

Boston Hospitality Review

www.bu.edu/bhr

Published by the Boston University School of Hospitality Administration

A BHR Interview with Terry Jones, Author and Founder, Travelocity

Marketing Innovation Part I – April 2024

About the Author



Terrell (“Terry”) Jones is a technology pioneer who has played a pivotal role in creating the trillion-dollar e-commerce travel industry.

He is the author of *Disruption: Off*, and *Innovation: On*. While only .01% of businesses reach the elusive billion-dollar “unicorn” status, Terry built and scaled not one but two unicorn businesses – as the founder of Travelocity and founding Chairman of Kayak.com.

He’s been in the travel industry for 40+ years (so far) and is a proclaimed serial entrepreneur and investor. Through his work with dozens of startups and serving on 20 boards of directors, his IPOs and exits total over \$10 billion. He’s gained a unique perspective on innovation that he

shares in his books and keynotes.

Terry is a highly sought-after international speaker and a globally recognized authority in the “Future of Business,” “Disruptive Leadership,” and “Digital Transformation.”

Connect on [LinkedIn](#)

A BHR Interview with Terry Jones, Author and Founder, Travelocity



Terry, as you've participated and witnessed the state of travel and hospitality marketing over time, is there a philosophy or theme that you'd stress for today?

Travel and, in particular, hospitality today, is about the experience. But how can hospitality brands make that experience more memorable and easier for the customer? More hotels are using digital check-in and check-out. They may never meet the guest. So how can guests learn about all the hotel has to offer? Can they also present location-based offers through their app? Can they even use cellphone tracking to determine customer preferences or concierge apps to market local activities? Technology exists. These tools are even more important for independent hotels to gain loyalty and remain competitive against the big brands. Today, the importance of EV charging stations can't be stressed enough. Shouldn't a hotel offer membership, or allow to make reservations for charging, and this way also generate some additional revenue? A charger is of no use to the guest if it is occupied.

Here's an example of how hotel companies can actually learn from the airline industry; airlines make their profit through ancillary revenue, not the flight itself. Hotels make their

money from room nights. Why not look at relevant and appropriate amenities to enhance the guest experience as a revenue generating concept? General Managers today seem so focused on RevPAR, yet CFOs and owners are only looking at the dollars. Changing incentives so that GMs can focus on the total guest experience will be good for guests and the bottom line.

There are so many opportunities with AI, and the industry just hasn't even gotten started. For example, let's take Marriott. I'm told Marriott operates the most Golf courses and spas in the world, but I can't search for them. What if I could use natural language search to ask for their best spa in France? Why can't the redemption of points trigger more offerings for more points? It should. That's an opportunity.

AI can also help with search. If we knew the customer's intent, why the customer is looking to stay at this property, then we'd also know what else to offer them for that stay. Connect the dots here. The more we know about the individual traveler, the more we should provide a truly personalized offering of preferences. If I knew you were coming for your anniversary what else might I offer you during the booking and at the property.

What would it take for our industry to get this going and get it right?

Most travelers start their search with the airline. But when using points they start with the hotel. That's an opportunity for the hotel to cross-sell car rental, air, and more. But no one's doing that yet.

Is there anyone in hospitality who is marketing correctly now? In a strategically personalized way?

In general, no. But there are a few exceptions. On VRBO, Paradise Retreats, for example, pushes the cross-selling, and they do it very well. They do a great job of listing all the value add-ons for a stay so a visitor can better customize an experience. I'm on the Advisory Board for Sojourn which does an exemplary job of microtargeting its marketing.

Is there a company outside of our travel space that you think is getting its marketing right?

In 1987, when United purchased Hertz, Westin, and Hilton and rebranded as Allegis, the intention was valid. To allow a full-service hospitality company to cross-sell and work together for the customer. Unfortunately, they couldn't pull off the integration. The intention was correct: to market and sell the experience all at once.

Today, Booking.com has a much larger market cap than all the hotels' chains and airlines because they offer comparison pricing. They're really good at marketing. Just watch the chains versus the OTAs (online travel agencies). Hotels need to learn how to use the new tools to bring people through the door and maybe even reduce brand confusion.

What skill sets do you recommend for people working in hospitality marketing today?

A deep understanding of the data is key and knowing how to use the tools to target. Understand the consumer motivation and instill empathy. A sense of entrepreneurship also applies. Now, it's about knowing how to bring this all together with the ultimate of compelling messages.

I have an example. Probably the best ad I've ever seen was for Volkswagen. It was a video of a Volkswagen car in a snowstorm. And the narrator asks, "How does the guy who drives the snowplow get to the snowplow?" You couldn't describe a car that works in the snow and rough conditions any better. That's what hotels need to do. "Why should you stay here?"