WHOLESALE PRICE TEST

When assessing the FITSTATIC rate plan, two specific sets of criteria are evaluated.

- First, it verifies if the currently loaded rate is lower than the hotel's active sell rate.
- Second, it checks whether the loaded rate is at least 20% below the public sell rate.

Wholesalers require this minimum discount to account for their markup before reselling, typically at 20% or greater. The distributed rates are net rates, which wholesalers subsequently mark up for resale.

The following FITMASTER base rates were observed within the CRS:

- July 2026: $140 Baseline (7/1/2026 - 7/31/2026)
- August 2026: $95 Baseline (8/1/2026 - 8/31/2026)
- September - October 2026: $150 Baseline (9/1/2026 - 10/31/2026)
- November 2026: $105 Baseline (11/1/2026 - 11/30/2026)
- December 2026: $150 Baseline (12/1/2026 - 12/31/2026)
- January - February 2027: $65 Baseline (1/1/2027 - 2/28/2027)
- March 2027: $75 Baseline (3/1/2027 - 3/31/2027)

TEST WINDOW: JULY 1 - OCTOBER 31

Performance results against the established criteria:

- **Criteria #1** (Is the loaded rate less than or equal to BAR?):
  39% of the audited dates failed because the hotel's publicly available rates were lower, primarily within the immediate July window.
- **Criteria #2** (Is the net rate loaded at least 20% below the hotel's public BAR?):
  62% of the audited dates failed because the hotel's public rate was lower.

Please note that this analysis excluded publicly available discounts such as Advance Purchase or other active promotional offers.

OBSERVATIONS:

The hotel should utilize the Synxis rate compare functionality, which automatically adjusts pricing if the BAR falls below a threshold. Further configuration can be established to maintain a percentage threshold from the BAR, with the ability to set a minimum floor level to ensure, for example, that it never adjusts below $30.

Additionally, it is noted that the hotel has only loaded a single room type, the CSC Sleeper Cabin. This presents an issue when attempting to maximize distribution to achieve optimal capacity, as it effectively excludes a key demographic and a room product tailored for female travelers. We recommend loading both the WEC and ADA room types. If demand grows, the hotel should focus on yielding rates higher rather than limiting its room type distribution.

FLOATING FIT RATE OFF AP

The hotel has activated a secondary rate plan linked to certain partners, managed via the RMS system and configured to remain consistently 5% below ADV. In practice, this filing methodology fails to meet standard criteria, as yielding FIT status rates mandates a minimum discount of 20% below the hotel's lowest publicly available rate.

While this helps offset the pricing issues observed with the FITSTATIC rate plan, it still falls short of deploying a strategy aimed to capture revenue from this segment since the discount is not enough for receptives to source inventory and resell from tour operators.

HOTEL TRADER

Currently, the hotel's active Hotel Trader rate plans are configured to facilitate pricing exclusively within the OTA channel. However, Hotel Trader effectively spans both sides of the distribution network; while it can sell rates like an OTA, its primary advantage is its distribution reach to wholesale companies, operators, and receptives.

Therefore, the hotel should load a Hotel Trader static rate plan that is linked in line with the two rate plans mentioned above, ensuring that Hotel Trader can distribute inventory to the wholesale segment. This strategy is ideal because they utilize a proven model that prevents parity issues and avoids misalignment with the hotel's publicly available rate plans.

RECOMMENDED ACTIONS:

- Review pricing overall and adjust rate to ensure they always meet the 20% below the lowest publicly available rate threshold.
- Utilize functionality in the CRS to ensure automation of pricing strategy, allow the structure to flow with rate adjustments.
- Load a Hotel Trader Static Wholesale Rate Plan