

A TOUR OPERATOR/DMC REVENUE MANGEMENT OVERVIEW



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SELLING

THE RIGHT PRODUCT

ACCOMODATION	Hotels, apartment, villas
PACKAGES	Hotel + Flights, etc
TOURS	Multi-day itineraries
TRANSPORT	Flight, transfers, cruises
EXCURSIONS	Same-day tours, tickets
OTHERS	Insurance, rent-a-car, etc

TO

THE RIGHT CUSTOMER

SEGMENTATION * Product sensitivity * Time sensitivity * Price sensitivity * Buying behaviour * Imformation & booking channels	B2B:
	Other wholesalers, TAs
	Corporate
	3rd Party: OTAs, Groupon,
	TMC/ other DMCs
	Consortia
	B2C:
Direct consumers/End users	

FOR

THE RIGHT PRICE

PRICING STRUCTURE	Retail rate
	Packages
	Wholesales rate
	Corporate rate
	Group negotiated rate

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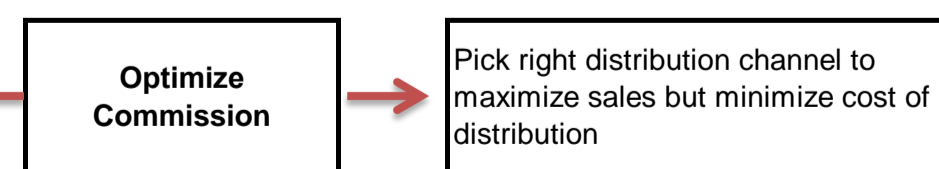
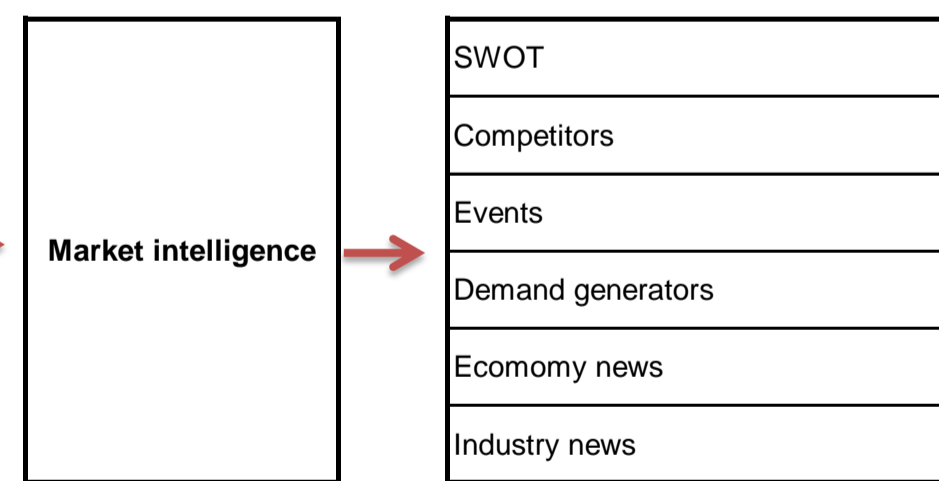
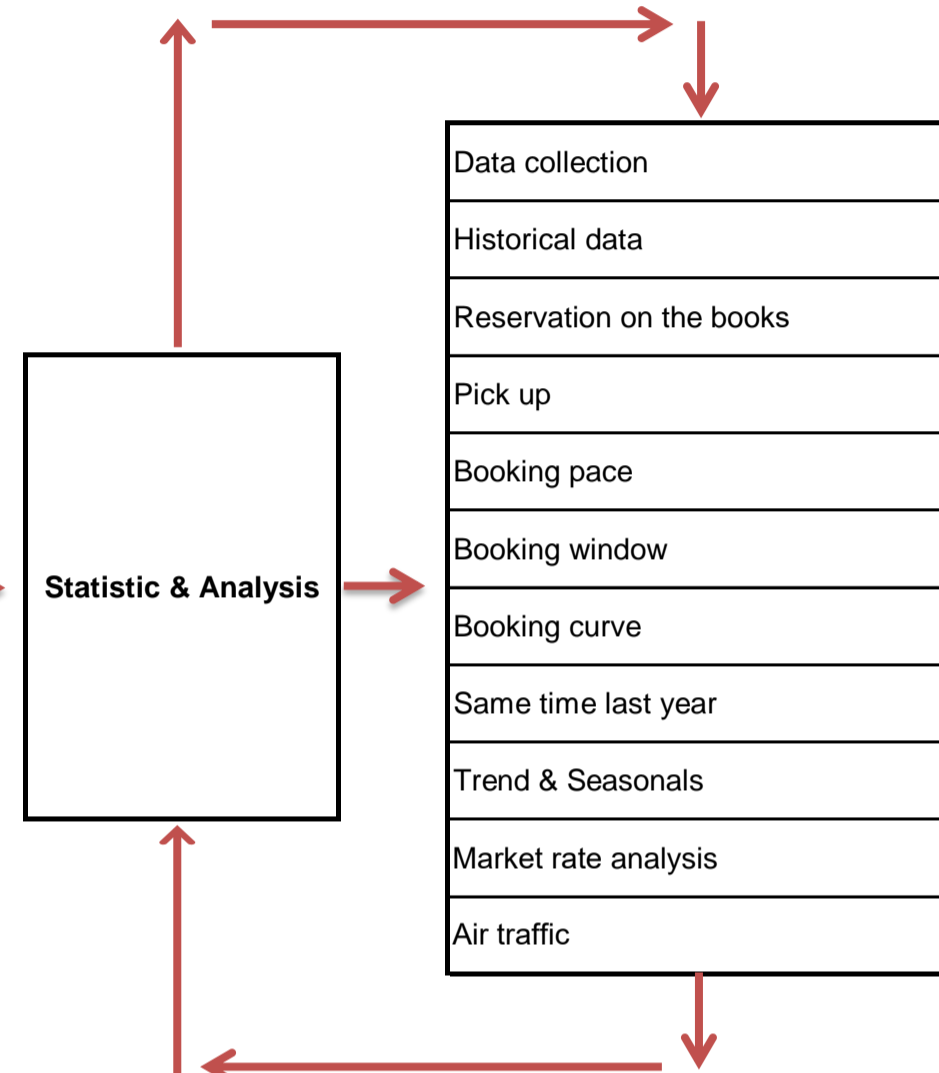
THE RIGHT TIME

SEASONALITY	Day of week
	Month of year
	Peak, shoulders and low seasons
	Hot, Warm, Cold periods

THROUGH

THE RIGHT CHANNELS

DISTRIBUTION	Direct
	OTAs
	Retailers
	Franchises
	Brand.com
	Social Media



Revenue Management Strategies

Short / Long term
High demand: Maximize retail price
Low demand: Maximize volume
Operations review
Maximize total revenue
Budgeting
Marketing

Revenue Management tactics & techniques

Control inventory & price
Selling price depending on difference between booking date/ dept date
Open/Close/Adjust rate
Open/Close/Limit inventory
Open/Close/Limit segment
Open/Close/Limit channel

Revenue Management process

Establish the baseline
Understand causes
Develop a strategy
Implement the changes
Monitor the impact
Repeat!

Revenue Management goals

Maximize profits
Driving KPIs to achieve the budget
Guest experience satisfaction
Reduce costs
Optimize operational aspects
Avoid "information silos"