Rapid Content Analytics for Hotels

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IBM Enterprise Content Management software

Leveraging Online Hotel Reviews to Brand Advantage

A hotel's brand identity used to be carefully shaped by marketing specialists working closely with their advertising agencies and public relations machines. However, the new consumer's power, emboldened by online communities, has resulted in a paradigm shift that has provided hotel guests with the means and motivation to significantly impact brand image quickly and broadly. According to the latest Nielsen Global Online Consumer Survey[1], recommendations from personal acquaintances and consumer opinions posted online are the most trusted forms of advertising and PhoCusWright[2] research shows that Online Travel Agency shoppers who visit positive hotel review pages while booking are twice as likely to convert.

The explosive growth of review sites illustrates this continuing rise in guest power to influence future stays. According to Karen Drake, Senior Director of Communications at TripAdvisor, their total site reviews, which cover "hotels, restaurants, attractions and destinations," have grown from 20 million to 50 million in less than three years, and their site averages 50 million unique monthly visitors worldwide[3]. Taylor L. Cole, Director, Public Relations & Social Media North America of Hotels.com, noted that their "hotel reviews" totaled 2.5 million to date and Expedia.com reports that they have more then 500,000 hotel reviews worldwide.[4]

Review Site	Statistic Shown Covers	# Monthly Unique Visitors
Worldwide		
Trip Advisor	Worldwide	50 million [3]
North America		
Hotels.com Expedia	North America North America	8.4 million [5] 26 million [5]

1. Global Advertising: Consumers Trust Real Friends and Virtual Strangers the Most, July 2009, Nielsen Wire http://blog.nielsen.com/nielsenwire/consumer/global-advertising-consumers-trust-real-friends-and-virtual-strangers-the-most/

2. Do Hotel Reviews Turn Browsers Into Buyers? April 2010, PhoCusWright Connect http://connect.phocuswright.com/2010/04/do-hotel-reviews-turn-browsers-into-buyers/

3. Source: comScore Media Metrix, Worldwide, August 2011

4. Expedia Guest Reviews: Be in the know, before you go! http://www.expedia.com/daily/highlights/traveler-opinions/default.asp

5. Source: ComScore January 2010

Customers are busy online everyday singing the praises or trumpeting the shortcomings of their latest hotel experience to anyone
considering booking their next stay at your property. The buzz is alive, opinions are valued, and decisions are made based on reviews posted on such sites as tripadvisor.com, hotels.com, and expedia.com. Are you paying attention?

If you aren't, you are missing the online drama starring your brand and the opportunity to gain a bonanza of business intelligence including

- Learning how your hotel brand is perceived and characterized by people actively traveling and staying at properties
- Identifying specific lapses in services while the incident is still fresh in the minds of those involved and taking corrective actions as appropriate
- Spotting trends or patterns that need addressing throughout the hotel chain
- Mining online commentary to assess customer experience improvements under consideration such as new in-room technology features
- Learning how your competitors are being perceived by their guests

You are also missing the opportunity to acknowledge loyal customers who have taken the time to extol the virtues of your property to others—the highly regarded word-of-mouth gold that you are always hoping for—or at the extreme opposite of experiences, to right a wrong that has happened to other customers during their stays.

Through a timely, well-worded response that takes responsibility for less-than-satisfactory service, you also clarify one-sided retelling of experiences to give future readers a truer picture of your organization's ability and willingness to provide a good customer experience.

According to Stuart W. Greif, Vice President and General Manager, Global Travel and Hospitality for J.D. Power and Associates, "a hotel property can actually evoke a stronger emotional inclination towards a brand if they are seen to be proactive in taking corrective, apologetic actions than those brands that are doing everything right. It appears that there is some brand gain to be obtained if customers perceive their voices are heard, valued and respected enough for actions to be taken based on their grievances".

Current Reactions to the Online Megaphone Threat

The impact to the hotel business based on the "online review phenomenon" has caught most executives off guard and without the means to adequately monitor and neutralize activity that can negatively impact brand identity.

Some executives have reacted quickly to the lurking threat to their business reputation by subscribing to a service that gives them a summary report of key metrics based on customer ratings. This report can actually provide more of a false sense of security rather than real insight. We will explore this further in the next section.

Others have directed individual property management to monitor and handle their property-specific reviews or have assigned the task to a corporate quality, revenue, or customer experience resource on a part-time basis. Both the volume and the distribution of online reviews, across multiple travel websites, have rendered most monitoring efforts fruitless.

Still others have decided that their traditional system of relying on information from customer service input from surveys, comment cards, and web communications, based on artificially limiting structured forms that easily lend themselves to analysis, are still serving their needs. They have "gone ostrich" and have decided that, if they don't look and totally ignore the immediacy and reach of the online communities, somehow it won't end up becoming a credible business threat. Good luck with that.

Why Solely Relying on Customer Rating Metrics Can Be Deceptive

Have you ever spent time on one of the online communities that reviews hotels? If so, you probably know the first answer to why customer rating metrics can be deceptive. Customers don't always take the time to focus on the star rating part of the review. When they have a burning desire to share their thoughts, especially when they are negative, they just want to get to the section where they can share their saga, so they do not put a lot of thought or time into checking rating stars or boxes.

