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VISION

AI-DRIVEN N2PRICING HELPS OWNERS
BETTER MANAGE REVENUE



Association member ROHM Group's
Candlewood Suites Enterprise

Optimizing guestroom rates can be a complex undertaking in today's hospitality markets, requiring an analysis of reservations history, competitor pricing, local demand fluctuations and other datasets, together with accurate forecasting. A state-of-the-art revenue management system (RMS) has become an indispensable tool for the revenue manager tasked with conducting this analysis for vast numbers of pricing decisions. But not all RMSs are created equal, and IHG Hotels & Resorts had specific criteria for the type of RMS it aimed to deploy across the estate, including flexibility, user friendliness and a high degree of automation.

In 2023, the company determined that Revenue Analytics' RMS—N2Pricing—was the system that best met those criteria “after a thorough review of the market offerings,” says Dennis Corrigan, SVP, Commercial Services, IHG Hotels & Resorts.

Moreover, Atlanta-based Revenue Analytics itself was already a trusted partner. “IHG had worked with Revenue Analytics in the past to help us evolve our approach to revenue management, which includes Revenue Analytics building IHG's bespoke price optimization platform in 2009,” says Corrigan. “After a thorough RFP in 2022, we selected and began implementing N2Pricing in early 2023.”

Prior to offering its RMS as SaaS (Software as a Service), Revenue Analytics had built RMSs for several major hotel chains, and that long history of work in the revenue management tech space was a key attribute for IHG. “The revenue optimization product that we had was very much controlled and developed within IHG. This one is different. We've now partnered with a vendor that has extensive expertise in developing the technology and in hospitality industry revenue management,” explains IHG's Frank Komen, Head of Revenue Management - Europe.

During the selection process, IHG also sought to understand the features that IHG owners need and prefer in a revenue

“N2Pricing allows hotels to tailor pricing to their individual needs, while automating much of the manual work revenue managers used to do—freeing them up to focus on more strategic priorities.”

— **Natasha Scott**, SVP, Americas Commercial & Revenue Management, IHG Hotels & Resorts

management tool, and the IHG Owners Association played a “pivotal role” in that process, says Corrigan. “They were strong advocates for ensuring the owner and hotel perspective remained front and center, especially when it came to training, onboarding and overall usability.” Before deciding on N2Pricing, IHG previewed the system to Association members to gather their feedback. “We sought their input to learn what was important to them in a new system and heard the need for a more intuitive and transparent system than other ‘off the shelf’ products,” says Corrigan.

N2PRICING DIFFERENTIATORS

A highly configurable RMS, N2Pricing is ideally suited to the variety within IHG’s estate and the need for individualized pricing strategies. “We knew a one-size-fits-all approach would not work for IHG and the more than 6,600 hotels we have around the world. Our portfolio spans multiple brands and property types, each with unique revenue strategies,” Natasha Scott, SVP, Americas Commercial & Revenue Management, IHG Hotels & Resorts, explains. “N2Pricing allows hotels to tailor pricing to their individual needs, while automating much of the manual work revenue managers used to do—freeing them up to focus on more strategic priorities. And unlike other ‘off the shelf’ solutions available in the market, IHG’s version of N2Pricing leverages our own proprietary demand-sensing forecast.”

An example of the flexibility built into the system is the Dynamic Differentials feature, where the system adjusts room-type or rate-program gaps in real time based on shifts in occupancy or demand. “That means your pricing strategy can flex automatically as the market moves, without requiring constant hands-on management,” says Scott. “You define your strategy, and the system executes it with precision, freeing up time and ensuring greater consistency in performance.” Revenue Analytics Founder Dax Cross adds, “We worked to make sure it’s easy for a hotel to manage all rates, not just the best available rate, and we do that through our Dynamic Differentials model that IHG played a role in developing.”

As a basis for its rate calculations, N2Pricing factors in numerous datasets at a very granular level, including reservations data through PMS integrations, competitor pricing data and market data. “We use that data to run key models, such as demand forecast by room type,” says Cross. “And then we look at competitor prices, and we have an algorithm that measures how each hotel’s demand responds to changes in its price position vis-à-vis its competitors. So, for example, if a Hotel Indigo’s rate is undercut by a local competitor and the hotel lost a lot of demand, then our model says, ‘that’s a highly price-sensitive hotel.’ And if, conversely, we’ve seen the competitor undercut the Hotel Indigo and its demand was about the same, then the model says it’s insensitive to price changes.” Sophisticated analyses such as these inform N2Pricing’s rate management and make it one of the leading RMSs on the market.

