

## CASE STUDY

# Rio All-Suite Hotel & Casino

CASHED IN ON HIGHER ADR AND INCREASED SUITE RESERVATIONS



## IN BRIEF

### Background

The Rio All-Suite Hotel & Casino had maintained exceptionally high occupancy rates, yet started seeing a decline in inquiry calls with the continued growth and expansion of Las Vegas hotels. Therefore, the hotel wanted a customer service and sales training program that would capitalize on every reservation opportunity.

### Challenges

While the primary challenge for the Rio was increased competition, the hotel also needed to overcome employee apathy that had developed in large part due to consistent demand and continued success. Reservation agents needed to connect with callers in order to understand their needs, and personalize the features and benefits of the hotel and casino.

### Solution

Signature's Casino Edge™ training program engaged reservations agents and inspired them to provide better service to potential guests. The fun, interactive training sessions taught agents how to build value in the hotel and casino.

### Results

Not only did the Rio increase reservations while receiving 44,000 less inquiry calls in the first quarter of the year, it also was able to achieve 100 percent occupancy with a consistent rise in the Average Daily Rate (ADR).

### Background

The Rio All-Suite Hotel & Casino is located in the heart of Las Vegas, which welcomes more than 39 million visitors each year, making it one of the world's most popular destinations.

The 2,500-suite hotel and casino resort embodies all of the grandeur and luxury Las Vegas has to offer, including a casino of 120,000 square feet, four pools, workout facilities, a spa/salon with steam rooms, whirlpools, massage services, a \$6 million collection of wines, and a private beach and lagoon.

According to the Las Vegas Convention & Visitors Authority, the region's hotels together represent more than 140,000 rooms with the expected addition of more than 46,000 rooms by 2012 due to new construction or renovation. This growth and expansion is not new for Las Vegas and was the reason the Rio All-Suite Hotel & Casino partnered with Signature in 2000.

### Challenges

**Increased Competition:** With the overcrowding and continued addition of hotel/motel rooms, the Rio reported an 18 percent drop in calls asking for rates. The reduction in inquiry calls made converting potential guest to reservations even more critical.

**Employee Apathy:** While demand for rooms seemed to be slowing, the Rio managed to maintain a fairly high occupancy rate. However, Vice President of Hotel Operations Arthur Keith was confident that the resort hotel had the potential to reach maximum occupancy, and concurrently, improve its Average Daily Rate (ADR).

"Success can sometimes breed apathy," Keith said. "Las Vegas is a market in which overwhelming success has actually weakened the sales process. There was such a high volume of reservations every day that our agents started looking at each person as just another call. The sales pitch was always the same."

### Solution

**Customer Service & Sales Training:** In October 2000, the Rio implemented Signature's Casino Edge program to teach the hotel's 60 reservation agents a simple Magic Formula for handling inquiries, improving caller experiences and selling more rooms. From two prior management stints at the Venetian and Doubletree hotels, Keith was familiar with Signature and knew its trainers would deliver a program that demonstrates a return on investment.



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"Of all the hotel training programs in which I've been involved, Signature certainly had a unique approach to conveying information in a way that motivated and inspired employees," Keith said. "Signature trainers understood the industry and therefore brought a lot of credibility to the table. Teaching selling techniques was not rocket science. It was the presentation that captivated the team."

With the Rio training, employees were rewarded with dollar bills whenever they answered a question or shared their own customer service stories. Signature trainers told interesting industry stories, created team building, role-played guest interactions, and illustrated key points with visual and audio aids.

"Before the training, agents typically quoted the lowest-priced room first," one Signature trainer said. "Under the new program, agents first described the amenities of the top-line room and moved down the list from there. They also asked each caller's specific needs and how they wanted to spend their time. Using the information they gathered from those questions, the agents told potential guests how the Rio could meet their expectations."


#### Results

**Increased Reservations:** Equipped with a new approach to capture room reservations, the Rio's conversion rate jumped 10 percent after just one month. The trend continued through the next three months. The Rio converted 25 percent of all incoming calls into reservations

during the first three months of the year, compared to 15 percent converted during the same time the previous year.

Despite receiving 44,000 less inquiry calls in the first quarter of 2001, the Rio secured 12,000 more reservations.

"What could have been a down period for our hotel had instead become a boom. We notched full 100 percent occupancy in March," Keith said. "Our amenities did not change from one year to the next. The only thing that changed was the way we communicated our benefits to our guests, and that knowledge came from Signature."



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**Higher ADR:** Another benefit of the new training program was a consistent rise in ADR. "It was obvious to me that employees took what they learned to heart and put it into practice," Keith said. "That's the mark of a quality training program."