

THE HOSPITALITY INDUSTRY IS CHANGING – IS YOUR HOTEL KEEPING PACE?

As more interactions between guests and employees shift to digital channels, some hotels are losing touch with their guests.

And yet personalized service has always set hotels apart.

The question is how can hotels take advantage of the efficiencies of digital communications while at the same time providing better, more personalized service?

The solution lies in Customer Relationship Management (CRM).

Hotels use CRM to engage guests from the moment they book a room, throughout their stay, and on to every return visit. Every touch point along the way, from personalized marketing emails to confirmation to survey or post-stay offer, tells the guest, "We understand you, we value your business, and we're here to help."

But CRM doesn't just happen naturally. Whether you work for an independent boutique hotel or a big-brand resort, you need a clear understanding of goals and responsibilities.

You also need fast, reliable software that works quietly in the background, automating guest communications, collecting data, and building rich guest profiles.

In this guide, we show how to take a strategic approach to CRM. We break down responsibilities by department and share tips and best practices for running a successful CRM program.

WHAT EXACTLY IS CRM?

Practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle, with the goal of improving business relationships with customers, assisting in customer retention and driving sales growth.

- Margaret Rouse, TechTarget.com





THE CRM TEAM

Behind every successful CRM program is a team of committed staff. The following individuals play a key role and make up the CRM team:

- MARKETING MANAGER, DIRECTOR OF MARKETING OR DIRECTOR OF MARKETING & SALES
- FRONT OFFICE MANAGER
- GUEST RELATIONS MANAGER
- REVENUE MANAGER OR DIRECTOR OF REVENUE
- GENERAL MANAGER



To ensure that no opportunity is missed and no guest is overlooked, all members of the CRM team should have a clear understanding of their individual roles and responsibilities.

TAKING A STRATEGIC APPROACH

To stay focused and accountable, the CRM team should establish clear objectives and monitor performance closely. This means setting:

- GOALS: The broad, far-reaching outcomes you wish to attain
- OBJECTIVES: The specific, measurable outcomes you wish to attain
- STRATEGIES: The actions you take to achieve goals and objectives
- KEY PERFORMANCE INDICATORS (KPIS): The measurable values you use to gauge how effectively you are achieving your objectives

Objectives, strategies and KPIs may vary by hotel, but most hotels share these five goals:

- **ENGAGEMENT:** Communicate with guests before, during and after their stay
- SATISFACTION: Meet or exceed quest expectations
- LOYALTY: Make guests prefer your hotel or brand over others
- ADVOCACY: Compel guests to recommend your hotel to others
- PROFITABILITY: The broad, far-reaching outcomes you wish to attain



CRM RESPONSIBILITIES

The CRM team takes a leadership role in planning and implementing the CRM strategies needed to achieve objectives. Working in close cooperation, they communicate on a regular basis with one another and other departments and meet weekly or monthly to review performance and plan ahead.

For example, the guest services manager will work with the front office manager to ensure that guest surveys provide insight into key operational issues. The marketing director will collaborate with the revenue manager to identify gaps in revenue and develop campaigns to drive interest. And the general manager will work with the CRM team to align CRM activities with the hotel's overall goals and objectives.

How "deep" your hotel ventures into CRM will depend on the resources available and the features offered by your CRM software. First you must master the basics.

In the following pages, we summarize key CRM responsibilities and share tips and best practices by department. The division of responsibilities may vary according to the size and style of a hotel; adjust them to meet the unique needs of your hotel.

you? KNOW?

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Google

Travelers not only expect personalization, they will pay more for it. According to a recent study from Google and Phocuswright, 57 percent of U.S. travelers feel that brands should tailor their information based on personal preferences or past behaviors.

Furthermore, 36 percent of leisure travelers around the world would pay more for services if a travel brand tailored its information and trip experience based on personal preferences or past behavior.

Google/Phocuswright Travel Study 2017



2 THE MARKETING MANAGER

DRIVING REVENUE AND GUEST ENGAGEMENT BY SENDING THE RIGHT MESSAGES TO THE RIGHT GUESTS AT THE RIGHT TIME

Typically, the marketing department plays the lead role in CRM, acting as the primary user and key operator of CRM software and managing guest communications and data.

As the guardian of the hotel's brand, the marketing manager ensures that all guest communications are on brand and on message. Additionally, as a primary generator of demand, they use the CRM system to find opportunities to drive revenue and increase profits.

