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September 15, 2009

## **Increasing Traveler Loyalty Through Interactive Marketing Rooted Insight**

By Greg Hogue

Axiom Travel Executive and U.S. Travel Association Board Member

Maintaining a relationship with travel customers in today's business and marketing environment is a challenge, especially as consumers change their habits and preferences based on economic conditions. Consumers are bombarded with many messages regarding travel choices from television, cable, print, magazines, text, mobile, email, internet, call centers and face-to-face interactions. Delivering the right message to the right consumer over the right channels has never been more important.

However, before you can deliver the right message, you need a comprehensive view of who your customers are, what their preferences are, and how they behave during the purchase process.

Marketers that have a keen awareness of how insight drives value in marketing campaigns will reap the rewards of a successful loyalty program. It's a message I believe in which is why I'm looking forward the US Travel Association's Marketing Outlook Forum next month in Little Rock, Arkansas. In conjunction with that event, we're planning a special session where marketers will learn how to increase traveler loyalty through relevant interactive marketing.

Many loyalty programs focus on coming up with a better offer or incentive to foster a relationship with customers. While this is definitely important, it can be a hit-and-miss game without a comprehensive understanding of your customers. Companies must look beyond loyalty programs and use customer data to understand and act on the preferences of consumers in order to build loyalty.

Travel services organizations have no shortage of consumer data collected from websites, call centers and front desks. Analyzing the available mountain of data can provide a more comprehensive view of unique customer behaviors and preferences. For example, consumers are not strictly loyal to a single channel. According to a Forrester travel report, "planning and buying trips remains a multichannel process — proof that travelers are intent on finding precisely the information they want, and illustrating how no one channel or resource totally meets their needs."



Knowing that no one channel meets travel customer needs and then not adjusting marketing efforts accordingly, can leave a gaping hole in loyalty campaigns. Without insight into who your most loyal customers are, which channels they rely on, and what their purchasing behavior is, loyalty campaigns have a poor chance of success. However, travel marketers that take advantage of the right tools to analyze the data they have and incorporate external data sources that can add further insight to help segment and identify loyal customers will notice a significant increase in campaign effectiveness.

We recently helped a Las Vegas casino resort identify and engage past guests who would be more likely to respond to a direct-marketing offer. The company was looking to improve bookings and increase total revenue over the summer. Using their existing data as a starting point and incorporating external data where possible, we conducted a comprehensive customer database analysis. Based on the insight gained from the analysis, we were able to segment past guests based on their previous purchase behavior including factors such as: seasonality, room rate, total folio spend, how recent their last visit was, and lifetime frequency of visit. Armed with this valuable insight, we were able to develop a strategic, multichannel direct marketing campaign for the casino resort, the results of which, speak for themselves.

While mail quantity and associated direct marketing expenditure remained constant, the company realized significant improvement over past performance, including:

- The number of responders almost doubled
- The number of bookings increased by nearly 55%
- Total revenue for the summer campaign was 80% greater than the year before

This type of success is indicative of the potential of insight-based marketing campaigns. In the travel industry, these types of effective campaigns build a solid foundation for strong customer loyalty programs because they highlight who your most responsive customers are, what their preferences are, and how they behave when making purchases.

Operating from up-to-date, accurate, and thorough customer models also enables companies to adapt to shifts in customer behavior and preferences, maintaining valuable relationships with the most loyal customers. By reaching loyal customers through their preferred channels at convenient times with relevant messages, travel marketers will ensure that loyal customers remain both loyal and profitable.

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### **Maximize Your Learning with Acxiom Corporation**

Acxiom's Travel Marketers' Continuing Education Workshop

Location: Acxiom's global headquarters, Little Rock, Arkansas

Date: Thursday, October 29

Time: 8 a.m. to Noon

In conjunction with the [U.S. Travel Association's Marketing Outlook Forum](#), Acxiom is hosting a continuing education workshop on Thursday, October 29.

**"Increasing Traveler Loyalty with Interactive Marketing"**

will explore the latest interactive marketing strategies that are critical to travel industry growth. You'll get actionable insights on how to retain current travelers, win back former travelers and create strong relationships with new travelers.

**EXPERTS PRESENTING INCLUDE:**

**Greg Hogue**, Acxiom Travel Executive and U.S. Travel Association Board Member

**Henry Harteveltdt**, Vice President and Principal Analyst - Airline/Travel Industry Research, Forrester Research

**Josh Herman**, Senior Vice President, Global Multichannel Marketing Services, Acxiom Corporation

**Mark Cross**, Director of Product Marketing, Global Multichannel Marketing Services, Acxiom Corporation

**John Meyer**, President and CEO, Acxiom Corporation

**Tim Suther**, Senior Vice President, Global Multichannel Marketing Services, Acxiom Corporation

There is limited space available. Please RSVP today - **Acxiom's Travel Marketers Continuing Education Workshop**. For more information on the Marketing Outlook Forum, visit <http://www.ustravel.org/industrymeet/MOF/Acxiom.html>.

Transportation to Acxiom will be provided to/from the Peabody and Doubletree Hotels beginning at 7:45 AM.

A box lunch will also be provided.