

Direct Channel Growth
CRM Optimisation
Generative AI



Innovation Technology Opportunities & Solutions for Hospitality Marketeers

E-book 2023

Dear reader,

This eBook is crafted **for professionals like you - those in Marketing and Commercial roles in the hospitality industry** who are constantly seeking innovative technology opportunities and solutions.

Whether you aim to drive direct channel growth, gain a deeper understanding of data analytics, enhance customer experience management, or simply stay informed about the latest advancements in technology, with the invaluable help of industry experts we've collected the innovation technology opportunities and solution ideas for you to get familiar with and bring into your organisation.

The field of marketing is continuously developing, presenting both exciting opportunities and complex challenges. It is through collaboration that we can stay ahead in this dynamic sector.

To produce this eBook we've joined forces with the expert companies and individuals and we would like to express our sincere appreciation for their generously contributed time, expertise and ideas. **A big thank you to everyone!**



“We would like to extend a special thank you to our partner member, The Hotels Network, for their exceptional contributions to the creation of this toolbox. The Hotels Network is a renowned company that specialises in innovative solutions for hotel marketing and direct bookings. Their unwavering commitment to staying at the forefront of marketing trends and technologies has made them an invaluable partner in our collaborative effort.

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This project would not have been possible without Fiona Gillen, VP Marketing at The Hotels Network and a valuable member of the HSMAl Europe Marketing & Branding Advisory Board. She has been a remarkable support and has shown great expertise.”



Ingunn Hofseth
President & CEO
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Who should read?

Those in Marketing and Commercial roles in hospitality who are looking for Innovation Technology Opportunities & Solutions to drive direct channel growth, better understand data, manage customer experience and get informed about the latest technology advancements.

This is a **MUST** for you and your team, to:

**Get informed,
Get inspired,
Get motivated,
and kickstart new marketing processes at your organisation.**

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The Hotels Network

The Messy World of Hotel Data

The situation today

The data landscape within the hospitality industry is as complex as it is under exploited.

The reality is that many operators/hoteliers still lack basic reporting for standard KPIs.

Consistent and timely reporting are not commonplace and the lack of automation mean heavy dependence on manual processes.

One of the reasons for our slow data evolution are down to poor understanding of the **link between your technology strategy and data strategy.**

The three steps of leveraging data are **ETL (Extraction, Transformation and Loading)**. **E** is the activity of extracting the data from your tech stack eg PMS/CRS/RMS/CRM. **T** is centred around making the data usable and consistent while **L** refers to automatic refresh of visualisation tools .

For the hospitality industry the biggest challenge lies within the “T” portion. Diverse tech stacks coupled with low consistency/ definition of market segments across systems mean that significant effort and resources are required to make the data usable.

Time spent on cleaning up data could be better spent on driving actionable insights. Lack of standardisation means automation is not possible so by the time one has forward view it is often too late to adjust your commercial strategy.

The opportunities are clear

- Focusing on the past can help you understand the mistakes you’ve made. Focusing on the future makes sure you don’t make them again.
- Predicting future performance mean that you can better allocate marketing spend to fill potential gaps
- Likewise, a robust forecast can drive a 2 to 3 % increase in GOP through better planning of your cost base.

Solution

- Streamlining the tech stack in order to limit the number of data sources is the the ideal solution to arrive at the “one source of truth” . However this is difficult to achieve in practice.
- Instead commercial teams must work with tech teams to ensure that data needs are met preferably before technical implementation. Its usual practice to define functionality, UX requirements etc but data requirements are often overlooked.
- Mapping out KPIs needed to drive commercial actions and breaking down those KPIs into the most granular data will help tech teams drive the optimal configuration across the tech stack.



Standardising mapping across data sources

Furthermore, particular attention must be given to standardising mapping across data sources such as rate level, market segments and even corporate client nomenclature rules. Standardisation is the key to reducing time spent on Transformation of the data and a pre-requisite for automation

While there are many vendors that claim to automate and digitise reporting, few can actually achieve this without prior mapping standardisation. Furthermore the old adage of “quality in and quality out” with respect to data is still well and truly relevant.

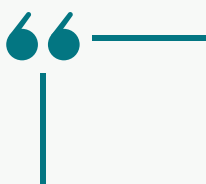
Where external expertise can be useful is with the development of cloud based data marts which enable the end user to access and analyse data sets without the need of combining multiple data sources.

In addition to this, a real time connection between a cloud based data mart and your chosen visualisation tool means that dashboards can be automatically refreshed.



Incorrect system usage and customised adaptation are ongoing threats to data quality and standardisation

Remember your BI analyst can only analyse what the system produces. If the data is incorrect, the analysis will be incorrect. Therefore data quality is a matter of importance across the whole organisation and not just your BI team,



"You get what you measure. Measure the wrong thing and you get the wrong behaviors."

- John H. Lingle



Direct Digital Channel Growth

The situation today

Isn't it the key 2023 topic in the hospitality industry today? After being a highly and costly distributed industry for the last 50 years when the GDSs were launched followed 25 years later by the OTAs, the hospitality industry, during the global pandemic finally realised how important it is to drive and invest behind their direct (digital) business. Why is it crucial for these companies? Because they are finally realising that retaining existing customers is driving better lifetime value and significantly increase their conversion activities. Managing and owning the Customer Journey in a 360° omni channel market is the way forward to shift indirect business to direct business. This will be even stronger when customers will start realising how important their privacy data's are for their favourite brands. Trust, Transparency, Engagement, Partnerships, Resilience, Profitability and Sustainability are the hot Marketing levers to drive direct business.

The opportunities are clear

- **Own your Digital Customer Journey** – 360° to increase: **CVR** (Conversion Rate), **CLV** (Customer Lifetime Value) and profitable marketing return on investment.
- **Create and distribute engaging stories** to inspire your direct customers.
- **Invest significantly in your Data Management Platform** to personalise your engagement strategies.
- **Digital Analytics** is your best friend.



