

# Maximizing Upsells through Personalization

How to create the optimal  
experience for the travel customer



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### OVERVIEW

Personalizing offers for each individual client has become a key differentiator among sites and services. Today's carriers and online travel agencies need to have a system in place to take full advantage of the data they're already collecting for both the initial sale and potential up- or cross-sells.

Current technologies are powerful enough to track data specific to an individual as they move through the sales funnel, peruse options on a smartphone, and return to service platforms to check prices for a second and third time. Processing the data submitted in these scenarios will provide the industry with everything it needs to sell additional products or move customers to higher value packages.

Travel services now live in three main stages of customer interaction, all of which come with their own data. This information can be used to build offers that fit succinctly with the buyer's journey:

- Initial interaction with a reliance on third-party data to develop an initial persona or pitch.
- Customer input and search on the travel site that further shapes the persona and returned items. The initial third-party information can be used to narrow the returned pitch.
- Return sessions where the site has the opportunity to use legacy information to guide the user either through the purchase process or can initiate an upsell when the customer is viewing existing itineraries.

Customer expectations have increased the demand for personalization both of content and interaction. This means the modern online travel agency or travel brand must track individual users across multiple devices and respect their wishes across each platform. One-quarter of travelers booked through mobile devices last year, prompting a single path to mobile and online channels.

This necessarily makes the process more complicated but it highlights the true nature of personalization in travel: the data exchange. Customers are willing to increase the amount of information and personal preferences they provide to travel services. However, this is viewed as a trade because consumers demand content that fits their destination but respects declined offers or options such as a no-tracking policy.

To address the obstacles of walking with the buyer on their journey and personalizing content at each step, this brief will show what areas travel marketers can invest and provide guidance to turn data from a spreadsheet into action.

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### DEFINING PERSONALIZATION

Personalization is the proper utilization of this unique data and offering an experience that feels designed for the individual customer is a key driver of the upsell. Personalization must be improved as the customer moves through the site and provides search data as well as other information. After suggesting features that similar travelers sought, marketers can finish the pitch with a feature that appeals to the exact traveler.

Did a previous search include a vegetarian meal filter for a long flight? Make a note of the airlines that provide this option on flights over a certain amount of hours. Displaying this information doesn't have to be attached to a sale button, but can simply be a point of differentiation among available options.

There are a multitude of differences between booking a flight to vacation to the mountains and getting a hotel-and-flight package for a conference using a business traveler account. There are also a wide range of places where you can personalize your message, from promoting cost-saving deals for families to up-selling the extra legroom in business class.

A simple checkbox on a search that signifies it is someone's first cruise can be your clue to delivering a landing page that explains everything a cruise offers. Veterans with their own account can instantly be delivered to a page full of their favorites once they log in.

Today's upsell isn't about the single transaction at the end of the sales funnel; it's about a conversation that follows the customer throughout their buying journey. Experiential shopping helps the user define their story and then gives them the opportunity to buy everything needed to turn it into a true adventure.

### DIFFERENT DATA GUIDES DIFFERENT STEPS

The first step to personalization is determining what information already exists within a travel company's databases. Marketers need to monitor sources and personas that are available, perhaps across disparate systems, and give them value.

"Travel marketers have long understood the sales differences between the road warrior and the family on vacation long before each was called a 'persona,'" said Monetate Director of Client Solutions Nathan Richter. This means marketers have an understanding of their customer and simply need to apply data to this knowledge.

Meeting these different travelers' needs means gathering data at the right steps and using existing systems to define what needs to be done. The data marketers need to focus on are:

- Basic third-party information. This can include deep sales insights from platforms that have different connections or something as simple as a location. See what information you can gather and build actionable steps from it. For example, if you can collect ZIP Codes, suggest vacation packages involving nearby airports.
- Customer-provided information. Search is the bread-and-butter of the travel industry. Customers willingly provide price, date, location, brand, and amenity preferences. Your system must capture this data to properly function, so build rules around these inputs to guide your suggestions from upgrades to nearby activities.
- Logins and loyalty. If you operate a rewards program or other service that requires a login, use these profiles as your long-term data analytics pool. Not only can you match new offers to an individual's history,

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but you can also look for trends within that data. Trends should guide the rules your reservation system uses to present recommended options and upsells.

