

HOTEL DATA

ADVANCED COURSE

THE TECHNOLOGICAL REVOLUTION THAT THE HOTEL INDUSTRY HAS BEEN WAITING FOR



DANIEL ALZINA
Hotelling CEO

Hotel Data Advanced Course
The technological revolution
that the hotel industry has been waiting for.

Daniel Alzina, Hotelinking CEO

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About Daniel Alzina.

Daniel Alzina is one of the founders and CEO of the Majorca-based start-up company Hotelinking.

He is a Product Manager and sales professional with 10 years of experience in the travel, tourism, software, technology, consultancy and BPO industries. He has extensive knowledge of electronic commerce, digital marketing and growth hacking, with a strong focus on sales and team management.

About Hotelinking.

Hotelinking is an automation platform that helps hotel brands to interact with their guests, creating personalised communication that increases brand recognition, reputation, direct bookings and loyalty.

Launched in 2016, Hotelinking is one of the fastest growing travel tech companies. Millions of travellers across the world have connected with their most appreciated hotel brands thanks to Hotelinking.

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Prologue

We launched Hotelinking in 2016 because we realised that the hotel industry was lacking something key needed to boost their direct bookings channel. The main reason was, and continues to be, the lack of data that is useable from a digital marketing point of view.

All sectors are undergoing a data revolution in one way or another, opening up a range of exceptional possibilities to strengthen client loyalty. Given the idiosyncratic nature of the hotel industry, this data revolution is not manifesting itself in the same way as in other sectors, such as fashion, e-commerce, health or sport. The scarceness of client data in the hotel industry is due to several factors. The main and most impacting factor is the origin of bookings, which go through intermediaries that do not allow key client or guest information to be passed to the hotel or chain.

We have helped hundreds of hotel brands and chains to completely change how they see the future of their loyalty strategy between their brand and their guests, thanks to our technology. As a consequence, we have helped them to understand which actions really work and which do not, to develop processes that can be repeated in time and then to boost their results.

Working alongside all our clients every day, we have been able to build and consolidate unique knowledge that we now want to share via this book. We know exactly which ingredients are needed for the recipe of success, and using not only this book, but also other documents that we will publish, we want to put all of our knowledge at the disposal of the hotel industry and their employees.

This book was written for all of these, especially those who want to expand their knowledge of new technology and advanced marketing strategies that will allow their hotel or chain to significantly improve the direct relationship with their clients.

The origin of new hotel marketing strategies is in the powerful concept of **Hotel Data**.

Study it, use it and succeed!

Daniel Alzina
CEO - Hotelinking

What is Hotel Data?

The term Hotel Data refers to everything related to the data generated about guests who have stayed in or who will stay in a hotel, and can also be activated to get results related to direct marketing.

The main objective of Hotel Data is to provide quality, verified data that complies with the GDPR (1), and that is enriched to obtain a plausible, measurable benefit that will generally have an impact on the following areas:

- The hotel's internal and online reputation.
- Promotion of the hotel brand.
- Linking and recognition of the hotel brand and its guests.
- Loyalty and deviation of guest bookings towards the direct channel.



(1) General Data Protection Regulation.

For more information about how Hotelinking applies the GDPR, see: <https://hotelinking.com/docs/whitepaperRGPD-en.pdf>

The Amazon case

In any sector or industry, having client data is fundamental. Let's consider, for example, an e-commerce company like Amazon. 100% of their sales take place on Amazon.com meaning that no intermediaries are involved, and for all sales the final user is obliged to register by creating an account with their personal data, contact information, address and town, etc.

From here, Amazon will accumulate data without needing to request it specifically from every client. This is data that is collected automatically and a profile of each client is compiled with their habits, tastes and products as they make more and more purchases. The more a customer buys, the more Amazon knows about them, and they can offer them the best products at the most appropriate moment, knowing specifically which client is able to finalise a purchase.

For this reason and thanks to their own technology, Amazon is able to store all key information that will allow them to serve their customers better, making them more and more loyal. This is because all the client behaviour information has been previously registered, generating a bidirectional benefit because the customers believe that the purchasing experience is better and better, and Amazon gets more sales at a lower marketing cost.

What makes Amazon different from the hotel industry?

AMAZON	HOTELS
Generates all sales directly and without intermediaries.	On average, a hotel obtains 90% of their sales via intermediaries and only 10% via their direct channel.
All data generated is obtained 100% digitally, avoiding human error and application of different criteria on one same type of data.	Much of the data about guests obtained by the hotel is written by hand, risking human error. On many occasions, the data never even gets collected or entered into the hotel's PMS.
Takes advantage of the data and knowledge of each client to encourage them to return to Amazon and buy, increasing their loyalty and reducing marketing costs.	Without data or Hotel Data , no hotel is able to generate loyalty via a direct channel. If a guest returns in the future, they go through the same commissioned channel that they used the last time.
Does not pay commissions for returning customers.	Pay high commissions for returning guests each year.
Able to recognise and identify a returning client automatically.	Hotel management systems are not designed to identify and measure expenses incurred on returning guests who come back to the hotel. Returning guests are often not identified.
Has an infinite number of automated and personalised communications that link Amazon with each client, increasing brand visibility and loyalty.	As there is not enough " Hotel Data " they do not invest in automated marketing systems.

