



The ever changing landscape of the hotel rewards programs

Presented by
Raul Vega – Point Junkie
Stash Hotel Rewards

No sleeping allowed 😊



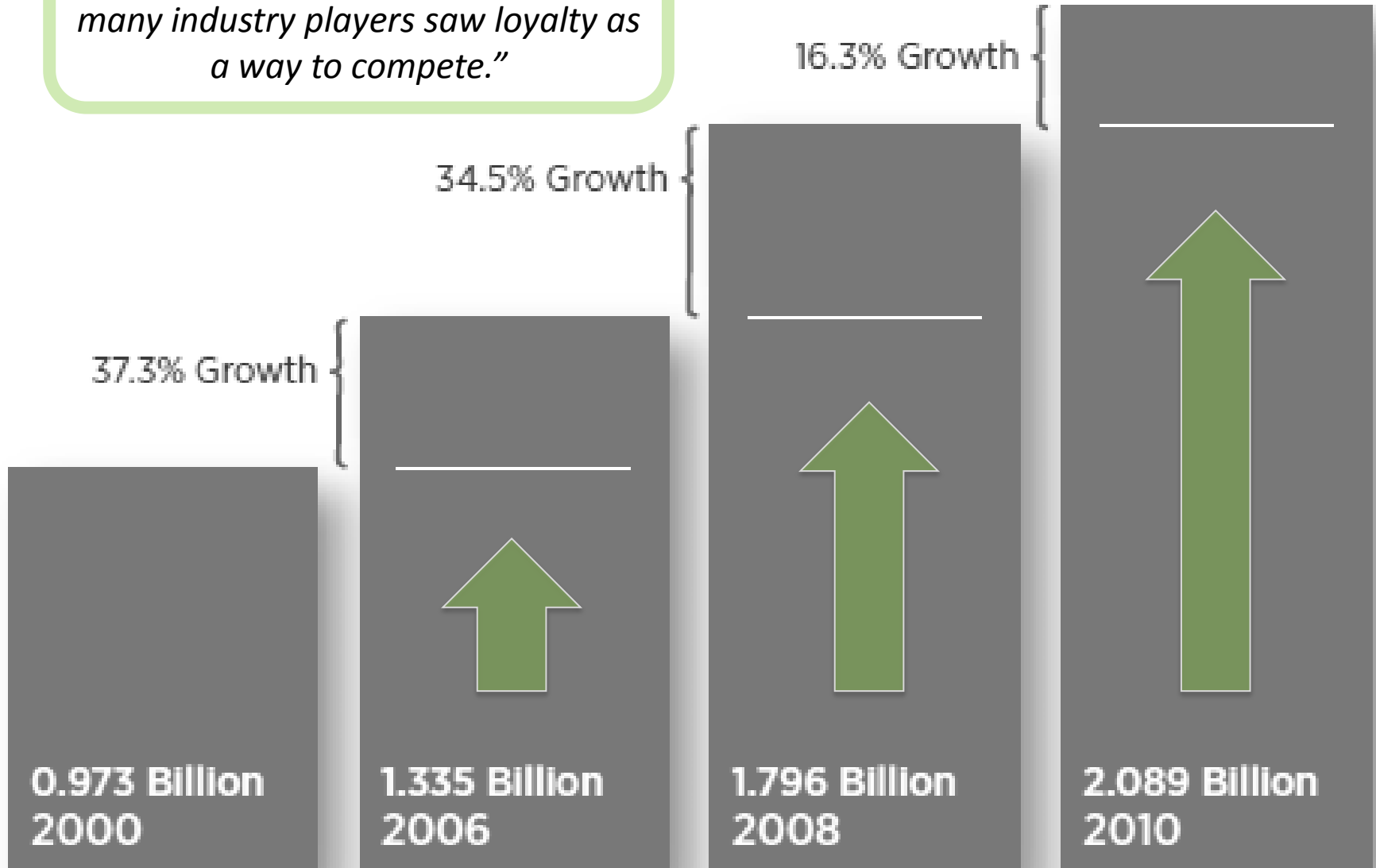
How many rewards programs do you belong to?



