

# 4 Strategies for Maximizing EBITDA and Optimizing Hospitality Assets

As the hospitality industry faces increasing challenges—from labor shortages to evolving guest expectations—hotels must take a proactive approach to revenue optimization and operational efficiency. While room revenue remains a core focus, non-room revenue streams, workforce management strategies, and guest satisfaction initiatives present significant opportunities for growth. This guide explores four key strategies to help hotels maximize EBITDA and unlock the full potential of their assets, ensuring long-term profitability and enhanced guest experiences.

## 01 Non-Room Revenue and Missed Opportunities



32% OF TOTAL HOTEL REVENUE

PARKING IS THE HIGHEST ANCILLARY SERVICE WITH

**65% MARGIN**

Non-room revenue accounts for 32% of total hotel revenues, making it a vital contributor to profitability. However, many hotels fail to fully optimize these revenue streams, with 65% of properties not effectively utilizing data to refine strategies and unlock their full potential.

### SOLUTION



DATA DRIVEN APPROACH



INTEGRATING ADVANCED TOOLS AND ANALYTICS

To maximize non-room revenue, hotels must adopt a data-driven approach that ensures transparency, efficiency, and accountability **across all revenue-generating operations**. Tools that provide real-time financial data and operational insights empower properties to track performance, refine pricing strategies, and dynamically adapt to shifting demand. Leveraging guest satisfaction and feedback data enables hotels to align their offerings with customer expectations, enhancing loyalty and driving repeat business.

Additionally, insights into staffing optimization and resource allocation help reduce costs while maintaining high service standards. By integrating advanced tools and analytics into their operations, hotels can create tailored strategies for each revenue stream, ensuring consistent quality and profitability. Portfolio-wide benchmarking provides further opportunities to identify underperforming areas and replicate best practices across properties.

## 02 Parking Revenue and Untapped Potential



Parking is an often-overlooked but highly profitable ancillary revenue stream for hotels. **Despite accounting for only 3.1% of total revenue in 2022**, parking represents a significant opportunity for growth, particularly when paired with strategic optimization. **Research reveals that just 20.4% of hotels reported parking revenue**, leaving most properties unable to fully leverage this high-margin asset. By implementing strategic pricing and management solutions, parking can become a valuable source of revenue. In addition, outsourcing parking operations to a premier provider like Towne Park ensures an efficient valet and parking experience, enhancing guest satisfaction and serving as a significant contributor to EBITDA.

### SOLUTION



MAXIMIZE FINANCIAL PERFORMANCE



OUTSOURCE PARKING OPERATIONS TO EXPERT PROVIDERS

Optimizing parking operations begins with treating parking spaces as key revenue-generating assets, much like hotel rooms, which are perishable assets. Hotels can **maximize financial performance by implementing comprehensive revenue optimization strategies**, including setting the right rate, demand generation, and dynamic pricing. These strategies adjust rates based on demand patterns, local events, and seasonal fluctuations. Advanced technologies like gateless, digital parking systems, and real-time occupancy tracking streamline operations, improve efficiency, and **enhance the guest experience**. Integrating parking systems with hotel property management systems (PMS) further simplifies billing and creates a seamless process for guests.

Beyond technology, parking revenue can be amplified by **tailoring offerings to market conditions**. Urban hotels can charge premium rates for high-demand spaces, while resorts and airport properties can offer exclusive parking packages or long-term solutions. Research indicates that self-parking options often deliver profit margins exceeding 80%, making them one of the most lucrative non-room revenue streams available.

**By outsourcing parking operations to expert providers**, hotels can gain access to sophisticated revenue optimization tools, market-driven pricing strategies, and operational best practices. This approach not only **maximizes revenue per available space** (RevPAS) but also ensures consistent service quality, enhances guest experience, and reduces the operational burden on in-house teams. A focus on delivering a seamless, convenient parking experience helps create a positive first and last impression for guests, contributing to overall guest satisfaction.

### 03 Labor Efficiency and Workforce Challenges



Hotels face significant challenges related to rising turnover rates, labor shortages, and fluctuating demand. **With an industry turnover rate of 73.8%**—nearly double the national average across all industries (Source: National Restaurant Association)—hotels incur increased hiring and training costs, service disruptions, and strained operational efficiency. These workforce issues directly impact operational margins, with higher input costs and labor challenges further squeezing profitability.

