



Teeming Vacation Rentals

Jeff Paglialonga jeff@teemingvr.com



Maureen Shilling Maureen.Shilling@revmaxiq.com



Jared jared@teemingvr.com

Josh josh@teemingvr.com

Alec acarter@teemingvr.com



Length of Stay Pricing

INE FEED



Jeff Paglialonga



Teeming Vacation Rentals

You can do everything right in your business, but...

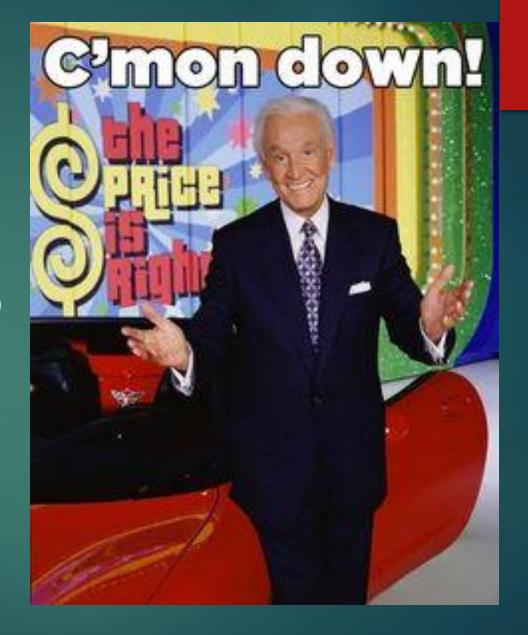
...if you sell your inventory at the wrong price you can really lose,

for both you and your owner.





Is your Price Right?



Is your Price Wrong?



It is not an exact science.



REVPATH ALOS

RGI

REVPEC GOP RGI ARPANCTA CPOR REVPAR REVPA CTGHREVPARDR Stay Value

You might be familiar with some of these terms:

- Yield Management
- Revenue Management
- Dynamic Pricing



"The right price, at the right time, for the right guest, for the right LoS."

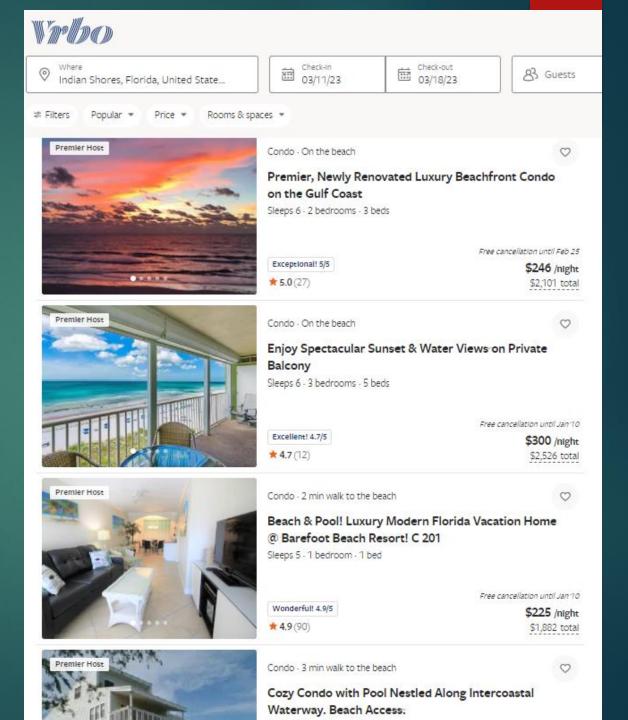
Vacation Rentals are not like hotels.

- Properties are unique and different
 - Different views
 - Different décor
 - Different condo complexes
 - Different size bigger, smaller, nicer...
 - Different rental limitations
 - Different owners
 - Different amenities pets, kayaks, bikes...

