

# SELL, SELL, SELL!

Survival today depends more on marketing than ever before, but how do you stand out from the crowd?

Two approaches are essential to success.

If there's one mantra that's been drummed into us ever since the current recession began, it's that you can't get back to profitability through cost-cutting — you have to focus on revenue. That means marketing yourself as hard as you can to grab at least your share of whatever business is still out there. Yes, there *is* business out there; it's just that with everyone trying to book it, it's become more particular about what it wants and what it's willing to pay.

Since every hotel on the planet is now following this advice, how can one hotel possibly stand out amidst all the noise and get the bookings it needs? What tools and techniques pay off most effectively?

When I last wrote about sales tools seven years ago, many of the tools we like to think of as quite recent (CRM, Web-based sales management, automatic RFP referral and response, online meeting bookings, etc.) were already available, although often operating independently of each other. The major change in them has been a significant growth in their interoperability, which has allowed for the consolidation of much more detailed knowledge on guests' experiences, habits and preferences, and hence, for more sophisticated and focused marketing.

The other major shift has been the decisive way travelers have moved to the Internet for research and booking. In fact, it's the only bright spot in the bookings scene at the moment; virtually all other forms of marketing have shown steady declines as consumers' first thought for any research has become checking the Internet.

Therefore, the two imperatives to successful marketing these days are to make the most of every piece of information you have on existing guests to offer them (and others like them) proposals that are specifically tailored to their interests, and make yourself as easy to find on the Internet and as easy to do business with as possible for travelers looking for a place to stay.

In other words, maximize your use of CRM and maximize the power of your Web site. Let's look at the latter first.

## Being Found

It's hard to believe that society could get any more online than it already is, but every year we seem to be ever more dependent on the Internet to find information and connect with people, increasingly through data-capable mobile phones. With the floodgates of information now well open, a thriving industry has grown up around search engine optimization (SEO) to help hotels ride the data stream and be noticed by travelers looking for just the right property.

### *Take Aways:*

*You can't get back to profitability through cost-cutting— you have to focus on revenue.*

It's a constant challenge to stay on top of this and to be sure that your property will appear in the first page of results returned by search engines. (The recommendation used to be "in the first three pages" but many travelers don't bother to look beyond the first before trying a different search.) Ideally you'd appear in the organic results, i.e., those returned by the search engine itself from its own databases, as these carry more credibility with most people.

However, it's hard to ensure this, as the search engines are constantly revising their search algorithms to provide results as relevant as possible to the query, i.e., the most popular Web sites usually found for a specific set of key words. The more sophisticated engines analyze a site's text content as well as its keywords, and in fact Google says that it actually rates sites by over 200 factors.

Algorithms are also changed frequently to guard against marketers using multiple, hidden keywords, plentiful but irrelevant links to other sites and other techniques to try to fool the systems into believing their site is more popular and relevant than it really is, to gain an unwarranted higher placement. This means that SEO is a never-ending process; even successful sites must be constantly monitored and adjusted to ensure that previously successful text and keywords continue to produce high rankings.

Most businesses therefore back up their organic search placements with pay-per-click marketing, where they bid for their small advertisement to appear as high up as possible in the paid results section of the results page when the traveler enters certain keywords. These usually appear in the general paid section to one side of the screen, but can often be more prominent if included in the map of local business results for location-specific queries, such as "hotels Seattle waterfront."

In this increasingly visual world where travelers like to see as much as they can about a potential property before booking, greater visibility can also be achieved by using Google's blended search parameters to also display hotel images, videos, blog postings or press releases under the relevant tabs for the same keyword search. It's a good idea in general to make sure your written marketing materials—press releases and blogs—include the same keywords that you've learned work best to find your property.

All sorts of considerations enter into this, of course, and hotels have to constantly monitor when, where and in response to which queries their ads are displayed in order to find the most effective ones. Since they pay the search engine each time a user clicks on the ad to go to their Web site, they have to be very careful to balance (a) bidding on enough keyword combinations to appear against as many relevant queries as possible, (b) bidding high enough to ensure that the ads are displayed prominently in the top half of those pages, and (c) making sure they don't appear at all against queries that sound similar but which aren't actually relevant.