A black and white photograph of a person's hands holding a fan of several loyalty or rewards cards. The person is wearing a dark suit jacket and a patterned tie. The cards are of various colors (white, black, silver) and some have visible barcodes and numbers. A semi-transparent green horizontal band is overlaid across the middle of the image, containing white text.

The average person belongs to between 17-18 rewards programs

“...loyalty membership rose 16.3% from 2008 to 2010, in part because many industry players saw loyalty as a way to compete.”



Source: 2011 COLLOQUY Loyalty Census

• Memberships expressed in millions

• “Other” includes Coalition, Entertainment, Internet, Telecom, Cable, etc.



A black and white photograph of a person with dark hair, wearing a dark jacket, holding a spiral-bound notebook. The notebook has the words "FREE HUGS" written in large, bold, black capital letters. The person is looking to the right, and their right arm is extended forward. The background is out of focus, showing some trees and a bright light source.

FREE
HUGS

“...a structured marketing effort that rewards, and therefore encourages, loyal buying behavior — behavior which is potentially beneficial to the firm.”

Source: Wikipedia

“Thank you”



*In what century was
the concept of a
loyalty program first
introduced?*



Beginning in 1793,
a U.S. merchant
started giving out
copper tokens
which could be
collected by the
consumer and
exchanged for
items in the store.

Source: Wikipedia/Loyalty marketing



History of loyalty programs

A black and white photograph of a storefront. The upper part of the storefront has a corrugated metal sign that reads "J. & W. GREEN STAMPS" in large, raised, block letters. Below the sign is a dark awning. To the left of the awning, on the building's facade, is the text "INC.". To the right of the awning, there is a large window. The sidewalk in front of the store is visible at the bottom of the frame.

J. & W. GREEN STAMPS

Est. 1897

*Blue Stamp Trading
System introduced
the first trading
stamps in 1891*

Source: Wikipedia/Loyalty marketing

NEW! *Winsome* TABLE

Eachmaster
STAINLESS

Twin Star
STAINLESS

My Table
STAINLESS

YOUR CHOICE AT GREAT SAVINGS
WITH BETTY CROCKER COUPONS!

1929

Source: Wikipedia/Loyalty marketing

See the beautiful new Winsome pattern! Extra heavy silverplate (principal pieces overlaid with pure silver at points of wear). Two patterns also in stainless. All by Graceland Community Silverware.



Pane
gratuito per
la tua
famiglia

The first modern frequent flyer program was created by Texas International Airlines in 1979

