

CASE HISTORY

Synopsis: Strategic partnerships and cooperative marketing build brand and increase sales

Partners: **American Airlines**
Hotel Corp. of the Pacific (Aston Hotels & Resorts)
Tropical Rent-A-Car
Hawaiian Air
Condo Resorts International

Situation: When the availability of condominium resort accommodations in Hawaii exceeded that of hotel rooms for the first time, Hawaii's largest condominium management company (Aston Hotels & Resorts) found itself with more available condo accommodations than anyone – while the total Hawaii vacation market itself appeared to have plateaued. At the same time American Airlines was introducing Hawaii service from San Francisco and expanding service from its Dallas/Ft. Worth and Los Angeles gateways in order to gain a larger share of the profitable, long-haul vacation business which had been dominated by United.

Action: Acting on behalf of my clients, Condo Resorts International and its co-op partner, American Airlines, I developed "*Condo in Paradise*" – a cooperative program which combined the available resources of several companies, and which utilized a combination of unused room capacity, rental cars and airline seats to create a barter fund of more than \$3 million in today's dollars. Added to cash funding, the budget was used to produce television and radio commercials, a full-color brochure, consumer and trade advertisements, and a travel agent direct mail program – and to place targeted, comprehensive media schedules in travel trade magazines and consumer media focused in the San Francisco, Los Angeles, and Dallas markets.

Results: In the first full month following introduction of the "*Condo in Paradise*" program, gross bookings increased 168 percent – nearly five times the increases the company had been generating prior to the launch of the program.

Expansion: American Airlines had selected several wholesale vacation companies to compete in its effort to launch a superior Hawaii condominium vacation program. "*Condo in Paradise*" continued to expand, with results by far outpacing all competitors, and was so successful it evolved into American's international AAloha Condo vacation program.