Google's broad match function can help by extending the range of keywords against which your ad will be displayed, but you have to monitor the results constantly and carefully as Google's idea of a match may not be yours. You may find that some queries you hadn't thought of actually attract click-throughs from very worthwhile customers, but you may have to also use negative keywords (i.e., "Not XYZ") to avoid paying for clicks from placements that aren't as relevant as Google thinks.

Incidentally, Google addressed early advertisers' concerns about overpaying for a high position (i.e., bidding far more than they needed

to win the auction) by adopting a second-position policy. Under this approach the winning bidder actually pays only what the next highest bidder offered, with the result that advertisers became more willing to bid – and the average amount bid actually rose too, much to Google's benefit.

Clearly, SEO and the whole science of tuning a property's Web site for maximum effective exposure with the major search engines is highly complex, and expert help is almost essential for the best results. There are many companies offering their experience and services; some of the more prominent include TRAVELCLICK, Blizzard Internet, Hospitality eBusiness Strategies, Hotel Marketing Coach, O'Rourke Hospitality and TIG Global.

## Being Sociable

One channel that wasn't available at all eight years ago is the whole social network phenomenon. The habit of checking other travelers' opinions about a property has been growing for several years thanks to TripAdvisor and other sites, but the explosive growth of social chat sites such as Facebook and Twitter and business-oriented networking sites such as LinkedIn and Plaxo has opened up a new and volatile opportunity for marketing exposure.

*There is business out there; it's just that everyone is trying to book it.*

There's a great deal of debate over how much business can be gained by posting comments on these services, although several hotels have done well by posting very specific, short-term offers aimed at Twitter users' desire to be the first to take advantage of the latest channel. Posting regular blog entries is another way to keep your hotel name in front of the public in a positive light too, though it can be hard to come up with interesting news or offers on a regular enough basis to avoid looking stale.

What's indisputable, though, is that it's essential for every hotel marketing department to pay close attention to reputation management by constantly monitoring what's being said about their property online. This includes not just general comments on the key social network sites but also guest reviews posted on hospitality-specific sites such as TripAdvisor and Expedia. It's straightforward and quick to set up an automatic feed of property mentions from these sites and from general Google and Twitter searches to alert you to new comments, but it's not enough just to know about them. To be credible, you also have to respond to them, publicly.

Word of mouth has never spread so fast, and it's vital in maintaining their reputation that hotels respond rapidly to every negative comment made online – and it doesn't hurt to respond to the positive ones, either. It's important to make sure that it's someone's designated job to do this, and that they do so in an authentic, individual way. Posting an obviously canned response to a guest's complaint is almost worse than ignoring it completely.

Best yet, post a representative mix of good and poor reviews (and your responses) on your Web site, or at a minimum include hot links to the sites to help prospective guests see what others have thought. This is no time to be paranoid; people will talk about your property whether you like it or not, and your openness in addressing all such comments presents an excellent image in itself.

The payback on social network marketing is still hard to define,

but it costs so little to try it that it's definitely worth constantly experimenting with different approaches and offers to see what gets picked up. LinkedIn groups may be worth targeting if you can offer something clearly relevant to their interests, and establishing relationships with the most prominent bloggers writing about your specific area or type of property can also be worthwhile in generating useful publicity.

### Being Useful

Once you've enticed a potential guest to your Web site you're faced with the most critical part of the process – closing the sale. It's vital that a hotel's Web site immediately grabs the attention of the traveler and holds her attention, both visually and by offering easy, obvious and straightforward ways to book. Appealing visuals mustn't slow down the display of the page, though; current research from Forrester Research Inc., reports that the average shopper will only wait two to three seconds for a page to load before abandoning it. With so many alternatives easily available with a click of the browser's back button, Web site optimization (WSO) has grown up alongside SEO as another important marketing tool aimed at making the site as appealing and useful as possible.

We live in an increasingly visual world, and travelers are looking for compelling photos and videos of the hotel to attract and keep their attention, as well as an appealing visual design to the site as a whole. A good, clean design really helps the property stand out from the run-of-the-mill, cookie-cutter formats, and it should encourage immediate action by clearly showing both special offers and a way to book now.

