

## Your September 2012 Tourism & Hospitality Newsflash!

**Visitor Arrivals / Overseas trips by New Zealanders in July 2012 compared with July 2011:** Visitor arrivals (173,500) were down 1% or 2,500. The biggest changes were in arrivals from: China (up 2,400) Japan (up 1,700) the United Kingdom (down 1,600).

**Overseas trips by New Zealand residents (205,600) were down 26,000.** The biggest change were in departures to: the United States (down 1,800) the United Kingdom (down 5,800) Australia (down 8,400). July visitor arrivals lowest since 2007

**Accommodation capacity up** - Total available capacity in short-term accommodation was 4.0 million stay unit nights in June 2012. This was up 0.8% from June 2011 (but down 2.3% from June 2010, due to earthquake damage).

**In June 2012, hotel capacity increased 3.5%** compared with June 2011 (but decreased 7.2 % compared with June 2010). The capacity of backpacker accommodation increased 4.2% from June 2011. Holiday park and motel capacity fell 1.9% and 0.1%, respectively.

**Occupancy rate down slightly** - The occupancy rate, excluding holiday parks, fell 0.2 percentage points to 39.4% in June 2012 compared with June 2011. Hotels had the highest occupancy rate (48%) in June.

**TripAdvisor's "Dirtiest Hotels" Ranking Makes the Grade in Court** - “Best of” and “worst of” rankings are perennially popular fodder for publications. They are great for grabbing headlines, stirring up controversy and baiting hyperlinks. Their sensationalism means rankings—especially “worst of” rankings—also can be litigation-bait. **Fortunately, a recent court ruling found that publishing a “best of”/“worst of” ranking didn’t create defamation liability.** Surely, this opinion will appear on several “best of 2012” lists itself. The Lawsuit TripAdvisor (\$TRIP) compiles its user ratings into an annual ranking of the top 10 “dirtiest hotels.” Not surprisingly, hotels ranked on this list don’t feel very honoured. The 2011 loser, the Grand Resort in Pigeon Forge, Tennessee, sued TripAdvisor for defamation and related claims. Concluding that the “dirtiest hotels” ranking constituted non-actionable opinion, the court dismissed Grand Resort’s case. **The user ratings, the source material for TripAdvisor’s ranking are clearly the users’ legally protected opinions. Some of the users’ reviews made objective statements that could be legally actionable (the court references an example where a user says the hotel’s bathtub was caked with a half-inch of dirt).** Grand Resort apparently didn’t challenge either the users’ opinions or objective assertions.

Source: Eric Goldman

### **How to Market a Hotel or Motel In 10 Steps:**

**1 - A Story Worth Telling:** Your hotel needs to have something unique, refreshing or innovative. Your hotel needs to have a story to it which people like, and think worthwhile to share with their friends.

**2 - Regional and National Press:** PR has and will always be important to reach your domestic market. Make sure you build a good relationship with journalists and editors of regional and national newspaper and magazine publications. This way if they want

to do a travel story, you are the top of their list.

**3 - GDS + Consortia:** Apollo, Galileo, Worldspan are seen by many as a dying breed. But these Global Distribution Systems are reinventing themselves, and are still an important source of business and leisure travel for many destinations.

**4 – OTA:** The poster boards of the hotel and travel industry in the online age, are among the most important distribution channels. Their commissions and models vary; analyse them well to make sure they add value to your overall strategy. Be certain they aren't just shifting direct business away from your direct sales efforts, but really generate incremental bookings

**5 – DMC:** Local Destination Marketing Companies, work hard to attract groups and events. You should approach them and work together with them to attract corporate and leisure groups during low and medium demand periods. It will help you to diversify your hotels' market mix

**6 - Tourist Office:** Talk to your local tourism office and find out how they can help you to promote your hotel. Make sure you have a representative listing on their website and that you are well promoted in their office when tourists come to town.

**7 - Sales Rep:** Have a sales representative put your hotel on the local map with local businesses nearby. Visit prospective and current clients regularly, bring the gifts, meaning smart and real gifts. Spoil them rotten, and make them addicted to you.

