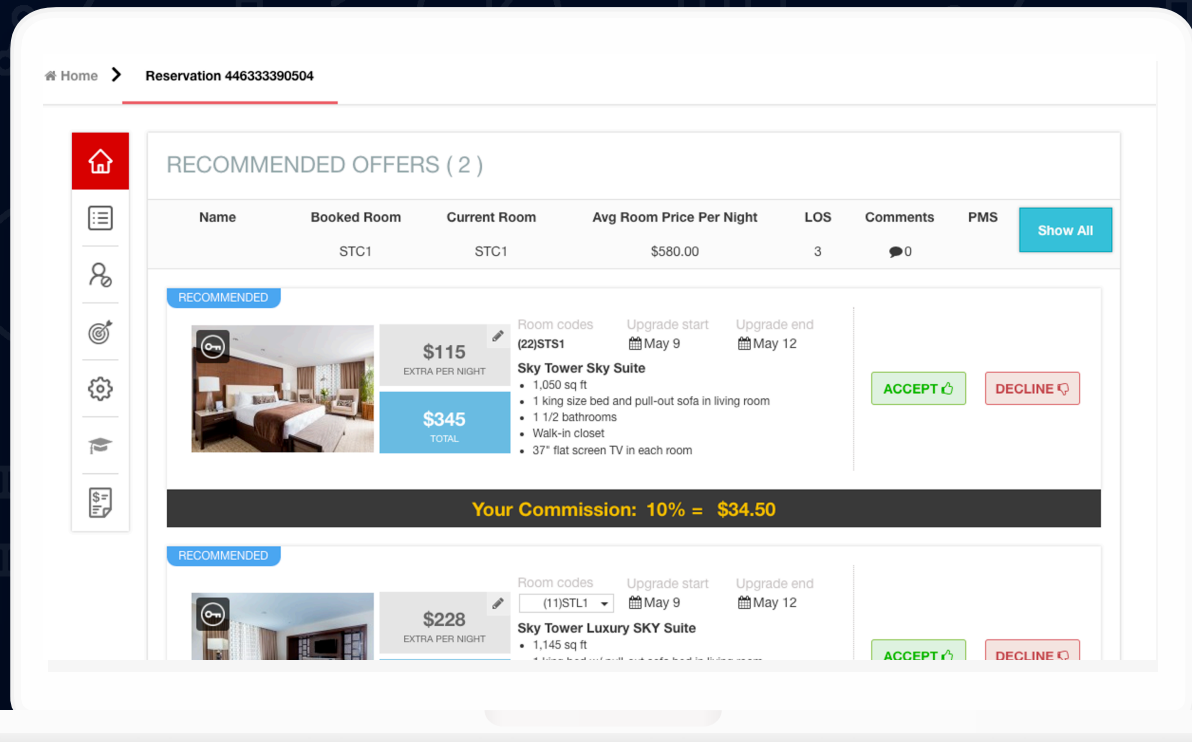


2023 BUYING GUIDE

The Ultimate Guide to Upselling Software



What is Upselling Software?



Upselling is a sales technique to sell products or services to existing customers. For hoteliers, upselling provides the opportunity to drive incremental revenue by offering guests room upgrades as well as products and services that have value. When done correctly, upselling is a win-win for both the guest and the hotel; effective upselling allows the guest to customize their stay, which generates both revenue and loyalty.

When done properly, upselling results in higher incremental revenue and a better guest experience. One of the main use cases for upselling in the hotel industry is to sell room upgrades. By upgrading guests into higher tiered rooms, hotels not only increase incremental revenue but can optimize inventory by monetizing room features, executive floors, and unique spaces in the hotel.

In addition to room upgrades, hotels can offer non-room inventory and ancillary services including early check-in, late checkout, parking, airport transfers, F&B, spa packages, cabanas, beach chairs and even off-site tours & activities. Upselling software automates the process of selecting, pricing, and presenting offers to the guest at any point in the guest journey coherently and consistently.

