Are you ready for reality?

If the definition of insanity is doing the same thing over and over and expecting a different result, is our industry in need of a shrink? Perhaps the only good thing that can be said about the sea of change facing us is that 2009 is shaping up to be a trigger for an unprecedented surge of innovation. Even the best traditional marketing programs are showing signs of wear. In this battered economy, consumers are changing the way they make purchase decisions so companies that don’t embrace their own need to change face the possibility of fading away.

To help you make sure your organization doesn’t end up as a distant memory, let’s identify three realities to take into account in this new economy, as well as real solutions you can implement now.

Be Real.

As consumers move from conspicuous consumption to “value experiences,” our businesses can no longer rely on hype and salesmanship alone. The Internet has leveled the playing field by giving consumers information and data that was previously controlled and limited. Your prospects are also increasingly inclined to believe the opinion of a blogger or an anonymous consumer review over an advertisement or brochure. Most who are taking tours have probably already read about your resort on the Internet, and a high percentage has already toured one or more timeshare properties. If the information your salespeople are offering doesn’t ring true, that’s a sale that can’t be saved.

The new reality is “transparency,” which means that the old tactics—inventory that miraculously appears during the sales presentation or “buy today or walk away”—just won’t work.

What will work? How about establishing a long-term, genuine relationship with potential buyers? One way to do this is to launch a sound post-tour communications strategy with a timed VOI deal extension, along with an enrollment in a low-cost Web-based travel club that offers seasonal options for prospects to return to your properties. This strategy helps to save deals, lower marketing costs, optimize occupancy, and create a strong pipeline for re-tours through in-house sales, which has become the new front line in the midst of sales centers closing around the country.

At the same time, you want to leverage the relationships you already have: referrals and in-house guests. For these programs to succeed, you must have a laser focus on owner and guest satisfaction, superior product design, and outstanding vacation experiences. When owners and guests are happy enough to share their experience or purchase more of your products, you can create powerful in-house and referral programs targeted to drive interest and traffic.

Many developers have scaled back on line sales but maintain an in-house team to drive sales and owner upgrades. Some developers are even exploring owner groups, allowing owners to add friends to their VOI usage rights for a yearly fee. When lending eases, these friends are prime candidates for upgrade.

Offer Real Value.

It’s about figuring out what will provide optimal value to customers in your product/price segment. Quite simply, you need to move away from empty inspirational messaging and maximize your Web site’s broad exposure, by promoting multiple destinations, pushing great deals with the lowest price, and value-merchandising higher star properties that have become more affordable.

Remember, during recessions, consumers want to buy what is on sale and actively shop for the best deals. By emphasizing promotional pricing and value-priced add-ons, your Web site will help you to be competitive and appeal to a larger audience.

One category of travel that is thriving is multi-household leisure travel, which is defined as travel done with family, extended family, and friends. More than 80 percent of people surveyed in the 2008 National Leisure Travel Monitor indicated they plan to do this type of travel over the next year. Walt Disney World has successfully capitalized on this concept with their “Togethering” program, where up to 12 different people can register online to jointly plan and book their vacation. It has become one of the most successful packages ever offered by Disney. What can your company do to make it easier for your owners to vacation with extended family and friends? And how do you monetize this benefit on your Web site?

Find Real Customers.

Research shows that the typical marketing model is broken and probably has been for years. Many are aware that things are broken, but fixing them is entirely another issue. This is 2009, and consumer research is very
important we must understand who our buyers are.

The processes of targeted prospecting, pre-approach qualifying, and strategic approach development must take precedence over blindly contacting a fixed number of warm or cold prospects, based on the assumption that even a blind squirrel finds a nut now and then. Rather than “less is more,” the new game is “less with more.” Think fewer but better qualified tours prospects who can make the down payments required by lenders to make your paper attractive. Without sound purchasers, developers risk selling themselves out of business. Credit scores, not just incomes, will be the new qualifiers.

Get Real Results.

During these budget-cutting times, it may be hard to keep spending on marketing. It’s probably even harder if you don’t see results. Do you even know if your marketing worked last time? Are you tracking it? Investing and testing now will put you ahead of the game later.

As marketing and sales staffs shrink, shore up your Web marketing, servicing, and technology solutions to shoulder the burden. Most Internet timeshare marketing is still years behind the rest of the consumer products world in terms of functionality, measurability, and effectiveness. Over 80 percent of Americans prefer to interact with products and companies on the Internet. Cost efficiencies, ability to get to market quickly, and the ability to measure results instantly make this medium ideal for hard economic times. Personalization of e-mail and Web pages to serve the right offers and automated follow-up strategies reduce costs and increase results.

On-line marketing is one of the easiest forms to track because it can provide an electronic trail of customer origin. Make sure your site is capturing information and serving the right offer to the right consumer. Did they come from Google, Yahoo, an e-mail, or LinkedIn? It may cost extra to add this functionality to your site, but knowing where sales are coming from will help you focus your marketing dollars.

If the results were positive, go ahead and repeat. If you broke even or just a little better, tweak your message or creative look and try again. After all, with the right tools, the Web offers a low-cost, infinite source of opportunity, but you’ve got to know what you’re doing to make it work. Either way, it’s better than dropping 100,000 pieces of mail and praying for results. Keep trying new ways to succeed.

Marketing doesn’t have to be complicated, but it does need to be ongoing. Marketing isn’t something you can do once and then be finished. It’s fluid and multi-sensory and needs to be adjusted and built upon. One of the biggest mistakes is trying a technique for a month then stopping abruptly when it doesn’t work right away. That’s not marketing, it’s drag-netting. On this same topic, e-mail list building, e-mail and viral marketing, and Web site optimization are essential to help consumers choose you from a growing list of attractively-priced, well-known hospitality brands. In the past, timeshare sales representatives have been able to distinguish our products from the hotel industry using the tried-and-true “pencil pitch” that supposedly shows the financial value of owning versus renting. With room rates at major luxury hotel brands plummeting, we may finally be witnessing the end of this sales technique.

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Look to Times Ahead.

When times are bad, people want to be with the ones they love. They remember what’s important in life. They want to escape the stress of falling home values and retirement funds and bleak jobs reports. Remember that Hollywood’s golden era was born out of the Great Depression because people could escape for an hour or two and it felt good! Our product is designed to make you feel good, too. Now is the time to really focus on relieving stress for consumers and helping them to discover for themselves how a small monthly payment for a timeshare week or points can secure their relaxation and happiness in a world that isn’t offering copious amounts of either.

Who has the vision to lead the way? If 2009 is going to be as challenging as they say, I think we’re about to find out.

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