

## **TMS\_Room Upgrade management**

### **Objective and Scope**

This procedure aims to establish guidelines for effectively assigning higher-category rooms, in line with the Minor DISCOVERY Loyalty programme's commitment to provide free room upgrades to premium members, while also optimizing inventory to maximize upsell revenue.

Specific priorities are determined based on upsell targets and operational commitments for Loyalty guests, including Minor DISCOVERY & GHA DISCOVERY members and other VIPs.

These guidelines apply to all hotels in the Europe and Americas region.

### **Summary**

1. Room Upgrades: Upsell & Loyalty guests
  - 1.1. Room Upgrades for Upsell
  - 1.2. Free Room Upgrade as a benefit for Loyalty premium members and other special guests
2. Prioritization rules for Room Upgrade's assignments
  - 2.1. Balance between room upgrades and room upsells.
  - 2.2. Loyalty premium members and other special guests' prioritization
3. Value-selling arguments for room upgrade assignments.
  - 3.1. Types of Room Upgrades
  - 3.2. Selling arguments for each type of free Room Upgrade
4. Related documents
5. Procedure validation

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## 1. Room Upgrades: Upsell & Loyalty Guests

*Responsible: Revenue Management & Loyalty/CRM*

### 1.1 Room Upgrades for Upsell

Guests that are arriving to the hotels with a determined type of room booked, can be offered a superior room with a supplement per night. See more information in [TMS Upselling](#) procedure.

### 1.2 Free Room Upgrade as a benefit for Minor DISCOVERY and GHA DISCOVERY Loyalty premium members and other special guests

Guests who are entitled to this benefit can enjoy a totally free room upgrade from the room they had booked. This upgrade will be granted when occupation allows, and these types of rooms are available.

Minor DISCOVERY Loyalty programme free upgrade benefit per tier applied in all Minor Hotels brands in Europe & America Region accordingly to Minor DISCOVERY programme value proposition:

	Platinum	Titanium	Red
Free Upgrade	<p><i>Upgrade</i></p> <p>To a room which is 1 category higher than the booked one).</p>	<p><i>Double upgrade</i></p> <p>Upgrade to a room which is 2 categories higher than the booked one.</p>	<p><i>Suite upgrade</i></p>

## 2. Prioritization rules for Room Upgrade's assignments

Room upgrades impact the inventory of each hotel's rooms. Hence, a defined process ensures the allocation of superior rooms to meet upsell targets and provide premium benefits for Minor DISCOVERY Loyalty program premium members and other special guests.

Below are the rules for effectively daily assigning available higher-category rooms according to the company's priorities.

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## 2.1 Balance between room upgrades and room upsells.

Always prioritize Loyalty guests, while maximizing upselling opportunities for incremental revenues:

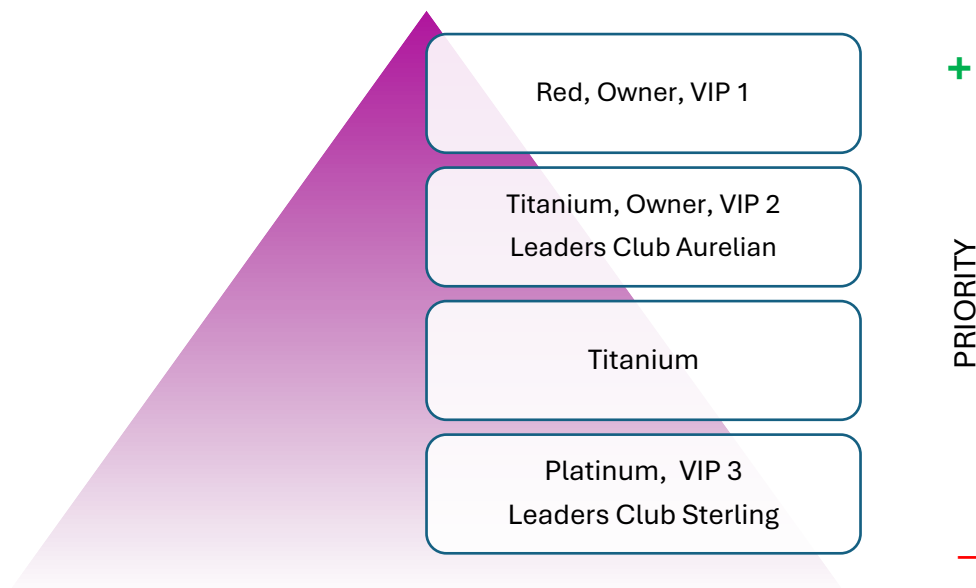
- Pre-assign free upgrades or better rooms to Loyalty guests one day before arrivals.
- Reserve a portion of the superior room inventory (at least 30%) for last-minute bookings and upselling opportunities.

