



The ultimate guide to upselling techniques for hotels



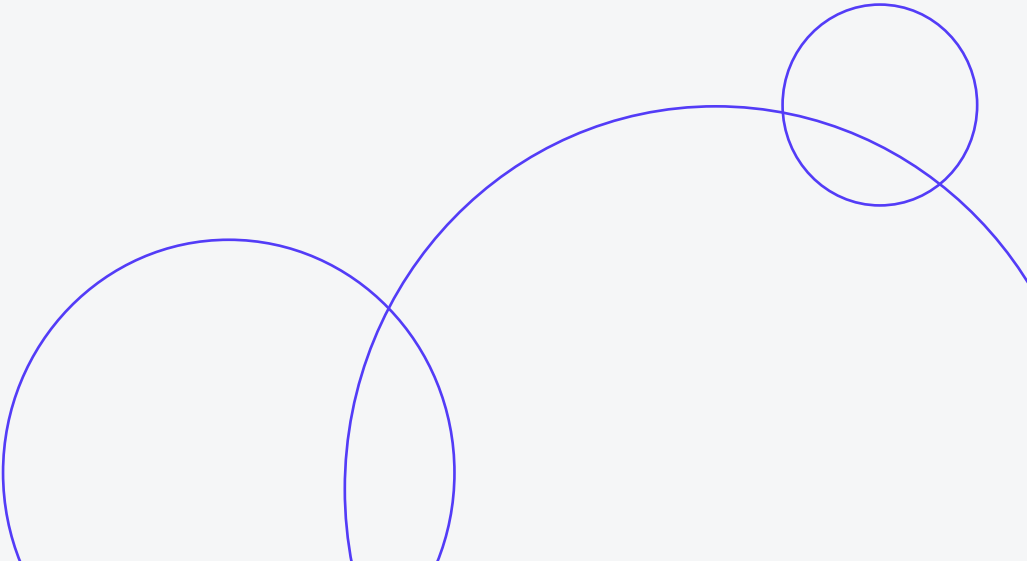
A photograph of a breakfast tray. In the foreground, there are two glasses of orange juice. The tray contains several croissants, a slice of bread, a small jar of jam, and a plate of food. The background is a blurred hotel room with a white bed.

Introduction

Every hotel has upsell potential if a measured and calculated approach is applied.

Ancillary services are a massive area of opportunity for hotels, which is why upsells should be a part of your hotel's overall marketing and revenue management strategies.

Upsells have always been a valuable revenue generator, and now they are more important than ever. According to a [2022 report](#) from The American Hotel and Lodging Association (AHLA), revenue from ancillary services, such as meetings, events, and food and beverages was estimated at \$48 billion annually before the pandemic. Given that [Knowland projects](#) that only 87% of meetings and events will have returned in 2023, some revenue will still be missing.

Decorative blue circles and lines in the bottom right corner of the page.

Now is the time to reclaim this revenue by leveraging upsells, which are also key to understanding your customers' wants and needs.

Honing your upselling techniques will ultimately lead to deeper guest relationships, an enhanced guest journey, and a chance to maximize the share of wallet for each arrival.

At the end of this guide, you'll come away with a strategic approach to upselling that will help foster loyal guests and improve your upsell performance over time. Get ready to look forward to more revenue.



In this guide

- 1 / How upsells generate revenue
- 2 / Upselling and the guest experience
- 3 / Upselling techniques at every stage
- 4 / Upsell performance measurement
- 5 / Guest loyalty improvement

