

# Accounting for Casino Player Value in IDEaS Revenue Management System (RMS)

*The practice of revenue management in a casino hotel/resort environment typically has to account not just for the optimization of room revenue but also for the successful accommodation of the gaming players that yield the greatest overall profit to the business.*

In order to achieve this, at a high level there are two components which must be accounted for:

1. Sufficient rooms are available for the different types of casino players.
2. The different values of the casino player based on theoretical loss (or a similar calculation) are accounted for in the way that hotel accommodation or rooms are either given on a complimentary basis, cross-charged to the casino or charged to the player in the form of player points/cash.

In addition to the above, rooms for the casino demand may be set aside and managed on one or more 'casino blocks'; forecasting for the successful management of this block also needs to be accommodated.

This document discusses some of the options available to the casino hotel in configuring the IDEaS Revenue Management System (RMS). The configuration parameters available account for the points above from the perspective of building a system that will produce the appropriate forecasts and outputs (booking restrictions). In addition, the document discusses how these outputs are utilized in your Property Management System (PMS).

It should also be noted that in some environments, the 'value' of a guest may also be based on their retail and ancillary spend revenue and profit potential.

As requirements and business practices vary considerably from casino to casino, the content should not be regarded as a definitive solution, more as options which can be considered in the assembly of an overall solution designed to meet business and financial needs of the casino hotel/resort.





## INTENDED AUDIENCE

The intended audience will have a basic knowledge of revenue management tools and techniques along with a high level understanding of the use of a PMS in the reservation process.

## INTRODUCTION

The primary objective of the IDEaS RMS is to produce forecasts and reservation restrictions (decisions) which will allow the optimal mix of demand to be accepted in order to maximize profit and drive better revenue; this does not lessen the importance of the system as a business intelligence tool and a unifying agent within the hotel's revenue management culture. In the casino hotel/resort environment, revenue management decisions and their application in the guest booking process must account for the various levels of player value that the operation identifies along with the forms of incentive that the hotel uses to attract the players, for example the offer of discounted or complimentary accommodation, food and beverage, transportation, etc.

In order to illustrate how and where information related to the player is folded into the overall revenue management practice, this document splits the components of the process into four sections: Forecasting, Optimization, Control, and Monitoring. These four sections are collectively referred to as the Revenue Management Cycle (see Figure 2.1).

The following sections will discuss the approach and some of the options available in each component part of the ongoing Revenue Optimization Cycle.

## GLOSSARY OF TERMS

### Booking Horizon

The period of time into the future for which the system will produce forecasts – this can range from 18 months to several years depending on the type of business enjoyed by the property.

### Market Segment Group

The level at which forecasts are produced for different elements of the hotel demand – PMS market segments are mapped into IDEaS RMS market segment groups.

### Shoulder Night

Night adjacent to a busy night.

### Transient Business

Individual or FIT type demand as opposed to group or wholesale demand.

### Unconstrained Demand

Statistical estimation of the total demand available regardless of the physical constraint of the hotel capacity.



Figure 2.1

## FORECASTING

### OVERVIEW

The IDeaS RMS uses sophisticated methods to model and produce forecasts of unconstrained demand for each type of business enjoyed by the hotel. Based on the business practices used in the PMS (and potentially the gaming management system) to categorize demand, the IDeaS RMS is configured to produce a set of forecasts for each of the major demand streams. The first level of separation of the forecasts is based on whether the demand stream represents group or transient business. Forecasts for group business are produced using different techniques than those used for forecasting individual or transient guests (otherwise called leisure/FIT guests). Within both the group and transient portions of the business, there are also booking patterns and traits which call for separation of, for example, group 'convention' business from group 'association' business and transient 'wholesale' business from transient 'casino player' business.

The objective of the IDeaS RMS is to be able to utilize the dynamics of each type of demand e.g. booking pace, day-of-week pattern, length-of-stay pattern etc. to produce stable forecasts. The forecasts produced have to account for the inherent volatility of the demand in addition to the different overall financial values of the demand. To achieve this objective, the IDeaS RMS system will typically have between twelve and twenty different market segment groups which will then produce forecasts for the entire demand stream.

