

OMNI-CHANNEL

STRATEGIES FOR HOTELS



INTRODUCTION

The digital revolution brought many changes to the customer service landscape over a short period of time. Many retailers were quick to embrace the new ways their customers sought to communicate with them. With the advent of the internet, customers wanted to shop online and seek assistance from customer service representatives over email and social media. Today, many of the world's most prominent brands have teams dedicated to social media, and with good reason; according to Google research, 71 percent of in-store shoppers say their mobile device has become more important than their in-store experience.¹

This approach to customer service is commonly referred to as omni-channel. It's a seamless guest experience across traditional and digital communication avenues at every point of the customer journey, whether it's for research, purchase, or customer service. For example, a

customer might browse inventory online, then choose to buy in-store, or vice versa. Some guests also prefer to tweet at brands rather than call a help line.

Today, travelers are increasingly using their mobile devices to research their trip, book their accommodations, manage their travel plans, and more. This is why it's so important for hotels to adopt omni-channel strategies and connect with their guests digitally as well as through traditional means. One-third of guests would rather communicate by text than by voice²; hotels that do not have an omni-channel strategy in place risk losing them to the competition.

This white paper will outline exactly what an omni-channel strategy entails, why text and mobile engagement is an essential part of it, and how to brand text communications for a seamless guest experience.

OMNI-CHANNEL FAST FACTS

- ▶ One-third of consumers would rather send a text message than call.³
- ▶ Texting now outranks calling as the predominant form of communication for Millennials.⁴
- ▶ The average American spends 26 minutes per day texting, but only six minutes on calls.⁵
- ▶ Retail brands that have omni-channel strategies retain 89 percent of their customers.⁶
- ▶ Brands that have omni-channel strategies average a 9.5 percent year-over-year increase in annual revenue, versus just 3.4 percent for those that don't.⁷

THE ELEMENTS OF OMNI-CHANNEL

A strong omni-channel strategy has many interconnecting parts. These parts include not only the channels that customers can use to communicate with a brand, but also the channels they can use at various points of the customer experience. A customer, for example, might browse products on the brand's website, but choose to go into the store to buy what they want. Or, in contrast, they might order the item online, then go into the store to pick it up.

COMMUNICATION CHANNELS

- ▶ **In-person.** The most traditional customer service channel. Customers interact with front-line staff face-to-face in the brand's brick-and-mortar location.
- ▶ **Telephone.** After in-person visits, the telephone is the most common way for customers to connect with the brand. Telephone communication has long been a key component of customer service.
- ▶ **On-site kiosk.** The kiosk continues to be a significant channel for engaging customers on-site. Whether as a tool for simplifying access to information, automating frequent requests, or requesting support, kiosk technology continues

to be relevant in many retail and travel scenarios.

- ▶ **Website live chat.** Now that most brands have a web presence, some of them utilize live chat windows where customer service representatives can assist customers with questions and purchases in real time.
- ▶ **Native app.** The app experience has become one of the most important means of engaging customers, particularly when tied to a loyalty or rewards program. The next phase of mobile app development includes the incorporation of real-time communication tools such as messaging.
- ▶ **Messaging.** Many brands are beginning to explore the possibilities offered by instant messaging apps, as well as including direct messaging within their own native apps. Facebook in particular has made it possible for brands to let guests make purchases through its Messenger app. Many brands are also tinkering with chatbots; however, the focus to date has been on opening a communication channel to a live person rather than a robot.
- ▶ **Texting.** Through texting, brands can reach customers as long as they have the correct phone number. Unlike instant messaging, there is no need for both the brand and the customer to have the same app downloaded.