What's inside this buying guide?

- ▶ Introduction
- ▶ Key Benefits
- ▶ Trends & Developments
- ▶ Key Features
- ▶ Critical Integrations
- ▶ Pricing & Implementation
- ▶ Questions to Ask Vendors
- ▶ ROI Calculator
- ▶ Curated Resources

Upselling Software Benefits and Business Value

What it does

1

Increase Incremental Spend Per Guest

By offering segmented Upselling at booking and before arrival, hoteliers provide true flexibility to their guests, enabling them to choose from personalized offers at a time that's right for them. Upselling as part of the overall Revenue Management strategy is the most effective way to drive incremental revenue.

2

Save Time

Expectations are set before the experience itself. By enabling guests to customize their stay (and get inspired by what the hotel has to offer), Hotel Operations can anticipate special requests and save precious time in the fulfillment of every single guest request.

3

Personalize the Guest Experience

Consumers of today are used to controlling their experience. Gone are the times of fixed packages and one size fits all. Modern travellers crave freedom and personalization.

Upsells are 68% more affordable than acquiring a new customer.

How it adds value

- **Generate highly profitable revenue.** Upselling software generates profitability since hotels are selling to guests who have already converted. There is very low "cost of acquisition" for this revenue, making upselling one of the highest margin revenue sources.
- **Improve the guest experience .** Hotels use upselling software to market on and offsite services or experiences for guests. By introducing guests to relevant services and offers at attractive prices, satisfaction increases. Upselling software is flexible, giving hotels the opportunity to manage offers based on season, external factors, and guest demand.
- **Generate data and insights.** Understanding which services or offers guests respond well to after they've booked can help hoteliers better modify their revenue strategy as need. Transparent and on-demand offer data shows hoteliers how their guests respond to pricing, and product and service offering without waiting for monthly reporting or quarterly business review calls.

Trends & Predictions for Upselling Software

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HOSPITALITY



2023 Trends

Unbundling products and services. The concept of “unbundling” is not exactly popular in the hotel industry. It’s best known by its application in the airline business, where passengers purchase a certain fare class then add any number of amenities and services a la carte. Hotels are already selling rooms at different rates, offering early check-in or late check-out, spa services or other packaged deals. But how well are hotels optimizing what guests want to pay for so they can generate higher incremental revenue while providing a better guest experience? Nearly 90 percent of consumers are either enthusiastic about or are open to the concept of unbundling. Yet knowing what to unbundle to generate revenue takes expertise in both hospitality operations and ecommerce. Nor1’s experienced staff cover that ground and more, helping hotels generate incremental revenue while making the most of the hotel’s products and services.

Gamifying and automating staff incentives. In today’s world of high employee churn, a robust and transparent upsell incentive program is a competitive advantage that will keep valuable employees AND drive revenue for any hotel. Incentivizing front office staff by providing commission on upsell revenue has generally been a headache for hotel management. Front desk staff and reservation agents aren’t trained to sell but to provide a warm welcome and quick and efficient service. Manually tracking upsold rooms, services, and products by staff member means hours of mundane data input and reconciliation. Add in a lack of transparency and accountability, and the result is staff/management friction and a breakdown of the initiative. The solution is to automate the upsell program with Nor1 solutions, which display to agents at the point of guest interaction what upgrades, products, or services are available to that guest, to see how much the agent will make from that upsell, and to track the transaction in real time.



