



Spreading the word of Excellence in Hospitality

The phenomenal rise of social networks such as Facebook and Twitter increasingly influences the behavior of consumers who have never before been so active on these platforms which allow them to socialize, get informed, consume and interact with their favorite brands. In a world which is reinventing itself around the all-important consumer, what opportunities present themselves to the hospitality industry, and how best to seize them?

This article's aim is to allow the reader to better understand the potential behind social networks and to raise awareness of the challenges facing the societies which are most exposed to them.

Welcome to a changing world

The world is changing, literally reinventing itself under the pressure of social media.

Totalling together more than 800 million members, Facebook and Twitter are the best examples of the rise of social media. Every day more influential, these social media sites are the places of choice for many brands to be followed and liked by fans.

In the midst of the social media revolution, a new generation of consumers has appeared with a lot more power and reach than ever before. Highly influenced by the lifestyle of digital natives or Millennials, the social consumers get their information from social media sites like Twitter and Facebook via mobile devices such as smartphones, tablets and laptops. Trusting only relevant information, these consumers like to engage conversations with their favourite brands from which they expect reactivity, relevancy and real life value.

Being an Alumnus of the Ecole hôtelière de Lausanne (1996) with a passion for marketing, I have always been interested by the way the hospitality industry uses new technologies to engage consumers, particularly in these times of great changes and opportunities.

Writing posts regularly for my Loyalty & New Media blog www.eugenschoen.com I have very often come to wonder why the hospitality industry didn't integrate more social media into their communication strategies to spread the word of excellence around their activities.

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 1996
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Alumni of the EHL & specialist in Loyalty & Social Media, Eugène started its career in Marketing & Event Management developing for Swiss Life two major event platforms. Very interested in Loyalty building & new media, he had then the opportunity to manage successfully several on-line content projects for companies in the service sector before starting in 2009 his Loyalty & New Media Study interviewing more than 30 managers in the Lake of Geneva Region. Motivated by the conclusions of his study, he launched his Loyalty & New Media blog as well as a community on LinkedIn to speak about new opportunities and challenges but also to share his experience in developing large online communities on social media platforms such as Twitter, Facebook and LinkedIn. Contributing regularly to Swiss Marketing's conference online promotion, Eugène gave a Strategic Seminar on Loyalty & Social Media in April 2010. He'll be conducting in February 2011 a one-day seminar workshop for the Association Romande de la Vente (Arventis) on Social Media.

When you consider Econsultancy's recent survey stating that 90% of purchases have some sort of social influence, meaning that some friend recommended you a service or you know somebody using it, you understand how important is becoming social media marketing. Given their impact on the global economy, many questions should come to the minds of managers and entrepreneurs active in the hospitality industry:

- Why is social media a real opportunity for hospitality?
- How can social media influence customer service and loyalty?
- What are the risks related to social media and why will community management be so important?

Here are some answers and examples that I hope will prove useful to you as they are not based on theories but on practical examples as well as my experience managing online communities for Swiss Marketing Lausanne and other projects.

Why is social media so important for the future of Hospitality promotion?

Social Media Marketing offers fantastic opportunities for the hospitality industry to build brand awareness and to spread the word to the new generation of consumers on what makes this industry so special.

Some hospitality actors have already embraced social media marketing with success. Take the example of CitizenM, an innovative hotel chain based in the Netherlands, which used social media (YouTube, Facebook, Twitter) and brand buzz to launch and develop its new hotels. Hotel Bristol in Geneva, very well known by the Swiss Twitter Community as @BristolGva, is another very good example of how social media platforms can be used to develop an engaged community around day-to-day hotel life that interacts daily to tweets and posts.

Creating a Fanpage or opening an account on Twitter as many hospitality industry major actors have done (*Accor, Hyatt, Marriott, Sheraton*) is certainly a good first step. Provided their consumers are active on the chosen platforms, what comes next for them? How can they take advantage of these media to develop engaged communities that will follow you, interact, recommend you and spread the word.