Typically, the configuration of the PMS will allow for bookings from different segments/sources and of different types (group, transient, casino, wholesale, etc.) to be identified through a source code or market segment.

To summarize, the forecasting portion of the IDeaS RMS will deliver forecasts for the volume and value of each configured market segment group to the optimization engines for each day into the future booking horizon. The IDeaS RMS forecasting also specifically accounts for one-off and recurring special events.

### ACCOUNTING FOR THE VALUE OF CASINO DEMAND

For non-casino business, the IDeaS RMS calculates the monetary value of the demand based on historical and future rate and revenue data. In the case of casino demand, it may often be the case that from a PMS transaction perspective no room revenue is associated with casino demand or the amount is related to an internal 'chargeback' calculation. The optimization engines need to be provided with both the volume and value of demand by market segment group; therefore, a feature exists within the IDeaS RMS for the user, in consultation with the IDeaS RMS, to provide the value to be used for each casino demand market segment group. This value will typically be based on the typical theoretical loss for the type of casino business in the market segment group or another similar type calculation which is representative of the relative value that the demand represents.

### CASINO BLOCK FORECASTS

In many instances, accommodation for 'known' players is allocated to the casino in advance through the creation of one or more 'casino blocks'. Management of casino blocks varies greatly between properties. However, when they are in use the IDeaS RMS must account for the final number of rooms that will materialize from the block and incorporate this into the final forecast. During the IDeaS RMS configuration process, the way in which casino blocks are handled will be closely examined to ensure that the appropriate configuration parameters are used to forecast the volume and value of the demand.

### NON-CASINO BLOCK FORECASTS

In instances where none or not all rooms required for casino players are allocated via a casino block, the IDeaS RMS system will produce a forecast or forecasts for the non-casino block demand. When configuring the PMS, the hotel may have elected to create a market segment/source code for each type of casino player based on their gaming habits and theoretical loss (or similar measure).

For example, if players are grouped into ‘slot’ and, table’ and then further ranked based on their theoretical loss, this may be represented in the PMS by the association of a different code; for e.g. ‘Slot Player Level 5’, ‘Table Player Level 1’, etc. If this type of configuration is used, the IDEaS RMS forecasting structure will allow for each type of player (along with all the other types of business) to be accommodated into a market segment group for which a forecast will then be produced. In some instances, for forecasting purposes it may be advantageous to combine several low-volume producing types of business into a single market segment group in order gather enough data to produce a stable forecast.

Many hotels use some form of automated ‘gaming/casino management system’ to track the performance of players. It is the analysis of data from the gaming system that allows the hotel to categorize each player based on their gaming habits and theoretical loss and to then identify them in the reservations process through use of a PMS coding. The code is then used to create a market segment group to forecast and monitor the demand for this type of player.



## OPTIMIZATION

As discussed in the Forecasting section of this document, the IDEaS RMS produces forecasts of unconstrained demand by market segment group for each day into the future booking horizon.

These forecasts, which are updated several times each day (subject to the provision of data from the PMS), are passed to the IDEaS RMS optimization engines. There are several pieces of information that the forecasting system passes to the optimization engines including the volume of demand, the level of volatility or uncertainty associated with the demand and the financial value of the demand. Each of these data points are given by market segment group by length of stay.

The IDEaS RMS optimization engines are given the task of calculating how to ‘mix’ the demand by length of stay for each market segment group in order to maximize occupancy, revenue, and overall profit. These calculations do not look at any single night in isolation but rather at a period of time in order to maximize not just busy nights but also the surrounding shoulder nights.

