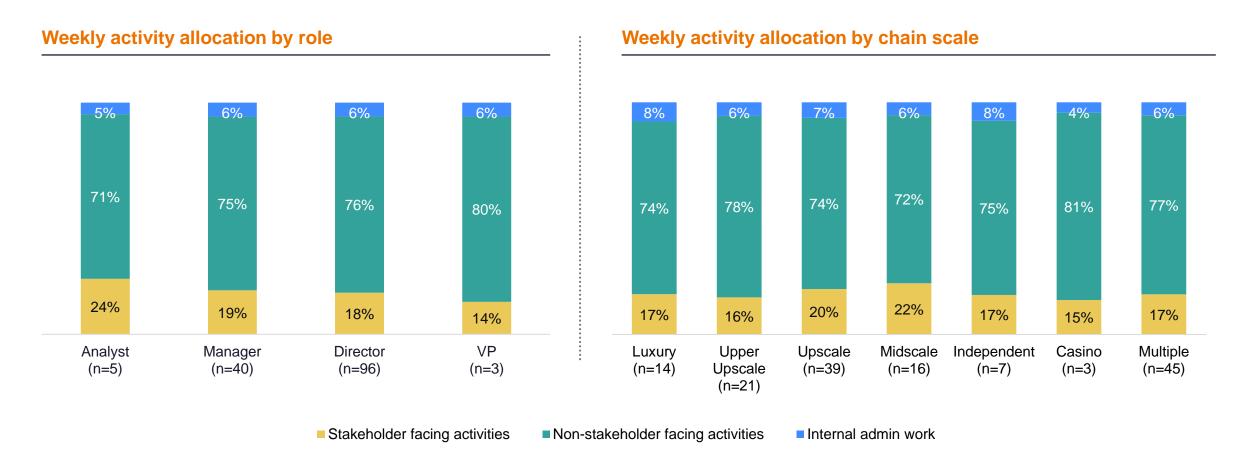


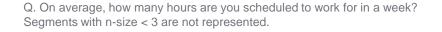
Revenue managers reported working far more than their scheduled working hours





Across roles and chain scales, RMs report spending the majority of their time on non-stakeholder facing activities



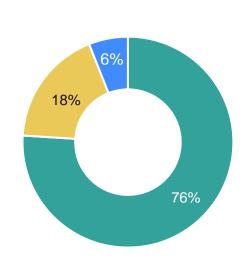


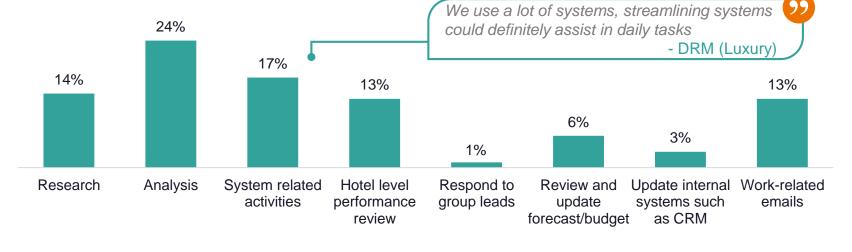


Analysis and system related activities were the top two weekly nonstakeholder facing activities, followed by research

Weekly activity time allocation (n=145)

Time allocation on non-stakeholder facing activities (average) (n=145)





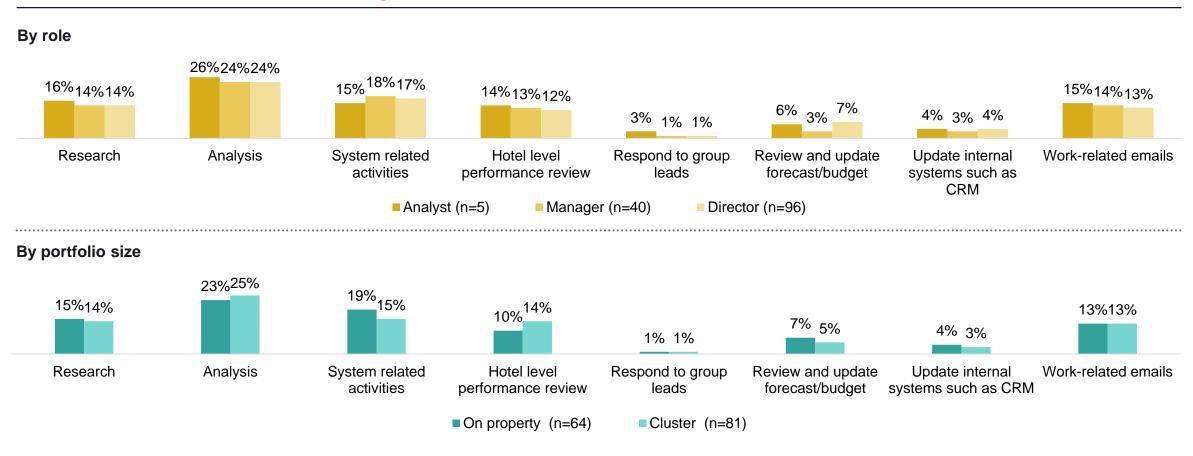
- Non Stakeholder Facing Activities
- Stakeholder Facing Activities
- Internal Admin Work

25 th Percentile	10%	19%	13%	7%	0%	3%	1%	8%
75 th Percentile	20%	31%	24%	18%	1%	9%	5%	20%

Q. Please provide with an estimate of the number of hours per work-week that you spend on non-stakeholder facing activities across all properties Respondents spent average 8% of the time on other activities such as marketing initiatives, completing call recaps for properties, team calls, trainings, strategies, group housing, etc.

This pattern of time allocation generally holds across roles and portfolio sizes

Time allocation on non-stakeholder facing activities



Q. Please provide with an estimate of the number of hours per work-week that you spend on non-stakeholder facing activities across all properties Segments with n-size < 3 are not represented.