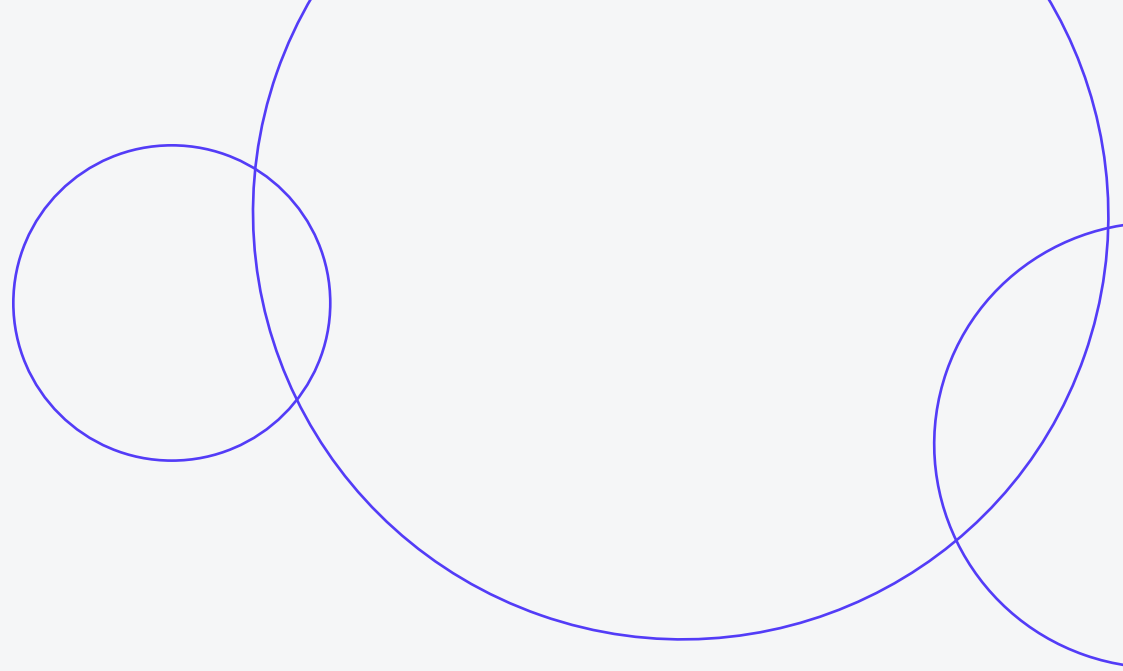


How upsells generate revenue

Upselling is a great way to increase revenue because it reveals guest preferences.

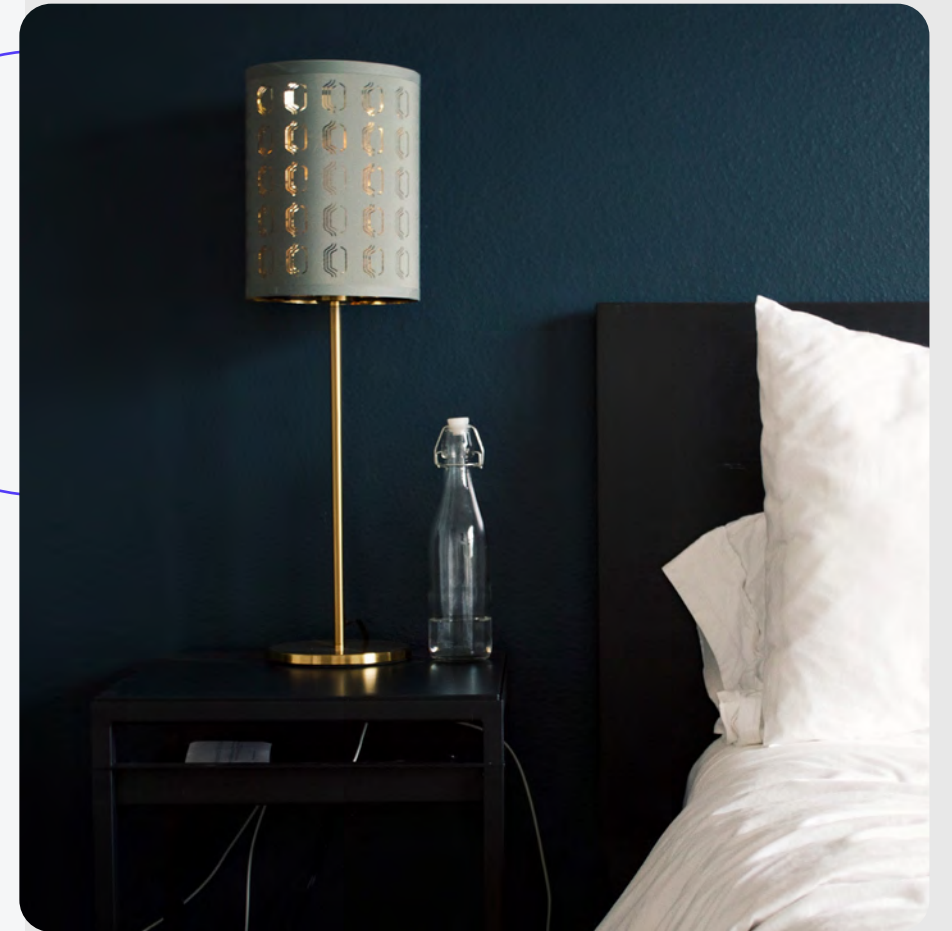
Upsells allow guests to customize their stays, making them feel their experiences were special and unique to them.

