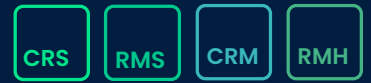# Navigating the Hospitality Horizon

The Drey Hotel Dallas
Case Study

CRS   RMS   CRM   RMH

In the heart of Dallas, Texas, a new beacon of modern living and upscale hospitality emerged in 2021. The Village, a sprawling 1.1 million-square-foot Village Town Center, was conceived as a mixed-use complex tailored to meet the needs and desires of the discerning millennial professionals. At its core, the centerpiece was the Drey Hotel Dallas, an independent boutique hotel.

This case study delves into the unique challenges and innovative solutions encountered by the Drey Hotel Dallas as it embarked on its journey to establish itself as a frontrunner in the ever-evolving hospitality landscape.

The Drey Hotel Dallas: A New Vision for Hospitality

The Drey Hotel Dallas was a radical departure from traditional hospitality offerings. This mixed-use complex comprised not only of trendsetting apartments but also featured an array of restaurants, a spa, fitness outlets, and a revamped country club. In a bid to cater to the diverse needs of its guests, the Drey introduced 'Lofts', one and two-story condo-like accommodations perfect for short and extended stays.

The entire village complex was transformed into more than just a place to live or stay as a guest; it became an experience.

## The Challenge of Hotel Personnel without a Hospitality Background

One of the most distinctive aspects of the Drey Hotel Dallas was its team. In a unique move, the hotel employed personnel who lacked prior experience in the hotel industry. This strategy, while unconventional, was underpinned by the belief that fresh perspectives could lead to innovative solutions. However, it posed several challenges:

1. Understanding the Hotel Industry

2. Establishing the Right Pricing Strategy

3. Determining what Technology to Use

The Role of SHR Group

To overcome these challenges and thrive in a competitive market, the Drey Hotel Dallas turned to SHR Group, the leading provider of innovative and intelligent AI-powered technology solutions for the hospitality industry. SHR Group played a pivotal role in the Drey's success through various means:

1. **Technology Integration:** The Drey Hotel Dallas harnessed multiple technology solutions from SHR Group, including allora CRS (Windsurfer®), Revenue Management For Hire Services, allora RMS (Wave), and allora CRM (Maverick). These solutions played a pivotal role in enhancing booking visibility, customer offerings, and establishing effective pricing and customer engagement strategies.
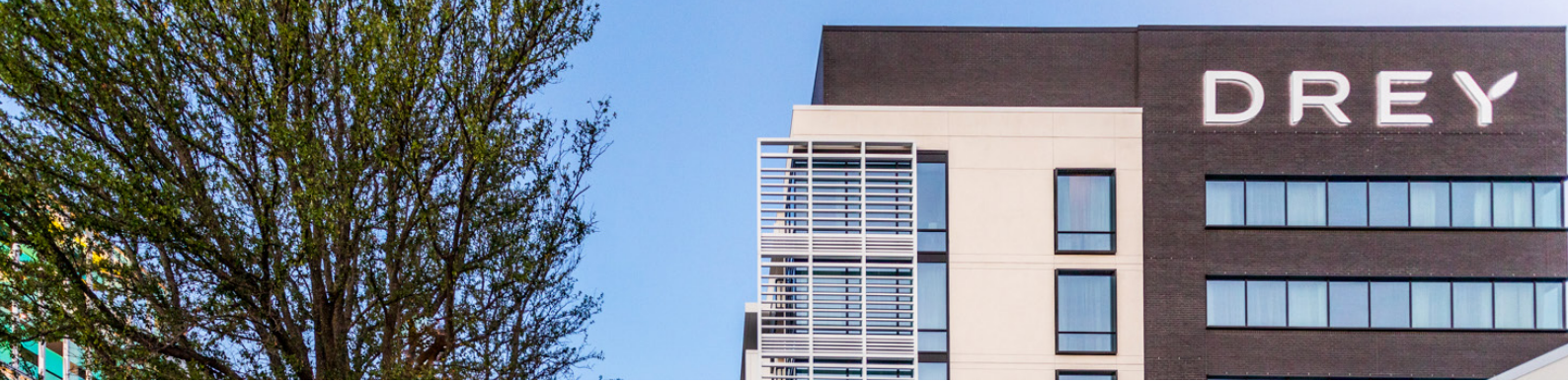
2. **CRS set-up:** SHR Group provided expertise in Central Reservation System setup. This included configuring room rate and room type product setups to facilitate growth.

3. **Strategic Guidance:** Leveraging their extensive industry knowledge and experience, SHR Group helped the Drey Hotel Dallas devise strategies for customer segmentation, customer loyalty programs, and expanded distribution reach. SHR Group's Revenue Management for Hire services (RMFH) also provided expertise in setting up Drey Hotel's Property Management System (PMS), supporting those in the team with less hotel experience.