**8 - Website:** You will need an optimized website for your hotel. If you want to generate direct sales through your website think keyword searches and consumer segments, before burying yourself in the design aspect. Your store can be pretty, but you need people passing by and stepping in to have a chance at a sale.

**9 - Social Media + Review Website:** Yes we know by now (I hope so at least) we need a FaceBook, Twitter, FourSquare, Gowalla, YouTube page and profile. We have to manage our presence on these social media actively and create fresh new content every week and month. A blog is great tool for this. Next, manage your online reputation. Encourage your guests to leave reviews on Yelp and TripAdvisor. Incentivize if needed to get guest pics and videos. Your profile on the hotel and travel review websites needs to be active and dynamic. Oh yeah, don't forget to respond! You have to be involved.

**10 – Mobile:** Finally, hotels are starting to move beyond their own website into mobile marketing. Don't think a mobile app is something every independent hotel needs. Let's start with a basic mobile website which allows you to easily navigate an image gallery of the hotel and has a simple click to call button. From there you can work on integrating your booking engine and develop a more advanced mobile hotel website step by step.

Source: Xotels.com: Hotel Marketing

**The 5 Unwritten Rules That Will Kill Your Business: - It goes without saying that as business leaders we enforce rules that “go without saying.” You know what I'm talking about—those unwritten rules like “The customer is always right” and “Hire only A players.”** These apparently obvious business success rules aren't necessarily written in corporate guidelines or HR manuals, but they obviously work. Or at least that's what we thought. There are five common unwritten rules that almost every business follows with the best of intentions. The outcomes, though, might be disastrous:

**1. The customer is always right.** This unwritten rule has taken many a business down the path of a costly, time-eating, “make it right” nightmare. The rule dictates that every customer who makes a demand, regardless of who is making it and how

unreasonable it is, gets what they want. Add a new written rule to your corporate guidelines that states “the right customer is always right.”

**2. Put new hires on automatic probation.** You hire that new employee and welcome them on board—with an automatic 90-day probation.

**3. Promote top performers to managers. NO** - When an employee shows extreme talent in an area, it should be cultivated and used accordingly.

**4. It's all about the bottom line.** Too many entrepreneurs measure their prior year's success based on the financial statements prepared by their accountant. Create a new rule of measuring success through overall impact, not just the money you made.

**5. Hire experienced “A” players. NO** - Shockingly you can't find values, attitude and energy in a resume. They come hard-coded with their attitude, outlook and intelligence. Start recruiting your employees on the intangibles, and teach them the experience part.

Source: Mike Michalowicz

**The Importance of Deals and Coupons as a Marketing Strategy for Hotels** - you must advertise in a much more imaginative manner than anyone else is in your industry. The traditional methods of attracting the attention of perspective guests may not always be the best route in this modern technological age. You want the general public to want to go out of their way to stay at your hotel. The vital importance of deals and coupons to attract guests cannot be overstated. There are six ways to accomplish this:

**1. Attract children** - Although adults are the ones footing the bill, children's happiness plays a factor in adult decision making. Hotel accommodations should cater to children. You can also offer half price stays for children.

**2. Attract shoppers** - After a long day of conventions and meetings, guests want to relax at a local clothing store. I would suggest a free shuttle to a nearby mall. Malls will also appreciate the marketing help and may cut some sort of mutual deal.

**3. Accepting family pets.** Many hotels are worried about the damage to furniture and carpets when it comes to family pets, but in some cases the benefit can outweigh the cost. Watch your guest reservations mount up. Especially if you offer the same half price for "Spot".

**4. Amusement park deals** - If you are within an hour's drive of any kind of amusement park, shuttle the guests for free. Make sure the guests receive discount tickets. They WILL return next year.

**5. Coupons, Coupons, Coupons** - The ideal carrot to dangle in front of perspective guests is coupons. Coupons to pizza places, movies, sporting events, etc. You name an establishment near to your hotel and customers will appreciate a coupon there.

**6. The next stay** - The time to start attracting guests to come back is before they check out. This could be anything from discounts on the next stay, positive desk attendants receiving feedback from customers on how their stay was, and a customer relationship management system to follow up with past customers later on to remind them of your hotel.

Sameness accomplishes nothing except empty rooms. Don't be afraid to experiment, and play it by ear.

Source: Jason Harter