Without a doubt, businesses like Amazon have a great advantage, given that 100% of their trade takes place via their own direct channel, without the need for intermediaries.

The hotel industry does not work with intermediaries by choice. Correctly managing the occupation of a hotel or chain requires a great deal of planning, knowledge and relationships with different sales channels.

If we were to interview 100 hotel owners, it is very unlikely that any of them would tell us that they are not interested in significantly increasing the number of bookings made through their direct channel, at the expense of bookings made via commissioned channels. The result would be a reduction in commissions paid, obtaining a greater margin for their business.

However, applying what Amazon does to the hotel industry is not simple, and requires investment in digital technology, changes to internal processes, establishing a client loyalty culture and digital planning and transformation. Many hotel brands have made the step, especially large, global chains. They have the economic resources, the appropriate digital departments, developed strategies and planning and the necessary belief that their effort and investment will be rewarded with direct sales, client loyalty and many more benefits.

Example of Hotel Data applied to boost direct sales to returning guests

The majority of large chains have both invested in internal technology and acquired generalist technology such as Salesforce, HubSpot, or SAP Hybris. These systems are the most suitable for getting the most out of **Hotel Data**.

They are all able to generate complex automated decision trees so that the correct campaign or communication is activated when a specific event occurs. Each sequential tree requires a certain amount of time invested to create the different casuistries, apply the necessary rules, and of course, generate the design and text of the communication templates in question. They are important investments both in terms of technology acquired and the time spent every month implementing the digital strategy in each decision tree based on behaviour, tastes, consumption data, etc. However, when these are applied correctly, they can bring great benefits.

What is the most important variable that determines whether all of the above will end up delivering benefits or not?

At this level, without a doubt the answer is **Hotel Data**.

A top-level hotel chain has an 80-20 bookings composition. In other words, 80% of their sales come from commissioned channels and 20% of bookings are made via their direct channel. It relies on the strength of the brand, the great investment made each year, not only in Google Adwords, but also in specialised magazines, on television and on social networks. The fact of having hundreds of properties across the world is also a very efficient brand visibility strategy.

We will now calculate an estimation of the potential of Hotel Data that a chain of 400 hotels could generate every year.

Other data to consider:

Average number of guests per booking	2
Average length of stay per booking	5
Average annual occupation percentage	75%
Total number of rooms	65.000
Average number of days the hotel is open to the public	270
ADR (Average Daily Rate)	95,00 €
Value of the average booking	475,00 €
Commission of indirect channels	18%

For this reason, the estimated number of guests that stay every year is 5,2 million.

If we apply the 80-20 rule:

- Guests who booked through commissioned channels: 4,1 million
- Guests who booked through the direct channel: 1,1 million

Hotel Data of guests who booked through commissioned channels

The 4,1 million guests coming who booked through commissioned channels are not going to generate **Hotel Data** directly. The main reason for this is that these channels store, and do not share, the **basic block** of data that **Hotel Data** is made up of with the hotel (verified email address, nationality, age, language, gender, GDPR status), but they do share other data that will be part of **Hotel Data** in the future. However, without the basic block, this extra data has no value because it cannot be activated from a digital marketing point of view.

This second block or complex block of **Hotel Data** data, also known as the **transactional data block**, is normally extracted from the PMS, from data stored in a structured way, from the data source, and many other factors.

First of all, data comes from an intermediary channel (OTA's, tour operators) that in turn are directly transferred to the hotel or Channel Manager. At best, we will obtain the following informa-

tion about each guest: booking channel (Booking.com, Expedia, direct web channel, tour operators), type of room, type of board (half board, all-inclusive etc.) number of adults in the booking, number of children in the booking, extra expenses during the guest's stay, etc.

As we have already mentioned, part of the data comes from the intermediary channel itself, which sent certain information to the hotel. This information, depending on the integrations between the Channel Manager and the PMS that the hotel has, will have been automatically dumped to the PMS. If this is not the case, it will have to be entered manually by hotel staff. If the second scenario is the case (much less likely in the case of a top-class chain), the possibility of generating **Hotel Data** with bookings from commissioned channels is reduced to almost zero.

Faced with the situation of commissioned channels, how can we generate Hotel Data from the basic block?

As we already know, all bookings from commissioned channels do not generate **Hotel Data** from the basic block because they do not share information with the hotel under any circumstances. The hotel has the following remaining alternatives:

■ Manual data collection during check-in or check-out:

This process has many disadvantages, because it involves asking the guest for personal and contact information at a sensitive time, and this generates stress. At the moment of check-in, the guest just wants to go to their room, or if they are leaving, they wish to get into a taxi and get to the airport.

In addition, this information is often collected on paper and not in digital format (except for cases where pre-check-in, kiosk check-in, or cardex signature using a tablet are available). In any of these cases, there is nothing to guarantee that this will be filled in, as it is neither obligatory nor necessary for the guest.

