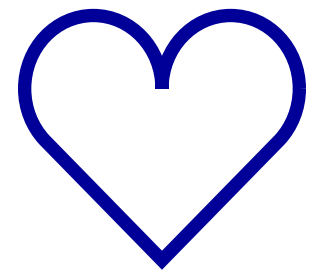


eBook

# How to rethink loyalty and keep travelers coming back



**expedia group**<sup>™</sup>  
 partner solutions



# Why loyalty really matters

**Loyalty is an emotion, above all else. It is an emotion we can explore to encourage travelers to consciously use services time and time again.**

But the attachment, affinity, and trust of loyalty are not won through offering elaborate loyalty schemes, loyalty cards, loyalty points—as we’ve been led to believe. Traveler expectations have changed a lot, and loyalty means so much more.

Loyalty became transactional because, on average, loyal travelers are worth up to 10 times as much as their first purchase<sup>1</sup>. For any travel business, loyalty is a no-brainer.

How we build loyalty needs to be more than loyalty programs. It needs to be more personal, more friendly, more intimate—and like building a friendship, it takes time.

Loyalty is about nurturing positive emotions and forming lasting relationships. Excellent customer service, positive experiences of a product or platform, glowing recommendations, and the sense of a personal relationship with a company—these are just some ingredients create loyalty.

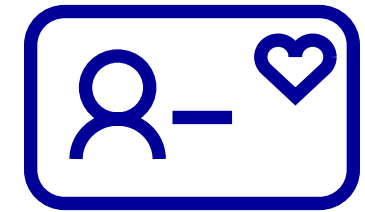
Initiatives that promote loyalty do not need to be complicated, they may appear complex, resource heavy, and require technical support, but that is not always the case.

Ultimately travelers respond to a:

- Travel agency that makes booking travel effortless and enjoyable
- Trusted travel advisor that adds value to their travel planning experience
- Sense of community, belonging, and shared experiences
- Booking journey that makes them feel **valued**, NOT just a transaction
- Business that earns recommendations from friends, family, and local peers
- Deals and/or discounts, but NOT at the expense of excellent customer service
- Loyalty built on more than just promotion, points, or prizes

With that in mind, let’s look at how to build a strategy to inspire loyalty across your traveler base.

<sup>1</sup> <https://beambox.com/townsquare/the-psychology-of-loyalty-programs-and-why-they-work>



# Loyalty is more than just points

Traditional loyalty programs tend to be built around:

- currency, i.e. points
- exclusive offers
- non-monetary perks

But rewards programs have their drawbacks. For one, they encourage conscious price-based decisions—when what you really want is for the unconscious mind to make emotion-based decisions.

Increasingly, points also fail to consider the growing expectations of modern travelers.

Rewards alone aren't enough. Travelers—business travelers, in particular—now look for elevated service when evaluating a loyalty program.<sup>2</sup>

To ensure your loyalty program offers genuine value, it's more important than ever to know and understand your travelers.



<sup>2</sup> <https://blog.accessdevelopment.com/traveler-loyalty-statistics-2016-edition>



# Loyalty done well

### In loyalty, relationships are everything.

Major travel providers recognize this, and many of their loyalty initiatives seek to show travelers that the company knows and cares about them.

The **Virgin Hotels' 'The Know'** is just one example of this. Travelers that sign up are asked a series of questions—from travel habits to personal preferences and even what they want in the minibar. Virgin uses this knowledge to deliver a personalized stay and service.

But as a local travel agent, this level of personalization is already built in. So how can you use it?

- Where travelers regularly take repeat trips to the same destination, reach out to them with special deals or discounts or when there's a special event happening there
- Keep records of accommodation or transport preferences and have this information to hand when they get in touch
- Send a personalized postcard wishing them a lovely stay during their trip

- Follow up with travelers when they return from trips to check how everything went

A sense of community is another element of loyalty that major brands often try to create.

