OUR APPOINTMENT

In November 2007, shortly after its opening, Hamilton carried out an operational review and made recommendations to improve performance of the Holiday Inn Salisbury-Stonehenge. Following completion of this work, Hamilton was appointed in January 2008 to manage the hotel under the existing Holiday Inn franchise agreement and continues to do so today.

CHALLENGES AND SOLUTIONS

The slowdown in the market during 2009 resulted in Hamilton immediately implementing a strategy of greater rate flexibility in order to increase occupancy. Simultaneously, all costs were reviewed and streamlined. Actions taken included:

Internal Processes
- Implemented daily, weekly and monthly revenue reporting across all departments;
- Quarterly audits undertaken and financial policies implemented to ensure accuracy of revenue capture, expense reporting and security of cash and assets;
- IT and HR processes reviewed and improvements implemented;
- Significant operational savings made through improved procurement processes, including using PSL.

Revenue Management and Distribution
- Implemented a forecasting model allowing the review of rates, using year-on-year pace data, business on the books and a calendar of events;
- Introduced market led rates (including use of advance purchase rates) and rate levels allowing management to take advantage of price led demand while protecting key corporate and transient business;
- Renegotiated contracts and group terms, establishing contacts with key corporate accounts;
- Reviewed distribution through third party intermediaries and created a bespoke website.

Brand Management
- Implemented new brand standards. Hotel is consistently in the top quartile of IHG guest satisfaction surveys, scoring 83% in 2016;
- Renegotiated franchise fee on Owners’ behalf.

Food & Beverage
- Full review of menus and pricing undertaken to increase revenue generation and profit optimisation;
- Supported the Owner through a public area and guest bedroom refurbishment.

People & Payroll
- Recruitment of key management positions, ensuring local leadership and commercial focus;
- Introduced a formal quarterly appraisal process and a management bonus scheme.

RESULTS

Independent benchmarking by HotStats revealed that for the period from 2008 to 2016:
- The Hamilton led revenue strategy has achieved major success compared to the competition in occupancy, ADR and Total Revenue;
- The hotel achieved CAGR in Total Revenue of 3.2% compared to a decline in the competitor set of 0.3%. GOP experienced a CAGR of 7.5% compared to growth of just 0.9% in the competitor set;
- The Holiday Inn grew GOP per available room between 2008 and 2016 by £4,762 compared to a just £1,143 by the competition;
- £4.8 million incremental value delivered to owners.

If you would like us to manage your hotel we would love to have a conversation with you:

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