The marketing manager also acts as data scientist, extracting data and running reports to keep colleagues informed of trends and patterns in guest behavior and preferences.



KEY AREAS OF RESPONSIBILITY

- **CRM administration:** Oversees the implementation of CRM software, staff training, testing and maintenance, and acts as key operator and liaison to the CRM provider.
- **Planning:** Works with the CRM team to set objectives, strategies and KPIs for the coming year and align them with marketing activities. Creates an annual calendar of marketing campaigns to keep the hotel top of mind, boost occupancy during periods of low demand, and drive higher ADR during periods of high demand.
- CRM evangelist: Ensures that all staff understand the value of CRM to the hotel, use the software to its fullest capabilities, and input data correctly.
- **Branding:** Ensures that all guest communications are consistent with the hotel's branding, including messaging, tone and visual appearance.
- Messaging: Works with the CRM team to create templates and customized emails, including confirmations, pre-stay emails, promotional offers and newsletters.
- **Segmentation:** Creates targeted subscriber lists based on variables such as location, interests, nature of travel, rate code, booking source, time of stay, stay frequency and total spend.
- Marketing campaigns: Works with the revenue manager to identify revenue opportunities and sends customized offers to subscriber lists to achieve objectives.
- **Template updates:** Updates email templates promptly to reflect changes to staffing, cancellation policy, check-in procedures and other details.
- Loyalty programs: Oversees guest loyalty initiatives, including program membership, guest recognition, and tracking of stay frequency and total spend.
- Guest feedback: Works with the CRM team to create guest satisfaction surveys and response templates and analyze results.

- Internal communications: Ensures that front desk, reservations and sales staff are aware of marketing campaigns and can respond knowledgeably to guest inquiries.
- **Performance measurement:** Monitors performance related to guest communications, marketing campaigns and revenue generation.

 Reporting: Keeps staff informed of trends, opportunities and insights and recommends actions. Prepares and distributes monthly CRM reports summarizing the results of guest engagement activities and marketing campaigns.

• **Compliance**: Keeps up to date on laws and regulations regarding email marketing, privacy and data protection, ensuring compliance.



CRM TIPS AND BEST PRACTICES FOR THE MARKETING MANAGER

- Test, test, test. Before sending messages to guests, test them internally to ensure that they display correctly on all devices—desktop, tablet and smartphone. A great CRM solution has automated display and deliverability testing built in. Take advantage of it!
- **Humanize communications.** Show there's a person behind the brand by addressing guests by name and personalizing messages from the general manager, concierge team or other hotel representative.
- **Upsell and cross-sell**. Drive incremental revenue by inviting incoming guests to upgrade their room and pre-order amenities and services such as wine, flowers, meals, spa treatments, activities and recreation.
- Slice and dice. With CRM software, there is no excuse for "one size fits all" marketing. Create target audience segments and personalized offers that are timely and relevant. You can automate campaigns that are driving the highest conversion rate.
- Write compelling copy: The email subject line, heading and body text should answer the question on everyone's mind: "What's in it for me?" Keep messaging short, speak to emotions like desire, nostalgia and FOMO, and include a prominent call to action.
- **Experiment.** Try creating variations of the same message, altering subject lines, leads, offers, calls to action and even imagery and colors to see which elements generate the best results.
- Make loyalty a priority. It's far more cost-effective to entice guests back than to find new guests. Loyalty programs are highly effective for driving repeat business, data collection and behavior tracking. Whether or not you have a formal program, track stay frequency and total spend to identify your most valuable guests.