Source: Wikipedia/Loyalty marketing



*Which chain produced
the first hotel
loyalty program?*

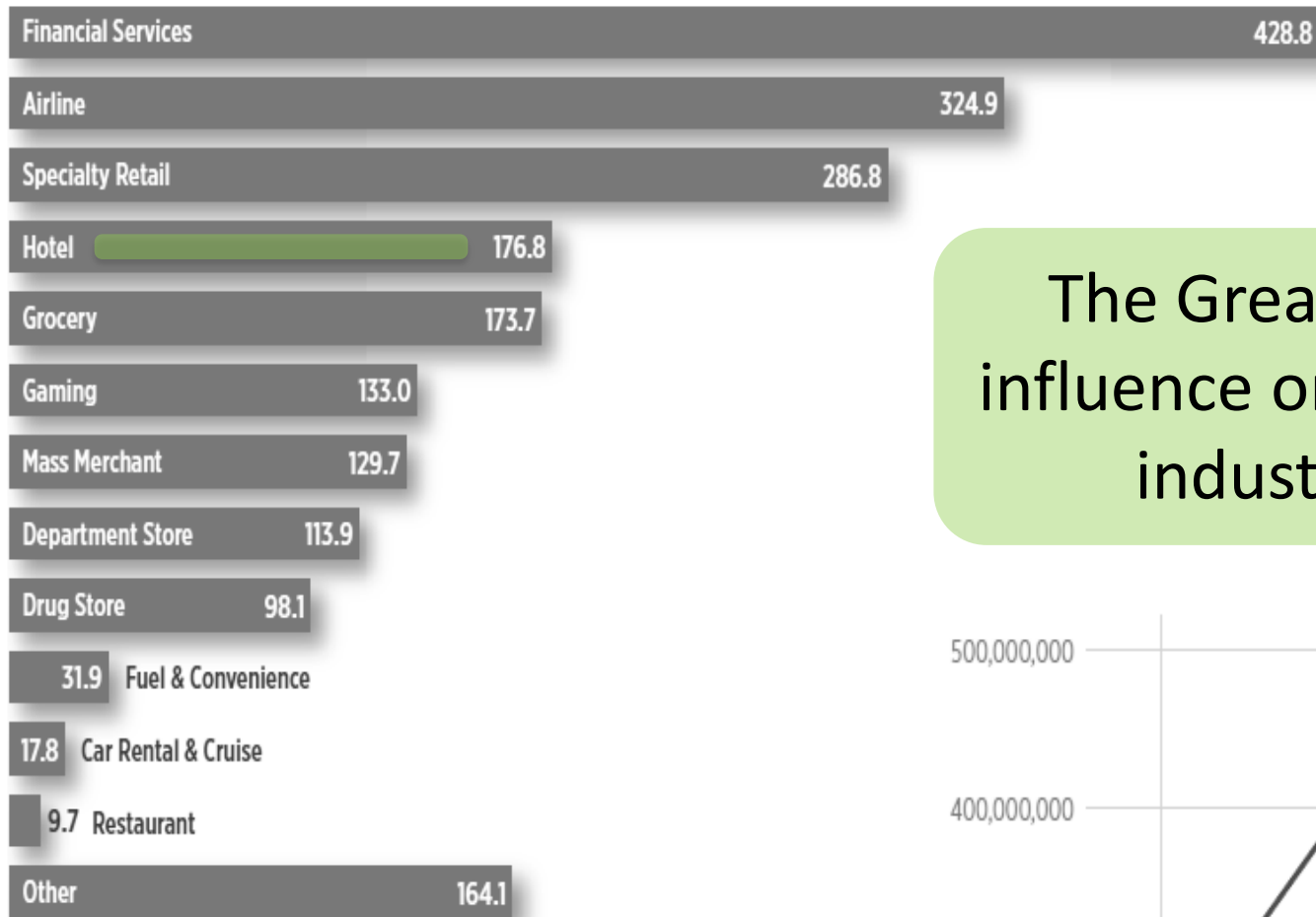


“Many of us who have learned the value of miles and points find ourselves spending far more time these days enjoying our award redemption of hotel points than we do our airline award redemption.”

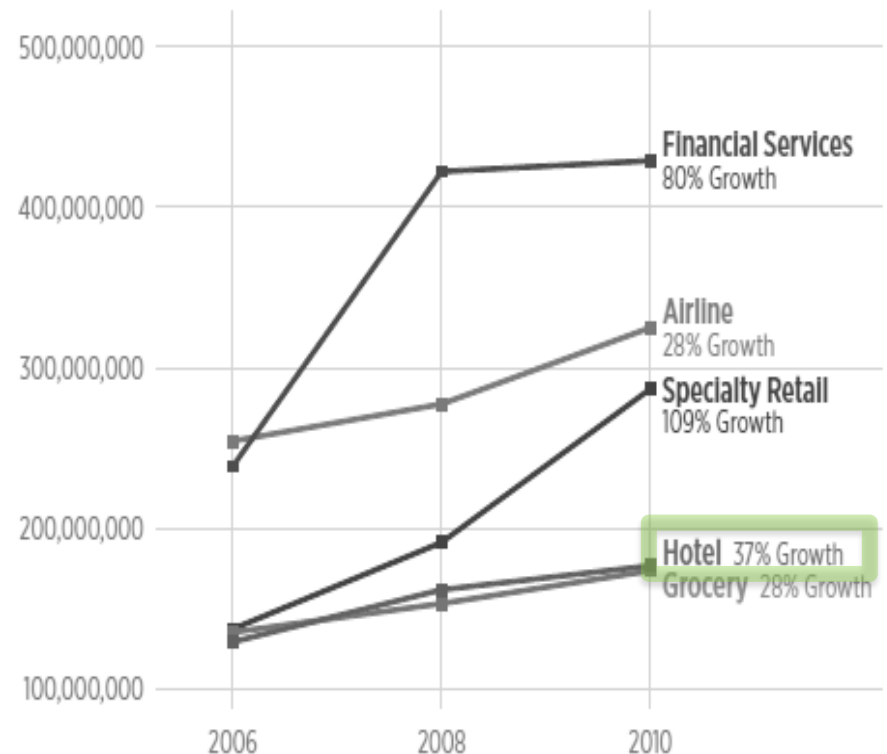
Source: Miles & points by Randy Petersen July 2008