The 5 pillars solution

Data – launch & manage data management infrastructure to support integrated processes, allow better marketing automation and digital activities. Data is your marketing fuel and driver. Make your data purposeful!

Analytics – part of your data foundations is your digital analytics capabilities. Integrate all your Customer Data sources into one. Scale your local & global visualisation & reporting of data. Support all Marketing activities through valuable insights.

Personalisation – key criteria to deliver 1T1 messages and engagement with your most valuable customers. Transversal digital capability throughout the digital channels driven by data management. Advance automated personalisation is now the standard.

CRM – launch an integrated CRM platform to increase significantly customer insights, automation and personalization through omni channel communications.

Sustainable Marketing – the protection of the individual and personal data will drive digital marketing activities tomorrow. It's our way to the Web 3.0 that will be decentralised (DeMar), trustless and permissionless. Brands will have to adapt or change their approach to how they treat data privacy in their marketing activities. This will drive a more ethical personalised and targeted marketing.

Customer Engagement

In 2022 and following the biggest sanitary crisis impacting dramatically our industry, most of the brands found out about the importance of building sustainable and long-term engagement with their most valuable customers.

Why? Acquiring new customers in a highly competitive demand market is more & more expensive with no guaranteed return. On the other hand focusing to increase the conversion with existing customers makes much more sense and support limited marketing budgets and drive incremental direct business at a lower cost of sales.

Engagement Marketing is based on exceptional digital-journey-experiences, enhancing people's emotions, and are often personalised to the consumer's behaviours. This is how marketers are building new archetypes of consumers, not segments of customers anymore.

There is no loyalty to a channel anymore. Engage with your consumers where they are and make sure to adapt the content to that channel. Automation and integrated MarTech is an absolute must!



Data Privacy Direct Driver (4D's)

As we are moving towards a digital world free of third-party cookies soon, it will have huge implications on how brands get access to qualified and personalized information about their existing customers. It will also impact the way they get access to new consumers who are yet to be converted.

Soon, brands will have no other option to guarantee privacy-proof data collection and use, if they want to continue personalizing their marketing campaigns.

Give control back to your customers. If you want privacy-proof data, you need to ask your customers for it directly! Accurate consumer data — often referred to as “the new oil” — has an enormous value for brands.

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Why simply having a digital experience isn't enough! Consumers are now dictating what communications they want, when they want it and how they want to receive it. And on top of it they want it safe, fast, and now! Let your customers tell you when you can (re)target them, how often and on which channel. This will become an amazing conversion driver and therefore enhance your CLV (Customer Lifetime Value).



Merckx Rémy
– Senior Advisor Travel & Hospitality

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Direct Channel Benchmarking

Benchmarking tools

The best way to compare your hotel to others is to find others facing similar conditions and similar threats. Looking at a hotel's direct channel website performance in isolation can lead to mediocre results and may not give you the best picture of the business. Yet, if a hotel leverages real-time benchmarking, it can compare results against a relevant competitive set.

Most hotels measure their direct channel performance using the free service Google Analytics. The problem is that hotels can only see their own website data in Google Analytics, not that of their competitors. This is where a solution compiling hotel websites and booking engines in every city, region, and country would help provide relevant competitive insights. There is only a single solution that does this, and, luckily, it's free – just like Google Analytics. This tool is BenchDirect.

The opportunities are clear

- When looking at metrics **start with benchmarking as a success baseline**
- **Identify 3 KPIs** to track on a weekly/monthly basis
- **Leverage analytics** to filter on each KPI to understand where they are over performing and under performing
- **Create a short-term and long-term plan** to reach each KPI target.

Analysing your hotel brand's performance



Understanding how a hotel's past, present, and future performance compares to others in a market will help identify areas for significant improvement. For instance, does your hotel have a lower website conversion rate than the average? Are your total room nights sold in your direct channel significantly lower than your competition?

To get actionable insights from benchmarking, you need to:

- **Compare** performance against your competitors across direct channel KPIs.
- **Identify** desired browsing time period or searched stay dates.
- **Apply** filters to understand where a website is strong and areas of opportunity. This includes filtering based on: device, location, source, and travel party.
- **Analyse** charts, tables, and automated recommendations for opportunities to improve your overall direct channel performance.
- **Share** the information across marketing, revenue and sales teams in monthly meetings to determine continual ways to optimise the information and offerings of the hotel.



Direct channel KPIs

The best way to identify guest behaviour and trends to benchmark against is to look at the direct channel KPIs. Here are some of the most important.

Conversion: Focusing on optimising your hotel's total website conversion rate will allow you to increase the volume of visitors who complete a booking, and therefore increase your revenue, without having to increase your marketing budget.

RevDirect: Concentrating on growing RevDirect will allow you to increase the revenue per available room specifically for your direct channel. Taking into account stay dates, it helps hoteliers measure the overall success of their website.

Demand is useful as it provides a good indication of the level of interest in your hotel from two different perspectives, either based on the number of searches or visitors.

You can also calculate the average number of searches made by a visitor to better understand user behaviour on your website.

DBI (Direct Booking Index) is important for tracking your global score and checking how effective your hotel's direct channel strategy is overtime. The figure will encourage your brand to give this much-needed focus to the direct channel and allocate the necessary attention to finding new ways to generate additional direct revenue.



Although it seems to make sense to compare your hotel's present performance with its past, the conclusions will be misleading and inaccurate. This is the paradox. However, the paradox can be mitigated by comparing your hotel to others under the exact same situations in terms of booking patterns. When a hotel does this, the analytics paradox is solved and your hotel will see even larger opportunities to generate more bookings through increased conversion, ultimately leading to more direct revenue.



Michael J Goldrich
– Chief Experience Officer
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Paid Traffic Acquisition

Benchmarking tools

Increasing direct sales remains a strategy every lodging provider should assess and analyse closer. The potential outcome of a successful direct sales strategy may present an opportunity to double down on benefits: full ownership of customers' data and overall distribution cost savings.