- Legacy information. If your customer purchase cycle is short, cookies and other Web IDs provide a host of information that you can use to immediately personalize. If a cookie says someone visited last week and looked for a trip to Miami, nix the background with mountains in favor of images of a beach, sunshine and beach packages.

The more information the customer provides – either directly or through tracking – the better the results can be tailored to a defined persona.

Always remember though, choice is still essential when it comes to travel bookings. Personalization is about giving the customer a great series of options to choose from, where everything fits their needs.

### INFORMATION SYSTEMS AND CONCERNS

Understanding what your data means isn't a simple process. It first requires knowledge of your systems and the information you can capture. After an understanding of that, you'll have to look for the intersection between the data you have and the recommendations you can make.

As for understanding current systems, most travel and hospitality service providers can capture a fair amount of data, but it may not be linked together. Internal data collection systems usually fall into two categories:

- Home-grown platforms that were developed in-house to perform a single task. These systems were built to help you personalize the experience and improve

site functionality, but they have limited application to a broader personalization. For example, a package that monitors location preferences and delivers special banner ads may not have control over the site theme and photo options to deliver different backgrounds and buttons for skiing or golfing trips.

- Legacy systems that were purchased to meet a specific set of functions and can connect all of the services they control, but require outside development to add new functionality. In these situations, the processing of information may be done within a module that can't be accessed by other vendor software, essentially limiting personalization data or mandating multiple databases.

These systems feature a chasm between current functionality and new personalization either because your in-house team will already have a lengthy and laborious roadmap to updating existing services or there is no vendor update for the module you'd like supported.

"The ultimate goal is being able to connect available data and customer information to a single person, and then being able to do something with it," said Richter. "The hardest part is developing a system that can take information and give options to you or capture data and automatically provide a personal pitch to the consumer."

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### WHERE PERSONALIZATION STARTS

"Very few customers come to the table without any data at all," said Richter.

Your visitors will fall into either the "known" or "unknown" categories, but even the unknowns arrive with information you can use to guide their experience.

The Knowns are customers who return to your site with some sort of trackable set of data, whether it is from a cookie, signing in to an account with your service or arriving by clicking a link you've provided through an email or other message. All of this can be incorporated into your understanding of the return visitor.

Your Knowns should receive a page or service tailored to all of this information that you have collected. Start by adjusting your images and any deals or specialized iframes based on their previous searches or most-recent purchases.

The Unknowns are simply new visitors to your site. They come with information that their browsers share, such as location data, or that tells of how they arrived on your site. This can be from a search, ad, social media post, or through the URL bar. Systems that incorporate third-party services, such as data marketing platforms, can recognize this information and be programmed to deliver new results based on that information.

The Unknowns can have a vaguely personalized experience from the beginning thanks to third-party data collection. A robust collection platform is especially important for travel because consumers' research and buying process involves visiting a lot of sites. The scent trail of where people have been and what they've been searching for can be leveraged through your applications.

It's important to remember that your initial

impression of an Unknown customer is limited. The data parsed by your system is a brief snapshot that can only guide small bits of customization.

"For example, if you can capture ZIP code, your system intelligence should know the median-income value of that city adjust displayed results to recommend and test vacation packages appropriate for that income," said Richter.

This is the first primary pivot point that allows a site to meet the customer with a compelling offering. However, the next pivots are much more vital.

### UPSELLING AND INITIAL INTERACTION

After determining basic characteristics about a visitor when they first arrive at your site, personalization efforts need to focus on the new information being provided by the customer.

Today's travel sites are starting to recognize and fully leverage all of the search information provided through that initial interaction on the site. This implicit information gives your system the best guidance for its personalization and upsell potential.

When you've learned of a destination, have your system check the number of guests and ages. Apply this information to your existing personas to try and determine if you're looking at a couple seeking a holiday, a family is going on vacation, or someone who is heading off to work. That information and your industry should tell your system how to make the upsell personal.

"The system needs some understanding of the primary destination types and travel agency sites must work to define what categories make sense for their offerings on the upsell," said Richter.

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For hotels, we know that there are few touch points after an initial sale that present the opportunity for an upsell. Using a system to put your visitor into a persona group can then help you make the sales pitch during the checkout process. This can be suggesting a “romantic weekend” package of flowers and chocolates, an upgrade to a bigger bed for the weary traveler, or even a notice that some of your rooms may have more in-room games or entertainment options.

