

That rugrat is your future

An influential demographic segment for hoteliers to consider – but one that is often overlooked (perhaps even *literally* overlooked) – is children. Of course there are no children's hotels as such. But as Prof. **ALAIN NAJAR** of the **ECOLE HOTELIERE DE LAUSANNE** points out, catering to their needs today can insure their business tomorrow. What will 2010 bring in this area?

« Brand marketing must begin with children. Even if a child does not buy the product and will not for many years... the marketing must begin in childhood. »

James McNeal, *The Kids Market*, 1999

Kids represent an important demographic to marketers, hoteliers, restaurateurs and other industries because they have their own purchasing power, they influence their parents' buying decisions, and they're the adult consumers of the future.

Today's young people have an unprecedented amount of money to spend on personal items. Many kids enjoy large allowances from their parents, and older teens may have cash from part-time jobs. This means that they have a lot of disposable income that can be spent on items like clothing, electronics, music, and other items popular with young people – and even to organize their own vacation.

Another reason kids are so important to marketers is that they also influence a lot of the spending that occurs in their families. A 2003 study by Ipsos-Sofinco over a range of European parents confirms the remarkable influence of children: they have some say in 84 % of clothing purchases, 80 % of leisure activities and 76 % of food purchases.

It is noted that one main strategy used by children to influence their parents is « pestering », continuously insisting and repeating a request. Blackmail is another strategy frequently used. But a more advanced strategy is simply to take part in the early stage of the decision, doing some research, collecting information about alternatives, gathering inspiration from friend's experiences and thus having a legitimate say in the final decision. Even when parents do the actual purchasing, kids usually have some say in the kinds of things, or the brands, that they buy.

What should hoteliers know about this market in order to be attractive to children? If they want to attract the young generation, the correct segmentation of this market is important. This is not only based on age but on factors such as sex, type of family (married or divorced), only child or not...

and many other factors which will influence their demands and expectations. For example, take the so-called « tween » market. Children 8 to 12 years old are no longer little children, but not yet teenagers; however, at this age, tweens are starting to develop a sense of identity and are anxious to cultivate a sophisticated self-image.

To effectively market to children, it's important to know what makes them tick. With the help of researchers and psychologists, advertisers now have access to in-depth knowledge about children's development and their emotional and social needs at different ages. Children clearly like activities, sensory experiences and play, where they are active and absorbed – preferably with other children. For example, teenagers between 14-18 years of age like to take risks and participate in activities based on the senses – bungee jumping, for example. Kids like to fit in with the crowd and be part of a « tribe » sharing the same values and interests. They like not being with their parents.

Researchers say that kids' behavior today is focused on the following two words: « here » and « now ». They are used to having almost everything, with minimum effort on their part. Therefore, if they don't like something, or if they don't get a quick answer, they will go elsewhere.

Looking specifically at hotels, what are some of the considerations marketing professionals might want to bear in mind in 2010 as they learn to deal with this segment?

The reservation process. Children like to take part in the reservation process from the very early stages. They enjoy engaging with hotels and resorts, and love looking at pictures and videos online that bring the destination alive. Creative agents are thus already adding multimedia functions to their sites, and making use of social media such as Facebook and Twitter.

Mode of communication. One of the most important developments is that young people increasingly want to interact and transact via their mobile phones. They want to communicate in their way and on their terms. They also have



their own specific text message vocabulary. Teenagers spend around an hour and a half on the Web every day, 43 % using it for messages and 27 % for forums and chat rooms.

Brand affinities. Children are keen aficionados of like Vans – Quiksilver – Puma – Diesel – Adidas... and many more which are part of their daily life, reminding them of surf, party, hip-hop... Hero worship also plays a role here; wearing the same pair of Nikes worn by a revered football or pop star builds a child's ego tremendously. However, tweens and teenagers are not necessarily loyal to a brand and might navigate between two to three brands.

So in keeping with the notion that children are in fact small VIPs and «not just kids any more», here are some concrete ideas to appeal to this fickle but important bunch in 2010:

- A definite must is to create a special Kid's Club, with their own swimming pool, games, and even restaurant area. Many hoteliers are still quite reluctant to move in this direction, as they believe that children are more of a disturbance factor than a market segment. Instead, these hotel managers should be reminded, mantra-like, that that the kids of today are the adults of tomorrow...
- Introduce a «kids-only floor» with a separate check-in and check-out area for children.
- Create a special loyalty program only for kids.
- Create in the hotel a kind of social networking possibility, appealing to kids' desire to be continuously connected à la Facebook, Twitter and the rest.
- Take more direct contact with children, asking them what they want, having them participate in simple focus group-type exercises – and making them feel important.

One hotel which has understood the importance of this market segment is the famous Reid's Palace in Madeira. It has established many facilities to respond to the demands of their young guests:

- A special Kids' Club where children can enjoy various activities supervised by special trained personnel;
- A Teenager Club (10-18 years old) with Wii and Wiifit, computers, Playstation area and music room;
- Special dinners organized for children where they are taken care of by specialized employees, allowing their parents to enjoy some time on their own;
- Special in-room amenities for children (even including Bulgari toilet products);
- Specially developed spa packages for children, including massages and other treatments aimed just at them;
- A personal letter upon arrival.

Already many years ago, certain companies understood the importance of this market. As the Marketing Director of Coca-Cola was credited with saying some fifteen years ago, «To target youth is to ensure the future of the brand.»

If this is true, then no matter what the sector of activity of an enterprise, it must achieve recognition and appreciation from this growing market segment, because three quarters of the brands discovered before the age of 15 will remain favorites in adulthood. Therefore it is essential to attract and create brand loyalty as early as possible. ■