

# The independent hotelier's guide to revenue management

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# What is **revenue management?**

Question







You may have heard the cliché definition of revenue management:

**Selling the right room to the  
right guest at the right moment  
at the right price...**

While this still holds true, the modern travel landscape has lead RM to become an increasingly complicated discipline that requires looking far beyond just the old basics of rate, business mix, channel mix, and so on.



Answer

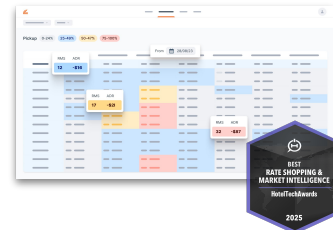
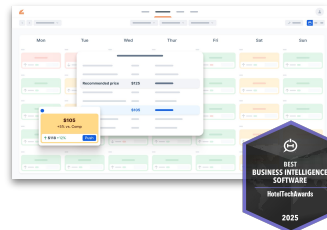
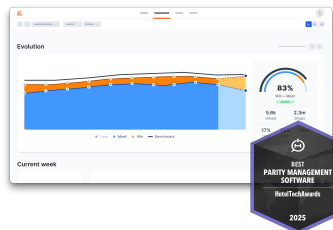


# Modern revenue management landscape

Revenue management in the modern age requires a truly **multi-faceted approach** that accounts for channel mix optimization, booking curve analysis, promotional strategy, digital marketing initiatives, a knowledge of a market's short term rental supply, and much much more.

In this series we'll show you what real revenue managers are thinking about and analyzing when devising their strategies.

Lighthouse's tools and data are used every day by revenue managers the world over, so we are confident this learning path will give you the foundation you need to start on your revenue management journey.





# Why is revenue management Important?

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# Why is revenue management important?

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A hotel's **financial success** depends directly on its ability to execute successful revenue management strategies and adapt to changes in the revenue landscape.



# History of revenue management

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# History of revenue management

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The discipline of revenue management ultimately has its roots in the **Airline industry**. In the early 1970's some airlines began experimenting with advance purchase discounts to ensure guaranteed revenue while also being able to better forecast flight capacity, spawning revenue management as its own discipline.

By the late 1970's American Airlines had already coined the term "Yield Management" and in just a few years, revenue management was already much more sophisticated in scope



# Key metrics

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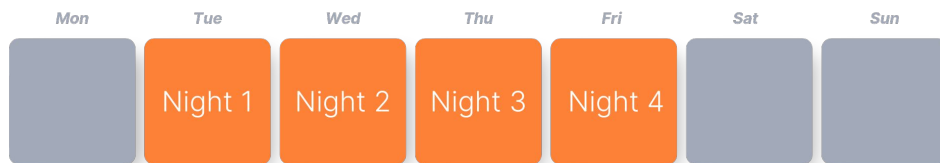


# Key metrics

## Room night

A **room night** represents the quality of a room being occupied for a night, regardless of the length of the associated reservation(s).

When used as a performance metric, room nights are **more flexible** than the count of reservations.



*An example reservation. Because the length of stay is 4 nights, this reservation gives the property 4 **room nights***





# Key metrics

## Occupancy

Represented in a percentage, Occupancy is a basic metric that indicates how many of your rooms have been sold and are occupied for any time period.

$$\text{Occ\%} = \frac{\text{Total rooms occupied}}{\text{Total rooms available for sale}}$$

| Hotel Size (Rooms) | Rooms Occupied | Rooms Vacant | Occupancy (%) |
|--------------------|----------------|--------------|---------------|
| 100                | 82             | 18           | 82%           |
| 42                 | 29             | 13           | 69%           |
| 675                | 608            | 67           | 90%           |
| 92                 | 33             | 59           | 36%           |



# Key metrics

## ADR

ADR, or Average Daily Rate represents the average revenue earned per occupied room on a given day.

Put simply, ADR tells you the average price guests are paying for their rooms over a specific period.

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$$\text{ADR} = \frac{\text{Room Revenue}}{\text{\# Rooms Sold}}$$



# Key metrics

## RevPAR

Represented as a dollar amount, RevPAR  
Tells us how much revenue each room in our hotel is generating, occupied or not. RevPAR can be calculated in 2 different ways.

$$\text{RevPAR} = \frac{\text{Total room revenue}}{\text{Rooms available for sale}}$$

or

$$\text{RevPAR} = \text{ADR} \times \text{Occupancy \%}$$



# Basic principles

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# Product

Product for the purposes of this guide, product refers to **a hotel product**, or **a room product**.

At the end of the day, we as hoteliers are selling accommodations and experiences, and the hotel itself, and the rooms that we sell are often commonly referred to as the 'product'.

Basic principles





# Demand

Demand in this course will refer to the level of **consumer want and need for hotel supply**.

To use an example, a Florida beach hotel likely experiences high demand during Spring Break, and an Alaskan hotel might have low demand in Winter. The level of consumer demand for these 2 hotel products varies greatly!

Basic principles





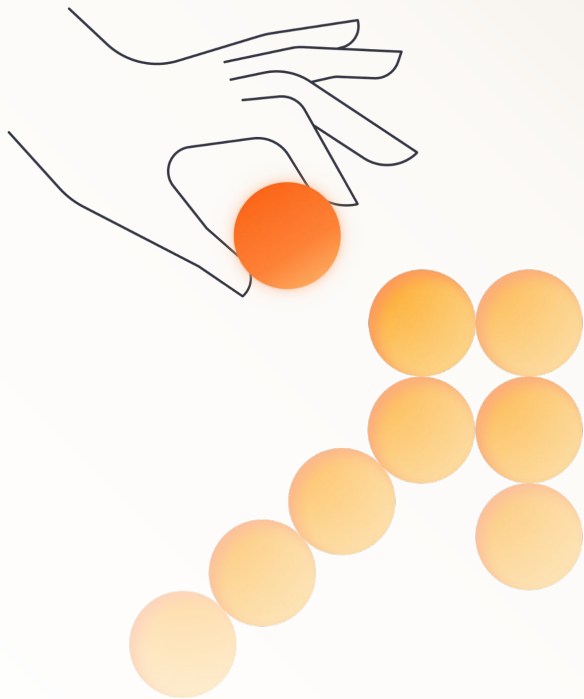


# Forecast

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A forecast is a **prediction of future performance**.

You will learn later why these are so important in our industry, but for now just know that lots of time and effort goes into creating the most accurate forecast possible, whether for consumer demand, or anticipated room revenue.



# Pricing

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It's no secret that prices fluctuate in revenue management.

