

HY824

Technology Edition
Entering The
Everything-Data Decade



The Hotel Yearbook
Foresight and innovation in the global hotel industry





Evolving from CRM to CDP: What got us here won't get us there



Karen Stephens
Chief Marketing Officer, Revinate

Meet Caroline Brettell.

She travels frequently for work, and she's stayed at properties within The Avertine Group several times: Avertine Seattle, Avertine New York, and Avertine Dallas. She also takes a trip twice a year with her spouse and their dog, usually within driving distance of their home in Tampa, Florida.

With just this narrow slice of data, Caroline has the ideal profile of a guest that a savvy hotel marketer could target to book directly on her next work trip, or for a pet-friendly getaway in Orlando or even New Orleans.

One problem, though.

The Avertine Group has no idea that Caroline is even a repeat guest.

Why?

Because their CRM can't give them the full picture.

When you know your guests, you know how to engage them: you know their likes and dislikes, and what offers might just tempt them to stay with you again. The problem hoteliers

face today is that the only way to know guests at scale is with data. And what most hoteliers use — the CRM — hasn't kept pace with the fragmented digital ecosystem that guests operate within, or the sheer volume of data that is pervasive across the entire guest journey.

This is where the next evolution of guest data management comes in: the Customer Data Platform, or CDP⁰¹.

ANOTHER tech tool?

Yes and no.

Look, we know hoteliers, like everyone else, are tired of being told they need the latest, shiniest toy. In this case, it's a matter of evolution, not replacement.

The CRM was a huge leap forward for hoteliers' ability to communicate and engage with their guests. It brought guest data and contact information in front of hotel marketers in a previously untapped way, allowing them to build databases and market directly to their guests.

Unfortunately, the CRM is no longer enough to empower the kind of booking journey and guest experience that today's travelers expect. Data proliferation has accelerated exponentially in the last few years, and savvy marketers are picking up on zero-party⁰² and first-party data⁰³ wherever they can find it. But if you're still using a legacy CRM that relies almost exclusively on PMS data, you are missing the boat.

Put another way, guests are sending you data signals all the time, and expect personalized communication on their preferred channel, whether that's voice, webchat, texting, social media, or, yes, even email.

If you want to keep up, what you need is a Customer Data Platform. A CDP covers the same functionality as a CRM — in fact, CDPs include a CRM — but with a much more powerful data engine underneath.

Think of the CRM as the interface you use to interact with your guest data. What matters most is the technology platform that powers that interface. When you're working with a CDP, the guest data that you access through the CRM will be more complete, robust, and actionable because of three critical functionalities a CDP has that a simple CRM doesn't.

Three ways CDPs supercharge CRMs

Let's go back to our friend Caroline Brettell and take a look at her booking journey to understand where The Avertine Group's CRM came up short, and where a CDP would give them the insights they need to create an incredible guest experience and drive direct revenue along the way.

Data integration

When Caroline stays with The Avertine Group, sometimes she orders room service and books a massage at the spa. If the Avertine marketing manager knew this, they could automatically offer relevant upsells in Caroline's next pre-arrival email.

A hospitality CRM should integrate with your PMS, but that is usually about it. A hospitality CDP⁰⁴, however, can collect data from your PMS plus other critical hotel systems, like your golf club, spa, restaurant, and folio. Other data sources can include guest surveys, online reviews, website activity, reservation agent notes, text messaging, and email engagement.

All of these data sources come together in a CDP to give you a true 360-degree view of your guests, and to allow you to create segments based on shared characteristics. So you're not just getting to know Caroline better — you're also identifying guests just like her who are likely open to the same messaging based on their shared interests.

In the age of first-party data⁰³, hoteliers need a robust data collection operation that can capture data at every touchpoint throughout the guest journey, AND a platform that can ingest and analyze it. Too often, important guest data remains trapped and cordoned off in different systems. Your survey data is stuck in your survey tool, your email marketing data is stuck in your email platform, your voice channel data is stuck in your call center software, and so on. And when your data is isolated in different tools, its usefulness is diminished.

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survey tool, your email marketing data is stuck in your email platform, your voice channel data is stuck in your call center software⁰⁵, and so on. And when your data is isolated in different tools, its usefulness is diminished.

But with a CDP, you can collect and analyze all of this data together, building richer and more detailed guest profiles. This, in turn, offers you a more complete view of your guests — and more opportunities to create hyper-targeted, personalized campaigns that drive direct revenue.

If Avertine had a hospitality CDP, they could see Caroline's room service orders, spa appointments, and restaurant reservations, along with notes from reservation agents, her Net Promoter Score⁰⁶, and messaging behavior⁰⁷.

Identity resolution

Caroline booked one trip via an OTA. On another, she used the nickname Carol when filling out her first name. On her third stay, she used her work email address instead of her personal one. On her fourth visit — booked with a different OTA — the front desk asked for her email address, but they entered a typo: *caroline.brettel@yahoo.com* instead of *caroline.brettell*.

This chain of booking and stay behavior, all common occurrences for hotel guests, led to the creation of four different profiles in The Avertine's CRM. Now, all CRMs have some form of "merge and dedupe" to get to a profile view of a guest. The question is, how robust is that underlying technology?

