

## Should Your Mobile Strategy be About ROI or Brand Advocacy?

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After a decade of false starts, the travel and tourism industries are beginning to embrace mobile and wireless technologies. Hotels, airlines and online agencies all are getting in on the act. But are these travel companies using mobile technology to actually drive bookings, or are they using this channel in a different way?

EyeforTravel recently interviewed Linda Anderson of Red Lion Hotels and Buddy Altus of Avis Budget Group, the parent of Avis Rent A Car and Budget Rent A Car, on their very different mobile strategies. Red Lion uses mobile to create a dialogue and to build the brand, while Avis Budget is generating sales and repeat business for the customers of its rental car brands. (Both Anderson and Altus will be speaking on mobile marketing at EyeforTravel's Online Marketing in Travel conference [www.eyefortravel.com/smusa](http://www.eyefortravel.com/smusa))

Red Lion Hotels have started to make portions of their website available for their customers using smart phones. Customers will be able to view their confirmation email and access portions of the website, such as restaurant and recreational guides, but there is no option to book, Anderson said.

"It's less about mobile marketing, and more about a mobile dialogue for Red Lion," she explained. "It's a dialogue for brand advocacy. "Talking with customers is the Red Lion mantra, so it makes sense to have portions of our website available on mobile."

Why did Red Lion choose this mobile strategy? Anderson said that mobile should be considered as part of an overall social media strategy. "You have to be where your customers are," she said, "and our customers want easy ways to find us and engage with the brand."

Today's connected customers want to pull content rather than have it be pushed on them. "Red Lion Hotels have opted for a pull mobile model," Anderson said. For Red Lion customers, it's about information gathering rather than booking and buying.

As for what she sees as the intrusiveness of GPS messages and some location-based services, Anderson said, "It's kind of creepy if it's unwanted and it can ultimately damage your brand."

What does Red Lion Hotels see as the key to success? "I predict that travel companies will get smarter in using social media in responsible ways," Anderson said. "There needs to be relevant dialogue. If it's a two way conversation, it will be a success."

In contrast, the Avis Budget mobile strategy is about balancing convenience and return-on-investment (ROI). In a recent interview with EyeforTravel, Altus, the company's director of online distribution, explained that Avis Budget have launched mobile sites for both brands that have been optimized for mobile devices. Altus said this stripped down version of the site features a booking engine that allows customers to make reservations on a smart phone and other web-enabled wireless handsets.

Altus said his company's mobile system's initial results have proven positive by taking advantage of the customers' time and location, and by providing a convenient, easy to use system.

Why was it necessary to have a stripped down site for mobile? "Two reasons," Altus said. "It was the easiest way to get to market, and people don't want that much information on their handset. By focusing on a booking engine rather than content, it was quick to build and maintain, just like another partner site."

What does Altus see as the technological challenges for the future? "Encouraging airlines to accelerate the penetration of electronic boarding passes. Instead of paper boarding passes, airlines are starting to deliver boarding passes to travelers' phones enabling boarding passes to be scanned directly from the phone."

"The phone will become heart and soul of the trip," Altus said. "As more airlines move to using a mobile phone as the method of service delivery, then people will become more comfortable and accustomed to using their phone for travel transactions."

Altus said that Avis Budget Group is already seeing a lot of repeat business. Once customers hire a car using a mobile device, they tend to book again on the mobile site. "Significant numbers of people are returning again and again," he said, "and significant revenue is expected from mobile bookings. It is not simply a question of customers switching to another booking interface, but booking ease and convenience are driving growth of new customers."

Contrasting the approaches by Red Lion and Avis Budget Group, there is a clear division between a revenue generating mobile strategy and one that is designed for creating brand advocacy. One needs a website with robust content, whereas the other needs a simplified website. With mobile technology where it is today, a hotel booking is a more complex product than a car hire.

*Both Buddy Altus and Linda Anderson will be speaking on the mobile marketing session at EyeforTravel's Online Marketing Travel conference, which will be held on the 25-26 June in Chicago. For more information visit:*  
[www.eyefortravel.com/smusa](http://www.eyefortravel.com/smusa)

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