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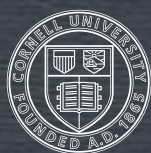
# Challenges in Contemporary Hospitality Branding

by Chekitan S. Dev, Ph.D.

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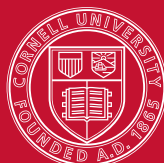
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## ABOUT THE AUTHOR

**Chekitan S. Dev**, Ph.D., is associate professor of strategic marketing and brand management at the School of Hotel Administration. Recognized as a leading authority on strategic marketing and brand management, his award-winning research has been published in several peer reviewed journals, including the *Journal of Marketing* and *Harvard Business Review,* and he is the author of the book *Hospitality Branding*. He has won all major hospitality research awards including the 2002 John Wiley & Sons award for lifetime contribution to hospitality and tourism research. A former corporate executive with Oberoi Hotels & Resorts, he has served corporate, government, education, advisory, and private equity clients in over 35 countries on five continents as consultant, seminar leader and expert witness. These include Accor, Crystal Cruise Lines, Disney, Expedia, ExpoGourmand Chile, Four Seasons Mumbai, French Culinary Institute, Hilton, Holiday Inn, Horwath Austria, HOTUSA Spain, Hyatt, IHRAI Philippines, InterContinental, Jumeirah Dubai, Kerzner Mauritius, Leela India, Mandarin Singapore, Marriott, Moevenpick Switzerland, Orbitz, Peninsula, PlanHotels Italy, Priceline, Rosewood, Sarovar India, Starwood, Taj India, Travelocity, and Westin. Professor Dev was selected as one of the "Top 25 Most Extraordinary Minds in Sales and Marketing" for 2009 by The Hospitality Sales and Marketing Association International (HSMAI).

## EXECUTIVE SUMMARY

Participants at the 2013 Cornell Brand Roundtable discussed current issues, shared their best ideas, and presented key initiatives relating to managing brands in today's complex global marketplace. Constant change continues to challenge brands to maintain their edge and protect their intellectual property in the internet age. Pressure from social media through instant reviews opens up new avenues for brand dilution and infringement of brand rights. A recurring theme over the course of the roundtable was the use of loyalty or rewards programs to manage brand architecture, maintain brand edge, and provide a unifying principle for their portfolios to remind customers which parent brand they are patronizing. However, a brand's online presence is difficult to control, as social media sites and online reviewing services such as Trip Advisor provide customers with access to instant messaging of their opinions. This makes brands vulnerable to fraudulent claims and other infringements of intellectual property rights, which then means weighing several factors to determine the proper response. Among the promising concepts discussed at the roundtable were simple and sticky ideas, twisting to innovate brand attributes from outside the hotel industry into a brand's identity, and configuring the proper relationship between the parent brand and its portfolio extensions to manage brand architecture effectively identifying points of difference (PODs) in a brand's competitive set to maintain its edge. The participants also heard about a recent brand rejuvenation initiative.

# Challenges in Contemporary Hospitality Branding

## by Chekitan S. Dev

In an age of global brand proliferation that has seen continual extension and expansion of brand portfolios, brand managers are challenged by the sheer scale of their overall operations and the eclipse of traditional marketing modes by online channels and social media. Given this framework, the 2013 Cornell Brand Roundtable focused on such major areas of brand management as achieving and maintaining a brand's edge in the marketplace, managing brand architecture and the brand portfolio, and protecting the brand's reputation against infringement of its intellectual property. The roundtable also included an interactive exercise in integrating brand attributes from outside the hotel industry to solve customer experience challenges and featured a case of brand rejuvenation that illustrated many of the principles covered over the course of the day's many lively discussions.

*Allen Adamson*: Brands need constantly to work on differentiation, generate "contagious ideas," and ensure that employees deliver the brand.



*Rom Hendler*: Customers should be alerted to brand innovations, but scale complicates this process.

**Presentations and discussion**. To showcase participants' thought leadership and to provide spirited and informative discussions, the roundtable was relatively small, with some two dozen participants, and featured brand executives, consultants and academics. Although each of the roundtable's six sessions featured top-level presentations, the focus was on the ensuing discussion. The six sessions were: (**1**) branding edge, (**2**) brand architecture, (**3**) brand portfolio management, (**4**) brand reputation, (**5**) brand twist, and (**6**) brand rejuvenation.

## Branding Edge

Landor Associates' New York office chief Allen Adamson initiated the roundtable by underscoring the need for a brand to achieve and maintain differentiation as the key to gaining an edge in the marketplace. The trouble with differentiation, Adamson reminded us, is that it's easy to talk about but difficult to execute. Citing JetBlue as an example of a brand that blazed a trail, Adamson posed a question: once your brand has gained an edge over the competition through differentiation, how do you stay ahead of the market by keeping your differences different?

This focus on maintaining a brand's edge sparked a lively discussion. Vijay Dewan, managing director of The Park Hotels in India, offered that his company stays ahead of the competition through surveys of frontline employees analyzed by a small group of marketing managers based on the belief that engaged employees create highly engaged customers. Adamson noted that such efforts are necessary because when companies fail to deliver on their good ideas,

competence—or lack thereof—trumps innovation as a success factor.

