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MULTICHANNEL

Starwood looks to grow loyalty among business professionals

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SPG Pro promotional image

By JOE MCCARTHY

Starwood Hotels and Resorts is rolling out a new version of its Starwood Preferred Guest loyalty program, SPG Pro, to cater to business professionals.



The new offer allows meeting and travel professionals – those handling the logistics of events – to gain elite status, upgrades and SPG points for business-to-business events booked at portfolio properties. Essentially, Starwood is allowing business professionals to reap personal benefits for what they do at work.

"Extending Starwood's loyalty leadership to the B2B space makes strong business sense," said Maire Griffin, director of communications at Starwood Hotels and Resorts, New York. "Today B2B accounts for almost 70 percent of Starwood's overall room revenue and with every additional 1 percent share shift, we're adding \$80 million to our topline.

"We're leveraging SPG's position as the leader in loyalty to create true and lasting relationships with these important B2B guests and shift share of wallet to our hotels," she said. "Through SPG Pro we are optimizing our entire relationship with a member rather than just focusing on one aspect of their travel – from the vacation stay to the booked

meeting."

Core constituents

Starwood's most lucrative and consistent clients are primarily corporate accounts. The top 1 percent of these accounts constitute 40 percent of the enterprises's B2B business, so clearly Starwood has plenty of reason to boost benefits for these consumers.

The SPG Pro category will also target elite platinum members who book events and meetings in hotels, an indication that they may be business executives or consultants. Starwood determined that it was only receiving 40 percent of the B2B business generated by these consumers.



SPG app

Any SPG member will now get Starpoints for booking business events at enterprise hotels.

The more members booked for an event, the more points earned. Since these points will accrue for personal use, there will be much greater incentive to book at Starwood.

Ultimately, the program turns event planners into brand ambassadors.

To get the word out about the new program, Starwood is initiating a \$30 million multichannel campaign, its largest B2B campaign to date.

Instead of showcasing the capaciousness of empty rooms and meeting venues, the campaign will depict business professionals in work-related settings to foster relatability.

Embedded Video: //www.youtube.com/embed/sRC3A1iYApI

SPG Pro - Now It's Your Turn

Photographs of professionals behind-the-scenes of their jobs will appear in trade magazines and online.

Starwood will also host various events targeted at event planners from Fortune 100 companies and multiple industries.

An interactive Web site has also been released to give prospective clients a better sense of what SPG Pro entails. The Web site allows consumers to learn about the benefits and coordinate expected budgets and can be accessed here.

Other components of the campaign will be revealed as the program approaches.

Loyalty push

Starwood frequently makes moves to broaden the appeal of its SPG program.

For instance, Starwood Hotels and Resorts is anticipating the potential surge in consumer interest for wearables with a new Starwood Preferred Guest application for Google Glass.

Designed by the conglomerate's in-house team, the app leverages Google Glass's functionality while carrying over basic components of its conventional SPG app. Starwood will likely be applauded by the growing number of wearable advocates who are pushing to make Google Glass and similar items more mainstream (see story).

Also, Starwoood is looking to increase loyalty among Starwood Preferred Guest members with its SPG Hot Escapes flash sale travel site that features exclusive offers with a minimum of 20 percent savings.

The SPG Hot Escapes Web site will replenish its deals and destinations every Wednesday and supplants the company's previous Beat the Clock and StarPicks products. Ultimately, the flash Web site will bolster SPG's attempts to ward off online travel agencies that prey on consumers looking for deals (see story).

While some other offers may take some time to catch on, SPG Pro will likely have an immediate impact.

"SPG Pro lets us reward our largest global customers, provide more personalized service

on property and better understand all of the business they influence," Ms. Griffin said.

"It allows us to grow share within this critical piece of the hospitality pie," she said. "SPG delivers the most profitable guests to our hotels and today more than 50 percent of our occupancy comes through SPG."

Final Take Joe McCarthy, staff writer on Luxury Daily, New York

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