By leveraging targeted offers for upgrades or recommendations, you're essentially providing guests with options to create the experiences that they envisioned. This furthers your relationships with guests, improves your chances of seeing repeat bookings, and increases the lifetime value of guests. If you can do that for every guest, especially over the long term, you're continually driving more revenue.



In fact, Revinate customers are generating as much as \$30,000 annually in upsell revenue.

And upselling to your existing customers is often a quicker path to optimal revenue generation than selling to guests who have never booked. You have the guest data at your fingertips, so using it with upsells will be that much more effective at increasing your profits.





Upselling and the guest experience

How upsells relate to personalization

The main element of an upsell that will resonate with your guest the most is personalization. Guests need to feel special and that this offer is unique to their experience.

A [Google traveler study](#) found that 36% of guests are willing to pay more for information and experiences that are more tailored to them. By neglecting personalization, you're more likely to miss out on the sale.

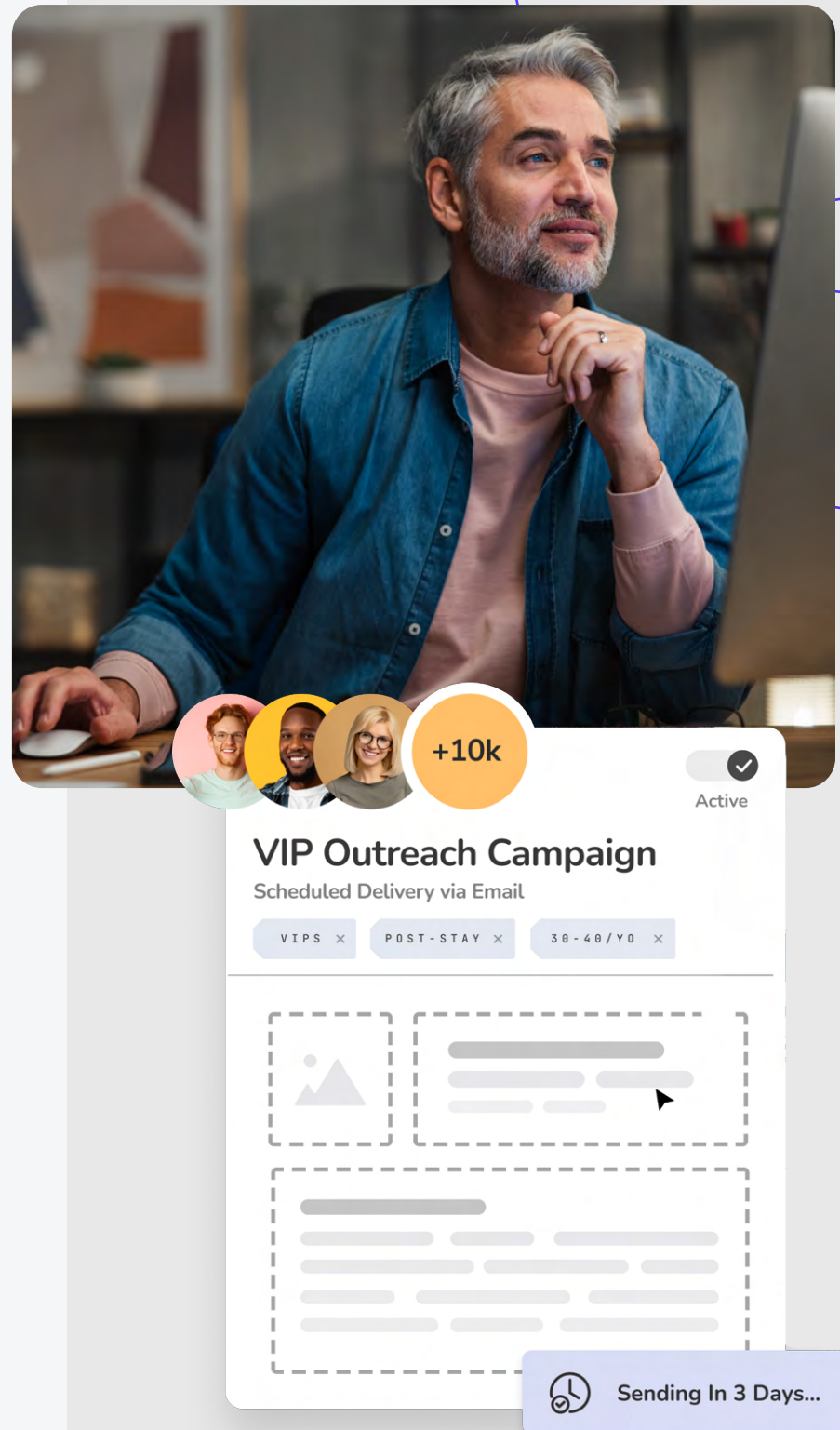
Do the research and find out what guests might enjoy during their stay. Not only will this increase the chance that guests will take advantage of your upsells, but it will also lead to greater guest satisfaction and repeat stays.

