



## HOTEL MANAGEMENT CASE STUDY: HOLIDAY INN SALISBURY-STONEHENGE, UK

### 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;
- C£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:

Hamilton Hotel Partners - +44 203 696 1947

[www.hamiltonhotelpartners.com](http://www.hamiltonhotelpartners.com)

[connect@hamiltonhotelpartners.com](mailto:connect@hamiltonhotelpartners.com)