Results: Setting a New Standard in Hospitality

The Drey Hotel Dallas, with its innovative approach and the support of SHR Group, has achieved remarkable results that have positioned it as a frontrunner in the competitive hospitality market. Here are the key outcomes that highlight its phenomenal success:

Occupancy:
Drey's performance in terms of occupancy has been nothing short of astounding, consistently surpassing the market, upper-class hotels, independent hotels, and its competition.

- **YTD Occupancy:** The Drey Hotel Dallas has achieved an impressive YTD average occupancy rate of 80%, a remarkable 19.7% growth compared to the previous year. In contrast, the competition achieved an average occupancy rate of 70% with only 3.9% growth. The OCC Index stands at an impressive 113.7%, reflecting a 15% growth compared to the previous year.

- **Occupancy Rank:** The Drey has made significant strides in its ranking within the competition, reflecting its growing popularity among guests.

- **Occupancy Growth Ranking:** The hotel's year-over-year occupancy growth has undergone a substantial change, signifying its increasing appeal and demand.

ADR (Average Daily Rate):

The Drey Hotel Dallas has excelled in ADR, outperforming its competition by a significant margin.

- **YTD ADR:** The hotel has achieved an average YTD ADR of $215, compared to the competition's average of $183, resulting in an ARI (Average Rate Index) of nearly 118.

RevPAR (Revenue Per Available Room):
Drey's strategy of capturing a larger share of occupancy while raising ADR has yielded remarkable results in terms of RevPAR and RevPAR Index metrics.

- **July RevPAR:** In July, RevPAR was $183.36, 37.8% growth compared to the previous year. No other class of hotels in the market, including upper-class, independents, or the competition, came close to matching this performance.

- **RevPAR Index (RGI):** In July, it grew by 37.8%, and over the past 12 months, it has averaged a growth rate of 36.1% compared to the previous year. This figure is 10 points higher than the Upper Upscale Class, which averaged 25.8% growth over the past 12 months.

- **YTD RevPAR:** Year to date, the Drey's RevPAR is $172.48, while the competition's RevPAR is $128.73, resulting in an impressive RGI (RevPAR Index) of 134, with a growth rate of 13.6% compared to the previous year.

- **Exceptional Monthly Performance:** In July they achieved a remarkable RevPAR Index of 192, compared to the competition's $95.

- **RevPAR Ranking Improvement:** The hotel's RevPAR ranking has consistently improved compared to the previous year for longer periods, reflecting its sustained growth and impact on the market.

- **Year-Over-Year Leadership:** The Drey Hotel Dallas has positioned itself as #1 among the six hotels in its competition in terms of RevPAR change year over year, further cementing its leadership position.

"I have had the privilege of working with SHR Hotel Services for the past year, and I can confidently say that their expertise and dedication have been instrumental in the growth of our hotel business.

Our journey with SHR Group has been nothing short of remarkable. Working with them has not only improved our revenue performance but has also enhanced our overall guest experience. Their innovative technology, combined with the expertise of their team has positioned our hotel for continued growth and success in a highly competitive industry. I wholeheartedly recommend SHR Hotel Services to any hotel looking to elevate its revenue management strategies and guest satisfaction."

The Drey Hotel Dallas stands as a testament to the power of innovation and adaptation in the hospitality industry. By embracing unconventional hiring practices and its strategic partnership with SHR Group, it not only overcame challenges but also positioned itself as a trailblazer in the competitive landscape of modern hospitality"

Gabriella Monte
Vice President of Hotel & Retail Operations
The Village, Dallas

Discover the world's leading intelligent & automated hotel technology platform

CRS

allora CRS (Windsurfer)

Empower your hotel with a user-centric central reservation management system that works for you. The allora CRS (Windsurfer) streamlines your reservation processes, enhances guest experiences, and optimizes your operations with a system tailored to your specific needs, ensuring smooth and efficient bookings, all whilst reaching a global audience.

RMS

allora RMS (Wave)

Simplify or scale with flexible rate management solutions with AI- powered data driven decisions to meet your unique business needs. Experience the freedom to simplify or scale your rate management with flexible automation solutions tailored to empower you to customize and craft with a balance of AI and user controls, your ideal strategy.

CRM

allora CRM (Maverick)

Anticipate and cater to the needs of your guests with smart guest engagement enhancing their overall experience. The allora CRM (Maverick) allows you to stay one step ahead by knowing your guests and what they want before they even do. The advanced AI technology learns from thousands of guest interactions every day, allowing you to accurately predict guest behavior and anticipate their needs to engage them at the right time with the right message.

RMH

Revenue Management For Hire

Create a winning revenue strategy in an ever-changing distribution landscape

Effective revenue management has transitioned from a desirable asset to an indispensable necessity. Work with one of our dedicated industry experts who will assist you in developing and sustaining a robust revenue strategy with flexible reporting tailored precisely to your requirements.

shrGROUP

Find out more about SHRGroup's products & services at shrGROUP.com

Find out more about our integrated and automated tool suite at allora.ai

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