Key features to look for when choosing an upselling software solution

1 Present Offers Throughout the Guest Journey

Ability to drive revenue wherever the guest is, from booking to check-out, not just pre-arrival

2 Multi-Channel Reach

Offers should be visible on all digital and offline channels - booking engine, email, app, text, mobile check-in and check-out, at the front desk

3 Free Integration to PMS and Digital Channels

Keep margins high with no-cost integration to PMS, booking engines, email, app, and other digital providers

4 Real Time Data Dashboards

Gain insights of offer and hotel staff performance any time so you can modify your strategy at any time

5 Business Rules

Ability to build rules to manage offer eligibility based on any segmentation option

6 Robust Data Security

Make sure your data, and your guests' data, is protected with the most secure and reliable infrastructure available

7 Global Privacy Compliance

Make sure your provider meets all global data privacy standards

8 User-friendly Hotel Portal

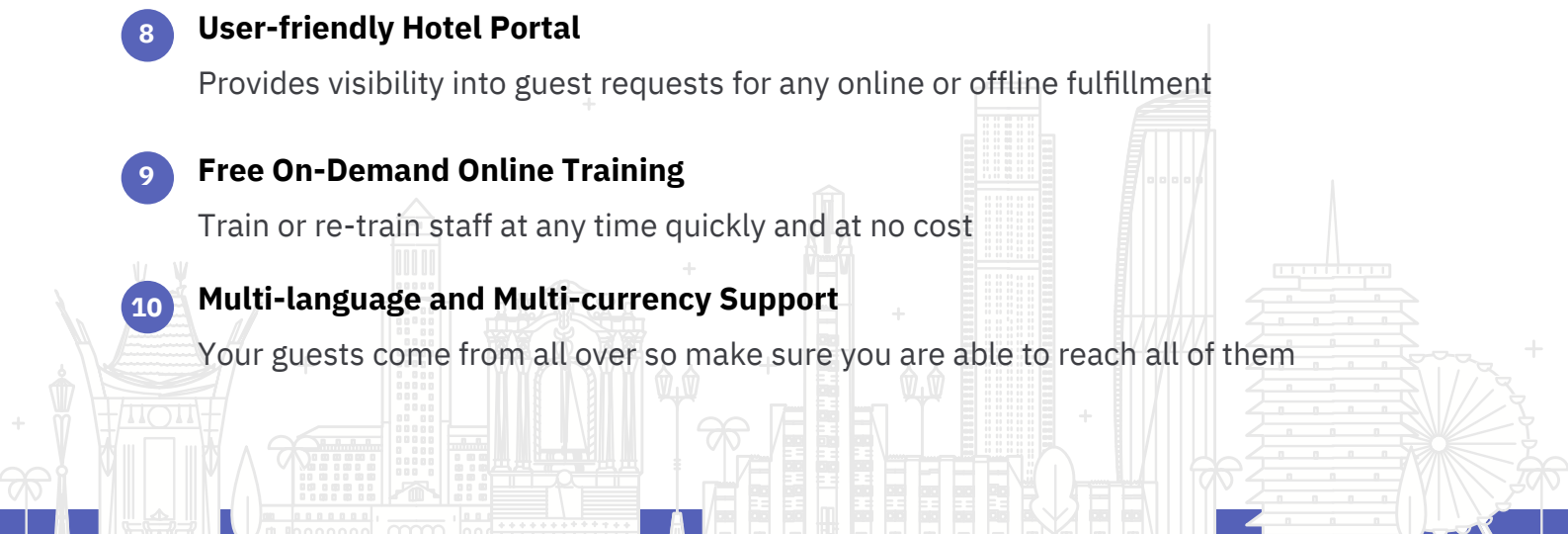
Provides visibility into guest requests for any online or offline fulfillment

9 Free On-Demand Online Training


Train or re-train staff at any time quickly and at no cost

10 Multi-language and Multi-currency Support

Your guests come from all over so make sure you are able to reach all of them



Top Rated Upselling Software Products



Nor1
Featured Upselling Software


Reviews
20

Recommend
82%

Integrations
18

Demo

[Read Reviews](#)



