

SUPER BRANDING: THE BRAND AS A DESTINATION

How big brands engage, influence and
build loyal communities



WHAT IS A SUPER BRAND?

A Super Brand is a brand that outshines competitors through a reputation for superior service, global brand recognition and an established identity that connects emotionally with its audience. Even if customers don't purchase that brand, they will recognise it as a standard against which other products or services should be compared. As a community builder, a Super Brand also remains highly relevant, innovative and adaptable in the changing world.

Examples of powerful Super Brands in today's market are Apple, Netflix and Lego. Each are regarded as leaders in their fields, brands that recognise what their customers need and want. As a testament to their influence, their message is not only broadcast through traditional advertising, but also by social media users, advocates and influencers.

So what makes them so special? How do these big brands not only emotionally connect, but build enduring loyalty in a community base? In particular, how do these qualities translate to the global hotel business, where traveller expectations continue to evolve and diversify?

“Brands exist in the mind. They help us reduce the anxiety of the unknown by providing the assurance of an old friend.”

Dr Edward de Bono

Nobel Prize winner for economics, pioneer of 'Lateral Thinking'

THE PROMISE OF THE SUPER BRAND

When looking at how big brands create value, it is important to understand that a company's worth is not based on traditional assets such as bricks and mortar, stock or even location. Market value is instead created through beliefs, behaviours and assurances, much like the value you place on a friend.

“You're selling a lifestyle. Attributes that people can relate to and connect with. Because the best relationships aren't just about what you can do for someone, but rather how you make them feel,”
award-winning marketing scholar Dr Talaya Waller told a TED Talk in 2018.

ATTRIBUTES OF THE SUPER BRAND

Let's look at where the Super Brand relationship begins with its audience and what is promised. SuperBrands UK, a council of industry experts, executives and consumers established in 1995, define the following three essential attributes behind the super brand character:

- 1. QUALITY OF SERVICE**
- 2. RELIABILITY**
- 3. DISTINCTION FROM COMPETITORS**

QUALITY OF PRODUCT AND SERVICE

The bedrock of any successful business, be it a corner grocer or a world-recognised hotel brand, is the quality of the product and service it provides. This is what brings customers through the door and builds robust and returning business. Today, however, there are some key fundamentals in consumer expectations.



BRAND RECOGNITION FOR SERVICE

A recent PwC Consumer Index Report found that value and quality remain a top priority for 74% of customers when making purchasing decisions with a hotel,¹ with travellers often choosing brands they recognise. This value consideration comes in only just behind healthcare access trends, which, interestingly, also now involves big brand apps such as Amazon, Apple and Facebook.

Research into TripAdvisor dataset analysis of hotel consideration shows that perceived value is ranked according to the following categories:

- ✓ LOCATION
- ✓ CLEANLINESS
- ✓ ROOMS
- ✓ SLEEP QUALITY
- ✓ VALUE

BRANDS WITH BENEFITS

An earlier Deloitte study also found 41% of consumers looking for 'brand benefits' when beginning a new 'brand relationship'². Loyalty programs are a particularly prized demonstration of added service value, and a brand experience is an increasingly important part of the 'promise'.

These programs have come a long way since the reward schemes of thirty years ago, when loyalty programs simply meant accruing points. Today these programs are highly sophisticated lifestyle drivers, designed to deliver significant bookings and value to franchisees by connecting unique properties with prospective and returning guests.

An example of this extension of service is the Choice Privileges Rewards Program (CP), which now speaks directly to consumers and guests through personalised communications and offers. Today there are close to half a million members in the Asia Pacific region, and more than 50 million globally.

¹ Source: PriceWaterhouseCoopers - Consumer Intelligence Series, Customer Experience Report, 2018. ² Deloitte - The Deloitte Consumer Review, Customer Loyalty: A relationship not just a scheme 2017

WHAT CONSUMERS WANT³

Deloitte snapshot of consumer expectations around brand benefits

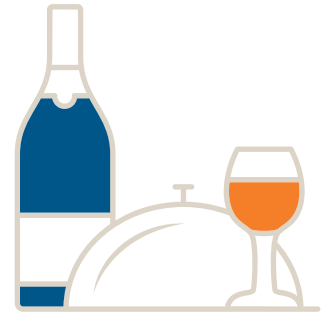


³ Deloitte - Connecting the consumer in the new world of commerce, 2019

CHOICE PRIVILEGES LOYALTY PROGRAM CONSUMER INSIGHTS

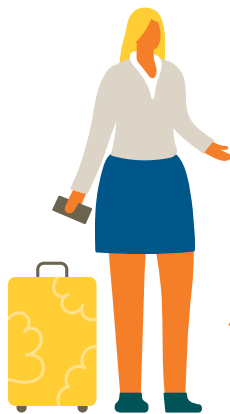


RevPAR growth for those properties that hit their sign-up target was 4% higher than those properties that did not.



50%

of CP stays have additional spend i.e food & beverage



50%

of CP sign-ups at property are return guests



Properties with above average CP guest recognition rates achieve a RevPAR performance premium

NAVIGATING THE LOYALTY LANDSCAPE

The loyalty landscape has changed dramatically in the last twenty years, both in terms of audience segments and engagement. In the 1970s, the average consumer was exposed to 500 ads a day. Studies now estimate that consumers receive up to 10,000 ads a day. Amongst the traffic, consumer audience demands have multiplied and diversified dramatically.⁴

To manage the volume and stay relevant, big brands identify consumer personas that represent their audience. These are created to focus on motivations, goals, needs and pain points, often also allowing audiences to choose what they want to see. Personas are prioritised against the overarching business objectives, such as the Choice Hotel's Privileges Loyalty Program or NeedaBreak blog and article content.



