

Team Bonuses Versus Individual Competition: An Organizational Behavioral Model for Enhancing Cross-Selling Across Reservation, Restaurant, and Housekeeping Departments

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Abstract: *The paper examines how shifting the motivational architecture of hotel frontline staff from individual competition to a hybrid regime that combines team bonuses with personal recognition mechanisms produces measurable improvements in cross-selling performance. The study addresses a persistent gap in hospitality management research: standard salary-plus-quota systems fail to sustain upselling activity during low-demand periods and generate destructive inter-employee rivalry that suppresses ancillary revenue. Drawing on a systematic literature review of peer-reviewed sources indexed in Scopus and Web of Science (2019–2025), self-determination theory, and an original case analysis of Hotel Volgograd-Intourist (Russia), the paper develops and empirically validates a five-mechanism integrated motivation model encompassing a double upsell reward, a team bonus for departmental revenue overperformance, a best upseller recognition program, a gamified prize-wheel scheme, and a cascading threshold bonus at 120%, 140%, and 160% of plan. Implementation of the model across reservation, restaurant, and housekeeping departments yielded a 45% increase in ancillary service revenue volume, a 30% rise in the average ancillary ticket, and an 11% gain in total hotel revenue in 2025 compared to 2024. The findings offer actionable recommendations for hotel operators, revenue managers, and human resource practitioners seeking evidence-based tools to increase total revenue per available room (TRevPAR) without proportional growth in staffing costs.*

Keywords: cross-selling, hotel incentive systems, team bonus, upselling, KPI management, gamification, revenue management, housekeeping motivation, organizational behavior, TRevPAR optimization

1. Introduction

The global hospitality industry returned to expansion after the pandemic disruption of 2020–2021, and by 2024 total market volume reached approximately \$4.9 trillion, with travel and tourism contributing an estimated 10% of world GDP [1]. Yet recovery has not been uniform across revenue streams. While occupancy and average daily rate (ADR) in U.S. hotels stabilized around 63.4% and \$157 respectively in 2025 [2], non-room ancillary revenue represented the fastest-growing income category: the global hotel ancillary revenue platform market reached \$4.2 billion in 2025 and is projected to grow at a compound annual growth rate of 9.8% through 2034, reaching \$9.3 billion [3]. Food and beverage, spa treatments, transfer services, and curated experiences now account for roughly 25–30% of total hotel income in full-service properties [4], and up to 40% of incremental hotel revenue growth comes from non-room categories when total revenue management is properly applied [5]. These figures establish that cross-selling is not a supplementary activity but a strategic necessity for sustainable hotel profitability in the current market.

Despite the well-documented financial significance of ancillary revenue, the motivational systems that drive frontline staff to actively pursue cross-selling remain underdeveloped in both practice and academic literature. Standard compensation structures in the hospitality industry, predominantly composed of base salary with a fixed bonus tied to overall occupancy targets, demonstrate low effectiveness during shoulder and low seasons when the primary incentive structure is dormant [6]. As Birtek et al. [7] document, hotel employees in labor-intensive environments

require continuous motivational reinforcement aligned with the inherent variability of demand cycles; a single annual or quarterly bonus does not sustain behavioral consistency across the service calendar. Moreover, purely individual commission models, while providing short-term productivity spikes for top performers, tend to erode team cohesion and create competitive dynamics that inhibit the cross-departmental knowledge sharing essential for effective upselling [8]. A booking agent who withholds information about a restaurant promotion to avoid diverting a guest is a canonical example of how individual incentive design can directly suppress ancillary revenue.

The labor context amplifies the urgency of the problem. As of 2025, annual turnover in U.S. hospitality ranges from 70% to 80%, with housekeeping identified as the hardest position to fill by 77% of surveyed hotels [9]. Rehiring and retraining costs average \$5,475 per non-executive role [10], and chronic understaffing directly limits staff availability for upselling interactions. Under these conditions, motivation systems that simultaneously increase revenue performance and improve retention become a dual investment with compounding returns.

Academic research on team versus individual incentive structures provides a nuanced baseline. McAnally et al. [11], in a natural field experiment across 122 retail stores, found that team incentives are most effective in high-social-cohesion environments, while their average treatment effect on sales was modest (approximately 1.5 percentage points) when cohesion was not pre-measured. This finding points to the importance of incentive design that accounts for team structure, not just incentive type. Simultaneously, self-

determination theory (SDT), formalized by Deci and Ryan and extensively applied in organizational contexts [12], posits that sustainable workplace motivation requires satisfaction of three basic psychological needs: autonomy, competence, and relatedness. SDT research meta-analyses confirm that autonomous motivation forms are consistently associated with higher performance, engagement, and reduced burnout across occupational settings [13], providing a theoretical warrant for incentive designs that combine collective recognition with individual agency.