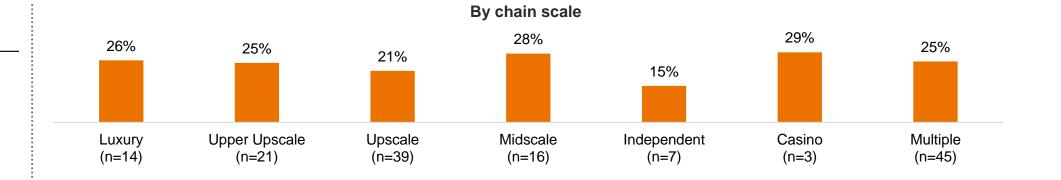
Midscale RMs spend the most time on analysis, independent RMs least, with cluster RMs spending more than on-property

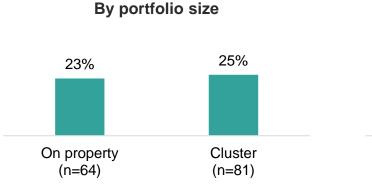
% Time spent on Analysis

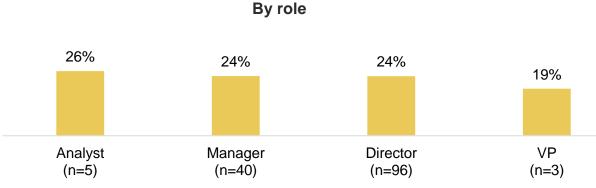




(n=145)





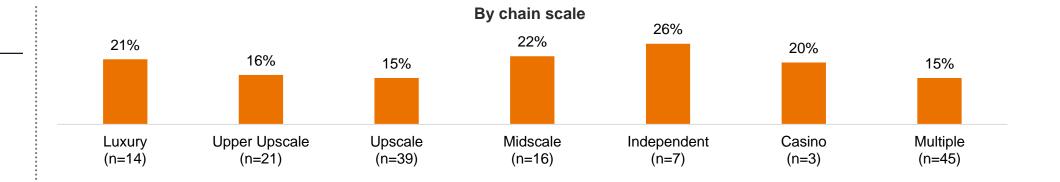


Independent and midscale RMs spend more time on system activities, and on-property RMs more than cluster RMs

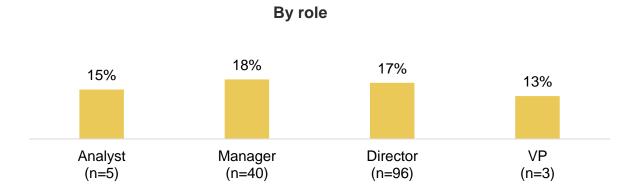
% Time spent on System related activities



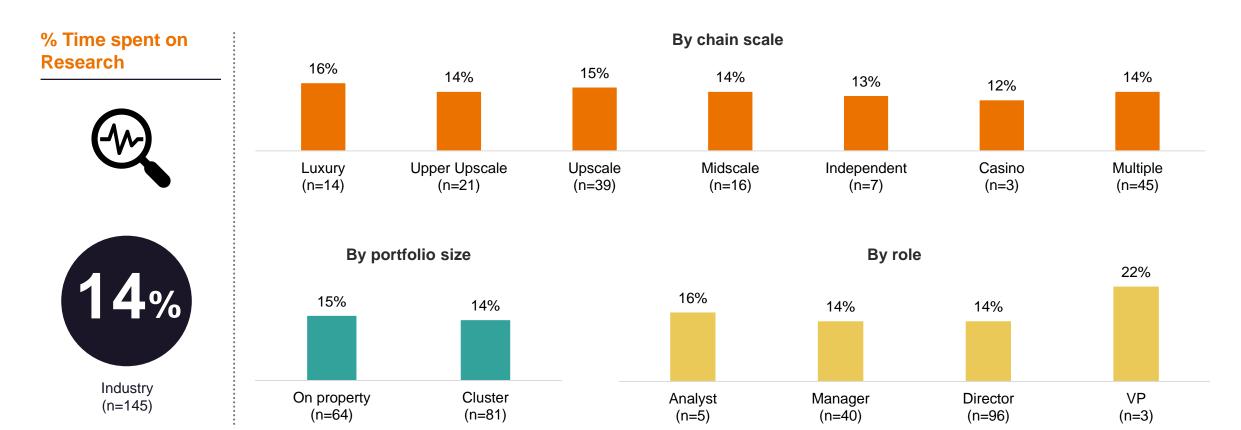








All chain scales, portfolio sizes and roles spend similar time on research, including data collecting, report creation and market research





Stakeholder Facing Activities

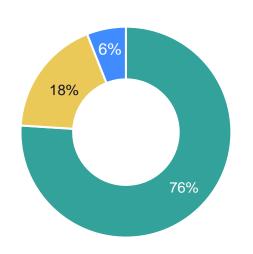
- For stakeholder activities, facilitating stakeholder meetings and interacting with sales and marketing take up the most time
- Managers spend more time in strategy meetings than directors, directors spend more time with sales and marketing counterparts
- Not surprisingly, cluster RMs and midscale RMs spend more time than their counterparts facilitating stakeholder meetings
- On property RMs and upper upscale RMs spend more time with sales and marketing than their counterparts

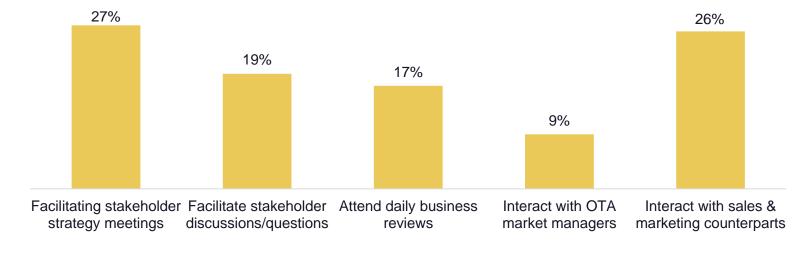


For stakeholder activities, facilitating stakeholder meetings and interacting with sales and marketing take up the most time