The result is often significantly lower than expected, and we have never generated above 10-15% of Hotel Data using this method. This is also raw data. If we subjected the data to a verification test, we would normally be left with an efficiency rate of 3-5%.

■ Automated Hotel Data collection:

This is the most efficient formula, and will help us to obtain between 60-95% of all **Hotel Data** available on all bookings from commissioned channels, information that was not originally transferred from the original channel to the hotel.

Gathering this information in a completely automated way allows us to validate email addresses in real time, approve the GDPR status of each guest, and obtain other **interesting data touch points**: level of guest satisfaction, countries that they travel to, type of hotels they stay in, type of phone they use, number of visits to the hotel brand in the past and much more.

Everything is obtained without the need to involve the Reception department in each hotel, liberating staff from uncomfortable and inefficient tasks, because this is neither the time nor the place to request this information from guests visiting the hotel. **The automated data collection tool is installed in the hotel WiFi**. All guests will want to connect to the WiFi at some point, and this is when we will ask them to register in order to access and browse.



To see an example of this process, **watch this video**:

<https://youtu.be/7dZZrIPZOnU>

If we do not apply any of the former methods, the **Hotel Data** obtained from bookings and guests who booked through commissioned channels will be zero.

In the most optimistic case, if we apply **Hotel Data** collection from the basic block manually, from 4,1 million guests we will obtain **Hotel Data** from 200,000 guests.

In the worst-case scenario, if we opt for automated data collection, we will obtain **Hotel Data** from more than 2.5 million guests.

What can be done to obtain 95% of Hotel Data as opposed to 60%?

Obtaining this amount of **Hotel Data** depends on several factors. Those which have a positive impact are the following:

- Working with **tools that are specifically designed for the hotel industry**, such as those offered by <https://hotelinking.com/en/>.
- **Quality of the WiFi infrastructure**. If we have a good infrastructure, with coverage all over the hotel, the experience is good and word of mouth within the hotel will be positive.
- **Internet** bandwidth allows fast browsing. If we have little bandwidth, users browsing will have reduced speed and this will generate negative word of mouth within the hotel.

It is easy to obtain more than 85% of Hotel Data if these three elements are at the centre of the strategy.

Hotel Data of guests who booked through the direct channel

In our example we have 1,1 million guests booking via the direct channel. Provided that someone makes a booking via the company website, or the call centre, a real email address will be provided, as this is needed to confirm the booking by email. However, this does not mean that the email addresses of all other members of the booking party are provided.

Even though the data gathered through a booking engine or call centre is stored directly by the hotel in their systems and there are no intermediaries involved, they will not always cover 100% of the basic block of the **Hotel Data**. As it is a booking process, the data that is of interest to us from a digital marketing point of view is not usually requested. It is common knowledge that optimising an e-commerce sales channel is complicated and is often linked to asking the guest for the minimum amount of data possible to prevent causing tension and reduce the number of abandoned e-commerce baskets.

Considering that the average number of guests per booking was 2, and given that data was only collected from the guest making the booking during the booking process (because the booking only names one person and they just select the number of additional guests - extra information on these extra guests is rarely added during the booking process), we must divide 1,1 million guests in half to obtain the real number of **Hotel Data "points"**. Consequently, we will obtain half (550,000).

The complication often arises when consolidating different information silos.

On one hand, we collect via a booking engine and on the other, we collect manually in the PMS. One of the great challenges that digital marketing departments (or in their absence, external marketing agencies) are facing is specifically the consolidation of data and its automated exportation to email marketing or CRM tools.

If we work with different information silos that are not interconnected, without two-way traceability of the GDPR status of each guest, without the capacity to effectively detect duplicates and without an automated data flow in real time, **tasks will become very complex and will eventually be abandoned.**

To combat the leak of **Hotel Data** of guests who booked through the direct channel, we will have to proceed in the same way as mentioned in the previous steps, **the most effective way being automated Hotel Data collection.** This way, we will prevent the loss of **Hotel Data** corresponding to those accompanying the guests who made the bookings.

For this reason, according to the implemented strategies, we will have several possible results, which are shown in the following table:

Strategy	Hotel Data generated	Potential sales from returning guests, direct web channel generated by Hotel Data	Annual saving in commissions for returning guests via the direct channel (*)
Without manual collection at Reception - Hotel Data only from direct sales guests	10,5% (550,000 of 5,2 million)	2475 bookings x 475 EUR = 1,2 million EUR	172,800 EUR
Manual collection at Reception + Hotel Data of direct sales guests	14,5% (750,000 of 5,2 million)	3375 bookings x 475 EUR = 1,6 million EUR	230,400 EUR
100% automated collection in pessimistic scenario: 60%	60% (3.1 million of 5,2 million)	13,950 bookings x 475 EUR = 6,6 million EUR	950,400 EUR
100% automated collection in optimistic scenario: 95%	95% (4,9 million of 5.2 million)	22050 bookings x 475 EUR = 10.4 million EUR	1,497,600 EUR

(*) To calculate how much has been saved in commissions, we have kept the same proportion of direct sales, of 20%. Therefore, if we subtract 20% from 10,4 million EUR, we will obtain a result of 8,3 million EUR of sales coming from commissioned channels initially. Thanks to automatically captured Hotel Data, its improvement and email marketing strategies, 17,640 bookings of returning guests have been diverted to the direct channel, meaning that 1,497,600 EUR have been saved in commissions (considering an average commission saving of 18%).