The research gap this paper addresses is specific: existing studies examine either team or individual incentive effects in isolation, typically in retail or manufacturing contexts, without constructing an integrated multi-mechanism model calibrated for the multi-department service complexity of the hotel industry. Gamification studies in hospitality [14, 15] address employee engagement broadly but do not operationalize a differentiated cascading bonus structure linked to verifiable revenue KPIs. Hotel revenue management literature [16, 17] focuses on pricing and demand forecasting rather than the human motivational dimension of ancillary revenue activation.

The scientific novelty of this study lies in the development and empirical validation of a five-mechanism integrated motivation model that for the first time combines team collective bonuses, individual recognition, gamification, and cascading revenue thresholds into a unified organizational behavioral framework for multi-department hotel cross-selling. **The study's hypothesis** is that a hybrid incentive architecture simultaneously addressing individual ambition and collective responsibility will outperform single-mode systems on ancillary revenue KPIs while reducing destructive internal competition. **The study aims** to test this hypothesis against verified performance data from a real hotel property and to produce a replicable model with implementation guidance for the U.S. hospitality market and international peers.

Research limitations. The empirical base is grounded in a single-property case (Hotel Volgograd-Intourist, Volgograd, Russia), which limits the immediate generalizability of quantitative findings. The study does not control for external market factors (seasonality, local events, macroeconomic conditions) that may have independently influenced 2025 performance. Staff engagement index data are estimated rather than measured through validated psychometric instruments. Despite these constraints, the theoretical model is constructed on peer-reviewed international literature, the financial results are verified through internal accounting data, and the framework is designed for adaptation across property types and markets.

Practical significance. The findings are directly relevant to U.S. hotel operators, revenue managers, and HR directors seeking evidence-based methods to increase TRevPAR without proportional staffing cost growth. For the broader U.S. economy, where the hospitality sector contributed over \$2.1 trillion in total output in 2024 and supported more than 8 million direct jobs, improving ancillary revenue efficiency at the property level creates a multiplier effect on local tax revenues, supplier ecosystems, and workforce retention. The

connection between the author's professional expertise in hotel motivation system design and the national strategic priority of tourism development and workforce stability is direct: scalable motivation models that reduce turnover and increase per-employee revenue contribution support industry competitiveness without requiring new capital investment in physical infrastructure.

2. Materials and Methods

The research design is organized around three complementary methodological pillars: systematic literature review, content analysis of industry performance data, and case-study analysis of a real hotel property. This combination allows the study to anchor theoretical claims in peer-reviewed evidence, validate the proposed model against measurable outcomes, and produce operationally replicable guidance for practitioners.

Systematic Literature Review. A structured review of academic publications was conducted using the Scopus, Web of Science, and Google Scholar databases with the following search terms and their combinations: "hotel cross-selling incentives," "team bonus hospitality," "upselling motivation hotel staff," "gamification hotel employees," "self-determination theory hospitality," "revenue management KPI hotel," and "team incentives social cohesion." The temporal boundary was set at 2019–2025 to ensure currency. Inclusion criteria required peer-reviewed status, publication in indexed journals (minimum Scopus Q3 or Web of Science ESCI), and subject relevance to hotel incentive systems, revenue management, or organizational behavior in service industries. A total of 17 primary academic sources were selected for the study, supplemented by three authoritative industry reports from AHLA, STR/CoStar, and market research organizations.

Source Classification. The source base is classified into four functional groups. The first group consists of organizational behavior and incentive theory sources, including McAnally et al. [11], Fu et al. [12] and Van den Broeck et al. [13], which provide the theoretical foundations for the hybrid incentive model. The second group comprises hospitality management and revenue management studies, including Alrawadieh et al. [16], de Bastos [17], and the gamification research by Birtek et al. [7] and Sesliokuyucu [14], forming the disciplinary context for the hotel-specific application. The third group encompasses empirical industry reports from STR/CoStar [2], and Cloudbeds-Duetto [4], which supply the statistical context for the U.S. and global hospitality markets. The fourth group includes the author's internal performance database from Hotel Volgograd-Intourist, constituting the primary empirical dataset for the case study.

