



nh | HOTEL GROUP PART OF **MINOR**
HOTELS



UPSELLING PROCEDURE

PROCEDURE VALIDATION

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1	Operations (Process Owner)	Operations Control Director Chief Operations Officer	March 2012
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<https://nhorganization.nh-hotels.com/>

OBJECTIVE AND SCOPE

Regulate the different forms of “upselling” or incremental sales in a hotel, establishing under what conditions it must be encouraged, how to register and control it effectively, and how to pay the corresponding percentage to the staff members that are entitled to it.

Upselling is defined as revenues increase at reservation time, during check-in procedure or during guest stay due to a service or product sale.

The rules established in this procedure are applicable to all hotels of all Business Units, and only the exceptions listed here will apply.

SUMMARY

1. General guidelines
 - 1.1 Upselling prices
 - 1.2 Upselling prices by type
 - 1.3 Hotel stay options management
 - 1.4 Upselling net production
 - 1.5 Commission payment
 - 1.6 Requirements for commission accrual
 - 1.7 Accrual termination
2. Daily service performance
 - 2.1 Daily Upsale control
 - 2.2 Payment of upselling commissions
3. Related documents
4. Templates and file period

1. GENERAL GUIDELINES

Commissions for the team member	Stay option code (TMS)	Commissionable upselling
10%	UPSR	Room upgrade
10%	UPSL	Late check-out
10%	UPSE	Early check-in
10%	UPSS	Spa (access and specific services)
5%	UPSB	Breakfast (also children)
10%	UPSF	Upselling Food
10%	UPSV	Upselling Beverage
10%	UPSO	Upselling Others (flowers, butler service, etc.)

KEY TASKS

Each upselling service must be charged exclusively through the "stay options" module of TMS with the corresponding code indicated above.

The team member's commission is calculated as follows:

Upselling commission = applicable percentage X net production of upselling

- It is only allowed to charge an upselling stay option to individual reservations.
- Upselling charges are allowed in group bookings only if these services will be paid by the guest directly (method of payment of the invoice: on-desk payment).

When can you charge each type of Upselling?

	HOTEL
Before the day of arrival	<ul style="list-style-type: none"> • Late Check Out • Early check-in
Day of arrival	<ul style="list-style-type: none"> • All the concepts
During the stay	<ul style="list-style-type: none"> • All the concepts except Early check-in • Breakfast cannot be sold as upselling on service day
Check out day	<ul style="list-style-type: none"> • Late Check Out

PROCESS RESTRICTIONS

- Room upgrade and breakfast services are expressly excluded from the upselling program for walk-in guests. They must be always sold with BAR rate for this type of reservations.
- Team member discounts can never be applied to upselling services.
- Non-upselling services cannot be charged with the stay option codes.
- The description of the stay options cannot be modified to refer to a different concept from the original description.
- It is not allowed to move an upselling stay option charge to a group invoice. Invoices containing charges originated in 10 or more rooms are considered a group reservation within the framework of this procedure.

In these cases, the charges must be added to the group invoice manually, using the appropriate service code (such as *BKFSN - Non Commissionable Breakfast* in case of additional breakfast consumption).

1.1 UPSELLING PRICES

KEY TASKS

- Front Office team members must **inform guests about the need to pay upselling services with direct payment at Front Office desk**, the latest at check-out, except for those guests that have a full credit guarantee.
 - a. All approved prices will be assigned in TMS to the corporate services previously created.
 - b. TMS will require the input of a fixed price or a minimum, a maximum and a recommended price equal to minimum.
 - c. Prices agreed and defined for supplements in commercial contracts should never be considered valid for upselling.
- In case such a pre-defined supplement is requested by the guest, these services should be added to the invoice, either by updating the reservation itself to the corresponding room category or board type; or being added as a manual charge using the dedicated service for these purposes (like *BKFSN – Non Commissionable Breakfast* in case of additional breakfast consumptions), always taking the definitions used in the contract into account.
- Always apply to upselling services the guidelines set by the Revenue Department. Range of prices for the different types of upselling will be defined at Hotel level.
- Prices are shown in the system with taxes included.

