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Achieving Resonance for Online Travel Brands via Mobile Devices

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Abstract

Branding for service organizations has challenges with the limited space on a mobile phone while consumers create a brand experience in an instant. This reports how online travel agencies (OTA) present their brands on mobile, as framed by the Brand Resonance Pyramid. The authors examine how the OTA present the four levels of branding: identity, meaning, judgement/feelings, and resonance. The authors reflect on qualitative perceptions of Expedia and Booking, the largest revenue OTA, applied to key branding elements on mobile devices for booking flights, accommodations, and car rentals. Travel brands are challenged to improve customer relationships to the resonance level in order to experience the highest mutual value using this communication technology.

Keywords

brand perception, mobile marketing, resonance, travel brands, online travel agencies

1. Introduction

Building a brand in the mobile environment faces serious challenges. In any environment this task is difficult but, given the constraints of the mobile environment, there are unique challenges. The physical space on the displays of mobile screens is small. Try to do too much in that screen and the resulting sense of clutter, dissuades viewers from using the website. Customers simply move on with a single click. The second constraint is the limit of download speeds. Video and other animated features can be powerful tools to reinforce a brand but, under current 4G technology, many of these features require more data than the systems can process, and the mobile user is left waiting for features to load. The promise of 5G is that download data transfer speeds will increase so that latency or slow downloads will be in the past. Globally, this rollout will take many more years for 5G to be available. In the meantime, brands targeting mobile devices must achieve a balance of data and speed to be effective.
The average time spent on mobile devices in the US in 2019 was 2:30 hours per day, up from 2:24 in 2018. (GlobalWebIndex, 2019). The amount of time that users spend on mobile devices continues to grow each year. It is worth addressing the immigrant vs. native discussion as it relates to the digital and mobile world. Those born before 1995 are immigrants to the digital environments (Jarrahi, 2019). Those born after 2008 are natives to the mobile environment, because they can’t remember a time where mobile phones were not a part of the culture and commerce of the global economy. The native population will continue to grow as the immigrant population shrinks as they die off. Marketers will more and more focus on the native population, because they will have the experience and the ability to use digital tools on the go, including for payment (Swilley, 2016).

Penetration of mobile devices is growing. The US is among the leading digital nations in the Western Hemisphere. More than 91% of internet users ages 16 to 64 polled in 2019 owned a smartphone, 78.7% own a desktop device or laptop, and 51.1% own a tablet. Time spent with mobile phones was an average of 2 hours and 30 minutes a day. This was less than time spent with PCs and tablets, which was 4 hours and 3 minutes a day.

Online travel agencies (OTA) are more dependent on mobile as people become dependent on the mobile device and the time spent on mobile devices increases. In the past, people shopped on handheld devices and spent their dollars via the desktop. As trust of the mobile phone grows, more people are depending on the small screen to do big transactions (Wei, 2016).

Branding is becoming more important and competitive for OTA. With the amount of time taken up by handheld devices, it becomes even more important to brand on the smaller screen (Hasen, 2012). That is a challenge for physical reasons, but also for geographical purposes. The laws change from country to country, so OTA need to be aware of the places where its branding message will be seen and take steps to be sure that it stays within the law, while maintaining its brand proposition.

The two major OTA (Expedia and Booking) approach branding from the corporate levels, with several sub-brands under each of the main brands. For Expedia, the top sub-brands are: Hotels.com, Hotwire, and Travelocity and, for Booking, the sub-brands are Priceline and Kayak.

The view of the Internet on mobile for the future is measured in inches as well as time spent. The Internet is seen on a mobile device in a small screen, mostly on a smart phone. The real estate here is mere inches, and phones are wirelessly connected via a server through WiFi. Usually, business travelers go to book travel where their company prefers. Leisure travelers go to their friends first, then to the reviews of others on the web, then to the brands, search engines, and OTA sites. These trips are booked at the last minute, in many instances. As the Internet becomes more accessible due to mobility and travel, especially in a post-Covid environment, the OTA need to look ahead to how customers will interact with advanced technologies, such as Artificial Intelligence (AI). In a Chief Marketing Officer (CMO, 2019) survey conducted by the American Marketing Association in August 2019, they saw a 27% increase in implementation of artificial intelligence (AI) since February 2018. The top three uses of AI and machine learning in the marketing toolkit are: content personalization (56.5%), predictive
analytics for customer insights (56.5%) and targeting decisions (49.6%), which become even more important as technology replaces human employees (Susskind, 2016).