And as a local travel agent, you can leverage your own closeness to the community, with no need for gimmicks.<sup>3</sup>

- Ensure your business is an active member of the community—support local causes, champion other local businesses, and attend or create community events
- Invite travel experts and speakers to give free talks to the travelers you serve
- Create a community travel library where travelers can buy, borrow, and swap travel books



<sup>3</sup> <https://antavo.com/blog/loyal-travel-agency>





# How to get to know your traveler

### Explore these strategies to build a detailed picture of the travelers you serve:

- Sometimes the easiest way to understand travelers is simply to speak to them about what motivates them to book travel with you and why they come back—perhaps run an informal focus group coffee morning to get to know them better
- Use Google Analytics to understand your social media followers and the people who visit your website
- Collate data to create traveler personas (research-driven representations of your average / ideal traveler) to help you and your team support each traveler segment better
- Start a conversation or poll on social media with your audience—what is their dream destination, what do they want from travel companies?
- Host an event or experience (virtual or physical) that lets you chat to travelers and forge relationships

- Incentivize existing travelers to take part in a quick survey, maybe with a downloadable destination guide, vacation quiz, or something physical such as a branded key chain or tote bag
- Cross-reference what you know of your top traveler segments with some keyword research into what phrases / questions they typically ask online and use that to write useful content to inspire, intrigue, or inform
- Capture information during the post-booking evaluation phase with a couple of questions in an online survey

Simply speak to your travelers about what motivates them to book travel with you and why they come back

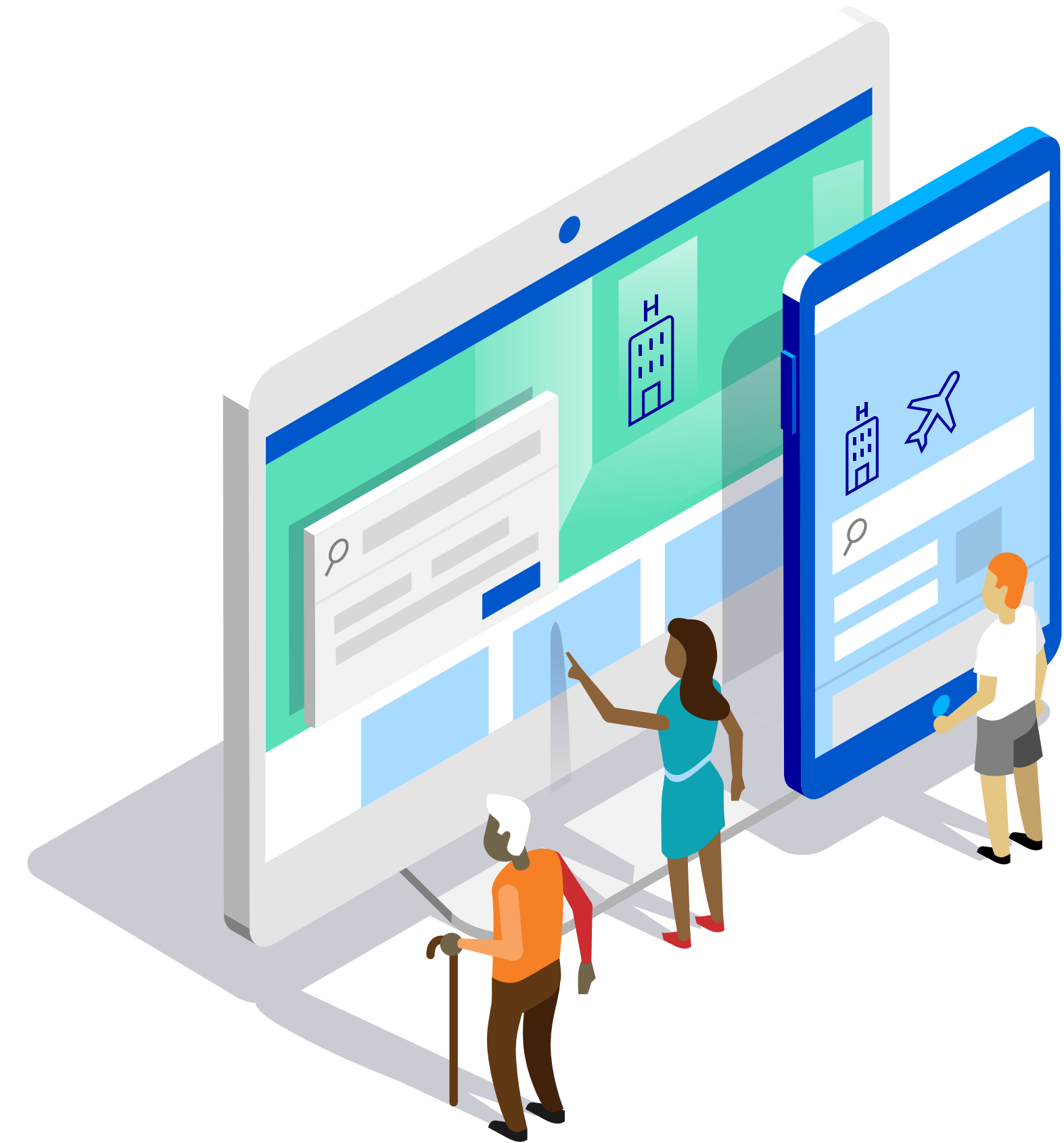


# Talking about my generation

Loyalty means something different to each generation of travelers.

