

Maine Innkeepers Association

Marketing Addendum

Winter 2007

WHY YOUR INN SHOULD HAVE A BLOG

Chances are you've heard about blogs, even if you don't know what one is. A blog—short for Web log—is a cross between an easy-to-update Web site and an online journal. It allows you to put new information on the Web without knowing any HTML.

Businesses—especially those in hospitality—can use blogs to connect with customers, put a face on their business, promote themselves, and create a richer experience for visitors that results in increased customer loyalty.

Here are 5 reasons why your inn should have a blog.

1. It's easy to update, even if you don't know HTML. If you can send an email or create a Word doc, you can blog.

Let's say you want to write about a traveling art show coming to the local museum, or talk about how you spotted a moose on your property, or promote a romantic weekend getaway package.

With a blog there's no waiting for your Web developer to come in to work on Monday morning, or having to pay money every time you want to add new information to your Web site.

You just write—as casually as you would talk to a guest—upload a photo if appropriate, and click publish. After that the entire world can find your post and learn more about your inn.

2. Search engines love blogs. Since blogs are frequently updated, have lots of unique content and loads of links for search engines to follow, blogs often do quite well at the search engines. So even if you think your guests don't read blogs, they may find

blogs—which can appear as Web sites—through Google and other search engines.

If you've been struggling to rank higher at the search engines, developing a blog may be your ticket onto page one of the search results.

3. They're great for generating leads and filling rooms. Once a prospect has found your blog by searching on "Camden Inn" or "Kennebunk Lodging" or "Old Port Festival", they'll see marketing messages and perhaps even links to where they can reserve a room right from your blog.

Plus, they'll see lots of other interesting posts you've done on other activities nearby, your favorite wine shop, or where to rent bikes locally and so on.

4. It differentiates you from your competition. Even if there is another bed & breakfast nearby that has a blog, it won't be the same as yours. You, and perhaps your staff, will be able to tell your own stories in your own voices.

Does your inn or B&B have an interesting history? Write about it, including any interesting events that might have occurred there.

Do you cater to families? Write posts about the "5 Ways to Reduce Stress on a Family Vacation" or tell some funny stories about some of the kids who have stayed with you. (Change the names to protect the not-so-innocent.)

5. Generate good word-of-mouth from other bloggers. The world of blogging is called the blogosphere. (Don't blame me for that one; it wasn't my call.) It's made up of networks of people who blog who share stories, ideas and the events in their lives.

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WHY YOUR INN SHOULD HAVE A BLOG (CONTINUED)


These bloggers regularly link to each other and the Web sites or blogs of places they go, people they meet and events they attend.

During the check-in process, you may ask if people have a blog and whether they'd be interested in a link from your blog. Often—if not always—they'll say yes and link back to you. All of those incoming links help raise your profile and rank at the search engines.

Plus, if they have a good time, they're likely to speak highly of their stay in their blog.

Start your blog today and you'll find yourself with better search engine rankings, cost-effective ways of promoting yourself, and more filled rooms for years to come.

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“Generate good word of mouth from other bloggers”

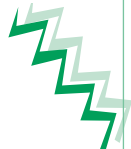
PODCASTING: A NEW MARKETING TOOL FOR THE LODGING INDUSTRY

By David Boggs, ACRO Global

What's a podcast?

Podcasting is a Web-based form of broadcasting that can be downloaded and enjoyed by anyone with an Internet-connected computer or a digital-media device such as the Apple iPod. (The term “podcasting” comes from “iPod” + “broadcasting”.) Software for downloading podcasts is available online, as is software for creating podcasts. Most podcasts are in audio format, but video podcasts are also beginning to be produced.

What do podcasts have to do with hotels?



Podcasts have more to do with destinations than they do with hotels per se. They can contain information on attractions, activities, events, restaurants, shopping and whatever else makes a destination attractive to travelers. They can be made available for download from your hotel Web site, be played immediately by destination-shoppers on their computers, and be copied to an iPod or other portable digital-media player, to be brought along and listened to at the destination. Like traditional radio broadcasts, podcasts can be listened to while the user is doing something else (like driving); with the difference that they're available on demand.

