

Technical Bid

KTDC is looking for a strategic partner who can provide tested and proven Revenue Management Solutions for its 9 properties. The partnership will be for a period of one year and may be extended for another one more year on the same rate upon satisfactory performance. The partnership will be subjected to further extension upon mutual consent with regard to escalation of cost up to a maximum level of 10% and according to the relevance of the said solutions/satisfactory performance etc in tune with the technology/practices of the day.

Scope of work

- Revenue Management Service and reputation management for 6 premium properties and 3 budget properties of KTDC.

Properties require Revenue Management Solution & allied reputation management.

Sl. No	Name of property	Number of rooms
Premium properties		
1	Mascot Hotel, Trivandrum	66
2	Samudra, Kovalam	64
3	Aranya Nivas, Thekkady	30
4	Lake Palace, Thekkady	6
5	Tea County, Munnar	67
6	Bolgatty Palace & Island Resort	60
Budget properties		
2	Chaithram, Trivandrum	88
3	Periyar House Thekkady	44
4	Nandanam	45

Total number of properties – 9

Please visit www.KTDC.com for more details on properties with regard to different types of rooms, inventory details etc.

Entities having the eligibility criteria may submit their Expression of Interest and this process does not promise any tie up/agreement/contract etc with KTDC.

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- The entity should have provided Revenue Management Solutions for a minimum period of 03 years as on December 31st 2019 and shall be in the trade as on December 31st 2019.
- Revenue Management solution entity should have solid experience in managing the foreign OTA's like Expedia, Agoda and Booking.com for a period not less than 3 years as on 31st December 2019 need only apply.
- Three years experience as on 31st December 2019 as a Revenue Management solutions service provider in a hotel/Resort above 5 star category having more than 50 rooms or in a reputed hotel/resort chain having more than three hotels/resorts of 3 star or above category.
- There shall be atleast five numbers of staff working in the entity and at least one of them shall be a revenue manager.
- The aggregate turnover of the entity for last 3 calendar year's shall be at least Rs.20 lakhs (Rupees Twenty Lakhs Only).

Definition & Scope of Work

Definition:

Revenue Management is the application of disciplined analytics that predict consumer behavior at the micro-market level and optimize product availability and price to maximize revenue growth. The Primary aim of Revenue Management is selling the right product to the right customer at the **right time for the right price** and with the right pack. In the essence, it is to understand customers' **perception of product value and accurately aligning product prices, placement and availability** with each customer segment **through the Channel Manager solutions provided by KTDC** to all the important **Online Travel Agents (OTA's), other Travel Agents, Direct consumers** etc.

Objectives

2. Improve the Rev.PAR (Revenue per available room) and turnover by appropriate promotion & techniques including dynamic price management (eg. Daily change of room rate according to the demand to maximize sales through OTA's).

Prescribed methods are

- i. Gathering room type wise information on previous performance of the property for which revenue management is undertaken.(viz previous year's actual occupancy during the Season Period etc, average room revenue earned etc)
- ii. Implement the revenue algorithms to boost the room sales. Revenue algorithms shall be based on occupancy and demand of the property for particular day/period or general demand.
- iii. Sending weekly/monthly reports with regard to revenue management

Revenue Algorithms

- a) Offering of fluctuating rates/discounts based on the Demand/Occupancy of a particular room category.
 - b) Suggest fluctuating rates or discounts on KTDC Booking engine as well as for the Online Travel Agents(OTA's), based on the consumer demand of the hotel for the week day/weekend etc
 - c) Selling of the rooms on a discount or on a premium for Advance Bookings according to the number of nights stay and occupancy on the particularity of dates (holidays, conference, business etc) and also in accordance with competitor's price changes.
3. Identification and timely reporting of the Competitor's price changes and suggesting the pricing to be done on various Online Travel Agents platforms.
 4. Help the property to earn more revenue by taking direct bookings through the properties online booking engine etc
 5. Identification new OTA windows for the property and help in getting registered in the same through the Channel Manager.
 6. Maintenance of Rate Parity on various Online Travel Agent Platforms to ensure unbiased and equal support from Online Travel Agents and therefore Zero tolerance for Rate disparity..