The process of branding is highly competitive to establish an identity. Elements of the brand include the logo, the image, the sound, color, symbols, shapes, and even benefit descriptions. When the brand manager has an idea of what qualities their brand will represent, they use the best identifying elements to create that brand. Some of these may be influential at the subconscious level, so the psychological process of perception and social understanding is critical to meet and beat the competition (Kompella, 2014). When it comes to mobile hotel booking, contributors to brand loyalty included these: personalization, privacy, trust, and risk. Personalization is a predictor of loyalty. There is also a relationship between privacy concern and trust, and trust influences perceived risk. Both trust and risk predicted loyalty in certain models (Kaufmann, 2016).

A successful service brand marketer needs not only to understand the brand identity, personalization and loyalty, but also how to create and manage an emotional brand experience. Studies show that this leads to higher levels of brand loyalty, referrals, and more profits in the long run (Barlow & Stewart, 2006).

Kotler and Keller (2016) depicted the building blocks of an effective brand as a progressive process defined by the ways the customer experiences and reacts to the brand. The levels of the Brand Resonance Pyramid reflect the degree of engagement of the customers and the objectives brand owners in general should be seeking to achieve at each level (Keller, 1993; Keller, 2001; Keller, 2008) and for travel brand destinations specifically (Yousaf, 2017).

The Brand Resonance Pyramid provides a useful way for marketers to model an examination of an organization’s efforts to build its brand (Strong, 2014). Brands are most powerful when they have established a relationship with customers. A brand can create loyalty and may even allow an organization to charge a premium for its products/services. The levels of the pyramid breakdown this relationship building process into discernable stages. Each of the stages provides a foundation for the next step. Skipping stages or not sufficiently attending to these tasks means that the later steps may not be as effective in creating a brand that builds the desired relationship with customers (Thomson, 2005).
In Figure 1, Brand Resonance Pyramid with Adaptation Elements (Keller, 2001), the initial level is salience, which describes the customer being aware of the organization, especially thinking about it when in a possible purchase situation. Salience lays the foundation with brand awareness. The next level, which addresses meaning, has two components. The first is performance, which examines how well the product/service meets the customers’ functional needs. The second at this level is imagery (a.k.a., psychological), which explores the degree to which the brand meets the psychological and social needs of the customer. It is at this level that brands can begin differentiating themselves from the competition (Edson Escalas, 2004).

The third level focuses on the response by the customer to the brand. To what degree and in what ways do the customers personally engage with the organization? Again, this level has two components. The first is judgements. What judgements does the customer make about the brand? What are their assessments about the quality and superiority of the brand? On this same level is feeling. What is the emotional response by customers to the brand? Does the brand elicit a sense of excitement, fun, confidence, surprise, anger, or contempt? The top level of the pyramid is resonance. To what degree is a relationship established with the customer?

This study aimed to learn some answers to these questions. To what degree does the brand establish relationships with customers that give them the sense the organization is “in sync” with them? Where on the mobile website can a customer both see the judgements of others and share their own? How can the brand make it clear what types of judgements are desired and that the brand values these judgements?

2. Method

The method of research was exploratory as authors individually viewed specific branded OTA websites on mobile devices and evaluated each website with reference to the Brand Resonance Pyramid (Kotler...
& Keller, 2016) to determine the level of engagement and brand development. The authors evaluated each OTA (Expedia and Booking) using the Brand Resonance Pyramid model and an independent adaptation evaluation and then compared observations of the branding experience to qualitatively report on these levels of branding.

These are the research questions that the authors responded to during the review of the two largest mobile websites, Expedia.com and Booking.com, representing about $80B (US) each in revenues annually. Questions were posed to explore how each of the companies’ websites performed at each level of the Brand Resonance Pyramid. These were the questions asked.

Question 1: What do I observe or experience on the mobile website that reinforces my thinking about this company’s product/services? (salience/identity)

Question 2: What do I observe or experience on the mobile website that impacts my perception of the company’s ability to meet my practical needs?

Question 3: What do I observe or experience on the mobile website that impacts my perception of the company’s ability to meet my psychological and social needs?

Question 4: What do I observe or experience on the mobile website that demonstrates an impact on customer opinions/judgements?

Question 5: What do I observe or experience on the mobile website that elicits an emotional (joy, excitement, surprise, sadness, anger, disgust, contempt, or fear) response?

Question 6: What do I observe or experience on the mobile website that contributes to building a relationship with me, in sync and desired outcomes aligned?

3. Results

Evaluation of OTA using the levels of the Brand Resonance Pyramid (Figure 1).

Question 1. Salience/Identity (Level 1 of the Pyramid): What do I observe or experience on the mobile website that reinforces my thinking about this company’s product/services?