Why do hotels need to publish destination-related content?

In the past, most lodging Web sites have been

very heavy on content describing the property, with comparatively little in the way of destination content, so that consumers have had to resort to tourist-board or other third-party sites for information on what there is to do at the destination. That's beginning to change, and for good reason. It makes a lot of sense to include destination-related content on hotel Web sites, because logically travel-shoppers are going to choose a destination, or an itinerary of destinations, before beginning to shop specifically for accommodation. That being the case – and the travel keyword search counts we track monthly bear this out – the lodging Web sites most likely to be found earliest in the shopping process are those with destination content, simply because they show up in destination searches. This creates opportunities for:

1. consumers to shop for destinations and lodging in a “parallel” fashion, thus saving time; and
2. properties that are visible during the earlier stages of search to receive bookings at the expense of competitors with little or no destination content.

How do consumers find the Web sites of hotels that have podcasts available?

Overwhelmingly, consumers use the top three general search engines (Google, Yahoo! and MS Live Search) to find travel sites. Since



PODCASTING: A NEW MARKETING TOOL (CONTINUED)

podcast files themselves are opaque to search engines (i.e., they can't read the content directly), the quickest and simplest way to draw consumers to your podcasts is via pay-per-click search using destination-related keywords, ads that mention the podcasts, and landing pages that contain direct links to the podcast files.

Who listens to podcasts?

According to a recent report from the Pew Internet & American Life Project, twelve percent of Web users surveyed in August 2006 have downloaded a podcast – up from seven percent in the period February-April 2006. Twelve percent of the US online population is approximately 17 million consumers. Podcast users are predominantly young at this time, but recent research by Nielsen/NetRatings found the average age of podcast users to be increasing.

Who in the lodging industry is using podcasts?

These hotel companies are known to have podcasts either online or in the works:

- InterContinental Hotel Group
- Kimpton Hotels

- Joie de Vivre Hotels
- Tecton Hospitality

How do podcasts get produced?

You can produce them yourselves using free or inexpensive software and some simple recording hardware, or you can have them professionally produced from your material. Anyone considering investing in Podcasting should probably have the person slated to head up such a project look at *Secrets of Podcasting (Second Edition)* by Bart G. Farkas (Peachpit, 2006). Online searches on “podcast software” and “podcast production” will produce plenty of information on do-it-yourself and outsourced podcast production.

David Boggs is President/CEO of ACRO Global, Internet marketers of travel, tourism and hospitality services, with offices in Boothbay Harbor, Maine and Galway, Ireland; a member of Maine Innkeepers Association, Maine Tourism Association, HSMIA, Usability Professionals Association and Web Analytics Association. You can e-mail David at dhboggs@acroglobal.com or call him at 207-633-3934.



“Over 17 million consumers listen to podcasts and the average age of that consumer is increasing.”

HOTEL TECHNOLOGY UPDATE

*By Alec Rogers, the new Quality Inn & Suites, Augusta
(Opening Spring 2007)*

Back in June I went to Minneapolis to attend the HITEC Conference and Exposition, an annual hotel technology event put on by the association of Hospitality Financial and Technology Professionals (HFTP). Dave Siegel, the former executive director of our association, was in attendance, by the way, and sends his best regards to the MEIA membership. I went to HITEC in search of an education on what's new and what's on the horizon for hotel technology in advance of construction of our new 3-diamond Quality Inn & Suites in Augusta (pardon the plug).

As you might suspect, the crowd was full of hotel heavy weights with big technology budgets due to the fact that the latest and greatest technology innovations usually hit the market at a hefty price. Nonetheless, there were top-

ics and opportunities for all hospitality operators to consider for their properties, regardless of their size.

While much of the purchasing of the newest technologies is being done right now for implementation in five-star hotels and resorts, even the operator of a small B&B needs to keep an eye on what the elite are up to. Sure as shootin', what the luxury market is doing today, the mid-scale and even economy markets will be attempting to address in the not-too-distant future.

