

## Direct Sales Makes a Comeback

By [Brenda Fields](#), Founder, Fields & Company | June 19, 2022



Some instincts are timeless. And in hotels, the need for giving and receiving hospitality is one of them. Over the past 20 years, there have been significant changes to hotel sales and marketing strategies and responsibilities primarily brought on by the evolution of technology. The science of revenue management and the sophistication and reach of social media are two key components contributing to the changes.

New distribution channels have contributed to the dissolution of market segmentation, a key factor in allowing hoteliers to thoroughly understand and analyze their business. Although all of this allows greater efficiency for generating business, the downside has been a lack of personal relationships between hotels and their guests and clients, only to be magnified with the fall-out from the pandemic.

Fast forward to 2022. In restarting business, the need for personal interaction along with the individualization of client and guest needs have emerged as significant factors. For example, a standard contract, not customized, no longer works. Nothing can be pre-determined.

Direct Sales was once one of the most enviable departments in the hotel. It may have looked cushy from the outside, but when functioning on all cylinders, would produce 60-75% of the business consumed in the hotel. Who is better at balancing the needs of both the owners and guests/clients, achieving the sometimes, competing objectives, but the Direct Sales Manager with business acumen and great social skills?

But over time, high demand coupled with new technology and OTAs, led to Direct Sales' playing more of a secondary function i.e., taking a back seat to "indirect sales". The consolidation of sales efforts among multi-properties proved cost-effective, but removed the Sales person from the hotel, which was sometimes in another state. Subsequently, there is an entire generation of hoteliers who have not experienced what a well-trained and high functioning sales department looks like and what can be achieved when times are tough!

Here are tips for owners and operators to ensure that they are fully versed in the role of Direct Sales in the current and post-COVID-19 business environment in order to maximize revenues.



## **Why Direct Sales Matters**

Pre-pandemic, the hotel business was soaring with high demand in key markets and with record profits. New York City alone experienced unprecedented occupancy levels year over year, topping 87%. In a city of 138,000 hotel rooms, that's a lot of rooms sold! The high demand drove average rates which in turn drove RevPAR, an important statistic to evaluate profits.

Overnight, business disappeared. Markets that were viable pre-COVID-19, no longer exist as such. Travel restrictions, corporate liability, and lack of consumer confidence has played significant roles in the loss of demand. Distribution channels and social media vehicles have also dramatically changed with the new business environment.

All of this points to the greater role of Direct Sales and the valuable function it performs. Whether working remotely or on property, Direct Sales provides a service not replicated by social media, revenue management, or the hotel's own website:

### **1. Generate Business. Controllable Placement of Business**

High demand year after year created a sense of complacency and a diminished role of Direct Sales. With such high demand, there was a lack of formal sales training to ensure top sales skills. Sales Managers had little latitude in negotiations with potential clients. Business that was not booked was easily replaced.

But in a competitive market, business will be awarded to those who are knowledgeable, nimble, and inspire trust. The function of Direct Sales is to generate business through ongoing targeted and refined solicitation of specific market segments. A sophisticated system of quantification and goal setting provides a continuous source of business despite market fluctuations. The skilled Sales Managers can uncover a client's needs and address objections to win the business. Brands and individual properties' marketing efforts certainly drive business. But, as with COVID-19, when there is no business, then what? That is where Direct Sales can make a difference.

The knowledgeable and tuned-in Sales Manager, with "boots on the ground" is in the valuable position to feed information to owners and managers who can then nimbly revise strategies and make operational adjustments. Why wait for a study to come out when the Sales Manager can provide important insights from clients through their daily interactions.

### **2. Customized and Flexible Contracts**

A "one-size fits all" contract template will not work in a business environment that is flush with unknowns and constant changes. Of course, the first step is to make it easy for the client who is contacting directly. Give the client an option other than the online booking inquiry form and set standards on response time. The Sales Manager now needs to be trained, educated and knowledgeable on all the components of contracting details to meet the needs of the client who is faced with uncertainty as well as to fulfill the financial

interests of the property. A significant part of knowing how to negotiate is to have knowledge of the profit centers in the hotel.

A knowledgeable Revenue Manager is important, but training and empowering the Sales Manager will foster efficient business transactions and generate loyalty. What is the impact of waiving room rental, lowering room rates, or providing a complimentary welcome drink? How are deposit and cancellation policies set? The smart hotelier will take the time to teach and train so when group and transient business does come back full force, the Sales staff will be at their best.

### ***3. Personalization in The Age of Covid-19***

It has been proven that the successful businesses' guiding principle is one that is dedicated to the guest experience (as well as the decision maker's experience). How easy (or difficult) is it to book your hotel; get information on meeting spaces; or to speak directly to a staff member? Filling out forms or listening to a recording giving a plethora of phone extensions only to reach voice mail is not only exasperating to a guest or client but does little to inspire confidence or loyalty.

Who in the property will fulfill the role of keeping accounts feeling secure in doing business with them? The Sales Manager can be the "one stop shopping" experience that fosters a sense of comfort and trust which therefore inspires loyalty. With all the rules and guidelines, it is more important than ever to provide a sense of humanity in dealing with guests and accounts. Sensitivity to furlough's, financial losses, and personal hardships are better handled by person-to-person interaction. Social media posts, email blasts, as well as information on the website, cannot substitute for sincere and thoughtful personal contact. Travel Managers who are responsible for the bulk of corporate business will determine which properties with which to work, based on in large, the trust inspired by the property's Sales Manager.