Hotel loyalty programs came onto the travel scene 30 years ago



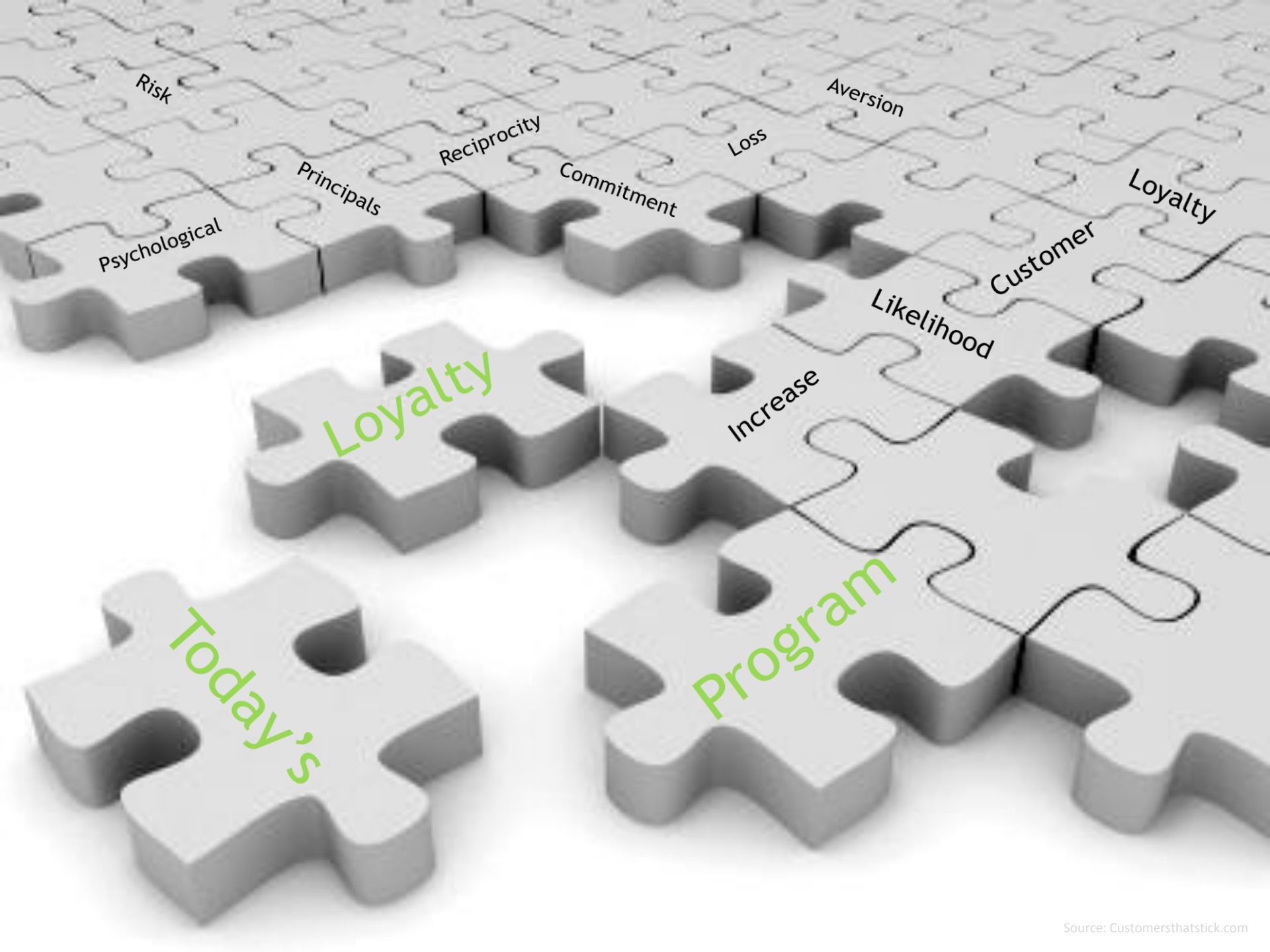
The Great Recession's influence on loyalty across industry sectors