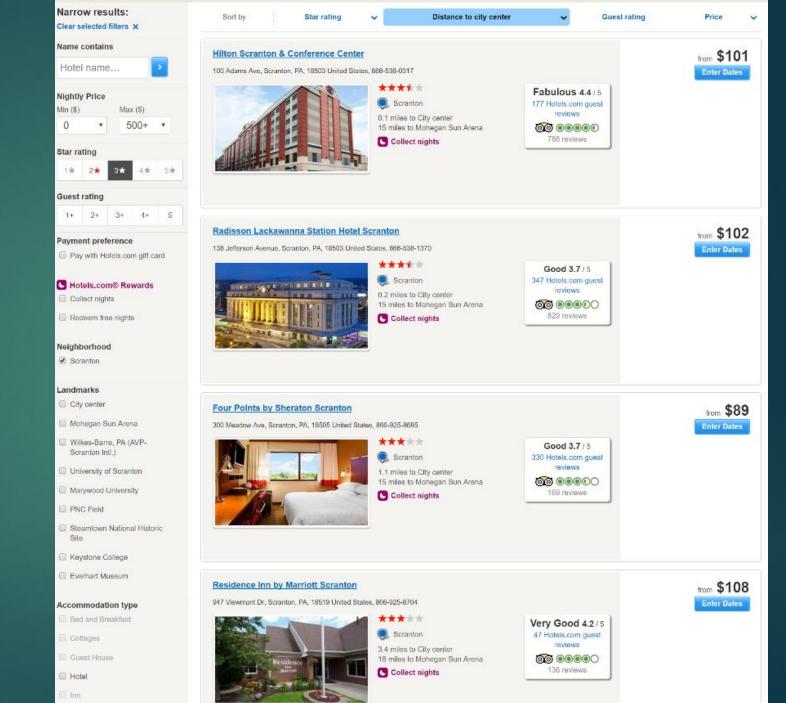


Example Vrbo:

- Very hard to compare
- Takes lots of time and effort for guests to comparison shop



But on Hotels.com Much easier to compare rooms/hotels



Model

With vacation rentals, they're not comparing apples to apples.



Vacation Rentals are much more difficult than hotels for guests to search and find the perfect match.



How do you take advantage of this phenomenon?



Dynamic Pricing is the answer to winning at the Price is Right!!



Time is on your side.



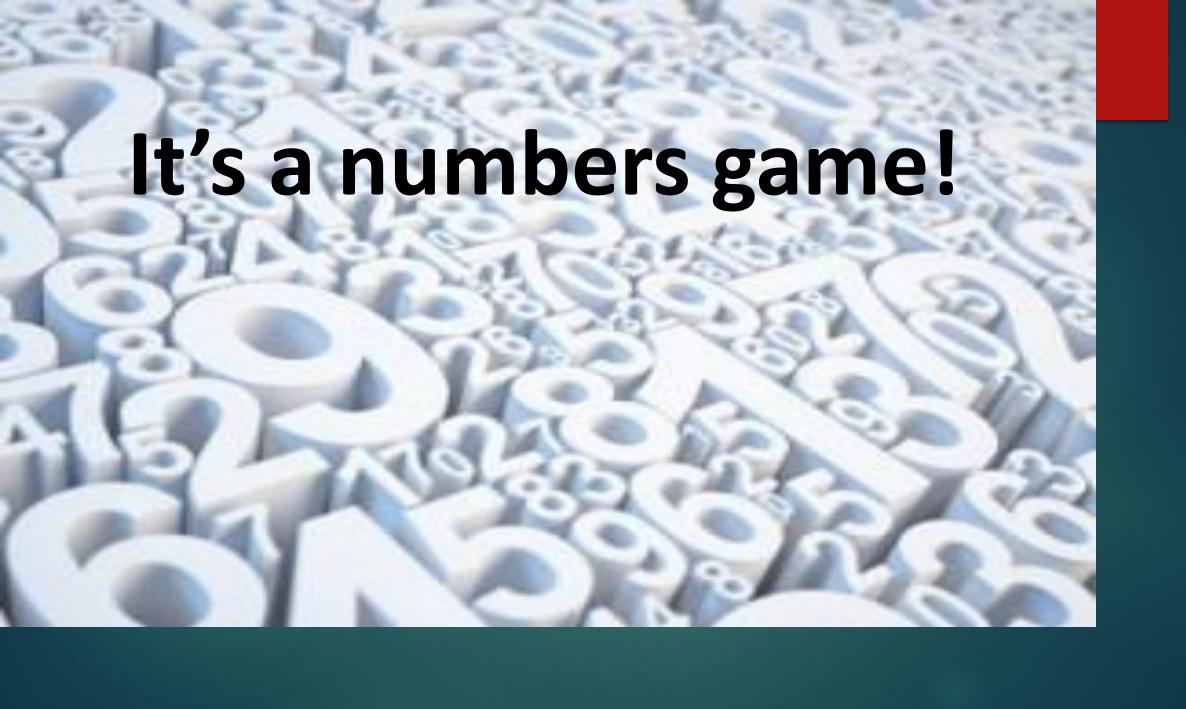
The more time you have to market the property, the greater chance someone will bite at your price.



