

Dorchester Collection fills more rooms with sharper forecasting



In the hotels sector, an empty room overnight means revenue lost forever – a complex and unusual business challenge. To gain rapid insight into future occupancy, the Dorchester Collection hotels group developed integrated budgeting, planning, and forecasting across its properties, helping to generate promotions to optimise sales, improve margins, and deliver the group's famously superlative service.

10 Hotels

located in Ascot, Dubai, Milan, London, Los Angeles, Paris, and Rome

3,500

employees working across luxury properties globally

3-Month

rolling forecasts to optimize occupancy and sales

5-Minute

reduced report generation time from 2 days to 5 minutes

For the Dorchester Collection's ten hotels — in Ascot, Dubai, Milan, London, Los Angeles, Paris, and Rome — understanding and predicting occupancy is central to delivering the group's famously superlative service. Advance knowledge of the number of guests, rooms, and length of stay impacts staffing, catering, cleaning, laundry, and a thousand-and-one services that bring hospitality to life.

From the business perspective, when the clocks tick over at midnight, a hotel's unsold rooms become an irretrievably lost opportunity. Knowing likely occupancy well in advance enables marketing teams to plan promotions and adjust pricing to help maximise sales and secure these opportunities.

To create annual and rolling three-month forecasts, the financial team at Dorchester Collection devoted significant time to collating and consolidating information

delivered by each hotel in spreadsheet format. In addition, each of the group's ten hotels sent weekly updates, resulting in a constant flood of new data to be manually checked, integrated and analysed.

Iben Botha, Group Financial Controller at Dorchester Collection, explains: "With a complex mix of group and individual pricing, length of stay, and seasonal variations, ours is a very dynamic and even volatile model, unique to the hospitality industry. As the weekly updated forecasts arrived and as we received the actuals each week, comparing data and presenting a clear picture to the board became almost impossible. In addition, we wanted to monitor and improve our forecast accuracy, which created new complexity as each week's data over-wrote the previous set. We aimed to get to a position where we could predict where our future occupancy needs to be to meet our ROI objectives, as easily, rapidly, and accurately as possible."

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Group Financial Controller
Dorchester Collection

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No room for spreadsheets

With previous experience of integrated planning and analytics, Iben Botha enrolled the Dorchester Collection team in the capabilities of IBM TM1, starting the process of moving away from spreadsheets.

“While there are dedicated solutions for large hospitality groups, the hotels in the Dorchester Collection are very different from each other and operate in their individual ways,” says Botha. “IBM TM1 offers an agile solution that could be configured to suit our bespoke business, and that would work well and cost-effectively.”

The initial deployment of IBM TM1 quickly demonstrated potential, and Dorchester Collection looked forward to taking planning and analysis to the next level.

“TM1 could help us plan our variable costs more accurately in a way that was not possible with spreadsheets,” notes Botha. “For example, reduced occupancy means fewer people at breakfast or smaller numbers of spa visits, affecting our staffing, operations and payroll in a very complex, interlinked set of dependencies.”

Yet as Dorchester Collection developed its TM1 expertise, the on-premises IT systems running the software struggled to meet demand. On some occasions the calculations took multiple hours, stalled as the system ran out of resources, or crashed. To unlock the true value of TM1, Dorchester Collection looked to solve its technology capacity issues, building a solution that could deliver insights fast and reliably.

Creating near-limitless capacity

Addressing the technical challenges and optimising the financial analysis capabilities added to the task list for an already busy team, and Dorchester Collection sought support from a reliable partner.

“Budgeting Solutions was introduced to us at just the right moment,” says Botha. “Working together we identified that moving to an all-cloud solution could solve our capacity and scalability issues, and Budgeting Solutions knew exactly how to build out the system to create the analyses we were looking for.”

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To resolve capacity and performance issues, Budgeting Solutions provided a fully managed cloud migration service, replacing limited local hardware with scalable near-limitless resources available on the IBM Cloud.

“Budgeting Solutions provided consultancy, advice, and technical assistance at every stage, and even committed to days at no additional cost,” recalls Botha. “There were many moments where Budgeting Solutions put service to Dorchester Collection first, which helped to build a long-term and very successful relationship.”

Putting the guests first

With the technical work complete, Budgeting Solutions and Dorchester Collection created a programme to fine-tune existing reports, and build a fully integrated forecasting and analysis engine.

“Where previously each hotel emailed us the results of their own spreadsheet calculations – such as cost per room occupied or restaurant cover – we now take their raw data and run the report centrally. That way we can look at predicted occupancy against actual occupancy, and review how the associated variable costs affect profitability,” elaborates Botha. “Working with the experts from Budgeting Solutions we are bringing more of the calculations into the solution so that we start from a consistent base, helping us to optimise the cubes for performance and to gain the rapid insight that we need despite the complexity.”

Many of the previous challenges arising from spreadsheet working are now handled entirely within TM1. For example, it is now possible to compare any historic three-month forecast against any later revision simply by selecting the dates.

“In the early days, some of these reports were taking two days to produce, particularly when we were analysing forecast accuracy, tempting us to complete the final steps in spreadsheets,” explains Botha. “Today, we can reach the same data in five minutes, with a single click. The cube technology within TM1 is a game-changer, and you can instantly run enquiries with certainty, enabling the finance team to answer questions rapidly, effectively and efficiently.”

Currently the team is working on further functionality that will allow Dorchester Collection to deliver better service than ever. Enabling direct executive access through dashboards that show key data, with drill-down to underlying data for standard enquiries, for example, will help executives to make swift, data-informed decisions without waiting for reports from analysts.

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About The Dorchester Collection

Established in 1996, Dorchester Collection is a world-famous luxury hotels, restaurants, and residences group, employing around 3,500 people, and operates prestige properties in Dubai, France, Italy, UK and US.



Budgeting Solutions

Since 2005, Budgeting Solutions has delivered over 250 tailored business analytics solutions across various industries, empowering organisations to plan effectively and analyze results with confidence. By collaborating closely with your team and understanding your unique challenges, we leverage IBM Cognos performance management and analytics tools—proven to be reliable and transformative—to create customised solutions that simplify processes and deliver actionable insights. Our approach prioritises listening, problem-solving, and long-term partnership, earning a 98% customer retention rate and a reputation for transforming planning and reporting functions with dynamic results.

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