SEA (Search Engine Acquisition): To protect your brand. When people search for YOUR hotel, make sure they find you on top of the results page, not via an OTA. This bidding model is usually low in cost (cf. next paragraph) with high returns on investment. If you chose to do just one thing, go for SEA, to protect your brand (i.e., your hotel name) in your targeted markets. Don't forget your customers may be liable to misspell, so don't hesitate to bid on approximate spellings. For example, Green Hotel > Grin hotel, Grean hotel etc. You're able to gain insights into most searched terms and keywords using the following links: Google Trends and Google Ads Keywords Planner if you're a Google Ads user.

Display banners (pre and post targeting): To reach new customers and a qualified audience, such as travellers who are planning a trip to your city.

Metasearch (platforms like Tripadvisor, Kayak, Trivago, Google Hotel Ads): To get qualified Traffic. Travellers love them because they can compare rates without having to visit multiple sites. To make a reservation, users click through to their preferred booking source.

What kind of ROI may you expect?

01 SEARCH MARKETING

What for?

Search marketing ensures the hotel's official website appears at the top of search results, by placing bids on specific search keywords. The top results go to the highest bidders, whether hotel or OTA.

Who are the main players?



Data provided by a D-EDGE Digital Media Study, 2022

SEA : Average ROI in 2022 was X15, meaning for every 100€ spent you could expect revenue amounting to 1,500€.

02 METASEARCH MARKETING

What for?

By connecting their best rates to metasearch, hoteliers capture more direct bookings and lower their dependency on OTAs.

Who are the main players?



Data provided by a D-EDGE Digital Media Study, 2022

Display: Average ROI was X12, i.e every 100€ spent on campaigns generated 1200€ in booking revenue.

03 DISPLAY & SOCIAL MARKETING

What for?

When travellers are the most likely to book, according to their past search history, advertising banners appear on the websites or social media they're browsing, redirecting them to the hotel's official website.

Who are the main players?



Data provided by a D-EDGE Digital Media Study, 2022

Metasearch: Average ROI is X12. It has to be noted that if we focus on Google Hotel Ads only, which is by far the main Metasearch in the market(1), we see a higher ROI, especially since the launch of Google Free Booking Links.

The DO's to optimise your paid traffic and conversion:

Make the Best Offer: Guests are always going to be interested in a better rate or a better offer. To increase chances of converting ensure your best offer is on the channel on which you want to maximise conversions.

Get Focused: Run campaigns in all markets your customers originate from or the markets you want to develop - only in the languages your site is translated into. Otherwise, Google may block your ads.

Optimise your website: A quality website optimised for conversion is critical. Key factors to this are high-quality images, fast load-times and a website designed for mobile.

Choose your Booking Engine carefully as it is crucial for turning visitors into buyers. Some important features to look for include: integration with Metasearch channels with accurate pricing, ability to sell various types of rooms and rates, mobile-friendly design, seamless user experience, and visually appealing presentation of rooms and rates.

Monitor your performance: To maximise your marketing efforts, use a tracking system that's privacy and security compliant, and provides effective reporting on campaign performance, sources, and results. With multiple channels and campaigns, it's important to have a clear overview of both macro and micro levels of each campaign.

Think Mobile: Mobile traffic to hotel websites has surpassed desktop traffic for years, but desktop bookings have still been dominant. Recently, there has been a notable surge in mobile bookings, highlighting the significance of a seamless mobile experience, from search to payment.

Include Payment into the online Booking experience: After driving traffic to your website and presenting competitive pricing, ensure you **don't lose customers during the payment stage**. Provide a secure payment process with various payment options, including mobile-friendly methods like Google Pay and Apple Pay.

The DON'Ts if you do not want to spoil your campaign's benefits:

Do not bid on very expensive unspecific keywords (ex. Hotel+city) where you will be in competition with OTAs. At best, you will get no clicks and you'll have wasted your efforts to no avail, at worst, you'll get minimal Return on Investment.

Do not believe digital marketing efficiency is only about doing the right bidding. Do not forget, to convert the traffic you've generated, you need to display competitive pricing, display all necessary information, propose a large number of payment methods, etc.

Customer Relationship Management

The situation today

Is the customer not the most important part of your business nowadays? Knowing them and listening to them will give you tremendous opportunities to find incremental business, beat your competition and help you to become more profitable. Isn't this just great?

Consumers expect tailored lodging experiences so your strategic plans and technology have to be built around how to attract, serve and retain guests – not just managing properties and facilities.

The key benefits of CRM are also enhanced by a fully integrated MarTech infrastructure making it possible to manage each individual and B2B customer uniquely and 360°. Reduce your online indirect distribution dependence by mastering your data driven CRM Marketing strategy and infrastructure.

The opportunities are clear

- **Anticipate guest needs based on preferences and behaviours:** Give them back control of their personal data for better qualification & increased conversion
- **Advanced Personalisation:** based on great data analytics, predictive personalisation 360° is possible!
- **Drive Loyalty & Retention:** Meaningful interactions generate trust and repeated business. Significant increase of your Customer Lifetime Value (CLV)



The CRM functionalities are the centre pieces of any digital marketing plan.

The technological integration of the MarTech is crucial to enable all Marketing Channels to benefit of the CRM capabilities. It is strategic to any customer-centric business culture.

CRM is the enabler of all Marketing Automation and the integration of all Sales, Marketing and customer support activities.

All B2C & B2B business teams will use the integrated CRM for their sales funnel and to manage a single customer view.

The CDP will allow full automation of data collection, data management and data distribution.

Clear business benefits for effective CRM functionalities:

- Cross-functional Collaboration
- Archetypes based on Customer Behaviour & Needs
- Customer Journey automation and customisation
- Improving your Sales Funnel efficiencies & effectiveness
- Single Source of Truth



Here is a world beyond the cookies

A new era of tracking and understanding customer behaviour is coming our way in 2023. This cookieless world will change significantly our CRM and Customer Engagement approaches and strategies. The way we are going to manage customer private data will soften the blow of the above and support our opportunity to increase our conversion rates and the customer lifetime value. This is the perfect way to new digital marketing first-party data and zero-knowledge proofs marketing activities. The addition of the above two levels of data will allow customers to own their most personal data and make choices with whom they will share these data points, when and how. Even a step further, brands will start rewarding their most loyal customers to share even more data with them. The result of the above is a win-win situation for both the customer and also the brands: better qualification, ever-green data, 100% secure data on blockchain technologic platforms and increased CVR – the ultimate CRM key performance indicators (KPI's).