7. Ensuring that the money is credited to bank account of KTDC before the guest checks-in by all OTA's like Expedia and Agoda except in the case of pay at hotel clients.
8. Timely invoice rising for Expedia and Agoda etc and to ensure that the money is credited in the bank account of KTDC (optional).
9. To closely work with the reservation team and the revenue management coordinator of the Corporation.
10. Ensure that the weekly/monthly reports are reached at the appropriate time to the corporate management to make smart informed business decisions.

Expected results

A. Promotion, Selling & Revenue

- Room night sales of all Premium and Budget properties for which revenue management is undertaken is increased by 50% on Y-to-Y business.
- Optimum Room Revenue is realized in line with the expectation of the Corporation (KTDC).
- Focus would be more on the middle/upper category room types to attain the expected revenue per room.
- Optimization (increase) of online visibility and ranking for the property in each Online Travel Agent platform.
- Content Management/Content Updation/Content up gradation through extranet of each OTA or through any other mode as per the material supplied by the Marketing Division.(Marketing).
- Business Intelligence Facility (Reputation aggregator, Rate shopper, competition set, Rate aggregator, Rate stalk etc).
- Increase in the walk-in guests due to high publicity efforts/visibility by Revenue Manager/Channel Manager..
- Increase in the number of people visiting the property on various online platforms by 100%.
- Timely recommendation of various promotions/deals on the website of OTA's
- 100% increase in the business through Online Travel Agents.

- Sharing of Guest Details with the corporate management/property management, cancellation and amendments, production report by each OTA etc.
- Consumer behavior for each property be analyzed and shared (Monthly/Period wise).
- Analysis of the length of stay of the guest, suggestion's for rolling out offers to get long stay business and to increase the length of stay of the potential guest.

B. Reputation Management

- Reputation Management in Trip advisor, Google review, review in various OTA's etc.

C. Reports for Decision Making

- Sharing of Guest Details with the corporate management/property management, cancellation and amendments, production report by each OTA etc.
- Consumer behavior for each property be analyzed and shared (Monthly/Period wise).
- Analysis of the length of stay of the guest, suggestion's for rolling out offers to get long stay business and to increase the length of stay of the potential guest.
- Details of consumer's booking through mobile phones and their behavior pattern shall be tracked separately and submitted (Monthly/period wise eg. Diwali/Christmas/Monsoon season etc)
- Details of consumers on Leisure or Business purpose/family/Adventure/Honeymoon/MICE tourists and their behavior pattern shall be identified separately and submitted (Monthly/period wise).
- Country wise/Region wise booking shall be tracked and submitted (Monthly/Period wise).

D. Crisis Management

- Crisis Management Support in the event of an overbooking due to technical error/cancellation problem or any other issue arising out of the case of Channel Management/Revenue Management.

E. Review Mechanism

- The representative of the agency should be present at the Corporate Office for a monthly review on the performance with regard to occupancy, ARR, Rev.Par, productivity through various OTA's, visibility/Ranking of KTDC properties in various OTA's, classification of consumers and their productivity e.g. leisure business, domestic tourist etc, performance of Channel Manager, consumers/guest feedbacks etc.

F. Restriction

- Revenue Management Solution will not be provided for a similar property/competing property/substituted property within 3 Km radius of the KTDC Property for which Revenue Management Solutions are provided.

