The Long Tail
Drilling it Down for Hotel Sales and Marketing

At the recent annual users’ meeting for Delphi/Newmarket, I delivered a keynote and a drill-down session on the topic of Web 2.0 and the Long Tail. These concepts have a profound impact on the hotel sales and marketing function.

Last time, we grazed the surface of the Long Tail concept that originally appeared in an article which became a book by Chris Anderson, the editor of Wired Magazine. In the hospitality industry, PhoCusWright has been in the forefront of applying this concept to the travel industry.

In Chris Anderson’s book, he uses the entertainment industry as an example. Take the case of a popular movie that can be represented by the head. The Long Tail represents products or niches that flow from the hit or movie. For example, let’s take a neutral movie like “Shrek.” There is the movie, then there is the Long Tail niches or products are the ones that flow from the popularity of the movies. For example, sponsorships like McDonald’s that feature characters from the movie on its product packaging, stuffed animals representing characters from the movie, lunch boxes with Shrek characters for kids, and on. What does this mean for the hotel industry in particular the way hotels are marketed? Does this represent daunting challenges or infinite opportunities?

In Bob Offut’s predictions about the changes the Long Tail will have for travel (PhoCusWright conference, 2007) he said, “Historically, the travel distribution channel was the domain of large suppliers.” However small suppliers have an equal opportunity to participate in this space with the development of “…low cost and shareware packages that provide the capability for a small travel supplier to accept and confirm reservations online,” Offut said.

If search was the driver behind the emergence of Web 2.0 then, according to Offut, “The success of the Long Tail in travel is directly proportional to the quality of search—making metasearch, geographically oriented search and vertical search key enablers. To utilize content in the Long Tail, you need to be able to get to it. Search engines are the railroads of Long Tail content. You have to be able to find it.”

What does this mean to hotel marketers? The head may be the destination or type of travel largely driven by increasingly complex search that is utilized by multiple niches that find a hotel product is positioned to fulfill the experience that they are “searching” for. These niches are varied and may include leisure and the multiple leisure travel niches that fall within that category, social or infinity groups, association and corporate meetings.

“Let me see that royal decree again, Sir Bumble. I thought it said we were to search the kingdom for a long TALE.”

Combine the Long Tail with Web 2.0 and throw in Seth Godin’s book, “All Marketers are Liars — The Power of Telling Authentic Stories in a Low Trust World,” hotel’s online presence is the hotel’s story, as told by the hotel’s own marketing efforts and by the hotel’s customers on user generated review sites. The authentic stories mentioned in Seth Godin’s book are the user generated reviews, hence the discovery that these play a more important role that price in hotel selection.

At the present time, user generated content sites such as Trip Advisor and those reviews provided by OTAs and travel aggregators tend to be generic in that they are not segmented by niches. There are reviews describing experiences from primarily leisure but also social groups lumped onto these sites with no clear way to vertically search for the experiences that apply to particular niches. This is slowly changing with the development of review sites that provide a platform for meetings. It would seem that search for reviews that apply to niche experiences is a space that is ripe for development as are specialized UGC sites dealing with specialized travel experiences accessible by search.

The opportunities of the Long Tail may lie in Chris Anderson’s theory selling less of more. This strategy may be uniquely suited to the challenges of a slowing economy. Hotel marketers then need to decide which niches to which they want to appeal. The generic Web site is giving way to specialized pages to appeal to those niches. These pages then become searchable by travelers looking for experiences that appeal to them. A smart hotel marketer would be wise to include customer stories of their experiences with the hotel on its Web site to provide the authenticity that buyers are looking for in hotel selection.

One example of multiple Web site pages for multiple niches is Phil Goodwin’s Genergraphics concept that designs multiple pages for different generations. Driven by the concept that each generation is defined by their particular experiences and use of language, he has successfully built Web pages for the same product that appeal to the sensibilities of different generations. This has been successfully implemented by Harrah’s.

The drivers of these niche strategies should adopt an increasingly sophisticated use of keyword strategies, developed with the target niches in mind. Couple this with ecommerce strategies such as RSS feeds that are driven to highly defined lists of niche travelers and the landscape of hotel marketing changes. The upshot is the democratization of travel and hotel marketing where the small players have as much opportunity as the large suppliers. Aggregators of small suppliers such as sites and platforms that specialize in B&Bs, boutique hotels, independent resorts and conference centers, are also intrinsic to the search strategy as they supply a shopping center for these niches and give added value to an individual property’s search strategy.

The marketing and sales plans for the upcoming year requires a basic rethink of the way the hotel is marketed with special emphasis on crafting the hotel’s online presence in relation to the niches being targeted. Every initiative contributes to the Long Tail.

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