### **Hire Right. Know What Makes a Great Sales Manager**

A great Sales person is a unique breed. A highly effective Sales person has two equally important but opposite characteristics such as great people skills and detailed business knowledge. The process of hiring is now done primarily online with algorithms programmed to screen out undesirable candidates. While that is efficient for many positions in the hotel, it is not the best tool in identifying positions such as Sales Managers. Those positions with nuanced skills and characteristics are better served by allowing the candidate to by-pass the online application process to ensure that many highly qualified candidates left on the "cutting room floor".

A few important characteristics that cannot be trained:

#### ***1. Warmth and Empathy***

Who does not respond to a person who genuinely cares about you and your needs? The best test is on the interview. Did the candidate arrive on time, smiling, dressed appropriately, and prepared with knowledge of your hotel/company in order to engage in meaningful discussions? How you reacted to the candidate is how most clients will react. Trust your instincts.

#### ***2. Ability to Work With and Inspire Trust of all Types of People***

There has been much analyzed regarding the differences among age groups i.e. Millennials, GenX, GenZ, and Baby Boomers. Buying habits and communication styles may vary from group to group, but what does not change is the need for and appreciation of responsive, knowledgeable, and honest personal interaction. The Sales person is key and a great Sales person has the ability and skill to relate to all types and to understand their needs and communication styles.

According to a report in squareup.com, "Every generation relates to brands differently, and they have varying objectives when it comes to the shopping and buying experience. And no matter the generation, great customer service is always the most important thing".

#### ***3. Good Habits***

The most basic expectation of a Sales Manager is to respond to inquires in a prompt and professional manner. And to elevate that to a great Sales Manager, good habits include being accessible and responsive; proactive; keeps their word; and is a dedicated problem solver. Accountability will be key. Setting standards for follow up, contracting, and client interaction will be important to set the best culture for a high functioning Sales Department. An owner or manager typically will not have the luxury to "see what happens". Therefore, it is important to hire the right people and ensure that an accountable approach is in place to produce the best and highest results.

#### ***4. Good Business Aptitude and Instincts***

The best Sales Manager is one who is a hybrid of two equally important traits i.e. great interpersonal skills and great business acumen. One without the other will not produce the top financial results that should be achieved. The same financial investment is made with a sub-performing Sales Manager as with a top producing Sales Manager, so why not aim for achieving the best results?

#### ***5. Goes The Extra Mile***

Just doing the minimum does not foster a comfortable and trustworthy relationship which is paramount to generating revenues. As an example, a great Sales Manager is one who responds promptly to an international inquiry with a time difference of seven hours. Responding only during typical work hours of 9am to 5pm, will leave much needed business on the table as busy Travel Managers



appreciate timely feedback in order to place their business.

### **What Direct Sales Should Look Like Now and Post-Covid-19**

Travel is starting to ramp up. Business meetings, conventions, and weddings will return. It is a matter of how, when, and what new protocols will be in place, all based on where we are in the pandemic cycle. Authentic human interaction will be the new amenity, replacing thread-count and name brand toiletries. And direct, personalized communication will replace blanket messages through social media and third-party listings, in importance to drive corporate business and to inspire trust.

In the successful and high performing Sales Department, technology will be used to ease and humanize the sales process. Zoom and ol' fashioned phone conversations will be de rigueur. It is personal interaction that will help foster a relationship between the Sales Manager and client. Notifications on websites and social media will still be important, but that will not replace the customer's need for direct contact with a trustworthy person. Each successful and productive Sales Manager will work with a sense of urgency and with care and expertise in collaborating with clients and navigating each individual client's changing needs brought on by the pandemic.

For the generation of hoteliers who have not experienced a high-functioning Sales Department, it will be a Master Class in ROI by having a well thought out, knowledgeable and expertly executed Sales Department that is skilled in providing hospitality to a population left frazzled by the fall out of COVID-19.



Ms. Fields

*Brenda Fields is an industry leader, named by HSMAI (Hospitality Sales & Marketing Association International) as a "Top 25 Extraordinary Mind in Sales & Marketing" and is a member of the exclusive International Society of Hospitality Consultants (ISHC), a by-invitation only, 200-member professional society. Ms. Fields served in senior marketing positions before establishing her successful consulting practice. Her clients comprise a wide range of hotels, resorts, and hotel companies around the world, including five-star, luxury boutique properties, 2,000 room hotels and conference centers, as well as some of the largest real estate development companies in the U.S. At the onset of her career, Ms. Fields joined the then, hospitality industry visionary, Dunfey Hotels at the renowned Ambassador East in Chicago, IL and moved up the ladder quickly. The systems Dunfey Hotels had pioneered provided a basis on which any problem can be resolved regardless of market conditions or product type. Ms. Fields can be contacted at +1 518-789-0117 or [brenda@fieldsandcompany.net](mailto:brenda@fieldsandcompany.net)*

**[Extended Biography](#)**

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