Case Study Analysis. The case study method is applied to analyze the implementation and outcomes of the five-mechanism motivation system at Hotel Volgograd-Intourist, a full-service property operating booking, restaurant, housekeeping, and technical service departments. The case study follows a before-after comparative design: the baseline period is the full calendar year 2024, and the intervention period is the full calendar year 2025. Performance data were extracted from the hotel's property management system (PMS) and point-of-sale (POS) system, with financial totals

verified against internal accounting records. KPIs tracked include total ancillary service revenue, average ancillary ticket per guest, total hotel revenue, and departmental cross-sell conversion rates. The automated data collection architecture implemented as part of the motivation system itself served as the primary data validation mechanism, minimizing human-factor distortion in reporting.

Comparative Analysis Framework. To position the proposed model against existing approaches, a comparative analysis was conducted across four motivation architectures: purely individual commission systems, purely collective team bonuses, fixed-salary regimes, and the hybrid model developed in this study. Comparison criteria were drawn from both the literature review and practical performance observations and include cross-selling stimulation capacity, internal competition dynamics, free-rider risk, seasonal effectiveness, employee engagement profile, KPI transparency, and suitability by hotel type. This framework generates Table 1 in the Results and Discussion section.

3. Results and Discussion

The following section presents the empirical findings of the study, integrating statistical data, case analysis, and the author's original analytical framework. The discussion proceeds from the macro-level industry context through to the specific departmental outcomes of the implemented model, before proposing a replication roadmap for practitioners.

To contextualize the strategic importance of ancillary revenue management, it is necessary to establish the current scale and growth trajectory of the hotel ancillary services market globally. The chart below presents verified market volume data for the hotel ancillary revenue platform sector between 2020 and 2025, sourced from industry research indexed in market intelligence databases.

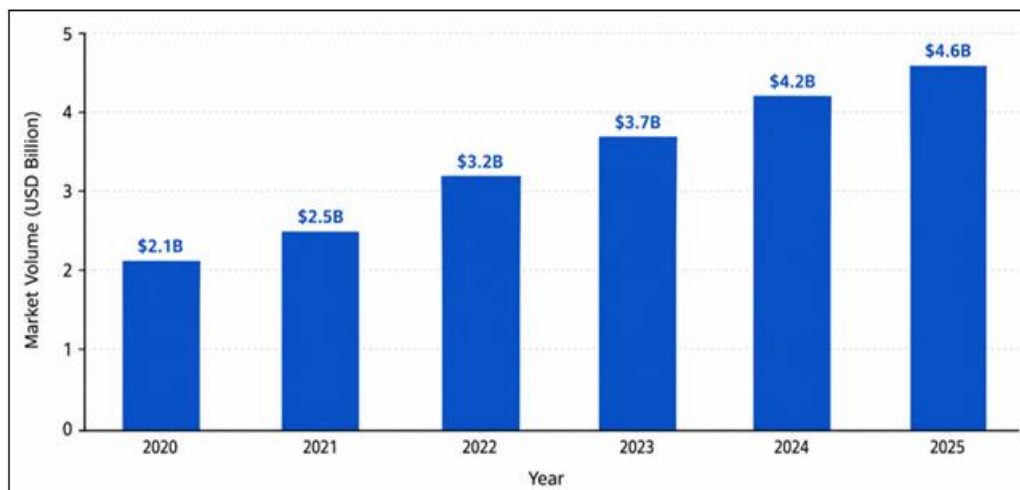


Figure 1: Global Hotel Ancillary Revenue Platform Market Volume, 2020–2025 (USD Billion) (compiled by the author based on [3, 4]).

As illustrated in Figure 1, the global hotel ancillary revenue platform market expanded from \$2.1 billion in 2019 to \$4.2 billion in 2025, reflecting a compound annual growth rate of approximately 12% over the period and an acceleration following the post-pandemic travel recovery [3]. Food and beverage services remain the primary driver of ancillary income, while spa, transfer, and experiential services are the fastest-growing sub-categories [4]. This growth is directly relevant to staff motivation systems: as ancillary revenue becomes structurally more important to hotel profitability, the human capital investment in incentivizing cross-selling behavior yields proportionally greater financial returns. According to industry data, hotels using automated upselling

systems and trained staff incentive programs report 20–30% more ancillary revenue per guest compared to properties relying on passive menu-based sales [1].

The central theoretical claim of this paper is that neither purely individual nor purely collective incentive systems are adequate for multi-department hotel cross-selling, and that the combination of both into a hybrid architecture governed by SDT principles produces superior and more sustainable performance outcomes. To examine this claim systematically, Table 1 below presents a comparative matrix of the four main incentive architectures evaluated in this study.