Cruises, on the other hand, don’t have to make any personalized pitch at the point of the initial booking if they want to focus on landing that first sale. Knowing someone is new to cruises can put that customer down the sales funnel where the initial offering is simply, but personal follow-ups are made through email that mention activities, drinks, and entertainment options that can be added on at any point.

The cruise industry is unique in its upsell timeframe because consumers can increase their spending while using the service. Think of providing a reservations app for a smartphone that could, using the Wi-Fi available on a ship, allow the customer to book time at the spa below deck.

### TIMING AND UPSELLS

The buying cycle for your industry and property is of the utmost importance when it comes to analytics and data collection. Understanding this cycle and its timeframe is objective number one.

“Knowing the time cycle allows you to tailor your pitch based on when the customer is returning to your service and pinpoints when the upsell moment is just right,” said Richter.

Part of the personalization experience is delivering the customer the information appropriate for their point in the buyer journey.

Through links and cookies, you can also determine what’s prompting the return. This gives you great information beyond an open-rate because a smart link provides you not only with the right landing page but also helps you track customers as they progress forward from that page.

For example, if you have a two-week purchase window from the time you see an initial visit to the ultimate booking, your landing page can reflect how long it has been since the customer first arrived. If they’re returning in three days, you can show price comparisons and amenity comparisons to help make that final decision. This can also include upsell opportunities for packages related to, but not central to, the main product. When the customer returns in day 10 to 14 of the two-week window, your system can be programmed to push the sales opportunity and any package deals they may have viewed.

Not all of this is inherent and obvious, so if you don’t have this information the first step is beginning to track it and then looking for insights. This can also help you determine an up-sell pathway once you understand the different motivation for different return visits.

Airlines often delve into this cycle information to give their guests value-added services that are time sensitive. Seat reservations may fall under a 24-hour window for checking in to a flight, so an email right at the opening of that window can prompt consumers to check-in and then show the upgrade costs for moving to a better spot on the plane.

However, this can also be used as a service-oriented value-add by letting frequent business flyers upgrade for free and sending a brief reminder. New customers can get a longer email that explains the process and lists any additional benefits they may have available, such as free upgrades if they become an airline club member.



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### COOKIES AND YOUR CYCLE

Cookies are still the predominant vehicle used to gather information on your new and returning visitors. There are some other methods where people can make real-time calls to static back-ends, but cookies are still a good baseline for establishing the short-term memory of a system.

They play a vital role as part of an entire ecosystem, helping manage the initial page that is then refined through on-page submitted information and real-time data lookups. Certain information can then be added back to the cookie to help create a fuller understanding of your visitor.

Cookies tend to perform well for travel because the buying cycle is often close to two weeks. ComScore's most recent study of cookie use and Internet browsers found that just 30% of computers have ad-server cookies deleted each month. Users that delete on a monthly basis do it frequently, an average of four times per month, but most users don't have this deletion schedule.

However, cookies are only a piece in an overall strategy. Since users are now operating across multiple devices, a single cookie will not always track everything they do on your site. To improve operations and take cookie's short-term information to a longer scale, companies can use systems that save cookie data in the backend and apply it to consumers who may login to a service, have a loyalty number or provide other trackable data upon checkout.

### PERSONALIZE UPSELLS WITH COHORTS

The upsell must tie in to an improved, personal travel experience. Don't focus on common staples of travel, but instead use historical and session information to determine what might

be an added benefit. If the customer searched for a hotel with a pool, for example, consider highlighting the availability of in-room hot tubs or an on-site sauna.

Time and time again, research finds that peer recommendations are the most-trusted type of "advertising" and that these can even include Web recommendations along the lines of "users who looked at this trip also booked" messages. This can make every upsell recommendation more relevant by tying it to others who are similar:

- Travelers like you also added...
- People on this flight rented these cars...
- Couples buying this package also booked these hotels...

Marketers can upsell when they present additional options as an experience that others have already enjoyed. The biggest danger in the upsell is putting too much information in the mix and making the traveler too aware of what's not included in the package they're considering.

### DIGITAL DON'TS OF THE UPSELL

A proper upsell and final sale must be aware of the power of information. Before the user clicks that final "purchase" button to move to the "buy" stage, upsells that are personalized and add value can be extremely successful.

However, once the Buy stage is entered, an upsell can be a major detriment. Showing users a series of new options at this point is the same as providing your customer with a list of things their package doesn't include.

