

COMMERCE

## Consolidated, focused messaging will help fight disruption

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*Four Seasons Hotel Toronto*

By FORREST CARDAMENIS

NEW YORK According to a senior executive from Four Seasons Hotels & Resorts at Luxury FirstLook: Strategy 2016 on Jan. 20, brands will need to learn how to counter disruption to fully take advantage of luxury's experiential economy.

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While the experiential economy necessitates product-oriented brands to find ways to tie themselves to experiences, experience-oriented brands in sectors such as hospitality have their own disruptors, most notably Airbnb. Consolidation and well-executed and focused initiatives will help a brand rise above the noise.

"The experience economy is what's driving everything," said Elizabeth Pizzinato, senior vice president of marketing and communications for [Four Seasons Hotels and Resorts](#). "The experience economy as a phrase, I think, first surfaced in 2008, and it has never been more true."

"But I've been obsessing about a new word, and it's particularly true in my industry hospitality, 'disruption,'" she said. "And Airbnb is disrupting the travel industry, and it's something that is happening in [other] worlds too."

Luxury FirstLook: Strategy 2016 was organized by Luxury Daily.

### Disruption reduction

In the hospitality sector, Airbnb is the primary disruptor. Having a kitchen, a backyard and being able to bring pets along make it an appealing alternative to hotels for many travelers.

Sharing her own experience, Ms. Pizzinato noted that when traveling to Stockholm, she searched extensively for hospitality options, as Four Seasons does not operate a property in the city at this time, but eventually settled on an Airbnb apartment. The Airbnb property presented Ms. Pizzinato with considerably more space for half the price of high-end hotels in the city.

In the apparel sector, consignment marketplaces such as ThredUp, The RealReal and Vestiaire Collective do hundreds of millions of dollars of business, disrupting the high-end luxury market in that category.



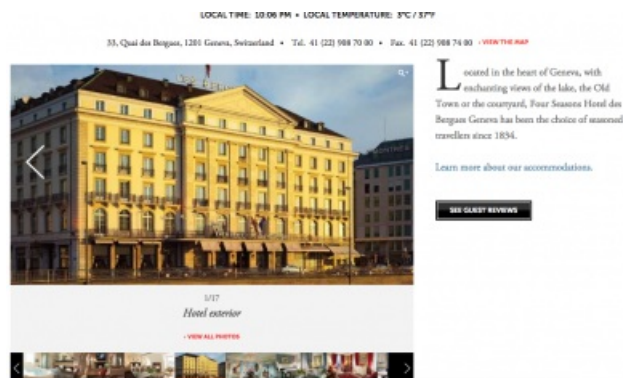
*Four Seasons Silicon Valley*

In addition to amenities and price, start-ups such as Airbnb and its apparel equivalents stand out because of a simple, focused marketing strategy.

Consolidation is happening in a number of sectors. The recent merger between Marriott and Starwood created a million-room company, the world's largest.

Fashion brands are beginning to follow suit, with brands such as Burberry and Marc Jacobs consolidating their different lines into one.

The Internet puts unlimited options at the consumers' fingertips, meaning that too much information can diffuse brand messaging and confuse the consumer. As a result, the average Four Seasons consumer visits 13 Web sites before booking, looking at the Web sites of competing hotels, TripAdvisor and Chowhound, among others.



*Four Seasons Geneva Web page*

With so much information available and accessed, direct, simple messaging is important. Consignment companies and Airbnb have messages that consumers can absorb and respond to more quickly and easily. With too many messages from different labels, consumers may not fully absorb the primary message.

"This consolidation gives us a real opportunity to get further clarity over what our differentiation point is and further focus on what matters to our guests and be singular in that focus," Ms. Pizzinato said.

In the realm of social media, this means maintaining brand consistency without sacrificing specificity. Four Seasons mandates how different social media platforms are used but allows each hotel to determine the content on its own, thus appealing to consumers in a specific way while highlighting the brand at the same time.

Focused messaging also requires a precise understanding of the consumer's journey. As a show of hands in the room demonstrated, many vacationers begin discussing where they should go on their next vacation before the current one ends, which will determine Four Seasons' marketing strategy.

The anticipatory nature of traveling has spurred Four Seasons to create ownable experiences. Citing Lippincott, a consultancy firm focusing on brand strategy, the anticipation of a purchase or experience provides more happiness

than the thing itself. Four Seasons has responded by fostering that anticipation in its marketing.



*Four Seasons private jet*

Four Seasons' "Extraordinary Experiences" series of destination-specific vacations leveraging the hotel's private jet are experience-oriented travel initiatives, and Four Seasons builds on this with its marketing. After making the purchase, Four Seasons sends the consumer a video of highlights across its many hotels, thus creating anticipation and the consumer's happiness.

Consumers will also have a clearer idea of the brand if they help to create it. Accordingly, Four Seasons displays user-generated content in the form of photographs on the homepages of more than 60 of its hotel's Web sites.

"We are in control of the brand, and millennials like brands, they just don't like insincerity," Ms. Pizzinato said. "One of the ways we can make our brands real is to help [consumers] co-create and give them a platform to do this.

"Focus on Four Seasons was a way to generate content, because nobody tells the story of our hotels better than our guests," she said ([see story](#)).



*Focus on Four Seasons contest finalist; photo by Ahmed Sousa*

A culture of testing also helps ensure that content is being delivered effectively. Four Seasons will run approximately 15 small tests changing a font or a color or moving a button this year, six medium-sized tests involving a presentation of content in a different way and two large tests involving site redevelopment.

The A/B testing will allow for the quick gathering of data, determining what works and what doesn't and leading to either an effective long-term change or a quick failure without significant lost revenue.

#### Laser-sharp focus

In addition to delivering the right kind of content, hotels must be aware of the manner in which consumers are choosing to experience content and marketing.

A globalized and democratized world means that luxury brands need to rethink the way they connect with consumers, according to Ms. Pizzinato at Luxury Interactive 2015.

Trends ranging from the influx of influential millennial travelers to the globalization of the consumer base and the proliferation of user-generated content offer opportunities for a brand to reinforce its legacy and commitment to excellence. To make true on the promise of the name, brands will have to be bold and creative, adapting constantly to change and targeting consumers individually and by region, all while staying true to brand identity ([see story](#)).

Although disruption looks different in other sectors, some are more-established businesses whose impact is already being felt.

For example, as Amazon's penetration into high-income households becomes increasingly apparent, luxury brands are going to need to find new ways to avoid losing to their online-only competition, according to a recent report by The Shullman Research Center."

Through pricing, convenience and selection, Amazon has seen its popularity skyrocket over the past two decades, and data in the report shows that its popularity is positively correlated with household income. The report suggests that luxury brands will have to double-down on efforts at providing things that Amazon cannot or will not provide ([see story](#)).

To counter this disruption, brands will need to rely on what they already know while constantly striving for new information and testing new strategies.

"We don't often know if something is the right content, so we test to see, but we know our guest, we know who our customer is and we have a better than educated guess about what interests them, Ms. Pizzinato said. "There are no shortage of great ideas in this space of content and this space of social so what we've been telling our team is 'fewer things better.'"

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