

Focus on dynamic packages is shifting towards augmenting RevPar

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EFT's Revenue Management in Travel USA 2007

With traditional tour operator package model facing increasing pressure from the rising popularity of tailor-made dynamic packages, how are suppliers selling distressed inventory via third party sites?

'The focus on dynamic packages is shifting from selling distressed inventory to augmenting RevPar during foreseeable periods of low occupancy,' according to Utpal Kaul, Regional Director Market Management, Expedia.

'Packages tend to have a significantly longer booking window and a higher average length of stay. Therefore by pre-empting lack of occupancy in periods of low demand via dynamic packaging hotels have less of distressed inventory to worry about closer to the date of arrival,' added Kaul, who is scheduled to speak during **EFT's Revenue Management in Travel USA 2007 to be held in Las Vegas on 9 and 10 October**.

Over the last couple of years, there has been increased emphasis on merchandising and dynamic packaging driven by OTAs' to provide more value to both consumers and suppliers.

On how has this shaped up, Kaul acknowledged that dynamic packaging has emerged as one of the key value propositions both to the customers as well as the suppliers.

'It (dynamic packaging) has empowered the customers to make well researched and personalised choices by matching multiple product types such as air travel, hotel stay, car rental etc and determine which combination suits them best. On the supplier front dynamic packaging has enabled hotels to optimise their RevPar as well as get those early bookings on the books since packages tend to have a longer booking window and a longer average length of stay.'

Whilst airlines that operate low-cost models have contributed to re-defining the pricing framework of short-haul air travel, the key for travellers today is actually travel date flexibility, choice and the ability to intelligently manage the travel experience.

In this context, Kaul agrees that this trend of rising share of self-build travel experiences will further propel dynamic packaging.

Kaul is also scheduled to comment on range of issues including selling distressed inventory via third party sites, role of dynamic packaging in protection of brand value and simultaneously shifting distressed inventory, benefit of dynamic packaging to revenue management strategy and much more during **EFT's Revenue Management in Travel USA 2007 to be held in Las Vegas on 9 and 10 October**.

More information can be found at:

<http://www.eyefortravel.com/rmusa2007/>

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