

case study

Stone Lion Inn: Haunting in a Small Town

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Introduction

"Maybe all the people who say ghosts don't exist are just afraid to admit that they do."

– Michael Ende, *The Neverending Story*.

The Stone Lion Inn in Guthrie, Oklahoma is the state's first and oldest bed and breakfast. The 1907 Victorian mansion was restored and established by Rebecca Luker in 1986 after moving from Santa Fe, New Mexico to Guthrie with her two children. Luker was recruited to come to Oklahoma's original capital city, Guthrie (Guthrie, n.d.), by Ralph McCalmont, a local banker interested in historic tourism and development. In 1986, the Oklahoma economy was reeling from the oil bust and the failure of one of its largest banks. McCalmont believed that Guthrie's unique historic preservations (the largest number of historic properties registered per state capita) offered the best hope for the suffering local economy. Luker said, "Ralph had promised people that there would be a bed and breakfast establishment in Guthrie before the end of 1986. Ralph knew that I had experience in Santa Fe restoring historic properties and turning them into bed and breakfasts. He asked if I could move, restore the home, and be open for business in 60 days. I told him I could."

The restoration of the property seemed taxing; however, according to Luker she was prepared for the challenge. What she did not realize was how difficult it would be to be a pioneer in the bed and breakfast industry in Oklahoma. "We opened in December 1986, and I began a marketing campaign to generate business. People in Oklahoma had no idea what a bed and breakfast was. They would show-up and say, 'This is your home!' I would say, 'Yes and isn't it lovely?'" Luker soon discovered that people were uncomfortable staying in someone's home. "The first six months were horrible. I had moved here with my children, and I was going broke. I was in survival mode. I knew I had to do something to save the business and provide for my family."

It was at that point that Luker considered adding some type of entertainment to the venue to generate revenue. Based on the game 'Clue', Luker decided murder mysteries that allowed guests to become

engaged in their stay at the Inn through a theatrical 'whodunnit' show would be a good fit for her concept. "I knew from other friends in the bed and breakfast industry across the country that some inns in the Northeast were doing murder mystery weekends or parties, so I decided to give it a try. I wrote my first murder mystery for 12 characters since we only had six rooms. I took out an ad in the Oklahoma Gazette, a local lifestyle periodical, entitled, 'How to Plan a Murder.' The ad was practically an overnight success. The day the ad came out the phone was ringing off the hook, and I had a group book the entire house for a party. I could not believe the response."

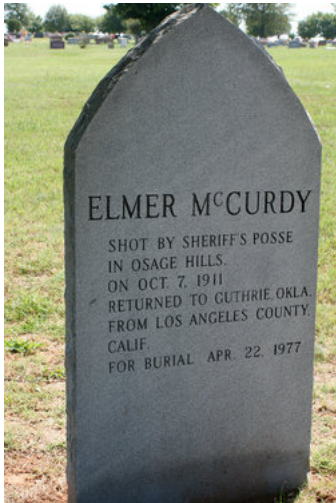
From there the Inn began booking murder mystery dinner parties every weekend. After a year, the Inn was booking guests six to eight months in advance. According to Luker, "At that point, we had the opposite problem from our initial startup. Instead of people saying, 'I don't want to stay in your house!' Now, they were saying, 'What do you mean we can't get in for 6 months?'"

During the Inn's first years in business using the theatrical murder mystery dinner packages, unusual things began to happen to guests during their stay. Some of the guests began experiencing odd phenomena at night after everyone had gone to bed. People would come down for breakfast the next morning and ask Luker if she had a little girl. Their recounts of the night before were similar; a young female child had awakened them. Luker says she initially had no idea of what they were talking about and would play it down. "The first few times it happened, I thought they must have been dreaming, but then I real-



Front view of the Stone Lion Inn, Guthrie, OK

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The gravesite of Elmer McCurdy, a real folk legend upon which one of the murder mysteries is based.



Photos of customers in character during a murder mystery dinner

ized all the experiences had striking similarities.”

