whitepaper

The hidden costs of group reservations

The biggest time savings don't come from a PMS integration, but from automating communication, follow-up and process management.

A saving of

1 FTE

Can save you

€43.900+

Per hotel per year*

Foreword

More and more hotels are investing in software to improve efficiency. The focus is often on **system integrations**, automation and eliminating duplicate data entry. Understandably so. No one wants to manually enter the same information twice or constantly switch between different systems.

Yet in our conversations with hoteliers, General Managers, Reservations Managers and reservations staff, we keep noticing the same thing. When we ask where most time is lost within the group reservation process, the conversation almost always starts with **systems**.

But once we dig a little deeper, the biggest **frustrations** tend to lie elsewhere. Not in transferring data, but in everything that happens **around it**. Gathering information. Following up on outstanding actions. Looking up previous agreements. Keeping track of deadlines. Coordinating between departments. Tasks that may only take a few minutes individually, but are repeated **dozens of times throughout the day**.

These activities often remain **invisible**. They do not appear in reports, are rarely measured and, for many teams, are simply considered part of the job. Meanwhile, they create additional **workload**, **delays** and **unnecessary dependence** on individual employees every single day.

In this whitepaper, we explore where the **hidden costs of group reservations** really come from. Not to question the importance of PMS integrations. Quite the opposite: a good integration delivers clear benefits. But a significant amount of time, frustration and cost originates outside the exchange of data between systems.

And that is precisely where many hotels still have a major opportunity to work smarter, faster and more efficiently.

Kort samengevat

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- When hotels evaluate new software, the focus is often on **PMS integrations** and system connectivity. That is an important consideration, but it only tells part of the story.
- The biggest time drains are rarely found in entering data, but in **follow-up, checking and coordination.**
- Each of these tasks may only take a few minutes, but when they occur dozens of times every day, they quickly **add up**.
- We see the impact of this at hotels that have optimised their group reservation process. Several hotels **independently** report needing **half to even one full FTE less** within their reservations department while handling the same number of group reservations.
- **To put that into perspective:** saving half an FTE, based on a full-time working week of 38 hours under the Dutch Hospitality Industry Collective Labour Agreement and a representative employer cost of €22.20 per hour*, already results in **annual savings** of more than **€21,900 per hotel.** For hotels saving one full FTE, that amount doubles.
- Hotels that focus solely on **system integrations** therefore risk **overlooking** a significant part of their **improvement potential**.

**Calculations are based on the 2026 Dutch Hospitality Industry Collective Labour Agreement (Reservations Employee III, job category VI, salary step 3, adult employee), including an additional 30% in employer costs. This results in a representative employer cost of €22.20 per hour.*

In this whitepaper, we show exactly where that hidden time is lost, how it affects day-to-day operations and how hotels have redesigned their group reservation process to win that time back.

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Why group reservations present a unique challenge

An **individual reservation** usually follows a relatively straightforward process. The guest books, the hotel confirms the reservation, the stay takes place and the invoice is processed. There may of course be exceptions, but the process itself is generally **predictable**.

Group reservations are different. A group request is rarely just one reservation. It is a process that can stretch over weeks or even months and involve dozens of touchpoints. Quotes are sent, options are placed, changes are made, reminders are sent, deposits are processed, rooming lists are updated, room allocations are adjusted, arrival information is shared and, eventually, invoicing is completed.

Meanwhile, the situation keeps **changing**. An organiser adds rooms, participants cancel, arrival times change or new requests come in. Every change can affect several parts of the process and needs to be processed in the right place.

On top of that, a group reservation is **rarely handled by a single department**. Reservations, Sales, Front Office, Housekeeping, Restaurant and Finance all play their part. That requires clear coordination, up-to-date information and clear agreements between colleagues.

On paper, a group booking may look like a single reservation. In day-to-day hotel operations, it consists of **dozens of smaller processes t**hat constantly require attention. It is precisely this combination that makes group reservations one of the most **labour-intensive parts** of hotel operations.

