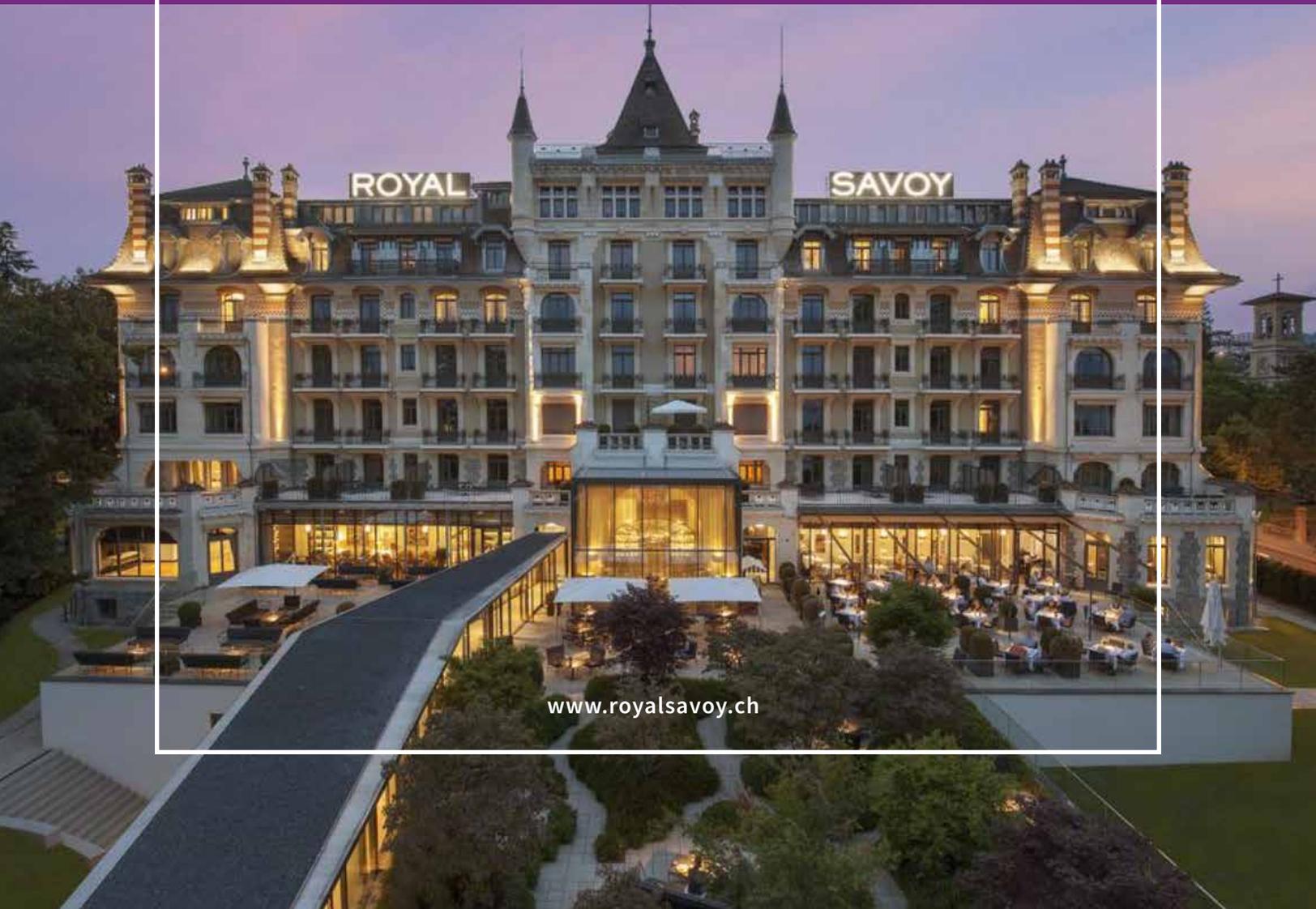


PrivateDeal

# PRIVATEDEAL

## CASE STUDY: ROYAL SAVOY HOTEL

Combining a legendary luxury hotel experience with  
a next generation booking system



[www.royalsavoy.ch](http://www.royalsavoy.ch)

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# INTRODUCTION

The Royal Savoy Hotel & Spa in Lausanne, reopened in 2016 following a magnificent restoration, is much more than an impressive hotel; it is an experience to be lived and invented. The property features an eclectic and timeless design that combines Art Nouveau and modernity with genuine panache. Guests are offered the highest tier of luxury and comfort, with tailor-made service and unique experiences across all 196 rooms. With top-class cuisine and a state-of-the-art 1,500 square foot wellness spa, The Royal Savoy Hotel & Spa ensures that every stay is an experience that guests won't soon forget. Although modern travelers have a wealth of choice at their fingertips, the majority of guests still book their next stay using an Online Travel Agency (OTA) service rather than booking directly.

