



Creating Opportunity Amidst Traditional Group Billing Chaos

Billing a Group Doesn't Have to be a Hassle

Traditionally, the billing of non-leisure hotel business is complicated, cumbersome, and time-consuming.

Managing multiple spreadsheets & source systems to account for consumption across hotel room nights, banquet catering services, & outlet purchases for even one piece of group business could result in significant risk.

Automated data integration into one system gives hotels comprehensive reporting to centralize group business financial components – from initial sale to final invoice.



3 Components of Group Contact

Contract Arrangement



Groups typically must meet certain payment obligations prior to arrival based on contracted spend.

Pre-Arrival Estimate Planning



Changes in group commitment presents roadblocks to proper planning, challenges surface when tracking through various manual processes & spreadsheets.

Accounting Actualized Consumption



Accurate invoicing & billing requires a consolidation of all consumed services vs. received & planned payment

Group Business: Powerful Asset, Fragile Asset

One of hospitality's most genius evolutions, group business is an extremely lucrative asset that can quickly become a detrimental liability if mismanaged.

- ① Mismanaged Group Contracts & Contract Details
- ② Limited Reliable or Completely Unreliable Forecasting
- ③ Over or Under-Extended Individual & Group Credit
- ④ Continuous Growth of Outstanding Balances
- ⑤ Inability to Reconcile Received Payments with Planned Payments
- ⑥ Unforeseen Changes to Planned Revenues that Significantly Alter Profit Margin

Manual Group Billing Creates a Cycle of Chaos



Adding Automation Adds Value to Spend

Incorporating **automation** into the traditional **group billing process** ultimately provides **more adaptability** to the fluctuations in customer spending.



How much one piece of group business (non-transient/leisure) is **contracted to spend**



How much that one piece of group business **will probably** spend



How will that customer **pay for** the final spend incurred

Group Billing Case Study



Ms
Current Name
Street Name, 1
70000 City Name

Street Name, 1
70000 City Name
Tel: 0000 00000000
E-Mail: emailname@server.com

Invoice-Nr:
2011042401

Date:
24.04.2011

Client name/In:
Your Name

Invoice

Dear Ms Current Name,
I authorize myself to make following Invoice:

Num.	Qty	Units	Article Nr.	Goods/Service	Unit Price	Price
1	1	pcs		Food photography for summer menu. Menu design and printing on glossy cardboard DIN A5 double sided 50 pieces	273.11 €	273.11 €
1	33	pcs		Single product photo on white background	2.52 €	83.16 €
1	1	pcs		Photo Licenses for Certificates	16.80 €	20.00 €
						273.11 €
						61.89 €
						325.00 €

Total
VAT 19%
Total Amount Payable

The Billing Environment: A Profile



- Upper Upscale/Luxury Hotel Brand
- Consolidated Billing Service Team
- Domestic & International Brand Presence

The Manual Group Contract Management



- Volume of systems not integrated/interfaced into one platform, scattered data storage
 - Required manual data extracts to compare & confirm data integrity
- Manual data confirmation often resulted in missed consumption estimates & risk of financial loss due to over or under-consumed group business
- When confronted with actualized risk, Customer Teams & Operations Teams alike sent into chaos to cover the performance in funds
 - Detrimental to client satisfaction and operations stability

Leveraging Automation to Bill Group Contract



- One application for data from all source systems allows complete transparency & visibility into the planned performance of a group
 - Even as changes are made up to & after arrival
- Operations & Billing teams communicate uncovered balances before group arrival to
 - Mitigate financial loss
 - Set up post-departure collections for timely closure
- Brand divisions align on expected consumption to cover all areas of the brand's operations - from front of house to back of house – on a single platform

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