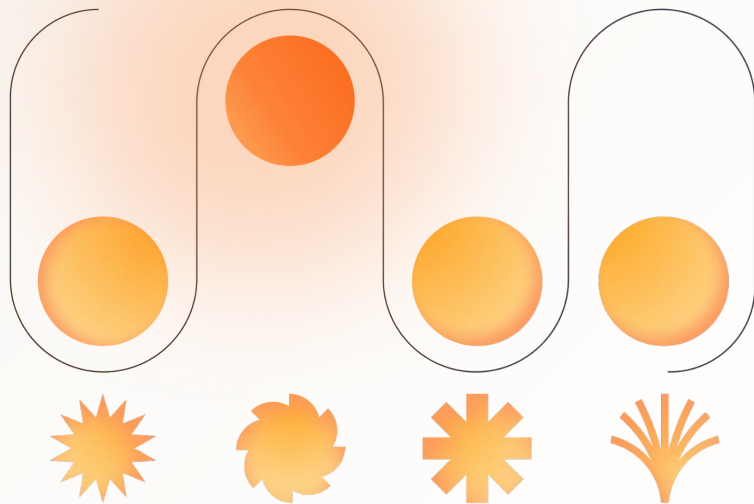
Pricing refers to the actual **determining of a hotel's sell rate** for certain products during a certain time period, but also the larger overarching topic of how those decisions are made.



# Distribution

Distribution refers to the **different available avenues** that a hotel may utilize to sell rooms, and all of the technology that makes that possible.

Basic principles

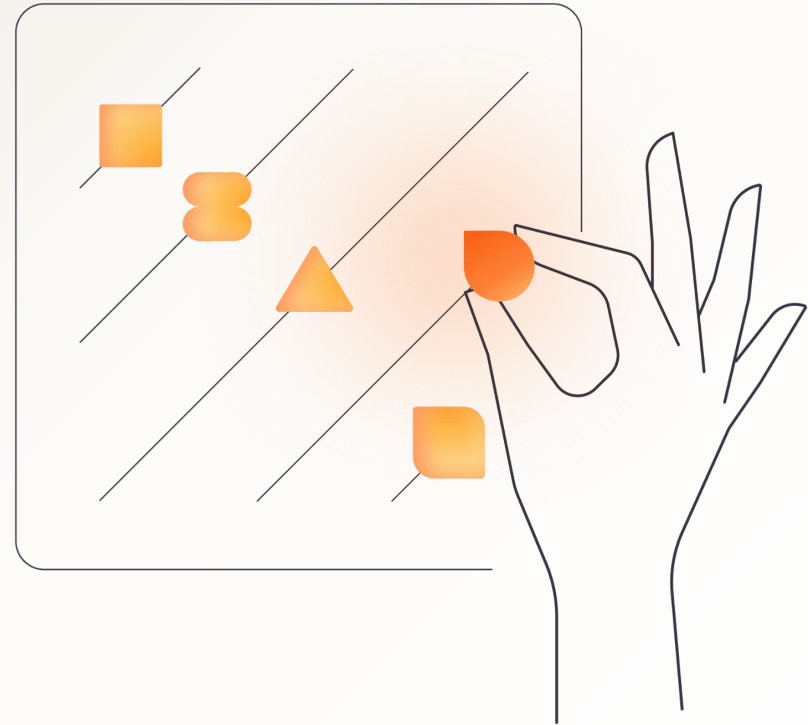




# Analysis

This is **what revenue managers do!**  
By analyzing data we are able to make  
educated decisions on how best  
to maximize revenues and profitability!

Basic principles





# Internal analysis

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# Internal analysis

Knowing your hotel

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The **most important hotel** for a revenue manager to know is obviously their own. Before a revenue manager can begin to make commercial strategy decisions such as pricing, yielding and promotional strategies, one should understand a few key factors.



# Internal analysis

## Knowing your hotel

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**Location** - A hotel's physical location is crucial as it determines what the proximity is to demand drivers such as convention centers, football stadiums, corporate offices, etc. A hotel with a location convenient to multiple places of interest can reasonably expect to charge a premium vs. hotels that are more distant to those same places of interest.



**Rooms** - An RM must consider not only the physical capacity of a hotel (how many rooms it has), but also the mix of rooms, the quality of the room product, and the amenities as well. If a hotel has only 60 rooms with 2 queen beds, it cannot reasonably expect to house sports teams who are looking for a minimum of 80 2 queen room beds!



**F&B quality** - Food and beverage can also be a major factor to consider for a revenue manager. Does the hotel have banquet room capacity? Is there an attached restaurant? A quality restaurant or bar can drive valuable ancillary revenues to a property and can compliment a hotel's package and promotional strategy.



**Brand vs. non-branded** - Branded and independent hotels both have their own benefits and drawbacks. Independent hoteliers may find that they are able to have more autonomy to try new and innovative strategies but not have the same built-in customer base that a large brand can provide. By the same token, branded hotels may feel more secure in the fact that their revenue management systems and CRS systems have robust support systems and failsafes in place, but may feel constricted by brand regulations and competing supply within the same brand.



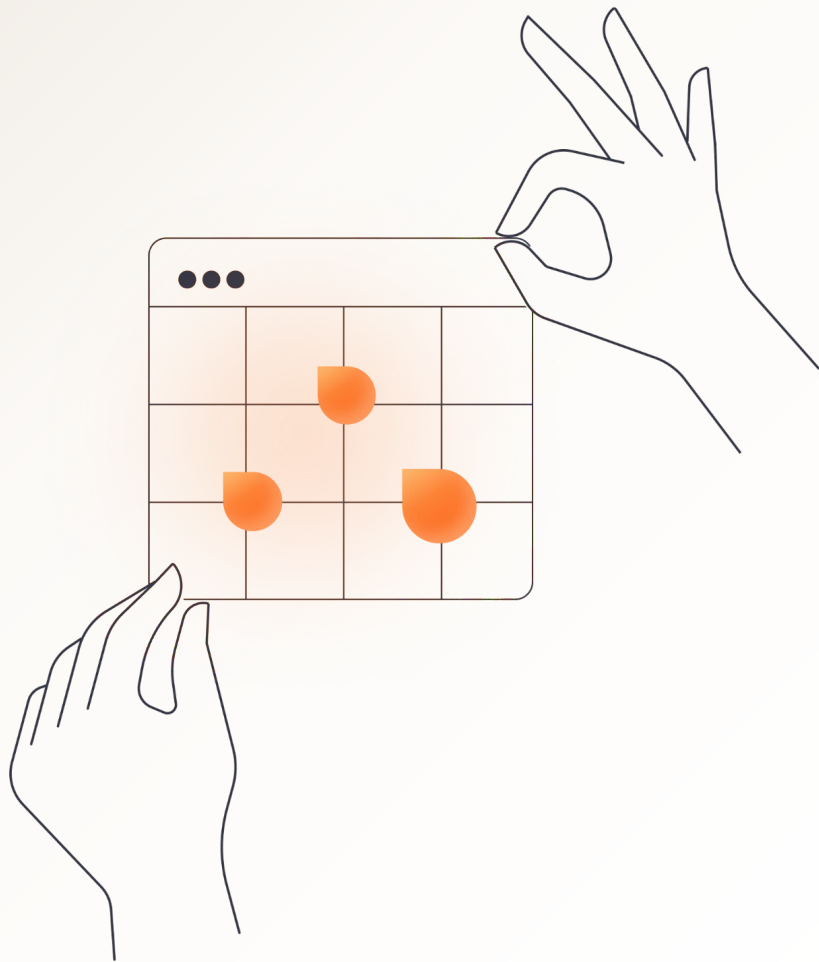
**Other facilities** - Some hotels may have a unique amenity or facilities that others do not - is this a competitive advantage for the revenue department? Consider how your other facilities such as spa, cabanas or golf amenities can be leveraged to contribute to your total revenue strategy.