N2Pricing also sets itself apart by using algorithms designed to “maximize profit rather than revenue, which is different than



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CONFIGURABLE AUTOMATION

REVENUE MANAGERS POTENTIALLY face a multitude of pricing decisions daily, and employing N2Pricing—which manages roughly 5,000 rate changes per hotel per day—is a major time-saver. Revenue Analytics Founder Dax Cross provides a case in point: "Let's say a revenue manager is managing a relatively simple hotel with 10 different rate plans and 10 different room types. That's 100 pricing decisions for each day, and then you're generally pricing the next 365 days. Even the best revenue manager would never be able to identify all those little opportunities to tweak a price here and there and drive revenue uplift. And they certainly wouldn't be able to do it if they're managing a portfolio of hotels, where you're potentially getting into thousands of pricing decisions for each day." A revenue manager who can depend on an RMS to handle the myriad rate updates can focus more on the strategy that guides the system's pricing algorithms.

While N2Pricing's level of automation is robust, it's also highly configurable. So, for example, users can set thresholds on rate changes—5%, 10%, etc.—that are implemented automatically vs. presented to the user for approval. Or they can step in and manually adjust the discount setting for certain rates based on their own market understanding. "If they expect that the demand is going to be high, they can reduce the discount; or conversely, if they expect the demand is going to be low, they can increase the discount. And this is a simplification of what the system can do. Hotels can make the strategy as complex as they wish," explains Frank Komen, IHG's Head of Revenue Management - Europe.

"Local knowledge still plays an important role," stresses Dennis Corrigan, SVP, Commercial Services, IHG Hotels & Resorts. "For example, high-demand events like a Taylor Swift concert may not always be reflected in the data right away. That is where market expertise and real-time insight come in. But once those inputs are accounted for, the system does an excellent job of executing the strategy consistently and effectively."

a lot of other revenue management systems," Cross notes. "Owners really appreciate that." They also appreciate the system's capacity to optimize inventory availability, which again is not a feature of all RMSs on the market. "One of the core concepts of revenue management is to save your inventory for your best customers," says Cross. "For example, don't sell your last room to someone who's only going to stay one night if you believe that someone who's going to stay three nights will want it." With N2Pricing, this availability optimization becomes automated. "If it is consistent with a hotel's revenue strategy, the system would set length-of-stay restrictions across different rate plans to ultimately optimize profit," he says.

Looking ahead, Revenue Analytics is working on further enhancing the system's functionality to ensure N2Pricing remains on the cutting edge. For example, "we're working with IHG on a group pricing module, which is part of our vision to continue to manage more and more revenue within the system," says Cross. Specialized pricing optimization is also being developed for extended-stay and all-inclusive hotels, respectively. "We're also constantly looking at how we can leverage AI to continue to make the system more powerful," Cross adds. One project in this area is the AI-enabled automation of the prep work revenue managers do for weekly meetings with their GM or hotel owner; the AI would source key insights, create charts and graphs and even an initial draft of the revenue manager's report.

IMPLEMENTING THE SYSTEM

Following the selection of N2Pricing as IHG's enterprise RMS, the company "started the process of understanding how we would incorporate it into our greater ecosystem and focused on developing our training and implementation plans," says IHG's Stephanie Ochs, VP, Revenue Management, Franchise U.S. "Throughout 2023, we went through the alpha, beta and pilot testing, which shaped our approach for training and activation. We started the activation process in March 2024 across the North American estate."

Soon after, the rollout began expanding to other regions, and as of summer 2025, over 5,000 IHG hotels around the world are onboard. "We're on track to complete implementation across all eligible hotels by the end of the year and have all eligible Americas hotels onboard by Thanksgiving," says Ochs.

"The rollout process was much smoother than typical because the prework for the implementation provided clear and concise guidance for owners' teams who would be using the system."

— **Ketan Patel**, Chair, Commercial Committee, and Principal & Co-Founder, ROHM Group

Association member Park Place Hospitality Group's
Hotel Indigo Tallahassee - Collegetown



Komen elaborates on the status of the global rollout: "We have good coverage across the EMEA region, and we have about half the European estate activated. We want to reach nearly full coverage—about 98%—in Europe toward the end of this year."