Time - more time to advertise your requested price to prospective guests
 = more exposure

Time – to reduce or increase pricing as needed





- The more people that look at your property the better chances one will book at your asking price.
- The larger your exposure numbers the higher your price can be.
 - (distribution)

How Does Time Help?



- Anyone can book Peak Season
- Not everyone can book Peak Season at the highest price.
- You must have the INVENTORY to book Peak Season at the HIGHEST PRICE.
- If you book TO SOON you have lost your inventory to book at the HIGHEST PRICE.

- The internet has made pricing transparent.
- You can't fool the guest during SLOW season, but you can SOLVE THEIR PROBLEM during peak season-



You have a place AVAILABLE!

What is LoS?



Length of Stay Pricing

I have no idea what that means.



But,



(Just making sure you are paying attention. Stay with me I'm ADHDDDHADHADHAAAH and probably Dslexic and crazy too.)

We are managing vacation rentals not hotels.

We work on a Minimum Price, Not a Minimum Stay.

We make the LoS requirement obsolete.

Every night is a different rate based on the LENGTH OF STAY and arrival date.



The shorter the stay the higher the nightly rate.



We manage many properties with Minimum Stay Requirements.

- No Minimum Stay Requirement
- Monthly Minimum
- Semi-Monthly (2 Week Minimum)
- Weekly Minimum
- 5 Night Minimum
- 3 Night Minimum



We also segment properties into groups that support similar pricing strategies.

- Off Beach
- Direct Oceanfront
- Oceanview
- & more

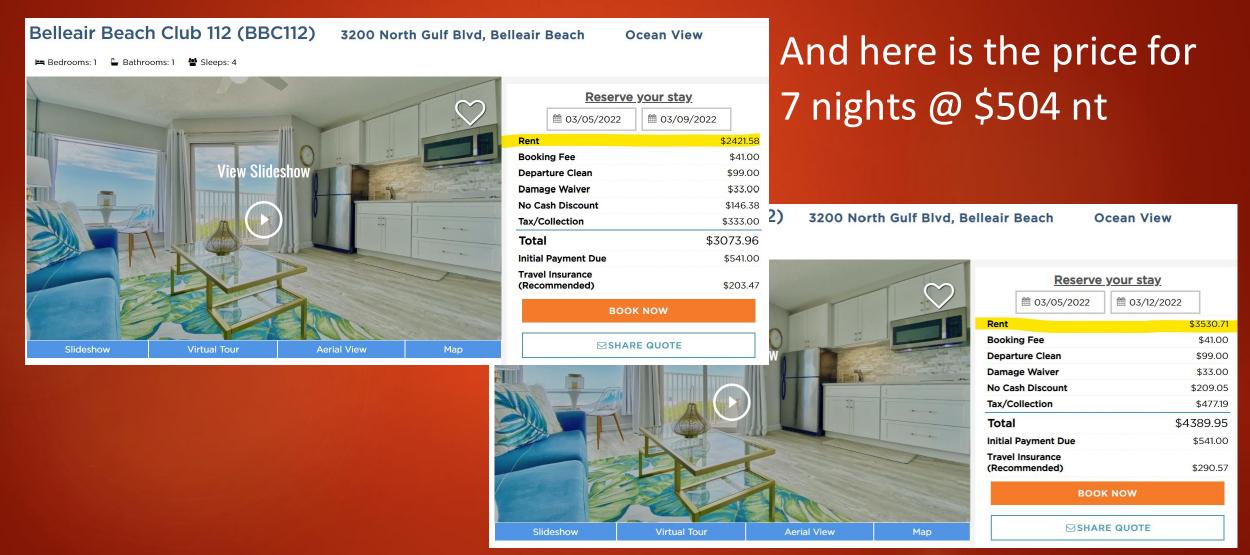


Daily Units

- All Year
 - Any day Check In / Check Out
 - Minimum Stay 3 nights
 - Can stay for 2 nights but price is the same as 3
 - Fri & Sat rates are more

Daily Example:

Here is the price for 4 nights @ \$605 nt



Daily Example:

Here is the price for 12 nights-\$485 nt

Belleair Beach Club 112 (BBC112)