YOU ARE HERE
2013



Risk

Aversion

Reciprocity

Loss

Principals

Commitment

Loyalty

Psychological

Customer

Likelihood

Loyalty

Increase

Today's

Program

$ABOD \equiv FG$

is-APB



Business travel is fun ...

... not really



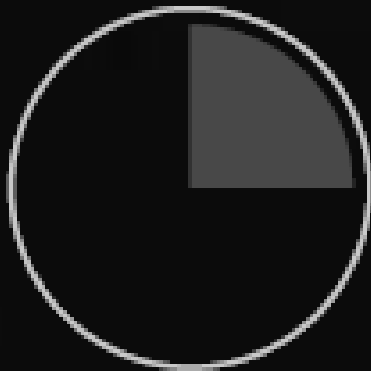
Road Warriors
and seasoned
travelers take on
average over 20
trips /year

Source: Stash Rewards survey 2010

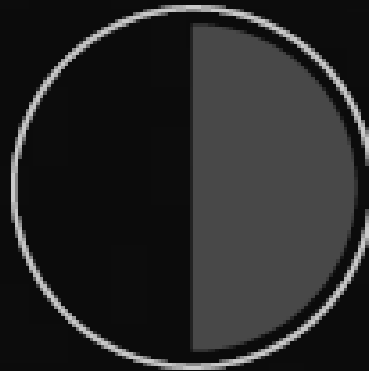
*Road
Warrior*



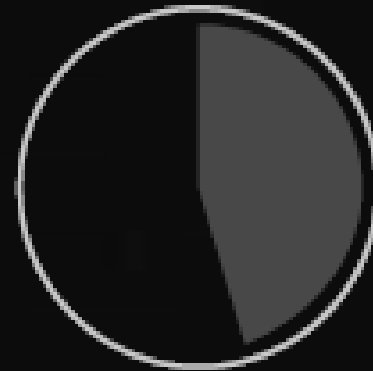
Frequent travelers make up only 10% of guests,
but they can account for 44% of hotel nights