- Reach out to OTA bookers. Many OTAs withhold email addresses, but there's a workground. Send a message to the proxy email address assigned by the OTA, inviting the guest to pre-check in or provide their arrival time. When the guest replies, update the email address in the profile, and let the relationship-building begin!
- Spread the love. Use cost savings from direct bookings to reward guests for direct bookings and to incentivize OTA guests to book directly on their next stay.
- Build contact lists. Display an email subscribe form prominently on your website, and include invitations in guest emails to follow your hotel on social media and join your loyalty program.
- Mine guest feedback. Use guest survey and review results to target guests with personalized messages based on their responses and likelihood to recommend the property. With an integrated CRM solution you can identify and reward your advocates and influencers and win back guests who had a negative experience.
- Give a gentle nudge. Program the CRM to send a second email with a more enticing offer if recipients don't open or click on a promotional message. If you see a spike in unsubscribe rates, reevaluate the frequency and quality of communications.
- Be a data geek. Obsess over subscription rates, email open rates, click-throughs and conversions. They are true measures of a marketer's success.
- Be safe, not sorry. Violators of laws regarding commercial email, privacy and data protection can face stiff penalties. For a list of spam laws by country, check out our infographic. As a best practice, follow the regulations of the strictest countries—Germany and Canada. If your hotel does business in the European Union, you should be familiar with the General Data Protection Regulation, which comes into effect on May 25, 2018.
- With Cendyn, we see direct, bottom-line improvement to our CRM efforts and the ability to nurture a repeat client base. Because we're able to curate specific lists through the database, we can specifically target who and what we want to go after.

- Ray DeJohn, Director of Sales & Marketing, Hotel Granduca Austin

Hotel GRANDUCA

- Cendyn has allowed us to really focus and grow our channel mix. We've exceeded our goals in the channels most profitable to us.
 - Josh Herman, Director of Marketing & PR, Fontainebleau Miami Beach



- With Cendyn we are able to understand our guests like never before. This enhanced " business intelligence provide us two critical opportunities—first, the ability to drive personalized and meaningful communications to support guest satisfaction and loyalty; and second, a cost-effective solution to drive more revenue.
 - Erica Doyne, Senior Director of Marketing, AMResorts



3 THE FRONT OFFICE MANAGER



BUILDING GUEST SATISFACTION AND LOYALTY BY TAKING OWNERSHIP OF THE GUEST EXPERIENCE

Whereas marketing focuses on engaging guests before and after their stay, the front office works in real-time, ensuring that everything is in order for the guest's arrival and acting as the key point of contact throughout the stay.

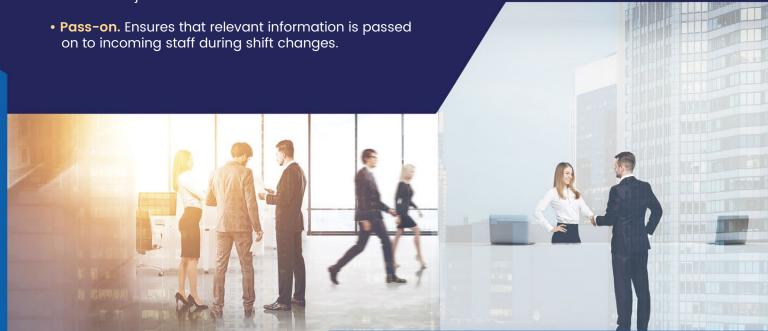
The front office team plays a vital role in CRM because they interact with guests in person and on the phone. It's the job of front desk staff to keep guests coming back by wowing, dazzling and charming them with efficient, attentive, intuitive service.

The front desk is also a key touch point for data collection. Staff should check guest profiles and update information during check-in and other points of contact.



KEY AREAS OF RESPONSIBILITY

- **Planning.** Works with the CRM team to set goals, objectives and strategies for the coming year and align them with front office operations.
- Leadership. Ensures that front desk staff have the knowledge, skills and training they need to use the CRM system to provide the highest levels of guest service.
- CRM monitoring. Ensures that the CRM system is monitored 24 hours a day, 7 days a week and that guest requests receive prompt attention.
- **Pre-arrival prep**. Reviews the arrivals list each morning and flags guests that require special attention, including VIPs, group organizers and requests like early check-in, preferred room types and in-room amenities.
- Interdepartmental communications. Brings guest requests and special arrangements to the attention of appropriate departments for follow-up, including housekeeping, guest services, room service, the bell desk and the concierge.
- Arriving guests. Leads the team to ensure that every guest receives a warm welcome upon arrival and that requests and preferences are acknowledged.
- Loyalty. Prioritizes frequent guests for preferential treatment such as upgrades, early check-ins and late check-outs. Ensures that employees recognize repeat guests and invite new guests to join the loyalty program at check-in.
- **Profile management.** Ensures that staff input the guest's email address, mobile number, mailing address and interests into the guest profile at check-in.
- In-house guests. Reviews the in-house guest list daily and flags guests requiring special attention, following up with the appropriate departments..
- Departing guests. Reviews the departures list daily, following up with guests that require special attention.
- Guest feedback. Reads guest surveys and reviews as they are submitted and takes appropriate
 action, including following up with employees, contacting the guest, or revising policies and
 procedures to prevent recurring issues.
- Data analysis. Works with the CRM team to review performance metrics in guest engagement, satisfaction, loyalty, advocacy and profitability, making the improvements necessary to achieve objectives.