**TO CLOSE THIS GAP AND DRIVE DIRECT BOOKINGS WHILE ATTRACTING NEW GUESTS, THE ROYAL SAVOY HOTEL & SPA IMPLEMENTED THE SMART NEGOTIATION SOLUTION.**

Over the course of our engagement, The Royal Savoy Hotel has seen an impressive uptick in direct bookings and revenue, while offering guests a new and enhanced booking experience that is perfectly suited to the luxury hotel industry.



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# THE PROBLEM

Direct booking conversion represents a longstanding challenge for hoteliers. In fact, statistics show that less than 10% of guests book directly on the hotel website, and predict OTA platforms to capture 41% of the market share this year. The Royal Savoy Hotel & Spa was no exception and often struggled to beat out OTA competition. Unfortunately, reliance on these platforms was eating away at their bottom line, as commissions associated with OTA bookings can reach as high as 30%.

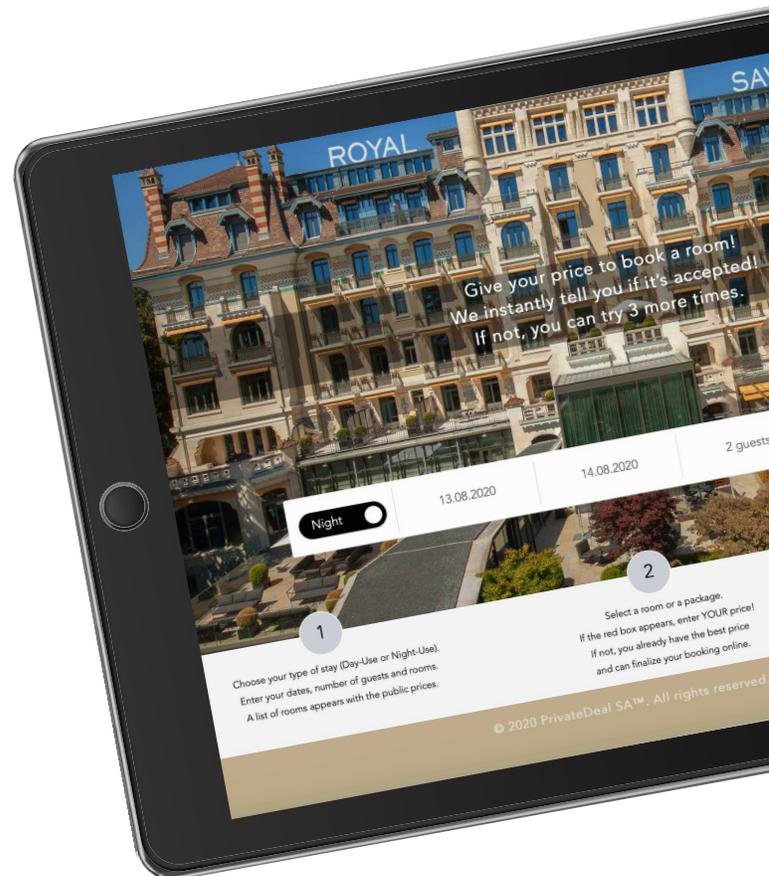
To incentivize guests to bypass the OTA booking pathway, hotels often explore exclusive package deals, preferred booking rates, or perks such as early check-in. However, parity agreements prevent hotels from offering preferred prices to guests who aren't members of their loyalty program.

## BUT WHAT IF THERE WAS A BETTER WAY TO INCREASE BOOKINGS AND PROFITS?

**WHAT IF THE ROYAL SAVOY COULD FINALLY ENSURE THEY'RE OFFERING THE RIGHT PRICE TO GUESTS, WITHOUT RATE PARITY CHALLENGES?**

**WHAT IF THEY COULD FINALLY SHOW GUESTS THAT IT IS BETTER TO BOOK DIRECT INSTEAD OF ANYWHERE ELSE?**

Eager to employ a method that helped to drive sales on their own website, The Royal Savoy Hotel & Spa implemented PrivateDeal's Smart Negotiation Solution.