**25% OF THE
WORK FORCE
IS MADE UP
OF BUSINESS
TRAVELERS**



**50% OF HOTEL
REVENUE
COMES FROM
BUSINESS
TRAVELERS**



**44% OF ALL
HOTEL NIGHTS
BOOKED ARE
FOR BUSINESS
TRAVELERS**

*Frequent
travelers
love
points*



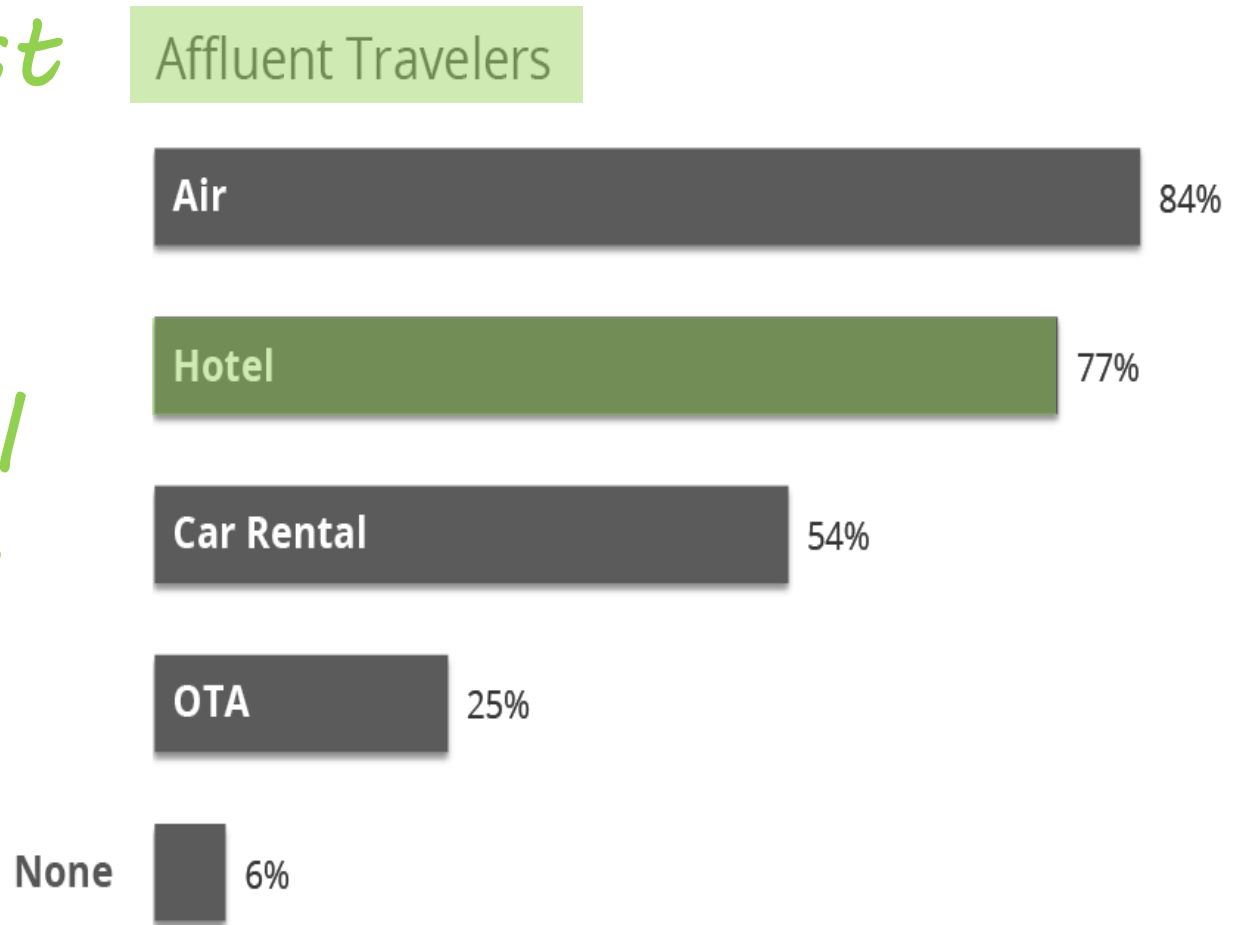


Family
vacation!