A typical CRM needs each field in the name and email address to match perfectly to recognize the same guest. However, since realities like Caroline's happen all the time (multiple booking channels, error in data entry, OTA masked emails) many loyal, repeat guests fall through the cracks. This inaccurate guest data leads to inaccurate segments, hindering the effectiveness of your marketing and communication efforts.

A CDP overcomes duplicate and messy data with identity resolution⁰⁸.

Identity resolution employs advanced AI and machine-learning algorithms to merge and dedupe guest records into one comprehensive profile with a high degree of confidence. Identity resolution can also incorporate other guest interactions like survey responses, abandoned cart information, messaging history, and more into profiles to give you the complete picture of your guests and how they interact with your hotel.

Identity resolution is a powerful weapon against OTAs, which mask guest emails to try to maintain control of the guest relationship. Identity resolution programs using AI that is trained on hospitality data can unmask those OTA emails and give you back a direct line of communication with your guests.

According to our 2024 Hospitality Benchmark Report⁰⁹, 18% of raw profiles in hotel databases¹⁰ contain OTA-masked emails. That's up to 18% of your guests who could be unavailable for retargeting.

Revinate has merged nearly three million guest profiles with OTA-masked email addresses using identity resolution, and we found that 17% of those profiles contained two or more different OTA emails. Those are repeat guests — just like Caroline — who are loyal to your brand, but not necessarily the booking channel.

01 <https://www.revinate.com/blog/customer-data-platform/>

02 <https://www.hospitalitynet.org/opinion/4118790.html>

03 <https://www.revinate.com/blog/first-party-data/>

04 <https://www.revinate.com/blog/hospitality-cdp-reasons/>

05 <https://www.revinate.com/blog/the-call-center-software-features-every-hotelier-should-look-for/>

06 <https://www.revinate.com/2024hbr/email-channel-global/#surveys>

07 <https://www.revinate.com/2024hbr/messaging-channel-north-america/>

08 <https://www.revinate.com/blog/identity-resolution/>

Without identity resolution, hoteliers are missing the loyal guests with whom they've already built relationships — the guests who are mostly likely to book again and book direct if you can give them a reason to do so — simply because they aren't using the right tools, like a CDP. built relationships — the guests who are mostly likely to book again and book direct if you can give them a reason to do so — simply because they aren't using the right tools, like a CDP.

Data Activation

This is the money-maker. After all, what good is all of this robust guest data unless you put it to good use?

A CRM may only allow you to activate its data in one channel (typically email), or you may have to go through the tedious process of exporting contacts as spreadsheets and uploading them into another email tool for every single campaign that you want to send.

The result of all that manual work is that your team will have to spend more time and effort on each individual campaign, resulting in fewer, more generic messages sent to larger audiences.

With The Avertine's CRM, Caroline might receive a birthday discount for a property she only stayed at for work, or a generic newsletter.

But with a CDP, Avertine could send Caroline — and guests like her — personalized upsells, incentives, and promotions, earning the hotel more direct revenue while delighting Caroline with an exceptional guest experience.

We're not just saying this. Our data backs it up. We've found that smaller, more targeted lists have significantly

higher conversion rates: emails sent to less than 5,000 recipients have a 23x higher conversion rate than those sent to 50,000 or more recipients. And hoteliers generate 2.6x more revenue per email when at least three segment filters are applied to the audience. So what if instead of launching one large email per month, your marketing team could send 5-10 campaigns to different guest segments, each with a relevant and timely message, using the same amount of effort (or less, thanks to automation)? Your direct email channel revenue would soar. Take it from Columbia Hospitality, which nets an average room revenue of \$10k per campaign using a mix of automated and one-time email sends.

A CDP enables exactly this level of agility and efficiency by putting rich guest data in the hands of hotel marketers alongside the tools to activate that data across channels. Because while email remains a vital communication avenue, it's not the only one where guests expect to hear from you. Your guest data can be deployed across voice, messaging, and web channels to drive direct bookings and ancillary revenue with personalization and precision.

What's more, the results of your activation efforts — regardless of channel — should be fed right back into the guest profile, giving you even more insights to work from.

- 09 <https://www.revinate.com/2024-hospitality-benchmark-report/>
- 10 <https://www.revinate.com/2024hbr/database-health-global/#identity>
- 11 <https://www.revinate.com/2024hbr/email-channel-global/>
- 12 <https://www.revinate.com/customer-stories/how-columbia-hospitality-boosted-revenue-with-revinate/>

Powering hospitality's next transformation

The heart of the CRM and CDP debate is the question of whether hoteliers want to settle for marginal gains while the world evolves around us, or whether we want to be part of the evolution. CDPs offer the hospitality industry — and not just the big players — the chance to confidently dive into the age of data-driven personalization.

It matters what is under the hood of the tools in your tech stack. Is it a basic CRM, powered by an old jalopy that needs replacement parts no longer in circulation? Or is it a CDP, with a data engine fueled by advanced machine learning and AI-modeling, with data integration, identity resolution, and data activation built-in?

