

UNIT- IV ROOM SELLING TECHNIQUES

UPSELLING AND UPGRADING

❖ What is upselling

Each organization works with one major motive, and that is to maximize their revenue generation. Upselling is a technique as well as a process through which guests are encouraged to use full range of hotel services along with convincing the guest to opt for a higher priced rooms. This technique uses suggestive selling.

❖ How can a Hotel staff upsell-

Upselling can be used as a sales technique by taking into consideration, the following points:

1. Reservation Assistant should-

- a) Learn how to **control encounter with guest**.
A reservation assistant should be able to take control of communication flow.
- b) Learn how to **overcome natural inhibitions** when dealing with the guest.
- c) Needs to be **consistent, courteous and confident while dealing** with a guest.
- d) **Sound enthusiastic while asking for a sale**.

All of the above mentioned points can easily and naturally be imbibed by a Reservation Assistant only if he/she **KNOWS THE PRODUCT** (*convincing guest for why they should select your product*). It is important to know what you are selling in and out in order to convince the guest.

a) Controlling the counter-

- Avoid open-ended questions like “What type of room would you like to reserve”? Instead ask specific questions gradually getting the guest towards the choice of a higher priced or medium priced rooms. For example – “I can give you a Standard Twin Room for Rs. 2000 for a night, however for Rs.500 more, I can offer you a Deluxe Twin room”.

b) Getting rid of natural inhibitions-

- Do not assume that a room rate is exorbitant or expensive or inexpensive just because you think it to be.

c) Asking for sale-

- Few guests would opt for a better room unless the Reservation Assistant would ask for it or suggest it.

- The selling techniques used are:
 - i. High pressure (Aggressive selling)
 - ii. Non- Pressure (Suggestive selling)
As a matter of rule hotels go for a non-pressure or suggestive selling technique.

Non-pressure or Suggestive selling technique exert little or no pressure on the guests' decisions for a room type. This is done to reduce compliance or resistance from the guests' side. In general, guests tend to avoid extremes i.e. least expensive rooms will not be taken by the guest preferably.

The two approaches used by the hotelare-

- ✓ **TOP-DOWN** approach i.e. offering a high-priced room and gradually moving towards a lower priced room. This approach is also known as **DOORS IN THE FACE APPROACH**.
- ✓ The second approach used is **BOTTOM UP APPROACH**, i.e. suggesting the lower price room and gradually moving upto a higher price room. This approach is also known as **FOOT IN THE DOOR APPROACH**.

UPGRADE

It is a situation when a guest is shifted to better room at the same rate.

DISCOUNTS AND ALLOWANCES

DISCOUNT

Discount is offered to the guests to attract them, so the sales can be increased. The fact is that by giving discount hotel tries to increase its sale and hence increases profit.

Discount can be offered under the following circumstances –

1. Off Season Discount-
During off-season, hotels offer a percentage of tariffs as discount on rack rate or offer discounted tariff to attract more guests.
2. Group Tariffs-
Group of 8 to 15 persons or more are offered special discounted tariff to attract them. The quantum of discount will depend on the size of group, season (off/

peak), volume of business the company gives throughout the year, number of days the group will be staying, etc.

3. Airline Tariffs-

Airline crew, airline executives, layover passengers on Airlines account are offered special discounted tariffs, as they usually give more number of room nights throughout the year. The discount will entirely depend on the room nights offered by the Airlines throughout the year.

4. Special Tariffs-

Companies giving more no. of room night business are also special tariffs to attract them to a hotel.

5. FHRAI Members-

The Members of Federation of Hotel and Restaurant Association of India are offered 30% discount by the members of Hotels and Restaurants. This discount is offered as customary and is offered to members only as per rules.

6. Conference Tariffs-

These days, hotels, especially resorts offer special tariffs to companies to attract them to hold conferences in their hotels. The special tariff may be inclusive of sightseeing, pick-up and drop facilities etc.

7. Food/ Item not served-

Sometimes guest complaints either at the time of checking out or before but after the bill has been raised that the food or service charged for, were availed by them. If the hotel is convinced that the bill has been wrongly raised, then the discount is offered to the guest for the amount he is over charged.

The Receptionist on his own cannot offer discount or special tariff to a guest. All companies who are offered special tariff to a guest are only offered discounted tariff by Reception and if any other guest is to be offered discounted tariffs, then it is offered only by the Managers or by those who are authorized to offer discounted tariff to guests.

ALLOWANCES

Allowance is offered to a guest due to deficiency in services. At times due to some unavoidable circumstances the hotel residents are unable to get peaceful atmosphere and are offered allowance on rack rate. At times the food served to the guest was not of hotels standard and there was a deficiency in service and the management took decisions to offer allowance to guests on food. To offer allowances, receptionist raises allowance voucher, approved by an

Authorized person and enters in the Allowance register, as otherwise the account will not tally.

In brief, it can be said that allowances is given due to deficiency in service and the discount is given to attract more guests and in increasing the sales and profit of the hotel.

Assignment – Up-selling and Discounts

1. Explain 'Moment of Truth'.

Bibliography

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