Many Travelers Are Enrolled in Loyalty Programs

Percentage of Travelers Who Belong to Travel Loyalty Programs

*It's not just
business
travelers
that enroll
in Loyalty
Programs*

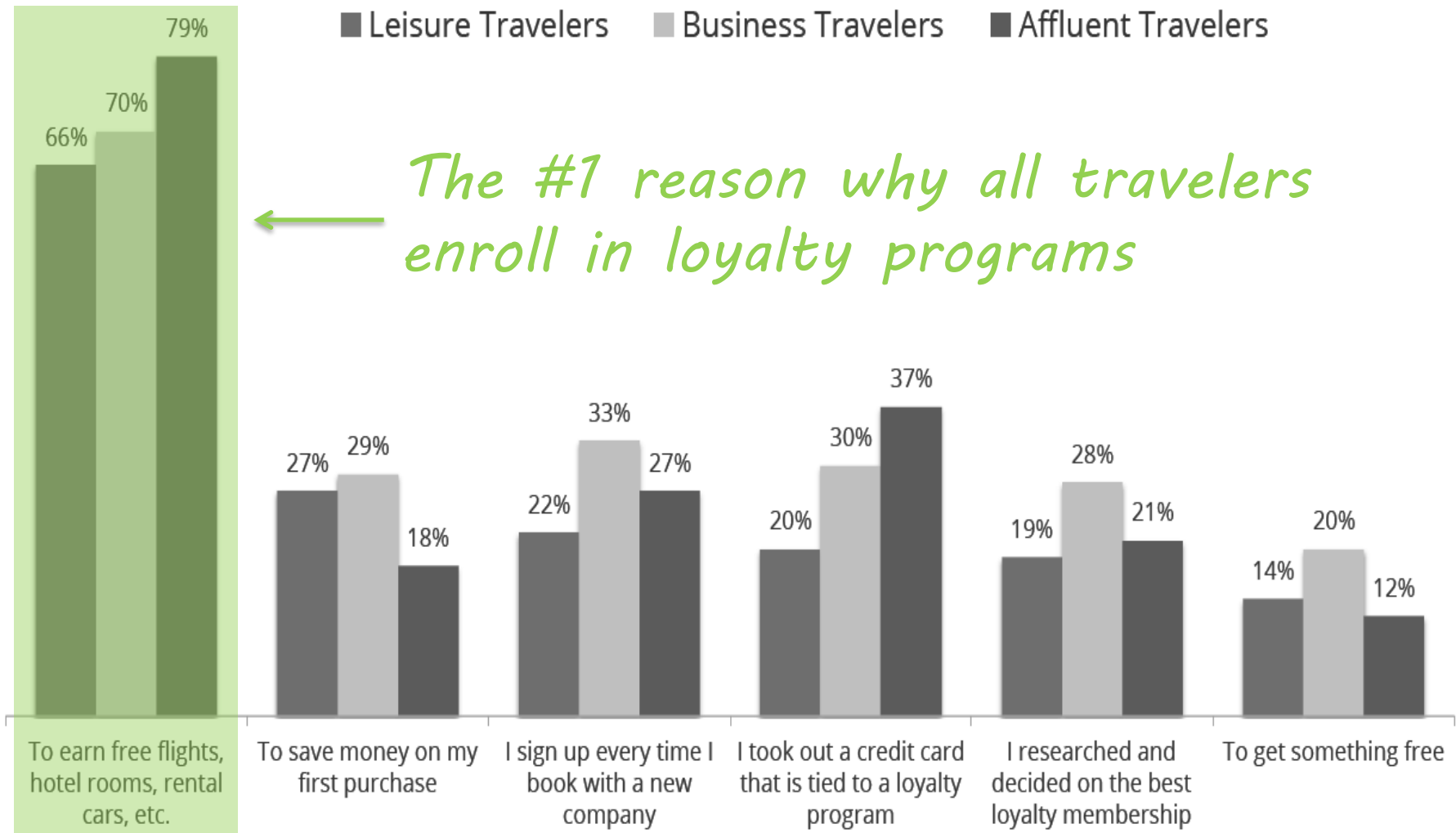


Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012.

(C1) Which, if any, of the following travel-related loyalty/rewards program do you belong to? Base: Belong to a rewards program: Business (n = floating 194 – 1,051) and leisure (n = floating 339 – 1,518) travelers.

Freebies Entice Travelers to Join Loyalty Programs

Reasons for Joining Travel Loyalty Programs



Source: *The Traveler's Road to Decision*, Google and Ipsos MediaCT. July 2012.

(Loy3) In general, who do you sign up for travel-related loyalty/rewards programs? Base: Belong to a rewards program Leisure (n = 2,308), Business (n = 1,328), Affluent (n = 1,614)

Are you a road warrior or a point junkie?



An aerial, black and white photograph of a dense urban landscape, likely New York City. A large green callout bubble is positioned in the upper center, pointing downwards towards a specific building in the lower center. Inside the bubble, the text "the STRAND HOTEL NYC" is displayed. The bubble has a soft, blurred green background and a sharp green pointer.

the
STRAND
HOTEL NYC



*How do
you
attract
new
customers?*

*Level the
playing field*



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Built in 1900 in the heart of stylish Back Bay, Lenox's iconic brand of rich history and legendary hospitality makes this Original Boutique Hotel a must-stay, must-visit and must-do in Boston. Steps from world-class shopping on Newbury Street, fine dining, and many cultural attractions including the Museum of Fine Arts and Trinity Church, our environmentally friendly hotel provides everything one needs for an enjoyable stay. Try über sexy City Bar for cocktails, cozy City Table for neighborhood dining or well, our beds for luxurious slumber. Whatever your pleasure – for more than a century – time at The Lenox Hotel is always time well spent.

