

GUEST CANCELLATIONS ARE STRONG SALES DRIVERS AFTER ALL



An insurance product named “Hotel Cancellation Plus” from European travel insurance is already being utilized by almost 3,300 active Austrian hotels. As of July 2012, this feature will be on its way on a big improvement. A Hotel Cancellation Plus Premium will be released alongside a cost based version as well. The sudden changes for the better of these feature was deemed needed by a lot of hotel owners because they believe that hotel cancellations policies must be well known by customers. Sturzlbaum Martin, the CEO of European Travel Insurance says that this tool will largely help hotel owners in maintaining customer relationships while dealing appropriately with hotel cancellation processes.

However, not all 3,300 hotels mentioned above are all out when it comes to using this tool. Sturzlbaum said that the average numbers of users who will utilize it to its utmost purposes is only 8 to 10 percent.

What hotels don’t realize is that they benefit from this in two ways. First, in the event that a guest cancels, the hotel is insured. Second, the insurance benefit is wonderful. A 4 star hotel with 130 beds is insured with at least a quarter of the bookings received. The quarter is insured at 23,000 Euros. Therefore, if half of the guest cancels, this hotel generates an extra 46,000 euros extra.

Last year, 100,000 guests to Austria were able to utilize the hotel cancellation insurance tool mostly during holidays and winter. A lot of these guests had overwhelming cancellation cases which were dealt with appropriately.

There are 3 cancellation products to choose from. First is the Hotel Cancellation Premium which offers protection against cancellation, trip interruptions, delayed approval of leave and involuntary extension of stay. The second package is the Hotel Cancellation Plus. This service is a good package. Vaccination and loosening of implanted joints have been added to the list of valid reasons for cancellation. The last package which is also considered as the budget package is the Hotel Cancellation Insurance which has no extras. This package covers for non commencement of the trip along with 20 percent deduction. The reasons for cancellation are similar to other insurance.

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