



CASE STUDY

HOTEL



QUICK HITS

Summary



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Success

QUICK HITS: Summary

Steady **400%** marketing ROI for 12 months.

Bookings through less preferred online travel agencies fell from **75% of room sales to 30%** within one year.

Average visits per guest per year rose from **1.3 to 4.6** in the first year.

Average length of stay increased from **1.9 nights to 3.2 nights** in the first year.

INTRODUCTION

HOTEL

The hospitality industry is one of notoriously thin margins and fierce competition, most notably from rental-by-owner services like Airbnb and VRBO. The hotel industry has also seen significant consolidation in the last few years, with more than 20 billion dollars in corporate acquisitions between 2016 and 2018 alone. In fact, nine umbrella companies now hold more than half the hotel properties on the continent.

For independent hotel properties without the budget to compete with major chains, **the struggle to rise above the crowd is a significant one.**

Creativity, detailed analytics, and precise targeting are paramount to isolate the hotel's ideal customers and keep them coming back.

CHAPTER 1

PROBLEMS

The main problem facing our hotel client when we took over their marketing was one of consistency. Branding across properties and locations was nearly nonexistent, so customers didn't associate the various properties or marketing channels with a unified brand.

Without brand recognition or consistency, our client was competing primarily against online travel agencies (OTAs). OTAs take a significant cut of profits, making them much less desirable than direct bookings. It's also much more difficult to stand out in the listings on OTA websites, especially when competing with sponsored posts from high-budget chains.

There was also a shortcoming of tracking and analytics — **without robust measurement tools, ROI was nearly impossible to determine.**

Finally, reputation management was being almost completely overlooked. The hospitality industry is heavily reliant on reviews — satisfied customers are the best advocates to bring in new guests — but positive reviews weren't highlighted or brought to the forefront in a useful or productive way.

The end result was a hotel group with little recognition or brand loyalty. Visitors were satisfied with their stays, but they weren't bringing in new guests or coming back for repeat stays. Repeat visits and the average length of stay were both very low, increasing customer acquisition and marketing costs.

C H A P T E R 2

STRATEGY

Our first priority was to create an integrated marketing strategy and brand presence across all channels and properties. We combined traditional and digital marketing initiatives into an integrated, unified strategy designed to compete with the OTAs, including robust digital and traditional advertising mediums.

At the same time, we helped the client to establish a more consistent brand presence and identity. By establishing brand guidelines to be implemented in every outward-facing website and social channel, we were able to unify the brand's image and reputation.

Next, we launched a completely redesigned, growth-driven website. Rather than taking six months to launch, a growth-driven site can be launched in a matter of weeks and adjusted over time to accommodate the needs of website visitors and hotel guests.

To take advantage of the power of referrals, we implemented a review program that highlighted positive reviews, integrated reviews into

collateral, and leveraged those reviews into a marketing tool. This included the design and implementation of a customer loyalty program that encouraged referrals and repeat visits.

Finally, we installed robust tracking and analytics tools to track customer interactions from the very first touchpoint to the Property Management System that handles their stay. By collecting and analyzing data from individual guests, we can build a much more robust picture of each buyer persona and more accurately direct future marketing efforts.

C H A P T E R 3

SUCCESS

Once the client's goals, brand, foundation, and strategy were unified and consistent, the results were immediate and significant. Over the course of our first year working with the client, we saw a dramatic increase in the effectiveness and efficiency of our marketing efforts.

ROI remained steady at 400% for the first 12 months, demonstrating the power of better targeting and brand advocacy from satisfied guests.

We also made great strides in capturing traffic from the OTAs – the proportion of reservations made through OTAs dropped from 75% down to 30% within the first year, preserving profit margins and helping our clients to establish a closer relationship with each guest.

Guest satisfaction climbed as a result. The average number of visits by a given guest in a year more than tripled from 1.3 to 4.6, and the average length of stay went from 1.9 nights to 3.2 nights within a year. By attracting longer and more frequent stays from loyal guests, we were able to bring down customer acquisition costs and increase brand loyalty significantly.

This client's success is not an aberration but a demonstration of the effectiveness of a unified, integrated marketing strategy – and a warning about the inefficiencies of a piecemeal approach. By sticking to a data-oriented strategy, a centralized marketing approach, and a consistent brand presentation, our hotel client has been able to enjoy sustained success in an increasingly competitive digital world.



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