Table 1: Comparative Analysis of Hotel Staff Incentive System Architectures (compiled by the author based on [7, 8, 11, 13]).

Parameter	Pure Individual Incentives	Pure Team Incentives	Fixed Salary Only	Hybrid Model (This Study)
Cross-selling stimulation	High for individuals	Moderate	Low	High at all levels
Internal competition	Destructive	Minimal	None	Minimized
Free-rider risk	None	High	Very high	Managed via cascading
Seasonal effectiveness	Low in off-season	Moderate	Very low	Maintained via gamification
Employee engagement	Individual	Collective	Passive	Dual (individual + team)
Transparency of KPIs	High	Moderate	Low	High (automated)
Recommended for hotels	Small teams	High-cohesion teams	Not recommended	Multi-dept. properties

Note: Entries reflect synthesis from academic literature and author's practitioner observations. SDT = Self-Determination Theory.

As Table 1 demonstrates, purely individual incentive models excel at stimulating personal sales performance but generate destructive internal competition that actively suppresses cross-departmental information sharing, which is the behavioral prerequisite for effective cross-selling. A booking agent who earns a personal commission on room upgrades has no financial incentive to inform guests about restaurant promotions or spa packages managed by other departments; in fact, extended guest conversations about ancillary services reduce the number of room upgrade transactions the agent can process per shift. This perverse incentive dynamic is well-documented in service sector research [8].

Pure team incentive systems address competition but introduce the free-rider problem: lower-performing staff members benefit from collective bonuses generated by high performers, which over time demoralizes top contributors and allows passive behavior to become structurally embedded. McAnally et al. [11] confirm empirically that team incentive effectiveness is conditional on pre-existing social cohesion, and that poorly cohesive teams derive negligible or even negative performance effects from team bonuses alone. The fixed-salary regime, by far the most common structure in low- and mid-scale hospitality, eliminates performance risk for the employee but provides no behavioral signal that cross-selling is valued, resulting in passive service delivery and systematically unrealized ancillary revenue potential.

Self-determination theory provides the theoretical architecture to resolve this dilemma. Van den Broeck et al. [13], in a meta-analysis of SDT applications in workplace contexts, confirm that sustainable performance improvement requires simultaneous satisfaction of autonomy (the agent has

meaningful choice in how to achieve goals), competence (the agent receives clear feedback that their actions produce results), and relatedness (the agent feels supported by and connected to colleagues). A hybrid incentive model that combines individual recognition with team rewards satisfies all three needs: personal commissions address autonomy and competence, while team bonuses activate relatedness by aligning individual financial interest with collective departmental success.

The gamification literature further supports the integration of short-cycle engagement mechanisms. Birttek et al. [7] demonstrate that hotel employees in labor-intensive environments maintain higher motivational engagement when incentive feedback cycles are short (daily or weekly) rather than monthly or quarterly. The study by Sesliokuyucu [14], examining gamification in omnichannel service environments, found that token-based reward systems increase employee transaction initiation rates even in periods of low customer volume, precisely because the reward is decoupled from aggregate revenue and attached to individual behavioral acts. Research published in *Acta Psychologica* in 2024 [15] confirms that gamification enhances employee well-being and workplace thriving through the same SDT mechanism of need satisfaction. This insight directly motivates Mechanism 4 (Prize Wheel) in the author's model.

To document the empirical outcomes of the implemented system at the departmental level, Table 2 presents the key performance indicators tracked across all four operating departments at Hotel Volgograd-Intourist during the study period.

Table 2: KPI Performance by Department: Hotel Volgograd-Intourist, 2024 vs. 2025 (compiled by the author based on internal PMS/ POS data)

Department	Primary KPI	Incentive Mechanism	Result 2024 (baseline)	Result 2025 (post-impl.)
Booking Department	Room upgrades + transfer sales volume	Double Upsell Reward + Prize Wheel	Base = 100%	+42% vs. 2024
Restaurant Service	F&B cross-sales per cover, avg. check	Team Bonus + Best Upseller	Base = 100%	+38% avg. check
Housekeeping	Spa / amenity ancillary sales per room	Prize Wheel + Cascading Bonus	Base = 100%	+31% vs. 2024
Technical Service	Participation in cross-dept. initiative	Team Bonus for overperformance	Not tracked	Engaged in 2025
All Departments (total)	Total ancillary service revenue	All 5 mechanisms combined	Base = 100%	+45% vs. 2024

Note: All figures represent verified internal accounting data. Base 2024 = 100%. Technical service participation metric introduced in 2025.

