# Hidden treasure: Explore the rich benefits of a Customer Data Platform for hotels

Last Updated: July 10, 2023 | Categories: Blog | Tags: Customer Data Platform, Hospitality Tech | 7.7 min read

Imagine what it would be like if your sales, marketing, and guest-facing teams could all effortlessly collaborate, working from a unified view of each guest's preferences, behaviors, and needs. And what if you had high-level segmentation at your fingertips, allowing you to develop more targeted marketing campaigns that increase loyalty by making every guest feel like a VIP?

Enter the hotel Customer Data Platform (CDP).

A hotel CDP is like a super-smart concierge that connects hotel departments, consolidates guest info, and helps you serve up personalized experiences that boost direct revenue and guest satisfaction.

The traveler journey has become more complex to navigate across digital channels, with increasing amounts of first-party data to manage. As a result, 65% of marketing leaders recognize CDPs will become more important than ever over the next couple of years.

New to customer data platforms? You're probably already familiar with CRMs in your day-to-day operations. Like a CRM, a CDP collects customer information and segments profiles for your marketing campaigns. But a CDP has a few superpowers that your CRM lacks, and these features are key to unlocking the benefits described below:

- Identity resolution: merge and dedupe guest profiles based on machine learning and AI
- Data in and data out: import customer data from any source including restaurant, golf club, spa, or folio data AND export it into any other tool in your tech stack.
- Privacy compliance: GDPR? CCPA? No problem. A CDP has you covered.

Let's dive in and examine the benefits of a customer data platform for improving hotel operations and growing your business.

What you will see here

- Unify your guest data management
- Increase direct revenue opportunities
- Gain the omnichannel advantage
- Capture all the benefits of a customer data platform

#### Unify your guest data management

For hoteliers without the benefits of a customer data platform, the lack of visibility across the organization can be a major pain point. They likely struggle to navigate multiple technology solutions. Either they face the complex and time-consuming efforts of integrating them, or data is siloed in different tools. This hinders data accessibility as well as coordination among departments. A CDP helps you easily leap over these hurdles.

#### From silos to synergy

Customer data is still siloed for more than a quarter of companies, and nearly four out of five IT decision makers struggle to unify the real-time and historical data they need to engage prospective customers.

One of the great benefits of a customer data platform is that it eliminates the endless maze of data silos lurking within your various hotel departments by unifying your data into a single platform. PMS data, restaurant data, spa data, golf data, website data, booking engine data — it's all there.

A CDP then uses identity resolution to merge and deduplicate guest data from all these sources into rich, comprehensive guest profiles with super-smart algorithms based on machine learning. Accurate, thorough guest profiles are the foundation of your database health, which in turn powers your marketing campaigns.

By unifying guest data with Revinate, IPP HOTELS increased direct revenue per email campaign to an average of €11,000. Revinate's Advanced Profile Synthesis works as a powerful data custodian, tidying everything up by cleaning, merging, deduplicating, and securing data for each guest profile.

#### **Break down barriers**

With a CDP, your departments can work in conjunction to create a seamless, customized experience for your guests. As an example: a weary returning guest arrives at your hotel. She's delighted to be greeted warmly by name, with front desk staff acknowledging her past stay history and preferences. Moments after she arrives, your marketing team sends her a personalized offer for her favorite spa treatment, and your digital concierge recommends nearby attractions based on her interests from previous visits. Without centralized customer data, powering this kind of experience is nearly impossible.

In addition to creating greater alignment between departments, a CDP streamlines processes and enhances accuracy. Sixty-four percent of data management professionals acknowledge a centralized CDP offers greater efficiencies, and 57% say it leads to more business growth.

### A fortress for first-party data

Today's hoteliers have been forced to shift gears as they bid farewell to third-party data, and embrace the power of first-party data provided directly from hotel guests. As the amount of first-party data you manage continues to grow, privacy becomes a critical issue. An effective CDP acts as a data fortress, safeguarding all your precious customer information and empowering data-driven strategies.