⁴ PPC Protect Report - 'How many ads do we see a day in 2021?'

RELIABILITY FOR CONSUMERS

For a brand to become synonymous with quality, it must maintain a consistent standard of quality - and more. Research shows that when a consumer enters a relationship with a big brand, that brand must not only keep delivering to those standards, but must exceed expectations.

This extension of services has evolved into digital services and platforms, such as booking and sales platforms and smartphone apps. By providing personal data to a big brand, consumers expect to enter into an understanding that they will receive relevant content at the right time.

THE FIVE 'RELIABILITY' DELIVERABLES

For consumers engaging with a big brand, reliability is at the heart of the product experience. PwC's 'Future of Customer Experience' report finds that,

63% of consumers are willing to submit their personal data for a 'great' and reliable product engagement experience.⁵

To the right, Deloitte research define the five 'reliability' deliverables for consumers following big brands.⁶

Big brands now use a range of powerful tools to ensure they can deliver what might be an overwhelming task, along with the uncertainty of economic disruptors, such as a recession or pandemic, which only accelerate these consumer demand trends. A Super Brand stands definitively apart from the crowd by amplifying reliable and personalised information, ensuring valuable 'Return on Experience'.

⁵ PriceWaterhouseCoopers - Consumer Intelligence Series, Customer Experience Report, 2018



1. INFORMATION

Consumers want relevant information that is given to them clearly and concisely, to help them make decisions.



2. CONVENIENCE

Consumers engage with service platforms that can dynamically anticipate their needs and behaviour and offer reminders and suggestions.



3. ENTERTAINMENT

Consumers respond to fun and entertaining content, such as quizzes, games and videos, which build brand personality.



4. CONSISTENT OFFERS

User offers and 'precision marketing' are a powerful means of geographically connecting consumers with demand.



5. REAL TIME ADVICE

Smart capabilities that can offer personalised information, such as weather alerts or other travel advice, are valued.

⁶ Deloitte - Connecting the consumer in the new world of commerce, 2019

DISTINCTION FROM COMPETITORS

This is the twist in the tale. For any brand or service to remain constantly fresh, visible and relevant, the brand story must not only clearly state what their product or service is, but define the passion and motivation that created 'the experience' in the first place. This is what will emotionally connect with the consumer.

For example, Apple makes computers but it's their commitment to challenging traditional ways of thinking that connects with their audience. They define this challenge by making groundbreaking computers. A successful hotel brand is committed to making valuable connections between people and place, enriching lives through memorable real-world experiences.

THE BRAND AS DESTINATION

Despite global economic disruptors, there is good news for hotel owners. Statistics show that now, more than ever, travel experiences that provide unique, memorable and enduring connections between people and places, as well as opportunities where guests can relax, regroup and replenish, have never been so important or in such huge demand.

However, to reach, engage and retain a customer loyalty base, a brand must now leverage its attributes to speak to a growing diversification of traveller needs and demands. In a fiercely competitive environment, this may be a growing challenge for the independent operator.

"Supporting our partners' 'experience-mission' through the realisation and demonstration of memorable and valuable experiences for guests is a primary goal for our team."

"While we are strongly supported by Choice Hotels International, being based locally means the team's ability to connect directly with operators gives us distinct advantages over competitors as we have the insights and flexibility needed to tap into important markets."

"This means support for each property to ensure they stand out and are positioned for a broad market of guests to drive revenue and stays, whether catering for weekenders or for those looking for more immersive connections and experiences".



Helen Ter Beek
Senior Director Commercial and Operations, Choice Hotels EMEA



OPENING DOORS TO NEW MARKETS

As people begin to prioritise mental and physical wellbeing, hotels are increasingly seen as outlets of reinvigoration and as gateways to new and invigorating experiences, with Deloitte research finding consumers increasingly see getting away as an opportunity to try something different.

The largest hotel brands offer a diverse range of hotel services, ranging from historic hotels to boutique inns and trusted budget sleep-overs. Choice Hotels Asia-Pac's network of properties are strategically positioned to ensure superior shares of leisure and business travellers throughout regional, metro and capital city locations.

In 2008 Choice Hotels also launched the upscale Ascend Hotel Collection, the world's first 'soft brand'. This range gave operators the freedom to retain a property's signature personality and title, while significantly extending their reach through Choice Hotel's powerful support networks and opening doors to an expanding and global market of leisure, corporate and experience-seeking travellers alike.

“Our brands connect meaningfully with guests and owners, as they increasingly search for brands they trust...”

Helen Ter Beek

Senior Director Commercial and Operations, Choice Hotels EMEA

“With over 300 hotels worldwide, the Ascend Hotel Collection now also represents the world's largest soft brand collection, and is a shining example of our brand flexibility working at a local level.”

ASCEND™
HOTEL COLLECTION



PARTNERING WITH CHOICE HOTELS

80 YEARS OF EXPERIENCE AND INNOVATION

Choice Hotels EMEA is the largest hotel franchise in the region, with a reputation and commitment to value that has continued to deliver partners soaring online bookings, a loyalty program with record contributions and revenues (RevPAR) that outperform market averages.

At the heart of every success is the value placed on partnerships. Headquartered locally in The Netherlands and United-Kingdom, Choice Hotel EMEA's focus is on giving franchisees the tools and support they need to drive guests through the doors, increase revenue and reduce costs.

Strongly supported by Choice Hotels International, a global company recognised for 80 years of growth and innovation, Choice Hotels EMEA understands today's changing distribution landscape and the importance of having a skilled local support team.



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