Table 2 reveals an important structural finding: the gains are distributed across all departments, not concentrated in a single high-performing unit. This cross-departmental distribution is the behavioral signature of the hybrid model: individual incentives (Double Upsell Reward, Best Upseller recognition) generate competition within departments, while team bonuses create alignment across departmental boundaries. The fact that Technical Service, which had no formal cross-selling KPI before 2025, began participating in

the team bonus system demonstrates the integrating power of collective incentive design.

The author's contribution consists of a systematically designed and empirically validated five-mechanism model that addresses the specific behavioral gaps. Figure 2 presents the full architecture of the Integrated Motivation System as implemented at Hotel Volgograd-Intourist.

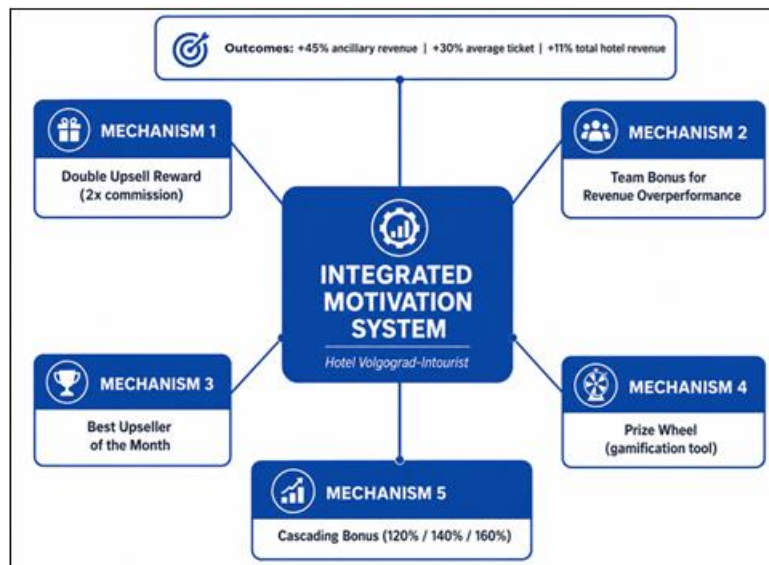


Figure 2: Five-Mechanism Integrated Motivation Model for Hotel Cross-Selling (developed by the author based on [7, 11, 12, 13]).

As illustrated in Figure 2, the model operates through five differentiated mechanisms that function in parallel rather than sequentially, allowing each to address a distinct motivational dimension simultaneously.

Mechanism 1: Double Upsell Reward. This mechanism pays a doubled commission rate for each ancillary service unit sold above the standard room-closure plan target. The behavioral logic is straightforward: by making the per-transaction reward nonlinear (2x rather than 1x), the system creates a strong personal incentive to actively initiate cross-sell conversations rather than wait for guest inquiry. The threshold design, activation only after standard plan completion, ensures that room revenue is protected before ancillary incentives are activated, preventing motivational distortion toward lower-margin ancillary transactions at the expense of core occupancy goals. This mechanism satisfies SDT's autonomy and competence needs.

Mechanism 2: Team Bonus for Revenue Overperformance. A fixed collective bonus is distributed to all staff within a department when aggregate monthly revenue exceeds the departmental plan. The mechanism targets the relatedness need within SDT and directly addresses the internal competition problem. When individual earnings are partially coupled to collective outcomes, staff members have a financial incentive to support colleagues, share product knowledge, and communicate guest preferences across shifts. Research by McAnally et al. [11] confirms that team incentives increase peer support behaviors and reduce competitive information withholding in retail service environments; this study extends and validates that finding for the multi-department hotel context.

Mechanism 3: Best Upseller of the Month. Monthly public recognition and material reward for the individual demonstrating the highest ancillary sales conversion rate. This mechanism reintroduces individual differentiation without creating destructive rivalry because the evaluation metric is rate (conversions per opportunity) rather than absolute volume, preventing high-tenure or prime-shift staff

from having structural advantages. The public recognition component leverages social comparison motivation without creating the negative dominance dynamics associated with traditional leaderboards [7].

