

PROMO

ROOM SERVICE

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By Amy Johannes

Tower23 Hotel, a happening destination off San Diego's Pacific Beach, has become a favorite nightspot for young professionals.

The hotel's coolness factor even extends to amenities for guests. A sampling program for EBoost — a new immunity and energy booster that comes in powder packets or tablet form — was such a hit as a giveaway that it's now being sold in guest-room mini-bars.

"We wanted to try something a little bit different," explains Stacy Long, Tower23's director of sales. "This separates us from the crowd."

Overshadowed by competitors like Airborne, EBoost needed a way to get the product into people's hands.

"It's aligning your brand with another great brand[— Tower 23]," says Josh Taekman, president of Buzztone, the marketing agency that owns EBoost.

Since EBoost's launch last June, Taekman reports a 30% increase in sales across the 10 properties where it's being sampled and sold, including the Hard Rock Hotel in Las Vegas. W Hotels Worldwide liked EBoost so much that last fall it gave out more than 50,000 samples at check-in.

The EBoost rollout is part of a growing effort by brands to distribute samples at hotels and resorts. Travelers or vacationers are known to be more open to trying something new.

"People forget things they need. They're without their set brands from home, so they're more likely to try whatever you give them," says Brian Martin, CEO of marketing and media company Brand Connections.

Samples can be distributed in various ways. In-room samples typically are placed on bedside tables and pillows or in bathrooms. Others are handed out at check-in.

In most cases, individual properties decide to start a sampling program — not the chain.

"The Holiday Inn guest you're reaching in Orlando, FL is completely different from the guest you're reaching at LaGuardia Airport in New York," Martin notes. Hotel properties often work with agencies representing a network of brands to forge sampling deals. In some cases, brands call hotels directly to gauge interest.

Samples usually are given to lodging outlets for free.

"You have to give the hosts options," says Rhonda Kugelman, founder of Promo Partners Inc. "You want to make it easy for them to do, but also give your clients what they want."

Hotel sampling works well not only for new products like EBoost, but also for brand extensions such as a new look or flavor.

GOOD IMPRESSIONS

Hotels benefit, too. What's in it for them?

"Sampling creates added value for customers," says Jon Lesser, president of Zag Marketing. "It's sort of a warm and fuzzy thing hotels can do."

Take 70 Park Avenue Hotel, a New York property owned by the Kimpton Hotel and Restaurant Group. It recently offered samples of Dreamerz, a sleep beverage, to VIPs and members of the firm's loyalty program, Kimpton In Touch, as part of turn-down service (preparing hotel rooms for bedtime).

"This worked with our positioning of having a wellness item for guests," says Ericka Nelson, the hotel's general manager. "It's a great way to give guests something additional they may not have seen elsewhere."

Dreamerz plans to distribute nearly 200,000 samples this year, and is devoting 30% of its budget to that activity, according to Heidi Otto, the brand's marketing director. Hotel sampling is a priority since the drinks are sold online and have limited store distribution. Promo Partners is handling the sampling program.

"Sampling is a critical part of what we do," Otto says. "If I'm able to work with hotels...to turn it into a sales account, that's an added benefit." As a result, she adds, online sales have doubled month after month.

HITTING THE TARGET

Freebies aren't exclusive to boutique hotels. Companies are teaming up with midlevel hotels, bed and breakfasts, and resorts.

"It depends on who the target is," Kugelman says. "If you want a couple, a bed and breakfast or cool boutique hotel would work. If you want a family or business traveler, then we would steer toward a Best Western or Howard Johnson."

Newell Rubbermaid's Goody brand is targeting women with free samples of StayPut hair elastics at ski resorts in more than two dozen locations through March. Guests receive a card with two elastic bands in-room or at check-in. The goal? To gain trial, drive purchase intent and boost brand preference.

"It's special to get something free," says Jennifer Ingram, director of marketing communications for Newell Rubbermaid's beauty and style brands.

Goody is more than tripling its resort sampling in 2008. Ingram won't reveal the cost but says the investment is "moderate." Brand Connections, which handles hotel sampling for approximately 150 companies, is managing Goody's program for the second year.

For some firms, sampling works best when tied to an experience like spring break.

"It used to be good enough to drop a bunch of samples and make sure they hit the rooms. Objective met. We just achieved trial," says Pete D'Andrea, vice president of Amp Agency, Alloy's promotional marketing division. "But there's an expectation now of almost creating an experience around that sample."

For instance, in March Procter & Gamble will give away 1 million samples of Secret Platinum Kuku Coco Butter antiperspirant/deodorant during check-in as part of a multiproduct welcome package for guests at eight spring break hot spots. Other freebies include a postcard plugging Secret's Scent Expression lineup and a temporary tattoo, says Jay Gooch, Secret's external relations manager.

"[Hotel sampling] has been and will continue to be the key trial driver in our spring break program," he adds. "It's a very targeted way to reach a specific demographic at a time and place when they're using products in our category."

Companies measure the success of such programs in several ways. One is to track sales lift or review customer feedback. Another is to track the cost per sample tried. Still others send people e-mails offering incentives (like sweepstakes) to drive participation in pre- and post-stay surveys about the sample, Brand Connections' Martin says.

ACTUAL USE IS KEY

Despite sampling's potential return on investment, one of the hurdles is getting people to use the product, says Cindy Johnson, owner of consulting firm Sampling Effectiveness Advisors.

This isn't an exact science. Martin estimates that about half of all samples distributed outside of hotels and resorts never get tried. (In contrast, Johnson says, hotel/resort samples are used close to 75% of the time.)

"You can't persuade people to try them all," Martin notes. "All you can do is use the environment to your advantage. The ultimate goal is to get someone to buy the product. But unless they try it, it's the worst possible investment to make."

Execution is another issue.

"The biggest challenge any time you deal with hotels is getting them to follow the same game plan," Buzztone's Taekman says. "You have different people on site. It's difficult to get one contact. You have to make sure you articulate your message well and that they understand the message."

And be cautious of chainwide sampling. Guests who frequent hotels in the same chain could receive multiple samples, driving up program costs and lowering the reach to other customers.

"You might end up sampling the same people," Johnson says. "That's the biggest downfall. If they didn't like it the first time, they won't like it the second time."

IN THE GAME

Not every sample comes in small packages.

Wyndham Hotels and Resorts has partnered with VTech Electronics North America to sample VTech educational gaming systems in more than 3,000 rooms in the United States, Canada, Mexico and the Caribbean.

People who book a suite at Wyndham through March 31 can try one of two VTech setups: the V.Smile TV learning system for kids age 3 and older or the V.Flash home "edutainment" system for children 6 years old and up.

"It brings an added value experience to the hotel," says Kevin Rupert, Wyndham's vice president of marketing and strategy.

The chain introduced the offer last fall as part of an ongoing effort to build partnerships with firms that match its target audience, families with young children. With the program Wyndham hopes to increase hotel stays and loyalty, while VTech looks to raise awareness and generate future sales.

Wyndham is promoting the offer on its Web site. In return, VTech marketed the chain via inserts packed with its products during Christmas, through newsletters and on its Web site. Rupert points out that no money exchanged hands as part of the deal.

Hotels offer a unique environment for companies to find a captive audience.

"It truly is one of those partnerships that's mutually beneficial," Rupert says. "We provide an opportunity to interact with people and have them experience a product where [the item is] not competing for [their] attention with other products in the room."

— *Amy Johannes*

TESTING... TESTING... TESTING...

- About 75% of hotel/resort samples are tried.
- Most brands sampled are health/beauty aids and personal care items.
- Nine out of 10 people who tried a product would buy it if they were satisfied.