If we look at the above table, we can quickly understand the importance of **Hotel Data**, both in terms of volume and quality. The third column is an estimation based on our experience of how quality Hotel Data and an appropriate email marketing strategy can lead to obtaining an average of 450 bookings for each 100,000 **Hotel Data “points”**.

With the same marketing strategy, the same Drip Email, Email Marketing or CRM tools and the same sequential trees, we will obtain completely different results if our **Hotel Data** does not provide the near optimum volumes (60-95%) of the guests who have visited our establishments.

Enrichment of Hotel Data to obtain more specific segmentation

There are different information silos in a hotel, and these can be very useful when making **Hotel Data** increase in value.

We have previously learned the difference between two types of components that make up **Hotel Data**:

- **Basic block:** verified guest email address, nationality, age, language, gender and GDPR status (the guest confirms whether they wish to receive communication or whether they do not wish to receive it).
- **Transactional block:** in this case we will be able to add all attributes that increase the value and knowledge of each guest to the basic block.

To improve the transactional block, we have 2 main sources of enrichment:

- Automation and Big Data systems
- Hotel PMS

Automation and Big Data systems.

One of the tasks that we will have to plan after automating the generation of **Hotel Data**, is its activation to generate value.

We can use different tools (HubSpot, Salesforce, SAP Hybris, Mailchimp) to activate **Hotel Data**. However, we recommend using standardised systems such as **Hotelling** (both the automated generation of **Hotel Data** and its automated activation is done using the same tool).

The main difficulty of using different systems for each task is the integration of **Hotel Data** in real time. We will encounter an added level of complexity, with elevated costs and a specialist team will have to invest a significant amount of time. For this, we recommend using specific tools that solve these problems specifically, without unnecessary added complications.

The activation of **Hotel Data** consists in generating automated communication which is as personalised as possible, at the right time.

Later on, we will look at each area in more detail and develop them to have a better understanding of how we can obtain positive results in each of them:

- Internal and online hotel reputation.
- Promotion of the hotel brand.
- Linking and recognition of the hotel brand and its guests.
- Loyalty and deviation of returning guests towards the direct channel.

Automated communication that activates **Hotel Data** is usually sent via email.

Thanks to the automations implemented in the aforementioned areas, a series of examples with some of the attributes or labels that we could add to the transactional block are:

- Level of guest satisfaction.
- Countries that the guest has travelled to on holiday or on business.
- Is the guest active or inactive when they are sent communications?
- Is it a returning guest (including the number of visits)?
- Does the guest recommend the hotel to their friends on social media?
- Brand of smartphone used.

Hotel PMS.

This is an interesting source of attributes and labels to complement the transactional block. However, we must consider that the data existing and stored in the PMS is not always structured and ordered for effective use.

The main factors that can mean that the data in our PMS is not always useful is:

- The data is introduced manually, leaving fields incomplete, generating human errors when it is introduced.
- A universal criteria is not followed to designate one same attribute. For example, on many occasions we see that in the PMS Cardex, the 'gender' field generates different criteria within the same hotel (man/woman, M/W, M/F). The lack of a universal criteria means that the attribute should be rejected, as it would cause confusion and damage the guest profile. We could attempt to resolve this manually but as there are thousands of records to rectify, the task is often not done.
- The data is not imported automatically from reliable data sources.



What could we do to quickly improve the usefulness of PMS data?

- **Integrations that mean that booking data can be downloaded directly from the Channel Manager to PMS.** We would completely eliminate the need for human interaction, therefore avoiding incomplete fields and unnecessary errors. It is important to check that the integration of data downloaded to the PMS specifically includes the fields that we want to consolidate in the Hotel Data transactional block later on.
- **Use of OCR's in the check-in process.** The use of scanners for documents integrated with the PMS Cardex is a very effective way of achieving automation in the importation of our guests' personal data.

Examples of some of the attributes or labels that we could add to the transactional block thanks to data stored in the PMS are shown below:

- Booking channel (Booking.com, Expedia, direct web channel, Thomas Cook, etc).
- Is the guest travelling alone or accompanied?
- Booking with children.
- Booking with infants.
- Number of days between the date that the booking was made and the check-in date.
- Extra expenses incurred during the guest's stay.

Ultimately, the transactional block will allow us to segment with much more precision. Personalisation means better opportunities to communicate with each guest without being invasive, because we are adapting to each of their circumstances. It generates a stronger link between the guest and the hotel brand thanks to the perception of the latter, as communication is sent with a high level of tact.

Areas to develop Hotel Data with greater positive impact in the hotel

This course focuses on the use of **Hotel Data** in the context of guests who are staying in or who will stay in the hotel. For this reason, we can deduce that the objective is focused on everything that is related to **improving the relationship between the guest and the hotel brand**, with significant impact in the following areas:

- Internal and online reputation of hotel thanks to guests' opinions.
- Promotion of the brand thanks to the guests' recommendations on social networks.
- Linking and recognition of the hotel brand and its guests.
- Loyalty and deviation of returning guests towards the direct channel.