For creating, eliminating or modifying Stay options in the system, it is necessary to follow the next steps:

RESPONSIBLE	ACTION	TASK
HOTEL REVENUE MANAGER	MODIFY a stay option	<ul style="list-style-type: none"> • Modify the stay options when necessary: description, remarks, calendar/dates and prices. • Inform ÁNGELA OYA SÁNCHEZ a.oya@nh-hotels.com in advance for validation.
	REQUEST CREATION of a new stay option	<ul style="list-style-type: none"> • Open a ticket in NH Service Desk CATEGORY: Revenue SUBCATEGORY: Stay Options Management • Explain what the new stay option consists of or which one to deactivate. • Add ÁNGELA OYA SÁNCHEZ a.oya@nh-hotels.com as a participant for approval.
	REQUEST DEACTIVATION of an existing stay option	

- Upselling dinner/lunch: once the corresponding stay option is created in TMS, the hotel F&B responsible **must extend the material “Promotional Menu” and validate price levels**, even at Price 0, in order to be displayed at the POS.

1.2 UPSELLING PRICES BY TYPE: Room upgrade

Sale of a higher category than the one initially contracted in the reservation. Reception of hotels can offer guests the possibility of changing the room originally booked for one with superior features, as long as the differentiations between room types are configured correctly in TMSforHotels.

PROCESS RESTRICTIONS

It is not allowed to sell a room upgrade with the same type of nomenclature in the system (i.e., standard origin – standard destination), even if the rooms are structurally different.

If the hotel considers that there are rooms of the same type in which an incremental sale could be made, it must request the correct categorization in TMS, because if they are not explicitly differentiated, the upselling cannot be sold.

Each room stay option should have 2 price levels (minimum and maximum), and a recommended value (set equal to minimum). This recommended price is what FO will see at the first sight and they will have capacity to offer a deal between these two values (min-max). Lowest price must always be the minimum differential set up in the RM system.

WRONG EXAMPLE	CORRECT EXAMPLE
<p><u>Original room:</u> Superior Double</p> <p><u>Destination room:</u> Superior Double (with a terrace for which the hotel considers that an extra fee can be charged)</p> <p>Upselling cannot be sold because destination room is not configured in the system as Superior Double Terrace.</p> <p>While the system configuration is not correct, the hotel should charge the supplement directly on the folio but never as an upselling stay option.</p>	<p><u>Original room:</u> Superior Double</p> <p><u>Destination room:</u> Sup. Double Terrace</p>

1.2 UPSELLING PRICES BY TYPE: Breakfast

The hotel Reception can offer guests the possibility of having a buffet breakfast only when it is not included in the meal plan of the reservation.

KEY TASKS

In order to be considered Upselling, the team member must have offered the service to the guest prior to the date of service provision and charged it through the “stay options” in TMS.

PROCESS RESTRICTIONS

- Breakfast cannot be sold as upselling on the day of consumption.
- If the guest has not hired Upselling breakfast previously, the charge will be added manually to the invoice using the service code for this purpose: *BKFSN – Non commissionable Breakfast*.

The Price to be applied shall be as defined in the strategy of the Revenue department. It will always be equal to or higher than the prebooked breakfast and equal to or lower than the one offered directly in the restaurant.

Example 1: Prebooked: 19,90€ / Check-in or Upselling: 22,90€ / Restaurant: 24,90€

Example 2: Prebooked: 19,90€ / Check-in or Upselling: 19,90€ / Restaurant: 24,90€

Example 3: Prebooked: 19,90€ / Check-in or Upselling: 24,90€ / Restaurant: 24,90€

Prior stay: 1 price		Hotel:	
Booking process	Web	Check in	During stay
Pre-booked		Rack	
€14,90		€18,90	
(Booked in advance)		(Bought on same day of service)	
From €14,90 to €18,90€		From €14,90 to €18,90€	
(Upselling price at check-in)		(Upselling price at check-in)	

Those hotels that work with seasonal breakfast will have a flexible check-in price, which must respect the price strategy defined by the Revenue Management Department. It will always be the same or higher than the breakfast booked from reservation and equal or lower than the one offered directly at the restaurant on each of the dates.

1.2 UPSELLING PRICES BY TYPE: Late Check Out

Supplement for which the guest is offered the possibility of checking out on the day of departure after 12:00 am until 6:00 pm, until the maximum number of late check-out services has been sold (see stock in the “stay options” section of the reservation).