# Internal analysis

**Knowing your strengths and weaknesses**

Now that you have an idea of what a revenue manager must consider when looking at their own property - let's take all of these same criteria into consideration when looking at our **compset**, or competitive set. (Those hotels with which we compete most closely for the same guests).

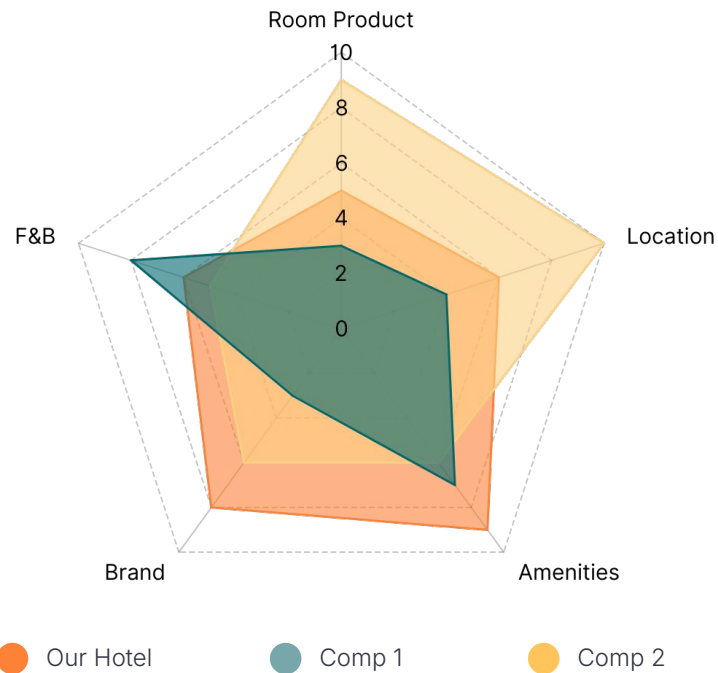






# Internal analysis

Knowing your strengths and weaknesses



Consider making a **SWOT analysis**, (**S**trengths, **W**eaknesses, **O**pportunities and **T**hreats). A SWOT chart visualizes how your hotel stacks up vs. your competitive set. By creating a visual representation of where your hotel is strong, and also where it stands to improve, a SWOT analysis is a great way to determine roughly where you should fit in the larger pricing puzzle.

# External analysis

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# External analysis

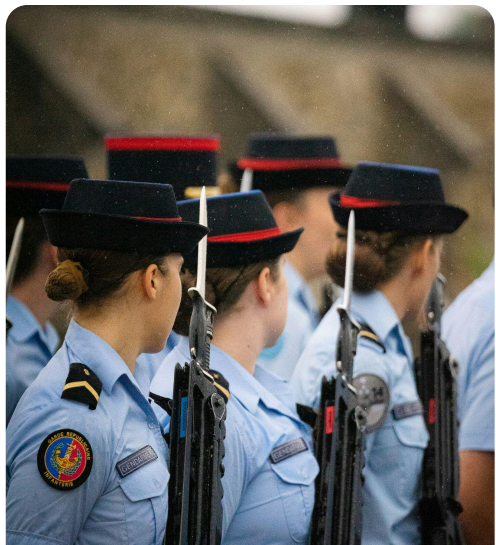
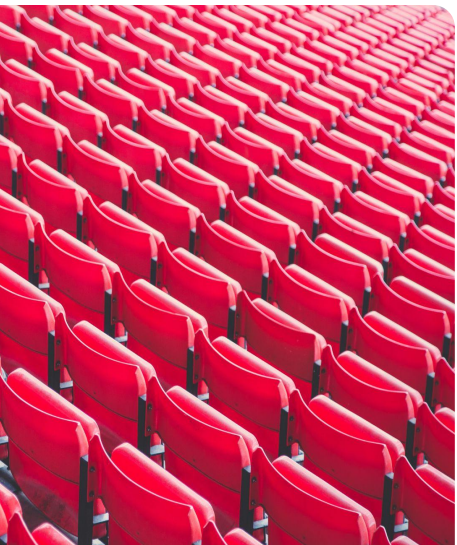
Knowing your market

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A revenue manager should understand their market on a deep level by performing **external analysis**. Factors such as: seasonality, demand drivers, short-term rental supply, all affect decision-making. These factors that are outside of the direct control of the hotel are considered external factors.







# External analysis

## Knowing your market

Understand the main **demand drivers** of your market. Some cities may be located in a hotel market that is mostly driven by strong corporate travel (both group/convention and individual travelers), but not much tourism demand. Other markets may be the polar opposite. Demand drivers like military bases, sports facilities and national parks can be other reasons guests flock to your market.

A keen revenue manager should have a good feel for what feeder markets and key guest demographics account for the majority of their demand as well.





# External analysis

## Knowing your market

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Revenue managers also take their understanding a step further by analyzing their **submarket** & **submarket class**.

To use a simple example - although two hotels may be in the same larger **market**, one hotel may be an extended stay class property near the airport, while another hotel may be a 4 star resort property 25 miles away on the beach. Although these two hotels are in the same market, their submarkets vary greatly, as do their submarket class.





# Understanding demand

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# Demand

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Can best be summed up as the underlying **consumer want and need** for hotel supply. A revenue manager can speak about 'demand' at both a macro and micro level. For example, read the two statements below:

*"**demand** for government travel in the southwest is expected to exceed 80,000 room nights this quarter"*

*"**demand** for 2 queen suites on Saturday night is low at our property, we've only booked 4 rooms!"*

Both are equally valid uses of the term **demand** as it relates to hotel revenue management.





