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MOBILE

Mandarin Oriental emphasizes importance of mobile to luxury marketing strategy

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Hotel chain Mandarin Oriental is expanding its repertoire of mobile offerings in 2011 to better communicate directly with consumers and more effectively add value for its guests.



Luxury brands looking to develop applications face a number of challenges such as understanding how to develop relevant, utilitarian offerings and coping with the rapid state of technological advancement. However, mobile is cementing its position as the most personal and direct marketing medium and marketing to consumers via handheld devices is becoming a requirement, according to a Mandarin Oriental executive.

Hamilton, Bermuda-based Mandarin Oriental has locations in major cities worldwide such as New York, Los Angeles, London, Paris, Milan, Abu Dhabi, Macao, Tokyo and Singapore.

The company has already developed a mobile Web site and iPhone application (see story) and has an iPad application in the works.

Luxury Daily's Peter Finocchiaro interviewed Christoph Oberli, vice president of ecommerce at Mandarin Oriental, about the hotel chain's mobile strategy. Here is what he

said:

What is Mandarin Oriental's mobile strategy? How do its mobile initiatives to date reflect that strategy?

Our mobile strategy at first was to build a mobile site as opposed to a mobile application. Some companies have done it the other way around, but we are a relatively small company and we felt maybe not all of our guests who want to be with us online want to download an application.

The mobile site was a big push first. It led to a lot of visits and a decent amount of bookings.

Our application was build in a later stage as more of an engaging tool.

All three platforms – our PC Web site, mobile site and application – are all trying to form online touch points for customers, but they serve slightly different purposes.

In other words, there is some consistent content across all three platforms, but also some very specific items for each platform.

The [PC] Web site has the most content and most images.

The mobile site has somewhat limited, briefer information. There is only relevant information for the individual traveler, as opposed to stuff like wedding planning.

The application has a lot of destination information. The goal in mind is for consumers to use the application while they are actually staying with us.

I think an important point to mention is that mobile is just an extension of the brand's online presence.

There is not necessarily a huge difference other than screen size, and a reduction in terms of content.

Other than that, a mobile offering should be another touch point of the Web site.

How does Mandarin Oriental's mobile strategy tie in with its broader multichannel marketing objectives?

The content itself all comes out of the same content management system.

We reuse relevant content across all platforms. We do not need to maintain three different content repositories, which is obviously a big plus for consistency.

In terms of look and feel, we purposefully made the application versus the mobile site look different so users don't get confused between the two.

Probably the biggest inconsistency currently is with our main site, but we're starting a redesign process.

What does Mandarin Oriental view as the primary strength of mobile as a marketing channel?

The primary strength is that it is even closer to someone than a regular site.

Everybody nowadays carries around a mobile phone and virtually everybody in our customer base probably has Internet access on their mobile phones, so we are with a good mobile representation.

You are at your customers' fingertips, versus a Web site where someone needs to go and sit in front of a computer and start browsing and look around.

Mobile is a great opportunity for us to be in front of customers at times when we never were before, such as while they are waiting in an airport lounge or while they are taking a limo from the airport to the hotel.

They can find out exactly where the hotel is, maybe call the hotel for last-minute arrangements or questions or concierge services.

The biggest strength of mobile is, in a nutshell, the immediacy and the closeness we can bring to a customer.

What are the challenges of implementing marketing strategies and enabling commerce in the mobile space?

I think the challenges are specifically when you first build a mobile site or application, it is the first time you have done anything in the space.

You basically don't know what you don't know, and the learning experience can be a challenge.

In our case, we work with solid partners who have built apps and mobile Web sites before, so we can alleviate some of that danger.

The other big challenge is that the mobile space is changing so rapidly and dramatically within a short period of time.

When we built our mobile site, for example, there were no iPads. By the time iPads came up, it was not really optimized or rendered for that.

The immediate changes that happen, as new devices are introduced, ones that were on the top on month only represent a couple of percentage points the following month.

The mobile space itself has so much development going on that it is kind of hard to keep up with it.

That is probably the biggest challenge.

What are some best practices for overcoming those challenges?

Well, I think there are various steps.

For one, you can start with yourself and your own team. For example, at Mandarin Oriental, we all travel extensively.

We know what it is like to be traveling and go to three or four hotels in a trip. You kind of

figure out what you want on a mobile site.

Two, you can start asking around and see what other companies in the space are doing, not even just in the same industry.

Look at other luxury brands and what they are doing.

You gather best practices from around various touch points. Then, once you have a concept together you need to bring in your own customers and let them speak to you and tell you what they want.

That kind of formulates your entire strategy.

The other thing worth mentioning is that once you have the platform in the mobile space, to properly market them through mobile linking programs and mobile ads.

The process does not stop at presentation and Web sites, but depends also on how you push it out there.

We do it for our own Web site. If you access Mandarin Oriental from a mobile phone, it auto-directs you to the site, putting it in front of the customers.

For our application, we have done quite an extensive campaign. We did an email campaign to iPhone users.

In the search space, we do search engine optimization for our mobile site, as well as payper-click advertising, among other initiatives.

What is next for Mandarin Oriental in the mobile space?

Well, the next for us is an iPad application. Bringing the app experience to a properly formatted tablet site is the next step.

Then we want to add new tools to make our mobile offerings even more engaging, keep them fresh and updated.

We're in the business of constantly pushing the button to be the best.

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