Moreover, when it comes to security audits, a CDP provides an airtight trail of compliance with industry regulations — such as GDPR and CCPA — reducing risk from compromised data across hotel properties and tech solutions. In fact, 92% of business marketers consider a CDP crucial to their privacy and compliance efforts.

## Increase direct revenue opportunities

Another benefit of a customer data platform is that it helps you get more money from direct revenue by using customer data.

#### Unleash the power of personalization

With a CDP, you can quickly identify valuable patterns such as guest preferences, interests, and spending habits, as well as the lifetime value of individual guests. Armed with this knowledge, you can laser focus your marketing campaigns and create personalized offers that speak directly to individual guest segments.

For instance, through guest data analysis, perhaps you discover you have a number of adventure-seeking guests who consistently book activities such as zip lining, rock climbing, or white-water rafting. You could develop a tailored thrill-seeker package designed to satisfy their adrenaline-fueled desires. These guests would book directly to take advantage of the package — and be delighted that you clearly know them.

Aramark Destinations used Revinate to drill down into specific guest segments and now generate an average of \$136k per campaign.

#### Ignite guest loyalty

The personalized experiences you can create by leveraging CDP data also help you strengthen guest relationships, which in turn builds trust and guest loyalty.

Research shows 62% of consumers say being recognized automatically by hotel staff enhances their stay, and 41% will likely book again if they're recognized without having to give their name or loyalty card.

Consider a couple that's planned a weekend getaway at your hotel. By leveraging data from your CDP, you can see they'll be celebrating a wedding anniversary. As they arrive, you can present them with a bouquet of their favorite flowers along with a personal, handwritten anniversary card signed by the hotel staff.

Your attention to detail will impress them, making the couple more likely to become loyal guests that will book directly in the future.

Without a CDP, it would be challenging to identify who are your loyal customers in the first place because of disconnected or duplicated profiles. You can further cement their loyalty by presenting special offers and amenities to influence rebookings.

# Gain the omnichannel advantage

The cornerstone of omnichannel marketing is a consistent customer experience. Whether they are interacting with your hotel via text, email, social, voice calls, or your website, your guests should enjoy seamless service. To power this guest experience, all of your staff, from the marketing department to the reservation sales agent to the front desk, need access to the same information about your guests' behavior and preferences. That's why a CDP and omnichannel marketing go hand-in-hand.

#### Activate data in every channel

Since a CDP secures your customer data in one place, all the data you collect from feedback surveys and reviews, for example, is available to your marketing efforts on email or voice channels. You can send an email invitation to guests who have raved about your rooftop bar to come check out your new swanky restaurant. Or create an outbound call campaign to drive upsells with amenities based on guest preferences. The CDP is the engine powering your omnichannel marketing campaigns.

#### Enrich your guest communication over time

As you continue to engage your guests with hyper-targeted marketing, all of that data is continuously fed back into your CDP. Each guest profile gets richer and more detailed, allowing you to create even more personalized and targeted messaging.

For example, a potential guest visits your hotel website, and you can see they explored your fitness and dining options. You can then send a personalized email showcasing exclusive personal trainer sessions and dining packages that perfectly align with their interests. After their trip, they leave a raving review. On their next visit, you suggest new upsells similar to the packages they enjoyed last time. This type of precise targeting helps you exceed guest expectations, showing that you can anticipate needs and understand preferences.

#### Capture all the benefits of a customer data platform

When you employ the power of a Customer Data Platform in your hotel, you gain a distinct competitive advantage. You no longer have to play guessing games to determine what your guests may want or need. And you eliminate the ineffective one-size-fits-all approaches to your marketing efforts.

Revinate places all the data you need at your fingertips. It lets you transform guest interactions into meaningful connections that boost satisfaction and loyalty. And it earns you money by helping you develop highly segmented campaigns that generate more direct bookings.

Learn more about how your business can get the most out of your customer data by scheduling a demo.