Designing your upsell

So how do you create the ideal upsell? First, tap into your guest database. With Revinate's Guest Data Platform, for example, all of a guest's preferences and details are centralized, allowing you to identify data points swiftly and accurately.

From here, you can select which guest is best for a particular upsell based on criteria such as past interests or travel motivations. Remember, guests are willing to pay \$20 to \$24 more for personalized experiences, so gather as much detail as possible.

For an upsell to resonate, start by asking guests if they're aware of potential upgrades. Oftentimes, positioning the upsell as a unique opportunity can increase its perceived value and make the offer more enticing. By steering clear of an overt sales pitch, you're putting guests in a position to express further interest.





Targeting your upsell

According to Accenture, [91% of customers](#) expect businesses to know their unique needs and provide relevant offers and recommendations. So, show guests you know what they want.

If you need some inspiration, see how our customers took advantage of upsells in our [2021 hotel marketing benchmark report](#). For example, 59% of Revinate customers took advantage of early check-in upsells and 41% took advantage of late check-out during 2021. While these are certainly popular upsells, be sure to use others, such as outside activities, food and beverage, room and amenities, and even transportation.

Don't be afraid to get creative and think outside the box, either.

Depending on your property's location and the local market, you can tap into what's popular for travelers in your region. This will help you get a better understanding of what will attract your guests.

For instance, hoteliers in Amsterdam are making the most of the local scene with upsells for bike rentals to tour the city, special movie nights, and even catering to the business traveler with chargers and adapters. That's how you anticipate guest needs.





Upselling techniques at every stage

The booking stage

Upselling doesn't start when a guest sets foot on your property. It starts at the booking stage. Once guests have selected their dates and accommodations, try sliding in offers to add to their package. This is a great time to make bookers feel they are getting the best deal possible and ensure they're looking forward to a remarkable stay.



Pre-arrival

Now that bookings are complete, emails should be sent. Tools that automate upsell emails save you time and ensure efficient sends.

Those emails won't be wasted. According to a recent survey by [Bluecore](#), 68% of respondents prefer to receive brand communications via email. As for the timing of pre-arrival emails, [our results](#) show that 7 days before check-in and 3 days before check-in get the highest open rates. It's also good to know that, in our experience, emails including the word "upgrade" have a 65% average open rate.

137 Pillars Hotels & Resorts drove more than **฿28,000,000 (\$757,390)** in revenue with upsells

As with any marketing effort, segmentation is crucial.

Be sure to segment guest upsells based on their length of stay, interactions with previous campaigns, or other distinguishing factors. For example, [137 Pillars Hotels and Resorts](#) used segmentation in their email campaigns to upsell their guests before they even arrived on the property. And their marketing efforts ended up driving more than ₱28,000,000 (\$757,390) in revenue.

You can also connect your front-office staff to your marketing team to include those popular upsells in pre-arrival emails to save time during check-in. We know that guests are more likely to spend more before arrival, which increases ADR and could lead to higher occupancy.





Arrival

Your front desk is a valuable asset to your upsell goals because those employees have in-person communication with your guests. Urge front desk staff to be proactive and encourage guests to add on features for their stay. Food and beverage, room upgrades, and late check-out offers tend to perform well at this point in the guest journey. Your front office team can also provide valuable insights into what upsells are the most popular among guests. If you use a [marketing solution like the one from Revinate](#), you can even use arrival reports to identify guests with upsells booked.