Convergence and integration were the buzzwords at the conference. What these terms boil down to in this context is that the stand-alone systems and technologies of the 1990's are already dinosaurs. It's all about

HOTEL TECHNOLOGY UPDATE

(Continued)

technologies coming together and operating through a single nimble, expandable, adaptable network. This goes for technology that serves the operations of the hotel (guest relations management, telecom services, energy management, property security systems, etc.) as well as those provided to serve your tech-savvy guests.

It is the latter that is of greatest interest to this hotelier, because these technophiles are changing the face of things. It is in serving these guests (ever increasing in number) that marketing and technology truly converge and are inseparable. Serving them means entertaining them, or rather, facilitating their pursuit of entertainment. From Voice over IP (VoIP) telephones with concierge services in tow, to flat panel (not just flat screen) HD televisions that serve as the central guestroom technology platform where all in-room services can be accessed, to iPod-friendly audio systems, the list goes on and on.

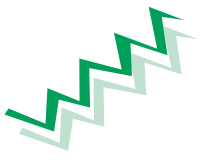
Wait, you say. Alec, who can afford all that stuff? And won't it all be obsolete six months after installation? Well yes, a lot of the stuff is still too expensive for most of us and it's up to the purchaser to differentiate between the passing fads and the prevailing trends, but the important thing to at least be very aware of is this: more and more consumers are buying these intelligent gizmos for installation in their

own homes, and generally speaking, the traveling public has the expectation that when they stay at a lodging establishment, they should find more comforts and conveniences than they're used to at home. Amenity creep can be creepy indeed!

“It’s all about technologies coming together and operating through a single nimble, expandable, adaptable network.”

The thing to do is be forward thinking when looking to upgrade facilities. Don't just think about what you want to offer now. A more important long-term investment may be in your infrastructure, i.e. the cabling in your walls. Future-proofed lodging establishments have enough bandwidth running throughout their facility to someday support voice, video, data and “the unknown” all over Internet Protocol (IP). If the infrastructure is there, it will simply be a matter of ‘plug n’ play’ – but oh yeah, first there's ‘purchase’. Yep, there's just no getting around that one. Welcome to the world of hotel technology!

“It’s up to the purchaser to differentiate between the passing fads and the prevailing trends.”



EMERGING TRENDS IN THE HOSPITALITY INDUSTRY

2007 Should Be the Best Year Yet

While 2006 was a banner year for the hospitality industry, indicators predict that 2007 should spawn even better results. In November, hotel industry executives gathered at the AH&LA Hospitality Leadership Forum (at the International Hotel/Motel & Restaurant Show) to examine current trends and their effect on the lodging business. These prognosticators reported leisure travel as generating the most industry growth domestically in 2006.

Statistics indicate the hospitality industry is selling 1.49 percent more rooms per day than on the same day last year. In 2006, 2.7 million rooms sold daily, yet 20 years ago there weren't even that many rooms in the U.S. lodging industry. In October alone ADRs were up 7 percent nationally. "That's the highest rate since the industry began tracking them back in the 1980s," says Mark Lomanno, President of Smith Travel Research.

A Continued Shift to Online

While the major source of hotel bookings in the United States is still the hotel call center, there continues to be a major shift to online bookings. This shift to online sales will continue as more travelers migrate from making reservations by phone to online, particularly to the hotels' own websites.

A PhoCusWright study presented at a recent HEDNA (Hotel Electronic Distribution Network Association) conference cited the following breakdown of sources for reservations:

- Call Centers — 36%
- Online Travel Agencies — 25%
- Hotel websites — 21%
- Offline Travel Agencies — 9%
- Walk-in Traffic — 9%

Call center bookings are down from 45% in 2005. According to several sources, online bookings should surpass phone reservations as early as 2008.

The greater the proportion of travel bookings that are transacted online, the more travel consumers move beyond the convenience and power of the online transaction itself. They seek to take control of their travel experience,

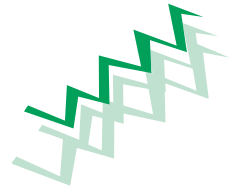
from planning to execution to sharing. Both in advance and in the wake of these demands flow a vast range of businesses and products worldwide that have been dubbed Travel 2.0. Forrester Research predicts online spending over a five year growth period of 53 billion dollars in 2004 to 111 billion in 2009. The hotel market is among the fastest growing segments of online travel, which itself dominates e-commerce spending. This trend is also documented by the American Society of Travel Agents in a study showing the number of Americans using the Internet to book travel increased from 12 million to 64 million between 1998 and 2005.