CRM TIPS AND BEST PRACTICES FOR THE FRONT OFFICE MANAGER

- Lead by example. Don't allow technology and meetings to prevent you from maintaining a regular presence on the front desk. Remember that staff are observing your actions and emulating your approach. Smile, maintain a positive attitude, and use CRM software to personalize interactions and enhance guest experiences.
- **Heads up.** Keep CRM software open on every computer, but don't allow technology to distract employees from their top priority: the guests in front of them.
- Surprise and delight. When reviewing arrivals and in-house lists, look for opportunities to surprise guests with an upgrade, amenity, welcome note, phone call or other unexpected personal touch. Prioritize frequent guests, special occasions, long stays, direct bookers and big spenders—and perform random acts of kindness.
- **Get sign-off.** A critical step at check-in is getting the guest's signature on the registration card (print or digital) and permission to send them messages. Without permission, you may be prohibited from sending digital communications. Keep up to date on privacy laws applicable to your property, including the European Union's new General Data Protection Regulation.
- Respect boundaries: People can be sensitive about how their personal information is handled.
 Don't overwhelm guests by asking too many questions or divulging personal information (such as details from social media profiles). Be alert to signs of discomfort, and limit questions to need-to-know information. Over time, as guests learn to trust your hotel, they will be more willing to provide information.

We don't have a lot of staff on the front line, and so we don't want CRM to be a burden. We just want them to take the information that is necessary and turn it into the right service for our guest.

That is what a CRM system should be providing.

– Khalil Maaouni, Head of Digital, Mystays Hotel Management





THE GUEST RELATIONS MANAGER



EARNING GUEST SATISFACTION AND LOYALTY BY MANAGING GUEST FEEDBACK

Not every hotel has the luxury of a dedicated guest relations manager. For those that don't, responsibilities are shared among departments, with the front office manager often taking the lead role.

The guest relations manager is primarily concerned with guest satisfaction and advocacy. While every manager plays a role in listening to and acting on guest feedback, the GRM takes primary responsibility for managing feedback.

This includes monitoring feedback channels, disseminating information to appropriate departments, coordinating responses, and tracking performance.

KEY AREAS OF RESPONSIBILITY

- **Planning**. Works with the general manager and CRM team to set annual guest satisfaction objectives, responding guidelines, and key performance metrics.
- Survey design. Works with the CRM team to design guest surveys to maximize completion rates and elicit insights into key areas of the guest experience.
- Guest arrivals. Reviews the daily arrivals list, looking for return guests who completed a survey or review on a previous stay and require special attention. Takes action to avoid recurring issues, accommodates preferences and surprises guests with thoughtful personal touches..
- Monitoring feedback. Tracks guest surveys and online reviews as soon as they are received, flagging items that require attention and taking action where needed.
- Sharing feedback. Brings important feedback to the attention of appropriate managers for follow-up with staff and guests.
- Responding. Creates templates and personally responds to surveys and reviews or coordinates responses with the general manager or designated department head..
- Reporting. Tracks guest satisfaction metrics, including survey ratings, Net Promoter Score
 and review ratings. Prepares weekly, monthly and annual reports for distribution to the
 management team. Shares performance and pertinent guest comments on the staff
 bulletin board, by email and in departmental meetings.

POWER-BOOST YOUR ONLINE REVIEWS

Did you know that guest surveys can have a powerful influence on TripAdvisor ratings? Hotels that include a review prompt in surveys report more reviews and higher ratings. At Pacific Crest Santa Barbara, after setting up a TripAdvisor Review Collection Partnership with Guestfolio CRM, the property jumped from #41 of 52 hotels in Santa Barbara on TripAdvisor to #1 in just 3 months