Group reservations in today's hotel operations

The **pressure** on hotels has been **increasing** for years. Staff are scarce, labour costs are rising and guests expect **fast communication** and flawless service. At the same time, group reservations remain a surprisingly **manual process** in many hotels.

In our conversations with hotels, we repeatedly hear the same **challenges** and recognise the same **patterns**. And while every hotel operates differently, the **underlying processes** are often remarkably similar.

1

Information is spread across different places

Information about group reservations is often scattered across emails, Excel files, the PMS, shared folders, notes and individual employees.

As a result, finding the latest information can take more time than actually processing it.

2

Follow-up is handled manually

In many hotels, group reservations are still followed up using Outlook reminders, calendar appointments, Excel spreadsheets and personal to-do lists. That can work perfectly well when things are quiet, but as soon as the workload increases or a colleague is absent, the risk of actions being forgotten or picked up later than planned increases with it.

3

Important knowledge lives in employees' heads

In many hotels, one or two colleagues know exactly where every group reservation stands. They know the exceptions, remember which agreements were made with bookers and instinctively know which groups require extra attention.

That works as long as those employees are there. But as soon as someone is ill, goes on holiday or leaves the organisation, it becomes clear just how dependent the process has become on individual people. Colleagues have to figure out what was agreed, which actions are still outstanding and why certain situations were handled differently from the standard procedure.

And that dependency goes beyond individual group reservations. Knowledge of the entire group process is often concentrated among a small number of employees.

4

Maintaining an overview becomes increasingly difficult

One group reservation is usually easy enough to manage. The challenge begins when dozens of group requests are running simultaneously, all at different stages of the process.

Employees need to keep track of quotes, changes, payments, rooming lists, deadlines, communication with guests and communication with colleagues — all at the same time.

It is this combination of activities that quickly increases workload and makes it increasingly difficult to maintain control over the entire group process.

Why PMS integrations matter — and where the blind spot lies

When hotels evaluate new software, one question almost always comes up first: *"Is there a PMS integration?"* And it is a perfectly valid question. A good PMS integration prevents duplicate data entry, synchronises information between systems, reduces the risk of errors and saves time. There is a reason why research within the hospitality industry shows that many hotels consider **integrations** an **important requirement** when selecting new technology.

Hotels therefore have good reason to value a PMS integration. But this can also create a **blind spot**. There is often an assumption that a PMS integration solves every efficiency issue, while this is not necessarily where the biggest time savings can be found.

In practice, much more **time** is often **lost** in everything **surrounding** the reservation itself. Think of following up on quotes, monitoring deadlines, processing changes, communicating with bookers and coordinating between colleagues and departments.

A PMS integration **automates** the exchange of data between systems. That is valuable, but it does not automatically solve these processes. For example, an integration does not ensure that outstanding actions are followed up, that new employees are onboarded faster, that information is centrally available or that colleagues always have **insight** into the current status of a group reservation. Nor does an integration **automatically** reduce **dependence** on specific employees.

Yet **these activities** account for a **significant part** of the **daily workload** in many hotels. Hotels that focus solely on system integrations therefore risk **overlooking** an important part of their **improvement potential**.

Where does the time really go?

When hotels think about improving efficiency, **duplicate data** entry is often the first thing that comes to mind. That makes sense because it is **visible**. You can literally see the same information being entered more than once.

Yet in practice, this is **rarely** where most time is lost.

When teams analyse their daily activities, a much larger proportion of the working day turns out to be spent **gathering information, chasing missing details, checking payments, following up on quotes, processing changes, looking up agreements and keeping colleagues informed.**

Three types of activities

The group reservation process can broadly be divided into three types of work.

1

Administration

Administration includes creating and adjusting quotes, preparing pro forma invoices, adding or cancelling rooms, calculating cancellation charges and processing changes throughout the booking process.