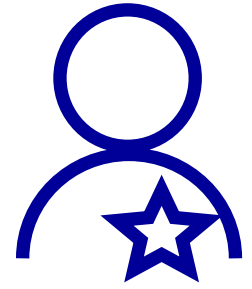
- **Baby boomers** (born 1946 to 1964) want excellent traveler service and place huge value on every interaction with the people in a business<sup>4</sup>
- **Gen X** (born 1965 to 1980) prioritize clarity. They're suspicious of flashy marketing tactics and 'too good to be true' deals
- **Millennials** (born 1981 to 1997) want convenience and the ability to book anywhere, on any platform
- **Gen Z** (born 1998 to 2010) care about people and the planet, and they expect the same of the businesses they're loyal to<sup>5</sup>

To nurture loyalty, it's good practice to incorporate aspects aligned to each generation. Reflect and respond to these generational differences, offering benefits that cater to each preference and give travelers the chance to make their own choice.



<sup>4</sup> <https://salesfloor.net/blog/generations-shopping-habits/>

<sup>5</sup> <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/true-gen-generation-z-and-its-implications-for-companies>



# Understanding travelers' value

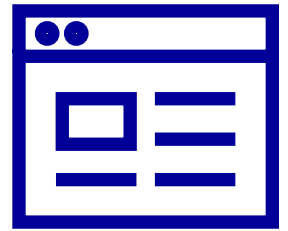
### Ensure you reward traveler loyalty.

Use booking data to identify your highest value travelers, using a metric known as Customer Lifetime Value<sup>6</sup> or CLV. Then consider how you can best reward them. Consider creating a higher tier within your loyalty program for these high-value travelers, making them eligible for more impressive service, bigger discounts, or exclusive perks. Where your average customer is a good friend, high-value travelers are your best friends, so treat them well.

**Tip:** Don't speculate! Ask travelers what they want, and give it to them, so you know your offers hit the mark—and you'll come across as attentive and transparent, too. Everyone wins!



<sup>6</sup> <https://blog.hubspot.com/service/how-to-calculate-customer-lifetime-value>



# Build loyalty with content

Be there for travelers when they need you—as you would for a friend or family member—with helpful and timely content that supports travel decisions as they're being made—a concept Google describes as 'Micro Moments.'<sup>7</sup>

These can focus on the practical moments: providing assistance on connections or transfers, where to eat on their first night in a city, and which attractions are kid friendly.

Equally, they can help you stand out by creating memorable moments: providing recommendations about hidden rooftop bars, idyllic sunset locations, and must-see local destinations off the beaten track.

Don't feel limited to blogs and articles in how you deliver this information either.

Consider:

- step-by-step itineraries
- in-depth destination guides
- countdown to your vacation
- print-out tour sheets for kids
- downloadable audio tours
- mid-vacation check-in emails so they know you are still there to help
- invite travelers for post-vacation follow-up chats over coffee



<sup>7</sup> <https://www.thinkwithgoogle.com/marketing-strategies/micro-moments/>