One challenging aspect as guests increasingly book from whatever device they have at hand—desktop PC, laptop or smartphone—has been maintaining a consistent, appealing design across all these different formats. It's not just a question of fitting the same site into a smaller format; someone accessing a hotel Web site from a smart-

phone is much more likely to be focused on finding a reservation and want a more specifically booking-oriented display than an image-filled marketing one more suited to a desktop. Strides are being made in software to detect what device is making a request and transmit a version that fits the screen size and format available. This is expected to become more mainstream.

Managing the display of a hotel's images across multiple Web sites is also a challenge, especially in an age where some sites syndicate hotel availability and content from others but present it in a slightly different format. This requires constant monitoring to ensure that a consistent image is presented to the world on all channels, and companies such as VFM Leonardo have become a significant help to hotels looking for the central management of all their rich media content.

The booking process itself needs to be real time, with actual availability displayed for selection (with room photos and details to help the traveler decide) and with immediate confirmation of the reservation. Asking a guest to send an e-mail and then wait for a confirmation is increasingly a turn-off. More and more, this also applies to whatever activities the guest wants to enjoy while on property; a resort that offers real-time availability of spa, golf, dining and other activities for online booking clearly cares more about helping guests fulfill their expectations.

But a truly useful Web site can go even further. The best sites allow guests to sign in via their confirmation numbers and update profile data (address, phone number, e-mail address, etc.), or to retrieve a copy of their folio from a past stay without bothering the hotel staff. Group meeting coordinators can also have access to their room block through the Web site, and enter the rooming list, share-withs,

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group messages and other data themselves. This can often be handled directly with the property's PMS; if not, Passkey provides many similar functions by linking with many PMSs.

These functions may not be strictly marketing, but by making the Web site useful enough to encourage travelers to favor one property over another they

definitely play an important role in image management.

### Post-booking Marketing

Guests' preferences these days for e-mail, Internet and smartphone communications have also opened up a marketing avenue that was ignored for years, namely continuing to sell to the guest after he has

booked his room. Smart e-mail confirmations now include encouragements and hot links to pages of the hotel's Web site that help the guest book activities ahead of time, simultaneously helping him lock in activities that might otherwise be sold out by the time he arrived, netting additional revenue to the hotel and reducing the chance that he might cancel because

#### *Rancho Bernardo Inn, San Diego*



## GMGoneMad Crazy Like A (Twittering) Fox

It's hard to stand out from all the routine comments and hotel PR releases that flood Twitter, but **John Gates**, general manager at the **Rancho Bernardo Inn** near San Diego, has managed to build good visibility and a steady following. The secret: short-term offers delivered with a great sense of humor under the Twitter name of GMGoneMad.

Some are whimsical (after posting "1st person 2 let R manager test drive yr Smart Car gets free 20-min massage" someone brought their Smart over within 30 minutes), others more straightforward ("Wknd vry busy, parking an issue, ride a bike, we'll give U 50% off meal"), but the goal is to make every posting memorable and chuckle-worthy within Twitter's 140-character limit.

So how did this start? "It started earlier this year," said Gates. "I'd banned texting during working hours thinking it was purely social, but found that the only people who'd really been doing it were the housekeeper and the front desk manager. They'd been texting each other on their personal accounts to speed up the cleaning of priority rooms. I realized that to the younger generation this was just a natural way of communicating, so I explored with the marketing department how to reach this audience. GMGoneMad was the result."

And how's it working out? "The direct ROI of the Twitter offers isn't huge," replied Gates, "but we get responses to every offer we post. More importantly, we're seeing great word-of-mouth spreading fast from the winners of our offers. As a result, we're generating conversations with a whole new group of customers."

"Another approach was to promote our Survivor Package, where we broke out the cost of every component in a typical guestroom and offered each as an add-on to the basic room. Want just a room? \$19. A bed? That's another \$20. Toiletries? They're extra, too. And so on, all the way up to the fully-equipped room. Promoting it on Twitter was amazingly successful; it was picked up by national TV, generated over 1,000 calls on the first day (about 10,000 calls total) and was extended twice after selling out."