This prompted Luker to do more investigation into the history of the home. Based on the title abstracting required in Oklahoma when a piece of property is sold, Luker knew that she was the second owner, but third tenant of the home. The first owner was Fred Houghton who had been a businessman in Guthrie after coming to Oklahoma during the land run. At the time Houghton built Stone Lion Inn, it was the most expensive home in Guthrie at a cost of \$10,500 when the average home was being built for less than \$2,000. Luker knew little else about the prior owner, but discovered in her investigation that the Inn had a dark past. Houghton's daughter had died at 8 years of age in the house. Then, the Houghton family leased the home in the 1940s and 1950s as a funeral home. As Luker put these unusual and gloomy facts about the home together, she knew she had a distinct opportunity to provide her guests a unique experience, while turning it into a profitable hospitality business.

Integrating Emotional Branding and Atmospheric into Stone Lion's Brand

Developing a distinct brand for a product or service is critical; some marketing and hospitality academics have argued that it is the most important marketing management decision a business owner makes (Turley & Moore, 1995). Once a company has developed a brand and brand image, like that of being haunted, it is important to manage the brand to ensure that brand image is one that consumers not only recognize, but also one which they associate with positively. Brand management has a number of aspects, including making a distinction between image/identification and reputation (Berthon, Ewing, & Napoli, 2008). A brand's identity or image involves the consumer's most recent belief about the business (Balmer, 1998). Reputation, on the other hand, is the value judgments that the consumer develops

over time about the brand's qualities such as reliability and trustworthiness (Fombrun & Van Riel, 1997).

With the discussion on managing a brand in mind, the concept of emotional branding is important concept when examining Stone Lion Inn. Emotional branding as defined by Thompson, Rindfleisch, and Arsel (2006) is a “consumer-centric, relational, and story-driven approach to forging deep and enduring affective bonds between consumers and brands” (p.50). As a paradigm of brand management for identity creation, emotional branding is an alternate to benefit-driven branding (Gobe, 2001). Emotional branding inspires and ignites passion within the consumer toward the brand, instead of focusing on attribute performance (Thompson, Rindfleisch, & Arsel, 2006).

Tourism marketers are faced with the challenge of differentiating their destination from others through the tourist experience (Hosany & Gilbert, 2010). Haunted destinations like the Stone Lion who utilize emotional branding can position themselves in such a way that provides market differentiation and competitive advantage (Thompson, Rindfleisch, & Arsel, 2006) by improving the tourist experience through stories, emotions, relationships, sensory aspects, and participation from the consumer (Atkin, 2004; Gobe, 2001; Lindstrom, 2005; Thompson, Rindfleisch, & Arsel, 2006). The earliest conceptualization of the tourist experience as described by Uriely (2005) includes the desire for strangeness and novelty that is a reversal of daily life; meeting an individual's need to experience change and leisure (Cohen, 1979). Theoretically paralleling the formation of a tourist experience with the strategy of emotional branding, haunted tourism destinations and hotels can create a unique experience for the customer.

One method of creating a tourist experience through emotional branding is through environmental cues that influence consumer attitudes, emotions, and behaviors (Grappi & Montanari, 2011). Some environmental cues, termed atmospheric, can be purposefully created as a tool to enhance emotional branding, and in turn influence

certain consumer behaviors and emotions. Atmospherics, or the design of a commercial space (Kotler, 1973), serves as stimuli that influence consumers' emotions within a specific environment (Grappi & Montanari, 2011).

For the Stone Lion Inn, an employee acting as "game master" is provided to guests during their murder mystery dinner experience. This game master is charged with not only creating order and coordinating activities, but is also used to maintain atmospherical elements of the murder mystery. An example of one of the atmospherical creations involves a trip to the Guthrie Boot Hill cemetery where the foundation of a mystery involves the true story of Elmer McCurdy, one of the deceased buried there. Inn guests gather around Elmer McCurdy's grave site as if he was just laid to rest and they are a relative of McCurdy paying their last respects. The game master explains how McCurdy became a Hollywood legend after being killed in a locomotive shoot out in Oklahoma in 1911. When his body was unclaimed, the funeral director preserved his body in an arsenic based preservative and stored him in a funeral home. After being mistaken for a prop, McCurdy's body became part of a sideshow act and ended up in storage in Los Angeles, California. It was only during the filming of the Six Million Dollar Man television show that people realized that McCurdy was not a prop, but a well preserved human (Svenvold, 2003). McCurdy was finally laid to rest in 1977 in the cemetery. To establish atmospherical elements and stimulate the guests' emotions in other murder mysteries, Luker created fictional stories of relatives of family members who had lived in the home, including a fight over the estate

