



# THE PRICE IS RIGHT

Value for money can be a key factor for holidaymakers choosing where to stay, so how do you make sure your holiday let appeals to those on a tighter budget?

**Donna Sloane** shares her tips on setting your prices

When it comes to the holiday rental market, France represents excellent value. Of course, there is a thriving luxury end, but owners of gîtes and holiday lets in many regions run successful businesses offering quality accommodation and warm hospitality at affordable prices that represent great value for money for holidaymakers.

Our case studies introduce owners of two properties where this combination of quality, welcome and value is driving success, guest appreciation and repeat bookings. So what should owners consider when it comes to setting prices for their accommodation?

It's a good idea to start the process by searching online to assess the weekly prices charged by other holiday rental owners in your area. Every property is unique but compare like with like as far as possible. You may also find it useful to take a drive around to get a feel for local properties and their location. Set your own rates with the aim of accurately and competitively reflecting your quality, size, location and facilities.

In a popular holiday area, there will be a larger market but more competition, whereas a less well known area offers a smaller market but less competition. So you may have to be flexible like our Burgundy case study owner, who offers B&B for travel stopovers and a gîte option for holidays.

Most owners charge a premium rate in peak summer season and at Christmas/New Year, but this is not universal. Visitors expect lower rates for the shoulder seasons of spring and autumn, but ironically this is when expenses can rise if you are in an area that needs heating, so costs need to be carefully assessed.

If you offer longer lets in winter, be prepared to negotiate rents. In general, the longer the let, the lower the price. It is acceptable to ask tenants for references. Take a deposit on the

rent upfront along with a returnable deposit to cover any breakages or damages.

To protect both parties, you need a formal contract. In French law, no lease is required if the tenant has another home but if the accommodation will be their only home – albeit temporary – a lease is required, normally for a year's duration. There are ways around this with the help of a French *notaire*.

Holidaymakers not only appreciate value for money, they also like clarity, so keep your pricing policy simple. Avoid setting too many seasonal variations and charging for extras – especially hidden extras. Tourists, particularly those from the UK, prefer an all-inclusive rate and resist paying more for cleaning, laundry etc. An exception to this is optional extras like meals and activities, which can present a great opportunity for owners to earn extra income.

We consider it a must to show rental prices in your advertising, as prospective guests are put off by the phrase 'prices on application', especially in the modern online environment of instant information. Some people will ask for a discount, so have a prepared strategy in response to these requests. Consider setting your prices in sterling for greater customer confidence and predictability in the face of fluctuating exchange rates.

Gîtes and holiday rentals generally offer more space and privacy for holidaymakers' money than hotel rooms at an equivalent price – and self-catering facilities mean savings on eating out. If visitors are on a budget, they may stay home quite a lot, so make sure you provide everything they need to cook and enjoy meals and to relax in comfort. ■

*Donna Sloane is general manager of French Connections holiday rentals and property sales Tel: 01580 819303 frenchconnections.co.uk*



## BEST OF BOTH B&B and gîtes in Burgundy wine country

When Pam and Neil Aitken decided to change direction in life 16 years ago, they moved from Scotland to Burgundy. They became the new owners of Les Tilleuls (ID 330 & 268), a spacious, charming old village house situated in quiet countryside near the famous vineyards of Clos de Vougeot and Nuits-St-Georges.

"Les Tilleuls is only 10 minutes' drive from a main *autoroute*, so perfectly situated for a stopover on the journey south for sunshine

holidays in summer and skiing trips in winter," explains Pam. To capitalise on this potential market, the couple created five en-suite bedrooms, three doubles and two family rooms with quality furnishings and fixtures. Prices begin at an attractive €80 – around £69 – per couple per night including breakfast.

In addition, the huge loft space above the original barn was converted into a three-bedroom

gîte with private terrace and views of the vineyards. It sleeps up to six people, so again offers good value at rates that start between €350 and €550 a week.

"Our summer guests appreciate the beautiful countryside, walking and cycling, while our autumn guests enjoy the wine harvest, and all year round there is great food, wine and history," says Pam.

"We put a real emphasis on giving a warm welcome and good hospitality, making people feel at home as well as offering quality at an excellent price."

The property is open all year round and now attracts visitors

from many international destinations including vigneron from California, Australia, New Zealand and South Africa, as well as guests from Great Britain and Continental Europe.

"We get a lot of repeat bookings and often our overnight guests return to stay longer and explore the area. We also love the quality of our own life here. There's no expat community and we've enjoyed embracing the French language and culture." As a former music teacher, Pam founded a choir which is popular with the local community and gives concerts during the year.



## THE SIMPLE THINGS Cottages in the Normandy countryside

La Petite Maison, La Laiterie and La Petite Grange are three 17th-century stone cottage gîtes that make up La Haute Richardière (ID 5700). They adjoin the farmhouse in Orne, Normandy that has been the permanent home of Alexandra Barr and John Key for 13 years.

"We are in the tranquil hamlet of La Richardière, a stroll away from the sleepy Normandy village of St Siméon," says Alex. "The *bocage* is very rural, producing the cider,

calvados and camembert cheese for which the area is renowned. We fell in love with the property because this countryside feels like England as it was 60 years ago – slow-paced, quiet, friendly and rural."

Alex and John drew on English rural traditions to furnish the gîtes with a comfortable but quality mix of new and old, the latter mainly found in Norfolk. However, they didn't economise on facilities. "A lot of our guests don't go out much –

they love the peace here, being around the animals we keep and sitting under the beautiful night sky with no light pollution, so we made sure that the cottages are fully equipped for cooking. That's especially valued by families with children who are on a budget."

The couple researched local prices carefully and set them in sterling to give a sense of security to their visitors, who were originally mainly from the UK. The three-bedroom cottage sleeps up to five people and represents great value at £270 to £400 per week for the 2017 season, while top price for the one-bedroom La Petite Grange is £300 a week.

"We don't take a damage deposit and we like to keep pricing simple," explains John. "There is no premium for Christmas and New Year as we are quite rural. Our cottages have central heating but the only extra we charge is a nominal one for logs in the cooler months."

Alex and John love welcoming and hosting their guests and in return for this warm welcome and excellent value for good quality, they are rewarded with up to 60 weeks' occupancy a year across the three cottages and nearly 40% return bookings. Many of their loyal guests have been returning for several years.