

# Customer engagement the Magnuson way.

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# Welcome.

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# Our customers: a.k.a. the traveller.

What makes up the 'ecosystem' for a  
safe and happy stay?

Who's involved in making this happen?



# The circular customer journey...





**Magnuson's role:**

**Customer engagement by driving  
the 'circle of kindness.'**

# The 'circle of kindness'

- ▶ There are **thousands** of people involved... **companies and individuals.**
- ▶ It takes many hands and a lot of work to engage and serve the traveller.
- ▶ Magnuson views all parties involved as a **customer.**
- ▶ Every person has a job to do, with their own daily uphill battles.
- ▶ **Our job is to facilitate what we call the 'circle of kindness.'**



# How can we achieve this?


- ▶ What can we do each day to make our jobs easier and help each other to be **more successful**?
- ▶ **Simplicity and efficiency** mean each person can do their job **faster, more easily, at less cost** and with **less stress**.
- ▶ Less stress enhances **job satisfaction**.
- ▶ Resulting in **happiness for all parties**, not just the traveller.

Magnuson Hotels was launched back in 2003 to help independent hotels succeed with their own identities, celebrating their own uniqueness.

To this day, we are guided by a simple philosophy:

**When people need help, we are there. We do what we say we are going to do.**





**Room for everyone  
to prosper.**



# A win-win for all

- ▶ In the past, the mining towns of the American West were very active in public trading in the stock markets.
- ▶ While there was always rampant **competition**, there was also a **code of honour** among the traders.
- ▶ Back then—and still today—there was always room for the bears and the bulls... but not for the the pigs.
- ▶ It means simply, don't be greedy.
- ▶ **So in the very same way, let's grow the pie for everyone.**

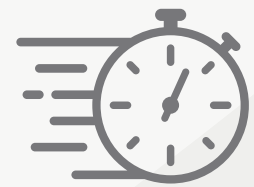


# Our pricing philosophy

- ▶ The average franchising cost of a publicly traded brand is nearly 20% of gross rooms revenue.
- ▶ When you add in the cost of a brand loyalty plan, it can add another 6-8% of GRR.
- ▶ **Our view is that greater affordability enhances greater opportunity for success.**

**Make resources  
affordable, so more  
people can succeed.**

# How it works



Transparent  
pricing  
saves time



Which drives  
increased  
volume



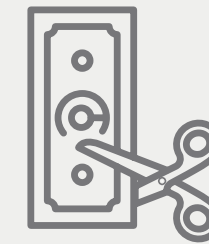
Making more  
money for the  
hotel owner



More money  
to improve  
the hotel



Higher pay &  
advancement  
for staff



Lower costs  
are passed to  
the traveller



Meaning higher  
reviews, referrals  
& return stays



**Magnuson support & engagement.**

# Supporting our 'circle' partners

## Demand partners

- ▶ Google
- ▶ Tripadvisor
- ▶ OTA's
- ▶ Travel agents
- ▶ GDS
  - Making sure hotel product is presented with **clarity and precision in rates, content and images** means channels and travel agents can merchandise more effectively and efficiently.
  - Clarity in **merchandising data** increases review potential.
  - **Working as partners** by collaborating with OTAs, GDS and travel agents to create meaningful promotions, to **move more product** in a quality manner.



# Distribution conduits

- ▶ CRS
- ▶ Channel managers
- ▶ Website and booking engines
- ▶ PMS
- ▶ Magnuson is relentlessly focussed on **simplicity & standardisation**, in terms of room types, rate codes, stay restrictions and cancellation policies.
- ▶ **Simplicity and standardisation of data** that flows between demand partners to distribution conduits such as CRS and PMS, means not only **efficiency**, but **satisfaction at the traveller guest level**. Travellers end up getting what they booked in the beginning.





# Hotel level

## ► Owner

- We support the hotel owner with a **total tech stack**—for free.
- We manage all **system integrations**, training and upgrades.
- 24/7 revenue support, pricing, strategy is provided.
- Magnuson identifies and secures all corporate and non-leisure business segments.
- Magnuson takes **ownership of the relationships** between hotel and tech/demand partners.
- **Uniqueness and personalisation** of the hotel/service is accentuated and leveraged by global platforms, especially to compete with Airbnb.

## ► Front desk

- **Accuracy** eliminates overbookings.

## ► Accounting

- **Accuracy** drives performance accounting, benchmarking of costs and **performance**.

## ► Maintenance, housekeeping, food & beverage

- Simple flow means less stress for the total property team and certainly the traveller.
- Nobody wants to wake a traveller—any time of day!