"What was interesting was that we sold almost every permutation of the offer, and sold it across the full range of our guest mix; our demographics stayed the same," Gates said. "So now we have great information on which guests are likely to be attracted by specific discounted offers in the future."

What other marketing approaches are used? "We still do a few local print ads, but they don't generate a big return. We have a Facebook page with a

good number of followers, and of course we have an SEO program for our Web site to make sure we're visible to search engines. But the most effective marketing combination for us has been to offer a stream of interesting packages to our previous guests through e-mail campaigns at least quarterly. The social

networks let us be a little more tongue-in-cheek on top of that, while generating great PR. It's fun AND good business."

**"It's fun  
AND  
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he now has a greater commitment to the stay.

The same logic holds after checkin; monitoring a guest's spending patterns can alert the hotel to activities that she has enjoyed on previous visits but hasn't taken part in yet, and a reminder sent via e-mail or text to her phone can net positive results for everyone.

### Customer Relationship Management (CRM)

All of this leads nicely into customer relationship management (CRM). Last year I wrote on CRM and its companion discipline, business intelligence, which provide a more in-depth discussion than I'll go into here, but it's still worth covering the fundamentals. Chief among these is that the more information you can collect about your guests' pro-

files, preferences, booking and spending habits, consolidated from all the different systems you use to manage their visits, the better equipped you'll be to come up with very finely-tuned offerings that appeal specifically to them.

This has become far easier than it used to be, due both to the ever-expanding scope of all-in-one PMS suites and to the widespread use of XML-based interfaces between different vendors' systems. There will always be debate about whether an all-in-one suite is better than a mixture of best-of-breed applications, of course. The former usually provide more coherent, consistent information as all modules work off the same database, while the latter, even if they may offer more functionality in some areas,

require additional configuration and maintenance effort to transform guest data between systems with different design philosophies.

Nevertheless, both approaches are sufficiently sophisticated to allow for the creation of very detailed guest profile databases. This has allowed much more creativity in using data from one system to trigger specific actions and messages from another in response to guests' actual or anticipated needs, considerably easing the task of providing personalized service.

For example, the reservations system gives data on guests' booking patterns: how far ahead of arrival they book, via which channel, for what type of room and for any specific packages. The property management system reports their expenditure patterns, and hence activity interests and preferences. A rapid-response system (such as HotSOS, GuestWare and HotelExpert) tracks any ad hoc requests or complaints, the retail and F&B POS systems know the details of what they purchased, and spa, golf, tennis and other activity management applications add further levels of information.

Frequent-guest loyalty rewards programs are a proven way to keep guests returning, but in an age when it seems every hotel and chain has its own program, these often come to be seen as a right, not an attraction. More effective is frequent-guest recognition; showing a guest that you value him as an individual, that

you're aware of his preferences, interests and any challenges from previous visits and are pro-actively trying to make sure he has the best possible visit next time, makes him much more likely to book with you again. You have to be careful not to overdo it, of course, and swamp him with too-frequent or too-intrusive communications. E-mail

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marketing systems (such as Cendyn, Digital Alchemy, ZDirect and many others) include sophisticated rules to fine tune marketing campaigns very effectively.

The absolutely critical factor to making this effective

is to be positive that the data you're working from is accurate; getting just one significant fact wrong will have a huge negative impact on your credibility. Fact-checking and database cleansing has always been tedious, gritty work, but it's a necessity and will always require manual input. Despite the availability of automated tools to help with address checking and profile matching, it's often a judgment call that only a human can make as to whether two similar-sounding guest profiles belong to the same person or not.

One of the guest service challenges in the past has been that although it's possible to consolidate guest data from many different applications into one database, this has often mostly been for reporting and analysis. It's been hard to get it back into the hands of the hotel staff who most need it, i.e., those who interact directly with the guests. Increasingly, these databases are being integrated more flexibly into the overall mix. Some e-marketing companies take responsibility for compiling and maintaining the CRM profile database as a separate

entity, outside the applications that generate its component data but tied to them to pick up the results of marketing campaigns based on it.

