



**InterContinental Hotels Group's
Priority Club Rewards Community
Created by Communispace Energizes
Using the Power of 'Word of Mouse'**

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InterContinental Hotels Group



What members of the PCR Community had to say about being part of the Triple Points Program:

"I really appreciated receiving the offer. It validated all of the good things that I think about IHG and about the community."

"It made me appreciate being a part of this community and even more loyal to Priority Club Rewards."

"Privileged! I love the club and the community as a whole. I am proud to say that in the last year I have influenced 17 people who travel at least monthly to join PCR."

"I was very touched to be included. It made me feel that my participation in the Rewards Club is of interest to the club."

"It was nice. This offer enabled me to stay at IHG when I normally would have stayed at a Hilton or Marriott."

A TEST WITH INFINITE POSSIBILITIES

InterContinental Hotels Group, which markets Holiday Inn, Hotel Indigo and Crowne Plaza, sought to increase room bookings, an especially challenging objective given the difficult economic environment. Since April 2007, IHG has partnered with Communispace to build and facilitate a private online customer community to engage with and listen to key customers, and to deliver insights throughout the organization in the areas of program development, marketing, and travel experiences and needs. Using the online community IHG could put a new "twist" on word-of-mouth marketing and test advocacy among some of its most loyal customers with a minimal budget and drive incremental revenue. For the advocacy viral marketing test, a select group of 150 community members (130 of the most active, and 20 of the least active members) were chosen to participate in an exclusive friends and family promotion. The 150 PCR members were emailed an invitation to earn triple points for each three night stay in any IHG Hotel worldwide between May 1st and June 15th 2008—with as many stays as they would like during that time period. In the email, each member was given a redemption code for themselves to use, along with three more codes to pass along to friends and family.

ROI: "...AND THEY'LL TELL TWO FRIENDS AND SO ON AND SO ON..."

With little investment from IHG, the Triple Points Promotion drove a quarter of a million dollars in incremental revenue in just six weeks. IHG was able to target some of its most loyal hotel customers efficiently by utilizing its existing online customer community where members have been deeply engaged with the IHG brand over a long period of time. The original 150 PCR Community members who were given 6 weeks to pass on the promotion codes did so at a rate that generated more than 2,800 registrations for the promotion—a ten fold reach, and members were able to earn an amazing 7.2 million points in total. The campaign, which was given to US-based private online community members, quickly spread to friends and family in more than 30 countries—including Singapore, Saudi Arabia, Lithuania, and Malaysia. Some posted the links on popular online travel forums to further the reach of the promotion. This advocacy campaign far exceeded IHG's expectations both in how far the codes would spread, and how many people took advantage of the promotion and booked stays.

Cassandra Jeyaram, Social Marketing Manager for IHG said: "Our community members are amazing, they have shown us time and again that simply by creating a way to truly engage with them like we do in the community, they are excited and motivated to help IHG improve and grow." As a direct result of the promotion, IHG reached customers who they might not have been able to—and it did so without any advertising, marketing, or support costs typically incurred with traditional promotion strategies. Consequently, the Triple Points Promotion was so successful at helping them understand influence and advocacy among their most loyal customers that IHG has expanded the project to include a new test group and is exploring the possibility of opening it up to a wider audience.

Ken Bott, IHG's Director, Global Consumer Marketing (from an interview in 1:1 Magazine) said: "There was definitely a 'social currency' aspect to it. Who doesn't want to be the neighbor at the local pool party who can tell his friends about what a great value he found, plus he can share it? We've all seen the marketplace change, where every grocery store and pet store has a loyalty program. We wanted to find something within the travel world that would be appealing to these folks—something that would encourage them to tell stories, share their experiences, and ultimately to feel good by their participation."