For example, for a Saturday night the unconstrained demand at the total hotel level may be twice that of the hotel capacity, however, the unconstrained demand for the Sunday night is only 75% of capacity. The optimization engines will work to ensure that the mix of business by type accepted on the Saturday night allows for as much “two or more nights” stay demand to be accommodated. This will maximize occupancy on the Sunday and other surrounding nights and in turn, deliver the most revenue to the property over the period. This will ensure that, as an example, the last available room is not given to a guest requesting a one night stay if demand still exists for the guests who will stay two nights unless this particular guest is likely to generate higher revenue and profit than the two night stay guest.

**The primary outputs of the revenue management system are as follows:**

1. **Last Room Value:** The maximum revenue which can be achieved from the last remaining room. Last Room Value is used to control the availability of accommodation to those booking at pre-agreed rates; i.e. where the decision required is not what rate will be paid, but rather whether the rate which the client is entitled to buy is available for the arrival date and length

of stay being requested. This is applied at a room type level.

2. **Best Available Rate:** The optimal rate by arrival date and length of stay which should be offered to guests who do not have the ability to book at pre-agreed or discounted/promotional rates.
3. **Overbooking:** Produced at the total hotel level and by each room type within the hotel. The level of overbooking factors in the risk versus reward of filling the hotel to capacity in comparison to the risk and associated cost of having to 'book out' or relocate a guest. At the room type level, configuration parameters can be set to potentially overbook certain room types heavily while never overbooking other room types e.g. premium suites, etc. In addition, the user can configure a 'cost of walk' through the Walk Management Module to control the level of risk that is taken on a night by night basis.

Each of the outputs mentioned above is recalculated several times each day (a configurable parameter based on business patterns and the availability of data from the PMS) and is passed across the interface to the PMS. In addition, the output can also be passed to other reservation booking channels (e.g. central reservations systems, websites, etc.) either electronically or in the form of 'restriction reports' which can then be used to update availability in these booking channels.

## CONTROL

The outputs from the IDEaS RMS are sent to the PMS and are used to control the availability displayed to the reservation agent in the booking process. Depending on the PMS functionality, revised controls can be sent several times each day. It should be noted that reservation control functionality varies by PMS; however, the most commonly used systems in casino hotels have the ability to take each of the IDEaS RMS controls.

As the primary focus of this document is on providing revenue management decisions for casino players, the majority of this section will be taken in discussing the various methods that can be used. However for the sake of clarity, a brief overview on how the controls apply to other types of business is provided below:

### 'UNQUALIFIED' TRANSIENT DEMAND

In most cases, 'unqualified' demand (FIT/leisure/transient) is controlled through the rate that is quoted.

As part of the reservation process, the reservation agent will 'qualify' the guest, determining what type of accommodation they are looking for and whether they have an entitlement to book at a pre-existing rate; e.g. a promotional weekend package with advance purchase requirements, a negotiated travel agent rate, etc. If the agent determines this is not the case and the guest is looking for the 'best available rate' for their particular arrival date and length of stay, the reservation display will show the BAR (Best Available Rate) rate plan as given to the PMS by the IDEaS RMS. The IDEaS RMS BAR Module is essentially a system which dynamically prices the accommodation being requested by the client from a predetermined spectrum of rates which the hotel has decided to offer to this type of 'unqualified' client. The BAR selected for the arrival date and length of stay manages the risk of losing the guest by quoting too high a rate while maximizing the revenue from this demand stream by offering a rate that is likely to secure the desired amount of business. In addition, the influence of competitors pricing actions can be folded into the BAR output by utilizing the



interface between the IDeaS RMS and a variety of rate shopping tools.

In addition to providing a dynamic reservation pricing system, the BAR module can also have a significant impact on the efficiency of the reservation process and the way the hotel is perceived by the guest. Rather than the reservation agent starting at a high rate and then working down to a lower rate based on their individual perception of the guest's resistance to rates quoted, the BAR module provides the single rate by room type to be offered; thus significantly speeding up the reservation process and presenting a greater level of integrity to the guest.

The BAR module can also be automatically used to control rate and availability in other channels through integrations available between IDeaS RMS and a wide range of Central Reservation System and web booking engines.

