

# Hotel E-mail Marketing

## Using E-mail to Maximize Hotel Service and Up-Selling

As online hotel bookings increase, many hotel marketers are overlooking the customer service and up-sell potential of pre-arrival guest e-mail.

### Key Questions

- How desirable is pre-arrival hotel e-mail to online hotel guests?
- What information are online hotel guests seeking in pre-arrival e-mail?
- To what extent should hotels offer information and up-sells in pre-arrival guest e-mail?

### Key Finding

While 91 percent of online hotel guests reported that they would find reservation pre-arrival information from their hotel useful, only 45 percent received an e-mail prior to their most recent hotel stay. Many hotels are missing an opportunity to offer customer service and up-sell via pre-arrival guest e-mail.



### Research Topic

- Consumer Behavior

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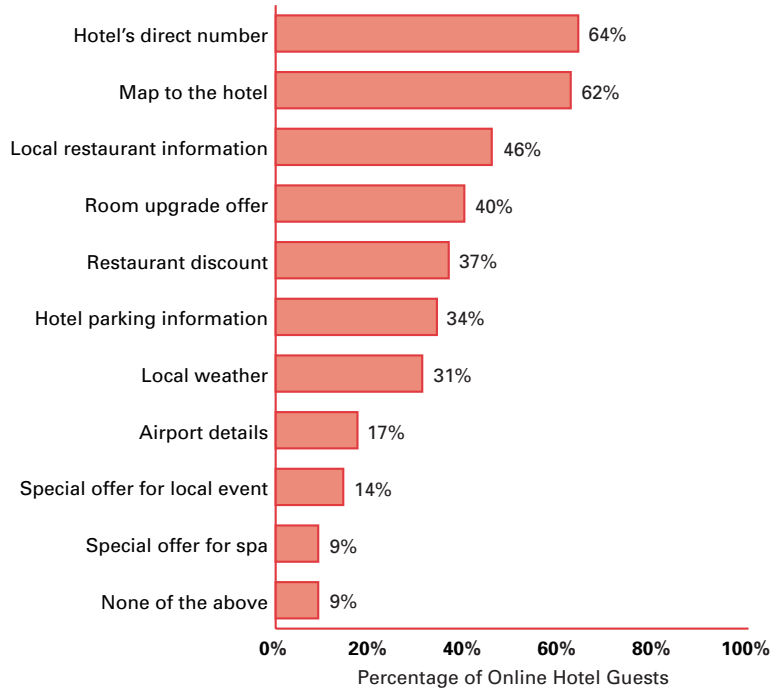
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## Interest in Pre-arrival Information on Hotel and Surroundings Is High

**Fig. 1 Information Online Hotel Guests Would Find Most Useful in Pre-arrival E-mail**



Note: Excludes the responses "other" and "information about movies available."

Question: What information would you find most useful to receive in an e-mail from your hotel prior to your arrival? (Select up to five.)

Source: JupiterResearch/Ipsos-Insight Consumer Survey (9/06), n = 1,378 (online users who stayed in a hotel during the last 12 months, US only)  
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At minimum, online hotel guests expect pre-arrival e-mail to include reservation confirmation and information about hotel facilities. However, guests would find several additional kinds of information desirable, and many hotels are failing to provide it.

Ninety-one percent of online hotel guests are receptive to receiving pre-arrival e-mail from hotels offering information and discounts. Additionally, the vast majority of recipients open such e-mail—only four percent of online hotel guests would not open pre-arrival e-mail from their hotel. However, only 45 percent of online hotel guests reported receiving an e-mail from their hotel prior to their arrival.

Online hotel guests are very interested in information on both the property and its local areas: A phone number to reach the hotel directly is the most desirable information (64 percent), followed closely by a map to the hotel (62 percent).

Local information is also highly regarded: 46 percent of online hotel guests consider information on local restaurants among the most useful content in an e-mail, while 31 percent would like local weather information.

In terms of specials or discounts, the offer of a room upgrade is the most appealing: 40 percent of online hotel guests would like to receive pre-arrival e-mail containing an upgrade option.

## Hotel Specials Seekers Are Very Interested in Discount Offers

**Fig. 2 Comparison of Online Hotel Guests Who Seek Specials and Discounts Versus Those Who Seek Information**

Type of Online Hotel Guest	Hotel Specials Seekers	Hotel Information Seekers
Percentage of overall online hotel guests	24%	76%
Male online hotel guests	41%	53%
Female online hotel guests	59%	47%
<b>Online hotel guests interested in special offers for the following:</b>		
Room upgrade	56%	35%
Restaurant	53%	32%
Local events	24%	12%
Spa	18%	7%
Online hotel guests who made purchase in last 12 months as a result of promotional e-mail	58%	51%

Source: JupiterResearch/Ipsos-Insight Consumer Survey (9/06), n = 1,003 (online hotel guest information seekers, US only), n = 320 (online hotel guest specials seekers, US only)  
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At 76 percent, the majority of online hotel guests are primarily seeking information about the hotel and local area. Hotel information seekers are defined as online hotel guests interested in receiving confirmation e-mail or information about the hotel, but not additional offers.

The remaining 24 percent of online hotel guests are highly influenced by online hotel special offers; these “specials seekers” reported that such offers are the primary appeal of pre-arrival e-mail communication. Specials seekers are more likely to be women. They are approximately 60 percent more likely to value a special offer for a room upgrade or restaurant discount than are their counterparts who are primarily seeking information. Compared with information seekers, specials seekers are twice as likely to appreciate discounts for local events and nearly three times as likely to appreciate discounts for spa treatments.

Further, these specials seekers are more likely to make an online purchase as a result of a promotional e-mail: 58 percent of specials seekers reported making a purchase as a result of a promotional e-mail during the past 12 months, compared with 51 percent of information seekers.

Hotels that intend to build a customer service brand and explore up-sell opportunities should send pre-arrival e-mail that implements the following tactics:

- **Seek secondary e-mail addresses.** Only 38 percent of online hotel guests reported having a single personal e-mail account they use actively. Overall, online hotel guests have an average of two personal e-mail addresses; 37 percent reported that they have two personal e-mail

accounts they access regularly, and 16 percent have three. Hotels seeking to correspond with guests via e-mail should offer them the option of having e-mail delivered to more than one account.

- **Balance specials and information.** Hotels sending pre-arrival information, upgrade offers, and special discounts must find an appropriate balance between relevant content and clutter. These hotels should be mindful that more than three-quarters of their guests are mainly looking for information in their pre-arrival e-mail, while just under one-quarter are primarily interested in special offers.
- **Work above the fold.** While online hotel guests' interest in pre-arrival information is positive news for marketers, marketers must ensure that key elements of their communication sit above the fold—for example, the most widely appealing information (i.e., the hotel's direct phone number and a map to the property) should be in the most visible position.
- **Automate pre-arrival e-mail.** Hotels should automate pre-arrival messages to improve production efficiency by using a string of triggered messages that are automatically sent in the weeks and days leading up to the travel date. Because this information is highly valued by consumers, it is likely to improve the overall online customer experience as well as create a better impression and higher expectation of the hotel property itself.
- **Use sequenced life cycle messages.** Additionally, sequenced life cycle messages that are contextually relevant tend to be more successful than are single broadcast mailings, delivering click-through rates that are approximately 50 percent higher than untargeted blast mailings. (See *The ROI of E-mail Relevance: Improving Campaign Results Through Targeting*, E-mail Marketing, May 25, 2005.)