↗

Oakly
Upselling Software

Reviews
215

Recommend
94%

Integrations
54


↗

EasyWay
Upselling Software

Reviews
95

Recommend
99%

Integrations
44



↗

Canary Technologies
Upselling Software

Reviews
32

Recommend
95%

Integrations
22



↗

ROOMDEX
Upselling Software

Reviews
29

Recommend
98%

Integrations
11



↗

UpStay
Upselling Software

Reviews
17

Recommend
93%

Integrations
15

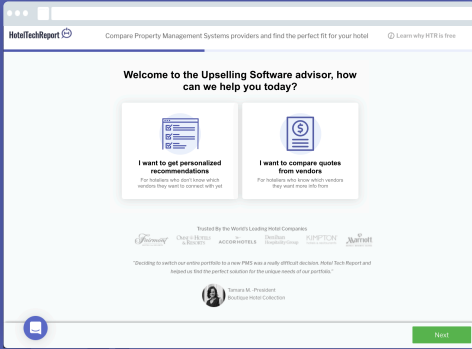

↗

GuestJoy
Upselling Software

Reviews
96

Recommend
96%

Integrations
18



Want to find out which upselling software solution is best for your hotel in under 2-minutes?

Take the quiz →

EXECUTIVE LETTER

Streamlining the incentive journey from booking to arrival

Much has changed in the hospitality industry in the last few years, but the imperative to generate revenue has not. What has changed? The importance of incremental revenue generated by engaging the guest throughout the guest journey, and its inclusion as a key component of a hotel's revenue strategy.

With unpredictable macro-economic impacts around every corner, hotels need the ability to drive revenue from all available sources, including upselling rooms, room attributes like views or floors, non-room items like early check-in and late check-out, and ancillary products like spa or cabanas. But unpredictable demand and even more unpredictable staffing practically require any upselling initiative be automated because manual programs are no longer sustainable or scalable. For staff, upselling programs need to be easy to use, fully automated, churn-proof, and an integrated part of the property management system.

The value to the employee of the upsell incentive needs to be transparent so employees will actually upsell for their own financial benefit, for the benefit of the hotel, and for the benefit of the guest. Smart hoteliers today will understand the power of incentive compensation, and an automated tracking system will streamline incentive tracking and calculation. Automation provides scalability across the guest journey from booking to arrival. Guests will interact with offers at their convenience, not the hotel's, so a hotel's upsell strategy must be multi-channel.

Selecting, pricing, and presenting upsell offers on all digital channels is only possible with automation, and guest interaction with offers needs to track across online and offline channels, also only possible with automation. Finally, many companies that don't specialize in upselling are now offering that functionality as a value-add. Make sure any upsell provider you consider has upselling as a core competency, has long-time experience in the hospitality market, and has a referenceable customer base. Driving revenue, streamlining operations, and providing a great guest experience is too valuable to trust to an unproven provider.

Jason Bryant
Vice President, Nor1

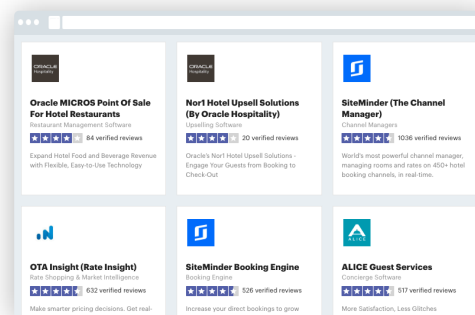


● Want to save time and money on integrations?

Learn more about  hapi

Critical integrations

Without the right integrations even the best product can add complexity and cost. Make sure any vendor you consider has the integrations you need to set your team up for success.



- ▶ **PMS.** No-cost real-time two-way integration to your PMS means no more manual intervention to present or fulfill guest upsell requests.
- ▶ **Digital Providers.** A free API that provides offer information on demand for confirmation, pre-arrival, ad hoc emails, booking engines, apps, text, and mobile services providers lets guests interact with upsell offers wherever they want.
- ▶ **Channel Managers.** A well-connected channel manager is a less-robust but still viable solution if the upsell provider doesn't integrate with your PMS.

What success metrics (KPIs) should you focus on?

