

## Case Study

# Automation Drives Continued Success For Ruby Hotels

Lean luxury, backed with an innovative approach to technology and data, is the framework for year-over-year profit growth at Europe's Ruby Hotels.

**2019  
VS  
2018**

**RevPAR  
+6.2%**

**ADR  
+4.2%**

**Occupancy  
+6.3%**

**H2 2018  
VS  
H2 2017**

**RevPAR  
+25%**

**ADR  
+11%**

**Occupancy  
+13%**

## The Challenge

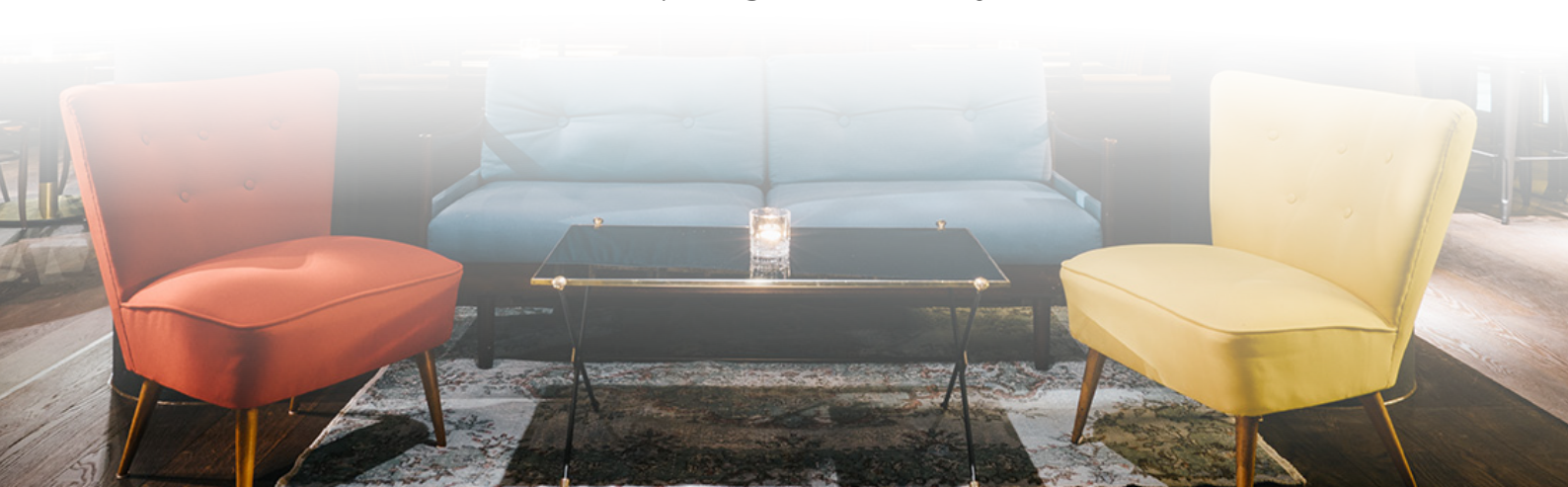
Germany-based Ruby Group was founded in 2013 with a mandate to deliver 'Lean Luxury', a hospitality philosophy built on a lean organization structure, concentrating on delivering only the essentials in a contemporary setting.

This lean organization structure has technology at its heart. Anything that can be automated has been, including check-in and check-out, while many on-property functions such as revenue management have been centralized and are handled out of the group's Munich headquarters.

In 2017, Ruby had three hotels in operation in Germany and Austria, but it had already identified opportunities and plans to open several new hotels across Europe and beyond.

Therefore, the group needed a scalable revenue solution to enable its senior management to have both group and property-level analytics and the ability to act on these.

In 2020, Ruby Hotels is operating eight hotels and has added London, Vienna and Munich to its list of destinations. More openings are on the way.





“The key is how do you maximize RevPAR on peak demand days? Because that’s when, in highly compressed markets, you do the majority of your business and that’s when you win or lose.”

**Michael Struck**  
Founder & CEO, Ruby Hotels



## The Solution

The company runs a fully integrated tech stack of which Duetto is a key part. In 2017, the company implemented Duetto’s GameChanger, ScoreBoard and BlockBuster applications across the entire portfolio. New properties are being added as they prepare to open.

GameChanger enables Ruby Hotels to yield room categories independently by property and stay date, room type and booking channel. ScoreBoard provides one centralized source of truth for the entire team, and BlockBuster provides valuable insight for group business optimization.

## H2 2018 vs H2 2017

**RevPAR**  
**+25%**

**ADR**  
**+11%**

**Occupancy**  
**+13%**

## The Ongoing Results

The benefits of Duetto were immediately apparent. Comparing July-December of 2018 with July- December of 2017, RevPAR for the four Ruby Hotels then in operation (Ruby Lilly Munich, Ruby Lissi Vienna, Ruby Marie Vienna and Ruby Sofie Vienna) increased by 25%.

These four properties also saw ADR grow 11% in 2018 and occupancy increased by 13% for the year.

Outstanding performances by property were seen by Ruby Lissi Vienna, which saw a 49% increase in revenue from March 2017, when it joined Duetto. Ruby Lilly Munich saw a 26% revenue increase, again year on year from March 2017.

Continued improvement was seen in 2019, when the entire portfolio of Ruby Hotels in operation saw a combined increase in RevPAR of 6.2% and ADR grew 4.5% compared to full year 2018 figures.

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VS  
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## How We Are Doing It

Using technology to automate its business and operations, and taking out the non-essentials of hospitality, Ruby Hotels created a lean business model built for maximum profit.

As a new brand with a fresh take on hospitality, Ruby was able to be innovative with its tech stack selection. It was not curtailed by having to integrate with legacy systems not built for today's fast-paced e-commerce driven market.

Ruby Group has always focused on driving direct bookings, and achieves a high percentage of all bookings through its direct channels. By being able to flex rates up and down by just one or two euros, the revenue team has been able to maximize profitability in line with market demand.



*"We believe data wins arguments. Now, with six hotels open, we have a lot of our own data and rely on partners like Duetto to process that data. This makes it much easier to see patterns and react on them."*

**Tobias Koehler**  
Group Director Marketing & Commerce, Ruby Hotels