#### **'QUALIFIED' TRANSIENT BUSINESS**

For those guests that either have a pre-agreed rate with the hotel (which is potentially subject to length of stay restrictions) or wish to book at a particular package or promotional type rate which may have specific booking conditions; e.g. must be booked 7 days prior to arrival, must include a Saturday night stay, etc. - the decision required for the reservation agent at the time of booking is whether the rate in question is available (by room type) for the arrival date and length of stay being requested. This determination is made in the PMS by comparing the sum of the Last Room Values for the dates of the stay with the sum of the room revenue the rate in question will produce. If the sum of the room revenue is greater than the sum of the Last Room Values, then the rate will be shown to the reservation agent (by room type) for them to sell; if it is not, the rate will not be displayed. Subject to business practice, the reservation agent may then go on to offer the Best Available Rate as an alternative.

Last Room Value can also be used to control the availability of wholesale rates being booked outside room allocations along with group rates

when being sold directly to group delegates (as opposed to a rooming list being provided) after the group block has been released.

#### **GROUP BUSINESS**

The IDeaS RMS includes a sophisticated Group Pricing Module which allows each prospective group booking to be evaluated based on the room requirements and arrival and departure dates. The rapid evaluation process allows the user to consider multiple arrival date scenarios in a single process, thus enabling the user to assess impact of accepting the group on each potential arrival date along with providing a guideline on the rate that should be charged. Ancillary revenues and profits can also be incorporated into the evaluation process to account for the anticipated ancillary revenue and profit that the group is likely to produce in comparison to what it may displace if other demand streams have to be denied in order to accommodate the group. This process can be further streamlined by an integration with a Sales and Catering Management System.

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#### **DIFFERENT TYPES OF PLAYERS. DIFFERENT METHODS OF CONTROL.**

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#### **CASINO BUSINESS**

The way the controls provided by the IDeaS RMS are used in the booking process for a casino guest is very much determined by the way casino guests are categorized from the perspective of their player type along with the type of incentives that are offered to the guest to draw them to the property. There are several different methods that can be deployed and many casino hotels use a combination of methods to control the different types of players. A selection of these methods is discussed below.

#### **COMPLIMENTARY ACCOMMODATION**

If players are attracted to the hotel by the offer of complimentary accommodation and/or a food & beverage and travel package, the reservation process firstly has to identify the player and the category into which they fall and then determine

the type of incentive that will be offered for the arrival date and length of stay requested. It is worth noting that in some cases, although the player themselves will not be charged for the accommodation, the hotel operation may cross-charge the casino operation for rooms used. This permutation will be discussed further towards the end of this section.

As previously mentioned, the IDEaS RMS provides the PMS with a Last Room Value for each arrival date in the future booking horizon. It is the Last Room Value in conjunction with the player category which will then determine availability based on the arrival date and length of stay. Putting to one side the players of the highest category level who will always be offered a complimentary package regardless of the level of occupancy and availability of rooms, the casino reservation agent has to be provided with a display of availability which indicates the availability of the complimentary room and any other packages which the players are entitled to, potentially by room type. This availability will depend on the category of player and the level of occupancy forecasted for the dates in question.

Through the booking process (often in conjunction with the gaming system) the reservation agent will identify the guest from the player/guest history database and will be given information on the categorization that has been given to the player and the level or type of accommodation to which they are entitled. In many cases, this information will indicate the rate plan/code which has to be used in the PMS to make the players reservation.

### **RATE PLAN CONFIGURATION**

As part of the configuration process of using the PMS with the IDEaS RMS interface, the rate plans/codes that are applicable for complimentary player accommodation are created. The naming convention of the rate plans may include the various categories of player that have been established; e.g. 'COMP T2' to indicate the rate code to be used for complimentary accommodation for the second level of table players, 'COMP S5' to indicate the rate code to be used for complimentary accommodation for the fifth level of slot players.