- ▶ **Revenue.** This seems obvious but total upsell revenue should be a recurring item in your monthly, quarterly, and annual budgets. Total revenue should break down into offer performance, channel performance (booking engine vs. email vs. text, etc.) and agent performance for on-site upselling.
- ▶ **Click-Through Rate (CTR) and Conversion.** Tracking how guests interact with offers by channel will show you where your guests request upsells, and which of your channel partners are the most valuable for you. It can also show channels that aren't performing as expected, perhaps due to design or placement issues on digital real estate.
- ▶ **Staff Incentives.** Upselling at the front desk is the most lucrative upselling channels for most hotels and is a necessary complement to upselling at booking and during pre-arrival. Tracking staff offers, sales, and incentives has been a laborious manual exercise, but an upselling software can streamline this mundane task while providing transparency to staff about their incentives, and transparency to management about the high margin of upselling revenue.

What questions should smart buyers ask upselling vendors?



#1 What is your business model?

Upsell providers offer several different business models, ranging from per-room fees to sliding revenue targets to revenue share. Look for a partner in your business, one that shares in the risk and is committed to helping you maximize incremental revenue.

#2 How are upsell offers created and priced?

Room rates are dynamic, and your upsell prices should be too. How does the provider price upsells? Is it only based on room type delta/differential/supplement? What other factors are considered? How are non-room inventory and ancillary products and services priced?

#3 What type of revenue can my hotel expect?

An experienced provider with a large install base will be able to provide comparable numbers based on your hotel type, location, and market. They should also offer a calculator so you can include your specific hotel data like occupancy, ADR, etc., so you can see the data for yourself.

#4 What is the implementation process?

Ask what data you must provide and how the provider will interact with your staff. Ask what consulting support they will provide to make sure the offers for your hotel are for products and services that will actually generate revenue.

#5 What integrations are in place today, and how much will they cost?

Ask what data you must provide and how the provider will interact with your staff. Ask what consulting support they will provide to make sure the offers for your hotel are for products and services that will actually generate revenue.

#6 What support will my hotel receive going forward?

Just like room pricing, upsell pricing should not be 'set it and forget it.' Ongoing incremental revenue is an important source of revenue and any upsell provider should treat it as such. What support is provided? On-line, via phone, via email, or even in person? What's the cost for each?

Pricing & implementation guidance



PRICING

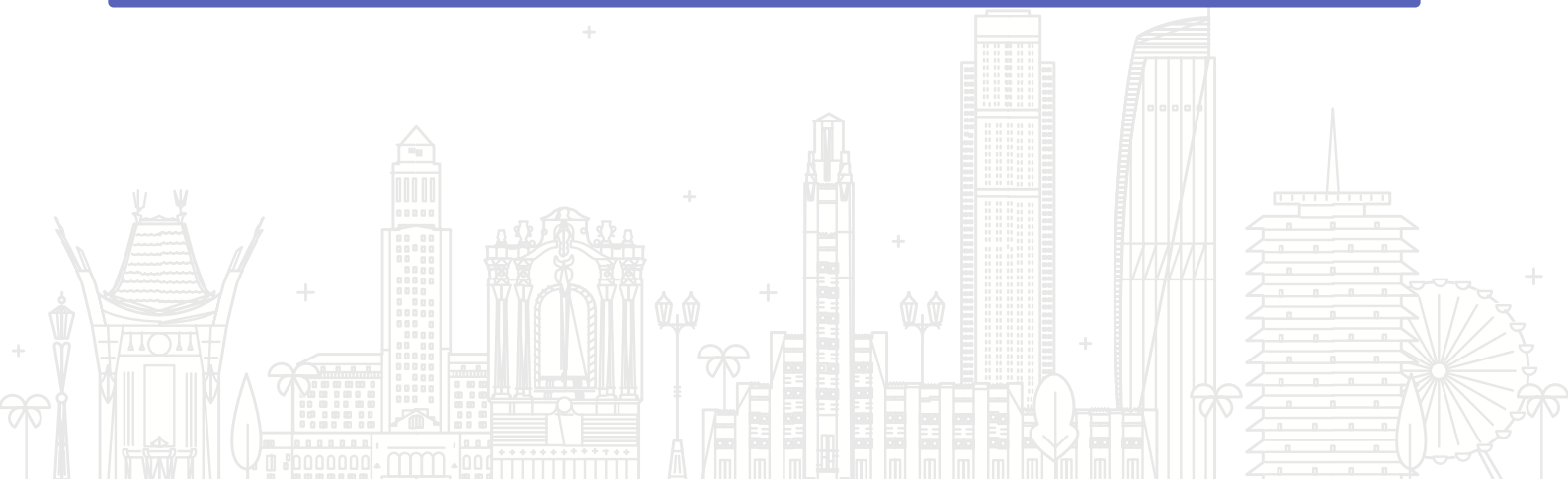
What are the typical pricing models and ranges that I should budget for?