2

Follow-up

Follow-up is all about keeping the process moving. This includes following up on quotes, checking received payments, requesting names and rooming lists, collecting arrival information and F&B arrangements, and sending reminders.

3

Coordination

Communication and coordination include answering questions from bookers, looking up previous agreements and coordinating with colleagues and other departments.

The work involved in follow-up and communication in particular often flies under the radar. Each individual task may only take a few minutes, but because these tasks keep recurring throughout the entire group process, together they account for a significant amount of time.

The invisible time drain: checking

There is another layer hidden within all these activities: **checking**.

Employees are constantly **checking** whether a quote has already been followed up, whether a payment has been received, whether a rooming list is complete or whether a colleague has already completed an action.

These are not tasks that actually move the booking forward, but checks that continue to occur **throughout the working day**. Those checks force employees to constantly **switch** between different systems, documents and colleagues. That costs **time**, but also **concentration** and **mental energy**.

This is why the biggest challenge within group reservations is usually not recording information, but **collecting**, **checking**, **following up** on and **sharing** that information in order to successfully manage the booking.

Many teams tell us they would like to work more proactively. In reality, however, a large part of their day is spent checking, responding and putting out fires. That leaves **less time** for work that genuinely **adds value**, such as personal contact with guests, improving **conversion** or further **optimising** the group reservation process.

What hotels experience in practice

The theory is backed up by the experiences of hotels that have optimised their group reservation process.

- Thijs Merks, hotelier and entrepreneur and an early Groupz user, calculated savings of approximately **6 hours per** week, **per location** in administrative work — equivalent to around **€9,000 per hotel, per year**.

  See testimonial

- Astrid, General Manager at Lumen Hotel & Events, did not need to replace a departing Front Office Manager: two Supervisors were able to absorb the work, resulting in an estimated **saving** of **half to one full FTE**, while creating more **calm** and **overview** in the process.

  See testimonial

- Mandy Princen, General Manager at Mercure Hotel Tilburg Centrum, reported that **one full-time position** within the reservations department was **no longer required**: resulting in a direct saving in labour costs.

  See testimonial

- Natasja, Reservations Manager at ibis Styles Almere, saw the **time** spent **per quote** fall from an average of **15** minutes **to 5 minutes**, and handled **65% more groups** with the same team the following year, directly contributing to increased revenue.

  See testimonial

Of course, every hotel operates differently and these results are not a guarantee. But the practical examples consistently reveal the same **pattern**. As soon as less time is spent on follow-up, checking and internal coordination, capacity becomes available. Capacity to handle more group requests, reduce workload or use the time saved elsewhere.

That leads to a simple question that is rarely asked: how many hours does your team spend every week not on the reservation itself, but on everything surrounding it?

When volume creates complexity

An individual group booking is usually manageable. The challenge arises when dozens of group reservations are running **simultaneously**, each at a **different stage** of the **process**.

Employees need to keep track of outstanding quotes, payments, names and rooming lists, changes, deadlines, internal communication and invoicing. Not for one group, but for all of them **at the same time.**

More volume requires more overview

More group reservations do not automatically have to result in a **higher workload**. Workload mainly increases when **overview** is lost.

As soon as employees cannot immediately see which actions are still outstanding, which information is missing or which agreements have previously been made, complexity increases and every next step takes more time. The work itself has not necessarily become more complicated. Employees simply have to spend more time **searching**, **checking** and **switching between tasks**.

One small oversight can have major consequences

Losing overview does not only cost time. It can also directly affect **revenue**.

Take a group reservation that remains on option for too long. If no one checks whether the option deadline has passed, rooms may remain unnecessarily blocked and cannot be sold to other guests. By the time this is discovered, the opportunity to sell those rooms may already have passed.

What starts as **one missed check** that slipped through the cracks can ultimately **result in lost revenue**. That is why an efficient group process is not just about speed, but above all about **control** and **overview**.