Caroline expects more than a generic experience — and she might just shift her loyalty to a hotel group that can offer the surprise and delight of true personalization.

CRMs have gotten us this far as an industry, bringing us into the 21st century. But they aren't going to take us to the next era of innovation. And to show that we're putting our money where our mouth is, Revinate is upgrading our existing CRM customers to a CDP data-engine throughout this year.

Eventually, you'll need to upgrade your CRM and capitalize on the advanced marketing and direct booking capabilities that a CDP brings. The only question is whether you'll do it in time to lead the pack in the race for guest loyalty and direct revenue, or if you'll be miles behind.



Karen Stephens
Chief Marketing Officer,
Revinate





Hospitality Tech
Industry Calendar
2024-2025

HITEC® 2024 Charlotte
Jun 24 – 27, 2024
Charlotte Convention Center

**HSMAI Americas - Commercial
Strategy Conference**
Nov 25 – 26, 2024
Charlotte Convention Center

**HITEC Technology Investment
Conference**
Jun 27 – 28, 2024
Charlotte Convention Center

2024 Hotel Data Conference
Aug 7 – 9, 2024
Grand Hyatt Nashville

Skift Global Forum 2024
Sep 17 – 19, 2024
The Glasshouse, New York

HEDNA Asia Distribution Conference
Sep 23 – 24, 2024
Siam Kempinski Hotel Bangkok

FHS World 2024
Sep 30 – Oct 2, 2024
Madinat Jumeirah Conference &
Events Centre

**HSMAI Asia - Digital Marketing
Conference**
Oct 10, 2024
Phuket

Hospitality Tech Expo
Oct 15 - Oct 16, 2024
Excel London

ITB Asia
Oct 23 – 25, 2024
Marina Bay Sands Singapore

The Hospitality Show 2024
Oct 28 – 30, 2024
San Antonio, TX, United States

Cvent CONNECT 2024 - Europe
Nov 5 – 7, 2024
Hilton London Metropole

**International Hotel Technology Forum
Asia 2024 (AHTF)**
Nov 12 – 13, 2024
Pan Pacific Singapore

Hotel Technology Forum (HTF) 2024
Nov 18 – 20, 2024
Rancho Palos Verdes

The Phocuswright Conference
Nov 19 – 21, 2024
JW Marriott Phoenix Desert Ridge
Resort & Spa

**HSMAI Middle East - Commercial
Strategy Conference**
Nov 26 – 27, 2024
Conrad Dubai

**HSMAI Europe Revenue Optimization
Conference**
16 Jan, 2025
London

**HEDNA Global Distribution
Conference: North America**
Jan 27 – 29, 2025
Catamaran Resort Hotel and Spa

ITB Berlin 2025
Mar 4 – 6, 2025
Messe Berlin

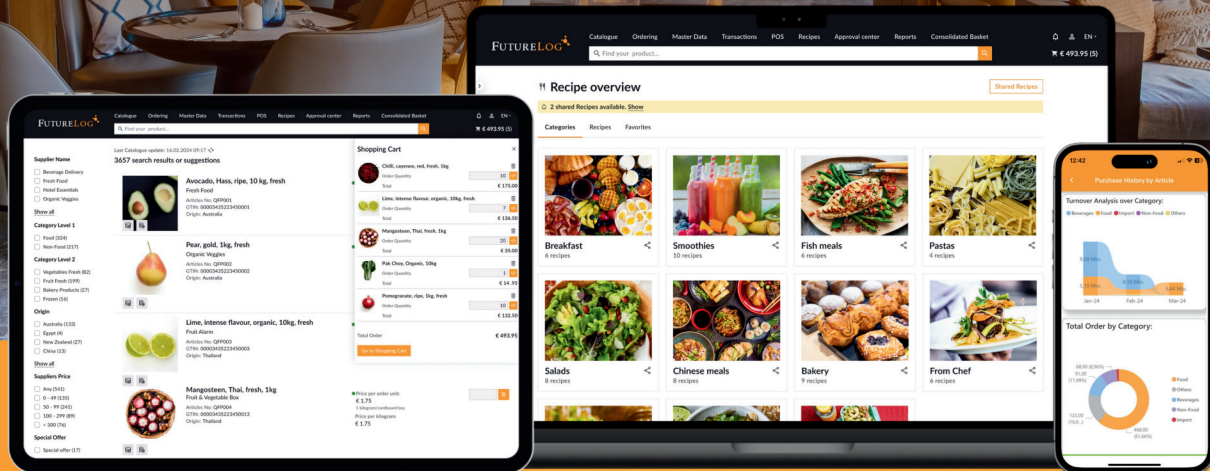
**International Hotel Technology Forum
2025 (IHTF)**
Mar 18 – 20, 2025
Lisbon

HITEC DUBAI
May 27 - May 29, 2025
Dubai World Trade Center

HITEC® 2025 Indiana
Jun 16 – 19, 2025
Indiana Convention Center

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“

FutureLog has transformed the way we handle the ordering process across our entire group. Now we're fully automated, we have streamlined communication with our suppliers, it's so easy to use and it has saved our teams so much time and effort.

- Denis Karalić, ACHAT Hotels

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