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Case Study

Delivering Top Results For Graduate Hotels

New lifestyle and experiential hotel brand scales quickly as revenue team embarks on steep learning curve with new technology

+8% RevPAR Index

(full year 2019 vs full year 2018)

The Challenge

AJ Capital Partners launched Graduate Hotels in 2014 with the aim of delivering a new lifestyle hotel collection targeting dynamic university towns across America.

By 2018 the brand had 10 hotels in operation. However AJ Capital Partners wanted to ramp and scale quickly. They identified that an integrated technology stack, complete with a Revenue Management System, would be vital in enabling them to grow.

In order to scale and drive revenue they needed additional insights into demand and wanted to gain efficiencies through controlled automation.

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"Prior to Duetto, everything was done manually in the PMS and we were setting and distributing rates in an archaic setting, with no automated reporting."

Steven Gottlieb
SVP of Sales & Revenue Management.

Graduate
HOTELS

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The Solution

Graduate built an integrated tech stack that included Opera, SynXis and Duetto. The company deployed Duetto's entire suite of revenue management solutions, including GameChanger for price optimization and ScoreBoard for intelligent reporting.

Using Duetto's platform, Graduate was able to roll out a holistic approach to revenue bringing distribution and e-commerce under revenue management.

The technology has enabled the company to operate with an optimized revenue team. Area DORMs cover 2 to 3 properties with a revenue analyst as an assistant.

This enabled Graduate Hotels Management to quickly scale going from 10 hotels in operation in 2018 to 36 hotels open by the end of 2019.

The Results

The original 10 properties saw over an 8% increase in RevPAR Index in the first year of running on Duetto, this included gains in both occupancy and ADR.

The team uses room type pricing to constantly push out new rates as inventory changes. Prior to Duetto everything was done manually in the PMS with the team having to set and distribute rates themselves.

Using its new technology Graduate Hotels has been able to drive more direct business.

+8% RevPAR Index

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How We Did It

Duetto has provided the team with a better insight into business mix and demand. This has helped the DORMs understand what the true demand is from transient customers and provided additional insights into the booking curve.

As such, the hotels are now driving more direct business through creative fenced offers. The team is constantly testing to see what add-on value they can present to guests that book direct.

Graduate is using room-type pricing rules to leverage Duetto's metrics. For example, when one room type is sold out, new rates are pushed out in the next optimization cycle.

Deploying Duetto has meant that the team at Graduate Hotels has been able to get up to speed and successfully open and transition more than 24 hotels over 18 months.

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"It's amazing to know the system is automatically driving the strategy you've built."

Sean Lynch
Vice President Revenue Management

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