During the implementation process, IHG focused on training and change management with the goal of both technically preparing hotel teams as well as building their confidence and even excitement about using the new RMS. "Overall, the implementation of N2Pricing was very smooth, and that is all thanks to the intentional approach we took from the start," says Scott. "We gave ourselves the space to test, learn and refine not only how the system performed, but also what kind of support, training and pre-work would set our hotels up for success."

Most trainings have been one-and-a-half or two-day, face-to-face experiences held in cities around the world, where hotel representatives could have live conversations with the trainers. "During that process, we're not only talking about the system's functionality, but also about the concept of using the new tool. How do we expect you to work with the system? What does it mean in terms of your day-to-day operations?" Komen explains.

The Association's feedback complemented the efforts of IHG's implementation team, helping to "shape an implementation experience that was intuitive, practical and respectful of hotel teams' time," says Corrigan. "That partnership made the system more accessible and set us up for stronger adoption from day one." Ketan Patel, Chair of the Association's Commercial Committee and Principal & Co-Founder of ROHM Group, observes, "The rollout process was much smoother than typical because the

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N2Pricing “leverages AI—bringing in much more travel industry data—and then suggests rack rates and/or discounts that can be applied to your hotel to help drive revenue and ultimately profit.”

— **Jeremy McCauley**, Vice Chair, Hotel Indigo Committee, and Vice President, Park Place Hospitality Group

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SUPPORT AND FEEDBACK

Paving the way to hotel success in utilizing N2Pricing required effective pre-work and training, but the facilitation did not end there. Strong ongoing support is provided by IHG’s “system health coaches,” who conduct benchmarking on revenue management performance across IHG hotels and can offer guidance to individual hotels on how to set optimal strategies and best use the system. In addition, Revenue Analytics can provide users guided tours of the system and has been building a knowledge base that can be searched by topic. However, “our goal was that it shouldn’t require extensive training; it should be intuitive,” says Cross. And indeed, N2Pricing’s user-friendliness was among the reasons it was selected to be IHG’s enterprise RMS.

Users can also provide feedback on the system’s functionality at any time. “We have an automated feedback process,” says Komen. “We also have open ‘office hours,’ where people can actually call in and have those conversations.” Thus far, the feedback on N2Pricing has been highly favorable, with 80% recommending the system to their peers, Scott relates. “We’ve heard from owners that they appreciate the flexibility and control available within N2Pricing, and the transparency into the forecast—especially considering other RMS systems are more of a ‘black box’ to hotels and owners.” Jeremy McCauley, Vice Chair of the Association’s Hotel Indigo Committee and Vice President of Park Place Hospitality Group, notes, “N2Pricing is a major improvement on our previous RMS; it is far more intuitive and easier to use.” In addition, both Patel and McCauley say they are seeing great rate recommendations from the system. “It leverages AI—bringing in much more travel industry

data—and then suggests rack rates and/or discounts that can be applied to your hotel to help drive revenue and ultimately profit,” McCauley explains.

IMPACT ON HOTEL PERFORMANCE

IHG’s carefully orchestrated implementation of N2Pricing across its estate has positioned hotels to use the system to its full potential and drive their individual revenue strategies. “Now that everybody has had some time with the system, they’re able to fully realize its advantages, especially as the models are increasingly understanding each hotel,” Ochs says.

The immediate positive impact of this proficiency is on revenue management workflows. “As the hotel and revenue teams have been working with N2Pricing, most teams have realized efficiency gains through automation, reducing the need for manual rate updates and enabling more time to focus on the hotel’s strategy to drive performance,” Ochs adds.

N2Pricing will continue to elevate revenue performance as user proficiency increases and Revenue Analytics adds more functionality to the system. In addition, IHG is investing in new data sources and internal metrics to feed into the system and optimize pricing recommendations even further. “We’ll also introduce more robust data on special events such as localized conventions,” Corrigan notes. “One recent example of new features and additional functionality comes from Greater China, where we introduced domestic, Chinese flight ticketing data to improve forecasts for GC hotels.”

Ultimately, owners benefit from IHG’s commitment to maximizing the potential of this already-powerful tool for increasing profit margins. “We’re thrilled to be able to optimize N2Pricing even more for greater impact across our estate and look forward to all that’s to come in the years ahead,” Scott concludes.