Expedia initially presents offers that appear to be good deals. The website clearly provides search for air, hotel, and other travel options. The display reflects an image of competitive prices and is reliably comprehensive. The basic search process is not distinctive. Expedia uses a warm yellow for the background as differentiation. Since the brand Expedia sounds like “encyclopedia,” the user has an impression of a wide set of information which appeals to even the most inexperienced traveler. The name reinforces the multicultural elements as it sounds like a global company. Upon download to the mobile phone, Expedia is identified in a second or two, due to its color and images, without clutter of a character or catchy slogan.

Booking’s website presents a search engine for booking travel (accommodations, flights, car rentals, etc.). The search function is basic but not distinctive. The connection opportunity with other travelers is distinctive. The blue-purple shades emote a coolness to the background of the app. The brand name creates the image of accommodation in a hotel. The user immediately thinks of searching for a room.
Besides the dates of travel, the app wants to know if this is business travel or otherwise. That distinction seems to be an important part of the experience initially.

Question 2. Performance Needs/Meaning (Level 2a of the Pyramid)
What do I observe or experience on the mobile website that impacts my perception of the company’s ability to meet my practical needs?

Expedia’s website clearly provides the basic search for booking these arrangements. A new visitor to the mobile website might be unsure of the meaning of the navigation icons. The destinations are easy to enter, and the methods of travel are easy to access. The perception is that the mobile experience is going to be quick and painless to find the very best offers and complete a transaction here, whether for air, hotel or car rental. The delivery (i.e., performance) of quality and reliable information presented in milliseconds is meeting the author’s need for information. The speed of loading travel options is impressive. With only three persistent navigation buttons on the bottom of the screen, it’s easy to see alternative choices: Shop travel, trips or account. The largest image when entering the app is for Half Price Friday Deals, which catches the user’s attention.

Booking’s search engine works smoothly to book travel. Booking conveys meaning using words rather than icons to navigate. The authors recorded that these words change when the site is presented in other languages. Booking has four persistent navigation buttons: Search, Bookings, Profile and More. The first three images are present the same as Expedia, and ‘More’ has three dots above, signaling to the user to click and more choices will appear. The need to have customer privacy is not addressed, or to “clear my search history” is not visible here, which does not meet the researcher’s practical need for security, and was visible on the Expedia app.

Question 3. Psychological Needs/Meaning (Level 2b of the Pyramid)
What do I observe or experience on the mobile website that impacts my perception of the company’s ability to meet my psychological and social needs?

Expedia is a practical mobile website. It does not appear to significantly address psychological needs. The design does not focus on the excitement possible with travel. There are no obvious ways to socially connect with the website or other travelers. Preferences is the one feature that appeals to the author’s psychological and social needs while creating settings for the home airport, seat preference, email preferences or special assistance. Expedia allows a casual user to think that this is a caring organization. It also informs the user who logs in to the site if they have upcoming trips, and if not, suggests with a nudge to “start exploring.”

Booking’s website has primarily a more practical approach that does not directly address psychological needs. The fact the site has a clear means of interacting with other travelers can address the social needs. Under “More” there are several Travel Communities and All Communities, as well as trending today and travel articles written by various travelers.

Question 4. Response/Judgements (Level 3a of the Pyramid)
What do I observe or experience on the mobile website that demonstrates an impact on customer
opinions/judgements?

Expedia’s website would have been expected to display endorsements and testimonials from satisfied customers. None were found. The status of the users account is visible through the transaction in the upper left. Expedia presented loyalty status levels, but did not explain these well, so it did not make a difference in perception of the website. The value of the status levels was unclear. Expectations about changing flights or hotel rooms would be something that OAT are dealing with. The fine print is not easily seen. It’s nice to see that there is 24/7 service, but it’s not clear how to get that, or what that service entails.

The Booking website user also would have expected to see endorsements and testimonials from satisfied customers. None were found here either. The authors expected to see articles that were current and useful, but this was not the case. Six weeks after Labor Day, the featured article title was “Things to do this Labor Day.” That was clearly a failure to satisfy based on the timing of the headline alone.

Question 5. Response/Feelings (Level 3b of the Pyramid)

What do I observe or experience on the mobile website that elicits an emotional (joy, excitement, surprise, sadness, anger, disgust, contempt, or fear) response?

Expedia is a very non-emotional site. The photos are well documented but do not elicit emotional reactions. The search process is not enhanced with any features such as mini stories about the chosen destinations that might create more excitement for the traveler while waiting for the results to appear. There are no examples of these emotions on the website or in the branding elements observed.