The goal of a digitalization done right is a more efficient way of running your business and driving more revenue to your company. This is done through the implementation of new, innovative digital technologies, meaning hardware and software that will increase the value of your business, including CRM functionalities..



Web 3.0 – Zero Knowledge Advertising

Are we going to a world where we will reduce the dominance of Google, Facebook, Instagram & C°? The new data protection legislation along with the social pressure has encouraged the online advertising industry to propose novel privacy-preserving advertising solutions. I qualify this as Sustainable Engagement Marketing. It will drive more ethical targeted advertising and will enhance and shift the CRM functionalities.

**#Transparency #ConsentBased
#Openess #Activevs.Passive
#UserGenerated #AdvancedAnalytics**



Merckx Rémy
– Senior Advisor Travel & Hospitality



Effective Reputation Management

How reviews influence your business

The importance of online reviews stems from a very simple idea: people trust the words of others more than the company itself.

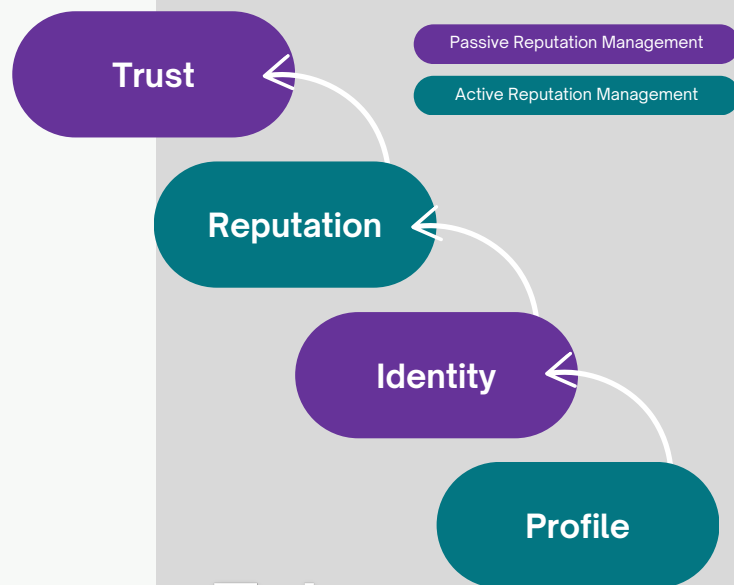
91% of people read online reviews on a regular or occasional basis, and 84% of those people trust them as much as a personal recommendation.

Price and revenue management is the foundation to any business, but pure price metrics are no longer enough to bring guests back. Nowadays guests are more likely to choose a hotel with a slightly higher score than a slightly lower price.

Make sure to listen to guest expectations, raise your standards where necessary and guests will be willing to come back, and pay more.

The opportunities are clear

- **Leverage positive guest reviews** for increased credibility, confirmation of reliability
- **Your Online Visibility grows** with reputation management activity
- **Easy decision-making** for customers
- Can lead to **better room rates and higher occupancy**



Take advantage of reputation management systems

Earning positive reviews is a good start, but monitoring, analysing, responding to, and making decisions based on them can be incredibly time consuming.

A reputation management system will help you be as efficient as possible and use your own data to your advantage.

It will make it easier and faster for you to see where your services can be improved, and you can use it to communicate with your colleagues about urgent complaints and solve them before the next guest experiences the same issue(s).

The system can also give you a benchmark of where you stand in comparison to your competitors in the market. If your overall reputation is exceptional, you can safely push up your prices a little higher than a competitor who may have a lower rating.



Get more positive reviews

Keep your promises: Stephen Covey said, “**Trust is the glue of life**”. Emotion is something that cannot be neglected and it is the strongest driver of customer retention. Therefore, don’t promise what you can’t deliver; it will drive you to bad reviews immediately. If something goes wrong, find a way to respond to your guests' needs in real time and address their issues on the spot. A Live Experience solution that enables you to communicate with your guests via chat, SMS, or email will give you the opportunity to do so.

Surprise your guests: People tend to value unexpected services and respond with good reviews. It is called the reciprocity principle that makes people want to give something back. You can offer little incentives and ask for a review in return.

Ask for reviews: There are many occasions to ask for feedback, and you should! It increases the likelihood of receiving reviews. Encourage your guests to share their feedback by distributing a URL or QR code that is linked to a survey on printed material or once the guests connects to your WiFi.

How to handle negative feedback?

You tried to fulfil, and even surpass, all guest expectations and still it happened that someone left negative feedback?

This is your chance to show potential customers that you **listen to your guests and their needs, and you are always willing to learn and improve**. If you answer with respect and offer solutions, it will increase your credibility.

Even if the complaint is unjustified, **you should thank the guest for their feedback**. Showcase your professional attitude and avoid arguing. Most of the grumblers only want attention - if they don’t get it, they stop.



Good reputation management will help you to increase the quality of the experience you're offering, visibility, as well your ADR and occupancy rates.



Manuela Erlemann
– VP of Sales and Operations, EMEA
at TrustYou



Content Marketing for Meetings, Incentives, Conferences & Events

Content marketing has become increasingly essential in today's relationship-based meeting marketplace. Most of us use the internet to research and better our careers – so becoming a source of inspiration and thought-leadership can have a huge knock on affect to MICE sales and client relationships.

Great content marketing often focuses less on your product, and more on the value it provides. As Jenn Zajack, Hospitality Content Marketing Specialist says: *“Planners don’t want a conference room. They want to run a seamless event that energises and inspires their team.”*

Setting goals is a vital starting point. These could be increasing MICE bookings, increasing customer engagement, or securing more RFPs. Think about your customers' needs and challenges – like sustainability or staffing issues – and how you can address them.