# The traveller

- ▶ We support the traveller by presenting hotel choices with **clear and accurate pricing** and content.
- ▶ We offer the **best online price via STAR Club**, a members-only loyalty programme that simply offers private rates, lower than public rates.
- ▶ **There are no points or restrictions.** You access the best rates at any location, on any day.
- ▶ It's important to note that primary global brands levy **loyalty programme fees to franchised hotels**. These fees end up costing the hotelier up to another 8% of gross rooms revenue.
- ▶ Not only do most mainstream brand loyalty programmes cost the owner, there are usually **significant usage restrictions** to the traveller.
- ▶ The goal here is to **create a direct booking without OTA fees**, resulting in a win-win for the traveller and the hotel.





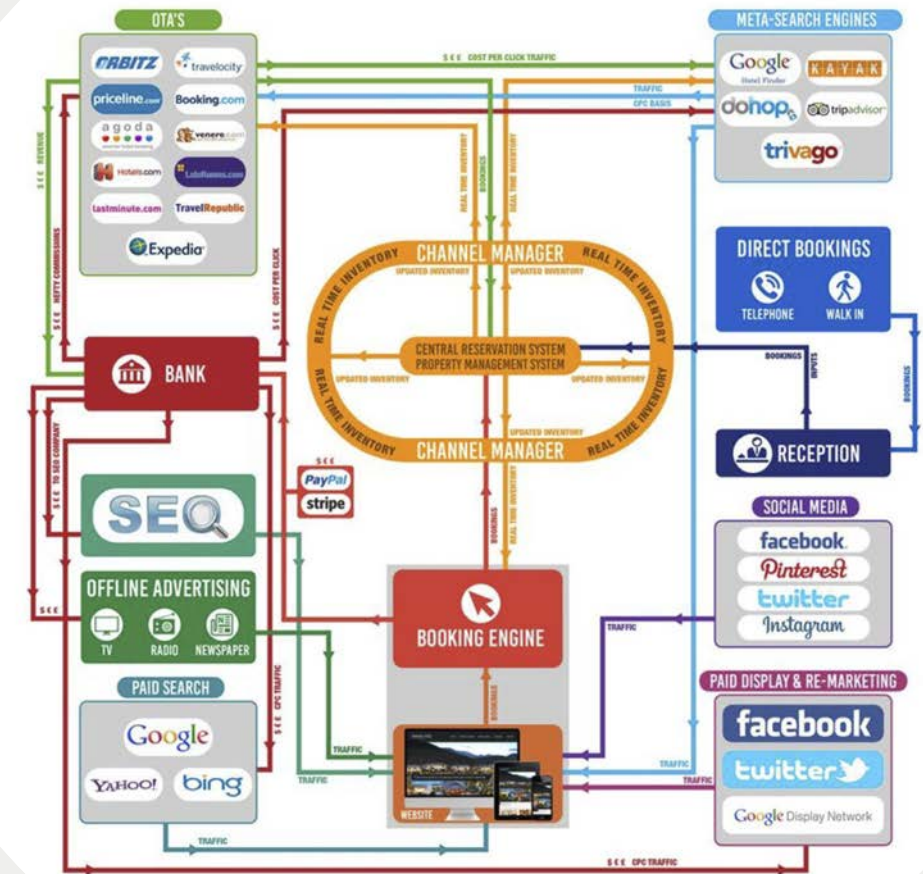
# **TTI : Initiatives to improve the travel industry.**

<https://www.tti.org/tticodes>



# Magnuson is a technology-led brand

- ▶ Before the arrival of the Internet, distribution was simple. There were billboards, 1-800 phone numbers launched in the 1990s—and travel agents.
- ▶ But as the Internet evolved, so did thousands of OTAs, website companies, PMS providers & channel managers. **With this growth, complexity grew exponentially**—and so did inefficiency and dysfunctional processes.
- ▶ **When things go wrong in your operations, does anyone see any finger pointing here?**



**For years, TTI has led the charge to simplify the flow of data within the 'circle of kindness.'**



## ▶ TTI codes

- A **unique hotel identifier**, an 8-digit number that ensures **consistency and accuracy** of each hotel's data between multiple channels.
- TTI codes collate and de-duplicate hotel availability, through a **unique property identifier**.

## ▶ TTI rooms

- Standardised room type names and descriptions, providing **clarity and choice**, creating **upsell** opportunities and **improving conversion** and user experience.

## ▶ TTI content distribution

- Rate parity is a familiar concept within the hotel industry. But **content parity is something new** and it can make the difference between taking a booking or that booking going to a competitor.
- There is a **wide disparity across distribution channels of content** such as key facts, images, Covid safety standards, and facility hours of operations.
- **Distributing consistently high-quality content** is a proven element of a successful hotel booking channel strategy.



**Thank you.**