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# THE SOLUTION

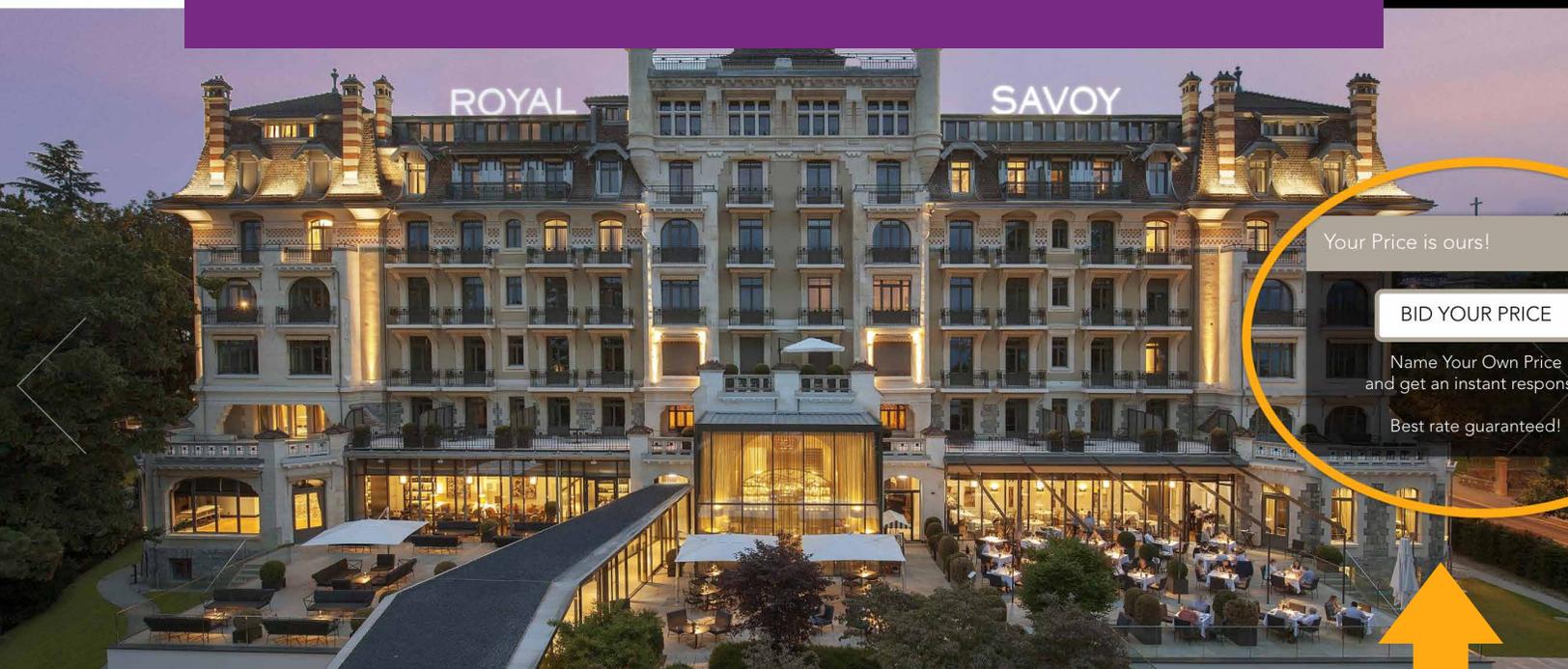
PrivateDeal is the first automated smart negotiation designed to **increase direct bookings** and **better pilot the price of hotel rooms**. The platform has allowed The Royal Savoy Hotel & Spa to maximize revenue and drive bookings by letting prospective guests propose the price they are ready to pay, directly on the hotel website via a simple slider. After inviting guests to offer a price for a given stay, an AI-powered algorithm gets to work behind the scenes to either accept or decline before suggesting a new, acceptable price.

The Royal Savoy Hotel & Spa can now seamlessly determine optimal pricing based on market demand, create rooms and package offers anytime during the year, and offer both night and day-use options to guests to maximize revenue.

Moreover, hoteliers are able to collect valuable guest data provided during the bidding process, regardless of the outcome of the offer, to enhance guest personalization. Utilizing PrivateDeal's Smart Negotiation solution, the guest becomes the price maker, and booking direct becomes the best way to book.

ROYAL SAVOY HIC  
HOTEL GALLERY

BOOK YOUR STA



**“ PRIVATE DEAL HAS ENABLED US TO INCREASE OUR DIRECT BOOKINGS AND WIN NEW CUSTOMERS WHO ARE SENSITIVE TO NEW PURCHASING HABITS IN TERMS OF HOTELS. WE ARE NOW ABLE TO CONVERT GUESTS WHO WERE VISITING OUR WEBSITE BUT WOULD BOOK ON OTAS. ”**

Alain Kropf, General Manager, The Royal Savoy Hotel & Spa



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# GOALS

The goals for our on-going engagement with The Royal Savoy Hotel & Spa were simple but incredibly impactful:

-  **Increase revenue**
-  **Increase direct bookings**
-  **Optimize yield**
-  **Address rate parity**
-  **Transform the online guest booking experience to boost conversions**
-  **Enhance guest personalization**
-  **Maximize marketing results**
-  **Increase repeat bookings**



The aim of PrivateDeal’s solution has always been to help hotels like The Royal Savoy Hotel & Spa capture the 40-50% of guests who, until now, have booked elsewhere. Within the luxury travel segment, it becomes especially important to offer prospective guests a personalized experience, while understanding the unique nuances of guest expectations and booking behaviors.



