

## CASE STUDY

# InterContinental Singapore Generates Immediate Revenue with GroupSync Optimize

When borders closed to contain the coronavirus, InterContinental Singapore could no longer welcome as many international visitors, business travelers, or groups attending meetings and events. The heritage luxury hotel needed creative ways to overcome this adversity and entice local residents to visit the property.

After implementing GroupSync Optimize, a housing and voucher sales solution, InterContinental Singapore saw a surge in bookings for staycations and vouchers for future stays, including weddings. The technology provided a needed boost to revenue and cash flow, while reducing labor costs and expanding the hotel's existing customer base.



# Background

InterContinental Singapore is a five-star hotel and flagship property of IHG Hotels & Resorts in Southeast Asia. An elegant heritage hotel in the heart of Bugis, Singapore's cultural district, InterContinental Singapore offers 403 modern and luxurious guest rooms and award-winning fine dining at three on-site restaurants. The hotel can welcome up to 500 guests for meetings, events and conferences in 11 flexible function spaces that total nearly 11,000 square feet.







### **Problem**

After the pandemic started in February 2020, the government of Singapore closed the city-state's borders to prevent the spread of the coronavirus. InterContinental Singapore hosted travelers who were required to quarantine for 14 days under the Stay-Home Notice program through September before resuming normal operations.

With borders still closed to travelers outside of Singapore, however, the hotel needed to devise a new business model to generate income. The hotel planned to sell staycations and special packages for local guests and future stays for those who lived out of town.

## GROUPSYNC HOUSING

# **Housing Solution**





Gerrit Luchau, director of sales and marketing for InterContinental Singapore, said his property is not only one of the biggest and most profitable of IHG's properties, but they are also one of the more adventurous.

InterContinental Singapore used GroupSync Housing to experiment with experience-led promotions and flash deals for staycations centered on suites and deluxe rooms, niche communities, dog lovers, and escapes for frenzied professionals.

#### Key promotions included:



## March Madness Flash Sale

A three-day promotion for room nights booked by the first of March and redeemed by the end of April with special perks and F&B savings. The hotel hoped to beef up business after a slow February.



# **Suite Surprise**

A 30-day promotion that turned into an ongoing sale due to its overwhelming popularity. The fun promotion offers guests a chance to book a mystery suite that isn't revealed until they arrive at the hotel and spin a special wheel of fortune to reveal their selection.



#### Work from Hotel

One of the first such promotions in Singapore that garnered significant media attention, this offer served the hotel's corporate accounts and provided a serene environment for busy professionals needing a place to be productive outside their homes.

Luchau and his team maximized their marketing exposure through social media channels and key opinion leaders influential among leisure travelers.

# Results



#### Increased Revenue

The March Madness promotion picked up "fast and furious," selling 227 room nights and generating nearly SGD\$39,000 in room sales. Additional F&B spend through vouchers brought the promotion's total to about \$56,000.

"We went live on February 15 and allowed people to begin booking by February 28," explained Luchau. "Every weekend was taken up straight away. Overall pickup on the room block was 40%, which I didn't anticipate. I would have considered this promotion a success if it had produced only \$20,000 in room revenue, but we nearly doubled that goal."

Suite Surprise has sold more than 600 room nights worth about SGD\$220,000 as of March 2021. Ancillary promotions generated almost \$170,000 in additional revenue in less than two months.

Housing promotions through GroupSync generated almost SGD\$446,000 over the course of six months.



# Higher ADR

With a reservations system based on best flexible rates, InterContinental Singapore couldn't offer packages on a static-rate basis. Through GroupSync, the Suite Surprise promotion offered a static rate of SGD\$388nett, which helped drive a higher ADR in a market that had gone soft for lack of demand. Whereas rates in the hotel's comp set used to be as high as \$400 or \$500, pandemic conditions had cut those rates in half.



"I needed to sell 30 to 60 Suite Surprise packages in a given month to push my ADR in the right direction, but we ended up selling more than 90," said Luchau. "GroupSync delivers when we need it to deliver. If I have a potential shortfall, I can more easily make up the lost revenue thanks to these tools."



## Ease of Use

Prior to using GroupSync Optimize, InterContinental Singapore had tried implementing the Work from Hotel program manually. A hotel staff member took all the calls for reservations and credit card details, which turned out to be a long and tiresome process. By running the program through GroupSync, reservations and payments were received automatically, freeing up those lost labor hours.