# Unconstrained versus constrained demand

vs

## Unconstrained

Describes how much demand there is assuming **no inventory 'constraints'** - for example if we are forecasting that there is 200 room nights of demand on a particular night, and our hotel only has 90 rooms to sell, it is a very safe assumption that we have the ability to sell out, and will implement strategies based on this knowledge.

## Constrained

Constrained demand describes how much demand there is **assuming certain constraints**, mostly commonly being the hotel's capacity. For example, if a hotel has 90 rooms, and is forecasting 90 rooms of constrained demand - we are only looking at the forecast from the perspective of rooms we can actually sell.





# What is demand?

**How demand impacts prices**

High price elasticity means that the guest is more price sensitive, usually due to higher amounts of supply, but often due to other factors such as a flexible travel itinerary, or other similar travel destinations.

Elastic



Inelastic

High price inelasticity means that a guest is willing to pay a higher price due to any number of factors, usually limited supply, or importance of proximity to certain destinations or demand drivers.



# What is demand?

## Seasonal demand

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A good revenue manager must understand any effects of seasonality on their hotel and market's **demand patterns**. For example, certain cities have a strong corporate convention calendar that dictates their entire yearly demand cycle.

This is often directly tied to the weather in that market, but inclement weather in other regions that are strong feeder markets. Think about why a large Chicago corporation may have their yearly convention in Tampa Florida in January! Seasonal demand affects all segments though, not just corporate!



# Forecasts and their importance

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# Forecast

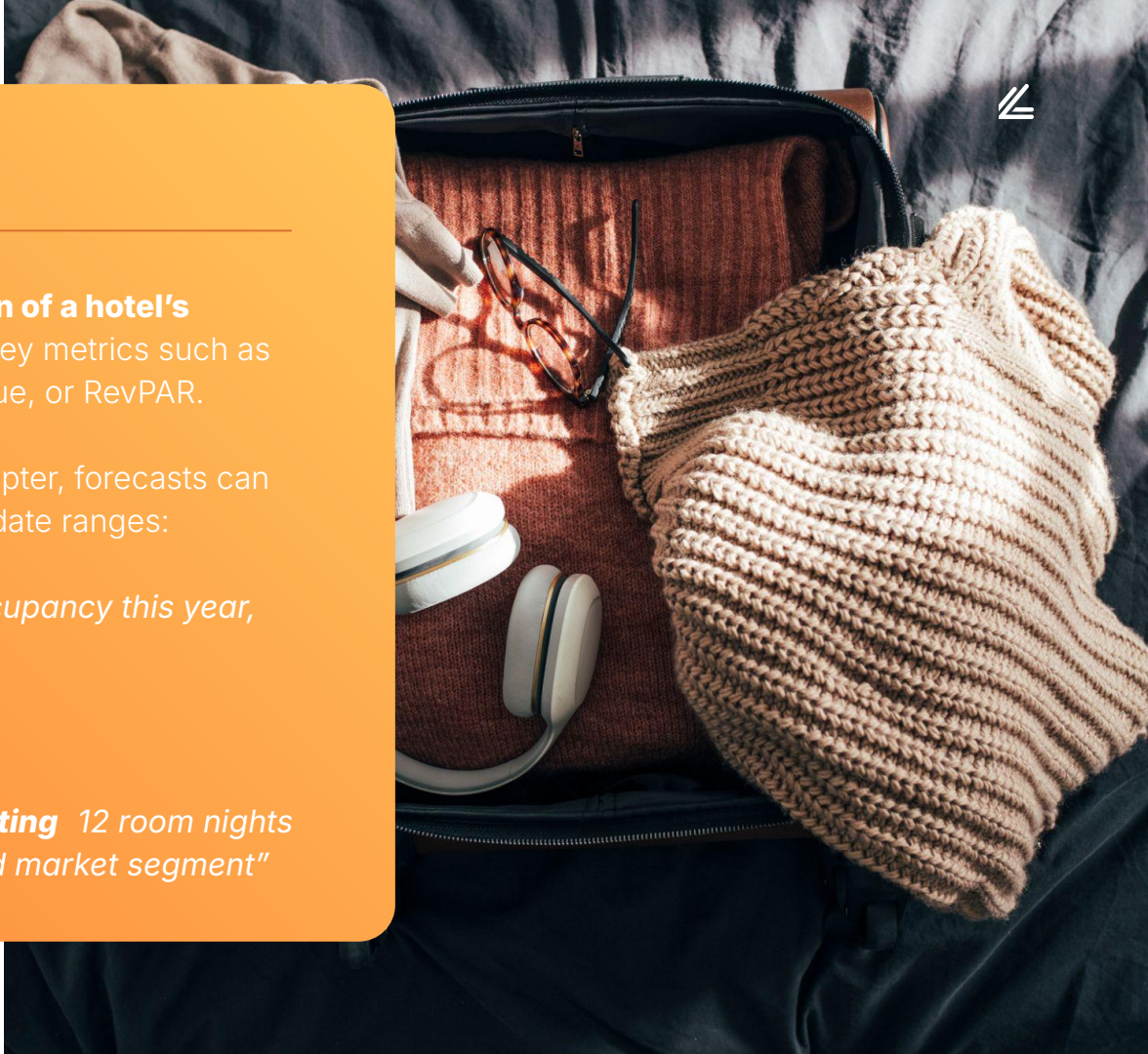
A forecast is a **quantifiable prediction of a hotel's performance**, usually expressed in key metrics such as ADR, Occupancy, Room nights, revenue, or RevPAR.