Current consumer trends in lodging do not typically reflect the type of atmospherics that Luker has created. Today, with rapid changes in technology, some of the most popular trends include mobile booking, technology amenities, health and wellness, and pet accommodations. However, the Stone Lion Inn only accepts reservations on the phone and provides very little technology. In large part this is because few lodging establishments are focusing on maintaining

the atmospheric integrity and authenticity of the early 20th century era like Luker is. As she states "telling the story of Elmer McCurdy, but having streamline LED televisions in the guest rooms does not reflect my goal, which is creating personal communications between guests. We have become an era of technology, and less on human interaction. With the murder mystery and the paranormal encounters, there is a human element to it that you cannot find anywhere else. And these elements are what get people talking. As much as people say they want technology, when given the chance, escaping reality and experiencing a ghostly encounter is true satisfaction."

Prior research has shown that atmospherics can be manipulated by an organization, sequentially changing consumer attitudes and behaviors (Babin, Chebat, & Michon, 2004; Kotler, 1973; Yuksel, 2007). Destinations that brand themselves as haunted are, in essence, combining the needs of a tourist experience through specific atmospherics in order to generate emotional responses. Bader, Mencken, and Baker (2011) explore the concept of haunted atmospheres as a mechanism for resurgence in struggling economic townships. Specifically, they examine the town of Jefferson, Texas, a town whose economy is dependent on hauntings. Tourists visit Jefferson to go on ghost tours, ride on a ghost train, and visit haunted homes, utilizing the town's haunted brand as a method to achieve a lucrative economy as a tourism destination. In the tourism and lodging industry, in which competition is high, destinations can market themselves with emotional branding to entice customers of the potential to create memorable tourism experiences (Kim, Ritchie, & McCormick, 2012).

For the Stone Lion Inn, creating the tourist paranormal experience stems largely from the guests willingness to participate. In order for the murder mystery dinner package to work effectively, a minimum of 20 people and a maximum of 40 people participating is required. Some characters in the murder mystery may require involvement that goes above and beyond the Inn's rules, such as dressing for a specific part. For example, one murder mystery storyline has a judge as a



Embalming table used in the Inn for beverage service. Originally utilized by the second owners when house was a funeral home.



The former room of Augusta Houghton, who died in the room at the age of 8 and is the most encountered ghost of the Inn.



Reports of cigar smoke can be suddenly sensed in the parlor while no one present is smoking. The original owner was said to be a cigar efficiando.

character. The character assumes this role by being dressed in visually similar attire like an academic graduation robe. Aside from attire, the standard rules Luker asks guests to obey are as follows:

1. When you arrive assume your character and do not leave that role for the entire evening. Short biographies of your role and the other guests are attached. It is imperative that you study your role and the other bios thoroughly. Do not discuss your real life job, children, pets, nothing!
2. You can make up anything you like while talking about yourself as long as you are in character and what you make up does not conflict with the information in your bio.

Optimizing the Growth in Paranormal Experiences

Interest in paranormal destinations is becoming more mainstream as reality TV shows, such as 'Ghost Hunters' on the SyFy channel and 'Ghost Adventures' on the Travel Channel, draw consumer attention. Three in four Americans believe in at least some type of paranormal

activity and approximately 37% of Americans believe that a structure, like a house, can be haunted (Gallup, 2005). The Stone Lion Inn was prominently featured on the television show Ghost Hunters in the episode titled "Toxic House" due to the increasing paranormal experiences reported by its guests. Blogs such as HauntsofAmerica and Internet websites like HauntedRooms.com also feature the Stone Lion Inn as a must stay destination for a paranormal experience.

Within the tourism industry, using ghosts and hauntings can be used as an exploitation marketing tool (Holloway, 2010). Just as some hotels use third party awards and ratings to develop a brand image perceived by customers (Nicolau & Sellers, 2010), properties can utilize a haunting to attract specific customers to a destination. Many theories ranging from a psychological perspective (Pinker, 1999) to a religious perspective (Rice, 2003) exist around a belief in the paranormal. Specific haunted house lodging experiences are readily available for consumers through third party reservations like HomeAway, BnB Finder, and Haunted Places To Go and are featured on popular websites like the Travel Channel. Regardless of how beliefs about paranormal agents are formed, tourist destinations, hotels, and bed-and-breakfasts can utilize these customer-held beliefs to potentially increase occupancy rates, revenues, and customer satisfaction. Luker began to capitalize on these perceptions by adding physical features to the house, such as a beverage service station that was formerly used as an embalming table and early 1900 era antiques strewn throughout the property.

