Velas resorts manages 6 luxury resorts in some of the most naturally beautiful locations throughout Mexico, including Puerto Vallarta, Riviera Nayarit, Riviera Maya y Los Cabos. The group is renowned for its top position on TripAdvisor and its innumerable recognitions for excellence in the Luxury Hotel Category.

Fixing Rate Parity Issues

Velas views rate parity as a top revenue management priority because efforts to improve rate parity lead to better financial outcomes. The revenue team analyzes rate parity metrics every day to understand if any properties have rate parity issues. Principally, Velas Resorts faces issues with OTAs cutting sales commissions and wholesalers reselling inventory to OTAs.

“Every time we identify rate parity infractions, we express very clearly to our partners that this behavior is unacceptable and will not be tolerated. This behavior disadvantages our future guests and our hotels, and we take action against it.”

- Carlos Velasquez, E-commerce Manager, Velas Resorts
The revenue management team has identified two main drivers of disparity, and regularly takes the following steps to mitigate the impact of these issues:

- **OTA CUTTING COMMISSIONS TO DISPLAY A LOWER RATE**
  The revenue management team reaches out directly to market managers to report the problem and employ a “three strike policy”:
  1. Provide awareness of the issue
  2. suspend discounts indefinitely
  3. close out inventory indefinitely

- **OTA ADVERTISING WHOLESALER OR NON-PUBLIC RATE**
  The revenue management team makes test bookings to identify the wholesaler that is reselling rates and notifies the market manager at the corresponding wholesaler of the issue. The team then follows the “three strike policy”:
  1. Provide awareness of the issue
  2. suspend discounts indefinitely
  3. close out inventory indefinitely

**Results**
- 62% Growth in conversion rate on Brand.com
- 64% Increase in direct bookings

### About TravelClick

TravelClick offers innovative, cloud-based and data-driven solutions that help hotels around the world to maximize revenue. Our interconnected suite of solutions – Business Intelligence, Reservations & Booking Engine, Media, Web & Video and Guest Management – helps more than 25,000 customers to make better business decisions to know, acquire, convert and retain guests. With our worldwide presence in 176 countries, we have a deep understanding of local markets along with a global perspective that drives optimum results for the hotels we serve.

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