KEY TASKS

To properly manage and control the late checkout, the Hotel Manager must establish the maximum occupancy of the day of departure above which this service cannot be offered.

PROCESS RESTRICTIONS

If the guest expressly requests the late check-out service, it will not be considered upselling and must be charged to the reservation folio with the corresponding SAP code.

Late check-out 14h: Fixed price for check-out until 14.00 hours. This service will be offered at check-in and during the guest stay/at check-out.

Late check-out 16h: Fixed price for check-out until 16.00 hours. This service will be offered at check-in and during the guest stay/at check-out.

Late check-out extension: Applicable when the guest has hired late check-out service until 14h or 16h and finally the departure time is later. A fixed supplement per hour will be charged. This service will only be sold at the hotel.

Early check-in

Supplement for which the guest is offered the possibility to enjoy the room before the regular check-in time (3:00 pm by default for hotels of all Business Units, those hotels with different check-in time must indicate it in the corporate service configuration).

KEY TASKS

The earliest time to check-in will be 9:00 am.

RECOMMENDATIONS

It is recommended to offer the upselling to a higher category room than the reserved one including the early check-in to add value to the client and that is not just a charge to check-in earlier.

1.2 UPSELLING PRICES BY TYPE:

Dinner/Lunch not previously booked in the reservation

When dinner and/or lunch are not included in the reservation, it is possible to offer guests the opportunity to consume the dinner/lunch menu or a selection of previously defined dishes at a defined fixed price to be sold as upselling.

PROCESS TASKS

1. Front Office staff charges the service as “stay option” in TMS, writing the date and the type of service hired in the *Guest Remarks*, located in the line where the guest’s SAP-TMS code (Party ID) is informed, in the *General Data* tab of the reservation. In the folios you will see the charge of the corresponding upselling concept.
2. When the guest goes to Restaurant, the waiter will identify the reservation in the *In-house guests or occupied rooms ALV (/CCSHT/RC_SI_001_ALV)*, using the layout for breakfast, in order to verify that the upselling menu was already charged.
3. Then the waiter must open a ticket at the POS with the correct number of diners and [charge the ‘Promotional Menu’ at price 0,00](#) (item number 099013364). All the other items that can be consumed by the customer will be charged with their corresponding price.
4. Once the service has ended, Restaurant will close the ticket with a charge to the room. You will not see a new charge of POS in the folios (POS charges at zero do not travel to the reservation folios), but the ticket will be displayed in the F&B reports anyway, allowing us to ensure effective control of the sale of lunches and dinners not hired during the reservation process.

RECOMMENDATIONS

If there is no "extra credit" available or the credit limit amount informed in the reservations is 0,00 or has been canceled, Front Office may manually modify this limit to 0,1 so that the system allows the waiter to charge the ticket at zero price.

Consult [Credit for extra charges Procedure](#) for more information on how to do this.

KEY TASKS

- This type of upselling can only be offered at the hotel Reception and must be charged as a “stay option” at TMS, as long as it has been accepted by the guest.
- To be considered upselling, and according to the control method established, there must be a minimum of 10 minutes between the time of charge at Reception and the time of charge from Restaurant.
- If Reception has not charged the upselling in the client's reservation as a stay option, the Restaurant staff must charge the menu with its corresponding price using the appropriate POS button: daily menu, executive menu... so the sale cannot be considered upselling.

PROCESS RESTRICTIONS

If the guest has not contracted the dinner/lunch previously in Reception, the charge will be added to the invoice in the most appropriate operational manner (from Restaurant via POS or from Reception as manual charge in folios) but in no case through upselling “stay options”.

Spa: Access to the thermal baths area. In case of Resorts hotels: sales for specific services (romantic baths, Jet Shower, Vichy Shower, LPG 1,5 O 20 sessions, Salt bath, Niagara Bathtub...). Consult price with Pricing department.

Packages: Groups of more than two Upselling services that are sold together. Each hotel can decide which packages and which services are included in each package for a single price.

1.3 HOTEL STAY OPTIONS MANAGEMENT

The Hotel Revenue Manager will be responsible of managing the prices, stock, calendar and availability.

1.4 UPSELLING NET PRODUCTION

Net production is the production amount excluding taxes and already reduced by the deductions, discounts and commissions registered in the period. Net production might also include reductions to charges produced in previous periods over which commission has already been calculated and liquidated.