Competence at executing concepts is especially difficult at larger scales. Large companies must identify real needs and target them, because no one can be all things to all people. Rom Hendler, chief marketing officer (CMO) of Las Vegas Sands, argued that brands must communicate with customers in advance when rolling out innovations, as his company did with its loyalty points system. But he acknowledged that scale "complicates" this process. The larger the company the more important it is to perfect the execution of its branding strategies.

Among the more unusual attributes that support successful innovation or execution of promising concepts, according to Adamson, is being "worried." Companies that worry about their market positions tend to execute their innovations more successfully than do those that settle into complacency. As one classic example, he noted that Kodak believed that film would never go away. Even as it pioneered digital photographic technologies it continued to roll out new film products, only to find itself sidelined as digital cameras quickly swamped the market. Now Kodak is struggling to emerge from bankruptcy proceedings and sells neither cameras nor film.

**Encouraging contagion.** Adamson's next question grew out of the need for a brand to generate "contagious ideas": How does your brand attract customers who want to talk about you? Here he cited American Express Travel Services' Nextpedition product, an attempt to "reinvent" travel by providing customers with itineraries over a dedicated smart-

phone that tells them where they're going and what they're doing only hours or even minutes in advance. While some travel services boast of offering "no surprises," Nextpedition targets hip, young travelers seeking adventure and novelty for whom serendipity is the whole point of traveling.

There was also a focus on employees and service delivery. Service can also inspire contagion, prompting customers to share their experiences broadly. This depends in part on the passion that employees demonstrate in their work, passion that drives them to go "above and beyond" to surprise and delight customers who then go viral on Facebook, Twitter, Pinterest, and other social networking internet sites. I reminded participants of a situation in which United Airlines delayed a connecting flight from Houston to Lubbock, Texas, so that a man flying from San Francisco could see his dying mother before it was too late. This identified another kind of opportunity to generate contagion: going above and beyond in service recovery instead of saying "it's not my job." Here again it was acknowledged that service recovery can be difficult, but brands that institute strong service recovery systems may generate contagion.

The Park's Dewan said that a brand can generate contagion among its customers simply by creating fun for them, which his company does by pairing its properties with cutting-edge restaurants and exciting nightlife options. He noted that The Park creates a lot of new ideas, and most of these are successful, although some of them fail. He added that the team has a lot of fun executing these ideas and the customers have a lot of fun too. However a brand seeks to make its concepts contagious, it must, as suggested by Groupon vice president and general manager for travel Simon Goodall, promote ideas that are both simple and sticky (in the sense first promoted in Malcolm Gladwell's *Tipping Point*). Still, it was acknowledged, a brand's good idea is only as sticky as the manner in which it is executed in practice.

This led to Adamson's third question: how do deliver your brand? Your brand cannot keep its "differences different" or generate sticky and contagious concepts if it cannot deliver its brand effectively, and that starts with its own employees. To provoke discussion of this question, Adamson showed a brief clip from the Tom Hanks film *Cast Away*. In the film Hanks plays a Federal Express agent marooned by a plane wreck. In the clip his character demonstrates that FedEx really "gets its brand" and delivers the message to its employees. They understand who they are, not merely what they are. Adamson argued that effective brand execution therefore means helping employees understand the who and the why before they understand the what and the how. So how do you instill the who of your brand in your employees?

Lulu Raghavan, managing director of Landor Associates and country head for India, observed that effective customer relationship management (CRM) requires promoting the



*Sid Narang*: **For the launch of W, the company used just the top 1 percent of brainstormed ideas for brand innovation.**

brand "in every department." SAS Executive Director Kelly McGuire cited the Wegmans supermarket chain for its training program that channels everything back "through the customers." Instilling the brand message throughout an organization while emphasizing the customer experience generates trust, and that was acknowledged broadly as a key to making the customer experience also the brand experience.

**Delivering the brand.** The discussion then focused on how hospitality brands can execute such a strategy successfully. When it comes to delivering the brand, a brand's managers must decide who defines it, who embodies it, and who delivers it. Where in a decentralized organization does each take place? Marketing? Operations? The workforce? Marketing, for one, is often disconnected from other units. Las Vegas Sands' Hendler noted that connectivity between marketers and the company's casino and retail operations is important but difficult, especially when considering the relative difficulty of connecting with business-to-consumer (B2C) customers as opposed to business-to-business (B2B) customers. You can't possibly know your B2C customers as well as you know your B2B customers.

Sid Narang, vice president, development for Starwood Hotels and Resorts Worldwide, noted that the W brand launch was "multi-disciplined." Everyone involved in brand management brainstormed and generated hundreds of ideas, but only about 1 percent of the ideas were ultimately adopted. What's important is that at launch everyone has to speak the same language, something that is difficult at scale. Ultimately, he admitted, it's a judgment call. In returning to

*Kevin Lane Keller*: **Managing a brand portfolio requires a clear vision of the parent company's needs and careful positioning of the constituent brands.**

the scale theme, it was noted that good brands focus on a common theme and the leadership "gets in front of the ownership." But although with a few hotels it might be feasible to propagate a common culture, with several thousand it becomes much more difficult.