Don't give the traveler any reason to change their mind about the products and services they've already chosen to buy. If you currently

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have upsells at this point, consider moving them to earlier in the buyer's journey.

You can also deliver upsells as a targeted message away from your site through email, but similar guidelines around appropriateness apply.

### THE MOBILE EXPERIENCE

The mobile space allows for the utmost in personalization because apps and devices offer a wide range of tracking options that typically provide a set of intensive data on a single individual.

"Mobile allows us to design communications to hyper-personalize the experience," says Southwest Airlines' chief marketing officer, Kevin Krone.

Personalization comes not only in the form of the content or deals highlighted but also how the content is delivered. Mobile includes some unique communication options worth testing, such as push notifications that remind the user to check-in for a flight or offer an option to upgrade.

If a traveler frequently books through their mobile, emails can be designed to mirror the mobile site's language, form factors, and deals, plus lead to a mobile-friendly offer page. This is a small personalization that builds brand trust and loyalty simply by making communication elements the same across multiple platforms.

Mobile alerts also provide a unique value-add to the overall service by giving the travel service the chance to provide information that improves a vacation without an upsell.

For example, let's say a country's airline regulators, such as the Federal Aviation Administration (FAA), changes a rule and allows

passengers to carry more liquids on to an airplane. When the travel service sends a push notification with this information, it's purely information and doesn't need any upsell. It simply builds customer loyalty by furthering the overall conversation around travel.

Such simple touch points are a significant gesture to the traveler and it's a pain-free process as long as the messages are relevant.

A mobile user also provides multiple avenues for alerts. If they've turned off push notifications, most can still be reached by in-app notifications or communication through any "Messages" or "Inbox" section your app has. These create value by increasing visibility on a limited visual space.

### THE MOBILE UPSELL

Part of the appeal for mobile services, whether it's the mobile Web or a dedicated app, is the ability to see only what interests you. The mobile user wants an immediate option to see what relevant packages or specifics they're after, and this creates a perfect opportunity for an upsell.

Travel features a duality in terms of selling single items versus inclusive packages, so the mobile service needs to operate two tour guide modes that can be changed and delivered as the customer provides more information during their session.

This requires capturing data across multiple sessions and the current visit – which can be easier on dedicated apps – to deliver the most desirable content for a quick sale. Content needs a framework that provides access to immediate, one-off purchases in-step with packages or deals that meet the sometimes unexpressed question of what to do when the traveler arrives.



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When the mobile service offers both formats, upsells, cross-sells, and brand loyalty all have an opportunity to grow. Unlike the traditional Web, however, the mobile user needs to be presented with purchase buttons at every point of their research.

### MOBILE REDUCES BOOKING CYCLES

Customers are booking more activities on mobiles and the immediate nature of mobile devices means that inventories must be able to react accordingly. Mobile purchases have reduced the booking window, which reduces the chance for upsells and for promoting packages.

A shorter purchase window also means that travel systems need to be robust enough to constantly synch up online inventory with real availability. Services must balance the combination of mobile, Web and in-person booking, all of which are occurring closer and closer to the time of these activities.

Perhaps the best near-term model is similar to the daily deal services, such as Hotel Tonight, that provide mobile and Web same-day bookings of unsold hotel inventories. Mobiles allow consumers to make immediate purchase decisions, even of high-ticket items, and mobile-friendly services are able to bring real-time inventory clearance. The immediacy of the sale and the inventory utilized provide a clear value to both the brand and the traveler.

Mobile services can use a wealth of personal information to tailor offerings based on characteristics beyond general categories. The analytics of these services may provide insight or inspiration to today's travel marketers.

### EMAIL PERSONALIZATION

One of the strongest arenas for personalization remains the email. Our research shows that email is the 2nd most effective marketing tool in this industry after search. This is partially due because confirmations, receipts and itineraries are delivered via email, so the customer is willing to open your messages.

Making email pitches mobile-friendly, whether they're bids to get customers back to finish a sale or standard cross-sells and upsells, is essential to gathering the most information and crafting the best personalization for each customer.

Sources such as ExactTarget, Salesforce.com, eMarketer, Litmus, TopRankBlog, and the Interactive Advertising Bureau created a wealth of statistics about the state of email at the end of 2013, including:

- 95% of all online consumers use email.
- 93% of email users get at least one permission-based email each day.
- 64% of business and home decision makers read email on their mobile devices.
- 25% of travelers used a mobile to book their travel in 2013.