To implement automated communication that strengthens the main areas of impact of **Hotel Data**, we will need tools that will allow us to generate decision trees and automate communication for events.

We have previously mentioned different tools. We can differentiate between the following examples:

- **Automation tools that do not generate Hotel Data** (not specifically designed for the hotel industry, otherwise known as generalist).
- **Hotel Data generation + Automation tools** (specifically designed for the hotel industry).

Automation tools that do not generate Hotel Data (not specifically designed for the hotel industry).

These are tools designed to cover all industries or sectors. For this reason, they must offer functionalities that satisfy all types of user.

Why not focus our efforts on one specific sector and therefore be able to offer functionalities that are much more specific? Opting for a niche (hotel, catering, fashion, etc) is not as simple as it seems. It requires thorough knowledge of the industry, its entire ecosystem and specific problems. It requires experts in a category or specific industry, who wish to dedicate their professional experience and career to developing a specific product. Finally, the expert or group of experts must be passionate about a specific sector, and apply this passion to a product. For good or bad, many boxes need to be ticked before a product can reach the market. It is much more common to develop functionalities that do not require such specific "expertise" and can cover different sectors at the same time without developing all the specific functionalities of each industry.

We can differentiate between two categories in turn according to the grade of functionalities:

1- Basic for small businesses:

Mailchimp, MDirector, SendPulse, Omnisend, Drip, AWeber, GetResponse, etc.

In general, these are very good tools for initiating in email marketing. They allow data importation, drag and drop email design, segmentation and basic automation, and analytics of each campaign. These are generalist products and have therefore not been

developed specifically for the hotel industry.

Pros: reasonable price and easy to learn and use.

Cons: no integration with booking engines, so we can therefore not carry out sales tracking on the guests. We can only measure sale via UTM. As a consequence, if the final last campaign sent resulted in 15 bookings, we cannot know which are returning guests, and when the next campaign is sent we cannot extract these guests to prevent them from receiving it. This creates a significant disadvantage because the guests who have already booked become uncomfortable and they end up unsubscribing because they become irritated by the incessant number of campaigns that they receive. Another disadvantage is that they do not generate **Hotel Data**, and therefore the information must be imported manually each time. Such a lack of coordination leads to the task becoming tedious, and can result in it being neglected, the database left without being updated, and ultimately, poor performance. Finally, none of the aforementioned tools has incorporated automations that cover the main areas of impact.

2- Advanced for large companies:

Salesforce, HubSpot, SAP Hybris.

These are tools that allow advanced segmentation and automation with very specific decision trees, but require a lot of investment, both in terms of the product and personalisation. On many occasions, to reach the desired level of personalisation, advice must be sought from a specialised outsourced expert.

Pros: ideal for hotel brands that have expert email marketing staff, or in their absence, a specialised, experienced digital marketing agency.

These tools allow greater precision in terms of automation and segmentation, and allow us to extract the maximum amount of **Hotel Data** (provided that there is professional email marketing

planning).

Cons: the same disadvantages as the basic tools, as they are also generalist tools and not specifically designed for the hotel industry. In addition, there is pressure due to their elevated cost. It will therefore be necessary to have a greater return if we want all the effort involved to tip the balance towards the positive.

Hotel Data generation + Automation tools (specifically designed for the hotel sector).

In this case, we will talk about tools that have been designed by experts in the hotel industry, who have thorough knowledge of its casuistries and the ecosystem of this industry, which is both exciting and complex at the same time. As this product is not useful for any other industry, it will grow with the specific needs of the hotel industry client, creating a perfect machine on a month to month basis (very different from the capacities of a similar, generalist tool).

Pros: the main advantages are related to the interconnectivity of **Hotel Data**, without the need to export and import manually or use resources to generate integrations between different systems without any apparent need. We will have all the **Hotel Data** generated in real time, available in the automation module of email communications. Also, incorporated automation strengthens the main areas of impact of **Hotel Data** (that we will go on to develop).

For all personalised communications (commercial campaigns, decision trees for events) we will be able to use advanced sales tracking for returning guests. This is vital to apply the most important filter of all: excluding guests who have made a booking following a recent sent campaign from further emails. **A guest who responds to our communications positively and books directly on the company website is like gold dust.** There is nothing more negative than not being able to exclude guests who have recently made a booking from the following campaigns due to lack of information and appropriate integrations to generate precision tracking. We would lose the trust of our most valued returning customers, tarnishing the brand's reputation and losing a cherished customer forever.

Cons: requires a top-quality website and booking engine. One of the most important requirements is that the booking engine must admit the implementation of Google Tag Manager. If this is not the case, it will not be possible to carry out sales tracking on the guests

Get to know the leading tool on the market:

<https://hotelinking.com/en/>.

As we have been mentioning up until now, once we have a large volume of **Hotel Data** (the closer we get to having 100% of the total of guests who visit the hotel, the greater the impact we will generate) we will be ready to activate the automations that have an impact on the main areas.

Internal and online reputation of the guest for the hotel.

