



**Sustaining Competitive and Responsible Enterprises
in SOUTH AFRICA's Tourism Sector**



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Increasing wine sales:

Cooperation between sales staff and managers

The Safari Lodge is situated on the northern boundary of the Amakhala Game reserve. The game reserve covers 6500 hectares of land that has been converted from sheep and cattle farming to a conservation area with re-introduced wildlife, including lion, elephant, rhino, buffalo and cheetah. The lodge has luxury suites complete with private plunge pools and separate lounge areas.

Initial situation

One of the main ways that tourism enterprises generate profits is not only through selling accommodation, but also through beverage sales.

The Safari Lodge provides complimentary house wine to guests during their meals, but found that guests were drinking this, rather than ordering wine from the cellar. As a result, managers realised that their wine sales were very low, and an opportunity was being missed to increase turnover.

ILO SCORE training

In November 2009, the lodge manageress participated in SCORE Module 2 training (Service Quality). Part of the course included a discussion on monitoring and indicators, and how this could be used to stimulate change.



Changes that took place

Managers at The Safari Lodge developed an idea of tracking monthly wine sales for each barman, and post this information on a staff notice board for everyone to see.

This way everyone would know how many bottles of wine each waiter had sold, and what the monthly total was for the lodge.

| Wine SALES to date - 12.05.11 | | | |
|-------------------------------|--------|------|-------|
| Month | Casper | Seun | Total |
| Sept | 6 | | 12 |
| Oct | 3 | | 8 |
| Nov | 25 | | 69 |
| Dec | 16 | 22 | 45 |
| 11-Jan | 19 | 13 | 53 |
| Feb-11 | 13 | 58 | 71 |
| 11-Mar | 48 | 19 | 67 |
| Apr-11 | 13 | 21 | 34 |
| 11-May | | 3 | 3 |



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Fuel savings from monitoring at Thakadu Lodge, Madikwe Game Reserve

In a similar process that followed the SCORE training, managers at Thakadu developed a fuel monitoring program. Each person responsible for taking fuel used a monitoring sheet to track volumes taken from a tank. This resulted in a halving of their fuel consumption, a saving of an estimated 4% of overall lodge expenditure!

Direct impacts of the change

The impact of sharing information on wine sales has been dramatic.

Between September 2010 and April 2011 the lodge sold 359 bottles of wine to guests. This generated an estimated R57 440 in revenue from wine sales, or an average of R7 180 per month. Since wine sales are not only related to staff effort, but also to occupancy levels, there are fluctuations in sales throughout the year. However, comparing the months of April and May in 2010 with the same period in 2011, wine turnover rose from R3 472 to R19 232 – that is a 540% increase!

Barmen and waiters are now more motivated to promote wines to guests, and are eager to improve. Although there are no financial incentives for them to sell more wine, the prestige of being the person who sold the most bottles of wine in a week has driven higher sales.

In the future, The Safari Lodge may use the records of wine sales during staff performance reviews, and to help decision making on staff bonuses or promotions.

Return on investment

The example from The Safari Lodge demonstrates that sales staff and management can work together to increase turnover substantially, when they cooperate to use simple communication and monitoring tools. An overview of the benefits to different target groups is summarised below.

| Target group | Benefit |
|--------------|---|
| Employees | Improved motivation. |
| Management | More motivated workforce. |
| Company | Better communication, increased turnover. |

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