What should you do if, during the check-in day, you run out of superior inventory (either sold or pre-assigned to Loyalty members) and you have a guest arriving whom you can upsell to?

In this case, you may reassign the room from a Loyalty member who has not yet checked in.

## 2.2 Loyalty programme premium members and other special guests' prioritization

Room upgrade assignments have been prioritized based on the type of special guest. This priority must be considered whenever there are more customers entitled to this benefit than there are higher-category rooms available to offer.



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### 3. Value-selling arguments for room upgrade assignments.

#### 3.1 Types of Room Upgrades

Under a Room Upgrade there can be distinguished these types of upgrades:

- Superior room: a room of a higher category or a room with higher consumer value (price)
- Better room: is the room in the same category as booked but could be better located, more spacious, based in a higher floor, with terrace, views, refurbished room, away from the elevator...

When the upgrade benefit is granted, the type of room provided must be communicated to the guest, emphasizing that they are receiving the free room upgrade due to their membership status.

If at any time the free room upgrade cannot be granted, the customer must be informed that they will be assigned the best room available within the category they had booked, emphasizing the benefits of the room such as its quietness, spaciousness, better views, among others.

- Loyalty members or special guests identified at the time of booking: If the guest has been previously identified, a room of a higher category will be assigned to them before their arrival to ensure everything is ready for their stay.
- Loyalty members or special guests identified at the time of check-in: If the member has not been identified at the time of booking but is identified upon arrival (check-in), we will provide them with a superior room/higher category if occupancy allows.

#### 3.2 Selling arguments for each type of Free Room Upgrade:

Members entitled to this benefit will receive a better room in a higher category or, if superior rooms are unavailable, they will be assigned a better room in the same category. Special guests shall receive the appropriate message regarding the type of upgrade they receive.

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Type of Upgrade which should be granted	Availability	Solution	Argument
Room Upgrade	Available	Inform the guest	"Mr. Smith, as you are DISCOVERY Platinum member, I'm pleased to assign you a HIGHER CATEGORY room"
	Not available	Assign a better room within the same category and inform the guest	<p>"Mr. Smith, as you are DISCOVERY Platinum member, I'm pleased to grant you with the upgrade to BEST AVAILABLE room at the moment." (emphasize if it's silent, bright, a refurbished room, with terrace and views, an spacious and silent room or any other attractive attribute).</p> <p>Another solution to offer: And, if you wish so, we will have the disponibility of higher category room tomorrow."</p>
Double Room Upgrade (two categories higher)	Available	Inform the guest	"Mr. Smith, as you are DISCOVERY Titanium member, you are entitled for double room upgrade"
	Not available	Assign a better room within the higher category and inform the guest	<p>"Mr. Smith, as you are DISCOVERY Titanium member, I am pleased to assign you the room of higher category and (emphasize if it's silent, bright, a refurbished room, with terrace and views, an spacious and silent room or any other attractive attribute)"</p> <p>Another solution to offer: And, if you wish so, we will have the disponibility of higher category room tomorrow."</p>
Suite Upgrade	Available	Inform the guest	"Mr. Smith, as you are DISCOVERY Red member, you are entitled for an upgrade to a Suite room"
	Not available	Assign the best room available in the hotel	<p>"Mr. Smith, as you are DISCOVERY Red member, I am pleased to assign you the best room now available in our hotel (emphasize if it's silent, bright, a refurbished room, with terrace and views, an spacious and silent room or any other attractive attribute)"</p> <p>Another solution to offer: And, if you wish so, we will have the disponibility of higher category room tomorrow."</p>

## 4 Related documents

- [TMS Upselling](#)
- [TMS Upselling management](#)
- [DISCOVERY Loyalty Procedures](#)
- [DISCOVERY Guest search and sync in TMS](#)
- [Quick pre check in guide](#)
- [Quick check in guide](#)
- Guidelines on VIP guests types per brand: [Avani](#), [NH Hotels](#), [NH Collection](#), [nhow](#), [Tivoli](#)

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## 5 Procedure validation

Version	Corporate area	Approved by:	Approval date
1	Operations	Director of Operations	February 2024
	Business Processes	VP Business Processes	
	Loyalty & CRM	Director Loyalty Programs, B2B & Promotions	
	Revenue Management	Director of Commercial Strategy & Pricing	

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