

FLOWER CAMPINGS

GUIDANCE ON IMPLEMENTING A REVENUE MANAGEMENT STRATEGY



Aim:

to optimize the growth of the group's camp sites through revenue management



Solution:

- audit (offer, capacity, distribution)
- access to the outdoor hospitality dedicated QRUSH revenue management platform
- bespoke guidance on the new Revenue Management department



Results:

- powerful pricing strategy driven group-wide
- regular growth in the number of franchises integrated into the revenue management program
- participating camp site sales figures increase much faster than average for the network

"As soon as the project kicked off, EURODECISION demonstrated its strong listening skills and understanding of our business. It catered to our demand and analyzed our needs to come up with customized guidance. The implementation of this revenue management offer has enabled us to identify the best drivers to work on to develop our franchises; besides which, the charging approach is now more precise." Paul Combes, Tourism Director of FLOWER CAMPINGS

FLOWER CAMPINGS, a network of independent camp sites, has over 130 franchised members in France that have offered family-friendly holidays on a human scale since 2005.

The outdoor hospitality market has moved on a pace in recent years. Camp sites have invested heavily to attract holidaymakers to meet the demand for rental accommodation (mobile homes, chalets, glamping, etc.), and now offer turnkey services. The outdoor hospitality sector now generates an annual turnover of 2.5 billion euros*. All camp sites face keen competition, so proactivity is increasingly vital to ensure continued growth.

FLOWER CAMPINGS presents its member franchisees with a set of services and marketing tools to promote and develop their businesses. In particular, it helps the network's camp sites to publish coherent price schedules that fall in line with group policy.

In contrast with other tourism sectors such as conventional hotels and air transport, the use of revenue management (or yield management) to optimize revenues is very new to the outdoor hospitality sector. In 2014, Flower Camping started to consider the issue seriously, for until then, dynamic pricing was alien to its teams. Price schedules were thus designed for the marketing year, and one-off promotions were resorted to if sales required boosting.

The group opted for guidance on implementing a yield management policy after attending an “Introduction to Revenue Management” training session run by EURODECISION experts. In fact, the business analytics specialist, which is renowned for its revenue management expertise, pioneered the application of these techniques to the outdoor hospitality sector.

During the initial audit, EURODECISION collected the FLOWER CAMPINGS booking records. Its pricing and forecasting experts applied its QRUSH platform to make a thorough algorithmic analysis of the data on the basis of which they put forward specific pricing recommendations and estimated the potential gains to be made.

These results convinced FLOWER CAMPINGS of the usefulness of the approach and with the help of EURODECISION, the group created a dedicated department. In September 2015, it rolled out a revenue management offer to those of its members that were keen to optimize the profitability of their camp sites.

At the time, 10 members expressed interest. Four years later, 40 franchised camp sites have taken up this new offer. Each one benefits from individual marketing follow-up provided by the revenue managers who access dashboards comprising key indicators (e.g.: the state of sales, occupancy rate, REVPAR, build-up of bookings, and so on) via web access to the EURODECISION QRUSH platform. This visualization makes for easy real-time data analysis and guides the pricing recommendations that will be conveyed to each camp site owner.

Even if it is hard to gauge the impact of implementing revenue management techniques on sales figures, FLOWER CAMPINGS believes that the benefits match its expectations.

Today, FLOWER CAMPINGS is considering reinforcing its current dedicated team that comprises a revenue management expert and an intern. The group also continues to promote the offer in a bid to enlist more camp sites into the system. As a result, EURODECISION spoke at one of the group’s annual conventions, and thus contributed to raising awareness of the challenges of revenue management in the outdoor hospitality sector.

** 2017 turnover : <http://fnhpa-pro.fr/la-profession>*