Christian Charnaux, vice president for global brands of Hilton Worldwide, cited Hampton Inn's "Hamptonality" campaign, which featured an ironclad satisfaction guarantee by empowering frontline employees to make things right "on the spot." Hilton has extended a variation of the guarantee to its full-service properties, something Charnaux argued is possible only when frontline employees buy into the concept. Hendler said that his company annually works with sales and marketing to bring marketing and operations together and still faces challenges when, for example, dealers and front-desk employees do not treat customers in the same way in Macau and Singapore. This lively discussion ended with the observation that a successful brand can keep its edge only if every employee understands where he or she fits into the organization's brand delivery scheme.

## Branding Edge: Key Points

1. Focus on differentiation as the key to long-term brand success.
2. Work on keeping your differences different.
3. Worry about losing your points of difference.
4. Create contagious and sticky points of difference.
5. Stress "on brand" delivery.
6. Emphasize brand management as every employee's business.

## Brand Architecture

Professor Kevin Lane Keller of Dartmouth College's Tuck School of Business led the next session of the roundtable, extending the branding theme to brand architecture. How many brands should be included in a parent brand's portfolio? Across how many segments should they be distributed? Noting that a number of strong brands are able to stretch across multiple categories, he nevertheless invoked what he called the "Spandex rule": just because you *can* wear it doesn't mean you *should*. Similarly, just because it's possible to extend a brand or expand a brand portfolio doesn't mean you should. To illustrate the phenomenon of brand proliferation Keller showed the diverse portfolios of Marriott International, Starwood, and InterContinental Hotels Group (IHG). The question is: how does a parent brand manage its brand portfolio effectively?

To address this question Keller tapped into his experience helping Procter and Gamble develop a process for tackling brand architecture issues and identified three keys that can be applied to hospitality brands. To manage a brand portfolio based on a clear definition of the brand's potential, a parent company first needs a vision that gives its efforts a higher-order meaning or purpose. Second, it needs to develop boundaries within its portfolio to maximize coverage of market segments while minimizing overlap across its brands. Third, it needs to define the correct positioning for each of its brands by reference to both points of parity (POPs) and points of difference (PODs). The goal is to create salient PODs that are desirable, deliverable, and differentiating. Keller recommended creating a brand mantra as an organizing principle, a statement that captures, in three- to five-word phrasing, the essence of the brand.

Managing a brand's architecture entails decisions regarding: who are we? and What new products or services should we roll out? Brand extensions must be undertaken with care based on an exercise comparing POPs and PODs within the competitive set using checklists and scorecards to organize brand offerings in a way that demonstrates understanding of customers. Other decisions include whether to create sub-brands and whether to dial up or dial down key brand elements. Most critically, should the parent brand be pushed out front or remain in the background? Finally, there remains uncertainty about the extent to which a parent brand's online presence makes it easier or harder to manage its brand architecture. Here Keller noted that the brand mantra needs to be informed by "sharp" brand positioning.

**The loyalty question.** At this juncture a question arose about loyalty programs, which may be seen as a mechanism for tying brands together when loyalty points or rewards are honored across a diverse brand portfolio. Can such programs simplify efforts to develop an effective brand architecture? We are in an era of megabrands, at what Keller

characterized as an "inflection point," in which the big six hotel brands comprise sixty individual brands. How should a parent brand allocate its marketing dollars? Here, effective use of the internet has the potential to create PODs that consumers can understand, making it easier to define a mega brand by its loyalty program.

On the other hand, trying to differentiate your brand by consumer demographics means acknowledging that at the high end of the portfolio the consumer is looking for an experience more than a product, and it's not easy to commoditize an experience. These factors are complicated by online reviewing sites such as TripAdvisor which may be superseding marketing efforts, especially when consumers post negative comments, which seem to carry greater weight than positive ones—although effective service recovery, as was seen earlier, can generate positive comments. Wyndham's executive vice president for brand operations Keith Pierce, argued that most customers look mainly at star ratings. As a consequence, his company has taken the bold step of posting reviews on its sites.

Returning to the question of segmentation, new questions arose. How much does segmentation matter? Hendler said that it can depend on brands at the top of the architecture and whether and how they affect lower-tier brands. It can be difficult to avoid cannibalizing beyond a certain point of brand proliferation. Groupon's Goodall worries that such proliferation makes it harder to attract customers to a brand because it's difficult to understand which brand is best for a given purpose. What's the best way to differentiate?

The brand architecture discussion closed with further remarks regarding loyalty programs. Narang cited the Miami market as an example that demonstrates how loyalty programs and segmentation can be managed effectively. The W property in Miami is winning in the market with a nightly room rate exceeding $550, attained partially because 80 percent of its customer base comprises Starwood Preferred Guest members, across all segments. He urged brand managers to keep in mind that a hotel property is not a discretionary product, it's an investment, and owners develop hotels to make money.