Types of content to consider:

- **A blog** on meetings and events
- **Destination guide**
- **Customer stories**
- **Newsletter**



Blogging for a MICE audience

Blogging – when done correctly – is one of the most effective ways to drive traffic to your website, engage your audience and help increase direct bookings.

Event planning is a stressful job, especially for those who are new to the industry. Becoming a source of helpful, detailed information on topics like sourcing, event technology trends or top attractions in your area, will have swathes of planners flocking to your blog to learn best practice.

But it's not just about posting high quality content crafted with care. SEO (Search engine optimisation) is a vital cog in your blog machine, which needs to be regularly maintained.

Researching the keywords your planner-audience search for most, posting at least once per week, and understanding how to structure and format your blog, will help you appear higher on search engine result pages.

What you're thinking now is: who will write this copy? There are only so many hours in a day and with a reduced workforce, it can be hard to fit in content among other tasks. There are a few options! Hiring a freelance copywriter may be the most reliable option but asking members of your team to pitch in may also be viable. Here's where your concierge, event or restaurant team can show their expertise. All you'd have to do is clean it up and publish!



Email content for MICE: Employing a robust email content strategy could give your property a boost. A common pitfall hotels and venues often fall into, however, is only communicating when they have something to sell – leading event planners to expect nothing but promotion from you.

Like your blog, it pays to serve rather than sell. Provide timely information about your destination or create a round-up of your most recent educational blogs. Of course, email should still be used to promote your services, but creating an 80% serve, 20% sell ratio could have a positive impact on open rates, click-throughs and reduce unsubscribes.

Social content for MICE: More and more Gen Zs are entering the planning scene, which means the importance of a social media presence cannot be understated. But writing social content for event planners is not so dissimilar to email or blog. Telling a story, showing content that planners care about and inspiring them with beautiful images and descriptions – that's what matters.

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Every hotel or venue professional I've ever interviewed has had a story to tell, whether they knew it or not. Incorporate these stories into your content and you'll have meeting and event planners coming back for more.

Action Items for MICE content: When you begin creating content – whether it be blogs, guides or emails, all of that content can be broken down, rewritten and made into something entirely new – such as an infographic, a video or a slideshow presentation on LinkedIn.

So what can you do RIGHT NOW to improve your content marketing?

- ✓ Develop a content marketing strategy
- ✓ Publish thought leadership on event planning
- ✓ Focus more on serving, not selling
- ✓ Solve a problem for your audience
- ✓ Bring in traffic with a well-maintained blog



Olivia Cal
– Content Marketing Specialist at Cvent

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Destination Marketing

Sharpened competition

Consumers are changing. An unstable global situation, with multiple crises, results in new patterns, and fewer people being able to or wanting to travel. A tougher competition has arisen.

We are all approached by thousands of brands, every day. Every brand wants to affect our behaviour. If you aim to stick out in the crowd, make sure that you have stories that really matter to your target groups. And make sure that you tell them in ways that draw the desired attention. Showing beautiful pictures and telling people where to travel, simply won't do the job anymore.

The opportunities are clear

- Target diverse audiences for year-round visitor attraction,
- Emphasise storytelling in messaging,
- Prioritise values and inclusivity,
- Utilise creative thinking to optimise PR and earned attention on social media,
- Apply a publisher strategy for distribution
- Engage with audiences and attract new ones through social media
- Co-create with influencers for fresh content and audience expansion
- Implement search and first-party data strategies across channels
- Stay updated on technology advancements and potential risks.



Have you ever seen a night sky?

Your destination is more important than your organisation

There is no right or wrong in this field, only different strategies on how to succeed. DMOs may also have different missions and goals, given by their industry and/or municipality. These will of course be served by different strategies. Still, I'll urge colleagues to never forget who you are working for. It is the local industry and the local community. Always ask – "Is this opportunity good for my destination and the businesses here?" Too many opportunities are lost for destinations, in the effort of keeping the DMO's business models alive, when in fact it is the DMO that needs to change. As a DMO, we must also acknowledge that growth cannot be the only goal. The growth needs to be sustainable, for profit, but also for the local communities, the nature and the climate we all rely upon.

From content marketing to storytelling Storytelling gives us the possibilities to connect with our audiences in ways that are not possible with traditional marketing messages. Stories have the potential to help us catch and hold the attention of the consumers, and to connect with them, as the brain can release dopamine, cortisol and even the love hormone oxytocin, if the story's right.

This means we will spend more resources on finding and creating the right stories to affect our target groups.

And then we need to find and follow the data of our target groups, to lure them down the funnel. Co-creation with relevant influencers can be a smart way to both create quality stories and grow your audience with their audiences.



The DMO as a publisher

On average, people globally spend almost seven hours daily on the internet. Social media counts for the largest chunk of that time, with more than 35% of the time. Buying your vacation isn't a linear process, and the desires are formed long before you start searching – maybe through your phone on the tube, in a meeting or at the loo?

In digital, consumers leave tracks, and as marketers we can find out which stories caught whose attention by having a solid always-on presence in all relevant social media channels. In social you can distribute your stories, but equally important, engage with possible travellers. You can retarget those who show interest, with what they're interested in. In addition to retargeting strategies, a solid and inspiring website optimised for mobile users is still important.



People are approached by thousands of brands, every day. Every brand wants to affect our behaviour. If you want to stick out in the crowd, make sure you have stories that matter to your target groups. And make sure you tell them in ways that draw the desired attention. Showing beautiful pictures and telling people to travel, won't do the job anymore.

And never forget; when attention is earned, good search strategies in all relevant channels are really important.

The ever-changing tech scene

Most of us are adapting to the cookieless future as we speak. Many are also taking advantage of digital by distributing our destination portfolio into multiple websites and apps, through APIs.