Much like demand in our previous chapter, forecasts can be very broad, and encompass large date ranges:

| "We are **forecasting** 84% occupancy this year, up 1.2% year-over-year"

Or, be extremely focused:

| "Monday night we are **forecasting** 12 room nights within the corporate negotiated market segment"

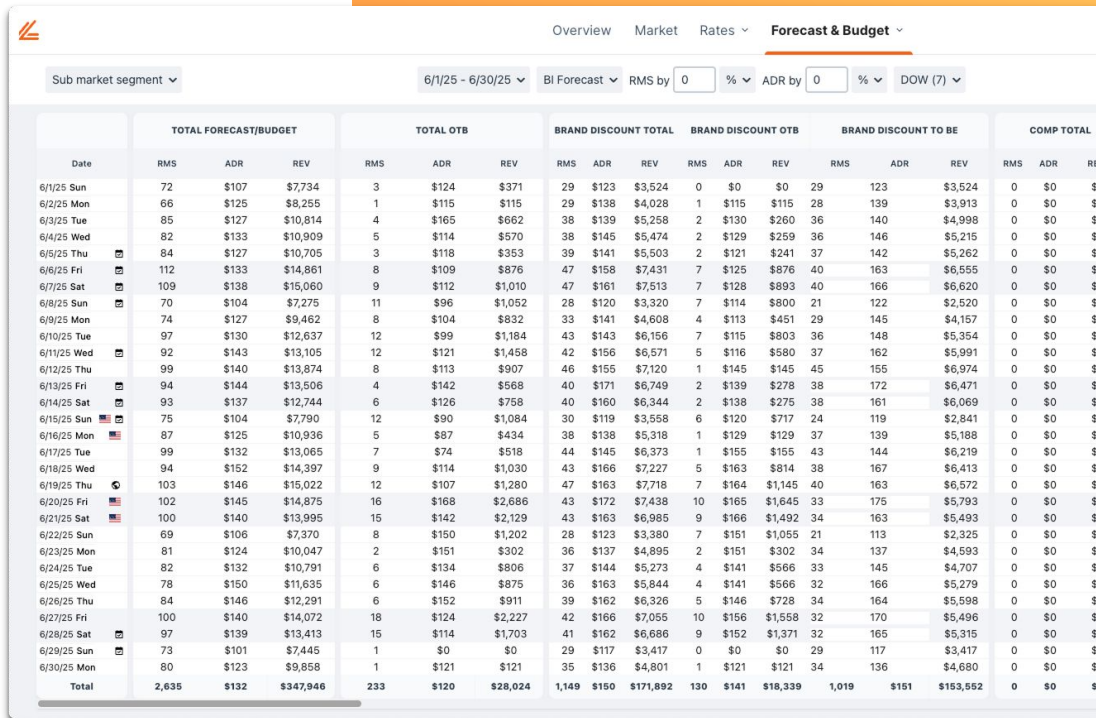




# What is a forecast

This example forecast shows a highly granular June forecast, by day, by submarket segment.

Notice that all segments are accounted for in this type of forecast. All segments roll up into the "Total Forecast" column. This forecast was generated using our own Business Intelligence product, Spider.



The screenshot displays the Spider BI interface with the 'Forecast & Budget' tab selected. The table shows a highly granular forecast for June 2025, broken down by day, submarket segment, and various financial metrics. The table is organized into several columns: Date, TOTAL FORECAST/BUDGET (RMS, ADR, REV), TOTAL OTB (RMS, ADR, REV), BRAND DISCOUNT TOTAL (RMS, ADR, REV), BRAND DISCOUNT OTB (RMS, ADR, REV), BRAND DISCOUNT TO BE (RMS, ADR, REV), and COMP TOTAL (RMS, ADR, REV). The data is presented for each day of the month, with a final 'Total' row at the bottom. The interface includes navigation tabs (Overview, Market, Rates, Forecast & Budget) and filters (Sub market segment, Date range, BI Forecast, RMS by, ADR by, DOW).