Another important statistic: According to research by Internet Security Systems in 2006, the number of travel websites has increased by 25 percent over the past 12 months. These statistics reinforce need for the modern day hotelier to examine their online presence and marketing strategy. Consider the following:

- Can I manage showcasing my property on multiple Online Travel Agency websites? Do I have the time to research and look for new travel sites? Can I easily maintain changes to rates and inventory to these multiple channels?
- Is my hotel website up to par with 2007 online user expectations? Is the website user-friendly, search engine-friendly and booker-friendly?
- Am I offering my guests updated communication practices such as receiving attractive, graphic confirmations sent immediately to their email address?
- Is it time to consider hiring a third party vendor to assist with my revenue and channel management decisions, to improve my bottom line, and to maximize my property's visibility?

Technology Influences

Increasing broadband usage is driving demand for high quality content. As more and more consumers switch to broadband they are expecting more sophisticated sites. Booking engines are now an expectation for ease of securing information concerning room types, rates and availability.



"According to several sources, online bookings should surpass phone reservations as early as 2008"



EMERGING TRENDS

(Continued)

Photos, videos and flash technology are now easy to view on the consumer's screens due to the penetration of broadband usage in American households. Potential guests expect to see multiple photos of a property including room types, lobby, pool and recreation areas.

Social Influences

As more consumers spend their time on the Internet, the emergence of new social networks are making a giant impact on all aspects of industry and commerce. YouTube™, MySpace™ and blogs have created the groundwork for user-generated content which is transforming the Internet travel landscape. What is user-generated content? Basically it's word of mouth opinions that can reach the entire world with the click of a mouse. Consumers are looking for authenticity, not just sales and marketing messages. Hoteliers should familiarize themselves with sites like Trip Advisor and Yahoo's Trip Planner. If your property is mentioned favorably in a blog like Trip Advisor, you should find a way to incorporate this into your marketing efforts. Examine negative comments and view them as a source of constructive criticism that you can use to improve your facility.

Marketing Partners Offer Solutions

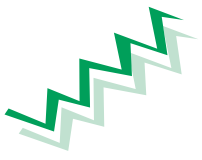
Innkeepers are busy with the day-to-day business of operating a property and the attention that it requires. Staying on top of trends and researching solutions on new ways to market your property can be a full-time job. Creating

a marketing partnership with a company that specializes in hospitality marketing and technology can provide the solution for the savvy innkeeper. Central reservation companies such as InnLink provide affordable products and services that give hotels the online presence needed in today's world. Electronic connectivity to the Global Distribution System and Online Travel Agencies, booking engines that attractively display special promotions and packages, E-marketing programs that drive traffic to your hotel's website —these are just a few of the tools you will need in 2007 to assist you in getting your share of reservations and revenue.

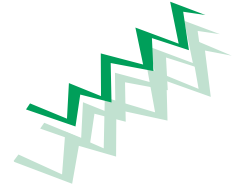
This article was prepared by Mary Skinner, Director of Marketing for InnLink Central Reservation Systems.

“User generated content is word of mouth opinions that can reach the entire world with the click of a mouse.”

“If your property is mentioned favorably in a blog like Trip Advisor, you should find a way to incorporate this into your marketing efforts.”



21ST CENTURY HOSPITALITY VIEWPOINT



Around 1900, the tourism industry became recognized as one of the largest industries in Maine. I learned that the other day from my 9 year old daughter while helping her study for a test. Out of all the important facts in Maine's history, I thought it odd that this one was included. Even after the influx of standardized testing, a little fact like this remained in the curriculum. For a brief moment, I felt important. I felt that something I was directly involved with was important enough to remain as a part of the classroom. Part of my children's education.