Apart from the increase in revenue, GroupSync Optimize has made housing and voucher sales so much easier to handle," said Luchau. "It's easy to operate and visually pleasing, and it gives you easy access to your customers. I can set up a new package within a matter of minutes, whereas past systems came with a lot of limitations and took a long time. Once you've used GroupSync once, it just becomes child's play, for both the hotel and the consumer."



## GROUPSYNC GIFTING

# **Voucher Solution**

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One of the hotel's suppliers, a travel magazine, reached out with the intent to do a live-stream promotion and wanted to sell vouchers in bulk. Historically, voucher sales had to be handled manually, one at a time.

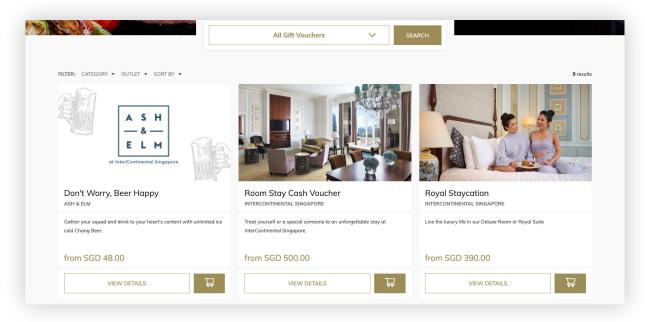
InterContinental Singapore implemented GroupSync Gifting, a feature of GroupSync Optimize, to create, sell and manage the redemption of gift certificates and vouchers for instant cash flow. Voucher packages can include F&B, staycations, spa services, activities, cash value gift cards and more, which are sold through a hotel-branded website.

The hotel processed its first order through GroupSync — 770 vouchers for the travel magazine worth SGD\$70,000 in room nights and F&B spend. The volume came as a surprise.



We hadn't really anticipated those high numbers," said Luchau. "We sold them over a weekend, and come Monday, the client was expecting us to produce the product. The whole process took five minutes to issue and send to the organizer."

During special one-day voucher sales on double dates such as 11/11 and 12/12, the hotel also sold four wedding packages valued at \$14,000 each. A fairly uncommon practice, the wedding package was a creative idea to secure an event paid in full to be redeemed within the next 12 to 18 months, in exchange for a 12% discount.



# Results



#### Increased Revenue

Since its first order, the hotel has sold thousands more vouchers and prepaid wedding packages, generating nearly SGD\$205,000 since October 2020 with 40% redemption. Companies buying vouchers in bulk purchased more than 2,100 vouchers, which generated nearly \$114,000. Consumers purchased 200 gift certificates through the gifting website, totaling approximately \$90,000 in revenue.

GroupSync
Optimize generated
nearly \$409,000
in voucher sales for
InterContinental
Singapore between
October 2020 and
March 2021.



## **Reduced Labor Hours**

In the past, hotel staff had to manually print and send individual vouchers, log their numbers, and then track redemption. By comparison, GroupSync saved hotel staff countless hours on voucher fulfillment. GroupSync also provides real-time tracking on which vouchers have been redeemed, visible at a glance on the dashboard.



# **Enhanced Guest Experience**

Given the initial success of the voucher campaigns, InterContinental Singapore continued to build up their voucher portal with an array of offers, often replicating their best sellers. Bridal parties can enjoy special discounts on prepaid wedding packages. With a simple voucher code, corporate clients can purchase thousands of dollars' worth of vouchers to incentivize their employees each month.



We will continue to develop our use of the voucher system, which will include some of our sister hotels to broaden consumer selection," said Luchau. "Given the success of wedding packages, I envision honeymoon programs in destinations such as the Maldives, for a more worldwide approach to what we can sell this way. The reach for gifting is increasing, and we want to ramp up our packaging to appeal to that."

# **Testimonial**



It has been amazing to work with Matthew Howden and Steven Hopkinson on implementing these campaigns. Their personal touch and vested involvement makes a big difference in our experience with Groups360 and the GroupSync platform, compared to the more distant technical guidance from other meetings and events software systems we have used in the past. Any time we have had a question about setting up one of our packages, we know we can call on Matthew as if he were simply an extended member of our own team. It's been a great, genuine working relationship that benefits both sides.

One of the benefits of working with a start-up like Groups360 is that they are agile and can thus make adjustments as needed to suit their customers' needs. We are excited about the possibilities with GroupSync Optimize, not only for immediate revenue as we continue to emerge from the current crisis, but also for ways to drive pilot programs and coordinate housing among our sister properties for citywide conventions as the market opens up and groups and meetings return to Singapore."

#### **Gerrit Luchau**

Director of Sales and Marketing InterContinental Singapore

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