## *Brand Architecture: Key Points*

1.  Just because you can extend your brand does not mean you should.
2.  Clearly identify your brand's purpose, boundaries and positioning.
3.  Learn your brand's points of parity and points of difference.
4.  Use your loyalty program to organize your brand architecture.



*Kirk Kinsell*: Holiday Inn remains the signature brand, but guests learn about InterContinental Hotels through the IHG Rewards Club.

## Brand Portfolio Management

Kirk Kinsell, president of the Americas for InterContinental Hotels Group (IHG), led the next session of the roundtable by sharing IHG's effort to restructure its brands around its loyalty program: PriorityClub Rewards. Noting that IHG had been an umbrella brand for only ten years, Kinsell shared a recent history that includes 30-percent growth through a relentless brand-building program and the industry's first loyalty program. IHG's largest brand is the Holiday Inn brand family, which enjoys broad recognition. As he put it, when employees go through customs and say they work for IHG they are often greeted with a blank stare. But if they then add that it means Holiday Inn they are given a warm "Welcome!"

The key to his brand portfolio management effort is the re-launch of the priority program and simplification of brand communications, which has included adopting orange as IHG's signature brand color. Now called IHG Rewards Club, the program offers a range of amenities including free internet access to club members at all properties. If you're a club member near an IHG property, you need not even be an overnight guest to use the hotel's wi-fi. More broadly, IHG is focusing on using the rewards program to provide better guest recognition and to help solve corporate challenges, such as capturing a portion of the $2 billion cross-selling potential, and reducing the costs of using online travel agencies (OTAs), which cannot extend PriorityClub benefits to their customers.

*Leslie Adler*: One key to managing a large brand portfolio is to encourage bookings on the corporate website, in this case, Choicehotels.com.



*Simon Goodall*: Both loyalty points and other rewards are important to loyalty program members.

Kinsell's account of IHG's branding success kindled a spirited discussion of the challenges of coordinating corporate and marketing strategies across a diverse brand portfolio, as well as of the role of loyalty or rewards programs in portfolio management. Is the lack of parent company recognition, acknowledged by Kinsell in the customs example, a problem? Narang acknowledged that the Starwood name on its SPG loyalty program is not attached to any of its properties, but the program is highly successful. Leslie Adler, manager of corporate development and innovation at Choice Hotels International, noted that Choice is also focusing considerable energy on driving guests to Choicehotels.com. The brand feels it's important to highlight the proprietary website as it tries to drive more bookings away from third-party channels. Wyndham's Pierce agreed, arguing that it may be difficult to link the parent company name to the loyalty program if the name does not appear on the brand's properties. Kinsell argued that IHG's program is popular with franchisees and that's where it helps the brand compete with OTAs.

**Guest recognition.** The guest recognition factor came into play again in the context of rising customer expectations in the aftermath of the financial meltdown, which hammered the hospitality industry. Reduced price points instituted to generate demand during the downturn encouraged customers to "buy up" and now they expect to enjoy those better accommodations and amenities at the lower price points. Here's where, according to Jonathan Copulsky, principal of Deloitte Consulting, it's important to generate "moments that matter" such as Doubletree's famous cookies

and other customer recognition opportunities that Copulsky termed "signature moments." The Park's Dewan noted that it's possible to incorporate some "luxury" features across a portfolio. For example, guests experiencing efficient, painless check-in are just as happy at a Holiday Inn Express as they are at an upscale property.

Marc Rachman, partner in the law firm of Davis & Gilbert, wondered how the hoteliers at the roundtable addressed potential brand dilution or sub-brand weakness that might result from brand proliferation. Choice's Adler acknowledged that it can sometimes be a challenge with consumers; however, Choice's brand proliferation maximizes options for owners at various asset life-cycle stages. Wyndham's Pierce shared that in some instances approximately 60 percent of his brand's marketing budget is devoted to online channels. What's the best way to take advantage of the breadth and strength of a large multi-brand portfolio, he asked? Kinsell offered that IHG has moved its marketing dollars into a single fund that includes e-commerce, spending more on activation than on acquisition. He explained that IHG intended to more fully integrate its loyalty program with its online presence, making it easy for guests to extend their experience from before booking to check-in to after check-out.

Kinsell observed that good brand management and good operations management are not sufficient in themselves for success. Management must become leadership. He said that IHG has forged alliances with its management companies and refers to operations as the "heart of the house" instead of the back of the house. The brand uses leadership as a critical success factor, marketing its brand to its employees

*Marc Rachman*: With trademark infringement, companies sometimes face a "whack-a-mole" problem of choosing whom to pursue.

as well as its franchisees and guests. At IHG, hotel general managers must to think and act like brand managers.

