



WHAT IS YOUR CUSTOMER SAYING ABOUT YOU?

by Christine Blank

More flexibility in owner stays and where they use their points, along with renovating current properties, are just a few customer service tools that developers are using to keep owners happy.

Vacation ownership companies' new employee training programs, flexible plans for paying maintenance and HOA fees, and promotions geared at current and prospective owners are also benefiting developers.

The need for keeping current owners happy—as well as attracting new owners to the product—has never been more important than it is now, developers say.

“This is the message I put out to my team: now, more than ever, we need to focus on delivering great service and a great experience for the customer. Owners have a choice about where they are going to spend to put their money. If they are satisfied with their ownership, they will pay their bills,” said Gary Byrd, executive vice president of hospitality and chief customer officer for Wyndham Vacation Ownership (WVO).

Ed Kinney, vice president of corporate affairs and brand awareness for Marriott Vacation Club

International, agrees with Byrd.

“As much as we have always put our customers on a pedestal, we are doing that even more so in today's day and age.

The ability to re-market to them and have them tell their friends about us [is invaluable],”

Kinney said. In fact,

around 50 percent of MVC's new owners are coming from current owner referrals, according to Kinney.

To that end, MVCI is working to update its properties and add new amenities, to provide the level of product its owners expect.

“In the new properties that we are introducing, we have evolved our unit configuration from our traditional floor plan...to a much more open floor pattern,” Kinney said. In addition, MVCI has revamped all properties to include the latest interior décor styles (i.e., dark furniture, stainless steel appliances, and flat-screen, wall-mounted TVs) throughout its resorts. “As owners see the new resorts and new standards, they feel even better about the brand, that it continues to evolve,” Kinney said.

In addition, a 25th anniversary promotion this year rewards MVC members who have been loyal to the company over the years. Owners who purchased additional weeks were offered a 25-percent discount on those weeks during May and early June. “We don't discount in general, but we thought it was appropriate, and they responded favorably,” Kinney said.

To ensure WVO staff is delivering excellent customer service and experiences, the company launched a “Count on Me” initiative over a year ago. The program is based on the philosophy that “service is

based on being respectful, and it becomes innate to you. It becomes second nature to our employees throughout the company,” Byrd said.

From orientation through management, staff is now trained in WVO’s “Count on Me culture,” according to Byrd. A full week of all employees’ orientation is devoted to explaining the culture of the company and how important each person means to overall success. “You are establishing a relationship with the employees, and they buy into [the culture]. Once you get the emotional attachment, that is where you have long-term success in service,” Byrd said.

Already, WVO has seen happier and “more engaged employees,” which creates a positive atmosphere that the owners like to be around, Byrd noted.

Here are some of the other top ways that companies are delivering excellent customer service to retain owners and attract prospects.

Flexibility in Stays, Types of Vacations

Flexibility in the weeks they stay at resorts and flexibility in locations and types of vacations has always been top of mind for owners. Given the down economy, developers and management companies are working even harder to meet the owner demand for flexibility.

Orange Lake Resort’s recent alliance with IHG (InterContinental Hotels Group)—which owns Holiday Inn, InterContinental Hotels & Resorts, Crowne Plaza Hotels & Resorts, and other global brands—is now offering flexible vacations to its members. While Orange Lake was already aligned with an exchange company (Group RCI), it

immediately boosted vacation options for members by forming the partnership with IHG, creating the brand Holiday Inn Club Vacations. Now, Holiday Inn Club members can stay at any resort in the network (destinations in Orlando, Florida; Panama City, Florida; Lake Geneva, Wisconsin; Brownsville, Vermont; Myrtle Beach, South Carolina; and Gatlinburg, Tennessee), plus, have the option to stay at any of the 4,200 hotels owned by IHG throughout the world. Club members automatically become Gold Elite members of the Priority Rewards Program, IHG’s loyalty rewards program.

In addition, Holiday Inn Club members can exchange their points to enjoy a host of vacation adventures, like a white-water rapids trip in Vermont, or for merchandise and other special experiences.

Orange Lake is also continuing its tradition of providing a family value vacation with upgrades and renovations at all resorts—including the addition of a new restaurant at the Orlando location that has a different theme each night—as well as implementing feedback systems that measure all aspects of the guest experience at the resorts. This system offers a total view of the vacation experience, from ownership administration, to the actual stay experience.

“Though most resorts utilize some form of survey system, Orange Lake is implementing a system that ties all the surveys and customer comments into one reporting system so that management can look at all aspects of the vacation and the ownership experience,” Connolly said.

Management company Vacation Resorts International now has 600 properties to which its owners can exchange through its VRI*ety internal exchange program.

“We are working to provide owners with more options and benefits. That’s why we believe the VRI*ety program is going to be successful, and the feedback has been very positive so far,” says Jan Samson, senior vice president of business and corporate development for VRI.