One of the most important areas that we can have an impact on with **Hotel Data** and automated communications is customer satisfaction, which directly affects the hotel's reputation.

By establishing specific, automated communications, we can resolve one of the main problems that every hotel has to face every day. According to a study carried out by Cornell University about TripAdvisor, a high percentage of the negative opinions published on TripAdvisor about each hotel are posted while the guest is still in the hotel. Therefore, the majority of negative comments published on TripAdvisor have been written while the guest still feels outraged about something. What the guest is actually trying to do is vent their anger and cause as much damage as possible to the property.

When the hotel manager reads the guest's negative comment, and realises that they are still in-house, the most common scenario is that they will go and speak with the guest to try and solve the problem on-site. The majority of problems can be solved with a room change, an upgrade, or simply by talking calmly. The comment and score published by the guest would be different before and after speaking with the hotel manager directly. Many negative opinions are unfair and do not reflect the real reputation of the property.

The most intelligent way of solving this problem is to create a system to measure the internal satisfaction of in-house guests. This way, the guest receives an automated email communication in their language minutes, hours, or days after they registered on the WiFi and their **Hotel Data** is captured. In the received communication, they will be asked to score their level of satisfaction from 0 to 10 and leave an open comment. This way, we will drastically reduce the number of negative opinions posted on online

portals such as TripAdvisor, Zoover, TopHotels or HolidayCheck.

The dissatisfied and angry guest will leave their negative comments on the hotel's internal reputation tool. The tool will also be able to alert hotel managers so that they can take immediate action in cases that require urgent attention.

By improving communication between guests and hotel staff, we will improve global satisfaction in the property, but most importantly this will be done before the guest leaves the hotel.

Improving customer satisfaction is key in every hotel. It has been proved that a small change to TripAdvisor scores has a direct impact on 10 or more percentage points by reducing or increasing sales, depending on whether the score has improved or got worse. **To improve ranking on TripAdvisor, one of the most important actions is receiving a constant flow of opinions.** Of course, TripAdvisor does consider former opinions, but those that have the most impact are the more recent opinions. It is easy to imagine that the number of positive opinions is key to climbing up in the rankings.

How can hotels reach the position that they deserve in online reputation rankings?

To increase the number of opinions published on TripAdvisor for example, we will use one of the automations incorporated in the specialised tool offered by **Hotelinking**, that can send a specific communication automatically to each guest when they check out. This email asks them to publish their opinion on the online reputation portal.

If the generation of **Hotel Data** has been completed correctly, almost every guest will receive an email, politely asking them to post an opinion. On average, the increase in publication of opinions will exceed 400%, and the effects of this can be measured a few months after the implementation of this process.

Many hotels rise 10 to 20 positions during the first 3 months. The great change caused by the productive generation of Hotel Data and the activation of internal reputation automations during a guest's stay and post-stay to generate new opinions will have a very positive impact on the global commercial strategy of all hotel brands.

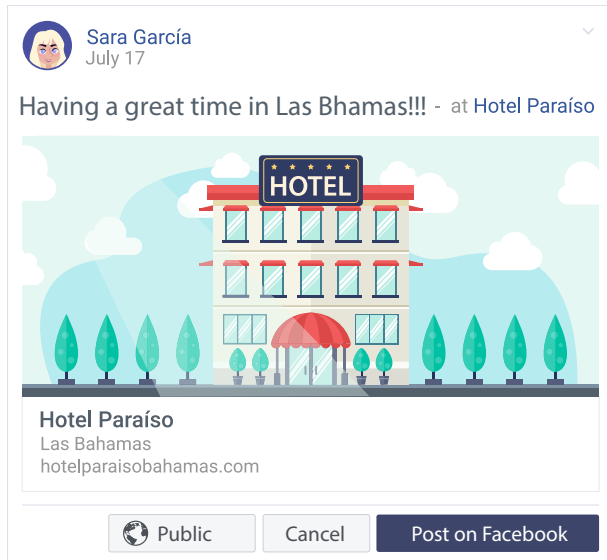


Hotel brand going viral thanks to guests' recommendations on social media.

Social media channels are inundated every week with millions of photographs of travellers enjoying their holidays with the hotel that they are staying at in the background. Naturally, guests share details of their holidays with their friends and followers. However, in many publications, guests give no information about the hotel brand, because they are spontaneous publications.

Imagine if we could significantly increase the number of publications and also control the content that guests publish about the hotel?

Taking advantage of **Hotel Data** once again, we can automatically make thousands of travellers staying in the hotel publish a Facebook comment such as:



How is this possible?

This is an automated and seemingly simple process, but as an essential ingredient we will require the implementation of a tool such as **Hotelinking**.

During the automated process to generate **Hotel Data** via WiFi (1), the guest will be offered the option to share an opinion about the hotel. This is completely automated thanks to the existing integration with Facebook. Previously, the aspect of the publication was configured to control text and images. The ratio of publications will reach an average of 40%, generating hundreds of publications each month for an average 100-room hotel.

What do posts lead to?

En realidad en dos beneficios totalmente medibles.

The first is **brand impressions on Facebook**. Impressions on social media equal the number of times that a social media user has seen a publication (regardless of whether or not they have interacted with it).