The brand portfolio discussion continued by focusing on broader issues including using loyalty programs as a unifying principle to manage brands. Las Vegas Sands' Hendler wondered whether there isn't a risk in the current trend towards emphasizing the rewards piece of loyalty programs as opposed to the privilege of membership. In effect, this commoditizes such programs, in many cases turning them into a form of currency that can be used in various ways off property to patronize other industries. Isn't it possible, Hendler suggested, that such commoditization will blunt the sharp differentiation that produces effective PODs in a marketplace? Groupon's Goodall argued, however, that loyalty points and rewards are both important. Sometimes, he said, he neither needs another hotel stay nor prefers one to a restaurant meal or show.

Kinsell closed the discussion by noting that effective brand management can generate trust in a brand, which is an argument for imprinting the entire portfolio with the brand concept.

## Brand Portfolio Management: Key Points

1.  Identify a unifying framework to manage your brand portfolio.

2.  Consider using your loyalty program to rationalize your brand architecture.

3.  Create value propositions across the brand portfolio.

4.  Redefine the hotel manager's job description to include brand management.

## Brand Reputation

Marc Rachman served as the provocateur for the next roundtable segment, asking when it is advisable to take action to protect your brand's reputation and strength—and when it is not advisable. After all, the brand itself is a company's most valuable asset and as such merits protection regarding its logo, images, messages, and other intellectual property. Although specific looks or images help to differentiate a brand, a look needs what Rachman termed "secondary meaning" with consistency over time to be eligible for legal protection. In this regard, using the example of Taco Cabana, he explained how courts have protected a restaurant chain's festive eating atmosphere.

The question he asked participants to consider: which infringers of brand rights do you pursue and which do you leave alone? You can lose certain rights by failing to act, he cautioned, even if you would have had a legitimate grievance had you done so. The goal is to minimize reputational damage, which in today's marketplace can go viral in a bad way through social media. Thus in many cases quick action is vital. Moreover, you can discourage potential infringers if your brand makes it known that it will aggressively protect its rights. On the other hand, protecting brand rights can be costly, not the least because it is often difficult to identify the perpetrator of brand infringement due to the anonymity of the internet and the lengths to which some will go to camouflage themselves. You must therefore pick your fights wisely to avoid a public relations backlash if you're viewed as a bully pushing around the little guy. There is also what Rachman termed the "whack-a-mole" problem—you simply can't afford to go after everyone. Moreover, when infringement is unintentional or innocent it's often best to avoid legal action. Finally, the law honors the concept of fair use, which permits the display of or references to a brand's signature images and logos under the proper conditions or for purposes such as satire.

I asked those assembled whether they performed due diligence for brand reputation when acquiring an existing brand. Kinsell asserted that this was a common practice. John Longstreet, president and CEO of the Quaker Steak & Lube restaurant chain, agreed, adding that his company had often experienced trademark problems with such brand attributes as their sauces, décor, and ambiance. For example, they had to eliminate a mascot dubbed Cluck Berry, which was used in connection with their chicken wings. In that situation, Rachman noted that infringement law differs when it applies to persons or personalities. Kinsell added that for brands with large portfolios the worst brand IP violators are sometimes within the brands themselves, as untrained or undisciplined franchisees or employees alter brand standards. For example, his company has had to hold symposia to educate personnel about the proper shade of orange to

*John Longstreet*: **Customer feedback posted on social media sites is critically important for correcting problems.**

use in brand communications and to address inconsistent abbreviations of "InterContinental Hotels Group." Rachman reiterated that consistency in customer-facing activities is paramount and that overzealous attempts to provide uniqueness in experience can result in relinquishing certain brand rights.

**Breaking up is hard to do.** Wyndham's Pierce introduced yet another issue with brand reputation control. His brand parts company with several hundred hotels a year, and it can be difficult to persuade property owners to give up brand elements such as flags and other representations of the brand. Rachman added that the continued presence of such collateral can be confusing to customers and can weaken the brand if the property fails to maintain the previous standards. The difficulty is compounded because most franchising or management contracts obligate property owners to cover the costs of severance. If the brand logo is embedded in concrete, for example, it is all the more troublesome, as noted by Charnaux and Thomas Botts, executive vice president of the Denihan Hospitality Group.

**Online review issues.** I then steered the discussion in a new direction by asking about the legal implications of online reviews posted by customers. Rachman cited the problem of fake reviews—some of which are planted by the companies themselves to seem like they are from customers. These are forbidden on most sites, because material connec-

tions between reviewers and brands must be disclosed and the opinions they share must be honest. Deloitte's Copulsky offered that software exists to detect fake reviews and that TripAdvisor ostensibly uses such applications.

I then extended the topic by asking Rachman to discuss the difference between freedom of speech and illegal disparagement. Rachman confirmed that you can talk about a competitor in advertising, but it has to be clear that the message is about *your* brand and what you say has to be true. The same holds for customers as well: they must be truthful and comply with a site's terms of use. No one has a right to post a fake or dishonest review, although of course it can be difficult to prove if the site does little to discourage it.