Keep in mind that emails can still be sent as reminders when guests have already arrived. That said, it's better to send 1 day after check-in to increase conversions. And as always, consult your data and analyze your booking windows to see the best time to send upsell offers. See how [Hotel Spero](#) did just that to generate \$3,500 in revenue per month.

Hotel Spero generated **\$3,500 in revenue per month** with upsell offers

Post stay

Just because the stay is over, doesn't mean it's time to stop using upselling techniques. When you conduct your post-stay surveys, ask guests if they liked the upsells offered or whether there are additional options they would like to see next time. There's no need to create a separate survey if you're already using a [robust guest feedback solution](#).

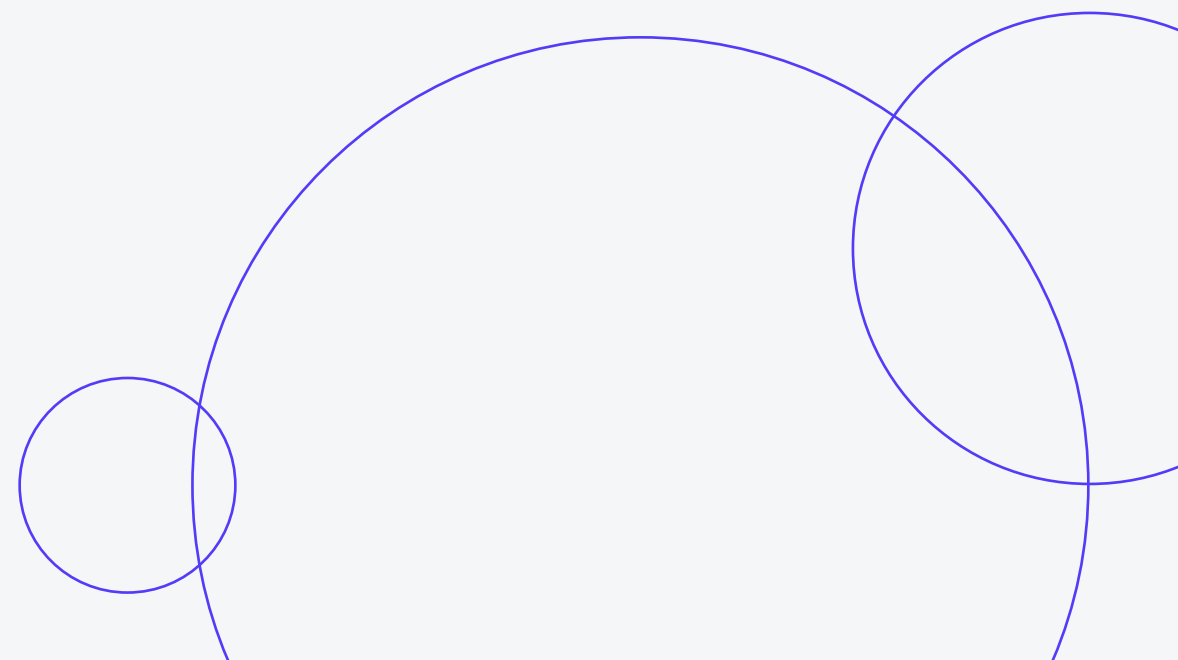




Upsell performance measurement

Guest preferences change and offers can become stale, so you'll need to occasionally update your upselling techniques.

