



Segmenting Properties and Building Comp Sets

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Underlying assumption

You have identified your true
comp set!



HOW ARE COMP SETS USED?

- Forward looking decisions
 - Pricing
 - Positioning
- Backward looking performance evaluation
 - Benchmarking: How did we perform against the competition?
 - Did our strategies work?



How do you stack up against your comp set?

From a strategic perspective, you need to understand where you sit against your competition on price *and* quality

=> What is your value positioning?



Value positioning

	Hotel Azure	Pilot Hotel	Park Hotel	Hotel Grand	Iso Hotel	Nic Hotel
Average Rate	\$164.83	\$116.11	\$152.24	\$126.83	\$158.07	\$131.80
Attributes:						
Location	0	0	0	2	3	1
Check-in experience	0	-2	1	2	0	3
Guestroom cleanliness	0	1	3	0	2	5
Guestroom size/ décor	0	0	4	2	0	3
Restaurant service	0	1	3	2	-1	3
Breakfast offering	0	0	-1	-2	-2	3
Internet Price & connection speed	0	-4	-2	0	1	0
Leisure facilities	0	-2	4	3	2	4
Total Quality Score	0	-6	12	9	5	22

Quality Score: Your hotel is the benchmark:
 Same = 0; Better = +1 to +5; Worse = -1 to -5.



Value positioning





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How do you stack up against your comp set?

From a tactical perspective, you need to be aware of what prices your competitors have out in the market

	Rate Shop							
	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed
	8-Mar	9-Mar	10-Mar	11-Mar	12-Mar	13-Mar	14-Mar	15-Mar
My Hotel	269	229	179	189	229	229	229	249
Competitor 1	299	299	189	189	239	299	299	299
Competitor 2	299	269	159	159	259	279	279	349
Competitor 3	X	289	189	189	249	269	269	X
Competitor 4	294	239	159	159	239	259	259	251
Competitor 5	X	299	169	169	299	249	249	249
Competitor 6	299	209	159	159	229	259	259	259
Competitor 7	374	279	187	187	212	374	374	374
Competitor 8	249	229	169	169	229	229	229	249



How did we do vs. the comp set?

- Backward looking performance evaluation
 - Benchmarking: How did we perform against the competition?
 - Did our strategies work?