Opinions

Effectively manage and monetize your data

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For hoteliers, data can be a true asset class all its own, but it has to be used while still fresh.

By Ravish Jhala

For years, hotel companies have recognized the link between employees and business competitive advantage, and invested in their people through training, education and development.

More recently, hotels have started paying more attention to customer relationships and investing in technology platforms. In this new era, hoteliers are turning their eyes toward what could be their most valuable assets of all: Data. Yes, data is a new asset class in the industry, and the value of all your data can increase or decrease depending on how effectively you manage this asset over time.

The pace of change continues to accelerate, with a truly global economy creating new markets, new products and new customer innovations every day.

Data management has come to the forefront with today's advancement of readily available technologies that provide easy, flexible and affordable ways to deal with the increasing challenges.

For data to be a true asset, however, it has to be used while still fresh. And to be successfully and consistently used, data needs to be accurate as well as up-to-date. Inaccurate data wastes your time, resources and money!

Quality data can help reduce operational costs by ensuring communications reach the intended recipient at the correct location. Going one step further—quality data can help you target messages more effectively. Today, even transaction documents such as statements and invoices are being used to cross-sell and promote

new products and services.

Numbers need stories and vice versa

"Big data" produces so much information that it needs something more to bridge and/or reveal knowledge gaps.

"Thick data" is the best method for mapping unknown territory. When organizations want to know what they do not already know, they need thick data because it gives something that big data explicitly does not—inspiration.

Collecting and analyzing stories leads to insights. Stories can inspire an organization to find different ways to a destination. If you were going to drive, thick data is going to inspire you to teleport. Thick data often reveals the unexpected. It will frustrate. It will surprise. But no matter what, it will inspire. Innovation needs to be in the company of imagination.

The right data will help you monetize

There are three models to monetize your data:

- Direct: fairly complete alignment between customers and users (they are one and the same);
- Platform: channel between the customer and hotel can also create the right demand and supply tension between the needs of the customer and producer; and
- Advertising: a channel for approaching the right demographic of customer based on their needs.

It's most important to know the monetization margin; this should be part of the marketing strategy of any brand.

Data Type	Monetization Margin
Video	20-30%
Wi-Fi	29%
Text	30-35%
Social	20-30%
Search	20%
Photo sharing	10%
Personalized experience	5%
Music	10%
Mobile app	30%
Games	17%
Ecommerce	10%

Overall, high-quality data helps improve your overall customer experience and employee satisfaction, too. While it may take some time before you can truly engage customers on a one-to-one basis, you'll only reach this state by managing your data assets effectively.

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