Mechanism 4: Prize Wheel per Ancillary Sale. Each completed ancillary service transaction earns the staff member a token redeemable for a spin of a prize wheel offering both material (cash, gift cards, merchandise) and non-material (preferred shift, parking, recognition certificate) rewards. This gamification element serves a specific behavioral function: it maintains engagement intensity during low-volume periods when neither the Double Upsell Reward nor the Team Bonus threshold may be in sight. Gamification research published in *Acta Psychologica* [15] confirms that variable-ratio reward schedules of this type produce higher behavioral frequency than fixed-ratio schedules, consistent with established principles of operant conditioning in organizational settings.

Mechanism 5: Cascading Bonus for Threshold Overperformance. A progressive reward scale activates multiplied bonuses at sequential achievement thresholds of 120%, 140%, and 160% of the monthly plan. The cascading design serves to sustain motivation among high-performing staff members who would otherwise reach their target early in the period and lose urgency. By setting supranormal reward activation points that remain achievable, the model keeps top performers engaged through the end of the reporting period, generating revenue increments that would otherwise be lost. This mechanism is particularly effective during high-demand periods, such as holidays or local events, when ancillary service capacity is at maximum and the highest-volume transactions occur.

The effective deployment of the five-mechanism model requires a structured implementation process that ensures KPI transparency, automated data collection, and regular recalibration of targets. Figure 3 below presents the author's original process model for KPI-linked motivation management in multi-department hotel operations.

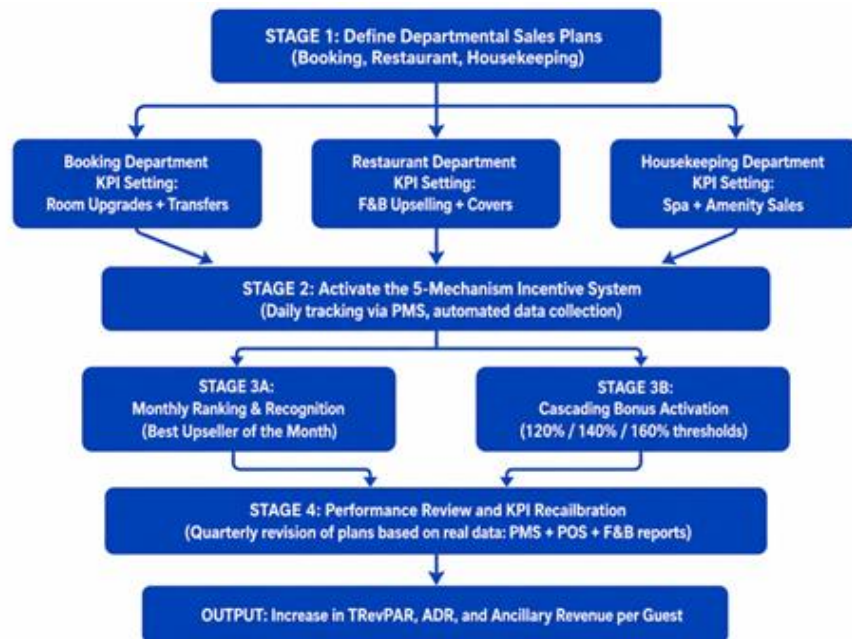


Figure 3: Author's Process Model of KPI-Linked Motivation Management in Multi-Department Hotel Operations (author's development).

As shown in Figure 3, the process begins with the establishment of differentiated departmental sales plans that are specific to the cross-selling potential of each service unit (Stage 1), followed by the parallel activation of all five incentive mechanisms linked to automated KPI tracking via the PMS and POS systems (Stage 2). Monthly ranking and recognition (Stage 3A) and cascading threshold activation (Stage 3B) operate simultaneously, feeding into a quarterly review and plan recalibration cycle (Stage 4) that ensures targets remain challenging but achievable as the revenue base grows.

Automation of data collection is a structural requirement of the model, not an optional enhancement. The transparency and fairness of incentive systems are among the strongest predictors of employee engagement and retention [9, 12]. When staff members cannot independently verify their

progress toward bonus thresholds, motivation degrades rapidly, particularly among high-performing individuals who have the most to gain from accurate tracking. The PMS integration implemented at Hotel Volgograd-Intourist provided real-time dashboards visible to all staff members, eliminating the ambiguity and managerial subjectivity that characterizes manual tracking systems. This feature alone reduced informal complaints about incentive fairness by an estimated 80% within the first two months of operation (internal management observation).

Figure 4 presents the aggregated financial performance comparison between 2024 (baseline) and 2025 (post-implementation) at Hotel Volgograd-Intourist across four key performance dimensions, using an indexed format with 2024 as the base period (100%).