|             | TOTAL FORECAST/BUDGET |       |           | TOTAL OTB |       |          | BRAND DISCOUNT TOTAL |       |           | BRAND DISCOUNT OTB |       |          | BRAND DISCOUNT TO BE |       |           | COMP TOTAL |     |     |
|-------------|-----------------------|-------|-----------|-----------|-------|----------|----------------------|-------|-----------|--------------------|-------|----------|----------------------|-------|-----------|------------|-----|-----|
| Date        | RMS                   | ADR   | REV       | RMS       | ADR   | REV      | RMS                  | ADR   | REV       | RMS                | ADR   | REV      | RMS                  | ADR   | REV       | RMS        | ADR | REV |
| 6/1/25 Sun  | 72                    | \$107 | \$7,734   | 3         | \$124 | \$371    | 29                   | \$123 | \$3,524   | 0                  | \$0   | \$0      | 29                   | 123   | \$3,524   | 0          | \$0 | \$0 |
| 6/2/25 Mon  | 66                    | \$125 | \$8,255   | 1         | \$115 | \$115    | 29                   | \$138 | \$4,028   | 1                  | \$115 | \$115    | 28                   | 139   | \$3,913   | 0          | \$0 | \$0 |
| 6/3/25 Tue  | 85                    | \$127 | \$10,814  | 4         | \$165 | \$662    | 38                   | \$139 | \$5,258   | 2                  | \$130 | \$260    | 36                   | 140   | \$4,998   | 0          | \$0 | \$0 |
| 6/4/25 Wed  | 82                    | \$133 | \$10,909  | 5         | \$114 | \$570    | 38                   | \$145 | \$5,474   | 2                  | \$129 | \$259    | 36                   | 146   | \$5,215   | 0          | \$0 | \$0 |
| 6/5/25 Thu  | 84                    | \$127 | \$10,705  | 3         | \$118 | \$353    | 39                   | \$141 | \$5,503   | 2                  | \$121 | \$241    | 37                   | 142   | \$5,262   | 0          | \$0 | \$0 |
| 6/6/25 Fri  | 112                   | \$133 | \$14,861  | 8         | \$109 | \$876    | 47                   | \$158 | \$7,431   | 7                  | \$125 | \$876    | 40                   | 163   | \$6,555   | 0          | \$0 | \$0 |
| 6/7/25 Sat  | 109                   | \$138 | \$15,060  | 9         | \$112 | \$1,010  | 47                   | \$161 | \$7,513   | 7                  | \$128 | \$893    | 40                   | 166   | \$6,620   | 0          | \$0 | \$0 |
| 6/8/25 Sun  | 70                    | \$104 | \$7,275   | 11        | \$96  | \$1,052  | 28                   | \$120 | \$3,320   | 7                  | \$114 | \$800    | 21                   | 122   | \$2,520   | 0          | \$0 | \$0 |
| 6/9/25 Mon  | 74                    | \$127 | \$9,462   | 8         | \$104 | \$832    | 33                   | \$141 | \$4,608   | 4                  | \$113 | \$451    | 29                   | 145   | \$4,157   | 0          | \$0 | \$0 |
| 6/10/25 Tue | 97                    | \$130 | \$12,637  | 12        | \$99  | \$1,184  | 43                   | \$143 | \$6,156   | 7                  | \$115 | \$803    | 36                   | 148   | \$5,354   | 0          | \$0 | \$0 |
| 6/11/25 Wed | 92                    | \$143 | \$13,105  | 12        | \$121 | \$1,458  | 42                   | \$156 | \$6,571   | 5                  | \$116 | \$580    | 37                   | 162   | \$5,991   | 0          | \$0 | \$0 |
| 6/12/25 Thu | 99                    | \$140 | \$13,874  | 8         | \$113 | \$907    | 46                   | \$155 | \$7,120   | 1                  | \$145 | \$145    | 45                   | 155   | \$6,974   | 0          | \$0 | \$0 |
| 6/13/25 Fri | 94                    | \$144 | \$13,506  | 4         | \$142 | \$568    | 40                   | \$171 | \$6,749   | 2                  | \$139 | \$278    | 38                   | 172   | \$6,471   | 0          | \$0 | \$0 |
| 6/14/25 Sat | 93                    | \$137 | \$12,744  | 6         | \$126 | \$758    | 40                   | \$160 | \$6,344   | 2                  | \$138 | \$275    | 38                   | 161   | \$6,069   | 0          | \$0 | \$0 |
| 6/15/25 Sun | 75                    | \$104 | \$7,790   | 12        | \$90  | \$1,084  | 30                   | \$119 | \$3,558   | 6                  | \$120 | \$717    | 24                   | 119   | \$2,841   | 0          | \$0 | \$0 |
| 6/16/25 Mon | 87                    | \$125 | \$10,936  | 5         | \$87  | \$434    | 38                   | \$138 | \$5,318   | 1                  | \$129 | \$129    | 37                   | 139   | \$5,188   | 0          | \$0 | \$0 |
| 6/17/25 Tue | 99                    | \$132 | \$13,065  | 7         | \$74  | \$518    | 44                   | \$145 | \$6,373   | 1                  | \$155 | \$155    | 43                   | 144   | \$6,219   | 0          | \$0 | \$0 |
| 6/18/25 Wed | 94                    | \$152 | \$14,397  | 9         | \$114 | \$1,030  | 43                   | \$166 | \$7,227   | 5                  | \$163 | \$814    | 38                   | 167   | \$6,413   | 0          | \$0 | \$0 |
| 6/19/25 Thu | 103                   | \$146 | \$15,022  | 12        | \$107 | \$1,280  | 47                   | \$163 | \$7,718   | 7                  | \$164 | \$1,145  | 40                   | 163   | \$6,572   | 0          | \$0 | \$0 |
| 6/20/25 Fri | 102                   | \$145 | \$14,875  | 16        | \$168 | \$2,686  | 43                   | \$172 | \$7,438   | 10                 | \$165 | \$1,645  | 33                   | 175   | \$5,793   | 0          | \$0 | \$0 |
| 6/21/25 Sat | 100                   | \$140 | \$13,995  | 15        | \$142 | \$2,129  | 43                   | \$163 | \$6,985   | 9                  | \$166 | \$1,492  | 34                   | 163   | \$5,493   | 0          | \$0 | \$0 |
| 6/22/25 Sun | 69                    | \$106 | \$7,370   | 8         | \$150 | \$1,202  | 28                   | \$123 | \$3,380   | 7                  | \$151 | \$1,055  | 21                   | 113   | \$2,325   | 0          | \$0 | \$0 |
| 6/23/25 Mon | 81                    | \$124 | \$10,047  | 2         | \$151 | \$302    | 36                   | \$137 | \$4,895   | 2                  | \$151 | \$302    | 34                   | 137   | \$4,593   | 0          | \$0 | \$0 |
| 6/24/25 Tue | 82                    | \$132 | \$10,791  | 6         | \$134 | \$806    | 37                   | \$144 | \$5,273   | 4                  | \$141 | \$566    | 33                   | 145   | \$4,707   | 0          | \$0 | \$0 |
| 6/25/25 Wed | 78                    | \$150 | \$11,635  | 6         | \$146 | \$875    | 36                   | \$163 | \$5,844   | 4                  | \$141 | \$566    | 32                   | 166   | \$5,279   | 0          | \$0 | \$0 |
| 6/26/25 Thu | 84                    | \$146 | \$12,291  | 6         | \$152 | \$911    | 39                   | \$162 | \$6,326   | 5                  | \$146 | \$728    | 34                   | 164   | \$5,598   | 0          | \$0 | \$0 |
| 6/27/25 Fri | 100                   | \$140 | \$14,072  | 18        | \$124 | \$2,227  | 42                   | \$166 | \$7,055   | 10                 | \$156 | \$1,558  | 32                   | 170   | \$5,496   | 0          | \$0 | \$0 |
| 6/28/25 Sat | 97                    | \$139 | \$13,413  | 15        | \$114 | \$1,703  | 41                   | \$162 | \$6,686   | 9                  | \$152 | \$1,371  | 32                   | 165   | \$5,315   | 0          | \$0 | \$0 |
| 6/29/25 Sun | 73                    | \$101 | \$7,445   | 1         | \$0   | \$0      | 29                   | \$117 | \$3,417   | 0                  | \$0   | \$0      | 29                   | 117   | \$3,417   | 0          | \$0 | \$0 |
| 6/30/25 Mon | 80                    | \$123 | \$9,858   | 1         | \$121 | \$121    | 35                   | \$136 | \$4,801   | 1                  | \$121 | \$121    | 34                   | 136   | \$4,680   | 0          | \$0 | \$0 |
| Total       | 2,635                 | \$132 | \$347,946 | 233       | \$120 | \$28,024 | 1,149                | \$150 | \$171,892 | 130                | \$141 | \$18,339 | 1,019                | \$151 | \$153,552 | 0          | \$0 | \$0 |





# What is a forecast

This is an example of a more top-level view which includes **multiple forecasts**.

In this view from Business Intelligence we can see our current on the books for this year, alongside BI's automated forecast, an RMS forecast and User forecast, alongside our Budget goals!