Building and developing an "engaged" community is the logical second step. To accomplish this important objective, the hospitality industry can rely on two key strengths that can make all the difference:

- **The ability to engage conversations:** Interviewing more than 30 businesses (*Nespresso, LeShop.ch, Lausanne Tourisme, Loterie Romande, Switcher, Transports Lausannois, Mondo, Remontées Mécaniques Villars, Lake Gourmet, Musée Olympique,*

Televerbier, etc.) for my Loyalty & New Media study, I realized that successful businesses with loyal customers had the ability to improve continually customer experience. To accomplish this industries such as Hospitality and Private Banking have a great privilege: to meet their customers face-to-face and to engage into conversations. Social media is all about conversations. Conversations lead to consumer engagement. Engagement greatly improves the chances of a business to build loyalty.

- **The ability to tell stories:** Social media is also about storytelling. Every hotel big or small has a story to tell. Whether to share a story about its creation, about the history of its founders, about day-to-day life or just about a special event worth speaking. Every story is a conversation opportunity that can be used to interest your followers, keep their attention and engage.

How can social media influence customer service and loyalty?

In many ways as these two examples show: I recently discovered in an article published on USA Today's site that an increasing number of restaurants in America – locals and chains – have started Twitter conversations with customers. Chains like Chipotle and Pei Wei even have full-time social media employees to monitor customer tweets, responding to complaints and performing nearly instantaneous customer service in collaboration with restaurant managers with excellent results. This shows the fantastic customer service potential of social media. Another well known national restaurant chain in America present in 730 locations, Buffalo Wild Wings has launched in January a campaign "Home Court Advantage" to involve customers beyond the smartphone "check-in" they use to note their arrival. In collaboration with location-based social media network Scvngr, a competitor to Foursquare and Gowalla, this campaign's main goal is to drive social engagement from their tech-savvy customers with contests and rewards. Very clearly 2011 will be





a turning point in customer engagement, as the Loyalty Marketers Association suggested in an interesting report in December 2010.

What are the risks related to social media?

Not being present on social media is very dangerous. Brand buzz, good or bad builds extremely fast. Hospitality Industry Managers need to understand that people will converse about their brands. As *Wired Magazine* stated it recently “You can’t stop the negative comments on your brand but you can maximise the likelihood of a distributed set of very good conversations.” For their E-reputation’s sake, the hotel industry must find a way to monitor comments about their businesses.

Critical and connected, social consumers look for the **real life quality and value** they were promised online. Destinations and hospitality businesses must pay particular attention to ensure that the best quality is delivered as new consumers have the means (*Twitter*, *TripAdvisor*, etc.) to report with great ease and speed to their related communities any “failed” experience. This stresses the increasingly important role of community managers that must stay in touch and react.

Building and developing online communities on social media takes time. As my experiences with three communities show, positive buzz isn’t just the result of an inspired post or tweet. Unless your name is *Coca-Cola*, *Nike* or some famous Hollywood celebrity, online influence is the result of work and long-term commitment, listening, engaging and rewarding regularly your enthusiastic followers as well as your influencers.

Speaking of risks, hospitality industry managers and the persons charged of managing their social media must pay particular attention not only to content quality. They must also respect as much as possible the attention they are given by their followers and avoid posting or tweeting too much. Providing the right content at the right moment will certainly be a key challenge in social media.

A professional approach is therefore necessary, and that is the reason why hotels must consider setting some form of Community Management. Depending on the size of the business and the objectives of the campaign, a community manager can be a service or a person in charge of monitoring online communities. In collaboration with general management, and in similar fashion to PR representative, community management can launch conversations and interact with the connected public.

Time for hospitality to engage and start spreading the word

As the number of people using Facebook gets everyday closer to Google, marketers around the planet realize the growing importance of social media web. Word of Mouth Marketing won’t replace traditional marketing but as many specialists and advertising agencies have observed in this year’s SuperBowl campaigns traditional and social media fit well together.

As for any marketing promotion strategy, adopting and integrating social media requires strategic thinking. Who are our customers? What are their expectations? How can they be reached? What values / brand strengths do you want to communicate on social media? What are the objectives of the campaign: brand or project awareness, increasing customer satisfaction, developing a community? What are the key performance indicators and ROI looked for?

The hospitality industry offers clearly fantastic **conversation opportunities** to develop communities. Every hotel big or small has a story to tell. Even locally, a small but engaged community can make wonders.

In this changing context, I believe that EHL has the opportunity to play a key role in providing to the top hospitality industry actors the opportunity to embrace this new real-time social media marketing strategy to spread the word of excellence.

Eugène Schön