



Hospitality Price Optimizer— the price is right

Infor VP of Hospitality Solutions outlines emerging price management technology

With more than twenty years of experience in the hotel revenue management sector, Stan Van Roij has extensive in-depth knowledge and expertise in the field. Stan recently led Infor® Hospitality Price Manager (HPO) from development to launch. The product plays an important role in the increasingly complex and competitive world of hotel pricing. In this interview, Stan explains the development of Infor HPO, as well as how it adds efficiency and removes uncertainty for hotel operators and decision-makers.



STAN VAN ROIJ
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Why is Infor bringing a new revenue management product to market?

Putting the right price at the right time on the hotel room and selling it on the right channels can be a daunting task. The marketplace is more dynamic than ever, requiring hoteliers to set, review, and adjust pricing almost on an ongoing basis. Throwing the various data elements in the mix that one must review to make a pricing decision makes it a complex and time-consuming process.

At the same time, we have seen that many hoteliers have a need for an automated, scientific approach to pricing, without necessarily wanting to go to a full revenue management solution. At Infor we want to help hoteliers maximize their profit and revenue. We created Infor Hospitality Price Optimizer (HPO) to help ensure hotels always offer the right price, through the right channels.

What else has changed over the years for hotels to make Infor HPO necessary?

“Pricing is part science and part art” is a statement that has been made many times over the years. Science has made some leaps ahead with AI and deep machine learning methodologies, making reliance on the art side of that equation, or the “gut feel,” less necessary. That has allowed us to create a very smart pricing tool that can help remove the uncertainty factor.

How does Infor HPO help hotels?

Infor HPO takes the doubt away whether pricing is accurately and competitively set and published in the right channels. HPO just does it and it’s always on, even when everyone’s asleep. A hotelier’s day can be pretty hectic. HPO allows them to take a hands-off approach while the solution manages intraday pricing adjustments. It’s smart, in that it learns dynamically. So, hoteliers know that pricing decisions are precise.

■ **Despite a long-accepted industry adage that “pricing is part science and part art,” scientific leaps ahead with AI and deep learning have reduced the need for reliance on the art side, or “gut feel.”**

Users still have control, though. They can set it and forget it when they need to, examine options, and run scenarios at their leisure, too. If users want to review and adjust the strategy, they can do so at their desk, or on the go, using the smart mobile app.

Who are the key users for this solution?

The beauty of it is that Infor HPO can help anyone who needs sophisticated automatic pricing, be it a one or five-star property. It's designed in such a way that anyone can use it, without going through extensive training. The solution's UI is designed to welcome the user and make it easy for them to figure things out in a short period of time.

How does this pricing solution sit among your other products?

As mentioned before, this is a solution for those who are in a need of an automated pricing solution and as such it sits next to our Infor EzRMS product, which fills the needs for those who require of a more holistic approach to revenue management. Infor HPO integrates with a range of property management solutions (PMS), central reservation systems (CRS), channel management (CM), and rate and reputation providers.

What is your favorite part of Infor HPO?

The smartness of it all. In addition to the automation side of things, it actually explains why a price has been set or changed in a very clear and easy to understand manner. You could look at it as your own pricing buddy, always there and always with your best interest at its heart—I love it.

Because the hospitality industry is more data-driven than ever before, it's important for hoteliers to delve deeper into what drives revenue and profitability. Detailed attention to setting prices multiple times a day is a key lever. So is knowing which distribution channels are the right ones for an offering and being able to identify who the competition really is. Dynamic AI-driven solutions like Infor Hospitality Price Optimizer (HPO), which draws from real business data and learns as it goes, are the future of the industry.

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