The second is the **generation of clicks on the hotel brand's corporate website**. Each click corresponds to a friend or follower of the guest who has published on Facebook, who will often become future guests thanks to a publication that has gone viral.

Linking and awareness of the hotel brand and its guests.

One of the main problems in the hotel industry is the low awareness that guests have of brands. It is easy to remember brands such as Marriott or Hilton because of their great brand strength, but around the world there are also thousands of independent hotels and hotel brands. This is overwhelming for any traveller! Sometimes even the brand or hotel name is different from the group brand, making it even more difficult for guests to make the connection

How can we solve this problem with Hotel Data and automation?

Without **Hotel Data**, the hotel brand has no way of communicating with its guests. For this reason, if we consider a situation where **Hotel Data** generation is implemented, the strategy to follow is to communicate with guests from the first moments to get them used to receiving communication from the brand.

The ideal situation is to take advantage of communications for events, sending personalised emails to each guest at the right time. This way, we will build a relationship of trust between the hotel brand and the guests. If we attempt to bypass the building of a relationship of trust and directly send commercial campaigns, we will be much less successful.

What are the best examples to build a relationship of trust?

- Automated welcome gift when the guest connects to WiFi.
- As we have seen before, ask the guest for their level of satisfaction during their stay.
- Communication thanking them for their stay.
- Post-stay email requesting an opinion on TripAdvisor.

- Email wishing the guest a Happy Birthday with a reward to redeem on the company website.
- Welcome email for repeat guests.
- Automated reward communication depending on the number of visits that the returning guest makes.
- Promotion of activities taking place during the guest's stay.
- "Cross-selling" e-mails during stay.

The intention of these emails is obvious. No email is badly-timed, as long as the recipient expects to receive communication from the brand. If we do not recognise the brand, have forgotten it or are not familiar with it, we cannot expect very successful results. However, to make guests gain brand awareness and to ensure that there is a relationship of trust, the relationship must be built gradually and without commercial aggression.

Advice to consider when sending communication to guests:

- **Domain reputation.** It is easy to get a poor reputation, and even more difficult to turn this into a positive one. By clicking on this link: <https://postmarkapp.com/blog/how-to-check-your-domain-reputation>, you can learn everything about domain reputation and how to do a test.
- **Always send communication from the hotel brand domain itself.** Never use the domain of a digital marketing agency. It is important to maintain traceability between the links of the email and the domain that the email has been sent from.
- **Comply with the main rules when designing and scheduling an email to avoid SPAM filters.** Mailchimp for example offers the following guidelines: <https://mailchimp.com/en/resources/avoid-spam-filters/> or we can see these other ones: <https://www.yesware.com/blog/email-spam/>

- **Pay special attention to the subject of the email, as this is the first impression.** It is an important variable that affects the amount of emails opened together with brand awareness. An opening rate of 65% is considered standard when the relationship between the hotel brand and its guests has been built appropriately.
- **Always give the option to unsubscribe** in each communication.

Loyalty and deviation of repeat guests' bookings towards the direct channel.

This section is worthy of a course of its own, because it is one of the areas with the greatest impact and interest for the hotel, since it generates new bookings on the direct channel and consequently saves commissions.

Communication in this case is personalised and segmented. For this, it will be necessary to have all of the following:

- **A large volume of quality Hotel Data** (enriched from the aforementioned main sources of Hotel Data from the transactional block). It is very important to have the booking channel used (Booking.com, Expedia, TUI, etc.) because without this specific piece of data, it will be impossible to measure the value of bookings from returning guests that have changed from the commissioned channel to the direct channel.
- **Personalised communication automation tool or CRM focused on the hotel industry** (otherwise, the aforementioned potential disadvantages will become a reality). If no specific sales tracking integration into the booking engine exists, it will not be possible to link sales to each returning guest. As a consequence, it will be impossible to use the filter to exclude guests who have recently made a booking from future campaigns.

- **Professional planning of the email marketing plan.** If we put ourselves in the hands of digital marketing agencies that are specialised in the hotel industry, or “in-house” experts with prior experience who can prove plausible results in the sector, the result achieved will be less than what we expected. This last point is key to extracting as many bookings as possible via the email channel, but always keeping each Hotel Data contact healthy. For this, it is important to segment, create communications with quality content, comply with all established sending and SPAM rules, keep automated control of those who have unsubscribed and ensure that guests who have booked do not receive communication in the upcoming 6 months.

Test to identify quality Hotel Data in hotel systems (PMS, Booking Engine, Data Warehouse)

In the process that will help us to know exactly how much Hotel Data we have, we will first need to export a history of all unique contacts that we have, for example in the PMS, to Excel or CSV.

We can order the differentiated Excel by columns with fields of the basic block and then with fields of the transactional block.



Download example Excel:

<https://hotelinking.com/docs/Datamatch-Fields-Hotelinking.xlsx>

It is important to wipe duplicates, one of the most important challenges that the hotel industry faces in terms of the consolidation of databases.

At the same time, we must make a calculation to have a figure that is close to reality, representing the number of guests that

have stayed in the hotel or chain during a complete year.