Weekly activity time allocation (n=145)

Time allocation on stakeholder facing activities (average) (n=145)





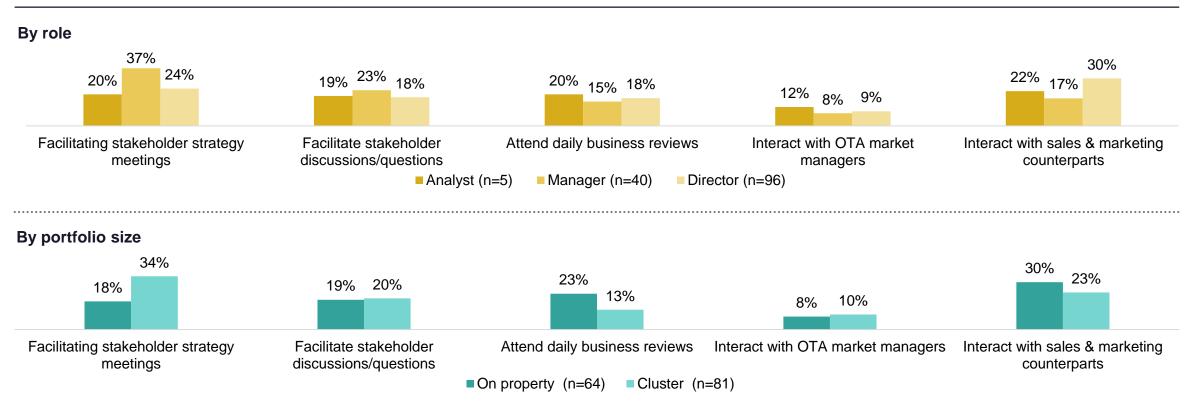
- Non Stakeholder Facing Activities
- Stakeholder Facing Activities
- Internal Admin Work

25 th Percentile	13%	11%	0%	0%	14%
75 th Percentile	31%	25%	25%	16%	40%



Managers spend more time in strategy meetings than directors, directors spend more time interacting with sales and marketing counterparts

Time allocation on stakeholder facing activities



Q. Please provide with an estimate of the number of hours per work-week that you spend on stakeholder facing activities across all properties Segments with n-size < 3 are not represented.

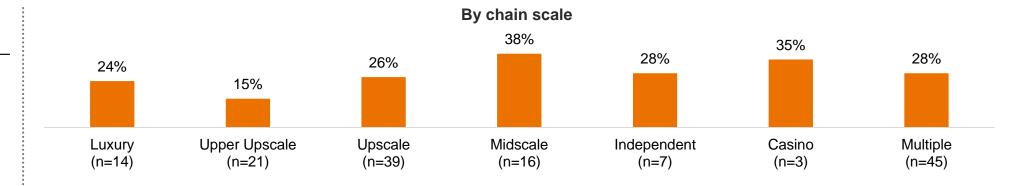
Not surprisingly, cluster RMs and midscale RMs spend more time than their counterparts facilitating stakeholder meetings

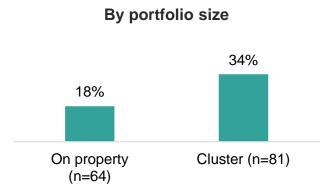
% Time spent facilitating strategy meetings

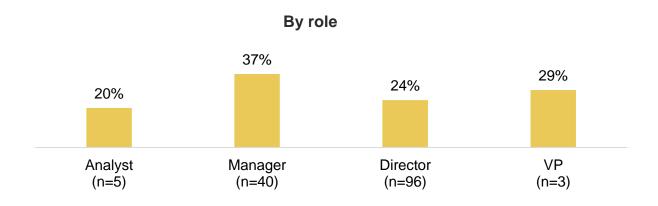




(n=145)







On property RMs and Upper Upscale RMs spend more time interacting with sales and marketing team

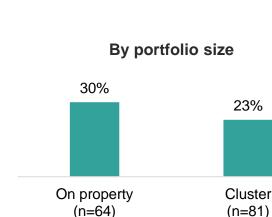
% Time spent with sales & marketing counterparts

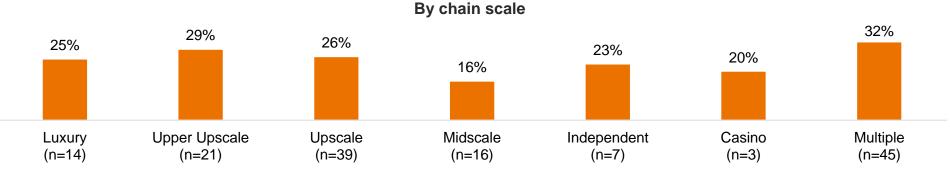


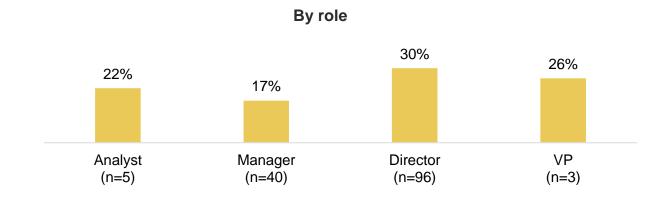


Industry

(n=145)









Revenue Strategy Meeting Agenda Points

- Stakeholder meetings more often address past performance related topics, as opposed to future looking strategies
- 2 This remains relatively consistent across roles

