



# Successful Upselling for Hotels

LUXURY  ACADEMY

HOSPITALITY TRAINING

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## HOSPITALITY TRAINING

## INTRODUCTION

Upselling is something that most hotels resort to as a legitimate means to enhance revenue. Hotels generally offer to upgrade one's room, provide value added service, better recreation and so on. Usually high season is when this practice is most in use, though hotels will not refrain to leverage upselling even during an economically sluggish reason. However it does require a special kind of skill to successful do it for one could easily end up offending a patron, rather than upselling.

These days technology makes it a bit easy with dedicated software automatically sending out emails to confirmed guests with myriad offers of room upgrades, better amenities, excellent view so on and so forth. Reservation and Front Office personnel often play a very vital role in upselling and it is usual practice to provide them with healthy incentives.

While improving profitability is an important motive of upselling it is not the only one. Increasing customer satisfaction by going the extra mile and suggesting ways and means to improve their stay stands a hotel in good stead in building long term relationships. This invariably leads to an increase in business over the long term, if the guests find that the upgrades add value to their experience.

For upselling to be really effective, it has to be organic and not foisted upon guests for that will defeat the very purpose of it. This is where training and education play a critically important role in making the staff of a hotel grasp the essentials of meaningful upselling and put it to skillful use.

# 1. How to upsell

In order for one to successfully upsell one needs to be in full control of the situation and approach a patron or guest in a natural and unobtrusive way that makes them feel that they are being offered something of value and not being shortchanged. For that to happen one needs to be on top of the situation in terms of the following:

**What To Upsell:** This may appear to be basic, but in a hotel scenario where there are hosts of products and services available one should be perfectly informed about what one can and cannot upsell. Though the hotel staff may be more inclined to upsell products and services that are clearly more profitable, there is the danger of them overdoing it, and trying to offer something that a guest may not need or want. This leads to the danger of permanently losing repeat business for the sake of a short time gain.

Offering the highest priced products and services at the drop of a hat is not the way to go, as that will only alienate the customer. If a customer has stated that he wants plain water, there is no sense in suggesting to them that they drink bottled water. Instead it's a good idea to ask someone if they are satisfied with the view from the room. Chances are that they may respond better to that question rather than ramming something that they obviously don't want down their throat.

## **THOROUGH KNOWLEDGE OF THE PRODUCT:**

Unless one knows all of the products and services like the back of one's hand, one will never be able to effect a smooth and seamless upselling transaction. In particular one should know the following quite thoroughly:

1. **The items and services that fetch maximum revenue**
2. **What all does a package or a deal contain**
3. **What's not included in the package, but may be of use to the guest or customer**
4. **What's on the menu and what goes into a dish**

## 5. What can be served as an accompaniment to a main dish.

The staff need to be intimately acquainted with the above so that they feel confident enough to go ahead and makes suggestions to guests and patron, whenever an opportunity presents itself.

## THE ABILITY TO SPOT OPPORTUNITIES:

In order for the staff to develop the ability to instinctively spot opportunities for upselling they need to be given a free run of the place across departments. These opportunities could be in-accommodation (upgrades, packages and value additions); restaurants (main dish, accompaniments, deserts, wines, et al) and bars (drink to order, branded beer etc.). Once they get the hang of it, you staff will have developed perfect timing for making the offer

## PITCHING RIGHT:

Upselling is an art that one can learn. The nitty gritty of it comprises of the following:

1. Asking open ended question to understand the customers' wants.
2. Empathetic listening to clients' requests.
3. Learning the art of making timely suggestions and offering alternatives.
4. Developing one's very own pitch that works just right with the customers. It is better to let one develop it organically rather than use a standard pitch decided by the company.

While it is a good idea to give the staff a free hand, it has to be done under supervision to prevent things from ever getting out of hand. While the staff need to be trained to handle negative feedback, they will need guidance in dealing with particularly tricky situations. For example sometimes a client who would have agreed to an upsell does not do so because of an untimely approach. Approaching the client again after a short while when he or she is more affable may be something that only a seasoned professional would be able to pull off.

## 2. Upselling in hotel reception

Irrespective of whether it is high season or low the front office or reception of any hotel will always afford one and an opportunity to do that with everyone who comes in to book an accommodation or make an enquiry. There is not much extra effort or cost required to use upselling as an effective revenue or sales enhancement technique. One can just as easily let the opportunity pass, if one doesn't approach this with the seriousness that it deserves.

The thing to remember is that there is always an opportunity to upsell if one can see it. Now in the main, opportunities come by way of offering better or special rooms with value additions, rooms on the same floor as the concierge and so on.

Upselling can be carried out in advance when the initial enquiries are made, or at the time of registration. Though one might feel that the first method is the more fruitful one, the fact of the matter is that the latter method gives one some distinct advantages:

1. Guest may be unaware that upgrade options are available and gladly opt for them
2. They may not have been made aware of the full range of upgrade options by the booking agency.
3. The guests, especially business travelers may on their own decide to book a bigger room possibly on account of some office work they moth want to finish.
4. It might be possible that a guest may want to upgrade on an impulse, and it would be a good idea to be able to offer them the right options.