For Luker and her family, the Stone Lion Inn is not just a business, but also a homage to the city of Guthrie, Oklahoma and the former residents of the home. Despite the goal of authenticity of the Inn, financial health is still a goal of Luker's. The Stone Lion Inn has six rooms on property, but Luker also owns two other inns that can be used when the Stone Lion is fully booked. The Inn has greatly evolved since its humble beginnings as the first bed-and-breakfast inn in Oklahoma. When it opened in 1986, before the murder mystery idea was implemented, the average room rate was \$75, the next year rates rose 46.7%

Table 1

Occupancy, Average Room and Murder Mystery Dinner Rates of the Stone Lion Inn

	1986 (Pre-Murder Mystery)	1987 (Murder Mystery 1st Year)	2009	2015
Occupancy Rate* (Friday-Sunday)	22%	82%	87%	93%
Average Room Rate*	\$75	\$110	\$139	\$159
Murder Mystery Dinner Rate* (in addition to room rate)	--	\$47	\$54.95	\$59.95

** Note: Data does not include groups*

Table 2

Murder Mystery Dinner Customer Totals Based on Marketing Approaches, 2009 and 2014

	2009	2014
Group Booking*	33.5%	15.8%
Internet	22.4%	13.7%
Personal Contact	14.8%	3.5%
Repeat Customer	9.2%	6.4%
Gift Certificate	6.5%	3.5%
Ghost Hunters	2.0%	0.1%
Local Media	11.7%	1.0%
Groupon*		47.8%
Living Social		8.2%
Total Customer Count	1,148	1,856

**Note: Groupon customers purchase a discount based on two people pricing. With Groupon, customers may book with other couples for the same weekend. With a group booking, the entire Inn is dedicated to one group with a minimum of 20 individuals.*

due to increased demand of the Inn. Today, the average room rate has more than doubled since its opening nearly 20 years prior.

Today, Luker continues to create new murder mysteries so returning customers are always experiencing a new adventure. Luker also promotes murder mysteries to corporations for executive retreats, and through deal agencies such as Groupon and LivingSocial. Luker has experienced tremendous success with Groupon and is featured as a success story on the Groupon website. On Groupon, 431 customers recommend The Stone Lion Inn for a total rating of 91%. In comparing Stone Lion Inn's marketing initiatives between 2009 and 2014, it is clear that Groupon has played a significant role in the increase in customers (see Table 2). According to Luker, sales are affected by the fact that 35% of murder mystery participants also purchase a room. Profit margins for the murder mystery dinner portion are 68% at full price, whereas room profit margins are 54%.

A Haunted Future

Most reviews of the Stone Lion Inn and the accompanying murder mystery are positive. Some of the most recent reviews include:

"We celebrated my 30th birthday on Valentine's day. I have never done a murder mystery dinner or stayed there, it was the best experience ever. My family rented out every room in the Stone Lion Inn. We all had an amazing time. We will definitely be back."

"Can't wait to go back again! The food was delicious, the murder mystery was so much fun. Loved seeing all the men dressed in suits and women in flashy dresses, it was all quite a treat. The home was so beautiful and the owner and staff are wonderful. They are very good at what they do. Thank you!"

The popularity of the murder mystery concept has been growing throughout the United States, including in dinner theater settings. Companies now sell murder mystery packages for consumers' home use. But few places can claim they have paranormal encounters to parallel the murder mystery concept. Are the paranormal experiences real? Or, has Luker created an emotional brand and an experience so intense that customers want to see a ghost and form a desire to be haunted based on the atmospherics and past experiences of others? One may never know.

The success of the Stone Lion Inn also means success for Luker as well. Luker is the owner of two other properties in the same city of Guthrie, Oklahoma. Could they also be haunted? Could Luker create a different emotional brand with consumers? With Luker's marketing and physical presentation, it is not out of the realm of possibility. Or maybe another inn, in another location outside of the town of Guthrie could benefit from Luker's experience? Regardless, the future of the Stone Lion Inn and Luker's success is not nearing death; unlike some of the former inhabitants of her business.

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