When tech changes, business models fall and new opportunities open. Embrace the changes, analyse what it could mean for your DMO, what needs to change and if the new technology brings new possibilities that could help you perform better for your destination. Not always easy to detect, but you can't stop technology developing.

As Charles Darwin discovered; it wasn't the strongest of species that survived. It was the fittest. The ones that best adapted to their ever-changing surroundings.



Katrine Mosfeld

- CMO Visit Norway at Innovation Norway



Marketing & Upselling

Most hotels overlook the marketing aspect of upselling/cross-selling

When you think about hotel marketing, you rarely view upselling/cross-selling as strategies contributing to your marketing efforts. Upselling/cross-selling are usually defined as commercial techniques to drive ancillary revenue. However, while being essential techniques for achieving financial targets, upselling/cross-selling unlocks whole new dimensions when it comes to marketing too!

In today's world, people seek out experiences and are willing to pay extra to access exclusive services and perks. The study by PwC revealed that 42% of consumers would pay more for greater convenience, while 42% would pay extra for a friendly, welcoming experience. Upselling and cross-selling open the door to tailoring one-of-a-kind experiences and turning them into your hotel's USPs. They pave the way to glowing customer reviews, positive word of mouth and a stellar brand reputation.

By bringing upselling & marketing together, you can:

- **Personalise guest experiences**
- **Make your guests rave about your hotel**
- **Enhance your brand reputation** across all the booking channels you leverage
- **Generate more revenue** to reinvest in ongoing customer acquisition

Automated upselling as a way to step up your upsell game



The concepts of traditional upselling/cross-selling are familiar to each hotelier. By traditional upselling, we usually imply front desk upselling. When checking in, guests are prompted to upgrade to a room of a higher category or opt for breakfast that comes with a fee.

While traditional upselling/cross-selling are established practices, their effectiveness can be quite low. After a long journey, guests might not be in the mood to contemplate booking any extras and instead are in a rush to get to their room. It is also a challenge for a front desk agent to go over the full range of services a hotel offers.

In contrast, automated upselling is a process carried out through the use of automation tools, namely upselling software. By automating your upselling operations, you can rest assured that:

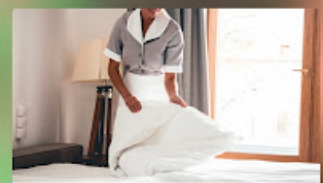
- Room upgrade and upselling deals are sent out automatically to the right guest at the right time
- Your upsells are personalised to match every guest segment you target.
- You can expose your guests to the hotel's branding and introduce it in more detail.
- Your team have more time to focus on other aspects of refining the guest experience.



Plant a tree for Your stay

Donate to plant a tree...

€ 20



Opt-Out Housekeeping

Don't need your room...

€ 0

Communicating your brand values through upselling

People don't buy products, they buy stories. Your pre-arrival communication can do wonders for your brand, especially when it comes to telling your story to guests who have booked through a third party (OTAs). A pre-arrival email is the first touch point your guests will have with your brand, which makes it a perfect place to introduce your hotel concept and values.

For instance, by including certain types of deals, you can position your brand in the desired way. If you want to be known for unique experiences, spice up your offers with creative add-ons (e.g., private stargazing, astronomy tours with food and wine, etc.).

If you care about sustainability and cater to eco-conscious guests, craft eco-friendly upsells:

- **Opt-out housekeeping** allows guests to skip housekeeping for some perk (e.g., free breakfast)
- **Plant a tree** - incentivising guests to donate to plant a tree where trees are most needed by skipping daily housekeeping of their room.

Turning one-time guests into loyal ones with upselling

Capturing guest emails is one of the main pain points pre-arrival upselling helps overcome. **Encourage guests to share their real emails and boost newsletter signups in exchange for some perk (e.g., a free drink at arrival or a 5% on F&B).**

The same goes for growing your loyalty program customers - use tempting upselling deals and see how your loyalty program takes off.

Staying in touch with your guests will allow you to drive more direct bookings and convert your one-time bookers into returning guests while saving on hefty OTAs commissions.



Hotels need to move away from the misconception that upselling is all about only selling room upgrades. It's a powerful tool that contributes to refining each aspect of hotel management, including marketing. Unique personalised upselling deals will go a long way in telling your brand story, leaving a mark on your guests' minds.



Marieke Wisse
– Head of Marketing
at Oaky



Predictive Personalisation

The changing expectations of travellers

Today's travellers seek personalised experiences, not just amenities. It's important, however, to provide a personalised touch from the initial stages of trip planning, not just on property.

In hospitality, current behaviour is more important than historical behaviour, and the present is more important than the past. Personalisation should be based on current behaviour and needs, respecting user privacy by offering unique experiences without needing to know personal details.


The solution:

Predictive Personalisation is a game-changing concept that leverages technology to enhance the website user experience while increasing hotel revenue.

It involves a two-step process: applying machine learning techniques to understand user behaviour and then personalizing their experience by presenting the best content and offers tailored to their preferences.

The opportunities are clear

- Automatically display hyper-targeted website campaigns driven by an AI algorithm.
- Engage potential guests by providing relevant content and a personalised online booking experience.
- Get additional reservations from users who would otherwise leave without booking.
- Increase ADR and revenue from high-value website visitors.



The key is
acting on data
automatically

Why it is important for hoteliers

Firstly, predictive personalization addresses the challenge of catering to diverse travellers. Simple rules and generic attributes like gender or nationality are often insufficient to understand individual preferences.

Secondly, it enables hoteliers to anticipate user behaviour in real-time. In today's fast-paced world, waiting for users to reveal their preferences can result in missed opportunities. Acting quickly and smoothly is essential to drive sales.

Personalization is only effective if it enables behavioural change. Data that cannot be acted upon is useless. By personalizing each visitor's experience on your website, powered by machine learning, you can ensure a unique and tailored experience for every user.

Machine learning surpasses human capability in handling the multitude of variables that influence user behaviour and their interactions. It automates the process, achieving accuracy and speed that humans alone cannot achieve.