Rachman then asked who among the participants encourages their customers to post reviews. Most participants acknowledged doing so, noting that Twitter, Pinterest, and other social media sites provide instant content. Longstreet suggested that such feedback is especially important in the restaurant industry, citing Instagram as particularly suited to restaurants and arguing that companies that pay attention to such reviews can correct inefficiencies and support guest services when customers mention salient facts about themselves, enabling operators to tailor products and services to fit such characteristics. Brodsky mentioned that Starwood struggles with monitoring videos and photos that customers post online because there are so many. Given that brand managers have ever less control over how the brand is represented on many sites, he suggested that curating the brand rather than managing it could very well be the new imperative.

I closed the discussion by following up on Brodsky's comment and speculating that, for future brand campaigns, the most compelling text, photos, and videos to promote a brand would come not from brand consultants and brand mangers but from passionate brand fans. It will then be up to savvy brand managers then to curate these "gifts" for maximum brand exposure and engagement.

## Brand Reputation: Key Points

1. Protect your firm's most important asset: brand reputation.
2. Decide which brand reputation infractions to pursue, and which to leave alone.
3. Monitor your brand's reputation in real time.
4. Encourage your customers to post reviews.
5. Avoid posting fake reviews, for your firm or competitor's firms.
6. Curate your brand's reputation across multiple review sites.

*Julie Cottineau*: One great source of innovation is to "twist" ideas from unrelated brands.



*Bill Minnock*: Marriott continually benchmarks service standards against non-service businesses.

## Brand Twist

Julie Cottineau, founder of BrandTwist, argued that brands have to bring the consumer to the forefront of branding. She initiated her session by telling the story that inspired her to start her company. She had been working for Interbrand and was waiting at the Newark airport for a flight when something unusual caught her eye. Outside the gate she saw a 747 with McDonald's Golden Arches emblazoned on its tail. She had an epiphany: you can enhance your brand by incorporating attributes from brands in other industries into its existing elements. While it turned out that the image she saw was an illusion—a reflection of a McDonald's in the terminal on the inside of the glass—the magic had happened. This "brand twist" that married brand attributes from separate industries led to her provocation to the roundtable: Is the hospitality industry too insular? Should hoteliers look beyond hospitality for inspiration, not just to the competition? What can we learn by "twisting" hospitality brands with non-hospitality brands?

Brand twisting is, then, looking outside an industry category for inspiration in service and product offerings. Among the brand twists Cottineau cited were Delta Airlines with Starbucks, offering the opportunity to reimagine the seating on its flights; Virgin America's offer of flight check-ins from Apple mobile devices using the iPhone's "loopt" app, and KLM, which allows customers using the MyTrip app to choose seats next to "interesting" passengers based on Facebook or LinkedIn profiles.

The remainder of Cottineau's session consisted of an exercise involving all participants, who formed small groups based on seating proximity and were tasked with identifying a "tired hotel experience" during a hotel stay such as check-in or room service interactions, choosing an inspirational brand from a menu of non-hotel brands, and twisting the brand with the experience to create a fresh idea for service delivery. The groups were given twenty minutes to brainstorm their ideas, which they shared with the rest of the group.

Among the more interesting ideas were twisting check-in at the Statler Hotel (the roundtable's host facility) with McDonald's, whereby employee tips at the front desk would be pooled for fundraisers; twisting room service with Apple to provide "iService," enabling guests to place room service orders prior to check-in via their tablet; twisting room décor with Ikea to allow guests to choose their own modular furniture arrangements as well as equipping a small kitchen area with the appliances of their choice; twisting guest room design with Nike so that entering guests are made to feel successful, just as Nike's products generate success in sports; and twisting in-room breakfasts with Starbucks to offer customized meals with "burritos on wheels." The exercise was embraced enthusiastically, illustrating the brand twist concept vividly.

Following the exercise, Bill Minnock, Marriott's senior vice president for global operations services, noted that his company constantly benchmarks their service delivery and products against non-hospitality businesses. Landor's Ragha-

*Lulu Raghavan*: **To highlight unique elements, analysts mapped every guest touchpoint in The Park's product and service delivery processes.**

van observed that room service provides ample opportunity for twisting because it addresses customers' emotional as well as functional needs. Cottineau recommended picking brands that are far apart and those that you're especially passionate about. Copulsky added that the goal is to replicate some salient aspect of the customer experience in another category when designing the hotel guest experience. How does Nike make you feel as a consumer? How can a hotel room give you the same feeling? Choice's Adler added that, if we took a page from the playbooks of Zappos or Nordstrom's, hotel companies could highlight the freedom we provide with our no-penalty cancellation policies the way they do with their free shipping and free returns. I closed the discussion by reminding participants that when Steve Jobs sought to make Apple stores the most successful retail stores ever, he twisted Apple with a notable hospitality brand—Four Seasons.

## *Brand Twist: Key Lessons*

1. Look for sources of innovation outside your product category.

2. "Twist" your brand with an innovative brand to develop new product and service ideas.

