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IDEAS LAB

19 January 2022



Cultivating Customer Loyalty – A Visitor's Lens

Industry Topic Specialist

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Specialist Highlights

- Loyalty built with customers through the post-visit experience helps a business cut through the competition by cultivating a strong community amongst its guests, so they keep returning.
- It <u>costs 5x less</u> to retain current guests than to find new ones. Retaining a larger percentage of existing customers for a longer life cycle builds a profitable, predictable revenue foundation.
- New customers introduced by past guests have been pre-qualified and are more likely to be the right type of customer.
- Businesses that excel at personalization and post-visit engagement cultivate exceptionally loyal customers. Connecting personally with guests is a powerful tool. (i.e., staff at The Belvedere Hotel will comment on a guest's Facebook posts or send a birthday note).
- Creatively tap into your guests' common interests as a way to reconnect, share memories and entice visitors to return.

Discussion Ideas & Tips

Designing an amazing end-to-end visitor experience is important. However, creating and nurturing a loyal community of past guests can be the difference between having customers who, just like you, versus cultivating raving fans and advocates. Loyalty is a low-cost strategy that helps cut through the competition. It is a tool in your marketing kit that builds on the human connection and can kick-start bookings.

Discussions regarding practices used to keep customers engaged, postvisit, with a business' brand and entice past guests to revisit or refer new customers have been held with 46 tourism operators and professionals in Ontario and British Columbia.

Tactical Practical Take-Aways

- Loyalty touches go beyond your customers and includes your staff, suppliers and partners. They are all needed for business survival.
- Connect with your customers at a personal level to show you care.
 This can be done online or through
 - other non-digital approaches, depending on the persons' digital savviness. Some businesses found success by sending handwritten/crafted Christmas or anniversary cards or calling customers to stay in touch and let them know you care.
- Identify and keep files on essential information or photos that you can use to personalize guest communications and experiences
- Loyalty with a niche lens vs mass market is easier to build affinity between like-minded people. Connect your niche audiences on what is happening in your area, e.g., let birders know any first sightings.
- Identify what you can do to strengthen and deepen relationships with the local community.
- Dedicate time to social media:
 - Empower staff social media skills and an ability to represent your brand, to post and engage with guests.
 - o Identify the social media channels that are most important to your ideal guests and drop those of lesser value.

"When a company focuses on loyalty, it makes customers' lives so much better that they keep coming back, and they bring their friends."

> Rob Markey Harvard Business Review

- Create exclusive Facebook groups for past customers to create a community and connect in a more meaningful way, share special events or recipes and keep their memories top of mind between visits.
- Identify and keep files on essential information or photos that you can use to personalize guest communications and experiences (e.g. birthdays, anniversaries, family names and relationships, key areas of interest (especially if they can tie into experiences/ partnerships) and any personal preferences (e.g., food, bedding, etc.).

Additional ideas shared from previous sessions

While no one participating in the discussion had seen or experienced post-visit engagement at the level of the <u>Belvedere Bike Hotel</u>, it sparked a range of ideas regarding how businesses could provide stronger personal connections with guests to cultivate more loyal customers.

Loyalty Starts with Great Experience Design

The following ideas were shared as ways to enhance the experience design to strengthen relationships with customers and build repeat visitation and loyalty.

- Offer new and special experiences over several weeks rather than a few days to provide time for word of mouth to build and community interest to develop.
- Think of ways to elevate the opportunity for connection when someone makes a large purchase as the ANDARA Gallery does with the "Big Reveal" – a small exclusive gathering in the gallery when a commissioned piece of art is shown for the first time.
- Do It Yourself (DIY) kits mailed to customers unable to visit can provide past customers with fun, easy activities at home. Incorporating videos is a great way to build engagement with your brand and a potential new revenue source.
- When creating Instagramable photo ops for one event, consider how to bring those same people back (and others) with a new themed setting (e.g., if did a Christmas set up, bring them back for Valentines, Easter, etc.).
- Provide a range of experiences to build repeat business. When customers have a great experience, they are open to returning and trying something new. This can be achieved by offering activities at different times of day (the same activity at night can offer very

- different experiences), for different ability levels, or in different locations.
- Orientation tours provide guests with a sense of place and allow staff to highlight what the business is doing to keep guests safe.
- Small, private (bubble) tours enable operators to deliver more customized itineraries that strengthen guest relationships.
- Food sensitivities can be a real issue for many, and when a business can address them unobtrusively, they show customers they care. For resorts offering dining, placing an icon on the guest's name card at their place setting is an indicator for staff to check the records for the issues and address it with the guest.
- Provide guests with an opportunity to create a permanent connection with your experience.
 <u>Transformational Nature Connection</u> in Ontario plans to do this by inviting guests to plant a shrub that can symbolize their personal growth.
- Make time to socialize with guests and treat guests as friends. This provides a personal connection that expresses an interest in who they are and their wellbeing.
- Hotels and resorts that tier customers on loyalty/spending have been known to provide bathrobes in different colours/styles so that staff can identify VIP guests when at the pool/spa and address them appropriately.