| Forecast  |              |        |       |             |                  |             |       |              |       |              |        |       |              |
|---|--------------|--------|-------|-------------|------------------|-------------|-------|--------------|-------|--------------|--------|-------|--------------|
| Summary refreshed as of 04/14/2025 05:50 AM. Reservation refreshed as of 04/14/2025 02:46 PM. |              |        |       |             |                  |             |       |              |       |              |        |       |              |
| 2025  | On The Books |        |       |             | Var From 4/13/25 | BI Forecast |       |              |       | RMS Forecast |        |       |              |
| Month   | OCC          | RMS    | ADR   | REV         | OCC              | RMS         | ADR   | REV          | VAR   | OCC          | RMS    | ADR   | REV          |
| Jan   | 57%          | 3,571  | \$244 | \$871,091   | 57%              | 3,571       | \$244 | \$871,091    | 0%    | 57%          | 3,571  | \$244 | \$871,091    |
| Feb   | 62%          | 3,518  | \$208 | \$730,178   | 62%              | 3,518       | \$208 | \$730,178    | 0%    | 62%          | 3,518  | \$208 | \$730,178    |
| Mar   | 70%          | 4,435  | \$255 | \$1,130,996 | 70%              | 4,435       | \$255 | \$1,130,996  | 0%    | 70%          | 4,435  | \$255 | \$1,130,996  |
| Apr   | 74%          | 4,503  | \$263 | \$1,186,412 | 85%              | 5,153       | \$266 | \$1,369,048  | -0.4% | 81%          | 4,935  | \$269 | \$1,330,000  |
| May   | 39%          | 2,472  | \$287 | \$709,922   | 87%              | 5,454       | \$313 | \$1,709,901  | 0.4%  | 73%          | 4,603  | \$289 | \$1,330,000  |
| Jun   | 28%          | 1,690  | \$289 | \$488,301   | 85%              | 5,160       | \$311 | \$1,604,248  | 0.1%  | 75%          | 4,538  | \$290 | \$1,330,000  |
| Jul   | 12%          | 759    | \$257 | \$195,339   | 82%              | 5,191       | \$254 | \$1,317,091  | 0.3%  | 66%          | 4,123  | \$240 | \$930,000    |
| Aug   | 6%           | 408    | \$192 | \$78,244    | 77%              | 4,865       | \$220 | \$1,071,456  | 0.4%  | 67%          | 4,193  | \$200 | \$840,000    |
| Sep   | 9%           | 557    | \$297 | \$165,696   | 83%              | 5,032       | \$314 | \$1,578,529  | -0.4% | 73%          | 4,422  | \$280 | \$1,230,000  |
| Oct   | 4%           | 249    | \$244 | \$60,776    | 83%              | 5,242       | \$297 | \$1,559,418  | -0.6% | 79%          | 4,944  | \$287 | \$1,430,000  |
| Nov   | 2%           | 123    | \$212 | \$26,106    | 72%              | 4,400       | \$218 | \$958,558    | -0.8% | 57%          | 3,448  | \$242 | \$830,000    |
| Dec   | 1%           | 42     | \$248 | \$10,398    | 71%              | 4,441       | \$211 | \$936,534    | -0.7% | 56%          | 3,542  | \$211 | \$740,000    |
| Total   | 30%          | 22,327 | \$253 | \$5,653,460 | 76%              | 56,462      | \$263 | \$14,837,049 | -0.1% | 68%          | 50,272 | \$254 | \$12,000,000 |

# Elements of a forecast

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# Date range

When forecasting, the date range should be **well defined** to create efficiencies when comparing against other date ranges - most commonly, forecasts are created for Months, Quarters, Years, but there are also other niche applications where forecasts are made for individual days.

Elements of a forecast



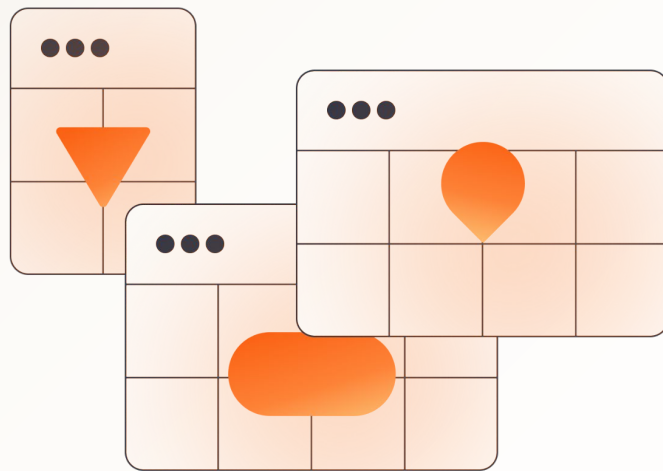


# Segmentation

Any detailed forecast needs to have a **segmentation element**. For example, a forecast of "20 room nights of demand" may be too vague.

A revenue manager should be able to speak to what comprises this 20 room night forecast, and should be able to identify that it is split up between direct business (5 rooms nights), bookings made via OTAs (10 room nights) and bookings from wholesalers (5 room nights).

Elements of a forecast







# Patterns

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Certain patterns dictate how a forecast will look. For example, when forecasting at the daily level, **day of week** is often a main influencer for the performance we can expect.

For example, corporate demand often reaches its peak across Tuesday + Wednesday night and is lowest over the weekend. Therefore, a forecast with huge amounts of corporate demand over weekends may not be logical.

Elements of a forecast



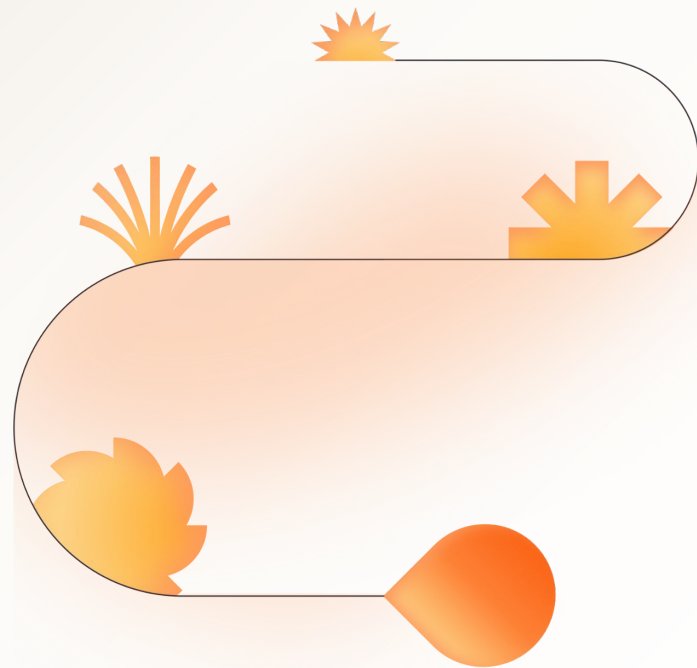


# Pickup + pace

Pickup is a crucial element to an accurate forecast - **how many** rooms a hotel is picking up or losing, and **at what pace** offers a constant stream of feedback and data points that a revenue manager can use to fine-tune their forecast as time goes on.

Pickup can be further segmented (as discussed above) to greatly improve forecast accuracy.

Elements of a forecast





# Pickup + pace

Notice that this hotel has an extremely strong forecast for an upcoming weekend.

This is because the hotel was already in a strong position pace-wise (strong on the books occupancy) and is continuing to experience solid 7-day pickup over these dates.

