

OPENING AT THE RIGHT TIME CAN BE EVEN MORE IMPORTANT THAN OPENING ON TIME

By David Catterall

Many a heavy price has been paid for completing the development of a resort or hotel late, especially when commitments have been made with respect to reservations. That is why agents and wholesalers have a saying “never make a booking in an artist’s impression”.

Obviously the builders programme is the main determining factor, combined with the need to start generating cash as quickly as possible. But opening mid way through an off season can be soul destroying. Hotels and Resorts are retail outlets that need patronage momentum. Many large shopping retailers will only open in the months leading up to Christmas or otherwise delay until April. Nobody likes shopping in an empty shopping mall and most people don’t like staying in an empty resort. The reputation of your retail outlet as a dog can well be determined by simply opening at the wrong time.

Opening at the right time, as demand is generally on the rise, is sure to introduce new customers quicker, be more likely to give them a good experience and accelerate the viral spread of goodwill about your offering. It’s also much more difficult to attract, retain and motivate your front line service staff when guest activity is slow from the outset.

The more seasonal your destination, the more pronounced this issue is. Many resorts make more profit in their two month peak than they do in the rest of the year. Many of the remaining months are often loss months. So opening at the right time can be even more important than opening on time.

David Catterall is the founder of Best Management Group and has direct experience in the management of 93 different hotels and resorts over three decades.