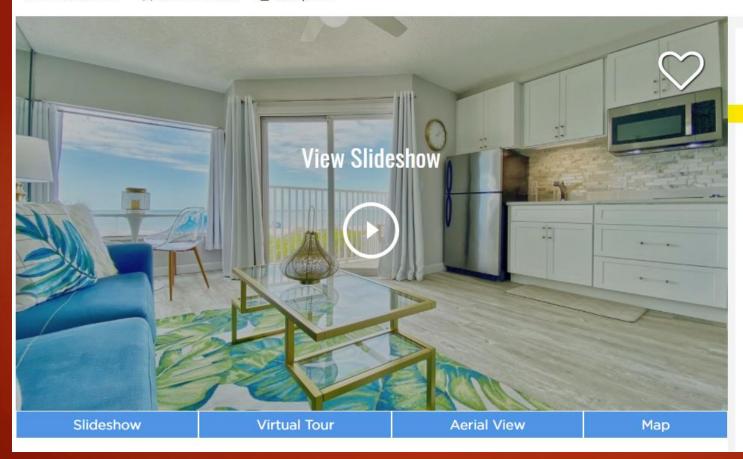
3200 North Gulf Blvd, Belleair Beach

Ocean View

Bedrooms: 1

Bathrooms: 1

Sleeps: 4



Reserve your stay

2/28/2022

£ 03/12/2022

Rent	\$5824.04
Booking Fee	\$41.00
Departure Clean	\$99.00
Damage Waiver	\$33.00
No Cash Discount	\$338.62
Tax/Collection	\$775.32
Total	\$7110.98
Initial Payment Due	\$541.00
Travel Insurance (Recommended)	\$470.68

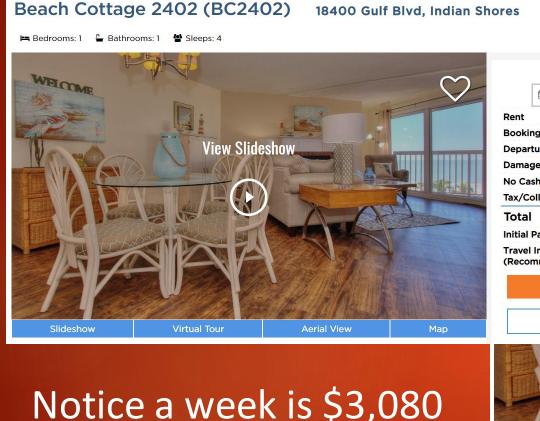
BOOK NOW

⊠SHARE QUOTE

- Weekly Units
 - Peak Season (Jan-Easter)
 - Any day Check In / Check Out
 - Minimum Price 7 days
 - Non-Peak Season (rest of year)
 - Any Day Check In / Check Out
 - Minimum Price 3-7 days

Weekly Example:

Here is the price for 4 nights @ \$763 nt



Reserve your stay **2/12/2022 2/16/2022** \$3053.66 **Booking Fee** \$59.00 Departure Clean \$118.00 \$49.00 12) Damage Waiver \$184.98 No Cash Discount Tax/Collection \$419.99 \$3884.63 Initial Payment Due \$559.00 Travel Insurance (Recommended) \$257.13 **BOOK NOW** MSHARE QUOTE

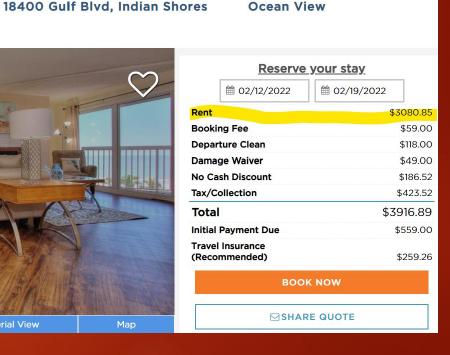
Virtual Tour

Aerial View

Slideshow

Ocean View

And here is the price for 7 nights @ \$440 nt



and 4 nights is \$3,053! Get entire Stay Value.

