

## 8 Things that Won't Happen in 2010

By Jennifer Rodrigues, TravelInk'd

If you're anything like me, you're probably getting very sick of reading new predictions released daily about what 2010 will bring for the hotel industry. Have you noticed a theme in all of them yet? I have, and it goes something like this: bad news, bad news, bad news and more bad news.

So, to lighten the mood, I've decided to put together my list of unpredictions for the hotel industry in 2010; basically this is a list of things that I'm pretty sure WILL NOT happen in the hotel industry next year.

Let's start the countdown:

### **#8 – Consumers decide that value ISN'T the most important thing in choosing a hotel; decide to pay full price for all bookings.**

With the advent of technology, the hotel industry has had to make their rates much more transparent. And with more and more OTAs springing up every day, transparency is the only way forward for hotels. Even though we, as an industry, may be suffering, charging high-season rates during the off-season will never equal more bookings or higher RevPAR; instead, it will result in a hotel losing out on valuable bookings to their competition. Think value, and your hotel will be thinking successfully in 2010.

### **#7 - Social media sites Facebook and Twitter, die peacefully in their sleep from lack of usage, moved on to social media heaven. Hoteliers worldwide sigh with relief.**

At this rate, the only people not on Facebook and Twitter by the end of 2010 will be my grandparents. Oh, I just got an email: 'grandpa is now following you on Twitter'. What?? Well, that proves it. If you're not using Facebook or Twitter (or both) to promote your hotel, then you're not reaching a huge audience... everyone!!

Hotels need to embrace social media as an efficient and cost-effective way of interacting with consumers. While it can be confusing to figure out what works and what doesn't, if you don't, you risk missing out on the opportunity to develop the brand loyalty that makes your customers keep coming back for more.

### **#6 – Hotel rates continue to fall. Free hotel rooms all the rage!**

I think that we've seen the end of one cent rooms and hotels giving away the house (or rooms). Hoteliers have learned their lesson; increased occupancies without a proper rate, does not equal more dollars in the pocketbook. In 2010, the emphasis for hoteliers will be more on RevPAR rather than just filling space. And it's not a moment too soon!

### **#5 – Consumers stop travelling altogether; recession to blame.**

Lodging supply actually grew in the third quarter of 2009 (again according to PwC, which revised its room supply prediction to 3.2% growth for 2009) so I know for a fact that this unprediction won't happen. With the recession at an end, consumers will start to feel more comfortable with the thought of spending money and the travel industry, including the hotel industry, will start to pick up again. It will be slow going for most of the year but in my mind, any increase is a good thing after a year like we've had in 2009. Don't you agree?



#### **#4 – Hotels at 100% occupancy worldwide.**

While hotel rooms won't be empty, they also won't be completely full. It will still take at least a year until occupancy rates are back up to the levels that we've seen in previous years, and even at the best of times, occupancy rates (in general) are rarely coming in at 100%.

Hotels can increase their occupancy by focusing on value and offering value-adds to distinguish their property from its competition (rather than focusing on slashing rates). Consider free breakfasts, WiFi, passes to area attractions, or even a buy one, get one free coupon for longer-term stays.

#### **#3 – Customer service falls to the wayside.**

In a market where online travel reviews are almost the norm, customer service becomes of utmost importance. Many consumers use previous hotel reviews to gauge whether or not they should also choose to stay at a particular property so it's important that hotels don't disregard the importance of these reviews. It's simple: bad customer service=bad reviews=decreased bookings. Hotels need to focus on delivering the best experience possible to their guests in 2010. And when there is a problem, hotels need to make sure that they address it immediately and to the guest's satisfaction, to prevent them from spreading negative reviews online.

#### **#2 – Expedia goes out of business, closes its virtual doors. CEO Dara Khosrowshahi out of work!**

Again, never going to happen. Expedia is a leading OTA and a constant innovator in the travel space. Until the web is replaced with another primary booking channel, Expedia will be around, charging hotels commissions.

Which reminds me, although we all hate those pesky commissions, Expedia and the other OTAs are something that we have to just grin and bear through 2010. They will continue to be even more important for the success and revenue generation of hotels, especially in North America, but increasingly worldwide.

#### **And last but not least, Numero Uno – Hotels become obsolete; RVs back in style!**

Hotels have been around for hundreds of years for one reason – consumers love them. While RVs offer the benefit of being able to pick up and go, hotels will never be beat when it comes to luxury, amenities and ambiance.

But that doesn't mean that hotels don't need to stop thinking about continuing to innovate and distinguish themselves from their competition. In 2010 and beyond, hotels will need to keep moving forward, embracing the future and keeping themselves ahead of the pack in order to survive in today's post-recession world.

In 2010, keep reading my columns to find out how your hotel can use marketing and PR to establish your property for continued success. And don't hesitate to contact me at any time if you have questions about your marketing programs – [jl@travelinkd.com](mailto:jl@travelinkd.com).

Happy holidays to you and your family and I look forward to hearing from you next year!

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