

'Delta Squared Performance Improvement assist hospitality & leisure businesses to increase revenue and reduce costs'



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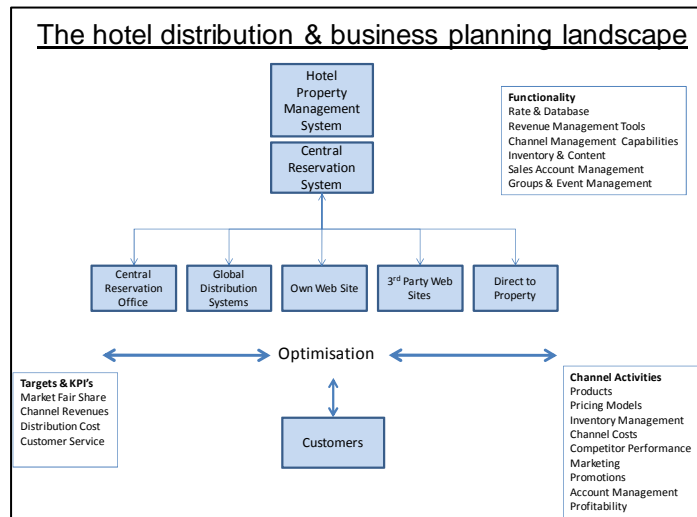
Delta Squared Performance Improvement Ltd

Introducing Delta Squared

Delta Squared is a specialist hospitality, travel and leisure consultancy based in Maidenhead, near London. Our client base includes major international hotel chains; medium and small hotel companies; tour operators; on-line travel providers and other travel industry organisations.

We work solely in the hotel, leisure and travel sector, and we know it inside out; in almost all parts of the world.

Specialising in sales, marketing and information technology assignments we are also acknowledged within the industry as an authority on distribution, revenue and sales systems. We are experts in sales & marketing strategy, sales management as well as revenue generation and business planning.



We have expertise in call-centre management and the deployment of interactive voice recognition technologies to support reservations and customer service centres.

Delta Squared also assists in choosing operating management companies to manage portfolios. We help asset managers make the right choice and we monitor performance.

Delta Squared has a wealth of experience and expertise in getting the most out of distribution systems and maximising revenue opportunities. Whether you are an independent hotel or part of a group, Delta Squared is in a position to help by:

- Improving sales through multiple channels and markets
- Optimising pricing and revenue
- Improving competitive positioning
- Refining and reducing distribution costs
- Outsourcing ineffective processes
- Cutting unnecessary operating costs

As part of the Worldwide Resource LLC group of hospitality companies, (www.WorldwideResource.com), we have direct access to additional expertise in complementary business areas and are therefore able to offer fully integrated business solutions.



Improving Performance through Distribution

The key distribution issue facing hotels is 'which of the many strategies should be employed to manage channels more effectively and more profitably?'

Delta Squared can improve performance by addressing the following key stages in distribution:

| Strategy for Distribution Marketing | | | |
|--|---|--|--|
| <ul style="list-style-type: none"> <input type="checkbox"/> What are the strategic goals of the organization and what makes it unique? <input type="checkbox"/> What is the value proposition? <ul style="list-style-type: none"> <input type="checkbox"/> Low total cost, operational excellence? <input type="checkbox"/> Superior Products, cutting edge innovation? <input type="checkbox"/> What are the main strategies in moving this organization to being more successful in resort/hotel distribution, in its specific marketplace? <input type="checkbox"/> What are the key short-term goals to achieve these strategies? <input type="checkbox"/> What are the main constraints in executing these strategies? <input type="checkbox"/> Are these strategies the right ones? <input type="checkbox"/> What is the competitive landscape – how does the organization perform ? | | | |
| SYSTEMS | STRUCTURE | STAFF | SKILLS |
| <ul style="list-style-type: none"> <input type="checkbox"/> What systems and technology are in place to enable efficient distribution? <input type="checkbox"/> How are the systems managed and are they well aligned? <input type="checkbox"/> What tools and processes are in place and are they fit for purpose? <input type="checkbox"/> What are the key systems that support the business/organization? <input type="checkbox"/> What are the 5 most important distribution system problems that if solved or improved would significantly improve profitability or organizational effectiveness? Why? | <ul style="list-style-type: none"> <input type="checkbox"/> How does distribution sit with revenue, pricing, sales or marketing organizations? <input type="checkbox"/> Do the goals and objectives of these organizations converge or are they working for potentially different outcomes? <input type="checkbox"/> What key things are done in the organization to help integrate various functions and departments that are interdependent? <input type="checkbox"/> How does the structure help/hinder this organization in accomplishing its strategy? | <ul style="list-style-type: none"> <input type="checkbox"/> What are the strengths and weaknesses of the organization's key people? <input type="checkbox"/> Who of these are most important to the success of the business/organization? Why? <input type="checkbox"/> What are you most concerned about regarding the quality of the key staff? Why? <input type="checkbox"/> Describe the strengths and weaknesses of the organization's labour force. <input type="checkbox"/> What are you most concerned about regarding the quality of the organization's work force? Why? | <ul style="list-style-type: none"> <input type="checkbox"/> What key knowledge and skills are needed to succeed in this business/organization? <input type="checkbox"/> How is that expected to change over time? <input type="checkbox"/> How do the organization's current strengths and weaknesses compare against the needed knowledge and skills? <input type="checkbox"/> What challenges does the organization face in strengthening or maintaining this match between knowledge and skills needed now and in the future? |

In a challenging environment finding new ways to make distribution work more effectively is crucial. Doing the same old things and hoping for the same results is, at worst, a definition of distribution downturn! At best it is a flawed strategy.

