

Reaching travelers through digital marketing channels

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Abstract

It is time for going beyond tourist experience by offering the necessary transformations, better understanding a digital marketplace more centered on a complex consumer journey, monitoring travel and digital trends and ensuring an adequate experience across all channels and interactions. Travel organizations need to have an adequate infrastructure and to offer this engagement experience in the traveler's language and on the device of their choosing, reaching travelers through digital marketing channels and viewing marketing ROI in terms of lifetime value of the customer. In order to manage distribution channels effectively hotels need to adopt an integrated approach to revenue management.

Keywords: Digital tourism; digital marketplace; silent traveler; digital marketing channels

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Going beyond tourist experience by offering the necessary transformations, better understanding a digital marketplace more centered on a complex consumer journey

Five years ago (Purcarea, Ioan-Franc and Ratiu, 2010) an interesting picture (announcing the challenging present) was showed: the emphasis on the tourism industry has shifted from a traditional labor-based business to sources of innovation, collaboration, and value co-creation within the context of advanced telecommunications, accelerated business globalization, increased automation, and rapid technology innovation; the overall perception of value is driven by tourist needs, expectations, and the sacrifices required in obtaining the benefits provided by each tourism company; tourist experience encompasses all aspects of the end-user's interaction (multiple channels, touchpoints, etc.) with the tourism company, its services, and its products; a good tourist experience can assure advantages to the company (increased sales, increased tourist satisfaction, product/service differentiation, valuable competitive advantage, improved brand perception, increased market share); the key to delivering outstanding customer experiences is improving the quality and consistency of touchpoints, while the key to improving the quality and consistency of touchpoints is establishing touchpoint standards and best practices; organizational orientation and internal marketing is a key condition to enhance traveler experience; customer-perceived value in tourism is about managing the travel experience for the customers; for surviving the service revolution, companies from the tourism industry must focus on customer preference, quality, and technological interfaces, customer relationship management representing the most important dimension of the company strategy; if it is well-known what service

excellence strategy requires (cognizance, creating perspective, good processes, involvement, and roles), service excellence performers must go beyond tourist experience (memorable and sustained for a time) by offering transformations (inspirational and sustained in time) which make a permanent beneficial change to the customer; increasing globalization, the growth of the Internet, and more demanding customers are forcing marketers to find innovative ways of conducting tourism service business and reaching excellence, the success factors for innovation being the followings: market selection, strategic human resource management, training of employees, market responsiveness, empowerment, behavior-based evaluation, marketing synergy, employee commitment, and tangible quality.

In the previous issue of the HMM Journal (Ratiu and Purcarea), the real need for tourism businesses was highlighted: to digitally support the tourist experience before, during and after the tourist activity, the digital revolution changing the way of shopping for travel products and of interaction with brands; to utilize digital marketing techniques in their practices and to right track consumer activity across channels and devices, getting vital information from customers via social media, for example, being already something essential for all brands and destinations, one hand, while making websites compatible with smartphone-based sales should be consider as a vital aspect by the travel-related companies; to understand that the contemporary digital marketplace is evolving rapidly, becoming more centered on a complex consumer journey.

Monitoring travel and digital trends and ensuring an adequate experience across all channels and interactions

According to the leader in global customer experience, SDL, the global travel industry faces a unique set of challenges driven by distinct industry trends, (SDL, 2015) travel professionals being forced to continuously monitor travel and digital trends and adjust their approach accordingly so as to ensure a seamless and consistent experience across all channels and interactions. SDL is known for offering a completely integrated cloud solution for content management, analytics, language and documentation, 79% of the top 100 global companies trusting SDL to help them create authentic, in-context customer experiences that drive demand and loyalty. SDL recently identified five key trends (see Figure no. 1) impacting the digital experience in travel: *Silent Traveler* (engagement of the silent visitor who plans ahead but never talks to you, the travel booking customer journey being disrupted by digital); *Curation Comes to Travel Listings* (differentiation/delivering relevant search results, delivering a multimedia experience quickly and in the customer's language, because travelers are overwhelmed by choices online and mobile is creating a need for a better curated experience); *Guest Social Amplification* (reviews management and customers engagement generating shared and amplified positive comments, converting user generated content into actionable metrics and insights that guide the business decisions); *Innovative Disruption Turns to Collaboration* (delivering new ways for traveler's to have a self-guided journey that converts across multiple mobile devices); *Metasearch* (considering multilingual search capabilities, in-site, in-app and with third-party

search engines; online travel agencies metasearch will be view by the consumers as an efficient way to get a quick view of the relevant market).