CYCLE OF ENGAGEMENT

Within all omni-channel strategies, there is a cycle of engagement that exists with the customer. A typical cycle includes the following three phases:

- ▶ **Pre-visit.** Typically, the research phase. The customer has an idea of what they want and either browses the brand's website or calls the store to determine if they carry the desired product.
- ▶ **On-site.** For many consumers, on-site visits are the only step in the purchasing cycle; they accomplish browsing and purchasing all at once. Otherwise, if the customer has already done research on the brand's website, he or she may have additional questions they want to ask staff, or they may want to see the item for themselves before they make a purchase.
- ▶ **Post-visit.** In most cases, the customer won't have any need to follow up with the brand post-purchase. However, they may need to do a

return if a product is defective or not quite what they wanted. Depending whether the product was purchased in store or online, the customer will have to avail him or herself of one or more channels to get a refund. In other cases, the brand may wish to send marketing emails or post-purchase surveys to the customer to promote repeat business or gauge overall satisfaction.

OMNI-CHANNEL APPLICATIONS IN HOSPITALITY



Within hospitality, many lessons can be learned from the retail industry, and some major hotel brands are already taking note. The challenge is how to implement an omni-channel approach for smaller brands or independents. While budget may be a concern, the use of an omni-channel approach does not have to be expensive as long as the correct vendor is selected.

- ▶ **In-person.** Most hotels already have the in-person strategy nailed down. However, with the rising trend of guests relying on technology and not engaging with on-site staff during their stay, the use of this approach alone is not always as effective as it once was. Adding omni-channel best practices like the ones noted below can act as a door-opener for more in-person engagements, and should be viewed this way when implementing.
- ▶ **Telephone.** The second major channel of communication, the telephone, will continue to be a reliable tool for guests to use throughout the cycle of engagement. Again, most hotels have this channel mastered, though call volumes and required staffing are still a concern.
- ▶ **Website.** A property's website is its most powerful tool for pre-stay guest engagement and will continue to be one for many years to come. A website should help the guest understand your property, your brand values, and the experience they can anticipate while they're on site. Modern website design trends state that a hotel's website shouldn't be used solely for selling, but also to inspire the guest and promote booking.

▶ **Social media.** Many hotels have embraced social channels as a means to engage audiences. Thanks to in-app messaging on sites such as Facebook, it can also be used as a gateway for driving new and repeat business.

▶ **Review sites.** Engaging guests on review sites like TripAdvisor is yet another major channel for a proper omni-channel experience. Seventy-seven (77) percent of travelers always or usually reference TripAdvisor reviews before they commit to a booking.⁸ Responding to reviews and resolving guest concerns, if any, is important for maintaining ratings and ensuring a positive impression on guests during the pre-stay phase of the Cycle of Engagement.

▶ **Texting and messaging.** The new frontier for hotels is texting and messaging, and they are certainly the most cost-effective and sensible additions to the five main channels noted above. However, not all solutions are created equally. With the rise of messaging popularity across multiple channels (texting, direct messaging, Facebook, and Twitter, among others), along with directing guests to trip review sites, it is important to select a vendor who can offer a unified system for managing all communications.

A solid solution should be able to manage multiple texts, instant messages, and emails from a single platform to provide a single view of the customer and help you deliver a consistent brand experience. Having an integration with TripAdvisor for timely prompting of reviews is another way in which a proper messaging solution can benefit the hotel's repeat business.

▶ **On-site kiosks.** Kiosk technology has become increasingly popular, but it can also be the most expensive up-front investment, depending on the application. If you are considering the use of kiosks to gather guest sentiment or as a channel to ask questions or have guests request items, you should consider a vendor with an SDK in place. A software development kit (SDK, or devkit) is typically a set of software development tools that allows the creation of applications across multiple hardware platforms, computer systems, or similar devices. Before investing in new hardware, it is wise

to evaluate a vendor who can implement messaging or guest feedback tools into your existing tablets, touchscreens, or similar hardware on site. This allows you to engage with your guests with less initial investment in new hardware.