Net production derived from the upselling registered in a hotel for a specific accrued period, it is that shown on the TMS report *“Upselling commissions by hotel”* (/ZFC_UP_COM_E_H) under the specific upselling codes in column en la column “Amount with discounts”.

Reductions made to production (deductions, discounts, commissions) will be identified per the team member that registers the adjustment (column “User who cancels Package”) and the team member that registered the original charge.

1.5 COMMISSION PAYMENT

Commissions will be calculated and added on the payroll the month the following month. In exceptional cases and for reasons beyond Personnel Administration control, commissions might be delayed up to 60 days from production date.

On a monthly basis, the Personnel Administration department will get from the system the amount of the commission to be paid to each team member based on the amount of net production

1.6 REQUIREMENTS FOR COMMISSIONS ACCRUAL

The requirements for entitlement the payment of fees for upselling are:

- a) The team member must have signed the [Renewal agreement](#) document and delivered it to the Hotel General Manager. The Renewal agreement states the terms of adhering to this variable remuneration. In case the team member switches hotel within the same society, it will not be necessary to create a new document, although it is recommended that the hotel keeps a copy of the original Renewal agreement document.
- b) The Hotel General Manager of each center should have the latest version signed by each of the team members who have previously signed the Renewal agreement.
- c) The team member must use his/her personal username and password
 - Usernames and passwords are private and untransferable.
 - Commission transfer among users are not allowed.
- d) The upselling must have been registered using the specific module in the system *“Stay option”*.
 - Net production registered directly under the production code but not via the upselling module, will not generate commissions for the team member.
- e) The team member must be registered in the Company the last day of the month of accrual.

1.7 ACCRUAL TERMINATION

Reasons for terminating the commission’s accrual:

- a) The team member has signed the document [Renounce document](#) and the Hotel Manager has noticed to Personnel Administration about de team member renounce.
- b) The team member moves to another department not included in the scope.

2. DAILY SERVICE PERFORMANCE

Responsible party: Front office

PROCESS TASKS

1. **Upselling registration in the system:** if the guest is interested in hiring additional services, register in TMS the information for the upselling using the “stay options” module in the reservation (type of upselling, quantity, dates, price...).
2. **Verification of guarantees received:** ask the guest for the guarantees required according to the guidelines given by the BU or, if requested by the client, upselling will be billed and collected at the time of hiring.
3. **Inform all departments involved in the upselling services to be rendered:** the following report in TMSforHotels shows the stay options booked for a specific date: /CCSHT/RS_06_70 - *Booked stay Options*. Front Office will communicate daily upselling hired to the rest of departments involved in rendering these services.
4. **Modification of upselling registered:**
 - **If guest hires more upselling services**, add them to the reservation following the guidelines marked above.
 - **In case guest cancels those previously hired**, deduct them as follows:
 - **Past charges, already produced**, deduct them from the reservation’s folio and then delete the upselling from the “stay options” module.
 - **Day charges or future charges**, cancel them directly from the “stay options” module of the reservation, you do not have to cancel anything in the folios.

ONLINE TRAINING & RECOMMENDATIONS

- It is **mandatory** for FO team members (trainees incl.), Guest Relations team members (trainees incl.) and Hotel Manager to complete the upselling online training [“Upselling Path”](#) to ensure that the upselling sales process is developed correctly.

Upselling process:

- Step 1: Connect with the guest.
 - Step 2: Know your product.
 - Step 3: Gain attention.
 - Step 4: Generate Interest.
 - Step 5: Awaken desire.
 - Step 6: Close the sale.
- As a commercial strategy and to facilitate the sale of upselling, Front Office can explain to direct guests that they have the possibility to pay for these services with **DISCOVERY Dollars (D\$)**. In this way, it would not suppose an extra cost for the client (only if the guest is not eligible for DISCOVERY premium tiers free benefits and has the minimum of at least 10 DISCOVERY Dollars (D\$) required for the redemption. Taxes can’t be paid with D\$).