The various complimentary rate codes for the player type can be configured with a 'yieldable value' or, in some cases, an 'indifference value'. This 'yieldable value' influences the way that the rate is evaluated against the Last Room Value provided by the IDEaS RMS system in the booking process. Typically the 'yieldable value' used for each of the player rate codes will vary to reflect the level of player value, depending on business practices and the method by which the theoretical loss (or equivalent) is calculated, the 'yieldable value' may be the theoretical loss or a value derived from it.

### **BOOKING PROCESS**

After identifying the player and their player category (either through the PMS or the gaming system), the reservation agent will enter the arrival date and length of stay requested along with the rate plan against which the booking should be made. Using the Last Room Values provided, the PMS will then automatically sum the Last Room Values for each night of the stay and compare this to the total room revenue for the rate code (in this case \$0) AND the sum of the 'yieldable value' attached to the rate plan. If the sum of the room revenue AND the 'yieldable value' is greater than the sum of the Last Room Values, the reservation agent will be able to proceed with the booking. If the sum of the room revenue AND the 'yieldable value' is less than the sum of the Last Room Values, the reservation agent will not be able to proceed with the booking. (Depending on the functionality in the PMS, this calculation may be made separately for each room type assigned to the rate plan.) In this case, they will be able to search for alternative dates where the rate plan is available (again using a PMS/IDEaS RMS interface feature) or potentially offer a non-complimentary, but perhaps discounted rate to the guest.

It is important to note at this point that as the IDEaS RMS system is forecasting the demand based on all the business for the hotel including the various types of casino player business, the Last Room Value is folding in the need to maintain availability for the best mix of casino and other guests.

**THE FOLLOWING EXAMPLES FURTHER ILLUSTRATE THE ABOVE POINTS:****PMS RATE PLAN SET-UP (SAMPLE)**

- Rack Rate = \$200
- Table Player Level 2 Complimentary Rate Plan 'Yieldable Value' = \$220
- Table Player Level 3 Complimentary Rate Plan 'Yieldable Value' = \$180
- Slot Player Level 5 Complimentary Rate Plan 'Yieldable Value' = \$50
- Last Room Values & Occupancy Forecasts (sample date range)
- 1st May - Last Room Value = \$75, Occupancy Forecast = 92%
- 2nd May - Last Room Value = \$210, Occupancy Forecast = 100%
- 3rd May - Last Room Value = \$10, Occupancy Forecast = 80%
- 4th May - Last Room Value = \$80, Occupancy Forecast = 88%

*Note: Last Room Values are not rates but values that represent the maximum revenue expected from the last available room. In the case of the 3rd of May, the low Last Room Value is indicating the fact that it is very unlikely the hotel will fill on that night and therefore the 'last available room' has very little value as there is no demand to utilize it.*

**RESERVATION REQUEST EXAMPLE 1**

- Slot Player Level 5 - Arrival 1st May, 1 night stay, Defined Rate Code - COMP S5
- Last Room Value = \$75,
- Room Revenue on Rate Code = \$0, Yieldable Value = \$50

In this case, the reservation agent would not be able to offer the complimentary rate to the casino guest as the sum of the room revenue and the yieldable value (\$0 + \$50) is less than the Last Room Value - proceed to offer the guest an alternative date or a discounted rate.

**RESERVATION REQUEST EXAMPLE 2**

- Slot Player Level 3 - Arrival 3rd May, 2 night stay, Defined Rate Code - COMP S5
- Last Room Values = \$10 (3rd May) + \$80 (4th May) Total = \$90
- Room Revenue on Rate Code = \$0 per night, Yieldable Value = \$50 per night

In this case, the reservation agent would be able to offer the complimentary rate to the casino guest as the sum of the room revenue and the yieldable value (\$0 + \$50 x two nights = \$100) is greater than the sum of the Last Room Values (\$90).