The program is also becoming popular among customers because there are no membership fees and the exchange rates are favorable. “This could also potentially help our resales program at the resorts where we offer it,” Samson said.

As a result, VRI is in the process of adding more types of vacations to its VRI*ety exchange program. “We are creating an enhanced version...where owners will have the option to participate in other programs like cruises...upgrades and friends and family benefits.”

Wyndham Vacation Ownership is also ensuring that its owners are able to stay at the location they choose, at the time they would like. If they cannot stay at that exact location, arrangements are made to ensure that the member experience is similar to the original venue.

“The number-one thing with owner satisfaction is when they say, ‘I want to go here this week,’ and they are able to go,” Byrd said. WVO has been working to fulfill their stay requests the first time around and when their first choice is not available, to provide alternative recommendations that are a close match.

“A lot of people want to go to Myrtle Beach in the off-season to play golf, for example. If that is not available, we have several other locations that have great golf, and we will match up those experiences [to their needs].”

In addition, WVO is focusing more on delivering experiences based on specific owners’ lifestyles. “We can send everyone

to a resort in Florida, and there would be 800 owners with 800 different lifestyles and experiences they would like. Our ability to deliver on those experiences is what makes the difference,” Byrd said.

Tailoring lifestyle experiences and preferences to individual owners could include adding the type of décor and lighting owners prefer at home to their villas. This program is under development but will be an important customer service tool for WVO going forward.

Hilton Grand Vacations Club (HGVC) is also reassuring members that they “are here to accommodate their preferences,” said Kim Kreiger, senior vice president of club and resort operations. “Now, more than ever, we are hearing that members appreciate their extensive range of travel options—even if that means having to postpone vacation plans until next year.”

Flexibility in Payments

Flexibility programs for paying HOA and maintenance fees are also being implemented to help current owners and attract new owners. In 2007, VRI rolled out an option for its resorts’ owners to pay their maintenance fees online, and the program immediately became popular.

“Thousands of owners paid their maintenance fees on the Internet. Besides the convenience, perhaps people who might not otherwise send in a check will pay online via credit card,” Samson said. In addition, due to the economic downturn, VRI is working with owners who are having difficulty paying their fees. Many of the resorts VRI manages allow owners to pay their maintenance fees via payment plan. “With the economy the way it is, you have owners who are struggling, and it helps relieve their burden. They don’t want to lose their timeshare,” Samson said.

Other developers and management companies have rolled out more flexible payment programs and some limited-time offers.

HGVC is emphasizing features of its points program, including a “point stretching” option, that enables members to save their annual points from expiring. “We are seeing a spike in points being saved for future vacations, and we’re booking more domestic travel this year,” Kreiger said.

In addition, traffic on HGVC’s secure member Web site has increased steadily, in part because on-line transactions are offered at reduced prices, compared to off-line transactions, according to Kreiger. “We are tracking good response rates to special getaway offers; vacation values are in strong demand.”

HGVC also plans to have electronic check payment processing for its owners in place sometime this fall, to save its HOAs money.

Improving Product and Services

Developers are investing in their current properties and services to ensure current owners receive the best service possible during their stays.

Orange Lake recently introduced an upscale Signature Collection product at their flagship Orlando resort earlier this year to include luxury FF&E and services. For owners who choose to upgrade, they receive select villa accommodations with luxurious goods, plush bathrobes, concierge service, and access to RCI’s upscale Registry Collection properties. A version of the Signature Collection product is also being unveiled at their Myrtle Beach location later this fall.

“Even in today’s economy, people want to get luxury. We have a lot of owners who want to buy up, and we want to talk to those 91 percent,” Connolly said. Starting sales on the Signature Collection in March, Orange Lake has already realized double the sales that executives had projected.

In addition to modernizing the interior décor of its properties, MVC recently added a food court in its Grande Vista property in Orlando. The “Grand Cove” food court includes Pizza Hut, a deli with sandwiches and salads, a rotisserie chicken concept, and a barbecue restaurant. “People didn’t want to go

out to restaurants every night, so we have gotten great feedback on that [food court],” Kinney said.

MVC executives will evaluate adding the food court concept at some of its other resorts.

Delivering on Promises

Even in a very challenging economy, the vacation ownership industry continues to invest in customer service programs, renovations, discounts, and other programs to keep their owners happy.

By focusing on retaining current owners, developers are still experiencing referrals to family and friends, and current owners are buying more and upgraded timeshare products. The renovation of properties, customer service initiatives, and flexibility in payment plans that have been implemented over the past year are also making the product more attractive to prospective owners. These marketing and operational efforts prove that, once again, the industry will come out of a recessionary period stronger and better than before. **D**

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