Don't leave any money on the table. (Get Entire Stay Value)

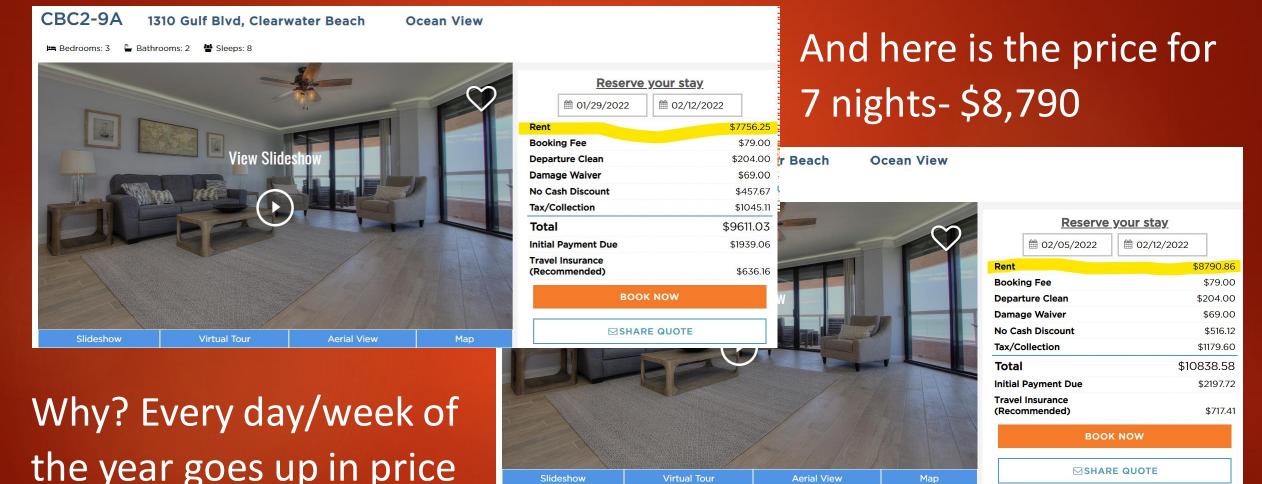


- Semi-Monthly Units (2 week minimum)
 - Peak Season (Jan-Easter)
 - Saturday Check In / Check Out
 - Minimum Stay 14 days
 - Must fall within 2-week windows
 - Non-Peak Season (rest of year)
 - Any Day Check In / Check Out
 - Minimum Stay = \$ 7-day price
 - Must fall within 2 week windows

Semi-Monthly Example:

until Easter. Notice dates.

Here is the price for 2 weeks-\$7,756



Virtual Tour

Aerial View

Map

2 Week Min Rate Table We block off unused Days as "MD" Maintenance Days, for when a guest stays for less than the minimum 14 days.

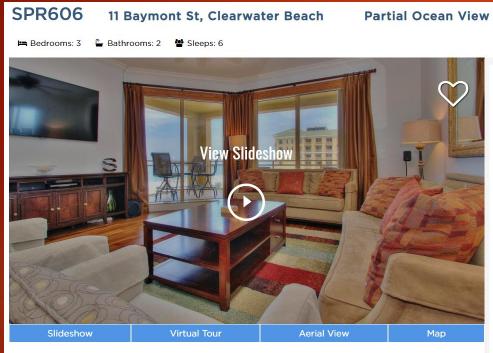


Monthly Units

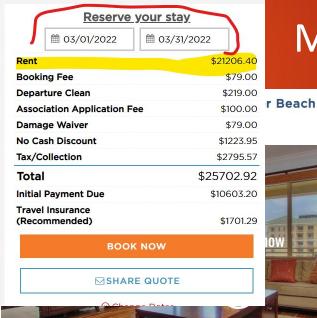
- Peak Season (Jan-Easter)
 - Must fall withing the calendar month
 - Non-Peak Season (rest of year)
 - Any Day Check In / Check Out
 - Minimum Stay = \$ 14-day price
 - Must fall withing the calendar month

Monthly Example:

Here is the price for March \$21,206



Why? LoS is applied and the rates go up each day of the month.



Virtual Tour

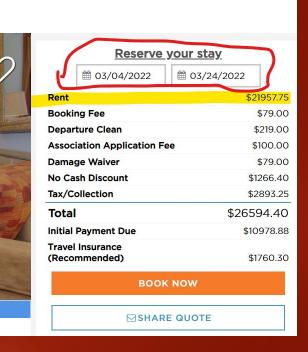
Aerial View

Slideshow

And here is the price for March 4-24 \$21,957

Partial Ocean View

Map



Rate Table

Every week has a different Discount or Surcharge based on the number of night stay (LoS).