The hidden costs of staff turnover and knowledge dependency

When hotels think about improving efficiency, technology often receives most of the attention. Much less attention is paid to an equally important issue: **knowledge retention**.

Yet this represents a significant risk for many hotels. Staff turnover is part of the hospitality industry. Employees change roles, go on holiday, take sick leave or leave the organisation altogether.

The question is not if this will happen, but how vulnerable the group reservation process becomes when it does. Research by ABN AMRO (2019) shows that approximately **40% of hospitality employees leave their jobs each year.** The total cost is estimated at approximately **€1.4 billion annually,** equivalent to around **6%** of total **hospitality industry revenue**.

When one employee becomes indispensable

In many hotels, a significant amount of knowledge about group reservations sits with one or a small number of employees. They know which steps need to be taken and when, which exceptions are possible and which agreements have been made with bookers.

As long as these colleagues are present, this may appear efficient. But as soon as someone becomes ill, goes on holiday or leaves the organisation, the extent of that **dependency** becomes clear.

It is not only capacity that disappears, but also knowledge, overview and continuity. International research by Cornell University (Tracey & Hinkin, 2006) supports this picture. Across 33 hotels studied, the cost of replacing an employee averaged approximately **$6,000** for operational positions and almost **$10,000** for managerial positions.

Remarkably, **up to 70% of these costs** were not caused by recruitment or training, but by **productivity losses** while new employees were still building the process knowledge previously held by their predecessor.

The pressure often falls on the same people

The colleagues with the most knowledge are often also the ones experiencing the highest workload:

- remaining available during holidays;
- answering questions on days off;
- returning from holiday to a backlog of work;
- struggling to switch off from work.

That not only increases workload, but also the risk of absence, burnout and staff turnover.

And that risk is not merely anecdotal. It can be measured. Research by TNO and Statistics Netherlands through the National Working Conditions Survey shows that **workload** and **work-related stress** cost employers more than **€3 billion in absenteeism each year**. That represents a significant proportion of all absenteeism costs. ArboNed and HumanCapitalCare also reported a **30% increase** in long-term stress-related absence over the previous five years in 2024. **Today, approximately one in four days of absence is caused by stress.**

The impact on new employees

When a new colleague starts, **learning** the systems is only part of the onboarding process. Understanding the group reservation process is at least as important.

They need to learn:

- which information matters;
- which deadlines apply;
- which exceptions exist;
- who is responsible for what;
- which steps need to be taken at which point in the process.

If that knowledge primarily sits with colleagues, onboarding takes significantly **more time** and adds further **pressure** to experienced employees.

That comes at a cost too. According to research by ABN AMRO (2019), the average recruitment cost for a new hospitality employee is **€4,494**. In addition, it takes an average of **four months to fill a vacancy.** During that period, existing teams have to absorb the additional workload while eventually also onboarding the new employee.

"The new colleague had everything under control within two or three weeks. With the old way of working, that would never have happened. We would have been talking about two to three months."

- Thijs Merks, hotelier and entrepreneur (including ibis Styles Delft City Centre, Villa Schoolthoff and Hotel Maison Maastricht Centrum), formerly operationally responsible for all Accor hotels in the Benelux and one of Groupz' earliest customers..

Read Thijs' full testimonial →

Why task-driven working makes the difference

In the previous chapter, we saw that a significant part of the workload comes from checking, following up and coordinating. So the question becomes: *how do you prevent employees from spending time on this every single day?*

These checks do not only take time. They also require extensive process knowledge. Employees need to know which steps belong to each group reservation, when action is required and which exceptions apply. For new colleagues in particular, this makes the group process unnecessarily complex.

A **task-driven way of working** turns that principle around. Employees no longer have to constantly check what still needs to be done. They automatically receive a task when action is required. The focus shifts from "*What do I need to check?*" to *"Which task do I need to complete?"* This makes the work easier to **oversee**, more **predictable** and **easier to learn**. Knowledge of the group reservation process no longer exists solely in manuals or in the minds of experienced colleagues, but becomes part of the process itself.