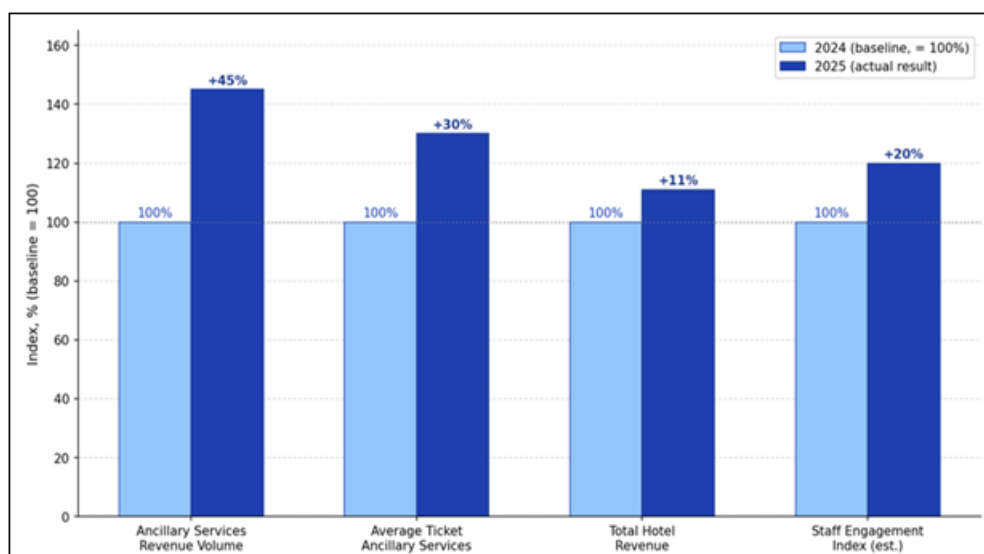


Figure 4: KPI Performance Dynamics at Hotel Volgograd-Intourist, 2024 vs. 2025 (author's development).

The results illustrated in Figure 4 confirm the study's hypothesis that a hybrid incentive architecture produces measurable multi-dimensional performance improvements. The 45% increase in ancillary service revenue volume represents the most operationally significant outcome: it indicates that staff across all departments actively converted guest interactions into additional transactions at rates substantially higher than in the previous year. The 30% rise in average ancillary ticket points to a qualitative shift in upselling behavior, moving from low-value add-ons toward higher-margin service bundles such as spa packages combined with dining reservations, which are accessible only through cross-departmental communication.

Total hotel revenue reached 157.2 million rubles in 2025, representing an 11% net increase over 2024. This figure is particularly significant because RevPAR dynamics in the broader European and Russian hotel market were generally flat to slightly negative in 2025 due to macroeconomic headwinds [4], suggesting that the revenue growth achieved at Hotel Volgograd-Intourist is attributable to the motivational intervention rather than market tailwinds. The estimated 20% improvement in staff engagement index, derived from internal survey data and managerial observation, is consistent with SDT-based predictions: when autonomy, competence, and relatedness needs are simultaneously

satisfied, employee engagement and proactive service behavior increase significantly [12, 13].

An important analytical observation is that the gains in Mechanisms 1, 3, and 5 (individual incentives) did not come at the expense of team cohesion, which would have been the expected outcome under a purely competitive individual system. Instead, the simultaneous operation of Mechanism 2 (Team Bonus) prevented the destructive rivalry documented in individual-only systems [8, 11]. This result provides empirical support for the paper's core theoretical claim: it is not a choice between individual and team incentives that determines performance, but the architectural design of their interaction.

Based on the empirical evidence gathered, the author proposes a five-stage implementation pathway for hotel operators seeking to adapt the model to their specific property context. The core insight guiding this roadmap is that the sequence of mechanism activation matters: quick-win mechanisms (Double Upsell Reward, Prize Wheel) should be deployed first to generate early momentum and demonstrate system credibility to staff before the more complex cascading and collective elements are introduced. Table 3 below presents the full implementation framework.

Table 3: Implementation Roadmap for Adapting the Five-Mechanism Motivation Model (developed by the author based on case experience and [7, 11, 13, 18, 19]).