Elements of a forecast

Overview Market Rates ▾ **Day by day ▾**

Strategy ▾ Rate Plan ▾

Summary refreshed as of 04/14/2025 04:41 AM. Reservation refreshed as of 04/14/2025 07:38 AM.

| As of Date  | On The Books      |              |              |                      |       | Revenue |        | Group     | Bar Based Stats |                    | Pickup From |         | Pricing and Forecast |               |         |        |      |
|-------------|-------------------|--------------|--------------|----------------------|-------|---------|--------|-----------|-----------------|--------------------|-------------|---------|----------------------|---------------|---------|--------|------|
| Date        | OOO/RMS Available | Left To Sell | On The Books | Total OCC Percentage | ADR   | REV     | RevPAR | OTB/Block | OTB             | 8 Week Rolling Avg | Rooms       | ADR P/U | BI Forecast          | Market Demand | R28 Avg | Hurdle | Op F |
| 5/11/25 Sun | 0/115             | 102          | 13           | 11%                  | \$110 | \$1,425 | \$12   | 0/0       | 9               | 19                 | 3           | \$112   | 75                   | 25%           | 50      | \$0    | \$   |
| 5/12/25 Mon | 0/115             | 112          | 3            | 3%                   | \$83  | \$249   | \$2    | 0/0       | 2               | 20                 | 2           | \$115   | 79                   | 32%           | 46      | \$0    | \$   |
| 5/13/25 Tue | 0/115             | 106          | 9            | 8%                   | \$114 | \$1,027 | \$9    | 0/0       | 7               | 26                 | 5           | \$111   | 94                   | 38%           | 64      | \$0    | \$   |
| 5/14/25 Wed | 0/115             | 107          | 8            | 7%                   | \$107 | \$858   | \$7    | 0/0       | 5               | 28                 | 1           | \$122   | 93                   | 38%           | 77      | \$0    | \$   |
| 5/15/25 Thu | 0/115             | 75           | 40           | 35%                  | \$141 | \$5,648 | \$49   | 0/0       | 30              | 28                 | 6           | \$148   | 113                  | 54%           | 76      | \$19   | \$   |
| 5/16/25 Fri | 0/115             | 58           | 57           | 50%                  | \$164 | \$9,348 | \$81   | 0/0       | 38              | 24                 | 10          | \$172   | 115                  | 98%           | 65      | \$94   | \$   |
| 5/17/25 Sat | 0/115             | 54           | 61           | 53%                  | \$163 | \$9,928 | \$86   | 0/0       | 38              | 23                 | 5           | \$189   | 115                  | 99%           | 63      | \$180  | \$   |
| 5/18/25 Sun | 0/115             | 100          | 15           | 13%                  | \$112 | \$1,681 | \$15   | 0/0       | 9               | 17                 | 2           | \$84    | 72                   | 44%           | 50      | \$0    | \$   |

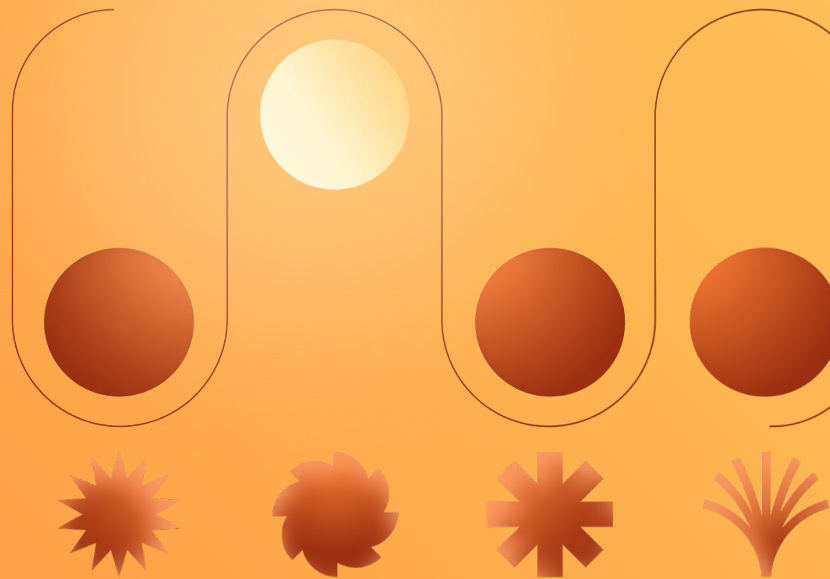
# Distribution

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# Distribution channels





# Direct booking channels

**Direct booking channels** are those channels which do not have a 3rd-party intermediary, and are typically the most desirable channels for guests to book from the hotel's perspective. Guests booking directly via the hotel's website is a perfect example of a direct booking channel.





# Indirect booking channels

**Indirect booking channels** are booking channels with an intermediary that charges a fee for visibility and use of their technology. We will see several examples, but Online Travel Agents and wholesalers are a perfect example.



Guest



Intermediary



Hotel



# More insights at your fingertips

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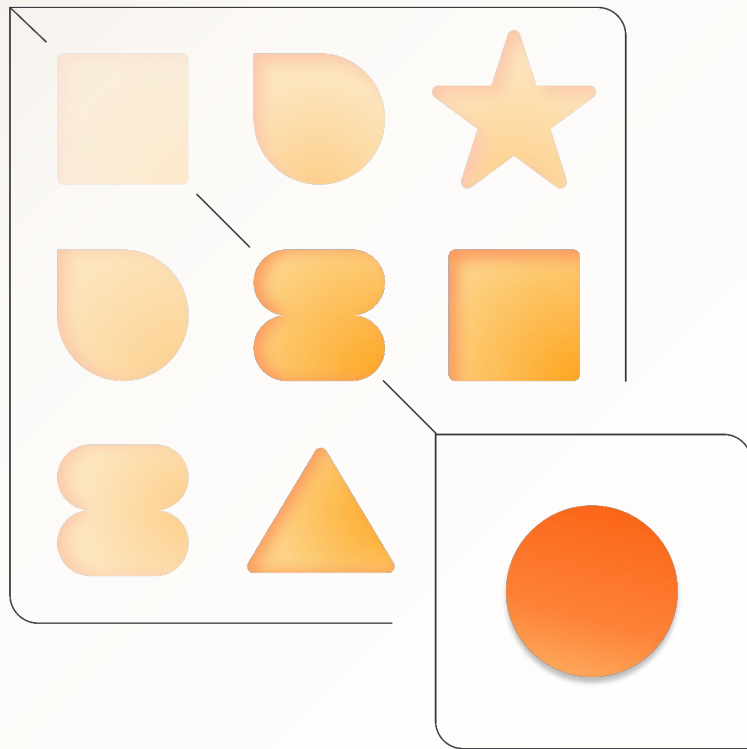


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