CRM TIPS AND BEST PRACTICES FOR THE GUEST RELATIONS MANAGER

- Make surveys short. Generally, the shorter and simpler the survey, the higher the completion rate. Focus on areas where guest feedback is most needed.
- Target segments. Consider customizing surveys for different segments of guests such as conference attendees, corporate travelers and leisure guests.
- Send a reminder. To increase completion rates, send an automated reminder to guests who do not open or click on a survey request—but leave it at one reminder to avoid unsubscribes.
- Ask the ultimate question. The most important question you can ask guests? "How likely are you to recommend our hotel to a colleague or friend?" The answer forms your Net Promoter Score, a key indicator of guest satisfaction and advocacy.
- Fine-tune questions. If survey answers aren't providing the insight you need, try modifying the questions. Bear in mind, however, that keeping questions consistent will help you compare ratings over time.
- **Don't delay.** Respond to complaints in surveys and on property as quickly as possible to prevent them from escalating to negative online reviews.
- Show your problem-solving might. Guests judge hotels less on things that go wrong than on how staff respond to the issue. Take every complaint seriously, offer a sincere apology, and show that you understand and are here to help. When expertly handed, your toughest customers can become your strongest advocates.
- Never let a guest leave unhappy. Scan the departures list each morning to look for guests who had a complaint or incident during their stay and reach out to them. This may be the last opportunity to win them over before they post a bad review!
- **Personalize responses.** Use response templates to save time, but personalize messages where possible by speaking to specific comments. When appropriate, call the guest personally or ask the general manager to do so.
- Thank your advocates. Don't focus only on negative feedback; respond to promoters and advocates too. They're as important as detractors, if not more so.

Our guest relations team engages with guests to find out more about their preferences and interests and enters it into the CRM. Our other teams look at the CRM and act on this information. One example is a guest after a guest asked for Diet Coke in the hotel restaurant, our dining staff [alerted] housekeeping to change the products in his mini-bar to Diet Coke. He left us a really nice TripAdvisor review.



- Patrick Sin, Director of Sales, Marketing, and Revenue Management, Hotel ICON, Hong Kong

Using Guestfolio CRM, we send automated emails to upsell to guests and ask for their preferences before they arrive. They can reserve our free bikes or order wine, breakfast and other amenities. We get a lot of repeat guests and use the guest profile system to keep track of their preferences. We make sure that when they return, they have everything set up to their liking. For example, the foam pillows they requested last time are already in the room.



– Justin Bisa, Guest Experience Manager, East Hotel, Canberra, Australia

5 THE REVENUE MANAGER



DRIVING REVENUE BY SELLING THE RIGHT ROOM TO THE RIGHT GUEST AT THE RIGHT TIME

The revenue manager is primarily concerned with driving revenue. Their use of CRM software tends to be limited, but because CRM efforts have a direct impact on revenue generation they have an important stake in their success.

For example, if the hotel is forecasting to fall short of budget, a targeted email campaign with an enticing offer may provide the bump in revenue needed to achieve budget.

The revenue manager therefore works closely with the CRM team to identify revenue opportunities, create marketing campaigns, and play their part in building guest satisfaction.



KEY AREAS OF RESPONSIBILITY

- **Planning.** Oversees the implementation of CRM software, staff training, testing and maintenance, and acts as key operator and liaison to the CRM provider.
- **Pre-stay communications.** As head of the reservations department, works with marketing to design pre-stay templates, including confirmations, changes and cancellations.
- **Revenue generation.** Over the course of the year, identifies periods of low and high demand and works with marketing to create targeted email campaigns to drive higher occupancy, ADR and total spend.
- Incremental revenue. Optimizes opportunities to increase overall spend such as upgrade offers and invitations to pre-order amenities.
- **Data integrity.** Trains agents to update guest profiles at time of reservation with thorough, accurate information and to search existing profiles to avoid duplicates..
- **Loyalty.** Ensures that agents recognize repeat guests, prioritize frequent guests for preferential treatment, and invite new guests to join the loyalty program.
- Communication. Loads promotions, special offers and conditions into the PMS, CRS and distribution channels and ensures that staff are aware of them.
- **Template updates:** Works with marketing to ensure that information on pre-stay templates is kept up to date, including cancellation policies, taxes, fees and hours of operation, and that guests are notified of special events, closures and renovations.
- Data analysis. Uses the CRM to view data and trends related to revenue generation, booking codes and sources, country of origin, and marketing campaigns.