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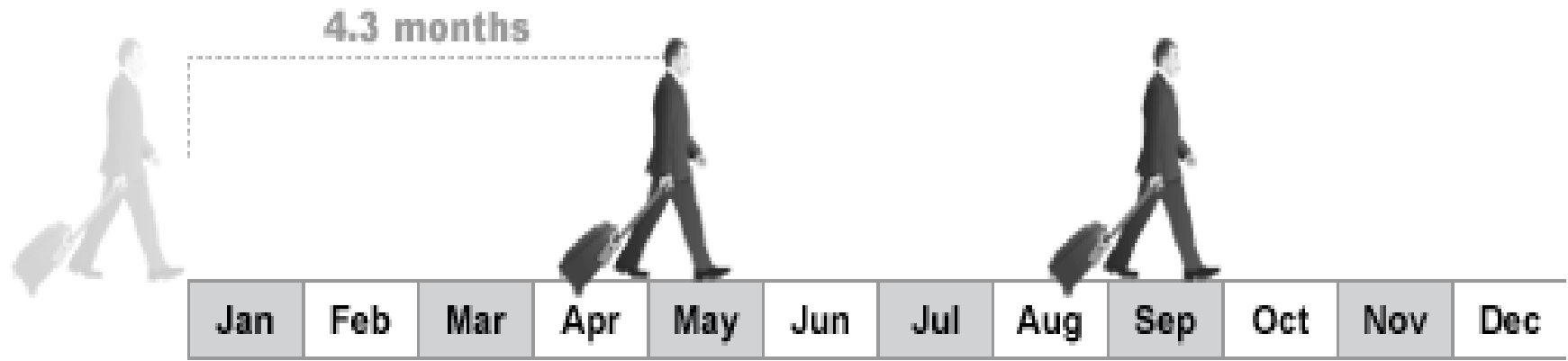
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Hotel Rewards Program

Increase brand awareness

INCREASE BRAND AWARENESS



Change the behavior of your existing guests



REWARDS V. NON-REWARDS



Source: CHR and SAS Webcast Focuses on Making the Most of Guest Loyalty Programs

Starwood invests in its most profitable Starwood Preferred Guests

2% of SPG Members account for 30% of profits

BY DENNIS SCHAAL, SKIFT

JUL 30, 2012 7:30 AM

Ever wonder why Starwood places such importance on its Starwood Preferred Guest program?

The company says that the top 2% of its guests at its various brands, including St. Regis, The Luxury Collection, Sheraton, W, Westin and about a half-dozen others, account for 30% of profits.

They pay higher rates, on average, than standard members of the loyalty program and non-members.

SKIFT TAKE

 Tweet this

Starwood will wisely continue to pour money into Starwood Preferred Guests and its most loyal members because they are driving profits. Too bad online travel agencies don't actually operate hotels -- they'd then have better luck at discovering the loyalty gene.

—Dennis Schaal



WASHINGTON COURT HOTEL
ON CAPITOL HILL

HOME

DEALS

THE ROOMS

VIRTUAL TOUR

PHOTO GALLERY

AMENITIES

SPACES

DINING

CAPITOL HILL

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Book Now

Check In 5/8/13



Check Out 5/12/13



Submit →



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**Increase
LNR
business**



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- > Meeting Planner Incentives
- > Food & Beverage Services
- > Meeting Planner e-Brochure

Meetings & Conferences

When modern luxury meets individually tailored features and personal service, hosting a first-rate gathering becomes second nature.



THE EXPERIENCE
ACCOMMODATIONS
SERVICE & AMENITIES
DINING
NEIGHBORHOOD
SPECIAL OFFERS

MEETINGS & CONFERENCES
WEDDINGS & SOCIAL EVENTS
CONTACT US

MAKE RESERVATIONS

**Book more
groups and
meetings**



Help!

plug into
free Wi-Fi*
during your stay.



Add more value



*Improve
communication
with your best
customers*





WE

ARE

PASSIONATE

ABOUT

SERVICE

“IF IT DOESN'T MAKE THE WORLD BETTER
- DON'T DO IT.”



KID PRESIDENT

KID PRESIDENT





Thank You !



Raul Vega – Point Junkie

954-817-6371 | Raul.Vega@StashRewards.com



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