Row	Add Column													
	Nightly Min.	Û	1			2	Û		3	Û		4		
01/0	01/2021 \(\to \) 02/27/2021 $\stackrel{\triangle}{\Box}$	N/A	•	N/A	142.7200%	•	N/A	61.8100%	4	N/A	41.5900%	•	N/A	16.5000%
02/2	28/2021 - 04/10/2021 🛱	N/A	•	N/A	250.0000%	•	N/A	133.3333%	4	N/A	75.0000%	•	N/A	40.0000%
04/1	11/2021 - 07/03/2021 🛱	N/A	•	N/A	142.7200%	•	N/A	61.8100%	4	N/A	41.5900%	•	N/A	16.5000%
07/0	04/2021 - 07/08/2021 🛱	N/A	•	N/A	250.0000%	•	N/A	133.3333%	4	N/A	75.0000%	•	N/A	40.0000%
07/0	09/2021 - 12/30/2021 🛱	N/A	•	N/A	142.7200%	•	N/A	61.8100%	4	N/A	41.5900%	•	N/A	16.5000%
12/3	31/2021 \(\to \) 04/21/2022 \(\mathred{\to} \)	N/A	•	N/A	250.0000%	•	N/A	133.3333%	4	N/A	75.0000%	•	N/A	40.0000%
04/2	22/2022 \(\to \) 07/02/2022 \(\mathred{\operator} \)	N/A	•	N/A	142.7200%	•	N/A	61.8100%	4	N/A	41.5900%	•	N/A	16.5000%
07/0	03/2022 \(\to \) 07/07/2022 \(\mathred{\to} \)	N/A	•	N/A	250.0000%	4	N/A	133.3333%	4	N/A	75.0000%	•	N/A	40.0000%
07/0	08/2022 - 12/31/2022 🛱	N/A	•	N/A	142.7200%	•	N/A	61.8100%	4	N/A	41.5900%	•	N/A	16.5000%

LoS Benefits

- More Revenue per night
- More Visibility on OTA's
- More Reservations
- Cleaners have more weekday cleans
 - (cleans spread out during the week)

Note: Flexibility is key in distribution. Every parameter you put on your unit will decrease the visibility on OTA's.

Example: If you put a 7-day minimum on a listing it will only show up if someone searches for 7 or more days (nights)

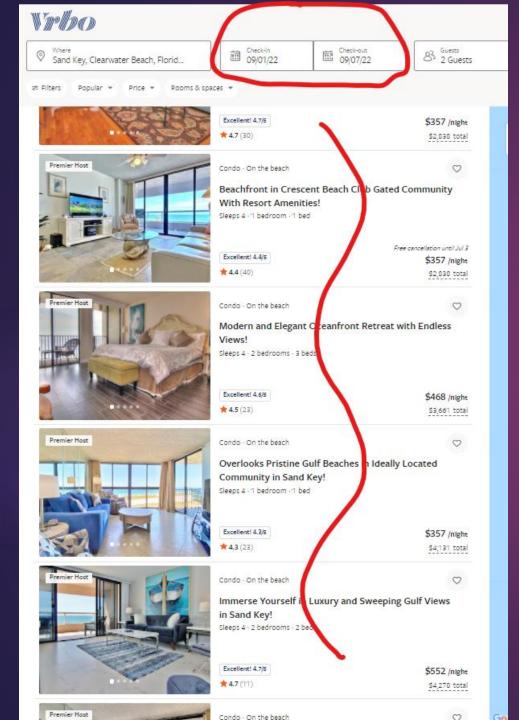
 We kill the market because other listings in a complex have Saturday only check in and ours are any day check in.

 And we can charge twice as much per night for the flexibility!

Vrbo ads – What?!

2 night rentals?

(for weekly, semi-monthly, monthly, etc.)



All our units are set to a 2-night minimum stay.

Here is a search for Sept 1-7, 2022.

The only units showing up are ours!!!! (Teeming VR)

As the rest have their minimum stay set at 7-14 days. This area is primarily 2-week minimum rentals and greater.

Flexibility = Visibility

Jeff Paglialonga



Visibility = Bookings

(it's a numbers game)

Jeff Paglialonga

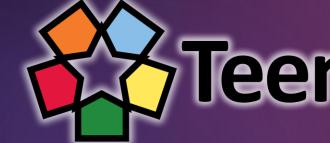


Selling point to get new units

- Owners do not have the data or programs to do LoS pricing
- More revenue for your owners which means more revenue for you.
- More bookings = more fee revenue as well.