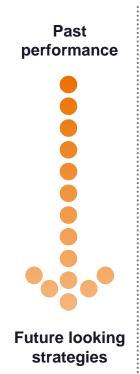
- There is some expected variability in the frequency with which RMs always discuss agenda items across chain scale
- Luxury and independent RMs spend less time convincing stakeholders, and more of their recommendations are accepted

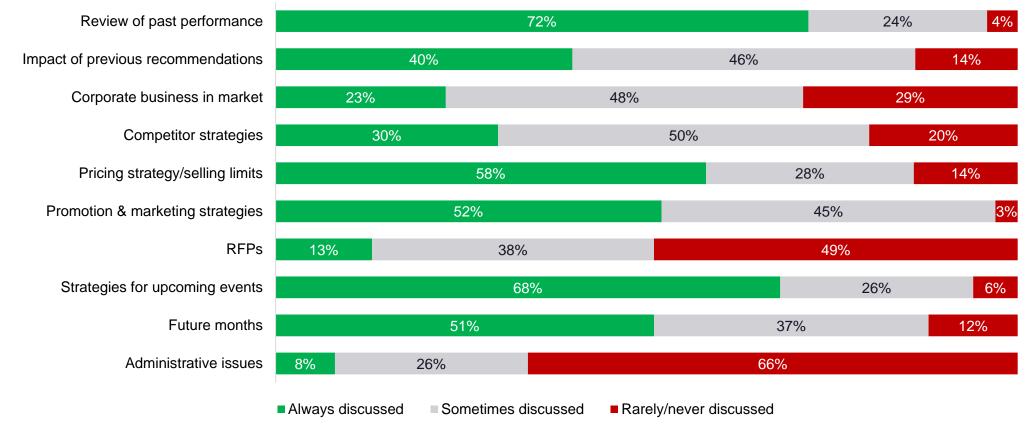




Stakeholder meetings more often address past performance related topics, as opposed to future looking strategies

Discussion of agenda points during stakeholder meetings





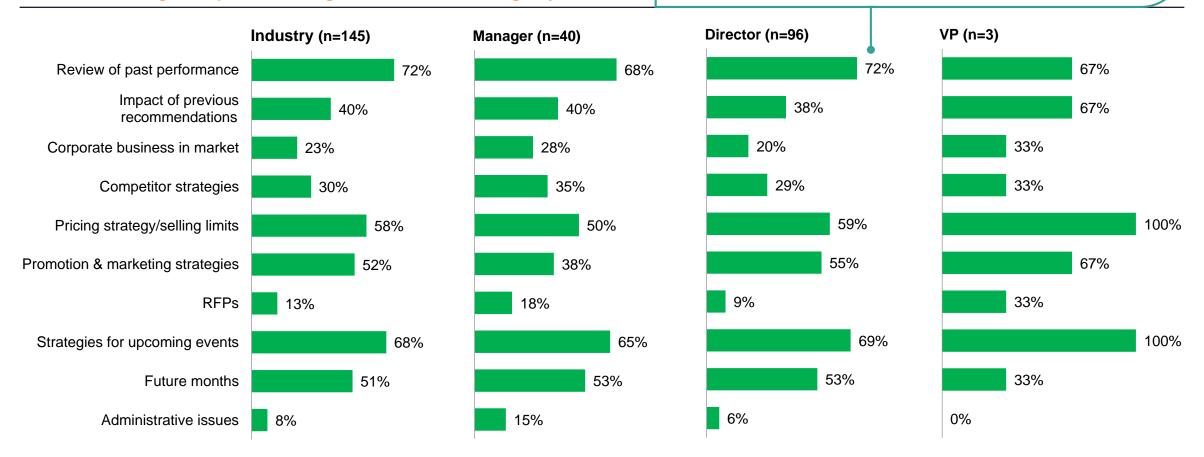


This remains relatively consistent across roles

Review of past performance with multiple stakeholders in different formats. We need to review past performance with difference sourcesrequiring different formats of the same data. Very repetitive and time consuming.

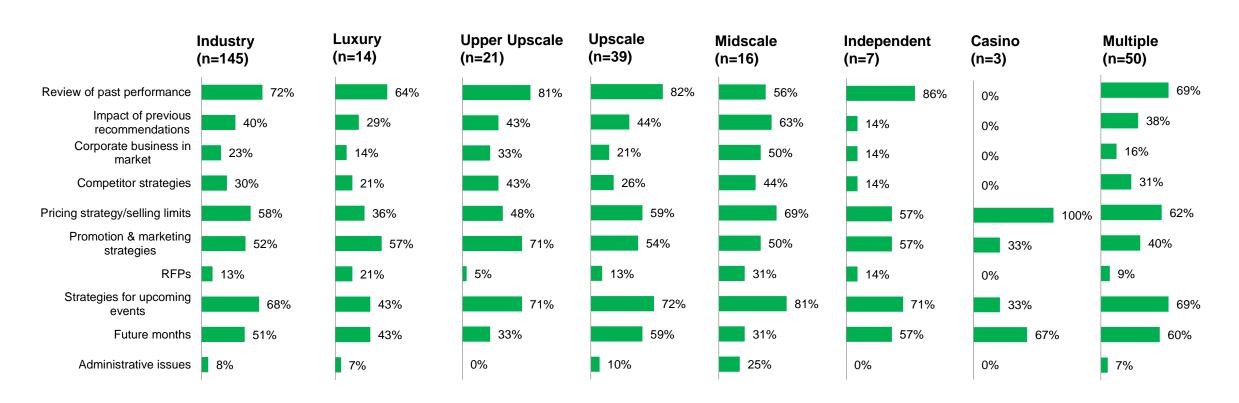
- Director (Upscale)

