The Anatomy of *Room Revenue*

Every room night has a segment, a rate category and a channel. Mix them up and the P&L lies.

SEGMENT who booked, and how many rooms

RATE CATEGORY the terms they booked on

CHANNEL the road the booking travelled

I Transient

Individuals or parties under 10 rooms a night

RETAIL

OTA Retail
Hotel collect, booked gross

OTA Merchant
Guest pays OTA, booked net

Loyalty Member
Member rate off BAR

Consortia
Virtuoso, Amex FHR, BCD

DISCOUNT

Advance Purchase
Booking window, penalty to change

Packages
Room plus breakfast, spa, parking

Promotions
Flash sales, stay 3 pay 2

OTA Opaque
Hotel unnamed until paid

NEGOTIATED

Account rates for corporates and organisations. ID required. Covers per-diem contractors and consortia rates struck for a named account.

QUALIFIED

Government
Officials and contractors

Membership Club
Auto clubs and similar

Loyalty Redemption
Points stays, paid by brand

Employee F&F
Staff, owners, families

WHOLESALE

Room bundled with air or car before sale. The guest never sees the rate. Packages sold this way sit here, not under Discount.

II Group

10 or more rooms a night, under contract

CORPORATE

Company blocks across industry, plus paid staff of non-profits.

ASSOCIATION

Trade, professional and philanthropic conventions.

GOVERNMENT

Local, state and national agencies, including military.

TOUR OPERATOR

Escorted tours, series and inbound ad hoc groups.

SMERF

Social, military, educational, religious, fraternal.

III Contract

A fixed block held for more than 30 days. Domiciled airline crews, standing training programmes. Recorded net of discounts.

ACROSS ALL THREE Eight channels

Brand.com & App
Own engine, chat, social

Mirrored Direct
Third party, direct terms

GDS
Global distribution

OTA
Incl. OTA packages

Property Direct
Walk-in, desk, housing

Voice
CRO, call centre

Wholesale Connect
Wholesaler portals

Other
Everything else

Three lines that move the P&L

Gross or net
OTA Retail is booked gross of commission. OTA Merchant is booked net. Same guest, different revenue line.

Stacked discounts
A loyalty member on a promotional rate is Discount, not Retail. The deeper offer decides the bucket.

Stay, not signature
Wholesale revenue lands on the dates of stay, never on the day the contract is signed.

Vikram Aditya Singh