**RESERVATION REQUEST EXAMPLE 3**

- Table Player Level 2 – Arrival 2nd May, 1 night stay, Defined Rate Code – COMP T2
- Last Room Value = \$210
- Room Revenue on Rate Code = \$0 per night, Yieldable Value = \$220 per night

In this case, the reservation agent would be able to offer the complimentary rate to the casino guest as the sum of the room revenue and the yieldable value ( $\$0 + \$220 = \$220$ ) is greater than the Last Room Value (\$210).

**RESERVATION REQUEST EXAMPLE 4**

- Table Player Level 3 – Arrival 1st May, 2 night stay, Defined Rate Code – COMP T3
- Last Room Values = \$75 (1st May) + \$210 (2nd May) Total = \$285
- Room Revenue on Rate Code = \$0 per night, Yieldable Value = \$180 per night

In this case, the reservation agent would be able to offer the complimentary rate to the casino guest as the sum of the room revenue and the yieldable value ( $\$0 + \$180 \times \text{two nights} = \$360$ ) is greater than the sum of the Last Room Value (\$285).

In cases where certain levels of player are on occasion entitled to other benefits such as food and beverage allowances, these factors could also be incorporated into rate plans associated with the player type through further use of the yieldable value held in the rate plans.

**RATE CHECK FEATURE**

The IDeaS RMS also offers a rate check feature which allows the reservation agent to quickly determine the availability of a given rate based

on arrival date and length of stay directly from the IDeaS RMS. The rate check functions independently of the main IDeaS RMS and could potentially be incorporated or linked into other systems, e.g. the gaming system, if this facilitated the booking process.

**DISCOUNTED ACCOMMODATION RATES**

The section above illustrated how the combination of Last Room Values and yieldable values could be used to determine the accommodation of guests entitled to complimentary rates. In some cases, certain types of players may not be entitled to complimentary rates, but rather heavily discounted rates. Using the Last Room Values from the previous example, the following illustrates this point:

**RESERVATION REQUEST EXAMPLE 5**

- Slot Player Level 6 – Discounted Rate = \$50 per night, Yieldable Value = \$10
- Slot Player Level 6 – Arrival 3rd May, 2 night stay, Defined Rate Code – DISCOUNT S6
- Last Room Values = \$10 (3rd May) + \$80 (4th May) Total = \$90
- Room Revenue on Rate Code = \$50 per night, Yieldable Value = \$10 per night

In this case, the reservation agent would be able to offer the discounted rate to the casino guest as the sum of the room revenue and the yieldable value ( $\$50 + \$10 \times \text{two nights} = \$120$ ) is greater than the sum of the Last Room Value (\$90).

In addition, it may be decided that for certain player levels, two rate plans will be created, one which provides complimentary accommodation, the other which provides discounted accommodation. In the case where the value of the complimentary rate plan applicable to the player type in comparison to the Last Room Values was not shown as available, the reservation agent could then check the discounted rate plan

applicable to the player type to determine if that was available.

As an alternative or in addition to the above, players of certain categories may be given the ability to purchase accommodation based on a discount off the Best Available Rate being offered at the time of booking to unqualified guests. For example, Slot Player Level 5 may always be entitled to book at a discount of 30% off the current BAR for the arrival date and length of stay required.

### **REDEMPTION OF PLAYER POINTS TO PROVIDE COMPLIMENTARY ACCOMMODATION**

Some casinos may wish to promote complimentary accommodation and possibly food and beverage to the casino player using a system whereby accommodation, etc. is 'purchased' through the redemption of accumulated player points. There are many ways in which this business requirement can be incorporated into the booking process, such as setting up a rate code with a discounted room rate which would be paid by the guest on a '\$1 = 1 player point' basis and potentially adding a yieldable value to the rate plan to give the rate plan an additional 'boost' against the Last Room Values. Alternatively, the hotel may wish to charge the casino player the equivalent of the Best Available Rate (BAR) in player points.

### **HOTEL TO CASINO CROSS-CHARGING**

In some instances, although the guest will not be charged for accommodation, a charge may be levied to the casino for the provision of accommodation. This may be a fixed rate regardless of occupancy and player type or the cross-charge rate could vary based on either or both factors.