Discussion of agenda points during stakeholder meetings by role

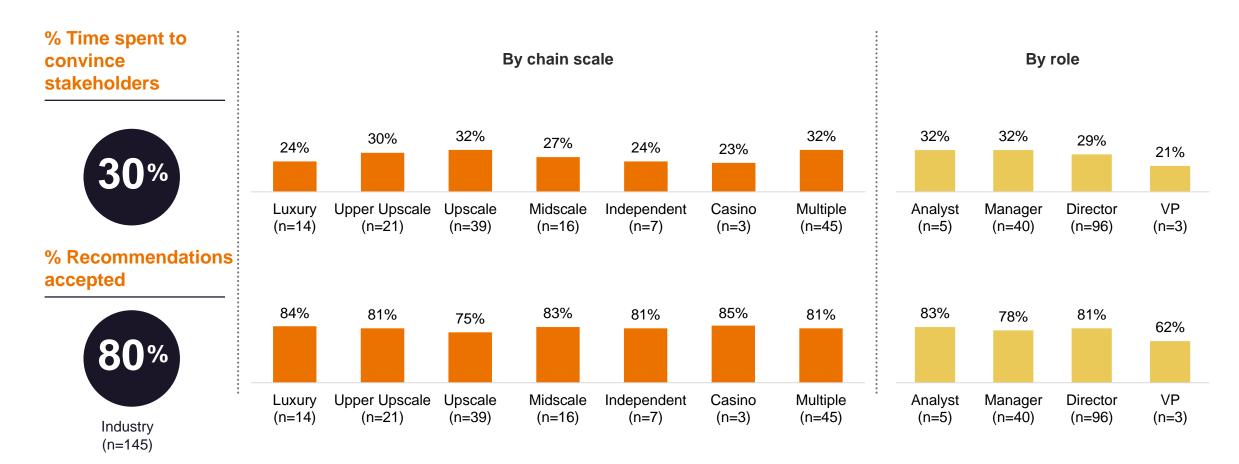


There is some expected variability in the frequency with which RMs always discuss agenda items across chain scale

Discussion of agenda points during stakeholder meetings by chain scale



Luxury and independent RMs spend less time convincing stakeholders, and more of their recommendations are accepted



Q. What percentage (%) of time is spent to convince stakeholders to align with your strategies? Q. Of all the shared recommendations, what percentage (%) of recommendations are accepted? Segments with n-size < 3 are not represented.

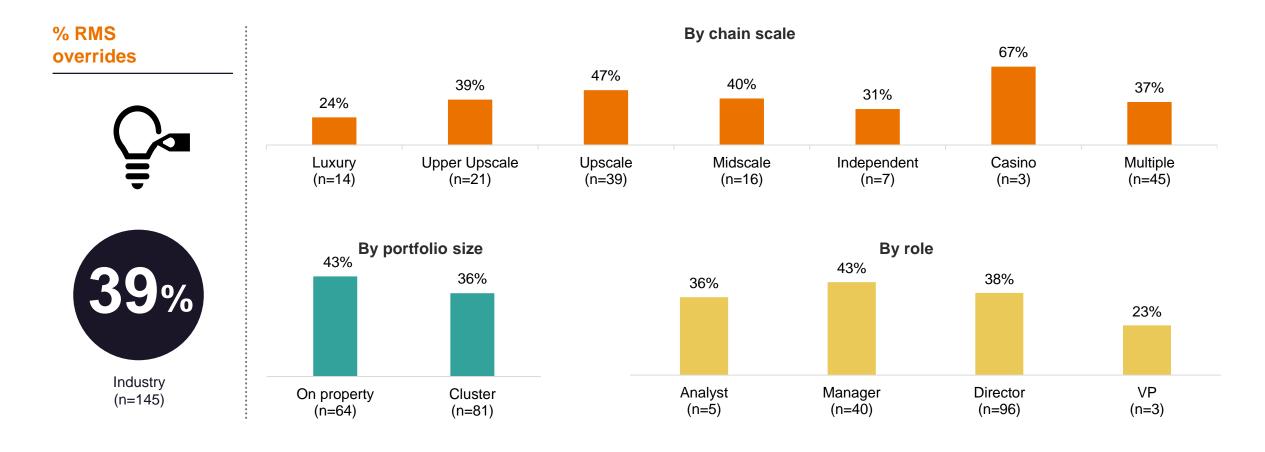


Revenue Management System Interaction

- 1 Revenue managers across chain scales, roles and portfolio sizes seem to be overriding system recommendations quite often
- There is a large spread of override percentages across individual companies; all agree overrides are timeconsuming; might indicate a large variety of system quality and/or end user training
- Most respondents across chain scales except midscale have complete implementation authority, analysts have the least



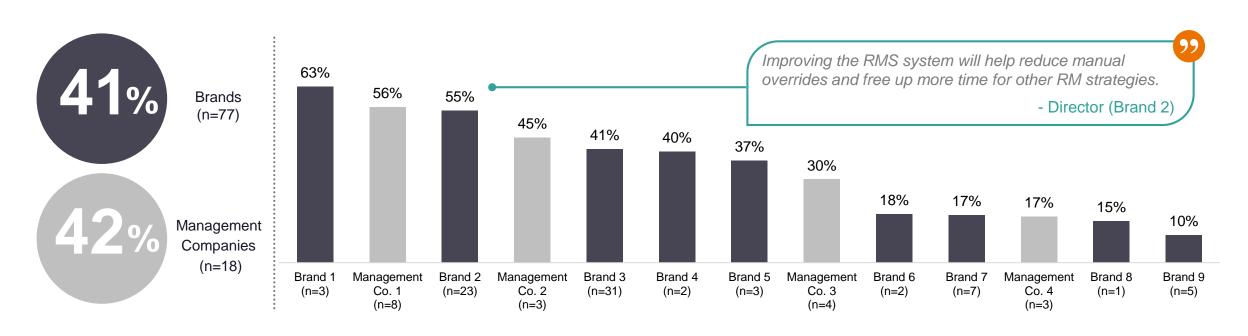
Revenue managers across chain scales, roles and portfolio sizes seem to be overriding system recommendations quite often



