Medallia

Global Hospitality Company Leads With Award-Winning CEM Program

And a Dash of SALT

With over 54,000 users of the Medallia system at 4,000+ properties and 10 brands in 90+ countries, a leading global hospitality company is wired to the voice of its guests. The company calls its guest experience program Satisfaction and Loyalty Tracking, or SALT. SALT is truly operational: every part of the organization—from the C-suite to the frontline—takes action on real-time guest satisfaction data to improve experiences on a daily, monthly, and quarterly basis.

The company established SALT in 2001. In a long-standing program, consistently driving innovation and impact on the business can be challenging. Yet after

over a decade as a Medallia partner, SALT remains a best-in-class program; it recently won Gartner's CRM Excellence Award for Customer Analytics. How has SALT succeeded for so long? By understanding the importance of guest experiences and loyalty for business growth. In fact, the company has found that promoters spend 58% more than detractors within a specific brand, and 21% more across all brands. These results demonstrate that great experiences can have a significant impact on revenue.

AT A GLANCE

- 3M+ surveys collected per year

- 54,000 users

- 4,000+ properties

- Promoters spend 58% more than detractors over 3 years

A Global SALT Program

Collecting over 3 million guest surveys per year, this leading hospitality company's guest experience program is massive. At such large volumes, feedback becomes meaningful only through its ability to parse and act on it, from the C-suite to the frontline.

Strategic Action From The Top

The company's award-winning guest experience team continually scours customer feedback and metrics to unearth the "whys" and "hows" behind customer loyalty. With the goal of measurably improving experiences, loyalty, and return stays, the team tests and rolls out data-supported initiatives and best practices across all brands.

For example, in testing the effectiveness of its issue-resolution process, the team confirmed that guest issues massively impact loyalty, as do the actions employees take to resolve those issues. In fact, when compared to guests who reported that it met their expectations during the issue resolution process, guests whose expectations were exceeded scored 51.8 points higher on NPS. Based on these key findings, among others, the team instituted a program called "Make It Right," which is designed to empower frontline employees to take ownership of resolving guest problems and proactively looking for ways to meet unanticipated guest needs

Daily Action In The Field

The Medallia system houses a wealth of customer data, enabling users to slice and dice data pertinent to their specific needs. The company encourages employees to get to know their guests and to continually review data to improve experiences, drive loyalty, and grow their own hotel's or region's business. Property and regional managers rely on the following Medallia functions to truly understand their guests and improve operations:

- Customized hotel-specific dashboards that include the property's overall service and overall cleanliness, compared to the brand as a whole, which is also an input within the Quality Assurance process.

- Problem incidence resolution rates, and the impact problems have on loyalty.

- Last 30 guest responses, which enables GMs to quickly review actual customer comments, celebrate wins, and identify areas of potential improvement.

- Room ranker, which ranks rooms by reported problems (e.g., leaky faucet), allowing GMs to quickly find and fix operational issues.

With this knowledge, a property or regional manager can isolate and resolve recurring issues, better coach employees based on feedback trends, and grow a hotel's or region's business. Additionally, many properties schedule daily all-hands meetings at which all hotel staff members huddle to go over the previous day's feedback and trends, learning from opportunities for improvement and applauding successes. This level of ownership and ease of analyzing data helps increase frontline engagement, which leads to experience innovation from employees.

Rigorous Guest Segmentation

The company segments customer data based on five tiers in a loyalty program. This not only allows the team to uncover satisfaction, loyalty, and revenue trends within each segment, but also enables the brand to ensure that the most loyal guests get the best service and follow-up.

Medallia

THE RESULTS

Customer experience, satisfaction, and loyalty have measurably improved across all of its brands, and the company has shown the revenue impact of loyalty. In a recent joint study with the Medallia Insights team, They found that over a three-year period:

✔ Promoters spent on average of 58% more than detractors at a specific brand within the company—and 21% more across all brands.

✔ Promoters also returned more frequently (over three times as often) and stayed more nights (more than four nights, on average) within that three-year period.

The company also confirmed the "stickiness" of its member loyalty program. If members have a negative stay experience at one brand, their net spending with that brand and with the rest of the company will decrease—but that's net spending: members actually start spending more with sister brands in order to stay within the company's system.

Such impressive results only validate its dedication to customer experience excellence through its long-standing program, further encouraging properties to provide exceptional guest experiences.

CHALLENGE

• How do you keep a large, long-standing CEM program fresh and innovative?

SOLUTION

• Create a culture that encourages constant interaction with customer feedback to drive guest experience improvement.

• Deploy the award-winning guest experience team to continually test and roll out operational improvements and initiatives based on customer feedback insights.

RESULTS

✔ Over a three-year period, promoters spend 58% more than detractors within a single brand, and 21% more across all brands.

✔ Promoters return over three times as often and stay more nights.

About Medallia

Medallia, the leader in Experience Management cloud technology, ranked #15 in the most recent Forbes Cloud 100 list. Medallia's vision is simple: to create a world where companies are loved by customers and employees alike. Hundreds of the world's largest companies and organizations trust Medallia's cloud platform to help them capture customer and employee feedback everywhere they are, understand it in real-time, and deliver insights and action everywhere—from the C-suite to the frontline—to improve business performance. Medallia has offices worldwide, including Silicon Valley, New York, Washington DC, Austin, London, Buenos Aires, Paris, Sydney, and Tel Aviv. Learn more at www.medallia.com.

Follow us: in medallia-inc   blog.medallia.com   @Medallia