Tools & Tactics for Strengthening Loyalty

- Identify the elements of the experience customers particularly enjoy and comment on. Consider how you can use those elements to connect with customers, e.g., send them the recipe of a favourite food from the area, provide a reading list of books about the area they might enjoy, etc.
- Identify and keep files on essential information or photos that you can use to personalize guest communications and experiences (e.g., birthdays, anniversaries, family names and relationships, key areas of interest (especially if they can tie into experiences/ partnerships) and any personal preferences (e.g., food, bedding, etc.).
- If live virtual events are not possible. Consider having a private YouTube channel and post videos there.
- Create hopeful, optimistic and personalized communications. People appreciate a hopeful tone, or even humour. Many consumers are getting

- restless and want to start planning travel, especially if your cancellation policies are fair and transparent.
- Don't forget your suppliers or partners; they are likely having a rough time too. Reach out to see how they are doing. Identify if there are opportunities to work together.
- Train staff to connect appropriately with guests: say hello, introduce themselves and their role, storytelling, etc. Staff will feel more involved and engaged at work; guests will feel a stronger attachment to the business.
- ANDARA Gallery created a safe welcoming place in their barn to take a photo in front of a huge, decorated tree and make a Christmas memory. There was no cost, but donations were requested to the local hospital fund creating a win for all
- Develop a set of questions to ask guests when in casual conversation (not a survey) to generate feedback on your business and identify guest needs and interests. Then, empower staff to act on these needs. Finally, provide a place where staff can record this information for future use along with what, if anything, they followed upon.
- Review the automation capabilities on your web platform (e.g., links to email marketing programs.)
 Time savings can be applied to other customer engagement activities.
- Retain a customer database with information about your guests. For accommodation providers, check your property management system to see what tools they offer. If using Microsoft, <u>Access</u> may be a helpful program. <u>Hubspot CRM</u> is a free tool to help you organize your customer database.

Ramp Up Your Post-Visit Engagement

- Offer a small gift or offering when the guest leaves your business as a small thank you and an at home reminder of the experience they had.
- Maintain contact with past guests by setting up a daily practice of sending a personal note to a few of your most valued guests
- Facebook Live experiences can be relaxed, unscripted and more personal than email communications. One operator treated this as an opportunity to engage and invited their guests to a Facebook Live event where they talked about what was going on and answered guest questions.
- Reconnect with guests' passions they likely have an interest in the activities you offer as well as where you are located. Some examples identified to connect with guests include providing book lists (or starting a book club) that focuses on novels about the area/people/ activity, providing recipes of regional specialties with a live demo of how to make them, online talks with stories from staff about what they miss and how they are doing.
- Virtual walks and lessons related to the area's culture are approaches taken by the <u>Residence Villa Rosa Garda</u> on their Facebook page (<u>Fam Bertamè</u>). In addition to stunning photos showing the area's beauty, they are also taking fans on walks of the area and have been providing Italian lessons more recently. They are connecting with past guests and building a following of potential new guests.
- Create private groups on your social media channels where you can connect with your guests and they can connect with each other to keep the memories of their time with you fresh and top of mind between visits.

"Social media is an instrument to keep in touch, a window where we can share our moments and above all maintain the warm contact that we have with our guests.

We see what they love doing, we study it and we try to entertain them during this difficult time. And I can tell you that at the same time, we keep our guests united; we also keep our team of staff united."

-Marina Pasquini, owner, Hotel Belvedere

Additional Helpful Links

The Hotel Belvedere in Riccione, Italy

Are You Undervaluing Your Customers? Harvard Business Review Jan/Feb 2020

Know Your Customers' " Jobs To Be Done" Harvard Business Review Sept/2016

Adventure Travel Trade Association research COVID-19 Survey Results

HR training resources are available through **Tourism HR Canada**

Maintaining Customer Loyalty and Trust During Uncertainty Deloitte

Don't Spend Five Times More Attracting New Customers, Nurture the Existing Ones, Forbes Magazine, Sep. 12, 2018

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