How many of you have TRUE LoS API pricing with Vrbo and Airbnb?

\$25 Million Gross Revenue



Teeming Vacation Rentals

\$8 Million attributed to LoS

 If you put this system in place, changing the base rate and LoS will still do all the calculations automatically.

 You still manage your entire inventory by base rates – easy to maintain.

LoS Disadvantages

- Deters shorter stays (not a bad thing)
- Orphan dates
 - (We drop the base rate manually for orphan dates as needed – we call these GAP drops.)

 Because we can only manipulate nightly rates before LoS is applied in many cases, we must do significant decreases to ensure the nightly price is reasonable after LoS is applied.

- Human Error/Element
 - block out dates (July 4th week example)
 - the human element of someone deciding what dates to block around for a stay that is less than the rental restriction requirement
 - opportunity for error

Notes from a Revenue Manager

LoS Pricing



Breaking it down

As an industry we have determined the value we need for a stay by two criteria.

Min # of Nights x Daily Rate = Stay Value Goal

Using the LoS Pricing Model creates this...

■ Daily Rate x LoS % Increase or Decrease = Stay Value Goal

This model makes setting minimums OBSOLITE as the Stay Value Goal is reached with each calculation!

When you use the LoS Pricing

Model everyone wins...

Everyone Wins

How?

Guest Wins

Property is available for stay dates they need

More guests at same number of occupied nights

Owner Wins

Less wear on property
+ increased database
of past guests for
future stays

 Database growth of past guests

Property
Management
Company Wins

Increased income

 Reduced stress on Housekeeping and office staff when arrival/departures are spread out

Early Adoption

The benefits of being an early adopter of the LoS Pricing Model ...

There is little to no competition

I like it! Now how do I do it?

How to calculate your ideal stay value

Categorize your inventory into groups that will have the same LoS Pricing strategy

Ex. 1-3 BR 4-6 BR

Determine the stay value you need to get for each season

Ex. Summer is all 7 night stays for \$100/nt

Stay Value = $7 \times 100 = 700$

All stays shorter than 7 will need to equal \$700.



That's it!

Everybody wins with LoS Pricing

FAQ'S

- How do I get a demo of Length of Stay pricing? Visit the RevMax website at <u>www.RevMaxiq.com</u>
- Can I use LoS Pricing with another 3rd party pricing tool? No, it is only compatible with the RevMax system.
- How much does Length of Stay Pricing Cost? Current RevMax users \$3 per unit, non-user is \$350 per month min or \$5 per unit per month. There are also packages available with other features.
- Is there training available on these tools? Yes, we offer free webinars called our "Users Series" as well as customized paid training called our Revenue Management Bootcamp.

Teeming Vacation Rentals

Jeff Paglialonga <u>jeff@teemingvr.com</u> 4073991788

Some of my pitch sayings.



"I can give you \$50,000 at 99% occupancy or \$50,000 at 60% occupancy – which one do you want?"



"We tell our owners to measure annual revenue. That is the true measure of success. We only use occupancy for rate determination."



"In peak season a segment of guests will book at almost any price, only if you have it available to book."



"The whole process falls apart when you have owners that want to dictate rates."



"People will pay an unbelievable amount for an unbelievable property."

Gina Paglialonga



"The best guest is the one that never shows up. (Because we keep their money.)"



"The larger the traveling party, the further ahead they book. More people = more planning required."



"We change rates like filling up an airplane. What you see now may be gone by tomorrow."



"You can only buy the view once."



"It costs the same to fix up a unit with a bad view as it does a great view."



"You can have it fast. You can have it cheap. Or you can have it perfect. But you only get to pick 2."

Unknown



Fast, Good or Cheap. Pick two.

Below is The Designers Holy Triangle! When creating a project, clients must **choose only two** out of the three options. They can't have it all. It's a reality of life, clients must deal with it. Web designers must deal with it.



Good + **Fast** = **Expensive**

Choose good and fast and we will postpone every other job, cancel all appointments and stay up 25-hours a day just to get your job done. But, don't expect it to be cheap.

Good + Cheap = Slow

Choose good and cheap and we will do a great job for a discounted price, but be patient until we have a free moment from paying clients.

Fast + Cheap = Inferior

Choose fast and cheap and expect an inferior job delivered on time. You truly get what you pay for, and in our opinion this is the least favorable choice of the three.



You Win Productions @2021