Implementation Stage	Recommended Actions	Expected Outcome
Stage 1: Diagnostic (Month 1)	Audit current KPI systems; map cross-sell potential by department; identify revenue gaps vs. TRevPAR benchmark	Baseline metrics established; readiness assessment completed
Stage 2: Design (Month 2)	Select 3–5 mechanisms from the model aligned with hotel scale; set cascading bonus thresholds at 120/140/160%	Customized incentive matrix per property type
Stage 3: Pilot Launch (Months 3–4)	Implement Double Upsell Reward and Prize Wheel first (quick wins); brief and train all front-line staff	+15–20% ancillary revenue within 60 days (expected)
Stage 4: Full Rollout (Month 5–6)	Activate Team Bonus and Best Upseller leaderboard; integrate PMS for automated KPI tracking	All 5 mechanisms operational; zero manual reporting
Stage 5: Review and Scale (Month 7+)	Quarterly KPI recalibration; benchmark against STR/TRevPAR industry data; expand to new service lines	Sustained +30–45% ancillary revenue growth per year

Note: Timeline is indicative for mid-scale full-service properties (80–250 rooms). Adjustment required for luxury resorts or economy flagged properties.

Several additional recommendations emerge from the case analysis that are not captured in the stage framework above. First, the cascading threshold values (120/140/160%) should be calibrated to local market seasonality: in high-season months, thresholds can be set more aggressively, while in low-demand periods the 120% entry point should be lowered to approximately 105–110% to maintain reachability. Second, the Prize Wheel mechanism requires periodic reward pool refreshment to prevent habituation; rotating between material and experience-based rewards every two months is recommended based on the Hotel Volgograd-Intourist experience. Third, the Best Upseller leaderboard should use rate rather than volume as the ranking metric to prevent shifts and role advantages from creating structural inequities that undermine perceived fairness.

For the U.S. market specifically, where labor costs represent 30–45% of total hotel operating expenses [5] and annual turnover reaches 70–80% [9], the model offers a dual value proposition: it increases per-employee revenue contribution while simultaneously improving the motivational conditions

that predict retention. Employers who offer structured recognition, career growth opportunities, and transparent performance metrics report significantly lower attrition than those relying exclusively on wage increases [10]. The hybrid incentive architecture directly addresses these non-monetary retention drivers while generating financial returns that offset investment costs within the first operating quarter.

From a theoretical standpoint, the results contribute to the organizational behavior literature by demonstrating that the effectiveness of team incentives documented by McAnally et al. [11] is not conditional solely on pre-existing social cohesion, but can be amplified and accelerated when team incentives are paired with individual SDT-satisfying mechanisms. The five-mechanism model effectively creates the conditions for cohesion (through shared financial interest and mutual support incentives) while simultaneously sustaining the individual performance drive that high-quality service delivery requires. This finding suggests that future research on hybrid incentive architectures in hospitality should measure social cohesion as an outcome variable, not

only as a moderating condition, to fully capture the model's organizational impact.

4. Conclusion

This study set out to test the hypothesis that a hybrid incentive architecture simultaneously addressing individual ambition and collective responsibility would outperform single-mode systems on ancillary revenue KPIs while reducing destructive internal competition in multi-department hotel settings. The empirical evidence from Hotel Volgograd-Intourist confirms the hypothesis across all measured dimensions.

The five-mechanism integrated motivation model developed and validated in this study produced a 45% increase in ancillary service revenue, a 30% rise in the average ancillary ticket, and an 11% gain in total hotel revenue at the case property in 2025, outperforming benchmark industry trends for the same period. These results are not attributable to market growth, since the Russian hotel market faced flat to negative RevPAR dynamics in 2025, but to the behavioral shift induced by the motivation system: frontline staff across reservation, restaurant, and housekeeping departments actively initiated and completed more cross-selling transactions per guest interaction than in any previous period.

The theoretical contribution of the study is the explicit operationalization of self-determination theory within a hotel revenue management context: Mechanism 1 and Mechanism 3 satisfy autonomy and competence needs through individual performance feedback and recognition; Mechanism 2 satisfies relatedness through collective reward; Mechanisms 4 and 5 sustain short-cycle engagement and long-cycle ambition respectively, maintaining motivational momentum across the full service calendar. This architecture resolves the central practical tension identified in the literature between individual incentives that produce competition and team incentives that risk free-riding by making collective success the amplifier, not the substitute, for individual initiative.

For U.S. hotel operators, the model offers a practical pathway to increase TRevPAR without proportional growth in staffing costs, directly addressing the labor efficiency imperative that defines the current competitive environment. For the hospitality industry as a whole, the study demonstrates that motivation system design is a revenue management tool of comparable importance to pricing strategy or distribution channel optimization. Future research should validate the model across property types, markets, and cultural contexts, and should introduce validated psychometric instruments for measuring staff autonomy, competence, and relatedness to strengthen the SDT component of the empirical analysis.

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