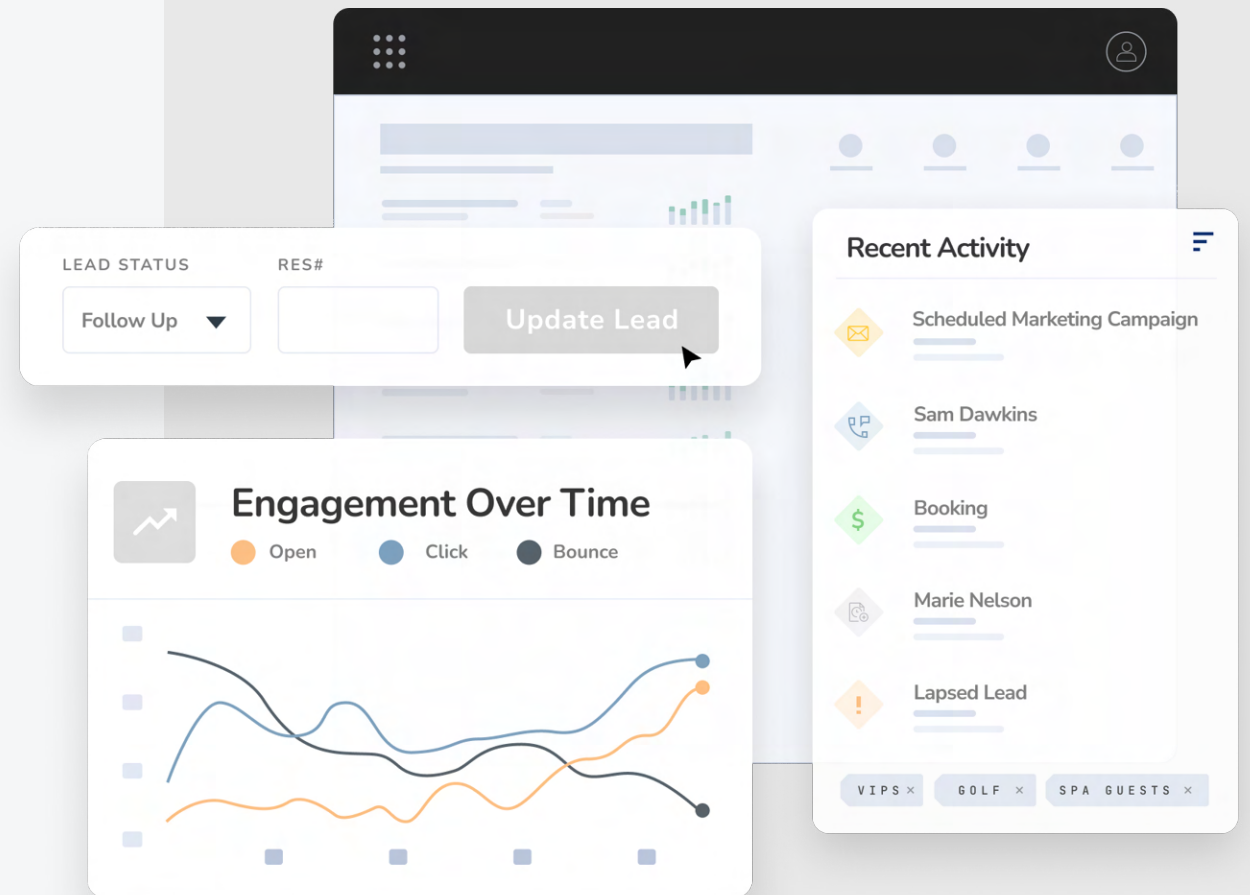
That's why it's crucial to track your upsell performance. We intentionally built the Upsells Reporting page into [Revinate Marketing](#) to do just that. This feature reveals real-time reporting on how your upsells are performing, allowing you to make adjustments based on what isn't working.



This solution also helps you streamline the upselling process by taking care of automation, confirmation, and redemption.

[The Lancemore Group](#) even achieved 150% growth in direct revenue using Revinate's solution.

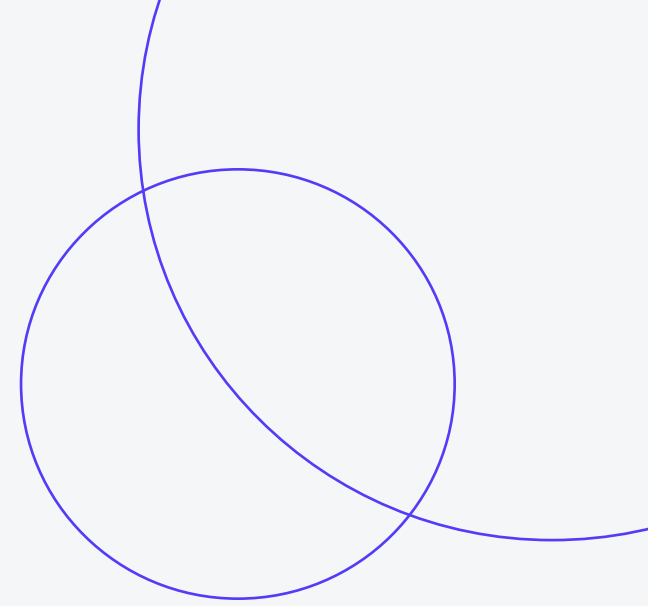
To dive further into your upsell performance, analyze trends within your CRM. Your guest data profiles tell a story that you can use to target more accurately in the future.



