OTHERLEVELS

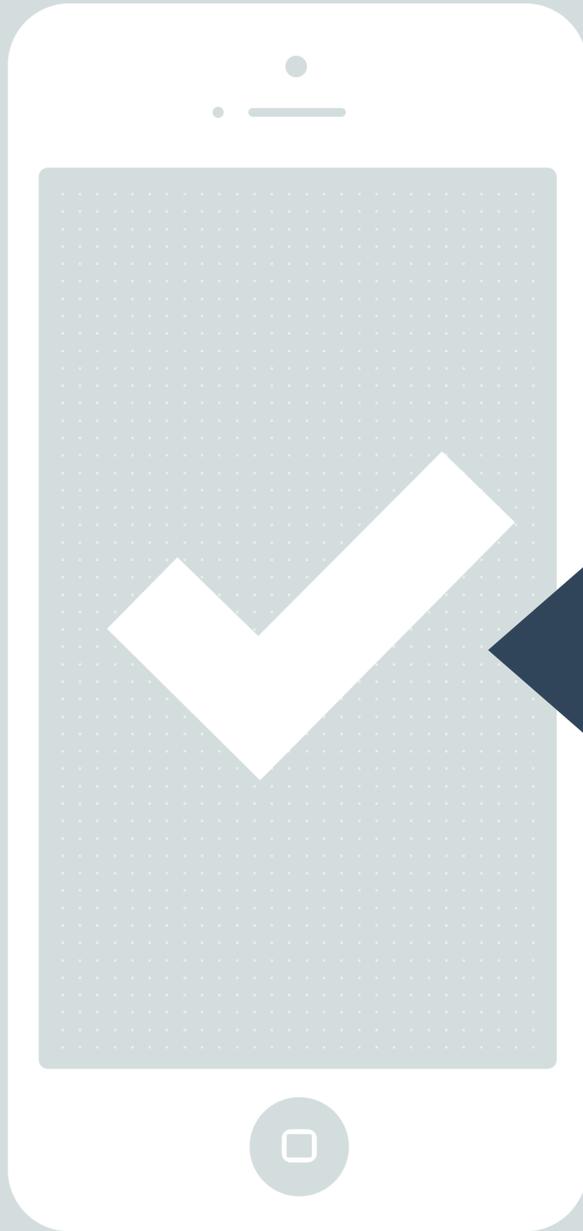## IHG
Case Study

March 11, 2016

IHG Case Study: Hospitality in Your Hand

Targeting Travelers on the Small Screen

BACKGROUND

InterContinental Hotels Groups (IHG®) has a portfolio of hotel brands includes Crowne Plaza®, Holiday Inn®, Candlewood Suites and others, and its 4,900 hotels span across nearly 100 countries. IHG also manages IHG® Rewards Club, the world's first and largest hotel loyalty program with 88 million members across the globe.

Smooth execution of essential tasks such as check-in and check-out, combined with value-added experiences such as local recommendations and key concierge services, enable travelers to more thoroughly enjoy their destination and their stay. The nature of mobile makes it a perfect channel for communicating with guests as they plan, book, share and enjoy their travels around the globe.

Using the IHG app, travelers can book rooms in any IHG property and manage their loyalty accounts.
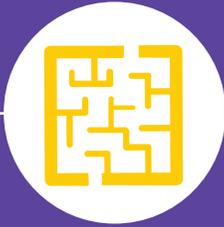
CHALLENGE

IHG wanted to distribute messages to its app users by brand, location, loyalty category and type of traveler (business vs. vacation, single vs. family, etc.), and needed to stay connected with travelers post-trip to encourage repeat visits and revenue. IHG also sought assistance with strategy, technical execution and reporting.

SOLUTION

OtherLevels provides a sophisticated suite of tools that allow marketers to easily implement segmented targeting, A/B split testing and message retargeting which maximize the value of mobile audiences by increasing customer engagement, retention and revenue. With OtherLevels' multi-channel platform, clients can choose from many types of messages, including push notifications, SMS (text) and email, and can deploy high-impact techniques such as geofencing, which has a 4X open rate, to optimize engagement opportunities with on-the-go guests, for example. The deep technical and strategic expertise offered by OtherLevels, combined with the platform's extensive analytic capabilities, make OtherLevels the preferred provider for IHG's mobile messaging needs.

PUSH MESSAGING AND RICH INBOX

OtherLevels quickly deployed push messaging in the IHG app. With standard industry opt-in rates in the range of 40%-50%, IHG was left with no way to reach users who had not opted to receive push notifications. Aided by OtherLevels' Rich Inbox feature, IHG could now reach 100% of its app users —both users who had opted in to receive push notifications and those who had not. Rich Inbox is essentially an email inbox inside the app — users are alerted to new content in the inbox by an update to a badge icon within the app. This badge icon update helps IHG communicate with the segment of their audience that is not opted-in for push, enabling IHG to broaden the reach of its message. With Rich Inbox, IHG can segment and target messages to increase relevancy, and can track the outcome of every message sent: whether it was read, re-read, or deleted. In fact, some read rates experienced by IHG were as high as 47%, an extraordinary result!

In addition, push notifications sent to the device are deep-linked into the Rich Inbox and allow for improved branding and unique content to be pulled from the server every time the app is opened, enabling IHG to deliver HTML-formatted content to the app.