This business requirement can again be incorporated into the way that rate plans are set up and configured in the PMS through the use of yieldable values and charge routing to allow the room revenue + yieldable value calculation to be compared to the Last Room Values to determine the availability of rate plans.

### **CASINO PROMOTIONS**

Through the use of the IDeaS RMS Last Room Values and occupancy forecasts, the revenue optimization team can create and target promotional rates to certain types of players. This may involve setting up a promotional rate plan for certain player types with advance booking conditions and higher than normal yieldable values, thus allowing the targeted business to book with a higher level of 'priority' for pre-determined date ranges. In order for the IDeaS RMS to understand when this type of demand is being 'stimulated', the user can interact with the System Forecast Override feature so that the volume of demand expected from the promotion can be folded into the overall hotel forecast.

### **CASINO BUSINESS CONTROL SUMMARY**

As illustrated in the preceding sections, there are a variety of different ways in which player value can be incorporated into availability that is offered. In some instances, a casino will elect just one method of control, in other cases; several of the methods will be used to control different types of player rate plans.

## MONITORING

The final part of the ongoing Revenue Management Cycle is the Monitoring section. Each time the IDEaS RMS receives transient and group booking data from the PMS, the level of booking for each day is automatically compared to the level of demand; which the system expected to have materialized so far [in the booking process] for each date in the future booking horizon. If the levels of demand by market segment group and length of stay are higher than expected, the system will automatically adjust the forecasts and, therefore, the Last Room Values, BAR, and occupancy forecasts to reflect this fact. Conversely, if the demand levels are lower than anticipated, the Last Room Values and occupancy forecasts will also be adjusted. This process takes place after each of the frequent daily optimization processes in the IDEaS RMS and the revised decisions are then sent back to the PMS.

The above technique adjusts the forecasts and decisions for specific days. However, in addition, the IDEaS RMS also frequently looks at the underlying trends in the demand for the hotel and makes modifications to the longer term forecasts as needed (Adjusted Demand Forecast feature). For example, if the system sees there is a sustained increase in the level of booking for a particular portion of the business, then the long term system forecasts will be adjusted accordingly. The same applies to changes in booking patterns, e.g. change in booking pace.

The user is also made aware of dates in the future where the manner in which the demand is materializing has deviated significantly, the system forecasts or varies from what was achieved in the previous year; this is done through the IDEaS RMS Alerts Module. The Alerts Module allows the user to focus on days where further investigation and potentially action would be advisable to

either increase the level of bookings through promotional activities or review packages, etc. that are available if demand levels are unusually high. The IDEaS RMS user interface allows the user to quickly analyze large amounts of data and, if required, to 'edit' the system forecasts if they are aware of factors that will influence demand that are not yet evident to the system in the data available.

## SUMMARY

As mentioned at the start of this document, the IDEaS RMS can be configured and used in many different ways in order to provide optimal forecasts and controls which will allow a property to accept the most advantageous mix of business from the demand base.

The specific way in which the IDEaS RMS forecasts are created for each segment of business, including the casino player and then the controls applied in the PMS and other channels is largely dependent on the operational practices and business objectives of the hotel. However, it can be seen that the system has the capability of forecasting for the various types of casino player, folding the values of the player into the optimization process and then producing controls which can be used to ensure that the accommodation is made available for the best mix of clients for each day in the future booking horizon.

IDEaS has an experienced and highly skilled team of business consultants and revenue management practitioners who will work with each hotel to understand the current business practices and objectives and potentially develop new techniques to advance the practice of revenue management and the ability to yield player value in the most sophisticated and efficient ways.

IDEaS, a SAS company, is the world's leading provider of revenue management solutions and advisory services. Combining industry knowledge with innovative, data-analytics technology, IDEaS creates sophisticated yet simple ways to empower revenue leaders with precise, automated decisions they can trust.

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