

A Direct Sales Reboot and Reset in the Time of COVID-19

By [Brenda Fields](#), Founder, Fields & Company | September 13, 2020

During the time of COVID-19 with months of lockdowns, closings, and furloughs, what emerged was a period during which individuals went back to basics. Almost simultaneously, people had a yearning to bake bread, keep journals, and organize family photos. There was a need for comfort and for nurturing as the pandemic changed life as we knew it.

One of the hardest hit industries is hotels. Big brands to small independent hotels have discovered that what had worked pre-COVID-19 is now untenable. And to add to the challenge, there is a lack of or greatly diminished resources to reset, reboot, and restructure. As business changed significantly, what has evolved is the opportunity to reinvigorate Direct Sales, one with a proven ROI, by going back to basics.

Direct Sales in the hospitality industry played the primary role in driving business into the property until approximately 20 years ago, generating approximately 60%-75% of the property's revenues. Direct Sales was responsible for directly targeting and booking new business in specific market segments as well as growing existing business. Understanding the peaks and valleys in the marketplace was important to control the placement of business.

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!

With the abrupt loss of demand and loss of traditional markets, it is critical to evaluate and shift strategies. Growing market share will be the focus to generate revenues and the successful hotelier in a competitive marketplace will quickly evaluate to devise and execute plans to impact market share.

This article will illuminate what owners and operators can do to ensure that their properties 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-COVID-19, the hotel business was soaring with high demand in key markets and 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 exists 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 inspires 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 and the skilled Sales Managers can uncover a client's needs and 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.

Business will come back, but unpredictably with the ebb and flow of the pandemic. 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 i.e. travel restrictions that vary from location to location; quarantines required; and business openings or closings based on changing data. The Sales Manager now needs to be trained, educated and knowledgeable on all the components of contracting details in order 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 better 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 now, when there is little business, to teach and train, so when group and transient business does come back, the Sales staff will be at their best.

3. Personalization in the Age of COVID-19

As of this writing, most major hotel brands require that masks are worn in their properties, and protocols call for little or no personal interaction of guests and clients with staff. Who in the property will fulfill the role of keeping accounts feeling secure and 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

Many owners or managers look for one factor in hiring a Sales Manager i.e. if the person is working for their competitor. The assumption is that the Sales person will have a book of clients that will follow them to the next property. But in actuality, most clients/accounts are loyal to the property rather than a sales manager. And with stringent corporate guidelines relating to preferred properties, large accounts stay with their preferred vendors throughout the contracted time i.e. one to three years, regardless of changing staff.

Therefore, the wise hotelier will know the right characteristics of an effective Sales Manager and will hire, train, and shape accordingly.

Here are 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 recent 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 can 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

The top performing Sales Department will look very different than the model of the Sales Department over the past 20 years.

Travel will return. 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. Safety and health 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, GoToMeeting, FaceTime, and ol' fashioned phone conversations will be de rigueur. Seeing a live person, sans mask, 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 their changing needs during the pandemic.

Pre-COVID-19, OTAs tapped into a busy society's need for speed, and therefore gave instant access to information on which to decide and deliver travel transactions. Now, with COVID-19 and beyond in the foreseeable future, travelers demand the assurance that their safety is paramount.

For the generation of hoteliers (including owners) who have not experienced a high-functioning, Sales Department, it will be a Master Class in ROI with a well thought out and expertly executed Sales Department. Now is the time to reboot and reset.



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

[Extended Biography](#)

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