

# Emerging media in the hospitality marketing mix



Serge Chamelian, managing partner, h-hotelier, talks of mobile technology in the travel and tourism industry in this two part series

Mobile services seem to be a clear choice for travel and tourism as the travelers are on the move. The travel and tourism industry, one of the largest and most rapidly expanding industries in the world and one of the significant users of ICT (information and communications technology) in its operations, will no doubt be an important market place for mobile services.

This industry has witnessed many dramatic changes within the last decade because of the opportunities offered by the Internet. As mobile services started to offer a successful alternative to currently used services, they have an intense impact on the business models of the travel and tourism industry. Having said that, using a smartphone becomes a necessity; the telecommunications regulator in the UK, Ofcom, produced a report, which indicated that one in three adults in the UK use a smartphone. As for hotels, the rate of customer demand for mobile technology is increasing quickly and faster than the ability of many hotels to reasonably invest in upgrades and new technologies.

One area in which mobile services can revolutionize the hotel industry over the long-term is the check-in and check-out process. Few hotels are already experimenting this by



allowing customers to bypass the front desk, using smartphones as room keys. The room key is sent directly to the guests' mobile phones. A study showed that an average of 10 minutes per guest was gained; however, some users missed the social interaction with the hotel staff.

Accor, which launched a booking application for the iPhone in late 2009, introduced versions of the technology for several other smartphones earlier this year. The application permits users to search and book hotels with automated geolocation functionality, filtering results by desired amenities or brand. Accor also recently released an enhancement to its iPhone application that allows business travelers to find and book negotiated rates. Accor is aiming to



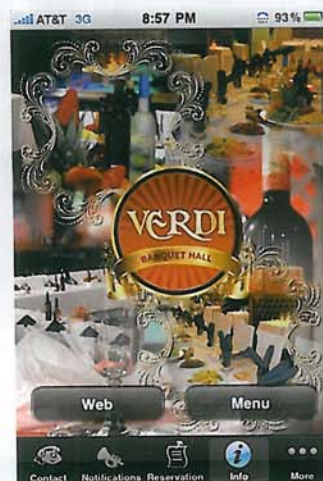
book about US\$27.8 million worth of business via its mobile initiatives in 2011.

At Choice Hotels International, mobile commerce success is in the numbers, as mobile sales now account for more than 1% of all online sales. In 2009, Choice Hotels delved further into mobile by developing an iPhone application in-house, which has been downloaded around 500,000 times in 80 countries. Choice Hotels International is fine tuning its mobile application through mobile usability tests performed by their customers to see how they navigate and use applications and mobile devices.

Mobile marketing for restaurants is also a key success as it has become a tool for serious marketing and revenue-generating initiatives. Customers can read about what the restaurant offers, see pictures of the facility, view the menu, also ask questions and contact the restaurant for reservations. Another added value is the Push Notification technology that permits the restaurant to reach out to customers when it wants to notify them of special discounts or the hours of operations.

For the travel and tourism industry, there are many challenges with regards to whether the applications will prove to be more popular with customers than the mobile web. However, emerging tools are being designed and tested; InterContinental Hotels and Resorts launched last year an application for iPad which allows customers to discover InterContinental destinations with videos, interactive maps, suggested itineraries, booking capability and property information.

Another evolving mobile technology lies in multimedia services (i.e. MMS). Dusit International started using QR codes (i.e. quick response) in all customers' marketing materials. QR codes are matrix designs readable by smartphones that automatically trigger commands on the smartphone, such as interactive marketing, on-property way-findings among others.



Mobile commerce is enhancing the travel experience for travelers by maintaining digital connectivity at all times. The ability of the mobile device to pay for goods and services, check prices in hotels, coupled with the seamless exchange of information electronically, enabling payments, check-in and personalized marketing messages with a simple swipe of the device against a reader, offers efficiency and new opportunities for personalized interaction with the travel provider. Mobile services are offering clearer solutions, which serve to reduce time and money and open new paths towards the personalization of products and services.

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