The niche market lodging industry has evolved from an extra room at grandma's house to vast selection and variety of overnight accommodations to suite every taste and style. Based on the premise that the industry is evolving and in order to remain competitive, we look to emerging trends along with current market assessments. Recently I began a study for one of my ongoing travel projects. I was interested in travel on a national scale. I have read the reports created for the Maine market but I was very much interested in what was going on in the rest of the US market.

For the purpose of my initial study, I chose 28 states. The states I identified were my best guess for the states people most likely would want to visit. I compiled data identifying overnight leisure travel. About half way through the data collection, I saw an interesting fact emerging. It was interesting only in the fact that it made no sense, yet here are the numbers. And we know that numbers don't lie.

The compiled data from the pre-selected states showed that 954,000,000 people spend a minimum of one overnight leisure trip to another state. Yes, that is correct. Nine hundred and fifty four million overnight leisure visits. Which means if you take the population of the US, lets say three hundred million, minus those at or below the poverty line (I don't think they spend much time at Inns, hotels or B&B's) That leaves about 260,000,000 million traveling folks. Which means each man woman and child had to spend almost 4 over night marketable stays in just those 28 states for that year. HmMMMM.

If we assume the data is correct then my market share just plummeted. In fact, my calculator doesn't have than many zeros to the right of the decimal point. To be depressingly precise my market share is 0.000002351%. How painful is that? I don't even know what that number is.

To make a longwinded point even longer, an independent property fights for every head in a bed. This competitive nature forces managers and owners to look for ways to define and brand a property. Being aware of how and why people are traveling is as critical to the bottom line as knowing your own web address. The battle of the brochure is over. For the first point in the history of our business, the month of November brought more online bookings than in person bookings. A trend that will continue to define how we operate. If more people book online, than our web presence reaches a new level of importance. Your web site must accurately represent not only who you are but who you want as guests. Knowing that repeat guests are critical only helps if you bring the right guests to your property. Bringing the wrong guest for the sake of a room night will hurt you. They will leave unsatisfied and possibly angry. Fact: an angry guest will tell at least 10 people about how bad their experience was as opposed to a happy guest who will tell 3. Turn away guests who clearly need to stay somewhere else, in a positive and helpful manner and they will reward you. Targeting the right guest effectively means capturing and understanding existing markets, new and emerging markets and upcoming markets.


The Internet has spawned a new creature for our industry. It's called travel 2.0. It is supposed to be the next generation of internet travel services. When I first began to research travel 2.0 it was clear no one understood where it was going but the reports seemed very positive. Now, 8 months later, the idea has become almost obsolete. The travel pundits now regard travel 2.0 with a "seen it, done it" attitude and wait with a godlike complex for the next attempt to define travel 2.0 in a new and functionally meaningful manner. The Internet has shortened the time frame needed

"Travel 2.0 is the next generation of internet travel services"




SHOULDER SEASON PACKAGING TIPS (CONTINUED)

for an idea to completely evolve. What had taken years in the past, now takes days.



How long ago was it recommended that you launch a golf package? Now everyone has a golf package. There are more golf packages available than there are golfers. Mediocrity is the curse of undeveloped packaging. Over the next 15 years, our business will explode and businesses will close. I promise. Destination locations which are currently over developed will have a shortage of rooms. A property owner will have a choice of either riding the wave or leading it. Take a lesson from the surfers; the back side of the wave isn't where you want to be. Those who lead that wave will profit from the surge, those who follow it, will leave a trail of disappointed guests.

“Take a lesson from the surfers; the back side of the wave isn't where you want to be.”



Become a student of travel. Go to the internet, search on the term, “Travel 2.0” and read the 3rd, 4th and 5th pages. That's where you will find the new ideas and emerging trends. If you feel you aren't doing the business you should, first make sure your measurement standards

Independent property owners have the advantage of changing directions over night. Be precise, be nimble and be creative.”

are correct. Over estimated numbers based on incorrect assumptions are depressing. Independent property owners have the advantage of changing direction over night. Be precise, be nimble, and be creative.

This is my opinion and I am sticking to it. At least for today.

*Matt Mattingly
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