

teaching note

Stone Lion Inn: Haunting in a Small Town

Case Synopsis

The Stone Lion Inn was started by Rebecca Luker in the mid 1980's as the state of Oklahoma's first bed and breakfast. During a time of economic hardship in the state, Luker sought to generate strong revenue by adding a murder mystery component to a patron's stay for an extra fee. Simultaneously, some guests started describing ghostly encounters in their stay at the Stone Lion Inn. What may have scared some business owners away, the hauntings presented Luker with an opportunity to grow the business and to reach guests by uniquely and strategically positioning Stone Lion Inn. Through the use of emotional branding and atmospherics, this case examines how marketing tactics of the Stone Lion Inn have brought success to the establishment.

Teaching Objectives

- Explore how unique hospitality concepts can be utilized for destination marketing and increasing revenues.
- Analyze marketing strategies and tactics.
- Investigate the use of emotional branding and atmospheric cues in marketing.

Courses and Intended Levels

This case is intended for undergraduate students in hospitality-tourism management (specifically lodging management) or hospitality marketing classes. There is also application in the fields of Anthropology and Psychology that students can draw on to enhance learning.

Case Research and Methodology

- Data sources
- Primary
- Interviews with Rebecca Luker, owner of the Stone Lion Inn
- Personal encounters at the Stone Lion Inn
- Marketing approaches and data provided by the owner
- Secondary data
- TripAdvisor reports
- Groupon reports
- GhostHunters television show
- See additional references below.

Suggested Teaching Approaches with Links to Theoretical and Applied Frameworks

This case presents an opportunity to create a highly interactive undergraduate class environment. It is relatable in that most students are familiar with ghosts, and possibly have been to a haunted house at some point, but also in the fact that some will believe in ghosts, and some will not. This, along with the readily available examples of types

of branding opportunities and value-added activities will provide the instructor a variety of opportunities to execute a thoughtful and engaging discussion.

Instructors can utilize the video of the Ghost Hunters episode featuring the Stone Lion Inn in their class at https://www.youtube.com/watch?v=3bqo-UKQh_s (Note: Play from beginning until 23:37). For an additional resource, there is a video about Stone Lion Inn featured on the Groupon sister website www.grouponworks.com. It can be accessed at <https://www.grouponworks.com/case-studies/working-with-groupon/stone-lion-inn-bed-breakfast>

1. Paranormal aspects in hospitality

The Stone Lion Inn does not quantitatively track the number of its patrons that visit for the experience of a paranormal encounter, or measure how many believe in ghosts. But the business of the paranormal is growing. Many resources are available for individuals to use to improve 'hauntings' in their concept and to create a memorable customer experience. Below is a list of readings students can use to better understand the paranormal in business and hospitality.

1a. Supplemental readings and references for use with the case:

Bader, C., Mencken, F. C., & Baker, J. O. (2011). *Paranormal America: Ghost encounters, UFO sightings, bigfoot hunts, and other curiosities in religion and culture*. NYU Press.

BnB Finder. Haunted getaways – If you dare. Retrieved from <http://www.bnbfinder.com/haunted.php>

Gallup (2005). Paranormal beliefs come (super)naturally to some. <http://www.gallup.com/poll/19558/Paranormal-Beliefs-Come-SuperNaturally-Some.aspx>

Hauntrepreneurs. (2015). Hauntrepreneurs: Themed attraction design and consulting. Retrieved from: <http://hauntrepreneurs.com/>

Haunted Bed and Breakfasts. Haunted places to go. Retrieved from <http://www.haunted-places-to-go.com/haunted-bed-and-breakfasts.html>

Travel Channel. Haunted bed-and-breakfasts. Retrieved from <http://www.travelchannel.com/interests/romance-and-honey-moons/articles/haunted-bed-and-breakfasts>

2. Emotional branding

Emotional branding has evolved as an effective means of marketing versus traditional benefit driven branding. While both types of branding can be effective in increasing consumer purchase intent, in the present case, creating the tourist experience through elicited emotions is a strategy Luker has used

in marketing the Stone Lion Inn. Benefit driven marketing on the other hand focuses on the tangible benefits that can be achieved through the use or experience of a product. Emotional branding has achieved other types of associated terms such as “Brand Humanization” or “Brand Ethos.” The following supplements provide other examples of creating emotional branding from larger brands such as Patagonia, Warby Parker and Tom’s shoes; while also providing guides on how to create and utilize emotional branding.

2a. Supplemental readings and references for use with the case:

Biro (2012). 5 “foot” steps to creating brand appeal. Retrieved from <http://www.forbes.com/sites/meghanbiro/2012/05/22/5-foot-steps-to-creating-brand-appeal/>

Gobé, M. 2001. Emotional branding: The new paradigm for connecting brands to people. New York: Allworth.

Hoffman, J. (2013). Market like Patagonia, Warby Parker, and Tom’s shoes. Retrieved from <http://www.inc.com/jeff-hoffman/marketing-values-patagonia-warby-parker-toms-shoes.html>

Rossiter, J., & Bellman, S. (2012). Emotional branding pays off: How brands meet share of requirements through bonding, companionship, and love. *Journal of Advertising Research*, 52(3), 291-296.