WHY TEXT IS AN ESSENTIAL PART OF ANY OMNI-CHANNEL STRATEGY

When you consider the fact that only one in 26 guests bothers to tell a hotel when they're having an issue at the property⁹, the need for omni-channel communication becomes more apparent. There are many reasons guests might choose not to voice their concerns, but chances are, at least a few of them stay silent because they do not feel comfortable approaching front-line staff in person or on the phone.

To get guests to speak up, it's important to give them the method of communication that is most convenient for them. An omni-channel approach of opening more ways to connect with you is key. As we've highlighted, one-third of guests prefer to text a brand than call. Failing to offer a texting or messaging option is the equivalent of ignoring one-third of your guest base, regardless of where they are in the Cycle of Engagement.

The purpose of hospitality is to cater to a guest's every need, within reason. Guests shouldn't have to go out of their way to communicate with the brand; the brand should make it easy to connect in whichever manner is most convenient for the guest during each phase of the engagement cycle.

Texting and messaging also allow guests to connect with a brand at any time, from anywhere. It allows them to research, purchase, and communicate with brands from one convenient location — their mobile device. As of 2015, average smartphone conversion rates are up 64 percent compared to average desktop conversion rates.¹⁰

As noted earlier, the ability to text or message with guests in real time from multiple channels will be core to future omni-channel guest engagement strategies. Having a unified experience or central inbox where all messages can be received and responded to simplifies this and helps with the branding of text communications, which we will cover next.

HOW TO BRAND TEXT MESSAGING IN AN OMNI-CHANNEL STRATEGY

Consistent branding across the entire Cycle of Engagement is key to a successful omni-channel strategy. Tone, style, and branding must all be taken into consideration and applies across all channels. The following tips will help you accomplish just that.

- ▶ **Identify tone.** The tone of text communications should match the tone used by your front-line staff when they interact with guests. For example, if your property is geared toward Millennials, the tone might be casual and hip, versus a fun tone for a resort that caters to families or an elegant, refined tone for a historic five-star hotel that appeals to affluent Baby Boomers.
- ▶ **Create a style guide.** Make sure your team members understand the grammar and style they should be using when communicating with guests over text. This will ensure that all text communication, regardless of who is interacting with the guest, will be consistent.
- ▶ **Ask your staff to pitch in with dialogue.** Communication that is partially scripted runs the risk of sounding stilted and false. Get your team members to help you write dialogue guidelines that will ensure text communication sounds natural and friendly to the guest.
- ▶ **Offer training to staff so they feel confident chatting in real time with guests.** Training videos and courses that give team members the opportunity to practice text communication with guests can give them the confidence they need to pull it off flawlessly every time.
- ▶ **Landing pages should be consistent with branding.** A hotel's mobile experience is an extension of its property and website. As such, the colors, fonts, logos, and photos should match those that the brand uses everywhere else.



While the above tips are helpful, the most basic and simplified approach for branding your text communication is to ask your team members to use the same language and urgency they would if answering the phone. Chances are, your team members know your guests better than anyone, and the quality controls and standards in place at your hotel should already reflect this. If you know your team gives great in-person or on-the-phone service to guests, then you should be confident that they will do the same with messaging. Just treat it the same way as you would any other channel.

CONCLUSION

Omni-channel is no longer the purview of retail brands alone. It is an approach that all brands, regardless of industry or audience, must adopt. Omni-channel gives today's customer the ability to connect with brands via the communication stream that appeals to them most regardless of where they are in the Cycle of Engagement. Especially in hospitality, an industry that revolves around giving guests an exceptional experience, this kind of strategy must not be underestimated.

ABOUT BENBRIA

Loop® by Benbria Corporation is a mobile messaging and engagement solution that helps brands to enhance the customer experience. Leveraging the customer's preferred choice of communications – texting, web chat, native app, email and kiosk – Loop® allows customers to communicate directly with a brand to make requests, resolve issues, and share their experience before, during, and after their visit. Closing the loop through on-the-spot staff action helps brands to improve customer satisfaction, save at-risk customers, increase revenue, and drive repeat business.

For more information, visit www.benbria.com.

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