Even more frequently, a hotel guest essentially wants to report something good about their stay but then sneaks in damaging remarks that can be enough to dissuade future guests from choosing your property.

In both cases, an executive looking at a report, based solely on rating, could be under the impression that everything is rosy in the eyes of their customers when, in fact, there are some serious negative comments being made and shared with the hotel shopping public at large.

Star ratings simply don't give you the depth of sentiment and opinion that is being reported. Information is not provided in proper context and; therefore, does not provide reliable insight to the real online evaluations being shared about your properties. Once more, you are missing out on the opportunity to act on what is being said because you do not have visibility into the experiences driving the ratings.

How to Gain and Respond to Reliable Insight

To be able to leverage the online hotel reviews to brand advantage, a company must be able to

- Collect and organize customer commentary that is in free-flowing text form, as well as structured forms (for example, check boxes and scaled ratings)
- Extract intelligence based on natural language processing, data mining, and contextual analytics
- Analyze and explore the results using traditional reporting and analysis methods
- Formulate and put actions in motion in response to the insight
- Monitor the competition

Given the volume of information that must be addressed, it is simply not possible for a midsize or larger hotel chain to effectively gain reliable insight with a manual or sampling process. Instead, an automated solution is required that

- Has a broad reach with an open architecture
- Processes both structured content captured in databases and unstructured customer comments in free-flowing text
- Scales as the number and type of channels available to the customer continue to expand
- Offers workflow capabilities to orchestrate effective corrective actions

Other critical components of an automated solution that can focus on gaining and responding to reliable insight into online customer reviews include the ability to

- Extract deep sentiment and opinion versus simple ratings metrics
- Link to the actual reviews to understand the underlying whys to avoid inaccurate assumptions
- Employ a Customer Review Language established specifically to address the hotel industry that can be updated easily and rapidly in order to address the changing nuances of the industry and the hotel organization itself
- Create custom workflows to automate the actions enabled by the insight
- Visually communicate insights for a quick grasp of how to spot patterns and effectively action shifts in the customer mindset

In short, the solution must have the capability to holistically perform analytics that can be summarized visually.

Turning Online Risk into Revenue Opportunity

The Rapid Content Analytics (RCA) for Hotels solution from ECM Universe can identify, collect, and discriminately distill and analyze customer reviews posted across multiple travel websites. Hotel staff receives consolidated, actionable information—and it's ready in hours, not weeks.

Through linguistic analysis, specifically tailored for hotel reviews, and powered by IBM Content Analytics, the solution identifies key words and phrases that are correlated with various levels of customer satisfaction, within categories such as service or cleanliness. The solution monitors the frequency of these key words and phrases, to provide deeper insights into the customer's true voice, and it flags the reviews that are likely to need further action.

RCA for Hotels is able to analyze customer-written reviews because the solution recognizes slang, idioms, and the lingo of social media. The solution recognizes that phrases like "never again" and "avoid if possible" spell trouble for hotel operators.

With RCA for Hotels, a single hotel or a chain can cost effectively collect detailed information about operational or facilities management problems that require corrective action. Focusing on a group of hotel facilities by geographic region—or any other

sorting category—is effortless, and provides a sharp focus on problems that are based on facility demographics.

As a result, a hotel with falling revenues that is seeking to salvage its position might see a 100 percent ROI in one year or less, depending on the facility's ability to take corrective action based on analysis.

Feature	RCA for Hotels powered by IBM Content Analytics	Typical Key Metrics Subscription Service	Typical Online Monitoring Point Solutions	Typical Manual Monitoring
Key Metrics Summary based on Customer Ratings	●	●	●	◒
Benchmark Key Metrics against competitors metrics	●	●	◒	◒
Identify high impact advertising key words and channels	●	●	◒	○
Robust dictionary creation process that easily evolves with hotel industry and organization	●	○	○	○
Deep sentiment and opinion extraction	●	○	○	○
Data acquisition capability – both internal and external data sources	●	○	○	◒
Filters by geographic region or other hotel groupings	●	●	◒	◒
Automated workflow enabling action identified by insight	●	○	○	○
Ability to effectively derive reliable insight from across multiple travel review websites	●	○	○	○
Ability to scale with review volumes	●	●	○	○
Ability to effectively handle both structured feedback and unstructured free flowing text feedback	●	●	○	○
Ability to link to underlying review comments	●	●	●	○

○ No Capability ◒ Partial Capability ● Full Capability

To learn more about how to leverage online hotel reviews to brand advantage, contact:

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About EMC Universe

ECM Universe is a certified minority-owned business that implements content analytics, enterprise content management, and eDiscovery solutions for government and commercial organizations. It specializes in IBM technologies. ECM Universe was founded in 2000 and is located in Chantilly, Virginia.

About IBM ECM

IBM's Enterprise Content Management software enables the world's top companies to make better decisions, faster. As a market leader in content, process and compliance software, IBM ECM delivers a broad set of mission-critical solutions that help solve today's most difficult business challenges: managing unstructured content, optimizing business processes and helping satisfy complex compliance requirements through an integrated information infrastructure. More than 13,000 global companies, organizations and governments rely on IBM ECM to improve performance and remain competitive through innovation.

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