Silent Traveler	Curation Comes to Travel Listings	Optimizing Guest Social Amplification	Innovative Disruption Turns to Collaboration	Metasearch
- Travelers are no longer speaking up and are voicing their concerns online without saying a word. - Travelers who use digital tools to jump across industry-defined silos, no longer need human hand-holding. - The hospitality paradox: as human service becomes less important with the rise of the digital traveler.	- With so many hotel rooms, airline seats and restaurants to choose from organizing offerings is critical. - Travelers are overwhelmed by choices online: mobile is creating a need for a better curated experience. - Sellers must deliver targeted and personalized information to travelers using data.	- User-generated content (UGC) gains position as the #1 destination differentiator. - Visuals are the new language of the digital era. Travel is uniquely suited to visual media. - Consumers value the opinion of others more than any marketing speak.	- Uber and Airbnb are mainstream, now they must go legit. - Disrupters will evolve from sharing to collaboration. - With everyone trying to standout by being innovative the successful companies will collaborate.	- Travel metasearch will proliferate as Priceline acquired Kayak, Expedia bought Trivago and TripAdvisor rounded out its user reviews with a hotel comparison shopping engine. - Consumers will view OTA metasearch as an efficient way to get a quick view of the market.

Figure no. 1: Top 5 DX Trends

Source: SDL - 5 Travel Trends Shaping the Future of Digital Experience, White Paper, SDL_wp_5_TravelTrends_EN_A4_hires_tcm73-81545, 2015

SDL's White Paper underlined that with the ascent of the silent digital traveler real human service and interactions fade in importance , travel organizations needing: to have an adequate infrastructure (including web-based technologies that help brands manage web content, contextual relevance and localization); to offer an online experience (in the traveler's language and on the device of their choosing) comparable with that provided by their physical properties as level of hospitality; to excel from the point of view of cross-channel convenience (travelers gathering information on one channel, booking on another and expecting service on yet another); to address the above mentioned trends on their own sites as well as on the third-party sites presenting information about their brands; to share these trends with third-party providers and resellers to drive a collaborative (and profitable for all) engagement experience; to integrate innovative tools and tactics to reach individual travelers throughout their journey; to analyze the customer journey and their company's own objectives to localize experiences, increasing engagement and conversion.

Challenges for travel brands. Reaching travelers through digital marketing channels.

Viewing marketing ROI in terms of lifetime value of the customer

At the beginning of June this year it was highlighted (Eyefortravel.com, 2015) that travel brands (which now understand what each social media channel offers in order to meet their own individual objectives) need to show and use images for more compelling content, engaging customers in a much

more memorable way, using digital marketing to convey what the experience of the travel brand will be like. Travel brands also need to identify the opportunities to better customize the message in terms of location of the customer, utilize dynamic content personalization to engage and retain customers and boost conversions and website bookings, increase loyalty and improve the value provided through marketing partnerships that solve their customers' pain points, evaluate the consumers whole travel experience to improve products and services after.

And in this respect they should place time, energy and budget to optimize their efforts, not forgetting, for instance that: better understanding the customer journey and what their travelers value most is an imperative; as 50% of leisure consumers will access travel via a non-desktop device, travel marketers must remove the friction from the travel consumer research & booking process; in the new mobile-enabled world, they must adapt their search strategy to the context and location of the customer's search query and avoid losing customers. There is no doubt that technology is dictating the future of travel, within this framework being a real need to explore customer behavior accordingly.

