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Rate Parity Dilemma

1 message

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Hi Nelson,

I hope you're well.

I had a meeting recently with the CEO of one of the biggest hotel chains in the world to discuss the issues of rate parity. He brought up some interesting ideas regarding hotel management companies (i.e. IHG) and their desire to keep hotel prices as high as possible even where it's not in the interests of their franchisees. I'll explain in more detail when I get back from my trip next week.

In the meantime, if you haven't already read it, here's an article based on some research by the Swiss Hotel School explaining how constrained hotels are by rate parity:

http://www.hotelinteractive.com/article.aspx?articleid=25628&goback=.gde_1554117_member_126843964

That's one of the first times I've heard rate parity openly challenged within the industry. Here's another one:

http://www.hotelnewsnow.com/articles.aspx/8469/Revenue-managers-predictend-of-OTAs-parity

I hope they're of some use to you.

Cheers,

Dorian

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