- **Commission Model.** No upfront costs with a revenue share of upsell revenue generated. The upsell provider shares the risk with the hotel because the provider makes money when the hotel is successful
- **Fixed Fee Model.** A per-room fee charged monthly. Because the provider is paid no matter what, there's less incentive for the provider to invest in the hotel's upselling success

IMPLEMENTATION

What does the typical implementation timeline and process look like to go live?

- **1-4 Weeks.** A hotelier should expect to be live with any good Upselling software provider within 7-30 days. Providers should make the implementation as simple as possible, and provide training accordingly. The connection to the PMS is usually the factor that cause this variance (depending on PMS providers, connection is immediate or takes longer).



Furthering Reading & Success Stories

Read real stories from hoteliers like you about how they leveraged upsell software to grow their business.

SUCCESS STORIES



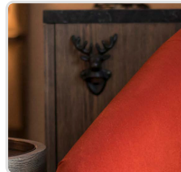
Great Wolf Resorts makes a splash with Oracle Hospitality Nor1 upsell solutions



Four ways Radisson Hotel Group Americas adapted to a new reality



Fairmont Tremblant "yields up" revenue by automating upsells with Oracle Nor1



Mohegan Sun increases non-gaming revenue with Oracle Hospitality Nor1

SUGGESTED READING

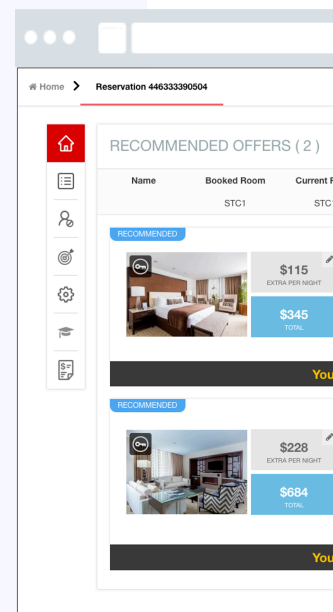
- [How artificial intelligence makes hotel upselling smart – and effective \(via Oracle\)](#)
- [Upselling Tactics: Dynamic Pricing, Diverse Offers and Personalization](#)
- [5 Upsell Techniques to Explode Your RevPAR](#)

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ORACLE[®] HOSPITALITY

Oracle Hospitality Nor1 hotel upsell solutions fully automate demand generation, demand capture, and demand fulfillment, giving your hotel the opportunity to maximize guest revenue by offering relevant and appealing upsell opportunities throughout the guest journey. From booking to check-in, from room upgrades to food and beverage add-ons to spa services, engaging with guests and providing customized offers lets your hotel provide the perfect guest stay, and one that is highly profitable for you.

The Nor1 suite of solutions – including eStandby Upgrade, eXpress Upgrade, and CheckIn Merchandising – are cloud-based applications that leverage machine learning, enabling hoteliers to generate highly personalized offers with the greatest odds of acceptance, present them at multiple points in the guest engagement cycle, and empower front-desk staff to confidently recommend relevant options at check-in.



About Hotel Tech Report

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