With these two valuable messaging tools, push notifications and Rich Inbox, IHG was able to reach nearly 100% of its audience throughout all parts of the user journey: dream, plan, book, stay and share.
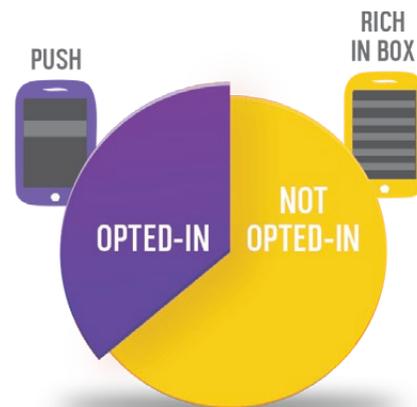
IHG observed substantial improvements in engagement after integrating OtherLevels into its mobile app. For example, when promoting the Facebook page through messages in the app's Rich Inbox, the team at IHG saw a 10%-14% open rate, representing a significant jump from the standard industry metric. The more interesting and unexpected outcome was that the open rates were nearly identical for both logged-in IHG® Rewards Club loyalty members and non-members, proving that both categories of users are open to becoming brand advocates and responding to content within the app itself, as well as to cross platform/cross channel promotions.
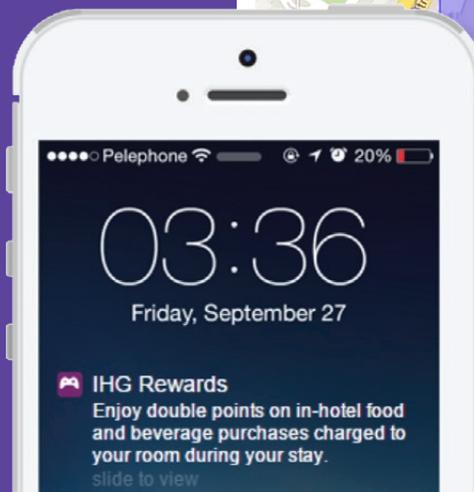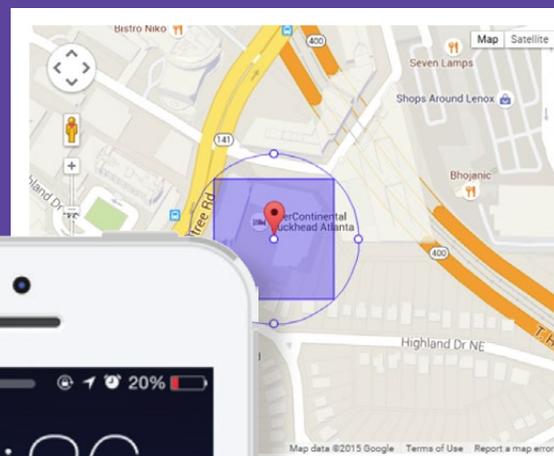
LOCATION-BASED MESSAGING

Once the hotel chain had established the ability to reach its entire base of app users, it began to experiment with additional options to enhance its marketing campaigns. One such feature was location-based messaging: with OtherLevels' location-based messaging capabilities, IHG could target its users with hyper-local data, sending messages that were relevant to exactly what each user was doing at a specific time and location. IHG conducted several messaging campaigns that utilized this strategy.

EXAMPLE 1: Geofencing with InterContinental® Hotels & Resorts

One example of a message campaign was a location-based push notification sent to IHG® Rewards Club members who had downloaded the app and were staying at any one of 6 specific InterContinental® hotels.

The goals of this campaign were to examine the viability of location-based messaging and impact of targeted push on members' spending habits. To implement the location component, GPS coordinates created a "geofence" around a specific spot, 60-100 meters around the center of each InterContinental® hotel included in the campaign. Each member received one message upon entry into the geo-fenced area. The messages contained an offer and a call-to-action: double points on any food and beverage purchased during the stay.

As a result of this campaign, IHG achieved messaging open rates for location-based offers at **55%** over their goal – *a very successful outcome!*

EXAMPLE 2: **Location & Segmentation with Holiday Inn Express**®

Another example of location-based messaging is a recent campaign offering free pancakes to guests entering specific Holiday Inn Express® properties, who had completed three or more stays in the past year. Guests were sent an in-app message with the offer. The results of this campaign demonstrated that location-based messaging can have a significant positive impact on a brand's marketing efforts.

The segmented, location-driven message campaign resulted in a 370% higher message read rate than non-location-based or non-segmented messages.

CONCLUSION

By utilizing multiple messaging channels, IHG was able to distribute content and promotions to 100% of its app users. When these messaging campaigns were combined with advanced options such as geofencing and targeted customer segmentation, IHG was able to offer in-the-moment promotions during the guests' stays, increasing user engagement with read rates of more than 47%. Bruce Lahood, IHG's VP of Global Loyalty Consumer Marketing, says "With OtherLevels, we have been able to capture the attention of our guests with promotions and content that were relevant to their trip, at the exact time when they needed the information. We certainly feel that we have improved user engagement with the many opportunities OtherLevels provides to communicate with our app users".

The rich analytics and messaging capabilities of the OtherLevels platform, combined with strategic and technical advisory services, have enabled IHG to provide personalized benefits to enrich its guests' experiences, while maintaining a consistent brand identity across over 4,900 hotels.

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