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Customer Data Should Drive IT Decisions

– Michelle McKenna, CIO

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Perhaps I'm a tech-based version of a split personality. I'm the CIO of Universal Orlando Resort, but I'm also a mother of two and the planner of our family's vacations. In fact, I think of myself first as a theme park customer, second as a senior leader at Universal and finally as the company's CIO.

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Recently we were brainstorming new events that would bring more Florida residents to our theme parks during off-peak tourist periods. Our in-house marketing group was pitching proposals, and I offered the idea of a Guitar Hero competition. Everyone loved it. But that idea didn't come from being a CIO—it came from being a mother of two kids obsessed with the Guitar Hero video game (in which players perform as rock stars).

Thinking like our customers and focusing on our company's markets are among the most important ways we can fulfill our responsibility to contribute to informed decision making. In today's contracting economy, it's more critical than ever for CIOs to study market trends and [find ways to maximize business opportunities](#).

Universal Orlando is one of many brands in the travel and entertainment industries competing for discretionary dollars spent by consumers on leisure time and vacations. Our universe is broad—whether we're focusing on our home state of Florida, elsewhere within the United States or internationally. Because our product falls into that discretionary expenditure category, we're often vulnerable to shifts in consumer confidence and virtually any other trend that influences the economy.

Of course, the competition boils down to a market of one—the individual consumer. People often assume that because of our high volume of guests, the experience we

provide for them also had to be geared for the masses. But digital [technology now enables guests to customize their experience](#), whether it's a Web-based interaction or an in-park attraction. For example, our new *Hollywood Rip, Ride, Rockit* roller coaster, launching in 2009, will allow guests to customize their ride experience by choosing the music that plays around them while on the roller coaster. When the ride ends, guests will be able to edit video footage of that experience into a music video to keep, share with friends or post online.

As CIO, I drive the knowledge, abilities and technologies to enable our customer-based market focus.

The CIO's Role as Marketer

Our systems have always had valuable market-defining customer data, but we didn't always know how best to leverage it. Fortunately, I've been able to work closely with executive peers to implement business intelligence that triggers a more analytical, customer-centric approach to marketing and sales.

Knowledge of our market helps me drill down into our data to understand what is really happening in our business. For example, trends indicated that our annual passholders—Florida residents, primarily—spend less on food, merchandise and other items than our day-pass guests. I wondered why that was, and thought that perhaps we were losing details by averaging out the spending data. It turned out that some pass holders do spend on par with day guests, particularly when they attend our special events, *Mardi Gras* and *Halloween Horror Nights*. This analysis showed that we needed to segment those annual pass holders more deeply in order to better understand them and market to them. So we are building a new data warehouse and business intelligence tools that will calculate spending by hour and by pass type. The initiative started in IT, and we can find many similar opportunities if we look at market details and ask questions.

Market Shifts in a Down Economy

In an economy where the overall market for vacation spending is shrinking, boosting the conversion rate of consumers considering a Universal vacation has become a business priority, which also means it's my priority. Our conversion rate—the number of people considering an online ticket purchase who execute the transaction—had plenty of room for improvement. We found that a lot of the conversion failure stemmed from clunky purchasing systems stuck together as e-commerce tools. By integrating these systems and their data, and by [improving business process flow](#), I'm able to improve conversions and put IT in the revenue-producing seat—a seat I like to be in.

Another economic factor shaping our market is the weakness of the dollar, which is causing an obvious shift by international visitors away from the United States. To increase conversion and improve the international customer experience, we put ourselves in the customer's position and asked, What is the business process for someone traveling from abroad to buy a vacation here at Universal? Traveling to the United States has become a bigger hassle, so focusing on systems and processes

executed at local airports can help reduce guest inconvenience upon arrival. We now have multiple initiatives planned to streamline the international guest's experience from initial ticket purchase on the Web to entry into our theme parks.

How to Be a Market Maven

Any CIO can take a few steps to get market savvy. We get weekly data about what happened in the park and what the spending trends are per guest. CIOs should get copied on [any reports](#) like that, study them and look for patterns. Don't be afraid to ask questions about it; give yourself permission to be a smart (and inquisitive) businessperson. When I first joined the company and asked about market issues, people looked at me and thought, "Why did she ask that? It doesn't have anything to do with technology." Over time they realized that I needed to understand our data in order to do my job.

It's easy for me to access our customers because our theme park is next to my office. I put time on my calendar every week to go into the park. You can't do that in every business, but you can do something similar. Tell your CEO that to serve your customers, you need to understand what drives their decision making, and ask if there is a major customer willing to spend time with you.

I know it's hard to make time for that kind of thing. I don't always stick to it, but I try to reserve every Wednesday as a no-meeting day—that is, no meetings with my IT staff that day. They understand that it's my time to walk around and talk to my peer group, to do some research, to read my RSS feeds from travel industry websites or read information that helps me be a better CIO. If you find that 100 percent of your typical day is taken up with internal meetings and operational issues, then something must change. If you really want to be a senior business leader who's keenly focused on your target market, you have to make the time.

Michelle McKenna is senior vice president and CIO at Universal Orlando Resort in Orlando, Fla., and is a member of the CIO Executive Council. She has been CIO of Centex Destination Properties and spent 13 years at [Walt Disney World Company](#) in IT, operations, marketing and finance.

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