3. Seek strategic "twists" that transform your brand rather than just tweaks it.

4. Benchmark key touch points of your brands with the brands that are best at that touch point.

## Brand Rejuvenation

The day's final session was designed to illustrate many of the principles that had been discussed over the course of the roundtable. The Park Hotels' Dewan and Landor's Raghavan presented a brand rejuvenation case that "knits it all together" in a collaboration between a hotel brand, a consultant, and myself as the academic who facilitated the partnership. Dewan began the presentation with a brief exposition of The Park Hotel story. The Park is a collection of twelve owned and managed luxury boutique hotels in India (with three more currently under development and a plan to expand to twenty properties by 2020) The Group has achieved and maintained market leadership in the luxury boutique hotels segment through a strong and powerful vision—Leadership through Differentiation. The Park Hotels have redefined luxury through their sustained focus on people and an emphasis on innovative design, entertainment, and differentiated guest service. Each asset in The Park's portfolio is unique in its design philosophy.

Dewan pointed out that the unique design elements of the hotels create luxury and energy that lifts spirits and creates an emotionally gratifying experience. He also stressed the way The Park differentiated itself by using its vibrant entertainment options. He mentioned that the atmosphere in the hotels changes based on the guests demands through various times of the day—business-like during the day; relaxing and sexy during the evenings; and pulsating at night. Differentiated service at The Park was highlighted as being warm and friendly, but attentive and unobtrusive at the same time. As Dewan put it, "Our culture is our brand and our brand is our culture."

Dewan then illustrated challenges faced by The Park Hotels by comparing its competition in the early 2000s with the burgeoning hotel landscape in 2010. The market experienced a significant increase in competitors within the luxury and upscale segments as well as in the boutique hotels segment. An example is the introduction of the boutique hotel brand—Vivanta by Taj (represented at the roundtable by Karambir Singh Kang, area director, USA, and general manager of the Taj Boston), which entered the Indian market with modern and stylish hotels. As an outcome of a marketing and branding workshop I conducted in 2010 in India, The Park Hotel's management concurred that the designer, boutique hotels were no longer poised as differentiators, but rather, in Keller's terms, the hotels' former P.O.D. had become a P.O.P. The Park Hotels thus embarked on a brand rejuvenation initiative that was based on its vibrant culture and core values, with an aim to retain its position as a leader in the Indian hospitality landscape.

Raghavan picked the story up from there, noting that The Park's branding did not properly reflect the elements of

design and style for which it was known. Agreeing with The Park that its boutique model had grown stale, Raghavan explained that Landor mapped every guest touchpoint in The Park's product and service delivery, looking for something "truly unique" within the brand. Among the themes that emerged from Landor's analysis were "contemporary India" and "India emerging," being creative, fashion, art, music, and entertainment. Seeking to draw on the creative spirit of the bar experience at The Park's properties, Landor wanted to take advantage of the fact that the brand was staffed with a group of people who had fun at work by creating a similar experience for guests.

The solution to the brand rejuvenation challenge was embodied in the slogan "Anything but Ordinary"—The Park's brand mantra, in Keller's terms—which now had to be integrated into the brand identity. Raghavan then showed a set of four brand themes or logos that made the list of finalists as vehicles for delivering the Anything but Ordinary message to customers. The brand eventually chose a new logo and theme that emphasizes The Park's historic dominance in the marketplace as *the* brand to choose for a unique, Indian-inspired visit. After all, Dewan noted, there are many companies in India carrying the "Park" name, so they wanted to be known as *The* Park Hotel, which was a pioneer in the boutique space.

To prepare The Park to deliver its new brand identity, The Park organized a series of innovation workshops to introduce new room service and on-property experiences and amenities, a new food philosophy (The Park is known for its exceptional restaurants and bars), and a better arrival experience. Now arriving guests are greeted with an energizing "shot" of a refreshing beverage, provided with curated in-room movie offerings, and given the option of taking shopping tours in electric cars. Ultimately, Dewan asserted, The Park seeks to provide guests with an experience that is creatively inspiring, spontaneously joyous, daringly different, and taking fun to the next level—"so that our guests can have the time of their lives at The Park."

Raghavan closed the session by listing what The Park calls the Seven Pillars, the concepts through which employees are trained to maintain a culture based on innovation and excellence: (**1**) urbane India, (**2**) curating culture, (**3**) food reimagined, (**4**) 360-degree design, (**5**) stays well, (**6**) life leisure, and (**7**) ready, set, business. When asked how location constrained the brand rejuvenation process, Dewan responded that although they were able to redesign the older properties within existing footprints, they were able to realize the new brand identity more fully in newer properties, such as in Hyderabad. Raghavan explained that the innovation workshops were executed through an internal awards program, creating "extraordinary rewards for extraordinary people." In the workshops some 800 to 1,000 ideas were whittled down to fifteen or twenty. The Park imbued the



*Vijay Dewan*: The Park's branding process involves rolling out a new brand identity, based on the mantra "Anything but Ordinary."