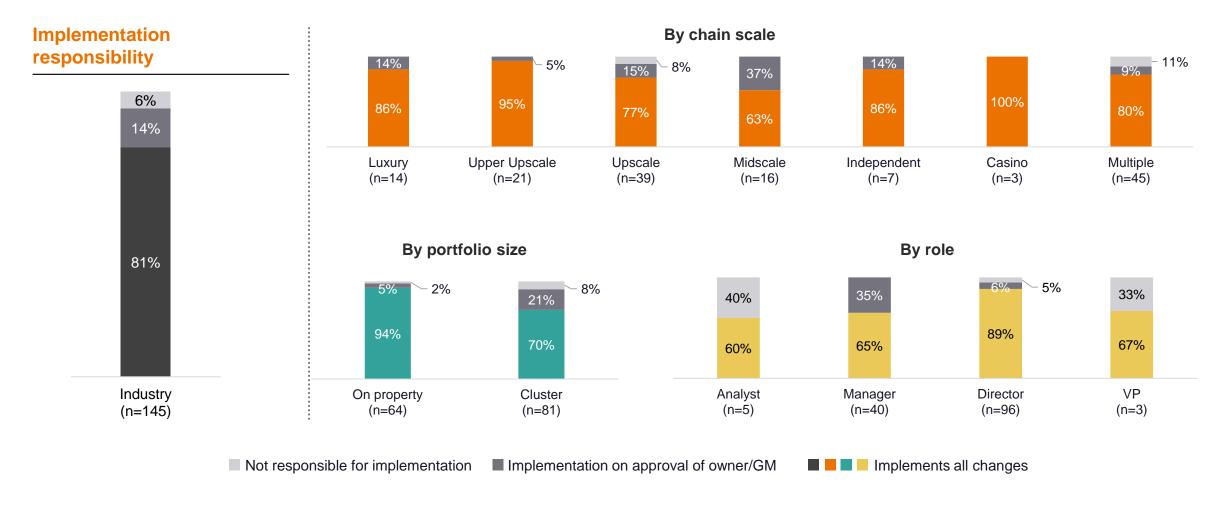


There is a large spread of override percentages across individual companies; all agree overrides are time-consuming; might indicate a large variety of system quality and/or end user training

% RMS overrides by brands & management companies



Most respondents across chain scales except midscale have complete implementation authority, analysts have the least



Q. Are you responsible for implementing price recommendations, or do you provide the recommendations to the GM for approval? Segments with n-size < 3 are not represented.



Internal Administration and Development opportunities

- Of all weekly administrative activities, internal team meetings take up the most time
- On average, RMs invest similar amount of time on internal admin work across chain scales, portfolio sizes and roles
- On property RMs spend less of overall administrative time on personal development, and more time in internal meetings
- 4 RMs get limited coaching from their direct managers
- Analysts tend to spend more time with their direct managers than other roles, but is this time spent on coaching?

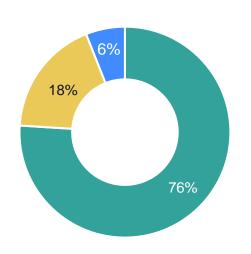




Of all weekly administrative activities, internal team meetings take up the most time

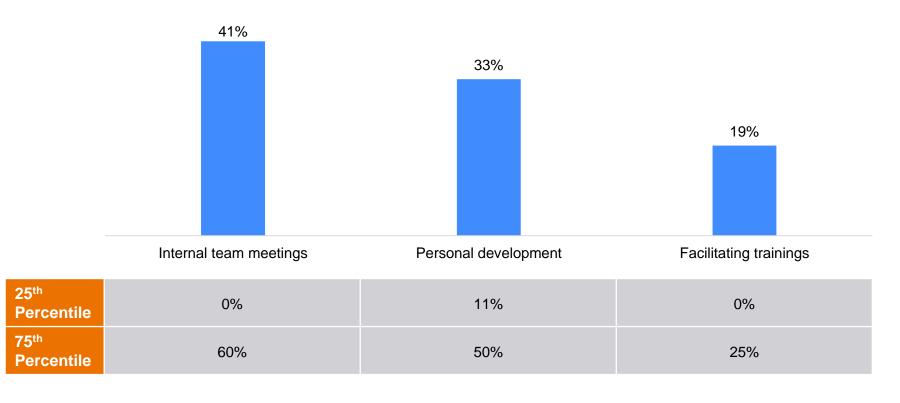
Weekly activity time allocation (n=145)

Time allocation on internal admin activities (average) (n=145)





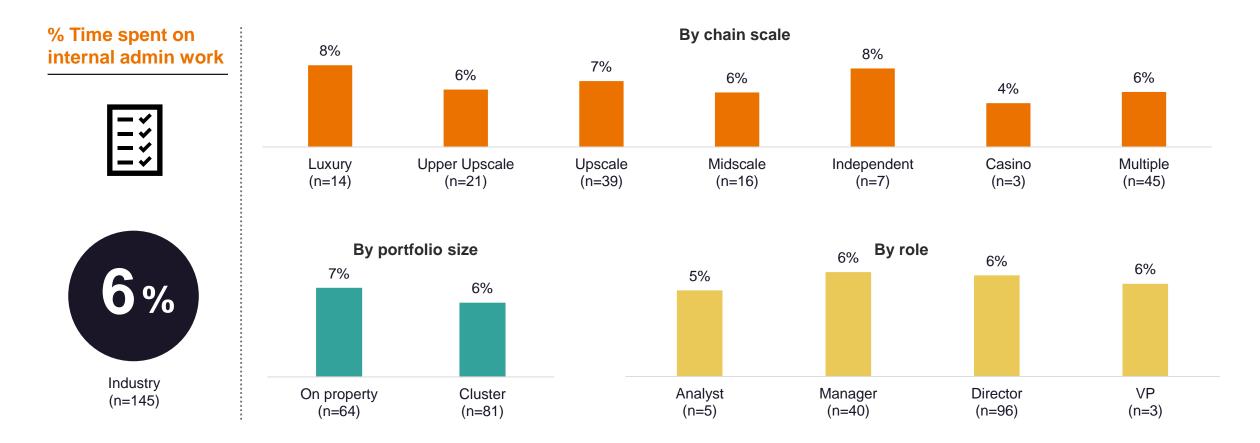
- Stakeholder Facing Activities
- Internal Admin Work