The feedback loop from Predictive Personalization allows hoteliers to adapt their commercial strategy in real-time, optimizing offers, managing inventory, and making data-driven decisions that save time and maximize results.

Discovery versus offer

Personalization is a buzzword in the travel industry, but the challenges faced by online travel agencies (OTAs) and hotels are fundamentally different.

OTAs have a discovery problem, determining which hotels to present to users among a vast selection. Hotels, on the other hand, have an offer problem, finding the ideal combination of room, services, and price for each customer.

To address the offer problem, hoteliers need to incorporate the user's preferences into revenue management. It's not just about price; it's about creating a full offer that matches each individual's inclinations.

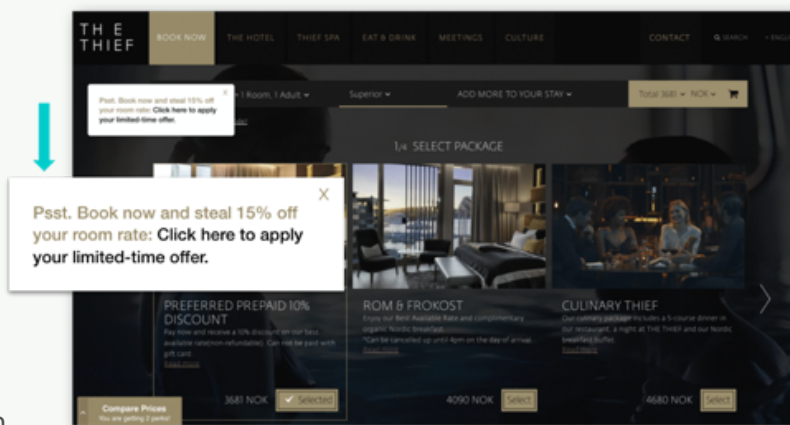
Adding the user into revenue management

So far, the offer problem has been tackled using conventional revenue management. You'll notice, however, that a key stakeholder is missing from this approach, and that is the traveller.

In an ideal scenario, revenue management involves personalized pricing. While current methods optimize for the hotel, we need to optimize for the traveller as well. By adding the user into the equation, we can dynamically adjust the offer to match their preferences.



Predictive Personalization for hoteliers means treating each user on your website as you would treat a guest in your hotel, welcoming each individual warmly. It is how you can seduce and guide users, building trust and convincing them that your hotel is the right choice. Ultimately, it reflects the essence of hospitality – showing that you genuinely care about the guest's experience.

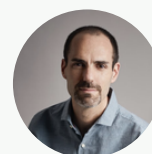


Predictive Personalization in practice

With Predictive Personalization, hotel website visitors are ordered by purchase intent score, based on a hospitality-specific predictive algorithm. In general, the top 10% of users with the highest purchase intent generate 49% of total direct bookings whereas the bottom 30% of users with the lowest purchase intent only generate 4% of bookings.

By automatically presenting exclusive offers to low-intent users, hotels can secure additional reservations from visitors who would otherwise leave the website without booking. This approach allows hotels to save on promotional expenses by avoiding the need to display the discount to everyone. Conversely, for high-intent users, hotels can encourage them to book a higher room category or upsell additional services, thereby boosting direct conversions and the average booking value.

A/B testing can easily be integrated into the setup of Predictive Personalization campaigns to validate the remarkable effectiveness of this innovative approach.



Juanjo Rodríguez
– Founder at The Hotels Network

The METAVERSE

The situation today

A recent report by McKinsey indicates that the Metaverse's economic potential could be up to five trillion dollars by 2030.

However, while most people think the Metaverse concept only started with Zuckerberg's rebrand, innovators and visionaries have been flirting with the idea since the '80s, first in the minds of cyberpunk novelists, then in the ones of scientists and philosophers, and, eventually, anarcho-capitalists.

Everyone seems to suffer from "Metaverse FOMO" right now. To a certain extent, it's like the mid-'90s all over again, with the internet boom.

But it's worth remembering that, from the ashes of the dot-com bubble, the global e-commerce market has risen, worth five trillion dollars (as of 2021).

The opportunities are clear

- **Product placement and Native Advertising**
- **Digital collectibles, virtual goods and NFTs**
- **Hybridisation** of the physical and virtual worlds
- **Gamification**
- **B2A Marketing**

From sci-fi to
a 5-trillion-
dollar
industry



The Metaverse will unlikely replace traveling tout-court, but it will definitely play a role in it, especially in the early, top-funnel touch points of the traveler's journey. Currently, we pick a hotel founding our decision based on photos, videos, and reviews only, while the Metaverse could provide a more immersive experience, and allow us to explore a destination, book a hotel room or a restaurant table while sitting at our couch, and - eventually- live the experience in the physical world.

No static image, 2D video, or website will ever be able to deliver a comparable experience. **And, quite frankly, we're just scratching the surface.**

Generative AI

A transformational advancement

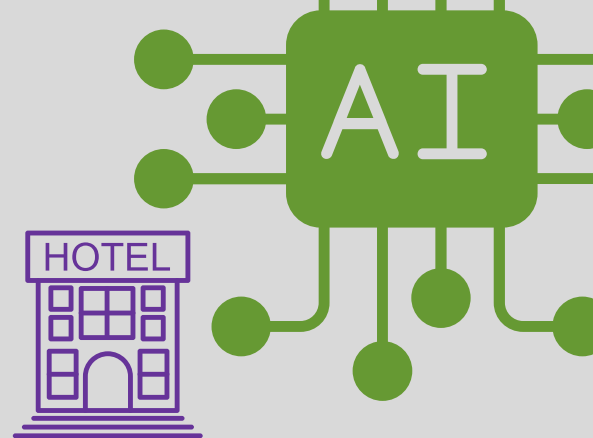
In today's competitive hospitality industry, hotel marketers constantly strive to stay ahead of the game. Technological advancements have brought forth a ground-breaking solution that is transforming the way hotels operate - generative AI (artificial intelligence). This cutting-edge technology offers hoteliers unparalleled opportunities to work more efficiently, streamline operations, and enhance their marketing efforts.