The Lancemore Group achieved **150% growth** in direct revenue with Revinate's solutions



Guest loyalty improvement



Loyal guests can tell you a lot about the success of your upsells.

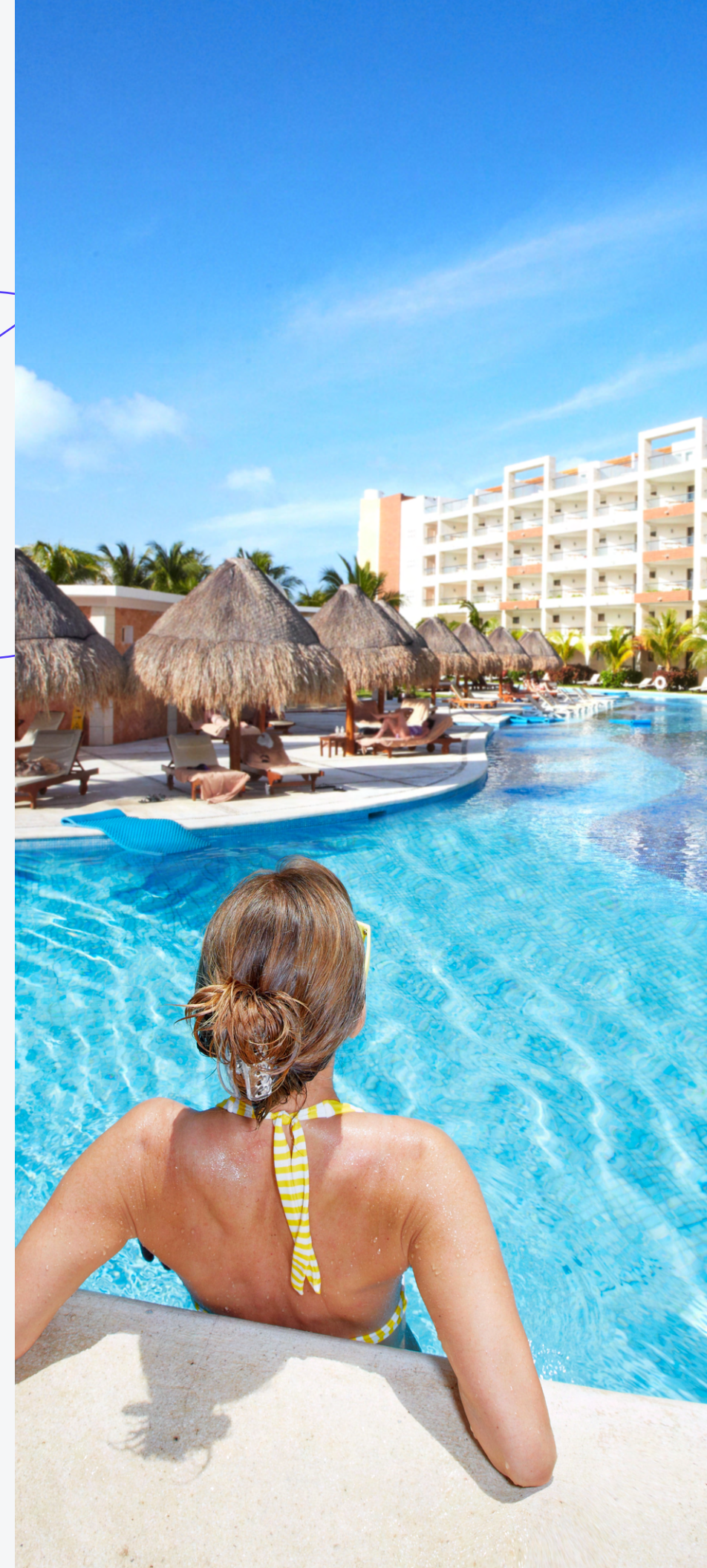
Returning customers [spend 67% more](#) than those who are new to your business. So, use data from previous stays to inform your upsells and promotions. [Martin Resorts](#) doubled their email campaign revenue in 6 months because they used segmentation to target loyal guests with upsells.