Q. Please provide with an estimate of the number of hours per work-week that you spend on internal admin activities across all properties Respondents spent 7% of their weekly time on average on other internal admin activities such as assisting with reservation clean up & rate code issues, coaching team members, emails, etc.

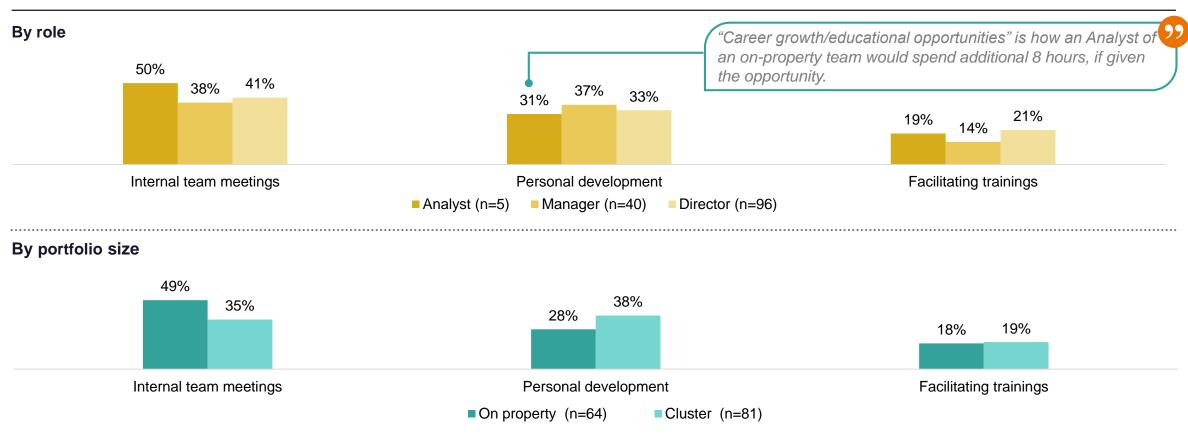


On average, RMs invest similar amount of time on internal admin work across chain scales, portfolio sizes and roles



On property RMs spend less of overall administrative time on personal development, and more time in internal meetings

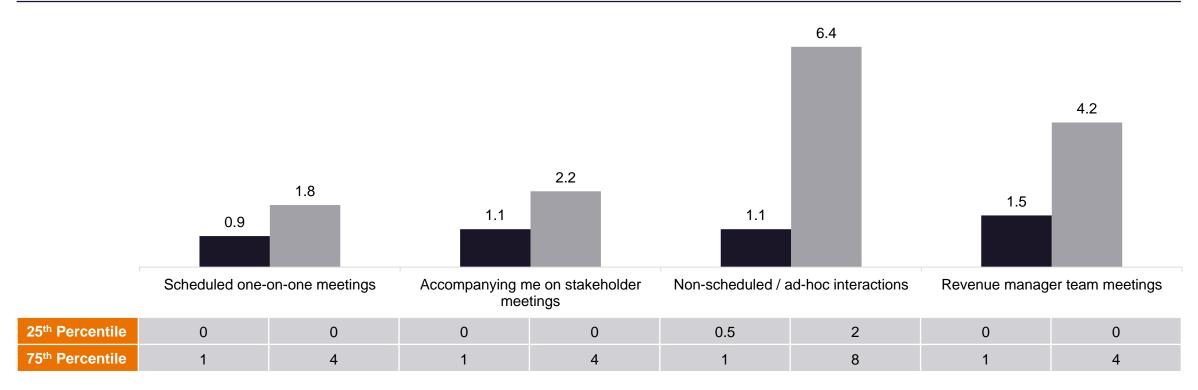
Time allocation on internal admin activities



Q. Please provide with an estimate of the number of hours per work-week that you spend on internal admin activities across all properties Segments with n-size < 3 are not represented.

RMs get limited coaching from their direct managers

Duration & frequency of coaching sessions with direct manager (average), (n=115)