More flexibility within teams

Pressure on hotel teams is increasing. Due to staff shortages and rising costs, employees are increasingly being deployed flexibly. Front Office supports Reservations, colleagues work across several departments and teams need to be able to switch quickly.

Many employees already have the necessary knowledge of the PMS. The biggest challenge is usually not the system itself, but **process knowledge**. Which steps follow one another? When should an action be completed? And who is responsible?

When processes are supported by workflows, tasks and automated follow-up, that knowledge becomes embedded in the way of working. As a result, more employees can contribute to managing group reservations without first having to memorise every exception and process step. That makes teams more **flexible**, **reduces dependency** on individual specialists and ensures that the group reservation process remains **manageable**, even during busy periods or staff absence.

What hotels experience in practice

The **pressure on hotels** has been **increasing** for years. Staff are scarce, labour costs are rising and guests expect fast communication and flawless service. At the same time, **group reservations** remain a surprisingly **manual process** for many hotels.

In our conversations with hotels, we repeatedly hear the **same challenges** and see the **same patterns** emerge. And while every hotel is different, the underlying processes are often remarkably similar.

ibis Styles Almere: from 15 to 5 minutes per quote

Read Natasja's full testimonial →

At ibis Styles Almere, the group reservation process was managed for years through email, Excel and manual follow-up. Reservations Manager Natasja recognised the pattern described throughout this whitepaper: it was not data entry itself that consumed the most time, but all the checking surrounding it. "You were constantly asking yourself: is the invoice correct? Is there a typo somewhere? It took an enormous amount of time."

After switching to a task-driven platform, the average time spent per quote fell from **15 minutes to 5 minutes.** The hotel handled **146** groups in **2024**. In **2025**, with less than a full year of using the new process, this increased to **241** groups. Natasja noticed the difference personally as well: "I used to take my work home with me all the time. Now I'm much better able to leave work at work." The time saved also created room for something the team simply did not have capacity for before: "We basically never did any aftersales before. There simply wasn't time for it."

Lumen Hotel & Events: less capacity required, more calm within the team

Read Astrid's full testimonial →

At Lumen Hotel & Events in Zwolle, **more than twenty group requests come in every week**, covering hotel rooms, meetings and events. General Manager Astrid saw how the process had "worked" for years, while gradually requiring more capacity and internal coordination: "You were basically constantly keeping track of things. Following up on quotes, checking something else, chasing something. It was simply considered part of the job."

After redesigning the process, a separate Front Office Manager position was no longer required. Two Supervisors now manage the work together. "We save roughly **half to one full FTE** while having more **calm** and **overview** in the process at the same time," says Astrid.

Front Office Supervisor Jessey recognises the same change in day-to-day operations: "Without really noticing it, things have simply become much calmer. Before, you sometimes had to go through entire email conversations just to find out whether something had already been arranged." The way the team works together has changed too: "We hardly ever have to ask each other, 'Do you know anything about this?' anymore. Everything is simply there in Groupz."

Mercure Hotel Tilburg Centrum: from cost to control

Read Mandy's full testimonial →

General Manager Mandy Princen of Mercure Hotel Tilburg Centrum -which, like ibis Tilburg, is one of the hotels where Groupz originated - recognised the problem described earlier: too much dependence on individual knowledge. "When someone was on holiday, nobody knew the status of a request anymore. The system relied too heavily on people and not enough on structure."

After redesigning the process, the team was able to operate with **one fewer full-time employee.** "That is a direct cost saving," says Mandy. "But just as importantly, we can **move faster** and **handle more requests**. And you see that reflected in **revenue**."

Thijs Merks: less checking, more predictability

Read Thijs' full testimonial →

TThijs Merks first started using Groupz at his own hotel, ibis Styles Delft City Centre. He later introduced the platform at ibis Styles Almere as well, where he worked as interim manager to improve the group reservation process. "We appointed someone specifically responsible for group reservations and implemented Groupz," Thijs explains. "That made a world of difference."