2.1 DAILY UPSALE CONTROL

Responsible parties: Front office Manager / Hotel Manager

PROCESS TASKS

- **FRONT OFFICE MANAGER:** daily review of the upselling registered the previous day with TMS report *Upselling commissions by hotel (ZFC_UP_COM_E_H)*.
 - If any of the imputed sales do not comply with the rules established in this procedure, the upselling “stay option” must be canceled and the corresponding charge will be added manually in the folios (it will not count as upselling and will not generate commission for the team member).
 - In cases where this is not possible because the guest has already checked out, follow the [Invoice Correction Procedure](#) to eliminate the upselling charges that are not correct (e.g., UPSB) and issue the correct invoice with the corresponding service code (e.g., BKFSN – Non commissionable Breakfast).
 - Write down these incidents in an Excel document for the record. This document should contain all the detail: team member name, date, amount, reservation number, concept, commission, etc., and **it will be in effect at the hotel for a period of 3 years.**
- **HOTEL GENERAL MANAGER:**
 - **Weekly** review of TMS report *Cancelled charges (/CCSHT/R_FC_SI_07)* to verify that any charges cancelled, negative balances and/or discounts are justified and have been signed by the Department Heads.
 - **Monthly** consultation of the *Upselling commissions by hotel report (ZFC_UP_COM_E_H)* to verify the commissions generated by Upselling and paid to Front Desk team members.

KEY TASKS

Control detail by concept:

- **Lunch/dinner not hired:** verify that each lunch/dinner upselling has a corresponding **Promotional Menu** charged from the POS at zero price and that time of charge is later than the upselling registered by Reception (must be a minimum difference of 10 minutes).

If one of these two conditions is not met, the commission will not be paid to the team member.
- **Room upgrade:** check that the room sold with this upselling belongs to a higher category than the initially contracted one. In case that does not match with mentioned, upselling must be canceled as defined in process tasks above.

For more details about the information displayed in this report, see the following document: [Stay options reports](#).

2.2 PAYMENT OF UPSELLING COMMISSIONS

Responsible parties: HR Department of the BU / Hotel Manager

PROCESS TASKS

- The 1st of each month files of each country are automatically generated with all the information related to the commission from upselling per team member during the month.

The file contains the following information:

Employee number	Month - Year	Hotel Code	Net production amount	Team member Name	Hotel Name
number	mm-yy	Number	amount	Name	name

This file is obtained by the BU's HR department, who verifies that the team members informed in the report belong to the Front Office department and that they were in the Company the last day of the month.

- The Hotel Manager must review and validate the information of the payroll.** In order to do this, he/she will consult the incidents reported daily by the Front Office Manager (see section 2.1 of this procedure).

In case of discrepancies, these must be communicated before the 19th of the next month to the HR department in the standard file established for communicating differences in the monthly salary. These differences will be corrected in the payroll of the following month.

- In addition, the Hotel Manager must notify the team member of the readjustment** of paid upselling commissions that will be made on the payroll of the following month **through the "Overpaid Upsell commission" form** available on the Business Processes portal.

This is the monthly calendar:

WHO?	HR BU		HOTELS
WHEN?	1st each month	From 19th	Until 19th of the following month
HOW?	Will obtain the files with the upselling commissions per team member of the previous month.	Will introduce the commission in the payroll of each team member belonging to the previous month. In case of discrepancies, will be corrected in the payroll of the following month.	Must validate the information of each upselling sold per team member. If do not agree, the hotel will inform to the BU's HR department about the disagreements.

3. RELATED DOCUMENTS

All these documents are available in the *Business Processes* section on the **NH Digital Knowledge Workplace**: <https://nhorganization.nh-hotels.com/>

- Control Lists and Actions Management
- Credit for Extra Charges Procedure
- Upselling Hotel and CRO Stay Options Management
- Upselling Management
- Upselling Promotional Meals Material Extension
- Upselling Promotional Meals Ticket Management
- Upselling Quick Guide
- Upselling Renewal Agreement
- Upselling Renounce Document
- Upselling Room Upgrade Assignment and Priorities
- Upselling Room Upgrade Management
- Upselling Stay Options Reports
- Upselling Training
- Upselling Overpaid Commission

4. TEMPLATES AND FILE PERIODS

Document or template	Responsible	File period
Renewal agreement	Hotel Manager	See Templates and File Periods per BU
Renounce document	Hotel Manager	
Incidences of monthly salary	Hotel Manager	
Cancelled charges	Hotel Manager	
Upselling commissions by hotel	Hotel Manager	

[SAP-TMS4H SAP-MM Templates and File Periods](#)



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