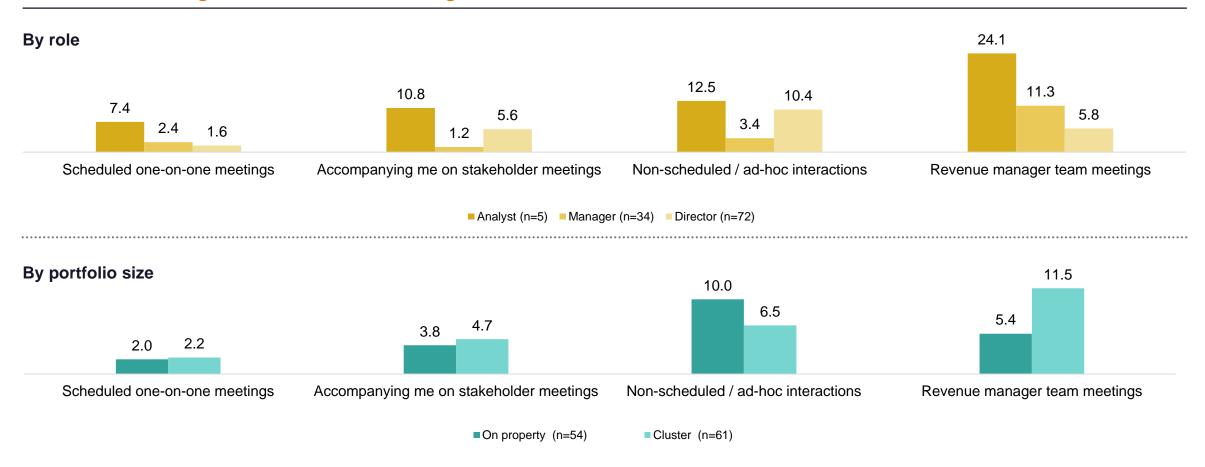


[■] Duration of coaching sessions

[■] Frequency of coaching sessions

Analysts tend to spend more time with their direct managers than other roles, but is this time spent on coaching?

Duration of coaching sessions with direct manager



Q. How many times per month does your direct manager meet with you? Segments with n-size < 3 are not represented.



In their own words....

- Revenue Managers want to reduce time spent on creating reports, overriding RMS, updating systems
- RMs have stopped forecasting, business reviews, personal trainings and analyzing past performance due to COVID-19
- Due to low bandwidth, RMs have had to reduce time spent on performance analysis, team interactions and lesser focus on long term strategy
- 4 RMs spend weekends catching up on work emails, following industry trends and making system updates



Revenue Managers want to reduce time spent on creating reports, overriding RMS, updating systems

RM responses to what tasks could be eliminated or reassigned to help them focus on revenue generating activities:



Currently managing reservations process for hotel and spend at least 75% of my time on these tasks. Once hotel is not severely impacted by the pandemic, hiring back a reservations agent at least part-time will give me back time to allow me to focus on revenue management strategies" - Director (Upscale)

Implementing strategic changes, would be nice if we had an analyst to complete this work - Manager (Upscale)

Manual reporting and system distribution maintenance could be automated or outsourced to better make use of time to strategy and analysis versus compiling information and mapping - Director (Independent)





RMs have stopped forecasting, business reviews, personal trainings and analyzing past performance due to COVID-19

RM responses to what work-related activities they stopped performing due to Covid-19:

> Travel to property Past performance analysis Forecasting Reporting frequency **Business reviews** Yield management Responding to customer reviews

Forecasting use to happen every month for the next 30, 60 and 90 days as well as weekly for the next week - this has currently stopped.

- Director (Upper Upscale)

Stopped some different reporting that was more tied to assessing performance between now and last year, more focused on last week

- Manager (Upper Upscale)

Reviewing rooms available/strategies only once a day now vs. multiple times a day since OCC is not as strong.

- Manager (Upscale)

I do not look as far out as often as I did pre-Covid. i.e., we set rates about 90 days in advance and then usually nothing much changes. Much less inventory control. We are always open!

- Director (Upscale)



Due to low bandwidth, RMs have had to reduce time spent on performance analysis, team interactions and lesser focus on long term

strategy

RM responses to what tasks they had to stop performing due to low bandwidth:



Forecasting is challenged - not just bandwidth with people completing it but not having trends or historic data to help. Reopening the hotels can be a challenge as there are lots of steps to complete and have less hands on deck to complete.

- Director (Upscale)

Keeping up with industry trends, training/personal development and time to interact with team members.

- Manager (Upscale)

Prioritization is everything. I am able to do all the important work needed, but have to put in an extra 16 hours per week.

- Manager (Midscale)



RMs spend weekends catching up on work emails, following industry trends and making system updates

RM responses to what work related activities they perform beyond working hours, or on weekends



I often catch up on competitor promotions and industry news after hours. Limited staff and time constraints are keeping me from doing these

during normal hours.

- Director (Upper Upscale)

Weekends are mostly spent catching up on guest inquiries, work emails and reservation leads. There's just not enough time in the regular work day due to reduced staffing.

- Director (Independent)

Weekend pricing, loading group reservations, managing inventory caps... we no longer have the after hours or weekend support. With a hotel with a very short booking window, management is needed late in the day or on weekends.

- Director (Upper Upscale)



About the authors



Kelly McGuire

Principal
Washington, D.C., USA
kelly.mcguire@zs.com

in

Kelly has two decades of experience helping hospitality and gaming companies modernize their revenue management programs through strategic investment in technology, people and business process redesign. At ZS, she continues her work with leading global hospitality companies.



Paresh Bhandari

Manager
Pune, India
paresh.bhandari@zs.com

in

Paresh leads revenue manager for hire at ZS and manages a team of revenue managers focused on hospitality clients. His team manages revenue management for 650+ hotels in NA. He has also helped brands setup and transform their revenue management function.



ZS is a professional services firm that works side by side with companies to help develop and deliver products that drive customer value and company results. We leverage our deep industry expertise, leading-edge analytics, technology and strategy to create solutions that work in the real world. With more than 35 years of experience and 8,000-plus ZSers in more than 25 offices worldwide, we are passionately committed to helping companies and their customers thrive. To learn more, visit www.zs.com or follow us on Twitter and LinkedIn.



HSMAI is a global organization of sales, marketing, and revenue management professionals representing all segments of the hospitality industry. With a strong focus on education, HSMAI has become the industry champion in identifying and communicating trends in the hospitality industry while operating as a leading voice for both hospitality and sales, marketing, and revenue management disciplines, as well as connecting its members with customers. Founded in the United States in 1927, HSMAI is an individual membership organization comprised of nearly 5,000 members from 35 countries and chapters worldwide.