However, Delta Squared Performance Improvement should be your partner if you recognise the opportunities:

- to drive revenue by extending market reach,
- to optimise rate through effective management of demand,
- to improve profitability by applying an appropriate multi channel strategy,

Our skills & knowledge include:

- Development and selection of 3rd party partnerships
- Optimisation of 'own' web-site performance
- Creation of pricing strategy by channel
- Creating a culture of management by 'net achieved rate' not just headline ADR (i.e. understanding the true cost of distribution)



Improving Performance through Revenue Management & Pricing

Revenue management can be simply defined as selling the right product, at the right time, to the right guest, at the right price, through the right channel. But it takes a lot of thinking and research to make a sensible and informed judgement on how best to achieve this!

Delta Squared has the proven ability to bring a fresh, external and unbiased perspective to evaluate, validate and review revenue management systems, organisation and process. An objective assessment that is not afraid to challenge current strategy but one that will also share industry best practice to optimise the process and thus generate more profit.

| | |
|--|---|
| <p><i>Delta Squared can help develop strategy, systems and processes through detailed questioning of how it's done; how it's managed and analysis of key factors such as:</i></p> | <ul style="list-style-type: none"> <input type="checkbox"/> Understand the competitive environment and compare competitive pricing <input type="checkbox"/> Measure performance against competitive set [market share – RGI, MPI, ARI] <input type="checkbox"/> Analyse revenue per available room [REV/PAR] <input type="checkbox"/> Assess average daily rate [ADR] opportunities <input type="checkbox"/> Identify occupancy opportunities <input type="checkbox"/> Investigate and recommend inventory controls <input type="checkbox"/> Review / audit current Revenue Management systems, tools & processes <input type="checkbox"/> Review channel volume and rate mix – [centrally, web-site, third parties] <input type="checkbox"/> Examine market segmentation, volume and rate mix |
|--|---|

Having established the level of performance against the competition, we progress to questioning how to identify growth opportunities and how best to secure them through price/cost analysis.

| DISCOVERY | DESIGN | BUILD | TEST | IMPLEMENT |
|--|--|--|--|--|
| <ul style="list-style-type: none"> <input type="checkbox"/> Discover and define the problem / opportunity. <input type="checkbox"/> What we are doing and the reasons why? | <ul style="list-style-type: none"> <input type="checkbox"/> What will the new Revenue Strategy look like? <input type="checkbox"/> What systems, processes and tools are to be used? | <ul style="list-style-type: none"> <input type="checkbox"/> Build and / or acquire new capabilities <input type="checkbox"/> Create the end product. <input type="checkbox"/> Build the product, process or system, which includes such activities as, training tools and materials, system development, configuration etc. | <ul style="list-style-type: none"> <input type="checkbox"/> Will it work? <input type="checkbox"/> This will include, pilot of processes, pilot of training material and confirmation that product or system is fit for purpose. | <ul style="list-style-type: none"> <input type="checkbox"/> Implementation: How will it be handed over to the business? <input type="checkbox"/> This includes the deployment of training and support into the business and systems handover. <input type="checkbox"/> This phase includes the deployment of the change management plan, which in turn includes the internal communications plan. |

Delta Squared have the knowledge and skills to develop strategy and recommend the correct structure and software systems to create optimisation routines, establish control mechanisms, generate accurate data and help identify how best to utilise it to increase revenue!

Improving Performance through Technology

Delta Squared understand and are well versed in all the technology that drives and supports your business.

We can help you create opportunities and resolve issues through the strategic use of technology and help you to understand the market plus support operations, sales, distribution management (traditional and web) and maximise revenue.

We are not linked to any particular hardware/software platform; Delta Squared is therefore well placed to offer impartial, up to date, advice and consultancy in addition to excellent project management skills, which lead to a successful implementation.



Being very client focused, not only in the implementation of new technology but as an executive support to the management board, we will work with you to assess where you are today and where you want to be tomorrow and how technology can help get you there.

We know the product lines available and their strengths and weaknesses. Consequently, we know which applications should be shortlisted in order to 'fast-track' the process.

We achieve this through consultation and analysis of:

- A review of current issues
- Identify where you want to be
- How to organise to achieve this
- What solutions are on offer
- Define the scope and requirements
- Write the briefing document
- Select and review suitable, reputable, professional vendors to tender
- Assist in the evaluation process
- Project manage
- Installation
- Test
- Audit and review

Delta Squared will work closely with you to build a relationship that engenders confidence and trust based on industry specific knowledge of technology.

Improving Performance through Telecoms and 'Self Service' Customer Contact

Our recent experience has shown that new technologies, which have been installed and proven successful by brand leaders in automotive and telecoms industries, can also make significant improvements in levels of customer service, performance and margin when introduced to the hospitality sector.

Delta Squared believes that the hospitality sector is in a great position to realign voice contact much closer to the client website. This will enable the client to drive 'self service' in order to reduce costs, increase sales and increase profits, whilst ensuring the quality of customer experience.

This approach applies equally to in-house and outsourced voice operations. Using a 'hosted' business model, Delta Squared provide a flexible testing platform with short implementation times and low levels of integration to clients website, thus keeping set up costs to a minimum. Charging models are also flexible. By using a combination of fixed, variable or event based charging models, we are able to align cost and revenue as closely as possible.



The Delta Squared process starts with:

- identifying the percentage of actual or forecast internet bookings relative to voice bookings and the rate of transition between the two channels
- measuring the overall volume of voice calls and the relative effectiveness of the voice centre in terms of productivity and quality
- identifying conversion rates on the internet and within the voice centre
- benchmarking cost per call and cost per reservation

This initial process provides the basis for the business case that identifies the potential for performance improvement in terms of reducing costs, increasing sales and improving profit, while assuring high levels of customer service through effective call handling.