Understanding Generative AI

Generative AI is a subset of artificial intelligence that involves training models to generate original content, such as images, videos, text, or even music. It utilizes vast amounts of data and algorithms to create new, realistic content that didn't exist before. By leveraging generative AI, hoteliers can tap into its remarkable capabilities and open doors to innovative approaches for marketing.

The opportunities are clear

- **Creativity** – unlock a world of ideas to fuel your content creation process.
- **Problem solving** – address complex problems by exploring potential solutions faster.
- **Automation** – save time and reduce human error.
- **Cost efficiency** – reduce costs by optimising processes that boost efficiency and productivity.



AI applications within Hospitality

The rapid adoption of generative AI technology in the hotel industry is unprecedented. Providers are already integrating it into existing solutions or creating entirely new ones. Areas poised for transformation include:

Trip Planning: Plug-ins to ChatGPT have been implemented by OTAs, helping to shorten the planning phase of the customer journey. Google is also working with strategic partners to show that LLMs (Large Language Models) can be combined with Google's APIs to create flexible, end-to-end travel recommendations.

Revenue Management: By integrating Property Management Systems (PMSs) with Generative AI tools, hoteliers are able to receive real-time recommendations for distribution and pricing, helping them to optimize their revenue management strategies.

Customer Engagement: Today we are already seeing enhanced chatbots on hotel websites and virtual assistants, available to respond to guests 24/7 in the language of their choice.

Marketing: The applications here are endless, from content creation and translations to SEO optimisation and target audience research.

Sales: Generative AI can assist with tasks such as playbook and script creation, analysing effective pitches, or streamlining the RFP process.



Powering up your content creation

Generative AI revolutionises content creation for hoteliers, allowing you to generate captivating content in a matter of seconds. Keep in mind that the prompt you write should be as precise as possible, always clarifying the objective as well as the desired format and tone.

Blog posts: Tools such as **ChatGPT** are fantastic for drafting original and engaging articles that resonate with your target audience.

Copy writing: From headlines on your website to ad copy for your Google campaigns, tools such as **copy.ai** can produce compelling copy in just a few seconds.

SEO optimisation: Generative AI can be used to generate optimised meta tags, titles, and content suggestions to improve search engine rankings and increase organic traffic.

Social media: Improve efficiency and create engaging posts that include the most relevant hashtags and emojis.

Translations: The quality of the tools today make it possible to access almost human-like translations for free.

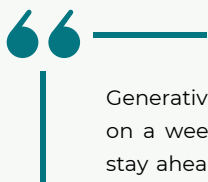
Email marketing: Generative AI is highly valuable not only for creating enticing email content, but also catchy email subject lines that boost open rates.

Website personalisation: Tools such as the AI Assistant by The Hotels Network allow you to display personalised marketing messages to your website visitors to drive more direct bookings.

Guest reviews: **ChatGPT** can help draft personalised responses to guest reviews for hoteliers to revise before posting online.

Images and videos: Using **DALL-E**, you can generate incredibly eye-catching images from a description in natural language.

Gen-2 by Runway lets you create novel videos with text, images, or video clips.



Generative AI continues to advance rapidly, with new capabilities emerging on a weekly basis. Keeping pace with these developments is essential to stay ahead in today's technology-driven landscape. While embracing these advancements, human review remains vital to ensure that the generated content aligns seamlessly with your brand values and marketing goals.



Fiona Gillen
– VP Marketing at The Hotels Network



Embracing the Power of Digital Marketing in Hospitality

As we conclude our overview of current innovative technologies and solutions for marketers, it's important to acknowledge that the hospitality sector is still in its infancy when it comes to adopting techniques that have become commonplace in other industries. However, this presents an exciting opportunity for hospitality to catch up with the advancements seen in eCommerce and retail!

In light of this, we want to emphasise that you are not alone in this journey. If the rapid developments in technology can seem overwhelming, remember that everyone is facing similar challenges, and the key is to keep an open mind.

Start small, familiarise yourself with the available tools and solutions, and embark on a process of testing and evaluation. Within no time, you'll see the impressive progress that can be made.

At The Hotels Network, we firmly believe that the future of hospitality lies in the hands of those who embrace the transformative power of technology and out-of-the-box thinking. Embrace tools such as AI, viewing them not as adversaries, but as creations designed for your benefit. In this fast-paced industry, those who dare to innovate and adapt will surpass the competition.



We are thrilled at The Hotels Network to have the opportunity to collaborate with HSMai and be a part of this incredible platform that empowers hoteliers and hospitality professionals worldwide. Being a member of this vibrant community is truly inspiring, as it provides a space for learning, exchanging ideas, and connecting with others, enabling all of us to experiment with new ideas, expand our knowledge, and come up with fresh solutions.

As we move forward into an increasingly fast-paced future, we encourage you to keep exploring the boundless potential of digital marketing. Together, we can collectively raise the bar in our industry, continue to innovate, captivate, and redefine what it means to provide extraordinary guest experiences. Together, let's push the boundaries and take hospitality to new heights.



Juanjo Rodriguez
Founder at The Hotels Network

About HSMAI Europe

Fuel Sales, Inspire Marketing, and Optimise Revenue

HSMAI Europe is a division of Hotel Sales and Marketing Association International - a global association founded in 1927 to support its members in their professional development, and to advance the hospitality, tourism, and travel industry.

MISSION

HSMAI Europe is committed to growing business for hotel, event, travel industries and their partners, and is the industry's leading advocate for intelligent, sustainable revenue growth on a local, national and European levels.

The association provides its members with practical tools, insights, and cutting edge expertise to enable knowledge sharing and enhance professional development as well as fuel sales, inspire marketing, transform businesses digitally and optimise revenue.

VISION

HSMAI Europe aims to be a key influencer, pioneer, and the go-to industry resource for professional development, commercial strategies, and sustainability in the hospitality, travel and tourism industries in Europe.

We thank you for your continued support in our efforts to contribute to the HSMAI Region Europe's activities

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