Tension, Targets and Transformation

An insight into Center Parcs' experience of bringing business change within the Sales Team

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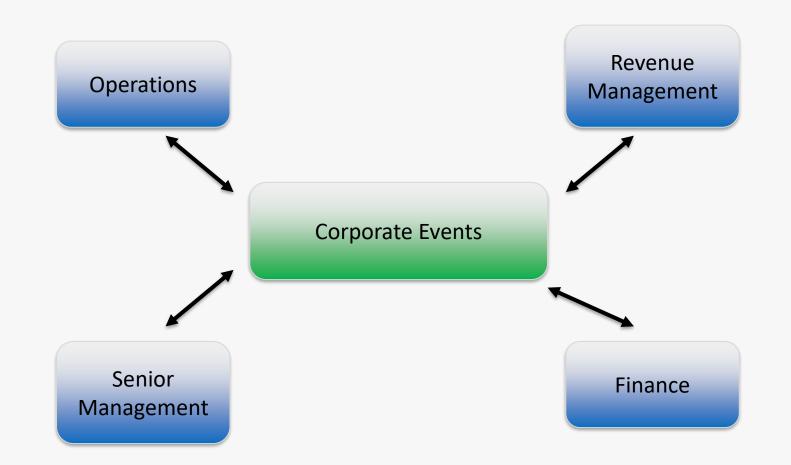
Background

- Center Parcs UK is 100% direct sell
- 97% to 98% Occupancy
- Channel split
 - Web 84%
 - Contact Centre 13%
 - Corporate Events 3%

Corporate Events – Why bother?

- Complements nicely our leisure business (peak conferencing season is low rate leisure season)
- Helps boost ADR
- Great shop window to potential target market leisure guests
- Back to backs to add further profit





Targets – Revenue!



- The wrong Target
- First casualty was communication
- Led to lack of trust

Transformation



From Sales Focus to Commercial Focus

- Radical Restructure
- Open and honest communications
- Targets focussed not volume or even revenue but on Profit



From Sales Focus to Commercial Focus

 Recruited a Head of Corporate Events with the title – Corporate Events Commercial Manager



Centralising Structure

- Merging sales team with Revenue Team to form Revenue Optimisation team.
- Centralised the sales functions removing BDM role from on Villages
- Marketing Role removed from sales and centralised in core CP Marketing team.



Updated core values

- Commercial Focus Doing what is right for the long-term value of the business
- Ensure our efforts reflect a return
- Consider what we are not going to do
- Focus on process (following agreed actions while being flexible enough to have exceptions)
- ✓ Keep things simple
- Teamwork HO / Village / Marketing / Revenue Optimisation
- ✓ Key driver is profit

Systems & Guidelines

It's all about transparency!

- Processes & SOP's updated
- Sales Reporting
- Discount structure sign off
- Regular diarised stakeholder
 meetings

Analytical Focus

- Viabilities
- Back to Backs
- Commission
- Commercial Agreements



Challenges



- Initial internal push back from operations
- Took time to get team on board concerns re changes (incentive, structure etc)
- Tendency to slip back into old ways need to keep reminding of process
- Change of direction, not right for everyone
- Taking repeat customers on the journey

Results

Main results were not financial

- Relationships
 - Tensions reduced Relationships improved
 - Fewer (hardly any) calls from GMs demanding to know what is going on!
 - Team morale

Productivity

• Sales Team performance, increase in stimulating enquires into the business, increase in volume was <u>+158%</u>



Revenue & EBITDA



- FY18 record year for sales <u>+17%</u> vs previous year!
- EBITDA increase of <u>+35%</u> vs previous year!
- Margins increased by <u>+17%</u> vs previous year!

Summary

- Bite the bullet...its worth it in the end
- Right people in right places
- People like processes
- Incentivise the right targets
- If it's the right thing to do keep at it

