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The MAAC Group Offers Specialized Services
For Boutique Destinations and Hotels

Travel & Hospitality Marketing D'Mystified

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Welcome to a series of articles designed to help you create affordable and effective marketing and sales strategies. Our goal is to obtain better ROI for you by making adjustments and tapping into free or inexpensive resources. We hope you find the content helpful and informative.

Let's get started ...

As in anything, the first step is always the most difficult. It's hard to make the time, allocate the funds, and focus on something you may or may not have a lot of experience in. The sooner you begin, the sooner you will benefit from the results. The more you put into the program in terms of time and funds, the more you will get back in terms of bookings – as long as your resources are allocated wisely.

How much to spend?

The answer varies depending on ...

- (1) the number of units in inventory
- (2) the average daily rate
- (3) are you maintaining an existing strategy or starting a new product/market/program?

In general the amount you commit to your marketing program should directly reflect your gross earnings from the previous fiscal year. The lowest recommendation I have seen (but do not endorse) is 3%. The highest recommendation I have seen (and know clients rarely commit to) is 12%. I tend to **recommend 5-10%** because it's an easy range to work with and a tolerable commitment for most.

This is to maintain an existing successful strategy. If you are trying to launch something new – a new market in the U.S., a new property or a different strategy following the reopening after a hurricane – then you need to double that. Hoteliers frequently complain about ROI on marketing. Sometimes it's an anomaly, sometimes it's some tech company that overcharged for a website, but sometimes the answer is as simple as the investment. You wouldn't complain

about your baseball team's poor performance this season, if the ownership didn't invest in good pitching. So, if you invest \$10,000 and gross \$2M, all I can say is, "You get what you pay for."

Define your target audience

Before you do anything, before you talk to a media rep, put together a brochure or agree with a vendor to have them redesign your website. Even before you hire the photographer, you must define your target audience. Many properties, particularly the smaller ones, make the mistake of trying to be all things to all people. Unless you have an insane amount of beachfront property to space it out reasonably, it's impossible to have a small corporate retreat, several honeymoon couples and run an entertaining family program, keeping all guests equally happy.

Many small hoteliers assume they know their target audience, but the best place to start is with your customers. Try these easy exercises:

- (1) Stand in the lobby for the one busy hour of check out and observe your guests. Try to do this each day for at least two weeks and take notes of your observations.
- (2) You can hand them a **survey** to complete or follow-up by email and do it electronically.
- (3) Both of the following websites, www.surveymonkey.com and www.zoomerang.com provide customized surveys for under \$20, which can be posted on your web site, and/or sent in an email.
- (4) LISTEN to what the respondents tell you.

Respondents are not an accurate representation of your complete guest database, but they do represent two distinct groups – those that love your property and those that were miserable. Feedback you definitely want and need.

Invest in the right places

Why do you need **photography** . – The absolute most important marketing initiative you will work on is your photography. It comes into play on almost a daily basis. What will you do when that travel publication calls and for a good photo to go with their destination piece? (Hint: If you are known to be reliable and possess good materials, you will hear from the media more frequently.) What if one of the regional representatives for the tourism board calls with a great promotion directed right at your target audience? All she needs is a few free nights for a give-away, but why do that if you can't provide good visuals to get ROI for participation? When you factor in the web site, brochure, loyalty program mailers, banners for attending trade shows, photo books and PowerPoint presentations, the photo "needs" list is endless.

How do you invest wisely ? – Make sure you invest good money and ask around. Find brochure photography you like and ask about the artist. Ensure you are inquiring about hospitality photographers and if possible find someone who is equally talented at interiors, nature, culture and people, because the best materials communicate more than a chic or welcoming lobby. Once you have found your photographer and checked references, make sure to provide their team with detailed information regarding your target audience and a complete list of shots you want. Finally, create a payment plan that is fair to both parties. Don't pay in full before delivery of all the materials. Likewise, make sure to pay promptly as agreed, to ensure you have a fruitful relationship and good return on your investment.

Cash isn't always "King"

What is barter? One of the most effective means of getting your message out affordably is to do

more **barter** – where you provide free room nights in exchange for promotional exposure to the right audience (which includes everything from print advertising to event marketing). The trick is to select appropriate projects and make sure you are getting exposure to your target audience. Perhaps sponsoring a golf tournament by being the grand prize at a fundraiser is best, or maybe it's a dinner gala for the arts community that is doing a live auction? It's important your donation reflects the exposure and the audience. So if you are targeting families, and provide a free trip at a children's hospital fundraiser, it's better to give a large suite or 2BR unit than a studio. Likewise, if you get cable TV time vs. a box on a flier, your investment should be greater.

What does it cost? A barter-promotion program literally costs nothing, except the redemption of nights. I've seen redemption as low as 5-10% (when I was marketing manager at Sunburst Holidays in 1990) and as high as 40% (for one of my present clients.) Even if you don't have a sales rep in the U.S., open the lines of communication regularly with the tourism board sales representatives. Let them know who you would like to target and that you would be willing to support promotions to that audience. Then they act as an ambassador for you at these events.

No time like the present

These recommendations can keep you busy for a while. So,

- (a) set aside a reasonable budget
- (b) survey your guests and define your target audience
- (c) hire a good photographer, and
- (d) take the time to research barter opportunities ...

In the meantime, if you have any questions, feel free to email me at Melanie@Maacg.com

CONGRATULATIONS, you are on your way to an effective marketing program.