Additionally, guest expectations continue to grow, especially in terms of service quality, putting added pressure on hotels to balance costs while delivering exceptional experiences.

**SOLUTION**  **20%** REDUCTION IN LABOR COSTS  STRATEGIC APPROACH  HIGHER PROFITABILITY

By leveraging **data-driven insights** and **operational optimization tools**, hotels can refine staffing strategies, enhance guest experiences, and unlock new revenue opportunities without relying on traditional staffing models. **Towne Park** provides expertise in integrating technology, operational benchmarking, and workforce solutions that empower hotels to improve efficiency and profitability while maintaining service excellence.



### 04 Guest Satisfaction and Loyalty Challenges



Guest satisfaction is a cornerstone of success in the hospitality industry, yet the 2024 J.D. Power North America Hotel Guest Satisfaction Index Study revealed a concerning decline, **dropping from 655 to 647 on a 1,000-point scale**. Repeat customers, who spend 67% more than new customers, play a critical role in revenue growth. However, poor guest experiences driven by disengaged employees, service disruptions, and inconsistent service quality erode loyalty and spending. Outdated hiring practices further exacerbate these challenges, leaving hotels unable to consistently deliver the high-quality service guests expect, compounding revenue and operational inefficiencies.

**SOLUTION**  DEVELOP EXCEPTIONAL WORKFORCE  UTILIZE DATA DRIVEN WORKFORCE MANAGEMENT

To address these challenges, hotels **should focus on developing a workforce that is well-equipped to deliver exceptional guest experiences**. Implementing a tech-enabled hiring model is critical for attracting and retaining top talent quickly and efficiently. AI-driven recruitment tools streamline the application process and reduce time-to-hire, while Text-to-Recruit and Text-to-Apply functionality simplifies candidate engagement. Competitive compensation plans, including tip enhancements and digital tipping, attract high-caliber candidates, and oral drug screens conducted during interviews reduce delays and minimize candidate dropouts.

By adopting these strategies, hotels can create a well-trained, engaged workforce that delivers consistent, high-quality service, directly improving guest satisfaction and loyalty. Integrating these practices **with data-driven workforce management ensures hotels not only meet but exceed guest expectations**, creating a strong foundation for sustained profitability and long-term success. This focus on elevating service standards transforms guest satisfaction into a powerful driver of EBITDA growth.

## Empower Your Growth with Towne Park

With over 35 years of expertise in hospitality solutions, Towne Park utilizes advanced technology and proven strategies to enhance operations, optimize revenue, and elevate guest satisfaction.

By utilizing tools like real-time financial data insights, dynamic pricing strategies, and operational benchmarking, we help hotels enhance efficiency, and transform parking and ancillary services into high-margin revenue streams that drive measurable profitability.



## A Strategic Partner Invested in Your Growth

We create seamless, exceptional guest experiences from arrival through departure, with our range of parking and hospitality solutions that exceed expectations.

We are an expert partner that can help with hiring challenges. Our service-oriented hospitality teams provide memorable moments creating smiles for every guest, while prioritizing consistent service and safety, elevating our client's brand and profitability.

## A Full Suite of Service and Revenue Management Tools

Through solutions such as data-driven staffing optimization, automated scheduling tools, and guest feedback integration, we deliver consistent results that enhance guest experiences, improve operational agility, and maximize revenue.

- **Dynamic Revenue Management** to maximize profitability across parking and other ancillary services.
- **Portfolio-Wide Operational Benchmarking** to identify best practices and improve underperformance. Towne Vision aggregates data to optimize efficiency, labor, and revenue, providing real-time insights for better decision-making and performance monitoring.
- **Real-Time Data Analytics** to monitor guest satisfaction, manage resources, and refine service delivery.

### Core services include:

- Valet
- Self-Parking
- Parking Management
- Shuttle Service
- Door Service
- Bell Service
- Greeter & VIP Lounge
- Concierge
- Resort Services

## Take control of your hospitality operations with Towne Park.

Our customized strategies and proven expertise are tailored to optimize performance and drive sustainable profitability.

To learn more, visit our website or  
contact us today!

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