There is also no doubt that marketers are concerned about the particular challenges of reaching potential guests with marketing messages as they make their travel decisions. For example, on the occasion of the well-known HSMAI's Digital Marketing Strategy Conference (Ricca, 2015) marketers shared their opinions on how to make their hotel resonate with potential guests during the pre-booking phase of travel, taking into account the three critical windows of opportunity: pre-stay, while the guest is on property and post-stay. It was highlighted that: content marketing carries meaningful messages that consumers can share; hoteliers can use to their advantage online reviews as powerful content messages; multichannel campaigns represent the most successful digital marketing campaigns to target potential guests.

When it comes to engaging potential guests through digital marketing during the pre-stay phase, the biggest challenge, in the opinion of the speakers invited at the above mentioned Conference, is cutting through the noise and delivering relevant messages (without crossing the line into "too much information" territory) to guests, considering what is happening during their active acquisition period:

- about 50% of travelers start their trip without a (hotel) brand in mind; guests visit 18 sites on average, making six clicks during eight sessions over a period of two-and-a-half weeks to make their travel decision; it's important to market to potential guests using targeted content marketing strategies that reach guests where they spend their time online (according to Tiffany Miller, head of industry, travel at Google);
- if hotel online reviews include positive content and plenty of responses (not only meet their ratings expectations), potential guests are more likely to book that hotel thanks to this user-generated trusted content which reduce any uncertainty potential guests might have about a lower-scale hotel (according to Chris Anderson, associate professor at the Cornell University School of Hotel Administration);
- the only way forward is a multichannel campaign (with consistent brand messaging and controlling, and including mobile apps, rich photography, interactive quizzes, blogger outreach, sponsored social media postings) which allows to be everywhere the traveler is at each point in the purchase cycle, considering

the channel proliferation, cross-device shopping and consumers operating in a constant state of distraction; a campaign's discount offer for continuity, on hotel online-travel-agency channels as well as its direct-booking site (according to Jason Thielbahr, senior VP of revenue optimization and distribution services for Red Lion Hotels Corporation).

Within this context of speaking about marketing relation's "continuity" it is worth remembering that the real value in a hotel booking lies in the lifetime value of the customer, as recently reconfirmed by Booking.com practice, (Occupancymarketing.com, 2015) a valuable lesson also for hoteliers who need to look at and adapt accordingly. Booking.com (once the provider/distributor of a service to the hotel) made in May 2015 a change in their policies (OTA did no longer share the customer's email address with the hotel in advance of the guest's arrival) for "security purposes", but also having a "knock-on effect of the overall relationship" between hotel and the Online Travel Agent (OTA), the hotel simply being now the fulfillment end for booking.com's business (the customer belonging now to booking.com). When considering the return on investment of their marketing efforts (lesson to learn) hotels should: use the typical lifetime value of their customers in analyzing if they need to compete with OTAs to retain customers directly; consider running Brand PPC to limit the exposure of OTAs in search results for their hotel name; use Meta search marketing to show the direct rates & availability on popular travel sites (in the same way as OTAs); encourage the satisfied guests to book direct on repeat visits (and as a result to reduce OTA commission) offering an added incentive (by using loyalty programmes, exclusive offers for existing customers through email & social media).

The fact that the competition is becoming increasingly difficult was underlined from the beginning of the last year, (Gonzalo, 2014) in January, by Frederic Gonzalo (senior marketing and communications expert & speaker with more than 20 years of expertise in the travel and hospitality industry), while highlighting 14 digital marketing trends for hotels in 2014 according to NetAffinity (such as: Mobile marketing, OTA vs. Direct Bookings; Meta-search; Social Media Marketing, Growing importance of Google+). Eleven months later, in December, the team at Net Affinity, as leading edge practitioners in digital marketing, (NetAffinity, 2014) identified 15 Hotel Marketing Trends for 2015: Personalization; Booking Abandonment; Meta Search; Mobile payment; Owning your Real Estate; Pay to Play Social Media; Persona Driven Content; New SEO; Programmatic Marketing; Audio-Visual Content; Experience Driven Strategies; Proximity Technology; Baby Boomers; Holistic approach to Revenue Management. From the point of view of the last trend mentioned above it was argued that hotels need to adopt this integrated approach to revenue management (thanks to the rapid change in consumer behavior), involving more strongly sales and marketing in the decision making process, this being crucial to managing distribution channels effectively.

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