Anything but Ordinary mantra by asking employees to consider how to perform ordinary activities differently, from the heart, to create unique experiences that become memorable experiences for guests.

The process is, however, just getting under way, having launched officially only two weeks prior to the roundtable. Acknowledging that it is a "major task," Dewan noted that The Park has formed a brand-leading team that starts every meeting by focusing on the Seven Pillars, as all employees will train to absorb this new message. So far the launch is entirely internal, but external advertising will begin soon. When I asked how The Park will measure the success of this initiative, Dewan replied that it would be primarily RevPAR premium versus its competitive set, while Landor, for its part, will monitor for consistency of delivery of the Anything but Ordinary philosophy. Dewan added that the company knows it will need energy and investment in time and money to maintain such consistency.

## Brand Rejuvenation: Key Points

1. Rejuvenate brands that get stale, before it is too late.

2. Look for assets buried deep in the brand to refresh and reimagine.

3. Find a mantra that creates a distance between the brand and its competitors.

4. Examine every touch point to activate and amplify the brand mantra.

5. Seek innovative ideas from all employees in the brand rejuvenation process.

6. Measure rejuvenation success against clearly defined objectives.

## Summary and Conclusion

I brought the roundtable to a close by asking every participant to share his or her best lesson. Among the key points were the "just because you can doesn't mean you should" principle, the POP versus POD concept to measure differentiation along with keeping your differences different, understanding when you should and when you shouldn't take steps to protect your brand, seeking the simple but sticky concept, twisting your brand, creating contagious ideas not only by word of mouth but also by "word of eye" through Pinterest and Instagram, and simplifying your brand architecture because brand proliferation is becoming a problem. With that, I thanked all participants and the organizers and closed the roundtable. ■
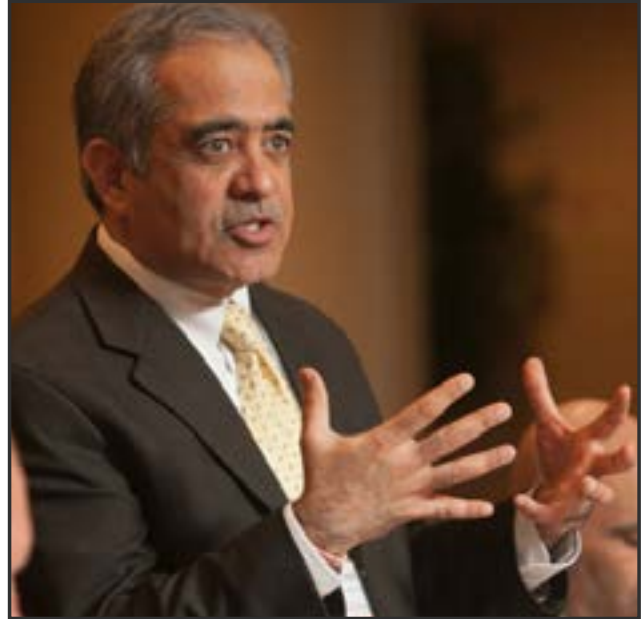


*Chekitan Dev*: **Maintaining brand leadership and differentiation is a never-ending process.**

## *2013 Brand Management Roundtable Participants*

**Allen Adamson**, Managing Director, Landor Associates

**Leslie Adler**, Manager, Corporate Development and Innovation, Choice Hotels International

**Noah Brodsky**, Vice President, Global Brand Management, Sheraton, Starwood Hotels and Resorts

**Christian Charnaux**, Vice President Global Brands Strategy, Hilton Worldwide

**Jonathan Copulsky**, Principal, Deloitte Consulting LLP

**Julie Cottineau**, Founder, BrandTwist

**Sherad Cravens**, Senior Vice President, Director of Global Brand Strategy, BAV Consulting, a WPP Company

**Chekitan Dev**, Associate Professor, Cornell University School of Hotel Administration

**Vijay Dewan**, Managing Director, The Park Hotels

**Cathy Enz,** Lewis G. Schaeneman, Jr. Professor of Innovation & Dynamic Management, Cornell University School of Hotel Administration

**Simon Goodall**, VP/GM Travel, Groupon

**Rom Hendler**, Chief Marketing Officer and Interim CIO Las Vegas Sands Corp - Global, Las Vegas Sands Corp.

**Karambir Singh Kang**, Area DirectorUSA and General Manager, Taj Boston

**Kevin Lane Keller**, E.B. Osborn Professor of Marketing, Tuck School of Business at Dartmouth

**Kirk Kinsell**, President, The Americas, IHG

**Felix Laboy**, President & General Manager, Sabre Hospitality Solutions

**John Longstreet**, President & CEO, Quaker Steak & Lube

**Kelly McGuire**, Executive Director, Hospitality and Travel Global Practice, SAS

**Bill Minnock**, Senior Vice President, Global Operations Services, Marriott International

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**Keith Pierce**, Executive Vice President, Brand Operations, Wyndham Hotel Group

**Marc Rachman**, Partner, Davis & Gilbert LLP

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