

This Year Should Be a New Brand Embargo



Every quarter, it would seem as though the major chains (although the minors aren't excluded from this fallacy) launch another few brands within their respective families, all under the guise of better serving the ever-mercurial modern traveler or appealing to a previously underserved micro-niche.

Despite the benefits from the ownership and franchising side, this practice is wrong and hopefully in 2019 we can put a temporary moratorium on the introduction of these increasingly irrelevant new brands. Why you ask? It comes down to a concept called 'brand dilution' which is fairly explicit from its naming. But understanding it will also help guide you in terms of how to adjust other aspects of your organization's operations and overall strategic direction.

Human beings have a limited memory capacity. We're not machines; we don't remember every piece of information that comes our way. This is especially true nowadays where people are bombarded by advertisements through a myriad of digital and print mediums. Ultimately, our minds become satiated by companies and facts to remember, and we cannot – or do we want – to hold onto any more.

With this psychological principle in mind, brand dilution means that when you attempt to educate consumers on too many at the same time, each with unique naming and selling features, all those brands start to compete for space in the brain, potentially cannibalizing each other in the greater pursuit of forming an emotional connection with prospective guests.

In other words, the more brands we introduce and the more we try to promote every single one, the less each individual brand resonates with the general public.

Less truly is more, and the successful brands of the near future are those that present a clear and straightforward message to consumers that is also emotionally charged and has room for customization and personalization once people have moved past the top-of-funnel initial interaction phase.

Conversely, the less successful hotel brands will be those that try to be 'everything for everyone' where ultimately, like butter scraped over too much bread, they fail to truly appeal to any single travel modality. On its surface, this may seem to support the need for more brands, but unfortunately the proliferation of sub-brands has now become too much of a good thing. Our brains have reached their maximum storage capacities for hotel company names, so give us a reason to remember each one.

Applying this keep-it-simple approach to other operations, you can see how a funneled methodology will greatly enhance your abilities to market and to upsell. Lead with your most titillating benefits, then filter guests according to their interests and more them a series of limited choices within each broad profile to fulfill their desires. In this sense, the principles that underlie brand dilution can help you to build better room packages, marketing materials, website user interfaces, F&B programs, event series and so much more.