He deliberately shifted part of the administrative work to the booker: "Administrative tasks such as rooming lists or room allocations are now handled by the group organiser. It doesn't just save time, it's much more reliable too."

Across the other hotels where Thijs uses Groupz, he sees the **same pattern**: much of the checking that used to be scattered throughout the process has disappeared. "Rooming lists were always a hassle. That is a thing of the past now. **Fewer things go wrong**, there is **less noise** in the communication and the entire process has become **predictable**." There is also less to correct afterwards: "We have **fewer issues** afterwards and fewer discussions about rooms or refunds."

Because information is now available in a structured way to both Reception and Restaurant teams, no one has to remember or ask what was agreed: "We know exactly what has been agreed and can make sure guests receive what they were promised."

The time saved did not go unnoticed. At ibis Styles Almere, **upselling increased** by approximately **10%,** as the team regained the capacity to proactively offer additional dinners to groups. The theory shows where hidden time is lost. Practice shows what happens when hotels win that time back.

Process optimisation versus PMS integration

PMS integrations and process optimisation solve different challenges. They are not substitutes for one another, but complement each other.

A PMS integration helps with...	Process optimisation helps with...
Preventing duplicate data entry	Following up on quotes and outstanding actions
Synchronising data between systems	Monitoring deadlines and workflows
Reducing manual data-entry errors	Collaboration between departments
Improving data quality and consistency	Knowledge retention and faster onboarding
	Maintaining overview across large numbers of group reservations
	Reducing workload and mental strain

A good PMS integration remains an important part of an efficient hotel operation. At the same time, practice shows that the biggest challenges surrounding group reservations often do not arise from the exchange of data between systems.

Hotels that invest not only in **system integrations**, but also in **smarter processes**, **communication** and **follow-up**, gain more overview, reduce workload and make their organisation less dependent on individual employees.

And in practice, that is often where the biggest gains can be found.

Conclusion

PMS integrations are valuable. Process optimisation is too.

The biggest gains are achieved when the two come together: a **PMS integration** enables systems to **communicate** with one another. **Process optimisation** enables people to **work** more **efficiently**.

Only when technology and processes reinforce each other do you create a group reservation process that is not only faster, but also provides more overview, reduces workload and decreases dependency on individual employees.

Hotels that focus solely on system integrations risk overlooking an important part of their improvement potential. The question therefore is not only: *"Do we need a PMS integration?"* An equally important question is: *"Where are we currently losing the most time, knowledge and energy?"*

The answer to that question reveals where the biggest opportunities for improvement lie — and is worth considering even before looking at a new system.

About Groupz

This whitepaper was created by Groupz. A Dutch platform developed by hoteliers, for hoteliers, based on the belief that group reservations can be **smarter**, **simpler** and more **guest-friendly**.

Groupz **automates** and **optimises** the **entire group reservation process**. From initial enquiry to aftersales. All communication, agreements, documents, workflows and follow-up come together in one central place. This creates more **overview**, **reduces manual work** and leaves **more time** for genuine **hospitality**.

Groupz was created on the hotel floor and continues to evolve there every day. Niek and Jenneke both remain active within the hospitality industry and bring more than **fifty years of hands-on experience** between them. We listen, test and continuously improve Groupz together with the hotels that work with group reservations every day.

The insights in this whitepaper come from that same real-world experience. They are based on **conversations** with **hoteliers**, **General Managers, Reservations Managers and reservations staff,** combined with **insights** from **hundreds** of **hotels and thousands of group reservations.**

Recognise the challenges described in this whitepaper? We would be happy to show you how Groupz can make your group reservation process smarter, clearer and more efficient too.

Discover how Groupz supports the entire group reservation process, from initial enquiry to aftersales.

See our interactive demo

Discuss your current way of working with one of our specialists and discover where the biggest opportunities lie for your hotel.

Book a free consultation