G. Mode of submission

- The entity should submit their offer to The Managing Director, KTDC LTD, Mascot Square, Thiruvananthapuram 695033 by downloading the application for tender from the website (www.ktdc.com/announcement.php).
- Rates should be quoted both in figures and in words in columns specified. All erasers and alterations made while filling the application must be attested by initials of the authorized person of the entity. Overwriting of figures is not permitted and failure to comply with either or these conditions will render the tender void at the Managing Director's discretion. No advice of any change in rate or conditions after the opening of the tender will be entertained.
- Application with all supporting documents and Demand Draft Rs.2, 500/- for EMD shall be submitted to the office of the Marketing Manager, KTDC on or before 3.00 PM on 07/02/2020 and Technical bids will be opened at 4.00PM on the same date.
- The financial bid will be opened only of those entities who has found technically qualified after evaluation of their technical bid.
- Entity shall ensure submission of complete information/documents at the first instance itself.

H. Earnest Money Deposit

The tender should be accompanied by Demand Draft of Rs.2500/- against the EMD

I. Bid submission

Offer shall be submitted in a sealed cover super-scribed "*Tender for Revenue Management for KTDC*". The Sealed Cover shall contain two separately sealed envelopes super scribed as below:

Envelope No 1 - shall contain duly signed technical bid and supporting documents and EMD for Rs.2, 500/-in the form of the Demand Draft in favour of 'Managing Director, KTDC' Payable at Thiruvananthapuram. The cover shall super scribe '**TECHNICAL BID FOR REVENUE MANAGEMENT**'

Envelope No 2 - shall contain financial bid and shall super scribed as '**FINANCIAL BID**'

J. Termination

The agreement will be terminated if the successful entity fails to deliver the obligation as laid down in the tender documents or unsatisfactory performance during the agreement period. The agreement can be terminated by giving one month notice on either side.

Other Terms

- KTDC will appoint one coordinator for all properties and coordinator's for overall management from the corporate office.
- Revenue Management Company will appoint one exclusive Relationship Manager for KTDC Properties.
- The number of rooms in any property/collectively will be reduced, if any number of rooms are not available for sale on account of blocking for maintenance/given for holiday home arrangement or like business arrangement. This principle will be applied when the management decides to go for any additional property for revenue management on prorate basis.
- ARR will be decided by KTDC on the basis of suggestion forwarded by Revenue Management Service provider.
- The Performance will be evaluated on the basis of confirmed Room Nights at each property through OTA's and also booking through KTDC's own booking engine on the basis of suggestion of rates/offers for various properties.

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- The agency shall utilize the channel manager solution chosen by KTDC Ltd and currently M/s. Ease rooms by GI Hospitalities is providing the Channel Manager Facility.

APPLICATION FOR REVENUE MANAGEMENT

1	Name of the Entity & Address (Proof to be submitted)	
2	Nature of Entity Company/Partnership/Proprietorship (Proof to be submitted)	
3	Year of Incorporation/Formation (Proof to be submitted)	
4	Should have at least 3 years experience in providing Revenue Management Solution in a hotel above 5 star hotels with minimum 50 rooms or in a hotel/resort chain having more than 3 hotels/resorts of 3 star and above category as on 31 st December, 2019. (Proof to be submitted)	
5.	Experience in handling foreign OTA's like Booking.com, Expedia, Agoda etc (3years) (Proof to be submitted)	
6	Experience in handling Indian OTA's like MMT, Goibibo, Travel guru, Yatra etc (3years) (Proof to be Submitted)	
5.	Aggregate turnover for the last 3 calender years as on 31 st December 2019 (To be certified by a Chartered Accountant)	
6.	PAN & GST Number (copy to be attached) (Must)	
7.	Details of the staff working in the firm, their designation with their salary (Must)	
8	The entity must have its own Revenue Management, Yield Management, Competition Analysis System etc.	

9	Details of EMD	
10	Testimonials of the client on 1. ARR earning capacity 2. Occupancy improving capacity through OTA's 3. Reputation Management 4. General improvement in business (Must)	

Tick (✓) for yes and (x) for No
 Proof to be attached for every claim/statement.

Signature of the bidder with Name & Office seal