Booking’s website’s social interaction could have elicited an emotional response as people engage with the content or interact with each other. The basics of the website do not advance human emotions. The only other interactive relationship besides searching for and purchasing travel was to list a personal property to rent with this firm. There was not any emotion in that request either.

Question 6. Resonance/Relationship (Level 4 of the Pyramid)

What do I observe or experience on the mobile website that contributes to building a relationship with me, in sync and desired outcomes aligned?

Expedia’s mobile experience and personal relationship is very practical. The user gets the travel booked that they desire, but the mobile website does not elicit a response that leads to a more significant relationship and loyalty. This relationship relies on a server, bank credit or debit card, Expedia and the traveler. All four need to be in alignment and in synch in order to process payment. Reminders about travel are sent to the user, including confirmations with detailed pricing. The most personal aspect of the relationship was when asked: “Where are you going next?”

For Booking, the travel reservation section of the website does not create much of a relationship. It is not differentiated from the competition. The social side of the website has much more potential for building relationships, primarily as a vehicle to reach other travelers. The potential to filter by popularity, distance, star rating, best review, price, etc. allows for some control of their experience, but not the personal interaction that leads to relationship building. There is much more of an opportunity to
build a relationship than has been seen so far.

4. Discussion

Our research questions were about 1) what degree the brand establishes a relationship with customers that give them the sense the organization is synched with them 2) where on the mobile website can a customer see the judgements of others and share their own and 3) how brands make it clear what types of judgements are desired and that the brand values these judgements.

In looking specifically at Expedia and Booking, it was evident that both websites prioritized using the mobile environment to increase brand awareness, the resonance (first) level of the pyramid (See Figure 1). The brands were seeking to reinforce travelers finding their brand names and using their mobile websites when considering making travel purchases and reservations.

The second level explores which types of needs the brand demonstratively were seeking to fulfill. Here the two websites clearly prioritized meeting practical needs. Both facilitated making purchases such as flights, hotels, and car rentals. This is a straightforward process; a customer needs an airline flight from point A to point B. OTA need to offer options and make it easy to complete the purchase. Meeting the psychological and social needs of customers is not straightforward. The organization must dedicate resources to knowing customers well enough to identify which psychological and social needs the organization can fulfill and how best to address them in the mobile environment. These are not concrete needs that can be understood in practical ways such as completing a purchase of airline tickets. Because of this difficulty, organizations are more likely to place much less emphasis here. But it is in this area that an organization lays the foundation for relationships and to become synched. Simply depending on the transaction means the organization is vulnerable to a competitor matching the technical expertise and seen as equal in the customer’s eyes.

The third level is where customers become engaged with the brand. They make judgements and have emotional responses. This is where the customer’s interaction with the brand becomes personal. It becomes a real challenge to encourage judgements about the brand that are positive. This includes being prepared to deal with negative judgements about the brand. It is important to remember that the most loyal customers are those who have had a problem and had it successfully resolved.

Also, at this level is the eliciting of emotional responses. An emotional experience is necessary to establish a relationship. Those emotional requirements are different for different people, but are always present for a relationship to be created and maintained. In the small space on a mobile device, the brand needs to present stimuli (words, pictures, and videos) that invite an emotional response. Emotional responses are reflections that the mobile user is becoming personally involved with the website. Without it, the website may be functional, but the customer is not building a resonating relationship with the brand.

Ideally, all the foundation steps have been mastered in a productive way and a relationship has been created. Here the challenge is to accept that a relationship must be two ways. If the brand expects the
customer to have a relationship with the brand, without the brand having to match this from the brand’s side, there is no real relationship and customers leave. In a relationship, both sides feel valued and understood by the other. In a mobile environment, it takes creativity to rise to this challenge and manage the available small space effectively. Effectively means providing for opportunities to demonstrate how well the brand knows the customer and help the customer satisfy their unique range of practical and softer needs.

The application of the following practices should be helpful to future mobile marketers, especially in the travel industries: meeting the social and psychological needs with emotional responses, establishing a two-way customer relationship, and managing the small real estate of the mobile screen are key to future brand growth in this industry.

5. Limitations and Future Research
This is an initial exploration of the application of the Brand Resonance Pyramid to the websites of Online Travel Agencies (OTA). The research has proven the usefulness of such an approach. The primary limitation of the research is the small number of reviewers, two experienced travelers who have used OTAs for many years. This has been an exploratory, qualitative study. It has been demonstrated that this would be a fruitful area for further research using a sufficiently large sample to produce quantitative results.

References