CRM TIPS AND BEST PRACTICES FOR THE REVENUE MANAGER

- **Collect email.** For CRM, the email address is the most vital piece of contact information. It's essential that reservations agents collect the guest's email where possible when taking voice reservations, along with mobile number and mailing address.
- **Direct is best.** Ensure that all staff understand the value of direct bookings, and work with marketing to create campaigns to encourage return guests to book directly.
- **Get creative.** Work with marketing to find creative ways to enhance the guest experience while driving incremental revenue such as suite specials, food and beverage discounts, and late checkout offers.
- Be a stickler. Conduct regular data quality checks to ensure that staff complete guest profiles thoroughly and accurately, bring errors and omissions to their attention.
- We're all one team, but unless we acknowledge the specialty contributions that each of us have to make, we're not actually unlocking the possibilities that the whole team brings to the table. We've discovered these interdependencies...the fact that one specialty has to enable the other and vice versa, or both could be at risk of failure is a culture that we've built to influence and break down the siloed approach in a hotel.

MINOR

- Bryan Bailey, Vice President, Revenue & Distribution, Minor Hotels
- By helping drive direct bookings and repeat business, CRM is the revenue manager's best friend.
 - Daniel Craig, Founder, Reknown Marketing



6 THE GENERAL MANAGER

PROVIDING LEADERSHIP AND DIRECTION TO EMPLOYEES TO ACHIEVE CRM GOALS

As the individual ultimately responsible for keeping guests, employees and owners happy, the general manager is pulled in many directions. By providing daily snapshots of guest activity, special requests and guest feedback, CRM software helps the GM to save time and stay informed.

How involved the GM is in CRM will depend on the structure of the hotel. In smaller hotels, the GM may actively participate in marketing, revenue management and guest relations efforts. In larger hotels, the GM may leave the day-to-day decisions to department heads and focus on planning, leadership and staff development.

In any size of hotel, the GM must ensure that staff fulfill their CRM responsibilities, follow best practices, and deliver on brand promises.

KEY AREAS OF RESPONSIBILITY

- **Planning**. The GM focuses on the big picture and long-term planning. They work with the CRM team to determine CRM goals, objectives and strategies and align them with the hotel's overall objectives, positioning and values. The GM ensures that staff have the training and resources needed to achieve goals and objectives.
- Leadership. Supports the CRM team's efforts, instilling in all employees the importance of CRM activities, guest feedback and data management. Leads staff to fulfill brand promises and guest expectations. Constantly reinforces the goals of CRM to increase guest satisfaction, engagement, loyalty, advocacy and profitability.
- Guest experience. Ensures that staff use CRM software to its fullest capabilities, elevating service standards, personalization, and the overall guest experience.
- Reports. Keeps on top of operations by reading daily arrivals, in-house and departures lists, guest surveys and reviews. Reviews weekly and monthly CRM summary reports and provides insight and direction to staff as needed.



 Guest feedback. Works with the CRM team to design guest surveys, analyze survey and review performance, and use guest feedback as a constructive learning tool to coach staff and guide improvements.

 Operational support. Lends assistance and expertise as needed, greeting VIP guests, problem solving, resolving staff issues, and managing guest complaints.



CRM TIPS AND BEST PRACTICES FOR THE GENERAL MANAGER

- Know the software. Take the time to learn how to use CRM software in order to access information when and where you need it and provide direction to the team.
- **Support CRM activities.** Show how important CRM is to your property by chairing CRM meetings, discussing marketing campaigns, and sharing survey comments in staff meetings. Recognize and reward employees for their achievements.
- **Keep staff on their toes.** On daily rounds, check in with staff to inquire about incoming and in-house VIPs, special requests, and the latest marketing campaigns, upsell initiatives, guest feedback, and CRM insights.

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I personally respond to every single survey which pleasantly surprises each guest and helps turn any issues they had into a positive experience.

THE AMPERSAND HOTEL

- Tracey Hewitson, Assistant General Manager, The Ampersand, London

7 BRINGING IT ALL TOGETHER

ET VOILA!

By working with the CRM team to identify your hotel's goals, objectives and strategies, you'll help ensure that all staff are moving in the same direction.

By using these guidelines to define CRM roles and responsibilities in your hotel, you'll make sure that no detail (or guest) falls through the cracks.

By tracking results using key performance indicators, you'll keep everyone accountable.

And by integrating CRM best practices into the daily operations and culture of your hotel, you will reap the benefits to guest satisfaction, loyalty, and profitability. If you'd like to find out more about how you can implement CRM at your property, contact us for more information



Contact us today for a demo of our solutions. We look forward to hearing from you!

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