### STEPS TO UPSELL AT THE RECEPTION?

1. Don't downsell what the customer has already booked. Instead confirm that the booking is in order and congratulate them on their choice and in the passing mention if they would be interested in an upgrade to get even better value.

2. Gently probe if the guest was apprised of all the available options at the time of registration. Offer to let them know about all the options they could possibly avail of
3. Let them know that the upgrades being offered to them are a unique opportunity which affords them great value for money.
4. Introduce the additional charge or tariff gently with encouraging statements like –for \$20 more you get to have a deluxe room with 30% more area and its own balcony.
5. Let them know that even though the upgrades cost them a little extra, they still got a steep discount over the original rates. This would have them thinking about the discount, rather than the extra money they paid.

The main thing to remember here is that an upgrade can be pushed only if the customer perceives value, and the entire pitching paradigm has to be centered on that. It is important that reception sales be handsomely incentivized for more reasons than one. For one it is an activity that requires skill, and people who are good at it should be rewarded for their role in enhancing a hotel's revenue in such a direct manner. In the case of sales carried out in advance, an upgrade may have been requested by the guest at the time of booking. Reception upselling on the other hand is spontaneous and more forthright.

## 3. Restaurants upselling

Upselling is a surefire way of enhancing profitability in a restaurant provided one knows how to go about it. Not only can upselling be leveraged to make better sales, it can at the same time serve as an effective customer service tool. It is therefore imperative that those who wait on and serve customers are impeccably trained. Some of the basic steps of restaurant upselling are given below-

1. **Decide what to upsell and when:** Upselling to a diner is an art, and one should be absolutely certain about which items to upsell and the right time to do it. If your restaurant is a fine dining one, you should know which wines to suggest to the patrons when they order food.
2. **Upsell with class:** Offer suggestions and alternatives tactfully and make it a point to be asked. One shouldn't try to repeated upsell at the same table in the process losing a permanent customer for only a few dollars gained.
3. **It's all about suggesting and not sales:** Anybody come to enjoy a meal at a restaurant has not come to be nagged. They want to enjoy their food in peace alone or in the company of people. While it might be a great idea to helpfully make suggestions and gently offer them something you would like them to order, it is not done to override their own wishes and seemingly coerce them into ordering.
4. **Upselling should be earnest and convincing:** The person upselling should come across as being passionate about food and serving people. They should get involved in the meal of their guests and make helpful suggestions so that they thoroughly end up enjoying the meal and not spare a thought about the extra money they may be paying.
5. **Innovate:** If your guests have had a hearty meal and can't bear the thought of a dessert, suggest they take it home. A good upseller can always find an opportunity even in adversity.
6. **Bespoke upselling:** The servers should try and become experts at customer behavior. For example people who are tentative in ordering from the menu are more often than not prime candidates for

upselling. If a customer seems to have come with business guests, he sure wants to impress them, and it would be a great move to suggest they order expensive liquor.

7. Train the servers well: The servers should know the food and liquor on the menu like a connoisseur. They should also be well versed with what is in stock and what is not readily available. Also they should have a handle on which items have the highest profit margins so that they can plug them at an opportune time. For example suggesting that a guest order another wine which will cost the same, but provide a better profit to the restaurant.

## 4. Upselling in bars

**E**very bar will try and provide their patrons a memorable experience, so that they visit again. Though upselling will always be a valuable tool to augment revenue, it really has to be done skillfully so as not to appear crass and overbearing. Here are the steps to follow.

1. **Keeping an open and positive frame of mind:** It is a fact that patrons will not mind a bartender making suggestions or paying extra attention if he or she does it in an easy manner that is both friendly and professional.
2. **Knowing the customers:** It is imperative that the staff make an attempt to know the regular customers, so that they well understand their liquor and food predilections. This will help them make the right suggestions and offers at an opportune time.
3. **Make the upselling process one that patrons enjoy:** The patrons should feel that they are being singled out for special attention as fine connoisseurs. For this the servers should be made to practice their pitches for different scenarios and different types of customers.
4. **Deploy technology:** Technology is a great tool to deploy for upselling. Luxury Academy's own Instant Feedback software provides real time feedback through strategically placed tabs on what customer expectations or feedback is. These could be acted upon immediately and if the situation is conducive an upsell invented.
5. **Take the hint from the customers:** The people manning the bar should be able to get the hint from the customers about how they are disposed and what they might be seeking. Helpful hints about the specials that evening or about the choice of wine may sometimes work quite well
6. **Don't be in a hurry to bill:** Allow patrons to linger at the bar. That is usually a nice time for an upsell. Don't be in a hurry to bill. You will both offend the customer and lose an opportunity to upsell.
7. **Intimate knowledge about the drinks and menu by the staff:** This is

absolutely imperative for them to go about the business of upselling organically and professionally. They should know every single thing including the taste about what they are going to serve. There should also be a daily brief about any changes and additions to the menu, so that they are fully equipped to upsell if the opportunity presents itself.

Upselling is a bona fide and integral way of enhancing revenue that is deployed by the hotel industry and if done skillfully can be a significant revenue spinner. However finesse and skill are required for this and training is a necessary component of that. Successful upsellers not only generate revenue for their employers and earnings for themselves, but also end up pleasing the customer. Upselling truly is a win win situation for all if done the right way.



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