Freed from the limitations of rate parity clauses and provided with advanced guest data for marketing, The Royal Savoy Hotel & Spa can win over their competition and keep guests coming back.



# RESULTS + BENEFITS

Over the last year of PrivateDeal implementation, The Royal Savoy Hotel & Spa has increased direct web bookings by over 38%, and increased revenue from the website by over 31%.

Moreover, the hotel has collected seven times the qualified guest data, which has paved the way for memorable and highly personalized guest experiences. This, in turn, has helped to enhance guest satisfaction and drive repeat bookings.

This reassurance helps to drive immediate booking decisions without hurting the hotel luxury image. On the other end, prospective guests of the Royal Savoy are granted increased autonomy through an automated and interactive solution.

**38%**  
Increased Direct Web Bookings

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**OVER 31%**  
Increased Revenue From Website

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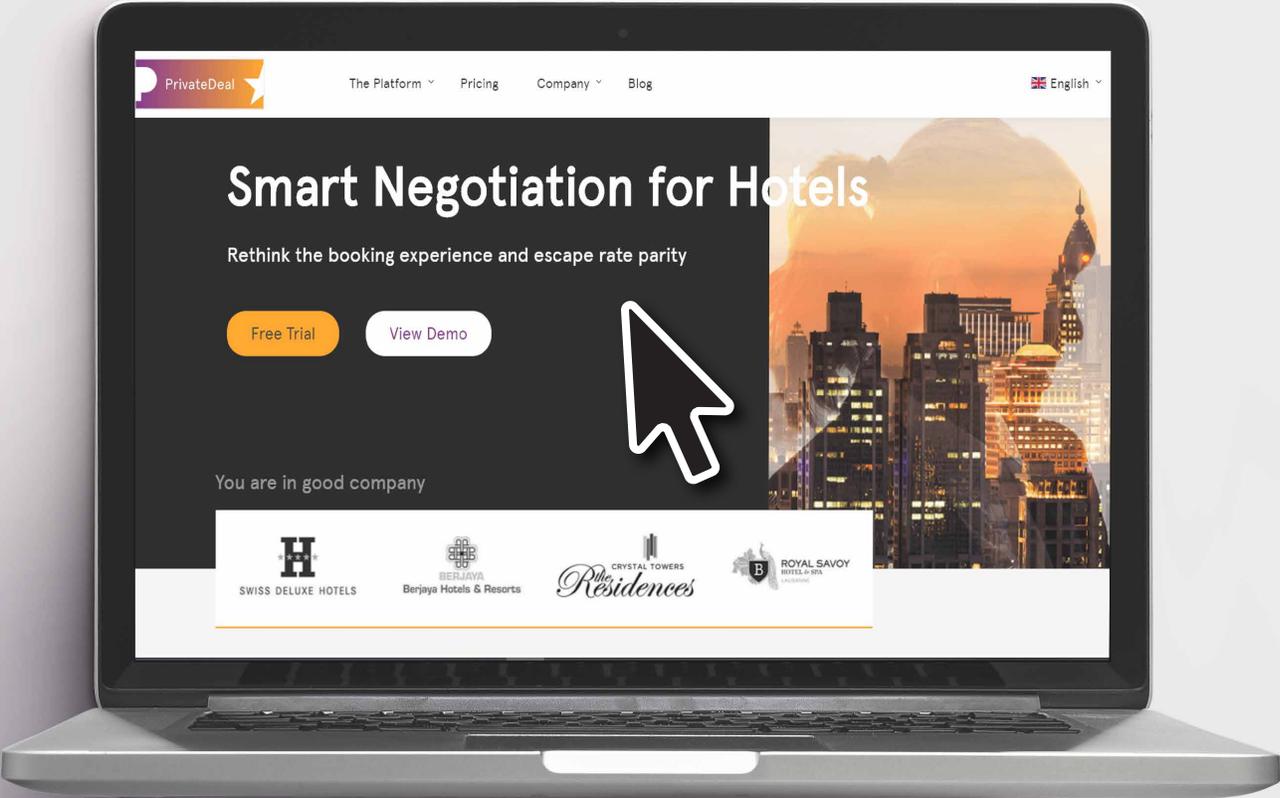
**7x**  
More Guest Data Collected



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# RESULTS + BENEFITS

To see PrivateDeal demo – Click below to watch our video



# PrivateDeal

## **PRIVATEDEAL SA**

PrivateDeal SA (privatedeal.com), a Swiss company, was established in cooperation with the École Hôtelière de Lausanne in 2017.

The company developed the first smart negotiation solution, with which guests can offer their own prices for hotel rooms.

The project earned PrivateDeal the “Premiere Prize” Milestone in 2019.

**Visit [privatedeal.com](https://privatedeal.com)**

**SMART NEGOTIATION FOR HOTELS**