



# A New Chapter for Hotel del Coronado

How the iconic resort is aiming higher with a sharp focus on Revenue Strategy

**RevPAR: +12.8% | RevPAR Index: +5.7%** (2015 vs. 2014)

## The Challenge

Since Hotel del Coronado opened in 1888—perched perfectly on the Pacific Ocean at the southwestern tip of the U.S.—it has been featured in numerous movies and books and has hosted its fair share of presidents, royalty and celebrities.

Upkeep alone of such a sprawling and impeccably detailed property is labor-intensive and assumes premium overhead costs. Until recently, RevPAR Index had been decreasing for five consecutive years. Management knew that by dividing business into three distinct segments they could target new guests and price rooms appropriately.

## The Solution

Partner with Duetto to automate daily revenue management functions and empower the revenue team to make strategic decisions, such as a new approach to segmenting.

Because the 757-room resort is divided almost into three separate hotels—Beach Village, premium and non-premium rooms—the team recognized an opportunity to look at the hotel's diverse group of guests differently. Utilizing functionality within GameChanger typically used to manage portfolios of hotels, The Del is now able to easily price rooms and optimize demand separately for each of its offerings.

*“The economy is up, we shifted market segmentations and we got Duetto, and 2015 was the best year we ever had.”*

— Andre Zotoff

Vice President & General Manager, Hotel del Coronado



# The Results

Despite consistently outperforming its competition, RevPAR Index at The Hotel del Coronado began sliding incrementally in 2011.

By restructuring their revenue team, partnering with Duetto and re-segmenting their business, management was able to reverse that trend in 2015 and return to positive annual RevPAR Index growth.

(2015 vs. 2014)

**RevPAR: +12.8%**

**RevPAR Index: +5.7%\***

\*An average of RevPAR Index increases from The Del's five competitive sets, which ranged from a 3.3% increase to an 8.3% increase.

## How it Happened

- New management with a focus on driving RevPAR Index
- Implemented GameChanger solution to automate revenue management
- Ensured all departments are making decisions from the same sets of data
- Began segmenting the resort's diverse group of guests differently
- Optimized demand and price separately for each of The Del's three offerings
- Built a strategy to vary comp sets based on seasonality and customer type

*"The more you can automate, the more you can streamline overhead expenses. You can hire people who are really smart and understand the data rather than having nine people working on spreadsheets gathering data."*

— Andre Zotoff

Vice President & General Manager, Hotel del Coronado

