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# HOTELS

THE MAGAZINE OF THE WORLDWIDE HOTEL INDUSTRY

NEWS

## HOTELS Interview: How Terranea tracks, entices guests



Agnelo Fernandes

By [Nathan Greenhalgh](#) on 6/27/2014

At the 2014 HSMIA Revenue Optimization Conference held this week in Los Angeles, hotel revenue managers discussed various strategies to improve total revenue, including tracking on-property spending by guests.

“Making Data Useful for Your Users,” a panel discussion at the conference, featured Agnelo Fernandes, senior vice president of sales and marketing, Terranea Resort, Rancho Palos Verdes, California, who mentioned how his property is utilizing on-property spending data to determine which segments of guests are the most profitable. HOTELS sat down with Fernandes to find out more.

*Editor's note: Fernandes' marketing strategies for 582-key Terranea also were featured in the [October 2012 print edition of HOTELS](#).*

**HOTELS: How is Terranea tracking on-property spending?**

**Agnelo Fernandes:** This year marks our fifth anniversary, and since we opened in 2009 we are doing a lot less of the flash sales and have moved more toward private sales. We are utilizing the guest database we have built up, and we

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are marketing to them directly. Earning repeat visitors has been a big emphasis of ours, and right now repeat guests represent about 37% of our business.

To accomplish this we have been focusing on recording guest preferences by tracking which of Terranea's amenities they spend money on. Even if a guest pays with a credit card instead of charging it to their room, we still ask for the guestroom number and name of the guest.

We then reach out to them with special offers as well as keep them informed of what's going on at the resort, as we have added many amenities. Also, starting July 1, to encourage guests to enjoy our range of amenities, we give them a "Terranea passport" on which the amenities they have enjoyed are checked off.

**HOTELS: What are some of the special offers you are making to get repeat guests?**

**Fernandes:** Our ADR is above US\$500 now, so in a way everyone is a big spender, so we look at the offers holistically. The best way we found to entice them is to offer a resort credit when they come back.

**HOTELS: What have you learned about your segments during this process?**

**Fernandes:** We have found that on the transient side, best-available-rates bookings are not our most profitable segment. Although the rate is higher, when you add up amenity purchases from other segments it is not as profitable, as so much of our revenue comes from ancillary spend.

**HOTELS: A perennial topic at the HSMAI Revenue Optimization Conference is how difficult it can be for revenue managers to translate data into a hotel marketing strategy with consensus from other property managers. What suggestions do you have to accomplish this?**

**Fernandes:** Don't do too much of a deep dive on the data. Go snorkeling with some folks but not others. It is important to remember that not everyone is an expert on revenue management, so don't use too much jargon.

**HOTELS: What role is social media playing in your latest marketing efforts?**

**Fernandes:** We use social media to drive brand awareness and to entice booking. We notice a lot of users tend to get engaged on social media and then go to the website or call to book. We encourage large social media influencers to take photos at the resort using the #terranea hashtag. Also, a lot of the ideas for our new amenities were crowd-sourced from our social media outreach.

**HOTELS: How is the resort currently performing?**

**Fernandes:** Since we opened the economy is better than ever, and this combined with the guest loyalty we have built up has resulted in revenue growth. We see about 60% of business coming from group sales, while our local markets of Los Angeles County and Orange County make up about 60% of our guests.

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