A different direction is being taken by companies that see the existence of a specialized CRM database as a benefit to improve their own systems. MTech, for example, has dropped the internal guest profile database it used to maintain within its own HotSOS rapid-response system, and now instead links to the more comprehensive one maintained by Libra OnDemand. Using a more powerful module and eliminating data synchronization between profile databases is a win-win for both companies.

## Group Sales

Less has changed here over the last eight years than in the individual marketing efforts, but the same trends still hold true. General-purpose sales force automation systems such as Siebel and, especially, Salesforce.com continue to find favor, but are now much better interfaced to hotel-specific systems such as Newmarket's Delphi, considerably improving their usefulness.

As with individual guest's experiences, integration between the systems managing group bookings and stays makes it easier to respond more precisely to prior clients with confidence in what appeals to them. Further, automated RFP requests sent to multiple properties can be routed to appropriate sales managers and automatic responses can be drafted more precisely for manual review before sending them back.

This is an important point; selling and marketing are still people-oriented functions, and there will always be a place for the person-to-person call, especially in group sales. Sure, online booking of straightforward meetings at short lead times continues to grow more popular, but despite the move toward providing more information online, most properties still prefer to handle the actual booking process one to one.

There are moves toward making site plans of the hotel's function space more visual and interactive to provide companies with a clearer idea of what they're booking, but there'll always be a need for the per-

sonal sales call. Meeting coordinators always need to check on whether competitors are holding meetings there the same day or any noisy groups that might be a distraction are close by. And, of course, the hotel will always want the chance to upsell the group with additional services.

## Revenue Management

As marketing becomes more specifically targeted, pricing at the most profitable level becomes even more important. "Most profitable" means the rate that generates the most revenue without seeming too high to the guest, and that has become especially difficult to predict in a time of widespread discounting. This makes the rate-tracking reports available from vendors such as TRAVELCLICK, RateTiger, EzRMS, EZYield.com and others more important than ever to monitor what rates your peer group is offering online and on the GDSs.

Integration between revenue management systems, sales and catering systems and PMSs has become more common, and with it the ability to evaluate any new piece of potential group business against the displacement of transient guest business predicted for the same time period. Fully integrated systems such as MICROS' OPERA have all of these modules in one product, while specialists such as IDEA's and Newmarket have refined the integration of their systems to a high degree. Rainmaker has even extended its RMS product to track the success of various marketing campaigns and predict which approaches are more likely to fill gaps in future traffic.

## People Still Call – Be Ready

One thing that hasn't changed in the last seven years, though, is the persistent human belief that you can always get a better rate by calling the hotel direct. If anything it's become more prevalent lately as by engaging in rate-cutting wars we've educated people to expect that there's always a discount to be had for the asking.

This emphasizes the fundamental truth that every single staff member at a hotel is in marketing. Everyone who answers a call from a prospective visitor, responds to an e-mail inquiry or speaks with an in-house guest needs to have a positive, upbeat and marketing-focused approach to the conversation, listening

## FROM MARKETING SPECIALISTS

Setting transient guest rates has become very challenging, though. No one wants to cut rates because it's so difficult to bring them back up again when business improves, but the pressure to do so just to get some income is very high. Advice from marketing specialists suggests three approaches:

- **Post your most heavily discounted rates only on opaque sites** such as Priceline, where they don't show up under your hotel's name on rate-tracking reports.
- **Try not to offer flat room rates at all**, but include extra services or amenities to add value for the guest and prevent direct room-to-room rate comparisons.
- **Constantly try new approaches**, new promotions, new combinations of services offered to various market segments. That's the major benefit of CRM and Internet-based targeted marketing; it's much easier to identify the segments of your guest mix which are likely to respond to specific offers sent over specific channels at specific times. It's inexpensive to send out the offers and it's simpler to track the results. Try as many different approaches as you can, track which ones generate the most bookings and revenue, and keep working those.

to their needs and unobtrusively looking for opportunities to mention additional services or activities they might like to experience. Even those who don't have direct contact with the guests have an impact on their experience, though, by keeping the property attractive, well-maintained and efficient.

Successful hotels never lose sight of that. They keep morale high and make sure that all their staff members receive constant refresher training on their impact toward making guests' experiences meet their expectations. Persuading guests to return to your property starts with making sure their first stay is a good one.

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