Once we have the Excel, we will apply a filter that will only show us the rows where the email address field is not empty.

We will compare the history filtered by the email field “exists”, with the calculation of the total number of guests per year multiplied by the number of years corresponding to the history. This way, we will be able to know what percentage of raw **Hotel Data** has been obtained historically, versus the total number of guests that have stayed before.

Example:

Hotel chain	3 hotels
Total number of rooms	790
Average number of guests per booking	1,5
Average stay per booking	3
Average annual occupation percentage	75%
Average number of days open to the public	365

For this reason, the estimated number of guests staying each year is 108,000.

After the exportation from the PMS to Excel we will obtain a history with 540,000 contacts, representing a total of 5 years.

After applying the filter so that we only see contacts with an existing email address, only 81,000 contacts will remain of 540,000 (15%). This is a fairly common scenario.

However, our work is not yet complete. Many more email addresses have surely been obtained manually and come from bookings directly generated in the booking engine. The email ad-

dresses coming from booking engines are often of a high quality, as they have not been handwritten in the PMS, and also the guest who made the booking most certainly entered a correct email address, given that they are they are interested in receiving confirmation of their booking by email. It is vital to verify the email addresses to ensure that the domain reputation is not damaged when the first campaign is sent.

There are many services available to verify email addresses, and this is one of them: <https://neverbounce.com/>. After passing through a checker, we will obtain the final figure available as net **Hotel Data** that could then be directly imported to the CRM to be able to begin activating it.

In our example, after verifying the email addresses we can see that 38,000 could not be verified. Finally, the net **Hotel Data** is 43,000, in other words 7% of the total number of guests staying over 5 years.

*The percentages of Hotel Data vs. total number of guests
Who historically stayed in the past can vary for different
reasons, but without an appropriate
Hotel Data generation tool,
it will be difficult to get successful results.*

Common problems that prevent a Hotel from generating Hotel Data

Many factors can prevent a hotel or chain from generating **Hotel Data** in sufficient volumes and quality. This is mainly because of the 80-20 rule, or even 90-10 depending on the characteristics of the business.

When we talk about 80-20 it refers to 80% of all bookings being made through commissioned channels (Booking.com, Expedia, Thomas Cook, TUI) while only 20% of bookings are made through the direct channel.

By nature, the commissioned channels only share information related to the booking, and not data that is useful and actionable from a digital marketing point of view.

20% of bookings from the direct channel are able to generate Hotel Data, because the data does not pass through intermediaries. We have to remember that 20% corresponds to the total number of bookings and not to the total number of guests. De-

pending on the type of hotel (urban, resort, mountain) the number of guests per booking can vary considerably. Therefore, 20% in bookings does not necessarily mean the generation of 20% of **Hotel Data**. In reality, it will often be less.

Remember that **Hotel Data** is made up of two blocks of data: basic and transactional.

Example of data that could be part of the **basic block**:

- Verified email address
- Nationality
- Age
- Language
- Gender
- GDPR status

Example of data that could be part of the **transactional block** (can greatly vary depending on the data source):

- Booking channel (Booking.com, Expedia, direct web channel, Thomas Cook, etc).
- Is the guest travelling alone or accompanied?
- Booking with children.
- Booking with infants.
- Number of days between the date that the booking was made, and the check-in date.
- Extra expenses incurred during the guest's stay.

Other significant causes preventing the generation of Hotel Data:

- Data capture in Reception during the check-in process. This is a widespread, much-used method in many hotels. The main disadvantage is that it is a manual method, rather than a digital one (normally via a paper form), which could lead to human error and data loss.
- Only data of the booking holder is collected, and information about those accompanying them is never collected.
- Data collected prior to the implementation of the GDPR rendered useless, because it was not collected in compliance with Data Protection laws.
- No automated Hotel Data generation tool.

How much Hotel Data is required to obtain results that have an impact?

To generate impact in the **Hotel Data** universe, it is not just about quality, but also quantity.

We have to analyse it with the idea that the entire volume of non-generated **Hotel Data** that takes us away from 100% of the total number of guests visiting the hotel each year is a leak of resources.

While reaching 100% is a difficult target, managing to generate 80% or more of **Hotel Data**, is not impossible.

With the right strategy and tools, this is totally realistic.

What are the next steps to begin generating Hotel Data automatically?

First we need to evaluate:

- WiFi offered free of charge throughout the property.
- The Internet bandwidth is sufficient to guarantee a good service to the number of repeating users in the property.
- The WiFi infrastructure is in perfect condition, and the Access Points, cabling, Hotspots and hardware in general do not present anomalies.
- Weekly WiFi maintenance plan.

Ideally, the following must also be considered:

- There is a WiFi infrastructure monitoring system that can detect faults and quickly resolve them.
- Within an organisation generating impact with **Hotel Data** is of paramount importance. For example, increasing bookings of returning guests via the direct channel.

From Hotelinking we put our experts at your disposal to thoroughly study a Hotel Data project, depending on the needs of each client.

Do not hesitate to contact us:

✉ sales@hotelinking.com
<https://hotelinking.com/en/contact/>

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