

The Wired Hotel: Understanding the needs of your most valuable web site visitors - By Jerry Tarasofsky 2005-12-30

This article examines customer segmentation in the online hospitality sector and how to structure your web site to maximize the value of your most important web site visitors.

The first order of business in developing a meaningful segmentation strategy is to set clear goals and have sufficient information about who is visiting your site and most important, a long-term view that goes beyond a simple snapshot of site visitors at a moment in time.

Defining the goals is pretty straightforward. You tailor your web site content to meet the wants, needs and preferences of your web site customers. If you've done your homework correctly, you'll enhance customer satisfaction, increase conversion and build customer relationships and loyalty.

To tailor the content of your site effectively you need to be able to get inside the hearts and minds of your web site visitors to understand their wants, needs and preferences. Sometimes this is quite easy: You're a car rental company and you know that consumers in different cities have different needs. Renters wanting to pick up a car in Vail Colorado probably want four-wheel drive SUV. Renters in Miami want convertibles. Or you are Orbitz and you have a millions of data points highlighting what customer's have purchased in the past and what other people have purchased, so you have some history to build on. If this information is not readily available, how do you go about collecting this valuable knowledge about visitor preferences? The simple answer is to ask your web site visitors and listen to their response. You can guess what people want or prefer by watching what they do, but expressed preferences, those given to you directly by your visitors are significantly more important and valuable than inferred preferences.

Our clients, some of the most well know brands in the hospitality sector obtain this information by asking their site visitors to complete a short three-minute online questionnaire. They use the questionnaire in conjunction with a perceptual framework and solution we have branded as the webValidator.

Our clients use the webValidator to engage actual web site visitors to capture their perceptions of their actual web site visit. Visitors give their subjective opinion of their personal experience with the web site by responding to the online questionnaire comprised of three sections:

- 1) Visitor profiling provides the dependent variables for our analysis and describes the groups.
- 2) Web site attribute ratings provide the multivariate response structures to the value proposition for our analysis.
- 3) Open-ended questions add insight to the overall process

If you define goals, collect consumer preference data, and make a plan to address the needs of your most valuable visitors/customers, you are on your way to a useful segmentation strategy.

Customer segmentation is not new to the hospitality sector. The creation of some of the most well known and profitable Luxury, Upscale, Extended Stay and Budget brands are a direct result of customer segmentation strategies.

So how does this apply to your hotel? You can start by dividing your online customer base into groups of individuals that are similar in specific ways relevant to you, such as age, gender, interests or purpose of visit. Once you are able to segment your web site visitors, you will be able to target specific groups ie. Business travelers or convention planner and allocate marketing resources to maximize your marketing dollars towards this valuable segment.

Using segmentation, you will also be able to identify underserved groups of visitors whose wants and needs can be met by developing uniquely appealing products and services and help these people navigate their way through your web site. If you are able to separate both your existing and potential visitor base into smaller segments of "similar" and "dissimilar" customers, as I've said previously you will be able to more effectively target your web site strategy and messaging.

Customer Segmentation is most effective to tailor offerings to segments that are the most profitable. This prioritization can help you develop marketing campaigns and pricing strategies to extract maximum value from both high and low-profit customers. You can use customer segmentation as the principal basis for allocating resources to product development, marketing, service and delivery programs.

Consider for example, a site tour - why not make it available to those people who have never visited your web site before. It's a quick and easy way to help them familiarize themselves with your site and your hotel.

For frequent visitors to your site, consider giving them the option to personalize your site so they are able to immediately get the information they want - give event planners their own micro site where they can instantly get access to catering information and other information relevant to why they are visiting your site.

There are two ways to view segmenting your web site visitor. The first, traditional segmentation focuses on identifying customer groups based on demographics and attributes such as attitude and psychological profiles. The second, value-based segmentation looks at groups of customers in terms of the revenue they generate and the costs of establishing and maintaining relationships with them.

You must decide what works best for your web site and your overall web marketing strategy. To execute any customer segmentation strategy on the web, you need to decide what information you want collected and how it will be gathered. As well, it would be advisable to integrate the data obtained from the web with data from other customer touch points.

You've heard this before and it's not rocket science but the more you know about your online visitors - the better you can find them, serve them and most importantly, keep and grow them. This is where customer segmentation shines. Customer segmentation is a great tool for understanding customers and connecting with them, but few companies do it effectively or can boast much success. This may be because they haven't thought through the types of segments that would best serve their objectives, or perhaps it is because the logistics involved in accurately segmenting their customer base are simply overwhelming.

The goal of customer segmentation is to better understand your web site visitor and to use that knowledge to enhance your web site's ROI. An effective segmentation strategy drives revenue growth by increasing your ability to meet your site visitor's demands. Segmentation's greatest impact is on the top line, increasing the number of site visitors and your look to book ratio and increasing the lifetime value and loyalty of your customer.

Jerry Tarasofsky is CEO of iPerceptions Inc, a company whose attitudinal analytics solutions capture the attitudes and perceptions of actual web site visitors within the context of their actual site visit to discover the issues that matter most to them. These solutions use proprietary predictive modeling to measure and evaluate independent elements of a user's total web site experience to predict how various site attributes impact site satisfaction. The solutions deliver forward focused decision-support, actionable information and industry best-practice benchmarks resulting in enhanced user loyalty, increased profits and a more solid ROI. iPerceptions' clients in the hospitality sector include such recognized brands as Crowne Plaza, Omni, Savoy, Wellesley, Homestead, Radisson and Holiday Inn. He can be reached at jerryt@iperceptions.com.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article20136.html>

© 1998 - 2007 Nevistas and the author.

Brought to you by Hotel News Resource

Distribute your news on our Network

See what all the buzz is about at:

http://www.hotelnewsresource.com/Info-news_account_info.html