Email has a high level of trust that allows you to make new, personalized pitches even if a customer has previously shied away from a purchase. Personalization in email depends solely on the information you've collected during site visits and from loyalty program information.

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### EMAIL REACTIONS AND UPSELLS

Across all services, roughly 60% to 70% of Web users don't complete a purchase even if they've put an item in a digital shopping cart. It's just too easy to navigate away or close that browser window.

This is something that most sites can't overcome because this control cannot be taken away from the user.

However, captured shopping card data provides a new touch point to reach back out to your user through email. Knowing the travel plans of a customer, even if they're incomplete, allows you to send relevant deals after a purchase is initiated and closer to the travel date itself.

If you know the average amount of lead-time your users book with – say one month before they make airline reservations – then you can send out targeted emails related to time-specific searches based on this lead capture.

These reactive emails can turn a closed browser from a lost sale into a sale that's merely time-shifted. The goal is to show the customer what they were looking at and then provide an additional reason based on their persona to make the purchase. This can be a discount, limited time offer, or just another pitch about how relaxing it would be to be on the beach at 5 p.m. instead of reading their email at work.

The upsell side of email comes after an initial purchase. These emails can provide additional savings on packages that the user may have looked at but didn't purchase. This can also be tailored to specific items that may be missing from an all-inclusive-style package, such as a car rental to go with a hotel and flight booking.

### BARRIERS TO PERSONALIZATION AND UPSELLING

Now that tracking systems are crossing multiple devices, wishes need to be respected on each platform. This makes the whole process a bit more complicated. It does, however, give travel services a strong place to make their pitch because of the increase in personal preference information and session data.

When the request is made to actively track a user, tie it specifically to a benefit. Show the customer that tracking or even signing in to an account comes with benefits such as special deals or personalized results.

There are many compelling reasons for your customer to give up their anonymity. If you're unsure what that is, you can always ask them. These reasons can be determined by directly answered questions or by mining customers' current search patterns.

However, you must never ignore their requests for increased privacy or receiving fewer emails. This trust breach can negate any goodwill you may have built up and can quickly lead to your customer removing their information from your system.

### TECHNICAL LIMITATIONS TO DATA USE

When it comes to data, sometimes our eyes are too big for our systems.

As information scales and Web properties become more reactive, inventory systems can struggle to keep up with these real-time demands. In the travel industry, legacy global distribution systems (GDS) are often too slow to adequately populate reactive websites with accurate flight inventories.

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The GDS remains the standard for the travel industry and using it in synch with a central reservation system allows agents to have access to flight and hotel content at any time. The latency concern with this technology has removed most concerns in overbooking available space.

However, a new latency concern has arrived in terms of the reactive website and upsell. The GDS can confirm available space, but today's systems are often still too slow to review current session information on a website, determine a pattern or desired purchase, reach out to the GDS for available packages or flight upsells, and then display these results to the customer before they move down the purchase funnel or to another Web page.

Typically, the GDS is the slowest link in that chain of events. This may mean that upsells are limited to hotels and other services that do not provide bookings through a GDS or similar system but instead offer a specific travel service provider a certain number of accommodations at a pre-determined price.

### CLOSING REMARKS

Personalization offers a unique opportunity for online travel agencies, carrier and brands to make a stronger sale or upsell by tailoring content specifically to the person visiting the page. Personalization, when done right, builds trust, and more customers are demanding a personalized experience.

And today's hospitality and travel industry has already embraced personalization in a big way. Personalization isn't Bigfoot or some "what if" look into the future; it's doable and your competitors have already started testing the waters.

The best news about personalization, especially in the realm of using it to guide your upsells through persona development, is that you don't have to understand everything before you start your efforts. Most companies already collect a large amount of data and can make use of this in initial efforts.

Identify the systems that you already have and work from there. Audits can determine what functions your existing platform can handle. These can at least allow you to start inserting personalized iframes, banners, and other displays based on rudimentary characteristics.

Turning that detailed, offline understanding of customers and their behavior into real-time personalization is often a matter of running multiple tests with personalization at different points in the sales process. These tests can help you validate your customer personas and determine your limitations. From there, you can seek outside help for new technologies and partners

The most important lesson of personalization and upselling through this targeting is that the capabilities exist today. Understanding its implication for the upsell is essential to staying competitive in today's market.

The information gathering stage is over; it's time to implement action.

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