Martin Resorts doubled their email campaign revenue in 6 months targeting loyal guest with upsells

After all, upsells come from a customer-first approach.

Guests can sense your authenticity. They know when you're striving to deliver the best stay possible versus simply pushing for profit.

To get a better idea of how to communicate upsells, and to see more customer examples, check out some [upselling best practices](#).





Summary

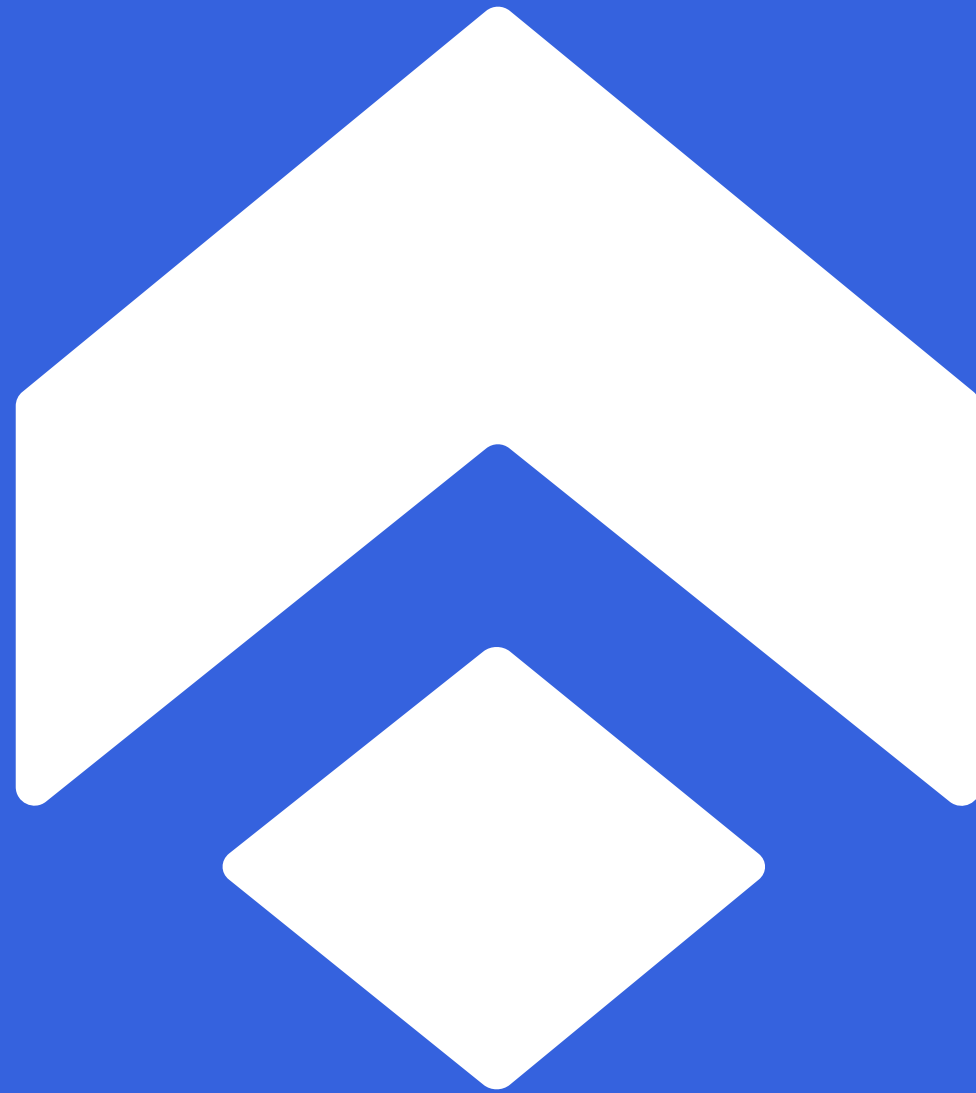
Just like any aspect of your hotel operations, your upselling techniques deserve an audit.

Show guests you care and take the time to invest in ancillary revenue tactics — it can improve your ADR and guest relationships.

If you're creating personalized offers, you're already on your way to success. But taking your efforts a step further will help to elevate your guests' experiences even more.

Looking for some guidance as you get started?

We'd be happy to help you gather your data and develop the best upsell strategy for your property. [Reach out to us](#) to schedule a demo of our solutions.



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