Thompson, C. J., Rindfleisch, A., & Arsel, Z. (2006). Emotional branding and the strategic value of the doppelgänger brand image. *Journal of Marketing*, 70(1), 50-64.

Atmospherics in marketing

In marketing, one of the most important aspects of a product is its placement. Consumers not only respond to the tangible or service aspects of a product, but also to other aspects that make up the “total” product. In some cases, the place, or more specifically, the atmosphere of the place, can have strong influence on buyer’s purchase decisions. Stone Lion Inn captures the essence of atmospheric marketing cues in such aspects as its home décor and the props used in the murder mysteries (e. g. the local graveyard, embalming table). There are numerous ways that the hospitality industry can utilize atmospherics to increase revenue, specifically wineries seek to incorporate atmospherics in individualized personalization of their wine tastings and hotels in the spa experience for their guests. The supplemental readings show different elements of atmospherics in retail and hospitality industry.

3a. Supplemental readings and references for use with the case:

Kotler, P. (1973). Atmospherics as a marketing tool. *Journal of Retailing*. 49(4), 48-64.

Loureiro, S. M. C., Almeida, M., & Rita, P. (2013). The effect of atmospheric cues and involvement on pleasure and relaxation: The spa hotel context. *International Journal of Hospitality*

Management, 35, 35-43.

Pan, F-C, Su, S-J, Chiang, C-C. (2008). Dual attractiveness of winery: Atmospheric cues on purchasing. *International Journal of Wine Business Research*, 20(2), 95-110.

4. Entertainment as a value added lodging activity

Luker knew she needed something to differentiate the Stone Lion Inn and to bring in business since the Oklahoma bed and breakfast market was relatively non-existent. Adding on the murder mystery component was a revenue generator that paralleled the haunted theme of the Inn. Las Vegas may be the best known example of a lodging establishment offering on-site entertainment. Other examples include Great Wolf Lodge’s indoor waterpark, Colonial Williamsburg’s reenactments of colonials’ daily activities, and Mountain Lake Lodge’s Treetops Adventure. By having the destination include lodging and activities/entertainment, companies can increase revenues by having guests not have to seek amenities or entertainment elsewhere. Students can utilize a few of these links to understand just some cases of how entertainment can be built into the lodging stay and experience.

4a. Supplemental readings and references for use with the case:

Colonial Williamsburg. Hotel guest benefits. Retrieved from <http://www.colonialwilliamsburg.com/stay/guest-benefits/?from=guestbenefitslodge>

Great Wolf Resorts. The great wolf difference. Retrieved from <http://corp.greatwolffresorts.com/great-wolf-difference>

Mountain Lake Lodge. Mountain Activities. Retrieved from <http://www.mtnlakelodge.com/mountain-activities/mountain-lake-treetop-adventures>

Discussion Questions

1. Discuss the balance of authenticity and functionality keeping in mind current trends in the lodging industry.
 - a. Recap definition of authenticity. What makes a location authentic? Describe examples from the industry in general (going beyond the Stone Lion).
 - b. Discuss lodging features that provide functionality (e.g. various types of bedding, window shades, lighting, bath/ shower features, communication means, etc.). Beyond what is mentioned in the case study, how can Stone Lion Inn maximize its uniqueness in the functional aspects of its hospitality business?
 - c. Discuss how current trends of modern functionality and tech-savvy amenities are so attractive to Millennials but may be counter to the interaction, exploration, and experience components of Stone Lion Inn. Do you see opportunities where there could be both?
 - d. Remember what Luker said about no LED TVs to encourage

- interpersonal communication and facilitate the escape from routine. Do you agree with Luker or not? Why?
2. Try to identify other hospitality concepts where the Stone Lion's business model is feasible?
 - a. Recap what makes a business model feasible.
 - b. What are the hard-to-duplicate features of the Stone Lion? If unable to duplicate those, what could be substituted with without fundamentally changing the model?
 3. Who is the target market of the Stone Lion?
 - a. Discuss generational differences as well as personality features.
 - b. Develop a profile of the target market(s).
 4. Should the Stone Lion start merchandising? Why, how, and what? Why not?
 - a. Recap definition of merchandising.
 - b. Discuss different ways the Stone Lion could merchandise.
 5. Would a loyalty program be feasible for the Stone Lion?
 - a. Recap loyalty programs' advantages and disadvantages.
 - b. Discuss various ways a loyalty program could be designed for the Stone Lion property itself and/or the other properties owned by Luker. How would these points work? What would the rewards look like? Should discounts be involved?
 6. How should the Stone Lion Inn structure their pricing?
 - a. Discuss pricing strategies of the Stone Lion Inn.
 - b. Discuss the occupancy rate and price balance of the Stone Lion Inn. What changes should Luker make, if any?

Assignments

- Research other successful examples of emotional branding.
- Compare and contrast two similar properties, one adopting emotional branding and one without, from both an objective (e.g. price, occupancy, etc.) and a subjective (e.g. customer reviews/ratings, etc.) measurement stand point.
- You are opening a bed and breakfast following the Stone Lion's concept (i.e. murder mystery, haunting). Write the marketing plan.