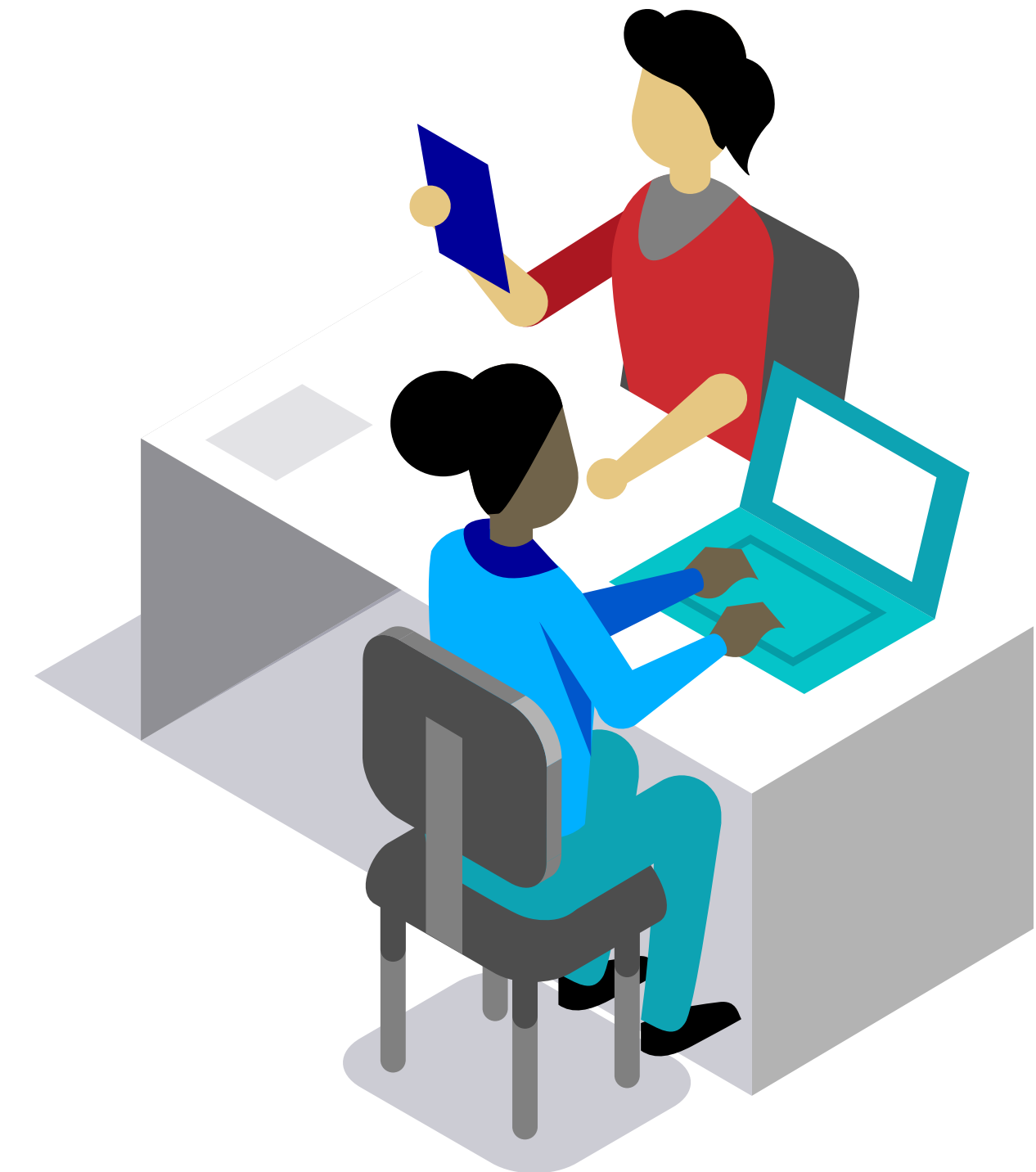


# Partners and travel agents

Major travel brands enjoy plenty of success with cross-industry collaborations.

By forming strategic partnerships, you can boost loyalty. As a local travel agent, you are in a great position to create meaningful local partnerships. These enable you to trigger emotional responses through truly personal experiences, which the major travel brands work so hard to generate.

- Team up with local tourist boards or travel associations to create bespoke days out
- Partner with local hotels to offer exclusive events, deals, and discounts
- Create mail-out travel goodie bags full of travel-related samples from local suppliers, creatives, and businesses—think book or magazine, mini sunscreen or lipbalm, liquids bag for each traveler—along with any printed travel material
- Work with local media companies to publish itineraries and guides
- Secure coupons from independent retailers, services, and restaurants to reward your most loyal travelers—maybe with a welcome-home meal or massage
- Team up with community charities to support donation drives or events with exclusive offers





## Innovative approaches to traveler loyalty

The value of data in loyalty marketing is huge—it helps to personalize and tailor traveler experiences.

But how can you build up this data on your travelers?

- If you want an email address—offer a downloadable destination guide
- If you want a date of birth—offer birthday gifts or discounts
- If you want an address—offer to send a glossy brochure or a welcome gift
- If you want increased booking—offer a discount or perk on extra nights
- If you want personal information—ask about their favorite music/ movie/ cocktail and elevate by having their cake/cocktail/ chocolate welcome them on arrival or check in
- If you want return travelers—offer exclusive deals on repeat bookings
- If you want referrals—offer a reward or incentive for recommendations





### Key takeaways

- **Loyalty is an emotion to nurture carefully.** Be personal, be friendly. Like building a friendship, loyalty takes time
- **Get to know your travelers.** Ask them what they most value, and see how you can deliver that.
- **Trigger emotional responses through truly personal experiences.** Create memorable moments: exceptional recommendations, travel packs of curated local goodies, a favorite drink delivered at check-in.
- **Create a sense of community to build trust** and get closer to your target audience.

